



## Results Presentation 1Q-19

May 2019

*The information provided in this document contains relevant information about the results obtained by Corficolombiana S.A. (“Corficolombiana”) in the first quarter of 2019. It is submitted as a summary and does not intend to be exhaustive and does not exhaust all the business aspects of Corficolombiana.*

*The Financial Statements are submitted under the International Financial Reporting Standards accepted in Colombia (IFRS).*

*The content of this presentation is not, and shall not be understood as an invitation to contract or invest in any of the projects or businesses in which Corficolombiana has participated. Likewise, it does not constitute legal or financial advice, recommendation or suggestion of investment or tool for its readers to make a decision or action.*

**1. Relevant Facts**

2. Financial Results

3. Portfolio Management

# Relevant Facts

## Consolidated Figures<sup>1</sup> – 1Q19

Assets:	\$27,127,599 MM
Total Equity:	\$8,545,838 MM
Net Profit 1Q:	\$422,226 MM
ROE (LTM) <sup>3</sup> :	34.97%
Solvency:	42.57%

## Separate Figures – 1Q19

Assets:	\$12,447,053 MM
Total Equity:	\$6,521,921 MM
Net Profit 1Q:	\$432,361 MM
ROE (LTM):	38.88%
Solvency:	41.80%

## Investment Grade Rating

**Fitch**  
Ratings

AAA Local  
BBB International

**BRC**  
Standard & Poor's  
S&P Global

AAA Local

## Consolidated EBITDA 1Q19

**\$998.7 billion**  
EBITDA Margin:  
**46.5%**



73.6% a/a

<sup>1</sup>Equity without excluding minority interest. Controlling Net Income

<sup>2</sup>ROE: controlling net profit of last 12 months on the average controlled equity for the period.

All figures are in Colombian pesos

## Subsequent and Relevant Facts

- Consolidated EBITDA for 1Q-19 reached \$998.7 billion (+73.6% YoY). This growth is mainly explained by the progress made in the construction of the 4G concessions that have already signed the initiation of construction phase (Coviandina, Covioriente and Covipacífico).
- On May 6, a total of \$ 463.3 billion were paid out in dividends, equivalent to a dividend per share of \$ 1,657.9. The dividend per share for ordinary and preferred shares was 101% and 232% higher than the one paid in 2018.
- In February, the Integrated Commercial Model (MCI) came into operation, which integrates the value offers of Corficolombiana and its financial subsidiaries (Casa de Bolsa and Fiduciaria) as a group, and expands customer service capacity and distribution of transactional products.

### Infrastructure

- PISA acquired the minority participation in CCFC (49.5%), reaching a 100% participation.
- The feasibility of the Private Initiative for the airports of Cali, Armenia, Neiva, Ibagué and Buenaventura was presented to the ANI.

### Energy

- The construction work to expand Promigas' transport system in 100 Mcf/d from Jobo started.

### Financial

- Between January and February, the transfer of assets, liabilities and contracts of Leasing Corficolombiana to Banco de Bogotá, Banco de Occidente and Corficolombiana became effective. In accordance with the authorization of the SFC, as of the conclusion of the transfers Leasing Corficolombiana suspended the execution of new operations.

# Relevant Facts

## Subsequent and Relevant Facts

### Hospitality

- In January 2019, the San Isidro hotel in Lima, Peru started operation, adding 80 rooms to the hotel chain.

### Agroindustry

- In Pajonales, in March 2019 the last 399 hectares of rubber entered exploitation, completing 4,157 hectares. As a result, it is expected that production of rubber clot in 2019 reach 8,781 Ton.

### CRDS

- Arbitration Court: The Court ordered on May 7, 2019 an expert opinion, for which a subsidiary of DUFF & PHELPS was designated, to determine (i) the value of the works executed by the concessionaire, directly or indirectly, (ii) the works left to execute and their value, (iii) the benefit and / or the damage obtained or generated and (iv) financial and accounting execution of the concession contract. The opinion was submitted on May 20, 2019 and is currently under review as part of the arbitration process. The Tribunal is expected to rule before August 20, 2019.
- Jose Elías Melo Criminal Trial: The trial began on January 21, 2019 and the Judge ruled at the beginning of April 2019, indicating that Dr. Melo was guilty of the crimes of bribery and undue interest in the conclusion of contracts, for allegedly having known of the bribes paid by Odebrecht to former Vice Minister Garcia Morales. On April 29, 2019, the judge set the penalty in 141 months in prison and a fine of COP \$ 144 million. Mr. Melo has insisted that he is innocent and has appealed this ruling before the second instance. By law, in this type of procedures the judge is obligated to refer certain matters that came up at trial to the Attorney General's office for possible investigation. As such, the judge referred a list of individuals all of whom were mentioned in one way or another during Mr. Melo's trial, three of which are current employees of Grupo Aval or its subsidiaries, including Luis Carlos Sarmiento Gutierrez, Gustavo Ramirez, and Mauricio Millan.

