



**QUARTERLY REPORT
1Q2016**

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

Relevant events during the period.

- RCO presented the following 1Q2016 results:
 - 14.30% increase in total toll revenues and other income.
 - 16.41% increase in Adjusted EBITDA.
 - 90.28% Adjusted EBITDA margin.
 - 12.52%, 3.38% and 7.11% increase in Average Daily Traffic (ADT) for FARAC I, COVIQSA and CONIPSA respectively.
- On February 26th, 2016 CONIPSA fully prepaid the syndicated loan that it had with Banobras, Santander and Banorte of MXN \$266.8 million with maturity on 2019, through a new loan of MXN \$266.8 million granted by Santander and Banorte with maturity on 2024.
- At the ordinary general meeting of February 25th 2016, RCO shareholders approved reimbursements to the variable portion of the Capital stock of the company for MXN \$420.0 million, following the recommendation by the company's Board of Directors by unanimous resolutions on February 3th, 2016.
- On March 10th 2016, RCO executed a capital reimbursement of MXN \$1,499.8 million *pro rata* to all shareholders, and in case of Series "B", through Indeval. Throughout this last reimbursement and along with reimbursements executed during 2015, all approved reductions to the variable portion of the Capital Stock have been paid.

Consolidated Financial Information for 1Q2016 and 1Q2015.

(MXN million)	Revenue, Income from operations and EBITDA			Cumulative		
	1Q2016	1Q2015	% Var	2016	2015	% Var
Total toll and other concession revenues ¹	1,703.6	1,490.4	14.30%	1,703.6	1,490.4	14.30%
Construction revenues	155.3	14.1	1,001.42%	155.3	14.1	1,001.42%
Total revenues	1,858.9	1,504.5	23.56%	1,858.9	1,504.5	23.56%
Costs and expenses (without construction costs)	551.6	473.3	16.54%	551.6	473.3	16.54%
Construction costs	155.3	14.1	1,001.42%	155.3	14.1	1,001.42%
Total costs and expenses	706.9	487.4	45.03%	706.9	487.4	45.03%
Income before other income -net	1,152.0	1,017.1	13.26%	1,152.0	1,017.1	13.26%
Other income -net	10.4	9.2	13.04%	10.4	9.2	13.04%
Income from operations	1,162.4	1,026.3	13.26%	1,162.4	1,026.3	13.26%
EBITDA	1,373.4	1,228.5	11.79%	1,373.4	1,228.5	11.79%
Adjusted EBITDA	1,538.0	1,321.2	16.41%	1,538.0	1,321.2	16.41%
Income from operations margin	68.23%	68.86%		68.23%	68.86%	
EBITDA margin	80.62%	82.43%		80.62%	82.43%	
Adjusted EBITDA margin	90.28%	88.65%		90.28%	88.65%	

¹ Total toll and other concession revenues exclude Construction revenues.

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 unaudited financial results as of March 31st, 2016.

The Company's unaudited consolidated condensed financial statements as of March 31st, 2016, have been prepared in accordance with the current International Accounting Standard ("IAS") 34 current "Interim Financial Information". The accounting policies are the same used in the latest audited consolidated financial statements.

Selected Financial Information and Key Indicators.

Key indicators		1Q2016	1Q2015	% Var	Cumulative		% Var
Revenue by road (MXN million) / Toll Revenues					2016	2015	
FARAC I ¹	Guadalajara-Zapotlanejo	184.0	163.7	12.41%	184.0	163.7	12.41%
	Maravatio-Zapotlanejo	485.3	411.7	17.86%	485.3	411.7	17.86%
	Zapotlanejo-Lagos	392.1	343.5	14.12%	392.1	343.5	14.12%
	León -Aguascalientes	315.2	276.7	13.91%	315.2	276.7	13.91%
	Total FARAC I²	1,376.6	1,195.7	15.13%	1,376.6	1,195.7	15.13%
COVIQSA	Irapuato-Querétaro	218.9	212.9	2.82%	218.9	212.9	2.82%
CONIPSA	Irapuato-La Piedad	67.3	63.4	6.15%	67.3	63.4	6.15%
Average daily traffic (ADT)							
By road stretch							
FARAC I	Guadalajara-Zapotlanejo	35,796.0	32,807.3	9.11%	35,796.0	32,807.3	9.11%
	Maravatio-Zapotlanejo	9,194.5	7,982.5	15.18%	9,194.5	7,982.5	15.18%
	Zapotlanejo-Lagos	13,475.4	12,115.1	11.23%	13,475.4	12,115.1	11.23%
	León -Aguascalientes	12,260.8	11,054.4	10.91%	12,260.8	11,054.4	10.91%
	By type of vehicle						
	Buses	796.6	759.3	4.91%	796.6	759.3	4.91%
	Trucks	3,452.5	3,198.1	7.96%	3,452.5	3,198.1	7.96%
	Cars	7,664.4	6,631.0	15.58%	7,664.4	6,631.0	15.58%
	Weighted average Total³	11,913.6	10,588.4	12.52%	11,913.6	10,588.4	12.52%
COVIQSA	Irapuato-Querétaro	39,760.0	38,458.8	3.38%	39,760.0	38,458.8	3.38%
CONIPSA	Irapuato-La Piedad	22,452.5	20,962.2	7.11%	22,452.5	20,962.2	7.11%
Consolidated results (MXN million)							
	Total toll and other concession revenues ⁴	1,703.6	1,490.4	14.30%	1,703.6	1,490.4	14.30%
	Income from operations	1,162.4	1,026.3	13.26%	1,162.4	1,026.3	13.26%
	EBITDA	1,373.4	1,228.5	11.79%	1,373.4	1,228.5	11.79%
	Adjusted EBITDA	1,538.0	1,321.2	16.41%	1,538.0	1,321.2	16.41%
	Long-term debt ⁵				37,714.4	37,404.1	0.83%
	Stockholders' equity ⁵				16,849.9	17,050.0	(1.17%)

¹ Does not include: (i) ancillary revenues from the use of Right of Way and (ii) Construction revenues.

² Data extracted from daily operations system, there is a difference in timing compared to the accounting records.

³ According to each road's kilometers.

⁴ Total toll and other concession revenues exclude Construction revenues.

⁵ Cumulative figures for 2016, correspond to the balance sheet as of the end of March 2016. Cumulative figures for 2015, correspond to the balance sheet as of December 2015.

- **Revenues.** Total toll and other concession revenues for 1Q2016 were MXN \$1,703.6 million, which represented a 14.30% increase from MXN \$1,490.4 million in 1Q2015. Consolidated total revenues are comprised of:

- **Toll revenues (FARAC I)**, which increased by 15.20% during 1Q2016 as compared to 1Q2015, to MXN \$1,376.3 million; this increase is mainly due to (i) an increase in toll rates based on inflation, (ii) vehicle mix, and (iii) the Easter holiday period took place during 1Q2016, while during 2015 the initial days of Easter holiday period began during the last two days of 1Q2015 and lasted for the first five days of 2Q2015. During 1Q2016, the ADT of FARAC I increased by 12.52% as compared to 1Q2015 where buses, trucks and cars increased by 4.91%, 7.96% and 15.58%, respectively.
- **Shadow toll payments from the SCT (CONIPSA/COVIQSA)**, comprised of the shadow toll payments from the SCT for toll-free roads Irapuato - La Piedad and Querétaro - Irapuato, pursuant to PPS agreements. The registered amount increased by MXN \$13.5 million to MXN \$187.3 million in 1Q2016 from MXN \$173.8 million in 1Q2015.
- **Availability Payments from the SCT (CONIPSA/COVIQSA)**, comprised of Availability Payments made by the SCT (financial asset) for toll-free roads Irapuato - La Piedad and Querétaro - Irapuato, pursuant to PPS agreements. The registered amount decreased by MXN \$4.4 million to MXN \$97.8 million in 1Q2016 as compared to MXN \$102.2 million in 1Q2015.
- **Ancillary revenue from the use of right of way and other related revenues**, revenues generated by the businesses operated by RCO 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. For 1Q2016 were MXN \$42.2 million, an increase of MXN \$22.5 million from 1Q2015.

The amount of construction revenues and expenses are derived from the Expansion Works executed in FARAC I. Therefore, the revenue is equivalent to the incurred cost of the Expansion Work Jiquilpan - La Barca and the Expansion Work Zacapu / Maravatío - Zapotlanejo; both works represent an increase to the value of intangible assets derived from the concessions and have a zero net effect on the Company's results. For 1Q2016 this amount represent an increase of \$141.2 million having registered MXN \$155.3 million, as compared to MXN \$14.1 million in 1Q2015.

