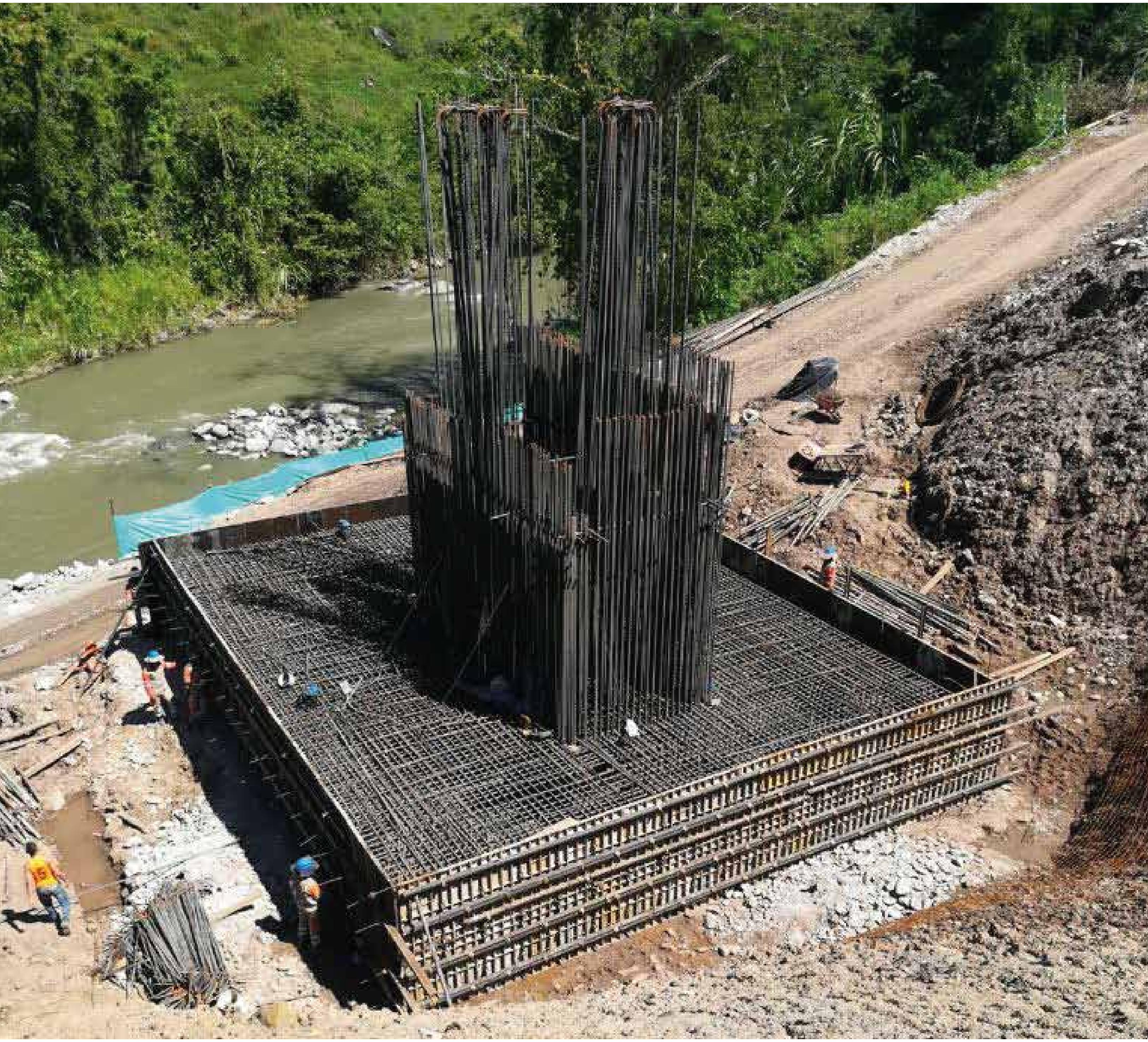
SEPARATE FINANCIAL **STATEMENTS**

Fourth quarter 2017



Construcciones
EL CONDOR S.A.
Ingeniería de Infraestructura e Inversiones

Crowe Horwath CO S.A.
Member Crowe Horwath International

Calle 7 Sur No 42-70, Of. 1013
Edificio Forum
Medellín, Colombia
NIT 830.000.818-9
57.4.313.4920 MAIN
57.4.313.9924 FAX
www.crowehorwath.com.co
medellin@crowehorwath.com.co

EXTERNAL AUDITOR'S REPORT

February 13, 2018

To the Assembly of Shareholders of **CONSTRUCCIONES EL CÓNDOR S.A.**

Financial statement report

I have audited the financial statements of **CONSTRUCCIONES EL CÓNDOR S.A.**, at December 31, 2017, which comprise the separated financial situation statement, the results per duty and other integrated results, the changes in equity, and the separated cash flow statement ended on that date and the corresponding notes, including a summary of the significant accounting policies and other explanatory information.

Responsibility of Management pertaining to financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Accounting and Financial Information Standards generally accepted in Colombia; this includes the design, implementation and maintenance of internal control relevant to the preparation of 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 appropriateness of accounting polies used.

External Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I gained the information necessary to meet my duties and conduct my audits in accordance with the international auditing standards accepted in Colombia. These standards require to plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of misstatements.

An audit comprises performing procedures to obtain evidence, among others, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements in the financial statements. In making those risk assessments, the external auditor considers internal control relevant to the preparation and presentation of the financial statements in order to design audit procedures that are appropriate given the circumstances. An audit includes as well an assessment of the appropriate accounting policies used and the accounting estimates made by Management, and evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained provides a reasonable base for my opinion below.

Opinion

In my opinion, the financial statements I audited were truthfully taken from the books, exhibit, in all significant and reasonable manner, the financial situation of **CONSTRUCCIONES EL CÓNDOR S.A.** at December 31, 2017, the results of their operations and cash flows for the year ended on that date, in accordance with the Accounting and Financial Information Standards accepted in Colombia.

Other matters

The financial statements of **CONSTRUCCIONES EL CÓNDOR S.A.**, at December 31, 2016, which are part of the information on the financial statements attached, were audited by another public accountant assigned to Crowe Horwath, in accordance with the international audit standards accepted in Colombia. The foregoing unqualifed opinion was provided on February 23, 2017.

Report on other legal and regulatory requirements

The Company's administration is responsible as well for meeting certain regulatory aspects in Colombia related to managing accounting documents, preparing management reports, and the timely and proper payment of contributions to the Integral Social Security System. My responsibility as an external auditor is to conduct procedures of revisions to provide an opinion of the proper compliance thereof.

Based on the result of my audits, I am not aware of any situation indicating a breach in the compliance of the following obligations of the Company: a) Keep the Company's accounting in compliance with the legal and technical regulations; b) Duly keep the vouchers of the accounts and the books of minutes and share registration. In addition, there is a match between the financial statements attached and the management report, which includes proof from administration regarding the free circulation of the invoices issued by salespersons or suppliers and the information contained in the statements of contributions to the Integral Social Security System, particularly related to affiliates and their income based on the quotation, taken from the accounting records and documents; the Company has no default of payments to the Integral Social Security System.

In compliance with the responsibilities of an external auditor contained in items 1 and 3 of article 209 of the Colombian Code of Commerce, pertaining to the evaluate if the actions of the Company's management meet the by-laws as well as the orders or instructions given by the Shareholders Assembly, and if there are proper measures of internal control, conservation and custody of assets of the corporation or third parties in its power, I prepared a separate report dated February 13, 2018, which applies the international standards on assurance 3000 accepted in Colombia.

JAVIER EMILIO TÁMARA TORRES
External Auditor
Professional Card No. 208.595 – T
Appointed by **CROWE HORWATH CO S.A.**

CONSTRUCCIONES EL CÓNDOR S.A.
CERTIFICATION OF FINANCIAL STATEMENTS

February 13, 2018

Gentlemen
SHAREHOLDERS
CONSTRUCCIONES EL CÓNDOR 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 CÓNDOR S.A.
CERTIFICATION OF FINANCIAL STATEMENTS

February 13, 2018

Gentlemen
SHAREHOLDERS
CONSTRUCCIONES EL CÓNDOR S.A.
Medellín

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

CERTIFY

That the Separate Financial Statements and other reports relevant to the public, and the operations of the Company at December 31, 2017, 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 I. González V
ANA ISABEL GONZÁLEZ VAHOS
Accountant
T.P. 47345-T

CONSTRUCCIONES EL CÓNDOR S.A.
CERTIFICATION OF FINANCIAL STATEMENTS

We, **ANA MARIA JAILLIER CORREA**, acting as the Legal Representative, and **ANA ISABEL GONZALEZ VAHOS**, acting as the Accountant, hereby state that we have prepared the statements of financial position, comprehensive income, changes in equity and cash flows at December 31, 2017 of **CONSTRUCCIONES EL CÓNDOR 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, 2017, and furthermore:

1. We are responsible for the reasonable preparation and presentation of the 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 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 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 Financial Statements at December 31, 2017.

Ana I. González V

ANA MARÍA JAILLIER CORREA
Legal Representative
C.C. 42.895.563

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

Financial Situation Separate Statement

Figures in thousands of Colombian pesos

	At December 31 2017	At December 31 2016
ASSETS		
Cash and cash equivalents	20.754.818	169.662.605
Current investments	0	117.878.654
Commercial accounts receivable and other accounts receivable	565.239.983	313.433.572
Accounts receivable, related parties	220.017.681	177.849.213
Asset for current taxes	33.712.767	20.933.178
Inventory	44.003.288	29.263.147
Prepaid expenses	6.538.740	2.616.448
Intangibles	0	316.000
Non-current assets maintained for sale	1.682.349	2.481.613
CURRENT ASSET	**891.949.626**	**834.434.430**
Investments in financial instruments	815.629	2.100.491
Investments in associates and joint businesses	83.669.186	93.519.376
Investments in subsidiaries	100.086.834	106.660.409
Commercial accounts receivable and other accounts receivable	22.310.834	565.920
Accounts receivable, related parties	497.339.274	327.796.633
Prepaid expenses	206.999	0
Intangible assets other than capital gain	32.174.943	0
Assets for deferred taxes	36.079.109	42.399.173
Properties, plant and equipment	323.046.732	285.338.885
Investment properties	4.490.374	988.737
NON-CURRENT ASSETS	**1.100.219.914**	**859.369.624**
TOTAL ASSETS	**1.992.169.540**	**1.693.804.054**
LIABILITIES		
Financial obligations	353.062.140	395.912.954
Commercial financing companies	30.486.205	19.835.004
Commercial accounts receivable and other accounts receivable	299.881.919	208.841.074
Accounts payable with current related parties	451.001	105.556
Current taxes	41.345.875	1.146.817
Labor obligations	8.141.359	4.157.035
Other liabilities and provisions	10.102.938	26.953.821
Prepayments and advances received	56.157.759	15.331.863
Prepaid revenues received	25.491.033	3.466.858
CURRENT LIABILITY	**825.120.229**	**675.750.982**
Financial obligations	0	28.000.000
Commercial financing companies	140.313.004	106.740.141
Commercial accounts receivable and accounts receivable	11.052.806	0
Prepayments and advances received	2.740.683	17.455.587
Liabilities for deferred taxes	91.468.706	91.769.977
NON-CURRENT LIABILITY	**245.575.199**	**243.965.705**
TOTAL LIABILITY	**1.070.695.428**	**919.716.687**
EQUITY		
Stock capital	15.701.606	15.701.606
Premium in share placement	159.711.695	159.711.695
Result of the period	184.908.738	185.924.266
Reserves	561.152.073	412.749.800
TOTAL EQUITY	**921.474.112**	**774.087.367**
TOTAL LIABILITY AND EQUITY	**1.992.169.540**	**1.693.804.054**

The notes attached are an integral part of the financial statements

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

Ana I. González V

ANA ISABEL GONZÁLEZ VAHOS
Accountant
Professional Card No. 47345-T
See certification attached

JAVIER EMILIO TÁMARA TORRES
External Auditor (Crowe Horwath)
Professional Card No. 208595 – T
See opinion attached

Income Separate Statement per Function

Figures in thousands of Colombian pesos, except net profit per share

	From January 1 to December 31		From January 1 to December 31	
	2017	2016	2017	2016
REVENUES FROM NORMAL ACTIVITIES				
Sale of good	11.859.014	12.281.743	2.879.874	3.133.966
Services provided	591.082.504	349.022.479	147.869.578	96.156.947
Revenues for dividends	488.667	328.633	0	0
TOTAL REVENUES FROM NORMAL ACTIVITIES	**603.430.185**	**361.632.856**	**150.749.453**	**99.290.913**
Operating costs	(505.417.949)	(294.952.083)	(142.453.744)	(72.847.128)
GROSS PROFIT	**98.012.236**	**66.680.773**	**8.295.708**	**26.443.785**
Administration expenses	(29.281.481)	(23.493.051)	(8.854.452)	(5.627.323)
Other revenues	30.904.939	10.731.488	27.996.185	7.620.591
Other expenses	(14.266.891)	(6.314.793)	(1.987.037)	(2.430.984)
Other gains or losses	159.010.471	143.276.772	(58.885)	142.945.424
OPERATING PROFIT	**244.379.274**	**190.881.189**	**25.391.520**	**168.951.492**
Financial revenues	43.430.640	21.698.034	15.411.864	4.382.996
Financial expenses	(53.033.387)	(56.389.040)	(14.120.154)	(15.471.192)
Gain (loss), equity method	(550.489)	37.563.828	(1.411.427)	1.181.859
PROFIT BEFORE TAXES	**234.226.038**	**193.754.010**	**25.271.803**	**159.045.154**
Provision for income tax	(49.317.300)	(5.739.697)	(14.622.066)	1.968.129
Provision for tax on equity CREE	0	(2.090.048)	0	(5.911)
NET PROFIT OF THE PERIOD	**184.908.738**	**185.924.265**	**10.649.737**	**161.007.372**
Net profit per share	321,94	323,70	18,54	280,32

The notes attached are an integral part of the financial statements

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

Ana I. González V

ANA ISABEL GONZÁLEZ VAHOS
Accountant
Professional Card No. 47345-T
See certification attached

JAVIER EMILIO TÁMARA TORRES
External Auditor (Crowe Horwath)
Professional Card No. 208595 – T
See opinion attached

Other Integral Results of the Period Separate Statement

Figures in throusands of Colombian pesos

	From January 1 to December 31		From January 1 to December 31	
	2017	2016	2017	2016
NET PROFIT OF THE PERIOD	**184.908.738**	**185.924.265**	**10.649.737**	**161.007.372**
OTHER INTEGRAL RESULT				
Gain from exchange difference from investment conversion overseas	(302.426)	32.743	0	433.619
Gain (loss) for valuation of controlled companies	859.968	(1.349.665)	1.458.559	2.616.285
Gain (loss) investments at fair value	3.669.830	(15.417.587)	(2.038.933)	(25.641.769)
Effect of tax on gains	(1.135.292)	7.017.236	(247.774)	(723.494)
Surplus from valuations in investments and properties, plant and equipment	(17.592.305)	(131.329.255)	(1.756.297)	(118.070.433)
Effect of tax on gains	4.082.921	29.980.397	2.953.884	1.851.888
Gain for actuaries for employee benefit plans	(20.734)	(32.131)	(20.734)	(32.131)
OTHER INTEGRAL RESULT OF THE PERIOD	**(10.438.038)**	**(111.098.263)**	**348.704**	**(139.566.035)**
TOTAL INTEGRAL RESULT OF THE PERIOD	**174.470.700**	**74.826.003**	**10.998.440**	**21.441.337**

