Energy (Oil & Gas)/Colombia
Credit Analysis

Ecopetrol S.A.

Ratings

Security Class	Current Rating	Previous Rating	Date Changed
FC IDR	BB	NR	4/24/06
LC IDR	BBB–	NR	4/24/06

LC – Local currency. FC – Foreign currency. IDR – Issuer default rating. NR – Not rated.

Rating Watch..None
Rating Outlook..Positive*
Rating Outlook.. Stable

Rating Outlook Positive for FC IDR only.

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Profile

Ecopetrol is an integrated oil company that is wholly owned by the Colombian government. The concern's activities include exploration for and production of crude oil and natural gas, as well as refining, transportation, distribution and marketing of refined products. Ecopetrol is Latin America's fourth-largest integrated oil concern. Operations are organized into Exploration & Production, Refining & Marketing, Transportation, and International Commerce & Gas.

Key Credit Strengths

- Dominant domestic market presence.
- Solid financial profile.
- Sizeable reserves.
- Strong link with the sovereign.

Key Credit Concerns

- Principal products are cyclical commodities.
- Tightening environmental regulations requiring increased investment.
- Government restrictions on budget.

■ Rating Rationale

The ratings of Ecopetrol S.A. (Ecopetrol) are supported by a strong financial profile, sizable reserves, stable production levels and a dominant domestic market share. The ratings also reflect Ecopetrol's vulnerability to fluctuations in international commodity prices, declining reserves and tightening environmental regulations requiring material investment in downstream operations. Fluctuations in energy prices are generally mitigated by the company's hedging policy, which is employed to guarantee minimum required payments to the government. Ecopetrol's ratings are strongly linked with the credit profile of the Republic of Colombia (local and foreign currency ratings of 'BBB–' and 'BB', respectively), the company's ultimate shareholder. This connection is based on the company's nature as a state-owned entity and the government's ability to potentially restrict the company's financial flexibility, the importance of the company to public-sector revenues and by the government's restrictions on Ecopetrol's budget.

Until June 2003, Ecopetrol was responsible by law for developing and promoting the nation's oil industry through direct exploration and with production-sharing agreements with private energy companies. With Decree 1760, the administration of petroleum resources, including land and exploration contracts, was given to the National Hydrocarbons Agency (ANH). Ecopetrol has since focused on the commercial and technical aspects of the hydrocarbon business, driven by profitability criteria. However, Ecopetrol maintains the rights to 22 exploration blocks with a potential production of 8.78 billion barrels of oil equivalent (boe), and its existing association contracts have not be affected by the decree.

The company has increased its capital expenditures to expand its exploration and production (E&P) activities, which has resulted in a reversal in the trend of declining production levels at Ecopetrol. The company is also refurbishing its refineries in order to comply with more strict domestic environmental standards and increase its opportunity for product exports. Completion of a substantial capital-expenditure program at the Barrancabermeja and Cartagena refineries, Ecopetrol's principal refineries, should allow the company to grow revenues through increased production of value-added products, improving operating cash flow and reducing certain product-import requirements by 2008. Strong international crude oil and product prices, coupled with successful cost-reduction efforts, have allowed for the strengthening of the company's financial profile.

Guerrilla activity, which has historically plagued the energy sector, has diminished materially over past few years since the inauguration of President Alvaro Uribe. Ecopetrol and its association partners have proven capable of successfully managing the security risks that have affected Colombia in the past.

As noted, the company's credit rating is heavily dependent on the sovereign rating. In fact, it is Ecopetrol's relationship with the government that has affected investment strategy for the company. Until 2005 and despite the company's urgent need to increase crude oil and gas production and improve its refining capacity, Ecopetrol's investment plan was constrained by the government's budget plan.

Since Ecopetrol consolidates its financial statements with the Colombian government, whatever cash flow the company generates is part of the government's budget. In order for Colombia to reduce its fiscal deficit, it needs to rely to on a substantial amount of money from Ecopetrol. As a result, any investment the company makes translates into less cash flow for the government, creating competition for resources. For 2005, Ecopetrol's payments for royalties, dividends and direct and indirect taxes represented the equivalent to 15% of the government's revenues.

