



**QUARTERLY REPORT
4Q2013**

Red de Carreteras de Occidente, S.A.B. de C.V.

Consolidated and Audited Information for 4Q2013

Executive Summary

2013 results shows the consolidation of the different strategies implemented by the company in terms of traffic induction, efficient asset maintenance and ancillary services improvement, such as restaurants and convenience stores; as a result, toll and other concession revenues increased by 7.56%, EBITDA by 14.45% and Adjusted EBITDA by 9.89%, compared with 2012. RCO continued its refinancing strategy by terming out bank debt (with maturity in 2014, 2016 and 2018) for a total of MXN 16,510.0 million with the following transactions: (i) the issuance of Senior Notes due 2028 for a total of MXN 7,500.0 million, (ii) the issuance of CBs denominated in UDI due 2032 for an equivalent amount of MXN 1,874.5 million, and (iii) new credit facility with Banobras due 2032 for a total of MXN 7,135.5 million. As of 4Q2013, the remaining Acquisition Loan balance, due in 2018, represents MXN 7,710.1 million.

Selected Consolidated Financial Information for 4Q2013 and 2013

| Consolidated results (MXN million) | 4Q2013 | 4Q2012 | % Var | Cumulative | | |
|---|----------|----------|-----------|------------|-----------|---------|
| | | | | 2013 | 2012 | % Var |
| Total toll and other concession revenues* | 1,318.8 | 1,093.9 | 20.56% | 5,072.8 | 4,716.3 | 7.56% |
| Construction revenues | 71.7 | 56.4 | 27.13% | 347.1 | 196.6 | 76.55% |
| Total revenues | 1,390.5 | 1,150.3 | 20.88% | 5,419.9 | 4,912.9 | 10.32% |
| Income from operations | 828.3 | 772.8 | 7.18% | 3,241.9 | 2,710.8 | 19.59% |
| Interest expense | 1,473.7 | 936.6 | 57.35% | 4,803.6 | 4,209.0 | 14.13% |
| Income (loss) before income taxes | (732.3) | (212.7) | (244.29%) | (1,606.1) | (1,473.2) | (9.02%) |
| Consolidated net income (loss) for the period | (78.9) | (45.4) | (73.79%) | (445.5) | (703.1) | 36.64% |
| EBITDA | 1,091.8 | 948.5 | 15.11% | 4,323.9 | 3,778.0 | 14.45% |
| Adjusted EBITDA | 1,129.1 | 1,002.3 | 12.65% | 4,599.9 | 4,185.9 | 9.89% |
| Income from operations margin ** | 62.81% | 70.65% | | 63.91% | 57.48% | |
| EBITDA margin ** | 82.79% | 86.71% | | 85.24% | 80.11% | |
| Adjusted EBITDA margin ** | 85.62% | 91.63% | | 90.68% | 88.75% | |
| Long-term debt | 33,743.4 | 31,343.0 | 7.66% | 33,743.4 | 31,343.0 | 7.66% |
| Stockholders' equity | 19,941.8 | 19,069.6 | 4.57% | 19,941.8 | 19,069.6 | 4.57% |

* Total toll and other concession revenues exclude Construction revenues.

** Based on Total toll and other concession revenues

Toll Revenues and others

| Key indicators | 4Q2013 | 4Q2012 | % Var | Cumulative | | | |
|---|-------------------------|----------------|--------------|--------------|----------------|----------------|--------------|
| | | | | 2013 | 2012 | % Var | |
| Revenue per road (MXN million)/Toll Revenues | | | | | | | |
| | Guadalajara-Zapotlanejo | 154.4 | 138.4 | 11.55% | 571.8 | 540.9 | 5.72% |
| | Maravatio-Zapotlanejo | 373.1 | 362.6 | 2.91% | 1,423.9 | 1,370.3 | 3.91% |
| FARAC I* | Zapotlanejo-Lagos | 307.4 | 285.4 | 7.70% | 1,167.8 | 1,091.5 | 6.99% |
| | León -Aguascalientes | 227.0 | 207.9 | 9.21% | 845.3 | 776.3 | 8.89% |
| | Total FARAC I ** | 1,061.9 | 994.3 | 6.81% | 4,008.9 | 3,779.0 | 6.08% |
| COVIQSA | Irapuato-Querétaro | 188.4 | 46.7 | 303.43% | 795.9 | 689.2 | 15.48% |
| CONIPSA | Irapuato-La Piedad | 56.2 | 47.0 | 19.57% | 227.4 | 223.3 | 1.84% |

*Does not include: (i) ancillary revenues from the use of Right of Way and, (ii) Construction revenues.

** Data extracted from daily operations system, there is a difference in timing compared to the accounting records

Selected Financial Information

| Key indicators | | 4Q2013 | 4Q2012 | % Var | Cumulative | | |
|---|------------------------|---------|-----------|----------|------------|---------|---------|
| | | | | | 2013 | 2012 | % Var |
| Selected Financial Information (MXN million) | | | | | | | |
| FARAC I | Income from operations | 643.6 | 776.0 | (17.06%) | 2,495.3 | 2,243.7 | 11.21% |
| | EBITDA | 870.6 | 1,008.3 | (13.66%) | 3,431.4 | 3,169.3 | 8.27% |
| | Adjusted EBITDA | 893.1 | 946.4 | (5.63%) | 3,575.4 | 3,389.1 | 5.50% |
| | EBITDA margin | 81.05% | 100.82% | | 84.74% | 83.32% | |
| | Adjusted EBITDA margin | 83.15% | 94.62% | | 88.29% | 89.10% | |
| COVIQSA | Income from operations | 155.1 | (333.5) | 146.51% | 643.7 | 120.9 | 432.42% |
| | EBITDA | 185.3 | (304.2) | 160.91% | 764.7 | 238.2 | 221.03% |
| | Adjusted EBITDA | 176.9 | (223.7) | 179.08% | 820.3 | 375.4 | 118.51% |
| | EBITDA margin | 98.35% | (651.39%) | | 96.08% | 34.56% | |
| | Adjusted EBITDA margin | 93.90% | (479.01%) | | 103.07% | 54.47% | |
| CONIPSA | Income from operations | 34.2 | (11.7) | 392.31% | 121.6 | 110.2 | 10.34% |
| | EBITDA | 35.7 | (10.2) | 450.00% | 127.6 | 116.1 | 9.91% |
| | Adjusted EBITDA | 58.9 | 25.0 | 135.60% | 204.0 | 167.0 | 22.16% |
| | EBITDA margin | 63.52% | (21.70%) | | 56.11% | 51.99% | |
| | Adjusted EBITDA margin | 104.80% | 53.19% | | 89.71% | 74.79% | |
| CONSOLIDATED * | Income from operations | 828.3 | 772.8 | 7.18% | 3,241.9 | 2,710.8 | 19.59% |
| | EBITDA | 1,091.8 | 948.5 | 15.11% | 4,323.9 | 3,778.0 | 14.45% |
| | Adjusted EBITDA | 1,129.1 | 1,002.3 | 12.65% | 4,599.9 | 4,185.9 | 9.89% |
| | EBITDA margin | 82.79% | 86.71% | | 85.24% | 80.11% | |
| | Adjusted EBITDA margin | 85.62% | 91.63% | | 90.68% | 88.75% | |

* Consolidated information is net of intercompany transactions and other consolidation adjustments.

Average Daily Traffic (ADT) for the period

| Key indicators | | 4Q2013 | 4Q2012 | % Var | Cumulative | | |
|------------------------------------|-------------------------|-----------------|-----------------|--------------|-----------------|-----------------|--------------|
| | | | | | 2013 | 2012 | % Var |
| Average daily traffic (ADT) | | | | | | | |
| FARAC I | Guadalajara-Zapotlanejo | 34,095.6 | 31,454.7 | 8.40% | 31,757.7 | 30,481.5 | 4.19% |
| | Maravatío-Zapotlanejo | 8,223.1 | 8,390.4 | (1.99%) | 7,872.8 | 7,973.2 | (1.26%) |
| | Zapotlanejo-Lagos | 12,417.6 | 12,059.4 | 2.97% | 11,927.2 | 11,636.4 | 2.50% |
| | León -Aguascalientes | 10,466.4 | 10,015.1 | 4.51% | 9,813.7 | 9,400.5 | 4.40% |
| | Total FARAC I * | 10,736.8 | 10,546.5 | 1.80% | 10,207.9 | 10,065.5 | 1.42% |
| COVIQSA | Irapuato-Querétaro | 36,261.8 | 33,540.2 | 8.11% | 35,013.4 | 33,839.2 | 3.47% |
| CONIPSA | Irapuato-La Piedad | 19,413.5 | 20,075.0 | (3.30%) | 19,261.7 | 19,521.9 | (1.33%) |

* According to each road's kilometers.

RCO (FARAC I, COVIQSA and CONIPSA)

Red de Carreteras de Occidente, S.A.B. de C.V. (indistinctly, “RCO”, the “Concessionaire” or the “Company”), whose primary purpose is to operate, maintain and exploit the highways and toll-free roads that are the subject matter of the FARAC I, COVIQSA and CONIPSA concession agreements, announced its audited financial results as of December 31, 2013.

The Company’s audited consolidated condensed financial statements as of December 31, 2013, have been prepared in accordance with the same International Financial Reporting Standards (“IFRS”) and accounting policies used in the preparation of the Company’s audited annual consolidated financial statements for the year ended December 31, 2012, including International Accounting Standard (“IAS”) 34—Interim Financial Reporting.

Audited Consolidated Financial Information for 4Q2013 and 2013

| (MXN million) | Revenue, Income from operations and EBITDA | | | Cumulative | | |
|---|--|---------|-----------|------------|---------|---------|
| | 4Q2013 | 4Q2012 | % Var | 2013 | 2012 | % Var |
| Total toll and other concession revenues* | 1,318.8 | 1,093.9 | 20.56% | 5,072.8 | 4,716.3 | 7.56% |
| Construction revenues | 71.7 | 56.4 | 27.13% | 347.1 | 196.6 | 76.55% |
| Total revenues | 1,390.5 | 1,150.3 | 20.88% | 5,419.9 | 4,912.9 | 10.32% |
| Costs and expenses (without construction costs) | 473.7 | 409.8 | 15.59% | 1,979.8 | 2,114.4 | (6.37%) |
| Construction costs | 71.7 | 56.4 | 27.13% | 347.1 | 196.6 | 76.55% |
| Total costs and expenses | 545.4 | 466.2 | 16.99% | 2,326.9 | 2,311.0 | 0.69% |
| Income before other income (expenses)-net | 845.1 | 684.1 | 23.53% | 3,093.0 | 2,601.9 | 18.87% |
| Other income (expenses)-net | (16.8) | 88.7 | (118.94%) | 148.9 | 108.9 | 36.73% |
| Income from operations | 828.3 | 772.8 | 7.18% | 3,241.9 | 2,710.8 | 19.59% |
| EBITDA | 1,091.8 | 948.5 | 15.11% | 4,323.9 | 3,778.0 | 14.45% |
| Adjusted EBITDA | 1,129.1 | 1,002.3 | 12.65% | 4,599.9 | 4,185.9 | 9.89% |
| Income from operations margin | 62.81% | 70.65% | | 63.91% | 57.48% | |
| EBITDA margin | 82.79% | 86.71% | | 85.24% | 80.11% | |
| Adjusted EBITDA margin | 85.62% | 91.63% | | 90.68% | 88.75% | |

* Total toll and other concession revenues exclude Construction revenues.

- **Revenues.** Total toll and other concession revenues for 4Q2013 were MXN 1,318.8 million, which represented a 20.56% increase from MXN 1,093.9 million in 4Q2012, while for the same twelve month period in 2012 were MXN 1,093.9 million resulting in a cumulative increase of 7.56%. Consolidated total revenues are comprised of:
 - **Toll revenues (FARAC I)**, which increased by 7.03% as compared to 4Q2012, to MXN 1,061.3 million. Meanwhile for the twelve months of 2013 toll revenues increased by 5.92% or MXN 224.0 million to MXN 4,006.0 million as compared to 2012;
 - **Shadow toll payments from the SCT (CONIPSA/COVIQSA)**, which increased by MXN 137.9 million, from MXN 9.1 million in 4Q2012 to MXN 147.0 million in 4Q2013, due to the Second Amendment to COVIQSA PPS Agreement. Meanwhile; during 2013 these revenues were MXN 633.7 million, an increase of MXN 100.4 million or 18.83% over 2012;
 - **Availability Payments from the SCT (CONIPSA/COVIQSA)**, which increased by MXN 12.6 million as compared to 4Q2012, to MXN 97.2 million in 4Q2013; for the twelve months of 2013 these revenues were MXN 388.6 million, an increase of MXN 9.4 million or 2.48% over 2012;
 - **Ancillary Revenue from the Use of Right of Way**, which increased by MXN 4.7 million from 4Q2012, to MXN 13.3 million during 4Q2013; for the twelve months of 2013 revenues increased by MXN 22.7

million or 104.13% to MXN 44.5 million as compared to 2012. This increase was primarily due to the additional revenues from the businesses operated by the Company alongside its toll roads, such as restaurants and convenience stores.

