MANAGEMENT REPORT 2015

Donde hay intercambio

Donde hay innovación

Donde hay experiencias

Donde hay trasformación

DONDE NACEN LAS OPORTUNIDADES Y EL PROGRESO

Ahí también estamos.

corferias

Generadores de Oportunidades y Progreso

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

MANAGEMENT REPORT 2015

CORFERIAS BOARD OF DIRECTORS
(2015 - 2016)

Chairman
Gonzalo Echeverry Garzón

Vice Chairman
María del Rosario Sintes Ulloa

Principal Members

Gonzalo Echeverry Garzón
María del Rosario Sintes Ulloa (independent)
Mónica de Greiff Lindo
Jaime Mantilla García
Guillermo Botero Nieto
Enrique Vargas Lleras
Gilberto Gómez Arango (independent)
José Blackburn Cortés

Alternate Members

Luis Fernando Ángel Moreno
Carlos Marino García (independent)
Martha Yaneth Veleño Quintero
Juan David Ángel Botero
Juan Diego Trujillo Mejía
Juan Luis Hernández Celis
Ricardo Duarte (R.I.P)
Leonor Serrano de Camargo

Honorary Members

Oscar Pérez Gutiérrez
Reinhard Kling Bauer
Jorge Perdomo Martínez
Hernando Restrepo Londoño
Gonzalo Serrano Orejarena
Enrique Stellabatti Ponce

STEERING COMMITTEE

Andrés López Valderrama
CEO

Mario Cajiao Pedraza
Vicepresident of Planning and Corporate Affairs

Roberto Vergara Restrepo
International Business Director

Mauricio Paredes García
Administrative and Operations Deputy Director

Martín Camargo Pérez
Infrastructure and Technical Deputy Director

Marisol Suárez Laverde
Trade Fairs Deputy Director

Alexandra Torres Asch
Ágora Bogotá Marketing and Sales Manager

Natalia A. Riveros Castillo
Secretary General

Ricardo Plata Sarabia
Executive Director - Puerta de Oro

Elizabeth Arias Ávila
Chief of Communications and Advertising

Helena Vargas Angarita
Marketing Deputy Director

Delia Inés Neira Bustos
Internal Auditor

BOARD OF DIRECTORS AND CHIEF EXECUTIVE MANAGEMENT REPORT 2015

2015 was a challenging year for entrepreneurs, for the country, and for the world, as might be expected since none were able to foretell the stunning price fall in oil, coal, and other prime materials which have long sustained our export industry. This state of affairs has led to lower expectations concerning the country's economic growth, over 40%-peso devaluation, and the need to revise the country's export strategy, which has so far been strongly dependent upon mining-energy resources and exports thereof.

Despite this, our economy's performance was the best in Latin America, which clearly demonstrates that our country is better equipped to handle the onslaughts of global economy. We hope that by signing the Peace Agreement, our country will become more attractive to foreign investors and drive impetuous activity in public and private sectors, while anticipating the results of infrastructure, housing projects, and industry revival.

Corferias management results arise from guidelines established by our head office, Bogota's Chamber of Commerce, both its board and the Corporation's board, its Steering Committee and Management group; the financial results and progress achieved during the implementation of the Master Development Plan are available for shareholders' consideration and perusal.

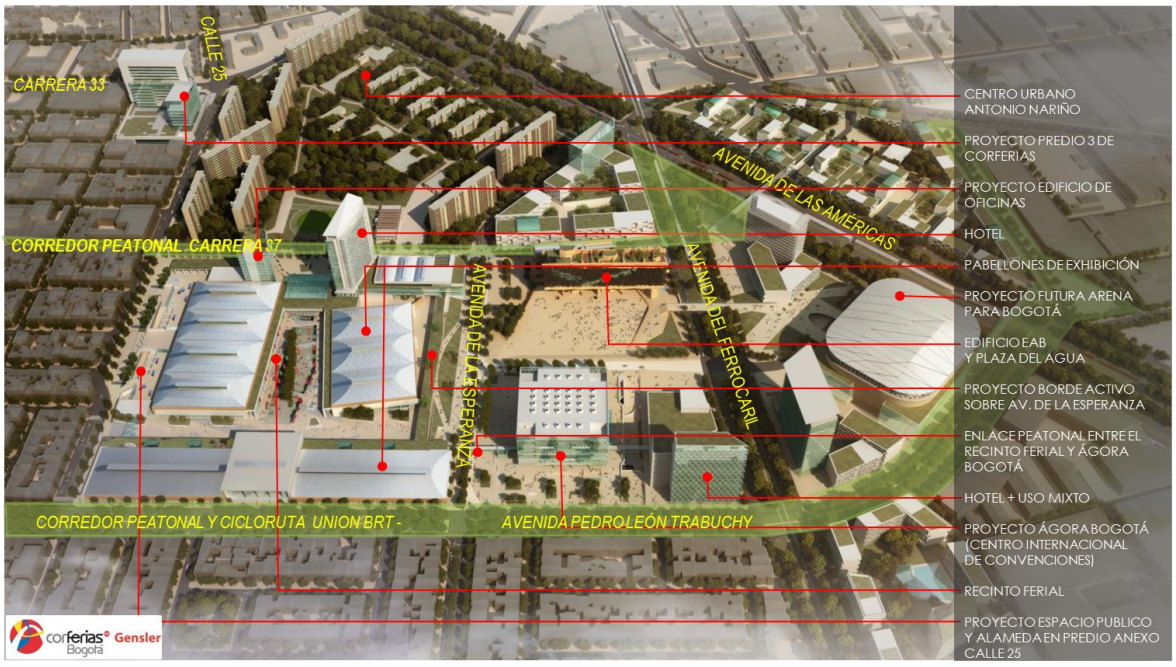
CORFERIAS Board of Directors and Management would like to pay special tribute to the memory of a member of its board of directors, Dr. Ricardo Duarte, deceased in 2015. As Corporate director, his experience and knowledge substantially furthered and abetted the Corporation's internationalization strategy. This man’s achievements and contributions towards the development of his country and the various organizations he supported highlight the fundamental role he played, not only whilst serving on our Board of Directors, but also within the National Government, and throughout his professional career.

1. MODERNIZATION

1.1. INFRASTRUCTURE

To fulfill the objective strategy of developing and managing the infrastructure based on the Regulation and Management Plan, Corferias continued to implement the Urban and Architectural Master Development Plan throughout 2015, in its general and citywide objective of contributing towards the development of a Fair, Event and Conventions Hub for Bogota, and a driver for the INNOBO city revitalization project. We've envisioned the building of a world-class facility at the heart of the broader downtown area, allowing Bogota to develop its full potential as an attractive and competitive player in the field of tourism and business on a global scale, capable of offering benefits in innovation, economic development and living standards.

This kind of facility has infrastructural elements which are key to placing Bogota and Colombia on the roster of cities qualified to host major international events. These elements include: A world-class Convention Center (ÁGORA BOGOTÁ), modern and well established Fairgrounds, and sufficient hotel availability, synergetic linkage with its urban counterparts, transportation services, and other public and private development initiatives (EAB - Empresas de Acueducto de Bogotá -- Bogota Water Resources Management Authority), going beyond the property limits in a citywide gamble for exponential improvements in its operation, ensuring mitigation of the impact these activities may have on the immediate surroundings, while also ensuring a state-of-the-art facility with all the characteristics sought by operators and multinational companies.



View of the Premises – Avenida Pedro León Trabuchy east side

1.1.1 REGULATION AND MANAGEMENT PLAN – PRM

Regulation and Management plans are planning tools which set the guidelines and mitigation

actions governing allocated infrastructure on an area, urban or metropolitan scale.

The first implementation phase was finalized in 2011, and the second phase is due for completion in December 2018. To this end, 2015 was spent working on the architectural design of each of the comprised projects; as a result, a public space intervention and occupation license was filed before the District Planning Department, with the aim of inaugurating construction of platforms and walkways on La Esperanza Avenue, Pedro León Trabuchy Avenue (AK 40), street 25, and adjacent grounds.

1.1.2. ÁGORA BOGOTÁ – INTERNATIONAL CONVENTION CENTRE

ÁGORA BOGOTÁ – Avenida de la Esperanza west side view

Throughout 2015 the project advanced significantly in excavation, foundation setting and framework. Following excavation and foundation setting, the structure began to rise per a concrete framework built for the basement, first and second floor, reaching third floor by the end of the year. Likewise, progress was made on the construction of the metallic framework for the fifth floor, while that of the mezzanine was completed. Meanwhile, preliminary work began on electric and plumbing installations, and progress was made on the basement and subflooring level.

It is worth highlighting that the project's current contracting fees are equivalent to 44.25% of the total budgeted value, and remain well within the parameters set for each subcomponent.

In regards to the implementation schedule, the projected date of completion is March 31, 2017, as was agreed to by the Integral Construction Management, and the planned building operations. However, the schedule hinges on certain critical path activities such as foundation and framework setting, glazing and facade, metallic framework, structural work, vertical transport and finishes.

In regards to the total budget, the peso to dollar devaluation ratio is a particular challenge for budget administration; the project's partners have been monitoring the issue and have adopted various methods and strategies such as (i) savings in the revisions of building designs, while maintaining the principles of infrastructure functionality and safety; (ii) efficient management of unforeseen expenditure; (iii) permanent management of contracts in pesos, with advanced purchases whenever possible and selection processes that bargain for discount packages from interested bidders.

ÁGORA BOGOTÁ–View of construction process from the parking building on the south side

1.1.3. HOTEL AND OFFICES

HOTEL – Avenida La Esperanza view from Avenida 37 facing northwest

Hotels and lodging are a fundamental part of a state-of-the-art facility for trade fairs, events and conventions, which must be integrated into the Fairgrounds and Convention Center.

In 2015 the architectural project advanced to a drafting stage, which was approved by the Hilton operator. Implementation of technical designs began, and progress was made on the open call for technical supervision.

Regarding paperwork and licensing, the project was approved by the Ministerio de Cultura (Ministry of Culture) via Resolution 3657 issued on Dec. 22, 2015; after which, a project construction license application will be filed in February 2016.

Among preliminary activities, Block A offices were upgraded and transferred to the building previously housing Bogota's Chamber of Commerce, located on the north side of the arch. The designs for transferring substation 1 and the carpentry workshop progressed with the aim of carrying out these transfers in early 2016.

1.1.4. PARKING LOT PLAN

Parqueadero Verde Predio 3 (Green Parking Lot 3) (Lafayette)

GREEN PARKING LOT - View from corner of Calle 25 and Avenida 33

During the year's first semester, the new "Green Parking Lot" began operations, providing parking spaces for 560 cars, 64 motorcycles and 283 bicycles.

This project not only greatly improves the current available space for vehicle parking in the area, it also substantially contributes towards improving the area's public space overall.

Parqueadero Américas Predio 4 (Américas Parking Lot 4) (Cemex)

PREDIO 4- Access building view from Transversal 39

During 2015, the third stage for establishing and demarcating parking lots was achieved on premises purchased from Cemex on the Avenida de las Américas; this stage became operational during the Feria Internacional del Libro (International Book Fair).

Construction of access building, public lavatories, box office and substation marked completion of architectural projects.

1.1.5. ACTIVE EDGE PROJECTS OVER THE ESPERANZA AVENUE AND PUBLIC SPACE NEXT TO PREDIO CALLE 25

ACTIVE BORDER - General project view from the north side of Avenida de la Esperanza

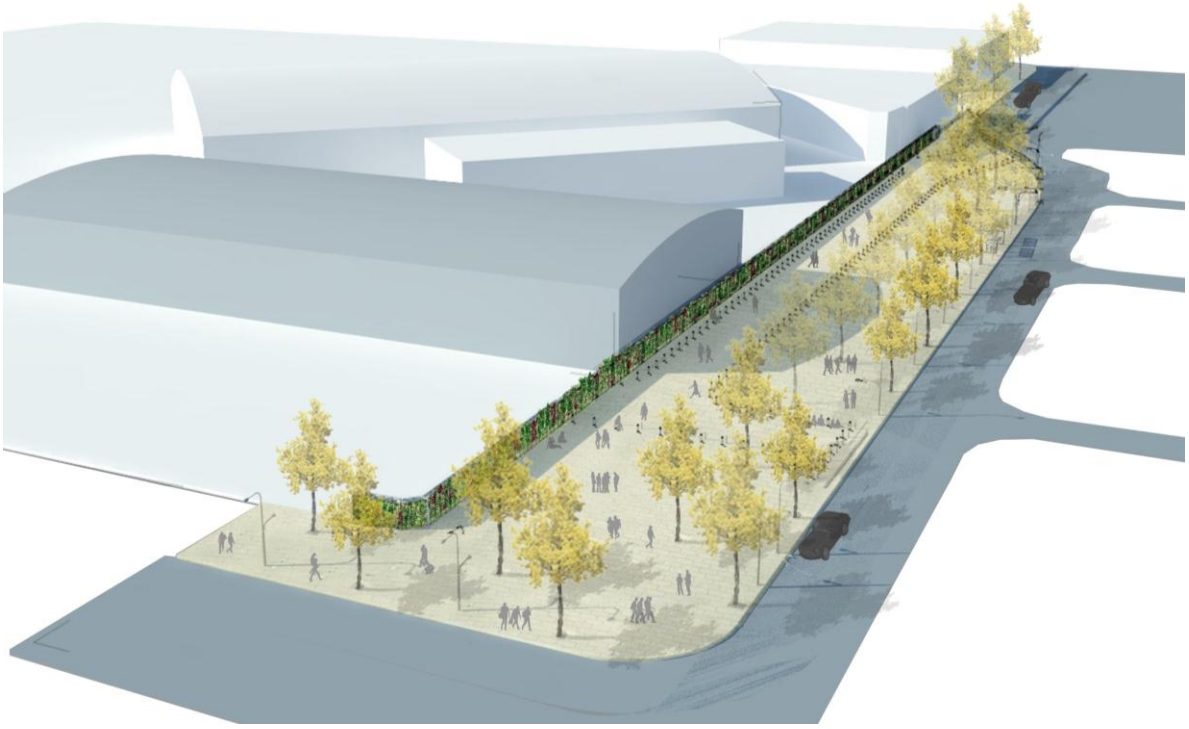
This project has two components: the first is a two-story linear building for mixed-use (local business on the second floor and auxiliary meeting rooms for trade show activity on the first floor) located on premises 1 alongside Avenida la Esperanza, which will connect the Hotel to the Oscar Perez Gutierrez Grand Hall and the Ágora Bogotá International Convention Center; the second is a pedestrian walkway on premises 1 spreading alongside Avenida la Esperanza, Avenida Pedro León Trabuchy (AK 40) and Calle 25 including the adjacent grounds. This component has an intervention area of 12,389.5 m2 and an additional environmental monitoring area of 1,872.45 m2 on Avenida de la Esperanza.

The second component is a public area extension, adjacent Calle 25, which includes a mobile enclosure that will be used to convert this public space into an extension of Corferias when needed.

Significant progress was also made regarding technical drawings, and public space occupation and intervention licensing for Avenida la Esperanza, Carrera 40 and Calle 25, including the adjacent grounds.

Among the pre-construction activities, the "Contact Center" offices formerly located in Hall 2C were transferred and refurbished, along with refurbishing and design of business offices located in Halls 2 and 2B. These transfers are set for completion in early 2016; Hall 9 and the south public lavatory facility were torn down.

ACTIVE BORDER – North side view above Esperanza Avenue



EXPANSION PREMISES CALLE 25 – West side view from Calle 25 and Carrera 37.

1.1.6. GRAN CARPA AMÉRICAS CORFERIAS

The Avenida de las Americas lot was allocated for parking spaces, as previously noted, however while considering how to optimize the use of this asset during periods of inactivity, it

was decided (and approved) to enable these grounds (Americas) as an arts and cultural event venue.

Structuring activities progressed along these lines, and the relevant architectural and technical designs for basic service areas were developed. A temporary-structured hall was hired for this purpose.

All necessary paperwork was processed/submitted in compliance with the required regulatory conditions, including the use of allocated cultural facilities (Centro Artístico y Cultural -- Arts and Cultural Center not exceeding 5,000 m2) while maintaining parking service activities, enabling access via Transversal 39, and improving the service quality in allocated zones with public lavatories, electric energy substation and a water tank, among others.

This new venue will enter into service, March 2016, guaranteeing new opportunities for customers with requirements geared towards this sort of platform, and granting Bogota a fresh new option for events, which is easily accessible to all audiences within the city.

1.1.7. EAB MASTER PLAN / CORFERIAS MASTER PLAN

Corferias currently has a cooperation agreement with EAB, whereby the following activities are developed:

- Property market valuation (performed by Lonja de Propiedad Raíz de Bogotá -- Bogota Association of Realtors)

- Design and assessment of development scenarios for EAB property premises.

The process of updating EAB's current Master Regulation Plan began, with the goal of obtaining a higher construction rate and defining additional uses linked to stakeholder interest. The resolution's current occupancy rate remains the same.

EAB currently has architectural designs for the project, named CAA (Centro Administrativo del Agua -- Water Administration Center). The project comprises two buildings, one with thirteen floors for management offices; the other four stories high with a large plaza area and raised theater type seating which provides an auditorium for the Agora Bogota venue.

1.1.8. INFRASTRUCTURE IMPROVEMENT PLAN

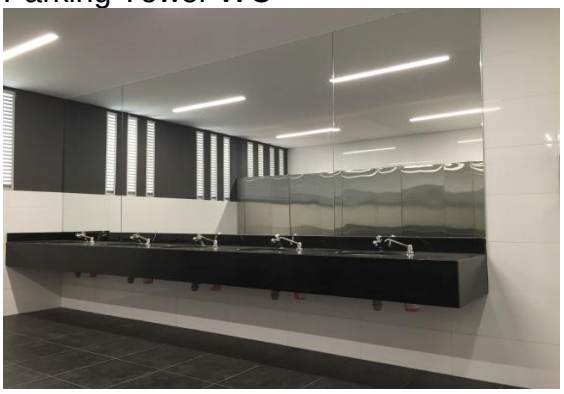
In 2015, the Infrastructure Improvement Plan for the grounds included projects geared specifically towards exhibitors and visitors, and improving internal operative procedures.

Following is a summary of the activities undertaken:

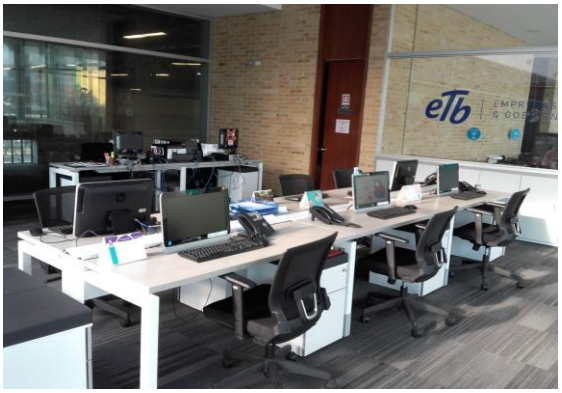
Modernizing Public Restrooms: The public restrooms improvement project continued within the grounds, lavatories located in the Plazoleta de Comidas (Food Court) and Torre de Parqueaderos (Parking Tower) were overhauled and improved, thus completing the intervention plan proposed to meet exhibitor and visitor requirements.

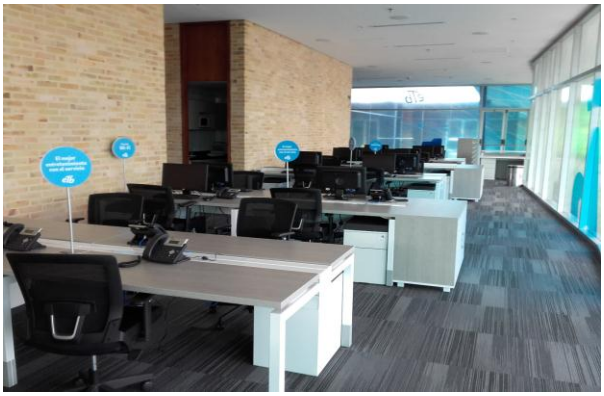
Food Court WC

Parking Tower WC



Press Room: Responding to an important need in services and facility improvement for "Free Press" agents and media representatives covering our events, progress was made on refurbishing and modernizing the Press Room located in the north passageway between Halls 16 through 23, significantly improving their convenience, capacity and appearance.





Plaza de Banderas (Flags Square). With the aim of expanding the available exhibition space and minimizing the impact caused by the loss of business areas due to the “Hotel Corferias and Active Border” projects, adjustments and improvements were made on the main access square, including tearing down and relocating the flagpoles and enlarging the gardens in front of Halls 3 and 6.

Plaza de Banderas – East side view from inside fairgrounds

Refurbishing CCB International Business Center, Restaurant 2 Plazoleta de Comidas (Food Court) and Hall 5A, for new Management offices, Contact Center and Business and Marketing Areas. As the first development stage of the "Hotel Corferias and Active Border" projects progressed, the buildings currently occupied by management offices and Halls 2, 2B and 2C where the sales, marketing and Contact Center areas are located, required tearing down. Hence, the Food Court restaurant no.2, the CCB International Business Center and hall 5A were refurbished. Transfer and refurbishment was accomplished.

Work also began on the CCB Business Center and on the second floor of the Auditorium in order to transfer the Sales and Marketing Management Offices and the Conventions and Communications Center.

Puerta de Oro Offices: During the second quarter of 2015, designs for Corferias offices in Barranquilla were drafted and implemented to enable event marketing.

Other improvement projects: The Technical and Infrastructure Management oversaw supplementary works for the upkeep and maintenance of existing physical infrastructure, vital to running and operating fairgrounds and enhancing user convenience:

- Electric network wiring in Halls 1 and 3
- Change of lighting on first floor of the Parking Tower
- Outdoor lifelines/safety rails added on the covers of Halls 1, 3, 6 and 8

1.1.9. MOBILITY WITHIN AREA OF INFLUENCE

The fairs and events district (whose strategies include modernizing the fairgrounds, building the Agora Convention Center and developing the Hotel) requires a special strategy for integration with its surroundings, hence, the creation of new public spaces and improving the area's mobility is vital.

Corferias has studied the area's mobility, traffic and transportation in light of new developments, in order to assess and define mitigation actions, and draft a technical analysis to submit to the District Government as part of a comprehensive solutions for transforming and connecting the public and private areas and guaranteeing the renovation of the urban area.

1.2. PROCEDURES, TECHNOLOGY AND GOVERNMENT MODERNIZATION

1.2.1. INTERNAL QUALITY AND CONTROL MANAGEMENT SYSTEM

Corferias possesses a Quality Management System certified under ISO 9001 standards, version 2008.

Recertification was granted in 2015 by the certifying institution, Bureau Veritas, whereby the commitment by all enabling parties was once again clearly shown.

All throughout the year, opportunities for improvement were generated as a result of analysis and findings by internal and external audits, assessments and indicators gleaned from acknowledgements, suggestions and/or complaints, which were satisfactorily handled by those leading the procedures, which according to the recertification, recognizes the system's strengths, as follows: resource allocation to improve physical and technological infrastructure, development of strategies for strengthening staff awareness and commitment in regards to quality system, strategy development organization and client perception monitoring - exhibitors, visitors, and the customer loyalty program.

In addition, and as a strategy to strengthen Corferias' constant improvement culture, C-Integra was implemented, with the objective of positioning the trademark which identifies Corferias QMS and generating greater synergy between these areas. New modules were included for further efficient control and procedure monitoring, such as the management of internal quality auditing, indicators, human resources, and review by the Board.

In recognition of the work and commitment gained by the Quality Management System Leader team, a program graduation activity took place, which highlighted the fulfillment of its objectives.

In regards to risk management, in 2015 stress was placed on the importance of the Corporation's proper management, in order to maintain the dynamics of control which manages low results. The risks identified by each of the procedures were periodically evaluated; their patterns analyzed, and respective concepts for constant improvement were issued.

Due to the pattern and involvement of operational risks, the Risk Committee decided to undertake the vital task of risk assessment for each of the fairs. Bearing this information in mind, indexes for analysis and assessment were created for each fair, as well as corrections and inspections to mitigate risks associated with the fair development and operation, aiming to improve procedures and increase customer satisfaction.

Lastly, a Risk Manual was drafted, describing responsibilities, roles and methodology to facilitate the interpretation and involvement of those in the Corporation who enable such tasks.

1.2.2. SHARE MARKETABILITY

The Share Marketability Committee comprised by minority shareholders, have worked on developing their roadmap focused on taking concrete steps in their strategy to increase the visibility of the Corporation's stock information.

Under the activities developed throughout 2015, we must also note that Corferias began its application process for IR "Investor Relations" certification issued by the Bolsa de Valores de Colombia (Colombian Stock Exchange) - BVC.

To this end, both Management and shareholders successfully met the requirements, and the IR Committee awarded Corferias an IR certificate on September 7, 2015, valid for 1 (one) year with a yearly renewal option; thus Corferias is one of 31 Colombian companies certified in this capacity.

Likewise, following a sustaining process with the Stock Exchange, the Management and minority shareholders succeeded in altering the BVC Circular Letter in regards to low marketability share value comparison. In the case of shares that had not been officially quoted during the previous six months, the Circular determined the base comparison price by the most recent reported equity value, which in Corferias' case created problems when preparing reports.

BVC acquiesced to revising the reference pricing method, modified the BVC Circular Letter, altered its method of valuation and from that time forward, whether or not the share was transacted in the past six months, price comparison was based on the last transaction rather than book value.

