

Financial Statements Results – Second quarter 2016

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

Executive summary

Consolidated Financial Statements (as of June 2016)

From the second quarter of 2015, Construcciones El Condor S.A. included in its consolidated financial statements the information of the societies Vias de las Americas S.A.S., Cesar Guajira S.A.S. y Ruta al Mar S.A.S., acting in conformity with relevant information published on the second, third and fourth quarter of 2015.

Because in the second quarter of 2015 Construcciones El Condor S.A. was not the controller of the stakes of Vias de las Americas S.A.S., Cesar Guajira S.A.S. and Ruta al Mar S.A.S., the consolidated information recorded in this quarter of the year, is not comparable.

- Operating revenues as of June 2016 were \$ 254.012 million COP.
- EBITDA as of June 2016 was \$30.832 million COP. This EBITDA includes the dividends of the company's investments. It is important to note that the consolidation of the financial statements is being made with companies whose profits are generated at the end of the operation period, given its nature.
- Net income as of June 2016 was \$17.786 million COP.

Individual Financial Statements (as of June 2016)

- Operating revenues as of June 2016 were \$169.873 million COP, with a decrease of 24% over the same period last year mainly due a decrease in construction revenues, which rose from \$ 202.212 million to \$163,145 million, due to the delay in the start of the construction phase of some projects and delayed releases of sections in projects that are under construction. The company expects a recovery in the second half of the year. In addition, the reduction in dividends on investments (Odinsa Group), which rose from \$16,518 million to \$ 329 million also affected operating revenues.
- EBITDA as of June 2016 was \$25.621 million COP, from \$135.951 million COP registered on the same period last year. This decrease is mainly explained by lower gains on sale of investments (noncurrent event that occurred in the second quarter of 2015 -sale of 5.44 % of Odinsa's shares), accompanied by a lower level of operating revenues. EBITDA margin was 15,1%.
- Net income was \$17.265 million COP from \$113.507 million COP registered on the same period last year. Net margin was 10,2%. This decrease is mainly explained by lower gains on sale of investments (noncurrent event), accompanied revenues from ordinary activities.
- Total assets were \$1.600.544 million COP, with an increase of 6,5% compared to December 2015.
- Total liabilities were \$861.155 million COP, with an increase of 14,1%% compared to December 2015.
- Net equity was \$739.389 million COP.
- Total Backlog - balance of works hired and works to be implemented - was \$2.983.060 million COP, showing 6,4 years of 2015 revenues.

Infrastructure Sector Performance

According to DANE, on the first quarter 2016 the construction sector grew 5,2%. This growth is explained by the growth of 10,9% on buildings and 0,4% in civil works. This situation is consistent with the low volume of execution of works presented in the sector during the first quarter of the year.

Performance Report - Consolidated

From the second quarter of 2015, Construcciones El Condor S.A. included in its consolidated financial statements the information of the societies Vías de las Américas S.A.S., Cesar Guajira S.A.S. and Ruta al Mar S.A.S., acting in conformity with relevant information published on June 26, July 1 and October 2, 2015.

Income statement

- Operating revenues as of June 30, 2016 were \$254.012 million COP, which are distributed as follows:

<i>Operating revenues</i>	As of June 2016
*Construcciones El Cóndor S.A	169.873
Vías de las Américas S.A.S	71.696
Red vial del Cesar S.A.S	0
Cesar Guajira S.A.S	2.835
Ruta al Mar S.A.S	9.917
Total operating revenues	254.012

* Adjusted revenues (excluding construction services for concessions).

- As of June 2016 operating costs were \$221.842 million COP, which represent 87% of operating revenues.
- EBITDA as of June 30, 2016 was \$30.832 million COP, with an EBITDA margin of 12%. This value includes the dividends.
- Net income as of June 30, 2016 was \$17.786 million COP.

Balance Sheet

- As of June 30, 2016, total assets were \$1.981.608 million COP, which are 55% current assets and 45% non-current assets.
- Total liabilities were \$1.193.331 million COP, which are 61% current liabilities and 39% non-current liabilities.
- Short and long-term financial debts were \$650.826 million COP.