- **Costs and expenses (excluding construction costs)**. Total costs and expenses for 1Q2016 were MXN \$551.6 million, an increase of MXN \$78.3 million as compared to 1Q2015, mainly due to an increase of the estimates of the Major Maintenance expenses, as compared to the previous period. This costs and expenses are comprised of:
 - **Amortization of assets derived from the concessions**, which increased by MXN \$4.2 million to MXN \$205.2 million as compared to 1Q2015.
 - **Operation and maintenance provisions**, which increased by MXN \$74.8 million during 1Q2016 as compared to 1Q2015, mainly due to an increase on the estimates of the Major Maintenance expenses, as compared to the previous period.
 - **Toll collection costs**, which decreased to MXN \$26.2 million during 1Q2016, or MXN \$0.6 million as compared to 1Q2015.
 - **Cost of ancillary revenue from the use of right of way and other related revenues**, increased by MXN \$15.3 million during 1Q2016 as compared to MXN \$6.1 million during 1Q2015, mainly due to an increase in the cost of ancillary services.
 - **General and administrative expenses**, which decrease by MXN \$15.4 million to MXN \$85.9 million during 1Q2016 from MXN \$101.3 million during 1Q2015.
- **Other income net**. Other income for 1Q2016 was MXN \$10.4 million, an increase of MXN \$1.2 million compared to MXN \$9.2 million during 1Q2015.

- **EBITDA.** EBITDA increased by MXN \$144.9 million, to MXN \$1,373.4 million in 1Q2016 from MXN \$1,228.5 million in 1Q2015.
- **Adjusted EBITDA.** Adjusted EBITDA increased by MXN \$216.8 million, to MXN \$1,538.0 million in 1Q2016 from MXN \$1,321.2 million in 1Q2015.

Net financing cost, income taxes, and net income for the period.

Net financing cost, income taxes and Consolidated net income for the period						
(MXN million)				Cumulative		
	1Q2016	1Q2015	% Var	2016	2015	% Var
Income from operations	1,162.4	1,026.3	13.26%	1,162.4	1,026.3	13.26%
Net financing cost	978.1	889.7	9.94%	978.1	889.7	9.94%
Interest expense	939.3	891.3	5.39%	939.3	891.3	5.39%
Adjustments to principal amount of UDI denominated debt	93.6	40.6	130.54%	93.6	40.6	130.54%
Interest income	(54.9)	(42.3)	(29.79%)	(54.9)	(42.3)	(29.79%)
Net foreign exchange loss	0.1	0.1	-	0.1	0.1	-
Income before income taxes	184.3	136.6	34.92%	184.3	136.6	34.92%
Income taxes (benefit)	(33.3)	(6.0)	(455.00%)	(33.3)	(6.0)	(455.00%)
Consolidated net income for the period	217.6	142.6	52.59%	217.6	142.6	52.59%

- **Net financing cost.** During 1Q2016, the net financing cost increased by MXN \$88.4 million as compared to 1Q2015, comprised of:
 1. **Interest expense**, during 1Q2016 increased by MXN \$48.0 million as compared to 1Q2015, mainly due to the following increases: (i) MXN \$21.5 million in premiums and interest on financing, (ii) MXN \$15.3 million increase in effects of valuation of derivative financial instruments, (iii) MXN \$3.2 million in amortization of premiums and debt, and (iv) MXN \$8.0 million in interest on major maintenance.
 2. **Adjustments to principal amount of UDI denominated debt**, due to a variation in UDI value as of 1Q2016¹, a loss of MXN \$93.6 million was registered during 1Q2016 compared to a loss of MXN \$40.6 million during 1Q2015; this variation of MXN \$53.0 million reflects the accumulated inflation of 1Q2016 as compared to 1Q2015. This line item reflects the UDI value of the CBs RCO 12U.
 3. **Interest income**, which increased by MXN \$12.6 million, to MXN \$54.9 million during 1Q2016 from MXN \$42.3 million in 1Q2015.
- **Income before income taxes.** The consolidated income before income taxes increased by MXN \$47.7 million, to MXN \$184.3 million in 1Q2016 compared to the consolidated income before taxes of MXN \$136.6 million in 1Q2015.
- **Income taxes (benefit).** During 1Q2016 the income taxes benefit was MXN \$33.3 million which increased MXN \$27.3 million from 1Q2015, primarily due to the increase in the deferred taxes balance of FARAC I, COVIQSA and CONIPSA.
- **Consolidated net income for the period.** During 1Q2016 the Company recorded a net income of MXN \$217.6 million, a MXN \$75.0 million increase over the net income of MXN \$142.6 million in 1Q2015.

¹ UDI value as of March 31st 2016 was 5.4443 compared to 5.3811 as of December 31st 2015, an increase of 1.17%; UDI value as of March 31st 2015 was 5.2977 compared to 5.2703 as of December 31st, 2014, an increase of 0.52%.¹

CASH AND LONG-TERM DEBT

- **Cash and cash equivalents.** For 1Q2016 registered MXN \$5,863.5 million, which represented a decrease of 15.31% compared to MXN \$6,923.1 million at the end of 2015, primarily due to the MXN \$1,499.8 million capital reimbursement to RCO shareholders on March 2016.
- **Long-term debt.** The long-term debt is comprised of the following nine items, (i) FARAC I CBs RCO 12 and RCO12 U, (ii) FARAC I HSBC Capex Loan, (iii) FARAC I Senior Notes, (iv) FARAC I Banobras Loan, (v) FARAC I Inbursa Loan, (vi) FARAC I CBs RCO 14, (vii) FARAC I Santander Capex Loan, (viii) COVIQSA Loan and (ix) CONIPSA Loan. In accordance with IFRS, long-term debt is presented net of fees and debt issuance costs.

As of 1Q2016, long-term debt increased by MXN \$310.3 million or 0.83%, to MXN \$37,714.4 million from MXN \$37,404.1 million at the end of 2015, primarily due to FARAC I Santander Capex Loan borrowings during 1Q2016 as well as the COVIQSA Loan, that were partially compensated with the FARAC I HSBC Capex Loan amortizations.

LIQUIDITY

The liquidity ratio (current assets/current liabilities) increased to 2.88 as of 1Q2016 compared to 2.15 at the end of 2015, mainly due to a decrease in Interest payable.

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 34.5 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 and key indicators for the period.

(MXN million)	1Q2016	1Q2015	% Var	Cumulative		
				2016	2015	% Var
Total toll and other concession revenues	1,417.3	1,214.1	16.74%	1,417.3	1,214.1	16.74%
Administrative service revenues	11.1	17.7	(37.29%)	11.1	17.7	(37.29%)
Costs and expenses (excluding construction costs)	446.1	400.4	11.41%	446.1	400.4	11.41%
Income from operations	990.7	838.8	18.11%	990.7	838.8	18.11%
EBITDA	1,162.4	1,003.3	15.86%	1,162.4	1,003.3	15.86%
Adjusted EBITDA	1,267.5	1,067.8	18.70%	1,267.5	1,067.8	18.70%
Income from operations margin	69.90%	69.09%		69.90%	69.09%	
EBITDA margin	82.02%	82.64%		82.02%	82.64%	
Adjusted EBITDA margin	89.43%	87.95%		89.43%	87.95%	
ADT by road						
Guadalajara-Zapotlanejo	35,796.0	32,807.3	9.11%	35,796.0	32,807.3	9.11%
Maravatío-Zapotlanejo	9,194.5	7,982.5	15.18%	9,194.5	7,982.5	15.18%
Zapotlanejo-Lagos	13,475.4	12,115.1	11.23%	13,475.4	12,115.1	11.23%
León -Aguascalientes	12,260.8	11,054.4	10.91%	12,260.8	11,054.4	10.91%
ADT by type of vehicle						
Buses	796.6	759.3	4.91%	796.6	759.3	4.91%
Trucks	3,452.5	3,198.1	7.96%	3,452.5	3,198.1	7.96%
Cars	7,664.4	6,631.0	15.58%	7,664.4	6,631.0	15.58%
Weighted average ADT Total FARAC I¹	11,913.6	10,588.4	12.52%	11,913.6	10,588.4	12.52%

¹ According to each road's kilometers.

- **Weighted Average Daily Traffic (ADT)**, during 1Q2016 a 12.52% increase was recorded compared to the same period of 2015, where ADT increased by 4.91% in buses, 7.96% in trucks and 15.58% in cars; these increases are mainly due to Easter holiday period, which took place during 1Q2016, while during 2015 the initial days of Easter holiday period began during the last two days of 1Q2015 and lasted for the first five days of 2Q2015.
- **Total toll and other concession revenues**, total toll and concession revenues for 1Q2016 were MXN \$1,417.3 million, an increase of MXN \$203.2 million compared to MXN \$1,214.1 million in 1Q2015. Total toll and other concession revenues are comprised of:
 - **Toll revenues**, which increased by MXN \$181.6 million to MXN \$1,376.3 million in 1Q2016 from MXN \$1,194.7 million in 1Q2015, this increase is mainly due to: (i) an increase in toll rates based on inflation, (ii) vehicle mix, and (iii) the Easter holiday period took place during 1Q2016, while during 2015 the initial days of Easter holiday period began during the last two days of 1Q2015 and lasted for the first five days of 2Q2015.
 - **Ancillary revenue from the use of right of way and other related revenues**, additional revenues generated by the businesses operated by the Company alongside its toll roads, such as restaurants

and convenience stores; during 1Q2016 increased by MXN \$21.6 million to MXN \$41.0 million from MXN \$19.4 million during 1Q2015, this increase was primarily a result of the opening of new restaurants and convenience stores including the direct operation of convenience stores, previously operated by Operadora Aero-Boutiques, S.A. de C.V.

