

**INTERCONEXIÓN ELÉCTRICA S.A. E.S.P.**  
**STATEMENTS OF INCOME**

**FOR THE YEARS ENDED DECEMBER 31 2007 AND 2006**

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

As of 12.31.2007 USD 1.00=COP 2,014.76 (Source: Banco de La República Colombia).

	<u>2007</u>	<u>2006</u>
<b>OPERATING REVENUES</b>		
Energy transmission services	329,454	309,778
Connection charges	28,842	28,621
Telecommunications	5,928	4,733
Other services	14,163	11,602
	<b>378,387</b>	<b>354,734</b>
<b>TOTAL OPERATING REVENUES</b>		
<b>COSTS AND OPERATING EXPENSES</b>		
Operating costs and administration expenses	120,772	116,036
Depreciation	48,685	41,005
Amortization	11,126	3,249
Provisions	1,360	348
	<b>181,943</b>	<b>160,637</b>
<b>TOTAL COSTS AND OPERATING EXPENSES</b>		
	<b>196,444</b>	<b>194,097</b>
<b>Operating Income</b>		
	<b>196,444</b>	<b>194,097</b>
<b>NON - OPERATING REVENUES</b>		
Financial	3,909	20,854
Exchange difference	60,681	109,794
Equity Method	29,412	23,040
Other	5,333	9,400
<b>Total no-operating revenues</b>	<b>99,335</b>	<b>163,087</b>
<b>NON - OPERATING EXPENSES</b>		
Financial	110,508	89,931
Exchange difference	8,102	122,798
Equity Method	30,649	51,155
Other	11,061	11,832
<b>Total no-operating expenses</b>	<b>(160,321)</b>	<b>(275,716)</b>
<b>Non-operating loss</b>	<b>(60,986)</b>	<b>(112,628)</b>
<b>Income before taxes</b>	135,458	81,468
income tax provision	23,275	6,785
<b>NET INCOME</b>	<b>112,183</b>	<b>74,683</b>

**INTERCONEXIÓN ELÉCTRICA S.A. E.S.P.**

**BALANCE SHEETS**

**FOR THE YEARS ENDED DECEMBER 31 2007 AND 2006**

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<b>ASSET</b>	<b>2,007</b>	<b>2,006</b>
<b>CURRENT ASSETS</b>		
Cash	25,158	11,847
Marketable investments	74,671	18,021
Accounts receivable, net	84,981	79,864
Inventories	1,537	1,054
Deferred charges and other assets, net	4,248	6,968
	-	-
<b>Total current assets</b>	<b>190,595</b>	<b>117,753</b>
	-	-
Long-term investments	839,629	672,105
Long-term accounts receivable	17,218	21,905
Inventories	28,086	27,937
Property, plant and equipment, net	1,234,577	1,228,510
Deferred charges and other assets	195,935	203,440
Reappraisal of assets	645,993	644,743
	-	-
<b>Total non- current assets</b>	<b>2,961,438</b>	<b>2,798,640</b>
	-	-
<b>TOTAL ASSETS</b>	<b>3,152,033</b>	<b>2,916,394</b>

**INTERCONEXIÓN ELÉCTRICA S.A. E.S.P.**

**BALANCE SHEETS**

**FOR THE YEARS ENDED DECEMBER 31 2007 AND 2006**

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As of 12.31.2007 USD 1.00=COP 2,014.76 (Source: Banco de La República Colombia).

	<b>2,007</b>	<b>2,006</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Outstanding bonds	-	-
Financial liabilities	196,136	95,519
Hedging operations	68	-
Accounts payable	63,269	57,730
Labor liabilities	2,657	2,447
Accrued liabilities and estimated provisions	12,292	6,491
Other liabilities	17,495	6,844
<b>Total current liabilities</b>	<b>291,918</b>	<b>169,031</b>
<b>LONG-TERM LIABILITIES</b>		
Outstanding bonds	405,945	404,838
Financial liabilities	275,018	433,108
Hedging operations	-	24,922
Accounts payable	136,265	100,902
Labor liabilities	539	494
Accrued liabilities and estimated provisions	59,251	55,570
Other liabilities	80,478	83,130
<b>Total long-term liabilities</b>	<b>957,496</b>	<b>1,102,965</b>
<b>TOTAL LIABILITIES</b>	<b>1,249,414</b>	<b>1,271,996</b>
<b>SHAREHOLDERS' EQUITY</b>		
Subscribed an aid-in capital	17,802	16,883
Capital Surplus	527,289	330,146
Reserves	176,916	167,884
Net income	112,183	74,683
Revaluation surplus	645,993	644,743
Surplus from equity method	108,570	86,179
Equity revaluation	313,867	323,879
<b>Total Shareholders' Equity</b>	<b>1,902,619</b>	<b>1,644,398</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>3,152,033</b>	<b>2,916,394</b>