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

Notes to the Consolidated Financial Statements

At December 31, 2016 and 2015

1. Reporting entity

Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca ("the Parent") is a stock corporation incorporated by Public Deed 3640 of July 18, 1955, Notary 2, Bogota, Its Articles expire in July 2099. The consolidated financial statements at December 31, 2016 includes the Parent and its subsidiary. The corporate business of the Parent is to foster industrial and commercial development at regional, national and international levels, and to form closer ties of friendship and cooperation between Colombia and friendly nations; to organize national and international fairs and exhibitions for industry, commerce, agriculture and livestock breeding and science, on its own premises or elsewhere, in Colombia or abroad, and to promote and organize Colombia's participation in thousand exhibitions held abroad, directly or through its subsidiary Corferias Inversiones S.A.S..

The Parent is a subsidiary of the Bogotá Chamber of Commerce, which owns 79.74% of the shares.

The Parent was declared a Permanent Special Free Zone User-Operator in Resolution 5425 of June 20, 2008. According to Public Deed 2931 of July 25, 2008, Notary 48, Bogota, registered on July 28, 2008 as. No. 1231243 book X, 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** with registered offices in Bogota at Cra 37 No., 24-67.

Corferias Inversiones S.A.S. is a company incorporated by private document on April 30, 2012; its articles do not expire, and its activities began in June 2012. Its business is to conduct any lawful activity in Colombia and elsewhere, which would allow it to facilitate or develop trade or industry. Today, its activities involve the administration of parking areas of the properties "Torre Parqueaderos", “Avenida Americas” and “Parqueadero Verde”. Further, and in accordance with the contract to operate the Puerta de Oro Exhibition Center in Barranquilla, it is exclusively responsible for the operation, exploitation, conservation and maintenance of that Center and the movable and immovable assets that form the exhibition and convention center Puerta de Oro.

Corferias Inversiones S.A.S. has its registered offices in Bogota at Calle 37. 24-67, and in Barranquilla-Atlantico, Calle 77 B No.. 57-103. The Parent holds 100% of the capital of Corferias Inversiones S.A:S. It also has the capacity to direct its accounting, administrative and financial policies.

2. Basis of preparation

(a) **Technical standards framework**

The consolidated financial statements have been prepared in accordance with international financial reporting standards accepted in Colombia (COL-IFRS), established in Law 1314/2009, regulated by Regulatory Degree 2420/2015, amended by Decree 2496/2015 and Decree 2131/2016. COL-IFRS is based on International Financial Reporting Standards (IFRS) together with the interpretations issued by the International Accounting Standards Board IASB. The basic standards correspond to those officially translated into Spanish and issued by IASB on December 31, 2013.

For legal purposes in Colombia, the principal financial statements are the separate financial statements.

(b) Basis of measurement

The consolidated financial statements have been prepared on a historic cost basis, except for the following important items included in the Statement of Financial Position:

- Financial instruments at fair value with changes in Results are measured at fair value;
- Investment properties are measured at fair value;
- In relation to employee benefits, the assets for benefits defined are recognized as the total assets of the plan, plus past unrecognized service costs; less unrecognized actuarial gains, and the present value of the obligations for defined benefits.

(c) Functional currency and currency of presentation

The items included in the financial statements are expressed in the currency of the primary economic environment where the entity operates (Colombian pesos) .

The performance of the Parent and subsidiary is measured and reported to the public in pesos. Therefore, management considers that the Colombian peso is the currency that represents the economic effects of operations, events and underlying conditions most faithfully, and therefore the financial the financial statements are presented in Colombia pesos as the functional currency.

All information is presented in "thousands of pesos", and has been rounded to the nearest whole unit.

(d) Significant Accounting Estimates and Judgment

The preparation of the consolidated financial statements using COL-IFRS requires management to use judgment, estimates and suppositions that affect the application of accounting policies and the amounts of assets, liabilities and contingent liabilities on the closing date, and the income and expenses of the year. The real results may differ from these estimates.

The relevant estimates and suppositions are regularly reviewed. The reviews of accounting estimates are recognizing the period in which the estimate is reviewed, and in any future period affected.

Information on critical judgment in the application of accounting policies which have the most important effect on the financial statements are described in the notes that follow:

- Note 9 -. Estimates of impairment of financial assets
- Note 16 - Classification of investment properties
- Note 20 and Note 23 - Estimates of provisions.

3. Significant accounting policies

The accounting policies established as described below have been consistently applied in preparation of the consolidated financial statements in accordance with COL-IFRS, unless otherwise stated.

(a) basis of consolidation

(i) The Subsidiary

A subsidiary is a company over which the parent directly or indirectly exercises control, through dependence. The parent controls the subsidiary when its involvement in it is exposed, or is entitled to variable yields derived from its involvement in its interests, and has the capacity to influence those yields through the power that it exercises over it. The parent has the power has power when it possesses current and substantive rights which give it the capacity to direct relevant activities.

In this case, the Parent consolidates the financial information of the Subsidiary over which it exercises control, and holds an interest of 100%

In compliance with COL-IFRS, the method of consolidation applied is that of equity participation, where:

- Similar items of assets, liabilities, equity, income, expense and cash flows of the Parent are combined with those of the subsidiary.
- The carrying value of the investment in the subsidiary is eliminated in accordance with the percentage of interest.
- All assets, liabilities, equity, income, expenses and cash flows within the group, related to transactions between group entities, are eliminated.

The Parent and its subsidiary established the same accounting policies, in the recognition and measurement of transactions of the same class and nature.

The financial statements of the subsidiary used in the consolidation process correspond to the same period, with the same data presentation as those of the Parent.

(ii) Loss of control

When control of the subsidiary is lost, the asset and liability accounts of the subsidiary are written out, along with any related non-controlled participation and other components of equity. Any resulting profit or loss is recognized in Results. If any interest is retained in the former subsidiary, this will be measured at fair value on the date of which control was lost.

(iii) Interests in investments in associates

a) investments in associated entities

Associated entities are those in which the Parent has significant influence, but does not exercise sole or joint control over financial and operating policies. It is assumed that there is significant influence when the parent possesses between 19% and 50% of the voting rights of the other entity. The Parent has significant influence over the CICB Escrow.

Investments in associates are measured in accordance with IAS 28, using the equity method. It should be noted that the equity method is an accounting method in which the investments in associates are initially recorded at cost, and subsequently adjusted for functional changes experienced, in accordance with the percentage interest.

It is presumed that the entity does not exercise significant influence if it directly or indirectly possesses (for example, through subsidiaries) less than 20% of the voting rights of the investee, unless it can be clearly shown that such influence exists. The existence of another investor which holds a majority or substantial interest does not necessarily prevent an entity from exercising significant influence.

The existence of influence by a parent is usually made evident in one or more of the following ways:

a) Representation on the Management Council or equivalent management body in the investee entity;
b) Participation in the policy-making, process including participation in decisions on dividends and other distributions;
c) Transactions of relative importance between the entity and the investee;
d) Exchange of management personnel; or
e) Supply of essential technical information.

(iv) Operations eliminated in consolidation

Intercompany balances and operations and any unrealized income or expense which arises from transactions between the Parent and subsidiaries are eliminated during preparation of consolidated financial statements. Unrealized gains from operations with companies whose investment is recognized using the equity method eliminated from the investment in proportion to the Parent´s interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

Foreign currency operations

Foreign currency operations are converted to the functional currency of the Parent on the date of each operation. Monetary assets and liabilities denominated in foreign currencies on the reporting date are converted to the functional currency at the exchange rate on that date. Non-monetary assets and liabilities denominated in foreign currencies, which are measured at fair value, are converted to the functional currency exchange rate on the date of which fair value is determined.

Gains and losses from foreign currency conversion in monetary items all the difference between the carrying value of the functional currency at the beginning of the period adjusted for interest and cash payments during the period, and the carrying value in foreign currency converted at the closing exchange rate.

Foreign currency differences arising on upon conversion are generally recognized in results.

Closing rates used:

Country	**31-Dec-16**	**31-Dec-15**
Colombia	3.000,71	3.149,47

(c) Financial instruments

(i) Financial assets,

Recognition, initial measurement, subsequent measurement and classification.

The initial recognition of financial assets is at fair value; in the case of financial assets not carried fair value with changes in Results, the value is increased by the transaction costs directly attributable to the acquisition of the financial asset.

Financial assets are classified subsequently at fair value or at amortized cost, on the basis of:

(a) the business model of the entity to manage financial assets, and
(b) the characteristics of contractual cash flows of the financial asset..

Financial assets at fair value
The initial fair value of financial instruments will normally be the transaction price, that is, the fair value of the consideration delivered or received such as cash or cash equivalent, and customer receivables.

The financial assets at fair value with changes in Results include financial assets not designated at the time of classification as being at amortized cost.

The Parent presents investments measured at fair value with changes in results.

a) Cash and cash equivalents

Cash and cash equivalents of the Parent and subsidiary are composed of cash balances and sight deposits with original maturities at 90 days or less, which are characterized by strong liquidity, easily convertible into defined amounts of cash, and subject to an insignificant risk of changes in value. Cash and cash equivalents are used as the means of payment to extinguish liabilities acquired by the current and the subsidiary.

Cash and cash equivalents may include:

- General cash;
- Petty cash in functional and foreign currency;
- Current accounts and savings accounts in banks, in functional and foreign currencies;
- Term deposits (TDs) maximum 90 days term;
- Unit funds.

To comply with the definition of cash equivalents, an investment must normally have "short” maturity period: no more than three months from the date of acquisition of the investment; and it must have carry a very low risk of changes in value.

Further, for funds to be considered as “cash equivalents”, not only must they be easily convertible and have a short maturity: but they must also be considered by the Parent of the subsidiary as a means of paying off liabilities.

Note 1. The term "*easily convertible*" implies that an investment (cash equivalent) may be converted into cash quickly, without prior notice and without being liable to an important penalty upon conversion. So, cash deposited in a bank account for an unspecified period, but which may be only be withdrawn with prior notice, must be carefully evaluated in order to determine whether it meets the definition of *cash and cash equivalents*, considering factors such as the existence of restrictions on withdrawals, whether there is significant risk of change in value during that period, and the intention to use the resources which the Parent and subsidiary hold.

Note 2. The maturity period of three months is considered solely at the time of acquisition of the investment. An investment purchased with a maturity period of more than three months without the option for early amortization, will not be considered to be *cash equivalent*, nor will it be so after purchase, when the remaining maturity period measured from the date of the previous set of accounts, is three months or less.

b) Receivables

Receivables are often non-derivative financial assets with certain or determinable payments, but are not quoted on an active market. Initial recognition is at fair value, as is subsequent measurement, less any impairment. Receivables classified as being at less than 365 days are not the object of amortized cost except where the effect of the discount is important. Nonetheless, receivables in the form of employee loans are measured initially and subsequently at amortized cost.

c) Impairment of customer receivables

Financial assets not recorded at fair value with changes in Results are evaluated the end of each period of report, to determine whether there is objective evidence of impairment. A financial asset is impaired if there is objective evidence that a loss event has occurred after the initial recognition and that this loss event has had a negative effect on future cash flows of the asset which may be reliably estimated.

The objective evidence of impairment of a financial asset may include arrears in payment or default by the debtor, the restructuring of an amount owed in terms which the Parent and subsidiary would not consider in other circumstances, as indications that a debtor is filing or will file for bankruptcy, or the instrument will disappear from an active market.