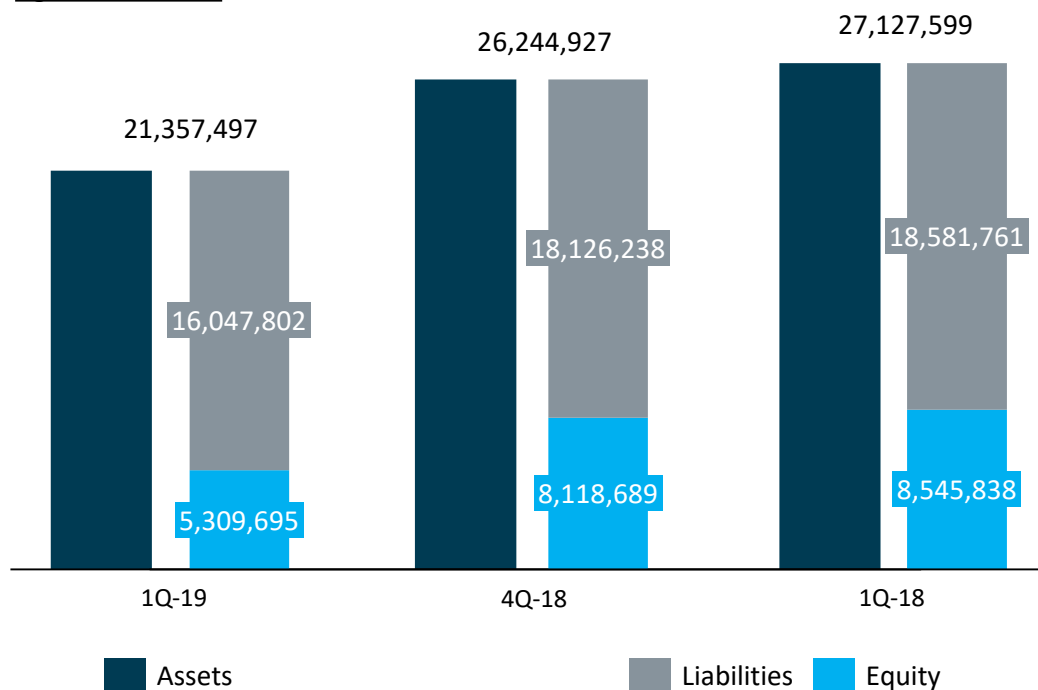
1. Relevant Facts

**2. Financial Results**

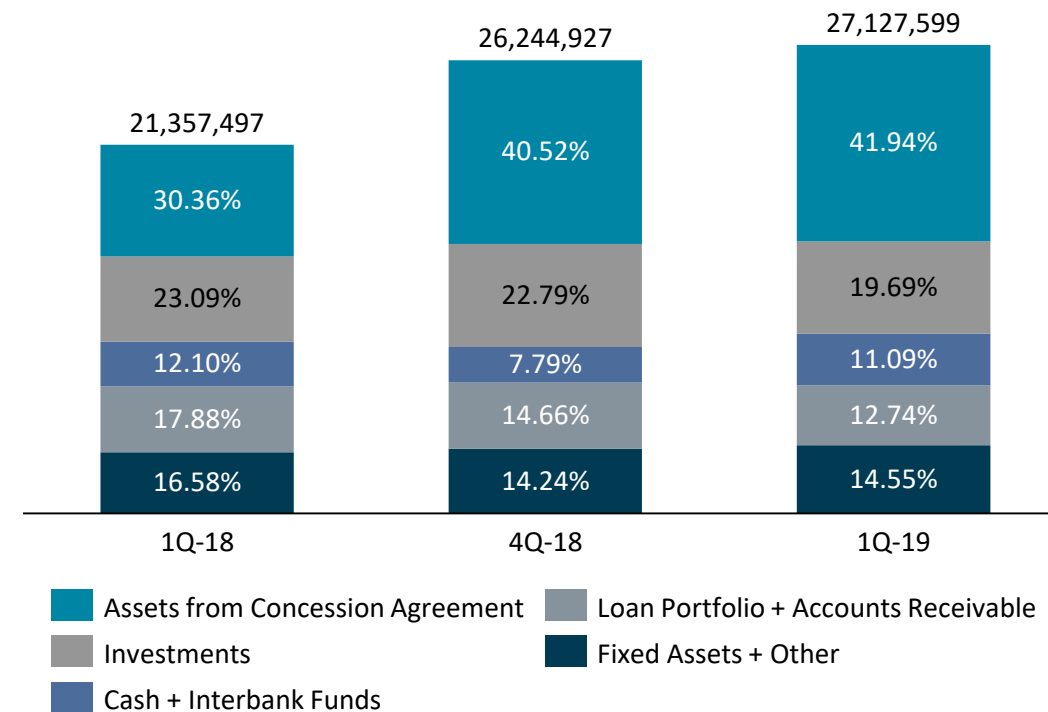
3. Portfolio Management

# Consolidated Balance Sheet

Figures in COP MM



## Assets' Composition COP MM

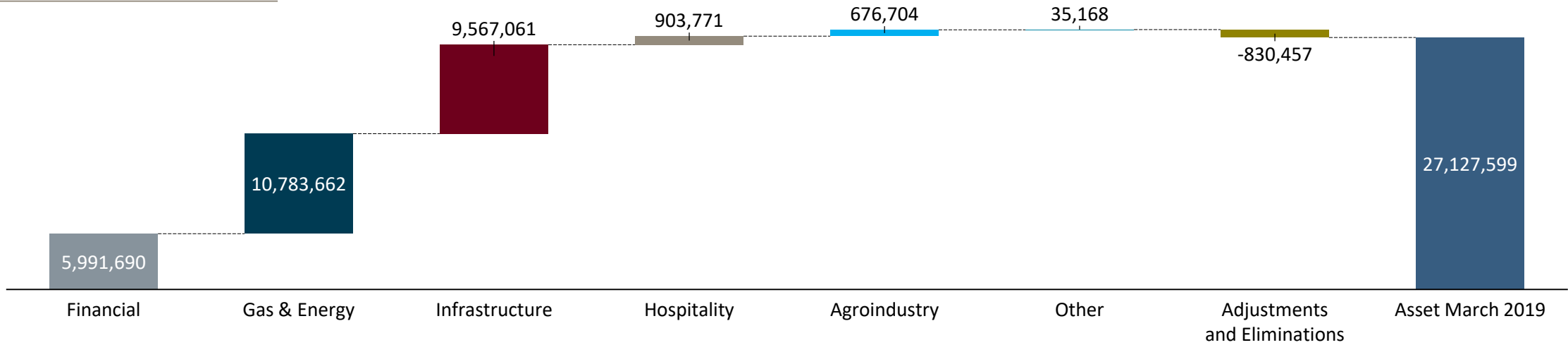


- The *Asset* grows mainly by the item related to the assets of the Concession Agreements, which accumulates the income caused in the 4G concessions that have already signed the initiation of construction phase (Coviandina, Covipacífico and Covioriente).
- The reduction in the *Portfolio + Accounts Receivable* is the result of the transfer of assets from Leasing Corficolombiana to Banco de Bogotá and Banco de Occidente for a total value of COP \$655.5 billion.

