

TRANSPORTADORA DE GAS INTERNACIONAL S.A. E.S.P. - TGI S.A. E.S.P.



CONSOLIDATED BALANCE SHEETS AS OF JUNE 30, 2013 AND JUNE 30, 2014

(Expressed in millions of Colombian pesos (Col\$) and thousands of U.S. dollars (\$USD))

ASSETS	As of June 30, 2013		As of June 30, 2014	
	Col\$		Col\$	\$USD
CURRENT ASSETS:				
Cash and cash equivalents	445.292		113.254	60.203
Restricted cash	7.761		7.568	4.023
Accounts receivable	128.986		811.027	431.124
Inventories	30.703		28.678	15.245
Other assets, net	15.830		19.425	10.326
Asset valuations	-		5.984	3.181
Total current assets	628.572		985.936	524.102
Long-term accounts receivable	8.822		24.571	13.061
Permanent Investments	40.977		35.551	18.898
Property, plant and equipment, net	2.944.258		2.865.432	1.523.202
Other assets, net	1.287.489		1.283.145	682.092
Asset valuations	354.489		634.599	337.339
Total not current assets	4.636.035		4.843.298	2.574.593
Total assets	Col\$ 5.264.607		Col\$ 5.829.234	\$USD 3.098.695
Memorandum Accounts	Col\$ 212.719		Col\$ 516.277	\$USD 274.442
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Financial obligations (interest)	28.556		27.845	14.802
Accounts payable	37.059		36.704	19.511
Labor obligations	765		648	344
Collections on behalf of third parties	12.741		17.757	9.439
Deferred income	227		231	123
Provisions	19.941		111.958	59.514
Total current liabilities	99.289		195.143	103.734
LONG-TERM LIABILITIES:				
Financial obligations	2.160.480		2.123.090	1.128.589
Hedging	210.646		208.736	110.960
Accounts payable	16.713		-	-
Provisions	7.906		24.768	13.166
Other liabilities	143.017		170.773	90.779
Total long-term liabilities	2.538.762		2.527.367	1.343.494
Total liabilities	2.638.051		2.722.510	1.447.228
SHAREHOLDERS' EQUITY:				
Capital stock	1.565.487		1.565.487	832.179
Additional paid-in capital	-		196	104
Reserves	703.244		702.947	373.671
Heritage valuation investment	909		1.959	1.041
Asset valuations	354.489		640.583	340.520
Accumulated results	2.427		195.552	103.951
Total shareholders' equity	2.626.556		3.106.724	1.651.467
Total liabilities and shareholders' equity	Col\$ 5.264.607		Col\$ 5.829.234	\$USD 3.098.695
Memorandum Accounts	Col\$ 212.719		Col\$ 516.277	\$USD 274.442

RICARDO ROA BARRAGÁN
Legal Representative

MARTÍN ALONSO MALDONADO RAMÍREZ
Accountant - PC 46851-T

TRANSPORTADORA DE GAS INTERNACIONAL S.A. E.S.P. - TGI S.A. E.S.P.




CONSOLIDATED INCOME STATEMENTS

FOR THE PERIOD FROM JANUARY 01, 2013 TO JUNE 30, 2013 AND FROM JANUARY 01, 2014 TO JUNE 30, 2014

(Expressed in millions of Colombian pesos (Col\$) and thousands of U.S. dollars (\$USD))