1.2.3. RELIABILITY OF INFORMATION TO THIRD PARTIES

The Corporation continued its strategy to qualify and certify its statistics via KPMG Ltda., so as to ensure that information obtained from different fair activity indicators is precise, transparent and reliable. These fully certified statistics are published in our Annual Management Report, in the Trade Fair Activity chapter. This allows customers, partners, exhibitors and the general public to rely upon this highly useful tool in their decision-making regarding participating in our fairs. It also becomes an instrument which helps us to gauge the progress and impact of fairs.

1.2.4. FREE TRADE ZONE

On March 30, 2015, the Dirección de Impuestos y Aduanas Nacionales (National Tax and Customs Office) (DIAN) issued the certification attesting the fulfillment of the investment and job creation commitments stated in the Master Plan and the in the Declaration of a Free Trade Zone Resolution.

The firm Ernst and Young validated the satisfactory fulfillment of these commitments via external auditing in June 2015, while recommending upgrades to COMEX [DIAN-enabled software tool], which are being carried out by the Technology department.

According to the call by the National Tax and Customs Office – DIAN and the Ministerio de Comercio, Industria y Turismo (Ministry of Trade, Industry and Tourism) inviting all Foreign Trade users to send in forthcoming comments regarding the Draft Decree modifying the Colombian Customs Code, the Free Trade Zone systems and other provisions, we sent in our observations concerning both projects on August and September 2015.

At the end of the year the National Tax and Customs Office ratified its investment commitment for the second Master Investment Plan including the construction of the Bogota International Convention Center, AGORA BOGOTA.

In compliance with DIAN's instructions, progress on both current Master Plans in the Free Trade Zone are being reported independently.

2. INNOVATION

2.1. COLCIENCIAS PROJECT

In 2015 Corferias concentrated its efforts on management and achievement of Colciencias Innovation Engine for Companies program, a project which enabled Corferias to approach and test the Innovation Management through various action pathways:

Sectoral Observatory: Information sources were gained enabling the analysis and consolidation of information regarding growth sectors with product development marketing potential, including the Innovation Capsule within the fairs framework, via sectoral and macroeconomic reports. This information was made available to all employees through an Intranet digital tool, which also included the User Satisfaction Surveys of hosted trade fairs.

Partners Network: The policies and procedures for linking potential partners were defined for implementation in the Innovation Capsule under different scenarios. Several necessary activities and processes to enable linkage were likewise specified.

Innovacenter: With the aim of generating opportunities for business development and growth, a pilot exercise in collective ideation was produced with the help of an expert innovation company, to strengthen 5 of the oldest fairs in our portfolio: Hogar (Home Fair), Filbo (International Book Fair), Agroexpo, FIB (Bogota International Fair), and the Belleza & Salud (Beauty and Health Fair). The method’s results produced important inputs for consolidating the strengthening process.

Innovation Capsule: Two Innovation Capsules took place, one in the Expoconstruction and Expodesign Fair (Feria Expoconstrucción y Expodiseño) (May 2015) and the other in the Feria de Belleza y Salud (Beauty and Health Fair) (August 2015), creating a new space for communicating and exhibiting innovative initiatives, which on one hand enriched Fair content thus making it more attractive to visitors, and on the other hand showcased the sector's companies and provided recognition and positioning thereof.

Innovation Culture: Parallel to the project's other activities, internal communications campaigns were held with the aim of keeping employees informed and encouraging their involvement in innovation processes.

2.2. NEW PRODUCTS AND IDEAS 2016

2015's new product management lead to envisioning and structuring 3 new specialized trade shows and 1 mass fair, for important industry sectors such as: **Expande** - **Human and Corporate Management Fair** in collaboration with ACRIP, **Feria de Cine y Música (Film and Music Fair)** in collaboration with Rolling Stone Magazine, **Bionovo** – Biotechnology Fair in collaboration with Biointropic, and **Hospitality** – Hospitality Industry Fair (Hotels, and Other Accommodations, Convention Centers, Casinos, Bars).

On the one hand, three events were studied and submitted for 2016 which will enable Corferias to explore new and trending topics, besides generating profitability and brand positioning. These events are: **Lego Fun Fest** – International event to be held for the first time in Colombia, **Club Media Fest** – First Youtubers festival in South America, and **the Buddy Valastro Event** – First confectionary event in Colombia in collaboration with Alimentec.

The process of ideation and devising new themes for 2016 involved two methods: a) An internal process of new idea exploration by the Marketing and Events departments, and prioritizing those ideas while keeping in mind trade shows to be held by Corferias, its collaborators and lessees, as well as the market and competition. And b) focused and co-creative ideation workshops, with third parties from the creative and entertainment industries, in order to identify opportunities in cultural and trendy themes. As a result, 13 new sectors were chosen.

2.3. VALUE STRATEGY BASED PRICING

Convinced of the importance of price setting based on the customer's perception of value, and the incorporation of efficiency and control whilst selling spaces (square meters) for trade fairs and events, we seek to move away from a "pricing" strategy towards a "Revenue Management" system. This analytical method attempts to optimize the available space (area) and pricing through predicting consumer behavior.

The implementation of this analytical system during the exhibit space marketing process, requires a first stage where a historical of sales and bookings (filling pattern) behavior is established, and a qualitative and quantitative analysis is used for customer segmentation by willingness to pay according to their perceived value. This first stage will help establish policies, procedures and prognosis analysis tools; its consolidation is the Corporation's great challenge for 2016.

During 2015, work began on the Home Fair, achieving significant growth results.

Furthermore, a new pricing scheme has been put into gear for the Alimentec trade show through consolidated association with Koelnmesse. This new system will provide the trade show an opportunity for achieving its goal of 30% growth in 2016 over the previous edition.

In addition, the Corporation is analyzing, developing and applying pricing strategy concepts for managing the fair portfolio of the “Puerta de Oro” fairgrounds in Barranquilla. This will enable a professional and transparent scheme in fairs and exhibitions such as the Feria del Hogar, Agroexpo, Feria Inmobiliaria, among others.

Other fairs that underwent research during 2015 were E+E+S, Belleza y Salud, Andina Pack, and Expoconstrucción (Expoconstruction). Hopefully these 5 fairs, along with Agroexpo, will gradually evolve into a new pricing scheme during the 2017-2019 period.

2.4. TRADE FAIR ACTIVITY

A variety of high quality and high impact fairs were hosted in 2015 with significant results.

FERIA INTERNACIONAL DEL LIBRO (INTERNATIONAL BOOK TRADE FAIR) Together with the Colombian Chamber of Books

“The magical universe of Macondo", created in the likeness of the work by Colombian Nobel laureate Gabriel García Márquez, was the Guest of Honor in the Bogota International Book Fair, which provided a space of 3,000 m2 to host the "Macondian" world.

The 28th edition of FILBO 2015 ended successfully with a historical record of 530,341 visitors.

EXPOCONSTRUCCION Y EXPODISEÑO (EXPOCONSTRUCTION AND EXPODESIGN)

A 17% growth was achieved compared to 2013’s edition, with 61,555 visitors, of which 13,259 were professional domestic buyers and 1,656 international visitors. Deals were brokered at the Business Roundtable amounting to US $ 81,851,900, with over 317 buyers from the United States, Guatemala, Ecuador, Panama, Puerto Rico, Dominican Republic, El Salvador, Honduras, Aruba, Brazil, Dutch Antilles, Chile, Costa Rica, Barbados, Guyana, Peru, Angola, Belize, Bolivia, Cuba, Ghana, Haiti, Jamaica, Mexico and Rwanda, among others.

AUTOMATISA

Considered unique in its category, the second largest in the Latin American Industrial Automation sector and the only one of its kind in Colombia, AUTOMATISA is increasingly renowned as the ideal space for gaining firsthand knowledge about modern advances in industrial automation, control, instrumentation and factory intelligence. It gathers 71 exhibitors, 7,564 visitors from main cities of the country, Latin America and the Caribbean,

including 7,462 professional domestic buyers and 64 international visitors.

AGROEXPO

The most important agriculture and livestock showcase in the country, the Andean region, Central America and the Caribbean, registered 570 exhibitors and received 199,669 visitors, including 12,481 domestic buyers and 1,725 foreign visitors. Buyers from Argentina, Brazil, Cuba, Colombia, Ecuador, United States, Guatemala, Israel, Panama, Peru, Dominican Republic, Venezuela and others participated in the Business Roundtable, where 600 appointments were made with 252 exhibitors, with business deals estimated to close around 2,745,000,000 dollars.

F-AIR COLOMBIA

Operated by Corferias, Colombia's largest aviation event and the second largest in Latin America. 35,590 national and international visitors gathered for four days at the José María Córdova in Rionegro - Antioquia, with 149 exhibitors, from 25 different countries, representing the best known brands in the aviation industry. Regarding business prospects, the fair closed on deals amounting to 87 million dollars in a total of 500 business meetings between buyers and delegations from Brazil, Chile, Ecuador, United States, Mexico, Peru, Czech Republic, Dominican Republic, El Salvador, Uruguay and Colombia. These figures double the Fair’s last edition achievements.

EFICIENCIA Y SEGURIDAD (INTERNATIONAL SECURITY FAIR COLOMBIA)

Spaces were created in partnership with PAFYC to present the most comprehensive, experienced, sustainable and competitive security policies in Latin America. 7,388 visitors, 6,337 professional buyers, 312 foreign visitors and 121 exhibitors were registered in a leased space covering 2,530 m2.

BELLEZA Y SALUD (BEAUTY AND HEALTH TRADE FAIR)

With 352 exhibitors of renown in the sector and outstanding professionals in the area of health and beauty, the latest trends and advances in products, equipment and services relating to comprehensive beauty were presented to 57,907 visitors. With 701 appointments between 200 exhibitors and 48 international buyers from 22 countries participating from Latin America, Europe and Asia, Belleza y Salud has been established as a leading event in the industry.

COLOMBIAN OIL AND GAS CONGRESS

For members of Asociación Colombiana de Ingenieros de Petróleo (Colombian Association of Petroleum Engineers) - ACIPET, this Congress has become a scaffold of change and support

to the industry, while also representing one of the sector's greatest efforts to face down the pricing crisis sweeping the industry. Despite the challenges of this industry, the Congress's 16th edition was attended by 109 exhibitors and 5,199 visitors, providing an open space wherein the country's hydrocarbon sector's roadmap for the next few years was debated and weighed.

FERIA DEL HOGAR (HOME AND FAMILY TRADE FAIR)

Remains a leading event in its category. The Home and Family Fair continues to be the traditional gathering point for a wide variety of home articles. 744 exhibitors were commissioned with the pleasant task of satisfying Colombia's tastes with their innovative products.

GRAN SALON INMOBILIARIO (GREAT REAL ESTATE HALL)

Housing construction projects, as well as offices, cellars, stores and shopping malls, were the main attraction in the 10th edition of the Great Real Estate Hall, an event considered one of the largest real estate platforms in Latin America. Visitor totals reached 28,350, with the participation of 154 exhibitors offering great deals in domestic and international real estate from the United States, Spain, Panama and Aruba.

EXPOESPECIALES (PROMOTION OF SPECIALTY COFFEES TRADE FAIR)

The most important Specialty Coffee Trade fair in Colombia, Latin America and the Caribbean; 13,111 national and international visitors and 107 exhibitors bolstered its place as the number one platform for the Colombian coffee sector. People gathered from the United States, Australia, Canada, China, Azerbaijan, South Korea, Finland, the Netherlands and the United Kingdom (among others) and 600 business deals were made to the estimated total of 7.2 million dollars during the business roundtable organized by the National Federation of Coffee Producers and Procolombia.

FITRANS (INTERNATIONAL TRANSPORTATION TRADE FAIR)

Specialized event, uniting the most representative manufacturing, assembling and distributing enterprises of passenger buses, coaches, and vehicles for commercial, utilitarian and freight use, in a perfect setting for driving industry renovation and business opportunities. The first edition of this fair closed on an estimated 7,772,000 million pesos' worth in deals. The seventh Massive Transport Congress organized by Transmilenio S.A. took place within the event's framework.

SOFA- SALON DEL OCIO Y LA FANTASIA (ENTERTAINMENT AND FANTASY LOUNGE)

SOFA numbers were higher than its previous edition, with 174,836 visitors and 221 exhibitors in 6,832 m2 of commercial and content exhibition space. The Entertainment and Fantasy Lounge gathered all players in this universe, from the fans to the merely curious, from the

creative to the academic industries, to understand and recognize the need to cater to a leisure time culture.

EXPOARTESANIAS (HANDMADE PRODUCTS)

The most important handicraft trade show in Colombia and Latin America, where 87,825 visitors enjoyed artisan's ancestral knowledge and creations, along with the sector's latest innovations. 826 exhibitors displayed around 12,000 products of high design, exclusivity and quality content while 47 international buyers, 60 participating export-exhibitors and 654 appointments produced an estimated US$ 4,888,590 as a result of deals during the trade show.

BOGOTA CAR EXPO

The first wide-reaching commercial platform for the second-hand vehicle industry in Bogota and its area of influence. The event was launched with the most representative sample of this niche market in Colombia, backed by 20 of the largest dealerships in the country, in a space covering 6,000 m2; 18,000 visitors had nearly 300 exhibited vehicles to choose from according to interest and purchasing power.

ANDIGRÁFICA

With a record attendance of 10,845 visitors and the participation of 135 exhibitors, ANDIGRÁFICA was acclaimed by experts as highly innovative. The quality of the supplies and finishings, and the respect shown for the environment, were truly remarkable, as well as the openings for interior design and niche industry business proposals.

MOTO GO

The second edition of MotoGo exhibited the finest trends and innovations in the motorcycle and bicycle sector, with 39,360 visitors and the participation of the most representative brands. This year, parts of the fairground were transformed into show rings, track courses and extreme sports circuits; companies belonging to or closely linked to these sectors mingled with visitors, experts and aficionados, who found wide-ranging knowledge on what to do when on two wheels.

EXPO PET

The largest international pet trade show in Colombia closed its second edition with 36,326 attendees in 4 days and 166 industry exhibitors. Expopet turned Corferias into a meeting point for animal lovers.

The most visited activities during the Fair were: the first canine circuit supported by the Colombian Canine Association Club showcasing over 500 dogs of various breeds; the Second "Canicross" Championship; Indoor Relays; the first Ornithology Sporting Championship; the second International Feline Exposition, catalogued as the largest in Latin America; the second "Agility" lap; the Cold Noses Festival; and the “Mi Criollo Mas Bello” event.

EXPODEFENSA
(International Exhibition of Defense and Security by EUROSATORY & CORFERIAS)

COGES INT., French organizer of the industry's largest fair worldwide: Eurosatory, forged a partnership with Corferias which, through the firm backing of the Ministry of Defense, helped gather regional guests and main players of the defense and security industry. Business meetings and domestic and international product showcasing was held over the course of three days. The trade show received 9,000 visitors, 232 exhibitors from 26 countries, 55 official delegations from 27 countries, and 49 specialized reporters; 66% of trade show participation was of an international nature.

PROFLORA

The Asociación Colombiana de Exportadores de Flores (Colombian Flower Exporters Association) ASOCOLFLORES, in partnership with Corferias, hosted the eighth edition of the international flower show PROFLORA, representing over 75% of Colombia's flower exports and promoting the industry in global markets, as well as its comprehensive environmental and technical development, transportation and general wellbeing of its workers. Given the good standing of the flower industry, the Proflora Fair 2015 was considered the best edition since its creation.

ANDINA – PACK (INTERNATIONAL PACKAGING EXHIBITON)

In complement to Corferias' organic growth strategy through the launch of new products, 2015's growth strategy ventured into purchasing fairs from third party operators. Under this initiative's framework, Corferias partnered with the Feria de Colonia (Cologne Trade Fair) in purchasing Andina-Pack, and produced its 2015 edition in collaboration with its former owners, exceeding expectations in terms of exhibitors and visitors. This fair is well placed and recognized both nationally and internationally.

LEASE TRADE SHOW

Fifteen leased trade shows took place in 2015, the most outstanding were: the Footwear and Leather Show, one of the largest specialized fairs in the leather, footwear and leatherworking market; Tourism Showcase Anato, whose wide range of products and services showcased the dynamism of tourism as a source of financial and social prosperity; Expopartes (Expoparts), specialized event for the auto parts, automotive and industrial sector, attended by hundreds of professionals in this field, fostering business deals and contracts, while also contributing to industry growth; ArtBo, with the participation of approx. 33,000 buyers and visitors, was established as the country's most important art fair, of international relevance;

and Proflora, which was roundly successful thanks to the balance between supply and demand, and firmly established as an internationally relevant trade show.

CERTIFIED INFORMATION 2015 – KPMG LTDA.

Biennial Fairs	Exhibitors	Visitors	Domestic Buyers	International Buyers	Area (M2)
Expoconstruccion y Expodiseño	587	61,555	13,259	1,656	23,749,31
Andigrafica	135	10,845	4,486	307	5,294,25
Automatisa	71	7,564	7,462	64	1,866
F-Air	149	35,590	-	-	3,024
Fitrans	64	4,504	3,381	88	3,102
Agroexpo	570	199,669	12,481	1,725	22,438,60
Expoespeciales Café de Colombia	107	13,111	5,380	182	2,322
Congreso Colombiano de Petróleo & Gas	109	5,199	4,221	188	1,537,50
Moto-Go	118	39,360	407	-	2,943,68

Annual Fairs	Exhibitors	Visitors	Domestic Buyers	Foreign Buyers	Area (m2)
Expopet Colombia	166	36,324	2,688	-	3,420.94
Expoartesanías	826	88,825	/	47	
Feria Belleza y Salud	352	57,907	10,789	314	8,663.04
Eficiencia y Seguridad	121	7,388	6,337	312	2,530.50
Feria del Hogar	744	212,538	-	-	27,359.84
Feria Internacional del Libro	488	530,341	1,544	318	21,400.95
Gran Salón Inmobiliario	154	28,350	-	-	4,257.53
SOFA	221	174,836	-	-	6,832.44

2. EVENTS

Combined events in 2015 exceeded budgetary commitments in profits, despite the high occupancy of the premises by trade show activity.

Some of most outstanding events held in 2015 include: The Worldskills Colombia competition; Procolombia's Macro-Roundtable 55 which attracts over 2,000 Colombian entrepreneurs, and Panamerican Ophthalmology Congress, convening 3,500 ophthalmologists from Latin America, Canada and the United States on grounds covering 3,500 m2 for the first time in Colombia; both events position Corferias as an important player of a growing sector – the Meeting Industry.

Along these same lines, events such as Nickelodeon's Kid's Choice Awards, SAP Forum, Herbalife, Sonar Festival (for the first time in Colombia) and Expo Marketing, were held once again in Corferias, along with more than 90 annual events hosted on its premises.

Corferias also hosted the 2015 election polls for internal consultations between political parties and movements, and the election of district government. As a new feature, the vote counting chambers were supplied with CCTV, a service provided by Corferias.

3. Beginning of commercial activities of Ágora Bogotá - International Convention Centre

In 2015, the right team was established for Agora's first operative phase. A Marketing & Sales Manager, and a business coordinator were initially appointed in 2014, followed by a marketing coordinator and Revenue Management (RM) coordinator who were thereby included.

In order to enable a comprehensive venue vision, wherein all areas, services and added values contribute towards a single business model, progress was made in development of technology and management tools to support the structural outline. These include event CRM, venue ERP and aligning RM software requirements. As a result thereof, all business rules and variables were defined, along with types and methods for supplying value-added services.

Agora’s marketing began by launching a knowledge and awareness campaign aimed at both internal and specialized groups, including congress professionals, human resource managers, private corporate meeting planners, and the project’s partners of interest such as Procolombia, the Bogota Convention Bureau, “Marca Pais”, and Invest in Bogota, among others.

17 events of both national and international import will be hosted at the Agora, among which two are specifically noteworthy due to their importance for the venue's mission: One Young World - OYW, a global congress gathering 3,000 young world leaders and current heads of state from around the world, will be held in 2017; and the World Congress of Neurosurgery, gathering over 3,500 of the world's neurosurgeons in an unprecedented event which will foster 35 million dollars in economic income for the country.

Agora now boasts promotional tools that grasp its transformation and value promise, such as: a model / an interactive map / printed material / POP / a video and a new web page designed along modern lines, reflecting industry trends.

Lastly, in 2015 several operational, management and business policy manuals required by Agora were completed.

a. SPONSORSHIPS AND STRATEGIC PARTNERSHIPS

Sponsorships and Strategic Partnerships fully achieved budgetary target, maintaining its profit over 85%, generating an additional input of 300 million in profits for the Corporation, although a shortfall of over 1.5 billion was reported during 2Q as a result of sudden oil price drops and the rise of the dollar.

Likewise, a Partnership worth 2 billion a year was settled with ETB (Empresa deTelecomunicaciones de Bogotá -- Telecommunications Company), and negotiations on a Financial Partnership with Banco Davivienda were clinched for another five years.

b. CORFERIAS, PROFESSIONAL TRADE FAIR AND EVENTS OPERATOR OF "PUERTA DE ORO" – EVENTS AND EXHIBITION CENTER OF THE CARIBBEAN (BARRANQUILLA)

In 2015, a partnership contract was signed whereby Corferias became exclusively responsible for the operation, development, upkeep and maintenance of the Caribbean Event Center - Puerta de Oro during the next 20 years. The infrastructure delivery date was set for August 2016.

Throughout the year, the support team responsible for fairground operations was chosen, shaped and trained. The organizational chart comprises an Executive Director, a Business Manager and four Business Coordinators; a Head of Events, Chief of Marketing and Communications, the Advisor to Strategic Partnerships and Sponsorships, a Sales Assistant and Management Assistant who support the team.

In order to guarantee the transfer of knowledge and operative know-how, a report matrix structure and permanent contact is held between local offices and their counterparts in Bogota. All members also went through a corporate induction phase with visits to Corferias Bogota, where they attended meetings with relevant support areas, deepened their relationship with peers, and when warranted, attended a trade show in progress. Furthermore, Corferias' offices were set up in the city of Barranquilla, strategically located under ideal conditions for a productive and pleasant team workplace.

In drafting the trade fair and event portfolio 2016-2017, information was obtained from high level sources, such as the study by Diamante Caribe and Santanderes de Findeter, and the study of the Business Tourism Value Chain by the Barranquilla Chamber of Commerce and the CAF, as well as development and management plans of the region's main institutions.

Through these sources the most important and potential economic sectors were identified, along with their main shareholders, and previously held trade fairs and events in the city.

As the strategic and macroeconomic vision came to life, an objective portfolio of trade fairs and events for 2016 was defined and successfully developed, including gastronomy, real estate, liquors, agroindustry, construction and home-and-family Fairs.

The portfolio's success is largely dependent on the selection and negotiation with key partners in each of the sectors. Negotiations have progressed with each of the city's most representative unions and associations, including the Red Cross and Fenalco (Taste of Barranquilla Fair) Camacol (Construction and Real Estate Fair), Grupo Olímpica (Liquors Fair) and Chamber of Commerce (Logistic and Educational Offer). Dissemination and marketing of trade fairs have already begun, with high receptivity on the part of the national and regional customers. The corporate publicity campaign on Corferias' arrival in the Colombian Caribbean is set for the first trimester of 2016 and will have a positive impact on brand visibility.

Regarding event promotion and attraction, the Caribbean BIZ Forum is underway; the most important corporate event in the city and region, organized by the Barranquilla Chamber of Commerce - CCB, which has a special significance this year in celebrating the Chamber's centenary.

In addition, we will host the Fenalco Congreso Nacional de Comerciantes (Merchants National Congress), one of the most important labor union events in the country; Herbalife's corporate convention; an event by the Comisión Colombiana del Océano (Colombian Ocean Commission) on marine technology innovations; and Palmex Latin America, a palm trade fair organized by an Asian company.

These will enable Corferias to continue contributing to the development of the city with active public-private management, especially together with the infrastructure's three main partners which are, Barranquilla City Hall, the Atlantico Governorship, and the Chamber of Commerce.

To date, Corferias has driven positive change on three fronts: creating the Conventions Bureau, developing the business tourism value chain, and managing the trade fair complex. The Corporation actively participated towards establishing the Convention Bureau, providing resources around consultancy for defining the role, reach, financing and critical path needed for the institution's creation and implementation.

Regarding the business tourism value chain, we work together with the CCB to ensure that a transparent and inclusive selection and screening of contractors is performed, providing local companies with the opportunity to prepare and strengthen their services for Puerto de Oro, while maintaining Corferias’ quality guarantee for its events.

Lastly, in regards to managing the urban surroundings, the City Hall and the CEC are working hand in hand with us to oversee proper development of the grounds, beginning by sizing the potential for a possible Convention Center or enlarging the fairground premises, leaning on Corferias' decades of experience in progressive growth process and relations with its neighbors.

3. GLOBALIZATION

3.1. STRATEGIC PARTNERSHIPS WITH THE TOP WORLD FAIRS

As per our long-term vision of positioning ourselves as the main International Trade Fair Operator of the countries in the Andean Region, Central America and the Caribbean, particularly those which comprise the Pacific Partnership wherein our international trades shows have become HUB events, we have worked on two specific strategies: Partnership with world leaders in certain specialized trade fairs, and strengthening the business team and network of international agents responsible for attracting international exhibitors and visitors/buyers.

In 2015, two partnerships were confirmed and signed. On one hand COGES INTERNATIONAL from France, host of the world's largest defense industry trade show, purchased 40% of assets of the EXPODEFENSE Fair, Corferias kept 40%, and the Ministry of Defense took 20%. Through this partnership we have signed a long-term contract guaranteeing our ability to continue strengthening the fair. This year saw the successful first edition of this fair with our new partners.

