

PRESENTATION OF RESULTS 3Q-2018

Operator: Welcome to Corficolombiana's third quarter 2018 presentation of results. My name is Sylvia and I will be your operator today. At this time, all lines have been silenced. Later there will be a space for questions and answers. We ask you to make only two questions per participant. Please, keep in mind that this conference is being recorded. From this moment on, the conference will be led by the President of Corficolombiana, Mrs. María Lorena Gutiérrez.

María Lorena Gutiérrez: Well, good morning, everyone. Here's with me a group from Corficolombiana and I will give the floor to the Vice President of Investments and the Executive Vice President after my general presentation. This is the presentation of the third quarter results 2018. I'm going to tell you some relevant facts of this period and the consolidated figures. Regarding our consolidated financial statements, the assets during the third quarter 2018 were twenty-five trillion two hundred eighty-one thousand eight hundred and fifty-seven pesos, the total equity, seven trillion four hundred ninety-five thousand two hundred ninety-seven pesos, the net profit of the third quarter is COP 583,020 million. And, I would like to explain, just like it's in a note on the presentation that we're viewing, that this includes a non-recurring revenue of 330,000 million due to the accumulated effect from January through July of implementing the IFRS 15, which is a subject that we're going to talk about during this presentation.

The accumulated profit of the company is COP 894,394 million, the ROE calculated for 12 months is 23.63 percent and the solvency ratio is 39.08 percent. If we observe the figures in our financial statement separately, Corficolombiana's assets are eleven trillion seven hundred sixty-eight thousand zero ninety-two for this quarter, the total equity is five trillion three hundred sixty-two thousand six hundred six, the net profit with the same comment that I did earlier for the third quarter would be COP 581.405 million, the accumulated profit to September is 879,510, the ROE for 12 months, 26.36%, and the solvency ratio, 41.77%.

Regarding the relevant facts, I would like to say that in the presentation of the last quarter results, it was mentioned that Fitch ratified on June our investment grade and in this quarter the rating from BRC Standar & Poor's was updated on August, exactly on August 22nd, when our investment grade was ratified. What relevant facts can we mention of this quarter that we consider important? One is that we were compelled to apply IFRS 15, considering that this is the year of transition and its effect on four road concession projects of fourth generation that Corficolombiana has. September's financial statements showed a significant variation of the assets, the equity and the income statement, which is a subject that Mr. Gustavo Ramírez will explain. Later, I will turn the call over to him to explain where the methodology comes from and then, with Mr. Juan Carlos Páez we will see the effects on the financial statements.

The consolidated EBITDA of the third quarter of this year reached COP 1.3 trillion, which means there was a growth of 164.9 percent. Obviously, and you'll see it on the presentation explained by the application of methodology IFRS 15 and also by the progress of the Covipacífico and Coviandina construction projects.

On September 3rd, the offer process of Corficolombiana shares that had been previously announced was successfully completed through the placement of securities for a total value of \$ 990,591 million, and this means an increase of the equity of the company by 17 percent.

On September 14th, the Superintendence of Industry and Commerce announced the opening of an investigation of the Ruta del Sol II. This investigation is related to alleged charges for violation of the competition law and it was brought against Corficolombiana, Episol, and two officials of the company. On October, we provided evidence for our defense; the evidence was provided to the Superintendence. We are confident that we have all the evidence to show that a bribe of a third party, in this case it was Odebrecht, doesn't mean a violation of the free competition law, which would be under the SIC jurisdiction. We'll have to wait and see, these investigations usually take a lot of months. We'll wait and see how this investigation progresses.

On November 6th, Corficolombiana acquired seven million three hundred and fifty thousand shares from Promigas, equivalent to 0.65 percent of this company's assets and this increases our participation in Promigas by 50.88 percent.

Now, I'll give you relevant facts of our strategic segments: one is infrastructure. After the Chirajara bridge collapsed, in a process that, we consider, was successful, quick, and efficient, Coviandes chose the French company Eiffage that has a subsidiary in Colombia, which is the company Puentes y Torones, to begin the design and construction of the new Chirajara bridge. We expect this bridge to be ready in 27 months. We have been working on this subject in a joint effort with the ANI to be able to end this project and, a good news was that on November 13th the agreement to start the construction stage was signed by Covioriente, so, with this, we have now three out of the four concession projects on the construction stage.

