

**FINANCIAL RESULTS
DECEMBER 2018**

Separate Financial Statements

Corficolombiana S.A
 Separate Statement of financial Position
 As of December 31, 2018
 In millions of Colombian Pesos

Assets		Liabilities	
Cash and cash equivalent	540.887	Deposits and current liabilities	3.315.581
Active positions in money market operations	274.731	Derivative financial instruments	74.426
Investments, net		Passive positions in money market operations	2.575.908
Measured at fair value with changes in results	1.113.100	Accounts Payable	36.066
Measured at fair value with changes in other comprehensive income (OCI)	3.066.123	Employee benefits	10.424
Measured at amortized cost	49.923	Other provisions	8.230
Derivate financial instruments	56.504	Deferred tax liabilities	2.140
Financial Assets	5.101.268	Other liabilities	6
		Total Liabilities	6.022.781
Investments in associates	52.379	Equity	
Investments in subsidiaries	6.638.200	Paid-in capital	2.794
Accounts Receivable, net	102.732	Premium over par	3.826.564
Tangible Assets		Reserves	680.014
Property and equipment, net	19.617	First-time adoption of IFRS	(436.397)
Investment properties, net	33.017	Dividends decreed in shares	-
Intangible assets, net	1.096	Other comprehensive income	(97.867)
Current tax assets	7.058	Accumulated losses previous years	350.552
Other assets	737	Net income for the period	1.607.663
Non-Financial Assets	6.854.836	Total Equity	5.933.323
Total Assets	11.956.104	Total Liabilities and Equity	11.956.104

Separate Financial Statements

Corficolombiana S.A

Separate Income Statement

As of December 31, 2018

Million of Colombian Pesos, except earnings per share

	2018	2017	4Q, 2018	4Q, 2017
Profit in investment valuation in debt instruments, net	168.688	152.691	59.895	44.555
At amortized cost	127.356	79.747	48.352	23.039
At fair value	41.332	72.944	11.543	21.516
Profit in Equity Investments, net	1.839.035	445.963	783.164	33.367
At fair value	1.685	535	528	123
Equity method, net	1.781.374	402.490	774.115	33.242
Dividend income	55.976	42.938	8.521	2
Profit in sale of investments, net	17.723	14.164	14.373	4.462
Profit (loss) in derivatives and cash operations, net	(15.019)	(7.694)	(19.610)	-5.463
Money market operations expenses, net	(13.441)	(27.294)	(5.379)	(8.987)
Interest expenses, net	(273.890)	(276.604)	(78.021)	(68.801)
Money market operations	(103.064)	(91.201)	55.150	97.598
Interest on client deposits	(205.183)	(244.755)	(140.893)	(179.590)
Other interest	34.357	59.352	7.722	13.191
(Loss) in Exchange, net	20.387	2.334	21.338	2.399
Commissions and Fees, net	-1.931	5.170	(5.372)	9.317
Profit in sale of properties and equipment	10	60	1	72
Employee benefits	(45.456)	(43.126)	(11.408)	(11.592)
Income (Expense) for Leases, net	129	(306)	(24)	(158)
Depreciation	(2.208)	(1.618)	(422)	(479)
Amortization	(212)	(8)	(77)	-
Other income	3.726	78.640	2.254	75.705
Other expenses	(74.023)	(105.413)	(28.940)	(28.379)
Taxes	(13.599)	(12.671)	(4.268)	(3.336)
Contributions, affiliations and transfers	(2.525)	(2.627)	(27)	(132)
Insurance	(10.771)	(10.495)	(2.898)	(2.802)
Maintenance and repairs	(4.219)	(6.307)	(2.479)	(2.817)
Impairment of receivables and other assets, net	(31.223)	(58.107)	(15.367)	(16.273)
Other expenses	(11.686)	(15.206)	(3.901)	(3.019)
Profit before Income and Cree taxes	1.623.518	236.959	731.772	46.018
Income and Cree tax expenses	(15.855)	(19.001)	(3.619)	(3.851)
Profit for the period	1.607.663	217.958	728.153	42.167
Earnings per share - (Colombian Pesos)	6.427,9	935,3	2.605,7	180,4