Koelnmesse from Germany and Corferias jointly purchased the Andinapack Fair, the most important event in the region and one of the most representative trade show events. Its organization was outsourced to Corferias, and in 2017 Corferias will directly oversee its organization with the Feria de Colonia. Koelnmesse also signed on to co-develop Alimentec in Joint Venture with Corferias.

Both partnerships aim to attract more foreign exhibitors and regional buyers. In addition, these partnerships will help us gain knowledge of new methods and know-how from trade fair

world leaders.

These new partnerships will also help to continue promoting Bogota and Colombia as the third largest trade fair hub in Latin America, after Brazil and Mexico. To this end, Corferias fairs and trade shows should attract the industries from Andean, Central American, Caribbean and Pacific Partnership countries.

3.2. STRENGTHENING INTERNATIONAL CALLS / INVITATIONS AND FOREIGN PARTNERSHIP NETWORK

Corferias continued to work together with the Bogota Chamber of Commerce - CCB and Procolombia throughout 2015, which facilitated the significant participation of international buyers in the following trade fairs:

- Feria Internacional del Libro de Bogotá (International Book Trade Fair)
- Expoconstrucción y Expodiseño (Design and Construction Trade Fair)
- F-AIR COLOMBIA
- Agroexpo (Agricultural and Livestock Trade Fair)
- Exposición Nacional Ganadera (National Livestock Exhibition)
- Eficiencia y Seguridad (International Security Fair Colombia)
- Belleza y Salud (Beauty and Health Trade show)
- Expospeciales (Promotion of Specialty Coffees Trade Fair)
- Colombian Oil and Gas Congress
- Andinapack (International Packaging Exhibiton)
- Expodefensa (International Exhibition of Defense and Security)
- Expoartesanias (Handmade products)

In 2015, Corferias received 6,424 professional international buyers from over 65 countries, from: The United States, Mexico, Venezuela, Ecuador, Peru, Brazil, Argentina, Panama and Canada, whom we provided with trade scheduling services and business roundtables benefitting over 1,100 exhibitors with a satisfaction level of 89%; with over 5,100 appointments arranged, and nearly 126 million dollars in estimated business deals.

With the aim of attracting the participation of more international exhibitors, we have been working to create a network of international agents. The network is currently working toward the following fairs:

Trade Fair	Countries
Meditech	Germany
	Portugal
	Turkey
	China
Expo Oil and Gas	USA
	Canada
	China
	Turkey
	Austria
FIB (International industrial trade fair)	China
	Switzerland
	Turkey
	Portugal
	Belgium
Andigráfica	Netherlands
	Portugal
Fitrans (International transportation trade fair)	Portugal
Belleza y Salud (Beauty and health trade fair)	Spain
	Turkey
Feria del Libro (International Book trade Fair)	Portugal
Agroexpo (Agricultural and livestock trade fair)	Turkey

By working through international partners and managing direct calls/invitations we ensured the participation of 512 international companies as exhibitors, representing a 12% growth increase in specialized trade fairs such as Expoconstrucción and Expodiseño, Andigráfica, Fitrans, Agroexpo, F-Air, Belleza y Salud, Acipet, Eficiencia y Seguridad, Gran Salón Inmobiliario, Andina-Pack and Expopet.

The participation of new foreign companies represented an additional income of 6,316 million pesos for Corferias in 2016.

3.3. INTERNATIONAL LEADERSHIP AND POSITIONING

In 2015 Corferias presided over the Unión de Ferias Internacionales (International Fair Union) UFI. Through the support of the Executive Committee, the Steering Committee and the organization's technical committee, it ensured the fulfillment of actions geared towards improving the performance of organizations that belong to the industry, help them accept globalization, adapt their business to meet the needs of a new generation of clients by implementing new technologies within their organizations, and keeping the UFI abreast of

new challenges and innovations and keep the industry informed on the economic and social movements happening around the world.

Furthermore, from our position as chair of the UFI we promoted the concept of sustainable growth; it is vital that its application should extend into the economic, ecological and social spheres, in a new way of doing business which will benefit entrepreneurs and society at large.

Throughout 2016 we will continue to actively participate in the activities of the association belonging to the UFI Presidential Trio.

4. SERVICE DISCIPLINE AND CLIENT INTIMACY - SERVICE STRATEGY

To maintain continuity in developing the strategic focus on service in 2015, initiatives were created to offer a unique experience through comprehensive and valuable customer service.

4.1. SERVICE CULTURE AND MODEL

Within the framework of strategic service plans, throughout 2015 initiatives were developed to build memorable experiences (experience through service) and service culture hand in hand with human skills. Workshops were held with the Corporation's area leaders, to identify their individual role in the development of customer service value proposition, and their importance in each procedure; each department also discussed the exhibiting customer's first impressions in regards to Corferias as seen from within; this was a vital input factor in order to build the customer service cycle and pinpoint critical moments for 2016.

Having a positive impact during first impressions when customers interact with staff during trade fairs and events is a fundamental part of success in customer relationship, spaces were developed for leaders to impart and align the defined strategic service fundamentals to all temporary staff, according to the program’s Train the Trainer methodology.

Furthermore, the progress of defined Transcendent Strategies was monitored and incorporated into corporate projects in order to achieve their definition in service operation and development.

Lastly, as part of the development of customer service channels, during the year's second semester an online ticket service was launched; its biggest success being the SOFA Trade fair with approx. 7,000 tickets sold online.

4.2. CONSOLIDATING PARTNERS AND NETWORK PROVIDERS

The Service Portfolio for exhibitors was strengthened during 2015, including a furniture service provider to supply the needs and demands of exhibitors, guaranteeing our quality pledge of service.

Thanks to management, integration and teamwork, Strategic Partnerships were established during 2015 regarding services provided by partners in financial, telecommunications and logistic areas.

With Davivienda's cooperation, during 2015 improved customer solutions were put into effect through credit transactions for large-scale trade fairs and a wide variety of financial services and customer service channels for exhibitors and visitors within the grounds. The C-fiel Corferias -- Davivienda Co-branded card achieved a significant growth, creating synergy with the customer loyalty program.

Additionally, in 2015, the ETB partnership enabled us to strengthen our infrastructure in telecommunications services with competitive rates and continuity in both internet and telephone services, aiming to improve the quality of service of exhibitors and within the fairground. Visitors receive improved service through the implementation of Wifi zones.

As part of development and growth with strategic partners, significant growth was achieved in 2015 by generating synergies with Commodity Logistics Operator - Alpopular, of which Corferias is a shareholder.

In regards to visitor services, arrangements were made with Servibanca to expand the ATM network, and with Efecty to install a virtual module for phone recharge and remittances, among other transactions; with the aim of meeting the needs of visitors within the grounds.

4.3. C- FIEL Client Loyalty Program for visitors to large-scale trade fairs

Throughout 2015, the Club C-Fiel Visitors Program participated in the following trade fair: Feria Internacional del Libro, Agroexpo, Belleza y Salud, Feria del Hogar, Gran Salón Inmobiliario, MotoGo and Expoartesanías, focusing on the following aspects:

1. Advertising the benefits of the customer loyalty program
2. Improve the quality of prizes offered
3. Improve the visitor experience in large-scale trade fairs
4. Strengthen the bonds with exhibiting partners

The following strategies were implemented in order to achieve these goals:

Communication: Club C-fiel Corferias Magazine and social networks were employed to promote the Program and advertise prizes for each trade fair.

This year C-Fiel released 4 editions of its magazine in the Feria del Libro, Agroexpo, Belleza y Salud, and Feria del Hogar. To this end, through partnership with El Tiempo, 13,500 copies were distributed and circulated in the days leading up to the fair in order to generate greater visitor expectancy.

BTL Promotion: Several topics of interest were developed according to each fair in order to communicate the benefits of the program and stimulate purchases in C-Fiel outlets. These activities were aimed at fostering greater interaction with visitors. One such example was during the Book Fair, where several actors dressed as a character from one of Gabriel García Márquez books, walked around the fair telling stories which encouraged visitors to read.

Promotional Material: throughout the year several types of promotional material were used, including flyers, gift boxes, a Christmas tree, billboards, banners, screens, and advertising balloons emblazoned with the names of exhibiting partners of the program.

Partnerships of strategic importance: We worked hand in hand with each of the exhibitors, offering visibility options to generate value for each of their brands; so as to guarantee that exhibitors would be willing to offer better prizes to visitors during each trade fair.

Bearing in mind that 67% of Club C-Fiel members are women, and most have children, an educational area was set up in partnership with an exhibitor during the Feria del Libro, where mothers could drop off their children, and where various activities geared towards fostering imagination, creativity and a reading habit took place.

Over 200 exhibitors were involved in many C-Fiel activities, which enabled us to give 17% more prizes than in 2014.

Throughout the year, 20,869 people registered 70,165 invoices via the Club C-Fiel Program, for a combined value of $ 24,113,013,164. Club C-Fiel also received 554 new cardholders.

To strengthen the C-Fiel - Davivienda co-branded card during the Agroexpo, Belleza y Salud, and Feria del Libro trade fairs, Club C-Fiel compiled visitor profiles, enabling Davivienda to categorize customer types, which led to creating a strategy aimed at card placement growth and raising average consumption within the fair.

4.4. CUSTOMER VOICE

The results of customer satisfaction in 2015 shows general exhibitor satisfaction at 7.9, and visitors at 8.2 (on a scale from 1 to 10), measuring the various services and fairground procedures, quality of service rendered by employees and supporting staff.

Corferias will continue its dynamics of constant improvement and modernization, in order to further evolve the service model and create experiences of value for our customers.

4.5. FOOD AND BEVERAGE OPERATIONS

Throughout 2015, the Food and Beverages Unit made significant progress in the process of consolidating various lines of established business: restaurants, fast food, catering for events, and Food and Beverage services for Ágora Bogotá.

Regarding financial performance, the results achieved fulfilled the projected expectations for this year.

These results particularly highlight the excellent behavior of the Catering for Events service which achieved a participation of 49% in the total income, with over 150,000 Food and Drink services provided during 2015. In regards to Food and Beverage Service operations for the public, over 216,000 customers were served, according to service tabs.

Regarding levels of satisfaction, our entrepreneurial clientele assessed the services they received; 85% rated 'excellent' and 14% rated 'good' in the events surveyed.

Lastly, on the operational front, a technological modernization process began with the implementation of the first two (2) modules of the ICG app. This is a specialized tool for billing processes, inventory control and administrative management of such operations.

5. SOCIAL DIMENSION

5.1. RELATIONSHIPS WITH STAKEHOLDERS AND THE ENVIRONMENT

In recognition of the importance of contributing towards environmental improvement and strengthening relationships with the various stakeholders, throughout 2015 CSR good policy practices and other initiatives were set in motion, with the aim of strengthening Corferias' social dimension management.

The C-emplea Program was given continuity in order to provide the neighboring community with practical and direct advertisement of job opportunities. Vacancies are published via this platform and online application forms for available procedures are made available. Human Resources department then takes charge of summoning those neighbors who meet the necessary requirements and who pass the selection process.

Six work meetings were scheduled in 2015 with community leaders, local Community Action Boards, and the City Hall of the Teusaquillo Locality. These dialogues have become platforms for the discussion of concerns and suggestions regarding UPZ-107 priorities. As a result of these meetings, the Parque de Bolsillo "Juan Poeta" park, located in Quinta Paredes neighborhood was adopted for one year.

Likewise, new health and wellbeing programs were implemented to improve our employees' quality of life and care of the environment; Hence, the "Yo me Pongo la Camiseta" awareness campaign was launched in order to promote efficient use of electric energy.

For the proper disposal of toners and used cartridges in Corferias' administrative offices, our arrangement with Fundación Niños de los Andes was maintained throughout 2015; this initiative collects and return such items to the manufacturers for their proper disposal and recycling. Thus, 690 units avoided the landfill.

The Trade Fair Deputy Director and Corporate Affairs office supported the efforts of non-profit foundations and organizations working for vulnerable populations. Some of the most noteworthy include: Fundación Vitanova, Fundación Cardio Infantil, Fundación Portal Mágico, Fundación Finacol, Fundación Plan, Fundación SIMMON, Fundación Hematológica Colombia, Corporación Matamoros y Fundación Amese.

At state level, some areas of the fairgrounds were designated to host the "El Foro Local por el Derecho a la Salud" (Local Forum on Health Rights), "Taller de Propiedad Horizontal" (Horizontal Property Workshop), "Foro Inclusión Laboral" (Labor Inclusion Forum), and "Foro por la Paz" (Forum for Peace). Spaces within the marketing section of the Book Fair and Home-and-Family Fair were given to the Instituto de Bienestar Familiar (Family Welfare Institute) - ICBF, the Unidad para la Atención y Reparación Integral a las víctimas (Unit for

Victim Reparation and Comprehensive Care -- office attached to the Presidency of the Republic), and the Personería de Bogotá (Bogota District Attorney).

In 2015, units for disabled persons were installed in public lavatories in the Parking Tower and Food Court, thus ratifying Corferias' commitment to becoming an inclusive fairground. With this aim in mind, the Preferential Treatment Protocol was drawn up to ensure inclusive and humane treatment for all visitors, and wheelchairs were loaned to people with reduced mobility or to any in need.

We have validated our intention to support compliance with the United Nations Global Compact Principles in matters of Human Rights, Work Standards, Environment and Anti-Corruption; in 2015 we were listed in the attached contributors' category. In addition, we submitted The Progress Communique -COP 2014-2015 to the corporate citizenship network.

5.2. C-BUEN VECINO PROGRAM (Good Neighbor Program)

This community relations program with Corferias neighbors closed 2015 with 4,500 members. Throughout the year Program members and their families enjoyed several benefits. To name a few, free passes to large-scale fairs, cinema tickets for 4 movie viewings, participation in plays and other artistic venues, conferences on matters of wellbeing, civil society, environment and health.

The year closed with the 25th edition of the enlaC Newsletter. The 6 editions distributed during 2015 disclosed information on topics such as, infrastructure works undertaken by the Corporation towards its Master Development Plan, proposed local developments during the Mayor elections, civic and environmental themes, as well as stands and comments by local and District entities regarding situations of interest to the community. This newsletter is also available online at: www.enlac-corferias.com

5.3. EMPLOYEE QUALITY OF LIFE

CREDIT LINES

All throughout 2015 the Human Resources Management department continued developing projects to foster wellbeing and the quality of life for employees and their family circles.

Within corporate credit lines are Housing, vehicles, education and calamity loans. Educational coverage is most used, benefitting 28 employees. This type of loan offers coverage of up to 100% of undergraduate semester costs, and 50% for postgrad, according to the employee's financial ability, with 0% interest.

Similarly, the calamity loan benefitted 12 employees, enabling them to cover unexpected needs affecting the family budget and ease financial matters such as: rehabilitation programs, recovery of stolen items, meds not covered by insurance, and other high impact situations affecting the families of Corferias employees.

Car loan policies were analyzed so as to better benefit employees; these improvements included: employees may apply regardless of their position in the organization, according to payment capacity; loan sum increase; and a new benefit slot for purchasing a motorcycle.

“ME MUEVO POR UNA BOGOTÁ SOSTENIBLE” PROGRAM [I MOVE TOWARDS A SUSTAINABLE BOGOTA]

Corferias was invited by the Office of the Mayor of Bogota and the District Environment Secretariat to participate in the program "I Move Towards a Sustainable Bogota", geared towards strengthening quality of life. This project seeks to identify and promote strategies in matters of sustainable mobility that can be implemented by the Corporation, such as: bike use, carpooling; fostering use of public transport (Transmilenio, SITP) and other alternative means of transportation facilitating mobility in the city. Corferias and 43 other companies joined this District-wide program.

In June, Corferias was awarded recognition as the corporate *"Leader in seeking alternate modes of sustainable mobility and commuting for its employees"* in the stage labeled "Carrera Explorando”.

This result validated Corferias commitment to contribute a positive change in mobility in the capital and in the quality of life of its employees.

6. ORGANIZATIONAL DYNAMICS

6.1. HUMAN RESOURCE MANAGEMENT

Internal Structure

In 2015 challenges were faced in establishing and consolidation of the Puerto de Oro Fairground work team in Barranquilla.

Keeping in mind the fairground location, it was necessary to establish contacts with various public and private institutions granting access to local placement profiles, as well as incorporating online technologies in the recruitment and assessment of skills and abilities of new personnel, in order to optimize the requisitioning response times.

Given the particular nature of trade fair activities, 'specific' training and guideline agendas had to be drawn up for new Puerto de Oro employees. These agendas, programmed in Corferias Bogota, aimed to establish the best practices and procedures to enable new employees to successfully develop the defined business model.

SKILLS TRAINING

Dedicated Customer Service

The "Quality Leaders" program initiated in the second half of 2014, was continued throughout 2015 through training sessions aimed at skill building, geared towards creativity and innovation, paperwork management, risk management, and more, which facilitated administration and maintenance of the Quality Management System. 40 quality leaders graduated and have contributed to system maintenance, empowering the recertification process carried out last September.

In order to maintain 'organizational' contests, in 2015 each of the three elements of the 'Servir con Convicción' (Dedicated Customer Service) competition was defined: Knowledge, Attitude and Problem Solving Capabilities, validating the importance of 'know how' in trade fair activities.

A contest-style methodology was defined, named the "Reto del Saber" (Challenge of Knowledge), where 100% of employees had access to the required information and participated along with their teamwork to achieve the best score, and thus demonstrating that they became more knowledgeable in help make their work easier and contribute towards creating a better customer relation experience.

The 'Dedicated Customer Service' competition was launched to strengthen the "Train the Trainer" program carried out in 2014, along with customer relations protocols, geared towards 100% of employees then currently engaged, achieving a coverage of 90% of its objective audience.

By request of the employees and by the Corporation's desire to continue building renewing dynamics, result-focused behavior and improved performance, in 2015 a process was initiated for pinpointing key values during performance acknowledgement. Managers and three focus groups involving 60 employees were interviewed to identify the variables of an acknowledgement program that would lead to a service culture and produce innovative ideas.

Innovation

90 employees participated in work sessions/meetings geared towards defining methodologies to channel innovative ideas on how to strengthen: products that have been running for over 20 years, current trade fairs and developing new products.

English

English language training courses were geared towards people whose portfolios include a high level of interaction in a second language. Emphasizing the Pre-Immersion Program by one-on-one classes.

In order to meet the projected goals of the previous year, Corferias employee attended the first English Immersion program abroad in order to consolidate their level of communication.

6.2. COMPREHENSIVE COMMUNICATIONS AND PUBLICITY MANAGEMENT

2015 Communications and Publicity Management was focused on four areas: Corporate Communication, Fair Communication, Event Communication and Food and Beverage Service

Communication and structuring the communications strategy for Agora and Corferias Puerta de Oro Operator.

CORPORATE COMMUNICATION DIMENSION

During the course of the year, it became apparent that the corporate image needed strengthening when communicating the change procedures developed by the Corporation to stakeholders.

The Corporative Communications Plan was hatched and developed for this purpose, separated into three target groups: Collaborating Guilds/Partners/Opinion leaders, and general public.

The corporate campaign was designed in 2015 and initially launched toward collaborators, with the aim of communicating and aligning the Corporation's strategic vision, projects, and programs. This process will continue throughout 2016 and 2017.

Concerning our partners, associations, entrepreneurs, opinion leaders and visitors, the corporate campaign seeks to reinforce commitment and value proposition as creators of opportunity, emphasizing new projects that transform business dynamics, and invite target audiences to enjoy a unique and memorable experience when learning about our service offers, infrastructure and modernization. Corferias seeks to position its new role as a comprehensive trade fair and events operator in the Puerta de Oro Event Center in Barranquilla.

**Corferias Corporate Campaign 2016 - 2017*

TRADE FAIRS AND EVENTS COMMUNICATION DIMENSION

During 2015, the communications strategy challenge was centered on achieving greater effectiveness regarding calls/invitations and attendance messages, as well as imparting details of our offer during each event. Part of the strategy led the Corporation to develop "omnichannel" actions, enabling the use of various resources to achieve large-scale goals in mixed and specialized trade fairs and events. Media plans focused on strengthening digital and physical models with unconventional formats, outdoor publicity, communications development, and valuable content creation to achieve greater impact and evocation.

As a result of these measures, attendance was noteworthy at the following trade fairs: FILBO, Agroexpo, Gran Salón Inmobiliario, Belleza y Salud, MotoGo, SOFA and Expoartesanías. XpojovenES, an event geared towards youth, was also favorably received, with 23,000 visitors in three days.

This year several important news media negotiations were accomplished, resulting in 27% increase in outreach and coverage.

The fact that more and more people use digital media lent clear focus to the communication strategies and total distribution pattern, resulting in a 25% increase from 2014. This strategy was doubtless one of the elements that contributed to the successful call to large-scale trade fairs, in addition to the traditional patterns.

ÁGORA BOGOTÁ - INTERNATIONAL CONVENTION CENTRE

Considering AGORA's impact on city development, home country promotion, and a new concept for events and conventions on a global scale, Corferias, as the new Convention Center's integral operator, developed the Campaign to highlight its attributes, benefits and scope, under the concept of TRANSFORMATION.

**Ágora Bogotá Campaign*

With the aim of supporting ÁGORA's sales and marketing strategy, the communications department put together high-impact digital and traditional-media content and promotional literature in support of incoming international events such as the International Neurosurgery Congress and "One Young World 2017".

PUERTA DE ORO BARRANQUILLA - EVENTS AND EXHIBITION CENTER OF THE CARIBBEAN (BARRANQUILLA)

CORFERIAS' participation in Puerto de Oro goes beyond the creation, operation and organization of trade fairs, congresses, events and conventions; we hope to become part of the economic and social development of the larger Caribbean Region and Barranquilla's

immediate surroundings by means of more than 27 trade fairs and events run individually and/or through partnership.

The challenge for Corferias was how to further the business dynamic of Barranquilla and the Caribbean with its experience, positioning and track record; hence, a communication strategy was initiated which involved creating brand names for trade fairs to be held in 2016 and 2017, with the design and backing of Corferias' logo.

An event was held with entrepreneurs and opinion leaders to celebrate the launch of the trade fair portfolio and inaugurate the fairgrounds, the event focused on a positioning process and supporting business endeavors.

Brand Names Barranquilla 2016- 2017

FOOD AND BEVERAGES COMMUNICATION DIMENSION

To show our continued acknowledgement of the Food and Beverages line in such brands as **GUDFUD, GUDSNACK, UN BREAK, ARCO RESTAURANTE and CATERING,** communication strategies were adopted to position brands within Corferias trade fairs, achieving greater customer experience and credibility with partners, guilds, entrepreneurs and partners.

**Implementation during Book Fair 2015*

6.2.1. STRENGTHENING OF DIGITAL AND SOCIAL NETWORKS COMMUNICATION

The transformation and evolution of digital media has provided a strategic opportunity for Corferias along with strengthening its position on new technological platforms (online media and sites) and its manner of interacting with target audiences. In this context, Corferias drafted a plan designed to enrich the experience and interaction of exhibitors and visitors.

The plan involved social media networks, email, and marketing, boosting the corporation's website and those of each trade fair, and an app (Android and IOS) for Smartphones. Infographics, streaming, pictures, videos and other innovative elements became national trends during trade fairs like: FILBO, Agroexpo, XpoJovenES and SOFA (with 20,034 people connected); 336 video clips were taken of exhibitors, experts, and special guests, which were played a total of 712,445 times, thus increasing the call for future large-scale, mixed and specialized trade fairs and events.

A total of 93,974,057 people were reached on social networks alone, 1,550,430 via Facebook and Twitter. These figures represent an organic (unpatterned) growth of 32% in number of followers since 2014. The social media platform with the highest growth factor was Instagram, with a 400% increase. Corferias' website saw a growth increase of 23% from last year, and the number of hits on different trade fair websites increased by 66%.
Corferias e-mail marketing channel improved its scope, going from 26.62% to 32% effectivity margin, reaching more audiences through e-mail invitations and supporting the marketing strategy and attracting more professional visitors to specialized trade fairs.

Additionally, digital media marketing for Caribbean Corferias was launched through a micro-site within Corferias corporate website with business and other information of interest for entrepreneurs. Since its launch in August 2015, the site has been hit 2,194 times by unique visitors.

Ágora Bogotá – Convention Center's provisional website was developed by Corferias and launched in 2014; by the end of 2015 the site received 34,211 unique visitors.

6.2.2. NATIONAL AND INTERNATIONAL PRESS MANAGEMENT AND MEDIA RELATIONS

During 2015 Corferias, supported by Guiomar Jaramillo Comunicaciones and Fabiola Morera Comunicaciones, published 6,976 news releases/articles in the national media covering 20 trade fairs; 1,144 more releases than in 2014, representing a 19.6% increase in impact via no-cost media content.

Media scope was noteworthy for fairs such as the Feria Internacional del Libro which had 2,525 positive news releases/articles, Agroexpo - 712, Expoconstrucción and Expodiseño with 423, F-Air - 353 media appearances and SOFA - 319.

In international press, through the foreign media communications strategy and with the support of Newlink Group, Corferias achieved news coverage in Latin America, Central America and the Caribbean, France, Spain, the United States, Germany and the United Kingdom with 1,014 articles published abroad- 238 more than the previous year - covering 11 trade fairs of international profile. These figures reflect a 30% increase from 2014.

Corferias made some important announcements in 2015, one of which was the strategic internationalization partnership with Koelnmesse to jointly purchase the ANDINA-PACK trade fair, the event with the widest scope of technological solutions and developments for transforming, processing and packaging food in South America, and to host Alimentec, the country’s most widely represented food industry exhibit.

The partnership was highlighted in the news due to Koelnmesse's leadership as organizers of the world’s most important food industry trade fair, and because of their international outreach seeking exhibitors and buyers on a global scale, expanding coverage of trade fair activity and improving industry competitiveness.