- **Administrative services revenues.** During 1Q2016, administrative services revenues were MXN \$11.1 million. These revenues, which are eliminated in the consolidation process, represent the personnel services rendered to COVIQSA and CONIPSA by the Company's subsidiaries Prestadora de Servicios RCO and RCO Carreteras.

The amount of construction revenues and expenses are derived from the Expansion Works executed in FARAC I. Therefore, the revenue is equivalent to the incurred cost of the Expansion Work Jiquilpan - La Barca and the Expansion Work Zacapu / Maravatío - Zapotlanejo; both works represent an increase to the value of intangible assets derived from the concessions and have a zero net effect on the Company's results. For 1Q2016 this amount represent an increase of \$141.3 million having registered MXN \$155.4 million, as compared to MXN \$14.1 million in 1Q2015.

- **Costs and expenses (excluding construction costs),** total costs and expenses were MXN \$446.1 million in 1Q2016 as compared to MXN \$400.4 million in 1Q2015, comprised of:
 - **Amortization of assets derived from the concessions,** which increased by MXN \$2.9 million, to MXN \$166.4 million in 1Q2016 from MXN \$163.5 million in 1Q2015.
 - **Operation and maintenance provisions,** increased by MXN \$43.3 million during 1Q2016, mainly due to an increase on the estimate of the Major Maintenance expenses, as compared to the previous period.
 - **Toll collection costs,** which decreased by MXN \$0.6 million, to MXN \$24.6 million in 1Q2016 from MXN \$25.2 million in 1Q2015.
 - **Cost of ancillary revenue from the use of right of way and other related revenues,** increased by MXN \$15.3 million during 1Q2016 as compared to MXN \$6.1 million during 1Q2015, mainly due to an increase in the cost of ancillary services.
 - **General and administrative expenses,** which registered MXN \$84.8 million in 1Q2016 from MXN \$100.0 million in 1Q2015.
- **Other income net.** During 1Q2016, FARAC I recorded an income of MXN \$8.4 million, an increase of MXN \$1.0 million from MXN \$7.4 million during 1Q2015.
- **Income from operations.** In 1Q2016, income from operations was MXN \$990.7 million, an increase of MXN \$151.9 million compared to MXN \$838.8 million in 1Q2015, which represents an Income from Operations Margin of 69.90%².
- **EBITDA.** EBITDA for 1Q2016 increased by MXN \$159.1 million, to MXN \$1,162.4 million from MXN \$1,003.3 million in 1Q2015, which represents an EBITDA Margin of 82.02%³.
- **Adjusted EBITDA.** Adjusted EBITDA for 1Q2016 was MXN \$1,267.5 million, an increase of MXN \$199.7 million compared to MXN \$1,067.8 million from 1Q2015, which represents an Adjusted EBITDA Margin of 89.43%⁴.

² *Income from operations / Total toll and other concession revenues*

³ *EBITDA / Total toll and other concession revenues*

⁴ *Adjusted EBITDA / Total toll and other concession revenues*

- **Net financing cost.** During 1Q2016, the net financing cost increased by MXN \$78.8 million. This increase was due to the following:
 1. **Interest expense**, increased by MXN \$35.8 million primarily as a result of the following increases: (i) MXN \$22.3 million in premiums and interest on financing, (ii) MXN \$3.5 million increase in effects of valuation of derivative financial instruments, (iii) MXN \$1.9 million in amortization of premiums and debt, and (iv) MXN \$8.1 million in interest on major maintenance.
 2. **Adjustments to principal amount of UDI denominated debt**, due to a variation in UDI value as of 1Q2016⁵, a loss of MXN \$93.6 million was registered during 1Q2016, compared to a loss of MXN \$40.6 million during 1Q2015. This variation of MXN \$53.0 million reflects the UDI value of the CBs RCO 12U.
 3. **Interest income**, which increased by MXN \$9.9 million, to MXN \$47.4 million during 1Q2016 from MXN \$37.5 million during 1Q2015.

FARAC I Debt Service Coverage Ratio.

The Debt Service Coverage Ratio (amount available for debt service purposes / Debt Service) increased by 6.00%, to 2.40 in 1Q2016 from 2.27 in 1Q2015.

FARAC I Debt Service Coverage Ratio for the period.

DSCR FARAC I (MXN million)				Cumulative		
	1Q2016	1Q2015	% Var	2016	2015	% Var
(+) Income from operations	990.7	838.8	18.11%	990.7	838.8	18.11%
(+) Amortization of assets derived from the concession	166.4	163.5	1.77%	166.4	163.5	1.77%
(+) Depreciation	5.3	1.0	430.00%	5.3	1.0	430.00%
(+) Major Maintenance Provision	105.1	64.5	62.95%	105.1	64.5	62.95%
(=) Adjusted EBITDA	1,267.5	1,067.8	18.70%	1,267.5	1,067.8	18.70%
(+) Available Cash ¹	795.4	819.8	(2.97%)	795.4	819.8	(2.97%)
(=) Amount Available for Debt Service	2,062.9	1,887.6	9.29%	2,062.9	1,887.6	9.29%
(/) Debt Service ²	858.3	832.5	3.10%	858.3	832.5	3.10%
Debt Service Coverage Ratio (DSCR)	2.40	2.27	6.00%	2.40	2.27	6.00%

¹ 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.

² Includes interest expense net of the costs of unwinding derivative financial instruments and certain non-cash interest expense items; and principal amortizations. (More detail about the items of this ratio are in the definition of Debt Service Coverage Ratio).

⁵ UDI value as of March 31st 2016 was 5.4443 compared to 5.3811 as of December 31st 2015, an increase of 1.17%; UDI value as of March 31st 2015 was 5.2977 compared to 5.2703 as of December 31st, 2014, an increase of 0.52%.⁵

FARAC I Debt Maturity Profile (MXN Million)

Year	Bank Debt				Debt Capital Markets				Total
	Capex HSBC	Capex Santander	Banobras	Inbursa	CBs Pesos RCO12	CBs UDI RCO 12U ¹	CBs Pesos RCO 14	Senior Notes	
2016	88.2								88.2
2017	117.6	171.1							288.7
2018	117.6	171.1							288.7
2019		171.1	389.6	9.2	285.2	440.3		225.0	1,520.4
2020		171.1	408.2	9.2	300.0	461.2		450.0	1,799.7
2021		171.1	429.6	73.5	316.5	485.4	44.0	525.0	2,045.1
2022			451.0	183.8	332.4	509.6	132.0	675.0	2,283.8
2023			475.2	367.7	347.2	537.0	264.0	900.0	2,891.1
2024			499.5	551.5	357.4	564.4	396.0	1,200.0	3,568.9
2025			526.6	735.4	358.0	595.1	528.0	1,350.0	4,093.0
2026			555.1	1,011.1	332.4	627.3	572.0	1,125.0	4,222.9
2027			582.3	735.4	211.9	658.0	616.0	750.0	3,553.6
2028			607.9	551.5		687.0	616.0	300.0	2,762.4
2029			627.9	367.7		709.6	616.0		2,321.2
2030			627.9			709.6	616.0		1,953.5
2031			583.7			659.6			1,243.3
2032			371.0			419.3			790.3
Total	323.5	855.4	7,135.5	4,596.0	2,841.0	8,063.3	4,400.0	7,500.0	35,714.8
Reserve ²		33.5	364.5	223.8	232.3	659.3	404.8	703.1	2,621.3
Net total	323.5	821.9	6,771.0	4,372.2	2,608.7	7,404.1	3,995.2	6,796.9	33,093.5

¹ UDI value as of March 31st, 2016 of 5.4443

² Contractual cash reserve.

FARAC I Expansion Works

During 1Q2016, RCO completed capital expenditures of MXN \$150.3 million in connection with the Expansion Works. Since the inception of FARAC I Concession Agreement, RCO has invested a total of MXN \$2,018.6 million in connection with the Expansion Works detailed in the following table. The aforementioned amounts do not include taxes or payments in connection with Right of Way.

FARAC I Expansion 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 widening to six lanes between Tonalá and Guadalajara Km 21 to Km 26	May-10	Jun-11	Finished
Zapotlanejo - Guadalajara construction of toll free lanes between Tonalá and Guadalajara	Feb-11	Jun-12	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
Zapotlanejo - Guadalajara construction of toll free lanes between Arroyo de Enmedio and Tonalá	Dec-12	Jan-14	Finished
León - Aguascalientes construction of El Desperdicio II - Encarnación de Díaz feeder	Oct-12	Ago-14	Finished
Zacapu / Maravatío - Zapotlanejo	Jan-16	Dec - 17 *	In process
Jiquilpan-La Barca	Oct-14	Dec - 17 *	In process

**Estimated closing date*

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.

Selected Financial Information and key indicators for the period.

