

PRESENTATION OF RESULTS 4Q-2018

María Lorena Gutiérrez: ...of Corficolombiana's fourth quarter and that also allows us to present the results of the whole year 2018.

Gustavo Ramirez, Vice President of Investments, and Mr. Juan Carlos Paez, the Executive Vice President of Corficolombiana, are with me here today.

There are several people from Corficolombiana here at the meeting. We have the Vice President of Treasury, the Vice President of Risk Management and Control, our Compliance Officer, we have Maria José, who is in charge of all our financial issues, and Adriana Gonzalez, our Director of Investor Relations.

I'll start by providing a general balance on Corficolombiana's fourth quarter and then we will analyze these results.

In the fourth quarter we had assets worth 26 trillion, an equity of 8 trillion, and a profit of 725 billion, leading us to a historical record of profit in the last decade, from a full year 2018 profit of 1 trillion 620.160 million. This means that our ROAE is at 35.06%, and our solvency is at 35.35%. You can see the separate figures in the chart below.

We continue with our investment grade rating by Fitch and Standard and Poor's, which proves that our Ebitda in the fourth quarter reached 1.58 trillion pesos, which means an increase of 166%.

You may wonder why this growth in both Corficolombiana's Ebitda and net income. There are two reasons. One, a good performance from the gas and energy sectors, which are the most important in our investment portfolio, especially given the significant growth of Promigas in terms of sales, and the beginning of two of the 4G projects we have. We have nine concessions and four of them are 4G. Last year we signed the initiation of construction phase minutes. They were Covioriente, which is the Villavicencio-Yopal highway, and the Covipacífico highway in Antioquia.

These, together with Coviandina, whose construction started two years ago, involve Corficolombiana with the construction of three of the 4G projects in the country.

We will later see what that means in terms of our investments and what it means for our financial statements in the next five or six years of construction.

These equity results demonstrate the success of our capitalization, which we announced and presented in the previous call. It was a very successful capitalization for almost 1 trillion.

Some of the most relevant events during the quarter were that on November 6 we acquired 7'350.000 more shares in Promigas, which led us to purchase an additional 0 .65% of this company.

Another important thing is that early this year, on January 31, 2019, Grupo Empresarial Sarmiento Angulo obtained its business register pursuant to Article 1995. Therefore, Corficolombiana and 45 other companies now make part of Grupo Empresarial Sarmiento Angulo. In consequence, we will have to present a report as part of this group and it will be presented for the first time in the shareholders meeting that will take place on March 27.

Other relevant facts. As you know, one year ago we had the collapse of the Chirajara Bridge. As I announced in the previous call, the French firm Eiffage was chosen and it was already contracted. It is designing the bridge. We assume the costs of reconstructing this bridge. We are doing the claim process with the insurance companies, so we are handling the situation. A contract was signed with the ANI to make this bridge in a maximum of 24 months. Three months have passed since construction started.

I mentioned that on November 13, Covioriente's initiation of construction phase minutes was signed. I would like to emphasize that we finished provisioning all of our investment in the Ruta del Sol concession. In November we made a provision for 111,783, which was the remaining balance. It was Corficolombiana's investment in Ruta del Sol. It was fully provisioned, so now we have no financial obligation in regards to Ruta del Sol.

In the hospitality sector, Estelar is consolidating itself as the most important hotel group in the country. We opened a hotel in Lima, San Isidro, in the last quarter. It has 80 rooms and is already in operation. In December we also transferred Leasing Corficolombiana's assets and liabilities to Banco de Bogotá and Banco de Occidente, as previously reported.

All these facts demonstrate that Corficolombiana has managed to overcome reputational attacks. We will continue our fight, both in the legal and reputational aspects. We are enjoying our best financial moment. When analyzing the sector, we are the fourth largest financial institution in terms of assets, and the third entity in terms of profit in 2018.

Let me tell you about profit in 2018. The highest was Banco de Bogotá, the second was Bancolombia, the third was Corficolombiana, and the fourth was Davivienda. This shows our financial strength and excellent results during 2018. As you will see throughout this presentation, these results were not sudden, and they will prove to be constant during the next few years.

I would like to provide an update on Ruta del Sol, especially in terms of legal issues.

As I announced in the previous call, we provided an answer to the opening of formal investigation presented by the Superintendency of Industry and Commerce. This formal investigation was filed against Grupo Aval, Corficolombiana, Episol, and several natural persons.