The amount of construction revenues and expenses (derived from the Expansion Works executed in FARAC I), are equivalent, therefore have a zero net effect on the Company's results.

- **Costs and expenses.** Total costs and expenses for 4Q2013 were MXN 545.4 million, a 16.99% increase as compared to 4Q2012. During 2013 costs and expenses were MXN 2,326.9 million, 0.69% more as compared with 2012. Costs and expenses are comprised of:
 - **Amortization of assets derived from the concessions**, which increased to MXN 263.2 million during 4Q2013 or MXN 87.7 million as compared to 4Q2012; for the twelve months of 2013 there were MXN 1,080.9 million, an increase of 1.40% as compared to 2012 due to adjustment of the amortization calculation on consolidated figures.
 - **Operation and maintenance provisions**, which decreased by MXN 30.5 million from 4Q2012, to MXN 128.4 million during 4Q2013. Meanwhile, for the twelve months of 2013, there was MXN 592.5 million, MXN 168.7 million less than 2012. This decrease was primarily attributable to an MXN 16.5 million decrease in the Major Maintenance Provision during 4Q2013, to MXN 37.3 million; for the twelve months of 2013 the Major Maintenance Provision registered MXN 276.0 million, which decreased by MXN 131.9 million or 32.34% compared with 2012, mainly due to the update of projection and execution of major maintenance expenses.
 - **Toll collection costs**, which increased to MXN 39.9 million during 4Q2013, or MXN 5.4 million compared to 4Q2012; meanwhile for the twelve months of 2013 increased to MXN 144.5 million, 1.55% or MXN 2.2 million as compared to 2012.
 - **General and administrative expenses**, which decreased by MXN 1.5 million, from MXN 39.4 million during 4Q2012 to MXN 40.9 million during 4Q2013. For the twelve months of 2013 increased MXN 7.1 million to MXN 152.0 million, an increase of 4.9% over 2012.
- **Other income (expenses), net.** Other expenses for 4Q2013 were MXN 16.8 million, which varied from other income of MXN 88.7 million during 4Q2012, due to the cancellation of certain payment obligations contained in CONIPSA and COVIQSA sales and purchase agreement (SPA).
- **EBITDA.** EBITDA increased by MXN 143.3 million, to MXN 1,091.8 million in 4Q2013 from MXN 948.5 million in 4Q2012. Meanwhile, for the twelve months of 2013 increased by 14.45% or MXN 545.9 million to MXN 4,323.9 million as compared to 2012;
- **Adjusted EBITDA.** Adjusted EBITDA increased by MXN 126.8 million, to MXN 1,129.1 million in 4Q2013 from MXN 1,002.3 million in 4Q2012. For the twelve months of 2013 increased by 9.89% to MXN 4,599.9 million as compared to 2012.

Net financing cost, income taxes, and net loss

| Net financing cost, income taxes and Consolidated net income (loss) for the period | | | | | | |
|--|----------------|----------------|------------------|------------------|------------------|----------------|
| (MXN million) | | | | Cumulative | | |
| | 4Q2013 | 4Q2012 | % Var | 2013 | 2012 | % Var |
| Income from operations | 828.3 | 772.8 | 7.18% | 3,241.9 | 2,710.8 | 19.59% |
| Net financing cost | 1,560.6 | 985.5 | 58.36% | 4,848.0 | 4,184.0 | 15.87% |
| Interest expense | 1,473.7 | 936.6 | 57.35% | 4,803.6 | 4,209.0 | 14.13% |
| Adjustments to principal amount of UDI denominated debt | 133.2 | 89.9 | 48.16% | 243.3 | 89.9 | 170.63% |
| Interest income | (46.4) | (41.1) | (12.90%) | (199.3) | (114.2) | (74.52%) |
| Net foreign exchange (loss) income | 0.1 | 0.1 | - | 0.4 | (0.7) | 157.14% |
| Income (loss) before income taxes | (732.3) | (212.7) | (244.29%) | (1,606.1) | (1,473.2) | (9.02%) |
| Income taxes benefit | (653.4) | (167.3) | (290.56%) | (1,160.6) | (770.1) | (50.71%) |
| Consolidated net income (loss) for the period | (78.9) | (45.4) | (73.79%) | (445.5) | (703.1) | 36.64% |
| Non-controlling interest | - | - | - | - | - | - |

- **Net financing cost.** During 4Q2013, the net financing cost increased by MXN 575.1 million. For the twelve months of 2013 increased by 15.87% or MXN 664.0 million as compared to 2012. This increase was due to the following:
 1. **Interest expense**, during 4Q2013 increase by MXN 537.1 million or 57.35% compared to 4Q2012 and for 2013 increased by 14.13% or MXN 594.6 million compared to 2012 primarily as a result of:
 - (i) during 4Q2013 interest expense increased (by MXN 537.1 due to the cancellation of certain financial derivative instruments following the new Banobras credit facility to term out bank debt, recognizing a financing cost of MXN 569.9 million.
 - (ii) a decrease of MXN 35.7 million in the other interest expense items compared to 4Q2012 mainly due to (i) MXN 8.3 million increase in financing interest and fees, (ii) MXN 61.8 million decrease in interest on financial derivative instruments, and (iii) MXN 21.2 million increase in upfront fee amortization;
 2. **Adjustments to principal amount of UDI denominated debt**, which consisted in a loss of MXN 133.2 million during 4Q2013. This line item reflects the UDI value of the CBs;
 3. **Interest income**, which increased by MXN 5.3 million, to MXN 46.4 million during 4Q2013 from MXN 41.1 million during 4Q2012. For the twelve months of 2013 increased by 74.52% or MXN 85.1 million as compared to 2012; as a result of the increase in the investment of cash and cash equivalents allocated to fund the Senior Notes, CBs and Banobras Loan debt service reserves;
 4. **Net foreign exchange (loss) income.** During 4Q2013, the net foreign exchange income was MXN 0.1 million, which represented no change compared to 4Q2012.
- **Income (loss) before income taxes.** The consolidated loss before income taxes increased by MXN 519.6 million, to MXN 732.3 million in 4Q2013 compared to the consolidated loss before taxes of MXN 212.7 million in 4Q2012. For the twelve months of 2013, the consolidated loss before income taxes increased by MXN 132.9 million to MXN 1,606.1 million as compared to the consolidated loss before taxes of MXN 1,473.2 million in 2012.
- **Income taxes benefit**, which decreased 290.56% or MXN 486.1 million from 4Q2012. For the twelve months of 2013 a benefit of MXN 1,160.6 million was registered with an increase of 50.71% or MXN 390.5 million as compared to 2012, primarily due to an increase from 28% to 30% to the long term income tax

applicable and inflationary effects on deferred income tax asset such as: (i) cumulative fiscal losses, (ii) fiscal loss for the period, and (iii) intangible asset.

- **Consolidated net income (loss) for the period.** During 4Q2013 the Company recorded a net loss of MXN 78.9 million, an MXN 33.5 million increase over the net loss of MXN 45.4 million recorded in 4Q2012. For the twelve months of 2013 a net loss of MXN 445.5 million was registered, a decrease of MXN 257.6 million or 36.64% as compared to 2012.

Cash and Long-term Debt

- **Cash and cash equivalents.** Cash and cash equivalents (including long-term restricted cash) for 4Q2013 were MXN 5,215.8 million, which represented an increase of MXN 2,123.9 million or 68.69% compared to the MXN 3,091.9 million reported at the end of 2012. This increase primarily due to the creation of the CBs, Senior Notes and Banobras Loan debt service reserves.
- **Long-term debt.** The long-term debt is comprised of the following items: (i) FARAC I Acquisition Loan, (ii) FARAC I CBs, (iii) FARAC I HSBC Capex Loan, (iv) FARAC I Senior Notes, (v) Farac I Banobras Loan, (vi) COVIQSA Loan, and (vii) CONIPSA Loan. In accordance with IFRS, long-term debt is presented net of commission and debt issuance costs.

As of 2013, long-term debt increased by MXN 2,400.4 million or 7.66%, to MXN 33,743.4 million from MXN 31,343.0 million at the end of 2012. This increase (net of principal amortizations) was due to: (i) transaction costs associated with the issuance of the Senior Notes and CBs (including creation of debt service reserves, cancellation of certain financial derivative instruments, and payment of issuance costs and expenses), (ii) transaction costs associated with the Banobras Loan (including creation of debt service reserves, cancellation of certain financial derivative instruments, and payment of origination costs and expenses), and (iii) disbursement of FARAC I HSBC Capex Loan.

Liquidity

The liquidity ratio (current assets/current liabilities) increased to 3.23 during 4Q2013 from 2.91 at the end of 2012, mainly due to the increase in cash and cash equivalents by MXN 2,123.9 million previously detailed.

FARAC I

Pursuant to the FARAC I Concession Agreement, the Company holds the right to build, operate, exploit, enhance and maintain (i) Guadalajara-Zapotlanejo, (ii) Maravatío-Zapotlanejo, (iii) Zapotlanejo-Lagos and (iv) León-Aguascalientes toll roads for a period of 30 years from the date of award of the concession beginning October 2007.

In addition, pursuant to the FARAC I Concession Agreement the Company is required to build and maintain the Expansion Works. See "FARAC I Expansion Works."

Selected Financial Information

| (MXN million) | 4Q2013 | 4Q2012 | % Var | Cumulative | | |
|---|---------|---------|----------|------------|---------|---------|
| | | | | 2013 | 2012 | % Var |
| Total toll and other concession revenues | 1,074.1 | 1,000.1 | 7.40% | 4,049.5 | 3,803.8 | 6.46% |
| Administrative service revenues | 6.4 | 3.2 | 100.00% | 24.4 | 5.8 | 320.69% |
| Income from operations | 643.6 | 776.0 | (17.06%) | 2,495.3 | 2,243.7 | 11.21% |
| EBITDA | 870.6 | 1,008.3 | (13.66%) | 3,431.4 | 3,169.3 | 8.27% |
| Adjusted EBITDA | 893.1 | 946.4 | (5.63%) | 3,575.4 | 3,389.1 | 5.50% |
| Income from operations margin | 59.92% | 77.58% | | 61.62% | 58.99% | |
| EBITDA margin | 81.05% | 100.82% | | 84.74% | 83.32% | |
| Adjusted EBITDA margin | 83.15% | 94.62% | | 88.29% | 89.10% | |

- **Total toll and other concession revenues.** FARAC I total toll and concession revenues for 4Q2013 were MXN 1,074.1 million, an increase of MXN 74.0 million compared to MXN 1,000.1 million in 4Q2012. Total toll and other concession revenues are comprised of:
 - **Toll revenues**, which increased by MXN 69.8 million or 7.04%, to MXN 1,061.3 million in 4Q2013 from MXN 991.5 million in 4Q2012.
 - **Ancillary Revenue from the Use of Right of Way**, which increased by MXN 4.2 million, to MXN 12.8 million during 4Q2013 from MXN 8.6 million during 4Q2012. This item is comprised primarily of the revenues from the businesses operated by the Company alongside its toll roads, such as restaurants and convenience stores.
- **Administrative services revenues.** During 4Q2013, administrative services revenues were MXN 6.4 million. These revenues, which are eliminated in the consolidation process, represent the personnel services rendered to COVIQSA and CONIPSA by the Company's subsidiary Prestadora de Servicios RCO.

The amount of construction revenues and expenses (derived from the Expansion Works executed in FARAC I), are equivalent, therefore have a zero net effect on the Company's results.

