

Financial Results

Third Quarter 2008

November 5, 2008



At september 30: Grupo Empresarial ISA posted COP 181,744 million net income

- Results are within projections
- Stable revenues
- Higher-than-forecasted net income

ISA GROUP

At COP 181,744 million, Grupo ISA's net income for the third quarter is 1.1% up on same period a year ago. These figures are explained by the fact that no special revenues such as those obtained by CTEEP in 2007 (CETEMEQ agreement) were earned this year, and also by higher non-operating expenses related to debt's exchange difference.

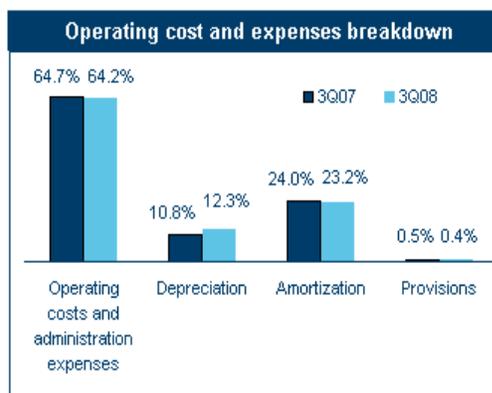
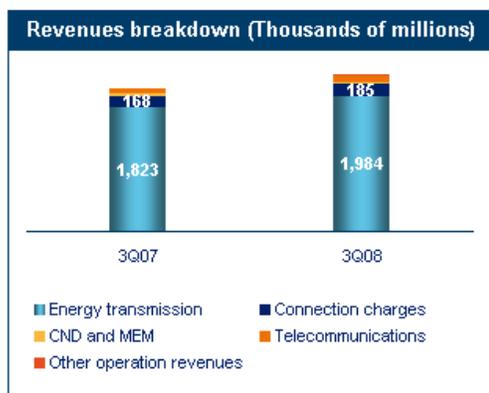
Operating results at COP 1,284,602 million are the product of higher revenues and lower operating costs and expenses, and represent 29.1% increase with respect to September of 2007.

The increase in operating revenues (\$160,764 million in energy transmission service and \$16,979 million in connection charges) is explained mainly by higher revenues in Colombia and Brazil obtained by recently-commissioned new assets. The regulatory framework and the long-term contracts allow these new revenues to produce stable cash generation, itself a characteristic of the business in which ISA operates.

At September end revenues were made up as follows: energy transmission 96.0%, telecommunications 3.4%, and infrastructure projects 0.6%. The operating revenues breakdown by country was: 53.3% from companies in Brazil, 38.3% from those in Colombia, 7.4% from Peruvian ones and 1.0% of the one company in Bolivia.

On the other hand, the COP 85,808 million decrease (7.7%) in operating costs and expenses was due to optimizations achieved in CTEEP (early retirement plan) and to the fact that unlike 2007, no additional expenses such as those associated to CETEMEQ agreement, were incurred along this period.

With these results the Group's EBITDA totaled COP 1,680,326 million, 18.4% up on same period of last year. EBITDA margin grew from 67.1% to 72.4%, and operating margin from 47.0% to 55.4%.



Non-operating results decreased COP -266,790 million from COP -42,658 million in September of 2007 to COP -309,447 million in September of 2008 owing to CTEEP's special revenues in 2007, to exchange-difference expenses caused by revaluation of the currencies in which debt is denominated, and to increased financial expenses incurred to finance new investments.

As a result of the above, pre-tax income increased 2.4% from COP 952,062 million to COP 975,155 million.

Income tax provision fell by 5.3% from COP 369,335 million to COP 349,601 million due to higher revenues recorded in 2007 from CETEMEQ agreement.

As to the Group's income tax, 62.3% corresponded to Brazilian companies, 31.0% to the companies in Colombia, 5.0% to those in Peru, and 1.7% to the company in Bolivia.

