

EARNINGS RELEASE

3Q2016

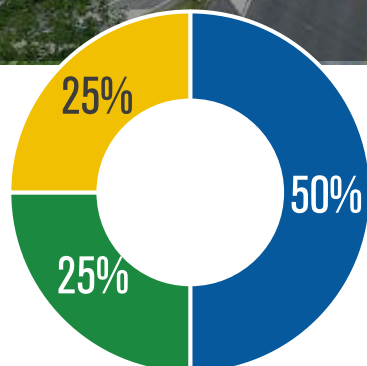
November 9, 2016



Relevant corporate events:

Concession contract signing - PPP **vía40** EXPRESS

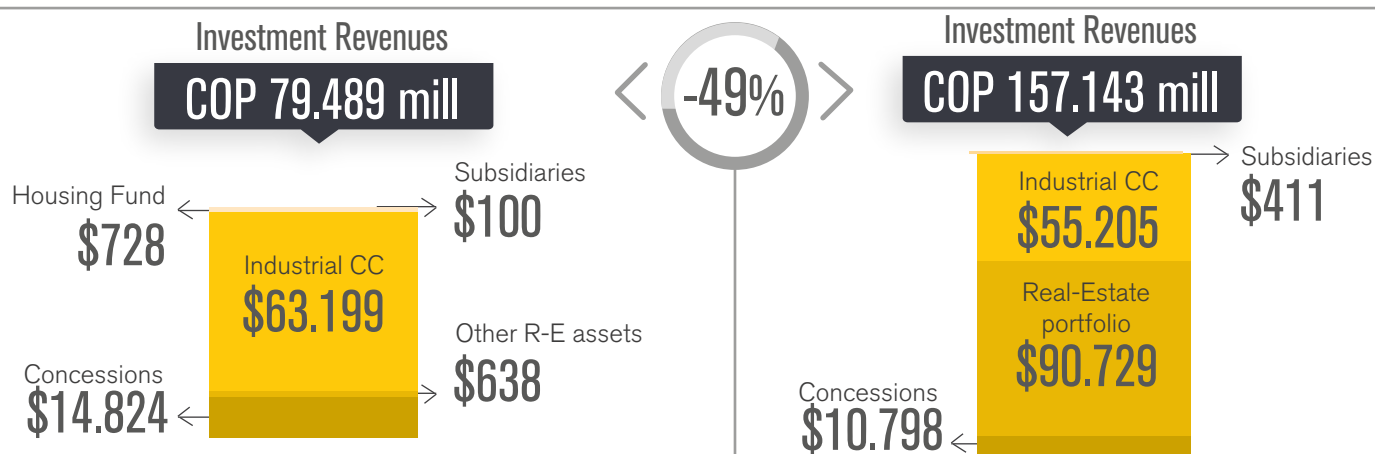
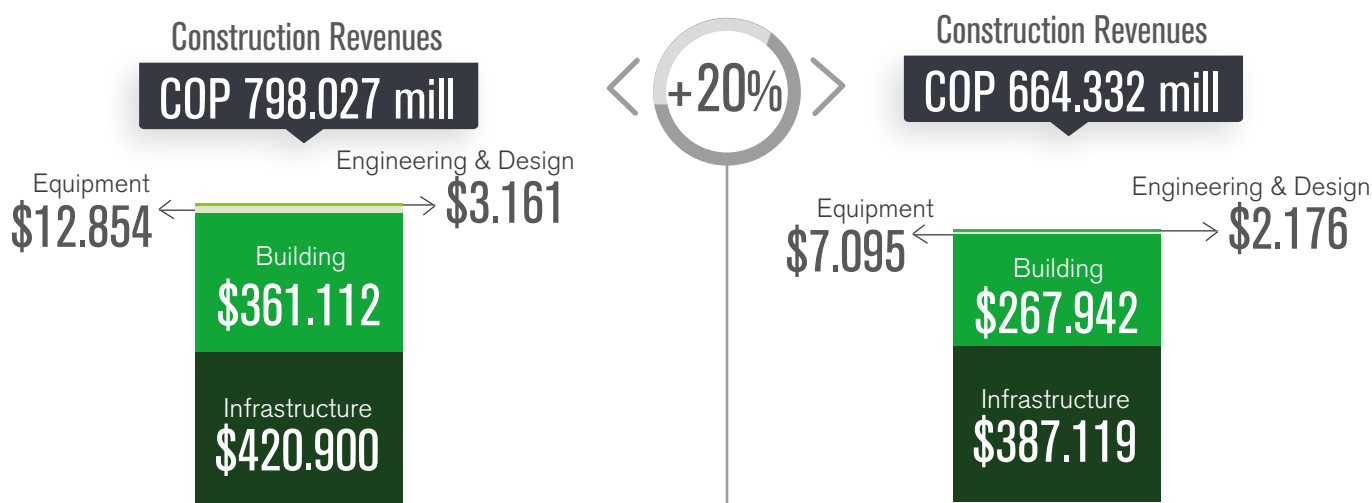
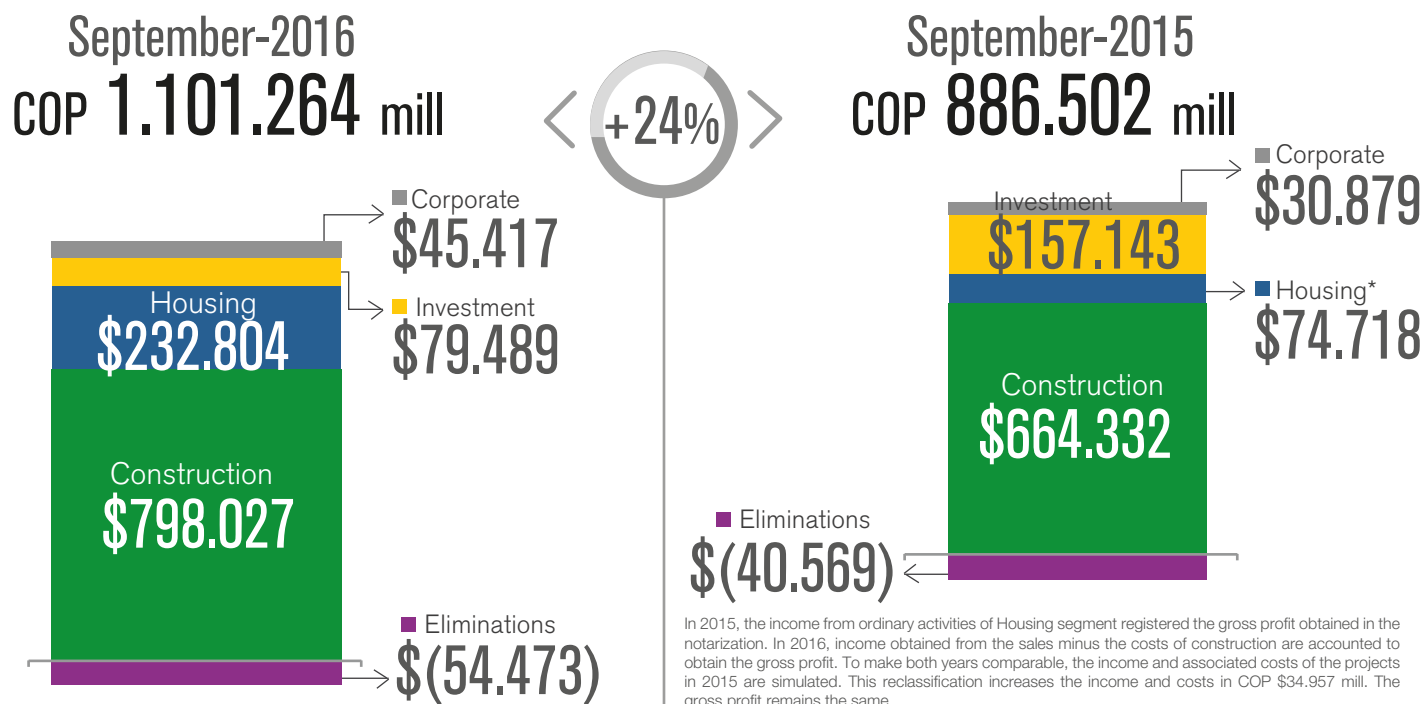
- Signing of concession contract with the ANI on October 25, 2016 in Melgar, Tolima.
- Estimated date of the initiation act signing: December 1st, 2016



- Vinci Highways
- Constructora Conconcreto
- Industrial Conconcreto

Relevant corporate events :