I think we used our best legal tools to provide this answer to the Superintendency. Right now we have no information on the progress of this investigation but we will keep you informed. I am very confident that our legal defense is very good. The charges regarding the law of free competition are not very strong, but we have to wait for the investigation process to continue.

A list of charges is simply the beginning of an investigation; it is not a sanction per se. Anyway, if we were sanctioned, Corficolombiana and Episol would each have to pay around 320,000 million. Something like that. But we are very confident that we have a good defense to present to the Superintendency.

Also, on December 6, the Cundinamarca Administrative Court issued a decision by the court of first instance. As you may remember, this was a popular action endorsed by the Procuraduría General de la Nación. This decision sentenced Episol and other entities related to Ruta del Sol, where Odebrecht and the concessionaire are involved, for damages caused to collective interests. The sentence originally estimated damages for 800 billion. We requested a clarification action that was not accepted by the court, but the amount was reviewed and it was determined at 716 billion. In case this fails, the Consejo de Estado determined that all the natural and legal persons involved would have to pay the amount of 716,000. Let me repeat, Episol is involved, as well as the concessionaire, Odebrecht, the natural persons from Odebrecht, the former Corficolombiana president, Mr. Jorge Elías Melo, and the ANI, which was sentenced to pay for these damages and this is being discussed right now.

We presented a clarification action and an appeal request to the Cundinamarca Administrative Court. The clarification action was not accepted, but the appeal request was accepted as this ruling has a “suspensive effect”. What does this mean for everyone? There was a lot of noise in the market because one of the sanctions mentioned by the court was a 10-year inability to make contracts with the state, and Episol was there. But a suspensive effect means that it has no effect until the Consejo de Estado provides an answer to our appeal request. That is to say that neither the payment of the fine nor the 10-year inability are applicable now, which gives us peace of mind. As you know, these appeals may last on average five years. We will keep an eye on this situation, but we are very confident about our appeal and our legal arguments.

With respect to the Court of Arbitration, after a recess due to several reasons, the court restarted with a new president. A new expert was appointed last week. It is a subsidiary of Duff and Phelps called Forests Partners Estrada y Asociados. They are going to do the appraisal to determine the settlement of the contract. You know this is very important, although we have already provisioned all amounts related to Ruta del Sol, but this issue is important for banks and suppliers, as there are still significant debts. The court is expected to set a liquidation value for the contract, whose maximum date is August 20th this year.

Finally, regarding the legal issues where we are involved, we have the criminal trial against Mr. José Elías Melo which is being conducted by the Prosecutor's Office. As you know, Mr. Melo was the president of Corficolombiana. The trial against Mr. José Elías began on January 21, 2019 and the witnesses from the Prosecutor's Office and the defense were already presented. On March 21 and 22 the final arguments of both parties will be presented. The judge said a final decision would be made by April 1 of this year. We hope all the process is

clear, because as it was shown publicly, there was no additional evidence or anything that involved Mr. José Elías Melo in the 2009 situation.

Finally, Grupo Aval, as it was informed to the market in December, has been contacted by the Department of Justice and the Securities and Exchange Commission in relation to the investigation on Ruta del Sol, where Grupo Aval, Corficolombiana and Episol are involved. The request was for collaboration. Grupo Aval is collaborating with these investigations. We will inform the market as these investigations move forward.

This was a summary on the legal issues concerning Ruta del Sol. As I mentioned in the previous call, Ruta del Sol represented less than 1% of our assets and we have already provisioned them completely. We had a bad partner, but we are overcoming this situation and I think there has been a good response. Also, you will see our treasury results, our investments, our financial results, and even our share price, which dropped to 16,000 due to all of these situations in the last quarter. It was a figure that we had not seen in the last decade, but it has already recovered. We are confident that with the support of all our shareholders, our investors and our employees, we are going to leave Ruta del Sol behind. We already did in financial terms, we still have to fight some legal battles, but in this presentation you will see the performance of our entire portfolio and our financial results.

I'll give the floor to Mr. Juan Carlos Paez for a general balance on our financial results.

Juan Carlos Páez: Thank you very much. Good morning. The comments on the financial future of the corporation are very important. As you can see, we are showing our consolidated balance sheet. While we had a significant increase in the last quarter figures in our balance, we can see the difference between the close of the third quarter and the close of the fourth quarter, which demonstrate the stability always shown by the corporation.