- **Costs and expenses.** Total costs and expenses, were MXN 476.9 million in 4Q2013 from MXN 376.8 million in 4Q2012, comprised of:
 - **Amortization of assets derived from the concessions**, which decreased by MXN 5.4 million, to MXN 226.7 million in 4Q2013 from MXN 232.1 million in 4Q2012, due to the update of the traffic study of the toll roads;
 - **Operation and maintenance provisions**, which increased by MXN 75.1 million, to MXN 100.1 million in 4Q2013 from MXN 25.0 million in 4Q2012, primarily as a result of an increase in the Major Maintenance Provision, which recorded MXN 22.5 million during 4Q2013 from a negative amount of MXN 61.9 million in 4Q2012;

- **Toll collection costs**, which increased by MXN 8.5 million, to MXN 37.2 million in 4Q2013 from MXN 28.7 million in 4Q2012;
- **General and administrative expenses**, which increased by of 10.98% or MXN 3.8 million, to MXN 38.4 million in 4Q2013 from MXN 34.6 million in 4Q2012, primarily due to an MXN 3.4 million increase in personnel management costs.
- **Other income (expense), net.** During 4Q2013, FARAC I recorded an expense of MXN 31.7 million, a decrease of MXN 124.8 million compared to the income of MXN 93.1 million during 4Q2012 mainly due to the cancellation of certain payment obligations contained in CONIPSA and COVIQSA sales and purchase agreement (SPA).
- **Income from operations.** In 4Q2013, income from operations was MXN 643.6 million, a decrease of MXN 132.4 million compared to MXN 776.0 million in 4Q2012, which represents an Income from Operations Margin of 59.92%¹.
- **EBITDA.** EBITDA for 4Q2013 decreased by MXN 137.7 million, to MXN 870.6 million from MXN 1,008.3 million in 4Q2012, which represents an EBITDA Margin of 81.05%².
- **Adjusted EBITDA.** Adjusted EBITDA for 4Q2013 was MXN 893.1 million, a decrease of MXN 53.3 million compared to MXN 946.4 million from 4Q2012, which represents an Adjusted EBITDA Margin of 83.15%³.
- **Net financing cost.** During 4Q2013, the net financing cost increased by MXN 624.0 million. This increase was due to the following:
 1. **Interest expense**, during 4Q2013 increased by 68.83% or MXN 587.9 million compared to 4Q2012 and for 2013 increased by 16.53% or MXN 658.6 million compared to 2012 primarily as a result of:
 - (i) during 4Q2013 interest expense increased by MXN 587.9 due to the cancellation of certain financial derivative instruments following the new Banobras credit facility to term out bank debt, recognizing a financing cost of MXN 570.0 million.
 - (ii) a increase of MXN 17.9 million in the other interest expense items compared to 4Q2012 mainly due to (i) MXN 25.3 million increase in financing interest and fees, (ii) MXN 39.5 million decrease in financial derivative instruments interest, (iii) MXN 20.8 million increase in upfront fee amortization, and (iv) MXN 9.3 million increase in mayor maintenance interests.
 2. **Adjustments to principal amount of UDI denominated debt**, which consisted in a loss of MXN 133.3 million during 4Q2013. This line item reflects the UDI value of the CBs;
 3. **Interest income**, which increased by MXN 7.2 million, to MXN 38.6 million during 4Q2013 from MXN 31.4 million during 4Q2012, as a result of the increase in interest income from the investment of cash and cash equivalents allocated to fund the CBs, Senior Notes and Banobras Loan debt service reserves;
 4. **Net foreign exchange (loss) income.** During 4Q2013, FARAC I reported MXN 0.0 net foreign exchange (loss) income, which represented a variation of MXN 0.1 million with respect to 4Q2012.

¹ *Income from operations / Total toll and other concession revenues*

² *EBITDA / Total toll and other concession revenues*

³ *Adjusted EBITDA / Total toll and other concession revenues*

FARAC I Debt Service Coverage Ratio.

The Debt Service Coverage Ratio (amount available for debt service purposes/adjusted interest expense) increased by 3.47%, to 2.22 in 4Q2013 from 2.15 in 4Q2012.

The following table shows the changes in the FARAC I Debt Service Coverage Ratio:

| DSCR FARAC I (MXN million) | | | | Cumulative | | |
|--|----------------|----------------|----------------|----------------|----------------|---------------|
| | Q4 2013 | Q4 2012 | % Var | 2013 | 2012 | % Var |
| (+) Income from operations | 643.6 | 776.0 | (17.06%) | 2,495.3 | 2,243.7 | 11.21% |
| (+) Amortization of assets derived from the concession | 226.7 | 232.1 | (2.33%) | 935.2 | 924.4 | 1.17% |
| (+) Depreciation | 0.3 | 0.2 | 50.00% | 0.9 | 1.2 | (25.00%) |
| (+) Major maintenance provision | 22.5 | (61.9) | 136.35% | 144.0 | 219.8 | (34.49%) |
| (=) Adjusted Ebitda | 893.1 | 946.4 | (5.63%) | 3,575.4 | 3,389.1 | 5.50% |
| (+) Available Cash* | 629.3 | 755.1 | (16.66%) | 112.5 | 198.0 | (43.17%) |
| (+) Net Prepayment/ (Disbursement for Loans) | 206.7 | - | 100.00% | 920.6 | (178.0) | (617.21%) |
| (=) Amount Available for Debt Service | 1,729.1 | 1,701.5 | 1.62% | 4,608.5 | 3,409.1 | 35.18% |
| (/) Total Debt Service ** | 778.6 | 792.8 | (1.78%) | 2,918.1 | 2,915.3 | 0.09% |
| Debt Service Coverage Ratio (DSCR) | 2.22 | 2.15 | 3.47% | 1.58 | 1.17 | 35.06% |

* Cash and cash equivalents net of amounts held in the Expansion Trust and certain project accounts that cannot be used to pay Total Debt Service.

** Interest expense net of the costs of unwinding derivative financial instruments and certain non-cash interest expense

FARAC I Debt Maturity Profile (MXN Million)

| Year | Bank Debt | | | Debt Capital Markets | | | Total |
|----------------------------|----------------|--------------|----------------|----------------------|----------------------|----------------|-----------------|
| | Acquisition | Capex | Banobras | CBs Pesos | CBs UDI ¹ | Senior Notes | |
| 2014 | | 30.6 | | | | | 30.6 |
| 2015 | | 122.5 | | | | | 122.5 |
| 2016 | | 122.5 | | | | | 122.5 |
| 2017 | | 122.5 | | | | | 122.5 |
| 2018 | 7,710.1 | 91.9 | | | | | 7,802.0 |
| 2019 | | | 389.6 | 285.2 | 409.1 | 225.0 | 1,308.9 |
| 2020 | | | 408.2 | 300.0 | 428.6 | 450.0 | 1,586.8 |
| 2021 | | | 429.6 | 316.5 | 451.0 | 525.0 | 1,722.1 |
| 2022 | | | 451.0 | 332.4 | 473.5 | 675.0 | 1,931.9 |
| 2023 | | | 475.2 | 347.2 | 499.0 | 900.0 | 2,221.4 |
| 2024 | | | 499.5 | 357.4 | 524.5 | 1,200.0 | 2,581.4 |
| 2025 | | | 526.6 | 358.0 | 552.9 | 1,350.0 | 2,787.5 |
| 2026 | | | 555.1 | 332.4 | 582.9 | 1,125.0 | 2,595.4 |
| 2027 | | | 582.3 | 211.9 | 611.4 | 750.0 | 2,155.6 |
| 2028 | | | 607.9 | | 638.3 | 300.0 | 1,546.2 |
| 2029 | | | 627.9 | | 659.3 | | 1,287.2 |
| 2030 | | | 627.9 | | 659.3 | | 1,287.2 |
| 2031 | | | 583.7 | | 612.9 | | 1,196.6 |
| 2032 | | | 371.0 | | 389.6 | | 760.6 |
| Total | 7,710.1 | 490.0 | 7,135.5 | 2,841.0 | 7,492.2 | 7,500.0 | 33,168.8 |
| Reserve² | - | - | 364.5 | 180.7 | 476.6 | 703.1 | 1,725.0 |
| Net total | 7,710.1 | 490.0 | 6,771.0 | 2,660.3 | 7,015.6 | 6,796.9 | 31,443.8 |

1 UDI value as of December 31, 2013 of 5.0587

2 Contractual cash reserve.

FARAC I Expansion Works

During 4Q2013, RCO completed capital expenditures of MXN 66.5 million in connection with the Expansion Works. Since the inception of the FARAC I Concession Agreement RCO has performed capital expenditures totaling MXN 1,291.4 million in connection with the Expansion Works.

FARAC I Expansion and Rehabilitation Works status

| PROJECT | BEGINNING DATE | CLOSING DATE | STATUS |
|---|---|--------------|------------|
| Rehabilitation of El Desperdicio-Lagos de Moreno feeder | Jun-09 | Jan-10 | Finished |
| León - Aguascalientes rehabilitation of 104 - 108 segment | Jun-09 | Dec-09 | Finished |
| Zapotlanejo - Guadalajara construction of toll free lanes between Tonalá and Guadalajara | Feb-11 | Jun-12 | Finished |
| Zapotlanejo - Guadalajara widening to six lanes between Tonalá and Guadalajara Km 21 to Km 26 | May-10 | Jun-11 | Finished |
| Zapotlanejo - Guadalajara widening to three lanes carriageway A between El Vado and Tonalá | Jun-12 | Feb-13 | Finished |
| Zapotlanejo - Guadalajara construction of two overpasses in El Vado | Oct-12 | Sep-13 | Finished |
| Zapotlanejo - Guadalajara - reinforcement Fernando Espinosa bridge | Oct-12 | Sep-13 | Finished |
| León - Aguascalientes construction of El Desperdicio - Encarnación de Díaz feeder | Oct-12 | Jun-14 | In process |
| Zapotlanejo - Guadalajara construction of toll free lanes between Arroyo de En medio and Tonalá | Dec-12 | Jan-14 | In process |
| Zacapu / Maravatío - Zapotlanejo | Pending Right of Way release by the SCT; an estimated 18 months process after received. | | |

COVIQSA

COVIQSA holds the concession to operate, preserve and maintain a 93-km federal toll-free road located in the states of Querétaro and Guanajuato, for a 20-year period beginning in June 2006.

This toll-free road constitutes a key segment of the Bajío corridor by connecting the cities of Querétaro and Irapuato in the East-West direction. The Querétaro-Irapuato toll-free road serves a number of carriers engaged in trade-related activities in the cities of Querétaro, Irapuato and La Piedad, as well as in regions such as northern León, southern Morelia, western Guadalajara and eastern Mexico City.

Selected Financial Information

| (MXN million) | 4Q2013 | 4Q2012 | % Var | Cumulative | | |
|---|--------|-----------|---------|------------|--------|---------|
| | | | | 2013 | 2012 | % Var |
| Total toll and other concession revenues | 188.4 | 46.7 | 303.43% | 795.9 | 689.2 | 15.48% |
| Income from operations | 155.1 | (333.5) | 146.51% | 643.7 | 120.9 | 432.42% |
| EBITDA | 185.3 | (304.2) | 160.91% | 764.7 | 238.2 | 221.03% |
| Adjusted EBITDA | 176.9 | (223.7) | 179.08% | 820.3 | 375.4 | 118.51% |
| Income from operations margin | 82.32% | (714.13%) | | 80.88% | 17.54% | |
| EBITDA margin | 98.35% | (651.39%) | | 96.08% | 34.56% | |
| Adjusted EBITDA margin | 93.90% | (479.01%) | | 103.07% | 54.47% | |

- **Total toll and other concession revenues.** COVIQSA total toll and other concession revenues for 4Q2013 increased by MXN 141.7 million, to MXN 188.4 million from MXN 46.7 million in 4Q2012. These revenues are comprised of:
 - **Shadow toll payment from the SCT**, which increased by MXN 138.1 million, to MXN 142.6 million in 4Q2013 from MXN 4.5 million in 4Q2012, due to the Second Amendment to COVIQSA PPS Agreement.
 - **Availability Payment from the SCT**, which increased by MXN 3.1 million, to MXN 45.3 million in 4Q2013 from MXN 42.2 million in 4Q2012, due to the Second Amendment to COVIQSA PPS Agreement.
- **Costs and expenses.** Total costs and expenses for 4Q2013 were MXN 37.5 million, a decrease of MXN 93.4 million compared to MXN 130.9 million for 4Q2012. Costs and expenses are comprised of:
 - **Amortization of assets derived from the concessions**, which increased by MXN 0.9 million, to MXN 30.2 million in 4Q2013 from MXN 29.3 million in 4Q2012;
 - **Operation and maintenance provisions**, which decreased by MXN 91.3 million in 4Q2013, to MXN 0.6 million from MXN 91.9 million in 4Q2012, primarily as a result of a decrease in the Major Maintenance Provision;
 - **Toll collection costs**, which decreased by MXN 2.4 million, from MXN 1.9 million in 4Q2012 to MXN 4.3 million in 4Q2013. Toll collection costs are comprised of insurance premiums and the accrued ICA Management Fee;
 - **General and administrative expenses**, which decreased by MXN 0.6 million as compared to 4Q2012, to MXN 4.8 million in 4Q2013. This decrease was primarily attributable to consulting fees which recorded MXN 0.7 million during 4Q2013 from MXN 3.7 million in 4Q2012.
- **Other income (expenses), net.** In 4Q2013 other income, net, increased by MXN 253.5 million as compared to 4Q2012, mainly due to the cancellation of certain payment obligations contained in CONIPSA and COVIQSA sales and purchase agreement (SPA).