Consolidated Income from Ordinary Activities



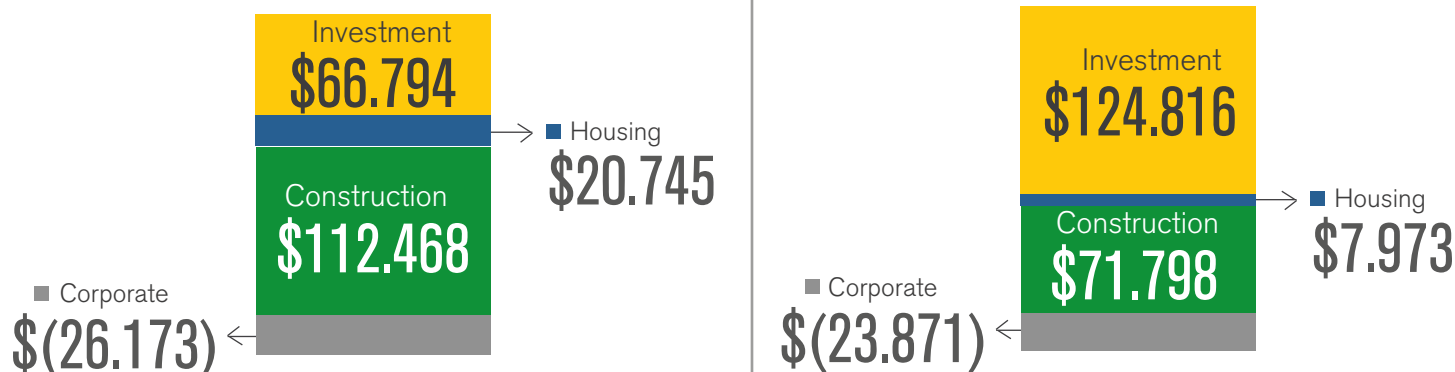
Relevant corporate events:

