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**Operator:** Welcome to the presentation of Corficolombiana’s 2016 fourth quarter results. My name is Hilda and I will be the conference operator today. At this moment, all participants are silenced. Later there will be some time for questions and answers. Please keep in mind that this teleconference is being recorded. I shall gladly give the floor to Corficolombiana’s President, Mr. Bernardo Noreña Ocampo.

**Bernardo Noreña Ocampo:** Thank you very much. Good morning everyone. Welcome to this quarter’s call. This is our first telephone call, because we used to have face to face meetings. We expect to have at least two of these calls. Two of the reports during the year are going to be delivered face to face and two of them through a call.

Today, we have a complete agenda on the corporation’s results. We’ll first discuss some highlights and some important topics from 2016. Later, we’ll talk about the macroeconomic environment and Andres Pardo, Economic Research Vice President, will tell us about the company’s perspective on economic issues. After that, we’ll go over 2016 fourth quarter financial results and Mr. Juan Carlos Paez, the company’s Executive Vice President, will be in charge of that presentation. Next, Gustavo Ramirez, the Corporation’s Investment Vice President in charge of the variable income portfolio, will talk about our portfolio management. Finally, we will discuss the recent developments from Ruta del Sol concession contract. Some important developments have occurred and we think that investors should be informed about them by Corficolombiana, although the mass media have talked a lot about this issue.

About 2016 relevant facts, we’ll first have to mention the company’s consolidated results. Assets were COL \$20 billion, equity of about COL \$5 billion, net profits were COL \$301,000 million, the return on assets was 10% and we have our usual 36% solvency index.

Regarding separate figures, assets were COL \$9 billion and there's a 9,1% return on assets. Clearly, return on assets and profits were affected at the end of 2016 by the impairment on our investment in Episol, which was in turn affected by its investment on the Ruta del Sol concession.

At the end of the year we kept our AAA local and BBB international investment grade rating by Fitch ratings, as well as our AAA local rating by Standard and Poor's.

In the box below you can see some of the relevant facts for 2016. We reduced our fixed income portfolio, which explains the variation when compared to 2015 and third quarter 2016. Consolidated financial obligations in the consolidated financial statements grew by 72%. That is basically explained by the financing of Sociedad Portuaria del Cayao, which has already started operations, as well as other projects by Promigas. Solvency index, as I said, remains high for the corporation, above regulatory limits. Because we are an investment company, that index is important for us and we also pay attention to double leverage.

I have already mentioned Episol and its effect on the corporation's results. An important figure is that for 2016 the total Ebitda of the company's investments grew by 25,5%, which amounts to COL \$735,000 million. That corresponds to 100% of profits of those companies where we have investments and it is not adjusted to our participation there.

Besides these financial topics, we also worked on several qualitative issues, we might say. We worked on strengthening our corporate governance. We made some changes to the corporation's structure. We created a Corporate Vice Presidency of Risk, Compliance and Governance, which is basically focused on creating a second line of defense, under the concept of first, second and third lines of defense. The corporation didn't have this before and that Vice Presidency will be in charge of all topics related to risk, corporate government and compliance. We'll announce the name of the person in charge of that area soon.

We also created our Investor Relationship Vice Presidency, which didn't exist before. We obtained the IR recognition from the Colombian Stock Exchange. This clearly shows the importance that we give to these topics.

I'm sorry, we're having some problems right now...

Can't you hear anything?

[unintelligible]

Let us continue.

We were informed that some people were not able to hear us.

I was talking about qualitative issues for 2016. I talked about the creation of the Corporate Vice Presidency of Risk, Compliance and Governance, the creation of the Investor Relationship Vice Presidency and our work to obtain the IR recognition from the Colombian Stock Exchange. Those were some of the most important issues.

We'll move on to macroeconomic topics now and Mr. Andres Pardo is going to tell you about our vision on Colombian economy and our expectations for the following months.

