

Grupo Odinsa S.A.
Fourth Quarter 2014 Results Presentation
Presented by Victor Cruz Vega
President of Grupo Odinsa S.A.
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Good afternoon to all and welcome to the third quarter results presentation of Grupo Odinsa. In the presentation we will with some highlights; we will talk about the public private partnerships (PPPs) of public initiatives, the PPPs of private initiative, structured by the ANI, International Projects, and the results for 2014 and annexes.

Of the highlights included in the presentation, we will go through each of the concessions we have:

- First in Autopistas del Café, our concession in Risaralda, Quindío and Caldas; we can notice the growth in traffic by 7.07% and we reached 11 million cars vs. 10.5 million on 2013 and total collections grew by 8.41%. Collections grew more than traffic due to the CPI that increases toll rates. We continue doing all the works of extension and improvement. We got a 4.74 on the classification of the road when the minimum is four, making it one of the best roads in the country. In financial terms, the contribution margin increased by 12% and EBITDA by 30%. Net income increased from \$ 6,375 million in 2013 to \$ 58,635 million in 2014. It is worth noting that in 2013 the profit was exceptionally for the accrual of interest on debts to shareholders.
- In Autopistas de los Llanos, we no longer have a concession since October 2013, however we have a contract with the ANI for the operation and maintenance of the road until the PPP of private initiative “Malla Vial del Meta” or the PPP of public initiative “Via Restrepo-Yopal” are consolidated. Traffic evidences a fall of 4.7% due to the reversal of the Vanguardia toll station and the start of operations of the Bicentennial pipeline, which impacted the toll station of La Libertad. However we can see how slowly the transportation of alternative products is filling in the gap in tolls. On January 23, 2015 and addendum was signed extending the term of the contract for nine additional months to carry out the process of reversion of the infrastructure, following the process established by the ANI.

- In Santa Marta – Paraguachón, Traffic has increased 3.5% given higher tourism and border activity with Venezuela; for us the traffic increase is very important since this concession is not structured with a guaranteed minimum income but instead is subject to expected revenue of the concession; however, collection increased 4,24%. In 2014 revenues amounted \$57,897 million. From this amount, \$36,167 million correspond to toll collection revenues and the rest correspond to an arbitration award and to the amortization of contributions by the ANI. The collection from this arbitration tribunals, help the concession to reduce its debt from COP 109,000 million to COP 49,000 million.
- In Hatovial, our concession in the Valley of Aburra, traffic has increased by 8.76%. This concession operates under an expected revenue (NPV) scheme and is estimated to go until 2021, but if we continue with this growth it might go until 2020. The most important thing about this concession is that they are presenting a PPP of private initiative to substitute de “Magdalena 1” the PPP of public initiative scheduled by the ANI, because we believe it’s the continuation of Hatovial.
- In Via de las Américas, collection grew by 10% and we are still in the construction phase.
- In Conexión Pacífico 2 (Bolombolo – La Pintada – Primavera), our recent concession awarded on June 3rth 2014 with a Capex of Cop\$910.000 Million. Currently, we are working really hard on this concession. The concession contract between ANI and Concession la Pintada SAS was signed on September 11 and the initiation document on November 11. This date marked the beginning of major contractual milestones of the concession, such as the start of operations and the maintenance of existing roads, financial closure and the final designs for the construction. This concession has a financial closure where 50% is in dollars with an exchange rate of cop1.930, which is very attractive for the market. we hope to have our financial closure by October 2015.
- There are two concessions in the Dominican Republic, as you know, Boulevard Turístico del Atlántico and Autopistas del Nordeste. These concessions are currently in operation and maintenance. Traffic has increased, however it doesn’t have a significant impact on income because it relies on minimum guaranteed revenue payments from the government. Nowadays, the government of Dominican Republic is current with all of these payments. Due to the above, our bonds went from a B classification to a B+.