The impairment policy for receivables in the Parent and subsidiary are a function of fair and exhibition activity, and other events, and in accordance with failure to pay on an established date. Under these circumstances, the indications that a given security is unrecoverable are only present from documents which, 90 days after the end of the fair or event have elapsed are still pending payment. for up to 10% of the total. Now, if the ageing of the account is over 150 days, the probable loss will be 70%-90% of the total.

<table>
<tr><th>Type of receivable</th><th>Maturity</th><th>Probability of Loss</th></tr>
<tr><td rowspan="5">Customer receivabes</td><td>0 - 90 days</td><td>0%</td></tr>
<tr><td>91 - 150 days</td><td>10%</td></tr>
<tr><td rowspan="2">151 - 365 days</td><td>70%-more than 4 minimum salaries</td></tr>
<tr><td>90%-less than 4 minimum salaries</td></tr>
<tr><td>Over 365 days</td><td>100%</td></tr>
</table>

Accounts Receivable from State agencies with Certificates of Budget Availability are not subject to estimates of impairment, since this Certificate guarantees payment of the receivable.

Financial assets at amortized cost

A financial asset is measured at amortized cost using the effective interest method, and net of impairment loss. Employee receivables are measured at amortized cost, given that the conditions of payment are agreed with the employees.

d) Measurement of investments

The fair value of investments not quoted on a public market is initially and subsequently measured at cost, as being the best estimate of value. Measurement of investments quoted on exchanges is based on the quoted price of the share on the closing date.

e) Writing-out of financial assets

A financial asset or, as appropriate, part of a financial asset or part of a similar group of financial assets, is written out when:

- contractual rights over the asset´s cash flows expire;
- contractual rights over the assets cash flows are transferred, or an obligation is assumed to pay a third party the entire cash flow without significant delay, through a transfer agreement;
- substantially all the risks and benefits inherent in the ownership of the assets have been transferred; and
- substantially all risks and benefits inherent in the ownership of the asset have not been transferred or retained, but control over the asset has been transferred.

(ii) Financial liabilities and financial obligations

Initial and subsequent measurement of financial liabilities and financial obligations

A financial liability of the Parent and subsidiary is measured at amortized cost, after initial recognition, when it is expressed in terms of fair value. Interest is calculated using the effective interest method, exchange differences are recorded in the Statement of Results.

a) Other financial liabilities

Financial liabilities are initially recognized at fair value. They are originated in the Parent and subsidiary as money received in advance from customers for participation in Fairs, They are formed by advance payments of allies to implement the Parent´s projects.

Writing out liabilities

Financial liabilities are written out if the liability has been extinguished, and this may occur when:

- it is discharged (the liability is paid);
- it is cancelled (the debt is condoned); or
- rights expire (an option passes its maturity date)

(iii) Capital

Ordinary shares are classified as equity. Incremental costs attributable directly to the issue of shares are recognized as a deduction from equity, net of any tax effect

(d) Other non-financial assets

Other non-financial assets of the Parent and subsidiary are those from which they expect to receive a service instead of a financial or equity instrument. The Parent and the subsidiary provide expense advances to employees or suppliers, or insurance acquired, and the latter are amortized over the life of the policy. Prepaid expenses are recorded for the value which they were required.

(e) Property and equipment

Recognition, initial measurement and classification

The Parent and subsidiary recognize property and equipment as those which they use in the production or supply of goods and services or for administrative purposes, and which they expect will be used over more than one period, when the associated risks and benefits have passed to the entity, through:

- Purchases from third parties;
- Construction, subcontracted to third parties;
- Constructions and installations developed directly by the entity, or in combination with subcontracted third parties;
- Costs incurred, subsequently as additions to an asset; or
- Costs incurred, subsequently to substitute or replace an asset or part of an asset.

Items of property and equipment are recognized at cost less accumulated depreciation and impairment losses. The costs of certain items of property and equipment are determined with reference to the appreciation of the former generally accepted accounting practices.

Property and equipment are recognized in the books if and only if it is probable that the future economic benefits associated with them will flow into the entity, and their costs can be reliably determined.

The cost of property and equipment comprises:

- Acquisition price, including import duties and non-recoverable indirect taxes, less trade discounts and rebates;
- Costs directly attributable to placing the asset in the place and conditions required for it to operate in the manner expected by management;
- The initial estimate of the cost of dismantling or withdrawal of the item, and rehabilitation of the place where it is located;

While parts of an item of property and equipment (important components of immovable goods) have different useful lives, they are recorded as separate items

Subsequent measurement

After initial recognition, the Parent and subsidiary apply the cost model to measure all property and equipment

The cost model requires that, after initial recognition, property and equipment are to be valued at cost less accumulated depreciation and accumulated impairment loss.

Subsequent costs

The carrying value of a replaced part is written out. Daily maintenance costs on property and equipment are recognized in Results, as and when incurred

The Parent and subsidiary incur additional costs related to the assets on dates subsequent to capitalization of an item of property and equipment. These costs can be capitalized when they correspond to additions, for which they must comply with the following criteria for recognition:

- they increase the capacity to generate future economic benefits, or
- they increase the expected useful life.

Depreciation

Useful life commences on the date of acquisition, which is when the asset is in a position to be used as planned by management, even though the asset has not yet been put into service.

Depreciation is calculated on cost less residual value. Residual value is calculated only for real property.

The residual value of buildings is 10% of cost.

Depreciation is recognized in Results, using a straight-line method and in accordance with useful life estimated for the different items of property and equipment.

Estimated useful life by category is as follows:

- Real property:
  - ✓ Component 1: Construction chapters corresponding to 22% of the cost of building, with maximum useful life for 30 years
  - ✓ Component 2: construction chapters corresponding to 78% of the cost of building, with a maximum useful life of 80 years.

- Movable assets:
  - ✓ Office equipment: 10 years
  - ✓ Computer and communications equipment: 5 years
  - ✓ Transport fleet and equipment: 10 years
  - ✓ Machinery and equipment, 10 years:

Components are determined in accordance with the elements that have a significant cost in relation to the total cost of the asset. On this basis, two materially important and representative components are defined, with different useful lives.

The Parent and subsidiary review residual values, useful lives and the depreciation method for property and equipment at each closing date. Changes in criteria initially established are recognized, where appropriate, as a change in estimates.

Impairment

At each reporting date, the Parent and subsidiary review the carrying value of non-financial assets to determine if there is any indication of impairment. If there is such an indication, they proceed to estimate the recoverable value of the asset, and recoverable amounts are estimated on each occasion.

Writing out property and equipment

The carrying value of an item of property and equipment is written out of the accounts upon disposal, or when no future economic benefits are expected to be obtained from its use.

(f) Intangible assets

Intangible assets of the Parent and subsidiary are those non-monetary assets with no physical expression, which can be individually identified, either because they are separable, or because they arise from a legal right or contractual right. The initial measurement of intangible assets recognizes cost.

An intangible asset is the object of recognition when:

a) it is probable that economic benefits attributed to it will flow to the entity;
b) the cost of the asset can be reliably measured..

The following characteristics must also satisfied:

a) Identification. The asset is separable, that is, it can be separated or taken out of the entity and sold, transferred, given for exploitation, rented or exchanged, whether individually or together with a contract,; there must be an identifiable asset or liability which to which it is related, regardless of whether the entity has the intention of making the separation; or it arises from contractual or other rights of a legal nature, regardless of whether those rights are transferable or separable from the entity, or other rights and obligations, control over the resulting question, and existence of future economic benefits.

b) Control. There will be control over a defined asset if the holder has the power to obtain future economic benefits proceeding from resources resulting from it, and further, that access by third parties to such benefits can be restricted.

c) Future economic benefits. This includes income from ordinary activities, as the proceeds of the sale of goods and services, cost savings, and other yields derived from the use of the intangible assets by the Entity.

Acquisition

Generally, when an intangible asset is purchased, it can be expected that there will be economic benefits from it, even if it is not precisely known when they will flow, nor how great the benefit may be, but the possibilities are clear.

Further, costs can usually be measured reliably given the form of cash or other monetary assets with which it is purchased. Therefore, the requirements for the identification of an intangible asset are satisfied by the acquisition of intangible asset separately.

The cost of an intangible asset acquired will comprise:

a) The acquisition price, including non-recoverable taxes related to the acquisition; and
b) Any costs directly attributable to the preparation of the asset for the use planned for it

Amortization

Amortization is calculated on the cost of the asset.

Amortization is recognized in Results, based on the method of linear amortization over the estimated useful life of the intangible assets, from the date on which they are available for use.

The estimated useful life for current periods and comparative periods are the following:

- Trademarks acquired: 15-25 years
- Software licenses: 1-5 years

Methods of amortization and useful lives are reviewed in each financial period, and adjusted where necessary.

Writing out

An intangible asset is written out when:

a) it is disposed of,; or
b) no future economic benefits are expected to be obtained by use or disposal.

The loss or gain arising from writing out intangible assets will be determined as the difference between the net amount obtained from disposal, and the carrying value of the asset. This will be recognized in results for the period when the item is written out of the accounts (unless IAS 17 requires different treatment, in the event in the case of a sale with subsequent rental). Gains are not classified as income from ordinary activities.

Impairment

On each reporting date, Parent and subsidiary review the carrying value of non-financial assets to determine if there is any indication of impairment. If there is any such indication, the recoverable amount of the asset will then be estimated, and he recoverable amounts are estimated on each occasion.

(g) Investment properties

Investment properties are real property maintained in order to obtain income from leases or to obtain capital appreciation of the investment, or both. But this does not apply to sales in the normal course of business, use in production, or the supply of goods or services, or for administrative purposes. Investment properties are measured initially and subsequently at fair value, with changes in Results.

(h) Inventories

The inventories of the Parent and subsidiary are initially and subsequently measured at cost, since they are high-rotation items and form part of the finished products at the points of sale, such as raw materials, disposables, packaging, materials, spares, accessories, and working clothes and tools etc.

The cost of stocks comprises all costs related to acquisition and transformation, and costs incurred to put them into usable condition and their present location including materials consumed, labor, and manufacturing costs.

Trade discounts, rebates obtained and other similar items are deducted to arrive at acquisition price.

(i) Employee benefits

(i) Defined-contribution plans

The obligations for contributions to defined-contribution plans are recognized as an expense as the related service is provided. Contributions paid in advance are recognized as an asset, to the extent that they may be open to cash reimbursement or a reduction of future payments.

(ii) Defined-benefit plans

The liability for retirement pension represents the present value of all future disbursements which the Parent will have to make to employees who meet certain legal requirements in relation to age, service, and others. The present value of the liability for account of the Parent is determined annually, based on actuarial studies.

The Parent reports the related expense for these commitments in accordance with actuarial studies calculated by applying the Projected Credit Unit method. Actuarial gains and losses arising from adjustments due to experience and changes in actuarial hypotheses are charged to Results for the period in which they arise.

The cost of past services which correspond to variations in benefits are recognized immediately in Results.

(iii) Termination benefits

Termination benefits are recognized as an expense when employees, as a consequence of the decision of the Parent and the subsidiary to terminate their contract of employment prior to the retirement age, or of the employee´s agreement to offer voluntary resignation in exchange for these benefits. If the benefits are not expected to be fully liquidated within 12 months after the end of the period reported, they are the object of discount.

(iv) Short-term employee benefits

Short-term employee benefits are not the object of discount, and are recognized as expenses when the related service is rendered. They are expected to be settled within twelve months of the end of the reporting period.

The obligation is recognized for the amount expected to be paid if the Parent or subsidiary has a current mandatory or implied obligation to pay that amount as a result of services rendered by the employee in the past, and the obligation can be reliably estimated.