Minority interests in the Income Statement raised by 10.2% or COP 40,933 million, explained by the increased results at CTEEP during the period.

| Consolidated Income Statement | 3Q08 | 3Q07 | Var. | | 3Q08* USD |
|----------------------------------|------------------|----------------|----------------|--------------|--------------|
| | | | \$ | % | |
| Operating revenues | 2,320,164 | 2,116,089 | 204,075 | 9.6% | 1,067 |
| Costs and operating expenses | 1,035,562 | 1,121,369 | (85,808) | -7.7% | 476 |
| EBITDA | 1,680,326 | 1,419,519 | 260,807 | 18.4% | 773 |
| Operating Income | 1,284,602 | 994,720 | 289,883 | 29.1% | 591 |
| Non-operating revenues | 513,219 | 836,039 | (322,820) | -38.6% | 236 |
| Non-operating expenses | 822,666 | 878,697 | (56,030) | -6.4% | 378 |
| Non-operating results | (309,447) | (42,658) | (266,790) | 625.4% | (142) |
| Income before taxes | 975,155 | 952,062 | 23,093 | 2.4% | 448 |
| Income tax provision | 349,601 | 369,335 | (19,734) | -5.3% | 161 |
| Income before minority interests | 625,555 | 582,728 | 42,827 | 7.3% | 288 |
| Minority interests | 443,811 | 402,877 | 40,933 | 10.2% | 204 |
| Net income | 181,744 | 179,850 | 1,894 | 1.1% | 84 |
| EBITDA margin | 72.4% | 67.1% | | | |
| Operating margin | 55.4% | 47.0% | | | |
| Net margin | 7.8% | 8.5% | | | |

Millions of Colombian pesos

As on September closing date, the Group's assets totaled COP 14,609,841 million, 5.2% up on 2007. Such growth is explained by the increase in CTEEP's assets resulting from the translation of financial statements, and by the new investments. 51.8% of assets are located in Brazil, 38.5% in Colombia, 8.5% in Peru and 1.2% in Bolivia.

The Group's liabilities amounted to COP 7,122,725 million, equivalent to 0.7% increase with respect to closing date of the year before and explained fundamentally by CTEEP's new debt incurred to finance new investments.

The debt portfolio amounted to COP 4,723,234 million, of which, 47.3% correspond to liabilities in Brazil, 39.8% to liabilities in Colombia, 11.0% in Peru and 2.0% in Bolivia.

Minority interests in the Balance Sheet showed 10.6% increase during the period, from COP 3,009,365 million to COP 3,328,453 million, associated to CTEEP's results.

| Consolidated Balance Sheets | 3Q08 | % PART. | 4Q07 | Var. | | 3Q08* USD |
|--|-------------------|---------------|-------------------|----------------|-------------|--------------|
| | | | | \$ | % | |
| Current assets | 1,665,668 | 11.4% | 1,637,660 | 28,008 | 1.7% | 766 |
| Non-current assets | 12,944,173 | 88.6% | 12,249,829 | 694,344 | 5.7% | 5,952 |
| Total assets | 14,609,841 | 100.0% | 13,887,489 | 722,352 | 5.2% | 6,718 |
| Current liabilities | 1,761,219 | 12.1% | 1,599,753 | 161,466 | 10.1% | 810 |
| Long-term liabilities | 5,361,506 | 36.7% | 5,475,925 | (114,419) | -2.1% | 2,465 |
| Total liabilities | 7,122,725 | 48.8% | 7,075,678 | 47,047 | 0.7% | 3,275 |
| Minority interests | 3,328,453 | 22.8% | 3,009,365 | 319,088 | 10.6% | 1,531 |
| Shareholders' equity | 4,158,663 | 28.5% | 3,802,446 | 356,217 | 9.4% | 1,912 |
| Total liabilities, minority interests and shareholders' equity | 14,609,841 | 100.0% | 13,887,489 | 722,352 | 5.2% | 6,718 |

Millions of Colombian pesos

*As of 09.30.2008 USD 1.00=COP 2,174.62 (Source: Banco de la República de Colombia).

Amounts expressed in thousands US dollars are for information purposes only, and do not reflect accounting techniques usually applied.

