



QUARTERLY REPORT
3Q2017

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

Relevant events of the period.

- RCO achieved the following 3Q2017 results:
 - 9.77% increase in total toll revenues and other income.
 - 8.29% increase in Adjusted EBITDA.
 - 88.92% Adjusted EBITDA margin.
 - 4.28% increase in ADT for FARAC I, 5.23% decrease in ADT for COVIQSA and 0.91% increase in ADT for CONIPSA.
- On September 11th 2017, RCO executed a capital reimbursement of MXN\$950.0 million pro rata to all shareholders, and in case of Series "B", through Indeval.

Consolidated Financial Information for 3Q2017 and 3Q2016.

(MXN million)	Revenue, Income from operations and EBITDA			Cumulative		
	3Q2017	3Q2016	% Var	2017	2016	% Var
Total toll and other concession revenues ¹	2,038.8	1,857.3	9.77%	5,919.0	5,285.2	11.99%
Construction revenues	174.5	166.2	4.99%	387.1	417.6	(7.30%)
Total revenues	2,213.3	2,023.5	9.38%	6,306.1	5,702.8	10.58%
Costs and expenses (without construction costs)	584.8	566.4	3.25%	1,666.7	1,695.8	(1.72%)
Construction costs	174.5	166.2	4.99%	387.1	417.6	(7.30%)
Total costs and expenses	759.3	732.6	3.64%	2,053.8	2,113.4	(2.82%)
Income before other income -net	1,454.0	1,290.9	12.63%	4,252.3	3,589.4	18.47%
Other income -net	11.6	11.3	2.65%	23.5	32.7	(28.13%)
Income from operations	1,465.6	1,302.2	12.55%	4,275.8	3,622.1	18.05%
EBITDA	1,684.1	1,509.5	11.57%	4,928.5	4,248.9	15.99%
Adjusted EBITDA	1,812.9	1,674.1	8.29%	5,281.5	4,742.7	11.36%
Income from operations margin	71.89%	70.11%		72.24%	68.53%	
EBITDA margin	82.60%	81.27%		83.27%	80.39%	
Adjusted EBITDA margin	88.92%	90.14%		89.23%	89.74%	

¹ Total toll and other concession revenues exclude Construction revenues.

RCO (FARAC I, COVIQSA, CONIPSA and COTESA)

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, CONIPSA and COTESA concession agreements, announces its unaudited financial results as of September 30th, 2017.

The Company’s unaudited consolidated condensed financial statements as of September 30th, 2017, 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		3Q2017	3Q2016	% Var	Cumulative		% Var
Revenue by road (MXN million) / Toll Revenues					2017	2016	
FARAC I ¹	Guadalajara-Zapotlanejo	229.7	202.4	13.51%	648.5	574.7	12.84%
	Maravatio-Zapotlanejo	569.8	515.1	10.62%	1,671.2	1,469.2	13.75%
	Zapotlanejo-Lagos	490.5	449.4	9.14%	1,398.3	1,249.2	11.94%
	León -Aguascalientes	386.4	354.7	8.94%	1,119.8	996.9	12.32%
	Total FARAC I²	1,676.4	1,521.6	10.18%	4,837.8	4,290.0	12.77%
COVIQSA	Irapuato-Querétaro	227.2	220.3	3.13%	681.7	660.4	3.23%
CONIPSA	Irapuato-La Piedad	68.4	63.1	8.40%	206.7	198.5	4.13%
COTESA	Tepic- San Blas	12.4	-	N/A	36.4	-	N/A
Average daily traffic (ADT)							
FARAC I	By road stretch						
	Guadalajara-Zapotlanejo	41,794.1	38,408.7	8.81%	39,541.5	36,693.2	7.76%
	Maravatio-Zapotlanejo	10,022.5	9,592.5	4.48%	9,896.4	9,153.6	8.11%
	Zapotlanejo-Lagos	15,637.3	15,288.0	2.28%	14,999.0	14,209.4	5.56%
	León -Aguascalientes	13,946.0	13,515.1	3.19%	13,581.7	12,750.8	6.52%
	By type of vehicle						
	Buses	853.9	852.7	0.14%	829.8	816.1	1.68%
	Trucks	4,102.4	3,775.2	8.67%	4,022.0	3,659.2	9.91%
	Cars	8,469.2	8,247.2	2.69%	8,195.3	7,704.8	6.37%
	Weighted average Total³	13,425.5	12,875.1	4.28%	13,047.1	12,180.1	7.12%
COVIQSA	Irapuato-Querétaro	37,889.7	39,980.0	(5.23%)	38,426.1	39,957.3	(3.83%)
CONIPSA	Irapuato-La Piedad	22,646.6	22,443.2	0.91%	22,785.4	22,593.4	0.85%
COTESA	Tepic- San Blas	3,035.8	-	N/A	2,495.2	-	N/A
Consolidated results (MXN million)							
concession revenues ⁴		2,038.8	1,857.3	9.77%	5,919.0	5,285.2	11.99%
Income from operations		1,465.6	1,302.2	12.55%	4,275.8	3,622.1	18.05%
EBITDA		1,684.1	1,509.5	11.57%	4,928.5	4,248.9	15.99%
Adjusted EBITDA		1,812.9	1,674.1	8.29%	5,281.5	4,742.7	11.36%
Long-term debt ⁵					38,420.9	37,846.8	1.52%
Stockholders' equity ⁵					16,987.1	17,754.5	(4.32%)

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 excluding Construction revenues.

⁵ Cumulative figures for 2017, correspond to the statement of financial position as of the end of September 2017. Cumulative figures for 2016, correspond to the statement of financial position as of December 2016.

- **Revenues.** Total toll and other concession revenues for 3Q2017 were MXN\$2,038.8 million, which represented a 9.77% increase as compared to 3Q2016 which had revenues for MXN\$1,857.3 million. Consolidated total revenues are comprised of:
 - **Toll revenues (FARAC I/COTESA),** which increased by 10.99% during 3Q2017 as compared to 3Q2016, to MXN\$1,689.0 million; this increase is mainly due to (i) an increase in toll rates based on inflation and (ii) an increase in ADT of FARAC I. During 3Q2017, the ADT of FARAC I increased by 4.28% as compared to 3Q2016 where cars increased 2.69%, trucks increased by 8.67%, and buses increased 0.14%.
 - **Shadow toll payments from the SCT (CONIPSA/COVIQSA),** comprised of the shadow toll payments by the SCT in connection with the operation of toll-free roads Irapuato - La Piedad and Querétaro - Irapuato, pursuant to the corresponding PPS agreements. The registered amount increased by MXN\$8.0 million to MXN\$193.0 million in 3Q2017 from MXN\$185.0 million in 3Q2016.
 - **Availability Payments from the SCT (CONIPSA/COVIQSA),** comprised of Availability Payments made by SCT (financial asset) in connection with the toll-free roads Irapuato - La Piedad and Querétaro - Irapuato, pursuant to the corresponding PPS agreements. The registered amount increased by MXN\$4.4 million to MXN\$102.4 million in 3Q2017 as compared to MXN\$98.0 million in 3Q2016.
 - **Ancillary revenue from the use of right of way and other related revenues,** revenues generated by the businesses operated directly by RCO alongside its toll roads, such as restaurants and convenience stores; the fees charged to third parties for the businesses they operate alongside the toll roads, such as 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 within the right of way of the toll roads. The registered amount increased by MXN\$1.8 million to MXN\$54.4 million in 3Q2017 as compared to 3Q2016.