- **Income from operations.** Income from operations increased by MXN 488.6 million, to MXN 155.1 million during 4Q2013 from a negative income from operations of MXN 333.5 million during 4Q2012. As a result of the aforementioned revenues increase and other income effect, the operating margin for 4Q2013 was 82.32%⁴.
- **EBITDA.** EBITDA for 4Q2013 increased by MXN 489.5 million to MXN 185.3 million from negative EBITDA of MXN 304.2 million in 4Q2012, which represents an EBITDA Margin of 98.35%⁵.
- **Adjusted EBITDA.** Adjusted EBITDA for 4Q2013 was MXN 176.9 million, an increase of MXN 400.6 million compared to a negative Adjusted EBITDA of MXN 223.7 million for 4Q2012, which represents an Adjusted EBITDA Margin of 93.90%⁶.
- **Net financing cost.** During 4Q2013, the net financing cost decreased by MXN 31.3 million, to MXN 11.0 million from MXN 42.3 million in 4Q2012. This decrease was due to the following:
 - **Interest expense,** which decreased by MXN 21.3 million to MXN 29.6 million compared to 4Q2012 due to a decrease in the interest on derivative financial instruments;
 - **Interest income,** which increased by MXN 10.1 million, to MXN 18.6 million in 4Q2013 from MXN 8.5 million in 4Q2012.

COVIQSA | Debt Service Coverage Ratio.

The Debt Service Coverage Ratio (amount available for debt service purposes/principal amortization + adjusted interest expense) increased by 105.04% to 8.25 in 2013 from 4.02 in 2012.

| COVIQSA (MXN million) | Cumulative | | |
|---|----------------|--------------|-----------------|
| | 2013 | 2012 | % Var |
| (+) Income from operations | 643.7 | 120.9 | 432.42% |
| (+) Amortization of assets derived from the concession | 121.0 | 117.2 | 3.16% |
| (+) Depreciation | - | - | - |
| (+) Major maintenance provision | 55.6 | 137.2 | (59.48%) |
| (=) Adjusted Ebitda | 820.3 | 375.4 | 118.51% |
| (+) Other Expenses*** | - | 254.9 | (100.00%) |
| (+) Available Cash* | 268.3 | 20.5 | 1,207.79% |
| (=) Amount Available for Debt Service | 1,088.6 | 650.8 | 67.27% |
| (/) Total Debt Service (Principal + Interest) ** | 131.9 | 161.7 | (18.42%) |
| Debt Service Coverage Ratio (DSCR) | 8.25 | 4.02 | 105.04% |

* Cash and cash equivalents net of amounts held in the Expansion Trust and certain project accounts that cannot be used to pay Total Debt Service.

** Interest expense net of the costs of unwinding derivative financial instruments and certain non-cash interest expense items.

*** Accounting adjustment due to the Second Amendment to COVIQSA PPS Agreement

⁴ Income from operations / Total toll and other concession revenues

⁵ EBITDA / Total toll and other concession revenues

⁶ Adjusted EBITDA / Total toll and other concession revenues

COVIQSA's Debt Maturity Profile (MXN Million)

| Bank Debt | |
|------------------|--------------------|
| Year | Acquisition |
| 2014 | 75.1 |
| 2015 | 100.2 |
| 2016 | 125.2 |
| 2017 | 150.3 |
| 2018 | 162.8 |
| 2019 | 175.3 |
| 2020 | 187.8 |
| 2021 | 150.3 |
| Total | 1,127.0 |
| Reserve * | 57.5 |
| Net total | 1,069.5 |

* Contractual cash reserve.

CONIPSA

Pursuant to the CONIPSA Concession Agreement, the Company holds the right to operate, preserve and maintain the Irapuato-La Piedad federal toll-free road, which extends from the junction between the Querétaro-Irapuato and the Irapuato-La Piedad toll roads to the junction with the La Piedad de Cabadas bypass at kilometer 76+520 in the State of Guanajuato, for a 20 year period beginning September 2005.

This road is part of the East-West highway corridor that links a number of cities in central Mexico's Bajío region with Guadalajara's western region and Mexico City's eastern region.

Selected Financial Information

| (MXN million) | 4Q2013 | 4Q2012 | % Var | Cumulative | | |
|---|---------|----------|---------|------------|--------|--------|
| | | | | 2013 | 2012 | % Var |
| Total toll and other concession revenues | 56.2 | 47.0 | 19.57% | 227.4 | 223.3 | 1.84% |
| Income from operations | 34.2 | (11.7) | 392.31% | 121.6 | 110.2 | 10.34% |
| EBITDA | 35.7 | (10.2) | 450.00% | 127.6 | 116.1 | 9.91% |
| Adjusted EBITDA | 58.9 | 25.0 | 135.60% | 204.0 | 167.0 | 22.16% |
| Income from operations margin | 60.85% | (24.89%) | | 53.47% | 49.35% | |
| EBITDA margin | 63.52% | (21.70%) | | 56.11% | 51.99% | |
| Adjusted EBITDA margin | 104.80% | 53.19% | | 89.71% | 74.79% | |

- **Total toll and other concession revenues.** CONIPSA Total toll and other concession revenues for 4Q2013, increased by MXN 9.2 million, to MXN 56.2 million from MXN 47.0 million in 4Q2012. These revenues are comprised of:
 - **Shadow toll payment from the SCT**, which decreased by MXN 0.2 million, to MXN 4.4 million in 4Q2013 from MXN 4.6 million in 4Q2012;
 - **Availability Payment from the SCT**, which increased by MXN 9.4 million, to MXN 51.8 million in 4Q2013 from MXN 42.4 million in 4Q2012.
- **Costs and expenses.** Total costs and expenses during 4Q2013 were MXN 32.7 million, a decrease of MXN 16.3 million compared to MXN 49.0 million in 4Q2012. CONIPSA's costs and expenses are comprised of:
 - **Amortization of assets derived from the concessions**, which recorded MXN 1.5 million in 4Q2013 with no change from 4Q2012;
 - **Operation and maintenance provisions**, which decreased by MXN 14.2 million, from MXN 42.0 million in 4Q2012 to 27.8 million in 4Q2013;
 - **Toll collection costs**, which decreased by MXN 0.6 million, to MXN 0.8 million in 4Q2013 from MXN 1.4 million in 4Q2012. Toll collection costs were comprised of insurance premiums and accrued ICA Management Fee;
 - **General and administrative expenses**, which decreased by MXN 1.5 million as compared to 4Q2012, to MXN 2.6 million, primarily as a result of the decrease in consulting services which recorded MXN 1.0 million during 4Q2013 from MXN 2.7 million in 4Q2012.
- **Other income (expense), net.** During 4Q2013, other income was MXN 10.7 million, an increase of MXN 20.4 million as compared to 4Q2012 which recorded other expenses for MXN 9.7 million corresponding primarily to financial valuation of the asset.
- **Income from operations.** Income from operations during 4Q2013 was MXN 34.2 million, an increase of MXN 45.9 million compared to a negative income from operations of MXN 11.7 million during 4Q2012. As

a result of the aforementioned revenues increase and other income (expense) effect during 4Q2012, the operating margin for 4Q2013 was 60.85%⁷.

- **EBITDA.** For 4Q2013 increased by MXN 45.9 million, to MXN 35.7 million from negative EBITDA of MXN 10.2 million in 4Q2012, which represents an EBITDA Margin of 63.52%⁸.
- **Adjusted EBITDA.** For 4Q2013 was MXN 58.9 million, an increase of MXN 33.9 million compared to MXN 25.0 million for 4Q2012, which represents an Adjusted EBITDA Margin of 104.80%⁹.
- **Net financing cost.** During 4Q2013, the net financing cost decreased by MXN 17.6 million, to MXN 12.9 million from MXN 30.5 million in 4Q2012. This increase was due to the following:
 - **Interest expense**, which decreased by MXN 17.2 million compared to 4Q2012, to MXN 14.7 million, primarily as a result of a decreased in the non-cash financial cost of the Major Maintenance Provision;
 - **Interest income**, which increased by MXN 0.4 million, to MXN 1.8 million in 4Q2013 from MXN 1.4 million in 4Q2012.

CONIPSA I Debt Service Coverage Ratio.

The Debt Service Coverage Ratio (amount available for debt service purposes/principal amortization + adjusted interest expense) increased by 19.54% to 3.28 in 2013 from 2.74 in 2012.

| CONIPSA (MXN million) | Cumulative | | |
|--|--------------|--------------|---------------|
| | 2013 | 2012 | % Var |
| (+) Income from operations | 121.6 | 110.2 | 10.34% |
| (+) Amortization of assets derived from the concession | 6.0 | 5.9 | 1.83% |
| (+) Depreciation | 0.0 | 0.0 | (88.01%) |
| (+) Major maintenance provision | 76.4 | 50.9 | 50.10% |
| (=) Adjusted Ebitda | 204.0 | 167.0 | 22.16% |
| (+) Available Cash* | 85.9 | 73.6 | 16.74% |
| (=) Amount Available for Debt Service | 289.9 | 240.6 | 20.49% |
| (/) Total Debt Service (Principal + Interest)** | 88.4 | 87.7 | 0.80% |
| Debt Service Coverage Ratio (DSCR) | 3.28 | 2.74 | 19.54% |

* Cash and cash equivalents net of amounts held in the Expansion Trust and certain project accounts that cannot be used to pay Total Debt Service.

** Interest expense net of the costs of unwinding derivative financial instruments and certain non-cash interest expense items.

⁷ Income from operations / Total toll and other concession revenues

⁸ EBITDA / Total toll and other concession revenues

⁹ Adjusted EBITDA / Total toll and other concession revenues

CONIPSA's Debt Maturity Profile (MXN Million)

| | Bank Debt |
|------------------|--------------------|
| Year | Acquisition |
| 2014 | 58.0 |
| 2015 | 58.0 |
| 2016 | 58.0 |
| 2017 | 63.8 |
| 2018 | 69.6 |
| 2019 | 75.4 |
| Total | 382.8 |
| Reserve * | 52.9 |
| Net total | 329.9 |

* Contractual cash reserve.

RELEVANT EVENTS¹⁰

During the period from October 1, 2013 to December 30, 2013, the Company disclosed the following relevant events:

RCO informs of extension and new credit facility with Banco Nacional de Obras y Servicios Públicos, Sociedad Nacional de Crédito, Institución de Banca de Desarrollo (“BANOBRAS”).

Red de Carreteras de Occidente, S.A.B. de C.V. (“RCO”) informs that, according to its refinancing strategy, extended the maturity of its Banobras bank debt for an amount of MXN 2,145.5 million pesos with an original maturity in 2018, to a new maturity on 2032. In addition, RCO entered into a new credit facility with Banobras for an amount of MXN 4,990.0 million pesos with a maturity on 2032. Net proceeds from this new facility are intended to be used by RCO for the prepayment of bank debt with maturities in 2016 and 2018.

Published on EMISNET on October 10, 2013.

¹⁰ As reported to the Mexican Stock Exchange.

CONSOLIDATED FINANCIAL INFORMATION

Red de Carreteras de Occidente, SAB de CV and Subsidiaries
COMPARATIVE CONSOLIDATED STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)
From October 1 to December 31 of:

(MXN million)

