

Grupo Odinsa had a strong operational performance in the first half of 2014, evidenced by the strength of its various lines of business ; **allowing it to report an increase in EBITDA of 5.5% reaching \$139,632 Millions and an increase of 76% in its Net Income reaching \$31.997 Millions.**

	2Q2014	2Q2013	Var. %
Revenue from Toll Concessions	\$ 116.359	\$ 132.878	-12,43%
Costs from Toll Concessions	\$ 1.800	\$ 455	n.a.
Contribution Margin \$	\$ 114.559	\$ 132.423	-13,49%
Contribution Margin %	98,45%	99,66%	
Revenue from Energy Generation	\$ 229.699	\$ 181.028	26,89%
COGS Energy Generation	\$ 195.353	\$ 150.046	30,20%
Contribution Margin \$	\$ 34.346	\$ 30.982	10,86%
Contribution Margin %	14,95%	17,11%	
Revenue from Operation	\$ 39.977	\$ 45.491	-12,12%
COGS Operation	\$ 18.568	\$ 19.132	-2,95%
Contribution Margin \$	\$ 21.409	\$ 26.359	-18,78%
Contribution Margin %	53,55%	57,94%	
Revenue from Constuccion	\$ 73.781	\$ 89.255	-17,34%
Revenue from Constuccion	\$ 54.227	\$ 90.891	-40,34%
Margen de Contribución \$	\$ 19.554	\$ (1.636)	1095,23%
Margen de Contribución %	26,50%	-1,83%	
Revenue from Other Services	\$ 2.561	\$ 1.495	71,30%
COGS Other Services	\$ 955	\$ 924	3,35%
Contribution Margin \$	\$ 1.606	\$ 571	181,26%
Contribution Margin %	62,71%	38,19%	

Concessions are still the main source of income that contributes to the generation of Odinsa's EBITDA. In 1S2014, the absolute amount decreased by 13.5% as a result of the decrease in revenue due to the reversal of A. Llanos. This was compensated in part by increased collections in AKF reaching \$114,559 Millions.

Revenue and Contribution Margin from the **Energy Business** grew by about 27%, and 11% due to an increase in the activity in GENA, reaching \$ 229,699 and \$34,346 Million respectively.

The **Operation Business**, which corresponds mainly to the toll collection operation of Invias, still shows a high contribution margin, despite the decrease in the actual amount, as a result of the reversal of some toll stations to the INVIAS.

Contribution Margin From the **Construction Business** varied from minus \$1,636 Million to about \$20,000 Million, a result of having completed works with low profitability and the higher amount of work executed at AKF. Construction revenue reduces by 17.3% in the same period, as a result of completion of most of the major works in which Odinsa is involved.

This confirms the low dependence of Odinsa on Construction and the advantages of having a diversified business base.

In the first half of 2014, **EBITDA showed an increase of 5.5%** reaching \$139,632 Millions (vs. 132,306 Millions in June 2013) demonstrating the strong cash generation of the company as a result of a higher contribution Margin with lower operating expenses; which decreased by 8.0%, contributing to the increase in EBITDA. Significant decreases in expenses related with the plans to improve the efficiency of the company were reported.

In the first semester of 2014, EBIT fell 13.9% as a result of an increase in Depreciation and Amortization, which increased by 41% reaching \$66.046 Million. This is attributable to the following:

- Amortization and depreciation of additional Capex in AKF, A. Llanos and GENA.
- Amortization of goodwill of increased investments in Gena and AKF.

Resultados a Junio de 2014

	2Q2014	2Q2013	Var. %	
Total Revenue	\$ 462.377	\$ 450.147	2,72%	
Total Costs	\$ 270.903	\$ 261.448	3,62%	
Contribution Margin	\$ 191.474	\$ 188.699	1,47%	
Contribution Margin %	41,41%	41,92%		
Operating Expenses	\$ 51.842	\$ 56.393	-8,07%	
EBITDA	\$ 139.632	\$ 132.306	5,54%	
EBITDA Margin%	30,20%	29,39%		
Depreciation & Amortization	\$ 66.046	\$ 46.821	41,06%	
EBIT - Operating Income	\$ 73.586	\$ 85.485	-13,92%	
EBITDA Margin %	15,91%	18,99%		
Results of Non-Controlled Investments	\$ -	\$ 4.406	-100,00%	
Net Financing Expense	\$ 28.993	\$ 33.409	-13,22%	\$ (4.416)
Other Income / Expense	\$ 14.727	\$ 14.977	-1,67%	\$ (250)
Incoem Before Taxes	\$ 59.320	\$ 71.459	-16,99%	
Corporate Taxes	\$ 13.086	\$ 28.892	-54,71%	
Beneficio Grupo Odinsa	\$ 46.234	\$ 42.567	8,61%	
Minority Interest Result	\$ 14.237	\$ 24.390	-41,63%	\$ (10.153)
Net Income Grupo Odinsa	\$ 31.997	\$ 18.177	76,03%	
Net Margin%	6,92%	4,04%		

