

EARNINGS RELEASE

2Q2016

August 30, 2016



RELEVANT CORPORATE EVENTS 2Q2016

MULTIPLAZA LA FELICIDAD
BOGOTÁ - CUNDINAMARCA

New market maker with Credicorp: a value adding tool for investors

- Starting on August 17, 2016 Constructora Concreto implemented a market maker with the stockbroker Credicorp Capital Colombia, with the purpose of continuously buying and selling shares of the Company.
- With this initiative the Constructora Concreto share will generate more liquidity and will allow a proper formation of the price.
- Maintenance on the COLCAP index, is another benefit to which Concreto bets with the execution of this initiative.



We are present in the construction of one of the most important infrastructure projects of the country: Third lane of the Bogotá – Girardot road, Cundinamarca.

- The project is located in one of Colombia's most important corridors, connecting the Pacific Coast (the largest export/import port) with Bogotá (the primary consumption and production center).
- The project includes eight existing segments with different specifications, plus the construction of the new road:
 - Total Length: 142 km; 2 lanes in each direction.
 - Construction of 65 km for the third lane plus rehabilitation.
- This Project is a PPP - private initiative.
- The construction investment is COP \$1,71 trillion.
- *Estructura Plural Vías a Girardot* will be the consortium who is going to lead this Project, formed by Constructora Concreto and Industrial Concreto.



Signing of Concession contract and Work Initiation Act



- The consortium *Enlace Pacífico*, structurer and originator of the project, signed the concession contract with la ANI on **July 6** and the work initiation act on **August 19** of the present year.
- For **January 1st, 2017**, it is expected to have received the concession that today operates there, for its future operation and maintenance in charge of the consortium.
- It is estimated that in the next weeks the contract between the EPC (Constructor) and the Concessioner will be signed. The execution would begin the second half of 2017.
- This construction contract will increase the Backlog of Concreto in approximately **COP 340.000 million**, which will be executed by 20% in year 1, 40% in year 2 and the rest in year 3.



Private Initiative PPP – El Santuario - Doradal

Works scope: Construction of a double-lane road from:

El Santuario

La Granja

Doradal

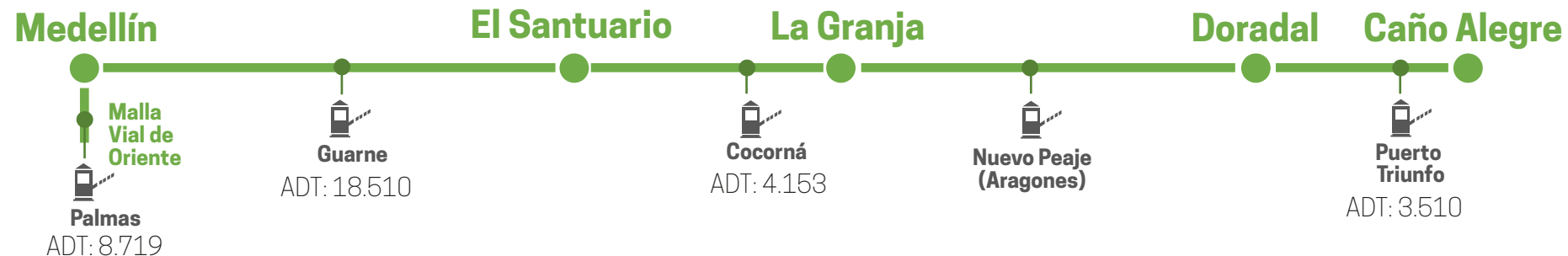
- **1st stage:** 5 years of const.

- Distance with Project: 37.4 Km
 - Viaduct 7.4 Km
 - Roads 30 Km

- **2nd stage:** 5 years of const.

- Distance with project: 59 Km
 - Viaduct 9.8 Km
 - Tunnels 1.9 Km
 - Roads 47.3 Km including Doradal highway (2,6 Km)

- **Estimated Capex:** COP 2,34 trillion.
- In **mar-2018**, the collection from the tolls between *Santuario* and *Caño Alegre* will remunerate the execution of the Works of the 1st stage and the O&M of the section *Santuario – Caño Alegre*.
- In **Jan-2027** will become part of the Concession the tolls of *las Palmas* and *Guarne*, which will remunerate the works of the 2nd stage and the O&M of the *Malla Vial de Oriente* and the section *Medellín - El Santuario*.



Private Initiative PPP – Palmas – El Tablazo

Scope: To build and operate an alternative double-lane road between las Palmas and El Tablazo.