The amount of construction revenues and expenses are derived from the Expansion Works executed in FARAC I. Therefore, the revenue is the same to the incurred cost of the Expansion Works Jiquilpan - La Barca and 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. The amounts registered at the end of 3Q2017 were MXN\$174.5 million as compared to MXN\$166.2 million in 3Q2016, an increase of MXN\$8.3 million.

- **Costs and expenses (excluding construction costs).** Total costs and expenses for 3Q2017 were MXN\$584.8 million, an increase of MXN\$18.4 million as compared to 3Q2016; these costs and expenses are comprised of:
 - **Amortization of assets derived from the concessions,** which increased by MXN\$10.1 million to MXN\$215.5 million as compared to 3Q2016.
 - **Operation and maintenance provisions,** which decreased by MXN\$20.2 million during 3Q2017 as compared to 3Q2016, mainly due to a decrease in major maintenance expense.
 - **Toll collection costs,** which increased to MXN\$29.0 million during 3Q2017, or MXN\$7.1 million as compared to 3Q2016, mainly due to a decrease in premiums and fees of insurance and bails.
 - **Cost of ancillary revenue from the use of right of way and other related revenues,** increased by MXN\$11.1 million during 3Q2017 as compared to MXN\$21.8 million during 3Q2016, mainly due to an increase in the cost of ancillary services.
 - **General and administrative expenses,** which increased to MXN\$107.2 million during 3Q2017 from MXN\$96.9 million during 3Q2016. This increase mainly due to consultant fees and expenses of specialized services.
- **Other income net.** Other income for 3Q2017 was MXN\$11.6 million, an increase of MXN\$0.3 million compared to MXN\$11.3 million during 3Q2016.

- **Income from operations:** increased MXN\$163.4 million to MXN\$1,465.6 million during 3Q2017 from MXN\$1,302.2 million of 3Q2016, which represents an Income from Operations Margin of 71.89%.
- **EBITDA.** EBITDA increased by MXN\$174.6 million, to MXN\$1,684.1 million in 3Q2017 from MXN\$1,509.5 million in 3Q2016.
- **Adjusted EBITDA.** Adjusted EBITDA increased by MXN\$138.8 million, to MXN\$1,812.9 million in 3Q2017 from MXN\$1,674.1 million in 3Q2016.

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		
	3Q2017	3Q2016	% Var	2017	2016	% Var
Income from operations	1,465.6	1,302.2	12.55%	4,275.8	3,622.1	18.05%
Net financing cost	919.0	955.7	(3.84%)	2,783.4	2,769.0	0.52%
Interest expense	901.4	954.8	(5.59%)	2,655.5	2,827.4	(6.08%)
Adjustments to principal amount of UDI denominated debt	99.4	58.6	69.62%	378.6	109.0	247.34%
Interest income	(81.8)	(57.4)	(42.51%)	(250.6)	(167.2)	(49.88%)
Net foreign exchange loss (income)	-	(0.3)	100.00%	(0.1)	(0.2)	50.00%
Income before income taxes	546.6	346.5	57.75%	1,492.4	853.1	74.94%
Income taxes (benefit)	62.0	(13.4)	562.69%	43.2	110.9	(61.05%)
Consolidated net income for the period	484.6	359.9	34.65%	1,449.2	742.2	95.26%

- **Net financing cost.** During 3Q2017, the net financing cost decreased by MXN\$36.7 million as compared to 3Q2016, comprised of:
 1. **Interest expense,** during 3Q2017 decreased by MXN\$53.4 million as compared to 3Q2016, mainly due to the following: (i) an increase of MXN\$47.1 million increase in premiums and interest on financing, (ii) MXN\$10.3 million increase in amortization of premiums and debt expenses, (iii) MXN\$39.6 million decrease of interest on derivative financial instruments, and (iv) MXN\$71.2 million decrease in interest on major maintenance provision.
 2. **Adjustments to principal amount of UDI denominated debt,** due to a variation in UDI value as of 3Q2017¹, a loss of MXN\$99.4 million was registered during 3Q2017 compared to an income of MXN\$58.6 million during 3Q2016; this variation reflects the accumulated inflation of 3Q2017 as compared to 3Q2016. This line item reflects the UDI value of the CBs RCO 12U.
 3. **Interest income,** which increased by MXN\$24.4 million, to MXN\$81.8 million during 3Q2017 from MXN\$57.4 million in 3Q2016.
- **Income before income taxes.** The consolidated income before income taxes increased by MXN\$200.1 million to MXN\$546.6 million in 3Q2017 compared to the consolidated income before taxes of MXN\$346.5 million in 3Q2016, primarily due to the increase in toll and other concession revenues.
- **Income taxes (benefit).** During 3Q2017 the income taxes benefit was MXN\$62.0 million, a MXN\$75.4 million increase from the benefit registered during 3Q2016; mainly due to the increase in the income before income taxes.

¹ UDI value as of September 30th 2017 was 5.8185 compared to 5.7514 as of June 30th 2017, an increase of 1.17%; UDI value as of September 30th 2016 was 5.4548 compared to 5.4152 as of June 30th 2016, an increase of 0.73%.

- **Consolidated net income for the period.** During 3Q2017 the Company recorded a net income of MXN\$484.6 million, a MXN\$124.7 million increase over the net income of MXN\$359.9 million in 3Q2016.

CASH AND LONG-TERM DEBT

- **Cash and cash equivalents.** For 3Q2017 registered MXN\$6,736.2 million, which represented an increase of 0.86% compared to MXN\$6,678.8 million at the end of 2016.
- **Long-term debt.** The long-term debt is comprised of the following ten 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 2016 Capex Loan, (viii) FARAC I 2017 Capex Loan, (ix) COVIQSA Loan and (x) CONIPSA Loan. In accordance with IFRS, long-term debt is presented net of fees and debt issuance costs.

As of 3Q2017, long-term debt increased by MXN\$574.1 million to MXN\$38,420.9 million from MXN\$37,846.8 million at the end of 2016. This net increase mainly stems from disposition for both FARAC I 2016 Capex Loan, as well as to the increase in UDI value of FARAC I CBs 12U; such increase partially offset by principal amortizations of FARAC I HSBC Capex Loan, COVIQSA Loan and CONIPSA Loan.

LIQUIDITY

The liquidity ratio (current assets/current liabilities) increased to 3.26 as of 3Q2017 compared to 3.04 at the end of 2016, mainly due to the increase in cash and cash equivalents.

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 de Moreno and (iv) León-Aguascalientes toll roads with maturity 2042.