The notes attached are an integral part of the financial statements

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

Ana I. González V
ANA ISABEL GONZÁLEZ VAHOS
Accountant
Professional Card No. 47345-T
See certification attached

JAVIER EMILIO TÁMARA TORRES
External Auditor (Crowe Horwath)
Professional Card No. 208595 – T
See opinion attached

Cash Flow Separate Statement

Figures in throusands of Colombian pesos

	At December 31 2017	At December 31 2016
OPERATING ACTIVITIES		
Profit of the period	184.908.738	185.924.266
Items not affecting cash:		
Plus: depreciation and impairment of properties, plant and equipment	21.801.093	19.968.608
Plus: depletion	2.166.565	0
Plus: amortization	2.715.610	7.492.109
Plus: amortizations deferred charges	5.082.581	0
Plus: provision of costs	(3.824.992)	203.711
Plus: provision of accounts receivable	8.566.843	0
Plus: provision for contingencies	162.061	648.071
Plus: expenses for difference in exchange rate	174.398	763.673
Minus: recovery from reimbursement of costs and expenses	(966.985)	(260.513)
Minus: loss in sale of properties, plant and equipment	3.899.354	2.264.757
Minus: profit from sale of properties, plant and equipment	(1.472.804)	(291.824)
Minus: revenue, equity method	(41.229.922)	(40.111.621)
Minus: recovery of provisions	(1.543.243)	(3.968.659)
Minus: revenues from difference in exchange	(34.577)	(24.761)
Plus: loss, equity method	41.780.411	2.547.793
Plus: income tax caused	49.317.300	7.829.745
CASH GENERATED IN OPERATION	**271.502.431**	**182.985.355**
CHANGE IN OPERATING ITEMS		
Plus: increased liabilities and decreased operating assets	**162.161.636**	**110.953.590**
Decrease of rights - intangibles	316.000	0
Decrease of assets for deferred taxes	6.320.064	0
Decrease of assets for current taxes	0	5.897.320
Increase of accounts payable	103.406.081	105.056.270
Increase of labor obligations	3.984.324	0
Increase of prepayments and advances received	26.110.992	0
Increase of revenues received in advance	22.024.175	0
Minus: increased assets and decreased operating liabilities	**549.397.950**	**244.137.530**
Increase of commercial accounts receivable and other accounts receivable	493.969.098	198.966.995
Increase of Inventories	14.740.141	3.916.403
Increase of expenses paid in advance	6.844.901	7.850.095
Increase of rights - intangibles	0	160.000
Increase of assets for current taxes	12.779.589	0
Increase of assets for deferred taxes	0	2.009.914
Decrease of payment of tax	7.574.998	7.276.111
Decrease of deferred tax	301.271	(2.028.954)
Decrease of labor obligations	0	325.373
Decrease of estimated liabilities	13.187.952	5.094.949
Decrease of revenues received in advance	0	6.187.114
Decrease of prepayments and advances received	0	10.321.622
NET CASH FOR OPERATING ACTIVITIES	**(115.733.883)**	**49.801.414**
CASH FLOWS IN INVESTMENT ACTIVITIES		
Plus: decrease in investment activities	**135.836.056**	**111.753.140**
Investments	135.036.792	111.109.761
Non-current assets maintained for sale	799.264	643.379
Minus: increases in investment activities	**104.861.216**	**16.364.721**
Intangible assets other than capital gain	39.424.089	0
Properties, plant and equipment	61.935.490	16.204.950
Investment properties	3.501.637	159.771
NET CASH FOR INVESTMENT ACTIVITIES	**30.974.840**	**95.388.419**
NET CASH FOR FINANCING ACTIVITIES		
Plus: increase for financing activities	**5.568.729**	**87.027.648**
Financial obligations	0	87.027.648
Increase of retained earnings	2.497.383	0
Other integral result	3.071.346	0
Minus: decreases in financing activities	**69.717.472**	**160.307.164**
Dividends decreed	28.138.182	27.569.559
Decrease of reserves (tax on wealth)	1.443.154	3.603.876
Decrease of other integral result	0	9.749.404
Decrease of surplus for revaluation	13.509.387	101.348.859
Decrease of retained earnings	0	18.035.466
Financial obligations	26.626.750	0
NET CASH FOR FINANCING ACTIVITIES	**(64.148.744)**	**(73.279.516)**
Cash increase-decrease	(148.907.787)	71.910.317
Cash beginning the period	169.662.605	97.752.288
CASH AND CASH EQUIVALENTS AT DECEMBER 31	**20.754.818**	**169.662.605**

The notes attached are an integral part of the financial statements

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

Ana I. González V

ANA ISABEL GONZÁLEZ VAHOS
Accountant
Professional Card No. 47345-T
See certification attached

JAVIER EMILIO TÁMARA TORRES
External Auditor (Crowe Horwath)
Professional Card No. 208595 – T
See opinion attached

Changes In Equity Separate Statement

Figures in thousands of Colombian pesos

At December 31, 2017-2016

	Subscribed and paid capital	Capital surplus	Earnings retained	Results of the period	Result of previous periods	Other integral result	Revaluation surplus	Changes in equity
BALANCE AT DECEMBER 31, 2015	**15.701.606**	**159.711.695**	**204.179.370**	**148.621.375**	**18.163.416**	**40.190.721**	**161.902.082**	**748.470.265**
Reserves	0	0	116.647.939	0	(17.235.466)	0	0	99.412.474
For transfer to results of previous periods	0	0	0	(148.621.375)	0	0	0	(148.621.375)
Results of the period	0	0	0	185.924.266	0	0	0	185.924.266
Other integral result	0	0	0	0	0	(9.749.404)	0	(9.749.404)
Revaluation surplus	0	0	0	0	0	0	(101.348.858)	(101.348.858)
BALANCE AT DECEMBER 31, 2016	**15.701.606**	**159.711.695**	**320.827.309**	**185.924.266**	**927.950**	**30.441.317**	**60.553.223**	**774.087.367**
BALANCE AT DECEMBER 31, 2016	**15.701.606**	**159.711.695**	**320.827.309**	**185.924.266**	**927.950**	**30.441.317**	**60.553.223**	**774.087.367**
Reserves	0	0	156.342.930	(157.786.085)	0	0	0	(1.443.155)
Adjustments investments in associates and subsidiaries	0	0	0	0	0	3.071.346	0	3.071.346
Results of the period	0	0	0	184.908.738	0	0	0	184.908.738
Revaluation reclassification	0	0	0	0	2.497.383	0	0	2.497.383
Dividends	0	0	0	(28.138.182)	0	0	0	(28.138.182)
Revaluation surplus	0	0	0	0	0	0	(13.509.387)	(13.509.387)
BALANCE AT DECEMBER 31, 2017	**15.701.606**	**159.711.695**	**477.170.240**	**184.908.738**	**3.425.333**	**33.512.663**	**47.043.837**	**921.474.112**

The notes attached are an integral part of the financial statements

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

Ana I. González V
ANA ISABEL GONZÁLEZ VAHOS
Accountant
Professional Card No. 47345-T
See certification attached

JAVIER EMILIO TÁMARA TORRES
External Auditor (Crowe Horwath)
Professional Card No. 208595 – T
See opinion attached

Note 1. Reporting Entity

1.1 Entity and corporate purpose
Construcciones El Condor S.A. was initially incorporated by Public Deed No. 510 granted at Notary 11 of Medellin in March 6, 1979, and in turn has experienced several amendments registered before the Medellin 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 Medellin.

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

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

On March 7, 2017, in book 9, under No. 4659, the private document was registered in the mercantile registry by means of which the abbreviated absorption merger was approved by virtue of which, Construcciones El Cóndor S.A. absorbs its subsidiary Concesión Red Vial del Cesar S.A.S.

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 Medellin.

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 20, 2018. The Assembly of Shareholders has the power to amend the financial statements prior to their publication; the Assembly authorized its publication on March 23, 2018.

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 preparing the financial statements

2.2.1. 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.

2.2.2. 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.

2.2.3. 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.

2.2.4. Currency

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

2.2.5. 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.

2.2.6. 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.

2.2.7. 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

2.2.8. 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.

2.2.9. 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.

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

International Accounting Standards (IAS)
IAS 1 Presentation of financial statements.
IAS 2 Inventories.
IAS 7 Statement of cash flows.
IAS 8 Accounting policies, changes in accounting estimates and errors.
IAS 10 Events after the reporting period.
IAS 11 Construction contracts.
IAS 12 Income taxes.
IAS 16 Property, plant and equipment.
IAS 17 Leases.
IAS 18 Revenue.
IAS 19 Employee benefits.
IAS 21 Effects of changes in foreign exchange rates.
IAS 23 Borrowing costs.
IAS 24 Related party disclosures.
IAS 26 Accounting and reporting by retirement benefit plans.
IAS 27 Consolidated and separate financial statements.
IAS 28 Investments in associates.
IAS 32 Financial instruments: presentation.
IAS 33 Earnings per share.
IAS 34 Interim financial reporting.
IAS 36 Impairment of assets.
IAS 37 Provisions, contingent liabilities and contingent assets.
IAS 38 Intangible assets.
IAS 39 Financial instruments: recognition and measurement.
IAS 40 Investment property.

International Financial Reporting Standards (IFRS)
IFRS 3 Business combinations.
IFRS 5 Non-current assets held for sale and discontinued operations.
IFRS 7 Financial instruments: disclosures.
IFRS 8 Operating segments.
IFRS 9 Financial instruments.
IFRS 10 Consolidated financial statements.
IFRS 11 Joint arrangements.
IFRS 12 Disclosure of interests in other entities.
IFRS 13 Fair value.

IFRIC
IFRIC 1 Changes in existing decommissioning, restoration and similar liabilities.
IFRIC 10 Interim financial reporting and impairment.
IFRIC 15 Agreements for the construction of real estate.

2.3. Summary of significant accounting principles applied

2.3.1. 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.

2.3.2. 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.

2.3.3. 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.

2.3.4. 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.

2.3.5. 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.

2.3.6. 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.

2.3.7. Intangible assets and prepaid expenses

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

• It is likely that future economic benefits attributed to this item flow towards the Corporation.
• Asset cost may be measured in a feasible manner.
• It may be separated, that is, it is susceptible of being separated or spin-off from the Corporation and sold, transferred, given for exploitation, leased or exchanged, notwithstanding if the Corporation intends to carry out the separation.
• Derived from contractual rights or from other legal rights, notwithstanding if those rights can be transferred or separated from the Corporation, or from other rights and obligations.

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.

Construcciones El Cóndor S.A. shall use the straight line amortization method, production units or revenues from ordinary activities using an intangible asset. Amortization begins when the asset is at the location and in the necessary conditions to operate as foreseen by Management. Said amortization shall terminate when the asset is classified as maintained for sale or when it is derecognized, whichever occurs first.

Category	Amortization method	Life
Insurance and bonds	Straight line	According to the contract
Software licenses	Straight line	1 year.
Mining rights	Production units	N/A
Operating rights	Based on the income from ordinary activities related to said operation	Amortization is expected to end in June 2020

The useful and estimated life of intangible assets shall be revised at the end of each period reported; any change shall be addressed as set forth in IAS 8.

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.

2.3.8. 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^3/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.

2.3.9. 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.

2.3.10. 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.

2.3.11. Investment properties

Investment properties are recognised as assets when and solely when:

• It is likely that the future economic benefits are related to said investment properties flowing towards the entity; and
• 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.

2.3.12. 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.

2.3.13. Value impairment of non-financial assets

On the closing date of each period reported Construcciones El Condor 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 sue 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.

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.

2.3.14. 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.

2.3.15. 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.

2.3.16. 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.

2.3.17. 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.

2.3.18. 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.

2.3.19. 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.

2.3.20. 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.

2.3.21. 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.

2.3.22. 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.

2.3.23. 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.

2.3.24. Hedge accounting
Hedge accounting is a method used on the period's results to display the effect of compensating changes on the fair values of hedging instruments and hedged items.

There are three types of hedging relationships:

Fair value hedge
A hedge of the exposure to changes in the fair value of assets or liabilities recognized or commitments not recognized, or of a portion of said assets, liabilities or commitments, related to a particular risk and that may affect the period's results.

If a fair value hedge meets during the period the requirements set forth, it shall be accounted as follows:

• The gain or loss from measuring the hedging instrument (i.e. a derivative that is an hedging instrument) or from the foreign currency component measured in accordance with NIC 21 (in the event of a hedging instrument that is not a derivative), shall be recognized in the period's result; and
• The gain or loss of the hedged item attributable to the risk shall adjust the entry in the books of the hedged item and shall be recognized in the period's results. This will be applied even if the hedged item is measured at the cost.

Cash flow hedge
Involves an exposure to cash flow variations which: (i) is attributed to a particular risk related to an asset or liability recognized (such as all or several future interest payments of a debt at variable interest), or a transaction foreseen as highly probable which (ii) may affect the period's results.

When a cash flow hedge matures during the period the conditions established are accounted as follows:

• The gain or loss of the hedging instrument determined as an efficient hedge, is recognized on the other integrated result; and
• The inefficient part of the gain or loss of the hedging instrument is recognized in the period's results.

Hedges of net investments in foreign operations
Hedges of a net investment in foreign operations, including the hedge of a monetary entry accounted as part of a net investment (see NIC 21), are accounting similar to cash flow hedges:

• The gain or loss part of the hedging instrument determined efficient is recognized on the other integral result; and
• The non-efficient part is recognized in the result.

2.3.25. 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 MMLWF	1
Slight	Losses from 5.5 to 55 MMLWF	2
Serious	Losses from 56 to 279 MMLWF	3
Catastrophic	Losses above 279 MMLWF	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 for consequence
Low / acceptable	1 - 2
Moderate / tolerable	3 - 4
High / unacceptable	5 - 9
Extreme / inadmissible	10 - 16

Vulnerability / critical nature			Severity / consequence			
			1	2	3	4
			Minor	Slight	Serious	Catastrophic
Frequency / likelihood of ocurring	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.

Risk of share price and of other financial instruments estimated

The Corporation shall not be affected by the volatile prices of shares and other financial instruments estimated since it does not trade in the securities market.

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.

2.3.26. Joint operations
Construcciones El Cóndor S.A. recognizes in its accounting not solely its assets, liabilities, revenues and expenses but also those derived from contractual agreements. The Corporation displays in its financial statements the shares of joint assets, liabilities, revenues, costs and expenses. The incorporation of the balance sheets of consortiums is observed in the notes to the financial statements.