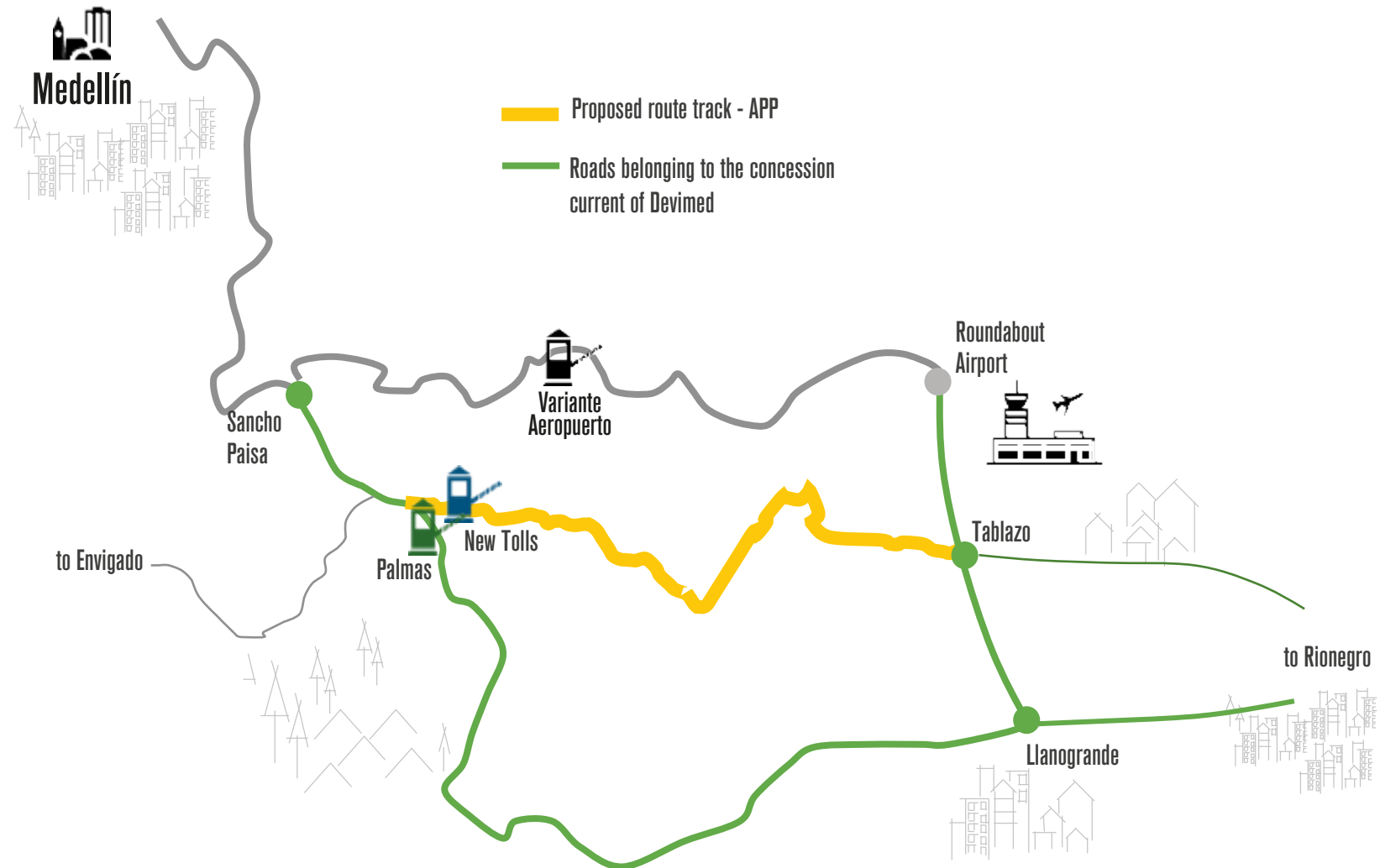
Length: 13,78 Km

CAPEX: COP 474.000 mill

Term: 25 years

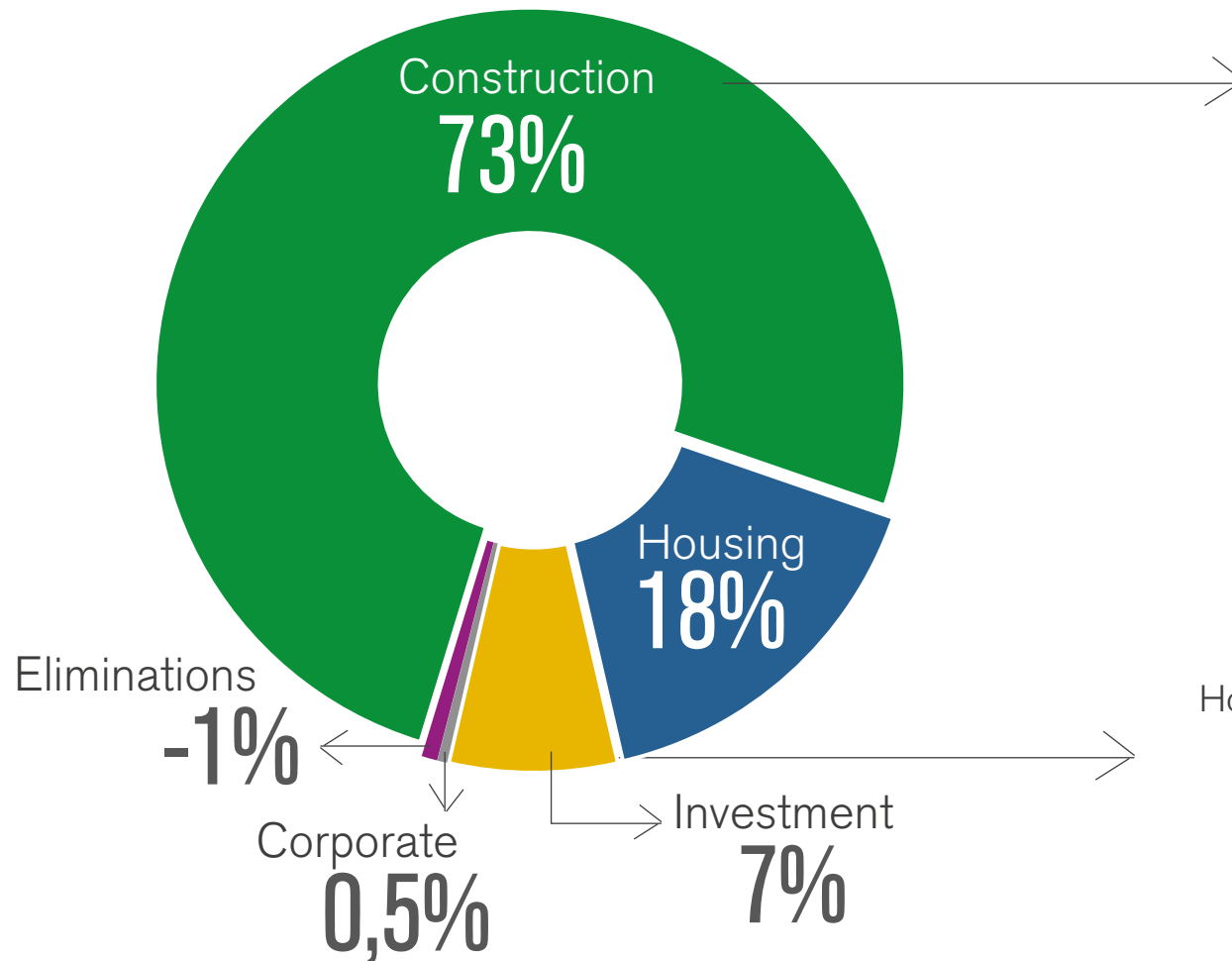
Improves traveling times to JMC airport and areas with important development like Llanogrande, El Tablazo and Rionegro.

Devimed submitted the pre-feasibility studies to Antioquia's Government and an approval is expected within three months. Feasibility studies will begin afterwards.



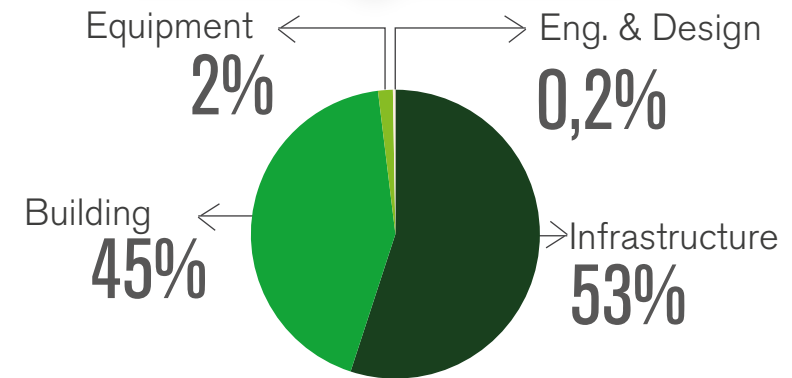
Consolidated Income from Ordinary Activities