**Andres Pardo:** Well, as you know, last year the slowdown of the Colombian economy continued. It had started by late 2014. Growth switched from 3,1% in 2015 to 2% in 2016. The deterioration in terms of trade was caused by the fall of oil prices and it implied a significant reduction of investments growth.

For 2016 it affected even more the performance of public expenditures through a larger decline of oil revenues, and finally household consumption was impacted through an increase in inflation, interest rates and unemployment.

For 2017 we expect a slight rebound in economic growth, we expect a growth of 2,8%, which is a bit above what's being generally expected, which is around 2,5%. We're mainly expecting a rebound of fixed-capital investment, which would be the main reason of our growth estimates. Fixed investment last year decreased by 3,9% and we're expecting a 2,9% growth, but we're also expecting a slight rebound of public expenditure and exports, while household expenditures would grow at a slow rhythm, about 2,1% or 2,3%, which is similar to last year's.

In terms of fixed investment, the main reason why we're expecting a rebound has to do with an important contribution of capital investment associated to fourth generation of road infrastructure projects, which was not the case in 2016. That would be the largest contributor to GDP growth in 2017, about 0,4 percent points. Also, we're expecting a positive contribution to GDP growth from capital investments of oil companies, unlike their strong negative contribution in 2016. Last year it subtracted about 1,2 percent points of GDP growth. This year it would add 0,2 percent points to GDP growth.

We're expecting a larger growth of public expenditure, as I mentioned before, mainly based on increased collection after the tax reform, that's COL \$6,1 billion. It will mainly focus on investments, as you can see in the table shown in the bottom of the slide. You can notice that both nominal and real growth of public expenditure in 2017 would be substantially larger than in 2016.

Concerning household expenditure, as I said before, we're expecting low growth, which will be similar to that of 2016. This is mainly as a consequence of a larger tax contribution coming from the tax reform, as you can see in the table below on the left. However, it should be offset by a strong decrease of inflation, as you can see on the top left, which was 9% in July last year and closed in 5,8% in December. We're expecting this descent process to continue this year. Yesterday, inflation was reported and once again, it decreased from 5,2% to 4,7% in March. We're expecting inflation to be 3,9% by the end of the year, reaching the lowest point in July this year with 3,6%. That would help Central Bank interest rates to continue to go down. They have decreased from 7,75% to 7% in the last meeting. We're therefore expecting subsequent reductions in the following meetings of the Bank's interest rates, which would be around 5,5% in August this year and would remain at that level until the end of this year. Also, this would be offset by an increase in real salaries, unlike what happened in 2016, because this year nominal salaries, at least the minimum wage, increased 7%, but inflation over the year will be significantly lower than last year.

There are other additional factors in general that affected economic growth in 2016, such as the truck strike, El Niño phenomenon and the uncertainty about the tax reform discussion. We're seeing a delayed effect of the government's simultaneous implementation of construction incentive programs, which would partly support residential construction this year versus the previous one. We're also seeing a larger recovery in trade terms. Based on production expectations, oil will be above 2016 levels. We're expecting an average price of US \$52 per barrel for Brent in 2017, while last year it was around US \$47 per barrel.

Finally, we're also expecting a recovery in the economic activity of the country's commercial partners, especially Latin American countries. After two years of contractions, this year there's been some positive growth, although low. This should support somehow better export dynamics.

Let us continue with the financial results.

**Juan Carlos Paez:** Good morning. This is Juan Carlos Paez. The company's financial statements show stable evolution. They demonstrate the company's balance structure strength. As you can see, the total assets and liabilities went from COL \$9,1 billion in the last quarter to COL \$9,4, which compared to COL \$10,2 billion total assets in 2015 are explained basically by the decrease in the fixed income portfolio, which dropped from COL \$4,3 billion to COL \$2,79 billion as a result of the evolution of the strategy, which clearly responds to the status of rates and liquidity in the Colombian fixed income market.

