



# Consolidated Financial **Statements**

## EXTERNAL AUDITOR'S REPORT

February 22, 2016

To the Assembly of Shareholders of CONSTRUCCIONES EL CONDOR S.A.

I have audited the consolidated financial statements of CONSTRUCCIONES EL CONDOR S.A. and its subsidiaries at December 31, 2015. This comprises the consolidated income statement of the financial situation and the consolidated income statement of results, the consolidated integrated results, consolidated changes in equity and consolidated cash flow statements ended on that date, including the Notes containing a summary of the main accounting policies applied and other explanatory information. We have audited the consolidated financial statements of 2014 are prepared in accordance with the Generally Accepted Accounting Principles of Colombia in force for that year and provided an opinion without reservations thereof. The financial statements at December 31, 2014, including the opening balance as of January 1, 2014, were adjusted to the IFRS standards accepted in Colombia.

The financial statements of the subsidiaries in which CONSTRUCCIONES EL CONDOR S.A. has a direct equity share as detailed in Note 2.4.27 of these consolidated financial statements at December 31, 2015 display, before eliminations, total assets for \$549.414 million pesos and total net profits for \$153 million pesos, audited by other Public Accountants, whose reports were provided to me; my opinion hereto, with regards to the amounts included of these companies, is solely based on the reports of other Public Accountants.

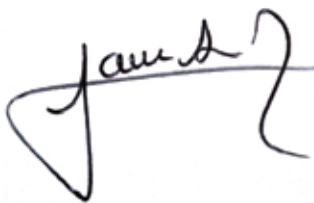
Management is responsible for the proper preparation and presentation of these consolidated financial statements in accordance with the International Financial Reporting Standards accepted in Colombia; this includes the design, implementation and internal control relevant to the preparation and presentation of the consolidated financial statements free from material misstatement, whether due to fraud or error; and the selection and application of proper accounting principles, and to establish reasonable accounting estimated under the circumstances.

My responsibility is to express an opinion on these consolidated financial statements based on my audits. I obtained the information necessary to meet my duty as the external auditor and conducted my work in accordance with the generally accepted auditing principles in Colombia. These standards require to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit comprises, among others, performance procedures to obtain evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the external auditor's judgment, including the assessment of the risk of material misstatements of the consolidated financial statements. In making those risk assessments, the external auditor considers internal control relevant to the preparation and presentation of the consolidated financial statement, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. I believe that the audit I obtained provides a base for my opinion below.

In my opinion, based on my audit and on the report of the other public accountants, the consolidated financial statements I audited which were truthfully taken from the consolidation records, exhibit, in all significant and reasonable manner, the consolidated financial situation of CONSTRUCCIONES EL CONDOR S.A and its subsidiaries at December 31, 2015, along with the consolidated results of its operations and consolidated cash flows for the years ended on those dates, in accordance with the Accounting and Financial Information Standards accepted in Colombia, which were applied uniformly.

The consolidated financial statements of 2015 and 2014 are the first prepared by the Company's management under the Accounting and Financial Information Standards accepted in Colombia. Note 2.4.28 of the 2015 consolidated financial statement explains how the use of the new accounting standard affected the financial situation of the Company, the results of its operations and the cash flows previously reported.



**FRANCISCO JAVIER ARIAS MARÍN**

Statutory auditor

T.P. 154.406-T

Member **CROWE HORWATH CO S.A.**

**CONSTRUCCIONES EL CÓNDROR S.A.  
CERTIFICATION OF FINANCIAL STATEMENTS**

Medellín, February 22, 2016

Gentlemen  
**SHAREHOLDERS**  
CONSTRUCCIONES EL CÓNDROR S.A.  
Medellín

Greetings,

Pursuant to article 47 of Law 964 of 2005, the Legal Representative of Construcciones El Cóndor S.A. informs the shareholders that the operational efficiency of the controls established by the Company were been verified by the undersigned, and that the existing systems have been satisfactorily assessed in terms of financial information disclosure and control. All controls and systems above mentioned were found in proper operation.

Sincerely,



ANA MARÍA JAILLIER CORREA  
Legal Representative  
C.C. 42.895.563

**CONSTRUCCIONES EL CÓNDROR S.A.  
CERTIFICATION OF FINANCIAL STATEMENTS**

Medellín, February 22, 2016

Gentlemen  
**SHAREHOLDERS**  
CONSTRUCCIONES EL CÓNDROR S.A.  
Medellín

The undersigned Legal Representative and the Accountant of  
CONSTRUCCIONES EL CÓNDROR S.A.

**CERTIFY**

That the Consolidated Financial Statements and other reports relevant to the public, and the operations of the Company at December 31, 2015 and December 31, 2014, do not contain any inaccuracies or errors which restrain from knowing its true equity condition.

The above is to comply with Article 46 of Law 964 of 2005.



ANA MARÍA JAILLIER CORREA  
Legal Representative  
C.C. 42.895.563



ANA ISABEL GONZÁLEZ VAHOS  
Accountant  
T.P. 47345-T

### CERTIFICATION OF FINANCIAL STATEMENTS

We, ANA MARÍA JAILLIER CORREA, acting as the Legal Representative, and ANA ISABEL GONZÁLEZ VAHOS, acting as the Accountant, hereby state that we have prepared the Statement of Financial Position and the Consolidated Integral Income Statement at December 31, 2015 of CONSTRUCCIONES EL CONDOR S.A. with Tax I.D. No. 890.922.447-4. This task was prepared applying the International Financial Reporting Standards applicable in Colombia affirming that they reasonably present the financial standing at December 31, 2015, and furthermore:

1. We are responsible for the reasonable preparation and presentation of the Consolidated Financial Statements of the Corporation, and hereby state that the figures were truly taken from the official accounting books and their corresponding complementary documents.

2. We are not aware in any way of:

- Irregularities involving members of the administration or employees, which may hinder the Consolidated Financial Statements of the Corporation.
- Communications from regulators which by law should exercise control over the corporation, due to the breach of legal provisions in force or to the improper presentation of the information requested.
- Possible breach of laws or regulations that may create lawsuits or taxes, with effects that should be deemed worth disclosing on the Consolidated Financial Statements or taken as a foundation to estimate contingent liabilities.
- Assets or liabilities other than those registered in the books, or revenues or costs that hurt the results and that should be disclosed in accordance with the International Financial Reporting Standards of Colombia.

3. The Corporation has satisfactorily protected all of the assets it owns as well as those of third parties in its power; there are no pledges or liens on said assets.

4. The Corporation has fully met all contractual agreements which if breached could have an effect on its financial information.

5. No events subsequent to the Statement of Financial Position have taken place that could require an adjustment or disclosure on the Consolidated Financial Statements at December 31, 2015.



ANA MARÍA JAILLIER CORREA  
Legal Representative  
C.C. 42.895.563



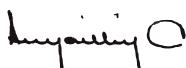
ANA ISABEL GONZÁLEZ VAHOS  
Accountant  
T.P. 47345-T

## FINANCIAL SITUATION STATEMENT

(Amounts in thousands of pesos)

	As of December 31	As of December 31
	<b>2015</b>	<b>2014</b>
<b>ASSETS</b>		
Cash and cash equivalents (Note 3)	148,439,532	40,521,921
Current investments (Note 4)	177,100,093	240,948,276
Commercial accounts receivable and other accounts receivable (Note 5)	589,788,662	261,884,132
Accounts receivable, related parties (Note 5)	6,540,767	11,576,907
Assets for current taxes (Note 5)	36,368,447	16,189,548
Inventories (Note 6)	193,615,694	30,919,565
Intangibles	156,000	0
Prepaid expenses and deferred charges (Note 7)	5,564,704	7,722,943
Non-current assets kept for sale (Note 8)	3,124,992	2,843,443
<b>CURRENT ASSET</b>	<b>1,160,698,891</b>	<b>612,606,737</b>
Investments in financial instruments (Note 4)	5,173,293	3,396,588
Investments in associates and joint businesses (Note 4)	110,126,356	46,917,531
Commercial accounts receivable and other accounts receivable (Note 5)	247,414	733,994
Accounts receivable, related parties (Note 5)	279,146,125	203,384,869
Properties, plant and equipment (Note 9)	292,635,877	259,080,589
Investment properties (Note 10)	828,966	1,396,393
Prepaid expenses (Note 7)	841,782	6,523,341
Intangible assets other than goodwill (Note 7)	67,798,148	5,229,877
Assets for deferred taxes (Note 7)	40,869,895	30,175,574
<b>NON-CURRENT ASSET</b>	<b>797,667,855</b>	<b>556,838,756</b>
<b>TOTAL ASSETS</b>	<b>1,958,366,745</b>	<b>1,169,445,493</b>
<b>LIABILITY</b>		
Financial obligations (Note 11)	272,465,878	52,156,338
Commercial financing companies (Note 11)	18,989,276	13,808,365
Commercial accounts payable and other accounts payable (Note 12)	122,098,759	67,205,040
Current taxes (Note 14)	7,194,163	773,112
Labor obligations	4,943,767	3,149,110
Other liabilities (Note 15)	166,070,772	32,219,194
Prepayments and advances received (Note 16)	18,717,317	12,235,598
Prepaid revenues received	9,653,972	0
<b>CURRENT LIABILITY</b>	<b>620,210,516</b>	<b>281,546,757</b>
Financial obligations (Note 11)	304,266,076	41,748,490
Commercial financing companies (Note 11)	109,090,682	78,427,007
Accounts payable with related parties (Note 13)	6,112,525	5,425,297
Other liabilities (Note 15)	665,215	0
Prepayments and advances received (Note 16)	26,391,382	32,526,464
Liability for deferred taxes (Note 17)	93,841,259	65,871,703
<b>NON-CURRENT LIABILITY</b>	<b>540,367,139</b>	<b>223,998,961</b>
<b>TOTAL LIABILITY</b>	<b>1,160,577,655</b>	<b>505,545,718</b>
<b>EQUITY</b>		
Subscribed and paid capital	15,701,606	15,701,606
Premium in share placement	159,711,695	159,711,695
Results of the period	148,621,375	55,005,586
Other integral result	40,190,720	(13,027,866)
Retained earnings	384,244,868	446,508,754
<b>EQUITY ATTRIBUTED TO CONTROLLERS (NOTE 18)</b>	<b>748,470,264</b>	<b>663,899,775</b>
<b>PARTICIPATIONS OF NON-CONTROLLERS</b>	<b>49,318,826</b>	<b>0</b>
<b>TOTAL LIABILITY AND EQUITY</b>	<b>1,958,366,745</b>	<b>1,169,445,493</b>

Attached notes are an integral part of the financial statements



ANA MARÍA JAILLIER CORREA  
Legal Representative  
C.C. 42.895.563  
See attached opinion



ANA ISABEL GONZÁLEZ VAHOS  
Accountant  
T.P. 47345-T  
See attached opinion



FRANCISCO JAVIER ARIAS MARÍN  
Statutory Auditor (Crowe Horwath)  
T.P. 154.406-T  
See attached opinion

# Consolidated Financial Statements

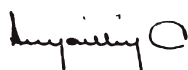
## INCOME STATEMENT PER FUNCTION

(Amounts in thousands of pesos)

From January 1 to December 31

	2015	2014
<b>REVENUES FROM NORMAL ACTIVITIES</b>		
Sale of goods	10,887,012	7,699,907
Services provided	1,366,927,434	376,107,565
Revenues for dividends	16,517,835	16,114,434
<b>TOTAL REVENUES FROM NORMAL ACTIVITIES (NOTE 19)</b>	<b>1,394,332,281</b>	<b>399,921,906</b>
<b>OPERATING COSTS (NOTE 20)</b>	<b>(1,250,237,907)</b>	<b>(291,106,160)</b>
<b>GROSS PROFIT</b>	<b>144,094,374</b>	<b>108,815,746</b>
Administration expenses (Note 21)	(32,195,579)	(10,832,821)
Employee benefits expenses (Note 21)	(14,073,901)	(8,266,757)
Other revenues (Note 22)	9,865,597	6,539,795
Other expenses (Note 23)	(6,598,864)	(9,025,357)
Other gains or losses (Note 24)	82,764,756	(2,076,006)
<b>OPERATING PROFIT</b>	<b>183,856,383</b>	<b>85,154,600</b>
Revenues for interests (Note 25)	62,411,858	2,150,334
Expenses for interests (Note 26)	(90,181,475)	(13,648,155)
Gain equity method (Note 27)	3,021,328	2,326,489
<b>PROFIT BEFORE PROVISION FOR INCOME TAX AND CREE TAX</b>	<b>159,108,094</b>	<b>75,983,268</b>
Provision for income tax (Note 28)	(1,948,086)	(14,765,379)
Provision for tax on equity CREE (Note 28)	(8,463,799)	(6,212,303)
<b>PROFIT OF THE PERIOD</b>	<b>148,696,209</b>	<b>55,005,586</b>
Attributable to:		
Owners of the controlling company	148,621,375	55,005,586
Non-controlling participations	74,834	0
	<b>148,696,209</b>	<b>55,005,586</b>

Attached notes are an integral part of the financial statements



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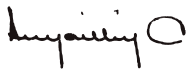
## OTHER INTEGRAL RESULTS OF THE PERIOD

(Amounts in thousands of pesos)

From January 1 to December 31

	2015	2014
<b>PROFIT OF THE PERIOD</b>	<b>148,621,375</b>	<b>55,005,586</b>
<b>OTHER INTEGRAL RESULT</b>		
Gain from exchange difference from investment conversion overseas	3,516,014	1,404,791
Gain (loss) for valuation of controlled companies	(6,900,779)	2,630,016
Gain (loss) for investments at fair value	56,584,938	(17,086,318)
Gain for actuaries for employee benefit plans	18,413	23,645
<b>OTHERS, INTEGRAL RESULT OF THE PERIOD</b>	<b>53,218,587</b>	<b>(13,027,866)</b>
<b>TOTAL INTEGRAL RESULT OF THE PERIOD</b>	<b>201,839,962</b>	<b>41,977,720</b>

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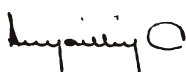
# Consolidated Financial Statements

## CASH FLOW STATEMENT

(Amounts in thousands of pesos)

	As of December 31	As of December 31
	<b>2015</b>	<b>2014</b>
<b>OPERATING ACTIVITIES</b>		
Profit of the period	148,621,375	55,005,586
Items that do not affect cash:		
Plus depreciation and impairment of property, plant and equipm.	18,189,749	18,579,590
Plus amortizations	4,439,260	3,059,530
Plus provision of costs	892,793	311,250
Plus provision for contingencies	250,464	375,000
Minus recovery for reimbursement of costs and expenses	(1,817,357)	(2,665,773)
Plus loss in sale of property, plant and equipment	714,417	1,148,810
Minus revenue, equity method	(3,803,868)	(2,957,130)
Minus recovery for reimbursement of costs and expenses	1,654,837	0
Minus recovery for provision of income tax	0	(1,142,995)
Minus recovery for provision of diverse operations - ICA	(1,901,198)	(1,133,943)
Minus revenue for exchange difference	(3,511,308)	(1,948,508)
Minus dividends in shares	(16,517,835)	(9,913,573)
Plus impairment of accounts receivable	1,394,526	4,218,305
Plus loss, equity method	329,861	718,866
Plus caused income tax	10,411,885	20,977,682
<b>CASH GENERATED IN THE OPERATION</b>	<b>159,347,601</b>	<b>84,632,698</b>
<b>CHANGE IN OPERATING ITEMS:</b>		
<b>Plus increased liabilities and decreased operating assets</b>	<b>223,565,852</b>	<b>33,318,005</b>
Decrease in deferreds	3,400,539	0
Decrease in rights - intangibles	0	4
Decrease in assets for deferred tax	0	4,776,932
Increase in commercial accounts payable and other accounts payable	57,721,276	15,444,521
Increase in labor obligations	1,794,657	1,113,250
Increase in estimated liabilities	133,373,536	11,983,298
Increase of prepaid revenues	9,653,972	0
Increase of prepayments and advances received	346,637	0
Increase in deferred tax liabilities	17,275,235	0
<b>Minus increased assets and decreased operating liabilities</b>	<b>645,616,414</b>	<b>246,002,697</b>
Increase in commercial accounts receivable and other accounts receivable	416,205,181	177,624,206
Increase in inventories	162,696,129	6,552,974
Increase in deferreds	0	11,678,808
Increase in rights - intangibles	62,724,271	0
Decrease in suppliers	0	1,419,247
Decrease in tax payment	3,990,833	22,874,153
Decrease in deferred tax liability	0	22,055,416
Decrease in advance payments received	0	3,797,893
<b>NET CASH FOR OPERATING ACTIVITIES</b>	<b>(262,702,960)</b>	<b>(128,051,994)</b>
<b>CASH FLOWS IN INVESTMENT ACTIVITIES</b>		
<b>Plus decrease in investment activities</b>	<b>19,421,924</b>	<b>41,181,898</b>
Investment properties	567,427	0
Investments	18,854,497	40,920,846
Non-current assets kept for sale	0	261,052
<b>Minus increase in investment activities</b>	<b>52,741,003</b>	<b>39,504,884</b>
Non-current assets kept for sale	281,549	0
Properties, plant and equipment	52,459,454	39,504,884
<b>NET CASH FOR INVESTMENT ACTIVITIES</b>	<b>(33,319,080)</b>	<b>1,677,014</b>
<b>NET CASH FOR FINANCING ACTIVITIES</b>		
<b>Plus increase in financing activities</b>	<b>522,143,833</b>	<b>183,043,697</b>
Financial obligations	418,671,712	162,283,951
Other integral result	53,218,586	0
Surplus for revaluation and deferred tax	0	20,759,746
Participation of non-controlling	49,318,826	0
Decrease of reserves	934,710	0
<b>Minus decreases in financing activities</b>	<b>118,204,182</b>	<b>31,981,939</b>
Dividends decreed	20,677,170	18,954,071
Other integral result	0	13,027,868
Decrease of reserves (tax on wealth)	4,079,497	0
Equity revaluation	93,447,516	0
<b>NET CASH FOR FINANCING ACTIVITIES</b>	<b>403,939,651</b>	<b>151,061,758</b>
Cash increase - decrease	107,917,611	24,686,777
Cash at the beginning of the period	40,521,921	15,835,144
<b>CASH AND CASH EQUIVALENTS AT DECEMBER 31</b>	<b>148,439,532</b>	<b>40,521,921</b>

Attached notes are an integral part of the financial statements



ANA MARÍA JAILLIER CORREA  
Legal Representative  
C.C. 42.895.563  
See attached opinion



ANA ISABEL GONZÁLEZ VAHOS  
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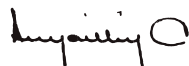
## STATEMENT OF CHANGES IN EQUITY

(Amounts in thousands of pesos)

At December 31, 2015-2014

	Subscribed and paid capital	Capital Surplus	Profits Withheld	Results of the period	Result of previous periods (convergence)	Other integral result	Revaluation surplus	Changes in equity
<b>BALANCE AT DECEMBER 31, 2013</b>	<b>15,701,606</b>	<b>159,711,695</b>	<b>137,080,760</b>	<b>55,803,762</b>	<b>17,228,706</b>	<b>0</b>	<b>234,589,850</b>	<b>620,116,379</b>
Reserves	0	0	36,849,690	0	0	0	0	36,849,690
For transfer to results of previous periods	0	0	0	(55,803,762)	0	0	0	(55,803,762)
Results of the period	0	0	0	55,005,586	0	0	0	55,005,586
Other integral result	0	0	0	0	0	(13,027,867)	0	(13,027,867)
Revaluation surplus	0	0	0	0	0	0	20,759,746	20,759,746
<b>BALANCE AT DECEMBER 31, 2014</b>	<b>15,701,606</b>	<b>159,711,695</b>	<b>173,930,450</b>	<b>55,005,586</b>	<b>17,228,706</b>	<b>(13,027,867)</b>	<b>255,349,596</b>	<b>663,899,774</b>
<b>BALANCE AT DECEMBER 31, 2014</b>	<b>15,701,606</b>	<b>159,711,695</b>	<b>173,930,450</b>	<b>55,005,586</b>	<b>17,228,706</b>	<b>(13,027,867)</b>	<b>255,349,596</b>	<b>663,899,774</b>
Reserves	0	0	30,248,920	0	0	0	0	30,248,920
For transfer to results of previous periods	0	0	0	(55,005,586)	934,710	0	0	(54,070,876)
Results of the period	0	0	0	148,621,375	0	0	0	148,621,375
Other integral result	0	0	0	0	0	53,218,588	0	53,218,588
Revaluation surplus	0	0	0	0	0	0	(93,447,514)	(93,447,514)
<b>BALANCE AT DECEMBER 31, 2015</b>	<b>15,701,606</b>	<b>159,711,695</b>	<b>204,179,370</b>	<b>148,621,375</b>	<b>18,163,416</b>	<b>40,190,721</b>	<b>161,902,082</b>	<b>748,470,265</b>

Attached notes are an integral part of the financial statements



ANA MARÍA JAILLIER CORREA  
Legal Representative  
C.C. 42.895.563  
See attached opinion



ANA ISABEL GONZÁLEZ VAHOS  
Accountant  
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See attached opinion



FRANCISCO JAVIER ARIAS MARÍN  
Statutory Auditor (Crowe Horwath)  
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See attached opinion

### **NOTE 1. REPORTING ENTITY**

Construcciones el Cóndor S.A. was initially incorporated by Public Deed No. 510 granted at Notary 11 of Medellín in March 6, 1979, and in turn has experienced several amendments registered before the Medellín Chamber of Commerce. On April 8, 1994, the Corporation changed from limited to joint – stock under Public Deed No. 944 granted by Notary 7 of Medellín.