The short-term employee benefits include salaries, mandatory and voluntary bonuses, holidays, severance accruals, life insurance and payroll taxes payable to State agencies. These benefits are accumulated by accrual, and charged to Results.

(j) Provisions

Provisions are recognized when the Parent has a current mandatory or implied obligation as a result of a past event, for which it is probable that the Parent will be obliged to settle an obligation, and a reliable estimate may be made of the amount of that obligation. The amount recognized as a provision is the best estimate of the considerations required to settle present obligations on the date of the statement of financial position, taking account of risks and uncertainties surrounding the obligation.

In the case of the litigation, the Parent will base itself on the estimates of experts, who, depending on the need, will report on the status and amount of the claims, and specify the probability of winning or losing the case.

(k) Recognition of income

(i) Rendering of services

Income from the rendering of services is recognized when there is a reliable measurement of the result of the operation, the probability that benefits will be received, the determination of the degree of completion, determination of costs, method to calculate the degree of completion, if necessary.

In the food and drinks business, income is accrued when the service has been provided satisfactorily, because this is a definitive exchange operation

The Parent and subsidiary undertake the following operations in the course of their principal activities:

- ***Activities in property, business and rental.*** These are activities related to the rental of spaces, and the provision of events of non-fair event services. The services are offered by the Parent.

- In the subsidiary, the service of rental of parking spaces generating recorded income.

- ***Entertainment and leisure***. This involves activities derived from the rental of spaces and the provision of services in the organization and arrangement of fair events of the Parent.

- ***Food and beverages***. This is part of the initiatives to move forward in the delivery of value-added services, and to expand the offer of solutions in food and beverages for the general public at fairs. The food and beverages operation has been conceptualized, developed, and implemented.

- ***Administration of parking spaces.*** Income from parking spaces is recognized at the time the service is provided.

(ii) Financial income, financial costs

Financial income and financial costs of the Parent and subsidiary include the following:

- Interest income;
- Interest expense;
- Dividend income;
- Dividends for preference shares classified as financial liabilities;
- Net gain or loss on disposal of financial assets available for sale;
- Net gain or loss on financial assets recorded at fair value, with changes in results; and
- Gain or loss on the conversion of financial assets and financial liabilities in foreign currency..

Dividend income is recognized in Results on the date on which the Parent´s right to receive payment is determined.

(j) Taxation

Tax expense or income is composed of current and deferred income and related taxes, and the equity tax (CREE).

Current and deferred taxes are recognized as income or expense, and are included in Results, except where they are related to items in Other Comprehensive Results (OCR), or directly against equity, in which case current or deferred tax is recognized in OCR, or directly in equity, as the case may be.

Current tax

Current tax is calculation the basis of tax regulations in force at the time of the Statement of Financial Position. Management regularly evaluates the position taken in tax filings, with regard to situations in which tax laws are open to interpretation, and where necessary, provisions are made for amounts which are expected to have to be paid.

The Parent and subsidiary make a calculation based on taxable income to determine their provision for income and related taxes.

The effect of timing differences implies the determination of a higher or lower level of current tax payable, calculated at current rates, and is recorded as an asset or liability deferred tax, as applicable, provided that there is a reasonable expectation that these differences will revert.

In accordance with Section 191.11 of the Tax Code, no Equity Tax needs to be recorded for events and convention centers in which the Chambers of Commerce have a majority interest, and those formed as State industrial and commercial enterprises, or mixed economy companies in which the State´s interest is more than 51%, provided that they are properly registered at the Ministry of Trade, Industry and Tourism.

As of 2014, transfer price regime filings and supporting documentation must be produced for operations between companies located in free zones, and their related parties in Customs territory.

Corferias is authorized to be a Permanent Special Free Zone User-Operator in Resolution 5425 of June 20, 2008. Therefore, its income tax liability has been calculated at the rate of 15% since 2008.

With the start-up of the food and beverages business, the Parent and subsidiary began to be liable for Consumption Tax, which applies to the provision of food served at tables in restaurants and bars.

Deferred tax

Deferred tax assets and liabilities are measured using the rates of tax to be applied in the periods which they expect to realize the assets or pay the liabilities, based on regulations and types approved or about to be approved, and once consideration has been given to the fiscal consequences to be derived from the way in which the Parent and subsidiary expect to recover the assets, or settle their liabilities.

Deferred tax is recognized using the liability method, determined in relation to timing differences between the fiscal basis and the book value of assets and liabilities included in the financial statements.

Deferred tax liabilities are amounts to be paid in the future, by reason of profits tax related to tax timing differences, while deferred tax assets are amounts to be recovered for profits tax due to the existence of deductible timing differences, negative tax bases which may be offset, or deductions pending application. The timing difference is understood to be that which exists between the book value of assets liabilities and the fiscal base.

(ii) Recognition of tax timing differences

Liabilities for deferred tax derived from tax timing differences are recognized in all cases, except:

- where there is the initial recognition of a revaluation of an asset or liability in an operation which is not a business combination, and the date of transaction does not affect the result or the tax base: or

- where there are differences associated with investments in subsidiaries, associates and joint ventures in which the Parent and subsidiary have the capacity to control the time of reversion, and it is not probable that reversion will take place in the foreseeable future.

Deferred tax assets that do not meet the above conditions are not recognized in the Consolidated Statement of Financial Position. The Parent and the subsidiary reconsider the situation at the close of the period, to see whether conditions are met to recognize deferred tax assets which have previously not been recognized. The opportunities for tax planning are only considered in the evaluation of recovery of deferred tax assets if the Parent and subsidiary have the intention of adopting them, what is probable that they will do so.

(iii) Measurement

The Parent and subsidiary review the carrying value of deferred tax assets of the close of the period, in order to reduce the value to the extent that is not probable that there will be a sufficient positive tax base in the future to offset them.

Non-monetary assets and liabilities of the Parent and subsidiary are measured in terms of the functional currency. If tax losses or gains are calculated in another currency, the exchange rate variations give rise to timing differences and to the recognition of deferred tax asset liability or asset, and the result is charged or credited to Results for the period.

(iv) Offsets and classification.

The Parent and subsidiaries only offset deferred assets and liabilities if there is a legal right to make the offset for tax purposes, and the assets and liabilities correspond to the same tax authority and to the same passive subject, or indeed, to different passive subjects who claim to settle or realize tax current tax assets and liabilities for the same amount, or to realize assets and settle liabilities simultaneously, in each of the future tax periods in which they expect to settle or recover significant amounts of deferred tax assets or liabilities.

Deferred tax assets and liabilities are recognized in the Consolidated Statement of Financial Position as non-current assets or liabilities, regardless of the expected date to realize or settle them.

(k) Profit per share

The Parent and subsidiary present basic data on profit per share. Basic profit per share is calculated by dividing the result attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period, adjusted for shares in Treasury.

(l) Related parties

According to IAS 24, a *related party* is a natural or corporate person related to the Parent and/or subsidiary preparing its financial statements, in which that party can exercise control or joint control over the reporting entity. The party must exercise significant influence over the reporting entity; or the party is considered to be part of key management personnel of the reporting entity, or of the entity controlling the reporting entity.

The Parent and subsidiary recognize balances of assets, liabilities, income and expenses incurred in each period corresponding to operations with related parties, such as an associate, key management personnel and shareholders.

The compensation of key management personnel includes salaries and short-term benefits, and "*key management personnel*: means the Management Committee and the Board of Directors.

The terms and conditions of operations with key management personnel and related parties are not more favorable than those available, or which could reasonably be expected to have been available, for similar operations with non-key-management personnel on an arm's-length basis.

The details of operations with related parties appears in Note 35.

(m) Recognition of expenses

The Parent and subsidiary recognize costs and expenses as and when economic events occur, so that they are systematically recorded in the appropriate accounting period (accrual), regardless of cash or financial flows (cash).

Expenses are recognized immediately when the disbursement does not generate future economic benefits, or it does not meet the requirements for being recorded as an asset.

4. New regulations and interpretations not adopted

New standards applicable as of January 1, 2016.

Following the terms of Decree 2496 of December 2015, the following is an explanation of the standards issued at applicable as of 2017 (except IFRS 9 and

IFRS 15, applicable as of January 1, 2018). The impact of these standards is in the process of evaluation by the Parent and subsidiaries management.

IFRS	Subject	Detail
IAS 1- Presentation of financial statements	Disclosure initiative. In relation to the presentation of financial statements, this amendment clarifies disclosure requirements.	Some relevant changes in the amendments are: – Materiality requirement IAS 1 – Indication of specific lines in the Statement of Results , OCR ,and changes in the financial Position that can be disaggregated – Flexibility with regard to the order in which the financial statements are presented. – An entity does not need to disclose specific information required by an IFRS if the resulting information is not material. The application of the amendment need not be disclosed
IFRS 9-Financial instruments	Financial instruments (revised version, 2014)	The proposed replacement refers to the following phases: Phase 1. Classification measurement of financial assets and liabilities. Phase 2. Impairment methodology. In July 2014, IASB completed the reform of the accounting of financial instruments, and IFRS 9 -Accounting of financial instruments (revised version, 2014), to replace IAS 39. Financial instruments: recognition and measurement, after the expiry of the previous standard
IFRS 15-Income from contracts with customers	Income from contracts with customers	Establishes a five-step model to apply to income from contracts with customers. This will replace the following interpretations of income after the date it becomes it comes into force: IAS 18-Income; IAS 11-Construction contracts; IFRIC13-customer loyalty programs; IFRIC 15-Agreements for property construction; IFRIC 18-transfers of assets from clients.
IAS 16-Property and equipment	Clarification of acceptable depreciation methods	Entities are forbidden to use the depreciation method based on the income for items property and equipment
IAS 38 Intangible assets	Clarification of acceptable methods of amortization	Establishes conditions related to the amortization of intangible assets: a) when the intangible asset is expressed as a measure of income; b) when it can be shown that the income and

		consumption of economic benefits of assets are closely related.
Annual improvements: cycle 2012-2014	These amendments reflect issues discussed in IAS and subsequently included as IFRS amendments	IFRS 5. Non-current assets held for sale and discontinued operations. Changes in methods of disposal of assets IFRS 7. Financial instruments, information to be disclosed (with changes arising from changes to IFRS 1) Changes related to service agreements Applicability of changes to IFRS 7 in disclosures of offsets in interim condensed financial statements, IAS 19 Employee benefits. Discount rate. Matters of regional markets. IAS 34- Interim financial information. Disclosure of information included elsewhere in the interim financial report.

5. Determination of fair value

Some accounting policies and disclosures of the Parent require the measurement of fair value of financial and non-financial assets and liabilities,

The Parent and subsidiary have a control framework established in relation to the measurement of fair value.

Hierarchy of fair value

The table below analyzes recurrent assets and liabilities recorded at fair value

FALTA TABLA?

Levels are defined as follows

Level I. Unadjusted prices in active markets for assets or liabilities identical to those which the entity may have access at the measurement date. The Parent applies this level to in its investments in Acerías Paz del Río.

Level 2. Data other than quoted prices included in Level 1, which are observable for the asset or liability whether directly (that is, prices) or indirectly (that is, price – derived).

Level 3. Data for the asset or liability not based on observable market data (non-observable variables).

If the variable is used to measure fair value of an asset or liability can be classified in two different levels of hierarchy of fair value, then the measurement of fair value is classified entirely on the same level of hierarchy of fair value which the variable of the lowest level significant to the overall measurement.

The Parent recognizes transfers between levels of hierarchy of fair value at the end of the period on which the period reported, during which the change occurred.