(MXN million)	1Q2016	1Q2015	% Var	Cumulative		
				2016	2015	% Var
Total toll and other concession revenues	218.9	212.9	2.82%	218.9	212.9	2.82%
Income from operations	145.6	149.1	(2.35%)	145.6	149.1	(2.35%)
EBITDA	178.1	180.3	(1.22%)	178.1	180.3	(1.22%)
Adjusted EBITDA	208.9	197.5	5.77%	208.9	197.5	5.77%
Income from operations margin	66.51%	70.03%		66.51%	70.03%	
EBITDA margin	81.36%	84.69%		81.36%	84.69%	
Adjusted EBITDA margin	95.43%	92.77%		95.43%	92.77%	
ADT for the period	39,760.0	38,458.8	3.38%	39,760.0	38,458.8	3.38%

- **Total toll and other concession revenues.** COVIQSA total toll and other concession revenues for 1Q2016 increased by MXN \$6.0 million, to MXN \$218.9 million from MXN \$212.9 million in 1Q2015.
- **Costs and expenses.** Total costs and expenses for 1Q2016 were MXN \$74.0 million, an increase of MXN \$9.0 million compared to MXN \$65.0 million for 1Q2015, mainly due to an increase on the estimate of the Major Maintenance expenses, as compared to the previous period.
- **Other income, net.** In 1Q2016 other income recorded MXN \$0.7 million, a decrease of MXN \$0.5 million compared to an income of MXN \$1.2 million in 1Q2015.
- **Income from operations.** In 1Q2016, income from operations was MXN \$145.6 million as compared to MXN \$149.1 million in 1Q2015, which represents an Income from Operations Margin of 66.51%⁶.
- **EBITDA.** EBITDA for 1Q2016 was MXN \$178.1 million as compared to an EBITDA of MXN \$180.3 million in 1Q2015, which represents an EBITDA Margin of 81.36%⁷.
- **Adjusted EBITDA.** Adjusted EBITDA for 1Q2016 was MXN \$208.9 million as compared to an Adjusted EBITDA of MXN \$197.5 million in 1Q2015, which represents an Adjusted EBITDA Margin of 95.43%⁸.
- **Net financing cost.** During 1Q2016, the net financing cost increased by MXN \$11.5 million, to MXN \$16.8 million from MXN \$5.3 million in 1Q2015.

⁶ Income from operations / Total toll and other concession revenues

⁷ EBITDA / Total toll and other concession revenues

⁸ Adjusted EBITDA / Total toll and other concession revenues

COVIQSA I Debt Service Coverage Ratio for the period.

The Debt Service Coverage Ratio (amount available for debt service purposes / Debt Service) decreased by 3.27% to 5.27 during 1Q2016 from 5.45 in 1Q2015.

COVIQSA (MXN million)				Cumulative		
	1Q2016	1Q2015	% Var	2016	2015	% Var
(+) Income from operations	145.6	149.1	(2.35%)	145.6	149.1	(2.35%)
(+) Amortization of assets derived from the concession	32.3	31.1	3.86%	32.3	31.1	3.86%
(+) Depreciation	0.2	0.1	100.00%	0.2	0.1	100.00%
(+) Major Maintenance Provision	30.8	17.2	79.07%	30.8	17.2	79.07%
(=) Adjusted EBITDA	208.9	197.5	5.77%	208.9	197.5	5.77%
(-) Income Tax	15.6	68.1	(77.11%)	15.6	68.1	(77.11%)
(-) Major Maintenance Expense	4.2	7.3	(42.19%)	4.2	7.3	(42.19%)
(+) Available Cash ¹	329.6	94.8	247.68%	329.6	94.8	247.68%
(=) Amount Available for Debt Service	518.7	216.9	139.14%	518.7	216.9	139.14%
(/) Debt Service ²	98.4	39.8	147.24%	98.4	39.8	147.24%
Debt Service Coverage Ratio (DSCR)	5.27	5.45	(3.27%)	5.27	5.45	(3.27%)

¹ 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.

² Includes interest expense net of the costs of unwinding derivative financial instruments and certain non-cash interest expense items; and principal amortizations. (More detail about the items of this ratio are in the definition of Debt Service Coverage Ratio).

COVIQSA's Debt Maturity Profile (MXN Million)

Bank Debt	
Year	Acquisition
2016	121.8
2017	201.6
2018	224.0
2019	257.6
2020	305.2
2021	323.1
2022	364.0
2023	364.0
2024	364.0
2025	193.5
Total	2,718.8
Reserve¹	101.2
Net total	2,617.6

¹ Contractual cash reserve.

CONIPSA

CONIPSA holds the concession to operate, preserve and maintain a 73.5-km federal toll-free road located in the states of Michoacán and Guanajuato, for a 20-year period beginning in June 2005.

Selected Financial Information and key indicators for the period.

(MXN million)				Cumulative		
	1Q2016	1Q2015	% Var	2016	2015	% Var
Total toll and other concession revenues	67.3	63.4	6.15%	67.3	63.4	6.15%
Income from operations	31.1	43.2	(28.01%)	31.1	43.2	(28.01%)
EBITDA	32.9	44.8	(26.56%)	32.9	44.8	(26.56%)
Adjusted EBITDA	61.6	55.7	10.59%	61.6	55.7	10.59%
Income from operations margin	46.21%	68.14%		46.21%	68.14%	
EBITDA margin	48.89%	70.66%		48.89%	70.66%	
Adjusted EBITDA margin	91.53%	87.85%		91.53%	87.85%	
ADT for the period	22,452.5	20,962.2	7.11%	22,452.5	20,962.2	7.11%

- **Total toll and other concession revenues.** CONIPSA Total toll and other concession revenues for 1Q2016, increased by MXN \$3.9 million, to MXN \$67.3 million from MXN \$63.4 million in 1Q2015.
- **Costs and expenses.** Total costs and expenses during 1Q2016 were MXN \$37.5 million, an increase of MXN \$16.8 million compared to MXN \$20.7 million in 1Q2015, mainly due to an increase on the estimate of the Major Maintenance expenses, as compared to the previous period.
- **Other income, net.** During 1Q2016, other income was MXN \$1.3 million, an increase of MXN \$0.8 million compared to MXN \$0.5 million in 1Q2015.
- **Income from operations.** Income from operations during 1Q2016 was MXN \$31.1 million, a decrease of MXN \$12.1 million compared to 1Q2015, which represents an Income from Operations Margin for 1Q2016 of 46.21%⁹.
- **EBITDA.** For 1Q2016 decreased by MXN \$11.9 million, to MXN \$32.9 million from an EBITDA of MXN \$44.8 million in 1Q2015, which represents an EBITDA Margin of 48.89%¹⁰.
- **Adjusted EBITDA.** For 1Q2016 was MXN \$61.6 million, an increase of MXN \$5.9 million compared to MXN \$55.7 million for 1Q2015, which represents an Adjusted EBITDA Margin of 91.53%¹¹.
- **Net financing cost.** During 1Q2016, the net financing cost decreased by MXN \$1.9 million, to MXN \$6.3 million from MXN \$8.2 million in 1Q2015.

⁹ Income from operations / Total toll and other concession revenues

¹⁰ EBITDA / Total toll and other concession revenues

¹¹ Adjusted EBITDA / Total toll and other concession revenues

CONIPSA I Debt Service Coverage Ratio for the period.

The Debt Service Coverage Ratio (amount available for debt service purposes / Debt Service) increased by 31.13% to 9.37 in 1Q2016 from 7.15 in 1Q2015.

CONIPSA (MXN million)				Cumulative		
	1Q2016	1Q2015	% Var	2016	2015	% Var
(+) Income from operations	31.1	43.2	(28.01%)	31.1	43.2	(28.01%)
(+) Amortization of assets derived from the concession	1.6	1.5	6.67%	1.6	1.5	6.67%
(+) Depreciation	0.2	0.1	100.00%	0.2	0.1	100.00%
(+) Major Maintenance Provision	28.7	10.9	163.30%	28.7	10.9	163.30%
(=) Adjusted EBITDA	61.6	55.7	10.59%	61.6	55.7	10.59%
(-) Income Tax	5.6	2.0	181.80%	5.6	2.0	181.80%
(-) Major Maintenance Expense	1.7	10.5	(83.41%)	1.7	10.5	(83.41%)
(+) Available Cash ¹	120.1	98.3	22.18%	120.1	98.3	22.18%
(=) Amount Available for Debt Service	174.3	141.5	23.18%	174.3	141.5	23.18%
(/) Debt Service ²	18.6	19.8	(6.06%)	18.6	19.8	(6.06%)
Debt Service Coverage Ratio (DSCR)	9.37	7.15	31.13%	9.37	7.15	31.13%

¹ 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.

² Includes interest expense net of the costs of unwinding derivative financial instruments and certain non-cash interest expense items; and principal amortizations. (More detail about the items of this ratio are in the definition of Debt Service Coverage Ratio).

CONIPSA's Debt Maturity Profile (MXN Million)

Bank Debt	
Year	Acquisition
2016	13.1
2017	21.8
2018	24.1
2019	27.7
2020	32.9
2021	34.8
2022	39.3
2023	39.3
2024	29.5
Total	262.4
Reserve¹	13.5
Net total	248.9

¹ Contractual cash reserve.

