

TRANSPORTADORA DE GAS DEL INTERIOR S.A. E.S.P. - TGI S.A. E.S.P. AND ITS SUBSIDIARY

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2007

(Expressed in millions of Colombian pesos (Col\$) and thousands of U.S. dollars (U.S.\$) - see Note 1)

ASSETS	Note	As of December 31, 2007			
CURRENT ASSETS:					
Cash and cash equivalents	2	Col\$	103.541	U.S.\$	51.391
Restricted cash			7.997		3.969
Accounts receivable	3		48.549		24.097
Inventories			23.937		11.881
Prepaid expenses	5		28.841		14.315
Total current assets			212.865		105.653
PROPERTY, PLANT AND EQUIPMENT, net	4		964.229		478.582
OTHER ASSETS, NET	5		2.244.694		1.114.126
Total assets		Col\$	3.421.788	U.S.\$	1.698.361
Memorandum accounts	14	Col\$	1.518.849	U.S.\$	753.861
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Financial obligations	6	Col\$	45.759	U.S.\$	22.712
Accounts payable	7		12.319		6.114
Labor obligations			369		183
Collections on behalf of third parties	10		7.389		3.668
Provisions	11		726		360
Total current liabilities			66.562		33.037
LONG-TERM LIABILITIES:					
Financial obligations	6		2.256.531		1.120.000
Provisions	11		606		301
Other liabilities	12		33.396		16.576
Total liabilities			2.290.533		1.136.877
Total liabilities			2.357.095		1.169.914
SHAREHOLDERS' EQUITY:					
Capital	13		750.000		372.253
Additional paid-in capital			24.703		12.261
Net income for the current period			289.990		143.933
Total shareholders' equity			1.064.693		528.447
Total liabilities and shareholders' equity		Col\$	3.421.788	U.S.\$	1.698.361
Memorandum accounts	14	Col\$	1.518.849	U.S.\$	753.861

The accompanying notes are an integral part of these consolidated financial statements.

TRANSPORTADORA DE GAS DEL INTERIOR S.A. E.S.P. - TGI S.A. E.S.P. AND ITS SUBSIDIARY

CONSOLIDATED INCOME STATEMENT

FOR THE PERIOD FROM FEBRUARY 16, 2007 (DATE OF INCORPORATION) TO DECEMBER 31, 2007

(Expressed in millions of Colombian pesos (Col\$) and thousands of U.S. dollars (U.S.\$) - see Note 1)

	Note	<u>For the 318-day period ended December 31, 2007</u>	
Operating revenues:			
Sales:			
Capacity charges		Col\$ 254.930	U.S.\$ 126.531
Variable charges		54.412	27.007
Non-recurring charges		37.254	18.491
Other revenues		5.837	2.897
		<u>352.433</u>	<u>174.926</u>
Operating costs:			
Operation and maintenance	15	(49.851)	(24.743)
Depreciation and amortization		(68.264)	(33.882)
		<u>(118.115)</u>	<u>(58.625)</u>
Gross Margin		<u>234.318</u>	<u>116.301</u>
Operating and administrative expenses:	16		
Personnel and general services		(20.892)	(10.369)
Provisions, depreciation and amortization		(4.889)	(2.427)
		<u>(25.781)</u>	<u>(12.796)</u>
Operating income		208.537	103.505
Non-operating income	17	276.778	136.740
Non-operating expenses	18	<u>(173.892)</u>	<u>(85.674)</u>
Income before income tax		311.423	154.571
Income tax	9	(21.433)	(10.638)
Net income		<u>Col\$ 289.990</u>	<u>U.S.\$ 143.933</u>

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TRANSPORTADORA DE GAS DEL INTERIOR S.A. E.S.P. - TGI S.A. E.S.P. AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD FROM FEBRUARY 16, 2007 (DATE OF INCORPORATION) TO DECEMBER 31, 2007

(Expressed in millions of Colombian pesos (Col\$) and thousands of U.S. dollars (U.S.\$) - see Note 1)

	<u>Capital</u>	<u>Additional paid-in capital</u>	<u>Net income for the current period</u>	<u>Total shareholders' equity</u>
BALANCES AS OF FEBRUARY 16, 2007	Col\$ -	Col\$ -	Col\$ -	Col\$ -
Capital contribution and additional paid-in capital	750.000	24.703	-	774.703
Net income	-	-	289.990	289.990
BALANCES AS OF DECEMBER 31, 2007	<u>Col\$ 750.000</u>	<u>Col\$ 24.703</u>	<u>Col\$ 289.990</u>	<u>Col\$ 1.064.693</u>
BALANCES AS OF DECEMBER 31, 2007	<u>U.S.\$ 372.253</u>	<u>U.S.\$ 12.261</u>	<u>U.S.\$ 143.933</u>	<u>U.S.\$ 528.447</u>