As Maria Lorena said, the income shown in the third quarter of 2018 expressed the economic reality of the highway construction that has been mentioned before. We adjusted 26 trillion. We grew less than 1 trillion in the last quarter, and 5 trillion in the year. The difference has to do with our concession assets. In the last quarter, the variation of almost 1 trillion is also related to the evolution of concession assets basically from Covioriente, which led to signing the contract for the initiation of construction and therefore it incorporates, as we saw in the third quarter, all those effects both for Covipacífico and Coviandina.

On the other hand, despite these assets grew 1.4 trillion, we also had a deterioration, a slight reversal of the share value we had in Empresa de Energía. Promigas also had a small decline, but in the rest of 2019, there was recovery in several of these shares.

To reach these 26 billion, the treasury has done an excellent job by being present in the money market and interacting with the institutional market. At the end of the year there was a decrease of 480 trillion and a lower interbank demand of 330 trillion, which somehow means a lower need for resources for close to half a trillion pesos, which highlights the strength of the treasury in the Colombian financial market.

In terms of asset composition, a 41% of the 26 billion, which is 10.6 billion, corresponds to concession agreements. I explained this a while ago. 23% of that corresponds to investments. There we have again our investments in Empresa de Energía, Mineros, Gas Natural, but the evolution is basically associated with investments made by the treasury. Obviously there are some minor investments in other entities of the group, but the most relevant part is handled by the corporation's treasury. Available and interbank funds now represent only 8% of the 26 billion, which comes from a lower demand for resources for close to half a billion pesos.

Our portfolio, where we also included accounts receivable, remains at around 15%. We are incorporating the Brilla portfolio managed by Promigas and its subsidiaries, the portfolio managed by the leasing company, and 14% of fixed assets are operational assets of companies in the real sector.

As you can see, in this asset composition, when grouped by sector, the gas and energy sector continues to be predominant. It went from 9.7 billion to 10.5. An important part of our asset growth is related to concession assets. There's a roll-over of a bifurcated asset by Promigas associated with distribution contracts, which helped the entity to reach those 10.5 billion.

Our second item is infrastructure, which is very close to the previous one. Its evolution will probably show even better results in the coming quarters, but it reached 8.2 billion, almost doubling the 4.3 billion figure from the previous year. As long as we continue to see the same construction results, they will be within the total value of the concession assets, and therefore, we will see an important excess of those assets.

Then we have the financial sector, which has been stable, and the hotel and agroindustrial sectors show appropriate improvements.

On the other hand, when looking at the entity's equity, we went from 17 billion to 18 billion. A year ago it was 15.8. In these other liabilities, we are incorporating 1.6 trillion of operational assets from the real sector, and some derivatives, which are basically managed by the corporation's treasury. We have another important item since we implemented IFRS. It has been gaining importance since the income from roads became relevant and it corresponds to 1.4 trillion of deferred taxes. During the year they grew 760 trillion and in the first quarter 300,000, basically because of the income in Covioriente. On the other hand, the securities issued by companies in the real sector are 2.8 trillion, which is 16% of 18 trillion in total.

In terms of financial obligations, we have 4.2 trillion of interbank funds. Assets are close to 14% or 2.5 trillion. In the previous quarter that figure was 3.2 billion and a year earlier it was 2.6 billion. Deposits are important in the Colombian financial market. It is a very desirable title and that is how we adjust 21% of the total liabilities for this item.

Equity amounted to 8.1 billion. As María Lorena mentioned at the beginning, we had a capitalization process for 1 trillion at the end of the third quarter, which is reflected in the 7.4 trillion.

In terms of the consolidated income statement, you can see the growth of operational income. We continue seeing the effects of roads, and the income from Promigas is still important, in line with the growth to 2.7 trillion. Operating costs rise to 1.078 trillion. This includes the deferred taxes that I mentioned a while ago. Specifically, in the quarter we are talking about 480 trillion pesos, showing the temporary difference between the current generation of profits and the future tax payment.

Apart from that, the P&L structure of the corporation remains unchanged. General and personnel expenses are very similar, as well as depreciations and amortizations. We are incorporating 276 trillion to this item. We are also incorporating the provision made for Ruta del Sol, which is 114 trillion, in order to recognize that impaired investment entirely.