June-2016
COP 686.750 mill



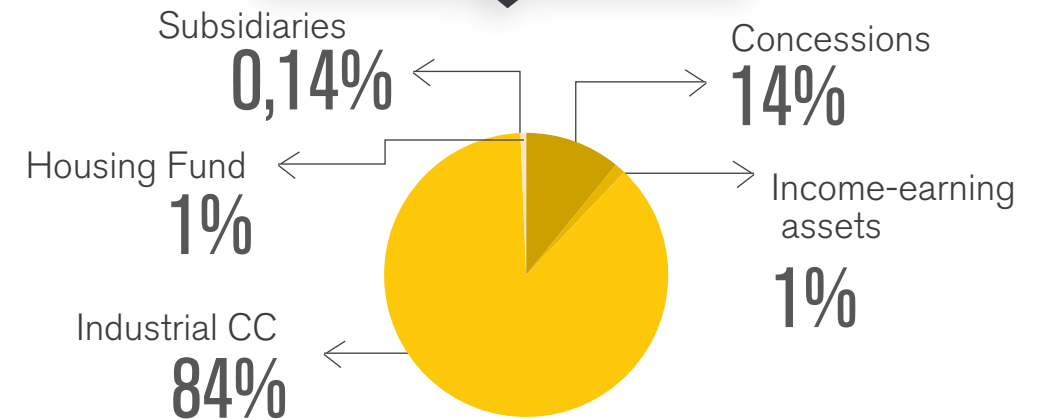
Construction Revenues

COP 512.712 mill



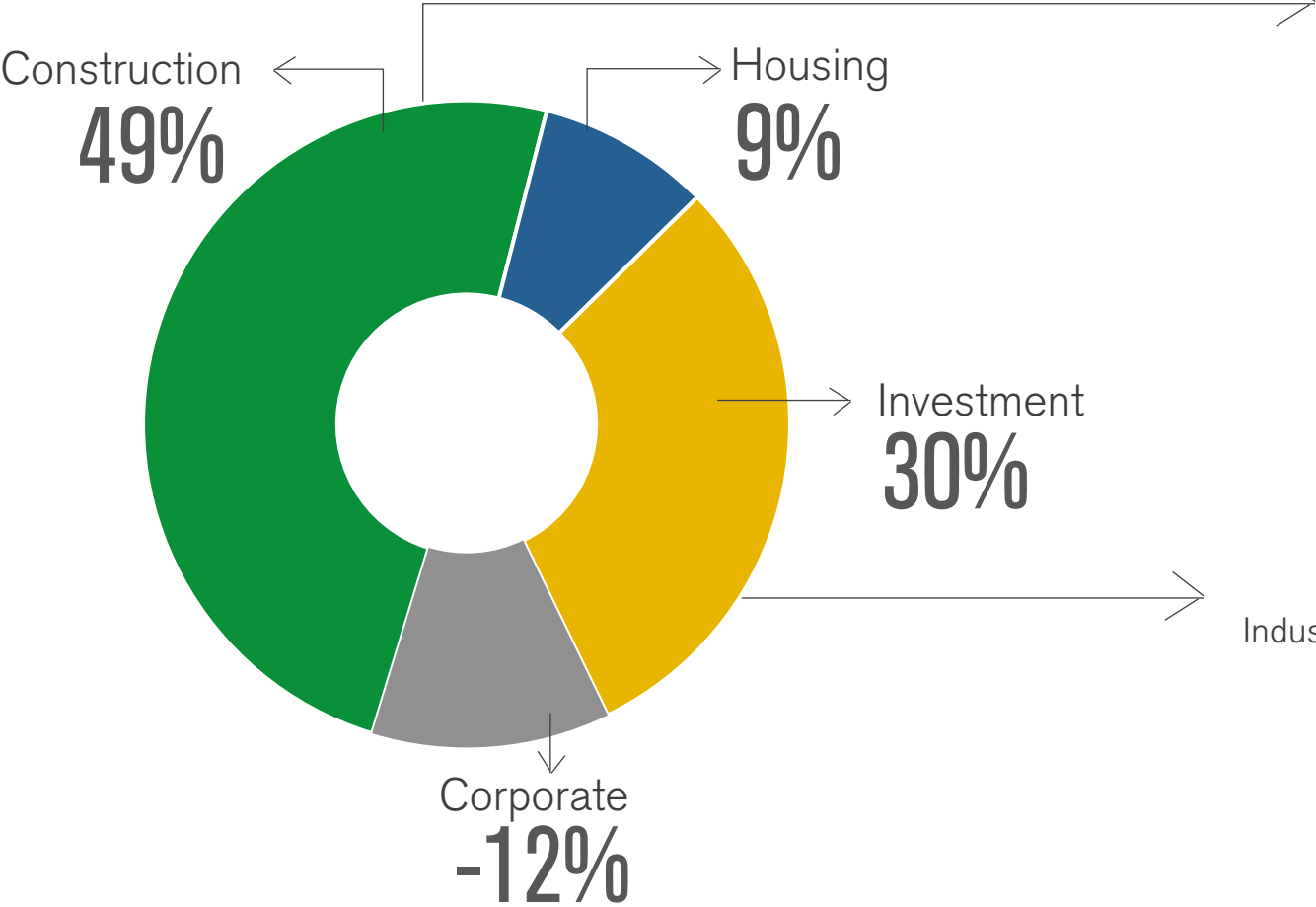
Investment Revenues

COP 50.753 mill



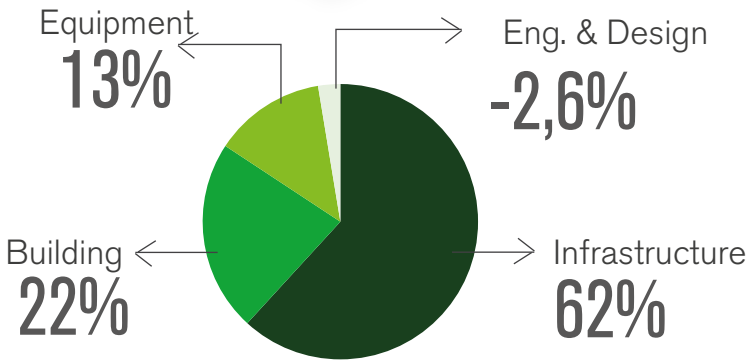
Consolidated EBITDA

June-2016
COP 110.319 mill



Construction EBITDA

COP 71.330 mill



Investment EBITDA

COP 43.699 mill

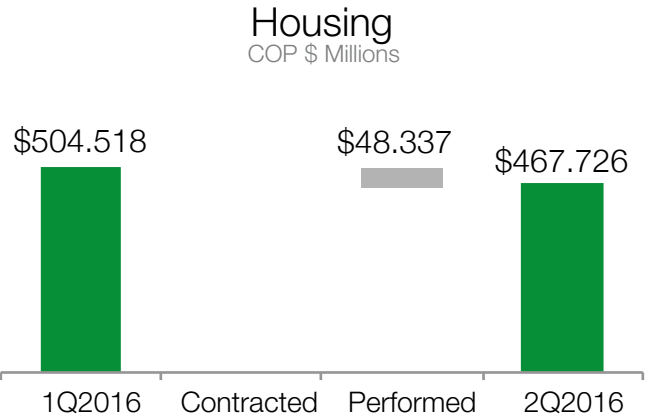
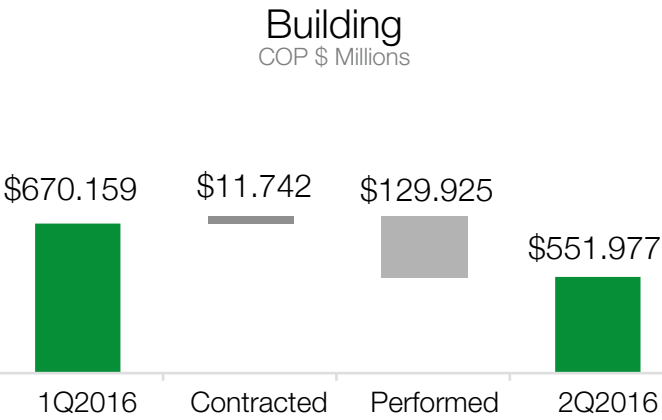