- In Aruba, we finished the Pre-Work tasks of the “Green Corridor”. Currently, we are working on the financial close with the Aruba Investment Bank; this financial close will be the first one in the Dutch Antilles, and we hope to achieve it by April 2015. Once the financial close of the project is completed, we will proceed to the signing of the main contract (DBFM Agreement) and we will continue with the tasks for the Main Work.
- With regards to the El Dorado Airport, under the Opain concession; during 2014, the total number of passengers reached over 27.5 million, an increase of 10.2% compared to 2013. The number of international passengers, who pay airport tax and represent the highest revenue for the concession, reached more than 7.386 million, representing an increase of 10.8% compared to 2013. The volume of domestic passengers and in traffic grew at 9.7% and 11.6% to reach 17.6 million and 2, 6 million respectively in 2014. As for cargo, it had a slight growth, mobilizing about 604,000 metric tons the first ten months of 2014. Operations grew by 3.0% in 2014 with more than 315,000 ATMs. Skytrax, a research organization in the UK dedicated to the analysis, classification and comparison in quality of airlines and airports around the world, scored four stars El Dorado Airport. It is one of the 24 best in the world with in a total of 550 qualified. On January 21, an agreement was signed with the ANI to increase the number of contact points (8), by expanding the North and South docks, with an investment of \$397, 000 million. This proposal is voluntary and will be performed by the concessionaire without state resources. This year we had a debt refinancing due to better rates and also because they gave us financing opportunities for the new works we will perform. Our contract with OTCA (our manager in the cargo terminal contractor) was terminated because we as the concessionaire are now capable of this management. Opain recorded a loss of \$100,000 million approx., as a result of: 1) exchange differences on debt 2) the early liquidation of the cargo terminal’s contract and 3) credit contract termination fees with multilaterals.
- In Sociedad Portuaria de Santa Marta, we can see a reactivation of cargo (containers, bulk cargo and cargo in general). In 2014, operating results showed an increase in operational income of 7.2% reaching \$ 78.021 million. EBITDA remained stable at 42.8% (vs. 43.5% in 2013). In 2014 a loss of \$ 7.178 million was reported (vs. + \$ 9.791 million in 2013) as a result of exchange differences in one of the subsidiaries of the SPSM. What is important to establish is that this year the port is closing a contracts of 3.5 million tons of carbon, by this we hope to have a great year.
- In CONFASE, we were in operation and maintenance works. In February 2015, the failure of the first arbitration tribunal was obtained. In it, Confase was recognized with \$16,227,176,016 the initial claim was of \$50,685,405,511. Likewise, Confase maintains

another arbitration claim against the IDU and TRANSMILENIO, for claims of \$ 19,000 Million. This claim was filed in June 2014. What happens in this kind of concessions is that the problem is not always due to lack of time but on high traffic in the city. In IFRS we have punished all of this investment.

- Turning to our other business units, energy, we have GENPAC in the Copiapo desert, Chile; a plant of 96 MW. This year was quite rainy and we didn't have to generate much. However, this plant is designed for fast starts and to support the system in the northern part. We are working on the photovoltaic project that consists on 14mw; we obtained all the permissions including occupancy and we proceeded with the construction. For this project we signed an agreement with a chine company the second largest on solar panels in the world, by the end of this year we hope we get permission for an addition of 20mw.
- As for GENA in Panama, this plant is one of the pillars on which our growth model is based on due to the cash flow that is being generated. The increase in energy contracted resulted in a contribution margin of \$ 32.3 million, US \$ 9.0 million more than in 2013. This is supported more by the additional margin obtained from the new energy contract. Net income of this subsidiary reached \$ 12 million. On December 13, 2014 Houston's arbitration tribunal emitted an arbitral award, where they partially accepted the PES claims for US \$ 15.6 million. This amount, along with another award issued in Panama for \$ 2.2 Million was reconciled between parties for US \$ 13.6 million.
- As for the Toll Collection project with INVIAS, This year we grew in traffic by 5% reaching 42 million vehicles.

Practically most of the concessions have reported positive results. The reversion of Autopistas de los Llanos reflected a significant fall in our concession perimeter; nevertheless we have managed to support this fall with extensions of our works in other concessions. With the approval of the PPP of private initiative Malla Vial del Meta we will continue improving and regaining what was reversed con the Concesión Via de los Llanos.

As for the **Private Public Initiatives – PPPs of Public Origin**, ANI “Fourth Generation Concessions”; those marked in red are the tenders that have been awarded, nine to be exact. We presented an offer on Pacífico 2 and Cartagena – Barranquilla; we won the first one but the second one was awarded to another consortium. The Colombian Government announced the beginning of the second wave of fourth generation concessions; it includes 9 projects, 7 which have already been through the prequalification process and two new projects. Three projects that were already prequalified have been postponed. Odinsa is prequalified in 5 out

of these 9; and it will continue reviewing and analyzing each project separately to determine whether to present a proposal or not.