Likewise, according 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)	3Q2017	3Q2016	% Var	Cumulative		
				2017	2016	% Var
Total toll and other concession revenues	1,730.8	1,573.9	9.97%	4,994.1	4,426.2	12.83%
Administrative service revenues	16.1	15.2	5.92%	48.2	40.2	19.90%
Costs and expenses (excluding construction costs)	486.8	459.5	5.94%	1,414.7	1,377.1	2.73%
Income from operations	1,270.3	1,137.4	11.68%	3,647.6	3,114.7	17.11%
EBITDA	1,449.7	1,305.5	11.05%	4,183.2	3,623.6	15.44%
Adjusted EBITDA	1,531.4	1,410.6	8.56%	4,428.2	3,939.0	12.42%
Income from operations margin	73.39%	72.27%		73.04%	70.37%	
EBITDA margin	83.76%	82.95%		83.76%	81.87%	
Adjusted EBITDA margin	88.48%	89.62%		88.67%	88.99%	
ADT by road						
Guadalajara-Zapotlanejo	41,794.1	38,408.7	8.81%	39,541.5	36,693.2	7.76%
Maravatío-Zapotlanejo	10,022.5	9,592.5	4.48%	9,896.4	9,153.6	8.11%
Zapotlanejo-Lagos	15,637.3	15,288.0	2.28%	14,999.0	14,209.4	5.56%
León -Aguascalientes	13,946.0	13,515.1	3.19%	13,581.7	12,750.8	6.52%
ADT by type of vehicle						
Buses	853.9	852.7	0.14%	829.8	816.1	1.68%
Trucks	4,102.4	3,775.2	8.67%	4,022.0	3,659.2	9.91%
Cars	8,469.2	8,247.2	2.69%	8,195.3	7,704.8	6.37%
Weighted average ADT Total FARAC I¹	13,425.5	12,875.1	4.28%	13,047.1	12,180.1	7.12%

¹ According to each road's kilometers.

- **Weighted Average Daily Traffic (ADT)**, during 3Q2017 a 4.28% increase was recorded compared to the same period of 2016, where ADT increased by 0.14% in buses, 2.69% in cars and 8.67% in trucks.
- **Total toll and other concession revenues**, total toll and concession revenues for 3Q2017 were MXN\$1,730.8 million, an increase of MXN\$156.9 million compared to MXN\$1,573.9 million in 3Q2016. Total toll and other concession revenues are comprised of:
 - **Toll revenues**, which increased by MXN\$154.8 million to MXN\$1,676.5 million in 3Q2017 from MXN\$1,521.7 million in 3Q2016, this increase is mainly due to: (i) an increase in toll rates based on inflation, and (ii) an increase in ADT.
 - **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 3Q2017 the amount increased by MXN\$2.1 million to MXN\$54.3 million from MXN\$52.2 million during 3Q2016.
 - **Administrative services revenues**. During 3Q2017, administrative services revenues were MXN\$16.1 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 the same to the incurred cost of the Expansion Works Jiquilpan - La Barca and 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. The amounts registered at the end of 3Q2017 were MXN\$127.9 million as compared to MXN\$166.2 million in 3Q2016.

- **Costs and expenses (excluding construction costs)**, total costs and expenses were MXN\$486.8 million in 3Q2017 as compared to MXN\$459.5 million in 3Q2016, comprised of:
 - **Amortization of assets derived from the concessions**, which increased by MXN\$10.4 million, to MXN\$177.0 million in 3Q2017 from MXN\$166.6 million in 3Q2016.
 - **Operation and maintenance provisions**, decreased by MXN\$8.3 million during 3Q2017, mainly due to a decrease on the estimate of the major maintenance expenses, as compared to the previous period.
 - **Toll collection costs**, which decreased by MXN\$6.7 million, to MXN\$27.0 million in 3Q2017 from MXN\$20.3 million in 3Q2016.
 - **Cost of ancillary revenue from the use of right of way and other related revenues**, increased by MXN\$10.9 million during 3Q2017 as compared to MXN\$32.8 million during 3Q2016.
 - **General and administrative expenses**, which registered MXN\$103.8 million in 3Q2017 from MXN\$96.2 million in 3Q2016. This increase is mainly due to consultant fees and expenses of specialized services.
- **Other income net**. During 3Q2017, FARAC I recorded an income of MXN\$10.2 million, an increase of MXN\$2.4 million from MXN\$7.8 million during 3Q2016.
- **Income from operations**. In 3Q2017, income from operations was MXN\$1,270.3 million, an increase of MXN\$132.9 million compared to MXN\$1,137.4 million in 3Q2016, which represents an Income from Operations Margin of 73.39%².
- **EBITDA**. EBITDA for 3Q2017 increased by MXN\$144.2 million, to MXN\$1,449.7 million from MXN\$1,305.5 million in 3Q2016, which represents an EBITDA Margin of 83.76%³.
- **Adjusted EBITDA**. Adjusted EBITDA for 3Q2017 was MXN\$1,531.4 million, an increase of MXN\$120.8 million compared to MXN\$1,410.6 million from 3Q2016, which represents an Adjusted EBITDA Margin of 88.48%⁴.
- **Net financing cost**. During 3Q2017, the net financing cost decreased by MXN\$15.7 million. This decrease was due to the following:
 1. **Interest expense**, decreased by MXN\$17.9 million primarily as a result of the following: (i) MXN\$54.3 million increase in premiums and interest on financing, (ii) MXN\$24.9 million decrease in effects of valuation of derivative financial instruments, (iii) MXN\$10.4 million increase in amortization of

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*

- premiums and debt expenses, and (iv) MXN\$57.7 million decrease in interest on major maintenance provision.
2. **Adjustments to principal amount of UDI denominated debt**, due to a variation in UDI value as of 3Q2017⁵, a loss of MXN\$99.4 million was registered during 3Q2017, compared to an income of MXN\$58.6 million during 3Q2016. This variation reflects the UDI value of the CBs RCO 12U.
 3. **Interest income**, which increased by MXN\$13.9 million, to MXN\$63.6 million during 3Q2017 from MXN\$49.7 million during 3Q2016.

FARAC I Debt Service Coverage Ratio.

The Debt Service Coverage Ratio (amount available for debt service purposes / Debt Service) increased by 12.11%, to 2.55 in 3Q2017 from 2.27 in 3Q2016.

FARAC I Debt Service Coverage Ratio for the period.

DSCR FARAC I (MXN million)				Cumulative		
	3Q2017	3Q2016	% Var	2017	2016	% Var
(+) Income from operations	1,270.3	1,137.4	11.68%	3,647.6	3,114.7	17.11%
(+) Amortization of assets derived from the concession	177.0	166.6	6.24%	530.4	499.5	6.19%
(+) Depreciation	2.4	1.5	60.00%	5.2	9.4	(44.68%)
(+) Major Maintenance Provision	81.7	105.1	(22.26%)	245.0	315.4	(22.32%)
(=) Adjusted EBITDA	1,531.4	1,410.6	8.56%	4,428.2	3,939.0	12.42%
(-) Major Maintenance Expenses	-	216.8	(100.00%)	205.5	308.7	(33.42%)
(+) Available Cash ¹	581.9	654.1	(11.04%)	1,147.3	795.4	44.25%
(+) COVIQSA / CONIPSA excess cash to FARAC I	175.0	126.1	38.83%	350.0	126.1	177.66%
(=) Amount Available for Debt Service	2,288.3	1,974.0	15.92%	5,720.0	4,551.8	25.67%
(/) Debt Service ²	897.7	868.2	3.40%	2,646.7	2,575.4	2.77%
Debt Service Coverage Ratio (DSCR)	2.55	2.27	12.11%	2.16	1.77	22.28%

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 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 September 30th 2017 was 5.8185 compared to 5.7514 as of June 30th 2017, an increase of 1.17%; UDI value as of September 30th 2016 was 5.4548 compared to 5.4152 as of June 30th 2016, an increase of 0.73%.

