

INTERCONEXIÓN ELÉCTRICA S.A. E.S.P.

STATEMENTS OF INCOME

March 2007 - March 2006

(Amounts expressed in millions of Colombian pesos)

| | <u>March 2007</u> | <u>March 2006</u> |
|---|--------------------------|--------------------------|
| OPERATING INCOME | | |
| Energy transmission services | 162,253 | 151,002 |
| Connection charges | 13,830 | 13,747 |
| Dispatch and coordination | - | 6 |
| Telecommunications | 2,673 | 2,386 |
| Other services | 5,698 | 4,130 |
| | <u>184,454</u> | <u>171,271</u> |
| COSTS AND OPERATING EXPENSES | | |
| Operating costs | | |
| Administrative expenses | 62,191 | 58,139 |
| | <u>30,226</u> | <u>16,716</u> |
| | <u>92,417</u> | <u>74,855</u> |
| Operating Income | <u>92,037</u> | <u>96,416</u> |
| NON - OPERATING INCOME (EXPENSE) | | |
| Non - operating income | 70,185 | 31,382 |
| Non -operating expenses | (91,848) | (54,978) |
| Non-operating loss | <u>(21,663)</u> | <u>(23,596)</u> |
| Income before income taxes | | |
| | 70,374 | 72,820 |
| Provision for income taxes | 8,109 | 8,440 |
| NET INCOME | <u>62,265</u> | <u>64,380</u> |

INTERCONEXIÓN ELÉCTRICA S.A. E.S.P.

BALANCE SHEETS

March 2007 - December 2006

(Amounts expressed in millions of Colombian pesos)

| ASSET | <u>March 2007</u> | <u>December 2006</u> |
|--|--------------------------|-----------------------------|
| CURRENT ASSETS | | |
| Cash | 33,344 | 23,869 |
| Marketable investments | 17,461 | 36,308 |
| Accounts receivable, net | 194,506 | 160,906 |
| Inventories | 2,245 | 2,124 |
| Deferred charges and other assets, net | 19,511 | 14,038 |
| Total current assets | <u>267,067</u> | <u>237,245</u> |
| NON-CURRENT ASSETS | | |
| Long-term investments | 1,736,598 | 1,354,130 |
| Long-term accounts receivable, net | 39,221 | 44,134 |
| Inventories | 51,611 | 56,287 |
| Property, plant and equipment, net | 2,471,096 | 2,475,153 |
| Deferred charges and other assets | 410,941 | 409,882 |
| Reappraisal of assets | 1,298,759 | 1,299,003 |
| Total non- current assets | <u>6,008,226</u> | <u>5,638,589</u> |
| TOTAL ASSETS | <u>6,275,293</u> | <u>5,875,834</u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| CURRENT LIABILITIES | | |
| Outstanding bonds | | |
| Financial liabilities | 189,477 | 192,447 |
| Accounts payable | 217,526 | 116,312 |
| Labor liabilities | 6,513 | 4,931 |
| Accrued liabilities and estimated provisions | 14,207 | 13,077 |
| Other liabilities | 40,260 | 13,790 |
| Total current liabilities | <u>467,983</u> | <u>340,557</u> |

LONG-TERM LIABILITIES

| | | |
|--|-----------|---------|
| Outstanding bonds | 815,652 | 815,652 |
| Financial liabilities | 1,204,048 | 922,821 |
| Accounts payable | 198,740 | 203,293 |
| Labor liabilities | 1,031 | 995 |
| Accrued liabilities and estimated provisions | 113,248 | 111,962 |
| Other liabilities | 167,984 | 167,486 |

| | | |
|------------------------------------|-------------------------|-------------------------|
| Total long-term liabilities | <u>2,500,703</u> | <u>2,222,209</u> |
|------------------------------------|-------------------------|-------------------------|

| | | |
|--------------------------|-------------------------|-------------------------|
| TOTAL LIABILITIES | <u>2,968,686</u> | <u>2,562,766</u> |
|--------------------------|-------------------------|-------------------------|

SHAREHOLDERS' EQUITY

| | | |
|----------------------------------|-----------|-----------|
| Paid-in capital | 34,016 | 34,016 |
| Additional paid-in-capital | 665,165 | 665,165 |
| Reserves | 358,248 | 338,245 |
| Net income | 62,265 | 150,470 |
| Surplus from assets reappraisals | 1,298,759 | 1,299,003 |
| Surplus from equity method | 235,615 | 173,630 |
| Equity revaluation | 652,539 | 652,539 |

| | | |
|-----------------------------------|-------------------------|-------------------------|
| Total Shareholders' Equity | <u>3,306,607</u> | <u>3,313,068</u> |
|-----------------------------------|-------------------------|-------------------------|

| | | |
|--|-------------------------|-------------------------|
| TOTAL LIABILITIES AND SHAREHOLDERS' | <u>6,275,293</u> | <u>5,875,834</u> |
|--|-------------------------|-------------------------|