Positively for Ecopetrol, the continued favorable hydrocarbon and product prices have translated into significant cash flow generation and, coupled with the strengthening of the Colombian economy, have allowed for a material increase of 38% in capital expenditures in 2005 compared with 2004. Capital expenditures have increased an additional 56% thus far in 2006, which may help offset the company's declining reserves.

Country Analysis

Colombia's creditworthiness has improved markedly in the past two years and should continue to solidify going forward. Public and external solvency and liquidity indicators have been boosted by faster economic and export growth. Authorities have taken advantage of a favorable external environment to reduce the vulnerability of public debt-to-exchange rate risk, raising the proportion owed in local currency while maintaining a relatively long average maturity structure, primarily at fixed rates. External financing needs are still higher than peers relative to broad exports, though, and these requirements come disproportionately from the public sector. Therefore, Colombia could still be affected by shifts in capital market sentiment.

The re-election of President Uribe points toward policy continuity rather than marking a mandate to undertake path-breaking reforms. His legislative priorities are important, but they are mostly focused on entrenching current policies (e.g., free trade with the United States and limits on transfers to local governments) instead of pushing to truly overhaul the pervasive earmarking in public finances that give rise to a chronic central government deficit. The status quo at current fiscal settings should nonetheless suffice to keep government and external debt on gradually declining paths, so long as economic growth is sustained near recent levels. In addition, with much of the recent growth spurt attributable to greater investor and consumer confidence generated by the president's "democratic security" policy, a second term with more of the same bodes well for growth and fiscal balances.

Upgrades to the ratings from current levels could be triggered by passage of the legislative agenda in the context of continued improvement in key credit ratios. In light the free trade agreement's uncertain fate in the U.S. Congress, ratification in both countries will be important, too. Should the Colombian administration choose to take advantage of its strong electoral mandate to include another round of pension reform among its economic priorities, this would be particularly beneficial for the credit, because shortfalls in the retirement program are a key source of fiscal weakness. Positive momentum in the credit could stall or reverse if the economic agenda languishes in Congress, if domestic confidence deteriorates significantly or in the event of a sharp deterioration in global risk appetite.

Corporate Strategy

Ecopetrol's strategy has been affected primarily by Decree 1760, which was announced in June 2003 and became effective as of Jan. 1, 2004. The decree represented a major change in the structure of Colombia's energy sector. With the decree, Ecopetrol became a public stock company focusing on the technical and commercial aspects, driven by profitability criteria. The administration of petroleum resources, including land and exploration contracts, was given to the Agencia Nacional de Hidrocarbons (ANH, as discussed in the ANH section on page 3).

The decree marks a material change in Ecopetrol's profile in terms of operations and strategy. In the past, the company was afforded low-risk access to oil reserves through its option to participate, post exploration, in any commercial discoveries. This legal mandate would allow Ecopetrol to assume up to a 30% participation in the project, down from 50% prior to 1999. While existing association agreements remain in place, future agreements depend on Ecopetrol's own strategy and performance. The company must compete for exploration blocks going forward, or it may enter into joint ventures with other energy partners. Production from existing agreements is significant, with association-related production accounting for 56% of the company's mean crude oil output during 2005.

Ecopetrol's long-term strategic objectives encompass four general directives: reach and maintain crude production at 400,000 barrels per day (bpd); improve operational reliability and net margin of the company's downstream operations; further develop the country's natural gas business; and maintain its position as the preferred supplier of hydrocarbon products in the domestic market. The strategy seeks to address the company's declining hydrocarbon reserve base but remains dependent on Ecopetrol's budgetary link to the country's broader economic agenda, which includes meeting fiscal targets of the International Monetary Fund (IMF) agreement.

In terms of Ecopetrol's hydrocarbon asset base, management expects increased exploratory activity and investment will improve the company's reserves replacement rate from below 1.0 times (x) over the past three years. For 2005, the company added 117 million barrels to reserves, with consumption of 113 million barrels resulting in a reserve replacement rate of 1.03x. Assuming only firm investment in E&P through 2005, Ecopetrol should be self-sufficient with crude to meet demand for refined products through 2011.