RELEVANT EVENTS

During the period from January 1st, 2016 to March 31st, 2016, the Company disclosed the following relevant events:

RCO informs of the successful completion of the refinancing process of its subsidiary Concesionaria Irapuato la Piedad, S.A. de C.V. (“Conipsa”)

Red de Carreteras de Occidente, S.A.B. de C.V. (“RCO”) hereby informs that on February 26th, 2016, its subsidiary Conipsa, has successfully obtained a loan in the amount of MXN \$266.8 million (two hundred sixty six million eight hundred thousand 00/100 MXN) granted by Banco Santander (México), S.A., Institución de Banca Múltiple, Grupo Financiero Santander México (“Santander”) and Banco Mercantil del Norte, S.A. Institución de Banca Múltiple, Grupo Financiero Banorte (“Banorte”) due August 26th, 2024. The proceeds of the loan were used to repay an existing credit facility before Banco Nacional de Obras y Servicios Públicos, Sociedad Nacional de Crédito, Institución de Banca de Desarrollo, Santander and Banorte. The repayment of the existing loan occurred on February 26th, 2016.

Red de Carreteras de Occidente, S.A.B. de C.V. (“RCO”) confirms the payment of a cash distribution to its shareholders.

Guadalajara, Jalisco, March 10, 2016 – RCO reports a cash distribution to its shareholders made on March 10th, 2016, for a total amount of MXN \$1,499.8 million (one billion four hundred and ninety nine million eight hundred thousand 00/100 MXN).

The foregoing, following a capital stock reduction approved by its shareholders and previous recommendation by its board of directors.

CONSOLIDATED FINANCIAL INFORMATION

Red de Carreteras de Occidente, S.A.B. de C.V. and Subsidiaries
COMPARATIVE CONSOLIDATED STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)
(MXN million)

	From January 1 to March 31 of				Cumulative			
	2016	2015	Variation	%	2016	2015	Variation	%
TOTAL REVENUES	1,858.9	1,504.5	354.4	23.56	1,858.9	1,504.5	354.4	23.56
Toll revenues	1,376.3	1,194.7	181.6	15.20	1,376.3	1,194.7	181.6	15.20
Shadow toll payments from the SCT	187.3	173.8	13.5	7.77	187.3	173.8	13.5	7.77
Availability payments from the SCT	97.8	102.2	(4.4)	(4.31)	97.8	102.2	(4.4)	(4.31)
Ancillary revenues from the use of right of way and other related revenues	42.2	19.7	22.5	114.21	42.2	19.7	22.5	114.21
Total toll and other concession revenues	1,703.6	1,490.4	213.2	14.30	1,703.6	1,490.4	213.2	14.30
Construction revenues	155.3	14.1	141.2	1,001.42	155.3	14.1	141.2	1,001.42
COSTS AND EXPENSES	706.9	487.4	219.5	45.03	706.9	487.4	219.5	45.03
Amortization of assets derived from the concessions	205.2	201.0	4.2	2.09	205.2	201.0	4.2	2.09
Operation and maintenance provisions	212.9	138.1	74.8	54.16	212.9	138.1	74.8	54.16
Toll collection costs	26.2	26.8	(0.6)	(2.24)	26.2	26.8	(0.6)	(2.24)
Cost of ancillary revenues from the use of right of way and other related revenues	21.4	6.1	15.3	250.82	21.4	6.1	15.3	250.82
General and administrative expenses	85.9	101.3	(15.4)	(15.20)	85.9	101.3	(15.4)	(15.20)
Total costs and expenses excluding construction costs	551.6	473.3	78.3	16.54	551.6	473.3	78.3	16.54
Construction costs	155.3	14.1	141.2	1,001.42	155.3	14.1	141.2	1,001.42
INCOME BEFORE OTHER INCOME NET	1,152.0	1,017.1	134.9	13.26	1,152.0	1,017.1	134.9	13.26
Other income, net	10.4	9.2	1.2	13.04	10.4	9.2	1.2	13.04
INCOME FROM OPERATIONS	1,162.4	1,026.3	136.1	13.26	1,162.4	1,026.3	136.1	13.26
Net financing cost	978.1	889.7	88.4	9.94	978.1	889.7	88.4	9.94
Interest expense	939.3	891.3	48.0	5.39	939.3	891.3	48.0	5.39
Premiums and interests on financing	792.3	770.8	21.5	2.79	792.3	770.8	21.5	2.79
Interest on derivative financial instruments	51.8	36.5	15.3	41.92	51.8	36.5	15.3	41.92
Amortization of premiums and debt expenses	24.0	20.8	3.2	15.38	24.0	20.8	3.2	15.38
Major maintenance interests	71.2	63.2	8.0	12.66	71.2	63.2	8.0	12.66
Adjustments to principal amount of UDI denominated debt	93.6	40.6	53.0	130.54	93.6	40.6	53.0	130.54
Interest income	(54.9)	(42.3)	(12.6)	(29.79)	(54.9)	(42.3)	(12.6)	(29.79)
Net foreign exchange loss	0.1	0.1	-	-	0.1	0.1	-	-
INCOME BEFORE INCOME TAXES	184.3	136.6	47.7	34.92	184.3	136.6	47.7	34.92
INCOME TAXES (BENEFIT)	(33.3)	(6.0)	(27.3)	(455.00)	(33.3)	(6.0)	(27.3)	(455.00)
CONSOLIDATED NET INCOME FOR THE PERIOD	217.6	142.6	75.0	52.59	217.6	142.6	75.0	52.59
Other comprehensive income items								
Valuation of derivative financial instruments	2.4	8.2	(5.8)	(70.73)	2.4	8.2	(5.8)	(70.73)
Deferred income taxes of derivative financial instruments	(0.1)	(2.5)	2.4	96.00	(0.1)	(2.5)	2.4	96.00
COMPREHENSIVE INCOME FOR THE PERIOD	219.9	148.3	71.6	48.28	219.9	148.3	71.6	48.28
BASIC INCOME PER COMMON SHARE (pesos)	0.01	0.00	0.00	52.59	0.01	0.00	0.00	52.59
DILUTED INCOME PER SHARE (pesos)	0.01	0.00	0.00	52.59	0.01	0.00	0.00	52.59

Red de Carreteras de Occidente, S.A.B. de C.V. and Subsidiaries
COMPARATIVE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF
(MXN million)

	March 2016	December 2015	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	5,863.5	6,923.1	(1,059.6)	(15.31)
Trade accounts receivable	233.2	409.9	(176.7)	(43.11)
Recoverable taxes	99.0	58.0	41.0	70.69
Financial asset-current portion	381.6	407.5	(25.9)	(6.36)
Other accounts receivable and prepaid expenses	123.9	100.8	23.1	22.92
Total current assets	6,701.2	7,899.3	(1,198.1)	(15.17)
Non-current assets				
Long-term restricted cash	91.7	91.1	0.6	0.66
Financial assets derived from the concessions - long-term portion	874.6	848.7	25.9	3.05
Intangible assets derived from the concessions	43,375.7	43,392.7	(17.0)	(0.04)
Furniture and equipment and franchise rights - net	17.7	22.1	(4.4)	(19.91)
Machinery and equipment - net	22.4	23.1	(0.7)	(3.03)
Deferred income tax asset	6,374.4	6,283.0	91.4	1.45
Other assets	4.4	4.3	0.1	2.33
Total non-current assets	50,760.9	50,665.0	95.9	0.19
TOTAL ASSETS	57,462.1	58,564.3	(1,102.2)	(1.88)
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	301.7	285.8	15.9	5.56
Interest payable	522.4	853.5	(331.1)	(38.79)
Interest payable on derivative financial instruments	11.7	13.6	(1.9)	(13.97)
Other current liabilities	19.5	42.2	(22.7)	(53.79)
Provisions	786.2	782.8	3.4	0.43
Accounts payable to shareholders	-	1,079.8	(1,079.8)	(100.00)
Current portion of long-term debt	298.6	338.1	(39.5)	(11.68)
Current portion of long-term employee benefits	70.7	70.6	0.1	0.14
Accounts payable for work executed, not yet approved	73.1	39.5	33.6	85.06
Taxes other than income tax	187.9	163.5	24.4	14.92
Income taxes payable	58.3	-	58.3	100.00
Total current liabilities	2,330.1	3,669.4	(1,339.3)	(36.50)
Non-current liabilities				
Long-term debt	37,714.4	37,404.1	310.3	0.83
Provisions for major maintenance	192.8	69.2	123.6	178.61
Long-term employee benefits	12.1	7.7	4.4	57.14
Post-employment benefits	2.8	2.6	0.2	7.69
Other long term liabilities	2.2	3.0	(0.8)	(26.67)
Derivative financial instruments	357.8	358.3	(0.5)	(0.14)
Total-non current liabilities	38,282.1	37,844.9	437.2	1.16
TOTAL LIABILITIES	40,612.2	41,514.3	(902.1)	(2.17)
STOCKHOLDERS' EQUITY				
Capital stock	21,709.0	22,129.0	(420.0)	(1.90)
Accumulated deficit	(4,554.3)	(4,771.9)	217.6	4.56
Other comprehensive loss	(304.8)	(307.1)	2.3	0.75
TOTAL STOCKHOLDERS' EQUITY	16,849.9	17,050.0	(200.1)	(1.17)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	57,462.1	58,564.3	(1,102.2)	(1.88)