Business cooperation agreement	Share	Type of agreement	Description	Duration	Consortium members
Consorcio Autosur	50.00%	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 months	Construcciones El Cóndor S.A. 50%, Construcciones Civiles 50%
Consorcio Hidroeléctrica de Tulúa	65.00%	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%
Consorcio O.M.C.	30.00%	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%, Odinsa S.A. 35%, Construcciones El Cóndor S.A.30%
Consorcio Grupo Ejecutor Hatovial	21.11%	Consortium	The object of the consortium is to execute all the design, construction and services activities included in the new object of the concession contract, and all those that are later subscribed between the Department of Antioquia and Sociedad Hatovial S.A. Set the parameters and conditions that will govern, and the conditions of participation of each of the members.	The agreement will be valid from the date of its subscription and until the end of the concession contract signed by Hatovial or until when its members decide, this case in which unanimity will be required.	Mincivil S.A. 51.85%, S.P. Ingenieros S.A.S. 22.22%, Construcciones El Cóndor S.A. 21.11%, Latinco S.A. 1.11%, EDL 3.72%
Consorcio Avenida Colón	70.00%	Consortium	Implementation of infrastructure construction works for the Avenida Colon 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%
Consorcio Vial del Sur	27.00%	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%
Consorcio Constructor Américas	66.67%	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%
Consorcio Constructor Pacífico Tres	48.00%	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%

Business cooperation agreement	Share	Type of agreement	Description	Duration	Consortium members
Consorcio Farallones	50.00%	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. 50%, Odinsa S.A. 50%
Consorcio 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%, Odinsa S.A. 51%, Murcia y Murcia S.A. 30%, Sarugo S.A. 8%
Consorcio Francisco Javier Cisneros	21.11%	Consortium	The execution of all the works and activities and all those services required under the EPC contract.	Until December 31, 2021	Mincivil S.A. 51.82%, S.P. Ingenieros S.A.S. 22.22%, Construcciones El Cóndor S.A. 21.11%, Latinco S.A. 1.11%, EDL S.A.S. 3.72%

2.3.27 New standards and interpretations of financial reports

The following includes a list of the new standards and amendments issued by the IASB which are in force for the annual periods beginning on January 1, 2018. Management is undergoing the evaluation of the potential impact these changes have on the Company's financial statements.

Decrees 2496 of December 24, 2015 and 2131 of December 22, 2016 introduced a new accounting framework that reflects the new standards, amendments or changes issued by the IASB for the International Financial Reporting Standards in years 2015 and 2016. This addition to the tech IASB framework used to present reports shall apply to the financial periods that begin on January 1, 2018, with early application permitted.

Standards	Title of the standard	In force for annual periods beginning after
IFRS 15	Revenue from contracts with customers	January 1, 2018
IFRS 9	Financial instruments	January 1, 2018
IFRS 16	Leases	January 1, 2019

IFRS 9 – Financial Instruments and amendments of other standards

IFRS 9 replaces multiple classification and measurement models of IAS 39 Financial Instruments: Recognition and measurement with a single model that has only two classifications: amortized cost and fair value.

Phase 1: Classification and measurement of financial assets and financial liabilities

The classification of the financial assets of debt instruments shall be determined pursuant to the business model used by the entity to manage financial assets and the features of their contractual cash flow characteristics. A debt instrument is measured by the amortized cost if: a) the purpose of the commercial model is to maintain the financial asset to charge the contractual cash flows; and b) the contractual cash flows under the instrument solely represent payments of capital and interests.

All other instruments of debt and equity – including investments in complex instruments of debt and capital – shall be recognized by their fair value.

All movements of fair value of the financial assets are recognized in the income statement, except investments in equity instruments which are not maintained to negotiate and may be registered in another integral result.

The entities that measure financial liabilities at fair value need to recognize the change of fair value which is derived from changes of their own credit risk in another integral result instead of gains or losses.

Phase 2: Impairment methodology
The new Expected Credit Loss (ECL) model implies focusing on three stages in which the financial assets move as their creditworthiness changes. The stage dictates the manner in which an entity measures losses due to impairment and applies the effective interest rate. A simplified focus can be used for financial assets that lack a significant financing component (for instance, commercial accounts receivable). In the initial recognition, entities shall register a loss of day 1 equal to the credit loss expected of 12 months (or lifelong ECL for the commercial accounts receivable) unless the assets are deemed impaired credits.

After estimating the parameters used to calculate the expected loss (“Non-compliance Exposure” or EAD), "Non-compliance likelihood” or PD, "Predetermined Loss" or LGD, and discount rate), the entity makes use of its experience to develop internal models to calculate parameters for regulatory and managerial purposes.

Definition of Non-compliance: consistent with the definition of non-compliance used by the Company. IFRS 9 does not define non-compliance but has a refutable assumption that it is produced when an exposure surpasses 90 days.

Use of present, past and future information: the measurement and classification of credit losses expected require a high level of understanding and estimate that should consider information of past events and current conditions alongside future event predictions. Hence, our estimates of expected losses consider multiple macroeconomic settings while their likelihood is assessed based on the past event, the current situation and future trends, such as the gross domestic product (GDP) and the unemployment rate. All of these items are the initial step to assess significant increases of credit risk and to use PD estimates.

Phase 3: Hedge accounting
The new hedge accounting rules (published in December, 2013) align the hedge accounting closest to the common practices of risk management. As a rule of thumb, it shall be easier to apply hedge accounting in the future. The new standard also introduces expanded disclosure requirements and changes in presentation.
Construcciones El Cóndor S.A. has no significant impacts with the application of this standard.

IFRS 15 Revenues from contracts with customers
IFRS 15 was published in May 2014, which establishes a single integral model used by companies for the accounting of revenues from ordinary activities derived from contracts with customers. IFRS 15 shall replace the following standards and interpretations of revenue on its effective date:

• IAS 18 Revenues from ordinary activities
• IAS 11 Construction contracts
• IFRIC 13 Customer loyalty programs
• IFRIC 15 Agreements for the construction of real estate
• IFRIC 18 Transfers of assets from customers
• SIC 31 Revenue – Revenues involving advertising services

As the title of the new standard of Revenues from ordinary activities, IFRS 14 only covers revenues from contracts with customers. IFRS 15 involves a party hired by an entity to obtain goods or services derived from the entity’s ordinary activities in exchange of compensation. Unlike IAS 18, the recognition and measurement of revenues from interests and dividends of investments in instruments of debt and/or equity is no longer part of IFRS 15 but instead, within the scope of IFRS 9 – Financial instruments.

As mentioned above, the new standard of revenues has a single model to address revenues from contracts with customers. Its primary principle is that an entity should recognize revenues when the control of the goods or services involved in the transaction is transferred to the customers. The amount of the revenues corresponds to the compensation which shows what the entity expects to obtain in exchange for those goods or services.

The new standard displays the following five steps to recognize and measure revenues:

Step 1: Identify the contract with a customer.
Step 2: Identify the performance obligations (separation of goods or services) in the contract.
Step 3: Determine the transaction price.
Step 4: Allocate the transaction price to the performance obligations (to each good or service).
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The new revenues standard has introduced an increasingly limited orientation:
• If a contract (or combination of contracts) contains or not more than one good or service promised. If so, when and how the goods or services promised should be listed.
• If the price of the transaction assigned to every obligation of performance should be recognized as revenue throughout time or in a given time. Per IFRS 15, an entity recognizes revenue when an obligation of performance is met, that is, when the "control" of the goods or services underlying a particular obligation of performance is transferred to the customer. Unlike IAS 18, the new standard excludes a separate guide for the “sale of goods”; instead, the new standard requires entities to assess if revenues should be recognized throughout time or in a particular time, notwithstanding if the revenues relate to “sale of goods” or “services provided”.
• When the transaction price includes variable compensation, the standard contains the parameters to be determined: how will the amount be affected and the moment to recognize the revenue. The item of variable compensation is ample; a transaction price is deemed variable as a result of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties and contingency agreements. The new standard introduces limitations to recognize variable compensation as revenue.
• When the costs incurred to obtain a contract and the costs to meet a contract may be recognized as an asset.
• The new standard demands the disclosure of more information.

In April 2016, the IASB issued Clarifications for IFRS 15 derived from the feedback it received from the IASB / FASB Joint Transition Resources Group to Recognize Revenue. This group was created to address possible problems related to the implementation of IFRS 15 and the PCGA of U.S.A. ASC subject 606. The clarifications of IFRS 15 are listed below:

• Identify performance obligations: providing illustrative factors to be considered when evaluating if the promised goods or services are different;
• Major considerations with the agent: by clarifying that an entity should evaluate if it is a principal or agent for each different good or service promised to the customer, and by changing the indicators used to evaluate if an entity is a principal or an agent.

IFRS 15, along with the clarifications published on April 2016, is in force for the reporting periods starting from January 1, 2018 onwards, with early application permitted. Entities may opt to apply the standard retroactively or use a modified transition focus, that is, to apply the standard retrospectively only on contracts that have no tended on the date of adoption (for instance, on January 1, 2018 for an entity that ends the year in December 31).

Construcciones El Cóndor S.A. did not apply this standard early. The performance obligations identified are: sale of materials and construction. Revenue from the performance obligation related to sale of materials is recognized in a given time since right then it transfers the control of the goods to the customer. With regards to the performance obligation of construction, revenue from ordinary activities is recognized throughout time. This guideline is also followed by the joint operations in which the Company is a joint player. The quantitative impacts to apply this standard are:

Performance obligation	Estimated amount in 2018	% Share
Construction	718,423,812	98.51%
Sale of materials	10,851,657	1.49%
Total	**729,275,469**	**100.00%**

IFRS 16 Leases

IRFS 16 provides an integral model for the recognition of lease agreements and their treatment in financial statements of lessees and lessors. This standard will replace the following standards and interpretations when in force:

• IAS 17 Leases
• IFRIC 4 Determining whether an arrangement contains a lease.
• SIC 15 Operating leases - incentives.
• SIC 27 Evaluating the substance of transactions in the legal form of a lease.

Identifying a lease

IFRS 16 applies a model to control the identification of leases, in which an arrangement is or contains a lease if it transfers the right to control the use of an asset for a period of time in exchange for consideration. It is deemed that control exists if the customer:

• Is entitled to substantially obtain all of the economic benefits from using an asset; and
• Is entitled to lead the use of that asset.

The standard provides a detailed guide to determine if these conditions are met, including the cases in which the supplier is entitled to substantive substitutions, and when relevant decisions con how and why the asset is used are predetermined.

Accounting by lessees

IFRS 16 introduces significant changes on the lessee’s accounting: it eliminates the difference between operating and financial leases determined by NIT 17; it also demands the lessor to recognize an asset per right of use and a liability at the beginning of all leases, excluding short-term leases and low-cost asset leases.

An asset for right of use is initially measured at cost and later at cost (subject to certain exception) minus accrued depreciation and losses from impairment, adjusted by any new measurement of the liability for the lease.

Liability for lease is initially measured at the present value of the lease payments not made on that date. Later, the liability for the lease is adjusted by payments of interests and leases, and by the impact of lease amendments, among others.

If a lessee chooses not to apply the general requirements of IFRS 16 to short-term leases (that is, one that does not include a put option and has a lease term of 12 months or less in the initial date) as well as leases of low-value assets, the lessee shall recognize the payment of leases related to those leases as a linear or systematic expense, similar to the current accounting of operating leases.

Accounting by lessors
Unlike the lessee accounting, the requirements for the lessor accounting pursuant to IFRS 16 remain practically the same compared to IAS 17, which still requires the lessee to classify a lease as operating or financial.

Besides, IFRS 16 also provides guidance on the accounting of sale transactions and leasebacks; and the disclosure of additional information.

IFRS 16 is in force in the period that begins on or after January 1, 2019, with early application permitted by entities that used IFRS 15 on the initial application date of IFRS 16. A lessee may apply IFRS 16 using the complete or modified retrospective focus. If the lessee chooses the modified retrospective focus, an entity is not forced to re-express the information and the accumulated effect of applying IFRS 16 initially shall be presented as an adjustment on the earnings retained (or another component of equity, whichever is applicable).

Construcciones El Cóndor S.A. shall not apply IFRS 16 early given that this standard may have an irrelevant impact on the amounts reported and on the disclosers made on the financial statements. However, a reasonable estimate of the effect of IFRS 16 cannot be provided until a detailed revision is made.

Note 3. Cash and Cash Equivalents

The total of these items was duly reconciled with the corresponding external information obtained from different financial entities.
Includes a portfolio of investments in pesos in joint accounts receivable; there are no restrictions regarding balance of cash available, banks and savings accounts on the financial statement's date.

	At December 31	At December 31
	2017	**2016**
Cash	22.606	29,939
Banks (checking account)	5.665.115	11,453,300
Joint banking operations (incorporation of consortiums)	13.788.293	3,734,105
Restricted cash and cash equivalents	74.134	85,406
Available restricted for joint operations (incorporation of consortiums)	1.989	2,006
Savings account	189.134	3,611,385
Negotiable investments, fixed income	369.333	149,543,000
Negotiable investments, fixed income, joint operations	644.214	1,203,466
TOTAL CASH AND CASH EQUIVALENTS	**20.754.818**	**169,662,605**

Note 4. Investments

Investments at fair value

	At December 31	At December 31
	2017	**2016**
Sociedad Concesionaria Operadora Aeroportuaria Internacional	0	15,332,840
Organización de Ingeniería Internacional S.A. (Grupo Odinsa S.A.)	0	9,580,128
Grupo Argos	0	92,965,686
TOTAL TEMPORARY INVESTMENTS	**0**	**117,878,654**

Permanent investments

Investments in associates and joint businesses
4.1. The major associates and their main activity are listed below:

At December 31

	Number of shares	Share (%)	Observations	2017	2016	Incorporation - domicile	Corporate purpose
FINANCIAL ASSETS							
FINANCIAL INSTRUMENTS							
Concesión Santa Marta Paraguachón	203.942	2,97%	Invesment sold on June 2017	0	984.369	Nov/2012 Riohacha	Construction of civil engineering works
C.C.I. Marketplace S.A.	132.057	2,63%		37.768	70.254	Apr/2007 Bogotá	Website and/or Webpage creation, maintenance
Hidroeléctrica del Río Aures	1.019.450	16,60%		777.861	1.045.868	Jul/1997 Medellín	Electric power generation and sale through a hydroelectric station in the municipality of Abejorral
TOTAL INVESTMENTS IN FINANCIAL INSTRUMENTS				**815.629**	**2.100.491**		
JOINT BUSINESSES							
Constructora Túnel de Oriente S.A.S.	2.629.361.939	12,70%		6.336.760	2.629.362	Oct/2011 Medellín	To be a shareholder of Concesion Tunel de Aburra Oriente S.A. and to develop the activities necessary to build the works
Concesión Túnel de Aburra Oriente	236.700	12,51%		19.822.117	20.695.057	Dec/1997 Medellín	State concession contract for the design, construction, operation and maintenance of the road connection Aburrá-Oriente
Concesión Vial Los Llanos S.A.S.	550.000	11,00%		769.968	759.765	Apr/2015 Villavicencio	Construction of roads and railroads
ASSOCIATES							
Concesión Aburrá Norte S.A. - Hatovial S.A.	1.582.886	21,11%		20.475.715	31.404.264	Oct/1997 Copacabana	Enter and execute a state concession contract of a road project called "Desarrollo vial del Aburrá Norte" and its complementary road system
Concesión Vías del Nus S.A.S.	1.055.250	21,11%		1.879.258	1.116.900	Dec/2015- Medellín	Enter and execute a state concession contract established in article 32 of law 80 of 1993
Concesión La Pintada S.A.S.	8.490.799	21,15%		4.073.199	9.407.775	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 Concesion
Concesión Pacífico Tres S.A.S.	4.800	48,00%		28.947.351	16.219.907	Aug/2014 Bogotá	Execute a contract with the ANI to conduct studies, designs, financing, environmental, property and social management, construction, improvement, revamping, operation, maintenance and reversion of Concesion
Transmilenio Carrera 7 SC S.A.S.			The Associate reported losses exceeding the amount of the investment	15.000	15.000		
Deterioro inversión Transmilenio Carrera 7 SC S.A.S.				(15.000)	(15.000)		

