

**Topics**  
**Project Ruta del Sol 2**

February 17, 2017

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## Note

The information provided includes forward-looking statements based on facts and circumstances as known today. The final results may vary from those mentioned in the presentation as a result of the developments in investigations and in the decisions of any governmental, judicial or arbitral authority involved in this case, as well as the final agreement reached in connection with project Ruta del Sol Sector 2, among others.

Corficolombiana will not be responsible for investment decisions made with regard to this information. Corficolombiana does not have and will not have any obligation to review, update or correct the information presented in the presentation. The information provided in this presentation is not intended to disclose complete information of Corficolombiana in relation with the matters discussed.

With this presentation, we hope to address concerns; any developments relevant to the market, will be reported as they occur.

# Corficolombiana



Leading Financial Corporation in Colombia, focused on three business units: Investments in Portfolio, Treasury and Investment Banking



Controlled by Grupo Aval (*NYSE:AVAL*), a leading banking group in Colombia and Central America



Strategic involvement in key sectors of the economy, with continuous and stable growth. Has participation in road concessions, transport and distribution of gas, electricity distribution, hospitality, agribusiness, among others.

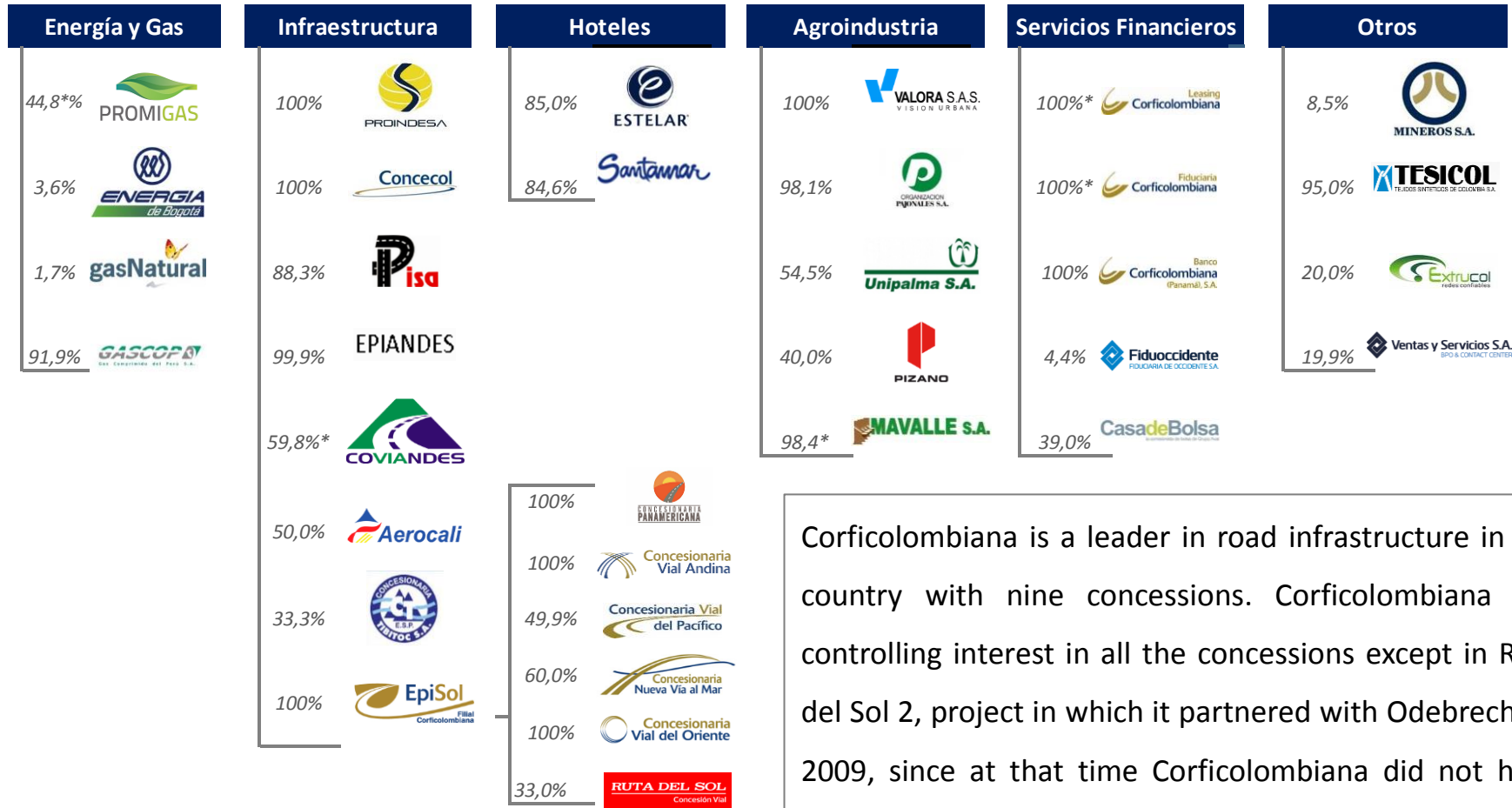


Company Listed in the Colombian Stock Exchange since 1992. Currently has 3.56% of the Colombian capitalization index