Grupo	Corredor	Valor	Km.	Estado Adj.
1	* Honda - P. Salgar - Girardot	\$ 995	200	Adj. 06/03
2	Mulalo - Loboguerrero	\$ 1.200	32	Adj. 12/05
3	Perimetral Oriente	\$ 1.200	153	Adj. 07/23
4	* Cartagena - Barranquilla	\$ 995	153	Adj. 07/02
5	Autopista Conexión Norte	\$ 980	145	Adj. 10/17
6	* Río Magdalena 2	\$ 1.370	144	Adj. 10/22
7	* Conexión Pacífico 1	\$ 1.790	49	Adj. 06/03
8	* Conexión Pacífico 2	\$ 910	98	Adj. 05/22
9	Conexión Pacífico 3	\$ 1.290	142	Adj. 07/15
10	Villavicencio - Yopal	\$ 1.800	260	Ofertas 04/24
11	* Rumichaca - Pasto	\$ 1.600	80	Ofertas 05/15
12	P. del Hierro - Cruz del Viso	\$ 448	175	Ofertas 04/10
13	* Santa Ana - Mocoa	\$ 1.500	476	Ofertas 04/30
14	* S. de Quilichao - Popayán	\$ 1.100	76	Ofertas 05/08
15	Barranca - Bucaramanga	\$ 1.700	261	Ofertas 05/29
16	Sisga - El Secreto	\$ 491	137	Ofertas 04/17
17	* Autopista al Mar 1	\$ 1.390	110	Ofertas 05/22
18	* Autopista al Mar 2	\$ 1.610	135	Ofertas 06/05
19	Neiva - Girardot	\$ 1.300	269	Aplazado por APP-IP
20	Bogotá - V/Vicencio	\$ 2.040	34	Aplazado
21	* Autopista al Río Magdalena 1	\$ 2.130	156	Aplazado
	Total =====>	\$ 27.839	3.285	

As for **Public-Private Partnerships** we are currently working on 4 that are: Malla Vial del Meta, La Paila Cajamarca, Extension Runways El Dorado Airport and Vias del NUS S.AS.

Via de los Llanos is the Design, Construction, Operation and Maintenance of infrastructure for the by-pass road of Villavicencio, the expansion of Access Roads to the city and the corridors Granada - Villavicencio – Puente Arimena, this Project is in a phase called Brief Selection from February 6 to April 6. If no one presents a bid before April 6 the project will be given to Odinsa. In La Paila Cajamarca we have been working on this proposal for almost 3 years, we have already presented all the necessary documentation to the ANI in order to obtain the feasibility approval and we hope this will take only until the beginning of May. In the extension of the runways in El Dorado Airport, we are on a Prefeasibility phase and we are working on this project for the improvement of airside infrastructure at Bogota Eldorado Airport, in line with the existing master plan for the Airport. And finally in Vias del NUS we aim to give continuity to the dual carriageway which is currently being built and operated by the

Hatovial SAS concession to connect Medellin, in a faster and more direct manner, to the northeast of Antioquia and especially to make this the route that connects Antioquia to the Ports on the Atlantic coast and the populations on the northern part of the country, using the Ruta del Sol concession through Puerto Berrio, making this corridor one of the most important highways of the country. This PPP is in Prefeasibility phase, this Friday we will present the remaining documents and we hope that by June July it will be posted on the SECOP and by September it will be awarded. It is important to say that these PPP of private initiative work under a scheme where all the financing must come from the proponent (concessionaire).

We are very positive especially in the 3 PPP that include national highways and we hope they will all be awarded by the end of this year. In the process of PPP of private initiatives we have been working, learning and studying for several years now, we are very happy with the results and the process we have achieved. Due to the above, in the second wave of PPPs of public

	Capex - Cop\$Millones	Approval Stage	% Odinsa
1 Vías de Los Llanos	\$ 1.220.000	Feasibility Approved - Pending Selection Process	51,0%
2 La Paila Cajamarca	\$ 1.063.000	In Feasibility (Prefeasibility Approved)	100,0%
3 Extension Runways El Dorado Airport	\$ 1.202.000	Prefeasibility Submitted	100,0%
4 Vías del NUS S.A.S – VINUS	\$ 1.184.000	Prefeasibility Submitted	22,2%
Total =====>	\$ 4.669.000		

As for New Projects, Odinsa is studying the possibility to present an offer in the following projects:

1. **Expansion of the airport El Dorado:** Opain expects to bring forward expansion of the airport. The project is divided in 4 phases; for a total investment of US\$450 million. Phase I requires an investment of US\$200 Million; this work will be voluntary under the current contract and will be repaid with the commercial exploitation of the new areas. For the other three phases, an investment of US\$250 million is required and the compensation mechanism is being negotiated with the government.
2. **Design, Build, Finance and Maintenance (DBFM) of "Watty Vos Boulevard" route in Aruba:** Grupo Odinsa already prequalified in this project. In the following months Odinsa should present a proposal. The Capex for this project is approximately US\$100 Million (Afl.180 Million).
3. **Photovoltaic Generation Project in Chile:** As seen before, Odinsa is advancing setting forward the expansion of the Genpac's energy plant in Chile, in order to include 14MW of photovoltaic generation.