Public Deed 3385 dated December 12, 2008, granted by Notary 7 of Medellín, formalized the absorption – type merger agreement of Sociedad Construcciones El Cóndor S.A., which took over Grupo Cóndor Inversiones S.A.

On the other hand, Public Deed 2868 dated November 30, 2009, granted by Notary 7 of Medellín, formalized the absorption-type merger agreement of Sociedad Construcciones El Cóndor S.A., which took over Agregados San Javier S.A.

The Corporation's primary corporate purpose involves the study, design, planning, contracting, implementing, construction, financing, exploitation and management of infrastructure businesses, and to implement all activities and works related to engineering and architecture in its every form, mode and specialty, within Colombia and abroad. Moreover, the corporate purpose includes the mining exploitation and construction of any other type of civil works, such as dams, viaducts, etc. as well as the use of resources or cash available of the corporation in enterprises incorporated in any manner authorized by the Law.

Overall, the Corporation, in compliance with its corporate purpose, may carry out all necessary or complementary activities for its development.

Legal Term: The Corporation is in force until March 6, 2079.

The Corporation's domicile is set in the city of Medellín.

Since the Corporation issues securities and subscribes its capital in the Colombian Securities Exchange (BVC), the Colombian Finance Superintendence exercises sole control over the Company.

The financial statements were authorized by the Board of Directors on February 26, 2016. The Assembly of Shareholders has the power to amend the financial statements prior to their publication; the Assembly authorized its publication on March 31, 2016.

#### **Concesión Red Vial del Cesar S.A.S.**

The affiliate corporation Concesión Red Vial del Cesar S.A.S. was created through Public Deed No. 2438 on November 17, 1999 in the Seventh Notary Public of Medellín.

According to General Assembly Minutes No.24 of April 26, 2012 filed with the Chamber of Commerce on May 14, 2012, the corporation became a simplified shares corporation with the name of Concesión Red Vial del Cesar S.A.S.

According to General Assembly Minutes No. 27 of December 18, 2013 the duration of the corporation will be until December 31, 2050.

The same minutes expanded the corporate purpose to where Concesión Red Vial del Cesar S.A.S. can carry out small or large scale mining exploration and exploitation, whether alluvial, river bed or seam, exploration and exploitation of quarries, beaches and other natural and materials deposits for construction and mining in general.

The main corporate purpose is to carry out activities for the design and construction of civil works anywhere in the country, in any contractual modality, such as public works contracts, concession contracts, or joint ventures, among others.

Executing and implementing a state concession contract defined under item 49, Article 31, Law 80 of 1993, according to the terms for Public Tender No. 005 of 1999 and Contract No. 128/99.

#### **Concesión Cesar – Guajira S.A.S.**

The affiliate corporation Concesión Cesar – Guajira S.A.S. was created through a private document dated June 12, 2015, by the sole shareholder, registered in the Valledupar Chamber of Commerce on November 30, 2015, in Book 9, with the number 00029631.

The sole corporate purpose shall be to execute and implement the concession contract under the modality of Public Private Association (PPA) according to the terms of Law 1508 of 2012, derived from award act for Process No. VJ-VE-APP-IPV-003-2015, issued by the National Infrastructure Agency (Agencia Nacional de Infraestructura-ANI) through Resolution No. 823 dated May 19, 2015 and whose purpose is the construction, rehabilitation, operation and maintenance and reversion of the road system to connect the Departments of Cesar and Guajira, according to the concession contract, its attachments, addenda, appendices and other documents that are part of the project.

#### **Concesión Ruta al Mar S.A.S.**

The affiliate corporation Concesión Ruta al Mar S.A.S. was established through a private document dated September 14, 2015, by the sole shareholder, registered in the Medellín Chamber of Commerce on October 2, 2015, in Book 9, with the number 30735.

The corporation's sole corporate objective shall be to execute and implement the concession contract under the modality of Public Private Association (PPA), according to the terms of Law 1508 of 2012, derived from the award act for Process No. VJ-VE-APP-IPV-006-201, issued by the National Infrastructure Agency (Agencia Nacional de Infraestructura-ANI) through Resolution No 823 dated May 19, 2015 and whose purpose is the construction, rehabilitation, operation, maintenance and reversion of the road system to connect the Departments of Antioquia and Bolivar, according to the concession contract, attachments, addenda, appendices and other documents that are part of the project.

#### **Concesión Vías de las Américas S.A.S.**

The affiliate corporation Vías de las Américas S.A.S. was established through a Private Document No. 0000001 by the Bogota, D.C., Shareholders' Assembly on August 5, 2010,

recorded on March 27, 2012 with number 00027547, Book 9 with the Bogota, D.C. Chamber of Commerce.

That through Minutes No. 0000004 for the Extraordinary Assembly of Bogota, D.C., dated October 4, 2011, recorded on February 17, 2012 with number 00027276, Book 9, the domicile is changed from Bogota, D.C. to Montería.

The corporation's main corporate objective shall be the study, design, planning, financing, exploitation and administration of infrastructure businesses, and implementation of all activities and works related to engineering and architecture in all their manifestations, modalities and specialties, inside or outside the country, under any system whatsoever.

The consolidated financial statements were authorized by the Board of Directors on February 26, 2016. The shareholders' Assembly has the power to modify the financial statements before they are published. The shareholders' assembly authorized their publication on March 31, 2016.

### **NOTE 2. SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES.**

#### **2.1. Summary of significant accounting policies of the Corporation**

The accounting principles used derive from the assumption of the continuity of operations of the accounting entity, that is, a business in course, unless otherwise indicated. The Corporation is an entity with a background of a business in course due to the economic movement of its operations and to the time it has to continue operating in the future according to its incorporation.

#### **2.2. Bases for consolidation**

The consolidated financial statements include the financial statements of the corporation made up by the controlling company and its subsidiaries as of December 31, 2015. Control is achieved when the investor is exposed or entitled to variable yields from their participation in the entity that receives the investment, and is able to affect that yield through its power over the latter.

Specifically, the investor controls the entity that receives the investment if and only if the investor has:

- Power over the entity that receives the investment (i.e., there are rights that give the investor the current ability to direct the receiving entity's relevant activities).
- Exposure or the right to variable yields from the investor's participation in the entity that receives the investment.
- The ability to use the investor's power over the receiving entity to affect its yields in a significant manner.

When the investor holds the majority of the voting or similar rights over the entity that receives the investment, the investor considers all the pertinent facts and circumstances to determine whether or not it has power over that entity. This includes:

- The existence of a contract between the investor and the other holders of voting rights of the entity that receives the investment.

- The rights derived from other contractual agreements.
- The investor's voting rights or potential voting rights or a combination thereof.

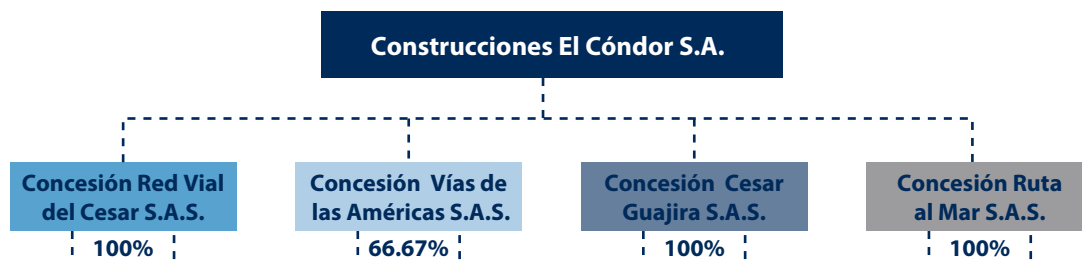
The consolidation of a subsidiary ends when the controlling entity loses control over it. The assets, liabilities, revenue and expenses of a subsidiary acquired or sold during the period are included in the consolidated financial statements as of the date on which the controlling entity acquires control of it until it no longer controls the subsidiary.

### Consolidation procedure

In preparing the consolidated financial statements, the corporation combines the financial statements for the parent company and its affiliates line by line, adding any items that represent assets, liabilities, net equity, income, and expenses of a similar nature. For the consolidated financial statements to present the financial information for the group as if it were a single economic entity, the following process will be followed:

- The book value of the parent company's investment in its affiliate will be eliminated together with the amount for net equity of the affiliate.
- The non-controlled interest shall be identified in the results for the period for the consolidated parent, which refer to the reported period.
- The non-controlled interest over the affiliate's net assets will be identified separately from the parent company's share of the net equity.
- Then, the operations between corporations shall be eliminated.

The group of corporations subject to consolidation is shown below:



## 2.3. Bases for preparing

### 2.3.1. Compliance statement

The financial statements have been prepared in accordance with the Accounting and Financial Information Standards accepted in Colombia (or NCIF) established in Law 1314 of 2009, and ruled by the Sole Regulatory Decree 2420 of 2015, amended by Decree 2496 of 2015. The NCIF is based on the International Financial Reporting Standards (IFRS) along with its interpretations issued by the International Accounting Standards Board – IASB); the base standards correspond to those translated to Spanish and issued on January 1, 2012 as well as the amendments made during the year 2012 by the IASB.

### 2.3.2. Bases of measurement

The financial statements have been prepared at a fair value to measure assets, liabilities, equity and income statement. The reasonable values were:

- Cost
- Realization or market value
- Net present value
- Fair value

Refers to the price that would be received after selling an asset, or to the price paid for transferring a liability in transactions ordered among market players.

### **2.3.3. Base of causation in accounting**

The Company prepares its financial statements using the base of causation in accounting and excluding the information of its cash flows.

### **2.3.4. Currency**

Construcciones El Cóndor S.A. shall express the Colombian peso as its legal currency on the headings of its financial statements.

### **2.3.5. Relative importance and materiality**

Omissions or misstatements are material (or have relative importance) if they can influence individually or jointly the economic decisions made by users based on the financial statements. Materiality shall depend on the magnitude and nature of the omission or misstatement, depending on the particular circumstances it derives from.

The necessary assessments and decisions to prepare financial statements should be based on what is relatively important and hence, requires the use of a sound professional judgment. The concept of materiality is closely linked to complete the disclosure and only focuses on information which is relatively important.

Financial statements should disclose all relevant items which may hurt assessments or decision-making processes.

Materiality or relative importance at Construcciones El Cóndor S.A. – pertaining to the adoption of International Financial Reporting Standards – was defined by the administration and based on a critical component for the corporation: Profit before taxes (8%). This percentage is evaluated at the end of the period reported.

### **2.3.6. Current and non-current assets and liabilities**

Construcciones El Cóndor S.A. classifies its assets and liabilities on the financial situation statement as current and non-current. Current means that the entity expects to realize the asset or intends to sell or use it during its normal cycle of operation; it keeps the asset primarily for negotiation purposes and expects to realize the asset within the following twelve months after the period reported; or the asset is cash or cash equivalent unless it is restricted for no less than twelve months after closing the period reported. All other assets are classified as non-current. A liability is current when the entity expects to liquidate it during its normal cycle of operation or keeps it primarily for negotiation purposes.

### **2.3.7. Responsibility of information, estimates and accounting judgments realized**

Preparing the financial statements requires the senior management of Construcciones El Cóndor S.A. to make several judgments and estimates based on experience, historical facts and expectations on the results of future events. Although it is true that these



hypothesis are made as precise as possible following IAS 8 – Accounting policies, changes of accounting estimates and errors – any amendment that must be made in the future of estimates realized shall be executed prospectively as of that moment, acknowledging the effect of the change on the income statement of the corresponding period.

The estimates realized as of the date when the financial statements are presented are listed below:

- Provision for inventories for trial of Realizable Net Value (RNV) and/or impairment
- Impairment of financial assets
- Impairment of non-financial assets
- Premium of seniority
- Actuary calculation
- Provisions and contingencies
- Realizable Net Value for non-current assets kept for sale
- Measurement of revenues and costs related to construction contracts in accordance with the percentage of progress
- Deferred taxes

### **2.3.8. Changes in accounting policies**

Construcciones El Cóndor S.A. shall change its accounting policy solely if required by another IFRS or if it leads to provide information of financial statements which is increasingly reliable and relevant pertaining to the effect of transactions affecting the financial situation, the financial yield or cash flows.

A change in the accounting policy is addressed as described below:

- If the policy change is voluntary, the Company shall adjust the initial balance of each item affecting the equity for the oldest prior period presented, as if the new policy would have been applied always (retroactive) though its application is impracticable.
- If the policy change stems from the initial application of a new IFRS, the entity shall observe the specific transitory provisions on the IFRS. If the new IFRS does not have transitory provisions, the application shall be retroactive unless it is impracticable in which case it shall be made prospectively with duly disclosure.
- If the IFRS application is anticipated, it shall be deemed as a change of policy due to the initial application of a new IFRS.

Changes in accounting estimates shall be recognised prospectively affecting the results of actual and future periods.

Construcciones El Cóndor S.A. shall correct the material errors of prior periods retroactively on the first financial statements made after the discovery, re-expressing the information for the prior period or periods in which the error originated; unless it is impracticable to determine the effect thereafter.

### **2.3.9. Events after the period reported**

Construcciones El Cóndor S.A. shall take into consideration all of the events, favorable or unfavorable, which take place between the end of the period reported and the date

authorizing the publication of the financial statements.

The events indicating conditions subsequent to the period reported do not imply adjusting the financial information of the period reported, but the event is disclosed.

### **2.3.10. Applicable standards**

The IFRS comprises the Standards and Interpretations adopted by the IASB. The following lists the standards applied to prepare these financial statements:

	Construcciones El Cóndor S.A.	Concesión Red Vial del Cesar S.A.S.	Concesión Vías de las Américas S.A.S.	Concesión Cesar Guajira S.A.S.	Concesión Ruta al Mar S.A.S.
<b>International Accounting Standards (IAS)</b>					
IAS 1 Presentation of financial statements.	X	X	X	X	X
IAS 2 Inventories	X		X	X	X
IAS 7 Statement of cash flows	X	X	X	X	X
IAS 8 Accounting policies, changes in accounting estimates and errors	X	X	X	X	X
IAS 10 Events after the reporting period	X	X	X	X	X
IAS 11 Construction contracts	X		X	X	X
IAS 12 Income taxes	X	X	X	X	X
IAS 16 Properties, plant and equipment	X		X	X	X
IAS 17 Leases	X		X		X
IAS 18 Revenue	X	X	X	X	X
IAS 19 Employee benefits	X	X	X	X	X
IAS 21 Effects of changes in foreign exchange rates	X	X	X	X	X
IAS 23 Borrowing costs	X	X	X	X	X
IAS 24 Related party disclosures	X	X	X	X	X
IAS 27 Consolidated and separate financial statements	X				
IAS 28 Investments in associates	X				
IAS 32 Financial instruments: Presentation	X	X	X	X	X
IAS 33 Earnings per share	X				
IAS 34 Interim financial reporting	X	X	X	X	X
IAS 36 Impairment of assets	X	X	X	X	X
IAS 37 Provisions, contingent liabilities and contingent assets	X	X	X	X	X
IAS 38 Intangible assets	X	X	X	X	X
IAS 39 Financial instruments: Recognition and measurement	X	X	X	X	X
IAS 40 Investment property	X				
<b>International Financial Reporting Standards (IFRS)</b>					
IFRS 1 First-time adoption of IFRS	X	X	X		
IFRS 5 Non-current assets held for sale and discontinued operations	X				
IFRS 7 Financial instruments: Disclosures	X	X	X	X	X
IFRS 8 Operating segments	X				
IFRS 9 Financial instruments	X	X	X	X	X
IFRS 10 Consolidated financial statements	X				
IFRS 11 Joint arrangements	X				
IFRS 12 Disclosure of interests in other entities	X				
IFRS 13 Fair value	X	X	X	X	X
<b>Interpretation SIC</b>					
SIC 29 Agreements for service concession: Disclosures			X	X	X
<b>IFRIC</b>					
IFRIC 1 Changes in existing decommissioning, restoration and similar liabilities.	X				
IFRIC 10 Interim financial reporting and impairment.	X				
IFRIC 12 Agreements for service concession			X	X	X
IFRIC 15 Agreements for the construction of real estate.	X				

### **2.4. Summary of significant accounting principles applied**

#### **2.4.1. Cash and cash equivalents**

The item of Cash and cash equivalents on the financial statements includes cash on hand and in bank accounts, term deposits and other investments with liquidity and at sight, and do not provide any type of restriction of use in the normal course of the operations.

Foreign currency shall recognize its equivalent legal currency at the time the operations are made, applying the exchange rate in force between both currencies.

Cash, restricted cash and cash equivalents shall be measured afterwards based on their fair value, and the variations of the fair value shall be recognised on the income statement.

#### **2.4.2. Financial assets**

Financial assets are classified as investments at a fair value with changes on results, loans and accounts receivable, investments at amortized cost, investments with fair value and equity changes.

Classification depends on the purpose for which the financial assets were acquired. Senior management determines the classification of the financial assets as of the date of their initial recognition.

#### **Investments at fair value with changes on results**

Investments at fair value with changes on the results include assets kept to negotiate and financial assets designated at their initial recognition at the fair value with changes on results. Financial assets are classified as investments at fair value with changes on results if acquired to be sold or repurchased in a short-term period. These investments are placed on the Financial Situation Statement based on its fair value; changes of said fair value are recognised as gains or losses on the income statement.

#### **Loans and accounts receivable**

Construcciones El Cóndor S.A. shall initially measure its accounts receivable and payable based on the transaction or fair value. Afterwards, these items are measured at the amortized cost using the effective interest rate minus any impairment of the value (if long-term). The amortized cost is calculated keeping in mind any discount or premium for the acquisition as well as the commissions or costs which are an integral part of the effective interest rate.

#### **Investments at fair value with changes on equity**

Investments at fair value with changes on equity include securities which do not classify as investments at amortized cost or investments at fair value with changes on results. After their initial recognition, investments at fair value with changes on equity are measured by their fair value, while gains and losses not realized are recognised in the equity, until the investment is written-off. At that moment, the accumulated gain or loss is recognised as an operating gain or is deemed as an impairment of the value of the investment, in which case the accumulated loss is reclassified on the income statement under financial costs and is eliminated from equity.

### **Financial assets accounted at their amortized cost**

For the financial assets accounted at their amortized cost, the Corporation firstly evaluates if there is any individual objective evidence of the impairment of the value of the financial assets which is individually significant, or collectively significant for the financial assets which are not individually significant. If there is no objective evidence of the impairment of the value of a financial asset evaluated individually, notwithstanding its significance, it shall include the asset in a group of financial assets with similar credit risk features, and shall evaluate them jointly to determine if the value is impaired. If there is evidenced of an impairment, this is measured as the difference between the amount carried in the books of the asset and the present value of estimated future cash flows (excluding the future credit losses expected which have not incurred yet).

### **Investments at fair value with changes on equity**

As far as the investments at fair value with changes on equity, the Corporation evaluates every date at the end of a period reported if there is an objective evidence that an individual or group of assets have impaired value.

In the event of investments in equity securities classified at fair value with changes on equity, the objective evidence should include a significant or prolonged side of the fair value of the investment below its cost. The term "significant" is evaluated with regards to the original cost of the investment while the term "prolonged" is the period in which the fair value has been below the original cost.

### **Value impairment of financial assets**

At the end of each period reported, the Corporation evaluates if there is any objective evidence that a financial asset or group of financial assets has impaired its value.