On the refining side, Ecopetrol is focusing on the modernization and optimization of existing downstream facilities. The company has been working on expanding refining capacity from 78,500 bpd to 140,000 bpd over the past two years to improve throughput of higher quality, higher margin products. The new capacity is expected to be available in 2010.

ANH

The Colombian government's strategy of promoting additional investment is evidenced by the increased number of contracts granted. In 2005, the ANH signed 31 E&P contracts and 28 technical evaluation agreements (TEA) and, through March 2006, signed five E&P contracts and one TEA. In 2004, the ANH signed 21 E&P contracts and seven TEAs, compared with 2002 and 2003, before the creation of the ANH, when 14 and 21 contracts were signed, respectively.

The Colombian government hopes to improve the oil sector's recovery with more attractive investment conditions. As noted, in the past, Ecopetrol would also have a measure of control and participation in the operations of projects, with a sharing of production and investment through association agreements. Previous to 2002, the associations also mandated a fixed royalty and tax structure. In contrast, the new contract model allows the private investors to take 100% of the production and has reduced the country's share of oil projects to 50%–55% from the previous 70%. Since 2002, royalty payments have also been cut from a flat 20% to a sliding scale of between 8% and 25%, depending on production levels. Additionally, the recent decree eliminates the right of Ecopetrol to come in post exploration.

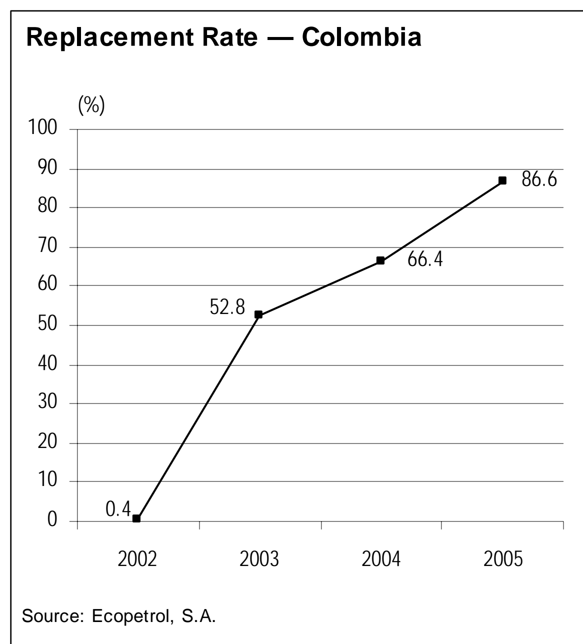
The offshore Tayrona block was the first new contract to be assigned by the ANH. For this project, Exxon Mobile Corporation (ExxonMobil), Petróleo Brasileiro S.A. (Petrobras) and Ecopetrol will participate on a 40/40/20 basis with an estimated total investment of approximately US$100 million.

Reserves and Production

Ecopetrol generates revenues from the export of crude oil and refining products, as all domestic oil sales are derived from the sale of refined products. Approximately 56% of crude oil production is used in the domestic refinery market.