| | | | | | Cumulative | | | |
|---|---------|---------|-----------|------------|------------|-----------|-----------|----------|
| | 2013 | 2012 | Variation | % | 2013 | 2012 | Variation | % |
| TOTAL REVENUES | 1,390.5 | 1,150.3 | 240.2 | 20.88 | 5,419.9 | 4,912.9 | 507.0 | 10.32 |
| Toll revenues | 1,061.3 | 991.6 | 69.7 | 7.03 | 4,006.0 | 3,782.0 | 224.0 | 5.92 |
| Shadow toll payments from the SCT | 147.0 | 9.1 | 137.9 | 1,515.38 | 633.7 | 533.3 | 100.4 | 18.83 |
| Availability payments from the SCT | 97.2 | 84.6 | 12.6 | 14.89 | 388.6 | 379.2 | 9.4 | 2.48 |
| Ancillary revenues from the use of rights of way | 13.3 | 8.6 | 4.7 | 54.65 | 44.5 | 21.8 | 22.7 | 104.13 |
| Total toll and other concession revenues | 1,318.8 | 1,093.9 | 224.9 | 20.56 | 5,072.8 | 4,716.3 | 356.5 | 7.56 |
| Construction revenues | 71.7 | 56.4 | 15.3 | 27.13 | 347.1 | 196.6 | 150.5 | 76.55 |
| COSTS AND EXPENSES | 545.4 | 466.2 | 79.2 | 16.99 | 2,326.9 | 2,311.0 | 15.9 | 0.69 |
| Amortization of assets derived from the concessions | 263.2 | 175.5 | 87.7 | 49.97 | 1,080.9 | 1,066.0 | 14.9 | 1.40 |
| Operation and maintenance provisions | 128.4 | 158.9 | (30.5) | (19.19) | 592.5 | 761.2 | (168.7) | (22.16) |
| Toll collection costs | 39.9 | 34.5 | 5.4 | 15.65 | 144.5 | 142.3 | 2.2 | 1.55 |
| Cost from the use of rights of way | 2.8 | - | 2.8 | 100.00 | 9.9 | - | 9.9 | 100.00 |
| Construction costs | 71.7 | 56.4 | 15.3 | 27.13 | 347.1 | 196.6 | 150.5 | 76.55 |
| General and administrative expenses | 39.4 | 40.9 | (1.5) | (3.67) | 152.0 | 144.9 | 7.1 | 4.90 |
| INCOME BEFORE OTHER INCOME-NET | 845.1 | 684.1 | 161.0 | 23.53 | 3,093.0 | 2,601.9 | 491.1 | 18.87 |
| Other income (expenses)-net | (16.8) | 88.7 | (105.5) | (118.94) | 148.9 | 108.9 | 40.0 | 36.73 |
| INCOME FROM OPERATIONS | 828.3 | 772.8 | 55.5 | 7.18 | 3,241.9 | 2,710.8 | 531.1 | 19.59 |
| Net financing cost | 1,560.6 | 985.5 | 575.1 | 58.36 | 4,848.0 | 4,184.0 | 664.0 | 15.87 |
| Interest expense | 1,473.7 | 936.6 | 537.1 | 57.35 | 4,803.6 | 4,209.0 | 594.6 | 14.13 |
| Premiums and interest on financing | 594.6 | 586.3 | 8.3 | 1.42 | 2,380.6 | 2,191.0 | 189.6 | 8.65 |
| Interest on derivative financial instruments | 197.1 | 258.9 | (61.8) | (23.87) | 624.0 | 883.0 | (259.0) | (29.33) |
| Effects of valuation of derivative financial instruments | 1.8 | - | 1.8 | 100.00 | 2.0 | 1.8 | 0.2 | 11.11 |
| Unwind and restructure of derivative financial instruments | 569.9 | (2.9) | 572.8 | 19,751.72 | 1,392.7 | 735.7 | 657.0 | 89.30 |
| Amortization of premiums and debt expenses | 47.0 | 25.8 | 21.2 | 82.17 | 151.3 | 153.1 | (1.8) | (1.18) |
| Major maintenance interests | 63.3 | 68.5 | (5.2) | (7.59) | 253.0 | 244.4 | 8.6 | 3.52 |
| Adjustments to principal amount of UDI denominated debt | 133.2 | 89.9 | 43.3 | 48.16 | 243.3 | 89.9 | 153.4 | 170.63 |
| Interest income | (46.4) | (41.1) | (5.3) | (12.90) | (199.3) | (114.2) | (85.1) | (74.52) |
| Investments interest | (46.4) | (41.1) | (5.3) | (12.90) | (199.3) | (114.2) | (85.1) | (74.52) |
| Net foreign exchange (loss) income | 0.1 | 0.1 | - | - | 0.4 | (0.7) | 1.1 | 157.14 |
| LOSS BEFORE INCOME TAXES | (732.3) | (212.7) | (519.6) | (244.29) | (1,606.1) | (1,473.2) | (132.9) | (9.02) |
| INCOME TAXES BENEFIT | (653.4) | (167.3) | (486.1) | (290.56) | (1,160.6) | (770.1) | (390.5) | (50.71) |
| CONSOLIDATED NET LOSS FOR THE PERIOD | (78.9) | (45.4) | (33.5) | (73.79) | (445.5) | (703.1) | 257.6 | 36.64 |
| Other comprehensive income / (loss) items | | | | | | | | |
| Items that will be reclassified subsequently to profit or loss: | | | | | | | | |
| Valuation of derivative financial instruments | 593.4 | (24.4) | 617.8 | 2,531.97 | 1,764.0 | (409.1) | 2,173.1 | 531.19 |
| Deferred income taxes of derivative financial instruments | (168.0) | 5.1 | (173.1) | (3,394.12) | (446.3) | 113.3 | (559.6) | (493.91) |
| COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD | 346.5 | (64.7) | 411.2 | 635.55 | 872.2 | (998.9) | 1,871.1 | 187.32 |
| Consolidated net income (loss): | | | | | | | | |
| CONTROLLING INTEREST | (78.9) | (45.4) | (33.5) | (73.79) | (445.5) | (703.1) | 257.6 | 36.64 |
| NON-CONTROLLING INTEREST | - | - | - | - | - | - | - | - |
| Comprehensive income (loss) net for: | | | | | | | | |
| CONTROLLING INTEREST | 346.5 | (64.7) | 411.2 | 635.55 | 872.2 | (998.9) | 1,871.1 | 187.32 |
| NON-CONTROLLING INTEREST | - | - | - | - | - | - | - | - |
| BASIC LOSS PER COMMON SHARE (pesos) | (0.00) | (0.00) | (0.00) | (73.79) | (0.02) | (0.02) | 0.01 | 36.64 |
| DILUTED LOSS PER SHARE (pesos) | (0.00) | (0.00) | (0.00) | (73.79) | (0.02) | (0.02) | 0.01 | 36.64 |

Red de Carreteras de Occidente, SAB de CV and Subsidiaries
COMPARATIVE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT

(MXN million)

| | <u>December 2013</u> | <u>December 2012</u> | <u>Variation</u> | <u>%</u> |
|--|----------------------|----------------------|------------------|---------------|
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 5,215.8 | 3,091.9 | 2,123.9 | 68.69 |
| Trade accounts receivable | 355.3 | 557.2 | (201.9) | (36.23) |
| Recoverable taxes | 37.2 | 71.9 | (34.7) | (48.26) |
| Financial asset-current portion | 459.0 | 564.0 | (105.0) | (18.62) |
| Other accounts receivable and prepaid expenses | 43.3 | 71.7 | (28.4) | (39.61) |
| Total current assets | 6,110.6 | 4,356.7 | 1,753.9 | 40.26 |
| Non-current assets | | | | |
| Long-term restricted cash | 87.3 | 84.0 | 3.3 | 3.93 |
| Financial asset derived from the concessions - long-term portion | 974.0 | 1,044.4 | (70.4) | (6.74) |
| Intangible assets derived from the concessions | 44,606.6 | 45,359.9 | (753.3) | (1.66) |
| Franchise rights | 1.2 | 0.7 | 0.5 | 71.43 |
| Furniture and equipment | 7.9 | 3.4 | 4.5 | 132.35 |
| Deferred income tax asset | 5,418.1 | 4,611.3 | 806.8 | 17.50 |
| Other assets | 0.8 | 0.8 | - | - |
| Total non current assets | 51,095.9 | 51,104.5 | (8.6) | (0.02) |
| TOTAL ASSETS | 57,206.5 | 55,461.2 | 1,745.3 | 3.15 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | |
| Current liabilities | | | | |
| Accounts payable to suppliers | 287.5 | 44.1 | 243.4 | 551.93 |
| Interest payable | 403.7 | 276.6 | 127.1 | 45.95 |
| Interest payable on derivative financial instruments | 29.5 | 32.6 | (3.1) | (9.51) |
| Other current liabilities | 29.3 | 19.1 | 10.2 | 53.40 |
| Provisions | 648.0 | 428.0 | 220.0 | 51.40 |
| Accounts payable to related parties | - | 443.6 | (443.6) | (100.00) |
| Current portion of long-term debt | 163.8 | 104.4 | 59.4 | 56.90 |
| Employee benefits | 41.0 | 35.7 | 5.3 | 14.85 |
| Accounts payable for work executed, not yet approved | 42.0 | 2.5 | 39.5 | 1,580.00 |
| Taxes other than income taxes | 112.9 | 108.6 | 4.3 | 3.96 |
| Employee profit sharing | 0.6 | 0.2 | 0.4 | 200.00 |
| Income taxes payable | 135.6 | - | 135.6 | 100.00 |
| Total current liabilities | 1,893.9 | 1,495.4 | 398.5 | 26.65 |
| Non-current liabilities | | | | |
| Long-term debt | 33,743.4 | 31,343.0 | 2,400.4 | 7.66 |
| Provisions for major maintenance | 210.5 | 348.9 | (138.4) | (39.67) |
| Employee benefits | 22.2 | 20.8 | 1.4 | 6.73 |
| Derivative financial instruments | 1,394.7 | 3,086.8 | (1,692.1) | (54.82) |
| Deferred business flat tax liability | - | 96.7 | (96.7) | (100.00) |
| Total-non current liabilities | 35,370.8 | 34,896.2 | 474.6 | 1.36 |
| TOTAL LIABILITIES | 37,264.7 | 36,391.6 | 873.1 | 2.40 |
| STOCKHOLDERS' EQUITY | | | | |
| Capital stock | 25,938.8 | 25,938.8 | - | - |
| Accumulated deficit | (5,219.0) | (4,773.6) | (445.4) | (9.33) |
| Other comprehensive loss | (778.0) | (2,095.6) | 1,317.6 | 62.87 |
| Controlling interest | 19,941.8 | 19,069.6 | 872.2 | 4.57 |
| Non-controlling interest | - | - | - | - |
| TOTAL STOCKHOLDERS' EQUITY | 19,941.8 | 19,069.6 | 872.2 | 4.57 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | 57,206.5 | 55,461.2 | 1,745.3 | 3.15 |

Red de Carreteras de Occidente, SAB de CV and Subsidiaries
COMPARATIVE CONSOLIDATED STATEMENTS OF CASH FLOWS
(Indirect methodology)
From January 1 to December 31 of:

(MXN million)

| Concept | 2013 | 2012 |
|---|------------------|------------------|
| OPERATING ACTIVITIES | | |
| Loss before income taxes | (1,606.1) | (1,473.2) |
| Adjustments for: | | |
| Depreciation and amortization | 1,082.0 | 1,067.2 |
| Financing related activities: | | |
| Interest expense | 2,633.5 | 2,435.4 |
| Valuation effects of derivative financial instruments | 2,016.7 | 1,618.7 |
| Ineffective portion of derivative financial instruments | 2.0 | 1.7 |
| Amortization of commissions and debt issuance costs | 151.3 | 153.1 |
| Unrealized exchange (gain) loss | - | (0.1) |
| Adjustments to principal amount of UDI denominated debt | 243.3 | 89.9 |
| Others | - | (95.4) |
| | 4,522.7 | 3,797.4 |
| +/- Decrease / (increase) in: | | |
| Trade accounts receivable | 202.0 | 417.2 |
| Recoverable taxes | 34.7 | (52.3) |
| Financial asset | 175.5 | (555.4) |
| Other accounts receivable and other prepaid expenses | 28.3 | 61.3 |
| Other assets | (0.1) | 32.7 |
| +/- Increase / (decrease) in: | | |
| Accounts payable to suppliers | 243.5 | 28.9 |
| Other current liabilities | 10.2 | 2.1 |
| Provisions | (171.5) | (7.5) |
| Accounts payable to related parties, net | (443.6) | (273.0) |
| Taxes other than income taxes | (27.1) | (82.6) |
| Income taxes payable | (22.0) | - |
| Employee profit sharing | 0.3 | (0.2) |
| Employee benefits | 6.7 | 22.3 |
| Net cash provided by operating activities | 4,559.6 | 3,390.9 |
| INVESTING ACTIVITIES | | |
| Acquisition of furniture and equipment | (5.3) | (1.1) |
| Franchise rights | (0.7) | (0.7) |
| Intangible assets derived from the concessions | (288.2) | (299.6) |
| Net cash provided by (used in) investing activities | (294.2) | (301.4) |
| FINANCING ACTIVITIES | | |
| Proceeds from long-term debt | 14,764.5 | 8,623.5 |
| Payments of debt | (12,414.9) | (6,559.3) |
| Interest paid | (2,253.4) | (2,027.0) |
| Payments of derivative financial instruments | (1,851.5) | (1,614.8) |
| Commissions and debt issuance costs paid | (382.9) | (238.1) |
| Increase in capital stock | - | (4.8) |
| Net cash used in financing activities | (2,138.2) | (1,820.5) |
| +/- Increase in cash, cash equivalents and restricted cash | 2,127.2 | 1,269.0 |
| Cash, cash equivalents and restricted cash at the beginning of the period | 3,175.9 | 1,906.9 |
| Cash, cash equivalents and restricted cash at the end of the period | 5,303.1 | 3,175.9 |