The corporation's assets show very good performance despite the fact that, as mentioned before, the Corporation recorded an impairment on its investment, through Episol, in Ruta del Sol Concession. This impairment of over COL \$100,000 million, somehow affects the evolution of total assets, but the growth process continues given the strength of the Corporation's business plan.

The total fixed income portfolio, as you can see in, excuse me, the total equity portfolio, as you can see in the presentation, continues to be focused in infrastructure and energy and gas. It is a stable portfolio and Mr. Ramirez will talk about it later.

There are no changes in the Corporation's Equity. We're talking about COL \$2,977 billion in comparison with COL \$2,9 billion. It has to do with the deterioration previously mentioned and also dividend distribution.

Concerning funding, the Corporation's structure continues to be concentrated on certificates of deposit. As you can see in the top right of the slide, average tenor for that type of funding has evolved throughout the year by 10%. We had an average tenor of 2,7 years and now it is 3 years as of the end of 2016.

Volumes, that have increased in comparison with year-end 2016, last quarter closed at COL \$2,7 billion and remained relatively stable. We're at COL \$2,6 billion. The Corporation issues certificates of deposit that are well demanded in the market. The market interaction process around these issuances is excellent.

The company's other source of income is savings accounts, which were reduced in the second and third quarters. By the end of 4Q, we see a lower amount than last year, COL \$574,000 million.

Interbank funds, which reflect the strong interaction of the Vice Presidency of Treasury with the institutional money market, closed at COL \$3,1 billion. This matches our fixed-income portfolio reduction strategy, which I mentioned at the beginning of my presentation.

The Corporation's average cost of funding is 9,5% for certificates of deposit and 8,3% for savings accounts. This is due to the evolution of the institutional market of savings accounts. On the other hand, the company basically raises funds through variable income, excuse me, variable rates. As you can see, only 27% of the CDs are at fixed rate.

The next slide shows separate income statements. For 2016, as Bernardo mentioned at the beginning of his presentation, net income was COL \$308,000 million. Most of that

income comes from the equity method in our equity investments, COL \$503,000 million. The company's administrative expenses were COL \$72,000 million, in line with expectations. They're slightly higher than those of 2015, which were COL \$64,000 million.

We have provisions related to loan portfolio and a tax provision of COL \$20,000 million.

Let's remember that the corporation, given its asset structure, is under the presumptive taxation regime. Our solvency ratio continues to demonstrate the strength of the balance structure, increasing from 40,1% to 41,2% at year-end, while return on equity, partly because of the reasons previously exposed, decreased from 15,4% to 9,1%.

Concerning the consolidated balance sheet, we reached at year-end COL \$20 billion, which is associated to the growth of our equity portfolio. It's important to mention again that this happened despite having recorded an impairment of COL \$102,000 million related to our investment in Ruta del Sol concession.

The biggest positive impact on our assets and liabilities is related to an investment we have through Promigas, specifically SPEC. There's an increased loan portfolio there worth COL \$1,1 billion, which is a financial leasing for the regasification plant.

On slide 13, from the point of view of structure, the corporation's consolidated liability structure remains unchanged. Concerning deposits, what you can see here is basically the result of the financial companies included in the corporation's consolidated balance. Inter-bank funds are basically the same that you can see on Corficolombiana's separate financial statements. Something relevant is the evolution of financial obligations, worth COL \$3,8 billion, impacted by the start of operations of El Cayao regasification plant.

Concerning bonds issued, they remains unchanged for this quarter. It is related to the funding structure of important investments such as [unintelligible] Promigas.

As you can see, the solvency ratio of the consolidated financial statement is similar to that of the separate financial statement. It changed over the year from 30,1% to 36,7%, showing the strength of our consolidated statement.

Consolidated financial statements show similar figures. As you remember, during first semester 2016 we adopted the equity method. From that moment on, you can see similar figures both for income and expenditure. This graph wants to show the contribution of the equity investment portfolio in the Corporation's financial statement. Out of a total income of COL \$490,000 million for 2016, the contribution of our equity investment portfolio is what you can see on slide 14: COL \$307,000 million are derived from energy and gas, COL

\$141,000 million from infrastructure, COL \$16,000 from the financial sector, COL \$18,488 million from hotels and the agroindustry sector has a positive behaviour of COL \$5,229 million. If we compare this to the separate financial statements, differences are minor thanks to the adoption of the equity method.