In terms of Ebitda, it will probably continue to have an important contribution. In this case, the fourth quarter was positively impacted by the signing of the contract to initiation works of Covioriente. We will probably see a quarterly Ebitda slightly lower than that one, but much higher than a year ago. This will probably be a common graph, since the energy and gas sector will continue to contribute close to 400 trillion and the infrastructure sector close to 1 trillion.

Accumulated Ebitda shows the non-concentrated effect from the whole year, with 2.4 billion compared to 623 trillion from the previous year. I am talking about the contribution of the infrastructure sector to Ebitda and the result generated by Promigas and its subsidiaries of 1.5 billion, for an 89% growth.

Finally, from the point of view of funding, we continue to see the same activity, which has been strengthened by investor confidence. On the top right of the graph we can see the evolution of the CDs that we capture to fund investments. They are no longer 5.4 years on average, but 6 years.

The bottom left graph shows the evolution of the interest rate. The average of the collection rate is 6.18, which is equivalent to 190 basis points above BIR, 10 basis points below a year ago.

Two things stand out: one, the increase in the average term of deposits (6 years), and last year's collection, which was around 5.4 years on average, with an average rate of 5.6%, 130 basis points above BIR, showing our strength in the Colombian financial market.

María Lorena Gutiérrez: I would like to insist on that last message because of the noise that there was in the market. We monitored the situation permanently, especially in the last quarter, where Corficolombiana faced the strongest reputational issues. Our liquidity was an issue for many people back then.

I think we have overcome the situation, but I want to highlight that from the results shown by our financial statements, and from what I mentioned too, we are in even better conditions than before. Although many people said, "We do not know whether to invest in Corficolombiana or not", these figures demonstrate our excellent results.

Now I give the floor to Gustavo, who will show us the results from our investment portfolio.

Gustavo Ramírez: Good morning everyone. Next, a brief review on the performance of our investment portfolio during the fourth quarter and in general during 2018. We want to highlight two things.

First, we are working actively on five sectors. We are beginning to see the results of our investment strategy, especially in terms of infrastructure, energy and hospitality. Also, we are in the process of reorganizing the investments where we have found some deficiencies in the past. During 2018 we will work hard on our investments, which sometimes do not seem so big, but in individual terms they are very important to us. We are going to show you what we have done about it in the last months and the whole year.

Moving on to this slide, we are showing the main figures of our energy and gas sector, where there are two main facts. As you know, on the one hand, we significantly increased our participation in Grupo Energía de Bogotá. For us, it is a company with a lot of potential, with very valuable shares, which is growing significantly, and we increased our participation to 5.1% in the democratization process last year.

On the other hand, our largest investment in the energy and gas sector is Promigas and we see those figures in this slide. The results of Promigas in 2018 were outstanding. It had the highest historical profit, with over 725 trillion. As you know, we own more than 50% of the company. Therefore, the good performance of Promigas is reflected in the good performance of the corporation. In both main businesses handled by Promigas, 2018 was an excellent year. Promigas' pipes transported almost 55% of the gas in Colombia. In terms of users, both in Colombia and Peru Promigas reached more than 4.3 million users.

Additionally, it was the second year of operation of the regasification plant owned by Promigas in Cartagena through SPEC, which is becoming a central axis for the Colombian gas system, as it represents alternative gas supply for the next few years.

This makes us think that the results given by Promigas this year and the next will continue to expand at least two or three points above inflation, which will be reflected in the corporation's results.

Turning to the infrastructure sector, where we can see most of the material results of the corporation, consolidated assets from the infrastructure sector reached 8.2 trillion at the end of December. This will continue to grow as the construction of the 4G concessions progresses. Every peso that we invest in infrastructure increases this value, according to each contract.

In the same way, the consolidated Ebitda of our 4G concessions reached 2.4 trillion during 2018.

On the other hand, we want to show you the economic activity in our concessions. Traffic keeps growing. As you know, both 2016 and 2017 were relatively stable, with some small decreases at times. We have noticed that since the second quarter of 2018, traffic has recovered. This is a good indicator of economic activity in general. It affects our road concessions, but also all economic activity. It makes us think that in the coming months and in 2019 there will be a rebound in economic activity.

We can see here traffic in our main concessions, which has grown over 2%. There are some exceptional cases that have specific explanations, especially in terms of roads with construction work going on, where there are frequent interruptions of traffic and that explains the decrease we see in some of the figures.