# Consolidated Assets per Sector

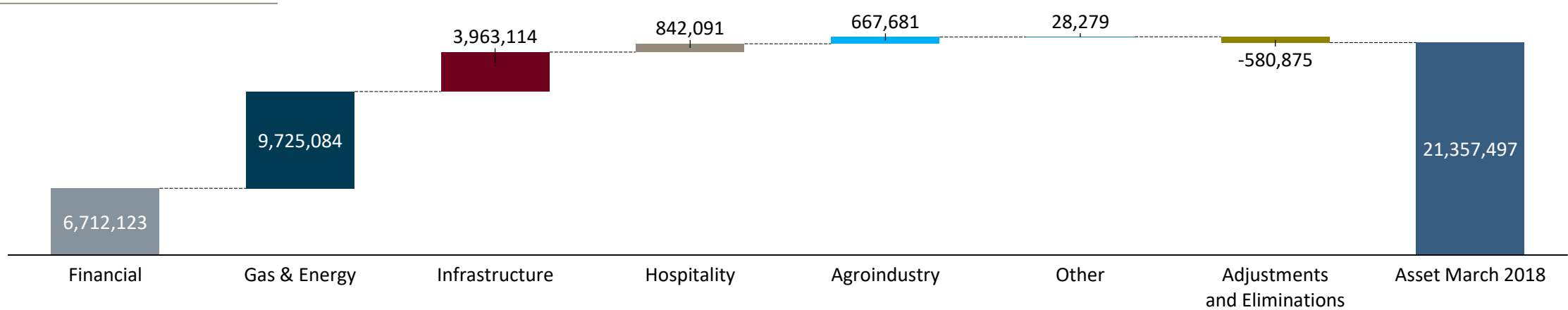
March 2019

COP MM



March 2018

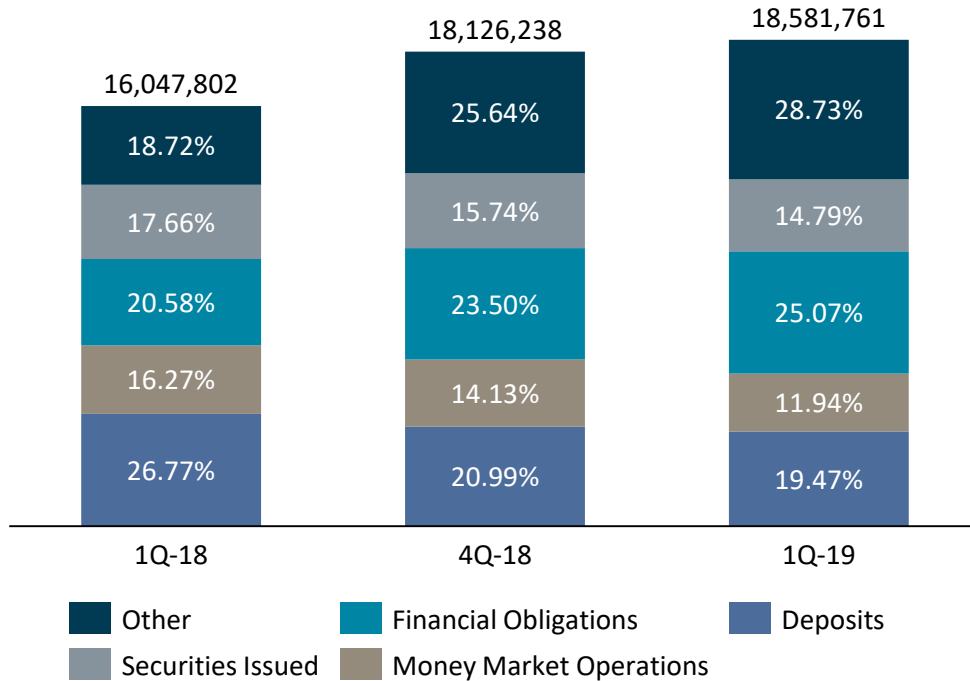
COP MM



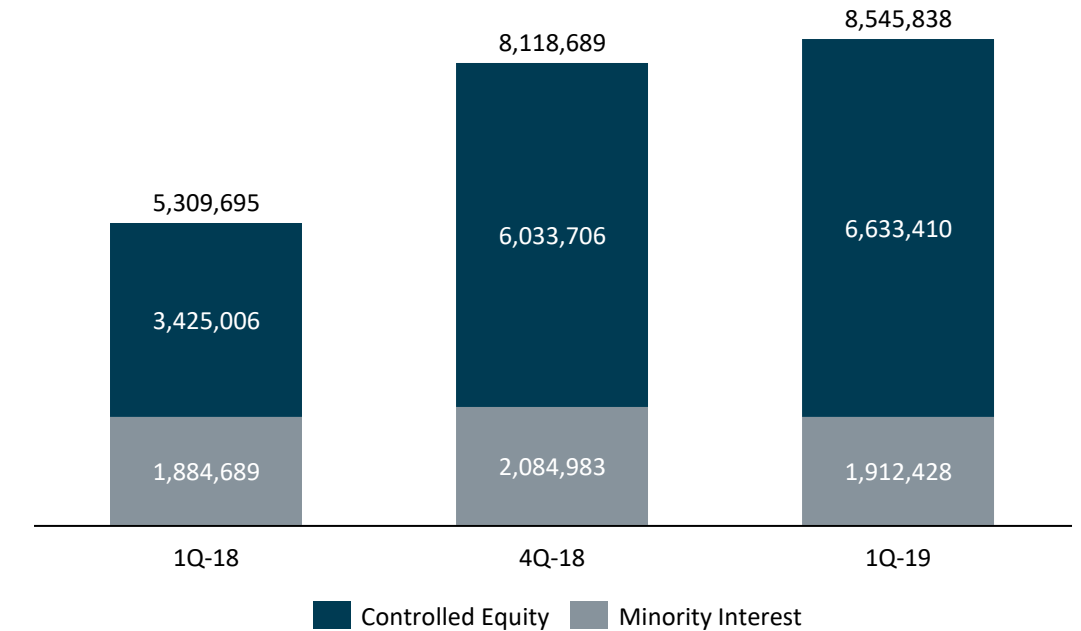
Note: Financial includes Corficolombiana

# Liability and Consolidated Equity

## Liability Composition COP MM



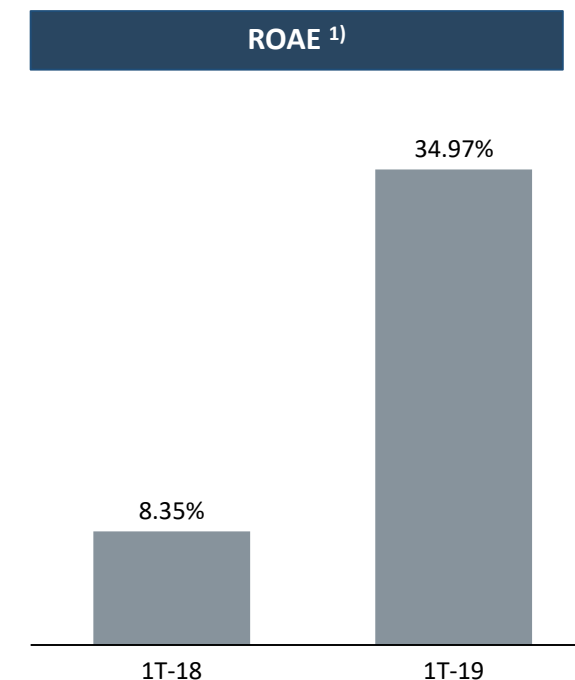
## Equity Composition COP MM



- The reduction *Money Market Operations* is in line with Corficolombiana's treasury strategy. On the other hand, the variation in *Deposits* reflects the transfer of liabilities from Leasing Corficolombiana to Banco de Occidente and Corficolombiana for a value of \$531 billion, of which \$ 90.7 billion went to Corficolombiana.
- In *Other Liabilities*, are recorded in relation to concessions: the deferred tax generated by the difference between the countable income and the fiscal balance and the provision of the contractual funding (land, social, etc.)
- *Equity* grows with respect to 1Q-18 as a result of the issuance of shares by Corficolombiana and the net income of the period. Additionally, the application of IFRS 16 had an impact of - \$27 billion.

# Consolidated Income Statement

COP MM	1Q-18	4Q-18	1Q-19	1Q-19 / 1Q-18	1Q-19 / 4Q-18
Operating Revenue Real Sector	1,393,726	2,787,608	1,948,666	39.8%	-30.1%
Cost of Sales	790,426	1,078,580	899,832	13.8%	-16.6%
<b>Gross Margin of Real Sector</b>	<b>603,300</b>	<b>1,709,028</b>	<b>1,048,834</b>	<b>73.8%</b>	<b>-38.6%</b>
<b>Equity Method and Dividends</b>	<b>86,786</b>	<b>61,185</b>	<b>115,686</b>	<b>33.3%</b>	<b>89.1%</b>
<b>Net Financial Expenses</b>	<b>-47,435</b>	<b>-76,061</b>	<b>-102,505</b>	<b>-116.1%</b>	<b>-34.8%</b>
Interests Revenue, net of provisions	69,711	77,464	43,629	-37.4%	-43.7%
Interests Expenses	203,957	213,987	199,602	-2.1%	-6.7%
Other Financial Revenue, net	86,811	60,462	53,468	-38.4%	-11.6%
Personnel and General Expenses	199,988	324,887	228,804	14.4%	-29.6%
Depreciations, Amortizations and Provisions	105,013	276,820	110,709	5.4%	-60.0%
Other Revenues / Expenses	30,832	47,632	33,275	7.9%	-30.1%
<b>EBITDA</b>	<b>575,358</b>	<b>1,582,871</b>	<b>998,746</b>	<b>73.6%</b>	<b>-36.9%</b>
<b>Net Income before taxes</b>	<b>368,482</b>	<b>1,140,077</b>	<b>755,776</b>	<b>105.1%</b>	<b>-33.7%</b>
Net income from discontinued operations		3,407	-211	N/A	-106.2%
Income tax	114,550	321,130	234,278	104.5%	-27.0%
<b>Net Income</b>	<b>253,932</b>	<b>822,354</b>	<b>521,287</b>	<b>105.3%</b>	<b>-36.6%</b>
<b>Controlling Net Income</b>	<b>145,766</b>	<b>725,766</b>	<b>422,226</b>	<b>189.7%</b>	<b>-41.8%</b>



1) Net income attributable to Corficolombiana of last 12 months on average controlled Equity

Note: Operating Revenue Real Sector includes Promigas' income from leasing of SPEC and from financial assets (concessions).