Red de Carreteras de Occidente, S.A.B. de C.V. and Subsidiaries
COMPARATIVE CONSOLIDATED STATEMENTS OF CASH FLOWS
(Indirect methodology)
(MXN million)

From January 1 to March 31 of:

Concept	<u>2016</u>	<u>2015</u>
OPERATING ACTIVITIES		
Income before income taxes	184.4	136.6
Adjustments for:		
Depreciation and amortization	211.1	202.2
Financing related activities:		
Interest expense	863.5	834.1
Valuation effects of derivative financial instruments	51.8	36.5
Amortization of commissions and debt issuance costs	24.0	20.8
Adjustments to principal amount of UDI denominated debt	93.6	40.6
	<u>1,428.4</u>	<u>1,270.8</u>
+/- Decrease / (increase) in:		
Trade accounts receivable	176.7	335.2
Recoverable taxes	(19.5)	13.2
Financial asset	(0.1)	97.0
Other accounts receivable and other prepaid expenses	(23.1)	14.9
Other assets	(0.1)	(0.2)
+/- Increase / (decrease) in:		
Accounts payable to suppliers	15.9	(1.8)
Other current liabilities	(23.6)	(13.8)
Provisions	55.8	6.4
Taxes other than income tax	24.5	5.4
Income taxes paid	(21.4)	(90.4)
Employee benefits - net	4.4	(56.6)
Post-employment employee benefits	0.2	0.2
Net cash provided by operating activities	<u>1,618.1</u>	<u>1,580.3</u>
INVESTING ACTIVITIES		
Acquisition of furniture and equipment	(0.1)	0.3
Franchise rights	(0.6)	(6.8)
Intangible assets derived from the concessions	(154.5)	(71.4)
Net cash (used in) provided by investing activities	<u>(155.2)</u>	<u>(77.9)</u>
FINANCING ACTIVITIES		
Proceeds from long-term debt	503.0	124.2
Payments of debt	(341.2)	(69.0)
Interest paid	(1,123.5)	(946.9)
Payments of derivative financial instruments	(51.8)	(36.2)
Commissions and debt issuance costs paid	(8.6)	(0.1)
Capital stock reduction	(1,499.8)	(1,230.0)
Net cash used in financing activities	<u>(2,521.9)</u>	<u>(2,158.0)</u>
+/- Increase in cash, cash equivalents and restricted cash	(1,059.0)	(655.6)
Cash, cash equivalents and restricted cash at the beginning of the period	<u>7,014.2</u>	<u>6,314.4</u>
Cash, cash equivalents and restricted cash at the end of the period	<u>5,955.2</u>	<u>5,658.8</u>

Red de Carreteras de Occidente, S.A.B. de C.V. and Subsidiaries
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(MXN million)

2016

	Capital stock	Acumulated deficit	Other comprehensive income	Total stockholders' equity
Balance as of January 1, 2015	25,938.8	(5,772.1)	(77.5)	20,089.2
Capital stock reduction	1,350.0			1,350.0
Comprehensive income:				
Valuation of derivative financial instruments	-	-	8.2	8.2
Deferred income taxes of derivative instruments	-	-	(2.5)	(2.5)
Net loss for the period	-	142.6	-	142.6
Comprehensive loss		142.6	5.7	148.3
Balance as of March 31, 2015	24,588.8	(5,629.5)	(71.8)	18,887.5
Balance as of January 1, 2016	22,129.0	(4,771.9)	(307.0)	17,050.0
Capital stock reduction	420.0	-	-	420.0
Comprehensive income:				
Valuation of derivative financial instruments	-	-	2.4	2.4
Deferred income taxes of derivative instruments	-	-	(0.1)	(0.1)
Net income for the period	-	217.6	-	217.6
Comprehensive income	-	217.6	2.3	219.9
Balance as of March 31, 2016	21,709.0	(4,554.3)	(304.8)	16,849.9

FARAC I

COMPARATIVE CONSOLIDATED STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)
(MXN million)

	From January 1 to March 31 of				Cumulative			
	2016	2015	Variation	%	2016	2015	Variation	%
TOTAL REVENUES	1,583.8	1,245.9	337.9	27.12	1,583.8	1,245.9	337.9	27.12
Toll revenues	1,376.3	1,194.7	181.6	15.20	1,376.3	1,194.7	181.6	15.20
Ancillary revenues from the use of right of way and other related revenues	41.0	19.4	21.6	111.34	41.0	19.4	21.6	111.34
Total toll and other concession revenues	1,417.3	1,214.1	203.2	16.74	1,417.3	1,214.1	203.2	16.74
Administrative service revenues	11.1	17.7	(6.6)	(37.29)	11.1	17.7	(6.6)	(37.29)
Construction revenues	155.4	14.1	141.3	1,002.13	155.4	14.1	141.3	1,002.13
COSTS AND EXPENSES	601.5	414.5	187.0	45.11	601.5	414.5	187.0	45.11
Amortization of assets derived from the concessions	166.4	163.5	2.9	1.77	166.4	163.5	2.9	1.77
Operation and maintenance provisions	148.9	105.6	43.3	41.00	148.9	105.6	43.3	41.00
Toll collection costs	24.6	25.2	(0.6)	(2.38)	24.6	25.2	(0.6)	(2.38)
Cost of ancillary revenues from the use of right of way and other related revenues	21.4	6.1	15.3	250.82	21.4	6.1	15.3	250.82
General and administrative expenses	84.8	100.0	(15.2)	(15.20)	84.8	100.0	(15.2)	(15.20)
Total costs and expenses excluding construction costs	446.1	400.4	45.7	11.41	446.1	400.4	45.7	11.41
Construction costs	155.4	14.1	141.3	1,002.13	155.4	14.1	141.3	1,002.13
INCOME BEFORE OTHER INCOME NET	982.3	831.4	150.9	18.15	982.3	831.4	150.9	18.15
Other income, net	8.4	7.4	1.0	13.51	8.4	7.4	1.0	13.51
INCOME FROM OPERATIONS	990.7	838.8	151.9	18.11	990.7	838.8	151.9	18.11
Net financing cost	954.9	876.1	78.8	8.99	954.9	876.1	78.8	8.99
Interest expense	908.7	872.9	35.8	4.10	908.7	872.9	35.8	4.10
Premiums and interests on financing	789.0	766.7	22.3	2.91	789.0	766.7	22.3	2.91
Interest on derivative financial instruments	40.0	36.5	3.5	9.59	40.0	36.5	3.5	9.59
Amortization of premiums and debt expenses	22.0	20.1	1.9	9.45	22.0	20.1	1.9	9.45
Major maintenance interests	57.7	49.6	8.1	16.33	57.7	49.6	8.1	16.33
Adjustments to principal amount of UDI denominated debt	93.6	40.6	53.0	130.54	93.6	40.6	53.0	130.54
Interest income	(47.4)	(37.5)	9.9	26.40	(47.4)	(37.5)	(9.9)	(26.40)
Net foreign exchange loss (income)	-	0.1	(0.1)	(100.00)	-	0.1	(0.1)	(100.00)
INCOME (LOSS) BEFORE INCOME TAXES	35.8	(37.3)	73.1	195.98	35.8	(37.3)	73.1	195.98
INCOME TAXES (BENEFIT)	(72.2)	(57.5)	(14.7)	(25.57)	(72.2)	(57.5)	(14.7)	(25.57)
CONSOLIDATED NET INCOME FOR THE PERIOD	108.0	20.2	87.8	434.65	108.0	20.2	87.8	434.65
Other comprehensive income items								
Valuation of derivative financial instruments	23.6	8.2	15.4	187.80	23.6	8.2	15.4	187.80
Deferred income taxes of derivative financial instruments	(6.8)	(2.5)	(4.3)	(172.00)	(6.8)	(2.5)	(4.3)	(172.00)
COMPREHENSIVE INCOME FOR THE PERIOD	124.8	25.9	98.9	381.85	124.8	25.9	98.9	381.85
BASIC INCOME PER COMMON SHARE (pesos)	0.00	0.00	0.00	434.65	0.00	0.00	0.00	434.65
DILUTED INCOME PER SHARE (pesos)	0.00	0.00	0.00	434.65	0.00	0.00	0.00	434.65