Corferias was news in the country’s most renowned financial media outlet, reaffirming its leadership in the organization of trade fairs and events.

Puerta de Oro, Event Center of the Caribbean also made news throughout the year, with bulletins on its construction progress along with Corferias' announcement midyear of the fairground’s trade fair portfolio operated by Corferias, in 2016 and 2017.

The list of 7 trade fairs was announced; these trade fairs will enable competitiveness dynamics in the region, generate business opportunities, create direct and indirect job opportunities, and boost new projects, products and services in conquering new domestic and international markets in the Caribbean and its region.

MEDIA EXCHANGES AND PARTNERSHIPS

News media partnerships via bartering resulted in a non-payment pattern for a value estimated at $ 4,054,625,698, a 4% increase from last year, securing promotion and exposure dynamics for every industry's specialized fairs and events.

6.2.3. INTERNAL COMMUNICATIONS DIMENSION

Internal Relations Dimension:

In support of the Quality and Service departments, a disclosure strategy took place for the **RETO DEL SABER (CHALLENGE OF KNOWLEDGE)** contest, a dynamic which reinforced employees' knowledge of all procedures in time for the recertification audit in 2015.

In 2015 the Quality Management System was relaunched and the **C-Integra** brand/logo was designed to identify the **C-Quality** technology tool**.**

Under the sustainability axis, the social responsibility campaign "Yo Me Pongo la Camiseta" was launched at the request of the Corporate Relations office, in order to achieve awareness around efficient energy use. The campaign will continue its implementation in 2016, and will expand to promote rational use of water.

Corferias, by means of internal communications, also joined the City Hall-led initiative known as ***Bogotá se Mueve por una Ciudad Sostenible*** **(Bogota Moves Towards a Sustainable City)**, through a mini website to disseminate the facts of the project's progress and the results achieved during each stage. The Transit Secretariat of Bogota acknowledged the dissemination done by Corferias and we were awarded the prize for best campaign partner. An internal dissemination strategy for ***Te doy mi palabra Bogotá (I give you my word Bogota)*** was also developed, for promoting city culture.

6.3. TECHNOLOGICAL MODERNIZATION

To continue strengthening trade fairs and events, technological solutions were created and implemented so as to better attend to requirements and needs of all trade fairs and events participants.

Registry System for Innovative Projects - INNOVACENTER: Through Colciencias support, Corferias devised an information system for Market Intelligence and Internal Ideas Management as an information system for innovation capsules in the fairs and events department.

Vehicle Management and Control for the Tower and Green parking lots: A vehicle monitoring system was installed at Corferias parking lots, which enables payment of fares, cupons and monthly fees, equipped with automatic license plate identification for user friendly access via ticket or plate number.

Online fairground coupon purchasing system: In light of growing use of digital ticket purchasing platforms, Corferias installed a system on its website for the purchase of fairground coupons.

Events App: A mobile app was developed for viewing information related to events happening at the AGORA convention center in order to improve client experience before, during and after events.

Restaurant management solutions as a system for Corferias Food and Beverages line: A management and control solution for food and beverage operation was implemented and integrated with the accounting / financial management system (Novasoft) enabling resource optimization for better production and operation.

Financial system under international accounting standards: IFRS system modules were implemented for accounting, property, plant and equipment, and financial statements presentation.

Bidding system for CICB –AGORA projects: An website for handling bids for Agora Convention Center projects was developed as a data system for managing supply and demand.

Modular Computer Center – Mobile Datacenter: A new modular and portable datacenter was installed as a data processing system for new buildings and/or business lines with the aim of having an IT center replace the current technology datacenter (which will be taken down) and possibly operate during the construction of the hotel and active border, and later installed as a definitive data system for new buildings.

Technological upgrades in Puerto de Oro Management Offices: All of Corferias computer and communications systems were upgraded to enable satellite office operations in Puerta de Oro Barranquilla.

Cloud based office automation solution for flexible and mobile operations of Corferias staff: Office automation and corporate communication tools were upgraded to function on a cloud platform, allowing Corferias staff greater flexibility and mobility via upgrade to Microsoft office solution 365.

Communications systems upgrade and transfer to Corferias' new offices: The new communications system was implemented after its transfer to the new Contact Center and operator/vendor solutions offices, which is now ready for use in the new quarters.

7. FINANCIAL DIMENSION

During 2015 Colombia's GDP grew by 3% compared to 2014. Investment registered similar growth compared to the GDP, maintaining 30% of the GDP for the second consecutive year.

2015 saw 6.77% inflation rate, 2.77% higher than the upper limit of the target range set by the Banco de La Republica (4%) and 3.11% higher than inflation in 2014.

A drop in oil prices increased the peso to dollar exchange rate throughout 2015, starting at $2,392.46 in January and closing at $3,149.47 by the end of the year, 31.64%-peso devaluation ratio.

Despite an economic downturn and the decline of the main macroeconomic indicators, Corferias managed to continue its path to growth, as can be seen in the financial results listed under the following section.

7.1. GENERAL CONSIDERATIONS OF THE BALANCE SHEET AS OF DECEMBER 31, 2015

The following data analysis is consistent with the consolidated Financial Statements of the Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca and its subsidiary Corferias Inversiones S.A.S., under IFRS guidelines.

Cash and other current financial assets

Cash and other current financial assets showed an increase of 32% in $ 2.6 billion above the previous year. This increase is due to a 50% cash growth at end of year collection.

Short Term Debtors

The current accounts receivable showed an increase of $3.3 billion due to outstanding balances of trade fairs held at the end of the year and invoices for fairs in 2016.

Non-current Assets

The non-current assets increased by 3.2% since the previous year; as a result of the investment in (Parqueadero Verde (Green Parking Lot). This increase is not reflected in the property, plant and equipment variation due to the fact that in 2015 the Agora grounds were transferred to CICB independent property as participation in the project, this investment is reflected under Investments in subsidiaries, joint and sister companies.

Liabilities

The Corporation closed 2015 with total liabilities worth $76.3 billion, an increase of $1.8 billion from the previous year. The increase follows growth patterns in accounts payable to vendors, partners and supplies for trade fairs held at the end of the year.

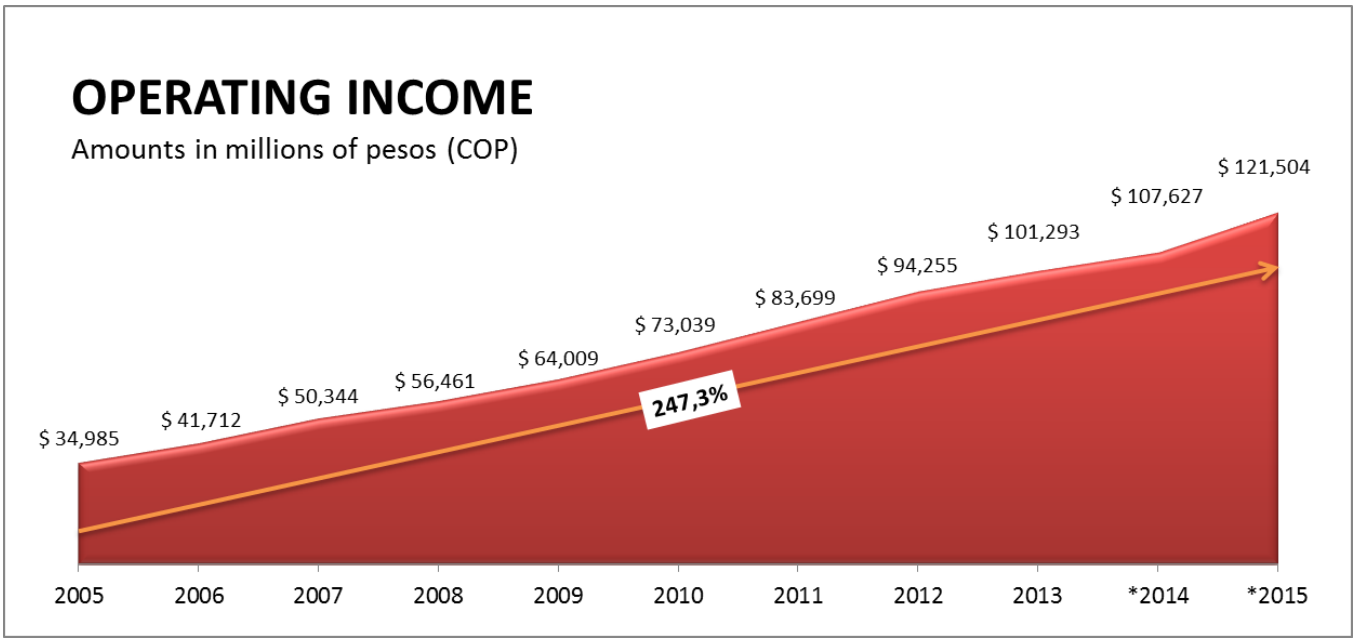
An additional increase was shown in financial obligations, due to 5-year loans acquired to meet Strategic Planning projects.

The general indebtedness of the company represented 14.21% of its assets, decreasing by .24% since 2014 due to an increase in cash, accounts payable and investments.

7.2. GENERAL CONSIDERATIONS ON THE INCOME STATEMENT

Operational Income

Operational income grew by 12.89% from the previous year, reaching a total of $121.5 billion, due to the good results of the trade fairs and events portfolio, food and beverage services, and strengthened service delivery.



*2014 and 2015 were considered under IFRS guidelines, 2014 was the transition year.

Trade fair activity income was $94.1 billion in 2015, equal to 77% of the Corporation's operational income.

Event income increased by 26% from 2014.

Food and Beverage income had the largest increase at 107% thanks to the greater participation of this line of business during events.

Lastly, the income results and efficient control of expenses enabled a 12% increase in operational activity compared to the previous year.

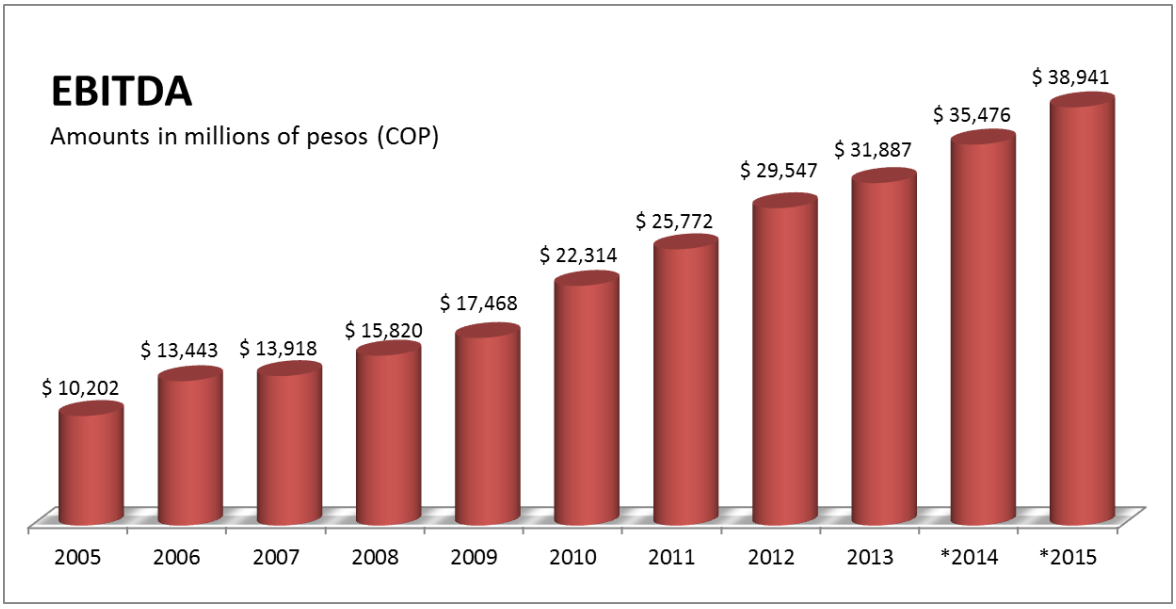
Administration

Aside from depreciation and amortization, administrative expenses increased by 4% since the previous year.

EBITDA

During 2015, EBITDA registered a 10% increase over 2014, equaling $3.5 billion, maintaining a sustainable growth over the past 6 years. This is mainly due to the budgetary control of

Corporation costs and expenses, trade fair strengthening, good event performance, parking lots, and the growth of the food and beverage business.



Other income and expenses

Other revenue and financial income amounted to $ 9.5 billion. This result is due to recovery of the public trade fair contingency allowance, and as a result of macroeconomic variables such as differences in exchange rates, as well as dividends. The year closed on $4.5 billion in expenditures and financial expenses, mainly represented by allowances for future contingencies and exchange difference.

Net Profits

Net profits closed at $ 32 billion, exceeding 2014 results by 15.6%, amounting to 4.3 billion.

8. LEGAL STATUS

8.1. LEGAL ACTIONS

In the following procedures, Corferias is being represented by the highest quality external attorneys, specialized in legal issues relevant to each lawsuit:

- **Corferias vs. District Secretariat of Finance:** Corferias filed an invalidity and restoration of rights action against the District Secretariat of Finance administrative proceedings whereby Corferias was penalized for non-payment of taxes related to public events held at trade fairs from 2005 to 2009. In March 2013 a lower court ruling was issued denying Corferias' claim; this sentence was appealed before the State Council.

  In July 2015 the court confirmed the lower court ruling and established, among other provisions, that the trade fairs conducted by CORFERIAS are indeed constituted public

events under the term "exhibitions", and therefore fall under the tax category for gambling and public entertainment. At the end of the legal process, CORFERIAS' management proceeded to pay the relevant penalty, under a special payment provision condition stated in District Decree No. 26 of 2015.

Likewise, and in deference to the stated legal criteria, at the close of the proceedings the taxes owed for the dates in question were voluntarily settled and paid, and periodic payment for all trade fairs under this category has been implemented.

- **CORFERIAS vs. DIAN – Penalty Lodged for Inaccurate Income Tax Statement 2009:** The Dirección de Impuestos y Aduanas Nacionales (National Tax and Customs Office) DIAN - Inspection Management Division of the Oficina Departamental de Grandes Contribuyentes (Large Taxpayers' Departmental Office), instituted a process of inspection on CORFERIAS' income tax for taxable year 2009, and in June 2012 issued a Special Requirement against CORFERIAS whereby several deductions for productive fixed assets were denied. In August 2013 a statement of objection was raised against CORFERIAS for the improper return of the sums of money derived from the aforesaid deductions. Once the administrative channels had been depleted, in August 2014 CORFERIAS filed an annulment and restoration of rights claim before the Administrative Court of Cundinamarca - Fourth Section. In November 2015 the Court issued a lower court ruling, declaring the annulment of the imposed administrative actions, and as concerns restoration of rights, firmly ruling in favor of the income statement submitted by CORFERIAS. Nevertheless, the Dirección de Impuestos y Aduanas Nacionales - DIAN appealed against this lower court ruling. This appeal is currently pending.

- **CORFERIAS vs. DIAN - Penalty lodged for alleged inappropriate tax return on income and related taxes for taxable year 2009.** In March 2014, the National Tax and Customs Office imposed a penalty on CORFERIAS for alleged inappropriate refund of income and ancillary taxes for taxable year 2009, ordering a reimbursement of [$1,612,282,000] pesos and payment of any default interest that may apply. Once the reconsideration appeal was filed and resolved against CORFERIAS interests, an appeal for annulment and restoration of rights was filed, July 2015 before the Fourth Section of the Administrative Court of Cundinamarca, which was conceded in September 2015.

- **LABOR PROCEDINGS:** There are currently four (4) ongoing ordinary labor proceedings in court against CORFERIAS, wherein a total of fourteen (14) plaintiffs claim that the work agreement held between themselves and CORFERIAS was governed by a contract of employment, and therefore CORFERIAS must be ordered to pay, among other items, benefits (severance, interest on severance pay, service bonus), vacations, contributions toward social security (health insurance, pension funds), compensation for dismissal without just cause and arrears compensation.

Throughout these proceedings, a response to these claims has been duly managed by phases; in some cases, a settlement hearing has already been held, where no settlement was paid, and a hearing and trial date has been set for others.

- **Civil Court Proceedings:** Due to the death of the "Polka de Juncal" mare which occurred inside Corferias' premises on July 21st, 2007 during the AGROEXPO 2007 fair, the animal's owner filed a complaint against CORFERIAS, for an alleged extra-contractual civil liability in this event. On January 21, 2013 the Civil Chamber of the High Court of Bogota ruled in favor of, and completely absolved CORFERIAS of the claims stated in the lawsuit. The plaintiff submitted an extraordinary appeal of cassation, which our external consultant duly countered on September 24, 2014. The procedure is currently pending a ruling to resolve the cassation appeal filed by the plaintiff.

- **Small claims executive proceedings:** Corferias is currently the claimant in two (2) small claims executive proceedings, stated as follows:

i). CORFERIAS vs. TACTICAL INT LTDA: Within this legal procedure CORFERIAS fulfilled its main obligation in favor thereof; however, the attorney's fees, included in the transaction agreement, remained unpaid by the debtor and are still pending. In light of this omission, the lawyer in charge continued the legal procedure in which CORFERIAS' has currently seized goods amounting to less than ONE MILLION PESOS ($1,000,000).

ii) CORFERIAS vs. CARLOS HERNANDO CASTRO QUINTERO: Once the court ruled in favor of CORFERIAS, a request was made to seize a vehicle belonging to the debtor whose seizure was already requested before the court. This debtor's assets are currently being investigated in order to request new precautionary measures, as the debtor has not fulfilled their obligation in cash payment:

- **CORFERIAS vs. Superintendencia de Industria y Comercio (Superintendence of Industry and Trade) (Book Fair class 35):** CORFERIAS lodged an annulment and restoration of rights action before the State Council against an administrative action by the Superintendencia de Industria y Comercio which denied Corferias' registration rights of the International Book Fair brand under class 35. Proceedings are currently undergoing evidentiary stage, pending the hearing of testimonies and request for preliminary interpretation by the Andean Court.

- **CORFERIAS vs. Superintendencia de Industria y Comercio (Agroexpo class 35):** CORFERIAS lodged an annulment and restoration of rights action before the State Council with the aim of annulling the Expoagro trademark registration class 35 granted to the Colombian International Corporation society. Preliminary pronouncements were issued by the Andean Court on January 12, 2016. Conclusions on the evidentiary stage and closing arguments are still pending.

- **CORFERIAS vs. Superintendencia de Industria y Comercio (Meditec brand class 35):** CORFERIAS lodged an annulment and restoration of rights action before the State Council against the undue denial by the Superintendencia de Industria y Comercio of registering the "Meditec" trademark to identify services included in the international class 35. Proceedings are currently undergoing the evidentiary stage, pending request for preliminary interpretation by the Andean Court.

- **CORFERIAS vs. HOTEL CORFERIAS INN**: As holder of the business name "CORFERIAS" and the trademark CORFERIAS in class 43 (hotels and restaurants/catering) the Corporation lodged an action for infraction of industrial property rights before the Delegatura de Asuntos Jurisdiccionales de la Superintendencia de

Industria y Comercio, against Mrs. Mery Janneth Gutiérrez Cabezas – Owner of the business establishment CORFERIAS INN, and the hearing referred to in Article 432 of C.P.C began, during which reconciliation between the parties was not achieved, and proof was presented. The hearing will resume at 9:00 a.m. on January 26, 2016.

8.2. AUDIT COMMITTEE AND SIPLA

During the past term, the Board's Audit Committee performed its duties in compliance with Law 964 of 2005, exercised its functions as supervising body for audit program fulfillment and monitored the Corporation's financial information according to the law. The Financial Statements hereby presented, have been duly overseen and approved by the committee under the aforementioned guidelines.

Regarding the Money Laundering Prevention System, various actions were carried out throughout 2015 to implement the SIPLA Manual and Ethics Code. Additionally, Corporation staff members received training, SIPLA fulfillment reports were submitted to the Audit Committee and the Board of Directors, and occasional reports were submitted to the UIAF in compliance with the law. Both the Internal Auditing Department and the Tax Inspector performed system audits.

One can satisfactorily say that according to the Corporation Compliance Officer's report, no suspicious operations were detected in 2015 for any transactions made by Company shareholders or in clearance of foreign goods.

8.3. COPYRIGHT AND INTELLECTUAL PROPERTY

The company has fully complied with the application of Law 603 of June 2000 regarding copyrights and intellectual property. All fair product brands possess their respective registrations attesting their property. Likewise, software used in the Corporation's computer equipment is properly licensed, and these tools are serviced by established suppliers and duly authorized by the manufacturers of said products. The company performs periodic inspections to ensure that all company machines use licensed software.

8.4. BILLING ACTIVITY

In compliance with paragraphs 1 and 2 of Law 1676, article 87 of 2013, added to article 7 of Law 1231 of 2008, the Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca hereby declares that during 2015 no activities took place aiming to hinder the free circulation of invoices issued by merchants and suppliers.

8.5. IMPORTANT EVENTS AFTER THE FINANCIAL YEAR END

No important events worth mentioning have occurred between the 31st of December 2015 and the date in which this report is submitted to the Board of directors.

8.6. OPERATIONS WITH PARTNERS AND MANAGERS

The operations carried out with Corferias partners and managers are listed in the notes to this report's Financial Statement.

8.7. PROFIT SHARE PAYMENT

Payment on profit shares during this financial year were strictly followed; shareholders received their respective dividends according to the method and date established by the General Assembly.

8.8. OTHER

The Corporation complies with comprehensive social and parafiscal security guidelines, and was up to date as of December 31 with corresponding company payments thereof.

9. CHALLENGES 2016

Under the Strategic Planning guidelines for 2020, the Corporation's defined vision for the next few years, the value proposition established for each business unit, the objective strategies proposed and the various projects drafted, Corferias has made le aps of progress in developing initiatives that move "Towards comprehensive leadership in the Trade Fairs and Events Industry."

Specific progress will be made in 2016 for each of the strategic projects designed to achieve the proposed vision based on performance parameters established for the coming years. Strategic projects which are currently underway are grouped into three areas: 1) Infrastructure Projects, 2) Strategic Management, and 3) Organizational Perspective.

Therefore, the biggest challenges ahead are to fulfill the Agora Convention Center's construction schedule, and continue monitoring and controlling: (i) Purchasing houses to complete the block, (ii) Mobility actions in the surrounding area, and (iii) Improvement of adjoining public spaces.

Regarding such projects as the Hotel and Active Border on Avenida la Esperanza, one of the

challenges was to obtain authorization from authorities responsible for the protection of Goods of Cultural Interest; permission was granted towards the end of 2015 thanks to the Administration's management. The challenges for 2016 regarding the hotel include choosing the investor, reaching a financial decision, and starting construction around mid-2016.

Further challenges include: (i) The launch and execution of the Americas Multifunctional Plaza Business Plan in 2016; (ii) The implementation of Added Value Services in Production and Assembly; (iii) esthetic and functional improvement of current halls; (iv) landscaping and urban furniture adaptation and improvement; (v) structural reinforcement by stages, following the performance of a technical study to determine order of priority of the works to be undertaken; (vi) Submit a proposal to EAB (private initiative) for a project responding to the needs and interests of EAB, Corferias and the city, regarding the premises of both companies, to consolidate an urban project in a high impact area of the city, and guaranteeing a harmonious development to improve living conditions and maximize its economic potential.

As part of Corferias strategic development and forward planning to meet project goals, the corporation structured a financial plan for the next five years, taking into account the projects currently underway and those planned for the future, and specifying the funding sources and fund use under consideration.

The following points are the premise of the financial plans: (i) Corferias' growth potential during this time, validating this behavior with other trade fair industry economies and expectations, according to available international studies; (ii) the new dynamics of the event business unit considering aspects such as strengthened added value services; (iii) development of food and beverage services, (iv) the operation of Agora Convention Center in Bogota and the Puerta de Oro fairground in Barranquilla, among others.

In addition, the investment plan required for the next few years was quantified, representing around $156 billion besides the hotel, and the strategies and actions to finance these projects and investments were defined. The first component will be the cash generated on the strength of projected growth, the second will be debts incurred, and the third will be the dividend distribution policy.

Regarding the ideal debt level which will accommodate the investment plan through time, some metrics or parameters for the financial department’s evaluation are being considered, taking into account interest coverage and debt servicing, cash flow and ability to pay. Under this context, a borrowing capacity of 2.5 times EBITDA was authorized.

Lastly, in regards to the dividend distribution policy, the following proposal was considered for submission before the Assembly; withholding at least 50% of the dividends over the next five years in order to undertake the various projected initiatives in the strategic plan.

TAX AUDITOR REPORT

Esteemed shareholders,

Corporación de Ferias y Exposiciones S. A. Usuario Operador de Zona Franca:

I have audited the consolidated financial statements of Corporación de Ferias y Exposiciones S. A. Usuario Operador de Zona Franca y Subordinada, which cover the consolidated financial position statement as of December 31, 2015 and consolidated income statements, changes in equity and cash flows for the year that ended on said date and their respective notes, which include a summary of the significant accounting policies and other explanatory information. The consolidated financial statements of 2014 prepared in accordance with Generally Accepted Accounting Principles in effect in Colombia for that year were audited by myself, and in the report I submitted March 3, 2015, I expressed my clear opinion on said statements; these consolidated financial statements, including the opening balances as of January 1, 2014, were adjusted in order to adapt them to the Accounting and Financial Information Standards Accepted in Colombia.