This graph on page 17 shows the evolution and the result of our strategy. Here we have a comparison between 2017 and 2018. We have the total Ebitda from the concession business and the construction business. Construction is in gray; concessions are in brown. In turn, we can see the Ebitda from concessions separated between Corficolombiana's 4G concessions and that of the other concessions.

We have two important things here. First, the increase in the Ebitda generated by the concessions from 2017 to 2018, which went from 528 billion to 2.3 trillion, as well as its composition. While last year most of the Ebitda from the concessions came from the four oldest concessions of Corficolombiana and the 4G concessions, this year we had a change in that composition, which basically obeys to two factors at the beginning of construction of the 4G concessions. One of the old concessions, Coviandes, is coming to an end, therefore its economic production will end. This illustrates what we have been working on for some years now, which is how to replace our investments in concessions once the old ones are over, so the purpose is to have new concessions that can increase our results in this sector.

Additionally, you can see the result of each of the 4G concessions. We have four 4G concessions. As you know, only three have started construction work and we can see them here. We have Covimar, the concession in charge of the project in Valle del Cauca, which has not started yet, and therefore does not contribute to Ebitda yet. Once it starts, Ebitda will increase.

Finally, in terms of infrastructure, we want to show you a summary of the traditional graph that we have shown you for several years. We have mentioned exhaustively that three of our four concessions are under construction. The only one that has not started construction is Mulalo - Loboguerrero, Covimar, which is waiting for the environmental license. This process is being carried out by the environmental authority. The concession has done everything required to obtain it, so we depend entirely on the environmental authorities, both at the regional and national level, and this delays the process.

We estimate that this concession will begin construction by mid-year. But, as I said, we have no control over this.

On the other hand, we show you at the bottom the main figures related to our concessions, the Capex that we plan to invest in each of them, the equity contribution to the projects, and how much of that total equity we have contributed as of December.

The total Capex was 8.1 trillion, and the total equity contribution that we have planned is 2.8 trillion. From that amount, as of December we had already invested a little over one trillion pesos. This figure is updated in each of our quarterly reports. If you compare it with the figure from three months ago, there is a change in the total Capex estimate, which refers to the expected Capex for our Covioriente concession, which was included in the last presentation, around 400 trillion less.

Basically, this value was updated when construction works started, as a result of inflation. All the values are in pesos. When construction works of Covioriente started, which lasted around three years since the beginning of the contract, the value of the construction contract had to be updated. Also, a wider scope of work was agreed on with the ANI and it was included there. That payment is pending based on the Arbitration Court in charge of this concession. This is the only figure that deserves clarification. The other figures correspond to the normal evolution of the business.

Turning to our other sectors, I will mention two of them, agribusiness and finance, which, as you know, represent a smaller fraction in our portfolio, but during 2018 we made a series of important interventions.

These are the numbers. In agribusiness, the consolidated asset fell from 883 trillion to 668. The main cause is that Pizano is not included anymore in 2018 figures. As you know, in February 2018 Pizano entered into liquidation and therefore it is no longer included in Corficolombiana's financial statements. That liquidation is still ongoing.

It is important to say that the corporation's investment and exposure in Pizano was fully provisioned, so regardless of the result of the liquidation process, its effect on the corporation should not be very relevant.

This also explains largely the evolution of Ebitda. Of course the Ebitda in this sector is higher now because in previous years we were affected by the impairment Pizano was having, which produced a negative Ebitda and therefore affected the corporation's financial statements. This effect has disappeared and therefore the Ebitda coming from the agro-industry sector, in general, is higher now.

In the financial sector, consolidated assets also decreased because of Leasing Corficolombiana, given its redefinition. During the past year, we worked hard on the assets and liabilities deal from the Leasing to Banco de Bogotá and Banco de Occidente, so we see that reduction of assets from the financial sector in these numbers, given that effect.

Finally, I want to mention the hospitality sector, which also had a good year. Its performance was similar to the one of roads, although it was rather slow from the beginning of the year to mid-year. For example, hotel occupancy, which is also a good indicator of economic activity, slowed down. In the second quarter we saw an important recovery of this indicator that we still feel in the first months of 2019. This is another good indicator that we see as a sign of good economic activity. Hotel occupancy, in general, is undergoing a recovery process, but in the second part of the year it improved significantly.

