Bogotá D.C., August 9th 2016

Index

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1. EXECUTIVE SUMMARY AND HIGHLIGHTS

1.1. Natural Gas market in Colombia

Table N° 1 - Natural gas demand in Colombia

Demand (GBTUD)	2Q 16*	2Q 15	Var. %
Thermal	280.9	296.9	-5.4%
Residential – commercial	173.7	188.2	-7.7%
Industrial – refineries	461.5	423.7	8.9%
Vehicle	85.1	86.9	-2.1%
Petrochemical	13.8	20.6	-33.2%
Others	25.1	24.5	2.3%
Domestic Demand	**1,040.0**	**1,040.8**	-0.1%
Export	-	63.0	-100.0%
Total	**1,040.0**	**1,103.8**	-5.8%

Source: Concentra | *July figures are not included

The internal natural gas demand during 2Q 2016 experienced a slight decrease, when compared to the same period in 2015. The two main reasons for this decrease in national demand were the thermal and residential-commercial sectors. Thermal consumption experienced a decrease of 7.7% due to the reduction of the conditions generated by El Niño phenomenon during 2Q 2016, vis-à-vis those experienced in the first months of 2015 and the first three months of 2016 where conditions generated by El Niño phenomenon were strong. The average gas demand for thermal generation in the second quarter of 2016 was 75.9 MMcfd less than 83.3 presented in the first quarter of 2016 Mmcfd, which reached an average of 159.2 Mmcfd generation.

1.2. Summary of financial results of TGI 2Q 2016

As of 2015, the company adhered to IFRS, thus complying with schedules established to that end by the Colombian Government regarding the convergence of these standards. Because of the respective analysis (AIS 21), the company adopted the US Dollar as its functional currency for financial statements. Notwithstanding the foregoing, Colombian regulation also requires the company to deliver its financial statements in presentation currency, which is the Colombian Peso.

This report presents comparative financial statements 2016-2015 under IFRS, and therefore some figures of 2015 may differ vis-à vis prior reports.

Table Nº 2 - TGI Selected indicators

	2Q 16	2Q 15	Var %
Operating revenue – USD Thousands	**229,291**	**218,996**	**4.7**
Operating profit - USD Thousands	148,768	141,360	5.2
EBITDA YTD - USD Thousands	**194,883**	**189,058**	**3.1**
Net Profit - USD million	76,919	92,375	-16.7
Transported volume - Mm cfd	500.0	499.5	0.1
Firm Contracted capacity - Mm cfd	672.5	671.0	0.2
Latest international credit ratings:			
S&P – Sep. 15:	BBB-, Negative		
Fitch – Oct. 15:	BBB, stable		
Moody's – Jun. 15:	Baa3, stable		

- Operational revenues during first half 2016 experienced an increase of 4.7% compared to the same period of the previous year, mainly as a result of greater transported gas volume and greater use of their operative services such as rolling and short duration parking.

- At the closing of the semester, operational profit grew by 5.2%, because operational costs experienced a slight growth of 4%, below those experienced by operational revenues (4.7%).
- Net profit decreased by USD 15.4 million, reaching a final figure of USD 76.9 million, because of the impact of the devaluation of the Colombian peso in the provision of tax on earnings.

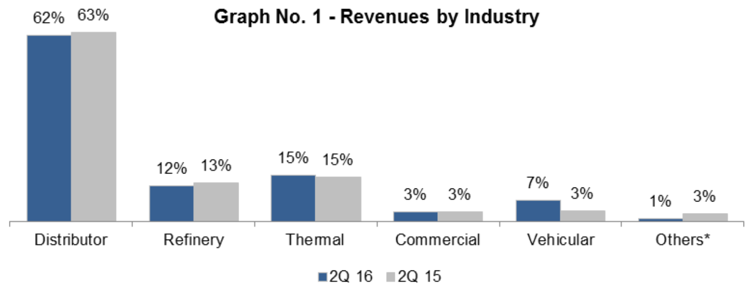
1.3. Highlights

- Actually, the WACC calculation methodology for distribution and electric transmission and for transportation and natural gas distribution is regulated by CREG 095 -2015 Resolution. Today, it has been issued the WACC rate for gas distribution. The calculation methodology for the remuneration for transmission activities, electric distribution and natural gas transportation, have not been issued.
- On 29 January 2016, the Companies' Superintendence, authorized a reform to the company's bylaws, consisting of a merger between IELAH S.L.U., a special purpose vehicle domiciled in Spain, bought by EEB on July 2014 to The Rohatyn Group (former Citi Venture Capital - CVCI), through which it maintained a stake of 31.92% in TGI.
- The merger was a reality as of the moment the parties made it official by means of a public deed, as of 11 May 2016 and has enforceability upon third parties as of its inscription in the Chamber of Commerce, as of 13 May 2016. Thus, the company successfully completed its merger process with IELAH.
- On 27 April 2016 , the Board of Directors approved two new expansion projects: i) Cusiana Phase IV (43 Mmcfd), estimated Capex US$ 78 Mm; ii) Gas ducts that comply with their useful regulatory life, replacement of 4 stretches, estimated Capex to substitute pipelines US$ 17 Mm and maintenance of 4 existing stretches, estimated Capex US$ 32 Mm.
- During the year, average transported volume through TGI's infrastructure amounted to 500 Mmcfd, and maintains its market share of 50.9% at the closing of 1H 2016.

