

CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)
(excluding footnotes)

COLORADO INTERSTATE GAS COMPANY, L.L.C.

As of March 31, 2018 and December 31, 2017 and
For the Three Months Ended March 31, 2018 and 2017

**COLORADO INTERSTATE GAS COMPANY, L.L.C. AND SUBSIDIARY
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COLORADO INTERSTATE GAS COMPANY, L.L.C. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME
(In Millions)
(Unaudited)

	Three Months Ended March 31,	
	2018	2017
Revenues	\$ 90	\$ 87
Operating Costs and Expenses		
Operation and maintenance	16	16
Depreciation and amortization	11	11
General and administrative	5	5
Taxes, other than income taxes	5	5
Total Operating Costs and Expenses	37	37
Operating Income	53	50
Other Income (Expense)		
Interest, net	(12)	(15)
Other, net	1	—
Total Other Income (Expense)	(11)	(15)
Net Income	\$ 42	\$ 35

COLORADO INTERSTATE GAS COMPANY, L.L.C. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
(In Millions)

	<u>March 31, 2018</u>	<u>December 31, 2017</u>
	<u>(Unaudited)</u>	
ASSETS		
Current assets		
Cash and cash equivalents	\$ —	\$ —
Accounts receivable	33	34
Inventories	5	5
Regulatory assets	4	5
Natural gas imbalance receivable	5	4
Total current assets	<u>47</u>	<u>48</u>
Property, plant and equipment, net	1,211	1,219
Note receivable from affiliate	10	2
Deferred charges and other assets	41	42
Total Assets	<u>\$ 1,309</u>	<u>\$ 1,311</u>
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities		
Current portion of debt	\$ 6	\$ 6
Accounts payable	10	11
Accrued interest	4	6
Accrued taxes, other than income taxes	21	17
Customer deposits	7	5
Other current liabilities	3	3
Total current liabilities	<u>51</u>	<u>48</u>
Long-term liabilities and deferred credits		
Long-term debt, net of debt issuance costs	622	624
Other long-term liabilities and deferred credits	40	38
Total long-term liabilities and deferred credits	<u>662</u>	<u>662</u>
Total Liabilities	<u>713</u>	<u>710</u>
Member's Equity		
Member's equity	591	596
Accumulated other comprehensive income	5	5
Total Member's Equity	<u>596</u>	<u>601</u>
Total Liabilities and Member's Equity	<u>\$ 1,309</u>	<u>\$ 1,311</u>

COLORADO INTERSTATE GAS COMPANY, L.L.C. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Millions)
(Unaudited)

	Three Months Ended March 31,	
	2018	2017
Cash Flows From Operating Activities		
Net income	\$ 42	\$ 35
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11	11
Changes in components of working capital:		
Accounts receivable	1	6
Accounts payable	(1)	—
Accrued taxes, other than income taxes	4	5
Other current assets and liabilities	(3)	(6)
Other long-term assets and liabilities	3	5
Net Cash Provided by Operating Activities	57	56
Cash Flows From Investing Activities		
Capital expenditures	(5)	(1)
Net change in note receivable from affiliate	(8)	(9)
Other, net	3	—
Net Cash Used in Investing Activities	(10)	(10)
Cash Flows From Financing Activities		
Payments of debt	(2)	(1)
Contribution from Member	4	—
Distributions to Member	(51)	(45)
Other	2	—
Net Cash Used in Financing Activities	(47)	(46)
Net Change in Cash and Cash Equivalents	—	—
Cash and Cash Equivalents, beginning of period	—	—
Cash and Cash Equivalents, end of period	<u>\$ —</u>	<u>\$ —</u>

COLORADO INTERSTATE GAS COMPANY, L.L.C. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF MEMBER'S EQUITY
(In Millions)
(Unaudited)

	Three Months Ended March 31,	
	2018	2017
Beginning Balance	\$ 601	\$ 662
Net income	42	35
Contribution	4	—
Distributions	(51)	(45)
Ending Balance	\$ 596	\$ 652