About the hotels, well, on September, we opened two new hotels, Hotel Estelar Square and Torre Suite in Medellin adding to our portfolio of rooms 146 rooms and 35 suites.

Now, I would like to give the floor to Mr. Gustavo Ramírez, Vice President of Investments. He'll show you very quickly what applying the methodology of IFRS 15 to these concession contracts of Corficolombiana means and I would like to highlight that the results that you're going to see with Mr. Juan Carlos Páez, well, you're going to see some significant changes on the financial statements, but without taking into consideration these adjustments to the accounting methodology of the roads, the results of Corficolombiana, in itself, for the third quarter are very positive. I would just like to mention a fact that you'll see in detail later, but

the accumulated net profit to September 2017 was 177,000 million and this quarter we reached 382,000 without considering the adjustment to the roads, which represents an increase of 116 percent that shows, let's say, Corficolombiana's strength and growth.

Now, I would like to turn the call to Mr. Juan Carlos Páez, Mr. Gustavo Ramírez sorry.

Gustavo Ramírez: Thank you very much. Good morning, everyone. As it was already mentioned, one of the most important facts of these financial statements is the application of IFRS 15 and its impact on the results, therefore, we're going to show you a couple of slides where we explain what this is about and what its effects on the financial statements of the company are.

First of all, I would like to say that applying IFRS 15 is a mandatory SIC's regulation, which is forecasted to be implemented during this year 2018 as the year of transition. This norm establishes how the revenue from contracts with costumers should be recognized. The most important and meaningful effects in our case are the contracts of concession that we have with the Government, specifically the four contracts of 4G.

To briefly summarize what this rule is about, it states that, in order to record the revenue from contracts, three steps have to be done, which we describe in this slide five. First, identifying the services of the contract, the services rendered through the contract; second, determining the price of that contract and how much can be attributed to each of the services; and third, which probably can actually explain its effects on our accounting, and it establishes that the revenue must be recognized, that is, the price established for each of the services as each of the services is being rendered.

On the specific case of the 4G projects, when implementing this methodology, it's established that, ultimately, the services provided in these concession contracts are two: the construction service provided at the beginning of the contracts, when the agreement to start the construction stage is signed and the beginning of the operation stage and the operation and maintenance services that is provided throughout the contract, because, as you all know, in Colombia, generally, these contracts are made from an existing road implying that, even while it's under construction, the operation and maintenance services on the existing road is also provided. This means that from the total income to which the concessionaire is entitled, whether from tolls and future periods and other guarantees, there must be established how much correspond to the payment of the construction service, and the all these revenues are caused during the construction phase, five or six years, depending on each case, in which the project is executed. And the starting point for that causation is the signing of the agreement to start the construction.

That is why, as we will see, the biggest impacts, both from the adjustment and from now on, will occur in the concessions that already started the construction stage and it will be executed

during the entire period of construction. This accounting methodology has several implications that I think it's important to state. First, the business itself doesn't change, the total profit expected from the concessions is the same as that established using the previous accounting methodology, what changes is the way in which it's distributed in a period of time, it's more focused on the construction stage, but in total there's no effect regarding additional revenue; and second, which is probably very important to us, and it can be different in other cases, is that it reflects in a better way our business model that as you know, we have explained this many times, for concessions the business model of Corficolombiana has two sides: investment on the concessionaires, as long-term investors, but also being constructors, because we also participate in the construction. Therefore, this accounting reflects in a better way the difference between these two businesses and the impacts on the results of these two businesses.