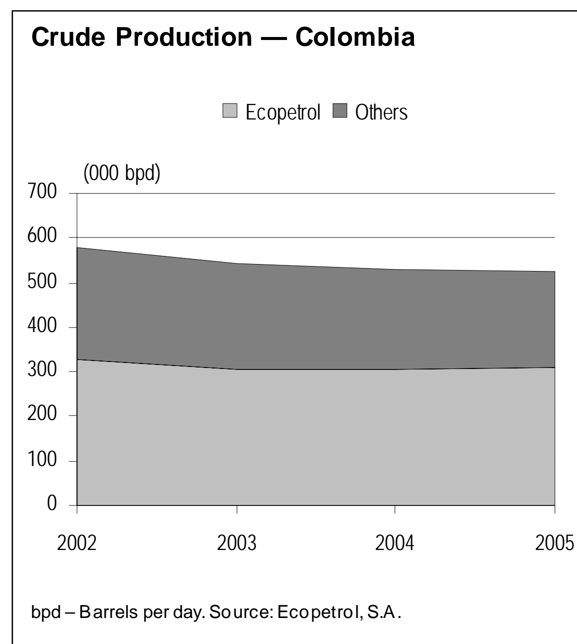
As of Dec. 31 2005, Colombia's proved conventional crude reserves totaled 1.5 billion barrels, yielding a proved crude oil reserve life of approximately eight years; Ecopetrol had proved crude reserves of 1.1 billion barrels. The company's proved reserves are determined in accordance with the criteria and methodology of the World Petroleum Congresses (WPC) and the Society of Petroleum Engineers (SPE). These groups focused their analysis on the estimation, based on reasonable certainty, that the

Replacement Rate — Colombia



Source: Ecopetrol, S.A.

Crude Production — Colombia



bpd – Barrels per day. Source: Ecopetrol, S.A.

underlying proved hydrocarbon reserves were commercially recoverable. Ecopetrol is currently undergoing an audit of its reserves.

Colombia's proved reserve portfolio exhibits a declining trend. Since 2000, crude oil reserves have fallen by 519 million barrels, reflecting approximately 1.1 billion barrels of production and 496 million barrels in discoveries, extensions and revisions. During 2005, the country incorporated 166 million barrels to proved reserves, primarily due to the reclassification of existing reserves and the addition of 23 million barrels of new discoveries, versus production of 192 million barrels

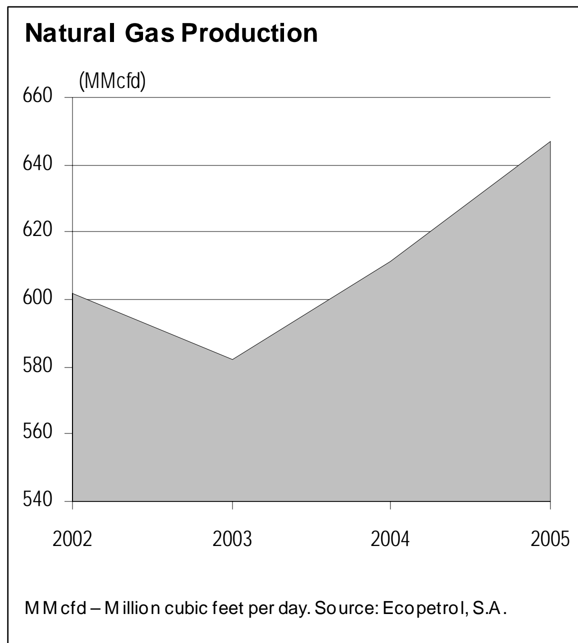
Offsetting the trend of declining reserves is one of management's key long-term strategic objectives, but its has been constrained by central budgetary restrictions. For 2005, an estimated 10% of Ecopetrol's total US$900 million capital-expenditure program was earmarked for exploratory activities and resulted in an increase in the company's reserve, despite a continuing decline in Colombia's overall reserve. Firm investment in exploration is forecasted to increase, aiming to offset crude reserve depletion and increase production.

In Colombia as whole, 35 exploratory wells were drilled, which is an increase from 21 in 2004. Despite Ecopetrol's lower participation in the sector, the company remains the largest individual operator of new exploratory wells, drilling eight of the 35 in 2005. The company's near-term strategy is expected to be focused on activities near existing producing projects with relatively lower levels of risk. For larger, riskier projects, Ecopetrol is looking to participate in partnerships, as is the case with ExxonMobil and Petrobras in the Tayrona block.

Oil production in Colombia totaled 526,000 bpd in 2005, down slightly from 528,000 bpd in 2004 and 541,000 bpd in 2003. In 2005, Ecopetrol produced 310,000 bpd, a slight improvement from 2004 production levels of 306,000 bpd in 2004. Much of Colombia's crude oil is lighter and sweeter than that of other major Latin American oil producers, with its three export crudes—Cusiana, Cupiagua and Cano Limon—ranging between 43 degrees and 29 degrees. Approximately 300,000 bpd are transported to the refineries, 78,000 bpd are exported by Ecopetrol and the remaining 143,000 bpd are exported by the associated producers.