The value of a financial asset or a group of financial assets is deemed impaired solely if there is objective evidence of such impairment from one or more events which have taken place after the initial recognition of the asset (an "event that causes the loss"), and if said event causing the loss has an impact on the estimated future cash flows of the financial asset or group of financial assets, which may be estimated reliably.

### **Impairment of doubtful accounts**

Construcciones El Cóndor S.A. conducts an individual analysis of its accounts receivable impairment policy. The individual analysis covers specific cases that can present impairment, keeping in mind variables such as debtor risk assessment to identify financial risks and risk level. Construcciones El Cóndor S.A. revises the balance of its accounts receivable impaired at least at the end of each accounting period or when an unfavorable situation in the market is worth revising.

### **Write-offs**

Financial assets are written-off when the contractual rights over their cash flows have expired, have been liquidated or have been transferred, and Construcciones El Cóndor S.A. has substantially transferred all risks and advantages derived from its ownership.

### **2.4.3. Business combinations**

Business combinations are accounted for using the acquisition method. The cost of an

acquisition is measured as the sum of the consideration transferred, measured by its fair value on the date of acquisition, and the amount of any non-controlling participation in the acquired. For each business combination, the Corporation measures the non-controlling participation based on its fair value. The acquisition costs incurred are attributed to expenses as they incur and are presented on the income statement.

Construcciones El Cóndor S.A. shall recognize goodwill on the acquisition date when the net amounts paid are more than the difference between assets and liabilities at the fair price acquired. After its initial recognition, goodwill shall following the guidelines of IAS 38 – Intangible Assets.

Construcciones El Cóndor S.A. can make purchases under very advantageous terms, that is, the net paid or cancelled carried (consideration transferred) is less than the amounts or considerations received or liabilities assumed, in this case the Corporation shall recognize the resulting gain on results on the date of acquisition.

#### **2.4.4. Investments in associates and joint businesses**

An associate is an entity in which an investor has significant influence. Significant influence refers to the power of intervening on the political, financial and operation-related decisions of the entity receiving the investment though it does not control or joint control it.

Joint business is a type of agreement in which the parties have joint control of the agreement, and are entitled to net assets of the joint business. These parties are known as participants of the joint business. The joint control requires the unanimous consent of the parties sharing the control.

Construcciones El Cóndor shall use the equity method to measure these investments later, provided their share is equal to or higher than 20%. Joint businesses with a share lower than 20% are measured based on fair value with changes in another integral result.

As far as the equity method, the items of investment in an associate and joint business are initially recognised at cost. The figure carried in the books of the investment is adjusted to recognize changes in the share of the Corporation over the net assets of the associate, and the joint business since the date of acquisition. The goodwill related to the associate or to the joint business is included in the books of the investment. This goodwill is not amortized or individually submitted to value impairment trails.

The financial statements of the associate and of the joint business are prepared for the same reporting period of the Corporation. If necessary, proper adjustments are made so its accounting policies match the accounting policies of the Corporation.

After applying the equity method, the Corporation determines if it needs to recognize a loss due to value impairment regarding the investment that the Corporation has in the associate and in the joint business. At the end of each period reported, the Corporation determines if there is objective evidence that the investment in the associate or joint business has impaired. If so, the Corporation calculates the impairment as the difference between the figure carried recoverable from the associate or joint business and its corresponding figures carried in books, and then recognizes the loss on item "Participation

in the net profit of the associate and joint business" on the income statement.

In the event of a significant loss of influence over the associate or of joint control over the business, the Corporation measures and recognizes any remaining investment in it based on its fair value.

#### **2.4.5. Joint operations**

A joint operation is an agreement in which the parties hold joint control over the assets, obligations and liabilities related to a joint operation. These parties are known as joint operators.

A joint operator shall recognize within a joint operation: its assets, liabilities, revenues and expenses jointly incurred.

A joint operator shall account the assets, liabilities, revenues from normal activities and expenses related to its share in a joint operation in accordance with the IFRS applicable particularly on the assets, liabilities, revenues from normal activities and expenses.

The financial information of a joint operation is prepared during the same reporting period of the Corporation. If necessary, proper adjustments are made so its accounting policies match the accounting policies of the Corporation.

#### **2.4.6. Investments in subsidiaries**

A subsidiary is an entity controlled by the investor. The control is achieved when the investor is exposed or entitled to variable yields from its share in the entity receiving the investment, and can affect said yields with the power it has vested. The investor particularly controls an entity that receives an investment if and only if it has:

- Power over the entity that receives the investment (that is, there are rights granted to the investor to direct the relevant activities of the entity).
- Exposure or right to variable yields from its share in the entity receiving the investment.
- Capability to use its power over the entity receiving the investment to affect its yields significantly.

The initial recognition of the Corporation accounts investments in subsidiaries based on the cost. Afterwards, the Corporation applies the equity method to appraise said investments.

#### **2.4.7. Inventories**

The Company recognizes inventories when it controls them, when it expects to gain future economic benefits from them, and when their cost may be measured reliably.

Inventories are assets kept to be sold in the normal course of the operations, in the production process to be sold, and as materials or supplies to be used in the production process or to provide services.

Inventories are appraised as the lower figure between the cost and the net realization value. The acquisition cost of inventories involves the purchase price, import tariffs and other taxes (which are not recoverable later from fiscal authorities), transportation, storage and other costs directly attributed to the acquisition of goods and parts. Commercial

discounts, rebates and other similar items are deducted to determine the acquisition cost.

The method used to appraise inventories is the weighted average.

This evaluation of the realizable net value shall be made at least once a year.

### **2.4.8. Intangible assets and prepaid expenses**

Construcciones El Cóndor S.A. deems that an Intangible Asset is identifiable, non-monetary and has no physical appearance.

The intangible assets acquired separately are initially measured based on their cost. After their initial recognition, intangible assets are accounted for at their cost minus any accumulated amortization and any accumulated loss due to value impairment.

The intangible assets generated internally – excluding development expenses – are not capitalized and are reflected on the income statement in the period in which they incur.

Prepaid expenses are amortized while they generate a benefit for the Corporation. The equity method is straight line and at the end of each period reported, the Corporation verifies any indications of impairment, and if any, it proceeds to calculate the value recoverable.

The gains or losses after writing-off an intangible asset are measured as the difference between the net income from the sale and the amount carried in the books of the asset, and are recognised in the income statement when the asset is written-off.

### **2.4.9. Properties, plant and equipment**

The item of Properties, plant and equipment is understood as the group of assets of Construcciones El Cóndor S.A. that fully meet the following characteristics:

- Physical or tangible elements.
- Available for use by Construcciones El Cóndor S.A. to generate future benefits for the Company, either for its own use, lease or that of third parties.
- Life equal to or more than 12 months.

Construcciones El Cóndor S.A. shall recognize the elements of property, plant and equipment as assets if and only if:

- The future economic benefits related to the asset will flow towards the Corporation.
- The asset cost can be measured in a reliable manner.

Moreover, the Company has established that Properties, plant and equipment shall include those goods which cost more than 50 minimum monthly wages in force.

An element of the item of Properties, plant and equipment shall be measured by its cost.

The cost shall be the price equivalent to cash on the date of recognition. The disbursements involved in the cost are listed below:



- The acquisition price, including import tariffs and non-recoverable indirect taxes, after deducting any discount or price rebate;
- All costs directly related to the location of the asset at the place and under the conditions necessary to operate as foreseen by management.
- Decommissioning costs in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets.

### **Disbursements**

The Company shall recognize disbursements as Properties, plant and equipment in the event of:

- Additions or Overhauls: These disbursements shall be recognised as Properties, plant and equipment if their effect increases the value and/or life of the asset or if it provides cost reduction. Otherwise, these disbursements shall be recognised as expenses. The additions are amortized according to the time related to its major asset.
- Replacements of Property, plant and equipment: The component replaced shall be written-off in the books.

### **Cost model**

After its recognition as an asset, an element of Properties, plant and equipment shall be accounted for its cost minus accumulated depreciation and the accumulated figure carried of losses due to value impairment.

### **Revaluation model**

After its recognition as an asset, an element of Properties, plant and equipment with a fair value can be measured with reliability and shall be accounted for its revaluated value (fair value) at the time of the revaluation, minus the accumulated depreciation and the accumulated figure carried from losses due to the value impaired. Revaluations shall be made regularly enough to ensure that the figures carried in the books, at all time, should not differ significantly from the figure that might be determined using the fair value at the end of the period reported.

### **Depreciation**

The depreciation of a good of Properties, plant and equipment is recognised systematically during its life, from the moment the good is available for use (used or not) and solely ceases when the asset is classified as kept for sale and written off. The method used is the straight line.

Leasing-related assets (financial lease) are depreciated with similar criteria to those applied to the group of assets for own use.

Type	Subsequent Measurement Model	Life (years)
Lands	Revaluation model*	
Constructions and buildings**	Revaluation model*	100
Constructions underway	Cost model	
Machinery	Revaluation model*	5 - 20
Office equipment	Cost model	10
Computers and communications equipment	Cost model	3
Fleet and transportation equipment	Revaluation model*	8 - 15
Mines and quarries***	Revaluation model*	250.000 mt <sup>3</sup> /year
Properties, plant and equipment in transit	Cost model	

\* Appraisals are made from 3 to 5 years while gains or losses generated are recognised in the equity, in other integral result.

\*\* To establish the life of constructions and buildings, an estimated life (100 years) is taken into account minus the time the immovable good has been built.

\*\*\* Mines and quarries use the depletion method based on cubic meters of material extracted.

### The Corporation shall use the straight-line depreciation method

In practice, the residual value of an asset is often insignificant, and hence, irrelevant to calculate the depreciable figure carried. The internal policy of the Corporation estimates that 10% of the value of the assets listed below is residual:

- Machinery and equipment
- Fleet and transportation equipment

If there is any indication that a significant change has taken place in the depreciation rate, life or residual value of an asset, the Company revises the depreciation of that asset and proceeds to adjust it prospectively to reflect new expectations; this revision is made at least at the end of each period reported.

#### 2.4.10. Leases

Leases are classified as financial leases provided all risks are substantially transferred and the advantages inherent to owning the asset leased from the Corporation are observed; all other leases are classified as operating.

#### Financial leases

Financial leases transfer to Construcciones El Cóndor S.A. substantially all risks and benefits inherent to owning the goods leased. In addition, they are capitalized at the beginning of the lease either based on the fair value of the property leased or on the present value of the minimum payments, whichever is lower. Payments for leases are distributed among financial burdens and debt reduction. Financial burdens are recognised as financial costs on the income statement.

Leased assets depreciate throughout their life. However, if there is no reasonable certainty that the Corporation shall own the asset at the end of the lease, the asset depreciates throughout its estimated life or during the term of the lease, whichever is the lowest.

### **Operating lease**

The leases in which the Corporation does not substantially assume the risks and benefits inherent to owning the asset are classified as Operating Leases.

Payments for operating leases are recognised as operating expenses on the income statement, in a linear manner and throughout the term of the lease.

#### **2.4.11. Borrowing costs**

The borrowing costs directly attributed to the acquisition, construction or production of an asset that necessarily has been available for its expected use or sale for a substantial period of time, are capitalized as part of the corresponding cost of the assets. All other borrowing costs are accounted for as expenses in the period when they are incurred. Borrowing costs include interests and other costs incurred by the entity related to entering loan agreements.

A suitable asset requires a substantial period before it is ready to be used or sold. Construcciones El Cóndor S.A. deems that a substantial period is more than 6 months. The Corporation deems that its agreements for licenses of operation (model of intangible assets) meet the specifications of a suitable asset.

#### **2.4.12. Investment properties**

Investment properties are recognised as assets when and solely when:

- a) It is likely that the future economic benefits are related to said investment properties flowing towards the entity; and
- b) The cost of investment properties can be measured reliably.

Investment properties are initially measured based on their cost, including transaction costs; and exclude regular maintenance costs of the investment properties.

After the initial recognition, investment properties are measured based on the cost model and keeping in mind the economic life for their straight-line method depreciation. Changes in the measurement model afterwards are accounted for changing the period, if necessary, and are addressed as changes in accounting policies.

Investment properties are written-off either at the time of their sale or when the investment property is removed from its ongoing use and no economic benefit whatsoever is expected to be recovered from its sale. The difference between the net income from the sale and the figure carried on the books of the asset is recognised in the income statement in the period when the asset is written-off.

In the event of an investment property transferred to a component of Properties, plant and equipment, the cost taken into account for its later accounting is the fair value on the date of the change of use. If a component of Properties, plant and equipment turns into an investment property, the Corporation shall report it in accordance with the policy set forth for Properties, plant and equipment as of the date of the change of use.

#### **2.4.13. Non-current assets kept for sale and discontinued operations**

Non-current assets and groups of assets classified as kept for sale are measured at the

lowest figure between the value in books and the net realization value (fair value minus sales cost). Non-current assets are classified as kept for sale if their figures on the book will recover primarily through a sales transaction instead of their continued use. This condition is met solely when the sale is highly likely and the group of assets are available in their current conditions to be immediately sold. Administration should be committed to the sale and must wait until the sale meets the conditions to be recognised as a sale the year after the classification date.

The item of Properties, plant and equipment as well as Intangible assets, once classified as kept for sale, are not subject to any depreciation or amortization.

#### **2.4.14. Value impairment of non-financial assets**

On the closing date of each period reported Construcciones El Cóndor S.A. evaluates if there is any indication that could impair the value of an asset. If any, or when annual impairment evidence of an asset is required, the Corporation shall estimate its recoverable amount. The recoverable amount of an asset is the highest between the fair value minus sales costs and its value in use either of an asset or a unit generating cash, and is determined for an individual asset, unless the asset does not generate cash flows that are substantially independent from other assets or groups of assets. When an asset is carried to books or a cash generating entity exceeds its recoverable figure, the asset is deemed impaired and reduces its value to the figure recoverable.

To evaluate the value in use, estimated cash flows are discounted from their present value using a discount rate before taxes which reflects current evaluations in the market in the temporary value of money and the specific risks of the asset. To determine the fair value minus the estimates sales costs (net realization value), recent operations of the market are taken into account, if any, or the most proper valuation model is used.

Losses due to value impairment of assets are recognised on the income statement in those categories of expenses that go hand-in-hand with the asset impaired, excluding the properties previously revaluated where the valuation surplus was registered in the other integral result (equity). In this case, the impairment of the amount is recognised as well until any surplus for valuation of any known previously.

The gains or losses from writing-off an intangible asset are measured as the difference between the net income from the sale and the figure carried in the books of the asset, and are recognised in the income statement when the asset is written-off.

For assets in general, an assessment is made at the end of each period reported to check if there is any indication that the losses from the impaired value recognised previously no longer exist or have decreased. If so, the Corporation makes an estimate of the recoverable amount of the asset or of the unit generating cash. A loss due to impairment previously recognised solely reverts if there is a change in the assumptions used to determine the recoverable amount of an asset since the last time the last loss from value impairment was recognised. The reversal is limited so that the amount on books of the asset does not exceed its recoverable amount or exceeds the amount in books determined, net of depreciation, if a loss from impairment would not have been recognised in prior periods. Said reversal is recognised on the income statement unless the asset is accounted based on its revaluated value in which case the reversal is treated as

a revaluation increase.

#### **2.4.15. Current and deferred income tax**

The expense for the income tax of the period involves the income tax, the CREE or equity tax and the deferred tax. The deferred tax is recognised on the period's result except when it involves items recognised on equity or another integral result. In these cases, the tax is recognised as well in the equity or on the integral result, respectively.

Senior management regularly evaluates the position assumed in tax statements when tax laws are object of interpretation. The Company creates provisions for the amounts it expects to pay tax authorities when necessary.

The deferred income tax is provisioned entirely using the liability method and over interim differences that stem between the tax bases of assets and liabilities. The deferred tax is calculated per the tax rates announced over the fiscal gain (or loss if this takes place) of the periods in which the asset is expected to be realized for deferred taxes or to cancel the liability for deferred taxes.

The assets of deferred income taxes are solely recognised when it is likely that they produce future tax benefits against those that can use interim differences.

Deferred taxes of assets and liabilities are compensated when there is a legally executable right to compensate current tax assets against current tax liabilities, and when the deferred income tax of assets and liabilities is related to the income tax taxed by the same authority.

#### **2.4.16. Financial liabilities**

##### **Recognition and initial measurement**

Financial liabilities are classified as: loans, accounts payable with related parties, commercial accounts payable and other accounts payable. The Corporation determines the classification of its financial liabilities during their initial recognition.

All financial liabilities are initially recognised for their fair value plus the transactions costs directly attributed, for loans and accounts payable. The financial liabilities of the Corporation include commercial accounts payable, loans and other accounts payable.

##### **Subsequent measurement**

The subsequent measurement of financial liabilities depends on their classification, as described below:

##### **Interest bearing loans**

After the initial recognition, interest bearing loans are measured at the amortized cost using the effective interest rate method; gains and losses are recognised in the income statement.

The amortized cost is calculated by keeping in mind any discount or premium in the acquisition as well as the commissions or costs which are part of the effective interest rate. The amortization of the effective interest rate is recognised as a financial cost on the

income statement.

### **Accounts write-off**

A financial liability is written-off when the obligation specified in the agreement is paid, cancelled, or has expired.

When an existing financial liability is replaced by another one from the same lender but under significantly different conditions, or if the conditions of an existing liability are significantly changed, said change is treated as a write-off of the original liability, while the recognition of a new liability and the difference of the amounts in books are recognised on the income statement.

### **2.4.17. Employee benefits**

As of the date of this document, the Corporation provides employee benefits on a short and long-term basis.

Short-term employee benefits are those benefits (other than those from employment termination) which are fully paid in the following twelve months after the period in which the employees have provided their services. These benefits are recognised by Construcciones El Cóndor S.A. to a non-discounted base and are recognised as expenses as the service is received.

Long-term benefits are related to the seniority of the employees.

Construcciones El Cóndor S.A. develops specific benefits plans using actuary assumptions to measure the obligations contracted and the expense of each period; in addition, it involves the chance of obtaining actuary gains or losses. On the other hand, the obligations are measured based on their discounted values given the likelihood that these are met many years after the employees have provided their services.

### **2.3.18. Provisions, contingent liabilities and contingent assets**

A contingent liability arises when there is a possible obligation from past events, and its existence is confirmed solely by the occurrence or non-occurrence of one or more uncertain events in the future which are not fully under control by the entity, or when there is an obligation from past events and hence, it is unlikely to use resources to incorporate economic benefits to cancel the obligations or whose amount cannot be measured with enough reliability.

When contingencies are likely, the Corporation records a provision using the best estimate with the information available at the time. If the contingency is likely, this event is disclosed on the notes to the financial statements.

### **Contingent assets**

A contingent asset is likely and stems from past events, and its existence shall be confirmed solely by the occurrence or non-occurrence of one or more uncertain events in the future which are not fully under control by the entity. Contingent assets are not recognised on the Financial Situation Statement. However, information about these assets is disclosed in certain circumstances.

The entity does not recognize a contingent asset on the financial situation statement but instead on the notes.

#### **2.4.19. Proceeds from ordinary activities**

Proceeds from ordinary activities are recognised based on how likely the economic benefits flow towards the Corporation and on well the proceeds can be measured reliably, notwithstanding the moment in which the payment is realized. Proceeds are measured by the fair value of the consideration received and receivable, keeping in mind the form of payment established contractually and excluding taxes or tariffs.

#### **Services provided**

Proceeds from services provided are recognised and invoiced as the contracts are executed. When the result of a contract cannot be measured reliably, proceeds are solely recognised up to the limit of the expense incurred which gathers the conditions to be recovered.

#### **Sale of goods**

Proceeds from ordinary activities rising from the sale of goods are recognised when the risks and benefits inherent to the ownership are significantly transferred to the buyer, generally, at the time of delivering the goods.

#### **Interests and dividends**

Interests shall be recognised using the effective interest rate method as set forth in the Financial Instruments policy.

Revenues from dividends (ordinary or extraordinary) should be recognised on the date in which the Company is entitled the payment, which can differ from the date in which the dividends are decreed; excluding the investments in associates which are updated by the equity method as established in the investments policy; in which case the dividends decreed reach a lower value of the investments (equity method).

When dividends are decreed over a determined investment, and part of these have been accumulated prior to their acquisition (included in the acquisition cost of the investment), said dividends are recognised as a lower value of the investments and are not deemed a revenue of the period.

#### **Proceeds from leases**

Proceeds from operating leases over investment properties are accounted in a linear manner throughout the term of the lease, and are included in the revenues from ordinary activities due to their operating nature.