6. Financial instruments

Management of financial risk

The Parent and subsidiary are exposed to the following risks related to the use of financial instruments

- Credit risk
- Liquidity risk
- Market risk

This note presents information with regard to the exposure of the Parent and subsidiary to each of the risks mentioned, objectives, policies and procedures of the Parent and subsidiary to measure and manage risk, and to manage capital.

(i) Framework of risk management

Framework of risk management (unaudited information)

The Parent and subsidiary seek continuous improvement in their processes, and establish a risk management model for each of the macro processes, classifying them within a methodology approved by the Risks Committee, in which there is an evaluation of the probability of their occurrence and of the impact which they may have on objectives, macro processes and the product (fairs and events); existing controls are identified and evaluated, to permit minimization of the impact at the time of occurrence of a risk, and with this, the residual risk is determined.

For this purpose, risks are assigned priorities through a valuation exercise, identifying them as being high, medium or low. With the setting of these priorities in risks, the risks committee analyses the main information and defines of risks that management should manage with greatest priority.

(ii)Credit risk

Credit risk is the risk of financial loss faced by Parent and subsidiary if a customer or counterpart in financial instrument does not perform its contractual obligations, and principally, this is originated in customer receivables and the investment instruments of the Parent and the subsidiary.

The risks identified in the Parent and subsidiary are:

Trade debtors and other receivables

The exposure to credit risk is affected principally by the general characteristics of each customer. The Parent and subsidiary have established an impairment policy as a function of fair activities and events, and in accordance with failure to pay on established date.

Estimates of non-recoverability with regard to trade debtors and other receivables are used to record impairment losses.

Debt instruments

The Parent and subsidiary limit their exposure to credit risk by investing only in liquid debt instruments, and only with counterparts that have a credit rating of at least AA+..

Cash and cash equivalents

Cash equivalents are held at banks and financial institutions rated between A+ and AAA, according to rating agencies authorized to operate in Colombia.

(iii) Liquidity risk

Liquidity risk is the risk which the Parent and subsidiary may have in complying with obligations associated with their financial liabilities, which are mainly settled by the delivery of cash.

The approach of the Parent and subsidiary to liquidity management is to ensure that as far as possible they will always have sufficient liquidity to meet their obligations when due; they aim to keep a level of cash and cash equivalents for amounts exceeding the expected cash outflows from financial liabilities.

The Parent and subsidiary monitor the level of incoming cash expected from trade debtors and other receivables, matching them with expected cash flows to trade creditors, other accounts payable, and investment projects.

The Parent and subsidiary have a low liquidity risk level, because the collection from firs is affected in advance of the event itself, and this guarantees cash inflows.

(iv) Market risk

Market risk is the risk of changes in market prices, for example, exchange rates, interest rates, or share prices: This may affect the income of the Parent and subsidiary, or the value of financial instruments held.

The Parent and subsidiary are exposed to a minimum market risk, since all their cash and cash equivalent are invested in sight deposits. The only quoted equity held by the Parent, and it is exposed to changes in value, is its interest in Acerías Paz del Rio, but these investments do not represent a significant percentage of assets.

The Parent and subsidiary are exposed to exchange risk, principally in operations for the purchase and sale of goods and services agreed in a currency other than the functional currency (Colombian pesos - COP), and contracts which are prepared in foreign currency form a very small proportion of the total value of income and expenses, and they are collected and/or paid at a term of not more than 60 days.

The bank borrowings of the Parent and subsidiary have been taken in the functional currency (COP), at a term of five years, and interest is has been agreed at index rates subject to market levels (DTF, IBR).

7. Cash and cash equivalents

The following is the detail of cash and cash equivalents:

		Dec. 31, 2016	Dec. 31, 2015
Cash	$	33.110	34.874
Current accounts		742.069	1.310.891
Savings accounts (1)		2.659.447	7.782.950
Trust rights (2)		2.149.133	964.185
	$	5.583.759	10.092.900

At December 31, 2016 and 2015 there are no restrictions on cash and cash equivalents.

(1) The reduction in savings and current accounts is due to reduction in fairs and events of the Parent and subsidiary, and lower levels of receivable collection. This was caused by changes in the market during 2016 which affected the economy. Importantly also, in 2016, the subsidiary took a loan for $2,000,000 from Banco AV Villas

(2) The increase in trust rights is due to deposit made in by the Parent. Subsidiary has invested funds in the unit fund Fondo Colectivo Abierto Rentar in December 2016. The subsidiary has invested in another unit fund, that of Davivienda Corredores S.A. $24,249, which generated earnings of 7.054% in the year

8. Other current financial assets

The following is the detail of other current financial assets:

	Effective annual rate		Dec. 31, 2016	Dec. 31, 2015
Term deposits (1)	5,5%	$	-	700.000
Unit fund holdings (2)	7,6%		100.047	-
		$	100.047	700.000

(1) During 2016, was redeemed a TD in Banco AV Vilas at the close of 2015, it was a six-month deposit, with an average rate of 5.5%

(2) On December 26, 2016 the Parent made a remittance of $100,000 to Fiducoldex to set up an escrow account for the contributions it was to make for the acquisition of nearby land for the future Agora Convention Center. Once the property is acquired, the funds will be contributed to the CICB escrow.

9. Accounts Receivable

The following is the detail of Accounts Receivable:

		Dec. 31, 2016	Dec. 31, 2015
		-	-
Customers (1)	$	13.328.024	9.065.534
Sundry debtors (2)		7.482.090	1.632.130
Due from employees (3)		499.392	438.140
Doubtful accounts		940.100	582.753
		22.249.606	11.718.557
Less: impairment		(1.564.952)	(923.916)
	$	20.684.654	10.794.641

The impairment of receivables at the end of the period reported is the following:

		Dec. 31, 2016	Dec. 31, 2015
91 - 150 days	$	66.839	34.794
151 - 365 days		558.013	306.369
Over 365 days		940.100	582.753
	$	1.564.952	923.916

The variation in the provision for receivables during the year is as follows

		Impairment
Balance at December 31, 2014	$	2.181.465
Receivables impairment		579.303
Recoveries		(322.738)
Written off		(1.514.114)
Balance at December 31., 2015		923.916
Receivables impairment		922.844
Recoveries		(281.808)
Balance at December 31, 2016	$	1.564.952

(1) Corresponds to invoices issued to customers for participation in fair events, non-fair events, and exhibitor services rendered
(2) The variation is mainly represented by balance drawn of $3,243.462 by Parent to its partner in the *Cine y Música* Fair It also represents recognition of income pending billing for 2016 fairs, for $455.434 and recognition of progress in 2016 for $.1.596.676 and for 2015 $139.897. Finally, it includes an amount paid by the Parent on behalf of the CICB escrow, for $1,528,077, corresponding to the payment of the Urban Outline tax and the Urban Development tax, made at the request of the trustors of the CICB project, while procedures were in train to change the name of the holder of the construction license for the land. Also, note that this amount was budgeted as part of the investment in the construction, project. There were also expenses associated with the escrow for November and December, for $243.442.

(3) Outstanding balances of employee receivables originated in employee loans for home purchase, vehicles, education, and prepaid medicine contracts.

10. Inventories

The following is the detail of inventories

		Dec. 31, 2016	Dec. 31, 2015
Raw materials	$	35.081	17.555
Goods not made by Corferias		21.343	32.176
Materials, spares and accessories (1)		614.000	13.832
Containers and packaging		35.720	16.587
	$	706.144	80.150

At December 31, 2016 and 2015 there were no restrictions on inventories.

Among these assets are elements of the food and beverages units, construction materials, stationery, electrical items and others. The increase in inventories is due to the purchase of items of decoration in October 2016. In March 2016, the subsidiary began the operation of food and beverages, which implies a distribution and management of inventories.

(1) In 2016, the balance includes decorations and signposting for $545.526, construction items for $34.398, spirits for $ 20.839, and cleaning materials of $4.590. In 2015, the balance contains elements of decoration and signposting for $11.792 and cleaning supplies for $2.040

11. Other non-financial assets

The following is the detail of other non-financial assets

		Dec. 31, 2016	Dec. 31, 2015
Prepaid expenses	$	594.085	462.892

This item corresponds to insurance taken by the Parent and subsidiary, such as life insurance, performance bonds, insurance against material damage, and third-party liability. It also contains interest calculated at amortized cost for home loans and vehicle purchase loans to employees. Further again, it includes salary advances for employees, and advances pending legalization, made to suppliers and contractors.

	Dec. 31, 2016	Dec. 31, 2015

		-	-
Insurance	$	219.505	266.361
Employee loan interest		167.988	186.190
Advances to employees and suppliers		206.592	10.341
	$	594.085	462.892

The following is the details of the movement of insurance in 2016

Other non-financial assets	Balance at Dec. 31, 2015	Purchases	Amortization in the period	Balance at Dec. 31, 2016
Insurance	266.361	319.738	(366.594)	219.505

The following is the details of the movement of insurance in 2015

Other non-financial assets	Balance at Dec. 31, 2014	Purchases	Amortization in the period	Balance at Dec. 31, 2015
Insurance	215.188	414.208	(363.035)	266.361

12. Other financial assets

The following is the detail of other financial assets

Investments in:		Dec. 31, 2016		Dec. 31, 2015
		-	-	-
Alpopular Almacén General de Depósito S. A.	$	10.334.261		10.220.514
La Previsora S.A Compañía de Seguros		3.080.415		3.037.186
Centro de Ferias y Exposiciones de Bucaramanga		174.448		174.448
Acerías Paz del Río S. A.		16		16
	$	13.589.140		13.432.164

At December 31, 2016 and 2015 there were no restrictions on these investments

The investments in Alpopular Almacen General de Depositos S.A. (“Alpopular”), La Previsora Compañía de Seguros S.A. (“La Previsora”) and Centro de Exposiciones y Convenciones de Bucaramanga are financial instruments in which the Parent has no control or significant influence. They are recognized at cost both initially and subsequently.

Issuer	Business	% interest	Shares 2016 No.	Class	Dividends declared in shares 2016	Shares 2015 No.	Class	Dividends declared in shares 2015
Alpopular Almacén General de Depósitos S.A.	Warehousing	28,9	24.271.976	Ordinary	418.062	23.853.914	Ordinary	413.123
La Previsora S.A. Compañía de seguros	Insurance	0,13	1.769.323	Ordinary	-	1.769.323	Ordinary	432.292
Centro de Ferias y Exposiciones de Bucaramanga	Fairs and Events	1,17	16.021	Ordinary	-	16.021	Ordinary	-
Acerías Paz del Río S.A.	Steel production		1.885	Ordinary	-	1.885	Ordinary	-
			26.059.205		418.062	25.641.143		845.415

13. Investments in associates

The following is the detail of investments in associates

		Dec. 31, 2016		Dec. 31, 2015
		-	- -	-
Investments in associates	$	62.810.968		61.307.795

At December 31, 2016 and 2015 there were no restrictions on investments in associates.

(1) At December 31, 2016 the Parent had an investment in associates, given the significant influence which it exercises over the CICB escrow, which was formed to manage funds delivered by the Bogotá Chamber of Commerce, Fontur and Corferias S.A. to execute the CICB-Agora development. The escrow was formed in November 2014 with the Fiduciaria Bogotá S. A., with an interest of 19%. Over the year, the Parent made initial contributions for $1.530.590. Also, there is recognition of gains or losses applying the equity method; in 2016, the loss on investment in the escrow was $27.590, due to an exchange difference generation by banks in foreign currency, in 2015, there was a gain of $11.443 which were used on the unit which the money was invested.