Consolidated EBITDA

September -2016
COP 173.834 mill

< -4% >

September -2015
COP 180.716 mill



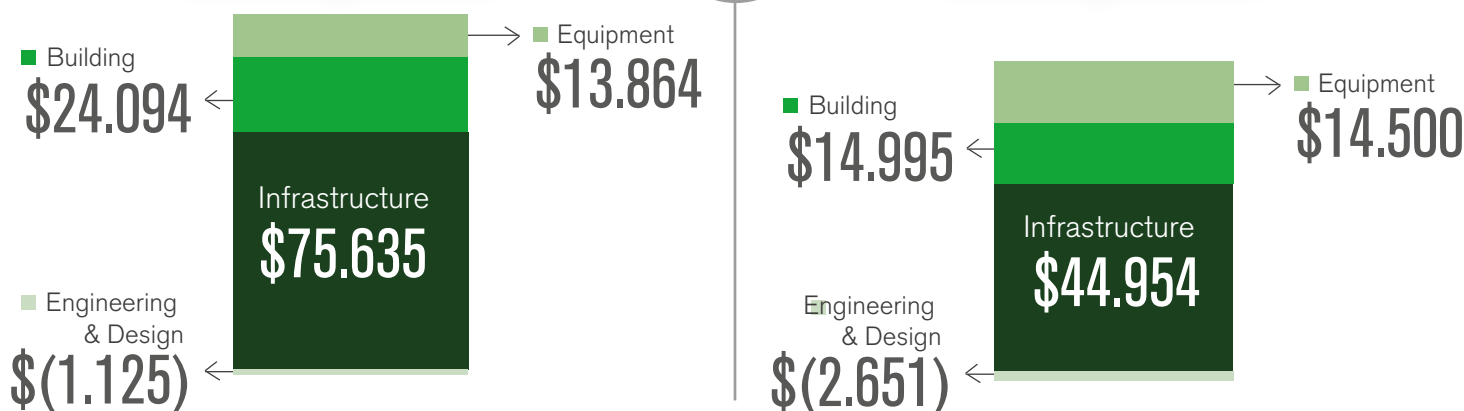
Construction EBITDA

COP 112.468 mill

< +57% >

Construction EBITDA

COP 71.798 mill



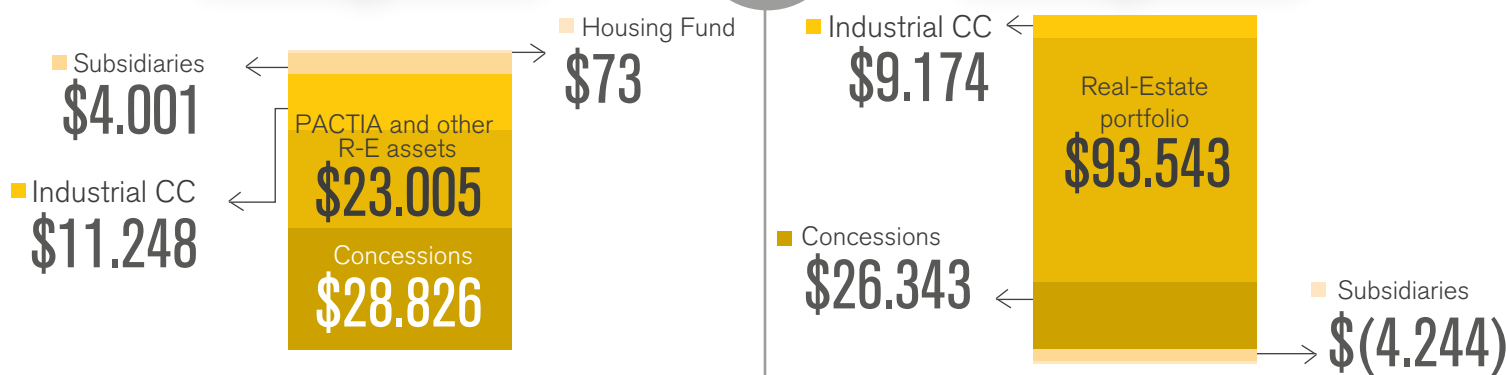
Investment EBITDA

COP 66.794 mill

< -46% >

Investment EBITDA

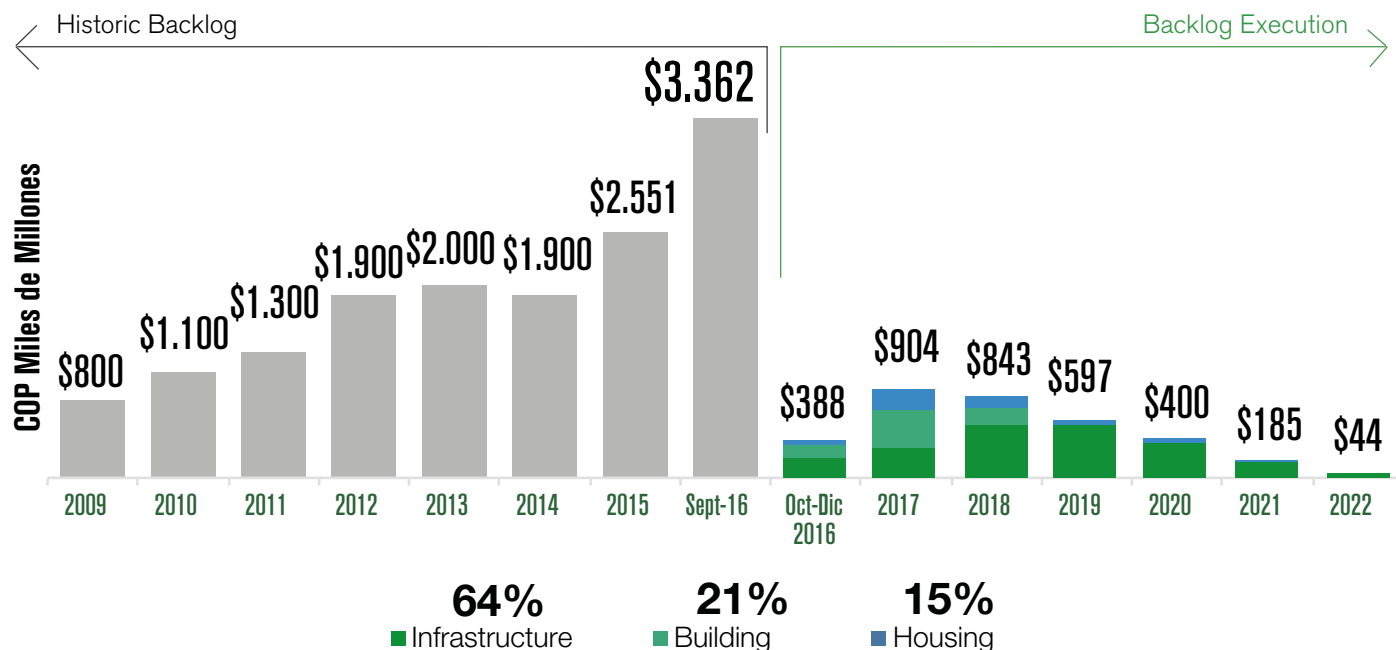
COP 124.816 mill



Relevant corporate events:

Backlog – September 2016 Cutoff

The Company's backlog as of September 2016 is COP 3,4 trillion, corresponding for 3 years of operation. Of this Backlog 64% corresponds to infrastructure projects, 21% for building projects and the remaining 15%, to the housing portfolio.