	As of june 30, 2013		As of june 30, 2014			
OPERATING REVENUES:						
Sales:						
Capacity charges	Col\$	351.450	Col\$	388.950	\$USD	206.757
Variable charges		43.714		62.508		33.228
Non-recurring charges		17.845		24.349		12.943
Other revenues		8.675		11.074		5.887
		<u>421.684</u>		<u>486.881</u>		<u>258.815</u>
OPERATING COSTS:						
Operation and maintenance		68.040		61.638		32.765
Depreciation, amortization and provisions		60.140		60.437		32.127
		<u>128.180</u>		<u>122.075</u>		<u>64.892</u>
Gross Margin		293.504		364.806		193.923
OPERATING AND ADMINISTRATIVE EXPENSES:						
Personnel and general services		21.825		26.942		14.322
Depreciation, amortization and provisions		4.536		12.722		6.763
Equity tax		8.357		8.357		4.442
		<u>34.718</u>		<u>48.021</u>		<u>25.527</u>
Operating income		258.786		316.785		168.396
NON-OPERATING INCOME						
Foreing exchange gain		-		30.891		16.421
Valuation coverage operating		5.396		12.588		6.692
Other non-operating income		12.070		15.099		8.026
		<u>17.466</u>		<u>58.578</u>		<u>31.139</u>
NON-OPERATING EXPENSES						
Interest expenses		60.255		64.532		34.304
Foreing exchange gain		179.497		-		-
Valuation coverage operating		4.445		5.830		3.099
Other non-operating expenses		2.156		57		30
		<u>246.353</u>		<u>70.419</u>		<u>37.433</u>
Income before income tax		29.899		304.944		162.101
INCOME TAX		27.472		109.392		58.150
Net income (loss)	Col\$	2.427	Col\$	195.552	\$USD	103.951


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CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE PERIOD FROM JANUARY 01, 2013 TO JUNE 30, 2013 AND FROM JANUARY 01, 2014 TO JUNE 30, 2014

(Expressed in millions of Colombian pesos (Col\$) and thousands of U.S. dollars (\$USD))

CASH FLOWS FROM OPERATING ACTIVITIES:	As of June 30, 2013		As of June 30, 2014			
	Col\$	2.427	Col\$	195.552	\$USD	103.951
Net income						
Reconciliation between net income and net cash provided by operating activities:						
Depreciation and amortization	63.119		63.544		33.779	
Exchange (gain) loss	182.049		(51.383)		(27.314)	
Equity method	1.993		(707)		(376)	
Hedging operations	(5.396)		(12.588)		(6.692)	
Deferred tax	18.878		14.844		7.891	
Equity tax	8.357		8.357		4.442	
Net gain from sales of property, plant and equipment	150		-		-	
Provision accounts receivable	7		3		2	
Provision inventories	31		-		-	
Provision Property, plant and equipment	-		-		-	
Provision BOMT right	-		-		-	
Recovery provision	-		(7.266)		(3.862)	
Provision permanent investments	4		-		-	
Provisions	909		11.098		5.899	
	270.528		221.454		117.720	
Changes in assets and liabilities of operation, net:						
Current Assets						
Restricted cash	-		-		-	
Accounts receivable	(32.120)		(686.164)		(364.750)	
Inventories	731		1.810		962	
Prepaid expenses	(4.802)		(12.953)		(6.886)	
Non-Current Assets						
Long-Term Accounts receivable	(383)		(6.184)		(3.287)	
Other assets	(3.447)		2.958		1.572	
Current liabilities						
Accounts payable	(28.609)		(43.812)		(23.290)	
Labor obligations	(1.120)		(1.885)		(1.002)	
Collections in favor of third parties	827		1.356		721	
Other liabilities	12		(1)		(1)	
Provisions	5.214		108.387		57.616	
Long-Term Liabilities						
Accounts payable	-		-		-	
Provisions	(3.717)		(3.271)		(1.739)	
Net cash provided by operating activities	203.114		(418.305)		(222.362)	
CASH FLOWS FROM INVESTING ACTIVITIES:						
Permanent investments	(56)		(517)		(275)	
Property, plant and equipment	(32.849)		(38.241)		(20.328)	
Other assets	396		(5)		(3)	
Net cash used by investing activities	(32.509)		(38.763)		(20.605)	
CASH FLOWS FROM FINANCING ACTIVITIES:						
Pay dividends	-		(130.067)		(69.141)	
Capital additional	-		-		-	
Heritage revaluation	-		-		-	
Financial obligations	-		(28.291)		(15.039)	
Net cash provided by (used in) financing activities	-		(158.358)		(84.180)	
NET INCREASE IN CASH	170.605		(615.425)		(327.147)	
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	282.448		702.017		373.177	
CASH AND CASH EQUIVALENTS AT END OF PERIOD	Col\$ 453.053		Col\$ 86.592		\$USD 46.030	

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