

SECOND QUARTER 2010 RESULTS



ISA ANNOUNCES SECOND QUARTER 2010 RESULTS

Medellin, Colombia, August 2, 2010 – Interconexión Eléctrica S.A. E.S.P - ISA (BVC: ISA; OTC: IESFY) (“ISA” or “the Company”), a Colombian group dedicated to the design, construction, operation and management of linear infrastructure systems in the fields of electricity transmission, telecommunications transmission, operation and management of markets, infrastructure construction projects and toll roads, today announced financial results for the three-month period ended June 30, 2010. All figures are unaudited and stated in millions of Colombian pesos (COP) and have been prepared in accordance with Colombian GAAP.

2Q10 and 6M10 Highlights

- **Total Consolidated Revenues** totaled COP 831,022 million, an increase of 0.2% when compared to 2Q09. The first half figure reached COP 1,658,624 million, an increase of 0.4% when compared to 6M09.
- **EBITDA** reached COP 599,735 million in the second quarter of 2010. For 6M10 EBITDA was COP 1,218,851 million, for a margin of 73.5%.
- **Net Income** was COP 95,833 million, for a net margin of 11.5%. Net income was COP 174,304 million for the first six months of 2010.
- **EPS** at the close of the period was COP 257.74/share
- **Consolidated Assets** totaled COP 16,945,165 million.

Chief Executive Officer Statement: Mr. Luis Fernando Alarcón M., ISA’s Chief Executive Officer stated: “ISA and its subsidiaries and affiliates demonstrated their financial resilience during the second quarter of 2010, despite an unfavorable economic environment and the revaluation of the Colombia peso versus the Brazilian real. During the second quarter, the Company focused on the structuring and consolidation of various projects in different sectors, which will have a significant impact on future results.”

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Total Consolidated Operating Revenues

(Figures are in millions)

	2Q10	2Q09	Change COP	Change %	2Q10 US\$	6M10	6M09	Change COP	Change %	6M10 US\$
OPERATING REVENUES										
Energy services	800,135	791,495	8,641	1.1%	417	1,595,877	1,573,091	22,787	1.4%	832
Telecommunications	23,093	28,321	(5,228)	-18.5%	12	46,407	57,955	(11,548)	-19.9%	24
Other services	7,793	9,835	(2,042)	-20.8%	4	16,340	21,667	(5,328)	-24.6%	9
TOTAL OPERATING REVENUES	831,022	829,651	1,371	0.2%	434	1,658,624	1,652,714	5,910	0.4%	865

During the second quarter 2010, ISA reported total consolidated operating revenues of COP 831,022 million, a 0.2% increase compared to the COP 829,651 million reported in second quarter 2009. This increase was a direct result of higher revenues in energy transmission services, particularly those of *Mercado de Energía Mayorista* - MEM - as well as new connection contracts, offset by declines in telecommunications due to the non-consolidation of Transnexa in 2010, a company in which ISA has shared ownership, and due to the revaluation of the Colombian peso versus the dollar, as well as non-recurring contract with third parties in this sector as well as in other services.

First half 2010 consolidated operating revenues totaled COP 1,658,624 million, 0.4% higher than the COP 1,652,714 million reported in the first half 2009. This variation was due to the same reasons cited for the second quarter.

Revenue by Business:

- **Energy Transmission services** contributed 96.3%, or COP 800,135 million, to total consolidated operating revenues in the second quarter 2010, an increase of 1.1% compared to COP 791,495 million reported in the second quarter 2009. First half 2010 revenues in the Energy Transmission business totaled COP 1,595,877 million, an increase of 1.4%.
- **Telecommunications** contributed 2.8%, or COP 23,093 million, to total consolidated operating revenues in the second quarter 2010, an 18.5% decrease compared to the COP 28,321 million reported in second quarter 2009. This decline was mainly due to the non-consolidation of Transnexa in 2010.

First half 2010 revenues in the Telecommunications business reached COP 46,407 million, a decrease of 19.9%.

- **Other services** – contributed 0.9%, or COP 7,793 million, to total consolidated operating revenues in the second quarter 2010, a decrease of COP 2,042 million compared to the COP 9,835 million reported in the second quarter 2009. In first half of 2010, revenues from Other totaled COP 16,340 million, a decrease of COP 5,328 million.

Consolidated Revenue by Country (2Q10):

During the second quarter of 2010, Brazil operations contributed 53.3% of total consolidated operating revenues, Colombia with 37.8%, Peru with 7.8% and Others with 1.1%, thus maintaining similar participation shares as in the first quarter of 2009.

(Figures are in millions)

	2Q10	2Q09	Change COP	Change %	2Q10 US\$	6M10	6M09	Change COP	Change %	6M10 US\$
Brazil ¹	443,034	434,077	8,957	2.1%	231	893,045	869,961	23,084	2.7%	466
Colombia ²	313,830	310,689	3,141	0.9%	164	615,369	620,951	(5,582)	-0.9%	321
Peru ³	64,952	71,867	(6,916)	-9.6%	34	131,991	136,843	(4,852)	-3.5%	69
Others ⁴	9,207	13,018	(3,811)	-29.3%	5	18,219	24,959	(6,740)	-27.0%	10
Total	831,022	829,651	1,371	0.2%	434	1,658,624	1,652,714	5,910	0.4%	865

Total Operating Expenses

- Total operating expenses** in the second quarter 2010 amounted to COP 382,412 million, an increase of 6.5% compared to the COP 359,157 million in the second quarter 2009. For first half of 2010, total expenses reached COP 752,001 million, a 6.0% increase when compared to the COP 709,164 million reported in the first half 2009.

The increase in expenses in 2010 was primarily explained by higher labor expenses at Red De Energia del Perú (REP), higher taxes at Companhia de Transmissão de Energia Eletrica Paulista (CTEEP), as well as higher depreciation and amortization expenses from the application of depreciation on components and the initiation of operations of new assets. In terms of provisions, the results are explained by the exchange rate differences at the subsidiaries in Peru and Bolivia.