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TRANSPORTADORA DE GAS DEL INTERIOR S.A. E.S.P. - TGI S.A. E.S.P. AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE PERIOD FROM FEBRUARY 16, 2007 (DATE OF INCORPORATION) TO DECEMBER 31, 2007

(Expressed in millions of Colombian pesos (Col\$) and thousands of U.S. dollars (U.S.\$) - see Note 1)

	For the 318-day period ended December 31, 2007			
WORKING CAPITAL PROVIDED:				
Net income	Col\$	289.990	U.S.\$	143.933
Depreciation and amortization		54.567		27.084
Exchange gain		(268.993)		(133.511)
Deferred tax		21.433		10.638
Provisions		606		301
Working capital provided by operations		<u>97.603</u>		<u>48.445</u>
Capital contribution		774.703		384.514
Increase in financial obligations		2.524.559		1.253.032
Increase in other liabilities		12.041		5.976
Total working capital provided		<u>3.408.906</u>		<u>1.691.967</u>
WORKING CAPITAL USED:				
Increase in property, plant and equipment		(983.469)		(488.132)
Increase in other assets		(2.279.134)		(1.131.219)
Total working capital used		<u>(3.262.603)</u>		<u>(1.619.351)</u>
INCREASE IN WORKING CAPITAL	Col\$	146.303	U.S.\$	72.616
Changes in Components of Working Capital:				
Cash and cash equivalents	Col\$	103.541	U.S.\$	51.391
Restricted cash		7.997		3.969
Accounts receivable		48.549		24.096
Inventories		23.937		11.881
Prepaid expenses		28.841		14.315
Financial obligations		(45.759)		(22.712)
Accounts payable		(12.319)		(6.114)
Labor obligations		(369)		(183)
Collections on behalf of third parties		(7.389)		(3.667)
Provisions		(726)		(360)
INCREASE IN WORKING CAPITAL	Col\$	146.303	U.S.\$	72.616

The accompanying notes are an integral part of these consolidated financial statements.

TRANSPORTADORA DE GAS DEL INTERIOR S.A. E.S.P. - TGI S.A. E.S.P. AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM FEBRUARY 16, 2007 (DATE OF INCORPORATION) TO DECEMBER 31, 2007

(Expressed in millions of Colombian pesos (Col\$) and thousands of U.S. dollars (U.S.\$) - see Note 1)

	For the 318-day period ended December 31, 2007			
	Col\$		U.S.\$	
Cash Flows from Operating Activities:				
Net income	289.990		143.933	
Reconciliation between net income and net cash provided by operating activities:				
Depreciation and amortization	75.875		37.660	
Exchange gain	(268.618)		(133.325)	
Deferred tax	21.433		10.638	
Provisions	606		301	
	<u>119.286</u>		<u>59.207</u>	
Changes in assets and liabilities of operation, net:				
Accounts receivable	(49.235)		(24.437)	
Inventories	(23.937)		(11.881)	
Prepaid expenses	(50.149)		(24.891)	
Accounts payable	12.630		6.269	
Labor obligations	369		183	
Provisions	726		360	
Collections in favor of third parties	7.389		3.667	
Other liabilities	12.041		5.976	
Net Cash Provided by Operating Activities	<u>29.120</u>		<u>14.453</u>	
Cash Flows from Investing Activities:				
Restricted cash	(7.997)		(3.969)	
Increase in property, plant and equipment	(983.469)		(488.132)	
Increase in other assets	(2.279.134)		(1.131.219)	
Net Cash Used by Investing Activities	<u>(3.270.600)</u>		<u>(1.623.320)</u>	
Cash Flows from Financing Activities:				
Increase in financial obligations	2.570.318		1.275.744	
Capital contribution	774.703		384.514	
Net Cash Provided by Financing Activities	<u>3.345.021</u>		<u>1.660.258</u>	
Net Increase in Cash	103.541		51.391	
Cash and cash equivalents at Beginning of Period	-		-	
Cash and cash equivalents at End of Period	<u>Col\$ 103.541</u>		<u>U.S.\$ 51.391</u>	

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