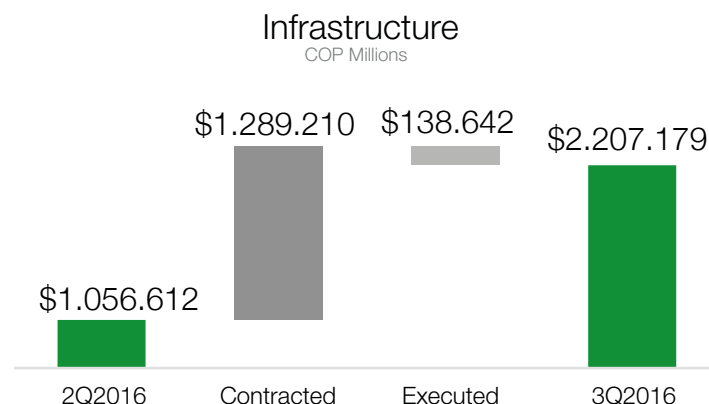


Construction Services:

Relevant Events:

Infrastructure:

- The execution was concentrated on projects such as: Ituango Hydroelectric Plant, the Puerto Aguadulce Maritime Works (dock and movement of land), the Boscoal Dock, the Binacional bridge, Arroyo Bruno watercourse, concession works Faca-Los Alpes, among others.
- Among the works contracted stands out the extensions of the contracts of Hidroituango by COP \$35.000 mill and the new contracting of the PPP projects Vía Pacífico by COP \$276.000 mill and Vía 40 Express by COP \$973.000 mill.



Construction Services:

Relevant Events:

Building:

- The execution of works for third parties continue, such as: Multiplaza La Felicidad Shopping Center (Bogotá), Estelar Hotel (Cartagena), Atlántica Tower (Barranquilla), Blue Logistics Distribution Center (Tenjo), Avianca tower Bogotá and the Medellín chamber of commerce, among others. Also, works for Pactia continue, such as: Guatapurí II Shopping Center (Valledupar), Antares, Hilanderías and El Ensueño (Bogotá) shopping centers, Buró 25 stage II (Bogotá) and Megacenter Tower II (Medellín).
- As of work contracted, there is principally the contracts of Corferias by COP \$170.000 mill, EPSA by COP \$30.000 mill, extension of the Movich Las Lomas Hotel by COP \$18.000 mill and a higher scope of the works contracted in the Medellín chamber of commerce by COP \$15.400 mill.

Housing:

- The execution of COP 55.366 mill is still concentrated in the projects located in Colombia and Panama.

Engineering and Design:

- BIM* projects balance 100% designed at the interior of the Studio.

***BIM:** We use the platform BIM as a working tool, for architectural projects simulation in every level. It is a coordinated 3D model that allows volumetric studies.

Innovation and sustainability:

- Currently, there are 16 projects filed upon Colciencias that finish their execution mostly in 2016. The development of a concrete 3D printing prototype and the inclusion of ICT in constructive processes stands out.

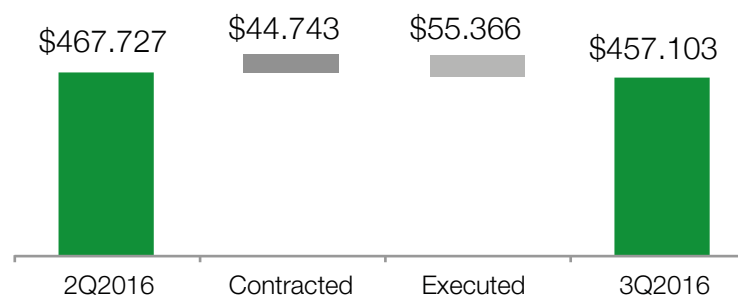
Building

COP Millions



Housing

COP Millions



Concessions

Relevant Events:

Current status of concession projects:

Road

- **PPP Vía Pacífico (Buga - Buenaventura):**
Preconstruction Phase:
 - The Loboguerrero toll was received and is now in operation, also the road section between Loboguerrero and Buga.
 - Currently under financial closing.
- **PPP Vía 40 Express (Bogotá - Girardot):**
Concession contract with the ANI was signed on October 25, 2016.
- **PPP Vía Palmas-Tablazo:** Private initiative presented by Devimed S.A to the Gobernación de Antioquia. Prefeasibility studies were presented. Observations are expected to be received at the beginning of November.
- **PPP Vía El Santuario - Doradal:** Private initiative presented by Devimed S.A to the ANI. Currently in negotiations over the observations received in the presentation of prefeasibility studies.

