

**FINANCIAL RESULTS
SEPTEMBER 2018**

Separate Financial Statements

Corficolombiana S.A

Separate Statement of financial Position

As of September 30, 2018

In millions of Colombian Pesos

Assets		Liabilities	
Cash and cash equivalent	1.162.572	Deposits and current liabilities	3.173.675
Active positions in money market operations	589.898	Derivative financial instruments	50.442
Investments, net		Passive positions in money market operations	3.151.255
Measured at fair value with changes in results	444.493	Accounts Payable	8.380
Measured at fair value with changes in other comprehensive income (OCI)	3.530.792	Employee benefits	13.007
Measured at amortized cost	44.287	Other provisions	6.600
Derivate financial instruments	57.235	Deferred tax liabilities	2.121
Financial Assets	5.829.277	Other liabilities	6
		Total Liabilities	6.405.486
Investments in associates	50.187		
Investments in subsidiaries	5.587.800	Equity	
Accounts Receivable, net	200.329	Paid-in capital	2.794
Tangible Assets		Premium over par	3.826.564
Property and equipment, net	18.013	Reserves	680.014
Investment properties, net	32.203	First-time adoption of IFRS	(436.237)
Intangible assets, net	867	Dividends decreed in shares	-
Current tax assets	4.248	Other comprehensive income	35.125
Other assets	45.168	Accumulated losses previous years	374.836
Non-Financial Assets	5.938.815	Net income for the period	879.510
		Total Equity	5.362.606
Total Assets	11.768.092	Total Liabilities and Equity	11.768.092

Separate Financial Statements

Corficolombiana S.A

Separate Income Statement

As of September 30

Million of Colombian Pesos, except earnings per share

	YTD, 2018	YTD, 2017	3Q, 2018	3Q, 2017
Profit in investment valuation in debt instruments, net	108.793	108.136	37.379	23.435
At amortized cost	79.004	56.708	32.130	10.391
At fair value	29.789	51.428	5.249	13.044
Profit in Equity Investments, net	1.055.871	412.596	641.599	130.177
At fair value	1.157	412	572	113
Equity method, net	1.007.259	369.248	641.025	130.061
Dividend income	47.455	42.936	2	3
Profit in sale of investments, net	3.350	9.702	915	2.138
Profit (loss) in derivatives and cash operations, net	4.591	(2.231)	(1.741)	2.804
Money market operations expenses, net	(8.062)	(18.307)	(4.321)	(5.064)
Interest expenses, net	(195.869)	(207.803)	(52.443)	(55.982)
Money market operations	(158.214)	(188.799)	(50.849)	(57.362)
Interest on client deposits	(64.290)	(65.165)	(9.011)	(12.065)
Other interest	26.635	46.161	7.417	13.445
(Loss) in Exchange, net	(951)	(65)	-13.572	(7.554)
Commissions and Fees, net	3.441	-4.147	87	(2.187)
Profit in sale of properties and equipment	9	-12	-	(12)
Employee benefits	(34.048)	(31.534)	(11.223)	(9.873)
Income (Expense) for Leases, net	153	(148)	4	(32)
Depreciation	(1.786)	(1.139)	(521)	(473)
Amortization	(135)	(8)	(89)	-
Other income	1.472	2.935	128	1.014
Other expenses	(45.083)	(77.034)	(11.003)	(35.213)
Taxes	(9.331)	(9.335)	(3.203)	(2.490)
Contributions, affiliations and transfers	(2.498)	(2.495)	(1.370)	(1.256)
Insurance	(7.873)	(7.693)	(2.984)	(2.866)
Maintenance and repairs	(1.740)	(3.490)	(922)	(1.120)
Impairment of receivables and other assets, net	(15.856)	(41.834)	(269)	(24.963)
Other expenses	(7.785)	(12.187)	(2.255)	(2.518)
Profit before Income and Cree taxes	891.746	190.941	585.199	43.178
Income and Cree tax expenses	(12.236)	(15.150)	(3.794)	(3.600)
Profit for the period	879.510	175.791	581.405	39.578
Earnings per share - (Colombian Pesos)	3.659,6	755,1	2.317,8	169,3