Separate Financial Statements

Corficolombiana S.A

Separate statement of cash flow

Million of Colombian Pesos

	2018	2017
Cash flow from operating activities:		
Net Income	1.607.663	217.958
Reconciliation of net profit with the cash provided by (used in) operational activities		
Income Tax	15.855	19.001
Depreciation	2.208	1.618
Amortization of deferred charges	212	8
Impairment of receivables, net	16.019	56.628
Impairment of non-financial assets, net	14.876	(67)
Impairment of investment properties	328	1.546
Profit in sale of investments, net	(17.723)	(14.164)
Loss on sale of goods received in payment	-	-
Revenues equity participation method	(1.781.374)	(402.490)
(Profit) on sale of property and equipment	(10)	(60)
(Profit) adjustment of fair value in investment properties	(1.142)	(2.793)
(Profit) in valuation of investments at fair value	(43.017)	(73.479)
(Profit) in valuation of financial derivative instruments, net	15.019	7.694
(Profit) in valuation of investments at amortized cost	(127.356)	(79.747)
Accrual of interests, deposits and current liabilities	205.183	244.755
Net variation in operating assets and liabilities		
(Increase), net of Financial Derivative Instruments	15.485	(45.313)
(Increase) decrease in active positions of monetary market	35.922	363.095
Decrease (Increase) net of investments at amortized cost	1.246	5.455
Decrease in investments at fair value	(789.661)	312.892
Net decrease in investments in subsidiaries and related companies	(282.711)	(91.914)
(Increase) Decrease of other investments in equity securities	(726)	(4)
(Increase) in accounts receivable	(415.095)	(386.903)
Product of the sale of goods received in payment	8	-
Decrease (Increase) net in other assets	(29.139)	4
Increase accounts payable	21.462	26.244
Increase of deposits and exigibilities	11.110	125.391
Increase labor obligations	(711)	2.787
(Decrease) Increase provisions	(1.108)	3.084
(Decrease) net in other liabilities	-	(5)
(Decrease) adoption effects	(160)	(1.046)
Use of reserve for wealth tax	264	(5.720)
Dividends received in the period of subsidiaries and related companies	337.947	408.186
Dividends received in the period for other investments in equity securities	58.688	52.472
Taxes paid	(24.017)	(32.714)
Interest paid in money market operations and deposits and exigibilities	(231.600)	(265.735)
Net cash provided by operational activities	(1.386.055)	446.664

Separate Financial Statements

Corficolombiana S.A

Separate statement of cash flow

Million of Colombian Pesos

	<u>2018</u>	<u>2017</u>
Cash flow from investing activities:		
Acquisition of property and equipment	(3.415)	(921)
Sale product of property and equipment	39	-
Sale product of investment properties	-	90
Net cash provided by investment activities	<u>(3.376)</u>	<u>(831)</u>
Cash flow from financing activities:		
Dividends paid	(24.266)	(66.413)
Issuance of shares	987.475	-
Decrease of money market operations	20.984	(563.325)
Net cash from financing activities	<u>984.193</u>	<u>(629.738)</u>
Net decrease in cash and cash equivalents	(405.238)	(183.904)
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>540.887</u>	<u>946.125</u>