(Figures are in millions)

	2Q10	2Q09	Change COP	Change %	2Q10 US\$	6M10	6M09	Change COP	Change %	6M10 US\$
Operating costs and administration expenses	241,687	229,312	12,375	5.4%	126	459,898	446,530	13,368	3.0%	240
Depreciation	41,568	44,556	(2,989)	-6.7%	22	88,023	89,420	(1,398)	-1.6%	46
Amortization	95,016	87,072	7,943	9.1%	50	185,390	171,668	13,721	8.0%	97
Provisions	4,142	(1,785)	5,927	-332.1%	2	18,691	1,545	17,146	1109.6%	10
Total	382,412	359,157	23,256	6.5%	200	752,001	709,164	42,837	6.0%	392

Operating Income

ISA reported operating income of COP 448,609 million, 4.7% lower than the COP 470,494 million reported in second quarter 2009, due to the 6.5% increase in expenses, due to 0.2% revenue growth, the results of which are explained in the prior paragraphs.

The operating margin for the second quarter of 2010 was 54.0%, compared to 56.7% reported for the second quarter of 2009.

¹ **Brazil** – Includes ISA Capital Brasil (investment vehicle) and CTEEP

² **Colombia** – Includes ISA Colombia, Transelca, Internexa and XM

³ **Peru** – Includes REP, Transmataro and ISA Peru

⁴ **Others** – ISA Bolivia

First half 2010 operating income totaled COP 906,623 million, a 3.9% decline compared to the COP 943,550 million reported in the first half 2009, the operating margin was 54.7%.

EBITDA and EBITDA Margin

Second quarter 2010 earnings before interest, taxes, depreciation and amortization (EBITDA) decreased 1.5% from COP 609,176 million to COP 599,735 million. This decrease was the direct result of the 0.2% increase in revenues, offset by the 4.9% increase in operating costs, administrative and maintenance expenses, excluding pension-related expenses.

Second quarter 2010 EBITDA margin reached 72.2%.

The major contributor to EBITDA in terms of business line was Energy Transmission, contributing 98.5%.

First half 2010 EBITDA declined 0.3% from COP 1,222,956 million in the first half of 2009 to COP 1,218,851 million reported in the first half 2010. This decline was mainly the result of the 0.4% increase in total consolidated revenues for the 6M10 period and the 2.3% increase in operating, administration and maintenance costs (AOM), excluding pension-related expenses, as previously mentioned.

Non-Operating Results (Losses)

Non-operating loss for the second quarter 2010 totaled COP 103,901 million, 50.0% higher than the COP 69,264 million loss reported in the second quarter 2009. This was the direct result of higher financial expenses derived from the debt restructuring of ISA Capital do Brasil's, in addition to the IGPM⁵ benefitting the value of swap in 2009.

For the first half of 2010, non-operating losses were COP 263,500 million that is 61.2% higher than the COP 163,455 million reported in the first half of 2009. In addition to the above, this increase was due to the fact that in the first quarter of 2010, the non-operating result was affected by the refunding of revenues from CTEEP to CPFL, according to the ANEEL resolution pertaining to 2009 revenues.

Taxes

Income tax provisions for the second quarter 2010 reached COP 107,756 million, a decrease of 7.1% compared to the COP 115,933 million reported for second quarter 2009. This decrease was explained by lower taxable income.

First half 2010 income tax provisions were COP 183,657 million, a decline of 29.1% compared to COP 259,132 million reported in first half 2009, where, besides the factors that occurred in the second quarter, a tax benefit became available to CTEEP.

Net Income

As a result of the above, net income for second quarter 2010 reached COP 95,833 million, or COP 257.74 / share, a decline of 27.7% compared to the COP 132,494 million, reported in second quarter 2009. The net margin was 11.5% during 2Q10.

First half 2010 net income declined 15.9% from COP 207,350 million to COP 174,304 million with a net margin of 10.5%.

⁵ Brazilian PPI (Producer Price Index)

Balance Sheet

As of June 30, 2010, total consolidated assets were COP 16,945,165 million, a decrease of 0.6% when compared to the close of 2009, mainly due to conversion effects. It is worth noting that during 2010, ISA and its subsidiaries made invested in new companies and operating assets.

Distribution of Assets: ISA's subsidiaries and affiliates' geographic distribution of assets is mainly concentrated in Brazil and Colombia, with 46.4% and 43.2%, respectively. 9.5% of the assets are located in Peru.

Liabilities decreased 11.6% reaching COP 6,534,502 million due to the net effect of the debt restructuring at ISA Capital do Brasil, via the issuance of preferred shares, conversion effects and the new debt issued by CTEEP.

Distribution of Liabilities: ISA's liabilities are concentrated in Colombia, which is also where the group's headquarters are located, with 45.9%. Brazil, which in recent years has become an increasingly important area of growth, holds 39.8% of the liabilities. Peru, with 12.9%, is in line with its contribution to consolidated revenues.

At the close of the second quarter 2010, ISA's **minority interest** totaled COP 4,469,667 million, from COP 3,481,539 million as of December 31, 2009. This was due to the issuance of preferred shares for the restructuring of debt at ISA Capital do Brasil.

Total Shareholders' Equity: reached COP 5,940,996 million, a decline of 3.8% when compared to the figure at December 31, 2009. This decrease was mainly the result of the transfer of retained earnings for 2009 to dividends payable, in accordance with the resolutions adopted at the General Shareholders' Meeting, as well as the conversion effects derived from the consolidation of foreign subsidiaries.

Debt Profile

ISA's consolidated debt totaled COP 3,590,797 million of June 30, 2010. Of this amount, 43.3% was denominated in Colombian pesos, 34.7% in Brazilian reals, 21.2% in U.S. dollars and 0.8% in Peruvian soles. In terms of tenor, 87% was long-term in nature, while 13% was short-term debt.