- EBITDA for 1Q-19 grew 73.6% YoY, mainly explained by the advances in the 4G concessions and better margin of Corficolombiana's treasury business. EBITDA in 1Q-19 falls compared to 4Q-18, mainly due to the fact that in 4Q-18 the effect of the signing of the construction initiation act of Covioriente is recorded.
- The *Net Financial Expense* reflects a better margin in the treasury business of Corficolombiana and in relation to the sale of assets by Leasing Corficolombiana records a portfolio recovery of \$60 billion and an expense related to the discount on the sale of assets and liabilities .

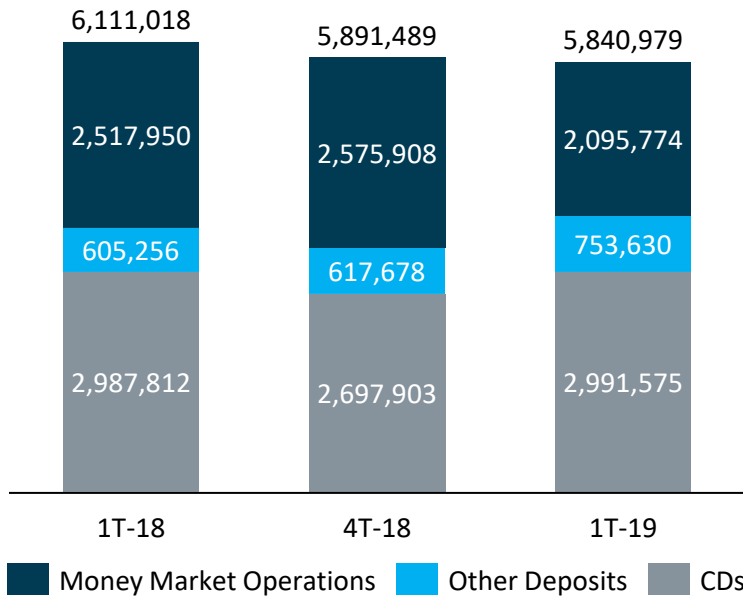
# Contribution per Sector to Consolidated EBITDA



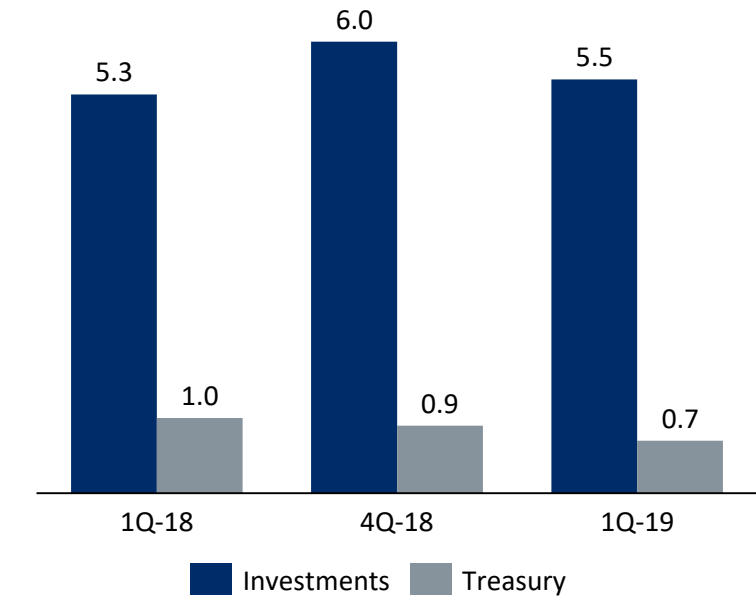
Note: total EBITDA of the consolidating companies, without adjusting for the participation of Corfic Colombiana. Holding: corresponds to expenses of the investment business. Financial: Includes Corfic Colombiana, except for income and expenses of the investment business, and its financial subsidiaries. Equity Method, Dividends & Others: Corfic Colombiana's dividends and equity method from the companies that don't consolidate plus Tesicol, Lehner and Energy Holdings since 4Q-18.

# Corficolombiana Funding (Separate)

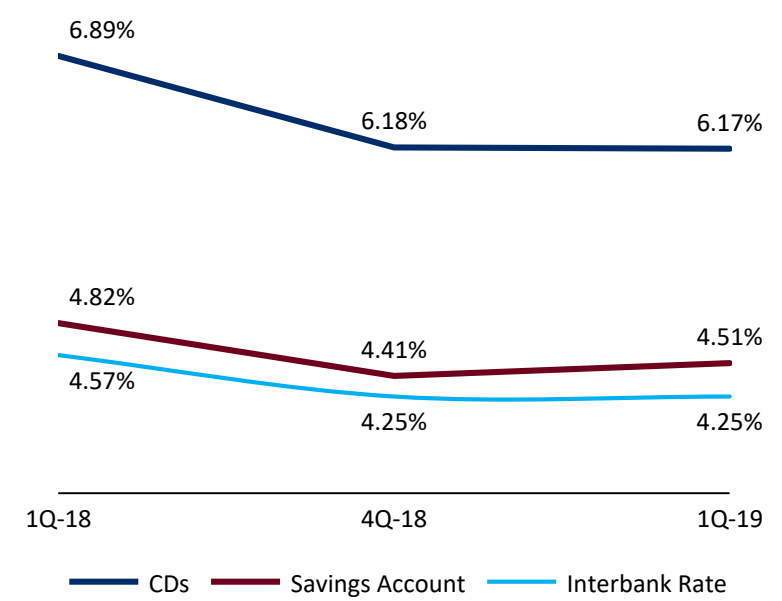
**Separate Funding Structure**  
COP MM



**CDs Average Tenor**  
Years



**Average Cost**  
(Annual Effective Rate)



- The reduction in *Money Market Operations* is in line with the reduction in Corficolombiana's fixed income portfolio. On the other hand, the increase in CDs reflects the ability of Corficolombiana to finance its investments and includes the acquisition of liabilities to Leasing Corficolombiana.
- The average tenor of the CDs that fund variable income investments was reduced compared to 4Q-18 to 5.5 years, but increases compared to 1Q-18.
- The rates of CDTs and savings account deposits have been reduced in line with the reduction of the Central Bank and IPC intervention rates, even closing the gap with the reference Interbank Rate.