#### **2.4.20. Construction contracts**

Revenues from ordinary activities contracted are measured by the fair value of the consideration received or receivable. The measurement of the revenues from ordinary activities contracted shall be affected by diverse uncertainties that depend on the outcome of future events. Estimates often need to be revised as said events take place or the uncertainties are settled.

When the result of a construction contract can be estimated with enough reliability, the revenues from ordinary activities plus the costs related may be recognised as revenues from ordinary activities and expenses, respectively, with reference to the status of completion of the activity covered by the contract at the end of the period reported. Any expected loss caused by the construction contract shall be immediately recognised as an expense of the period.

Under the completion percentage method, the revenues from ordinary activities in a contract are recognised as such in the period's result and throughout the accounting periods in which the contract is executed. The costs of the contract shall be recognised usually as expenses on the result of the period in which the work contracted is executed. Nonetheless, every surplus expected from the costs of the contract over the revenues of the total ordinary activities derived from the contract, shall be recognised immediately as an expense.

### **2.4.21. Fair value measurement**

Fair value is the price received after selling an asset or the price paid to transfer a liability in a transaction ordered among market players. This definition emphasizes that fair value is a measurement based on the market, not a specific measurement of a corporation. When measuring fair value, a corporation uses the assumptions that market players would use to set the price of the asset or liability under present market conditions, including risk assumptions. Consequently, the intention of a corporation is to maintain an asset or to sell a liability is not relevant when fair value is measured.

For disclosure purposes, the standard requires classifying the valuation techniques used to measure fair value under three levels. The hierarchy of fair value grants the highest priority to prices quoted (unadjusted) in active markets for identical assets and liabilities (Level 1 data entry) while the lowest priority is given to non-observable data entries (Level 3 data entry).

Level 1 data entry are the prices quoted (unadjusted) in active markets for identical assets or liabilities which the corporation can access on the measurement date. Level 2 data entry are different to the prices included in Level 1 given they are observable for assets or liabilities, directly or indirectly. Level 3 data entry are non-observable for the asset or liability.

### **2.4.22. Operation segments**

An operation segment is a component of an entity with activities that can gain revenues from normal activities and incur in expenses. The results of the operation are revised regularly by the highest authority to make decisions of the entity's operation, to decide which resources should be assigned to the segment and to assess its yield; and of which it holds differentiated financial information.

The Corporation currently handles two operation segments: Construction and Investments.

### **2.4.23. Foreign currency conversion**

The financial statements of Construcciones El Cóndor S.A. are presented in Colombian pesos given that this is its functional currency.



## Transactions and balances

Transactions in foreign currency are initially registered at the exchange rates of the functional currencies on the date of the transaction.

- Monetary assets and liabilities in foreign currency are converted at the exchange rate of the functional currency in force on the closing date of the period reported. All differences are registered on the income statement, excluding the items recognised on the equity. Tax effects attributed to exchange differences over said monetary items are registered in the equity as well.
- Non-monetary items measured in terms of their historical cost in foreign currency are converted using the exchange rates in force on the date of the original transaction.
- Non-monetary items measured by their fair value in foreign currency are converted using the exchange rates on the date when that fair value is determined.

## Conversion of a business overseas

The conversion of the results and the Financial Situation of a business overseas is described below:

- The assets and liabilities of each of the financial situation statements presented (including comparative figures) are converted to the exchange rate on the date of the corresponding Financial Situation Statement.
- Revenues and expenses from each statement of the present result and another integral result, shall be converted at the exchange rates on the date of the transactions. For this purpose, the average exchange rate of the period reported shall be considered.
- All exchange differences resulting shall be recognised in another integral result.

### 2.4.24 Service concession agreements

The infrastructure included in the scope of this Interpretation must not be recognized as items under the operator's property, plant and equipment because the contractual agreement for services does not grant the operator the right to use them. The operator has access to the operation of the infrastructure to provide a public service on behalf of the beneficiary of the concession, according to the terms of the contract.

If the operator provides construction or improvement services, the consideration received or to be received by the operator shall be recognized at their reasonable value. The consideration may consist of rights over:

- A financial asset, or
- An intangible asset

The operator shall recognize a financial asset to the extent that the operator has an unconditional contractual right to receive from the licensor, or an entity under the licensor's supervision, cash or some other financial asset in exchange for the construction services, and that the licensor has little or no ability to avoid payment, usually because the agreement is enforceable by law. The operator has an unconditional right to receive cash when the grantor guarantees the payment to the operator of (a) specified or specifiable amounts, or (b) a deficit, if any, between the sums received from the user of the public service and the specified or specifiable amounts, even when payment is conditioned to the operator's guarantee that the infrastructure meets the specified quality or efficiency

requirements.

The operator shall recognize an intangible asset to the extent that the operator receives a right (a license) to impose surcharges on the users of the public service. The right to do so is not an unconditional right to receive cash because the sums are conditioned to the level of use of the service by the public.

The nature of the consideration provided by the grantor to the operator shall be determined by reference to the terms of the contract and to the appropriate contract law, if any.

### **2.4.25. Financial risk management**

The financial instruments of the Corporation primarily consist of cash, commercial accounts receivable and other accounts receivable, investments, financial obligations and other accounts payable.

#### **Risk management principles**

Construcciones El Cóndor S.A. has a Primary Comptrollership Group which oversees the financial risk management of the positions and processes of the Corporation's Integral Management System. This Group assures the senior management of the Corporation that the activities with financial risks are regulated by proper corporate policies and procedures, and that the financial risks are identified, measured and managed according to these corporate policies.

The Corporation is exposed to market, credit and liquidity risks.

#### **Market risk**

Market risk is when the fair value or future cash flows of a financial instrument fluctuate due to market price changes. Market prices comprise three types of risks: interest rate risk, exchange rate risk and other price risks.

#### **Sensitivity analysis**

Construcciones El Cóndor S.A. conducts ongoing sensitivity analysis of the following variables: interest rates, exchange rates, prices of suppliers and investment performance.

For risk analysis, the resources that may be affected by an event are kept in mind, such as: machinery, equipment, general assets both owned and of third parties, process productivity and compliance, and business profitability.

The following are the potential risk sources identified by the Corporation:

- Commercial and legal relations: between the Corporation and other individuals and corporations, for instance: suppliers, subcontractors, customers.
- Circumstances of the setting: not related to the Corporation, such as legislation changes, sector changes, etc.
- Human behavior: malicious actions made by personnel related or not to the Corporation (errors, riots, strikes, sabotage, mobs, terrorism, fraud, etc.)
- Actions or omissions of directors: poor supervision, non-assignment of resources, little training and lack of planning.

The vulnerability analysis establishes a valuation of the risk identified in terms of frequency and severity as described in the following tables:

Frequency	Definition	Value
Remote	Low likelihood of occurring	1
Possible	Medium likelihood of occurring	2
Frequent	Significant likelihood of occurring	3
Recurring	High likelihood of occurring	4

Financial Resource		
Severity	Definition	Points
Minor	Losses less than 5.5 minimum monthly legal wages in force	1
Slight	Losses from 5.5 to 55 minimum monthly legal wages in force	2
Serious	Losses from 56 to 279 minimum monthly legal wages in force	3
Catastrophic	Losses above 279 minimum monthly legal wages in force	4

### Vulnerability values

- Low: Acceptable risk – no action required, or managed with routine procedures.
- Moderate: Tolerable risk – managed with normal control procedures which have assigned a person responsible; second level priority.
- High: Unacceptable risk – treatment plans required, implemented and reported to top management; immediate action.
- Extreme: Inadmissible risk – treatment plans required, implemented and reported to the Board of Directors; top priority.

Zone	Vulnerability criteria frequency x consequence
Low / Acceptable	1 - 2
Moderate / Tolerable	3 - 4
High / Unacceptable	5 - 9
Extreme / Inadmissible	10 - 16

Vulnerability / Critical nature			SEVERITY / CONSEQUENCE			
			1 Minor	2 Slight	3 Serious	4 Catastrophic
Frequency / likelihood of occurring	4	Recurring	4	8	12	16
	3	Frequent	3	6	9	12
	2	Possible	2	4	6	8
	1	Remote	1	2	3	4

### Interest rate risk

Interest rate risk is the risk in which the fair value or the future flows of cash of a financial instrument fluctuate due to changes in the market's interest rates. The exposure of the Corporation to the interest rate risk of the market is primarily related to its short and long-term financial obligations with variable interest rates.

The level of indebtedness of the Corporation is quite low. The economic soundness of the organization has allowed the Corporation to remain as a very attractive customer for financial entities and to obtain very good rates when working capital is required. On the other hand, since it is listed, the Corporation can opt to obtain resources in the securities market when the credit conditions are unfavorable or when an amount required make it more convenient to use this option.

### **Exchange rate risk**

The exchange rate risk is the risk in which the fair value or the future cash flows of a financial instrument fluctuate due to changes in exchange rates. The Corporation's exposure to the exchange rate risk relates firstly, to any debt in foreign currency and secondly, to investments of the Corporation overseas.

This risk can boost when purchasing machinery and spare parts overseas, and recognizing the corresponding liability.

### **Other price risks**

#### **Raw materials price risk**

The Corporation is not affected by the price volatility of certain raw materials given that it does not make transactions in the securities market with raw materials quoted.

#### **Stocks price risk**

The stocks of the Corporation are sensitive to the market's price risk as a result of the uncertainty of its future value. The Corporation manages stock price risk by diversifying and establishing limits at an individual and total level. The Primary Comptrollership Group regularly revises and analyzes the performance of these investments to make corporate level decisions.

#### **Credit risk**

Credit risk is the risk in which a consideration breaches its obligations in a financial instrument or a commercial contract, giving way to a financial loss. The Corporation is exposed to credit risk due to its operating activities (particularly, commercial accounts receivable) and its financial activities, including deposits in banks and financial institutions, and other financial instruments.

The Corporation's cash is at top quality financial institutions. The Primary Controllership Group verifies if the management of the treasury meets the policies of the Corporation.

#### **Accounts receivable**

Construcciones El Cóndor S.A. charges its accounts receivable while those which are more than 150 days due are passed to a legal debt recovery process. Every year, higher amounts owed to the Corporation are revised and the Management of Controllership and Finances along with the Direction of the Work make the accounting and tax provisions necessary with all of the legal and follow-ups established. Moreover, each legal process is revised and the Legal Department prepares minutes detailing the collection process made and concludes if the account receivable must be punished for not being paid off.

### **Liquidity risk**

Liquidity risk is the risk in which the Corporation cannot pay its financial obligations on their expiration date. The purpose of the Corporation handling liquidity is to ensure, as much as possible, that it will always have enough liquidity to meet its obligations in normal and particular situations, without incurring in unacceptable losses or risking the Corporation's reputation.

Liquidity is monitored by the Corporation on a monthly basis. It provides very positive results compared to other Corporations of the sector due to the financial strength and leverages made since the business' beginnings.

### **Capital management risk**

The primary goal of the Group's capital management is to ensure that it can maintain a sound credit rating and healthy capital ratios to sustain the business and to maximize the value for the shareholder.

The Corporation manages its capital structure and conducts adjustments depending on changes in economic conditions. To maintain and adjust its capital structure, the Corporation may issue new stocks in the securities market and other financial debt mechanisms.

#### **2.4.26. Joint operations**

## Consolidated Financial Statements

Business cooperation agreement	Share	Type of agreement	Description	Duration	Consortium members
Unión Temporal Sumicon	75%	Temporary Joint Venture	Unión Temporal Sumicon was established so that its members can jointly participate in the supply at the plant and in the asphalt mix and emulsion work.	The term of the agreement	Mincivil S.A. 25%, Construcciones El Cóndor S.A. 75%
Consortio Autosur	50%	Consortium	Maintenance of the section from the General Santander School and Ciudad de Villavicencio Avenue; Transmilenio system belonging to the South sector of the NQS Network.	60 (sixty) months	Construcciones El Cóndor S.A. 50%, Construcciones Civiles 50%
Consortio Hidroeléctrica de Tulúa	65%	Consortium	Granted by EPSA S.A., for the construction of civil works of Alto Tuluá hydroelectric power station, Bajo Tuluá hydroelectric power station, and the construction and improvement of access roads and bridges for both projects.	Until its final liquidation	Construcciones El Cóndor S.A. 65%, Estyma S.A. 35%
Consortio O.M.C	30%	Consortium	Constructor Nuevo Dorado (CCND), for the construction of cargo platforms for the new cargo terminal building (phase I) of El Dorado International Airport in the city of Bogotá.	Per the term in the policies demanded by CCND	Mincivil S.A. 35%, Grupo Odinsa S.A. 35%, Construcciones El Cóndor S.A. 30%
Consortio Constructor Nuevo Dorado	15%	Consortium	Works related to the modernization and expansion phase of El Dorado International Airport.	Per the term in the policies demanded by CCND	Grupo Odinsa S.A. 30%, CSS Constructores S.A. 25%, Marval S.A. 10%, Termotécnica Coindustria S.A. 10%, Arquitectura y Concreto S.A. 5%, Consultoría Colombiana S.A. 5%, Construcciones El Cóndor S.A. 15%
Consortio Constructor Aburrá Norte	21.925%	Consortium	The purpose of the consortium is to establish the terms and conditions in which the companies shall jointly implement the commercial offers provided to Gehatovial for the routine and regular maintenance and for the works included in the scope of Concession Contract 97-CO-20-1738 as well as its addendum entered by the Department of Antioquia y la Sociedad Hatovial S.A.	The consortium shall remain valid and active for the period required to implement and definitely liquidate, without any reserve, all accounts, differences and litigations, guarantees and liabilities among the parties, with Gehatovial or with third parties	Mincivil S.A. 30.775%, Grupo Odinsa S.A. 23.075%, S.P.Explanaciones S.A.S. 23.075%, Construcciones El Cóndor S.A. 21.925%, Latinco S.A. 1.150%

Business cooperation agreement	Share	Type of agreement	Description	Duration	Consortium members
Consortio Avenida Colón	70%	Consortium	Implementation of infrastructure construction works for the Avenida Colón Manizales – Caldas road.	The term of the agreement plus one year	Proyectos y Vías S.A. 15%, Mainco S.A. 15% y Construcciones El Cóndor S.A. 70%
Consortio Vial del Sur	27%	Consortium	Road development of Transversal del Sur. Module 2. Improvement and maintenance of Tumaco - Pasto - Mocoa corridor. Module 1. Construction of San Francisco – Mocoa 4 - lane road.	The term to implement and liquidate the agreement plus 5 years	Sonacol S.A. 20%, CASS Constructores & CIA. S.C.A. 20%, CSS Constructores S.A. 20%, Construcciones El Cóndor S.A. 27%, Puentes y Torones S.A. 13%
Consortio Mantenimiento OPAIN	15%	Consortium	Provide maintenance services of works involved in the modernization and expansion stage of El Dorado International Airport in Bogotá as well as complementary works and services.	The term to implement and liquidate the agreement	Construcciones El Cóndor S.A. 15%, Grupo Odinsa S.A. 35%, CSS Constructores S.A. 30%, Marval S.A. 10%, Termotecnica Coindustrial S.A. 10%
Consortio Constructor Américas	33%	Consortium	The purpose of the consortium is to enter and implement the EPC agreement.	The term to implement and liquidate the agreement	Construcciones El Cóndor S.A. 66.67%, Valores y Contratos S.A. 33.33%
Unión Temporal Parmicon	50%	Temporary Joint Venture	The purpose is to implement works to patch holes in the city of Medellín.	5.5 months	Construcciones El Cóndor S.A. S.A. 50%, Mincivil S.A. 50%
Unión Temporal Parcheos M.C.	50%	Temporary Joint Venture	The purpose is to implement works to patch failures in the city of Medellín.	2.5 months	Construcciones El Cóndor S.A. 50%, Mincivil S.A. 50%
Unión Temporal Puntual M.C.	55%	Temporary Joint Venture	Drilling, repavement and infrastructure related to the city of Medellín.	8 months	Mincivil S.A. 45%, Construcciones El Cóndor S.A. 55%
Unión Temporal Fresado MC	55%	Temporary Joint Venture	The purpose is to mill, repavement and infrastructure related to the city of Medellín.	2.5 months	Construcciones El Cóndor S.A. 50%, Mincivil S.A. 50%
Consortio Constructor Pacifico Tres	48%	Consortium	Studies and designs, financing and other project according to the range, quality and specifications required by the concession contract.	72 months	MHCI 26%, Construcciones El Cóndor S.A. 48%, MECO 26%
Consortio Farallones	21.15%	Consortium	Studies and designs, financing and other project according to the range, quality and specifications required by the concession contract.	72 months	Construcciones El Cóndor S.A. 21.15%, Grupo Odinsa S.A. 25%, Mincivil S.A. 21.15%, Termotécnica Coindustrial S.A. 13.5%, ICEIN S.A. 9.2%, Mota Engil Engenharia e Contrucao S.A. Sucursal Colombia 10%
Consortio Vial Los Llanos	11.00%	Consortium	Studies and designs, financing and other project according to the range, quality and specifications required by the concession contract.	72 months	Construcciones El Cóndor S.A. 11%, Grupo Odinsa S.A. 51%, Murcia y Murcia S.A. 30%, Sarugo S.A. 8%

#### 2.4.27. Financial information for the consolidation

A summary of the financial composition of the corporations with which Construcciones El Cóndor S.A. performs the consolidation is given below. This information is determined by the controllers in each corporation.

	CONCESIÓN RED VIAL DEL CESAR S.A.S.		CONCESIÓN VÍAS DE LAS AMÉRICAS S.A.S.		CONCESIÓN RUTA AL MAR S.A.S.		CONCESIÓN CESAR GUAJIRA S.A.S.	
	2015	2014	2015	2014	2015	2014	2015	2014
<b>EQUITY COMPOSITION</b>								
Assets	5,751,728	8,122,744	543,662,243	452,803,775	49,413,656	0	39,840,418	0
Liability	439,411	738,602	395,690,702	308,260,793	49,244,944	0	39,688,740	0
Stock capital	2,747,400	2,747,400	26,000,000	26,000,000	200,000	0	200,000	0
Capital surplus	0	0	122,491,573	110,328,573	0	0	0	0
Reserves	1,996,553	1,996,571	0	0	0	0	0	0
Surplus from valuation	0	0	6,320,930	0	0	0	0	0
Results of prior periods	640,164	265,633	(7,065,485)	333,986	0	0	0	0
Results of the period	(71,823)	2,374,531	224,523	7,880,423	(31,288)	0	(48,322)	0
<b>TOTAL EQUITY</b>	<b>5,312,294</b>	<b>7,384,135</b>	<b>147,971,541</b>	<b>144,542,982</b>	<b>168,712</b>	<b>0</b>	<b>151,678</b>	<b>0</b>

#### 2.4.28. First-time adoption of IFRS

This note explains the main adjustments made by the Company to re-express its balance sheet at December 31, 2013 which was prepared under the Colombian GAAP, and the its financial situation statement at January 1, 2014 prepared based on international standards.

IFRS 1 grants the entities that adopt the IFRS for the first time limited exemptions from the general requirement to comply with the retroactive application principle established in certain IFRS.

Consequently, Construcciones El Cóndor S.A. has applied the following exemptions established in IFRS 1:

- The Company has not applied IAS 21 – Effects of changes in foreign exchange rates – retroactively on the adjustments of the fair value and the goodwill arising from business combinations that took place before the transition date to IFRS. Said adjustments are deemed as assets and liabilities of the controlling company instead of assets and liabilities of the acquired company. Hence, these assets and liabilities are already expressed in the functional currency of the controlling company, or are non-monetary items in foreign currency, and do not therefore lead to additional conversion differences.
- With regards to the items of Properties, plant and equipment, the Company opted to use the COL GAAP balance as the attributed cost, and those values were deemed significantly comparable to the fair values as of that same date. This covers office, computers and communications equipment. A technical assessment of the other items of Properties, plant and equipment was conducted to determine the fair values.
- The cost attributed to the investment properties was established through a technical appraisal.



- The cost attributed to the goods under financial lease was established through a technical appraisal.
- Investments in subsidiaries, joint businesses and associates were accounted for at the fair value in accordance with IFRS 9 – Financial Instruments.
- The Company has not applied IAS 39 or IFRS 9 – Financial Instruments – retroactively; this pertains to the initial recognition of the gain or loss arising from the initial recognition.