(Figures are in millions)

Consolidated Debt	6M10	6M09	Change COP	Change %	6M10 US\$
ISA Colombia	1,377,796	1,439,012	(61,216)	-4.3%	719
ISA Capital Brasil	60,682	1,154,111	(1,093,430)	-94.7%	32
REP	308,339	348,060	(39,721)	-11.4%	161
Transelca	289,895	301,596	(11,701)	-3.9%	151
Transmantaro	171,770	112,350	59,420	52.9%	90
CTEEP	1,247,323	1,071,937	175,386	16.4%	651
ISA Bolivia	83,224	93,704	(10,480)	-11.2%	43
ISA Perú	42,442	47,777	(5,336)	-11.2%	22
Internexa	9,327	9,994	(667)	-6.7%	5
XM	-	1,565	(1,565)	-100.0%	0
Total	3,590,797	4,580,106	(989,309)	-21.6%	1,874

Debt Restructuring

As stated in previous quarters, the debt restructuring at ISA Capital do Brasil will increase the financing capacity to purchase operating assets, in addition to reduced financial restrictions and lower financing costs. To date, ISA has restructured US\$ 522 million in bonds at ISA Capital do Brasil, by swapping bonds with maturity dates of 2012 and 2017 for preferred shares in the Company. A principal balance of US\$32 million remains on the 2017 bond. These shares will be repurchased between 2013 and 2016.

CAPEX

For 2Q10, investment in each subsidiary or affiliate reached approximately COP 493,925 million, both in terms of direct company investments or joint investments with partners. This information does not include CAPEX non-controlled companies and correspond to the sum of individual investments and is not the result of a consolidation process. The conversion to COP utilized the exchange rate at the close of the quarter.

(Figures are in millions)

	2Q10	1Q10	6M10
COLOMBIA	95,314	88,114	183,428
BRAZIL	285,711	138,874	424,585
PERU	112,901	104,751	217,651

ISA INDIVIDUAL RESULTS

Interconexión Eléctrica, S.A. E.S.P., the individual company, reported net income of COP 95,833 million, a 27.7% decline compared to the second quarter of 2009. For the first six months of 2010, net income reached COP 174,304 million, a decline of 15.9% compared to the first six months of 2009.

This net income was the result of the following:

1. Lower revenues from services to third parties as well as fiber optics as well as provisions due to exchange rate variations in foreign investments.
2. Lower non-operating results, as a net effect of a decline in financial expenses due to lower debt, higher revenues due to the exchange rate difference as a result of the revaluation of the peso versus the dollar and the decline in the equity method line due to lower income at CTEEP as well as debt restructuring costs.

EBITDA for 2Q10 increased 0.9%, or by COP 1,486 million compared to 2Q09, due to the 0.2% revenue increase as well as a 1.2% decline in AOM expenses, which is the basis of the EBITDA calculation. EBITDA margin increased from 67.7% to 68.2%; operating margin went from 53.7% to 50.9%, while the net margin went from 56.0% to 40.4%, from 2Q09 to 2Q10.

For the first half of 2010, EBITDA declined 0.6% due to 0.9% lower revenues and a decline of 1.6% decline in operating costs.

ISA INDIVIDUAL BALANCE SHEET

Assets reached COP 8,477,611 million, a decrease of 0.5% when compared to December 31, 2009, due to lower value of permanent investments as per the exchange rate effects upon converting foreign investments. As of June 30, 2010, the debt was COP 1,377,796 million, which represents a decrease of 4.3% when compared to December 31, 2009.

Shareholders' Equity reached COP 5,946,233 million, a 2.8% decline compared to the figure reported at December 31, 2009. This was due to the dividend payment approval as well as conversion effects.

Full Year 2010 Outlook

ISA expects that it will be able to maintain the positive momentum established during the first half of 2010. Therefore, the Company expects favorable growth for the full year in line with ISA's growth strategy.

In terms of projects, ISA expects to continue new investments, mainly in:

- Consolidation of the purchase of a 60% stake in Cintra Chile (toll roads).
- Transmantaro projects, including: Platanal – Chilca, Misky Mayo, Las Flores, Independencia – ICA and Trujillo – Zapallal (energy transmission)
- REP projects: Expansion 1 (Chilca – San Juan), Expansion 2 (Zapallal – Nueva Chimbote), Expansion 3 (Marcona ica Juliaca), Expansion 4 and Expansion 5 - substation capacity (energy transmission)
- Initiation of operations at INTERNEXA Chile (telecommunications)

In Colombia, ISA advances in the studies and structuring of the project “*Autopistas de la Montaña*” (Mountain Highways), which will likely be presented during the first quarter of 2011 for final approval.

In terms of accounting, ISA continues working towards the implementation of International Accounting Standards so that by the year 2012, financial statements will be prepared under these norms, as established by the *Superintendencia de Servicios Públicos* (Public Services Department).

Recent Events

- April 30, 2010 – ISA's Board of Directors authorized management to begin the process to participate and present a bid in the International Public Bidding for the concession of the “SGT 500 kV Chilca-Marcona-Montalvo Transmission Line”, per the process being managed by Proinversion de Peru.
- April 30, 2010 - ISA's Board of Directors, at its ordinary meeting, approved a COP 500 billion expansion of the Company's Internal Public Bond Issuance and Placement Program, from COP 1.2 trillion to COP 1.7 trillion.
- April 30, 2010 - ISA's Board of Directors authorized ISA, through its Chief Executive Officer, or his or her alternate (acting as a shareholder of Consorcio TransMantaro S.A.) to proceed with the shareholders' agreement required by Banco de Crédito del Peru (BCP), to sign and disburse a loan of up to US\$ 160 million. ISA will assume 60% of this agreement, meaning ISA will support TransMantaro in an equal proportion to its stake in this company.
- May 3, 2010 - Interconexión Eléctrica S.A. E.S.P. and Cintra Infraestructuras de España mutually agreed to extend for 30 days the closing date for agreement to transfer shares, change by-laws and

modify Cintra Concesiones de Infraestructuras de Transporte de Chile Limitada. As a consequence, the agreement between the parties will remain in force until May 31, 2010.