Financial Debt	As of March 2016
Construcciones El Cóndor	498.018
Vías de las Américas S.A.S	152.808
Red Vial del Cesar S.A.S	-
Cesar Guajira S.A.S	-
Ruta al Mar S.A.S	-
Total Financial Debt	650.826

Consolidated financial statements will reflect the effect of the debt of each of the concessions, whose values are very representative due to their quality of Project Finance.

- Net equity as of June 30 2016 was \$739.389 million COP.

Performance Report - Individual 2Q16

Income Statement

Operating results are expressed under IFRS and comparative periods are performed for April-June 2016 against April-June 2015 in accordance with NIC - 1 and NIC – 34

- Operating revenues on the second quarter of 2016 were \$80.733 million COP, with a decrease of 32,9% over same period last year mainly due to the decrease of construction revenues that turned from \$117.966 million COP to \$77.380 million COP due to the delay in the start of the construction phase of some projects and delayed releases of sections in projects that are under construction. The company expects a recovery in the second half of the year
- The projects that supported the construction revenues on the second quarter were: Transversal de las Americas, Caucheras, Consorcio Constructor Nuevo Dorado (Aeropuerto El Dorado) and Consorcio Constructor Aburra Norte (Hatovial).
- Operating costs on second quarter of 2016 were \$70.469 million COP, which represent 87,3% of operating.
- On second quarter, EBITDA was \$10.978 against \$104.710 million COP from the same period of 2015. EBITDA margin was 13,6% calculated over operating revenues. In spite of the significant reduction in Ebitda, the values are not fully comparable because, as mentioned above, in the second quarter of 2015 there was a noncurrent event, which generated a gain on sale of investments of \$80.071 million. If the noncurrent event is excluded, EBITDA for the second quarter 2015 is \$ 24.638 million COP compared to \$ 10.978 for the same period 2016.
- Profit before taxes for the second quarter 2016 is \$ 16,445 million COP. If the noncurrent event of the second quarter of 2015 is excluded, the profit before taxes is comparable to \$ 16,861 million COP.

Balance Sheet

Balance figures are stated under IFRS and comparison is made between June 2016 and December 2015 in accordance with NIC - 1 and NIC - 34.

- As of June 30, 2016, total assets were \$1.600.544 million COP, with an increase of 6,5% compare to December 2015, 38% were current assets and 62% non-current assets. This increase is mainly provided by the growth in the subsidiaries investments account (Cesar Guajira S.A.S. and Ruta al Mar S.A.S.) and receivable related parts which are mainly related to the company's contributions in some of the company's investments through equity and subordinate debt. (Pacífico 3, Vias del Nus, Ruta al Mar, Cesar Guajira and Pacifico 2).
- Total liabilities were \$861.155 million COP and increased 14,13% compare to December 2015, mainly due to an increase in current liabilities of 19,9%, which it is mainly explained by an increase in the financial debts and commercial payables.
- Short and long -term financial debts were \$498.018 million COP of which COP\$126.462 million COP were related to financial leasing with higher concentration in the long term. Short-term financial debt showed an increase of 13,9 % and amounted to 331,978 million. Debt ratio was 31,1 (calculated over total assets).
- Net equity of Construcciones El Condor S.A as of June 30, 2016 was \$739.389 million COP.

Backlog

As of June 30, 2016, the Backlog - balance of works hired and works to be implemented - was \$2.983.060 million COP, which is equivalent to 6,4 years of current billing of 2015. This calculation takes into account the the operating revenues as of June 30, 2016, of \$167.634 million COP (excluding dividends and non-construction revenues) and some adjustments of \$4.634 million COP.

***Construcciones El Condor S.A. will be held a conference call, in Spanish, to present the second quarter 2016 results on Wednesday August 31st, 2016 at 3:00PM Colombia Time Connection details will be posted on El Condor's website.
www.elcondor.com***