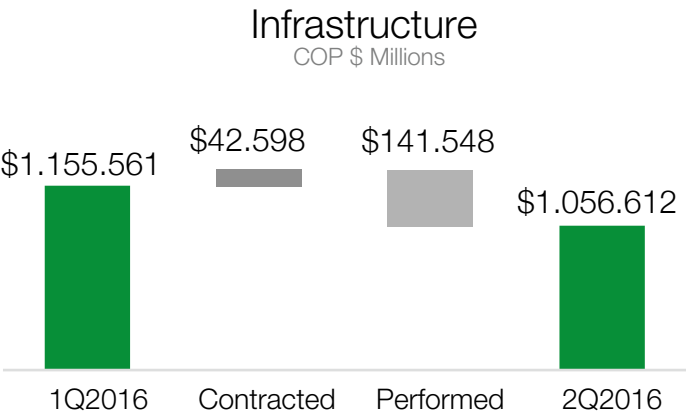
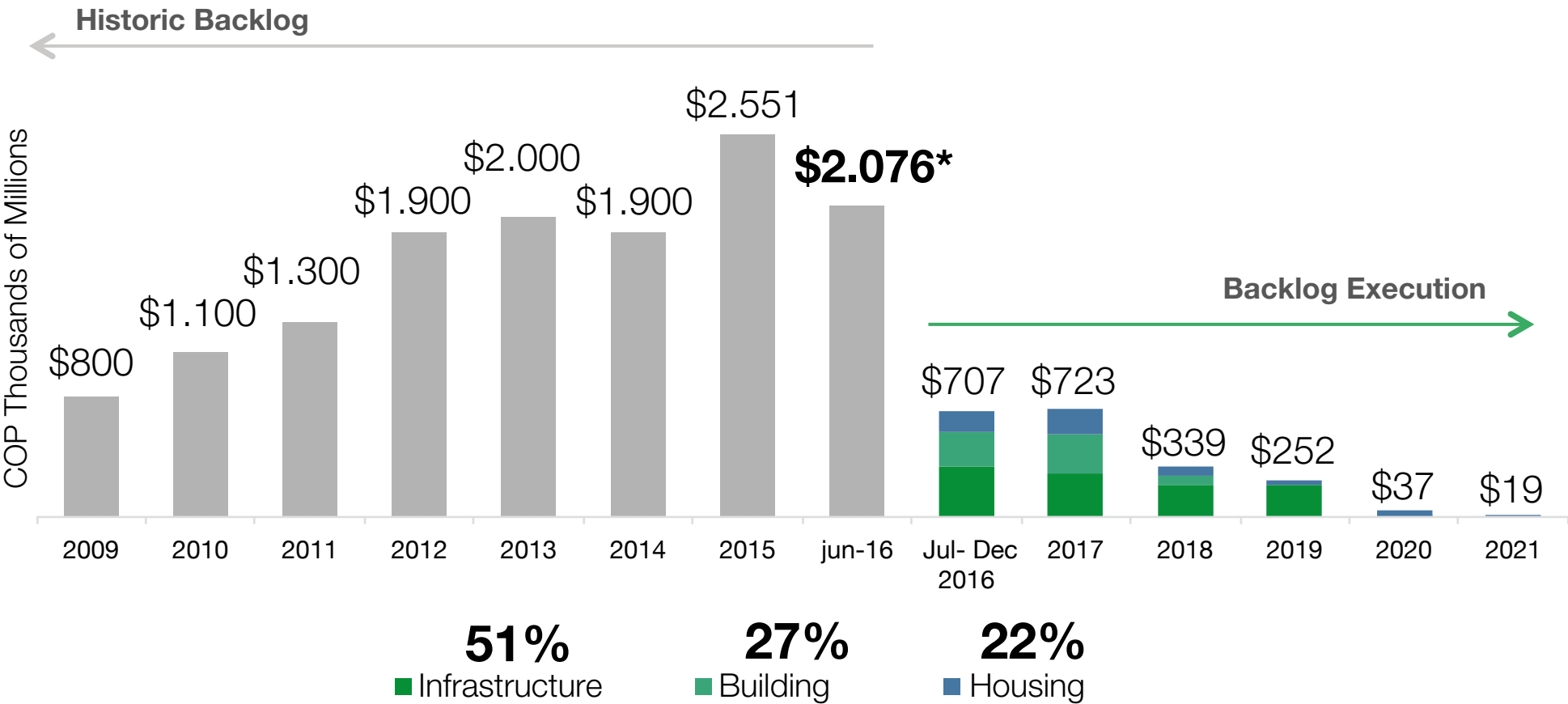


HOTEL ESTELAR
CARTAGENA - BOLÍVAR

RELEVANT OPERATIONAL EVENTS 2Q2016

 **Constructora
Concreto**

Backlog



Concesiones en operación:



Medellín – Caño Alegre and Malla Vial de Oriente



Bogotá – Los Alpes

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

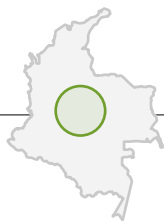
Starting date:	Finishing date:	% Concreto Participation:
June, 1995	March, 2024	24%