At December 31

	Number of shares	Share (%)	Observations	2017	2016	Incorporation - domicile	Corporate purpose
ASSOCIATES							
Concesionaria Trans NQS Sur	24.990	50,00%	The Associate reported losses exceeding the amount of the investment	0	0	Sep/2003 Bogotá	Activities for the design, construction and execution of civil works
Concesionaria Transmilenio del Sur	25.000	50,00%		429.778	434.908	Dec/2003 Bogotá	Execution of civil works design, construction and execution activities
Agregados Argos S.A.S.	1.512.000.000	24,00%		935.040	0	Jul/2017 Medellín	Exploration, exploitation, transformation, transportation and sale of stone materials from mines and quarries
INVESTMENTS OVERSEAS							
Industrias Selma (1)	5.000	49,75%	The Associate reported losses exceeding the amount of the investment	0	10.851.437	Jul/2005 Islas Vírgenes Británicas	Its corporate purpose is detailed on page of the by-laws: "(5. Capacity and powers"). Here it is stated that its object is not restricted (is indefinite) and the Company has full powers to carry out lawful activities which are not prohibited for commercial companies created under BVI standards in accordance with act of 2004 or any other BVI law.
TOTAL INVESTMENTS IN ASSOCIATES AND JOINT BUSINESSES				**83.669.186**	**93.519.376**		
INVESTMENT IN SUBSIDIARIES (2)							
Condor Investment USA INC (2.1.)	1.032.762	100,00%		1.702.250	941.233	Condor Investments USA INC is a corporation incorporated under the laws of Delaware established in 2015. Affiliate Condor Construction Corp is a corproation incorporated under the laws of Florida	Condor Investments USA INC is an investor company and the affiliate is a general contractor to participate in construction, commercial, industrial and municipal projects of Florida. Construction contracts are entered in virtue of cost contracts plus margin, fixed price contracts, fixed price contracts modified by provisions of: incentives, sanctions, time and material. The duration of Company contracts varies, but is usually less than a year.
Concesión Red Vial del Cesar S.A.S. (2.2.)	2.607.282	94,89%	The Corporation merged on March 2017	0	5.063.510	Nov/1999 Medellín	Design, construction of civil orks under any contractual mode, such as concession public utility contracts, joint ventures, among others
Concesión Vías de las Américas S.A.S. (2.3.)	173.342	66,67%		96.740.033	98.140.967	Feb/2012 Montería	Study, design, planning, financing exploitation and administration of infrastructure businesses
Concesión Ruta al Mar S.A.S. (CORUMAR) (2.4.)	700.000	100,00%		1.594.201	1.536.447	Sep/2015 Medellín	A corporation with the sole purpose of entering and executing the APP concession contract for the construction, improvement, operation, maintenance and reversion of the road system to connect the departments of Antioquia-Bolivar

	Number of shares	Share (%)	Observations	2017	2016	Incorporation - domicile	Corporate purpose
				At December 31			
INVERSIÓN EN SUBSIDIARIAS (2)							
Concesión Cesar Guajira S.A.S. (2.5.)	700.000	100,00%		50.350	978.253	Jun/2015 Medellín	The sole corporate purpose of the Company is to execute the APP (Public-Private Association) concession contract) under the terms established in law 1508 of 2012
TOTAL INVESTMENT IN SUBSIDIARIES				**100.086.834**	**106.660.409**		
TOTAL INVESTMENT IN SHARES IN ASSOCIATES AND SUBSIDIARIES				**184.571.649**	**202.280.276**		

(1) Industria Selma: corporation tied to the Company domiciled overseas.

(2) INVESTMENTS IN SUBSIDIARIES

(2.1.) Condor Investment USA INC: corporation tied to the Company domiciled overseas.

(2.2.) Concesión Red Vial del Cesar S.A.: incorporated through public deed No. 2.438 grated at Notary 7 of Medellin on November 17, 1999. Pursuant to Assembly Minute No. 24 of April 26, 2012 and registered at the Chamber of Commerce on May 14, 2012, the corporation transforms into a corporation of simplified shares and changes its name to: Concesión Red Vial del Cesar S.A.S.

The main corporate purpose of Concesión Red Vial del Cesar is the execution of activities such as the design and construction of civil work, any contractual mode use and public work concession contracts among others, and to enter and execute a state concession contract established in item 4 of article 32 of Law 80 of 1993, under the terms of public bid 005 of 1999, whose purpose is to: "Build, Revamp and Maintain 35.7 kilometers of the road system of the Department of Cesar”. To develop the state contract, another commercial contract was previously required with BBVA Fiduciaria S.A. to manage an Autonomous Equity with consists of resources (gasoline and fuel oil surcharge) provided by the Department of Cesar, known as: ”Fideicomiso Fidugán Concesión Red Vial del Cesar”, with a share of 100% of the respective rights.

Merger through Absorption: On March 7, 2017, the commercial registry of private document was made which approved the abbreviated merger through absorption by which Construcciones El Cóndor S.A. absorbed its affiliate Concesión Red Vial del Cesar S.A.S.

(2.3.) Concesión Vías de las Américas S.A.S.: incorporated through the Assembly of Shareholders held on August 5, 2010, under number 0140918 of book IX.

Concesión Vías de las Américas, the primary corporate purpose is to study, design, plan, exploit and manage the infrastructure business and to execute all of the activities related to engineering and arquitecture in all their manifestations, modes and specialties inside and out of Colombia under any system. To develop its corporate purpose, the corporation may: execute activities of design and construction of civil works, infrastructure of all types, project management, and toll collection and management, road operation and road maintenance activities, and road infrastructure. To enter and execute the concesion contract that corresponds to public bid SEA-LP-002-2009 for the works necessary for the construction, revamp, expansion, improvement and conservation, whichever the case, of road project Transversal de las Américas.

(2.4.) Concesión Ruta al Mar S.A.S.: incorporated by private document dated September 14, 2015 of the shareholder; registered at the Medellin Chamber of Commerce on October 2, 2015, in book 9 under number 30735.

Concesión Ruta al Mar S.A.S. the sole corporate purpose is to sign and execute the APP (public-private) Concession contract under the terms of law 1508 of 2012, derived from the award given in process VJ-VE-APP-IPV-006 by ANI (Agencia Nacional de Infraestructura). The purpose is the "Construction, improvement, operation, maintenance and reversion of the road system to connect the departments of Antioquia-Bolivar".

(2.5.) Concesión Cesar-Guajira S.A.S.: incorporated with private document dated June 12, 2015 by the sole shareholder, and registered at the Medellin Chamber of Commerce on June 19, 2015, in book 9, under number 11719.

La Concesión Cesar-Guajira S.A.S. the sole corporate purpose is to execute the concession contract under the Public-Private scheme (APP) under the terms of Law 1508 of 2012, derived from the awarding process VJ-VE-APP-IPV-003-2015 granted by ANI (Agencia Nacional de Infraestructura) through resolution No. 823 of May 19, 2015. The purpose is the construction, revamp, operation, maintenance and reversion of the road system to connect the departments of Cesar and Guajira in accordance with the concession contract.

Through the minute signed by Agencia Nacional de Infraestructura and Concesión Cesar Guajira S.A.S., an anticipated cause for termination was declared which began the reversal stage of the contract.

b. Subsidiaries present the following financial situation.

	CONCESIÓN VÍAS DE LAS AMÉRICAS S.A.S.		CONCESIÓN RUTA AL MAR S.A.S.		CONCESIÓN CESAR GUAJIRA S.A.S.		CONDOR INVESTMENTS USA, Inc.	
	2017	2016	2017	2016	2017	2016	2017	2016
EQUITY COMPOSITION								
Assets	492.772.767	448.243.172	578.689.088	135.856.005	157.060.228	77.520.769	1.971.791	1.200.614
Liabilities	347.669.972	301.038.816	577.094.887	134.319.557	157.009.878	76.539.327	269.542	259.381
Stock capital	26.000.000	26.000.000	700.000	700.000	700.000	700.000	3.029.504	2.005.818
Capital surplus	122.491.573	122.491.573	0	0	0	0	0	0
Surplus from valuation	6.320.930	6.320.930	0	0	0	0	0	0
Exchange difference from conversion	0	0	0	0	0	0	56.723	34.057
Results of previous periods	(5.463.817)	(8.913.752)	(221.343)	(31.288)	281.442	(48.322)	(1.098.643)	0
Results of the period	(4.245.891)	1.305.606	1.115.544	867.735	(931.092)	329.764	(285.335)	(1.098.642)
TOTAL LIABILITY AND EQUITY	**492.772.767**	**448.243.172**	**578.689.088**	**135.856.005**	**157.060.228**	**77.520.769**	**1.971.791**	**1.200.614**

Concesión Vías de las Américas S.A.S.: Of a total of 260,000 ordinary stocks, Construcciones El Cóndor S.A. owns 173,342 stocks which represent 66.67%.

Concesión Cesar Guajira S.A.S.: Of a total of 700,000 ordinary stocks, Construcciones El Cóndor S.A. owns 100%.

Concesión Ruta al Mar S.A.S.: Of a total of 700,000 ordinary stocks, Construcciones El Cóndor S.A. owns 100%.

Condor Investment USA INC: Of a total of 1,032,762 ordinary stocks, Construcciones El Cóndor S.A. owns 100%.

During the periods reported, Construcciones El Cóndor S.A., which is the parent company, did not display any investment reclassifications or transfer in subordinates. In terms of investments in subsidiaries, the merger by absorption with Concesión Red Vial del Cesar S.A.S. is highlighted.

Note 5. Commercial Accounts Receivable and Other Accounts Receivable

5.1. Commercial accounts receivable and other current accounts receivable

	At December 31 2017	At December 31 2016
DETAIL		
Domestic clients	176.122.928	107.042.361
Accounts receivable, consortiums	54.989.167	67.574.548
Prepayments and advances	63.253.292	27.125.831
Claims	2.338.069	2.338.069
Accounts receivable, workers	174.464	305.811
Sundry debtors	48.605.846	24.529.616
Withholding over contracts	24.849.167	10.666.878
Income receivable	194.906.210	73.849.617
Deposits	840	840
TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE	**565.239.983**	**313.433.572**

	At December 31 2017	At December 31 2016
DETAIL - RELATED PARTIES		
Domestic clients	44.062.936	46.882.724
Income receivable, internal minutes	24.294.242	1.138.852
Debtors, related parties	151.438.456	54.570.811
Deposits	0	75.256.827
Receivable dividends and interests	222.047	0
TOTAL ACCOUNTS RECEIVABLE, RELATED PARTIES (**)	**220.017.681**	**177.849.213**

(**) Details of accounts receivable with related parties are found on note 29.

Domestic clients

	At December 31 2017	At December 31 2016
Clientes Agregados San Javier	1.171.553	1.016.266
Automax S.A.S.	0	63.000
Carbones de la Jagua S.A.	4.670.791	0
Consorcio Constructor Aburrá Norte Hatovial	0	502.169
Consorcio Constructor Américas (1)	139.514.721	73.752.844
Consorcio Constructor Pacífico 3 (2)	27.719.904	23.409.276
Constructora Civil Obras S.A.S.	344.269	0
Constructora Kalamary S.A.S. (1)	917.880	4.174.919
Constructora S & L S.A.S.	0	201.552
Departamento del Cesar	0	3.030.148
Estyma	0	30.056
Consorcio El Viajano	125.130	0
Inversiones Océano S.A.S.	0	40.400
C.I. Prodeco	132.925	0
Less than 50 million	151.040	167.719
Metroplús S.A.	0	31.088
Instituto Nacional de Vías	811.791	0
Sohinco Constructora S.A.S.	255.411	255.411
Valores y Contratos	307.513	367.513
TOTAL DOMESTIC CLIENTS	**176.122.928**	**107.042.361**

(1) These amounts correspond to works executed in the projects Américas Cóndor Urabá - Montería - San Marcos y Santa Ana - La Gloria.
(2) The amount corresponds to works executed in project Pacífico Tres - La Virginia e Irra.
There are no restrictions or encumbrances, accounts receivable do not guarantee any type of obligation.

Accounts receivable of consortiums

	At December 31 2017	At December 31 2016
Debtors, joint operations (incorporation of consortiums)	30.093.559	66.768.539
Accounts receivable, related companies in joint operations (incorporation of consortiums)	23.683.586	758.631
Commercial banking accounts, joint operations (incorporation of consortiums)	1.212.022	47.377
TOTAL ACCOUNTS RECEIVABLE, CONSORTIUMS	**54.989.167**	**67.574.548**

Prepayments and advances

	At December 31 2017	At December 31 2016
Prepayments, joint operations (incorporation of consortiums)	46.285.746	23.684.546
T.I.M. Construcciones S.A.S.	0	63.504
Construcciones Civiles Hermanos	75.535	75.535
Diseños Agregados y Construcciones	0	231.071
Empresa Minera de Caldas S.A.S.	0	36.220
Concesión Ruta al Mar S.A.S.	106.589	0
Básculas Prometálicos S.A.	1.001.841	0
Internacional de Eléctricos S.A.S.	1.834.394	0
MGM Ingeniería y Proyectos S.A.S.	5.718.687	0
Siemens S.A.	5.167.367	0
G & R Ingeniería y Desarrollo	369.935	453.837
Gestión en Ingeniería Civil y Ambiental	0	362.029
Goimpro S.A.S.	208.541	513.230
IP Ingeniería de Puentes	0	83.409
Sociedad Espacios y Diseños Construcciones S.A.S.	145.656	0
Pixel Arquitectura E.U.	0	19.143
Reparaciones y Aplicaciones en Concreto	145.462	0
Zapata Ruíz Luisa Fernanda	350.000	100.800
Jaramillo Álvarez Roberto	0	51.050
Eléctricas de Montería Integral S.A.S.	153.677	0
V & S. Comercial S.A.S.	308.989	0
Logitrámites S.A.S.	160.000	160.000
Monroy Torres Marcela del Niño J.	0	68.605
Palacio Urrego Juan Ramón	0	58.000
Reyes Adriana	0	33.132
Roadbuilders Equipment LLC	0	89.991
Less than 50 million	1.220.874	1.041.730
TOTAL PREPAYMENTS AND ADVANCES (1)	**63.253.292**	**27.125.831**

(1) Variations among prepayments and short-term advances display the effect of the incorporation of the Consortiums' financial statement, which increased by $22.601.200.
These advances to contractors are considered financial instruments since, if the contract is not fulfilled, the money is reimbursed by the contractor, according to compliance policies signed between them.

Claims

	At December 31 2017	At December 31 2016
Claims (1)	2.338.069	2.338.069
TOTAL CLAIMS	**2.338.069**	**2.338.069**

(1) Award of Construcciones El Cóndor vs. Metroplús, for interests, overruns and costs; of total claims, $5.835 correspond to payment of inconsistencies.