- May 14, 2010 - The Committee of Proinversión, in Peru, announced pre-qualification of Interconexión Eléctrica S.A. E.S.P. –ISA– to take part in International Public Bidding for concession of the “Tintaya-Socabaya 220 kV Transmission Line and associated substations” and “Reinforcement of the Northern System with a second 220 kV transmission circuit between Talara and Piura” projects. Such prequalification empowers the Company to request necessary authorizations from the Board of Directors in order to submit an offer in June 2010.
- May 20, 2010 - Given the resignation submitted on May 18, 2010 by Mr. John Byron Perez D to the position of Corporate Audit Manager of Interconexión Eléctrica S.A. E.S.P., starting May 19, Ms. Adriana María Cano F will be in charge of this position.
- May 28, 2010 - The Board of Directors authorized management to establish the necessary commitments for participation and presentation of a bid by ISA in International Public Bidding for concession of projects “Tintaya-Socabaya 220 kV Transmission Line and associated substations” and “Reinforcement of the Northern System with a second 220 kV transmission circuit between Talara and Piura”, according to bidding bases of Proinversion in Peru.
- May 31, 2010 - Interconexión Eléctrica S.A. E.S.P. and Cintra Infraestructuras de España mutually agreed to extend until June 30, 2010 the original closing date for agreement to transfer shares, change by-laws and modify Cintra Concesiones de Infraestructuras de Transporte de Chile Limitada, without limitation upon automatic extension for three additional months that may eventually apply.
- June 2, 2010 - DERIVEX S.A., (whose shareholders are: XM Compañía de Expertos en Mercados S.A. E.S.P., Bolsa de Valores de Colombia – BVC, Internexa, Fondo de Empleados – FEISA and Invesbolsa S.A.S.) was legally incorporated. DERIVEX’s principal objective is the management of systems for negotiating and recording financial derivatives operations. DERIVEX’s owns assets in electric energy, oil and other energy-related commodities.
- June 3, 2010 - Fitch Ratings Colombia S.A. affirmed ISA’s ‘AAA’ rating with a ‘Stable Outlook’ after a corresponding study and analysis of the third bond issue for COP 130,000 million undertaken by ISA in 2001, and the bond issue and underwriting program, expanded to COP 1.7 trillion.
- June 15, 2010 - Consorcio TransMantaro S.A.’s Board of Directors approved a capital increase from S/. 255,784,259 to S/. 383,764,259 via the capitalization of monetary contributions carried out by shareholders of Interconexión Eléctrica S.A. E.S.P. (60%) and Empresa de Bogotá S.A. E.S.P.
- June 29, 2010 - On November 12, 2008, representatives of non-unionized workers denounced the first paragraph of the clause ruling salary adjustment and increases and the clause on Performance Incentives and on November 13, 2008 submitted the list of demands. 2. The direct settlement stage began on November 19, 2008 and ended on December 22, 2008, without reaching an agreement between the parties. 3. The labor dispute was resolved through an arbitration award delivered on June 18, 2010 by the Mandatory Arbitral Tribunal, before which neither party brought an action for annulment.
- June 30, 2010 - ISA and Cintra Infraestructuras de España mutually agreed to extend the original closing date of the contract for the transfer of interests, the amendment of by-laws and transformation of Cintra Concesiones de Infraestructuras de Transporte de Chile Limitada,’s closing date until July 31, 2010, notwithstanding an additional three-month automatic extension that may be exercised.
- July 1, 2010 - ISA’s Board of Directors appointed Ms. Adriana Maria Cano Franco as Principal Compliance Officer for Prevention of Money-Laundering and Terrorism Funding activities as well as Legal Director. The Board also appointed Mr. Alberto Mauricio Bernal Latorre Alternate Compliance Officer.

- July 6, 2010 - Fitch Ratings upgraded ISA Capital' do Brasil's rating from 'BB' to 'BB+', which reflects the Company's improved financial perspectives given the refinancing of the majority of the Company's debt and CTEEP's solid credit quality. Fitch also upgraded its ratings for ISA Capital do Brasil's outstanding bonds (US\$ 32 million) from 'BB' to 'BBB-', given ISA Capital do Brasil's improved rating and the 'quality of guarantees for the bonds'.
- July 9, 2010 - ISA won the international public bidding process to develop a transmission line between the cities of Talara and Piura in Peru. The project will have an extension of 102 kilometers and will increase capacity to 220-kv, while generating annual revenues of approximately US\$ 2.3 million.
- July 14, 2010 – On July 19th, about 52 thousand shareholders of ISA received COP40 per share, corresponding to the second dividend payment decreed for this year, as agreed under the General Shareholders' Meeting.
- July 16, 2010 - Mr. Alberto Mauricio Bernal L. took on his new role as Secretary General of Interconexión Eléctrica S.A. E.S.P., replacing Mr. Juan David Bastidas S.
- July 21, 2010 - The Ministry of Energy and Mines of Peru (MEM), announced ISA's pre-qualification to take part in an international public bidding for the concession of the project Pomacocha – Carhuamayo 220 kV transmission line and associated substations. This prequalification empowers the Company to request the necessary authorizations from the Board of Directors in order to submit an offer on August 10, 2010. This project is part of ISA's growth strategy which is carried out in Peru through businesses owned by ISA in association with Empresa de Energía de Bogotá.