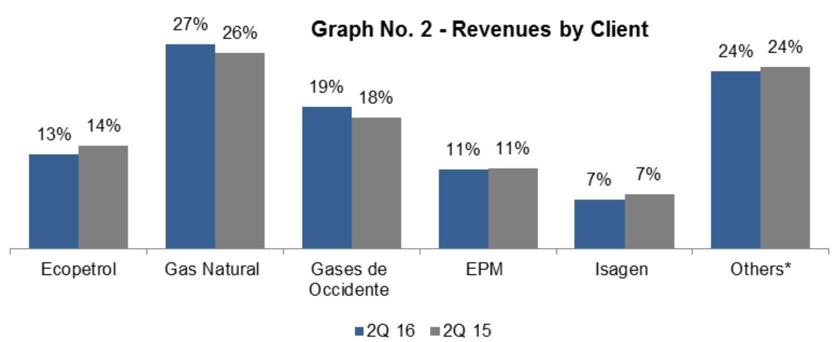
2. COMMERCIAL PERFORMANCE

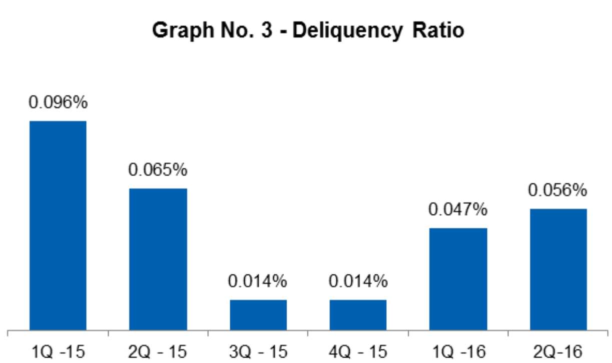
2.1. Sales by sector

The distribution sector, which included residential consumption, continues as the main generator of revenues for the company, reaching 62%. One may highlight the growth related to the vehicle sector, which has increased its participation in total revenues for the company, from 3% to 7% when compared to 1H 2015. This growth experienced by GNV consumption was the result of sector companies driving the conversion of gasoline vehicles to natural gas, as it is currently done by TGI when it grants subsidies per vehicles converted in its area of influence, mainly the cities of Bogotá and Medellin, and the Eastern region of the country.



Its main customer in terms of sales did not experience significant changes during the period, therefore Gas Natural, Gases de Occidente, Ecopetrol, EPM and Isagen continue being TGI's main clients, with a share in operational revenues in the company amounting to 76%.





Collection management is an ongoing activity, and allowed obtaining a delinquent index of 0.056% on invoiced revenues during the past 12 months. There is evidence of a marginal reduction in this index, vis-à-vis the same period of the previous year, although in general terms, it is still deemed as relatively low, without generating significant impact on company's cash flow.

2.2. Contract Structure

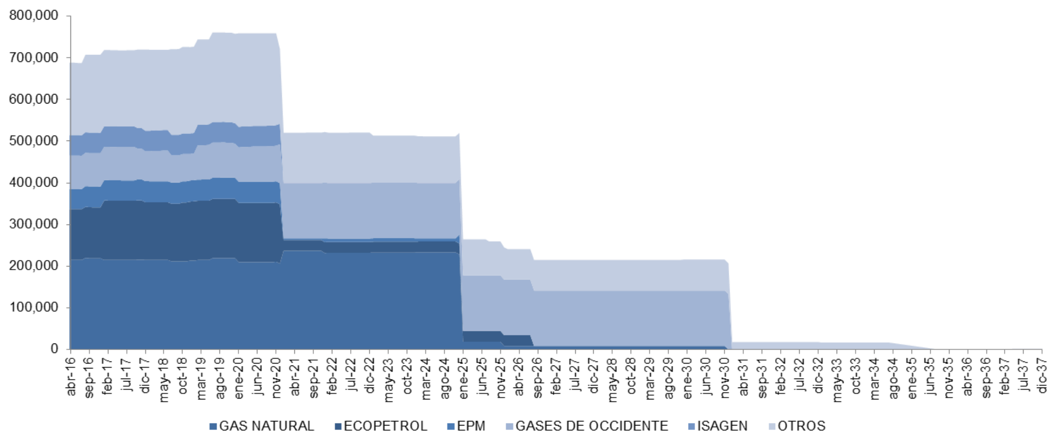
The main sectors serviced by TGI have stable consumption without significant seasonality. 100% of its contracts are firm and have been entered into under a scheme of fixed charges 90% and variable charges 10%. At the end of the quarter, total in firm contracted capacity of the company reached 672.5 Mmcfd, corresponding to 92% of available capacity.

Table N° 3 – Contractual structure

Type of contract	2Q 16 No	2Q 16 Contracted Capacity Mm cfd	2Q 16 Average remaining (Average years)	2Q 15 No	2Q 15 Contracted Capacity Mm cfd	2Q 15 Average remaining (Average years)
Firms (1)	1,218	672.5	10.09	1,132	671.0	10.02

Footnotes annex 6

Graph No. 4 - TGI Contractual Lifespan



During first half 2016, 25 natural gas transport contracts expired; however, this demand continues being serviced by means of new contracts or other contracts with the same carriers. On the other hand, to date, the company currently has 1,218 firm natural gas transport contracts, of which 383 correspond to transport contracts of enhancement projects proposed by the company (103 Cusiana – Apiay Ocoa Project; 171 Cusiana Phase III; 109 Cusiana Phase IV). It is worth stating that the increase in the number of contracts vis-à-vis the same period of the previous year is explained by regulatory related changes affecting the company (Resolution CREG089-2013), pursuant to which, carriers must contract per every stretch in the system with standard capacities in each of those stretches.