1. Relevant Facts

2. Financial Results

**3. Portfolio Management**

# Main Investments

## Infrastructure



## Energy



## Agroindustry



## Hospitality

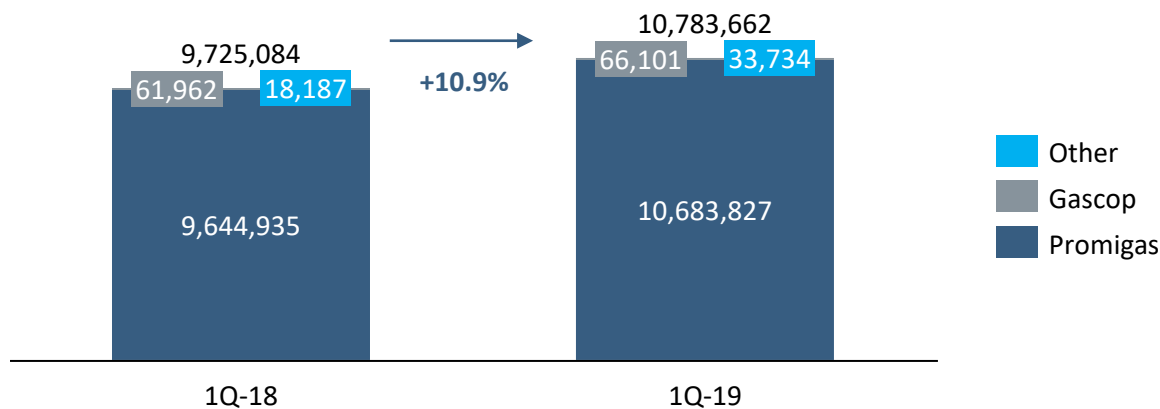


## Financial

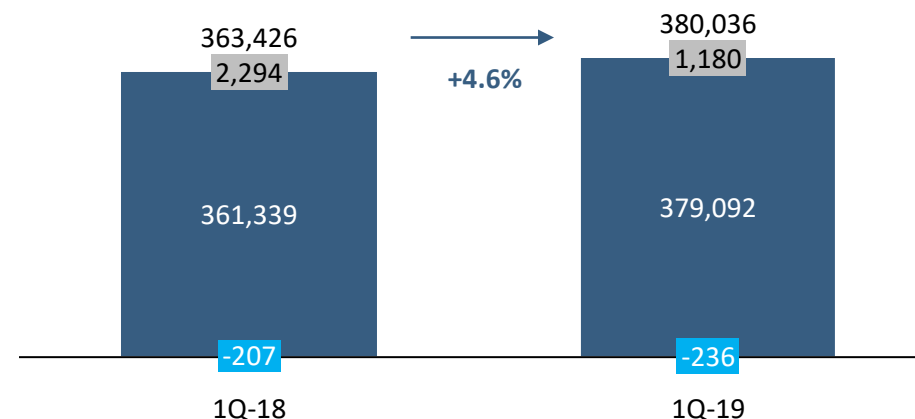


# Energy and Gas

## Consolidated Asset COP MM

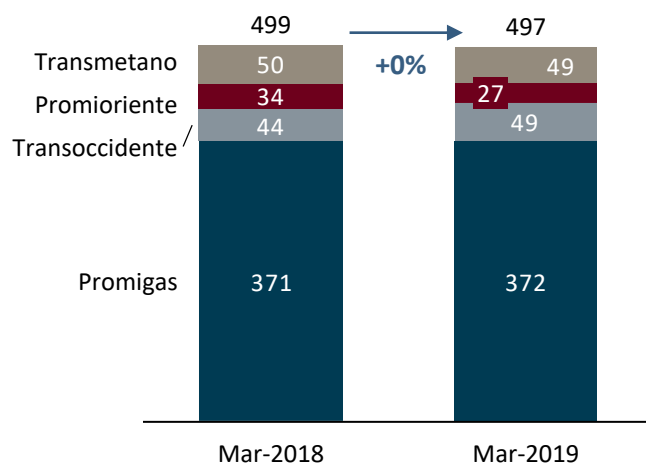


## Consolidated EBITDA COP MM

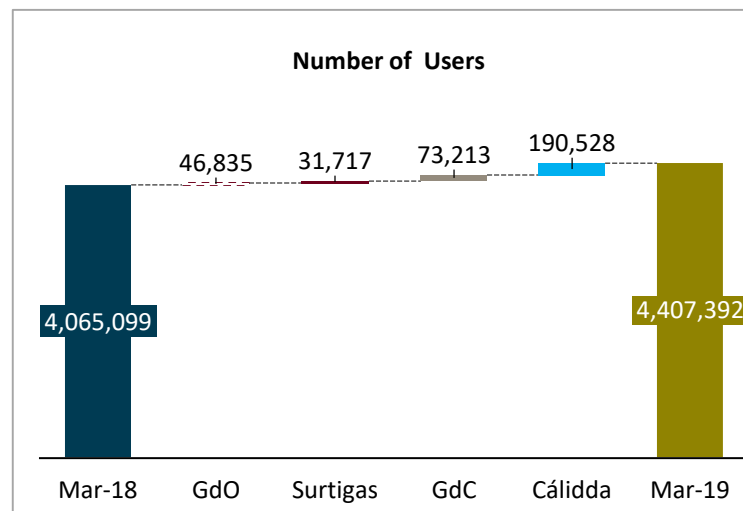


Note: Promigas' EBITDA includes revenues from non-bank financing operations (Brilla) and financial assets.

## Transportation Business – Volume Transported MCF/D



## Distribution Business



## Volume Sold (Billion m3)

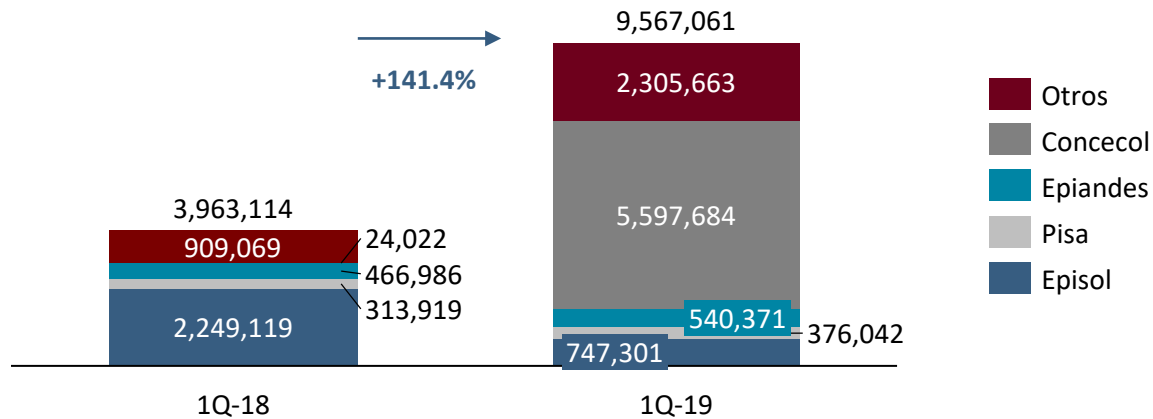
mar-2019	GdO	Surtigas	GdC + Filiales	Cálidda	Total
Residential	106	47	227	39	419
Industrial	165	182	206	1.191	1.744
<b>Total Volume</b>	<b>272</b>	<b>230</b>	<b>433</b>	<b>1.230</b>	<b>2.165</b>

