

MANAGEMENT REPORT 2013 OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICE

Our results in 2013, as in previous years, have allowed the International Business and Fair Center of Bogota – Corferias to be widely recognized by industry operators.

This Management Report has been prepared for our shareholders. It highlights the most important accomplishments achieved in 2013, financial results and progress in the implementation of Corferias' Strategic Plan 2012-2016 "For comprehensive leadership in the Fair and Event industry".

Such significant results have been achieved upon the directions given by our Board of Directors and work performed by CORFERIAS' officers.

1. MODERNIZATION

1.1. INFRASTRUCTURE

Corferias has been performing wide management activities focused on the exposition facilities so as to provide a business platform with the best infrastructure and greatest facilities for the business sector.

To this end, Corferias has prepared the Master Development Plan 2030, which is its main planning instrument for developments and future perspective for their equipment following the highest international standards.

This Master Development Plan is intended to consolidate exposition facilities by strengthening its functions, attracting features and competitiveness. It is regulated by the environment integration principles and generation of new public areas, its adaptability to access and mobility conditions in the city, use of synergies in the integral chain of corporate tourism, and mitigation of the negative impact, sustainability and environmentally friendly aspects, thus generating opportunities and "triggering" the renovation of the sector.

1.1.1. INTERNATIONAL CONVENTION CENTER OF BOGOTA (AGORA BOGOTA)

The future International Convention Center of Bogota (AGORA BOGOTA) (CICB, in Spanish) is the main infrastructure revamping and expansion project, on which Corferias worked through 2013 alongside the Chamber of Commerce of Bogota, the Colombian Government, the Government of Cundinamarca and the District Government.

The construction of this huge project will allow Bogota to be equipped with the necessary infrastructure and services to rival other cities in the world as a worldwide venue. This will be the starting point for the revitalization of Bogota, INNOBO, which might allow for the future consolidation of a Fair, Event and Convention Tourism District in Bogota.

The International Convention Center of Bogota –which will be built on the land lot nearby the current parking structure of Corferias, in Avenida La Esperanza– will be approximately 62,000 square meters and will upgrade the sector in terms of city planning. This will be funded by a public-private investment of over 300 thousand million Pesos.

The building design resulted from an international architecture competition carried

out in 2011 and won by the Colombian-Spanish Consortium of Daniel Bermúdez + Herreros Arquitectos. Their proposal was chosen after considering several aspects, such as its relation an integration with the environment, its architecture design including functionality, operation, landscaping and durability features; as well as some other sustainability and eco-friendly aspects.

An important milestone completed during 2013 was the management process leading to the issuance of Decree 2884, dated December 11, 2013, which provides for the new free trade zone system and renders feasible the construction of this project. This process, which took almost two years and a half, will help create the stand-alone trust fund to speed up the contracting of the various activities concerning the project and works, thus paving the way for a smoother start of the staffing and contracting of the main construction activities schedule for the International Convention Center of Bogota (AGORA BOGOTA), whose construction is expected to take three years upon the beginning of the pile driving (March 2014).

Along with the formalities to obtain the aforementioned Decree, Corferias has made some progress in developing the architecture project by defining the relevant areas, functions and schedules, as well as the parallel development of the technical analyses, changes of construction licenses and award of the public area occupation and intervention license for the public-private link between AGORA BOGOTA and the exposition facilities.

In addition, the necessary works to clear the terrain to be used for the project construction have been further developed. During the first quarter of 2013 civil works for the construction of the contractors' camps, dog areas for the guard dogs unit, stocks of construction materials and plant nursery areas have been carried out on the free area 8 of the exposition facilities.

Likewise, the former facilities of Banco Popular have been adapted for the dressing rooms and resting areas of our operation personnel, as well as the tool and supply rooms for the maintenance works. The carpenter's shop was moved to the former facilities of block B of offices; as well as the dressing rooms and offices of the security service provider of the Company.

Following this CICB construction based activity plan, the Foreign Trade store was temporarily moved to the north side of free area 8, which included constructing new administration offices and civil works, as necessary, for the new location to meet the area's operation needs.

These works have not just allowed for the start of demolition activities of the previous constructions but have also helped improve our supporting facilities, which have been added more suitable and operation-friendly features.

For the demolition developments through Fontur, a RFP was provided and awarded on the preliminary project activities including closing, demolition of some constructions and demolition and partial modification of the existing parking tower near land lot 2 of Corferias, based on the architecture designs, technical surveys and construction license developed and organized during 2012, which activities were necessary before the construction of the CICB.

The International Convention Center of Bogota will have a multipurpose area for about 4,000 people; trade show areas with several capacities ranging from 150 to 2,000 people; and a parking lot area for over 1,000 spots. In addition, sustainability principles will be included, which will not only make it highly competitive, but will

also encourage the celebration of “Green Meetings”.

1.1.2. PARKING AREA PLAN (“CEMEX” AND “LAFAYETTE” PROJECT)

Considering the need to evacuate the parking area of land lot 2 of Corferias to get the construction of the International Convention Center started, the parking areas were adjusted and marked out of the peace of land we have received from the area purchased from Cemex in Av. Las Americas.

Today, upon completion of the aforementioned parking area project, Corferias has 2,604 parking spots, which is equivalent to the capacity available before evacuating land lot 2 for the construction of AGORA BOGOTA.

This parking lot capacity is to be increased in the short, medium and long term by adapting the areas of the land lot purchased from Cemex yet to be delivered; the construction of multi-story parking areas in land lot 3 “Lafayette”, and the offer of new spots in both basements planned in the International Convention Center of Bogota.

For such purposes, the architecture design was completed in 2013, together with the coordination activities concerning the technical surveys for the construction of the parking building at a high level in land lot 3 “Lafayette”, which license was granted by the City Planning Office No. 5.

In December 2013, the Board of Directors authorized the construction of three parking stories with green façades. The relevant work was awarded to TV ESTAHL upon a very detailed selection and awarding process.

Constructing this project might take about 10 months as from late January 2014, and it will begin operating by mid-October, that is, within the term of the construction license.

With the construction of this project in land lot 3 we will reach a total of 2,900 parking spots, which will add up to other 350 spots located in the Cemex building and 1,100 spots of AGORA BOGOTA.

1.1.3. ACTIVE SIDE PROJECT IN AVENIDA DE LA ESPERANZA

Developing such an important project will result in a better way to link the exposition facilities with public areas through Avenida La Esperanza; it will help define the way to join together the next International Convention Center and the future hotel of the facilities; and the compromises with the Regulation and Management Plan (PRM, in Spanish) will be followed through in respect of: a) demolition of pavilions 2C, enclosing walls in Free Area 2C and Water Tank restoration in Free Area 2C; b) construction of a pedestrian access square in Avenida La Esperanza (1.871 m²) upon the replacement process provided in District Decree 348 of 2005; c) restructure of the fences on the sides; and d) environment control management – construction of the perimeter boulevard under the agreement.

For such purposes, Lorenzo Castro was contracted in early 2013; an architect with significant experience in developing public area projects in the city and throughout the country. He has, through workshops with the Technical and Infrastructure Assistant Manager’s Office of Corferias, prepared the conceptual framework, the design schedule and the general characteristics of the project.

The architecture preliminary phase was developed, taking into consideration several items, such as a linear building for several purposes (offices on the first floor in the center part of the exposition facilities and stores on the second floor looking onto the street), which will link, through a pedestrian path, the future hotel on the corner of Carrera 37 and Avenida La Esperanza to the Oscar Pérez Gutierrez Hall. It will also enable use of the public area on the south side of land lot 1. The boulevard through Avenida La Esperanza and the replacement square to be the new south access to the exposition facilities will be an urban contribution to the city upon the creation of a wide area for public purposes with landscape items and a significant improvement in providing green areas and zones for public pedestrian uses in the sector.

The architecture design process and performance and organization of the technical surveys and management to get the construction and intervention and public zone occupation licenses will be completed through 2014.

1.1.4. PUBLIC AREA PROJECT LAND LOT CALLE 25

For this project the design and agreement processes have been filed with the district entities. Progress made in 2013 is evidenced by the preparation of the architecture preliminary project, which includes the modification of the road profile and use of the area of the nearby land lot so that “the uses provided in the Regulation Plan for the Fair will be appropriately followed”, therefore, creating a boulevard through the north side of land lot 1 towards those by the other side of street 25, as well as a public square.

The architecture design process will be completed during 2014, with the performance and organization of the technical surveys and other management activities needed to obtain the construction and intervention and public zone occupation licenses.

1.1.5. INNOBO PROJECT AND ENVIRONMENT DEVELOPMENT

Corferias, upon its Master Development Plan, has defined the idea of creating a Fair, Event and Convention District or Center. Such District is intended to be around the exposition facilities, framed under the so called Innovation Ring of Bogota within the Territory Planning Scheme (POT, in Spanish) of the city.

The purpose of such a proposal is to make Bogota a more attractive and competitive city, providing an important opportunity to jointly build the city among the public and private entities for the revamping and revitalization of the sector.

This idea has come from an urban revamping project known as INNOBO, which pre-feasibility analysis was carried out upon a Public-Private Cooperation Agreement.

Corferias, so as to keep going with the construction of the Fair, Event and Convention Center and for the purposes of consolidating an environment in agreement with the perspective of the sector, has prepared a memorandum of understanding and an agreement with the EAAB to define the development possibility of its land lot in harmony with the developments of Corferias and intending to collectively construct the Center, the public area and the potential synergies. The assessments of the land lot value and the evaluation of the development possibilities, including the current project of the Water Administrative Center (CAA, in Spanish) building, the labs and the Water Square will be

contracted.

During 2013 several meetings were held with the authorities of the District to include the new version of the Territory Planning Scheme for the INNOBO Project and the Fair, Event and Convention Tourism District as a strategic urban project and operation for the city. Corferias has had meetings with the Mobility District Secretary's Office, the Planning District Secretary's Office and the Urban Development Institution (IDU, in Spanish) to determine the mobility and improvement actions to be taken as for the necessary road infrastructure for the consolidation of the sector.

Based on such meetings, subjects like the extension of the existing road network, access facilities to the public transport systems and implementation of new actions organized by both the public and private sectors have been analyzed.

In 2013 the new Territory Planning Scheme of the District has created a significant impact on the urban aspects and the performance of production and business activities of the city.

It is worth noting that the Company follows the Regulation and Management Plan (PRM, in Spanish) on the land lot of the exposition facilities, the CICB and the parking lot building, given that such Plan regulates the urban aspects of such land lot rather than the new POT. All of the foregoing complies with Article 559 of the POT, which provides for the prevailing status of the Regulation and Management Plan.

Under the Regulation and Management Plan, all licenses and modifications applied for will be provided based on its own provisions rather than on those contained in the POT.

The POT in force includes a regulation only applicable to exposition facilities (art. 277, paragraph 4) stating that such equipping are no longer deemed to be social services, and therefore there are no permanence clauses. This means that the non-residential use of land lots 1 and 2, could change upon completion of the PRM.

The Cemex and Lafayette land lot is not covered by the PRM; therefore, the new licenses that may be applied for will be applied the charges provided in the POT. However, considering that Corferias applied for the Cemex and Lafayette licenses before the effective date of the Territory Planning Scheme, such projects developed under such licenses and the modifications thereof will be subject to the regulations in force on their application date.

In this regard, Corferias has achieved important progress in the consolidation of its urban rules for the current and future development of the Fair, Event and Convention District or Center.

1.1.6. INFRASTRUCTURE IMPROVEMENT PLAN

Framed under the Infrastructure Improvement Plan, projects intended to upgrade the facilities and mainly addressed to be at the disposal of exhibitors and visitors and to optimize the internal operation processes.

Following is the breakdown of the performed activities:

1. Parking lots Cemex building Phase 1- 25%

Once received the first part of the batch from the cement company, recently acquired by the Company, the adaptation works in this part of the land lot were started in order to enable the use of 170 new parking spots intending to reduce the impact of having lost the available spots given the construction of the CICB. The adjustment of this phase, which was completed in April 2013, will be complemented in 2014 with the inclusion of 350 additions when Cemex delivers the remaining part of the land lot.

2. Employees' canteen

Regarding the need of the Company's cooperators, as communicated through the Human Resources Department, the Technical Assistant Manager's Office built a new canteen for the employees in the western side of pavilion 3. The area of 160 m² holds a capacity for 100 people and a resting area, TV, and food warming appliances. This project was implemented in July 2013.

3. Infrastructure for pedestrian crossings with traffic lights

In the performance of the commitments made with the District upon the Regulation and Management Plan of the exposition facilities, the Company executed, between February and April 2013, the public area infrastructure and adjustment works as necessary for the future implementation of pedestrian crossings with traffic lights on the corners of carrera 40 x calle 25, and carrera 37 x calle 25. Such works were formally delivered to the Mobility District Secretary's Office upon document signed on April 18, 2013.

4. Construction of the new waste storage center

Given that the waste disposal center was demolished for the construction of the CICB, it was necessary to change its location. For such purpose the Cemex building was selected and one of the structures of the former warehouses was adapted and used again. This project, started in November 2013 and still under construction, will provide the Operation Area with a larger and better equipped place for the waste and recyclable material storage, classification and disposal activities resulting from the fair activities.

5. Access control

One of the main projects provided by the Technical Section was the implementation of a new access control system, which was implemented in two phases: the first phase was related to the design and construction of the technical infrastructure networks for the wiring and data that would supply the access control. The RFP and awarding phases of this project were fulfilled between August and October 2013; the construction phase started in December and will continue through April 2014. This phase will include changing the floor finishes in the 2 main accesses to Corferias and redesign of the ARCO access record.

The second phase of this project includes the request for proposal, awarding and contracting of supply and installation of management control software, which was jointly completed with the Technology Department and the Services, Quality and Process, Records and Accounts Departments, amongst others related to the subject. The awarding was approved by the Board of Directors in December and contracting is currently in process.

1.2. PROCESS AND GOVERNMENT UPGRADE

Corferias has been keeping up with the fair industry challenges and worked to

adjust to the changes in the surroundings. For such purposes its processes and governance have been updated and significant Corporate Governance management has been developed resulting in:

1.2.1. INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Following the schedule provided by law for the implementation of the IFRS, and considering that Corferias is part of Group 1 because it is a security issuer, and pursuant to the relevant legal provisions, the Company has been working through the past 2 years on understanding and implementing the application of the International Financial Report Standards.

For entities and companies of Group 1, year 2013 is the mandatory preparation term; 2014 is the transition year; and 2015 is the application year.



The development of this project is essential to Corferias, not only upon compliance with its legally binding provisions, but also for its strategic meaning to the Company in its internationalization process and providing our shareholders with reliance, relevance, understanding, comparability and reasonable value of the financial information of the Company.

This is how a project highlighting the education and training activities, analysis and diagnosis, work tables, progress report to the supervision entity and analysis of other practices was organized; such activities would allow us to keep working on the improvement and appropriate adoption process of the IFRS.

The most important effects, which result in the adoption of instructions that help Corferias manage the financial information at fair value, are as follows:

1.2.1.1. Asset Valuation – property, plant and equipment

The corporate purpose and the specified characteristics of the assets for the company’s mission accomplishment were taken into consideration.

The Company, based on the characteristics of the land lot, following the advisors’ recommendations and pursuant to the Chamber of Commerce of Bogota, decided to treat its assets as follows:

- Initial balance IFRS 1 – Fair value or revaluation as deemed cost: The cost of certain property items was determined as per the valuation of the previous GAAP. The Company decided to apply the optional exemption to use such

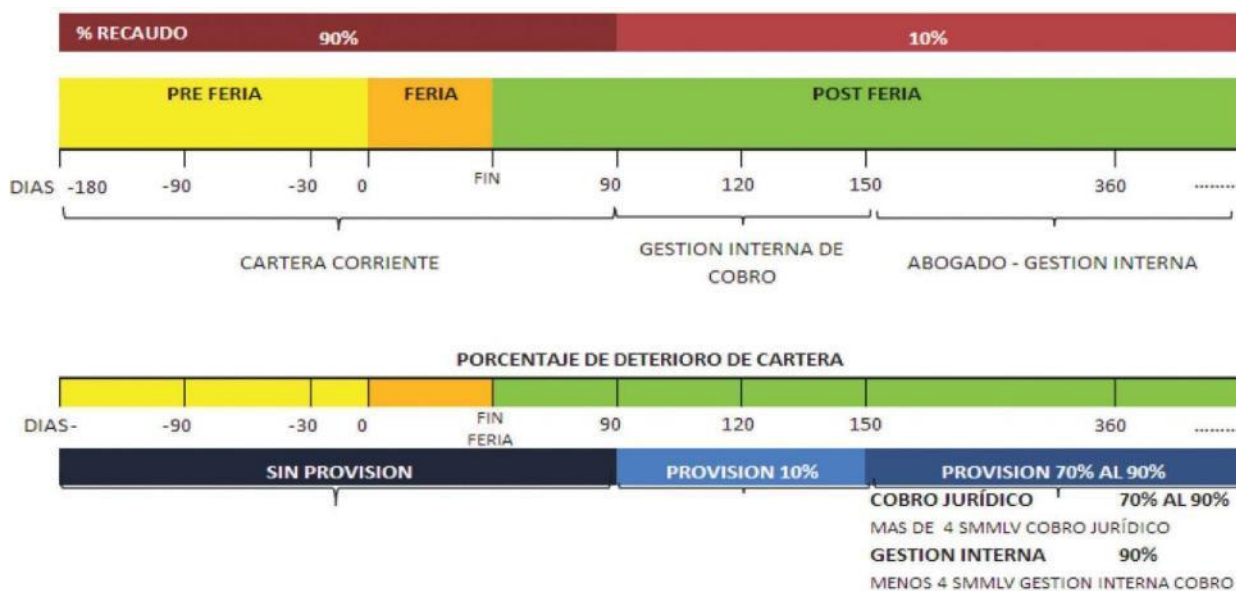
previous revaluation as the deemed cost as of January 1, 2014, which is the transition date.

- Initial recognition - initial balance: personal and real property at deemed cost (fair value).
- For the subsequent measurement of properties and equipment meeting the conditions to be recognized as assets, they will be measured at their cost. Cost includes expenses directly attributable to the asset purchase. Where property, plant and equipment may have several useful lives, they are registered as separate items (important components) of property, plant and equipment.
- Subsequent measurement: Cost model for personal and real property having a straight line depreciation and Residual Value according to the advisor's recommendation as corresponding.

1.2.1.2. Trade receivables

Loans and receivables are financial assets with fixed or determinable payments unquoted in an active market. Such assets are originally recognized at their fair value plus any directly attributable transaction expenses. Upon initial recognition, loans and receivables are valued at their amortized cost with the effective interest method less impairment loss.

Corferias has defined a new model based on the current life cycle of the event activity, allowing determining whether trade receivables are impaired.



1.2.1.3. Investments

The Company has classified its financial assets at their amortized cost or fair value based on the business model of the entity to manage financial assets and the characteristics of the contractual cash flows of financial assets.

Where an equity investment is not held for trading, IFRS 9 allows for an irrevocable election on a share-share separate basis to record all changes in the investment fair value in other comprehensive income. Dividends from such investments are recognized as income.

1.2.1.4. Income management and deferred expenses

The business dynamic of Corferias, according to the promotion and development cycle of an event through its completion might take 18 months – 1 year.

Based on the operation reasonableness analysis, the budgetary discipline of Corferias as for the events and the IFRS, the services income are recognized in the income item in proportion to the realization of the transaction as of the date of the statement of financial position. The level of realization is valued according to the performed analysis.

Common activity income will be recognized to the extent the contract costs incurred are recovered.

1.2.2. QUALITY SYSTEM AND INTERNAL CONTROL

Corferias has implemented an administrative model for Quality Management as certified under ISO 9001, 2008 version.

In 2013, the Quality Management system of the entity was improved by perfecting the customers' inclusion processes, management rating analysis and process improvement through better opportunities.

The company got the ISO 9001 recertification by the Bureau Veritas Certification as a successful result from the continuous improvement process.

Likewise, Corferias has adopted an Internal Control System as an essential element of the Corporate Government. In such regard, it keeps performing under the provided parameters by the Financial Superintendency of Colombia, upon Releases 014 and 038 of 2009, allowing for the competitiveness, transparency and reliance on every activity and process.

During 2013, in respect of the control aspect, the Internal Audit Department prepared a campaign for the Company's cooperators. Such campaign encouraged the Internal Control essentials (self-regulation, self-control and self-management), and better embraced the importance of implementing such factors for the performance of their duties.

The organization worked to keep an appropriate control aspect, through the Internal Control with the Risk Management System and the Quality Management System, by generating observations and opportunities to make processes and policies better, which are informed to their responsible officers and the Chief Executive Office. This helps be aware of the entity's progress.

In 2013 the importance of having implemented the Company's risk assessment policy became, intended to tend towards a supervised low risk profile. The first cycle of risk and related control assessment was completed and the Risk Committee identified improvement opportunities and made recommendations to the Management.