FARAC I Debt Maturity Profile (MXN Million)

Year	Bank Debt				Debt Capital Markets				Total
	Capex HSBC	Capex Santander / Interacciones	Banobras	Inbursa	CBs Pesos RCO12	CBs UDI RCO 12U ¹	CBs Pesos RCO 14	Senior Notes	
2017	29.4								29.4
2018	117.6								117.6
2019		53.7	389.6	9.2	285.2	470.5		225.0	1,433.2
2020		206.1	408.2	9.2	300.0	492.9		450.0	1,866.4
2021		158.6	429.6	73.5	316.5	518.8	44.0	525.0	2,066.0
2022		15.8	451.0	183.8	332.4	544.6	132.0	675.0	2,334.7
2023		30.3	475.2	367.7	347.2	573.9	264.0	900.0	2,958.2
2024		70.9	499.5	551.5	357.4	603.2	396.0	1,200.0	3,678.5
2025		117.7	526.6	735.4	358.0	636.0	528.0	1,350.0	4,251.6
2026		241.2	555.1	1,011.1	332.4	670.4	572.0	1,125.0	4,507.3
2027		332.2	582.3	735.4	211.9	703.2	616.0	750.0	3,931.0
2028		272.6	607.9	551.5		734.2	616.0	300.0	3,082.3
2029			627.9	367.7		758.3	616.0		2,369.9
2030			627.9			758.3	616.0		2,002.2
2031			583.7			704.9			1,288.6
2032			371.0			448.1			819.1
Total	147.1	1,499.0	7,135.5	4,596.0	2,841.0	8,617.5	4,400.0	7,500.0	36,736.1
Reserve ²		50.7	425.7	226.2	441.5	851.0	411.4	732.5	3,139.0
Net total	147.1	1,448.4	6,709.8	4,369.8	2,399.5	7,766.5	3,988.6	6,767.5	33,597.1

¹ UDI value as of September 30, 2017 of 5.818523

² Contractual cash reserve.

FARAC I Expansion Works

During 3Q2017, RCO completed capital expenditures of MXN\$112.8 million in connection with the Expansion Works. Since the inception of FARAC I Concession Agreement, RCO has invested a total of MXN\$2,521.3 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	Apr - 18 *	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)	3Q2017	3Q2016	% Var	Cumulative		
				2017	2016	% Var
Total toll and other concession revenues	227.2	220.3	3.13%	681.7	660.4	3.23%
Income from operations	150.0	145.8	2.88%	485.5	437.3	11.02%
EBITDA	182.2	178.2	2.24%	582.1	534.8	8.84%
Adjusted EBITDA	214.4	209.0	2.58%	645.2	627.1	2.89%
Income from operations margin	66.02%	66.18%		71.22%	66.22%	
EBITDA margin	80.19%	80.89%		85.39%	80.98%	
Adjusted EBITDA margin	94.37%	94.87%		94.65%	94.96%	
ADT for the period	37,889.7	39,980.0	(5.23%)	38,426.1	39,957.3	(3.83%)

- **Total shadow toll and other concession revenues.** COVIQSA total shadow toll and other concession revenues for 3Q2017 increased by MXN\$6.9 million, to MXN\$227.2 million from MXN\$220.3 million in 3Q2016.
- **Costs and expenses.** Total costs and expenses for 3Q2017 were MXN\$77.7 million, an increase of MXN\$0.8 million compared to MXN\$76.9 million for 3Q2016.
- **Other income, net.** In 3Q2017 other income recorded MXN\$0.5 million, a decrease of MXN\$1.9 million compared to an income of MXN\$2.4 million in 3Q2016.
- **Income from operations.** In 3Q2017, income from operations was MXN\$150.0 million as compared to MXN\$145.8 million in 3Q2016, which represents an Income from Operations Margin of 66.02%⁶.
- **EBITDA.** EBITDA for 3Q2017 was MXN\$182.2 million as compared to an EBITDA of MXN\$178.2 million in 3Q2016, which represents an EBITDA Margin of 80.19%⁷.
- **Adjusted EBITDA.** Adjusted EBITDA for 3Q2017 was MXN\$214.4 million as compared to an Adjusted EBITDA of MXN\$209.0 million in 3Q2016, which represents an Adjusted EBITDA Margin of 94.37%⁸.
- **Net financing cost.** During 3Q2017, the net financing cost registered a gain of MXN\$15.8 million, a difference of MXN\$35.8 million as compared to 3Q2016 which registered an expense of MXN\$20.0 million, mainly due to the increase of intercompany interest income of MXN\$17.1 million as compared to 3Q2016.

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) increased by 21.31% to 6.41 during 3Q2017 from 5.28 in 3Q2016.

COVIQSA (MXN million)	3Q2017	3Q2016	% Var	Cumulative		
				2017	2016	% Var
(+) Income from operations	150.0	145.8	2.88%	485.5	437.3	11.02%
(+) Amortization of assets derived from the concession	31.9	32.2	(0.93%)	95.7	96.7	(1.03%)
(+) Depreciation	0.3	0.2	50.00%	0.9	0.8	12.50%
(+) Major Maintenance Provision	32.2	30.8	4.55%	63.1	92.3	(31.64%)
(=) Adjusted EBITDA	214.4	209.0	2.58%	645.2	627.1	2.89%
(-) Income Tax	46.2	42.7	8.20%	139.2	100.9	37.96%
(-) Major Maintenance Expense	38.6	37.1	4.17%	134.8	78.4	72.00%
(+) Available Cash ¹	510.6	388.5	31.43%	268.3	329.6	(18.60%)
(=) Amount Available for Debt Service	640.2	517.7	23.66%	639.5	777.4	(17.74%)
(/) Debt Service ²	99.9	98.0	1.94%	308.4	292.2	5.54%
Debt Service Coverage Ratio (DSCR)	6.41	5.28	21.31%	2.07	2.66	(22.06%)

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 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
2017	50.4
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	2,445.8
Reserve¹	108.5
Net total	2,337.3

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 September 2005.

Selected Financial Information and key indicators for the period.

(MXN million)	3Q2017	3Q2016	% Var	Cumulative		
				2017	2016	% Var
Total toll and other concession revenues	68.4	63.1	8.40%	206.7	198.5	4.13%
Income from operations	42.0	24.7	70.04%	132.1	86.0	53.60%
EBITDA	43.8	26.4	65.91%	137.5	91.4	50.44%
Adjusted EBITDA	58.7	55.1	6.53%	182.3	177.5	2.70%
Income from operations margin	61.40%	39.14%		63.91%	43.32%	
EBITDA margin	64.04%	41.84%		66.52%	46.05%	
Adjusted EBITDA margin	85.82%	87.32%		88.20%	89.42%	
ADT for the period	22,646.6	22,443.2	0.91%	22,785.4	22,593.4	0.85%

- **Total shadow toll and other concession revenues.** CONIPSA Total shadow toll and other concession revenues for 3Q2017, increased by MXN\$5.3 million, to MXN\$68.4 million from MXN\$63.1 million in 3Q2016.
- **Costs and expenses.** Total costs and expenses during 3Q2017 were MXN\$27.3 million, a decrease of MXN\$12.2 million compared to MXN\$39.5 million in 3Q2016. Mainly due to a decrease in the major maintenance expenses compared to the previous period.
- **Other income, net.** During 3Q2017, other income was MXN\$0.9 million, a decrease of MXN\$0.2 million as compared to MXN\$1.1 million in 3Q2016.
- **Income from operations.** Income from operations during 3Q2017 was MXN\$42.0 million, an increase of MXN\$17.3 million compared to 3Q2016, which represents an Income from Operations Margin for 3Q2017 of 61.40%⁹.
- **EBITDA.** For 3Q2017 increased by MXN\$17.4 million, to MXN\$43.8 million from an EBITDA of MXN\$26.4 million in 3Q2016, which represents an EBITDA Margin of 64.04%¹⁰.
- **Adjusted EBITDA.** For 3Q2017 was MXN\$58.7 million, an increase of MXN\$3.6 million compared to MXN\$55.1 million for 3Q2016, which represents an Adjusted EBITDA Margin of 85.82%¹¹.
- **Net financing cost.** During 3Q2017, the net financing cost registered an income of MXN\$1.8 million, a decrease by MXN\$9.3 million from the financing cost registered in 3Q2016 of MXN\$7.5 million. Mainly due to a decrease of interest on major maintenance provision by MXN\$4.5 million compared to 3Q2016.