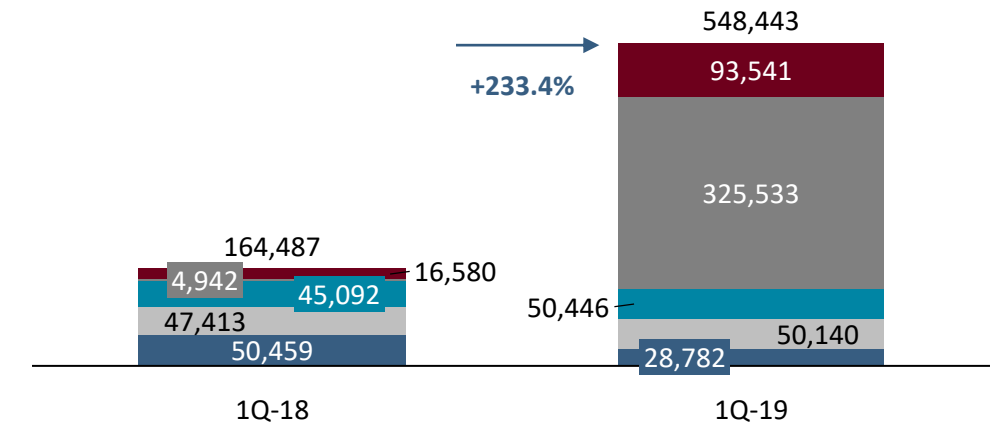
mar-2018	GdO	Surtigas	GdC + Filiales	Cálidda	Total
Residential	103	46	232	32	413
Industrial	126	166	133	1.095	1.520
<b>Total Volume</b>	<b>229</b>	<b>212</b>	<b>365</b>	<b>1.127</b>	<b>1.933</b>

# Infrastructure

## Consolidated Asset COP MM









## Consolidated EBITDA COP MM



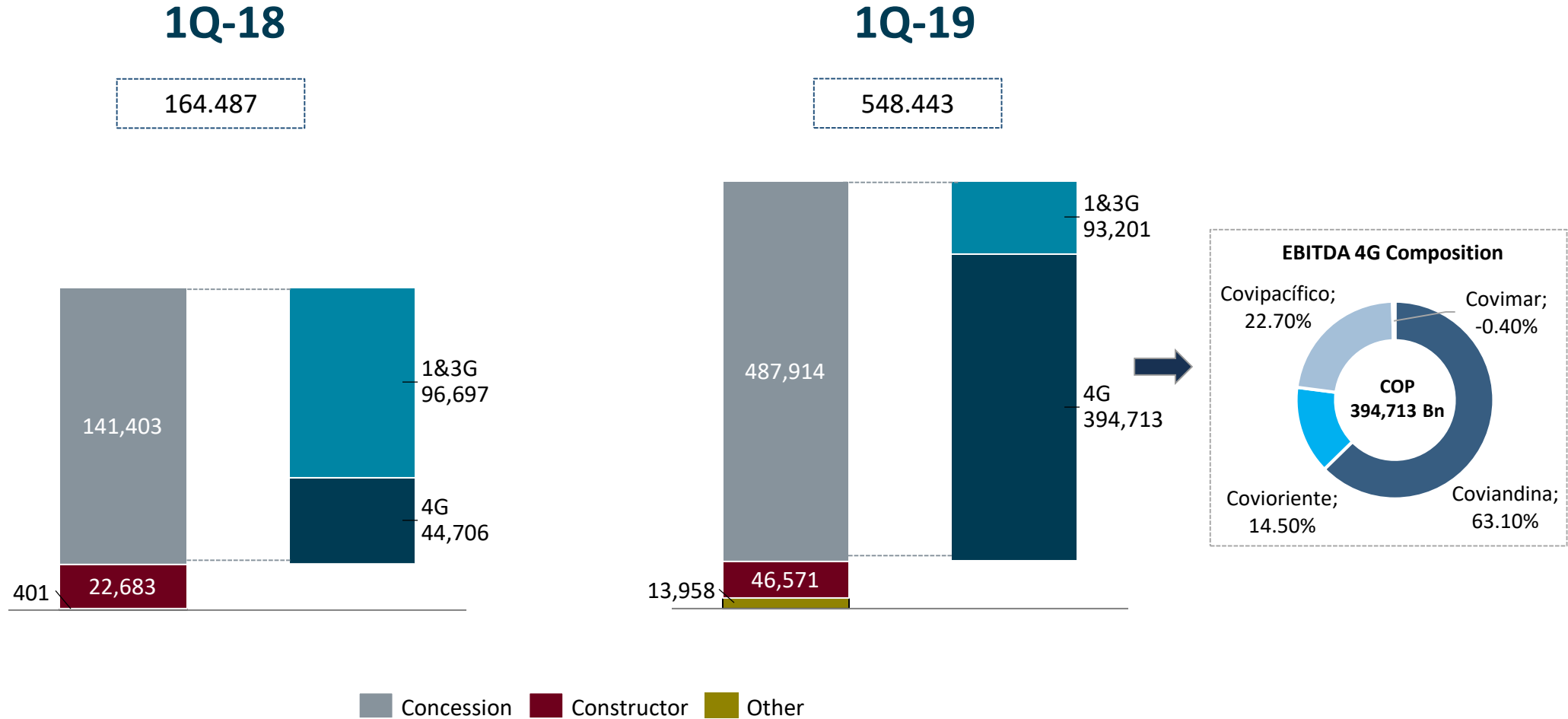
Note: Other includes Prodepacífico, Prodevimar, Covipacífico and Covimar. As of 1Q-19 Coviandina and Covioriente consolidate in Concecol

## Road Concessions in Operation – As of March 2019

Concession	CFC Participation	Section	Km	Estimated Termination Date	ADT	
					1Q-18	1Q-19
 COVIANDES CONCESIONARIA VIAL DE LOS ANDES S.A.	59.70%	Bogotá - Villavicencio	86	2019	31,356	31,448
 CCF S.A.	88.25%	Bogotá-Facatativa-Los Alpes	42.9	2024	25,514	27,070
 Pisa	88.25%	Buga-Tuluá-La Paila-La Victoria	80	2033	33,630	34,184
 CONCESIONARIA PANAMERICANA	100.00%	Los Alpes Villeta & Chuguacal - Cambao	111	2035	5,206	5,325
 Concesionaria Vial del Pacifico	89.90%	Ancón Sur - Bolombolo	48.4	2042	7,339	7,249
 Concesionaria Vial del Oriente	100.00%	Villavicencio - Yopal	266.1	2042	15,685	16,053
<b>Total</b>			<b>634</b>		<b>118,730</b>	<b>121,329</b>





# Infrastructure EBITDA

Figures in COP\$ MM



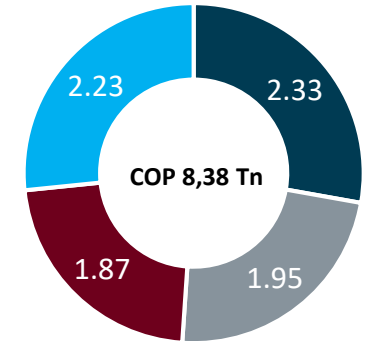
Note: 1&3G includes Pisa, Coviandes, Panamericana and CCF