Market Data and Additional Information

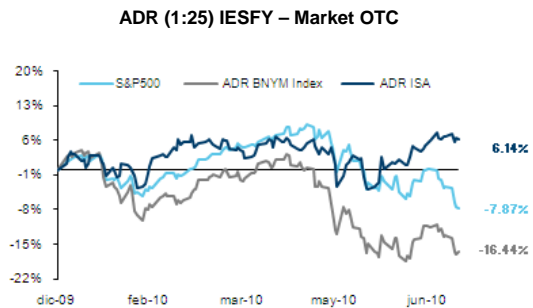
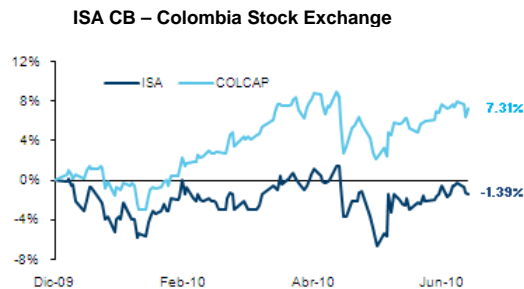
Exchange Rate

EXCHANGE RATE AT THE END OF EACH PERIOD	2Q10	2Q09	4Q09	Change 2Q10 - 2Q09	Change 2Q10 - 4Q09
COP / USD	1,916.46	2,043.37	2,044.23	-126.91	-127.77
COP / REAL	1,063.81	1,091.19	1,174.04	-27.38	-110.22
COP/ NUEVO SOL	677.67	683.86	707.35	-6.19	-29.67

Shareholder Composition

	Number of Shares	%
The Colombian State	569,472,561	51.4%
Shares outstanding	348,226,256	31.4%
EPM- Empresas Públicas de Medellín	112,605,547	10.2%
Ecopetrol	58,925,480	5.3%
EEB – Empresa de Energía de Bogota	18,448,050	1.7%
TOTAL	1,107,677,894	100%

Share Performance



Debt Ratings

Fitch Ratings Colombia. June 3, 2010

Third issuance of ordinary bonds and bond issuance program: AAA

Stable Outlook
















Standard & Poor's. February 3, 2010










Foreign Currency: BB+
Local Currency: BB+

Stable Outlook

ORGANIZATIONAL CHART

ISA's shareholding in subsidiaries, affiliates and other companies

ELECTRIC ENERGY TRANSPORT	
1967	 COLOMBIA Parent company
1998	 COLOMBIA Affiliate TRANSELCA Direct participation: 99.99%
	 BRAZIL Subsidiary CTEEP Indirect participation: 37.46% through ISA Capital do Brasil. 2006, year of acquisition
2008	 BRAZIL Subsidiary PINHEIROS Indirect participation: 99.99% through CTEEP
2009	 BRAZIL Subsidiary SERRA DO JAPI Indirect participation: 99.99% through CTEEP
2008	 BRAZIL Subsidiary IESUL Indirect participation: 99.99% through CTEEP
2008	 BRAZIL Investment IEMadeira Indirect participation: 51% through CTEEP
2006	 BRAZIL Investment IEMG Indirect participation: 60% through CTEEP
2007	 BRAZIL Investment IENNE Indirect participation: 25% through CTEEP
2001	 PERU Subsidiary ISA PERU Direct participation: 28.07% Indirect participation: 54.85% through TRANSELCA
2002	 PERU Subsidiary REP Direct participation: 30% Indirect participation: 30% through TRANSELCA
	 PERU Affiliate TRANSMANTARO Direct participation: 60%. 2006, year of acquisition
2003	 BOLIVIA Affiliate ISABOLIVIA Direct participation: 51% Indirect participation: 48.99% through TRANSELCA 0.01% through INTERNEXA (Col.)
2007	 PANAMA Investment Interconexión Eléctrica COLOMBIA PANAMÁ -ICP- ISA: 50%
	 CENTRAL AMERICA Investment EMPRESA PROPIETARIA DE LA RED S.A. - EPR ISA Shareholder 11.11% participation

CONSTRUCTION OF INFRASTRUCTURE PROJECTS	
2007	 PERU Affiliate PROYECTOS DE INFRAESTRUCTURA DEL PERÚ -PDI- Direct participation: 99.97% Indirect participation: 0.03% through TRANSELCA
MARKET OPERATION AND ADMINISTRATION	
2005	 COLOMBIA Affiliate xm Direct participation: 99.73%
2010	 COLOMBIA Investment DERIVEX Indirect participation: 49.95% through XM 0.0250% through INTERNEXA (Col.)
TELECOMMUNICATIONS TRANSPORT	
2006	 COLOMBIA Affiliate INTERNEXA Direct participation: 99.27%
2002	 PERU Subsidiary INTERNEXA Indirect participation: 99.99% through INTERNEXA (Col.)
2010	 CHILE Subsidiary INTERNEXA Indirect participation: 90% through INTERNEXA (Col.)
	 ECUADOR Investment TRANSNEXA Indirect participation: 50% through INTERNEXA (Col.)
INVESTMENTS VEHICULE	
2006	 BRAZIL Affiliate ISA CAPITAL DO BRASIL Direct participation: 99.99%
2008	 BRAZIL Subsidiary INTERNEXA Participações S.A. Indirect participation: 99.95% through INTERNEXA (Col.) 0.005% through INTERNEXA (Peru)

Conference Call

There will be a conference call to discuss ISA's quarterly results on Tuesday, August 10, 2010 at 12:00 p.m. New York City Time (Eastern Time), 11:00 a.m. Medellin Time. For those interested in participating, please dial (877) 861-7548 in the United States or, if outside the United States, (706) 758-7973. Participants should use conference ID# 88528873, and dial in five minutes before the call is set to begin.

The conference call will become available for review on Conference Replay one hour after its conclusion, and will remain available through August 12, 2010. Please dial (800) 642-1687 or (706) 645-9291, and follow the instructions. The conference ID# for the replayed call is 88528873. For more information, please access <http://www.isa.com.co>.