14. Intangibles

The detail of intangibles is as follows:

	Dec. 31, 2016		Dec. 31, 2015

Trademarks acquired (1)	$	7.745.990	3.272.190
Software licenses (2)		1.953.612	373.109
Accumulated amortization		(301.433)	(130.015)
	$	9.398.169	3.515.284

(1) In December 2016, the trademark of the Feria Mueble y Madera was purchased for $4.100.000, from Arbol de Tinta S.A.S., and the was in addition to the trademark of Andinapack for $373.800. In April 2015, the Parent acquired the Andinapack fair trademark from Patricia Acosta Ferias y Congresos Ltda; for $1,682,100. The trademarks acquired will start to the amortized once they are available to be exploited by the Parent.

(2) During 2016, the Parent and subsidiary made an investment in computer programs and licenses for $2,487,443, as a function of managing security cameras, optimizing collaborative tools, and renewing licenses for physical servers and cloud services.

The following is the detail of the movement of intangibles in 2016

Intangibles	**Opening balance Dec. 31, 2015**	**Purchases**	**Amortization in the period**	**Dec. 31, 2016**
Software licenses	373.109	2.487.443	(906.940)	1.953.612
Trademarks acquired	3.142.175	4.473.800	(171.418)	7.444.557
Total Intangibles	**3.515.284**	**6.961.243**	**(1.078.358)**	**9.398.169**

The following is the detail of the movement of intangibles in 2015:

Intangibles	**Opening balance Dec. 31, 2014**	**Purchases**	**Amortization in the period**	**Dec. 31, 2015**
Software licenses	206.367	365.877	(199.135)	373.109
Trademarks acquired	1.590.090	1.682.100	(130.015)	3.142.175
Total Intangibles	**1.796.457**	**2.047.977**	**(329.150)**	**3.515.284**

15. Property and equipment

The following is the detail of property and equipment at December 31:

Land (1)	$	234.003.546	242.241.373
Construction in progress (2)		44.757.334	32.030.390
Buildings (3)		160.436.183	143.897.241
Machinery and equipment (4)		7.634.000	6.520.725
Office equipment (5)		4.587.099	2.905.737
Computer and communications equipment		2.727.619	2.746.554
Transport fleet & equipment		155.494	192.264
	$	454.301.275	430.534.284

At December 31, 2016 and 2015, there were no restrictions on these assets.

(1) Land fell $8,237,827 due to the constitution of a condominium as part of the Corferias commitment t in the Investors´ Agreement for the Hotel Project. The condominium was recognized as Investment Property.

(2) Construction in progress increased mainly with the development of the Hotel Project for $21,676,417 for the construction and start-up of the hotel, approved by the Operator Hilton and the investor P.A.Pactia; there was also the construction of the parking facility Av Americas for $3,514,882, the construction of the Active Border project for $3,833,244 and civil works in the Fairs Center for $2,855,118. There was a reduction with the activation of the Verde parking facility for $15.339.010 and other activities in the Fairs Center, including administrative and commercial offices and the President´s office for $3,813,382; and $325 was written off.

(3) The increase in construction and buildings came from the activation of projects formerly in progress. This included access control systems of $2,079,700, the Verde carparking facility for $15,339,010; the improvement of Pavilion 65A, the main auditorium, the international business center and new foreign trade offices for $1,739,511.

(4) The increase is due to the activation of Tent of the Americas and the installation of a systems payment point for Bogota in the subsidiary. A dividing curtain, cable-ducts and other machinery to implement the Puerta de Oro were acquired by the subsidiary in Barranquilla.

The following is the detail of the movement of property and equipment in 2016:

Property and equipment	Balance at Dec. 31, 2015	Purchases	Withdrawn	Transfers	Depreciation in the period	Balance at Dec. 31, 2016
Land	242.241.373	-	-	(8.237.827)	-	234.003.546
Construction in progress	32.030.390	31.879.661	(325)	(19.152.392)	-	44.757.334
Buildings	143.897.241	57.583	-	19.100.038	(2.618.679)	160.436.183
Machinery & equipment	6.520.725	2.095.093	(10.576)	-	(972.071)	7.633.171
Office equipment	2.905.737	2.307.404	(47.102)	52.355	(637.590)	4.580.804
Computer and communications equipment	2.746.554	741.807	(1.234)	-	(752.385)	2.734.743
Transport fleet and equipment	192.264	-	-	-	(36.770)	155.494
Total property and equipment	**430.534.284**	**37.081.548**	**(59.237)**	**(8.237.826)**	**(5.017.496)**	**454.301.275**

The following is the detail of the movement of property and equipment in 2015:

Property and equipment	Balance at Dec. 31, 2014	Purchases	Withdrawn	Transfers	Depreciation in the period	Balance at Dec. 31, 2015
Land	302.137.654	-	-	(59.896.281)	-	242.241.373
Construction in progress	17.863.342	15.275.873	(1.108.825)	-	-	32.030.390
Buildings	146.924.004	612.267	(194.627)	-	(3.444.403)	143.897.241
Machinery & equipment	4.030.966	3.182.323	(4.556)		(688.008)	6.520.725
Office equipment	2.437.818	981.098	(2.145)	-	(511.034)	2.905.737
Computer and communications equipment	1.307.135	1.894.851	(991)	-	(454.441)	2.746.554
Transport fleet and equipment	229.034	-	-		(36.770)	192.264
Total property and equipment	**474.929.953**	**21.946.412**	**(1.311.144)**	**(59.896.281)**	**(5.134.656)**	**430.534.284**

At December 31, 2016 assets in use but fully depreciated represented 0.086% of total book assets. Fully depreciated assets in use consist of machinery and equipment, office equipment, computer equipment and communications equipment.

The following is the detail of fully-depreciated assets in use in 2016 and 2015:

Detail	Cost
2016	
Machinery & equipment	$ 84.307
Office equipment	30.408
Computer equipment	220.134

Communications equipment	36.306
Buildings	17.186
Detail	**Cost**
2015	
Machinery & equipment	88.868
Office equipment	32.646
Computer equipment	239.280
Communications equipment	36.532

16. Investment properties

The following is the detail of investment properties

		Dec. 31, 2016
		-
Investment properties - plot of land	$	27.000.000

At December 31, 2016 there were no restrictions on investment properties.

During 2016, the Parent made an investment agreement with the PA Pactia SAS investment trust, for the construction, development, start-up and operation of the Hotel Project. As a result, and in compliance with the Parent´s obligations, a contribution was made of a plot of land worth $27,000,000. The land was recorded in the books for the value of $8,237,827; however, taking account of the valuation made on July 21, 2016 by experts, who evaluated the characteristics of the land and its future use, they determined that a fair value as a contribution to the construction of the hotel construction business through the association between the Parent and PA Pactia would be $27,0,00,000, representing a profit of $18,763,481.

The value of the plot of land was determined through an independent expert report from Borrero Ochoa y Asociados, who are engaged in projects and valuations, and are specialists in matters of valuation and consultancy, being also members of the Bogotá Property Exchange, and the national association Fedelonjas. The firm has 17 years´ experience making valuations for more than 196 companies in Colombia. The valuation also took account of the market value of the land, the impact of the business node formed by CICB-AGORA, the Corferias Fairs Center, and its closeness to the airport and new urban centers which have appreciated sharply in value.

17. Financial debt

The following is the detail of financial obligations

		Dec. 31, 2016	Dec. 31, 2015
	-	-	-
Short term financial debt	$	4.400.000	2.009.407
Long-term financial debt		13.200.000	5.600.000
	$	17.600.000	7.609.407

On October 26, 2016 the Parent took a loan of $5,000,000 from Banco AV Villas at DTF+3.58% EAR with amortization of capital and interest quarterly in arrears. On December 29, 2016, it took two further loans from the same bank, lone of $3,000,000 at DTF+3.58 EAR with amortizations of capital and interest quarterly in arrears and the other for $2,000,000 at DTF+3.65%EAR with amortization of capital and interest quarterly in arrears.

Year	Opening balance	New debt	Capital repaid	Interest paid	Closing balance	Interest Payable
2016	5.609.407	10.000.000	1.609.407	440.209	14.000.000	3.086.964
2015	5.100.000	4.009.407	3.500.000	449.738	5.609.407	681.556

The increase in the Parent´s borrowings was due to the execution of the projects of Active Border and the construction of the Hotel and the lands on Av. Americas

On December 22, 2016 the subsidiary took a loan of $2,000,000 from Banco AV Villas at DTF+3.65 AER for 5 years and amortization of capital and interest quarterly in arrears; and on December 30, 2015 it took a loan of $2,000,000 from Banco AV Villas at DTF+3.8% AER.

Year	Opening balance	New debt	Capital repaid	Interest paid	Closing balance	Interest Payable
2016	2.000.000	2.000.000	400.000	186.431	3.600.000	892.460
2015	-	2.000.000	-	-	2.000.000	-

The increase of borrowings by the subsidiary was due to cash requirements for the operations of Puerta de Oro in Barranquilla.

At December 31, 2016 and 2015 the Parent and subsidiary had given no guarantees for their borrowings.

18. Accounts Payable

The following is the detail of Accounts Payable

		Dec. 31, 2016	Dec. 31, 2015
Payables in Colombia	$	1.580.984	424.436
To contractors (1)		5.359.591	2.404.112
Costs and expenses payable (2)		13.971.715	12.839.994
Dividends or capital yields payable (3)		222.074	196.260
Tax withholdings		2.129.601	922.965
Turnover tax withholdings		126.289	80.372
Payroll withholdings and contributions		70.476	108.880
Sundry creditors		54.496	59.552
Salaries payable (4)		5.260	47.049
Severance accrual (4)		629.544	503.719
Interest on severance accrual (4)		74.231	62.103
Holiday accruals (4)		318.578	222.521
Discretionary benefits (4)		136.385	90.107
Withholdings from third parties under contracts		457.562	427.594
	$	25.136.786	18.389.664

(1) For 2016 and 2015, among current Accounts Payable there are balances corresponding to invoices pending payment to contractors by the Parent and subsidiary, for advertising and commissions of $931.503 and $361,308, respectively. In addition, there are profits pending payment for the execution of fairs in association with strategic allies for $2,200,043 and $ 566,722, respectively. There are also other items such as stand installations, electrical installations and interpretation services provided for events: the auto fair and the craft fair (Expoartesanías), held at the end of 2016 and 2015, and Almax and IDO SENA held in 2016.

(2) The costs and expenses payable correspond to:

		Dec. 31, 2016	Dec. 31, 2015
Financial costs	$	190.390	-
Fees		902.857	270.236
Technical services		48.474	-
Maintenance services		1.479.755	31.542
Rent		262.400	115.899
Transport and freight charges		100.439	14.031
Public services		16.580	-
Insurance		67	74.472
Travel expense		-	501
Entertainment and public relations		3.912	4.705
Other (*)		6.098.873	4.655.290
Other payables (**)		4.867.968	7.673.318
	$	13.971.715	12.839.994

*In 2016, accounts payable correspond to sundries, principally the purchase of the trademark Mueble y Madera, for which there is a balance payable of $1,947,500. There is also the closure of the escrow agreement for ARTBO of $696,447 and finally the liquidation of the defense fair Expodefensa for $ 605,838. The remaining balance of $2,849,088 corresponds to Accounts Payable from the company's operations, to be paid in 2017.

**Other accounts payable, established in order to attend to expenses which contractors and suppliers had not invoiced by the end of the period, for services rendered in December.