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 78.99% to 36.07 in 3Q2017 from 20.15 in 3Q2016.

CONIPSA (MXN million)	3Q2017	3Q2016	% Var	Cumulative		
				2017	2016	% Var
(+) Income from operations	42.0	24.7	70.04%	132.1	86.0	53.60%
(+) Amortization of assets derived from the concession	1.6	1.5	6.67%	4.7	4.7	-
(+) Depreciation	0.2	0.2	-	0.7	0.7	-
(+) Major Maintenance Provision	14.9	28.7	(48.08%)	44.8	86.1	(47.97%)
(=) Adjusted EBITDA	58.7	55.1	6.53%	182.3	177.5	2.70%
(-) Income Tax	4.3	5.8	(25.86%)	8.5	15.9	(46.54%)
(-) Major Maintenance Expense	3.3	30.7	(89.40%)	43.4	72.8	(40.39%)
(+) Available Cash ¹	302.4	178.9	69.03%	130.3	120.1	8.49%
(=) Amount Available for Debt Service	353.5	197.5	78.99%	260.7	208.9	24.80%
(/) Debt Service ²	9.8	9.8	-	31.5	27.7	13.72%
Debt Service Coverage Ratio (DSCR)	36.07	20.15	78.99%	8.28	7.54	9.74%

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 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
2017	5.4
2018	24.1
2019	27.7
2020	32.9
2021	34.8
2022	39.3
2023	39.3
2024	29.5
Total	233.0
Reserve¹	14.5
Net total	218.5

¹ Contractual cash reserve.

COTESA

COTESA holds the concession to operate, preserve and maintain a 30.9-km federal toll road located in the state of Nayarit, for a 30-year period beginning in 2016.

On May 4th, 2016 COTESA was incorporated and received a contribution of fixed capital stock by MXN\$0.5 million from its shareholders, who also made contributions to the variable portion of the capital stock. The first contribution to the variable portion of the capital stock was made on May 30th, 2016 for an amount of MXN\$15.05 million, the second contribution was made on September 7th, 2016 for MXN\$1.1 million, the third contribution was made on November 25th, 2016 for MXN\$71.8 million, the fourth contribution was made on December 21st, 2016 for MXN\$72.5 million, the fifth contribution was made on August 16th, 2017 for MXN\$15.3 million, the sixth contribution was made on August 28th, 2017 for MXN\$12.5 million and the seventh contribution was made on September 14th, 2017 for MXN\$42.2 million. The total capital stock increased to MXN\$230.5 million.

On November 10th, 2016 the SCT granted the authorization for the construction and initial rehabilitation programs and on February 21st 2017, granted the authorization to start operations partially.

Selected Financial Information and key indicators for the period.

(MXN million)	3Q2017	3Q2016	% Var	Cumulative		
				2017	2016	% Var
Total toll and other concession revenues	12.4	-	N/A	36.4	-	N/A
Income from operations	8.4	(0.8)	N/A	25.4	(0.9)	N/A
EBITDA	8.5	(0.8)	N/A	25.6	(0.9)	N/A
Adjusted EBITDA	8.5	(0.8)	N/A	25.6	(0.9)	N/A
Income from operations margin	67.74%	-	N/A	69.78%	-	N/A
EBITDA margin	68.55%	-	N/A	70.33%	-	N/A
Adjusted EBITDA margin	68.55%	-	N/A	70.33%	-	N/A
TPD del Periodo	3,035.8	-	N/A	2,495.2	-	N/A

- **Total toll and other concession revenues.** During 3Q2017 registered MXN\$12.4 million.
- **Construction revenues.** They are derived from the construction and initial rehabilitation programs executed in COTESA. Therefore, the revenue is equivalent to the incurred cost of the construction and rehabilitation; works that represent an increase to the value of intangible assets derived from the concession and have a zero net effect on COTESA's results. The amounts registered were MXN\$46.7 million as of 3Q2017.
- **Costs and expenses (without construction costs).** Costs and expenses during 3Q2017 was MXN\$4.0 million.
- **Income from operations.** Income from operations registered MXN\$8.4 million for 3Q2017.
- **EBITDA.** EBITDA during 3Q2017 registered MXN\$8.5 million.
- **Adjusted EBITDA.** Adjusted EBITDA registered MXN\$8.5 million.
- **Net financing result:** during 3Q2017, there were no interest expenses. Interest income registered MXN\$0.9 million.

RELEVANT EVENTS

During the period from July 1st, 2017 to September 31th, 2017, the following relevant events were reported:

Red de Carreteras de Occidente, S.A.B de C.V. (“RCO”) informs about the re post of the 2Q2017 Quarterly Report.

Guadalajara, Jalisco, August 30th 2017 – In follow-up to certain observations made by the “Comisión Nacional Bancaria y de Valores” to the 2Q2017 Quarterly Report, RCO made a re post taking these observations in consideration.