(1) The consolidation of the results of Grupo Odinsa is completed based on the following assumptions:

Revenue, cost and expense accounts of Odinsa, its subsidiaries and trusts are consolidated for those in which Odinsa has a share of 50% or more : Autopistas del Café (61,92%), Autopistas de los Llanos (68.5%), Odinsa PI (100%), Odinsa Servicios (100%), Odinsa Holding (100%), Confase (50,0%), Genpac (51,3%) and Gena (59,7%). To calculate Net Income of Odinsa Group, we start from the operating results of Odinsa and its subsidiaries (EBIT). We add: (i) Dividends received from non-controlled investments Santa Marta-Paraguachón (40.8%), Opain (35%), Autopistas de las Américas (33%), Internet por Colombia (50%) y Hatovial (22.2%) and (ii) non-operating income. We subtract: (i) Non-operating expense (ii) Odinsa's and its subsidiaries taxes and (iii) Minority interest (share of the results of the subsidiaries of Odinsa that belong to minority shareholders)

Items under the EBIT line had the behavior listed below, which resulted in a net profit of \$31,997 Million for the first half of 2014, for an increase of 76%;

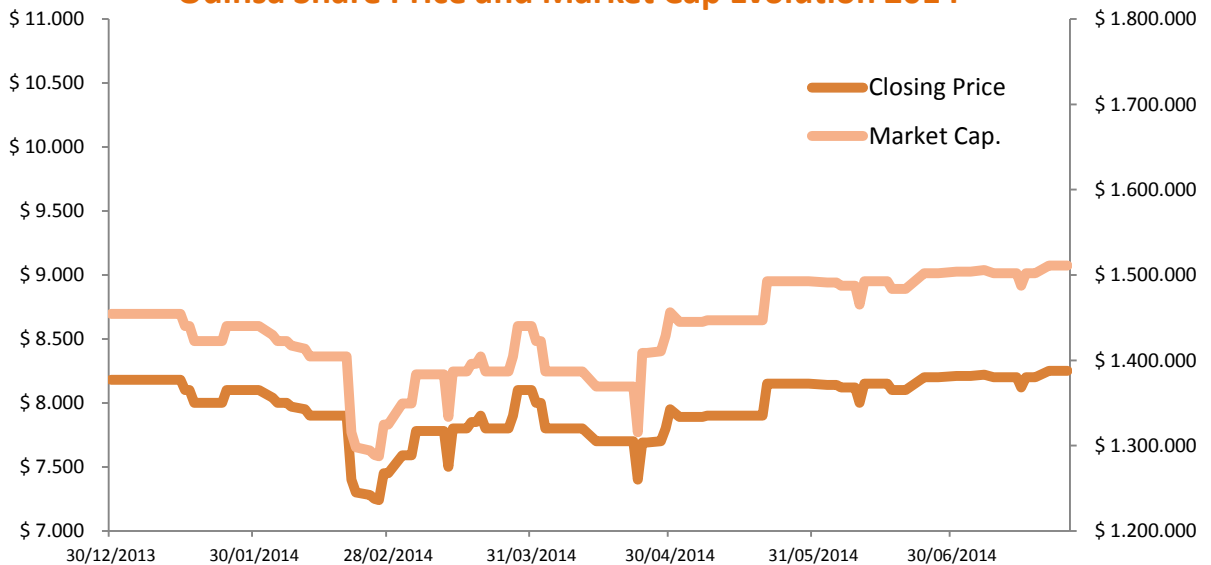
- Uncontrolled Investment Result: These decreased by \$4,406 Million, due to variations in the dividends received from companies where we have a minority stake.
- Net Interest Expense: Decreases by \$4,416 million. This is mostly attributable to the decrease interest expense in Odinsa Holding, Generadora del Pacifico and construction consortia; where debt levels have reduced.
- Other income / expenses: Decreased by 1.7% mainly due to lower expenditures presented in A. Llanos, AKF, Genpac and Confase.
- Corporate Tax: Dropped by 54.7% due to lower levels of untaxed dividends received from AKF and the change in the valuation of investments abroad due revaluation of the Colombian peso which went from \$1,925.60 on 12/31/2013 to \$1879.20 on 06/30/2014.
- Minority Interest Result: Decreased 41.6% or \$ 10.157 million as a result of lower profits generated in Autopistas de los Llanos and consolidating a greater percentage of the result of AKF, as a result of having a higher stake in this company.