With the Quality Management System, some policies and procedures have been determined to ensure the appropriate management of information and communication, allowing for an effective flow of information throughout all directions and levels.

Finally, in agreement with the Code of Ethics and Corporate Governance, and under the Internal Control System, the Internal Audit Department provided the Executive Direction of the Company with supports, based on periodically completed assessments to improve the effectiveness of the risk management, and control and governance processes, which provide reasonable reliance for the appropriate fulfillment of objectives.

1.2.3. VALUE BASED PRICE STRATEGY

AMR International was contracted to support Corferias during its price strategic determination process. With ARM International, the best practices of the fair leaders were evaluated and the need to align the “price” and the “value per product to customers” was identified.

This value based price determination is based on being aware of the elements the exhibitor values to build proposals or packages properly reflecting such interest; this is known as conjoint.

The Home Fair 2013 opportunity was used to make exhaustive customer surveys. Such surveys showed that the most valued aspect is the stand location. A location typology was designed based on the foregoing, classifying stands as: Premium Plus; Premium; Standard Plus and Standard. The price might vary as per type of stand.

Such typology benefits exhibitors given that, with the “packages”, the exhibitor may decide based on their preferences and economic capacity.

The Board approved the implementation of the proposed pilot price strategy in Home Fair 2014.

This strategy has been built considering the interest and effects on our clients, and the creation of a special price unit has been considered, which will supervise the pilot strategy.

1.2.4. THIRD PARTY INFORMATION RELIANCE

The Company continued using its statistics validation and certification process with KPMG Ltda., so as to have accurate, clear and reliable information on the several indicators of the fair activity.

Thus, our Annual Management Report includes certified statistics data in the Fair Activity chapter. This provides clients, allies, exhibitors and the general public with such a useful tool to make decisions upon participating in our fairs. It may also become a tool to help measure the evolution of fairs and their impact.

1.2.5. IMPLEMENTATION OF PERSONAL DATA PROTECTION LAW

Since the enactment of Law 1581 of 2012, Corferias has been undertaking the necessary actions to implement it.

Decree 1377 of 2013, stipulated in the Law above, provided for a special system to be authorized by the owners of data obtained by companies after the enactment of such Law, by implementing several mechanisms.

One of such mechanisms is uploading into the company’s web site their privacy policies so the owners of such data may state, within a given period of time, their intention to be kept in the database. Once elapsed such period of time without any statements to the contrary, the owner of the data will be deemed to have authorized the company to use it.

Corferias implemented this measure and put up signs with its privacy policy in the entrances of the exposition facilities (another mechanism provided by the Decree

above). It has also e-mailed its privacy policy to the database contacts.

As a result of the foregoing, about 1,000 requests were received to delete a total of 380,000 records from our database; the periods of times and terms provided by the authorities were followed.

2. INNOVATION

Innovation, as one of the strategic basis of Corferias, has become an essential element of organizational culture in the all product and services design processes.

Therefore, in the past 8 years Corferias has more than doubled the number of fairs: from a portfolio of 28 in 2005 to a portfolio of 67 in 2013.

In 2013 the creating of the following new seven products was significant, six of which are independent fairs and a special show within another fair:

- Marketlife (marketing advertising and event industry)
- F- Air (Aeronautics industry, operation of this event for Civil Aviation)
- Efficiency + Security + Safety (Industrial and domestic safety), strategic alliance with Pafic)
- Smart Cities (Technology development for Smart cities; strategic alliance with Fira Barcelona)
- Enet – Expo (E-commerce, Alliance with the chamber of e-commerce of Colombia)
- Moto Go (motorcycle and two wheeled vehicle fair)
- Ironware and Paint Show in Expoconstruction.

For 2014, to continue the innovation policy of Corferias, new four products are intended to be created, which are related to highly attractive market segments given its growth and impact.

One of these events is the Healthy Colombia Fair, encouraging healthy life style models with prevention as the starting point; a fair for all audiences that will be supported by ACEMI (the Colombian Association of General Medicine Entities).

Infrastructure Show. It is an international specialized business platform for the infrastructure sector in Colombia and the region, addressed to promote the development and dissemination of projects of the construction industry for civil works and the intention to contribute to the country's infrastructure needs planning.

Pet Event. Pets are the stars in this event, with an atmosphere for business, upgrading, family, entertainment and fun.

Bodegazo is the first architectonic finish sales in Colombia, intended to have all the remodel supply trading, manufacturing and distributing companies.

Also, works still continue on strengthening events for the existing fairs, such as FIMA with the Water and Waste Management Exhibition, the Power Festival in the International Fair, the Shrimp and Frozen Products Show, the Bakery Festival in Alimentec and the Digital Book Show in the International Book Fair of Bogota.

2.1. FAIR ACTIVITY

Corferias carried out a total of 42 events in 2013, 8 of which were of its own, 20 in association and 14 as leasing.

RESPONSIBLE COLOMBIA

In its IV version in 2013 it was consolidated as the most important setting to get to know the best practices, programs, projects, progress and opportunities in Responsibility and Social Development in Colombia. This version had the active participation of 87 exhibitors of the public and private sectors, the civil society and the scholars. Over 14,000 people went to the event and took part in several activities offered in this fair, such as forums and social responsibility meetings.

ANDIGRAFICA

ANDIGRAFICA XI was the epicenter of important business at both domestic and international level, meetings among services, machinery, equipment and raw material entrepreneurs. 89 exhibitors participated in this event and there were over 8,000 attendants.

AGROEXPO

Agroexpo 2013 is the most important event for the farming and livestock sector in Colombia, Central American and the Caribbean; it is also one of the most important events in Latin America. It gathered 549 exhibitors together; and the greatest and fullest domestic and international business show with over 180,000 attendants.

PROFLORA

In spite of the hard times of the flower growing sector given the dollar devaluation and shutdown of a majority of the flower farms, Proflora 2013 received 60 countries.

EXPOESPECIALES

This event has raised the bar and in its 6th version consolidated the event with 9 coffee growing committees from around the country; 101 exhibitors and 10,000 local and international visitors, who could enjoy the 8th National Championship of Baristas.

EXPOESTATAL

Colombia Compra Eficiente leaded the academic agenda of Expoestatal 2013. This fair gathered together public accounts and State service providers. The strategic purchase and public procurement strategy was introduced therein.

AUTOMATISA 2013

This event had 60 exhibitors who showed, to 9,500 people, state of the art instrumentation technology, Plant Automation and Smart factors of the Andean Region and the Caribbean.

EXPOBUILDING AND EXPODESIGN

With an increased 48 percent of international participating companies from Spain, United States, Italy, Germany, Chile, China, Peru, Brazil, India, Portugal, Ecuador, South Korea, Mexico, Switzerland and Belgium, and the attendance of more than 1,379 international buyers, 513 exhibitors and 56,200 visitors, this fair has established itself as the perfect scenario for the promotion of business exchange and a solid trade platform for the sectors of building, infrastructure, trade architecture and interior and industrial design.

MECANIKA

A business platform for the promotion of the ultimate technologies on equipment, tools, supplies and services related to the automotive sector, for road maintenance, reparation and security, which gathered 44 exhibitors and 3,396 visitors, in spite of taking place during a transportation strike.

EXPOCOMMERCIALS

In its second edition, this fair gathered the main brands of MUV and commercial vehicles. The brands of oversize load vehicles denied participating in this fair as a means of protest against the law regulating the sale of these vehicles, which considerably reduced their selling rates.

MOBILITY AND TRANSPORTATION

Facing the recent situation in the Transmilenio system with the new hiring policies and the regulation for the implementation of the Bogota's Public Transportation System (SITP, in Spanish), this fair was represented by 61 exhibitors, and an increased 57 percent of attendance. This fair is expected to extend its business expectations towards tourism and inter-municipality transportation.

EFFICIENCY AND SECURITY

An alliance was achieved with PAFYC to co-organize this fair, which allowed for the introduction of the extended security policies, with more information, sustainability and the highest competitiveness level of Latin America. This fair gathered 106 exhibitors and 7,258 visitors between professional buyers and international visitors.

E-NET

This event was organized in coordination with the Colombian Chamber of Electronic Commerce (CCCE, in Spanish) and the participation of 49 exhibitors. It was a place for networking and updating on the development of electronic business by introducing innovation, policies and standards applied to electronic trade and business.

F-AIR

After participating in a highly strict bid process summoned by the Unidad Administrativa Especial de Aeronáutica Civil (Special Administrative Unit of Civil Aeronautics), Corferias was elected as exhibition organizer for the holding of the International Aeronautics Fair, F-Air Colombia 2013. This event took place in the Jose Maria Cordova Airport, Rio Negro (Antioquia), and was supported by the Colombian Air Force. More than 200 exhibitors participated in this fair, from 25 countries all over the world, representing the most renowned brands in the Aeronautics Industry.

SMART CITY EXPO 2013

This fair was organized by “Fira Barcelona”, Corferias and the Alcaldia Mayor de Bogota, to promote the exchange of knowledge and ideas to be applied to the city for the improvement of Mobility, Urban and Intelligent Growth, Climate Change and Sustainable Mobility, Technology and Intelligent Society and Ecologic Urbanism, among other matters. This forum highlighted the knowledge and learning on the importance of planning Bogota as an intelligent and futuristic city.

REAL ESTATE SHOW

The main companies of the national building sector participated in this edition of the Real Estate Show, with 116 exhibitors and 16,625 visitors. With the participation of international exhibitors, significant regional projects were consolidated during this event.

MINING

The decreasing in the participation rates of the Nation's GDP, as well as in exports, foreign investment, employment, royalties and production, experienced by the mining sector last year, did not allow this year's edition of the fair to overcome the standards of the previous year. Nevertheless, 92 exhibitors participated in this fair.

HOME FAIR

The Home Fair of this year experienced an attendance increase of 10 percent. In the occasion of its 30th anniversary's celebration, 231,468 visitors participated in this fair, 18,000 more than in the last edition. Novelties and activities for the anniversary highly impacted buyers, who produced COP 19,200 in Club C-fiel purchases, 7.8 percent more when compared with the 2012 selling record.

COLOMBIAN OIL AND GAS CONGRESS

The 15th Colombian Oil and Gas Congress was held in coordination with the Colombian Oil Engineers Association (ACIPET, in Spanish). In spite of the particular situation of this sector, the Congress was an impressive event attended by 233 exhibitors and 10,861 visitors.

BEAUTY AND HEALTH

This is a leading event where 304 companies and outstanding professionals from the health and beauty sector presented to the 52,047 visitors, 14 percent more than the last edition, the ultimate trends and advance regarding products, equipment and services related to beauty as a whole.

BABIES & KIDS

As a way to strengthen this exhibition, it is presented inside a more attractive event. Babies & Kids invites the 135 exhibitors who participated in the last 2013 edition to present their products in a specialized pavilion within the hall of the Home Fair, with spaces designed to provide advice, talks, conferences, products and playful activities of interest for parents and families.

GASTRONOMY

This is a fair that will be given a space in 2014 within some of the massive fairs.

BOOK FAIR

The 26th edition of the International Book Fair of Bogota gathered, for 13 days in 19,547.72 square meters, about 392,000 visitors, who enjoyed of more than 100,000 different books presented by 436 exhibitors. Portugal was the special country guest to this fair, and it also had the participation of the Nobel Prize Jean-Marie Gustave le Clézio. This fair was attended by 3,084 professional buyers and 232 national buyers, who entered into commercial agreements in the framework of the fair.

SOFA, LEISURE AND FANTASY SHOW

The attendance rate to this fair increased when compared to the last edition's, with 77,897 visitors and the participation of 118 exhibitors within 3,090 square meters of tradeshow and contents. This edition introduced three new pavilions: Sofa Kids, Sofa Natura and Sofa Gamers.

HANDICRAFT

The 22nd edition of Expo-Crafts, held in coordination with Artesanias de Colombia (Colombian Handicrafts), keeps this fair evolving as the most important event in the craftwork sector. This time, the fair was attended by 80,500 visitors and 19 participating countries. One of the most outstanding displays was the Diseño Colombia (Colombia Design) from Artesanias de Colombia, which exhibited totally designed products.

MOTO GO

The first edition of this fair was held in coordination with the National Businesspeople Federation (FENALCO, in Spanish). For 10 days, 24,399 visitors and lovers of motorcycles enjoyed the ultimate novelties of this sector, presented by 74 companies and also witnessed exhibitions of different motorcycling disciplines.

MARKET LIFE

This is a high level updating and training platform for the marketing industry. Through an academic agenda, developed by world level speakers and a wide tradeshow, this fair offered a space for networking and marketing, dealing and establishing strategic alliances. This event is currently under a redesigning process.

FAIRS FOR RENT

In 2013, 14 fairs for rent were organized and held; the most outstanding being the Footwear and Leather Show, one of the most important specialized fairs for the trading of leather goods and footwear; Vitrina Turistica de Anato, an event with a diversity of products and services allowing attendants to know the tourism dynamics, as source of economic and social wellbeing; ArtBo, with the participation of around 25,000 people, between buyers and regular visitors, in its ninth edition, it is consolidated as the country's most important art fair; Andina-Pack 2013, a huge success due to the perfect balance between offer and demand, this fair has

managed to gain international relevance.

The following are the statistics on exhibitors, visitors, national and international buyers participating in the fairs organized by Corferias, with data certified by the firm KPMG Ltd.

Ferias Bienales	Expositores	Visitantes	Compradores Nacionales	Compradores Internacionales	Área Comercializada	Área Bruta
Expo Construcción y Expodiseño	513	56.229	12.373	1.379	22.647,68	53.371,54
Agroexpo	549	182.698	13.138	1.537	22.075,54	60.295,42
Expospeciales	101	10.877	4.650	133	2.319	7.289,37
Expocomerciales	49	3.935	2.078		5.711	15.079,41
Colombia Responsable	87	14.390	5.559		3.744,77	15.227,07
Automatiza	64	9.559	8.595	71	2.217	9.829,92
Congreso Colombiano de Petróleo y Gas	233	10.861	5.978	507	7.044,50	19.007,66
Andrigráfica	89	8.164	2.454		15.079,42	15.079,42
Movilidad y Transporte	61	3.310	3.018	46	1.605	12.216,98
Mecánica	44	3.396	3.033		1.730,02	5.163,97

Ferias Anuales	Expositores	Visitantes	Compradores Nacionales	Compradores Internacionales	Área Comercializada	Área Bruta
Babies & Kids	135	22.398			2.299,50	8.720,39
Expoartesanías	845	80.512		279	9.845,72	29.627,71
Expoestatal	80	4.210	3.953		2.137,28	5.836,59
Feria Belleza y Salud	304	52.047	10.896	201	7.647,86	32.601,37
Eficiencia y Seguridad	106	7.258	6.640	206	3.201	8.720,39
Feria del Hogar	760	231.468			28.261,62	60.098,88
Feria Internacional del Libro	436	392.598	3.084	232	19.547,72	50.632,26
Gastronomía	146	15.356			10.776,96	10.776,96
Gran Salón Inmobiliario	116	16.625			3.552,90	10.106,65
Minería	92	3.006	2.496	113	2.142,00	9.839,30
SOFA	118	77.897			3.090,87	34.221
Marketlife	66	3.396	2.637		592,50	6.359,03
MotoGo	74	24.399	167		1.876,87	8.687,83
Smart City Expo Bogotá	33	2.394	2.204		864,47	4.329,37

2.2. EVENTS

In 2013, Corferias hosted 106 events, including congresses, forums, conventions, concerts and institutional campaigns.

Among the events held in 2013, the Extravaganza Herbalife was one of the biggest, since it used the full 15,000 square meters capacity of the Gran Salon Oscar Perez Gutierrez to receive 19,000 visitors from different countries.

Another important fair was the Knowledge Fair “Intercambio de Saberes” (Exchange of Knowledge) held by the Ministry of Education. This three day-event served to encourage interaction between teachers and the educational community, as well as to dignify the work and commitment of the country’s teachers and also to analyze the experiences of the 3,000 tutors and 100 trainers who participated in the Program.

Other events were “Venezuela Exporta” (Venezuela Exports), which allowed for commercial exchange between the two countries; “Superate con el Saber” (Surpass Yourself Through Knowledge), an event held to recognize the country’s eleven best students after a series of academic competitions in different areas; and the Launch of the new Team Shirt to be used by the Colombian Soccer Team in the 2014 World Cup in Brazil.

The Events department reported an increase in 2013, when compared to 2012, in spite of the absence of relevant events such as “Campus Party”, World Skills Colombia” and the SENA Employment and Entrepreneurship Fair.

2.3. SPONSORSHIP AND STRATEGIC ALLIANCES

Corferias continues to reinforce the sponsorship and strategic alliance modalities, through which the Corporation provides other companies with an opportunity to offer supplementary specialized services to their customers in the exhibition and

event business, while producing a high impact and achieving their commercial and marketing goals.

This model has become a value added for both visitors and exhibitors, as well as for the Corporation itself. In 2013, Corferias amassed COP 6,659'155,354 through sponsorships and strategic alliances.

During the same period, Strategic Alliances such as the Corporation's with Davivienda and Hoteles Estelar have become stronger, due to the management, integration and joint work with the different areas of Corferias. Likewise, in 2013, we continued to strengthen the promotion of companies within Corferias, such as the "Bar Premium", in the terrace of the 3rd pavilion, as well as the trading of the parking zone on the Avenida La Esperanza.

3. INTERNATIONALIZATION

Corferias has reported huge achievements in 2013, with a view to consolidating Corferias as a business platform providing entrepreneurs with tools and instruments to successfully participate in the international markets, and strengthening the international position of the Corporation in the world exhibition industry.

Within the framework of the objectives already established in the Strategic Plan, the need has been reaffirmed to turn Corferias' tradeshows into real international fairs, with increasing participation of international buyers and exhibitors, and an increase in the number of Colombian companies with exporting offers.

Likewise, one of the greatest objectives of the Corporation is to consolidate its status as International Exhibition Organizer, especially in those countries within the Pacific Alliance, as a strategy to strengthen its international regional leadership.

In order to achieve these goals, Corferias determined the importance to secure its leadership within the Industry's International Associations to reaffirm the Corporation as the main exhibition organizer in the Region.

Having these objectives in mind, Corferias has conducted an analysis on the Internationalization Strategy, from the understanding of its leadership on the Colombia's exhibition activity, through its regional importance and world recognition, to the performance of the Colombian economy.

An essential part of this process was the election of Corferias to participate in the CAF Exporting Excellence program with the support of Proexport, the Chamber of Commerce of Bogota, CESA, and the methodological support by the consultancy firm DG&A, which has been useful to understand and energize the organization's international business model.

This International Business Model recognizes the status of Corferias as service exporting company. Under the Canvas methodology, the strengths and weaknesses of the Corporation have been determined and a new business model formulated, within a comprehensive vision including the customer, value proposal, distribution channels, relationship with customers, income sources, key resources, priority activities, strategic alliances and cost structure. The Canvas determined by Corferias is as follows:



Likewise, the analysis applied to the Corporation’s portfolio of fairs, exhibitors and visitors, concluded that Corferias has the potential to develop already existing fairs as regional hubs or international fairs.

This analysis indicated that fairs on sectors such as infrastructure, defense, passengers’ mobility and medical equipment are the most promising. Besides, it highlighted the importance of events such as the International Fair, Expo Defense; Mobility and Transportation and Meditech; Efficiency and Security; Andina Pack; Andigrafica; Expo Oil & Gas; Agroexpo; Logistic Show; Alimentec; Automatisa and Filbo.

The main purpose of Corferias is to strengthen these events so they become regional hubs, which will also make Bogota and Colombia to become the Latin America’s third exhibition epicenter after Brazil and Mexico. In that context, Corferias’ fairs must attract the whole industry of Andean, Central America and the Caribbean, and the Pacific Alliance countries.

Moreover, prospective opportunities have been determined to acquire fairs in the countries of the Latin American Pacific Alliance, whose extended market is highly attractive to Corferias due to its growth and the availability of interesting acquisitions.

During this internationalization process, the Corporation must continue to strengthen its internal competences and skills as Professional Organizer with a view to energizing products in its portfolio, which might become potential hubs in the region and advance a strategy of strategic alliances with international organizers.

3.1. STRENGTHENING OF INTERNATIONAL CALL AND FOREIGN ALLIES NETWORK

With the purpose to produce better business results for national exhibitors and international projection, Corferias has been improving its instruments to encourage

a greater participation of international exhibitors and professional buyers.

In order to do that, Corferias has promoted synergy and joint work with the Chamber of Commerce of Bogota (CCB, in Spanish) and Proexport, which served to facilitate significant participation of international buyers in 2013, in the following fairs:

- International Book Fair
- Expobuilding and Expodesign
- Agroexpo
- F-Air Colombia
- Mining
- Beauty and Health
- Smart City Expo
- Efficiency and Security
- Expo Specials
- Colombian Oil & Gas Congress
- (ACIPET)
- Expo-Crafts

The main purpose of this call is to provide exhibitors with the opportunity to offer their products directly to international buyers in order to improve the establishment of commercial contacts and provide greater opportunities to consolidate business.