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 July 1 to September 30 of				Cumulative			
	2017	2016	Variation	%	2017	2016	Variation	%
TOTAL REVENUES	2,213.3	2,023.5	189.8	9.38	6,306.1	5,702.8	603.3	10.58
Toll revenues	1,689.0	1,521.7	167.3	10.99	4,874.1	4,290.0	584.1	13.62
Shadow toll payments from the SCT	193.0	185.0	8.0	4.32	580.8	563.2	17.6	3.12
Availability payments from the SCT	102.4	98.0	4.4	4.49	307.1	294.1	13.0	4.42
Ancillary revenues from the use of right of way and other related revenues	54.4	52.6	1.8	3.42	157.0	137.9	19.1	13.85
Total toll and other concession revenues	2,038.8	1,857.3	181.5	9.77	5,919.0	5,285.2	633.8	11.99
Construction revenues	174.5	166.2	8.3	4.99	387.1	417.6	(30.5)	(7.30)
COSTS AND EXPENSES	759.3	732.6	26.7	3.64	2,053.8	2,113.4	(59.6)	(2.82)
Amortization of assets derived from the concessions	215.5	205.4	10.1	4.92	645.9	615.9	30.0	4.87
Operation and maintenance provisions	200.2	220.4	(20.2)	(9.17)	536.4	662.6	(126.2)	(19.05)
Toll collection costs	29.0	21.9	7.1	32.42	77.5	74.4	3.1	4.17
Cost of ancillary revenues from the use of right of way and other related revenues	32.9	21.8	11.1	50.92	85.1	67.2	17.9	26.64
General and administrative expenses	107.2	96.9	10.3	10.63	321.8	275.7	46.1	16.72
Total costs and expenses excluding construction costs	584.8	566.4	18.4	3.25	1,666.7	1,695.8	(29.1)	(1.72)
Construction costs	174.5	166.2	8.3	4.99	387.1	417.6	(30.5)	(7.30)
INCOME BEFORE OTHER INCOME NET	1,454.0	1,290.9	163.1	12.63	4,252.3	3,589.4	662.9	18.47
Other income, net	11.6	11.3	0.3	2.65	23.5	32.7	(9.2)	(28.13)
INCOME FROM OPERATIONS	1,465.6	1,302.2	163.4	12.55	4,275.8	3,622.1	653.7	18.05
Net financing cost	919.0	955.7	(36.7)	(3.84)	2,783.4	2,769.0	14.4	0.52
Interest expense	901.4	954.8	(53.4)	(5.59)	2,655.5	2,827.4	(171.9)	(6.08)
Premiums and interests on financing	860.9	813.8	47.1	5.79	2,524.3	2,397.5	126.8	5.29
Interest on derivative financial instruments	5.4	45.0	(39.6)	(88.00)	40.0	143.5	(103.5)	(72.13)
Amortization of premiums and debt expenses	35.1	24.8	10.3	41.53	91.2	72.9	18.3	25.10
Major maintenance interests	-	71.2	(71.2)	(100.00)	-	213.5	(213.5)	(100.00)
Adjustments to principal amount of UDI denominated debt	99.4	58.6	40.8	69.62	378.6	109.0	269.6	247.34
Interest income	(81.8)	(57.4)	(24.4)	(42.51)	(250.6)	(167.2)	83.4	49.88
Net foreign exchange income	-	(0.3)	0.3	(100.00)	(0.1)	(0.2)	0.1	50.00
INCOME BEFORE INCOME TAXES	546.6	346.5	200.1	57.75	1,492.4	853.1	639.3	74.94
INCOME TAXES (BENEFIT)	62.0	(13.4)	75.4	562.69	43.2	110.9	(67.7)	(61.05)
CONSOLIDATED NET INCOME FOR THE PERIOD	484.6	359.9	124.7	34.65	1,449.2	742.2	707.0	95.26
Other comprehensive income items								
Items that will be reclassified subsequently to profit or loss:								
Valuation of derivative financial instruments	5.3	112.2	(106.9)	(95.28)	(95.1)	180.6	(275.7)	(152.66)
Deferred income taxes of derivative financial instruments	(1.6)	(32.8)	31.2	95.12	28.6	(52.7)	81.3	154.27
COMPREHENSIVE INCOME FOR THE PERIOD	488.3	439.3	49.0	11.15	1,382.7	870.1	512.6	58.91
BASIC AND DILUDED INCOME PER COMMON SHARE (pesos)	0.0169	0.0125	0.0043	34.65	0.0505	0.0258	0.0246	95.26

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

	September 2017	December 2016	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	6,736.2	6,678.8	57.4	0.86
Trade accounts receivable	110.0	774.2	(664.2)	(85.79)
Recoverable taxes	211.3	56.6	154.7	273.32
Financial asset-current portion	390.3	393.1	(2.8)	(0.71)
Other accounts receivable and prepaid expenses	207.1	114.8	92.3	80.40
Total current assets	7,654.9	8,017.5	(362.6)	(4.52)
Non-current assets				
Long-term restricted cash	97.4	93.7	3.7	3.95
Financial assets derived from the concessions - long-term portion	868.6	867.1	1.5	0.17
Intangible assets derived from the concessions	42,883.6	43,047.0	(163.4)	(0.38)
Furniture and equipment and franchise rights - net	18.6	20.1	(1.5)	(7.46)
Machinery and equipment - net	34.8	26.6	8.2	30.83
Derivate financial instruments	53.8	114.8	(61.0)	(53.14)
Deferred income tax asset	6,675.9	6,530.5	145.4	2.23
Other assets	5.8	4.4	1.4	31.82
Total non-current assets	50,638.5	50,704.2	(65.7)	(0.13)
TOTAL ASSETS	58,293.4	58,721.7	(428.3)	(0.73)
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	347.2	285.3	61.9	21.70
Interest payable	541.5	868.4	(326.9)	(37.64)
Interest payable on derivative financial instruments	-	5.0	(5.0)	(100.00)
Other current liabilities	39.6	44.8	(5.2)	(11.61)
Provisions	525.5	746.9	(221.4)	(29.64)
Current portion of long-term debt	359.0	341.0	18.0	5.28
Current portion of long-term employee benefits	53.3	33.4	19.9	59.58
Accounts payable for work executed, not yet approved	65.7	29.8	35.9	120.47
Taxes other than income tax	243.0	282.6	(39.6)	(14.01)
Income taxes payable	170.8	2.9	167.9	5,789.66
Total current liabilities	2,345.6	2,640.1	(294.5)	(11.15)
Non-current liabilities				
Long-term debt	38,420.9	37,846.8	574.1	1.52
Provisions for major maintenance	175.4	158.2	17.2	10.87
Long-term employee benefits	63.8	56.1	7.7	13.73
Post-employment benefits	3.2	2.6	0.6	23.08
Other long term liabilities	10.7	5.0	5.7	114.00
Derivative financial instruments	102.9	63.7	39.2	61.54
Deferred income tax liability	183.8	194.7	(10.9)	(5.60)
Total-non current liabilities	38,960.7	38,327.1	633.6	1.65
TOTAL LIABILITIES	41,306.3	40,967.2	339.1	0.83
STOCKHOLDERS' EQUITY				
Capital stock	19,259.0	21,409.0	(2,150.0)	(10.04)
Accumulated deficit	(2,234.2)	(3,683.3)	1,449.1	39.34
Other comprehensive loss	(37.7)	28.8	(66.5)	(230.90)
Actuarial income / (losses)	0.3	0.3	-	-
TOTAL STOCKHOLDERS' EQUITY	16,987.1	17,754.5	(767.4)	(4.32)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	58,293.4	58,721.7	(428.3)	(0.73)

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 September 30 of:

Concept	2017	2016
OPERATING ACTIVITIES		
Income before income taxes	1,492.4	853.1
Adjustments for:		
Depreciation and amortization	654.4	627.0
Financing related activities:		
Interest expense	2,524.3	2,611.0
Valuation effects of derivative financial instruments	40.0	143.5
Amortization of commissions and debt issuance costs	91.3	72.9
Unrealized exchange loss	(0.1)	-
Adjustments to principal amount of UDI denominated debt	378.6	109.0
	<u>5,180.8</u>	<u>4,416.5</u>
+/- Decrease / (increase) in:		
Trade accounts receivable	664.1	(30.8)
Recoverable taxes	(1.3)	(4.7)
Financial asset	1.3	2.1
Other accounts receivable and other prepaid expenses	(92.3)	(68.3)
Other assets	(1.4)	(0.4)
+/- Increase / (decrease) in:		
Accounts payable to suppliers	62.1	25.4
Other current liabilities	0.4	(12.7)
Provisions	(204.1)	(74.8)
Taxes other than income tax	(42.5)	45.1
Income taxes paid	(153.3)	(120.8)
Employee benefits - net	27.6	29.4
Post-employment employee benefits	0.5	0.6
Net cash provided by operating activities	<u>5,441.9</u>	<u>4,206.6</u>
INVESTING ACTIVITIES		
Acquisition of furniture and equipment	(0.7)	(4.8)
Franchise rights	(14.6)	(1.4)
Intangible assets derived from the concessions	(446.5)	(409.0)
Net cash (used in) provided by investing activities	<u>(461.8)</u>	<u>(415.2)</u>
FINANCING ACTIVITIES		
Proceeds from long-term debt	451.2	647.6
Payments of debt	(255.7)	(490.0)
Interest paid	(2,851.2)	(2,721.5)
Payments of derivative financial instruments	(40.0)	(143.5)
Commissions and debt issuance costs paid	(73.3)	(9.6)
Capital stock reduction	(2,150.0)	(1,799.8)
Net cash used in financing activities	<u>(4,919.0)</u>	<u>(4,516.8)</u>
+/- Increase in cash, cash equivalents and restricted cash	61.1	(725.4)
Cash, cash equivalents and restricted cash at the beginning of the period	<u>6,772.5</u>	<u>7,014.2</u>
Cash, cash equivalents and restricted cash at the end of the period	<u>6,833.6</u>	<u>6,288.8</u>