It is important to clarify in this slide that the income from equity investments corresponds to the net income for each investment. The top part includes the financial margin and net commissions obtained by the Corporation and revenue generated for the financial entities. Below, interest costs and administrative expenses are basically those of the Corporation, so that we can separate within the Corporation's total income the return from our equity investments.

Finally, these results show a negative impact of COL \$12,400 million, arising from the consolidation of Casa de Bolsa (brokerage firm) after signing a control agreement with the other stakeholders, which are the financial entities owned by Grupo Aval.

Lastly, let's talk about the impact that the Ruta del Sol concession had on our financial results. You can see that the operating income, which would have increased from COL \$1,044 billion to COL \$1,18 billion in 2016, was in fact COL \$1,149 given the non-recognition of COL \$39,228 million in revenue coming from that concession. The impact on the net income is shown on the right. Net income was affected by COL \$102,000, as we have mentioned before. Therefore, in the absence of that impairment, the accumulated final result for the year would have been COL \$404 million instead of COL \$301,000 million.

Mr. Gustavo Ramirez will now present the portfolio performance.

**Gustavo Ramirez:** Thank you, Juan Carlos. We'll now go over the portfolio performance and highlights of 2016. It is worth noting that it was a very active year and, beyond the events related to Ruta del Sol, I want to talk about the performance of our portfolio's main companies. Page 17 shows a summary of the principal companies where Corficolombiana is invested, in the five main sectors where we are present. In infrastructure we have all our concessions, including both mature first and third generation concessions as well as new fourth generation concessions. There are also our investments in airport concessions through Aerocali.

Concerning energy, our main investment is our stake in Promigas, but we also have a participation in Empresa de Energia de Bogota, Gas Natural and Gascop, which is our gas distribution company in Peru.

In the agroindustry sector, we remark our investment in Pajonales, company that as you know has rice and cotton plantations in Tolima and is also involved in cattle farming. We can also mention our investments in palm in Los Llanos region through Unipalma and the development of rubber through Mavalle and Valora.

Concerning hotels, we can highlight Estelar Hotels and Santamar. In the financial sector, we have some participation in leasing, the fiduciary, our off-shore bank, and, as Juan Carlos mentioned, we now control and consolidate Casa de Bolsa.

Let's have a look at the main figures on slide 18, concerning our investment portfolio. The left pie shows the participation of each sector in the total Corporation's consolidated assets. As we mentioned before, as of December, 2016 the Corporation's consolidated assets amounted to over COL \$20,5 billion. Out of that amount, 45,5% corresponds to investments in the energy sector and 13,3% to investments in the infrastructure sector. The other sectors have a lower participation. The other main component of the corporation's assets is our treasury area, which contributes almost 23%.

The right graph shows the performance of our investment portfolio through dividends received in 2016, which were worth more than COL \$245,000 million. As you can see there, the majority were received from the energy sector, mainly the dividends paid by Promigas and Empresa de Energia, which were over COL \$163,000 million. Then we have the dividends received from mature infrastructure concessions, which amounted to almost COL \$77,000 million. The financial sector contributed COL \$5,000 million. Agroindustry and hotels did not pay dividends, because as you know, they are going through an investment period. Agroindustry is investing mostly on the rubber project and hotels on Estelar's expansion for new facilities.

Slide 19 shows the performance of our investments. What we want to show here is the performance of the Ebitda for each sector. Once again, we can see that most of the Ebitda generated by our portfolio comes from the energy and infrastructure sectors. In fact, although from the dividends point of view, as we saw previously, the largest contribution today comes from the energy sector, most of the Ebitda is generated by the infrastructure sector, with COL \$350,000 million out of the total COL \$735,000. The total Ebitda generated by our portfolio grew 25% in comparison with last year.