As a result of Ecopetrol's renewed E&P focus, the company has increased its direct production, though overall production, including direct and associated production, has declined. Country production under association contracts accounted for 73.6% of the total output in 2005, direct production accounted for 23.4% and concession production represented the remaining 3.0%.

Between 2003 and 2005, Ecopetrol's mean lifting cost averaged an estimated US$3.0 per boe. While



MMcfd – Million cubic feet per day. Source: Ecopetrol, S.A.

expenses associated with gas injection and extending the life of certain fields are expected to result in an increasing trend in average lifting expenses in the coming years, the company's production cost structure remains competitive.

Dry natural gas reserves total 4.19 trillion cubic feet (tcf), with 2005 production of 663 million cubic feet (mcf) per day. Ecopetrol's gas reserves currently amount to 2.5 tcf and production to 423 mcf per day. An estimated 95% of the total gas output is associated with crude oil production. Ecopetrol's business plan includes additional natural gas development, though recent development has been slow. The normalization of gasoline and diesel subsidies was established to help increase gas consumption and alleviate pressures on oil production, as formalized in the Consejo Nacional de Politica Economica y Social (CONPES) document, which establishes the country's economic and development policies. Ecopetrol is looking to develop the domestic gas market and turn toward neighboring countries for natural gas export opportunities.

In August 2005, Ecopetrol announced the results of exploratory work in the Gibraltar field in Colombia's Samore block. The company believes, with 90% accuracy, the field holds at least 120 million boe, divided between 630 billion cubic feet of natural gas and 15 million barrels of oil. Occidental Petroleum Corp. previously drilled in this area and abandoned the block in 2002.

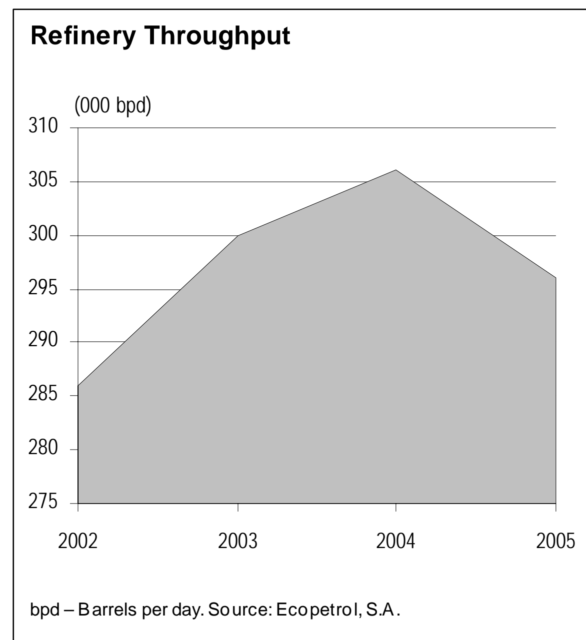
One of the company's other larger projects is the development of the Tayrona block in partnership with Petrobras and ExxonMobil, as previously noted.

■ Downstream Operations

The company owns 95% of the country's refining capacity. Downstream operations encompass two major domestic refineries with a combined installed capacity of 319,500 bpd: Barrancabermeja (241,000 bpd) and Cartagena (78,500 bpd). During 2005, throughput at Ecopetrol's refineries was 296,000 bpd, down from a record 306,000 bpd in 2004 with capacity utilizations of 87.9% and 83.4% at Barrancabermeja and Cartagena, respectively. Currently, small amounts of gasoline and diesel are imported to meet domestic product demand.

The government has said that Ecopetrol will not construct new refineries; however, ongoing investments in the modernization and optimization of existing downstream facilities are expected. The company is nearing the end of an ongoing six-year optimization program that is being implemented by Shell at both refineries to raise margins by increasing production of higher quality products and reducing flaring losses.