(3) In 2016, dividends were declared for $ 16,042,900 of 2015 profits, and during the year dividends were paid for $ 16,042,900, with a final balance in the period of $222,074 in dividends

(4) Corresponds to the provision for employee benefits paid in for the year for $1,163,998, for 2016; and $925,499 for 2015.

19. Taxes payable

The following is the detail of the tax liability:

		Dec. 31, 2016	Dec. 31, 2015
Income and related taxes	$	151.497	1.296.169
Sales tax payable		1.032.581	1.185.801
Turnover tax		350.001	336.089
Tourism tax		75.354	69.863
Public performance tax		1.987	-
National consumption tax		98.446	54.770
	$	1.709.866	2.942.692

These are balances payable for taxes at December 2016 and 2015 under current tax regulations applicable to the Parent and subsidiary.

The lower balance of income tax due is due to a downturn in fair activity of the Parent, with a consequent fall in revenues.

20. Employee benefits

The following is the detail of provisions for employee benefits

		Dec. 31, 2016	Dec. 31, 2015
Defined-benefit obligations at the beginning of the period	$	1.791.146	1.882.462
Interest cost		143.854	135.684
Benefits paid directly by Corferias		(209.000)	(195.000)
Gain (loss) due to actuarial assumptions		274.000	(32.000)
Defined-benefit obligations at the end of the period	$	2.000.000	1.791.146

The actuarial studies for pensions include the following actuarial suppositions.

Hypotheses used

	Dec. 31, 2016	Dec. 31, 2015
Discount rate	7,60%	8,50%
Pension increase rate	3,00%	3,50%
Inflation rate	3,00%	0,00%

Payments expected over the next 10 years ($ millions)

	Dec. 31, 2016	Dec. 31, 2015
Year 1	217	203
Year 2	222	209
Year 3	226	213
Year 4	228	216
Year 5	228	217
Next 5 years	1.051	1.024

Measurement date	*December 31, 2016*
Discount rate	*For financing the year end December 31, 2015 and estimated cost for year ending December 31, 2016: 7.6%.* *For financing the year end December 31, 2016 and estimated cost for year ending December 31, 2017: 7.0%*
Inflation	*For financing the year end December 31, 2015 and estimated cost for year ending December 31, 2016: 3.0%.* *For financing the year end December 31, 2016 and estimated cost for year ending December 31, 2017: 3.50%*
Pension increase rate	*For financing the year end December 31, 20o15 and estimated cost for year ending December 31, 2016: 3.0%.* *For financing the year end December 31, 2016 and estimated cost for year ending December 31, 2017: 3.5%*
Retirement age	*Men:62 years.* *Women: 57 years*

The liability for defined-benefit plans was calculated using the "projected credit unit" method. The method consists of quantifying the benefits each participant in the plan, to the extent that he or she is entitled to them, taking account of future salary increases and a formula of the plan for the allocation of benefits. Valuations are made individually for pensions. Through the application of actuarial hypotheses, calculations are made of the amount of the benefit projected, which depends on the estimated date of termination, length of service completed, and salary at the time the benefit is due.

In order to make the calculation, a single scenario was adopted from actuarial hypotheses for a range of reasonable possibilities. However, the future is uncertain, future experience of the plan will be different from the suppositions made, to a greater or lesser extent.

Likewise, in order to attend to the terms of Decree 1625 of October 11, 2016 with regard to actuarial calculations, the present value of the pension liability for account of the Parent is also determined annually on the basis of studies in accordance with Superintendency regulations, and Article 2 of Ministry of Finance Decree 2783 of December 20, 2001.

The reserve at December 2016 is $1,848,100 and for 2015, $1,788,403, representing a variation of 334% over the year. According to the staff groups reported, the result is as follows:

Personnel	**Group**	**Size**	**Reserves**
Shared pension	2	4	1,813,298
Shared beneficiary	5	1	34.802
Total reserve at December 31, 2016		**5**	**1,848,100**

.

Amortizations will be charged to Results, following Ministry of Finance Decree 4565 of December 7, 2010

The Parent adopted Article 1 of Ministry of Finance Decree. 65 of December 2010, electing to amortize the actuarial calculation generated by mortality tables of men and women annuitants updated by the Superintendency in Resolution 55 of July 30, 2010, since the Parent had already amortized 100% of the actuarial reserve at December 31, 2009.

Finally, and following the requirements of Decree 2131/2016, the following disclosure is made of variables used and the differences between the calculation of post-employment liabilities determined under IAS 19,and the parameters of Decree 6025/2016.

Under IAS 19, the hypothesis used to determine obligations for defined benefits the discount rate was 7%; the rate of increase of pensions and salary inflation of salary of 3.5%; and under Decree 4565 of December 7, 2010, the calculation of the pension liability uses the technical interest rate, 4.8%. Therefore, the difference between calculation made using local government requirements and COL-IFRS is $151,900 for 2016 and $2,743 for 2015.

21. Other financial liabilities

The following is the detail of other financial liabilities:

		Dec. 31, 2016	Dec. 31, 2015
		-	-
Deposits received for fairs and events (1)	$	3.479.670	1.352.139
Deposits received for project management		16.429.149	-
Income received for third parties		4.062	286.487
	$	19.912.881	1.638.626

(1) The following is the detail of deposits received for fairs and events:

		Dec. 31, 2016	Dec. 31, 2015
		-	
Feria Internacional de Bogotá	$	13.523	356.429
Agroexpo		480.293	2.531
Feria Internacional del Libro		43.228	31.697
Feria del Hogar		101.405	70.552
Expoartesanías		83.359	59.788
Gran salón Inmobiliario		45.084	18.963
Sofa		720	2.171
Expoconstrucción & Expodiseño		1.713.119	21.416
Expo Oil & Gas		-	3.133
Expodefensa		-	702
Eficiencia y Seguridad		5.595	35.282
Exposición Nacional Ganadera		25.637	24.799
Feria Internacional de Transporte		-	4.578
Artbo		41.615	15.159
Meditech		435	436.516
Minor non-Fair Events		43.741	13.767

Alimentec	24.466	145.062
Expoestudiante Nacional	-	410
Belleza y Salud	91.582	7.450
Fima Feria del Medio Ambiente	702	21.588
Expande	-	17.400
Automatisa	38.151	-
Salón Internacional del Automóvil	1.701	-
Andigráfica	61.163	-
F-AIR	16.897	-
Expo Oil & Gas	58.142	-
MICSUR	18.486	-
Andinapack	408.378	-
Otros	391	62.746
Feria de Construcción Puerta de Oro	1.868	-
Oferta Inmobiliaria Puerta de Oro	622	-
Sabor Barranquilla	3.437	-
Agroexpo Caribe	58.623	-
Feria del Hogar Caribe	4.522	-
Expodrinks	95	-
Suppla	41.035	-
Telefónica	39.655	-
John Maxwell en Colombia	12.000	-
	$ 3.479.670	1.352.139

(1) Corresponds to deposits received from customers during the year for participation in fairs such as Expoconstrucción y Diseño for $1,713,119 Agroexpo for $480,293, Andinapack for $408,378 (to be held in May, June and November 2017, respectively) amongst others. These funds are received up to one year in advance, and then applied to the invoice of the exhibitor's participation in the Fair.

(2) Deposits received for project management totaled $16,429,149, mainly comprising the contribution received by P.A.Pactia as investor in the Hotel Project for $16,395,979 in accordance with the in investors´ agreement signed in September 2016. The amount of this contribution and that of the Parent as investors is recognized as construction in progress and investment properties.

22. Non-financial liabilities.

The following is the detail of non-financial liabilities:

		Dec. 31, 2016	Dec. 31, 2015
Rent-Servientrega S.A.	$	39.759	36.745
Participation in fairs (1)		8.351.206	4.019.246
	$	8.390.965	4.055.991

(1) Corresponds in 20165 to advance revenues for participation in Parent Fair to be conducted in 2017. The most important of them are Andinapack for $2,881.023, Expoconstrucción and Expodiseño for $2,061,860, Agroexpo for $335,436, Virtual Educa for $346,907 and Sponsorships for $1,463,475, all to be held in 2017. In 2015 the most important were for the Bogota International Fair, $1,059,550, the Congress for Cities and Local Government for $732,758, Mueble y Madera Industrial Show for $650,000 and Sponsors for $1,436,923, all held in 2016.

23. Other Provisions

The following is the detail of other provisions**:**

		Dec. 31, 2016	Dec. 31, 2015
Accruals and provisions	$	2.398.435	2.064.050

Legal contingency provisions were increased in 2016 following a reports from outside counsel. A provision of $2,064,050 was made in 2015 for contingencies considered likely to materialize.

24. Capital

At December 31, 2016 authorized capital was for 200,000,000 shares of par value $10 (pesos) and subscribed and paid capital at December 31, 2016 and 2015 was formed by 167,391,943 ordinary shares

At December 31, 2016 and 2015 the Parent held 104,146 shares in Treasury, their rights being suspended while in that situation.,

All shares issued are fully paid.

Holders of ordinary shares are entitled to receive dividends periodically as declared; and each shareholder has one vote in General Meetings.

25. Reserves

The following is the detail of reserves:

		Dec. 31, 2016	Dec. 31, 2015
		-	-
Mandatory reserve	$	839.707	839.707
Reserve for repurchase of own shares		1.164	1.164
Own shares repurchased		(1.041)	(1.041)
Voluntary reserves (1)		69.449.661	53.405.790
	$	70.289.491	54.245.620

Corporate entities are required to set aside 10% of their annual net profits to a Mandatory Reserve until that reserve reaches 50% of subscribed capital. The reserve may be reduced to less than 50% of subscribed capital in order to absorb losses in excess of undistributed profits, but may not be used to pay dividends or cover expenses or losses while the entity has undistributed profits.

(1) At the Annual General Meeting held on March 29, 2016 it was decided to increase the voluntary reserve by $16,043,871 in order to leverage projects such as the modernization of the Verde and Americas parking facilities. The amount set aside in 2915 was $11,471,949.

26. Results of the convergence process

		2016	2015
		-	-
Results of the IFRS convergence process	$	324.077.638	324.254.758

In 2016 and 2015 the variation is caused by adjustment of investments to cost and adjustments to deferred taxes, as follows:

		Movement
Balance at December 31, 2014	$	325.266.798
Deferred tax adjustment		(1.191.281)
Investments adjustment		179.241
Balance at December 31, 2015		324.254.758
Deferred tax adjustment		(27.878)
Investments adjustment		(149.242)
Balance at December 31, 2016	$	324.077.638

27. Income from ordinary activities

The following is the detail of income from ordinary activities:

		2016	2015
Food and beverages (1)	$	5.039.115	3.990.196
Property, business and rental activities(2)		18.029.014	20.262.038
Entertainment and leisure		99.878.741	94.521.936
Parking facility administration (4)		3.138.917	2.727.422
	$	126.085.787	121.501.592

(1) Food and beverages. This records revenues from the Parent and subsidiary´s food and beverages service. Note that as part of the initiatives to move forward in the delivery of value-added services for the public in fairs and events conducted by the subsidiary, as of March 2016 the operation of food and beverages was implemented in Corferias Inversiones S.A.S.

(2) Property activities, Business and Rentals, This records revenues from the rental of space and the rendering of services related directly to the non-.fair activities of the Parent and subsidiary. The events bringing in the greatest revenues in 2016 were MICSUR for $3,079,590, CGLU for $1,291,327, Plebiscito por la Paz $1,159,854, Lego Fun Fest for $1,123,578; and Delirio la Pinta, $ 381,513.