Once these generalities have been explained, we can see on the slide six the specific effects that we're presenting on the results as a consequence of the application of this norm. As we said before, year 2018, according to the regulation, is the year of transition to which the IFRS 15 must be applied. Throughout this year we have been working on how to finally apply the norm and, in the end, this adjustment is made on September 2018. What the norm establishes, basically, for the implementation is the following: it establishes that the accounting of all the contracts from their beginning must be done again and that it must be considered the revenue that would have been generated using this new methodology and that it should be compared to the amount that was actually recorded and that this adjustment should be divided in two: until the last accounting close, which in our case was on December 17, those differences that come up, positive or negative, between the amount that was actually recorded and the amount that would have resulted from applying this methodology, are adjusted when the application occurs, that is, in this case September 2018 in an equity account, meaning, the profit that would have been generated isn't included in the loss and gain at this time, but it's included directly to an equity account. And that's what we can see in the chart on the slide six where by doing this exercise, I repeat, to December 2017 for our four concessions, the adjustments are the ones mentioned there. It's important to say that the significant adjustment is to Coviandina because it was the only concession that, to December 2017, had signed the agreement to start the construction.

For the other three concessions, the adjustments were smaller and much less meaningful, as we show you in this chart, the adjustment to Coviandina is 398,000 million and when we add all four is 397,000 million, so, and this effect is adjusted, I repeat, in the equity of the concessions and, therefore, it goes up through the method of participation to the company.

The second adjustment that the norm foresees is related to the results of this year of transition and you basically do the same exercise: the differences between what was actually reported every month previously to the adjustment are calculated, that is, until August, it is compared with the application of IFRS 15 to those months and that difference, is, indeed, included in

the loss and gain at the moment of the adjustment, meaning, September 2018. So, in this chart, we see concession by concession on the columns, here's a quarterly summary of what was recorded as earnings of the four concessions during the first quarter and second quarter, the amount that would have been generated if the IRFS 15 would have been applied to those periods of time, and the difference, that is higher in that case, of that application is adjusted on September or at the moment of the application, in this case, September 2018 and that explains the third quarter results.

Therefore, for the third quarter the four concessions generate a profit of 546,644 million and out of these, 330,000 correspond to the adjustment of the previous quarters after the application of IFRS 15 to that period. Thus, the four concessions, for the accumulated to September of this year, have generated COP 616,000 million. Those are the figures that explain the adjustments of September and the way in which they will be applied from now on; in this chart, there's still one thing to say, it's something that was also in the previous one, and it's that the bigger effect is in Coviandina because it's the concession that had started already the construction, even before 2017, and Covipacífico that, as we have said earlier, signed the agreement to start the construction on May of this year, therefore, the big adjustment of Covipacífico is produced at the moment of signing the agreement to start the construction in the second quarter and from now on. As you can see, for Covioriente and Covimar the adjustment is very small; it's of little importance because they haven't started the construction yet; when they start, it should be represented in the results.

As we just mentioned about the important facts, Covioriente actually signed the agreement to start the construction two days ago, on November 13th, thus, we would expect, or we should expect that this effect is represented on the third quarter results. Now, let's see the financial results of the whole company with Mr. Juan Carlos Páez.

Juan Carlos Páez: Thank you very much, Mr. Gustavo. I just want to make a remark on the previous detailed presentation and it's that, as you can see, the adjustments are made as per the regulation, the IAS 34 interim financial reporting, and when we have the determined figures, we include the adjustment in the third quarter close and from the notes in the presentation, there's one specifically related to that point.

Having said that, let's go to the slide number nine. You can see that the assets of the company grow significantly throughout the year, by 23.9 percent to be exact, but from that 23.9 percent, the major growth was on the last quarter; a 17.7 percent growth between COP the 21.4 trillion and the 25,281 billion that we reported. This increase of COP 3.8 trillion is justified or explained essentially by the evolution of the intangible and financial assets of the concessions, and also there's obviously an evolution of other intangible and financial assets of Promigas. Remember that we have a major bifurcated asset there.

As you can see on the boxes, there are other kinds of growth and we slightly changed the presentation for you to see at the same time that the growth shown in the box above, in the

box below, we see the discrimination of that growth, and this is how the concession agreements that used to participate by 32 percent, I mean in the previous quarter, on July 2018, today, they participate by 36 percent reflecting the adjustments that Gustavo mentioned on his presentation.