Thus, the corporation's consolidated assets in hotels reached 887 trillion, growing 5% over the previous year, and total Ebitda at the close of 2018 reached 52 trillion pesos, with occupancy indicators and sold rooms at Estelar also growing.

As you know, the Estelar chain continues to grow, opening operations continuously. For example, a new hotel was opened in Lima. As you know, besides Colombia, Estelar also operates in Peru and Panama, Peru being the second market where we see opportunities for growth after Colombia. We opened a hotel in San Isidro, in a residential area close to the Embassy of Colombia in Lima. You are invited to visit this new hotel when you go to Peru.

Thus, Hoteles Estelar is consolidating as the largest hotel chain in Colombia. We already have 32 operations in three countries and we hope to continue growing in the coming years.

This was all the information related to the performance of our investments in 2018.

María Lorena Gutiérrez: Thank you very much, Gustavo and Juan Carlos. We are ready to answer your questions.

Rodrigo Sánchez: Good morning. Thank you very much for the presentation. This is Rodrigo Sánchez, from Davivienda Corredores.

I would like to know about the income received last year with the issuance of shares. We already know that around 300 billion were used to increase the participation in Grupo de Energía de Bogotá. I would like to know how much of the other resources obtained have been executed and your expectations on this matter for this year.

My other question is regarding the concessions. I would like to know your estimated Ebitda for 2019, assuming that Covimar signs the documents to start construction. Thank you.

María Lorena Gutiérrez: I will answer briefly. If any of the vice presidents wants to join me, please do so. Out of the trillion pesos, we only invested the 300,000 mentioned by Gustavo in a greater participation in Grupo Energía de Bogotá. We used the rest in our own investments. Some of you have asked if we are going to use that money as part of the Capex that we use for roads, and the answer is no. We are analyzing the situation and looking for new investments.

With respect to the Mulaló-Loboguerrero road, which Covimar is in charge of, if it is signed in June or July this year, as the national government says, it will have an impact similar to the one mentioned by Juan Carlos, meaning that if at the time of signing the start of

construction documents all those resources from the pre-operation phase are used, then there will be a significant increase in income and Ebitda for that quarter.

Gustavo Ramírez: I would like to clarify that we are expecting the Ebitda from the road concessions to be similar to that of this year. This clearly depends on whether or not Mulaló-Loboguerrero starts, because we are talking about an Ebitda of around 1.8 trillion.

María Lorena Gutiérrez: ¿Any other questions?

Carlos Enrique Rodríguez: Good morning. Thank you very much for the presentation. This is Carlos Enrique Rodríguez, from Ultraserfinco.

I have two questions. The first one is a follow-up on the Ebitda estimate for this year, how that 1.8 trillion Ebitda correlates with the estimated Capex for this year. I mean, what is the estimated Capex that you want to execute this year. My understanding is that part of it is going to be reflected in your accounting, so how would it be transferred to income and Ebitda?

My second question is regarding the increase in participation in EEB and if you are concerned about the relationship you are having or the issues faced by Grupo Energía de Bogotá with Enel with regards to its two subsidiaries, Emgesa and Codensa. Thank you.

Gustavo Ramírez: As it has been mentioned, and due to the accounting treatment, there is a direct relationship between the investment in Capex and the results, the income produced by each of the concessions. The thing is that this relationship is different for each of the projects, so there is no general way to say that for every peso invested the corporation will get certain income. You have to see it from a general perspective. What we can say is that the revenues we have projected for this year from the 4G concessions are similar to the ones we had in 2018 and to what we will have in the coming years. This obviously depends on whether Mulaló-Loboguerrero enters into operation and when it does, and the work progress of each of the four concessions.

About Grupo Energía de Bogotá, I think the fact of having increased our participation last year shows our confidence in the company. As the market knows, there is an issue between the Codensa energy group and its partner, Enel. We believe this situation will be properly solved and that any result will only affect the value of the energy company upwards. We believe that in no case it will affect the value of the company negatively. On the contrary. Any result achieved will improve the company's value and, therefore, our investment.

María Lorena Gutiérrez: ¿Any other questions?

Sebastian Gallego: Good morning. Sebastián Gallego, from Credicorp Capital. Thanks for the presentation. I just have a question. I want to know about the pipeline that would start operations with Canacol in March. It has had some delays. Could you please explain why these delays? Is this pipeline expected to enter into operation in June? What problems have affected it?