# 4G Concessions

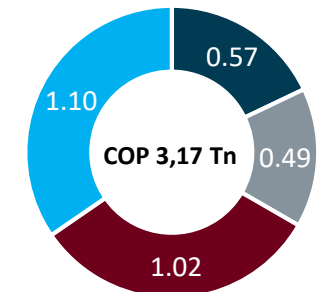
Concession	Section	Progress					% Project Progress Mar 2019
		Licenses / Consultations	Final Designs	% Properties Availability	Financial Closing	Commencement of Construction Work	
 Concesionaria Vial del Pacifico	Ancón Sur - Bolombolo	✓	✓ Designs not objected to all UF. In 2018 the adjusted UF4 E & Ds were presented and the concept of no objection on three volumes is missing. There is a principle of agreement for the value of the designs for the sections of the UF4 that have not been completed and that are in charge of the ANI, the agreement is pending. For the same sections, the designs of the temporary works were presented for review by the auditing firm.	91,2%	Currently, the Concessionaire has a 5-year loan with Grupo Aval's banks for \$583 billion. As of March 2019, \$ 389 billion have been disbursed, of which \$ 150 billion correspond to the novation of the bridge loan. In the process of reviewing the drafts of the update of the Due Diligence Reports.	✓	18,1%
 Concesionaria Nueva Via al Mar	Mulaló - Loboguerrero		✓ The Regional Autonomous Corporation - CVC, granted to the regional abduction pending through Agreement 003 of 01/29/19. Taking into account some inconsistencies, the Concessionaire filed an appeal for reversal against the agreement and the response was notified in April. The ANLA informed, through official letter of 3/26/19, that when we obtained the pending regional theft and the response to the requested concepts to other entities (IDEAM, Ingeominas and Mininterior), it will decide on the environmental license.	57,3%	On 01/22/2019 Interventoría ratified that the interventions executed with the designs presented by Covimar in July 2017, will not be rejected upon receipt.	Est. 1Q2020	2,6%
 Concesionaria Vial Andina	Chirajara - Villavicencio*	✓	✓	100,0%	Senior loan: subscribed in February 2018 for \$1,6 trillion	✓	44,6%
 Concesionaria Vial del Oriente	Villavicencio - Yopal	✓	Design and geometric layout of the project not objected to other roots # 3 subscribed on 11/13/18. Detail design volumes not objected to UF1 and UF7. For UF2 to 6, they are understood not to have objected because of non-pronouncement in terms of supervision, nevertheless, it has filed observations extemporaneously.	57,0%	Senior loan for USD550 million subscribed with Grupo Aval Limited in October 13, 2017. As of March 2019, UDS215,2 million were disbursed. In process request for disbursements.	✓	15,1%

\* Section granted in concession for construction. Additionally it has the ACOM of the Bogotá-Villavicencio once the current operator is reversed

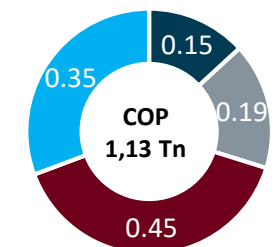
Total CAPEX



Total Equity Contribution CFC



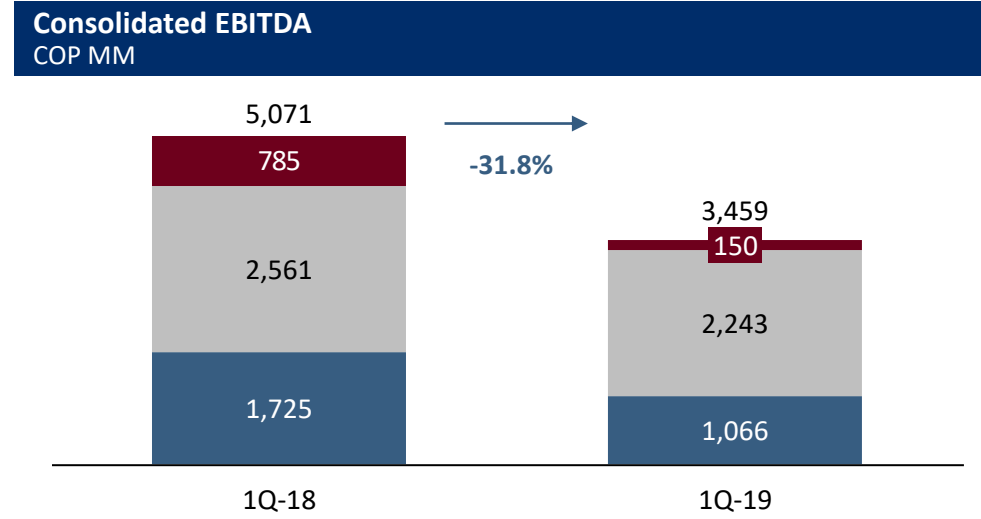
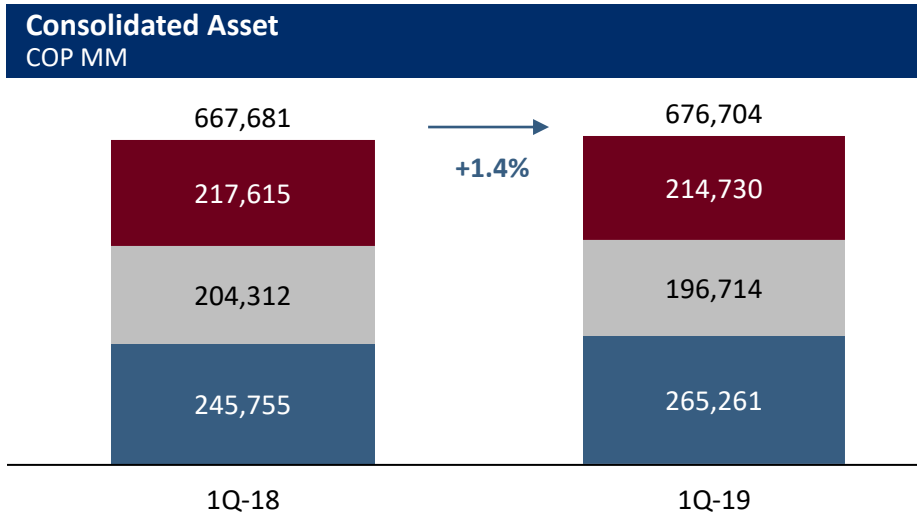
Equity Contribution CFC as of March