The investing segment also grows, it maintains its participation by 23 percent. There we have incorporated a fixed-income portfolio too, we have variable-income securities like the electricity company. Remember that on the last months we announced the improvement of our position as investors of that company, actually, in these financial statements we show COP 285,000 million of a higher investment and it there has also been an organic growth of the entities associated to Promigas by COP 108,000 million.

Regarding the cash and the interbank funds that are very important for the financial structure of the company, these slightly grow proportionally, grow significantly in size, change from 10 to 11 percent, a variation of COP 698,000 million, and it's related basically to the excellent liquidity situation of the company related not only to its participation on the money market and traditionally important, but also to the additional resources from the capitalization of about COP 1 trillion that has been mentioned a couple of times in this presentation.

The portfolio and the receivables decrease in its participation from 17 to 15 and we basically can say that this is associated to it by three important elements: one, the evolution of the portfolio of the Leasing company, its process of approval decreases due to the liquidation of Banco Panamá. This liquidation that was mentioned in our previous meeting was closed in the past months. And the other important component that affects our figures is the total provision throughout this whole time of our participation in Electricaribe, which I remind you is of COP 78,000 million.

About the... let's go to the slide ten, the composition of this asset, the discrimination for each of the financial segments and all the segments in which we participate, we can see that the financial segment grows 15 percent below the 24 that I mentioned throughout the year. It grows first in fixed-income investments, it grows this year COP 1,053 trillion. I also said that the investment on the electricity company and the evolution of the assets of the Leasing company and of Banco the Panamá, this net variation of COP 970,000 million from the inventory that I just mentioned is that. On the other hand, the gas and energy segment grows about COP 600,000 million, 6.3 percent, and I also said that it was basically due to the evolution of the financial assets of Promigas, which continues generating excellent results in general; I would dare to say that the gas and energy segment maintains a standard dynamic, normal. Gustavo will explain in detail this evolution.

Regarding that infrastructure that is, let's say, the center of the changes for this quarter, we see a variation of COP 3.2 trillion that explains, to a considerable extent, the 3.8 trillion of the total change of the assets. This growth that is almost the double 91.81 percent is explained in assets by precisely the evolution of COP 1.8 trillion in the intangible assets in Coviandina

and COP 1.4 trillion in the financial assets among the other three entities. On the other hand, the hotel segment has no meaningful variations and in the agro-industrial we see a decrease of 29 percent, COP 275,000 million that disappear for being a participant of the consolidated total of the company, but it continues to be an investment. This is basically related to Pizano, which started its liquidation process. Remember that we mentioned this in the first quarter report and it's somehow recorded with the evolution of the total assets of the financial segment.

As compensation for this asset in the financial statements, the liabilities and equities on the balance sheet, we can also see here that it is presented the best status of the liquidity of the company in the consolidated financial statements. We see that the total liabilities grow 17 percent, this is basically associated to the evolution of the payment of credits by third parties to the concessionaires and also there is an important participation of the deferred tax that in the quarter started to participate in approximately COP 500,000 million related, obviously, to the temporary differential between the accounting adjustments and the associated fiscal report, I insist, with the adjustment that we're making of the IFRS 15. The equity that decreased this year from COP 5.1 trillion to COP 1.4 trillion was modified by COP 1 trillion of capitalization, we have mentioned that throughout this presentation, and the differential related to the adjustments basically of the IFRS 15 and the organic growth. I think it's important to show that, highlight that, in the slide of this page, in the bottom chart of this slide 11, the noncontrolling interests remain stable, the controlling interests grow, because the adjustments are implemented on the entities that are solely owned by the company.

And we go now to the consolidated statement of results, on page 12, we see that the net profit, that a year ago in the third quarter of 2017 represented COP 147,000 million, which showed an indubitably improvement, as María Lorena quickly mentioned, in the second quarter we were already stating figures like COP 301,000 million, in this third quarter reach COP 690,000 million, obviously, driven mostly by the adjustment of the IFRS 15.

Regarding the controlling net profit, a big part of this adjustment remains within the controlling net profit and that's why the controlling profit increased from COP 165,000 million in the previous quarter to 583,000 million in this quarter.