Let's see in the following slides how this works and the performance of each sector.

In energy and gas, Ebitda grew 46% and our energy portfolio book value has grown 7,3%, amounting to COL \$1,2 billion. I would like to highlight some of the most important events of Promigas for 2016. It was a very active year as most of the investments developed by

Promigas over the last few years were consolidated. We can highlight the start of operations of the regasification plant in Cartagena through SPEC, a Promigas affiliate. Besides being an important investment for Promigas, this puts it at a new level in the gas sector. It's the first regasification plant in Colombia, which opens Promigas to new international markets. As you know, its capacity is 400 million cubic feet.

The other important development by Promigas, which executed its first phase at the end of 2016, was the Southern loop. This is the extension of Promigas' existing pipeline on the coast, towards the new gas deposits south of the Cordoba and Sucre departments. As you know, most of the country's new gas deposits are in that region. That has led Promigas to expand its gas transportation business in the area. At the end of last year, 187 kilometers of new gas pipelines were concluded, for a 95 million cubic feet capacity. You may have heard lately that gas is still being found in Colombia's northern coast, both onshore and offshore. This is great news for Promigas, because it will imply expansions and new investments on Promigas' transportation business in the near future.

As you know, Promigas doesn't only transport gas. It also distributes it through its affiliates, which is shown on the right hand graph on page 20. We can see that gas distribution continues to grow. That is why in 2016 the number of natural gas users in the companies where Promigas participates amounted to almost 3,700,000. This includes companies in Colombia and also Calidda, which serves the city of Lima.

Moving on to slide 21, about the infrastructure sector. It's the sector where we are growing the most, basically due to investments on 4G concessions. Last year our portfolio book value in this sector grew almost 80% and it will continue like that over the coming years, given that during the next 4 or 5 years big investments will be made on 4G. The investment made by Corficolombiana on those concessions will be reflected on an increase of assets in this sector. Additionally, the Ebitda produced by these concessions, especially by the ones already operating, grew more than 23%.

We divided the information here for both types of concessions. The bottom part of page 21 shows mature concessions. We have four mature concessions with different characteristics. We tried to summarize the main information, in terms of size and cash generation through traffic. It is worth mentioning that now our concession with the heaviest traffic is Coviandes, the Bogota-Villavicencio road. It's also the concession which is about to end sooner, although there is not a specific date, as it depends on traffic. As of today, we estimate that it will end at some point in the first semester of 2019. As you know, one of our 4G concessions, Coviandina, will continue to operate this asset.

Then we can highlight Pisa, which is our most mature concession and with the highest cash generation. It will continue until 2033. Then we have the CCFC concession, which operates the Bogota-Los Alpes road, and Panamericana, which operates Los Alpes-Villeta-Cambao road.

Next page, 22, summarizes the current situation for new concessions, the 4G concessions. As you know, in general the pre-construction stage is finishing and the construction stage is beginning. Concesionaria Vial del Pacifico has progressed the most, as it is initiating construction, already achieved financial closing and it's the most advanced. Next, according to their progression, we have Concesionaria Vial Andina - Coviandina, which will continue the operation of Coviandes when it finishes. However, the construction of that concession is already beginning. Then we have Concesionaria Vial de Oriente - Covioriente, which operates the Villavicencio-Yopal road and will construct a two-lane road in some sections. It is still in the pre-construction stage and we expect to begin construction towards the end of the third quarter this year. The last one is the Nueva Via al Mar concession - Covimar, which is in charge of the Mulalo-Loboguerrero section in Valle del Cauca. Consultations with the local community are finishing there and construction is expected to begin at the end of this year.

Just as a reminder, the total Capex of these four concessions will be over COL \$9 billion for the following five years. Equity contributions from Corficolombiana, according to its participation in each of them, will be a total of COL \$2,3 billion.