(3) **.**Entertainment and Leisure. These revenues are earned from the rental of space and the rendering of services in the organization and conducting of Parent and subsidiary fairs. The Fairs with the greatest revenues in 29016 were the Bogotá International Fair, $12,,611,917, the Homes Fair for $11,525,506; International Auto Show for $9,899,069, the International Book

Fair for $78,445,474, Expoartesanías for $5,466,305 and Alimentec for $5,112,039

The execution of the Fairs operating contract for Puerta de Oro, Barranquilla between the subsidiary and Centro de Eventos y Exposiciones del Caribe S.A.S.is designed to dynamize trade and business activity in the Caribbean Basin and in August 2016 fairs were launched there, opening with Sabor Barranquilla, which earned $861,816; Feria de Construcción Puerta de Oro, $851,425; Oferta Inmobiliaria Puerta de Oro, $839,225; and "I DO SENA", $756,874

(4) Finally, the subsidiary reported revenues from the operation of parking facilities for $3.138,917 in 2016 and $2,727,422 in 2015, earned from exhibitors and visitors.

28 Other income

The following is the detail of other income:

		2016	2015
Dividends and other capital yields (1)	$	1.047.484	1.240.177
Income from the equity method		-	11.443
Commissions		49.899	58.174
Profit on PP&E contributions (2)		18.763.481	-
Recoveries (3)		1.257.392	5.691.976
Other income		400.748	207.579
	$	21.519.004	7.209.349

(1) Corresponds to dividends earned by the Parent arising from investments held in Alpopular, and La Previsora. These dividends or surpluses are recognized when declared. In 2016, an increase was recognized as a result of payments received for profits as follows: from Alpopular, $ 1,020,725, of which $306, 217 represented in shares and $714,507 in cash, and from La Previsora, $26,759, in cash.

(2) Recognition of fair value of the plot of land delivered as a contribution to the hotel construction by Parent to the project for $27,000,000, appears in investment properties using the fair value model. This plot of land was recorded in the books for $8,237,827. However, taking account of the fact of the valuation made on July 21, 2016 by the firm Borrero Ochoa y Asociados, evaluated the characteristics of the land and its future use, determined that the value of the land to the contribution to the hotel construction business through the association between the Parent and a private company was $27,000,000.

(3) Includes other income due to recovery of expenses during 2016, from the previous period, such as receivables recovered for $281,808 and payables for $805,377; and recovery costs and expenses of $ 163,408. In 2015, payables recovered were of the order of $893,008, receivables recovered were $322 738, and litigation provision recoveries of $4.476,230.

(4) Other sundry income, such as repayments for sick ness benefit, retail sales and elements of third parties, recoveries of telephone services, in indemnities for damage by third parties.

29. Overhead

The following is the detail of overhead:

		2016	2015
		-	-
Payroll expense (1)	$	19.031.919	16.114.349
Fees		3.158.661	1.676.037
Taxes (2)		4.195.254	4.044.120
Rent		485.761	556.247
Contributions and affiliations		668.019	266.922
Insurance		95.052	33.044
Insurance amortization		366.594	363.035
Services (3)		3.850.660	3.984.020
Legal expenses		58.093	155.892
Maintenance and repairs		1.286.162	1.564.200
Remodeling and installation (4)		1.794.675	1.863.298
Travel expense		631.686	367.995
Depreciation		5.017.496	5.134.656
Amortizations		1.078.358	329.150
Sundry		1.820.411	2.410.466
Other (5)		1.953.977	1.806.281
	$	45.492.778	40.669.712

The following is the detail of payroll expense:

		2016	2015
		-	-
"All-in" salaries	$	4.497.018	3.909.015
Pensions		417.560	195.472
Salaries and other personnel expenses*		7.564.707	6.355.550
Payroll taxes and employee benefits		3.227.888	2.773.769
Bonuses		395.169	419.043
Subventions **		118.058	90.810
Pension fund contributions		1.292.244	1.083.086
Health and occupational risks contributions		999.922	862.772
Other employment expenses ***		519.353	424.832
	$	19.031.919	16.114.349

Comprises salaries, overtime, commissions and sickness benefits. For this period, there is an increase of 2015 corresponding to the contracting of 19 employees for the subsidiary´s operations in Puerta de Oro, Barranquilla at the end of the period.

**Provides for subsidies for employees for transport and prepaid medicine

***Comprises items such as uniforms for employees, staff training, sporting and recreation activities, et cetera

(2) Represents turnover tax, property tax, tourism tax, events tax, bank transaction tax, and the Fire Brigade surcharge.
(3) Comprises services such as cleaning, security, temporary staff, technical assistance, public services, and other overhead expenses for setting up events
(4) Comprises ornamental arrangements, signposting, installations and other services for setting up events.
(5) Expenses generated at the end of the period not fooled by suppliers and contractors, in particular, overhead for $1,031,132 in 2016 and $1,217,006in 2015. There are also expenses for receivables impairment totaling $922,844 in 2016 and $579,303 in 2015.

30. Selling expenses

The following is the detail of selling expenses:

		2016	2015
Payroll expense (1)	$	4.744.796	4.157.418
Fees (2)		5.280.899	1.572.847
Taxes		365.760	45
Rent (3)		1.567.143	987.673
Contributions and affiliations (4)		5.344.222	6.840.990
Insurance		24.361	39.327
Services (5)		16.166.017	12.933.324
Legal expenses		201.668	18.061
Maintenance and repairs		324.779	176.056
Remodeling and installation (6)		10.711.139	9.103.650
Travel expense		1.287.871	830.640
Sundry (7)		4.349.769	3.599.324
Other (8)		3.323.299	5.894.163
	$	53.691.723	46.153.518

(1) The following is the detail of payroll expense

		2016	2015
	-		
	-	-	-
"All-in" salaries	$	104.908	-
Salaries and other personnel expenses *		2.802.392	2.537.095
Payroll taxes and employee benefits		994.622	895.704
Bonuses		132.777	94.303
Subventions **		67.825	69.170
Pension fund contributions		371.158	316.568
Health and occupational risks contributions		261.862	234.693
Other employment expenses ***		9.252	9.885

	$ 4.744.796	4.157.418

*Comprises salaries, overtime, commissions and sickness benefit. This period, there is an increase of 2015 for the contracting of staff by the subsidiary operations in Puerta de Oro, Barranquilla. At the end of the period the subsidiary had 34 employees, of whom 31 worked in Barranquilla and 3 in the parking facility in Bogotá.

**Includes subvention for employees for transport, and prepaid medicine
***Comprises items such as employee uniforms, staff training, sports and recreation, incentives, et cetera.
(2) The increase in fees is due the execution of $2,860,402 for artistic performances at the Cine and Música fair held in December 2016
(3) Comprises rental of machinery and equipment, items of decoration for fairs an d events in Bogotá and Barranquilla
(4) Represents the participation of entities for the holding of a range of events by the Parent, in particular, the Colombian Book Chamber for $1,482,017, and the holding of the international book fair; Fenalco Nacional for $1,031,016 for the International Auto Show and Koelnmesse GmbH for $ 1.002,079 for the Alimentec Fair.

(5) Comprises services such as cleaning, security, temporary staff, technical assistance, publicly services for the events of the Parent and subsidiary.

(6) Corresponds to ornamental arrangements, signposting, installations and other services to set up and take down fair events of the Parent and subsidiary.

(7)Corresponds to items such as stationery, decorations and signposting, cafeteria, taxes, and other necessary expenses for fairs.

(8) These are expenses generated at the end of the period and have not been invoiced by suppliers or contractors, in particular, provisions for the liquidation of firm partners, which were in 2016 $3,323,299, principally for fair events such as the International Auto Show, Cine y Música, Expoespeciales, and the craft fair, Expoartesanías, and in 2015 $4,677,157 mainly for fairs such as Andinapack, Expodefensa, Expoartesanías, the Caribbean Home fair and the Caribbean Construction fair.

31. Other expenses

The following is the detail of other expenses:

		Years ended on December 31,	
		2016	**2015**
		- -	-
Loss on sale and withdrawal of property and equipment	$	59.237	1.311.144
Loss on equity method		27.490	-

Other expenses (1)		1.033.224		2.540.762
	$	1.119.951	-	3.851.906

1) Corresponds to recognition of the provision for legal contingencies of $334,l385 for 2016 and $2,064,050 for 2015; also includes donations tpo Bogotá Convention Bureau for $150,000

32. Financial income

The following is the detail of financial income:

		Years ended on December 31,	
		2016	**2015**
Savings account interest	$	395.744	380.693
Exchange difference		842.155	1.613.715
Discounts		323.501	286.286
	$	1.561.400	2.280.694

Corresponds to income from yields on savings accounts held by the Parent and subsidiary and the exchange difference caused by the adjustment of receivables and payables in dollars at the closing rate for the year. It also includes supplier prompt-payment discounts.

33. Financial expenses

The following is the detail of financial expenses:

		2016		**2015**
Bank charges	$	3.100		29.460
Commissions		263.466		184.713
Interest		430.970		64.442
Exchange difference		935.325		799.552
Other		16.259	-	10.931
	$	1.649.120	-	1.089.098

Corresponds to expenses with various banks for interest and commissions and the exchange difference arising from the dollar accounts.

34. Tax expense

The following is the detail of tax expense for the years ended on December 31, 2016 and 2015:

	2016	2015
	-	-
Current income tax	3.652.969	4.379.858
Capital gains tax	-	223.920
CREE of Corferias Inversiones S.A.S.	144.832	77.501
CREE surcharge of Corferias Inversiones S.A.S.	48.554	3.056
Income tax, previous periods	177.331	1.187
	4.023.686	**4.685.522**
Deferred tax for the year	7.482.234	1.254.046
Total income tax expense	**11.505.920**	**5.939.568**

Reconciliation of tax rates:
The tax regulations applicable to the Parent and subsidiary state that:

- The Parent was authorized, to be a Permanent Special Free Zone User-Operator in Resolution 5425 of June 20, 2008. Therefore, its income tax rate is 15% from 2008 to 2016, and 20% as of 2017, under Law 1819/2016.

The income tax expense for the subsidiary, following rules applicable to 2016, is:

In Colombia

i Taxable income is taxed at 25% in 2016.

ii. As of January 1, 2013, Law 1607 of December 2012 created the equity tax (CREE), as a contribution by corporate and similar organizations for the benefit of workers, the generation of employment and social investment. The CREE tax for 2015 and 2016 and successive years is 9%. This tax was repealed as of January 1, 2017 by Law 1819/2016.

iii. As of 2016, a surcharge is added to the CREE tax, for 5% in 2015, 6% in 2016, 8% for 2017 and 9% 2018. The surcharge was repealed as of January 1, 2017 by Law 1819/2016.

iv. As of January 1, 2017, Law 1819/2 2016 eliminated the CREE tax and sets an income tax rate die 2017 of 34% with a surcharge of 6%; for 2018, the rate is 33% with a surcharge of 4%; and for 2019 and after, the rate is 33%.

v. The taxable base for income tax and CREE may not be less than 3% of net assets at the close of the previous year.

vi. As of 2017, the rate for presumed income is 3.5%

The following is a detail of the reconciliation between the income tax expense of the Parent and subsidiary calculated at current tax rates, and the tax expense effectively recorded in the Statement of Results.