In 2013, Corferias received 4,640 international professional buyers from more than 65 countries, among them, the most important buyers came from United States, Mexico, Venezuela, Ecuador, Peru, Brazil, Argentina, Panama and Canada.

Corferias served as a core for the coordination of commercial agendas and the appointment of subsequent meetings, as well as business rounds, which benefitted 1,600 exhibitors reaching an 88 percent satisfaction level. In 6,366 commercial appointments, business expectations produced around US\$ 185 million.

With a view to obtaining better results and greater efficiency in the participation process of international buyers, Corferias has been strengthening these processes through the elaboration of solid data bases.

Likewise, Corferias has retained bilingual professionals to optimize response to the needs of the potential international buyers and, by implementing the CRM, a centralization process has been managed on the data bases and administrative integration of multiple channels (internet, telephone), as well as the "Contact Center" strategies with international reach, to improve contact process with companies and apply better control and follow up processes. All this improvement process has increased the call efficiency of international buyers from 73 percent in 2012 to 78 percent in 2013.

Under the implementation of the internationalization process developed by Corferias to secure its status as leading exhibition professional organizer in the region, we have been reinforcing, since 2011, the International Network of Institutional Allies with entities that promote commercial relationship with other countries through Embassies, Bi-National Chambers and Foreign Trade and Investment Promoters, among others, for the purpose of facilitating call and participation processes of international companies in the fairs.

Work with the international allies and the direct call management applied have

guaranteed the participation of 368 new international companies, representing an increase of 130 percent in specialized fairs, such as Automatisa, Expobuilding and Expodesign, Andigrafica, Agroexpo, F-Air, Mining, Beauty and Health, Mekanik, Mobility & Transportation and Colombian Oil & Gas Congress.

The participation of new foreign companies in 2013 reported to Corferias additional revenues for COP 2,900 million.

Concurrently, the number of cooperation agreements with international allies has increased, which allows us to continue spreading information directly in more than 20 countries on Corferias and its exhibition products. During 2013, with the purpose to maintain the International Network of International Allies, supplementary services were developed, among which the B2B interview coordination, which facilitates the generation of qualified contacts between the international exhibitors and the Colombian entrepreneurs, and a service of full package for a better addressing of the needs and requirements of the international exhibitors.

3.2. INTERNATIONAL LEADERSHIP AND POSITIONING

2013 was a year of great importance for the positioning and leadership of Corferias within the world exhibition industry, since the Corferias president was elected as president of UFI (The Global Association of the Exhibition Industry), which makes him the first representative of the American continent to achieve this position.

This achievement reflects the recognition gained by Corferias at international level, since the UFI is the most important entity in the world exhibition industry, with around 90 years of history, 85 participating countries and the 640 most important exhibition facilities and organizers in the world.

This appointment means that, for the next three years, the Corferias president will be part of the UFI presidential TRIO, a group of three presidents (incoming, current and outgoing), which makes of this position one of great importance, recognition and influence within the world exhibition industry.

This honor will allow Corferias to accomplish its goals regarding internationalization and gives Bogota the opportunity to promote itself and place itself in a better international position.

In that context, one of the decisions made in 2013, which produced a huge positive impact on the city and the country, was the honor to host in Bogota the 2014 UFI Congress, the most important event of the international exhibition industry.

The 81st UFI Congress, to take place in October, will gather around 450 global exhibition market leaders from Europe, Latin America, Asia, North America, Middle East and Africa, among which the presidents or CEO's of exhibition facilities, convention centers, national and regional fair associations and service providers of the world exhibition industry.

Hosting such an event provides Bogota with the opportunity to increase its competitiveness level regarding business tourism, as well as to improve its position and promote its strengths. It also contributes to present Latin America as an increasingly energized and attractive region for international markets.

Moreover, during 2013, Corferias reinforced its outstanding position within the international exhibition industry, by means of its active participation in the International Association of Exhibitions in Latin America (AFIDA, in Spanish).

One of AFIDA's greatest achievements was the establishment of a Cooperation Agreement between AFIDA and SISO (Society of Independent Show Organizers), one of the leading exhibition Associations, with special influence over the North American market, which will help to strengthen the ties between AFIDA and Corferias with the main exhibition organizers in United States.

It is important to highlight that AFIDA continued to successfully strengthen in 2013, through the development of its 12 programs, which produced material benefits for its associates, among which the holding of a successful Congress with the largest number of attendants in the history of the Association.

Another greater achievement of AFIDA was the incorporation of 20 new companies, reaching 74 associate companies, the biggest number of associates since the establishment of this entity.

3.3. REVIEW OF CORFERIAS' STRATEGY AS FAIR ORGANIZER OUTSIDE COLOMBIA

Corferias as a leading professional fair organizer in the region set the goal of consolidating its role in the development of business platforms (fairs) in all markets in the region that may be attractive, without restricting its activity to those deployed inside its own fairground.

Peru was chosen as the first market to operate in; therefore, the creation of an affiliate firm with a seat was proposed to hold fairs in that country and, at the same time, address the necessities of the parent firm by generating exhibitors and buyers for fairs in Colombia. For this purpose, the market opportunity was taken into account, as well as the consolidation of a competitive position to generate value and the developed strategy, in terms of global trends.

Since 2009, operations in Peru started; notwithstanding, in 2013, after analyzing the experience achieved, we came to the conclusion that it was necessary to look for a strategic partner that would help to reach the goals initially set.

In this regard, the group of the newspaper "El Comercio" was identified as a potential ally due to its strengths in Peru, looking for the synergies that, as a trend in the global industry, present among fair organizing firms and communication companies.

During 2013, after the suspension and liquidation of the firm Corferias del Pacífico and as a result of the pre-agreement reached between Corferias and El Comercio for the joint operation of a fairground and the development of events in Peru, we developed some workshops to assess alternatives with a view to reaching the common goal.

Especially by the middle of the fourth quarter, a pre-feasibility analysis process was started with the municipality of Lima to evaluate the possibility of structuring a project under the figure of a public-private alliance in the "Parque de las Leyendas" at that city.

4. SERVICE DISCIPLINE AND CUSTOMER INTIMACY

Corferias is permanently strengthening the strategic axis of service discipline and customer intimacy by means of actions oriented toward providing comprehensive

solutions with quality standards and criteria, with a view to meeting in an expedite and efficient manner all customers' needs.

In this context, Corferias will continue to close strategic alliances aimed at jointly working with companies that provide Corferias' customers with specialized services, which are supplementary to the Corporation business, with high quality standards.

As a part of the implementation process of the added value services at the productive contact axis, the alliance with Davivienda is further consolidated. In 2013, customer linkage increased by 15% in SME and personal banking through the opening of new accounts and the deepening of customer relationships by means of the founding of stands at fairs and immediate consumption products such as Davivienda Cfiel Corferias credit card, which results in the placement of these products growing by an amount close to \$1.3 billion.

Operations at mass fairs, such as the Book Fair, Home Show, and Craft Fair, of the office located in the Corporation grew by 20%, thus resulting in accreditation for the bank and a series of benefits for customers, visitors and exhibitors at the fair.

Likewise, the axis of Infrastructure and Logistics services continues to improve. The alliance with the Logistic Merchandise Operator (Alpopular) during 2013 lead to an increase of 40% inn billing with regard to 2012, a profit that is reflected on the participation of Corferias in Alpopular. The alliance provided services to 84 customers, with Andinapack, Aeronáutica, Expoconstrucción and Oil & Gas being the most representative fairs.

Concerning the Ciudad Atractiva service axis, promotion activities have been carried out through Hoteles Estelar as tour operator.

4.1.SERVICE CULTURE

In keeping Corferias' commitment to consolidating itself as a customer-focused company and to generating integrated-value proposals that include products and services based on customers' needs, during 2013, we moved forward with the program "Servirte," with the aim of strengthening service competition that both collaborators and contractors of the Corporation must demonstrate in the fulfilment of their respective tasks, through behaviors that represent their service-oriented attitude, their knowledge of the company's operation, and its ability to effectively address the requirements of the different kinds of customers.

In the area of Human Resources, the program "Liderazgo en el Servicio" (Service Leadership) has been developed. The program involved the participation of 20 collaborators, which, in turn, through the Trainer of Trainers methodology, helped to extend the scope of the program to the support staff; 60 people were involved.

This program will continue throughout 2014, with an approach based on accompanying collaborators in the performance of their usual tasks so as to identify weaknesses and strengths in terms of quality of customer service.

Likewise, and with the aim of getting our contractors involved, as an essential part of Corferias' service strategy, a training program was launched, together with the Chamber of Commerce of Bogota, to contribute with their business enhancement, increase their productivity and competitiveness, as well as improving their

commitment and efficiency in the rendering of services to the Corporation's customers.

In 2013, 27 contractors took part in the program called "Desarrollo de Proveedores para la Generación de Valor Compartido" (Development of Suppliers for Shared-Value Generation), which they improved thanks to their knowledge in areas related to management, quality, finance, trade and social and environmental responsibility. Thus, in 2014 we will begin to monitor the implementation of the tools learnt, with the aim of structuring and implementing the second phase of this program.

As a result of the evaluation of Customer Satisfaction in 2013, indicators of exhibitors' and visitors' satisfaction in terms of services at fairs were rated with 4.28 (in a scale of 1 to 5), on average, in relation to all parameters measured, including service quality, cleaning, parking services, infrastructure, food courts and warehouse services, among others. The Corporation continues to improve quality of service rendering focused on four major areas: infrastructure, product, service and attitude, with the view to implementing the improvements identified in the different studies conducted.

4.2.C-FIEL CLUB

With the aim of enhancing customer experience and introducing content marketing actions into the strategy of the loyalty program of visitors to mass fairs, known as the C-fiel Club, the first magazine of contents of this program was designed and published. The magazine has sections of interest for visitors, information on fairs and services and schedules of our exhibitors, who expressed their satisfaction by rating the magazine with 4.0, on average.

This new magazine made it possible to swap prizes for our visitors, worth more than \$262,000,000, which were used as incentives for data capture through the record of purchases, which exceeded \$25,100,000,000.

During 2013, relationship strategies were improved through different activities, with 14,360 new visitors to the program.

Now the loyalty program has its own information platform, which provides, in a web environment, increased facilities adjusted to their processes and needs.

The shared-brand credit card with Davivienda bank was promoted as one of the benefits of the loyalty program, reaching the number of 14,000 effective cards which billed more than \$ 42,675,560,434 for the bank.

4.3.SERVICE IMPROVEMENT PLAN

Aware of the significance of rendering quality services and as a result of the studies conducted in 2013, three major areas have been identified, which should be strengthened inside the Corporation: infrastructure, technology and service strategy, which is part of the master service plan for 2013-2014 being implemented.

Corferias ratifies its commitment to maintaining its continuous improvement process to transform its service model based on satisfaction, quality and competitiveness criteria, according to international standards, with the aim of meeting the needs and expectations of our customers.

For this purpose, in 2014, the service model will be enhanced in accordance with the moments of truth, following relationship standards in its implementation, and improving the model through the “Customer Voice” as a key tool to identify the customers’ satisfaction levels. This process will entail adjustments in our Quality Management System to guarantee the optimum functioning of the service strategy.

At the same time, and with special importance, the Corporation will continue to consolidate the service culture as an essential pillar to assure quality and guarantee the commitment of all collaborators in terms of service strategy and its implementation.

5. SOCIAL AND ENVIRONMENTAL PROJECTION

During 2013, Corferias continued to enhance its social and environmental projection, through different actions and initiatives intended to improve the relation with the environment and the society. Likewise, it has strengthened its support to foundations and non-profit organizations that develop a significant social work in benefit of vulnerable populations.

5.1.RELATIONSHIP STRATEGY WITH THE COMMUNITY

To mitigate the impacts on the environment derived from the activity of fairs and events and with a view to contributing to the search for solutions to the necessities of this sector, during 2013, Corferias maintained its Relationship Strategy with the neighboring community and launched new actions and programs to improve areas such cleaning, mobility, security and noise control during fairs and events.

Aiming at improving vehicle mobility and reducing congestion in roads surrounding the exposition facilities during mass fairs, Corferias, jointly with the Mobility Secretariat, coordinated operations to prevent vehicles from improperly parking in the sector, and, through the Mobility Brigades organized by the Corporation, Corferias developed campaigns to promote compliance with traffic rules by drivers and pedestrians.

Furthermore, during 2013, Corferias contributed to optimize mobility in the sector. For this purpose, it increased the number of parking spaces by purchasing a plot located on Avenida Las Américas. Corferias installed a parking lot on the property and, in order to facilitate its use by visitors to the fairs, Corferias established free-access circular routes to exit and return to the parking lot.

To have more control on noise-generating activities, Corferias change the presentation times on the central stage and other locations in free areas, so that they end close to 7.00 p.m. and do not disturb the nearby community at night. Likewise, noise emission levels were repeatedly measured during the different fairs and events to comply with the corresponding legislation.

5.1.1. THE “C-BUEN VECINO” (BE A GOOD NEIGHBOR) PROGRAM IS ENHANCED

Corferias “C-Buen Vecino” program, which was created in 2011 with the aim of strengthening the links with the neighboring community, reached 3,000 members at the end of 2013. These people had access to new activities and benefits throughout the year.

This led to the holding of the First Rounds of Health and Wellbeing, which was a free-access event oriented toward health protection and disease prevention through eye and dental examinations, cardiovascular screening, cancer prevention conferences, and supplementary activities such as dance therapy, beauty and cosmetology sessions.

With the aim of providing our neighbors with training in environmental topics, Corferias, with the support of Gaia Vitare, a company expert in this area, held a conference on responsible management and final disposal of electric and electronic home appliances and developed a campaign to collect these type of waste.

Furthermore, bearing in mind that personal security is one of the most important aspects for our neighbors, in alliance with the Police Station of Teusaquillo, a training process was launched through the model of Citizen Security Schools, which will continue in 2014.

Within the framework of cultural promotion and dissemination, the First Poetic and Musical Gathering, promoted by one of our neighbors and leaders in “El Recuerdo” neighborhood was organized and thanks to the support of the Embassy of Mexico in Colombia, the renowned Film Series Corferias was enhanced with classical movies. Likewise, the Theater Series, which has become an entertainment alternative, was staged.

As a part of the benefits provided to the members of the C-Buen Vecino Program, Corferias extended the dates of free access to mass fairs and to close 2013 and celebrate Christmas with the member of the Program, Corferias organized the spectacular Christmas Concert “Great Musical Classical Works of the World.”

In addition, the Corporation kept the C-Eemplea Program, which is a tool that provides the neighboring community with the opportunity of participating in a priority manner in employment offers.

Corferias continued producing the newspaper “enlaC”, which has become a communication means that connects the community with the Fair Corporation and through which topics of interest for the residents and businesses of the area were disseminated. To expand coverage of the newspaper and for it to be accessed on the Internet more easily, the website www.enlac-corferias.com was established.

5.2. LENDING OF AREAS AND SPACES AND SUPPORT FOR SOCIAL WORK

Corferias believes in the importance of synergy for the development of the community and the society as a whole. Accordingly, during 2013, it lent free of charge its halls and pavilions to district authorities and local organizations to develop social promotion programs.

Corferias was venue for relevant events and citizen meetings, including the Local Encounter of Street Vendors, organized by the District Government Secretariat and Teusaquillo Mayor’s Office, to provide an area for the development of productive and sustainable projects. The Account Report of the Teusaquillo Mayor’s Office and the District Congress of Student Leaders, which was an academic-cultural event led by the Personería of Bogota, were also held.

Corferias also supports several foundations and organizations that develop a relevant social work in benefit of vulnerable populations.

In this context, Corferias assisted the task of the “Dividendo por Colombia” Foundation, a non-profit organization committed to the development and implementation of programs and models that facilitate entry and permanence of children and youth in fragile conditions in the public education system. The Corporation and 42 of its collaborators contributed for about 190 children and youth to develop competences and values required to be inserted, in better conditions, into the country’s social and productive life.

One of the tools used by Corferias to benefit vulnerable populations is the transfer of areas for foundations. Thanks to this, these entities may disseminate their social tasks by means of the interaction with visitors and the other companies participating as exhibitors at the fairs.

This way, during 2013, Corferias supported the following foundations: Renovación Social Colombia - No Más Golpes, Corrígeme Sin Pegarme, Portal Mágico, Finacol, SIMMON, Sanar, Fundación Social por Bogotá, Armado Armero, Asociación Obras Sociales en Beneficio de la Policía, Ámese, Fundación Tierra Nativa, Conciencia Social, Banco Nacional de Sangre – Hemolife, Fundación Ecológica Amazonía de Colombia, Hilos de Oro, and Propaís.

5.3. MITIGATION PLAN FOR THE IMPACT OF THE CONSTRUCTION OF ÁGORA BOGOTÁ

The construction of the future International Convention Center Ágora Bogotá will have a very positive impact at the urban planning, economic and social levels. Since this is a very significant subject for the neighboring community, Corferias presented in its edition number 12 of the newspaper “enlaC” the Mitigation Plan of the work, located in the current plot on Avenida La Esperanza; the information was disseminated among the residents of the neighboring communities.

The Mitigation Plan is intended to minimize the impacts and develop actions for the protection of the public areas, optimize mobility through proper signaling, and control other aspects such as noise, garbage, and give an opportune answer to citizen concerns regarding the executions and development of the work.

5.4. COLLABORATORS’ QUALITY OF LIFE

With the aim of responding to their needs and expectations, the Corporation, within the framework of the wellbeing program, has set as its main goal reaching the different sectors, so as, based on the information gathered, to enrich programs and benefits provided to beneficiaries and their families.

Activities were defined for directors, the Executive President, Operational Assistant Director and the Head of Human Resources to have the opportunity to directly get acquainted with the concerns of the collaborators, their challenges and difficulties in the fulfillment of their task, and to share information related to plans and programs designed by Corferias for the collaborators to work in an agreeable environment and, above all, to increase the development opportunities for them and their families.

Meetings with eight areas and the involvement of more than 150 collaborators in these areas enriched the decision-making process in relation to the implementation of specific actions that may address the overall necessities identified. New

agreements for the collaborators were signed, which represented 46% of growth in comparison to the previous year, and alliances focused on aesthetic, recreational and medical topics, were closed to expand the portfolio of benefits and provide a new perspective of the labor context and the assurances given by the Corporation to its collaborators.

Providing specific information on the benefit program and its different advantages was established as mandatory; counseling sessions in topics of interest like housing, education, mobility, clearance house procedures, among others, were held.

Considering the importance of access to credits for education, housing, disaster relief, and vehicles for the collaborators, 57 loans were approved with an approval increase of 19% with regard to 2012, This was possible thanks to the information of policies and rules of those loans and the benefits that the Corporation grants to make access to loans easier. This is why, educational offers in relation to the organization of pre-graduate and post-graduate courses and continuous education are being increasingly used.

Furthermore, and taking into account the dissemination of activities, it is worth noting that the level of participation and sports and health activities increased, with the involvement of 187 collaborators who had access to eye, dental, skin examinations, breast cancer screening, relaxation massages and activities intended to reduce work-related stress.

Considering that incentives to reach a higher level of productivity in the fulfillment of their task is of utmost importance for the collaborators and to motivate the company's sales force, the convention "Uniendo Estrellas 2013" was held for the first time with the participation of 72 collaborators. This event was mainly aimed at consolidating the Customer Relationship Strategy in the commerce, marketing and service areas through the strengthening of teamwork competence, as well as recognizing the achievements made throughout the year.

6. ORGANIZATIONAL DYNAMIC

6.1. INTERNAL STRUCTURE AND HUMAN RESOURCE MANAGEMENT

One of the strategic goals of Corferias is consolidating an organizational culture of innovation, service, quality, global vision and accountability, underpinned by its human team and a comprehensive management system. For this purpose, the Corporation has been strengthening the training process of their collaborators, oriented toward improving their competences, has optimized the personnel selection process, and has developed programs intended to improve their standard of living.

In 2013, involvement of the managerial staff in selection process remained active and competence evaluation methodologies were applied at the level of those positions where they were not applied. Likewise, technical tests oriented toward evaluating knowledge and other specific skills were applied; a tool was acquired to evaluate the way of thinking, behavioral features, and interest of the candidates, crossing them with the ideals defined so as to be able to identify the degree of correlation of candidates with the ideal profile of the post, thus obtaining an evaluation not only of the evident behavior, but the development potential.

Based on the policies, procedures and methodologies defined, we hired new collaborators during 2013, with an average response time of 18 working days, exceeding the goal of 22 working days.

One of the fundamental factors in the performance of the new collaborators is the induction and training process; therefore, the corporate induction methodology was reformulated by implementing activities that allowed new collaborators to know the company's overall information and what the expectations are in relation to them in accordance with standards and behaviors. In prior years, this process lasted 3-4 hours; in 2013, and thanks to the continuous enhancement and improvement of the Corporation's processes, this time was expanded to 7-8 hours of training.