COMPARATIVE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF				
(MXN million)				
	March 2016	December 2015	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	4,910.7	6,295.7	(1,385.0)	(22.00)
Trade accounts receivable	94.4	89.0	5.4	6.07
Recoverable taxes	49.2	41.4	7.8	18.84
Accounts receivable to related parties	14.4	15.2	(0.8)	(5.26)
Other accounts receivable and prepaid expenses	114.9	90.2	24.7	27.38
Total current assets	5,183.6	6,531.5	(1,347.9)	(20.64)
Non-current assets				
Intangible assets derived from the concessions	41,595.6	41,573.8	21.8	0.05
Furniture and equipment and franchise rights -net	17.7	22.2	(4.5)	(20.27)
Machinery and equipment-net	13.9	14.5	(0.6)	(4.14)
Investment in shares	1,931.4	1,931.4	-	-
Deferred income tax asset	6,565.3	6,499.3	66.0	1.02
Other assets	3.4	3.3	0.1	3.03
Total non-current assets	50,127.3	50,044.5	82.8	0.17
TOTAL ASSETS	55,310.9	56,576.0	(1,265.1)	(2.24)
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	31.9	16.0	15.9	99.38
Interest payable	505.1	835.5	(330.4)	(39.55)
Interest payable on derivative financial instruments	8.3	9.4	(1.1)	(11.70)
Other current liabilities	16.7	36.1	(19.4)	(53.74)
Provisions	561.5	593.6	(32.1)	(5.41)
Accounts payable to related parties	2.3	2.9	(0.6)	(20.69)
Accounts payable to shareholders	-	1,079.8	(1,079.8)	(100.00)
Current portion of long-term debt	117.6	117.7	(0.1)	(0.08)
Current portion of long-term employee benefits	70.7	70.6	0.1	0.14
Accounts payable for work executed, not yet approved	73.2	39.5	33.7	85.32
Taxes other than income tax	64.7	72.0	(7.3)	(10.14)
Income taxes payable	0.7	-	0.7	100.00
Total current liabilities	1,452.7	2,873.1	(1,420.4)	(49.44)
Non-current liabilities				
Long-term debt	34,969.2	34,646.8	322.4	0.93
Provisions for major maintenance	162.1	69.2	92.9	134.25
Long-term employee benefits	12.1	7.7	4.4	57.14
Post-employment benefits	2.8	2.6	0.2	7.69
Accounts payable to related parties - long-term	2,705.0	2,651.2	53.8	2.03
Other long term liabilities	1.3	1.9	(0.6)	(31.58)
Derivative financial instruments	313.6	336.2	(22.6)	(6.72)
Total-non current liabilities	38,166.1	37,715.6	450.5	1.19
TOTAL LIABILITIES	39,618.8	40,588.7	(969.9)	(2.39)
STOCKHOLDERS' EQUITY				
Capital stock	21,709.0	22,129.0	(420.0)	(1.90)
Accumulated deficit	(5,750.1)	(5,858.1)	108.0	1.84
Other comprehensive loss	(266.8)	(283.6)	16.8	5.92
TOTAL STOCKHOLDERS' EQUITY	15,692.1	15,987.3	(295.2)	(1.85)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	55,310.9	56,576.0	(1,265.1)	(2.24)

COVIQSA

COMPARATIVE STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)
(MXN million)

	From January 1 to March 31 of				Cumulative			
	2016	2015	Variation	%	2016	2015	Variation	%
TOTAL REVENUES	218.9	212.9	6.0	2.82	218.9	212.9	6.0	2.82
Shadow toll payments from the SCT	172.3	164.7	7.6	4.61	172.3	164.7	7.6	4.61
Availability payments from the SCT	46.4	48.1	(1.7)	(3.53)	46.4	48.1	(1.7)	(3.53)
Ancillary revenues from the use of right of way and other related revenues	0.2	0.1	0.1	100.00	0.2	0.1	0.1	100.00
Total toll and other concession revenues	218.9	212.9	6.0	2.82	218.9	212.9	6.0	2.82
COSTS AND EXPENSES	74.0	65.0	9.0	13.85	74.0	65.0	9.0	13.85
Amortization of assets derived from the concessions	32.3	31.1	1.2	3.86	32.3	31.1	1.2	3.86
Operation and maintenance provisions	34.9	20.9	14.0	66.99	34.9	20.9	14.0	66.99
Toll collection costs	0.9	0.9	-	-	0.9	0.9	-	-
General and administrative expenses	5.9	12.1	(6.2)	(51.24)	5.9	12.1	(6.2)	(51.24)
INCOME BEFORE OTHER INCOME NET	144.9	147.9	(3.0)	(2.03)	144.9	147.9	(3.0)	(2.03)
Other income, net	0.7	1.2	(0.5)	(41.67)	0.7	1.2	(0.5)	(41.67)
INCOME FROM OPERATIONS	145.6	149.1	(3.5)	(2.35)	145.6	149.1	(3.5)	(2.35)
Net financing cost	16.8	5.3	11.5	216.98	16.8	5.3	11.5	216.98
Interest expense	68.3	24.3	44.0	181.07	68.3	24.3	44.0	181.07
Premiums and interests on financing	45.9	14.8	31.1	210.14	45.9	14.8	31.1	210.14
Interest on derivative financial instruments	11.8	-	11.8	100.00	11.8	-	11.8	100.00
Amortization of premiums and debt expenses	1.7	0.6	1.1	183.33	1.7	0.6	1.1	183.33
Major maintenance interests	8.9	8.9	-	-	8.9	8.9	-	-
Interest income	(51.5)	(19.0)	(32.5)	(171.05)	(51.5)	(19.0)	(32.5)	(171.05)
INCOME BEFORE INCOME TAXES	128.8	143.8	(15.0)	(10.43)	128.8	143.8	(15.0)	(10.43)
INCOME TAXES	33.0	41.6	(8.6)	(20.67)	33.0	41.6	(8.6)	(20.67)
NET INCOME FOR THE PERIOD	95.8	102.2	(6.4)	(6.26)	95.8	102.2	(6.4)	(6.26)
Other comprehensive income items								
Valuation of derivative financial instruments	(17.6)	-	(17.6)	(100.00)	(17.6)	-	(17.6)	(100.00)
Deferred income taxes of derivative financial instruments	5.7	-	5.7	100.00	5.7	-	5.7	100.00
COMPREHENSIVE INCOME FOR THE PERIOD	83.9	102.2	(18.3)	(17.91)	83.9	102.2	(18.3)	(17.91)

COMPARATIVE STATEMENTS OF FINANCIAL POSITION AS OF				
(MXN million)				
	March 2016	December 2015	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	665.2	451.0	214.2	47.49
Trade accounts receivable	137.7	250.3	(112.6)	(44.99)
Recoverable taxes	43.6	8.6	35.0	406.98
Accounts receivable to related parties	0.7	1.1	(0.4)	(36.36)
Financial asset-current portion	172.5	184.6	(12.1)	(6.55)
Other accounts receivable and prepaid expenses	4.8	6.4	(1.6)	(25.00)
Total current assets	1,024.5	902.0	122.5	13.58
Non-current assets				
Long-term restricted cash	43.1	42.8	0.3	0.70
Accounts receivable to related parties- long term portion	2,705.0	2,651.2	53.8	2.03
Financial asset derived from the concessions - long-term portion	369.5	357.5	12.0	3.36
Intangible assets derived from the concessions	1,485.1	1,517.4	(32.3)	(2.13)
Machinery and equipment- net	4.6	4.6	-	-
Other assets	0.5	0.5	-	-
Total non-current assets	4,607.8	4,574.0	33.8	0.74
TOTAL ASSETS	5,632.3	5,476.0	156.3	2.85
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	269.7	269.7	-	-
Interest payable	15.9	16.5	(0.6)	(3.64)
Interest payable on derivative financial instruments	3.0	4.3	(1.3)	(30.23)
Other current liabilities	1.2	1.6	(0.4)	(25.00)
Provisions	143.1	122.0	21.1	17.30
Accounts payable to related parties	11.2	11.8	(0.6)	(5.08)
Current portion of long-term debt	162.4	162.4	-	-
Taxes other than income tax	109.8	76.3	33.5	43.91
Income taxes payable	46.8	-	46.8	100.00
Total current liabilities	763.1	664.6	98.5	14.82
Non-current liabilities				
Long-term debt	2,509.8	2,548.9	(39.1)	(1.53)
Provisions for major maintenance	13.4	-	13.4	100.00
Accounts payable to related parties- long term	14.7	14.3	0.4	2.80
Other long term liabilities	0.4	0.6	(0.2)	(33.33)
Derivative financial instruments	41.0	22.0	19.0	86.36
Deferred income tax liability	66.2	85.7	(19.5)	(22.75)
Total non-current liabilities	2,645.5	2,671.5	(26.0)	(0.97)
TOTAL LIABILITIES	3,408.6	3,336.1	72.5	2.17
STOCKHOLDERS' EQUITY				
Capital stock	1,226.7	1,226.7	-	-
Accumulated results	1,028.6	932.9	95.7	10.26
Other comprehensive loss	(31.6)	(19.7)	(11.9)	(60.41)
TOTAL STOCKHOLDERS' EQUITY	2,223.7	2,139.9	83.8	3.92
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	5,632.3	5,476.0	156.3	2.85

CONIPSA

COMPARATIVE STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)
(MXN million)