Average daily traffic:					
Toll	2013	2014	2015	2016-I	2016-II
Cocorna	3.216	3.690	3.934	4.465	4.030
Puerto Triunfo	2.818	3.127	3.510	4.121	3.707
Guarne	16.155	17.343	18.142	19.501	18.945
Palmas	7.050	7.743	8.429	8.693	8.726

Financials:				
Devimed COP Millones	2014	2015	1Q-2016	2Q-2016
Operational Income	165.549	152.936	43.321	84.580
EBITDA	64.566	89.107	21.830	46.779

Average daily traffic:				
Toll	2014	2015	2016-I	2016-II
Corzo	6.395	6.867	7.088	6.993
Río Bogotá	16.585	17.621	17.268	17.440

Financials:				
CCFC COP Millones	2014	2015	1T-2016	2T-2016
Operational Income	65.119	76.904	27.977	60.016
EBITDA	51.718	47.514	12.330	24.191



Scope

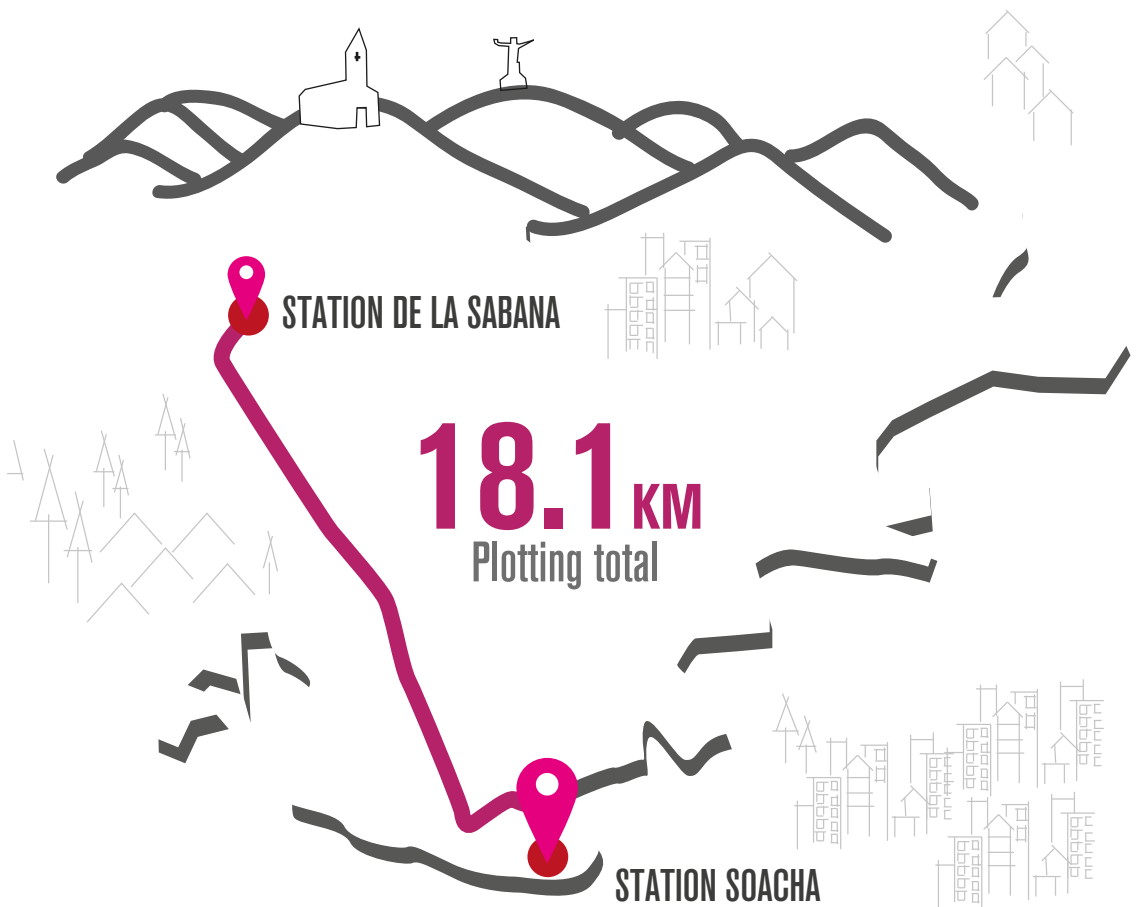
Construction | Operation | Maintenance

Faca Line



DNP is currently auditing the traffic demand study presented by the originator.

Soacha Line



The project is still in study and feasibility stage.