This process has allowed more than 100 collaborators to have access to the benefits that the Corporation has defined for them; furthermore, measurements show that there has not been a significant change in the percentage of comprehension of the information supplied over a term of two months, thus assuring that topics presented were appropriate.

In addition, the methodology to collect and update the information required to develop the specific training for the positions in the commercial and marketing processes was defined by making the responsible people aware of the importance of being opportune and truthful in the provision of information and of the procedures for the fulfillment of functions of the new or promoted collaborators; furthermore, a training matrix was developed for the top positions such as project leaders and commercial coordinators, which account for 15% of our collaborators.

For the development of organizational competences, in 2013, training processes focused on the dissemination and training of the competition known as "Serving with Conviction," which is addressed to 19 service leaders and 131 collaborators who have permanent contact with customers. The work was performed from the service-oriented leadership levels and the development of the Training for Trainers program, which turned them into the corporate culture multipliers and allowed them to be able to train those 131 collaborators that form part of their working teams.

With the collaborators of the base of the company, but who are permanently in contact with customers, the competition Serving with Conviction was developed through a 48-hour theoretical-practical training course, which later were supplemented with the assistance of their leaders and in-field coaching sessions which lasted 36 hours.

In 2013, through the "Liderarte" program, training sessions, which lasted more than 40 hours, and group and individual coaching sessions of 55 hours, which benefited 31 leaders who work as heads or coordinators of all areas, took place to enhance their skills in relation to feedback, accompaniment and leading of their teams.

After a training process of more than 3 years and with the evidence of the effective development of competences, 31 leaders graduated at the end of the year.

The most representative achievements of the "Liderarte" program include the consolidation of a culture of experience and knowledge sharing, which has favored a culture more oriented toward results, not only in the leaders related to the program, but in their working teams, thus making it possible to attain the goals set.

This became evident in the compliance percentage of the Performance Management process, which grew from 78.51% of the population evaluated in 2012 to 97.22% in

2013. It is worth analyzing the behavior of this system with a retrospective vision, finding an increase in the coverage year after year. The result of this is that in 2011, compliance percentage was 19%, 78.51% in 2012, and a rewarding 97.22% in 2013.

Additionally, in 2013, based on the increase and the dynamic of events over recent years, and the new challenges, an action plan oriented toward the modernization of relations with strategic, operational and logistic collaborators was analyzed and defined. The plan will be implemented starting January 1, 2014.

6.2.COMPREHENSIVE MANAGEMENT OF COMMUNICATIONS AND ADVERTISING

With the aim of strengthening institutional and fair positioning and contributing to the management of the commercial and marketing team in the invitation of visitors to fairs, one of the key platforms of Corferias is the comprehensive task of Communications and Advertising.

During 2013, this area was strengthened by means of a strategy based on the following axes: optimization of investment made in media plans and collaboration or swap agreements with the media; the consolidation of the digital strategy as an essential tool to invite visitors to fairs; the strengthening of free-press management; and the improvement of the organizational culture through internal communication.

Some of the relevant results obtained in 2013 included optimization of the budget and annual investment of Corferias in communication media, through pre-purchase processes, which means for the Corporation an average saving in the negotiated media of 40% in rates and a better selection of media that are more appropriate for our institutional and fair communication.

Since 2012, Corferias adopted the Value Improvement Program – VIP, which in 2013 allowed us to access the benefits of media purchase, thus maximizing investment with an increase of 15% in ROI.

Furthermore, agreements and swaps with both specialized and mass media allowed the Corporation to strengthen the visibility of its fairs for an estimated value of \$4,538,162,381.

Likewise, in 2013, the Corferias digital area consolidated the digital communication strategy by identifying 3 channels of interest for its audiences: webpages, social networks and e-mail marketing processes.

The development of procedures and setting of goals for the Corporation's digital channels allowed us to reach important results such as a nomination for Twitter Colombia Awards, as well as one of the 5 best accounts in relation to the dissemination and coverage of events through this social network. Furthermore, the increase in Corferias networks was 230% in terms of the number of followers, in addition to an expansion of the brand presence in 5 social networks.

Concerning webpages, Corferias launched the process to adapt all its fair sites to be accessed from mobile phones and tablets. This adjustment of webpages resulted in an increase in the number of visitors from 1,589,605 in 2012 to 2,125,333 in 2013, accounting for a growth of 25.2%.

In terms of e-mail marketing, the tool of mass mail delivery was implemented. This

tool allowed us to obtain statistical data and results of the campaigns per marketing area; the preliminary phase for the integration of mass mail services into the customer relationship model (CRM) was also launched.

The free-press strategy developed by Corferias for the dissemination of information on its fairs was also improved, prioritizing the quality of contents over the number of publications. Throughout 2013, free-press management represented \$34,968,725,026 for the company, equivalent to 6,209 publications in national communication media.

In 2013, 949 press notes were published in international media, as compared to 616 in 2012, which represented an increase of 35%.

6.3. TECHNOLOGICAL MODERNIZATION

Solutions were developed throughout the year to provide users with technologies and methodologies intended to increase productivity of their participation, by means of modern tools, design and innovation.

Registration and Accreditation Solution: As a part of the process to improve access time to the exhibition facilities, the second version of the web pre-registration was developed with a new registration platform, which is useful to manage personal surveys per fair and origin (national, international). This makes it possible to organize events focused on the integration with the knowledge management platform and relations with customers.

Business Round: A new module of the registration system of opportunities for the exhibitor was designed through a tool to match contacts between exhibitors and visitors. This system facilitates links among companies and improves the negotiation between local and foreign businesses, as well as between small and large businesses.

Additionally, a new context of business round was developed to address the needs of services for third parties, as in the case of the remote administration of business rounds in events like Plataforma K and Sabor Barranquilla.

Pilot Module – Strategic Price Calculator: The “calculator module” was designed and developed to address the new price strategy for fairs targeted in 2014.

Service offer Administration System: As an action intended for continuous improvement, joint work was developed with the Customer Service area to implement the “Service Catalogue System” which makes it possible to request and pay services offered by the Corporation to the different exhibitors through the web platform, which renders the transfer to PLUS facilities unnecessary.

Virtual Company System: A significant advance was the implementation of a tool that manages e-mail marketing plans, as a supplementary strategy to reinforce communication of information campaigns via e-mail.

Corferias App: Corferias developed a mobile solution (app), which make it possible to maintain in real time and in an easy manner the relevant information of the fair calendar for each year. This application will provide access to information on the fair plan, main exhibitors, events within the framework of the fairs, and searches, among others.

Corferias Remote Extension: Due to the new demands as fair and event organizer

outside the exposition facilities of Corferias, a new portable plan of physical and wireless solutions and service server was developed for fair events, which was implemented within the framework of the fair “F-Air” at the airport of Rionegro, Antioquia.

Additionally, as part of the advances in the topics related to internal improvement of the Corporation, actions were developed in subjects such as:

IFRS Solution: In accordance with Law 1314 of 2009, which provides for the convergence toward International Financial Reporting Standards, Corferias, together with software supplier ERP Corporativo Novasoft designed and implemented the module that will support the conversion and administration of the accounting defined by the regulatory entities.

Continuous Improvement of the Administrative Area in topics like contract management, follow-up and control of food and beverage concessions, electronic billing, actions to improve information technology security, updating actions, and improvement to the telecommunication platform, among others.

Intranet: Internal communication and document management of Corferias – The base platform was developed to strengthen the base platform so as to strengthen internal communication of the corporation’s collaborators, as part of the growth of knowledge management.

FINANCIAL

In 2013, Colombia recorded a growth rate of almost 4%. However, we cannot deny that 2013 was a very difficult year in terms of each sector, with the manufacturing industry being the most affected one. This situation was compounded by smuggling, informal economy and impact of national strikes.

2013 inflation, in turn, posted 1.94%, below the inflation target set by the Bank of the Republic between 2% and 4%.

Exchange rate reversed the revaluation trend of the currency, going from a market representative rate (MRR) of \$1,770 in early year to a rate over \$1,900.

Particularly for Corferias, things like the agricultural strike, difficulties in the mining and floriculture sectors and decisions of the District to not to participate in some of the events, among others, represented a challenge throughout the year. However, the Corporation took alternative actions that allowed it to close the year attaining the goals set in terms of EBITDA and net profits.

7.1. OVERALL CONSIDERATIONS TO THE BALANCE SHEET AS AT DECEMBER 31, 2013

Cash available and Temporary Investments

Cash available and temporary investments posted an increase of 412.29% with respect to prior year, closing 2013 at \$11.859 billion. This growth resulted from the increase in the generation of revenues from fairs, events and supplementary services.

Short-term Debtors

The total short-term debtor account reported a 56% growth due to the following factors:

- The increase of \$6.417 billion corresponding to the second payment in the acquisition process of the CEMEX plot located in Avenida las Américas and the plot located in carrera 40 No. 20A - 06 on Pedro León Trabuchy. This value is reflected in debtors because at the end of 2013, the purchase operation was a purchase-sale promise, the value of which was part of the advance payment agreed upon in said contract.
- The payment of \$2.488 billion to the company supplying the machinery required to hold the event “WorldSkills Americas 2014” is booked as an advance payment, according to a mandate contract with SENA. Additionally, the advance payment made to the company that organized the 2014 Livestock Trade Show is also reflected.

It is worth noting the decrease of 3.68% in the customer portfolio, derived from a dynamic collection initiative.

Fixed Assets

Fixed assets decreased 0.29% with regard to the previous year as a result of the disposal of obsolete communication equipment and machinery.

Valuations

In 2013, valuations grew by 14.83%, equivalent to \$43.654 billion as a consequence of the update of valuations that were performed by the firm Borrero Ochoa y Asociados Ltda as per the International Finance Reporting Standards (IFRS).

Financial Obligations and Debt

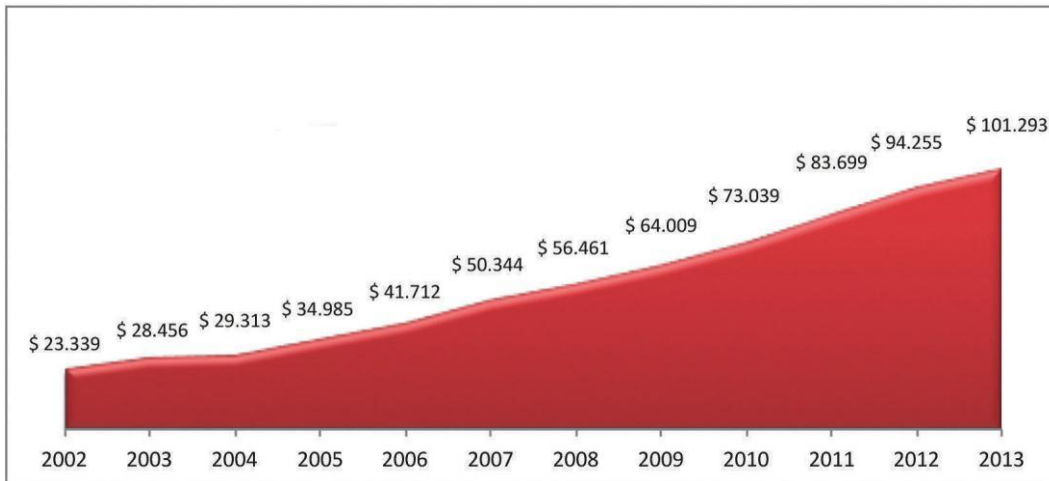
The Corporation fully pay its debts with Banks during the year, closing 2013 without financial debt.

The company’s global debt accounted for 6.54% of its assets, mainly consisting of short-term accounts payable to suppliers and contractors, revenues received in advance and deposits received for fairs in 2014.

7.2. GENERAL CONSIDERATIONS TO THE PROFIT & LOSS STATEMENT

Operational Income

Operational income grew 7.47% in comparison to the prior year, exceeding the \$101.0 billion mark. This positive result is due to the commercial strengthening, actions to innovate the fair and event portfolio and the comprehensive rendering of services.



Fair revenues increased their share with regard to the Corporation's operational revenues, with an 87% share in 2013. Therefore, fair revenues amounted to \$88.394 billion, which mean tan increase of 11.06% from previous year.

Revenues from events, in turn, were \$8.669 billion.

Revenues from supplementary services (parking lots, food courts and leasing) reflected a dynamic behavior directly related to the activity of fairs and events.

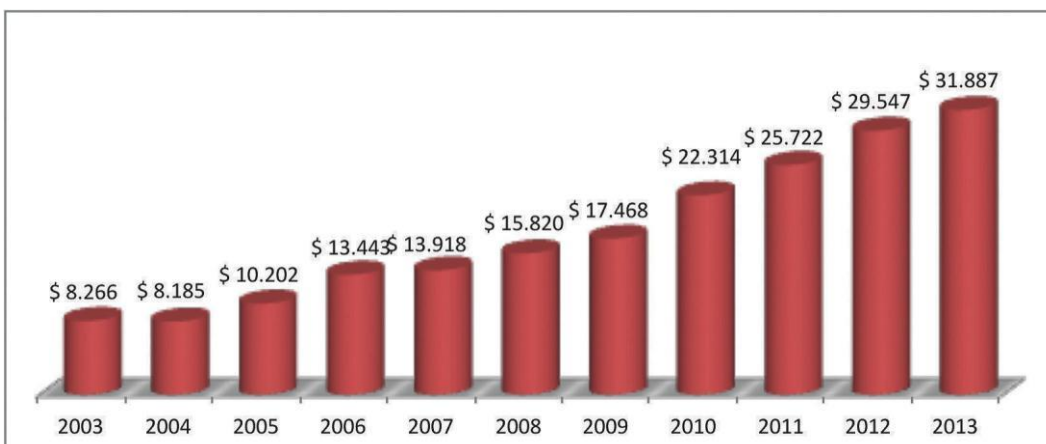
Finally, results in terms of revenues and the efficient control of spending allowed the company to increase the gross margin more than 2.34% in relation to previous year; that is, the total margin posted \$56.456 billion.

Administration

Administration expenses, without taking into account depreciation and amortization decreased -4.1% with respect to the previous year as a result of the shock plan adopted by the Corporation.

EBITDA

During 2013, EBITDA grew 8% from 2012, equivalent to \$2.340 billion. It is worth highlighting that the evolution over the last five years has been positive, going from \$15.820 billion in 2008 up to \$31.887 billion in 2013, for a growth over 102%. This increase has been possible thanks to the expansion and enhancement of the fair calendar, as well as to the innovation dynamic that has incorporated new products in the fair and event activities, and to the budget control of costs and expenses by the Corporation.



Non-Operational Expenses and Income

Non-operational income amounted to \$4.621 billion, in spite of the reduction of the investment portfolio.

Non-operational expenses were related to financial commissions, exchange difference and the support by Corferias to the Buró de Convenciones of Bogotá.

Additionally, in December, the provision of \$1.276 billion, generated for an eventual reconciliation in relation to income tax return in 2009, was reversed. This provision is related to the deduction applied due to the investment of productive assets, taking into account that once the process was evaluated by external advisors, it was considered prudent to proceed with the legal debate and not to reconcile this claim.

Likewise, it was recommended generating a new provision worth \$ 2.807 billion to address tax contingency of the tax process of public events, based on the administrative procedures of the Finance Secretariat, which imposed fines onto Corferias on the grounds of the alleged non-payment of public event tax for the fairs corresponding to the 2005 to 2009 period.

With the above, the operational margin posted \$263 million.

Net Profit

Net profit closed at \$21.638 billion, 3% up from 2012. This profit is the maximum record high of the Corporation.

8. CORFERIAS S.A.S.

Corferias Inversiones S.A.S. was incorporated on April 30, 2012 having Corferias S.A. as its sole partner; at the Shareholders' Meeting, Corferias S.A., is represented by its Legal Representative. Corferias S.A.S. does not have a Board of Directors, but the Board of Corferias S.A. is informed of all matters related to this firm.

Even though it is not mandatory, the company has a Statutory Auditor who is the same that is selected for Corferias S.A. and presents his reports to the Audit Committee of Corferias S.A.

In its second year of activities, the company reported total operational income of \$748 million, derived from the leasing of the plot of Lafayette and Cemex, thus generating a net profit of \$334 million.

The company has assets for \$664 million represented in cash available and temporary investments with 73%, debtors 25% and the balance corresponds to deferred charges and equipment. Liabilities were at \$201 million, mainly in tax payable.

9. LEGAL SITUATION

9.1. LEGAL PROCEEDINGS:

In the proceedings listed below, Corferias is being represented by external lawyers with the highest professional quality, experts in legal matters dealt with in each one of them. Likewise, in the cases of civil liability, Corferias has brought insurance firms with which it had contracted the corresponding insurance policies.

- **Sabz Goltab vs. Corferias:** The applicant has lodged a regular non-contractual

civil liability action on the grounds that having been impossible for the company to participate in the 2012 Home Show, it incurred in economic losses. The process is at the evidentiary stage at the trial court.

- **Martha Isabel Abril vs. Corferias:** Regular process of non-contractual civil liability brought on the grounds of the death a student in the International Book Fair of 2004. An acquittal decision was issued in favor of Corferias at the trial and appeal courts. However, the applicant brought an extraordinary cassation appeal with the Supreme Court of Justice. We are waiting for the notification to present our defense.
- **Corferias vs. Superintendence of Industry and Commerce (Agroexpo, class 35):** Corferias lodged a simple nullity action with the Council of State requesting the annulment of the granting of registration of the brand Expoagro, class 35 to the firm Corporación Colombiana Internacional. The action is pending for evidentiary stage to begin.
- **Corferias vs. Secretariat of Finance:** Corferias lodged a restoration of rights and nullity action against the administrative acts of the District Finance Secretariat that imposed penalties on Corferias for the alleged nonpayment of the tax on public events in the fairs corresponding to the 2005-2009 period. A judgment was handed down against the interest of Corferias. In accordance with the appeal brought by the Corporation, the process was transferred to the appeal court and is pending for sentence.
- **Corferias vs. Superintendence of Industry and Commerce (Book Fair, class 35):** Corferias lodged a nullity action with the Council of State against the administrative act by the Superintendence of Industry and Commerce denying Corferias the registration of the brand Feria Internacional del Libro (International Book Fair), class 35..
- **Opposition against brand FILBO:** The Colombian Book Chamber – CCL requested the unilateral registration of the brand FILBO (abbreviation of Feria Internacional del Libro de Bogotá (International Book Fair of Bogota)). Since Corferias and the Colombian Book Chamber are the original partners of the International Book Fair, the Corporation considered that the unilateral action by the Chamber has resulted in the non-recognition of its rights over the brand. Finally, the CCL accepted to assign 50% of the brand FILBO to Corferias. Presently, the brand assignment is being processed.
- **2009 Income Tax Return:** The Division of Management Inspection of the Tax Sectional Directorate of Major Taxpayers of DIAN brought an inspection process against Corferias related to Income Tax of 2009 fiscal year. As a consequence of the investigation, this Division issued a Special Request against Corferias on June 21, 2012, through which it rejected some deductions for productive fixed assets. In May, a reconsideration request was presented and no response has been received so far.

In addition, in August 2013, DIAN presented a Statement of Objections against Corferias for the inappropriate return of the amounts of money resulting from the abovementioned deductions. The Corporation responded the Statement of Objection in September.

9.2. CORFERIAS DEL PACIFICO LABOR PROCEEDINGS

Several former workers in Peru filed a labor complaint against Corferias del Pacífico because in their opinion, they are entitled to compensation due to the termination of their labor contract as a result of the liquidation of the company in 2012.

According to the Peruvian legislation, when a company is liquidated and, as a result of this, the workers cease activities, no compensation is payable because this case is considered a dismissal with just cause. Given this legal situation, Corferias del Pacífico paid all its labor obligations, but did not indemnify the workers who ceased activities, following the concept and recommendations of the Peruvian legal advisors.

In spite of the fact that the dismissal was based on a just cause which did not give rise to compensation, the labor judges in the trial court have considered that a fund transfer carried out on a date subsequent to the company's liquidation date by Corferias Bogota to honor the economic commitments with Peruvian creditors annulled the dissolution process and estimated that dismissals did not have a just cause and, therefore, they give rise to compensation for the workers. This fact was opportunely notified to the Board of Directors which authorized the Administration to continue with the proceedings and, where applicable, reconcile or make the corresponding payments.

The judgments issued by the trial court were appealed and, in some instances, the appeal court has already handed over judgments confirming the criterion of the trial court. In these cases, we have paid the respective compensations.

It is worth noting that since 2012, when Corferias del Pacífico was liquidated, the contingencies of those labor compensations were duly considered and provisioned and payments have been made with charge to this provision, and funds were transferred to Peru to address all the obligations. In other word, the demanded amounts were included in the liquidation and were already opportunely reported on the financial statements of Corferias Bogotá and Corferias Perú since 2012.

9.3. COPYRIGHTS AND INTELLECTUAL PROPERTY

In relation to the application of Law 603 of July 2000 on copyright and intellectual property, the company has fully complied with the aforementioned law; therefore all fair product brands have their respective registrations which demonstrated their ownership. Likewise, the software used in the computing equipment of the entity is duly licensed and these tools have been provided by suppliers recognized in the market and authorized by the manufacturers of said products.