I want to highlight, it should be said that in the gross margin of the real sector where we see COP 1.3 trillion, it is more than double of that same figure for the second quarter, if we wouldn't have had, or if we wouldn't have made the adjustment, we could be showing a figure of COP 871,000 million, which means an increase indubitably good of 35 percent in the quarter or of 40 percent year over year.

About the rest of the information, the accounts behavior, in our opinion, in a stable manner. With these figures, we reached a profitability of 23.36 percent that it's without question much higher than the 3.71 percent that we showed a year ago.

A visual way to explain what we have mentioned a couple of times is in slide 13, where we can see the evolution of the controlling net profit, for the quarter as well as for the year-to-date. In the last quarter, in the third quarter of 2017, the controlling net profit was COP 50,000 million, this year, without considering the adjustments, it would have reached COP 71,000 million, which means or is equivalent to a growth of 42 percent. That shows the positive evolution of the entire company, but the adjustments due to the IFRS 15 to the roads in concession amount to COP 552,000 million. In this case, you can see that we distributed it in two, 181,550 correspond strictly to the quarter and we could consider it an additional income that we could consider as recurring and COP 330,000 million which is the equivalent it's the part of the adjustment that corresponds to the two previous quarters to this month. This same relationship, or this same distribution made for the year-to-date, shows us that the increase of the controlling net profit would already accumulated a growth of 116 percent, increasing from COP 177,000 million to COP 382,000 million and the explanations about the differentials incorporating the adjustment would be exactly the same from those of the earnings of the quarter.

Now, about the generation of EBITDA in the consolidated financial statement, without a question, we see again the effect of the adjustment due to the IFRS 15 to its participation on infrastructure on these COP 1.3 trillion; the EBITDA for the quarter is COP 518,000, out of which 334,000, I insist, would correspond to the adjustment of previous quarters and 183,000 would be of this quarter. Anyway, we are seeing a growth of 164 percent that, without the adjustment, would still be considerably, by 72.5 percent.

For the accumulated, well, the figures are similar, the growths, obviously, in the total wouldn't be 164 but 60.3, we can see that in the slide 15, and the growth without adjustment would have reached a 27 percent, satisfactorily.

To finish this part, regarding the funding of the company, what we usually do here is justify the figures of the financial statement separately. We do want to highlight the great condition of the liquidity of the company, you can see that the purchase of CDs reached COP 6.3 trillion on the top box of the left side, that the purchase of CDs, you probably remember, is distributed among the resources destined to funding the investments and recourses that are used in the treasury management business. The average maturity date of the CDs continues expanding, in the last quarter we saw an average maturity date of 5.3 years, in this one 5.1 months, years, sorry. In this case, we already reached 5.4, a year ago, it was lower, 0.4, which shows the good presence and big appetite that this document still has. We're sure it will continue to have it in the Colombian market.

Despite we're continuously extending the maturity date of these purchases, you can see on the bottom box of the left side that, while last quarter this occurred at an average of Bank Reference Indicator plus 220 basics, in this case we're already doing it at Bank Reference

Indicator plus 190 basics, which still is a truly commendable behavior. I give the floor to Mr. Gustavo who is going to explain the evolution of investments.

Gustavo Ramírez: Juan Carlos, thanks a lot. As always, before finishing the call, we make a brief review of our sectors in the portfolio investment. Go to the slide 19 to show you the results of the energy and gas segment. The asset grew 6.3 percent compared to the previous year and the consolidated EBITDA of the quarter grew 1.4, accumulated the whole year 4.3 compared to the previous year; this is basically, as you all know, Promigas. Promigas has had a year, again, with outstanding results, it shows a consistent and sustained growth, the volume of gas transported has grown to two digits: 16 percent; and also, the distribution business, the transported volume as well as the number of customers continue to grow. It's especially remarkable, on one hand, the transportation business that the pipelines of Promigas and the regasification plant in Cartagena have been working all year long, even more than expected, due to the deficiency of the electrical interconnection that have caused the generation plants on the coast to generate and, of course, need the fuel gas transported by Promigas.