Rail

- **PPP Regiotram - Línea de occidente:** Under feasibility study. Currently analyzing with Ministerio de Hacienda (treasury) the management of resources from transfers.

Port

- **Darien International Port:** project still in study stage. The consecution of environmental license and port concession formalities continue.

Energy Generation:

- **PCH Patíco:** PRIOR CONSULT process still continues. It is estimated to reach a formalization of agreements during the 1st quarter of 2017 with the purpose of continuing with the construction.

Operating Concessions:

DEVIMED:

Medellín – Caño Alegre and Malla Vial de Oriente

Starting date:	Finishing date:	% Concreto Participación:
June, 1996	December, 2026	24,85%

Average Daily Traffic			
Toll	2014	2015	3Q2016
Cocorna	3.690	3.934	3.975
Puerto Triunfo	3.127	3.510	3.633
Guarne	17.343	18.142	19.016
Palmas	7.743	8.429	8.842
TOTAL	31.903	34.015	35.465

Financials:			
COP Millones	2014	2015	3Q 2016 accumulated
Operational Income	165.549	152.936	126.856
EBITDA	64.566	89.107	70.326

CCFC:

Bogotá – Los Alpes

Starting date:	Finishing date:	% Concreto Participación:
June, 1995	March, 2024	24%

Average daily traffic:			
Toll	2014	2015	3Q2016
Corzo	6.395	6.867	7.048
Río Bogotá	16.585	17.621	17.489
TOTAL	22.980	24.488	24.537

Financials:			
COP Millions	2014	2015	3Q 2016 accumulated
Operational Income	65.119	76.904	100.236
EBITDA	51.718	47.514	36.196

Real – Estate Portfolio **PACTIA**

Relevant Events:

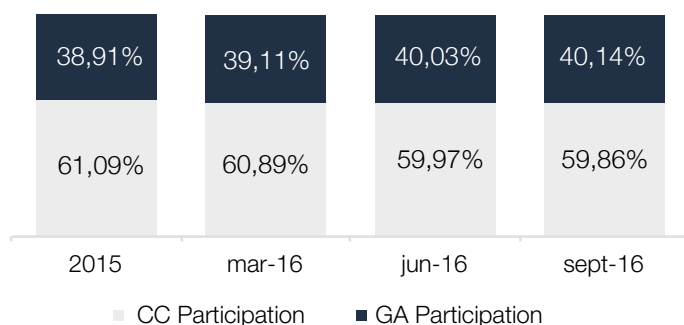
**3Q - 2016
Accumulated**

Gross Income*	133.242
Operating Costs (Opex)	39.128
Net Operating Income	94.114
Consolidated EBITDA	82.040
Net Profit	40.244

*There is a non-recurring income from the sales of non-strategic assets worth COP \$5.794 Mill.

** Cap rate of stabilized productive assets: 9,0%.

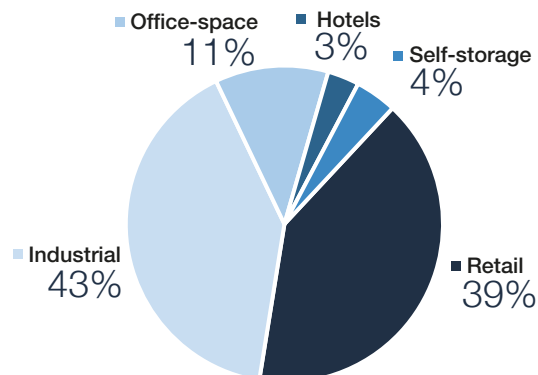
Participation in Pactia Trust Accumulated (%)



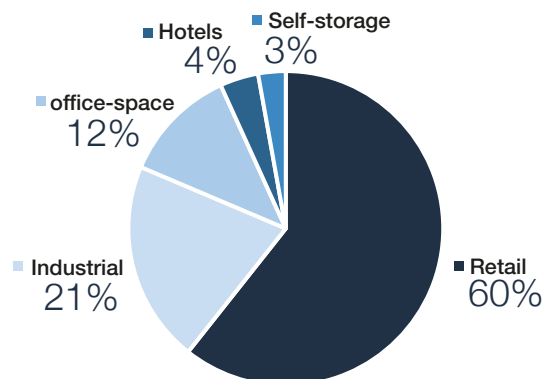
Antares Shopping Center Inauguration Soacha, Cundinamarca

On October 28, **this shopping center in which PACTIA real-estate portfolio has a 50% stake** was inaugurated. It consisted in the building and design of three basement levels with 900 vehicle parking spaces, 300 motorcycle parking spaces, 193 commercial premises, 31.500 m2 of total leasable area and 82.200 m2 of constructed area.