3. FINANCIAL PERFORMANCE

3.1. IELAH Merger

In accordance to the plan defined by EEB for the acquisition of 31.92% of TGI in 2014, on 11 May 2016, it conducted the TGI merger with its shareholder IELAH S.L.U., a company domiciled in Spain, property of EEB. The merger was made official by means of a public deed in the above mentioned date and its inscription in the Chamber of Commerce of Bogota, which was made on May 13, date as of which it will be effective upon third parties. This merger was previously approved by the Colombian Companies' Superintendence on 30 January 2016.

As the merger is conducted between the company and one of its shareholders, it resembles a corporate reorganization. Following in graph 5, the summary of the general balance sheet of TGI before the merger and after the merger.

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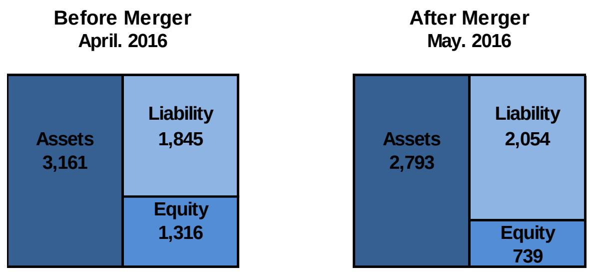
Graph No. 5. Efects of TGI/IELAH Merger (USD bln)



The main impact on the general balance sheet is given by the elimination of IELAH's investment in TGI, which was registered for an amount of US$ 880 million (value of acquisition of 31.92% in Jul/2014), against the equity of the merged company. The net effect of such merger, after eliminating IELAH's equity, is a reduction in TGI's equity of US$ 560.8 million. As regards liabilities, TGI takes on the debt of IELAH, consisting of an international syndicated loan, which balance is US$ 219 million, and an intercompany loan with a company of another group, amounting to US$ 730,000.

Regarding intercompany loans granted during 2015 and 2016 by TGI to IELAH, which balance as of 30 April 2016 amounted to US$ 364.4 million, these were eliminated accounting wise, both the balance, as well as expenses and revenues on account of financial interests.

As per the foregoing, all phases of the acquisition process, of 31.92% of TGI, were completed as planned. It is worth mentioning that at the level of EEB, this merger has no additional effects to those previously registered in its accounting consolidation of previous years.

As regards results, the main expense taken on by the merged company corresponds to interests of the international syndicated loan, which accrued expenses at the closing of 2Q 2016 amount to US$ 5.0 million.

3.2. Financial Results

At the closing of 1Q 2016, operational revenues reached US$ 229.3 million, growing by US$ 10.3 million (+4.7%) with respect to the results obtained in the same period of 2015. Out of TGI's revenues on account of natural gas transport services, 83% are derived from fixed charges established in firm contracts, 3.4% of revenues correspond to non-regulated revenues and 13.6% of revenues, which correspond to variable charges, therefore, only the latter may be affected by potential fluctuations in demand.

Table N° 4 – Revenues Structure

	USD Thousands		Var.		Share	
	2Q 16	2Q 15	USD	%	2Q 16	2Q 15
Operating Revenue	229,291	218,996	10.3	4.7%		
By currency						
Revenues linked to USD (1)	156,717	144,320	12.4	8.6%	68.3%	65.9%
Revenues linked to COP (1)	72,573	74,676	(2.1)	-2.8%	31.7%	34.1%
By type of charge						
Capacity and AO&M charges (2)	190,226	196,510	(6.3)	-3.2%	83.0%	89.7%
Variable charges (3)	31,213	18,982	12.2	64.4%	13.6%	8.7%
Complementary services (4)	7,851	3,504	4.3	124.1%	3.4%	1.6%

Footnotes annex 6

The effective tariff scheme remunerates investment and is linked to US Dollars. Sales indexed to US Dollar showed an increase of 8.6% when compared to 1Q 2015 and to date represent 68.3% of TGI's total sales.

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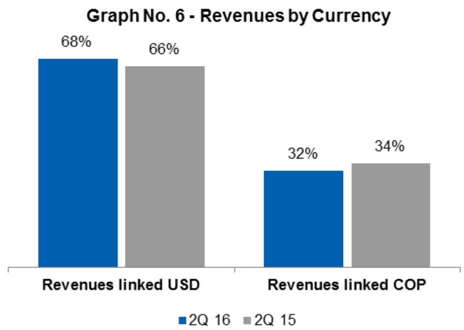
Furthermore, the portion of sales linked to COP, experienced a reduction of 2.1%, when compared to the same period of the previous year, as a result of the devaluation of COP during these two periods.



Fixed charges that remunerate both investment as well as administration, operation and maintenance costs and are linked US$ and in legal tender respectively, decreased jointly by US$ 6.3 million, so by the end of the first half of 2016, they amounted to USD 190.2 million. Average contracted capacity for this period reached 672.5 Mmcfd, by contrast, in 2015 it reached 671 Mmcfd, meaning a slight growth of 0.2%. The reduction of fixed charges related to the behavior of charges that remunerate administration, operation and maintenance costs and are expressed in COP, which show a reduction when re-expressing them in USD, because of the effect of the devaluation of local currency during the periods under comparison.