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

	Capital stock	Acumulated deficit	Other comprehensive income	Total stockholders' equity
Balance as of January 1, 2016	22,129.0	(4,771.9)	(307.0)	17,050.0
Capital stock reduction	(720.0)	-	-	(720.0)
Comprehensive income:				
Valuation of derivative financial instruments	-	-	180.6	180.6
Deferred income taxes of derivative instruments	-	-	(52.7)	(52.7)
Net loss for the period	-	742.2	-	742.2
Comprehensive loss	-	742.2	127.9	870.1
Balance as of September 30, 2016	21,409.0	(4,029.7)	(179.1)	17,200.1
Balance as of January 1, 2017	21,409.0	(3,683.3)	28.8	17,754.5
Capital stock reduction	(2,150.0)	-	-	(2,150.0)
Comprehensive income:				
Valuation of derivative financial instruments	-	-	(95.1)	(95.1)
Deferred income taxes of derivative instruments	-	-	28.5	28.5
Net income for the period	-	1,449.2	-	1,449.2
Comprehensive income	-	1,449.2	(66.6)	1,382.7
Balance as of September 30, 2017	19,259.0	(2,234.1)	(37.8)	16,987.1

FARAC I

Red de Carreteras de Occidente, S.A.B. de C.V.								
COMPARATIVE STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)								
(MXN million)								
	From July 1 to September 30 of				Cumulative			
	2017	2016	Variation	%	2017	2016	Variation	%
TOTAL REVENUES	1,874.8	1,755.3	119.5	6.81	5,290.9	4,883.9	407.0	8.33
Toll revenues	1,676.5	1,521.7	154.8	10.17	4,837.7	4,290.0	547.7	12.77
Ancillary revenues from the use of right of way and other related revenues	54.3	52.2	2.1	4.02	156.4	136.2	20.2	14.83
Total toll and other concession revenues	1,730.8	1,573.9	156.9	9.97	4,994.1	4,426.2	567.9	12.83
Administrative service revenues	16.1	15.2	0.9	5.92	48.2	40.2	8.0	19.90
Construction revenues	127.9	166.2	(38.3)	(23.04)	248.6	417.5	(168.9)	(40.46)
COSTS AND EXPENSES	614.7	625.7	(11.0)	(1.76)	1,663.3	1,794.6	(131.3)	(7.32)
Amortization of assets derived from the concessions	177.0	166.6	10.4	6.24	530.4	499.5	30.9	6.19
Operation and maintenance provisions	146.2	154.5	(8.3)	(5.37)	410.3	467.3	(57.0)	(12.20)
Toll collection costs	27.0	20.3	6.7	33.00	72.1	69.5	2.6	3.74
Cost of ancillary revenues from the use of right of way and other related revenues	32.8	21.9	10.9	49.77	85.1	67.2	17.9	26.64
General and administrative expenses	103.8	96.2	7.6	7.90	316.8	273.6	43.2	15.79
Total costs and expenses excluding construction costs	486.8	459.5	27.3	5.94	1,414.7	1,377.1	37.6	2.73
Construction costs	127.9	166.2	(38.3)	(23.04)	248.6	417.5	(168.9)	(40.46)
INCOME BEFORE OTHER INCOME NET	1,260.1	1,129.6	130.5	11.55	3,627.6	3,089.3	538.3	17.42
Other income, net	10.2	7.8	2.4	30.77	20.0	25.4	(5.4)	(21.26)
INCOME FROM OPERATIONS	1,270.3	1,137.4	132.9	11.68	3,647.6	3,114.7	532.9	17.11
Net financing cost	912.5	928.2	(15.7)	(1.69)	2,345.5	2,216.9	128.6	5.80
Interest expense	901.7	919.6	(17.9)	(1.95)	2,644.7	2,727.8	(83.1)	(3.05)
Premiums and interests on financing	857.2	802.9	54.3	6.76	2,510.1	2,374.1	136.0	5.73
Interest on derivative financial instruments	11.1	36.0	(24.9)	(69.17)	48.5	113.1	(64.6)	(57.12)
Amortization of premiums and debt expenses	33.4	23.0	10.4	45.22	86.1	67.4	18.7	27.74
Major maintenance interests	-	57.7	(57.7)	(100.00)	-	173.2	(173.2)	(100.00)
Adjustments to principal amount of UDI denominated debt	99.4	58.6	40.8	69.62	378.6	109.0	269.6	247.34
Interest income	(63.6)	(49.7)	13.9	27.97	(197.7)	(143.7)	(54.0)	(37.58)
Dividends from subsidiaries	(25.0)	-	(25.0)	(100.00)	(480.0)	(476.0)	(4.0)	(0.84)
Net foreign exchange income	-	(0.3)	0.3	(100.00)	(0.1)	(0.2)	0.1	50.00
INCOME BEFORE INCOME TAXES	357.8	209.2	148.6	71.03	1,302.1	897.8	404.3	45.03
INCOME TAXES (BENEFIT)	7.7	(46.1)	53.8	116.70	(122.0)	(7.7)	(114.3)	(1,484.42)
CONSOLIDATED NET INCOME FOR THE PERIOD	350.1	255.3	94.8	37.13	1,424.1	905.5	518.6	57.27
Other comprehensive income items								
Items that will be reclassified subsequently to profit or loss:								
Valuation of derivative financial instruments	8.3	73.8	(65.5)	(88.75)	(36.3)	149.8	(186.1)	(124.23)
Deferred income taxes of derivative financial instruments	(2.5)	(21.7)	19.2	88.48	10.9	(44.2)	55.1	124.66
COMPREHENSIVE INCOME FOR THE PERIOD	355.9	307.4	48.5	15.78	1,398.7	1,011.1	387.6	38.33
BASIC AND DILUDED INCOME PER COMMON SHARE (pesos)	0.0122	0.0089	0.0033	37.13	0.0496	0.0315	0.0181	57.27