Additionally, Ecopetrol is undergoing two projects to expand refining capacity by 65,000 bpd over the next four years and increase the quality and throughput of higher margin products. The most significant project is the Plan Maestro de Desarrollo (PMD) of the



bpd – Barrels per day. Source: Ecopetrol, S.A.

Cartagena refinery, which is expected to be commissioned in early 2010.

Total investment for the PMD is budgeted at approximately US$806 million, with a material portion of the financing expected to come from third-party participants, given Ecopetrol's government-mandated fiscal constraints. The Ecopetrol labor union is reportedly concerned about the possibility of bringing private-sector participation into the project, which could be seen as a form of privatizing the refinery.

The expansion plan is necessary to meet stricter environmental standards and avoid having to import refined products in the coming years. Ecopetrol will call for bids for the detailed engineering and construction of the Cartagena refinery expansion by the end of the year. The PMD project will increase installed capacity at Cartagena from 78,500 bpd to 140,000 bpd by 2010.

The second project is the addition of a hydrotreating unit to reduce sulfur content in diesel and gasoline output and boost throughput to 245,000 bpd. This project is estimated to cost US$400 million. The company has identified additional investment opportunities at this refinery for 2007 and beyond to improve the margins of its refined products further.

The increased product output from these projects will be destined primarily for the domestic market to offset product import requirements but allow for increased exports of certain products as well. During 2005, Ecopetrol exported 91.5 thousand barrels per day (Kbd) of refined product, and 78 Kbd of crude oil.

Over the medium term, Ecopetrol's strategic program calls for a shift in the refined product mix toward diesel to meet the relatively stronger demand growth compared with high-octane gasoline. Gasoline, diesel, jet fuel and liquefied petroleum gas (LPG) account for the majority of the downstream segment's products. Demand for diesel has recently been increasing by approximately 10%, driven by a combination of technological and price factors. Colombia still has subsidies for diesel and gasoline prices, which are expected to be normalized in the next few years. On average over the medium term, the company expects demand for gasoline and diesel to change by a yearly average of 4.0% and 4.9%, respectively, over the next five years.

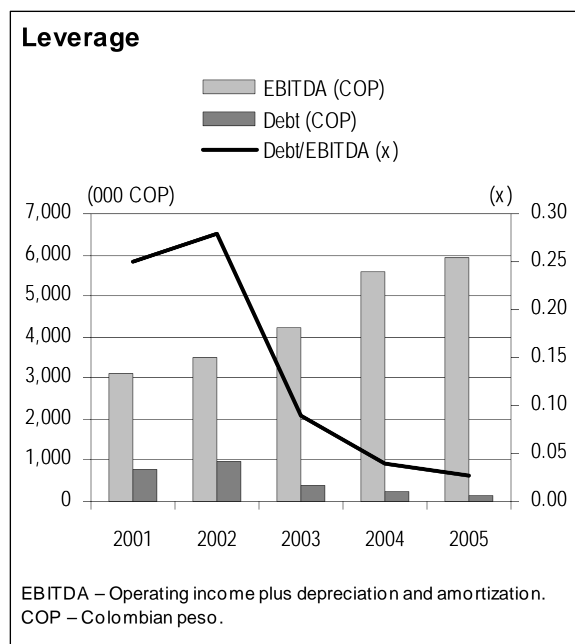
Theft of fuel has been a problem that has plagued Ecopetrol and is actively being addressed. The company reduced theft in 2005 to an average of 1,601 bpd, compared with 2,942 bpd in 2004 and 7,270 bpd in 2002. Ecopetrol further intends to reduce these losses to about zero over the next 2–3 years.

Financial Profile

Ecopetrol reported fiscal year-end 2005 revenues of COP15.51 trillion (US$6.55 billion), an increase from COP13.51 trillion (US$4.96 billion) in 2004, reflecting higher international energy and product prices, which were partially offset by declining crude production levels. EBITDA for 2005 was COP5.92 trillion (US$2.55 billion), versus COP5.59 trillion in 2004, due to higher revenues, the implementation of an internal organizational restructuring plan, increased refining margins and continued fuel theft reduction. EBITDA to interest coverage remained very strong during 2005.