Likewise, regarding the distribution, it's important to see the growth specially of the investments in Promigas in Peru, in Cálidda where it reached over 700,000 connected users, as well as in the operation of Quavii, the other concession of Promigas in the north of Peru that, after a delay to start its operations, it did it at the beginning of the second quarter of this year. Now we reach 10,000 users and we expect a growth in the following months. Thus, Promigas still is a very profitable investment for us and we trust that it will keep being profitable in the following months and years.

Next, we show you the infrastructure segment where, the measurement of assets and EBITDA increased significantly, showing the beginning of the construction of Coviandina and, especially Covipacífico that started on May, which is better represented, as we have widely explained it, because of the application of IFRS 15. In this sense, additionally to this chart that we have traditionally used, in the following slide we're going to see a chart itemized by concessions in order to see and make a follow-up on how the progress of the construction reflects on the results of the company.

Before doing that, on the chart below we show you the evolution of traffic, the traffic in general has been growing about 2 percent, however, if in the total data you can even see samples that decrease, it's because there have been two effects: one in Coviandes, due to the winter, the road needed some maintenance during a few days of the quarter and this has an impact because it adds up to the total traffic, but when those troubles caused by the winter and the closing of the road were left behind, the traffic returns to its normal levels and in Covipacífico is happening something that is normal on these projects: during the construction

stage there are also closings, precisely, to work on the construction and, therefore, the traffic drops, but those things are already forecasted and are seasonal.

In the following slide, you can see what I mentioned before: that EBITDA that we showed in the previous area divided by projects, here, initially, we're dividing it among the concessions previous to the 4G, the ones of first and third generations that we have and the ones of 4G and here you can begin to see, interestingly, by comparing with the previous year, how much the concessions of 4G contributed to that EBITDA. It was very little, and those that made higher contributions were the previous ones, especially, Pisa and Coviandes; for this year, the scenario changes completely, the ones with a higher weight are the ones of 4G and, I repeat, here's only, all of them are here, but those that represent a big part of that value are those that have been under construction, Coviandina and Covipacífico and the old concessions, because they represent a higher value. I think this chart is going to be important for the following reports.

Next, we're going to our follow-up chart of the 4G concessions. I think that the most significant thing is, and it's news, that two days ago, on November 13th, the agreement of Covioriente to start the construction stage was signed, as we said earlier, after, let's say, a few months and years of controversies with the ANI regarding the signature, a settlement to start the construction stage was reached. This doesn't prevent the arbitration tribunal we have with the ANI from continuing, but, at least, the project, the agreement to start has been signed already and it will begin in the following days. The other concessions, the ones already under construction, Covipacífico and Coviandina, continue at a good pace without major problems and Mulaló-Loboguerrero, our concessionaire Covimar, maintains the same status that we told you on our last call. We're waiting to finally obtain the environmental license to start the construction at the end of the first half of next year.

At the bottom of this page, there are the figures to which we do a follow-up. The total Capex forecasted in current pesos to date is COP 7.46 trillion, the contributions of equity that are also provided for the four concessions by Corficolombiana are 2.76 trillion and, to date or, actually, to September, we had already invested those 2.76, almost COP 1 trillion.

Regarding the hotel segment on page 23, we show you the behavior of occupancy as well as the rooms sold, quite flat; however, the EBITDA does show you a growth for the quarter of 1.6 percent and accumulated all the year, compared with the previous year, of 6.5 percent. Here we want to highlight the inauguration that, as it was planned and we had announced a lot of months ago: two new operations of Estelar in Medellin, in the superior line, which is a hotel of high category, as well as in the line of long-stays of apartments. They're pretty good hotels, of high quality, and you're all invited to visit them and stay there.

Finally, on the last slide, slide 24, there's a summary of our agro-industry and financial segments. Here we can see both segments. Let's start by the agro-industry; in order to compare these figures, keep in mind that the last year Pizano was included, but this year, as announced on February, its liquidation process started, therefore, in accounting terms, it's not included in these figures of consolidation. Obviously that investment is still on our books records with the same value it had at the moment of the liquidation and the final effects of that investment will be included when the results of the liquidation are finalized, which hasn't happened yet. Otherwise, in the other agro-industry segment, in Pajonales, especially about rice, as you know, the sector is in a relatively critical situation, the price is still low, there's a high oversupply and, therefore, the results in Pajonales haven't increased considerably and in the case of Unipalma, as we have also informed, although the palm oil tree business and the price of the palm oil tree is good, in our plantations, we had in the last months and years a problem with a phytosanitary treatment for the lethal wilt disease which forced us to cut down 800 hectares of the plantation, with the effect that this has on the results of the company.