Accounts receivable, workers

	At December 31 2017	At December 31 2016
Miscellaneous	173.723	305.151
Miscellaneous, joint operations (incorporation of consortiums)	741	660
TOTAL ACCOUNTS RECEIVABLE, WORKERS	**174.464**	**305.811**

Miscellaneous accounts receivable

	At December 31 2017	At December 31 2016
Miscellaneous accounts receivable, joint operations (incorporation of consortiums)	6.235.165	2.362.970
Agencia Nacional de Infraestructura	0	100.793
Agregados del Norte de Colombia	0	246.186
Consorcio APP Llanos (1)	308.005	(30.546)
Consorcio Avenida Colón (1)	1.466.196	0
Consorcio Constructor Aburrá Norte (1)	1.833.831	6.147.369
Banco de Occidente (mandato Farallones)	1.888.880	0
Itau Corpbanca Colombia (mandato Farallones)	2.974.573	0
Bancolombia (mandato Farallones)	5.878.537	0
Mandato Farallones (pagos)	(5.964.036)	0
Comunicación Celular S.A.	79.673	0
Consorcio Constructor Américas (1)	9.908.056	930.124
Consorcio Constructor Nuevo Dorado (1)	0	6.657.569
Consorcio Constructor Pacífico 3 (1)	0	1.464.453
Consorcio Farallones (1)	19.253.569	2.342.342
Consorcio Hidroeléctrica de Tuluá (1)	171.468	204.916
Consorcio Mantenimiento OPAIN (1)	419.198	419.198
Consorcio OMC (1)	100.918	100.918
Consorcio Vial del Sur (1)	2.301.468	2.794.938
Consorcio Grupo Ejecutor (1)	868.081	0
Goimpro S.A.S.	219.607	0
Consorcio Constructor de Francisco Javier Cisneros (1)	170.634	0
Gutiérrez Marín Sor Maribel	88.800	92.800
Leasing Bancolombia S.A.	296.807	296.807
Less than 50 million	106.418	398.778
TOTAL MISCELLANEOUS ACCOUNTS RECEIVABLE	**48.605.846**	**24.529.616**

(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 2017	At December 31 2016
Joint operations (incorporation of consortiums)	6.750.120	6.521.661
Metroplús	1.408	1.408
Agrupación Guinovart Obras y Servicios	0	4.588
Carbones de la Jagua S.A.	384.880	0
Consorcio Farallones	199.691	0
Consorcio Ferrocol Loma Hermosa	194.443	194.448
Consorcio Nuestro Urabá	35.561	35.561
Consorcio Constructor Pacífico 3	7.825.145	982.857
Consorcio Constructor Américas	5.400.641	2.926.355
Patrimonios Autónomos Fiduciaria	4.057.278	0
TOTAL WITHHOLDING OVER CONTRACTS	**24.849.167**	**10.666.878**

These witholdings 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 2017	At December 31 2016
Internal minutes (1)	88.151.130	50.758.885
Internal minutes, joint operations (incorporation of consortiums)	106.343.468	22.800.663
Others	411.612	290.069
TOTAL REVENUES RECEIVABLE	**194.906.210**	**73.849.617**

(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 $57.912.609, which are in full execution of their construction phase.

Deposits

	At December 31 2017	At December 31 2016
Deposits, joint operations((incorporation of consortiums)	840	840
TOTAL DEPOSITS	**840**	**840**
TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE	**565.239.983**	**313.433.572**

Assets for current taxes

	At December 31 2017	At December 31 2016
Balance in favor of ICA and prepayments to other municipalities	444.277	517.522
Balance in favor for CREE tax on wealth	4.908.721	0
Balance in favor of 2016 income	6.937.104	1.088.723
Balance in favor of CREE 2016 (Concesión Red Vial del Cesar)	60.498	0
Balance in favor of 2016 income (Concesión Red Vial del Cesar)	274.137	0
Income advance	831.796	3.848.093
Deductible taxes	255.101	224.724
ICA withholding	656.561	561.180
ICA prepayment	433.591	411.833
Withholding at source	18.910.980	14.281.104
TOTAL ASSETS FOR CURRENT TAXES	**33.712.767**	**20.933.178**

5.2. Commercial accounts receivable and other non-current accounts receivable

	At December 31 2017	At December 31 2016
DETAIL		
Domestic clients	2.015.555	2.058.755
Accounts receivable impairment	(3.982.804)	(3.240.643)
Tax and contributions prepayments	33.086	23.750
Prepayments and advances	208.829	300.034
Accounts receivable	24.036.169	1.424.024
TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE	**22.310.834**	**565.920**

	At December 31 2017	At December 31 2016
DETAIL - RELATED PARTIES		
Domestic clients	44.187.600	9.722.781
Commercial banking accounts	12.338.294	12.785.776
Accounts receivable impairment	(7.821.205)	0
Accounts receivable	448.214.521	292.648.725
Deposits	420.064	12.639.351
TOTAL ACCOUNTS RECEIVABLE, RELATED PARTIES (**)	**497.339.274**	**327.796.633**

(**) Details of accounts receivable with related parties are found in note 29.

Domestic clients

	At December 31 2017	At December 31 2016
Departamento de Antioquia	665.930	665.930
Clientes Agregados San Javier	1.156.539	1.159.739
Estyma S.A.	185.412	225.412
Less than 20 million pesos	7.674	7.674
TOTAL DOMESTIC CLIENTS	**2.015.555**	**2.058.755**
TOTAL ACCOUNTS RECEIVABLE IMPAIRED	**(3.982.804)**	**(3.240.643)**

Impairment corresponds to balance of doubtful collections rising 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 2017	At December 31 2016
Others	33.086	23.750
TOTAL PREPAID TAXES AND CONTRIBUTIONS	**33.086**	**23.750**

Prepayments and advances

	At December 31 2017	At December 31 2016
Durango Patiño Adriana María	0	91.205
Avales Ingeniería Inmobiliaria	208.829	208.829
TOTAL PREPAYMENTS AND ADVANCES	**208.829**	**300.034**

Miscellaneous accounts receivable

	At December 31 2017	At December 31 2016
Banco de Occidente (mandato Farallones)	824.447	0
Bancolombia (mandato Farallones)	16.161.177	0
Itaú Corpbanca Colombia (mandato Farallones)	5.380.335	0
Consorcio Amaime	1.070.090	1.070.090
Masering	254.103	254.103
Agregados del Norte de Colombia	246.186	0
S.P. Ingenieros	99.831	99.831
TOTAL MISCELLANEOUS ACCOUNTS RECEIVABLE	**24.036.169**	**1.424.024**

TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE	**22.310.834**	**565.920**
TOTAL COMMERCIAL ACCOUNTS RECEIVABLE	**1.338.620.541**	**840.578.516**

Note 6. Inventory

The Company has no pledged inventories as collateral to pay its debts.

	At December 31 2017	At December 31 2016
Contracts underway	17.507.716	13.489.191
Materials, spare parts and accesories	17.738.349	11.243.790
Inventories, joint operations, net (incorporation of consortiums)	9.200.215	4.981.143
Impairment of net realization value (1)	(442.991)	(450.977)
TOTAL INVENTORIES	**44.003.288**	**29.263.147**

(1) Ajustments to inventories' net realization value and due to poor conditions of several of these inventories.

Note 7. Prepaid Expenses, Intangible and Deferred

Short-term prepaid expenses

	At December 31 2017	At December 31 2016
Insurance and bonds	5.723.421	1.771.851
Prepaid expenses, joint operations (incorporation of consortiums)	789.864	838.971
Other charges, joint operations (incorporation of consortiums)	25.455	5.626
TOTAL SHORT-TERM PREPAID EXPENSES	**6.538.740**	**2.616.448**

Long-term prepaid expenses

	At December 31 2017	At December 31 2016
Insurance, bonds and deferred charges	206.999	0
TOTAL LONG-TERM PREPAID EXPENSES	**206.999**	**0**
TOTAL PREPAID EXPENSES	**6.745.739**	**2.616.448**

Short-term intangibles

	At December 31 2017	At December 31 2016
Quotas	0	316.000
TOTAL SHORT-TERM INTANGIBLES	**0**	**316.000**

Intangible assets other than goodwill

	At December 31 2017	At December 31 2016
Acquisitions	30.928.460	0
Acquisitions made business combination	5.365.000	0
Amortizations	(4.118.517)	0
TOTAL INTANGIBLE ASSETS OTHER THAN GOODWILL	**32.174.943**	**0**
TOTAL INTANGIBLE	**32.174.943**	**316.000**

Mining rights were registered in the merger through absorption of Concesión Red Vial del Cesar, and correspond to mining rights to exploit the following sources of materials:

Mining proceeding control

SOURCE	Type of contract	Title No.	Beneficiary	Resolution	Authorized area (Ha)	Type of exploitation	Mining registry			Stage	Effective terms of current stage	PTO approval	Polices		Total authorized volume (m$_3$)	Concessioned minerals	Environmental license
							Code No.	Registration date	Completion date				Issued	Terms			
Pailitas (La Floresta)	Concession contract	0254 - 20	Construcciones El Cóndor S.A.	Concession contract No. 0254-20 Res. No. 003477 of 27-Aug-2014 ANM Condor-CRVC cession Registered at RMN	513,80	C/R	HGME-03	17-aug-06	17-aug-33	Exploitation	17-ago-33	Approved: Writ PARV-0856 of 20-jun-2014	Yes	17-aug-18	96.840	Gravel and sand rivers	Underway.
Maracas	Concession contract	0260 - 20	Construcciones El Cóndor S.A.	Concession contract No. 0260-20 Resolution No. 00479 of 29-01-2016 Cóndor-CRVC cession Registered at RMN	122,35	C/R	HGCG-04	6-may-06	15-may-36	Exploitation	15-may-36	Approved: Technical opinion 058-2007 of June 15, 2007 Amended: Writ 1110 of 2014	Yes	16-may-18	176.956	Sand and gravel from rivers and quarries	Resolution No. 0822 of September 2008 – Environmental license granted. Resolution No. 1065 of 25-Aug-2015 – Environmental license amended. Repeal was filed. Resolution 0075 of Feb. 2016, settles repeal. L.A. amendment is firm. Cession of C. El Cóndor to CRVC underway. Last action: response to requirements from corpocesar was given
San Diego	Concession contract	0262 - 20	Construcciones El Cóndor S.A.	Concession contract No. 0262-20 Resolution 000086 of January 17, 2014 Condor-CRVC cession Registered at RMN	70,29	R/C	HGCG-02	13-jun-06	12-jun-34	Exploitation	13-jun-34	Approved: Technical opinion CT-059-2007 Amendedo: Writ PARV No. 0757 of 28-jul-2015	Yes	13-jun-18	234.000	Sand and gravel from rivers and quarries	Resolution 822 of 2008, license amendment proceeding underway to include quarry materials
Chiriaimo	Concession contract	LES-11081	Concesión Red Vial del Cesar S.A.S.	Concession contracto No. LES-11081 Resolution 001123-31-mar-2016 Condor-CRVC cession Registered at RMN	39,75	R	LES-11081	22-sep-11	21-sep-31	Construction and assembly	21-sep-19	Writ PARV No. 0654 of 14-may-2014	Yes	22-sep-18	57.302	Sand and gravel from rivers and quarries	Underway
Caracolicito	Concession contract	IHT-16461	Construcciones El Cóndor S.A.	Concession contract No. IHT-16461 Resolution No.000098 January 22, 2014 Condor-CRVC cession Registered at RMN	335,85	R	IHT-16461	10-jul-2008	9-jul-38	Exploitation	9-jul-38	Technical opinion PARV-0694 of 01-aug-2014	Yes	10-jul-18	60.000	Sand and gravel from rivers	Writ 105 of 2015 – L.A. proceeding is begun. Visit was made. Minute of requirements. Response to requirements. Environmental feasibility opinion. Previous consultation underway. First pre-consultation meeting held on July 10, 2016, but no indigenous groups attended. Determination from Mininterior (Ministry of Justice) is expected

Operations rights correspond to the purchase made by Construcciones El Cóndor S.A. of 28.85% of the share of Consorcio Farallones a ODINSA S.A. With this purchase, the company owns 50% of said consortium. The transaction added up to $30.928.640. The amortization period begins in May 2017 and is expected to last until June 2020, date in which the execution of the EPC contract ebd by the consortium.

All intangible assets are measured after their initial recognition by the costs model. The methods used to amortizar intangible assets are:

Intangible asset	Amortization method
Mining rights	Protection units
Operation rights	Based on revenues from normal activities

Assets for deferred taxes

	At December 31 2017	At December 31 2016
Deferred taxes for provisions	554.066	932.885
Deferred taxes for financial obligations	26.359.805	29.961.693
Other deferred taxes	9.165.238	8.176.847
Presumptive revenue surplus	0	3.327.747
TOTAL ASSETS FOR DEFERRED TAXES	**36.079.109**	**42.399.173**
TOTAL EXPENSES PAID IN ADVANCE, INTANGIBLES AND DEFERRED TAXES	**74.999.791**	**45.331.622**

The deferred tax was found using the liability method and the tax rate to which the differences are expected to revert (37%) and at the occasional earnings tax rate of 10%.

Note 8. Non-Current Assets Kept for Sale

	At December 31 2017	At December 31 2016
Lands (1)	599.059	599.059
Machinery and equipment	5.450.863	3.414.044
Automobiles, trucks and SUVs	0	45.008
Other transportation equipment	192.612	100.512
Impairment	(4.560.185)	(1.677.010)
TOTAL NON-CURRENT ASSETS KEPT FOR SALE	**1.682.349**	**2.481.613**

(1) Corresponds to Pailitas 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

January to December 2017

	Lands	Constructions and buildings	Machinery and equipment	Office furniture	Computers	Transportation equipment	Mining assets	Assets in transit	Assets of joint operations	Total
Balance at Dec. 31, 2016	8.142.502	13.331.067	158.075.046	1.040.772	440.758	84.865.405	71.022.911	0	4.113.601	341.032.062
Balance of depreciations at December 31, 2016	0	(245.714)	(31.462.255)	(297.898)	(389.417)	(18.688.658)	(3.823.050)	0	(786.185)	(55.693.177)
Value in books at December 31/2016	8.142.502	13.085.353	126.612.791	742.874	51.341	66.176.747	67.199.861	0	3.327.416	285.338.885
Acquisitions	180.000	10.000	28.057.032	0	112.599	6.259.118	0	0	0	34.618.749
Additions	0	0	75.322	0	28.000	0	0	0	0	103.322
Prepayments	450.000	0	61.124	0	0	0	0	0	0	511.124
Transer, option to buy	0	0	(4.369.824)	0	0	(475.410)	0	0	0	(4.845.234)
Withdrawals	0	0	(52.872)	(8.232)	(15.160)	(176.998)	0	0	0	(253.262)
Impairment	0	0	0	0	225	0	0	0	0	225
Depreciation	0	(149.321)	(12.542.168)	(117.058)	(27.654)	(6.932.502)	(1.071.475)	0	0	(20.840.178)
Depreciation, transfer, withdrawal and others	0	0	3.133.885	8.232	28.995	1.338.849	0	0	0	4.509.961
Sale	0	0	(2.878.899)	0	(140.599)	(6.881.900)	0	0	0	(9.901.398)
Other changes	0	23.472	0	0	0	0	0	0	33.781.066	33.804.538
TOTAL	**8.772.502**	**12.969.504**	**140.448.407**	**625.816**	**37.747**	**59.307.904**	**66.128.386**	**0**	**37.108.482**	**323.046.732**

For the merger through absorption of Concesión Red Vial del Cesar S.A.S., appraisals of machinery and transportation equipments are validated without changes. Likewise, at December 31, 2016, the effective date of ther revaluation, El Cóndor S.A. appraised its immovable goods hiring AVATEC INGENIERÌA, an independent appraiser known for determining the reasonable value of lands and buildings. The reasonable value was determined by reference to the marketplace. This means that the valuations made by the appraiser were based on active market prices. The appraisal involved the use of level 2 entry data of which 80% of the analysis determined the value used to compare the sector with the object appraised. The remaining 20% is calculated with a survey conducted with colleagues in Medellin with experience in the zone. Appraisals are done evrey 5 years in accordance with the accounting policy.