The estimates made as of January 1, 2014 are coherent with the estimates made for the same dates per COL GAAP (after adjustments made to show any change in the accounting principles), excluding the following items in which the application of COL GAAP requires an estimate:

- Provision for inventories under RNV and/or impairment trail
- Revaluation of Properties, plant and equipment
- Cost attributed to investment properties
- Value impairment of non-financial assets
- Seniority premium
- Actuary calculation
- Provisions

## STATEMENT OF CHANGES IN EQUITY

Of period ended on December 31, 2013

Balance expressed in thousands of Colombian Pesos

	Capital stock	Capital surplus	Reserves	Equity revaluation	Surplus valuation	Results of the period	Accumulated results	Non-controlling interests	Total
<b>COL GAAP BALANCE AT DEC. 31, 2013</b>	<b>15,701,606</b>	<b>159,711,695</b>	<b>137,080,759</b>	<b>2,011,937</b>	<b>282,060,284</b>	<b>55,803,762</b>	<b>0</b>	<b>255,491</b>	<b>652,625,533</b>
IAS – IFRS Adjustments									
Inventories	0	0	0	0	0	0	(521,904)	0	(521,904)
Investments	0	0	0	0	0	0	(7,533,166)	0	(7,533,166)
Properties, plant and equipment	0	0	0	0	0	0	(1,349,053)	0	(1,349,053)
Leasing assets	0	0	0	0	0	0	85,540,187	0	85,540,187
Leasing liability	0	0	0	0	0	0	(62,665,551)	0	(62,665,551)
Labor obligations	0	0	0	0	0	0	(307,594)	0	(307,594)
Estimated liabilities and provisions	0	0	0	0	0	0	2,000	0	2,000
Deferred	0	0	0	0	0	0	(217,822)	0	(217,822)
Accounts payable	0	0	0	0	0	0	7,533,166	0	7,533,166
Deferred taxes	0	0	0	0	0	0	(52,974,613)	0	(52,974,613)
Surplus valuation	0	0	0	0	(282,060,284)	0	282,060,284	0	0
<b>IFRS BALANCE AT DEC. 31, 2013</b>	<b>15,701,606</b>	<b>159,711,695</b>	<b>137,080,759</b>	<b>2,011,937</b>	<b>(1)</b>	<b>55,803,762</b>	<b>249,565,933</b>	<b>255,491</b>	<b>620,131,181</b>

## FINANCIAL SITUATION STATEMENT

Of period ended on December 31, 2013

Balance expressed in thousands of Colombian Pesos

	PCGA	AJUSTE	NIIF
<b>ASSET</b>			
<b>CURRENT ASSET</b>			
Cash and cash equivalents (Note A)	10,353,384	5,468,076	15,821,460
Investments at fair value with changes on results (Note B)	35,759,453	66,384	35,825,836
Accounts receivable	172,543,505	0	172,543,505
Inventories (Note C)	24,888,495	(521,904)	24,366,591
Intangibles (Note D)	17,040	(17,040)	-
Deferred (Note E)	5,727,721	(205,241)	5,522,480
<b>TOTAL CURRENT ASSET</b>	<b>249,289,598</b>	<b>4,790,275</b>	<b>254,079,872</b>
<b>NON-CURRENT ASSET</b>			
Investments (Nota F)	294,435,140	(7,599,549)	286,835,590
Investments at fair value with changes on equity	294,435,140	(63,795,009)	230,640,131
Investments in associates	0	4,012,474	4,012,474
Investments in joint businesses	0	52,182,986	52,182,986
Accounts receivable	143,641,973	0	143,641,973
Properties, plant and equipment (Note G)	123,105,741	116,198,364	239,304,105
Ownership of real estate investment (Note H)	0	1,396,393	1,396,393
Non-current assets kept for sale (Note I)	0	3,104,495	3,104,495
Intangibles (Note D)	47,209,921	(41,902,522)	5,307,399
Deferred	95,916	0	95,916
<b>TOTAL NON-CURRENT ASSET</b>	<b>608,488,690</b>	<b>71,197,180</b>	<b>679,685,871</b>
<b>TOTAL ASSET</b>	<b>857,778,288</b>	<b>75,987,455</b>	<b>933,765,743</b>
<b>LIABILITY</b>			
<b>CURRENT LIABILITY</b>			
Financial obligations	11,081,163	0	11,081,163
Commercial financing companies (Note J)	11,904,644	6,656,679	18,561,323
Suppliers	5,025,814	1	5,025,815
Accounts payable (Note M)	51,187,743	(676,755)	50,510,988
Taxes, liens and encumbrances (Note M)	2,288,134	436,071	2,724,204
Labor obligations (Note K)	2,085,851	132,404	2,218,255
Estimated liability and provisions (Note L)	21,921,772	(2,000)	21,919,772
Other liabilities	13,186,516	0	13,186,516
<b>TOTAL CURRENT LIABILITY</b>	<b>118,681,637</b>	<b>6,546,399</b>	<b>125,228,036</b>
<b>NON-CURRENT LIABILITY</b>			
Financial obligations	29,450,590	0	29,450,590
Commercial financing companies (Note J)	8,681,420	56,008,872	64,690,292
Accounts payable (Note M)	12,958,463	(7,533,166)	5,425,297
Labor obligations (Note K)	7,209	175,190	182,399
Estimated liability and provisions (Note L)	0	69,212	69,212
Other liabilities	35,373,436	0	35,373,436
Deferred tax (Note N)	0	52,974,613	52,974,613
<b>TOTAL NON-CURRENT LIABILITY</b>	<b>86,471,118</b>	<b>101,694,721</b>	<b>188,165,839</b>
<b>TOTAL LIABILITY</b>	<b>205,152,755</b>	<b>108,241,120</b>	<b>313,393,875</b>
<b>EQUITY</b>			
Capital	15,701,606	(1)	15,701,606
Reserves	137,080,759	(0)	137,080,759
Equity revaluation	2,011,937	(2,011,937)	-
Capital surplus	159,711,695	0	159,711,695
Results of prior periods (Note O)	0	17,228,706	17,228,706
Results of the period	55,803,762	0	55,803,762
Surplus from valuation (Note P)	282,060,283	(47,470,434)	234,589,848
<b>EQUITY ATTRIBUTABLE TO THE CONTROLLERS</b>	<b>652,370,042</b>	<b>(32,253,665)</b>	<b>620,116,376</b>
Non-controlling interests	255,491	(0)	255,491
<b>TOTAL EQUITY</b>	<b>652,625,533</b>	<b>(32,253,665)</b>	<b>620,371,867</b>
<b>TOTAL LIABILITY + EQUITY</b>	<b>857,778,288</b>	<b>75,987,455</b>	<b>933,765,743</b>

Conversion adjustments for the Financial Situation Statement of Construcciones El Cóndor S.A. are specified below:

### **A. Cash and cash equivalents**

According to paragraph 48 of IAS 7, the money deposited in management trusts were re-classified as available restricted with specific destinations.

### **B. Investments at fair value with changes on results**

Investments of consortiums deemed at fair value with changes on results were reclassified.

### **C. Inventories**

According to paragraph 9 of IAS 2, inventories should be measured at the lowest of the cost and the realized net value. Consequently, an adjustment for \$375.884 was made along with another for \$48.632 which corresponds to inventories of consortiums. In addition, a provision for obsolescence is recognised amounting to \$97.393

### **D. Intangibles**

Leasings of \$36.438.907 were eliminated against retained profits since these were recognised for their fair values in Properties, plant and equipment, meeting IAS 17.

Moreover, trusts amounting to \$5.468.076 were reclassified to available restricted, and \$12.579 of software licenses to the deferred.

### **E. Current deferreds**

The deferred related to interests of Consorcio Avenida Colón amounting to \$217.822 were cancelled against retained profits to meet paragraph 20 of IAS 23 given that the work is currently suspended. In addition, \$12.579 in software licenses was re-classified.

### **F. Investments**

As far as the investments of the Company, the first thing done was the elimination against retained profits for \$103.589.401. These were later recognised as described below:

- Investments at fair value with changes on equity: recognised by the intrinsic value which was \$230.640.131 at the balance opening, in consideration of IFRS 9, paragraph 4.14.
- Investments in associates: its fair value was \$4.012.474 pursuant to IAS 28.
- Investments in controlled companies: its fair value was \$4.754.119 in accordance with IAS 27 and IFRS 10.
- Investments in joint businesses: established in IFRS 11 and amounting to \$52.182.986 as of January 1, 2014.

### **G. Properties, plant and equipment**

The adjustments of the opening balance arising from the cost attributed to the fixed assets of Construcciones El Cóndor S.A. were:

- A lower amount of \$5.034.077 in lands, y of \$690.298 in fleet and transportation equipment
- A lower amount of \$3.736.395 in constructions and buildings, of \$1.874.918 in machinery and equipment, of \$207.524 in office equipment, and of \$82.159 in computers and communications equipment.

- An adjustment of the accounts receivable for -\$9.712.217 stemming from a financial valuation.
- Elimination of inflation adjustments to date amounting to \$4.216.008, and of fleet in transit for \$107.900.
- Recognition of assets as Properties, plant and equipment which are under financial lease for \$ 121.979.093.

In addition, investment properties and non-current assets kept for sale are reclassified in an independent account for \$ 1.396.393 and \$3.104.495, respectively.

#### **H. Investment properties**

Several assets of the Company, such as the Dann offices and two country homes in the municipality of Copey, meet the criteria established in IAS 40 to be recognised as investment properties. Consequently, these are reclassified from Property, plant and equipment to this item, adopting the fair value as the cost attributed.

#### **I. Non-current assets kept for sale**

These correspond to: Pailitas land set on La Floresta village, which shall be given in donation; the Dann offices are currently in the sale process; non-productive transportation, machinery and equipment.

#### **J. Commercial financing companies**

According to paragraph 20 of IAS 17, the leases owned by the entity are financial and hence, the asset and liability are registered respectively, establishing financial obligations that amount to \$62.665.551.

#### **K. Labor obligations**

According to paragraph 154 of IAS 19, a liability for the calculation of the seniority premium granted to the employees was recognised for \$132.404 using the simplified method.

Moreover, Construcciones El Cóndor S.A. adjusted the actuary calculation for \$175.190 taking into consideration paragraph 59 of this same standard.

#### **L. Estimated liabilities and provisions**

Taking into account that IAS 37 led to adjust the provision for demands by \$2.000 according to the report handed by the Legal Department of the company.

#### **M. Accounts payable**

In consideration of IFRS 9 paragraph 3.2.2, an adjustment of \$7.533.166 was made against profits retained due to the elimination of the account payable for investment in Constructora Túnel de Oriente.

All other adjustments correspond to the application of IFRS in several joint operations according to the policies set forth.

### N. Deferred tax

Under the COL GAAP, Construcciones El Cóndor S.A. does not recognize balances from deferred taxes. However, under IFRS, the balance of this item is registered caused by interim differences between fiscal balances and those balances recognised in accounting, all in compliance with paragraphs 15 and 24 of IAS 12 – Income Taxes. Consequently, an asset and a liability were registered for the deferred tax of \$34.952.507 and \$87.927.119, respectively, in which the retained profits were the consideration of these records.

### O. Results of prior periods

The adjustments made on the opening financial situation statement were registered.

### P. Surplus from valuation

The effect of the deferred tax of investments is registered on: financial instruments, joint businesses, associates and subsidiaries. Furthermore, the effect of the deferred tax is accounted for on different items of Properties, plant and equipment.

## NOTE 3. CASH AND CASH EQUIVALENTS

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Cash	88,684	24,206
Banks	48,200,558	9,203,293
Joint banking operations (*)	8,344,282	2,086,894
Cash and restricted cash equivalents (1)	13,274,753	28,912,589
Available restricted, joint operations (*)	754,184	148
Negotiable investments	9,426,019	0
Savings accounts	20,233,283	294,791
Fiduciary rights	48,117,768	0
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>148,439,532</b>	<b>40,521,921</b>

The total of these items was duly reconciled with the corresponding external information obtained from different financial entities.

(1) Corresponds to money deposited by contracting parties of trusts with the sole purpose of executing projects and in this particular case the works of Caucheras and Cesar Grupo 3.

Includes a portfolio in pesos of investments in joint accounts receivable; no restrictions whatsoever of the balance of cash available on the date of the financial statements are required.

## NOTE 4. INVESTMENTS

Investments at fair value	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Trusts of joint operation investments (*)	0	2,004,387
Negotiable investments (fixed income)	0	9,071,161
Other joint operation investments (*)	3,500,567	490,665
Organización de ingeniería Internacional S.A. (Grupo Odinsa S.A.) (1)	173,539,766	229,382,063
	59,760	0
<b>TOTAL TEMPORARY INVESTMENTS</b>	<b>177,100,093</b>	<b>240,948,276</b>

(1) Organización de Ingeniería Internacional S.A.: A total of 10,661,116 shares were sold in June 2015 representing 5.43%, for the amount of \$101.280.602.

Permanent investments  
Investments in associates and joint businesses  
a. The main associate companies and their primary activity are listed below:

			At December 31	At December 31		
	Number of shares	Share (%)	2015	2014	Incorporation - Domicile	Corporate Purpose
<b>FINANCIAL ASSETS</b>						
<b>FINANCIAL INSTRUMENTS</b>						
Patrimonio Autónomo Concesión Ruta al Mar			2,920,430			
Fabricato		0.33%	0	342,218	Feb/1920 Medellín	Textile manufacturing and sales
Concesión Santa Marta Paraguachón	203,942	2.97%	1,136,214	2,800,930	Nov/2012 Riohacha	Construction of civil engineering works
C.C.I. Marketplace S.A.	132,057	2.63%	75,801	81,347	Apr/2007 Bogotá	Creation, maintenance of web pages, sites and/or portals
Hidroeléctrica del Río Aures	1,019,450	15.83%	1,040,848	172,093	Jul/1997 Medellín	Electric energy generation and sale through a hydroelectric power station located in the Municipality of Abejorral
<b>TOTAL INVESTMENT IN FINANCIAL INSTRUMENTS</b>			<b>5,173,293</b>	<b>3,396,588</b>		
<b>JOINT BUSINESSES</b>						
Sociedad Concesionaria Operadora Aeroportuaria Internacional	45,885	15.00%	19,412,338	4,244,642	Sep/2006 Bogotá	The sole corporate purpose is to enter and execute the concession agreement for the management, operation, commercial exploitation, maintenance and modernization, and expansion of the El Dorado International Airport of Bogota, D.C.
Constructora Túnel de Oriente S.A.S.(1)	10,162,527,451	12.70%	10,162,528	2,629,362	Oct/2011 Medellín	To be a shareholder of Concesión Túnel de Aburrá Oriente S.A. and to develop the activities necessary to build the works
Concesión Túnel de Aburra Oriente	236,700	12.51%	23,837,347	5,925,654	Dec/1997 Medellín	Concession state-owned contract for the execution of designs, construction, operation and maintenance of the Aburrá-Oriente road connection
Concesión Vial Los Llanos S.A.S.	550,000	11.00%	878,636	0	Apr/2015 Villavicencio	Construction of roads and railroads
<b>ASSOCIATES</b>						
Concesión Aburrá Norte S.A. `Hatovial S.A.`	1,582,886	21.11%	36,806,353	18,405,634	Oct/1997 Copacabana	To enter and execute a Concession state-owned contract for the execution of a road project called "Desarrollo vial del Aburrá Norte" and its complementary road system
Vías de las Américas S.A.S.			0	8,823,768	Feb/2012- Montería	

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			At December 31	At December 31	Incorporation - Domicile	Corporate Purpose
	Number of shares	Share (%)	2015	2014		
<b>ASSOCIATES</b>						
Concesión La Pintada S.A.S.(2)	1,120,950	21.15%	8,833,538	29,675	Jun/2014 Medellín	The sole corporate purpose of the corporation is to execute a contract with the ANI to conduct studies, designs, financing, environmental, property and social management, construction, improvement, revamping, operation, maintenance and reversion of Concesión
Concesión Pacífico Tres S.A.S.	4,800	48.00%	0	63,978	Aug/2014 Bogotá	To execute the concession contract under the APP scheme, which comprises the studies, designs, financing, environmental, property and social management, construction, improvement, revamping, operation, maintenance and reversion of Concesión
Transmilenio Carrera 7 SC S.A.S.		30.00%	15,000	15,000		
Deterioro inversión Transmilenio Carrera 7 SC S.A.S.			(15,000)	(15,000)		
Concesionaria Trans NQS Sur	24,990	50.00%	79,688	81,732	Sep/2003 Bogotá	To conduct the design, construction and execution of civil works
Concesionaria Transmilenio del Sur	25,000	50.00%	438,754	449,045	Dec/2003 Bogotá	To conduct the design, construction and execution of civil works
<b>INVESTMENT OVERSEAS</b>						
Industrias Selma (3)	5,000	49.75%	9,677,175	6,264,053	Jul/2005 Islas Vírgenes Británicas	Its corporate purpose is detailed on the first page of its bylaws "(5. Capacity and powers)", which sets forth that its purpose is not restricted (indefinite) and hence, the Company has full power to carry out actions which are not prohibited to commercial companies incorporated under the BVI standards, in accordance with act of 2004 or any other BVI law
<b>TOTAL INVESTMENTS IN ASSOCIATES AND JOINT BUSINESSES</b>			<b>110,126,356</b>	<b>46,917,531</b>		
<b>SUB-TOTAL PERMANENT INVESTMENTS</b>			<b>115,299,649</b>	<b>50,314,131</b>		

(1) Constructora Túnel de Oriente S.A.S.: Investment made to participate in the construction of the tunnel. A total of \$2.629.361 has been paid and there is a subscribed capital payable of \$7.533.166.

(2) Concesión La Pintada S.A.S.: Investment made to participate in the construction of Proyecto Pacífico 2; of this, a total of \$42.300 has been paid, and there is a subscribed capital payable of \$1.078.650.

For the registration of the appraisal of investments using the equity method, Construcciones El Cóndor S.A. received from its subordinate the final and audited financial statements at December 31, 2015 and 2014.

(3) Industrias Selma: A related corporation domiciled overseas. To date, the Company made loan operations with Industrias Selma, obtaining earnings from interests of \$315.554. These interests do not differ from the usual market practices made among independent third parties.



The Company abides to the anticipated application of amending paragraph 10 of IAS 27, which was issued retrospectively on Auguste 2014 since the opening balance of January 1, 2014.  
The investment in Consorcio Minero del Cesar S.A.S. is the result of the transformation of Consorcio Minero del Cesar into a corporation, of which Construcciones el Cóndor S.A. holds 29.4%.

## NOTE 5. COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE

### a. Commercial accounts receivable and other current accounts receivable

DETAIL	At December 31		DETAIL- PARTIES RELATED	At December 31	
	2015	2014		2015	2014
Domestic customers	360,143,779	16,358,490	Domestic customers	6,515,394	5,977,457
Accounts receivable, consortiums	27,935,401	17,158,485	Prepayments and advances	25,392	0
Prepayments and advances	32,102,612	26,180,628	Miscellaneous accounts receivable	0	5,567,456
Claims	2,340,361	2,340,144	Withholding over contracts	(23)	31,994
Accounts receivable, workers	159,713	243,606	Accounts receivable, dividends	4	0
Miscellaneous accounts receivable	31,955,418	37,018,366			
Withholding over contracts	13,181,962	10,506,200			
Income receivable	121,968,576	152,077,182			
Deposits	840	1,035			
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE</b>	<b>589,788,662</b>	<b>261,884,132</b>	<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE</b>	<b>6,540,767</b>	<b>11,576,907</b>

### Domestic customers

	At December 31	
	2015	2014
Insumos Agrícolas Ltda.	0	40,344
Inversiones Océano S.A.S.	40,400	40,400
Metroplús S.A.	31,088	31,088
Agencia Nacional de Infraestructura	325,525,225	0
Constructora Kalamary S.A.S.	1,972,256	0
Clientes Agregados San Javier	3,009,826	3,505,987
Carbones de la Jagua S.A.	0	125,188
Consorcio Vial la Jagua	332,000	0
Fondo de Adaptación	415,744	0
Sociedad Operadora de Aeropuertos Centro Norte (1)	1,139,503	0
K.M.A. Construcciones	98,099	16,958
Estyma	130,056	21,833
Consorcio Constructor Américas (1)	10,649,396	7,090,628
SOHINCO Constructora S.A.S.	255,411	0
Instituto Nacional de Vías (2)	16,050,873	5,269,089
Patrimonio Autónomo	(396,494)	0
Less than 50 million	890,396	216,975
<b>TOTAL CURRENT DOMESTIC CUSTOMERS</b>	<b>360,143,779</b>	<b>16,358,490</b>

(1) These amounts correspond to works executed in the projects Américas Cóndor Urabá-Montería-San Marcos, Sociedad Operadora de Aeropuertos Centro Norte and Departamento del Cesar.

(2) The amount corresponds to works executed in the project Bajirá- Caucheras.