Responsibility of the administration concerning consolidated financial statements

The administration is responsible for the proper preparation and filing of these consolidated financial statements in accordance with the Accounting and Financial Information Standards Accepted in Colombia. This responsibility includes: designing, implementing and maintaining relevant internal control for the preparation and filing of consolidated financial statements free of significant errors, either due to fraud or error, selecting and applying appropriate accounting policies, as well as establishing reasonable accounting estimates under the circumstances.

Responsibility of the tax auditor

My responsibility involves expressing an opinion on the consolidated financial statements based on my audit. I obtained the information necessary to fulfill my duties and carried out my assessment in compliance with auditing standards generally accepted in Colombia. Said standards demand that I fulfill ethical requirements, plan and carry out the audit in order to obtain reasonable assurance on whether or not the consolidated financial statements are free of errors of material significance.

An audit includes executing procedures to obtain evidence on the amounts and disclosures in the consolidated financial statements. The procedures chosen depend on the tax auditor's criteria, including a risk assessment on the errors with material significance in the consolidated financial statements. During said assessment, the tax auditor considers the relevant internal controls for preparing and presenting the consolidated 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 submission of the consolidated financial statements in generalI believe that the audit evidence that I obtained provides a reasonable foundation to base the opinion that I have stated below.

Opinion

In my opinion, the aforementioned consolidated financial statements and appendices to this report reasonably present, on all matters of material significance, the consolidated financial position of Corporación de Ferias y Exposiciones S. A. Usuario Operador de Zona Franca y Subordinada as of December 31, 2015, the consolidated results of its operations and its consolidated cash flows for the year that ended on said date, in compliance with Accounting and Financial Information Standards Accepted in Colombia.

Other matters

The consolidated financial statements of 2015 are the first that the Corporation prepared using Accounting and Financial Information Standards Accepted in Colombia. Notes 33 to 37 of the consolidated financial statements of 2015 explain how the use of the new regulatory technical framework affected the previously reported consolidated financial position of the Corporation, the consolidated results of its operations and its consolidated cash flows

Liana Marcela Arango Mayo

Tax Auditor for Corporación de Ferias y

Exposiciones S. A.

Usuario Operador de Zona Franca

T.P. 163815 - T

Member of KPMG Ltda.

CORPORACION DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA Y SU SUBORDINADA

Consolidated Statement of Financial Position
At 31 December 2015
(With comparative figures as of December 31 and January 1, 2014)
(Expressed in thousands of Colombian pesos)

	Note		2015	2014	January 1, 2014
ASSETS					
Current assets					
Cash and cash equivalents	6	$	10,092,900	6,713,786	11,950,850
Other financial assets	7 y 32		700,000	1,490,000	392,418
Accounts receivable	8		10,794,641	7,501,500	6,130,480
Assets by tax			-	728	33,885
Inventories	9		80,150	515,059	-
Other non-financial asset	11		462,892	579,544	1,177,036
Total current assets			22,130,583	16,800,617	19,684,669
Non current assets					
Other financial asset	12 y 32		13,432,164	12,854,635	12,575,812
Investments in subordinate and associates	13 y 32		61,307,795	1,400,071	-
Intangible	10		3,515,284	1,796,457	156,873
Property and equipment	14		430,534,284	474,929,953	455,402,842
Assets by deferred tax	31		5,815,888	7,589,192	1,923,908
Total non-current assets			514,605,415	498,570,308	470,059,435
Total assets		$	**536,735,998**	**515,370,925**	**489,744,104**
LIABILITIES					
Current liabilities					
Financial Obligations	15		2,009,407	1,200,000	-
Debts to pay	16 y 32		18,389,664	11,234,031	12,301,079
Tax liabilities	17		2,942,692	2,909,111	3,048,400
Employee benefits	18		1,791,146	1,882,462	2,040,106
Other financial liabilities	20		1,638,626	4,507,200	2,562,198
Other non-financial liabilities	21		4,055,991	3,302,649	5,225,347
Other provisions			-	-	1,519,826
Government grantS			588	99,500	-
Total current liabilities			30,828,114	25,134,953	26,696,956
Non current liabilities					
Financial Obligations	15		5,600,000	3,900,000	-
Other provisions	19		2,064,050	8,367,968	8,019,664
Deferred tax liabilities	31		37,727,097	37,055,074	31,012,874
Total non-current liabilities			45,391,147	49,323,042	39,032,538
Total liabilities		$	**76,219,261**	**74,457,995**	**65,729,494**
EQUITY					
Share and paid capital	22		1,673,920	1,673,920	1,673,920
Paid-in shares			43,451,721	43,451,721	43,451,721
Reserves	23		54,245,620	42,773,671	31,954,346
Accumulated results			4,803,947	-	-
Convergence process results			324,254,758	325,266,798	325,296,796
Profit for the period			32,086,771	27,746,820	21,637,827
Total equity		$	**460,516,737**	**440,912,930**	**424,014,610**
Total liabilities and equity		$	**536,735,998**	**515,370,925**	**489,744,104**

See accompanying notes to the financial statements

Andrés López Valderrama
Legal Representative

Juan Carlos Sánchez
Certified Public Accountant
T.P. 102419 - T

Liana Marcela Arango Mayo
Statutory Auditor
For Corporación de Ferias y Exposiciones S.A.
Usuario Operador de Zona Franca
T. P. 163815 - T
Member of KPMG Ltda.
(See my report dated March 3, 2016)

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

Consolidated Income Statement
For the year ended December 31, 2015
(With comparative figures as of December 31 and January 1, 2014)
(Expressed in thousands of Colombian pesos)

	Note		2015	2014
Income from ordinary activities	24	$	121,501,592	107,627,376
Cost of sales			1,201,062	506,915
Gross profit			**120,300,530**	**107,120,461**
Other income	25		7,209,349	2,981,874
Administrative expenses	26		40,669,712	35,680,175
Selling expenses	27		46,153,518	40,484,811
Other expenses	28		3,851,906	1,157,715
Results from operating activities			**36,834,743**	**32,779,634**
Finance income	29		2,280,694	1,230,186
Finance cost	30		1,089,098	576,276
Profit before tax			**38,026,339**	**33,433,544**
Tax expense	31		5,939,568	5,686,724
Net income		$	**32,086,771**	**27,746,820**

See accompanying notes to the financial statements

Andrés López Valderrama
Legal Representative

Juan Carlos Sánchez
Certified Public Accountant
T.P.102419 - T

Liana Marcela Arango Mayo
Statutory Auditor
For Corporación de Ferias y Exposiciones S.A.
Usuario Operador de Zona Franca
T. P. 163815 - T
Member of KPMG Ltda.
(See my report dated March 3, 2016)

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

Cash Flow Consolidated Statements
For the years ended December 31, 2015 and 2014
(Expressed in thousands of Colombian pesos)

	Note	2015	2014
CASH FLOW FROM OPERATING ACTIVITIES			
Net income		**$ 32,086,771**	**27,746,820**
Reconciliation between net income and net cash provided by operating activities:			
Depreciations	26	5,134,656	4,424,362
Amortization	26	329,150	95,948
Impairment (Recovery) Accounts receivable, net	8	256,565	(129,773)
Provision of administrative expenses and fairs	27 y 28	5,894,163	3,904,482
Provision for social benefits	15	925,499	752,229
Provision for contingencies	27	2,064,050	348,304
Loss on retirement of property and equipment	27	1,311,144	545
Provision income level of progress	8	(139,897)	(242,269)
Recovery of provision accounts payable	25	(893,008)	(727,705)
Drawback litigation provision	25	(4,476,230)	-
Income equity method	25	(11,443)	(1,421)
		42,481,420	**36,171,522**
Changes in operating items:			
Increase in accounts receivable		(3,409,809)	(998,978)
Decrease (Increase) in Inventories		434,909	(515,059)
Decrease in other non-financial assets		116,652	597,492
Decrease tax, net		4,680,841	5,070,822
Deferred tax increase, net		1,254,051	376,916
Increase (decrease) in accounts payable		1,220,613	(5,029,502)
Decrease in provisions for employee benefits		(91,316)	(157,644)
(Decrease) increase in other financial liabilities		(2,868,574)	1,945,002
Increase (decrease) in other non-financial liabilities		753,342	(1,922,698)
Decrease other provisions		(3,891,738)	(1,519,826)
(Decrease) Increase in government grants		(98,912)	99,500
Payment of income tax		(4,646,532)	(5,176,954)
NET CASH FLOWS FROM (USED IN) OPERATIONS		**35,934,947**	**28,940,593**
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
Decrease (increase) in other current financial assets		790,000	(1,097,582)
Increase in other financial assets		(398,289)	(308,821)
Increase in investments in subsidiaries and associates		-	(1,398,650)
Purchase of intangibles		(2,047,977)	(1,735,532)
Purchase of property and equipment	14	(21,946,412)	(23,952,018)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		**(23,602,678)**	**(28,492,603)**
FLUJOS DE EFECTIVO POR ACTIVIDADES DE FINANCIACIÓN			
Aumento en obligaciones financieras		2,509,407	5,100,000
Dividendos pagados en efectivo	16	(11,462,562)	(10,785,054)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		**(8,953,155)**	**(5,685,054)**
INCREASE (DECREASE) IN CASH		**3,379,114**	**(5,237,064)**
Cash and cash equivalents at beginning of period		6,713,786	11,950,850
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**$ 10,092,900**	**6,713,786**

See accompanying notes to the financial statements

Andrés López Valderrama
Legal Representative

Juan Carlos Sánchez
Certified Public Accountant
T.P. 102419 - T

Liana Marcela Arango Mayo
Statutory Auditor
T.P. 163815 - T
For Corporación de Ferias y Exposiciones S.A.
Usuario Operador de Zona Franca
Member of KPMG Ltda
(See my report dated March 3, 2016))

1. Reporting Institution

Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca (henceforth "the parent company") is a public institution incorporated by public deed No. 3640 on July 18, 1955, in the Second (2nd) Notary of Bogotá D.C. expiration date: July 2099. Financial statements established as of December 31, 2015 include the parent company and its subsidiary. The purpose of the parent company is to bolster industry and trade development regionally, nationally and internationally, and to promote Colombia's friendship and cooperation ties with friendly nations; to organize national and international exhibitions and fairs of industrial, commercial, agricultural and scientific nature within its facilities or elsewhere, both in the country and abroad. It also aims to promote and organize Colombia's participation in fairs and exhibitions held abroad, directly or through its subsidiary - Corferias Inversiones S.A.S.

The parent company is subordinate to the Chamber of Commerce of Bogota which owns 79.74% of its share capital.

Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca has been declared User and Operator of Special Permanent Free Trade Zones in Resolution No. 5425 issued in June 20, 2008. According to Public Deed No. 2931 of July 25, 2008 of Notary 48 of Bogota D.C., registered on July 28, 2008 under number 01231243 in 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. It primarily resides in the city of Bogota, at Carrera 37 No. 54-67.

Corferias Inversiones S.A.S. is a company incorporated by private document (April 30, 2012) with indefinite duration that began developing financial activities on June, 2012. Its economic activity includes the performance of any lawful activity in Colombia and abroad that drives and further develops industry or trade within society. It currently manages parking lots at the following premises: Torre Parqueaderos, Avenida Américas and Parqueadero Verde. Corferias Inversiones S.A.S is located in the city of Bogota, at Carrera 37 no. 24-67 and at Calle 77B no. 57-103, Barranquilla, Atlántico. Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca owns 100% of shares from Corferias Inversiones S.A.S. It also has the power to determine its accounting, administrative and financial policies.

2. Basis of Preparation

(a) Technical Regulatory Framework

The consolidated financial statements have been prepared according to the International Financial Reporting Standards (IFRS) accepted in Colombia and established by Law 1314 of 2009. These statements have been regulated by the Single Regulatory Decree 2420 of 2015 and modified by Decree 2496 of 2015. The IFRS are based on International Financial Reporting Standards and its interpretations are issued by the International Accounting Standards Board (IASB). The basic rules comply with those translated into Spanish, issued on January 1, 2012 and the amendments made by the IASB during 2012.

These are the first consolidated financial statements produced in compliance with the IFRS. During transition to the new Technical Regulatory Framework, the Corporation has taken into account the exemptions expected for the first implementation of the International Financial Reporting Standards.

As of December 31, 2014 the parent company and its subsidiary prepared their financial statements in compliance with the Generally Accepted Accounting Principles (GAAP) in Colombia. The financial statements relevant to previous terms, included in the present consolidated financial statements for comparative purposes, have been modified and submitted under the new technical regulatory framework.

The effect of the changes made between GAAP applied on January 1, 2014 and the IFRS are explained in notes 34 to 38, where settlement details are provided.

Adjustments were made during its first implementation throughout the transition year and had no effect in the Other Consolidated Integral Result (OCI).

(b) Measurement Basis

The current consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), including exemptions issued by the national government.

The consolidated financial statements have been prepared in compliance with historic cost basis, exempting the following important items in the statement of financial position:

- Fair value measurement of financial instruments with an impact on results.

(c) Functional and Presentation Currency

The parent company and its subsidiary's performance are measured and reported to the general public in Colombian currency. Consequently, the administration considers that the Colombian currency most accurately represents financial effects of the underlying transactions, events and conditions. Hence, the financial statement's functional currency is expressed in Colombian pesos.

All numbers are expressed in "thousands of Colombian Pesos" and have been rounded to the nearest unit in thousands.

(d) Significant Accounting Judgments and Estimates

When preparing the consolidated financial statements in compliance with the International Financial Reporting Standards accepted in Colombia, the administration must make judgments, estimates and assumptions which may affect the implementation of accounting policies and amounts of reported assets, liabilities, revenues and expenses. The real results may differ from the estimates.

The relevant estimates and assumptions are reviewed regularly or at least as of the date for presenting consolidated financial statements. Reviews for Accounting estimates are

acknowledged for both the period wherein estimates are reviewed and for any future period that may be affected.

The main estimates and use of professional judgment are related to the following concepts:

- The estimated impairment of financial assets
- The occurrence probability and the amount of contingent liability
- The estimate of provisions

Estimates are made by using the most precise information available. In any case, future events may force a modification of said estimates and their prospective amendment in future studies.

The parent company has set accounting registries according to the Single Accounting Plan for merchants in order to transfer the Financial Superintendence of Colombia. For purposes of the presentation and in compliance with the International Financial Reporting Standards accepted by Colombia, some of figures in the parent company and its subsidiary have been reclassified.

3. Significant Reporting Policies

Unless otherwise stated, the reporting policies established hereunder have been applied consistently to all periods presented in the consolidated financial statements when preparing the initial draft of the consolidated financial statements accepted by Colombia on January 1, 2014 for transition purposes to the Accounting and Financial Reporting Standards accepted in Colombia

(a) Consolidation Bases

(i) Subsidiary

The subsidiary is an institution controlled by Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca. The subsidiary's financial statements have been included in the consolidated financial statements since 2012, when the control was first applied, and until due date thereof.

An institution controls another when it has the right to variable yields proceeding from shares thereof, and the ability to have an impact on those yields through the power it exerts over the controlled institution.

Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca consolidates the financial statements of Corferias Inversiones S.A.S., over which it exercises control and has 100% stock ownership.

In compliance with the Accounting and Financial Reporting Standards accepted in Colombia, the consolidation method applied is the method of proprietary interest, which:

- Combines similar items of assets, liabilities, equity, revenue, expenditure and cash flow from the parent company with its subsidiary

- Eliminates the carrying amount of the investment in its subsidiary in compliance with the percentage of participation
- Eliminates all assets, liabilities, equity, revenue, expenditure and cash flow within the group, relevant to transactions among the group's institution

The parent company and its subsidiary have established the same accounting policies in detection and measurement of transactions of same class and nature.

(ii) Transactions Eliminated on Consolidation

Intercompany transactions, account balances and under-expenditure produced by group intercompany transactions are removed when preparing consolidated financial statements. The unrealized gain from transactions with companies whose investment is identified according to the equity method, is removed from the investment in proportion to the participation of the parent company in the subsidiary. Unrealized expenditures are removed in the same way as under-expenditure, barring evidence of impairment.

(b) Foreign Currency

Transactions in Foreign Currency

Transactions in foreign currency are converted to the respective functional currency of the parent company at the date of transfer. Monetary assets and liabilities denominated in foreign currency on the day of report are converted to functional currency at the current exchange rate. Non-monetary assets and liabilities denominated in foreign currency at fair value are converted to functional currency at the current exchange rate when fair value was determined.

Differences in foreign currency produced from Colombian peso conversion ratio are identified in the results.

Closure rates employed:

Country	Dec-31-15	Dec-31-14	Jan-01-14
Colombia	$ 3,149.47	2,392.46	1,926.83

(c) Financial Instruments

Recognition, initial measurement and classification

The parent company and its subsidiary must initially recognize all financial assets and liabilities under their fair value, unless specific information is unavailable, in which case costs may be used in their place.

In some situations, transaction costs may be included at fair value. The transaction costs of financial instruments at fair value with an impact on results are immediately documented in the total integral result.

The parent company and its subsidiary must only recognize a financial asset or liability in its financial position when it becomes part of the instrument's contractual conditions.

(i) Financial Assets

Measurement subsequent to initial recognition of financial assets

After initial recognition, financial assets are measured by fair value or amortized cost. The following classification must be taken into account:

(a) Financial assets at fair value with an impact on results

Financial assets at fair value with an impact on results or other integral results, include financial unallocated assets at the time of classification, at an amortized cost.

i. Cash and Cash Equivalents

Cash and cash equivalents of the parent company and its subsidiary are comprised of cash balances and deposit rates with original maturities of 90 days or less, classified as high liquidity assets and easily converted to specific imports of cash and subject to low value variation risks. Cash and cash equivalents are used as means of payment to extinguish liabilities acquired by the parent company and the subsidiary.

Cash and cash equivalents may include:

- General cash
- Petty cash with functional and foreign currency
- Checking and savings account in functional and foreign currency
- Certificates of deposit (CD) at a maximum term of 90 days
- Collective investment funds

In order to comply with the definition of cash equivalents, an investment usually has a "short" maturity period; no more than three months since the acquisition date of the investment and have low value variation risks.

On the other hand, in order for a resource to be considered cash equivalent, not only must it be easily convertible and have mid-term maturity, but it must also be considered by the parent company as a means for settling liabilities.

Note 1: The term "easily converted" implies that an investment (cash equivalent) might be converted to cash under a short timeframe, without notice and without incurring a significant penalty for conversion. According to the foregoing, the cash deposited in a bank account for a non-specified period, that can only be withdrawn with previous notice, must be carefully evaluated to determine if it complies with the definition of cash and cash equivalent, considering factors such as: withdrawal restrictions, period of notice, risk of significant change in value during that period and intended use of the resources of the parent company and the subsidiary.

Note 2: A three-month maturity span is only taken into account at the time of acquisition investment. Any investment purchased with a maturity term of more than three months with

an early repayment option, will not be cash equivalent (either before or after) purchase, if the remaining maturity date (measured from a subsequent balance date) is three months or less.

(b) Investments in sister companies

A sister company is an Institution over which the parent company exerts significant influence but does not control. Investments in sister companies are identified by the participation method.

The participation over the sister company in the results of the subsequent period to the acquisition is identified in results or directly on the equity, depending on the origin of the transaction. Accounting policies of sister companies will be modified when necessary to ensure their uniformity with policies adopted by the parent company. Earnings or losses are identified in the income statement.

(c) Investment measurements

Fair value of publicly unquoted investments is measured by the cost representing best fair value estimates. Investment measurements quoted on the stock exchange market are based on the market price of the share at cut-off date.

(d) Accounts receivable

Accounts receivable are non-derivative financial assets with fixed or defined payments unquoted in an active market. Initial recognition applies to its fair value, while a subsequent recognition measures accounts receivable at amortized costs by means of effective interest rate, excluding any value impairment. Accounts receivable classified under 365 days are not subject to amortized cost, with the exception of a significant discount effect.

(e) Derecognition (retirements and disposals)

A financial asset (or part of a financial asset or group of similar financial assets, if applicable) is derecognized when:

- The contractual rights expire on the asset's cash flow
- The contractual rights are transferred over the asset's cash flows or an obligation is assumed to pay total cash flows to a third party without a significant delay through a transfer agreement
- All inherent risks and benefits have been substantially transferred to the asset's property
- The inherent risks and benefits have not been substantially transferred to or withheld from the asset's property but have been transferred under its control.

(f) Impairment

Accounts receivable are deemed impaired when objective evidence of a loss event is shown during the asset's initial recognition, and when that loss has negative effects in future cash flows that may be estimated in a reliable way.

The objective evidence showing that accounts receivable have been deteriorated, may include arrears or non-compliance from the debtor, restructuring of the amount owed, indications that a debtor will file for bankruptcy or disappearance of an active market for an instrument.

The parent company's impairment policy depends on the exhibition and trade fair activities, according to the payment default at the date of statement. Under these circumstances, the only accounts that present uncollectible proof are those with outstanding payments for over 90 days after concluding the event or trade fair. Uncollectible account probability is 10% for these cases. Now, if the arrearage period continues after 150 days, uncollectible account probability rises by 70% - 90%.

Account receivable	Maturity	Probability of loss
Accounts receivable from customers	0 - 90 days	0%
	91 - 150 days	10%
	151 - 365 days	70%-Over 4 (Minimum Wages) 90%-Less than 4 (Minimum Wages)
	Over 365 days	100%

Accounts receivable signed with state institutions under an available budget certificate will not be subject to the impairment estimate, since the certificate guarantees the payment of account receivable.

(ii) Financial liabilities

Measurement subsequent to initial recognition of financial liabilities

Financial liabilities of the parent company and its subsidiary are measured at an amortized cost after the initial recognition, which is expressed using fair value. Interests are estimated using the effective interest method and the currency translation differences are registered in the income statement.

Derecognition (retirements and disposals)

Financial liabilities are removed from accounting when the responsibility expires. This might occur when:

- Credited (the creditor pays the liability)
- Cancelled (debt write-off)
- Expired (the maturity date cancels the economic rights)

(iii) Share capital

Common actions are classified as equity. Incremental costs directly allocated to common equity issuance are acknowledged as an equity deduction, net of tax.

(d) Property and equipment

Recognition, initial measurement and classification

The parent company and its subsidiary recognize property and equipment used in the production or supply of commodities and services leased to third parties or used for administrative purposes for more than one period when risks and benefits associated to the asset have been transferred to the Institution through:

- Third party purchase
- Construction works outsourced to third parties
- Construction works and assemblies directly developed by the Institution or combined with outsourcing
- Subsequently incurred costs when adding to an asset
- Subsequently incurred costs to substitute or replace an asset or a part thereof

Property and equipment are valued at cost after removing the accumulated depreciation and impairment losses. Some property and equipment costs were determined by benchmarking previous GAAP revaluations. The parent company and its subsidiary chose to apply the optional exemption in order to use a prior appraisal as an attributable cost on January 1, 2014 - the transition date (see note 33).

Property and equipment are included in accounting when and only when it is likely that future economic benefits associated to the elements will go to the Institution and the cost of said item can be determined reliably.

The cost of property and equipment include:

- Acquisition costs, including import tariffs and non-recoverable indirect taxes excluding commercial discounts and reductions
- Costs directly attributable to placing the asset in the place and conditions necessary to operate in the way intended by management
- Initial estimates regarding dismantling or removing an item, and area recovery of where it was previously located

Items will be registered separately when property and equipment have several items (important components of immovable property) with different useful lives.

Subsequent measurement

After initial recognition, the parent company and its subsidiary will apply the cost model to measure all properties and equipment.

The cost model requires that after initial recognition, property and equipment will be valued at its cost and cumulative depreciation and accumulated losses from impairment will be excluded.

Subsequent costs

The carrying value of the replaced item will be derecognized. Daily maintenance costs of property and equipment will be identified in the results once incurred.

The parent company and its subsidiary incur in additional costs related to their assets at later dates after the capitalization of property or equipment. These costs are capitalized when applicable to add-ons. Hence, the following recognition criteria must be met when they:

- Increase the capacity of generating future economic benefits
- Increase the expected useful life

Depreciation

Useful life begins at date of procurement (which is the time that the asset is capable of operating as intended by the administration) even if the asset has not yet been placed in service.

Depreciation is calculated over its cost, excluding its residual value, which is only calculated for immovable property.

The residual value of buildings and structures accounts for 10% of cost values.

Write-down amount is identified in the results by using a direct line method according to the useful life estimate for different areas that include property and equipment.

The useful life estimate by category is as follows:

- Immovable property:
  - ✓ Component 1: Constructive Chapters comprised 22% of the building cost with a 30-year useful life.
  - ✓ Component 2: Constructive Chapters comprised 78% of the building cost with an 80-year useful life.

- Movable property:
  - ✓ Office equipment: 10 years
  - ✓ Computing and communication equipment: 5 years
  - ✓ Vehicles: 5 to 10 years
  - ✓ Machinery and equipment: 10 years

Components are determined according to items with a significant cost compared to their total cost. On this premise, two representative items with material significance and different useful lives are determined.

The parent company and its subsidiary review the residual value, the useful life and the depreciation method of property and equipment when closing each accounting period. Modifications to previously set criteria are classified as a change in estimates.

Impairment losses

At every reporting date, the parent company and its subsidiary review the carrying value of their non-financial assets to determine signs of impairment. If such signs are true, an

estimate of the recoverable amount of the asset will be performed and the amounts recoverable will be estimated on every balance date.

Derecognition of property and equipment

The carrying amount of a property and equipment item will be derecognized in accounts, either by disposition or when no future economic benefits may be extracted from its use.

(e) Intangible assets

Recognition, initial measurement and classification

The parent company and its subsidiary define intangible assets as non-monetary assets without physical appearance and liable individual recognition, either because they can be separated or because they proceed from a legal or contractual right. In the initial measurement, the intangible assets are identified to cost.