Red de Carreteras de Occidente, SAB de CV and Subsidiaries
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(MXN million)

| | Capital stock | Debt instruments with equity characteristics | Acumulated deficit | Other comprehensive loss | Non controlling interest | Total stockholders' equity |
|---|---------------|--|--------------------|--------------------------|--------------------------|----------------------------|
| Balance as of January 1, 2012 | 25,938.8 | 350.0 | (4,070.4) | (1,799.9) | - | 20,418.5 |
| Capital stock increase | - | (350.0) | - | - | - | (350.0) |
| Comprehensive loss: | | | | | | |
| Valuation of derivative financial instruments | - | - | - | (409.0) | - | (409.0) |
| Deferred income taxes of derivative instruments | - | - | - | 113.3 | - | 113.3 |
| Net loss for the period | - | - | (703.1) | - | - | (703.1) |
| Comprehensive loss | - | - | (703.1) | (295.7) | - | (998.9) |
| Balance as of December 31, 2012 | 25,938.8 | - | (4,773.5) | (2,095.6) | - | 19,069.6 |
| Capital stock decrease | | | | | | - |
| Comprehensive loss: | | | | | | |
| Valuation of derivative financial instruments | - | - | - | 1,763.9 | - | 1,763.9 |
| Deferred income taxes of derivative instruments | - | - | - | (446.3) | - | (446.3) |
| Net loss for the period | - | - | (445.4) | - | - | (445.4) |
| Comprehensive loss | - | - | (445.4) | 1,317.6 | - | 872.2 |
| Balance as of December 31, 2013 | 25,938.8 | - | (5,218.9) | (778.0) | - | 19,941.8 |

FARAC I

Red de Carreteras de Occidente, SAB de CV
COMPARATIVE CONSOLIDATED STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)
From October 1 to December 31 of:
(MXN million)

| | 2013 | 2012 | Variation | % | Cumulative | | | |
|---|---------|---------|-----------|-------------|------------|-----------|-----------|----------|
| | 2013 | 2012 | Variation | % | 2013 | 2012 | Variation | % |
| TOTAL REVENUES | 1,152.2 | 1,059.7 | 92.5 | 8.73 | 4,421.0 | 4,006.2 | 414.8 | 10.35 |
| Toll revenues | 1,061.3 | 991.5 | 69.8 | 7.04 | 4,006.0 | 3,782.0 | 224.0 | 5.92 |
| Ancillary revenues from the use of rights of way | 12.8 | 8.6 | 4.2 | 48.84 | 43.5 | 21.8 | 21.7 | 99.54 |
| Total toll and other concession revenues | 1,074.1 | 1,000.1 | 74.0 | 7.40 | 4,049.5 | 3,803.8 | 245.7 | 6.46 |
| Administrative service revenues | 6.4 | 3.2 | 3.2 | 100.00 | 24.4 | 5.8 | 18.6 | 320.69 |
| Construction revenues | 71.7 | 56.4 | 15.3 | 27.13 | 347.1 | 196.6 | 150.5 | 76.55 |
| COSTS AND EXPENSES | 476.9 | 376.8 | 100.1 | 26.57 | 1,990.5 | 1,871.1 | 119.4 | 6.38 |
| Amortization of assets derived from the concessions | 226.7 | 232.1 | (5.4) | (2.33) | 935.2 | 924.4 | 10.8 | 1.17 |
| Operation and maintenance provisions | 100.1 | 25.0 | 75.1 | 300.40 | 421.0 | 490.4 | (69.4) | (14.15) |
| Toll collection costs | 37.2 | 28.7 | 8.5 | 29.62 | 133.4 | 128.5 | 4.9 | 3.81 |
| Cost from the use of rights of way | 2.8 | - | 2.8 | 100.00 | 9.9 | - | 9.9 | 100.00 |
| Construction costs | 71.7 | 56.4 | 15.3 | 27.13 | 347.1 | 196.6 | 150.5 | 76.55 |
| General and administrative expenses | 38.4 | 34.6 | 3.8 | 10.98 | 143.9 | 131.2 | 12.7 | 9.68 |
| INCOME BEFORE OTHER INCOME-NET | 675.3 | 682.9 | (7.6) | (1.11) | 2,430.5 | 2,135.1 | 295.4 | 13.84 |
| Other income (expenses)-net | (31.7) | 93.1 | (124.8) | (134.05) | 64.8 | 108.6 | (43.8) | (40.33) |
| INCOME FROM OPERATIONS | 643.6 | 776.0 | (132.4) | (17.06) | 2,495.3 | 2,243.7 | 251.6 | 11.21 |
| Net financing cost | 1,536.7 | 912.7 | 624.0 | 68.37 | 4,720.7 | 3,978.2 | 742.5 | 18.66 |
| Interest expense | 1,442.0 | 854.1 | 587.9 | 68.83 | 4,642.8 | 3,984.2 | 658.6 | 16.53 |
| Premiums and interest on financing | 581.5 | 556.2 | 25.3 | 4.55 | 2,294.0 | 2,066.7 | 227.3 | 11.00 |
| Interest on derivative financial instruments | 197.1 | 236.6 | (39.5) | (16.69) | 624.0 | 848.6 | (224.6) | (26.47) |
| Effects of valuation of derivative financial instruments | 1.6 | (0.4) | 2.0 | 500.00 | 1.4 | 1.4 | - | - |
| Unwind and restructure of derivative financial instruments | 570.0 | - | 570.0 | 100.00 | 1,392.7 | 738.6 | 654.1 | 88.56 |
| Amortization of premiums and debt expenses | 46.2 | 25.4 | 20.8 | 81.89 | 148.3 | 153.1 | (4.8) | (3.14) |
| Major maintenance interests | 45.6 | 36.3 | 9.3 | 25.62 | 182.4 | 175.8 | 6.6 | 3.75 |
| Adjustments to principal amount of UDI denominated debt | 133.3 | 89.9 | 43.4 | 48.28 | 243.3 | 89.9 | 153.4 | 170.63 |
| Interest income | (38.6) | (31.4) | (7.2) | (22.93) | (165.7) | (95.6) | (70.1) | (73.33) |
| Investments interest | (38.6) | (31.4) | (7.2) | (22.93) | (165.7) | (95.6) | (70.1) | (73.33) |
| Net foreign exchange (loss) income | - | 0.1 | (0.1) | (100.00) | 0.3 | (0.3) | 0.6 | 200.00 |
| LOSS BEFORE INCOME TAXES | (893.1) | (136.7) | (756.4) | (553.33) | (2,225.4) | (1,734.5) | (490.9) | (28.30) |
| INCOME TAXES BENEFIT | (627.9) | (77.0) | (550.9) | (715.45) | (1,256.0) | (761.9) | (494.1) | (64.85) |
| CONSOLIDATED NET LOSS FOR THE PERIOD | (265.2) | (59.7) | (205.5) | (344.22) | (969.4) | (972.6) | 3.2 | 0.33 |
| Other comprehensive income / (loss) items | | | | | | | | |
| Items that will be reclassified subsequently to profit or loss: | | | | | | | | |
| Valuation of derivative financial instruments | 593.4 | 1.8 | 591.6 | 32,866.67 | 1,764.0 | (393.8) | 2,157.8 | 547.94 |
| Deferred income taxes of derivative financial instruments | (167.9) | (0.3) | (167.6) | (55,866.67) | (446.3) | 111.0 | (557.3) | (502.07) |
| COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD | 160.3 | (58.2) | 218.5 | 375.43 | 348.3 | (1,255.4) | 1,603.7 | 127.74 |
| Consolidated net income (loss): | | | | | | | | |
| CONTROLLING INTEREST | (265.2) | (59.7) | (205.5) | (344.22) | (969.4) | (972.6) | 3.2 | 0.33 |
| NON-CONTROLLING INTEREST | - | - | - | - | - | - | - | - |
| Comprehensive income (loss) net for: | | | | | | | | |
| CONTROLLING INTEREST | 160.3 | (58.2) | 218.5 | 375.43 | 348.3 | (1,255.4) | 1,603.7 | 127.74 |
| NON-CONTROLLING INTEREST | - | - | - | - | - | - | - | - |
| BASIC LOSS PER COMMON SHARE (pesos) | (0.01) | (0.00) | (0.01) | (344.22) | (0.03) | (0.03) | 0.00 | 0.33 |
| DILUTED LOSS PER SHARE (pesos) | (0.01) | (0.00) | (0.01) | (344.22) | (0.03) | (0.03) | 0.00 | 0.33 |

Red de Carreteras de Occidente, SAB de CV
COMPARATIVE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT

(MXN million)

| | <u>December 2013</u> | <u>December 2012</u> | <u>Variation</u> | <u>%</u> |
|--|----------------------|----------------------|------------------|---------------|
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 4,674.6 | 2,670.5 | 2,004.1 | 75.05 |
| Trade accounts receivable | 63.3 | 55.7 | 7.6 | 13.64 |
| Recoverable taxes | 21.0 | 14.5 | 6.5 | 44.83 |
| Accounts receivable to related parties | 9.4 | - | 9.4 | 100.00 |
| Other accounts receivable and prepaid expenses | 38.2 | 51.0 | (12.8) | (25.10) |
| Total current assets | 4,806.5 | 2,791.7 | 2,014.8 | 72.17 |
| Non-current assets | | | | |
| Intangible assets derived from the concessions | 42,492.8 | 43,100.4 | (607.6) | (1.41) |
| Franchise rights | 1.2 | 0.7 | 0.5 | 71.43 |
| Furniture and equipment | 7.6 | 3.1 | 4.5 | 145.16 |
| Investment in shares | 1,931.4 | 1,895.4 | 36.0 | 1.90 |
| Deferred income tax asset | 5,680.9 | 4,869.3 | 811.6 | 16.67 |
| Other assets | 0.8 | 0.7 | 0.1 | 14.29 |
| Total non-current assets | 50,114.7 | 49,869.6 | 245.1 | 0.49 |
| TOTAL ASSETS | 54,921.2 | 52,661.3 | 2,259.9 | 4.29 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | |
| Current liabilities | | | | |
| Accounts payable to suppliers | 17.2 | 40.9 | (23.7) | (57.95) |
| Interest payable | 394.8 | 265.5 | 129.3 | 48.70 |
| Interest payable on derivative financial instruments | 29.6 | 32.6 | (3.0) | (9.20) |
| Other current liabilities | 26.7 | 19.1 | 7.6 | 39.79 |
| Provisions | 496.0 | 265.0 | 231.0 | 87.17 |
| Accounts payable to related parties | 848.3 | 49.6 | 798.7 | 1,610.28 |
| Current portion of long-term debt | 30.6 | - | 30.6 | 100.00 |
| Employee benefits | 41.0 | 35.7 | 5.3 | 14.85 |
| Accounts payable for work executed, not yet approved | 42.0 | 2.5 | 39.5 | 1,580.00 |
| Taxes other than income taxes | 67.8 | 46.4 | 21.4 | 46.12 |
| Employee profit sharing | 0.5 | 0.2 | 0.3 | 150.00 |
| Income taxes payable | 0.1 | - | 0.1 | 100.00 |
| Total current liabilities | 1,994.6 | 757.5 | 1,237.1 | 163.31 |
| Non-current liabilities | | | | |
| Long-term debt | 32,383.9 | 29,855.6 | 2,528.3 | 8.47 |
| Provisions for major maintenance | 126.7 | 289.6 | (162.9) | (56.25) |
| Employee benefits | 22.2 | 20.8 | 1.4 | 6.73 |
| Derivative financial instruments | 1,394.8 | 3,087.2 | (1,692.4) | (54.82) |
| Total non-current liabilities | 33,927.6 | 33,253.2 | 674.4 | 2.03 |
| TOTAL LIABILITIES | 35,922.2 | 34,010.7 | 1,911.5 | 5.62 |
| STOCKHOLDERS' EQUITY | | | | |
| Capital stock | 25,938.8 | 25,938.8 | - | - |
| Accumulated deficit | (6,165.6) | (5,196.3) | (969.3) | (18.65) |
| Other comprehensive loss | (774.2) | (2,091.9) | 1,317.7 | 62.99 |
| Controlling interest | 18,999.0 | 18,650.6 | 348.4 | 1.87 |
| Non-controlling interest | - | - | - | - |
| TOTAL STOCKHOLDERS' EQUITY | 18,999.0 | 18,650.6 | 348.4 | 1.87 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | 54,921.2 | 52,661.3 | 2,259.9 | 4.29 |

