

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

BALANCE SHEETS AS OF MARCH 31, 2010 AND MARCH 31, 2011

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

ASSETS	As of march 31, 2010		As of march 31, 2011		
		Col\$	Col\$	\$USD	
CURRENT ASSETS:					
Cash and cash equivalents	Col\$	157.765	Col\$	746.545	\$USD 397.210
Restricted cash		15.498		7.673	4.083
Accounts receivable		106.749		169.730	90.307
Inventories		25.371		25.648	13.646
Prepaid expenses		117.223		39.697	21.121
Total current assets		422.606		989.293	526.368
Long-term accounts receivable		8.830		3.414	1.816
Permanent Investments		4.160		39.636	21.089
Property, plant and equipment, net		1.320.738		2.212.832	1.177.370
Other assets, net		1.928.780		1.278.386	680.184
Asset valuations		-		322.749	171.723
Total not current assets		3.262.508		3.857.017	2.052.183
Total assets	Col\$	3.685.114	Col\$	4.846.310	\$USD 2.578.551
Memorandum Accounts	Col\$	1.857.493	Col\$	1.835.750	\$USD 976.738
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Financial obligations		-		-	-
Accounts payable		53.923		72.855	38.764
Labor obligations		474		635	338
Collections on behalf of third parties		11.817		9.941	5.289
Deffered income		223		220	117
Provisions		12.307		13.956	7.425
Total current liabilities		78.744		97.607	51.933
LONG-TERM LIABILITIES:					
Financial obligations		2.160.021		2.105.006	1.120.000
Hedging		94.328		133.265	70.906
Accounts payable		-		48.293	25.695
Provisions		9.556		5.186	2.759
Other liabilities		65.304		79.053	42.061
Total long-term liabilities		2.329.209		2.370.803	1.261.421
Total liabilities		2.407.953		2.468.410	1.313.354
SHAREHOLDERS' EQUITY:					
Capital stock		750.000		1.139.054	606.051
Additional paid-in capital		24.703		426.433	226.890
Reserves		537.653		429.951	228.762
Heritage valuation investment		-		(720)	(383)
Heritage revaluation		-		-	-
Asset valuations		-		322.749	171.723
Previous years' losses		(180.700)		-	-
Accumulated results		145.505		60.433	32.154
Total shareholders' equity		1.277.161		2.377.900	1.265.197
Total liabilities and shareholders' equity	Col\$	3.685.114	Col\$	4.846.310	\$USD 2.578.551
Memorandum Accounts	Col\$	1.857.493	Col\$	1.835.750	\$USD 976.738

GABRIEL TURBAY MARULANDA
Legal Representative

MARTIN ALONSO MALDONADO RAMIREZ
Accountant - PC 46851-T

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


INCOME STATEMENTS

FOR THE PERIOD FROM JANUARY 01, 2010 TO MARCH 31, 2010 AND FROM JANUARY 01, 2011 TO MARCH 31, 2011

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

	As of march 31, 2010		As of march 31, 2011		
	Col\$		Col\$	\$USD	
OPERATING REVENUES:					IMPLEMENTED
Sales:					
Capacity charges	Col\$ 92.573		Col\$ 119.486	\$USD 63.574	
Variable charges	24.873		20.678	11.002	
Non-recurring charges	5.579		10.573	5.626	
Other revenues	6.008		5.602	2.981	
	<u>129.033</u>		<u>156.339</u>	<u>83.182</u>	
OPERATING COSTS:					
Operation and maintenance	23.783		22.969	12.221	
Depreciation and amortization	19.372		24.302	12.930	
Other operating costs	1.451		2.677	1.424	
	<u>44.606</u>		<u>49.948</u>	<u>26.576</u>	
Gross Margin	84.427		106.391	56.607	
OPERATING AND ADMINISTRATIVE EXPENSES:					
Personnel and general services	6.063		8.237	4.383	
Provisions, depreciation and amortization	1.902		2.714	1.444	
	<u>7.965</u>		<u>10.951</u>	<u>5.827</u>	
Operating income	76.462		95.440	50.780	
NON-OPERATING INCOME					
Foreing exchange gain	132.453		22.334	11.883	
Valuation coverage operating	-		-	-	
Other non-operating income	5.088		5.401	2.874	
	<u>137.541</u>		<u>27.735</u>	<u>14.757</u>	
NON-OPERATING EXPENSES					
Interest expenses	51.640		50.018	26.613	
Foreing exchange gain					
Valuation coverage operating	7.675		2.614	1.391	
Other non-operating expenses	3.097		3.619	1.926	
	<u>62.412</u>		<u>56.251</u>	<u>29.929</u>	
Income before income tax	151.591		66.924	35.608	
INCOME TAX	6.085		6.490	3.453	
Net income (loss)	Col\$ 145.506		Col\$ 60.434	\$USD 32.155	