Separate Financial Statements

Corficolombiana S.A

Separate statement of cash flow

Million of Colombian Pesos

	YTD, 2018	YTD, 2017
Cash flow from operating activities:		
Net Income	879.510	175.791
Reconciliation of net profit with the cash provided by (used in) operational activities		
Income Tax	12.236	15.150
Depreciation	1.786	1.139
Amortization of deferred charges	135	8
Impairment of receivables, net	15.981	41.894
Impairment of non-financial assets, net	(125)	(60)
Profit in sale of investments, net	(3.350)	(9.702)
Revenues equity participation method	(1.007.259)	(369.248)
(Profit) on sale of property and equipment	(9)	12
(Profit) adjustment of fair value in investment properties	-	(20)
(Profit) in valuation of investments at fair value	(30.946)	(51.840)
(Profit) in valuation of financial derivative instruments, net	(4.591)	2.231
(Profit) in valuation of investments at amortized cost	(79.004)	(56.708)
Accrual of interests, deposits and current liabilities	158.214	188.799
Net variation in operating assets and liabilities		
(Increase), net of Financial Derivative Instruments	10.381	(55.252)
(Increase) decrease in active positions of monetary market	(279.245)	(21.057)
Decrease (Increase) net of investments at amortized cost	6.671	2.099
Decrease in investments at fair value	(541.511)	1.057.146
Net decrease in investments in subsidiaries and related companies	48.869	174.592
(Increase) in accounts receivable	(349.555)	(392.651)
Decrease (Increase) net in other assets	(45.416)	174
Increase accounts payable	(7.442)	44.162
Increase of deposits and exigibilities	(124.718)	148.801
Increase labor obligations	1.871	2.282
(Decrease) Increase provisions	(2.738)	2.882
(Decrease) net in other liabilities	-	(5)
Use of reserve for wealth tax	265	(5.720)
Dividends received in the period of subsidiaries and related companies	203.565	266.135
Taxes paid	(19.200)	(26.258)
Interest paid in money market operations and deposits and exigibilities	(190.708)	(214.394)
Net cash provided by operational activities	(1.346.333)	920.382

Separate Financial Statements

Corficolombiana S.A

Separate statement of cash flow

Million of Colombian Pesos

	<u>YTD, 2018</u>	<u>YTD, 2017</u>
Cash flow from investing activities:		
Acquisition of property and equipment	(1.390)	(151)
Sale product of property and equipment	38	-
Sale product of investment properties	7	-
(Increase) Decrease of other investments in equity securities	(25.813)	(851)
Dividends received in the period for other investments in equity securities	30.398	24.891
Net cash provided by investment activities	<u>3.240</u>	<u>23.889</u>
Cash flow from financing activities:		
Dividends paid	(24.266)	(66.410)
Issuance of shares	987.475	-
Decrease of money market operations	596.331	(855.069)
Net cash from financing activities	<u>1.559.540</u>	<u>(921.479)</u>
Net decrease in cash and cash equivalents	216.447	22.792
Cash and cash equivalents as of the beginning of the period	946.125	1.130.029
Cash and cash equivalents as of the end of the period	<u>1.162.572</u>	<u>1.152.821</u>

Consolidated Financial Statements

Corficolombiana S.A

Consolidated Statement of financial Position

As of September 30, 2018

Millions of Colombian Pesos

Assets

Cash and cash equivalent	2.247.315
Active positions in money market operations	607.090
Investments measured at fair value with changes in results	1.251.937
<i>Debt securities</i>	589.827
<i>Equity securities</i>	662.110
Investment measured at fair value with changes in OCI	3.671.336
<i>Debt securities</i>	2.529.165
<i>Equity securities</i>	1.142.171
Investment measured at amortized cost	57.223
<i>Debt securities</i>	57.223
Derivate financial instruments	62.474
Investments in associates and joint ventures	819.878
Loan portfolio, net	2.305.995
Accounts receivables, net	1.402.171
Financial assets from concessions	4.229.514
Financial Assets	16.654.933

Property, plant and equipment	2.363.608
Investment property	159.693
Biological assets	79.317
Inventories	119.511
Goodwill	399.975
Rights on concession agreements	4.981.016
Current tax assets	90.905
Deferred tax assets	85.647
Other assets	325.892
Non-Financial Assets	8.605.564