No restrictions or liens are observed; accounts receivable do not guarantee any type of obligation.

### Accounts receivable of consortiums

	At December 31	
	2015	2014
Accounts receivable, joint operations (*)	27,685,499	16,641,923
Accounts receivable, related companies in joint operations (*)	211,258	584,044
Commercial banking accounts, joint operations (*)	38,644	(67,482)
<b>TOTAL ACCOUNTS RECEIVABLE OF CONSORTIUMS</b>	<b>27,935,401</b>	<b>17,158,485</b>

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### Prepayments and advances

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Prepayments, joint operations (*)	28,702,058	23,390,659
Arqclass Ltda.	61,736	0
Industria Colombiana de Asfaltos	184,660	0
Paul Maschinenfabrik GMBH & CO.	89,061	0
Organización Terpel	0	196,563
Servicios y Aceros Seracer S.A.S.	0	550,973
Concremetal Ingeniería	31,181	0
Construcciones Civiles Hermanos	100,000	100,000
Diseños Agregados y Construcciones	314,388	306,752
G & R. Ingeniería y Desarrollo	67,920	0
Eléctricas de Montería Integral	0	55,203
Geotaludes S.A.S.	0	52,808
Perforaciones y Construcciones	0	161,274
I.P. Ingeniería de Puentes	89,080	0
Perforaciones y Construcciones	53,397	0
Pixel Arquitectura E.U.	88,577	0
Planes y Manejos Ambientales S.A.	100,383	186,942
Stup de Colombia S.A.S.	0	62,346
Sistemas Especiales de Construcción	52,870	0
Agencia de Aduanas Aduanimex	83,938	0
Alvarez Arrieta & Díaz Silveira	49,150	49,150
Henao Urrego Carlos Mario	615,644	361,178
Logitrámites S.A.S.	240,000	158,000
Monroy Torres Marcela del Niño J.	91,832	112,947
Palacio Urrego Juan Ramón	58,000	58,000
Reyes Adriana	89,191	35,132
Less than 50 million	939,545	342,701
<b>TOTAL PREPAYMENTS AND ADVANCES</b>	<b>32,102,612</b>	<b>26,180,628</b>

(1) Increase of short-term prepayments and advances is primarily due to effects of incorporating the financial statements of Consortiums, which increased \$5.311.399. These prepayments to contractors are deemed financial instruments given that if the contract is breached, the money is reimbursed by the contract in accordance with the compliance policies entered with contractors.

### Claims

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Claims (1)	2,340,361	2,340,144
	<b>2,340,361</b>	<b>2,340,144</b>

(1) Award of Construcciones El Cóndor vs. Metroplús case, regarding interests, overruns and costs; of total claims, \$267.128 correspond to payment of inconsistencies control.

### Accounts receivable, workers

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Miscellaneous	152,959	237,570
Miscellaneous, joint operations (*)	6,755	6,036
	<b>159,713</b>	<b>243,606</b>

## Miscellaneous accounts receivable

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Miscellaneous accounts receivable, joint operations (*)	738,101	1,311,551
Consortio Constructor Nuevo Dorado (1)	6,363,734	13,093,537
Consortio Hidroeléctrica de Tuluá (1)	208,929	258,475
Consortio Constructor Pacífico Tres S.A.S.(1)	141,078	0
Consortio Vial del Sur (1)	3,261,643	3,376,584
Gutierrez Marin Sor Maribel	99,800	0
Unión Temporal Sumicon (1)	0	(17,394)
Consortio Constructor Aburra Norte (1)	11,265,604	6,566,868
Consortio Constructor Américas (1)	576,567	311,812
Consortio APP Llanos (1)	261,203	0
Agregados del Norte de Colombia	246,186	8,347,705
Leasing Bancolombia S.A.	804,984	0
Agencia Nacional de Infraestructura	100,793	0
Consortio Avenida Colón (1)	7,350,710	2,212,184
Consortio Mantenimiento OPAIN (1)	325,190	654,556
Consortio OMC (1)	100,918	100,918
Unión Temporal Parmicon	0	(36,946)
Unión Temporal Parcheo Puntual MC	0	703,195
Unión Temporal Parcheo MC	0	(34,934)
Consortio Autosur (1)	56,358	65,098
Muriel María Elena	0	61,746
Less than 50 million	53,620	43,411
	<b>31,955,418</b>	<b>37,018,366</b>

(1) Corresponds to consortium certificates and to services provided by Construcciones El Cóndor, as a consortium party in each of these contracts.

## Withholding over contracts

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Joint operations (*)	3,611,222	7,710,371
Metroplús	1,408	1,408
Cálculo y Construcciones S.A.	2,699	0
Consortio Ferrocil Loma Hermosa	124,550	0
Consortio Nuestro Urabá	35,561	0
Agencia Nacional de Infraestructura	7,702,468	0
Consortio Constructor Américas	391,281	2,794,421
Sociedad Operadora de Aeropuertos Centro Norte	1,312,774	0
	<b>13,181,962</b>	<b>10,506,200</b>

These withholdings correspond to discounts made by the Company over partial payments to guarantee payment of salaries, work stability, warranties and other obligations arising from the contractual relation.

## Revenues receivable

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Internal minutes (1)	115,738,527	140,061,253
Internal minutes, joint operations (*)	5,910,718	11,867,606
Others	319,330	148,323
	<b>121,968,576</b>	<b>152,077,182</b>

(1) Internal minutes correspond to works executed but pending invoicing at the end of the period. This balance is primarily represented in the works of Vías de las Américas for the sum of \$112.180.943, which are in full execution of their construction stage.

## Consolidated Financial Statements

### Deposits

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Deposits, joint operations (*)	840	1,035
	840	1,035
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE</b>	<b>589,058,976</b>	<b>261,884,135</b>

### Related parties

#### Customers, related parties

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Consortio Minero del Cesar S.A.S. (1)	0	5,910,303
Vías de las Américas S.A.S.	0	67,154
Patrimonios Autónomos Fiduciaria	6,515,394	0
<b>TOTAL CUSTOMERS, RELATED PARTIES</b>	<b>6,515,394</b>	<b>5,977,457</b>

(1) The amount corresponds to transportation services and to the back office contract.

#### Prepayments and advances, related parties

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Vías de las Américas S.A.S.	25,392	0
<b>TOTAL PREPAYMENTS AND ADVANCES, RELATED PARTIES</b>	<b>25,392</b>	<b>0</b>

#### Accounts receivable, related parties

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Consortio Minero del Cesar S.A.S. (1)	0	5,490,224
Concesión La Pintada S.A.S.	0	31,930
Concesión Vías de las Américas S.A.S.	0	45,302
<b>TOTAL ACCOUNTS RECEIVABLE, RELATED PARTIES</b>	<b>0</b>	<b>5,567,456</b>

(1) Consortio Minero del Cesar S.A.S.: The amount corresponds to the sale of machinery.

#### Withholding over contracts, related parties

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Vías de las Américas S.A.S.	0	31,994
<b>TOTAL WITHHOLDING OVER CONTRACTS, RELATED PARTIES</b>	<b>(23)</b>	<b>31,994</b>

#### Dividends receivable

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Concesión Aburra Norte Hatovial	4	0
<b>TOTAL DIVIDENDS RECEIVABLE</b>	<b>4</b>	<b>0</b>
<b>TOTAL ACCOUNTS RECEIVABLE FROM RELATED PARTIES</b>	<b>6,894,444</b>	<b>11,576,907</b>

## Assets for current taxes

	At December 31		At December 31	
	2015	2014	2015	2014
Balance in favor of ICA	164,819		6,409	6,409
Balance in favor of ICA San José de la Fragua	23,893		23,893	23,893
Balance in favor of ICA Municipality of Planeta Rica	27,313		0	0
Balance in favor of ICA Medellín	0		359,738	359,738
2015 Income tax prepayment	7,435,455		4,338,709	4,338,709
Discountable taxes	190,177		0	0
Excess from private liquidation	1,923,665		455,271	455,271
CREE surcharge prepayment	273,794		0	0
Sales tax withhold	2,274		0	0
ICA Withheld	428,919		52,337	52,337
ICA Prepaid	575,205		47,801	47,801
Withholding at source	23,711,151		10,318,996	10,318,996
Withholdings and claims, joint operations (*)	1,611,784		586,394	586,394
<b>TOTAL ASSETS FOR CURRENT TAXES</b>	<b>36,368,447</b>		<b>16,189,548</b>	<b>16,189,548</b>

## b. Commercial accounts receivable and other accounts receivable

DETAIL	At December 31		At December 31		DETAIL - RELATED PARTIES	At December 31		At December 31	
	2015	2014	2015	2014		2015	2014	2015	2014
Domestic customers	2,635,967	1,901,900	8,498,142	2,555,200	Domestic customers	8,498,142	2,555,200		
Accounts receivable impaired	(4,192,638)	(2,971,980)	(2,555,200)	(2,555,200)	Accounts receivable impaired	(2,555,200)	(2,555,200)		
Prepayments and advances	323,785	323,785	14,110,257	10,420,478	Companies related overseas	14,110,257	10,420,478		
Miscellaneous accounts receivable	1,480,301	1,480,298	171,196,447	69,531,167	Accounts receivable	171,196,447	69,531,167		
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE</b>	<b>247,415</b>	<b>733,994</b>	<b>279,146,125</b>	<b>203,384,869</b>	Deposits	87,896,479	123,433,224		
			<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE</b>						

## Clients

	At December 31		At December 31	
	2015	2014	2015	2014
Departamento de Antioquia	665,930		665,930	665,930
Castro Tcherassi S.A.	0		89,585	89,585
Cientes Agregados San Javier	1,736,951		913,290	913,290
Estyma S.A.	225,412		225,421	225,421
Less than 20 million	7,674		7,674	7,674
<b>TOTAL NON-CURRENT CLIENTS</b>	<b>2,635,967</b>		<b>1,901,900</b>	<b>1,901,900</b>
<b>IMPAIRMENT OF ACCOUNTS RECEIVABLE</b>	<b>(4,192,638)</b>		<b>(2,971,980)</b>	<b>(2,971,980)</b>

Impairment corresponds to balance of doubtful collections arising from the development of its corporate purpose, both contractual and through contracts to execute works, such as the exploitation and sale of materials.

## Prepaid taxes and contributions

	At December 31		At December 31	
	2015	2014	2015	2014
Others	23,750		23,750	23,750
<b>TOTAL PREPAID TAXES AND CONTRIBUTIONS</b>	<b>23,750</b>		<b>23,750</b>	<b>23,750</b>

## Prepayments and advances

	At December 31		At December 31	
	2015	2014	2015	2014
Durango Patiño Adriana María	91,206		91,206	91,206
Avales Ingeniería Inmobiliaria	208,829		208,829	208,829
<b>TOTAL PREPAYMENTS AND ADVANCES</b>	<b>300,035</b>		<b>300,035</b>	<b>300,035</b>

## Consolidated Financial Statements

### Miscellaneous accounts receivable

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Consorcio Amaime	1,070,090	1,070,090
Lugon Ingeniería	56,276	56,186
Masering	254,103	254,181
S.P. Ingenieros	99,831	99,831
	<b>1,480,301</b>	<b>1,480,289</b>
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE</b>	<b>247,414</b>	<b>733,994</b>

### Related parties Customers, related parties

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Consorcio Minero del Cesar S.A.S.	8,475,929	2,532,987
Concesión Aburrá Norte Hatovial	22,213	22,213
<b>TOTAL CUSTOMERS, RELATED PARTIES ACCOUNTS RECEIVABLE IMPAIRED</b>	<b>8,498,142</b> <b>(2,555,200)</b>	<b>2,555,200</b> <b>(2,555,200)</b>

### Commercial accounts receivable related parties – Industrias Selma (1)

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Loans	11,193,431	8,502,966
Interests	2,916,826	1,917,512
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLES RELATED PARTIES</b>	<b>14,110,257</b>	<b>10,420,478</b>

(1) Industrias Selma is a corporation overseas that presents balances of loans which are re-expressed in Colombian pesos at the official exchange rate (TRM) and are detailed below. In addition, there are loans that add up to US \$10,150.

Transaction, Operation, Contract or Business	Loan in foreign currency	Loan in foreign currency	Loan in foreign currency
Amount of the operation	USD \$2,674,210.09	USD \$200,000	USD \$125,366
Date of the operation	August 14, 2014	January 12, 2011	April 29, 2013
Balance of the operation	USD \$2,674,210.09	USD \$200,000	USD \$125,366
Conditions of the operation	LIBOR +2	LIBOR +2	LIBOR +2
Date of payment	August 14, 2019	January 12, 2016	April 29, 2018
Identification of account receivable	Industrias Selma COR	Industrias Selma COR	Industrias Selma COR
Identification of creditor	Construcciones El Cóndor S.A.	Construcciones El Cóndor S.A.	Construcciones El Cóndor S.A.
Obligations of parties: collateral granted or received	Promissory note	Promissory note	Promissory note

Transaction, Operation, Contract or Business	Loan in foreign currency	Loan in foreign currency	Loan in foreign currency
Amount of the operation	USD \$45,942	USD \$102,431	USD \$364,123.21
Date of the operation	May 14, 2013	December 17, 2013	March 12, 2014
Balance of the operation	USD \$45,942	USD \$102,431	USD \$364,123.21
Conditions of the operation	LIBOR +2	LIBOR +2	LIBOR +2
Date of payment	May 14, 2018	December 17, 2018	March 12, 2019
Identification of account receivable	Industrias Selma COR	Industrias Selma COR	Industrias Selma COR
Identification of creditor	Construcciones El Cóndor S.A.	Construcciones El Cóndor S.A.	Construcciones El Cóndor S.A.
Obligations of parties: collateral granted or received	Promissory note	Promissory note	Promissory note

Transaction, Operation, Contract or Business	Loan in foreign currency	Loan in foreign currency
Amount of the operation	USD \$40,495.89	USD \$1,085
Date of the operation	November 12, 2014	October 8, 2014
Balance of the operation	USD \$40,495.89	USD \$1,085
Conditions of the operation	LIBOR +2	LIBOR +2
Date of payment	November 12, 2019	October 8, 2019
Identification of account receivable	Industrias Selma COR	Industrias Selma COR
Identification of creditor	Construcciones El Cóndor S.A.	Construcciones El Cóndor S.A.
Obligations of parties: collateral granted or received	Promissory note	Promissory note

## Accounts receivable, related parties

	At December 31	At December 31
	2015	2014
OPAIN S.A. (1)	0	14,354,760
Concesión pacífico Tres (1)	142,513,845	33,688,766
Consorcio Minero del Cesar S.A.S. (2)	28,682,602	21,487,640
<b>TOTAL ACCOUNTS RECEIVABLE, RELATED PARTIES</b>	<b>171,196,447</b>	<b>69,531,167</b>

(1) Amounts transferred to the item of contributions to future capitalizations; the same will be recognised interests since it corresponds to debts with corporations of which Construcciones El Cóndor S.A. is a shareholder.

(2) The balance corresponds to loans, of which \$15,510,710 were given in the year 2013.

## Deposits

	At December 31	At December 31
	2015	2014
OPAIN S.A.	75,256,827	75,902,067
Vías de las Américas S.A.S.	0	36,772,513
Concesión Vial Los Llanos S.A.	12,219,287	0
Concesión La Pintada S.A.S.	0	1,702,575
Concesión Aburrá Norte Hatovial	0	8,636,004
Trans NQS Sur	420,365	420,065
<b>TOTAL DEPOSITS</b>	<b>87,896,479</b>	<b>123,433,224</b>

The Company does not recognise implicit financing for miscellaneous accounts receivable and deposits given that the uncertainty levels pertaining to the time in which these accounts receivable will be paid. This explains why not terms or interests for these accounts are established.

Deposits correspond to payments made to corporation for a future capitalization, and correspond to equity contributions derived from the cash flow needed by the projects.

	At December 31	At December 31
	2015	2014
<b>TOTAL ACCOUNTS RECEIVABLE, RELATED PARTIES</b>	<b>279,146,125</b>	<b>203,384,869</b>
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE</b>	<b>911,715,407</b>	<b>493,769,453</b>

## NOTE 6. INVENTORIES

	At December 31	At December 31
	2015	2014
Contracts underway	113,795,626	20,959,395
Contracts underway, joint operations (*)	515,826	22,976
Lands	65,000	0
Materials, spare parts and accesories	10,090,971	10,097,417
Inventories of joint operations, net (*)	775,358	435,631
Impairment for adjustment to net realization value (1)	(520,946)	(595,854)
Prepayments	29,144,629	0
Purchase and sale agreement	39,749,229	0
<b>TOTAL INVENTORIES</b>	<b>193,615,694</b>	<b>30,919,565</b>

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((1) Adjustments per net realization value of inventories and for poor condition of several of these inventories. To date, the Company has no inventories pledged to guarantee compliance of debts.

### NOTE 7. PREPAID EXPENSES

#### Short-term prepaid expenses

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Insurance, bonds and deferred charges (1)	2,593,667	3,122,076
Prepaid expenses, joint operations (*)	685,941	3,451,490
Other charges, joint operations (*)	0	1,149,377
Licenses, joint operations (*)	11,096	0
Autonomous equity	2,274,000	0
<b>TOTAL SHORT-TERM PREPAID EXPENSES</b>	<b>5,564,704</b>	<b>7,722,943</b>

#### Long-term prepaid expenses

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Deferred charges (1)	239,551	5,150,475
Prepaid expenses	596,756	1,372,866
Autonomous equity	5,475	0
<b>TOTAL LONG-TERM PREPAID EXPENSES</b>	<b>841,782</b>	<b>6,523,341</b>

#### Intangible assets other than goodwill

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Intangibles	5,139,403	5,229,877
Prepaid expenses	0	0
Autonomous equity	62,658,745	0
<b>TOTAL INTANGIBLE ASSETS OTHER THAN GOODWILL</b>	<b>67,798,148</b>	<b>5,229,877</b>
<b>TOTAL PREPAID EXPENSES AND DEFERRED CHARGES</b>	<b>74,204,634</b>	<b>19,476,161</b>

(1) The balance primarily corresponds to the fact that Construcciones El Cóndor S.A. signed a memorandum of understanding with con Mario Huertas Cote y Constructora Meco S.A. sucursal Colombia, awardee of the project Conexión Vial Pacífico 3, to acquire 48% of the project. The amount of the contract is \$1.8 billion pesos; in December, the transaction was formalized after receiving the authorization from ANI and subscribing 4,800 shares equivalent to 48% of SPC Concesión Pacífico Tres S.A.S. The acquisition amount shall be amortized in 5 years, time in which it will have a revenue related for the project's development.

#### Assets for deferred taxes

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Deferred taxes for provisions	594,325	30,175,574
Deferred taxes for financial obligations	39,631,608	0
Other deferred taxes	163,326	0
Deferred tax for estimated liabilities and provisions	216,550	0
Deferred tax for accounts receivable from Trust	253,009	0
Others	11,075	0
<b>TOTAL ASSETS FOR DEFERRED TAXES</b>	<b>40,869,895</b>	<b>30,175,574</b>
<b>TOTAL DEFERRED</b>	<b>115,074,528</b>	<b>49,651,735</b>

The deferred tax was found using the liability method and the tax rate to which the differences are expected to revert (39%) and at the occasional earnings tax rate of 10%.



## NOTE 8. NON-CURRENT ASSETS KEPT FOR SALE

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Lands (1)	599,059	137,995
Constructions and buildings (1)	407,929	0
Machinery and equipment	2,025,863	2,551,217
Automobiles, vans and trucks	45,895	0
Other transportation equipment	46,245	154,230
<b>TOTAL NON-CURRENT ASSETS KEPT FOR SALE</b>	<b>3,124,992</b>	<b>2,843,443</b>

(1) Corresponds to Paillitas land located in village La Floresta, which shall be given in donation; land Norteamérica located in the municipality of Bello; machinery and transportation equipment not used or non-productive.

