

PRESS RELEASE

COP \$ 121,608,845,255 WATER BONDS SOLD

WATER PROJECTS IN 41 MUNICIPALITIES TO BENEFIT

Bogota, Colombia, December 13, 2010, Grupo Financiero de Infraestructura Ltda's issuing Trust successfully sold water bonds today to finance water and sanitation projects in 41 municipalities throughout Colombia. This is the third in a series of bond issues supporting municipal water and sanitation projects in Colombia.

The bond issue was in the amount of COP \$ 121,608,845,255 (approximately USD \$ 64,000,000). The issue has a 19 year term, is denominated in Colombian inflation adjusted units (UVR) and bears interest at 8 percent. The bonds were rated AA+ by BRC Investor Services, an affiliate of Moody's. The bonds were offered for public sale on the Colombian stock exchange and the issue was substantially oversubscribed. Citivalores, a subsidiary of Citibank Colombia acted as the underwriter and placement agent for this issue.

“This long term financing permits many municipalities to build long term water and sanitation projects to meet local needs” said Christian Murrle, Director of Grupo Financiero de Infraestructura. He added that “this is the third issue in a series of bond issues that will finance many municipalities throughout Colombia to upgrade and expand their systems. This program has financed over 100 water and sanitation projects in Colombian municipalities to date.”

“This issue employs an innovative technique of pooling many small and medium sized municipalities into a legal trust which becomes the technical issuer of the

bonds and funder of the loans to the individual municipalities. While this financing technique is innovative in many developing countries, it is based on a sustainable fund model used in Canada and the United States and which is being promoted by international aid agencies for developing countries such as India, The Philippines and Indonesia”, stated Martin Baker, Director of Colombia Infrastructure Group, LLC, the parent company of Grupo Financiero de Infraestructura. “It permits smaller municipalities to access the long terms available in the capital markets. This long terms substantially reduce the annual debt service costs to the municipalities. It also permits local capital market participants such as domestic insurance companies and pension funds to access stable, long term, domestic credits serving important social and environmental purposes.”

An advisor to the issuer, Alberto Carrasquilla, the former Minister of Finance of Colombia stated that “This third issue validates this new source of financing for water and sanitation infrastructure. It allows the municipalities to leverage the annual transfer of money from the national government to provide credit support for the long term financing. This permits projects to be realized which could not otherwise be created.” He noted the support of the national government, and particularly of the Ministry of Environment and the Bureau of Public Debt at the Ministry of Finance in making this innovative financing possible and making this issue a success.

For further information, contact

Christian Murrle
+1 212 752 2300
Christian.Murrle@panamcap.com

Martin Baker
+1 212 632 3955
mbaker@salans.com