Gustavo Ramírez: Indeed, there has been some delay in the construction of the pipeline by Promigas. It is a very complex matter because it has several highly complex stretches, including a partial river crossing, but all the delay has been caused by the issuance of environmental licenses, not only by Promigas, and also by the claims from the community or the procedures from the environmental authority.

As of today, these problems have been treated jointly by Promigas and Canacol, and the gas pipeline is expected to enter into operation in June this year. We believe that most of the environmental problems have been overcome and the works are being executed. Although the issues related to gas pipelines are important, they are not comparable at all with road issues. In the case of the pipeline, a two or three months delay has a significant impact on gas supply, but for us it is not as significant as the one we see from roads, which we have also overcome.

Sebastian Gallego: A follow-up on my previous question. If there are any additional delays, one, what are the fines or penalties that Corficol should have to face? Two, if the issues are environmental and have already been overcome, you also mentioned, Mr. Gustavo, that the construction work is complicated. Could there be additional months of delay because of this?

Gustavo Ramírez: Your question has several inaccuracies that I want to clarify. First, this is a contract between Promigas and Canacol. Corficolombiana is not involved there, therefore, nothing will affect Corficolombiana directly.

The second thing is that I did mention that the gas pipeline is complex to be constructed, but despite that complexity, the delays are related to the environmental process, not to Promigas or Canacol directly. These procedures depend on the environmental authority and we have no control over them, although we estimate that the deadlines should be met. Perhaps most importantly, in the contract between Promigas and Canacol it has been foreseen that there are no fines to be paid by Promigas due to delays in the construction of the pipeline due to causes not attributable to Promigas, and in fact the cause is the environmental license process. Since this delay has not been caused by Promigas, in principle this has no effect.

A very important thing that I want to emphasize is that Canacol and Promigas have been working hard to solve the environmental problems that have caused the delays. We believe that we will finally meet the deadlines set for the construction of the pipeline.

María Lorena Gutiérrez: ¿Any other questions?

Operator: From this moment on, phone questions will be received. If you have a question, please press * and then 1 on your phone. If you wish to remove yourself from the queue, please press the # key.

Remember, if you have a question, please press * and then 1. Please limit yourselves to a maximum of two questions per person, so that everyone has the opportunity to participate.

We have a question from Jason Mollin, from Scotiabank. Please go ahead.

Jason Mollin: Good morning. This is Jason Mollin, from Scotiabank. I work in the Equity Research team. Can you tell us what to expect in terms of completion percentages for each of the four 4G projects in 2019 in relation to the figures reported at the end of 2018 and what kind of Ebitda should we expect for 2019? You may have mentioned something about it on the infrastructure segment. Thank you.

Gustavo Ramírez: Indeed, slide 18 showed the progress of the four 4G projects at the end of 2018. At the end of 2018, Covipacífico was around 14%. Mulaló-Loboguerrero, as I said, has not started construction and it is at 2.6%. Chirajara-Villavicencio 38% and Villavicencio-Yopal 12%.

If I understood your question correctly, about how those percentages will progress during 2019, as you know, during the construction of roads there is a period at the beginning where the construction pace stabilizes. These projects in general last around five years. In general, the first year and a half is relatively slow, the next two and a half or three years are of full execution and then the last year and a half progresses relatively more slowly.

In this sense, the concession that is in full execution is Chirajara-Villavicencio. We expect a progress of over 50% towards the end of the year. Then we have Covipacífico, which we believe must complete around 25 to 30% of progress, and then Villavicencio-Yopal, whose construction began by year-end. It is in that first stage, where it is gathering momentum, and we expect it to reach 20% of progress by the end of 2019.

We don't know if Mulaló-Loboguerrero will actually start mid-year. Those would be the first months of construction and we don't expect much progress then. It will probably arrive to around 5 or 7% progress towards the end of 2019 if it starts mid-year, as expected.

As I mentioned, if we see the previous slide, this year's Ebitda of the 4G projects was 1.9 trillion. As I mentioned before, we expect something similar, 1.8 to 1.9 trillion pesos in 2019.

There are two important considerations. First, it will clearly depend on whether Covimar enters or not. If it does, this figure may be a bit higher. Something else is that in 2018 the 1.9 figure shown is affected upwards because revenues are recognized at the start of construction and therefore there is accumulated Ebitda.