## NOTE 9. PROPERTIES, PLANT AND EQUIPMENT

	Lands	Constructions and buildings	Machinery and equipment	Furniture and furnishings	Computers	Transportation equipment	Total
Acquisitions	0	0	31,324,192,495	498,365,463	242,739,4490	13,154,275,133	45,219,572,540
Additions	0	936,649,905	61,019,469	66,784,196	0	31,350,000	1,095,803,570
Prepayments	0	0	0	29,176,054	0	0	29,176,054
Revaluation	1,006,669,802	44,702,897	0	0	0	0	1,051,372,699
Transfers, option to buy	0	0	0	0	0	0	0
Transfer to kept for sale	0	430,079,167	(2,497,177,769)	0	0	(64,816,933)	(2,131,915,535)
Withdrawals	0	0	(571,923,767)	0	0	(55,200,000)	(627,123,767)
Impairment	0	0	1,889,073,152	0	0	0	1,899,073,152
Depreciation	0	(153,545,668)	(11,179,331,786)	(90,319,351)	(97,210,416)	(6,596,590,716)	(18,116,997,936)
Depreciation, transfer, withdrawal & others	0	57,799,002	1,618,897,305	0	0	186,115,957	1,862,812,263
Sale	0	(488,893,750)	(2,160,866,647)	0	0	(481,676,988)	(3,131,437,385)

	<b>2015</b>		
	Cost	Depreciation	Net cost
Lands	7,978,360	0	7,978,360
Quarries	69,010,350	0	69,010,350
Prepaid constructions and buildings	0	0	0
Goods leased	163,020,028	(17,308,409)	145,711,619
Constructions and buildings	5,259,109	(110,237)	5,148,872
Machinery and equipment	40,457,392	(8,913,201)	31,544,191
Office equipment	1,071,091	(176,446)	894,645
Computers and communications equipment	561,832	(255,999)	305,834
Cars, vans and trucks	0	0	0
Transportation equipment	26,103,300	(6,278,343)	19,824,957
Communications channels	0	0	0
Inflation adjustment depreciation	0	0	0
Properties, plant and equipment in transit	9,220,913	0	9,220,913
Properties, plant and equipment, joint operations (*)	3,356,001	(892,256)	2,463,744
Autonomous equity	0	0	532,393
	<b>326,038,376</b>	<b>(33,934,891)</b>	<b>292,635,877</b>

	<b>2014</b>		
	Cost	Depreciation	Net cost
Lands	6,971,690	0	6,971,690
Quarries	71,021,049	0	71,021,049
Goods leased	140,920,666	(9,423,167)	131,497,499
Constructions and buildings	5,196,729	(92,615)	5,104,114
Machinery and equipment	36,312,662	(4,336,072)	31,976,590
Office equipment	476,766	(86,127)	390,639
Computers and communications equipment	203,219	(126,701)	76,518
Transportation equipment	11,823,567	(1,851,253)	9,972,314
Properties, plant and equipment in transit	746,084	0	746,084
Depreciations, joint operations (*)	1,953,802	(629,710)	1,324,092
<b>TOTAL PROPERTIES, PLANT AND EQUIPMENT</b>	<b>275,626,235</b>	<b>(16,545,646)</b>	<b>259,080,589</b>

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The Company has established the following policy for the life of its assets, which was determined by homogenous groups.

Fixed Asset	Life (years)
Constructions and buildings	40 a 100
Machinery and equipment	5 a 20
Office equipment	10
Computers	3
Fleet and transportation equipment	8 a 15
Mines and quarries	60

As an internal policy, the Company adopts a par value of zero for buildings, computers and office equipment. For the fleet and transportation equipment, the par value is 10% of the initial cost of the asset.

The Corporation has formalized insurance policies to cover possible risks subject to diverse items of property and equipment.

The Company solely has title restriction over its assets acquired through financial leaseings.

### NOTE 10. INVESTMENT PROPERTIES

	At December 31	At December 31
	2015	2014
Real estate investment properties	828,966	1,396,393
<b>TOTAL INVESTMENT PROPERTIES</b>	<b>828,966</b>	<b>1,396,393</b>

Several assets of the Company: Two farms in the municipality of Copey which meet the IAS 40 criteria to be recognised as investment properties.

The assets of Construcciones El Cóndor S.A. registered as Properties, plant and equipment do not guarantee any type of obligation.

### NOTE 11. FINANCIAL OBLIGATIONS

Short-term financial obligations

	Maturity	Rate	2015	2014
Banco BBVA	10/07/15	DTF+1.6%	0	3,350,000
Banco BBVA (1)	22/10/16	DTF+2.05 EA%	8,053,131	8,053,131
Banco BBVA (2)	08/10/16	DTF+1.95%	8,000,000	8,000,000
Banco BBVA	18/05/16	DTF+1.95% EA	1,000,000	1,000,000
Banco BBVA (2)	03/06/16	DTF+1.85% EA	11,000,000	11,000,000
Banco de Bogotá (2)	28/04/16	DTF+1.91% EA	11,100,000	0
Banco BBVA (2)	04/09/16	DTF+1.85% EA	12,000,000	12,000,000
Banco BBVA (3)	13/11/16	DTF+2.25% EA	15,157,282	15,157,282
Bancolombia (4)	05/09/16	DTF+1.85% EA	0	60,314,649
Banco BBVA	25/08/15	DTF+1.7% TA	4,000,000	4,000,000
Bancolombia(5)	14/05/16	DTF+3.3% EA	21,831,150	0
Bancolombia(5)	28/05/16	DTF+3.3% EA	7,619,440	0
Bancolombia (5)	09/07/16	DTF+1.6%	41,519,182	0
Banco BBVA (6)	12/02/16	DTF+1.7 EA	2,235,000	2,235,000
Banco de Occidente (7)	10/09/16	DTF+2.75 N.A.	13,597,669	0
Bancolombia(8)	12/02/16	DTF+1.2% EA	7,827,899	0
Banco BBVA	19/05/16	DTF+3.3% EA	1,267,059	1,267,059
Banco de Bogota(8)	27/02/16	DTF+1.8% EA	12,350,000	0
Banco de Bogota(9)	09/06/16	DTF+1.8% EA	18,600,000	0
Banco BBVA	21/05/16	DTF+3.3% EA	1,671,698	0
Bancolombia(5)	02/06/16	DTF+3.3% EA	4,095,245	0
Banco BBVA	06/05/16	DTF+2.65% EA	6,000,000	0
Banco de Bogotá	13/10/16	DTF+2.7% EA	3,350,000	0
Banco de Bogotá	17/11/16	DTF+3.45% TA	5,600,000	5,600,000
Banco de Bogotá	13/11/16	DTF+3% TA	8,000,000	0
Banco Santander(10)	03/11/16	DTF+3% TA	10,000,000	0
Bancolombia(11)	26/11/16	DTF+3.90%	31,084,337	0
Banco de Bogotá	24/08/15	DTF+1.8%TA	0	3,499,218
Banco BBVA	14/12/16	DTF+2.2% TA	5,500,000	0
Banco Bogotá	07/04/15	DTF+1.98%	0	13,600,000
Bancolombia			6,786	0
			<b>272,465,878</b>	<b>149,076,338</b>

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Obligations, joint operations (*)	0	3,080,000
	0	3,080,000
<b>TOTAL SHORT-TERM FINANCIAL OBLIGATIONS</b>	<b>272,465,878</b>	<b>152,156,338</b>

New loans were made for: (1) paying taxes; (2) capital for projects; (3) payment of loan in USD; (4) capital contribution to Pacifico Tres S.A.S.; (5) equity contribution to Concesión Vías de las Américas S.A.S. (Items 1-2-3-4 were renewed in 2015); (6) loans for the cancellation of leasing contracts in USD with Banco de Bogotá; (7) paying credit of Banco de Bogotá; (8) availability of resources and transfers to works; (9) contribution to Concesión Ruta al Mar S.A.S.; (10) contribution to Concesión la Pintada S.A.S.; and (11) contribution to Concesión Pacífico Tres S.A.S.

Loans with Concesión Red Vial del César in 2014 correspond to:

Transaction, operation, contract or business	Loan
Amount of the operation	\$2,469,242
Date of the operation	May 31, 2014
Conditions of the operation	DTF-TA+1 cobrado MV
Date of payment	April 30, 2015
Obligations of the parties: collateral granted or received	Promissory note

(1) The following lists the operations held in 2013 and the cancellation of the obligations held:

Transaction, operation, contract or business	The grantor transfers to the assignee the rights and obligations established in concession contract No. 0254-20 and registered at the National Mining Registry on August 17, 2006, code HGME-03 for the technical exploration and economic exploitation of a gravel and river sand deposit at La Floresta stream in the municipality of Pailitas, Pelayas and Tamalameque, Cesar, in an area of 5,962.5 m2.
Amount of the operation	\$555.000 in consideration of the transfer object of this contract.
Date of the operation	May 7, 2013
Balance of the operation	\$555.000 in consideration of the transfer object of this contract.
Assignee	Concesión Red Vial del Cesar
Grantor	Construcciones El Cóndor S.A.
Obligations of the parties (collateral granted or received)	N/A

Transaction, operation, contract or business	The grantor transfers to the assignee the rights and obligations established in concession contract No. IHT-16461 entered on April 22, 2008 and registered at the National Mining Registry on July 10, 2008, for the exploration and exploitation of river, seed-cover and other concessible materials, in the municipality of Copey, Cesar (Caracolicito stream in an area of 335 Ha and 8,512.5 m2).
Amount of the operation	\$74.000 in consideration of the transfer object of this contract.
Date of the operation	May 7, 2013
Balance of the operation	\$74.000 in consideration of the transfer object of this contract.
Assignee	Concesión Red Vial del Cesar
Grantor	Construcciones El Cóndor S.A.
Obligations of the parties (collateral granted or received)	N/A

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Transaction, operation, contract or business	The grantor transfers to the assignee the rights and obligations established in concession contract No. 0262-20 entered on December 21, 2005 and registered on its behalf at the National Mining Registry on May 16, 2006, code HGCG-04 for the exploration and exploitation of a deposit of limestone for construction, graves and river sands on the bridge over Maracas River, on the Becerril La Jagua road in the municipality of Becerril, Cesar in an area of 122 Ha and 3,460.5m2.
Amount of the operation	\$2,590,000 in consideration of the transfer object of this contract.
Date of the operation	May 7, 2013
Balance of the operation	\$2,590,000 in consideration of the transfer object of this contract.
Assignee	Concesión Red Vial del Cesar
Grantor	Construcciones El Cóndor S.A.
Obligations of the parties (collateral granted or received)	N/A

Transaction, operation, contract or business	The grantor transfers to the assignee the rights and obligations established in concession contract No. 0260-20 entered on December 21, 2005 and registered on its behalf at the National Mining Registry on June 13, 2006, code HGCG-02 for the exploration and economic exploitation of a deposit of gravel and river sand and others, as well as those found associated or intimately links, or which result as byproducts of the exploitation, in the jurisdiction of the municipalities of La Paz San Diego, in the department of Cesar in an area of 70 Ha and 2,875m2.
Amount of the operation	\$1,850,000 in consideration of the transfer object of this contract.
Date of the operation	May 7, 2013
Balance of the operation	\$1,850,000 in consideration of the transfer object of this contract.
Assignee	Concesión Red Vial del Cesar
Grantor	Construcciones El Cóndor S.A.
Obligations of the parties (collateral granted or received)	N/A

Transaction, operation, contract or business	The grantor transfers to the assignee the rights and obligations established in concession contract No. LES-11081 entered June 9, 2011 and registered on its behalf in the National Mining Registry on September 22, 2011, for the exploration and exploitation of a deposit of construction materials, sands, gravel, seed-cover as well as those found associated or intimately related, or which result as byproducts of the exploitation, in the jurisdiction of the municipality of San Diego in the department of Cesar, in an area of 38 Ha and 8,719m2.
Amount of the operation	\$370,000 in consideration of the transfer object of this contract.
Date of the operation	May 7, 2013
Balance of the operation	\$370,000 in consideration of the transfer object of this contract.
Assignee	Concesión Red Vial del Cesar
Grantor	Construcciones El Cóndor S.A.
Obligations of the parties (collateral granted or received)	N/A

The parties entered an Agreement of Association and Operation with the purpose of exploring and exploiting the areas under concession in the concession agreement for the exploration and exploitation of materials No. 0260-20.

Transaction, operation, contract or business	An Agreement of Association in which the parties develop and exploit commercial operations related to the operation, administration, exploitation, maintenance and usufruct of a deposit of limestone for construction, gravels and river sands located in the jurisdiction of the municipality of Becerril, department of Cesar, object of the concession agreement for the exploitation of materials No. 0260-20.
Amount of the operation	Construcciones El Cóndor S.A. shall recognise the concession holder, in terms of net profit derived from the rights conferred in the agreement of association, the sum of \$1,800 per cubic meter, measured with topographic sections.
Date of the operation	October 1, 2013
Balance of the operation	N/A
Assignee	Concesión Red Vial del Cesar
Grantor	Construcciones El Cóndor S.A.
Obligations of the parties (collateral granted or received)	N/A

## Commercial financing companies

	At December 31	
	2015	2014
Leasing de Occidente	1,785	2,206,255
Leasing Bancolombia Compañía de Financiamiento	18,984,412	11,602,110
Bancolombia Panamá	3,079	0
<b>TOTAL SHORT-TERM COMMERCIAL FINANCING COMPANIES</b>	<b>18,989,276</b>	<b>13,808,365</b>
<b>TOTAL FINANCIAL OBLIGATIONS AND SHORT-TERM FINANCING COMPANIES</b>	<b>291,455,154</b>	<b>165,964,703</b>

## Long-term financial obligations

	Maturity	Rate	2015	2014
Banco BBVA (1)	07-09-2017	DTF+1.95 EA	2,235,000	4,470,000
Banco BBVA (2)	02-12-2017	DTF+2.3% EA	28,000,000	0
Banco Corbanca (3)	02-12-2017	DTF+2.3%	33,000,000	0
Bancolombia (2)	28/05/2016	DTF+3.3%	0	21,831,150
Bancolombia (4)	19/05/16	DTF+3.3%	0	7,827,899
Bancolombia (4)	21/05/2016	DTF+3.3%	0	7,619,440
Bancolombia			241,031,076	0
<b>TOTAL LONG-TERM FINANCIAL OBLIGATIONS</b>			<b>304,266,076</b>	<b>41,748,490</b>

- (1) Loans to pay leasing contracts in USD with Banco de Bogotá.  
(2) Loans for working capital.  
(3) Credit for equity realised for Construcciones El Cóndor for Conexión Pacífico Tres.  
(4) Credit for equity realised for Construcciones El Cóndor for Concesión Vías de las Américas S.A.S.

## Commercial financing companies

	At December 31	
	2015	2014
Caterpillar Crédito S.A.	9	0
Leasing Bancolombia Compañía de Financiamiento Comercial	109,084,436	78,419,860
Bancolombia Panamá	6,237,00000	7,147
<b>TOTAL LONG-TERM COMMERCIAL FINANCING COMPANIES (1)</b>	<b>109,090,682</b>	<b>78,427,007</b>
<b>TOTAL FINANCIAL OBLIGATIONS AND LONG-TERM COMMERCIAL FINANCING COMPANIES</b>	<b>413,356,758</b>	<b>120,175,497</b>
<b>TOTAL FINANCIAL OBLIGATIONS</b>	<b>704,811,912</b>	<b>286,140,200</b>

At September 30, 2015 and December 31, 2014 the Company had no financial obligations in arrears. Financial leasing contracts in foreign currency with Bancolombia Panamá and Caterpillar Crédito S.A. were reexpressed in Colombian pesos at the market's official exchange rate (TRM).

## NOTE 12. COMMERCIAL ACCOUNTS PAYABLE AND OTHER ACCOUNTS PAYABLE

	At December 31	
	2015	2014
Domestic	5,403,502	3,321,512
From overseas	108,786	9,786
Suppliers, joint operations (*)	1,183,466	586,520
Installments payable	7,533,167	0
Costs and expenses payable	10,942,365	3,720,900
Official creditors - taxes	840,178	611,047
Other accounts payable	263,465	0
Accounts payable to related companies	73	0
Contractors	14,404,974	0
Others (1)	1,253,745	19,714
Dividends shareholders	104,547	107,919
Payroll withholdings and contributions	1,313,816	897,361
Accounts payable, joint operations (*)	72,120,221	57,930,281
Autonomous equity	6,626,455	0
<b>TOTAL COMMERCIAL ACCOUNTS PAYABLE AND OTHER ACCOUNTS PAYABLE</b>	<b>122,098,759</b>	<b>67,205,040</b>

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(1) This amount includes accounts payable to: pension funds, fringe benefits and consortiums, and dividends for usufruct contracts.

The maturity of accounts payable to suppliers is 45 days.

### NOTE 13. ACCOUNTS PAYABLE TO RELATED PARTIES

Long-term

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Consortio Minero del Cesar S.A.S.	5,425,297	5,425,297
Patrimonio Autónomo	687,228	0
<b>TOTAL ACCOUNTS PAYABLE TO RELATED PARTIES</b>	<b>6,112,525</b>	<b>5,425,297</b>
<b>TOTAL ACCOUNTS PAYABLE</b>	<b>128,211,284</b>	<b>72,630,337</b>

The Company does not recognise implicit financing given the uncertainty levels held related to the time this account payable shall be paid. Consequently, no terms or interests for this account are established.

### NOTE 14. CURRENT TAX

Short - term

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Tax on wealth and income tax	311,523	279,055
Income tax	421,727	0
Industry and trade tax, and others	1,650,187	141
Industry and Trade, joint operations (*)	0	28
Tax on added-value	4,053,433	377,751
Withholding at source	158,319	0
Tax on added value, joint operations (*)	533,625	116,137
Autonomous equity	65,349	0
<b>TOTAL CURRENT TAX</b>	<b>7,194,163</b>	<b>773,112</b>
<b>TOTAL</b>	<b>7,194,163</b>	<b>773,112</b>

The tax on wealth was entirely caused, taking over the equity reserve known as taxed working capital.

### NOTE 15. OTHER LIABILITIES

Short-term

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Costs and expenses (1)	132,564,832	1,742,839
Costs and expenses, joint operations (*)	3,533,198	5,600,925
Industry and trade	1,637,895	987,517
Tax on wealth	39,607	0
Income tax and tax for equity CREE	23,143,563	22,503,858
Contingencies	543,000	745,000
For labor obligations	16,160	-12
Desmanteling mines and quarries (2)	69,212	69,212
Laboral - retirement pension, actuary calculation	151,660	158,904
Other provisions, joint operations (*)	471,193	410,951
Autonomous equity	3,900,453	0
<b>TOTAL</b>	<b>166,070,772</b>	<b>32,219,194</b>

(1) Costs and expenses are calculated based on the execution of the work made by subcontractors which if the service is incomplete, has not been invoiced at the end.

(2) Dismantling corresponds to the quarry recovery and abandonment, established by the Company through financial appreciation.

### Long-term

	At December 31	At December 31
	2015	2014
Tax on wealth	14,466	0
Income tax and tax for equity CREE	95,492	0
For labor obligations	555,257	0
<b>TOTAL</b>	<b>665,215</b>	<b>0</b>

## NOTE 16. PREPAYMENTS AND ADVANCES RECEIVED

### Short-term

	At December 31	At December 31
	2015	2014
Instituto Nacional de Vías(1)	7,827,162	0
Fondo de Adaptación (2)	0	5,365,408
Operadora de Aeropuertos Centro (3)	2,192	0
A & S Asesores de Seguros Ltda.	0	260,000
Departamento del Cesar (4)	128,728	0
Ambulancias Médicas del Atlántico	0	100,000
C2 Estudio S.A.S.	448,000	119,568
Evolution Services y Consulting	0	88,000
Estyma S.A.	100,000	292,299
Inversiones Sistori y Sossa S.A.S.	0	100,000
Others	1,488,363	915,357
Prepayments and advances, joint operations (*)	2,779,007	287,309
Collateral for contracts, joint operations (*)	5,491,987	1,693,694
Accounts in participation, joint operations (*)	451,610	1,936,845
Earnings received for third parties, joint operations (*)	267	1,077,118
<b>TOTAL SHORT-TERM</b>	<b>18,717,317</b>	<b>12,235,598</b>

(1) Prepayment received from INVÍAS for the execution of the Bajirá - Caucheras work.

(2) Prepayment received from Fondo de Adaptación for the execution of the Santa Fe - El Tigre contract.

(3) Airport Operator (Operadora de Aeropuertos Centro): Prepayments for the execution of works at the Urabá and Montería airports.

(4) Departamento del Cesar: Revamping and pavement of secondary and tertiary roads in the Department of Cesar - Group 3.

### Long-term

	At December 31	At December 31
	2015	2014
Withholding over contracts	1,492,389	1,045,927
Consorcio Constructor Américas (1)	24,898,993	31,480,537
<b>TOTAL LONG-TERM</b>	<b>26,391,382</b>	<b>32,526,464</b>
<b>TOTAL</b>	<b>45,108,699</b>	<b>44,762,062</b>

(1) El anticipo corresponde a Transversal de las Américas Contrato de Concesión 008 de 2010 - Corredor Vial del Caribe, para las obras en Montería, Urabá y San Marcos.