9.4. AUDIT COMMITTEE AND SIPLA

During the past term, the Audit Committee of the Board of Directors met as provided for by the Law 964 of 2005, exercising its functions as entity overseeing compliance with the audit program and guaranteeing that the financial information of the Corporation is adjusted to all legal provisions. In compliance with the aforementioned legal instrument, the Committee approved the Financial Statements we are presenting today.

In relation to the System for the Prevention of Money Laundering, during 2013, the firm Lozano Consultores, which are experts in this area, was contracted in 2013 to update and improve the Corporation's internal controls. As a result, Corferias

developed a Handbook, a Sipla Code of Ethics, and some updated procedures.

It is satisfying to notify that, according to the report by the Compliance Official of the Corporation, in 2013 no suspicious operation was detected in the transactions carried out by the Entity's Shareholders; these transactions were controlled by the Centralized Deposit of Securities of Colombia Deceval S.A.

9.5. RELEVANT EVENTS AFTER THE FISCAL YEAR

Between December 31, 2013 and the date of presentation of this report to the Board of Directors, no relevant events worth mentioning have occurred.

9.6. OPERATIONS WITH PARTNERS AND ADMINISTRATORS

The operations carried out with partners and administrators of Corferias are presented in the notes to the Financial Statements of this report.

9.7. PROFIT SHARE PAYMENT

The payment of profits caused in the previous fiscal year was strictly complied with, paying the shareholders the respective dividend in the form and on the date provided for by the Shareholders' Meeting.

10. PROGRESS, STRATEGIC PLANNING AND CHALLENGES FOR 2014

Corferias, within the framework of the guidelines of the current strategic planning, the vision defined for the company, the value proposal established for each one of the business units, the strategic goals set and the different projects developed, moved forward with the development of the initiatives oriented toward following the road "To a comprehensive leadership in the industry of Fairs and Events."

Particularly, during 2013, progress was made in each one of the strategic projects developed to attain the proposed vision, and the execution of several initiatives was prioritized (see page 50).

The scope of and progress made in the strategic project presented in the following chart, which are already being executed, have been developed throughout this report. Therefore, it is only necessary to add the progress degree of the initiatives that are at the conceptualization phase and which will be launched in 2014.

These projects include the following:



Project Hotel Corferias: The market research was carried out identifying that, in spite of the growth in hotel infrastructure over recent years, Bogota still has an unsatisfied demand, especially in terms of business tourism, which is the most important demand in the city. Additionally, considering the specific need of the customers of Corferias and the new International Convention Center of Bogota, it is necessary to be able to offer a hotel to the organizers of events and, thus, respond to the needs of local and foreign participants.

Corferias' hotel is estimated to have between 400 and 450 rooms, measuring 34m² on average. The hotel should be oriented toward a public that will consist mainly of people participating in conventions, who prefer standard rooms. This hotel will feature a restaurant providing the three meals, a bar at the lobby and a self-service format.

As part of the hotel supplementary services, an area of about 2,600 m² will be reserved for meetings, as well as a small commercial area available for lease, a spa, a business center and a gym.

The hotel of the size proposed will allow Corferias to broaden the offer of alternatives for its customers and structure packages for the different kinds of customers (organizers, visitors, buyers, exhibitors, among others).

At present, the process to select an operator is being developed with the aim of having a well recognized hotel brand, especially in the environment of the activities related to fairs, events, congresses and conventions. It is of utmost importance that the hotel to be opened simultaneously with CICB.

Ágora Bogotá Operation: Corferias, based on the business model defined for the International Convention Center of Bogota, has established that 2013-2015 will be the period to structure promotion and commercialization actions of CICB and the term to strategically prepare the lines of action that, as a professional operator, will be followed by the completion of the business plan developed.

In this regard, Corferias has counted on the advice of the firm MCI in relation to the market analysis, the determination of the rate model and the analysis of the conditions on the local, national, regional and international markets to attract the different types of event of these important facilities.

Corferias' experience will help to determine an own operation model for CICB, oriented toward establishing a comprehensive management for the development of events from their very conception to their implementation, based on the particular needs of the customers, highlighting the relevance that Corferias grants to processes such as knowledge management of customers and the market, the design of products and services, commercial management, event planning and logistics, added value service development and rendering, among others.

Promotion and management of premises for third-party fairs and events (Puerta de Oro - Barranquilla): On March 3, 2012, a memorandum of understanding was signed between the Center of Events and Exhibitions of the Caribbean and Corferias, through which the desire of joining efforts to structure and execute a portfolio of

fairs, events and conventions was expressed with a view of turning the Puerta de Oro project into the most successful in the Caribbean region.

In this context, the current and potential market was evaluated in respect of fairs and events in Barranquilla and the Caribbean. Synergies and economies of scale were identified, which help optimize resources and encourage fairs and events in this business platform of the Caribbean region. In addition, the potential flows of the CEEC (Caribbean Event and Exhibition Center) were assessed taking into consideration the maintenance and reinvestment resources.

As described above, Corferias has organized and submitted the Proposal for the Operation of the Event and Exhibition Center in Barranquilla. This is an alliance between the CEEC - Puerta de Oro (Event and Exhibition Facilities of Barranquilla), which, upon 60 years of experience in developing and organizing exhibitions and events, and the Corferias experience, allows for the CEEC to currently have a proposal for a Business Model providing both a sustainable place and an ally that will speed up and encourage the trade and business activities throughout this region and the Caribbean. This will have direct and indirect effects on the growth of the main economic sectors.

The CEEC is expected by mid-2014 to state whether the proposal submitted by Corferias will be accepted.

5. CONSIDERATION OF THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2013.

Mr. Guillermo Botero has asked to ignore the balance sheet, income statement, statement of changes in financial position, statement of changes in equity and statement of cash flow as of December 31, 2013, given that all of the shareholders have a copy thereof. Such statements have been available to them from the service date of the notice convening the Meeting (February 28, 2014) and the most significant items thereof have been referred to by the President in the aforementioned management report. Such proposal was unanimously approved by the represented votes: 153,917,969 votes, equal to 92% of the total subscribed shares.

Financial Statements as of December 31, 2013 are as follows:

**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA
FRANCA**

Balance Sheet

For the years ended as of December 31, 2013 and 2012 (Expressed in thousands of Pesos)

<u>ASSET</u>	<u>2013</u>	<u>2012</u>
Current assets		
Available (note 3)	\$ 11,842,321	2,097,960
Temporary investments (note 4)	17,049	216,998
Bad debts (note 5)	26,642,455	17,047,010
Prepaid expenses	248,285	223,360
Deferred charges (note 8)	<u>905,141</u>	<u>634,279</u>
Total current assets	<u>39,655,251</u>	<u>20,219,607</u>
Permanent investments (notes 7 and 34)	11,530,274	11,139,624
Property and equipment (note 9)	127,407,808	127,775,461
Other assets (note 6)	829,932	605,529
Deferred charges (note 8)	1,371,477	841,943
Valuations (notes 10 and 34)	<u>338,015,371</u>	<u>294,361,200</u>
Total assets	\$ <u>518,809,113</u>	<u>454,943,364</u>
Memorandum accounts payable (note 20)	314,865,037	298,147,325
Memorandum accounts receivable (note 20)	<u>59,787,043</u>	<u>57,986,935</u>
Total memorandum accounts	\$ <u>374,652,080</u>	<u>356,134,260</u>
<u>LIABILITY AND EQUITY</u>		
Current liabilities		
Providers	525,813	569,474
Accounts payable (note 11)	9,111,480	6,697,119
Taxes, liens and duties (note 12)	2,851,500	2,278,486
Labor obligations (note 13)	525,735	485,058
Estimated liabilities and provisions (note 14)	6,186,998	3,969,907
Prepaid income (note 15)	5,891,123	4,618,991
Other liabilities (note 16)	<u>6,11,801</u>	<u>3,436,754</u>
Total current liabilities	<u>31,204,450</u>	<u>22,055,789</u>
Retirement pensions (note 17)	2,047,045	2,079,173
Deferred monetary adjustment	<u>677,567</u>	<u>738,096</u>
Total liability	\$ <u>33,929,062</u>	<u>24,873,058</u>
Equity		
Share capital (note 18)	1,673,919	1,673,919
Capital surplus	43,451,721	43,451,721
Statutory and eventual reserves (note 19)	31,954,346	21,472,119
Equity revaluation	48,146,867	48,146,867
Appreciation surplus (note 10)	338,015,371	294,361,200
Profit for the year	21,637,827	20,964,480
Total equity	<u>484,880,051</u>	<u>430,070,306</u>
Total liability and equity	\$ <u>518,809,113</u>	<u>454,943,364</u>
Memorandum accounts payable (note 20)	314,865,037	298,147,325
Memorandum accounts receivable (note 20)	59,787,043	57,986,935

Total memorandum accounts**\$ 356,134,260****374,652,080**

See the accompanying notes.

 Andres Lopez Valderrama
 Legal Representative

 Juan Carlos Sanchez
 Public Accountant
 No. 102419 – T

 Liana Marcela Arango Mayo
 Statutory Auditor
 No. 163815 - T
 Member of KMPG Ltda.
 (See my report dated February
 27, 2014)

**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO
 OPERADOR DE ZONA FRANCA**

Income
 Statement

For the years ended as of December 31, 2013
 and 2012 (Expressed in thousands of Pesos,
 except for the profits per share)

	<u>2013</u>	<u>2012</u>
Operating income (notes 21 and 34)		
Real estate, business and leasing activities	\$ 14.663.374	14.663.374
Entertainment and recreation	88.441.0	79.671.407
Rebates, sales and discounts	(46.756)	(79.814)
	<u>101.293.</u>	<u>94.254.967</u>
Administrative Operating Expenses (note		
Labor costs (note 22)	12.572.1	12.060.154
Fees	1.571.1	858.538
Taxes	3.151.5	4.496.898
Services	3.930.4	4.107.994
Adjustment and installation	1.015.7	2.269.886
Depreciations (note 23)	5.961.4	4.313.493
Amortizations	407.288	600.976
Other (note 24)	3.296.4	3.405.413
Provisions (note 25)	1.255.6	2.299.930
	<u>33.161.9</u>	<u>34.413.282</u>
Sales Operating Expenses (note 34)		
Labor costs (note 22)	2.662.0	2.325.434
Fees	2.747.7	2.044.065
Leasing	794.790	958.131
Contributions and funds	9.037.3	5.153.334
Services (note 26)	13.102.5	11.673.566
Adjustment and installation (note 27)	8.024.6	6.151.678
Commissions	596.032	1.415.349
Provisions (note 25)	2.360.4	2.058.620
Other (note 28)	3.287.2	3.429.064
	<u>42.612.8</u>	<u>35.209.241</u>
Operating Income	25.518.3	24.632.444
Non-operating income (note 34)		
Interest income	27.720	24.026
Exchange difference	238.198	97.847
Financial income	679.598	364.439
Dividends and interest (note 7)	1.089.4	1.812.730
Equity method income	334.073	284.585
Recoveries (note 29)	2.037.5	1.350.809
Improvements	67.620	131.548
Other (nota 30)	146.508	113.523
	<u>4.620.7</u>	<u>4.179.507</u>
Non-operating expenses		
Interest	56.637	660.360
Financial expenses (note 31)	333.502	256.344
Sales and property removal loss	1.749	18.624
Equity method loss	-	1.725.011
Overhead expenses	387.321	445.400
Donations	531.575	321.675
Other (note 32)	3.047.4	171.060
	<u>4.358.1</u>	<u>3.598.474</u>

Non-operating proceeds - net		<u>262.574</u>	<u>581.033</u>
Earnings before income tax		25.780.9	25.213.477
Income tax and complementary taxes (note 33)		<u>4.143.1</u>	<u>4.248.997</u>
Profits at the end of the year	\$		20.964.480
Profits per share (in Pesos)	\$		125.32

See the accompanying notes.

Andrés Lopez Valderrama
Juan Carlos Sanchez

Liana Marcela
Arango Mayo

Legal Representative

Public
Account

Statutory
Auditor

No. 102419 - T

No. 163815 - T

Member of
KPMG Ltda.

(See my report dated February
27, 2014)

**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA
FRANCA**

Statement of Changes in Equity

For the years ended as of December 31, 2013 and 2012 (Expressed in thousands of Pesos,
except for the share information)

	<u>Share</u> <u>Capital</u>	<u>Capital</u> <u>Surplus</u>	<u>Statutor</u> <u>y and</u> <u>Eventua</u> <u>l</u> <u>Reserve</u> <u>s</u>	<u>Equity</u> <u>Revaluati</u> <u>on</u>	<u>Appreciati</u> <u>on</u> <u>Surplus</u>	<u>Profit for</u> <u>the year</u>	<u>Total</u> <u>Equity</u>
Balance at	\$	43,478,0	12,620,9	48,146,86	280,237,5	17,697,38	403,854,7
Dec. 31,	1,673,9	87	18	7	32	0	03
2011	19						
Dividends paid in cash							
\$52,88 per share, in 167,287,79 7	-	-	-	-	-	(8.846,17 9)	(8.846,17 9)
subscribed and paid shares; paid in Oct. 2012							
Equity method adjustment	-	(26,366)	-	-	-	-	(26,366)
Statutory and eventual reserve appropriati on	-	-	8,851,20 1	-	-	(8,851,20 1)	-
Movement for the year	-	-	-	-	14,123,66 8	-	14,123,66 8
Profit for the year	-	-	-	-	-	<u>20,964,48</u> <u>0</u>	<u>20,964,48</u> <u>0</u>
Balance at	1,673,9	43,451,7	21,472,1	48,146,86	294,361,2	20,964,48	430,070,3
Dec. 31,	19	21	19	7	00	0	06
2012							
Dividends paid in cash							
\$62,88 per share, in 167,287, 797	-	-	-	-	-	(10,482,2 53)	(10,482,2 53)

subscribed and paid shares; paid in Sep. 2013							
Statutory and eventual reserve appropriati on	-	-	10,482,2 27	-	-	(10,482,2 27)	-
Movement for the year	-	-	-	-	43,654,17 1	-	43.654.17 1
Profit for the year	=	=	=	=		<u>21,637,82</u> 7	<u>21,637,82</u> 7
Balance at Dec. 31, 2013	\$	43,451,7 19	31,954,3 46	48,146,86 7	338,015,3 71	21,637,82 7	484,880,0 51

See the accompanying notes.

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(See my report dated
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**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA
FRANCA**

Statement of Changes in the Financial Position

For the years ended as of December 31, 2013 and 2012 (Expressed in thousands of Pesos)

	<u>2013</u>	<u>2012</u>
FINANCIAL RESOURCES FROM:		
Profit for the year	\$ 20,964,480	
	21,637,827	
Plus (less) items not affecting the working capital:		
Depreciations	5,961,488	4,313,493
Amortizations	407,288	600,976
Other asset provision - administrative expense	867,018	1,911,287
Other asset provision - fairs expense	2,360,467	2,058,620
Deferred charges	.	153,841
Property and equipment retirement loss, net	1,749	18,624
Other asset provision repayment - administrative and fair expenses	(1,689,376)	(999,206)
Equity method adjustment	-	(26,366)
Decrease in retirement pensions	(32,128)	(507,279)
Decrease in long term financial obligations	-	(9,600,000)
Monetary adjustment credit	<u>(60,529)</u>	<u>(60,528)</u>
Working capital from operations	<u>29,453,804</u>	<u>18,827,942</u>
FINANCIAL RESOURCES USED IN:		
Permanent investments	390,650	317,924
Property and equipment	5,95,585	8,974,099
Deferred charges	528,533	-
Other assets	2,169,800	3,688,001
Decreed dividends	<u>10,482,253</u>	<u>8,846,179</u>
Total used resources	<u>19,166,821</u>	<u>21,826,203</u>
Increase (decrease) in the working capital	\$ (10,286,983)	(2,998,261)
Changes in the working capital items		
Increase (decrease) in the current assets:		
Available	9,744,361	133,860
Temporary investments	(199,949)	206,120
Bad debts	9,595,445	734,965
Prepaid expense and deferred charges	295,787	104,031
Other assets	<u>-</u>	<u>(2,039)</u>
	19,435,644	1,176,937
Increase (decrease) in the current liability:		
Financial obligations	-	2,400,00
Providers	43,661	221,296
Accounts payable	(2,414,361)	(1,207,940)
Taxes, liens and duties	(573,014)	(548,448)
Labor obligations	(40,677)	43,896
Estimated liability and provisions	(2,217,091)	(2,049,104)
Prepaid income	(1,272,132)	(2,147,218)
Other liabilities	<u>(2,675,047)</u>	<u>(887,680)</u>
	<u>(9,148,661)</u>	<u>(4,175,198)</u>
Increase (decrease) in the working capital	<u>\$ 10,286,983</u>	<u>(2,998,261)</u>

See the accompanying notes.

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(See my report dated February 27,
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**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA
FRANCA**

Statement of Cash Flows

For the years ended as of December 31, 2013 and 2012 (Expressed in thousands of Pesos)

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	\$ 21,637,827	20,968,480
Reconciliation between profit for the year and net cash from operating activities:		
Depreciations	5,961,488	4,313,493
Amortizations	407,288	600,976
Bad debts provision	388,663	388,642
Other asset provision - administrative expense	867,018	1,911,287
Other asset provision - fairs expense	2,360,467	2,058,620
Allowance for social benefits	1,372,431	1,286,973
Property and equipment retirement provision, net	1,749	18,624
Other asset provision repayment	(1,689,376)	(999,206)
Bad debts provision repayment	(25,944)	(148,387)
Social benefits payment	(858,552)	(790,168)
Equity method (profit) loss, net	<u>(334,073)</u>	<u>1,440,426</u>
	<u>30,088,986</u>	<u>31,045,760</u>
Changes in operating items:		
Bad debts increase	(9,958,164)	(975,220)
(Increase) Decrease in prepaid expense and deferred charges, net	(824,321)	49,810
Increase in other assets	(2,169,800)	(3,685,962)
Decrease in providers	(43,661)	(221,296)
Increase in accounts payable	2,391,790	1,195,028
Increase in taxes, liens and duties	573,014	548,448
Decrease in labor obligations	(473,202)	(540,701)
increase in estimated liability and provisions	2,217,091	2,049,104
Increase in retirement pensions	(32,128)	(507,279)
Increase in prepaid income and deferred monetary adjustment, net	1,211,603	2,086,690
Increase in other liability	2,675,047	887,680
NET CASH FROM OPERATING ACTIVITIES	<u>25,656,255</u>	<u>31,932,062</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Decrease (increase) in investment	143,372	(1,990,836)
Increase in property and equipment	<u>(5,595,585)</u>	<u>(8,974,099)</u>
TOTAL CASH USED IN INVESTMENT ACTIVITIES	<u>(5,452,213)</u>	<u>(10,964,935)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Decrease in financial obligations	-	(12,000,000)
Dividends paid in cash	(10,459,681)	(8,833,267)
TOTAL CASH USED IN FINANCING ACTIVITIES	<u>(10,459,681)</u>	<u>(20,833,267)</u>
NET INCREASE IN CASH AND CASH EQUIVALENT	9,744,361	133,860
CASH AND CASH EQUIVALENT BALANCE AT THE BEGINNING OF THE PERIOD	<u>2,097,960</u>	<u>1,964,100</u>
CASH AND CASH EQUIVALENT BALANCE AT THE END OF THE PERIOD	<u>\$ 11,842,321</u>	<u>2,097,960</u>

See the accompanying notes.

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**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA
FRANCA**

Notes to the Financial Statements

For the years ended as of December 31, 2013 and 2012 (Expressed in thousands of Pesos)

(1) Reporting Entity

Corporación de Ferias y Exposiciones S.A., a Free Trade Zone Operator User, hereinafter the Company, is a joint-stock company incorporated under Public Deed No. 3640 dated July 18, 1955, of the Second (2^{dn}) Notary's Office of Bogota, D.C., which length shall be until July 2099.

The corporate purpose is the promotion of the industrial and business development at the local, national and international levels; and strengthen the friendship and cooperation links between Colombia and the friend countries. Organize national and international fairs, exhibitions in the industrial, business, farming or scientific areas in their facilities or elsewhere, in Colombia or a foreign country; and encourage and organize the participation of Colombia in fairs and exhibitions in other countries.

The Company is registered with the Chamber of Commerce of Bogota.

The Company was declared to be a Special Permanent Free Trade Zone Operator User upon Resolution No. 5425 dated June 20, 2008. Pursuant to Public Deed No. 2931 dated July 25, 2008, of 48th Notary's Office of Bogota, D.C., registered on July 28, 2008, under number 01231243 of book IX, the Company changed its name from Corporación de Ferias y Exposiciones S.A., to Corporación de Ferias y Exposiciones S. A. Usuario Operador de Zona Franca.