GABRIEL TURBAY MARULANDA
Legal Representative


MARTIN ALONSO MALDONADO RAMIREZ
Accountant - PC 46851-T

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

STATEMENTS OF CASH FLOWS

FOR THE PERIOD FROM JANUARY 01, 2010 TO MARCH 31, 2010 AND FROM JANUARY 01, 2011 TO MARCH 31, 2011

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

	As of march 31, 2010		As of march 31, 2011		
	Col\$		Col\$	\$USD	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net income	Col\$	145.505	Col\$	60.434	\$USD 32.155
Reconciliation between net income and net cash provided by operating activities:					
Depreciation and amortization		20.783		26.725	14.219
Exchange (gain) loss		(132.695)		(39.540)	(21.038)
Equity method		153		(40)	(21)
Hedging operations		7.675		2.614	1.391
Deferred tax		3.633		3.628	1.930
Net gain from sales of property, plant and equipment		-		-	-
Provision accounts receivable		-		15	8
Provision Inventories		150		1.062	565
Provision Property, plant and equipment		-		-	-
Provision BOMT right		-		-	-
Provision permanent investments		-		-	-
Provisions		5.310		7.980	4.246
		50.515		62.878	33.455
Changes in assets and liabilities of operation, net:					
Current Assets					
Restricted cash		-		-	-
Accounts receivable		19.691		(82.196)	(43.734)
Inventories		(374)		(532)	(283)
Prepaid expenses		(3.695)		(21.611)	(11.498)
Non-Current Assets					
Long-Term Accounts receivable		(230)		5.472	2.911
Other assets		(4.381)		(54.353)	(28.919)
Current liabilities					
Accounts payable		(16.957)		5.681	3.023
Labor obligations		(319)		(427)	(227)
Collections in favor of third parties		(4.145)		(954)	(508)
Other liabilities		-		(1)	(1)
Provisions		374		(6.217)	(3.308)
Long-Term Liabilities					
Accounts payable		-		48.293	25.695
Provisions		-		66	35
Net cash provided by operating activities		40.478		(43.901)	(23.358)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Permanent investments		(1.680)		-	-
Property, plant and equipment		(69.393)		(157.630)	(83.869)
Other assets		(22.029)		104.106	55.391
Net cash used by investing activities		(93.101)		(53.524)	(28.478)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Transcogas, fusion		-		-	-
Capital additional		-		765.284	407.181
Heritage revaluation		-		(114)	(61)
Financial obligations		-		(49.859)	(26.528)
Net cash provided by (used in) financing activities		-		715.311	380.592
NET INCREASE IN CASH		(52.623)	Col\$	617.886	Col\$ 328.755
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		225.886		136.332	72.537
CASH AND CASH EQUIVALENTS AT END OF PERIOD	Col\$	173.263	Col\$	754.218	\$USD 401.293

GABRIEL TURBAY MARULANDA
Legal Representative

MARTÍN ALONSO MALDONADO RAMÍREZ
Accountant - PC 46851-T