The sums that would have been accounted by the costs model are:

	Land	Buildings
Historical cost	978.384	3.468.816
Depreciation	0	(108.401)
Value in books	**978.384**	**3.360.416**

The revaluation surplus recognized in another integral result is:

	Land	Buildings
Revaluation surplus	164.142	680.359

These values cannot be distributed to shareholders until the elements related to properties, plant and equipments are realized.

At December 31

	2017		
	Cost	Depreciation	Net cost
Prepayments	23.472	0	23.472
Lands	8.772.502	0	8.772.502
Quarries	66.128.385	0	66.128.385
Goods leased	204.170.123	(38.053.932)	166.116.191
Constructions and buildings	5.841.067	(139.175)	5.701.892
Machinery and equipment	39.596.504	(15.602.216)	23.994.288
Office equipment	1.032.540	(406.723)	625.817
Computers and communications equipment	425.598	(298.026)	127.572
Transportation equipment	26.290.516	(11.752.560)	14.537.956
Accumulated impairment	(89.826)	0	(89.826)
Properties, plant and equipment - joint operations (incorporation of consortiums)	39.221.789	(2.113.306)	37.108.483
TOTAL PROPERTIES, PLANT AND EQUIPMENT	**391.389.198**	**(68.365.938)**	**323.046.732**

At December 31

	2016		
	Cost	Depreciation	Net cost
Lands	8.142.502	0	8.142.502
Quarries	67.199.861	0	67.199.861
Goods leased	183.667.367	(28.290.261)	155.377.106
Constructions and buildings	5.831.067	(67.979)	5.763.088
Machinery and equipment	41.490.926	(13.094.974)	28.395.953
Office equipment	1.040.772	(297.898)	742.874
Computers and communications equipment	440.758	(299.367)	141.392
Transportation equipment	25.282.158	(8.943.412)	16.338.746
Accumulated impairment	(90.051)	0	(90.051)
Depreciation of joint operations (incorporation of consortiums)	4.113.601	(786.185)	3.327.416
TOTAL PROPERTIES, PLANT AND EQUIPMENT	**337.118.961**	**(51.780.075)**	**285.338.885**

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

Fixed asset	Life (years)
Constructions and buildings	40 a 100
Machinery and equipment	5 a 20
Office equipment	10
Computers and communications equipment	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. The par value for the fleet and transportation equipment is 10% of the asset's initial cost.

The Corporation has formalized the insurance policies to cover possible risks that are subject to different elements related to property and equipment.
The Company solely has title restrictions over the assets it acquires through financial leasing.

From January to December, 2017 - Property, plant and equipment was registered with depreciation, hurting the income statement: $19.830.150.

From January to December, 2016 - Property, plant and equiment was registered with depreciation, hurting the income statement: $19.877.457.

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

Note 10. Investment Properties

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

	At December 31 2017	At December 31 2016
Real estate investment properties	4.490.374	988.737
TOTAL INVESTMENT PROPERTIES	**4.490.374**	**988.737**

Note 11. Financial Obligations

Short-term financial obligations

	Maturity	Rate	At December 31 2017	At December 31 2016
Banco Corpbanca	02/12/17	DTF+2.3%	0	33.000.000
Banco BBVA (1)	30/01/18	IBR+4.56%	112.755.413	82.520.413
Banco de Bogotá	16/07/18	IBR+4.75%	0	11.100.000
Banco BBVA	07/09/17	DTF+1.95% EA	0	2.235.000
Banco BBVA	07/09/17	DTF+1.95%	0	2.235.000
Banco de Occidente	10/09/16	DTF+2.75 N.A.	0	13.597.669
Banco de Occidente	16/06/17	IBR+4%	0	18.000.000
Banco de Occidente	26/01/18	IBR+4% TV	3.000.000	0
Banco Itau	27/01/18	IBR+3.77% TV	3.000.000	0
Banco de Occidente (3)	18/04/18	IBR+4%	25.000.000	0
Banco de Occidente (3)	07/0518	IBR+4%	10.000.000	0
Banco de Bogotá	11/05/16	DTF+4.15% TA	0	5.600.000
Banco de Bogotá	13/10/16	DTF+2.7% EA	0	8.000.000
Banco de Bogotá	17/11/16	DTF+3.45% TA	0	12.350.000
Banco de Bogotá	13/11/16	DTF+3% TA	0	18.600.000
Banco de Bogotá (3)	16/07/18	IBR+4.75%	55.650.000	0
Bancolombia (2)	16/11/17	DTF+4.75%	0	145.674.872
Bancolombia (1)	25/10/18	IBR+5.25%	34.000.000	34.000.000
Bancolombia (3)	05/09/18	IBR+2.62%	36.000.000	0
Bancolombia (4)	14/11/18	IBR NATV+2.62%	40.000.000	0
Banco Santander de Negocios (3)	05/11/18	IBR+3.5%	10.000.000	0
Bancolombia (5)	18/06/18	IBR NATV+2.26%	20.000.000	9.000.000
Obligations of joint operations (incorporation of consortiums)			3.656.727	0
TOTAL SHORT-TERM FINANCIAL OBLIGATIONS			**353.062.140**	**395.912.954**

New loans were made for: (1) loan renewal; (2) contribution to Concesión Pacífico Tres S.A.S.; (3) working capital; (4) equity contribution to Ruta al Mar; and (5) payment of guarantee commissions of Concesión Ruta al Mar of four thousand five hundred million, and draft made to works.

Short - term commercial financing companies

	At December 31 2017	At December 31 2016
Leasing de Occidente	196.922	0
Corpbanca	1.685.598	0
Bancolombia	28.603.685	19.835.004
TOTAL SHORT-TERM COMMERCIAL FINANCING COMPANIES	**30.486.205**	**19.835.004**
TOTAL FINANCIAL OBLIGATIONS AND SHORT-TERM COMMERCIAL FINANCING COMPANIES	**383.548.345**	**415.747.958**

Long-term financial obligations

	Maturity	Rate	At December 31 2017	At December 31 2016
Banco BBVA (1)	15/12/2018	DTF+3.5% EA	0	28.000.000
TOTAL LONG-TERM FINANCIAL OBLIGATIONS			**0**	**28.000.000**

(1) Loans for working capital.

Long-term commercial financing companies

	At December 31 2017	At December 31 2016
Leasing, joint operations	12.698.995	493.527
Caterpillar Crédito S.A.	6	9
Leasing de Occidente	1.033.822	0
Banco Corpbanca de Colombia	6.775.906	0
Bancolombia	119.795.227	106.237.508
Bancolombia Panamá	9.048	9.098
TOTAL LONG-TERM COMMERCIAL FINANCING COMPANIES	**140.313.004**	**106.740.141**
TOTAL FINANCIAL OBLIGATIONS AND LONG-TERM COMMERCIAL FINANCING COMPANIES	**140.313.004**	**134.740.141**
TOTAL FINANCIAL OBLIGATIONS	**523.861.349**	**550.488.100**

Financial leasing contracts in foreign currency made with Bancolombia Panamá and Caterpillar Crédito S.A. were restated in Colombian pesos at the official exchange rate (TMR).

Note 12. Commercial Accounts Payable and Other Current Accounts Payable

The Company does not recognize implicit financing due to the uncertainty levels referred to in time when this account payable will be paid; hence, no terms or interest for this item are established.

	At December 31 2017	At December 31 2016
Domestic	16.384.562	5.376.880
From overseas	689.016	715
Suppliers, joint operations (incorporation of consortiums)	4.318.610	334.325
Costs and expenses payable (1)	37.683.961	7.020.883
Government creditors - taxes	1.159.928	837.095
Others (2)	33.990.593	90.473.468
Dividends for shareholders	0	103.643
Payroll withholdings and contributions	2.102.816	1.287.451
Accounts payable, joint operations (incorporation of consortiums)	203.552.433	103.406.615
TOTAL COMMERCIAL ACCOUNTS PAYABLE AND OTHER CURRENT ACCOUNTS PAYABLE	**299.881.919**	**208.841.074**

Accounts payable to suppliers take 45 days.

(1) The liability of ODINSA is recognized for the transfer of operating rights of 28.85% of Consorcio Farallones.

(2) This amount includes accounts payable to: pension and severance funds, consortiums, and dividends from usufruct contracts.

Accounts payable to current related parties

	At December 31 2017	At December 31 2016
Concesión Red Vial del Cesar S.A.S.	0	105.556
Concesión Aburrá Norte Hatovial	451.001	0
TOTAL COMMERCIAL ACCOUNTS PAYABLE AND OTHER CURRENT ACCOUNTS PAYABLE	**451.001**	**208.946.630**

(**) Details of accounts payable of related parties are found in note 29.

Commercial accounts payable and other non-current accounts payable

	At December 31 2017	At December 31 2016
Costs and expenses payable (1)	11.052.806	0
TOTAL COMMERCIAL ACCOUNTS PAYABLE AND OTHER NON-CURRENT ACCOUNTS PAYABLE	**11.052.806**	**0**
TOTAL COMMERCIAL ACCOUNTS PAYABLE AND OTHER ACCOUNTS PAYABLE	**310.934.725**	**208.841.074**

(1) The liability of ODINSA is recognized for the transfer of operating rights of 28.85% of Consorcio Farallones.

Note 13. Current Taxes

	At December 31 2017	At December 31 2016
Income tax	41.035.107	0
Industry & commerce tax and others	929	349.330
Industry & commerce tax, joint operations (incorporation of consortiums)	231	60
Tax on value-added	215.708	518.714
Other liabilities	643	148
Tax on value, joint operations (incorporation of consortiums)	93.257	278.566
TOTAL CURRENT TAXES	**41.345.875**	**1.146.817**

Note 14. Other Liabilities and Provisions

Short-term

	At December 31 2017	At December 31 2016
Costs and expenses (1)	3.513.562	2.790.251
Costs and expenses, joint oprations (incorporation of consortiums)	3.454.174	13.722.707
Industry & Commerce tax	1.432.026	1.093.856
Income tax and tax on wealth CREE	0	6.780.890
Contingencies	599.000	1.193.072
For labor obligations	110.049	47.822
Dismantling of mines and quarries (2)	214.647	144.025
Labor - retirement pension - actuary calculation	209.852	186.386
Other provisions, joint operations (incorporation of consortiums)	569.628	994.813
TOTAL SHORT-TERM OTHER LIABILITIES AND PROVISIONS	**10.102.938**	**26.953.821**

(1) Costs and expenses are calculated based on the work executed by subcontractors which have not invoiced at the cut of the period due to the non-completion of the service provided.

(2) Dismantling relates to the recovery and abandonment of the quarry, established by the Company through financial valuation.

Note 15. Prepayments and Advances Received

Short-term

	At December 31 2017	At December 31 2016
Instituto Nacional de Vías	0	225.852
Consorcio Constructor Américas (1)	27.680.104	0
Inversiones Sistori y Sossa S.A.S.	100.000	100.000
Hernán Gómez Uribe y Cía..	697.276	0
Others	262.951	1.103.027
Prepayments and advanced, joint operations (incorporation of consortiums)	1.226.108	1.133.834
Contract guarantee, joint operations (incorporation of consortiums)	6.835.195	3.147.900
Items in participation, joint operations (incorporation of consortiums)	0	451.610
Revenues received for third parties, joint operations (incorporation of consortiums)	19.356.125	9.169.640
TOTAL SHORT-TERM PREPAYMENTS AND ADVANCES RECEIVED	**56.157.759**	**15.331.863**

(1) Prepayment corresponds to Transversal de las Américas' Concession Contract 008 of 2010-Corredor Vial del Caribe, for the works in Montería, Urabá, San Marcos y Santa Ana - La Gloria.

Long-term

	At December 31 2017	At December 31 2016
Withhold of contracts	2.740.683	672.774
Consorcio Constructor Américas (1)	0	16.782.812
TOTAL LONG-TERM PREPAYMENTS AND ADVANCES	**2.740.683**	**17.455.587**
TOTAL PREPAYMENTS AND ADVANCES	**58.898.442**	**32.787.449**

(1) Prepayment corresponds to Transversal de las Américas' Concession Contract 008 of 2010-Corredor Vial del Caribe, for the works in Montería, Urabá, San Marcos y Santa Ana - La Gloria.

Note 16. Liability for Deferred Tax

The deferred tax was calculated using the liability method and the tax rate at which it is expected to reverse (37% for 2017) and the 10% tax rate for occasional earning.

	At December 31 2017	At December 31 2016
Deferred taxes for revaluation	76.419.302	76.934.087
Deferred taxes for investments	15.049.404	14.835.889
TOTAL LIABILITY FOR DEFERRED TAX	**91.468.706**	**91.769.977**

Note 17. Equity

	At December 31 2017	At December 31 2016
Stock capital (1)	15.701.606	15.701.606
Premium from stock placement (2)	159.711.695	159.711.695
Retained earnings	477.170.241	320.827.310
Profit of previous period	0	0
Retained earnings (opening balance)	3.425.333	927.951
Surplus for revaluation	47.043.836	60.553.223
Other integral result	33.512.663	30.441.316
Profit before other integral result	184.908.738	185.924.266
TOTAL EQUITY	**921.474.112**	**774.087.367**

(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 18. Revenues from Normal Activities

	At December 31 2017	At December 31 2016
Oficina Central	2.165.432	454.806
U.E.N Maquinaria y Equipo	3.188.992	205.821
Grupo Cóndor Inversiones	488.667	328.633
Agregados San Javier (1)	10.169.011	16.907.079
Consorcio Minero del Cesar	0	129.170
Consorcio Constructor Aburrá Norte (COCAN)	4.869.823	20.103.742
Consorcio Constructor Nuevo Dorado	214.199	40.082.548
Consorcio Hidroeléctrica de Tuluá	0	6.646
Marginal de la Selva	0	212.343
Consorcio Avenida Colón	0	2.593.237
Consorcio Vial del Sur	499.510	4.392.743
Obra Tumaco Ricaurte Nariño (Tumaco)	0	6.219.489
Américas Cóndor (Montería) (2)	30.855.544	52.607.392
Consorcio Mantenimiento Opain	0	693.014
Américas Cóndor (Urabá) (2)	86.997.813	43.300.888
Américas Cóndor (San Marcos)	2.182.076	11.415.446
Consorcio Constructor Américas	0	662.061
Concesión La Pintada	0	1.140
Concesión Pacífico 3	73.988	2.321
Cesar Grupo 3	(9.032)	6.223.334
Caucheras (3)	17.957.434	49.881.521
Consorcio Farallones (6)	83.545.480	21.484.141
Consorcio Constructor Pacífico 3 (4)	11.442.724	6.081.343
Cesar Guajira-Obra (4)	45.708.661	16.075.971
Unidad de Servicios Transversales - UST	4.739.374	1.116.536
Concesión Cesar Guajira	(3.100)	186.184
Concesión Ruta al Mar	167.678	419.755
Obra Antioquia Bolívar (4)	106.535.797	8.174.218
Consorcio APP Llanos	3.456.146	787.276
La Virginia (4)	83.007.666	29.412.729
Irra (4)	60.376.019	19.790.913
P2 Cóndor	334.073	1.533.355
Américas Cóndor Santa Ana - La Gloria (5)	32.628.878	147.061
Pavimentación Prodeco	9.880.694	0
Consorcio de Francisco Javier Cisneros	1.956.636	0
TOTAL REVENUES FROM NORMAL ACTIVITIES	**603.430.185**	**361.632.856**

1) Agregados San Javier: The most important revenues derived from the material sold to Argos, with an average monthly invoicing of $163 M; Supply of asphalt mix to the Municipality of Medellin with an average monthly invoicing of $116 M; Road pavement with C&C Constructora Chahin S.A. Obras with an average monthly invoicing of $74M.
(2) Revenues perceived from works in Urabá and Montería correspond to the execution thereof in the construction phase of Concesión Transversal de las Américas.
(3) For the execution of the works budgeted for 2016, for contract reactivation.
(4) These revenues correspond to the beginning of the Concessions' works in which the Company has a share: Irra and La Virginia are fronts of Concesión Pacifico 3; Antioquia- Bolivar corresponds to Concesión Ruta al Mar; and Cesar - Guajira corresponds to the Concession with the same name.
(5) Concession Contract 008 of 2010, for the construction, revamping, expansion, improvement and conservaton of the road project Transversal de las Américas; to prepare the final studies and designs, the land, social and environmental management; to obtain and/or amend environmental licences; to finance, operate and maintain the works of l "Transversal de las Américas sector 1" known as Corredor Vial del Caribe.