As regards variable charges, these grew by 64.4%, from US$ 18.9 million during the first half of the year of 2015 to US$ 31.2 million for the same period in 2016, as a result of: i) greater transported volume of gas by thermal generators and, ii) acknowledgement of non-recurring revenues corresponding to a ruling of a controversy with a carrier, which occurred specifically during the first quarter of this year.

On the other hand, revenues on account of supplementary services grew during the first half of the year by US$ 4.3 million (+124.1%), vis-à-vis first half 2015, explained by services such as uninterruptible rolling park, short-term services and the charge for gas loss, amongst others, which have off set revenues that were previously received on account of occasional charges and are no longer rendered by TGI as of the entry into force of the gas market manager during 1Q 2015.

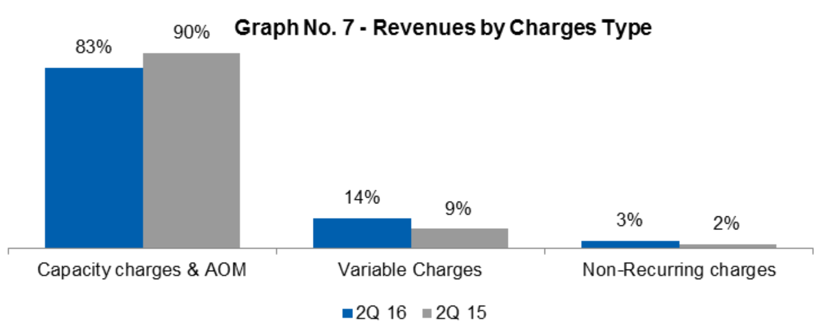


Table N° 5 – Financial Results 2Q 2016

	USD Thousands		Var.		COP Millions		Var.	
	2Q 16	2Q 15	USD	%	2Q 16	2Q 15	COP	%
Operating Revenue	**229,291**	**218,996**	**10,295**	**4.7%**	**704,629**	**548,148**	**156,481**	**28.5%**
Operating costs and expenses	80,658	77,541	3,117	4.0%	246,140	190,550	55,590	29.2%
Others Revenues/(Expenses)	136	(94)	230	-244.5%	412	(185)	597	-322.3%
Operating Profit	**148,768**	**141,360**	**7,408**	**5.2%**	**458,901**	**357,413**	**101,488**	**28.4%**
Operating Margin %	**65%**	**65%**			**65%**	**65%**		

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EBITDA	**194,883**	**189,058**	**5,825**	**3.1%**	**599,643**	**474,154**	**125,489**	**26.5%**
EBITDA Margin%	**85.0%**	**86.3%**			**85.1%**	**86.5%**		
Profit/(Loss) Non Operational Net	(36,611)	(33,050)	(3,562)	10.8%	(96,702)	(89,577)	(7,126)	8.0%
Foreign Exchange	9,647	(16,063)	25,710	-160.1%	30,117	(39,921)	70,038	-175.4%
Income Tax	(40,070)	(3,410)	(36,660)	1075.0%	(74,300)	(8,173)	(66,127)	809.1%
Deferred Tax (IFRS)	4,815	(3,538)	8,353	-236.1%	15,030	(8,793)	23,823	-270.9%
Net Profit	**76,919**	**92,375**	**(15,456)**	**-16.7%**	**302,075**	**228,535**	**73,541**	**32.2%**

Footnotes annex 6

On the other hand, operational costs and expenses, jointly increased by 4.0% during 1H of 2016, mainly as a result of increased fuel gas costs for compressor stations and maintenance and repair costs. As per the foregoing, operational profits for the closing of 1H amounted to US$ 148.7 million, representing growth of 5.2%, when compared to the same period of the previous year.

Non-operational results for the period showed greater expenses, amounting to US$ 3.5 million, when compared to the same period in 2015, due mainly to greater financial expenses, given that as of May, TGI received a debt from its former shareholder IELAH, which balance at the time of the merger amounted to US$ 219.7 million. Likewise, given that as of 1Q 2016 the Colombian peso appreciated by 7.41% vis-à-vis the US$ and that during the same period of the previous year the country experienced a devaluation of 8.05%, during the reported period, there is a greater expense on account of the difference of the exchange rate (US$ 25.7 million) and the release of a deferred tax provision of (US$ 8.3 million), as per IFRS methodology to estimate such tax.

As a result of the foregoing, net profit at the closing of 1H 2016 represents a decrease of US$ 15.4 million, when compared to net profit for the same period in 2015, closing this 1H in US$ 76.9 million[1].

It is important to highlight that figures of the results statement expressed in COP also show significant growths, by contrast with what occurs with the functional currency, the US$. The effect of the devaluation when re-expressing figures shown in COP to their functional currency (US$), with a historic exchange rate[2], further supports this effect. Important growths are also experienced in operational revenues (28.5%) as well as in the operation (28.4%) and EBITDA results (26.5%) under the presentation currency.

3.3. Debt indicators

Table Nº 6- Debt Indicators

	2Q 16	2015*	Units		
Senior Net Debt (1) / EBITDA LTM (2) OM: < 4,8	2.3	1.7	Times		
EBITDA LTM (2) / Interest LTM (3) OM: > 1,7	5.8	6.3	Times		
Debt Structure	Amount		Currency	Coupon (%)	Maturity
Senior – international bonds (4)	750		USD Mm	5.700%	20-mar-2022
Subordinated (5)	370		USD Mm	6.125%	21-dic-2022

footnotes in Annex 6 | * As of December 2015

Table Nº 7 – Detail for debt drivers indicators -USD Million

	USD Thousands	
	2Q 16	2015*
EBITDA LTM	366,878	361,053
Total debt	1,083,485	868,635
Cash and temporary investments[3]	224,689	256,145
Net Debt	858,795	612,490

[1] For more detail please see Annex 7
[2] Exchange rate at the moment of transactions execution.
[3] Includes short-term loans with related parties and associates.