(2) Significant Accounting Policies

(a) Preparation and Presentation

These financial statements have been prepared and presented following the generally accepted accounting principles in Colombia, and the instructions provided by the Financial Superintendency of Colombia in respect of accounting for and valuation of permanent investments in shares.

(b) Materiality or Relative Significance

Economic facts are recognized and presented according to their relative importance. When preparing these financial statements, materiality was determined in respect of total current assets and liabilities, total assets and liabilities, working capital, equity, or in respect of the financial period, as the case may be.

(c) Investments

Investments are recorded at cost, which does not exceed the market value.

Non-controlling permanent investments are accounted for according to the provisions of External Release 11 of 1998, issued by the Financial Superintendency of Colombia, which provides as follows:

- If the realization value of an investment exceeds the book value, such difference shall be the investment value. The investment is recorded in the appreciation item and equity being its counterparty, affecting the appreciation surplus item.

- If the realization value of an investment is below the book value, such difference shall be an investment depreciation. If accounted for in the appreciation item and equity is its counterparty in the appreciation surplus, notwithstanding that the net balance of accounts could be different than the financial statement item where it appears.
- Investments in subsidiaries where the Company is entitled to dispose of profits, are accounted using the equity method at the end of the period; an accounting method used to originally register the investment at cost and subsequently increase or decrease its value based on the changes in the subsidiary's equity.

(d) Related Parties

The Company discloses as related parties the assets, liabilities and operations in shareholders, administrators and subsidiary companies.

(e) Use of Estimations

The preparation of the financial statements, in accordance with the generally accepted accounting principles, requires the Company's management to record the estimations and provisions affecting the value of reported assets and liabilities, and to show contingent assets and liabilities as of the date of the financial statements. The real results might differ from such estimation.

(f) Cash Equivalents

For the purposes of the statements of cash flows, the items of the available group are deemed to be cash equivalents.

(g) Bad debts provision

The bad debts provision is estimated according to the account recoverability:

- 5% for debts expired between 31 and 180 days.
- 50% for debts expired between 181 and 365 days.
- 100% for debts expired more than 365 days.

The Management has selected this policy to protect the Company's interest by applying a higher provision than required by the tax regulations.

(h) Deferred charges

Deferred charges correspond to cost and expense in favor of future periods and which might not be recovered. Amortization is recognized from the date it contributes to income generation, taking into consideration the following:

- Software in a period not exceeding three (3) years.
- Expenses from fairs correspond to fair event expenses, which are to take place in 2014, and are to be amortized in the month of the event.
- Deferred income tax is amortized in the period in which the temporary differences causing such taxes are reversed.
- Deferred monetary adjustment charges; as from April 1, 2004 they are amortized within a term of thirty (30) years, which is the time through which constructions and buildings are depreciated, as provided in the policy on useful life for Buildings and Constructions.

- Fair decoration items are amortized according to the policy approved by the Management, as defined based on the useful life of such items. Such policy is as follows:

Decoration materials

Furniture	3 years
Mechanic, electric and electronic equipment	5 years

- Organization and pre-operational expenses correspond to expenditures to bring forward the legal formalities to get the land lot pursuant to the promissory purchase agreement signed by Cemex Colombia S.A.

(i) Other assets - intangible

Intangible assets are registered at the acquisition cost and include inflation adjustment until December 31, 2006.

As of December 31, 2012, the “Feria Colonias” brands are recorded, which are fully amortized with the straight line method to 10 years.

In 2013, the Company started negotiations to acquire two fair brands, which are currently undertaken as a consortium through a specialized consulting firm.

Assets received as payment are art works from the Fundacion Jovenes Artistas Colombianos, paying out an obligation of 2006.

(j) Property and equipment

Property and equipment are accounted at the acquisition cost and include the accrued inflation effect as of December 31, 2006.

Depreciation is calculated using the straight line method over the inflation adjusted cost as per the estimated useful life of every asset, as follows:

	<u>Years</u>
Constructions and buildings	30
Machinery and equipment	10
Office supplies	10
Computer and communication equipment	5
Transportation fleet and equipment	5

Improvements and extraordinary repairs extending the useful life of an asset are capitalized; other repairs and preventive maintenance are recorded in the results of the period.

(k) Appreciations and Depreciations

Accounting policies relating to recognition of appreciations and depreciations are registered as follows:

Investments in corporations

When valuating the non-controlling permanent investments, if the value of the realization exceeds the book amount, the differences generate an appreciation in the period, which is carried in the appreciation item against appreciation surplus.

If the realization value is below the book value, the difference might first affect the appreciation and the appreciation surplus, up to its amount, if any, and, if exceeding, such value becomes a depreciation, which might affect the aforementioned items as a lower value, notwithstanding that the net balance of such items may have an opposite nature.

Property and Equipment

Property and equipment result from comparing the technical valuation against their net book value, when the technical valuation exceeds the book value, the difference is accounted as appreciation in the balance accounts; otherwise, the difference is recorded as depreciation charged to results.

Valuations are performed every three years. In the meantime, valuations are updated based on the customer price index for average income.

In November 2013, the technical valuation was performed in agreement with the generally accepted accounting principles in Colombia, and was included in the balance sheet as of December 31, 2013.

(I) Taxes, liens and duties

The income tax expense is determined based on the taxable revenue. The effect of the temporary differences involving the determination of lower or higher taxes in the current year, as estimated with the current rates, is recorded as deferred tax assets or liabilities, as the case may be, provided that there is reasonable expectation to revert such differences.

Pursuant to article 25 of Law 1111 of 2006, dated December 31, 2010, the Company recorded equity tax in an amount of \$1,127,691 against the equity revaluation item without affecting the results of the period. For 2011, according to number 11 of Article 191 of the Tax Regulation, the event and convention centers where the Chambers of Commerce mostly participate and which are incorporated as State industrial or business companies or corporations with mixed economic models, which state equity interest exceeds 51%, provided that they have been duly authorized by the Ministry of Commerce, Industry and Tourism, the equity tax shall not be recorded.

Upon enactment of Law 1607 of 2012, taxation was reformed in Colombia. In such regard, the reform intended to guarantee the legal stability recognized for free trade zones; therefore the special income regimen was not modified.

Regarding the new equity income tax (CREE), it was provided not to be applied to free trade zones; however, the elimination of parafiscal contributions for employees being paid less than 10 effective legal minimum monthly wage, is not applied to free trade zones.

Finally, and as a measure for better control of free trade zones, the system of transfer price to free trade zone users in all their transactions.

The Company has been authorized as a Special Permanent Free Trade Zone Operator User upon resolution No. 5425 dated June 20, 2008, thus the Income Tax is calculated at a rate of 15% since 2008.

As regards the sales tax, the reform unified the VAT rates in 5% and 16% the general tax. In respect of the real estate business, the VAT rate for business leasing stood at 16%, which means a significant change, given that the Company was applying a rate of 10%, being the artisan and culture fairs exempted from this tax.

(m) Retirement Pensions

The retirement pension obligations represents the current value of all future obligations the Company shall pay to such employees fulfilling the requirements of the law as for age, seniority and others.

The current liability value charged to the Company is determined annually based on an actuarial analysis according to the regulations of the Financial Superintendency of Colombia. The amortization is charged to results according to Decree 4565, dated December 7, 2010, of the Ministry of Finance and Public Credit.

(n) Deferred Income

Deferred income corresponds to the anticipated billing on future fair leasing. Amortization is as per the completion date of every event.

(o) Memorandum Accounts

Memorandum accounts take third party operations that, given their nature, do not affect the Company's financial position. Such accounts used for internal control and differences between accounting records and tax returns are included therein.

(o) Income, Cost and Expense Recognition

Income from fair and non-fair activities are caused when the events take place. This represents a final exchange operation when the risks and benefits are transferred to the exhibitor; services income, when services are provided or during the contract term. Costs and expenses incurred during the operations are recognized through accrual accounting.

(q) Transactions and Balances in Foreign Currency

Transactions and balances in foreign currency are translated to Colombian Pesos at the market representative rate as certified by the Financial Superintendency of Colombia.

Operations in foreign currency are accounted for in Pesos at the current exchange rate at the transaction date. Balance of assets and liabilities in foreign currency, as of December 31, 2013 and 2012, are translated to Colombian Pesos at the market representative rate of 1,926.23 (in Pesos) and 1,768.23 (in Pesos), respectively. The exchange difference resulting from the asset and liability adjustment is recorded in the results.

(r) Real Estate, Business and Leasing Activities

This item accounts for income from leasing areas and providing services directly related to the organization of non-fair events.

(s) Entertainment and Recreation

This registers income from leasing areas and performance of services in the organization and development of fair events.

(t) Net Profit per Share

As of December 31, 2013 and 2012, for the determination of the net profit per share, the number of outstanding shares equivalent to 167,287,797 was used.

The net profit per share amounts up to 129.34 (in Pesos) and 125.32 (in Pesos), respectively.

(3) Available

Following is the available balance as of December 31:

	<u>2013</u>	<u>2010</u>
Legal currency:		
Cash	\$ 500	4,437
Banks	367,941	48,133
Saving accounts	<u>11,457,206</u>	<u>2,033,681</u>
	<u>11,825,647</u>	<u>2,086,251</u>
Foreign currency reduced to legal currency		
Cash (1)	9,273	772
Banks (2)	<u>7,401</u>	<u>10,937</u>
	<u>16,674</u>	<u>11,709</u>
	<u>\$ 11,842,321</u>	<u>2,097,960</u>

(1) Equivalent to US\$ 4,812.45 and US\$ 436.39

(2) Equivalent to US\$ 3,480.95 and US\$ 6,185.10

As of December 31, 2013 and 2012, there are restrictions on the available balance or bank reconciliation items affecting the income statement.

The increase of the available balance results from resources the SENA (the National Learning Service), submitted for the WorldSkills event to be held in 2014.

(4) Temporary Investments

Following are the temporary investments as of December 31:

	Effective annual interest rate		Effective annual interest rate	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Legal currency:				
Trust duties:				
Superior Open Group Portfolio	3.09	6.43	\$ 8,195	18,993
Rentar Open Group Portfolio	2.6	5.69	8,854	185,280
Credifondo Open Group Portfolio	0	5.38	<u>—</u>	<u>12,725</u>
			<u>\$ 17,049</u>	<u>216,998</u>

The values represented in the interest rates are averaged out as per the acquired titles.

As of December 31, 2013 and 2012, there are no restrictions on investments.

(5) Debtors

Following are the details of this item as of December 31:

	<u>2013</u>	<u>2012</u>
Clients	\$ 5,769,543	5,989,722
Advances (1)	3,417,165	193,600
Promissory purchase agreements (2)	17,222,509	10,805,107
Accounts receivable	5,209	5,294
Advanced taxes and complementary taxes	.	10,745

Accounts receivable from employees	411,415	380,047
Loans to individuals	-	-
Bad debts	<u>2,121,422</u>	<u>1,604,584</u>
	28,947,263	18,989,099
Less Provision	<u>(2,304,808)</u>	<u>(1,942,089)</u>
	\$ 26,642,455	17,047,010

(1) The increase results from the advance to Imocom S.A., in the amount of \$2,488,415, to purchase the machinery to be used in WorldSkills 2014, and to the contractors of the new projects the Company will start in 2014.

(2) The increase in promissory purchase agreements is mainly caused by the second installment in the amount of \$6,000,000 by CEMEX, S.A. to purchase the land lot nearby the parking lot area. The negotiation of this land lot started in 2011 with a first payment in the amount of de \$10,805,107.

In 2013 in this item, the first payment of the promissory purchase agreement was made to Inversiones AMBV in the amount of \$417,401. Such land lots will be acquired to use and optimize the parking areas for clients and visitors of the Company.

Bad debts provision

Following is the movement of the bad debts provision as of the years ended December 31:

	<u>2013</u>	<u>2012</u>
Starting balance	1,942,089	1,708,818
Plus: Provision charged against operation expense	388,663	388,642
Less: Penalties (1)	-	(6,984)
Less: Provision repayment	<u>(25,944)</u>	<u>(148,387)</u>
Closing balance	<u>2,304,808</u>	<u>1,942,089</u>

(1) Approved by the General Direction, pursuant to the powers granted by the Board of Directors, Act 1177, dated November 20, 2002.

Debts by maturity as of December 31 are as follows:

	Expired in 2013					
	Current Balances	1 - 30 days	31 - 90 days	91 - 180 days	181 - 365 days	More than 365 days
Clients	\$ 5,769,543	2,486,684	1,847,624	671,270	117,051	286,914
Advances	3,417,165	3,417,165	-	-	-	-
Promissory purchase agreements	17,222,509	17,222,509	-	-	-	-
Accounts receivable	5,209	4,182	-	-	-	1,027
Advanced taxes and contributions	-	-	-	-	-	-
Accounts receivables from employees	411,415	411,415	-	-	-	-
Bad debts	<u>2,121,422</u>	-	-	-	-	<u>2,121,422</u>
	<u>28,947,263</u>	<u>23,901,955</u>	<u>1,847,624</u>	<u>971,270</u>	<u>117,051</u>	<u>287,941</u>
Less provision	<u>(2,304,808)</u>	-	-	<u>(33,564)</u>	<u>(5,851)</u>	<u>(143,971)</u>
	<u>\$ 26,642,455</u>	<u>23,901,955</u>	<u>1,847,624</u>	<u>637,706</u>	<u>111,200</u>	<u>143,970</u>

	Expired in 2012					
	Current Balances	1 - 30 days	31 - 90 days	91 - 180 days	181 - 365 days	More than 365 days
Clients	\$ 5,989,722	3,322,757	982,487	729,023	395,405	560,050
Advances	193,600	193,600	-	-	-	-
Promissory purchase agreements	10,805,107	10,805,107	-	-	-	-
Accounts receivable	5,294	16	-	2,513	557	2,208
Advanced taxes and contributions	10,745	10,745	-	-	-	-
Accounts receivables from employees	380,047	380,047	-	-	-	-
Bad debts	<u>1,604,584</u>	-	-	-	-	<u>1,604,584</u>
	<u>18,989,099</u>	<u>14,712,272</u>	<u>982,487</u>	<u>731,536</u>	<u>395,962</u>	<u>562,258</u>
Less provision	<u>(1,942,089)</u>	-	-	<u>(36,577)</u>	<u>(19,798)</u>	<u>(281,130)</u>
	<u>\$ 17,047,010</u>	<u>14,712,272</u>	<u>982,487</u>	<u>694,959</u>	<u>376,164</u>	<u>281,128</u>

Clients with portfolio correspond to billing on participation in fair, non-fair events and provided services to the exhibitors. The accounts receivable item includes interests, dividends receivable and others.

(6) Other Assets

Following are the other assets item as of December 31:

	<u>2013</u>	<u>2012</u>
Intangible assets - acquired brands (1)	\$ 63,768	-
Assets received as payment	66,400	66,400
Electric items	214,722	134,276
Construction and plumbing materials	172,332	134,815
Stationery	188,347	167,290
Food supplies, cleaning and clothes	<u>124,363</u>	<u>102,748</u>
	\$ 829,932	605,529

(1) During 2013 the Company started the negotiations to purchase the fair brands, which are currently in association. For such purposes, the valuation and negotiation with the owners are being discussed through an international firm.

(7) Permanent Investments

Following are the permanent investments as of December 31:

		<u>2013</u>						
	%	Acquisition	Equity	Adjusted	Provision	Net value	Intrinsic	Appreciation
	interest	cost	method	cost			value	(depreciation)
Alpopular Almacen General de Deposito S.A.	28.90	9,364,082	-	9,364,082	(5,048)	9,359,034	34,656,987	25,297,953
La Previsora S.A. Compañía de Seguros	0.13	3,037,186	-	3,037,186	(1,602,873)	1,434,313	490,236	(944,077)
Centro de Exposiciones y Convenciones de Bucaramanga	1.17	174,448	-	174,448		174,448	176,894	2,446
Corferias Inversiones S.A.S	100.00	128,460	334,073	462,533	-	462,533	-	-
Coporación Metropolitan Club	-	142,903	-	142,903	(79,601)	63,302	-	-
Promotora Club El Nogal S.A.	-	36,547	-	36,547	-	36,547	-	-
Acerías Paz del Rio S.A.	-	<u>97</u>	<u>-</u>	<u>97</u>	<u>-</u>	<u>97</u>	<u>22</u>	<u>(75)</u>
		\$ 12,883,723	334,073	13,217,796	(1,687,522)	11,530,274	35,324,139	24,356,247

		<u>2012</u>						
	%	Acquisition	Equity	Adjusted	Provision	Net value	Intrinsic	Appreciation
	interest	cost	method	cost			value	(depreciation)
Alpopular Almacen General de Deposito S.A.	28.90	\$ 9,051,380	-	9,051,380	(5,048)	9,046,332	34,366,324	25,319,993
La Previsora S.A. Compañía de Seguros	0.13	3,037,186	-	3,037,186	(1,602,873)	1,434,313	546,284	(888,029)
Centro de Exposiciones y Convenciones de Bucaramanga	1.17	174,448	-	174,448		174,448	172,798	(1,650)
Corferias Inversiones S.A.S	100.00	100,000	284,585	384,585	-	384,585	-	-
Coporación Metropolitan Club	-	142,903	-	142,903	(79,601)	63,302	-	-
Promotora Club El Nogal S.A.	-	36,547	-	36,547	-	36,547	-	-
Acerías Paz del Rio S.A.	-	<u>97</u>	<u>-</u>	<u>97</u>	<u>-</u>	<u>97</u>	<u>38</u>	<u>(60)</u>
		\$ 12,542	284,585	12,827,146	(11,687,522)	11,139,624	35,085,444	24,430,254

As of December 31, 2013 and 2012, there are no investment restrictions.

The investment valuation was adjusted based on the intrinsic value certificates as of November 30, 2013, provided by the companies in which the Company has shares, except for Acerías Paz del Rio, which estimation was made with the value quoted in the exchange market of Colombia as of November 30, 2013.

As of December 31, 2013 and 2012, the economic activity and number of shares the Company has in issuing companies are as follows:

Issuer	Economic activity	Amount	Class	Amount	Class
Alpopular General de Deposito S.A. (1)	Almacenes Warehouses	23,260,035	Common	23,050,569	Common
La Previsora S.A. Compañía de Seguros	Insurance	1,337,031	Common	1,337,031	Common
Corferias Inversiones S.A.S (2)	Leasing of areas	100,000	Common	100,000	Common
Centro de Ferias y Exposiciones de Bucaramanga (1)	Organization of fair events	16,021	Common	16,021	Common
Acerias Paz del Rio S.A. (1)	Iron production	1,885	Common	1,885	Common

- (1) Such investments are permanent investments with non-controlling variable income. Following are the companies that generated dividends or interest:

Entity	<u>2013</u>	<u>2012</u>
Alpopular Almacen General de Deposito S.A.	\$ 1,042,346	1,796,075
La Previsorsa S.A. Compañía de Seguros	<u>47,137</u>	<u>16,655</u>
	<u>\$ 1,089,483</u>	<u>1,812,730</u>

- (2) The Company incorporated, on April 30, 2012, its subsidiary Corferias Inversiones S.A.S., which capital is \$100,000, with the Company as the single shareholder. When calculating the equity method, net profits in the amount of \$334,622 were obtained, which were recognized in the income statement.

The corporate purpose of Corferias Inversiones S.A.S., is any legally economic activity both in Colombia and in foreign countries. The corporation shall, in general, perform all operations, whatever their nature, relating to the aforesaid purpose, as well as any other like, related or complementary activities, or such activities allowing for the performance or development of trade activities or the company's industry. The corporation currently performs as parking lot manager in the land lots of Lafayette and Cemex Colombia S.A.

(8) Deferred expenses

Deferred expenses are as follows:

	<u>2013</u>	<u>2012</u>
Short term:		
Organization pre-operations	\$ 125,919	122,382
Software	88,803	5,456
Fair expenses (1)	630,114	446,637
Deferred income tax	35,185	32,270
Deferred monetary adjustment charges	<u>25,120</u>	<u>27,534</u>
	<u>905,141</u>	<u>634,279</u>
Long term:		
Software	59,675	9,244
Deferred income tax	199,385	182,860
Deferred monetary adjustment charges	477,282	523,153
Fair decoration items	<u>634,135</u>	<u>126,686</u>
	<u>1,370,477</u>	<u>841,943</u>
	<u>\$ 2,275,618</u>	<u>1,476,222</u>

The amortization cost for 2013 and 2012, amount to \$407,288 and \$600,976, respectively.

- (1) Marketing research expense, fees, stationary, telemarketing services, airline tickets and advertising of fairs to take place in 2014.