COVIQSA

Concesionaria de Vías Irapuato Querétaro S.A. de C.V.
COMPARATIVE STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)
From October 1 to December 31 of:
(MXN million)

| | | | | | Cumulative | | | |
|---|--------|---------|-----------|----------|------------|---------|-----------|----------|
| | 2013 | 2012 | Variation | % | 2013 | 2012 | Variation | % |
| TOTAL REVENUES | 188.4 | 46.7 | 141.7 | 303.43 | 795.9 | 689.2 | 106.7 | 15.48 |
| Shadow toll payments from the SCT | 142.6 | 4.5 | 138.1 | 3,068.89 | 613.5 | 511.2 | 102.3 | 20.01 |
| Availability payments from the SCT | 45.3 | 42.2 | 3.1 | 7.35 | 181.4 | 178.0 | 3.4 | 1.91 |
| Ancillary revenues from the use of rights of way | 0.5 | - | 0.5 | 100.00 | 1.0 | - | 1.0 | 100.00 |
| Total toll and other concession revenues | 188.4 | 46.7 | 141.7 | 303.43 | 795.9 | 689.2 | 106.7 | 15.48 |
| COSTS AND EXPENSES | 37.5 | 130.9 | (93.4) | (71.35) | 224.1 | 322.3 | (98.2) | (30.47) |
| Amortization of assets derived from the concessions | 30.2 | 29.3 | 0.9 | 3.07 | 120.9 | 117.2 | 3.7 | 3.16 |
| Operation and maintenance provisions | 0.6 | 91.9 | (91.3) | (99.35) | 74.7 | 184.6 | (109.9) | (59.53) |
| Toll collection costs | 1.9 | 4.3 | (2.4) | (55.81) | 6.9 | 9.6 | (2.7) | (28.13) |
| General and administrative expenses | 4.8 | 5.4 | (0.6) | (11.11) | 21.6 | 10.9 | 10.7 | 98.17 |
| INCOME BEFORE OTHER INCOME (EXPENSES)-NET | 150.9 | (84.2) | 235.1 | 279.22 | 571.8 | 366.9 | 204.9 | 55.85 |
| Other income (expenses)-net | 4.2 | (249.3) | 253.5 | 101.68 | 71.9 | (246.0) | 317.9 | 129.23 |
| INCOME (LOSS) FROM OPERATIONS | 155.1 | (333.5) | 488.6 | 146.51 | 643.7 | 120.9 | 522.8 | 432.42 |
| Net financing cost | 11.0 | 42.3 | (31.3) | (74.00) | 72.1 | 145.8 | (73.7) | (50.55) |
| Interest expense | 29.6 | 50.9 | (21.3) | (41.85) | 125.0 | 160.2 | (35.2) | (21.97) |
| Premiums and interest on financing | 18.8 | 21.8 | (3.0) | (13.76) | 81.8 | 89.8 | (8.0) | (8.91) |
| Interest on derivative financial instruments | - | 22.4 | (22.4) | (100.00) | - | 34.4 | (34.4) | (100.00) |
| Effects of valuation of derivative financial instruments | 0.1 | 0.3 | (0.2) | (66.67) | 0.6 | 0.3 | 0.3 | 100.00 |
| Unwind and restructure of derivative financial instruments | - | (2.9) | 2.9 | (100.00) | - | (2.9) | 2.9 | (100.00) |
| Amortization of premiums and debt expenses | 0.8 | 0.5 | 0.3 | 60.00 | 3.1 | - | 3.1 | 100.00 |
| Major maintenance interests | 9.9 | 8.8 | 1.1 | 12.50 | 39.5 | 38.6 | 0.9 | 2.33 |
| Interest income | (18.6) | (8.5) | (10.1) | (118.82) | (52.9) | (14.1) | (38.8) | (275.18) |
| Investments interest | (18.6) | (8.5) | (10.1) | (118.82) | (52.9) | (14.1) | (38.8) | (275.18) |
| Net foreign exchange (loss) income | - | (0.1) | 0.1 | (100.00) | - | (0.3) | 0.3 | (100.00) |
| INCOME (LOSS) BEFORE INCOME TAXES | 144.1 | (375.8) | 519.9 | 138.34 | 571.6 | (24.9) | 596.5 | 2,395.58 |
| INCOME TAXES (BENEFIT) | 39.8 | (94.0) | 133.8 | 142.34 | 157.1 | (14.7) | 171.8 | 1,168.71 |
| NET INCOME (LOSS) FOR THE PERIOD | 104.3 | (281.8) | 386.1 | 137.01 | 414.5 | (10.2) | 424.7 | 4,163.73 |
| Other comprehensive income / (loss) items | | | | | | | | |
| Items that will be reclassified subsequently to profit or loss: | | | | | | | | |
| Valuation of derivative financial instruments | - | (26.3) | 26.3 | (100.00) | - | (15.3) | 15.3 | (100.00) |
| Deferred income taxes of derivative financial instruments | - | 5.4 | (5.4) | (100.00) | - | 2.4 | (2.4) | (100.00) |
| COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD | 104.3 | (302.7) | 407.0 | 134.46 | 414.5 | (23.1) | 437.6 | 1,894.37 |
| Consolidated net income (loss): | | | | | | | | |
| CONTROLLING INTEREST INCOME | 104.3 | (281.8) | 386.1 | 137.01 | 414.5 | (10.2) | 424.7 | 4,163.73 |
| NON-CONTROLLING INTEREST INCOME | - | - | - | - | - | - | - | - |
| Comprehensive income (loss) net for: | | | | | | | | |
| CONTROLLING INTEREST INCOME | 104.3 | (302.7) | 407.0 | 134.46 | 414.5 | (23.1) | 437.6 | 1,894.37 |
| NON-CONTROLLING INTEREST INCOME | - | - | - | - | - | - | - | - |

**Concesionaria de Vías Irapuato Querétaro S.A. de C.V.
COMPARATIVE STATEMENTS OF FINANCIAL POSITION AT**

(MXN million)

| | <u>December 2013</u> | <u>December 2012</u> | <u>Variation</u> | <u>%</u> |
|--|----------------------|----------------------|------------------|---------------|
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 435.0 | 335.5 | 99.5 | 29.66 |
| Trade accounts receivable | 231.2 | 442.0 | (210.8) | (47.69) |
| Recoverable taxes | 5.0 | 46.2 | (41.2) | (89.18) |
| Accounts receivable to related parties | 848.3 | 0.2 | 848.1 | 424,050.00 |
| Financial asset-current portion | 258.5 | 369.1 | (110.6) | (29.96) |
| Other accounts receivable and prepaid expenses | 2.7 | 7.1 | (4.4) | (61.97) |
| Total current assets | 1,780.7 | 1,200.1 | 580.6 | 48.38 |
| Non-current assets | | | | |
| Long-term restricted cash | 41.0 | 39.5 | 1.5 | 3.80 |
| Financial asset derived from the concessions - long-term portion | 485.1 | 575.9 | (90.8) | (15.77) |
| Intangible assets derived from the concessions | 1,762.0 | 1,883.0 | (121.0) | (6.43) |
| Derivate financial instruments | 0.1 | 0.4 | (0.3) | (75.00) |
| Total non-current assets | 2,288.2 | 2,498.8 | (210.6) | (8.43) |
| TOTAL ASSETS | 4,068.9 | 3,698.9 | 370.0 | 10.00 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | |
| Current liabilities | | | | |
| Accounts payable to suppliers | 270.1 | 2.1 | 268.0 | 12,761.90 |
| Interest payable | 6.5 | 7.9 | (1.4) | (17.72) |
| Other current liabilities | 2.1 | - | 2.1 | 100.00 |
| Provisions | 93.1 | 102.0 | (8.9) | (8.73) |
| Accounts payable to related parties | 19.1 | 399.0 | (379.9) | (95.21) |
| Current portion of long-term debt | 75.1 | 51.4 | 23.7 | 46.11 |
| Taxes other than income taxes | 36.4 | 43.3 | (6.9) | (15.94) |
| Income taxes payable | 135.5 | - | 135.5 | 100.00 |
| Total current liabilities | 637.9 | 605.7 | 32.2 | 5.32 |
| Non-current liabilities | | | | |
| Long-term debt | 1,034.6 | 1,105.4 | (70.8) | (6.40) |
| Provisions for major maintenance | 37.8 | 22.9 | 14.9 | 65.07 |
| Deferred income tax liability | 155.1 | 176.0 | (20.9) | (11.88) |
| Total non-current liabilities | 1,227.5 | 1,304.3 | (76.8) | (5.89) |
| TOTAL LIABILITIES | 1,865.4 | 1,910.0 | (44.6) | (2.34) |
| STOCKHOLDERS' EQUITY | | | | |
| Capital stock | 1,226.7 | 1,226.7 | - | - |
| Accumulated deficit | 976.8 | 562.2 | 414.6 | 73.75 |
| TOTAL STOCKHOLDERS' EQUITY | 2,203.5 | 1,788.9 | 414.6 | 23.18 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | 4,068.9 | 3,698.9 | 370.0 | 10.00 |

CONIPSA

Concesionaria Irapuato La Piedad S.A. de C.V.
COMPARATIVE STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)
From October 1 to December 31 of:

(MXN million)

| | | | | | Cumulative | | | |
|--|--------|--------|-----------|------------|------------|-------|-----------|----------|
| | 2013 | 2012 | Variation | % | 2013 | 2012 | Variation | % |
| TOTAL REVENUES | 56.2 | 47.0 | 9.2 | 19.57 | 227.4 | 223.3 | 4.1 | 1.84 |
| Shadow toll payments from the SCT | 4.4 | 4.6 | (0.2) | (4.35) | 20.2 | 22.1 | (1.9) | (8.60) |
| Availability payments from the SCT | 51.8 | 42.4 | 9.4 | 22.17 | 207.2 | 201.2 | 6.0 | 2.98 |
| Total toll and other concession revenues | 56.2 | 47.0 | 9.2 | 19.57 | 227.4 | 223.3 | 4.1 | 1.84 |
| COSTS AND EXPENSES | 32.7 | 49.0 | (16.3) | (33.27) | 117.9 | 104.9 | 13.0 | 12.39 |
| Amortization of assets derived from the concessions | 1.5 | 1.5 | - | - | 6.0 | 5.9 | 0.1 | 1.69 |
| Operation and maintenance provisions | 27.8 | 42.0 | (14.2) | (33.81) | 96.9 | 86.2 | 10.7 | 12.41 |
| Toll collection costs | 0.8 | 1.4 | (0.6) | (42.86) | 4.2 | 4.2 | - | - |
| General and administrative expenses | 2.6 | 4.1 | (1.5) | (36.59) | 10.8 | 8.6 | 2.2 | 25.58 |
| INCOME BEFORE OTHER INCOME (EXPENSES)-NET | 23.5 | (2.0) | 25.5 | 1,275.00 | 109.5 | 118.4 | (8.9) | (7.52) |
| Other income (expenses)-net | 10.7 | (9.7) | 20.4 | 210.31 | 12.1 | (8.2) | 20.3 | 247.56 |
| INCOME (LOSS) FROM OPERATIONS | 34.2 | (11.7) | 45.9 | 392.31 | 121.6 | 110.2 | 11.4 | 10.34 |
| Net financing cost | 12.9 | 30.5 | (17.6) | (57.70) | 55.2 | 60.1 | (4.9) | (8.15) |
| Interests expense | 14.7 | 31.9 | (17.2) | (53.92) | 61.5 | 65.7 | (4.2) | (6.39) |
| Premiums and interests on financing | 6.9 | 8.6 | (1.7) | (19.77) | 30.3 | 35.5 | (5.2) | (14.65) |
| Effects of valuation of derivative financial instruments | - | - | - | - | 0.1 | 0.1 | - | - |
| Major maintenance interests | 7.8 | 23.3 | (15.5) | (66.52) | 31.1 | 30.1 | 1.0 | 3.32 |
| Interest income | (1.8) | (1.4) | (0.4) | (28.57) | (6.4) | (5.6) | (0.8) | (14.29) |
| Investments interest | (1.8) | (1.4) | (0.4) | (28.57) | (6.4) | (5.6) | (0.8) | (14.29) |
| Net foreign exchange (loss) income | - | - | - | - | 0.1 | - | 0.1 | 100.00 |
| INCOME (LOSS) BEFORE INCOME TAXES | 21.3 | (42.2) | 63.5 | 150.47 | 66.4 | 50.1 | 16.3 | 32.53 |
| INCOME TAXES (BENEFIT) | (69.5) | (1.5) | (68.0) | (4,533.33) | (62.0) | 10.8 | (72.8) | (674.07) |
| NET INCOME (LOSS) FOR THE PERIOD | 90.8 | (40.7) | 131.5 | 323.10 | 128.4 | 39.3 | 89.1 | 226.72 |

Concesionaria Irapuato La Piedad S.A. de C.V.
COMPARATIVE STATEMENTS OF FINANCIAL POSITION AT