Note 19. Operating Costs

	At December 31 2017	At December 31 2016
Sales cost and services provided	206.644.677	106.004.750
Production or operation costs	106.679.009	15.051.559
Indirect costs	178.609.473	165.969.222
Service contracts	13.484.790	7.926.552
TOTAL OPERATING COSTS	**505.417.949**	**294.952.083**

Note 20. Administration Expenses

	At December 31 2017	At December 31 2016
Employee benefits (1)	16.781.938	13.257.220
Fees	2.129.428	2.633.126
Taxes	885.883	960.868
Leases	115.903	217.442
Contributions, insurance, services, legal	1.128.940	167.968
Insurance	0	94.930
Services	0	659.050
Legal expenses	0	13.489
Maintenance, furnishings	248.583	37.828
Furnishings and facilities	0	55.769
Travel expenses	2.940.503	1.935.708
Depreciations	622.180	546.970
Amortizations	1.020.045	1.034.473
Impairment of Properties, plant and equipment	0	91.151
Entertaining and public relations expenses	33.859	55.334
Miscellaneous	1.638.075	1.514.267
Impariment of accounts receivable and investments	868.599	217.459
TOTAL ADMINISTRATION EXPENSES	**29.281.481**	**23.493.051**

(1) Employee benefits

	At December 31 2017	At December 31 2016
Integral salary	4.839.754	3.761.262
Wages	4.662.611	3.834.193
Extralegal premium	911.936	817.276
Bonuses	1.584.206	1.470.766
Others (legal benefits, contributions to social security and others)	4.783.431	3.373.723
TOTAL EMPLOYEE BENEFITS	**16.781.938**	**13.257.220**

Note 21. Other Revenues

	At December 31 2017	At December 31 2016
Leases	74.724	17.450
Recoveries	555	379
Reimbursement of other costs	966.985	260.515
Reimbursement of provisions	1.543.243	3.968.659
Indemnizations-disabilities	419.030	1.126.459
Revenues of previous periods	243.879	779.384
Other operating revenues (1)	26.500.000	0
Other services	454	1.684
Uses	1.155.362	4.572.087
Miscellaneous	707	4.871
TOTAL OTHER REVENUES	**30.904.939**	**10.731.488**

(1) Revenue from financial engineering services.

Note 22. Other Expenses

	At December 31 2017	At December 31 2016
Costs and expenses of previous periods	143.544	2.431.389
Assumed taxes	605.521	6.573
Non-deductible expenses	163.665	178.182
Indemnizations and lawsuits	97.528	143.872
Fines, sanctions and litigations	105.367	20.290
Donations	764.953	818.222
Provision for other accounts receivable	7.698.261	0
Others (1)	1.388.675	942.828
Others (2)	2.902.865	466.199
Creation of guarantees	283.850	890.893
Losses	112.662	416.345
TOTAL OTHER EXPENSES	**14.266.891**	**6.314.793**

(1) Includes expenses transferred to Consorcio Farallones for $1.160.685.
(2) Includes financial expenses transferred to Consorcio Farallones for $1.885.692.

Note 23. Other Gains and Losses

	At December 31 2017	At December 31 2016
Profit from sale of property, plant and equipment	1.472.804	291.824
Profit from sale of investments (1)	161.324.359	144.833.358
Loss of investments	(3.488.007)	(1.804.583)
Loss from sale and removal of goods	0	(18.792)
Loss from sale of property, plant and equipment	(257.094)	0
Removal of property, plant and equipment	(41.591)	(25.036)
TOTAL OTHER GAINS AND LOSSES	**159.010.471**	**143.276.772**

(1) Corresponds to the sale of investments of Opain, Odinsa and Santa Martha Paraguachón.

Note 24. Financial Revenues

	At December 31 2017	At December 31 2016
Exchange difference	34.577	24.761
Other banking expenses	76.093	87.332
Fiduciaria Bogotá S.A.	414.333	0
Fideicomiso Sociedad Fiduciaria	930.699	0
ODINSA S.A.	2.777.172	0
Instituto Nacional de Vías	3.576.779	0
Industria Selma International	84.633	385.222
Patrimonios Autónomos Fiduciaria	19.634.287	8.791.808
Banco Bilboa Vizcaya Argentaria	282.500	205.298
Patrimonio Autónomo Administra	1.625.177	0
Valores Bancolombia	1.853.398	1.750.520
Consorcio Avenida Colón	1.474.863	0
Concesión Pacífico Tres S.A.S.	10.651.439	10.430.718
Others minor	14.690	22.376
TOTAL FINANCIAL REVENUES	**43.430.639**	**21.698.034**

Note 25. Financial Expenses

	At December 31 2017	At December 31 2016
Lien on financial movements	3.977.406	2.399.365
Exchange difference	174.398	763.673
Comisiones bancarias	4.323.848	2.833.646
Gastos bancarios	(513)	7.917
Banco BBVA	12.199.028	9.879.471
Bancolombia	21.434.395	21.177.014
Banco Santander de Negocios	577.368	741.776
Leasing Bancolombia	0	8.672.664
Odinsa S.A.	637.579	0
Banco de Bogotá	5.816.251	5.362.120
Grupo Argos S.A.	697.702	0
Corpbanca	549.243	2.728.171
Banco de Occidente	2.618.279	1.753.454
Others minor	28.404	69.769
TOTAL FINANCIAL EXPENSES	**53.033.387**	**56.389.040**

Note 26. Equity Method Gain (Loss)

	At December 31 2017	At December 31 2016
Concesión Aburrá Norte Hatovial	3.499.863	1.632.500
Concesión la pintada S.A.S.	(3.498.633)	858.560
Concesión Pacifico Tres S.A.S	12.727.443	15.718.914
Concesión Red Vial del Cesar	0	(248.807)
Concesión Ruta al Mar	1.115.544	867.735
Concesión Transmilenio del Sur	(4.990)	(4.410)
Concesión Vías del Nus	762.357	61.650
Consorcio Minero del Cesar S.A.S.	0	18.339.249
Agregados Argos S.A.S.	(576.960)	0
Industria Selma Inc.	(10.527.951)	240.058
Concesión Cesar Guajira	(931.092)	326.575
Vías de las Américas S.A.S.	(2.830.736)	870.447
Condor Investment USA	(285.335)	(1.098.642)
TOTAL EQUITY METHOD GAIN (LOSS)	**(550.489)**	**37.563.828**

Note 27. Taxes

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

Provision for income tax

	At December 31 2017
Taxable income	66.735.777
Presumptive income	20.458.112
Income tax provision of 34%	22.690.164
Fiscounts for donations	(254.984)
Income tax surcharge	3.956.147
Occasional gain tax	14.643.780
PROVISION FOR INCOME TAX	**41.035.107**
Deferred tax	8.282.193
TOTAL NET INCOME TAX PROVISION	**49.317.300**

	At December 31 2016
Taxable income	6.662.864
Presumptive income	14.253.653
Total income tax on equity provision (9% for year 2015)	1.282.829
Tax on wealth surcharge	807.219
TOTAL INCOME TAX ON WEALTH CREE	**2.090.048**
TOTAL TAXES	**7.829.745**

Income tax on equity CREE provision

	At December 31 2016
Taxable income	5.934.285
Presumptive income	14.253.653
TOTAL 2016 INCOME TAX PROVISION (25%)	**3.563.413**
TOTAL OCCASIONAL EARNING TAX (10%)	**1.127.429**
Deferred tax	1.048.855
TOTAL INCOME TAX	**5.739.697**

Note 28. Operation Segments

2017

Description	Revenues ordinary IFRS	Other revenues and expenses	Result of the period	Total assets	Depreciations
INVESTMENTS SEGMENT					
Investments	262.482.747	(205.923.705)	206.412.372	820.067.119	0
CONSTRUCTION SEGMENT					
Américas Cóndor (Urabá)	86.932.526	80.018.217	6.914.308	141.908.848	$3.505.999
Caucheras	17.941.315	11.595.970	6.345.345	1.523.431	$299.932
Cesar Guajira-Obra	45.692.698	31.145.842	14.546.856	2.392.866	$627.249
Obra Antioquia Bolívar	106.515.489	84.546.316	21.969.173	82.348.922	$2.966.619
La Virginia	82.983.990	74.637.934	8.346.056	29.611.095	$2.082.430
Irra	60.368.242	58.479.199	1.124.962	33.581.069	$2.526.347
Américas Cóndor (Santa Ana)	32.624.678	26.712.581	5.912.097	33.125.910	$628.056
TOTAL	**695.541.685**	**161.212.355**	**271.571.169**	**1.144.559.259**	**$12.636.631**

Grupo Cóndor 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 Cóndor (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 land, social and environmental management, to obtain and/or amend environmental licenses; to finance, operate and maintains the works on Corredor Vial "Transversal de las Américas Sector 1", known as Corredor Vial del Caribe.
Section 1-Lomas Aisladas - El Tigre / Section 2- El Tigre - Turbo / Section 3- Turbo - Necoclí - San Juan / Section 4-Segunda calzada El Tigre - Turbo it includes variantes (Carepa, Reposo, Apartadó y Currulao) / Construction of Cirilo toll / Construction of Rio Grande toll / Construction of Chaparral toll.

Caucheras (contract 1787) of 2014 : improvement, maintenance and revamp of the road vial Riosucio - Belén de Bajirá-Caucheras.

Antioquia Bolivar (work) : Concession Contract 016 of 2016 for the construction, improvement, operation, maintenance and reversion of the road system to connect departments Antioquia and Bolivar.
Functional units 1, 2, 3, 6, 7 y 8.

Américas Cóndor Santa Ana: Concession Contract 008 of 2010 for the construction, revamp, expansion, improvement and conservation of road project 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.
Section: Santa Ana-Peaje / Section: Guamal - El Banco.

La Virginia: Concession Contract 5 of 2014, highway project Conexión Pacífico 3; includes studies and final designs; financing, environemntal, land and social management; construction, improvement, revamping; operation, maintenance and reversion of Concesión Pacífico 3 Autopista para la prosperidad.
Functional units 1 complete / Functional units 2 partial.

Irra: Concession Contract 5 of 2014, highway project Conexión Pacífico 3; includes studies and final designs; financing, environemntal, land and social management; construction, improvement, revamping; operation, maintenance and reversion of Concesión Pacífico 3 Autopista para la prosperidad.
Functional units 3 partial / Functional units 4 complete / Functional units 5 partial.

Cesar Guajira Cóndor: Concession Contract 006 of 2015 for the construction, revamping, operation, mantenance and reversion of the road system to connect the departments of Cesar and Guajira.
Functional units 1, 2, 4, 5 y 7 complete.

Through the minute signed on July 10, 2017 between Agencia Nacional de Infraestructura (ANI) and Concesión Cesar Guajira S.A.S. (Concesión) and delivered to the Company on August 18, 2017 a cause for the anticipated termination and the beginning of the reversion stage of Contract No. 006 of 2015 was declared. Said contract covered the "studies and final designs, financing, environmental, land and social mangement, construction, improvement, revamp, operation, maintenance and reversion of Concesión Cesar – Guajira". Likewise, on July 10, 2017, amendment No. 10 of Concession contract No. 006 of 2015 was signed, in which the parties agreed on the contractual changes or clarifications necessary for the reversion stage, the anticipated termination and/or the contract's liquidation.

The reason why the parties declare the termination of the contract is the materialization of the risk of a lower collection at the toll given the impossibility to operate the station of Rio Seco toll under the terms established in said contract (risk assumed by ANI). This gives way to a shortage of risk compensation mechanisms needed to compensate the risks activated in the project.

After signing the minute and amendment No. 10, the reversion process of the Concession's infrastructure and assets begins in favor of ANI, and the concession contract is liquidated after applying the formula set forth thereof.

Note 29. Transactions with Related Parties

During 2017, operations with related companies have taken place after being revised and approved by the Audit Committee, which seeks if they meet the standards and provide the same treatment given to third party independents. Details of the operations made with related companies and subordinates are shown in Notes 4, 5 of these financial statements.

The remuneration granted during the year to key management personnel is described below:

Remuneration of key management personnel

Concept	Value
Short-term employee benefits	2.936.136
Post-employment benefits	`-`
Other long-term benefits	`-`
Benefits for termination	`-`
Payments based on shares	`-`
TOTAL REMUNERATION OF KEY MANAGEMENT PERSONNEL	**2.936.136**

Amounts detailed correspond the values recognized as expenses during the period.

Transactions during 2017 with other entities of interest (investments in corporations).

COMPANY	No. of shares	Dividends		Sale of supplies and services	Subordinate debt	Other loans	Shares purchased	Revenues from interests	Revenues from cession	Minutes of works and others	Costs and expenses	Internal minutes
		Shares	Cash									
Concesión Aburrá Norte Hatovial S.A.										33.431		
Concesión La Pintada S.A.S.	1.582.886		6.753.600		27.050.658							
Concesión Vial los Llanos S.A.S.	1.120.950				12.219.287							
Constructora Túnel del Oriente S.A.S.	550.000									115.192		
Concesión Túnel Aburrá Oriente S.A.	2.629.361.939											
Concesión Pacífico Tres S.A.S.	236.700			73.988	13.277.025			10.651.438				
Concesión Vías de las Américas S.A.S.	4.800			302.615	417.789			5.563		11.653.569	107.330	6.788.949
Concesión Vías del Nus S.A.S.	173.342				19.239.601							
Concesión Cesar Guajira S.A.S.	1.055.250				96.802.386	31.025				111.861	1.775	
Concesión Ruta al Mar S.A.S.	200.000			13.113	83.779.223	183.545					2.381.134	
Industria Selma S.A.	200.000							84.632				
Concesión Transmilenio del Sur	5.000											
Trans NQS Sur	25.000											
Condor Investment USA Inc.	24.990						1.023.686					
Agregados Argos S.A.S.	1.032.762			1.757.724			1.512.000					193.528
P.A. Fiduciaria Bancolombia Concesión Cesar Guajira #8127				(811.868)				6.572.174	820.799	46.467.963		(53.041)
P.A. Fiduciaria Bancolombia Concesión La Pintada #7102								1.396.705				
P.A. Fiduciaria Bancolombia Concesión Pacífico Tres #7114												99.940
P.A. Fiduciaria Bancolombia Concesión Ruta Al Mar #10134				(1.055.238)				11.389.938	616.058	91.829.335	55.958	15.945.890
P.A. Fiduciaria Davivienda Concesión Ruta Al Mar #57864												
P.A Fiduciaria Davivienda Concesión Los Llanos #421759								930.699				
P.A Fiduciaria Davivienda Concesión Vías del Nus #61816								1.625.177				

Accounts payable from current related parties

	At December 31 2017	At December 31 2016
DETAIL - RELATED PARTIES		
Domestic clients	44.062.936	46.882.724
Revenues receivable, internal minutes	24.294.242	1.138.852
Accounts receivable, related parties	151.438.456	54.570.811
Depostis	0	75.256.827
Dividends receivable	222.047	0
TOTAL ACCOUNTS PAYABLE, RELATED PARTIES (**)	**220.017.681**	**177.849.213**

Domestic clients, related parties

	At December 31 2017	At December 31 2016
P.A. Fiduciaria (Concesión Cesar Guajira)	2.992.218	18.283.729
P.A. La Pintada	0	5.523
P.A. Pacífico Tres	0	5.737.435
Concesión Ruta al Mar S.A.S.	0	11.660
P.A. Fiduciaria (Concesión Ruta al Mar)	37.849.657	22.198.412
Concesión Vías de las Américas S.A.S.	2.355.511	645.965
P.A. Concesión Vial los Llanos	865.550	0
TOTAL DOMESTIC CLIENTS, RELATED PARTIES (1)	**44.062.936**	**46.882.724**

(1) The amount corresponds to the execution of concession contracts and interests from the subordinate debt of Concesión Cesar Guajira.