An intangible asset is identified when:

a) It is likely that future economic benefits attributed to the item flow towards the institution
b) The cost of the asset can be measured reliably

Additionally, when it complies with the following characteristics:

a) Identifiable: it is separable, in other words; can be separated or partitioned from the institution and sold, transferred, licensed, leased or exchanged, either individually or through a contract; an identifiable asset or liability that it may be related to regardless of the institution's intent to make the separation effective; or a product of contractual rights or other legal rights, regardless of those rights being transferred or separated from the institution and other rights and liabilities, control over the item and probable future economic benefits.

b) Control: An item will always be controlled if future economic benefits proceeding from the resources of the item can be obtained; in addition, access to said benefits might be restricted from third parties.

c) Future economic benefits: Includes revenue from standard activities appropriated from the sale of products and services, cost savings and performances obtained from the use of the intangible asset from the Institution.

Acquisition

Generally speaking, when an intangible asset is acquired, economic benefits can be expected, even if their flow timeframe, total amount or real possibilities remain unclear.

Similarly, the cost can usually be measured reliably given the form of cash or funds used to acquire the asset. Consequently, the requirements to recognize an intangible asset are separately meted in the acquisition of an intangible asset.

The cost of an intangible asset acquired separately will include:

a) Acquisition price, including non-refundable taxes that relapse on the acquisition; and
b) Any cost directly attributed to the preparation of the asset for its intended use

Amortization

Amortization is calculated on the cost of the asset.

Amortization is identified in results based on the method of lineal amortization during the intangible asset's useful life, starting from the date whereupon it begins its use.

The useful life of the item is estimated for current periods. These are the following comparatives:

- Commercial brands 15 to 25 years
- Licenses 1 to 5 years

Amortization methods and useful lives are reviewed in each accounting year and adjusted if necessary.

Derecognition (retirements and disposals)

An intangible asset will be removed or derecognized:

a) By its disposition; or
b) When no future economic benefits may be expected from its use or disposition

The loss or gain from removing an intangible asset will be determined as the difference between the net import from its disposition and the asset's carrying amount. When the item has been derecognized in the accounts, notification will appear in the period results (unless the NIC 17 rules differently, as is the case of sales with subsequent leasing). Earnings will not be classified as revenue from ordinary activities.

Impairment losses

At every reporting date, the parent company and its subsidiary will review the carrying amount of its non-financial assets to determine if there is any sign of impairment. If signs are true, an estimate of the recoverable amount of the asset will be performed and the recoverable imports will be estimated at every balance date.

(f) Inventories

The inventories of the parent company are initially and subsequently measured at cost, since such items have a high turnover rate and part of the finished product of the point of

sale, as the case of commodities, disposables, packaging, materials, spare parts, accessories and enhancements. The valuation method for inventory involves a weighted average cost calculated at the end of the period.

Cost of inventories includes all costs related to item acquisition and transformation, as well as costs which may have been incurred to obtain its current condition and placement. They include the cost of materials used, as well as labor and development costs.

Commercial discounts, discounts obtained and similar items are deduced when determining the acquisition price.

(g) Employee benefits

(i) Defined contribution plans

The parent company and its subsidiary make predetermined contributions to a separate institution (pension and severance funds) and have no legal or constructive obligation to make additional contributions if the fund does not have sufficient assets to tend to employees' benefits related to the services they have provided in current or previous periods. The obligations and defined contribution plans (such as pensions) are identified as expenditure inasmuch as the related service is provided.

(ii) Defined benefit plan

Retirement pension obligations represent the current value of all future outlays that the parent company must pay off to employees that meet certain legal requirements, such as age and time of service. The current value of the liability obligations of the parent company is annually determined based on actuarial studies. The parent company registers the corresponding expenditure to these commitments according to actuarial studies calculated by applying the projected unit credit method. Actuarial profits and losses from adjustments on experience and changes on actuarial hypothesis are added to the result of yearly earnings when produced.

Costs for past services that apply to benefit variations are immediately identified in the income statement.

(iii) Benefits for termination of employment contract: compensation

Severance and retirement benefits are identified as expenditure when the parent company and the subsidiary decide to terminate the employees' contract prior to the standard age of retirement or when the employee voluntarily retires in exchange of said benefits. If the total amount of benefits will not be settled within 12 months after the end of this period, benefits will be discounted.

(iv) Short-term employment benefits

Short-term employment benefits cannot be discounted and are identified as expenditure when the related service is provided. Such benefits must be liquidated within 12 months after the end of the reported period.

Obligations are identified for the amount expected if the parent company or its subsidiary has an actual legal or constructive obligation to pay that amount as a result of a service provided by the employee and the obligation may be reliably estimated.

Short-term employment benefits include wages, legal and extralegal bonuses, vacations, severance packages, life insurance and quasi-fiscal contributions to state institutions. Said benefits are accumulated by the causation system and charged to income.

(h) Provisions

Provisions are identified when the parent company and its subsidiary have a present obligation (legal or constructive) as the result of a past event and where it's likely that the parent company will be obliged to settle the obligation and a reliable estimate can be made for the value of the liability. The amount identified as a provision is the best estimate of the required compensations to settle the present liability at the date of the statement of financial position, taking into account the risks and uncertainties surrounding the obligation.

In case of litigation, the parent company and its subsidiary will use estimates by experts, whom according to the requirement will notify regarding the claim's amount and status, and specify the probability of winning or losing the case.

(i) Revenue recognition

Services Rendered

Revenues from services rendered are identified under a degree of progress, inasmuch as the identified expenditure is considered recoverable. Costs and expenditures incurred during operations are identified by the causation system.

Revenue is gained from the food and beverages sector when service is provided in a satisfactory manner, as it represents an operation of definite exchange.

The parent company and its subsidiary perform the following operations to develop its main activity:

- Real estate, Corporate and Leasing Activities: activities related to leasing spaces and providing services for events different than exhibition or trade fairs. These services are offered by the parent company.

  The subsidiary registers income proceeding from leasing parking lots.

- Entertainment and Recreation: includes activities from leasing spaces and providing services in the organization and implementation of trade fair events at the parent company.

- Food and Beverages: As part of the initiative to advance in the provision of services of added value and expand food and beverages solutions for the general public at the exhibition and trade fairs, the operation of food and beverages has been envisioned, developed and implemented.

(j) Financial income and costs

Financial income is composed of dividends and shares, equity method involvement and other revenue.

Financial costs are interests, commissions, banking charges and difference in exchange rates, among others. Borrowing costs that are not directly ascribable to acquisition, construction or production of an asset, are identified in the results through the effective interest method.

(k) Income tax

Current taxes

Income tax expenditure includes common income tax, equity income tax or CREE, surcharge of equity rent (applicable to the subsidiary) and deferred taxes.

Income tax expenditure of the parent company and its subsidiary are determined using a taxable income basis.

The effect on temporary differences imply determining a major or minor tax in the current year calculated to current rates and registered as an active deferred asset or liability as applicable, inasmuch as there is reasonable expectation that said differences will be reverted.

According to numeral 11 of article 191 of the Filing Status, the event and convention centers where Chambers of Commerce own a high percentage and are incorporated as industrial and commercial enterprises of the State or mixed economy corporations where state capital participation is more than 51% do not have to register equity tax, as long as this waiver has been duly authorized by the Ministry of Commerce, Industry and Tourism.

Law 1739 of December 23, 2014 created the Wealth Tax Act for 2015 through 2018; which once again exempted non-contributors (the parent company in this case) from the tax defined by said article; the subsidiary however, is subject to complying with said obligation.

Additionally, that Law created the surcharge to income tax over the CREE equity for 2015 to 2018, which affects all CREE contributors whose taxable income with that tax exceed 800 million pesos. This regulation also affects the subsidiary.

Although that Law modified some aspects related to the income tax over CREE equity, which was created for Law 1607 of 2012, it kept this tax exemption for companies located in a FTZ, along with exemption regarding payment of quasi-fiscal contributions and the employer health plan for employees that earn less than 10 minimum monthly wages.

As of 2014, all statements and supporting documents must be submitted in compliance with the price transfer regime for operations between companies (and their subsidiaries) located in FTZ’s and the national customs territory.

The parent company was authorized as User and Operator of Permanent Special Free Trade Zones by Resolution No. 5425 of June 20, 2008; therefore, since 2008, its Income Tax is calculated at a 15% rate.

The implementation of the food and beverages enterprise since late august 2014, led the parent company to begin paying consumption tax, which falls under the food and beverage service provided to restaurants and bars.

Income Tax expenditure for the subsidiary is determined by using a taxable income basis amounting to 39% for 2015, 25% of which corresponds to Income and Complementary Tax, 9% to Income Tax for CREE Equity and 5% to a surcharge on income tax for equity. Same tariffs (income tax and CREE) applied during 2014 amounted to 34%.

Lastly, Tax Reform of 2014 determined that collection on financial transactions would continue to apply for four more years, after which one percentage point will be deduced from this tax every year starting in 2019, until such tax is no longer effective.

Deferred tax

The assets and liabilities of deferred taxes are measured using tax rates applied to years where assets will be realized and liabilities settled - starting from the regulations and the types approved, or those that will soon be approved- once the tax consequences deriving from the way the parent company is expecting to recover its assets or settle its liabilities have been considered.

(l) Related parties

According to IFRS 24, a related party is a person or institution associated with the parent company that prepares its financial statements, where they could exercise control or joint control over the reporting institution, exercise significant influence over the reporting institution or is considered a key management staff member of the institution or of a controller of the reporting institution.

The parent company and its subsidiary identify the account balances of assets, liabilities, revenue and expenditure during each period, which is relevant to operations with related parties, such as sister companies, key management staff and stakeholders.

Compensation for key management staff includes payrolls and short-term benefits. Key staff of the administration includes the Executive Committee and Board of Directors.

The terms and conditions of transactions with key management staff and related parties were not produced under better conditions than those currently in place, and are deemed reasonable under similar transactions with non-key management staff of mutual independence agreements.

The terms and conditions of the transactions made with related parties are found on note 32.

(m)Expenditure

Expenditure is identified when corresponding imbursement does not produce future economic benefits. Expenditure is also identified when there's a decrease in economic benefit in the form of outputs, asset value decrease, or asset creation and growth, resulting in net worth decrease.

4. New Standards and Rejected Interpretations

Following are new applicable standards effective on January 1, 2016.

On December 14, 2015, Decree 2420 was issued: "Single Regulatory Decree for Accounting Standards, Financial Information and Information Assurance, along with other provisions" (modified by Decree 2496 of December 2015) including standards issued by the IASB and adopted in Colombia, effective on January 1, 2016.

Financial Reporting Standard	Amendment Topic	Description
IFRS 9 – Financial Instruments (November, 2013)	Paragraphs 4.2 and 4.4 from chapter 4 (classification) were modified Issued on November, 2013.	Chapter 4 on financial instrument classification was modified.
IAS 19 – Employee benefits (November, 2013)	Defined Benefit Plans: the method of accounting for employee benefits or third parties associated to services or defined benefit plans was clarified.	Compensation associated to service must be attributed to periods of service as negative benefit. If compensation amounts are independent from the number of years of service, an institution can identify them as a period when service was performed.
IAS 36 – Impairment of Assets (May, 2013)	Revisions to recoverable value of non-financial assets.	Modifications require revealing information on the recoverable value of impaired assets. Introduces the requirement to reveal the discount rate used

Financial Reporting Standard	Amendment Topic	Description
		when determining impairment where recoverable value is determined using present value.
IFRIC 21 - Levies (May, 2013)	IFRIC 37 interpretations	Provides a guide for cases where an asset must be identified for levies in compliance with instructions on IFRS 37. The IFRIC may be applied to any situation producing an obligation to pay state taxes or levies.
Yearly Improvement – 2010 - 2012 Cycle (December, 2013)	These amendments reflect topics discussed by the IASB which were subsequently included as modifications to the IFRS.	IAS 16 – Property, Plant and Equipment / IAS 38 – Intangible assets: revaluation method – proportional method to re-express accumulated depreciation.

Other issued standards

Following are the issued standards applicable since 2017 in compliance with Decree 2496 of December 2015 (with the exception of IFRS 15, applicable from January 1, 2018).

Financial Reporting Standard	Amendment Topic	Description
IAS 1 – Presentation of Financial Statements	Disclosure initiative. In reference to the presentation of financial statements, the amendment clarifies disclosure requirements.	Some relevant subjects indicated in the amendments are: - Material requirements of IAS 1. - Indicates specific lines in the state of results, integral results and changes in the financial statement that may

Financial Reporting Standard	Amendment Topic	Description
		be disaggregated. - Flexibility on how the notes are ordered when including in the financial statements. - The institution does not have to reveal specific information required by an IFRS if the resulting information is immaterial. The application of amendments does not have to be revealed.
IFRS 9 – Financial Instruments	Financial Instruments (in the revised edition of 2014).	The replacement project refers to the following phases: Phase 1: Classification and measurement of financial assets and liabilities. Phase 2: Impairment method. In July 2014 the IFRS concluded the financial instruments accounting method and issued IFRS 9 – Accounting of financial instruments (in the revised edition of 2014) that will replace IAS 39 – Financial Instruments: Recognition and Measurement, after the expiration date of the previous standard.
IFRS 10 – Consolidated Financial Statements	Sale or trade of goods between an investor and its sister company or joint business.	Covers topics concerning IFRS 10 and IAS 28 in treatment of a subsidiary that is sold or added to a sister company or joint business.

Financial Reporting Standard	Amendment Topic	Description
IFRS 15 – Revenue from Contracts with Customers	Revenue from contracts with customers.	Establishes a five step process applicable to revenue from contracts with customers. Will replace the following standards of revenue interpretation after its effective date: - IAS 18 - Revenue - IAS 11 – Construction contracts - IFRIC 13 – Customer Loyalty Programs - IFRIC 15 – Agreements for the Construction of Real Estate - IFRIC 18 – Transfers of Assets from Customers - SIC 31 – Revenue-Barter Transactions Involving Advertising Services
IAS 16 – Property, Plant and Equipment	Clarification on acceptable depreciating methods.	Institutions cannot use a depreciation method based on revenue for property, plant and equipment items.
IAS 27 – Separate Financial Statements	Participation methods in separate financial statements.	Use of participation method is allowed when calculating investments in subsidiaries, joint ventures and sister companies in separate financial statements. Revisions state that when a holding institution stops being an investment institution, or becomes an investment institution; such change must

Financial Reporting Standard	Amendment Topic	Description
		be accounted for from the date of its enforcement.
IAS 38 – Intangible Assets	Clarification of acceptable amortization methods.	Determines conditions related to amortization of intangible assets: a) when the intangible asset is expressed as a form of revenue b) when there is proof of a close relationship between revenue and use of economic benefits from intangible assets.
Yearly Improvement Cycle 2012 - 2014	These amendments reflect issues discussed by the IASB that were subsequently included as modifications to IFRS.	IFRS 7 – Financial Instruments: Disclosures (with amendments made to existing amendments of IFRS 1) • Modifications related to service contracts. • Applicability of modifications to IFRS 7 in interim condensed financial statements. • IAS 19 – Employee benefits. Discount rate: regional market. • IAS 34: Interim Financial Reporting: disclosure of information included in different sections of the interim financial statement.

The impact of these standards is currently being evaluated by the Administration of the parent company and its subsidiary.

5. Administration of Financial Risk

Liquidity risk

The parent company and its subsidiary maintain a liquidity position represented in cash and cash equivalents with the aim of fulfilling its human capital needs, such as investment project financing.

The parent company has low liquidity risk given that trade fairs are sold in advance, which guarantees cash flow. The subsidiary also has low liquidity risk considering the parking lot service it provides against cash on delivery.

Additionally, financial instruments of fixed income of the parent company and the subsidiary are issued by institutions controlled by the Financial Superintendence of Colombia, as well as resources invested by the Collective Investment Fund.

Market risk

The parent company and its subsidiary are exposed to minimal market risk given the financial resources invested in term deposits. The only securities with parent company participation quoted in the stock market and exposed to changes in its value are the Acerias Paz del Rio stocks.

6. Cash and Cash Equivalents

The following report describes cash and cash equivalents:

		2015	2014	01-01-14
Petty Cash	$	34,874	30,016	9,773
Checking Accounts		1,310,891	827,794	375,342
Savings Accounts		7,782,950	4,841,165	11,548,282
Collective Equity Fund		13,354	78,809	0
Beneficial Entitlements		950,831	936,002	17,453
	$	10,092,900	6,713,786	11,950,850

As of December 31, 2015, 2014 and January 1, 2014, there are no restrictions on cash and cash equivalents.

Increase in revenue is due to a $4,531,358 payment made by the National Learning Service (or SENA) to the parent company in 2015 for the World Skills event, held on October 2015.

On the other hand, the parent company received credit amounting to $2,000,000 authorized by Banco Popular. Likewise, the subsidiary received credit of $2,000,000 authorized by Av Villas Bank (see note 15).

7. Other Financial Assets

The following report describes other financial assets:

	Yearly Effective Interest Rate					
	2015	2014	01-01-14	2015	2014	01-01-14
	%	%	%			
Term Deposit Certificate	5.5	4.5	4.1	$ 700,000	1,080,000	252,418
Term Deposit Certificate		4.7	4.0	0	410,000	140,000
				$ 700,000	1,490,000	392,418

As of December 31, 2015, 2014 and January 1, 2014, there are no restrictions on the amount of other financial assets.

The market of other financial assets shows a slump compared to 2014, produced by the repayment of Term Deposit Certificates during that period.

Total TDC investments are considered current expenditure; in other words, recoverable within the following 12 months after the reporting period.

8. Accounts Receivable

The following report describes accounts receivable:

		2015	2014	01-01-14
Customers (1)	$	9,065,534	6,359,268	5,901,888
Other Debtors (2)		1,632,130	861,104	6,993
Accounts receivable from Employees (3)		438,14	502,253	411,415
Uncollectible Accounts (4)		582,753	1,960,340	2,121,422
		11,718,557	9,682,965	8,441,718
Minus Losses (4)		-923,916	(2,181,365)	(2,311,238)
	$	10,794,641	7,501,500	6,130,480

The maturity of the accounts receivable of the reporting period is the following:

		2015	2014	01-01-14
91 to 150 days	$	34,794	34,758	7,367
151 to 365 days		306,369	186,367	601,368
Over 365 days		582,753	1,960,340	1,702,503
	$	923,916	2,181,465	2,311,238

The variation impairment related to accounts receivable during the course of the year was the following:

		Impairment
Balance as of January 1, 2014	$	2,311,238
Acknowledged impairment loss		520,866
Recoveries		-650,639
Balance as of December 31, 2014		2,181,465
Acknowledged impairment loss		579,303
Recoveries		-322,738
Charged-off amounts		(1,514,114)
Balance as of December 31, 2015	$	923,916

(1) Corresponds to invoices issued to customers for their participation at fair and non-fair events and services provided by exhibitors.

(2) The debtor category includes the amount disbursed on December 2015 by the parent company on behalf of CICB Autonomous Equity amounting to $1,419,523, corresponding to property tax on urban areas. It was reimbursed at the request of project settlors of International Convention Centre of Bogotá, while modification procedures of title ownership for the construction of these premises are underway. It must be noted that the amount is budgeted under the construction project's investment. Additionally, in this category is included a provision for incomes of completion rates amounting to $139,897 in 2015 and $242,269 in 2014.

(3) The remaining balance of accounts receivable to employees originate from credits granted to employees.

(4) As of December 2015, the parent company's administration considered that account balances from December 31, 2011 were uncollectable, since all the necessary collection management was performed to collect payments without success. Therefore, the parent company proceeded to get rid of balances due from 2011 and previous years. The penalty was subject to a reconciliation process involving customers with relevant account balances, as well as express authorization from the parent company's Board of Directors.

9. Inventories

The following report describes inventories:

		2015	2014
Commodities	$	17,555	62,197
Third-Party Goods		32,176	10,732
Materials, Spare Parts and Accesories		13,832	435,472
Disposables and Packages		16,587	6,658
	$	80,15	515,059

As of January 1, 2014, there is no account balances registered on inventories.

By the end of August 2014, the parent company launched a food and beverage business, which includes inventory distribution and management. The previous numbers correspond to an appreciation of said commodities at the end of the accounting period.

As of December 31, 2015 an inventory decline is due to the parent company's practice of employing most parts of the inventory for services. Assets now include construction, stationary and electric items among others. Likewise, during the month of December all rugs were removed and floors refurbished in the facility's indoor areas.

10. Intangible Assets

The following report describes intangible assets:

	2015	2014	01-01-2014
Acquired brands (1)	$ 3,272,190	1.590,090	-
Computer programs	373,109	206,367	156,873
Accumulated amortization	(130,015)	-	
	$ 3,515,284	1,796,457	156,873

(1) In April 2015, the parent company bought the Andinapack Fair brand from the Patricia Acosta Ferias y Congresos Ltda. company for $1,947,491, and disbursements began in 2014. Likewise, during the final period of 2014, a purchase of 6.7% of the Expoconstruccion and Expodiseño Fairs were bought from the Prodiseño Promotores of Diseño S.A. company for a total of $1,324,699.

The following report describes intangible assets transfer during the accounting period of 2015:

Intangible Assets	Opening Balance 31/12/2014	Adquisitions	Amortization Period	31/12/2015
Computer Programs and Licenses	206,367	365,877	-199,135	373,109
Acquired Brands	1,590,090	1,682,100	-130,015	3,142,175
Total Intangibles	**1,796,457**	**2,047,977**	**-329,15**	**3,515,284**

The following report describes intangible assets transfer during the accounting period of 2014:

Intangible Assets	Opening Balance 01/01/2014	Adquisitions	Amortization Period	31/12/2014
Computer Programs and Licenses	156,873	145,441	-95,948	206,367
Acquired Brands	-	1,590,090	-	1,590,090
Total Intangibles	**156,873**	**1,735,531**	**-95,948**	**1,796,457**

11. Other Non-Financial Assets

The following report describes other non-financial assets:

	2015	2014	01-01-14
Gastos pagados por anticipado	$ 462.892	579.544	1.177.036

This expenditure tallies the assurances acquired by the parent company for a total of $266,361 in 2015, $215,187 in 2014 and $248,286 as of January 1, 2014. It includes life insurance, compliance insurance, material damage insurance and personal liability insurance. It also represents the interests calculated at amortized cost of housing and vehicle credits provided to employees for a total of $186,190 as of 2015 and $21,357 as of 2014. Finally, down payments pending authorization from providers and contractors amount to $10,341 as of 2015, $150,000 as of 2014 and $928,750 as of January 1, 2014.

12. Other Financial Assets

The following report describes other financial assets:

	% Participación		2015	2014	01-01-14
Alpopular Almacén General de Depósito S. A.	28,9	$	12.833.689	11.999.346	9.364.081
La Previsora S.A Compañía Seguros	0,13		424.011	680.816	3.037.186
Centro de Exposiciones y Convenciones de Bucaramanga	1,17		174.448	174.448	174.448
Acerías Paz del Río S. A.			16	25	97
		$	13.432.164	12.854.635	12.575.812

As of December 31, 2015 and 2014, and January 1, 2014 there are no restrictions.

The parent company's investments in Alpopular Almacen General de Depositos S.A., the Previsora S.A. Compañia de Seguros and the Exhibition and Convention Center of Bucaramanga are financial instruments where the parent company has no control or significant influence. Their cost is identified both during initial and subsequent measures.

Investment in Acerias Paz del Rio S.A. was updated using the stock market price of Colombia at the closing date.

13. Investment in Subsidiaries and Sister Companies

The following report describes investment in sister companies:

		2015	2014
Autonomous Equity - International Convention Centre Bogotá	$	61,307,795	1,400,071
	$	61,307,795	1,400,071

As of December 31, 2015, the parent company has invested in sister companies, given the significant influence it exerts over the Autonomous Equity, incorporated by the Bogota Chamber of Commerce, Fontur and the parent company for managing funds delivered for the development of the International Convention Centre of Bogota - AGORA). Equity was integrated under 19% participation on November 2014 with the Fiduciaria de Bogota S.A. Initial funding amounted to $1,398,650. During 2015, the parent company gave the Autonomous Equity a property valued at $59,896,281 for project development. Yields generated by the Autonomous Equity during 2015 amounted to $11,443 and $1,421 during 2014.

14. Property and Equipment

The following report describes property and equipment as of December 31:

		2015	2014	01-01-14
Properties (1)	$	242,241,373	302,137,654	295,658,992
Constructions underway (2)		32,030,390	17,863,342	3,702,011
Constructions and building (3)		143,897,241	146,924,004	149,589,179
Machinery and equipment		6,521,554	4,030,966	3,716,894
Office supplies		2,912,032	2,437,818	1,617,960
Computing and communication equipment		2,739,430	1,307,135	852,002
Buses and transportation equipment		192,264	229,034	265,804
	$	430,534,284	474,929, 953	455,402,842

As of December 31, 2015 and 2014, and January 1, 2014 there are no restrictions on these assets.

(1) Properties diminished due to their transfer and allocation towards building the International Convention Center of the CICB as part of a contribution to the project.

(2) On the other hand, current constructions saw consequential increase, specifically in regards to the development of a Hotel project for $4,193,691 and the construction of parking lots: Verde -$5,436,088 and Av. Americas - $1,160,082.

(3) Halls 2, 2A, 2B, 2C, 9, South Public Lavatories, the PLUS Offices, Marketing and Sales Offices Administrative Offices of Block A and B were devalued due to outmodedness, and delivered to further the construction of the Hotel and Borde Activo projects.

