

## Financial Statements Summary – First Quarter 2018

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This report was prepared based on the individual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations (IFRIC) issued by the International Accounting Standards Board (IASB).

### Executive Summary

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*During the first quarter, we highlight an increase of 26,9% in revenues versus the same period of 2017.*

*Additionally, this quarter, the precedent conditions for the execution of the sale of 50% of participation in Ruta al Mar were met successfully.*

*Finally, there was a commercial paper emission, for a sum of 300,000 million pesos, with an F1+ rating assigned by FitchRatings and a bid to cover of two times at an average annual rate of 5.49%*

### Infrastructure Sector Performance

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The construction of civil works sector closed 2017 with a growth of 8.7%, for an annual average of 7.1%, as one of the pillars of the recovery which the Colombian economy has been demonstrating. Expectations are that, during the second half of the year, once the electoral uncertainty has dissipated and the confidence has again consolidated, the country will achieve a GDP growth above 2.5%. In order to reach these levels, the infrastructure sector, and in particular the 4G projects, will have to achieve the levels of revenues which have been awaited now for a few years. During the first quarter, the projects which have achieved their long-term credit disbursements are keeping this promise and are continuing to realize their investments which in turn strengthens the economy in the areas where they are established and generate employment.

## Performance Report – Individual reports (1Q2018)

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### □ Accumulated Income Statement

*Operating results are expressed under IFRS and comparative periods are performed for January-March 2018 and compared to January-March 2017 in accordance with NIC – 1 and NIC – 34.*

- Operating revenues as of March 2018 were COP\$200,250 million, with an increase of 26.9% over the same period of 2017.
- The projects with the highest portion of the construction revenues in the first quarter 2018 were: Transversal de las Americas, Pacifico 3, Pacifico 2 and Ruta al Mar.
- Operating costs as of March 2018 were COP\$169,771 million increasing 34.4% compared to the same period last year. This increase is explained by the profitability cycle which the construction business has in its projects.
- Administration expenses closed the quarter at COP\$6,814 million, similar to the COP\$6,826 million registered during the first quarter of 2017.
- During the first quarter, EBITDA was COP\$31.816 million versus COP\$182,718 million registered during the same period in the previous year. This difference is caused by the profits generated in the sale of investments during the first quarter of 2017, a non-recurring event. During the first quarter of 2018 no income different to construction was generated.
- Construction EBITDA during the first quarter of 2018 was COP\$36,816 million compared to COP\$31,209 million during the first quarter of 2017.
- Construction EBITDA margin was 16%.
- Net income as of during the first quarter of 2018 was COP\$17,348 million versus COP\$132,824 million registered as of March 2017, the difference is also caused by the non-recurring event already mentioned above.

### □ Balance Sheet

*Balance figures are stated under IFRS and comparison is made between January-March 2018 and December 2017 in accordance with NIC – 1 y NIC – 34.*

- As of March 31, 2017, total assets grew 3.6% to COP\$2.06 billion. The growth is due to the increase in accounts receivables associated with increased work execution.
- It is important to highlight that, as of December 2017, the Company administers an investment portfolio with infrastructure projects which have a book value of approximately COP\$717,079 million. The variation against December 2017 is the product of the sale of 50% of the participation in the Ruta al Mar concession.
- Total liabilities were COP\$1.15 billion and were made up of 79% current liabilities and 21% non-current liabilities. With respect to December 2017 there was a 7.2% increase in total assets associated in its majority to increased working capital associated with the stronger execution in the projects.

- Short and long-term financial debts (bank obligations and financial leasing) grew by 8.7% ending the quarter at COP\$569,636 million, financial leasing obligations for purchase of machinery closed at COP\$171,980 million, with a larger concentration in the long-term.
- Debt ratio was 27.6% (calculated over total assets).
- Net equity of Construcciones El Condor S.A. as of March 31, 2017 was COP\$915,127 million.
- As of March 2018, Working Capital, calculated as the difference between current assets and current liabilities was COP\$128,138 million. The Company's liquidity ratio is 1.14.