Page 23 shows some relevant figures for the hotel sector. Hoteles Estelar, which is closing several investment cycles, of course stands out. Its Ebitda increased 6,7%. We would like to highlight the completion of the construction and start of operations of Hotel Estelar Cartagena de Indias last year. It was inaugurated in December and it is operating fully now. It is a 51-story building, built by Estelar, and it has over 320 rooms. It will be an icon for the city and has been very successful. Although its breakeven point was expected to be reached after one year of operation, it has been reached after three months, which shows the success of that operation. Estelar continues to grow. It is about to start operations of a new hotel in Medellin and possibilities in other cities are being analysed.

Moving on to page 24, about the agroindustry sector, we can see an Ebitda of COL \$26,500 million, which grew 6,3% in comparison with last year. The rubber processing plant in Llanos Orientales was completed in 2016 and it is now fully operating. We're also concluding the first phase of rubber sowing in Puerto Gaitan, so this sector is quite dynamic.

To wrap up, let me give you some figures about the financial sector. It is important to mention that our leasing, whose performance for the first semester of 2016 was rather poor as it had some losses, recovered in the second semester of 2016 when it achieved a profit a little over COL \$2,000 million. We believe that the slowdown seen in the first semester of 2016 has already been overcome and that we're in the process of consolidating profits again for our leasing. This is a short summary about the portfolio's situation. Bernardo will now make a summary about the current situation of the Ruta del Sol concession.

**Bernardo Noreña Ocampo:** Thank you, Gustavo. We'll now go over the slides related to Ruta del Sol. Before starting, I want to clarify that Ruta del Sol is a component of Corficolombiana, but our company is much more than that. It is clear from Gustavo's presentation that we have many other investments apart from this one, but because of the media impact it is having, it is important to talk about it.

Slide 26 shows a summary of the agreement signed on February 22, 2017. Just a reminder, the agreement ended the concession contract earlier and includes an agreed liquidation formula for the contract, which basically recognizes the Capex, Opex, interests and debt paid by the concessionaire. The calculation formula estimates those values and then subtracts from that amount the value of payments already made by the ANI and the tolls effectively collected.

The timetable for that agreement stated that after signing it, which took place on February 22, there would be a transition period and we expected that period to extend until the approval date, defined as the date when a competent legal authority approves the liquidation formula and the contract settlement. After that approval date, there would be a 120-day reversion period.

Basically, the figures of that contract were the following. The estimated liquidation value was COL \$3,1 billion and the financial debt of the concession with banks was COL \$2,3 billion, which indicated that there was a surplus of about COL \$760,000 million. Out of that surplus, Episol participated with 33%. Therefore, after the liquidation of the contract Episol should receive COL \$252,000 million. The book value of Ruta del Sol at Episol was COL \$355,000 million, which meant an impairment of COL \$102,000 million. Impairment that, as we have already mentioned, was realized at the end of 2016.

After the contract was already signed, it became evident that the approval from the competent authority would take longer than expected and that we needed to solve the problems on the road with suppliers and workers. It was very important. What we wanted to do was pay that debt as soon as possible, because it was with workers and supplier,

many of them for small amounts. The national government and ANI also had the same goal, so we agreed on modifying the contract signed on February 22. The change basically implies skipping the transition period and going straight to the reversion period. As we begin the reversion period, we could release part of the money available in the concessioner's trust fund, about COL \$125,000 million, in order to pay first workers and then suppliers of the construction. Once significant progress in those payments is made, we can use the remaining COL \$1,4 billion in the trust fund to prepay the banks. We signed the agreement and we're in the process of releasing payments in order to pay for delayed salaries of workers and debts with suppliers. In about 60 days we should have made significant progress regarding these payments to workers and suppliers.

Additionally, the new arbitration tribunal already held a session. We expect it to approve this liquidation formula, which would give us the approval from a competent legal authority. This approval will ultimately allow us to return the construction work to the government, so that it continues with it and implements a tender process. Anyway, we are working actively with all competent authorities, providing all the information required. As we mentioned last time, we have requested to the Attorney's General Office to be recognized as victims, because neither we nor Grupo Aval were aware of the actions by Odebrecht. We clearly condemn all acts against our code of ethics and conduct.