GLA Sep-2016 470.916 m² in operation



NOI Sep-2016 COP 94.114 mill



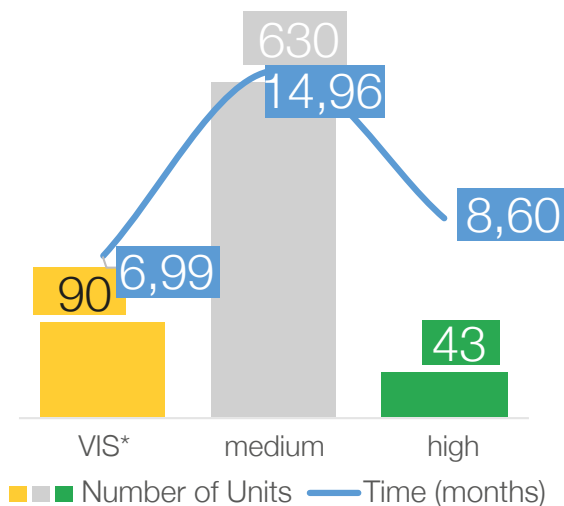
Housing

Relevant Events:

At the closing of September 2016, there are 14 projects under construction and 6 on pre-sale, concentrated in Bogotá, Medellín and Barranquilla.

There are 763 units for sale, which are expected to be sold in a 13,6 month period as of to-date. In 2016, 805 units are expected to be notarized, of which only during the third quarter were notarized 248. Additionally, there are 6 projects under feasibility study which represent 4.854 units that will be developed in stages.

Launched units for selling and estimated time to market.



*Low-income housing

Financial Results as of Sep-2016 IFRS:

Consolidated statement of results:

Non-comparable results because last year on this date we still possessed the 66% of the operation of the real-estate portfolio, which at the end of September 2015, generated gross profits for \$58.150 mill. Depurating the **GROSS PROFITS** to make it comparable to this date, a growth of 40% is obtained.

2015 includes **OTHER EARNINGS** of non-recurring income by \$ 36.352 mill associated to the recognition of the fair value of assets contributed to Pactia and the transfer of rights of Logika II.

Higher **FINANCIAL INCOME** from VINCI capitalization returns and less **FINANCIAL EXPENSES** due to less indebtedness.

Higher income from **EQUITY METHOD** in \$29.556 mill due to returns of PACTIA, which was formerly line by line in the P&L statement and greater performance of concessions and subsidiaries.

In 2015 a higher **DEFERED TAX** by the non-fiscal income generated in the contribution of fair value assets to Pactia. In 2016, there is an increase in **CURRENT TAXES** due to the generation of taxed revenues. The effective tax rate in income tax changes from 40% to 34%.

The decrease in the **EBITDA** is caused by the lower contribution of the real-estate portfolio that changed from \$93.543 mill in 2015 to 23.005 mill in 2016. Making this depuration in the total Company calculation, the EBITDA grew 73%.

Consolidated statement of financial position:

There is no significant variation compared to the financial situation of December 2015.

Of the total **FINANCIAL DEBT**, the operation should only cover the debt associated with the construction business, corporative and the equities contributed to the investment business. The debt associated with the other businesses (Consortia, Subsidiaries, and Housing), amounting to COP 277.046 mill, is served by each of them.

[For more information, Click here to consult the notes to the consolidated Financial Statements](#)

CONSOLIDATED STATEMENT OF RESULTS COP millions

	sep-16	sep-15	Var \$	Var %
Income from ordinary activities	1.101.264	851.545	249.719	29%
Cost of sales	(940.849)	(679.981)	(260.868)	38%
Gross Profit	160.415	171.564	(11.149)	-6%
Other Income	11.163	14.834	(3.672)	-25%
Admin. And sales expenses	(34.942)	(34.936)	(6)	0%
Employee benefit expenses	(40.889)	(38.056)	(2.834)	7%
Other expenses	(5.476)	(4.680)	(796)	17%
Other earnings (losses)	-	32.680	(32.680)	-100%
Operating Profit	90.270	141.406	(51.136)	-36%
Exchange difference	(2.287)	3.027	(5.314)	-176%
Financial Income	20.074	3.110	16.964	545%
Financial expenses	(66.159)	(77.755)	11.596	-15%
Equity method	50.662	21.106	29.556	140%
Before – Tax Profit	92.560	90.895	1.665	2%
Current tax expenses	(19.099)	(7.922)	(11.177)	141%
Adjustment for deferred taxes	(9.111)	(26.793)	17.682	-66%
Minority Interest	(542)	(4.128)	3.587	-87%
Net Profit	63.808	52.052	11.756	23%