The soundness of the balance sheet and consistent profitability has allowed us to maintain an investment grade rating: Local AAA and International BBB

# Investment portfolio

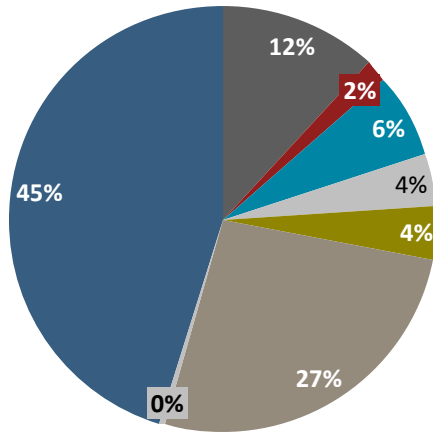


Corficolombiana is a leader in road infrastructure in the country with nine concessions. Corficolombiana has controlling interest in all the concessions except in Ruta del Sol 2, project in which it partnered with Odebrecht in 2009, since at that time Corficolombiana did not have the road building experience required by the Government to participate in the concession.

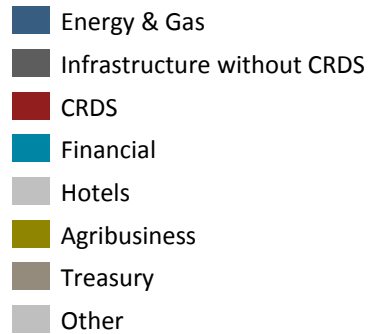
\* Total interests: (i) Promigas: 34.22% directly and 10.58% through CFC Gas Holdings, ii) Coviandes: 59.28% through Epiandes, 0.25% through Concecol and 0.25% directly; iii) Mavalle: 18.3% directly 81.7% through Organization Pajonales, iv) Leasing Corficolombiana and Fiduciaria Corficolombiana: 94.5% directly and 5.5% through Valora S.A.;

# Diversified Investment Portfolio

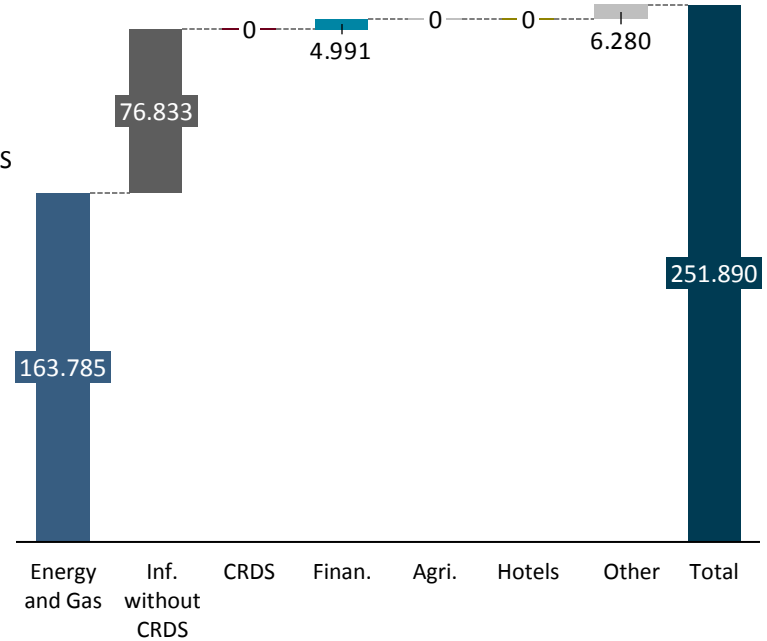
**Participation in Asset - Consolidated**  
COP\$ MM



**Total: \$20,650,889**



**Dividends 2016**  
COP\$ MM



- Energy and gas is the main sector in terms of share in total assets and dividends, followed by infrastructure
- Corficolombiana has not received to date dividends from its investment in CRDS

# Statement of Financial Position

## Corficolombiana - Consolidated Balance Sheet

COP MM	2015	2016
Available + FI	2,214,516	2,400,766
Investments	6,748,740	5,561,703
CRDS	258,365	354,749
Net Portfolio	966,496	2,379,141
Net Accounts Receivable	3,747,812	3,895,074
Fixed Assets	2,657,058	2,684,464
Other Assets	3,254,211	3,729,740
<b>Assets</b>	<b>19,588,832</b>	<b>20,650,889</b>
Deposits + FI	10,086,055	9,311,417
Financial Obligations	2,201,740	3,804,510
Other Liabilities	2,665,687	2,495,640
<b>Liabilities</b>	<b>14,953,482</b>	<b>15,611,566</b>
<b>Equity</b>	<b>4,635,350</b>	<b>5,039,322</b>