## NOTE 17. LIABILITY FOR DEFERRED TAX

	At December 31	At December 31
	2015	2014
Deferred taxes for revaluation	67,379,668	48,837,381
Deferred taxes for investments	26,419,263	16,099,612
Deferred taxes, depreciation	0	934,710
	42,328	0
<b>TOTAL LONG-TERM DEFERRED TAXES</b>	<b>93,841,259</b>	<b>65,871,703</b>

The deferred tax was calculated using the liability method and the tax rate at which the differences (39%) are expected to reverse, and to the 10% tax rate for occasional earnings.

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### NOTE 18. EQUITY

	At December 31	At December 31
	<b>2015</b>	<b>2014</b>
Stock capital (1)	15,701,606	15,701,606
Premium from stock placement (2)	159,711,695	159,711,695
Retained earnings	344,054,148	429,280,046
Retained earnings (opening balance)	40,190,720	17,228,706
Other integral result	40,190,720	(13,027,866)
Profit of the period	148,621,375	55,005,586
<b>TOTAL</b>	<b>748,470,264</b>	<b>663,899,775</b>

(1) The authorized capital of the Company is represented in 1,400,000,000 stocks with a par value of \$25 pesos each, of which to this date 628,064,220 stocks are subscribed and paid, and of these, 53,698,400 correspond to own stocks reacquired.

(2) In 2012, a total of 114,900,500 stocks were issued at a sales price per stock of \$1.415 pesos and a par value of \$25 pesos per stock. The amount of this issuance reached the sum of \$162.584.208 represented by a capital increase of \$2.872.513 and a premium from the stock placement of \$159.711.695.

### NOTE 19. REVENUES FROM NORMAL ACTIVITIES

	At December 31	
	<b>2015</b>	<b>2014</b>
Consorcio Constructor Nuevo Dorado (1)	9,804,128	34,660,699
Consorcio Minero del Cesar (2)	0	2,621,197
Consorcio Constructor Américas	6,966,311	6,173,948
Consorcios Diseños La Pintada	1,819,878	0
Consorcios Diseños Pacífico Tres	5,180,214	0
Consorcio Vial del Sur	6,231,774	7,304,509
Consorcio Constructor Aburrá Norte	25,708,719	7,683,091
Consorcio Avenida Colon	32,247,153	1,643,823
Consorcio Mantenimiento OPAIN	756,212	927,350
Consorcio APP Llanos	3,234,423	0
Cesar Grupo 3	67,448,685	0
Caucheras	19,523,214	0
Departamento del Cesar	0	0
Agregados San Javier	26,258,491	22,297,223
Marginal de la Selva	548,886	2,241,674
Vías del Cesar	7,015,709	6,051,590
Trans NQS Sur	0	15,723,146
Fondo de Adaptación	56,752,622	14,535,145
Agencia Nacional de Infraestructura	789,679,839	0
Américas Cóndor Urabá (3)	101,935,292	57,776,188
Patrimonio Autónomo Fiduciaria	138,293	0
Américas Cóndor Montería (3)	40,290,290	84,213,369
Américas Cóndor San Marcos (3)	66,179,046	55,243,259
Oficina Central	36,452,698	0
Obra Tumaco Ricaurte	7,744,180	3,193,679
Obra Dabeiba- Santa Fe de Antioquia (3)	3,717,489	57,017,171
Others minor	658,298	1,526,551
Patrimonio Autónomo	61,522,602	0
Leases	0	262,544
Concesión Red Vial del Cesar	2,000,000	0
Sociedad Concesionaria Operadora de Aeropuertos	0	4,699,212
Organización de Ingeniería Internacional S.A.	14,517,835	11,415,223
<b>TOTAL</b>	<b>1,394,332,281</b>	<b>397,210,590</b>

(1) The decreased invoicing is due to the termination of the construction contract; the revenues generated as of July 2014 correspond to new additions to the EPC contract.

(2) Consorcio Minero del Cesar become a corporation and hence, stopped generating revenues as a result of the collaboration contract.

(3) Revenues perceived from the works of Fondo de Adaptación and from the works in Urabá, Montería and San Marcos correspond to their execution in the construction stage.



## NOTE 20. OPERATING COSTS

At December 31

	2015	2014
Sales cost and services provided	133,288,396	110,695,852
Production or operation costs	38,264,545	26,727,015
Direct labor	41,428,009	39,404,167
Indirect costs	926,932,972	89,258,931
Indirect labor	27,987,500	12,726,694
Services contracts	20,813,884	12,234,653
Concesión Red Vial del Cesar	0	58,848
Autonomous equity	61,522,601	0
<b>TOTAL</b>	<b>1,250,237,907</b>	<b>291,106,160</b>

## NOTE 21. ADMINISTRATION EXPENSES

At December 31

	2015	2014
Fees (1)	20,201,252	1,814,446
Taxes	1,788,707	630,260
Leases	287,392	104,757
Contributions, insurance, services, legal	1,821,528	817,432
Services	707,493	0
Legal expenses	8,446	0
Maintenance, furnishings	1,190,263	172,655
Furnishings and installations	30,653	0
Travel expenses	1,600,157	689,449
Depreciations	577,341	467,441
Impairment	3,215	0
Amortizations	939,186	637,748
Advertising and propaganda	0	22,305
Entertainment expenses and public relations	19,345	38,127
Miscellaneous	13,937,498	1,136,530
Provision, accounts receivable and investments	1,394,526	4,218,305
Autonomous equity	(12,311,421)	83,366
<b>TOTAL ADMINISTRATION EXPENSES</b>	<b>32,195,579</b>	<b>10,832,821</b>

(1) Corresponds to fees for technical advisory services, studies and designs made for APP projects.

## Employee benefits

	2015	2014
Integral salary	3,451,739	2,066,807
Wages	4,703,437	2,551,858
Extralegal premium	715,882	606,824
Bonuses	877,023	869,433
Others	4,325,820	2,171,835
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>14,073,901</b>	<b>8,266,757</b>

## NOTE 22. OTHER REVENUES

At December 31

	2015	2014
Leases	4,995	0
Recoveries	152,393	897
Reimbursement of other costs	3,472,194	2,664,877
Reimbursement of provisions	1,886,198	1,403,257
Indemnizations - disabilities	355,664	139,012
Revenues from previous periods	388,957	74,597
Return other sales	0	0
Difference in exchange	3,530,799	2,180,981
Other bank expenses	71,843	73,892
Miscellaneous	2,554	2,284
<b>TOTAL OTHER REVENUES</b>	<b>9,865,597</b>	<b>6,539,795</b>

(1) Pursuant to IFRS 8 – Business combination, the purchase was made in very advantageous terms and hence, the resulting gain is recognised on the date of the acquisition.

## NOTE 23. OTHER EXPENSES

At December 31

	2015	2014
Costs and expenses from previous periods	134,717	104,221
Lien on financial movements	2,743,009	1,416,916
Non-deductible expenses	82,804	259,977
Indemnizations and lawsuits	124,934	65,131
Fines, sanctions and litigations	55,645	99,636
Donations	878,900	243,695
Exchange difference	31,777	297,864
Others	1,070,055	755,312
Bank commissions	1,195,919	793,084
Bank expenses	117,235	290,327
Asset impairment	63,978	4,699,194
Tax on wealth	99,891	0
<b>TOTAL OTHER EXPENSES</b>	<b>6,598,864</b>	<b>9,025,357</b>

## NOTE 24. OTHER GAINS OR LOSSES

At December 31

	2015	2014
Profit from sale of properties, plant and equipment	(725,524)	(2,204,818)
Loss of sale and removal of goods	(198,608)	0
Loss of sale of properties, plant and equipment	0	(59,900)
Sale of other asset	0	(1,034,670)
Removal of properties, plant and equipment	(495,203)	0
Losses	(25,600)	(54,240)
Others	0	1,277,622
Profit from sale of investments	80,071,173	0
Miscellaneous	4,138,518	0
<b>TOTAL OTHER GAINS OR LOSSES</b>	<b>82,764,756</b>	<b>(2,076,006)</b>

## NOTE 25. REVENUES FROM INTERESTS

At December 31

At December 31

	2015	2014
Consortio Minero del Cesar S.A.S.	1,000,907	0
Industria Selma international	315,555	180,759
Patrimonios Autónomos	60,572,660	465,732
Valores Bancolombia	215,882	323,339
Organización de Ingeniería Internacional	0	0
BTG Pactual S.A. Comisionista	72,583	1,117,103
Other minors	234,271	63,401
<b>TOTAL REVENUES FROM INTERESTS</b>	<b>62,411,858</b>	<b>2,150,334</b>

## NOTE 26. EXPENSES FOR INTERESTS

At December 31

At December 31

	2015	2014
Banco BBVA	4,903,201	1,450,432
Bancolombia	6,749,806	4,306,573
Leasing Bancolombia	6,880,845	5,575,207
Banco de Bogotá	2,613,583	1,306,267
CORPBANCA	2,249,193	0
Banco de Occidente	397,958	540,559
Other minors	621,604	469,117
Autonomous equity	65,765,286	0
<b>TOTAL EXPENSES FOR INTERESTS</b>	<b>90,181,475</b>	<b>13,648,155</b>

## NOTE 27. GAINS (LOSS), EQUITY METHOD

	At December 31	At December 31
	2015	2014
Concesión Aburrá Norte Hatovial	3,048,695	2,512,863
Concesión La Pintada S.A.S.	50,337	(12,625)
Concesión Pacífico Tres S.A.S.	0	15,978
Others minor	(77,704)	(189,727)
<b>TOTAL GAINS (LOSS), EQUITY METHOD</b>	<b>3,021,328</b>	<b>2,326,489</b>

## NOTE 28. TAXES

The following details the calculation of taxes, including fiscal obligations.

### Provision for income tax

	At December 31	At December 31
	2015	2014
Profit before tax	158,506,399	78,272,919
Net accounting and fiscal items that decrease income	(111,268,166)	(47,587,290)
Net accounting and fiscal items that increase income	11,688,630	24,883,183
Taxable income	58,926,863	55,568,812
<b>TOTAL INCOME TAX PROVISION 25%, YEARS 2015 AND 2014</b>	<b>14,788,222</b>	<b>13,892,203</b>
<b>NET OCCASIONAL EARNING</b>	<b>79,118</b>	<b>0</b>
<b>TOTAL INCOME TAX PROVISION 25%, YEARS 2015 AND 2014</b>	<b>10,440,645</b>	<b>13,892,203</b>

### Provision for income tax for equity CREE

	At December 31	At December 31
	2015	2014
Taxable income	59,805,212	55,568,812
<b>TOTAL INCOME TAX FOR EQUITY PROVISION 9%, YEARS 2015 AND 2014</b>	<b>5,513,538</b>	<b>5,001,193</b>
Surcharge	2,950,260	0
Concesión Red Vial S.A.S.	0	279,073
<b>DEFERRED TAX</b>	<b>(8,492,558)</b>	<b>1,805,213</b>
<b>TOTAL TAXES</b>	<b>10,411,885</b>	<b>20,977,682</b>

## NOTE 29. OPERATION SEGMENTS

	2015				
Description	Internal revenues	External revenues	IFRS Ordinary revenues	Total assets	Result of the period
INVESTMENT SEGMENT	0	0	0	0	0
Investments	0	107,421,672	110,429,156	652,467,926	107,655,420
CONSTRUCTION SEGMENT	0	0	0	0	0
Américas Cóndor (Montería)	12,970,024	40,290,290	53,260,314	17,896,555	7,078,751
Américas Cóndor (Urabá)	26,560	101,935,292	101,961,852	83,681,425	8,753,730
Américas Cóndor (San Marcos)	0	66,179,046	66,179,046	53,360,247	10,438,858
Cesar Grupo 3	0	67,448,685	67,448,685	3,916,230	7,290,955
<b>TOTAL</b>	<b>12,996,584</b>	<b>383,274,984</b>	<b>396,271,568</b>	<b>825,367,364</b>	<b>139,560,543</b>

## Consolidated Financial Statements

Conciliation	Investments	Cesar Grupo 3	Américas Córdor (Montería)	Américas Córdor (Urabá)	Américas Córdor (San Marcos)
Net sales and services provided					
Revenues, external clients	107,421,672	67,448,685	40,290,290	101,935,292	66,179,046
Revenues, external clients	0	-	12,970,024	26,560	0
Other revenues and operating expenses	(1,423,423)	(60,157,730)	(46,181,563)	(93,208,122)	(55,740,188)
Result of the period	105,998,249	7,290,955	7,078,751	8,753,730	10,438,858
<b>TOTAL ASSETS OF THE SEGMENT</b>	<b>666,512,908</b>	<b>3,916,230</b>	<b>17,896,555</b>	<b>83,681,425</b>	<b>53,360,247</b>

Grupo Córdor Inversiones: Collects debt-related resources for the Company's new concession projects, to management the current investments portfolio, and to generate and implement financing strategies which allow the Company to make contributions for risk capital in investments and continue growing in the market.

Américas Córdor (Montería): Concession Contract 008 of 2010 for the construction, revamp, expansion, improvement and conservation of Proyecto Vial Transversal de las Américas, and to prepare the studies and final designs, the property, social and environmental management, the obtainment and/or amendment of environmental licenses, the financing, operation and maintenance of works on Corredor Vial "Transversal de las Américas Sector 1", known as Corredor Vial del Caribe.

Américas Córdor (Urabá): Concession Contract 008 of 2010 for the construction, revamp, expansion, improvement and conservation of Proyecto Vial Transversal de las Américas, and to prepare the studies and final designs, the property, social and environmental management, the obtainment and/or amendment of environmental licenses, the financing, operation and maintenance of works on Corredor Vial "Transversal de las Américas Sector 1", known as Corredor Vial del Caribe.

Américas Córdor (San Marcos): Concession Contract 008 of 2010 for the construction, revamp, expansion, improvement and conservation of Proyecto Vial Transversal de las Américas, and to prepare the studies and final designs, the property, social and environmental management, the obtainment and/or amendment of environmental licenses, the financing, operation and maintenance of works on Corredor Vial "Transversal de las Américas Sector 1", known as Corredor Vial del Caribe.

Cesar Grupo 3: Revamping and/or maintenance of different road sections in the Department of Cesar - Group 3.

### NOTE 30. TRANSACTIONS WITH RELATED PARTIES

During the year 2015, operations were made with related companies and subordinates, which were revised and previously approved by the Audit Committee to verify if they met the standards and if they would have received the same treatment provided to independent third parties. Details of the operations made with related companies and subordinates are shown in Notes 4, 5 and 10 of these financial statements.

Compensation of key management staff:

Item	Amount year 2015
Vacations premium	36,853,500
Salary	1,752,042,667
Vacations	57,293,370

Operations during the year 2015 with other entities of interest (investments in corporations).

COMPANY	No. Stocks	Dividends paid		Sale of stocks	Sale of services provided	Loans	Purchase in very advantageous terms	Stocks purchase	Expenses for interests	Revenues of interests	Costs of work minutes and others	Credit payment
		Stocks	Cash									
Consortio Minero del Cesar S.A.S.	73,500,000	0	0	0	0	758,734	0	0	0	1,000,907	1,688,373	0
Concesión Aburrá Norte Hatovial S.A.	1,582,886	0	2,540,485	0	0	0	0	0	0	0	0	0
Concesión Red Vial del Cesar S.A.	2,607,282	0	0	0	0	0	0	0	43,365	0	109,896	0
Concesión La Pintada S.A.S.	1,120,950	0	0	0	0	0	0	0	0	0	0	31.930
Concesión Pacífico 3	4,800	0	0	0	0	142,513,845	0	0	0	0	0	0
Concesión Vías de las Américas S.A.S.	173,342	0	0	0	1,413,017	0	3,656,356	50,083,374	0	47,402	630,316	0
Concesión Cesar Guajira S.A.S.	200,000	0	0	0	14,132,549	30,438,935	0	0	0	0	0	0
Industrias Selma S.A.	5,000	0	0	0	0	0	0	0	137,084	315,555	0	0

## NOTE 31. RECLASSIFICATIONS

To compare with the financial statements at December 31, 2015 a reclassification was made of several figures of the financial information at December 31, 2014.

## NOTE 32. HIGHLIGHTS

(1) Claim made against Trans NQS Sur S.A.S. for remaining longer in the work and other overcosts during the execution of the commercial offers to execute the NQS Sur of Sistema Transmilenio, amounting to \$ 20.280.131.

(2) Contingent rights - Consortio Minero del Cesar S.A.S. for \$ 69.730.740.

This derives from the existing conflict between CNR S.A.S. and CMC S.A.S. and the former members of Consortio CMC in which Construcciones El Cóndor had a 29.4% share.

Memorandum account in the year 2012 : At zero value (mandatory). We granted the warranty of solidarity in the obligation of CONSORCIO MINERO DEL CESAR S.A.S. of which we have a 29.4% share to solidarily answer to CI COLOMBIAN NATURAL RESOURCES I SAS for the breach that corporation has of the obligations convened in articles 6 and 14 of the minute to reinstate the works for the commercial offer dated August 31, 2005 for the operation of La Francia Mine entered by and between COMPAÑIA CARBONES DEL CESAR S.A. and members of Consortio Minero del Cesar and the Transaction Agreement of August 12, 2009.

Contingent responsibilities - CI Colombian Natural Resources I S.A.S. CNR for \$ 308.144.458.

(3) This derives from the existing conflict between CNR SAS and CMC SAS, and the former members of Consortio CMC in which Construcciones el Cóndor had 29.4% share.

With Law 1739 of 2014, several responsibilities were added to pay taxes, such as the creation of the tax on wealth targeted to individuals and corporations that own \$1.000 million or more at January 1, 2015. The obligation is caused on January 1, 2015, January 1, 2016 and January 1, 2017. The tax base for the years 2016 and 2017 cannot be less than the tax based established for the year 2015, adjusted at 25% of inflation. The applicable rate to Construcciones el Cóndor S.A. shall be 1.15%, 1% and 0.4% for the years 2015, 2016 and 2017, respectively. The law granted the option to register the tax against equity reserves; this option was applied by the Company.

Consequently, the Company does not fully meet IAS 37 which establishes that this liability should be recognised charged to results.

## NOTE 33. INDICATORS AND INTERPRETATION

### INDICATORS OF RESULTS

Operating margin	$\frac{\text{Operating profit}}{\text{Operating revenues}}$	=	$\frac{183,856,383}{1,486,962,634}$	<b>12.36%</b>	The Company generated an operating profit equivalent to 12.36%, with regards to total sales of the period.
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### INDICATORS OF LIQUIDITY

Working capital =	Current asset - Current liability	=	540,488,374		Represents the surplus of current assets (once current liabilities are paid) which the Company has as permanent funds, to serve the permanent needs of the operation.
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Current ratio or liquidity index =	$\frac{\text{Current asset}}{\text{Current liability}}$	=	$\frac{1,160,698,891}{620,210,516}$	<b>1,8715</b>	For each \$1 of current liability, the company has a backup of \$1.8715 in the current asset.
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### INDICATORS OF INDEBTEDNESS

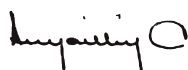
Total indebtedness =	$\frac{\text{Total liability}}{\text{Total asset}}$	=	$\frac{1,160,577,655}{1,958,366,745}$	<b>0.5926</b>	Reflects the share of creditors over the assets of the Company. For each peso that the Company has in the asset, it owes \$59.26 cents.
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Financial indebtedness =	$\frac{\text{Financial liability}}{\text{Total asset}}$	=	$\frac{704,811,912}{1,958,366,745}$	<b>0.3599</b>	Reflects the share of financial creditors over the assets of the Company. For each peso that the Company has in the asset, it owes \$35.99 cents.
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### INDICATORS OF PROFITABILITY

Return on equity	$\frac{\text{Net profit}}{\text{Equity}}$	=	$\frac{148,621,375}{748,470,264}$	<b>19.857%</b>	Represents the yield generated by the capital investment.
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Net margin	$\frac{\text{Net profit}}{\text{Operating revenues}}$	=	$\frac{148,621,375}{1,486,962,634}$	<b>9.99%</b>	For each peso sold, the Company generates a net profit of 9.99%.
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ANA MARÍA JAILLIER CORREA  
Legal Representative  
C.C. 42.895.563  
See attached opinion



ANA ISABEL GONZÁLEZ VAHOS  
Accountant  
T.P. 47345-T  
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FRANCISCO JAVIER ARIAS MARÍN  
Statutory Auditor (Crowe Horwath)  
T.P. 154.406-T  
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