About ISA

Interconexión Eléctrica S.A. E.S.P, is a Colombian-based utility company responsible for executing important linear infrastructure systems projects, both directly and through its affiliates and subsidiaries. ISA's activities are focused on the transportation of electric energy, market operation and administration, telecommunications transportation, construction of infrastructure projects and road concessions.

ISA's linear infrastructure systems unite cities, countries, as well as other geographic locations, contributing to the advancement of Colombia, Brazil, Peru, Chile, Bolivia, Ecuador, Panama and Central America.

Currently, ISA has 10 companies in the energy transmissions sector, operating over 38,000 km of high-voltage circuits. In communications infrastructure, ISA has access to more than 12,000 km of fiber-optic cable in Latin America and is able to transmit data from Venezuela to Peru. Since 2007, ISA has also entered the road concessions sector, and at the end of 2009, ISA began to analyze the acquisition of a 60% stake in Cintra Chile Ltda., a company that operates 5 road concessions totaling 907 km. In the first quarter of 2010, ISA signed an agreement with the Colombian government to develop the *Autopistas de la Montaña* project, a highway development comprised of 900 km for construction and 1,251 km for operation and maintenance.

This report main contain forward-looking statements regarding the performance of ISA and should be taken in good faith by institutions; said forward-looking statements reflect the views of management and are based on currently available information, which supposes risks and uncertainties, including economic conditions and that of other markets, as well as the exchange rate fluctuation and other financial variables that Interconexión Eléctrica S.A. E.S.P. cannot be held responsible directly or indirectly for financial operations that the public may do using the information hereby presented.

CONSOLIDATED INCOME STATEMENT (Unaudited)
Figures in millions of Colombian pesos

	2Q10	2Q09	Change COP	Change %	2Q10 US\$	6M10	6M09	Change COP	Change %	6M10 US\$
OPERATING REVENUES										
Energy transmission services	702,057	701,303	754	0.1%	366	1,407,782	1,395,056	12,726	0.9%	735
Connection charges	76,858	72,989	3,869	5.3%	40	148,446	144,548	3,899	2.7%	77
Dispatch and CND (National Dispatch Center)	9,759	9,623	137	1.4%	5	19,613	18,515	1,098	5.9%	10
MEM Services	11,461	7,580	3,881	51.2%	6	20,036	14,972	5,064	33.8%	10
Telecommunications	23,093	28,321	(5,228)	-18.5%	12	46,407	57,955	(11,548)	-19.9%	24
Other services	7,793	9,835	(2,042)	-20.8%	4	16,340	21,667	(5,328)	-24.6%	9
TOTAL OPERATING REVENUES	831,022	829,651	1,371	0.2%	434	1,658,624	1,652,714	5,910	0.4%	865
COSTS AND OPERATING EXPENSES										
Operating costs and administration expenses	241,687	229,312	12,375	5.4%	126	459,898	446,530	13,368	3.0%	240
Depreciation	41,568	44,556	(2,989)	-6.7%	22	88,023	89,420	(1,398)	-1.6%	46
Amortization	95,016	87,072	7,943	9.1%	50	185,390	171,668	13,721	8.0%	97
Provisions	4,142	(1,785)	5,927	-332.1%	2	18,691	1,545	17,146	1109.6%	10
TOTAL COSTS AND OPERATING EXPENSES	382,412	359,157	23,255	6.5%	200	752,001	709,164	42,837	6.0%	392
Operating Income	448,609	470,494	(21,885)	-4.7%	234	906,623	943,550	(36,927)	-3.9%	473
NON - OPERATING REVENUES										
Financial	23,984	17,370	6,614	38.1%	13	55,830	60,345	(4,515)	-7.5%	29
Exchange difference	14,495	222,280	(207,785)	-93.5%	8	164,722	315,468	(150,745)	-47.8%	86
Other	17,342	32,315	(14,973)	-46.3%	9	36,894	58,861	(21,967)	-37.3%	19
Total non-operating revenues	55,821	271,965	(216,144)	-79.5%	29	257,447	434,674	(177,227)	-40.8%	134
NON - OPERATING EXPENSES										
Financial	148,760	345,592	(196,832)	-57.0%	78	359,923	491,686	(131,763)	-26.8%	188
Exchange difference	7,350	(11,252)	18,602	-165.3%	4	106,932	92,235	14,697	15.9%	56
Other	3,612	6,889	(3,277)	-47.6%	2	54,092	14,208	39,884	280.7%	28
Total non-operating expenses	159,721	341,228	(181,507)	-53.2%	83	520,946	598,129	(77,182)	-12.9%	272
Non-operating results	(103,901)	(69,264)	(34,637)	50.0%	(54)	(263,500)	(163,455)	(100,045)	61.2%	(137)
Income before taxes	344,709	401,230	(56,521)	-14.1%	180	643,123	780,095	(136,972)	-17.6%	336
Income tax provision	107,756	115,933	(8,177)	-7.1%	56	183,657	259,132	(75,475)	-29.1%	96
Income before minority interests	236,953	285,297	(48,344)	-16.9%	124	459,466	520,963	(61,497)	-11.8%	240
Minority interests	141,120	152,803	(11,683)	-7.6%	74	285,162	313,613	(28,451)	-9.1%	149
NET INCOME	95,833	132,494	(36,662)	-27.7%	50	174,304	207,350	(33,046)	-15.9%	91
EBITDA	599,735	609,176	(9,441)	-1.5%	313	1,218,851	1,222,956	(4,105)	-0.3%	636
EBITDA Margin	72.2%	73.4%				73.5%	74.0%			
Operating Margin	54.0%	56.7%				54.7%	57.1%			
Net Margin	11.5%	16.0%				10.5%	12.5%			