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Interest LTM (1)	63,351	59,130

Annex 6 | * As of December 2015.

The company continues complying with that set forth in the Bonds 2022 Indenture as regards the two credit metrics. It is worth remembering that TGI 2022 Bond Covenants are currently suspended, due to the fact that the company has been rated with investment grade by the 3 most important credit rating agencies. This increase in the net senior debt to LTM Ebitda ratio explain the balance as of June 2016 of US$ 219 million of IELAH's debt.

During 2015, TGI granted (3) inter-company loans to its main shareholder, EEB, for COP 430,841 million, of which, (2) were repaid in March 2016 and at the closing of 1H 2016 there is an outstanding balance of COP 230,841 million.

4. OPERATIONAL PERFORMANCE

TGI maintains its market leadership in the natural gas transport business in Colombia, enjoying a market share of 50.9%. As of 1H 2016, total transported volume through the national system did not experience significant changes, maintaining similar averages to those observed during the same period in 2015.

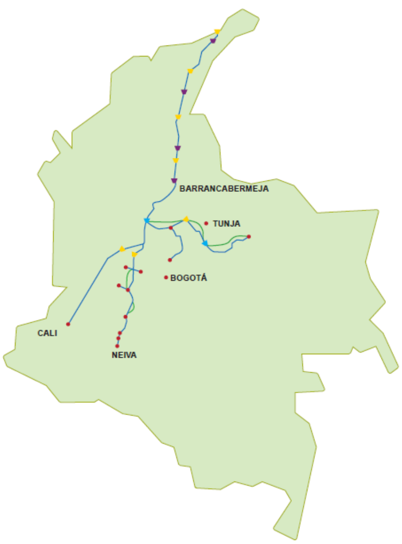

Table Nº 8 -Volume by transporter - Mmcfd

	2Q 16	Part. %	2Q 15	Part. %
TGI	500.0	**50.9%**	499.5	**51.3%**
Promigas	335.8	**34.2%**	320.0	**32.9%**
Otros*	147.3	**15.0%**	153.7	**15.8%**
Total	**983.1**	**100.0%**	**973.1**	**100.0%**

Source: Concentra.Inteligencia en Energía
*Industries directly connected to transport

Table Nº 9 - Selected operational indicators

	2Q 16	2Q 15	Var %
Total capacity – mm cfd (1)	733.8	733.8	
Transported volume – mm cfd (2)	500.0	499.5	0.1
Firm contracted capacity – mm cfd (3)	673.3	671.0	0.3
Load factor - % (4)	61.3	66.2	-7.4
Availability - % (5)	100.0	100.0	
Losses - % (6)*	-	-	
Gas pipeline length – Km	3,957.0	3,957.0	
Total capacity – mm cfd (1)	2,459.0	2,459.0	

Annex 6

At the closing of the period, increase in firm contracted capacity is explained by the activities of the company's commercial team in its quest for new contracts. Similarly, enhancements to the system during recent years and its operational improvement have contributed to the increased in transported capacity. Lastly, system losses are maintained well below the maximum level of 1% accepted by regulation.

Table Nº 10 – TGI Total capacity by section 2Q 2016

Por Tramo – Mmpcd	Transport Capacity	Transported Volume Average
Ballena – Barrancabermeja	260.0	97.8
Mariquita – Gualanday	15.0	14.7
Gualanday – Neiva	11.0	8.9
Cusiana – Porvenir	392.0	340.7
Cusiana – Apiay	33.0	30.3
Apiay – Usme	17.8	4.4

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Morichal – Yopal	5.0	2.9
Sur de Bolivar	N.A.	0.3
TOTAL	**733.8**	**500.0**

5. CAPITAL INVESTMENT

Table Nº 11 - Capex

	USD Millions	
	2Q 16	2Q 15
Investment (1)	15.9	5.9
Maintenance (2)	1.7	2.9

Annex 6.

Table Nº 12 – Status of expansion projects in Colombia – 1Q 2016

	Description	Capex (USD mm)	Enhancing Compression (Mmpcd)	Execution (%)	Coming of stream
Cusiana Fase III	Enhancement compression capacity by means of supplying and starting up three new units.	31.0	20	72.0%	3T 16
Cusiana – Apiay - Ocoa	The project will increase transport capacity of the gas pipeline Cusiana – Apiay by 32 Mcfd and the Apiay – Ocoa branch by 7 Mcfd.	48.0	39	22.0%	4T 17
Loop Armenia	Construction of the Loop Armenia of 28 Km in 8”	24.3	8.7	28.9%	2T 17
Cusiana Fase IV	Transport enhancement capacity in the Cusiana-Vasconia gas pipeline: **I.** 43 Mmcfd for the stretch Cusiana - Vasconia with the construction of a 49.6 Km loop in 24” **II.** 17 Mmcfd for the stretch Puente Guillermo - Vasconia, by means of the enhancement of Puente Guillermo Compressor Station.	78.0	43	0%	I. Cusiana - Vasconia 4T 2018 II. Puente Guillermo – Vasconia 3T 2017
Replacement and Maintenance Regulatory –	10 gas pipelines of the TGI system complete their useful regulatory life spam. TGI decided to substitute (4) stretches and continue operating the other six (6)	49.0	N.A.	0%	N.D

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6. ANNEXES

Annex 1: Legal Notice and Clarifications

This document contains words such as "anticipate", "believe", "expect", "estimate" and others which meaning is similar. Any historic information, including, but without limiting to that referring to the Company's financial situation, its business strategy, its plans and management objectives, relates to forecasts.