On the other hand, about the financial segment, the main negative effect corresponds to the Leasing company that, as we have been saying for several months, has had relatively bad results, partially caused in general by the crisis of consumer credit portfolios and that explains most of the dropping of these figures that fortunately are relatively lower for the total of the company. This is the end of the summary of the statements of our segments. Thanks a lot. I think there's a question and answer session next.

Operator: Thank you. Now, we will begin the question and answer session. If you have a question, please press star, then 1, on your phone. If you wish to be removed from the cue, please press the pound sign. Please, only two questions per participant. Once again, if you have a question, please press star, then 1. Right now, we have Rodrigo Sánchez, from Davivienda Corredores, on the line.

Rodrigo Sánchez: Good morning. Thanks a lot for the presentation. I have two questions. This first one is about yesterday, when during the conference call of Aval, it was said that Corficolombiana could generate earnings of 1.2 trillion in 2018 and 1.3 trillion in 2019. I would like to know if this data corresponds to the controlling net profit and if it corresponds to the total profit of the holding or only to the infrastructure segment. And my second question is to clarify something too: if the implementation of the IFRS 15 produces an alteration or a change to the cash flow generation or if, for example, it would have an effect on the taxes that may, somehow, have an impact on the cash flow, and if it's the case, could we make some changes to the payment of dividends policy of the company? I would also like to know, if you can tell me, what is your double leverage index with these changes and for the stock issuance. Thanks a lot.

Gustavo Ramírez: Thanks. Here are my answers to your four questions. About making forecasts of the future, we indeed expect that once Mulaló starts its operations, we're talking

about a contribution from the four 4G concessions of about COP 110 or 120 million monthly, so, specifically, that's the amount we expect the four 4G concessions will contribute once the four of them are under construction. I repeat this, to September, two of them are under construction, Coviandina and Covipacífico, now on November, we hope for Covioriente to start its operations. Our best estimate is that towards the end of the first half of next year Covimar will start too. At this moment, that's the magnitude we can forecast.

About the effect on the cash flow of the company, these modifications of the accounting methodology don't have any effect on the cash flow. It basically how it's accrued. The modification is related to, as I explained, the way in which the income is accrued, for accounting purposes, and it affects the total income, but the cash flows of the projects remain the same. And finally, about the double leverage, the number to the end of September is 128 percent. Next question.

Operator: Now, we have Carlos Rodríguez, from Ultraserfinco, on the line.

Carlos Rodríguez: Good morning, gentlemen, thanks for the presentation. I have two questions. The first one is related to Promigas and if you can explain in detail why the transported volume grew 16 percent, but the EBITDA only grew 1.4 percent. And my second question is related to the dividend policy from now on and to those high earnings of Corficolombiana expected for 2018 and 2019, but I understand that mostly, because it is an accounting effect and it's not cash flow, what can we expect regarding the payment of dividends? Thank you very much.

Juan Carlos Páez: About the first question of Promigas, as you know, Promigas has several businesses, one is of transportation, another one is of distribution, and, at the same time, within the transportation business, the income has a fixed part that is the availability of transportation capacity and only one part of that has an effect on the volume of transported gas, so, this explains the fact that the volume of gas grows, but it doesn't transfer directly into the EBITDA growth because there are a lot of elements mixed here; the important thing is that as long as the gas grows consistently, more infrastructure will be required in a medium-term, which will generate more earnings on those long-term levels of the company.

María Lorena Gutiérrez: No, about the dividends policy, everything will depend on our cash flow, as you say, this is a recognition of earnings, in terms of accounting, and we're not going to endanger the growth of the company, and then we will have a policy according to that.

Carlos Rodríguez: OK. I understand. Thanks a lot.

Operator: Now, we have Estefanía Mosquera, from Credicorp Capital, on the line.