Revenues receivable, internal minutes, related parties

	At December 31 2017	At December 31 2016
P.A. Concesión Cesar Guajira	7.081	62.460
P.A. Concesión La Pintada	204.165	0
P.A. Concesión Pacifico Tres	583.561	0
P.A. Concesión Ruta al Mar	15.956.600	305.967
Concesión Vías de las Américas S.A.S.	7.542.835	770.424
TOTAL REVENUES RECEIVABLE, INTERNAL MINUTES, RELATED PARTIES	**24.294.242**	**1.138.852**

Accounts receivable, related parties

	At December 31 2017	At December 31 2016
P.A. Ruta al Mar	123.588	7.657
Concesión Vías de las Américas S.A.S.	417.789	0
Concesión Cesar Guajira S.A.S.	150.896.984	54.071.105
Concesión Aburra Norte Hatovial	0	491.546
Condor Construction Corp	95	503
TOTAL ACCOUNTS RECEIVABLE, RELATED PARTIES	**151.438.456**	**54.570.811**

Deposits

	At December 31 2017	At December 31 2016
OPAIN S.A.	0	75.256.827
TOTAL DEPOSITS	**0**	**75.256.827**

Dividends receivable

	At December 31 2017	At December 31 2016
Concesión Santa Marta Paraguachón	0	0
Organización de Ingeniería Internacional	222.045	0
TOTAL DIVIDENDS AND INTERESTS RECEIVABLE	**222.045**	**0**
TOTAL ACCOUNTS RECEIVABLE, CURRENT RELATED PARTIES	**220.017.681**	**177.849.213**

Accounts receivable, non-current related parties

	At December 31 2017	At December 31 2016
DETAIL - RELATED PARTIES		
Domestic clients	44.187.600	9.722.781
Commercial banking accounts	12.338.294	12.785.776
Impairment of accounts receivable	(7.821.205)	0
Accounts receivable	448.214.521	292.648.725
Deposits	420.064	12.639.351
TOTAL ACCOUNTS RECEIVABLE, RELATED PARTIES (**)	**497.339.274**	**327.796.633**

Domestic clients, related parties

	At December 31 2017	At December 31 2016
Patrimonios Autónomos La Pintada	1.156.948	0
Concesión Pacífico Tres S.A.S.	19.857.167	9.700.568
Patrimonios Autónomos Pacífico Tres	5.679.163	0
Patrimonios Autónomos Fiduciaria (Concesión Ruta al Mar)	15.467.374	0
Concesión Aburra Norte Hatovial	22.213	22.213
P.A. Concesión Vías del Nus	2.004.734	0
TOTAL DOMESTIC CLIENTS, RELATED PARTIES	**44.187.600**	**9.722.781**

Commercial banking accounts, related parties - Industrias Selma (1)

	At December 31 2017	At December 31 2016
Loans	9.195.884	9.674.494
Interests	3.142.410	3.111.283
TOTAL CLIENTS, COMMERCIAL BANKING ACCOUNTS, RELATED PARTES	**12.338.294**	**12.785.776**

(1) Industrias Selma, a corporation domiciled overseas, presents balances pertaining to loans, which are restated in Colombian pesos at the official exchange rate (TRM). This is detailed below:

Commercial banking accounts, related parties - Industrias Selma

	At December 31 2017	At December 31 2016
Loans	4.703.659	0
Interests	3.117.545	0
	7.821.204	**0**
IMPAIRMENT OF COMMERCIAL ACCOUNTS RECEIVABLE, RELATED PARTIES	**(7.821.205)**	**0**

Type of transaction, operation, contract or business	Loan in foreign currency	Loan in foreign currency	Loan in foreign currency
Amount of operation	USD $45.942	USD $102.431	USD $364.123
Date of operation	May 14, 2013	December 17, 2013	March 12, 2014
Balance of operation	USD $45.942	USD $102.431	USD $364.123
Conditions of the operation	LIBOR +2	LIBOR +2	LIBOR +2
Date of payment	May 14, 2018	December 17, 2018	March 12, 2019
Accounts receivable I.D.	Industrias Selma COR	Industrias Selma COR	Industrias Selma COR
Creditor I.D.	Construcciones El Cóndor S.A.	Construcciones El Cóndor S.A.	Construcciones El Cóndor S.A.
Obligations of parties: guarantee granted or received	Promissory note	Promissory note	Promissory note

Type of transaction, operation, contract or business	Loan in foreign currency	Loan in foreign currency
Amount of operation	USD $2.674.210	USD $40.496
Date of operation	August 14, 2014	November 12, 2014
Balance of operation	USD $2.554.210	USD $40.496
Conditions of the operation	LIBOR +2	LIBOR +2
Date of payment	August 14, 2019	November 12, 2019
Accounts receivable I.D.	Industrias Selma COR	Industrias Selma COR
Creditor I.D.	Construcciones El Cóndor S.A.	Construcciones El Cóndor S.A.
Obligations of parties: guarantee granted or received	Promissory note	Promissory note

Accounts receivable, related parties and subordinate loans

	At December 31 2017	At December 31 2016
Concesión La Pintada S.A.S.	27.308.629	257.971
Concesión Pacífico Tres	179.205.871	165.928.845
Fiduciaria Davivienda (Vinus)	33.941.028	14.701.426
Concesión Ruta al Mar	188.700.394	104.921.171
Concesión Vial de los Llanos	19.058.599	6.839.312
TOTAL RELATED PARTIES AND SUBORDINATE LOANS	**448.214.521**	**292.648.725**

The transactions made betwen the Company that reports and its related parties are conduced in conditions similar to those made among independent parties. The accounts receivable of Construcciones El Cóndor to its subsidiaries, associates and/or joint businesses are for the following items: construction services, interests, subordinate loans, loans and other services. Subordinate loans or subordinate debt refer to the mechanism used to make equity drafts to the Concessionaires; the terms estimated to pay thee loans are considered in the financial models of each project, and overall, is longer than 15 years; interests rates agreed in said contracts range from FTD + 2%EA and FTD + 3%EA. Accounts receivable related to construction services and other services display a turnover ranging from 30 to 45 days.

Summary of guarantees with letters of credit issued at December 31, 2017:

		At December 31
	Bancolombia (thousands)	FDN (thousands)
PROJECT		
Concesión Pacífico 3	116.721.596	0
Concesión Pacífico 2	108.077.000	0
Concesión Ruta al Mar S.A.S. (equity base)	75.000.000	75.000.000
Concesión Ruta al Mar S.A.S. (equity base)	141.655.229	141.655.229
Concesión Ruta al Mar S.A.S. (equity contingent)	15.000.000	15.000.000
Concesión Ruta al Mar S.A.S. (equity contingent)	15.000.000	15.000.000

Deposits	At December 31 2017	At December 31 2016
Concesión Vial los Llanos S.A.	0	12.219.287
Trans NQS Sur	420.065	420.064
TOTAL DEPOSITS	**420.065**	**12.639.351**

Deposits correspond to payments made to corporations with the purpose of gaining a future capitalization, and correspond to equity contributions derived from the projects' cash flow needs.

The Company does not recognize implicit financing for miscellaneous accounts receivable and deposits due to the levels of uncertainty held pertaining to the time in which these accounts receivable shall be paid; this is the reason why no terms or interests are established thereof.

	At December 31 2017	At December 31 2016
TOTAL ACCOUNTS RECEIVABLE, RELATED PARTIES, NON-CURRENT	**497.339.275**	**327.796.633**

Accounts payable, related parties, current	At December 31 2017	At December 31 2016
Concesión Red Vial del Cesar S.A.S.	0	105.556
Concesión Aburrá Norte Hatovial	451.001	0
TOTAL ACCOUNTS PAYABLE, RELATED PARTIES, CURRENT	**451.001**	**105.556**

Note 30. Reclassifications

To compare these financial statements with those at December 31, 2017, several figures on the financial information at December 31, 2016 were reclassified.

Note 31. Highlights

Merger through absorption: On March 7, 2017, the commercial registry of the private document that approved the abbreviated merger through absorption took place, in which Construcciones El Cóndor S.A. absorbs its afilliate Concesión Red Vial del Cesar S.A.S.

As a result of the foregoing, the corporation Concesión Red Vial del Cesar S.A.S. is dissolved without liquidation.

The values of the assets and liabilities incorporated in the combination of the merger of Concesión Red Vial del Cesar S.A.S. were:

Assets $5.488.199
Liabilities $439.41

Of the total 2,747,400 ordinary shares, El Cóndor S.A. owned 2,607,282 shares (94.89%); the difference corresponds to own shares reacquired and consequently, Construcciones el Cóndor S.A. incorporated 100% of the Corporation.

Concesión Cesar Guajira S.A.S.
Through minutes signed on July 10, 2017 by Agencia Nacional de Infraestructura (ANI) and Concesión Cesar Guajira S.A.S. (Concesión), and delivered to the Company on August 18, 2017, a casue for the anticipated termination and beginning of the reversion stage of Contract No. 006 of 2015 was declared. Said contract intended to conduct "studies and final designs, financing, environmental, land and social management, construction improvement, revamping, operation, maintenance and reversion of Concesión Cesar – Guajira". Likewise, on July 10, 2017, amendment No. 10 was signed of Concession contract No. 006 of 2015 in which the parties agreed on the contractual changes or clarifications necessary for the reversion stage, the anticipated termination and/or the contract's liquidation.

The cause used by the parties to state the termination of the contract was the materialization of the risk of a lower collection from the toll due to the impossibility to operate the Rio Seco toll station under the terms set forth in said Concession contract (the risk is assumed by ANI), which creates mechanisms for risk compensation which fall short to compensate the risks activity in the project.

After signing the foregoing minute and amendment No. 10, the reversion process of the Concession's infrastructure and assets in favor of ANI begins, followed by the liquidation of the Concession contract applying the formula established thereof.

Tax Reform - Law 1819 of 2016

The tax reform gave way to the following other premsies, which are in force as of January 1, 2017:

• Rules the fiscal application in business cooperation contracts (such as, consortiums, temporary associations, share accounts and joint venture), setting the bases to formalize matters when there are guaranteed yields for the parties of the contract.

• Government sought to close the gap between the fiscal regulation and the new accounting frameworks of Colombia, to determine the income tax; the wording of the tax statute is adjusted to the IFRS (International Financial Reporting Standards); introduction of definitions to fiscally recognize and measure the cost, acquisition price or par value as indicated in the tax law. If not indicated, the accounting measure shall be used. Likewise, the accounting base or accumulation or earning shall be kept in mind, beginning with the real obligation. Any ways, the standard establishes several exceptions for the fiscal recognition of revenues, costs, expenses, assets and liabilities.

• Establishes tax management of concession contracts and APPs (Public-Private Associations), providing guidelines for the construction, operation and maintenance stage.

• The income tax for equity - CREE and its surcharge was eliminated, but it adds the CREE rate of 9% to the income rate. Hence, in 2017, the rate shall be 34% and in 2018 and thereafter, 33%. To this percentage we add the surcharge which is not the income surcharge, and by 2017, the rate will be 6% and in 2018, 4% (over taxable income above $800 thousand.)

• He exemption of parafiscal contributions continues despite the elimination of CREE; this covers corporations and similar, and workers that earn less than ten (10) minimum legal wages per month in force.

• Limited deduction for parties, gifts, courtesies, etc. shall be deductible solely up to 1% of net fiscal earnings, provided it meets the requirements of need, proportionality and causality.

• As of 2017, depreciation is no longer calculated using the straight line method but instead, the accounting technique. The government shall regulate the top rates of depreciation which range from 2,22% to 33% per year.

• Increased steadfast of statements compensating losses; this will increase from five (5) to six (6) years, and shall be limited to compensation of twelve (12) taxables periods thereafter.

• Increased presumptive income rate, from 3% to 3,5%.

• Donations to non-profit organizations with special regime have a tax discount of 25% of the amount donated.

• The regime of entities controls overseas (ECE) is created.

• Indefinite continuity is given to the tax on financial movements (4 x 1,000).

• The VAT increased to 19% as of January 1, 2017. However, this is excluded from contracts entered with government entities as well as construction and comptrollership contracts derived from the transportation infrastructure contracts signed by public or state-owned entities; for the latter case, the regime of the VAT in force on the date when the corresponding contract is signed shall be used and extended until the goods or services are acquired by the construction contractor and comptroller.

• The 2-point decrease of the VAT is eliminated and the option to handle the VAT paid to acquire or import capital goods at the general rate is created, such as a tax deduction over Income which corresponds to the taxable year when the good was acquired or imported.

Note 32. Indicators and Interpretation

INDICATORS OF RESULTS					
Operating margin	Operating profit / Operating revenue	=	244.379.274 / 793.345.595	30.80%	The Company earned an operating profit equivalent to 30.80% of total sales in the period.
LIQUIDITY INDICATORS					
Working capital	Current asset - Current liability	=	66.829.397		Represents the surplus of current assets (once current liabilities are paid), which the Company has as permanent funds to serve the ongoing needs of operation.
Liquidity ratio or index	Current asset / Current liability	=	891.949.626 / 825.120.229	1.0810	For every $1 of current liability, the company has $1.08 to back the current asset.
DEBT INDICATORS					
Total debt	Total liability / Total asset	=	1.070.695.429 / 1.992.169.540	0.5375	Displays the participation of creditors over the Company's assets. For each peso the Company has in the asset, it owes $0.54 cents.
Financial debt	Financial liability / Total asset	=	523.861.348 / 1.992.169.540	0.2630	Exhibits the participation of financial creditors over the Company's assets. For each peso the Company has in the asset, it owes $0.2630 cents.
PROFITABILITY INDICATORS					
Return on Equity (ROE)	Net profit / Equity	=	184.908.738 / 921.474.111	20.07%	Represents the yield generated by the capital investment.
Net margin	Net profit / Operating revenues	=	184.908.738 / 793.345.595	23.31%	For each peso sold, the Company generates a net profit of 23.31%.

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

Ana I. González V

ANA ISABEL GONZÁLEZ VAHOS
Accountant
Professional Card No. 47345-T
See certification attached

JAVIER EMILIO TÁMARA TORRES
External Auditor (Crowe Horwath)
Professional Card No. 208595 – T
See opinion attached