The company's main costs are directly related to oil and gas production, as well as royalties to the Colombian government. Royalties represent the payments for the depletion of government-owned nonrenewable natural resources. For the hydrocarbons produced under association agreements, Ecopetrol, acting as a collection entity, receives royalties from its associates for the depletion of natural resources and, in turn, transfers them to the ANH.

Leverage



EBITDA – Operating income plus depreciation and amortization.
COP – Colombian peso.

Capital Expenditures
(US$ Mil.)

	2005 Equivalent	2006 Equivalent
Exploration and Internationalization	86	339
Production	613	675
Refining	138	256
Transportation	36	66
Other	27	69
Total	900	1,405

Ecopetrol commercializes the production from its direct operations and under association agreements that were originated prior to Dec. 31, 2003. With Decree 1760 introduced in 2003, this function was transferred to the ANH for contracts originated on Jan. 1, 2004, and thereafter. Royalty payments amounted to COP2.89 trillion as of December 2005, accounting for 30.3% of total company costs.

As of year-end 2005, Ecopetrol's net income was COP3.25 trillion, an increase of 54.2% compared with 2004. This increase is mainly driven by the company's higher efficiencies and the high oil prices in the market, which offset the 9% export volume decrease that Ecopetrol experienced during 2005. In addition, a reduction on gasoline subsidies further increased Ecopetrol's revenues.

Ecopetrol increased its transfers to the government to COP7.3 billion, which was represented by dividends (COP1.3 billion), production royalties (COP2.9 billion), global taxes (COP1.2 billion), income taxes (COP0.9 billion) and value-added tax (COP0.9 billion). In 2004, total transfers were COP6.3 billion.

Given the importance of Ecopetrol's transfers, the company engages in a hedging policy to mitigate the downside exposure to energy price volatility and assure a minimum level of surplus to be provided to the government. Ecopetrol's hedging strategy, as referenced in Ley 812 of 2003, permits the use of puts, calls and swaps or a combination of instruments to support and guarantee the transfers. The company hedges one year at a time and employs a 99% confidence interval. For 2005, the company hedged approximately 4% of its production.

Annual EBITDA is expected to exceed US$2 billion for the next few years and possibly decline by 2008 due to decreasing production levels and lower forecasted international energy prices. EBITDA to interest coverage should remain strong, given the company's conservative capital structure and relatively low debt levels. Going forward, the natural gas business is expected to be a larger contributor to Ecopetrol's operations as new markets, domestically and internationally, are opening for the use of the existing gas reserves.

Ecopetrol's liquidity position is strong, with total cash and short-term investments at Dec. 31, 2005, of US$1.1 billion versus total balance sheet financial debt of US$70 million.

Capital expenditures in 2005 were approximately COP3.0 billion, primarily directed toward upstream (54%) and downstream (15%) investments. Ecopetrol's capital expenditures are expected to increase to US$1.4 billion in 2006 and will be primarily in exploration (24%) and production (48%).

Capital expenditures require annual government approval. The most important investments are focused on increasing E&P. The Cartagena refinery project investment will be ramping up in 2006, 2007 and 2008. The company's capital-investment plan is expected to be financed with internal cash flow due to fiscal constraints of the central government, which limit financing opportunities. It is important to note that the government's cash requirements have priority over the company's investments, which could become an issue should a decline in oil prices greatly diminish Ecopetrol's cash flow.

Ecopetrol's financial obligations do not constitute an obligation of, and are not guaranteed by, the Colombian government. However, the ratings are tied to those of the sovereign, given the government's ownership, the importance of the company to public-sector revenues and by the government's restrictions on Ecopetrol's budget.

Ecopetrol's pension liabilities are not considered a major concern for the company's credit profile due to the meaningful steps taken by Ecopetrol to address the situation. The company is responsible for the pension liabilities of all employees that have been with Ecopetrol prior to 1990. As of January 2006, the company's pension liabilities were COP9.5 trillion, of which COP8.7 trillion or 91.8% has been funded.