Behavior of Odinsa’s Stock in 2013 and 1Q2014

Between December 31, 2013 and June 30, 2014 the share price of Odinsa has fluctuated between \$7,240 and \$ 8.200 with an average of \$ 7.922.

It should be noted that the number of shares increased this semester as a result of the payment of dividends in shares. Considering the new number of shares outstanding, market capitalization, as of June 30 is of \$1.5 Billion pesos, higher than the \$ 1.45 billion reported on December 31, 2013.

Odinsa Share Price and Market Cap Evolution 2014



	2011	2012	2013	06/30/2014
Stock Price (Cop\$)	\$ 8.600	\$ 8.660	\$ 8.180	\$ 8.200
Var %		0,70%	-5,54%	0,24%
Shares Outstanding	161.447.990	169.332.264	177.805.096	183.166.127
Var %		4,88%	5,00%	3,02%
Market Capitalization (Cop\$ MMs)	\$ 1.388,45	\$ 1.466,42	\$ 1.454,45	\$ 1.501,96
Var %		5,62%	-0,82%	3,27%

Highlights 1S2014

In the first semester of 2014, **road concessions** continued to show a very good performance, against the same period of 2013. Autopistas del Café, traffic and collections increased by 6,21% and 7,21%, respectively. In Autopistas de los Llanos Traffic evidences a fall of 6,07%, This is due to the reversal of the Vanguardia toll station and the startup of the Bicentennial pipeline, which impacted the toll station of La Libertad; collections reached \$21,720 Millions (vs. \$48.559 Millions in 1S2013) . In Santa Marta Paraguachón traffic and collections increased by 5,21%; and 9,79%, given higher tourism and border activity with Venezuela. In Hatovial, traffic and collections increased 6,87% y 7,58% respectively. Finally, in Vías de las Américas, most of the revenues come from future year government payments, however, the revenue from tolls is higher than that originally budgeted, reaching \$6.413 Million (vs. \$5.391 Million).

Concessions in the Dominican Republic, Autopistas del Nordeste y Boulevard Turístico del Atlántico, supported by the Minimum Income Guarantee provided by the Government, reported growth in their traffic by 7,7% and 16,3% respectively .

In our new concession in Aruba, the Green Corridor, all the milestones from the Pework were fulfilled by July 4, 2014. Currently, we are moving forward with activities related to the financial closing of the project. We have already started the "road show" to present the financing structure of the project. On August 15 it is expected to receive potential offers from local, regional and international financiers.

Grupo Odinsa who heads the PSF Grant La Pintada, submitted a bid last April 29, for the concession **Conexión Pacífico 2**, being the only bidder and was awarded on June 3, 2014. We are currently waiting to sign the concession contract with the ANI.

In 1S2014, the **Eldorado International Airport** continued to record significant growth in traffic; 7.4% in passengers in total passengers, including those who pay and do not pay airport fees. The total number of passengers stood at 12.72 million in 1S2014. Regulated and commercial revenues increased by 20.4% and 14,2% compared to 1S2013, reaching \$165,762 and \$89.008 millions respectively.

At the **Sociedad Portuaria de Santa Marta**, the vast majority of handled cargo categories exhibited growth in the first semester of 2014. It also reported a EBITDA of \$ 13,853 millions (vs. \$ 14,815 million as of June 2013) .

The power generation plants presented good results. Genpac, despite the lower generation and evidencing that this plant depends on availability fees, it presented a net income of US\$701.8 Millions. Gena had historical generation levels resulted in net income of \$ 5.3 million.

Project Portfolio

Public Initiative PPPs- 4G Concessions :

Odinsa continues to review each project 4G individually in order to determine whether or not to participate.

The total value of the 7 processes where Odinsa prequalified, plus the project awarded Pacifico 2, the business potential on this front is \$ 11.5 billion.

PPP Private Initiative:

To date, Odinsa has a pipeline of PPPs of Private Initiative equivalent to \$2.3 billions. It is worth noting that in all these projects Odinsa acts as majority shareholder.

	Capex - Cop\$Millones	Proceso Aprobación	% Odinsa
1 Vías de Los Llanos	\$ 1.220.000	En Factibilidad (Prefactibilidad Aprobada)	51%
2 La Paila Cajamarca	\$ 1.063.000	En Factibilidad (Prefactibilidad Aprobada)	100%
3 Corredores Viales Nacionales	\$ -	Prefactibilidad a ser considerada nuevamente.	100%
Total =====>	\$ 2.283.000		