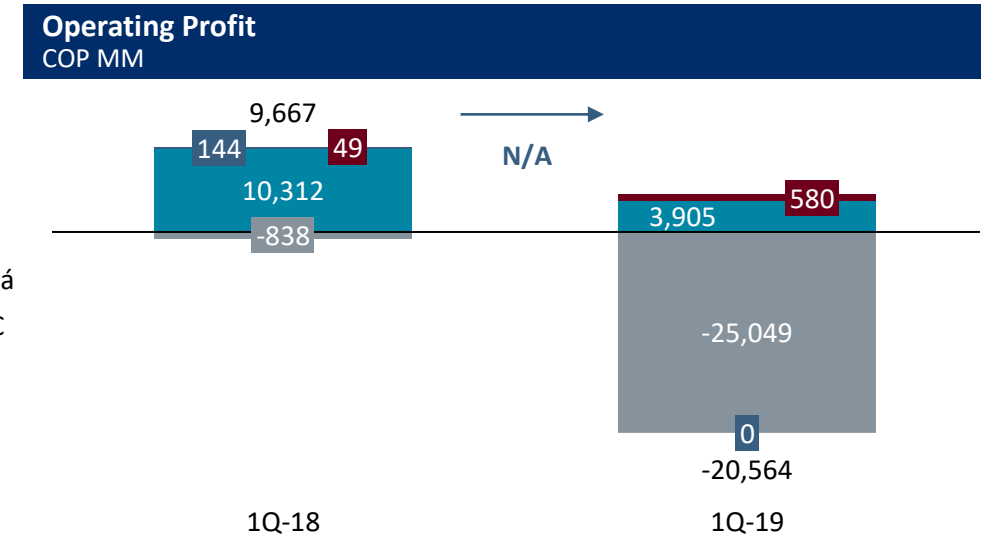
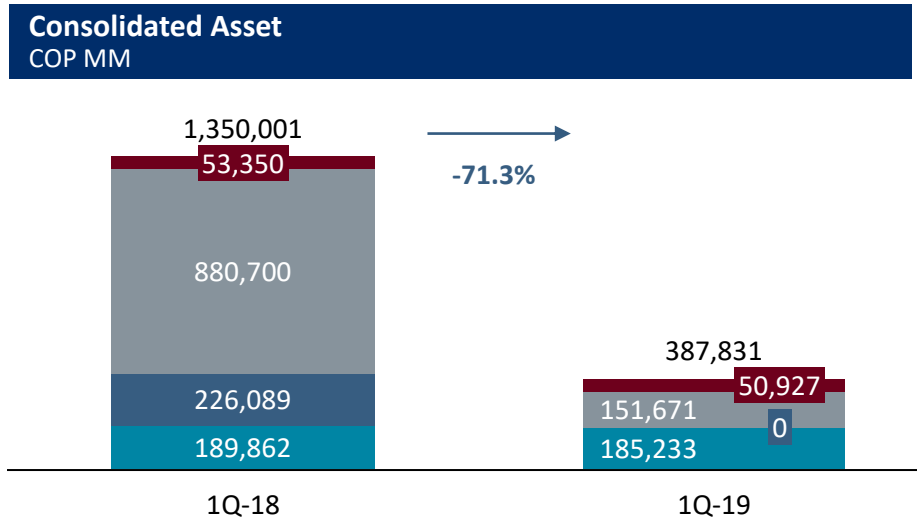
■ CoviPacífico ■ CoviMar ■ CoviAndina ■ CoviOriente

Note: estimated figures and subject to change

# Agroindustry

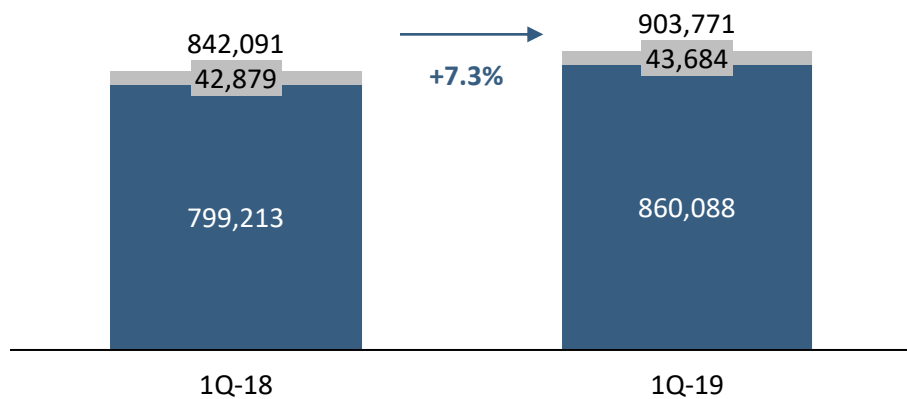


# Financial

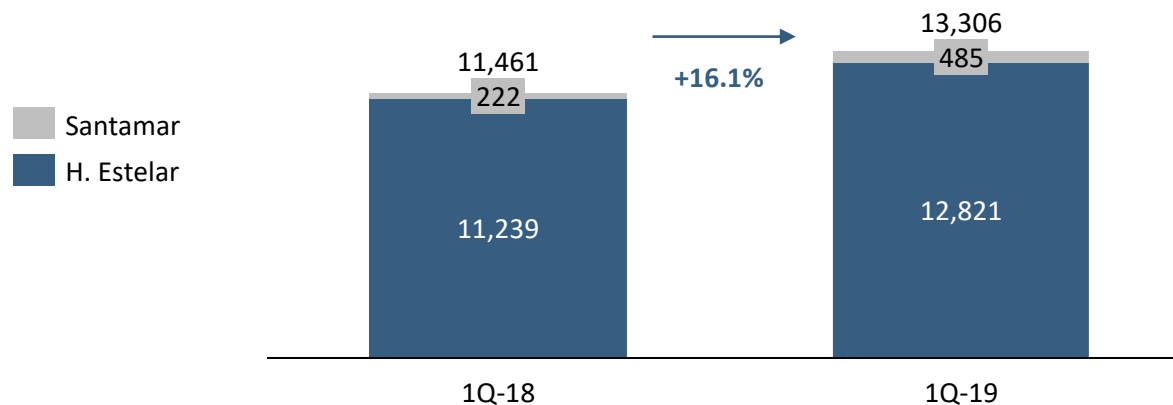


# Hospitality

## Consolidated Asset COP MM

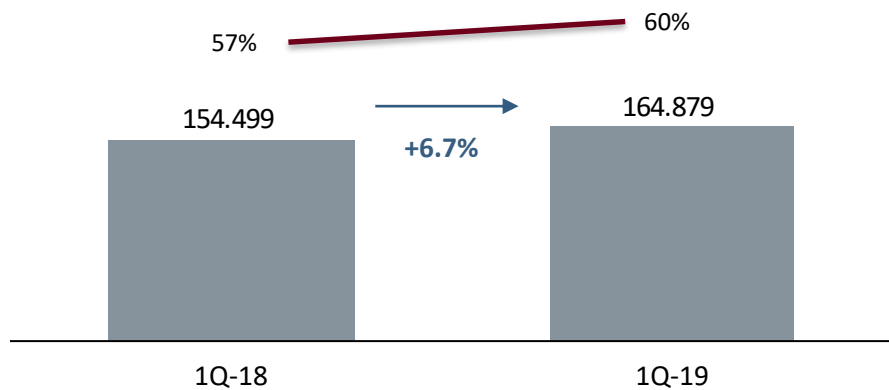


## Consolidated EBITDA COP MM

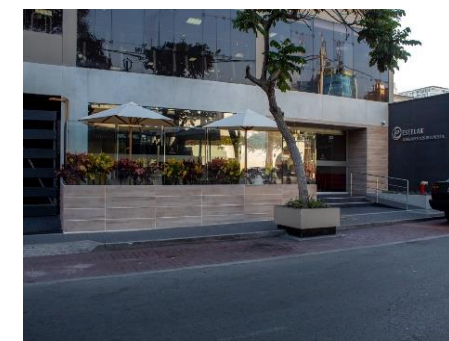


## Occupancy

— HESA Occupancy    ■ HESA's rooms sold



## Remodelings



Construction of the new Spa at Estelar Paipa Hotel and Convention Center and reform of the lobby and restaurant at Apartamentos Estelar Bellavista (Peru).

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**THANK YOU**