## Performance Report – Consolidated reports (1Q2018)

*Beginning in 2015, Construcciones El Condor S.A. included in its consolidated financial statements the following societies' information: Vias de las Americas S.A.S., Cesar Guajira S.A.S. y Ruta al Mar S.A.S., and beginning in 2016 also included consolidated information for Condor Investments USA Inc. Beginning in 2018, as a product of the sale of 50% of participation in the Ruta al Mar concession, Construcciones El Condor S.A. no longer consolidates financial statements with the society Ruta al Mar S.A.S.*

### □ Accumulated Income Statement

*Operating results are expressed under IFRS and comparative periods are performed for January-March 2018 and compared to January-March 2017 in accordance with NIC – 1 and NIC – 34.*

- Construction revenues as of March 31, 2018, were COP\$269,762 million, which are distributed as follows:

<b>Operating Revenues</b>	<b>as of March 2018</b>
CONSTRUCCIONES EL CÓNDROR S.A.	200,250,060
CONCESIÓN VIAS DE LAS AMERICAS S.A.S	65,234,472
CONCESION CESAR GUAJIRA S.A.S.	3,189,877
CONDOR INVESTMENTS USA INC.	1,087,506
<b>Total Operating Revenues</b>	<b>269,761,916</b>

- As of March 2018, operating costs were COP\$235,833 million, which represent 87.4% of operating revenues and increased 5.7% over 2016.
- EBITDA as of March 2018, was COP\$34.000 million compared to COP\$165,228 million during the first quarter of 2017. This value includes the profit from sale of investments, a non-recurring event.
- Net income as of March 2018 was COP\$17,349 million, which is not comparable with the same period of 2017 because of the non-recurring divestment event

## □ Balance Sheet

*Balance figures are stated under IFRS and comparison is made between January-March 2018 and December 2017 in accordance with NIC – 1 y NIC – 34.*

- As of March 2018, total assets were COP\$2.40 billion, decreasing by 11.29% with respect to December 2017. This change is caused by the fact that the Company no longer consolidates financial statements with Concession Ruta al Mar S.A.S due to the sale of 50% of the participation in said concession. Assets were composed of 58% current assets and 42% non-current assets.
- Total liabilities were COP\$1.44 billion and presented a decrease of 17.2% which was likewise caused by the lack of financial statement consolidation with Cocosion Ruta al Mar S.A.S. Liabilities were composed of 83% current liabilities and 17% non-current liabilities.
- Short and long-term financial debts (bank obligations and financial leasing) were COP\$627,792 million and registered a 35.7% decrease with respect to December 2017.

The financial debt composition is as follows:

<b>Financial Debt</b>	<b>as of March 2018</b>
CONSTRUCCIONES EL CÓNDOR S.A.	569,636,356
CONCESIÓN VIAS DE LAS AMERICAS S.A.S	58,155,435
CONCESION CESAR GUAJIRA S.A.S.	-
CONDOR INVESTMENTS USA INC.	-
<b>Total Financial Debt</b>	<b>627,791,791</b>

It is very important to highlight that the consolidated statements will reflect the effect of the debt of each of the concessions. These values will very representative within the total debt profile, and will increase substantially as the disbursements are made in relation to the long-term financing of the project, this due to their quality of Project Finance. Additionally, due to this Project Finance quality, the assets of Construcciones El Cóndor, as a holding, are not guarantee for its subsidiaries' debt.

- Net equity as of March 2018 was COP\$963,491 million.
- As of March 2018, Working Capital, calculated by subtracting current liabilities from current assets was COP\$351,733 million. The company's liquidity ratio 1.29.

## Backlog – Balance of works hired and works to be executed – 1Q18

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As of March 2018, the Backlog – balance of Works hired and works to be implemented – COP\$2.28 billion. This calculation considers the operating revenues (net of dividends and revenues not associated to construction) as of March 2018, There were no new contracts nor adjustments needed besides that to reach the first quarter backlog.

<b>Total Backlog (December 2017)</b>	<b>2,476,485</b>
Contracts termination (-)	-
Backlog adjustments (as of Mar 2018)	-
Services Provided (as of Mar 2018) (-)	-198,289
New contracts (as of Mar 2018) (+)	-
<b>Total Backlog (as of Mar 2018)</b>	<b>2,278,196</b>

Construcciones El Condor S.A. will hold a conference call, in Spanish, to present the first quarter 2018 results on **Wednesday 16, 2018 at 3:00PM Colombia Time**. Connection details will be posted on El Condor's website: [www.elcondor.com](http://www.elcondor.com)