Note: 2016 figures correspond to the preliminary Financial Statements

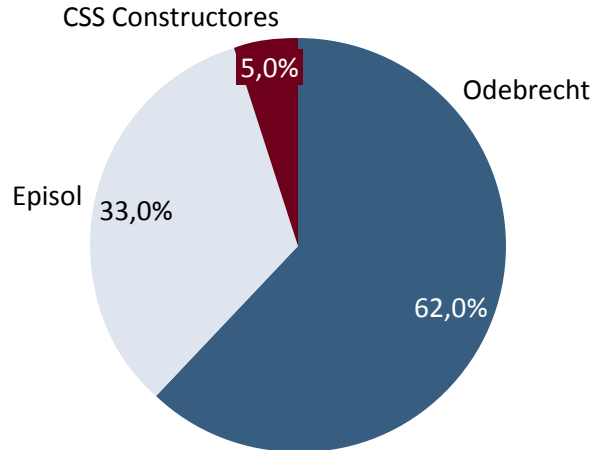
## Corficolombiana - Dividend Income

COP MM	2015	2016
Energy and Gas	174,942	163,785
Promigas	121,556	135,149
Others	53,385	28,637
Infrastructure	117,533	76,833
CRDS	0	0
Others	117,533	76,833
Financial	3,894	4,991
Agribusiness	0	0
Hotel Industry	0	0
Others	5,076	6,280
<b>Total Cash dividends</b>	<b>301,444</b>	<b>251,890</b>

- The registered investment in CRDS is COP 354.7 billion (1.7% of total assets of Corficolombiana), which includes the equity contribution of COP 86 billion and retained earnings from the beginning of the project to date
- Since 2009, year in which the project was initiated, CRDS has contributed approximately 6% of the net profit of Corficolombiana

# Concession Ruta del Sol 2 - CRDS

## Shareholding Structure - Concesionaria Ruta del Sol S.A.S.



- Corficolombiana owns 100% of Episol, company with which it consolidates
- The concessionaire obtains its remuneration from the collection of tolls and contributions made by the ANI through future budget allocations
- Currently, works have an approximate progress of 60%
- The financial debt amounts to approximately COP 2.4 trillion, out of which COP 460 billion correspond to a short-term revolving facility
- The debt is not guaranteed by the shareholders of CRDS
- Episol has not received dividends from its investment in CRDS and, in accordance with the existing Credit Agreements, was not expect to receive them during the next decade

## Financial Information - Concesionaria Ruta del Sol COP Billion

	2013	2014	2015	2016
Assets	2,219.6	2,211.9	3,113.1	3,653,2
Liabilities	1,956.6	1,719.8	2,330.1	2,578.2
Equity	263.9	492.2	782.9	1,075.0
Net Profit	-25,4	150,1	290,8	292,1

Note: 2016 unaudited figures

# General Considerations

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- On June 12, 2015 Brazilian authorities arrested Marcelo Odebrecht, president of Odebrecht S.A., accused of leading a US\$2.1 billion bribery scheme at the state-owned company Petrobras.
- On December 21, 2016, it became public that Odebrecht had pleaded guilty to the charges by the United States Department of Justice, confessing to acts of corruption in several countries, including Colombia, where it confessed to have offered bribes for US\$11 million in order to obtain infrastructure contracts.
- Since the first days in January, we have been in permanent contact with Government officials, with the National Infrastructure Agency (ANI) and with the Attorney General's Office to offer any assistance that could be required.
- We formally requested to the Attorney General's Office to be recognized as victims of the actions of Odebrecht.
- On January 30, Corficolombiana's former president, Jose Elías Melo, who resigned on his own account nearly a year ago, was summoned by the Attorney General's Office to be questioned. We have no further information regarding this procedure, nor knowledge of him being charged with any accusation.
- Mr. Melo was president of Corficolombiana for 8 years and left the company for personal reasons. There is no association between his departure from the company and the Odebrecht case.
- The media has reported that Mr. Melo could have been aware of the bribes. We have no further information regarding this allegation. In any case, we continue to support the efforts of the Attorney General's office to get to the bottom of this case and any action that it may take to accelerate the case's resolution.
- We reiterate that Grupo Aval, Corficolombiana and Episol were not aware of the acts committed by Odebrecht. We condemn those acts and we will continue to offer our full cooperation with all of the Government entities involved to get this matter resolved as fast as possible.