DARIÉN INTERNATIONAL PORT, Necoclí - Golfo de Urabá, Antioquia

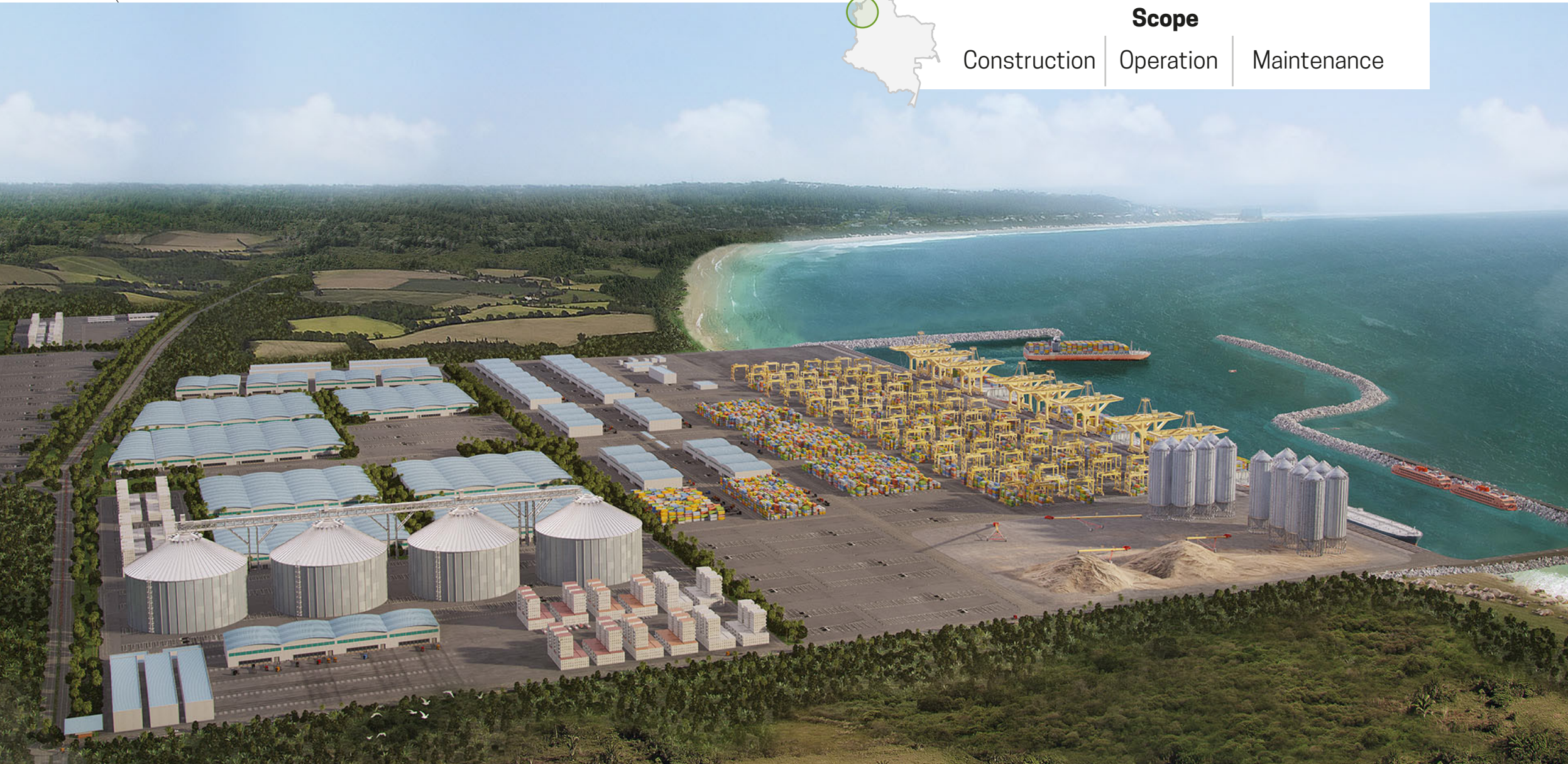


Scope

Construction

Operation

Maintenance



Project under study stage. The environmental license has been filed and it is in process to obtain the port concession.

SMALL HYDROELECTRIC POWER PLANT PATICO, CAUCA



Scope

Construction

Operation

Maintenance

Constructora
Concreto



It is estimated to reach a formalization of agreements during the 4th quarter of the present year with the purpose of continuing with the construction.

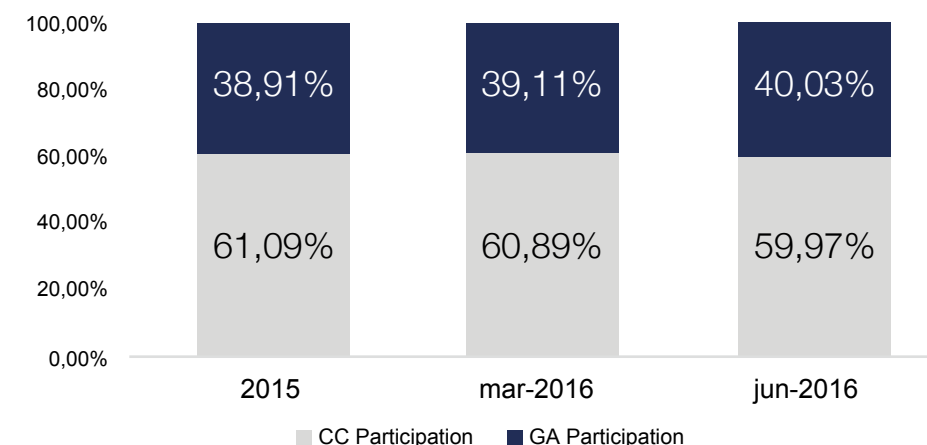
2Q - 2016

Gross Income*	91.322
Operating Costs (Opex)	27.413
Net Operating Income	63.908
Consolidated EBITDA	56.729
Net Profit	29.569

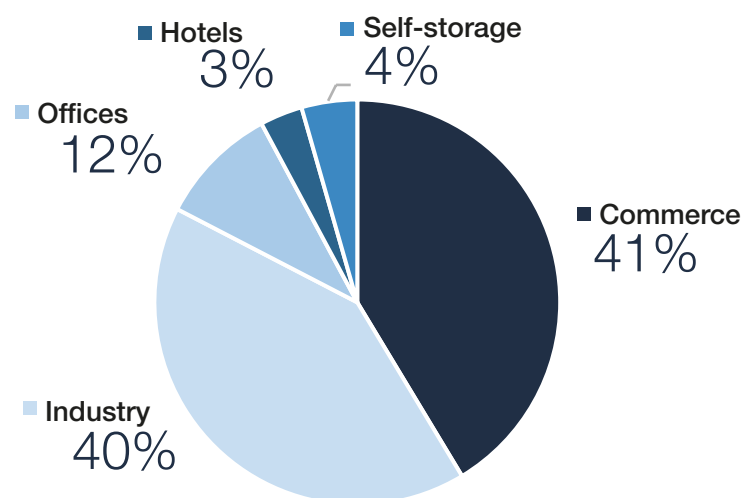
*There is a non-recurring income from the sale of non-strategic assets worth 5.794 Mill COP.

** Cap rate of stabilized productive assets: 8,6%.

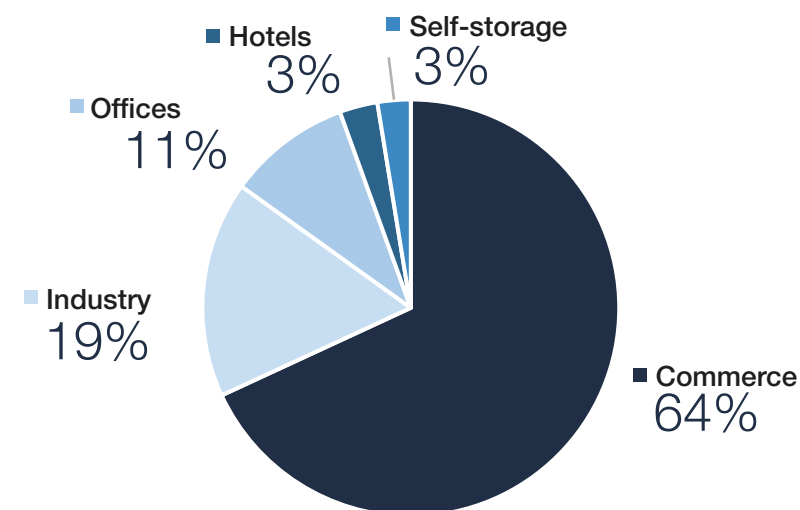
Acumulated participation in Pactia trust (%)