That finishes our explanation about Odebrecht and the presentation. We are now ready to answer the participants' questions. We'll gladly answer them.

**Operator:** Thank you. The question and answer session will begin now. If you have a question, please dial \*1 on your phone. If you want to withdraw from the waitlist, please dial the # key.

We have Katherine Ortiz, from Davivienda Corredores.

**Katherine Ortiz:** Good morning. First of all, thanks for the presentation. I would like to know more about the Capex or Corficolombiana's investments to continue its infrastructure projects in 2017. How much do you expect the Capex execution to be in 2017? On the other hand, I would like to know more about the progress of bank disbursements for these construction works. Thank you.

**Gustavo Ramirez:** Thank you. This is Gustavo Ramirez. The information that we can give you is the same that you saw in the presentation about the total anticipated Capex for roads, COL \$9 billion, and the corporation's equity investments, COL \$2,3. It's hard to give an estimate for shorter periods, basically because the dynamics of construction work is variable. In that sense, beyond the total number, giving you an amount for shorter periods might be inaccurate.

Concerning financial closures, as we mentioned, Pacifico 1 achieved financial closing with financing from local and international banks. We expect a disbursement for late May or early June this year. About the other projects, we are working actively on the financial closure of Covioriente, where we have sensed since last year, and is still the case, significant interest from international banks. At this moment, we're in a roadshow process with international banks, which would finance about half of this road. We should close that credit by the end of the second quarter or beginning of the third trimester this year. Regarding Coviandina, because it is a private initiative without future budget allocations and therefore, unlike the other projects, it has no income in dollars, all the financing will be with local banks. Here we're also working to achieve financial closure towards third quarter this year. The last one in the timetable is Covimar, because as I mentioned, we are still in the consultation period with communities. We can't start the roadshow with banks until this period is over. Since it also has future budget allocations expressed in dollars, we expect to resort to international banks to finance part of this project.

**Katherine Ortiz:** Perfect. Thank you.

**Operator:** Once again, if you have a question, please dial \*1.  
We have Johanna Castro, from BP Research.

**Johanna Castro:** Good morning. My question is about comparing the cost of funding for the last part of 2016 versus what you have seen this first part of the year, not related to concessions in particular but to the Corporation as such. How have you seen the capital market's reacting to the events from the last five months?

**Juan Carlos Paez:** This is Juan Carlos Paez. We have actually seen a market with sufficient liquidity and there's an adequate participation of the Corporation in this market. We have no concerns about the evolution of our fixed income fundraising. As I mentioned, funding breakdown is basically unchanged. As you know, rates increased in third quarter 2016 and there is already a decrease of 30 basis points in the weighted average in the fourth quarter, but this reflects the evolution of rates in the market. Throughout the first semester, there was an increase in deposits rates, given the Central Bank's liquidity and intervention position. As the year passed, that evolution started to revert and it is directly reflected on the Corporation's financial statements in terms of costs. Let's remember that 27% of the corporation's deposits are fixed-rate, which are normally short-termed. Medium and long-term deposits have a variable rate and they obviously have a direct effect on indicators, but basically they have remained unchanged. Thanks.

**Johana Castro:** Thank you. My question is more about the future, a trend for 2017, because there is a maturing portfolio which is particularly active and in the renovations is when will see the challenge. My question is not about last year, but forward looking.

**Juan Carlos Paez:** Alright. Thanks for clarifying. We believe that we are going to capture the decrease in rates that we are anticipating, without significant impacts in our cost structure.

