

Construcciones El Cóndor S.A. published his financial results as of June 30, 2014, highlighting the growth in operating revenues, as well as the growth in operating income and net income.

The second quarter of 2014 presented a 28% growth in operating income compared to the same period last year, mainly due to the execution of the road works of Vías de las Américas and Dabeiba - Santa Fe de Antioquia, as well as an increase in operating income of 4.5% and net income of 88.3%, the latter mainly explained by an increase in other income account because Opain dividends.

As of June 30, 2014, the company showed a 30% growth in operating income compared to the same period last year, mainly due to the execution of the road works of Vías de las Américas and Dabeiba - Santa Fe de Antioquia, as well as an increase in operating income of 18.7% and net income of 10.9%.

Infrastructure Sector Performance

The Colombian economy and the construction sector, which involves infrastructure and building works, had an increased dynamic during the first quarter of 2014 compared to the same period in 2013. According to DANE, in the first quarter of 2014 the GDP grew by 6.4% over the same period last year, while the construction sector was the activity that had the highest growth, with a rate of 17.2%. This growth was driven by a 7.9% increase in buildings and 24.8% for civil works.

According to the Civil Works Indicator (IIOC) in the first quarter of 2014, actual expenditures for the construction of civil works displayed an increase of 25.4% compared to the same period last year. Groups that increased investment flows were: highways, streets, roads, bridges, viaducts, tunnels and building underground in 31.9%; railways, runways and mass transit systems in 4.9%; waterways, harbors, dams and other harbor works in 40.0%; constructions for mining, electric generating plants and pipelines for long and short distance in 6.1%; other civil works in 64.8%.

Operating and Total Results

According to the infrastructure sector, the financial results of the company continued to be dynamic and positive as described below:

- Operating revenues - direct revenues associated with construction services – as of June 30, 2014, were \$188,904 million COP, representing an increase of 30.3% compared to the same period last year, mainly due to the execution of the road works of Transversal de las Americas and Dabeiba - Santa Fe de Antioquia. In the second quarter, the contribution to operating income was \$102.222 million COP representing an increase of 28.1% from the same period last year.
- Operating income accumulated to June 2014 was \$ 26,730 million COP, presented an increase of 18.7% over the same period in 2013, thanks to a better dynamic in operating revenues and a decrease in administrative expenses, giving as a result an operating margin of 14.1%. In second quarter, operating income was \$ 13,469 million COP with an increase of 4.5%.
- Construction EBITDA accumulated to June 2014 was \$37.208 million COP against \$36.632 million COP from the same period of 2013, representing an increase of 2% mainly due to a decrease in other revenues of construction and a drop in depreciation explained by non-recurring events the previous period. In addition, EBITDA margin calculated over total construction revenues was 19.4%. The EBITDA value permits a coverage of interest expense of 7 times.

- Consolidated EBITDA, that is, construction plus investment, as of June 30, 2014, was \$ 56.833 million COP and showed an increase of 9% compared to the same period last year, due to the increase in earnings before interest and taxes. In addition, Consolidated EBITDA margin was 30.1% calculated over operating revenues.
- Net profit accumulated to June 2014 was \$ 35,580 million COP, equivalent to a net margin of 18.8%, representing an increase of 11% over the same period of 2013. Net income for the second quarter was \$ 14,306 million COP, with an increase of 88.3% over the same period in 2013.

Balance Sheet

- As of June 2014, total assets were \$ 982,673 million COP, an increase of 15.1% compared to the same period last year, mainly due to an increase in Accounts Receivable for a higher value of internal records related to works executed pending to check from Vías de las Américas and equity contributions to Opain S.A and Vías de las Américas S.A.S. The composition of assets is 35% for current assets and 65% for non-current assets.
- Total liabilities were \$ 310.531 million COP and increased 41% over the same period of 2013, explained by an increase in current liabilities related to financial obligations in the short term and non-current liabilities by an increase in advances and prepayments received related to Vías de las Américas. Its composition is 72% current liabilities and 28% Non-current liabilities.
- Short and long-term debts were \$134.627 million COP and had an increase of 53% compared to the same period last year. This increase occurred mainly by the increase in short-term financial obligations of \$53,104 million COP in order to address the works of Transversal de las Américas. Financial debt, calculated over total assets was 13.7%.
- Net equity of Construcciones El Cóndor S.A at the second quarter of 2014 was \$672.142 million COP, presented an increase of 6% over the same period last year, mainly due to an increase in reserves of \$36,849 million COP.

It is worth underlining that the restructuring of the capital structure arising from the issuance of common stocks in 2012 remains intact. This in turn allowed the Company to have equity strength today, a comfortable debt, and to be prepared to assume new opportunities on a short and medium-term in Colombia's infrastructure sector.

Backlog

As of June 30, 2014, the Backlog - balance of works hired and works to be implemented - is \$1.02 billion COP. This calculation takes into account the new contracts worth \$279,998 million COP, which includes the signed contract with el Fondo de Adaptación by \$39,534 million COP and the contract awarded to 4G concession Pacific 2 for \$240,464 million COP, some minor adjustments and the operating revenues as of June 2014 of \$188,904 million COP and \$2.779 million COP as other construction revenues.

Construcciones El Cóndor S.A. will be held a conference call in Spanish to present the second quarter 2014 results on Tuesday August 5, 2014 at 3:00PM Colombia Time (GMT/UTC - 05:00). Connection details will be posted on the website www.elcondor.com
