

### Financial Statements Results – Third 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 September 2016)**

*Beginning in 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 in the second, third and fourth quarter of 2015.*

*Because in the third quarter of 2015 Construcciones El Condor S.A. was not the majority stakeholder in Vias de las Americas S.A.S., Cesar Guajira S.A.S. and Ruta al Mar S.A.S., the consolidated information recorded in the same quarter of 2016 does not have corresponding figures for complete comparison.*

- Operating revenues as of September 30, 2016 were \$ 417.413 million COP.
- EBITDA as of September 30, 2016 was \$49.796 million COP. This EBITDA includes the company's investment dividends. It is important to note that the consolidation of the financial statements is integrating figures from companies whose profits, given their nature, are generated at the end of the operation period.
- Net income as of September 30, 2016 was \$25.882 million COP.

#### **Individual Financial Statements (as of September 2016)**

- Operating revenues as of September 30, 2016 were \$262.342 million COP, with a decrease of 30% over the same period last year mainly due a decrease in construction revenues, which went from \$ 353.761 million to \$252.865 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 upcoming quarters in 2016 and 2017. In addition, the reduction in investment dividends (Odinsa Group), which fell from \$16,518 million to \$329 million also affected operating revenues.
- EBITDA as of September 30, 2016 was \$43.346 million COP, from \$163.342 million COP registered in the same period last year. This decrease is mainly explained by lower gains on sale of investments (non-recurring event that occurred in the second quarter of 2015 -sale of 5.44 % of Odinsa's shares), accompanied by the aforementioned decrease in operating revenues. EBITDA margin was 16,1%.
- Net income as of September 30, 2016 was \$24.917 million COP from \$122.997 million COP registered in the same period last year. This decrease is mainly explained by lower gains on sale of investments (previously mentioned non-recurring event), accompanied by lower revenues from ordinary activities. Net margin was 9.5%.
- Total assets were \$1.633.438 million COP, with an increase of 8.6% compared to December 2015.
- Total liabilities were \$883.476 million COP, with an increase of 17% compared to December 2015.
- Net equity was \$749.962 million COP.

### Infrastructure Sector Performance

According to the latest information available from the DANE, in the third quarter 2016 the construction sector grew 5.8% with respect to the same period in 2015. This growth is explained by an 11% growth in buildings and a 1.9% increase in civil works. This situation, with respect to civil works, is consistent with the low volume of project execution witnessed in the sector year to date.

### Performance Report - Consolidated

*Beginning in 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 in the second, third and fourth quarters of 2015.*

*Because in the third quarter of 2015 Construcciones El Condor S.A. was not the majority stakeholder in Vías de las Américas S.A.S., Cesar Guajira S.A.S. and Ruta al Mar S.A.S., the consolidated information recorded in the same quarter of 2016 does not have corresponding figures for complete comparison.*

### Income Statement

- Operating revenues, as of September 30, 2016, were \$417.414 million COP, which are distributed as follows:

<b>Ingresos operacionales</b>	<b>A septiembre 2016</b>
*Construcciones El Cóndor S.A	262.342
Vías de las Américas S.A.S	126.697
Red vial del Cesar S.A.S	0
Concesión Cesar Guajira S.A.S	11.227
Concesión Ruta al Mar S.A.S	17.456
<b>Total ingresos operacionales</b>	<b>417.414</b>

\* Adjusted revenues (excluding construction services for concessions).

- As of September 30, 2016, operating costs were \$363.851 million COP, which represent 87% of operating revenues.
- EBITDA as of September 30, 2016 was \$49.796 million COP, with an EBITDA margin of 12%. This value includes investment dividends.
- Net income as of September 30, 2016 was \$25.882 million COP.

### Balance Sheet

- As of September 30, 2016, total assets were \$2.010.433 million COP, which are made up of 54% current assets and 46% non-current assets.
- Total liabilities were \$1.212.167 million COP, which are 63% current liabilities and 37% non-current liabilities.
- Short and long-term financial debts were \$683.536 million COP. These are composed of bank obligations and financial leasing operations.

<b><i>Pasivo Financiero</i></b>	<b>A septiembre 2016</b>
Construcciones El Cóndor	543.683
Vías de las Américas S.A.S	139.852
Red Vial del Cesar S.A.S	
Cesar Guajira S.A.S	
Ruta al Mar S.A.S	
Cóndor Investment USA	5
<b>Total pasivo financiero</b>	<b>683.536</b>

It is important to note that consolidated financial statements will reflect the effect of individual concessions' debt, whose values are very representative due to their Project Finance qualities.

- Net equity as of September 30 2016 was \$798.262 million COP.

### Performance Report - Individual 3Q16

#### Income Statement

*Operating results are expressed under IFRS and comparative periods are performed for January-September 2016 against January-September 2015 in accordance with NIC - 1 and NIC - 34*

- Operating revenues in the third quarter of 2016 were \$92.469 million COP, with a decrease of 40% over the same period last year mainly due to the decrease in construction revenues which went from \$154.007 million COP to \$92.469 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 coming quarters of 2016 and 2017.
- The projects that supported the construction revenues in the third quarter were: Transversal de las Americas, Caucheras, Consorcio Constructor Nuevo Dorado (Aeropuerto El Dorado) and La Virginia (Pacífico 3) front.
- Operating costs in the third quarter of 2016 were \$70.360 million COP, which represents 82.6% of operating revenues.
- In the third quarter, EBITDA was \$17.725 compared to \$27.391 million COP registered during the same period of 2015. EBITDA margin was 19.2%.
- Earnings before taxes for the third quarter 2016 were \$7.652 million COP compared to \$9.491 million COP registered during 2015.

#### Balance Sheet

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

- As of September 30, 2016, total assets were \$1.633.438 million COP, with an increase of 8.6% compared to December 2015, 38% were current assets and 62% non-current assets. This increase is mainly due to growth in the commercial accounts receivable and related part accounts receivables which hold equity contributions made to some of the investments where the Company participates through equity and subordinate debt. The principal increases occurred in Concesion Pacifico 3, Vias del Nus, Ruta al Mar, Cesar Guajira and Pacifico 2.

- It is important to note that, as of September 2016, the Company has made considerable equity contributions (risk capital) in new 4G concession projects (Public and Private APPs) totaling \$329.148 million COP.
- Total liabilities were \$883.476 million COP and increased 17% compared to December 2015, the change is mainly due to an increase in current liabilities of 26.8%, which is explained by an increase in the financial debts and commercial payables and other account payables.
- Short and long term financial obligations with banks grew to \$422.975 million COP, financial leasing obligations for the purchase of machinery grew to \$123.160 million COP, with a higher concentration in the long term.  
Total financial debt (banks and financial leasing), calculated over total assets, is currently at 33.3%
- Net equity of Construcciones El Condor S.A as of September 30, 2016 was \$749.962 million COP.

---

***Construcciones El Condor S.A. will hold a conference call, in Spanish, to present the third quarter 2016 results on Tuesday, December 6th at 9:00 AM Colombia Time. Connection details will be posted on El Condor's website.***

***[www.elcondor.com](http://www.elcondor.com)***

---