Forecasts in this report were made under assumptions related to the economic, competitive, regulatory and operational environment of the business and took into account risks beyond the Company's control. Forecasts are uncertain and they may not materialize. One may also expect that unexpected events or circumstances occur. As a result of the foregoing, actual results may differ significantly from forecasts herein contained. Accordingly, forecasts in this report must not be considered as true facts. Potential investors must not take forecasts or assumptions in this report, neither should they base their investment decisions upon them.

The Company expressly waives any obligation or commitment to distribute updates or reviews of any of the forecasts herein contained.

Company's past performance may not be considered as a pattern for future performance.

Clarifications to the report

- As of 2015, TGI's functional currency is the USD. All figures in the statement of results of 2015 and 2016 appearing in USD are converted to COP at the TRM at the date in which the different line items are accounted for.
- Only for information purposes, we have converted Capex figures in this report to its USD equivalent using the end of period representative rate as published by the Colombian Financial Superintendence. Exchange rates used are as follows:
    - TRM as of 30 June 2015: 2,585.11
    - TRM as of 30 June 2016: 2,916.15
- In the figures, a comma is used (,) to separate thousand and a full stop (.) is used to separate decimals.
- EBITDA is not an acknowledged indicator under accounting standards in Colombia or the United States, and may show some difficulties as an analytical tool. Therefore, it should not be taken into account in an isolated manner as a company cash flow indicator.
- EBITDA for the period was calculated taking operational profit (or loss), plus amortization of intangibles and depreciation of fixed assets for said period.

Annex 2: Link to Consolidated Financial Statements 2Q 2016:

http://www.grupoenergiadebogota.com/inversionistas/estados-financieros

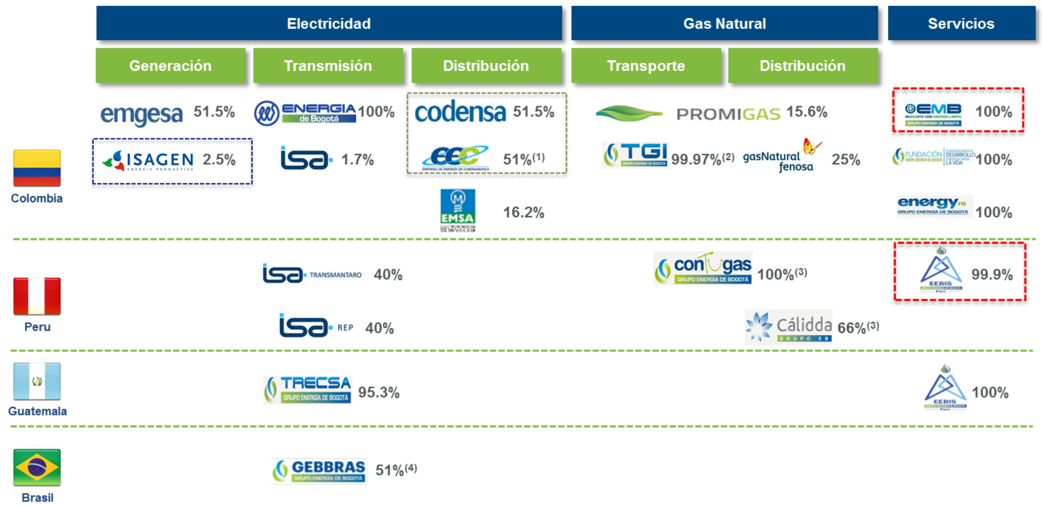
Annex 3: Outlook of Holding Company – EEB

- EEB is an integrated company in the energy sector with operations in Colombia, Peru and Guatemala;
- The Company was founded in 1896 and controlled by the District of Bogota – 76.2%. Due to the fact that EEB's share is listed in the Colombian public market, it abides by international standards of corporate governance.
- EEB has in place an expansion strategy focused on transport and distribution of electric power in Colombia and other countries within the American region.
- EEB participates in the entire power value chain and in almost the entire value chain for natural gas; it does not participate in E&P activities for this hydrocarbon.
- Grupo EB is among the most important corporate debt issuers in international capital markets. In October 2007, EEB and TGI conducted a corporate bond issuance in the 144A market, which amounted to US$ 1.36 billion in

2012, TGI conducted a debt management operation to reduce coupon rate by 380 bps and extend debt term by five additional years.

- As of 2009, EEB's share is traded in the Colombian stock market.