**Johana Castro:** Thanks.

**Operator:** At this moment, we have no other questions.

**Juan Carlos Paez:** Any other question, operator?

**Operator:** We have Katherine Ortiz.

**Juan Carlos Paez:** Okay.

**Katherine Ortiz:** Thanks. Since there are no other questions, I'll ask the usual question at every presentation of results. Have you evaluated the Promigas issue? Is there any development on the possibility that the Corporation take part in the sale of stocks by EEB? I also have another question about Promigas. We have heard in the media that it might be interested in acquiring Gas Natural's participation in Electricaribe. Can you tell me about this? Is this true?

**Bernardo Noreña Ocampo:** The first part of the question is about Promigas and if the Corporation has thought about participating in the stocks being sold by EEB. We haven't made a decision yet. It is clear that Promigas has been an interesting investment for us, but we haven't made a decision yet about what to do in that respect. But there is still some time before that percentage goes out for sale so that the Corporation can participate. Therefore, we have not made any decision about it.

About Electricaribe, the news was basically about a desire of the management. Neither the board nor the stockholders have made a decision about Electricaribe. It is a changing situation. Decisions will be made at the right time. It is not a decision that has been made. It is just an interest of the management to analyse opportunities as they arise.

**Katherine Ortiz:** Concerning Ruta del Sol, I would like to know if the early termination of the contract is approved as it is, there would be a risk for additional deterioration of the value? Does the impairment realized in late 2016 cover all the possible scenarios?

**Bernardo Noreña Ocampo:** Once again, it is a changing situation. But what's clear at this moment is that we have reached an agreement with the Colombian government and ANI and it grants us the right to COL \$250,000 million from those remaining funds. That's certain at this moment. Can that situation change or not? We would have to see. When reviewing the contract, you can see that the next step is to verify that the formula will actually give the results we expect, which are basically COL \$3,1 billion pesos liquidation value. But as of now we have no indication that such value will differ from the COL \$250,000 million.

**Katherine Ortiz:** Perfect. Thanks.

**Bernardo Noreña Ocampo:** You're welcome.  
Operator, do we have another question?

**Operator:** We have Carlos Rodriguez, from Credicorp Capital.

**Carlos Rodriguez:** Good morning, gentlemen. Thanks for the conference. I have two questions. The first one is about the equity contributions for COL \$2,3 billion. I would like to know the amount contributed so far and the estimated amount for 2017. Please.

**Bernardo Noreña Ocampo:** As I mentioned before, we can't give you an accurate estimate of our contribution for this year. So far, we have contributed about COL \$500.000 million.

**Carlos Rodriguez:** Perfect. Does obtaining these resources involves selling fixed income portfolio? Or will they come from certificates of deposit and that type of funding?

**Bernardo Noreña Ocampo:** So far, contributions have been made with the Corporation's cash flow. We have not considered any other additional sources to finance the remaining equity.

**Carlos Rodriguez:** Okay. My second question is about a hypothetical case related to Ruta del Sol. Let's suppose that the contract hadn't been liquidated and that none of the past events occurred. This construction work had a progress of 50% and a debt of COL \$2,4 billion, but there was 50% left to be constructed. I would like to know when those resources were expected to come from. How did you plan on funding the construction of the remaining 50%?

**Bernardo Noreña Ocampo:** Well, we're talking about the past. Just to answer...

**Carlos Rodriguez:** Just out of curiosity.

**Bernardo Noreña Ocampo:** It had advanced a bit more, it was 60%. As projected, no additional debt or equity contributions were necessary. Most of the pending construction work was going to be financed with future budget allocations already disbursed or to be disbursed by the government in the following years.

**Carlos Rodriguez:** Okay. Thanks.

**Operator:** At this moment, there are no other questions via audio.

**Bernardo Noreña Ocampo:** We have a question via web. Jonathan Carmody from Inframation Group is asking: will Corficolombiana or its societies bid for new projects, such as APP or concessions during 2017?

The answer is no. We don't plan on taking part in any other projects during 2017.  
Any other question?

I think that ends our call. Thank you everyone. We'll meet again in the next quarter or earlier if possible. Thank you.

**Operator:** Thank you everyone. This is the end of today's conference. Thanks for participating. You can hang up.