GLA Jun-2016 453.019 m² in operation



NOI Jun-2016 COP 63.908 mill



12 Projects under construction

8 Projects in pre-sales.

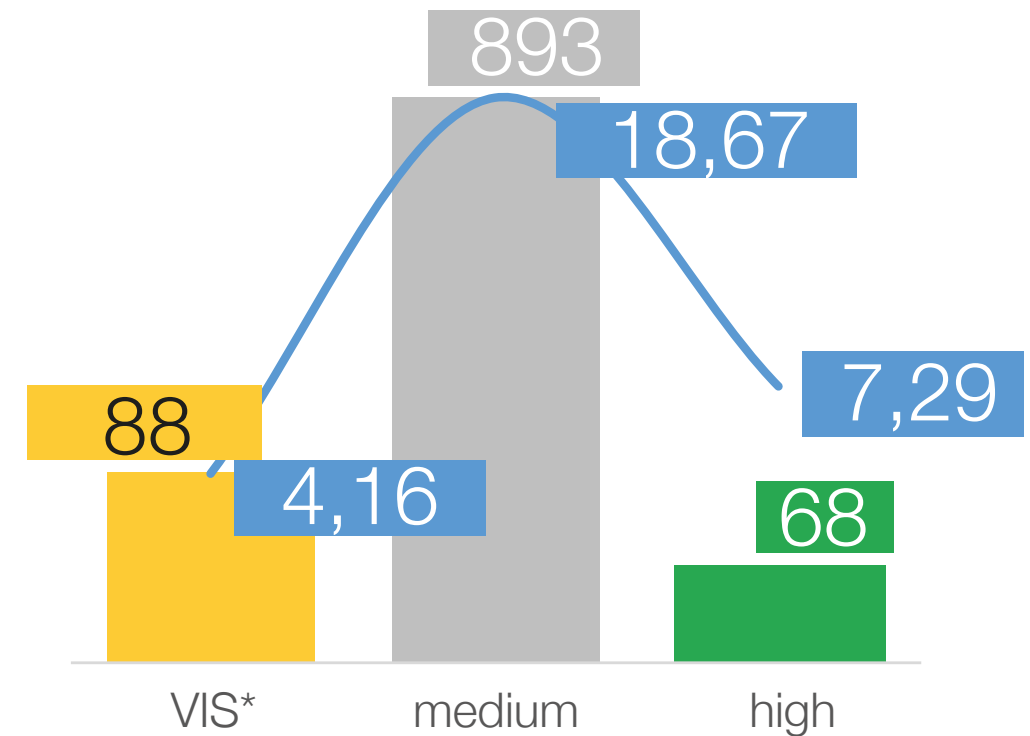
1.049 Units for sale, which are expected to be sold in a period of 17 months beginning on this date.

During the first semester of 2016, we registered

331 units.

6 Projects in feasibility studies representing **5.053** units.

Launched units for selling and estimated time to market



■ ■ ■ Number of Units — Time (months)

*Low-income housing

Located in the cities of Bogotá, Medellín and Barranquilla

CONSOLIDATED FINANCIAL RESULTS 2Q2016

CONSOLIDATED FINANCIAL RESULTS 2Q2016

CONSOLIDATED STATEMENT OF RESULTS

COP millions

	jun-16	jun-15	Var \$	Var %
Income from ordinary activities	686.750	542.809	143.941	27%
Cost of sales	(588.000)	(432.353)	155.647	36%
Gross Profit	98.750	110.456	(11.706)	-11%
Other income	6.894	11.065	(4.172)	-38%
Admin. and sales expenses	(23.835)	(20.443)	3.392	17%
Employee benefit expenses	(26.840)	(24.743)	2.096	8%
Other expenses	(3.559)	(3.158)	401	13%
Other earnings (losses)	-	15.052	(15.052)	-100%
Operating Profit	51.411	88.229	(36.818)	-42%
Exchange difference	(2.374)	(2.258)	(116)	5%
Financial income	14.424	2.380	12.044	506%
Financial expenses	(39.865)	(51.471)	(11.606)	-23%
Equity method	34.300	13.243	21.058	159%
Before – Tax Profit	57.896	50.122	7.774	16%
Current tax expenses	(9.776)	(5.089)	4.687	92%
Adjustment for deferred taxes	(7.985)	(14.597)	(6.612)	-45%
Minority interest	(376)	(1.725)	(1.350)	-78%
Net Profit	39.759	28.710	11.049	38%
EBITDA	110.319	115.550	(5.231)	-5%
Margins	jun-16	jun-15		
Gross	14,4%	20,3%		
Operating	7,5%	16,3%		
Before-Tax	8,4%	9,2%		
Net	5,8%	5,3%		
EBITDA	16,1%	21,3%		

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

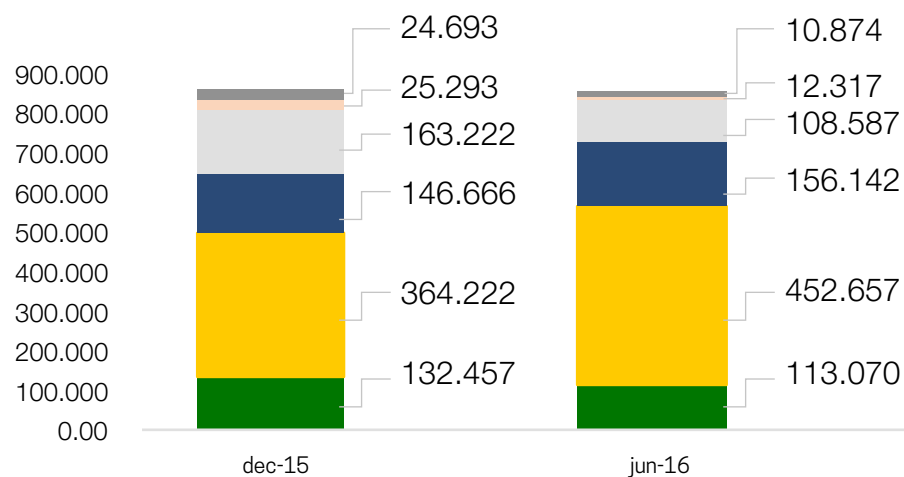
COP millions

	jun-16	dec-15	Var \$	Var %
Current Assets	1.534.611	1.579.598	(44.986)	-2,8%
Non-current Assets	1.532.919	1.494.550	38.368	2,6%
Total Assets	3.067.530	3.074.148	(6.618)	-0,2%
Current Liabilities	1.047.423	998.855	48.568	4,9%
Non-current Liabilities	735.004	793.615	(58.610)	-7,4%
Total Liabilities	1.782.427	1.792.469	(10.042)	-0,6%
Total Equity	1.285.103	1.281.679	3.424	0,3%
Total Equity and Liabilities	3.067.530	3.074.148	(6.618)	-0,2%