ISA, PARENT COMPANY

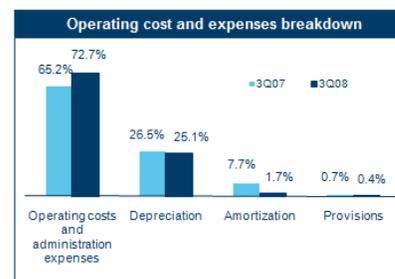
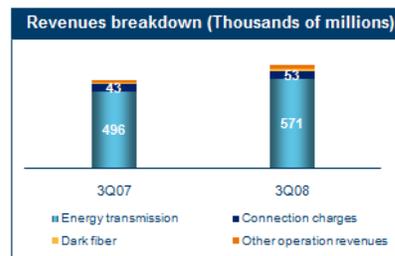
In September of 2008, ISA Parent Company presented 18.4% improvement in operating results with respect to September of 2007, going from COP 296,009 million to COP 350,389 million. This variation is explained by the increase in operating revenues originated by commissioning of new projects.

Revenues increased 17.4% as compared to the same period of a year ago (COP 98,581 million) and costs and expenses increased 16.4% (COP 44,201 million).

ISA's net income for September totaled COP 181,744 million, 1.1% up on September of 2007 (COP 179,850 million), due to decreased exchange-difference income brought about by the US Dollar appreciation in updating debt.

The results achieved show in positive financial indicators: EBITDA increased 9.7%, from COP 406,100 million in September of 2007 to COP 445,670 million in September of current year; EBITDA margin passed from 71.7% to 67.0%; operating margin grew from 52.3% to 52.7%; and net margin passed from 31.8% al 27.3%.

| ISA Income Statement | 3Q08 | 3Q07 | Var. | | 3Q08* USD |
|------------------------------|----------------|----------------|---------------|--------------|--------------|
| | | | \$ | % | |
| Operating revenues | 664,704 | 566,123 | 98,581 | 17.4% | 306 |
| Costs and operating expenses | 314,315 | 270,114 | 44,201 | 16.4% | 145 |
| EBITDA | 445,670 | 406,100 | 39,570 | 9.7% | 205 |
| Operating Income | 350,389 | 296,009 | 54,380 | 18.4% | 161 |
| Non - operating revenues | 225,229 | 178,126 | 47,103 | 26.4% | 104 |
| Non - operating expenses | 306,169 | 251,096 | 55,073 | 21.9% | 141 |
| Non-operating results | (80,940) | (72,971) | (7,969) | 10.9% | (37) |
| Income before taxes | 269,449 | 223,038 | 46,411 | 20.8% | 124 |
| Income tax provision | 87,706 | 43,188 | 44,517 | 103.1% | 40 |
| Net income | 181,744 | 179,850 | 1,893 | 1.1% | 84 |
| EBITDA margin | 67.0% | 71.7% | | | |
| Operating margin | 52.7% | 52.3% | | | |
| Net margin | 27.3% | 31.8% | | | |



Millions of Colombian pesos

As of the end of September, the Company's assets were worth COP 6,463,898 million, representing an increase of COP 113,308 million with respect to December of 2007 which is explained by the increase in investments.

5.2% drop in liabilities corresponds to the use of funds for dividend payment, debt amortization and repayment of other liabilities. Equity grew 6.4% with respect to December of 2007 on account of the good results obtained and the surplus from equity method, particularly in the Brazilian affiliates.

| ISA Balance Sheets | 3Q08 | % PART. | 4Q07 | Var. | | 3Q08* USD |
|--|------------------|-------------|------------------|------------------|--------------|--------------|
| | | | | \$ | % | |
| Current assets | 387,780 | 6% | 384,003 | 3,777 | 1.0% | 178 |
| Non- current assets | 6,076,118 | 94% | 5,966,587 | 109,531 | 1.8% | 2,794 |
| Total assets | 6,463,898 | 100% | 6,350,590 | 113,308 | 1.8% | 2,972 |
| Current liabilities | 533,148 | 8% | 588,145 | (54,997) | -9.4% | 245 |
| Long-term liabilities | 1,853,327 | 29% | 1,929,124 | (75,797) | -3.9% | 852 |
| Total liabilities | 2,386,475 | 37% | 2,517,271 | (130,796) | -5.2% | 1,097 |
| Shareholders' equity | 4,077,424 | 63% | 3,833,319 | 244,105 | 6.4% | 1,875 |
| Total liabilities and shareholders' equity | 6,463,899 | 100% | 6,350,590 | 113,309 | 1.8% | 2,972 |