(MXN million)

| | <u>December 2013</u> | <u>December 2012</u> | <u>Variation</u> | <u>%</u> |
|--|----------------------|----------------------|------------------|----------------|
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 106.3 | 85.9 | 20.4 | 23.75 |
| Trade accounts receivable | 60.7 | 59.5 | 1.2 | 2.02 |
| Recoverable taxes | 11.2 | 11.2 | - | - |
| Accounts receivable to related parties | 11.9 | 10.7 | 1.2 | 11.21 |
| Financial asset-current portion | 200.5 | 195.0 | 5.5 | 2.82 |
| Other accounts receivable and prepaid expenses | 2.4 | 13.5 | (11.1) | (82.22) |
| Total current assets | 393.0 | 375.8 | 17.2 | 23.75 |
| Non-current assets | | | | |
| Long-term restricted cash | 46.3 | 44.5 | 1.8 | 4.04 |
| Financial asset derived from the concessions - long-term portion | 488.9 | 468.6 | 20.3 | 4.33 |
| Intangible assets derived from the concessions | 77.9 | 83.9 | (6.0) | (7.15) |
| Furniture and equipment | 0.3 | 0.3 | - | - |
| Total non-current assets | 613.4 | 597.3 | 16.1 | 2.70 |
| TOTAL ASSETS | 1,006.4 | 973.1 | 33.3 | 3.42 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | |
| Current liabilities | | | | |
| Accounts payable to suppliers | 0.3 | 1.1 | (0.8) | (72.73) |
| Interest payable | 2.4 | 3.1 | (0.7) | (22.58) |
| Other current liabilities | 0.5 | - | 0.5 | 100.00 |
| Provisions | 58.9 | 61.0 | (2.1) | (3.44) |
| Accounts payable to related parties | 2.1 | 6.0 | (3.9) | (65.00) |
| Current portion of long-term debt | 58.0 | 53.0 | 5.0 | 9.43 |
| Taxes other than income taxes | 8.7 | 18.9 | (10.2) | (53.97) |
| Total current liabilities | 130.9 | 143.1 | (12.2) | (8.53) |
| Non-current liabilities | | | | |
| Long-term debt | 324.8 | 382.0 | (57.2) | (14.97) |
| Provision for major maintenance | 46.0 | 36.5 | 9.5 | 26.03 |
| Deferred income tax liability | 25.5 | - | 25.5 | 100.00 |
| Deferred business flat tax liability | - | 96.7 | (96.7) | (100.00) |
| Total non-current liabilities | 396.3 | 515.2 | (118.9) | (23.08) |
| TOTAL LIABILITIES | 527.2 | 658.3 | (131.1) | (19.91) |
| STOCKHOLDERS' EQUITY | | | | |
| Capital stock | 228.4 | 228.4 | - | - |
| Accumulated deficit | 250.8 | 86.4 | 164.4 | 190.28 |
| TOTAL STOCKHOLDERS' EQUITY | 479.2 | 314.8 | 164.4 | 52.22 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | 1,006.4 | 973.1 | 33.3 | 3.42 |

GLOSSARY

“Adjusted EBITDA” means the sum of (a) EBITDA plus (b) the Major Maintenance Provision.

“Adjusted EBITDA Margin” means the ratio between (a) Adjusted EBITDA and (b) total toll and other concession revenues.

“ADT” means Average Daily Traffic, or the ratio between (a) traffic to (b) the number of days in a given period of time. Traffic is the number of vehicle crossings in toll plazas or free toll roads in a given period of time.

“Ancillary Revenue from the Use of Right of Way” means the revenues generated by the businesses operated by the Company alongside its toll roads, such as restaurants and convenience stores; the fees charged to vendors for the business they operate alongside the toll roads, such as convenience stores and gas stations; and the easement fees charged to other third parties for the installation or construction of water and gas pipelines, power lines and telecommunications and other infrastructure on land adjacent to the toll roads.

“Availability Payments from the SCT” means the amounts in cash payable by the SCT to each of CONIPSA and COVIQSA upon satisfaction of the requirements set forth in the relevant PPS Agreement.

“Banobras” means Banco Nacional de Obras y Servicios Públicos S.N.C., the Mexican development bank responsible for promoting and financing infrastructure projects and public services.

“Banobras Loan”: new credit facility with Banobras dated on October,8 2013 for a total amount of MXN 7,135.5 million due 2032.

“BMV” means the Mexican Stock Exchange (*Bolsa Mexicana de Valores S.A.B. de C.V.*).

“CBs” means the long-term debt securities (*Certificados Bursátiles -CBs Pesos-*) issued by the Company on September 12, 2012, and the additional, UDI-denominated (*Certificados Bursátiles -CBs UDI-*) issued by the Company on June 27, 2013, whose principal terms are as follows:

| | | |
|------------------------------|--|---|
| Issuer | Red de Carreteras de Occidente S.A.B. de C.V. | |
| Type | Long-term Debt Securities | |
| Rating | mxAAA by S&P; AAA(mex) by Fitch. | |
| Guarantee | Debt Service Reserve for Certificados Bursátiles | |
| | Banobras first losses partial guarantee over 6.5% from unpaid balance. | |
| | Nominal fixed interest rate | Real interest rate |
| Issuance amount | MXN \$2.84 billion | MXN \$7.49 billion; 1,481,044,500.00 UDI |
| Denomination | Pesos | UDI |
| Type of interest rate | Fija | Fixed |
| Coupon | 9.00% | 5.25% |
| Legal term | 15 years | 20 years |
| Average term | 11 years | 14 years |
| Amortization schedule | Year 7 a 15 | Year 7 a 20 |

“CONIPSA” means Concesionaria Irapuato La Piedad, S.A. de C.V.

“CONIPSA Concession Agreement” means the September 12, 2005 concession title (*Título de Concesión*) issued by the Federal Government, through the SCT, which entitles CONIPSA to (i) operate, preserve and maintain a 73.520

km federal toll-free road otherwise known as the “Irapuato-La Piedad” highway, which extends from the junction between the Querétaro-Irapuato and the Irapuato-La Piedad toll roads to the junction with the La Piedad de Cabadas bypass at kilometer 76+520 in the State of Guanajuato, and (ii) expand and rehabilitate the Irapuato-La Piedad highway and enter into a PPS Agreement with the Mexican Federal Government in respect thereto, for a 20 year period beginning on the aforementioned date.

“**CONIPSA Loan**” means the MXN 580 million loan granted to CONIPSA for purposes of the completion of the Expansion Works and the Rehabilitation Works contemplated by the CONIPSA Concession Agreement and the relevant PPS Agreement.

“**COVIQSA**” means Concesionaria de Vías Irapuato Querétaro S.A. de C.V.

“**COVIQSA Concession Agreement**” means the June 21, 2006 concession title (*Título de Concesión*) issued by the Federal Government, through the SCT, which entitles COVIQSA to (i) operate, preserve and maintain a 92.979 km federal toll-free road located in the states of Querétaro and Guanajuato, (ii) expand and rehabilitate Irapuato-Queretaro highway, and enter into a PPS Agreement with the Mexican Federal Government in respect thereto, for a 20 year period beginning on the aforementioned date.

“**COVIQSA Loan**” means the MXN 1.2 billion loan granted to COVIQSA for purposes of the completion of the Rehabilitation Works contemplated by the COVIQSA Concession Agreement and the relevant PPS Agreement.

“**Debt Service Coverage Ratio**” means DSCR, or the ratio between (a) the amount available for debt service purposes and (b) the adjusted interest expense plus principal amortizations, where:

- A. **Amount available for debt service purposes** is the sum of (a) the Adjusted EBITDA, (b) the available cash and (c) the net prepayment, divided by the amount disbursed under the existing credit facilities. The available cash is equal to FARAC I’s cash and cash equivalents as of the beginning of the relevant period, net of the amounts held in the Expansion Project Trust and the amounts that cannot be used to pay the adjusted interest expenses; and
- B. **Adjusted interest expense** is FARAC I’s Interest expense, net of the costs associated with the cancellation of derivative financial instruments and certain non-cash interest expense items.

“**EBITDA**” means the sum of (a) earnings before interest and income taxes, plus (b) depreciation and amortization; calculated for RCO as income from operations plus depreciation and amortization.

“**EBITDA Margin**” means the ratio between (a) EBITDA and (b) total toll and other concession revenues.

“**EMISNET**” means the data transmission system operated by the BMV, through which listed companies relay, via the Internet, relevant news and financial reports to the BMV’s web page.

“**EPS**” means earnings per share, or the ratio between (a) consolidated net income and (b) the weighted average number of common shares outstanding during a given year.

“**Expansion Project Trust**” means Administration Trust No. F/300209 (formerly known as Trust No. F/882), pursuant to which the Company contributed MXN 1.5 billion as security for the performance of its obligations under the FARAC I Concession Agreement, including its obligation to carry out the Expansion Works in accordance with the terms and specifications set forth in the relevant executive plan, subject to the delivery of the applicable Right of Way by the SCT.

“**FARAC**” means the Mexican National Infrastructure Fund (*Fondo Nacional de Infraestructura*), formerly known as the Concessioned Highways Rescue Trust (*Fideicomiso de Apoyo para el Rescate de Autopistas Concesionadas*).

“FARAC I” means the first set of toll roads auctioned off by the FARAC, namely (i) the Guadalajara-Zapotlanejo highway, (ii) the Maravatío-Zapotlanejo highway, (iii) the Zapotlanejo-Lagos de Moreno highway, and (iv) the León-Aguascalientes highway.

“FARAC I Acquisition Loan” means the MXN 31.0 billion loan granted to RCO for purposes of the acquisition of the FARAC I Concession Agreement.

“FARAC I Capex Loans” means:

- A. The original MXN 3.0 billion Capex loan granted to RCO to finance the cost of the initial road improvements required by the SCT, and of major maintenance expenses; and
- B. The 2012 MXN 500.0 million Capex loan granted to RCO by HSBC to finance the toll roads’ major maintenance expenses.

“FARAC I Concession Agreement” means the concession title (*Título de Concesión*) pursuant to which the Company has the right and obligation to build, operate, exploit, enhance and maintain (i) the Guadalajara-Zapotlanejo, (ii) the Maravatío-Zapotlanejo, (iii) the Zapotlanejo-Lagos de Moreno and (iv) the León-Aguascalientes toll roads, and to build and maintain the Expansion Works, for a period of 30 years beginning on the date of award of the concession.

“FARAC I Expansion Works” or **“Expansion Works”** means the construction works contemplated by the FARAC I Concession Agreement.

“IFRS” means International Financial Reporting Standards.

“Income from Operations Margin” means the ratio between (a) income from operations to (b) total toll and other concession revenues.

“Major Maintenance Provision” means the amount recognized by the Company on account of the anticipated maintenance cost of the roads under concession, which affects the Company’s results from the commencement of operations of a highway. Amounts are provisioned through the date the maintenance and/or repair work is performed. Amounts for maintenance are recognized at present value over five years, as required by IAS 37, “Provisions, Contingent Liabilities and Contingent Assets,” and IFRIC 12.

“NCPI” means the Mexican National Consumer Price Index (*Índice Nacional de Precios al Consumidor*).

“Phase I of the Rehabilitation Works” means the construction works required to achieve the toll-road standards established by the SCT, taking into consideration the initial road conditions.

“PPS Agreement” means, as the case may be, the agreement between COVIQSA or CONIPSA and the Mexican Federal Government, acting through the SCT, pursuant to which the SCT has agreed to make availability payments in exchange for the supply of highway capacity and operation services to, and shadow toll payments based on the number of vehicles that use the Toll-Free Roads operated by COVIQSA or CONIPSA, as the case may be.

“RCO,” the **“Concessionaire”** or the **“Company”** means Red de Carreteras de Occidente S.A.B. de C.V.

“Right of Way” means the strip of land located alongside the Company’s highways, necessary to carry out the Expansion Works pursuant to the FARAC I Concession Agreement, which must be secured and delivered to the Company by the SCT.

“SCT” means the Mexican Ministry of Communications and Transportation (*Secretaría de Comunicaciones y Transportes*).

“Second Amendment to the PPS Agreement” means the second amendment to the PPS Agreement for the provision of long- term highway capacity on the Querétaro-Irapuato toll-free road (COVIQSA), which amended the payment mechanism and financial model contemplated by such PPS agreement.

“Senior Loan Agreement” means the Amended and Restated Loan Agreement among the Issuer, the Senior Lenders and the Administrative Agent.

“Senior Notes” means the 9.00% preferred debt securities in the principal amount of MXN 7,500,000,000 (seven billion five hundred million Mexican pesos), due 2028, issued by the Company on May 30, 2013 pursuant to Rule 144A and Regulation S of the U.S. Securities Act of 1933. Interest on the Senior Notes are payable semi-annually.

“Shadow toll payments from the SCT” means, as with respect to CONIPSA and/or COVIQSA, the traffic payments received from the SCT in respect of the Irapuato-La Piedad and Querétaro-Irapuato highways pursuant to the relevant PPS agreement. COVIQSA entered into an amendment agreement to the long-term PPS, dated June 21, 2006 (subsequently amended on June 23, 2011) to calculate the payments under the agreement, establishing a maximum quarterly payment amount of MXN 192,458,878.0, to be adjusted by inflation.

“Toll revenues” means the revenues derived from the use of the toll roads.

“Toll-free Roads” means the Querétaro-Irapuato highway (COVIQSA) and the Irapuato-La Piedad highway (CONIPSA).

“Total toll and other concession revenues” means the sum of (a) the toll revenues, (b) the shadow toll payments from the SCT, (c) the availability payments from the SCT and (d) the ancillary revenue from the use of Right of Way.

“UDIs” means Mexican Investment Units (*Unidades de Inversión*), which are inflation indexed currency units.