Non-current assets kept for sale	21.360
Total Assets	25.281.857

Liabilities and equity

Deposits and current liabilities	3.727.275
Passive positions in money market operations	3.285.885
Financial obligations	3.803.624
Securities issued	2.849.524
Derivate financial instruments	50.733
Accounts payable	1.530.861
Financial Liabilities	15.247.902

Employee benefits	82.602
Other provisions	363.203
Current tax liabilities	49.923
Deferred tax liabilities	1.214.483
Other liabilities	822.622
Non-Financial Liabilities	2.532.833
Non-current Liabilities fo discontinued operatio	5.825

Total Liabilities	17.786.560
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paid-in capital	2.794
Premium over par	3.827.433
Retained earnings	141.476
Net income for the period	894.394
Other comprehensive income	602.713
Surplus for equity method	-

Controlled Equity	5.468.810
Non-controlling interests	2.026.487
Total Equity	7.495.297

Total Liabilities and Equity	25.281.857
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Consolidated Financial Statements

Corficolombiana S.A

Consolidated Income Statement

As of September 30 2018

Millions of Colombian Pesos

	YTD 2018	YTD 2017	3Q, 2018	3Q, 2017
Income from interest on loan portfolio and financial leasing	289.939	316.080	93.766	103.073
Interest on deposits and current liabilities, loans and other financial obligations	(373.389)	(417.239)	(119.779)	(131.491)
Interest from debt securities measured at amortized cost	79.906	62.381	32.733	12.539
Exchange difference, net	5.527	4.941	(34.580)	2.856
Net interest income	1.983	(33.837)	(27.860)	(13.023)
Profit on repo operations, simultaneous operations and other interests	(134.279)	(71.063)	(51.302)	17.029
Income from valuation of financial assets concessioned	177.211	148.030	50.166	45.839
Commissions and fees, net	44.824	46.718	17.197	13.520
Net profit on valuation of financial instruments	48.054	64.033	8.060	21.896
Net profit on sale of investments	6.638	12.833	1.997	3.095
Impairment of loan portfolio	(27.990)	(49.501)	663	(18.457)
Impairment of investments	670	(5.055)	(70)	(3.308)
Net financial operational income	117.111	112.158	(1.149)	66.591
Income from sale of goods and provision of services	4.990.443	4.032.247	2.380.741	1.373.610
Income from valuation of biological assets	14.040	9.849	5.566	2.682
Income from valuation of investment properties	1.265	434	97	(136)
Other operating income	172.072	36.506	57.491	18.169
Dividends and other interests income	54.728	46.474	2.914	929
Equity method income	132.350	125.789	48.532	42.029
Income from leases	2.041	2.242	660	697
Profit on sale of assets, net	1.222	(4.446)	160	(716)
Impairment of account receivables	(12.389)	(15.882)	(3.692)	(5.056)
Total operating income	5.472.883	4.345.371	2.491.320	1.498.799
Cost of sales and services	2.701.492	2.584.201	1.106.476	910.471
Expenses for employee benefits	220.727	230.472	74.460	75.011
Other operating expenses	392.651	453.842	136.057	157.392
Depreciation of tangible assets	67.498	55.137	22.524	19.389
Amortization of intangible assets	227.459	219.893	77.666	74.755
Provisions expenses	11.604	7.798	990	1.311
Non-Financial assets impairment	14.366	12.599	5.914	3.455
Total operating expenses	3.635.797	3.563.942	1.424.087	1.241.784
Profit before tax	1.837.086	781.429	1.067.233	257.015
Income tax expenses	587.131	317.234	375.440	109.519
Net income from continued operations	1.249.955	464.195	691.793	147.496
Net loss from discontinued operations	(3.790)	-	(1.549)	-
Net Income	1.246.165	464.195	690.244	147.496
<i>Attributable to:</i>				
<i>Controlling shareholders</i>	<i>894.394</i>	<i>177.334</i>	<i>583.019</i>	<i>50.048</i>
<i>Non-Controlling Interest</i>	<i>351.771</i>	<i>286.861</i>	<i>107.225</i>	<i>97.448</i>