# Arbitration Tribunal & Request for Nullity

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- An arbitration tribunal had been in place since 2015 to settle disputes related to the claims made by the CRDS regarding certain liability excluded events.
- In January 18 the ANI requested that the arbitration tribunal declared the concession contract null:
  - The ANI based its request solely on the base of Odebrecht's confession to bribery and not on the state of the construction project itself, which is deemed to be acceptable..
  - In accordance with applicable laws, the nullity of the contract does not entail limitations or repercussions for Episol, nor Corficolombiana, regarding the other concession contracts awarded to them or their participation in future concessions.
  - The law states that the declaration of nullity of the contract does not prevent the acknowledgement and payment of what has been done up to the moment in which it is declared. However, there is no specific liquidation formula.
  - Estimates of the liquidation value indicate that the Concessionaire would be able to fulfill its obligations with third parties.
  - Under this scenario, the maximum accounting loss to Corficolombiana, due to the liquidation of CRDS, would be COP 355 billion.
- On February 10, the arbitrators resigned from their positions arguing that the scope of the arbitration procedure had been modified. On February 14, the Bogota Chamber of Commerce appointed new arbitrators, who in the next few days must accept or reject their designation.
- As already mentioned by the ANI, an early termination of the contract by mutual agreement is being evaluated.

# Class Action & Precautionary Measures

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- On January 23, the Country's General Prosecutor filed a class action suit against the ANI and the CRDS, in which the Administrative Tribunal of Cundinamarca additionally included as defendants all the shareholders of the CRDS and certain natural persons.
- Considering the request by the Country's General Prosecutor, the Administrative Tribunal of Cundinamarca issued on February 10 a preventive injunction, including the following measures:
  - The interim suspension of the concession contract until: (i) The Arbitration Tribunal in which the ANI requested the nullification of the contract reaches a final decision, or (ii) The Administrative Tribunal of Cundinamarca reaches a final decision.
  - Instructs the President of Colombia to appoint an entity in charge of the administration of the project.
  - The seizure of accounts and dividends of the Concessionaire and its four shareholding companies, as well as Gabriel Ignacio Garcia Morales, former Vice-Minister of Transport, and three Odebrecht Executives
- The seizure does not affect the resources needed for the execution of other state contracts, including 4G contracts in which Episol participates, in accordance with the Tribunal's ruling.
- With the order to suspend the contract, the initiation of any sanction process by the ANI would not proceed.
- The President of Colombia has still not made public its position regarding the measures issued by the Tribunal of Cundinamarca.

# Update of 4G Projects

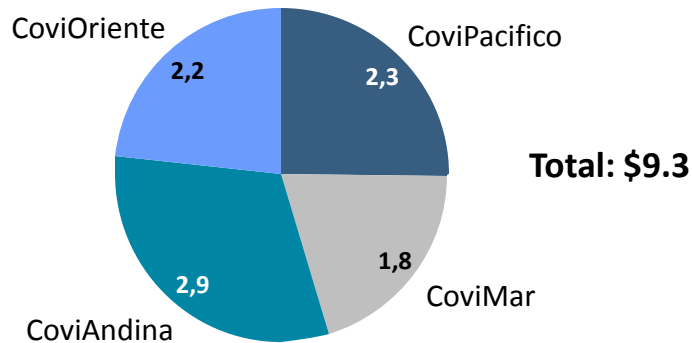
Concession	CFC's Share	Section	Km	Expected Term (years)	Advances				
					Licensing / Consultation	Final Designs	% Land Aquisition	Financial Closing	Construction Work
 Concesionaria Vial del Pacifico	49,9%	Ancón Sur - Bolombolo	53,8	25	✓	✓	77%	✓	✓
 Concesionaria Nueva Via al Mar	60%	Mulaló - Loboguerrero	31,8	26	Pending consultation: Mulaló (~ 1T2017)	Pending segments with presence of communities and non objection from the construction auditor	42%	In progress	~ 4T2017
 Concesionaria Vial Andina	100%	Chirajara - Villavicencio*	32	39	✓	Pending UF 2, 3 y 4	71%	In progress	✓
 Concesionaria Vial del Oriente	100%	Villavicencio - Yopal	266,2	28	Environmental license UF1 ~2T2017 CAR's and MADS authorization 50%	Completed and under review by the construction auditor. Non objection 20%	20%	Bridge loan: USD100 MM. Senior loan: In progress	~ 1S2017

\* Concession contract for construction. In addition, it has the operation and maintenance of the entire Bogotá-Villavicencio road

~Estimated dates

Note: Concesionaria Vial del Pacifico and Concesionaria Vial Andina have no act for initiation of construction work  
Covipacifico and Covimar are projects in partnership with Iridium, a Spanish firm

Capex per Concession (COP Trillion)



Estimated figures subject to change

CFC Equity Contributions (COP Trillion)