Annex 4: TGI's overview



- TGI is a key player in EEB's growth strategy, it is the largest natural gas transport company in Colombia and operates a natural monopoly in a sector with high growth potential and which development is of special interest to the National Government. TGI is the only natural gas transport in Colombia connecting main supply sources - Guajira and Cusiana – with main consumption centers.
- TGI is subject to regulations from the Ministry of Mines and Energy and CREG. CREG defines the maximum rates that TGI may charge its uses based on financial viability and economic efficiency principles. The rate scheme is designed so investor may receive adequate return on investment and recover cooperation and maintenance costs. Part of the rate that provides the return on investments is expressed in the COP/US$ exchange rate, providing the company with natural hedging vis-à-vis its obligations in foreign currency.
- Almost all company sales are supported in in-firm and long-term contracts entered into with sound companies operating in Colombia.
- In 2013, TGI completed the most ambitious expansion plan of natural gas infrastructure in Colombia: the enhancement of the Guajira and Cusiana gas pipelines, which cost amounted to US$650 million.
- TGI has a stock of 32.24% in the Peruvian company ConTUgas – the remaining 67.76% is property of EEB-. This company has been awarded the concession to build the natural gas transport and distribution network in the south of Peru – Ica department, estimated cost amounted to US$ 346 million. ConTUgas began full commercial operation of the project on 30 April 2014.

Annex 5: Terms and Definitions

- ANH: Agencia Nacional de Hidrocarburos, National Hydrocarbons Agency. Colombian entity responsible of defining hydrocarbon related policies.
- BR: Banco de la República. Colombian Central Bank, responsible for monetary and exchange rate policies in the country.
- Bln or bln: Billion of US$. Factor 10^9
- BOMT: Build, Operate, Maintain and Transfer Contract.
- COP / COP: Colombian pesos.
- CREG: Comisión de Regulación de Energía y Gas de Colombia – Colombian Energy and Gas Regulatory Commission. State owned agency in charge of regulating electric power and natural gas household utilities in Colombia.
- Cuota de Fomento – Development Quota: Relates to resources Ecogas collected from users to carry out new natural gas infrastructure projects.

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- DANE: Departamento Administrativo Nacional de Estadística. National Administrative Department of Statistics. Is the entity in charge of planning, surveying, processing, analyzing and disclosing official statistics in Colombia.
- DNP: Departamento Nacional de Planeación – National Planning Department. Entity in charge of Economic Planning in the country.
- EEB: Empresa de Energía de Bogotá. Holding shareholder of TGI.
- GNV: Gas natural vehicular – Vehicle natural gas.
- GPC: Giga cubic feet. Factor 109
- IED: Foreign direct investment.
- IPC: Colombian consumer price index.
- Km: Kilometers
- MEM: Peruvian Ministry of Energy and Mines.
- Mi: US miles.
- Mm/mm: million
- Mlm / Mlm: trillion
- PBS: Basic points, equivalent to 0.01%
- Pcd or pcd: cubic feet per day.
- SF: Superintendencia Financiera. Financial Superintendence. State agency in charge of regulation, oversight and control of the Colombian financial sector.
- TGI: Transportadora de Gas del Internacional
- Tpc / tpc: Tera cubic feet. Factor 1012
- TRM: Tasa representativa del mercado – Market Representative Rate; is an average of prices in which peso-dollar transactions are traded, calculated on a daily basis by the SF.
- R/P: Reserves production ratio
- UDM: Last twelve months
- UPME: State entity in charge of planning in the mines and energy sectors in Colombia.
- USD: US$

Annex 6: Footnotes to Tables

Footnote delinquent portfolio index table

(1) Delinquent index is calculated measuring in arrears portfolio – exceeding thirty days – on amounts invoiced in the past twelve months.

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Footnotes Table Nº 3: Contractual structure

(1) Contractual modality ensuring maximum volume of transported gas during a specific period of time. Remuneration of this type of contract may be per capacity and/or variable.

Return

Footnotes table Nº 4: Revenue structure

(1) Regulation for gas transport in Colombia divides the rate to users, one part acknowledges investments and the other administration, operation and maintenance costs and expenses - AOM. The portion acknowledging investments is expressed in US$ it's adjusted annually with IPP "Capital Equipment" from the USA and payable in COP at the TRM at the end of each month. Portion acknowledged by AOM is defined in pesos and expressed annually with Colombian IPC.

(2) Capacity charges or fixed charges make carrier maintain an available transport capacity in the event the client so requires. On the other hand, the client commits to paying such capacity irrespective of the volume transported.

(3) Variable charges make carrier maintain an available capacity in the event the client so requires. However, and contrary to the foregoing, the client only pays what was transported but at a higher rate. In general terms, TGI clients maintain contracting schemes combining fixed and variable charges.

(4) Occasional charges are the result of a scheme that does not generate an obligation in firm for the carrier. In other words, carrier has the right to interrupt when, for example, it deems fit to service in firm contracts.

(5) Additional services render by the company, such as new connections or odorization.

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Footnotes table Nº 6: Debt indicators

(1) According to the international notes contract, company's net debt only takes into account TGI senior debt less cash value and temporary investments.
(2) The sum of operational profit, amortizations, depreciations and reserves.
(3) Interests incurred derived from TGI's financial debt.
(4) The value of notes issued by TGI Internacional and endorses by TGI.
(5) Corresponds to intercompany loans between TGI with EEB.

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Footnotes table Nº 7: Indicators detail

(1) The net financial expenses are net of revenues from the treasury and the coupons received by Opposite Swaps contracted.

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Footnotes table Nº 9: Operational indicators in Colombia

(1) Nominal system transport capacity.
(2) Average of actual volume transported.
(3) A contracting modality binding TGI to maintain a determined volume available in its transport capacity when the client so requires.
(4) It is the percentage usage of the gas pipeline and it is obtained as the ratio between nomination and transport capacity.
(5) Is the actual gas transport capacity in a specific period vis-à-vis nominal capacity.
(6) It is the difference between gas volumes received less gas delivered taking into account changes in inventories. It is measured in percentage terms as regards the volume received from clients. CREG acknowledges through its rates maximum losses of 1%.