	From January 1 to March 31 of				Cumulative			
	2016	2015	Variation	%	2016	2015	Variation	%
TOTAL REVENUES	67.3	63.4	3.9	6.15	67.3	63.4	3.9	6.15
Shadow toll payments from the SCT	15.0	9.1	5.9	64.84	15.0	9.1	5.9	64.84
Availability payments from the SCT	51.3	54.1	(2.8)	(5.18)	51.3	54.1	(2.8)	(5.18)
Ancillary revenues from the use of rights of way	1.0	0.2	0.8	400.00	1.0	0.2	0.8	400.00
Total toll and other concession revenues	67.3	63.4	3.9	6.15	67.3	63.4	3.9	6.15
COSTS AND EXPENSES	37.5	20.7	16.8	81.16	37.5	20.7	16.8	81.16
Amortization of assets derived from the concessions	1.6	1.5	0.1	6.67	1.6	1.5	0.1	6.67
Operation and maintenance provisions	32.6	14.1	18.5	131.21	32.6	14.1	18.5	131.21
Toll collection costs	0.7	0.7	-	-	0.7	0.7	-	-
General and administrative expenses	2.6	4.4	(1.8)	(40.91)	2.6	4.4	(1.8)	(40.91)
INCOME BEFORE OTHER INCOME NET	29.8	42.7	(12.9)	(30.21)	29.8	42.7	(12.9)	(30.21)
Other income, net	1.3	0.5	0.8	160.00	1.3	0.5	0.8	160.00
INCOME FROM OPERATIONS	31.1	43.2	(12.1)	(28.01)	31.1	43.2	(12.1)	(28.01)
Net financing cost	6.3	8.2	(1.9)	(23.17)	6.3	8.2	(1.9)	(23.17)
Interest expense	8.9	10.0	(1.1)	(11.00)	8.9	10.0	(1.1)	(11.00)
Premiums and interests on financing	4.1	5.3	(1.2)	(22.64)	4.1	5.3	(1.2)	(22.64)
Amortization of premiums and debt expenses	0.3	-	0.3	100.00	0.3	-	0.3	100.00
Major maintenance interests	4.5	4.7	(0.2)	(4.26)	4.5	4.7	(0.2)	(4.26)
Interest income	(2.6)	(1.8)	(0.8)	(44.44)	(2.6)	(1.8)	(0.8)	(44.44)
INCOME BEFORE INCOME TAXES	24.8	35.0	(10.2)	(29.14)	24.8	35.0	(10.2)	(29.14)
INCOME TAXES	5.9	10.0	(4.1)	(41.00)	5.9	10.0	(4.1)	(41.00)
NET INCOME FOR THE PERIOD	18.9	25.0	(6.1)	(24.40)	18.9	25.0	(6.1)	(24.40)
Other comprehensive income items								
Items that will be reclassified subsequently to profit or loss:								
Valuation of derivative financial instruments	(3.6)	-	(3.6)	(100.00)	(3.6)	-	(3.6)	(100.00)
Deferred income taxes of derivative financial instruments	1.0	-	1.0	100.00	1.0	-	1.0	100.00
COMPREHENSIVE INCOME FOR THE PERIOD	16.3	25.0	(8.7)	(34.80)	16.3	25.0	(8.7)	(34.80)

COMPARATIVE STATEMENTS OF FINANCIAL POSITION AS OF
(MXN million)

	March 2016	December 2015	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	287.6	176.4	111.2	63.04
Trade accounts receivable	1.1	70.7	(69.6)	(98.44)
Recoverable taxes	6.1	8.0	(1.9)	(23.75)
Accounts receivable to related parties	1.6	1.7	(0.1)	(5.88)
Financial asset-current portion	209.1	222.9	(13.8)	(6.19)
Other accounts receivable and prepaid expenses	4.2	4.1	0.1	2.44
Total current assets	509.7	483.8	25.9	23.75
Non-current assets				
Long-term restricted cash	48.6	48.3	0.3	0.62
Accounts receivable to related parties - long-term portion	14.6	14.3	0.3	2.10
Financial assets derived from the concessions - long-term portion	505.1	491.2	13.9	2.83
Intangible assets derived from the concessions	64.3	65.9	(1.6)	(2.43)
Machinery and equipment- net	3.9	4.0	(0.1)	(2.50)
Other assets	0.5	0.5	-	-
Total non-current assets	637.0	624.2	12.8	2.05
TOTAL ASSETS	1,146.7	1,108.0	38.7	3.49
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	0.1	0.1	-	-
Interest payable	1.3	1.5	(0.2)	(13.33)
Interest payable on derivative financial instruments	0.4	-	0.4	100.00
Other current liabilities	1.6	4.6	(3.0)	(65.22)
Provisions	81.6	67.2	14.4	21.43
Accounts payable to related parties	3.1	3.5	(0.4)	(11.43)
Current portion of long-term debt	18.6	58.0	(39.4)	(67.93)
Taxes other than income tax	13.4	15.0	(1.6)	(10.67)
Income taxes payable	10.8	-	10.8	100.00
Total current liabilities	130.9	149.9	(19.0)	(12.68)
Non-current liabilities				
Long-term debt	235.4	208.4	27.0	12.96
Provisions for major maintenance	17.4	-	17.4	100.00
Other long term liabilities	0.4	0.6	(0.2)	(33.33)
Derivative financial instruments	3.2	-	3.2	100.00
Deferred income tax liability	54.0	59.9	(5.9)	(9.85)
Total non-current liabilities	310.4	268.9	41.5	15.43
TOTAL LIABILITIES	441.3	418.8	22.5	5.37
STOCKHOLDERS' EQUITY				
Capital stock	228.4	228.4	-	-
Accumulated results	479.7	460.8	18.9	4.10
Other comprehensive loss	(2.7)	-	(2.7)	(100.00)
TOTAL STOCKHOLDERS' EQUITY	705.4	689.2	16.2	2.35
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	1,146.7	1,108.0	38.7	3.49

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 Weighted 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 and other related revenues” 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 fourth 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 8th 2013 for a total amount of MXN \$7,135.5 million due 2032.

“Banorte” means Banco Mercantil del Norte, S.A. Institución de Banca Múltiple, Grupo Financiero Banorte.

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

“Certificados Bursátiles or CBs” means the long-term debt securities (*Certificados Bursátiles -CBs Pesos-*) issued by the Company on September 12th 2013 and December 5th 2014, and the additional, UDI-denominated (*Certificados Bursátiles -CBs UDI-*) issued by the Company on June 27th 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 CBs		
	Banobras first losses partial guarantee over 6.5% from unpaid balance.		Without partial guarantee
	"RCO 12" Nominal fixed interest rate	"RCO 12U" Real Interest rate	"RCO 14" Nominal fixed interest rate
Issuance amount	MXN \$2.84 billion	MXN \$8.06 billion; 1,481,044,500.00 UDI	MXN \$4.4 billion
Denomination	Pesos	UDI	Pesos
Type of Interest rate	Fixed	Fixed	Fixed
Coupon	9.00%	5.25%	9.05%
Legal term	15 years	20 years	15 years
Average term	11 years	14 years	12 years
Amortization schedule	Year 7 to 15; 18 bi-annual coupons since February 10, 2019 using the principal amount and percentage and in the dates established in the offering documents.	Year 7 to 20; 28 bi-annual coupons since February 10, 2019 using the principal amount and percentage and in the dates established in the offering documents.	Year 7 to 15; 20 bi-annual coupons since February 10, 2021 using the principal amount and percentage and in the dates established in the offering documents.

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

“**CONIPSA Concession Agreement**” means the September 12th, 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.

“**Cost of ancillary revenues from the use of Right of Way and other related revenues**” means cost and expenses related with businesses operated by the Company alongside its toll roads, such as restaurants and convenience stores.

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

“**COVIQSA Concession Agreement**” means the June 21st, 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 and (ii) expand and rehabilitate Irapuato-Querétaro 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 \$2,800.0 million loan comprised by: (i) MXN \$1,048.8 million loan granted by Banobras and (ii) MXN \$1,751.2 million loan granted by Santander and Banorte.

“**Debt Service Coverage Ratio**” means DSCR, or the ratio between (a) the amount available for debt service purposes and (b) the Debt Service, 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. **Debt Service** 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; and principal amortizations.

“**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 Maravatio-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 Original Capex Loan” means 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

“FARAC I HSBC Capex Loan” means the 2013 MXN \$500.0 million capex loan granted to RCO by HSBC to finance the toll roads’ major maintenance expenses.

“FARAC I Santander Capex Loan” means the 2014 MXN \$1,000.0 million capex loan granted to RCO by Santander (México) 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 Maravatio-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.

“FARAC I Inbursa Loan”: new credit facility with Banco Inbursa S.A. dated on August 8th, 2014 for a total amount of MXN \$4,596.0 million due 2029.

“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.

“Indeval” means S.D. Indeval Institución para el Depósito de Valores S.A. de C.V.

“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.

“Santander” means Banco Santander (México), S.A., Institución de Banca Múltiple, Grupo Financiero Santander México.

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

“Fourth Amendment to the PPS Agreement” means the fourth 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 lenders and the administrative agent.

“Senior Notes” means the 9.00% preferred debt securities in the principal amount of MXN \$7.5 billion, due 2028, issued by the Company on May 30th, 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 payment 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 21st, 2006 (subsequently amended on June 23th, 2011) to calculate the payments under the agreement, establishing a maximum quarterly payment amount of MXN \$192.4 million 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.