

Summary note to the financial statements — Q3 2019

This report was prepared on the basis of the financial statements for Construcciones El Cóndor S.A., prepared according to International Financial Information Standards (IFRS) and their respective interpretations (CINIIF) published by the International Accounting Standards Board (IASB).

Executive Summary

The Company is still meeting the execution schedules to deliver the functional units for the various projects.

Last September 5, ordinary bonds for \$81.500 million were issued and placed in the second market. The Company reiterates its interest in maintaining its presence in the Colombian capital market and specifically the interest by institutional investors in the company's securities and risk. The resources obtained with this placement will be used to substitute short-term financial liabilities, thus implementing the plan to increase the average maturity of the debt.

The Company confirms the partial release of the completed works, which was pending payment in the north sections of the Ruta al Mar project. In addition, the company confirms that, for the last quarter, the entire amount of accounts receivable as of June 30 of this year will be released.

As part of the Framework Investment Agreement with ISA (Interconexión Eléctrica S.A. E.S.P), we are continuing with the process to cede assets from our investment portfolio to the new vehicle, and with the analysis of opportunities in the primary and secondary road infrastructure markets.

Performance of the infrastructure sector

As of the date on which this report was issued, DANE has not published information about the GIP for the third quarter of 2019.

During the third quarter, analysts have adjusted upwards their macroeconomic growth projections. The GIP projected for 2019 went from 2.9%, to somewhere between 3.2% and 3.4%. We expect that the construction sector, specifically the civil works subsector, to continue driving the results for the end of the current year.

Reports – Separate, accumulated as of September 2019

□ Statement of results

Operating results are expressed according to IFRS, and the comparisons are for the periods January — September 2019 vis-a-vis January — September 2018 as provided in IAS – 1 and IAS – 34.

- Revenue from ordinary activities, accumulated as of September 2019, were \$637.307 million, a decrease of 5.72% compared to the same period in 2018. This revenue consisted 99.37% of construction services provided for the various projects, of which the following are worth noting: Ruta al Mar with \$242.270 million, Pacifico 2 with \$120.928 million, and Pacifico 3 with \$105.426 million.
- Operating costs as of September 2019 were \$539.861 million, which represent 84.71% of revenue from ordinary activities; administration expenses were 3.71% of revenue, which left an operating margin of 15.29%, excluding other revenue, expenses, profits, or losses.
- EBITDA for the third quarter of 2019 was \$ 100.375 million, equivalent to 15.75% of revenue from ordinary activities, which improves de accumulated figures from prior measurement (15.5%) during the current year.
- Accumulated operating profits as of September is \$74.262 million. Results after taxes showed a net loss for \$5.067 million. These results, which are totally opposite from the operating results, is due to the consolidation of the results for the Vías de las Americas concession. However, this is beginning to change, decreasing compared to the accumulated figures for June 2019 (- \$13.079 million).
- We would like to remind you that the Vías de las Américas concession was awarded in 2010, and is part of the third generation of concessions with a period of 3 years for implementation and reversion. Execution took longer for several property and environmental circumstances that exempted from liability, and several disputes about the application of the specifications and the scope of the contract. For these reasons, it will only be completed in early 2020.

□ General balance sheet

The figures in the balance sheet are expressed according to IFRS and the comparisons are for the periods January — September 2019 vis-a-vis January — September 2018 as provided in IAS – 1 and IAS – 34.

- In September 2019, total assets were \$2.2 billion and consisted 45.58% of current assets and 54.42% of noncurrent assets.
- In September 2019, the book value of the portfolio of investments in infrastructure and investments managed the Company was \$876.405 million.
- Total liabilities totaled \$1.19 billion and consisted of 68% current liabilities and 32% noncurrent liabilities. Long- and short-time bank obligations ended at \$599.698 million for the quarter. Financial leasing obligations for purchasing machinery were \$190.032 million.

- Total financial debt, consisting of banks plus financial leasing, calculated over total assets, closed at 36%. Although financial obligations have not decreased as of this date, it should be said that we are achieving the objective of increasing the average maturity of the debt with the issue of second market bonds for the sum of \$81.500 million. In addition, the Company continues its actions to decrease its financial liabilities by taking steps to release resources trapped in various projects. Specifically, \$ 25.847 million were received this quarter from the Ruta al Mar project, and the company is sure that approximately \$44 thousand million will be released by next quarter. Furthermore, during the next quarter we will be releasing approximately 70 thousand million pesos from the Vías de las Américas project.
- Construcciones El Cóndor S.A. net equity as of September 2019 was \$ 1 billion pesos.
- The Company's current ratio as of September 2019 was 1.05x.