4. **PPA Bid Panama:** As we mentioned in our last presentation, on April 11 the specifications of the 02-14 tender, for the purchase of power and energy by 350 MW, for new gas-fired plants, from 2017 until 2031. The government, through the Empresa de Transmisión Eléctrica de Panamá published specifications for the first auction and we must submit an offer by May 17 2015
5. **Mass transportation infrastructure – Bus terminal Project Guatemala:** we are working on a project to operate at least one of two transfer modules Centers (Centras) to serve the city of Guatemala. Our partner in this project, the Prodi Group of Mexico, is working on the feasibility of the project which should be submitted for consideration by the city of Guatemala.

Grupo Odinsa reports a strong operational performance over 2014, as evidenced by the strength of its various business lines, allowing it to report an increase in revenue of 5,3%, , to reach \$919.906 Million, and in the Contribution Margin of 4,7%, to reach Cop\$429,763.

- **Concessions** are still the main source of income that contributes to the generation of Odinsa's EBITDA. In 2014, the absolute amount decreased by 13,8% as a result of the decrease in revenue due to the termination of A. Llanos. This was compensated in part by increased collections in AKF, reaching Cop\$237,056 million.
- Revenue and Contribution Margin from the **Energy Business** increased by about 39% and 30%, due to an increase in the activity of GENA, reaching Cop\$379.267 and Cop\$62,691 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 various toll stations to the INVIAS.
- The **Construction Business** contribution margin increased significantly, by over \$16 Billion, as a result of having completed works of low profitability and the higher level of works performed at AKF and Vias de las Americas. Construction revenue decreases by about 25.1% in the same period, due to the completion of major concessions where the company participates.
- As for **Other Services**, its contribution margin in 2014 is mainly based on the interest received on subordinated loans from various concessions and projects

In 2014, EBITDA presents an increase of 17% as a result of:

- The Higher Contribution Margin, already mentioned.
- Lower operating expenses in the same period. A significant decrease in expenses occurred, related with the plans to improve the efficiency of the company.

As of 2014, EBIT increased by 57,3% as a result of: an increase in the Contribution Margin and a decrease in Operational expenses and in Depreciation and Amortization. The former were reduced by 16,2% to reach Cop\$126,346 Million. This is attributable to the following:

- Depreciation of GENA's and other subsidiaries Capex.
- Amortization of goodwill from increased investments (Gena, Santa Marta Port and Autopistas del Café).

Items under the EBIT line had the behavior listed below, which resulted in a net profit of Cop\$102.200 Million in 2014, for an increase of 11.5% when compared to 2013.

- Uncontrolled Investment Results: Decreases to Cop\$1,474 Million from Cop\$11,010 million, due to variations in the dividends received from companies where we have a minority stake.
- Net Interest Expense: Decreases by \$14.616 Million. This is mostly attributable to the decrease in interest expense in Odinsa Holding and Generadora del Pacifico; where debt levels have been reduced.
- Other income / expenses: Decreased by 78,9% mainly due to lower expenditures presented at AKF, resulting from the one-time charge, resulting from the accrual of interest on debt with shareholders.
- Corporate Tax: Decreased by 65,3% due to lower tax as a result of not having received untaxed dividends from AKF, as was the case in 2013, the termination of Autopistas de los Llanos and as a result of not having to tax gains on foreign investments resulting from foreign exchange gains, due to the tax reform.
- Minority Interest : Increases by 43,4% as a result of higher profits generated by Autopistas del Café and Gena.

Questions:

1. Could you talk more about the works in El Dorado Airport and the problems it might present in the future?

R/ The problem with el Dorado Airport are the runways however it has enough space to continue enlarging them. What is currently under study is the best place to locate the new runways, since this will affect the concession we are studying also the possibility to present a PPP of private initiative for this construction in order to continue working on the implementation and improvement of the Airport. These studies appoint to the creation of a new airport that could be El Dorado 2 or the enlargement of the existing airport, however this decision corresponds only to the Colombian Government and we will accompany these process in order to present the best PPP. These studies are very

technical and the government and Opain have contracted many consultants to find the best solution for the two existing runways and for the passengers.

2. The new power project corresponds to a new concession or a new plant?

R/ no, the government has asked for 350 new MW and we are analyzing two different options, one is to enlarge GENA in the existing territory or two to construct a new plan in a new territory. Either way we will like 50 to 100 new mw, but this only depends on the bid.

3. Why operative expenses were reduced? Did something in particular impulse this reduction?

R/ for the past two years we wanted to reduce the operative expenses by the relocation and unification of our company and our subsidiaries with the organization of the main office here in Bogotá. With this, we planned to strengthen our head office and to improve the management of the existing and future projects. We want to become everyday a more efficient organization.

Well then, thank you all for coming and we invite you to our General Assembly on May 25th in the Windsor House here in Bogota or to the presentation for our shareholders in Medellin this Thursday. You can also find the presentation included in the web page of Odinsa.