Millions of Colombian pesos

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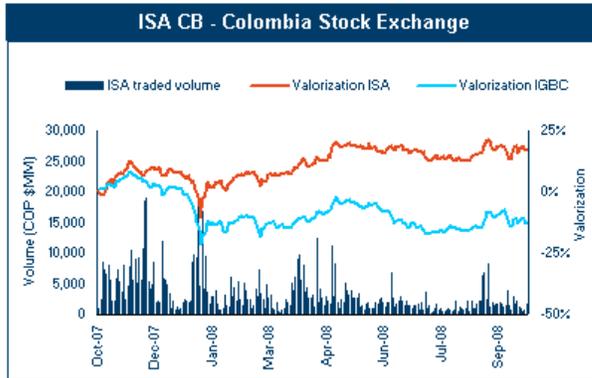
RELATED INFORMATION

Macroeconomic information - September 2008

| | | | | | | | | | |
|-------|-------|-------|----------------|---------|---------------|----------|-------------|---------|----------|
| PPI* | CPI** | DTF | Libor-6 Months | IGPM*** | Dev. Colombia | COP/USD | Dev. Brazil | BRL/USD | COP/BRL |
| 7.79% | 6.53% | 9.92% | 3.98% | 8.47% | 7.93% | 2,174.62 | 8.07% | 1.91 | 1,135.99 |

* Producer Price Index Col **Consumer Price Index Col. ***General Index of Market Prices Brazil

Source: Bloomberg



| | ISA | IGBC | COLCAP |
|---------|-----|------|--------|
| Last 1M | -1% | -1% | -2% |
| Last 3M | 1% | 1% | 3% |
| Last 6M | 9% | 3% | 9% |
| 2008* | 9% | -14% | -1% |
| 2007 | 20% | -4% | NA |
| 2006 | 5% | 17% | NA |

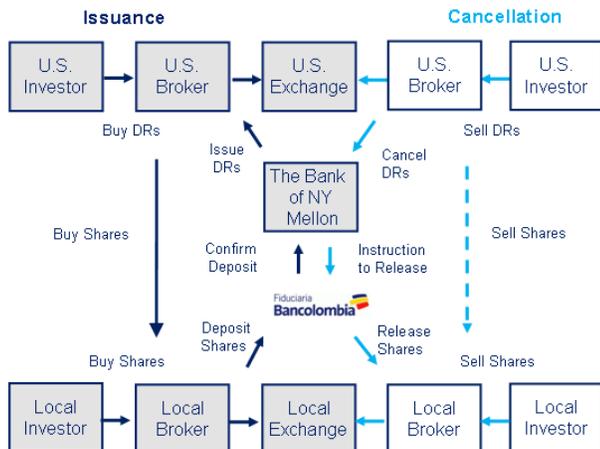
Up to September 30

Source: BVC

| Price | CLOSING 2007 December 28 | CLOSING September 30, 2008 | MINIMUM 2008 | AVERAGE 2008 | HIGHEST |
|-----------|-----------------------------|-------------------------------|-----------------|-----------------|--------------------|
| ISA (COP) | 7,100 | 7,730 | 5,890 (Jan, 21) | 7,387 | 7,990 (Sep 1,08) |
| ADR (USD) | 88.86 | 87.96 | 73.72 (Jan, 22) | 99.81 | 117.87 (Jun 17,08) |

Source: BVC - BNYM

OTC MARKET



Start date base value is 100

Source: BNYM

| | | | |
|----------------|----------------|------------------|--------------|
| Symbol | IESFY | Underlying SEDOL | 2205706 |
| CUSIP | 45853N102 | Underlying ISIN | COP5624U1196 |
| Ratio | 1 ADR: 25 ORDs | U.S. ISIN | US45853N1028 |
| Country | Colombia | Depository | BNY Mellon |
| Effective Date | March 22, 2004 | | |

Colombia's Capital Control: On September 1, 2008, the Ministry of Finance of Colombia announced the immediate removal of capital controls on foreign portfolio investment in equities.

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ahead