Estefanía Mosquera: Good morning. Thanks a lot for the presentation. My question is that I would like to know more about the implementation of the IFRS 15. I thought that it was being implemented since January 2018 and that in this case, there was a reinterpretation. And, additionally, specifically in relation to Coviandina, I would like to know how is the total income being accrued right now. I thought that previously, the total income was accrued as the intangible assets were being generated. But, if there was an increase of the total income, was this translated to an increase of the intangible assets or what was the difference from the accrual of the total income? And the second is, what would the total income have been without the implementation or without this change of the IFRS 15?

Juan Carlos Páez: Thanks for your question. Yes, you're right. The IFRS 15 is a norm related to the contracts with customers. This norm has been analyzed for a long time by, I think, every entity, from the real sector and the financial segment; in the financial statements of the first quarter, we had talked about the first exercise of implementing the IFRS 15 and also the IFRS 9, which was the other regulation that was being applied from January 1st, 2018. We had mentioned, in that moment, that IFRS 15 had an impact of COP 40,000 million in the whole company, in the whole proprietary structure of the company. Remember that we are adapting the IFRS 15 according to what's established on the norm about the methodology of accumulated profit that Gustavo talked about in his presentation. You have to pretend what the results would have been if the regulation had been implemented and, I insist, we had established an impact of COP 40,000 million in retained profit, which is what the methodology indicates.

This procedure of implementation is important because the first year you always, and not only with IFRS 15, but also with any norm, have to continue evaluating, looking the correspondence between the decisions of interpretation and the recognition of the income with the evolution of the business and without a question when you analyze the risks associated to each of the services you render, you notice in every other entity and specifically in the concessions. In the end, we just made adjustments in the four, what we called 4G concessions, considering that they're concessions that are in the process of construction, the rest of the entities are in a process of operation and maintenance and the service rendered to the concedent, which is the State, is still the same, it's still one and the debate about the value or the price of this service, is out of place. Here, clearly, it's needed a review of the structuring or definition of prices for each of those two services and, as it was mentioned, the construction stage demands a high amount of resources and it's a period of time in which the risks of using those resources, the stability of the projects you do, is more important than operating and maintaining the road, especially if it has been built with the best security standards. So, by using the international regulation, the IAS 34 states on several paragraphs, mentions the methodology to be used in case that you find different estimates when applying the policy and, in this case, considering that we got to a limiting conclusion about the definition of prices of those roads before the end of September, we made, as the regulation establishes, the decision of executing the corresponding accounting entries; it wouldn't have

been useless to keep it in force until December. Obviously, you have to make the accounting entry in the period when you identify the variation and that's why our interest is to mention continually the total value of the adjustment and what that adjustment would have been in the previous months.

Remember that when we were going through the presentation, specifically, when we were on the slide 13, we said that the controlling net profit of the last year, in the third quarter of 2017, was COP 50,000 million and in this quarter, would have been COP 70,000 million, growing 41 percent. Obviously, the figure we're showing is COP 583,000 million with a difference of 512 compared to the value I just mentioned; the answer is simple: if we hadn't done the adjustment, we would have had a total profit in the quarter of COP 70,500 million which is 41 percent higher than the same amount of the last quarter. Thanks.

Operator: Now, we have Nicolás Erazo, from Ultraserfinco, on the line.

Nicolás Erazo: Good morning, everyone, and congratulations for the results. I would like to know more about the investments on other segments different from infrastructure. Thanks a lot.

María Lorena Gutiérrez: In general, the portfolio investment of Corficolombiana is going to be focused on the same strategic sectors that we have regarding to capitalization that we already mentioned, because we have some resources and we're analyzing some projects that could be from the segment that you already know that Corficolombiana has, where we invest, gas and energy; in infrastructure, different from concessions is possible, hotel and agro-industry.

Operator: We have no further questions.

María Lorena Gutiérrez: Well, thanks a lot, everyone. We'll be in touch. If we don't talk later, have a merry Christmas and a happy New Year.

Operator: Thanks, everyone. This concludes today's conference. If you want to hear the conference again, it will be available at the website www.corficolombiana.com on the following days. Thank you for participating. You may now disconnect.