EBITDA	173.834	180.716	(6.881)	-4%
---------------	----------------	----------------	----------------	------------

Margins	sep-16	sep-15
Gross	15%	20%
Operating	8%	17%
Before-Tax	8%	11%
Net	6%	6%
EBITDA	16%	21%

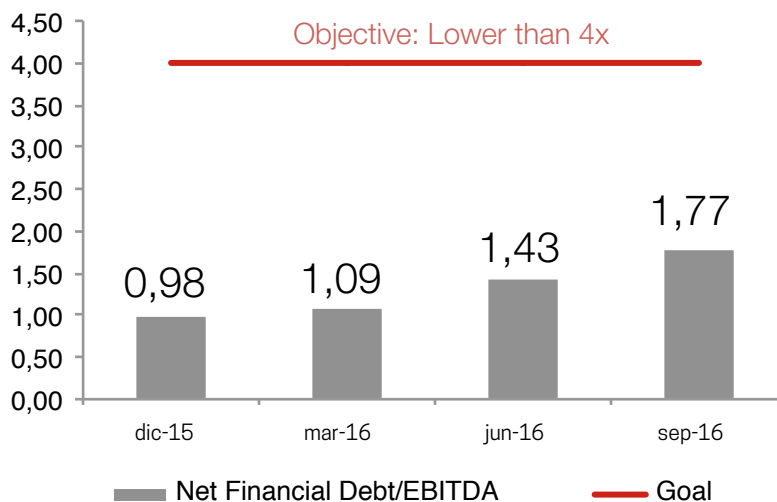
STATEMENT OF CONSOLIDATED FINANCIAL POSITION COP millions

	sep-16	dic-15	Var \$	Var %
Current Assets	1.620.921	1.579.598	41.323	2,6%
Non-current Assets	1.538.815	1.494.550	44.265	3,0%
Total Assets	3.159.736	3.074.148	85.588	2,8%
Current Liabilities	1.111.912	998.855	113.058	11,3%
Non-current Liabilities	737.086	793.615	(56.529)	-7,1%
Total Liabilities	1.848.998	1.792.469	56.529	3,2%
Total Equity	1.310.738	1.281.679	29.059	2,3%
Total Equity and Liabilities	3.159.736	3.074.148	85.588	2,8%

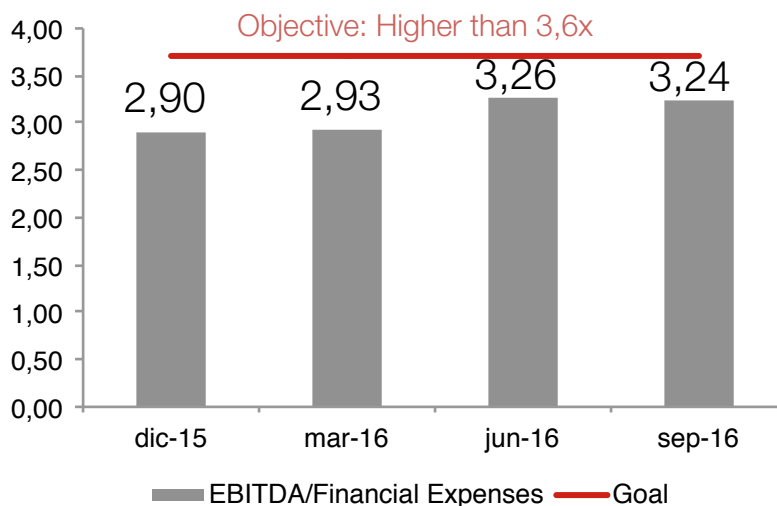
FINANCIAL LIABILITIES COP millions	sep-16	dic-15	Var \$	Var %
Construction	109.863	132.457	(22.594)	-17,06%
Corporate	22.357	24.693	(2.336)	-9,46%
Investments	470.753	364.222	106.531	29,25%
Housing	173.800	146.666	27.134	18,50%
Consortia	128.351	163.222	(34.871)	-21,36%
Subsidiaries	14.403	25.293	(10.890)	-43,06%
TOTAL	919.526	856.553	62.973	7,35%

Indicators and Covenants

Net financial debt/EBITDA



EBITDA/Financial Expense



Cost of debt