In 2019, except Covimar, the other three concessions will not have that accumulated effect, which may make it lower in comparison to this year's figure. That's why this year we will probably see levels around the same figure, 1.8 or 1.9 trillion Ebitda.

María Lorena Gutiérrez: ¿Any other questions?

Operator: We have a question from Juliana Aguilar, from Bancolombia.

Juliana Aguilar: Thank you very much for the presentation. I have two questions. First, some time ago you mentioned that Corficolombiana would be interested in purchasing part of the shares that EPM is selling. I would like to know if that interest still remains and where the resources for this investment could come from.

My second question is how much of the total Capex of 8.2 trillion has already been executed in the 4G concessions, mainly Coviandina and Covipacífico, which are the ones with more progress. Thank you.

María Lorena Gutiérrez: About your first question, we have never talked about purchasing EPM's assets. We did mention that we were looking for new investments and in fact we are. We have some interest in Peru and in Colombia, but we have not made any decision about investments at the moment. With regards to the Capex, out of the 8 trillion, we have already contributed one trillion in equity and financing. Gustavo, would you like to add anything?

Gustavo Ramírez: Yes. Once again, the total Capex is the investment expected to be made in each of the concessions and in the fulfillment of contractual obligations. That is what amounts to 8.18 trillion pesos. This is basically financed through debt and equity and to a lesser extent through internal generation by the concessions, especially at the end of the construction stage.

The equity that we expect to use to finance this Capex, which is the main source of financing, is 2.87, from which we have already contributed one trillion pesos. If I understood correctly, your question refers to how much from that 8.18 trillion we have executed.

A way to calculate that number is to take the percentage of work progress, shown at the top, and multiply it by the Capex in each of the concessions. That is, more or less, what each concession has executed. To give you an example, the total Capex of Covipacífico is expected to be 2.26 trillion. As of December it was 14% of the 2.26 billion pesos and so on. You can do it very easily.

María Lorena Gutiérrez: Any other question?

Operator: We have a question from Rodrigo Torres, from Valora Analitik.

Rodrigo Torres: Good morning everyone. Thank you very much for the presentation. Can you please tell me the total Capex of all of your businesses for this year? Also, in regards to the hotel segment, do you only have an alliance with Estelar? Or are you also related to Hyatt in Colombia? I would like to know if they are going to open new hotels of that chain this year in Colombia. Thank you very much.

Juan Carlos Páez: Okay. If I understood the first question correctly, you want to know how much we are going to invest in the different sectors. We have no goal and, therefore, we cannot give you a guideline on what our investment will be. We show you the information on roads because we are committed to make investments there according to our concession contracts.

In other sectors, as you know, our strategy is to evaluate opportunities and make decisions then, but we don't have a certain investment planned for each year. We prefer to choose our investments based on the positive qualities we see at the time, not because we have a specific investment goal.

As for hotels, as you know, the corporation's participation in the hotel sector is almost entirely in the Estelar chain, where we have almost 90% shareholding. The other hotel investments you mentioned do not involve Corficolombiana.

María Lorena Gutiérrez: ¿Any other questions?

Operator: We have a question from Jairo Lasetra.

Jairo Lasetra: Good morning and congratulations on your results. Thank you very much for the explanation on Ruta del Sol. I want to know if all the participants in Ruta del Sol have the same responsibility or if it is determined by their participation within the consortium. Thank you.

María Lorena Gutiérrez: I guess you are asking about the ruling from the Cundinamarca Administrative Court. What the Court said is that all of them must be solidary, because that also depends on their participation. We had a 33% participation in Ruta del Sol and both Odebrecht and the Solarte Group had the rest, Odebrecht having more participation in this investment. However, the ruling is not very clear on how this solidarity is reversed. As I mentioned at the beginning, even the ANI is there and there are natural persons, legal entities and State entities.

We have no further questions, so the question and answer session is over.

Well, thank you for attending. It is good to see you from time to time. I believe that Corficolombiana has demonstrated its solidity with figures, with investments and with perspectives for the coming years. Thank you for your confidence and thank you to the Corficolombiana team for their commitment to deliver these results. Have a good day.

Operator: Thank you. That is the end of our conference today. If you want to listen to this conference again, it will be available on the website www.corficolombiana.com soon. Thank you for participating. You may now disconnect.