		2016	2015
Profit before tax	$	**45.425.632**	**38.026.339**
Theoretical tax		6.990.530	5.793.938
Presumed fiscal interest		27	-
Non-deductible expenses of previous periods		8.501	101.509
Non-deductible expenses, fines, litigation, sanctions		52.005	310.677
Non-deductible expense - property tax		216.358	182.589
Other non-deductible expenses		714.078	1.721.140
Non-deductible taxes		106.288	-
Non-taxable dividends		(157.123)	(168.273)
Recovery of costs and other non-taxable income		(125.430)	(352.544)
Marginal interval CREE		(48.000)	(40.000)
Effect of rate differences		3.937.283	222
Adjustment to CREE surcharge, previous year		-	1.187
Difference between >IFRS and fiscal profits		(365.929)	(1.375.992)
Adjustment to tax liability previous year		177.331	-
Effect of non-taxable base for capital gains on sale of intangibles		-	(234.885)
Total income tax expense	$	**11.505.920**	**5.939.568**

Movement of deferred taxes

The differences between the bases of assets and liabilities for COL-IFRS and the taxable bases for the same assets and liabilities give rise to timing differences which generate deferred taxes calculated and recorded at December 31, 2016 and 2015, based on rates current for the years in which they would revert.

The effects of the timing differences implying the determination of higher or lower taxes in the current year, calculated at current rates, are recorded as a deferred tax asset or liability, as the case may be, provided that there is a reasonable expectation that such differences will revert. For the Parent, in 2016 the rate was updated to 20% in accordance with Law 1819/2016, and for 2015, the current rate was 15%.

Tax effects of deductible differences		**Balance at December 31, 2015**	**- Credit, charged to Results**	**Balance at December 31, 2016**
Accounts receivable	$	87.425	144.458	231.883
Inventory of goods not made by Corferias		-	4.168	4.168
Trademarks		17.260	(17.260)	-
Property and equipment		5.557.930	1.711.022	7.268.952
Licenses		98.300	14.729	113.029
Costs and expenses payable		49.930	254.504	304.434
Employment obligations		4.632	907	5.539
Employee benefits		411	29.969	30.380
Subtotal taxable timing differences	$	**5.815.888**	**2.142.497**	**7.958.385**

Tax effects of taxable tax differences	$	**Balance at December 31, 2015**	**Credit, charged to Results**	**Balance at December 31, 2016**
Investments in associates		(5.945.902)	(4.325.284)	(10.271.186)
Sundry debtors		(20.985)	(330.140)	(351.125)
Inventory of spares and accessories		(1.768)	(122.968)	(124.736)
Trademarks		(8.190)	(567.939)	(576.129)
Land		(20.688.406)	828.296	(19.860.110)

Accumulated depreciation		(10.822.827)	(2.812.935)	(13.635.762)
Investment properties		-	(2.237.400)	(2.237.400)
Deposits received for fairs and events		(151.041)	(39.923)	(190.964)
Monetary correction		(87.870)	(16.546)	(104.416)
Other		(108)	108	-
Subtotal taxable timing differences	$	**(37.727.097)**	**(9.624.731)**	**(47.351.828)**
Total		**(31.911.209)**	**(7.482.234)**	**(39.393.443)**

-

Tax effects of deductible differences		**Balance at December 31, 2014**	**Credit, charged to Results**	**Balance at December 31, 2015**
Investments in shares	$	1.191.281	(1.191.281)	-
Accounts receivable		175.029	(175.029)	-
Inventory of raw materials		299	87.126	87.425
Trademarks		9.565	7.695	17.260
Property and equipment		5.635.222	(77.292)	5.557.930
Licenses		130.040	(31.740)	98.300
Other assets		107.086	(107.086)	-
Costs and expenses payable		332.231	(282.301)	49.930
Employment obligations		1.380	3.252	4.632
Employee benefits		7.059	(6.648)	411
Subtotal taxable timing differences	$	**7.589.192**	**(1.773.304)**	**5.815.888**

Tax effects of taxable tax differences	$	**Balance at December 31, 2014**	**Credit, charged to Results**	**Balance at December 31, 2015**
Investments in associates		-	(5.945.902)	(5.945.902)

Sundry debtors	(36.340)	15.355	(20.985)
Inventory of spares and accessories	(4.185)	2.417	(1.768)
Accumulated amortization	-	(8.190)	(8.190)
Land	(26.749.675)	6.061.269	(20.688.406)
Accumulated depreciation	(10.006.416)	(816.411)	(10.822.827)
Monetary correction	(97.428)	9.558	(87.870)
Deposits received for fairs and events	(159.178)	8.137	(151.041)
Other	(1.853)	1.745	(108)
Subtotal taxable timing differences	$ **(37.055.075)**	**(672.022)**	**(37.727.097)**
Total	**(29.465.883)**	**(2.445.326)**	**(31.911.209)**

-

Tax effects of deductible differences	**Balance at December 31, 2014**	**Credit, charged to Results**	**Reclassified to equity**	**Balance at December 31, 2015**
Investments in shares	$ 1.191.281	-	(1.191.281)	-
Accounts receivable	175.029	(175.029)	-	-
Inventory of raw materials	299	87.125	-	87.425
Trademarks	9.565	7.695	-	17.260
Property and equipment	5.635.222	(77.292)	-	5.557.930
Licenses	130.040	(31.740)	-	98.300
Other assets	107.086	(107.086)	-	-
Costs and expenses payable	332.231	(282.301)	-	49.930
Employment obligations	1.380	3.252	-	4.632
Employee benefits	7.059	(6.648)	-	411
Subtotal taxable timing differences	$ **7.589.192**	**(582.024)**	**(1.191.281)**	**5.815.888**

Tax effects of taxable tax differences		Balance at December 31, 2014	Credit, charged to Results	Reclassified to equity	Balance at December 31, 2015
Investments in associates	$	-	(5.945.902)	-	(5.945.902)
Sundry debtors		(36.340)	15.355	-	(20.985)
Inventory of spares and accessories		(4.185)	2.417	-	(1.768)
Accumulated amortization		-	(8.190)	-	(8.190)
Land		(26.749.675)	6.061.269	-	(20.688.406)
Accumulated depreciation		(10.006.416)	(816.411)	-	(10.822.827)
Monetary correction		(97.428)	9.558	-	(87.870)
Deposits received for fairs and events		(159.178)	8.137	-	(151.041)
Other		(1.853)	1.745	-	(108)
Subtotal taxable timing differences	$	**(37.055.075)**	**(672.022)**	**-**	**(37.727.097)**
Total		**(29.465.883)**	**(1.254.046)**	**(1.191.281)**	**(31.911.209)**

In 2015 an adjustment was made to the Parent´s deferred tax for $1,191,281, referring to investments held by the Parent, Therefore, $1,219,158 was recognized as retained profits in the Opening Statement of Financial Position, and $27,877 in retained profits.

The Parent and subsidiary offset their asset and liability deferred taxes under Paragraph of IAS12, applying tax regulations then current in Colombia on the legal right to offset current tax assets and liabilities,

At December 31, 2016 and December 30, 2015 the Parent and subsidiary have no tax uncertainties that would require a provision to be made.

36. Related Parties

The Parent and subsidiary consider that *related parties* are its principal shareholders, directors and companies in which they hold more than 10% of the capital or they have economic, administrative or financial interests; and companies in which shareholders or directors have an interest of more than 10%

Receivables from related parties

The following is the detail of receivables from related parties:

		Dec. 31, 2016	Dec. 31, 2015
Bogotá Chamber of Commerce (1)	$	204.758	1.478.305
Key management personnel (2)		213.437	111.309
PA Centro Internacional (3)		1.771.520	1.419.253
Shareholders		59.163	310.253
	$	2.248.878	3.319.120

(1) Corresponds to technical advisory services for $90,000 in the MICSUR event, and $14, 7584 the craft exhibition (Expoartesanías) in 2016, for rent, technical advisory services and exhibition support. In 2015, this represents technical advisory service during the ARTBO event.

(2) In 2016 and 2015, this represents loans made to the Management Committee, for home purchase, vehicle purchase and other purposes of personnel welfare. All of these loans were offered on the same conditions as to other Parent employee.

(3) The variation represents receivables for withholdings made in November and December 2016 for the purchase of goods and services for the Agora Convention Center, under the escrow for $250,623. It also includes the Urban Development License for the Convention Center, for $108,824. In 2015, this amount corresponds to a payment made in December 2015 by the Parent on behalf of the CICB escrow for $1,419,253, for the Urban Outline tax of the Convention Center.

Accounts payable to Related Parties

The following is the detail of accounts payable to related parties:

		Dec. 31, 2016	Dec. 31, 2015
Bogotá Chamber of Commerce (1)	$	696.447	2.260.795
Alpopular Almacén General de depósitos		1.062	-
Key management personnel (2)		338.055	290.722
Shareholders (3)		437.866	1.071.139

	$	1.473.430	3.622.656

(1) Corresponds to a balance payable from the liquidation of the profits of ARTBO 2016 and 2015, as shown in the closedown statement.
(2) Represents commissions pending payment to personnel for activities in 2016 and 2015
(3) The balance corresponds to accounts payable to shareholders for dividends for prior periods, for $215,844 in 2016. It also represents collection of the administrative and financial services provided to the International Security Fair ESS, for $132,782 in 2016 and $299,514 in 2013, and the calculation of profits for that Fair for $488,737 in 2015.

Bogotá Chamber of Commerce

		2016	2015
Income			
Property, business and rental activities	$	775.913	22.132
Entertainment and leisure		2.162.026	2.056.220
	$	2.937.939	2.078.352
Overhead			
Payroll	$	2.045	387
Fees		6.304	-
Insurance		6.575	8.539
Legal expenses		6.083	4.237
	$	21.007	13.163
Selling expenses			
Legal expenses	$	158	216

Alpopular Almacén General de Depósitos

		2016	2015
Investments	$	10.334.261	10.220.514
Income			

		2016	2015
Property, business and rental activities	$	879	382
Entertainment and leisure		-	100
Dividends and other capital yields		1.020.725	1.183.568
	$	1.021.604	1.184.050
Overhead			
Rent		11.331	10.773
Legal expenses		-	2.656
	$	11.331	13.429

Key management personnel

		2016	2015
Overhead			
Payroll	$	3.591.936	2.973.924
Fees		240.824	243.734
Travel expenses		20.495	24.103
Other		1.198	144
	$	3.854.453	3.241.905
Selling expenses			
Travel expense	$	5.074	25

PA Centro Internacional CICB

		2016	2015
Investments	$	62.810.968	61.307.795
Overhead			
Legal	$	-	123.741

Shareholders

		2016	2015
Income			
Hotels and restaurants	$	25.680	29.417
Property, business and rental activities		197.374	137.790
Entertainment and leisure		4.257.261	6.823.189
	$	4.480.315	6.990.396
Overhead			
Payroll	$	357.845	343.881
Rent		3	-
Contributions and affiliations		5.350	5.000
Services		245	-
Travel expenses		245.057	149.310
Other expenses		19.652	32.390
	$	628.152	530.581
Selling expenses			
Fees	$	132.782	223.278
Rent		-	342.839
Contributions and affiliations		363.578	1.123.003
Services		68.107	244.588
Remodeling and installation		-	40.515
Travel expense		638.239	362.843
Other		180	35.952
	$	1.202.886	2.373.018

36. Profit per share

The calculation of basic profit per share at December 31, 2016 was based on the profit of $33,919,712, attributable to ordinary shareholders, and the weighted average number of ordinary shares outstanding was 167,391,943.

37. Subsequent events

There were no situations arising between December 31, 2016 and the date of the Statutory Auditors report which could have an impact on the financial statements.

38. Financial statements

The Consolidated Financial Statements and accompanying Notes were approved by the Board of Directors in Minute 1350 of January 25, 2017, to be presented to the Annual General Meeting, which may approve or modify them.