(9) Property and Equipment

	<u>2013</u>		
	Adjusted cost	Adjusted depreciation	Net book value
Land	\$ 9,819,187	-	9,819,187
Under construction	4,106,838	-	
Constructions and buildings	165,491,177	57,611,780	107,879,397

Machinery and equipment	6,510,936	3,066,682	3,444,254
Office supplies	2,881,199	1,518,252	1,362,947
Computer and communication equipment	3,182,669	2,540,744	641,925
Transportation fleet and equipment	<u>503,154</u>	<u>349,894</u>	<u>153,260</u>
	192,495,160	65,087,352	127,407,808

	2012		
	Adjusted cost	Adjusted depreciation	Net book value
Land	\$ 9,030,997	-	9,030,997
Under construction	2,181,841	-	2,181,841
Constructions and buildings	165,194,214	52,484,271	112,709,943
Machinery and equipment	4,858,369	3,195,960	1,662,409
Office supplies	2,927,183	1,382,408	1,554,775
Computer and communication equipment	2,429,816	2,784,320	645,496
Transportation fleet and equipment	<u>335,920</u>	<u>335,920</u>	-
	\$ 187,958,340	60,182,879	127,775,461

As of December 31, 2013 and 2012, there are no asset restrictions.

(10) Appreciations / depreciations

The following table shows the appreciations and depreciations:

	<u>2013</u>	<u>2012</u>
Investments:		
Appreciations	\$ 25,300,399	25,319,993
Depreciations	<u>(944,152)</u>	<u>(889,739)</u>
	<u>24,356,247</u>	<u>24,430,254</u>
Property and equipment: (1)		
Real property	312,877,686	267,635,640
Personal property	<u>781,438</u>	<u>2,295,306</u>
	<u>313,659,124</u>	<u>269,930,946</u>
	<u>\$ 338,015,371</u>	294,361,200

(1) The trade valuations of real estate, machinery and equipment, office supplies, computer and communication equipment, and transportation were performed on November 6, 2013. Such valuations were performed by Borrero Ochoa y Asociados Ltda, in accordance with the Generally Accepted Accounting Principles (GAAP) in Colombia.

In 2012 the valuations were updated based on the costumer price index for average income of 2.44%.

(11) Accounts payable

Accounts payable are detailed in the following table as of December 31:

	<u>2013</u>	<u>2012</u>
To contractors (1)	\$ 1,169,428	504,860
Costs and expenses payable:		
Commissions	100	100
Fees	623,156	375,198
Technical services	1,564	18,107
Maintenance services	541,792	55,735
Leasing	270,572	6,971
Representation and public relations expenses	32,120	21,580

Transportation, fleets and transport	117,264	21,382
Public services	223	-
Other - advertising (2)	5,167,177	4,733,667
Insurances and travel expenses	<u>11,176</u>	<u>1,124</u>
	<u>6,767,144</u>	<u>5,233,864</u>
Withholding at source	779,850	323,945
Withheld sales tax	-	161,370
Withheld industry and trade tax	56,836	101,721
Withholdings and payroll contributions	79,440	151,690
Dividends payable (3)	154,448	131,876
Various creditors	<u>104,337</u>	<u>87,793</u>
	<u>\$ 9,111,480</u>	6,697,119

(1) For 2013 and 2012, balance corresponds to invoices payable to contractors for assemblies completed for the events of December 2013.

(2) Acquired obligations for advertising, and participation of strategic partners to develop certain events, and recording of \$ 2,488,415 to Imocom S.A., for import of the machines of WorldSkills 2014, organized by the SENA, which, at December 31, 2013, were still outstanding.

(3) The dividends payable corresponds to accounts in favor of minority shareholders, who have not completed the relevant formalities to receive such payments.

(12) Taxes, liens and duties

The following table shows the taxes, liens and duties item as of December 31:

	<u>2013</u>	<u>2012</u>
Sales payable	\$ 1,155,344	569,044
Industry and trade	244,860	280,677
Tourism	57,406	86,958
Revenue and complementary	<u>1,393,890</u>	<u>1,341,807</u>
	<u>\$ 2,851,500</u>	<u>2,278,486</u>

(13) Labor obligations

The following table shows the labor obligations as of December 31:

	<u>2013</u>	<u>2012</u>
Wages payable	\$ 24,335	1,742
Consolidated severance	288,424	282,456
Severance interests	34,687	34,421
Consolidated vacations	140,618	126,255
Extra-legal benefits	<u>37,671</u>	<u>40,184</u>
	<u>\$ 525,735</u>	485,058

(1) The cost and expense provision is made to paid expenses that, at the end of the period, have not been invoiced by providers and contractors.

(2) For 2013, a provision in the amount of \$ 2,806,883 was included to satisfy the legal process of public shows tax. In May 2013, the Administrative Court of Cundinamarca ruled against the Company, in the first instance. The process is still pending in a second instance before the State Council.

(15) Prepaid Income

The following table shows the prepaid income as of December 31:

	<u>2013</u>	<u>2012</u>
Leasing	\$ 253,526	117,606
Participation in fairs 2014 and 2015 (1)	5,601,936	4,462,538
Monetary adjustment credit	<u>35,661</u>	<u>38,847</u>
	<u>\$ 5,891,123</u>	4,618,991

(1) Corresponding to the anticipated billing in participation in events to be held in 2014 and 2015; being the SENA billing the most representative one with 56% for the WorldSkills event to be held in March 2014.

(16) Other liabilities

Following are the details of the client deposits for their participation in the fair events, as of December 31:

	<u>2013</u>	<u>2012</u>
Meditech	\$ 262,611	27,766
Expoartesanas	143,185	150,146
Management	138,638	141,930
Beauty and Health Fair	47,847	209,531
International Fair of Bogota	92,782	84,404
Agroexpo	45,567	456,207
Home Fair	51,270	127,723
Book Fair	97,924	109,857
Colombia Petroleum Show	39,480	63,621
Fair of the Colonies	22,459	27,858
Textile Show	8,210	8,210
Expoconstruction & Expodesign	92,503	1,393,436
International Auto Show	34,981	69,561
Fima	38,284	454
Alimentec	131,940	16,183
Babies & Kids Fair	8,434	17,948
Furniture and Decoration Show	5,600	5,600
Gastronomic Festival	10,501	14,830
Exposcience - Expotechnology	624	624
Expomilitary	-	4,000
Responsible Colombia	13,526	8,624
Expoffers	2,500	2,500
Fashion Show	9,659	9,659
Andinapack	<u>1,368</u>	<u>857</u>
	\$1,299,893	2,951,529

	<u>2013</u>	<u>2012</u>
Brought Forward	\$1.299.893	2.951.529
Mechanical	301	301
Andigrafica	1.995	2.062
Fixed, Non-fair Events	59.797	25.525
Exposervicios	1.552	1.552
Expomarketig	16.969	16.969
Avanza	56	360
Real Estate Fair	16.457	13.046
Non-fair Event Food Court	42.914	10.577
Automatiza	765	159.161
Non-fair Events Minors	71.959	93.101
Proflora	142	113
Non-fair Event Parking Lots	475	393
Fadja	490	229
Young Entrepreneurs	2.560	2.560
Anato	160	160
Expocotelco	414	414
Sports Fair	40	40
Leather Show - February	149	40
Leather Show - August	553	403
Furniture and Wood Industrial Showcase	100.012	12
Campus Party	-	-
Expoinversión Colombia	5.644	5.644
Sofa	1.822	1.201
Expopartes	860	860
Mining	367	7.235
Expo Oil & Gas	97.482	1.356
Expospeciales	5.055	4.669
Artbo	22.416	19.897
International Dental Fair	2.381	-
Expodefensa	1.780	2.050
Expoestatal	6	1.886
Bicentenario	68	68
Cebú	35	35
Edudidactica	1.317	99
Movilidad	4.076	2.461
Expofamilia	8	8
Exposeñales	1.670	1.670
Expoestudiante	-	78
Colombia 3.0	65	39.137
Efficiency and Safety	3.176	-
Smart Cities	2.784	-
Car Audio Final	150	-
WorldSkills Américas 2014 (1)	4.309.816	-
Others	33.170	33.169
	<hr/>	<hr/>
	6.111.801	3.400.070
	<hr/>	<hr/>
Warranty Withholdings (2)	-	36.684
	<hr/>	<hr/>
	\$6.111.801	3.436.754

(1) Is for a payment made by Servicio Nacional de Aprendizaje -SENA, by virtue of the mandate agreement made with the Corporation for the purchase of machinery needed for the WorldSkills 2014 event

(2) Warranty withholdings on construction contracts carried out in 2012, withholdings that were reimbursed in 2013 as the agreed-upon terms were fulfilled

(17) Retirement Pensions

The following are the retirement pension's movements:

	2013	2012
Actuarial calculation as of December 31 previous year	\$ 2.079.173	2.586.452
Minus: Provision recovery	<u>32.128</u>	<u>507.279</u>
Actuarial calculation as of December 31	\$ <u>2.047.045</u>	<u>2.079.173</u>

The corporation annually contracts an actuary calculation study of its pension liabilities that for the years that ended in December 31, 2013 and 2012, used a technical interest of 4.8% in accordance with article 1 decree 2783 of 2001. The number of people that the calculation covers is six and six beneficiaries for both years, between retired personnel and those with fixed post-mortem revenue.

The corporation adopted article 1 of Decree 4565 of December 7, 2010 of the Ministry of Treasury and Public Credit, in the sense of amortizing the actuarial calculation generated with the mortality tables for Men and Women Renters, updated by the Financial Superintendence of Colombia by virtue of resolution 1555 of July 30, 2010, given that the Corporation had already amortized 100% of the actuarial reserve as of December 31, 2009.

(18) Social Capital

As of December 31, 2013 and 2012, the authorized capital is \$2,000,000 represented by two hundred million (200,000,000) shares with a nominal value of ten pesos (\$10) each and the subscribed and paid-in capital as of December 31, 2013 and 2012 is comprised of 167,391,943 common shares with a nominal value of ten pesos (\$10) each.

As of December 31, 2013 and 2012, the Corporation owns 104,146 reacquired treasury shares, whose inherent rights are currently suspended while under ownership of the Corporation.

(19) Mandatory and Occasional Reserves

The following is the detail of the reserves as of December 31:

	<u>2013</u>	<u>2012</u>
Legal reserve	\$ 839.708	839.708
Reserve for the reacquisition of treasury shares	1.164	1.164
Reacquired treasury shares	(1.042)	(1.042)
Occasional Reserves	<u>31.114.516</u>	<u>20.632.289</u>
	\$ <u>31.954.346</u>	<u>21.472.119</u>

Legal Reserve

In accordance with legal provisions, all entities must establish a legal reserve assigning ten percent (10%) of net profits of each period until achieving fifty percent (50%) of the subscribed capital, the reserve may be reduced to less than fifty per cent (50%) of the subscribed capital when its purpose is to wipe-off accumulated losses from undistributed earnings, the legal reserve shall not be used to pay dividends or to cover expenses or losses during the time on which the entity has undistributed profits.

Occasional Reserve

An occasional reserve was created with the authorization of the Ordinary General Assembly of Shareholders held on March 21, 2013 for an amount of \$10,482,227, in order to pay priorities determined by the general assembly of shareholders.

(20) Memorandum accounts

The following is the detail of the memorandum accounts as of December 31:

		<u>2013</u>	<u>2012</u>
Debtors			
Fiscal debtors	\$	261.775.621	245.020.043
Payables:		5.346.450	5.346.450
Property, plan and equipment fully depreciated		117.419	117.419
Assets written off Other accounts payables		357.609	395.475
Adjustments for asset inflation		<u>47.267.938</u>	<u>47.267.938</u>
	\$	<u>314.865.037</u>	<u>298.147.325</u>
Creditors Adjustment for equity inflation	\$	<u>59.787.043</u>	<u>57.986.935</u>

(21) Operational revenue

The following is the detail for operational income for the years ending on December 31:

		<u>2013</u>	<u>2012</u>
Real estate, corporate and leasing activities	\$		12.898.852
		14.663.374	
Entertainment and Relaxation		88.441.064	79.671.407
Sales returns, rebates and discounts		<u>(46.756)</u>	<u>(79.814)</u>
	\$	<u>101.293.160</u>	<u>94.254.967</u>

(22) Personnel Expenses

The following is the detail for personnel expenses for the years ending on December 31:

		<u>2013</u>	<u>2012</u>
Administration			
Salaries and benefits	\$	9.645.821	9.168.418
Pensions		238.46	264.159
Parafiscal contributions		8.682.650	666.694
Contributions pension funds		876.562	826.650
Contributions E.P.S. and A.R.P.		710.812	657.095
Others		<u>417.808</u>	<u>477.138</u>
		<u>\$12.572.121</u>	<u>12.060.154</u>
Sales			
Salaries and benefits	\$	2.132.135	1.877.783
Parafiscal contributions		152.56	129.134
Contributions pension funds		3.200.839	165.785
Contributions E.P.S. and A.R.P.		151.346	128.600
Others		<u>25.140</u>	<u>24.132</u>
		<u>\$2.662.023</u>	<u>2.325.434</u>

(23) Operational expenses for Administration Depreciation

The following is the detail for the expenses for depreciation for the years ending on December 31:

	<u>2013</u>	<u>2013</u>
<u>Construction and buildings</u>	<u>\$5,128,367</u>	<u>3,326,381</u>
<u>Machinery and equipment</u>	<u>311,094</u>	<u>239,314</u>
<u>Office equipment</u>	<u>225,911</u>	<u>225,717</u>
<u>Computer and communications equipment</u>	<u>282,142</u>	<u>497,224</u>
<u>Fleet and transportation equipment</u>	<u>13,974</u>	<u>24,857</u>
	<u>\$5,961,488</u>	<u>4,313,493</u>

(24) Operational expenses for Administration Others

The following is the detail for operational expenses for administration others for the years ending on December 31:

	<u>2013</u>	<u>2012</u>
Leasings	\$ 225.067	226.301
Contributions and affiliations	224.648	196.286
Insurance	354.563	403.664
Legal expenses	19.166	18.738
Maintenance and repairs	798.572	698.051
Travel expenses	300.405	208.779
Representations and public relations expenses	344.903	284.412
Supplies, stationery and photocopies	70.654	179.228
Taxis and buses	103.969	83.366
Meals and restaurant	79.333	140.175
Parking lots	1.237	1.000
Decoration and maintenance items	726.348	893.106
Others	<u>47.557</u>	<u>72.307</u>
	\$ <u>3,296,422</u>	<u>3,405,413</u>

(25) Provisions

The following is the detail for the administration provisions for the years ending on December 31:

	<u>2013</u>	<u>2012</u>
Provision for debtors	388.663	388.643
Provision Other Assets - Administration (1)	<u>867.018</u>	<u>1.911.287</u>
	<u>1.255.681</u>	<u>2.299.930</u>

The following is the detail on the fair provisions:

Colombia Petroleum Show	-	120.000
Expoartesanas Fair	1.134.858	857.053
Mobility and Transportation	13.262	-
Health and Beauty Fair	21	-
Corporate event	64.000	81.265
Home Fair	171	-
Sofa	30.000	64.312
Artbo	-	56
Expoestatal Fair	-	5.200
Bogota International Fair	-	20
Grand Real Estate Fair	20	4.427
International Automobile Fair	-	672.695
Colombia 3.0	-	12.900
WorldSkills Américas 2014 (1)	260.500	-
E.Net expo	947	-
Aeronautics	3.000	-
Smart Cities	10.040	-
Moto Go	56.500	-
Expocomerciales	143.000	-
Expospeciales	83.726	-
Colombian Oil Gas Congress	524.534	-
Babies and Kids Fair	30.000	-
International Book Fair	5.888	-
Expodefensa	-	<u>240.000</u>
	<u>\$ 2.360.467</u>	<u>2.058.620</u>

(1) For the years 2013 and 2012, the provisions are for public utilities, maintenance and repairs that were carried out in the month of December on the exhibition facilities.

(26) Operational Expenses for Service Sales

The following is the detail for operational expenses for service sales for the years ending on December 31:

	<u>2013</u>	<u>2012</u>
Sanitation and security	\$871.462	762.929
Temporary	1.944.558	1.796.051
Technical assistance	29.555	9.538
Aqueduct and sewer system	225.341	230.456
Electrical power	1.075.116	1.024.873
Telephone	18.517	23.782
Mail, deliveries and telegram	232.112	302.705
Gas service	31.685	23.413
Transportation freight and shipping	304.690	201.270
Propaganda and advertising	7.850.637	6.985.408
Others	<u>518.857</u>	<u>313.141</u>
	<u>\$13.102.530</u>	<u>11.673.566</u>

(27) Operational expenses for sales Conditioning and Installation

The following is the detail for operational expenses for conditioning and installing and repairing rental space for the years ending on December 31:

	<u>2013</u>	<u>2012</u>
Electrical installations	\$ 342.996	204.241
Decorative arrangements	7.512.408	5.728.074
Rental space repairs	<u>169.277</u>	<u>219.363</u>
	<u>\$ 8.024.681</u>	<u>6.151.678</u>

(28) Operational expenses for Sales Others

The following is the detail for operational expenses for sales, others for the years ending on December 31:

	<u>2013</u>	<u>2012</u>
<u>Maintenance and repairs</u>	<u>\$ 146.870</u>	<u>101.712</u>
<u>Travel expenses</u>	<u>921.094</u>	<u>649.872</u>
<u>Representations and public relations expenses</u>	<u>280.044</u>	<u>486.157</u>
<u>Supplies and stationery</u>	<u>888.565</u>	<u>888.326</u>
<u>Meals and restaurant</u>	<u>226.977</u>	<u>153.394</u>
<u>Taxis and buses</u>	<u>84.964</u>	<u>49.608</u>
<u>Decoration and maintenance items</u>	<u>630.152</u>	<u>1.019.115</u>
<u>Others</u>	<u>108.536</u>	<u>80.880</u>
	<u>\$ 3.287.202</u>	<u>3.429.064</u>

(29) Non-operational income Recoveries

The following is the detail for recoveries for the years ending on December 31:

	<u>2013</u>	<u>2012</u>
Debtor provision reimbursement	\$ 25.944	148.387
<u>Reimbursement of provisions other assets(1)</u>	<u>1.689.376</u>	<u>999.206</u>
<u>Reimbursement for breach of contract</u>	<u>128.956</u>	<u>58.548</u>
<u>Reimbursement other costs and expenses</u>	<u>193.297</u>	<u>144.668</u>
	<u>\$ 2.037.573</u>	<u>1.350.809</u>

(1) In the year 2013, the Board of Directors approved reimbursement of the provision made in the year 2012, for the purpose of settling the process with the Directorate of Taxes and National Customs regarding income 2009, after analyzing the possibilities of success presented by the advisors handling the case.

(30) Non-operational revenue Others

The following is the detail for non-operational income for the years ending on December 31:

	<u>2013</u>	<u>2012</u>
Claims	\$ -	30.394
Contract breach	8.340	1.835
E.P.S. Leave	16.422	6.081
Peso adjustment	1.366	155
Employee phone calls	13.869	11.343
Income from Previous Periods	42.796	-
<u>Credit amortization deferred monetary correction</u>	<u>63.715</u>	<u>63.715</u>
	<u>\$ 146.508</u>	<u>113.523</u>

(31) Financial Non-operational Expenses

The following is the detail for financial expenses for the years ending on December 31:

		2013	2012
Bank Expenses	\$	4	493
Commissions		189.672	145.150
Exchange difference		<u>143.826</u>	<u>110.701</u>
	\$	<u><u>333.502</u></u>	<u><u>256.344</u></u>

(32) Other non-operational expenses

The following is the detail for non-operational expenses for the years ending on December 31:

		2013	2012
Fines, sanctions and litigation (1)		\$2.967.790	69.462
Other costs and expenses		79.625	101.598
		<u>\$3.047.415</u>	<u>171.060</u>

(1) In May, 2013, the Administrative Court of Cundinamarca ruled in first instance against the Corporation in the legal process for public performances tax, therefore on December 31, provisioning the estimated amount of the sanction and tax was determined for a total of \$2.808.883.