The following report describes property and equipment transfer for the accounting period of 2015:

Properties and Equipment	Balance as of 31/12/2014	Acquisition	Write-offs	Relocations	Period depreciation	Balance as of 31/12/2015
Properties	302,137,654	-	-	(59,896,281)	-	242,241,373
Constructions underway	17,863,342	15,275,873	(1,108,825)	-	-	32,030,390
Constructions and buildings	146,924,004	612,267	-194,627	-	(3,444,403)	143,897,241
Machinery and equipment	4,030,966	3,182,323	-4,556	-	-687,179	6,521,554
Office supplies	2,437,818	981,098	-2,145	-	-504,739	2,912,032
Computing and communication equipment	1,307,135	1,894,851	-991	-	-461,565	2,739,430
Buses and transportation equipment	229,034	-	-	-	-36,77	192,264
Total properties and equipment	**474,929,953**	**21,946,412**	**(1,311,144)**	**(59,896,281)**	**(5,134,656)**	**430,534,284**

The following report describes movement of property and equipment for the accounting period of 2014:

Properties and Equipment	Balance as of 01/01/2014	Acquisition	Write-offs	Relocations	Period depreciation	Balance as of 31/12/2014
Properties	295,658,992	6,604,582		-125,920		302,137,654
Constructions underway	3,702,011	15,722,582		(1,561,251)		17,863,342
Constructions and buildings	149,589,179	310,251		139,496	(3,114,922)	146,924,004
Machinery and equipment	3,716,894	843,879			-529,807	4,030,966
Office supplies	1,617,960	1,140,491		-	-320,633	2,437,818
Computing and communication equipment	852	877,908	-545	-	-422,230	1,307,135
Buses and transportation equipment	266				-36,77	229,034
Total properties and equipment	**455,402,842**	**25,499,693**	**-545**	**(1,547,675)**	**(4,424,362)**	**474,929,953**

As of December 31, 2015 fully depreciated assets in use represent 0.093% of the total amount of assets with carrying value. Fully depreciated assets in use correspond to machinery and equipment, office supplies and computing and communication equipment.

The following report describes total depreciated assets in use for 2015 and 2014:

Año	Detail	Cost
2015	Machinery and Equipment	88,868
	Office Supplies	32,646
	Computing Equipment	239,28
	Communication Equipment	36,532
2014	Machinery and Equipment	23,871
	Office Supplies	2,607
	Computing Equipment	124,184
	Communication Equipment	17,934
	Buildings	17,186

15. Financial Obligations

The following report describes financial obligations:

		2015	2014
Short-term Financial Obligations	$	2,009,407	1,200,00
Long-term Financial Obligations		5,600,000	3,900,000
	$	7,609,407	5,100,000

In January 2015, the parent company acquired a loan from Banco Popular for $2,000,000 at a rate of DTF+2.5% TA. The 60-month loan's amortization during the course of the year amounted to $300,000. The costs per loan during 2015 ascend to $441,019, which are capitalized as they are directly attributable to the construction investment projects.

The subsidiary received in December 2015 a loan from the Bank AV Villas for $2.000.000 at a rate or DTF+3.8% EA for a duration of 60 months.

As of January 1, 2014 no financial obligations had been acquired.

As of December 2015 and 2014, and January 1, 2014, the parent company and the subsidiary did not own guaranteed financial obligations.

16. Accounts Payable

The following report describes accounts payables:

		2015	2014	01-01-14
Domestic	$	424,436	452,558	525,814
To Contractors (1)		2,404,112	1,325,200	1,169,425
Costs and Account Payables				
Charges		-	-	100
Fees		270,236	232,155	623,156
Technical Support		-	-	1,564
Leasing Services		31,542	104,163	541,792
Leases		115,899	99,481	270,572
Transportation, Freight and Carriage		14,031	10,998	117,264
Public Utilities		-	-	223
Insurances		74,472	279	10,331
Travel Costs		501	501	844
Representation and Public Relations Costs		4,705	17,730	32,120
Other (2)		4,655,290	1,745,373	5,169,177
Other Accounts Payable (3)		7,673,318	5,096,634	2,136,290
Dividends or Interests Payable (4)		196,260	187,896	154,448
Final Tax Withholded at the Source		922,965	624,367	781,610
Withheld Sales Tax		-	-	-
Withheld Industry and Business Tax		80,372	71,894	56,836
Withholding and Payroll Contributions		108,880	59,043	79,440
Other Creditors		59,552	50,302	104,338
Accrued Wages (5)		47,049	1,710	24,335
Consolidated Unemployment Fund (5)		503,719	461,827	288,424
Unemployment Fund Interests (5)		62,103	55,533	34,687
Consolidated Vacations (5)		222,521	165,634	140,618
Extra-Legal Benefits (5)		90,107	67,525	37,671
Third-Party Retentions on Contracts		427,594	403,228	-
	$	18,389,664	11,234,031	12,301,079

(1) For 2015, 2014 and January 1, 2014, within the current outstanding accounts are the corresponding balances of outstanding invoices to contractors from the parent company due to assemblies for events during the months of November and December, such as the Automotive Fair and ExpoArtesanias. The same goes for license procurement and current construction services for the Av. Esperanza project.

(2) They are obligations contracted with strategic partners to conduct several fair events or civil labor contracts for the parent company's current constructions.

(3) The other outstanding accounts are constituted with the purpose of attending expenditure that by the end of the year have not been registered by providers or contractors. In the same way, the increase is product of the recognition for $1.115.280 by concept of equipment acquisition destined to provide an integral solution to the modular datacenter as a backup system for the technology area with the implementation of a new mobile computing center in the parent company.

(4) As of January 1, 2014, the account balance of dividends was of $154.448; the profit for 2013 were decreed as dividends for $10.818.502 and during the course of the year $10.785.054 were paid.

(5) Correspond to the provision of social benefits and are paid the following year for a total amount of $925.499 in 2015 and $752.229 in 2014.

17. Tax Liabilities

The following report describes tax liabilities:

		2015	2014	01-01-14
Securities and Supplementary	$	1,296,169	1,593,436	1,552,626
Sales Tax Payable		1,185,801	880,070	1,193,508
Industry and Trade		336,089	295,549	244,860
Tourism		69,863	94,206	57,406
National Consumption Tax		54,77	45,850	-
	$	2,942,962	2,909,111	3,048,400

Corresponds to the outstanding balance to the taxing authority for taxes from December 2015, 2014 and January 2014 according to the tax regulation applicable to the parent company and the subsidiary.

18. Provisions for Employee Benefits

The current amount of pension liabilities of the parent company is determined every year according to actuarial studies in compliance with the Financial Superintendence of Colombia and Article 2 of Decree 2783 of December 20, 2001 of the Ministry of Treasury and Public Credit.

Its amortization is charged to income in compliance with Decree 4565 of December 7, 2010 of the Ministry of Treasury and Public Credit.

Said obligation does not apply to the subsidiary, since the Company was constituted in 2012, when the average premium plan that forces to determine the contingent liability was no longer in effect.

The parent company received the benefit of 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 rates of Treasury Bill Holders updated by the Financial Superintendence of Colombia through Resolution 1555 of July 30, 2010, since the parent company has amortized 100% of its actuarial reserve until December 31, 2009.

The following report describes provisions for employee benefits:

		2015	2014	01-01-14
Benefit obligations defined at the beginning of the period	$	1,882,462	2,040,106	2,365,000
Interest Cost		136,000	154,000	134,000
Benefits payed directly to the Company		-195,000	-189,000	-238,000
Actuarial loss withdrawal assumptions		-32,000	-122,644	-220,894
Benefit obligations defined at the end of the period	$	1,791,146	1,882,462	2,040,106

Actuarial studies of retirement pension include the following actuarial assumptions:

Hipothesis used

	2015	2014	01-01-14
Discount Rate	8.50%	7.60%	8.00%
Salary Increase Rate	3.50%	3.00%	3.00%

Expected payments for the following 10 years (amounts in millions of pesos)

	2015	2014
Year 1	203	195
Year 2	209	200
Year 3	213	203
Year 4	216	206
Year 5	217	207
Over the course of the following 5 years	1,024	999

19. Other Provisions

The following report describes other provisions:

		2015	2014	01-01-14
Estimated Liabilities and Provisions	$	2,064,050	8,367,968	8,019,664

In 2015, the court's ruled unfavorably towards the parent company on the legal process with the Secretary of District Treasury respecting the non-payment with public events tax for the years 2005 to 2009. In October, the parent company made a payment of $3.891.738, after applying a recourse to the special condition of payments established in Decree No. 026 of January 16, 2015 of the District Secretary of Treasury. In compliance with the standard, the Capital District adopted article 57 of Law 1739 of 2014. Therefore, a recovery was obtained from the provision caused in 2014 for the provisioned amount of $4.476.230. For 2015, a new provision will be constituted for procedural contingencies amounting to $2.064.050.

20. Other Financial Liabilities

The following report describes other financial liabilities:

		2015	2014	01-01-14
Deposits received for Trade Fairs and Events (1)	$	1,352,139	2,790,274	749,006
Third-Party Revenue (2)		286,487	1,716,926	1,813,192
	$	1,638,626	4,507,200	2,562,198

The following report describes deposits received for trade fairs and events:

		2015	2014	01-01-14
International Industrial Trade Fair	$	356,429	20,575	33,718
Agroexpo (agricultural and livestock trade fair)		2,531	320,709	-
Feria Internacional del Libro (International Book trade fair)		31,697	33,933	25,791
Feria del Hogar (Home and living trade show)		70,552	16,460	-
Expoartesanías (handmade products)		59,788	96,003	440
Gran salón Inmobiliario (Great real estate hall)		18,963	6,027	-
SOFA Salón del ocio y la fantasía (Entertainment and fantasy lounge)		2,171	205	-
Expoconstrucción & Expodiseño (Construction and Design trade fair)		21,416	1,555,261	7,941
Expo Oil & Gas		3,133	364	-
Expodefensa (International defense and security trade fair)		702	39	-
Eficiencia y Seguridad (International Security Fair Colombia)		35,282	12,741	-
Exposición Nacional Ganadera (National livestock exhibition)		24,799	133	-
Feria Internacional de Transporte (International transportation trade fair)		4,578	8,268	-
Artbo		15,159	37,885	-
Meditech		436,516	2,730	234,846
Smaller Events		13,767	311,315	27,990
Alimentec		145,062	1,656	123,495
Expoestudiante Nacional		410	69	-
Belleza y Salud (Beauty and health trade fair)		7,450	109,428	8,731
Fima Feria del Medio Ambiente (International enviromental trade fair)		21,588	-	37,83
Expande (Human Resources Management trade fair)		17,400	-	-
Automatisa (Industrial automation)		-	127,191	-
Salón Internacional del Automóvil (International Motor Show)		-	28,996	-
Expopartes (auto parts and industrial sector)		-	50,000	-
Feria Internacional Odontológica (Dentistry trade fair)		-	-	2,381
Expo Oil & Gas 2014		-	-	97,302
Congreso Colombiano de Petróleo Gas (International Petroleum Conference & Exhibition)		-	-	340
Muestra Industrial Mueble y Madera (Furniture and wood exhibition)		-	-	100,000
Other		62,746	50,286	48,201
	$	1,352,139	2,790,274	749,006

(1) Corresponds to deposits received from clients for their participation in trade shows such as: Expoconstruccion y Diseño, Agroexpo, Meditech, the International Fair of Bogota, Alimentec and others. Deposits are received a year in advance. These monies are billed after invoicing the exhibitor's participation at the event.

(2) In 2015, the parent company and Codaltec decided to sell 30% and 10% respectively of their participation at the Expodefensa fair. The parent company received $280,370 from

Codaltec in compliance with the agreement between both parties to subsequently deliver it to the partner.

21. Other Non-Financial Liabilities

The following report describes other non-financial liabilities:

		2015	2014	01-01-14
Leasing-Servientrega S.A.	$	36,745	35,190	253,525
Participation in trade fairs (1)		4,019,246	3,267,459	4,971,822
	$	4,055,991	3,302,649	5,225,347

(1) Corresponds to revenues obtained in advance for customers participating in fairs scheduled for 2016. The most relevant revenues for 2015 derived from the International Fair of Bogota amounting to $1,059,550, the United Cities and Local Governments Congress for $732,758, Industrial Exhibition of Wood and Furniture for $650,000 and Sponsorship for $1,436,923. All of these events are scheduled for 2016.

22. Subscribed and Paid Capital

Authorized capital of $2,000,000, represented in two hundred million (200,000,000) shares with a nominal value of 10 pesos ($10) each and the subscribed share capital to December 2015, 2014 and January 1, 2014 for 167,391,943 common shares.

As of December 31, 2015, 2014 and January 1, 2014, the parent company holds 104,146 reacquired share ownership, whose inherent rights are suspended while they remain in its power.

23. Reserves

The following report describes reserves:

		2015	2014	01-01-14
Legal Reserve	$	839,707	839,707	839,707
Buyback Reserve for Owned-Stock		1,164	1,164	1,164
Owned-Stock Buyback		(1,041)	(1,041)	(1,041)
Occasional Reserves (1)		53,405,790	41,933,841	31,114,516
	$	54,245,620	42,773,671	31,954,346

According to legal dispositions, every Institution must constitute a legal reserve that appropriates 10 percent (10%) of liquid revenue of each accounting year until it reaches fifty percent (50%) of subscribed capital. The reserve may be reduced to less than fifty percent

(50%) of subscribed capital. When wiping-off losses in excess of undistributed profit, the legal reserve cannot be allocated to pay dividends or cover expenditure or losses during the time the institution has undistributed profit.

(1) At the parent company's shareholders meeting, held on March 25, 2015 a decision was made to raise the occasional reserve to $11,471,949 in order to leverage projects like modernizing Parking Lots Verde and Americas. $10,819,325 was determined for 2014.

24. Income from Ordinary Activities

The following report describes ordinary activities for the reporting years concluded on December 31:

		2015	2014
Food and Beverages (1)	$	3,990,196	1,391,388
Real Estate, Corporate and Leasing Activities (2)		20,262,038	16,863,924
Entertainment and Recreation (3)		97,249,358	89,372,064
	$	121,501,592	107,627,376

(1) Food and Beverages: As part of the initiatives to advance in delivery of added value services and improve the food and beverages solution for the general public at fairs, in August 2014 the parent company envisioned, developed and implemented the food and beverages operation. In said process four (4) priority lines of service were determined: Restaurants, Fast Food and Catering and Food and Beverage services.

2015 registered a significant increase in sales resulting from the fairs and events business unit operation.

(2) Real estate, Corporate and Leasing Activities: Registers revenue obtained from leasing spaces and service delivery directly related to the organization of non-exhibition events at the parent company. During 2015 the number of events exceeded the budgetary profit commitment during event high season. Among these events were the likes of World Skills Americas, Macrorueda Procolombia, Latin-American Ophthalmology Congress, and 2015 Bogota Mayoral Election.

The subsidiary registers revenues from leasing services for parking lot spaces.

(3) Entertainment and Recreation: Registers revenues obtained from leasing spaces and delivery of services for organizing and developing exhibition events for the parent company. Exhibitions producing most profit in 2015 were Agroexpo amounting to $12,340,255, Home Fair for $11,518,642 and Expoconstruccion and ExpoDiseño for $10, 75,612.

25. Other Revenue

The following report describes other revenue for the accounting years concluded in December 31:

		2015	2014
Dividends and Participations (1)	$	1,240,177	1,042,859
Revenue from Equity Method		11,443	1,421
Commissions		58,174	60,705
Recoveries (2)		5,691,976	1,605,614
Other Revenue (3)		207,579	271,275
	$	7,209,349	2,981,874

(1) Corresponds to the dividends received from the parent company and derivatives from investments in Alpopular Almacen General de Deposito S.A. and Previsora S.A. Compañia de Seguros. These dividends and participations are identified at the time of issuance. In 2015 payments on profit increased as follows: $1,183,568 from Alpopular Almacen General de Deposito S.A., of which $828,499 are represented in shares and $355,069 in cash, and $56,609 from Previsora S.A Compañía de Seguros, of which $43,229 are represented in shares and $13,380 in cash.

(2) Corresponds to cost recovery during 2015 proceeding from the previous fiscal year, such as accruals for legal assessments amounting a total of $4,476,230, accounts payable for $893,008 and accounts receivable amounting to $322,738. In 2014, accounts payable recovery amounted to $727,705, accounts receivable for $650,640 and other recoveries in costs and expenditure totaled $227,269.

(3) Other revenue classified as disability compensations, retail and third-stage element sales, telephone service compensations and third party compensation.

26. Administration Expenditure

The following report describes administration expenditure related to the accounting years concluded in December 31:

- **Staff costs**

		2015	2014
Total Payment	$	3,909,015	3,441,561
Pension Funds		195,472	205,870
Wages and other Staff Costs (1)		6,355,550	5,298,129
Parafiscal Contributions and Social Security Benefits		2,773,769	2,596,789
Allowances		419,043	911,259
Assistance		90,810	84,499
Contributions to Pension Fund		1,083,086	913,412
Contributions to E.P.S. and A.R.L.		862,772	735,280
Other work-related Expenses (2)		424,832	328,599
	$	16,114,349	14,515,398

(1) Includes wages, overtime, commissions and medical leave.

(2) Represents staff endowment, training, sports and recreation activities, and incentives.

- **Other expenditure**

		2015	2014
Fees	$	1,676,037	1,506,422
Taxes (1)		4,044,120	3,554,644
Leases		556,247	361,506
Contributions and Registrations		266,922	237,760
Insurances		396,079	427,091
Services (2)		3,984,020	4,086,192
Legal Expenses		155,892	24,504
Maintenance and repairs		1,564,200	1,363,774
Compliance and Installation (3)		1,863,298	1,614,347
Expenditure and Travels		367,995	208,675
Depreciations		5,134,656	4,424,362
Amortizations		329,150	95,948
Assorted		2,410,466	1,866,911
Other (4)		1,806,281	1,392,641
		24,555,363	21,164,777
	$	40,669,712	35,680,175

(1) Represents taxes on industry and trade, real estate, tourism, entertainment and charges to financial movement.

(2) Includes cleaning services, surveillance, temporary staff, technical assistance, public services and other expenditure incurred by the administrative operation and management of events.

(3) Represents decorating arrangements, signposting, assemblies and other services requested for events.

(4) Establishes the expenditure generated at the end of the accounting year that have not being invoiced by service providers and contractors; the most significant are provisions for administrative expenditure, amounting to $1,217,006 in 2015, and $871,774 in 2014.

27. Selling Expenses

The following report describes selling expenses during the accounting years concluded in December 31:

- **Staff costs**

		2015	2014
Wages and other Staff Costs (1)	$	2,537,095	2,078,794
Parafiscal Contributions and Social Security Benefits		895,704	535,820
Allowances		94,303	13,874
Aid (2)		69,17	61,619
Pension Fund Contributions		316,568	266,809
E.P.S. y A.R.L. Contributions		234,693	199,682
Other Work-Related Expenses (3)		9,885	1,768
	$	4,157,418	3,158,366

(1) Includes wages, overtime, commissions and medical leave.

(2) Includes hired staff compensation such as transportation and prepaid medical insurance.

(3) Represents items involving staff endowment, staff training, sports and recreation activities, incentives and others.

- **Other expenditure**

		2015	2014
Fees	$	1,572,847	2,812,365
Taxes		45	-
Leases		987,673	1,514,555
Contributions and Registrations (1)		6,840,990	3,539,937
Insurances		39,327	28,360
Services (2)		12,933,324	12,143,404
Legal Expenses		18,061	26,122
Maintenance and Repairs		176	125,631
Compliance and Installation (3)		9,103,650	6,338,826
Travelling Costs		830,640	937,812
Assorted (4)		3,599,324	5,954,951
Other (5)		5,894,163	3,904,482
		41,996,100	37,326,445
	$	46,153,518	40,484,811

(1) Represents participation at the Colombian Book Chamber, Civil Aviation, Camacol Regional Construction of Bogota D.C, Cundinamarca and other institutions for the development of different fairs and trade shows at the parent company.

(2) Includes cleaning services, surveillance, temporary staff, technical assistance and public services requested for development of several fairs.

(3) Represents decorating arrangements, signposting, assemblies and other services requested at the assembly of the parent company's fairs and trade shows.

(4) Corresponds to stationary, decorative and signposting items, casino, taxis and other items necessary for fairs and trade shows.

(5) Establishes expenditure generated at the end of the accounting year that have not being invoiced by providers and contractors of the parent company and its subsidiary, out of which, provisions for partner liquidation at trade shows was the most significant expense, amounting to $5,894,163 in 2015 (Andinapack, Expodefensa and Expoartesanias) and $871,774 in 2014 (Expoartesanias and Expodefensa).

28. Other Expenditure

The following report describes other expenditure for the accounting years concluded in December 31:

		2015	2014
Sale Losses and Removal of Assets (1)	$	1,311,144	545
Other Expenditure (2)		2,540,762	1,157,170
	$	3,851,906	1,157,715

1) Corresponds to assets removed from financial sheet amounting to $1,311,144 in 2015 and $545 in 2014.

2) Corresponds to identifying provisions generated for procedural contingencies amounting to $2,064,050 in 2015 and $348,304 in 2014. Also represents contributions made to the Bogota Convention Bureau amounting to $340,000.

29. Financial Income

The following report describes financial income for the accounting years concluded in December 31:

		2015	2014
Interests-Savings Accounts	$	380,693	276,215
Foreign Exchange Differences		1,613,715	604,614
Discounts		286,286	349,357
	$	2,280,694	1,230,186

30. Financial Costs

The following report describes financial costs for the accounting years concluded in December 31:

		2015	2014
Banking Expenditure	$	29,460	-
Comissions		184,713	165,907
Interests		64,442	3,594
Foreign Exchange Differences		799,552	406,775
Other		10,931	-
	$	1,089,098	576,276

Corresponds to the expenditure with the different banking institutions by concept of interests and commissions, as well as the difference in exchange rates incurred by account management in US dollars.

31. Tax Expenses

The following report describes tax expenses for the accounting years concluded in December 31:

		2015	2014
Current Income Tax	$	4,379,858	5,163,571
Occasional Income Tax		223,920	-
CREE Tax		77,501	146,237
CREE Surcharge		3,056	-
CREE Surcharge Adjustment from previous years		1,187	-
		4,685,522	5,309,808
Yearly Deferred Tax Asset		582,024	(5,665,285)
Yearly Deferred Tax Liability		672,022	6,042,201
	$	5,939,568	5,686,724

Reconciliation of Tax Rates

The current tax provisions applicable to the parent company and subsidiary determine that:

The parent company was authorized as User and Operator of Permanent Special Free Trade Zones by Resolution No. 5425 of June 20, 2008; therefore, Income Tax is estimated at a 15% rate since 2008.

During 2015, the parent company estimated 10% of fortuitous profit tax for the sale of intangible assets.

The Income Tax expenditure for the subsidiary is determined according to taxable income; 34% in 2014, out of which 25% corresponds to Income and Complementary Tax and 9% corresponds to CREE Equity Income Tax.

An additional CREE surcharge was created during 2015; amounting to 5% for 2015, 6% for 2016, 8% for 2017 and 9% for 2018. The basis for determining income tax and CREE cannot be less than 3% of liquid equity at the last day of the taxable period immediately preceding it.

The following report describes the reconciliation between total income tax expenditure of the parent company and the subsidiary calculated at the current tax rates and tax expenses effectively registered in the income statement.

		2015	2014
Income prior to Taxes	$	**38,026,339**	**33,433,544**
Hypothetical Tax		5,793,938	5,482,987
Non-Deductible Expenditure from previous accountable years		284,098	110,712
Non-Deductible Expenditure from Penalties, Sanctions and Litigations		310,677	422,563
Other Non-Deductible Expenditure		1,721,140	786,997
Untaxed Dividends		-168,273	-78,214
Untaxed Income from Equity Method		-	0
Costs Reimbursed and Other Untaxed Income		-352,544	-94,565
Base Effect Excluded from CREE Surcharge		-40,000	-
Effect of Rate Differences		222	-
CREE Surcharge Adjustment from previous years		1,187	-
Difference between LFRS Utilities and Fiscal Utilities		(1,375,992)	-943,757
Effect of Untaxed Base of Occasional Income from Sale of Intangible Goods		-234,885	-
Total Yearly Tax Expenditure	$	5,939,568	5,686,724

The parent company was authorized as a self-withholder of Income Tax according to Resolution No. 06 of January 21, 1993; hence, it includes a monthly tax payment advance of 25% of its income, in its tax withholding statement. The advance amounted to $3,126,009 in 2015 and $3,250,193 in 2014. For 2015 and 2014, amounts paid on Income Tax amounted to $825,560 and $1,757,2019.

Movement of deferred taxes

The following report describes deferred taxes:

		2015	2014	01-01-14
Deferred Taxes on Assets	$	5,815,888	7,589,192	1,923,908
Deferred Taxes on Liabilities		37,727,097	37,055,074	31,012,874
	$	31,911,209	29,465,882	29,088,966

Differences between assets and liabilities basis for IFRS and the tax basis of said assets and liabilities for tax purposes, create temporary differences that generate deferred taxes calculated and registered on December 31, 2015 and 2014 in compliance with current tax rates applicable to years where said temporary differences will be reversed.

The effect of temporary differences that entail the ruling of a minor or major tax in the present year calculated at current rates is registered as an asset or liability deferred tax (as applicable) as long as there is reasonable expectation that said differences will be reversed.

The deferred income tax of the parent company has been calculated at a 15% rate, since 2008, when it was authorized as User and Operator of Permanent Special Free Trade Zone according to Resolution No. 5424 of June 2008. The deferred tax of the subsidiary is calculated at a 34% rate, out of which 25% proceeds from Income and Complementary Taxes and 9% from CREE Equity Income Tax. The main active temporary differences originate from share investments, construction and building, machinery and equipment, computing and communication equipment, buses, transportation equipment, and others.