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Footnotes table Nº 11: Capex

(1) Corresponds to those investments aimed at increasing the company's transport capacity.
(2) Correspond to those investments aimed at maintaining the adequate status of company assets to allow normal working thereof and maintain transport capacity at its current levels.

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Annex 7: Financial Results

Table N° 13 – Detailed Financial Results

	USD		Var	
	2Q 16	2Q 15	USD	%
Operating Revenues	**229,290,746**	**218,995,681**	**10,295,065**	**4.7%**
Costs of Sales	**(66,947,445)**	**(60,780,706)**	**(6,166,739)**	**10.1%**
Operating and maintenance	(25,796,771)	(21,215,021)	(4,581,751)	21.6%
Provisions, depreciation and amortization	(41,150,673)	(39,565,685)	(1,584,988)	4.0%
Gross Profit	**162,343,301**	**158,214,975**	**4,128,326**	**2.6%**
Operating and Admin. Expenses	**(13,710,901)**	**(16,760,507)**	**3,049,606**	**-18.2%**
Personnel and general services	(8,610,972)	(8,722,445)	111,473	-1.3%
Provisions, depreciation and amortization	(733,806)	(1,336,840)	603,034	-45.1%
Equity tax	(4,366,123)	(6,701,221)	2,335,099	
Other Revenues / (Expenses) Net	**135,966**	**(94,118)**	**230,084**	**-244.5%**
Operating Profit	**148,768,367**	**141,360,351**	**7,408,016**	**5.2%**
Non-operating revenues	**6,085,947**	**6,799,769**	**(713,822)**	**-10.5%**
Financial (1)	4,613,469	4,983,219	(369,750)	-7.4%
Hedging Valuation (2)	1,472,478	1,816,550	(344,072)	-18.9%
Non-operating expenses	**(42,697,393)**	**(39,849,583)**	**(2,847,810)**	**7.1%**
Financial (3)	(39,786,811)	(34,426,400)	(5,360,411)	15.6%
Permanent Investments Valuation	(288,190)	(2,562,983)	2,274,793	-88.8%
Hedging Valuation (2)	(2,622,392)	(2,860,200)	237,808	-8.3%
Net Foreign Exchange (4)	**9,647,281**	**(16,062,927)**	**25,710,209**	**-160.1%**
Profit before income tax	**121,804,203**	**92,247,610**	**29,556,593**	**32.0%**
Income tax	(40,070,408)	(3,410,172)	(36,660,236)	1075.0%
Deferred Tax	4,814,572	(3,537,963)	8,352,535	-236.1%
Net Profit	**76,919,223**	**92,375,401**	**(15,456,179)**	**-16.7%**

(1) Includes financial yields for temporary investments.

(2) Reflects the valuation of hedging contracted by the company to reduce risk of paying the capital of debt in foreign currency.

(3) Financial expenses related to company's debt.

(4) Reflects the impact of the devaluation/revaluation on the conversion to USD of assets and liabilities of the company in Colombian pesos.

Table N° 14 – EBITDA Breakdown Quarterly

USD	2Q - 16	2Q-16
Revenues.	117,783,722	111,507,024.24
(-)Operating and maintenance exp.	14,038,896	11,757,875.32
(-)Personnel and general expenses[4].	4,194,146	4,416,825.41
EBITDA	**99,550,680**	**95,332,324**
EBITDA Margin %	**85%**	**85%**

[4] Those expenses do not include equity tax

Annex 8: Financial Information of TGI's Main Clients

Company	Overview	Main clients served
Ecopetrol	Largest gas producer in Colombia. Integrated Company of the hydrocarbon sector Publicly traded company controlled by the Colombian government It is part of the Group of 40 of the world's largest oil companies. Shares listed on the public market in Colombia, New York and Toronto Stock Ratings: Foreign: Baa2 (Moody's) / BBB(Fitch) / BBB(S&P) ; AAA local Firm contract for 11 years	Refineries Thermal generators Trading
gasNatural Colombia	Main gas distributor in Colombia Controlled by Spanish Gas Natural Fenosa; EEB holds 25% of the company's shares. Ratings: BBB (Fitch) / AAA local Firm contract for 10 years	Residential (1) Small businesses. Industries Natural Gas for Vehicles 2.7 Million users
Gases de Occidente energía natural	Gas distributor in the Southwest region of Colombia Private company controlled by Promigas Provides its services to more than 900,000 users. Ratings: AAA local Firm contract for 15 years	Residential (1) Industries Natural Gas for Vehicles 937K users
epm	Main electricity generator in Colombia and gas distributor in the Northwest region of the country Integrated company with interests in electricity and natural gas. Ratings: Foreign: Baa3 (Moody's) / BBB+(Fitch) / BBB- (S&P) ; AAA local. Firm contract for 9 years	Residential (1) Thermal generation 877K users
ISAGEN Energía Productiva	Third electricity generator in Colombia 57% controlled by the Colombian government Ratings: Foreign: Baa3 (Moody's) / BBB- (Fitch) BBB- (S&P); AA+/BB+ local Firm contract for 5 years	Thermal generation Trading

Source: Company information.
(1) Residential users refer to the number of residencies served, not the population, which would be approximately five times larger.

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