		2013	2012
Net profit before income tax		\$25.780.966	25.213.477
Plus non-deductible expenses			
Industry and Trade Tax Provision		300.885	307.932
Tourism tax		182.266	176.545
Vehicle tax expense		3.197	1.964
Public performance tax expense		16.809	-
<u>The follow</u> Tax expense financial movements lien		229.858	323.653
Expenses other taxes		7.582	-
Affiliations and contributions		17.128	16.551
Maintenance and repairs		80.878	-
Conditioning and Installations		470.945	-
Stamps		38.740	-
Indemnity for damages to third parties		863	8.019
Debtor provision expense		388.662	388.643
Provision expense for administration and fair		85.557	635.287
Provision expense public utilities		35.826	-
Provision expense fiscal requirements (RENTA		-	1.276.000
Provision expense other assets		330.465	2.058.620
Losses in sales and asset removal		1.749	18.624
Losses sharing method		-	1.725.011
Costs and expenses from previous periods		242.838	354.954
Assumed taxes		96.119	42.160
Fines and sanctions		2.967.790	69.461

(33)	Non-deductible donations	1.500	-
	Expenses lower amounts	59.407	60.190
	Carried Forward	31.340.030	32.677.091

	2013	2012	Complemen entary and income tax
Brought Forward	31.340.030	32.677.091	
Minus Fiscally Deductible Expenses			<u>The following</u>
Expenses applied to provisions	-	(2.155.126)	<u>is the</u>
Paid Ica tax	(280.677)	(213.668)	<u>agreement</u>
Recovery fiscal portfolio provision	(334.547)	(168.016)	<u>between the</u>
Fiscal difference in exchange investment generated Peru	-	(363.167)	<u>accounting</u>
Minus Untaxed Income			<u>profit and</u>
Untaxed Dividends	(980.535)	(1.812.730)	<u>taxable income</u>
Reimbursement and/or recovery of provisions	(1.659.670)	(491.206)	<u>estimated as of</u>
Income sharing method	(334.073)	(284.585)	<u>December 31:</u>
Recovery bad debt for portfolio write-offs	-	(74.194)	
Total estimated taxable income	27.750.528	27.114.399	
Current tax (15%)	4.162.579	4.067.160	
Additional provision margin	-	22815	
Deferred tax to be collected	(19.440)	159.022	
Total income tax expense	<u>\$4.143.139</u>	<u>4.248.997</u>	

As of December 31, the following temporal differences originate the deferred tax movement:

	<u>2013</u>	<u>2012</u>	
<u>Deferred income tax to be collected</u>			
Reconciliation between accountable equity and fiscal as of December 31:			
	<u>2013</u>	<u>2012</u>	
Income Tax	\$ 4.162.579	4.089.975	
Minus: Advances, withholdings & self-withholdings	2768.689	2.748.168	
	<u>1.393.890</u>	<u>1.341.807</u>	<u>The</u>
	<u>2013</u>	<u>2012</u>	
Accountable liquid equity	\$ 484.880.051	430.070.306	
Highest fiscal amount Permanent investments	14.037.774	13.305.947	
Provision costs and expenses	451.848	538.781	
Lowest fiscal amount portfolio provision	811.064	587.486	
Highest fiscal amount real estate	19.049.222	17.109.497	
Lowest deferred income tax to be collected	(234.570)	(215.130)	
Lowest fiscal amount fiscal requirements provision	2.806.883	1.276.000	
Lowest fiscal amount investment appreciation	(24.356.248)	(24.430.254)	
Lowest Land and construction appreciation	(313.659.123)	(269.930.946)	
Fiscal equity	<u>\$ 183.786.901</u>	<u>168.311.687</u>	

statements for years 2012 and 2011 are pending review by the National Tax and Customs Administration.

The Corporation was authorized as an Operator User of a Special Permanent Free Trade Zone by virtue of resolution No. 5425 of June 20, 2008, therefore the Income Tax is calculated at a rate of 15%, from the year 2008.

(34) Transactions with Related Parties

Main shareholders, members of the Board of Directors and companies where the Corporation has investments over ten percent (10%) or where there are economic, administrative or financial interests are considered as related parties. Also, companies where the shareholders or members of the Board of Directors have holdings over ten percent (10%).

Below are the balances and transactions carried out directly with the associated companies and administrators.

	<u>2013</u>	<u>2012</u>
<u>Chamber of Commerce of Bogota</u>		
<u>Operational revenue:</u>		
<u>Entertainment and Relaxation</u>	<u>1.573.507</u>	<u>1.759.444</u>
<u>\$</u>	<u>283.274</u>	<u>110.945</u>
	<u>\$ 1.856.781</u>	<u>1.870.389</u>

	<u>2013</u>	<u>2012</u>
Operational expenses administration: Others:		
Staff training	\$ 1.037	584
Insurance	7.659	-
Legal expenses	2.517	2.473
Services	-	9.149
Others	335	305
Processing and licenses	556	1.814
	<u>\$ 12.104</u>	<u>14.325</u>
Operational sales expenses: Others:		
Technical consultancy	762.352	408.783
Legal Expenses	-	4
Commissions	85.413	74.853
Others	344	220
	<u>\$ 848.109</u>	<u>483.860</u>
Members of the Board of Directors:		
Operational expenses to administration:		
Fees	\$ -	43.646

	<u>2013</u>	<u>2012</u>
Alpopular Almacén General de Depósitos S.A.		
Permanent investments	<u>\$ 9.364.082</u>	<u>9.051.380</u>
Securitizations	<u>\$ 25.297.953</u>	<u>25.319.993</u>
Operational revenue:		
Entertainment and relaxation		12.869
Real estate, corporate and rental activities	<u>\$ 210.1049</u>	<u>18.252</u>
	<u>\$ 1.259</u>	<u>31.121</u>
Non-operational revenue:	<u>\$ 1.042.346</u>	1.796.075
Dividends and Holdings Recoveries		2.234
	<u>\$ 1.042.346</u>	<u>1.796.075</u>
Operational expenses administration: Others:		
Leasings	<u>\$ 8.955</u>	<u>6.403</u>
	<u>\$ 8.955</u>	<u>6.403</u>

Corferias Inversiones S.A.S.

	<u>2013</u>	<u>2012</u>
<u>Permanent investments</u>	\$ 462.533	384.585
<u>Costs and expenses to be paid</u>	\$ -	108.926
<u>Non-operational income:</u>		
<u>Income Sharing Method</u>	\$ 334.073	284.585

Transactions with related parties are carried out under the same conditions that are contracted with third parties.

The following are operations that were carried out with the legal representative and administrators:

	<u>2013</u>	<u>2012</u>
<u>Asset:</u>		
<u>Accounts payable to workers</u>		
<u>Andrés López Valderrama</u>	\$ -	4.993
<u>Delia Ines Neira Bustos</u>	66.274	76.610
<u>Carlos Martín Camargo Pérez</u>	16.830	25.763
<u>Mario Cajiao Pedraza</u>	24.170	=
<u>Mauricio Paredes García</u>	18.479	7.117
<u>Lyda Paola Navas Lindo</u>	-	6.507
<u>Martha Lucía Carvajal Gutiérrez</u>	1.344	=
<u>Roberto Vergara Roberto</u>	23.057	22.738
<u>Helena Vargas Angarita</u>	69	1.152
<u>Martha Marisol Suarez Laverde</u>	=	2.174
	\$ 150.223	147.054
<u>Non-operational revenue - Interest:</u>		
<u>Delia Ines Neira Bustos</u>	\$ 4.671	5.522
<u>Carlos Martín Camargo Pérez</u>	1.608	502
<u>Mario Cajiao Pedraza</u>	998	=
<u>Mauricio Paredes García</u>	42	171
<u>Roberto Vergara Restrepo</u>	1.481	=
	\$ 8.800	7.026

These operations and loans were granted under the same conditions as those for all Corporation officials.

(33) Reclassifications

As of December 31, 2013 and 2012, some accounts were reclassified for the purposes of filing financial statements.

(34) Subsequent Events

No situations took place after December 31, 2013 and as of the date of the report to the Tax Auditor that might have an impact on the financial statements.

8°. CONSIDERATION OF THE PROFIT DISTRIBUTION PROJECT

The President submitted the profit distribution project for consideration by the Assembly, where two payment dates are contemplated: one on April 20, 2014 to all shareholders that own up to 6% of the outstanding shares, and another on October 30, 2014 to shareholders that own more than 6% of the outstanding shares.

Dr. Fernando Londoño Benveniste, in representation of Assets Bank Benveniste Londoño asked for the floor and asked if the financial closing was done under International Financial Reporting Standards (IFRS), otherwise asking the Assembly to not approve the financial statements or to postpone the Assembly, given that in his opinion, applying IFRS can affect the value of the Corporation's assets and therefore the intrinsic value of Corferias shares, which is an essential element for proceeding to approve the financial statements.

The tax auditing office, represented by Doctor Boris Forero explained that based on IFRS regulations, the financial statements of Colombian companies as of December 31, 2013 do not have to be done under IFRS yet.

Doctor Lopez added, pointing out that the Administration along with the Board of Directors has been carrying out a process of adjusting the accounting to IFRS, strictly complying with the timelines and terms established in the legal system, and that in fact the Assembly's order of the day has established filing an advance report on the matter as an express point (Point 9 of the Order of the Day).

With regard to asset valuation, Doctor Lopez stated that within the IFRS implementation timeline, the necessary appraisals have been carried out for said implementation, which have been taken into account in the creation of the financial statements as of December 31, 2013 just as can be found in Note No. 10 to the financial statements.

In order to shed more light on the subject of IFRS, given Doctor Londoño's question, the President of the Assembly proposed to again modify the order of the day to make point 9 change to point 6. The modified order of the day is as follows:

1. Quorum verification.
2. Reading and approval of the Order of the Day.
3. Designation of the Minutes Review and Approval Committee.
4. Presentation of the 2013 Board of Directors and CEO Management Report
5. Consideration of the Financial Statements as of December 31, 2013.
6. International Financial Reporting Standards.
7. Tax Auditor Report
8. Consideration of the Profit Distribution Project
9. Approval of the Management Report, of the Financial Statements, of the Tax Auditor Report and the Profit Distribution Project.
10. Share Marketability Study.
11. Bylaw Reform.
12. Election of the members of the Board and fee assignment.
13. Propositions and Various.

The shareholders approved the modification of the order of the day unanimously with the votes present, that is, for a total of 153.917.969 votes corresponding to 92% of the total subscribed shares.

6°. INTERNATIONAL FINANCIAL REPORTING STANDARDS

Doctor Andrés López Valderrama reported that IFRS standards have been implemented in accordance with the timelines established by the National Government. Corferias forms part of Group 1 due to its being a securities issuer registered in the National Securities Registry. He adds that the entire project has been carried out in total harmony with the Chamber of Commerce of Bogota (CCB).

As for the definition of IFRS policies for Corferias, the following is in place:

PROPERTY AND EQUIPMENT

The Corporation, based on the characteristics of the properties (institutional) and following the recommendations of our advisors, and in accordance with the CCB, opted for giving the following treatment to its assets:

IFRS Opening Balance 1 - Fair value or revaluation as attributed cost: The cost of certain property entries was determined with reference to the securitization of the previous GAAPs (Borrero Ochoa y Asociados Ltda. appraised). The Corporation opted for applying the optional exemption to use this aforementioned revaluation as an attributed cost as of January 1, 2014, which is the transition date.

Initial recognition - Opening balance:

- Personal property: Attributed cost (Fair Value)
- Real Property: Attributed cost (Fair Value)

In the above measurement the properties and equipment that fulfill the conditions for being recognized as assets shall be measured by their cost. The cost includes the expenses that are directly attributable to the asset's acquisition. When parts of a property, plant and equipment entry have different service lives, they are registered as separate property, plant and equipment entries (important components).

Subsequent measurement:

- Cost Model: Personal and real property.
- Straight line depreciation.
- Residual Value: According to an expert opinion

Component 1: Constructive Chapters that correspond to 22% of the cost of the building with a maximum service life of 30 years.

Component 2: Constructive Chapters that correspond to 78% of the cost of the building with a maximum service life of 80 years.

Service life buildings 30-80 years

Service life personal property: Office Equipment 10 years, Computing equipment 5 years.

CORPORACION DE FERIAS Y EXPOSICIONES S.A. OPERATOR USER
OF FREE TRADE ZONE
APPRAISAL IMPACT OF ASSETS UNDER IFRS
INFORMATION AS OF DECEMBER 31, 2013

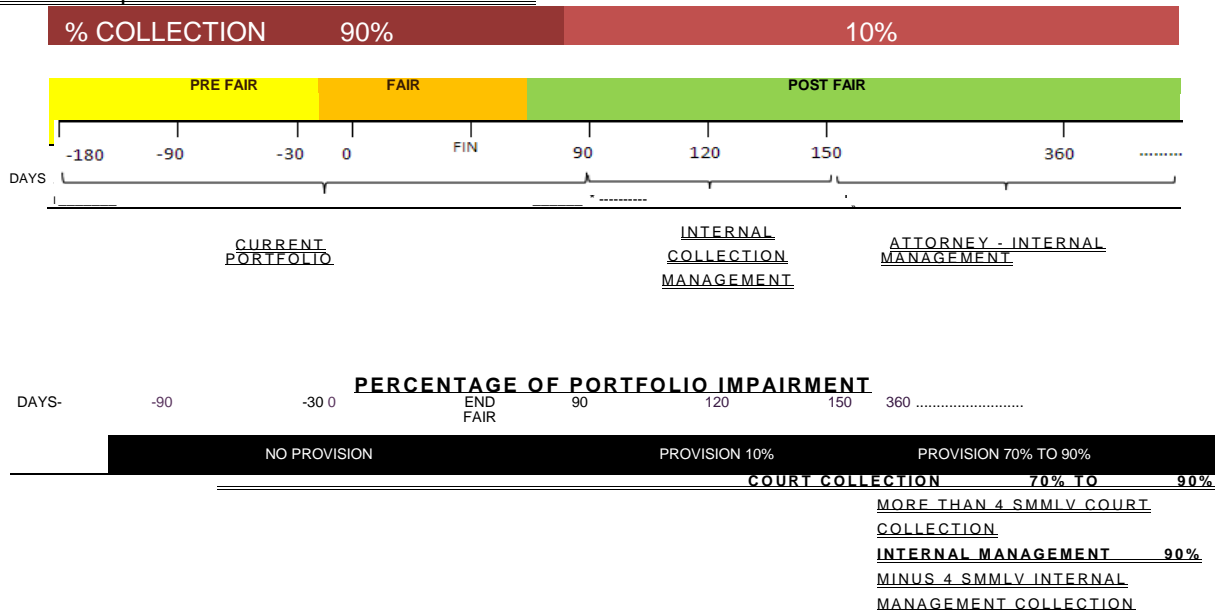
FIGURES IN MILLIONS.

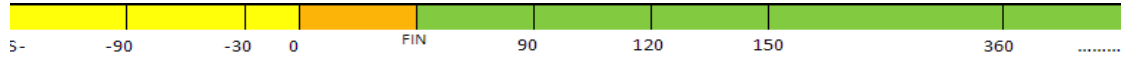
ASSET CLASS	LOCAL STANDARD ASSETS NET V. BOOKS VALUATION 2013 IMPACT			IFRS ASSETS
	AS OF DEC 31- 2013	2012	APPRAISAL IFRS	FAIR V.
LAND	\$9.819	\$240.668	\$27.824	\$278.311
BUILDINGS	\$107.879	\$26.968	\$17.418	\$152.266
MACHINERY AND EQUIPMENT	\$3.444	\$650	-\$378	\$3.717
OFFICE EQUIPMENT	\$1.363	\$500	-\$311	\$1.552
COMPUTER AND COMMUNICATIONS EQUIPMENT	\$642	\$1.004	-\$797	\$850
VEHICLES	\$153	\$141	-\$28	\$266
TOTAL	\$123.301	\$269.931	\$43.728	\$436.960

COMMERCIAL ACCOUNTS RECEIVABLE

The receivable loans and entries are financial assets with fixed or determinable payments that are not traded in an active market. These assets are initially recognized at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, the receivable loans and entries are valued at amortized cost using the effective interest method, minus losses due to impairment.

In order to determine if the debtor balances have been impaired, the following portfolio impairment model was created.





INVESTMENTS

The Corporation classified its financial assets at their amortized cost or fair value, based on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial asset.

For investment in an equity instrument that is not maintained for negotiation, IFRS 9 regarding Financial Instruments allows for an irrevocable election, on a share to share basis, to represent all changes in fair value of the investment in other comprehensive results. The dividends on said investments are recognized in the results.

RECOGNITION OF DEFERRED EXPENSES AND INCOME

Income for services rendered are recognized in the results in proportion with the degree of completion of the transaction as of the date of the filing of the financial position statement. The degree of completion is evaluated in accordance with work studies carried out.

The income from ordinary activities must be recognized where it is possible to recover the costs incurred due to the contract.

Doctor Lopez presented the Preliminary Consolidated Opening Balance as of January 1, 2014, which was done under IFRS standards, incorporating the aforementioned policies and explained each of its items.

Preliminary Consolidated Opening Balance
January 1, 2014

Figures in Millions of Pesos

Asset	COLGAAP	IFRS Transition Effect	IFRS Reclassifications	IFRS
Cash and cash equivalents	\$12.326	\$	\$	\$ 12.326
Negotiable Investments	17			17
Commercial debtors and other accounts receivable	26.810		-17.223	9.587
Deferred	1.160	-655	-126	379
Current asset	40.313	-655	-17.349	22.309
Investment instrument	11.068	1.508		12.576
Property and equipment	127.410	313.659	17.349	458.418
Intangible assets and goodwill	64			64
Securizations PP&E and Investments	338.015	-338.015		
Other assets and Deferred	2.140	-1.811		329
Non-current asset	478.697	-24.659	17.349	471.387
Total asset	\$519.010	\$ -25.314	\$	\$ 493.696
Adjustment IFRS appraisal incorporated in Colgaap 2014		43.728		
Result IFRS Adoption Corferias		18.414		

Preliminary Consolidated Opening Balance
January 1, 2014

Figures in Millions of Pesos

Liability	COLGAAP	IFRS Transition effect	Reclassification	IFRS
Current asset				
Providers, Commercial creditors, taxes and other accounts payable	12.687			13.733
Deferred income	5.855	-630	1.046	5.225
Employee benefits	526			526
Other liabilities	12.002	237	-1.046	11.193
Current liability	31.070	-393		30.677
Other non-current liabilities	2.725	-687		2.038
Non-current liability	2.725	-687		2.038
Total Liabilities	33.795	-1.080	-	32.715
Stockholders' equity				
Social capital	45.126			45.126
Legal Reserve	840			840
Occasional Reserves	31.115			31.115
Retained earnings	408.134	-24.234		383.898
Stockholders' equity	485.215	-24.234		460.981

Doctor Andres Lopez stated that the General Opening Balance can have modifications given that the deadline set by the law is June 30, 2014. The Assembly acknowledged being informed and was thankful for the explanation.

7°. TAX AUDITOR REPORT.

The Corporation's Tax Auditor stated that the report on the Corferias' Financial Statements as of December 31, 2013 has no qualifications. Transcription of the report:

TAX AUDITOR REPORT

Esteemed shareholders,

Corporación de Ferias y Exposiciones S.A. Free Trade Zone Operator User:

I have audited the attached financial statements of Corporación de Ferias y Exposiciones S.A. Free Trade Zone Operator User ("the Corporation"), which include the balance sheets as of December 31, 2013 and 2012 and the income statements, statement of changes in equity, changes in the financial position and cash flows for the years ending on said dates and their respective notes that include the summary of significant accounting policies and other explanatory information.

The administration is responsible for the proper preparation and filing of these financial statements in accordance with the generally accepted accounting principles in Colombia and instructions from the Financial Superintendence of Colombia regarding the accounting and valuation of permanent investments in shares. This responsibility includes: designing, implementing and maintaining relevant internal control for the preparation and filing of financial statements free of errors with material significance, either due to fraud or error, selecting and applying appropriate accounting policies, as well as establishing reasonable accounting estimates under the circumstances.

My responsibility consists of expressing an opinion on the financial statements based on my audits. I obtained the information necessary to fulfill my duties and carried out my assessments in accordance with auditing standards generally accepted in Colombia. Said standards require me to fulfill ethical requirements, to plan and carry out the audit to obtain reasonable confidence on whether or not the financial statements are free of errors of material significance.

An audit includes executing procedures to obtain evidence on the amounts and disclosures in the financial statements. The procedures chosen depend on the tax auditor's criteria, including risk assessment on the errors with material significance in the financial statements. During said assessment, the tax auditor considers the relevant internal controls for preparing and presenting the financial statements, in order to design auditing procedures that are appropriate under the circumstances. An audit also includes assessing the use of appropriate accounting policies and the reasonability of the accounting estimates carried out by the administration, as well as assessing the presentation of the financial statements in general. I believe that the audit evidence that I obtained provides a reasonable foundation to base the opinion that I have stated below.

In my opinion, the aforementioned financial statements, taken faithfully from the books and attached to this report, reasonably represent, in all aspects of material importance, the financial position of the Corporation as of December 31, 2013 and 2014, the results of their operations, the changes to the financial position and their cash flows for the years ending on said dates, in accordance with generally accepted accounting principles in Colombia and instructions from the Financial Superintendence of Colombia regarding accounting and valuation of permanent investments in shares, applied in a uniform manner. Based on the result of my tests, in my opinion:

- a) The Corporation's accounting has been done in accordance with legal standards and accounting techniques.
- b) The operations recorded in the books and administrator documents are in accordance with the bylaws and the decisions of the Shareholders' Assembly.

- c) Correspondence, accounting slips and the minutes and shareholders registry books are being duly kept and preserved.
- d) There are proper internal control measures for the preservation and custody of the Corporation's goods and those of third parties that are under their control.
- e) There is concordance between the attached financial statements and the management report prepared by the administrators.
- f) The information contained in the comprehensive social security system payments, in particular those relative to the affiliates and their income as basis for calculation, has been taken from the records and accounting slips. The Corporation is not in arrears with regard to payments to the comprehensive social security system.

Liana Marcela Arango Mayo
Tax Auditor for Corporación de Ferias y
Exposiciones S.A. Free Trade Zone Operator
User
T. P. 163.815-T
Member of KPMG Ltda.

February 27, 2014