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CONSOLIDATED BALANCE SHEET (Unaudited)
Figures in millions of Colombian pesos

	6M10	% Part.	2009	Change COP	Change %	6M10 US\$
CURRENT ASSETS						
Cash	722,087	4.3%	464,228	257,859	55.5%	377
Marketable investments	559,961	3.3%	552,594	7,367	1.3%	292
Accounts receivable, net	1,016,800	6.0%	1,086,065	(69,265)	-6.4%	531
Inventories	20,841	0.1%	89,810	(68,969)	-76.8%	11
Deferred charges and other assets	162,362	1.0%	146,183	16,179	11.1%	85
Total current assets	2,482,051	14.6%	2,338,880	143,171	6.1%	1,295
NON-CURRENT ASSETS						
Long-term investments	433,860	2.6%	374,493	59,367	15.9%	226
Long-term accounts receivable	822,611	4.9%	874,503	(51,892)	-5.9%	429
Inventories	55,910	0.3%	55,542	368	0.7%	29
Property, plant and equipment, net	3,027,241	17.9%	3,064,246	(37,005)	-1.2%	1,580
Deferred charges and other assets	7,293,601	43.0%	7,511,552	(217,951)	-2.9%	3,806
Reappraisal of assets	2,829,891	16.7%	2,830,160	(269)	0.0%	1,477
Total non-current assets	14,463,114	85.4%	14,710,496	(247,382)	-1.7%	7,547
TOTAL ASSETS	16,945,165	100.0%	17,049,376	(104,211)	-0.6%	8,842
CURRENT LIABILITIES						
Outstanding bonds	161,073	1.0%	85,660	75,413	88.0%	84
Financial liabilities	305,759	1.8%	805,837	(500,078)	-62.1%	160
Accounts payable	774,071	4.6%	584,134	189,937	32.5%	404
Labor liabilities	33,555	0.2%	32,274	1,281	4.0%	18
Accrued liabilities and estimated provisions	229,469	1.4%	254,266	(24,797)	-9.8%	120
Other liabilities	301,380	1.8%	344,004	(42,624)	-12.4%	157
Total current liabilities	1,805,307	10.7%	2,106,175	(300,868)	-14.3%	942
LONG-TERM LIABILITIES						
Outstanding bonds	2,046,768	12.1%	2,667,771	(621,003)	-23.3%	1,068
Financial liabilities	1,077,197	6.4%	1,020,838	56,359	5.5%	562
Accounts payable	432,835	2.6%	398,608	34,227	8.6%	226
Labor liabilities	1,519	0.0%	1,740	(221)	-12.7%	1
Accrued liabilities and estimated provisions	771,480	4.6%	806,364	(34,884)	-4.3%	403
Other liabilities	399,396	2.4%	389,305	10,091	2.6%	208
Total long-term liabilities	4,729,195	27.9%	5,284,626	(555,431)	-10.5%	2,468
TOTAL LIABILITIES	6,534,502	38.6%	7,390,801	(856,299)	-11.6%	3,410
Minority interests	4,469,667	26.4%	3,481,539	988,128	28.4%	2,332
Subscribed and paid in capital	36,916	0.2%	36,916	-	0.0%	19
Capital Surplus	1,445,509	8.5%	1,445,509	-	0.0%	754
Reserves	642,614	3.8%	504,965	137,649	27.3%	335
Net income	174,304	1.0%	314,878	(140,574)	-44.6%	91
Cumulative translation adjustment	(5,235)	0.0%	57,152	(62,387)	-109.2%	(3)
Equity revaluation	571,845	3.4%	592,019	(20,174)	-3.4%	298
Surplus from asset reappraisals	2,405,419	14.2%	2,405,688	(269)	0.0%	1,255
Surplus from equity method	669,624	4.0%	819,909	(150,285)	-18.3%	349
Total Shareholders' Equity	5,940,996	35.1%	6,177,036	(236,040)	-3.8%	3,100
TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY	16,945,165	100.0%	17,049,376	(104,211)	-0.6%	8,842

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INDIVIDUAL INCOME STATEMENT (Unaudited) - ISA
Figures in millions of Colombian pesos