Financial Liabilities

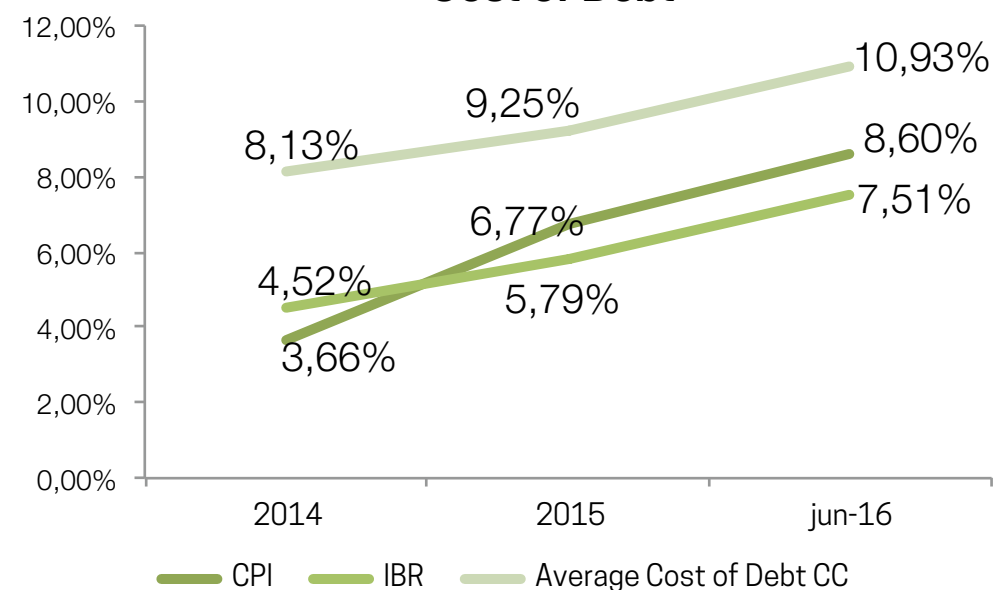
\$856.553 mill

\$853.647 mill



■ Construction ■ Investment ■ Housing ■ Consortia ■ Subsidiaries ■ Corporate

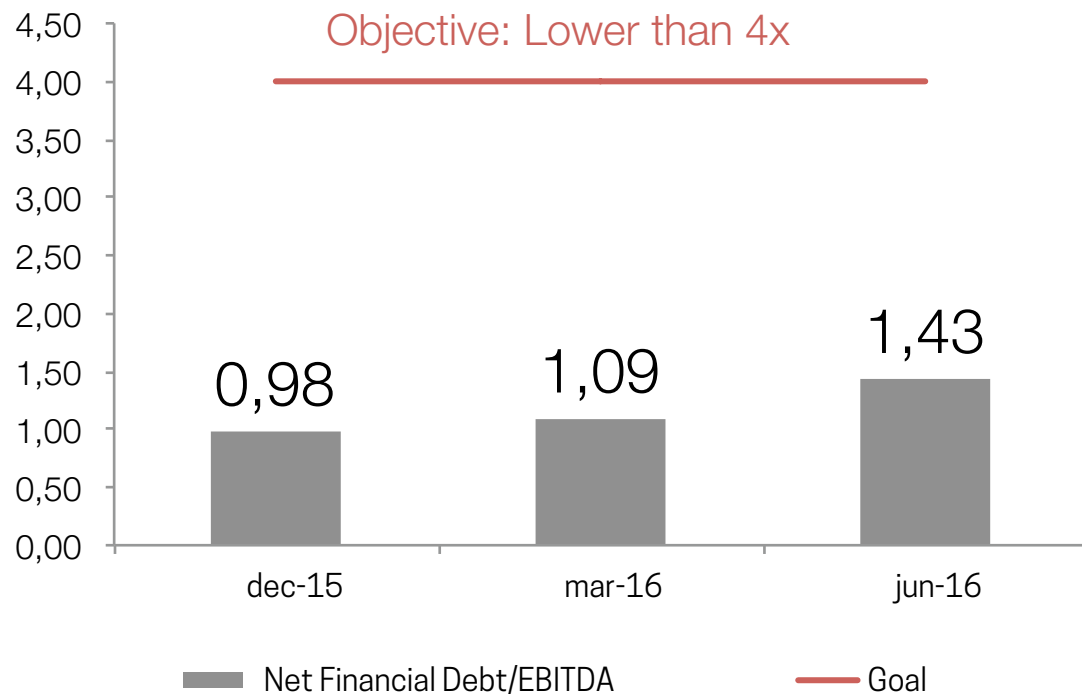
Cost of Debt



Covenants:

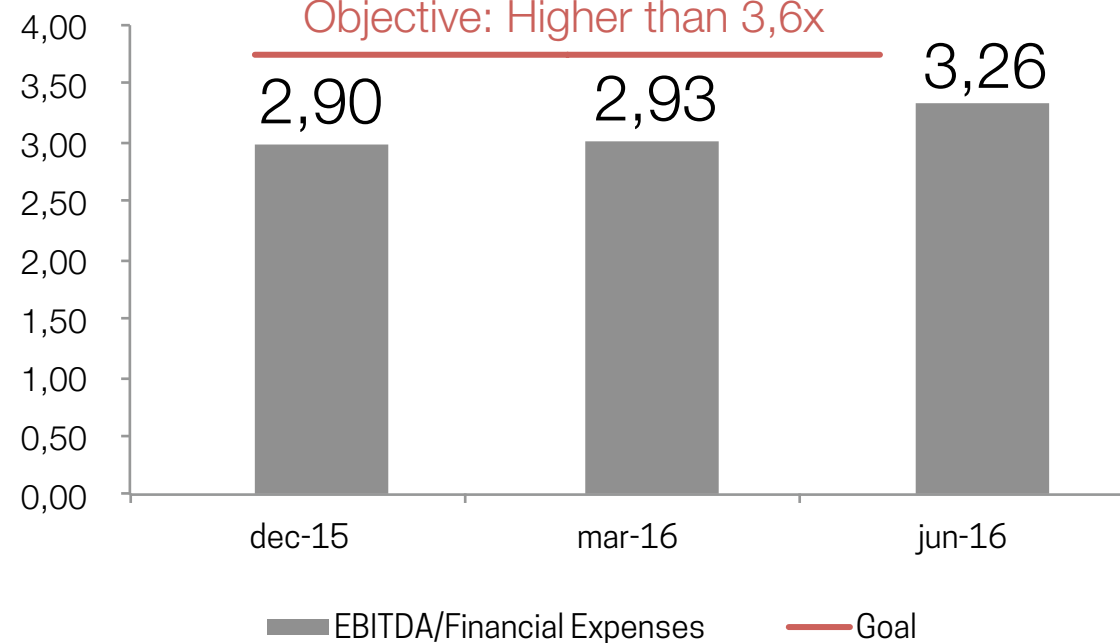
Net financial debt/EBITDA

Objective: Lower than 4x



EBITDA/Financial Expenses

Objective: Higher than 3,6x



QUESTION AND ANSWER SESSION



THANK YOU