Tax Effects on Deductible Tax Differences		**Balance as of December**	**Credited with Charge on Results**	**Balance as of December 31, 2015**
Investments	$	1,191,281	(1,191,281)	-
Accounts Receivable		175,029	(175,029)	-
Inventory		299	87,126	87,425
Intangibles		9,565	7,695	17,260
Property and Equipment		5,63,5222	(77,292)	5,557,930
Deferred		130,040	(31,740)	98,300
Other		107,086	(107,086)	-
Payable Costs and Expenditure		332,231	(282,301)	49,930
Labor Obligations		1,380	3,252	4,632
Estimated Liabilities and Provisions		7,059	(6,648)	411
Subtotal of Tax Effects of Temporary Untaxed Differences	$	**7,589,192**	**(1,773,304)**	**5,815,888**

Tax Effects on Temporary Taxable Differences	$	**Balance as of December 31, 2014**	**Credited with Charge on Results**	**Balance as of December 31, 2015**
Investments		-	(5,945,902)	(5,945,902)
Accounts Receivable		(36,340)	15,355	(20,985)
Inventory		(4,185)	2,417	(1,768)
Intangibles		-	(8,190)	(8,190)
Property and Equipment		(36,756,091)	5,244,858	(31,511,233)
Deferred Liabilities		(97,428)	9,558	(87,870)
Advances Received		(159,178)	8,137	(151,041)
Other		(1,853)	1,745	(108)
Subtotal of Tax Effects on Temporary Taxed Differences	$	**(37,055,075)**	**(672,022)**	**(37,727,097)**

.

Tax Effects of Deductible Tax Differences		Balance as of January 01, 2014	Credited with Charge on Results	Balance as of December
Investments	$	1,219,158	(27,877)	1,191,281
Accounts Receivable		115,749	59,280	175,029
Inventory		-	299	299
Intangibles		9,565	-	9,565
Property and Equipment		60,723	5,574,499	5,635,222
Deferred		170,481	(40,441)	130,040
Other		104,965	2,121	107,086
Payable Costs and Expenditure		41,350	290,881	332,231
Labor Obligations		-	1,380	1,380
Estimated Liabilities and Provisions		201,917	(194,858)	7,059
Subtotal of Tax Effects of Temporary Untaxed Differences	$	**1,923,908**	**5,665,284**	**7,589,192**

Tax Effects of Temporary Taxable Differences	$	Balance as of January 01, 2014	Credited with Charge on Results	Balance as of December
Accounts Receivable		-	(36,340)	(36,340)
Inventory		-	(4,184)	(4,184)
Property and Equipment		(30,745,537)	(6,010,554)	(36,756,091)
Estimated Liabilities and Provisions		(1,041)	1,041	-
deferred Liabilities		(106,984)	9,556	(97,428)
Advances Received		(159,178)	-	(159,178)
Other		(134)	(1,719)	(1,853)
Subtotal of Tax Effects of Temporary Taxed Differences	$	**(31,012,874)**	**(6,042,200)**	**(37,055,074)**

In 2015, an adjustment on the deferred tax of the parent company amounted to $1,191,281, proceeding from the investments made by the parent company. Therefore, $1,219,158 are identified in withheld earnings of the Opening IFRS Statement of Financial Position and $27,877 of the withheld earnings of 2015.

32. Related Parties

The parent company and the subsidiary consider the main stakeholders as related parties, the Board of Directors and the companies where the parent company has over 10% investment or administrative or financial economic interests; as well as in companies where stakeholders or the Board of Directors have more than 10% participation.

Accounts receivable to related parties

		2015	2014	01-01-14
Cámara de Comercio de Bogotá (1)	$	1,478,305	1,170,707	-
Alpopular Almacén General de depósitos		-	3,600	-
Key Management Personnel (2)		111,309	146,769	150,989
Patrimonio autónomo Centro Internacional (3)		1,419,253	7,180	-
Shareholders		310,253	154,297	291,177
	$	3,319,121	1,482,554	442,166

1) Corresponds to technical consultancy and leasing services during the ARTBO 2015 event.

2) Represents loans provided to members of the steering committee for concepts such as mortgage and vehicle loans and others that increase staff well-being. It is worth noting that the total amount of said loans is offered under the same conditions to all employees of the parent company and the subsidiary.

3) Corresponds to the amount paid by the parent company in December 2015 to Autonomous Equity CICB for $1,419,253 as payment for the urban demarcation tax, made at the request of settlors from the International Convention Center of Bogota project, while a construction license ownership transfer is made for the property.

Related accounts payable

		2015	2014	01-01-14
Cámara de Comercio de Bogotá (1)	$	2,260,795	1,705,552	-
Alpopular Almacén General de Depósitos		-	-	26,764
Key Management Personnel (2)		290,722	267,877	61,028
Shareholders (3)		1,071,139	385,122	80,609
	$	3,622,656	2,358,551	168,401

(1) Corresponds to the liquidation of ARTBO 2015 profit, according to the closing protocol.

(2) Represents pending payment commissions to staff for their management activities during 2015.

(3) Corresponds to payable accounts to shareholders for profit share of the partner Pafyc, produced from the Feria Eficiencia y Seguridad amounting to $488,737 and administrative and financial services amounting to $299,514. It also represents the amount payable to the Travel and Tourism Agency Aviatur for a total amount of $180,120.

Chamber of Commerce of Bogota

Income		2015	2014
Real Estate, Corporate and Leasing Activities	$	22,132	101,098
Entertainment and Recreation		2,056,220	1,902,749
	$	2,078,352	2,003,847
Administration Expenditure			
Staff Costs	$	387	5,638
Fees		-	230
Leasings		-	372
Insurances		8,539	11,092
Legal Costs		4,237	3,220
Other		-	363
	$	13,163	20,915
Sales Costs			
Legal Costs	$	216	-

Alpopular Almacén General de Depósitos S.A.

		2015	2014
Investments	$	12,833,689	11,999,346
Income		2015	2014
Real Estate, Corporate and Leasing Activities		382	4,808
Entertainment and Recreation		100	28,700
Dividends and Shares		1,183,568	1,029,643
		1,184,050	1,063,151
Administration Costs			
Leasings		10,773	10,708
Legal Costs		2,656	-
	$	13,429	27,205

Key Management Personnel

Administration Costs		2015	2014
Personnel Costs	$	2,973,924	2,980,899
Fee		243,734	199,423
Travels and Expenses		24,103	8,840
Other		144	411
	$	3,241,905	3,189,573
Sales Costs			
Travelling Costs	$	25	-

Patrimonio Autónomo Centro Internacional CICB

		2015	2014
Investmentes	$	61,307,795	1,400,071
Income			
Equity Method Income	$	11,443	1,421
Administration Costs			
Legal Costs	$	123,741	-

Shareholders

Income		2015	2014
Hotels and Restaurants	$	29,417	5,173
Real Estate, Corporate and Leasing Activities		137,790	305,565
Entertainment and Recreation		6,823,189	2,536,626
	$	6,990,396	2,847,364
Administration Expenditure			
Personnel Expenditure	$	343,881	460,391
Fees		-	28,339
Leasings		-	12,960
Contributions and Registrations		5,000	5,000
Travelling expenses		149,310	85,806
Other expenditure		32,390	10,538
	$	530,581	603,034
Sales Expenses			
Fees	$	223,278	-
Leasings		342,839	315,438
Contributions and Registrations (2)		1,123,003	63,980
Services		244,588	1,312
Compliance and Installation		40,515	-
Travelling Expenses		362,843	426,559
Other		35,952	12,072
	$	2,373,018	819,360

33. Clarification of IFRS Transition

According to Law 1314 of 2009, Decree 2784 of 2012 and other regulatory Decrees, the Company must have adopted the International Financial Reporting Standards (IFRS) accepted in Colombia and become part of the first group of consolidators of financial information. Accordingly, starting on January 1, 2014 the transition period and the issuance of the first financial statements under the International Financial Reporting Standards is December 31, 2015.

In preparation of opening balance sheets, the parent company has adjusted the previously reported figures in their Financial Statements in compliance with the Generally Accepted Accounting Principles in Colombia. The following explanation describes how the transition from Colombian GAAP to IFRS has affected the financial position of the parent company:

1. Initial transition decisions

Following is a description of the exemptions and exceptions applicable under IAS 1 in the conversion of financial statements from the Colombian GAAP to IFRS.

1.1 Voluntary exemptions

(a) Fair value as attributable costs of property and equipment:

The parent company made use of the exemption allowed in IFRS 1 of fair value as attributable costs for the transition date. Attributable costs are understood as the procedure whereby management decides to recognize assets at fair value established according to technical appraisal effected at the transition date or applicable during first-time adoption.

In order to determine attributable costs, the Borrero Ochoa Asociados firm was hired to make an appraisal of all the parent company's assets, under the scope recommended by International Standards. The study's results were incorporated into the local standards on December 31, 2013, during the appraisal account of property and equipment, with the goal of minimizing the impact of parent company decision-making. Additionally, the value of depreciations under the local standard with a cutoff on December 31, 2013 was reclassified as a lesser value for each of the assets' items.

Likewise, within the appraisal of parent company's assets, the expert took into account each of the twenty-two components established by international standards of property appraisal, which were adjusted under two basic components: One, in regards to structure with 78% significance and Two, in regards to replaceable items, such as covers or decks, with the remaining 22%.

In short, fixed assets were comprised as follows:

- Immovable property: attributable costs (fair value, except for the management offices)
  Useful life - buildings: 30 to 80 years
  Component 1: Constructive Chapters comprised 22% of building costs with a total useful life of 30 years.
  Component 2: Constructive Chapters comprised 78% of building costs with a total useful life of 80 years.

- Immovable property: Attributable costs (fair value)
  Useful life of immovable property: machinery and equipment: 10 years; Office equipment: 10 years; Computing equipment: 5 years, and Vehicles: 5 to 10 years.

- Management offices: historical costs

Management offices set up in Blocks A and B of the Exhibition Grounds had a remaining life of 40 years at the time when IFRS was adopted. However, their useful economic lifespan is only two years, since the Board of Directors of the parent company decided to construct a new building on those premises that will contribute to furthering the company's purpose. Consequently, and taking into account that the current buildings will not be renovated but completely demolished, the residual value is non-existent and its appraisal in the opening balance sheet goes according to its historical value, which was determined using the depreciation in the acquisition value and establishing costs.

(b) Employee benefits: does not require a retrospective recognition of actuarial earnings and losses related to actuarial estimates of employee benefits. In compliance with this exemption, the parent company identified the actuarial accumulated earnings and losses in existence at the transition date against withholding profit for all applicable employee benefits related to the defined benefit plans.

(c) Designation of previously identified financial instruments: the parent company will classify its financial instruments under classifications defined by the IFRS, taking into account the facts and circumstances existing at the transition date.

Investments must be classified from their initial recognition, in compliance with the management intent that the parent company has with the investments in any of the following standings. Therefore, the parent company will classify its investments in the following way:

- To fair value with effect on results (for investments in the stock exchange market where the title is directly or indirectly negotiated)

- To costs minus value impairment (for investments in equity instruments where the cost might be an adequate estimation of its fair value)

Investments in equity instruments and agreements related to said instruments are measured at fair value. However, in certain circumstances, the cost might be an adequate estimation of its fair value. This might be the case when available recent information is insufficient to estimate the fair value, or when there is a broad range of possible measurements of fair value and costs themselves represents the best estimate.

In the Opening IFRS Statement of Financial Situation, the investments owned by the parent company in Alpopular Almacen General de Deposito S.A., La Previsora S.A. Compañía Seguros, Acerias Paz del Rio S.A. and the Exhibiton and Convention Center of Bucaramanga (non-controlled investments and without significant influence or joint control) will be measured against costs at transition date.

The parent company's rights to Social Clubs like the Metropolitan Club and Promotora Club El Nogal S.A. are a controlled resource resulting from past events. However, there is no

expectation of obtaining future economic benefits thereof; hence said import was removed from the accounts of accumulated profit in the Opening Statement of Financial Position.

1.2. Mandatory exceptions

Mandatory applicable exemptions under IFRS 1 were considered when converting the parent company's Financial Statements as follows:

(a) Loss of financial assets and liabilities: the parent company did not identify situations that imply differences in the loss of financial assets and liabilities between the IFRS and Colombian GAAP. The parent company reclassified the estimated liabilities to real assets in compliance with the starting definition.

(b) Classification and assessment of financial assets: the determination of financial assets and liabilities that must be measured at the amortized cost was effected using the basis of facts and circumstances existing at the transition date to IFRS.

34. First-Time Adoption of the IFRS

Concept	Note	Previous PCGA 31/12/2013	Adjustments	ESFA 01/01/2014
Cash and Cash Equivalents		11,933,397	17,453	11,950,850
Other Financial Assets		-	392,418	392,418
Accounts Receivable	a	26,776,584	(20,646,104)	6,130,480
Tax Assets		33,885	-	33,885
Other Non-Financial Assets	b	248,286	928,750	1,177,036
Total Current Assets		**38,992,152**	**(19,307,483)**	**19,684,669**
Intangibles	c	566,170	(409,297)	156,873
Other Financial Assets	d	11,460,158	1.115.654	12,575,812
Investments in Subordinates and Associates	e	17,453	(17,453)	-
Property and Equipment	f	127,410,244	327,992,598	455,402,842
deferred Tax Asset	g	1,783,061	140,847	1,923,908
Other Assets	h	766,164	(766,164)	-
Appraisal	e,f	338,015,371	(338.015.371)	-
Total Non-Current Assets		**480,018,621**	**(9,959,186)**	**470,059,435**
Total Assets		**519,010,773**	**(29.266.669)**	**489,744,104**
Accounts Payable	i	10,164,789	2,136,290	12,301,079
Tax Liabilities		3,048,400	-	3,048,400
Provisions for Employee Benefits	j	2,047,045	(6,939)	2,040,106
Other Financial Liabilities	k	6,111,800	(3,549,602)	2,562,198
Other Non-Financial Liabilities	l	5,855,462	(630,115)	5,225,347
Other Provisions	m	4,093,343	(2,573,517)	1,519,826
Total Current Liabilities		**31,320,839**	**(4,623,883)**	**26,696,956**
Other Provisions	n	2,809,883	5,209,781	8,019,664
Liabilities for deferred Tax	o	-	31,012,874	31,012,874
Total Non-Current Liabilities		**2,809,883**	**36,222,655**	**39,032,538**
Total Assets		**34,130,722**	**31,598,772**	**65,729,494**
Subscribed and Paid Capital		1,673,920	-	1,673,920
Benefit in Shares Allotment		43,451,721	-	43,451,721
Reserves		31,954,346	-	31,954,346
Results of Convergence Process	p	386,162,237	(60,865,441)	325,296,796
Result of Accounting Year		21,637,827	-	21,637,827
Total Equity		**484,880,051**	**(60,865,441)**	**424,014,610**

a. The recognition of receivable account impairment under the IFRS differs from the identified provision under local accounting.
b. Reclassification of advances and payments made in advance.
c. Provisional cancellation of investments proceeding from the opening balance.
d. Decorative and electrical appliances identified as accumulated profit that do not comply with the definition of assets under IFRS.
   Adjustments on incurred costs in projects that do not comply with IAS 38 definitions.
   Active monetary correction eliminated.
e. Reclassification of fiduciary rights to cash and cash equivalents.

f. Recognition of attributable costs of property and equipment in compliance with IFRS 1 exception.
g. Adjustment of deferred income tax asset.
h. Cancellation of different accounts by effects of the opening statement.
i. Reclassification of expenses and payable expenditure from other provisions.
j. Adjustment to the actuarial calculation.
k. Removal of received advances that do not comply with the IFRS definition.
l. Record of revenue for degree of advancement on incurred costs.
m. Removal of passive monetary correction.
   Reclassification of expenses and payable expenditure. Bonus recognition for management and business goals.
n. Provisional adjustment for legal process with the District Secretary of Treasury.
o. Adjustment on the deferred liability tax.
p. Conversion effects.

35. Reconciliation Note of the Statement of Financial Position (Transition Period)

Concept	Note	Previous PCGA 31/12/2014	Adjustments	31/12/2014
Cash and Cash Equivalents		5,777,783	936,003	6,713,786
Other Financial Assets		-	1,490,000	1,490,000
Accounts Receivable	a	9,916,282	(2,414,782)	7,501,500
Tax Assets		84,305	(83,577)	728
Inventory	b	55,344	459,715	515,059
Other Non-Financial Assets	c	215,189	364,355	579,544
Total Current Assets		**16,048,903**	**751,714**	**16,800,617**
Intangibles	d	3,506,625	(1,710,168)	1,796,457
Other Financial Assets	f	12,687,183	167,452	12,854,635
Investments in Subordinates and Associates		936,002	464,069	1,400,071
Property and Equipment	g	159,305,181	315,624,772	474,929,953
Deferred Tax Asset	h	2,016,440	5,572,752	7,589,192
Appraisal	i,e	365.438.892	(365,438,892)	-
Other Assets	f,h	840,823	(840,823)	-
Total Non-Current Assets		**544,731,146**	**(46,160,838)**	**498,570,308**
Total Assets		**560,780,049**	**(45,409,124)**	**515,370,925**
Financial Liabilities		1,200,000	-	1,200,000
Commercial Accounts Payable and Other Accounts Payable	j	5,725,010	5,509,021	11,234,031
Tax Liabilities		2,993,416	(84,305)	2,909,111
Provisions for Employee Benefits	k	1,835,400	47,062	1,882,462
Other Financial Liabilities	l	6,071,117	(1,563,917)	4,507,200
Other Non-Financial Liabilities	m	3,302,649	-	3,302,649
Other Provisions	n	5,668,625	(5,668,625)	-
Government Endowment		-	99,500	99,500
Total Current Liabilities		**26,796,217**	**(1,661,264)**	**25,134,953**
Financial Obligations		3,900,000	-	3,900,000
Other Provisions	o,p	5,655,889	2,712,079	8,367,968
deferred Tax Liabilities	q	-	37,055,074	37,055,074
Total Current Liabilities		**9,555,889**	**39,767,153**	**49,323,042**
Total Liabilities		**36,352,106**	**38,105,889**	**74,457,995**
Subscribed and Paid Capital		1,673,920	-	1,673,920
Issue Premium		43,451,721	-	43,451,721
Reserves		42,773,671	-	42,773,671
Results of Convergence Process	r	413,585,758	(88,318,960)	325,296,796
Result of Accounting Year		22,942,873	4,803,947	27,746,820
Total Equity		**524,427,943**	**(83,515,013)**	**440,912,930**

a. The recognition of impairment of receivable accounts under IFRS differs from the provision identified under local accounting.
b. Adjustment of inventory costs.
   Recognition as expenditure of the payable accounts that do not comply with the definition of financial assets.
c. Reclassification of advances and pre-payments on expenditure.
d. Decorative and electrical appliances identified that do not comply with the asset definition under IFRS.

Adjustments on incurred costs in projects that do not comply with IAS 38 definition.
Removal of passive monetary correction.

e. Cancellation of investment provisions proceeding from the opening statement.
f. Reclassification of fiduciary rights on cash and cash equivalents.
g. Recognition as attributable costs of property and equipment considering IFRS 1 exception.
h. Adjustment to active differed income tax
i. Decorative and electrical elements identified that do not comply with the definition of asset under IFRS and identified under accumulated profit.
j. Reclassification of costs and payable expenditure.
k. Actuarial calculation adjustment.
l. Removal of received advances that do not comply with IFRS definition.
m. Income records for degree of advancement.
n. Removal of passive monetary correction.
o. Bonus recognition for achievement of management and business goals.
p. Provisional adjustment for live performance taxes.
q. Adjustment on the deferred liability tax.
r. Conversion effects.

36. Reconciliation Note of Income Statement (Transition Period)

Concept	Note	Previous PCGA 31/12/2014	Adjustments	NCIF 31/12/2014
Profit on Ordinary Activities	a	108,015,221	(387,845)	107,627,376
Sales Costs	b	533,212	(26,297)	506,915
Net profit		**107,482,009**	**(361,548)**	**107,120,461**
Other Income		2,748,697	233,177	2,981,874
Administration Expenses	c	37,488,789	(1,808,614)	35,680,175
Sales Expenses	d	40,886,913	(402,102)	40,484,811
Other Expenses	e	4,298,356	(3,140,641)	1,157,715
Profits from Operational Activities		**27,556,648**	**5,222,986**	**32,779,634**
Financial Income		1,230,186	-	1,230,186
Financial Costs		576,276	-	576,276
Profits before Taxes		28,210,558	5,222,986	**33,433,544**
Tax Expenses	f	5,267,686	419,038	5,686,724
Accounting Year Profit		**22,942,872**	**4,803,948**	**27,746,820**

a. Identified income according to degree of advancement.
b. Adjustment on net realizable value of inventories.
c. Recognition of items that are not categorized under item definitions and were identified as expenditure.
d. Change of useful life of property and equipment in ESFA, recognition of consumables and application of impairment polices.

e. Recognition of provisions for live performances under IFRS's top specification.
f. Recognition of deferred taxation.

37. Reconciliation Note of Cash Flow Statement

Description	Note	Previous PCGA 2014	Adjustments	NCIF 2014
CASH FLOW FOR OPERATIONAL ACTIVITIES				
Profits from Accounting Year	a	**22,942,873**	**4,803,947**	**27,746,820**
Conciliation between Profit of Accounting Year and Net Cash Provided for Operational Activities:				
Depreciations	b	6,148,794	(1,724,432)	4,424,362
Amortization		496,859	(400,911)	95,948
Net Impairment of Receivable Accounts		(180,117)	50,344	(129,773)
Expenses of Administration and Fairs Provisions		5,033,563	(1,129,081)	3,904,482
Social Security Provisions		1,107,257	(355,028)	752,229
Contingency Provisions		-	348,304	348,304
Removal of Property and Equipment Provisions		55,915	(55,370)	545
Progress to Completion Income Provisions		-	(242,269)	(242,269)
Accounts Receivable Recovery Provisions		(759,871)	32,166	(727,705)
Equity Method Income		-	(1,421)	(1,421)
Social Security Payments		(1,327,683)	1,327,683	-
		33,517,590	**(2,150,015)**	**36,171,522**
Changes in Operational Parties:				
Increase in Receivable Accounts	c	16,990,000	(17,988,978)	(998,978)
Decrease (Increase) in Inventories		(55,344)	(459,715)	(515,059)
Decrease in other Non-Financial Assets	d	(7,985,946)	8,583,438	597,492
(Decrease) Increase of Net Taxes		(54,984)	5,125,806	5,070,822
Increase of Net deferred Taxes			376,916	376,916
Increase (Decrease) in Payable Accounts		(4,252,800)	(776,702)	(5,029,502)
Decrease of Provisions of Employees Benefits		(211,645)	54,001	(157,644)
(Decrease) Increase of other Financial Assets		(40,685)	1,985,687	1,945,002
Increase (Decrease) in other Non-Financial Assets	e	(2,616,527)	693,829	(1.922.698)
Decrease of Other Provisions		4,485,003	(6,004,829)	(1,519,826)
(Decrease) Increase of Government Endowment		-	99,500	99,500
Income Tax Payment		-	(5,176,954)	(5,176,954)
NET CASH PROVIDED FOR OPERATIONAL ACTIVITIES		**39,774,662**	**(10,834,069)**	**28,940,593**
CASH FLOW FOR INVESTMENT ACTIVITIES				
Decrease (Increase) in other Current Financial Assets		-	(1,097,582)	(1,097,582)
Increase in Other Financial Assets		-	(308,821)	(308,821)
Increase in Investment in Subordinates and Associates		(2,145,574)	746,924	(1,398,650)
Intangible Purchases		-	(1,735,532)	(1,735,532)
Property and Equipment Purchases	c	(38,099,647)	14,147,629	(23,952,018)
NET CASH USED IN INVESTMENT ACTIVITIES		**(40,245,221)**	**13,159,021**	**(28,492,603)**
CASH FLOW FOR FUNDING ACTIVITIES				
Increase in Financial Obligations		5,100,000	-	5,100,000
Dividends Paid in Cash		(10,785,054)	-	(10,785,054)
NET CASH USED IN FUNDING ACTIVITIES		**(5,685,054)**	-	**(5,685,054)**
NET (DECREASE) INCREASE IN CASH		**(6,155,613)**	**2,324,952**	**(5,237,064)**
CASH AND CASH EQUIVALENTS BALANCE AT THE START OF THE YEAR		11,933,397	17,453	11,950,850
CASH AND CASH EQUIVALENTS BALANCE BY THE END OF THE YEAR		**5,777,784**	**2,342,405**	**6,713,786**

a. See note 37
b. Increase in derivative costs of the Opening Statement of Financial Position and extension on useful life originating from lower depreciation expenditure.
c. Corresponds to the reclassification of lease-to-own arrangements made in ESFA amounting to $17,222,509 on property and equipment. On the other hand, the variation is being represented by policy changes in portfolio deterioration and application of the degree of advancement.
d. Adjustment to the active deferred income tax.
e. Costs and payable expenditure reclassification and provisional adjustment dispute in public live performance tax.

38. Subsequent events

There have been no further situations between December 31, 2015 and the date of the report from the Statutory Auditor that may have an impact on the financial statements.

On February 17, 2016, members of the Board of Directors of Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca authorized the publication and presentation of the attached consolidated financial statements up to December 31, 2015.

corferias

Generadores de
Oportunidades y Progreso

Certificado por:

Miembro de:

ufi

AFIDA

Alfec

Filial de:

Cámara de Comercio de Bogotá