Consolidated Financial Statements

Corficolombiana S.A

Consolidated Statement of financial Position

As of December 31, 2018

Millions of Colombian Pesos

Assets		Liabilities and equity	
Cash and cash equivalent	1.767.343	Deposits and current liabilities	3.805.028
Active positions in money market operations	277.127	Passive positions in money market operations	2.560.805
Investments measured at fair value with changes in results	1.980.592	Financial obligations	4.260.125
<i>Debt securities</i>	1.357.517	Securities issued	2.852.288
<i>Equity securities</i>	623.075	Derivate financial instruments	89.339
Investment measured at fair value with changes in OCI	3.126.809	Accounts payable	1.594.877
<i>Debt securities</i>	2.115.514	Financial Liabilities	15.162.462
<i>Equity securities</i>	1.011.295		
Investment measured at amortized cost	62.488	Employee benefits	77.180
<i>Debt securities</i>	62.488	Other provisions	314.358
Derivate financial instruments	52.437	Current tax liabilities	81.455
Investments in associates and joint ventures	759.222	Deferred tax liabilities	1.461.755
Loan portfolio, net	1.697.746	Other liabilities	1.024.092
Accounts receivables, net	1.546.559	Non-Financial Liabilities	2.958.840
Financial assets from concessions	5.118.682	Non-current Liabilities fo discontinued operatio	4.936
Financial Assets	16.389.005		
		Total Liabilities	18.126.238
Property, plant and equipment	2.370.546		
Investment property	165.884	paid-in capital	2.794
Biological assets	84.206	Premium over par	3.804.062
Inventories	122.907	Retained earnings	100.883
Goodwill	399.975	Net income for the period	1.620.160
Rights on concession agreements	5.514.481	Other comprehensive income	505.807
Current tax assets	106.233	Surplus for equity method	-
Deferred tax assets	90.831	Controlled Equity	6.033.706
Other assets	377.018	Non-controlling interests	2.084.983
Non-Financial Assets	9.232.081	Total Equity	8.118.689
Non-current assets kept for sale	623.841		
Total Assets	26.244.927	Total Liabilities and Equity	26.244.927

Consolidated Financial Statements

Corficolombiana S.A
 Consolidated Income Statement
 As of December 31 2018
 Millions of Colombian Pesos

	2018	2017	4Q, 2018	4Q, 2017
Income from interest on loan portfolio and financial leasing	401.609	413.376	111.670	97.296
Interest on deposits and current liabilities, loans and other financial obligations	(487.954)	(569.868)	(114.565)	(152.629)
Interest from debt securities measured at amortized cost	131.669	86.088	51.763	23.707
Exchange difference, net	(10.041)	3.902	(15.568)	(1.039)
Net interest income	35.283	(66.502)	33.300	(32.665)
Profit on repo operations, simultaneous operations and other interests	(180.259)	(166.516)	(45.980)	(95.453)
Income from valuation of financial assets concessioned	205.803	209.936	28.592	61.906
Commissions and fees, net	59.321	69.296	14.497	22.578
Net profit on valuation of financial instruments	41.253	77.517	(6.801)	13.484
Net profit on sale of investments	22.938	18.873	16.300	6.040
Impairment of loan portfolio	(45.032)	(63.274)	(17.042)	(13.773)
Impairment of investments	(129.319)	(144.018)	(129.989)	(138.963)
Net financial operational income	9.988	(64.688)	(107.123)	(176.846)
Income from sale of goods and provision of services	7.690.575	5.481.254	2.700.132	1.449.007
Income from valuation of biological assets	20.605	13.503	6.565	3.654
Income from valuation of investment properties	2.556	8.839	1.291	8.405
Other operating income	198.920	67.295	26.848	30.789
Gain on acquisition of control	-	56.767	-	56.767
Dividends and other interests income	63.844	46.486	9.116	12
Equity method income	184.419	159.208	52.069	33.419
Income from leases	2.708	3.516	667	1.274
Profit on sale of assets, net	2.032	7.962	810	12.408
Impairment of account receivables	(16.923)	(30.141)	(4.534)	(14.259)
Total operating income	8.158.724	5.750.001	2.685.841	1.404.630
Cost of sales and services	3.780.072	3.367.942	1.078.580	783.741
Expenses for employee benefits	299.250	310.597	78.523	80.125
Other operating expenses	639.015	654.087	246.364	200.245
Depreciation of tangible assets	97.205	76.594	29.707	21.457
Amortization of intangible assets	318.464	299.531	91.005	79.638
Provisions expenses	12.767	9.482	1.163	1.684
Non-Financial assets impairment	34.788	23.590	20.422	10.991
Total operating expenses	5.181.561	4.741.823	1.545.764	1.177.881
Profit before tax	2.977.163	1.008.178	1.140.077	226.749
Income tax expenses	908.261	443.639	321.130	126.405
Net income from continued operations	2.068.902	564.539	818.947	100.344
Net loss from discontinued operations	(383)	-	3.407	-
Net Income	2.068.519	564.539	822.354	100.344
<i>Attributable to:</i>				
<i>Controlling shareholders</i>	1.620.160	210.808	725.766	33.474
<i>Non-Controlling Interest</i>	448.359	353.731	96.588	66.870