Separate quarterly reports (3Q19)

□ Statement of results

Operating results are expressed according to IFRS and the comparison is made for the periods July — September 2019 and July — September 2018, as established in IAS-1 and IAS-34.

- Revenue from ordinary activities during the third quarter of 2019 was \$224.121 million, a decrease of 17.18% compared to the same period in 2018. Operating costs for the quarter were \$190.109 million, representing 84.82% of the revenue from ordinary activities.
- The EBITDA produced during the third quarter was \$47.227 million, giving a margin of 21% within the company's historic average.
- Operating profits were 28,742,268, 55% less than the number for the same quarter in 2018. It should be said that during the same quarter in 2018 we had a nonrecurring revenue for \$31.107 million from the liquidation of the EPC contract for the Cesar Guajira concession.
- Net profits for the third quarter 2019 were \$8.012 million.

Consolidated reports accumulated as of September 2019

Operating results are expressed according to IFRS and the comparison is for the periods January — September 2019 and January — September 2018 as established in IAS 1 and IAS 34.

□ Statement of results

- Operating revenue includes \$645.897 million for services as of September 2019. The distribution is as follows:

Revenue from services rendered	As of September 2019
CONSTRUCCIONES EL CÓNDROR S.A.	630,995.92
CONCESIÓN VIAS DE LAS AMERICAS S.A.S.	--
CONCESIÓN CESAR GUAJIRA S.A.S.	7,282
CONDOR INVESTMENTS USA INC	7,618
Total, revenue from services rendered	645,897

- Operating costs as of September 2019 were \$650.820 million and led to a net consolidated loss of \$41.449 million. Although the losses decrease in the accumulated total for September, as indicated in previous reports to the market, there was an impact from the consolidation of the financial statements for the Vías de las Américas S.A.S. concession.
- Because of the distortion caused by the final stages of the Vías de las Américas concession during the last quarter, which has a significant impact on the accumulated results, other P&L variables are not analyzed.

□ General balance sheet

The figures for the balance sheet are expressed according to IFRS and the comparison is between the months of September 2019 and December 2018 as provided by IAS 1 and IAS 34.

- As of September 2019, total assets were \$2.4 billion, 6% less than December 2018. These consisted of 44.68% current assets and 55.32% noncurrent assets.
- Total liabilities were \$1.392 billion, decreasing 5.75% compared to December 2018, and consisted 72.4% of current liabilities and 27.6% noncurrent liabilities, compared to 17.98% for December 2018, indicating a long-term displacement of liabilities.
- Short- and long-term financial obligations came to \$796.743 million and increased 14.85% compared to December 2018. Those obligations consisted of \$ 606.710 for financial obligations and \$190.032 for leasing.

Short- and long-term financial obligations by project were as follows:

Financial liabilities	As of September 2019
CONSTRUCCIONES EL CÓNDROR S.A.	789,731
CONCESIÓN VIAS DE LAS AMERICAS S.A.S.	7,012
CONCESIÓN CESAR GUAJIRA S.A.S.	-
CONDOR INVESTMENTS USA, Inc	-
Total Financial liabilities	796,743

- Consolidated net equity as of September 2019 was \$1 billion pesos.
- As of September 2019, our working capital indicator, calculated by subtracting current liabilities from current assets, was \$64.473 million. The consolidated current ratio is 1.06x.

Backlog – balance of works contracted for and pending completion - 3Q19

As of September 2019, the Backlog, defined as the balance of works contracted for and pending execution, was \$1.26 billion. This calculation includes \$223.751 million from the invoices during the quarter for construction services, minus dividends and revenue not associated with those services.

BACKLOG	September 2019
Backlog (2T 2019)	1,489,736
Contract cancellation or termination	
Backlog adjustments	
Services rendered	(223,751.51)
New contracts	
Total Backlog	1,265,984

Construcciones El Cóndor S.A. invites you to the conference on results that will be held this coming Wednesday, November **13, 2019 at 2:30 PM COT**. Instructions to access the teleconference will be posted at www.elcondor.com