Financial Summary — Ecopetrol S.A. (Colombian GAAP)

(COP Bil., Years Ended Dec. 31)

Period End Exchange Rate COP/US$	2,286	2,397	2,782	2,813	2,308
	2005	**2004**	**2003**	**2002**	**2001**
Credit Ratios (x)					
EBITDA/Interest Expense	279.0	202.1	310.3	115.1	64.8
[EBITDA – Capex]/Interest Expense	219.8	146.9	234.4	69.3	37.3
Total Debt/EBITDA	0.0	0.0	0.1	0.3	0.3
Net Debt/EBITDA	0.0	0.0	0.0	0.2	0.2
Total Debt/Capitalization (%)	1.2	2.3	4.0	12.0	10.7
Income Statement					
Revenues	15,512,903	13,050,607	11,525,955	9,825,354	8,726,970
% Change	18.9	13.2	17.3	12.6	—
EBITDA	5,917,514	5,586,595	4,250,203	3,493,724	3,127,334
EBITDA Margin (%)	38.1	42.8	36.9	35.6	35.8
DD & A	1,386,343	1,652,368	1,198,025	1,366,228	1,268,335
EBIT	4,531,171	3,934,227	3,052,178	2,127,496	1,858,999
Interest Expense	21,207	27,636	13,697	30,348	48,256
Implied Financing Cost (%)*	10.6	8.9	2.0	3.4	—
Net Income	3,253,756	2,110,506	1,589,124	1,335,548	1,419,840
Return on Average Equity (%)	27.9	22.0	19.3	19.3	—
Cash Flow					
Net from Operating Activities	2,530,385	2,522,443	2,988,438	2,714,969	2,433,544
Capital Expenditures	(1,255,596)	(1,525,789)	(1,039,636)	(1,391,700)	(1,329,510)
Acquisitions and Divestitures, Net	(494,094)	(125,960)	(705,315)	(727,918)	334,659
Other Investments, Net	0	0	0	0	0
Net Debt Proceeds	(74,783)	(145,704)	(609,501)	208,048	(199,083)
Net Equity Proceeds	1,345,379	453,411	459,025	396,507	(250,886)
Dividends	(1,298,000)	(1,158,143)	(1,081,000)	(1,100,000)	(1,000,000)
Other Financing, Net	1,452	17,682	0	0	0
Net Change in Cash	754,743	37,940	12,011	99,906	(11,276)
Balance Sheet					
Cash and Marketable Securities	721,899	181,156	202,907	190,896	90,990
Total Assets	32,664,817	27,964,390	26,179,971	24,374,074	20,995,352
Short-Term Debt	100,459	103,247	122,915	616,869	226,037
Long-Term Debt	62,428	134,423	260,457	376,004	558,788
Off-Balance-Sheet Debt	0	0	0	0	0
Total Debt**	162,887	237,670	383,372	992,873	784,825
Total Equity (Including Minority Interest)	13,285,251	10,000,871	9,228,863	7,268,625	6,543,393
Total Capital	13,448,138	10,238,541	9,612,235	8,261,498	7,328,218
Liquidity (x)					
Short-Term Debt/Total Debt (%)	61.7	43.4	32.1	62.1	28.8
Cash and Marketable Securities/Short-Term Debt	7.2	1.8	1.7	0.3	0.4
EBITDA/(Short-Term Debt + Interest Expense)	48.6	42.7	31.1	5.4	11.4

Long-Term Debt Maturity Schedule

12 Months Ended	2005	2006	2007	2007–2008
Maturities (US$ Mil.)	37.5	37.5	18.8	0

*Implied financing cost equals interest expense divided by average total debt. **Total debt includes off-balance-sheet obligations and is used in credit ratios. COP – Colombian peso. US$ – U.S. dollar. EBITDA – Operating income plus depreciation and amortization. Capex – Capital expenditures. DD & A – Depreciation, depletion and amortization. EBIT – Operating income.

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