	2Q10	2Q09	Change COP	Change %	2Q10 US\$	6M10	6M09	Change COP	Change %	6M10 US\$
OPERATING REVENUES										
Energy transmission services	202,601	204,910	(2,309)	-1.1%	106	401,419	404,500	(3,081)	-0.8%	209
Connection charges	22,891	18,774	4,117	21.9%	12	41,238	37,884	3,354	8.9%	22
Infrastructure Projects	4,348	3,179	1,169	36.8%	2	7,016	8,355	(1,339)	-16.0%	4
Telecommunications	3,700	4,749	(1,049)	-22.1%	2	7,662	9,604	(1,942)	-20.2%	4
Other services	3,659	5,012	(1,353)	-27.0%	2	7,511	8,860	(1,349)	-15.2%	4
TOTAL OPERATING REVENUES	237,199	236,624	575	0.2%	124	464,845	469,202	(4,358)	-0.9%	243
COSTS AND OPERATING EXPENSES										
Operating costs and administration expenses	80,307	81,547	(1,240)	-1.5%	42	151,494	154,012	(2,518)	-1.6%	79
Depreciation	27,079	25,979	1,100	4.2%	14	54,202	51,965	2,237	4.3%	28
Amortization	1,849	1,861	(12)	-0.6%	1	3,349	3,721	(372)	-10.0%	2
Provisions	7,218	147	7,071	4810.2%	4	14,716	442	14,274	3229.4%	8
TOTAL COSTS AND OPERATING EXPENSES	116,452	109,534	6,918	6.3%	61	223,760	210,140	13,620	6.5%	117
Operating Income	120,747	127,090	(6,343)	-5.0%	63	241,085	259,062	(17,977)	-6.9%	126
NON - OPERATING REVENUES										
Financial	3,252	4,660	(1,408)	-30.2%	2	9,549	9,103	446	4.9%	5
Exchange difference	7,360	2,422	4,938	203.9%	4	21,545	31,242	(9,697)	-31.0%	11
Equity Method	25,781	47,470	(21,689)	-45.7%	13	48,283	104,549	(56,266)	-53.8%	25
Other	1,631	1,028	603	58.7%	1	3,199	4,009	(810)	-20.2%	2
Total no-operating revenues	38,024	55,580	(17,556)	-31.6%	20	82,576	148,903	(66,327)	-44.5%	43
NON - OPERATING EXPENSES										
Financial	41,065	54,436	(13,371)	-24.6%	21	85,769	111,860	(26,091)	-23.3%	45
Exchange difference	(492)	(34,197)	33,705	-98.6%	0	4,969	22,416	(17,447)	-77.8%	3
Equity Method	(3,684)	-	(3,684)	0.0%	(2)	5,604	-	5,604	0.0%	3
Other	754	1,545	(791)	-51.2%	0	3,980	5,999	(2,019)	-33.7%	2
Total no-operating expenses	37,643	21,784	15,859	72.8%	20	100,322	140,275	(39,953)	-28.5%	52
Non-operating results	381	33,796	(33,415)	-98.9%	0	(17,746)	8,630	(26,374)	-305.7%	(9)
Income before taxes	121,128	160,886	(39,758)	-24.7%	63	223,339	267,691	(44,351)	-16.6%	117
Income tax provision	25,295	28,393	(3,098)	-10.9%	13	49,035	60,342	(11,307)	-18.7%	26
NET INCOME	95,833	132,493	(36,660)	-27.7%	50	174,304	207,350	(33,046)	-15.9%	91
EBITDA	161,723	160,237	1,486	0.9%	84	322,511	324,608	(2,097)	-0.6%	168
EBITDA margin	68.2%	67.7%				69.4%	69.2%			
Operating margin	50.9%	53.7%				51.9%	55.2%			
Net margin	40.4%	56.0%				37.5%	44.2%			

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INDIVIDUAL BALANCE SHEET (Unaudited) - ISA
Figures in millions of Colombian pesos

	6M10	% Part.	2009	Change COP	Change %	6M10 US\$
CURRENT ASSETS						
Cash	3,978	0.0%	107,823	(103,845)	-96.3%	2
Marketable investments	430,826	5.1%	477,359	(46,533)	-9.7%	225
Accounts receivable, net	348,905	4.1%	183,723	165,182	89.9%	182
Inventories	2,748	0.0%	2,596	152	5.9%	1
Deferred charges and other assets	82,245	1.0%	83,812	(1,567)	-1.9%	43
Total current assets	868,702	10.2%	855,313	13,389	1.6%	453
NON-CURRENT ASSETS						
Long-term investments	2,353,120	27.8%	2,411,165	(58,045)	-2.4%	1,228
Long-term accounts receivable	26,962	0.3%	23,056	3,906	16.9%	14
Inventories	55,813	0.7%	55,542	271	0.5%	29
Property, plant and equipment, net	2,433,473	28.7%	2,434,389	(916)	0.0%	1,270
Deferred charges and other assets	334,122	3.9%	335,979	(1,857)	-0.6%	174
Reappraisal of assets	2,405,419	28.4%	2,405,688	(269)	0.0%	1,255
Total non-current assets	7,608,909	89.8%	7,665,819	(56,910)	-0.7%	3,970
TOTAL ASSETS	8,477,611	100.0%	8,521,132	(43,521)	-0.5%	4,424
CURRENT LIABILITIES						
Outstanding bonds	100,000	1.2%	-	100,000	0.0%	52
Financial liabilities	137,145	1.6%	174,698	(37,553)	-21.5%	72
Accounts payable	235,365	2.8%	134,570	100,795	74.9%	123
Labor liabilities	6,898	0.1%	6,566	332	5.1%	4
Accrued liabilities and estimated provisions	87,807	1.0%	104,249	(16,442)	-15.8%	46
Other liabilities	16,980	0.2%	10,576	6,404	60.6%	9
Total current liabilities	584,195	6.9%	430,659	153,536	35.7%	305
LONG-TERM LIABILITIES						
Outstanding bonds	931,365	11.0%	1,031,365	(100,000)	-9.7%	486
Financial liabilities	209,287	2.5%	232,950	(23,663)	-10.2%	109
Related parties	264,497	3.1%	267,537	(3,040)	-1.1%	138
Accounts payable	118,123	1.4%	47,686	70,437	147.7%	62
Labor liabilities	1,474	0.0%	1,609	(135)	-8.4%	1
Accrued liabilities and estimated provisions	126,506	1.5%	120,819	5,687	4.7%	66
Other liabilities	295,931	3.5%	268,623	27,308	10.2%	154
Total long-term liabilities	1,947,183	23.0%	1,970,589	(23,406)	-1.2%	1,016
TOTAL LIABILITIES	2,531,378	29.9%	2,401,248	130,130	5.4%	1,321
Subscribed and paid in capital	36,916	0.4%	36,916	-	0.0%	19
Capital Surplus	1,445,509	17.1%	1,445,509	-	0.0%	754
Reserves	642,614	7.6%	504,965	137,649	27.3%	335
Net income	174,304	2.1%	314,878	(140,573)	-44.6%	91
Surplus from asset reappraisals	2,405,419	28.4%	2,405,688	(269)	0.0%	1,255
Surplus from equity method	669,625	7.9%	819,909	(150,285)	-18.3%	349
Equity revaluation	571,845	6.7%	592,019	(20,174)	-3.4%	298
Total Shareholders' Equity	5,946,233	70.1%	6,119,884	(173,652)	-2.8%	3,103
TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY	8,477,611	100.0%	8,521,132	(43,522)	-0.5%	4,424

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