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

	September 2017	December 2016	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	5,622.0	6,025.1	(403.1)	(6.69)
Trade accounts receivable	110.0	109.0	1.0	0.92
Recoverable taxes	33.7	36.1	(2.4)	(6.65)
Accounts receivable to related parties	22.6	20.1	2.5	12.44
Other accounts receivable and prepaid expenses	177.2	91.9	85.3	92.82
Total current assets	5,965.5	6,282.2	(316.7)	(5.04)
Non-current assets				
Intangible assets derived from the concessions	41,175.7	41,362.4	(186.7)	(0.45)
Furniture and equipment and franchise rights -net	18.6	20.1	(1.5)	(7.46)
Machinery and equipment-net	28.8	19.4	9.4	48.45
Investment in shares	2,161.9	2,091.9	70.0	3.35
Deferred income tax asset	6,736.1	6,594.7	141.4	2.14
Other assets	5.0	3.6	1.4	38.89
Total non-current assets	50,126.1	50,092.1	34.0	0.07
TOTAL ASSETS	56,091.6	56,374.3	(282.7)	(0.50)
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	53.7	15.5	38.2	246.45
Interest payable	519.3	846.2	(326.9)	(38.63)
Interest payable on derivative financial instruments	2.1	4.9	(2.8)	(57.14)
Other current liabilities	38.7	40.8	(2.1)	(5.15)
Provisions	468.2	586.4	(118.2)	(20.16)
Accounts payable to related parties	0.1	-	0.1	100.00
Current portion of long-term debt	117.6	117.7	(0.1)	(0.08)
Current portion of long-term employee benefits	53.3	33.4	19.9	59.58
Accounts payable for work executed, not yet approved	65.7	29.8	35.9	120.47
Taxes other than income tax	66.9	85.2	(18.3)	(21.48)
Income taxes payable	8.7	1.7	7.0	411.76
Total current liabilities	1,394.3	1,761.6	(367.3)	(20.85)
Non-current liabilities				
Long-term debt	36,029.0	35,274.6	754.4	2.14
Provisions for major maintenance	105.0	138.2	(33.2)	(24.02)
Long-term employee benefits	63.8	56.1	7.7	13.73
Post-employment benefits	3.2	2.6	0.6	23.08
Accounts payable to related parties - long-term	2,622.6	2,560.9	61.7	2.41
Other long term liabilities	10.7	5.0	5.7	114.00
Derivative financial instruments	102.9	63.7	39.2	61.54
Deferred income tax liability	-	0.2	(0.2)	(100.00)
Total non-current liabilities	38,937.2	38,101.3	835.9	2.19
TOTAL LIABILITIES	40,331.5	39,862.9	468.6	1.18
STOCKHOLDERS' EQUITY				
Capital stock	19,259.0	21,409.0	(2,150.0)	(10.04)
Accumulated deficit	(3,425.7)	(4,849.8)	1,424.1	29.36
Other comprehensive loss	(73.2)	(47.8)	(25.4)	(53.14)
TOTAL STOCKHOLDERS' EQUITY	15,760.1	16,511.4	(751.3)	(4.55)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	56,091.6	56,374.3	(282.7)	(0.50)

COVIQSA

Concesionaria de Vías Irapuato Querétaro S.A. de C.V.
COMPARATIVE STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)
(MXN million)

	From July 1 to September 30 of				Cumulative			
	2017	2016	Variation	%	2017	2016	Variation	%
TOTAL REVENUES	227.2	220.3	6.9	3.13	681.7	660.4	21.3	3.23
Shadow toll payments from the SCT	178.2	173.3	4.9	2.83	534.5	520.0	14.5	2.79
Availability payments from the SCT	48.9	46.6	2.3	4.94	146.7	139.8	6.9	4.94
Ancillary revenues from the use of right of way and other related revenues	0.1	0.4	(0.3)	(75.00)	0.5	0.6	(0.1)	(16.67)
Total toll and other concession revenues	227.2	220.3	6.9	3.13	681.7	660.4	21.3	3.23
COSTS AND EXPENSES	77.7	76.9	0.8	1.04	197.9	227.3	(29.4)	(12.93)
Amortization of assets derived from the concessions	31.9	32.2	(0.3)	(0.93)	95.7	96.7	(1.0)	(1.03)
Operation and maintenance provisions	37.3	35.7	1.6	4.48	76.4	106.2	(29.8)	(28.06)
Toll collection costs	0.8	0.9	(0.1)	(11.11)	2.3	2.8	(0.5)	(17.86)
General and administrative expenses	7.7	8.1	(0.4)	(4.94)	23.5	21.6	1.9	8.80
INCOME BEFORE OTHER INCOME NET	149.5	143.4	6.1	4.25	483.8	433.1	50.7	11.71
Other income, net	0.5	2.4	(1.9)	(79.17)	1.7	4.2	(2.5)	(59.52)
INCOME FROM OPERATIONS	150.0	145.8	4.2	2.88	485.5	437.3	48.2	11.02
Net financing cost	(15.8)	20.0	(35.8)	(179.00)	(37.8)	55.1	(92.9)	(168.60)
Interest expense	50.8	67.9	(17.1)	(25.18)	161.4	201.7	(40.3)	(19.98)
Premiums and interests on financing	54.2	49.4	4.8	9.72	164.1	142.2	21.9	15.40
Interest on derivative financial instruments	(4.8)	8.0	(12.8)	(160.00)	(6.9)	28.2	(35.1)	(124.47)
Amortization of premiums and debt expenses	1.4	1.6	(0.2)	(12.50)	4.2	4.5	(0.3)	(6.67)
Major maintenance interests	-	8.9	(8.9)	(100.00)	-	26.8	(26.8)	(100.00)
Interest income	(66.6)	(47.9)	(18.7)	(39.04)	(199.2)	(146.6)	(52.6)	(35.88)
INCOME BEFORE INCOME TAXES	165.8	125.8	40.0	31.80	523.3	382.2	141.1	36.92
INCOME TAXES	42.6	31.2	11.4	36.54	130.7	106.4	24.3	22.84
NET INCOME FOR THE PERIOD	123.2	94.6	28.6	30.23	392.6	275.8	116.8	42.35
Other comprehensive income / (loss) items								
Items that will be reclassified subsequently to profit or loss:								
Valuation of derivative financial instruments	(2.6)	33.4	(36.0)	(107.78)	(51.3)	27.6	(78.9)	(285.87)
Deferred income taxes of derivative financial instruments	0.7	(9.7)	10.4	107.22	15.4	(7.5)	22.9	305.33
COMPREHENSIVE INCOME FOR THE PERIOD	121.3	118.3	3.0	2.54	356.7	295.9	60.8	20.55

Concesionaria de Vías Irapuato Querétaro S.A. de C.V.
COMPARATIVE STATEMENTS OF FINANCIAL POSITION AS OF
(MXN million)

	September 2017	December 2016	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	658.6	372.2	286.4	76.95
Trade accounts receivable	0.1	511.2	(511.1)	(99.98)
Recoverable taxes	144.6	7.4	137.2	1,854.05
Interest receivable on derivative financial instruments	1.8	-	1.8	100.00
Financial asset-current portion	172.3	174.3	(2.0)	(1.15)
Other accounts receivable and prepaid expenses	23.5	10.5	13.0	123.81
Total current assets	1,000.9	1,075.6	(74.7)	(6.94)
Non-current assets				
Long-term restricted cash	45.8	44.0	1.8	4.09
Accounts receivable to related parties- long term portion	2,622.6	2,560.9	61.7	2.41
Financial asset derived from the concessions - long-term portion	370.4	367.8	2.6	0.71
Intangible assets derived from the concessions	1,292.6	1,388.4	(95.8)	(6.90)
Machinery and equipment- net	3.4	3.9	(0.5)	(12.82)
Derivate financial instruments	45.1	98.2	(53.1)	(54.07)
Other assets	0.4	0.5	(0.1)	(20.00)
Total non-current assets	4,380.3	4,463.7	(83.4)	(1.87)
TOTAL ASSETS	5,381.2	5,539.3	(158.1)	(2.85)
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	271.0	269.7	1.3	0.48
Interest payable	20.2	20.2	-	-
Interest payable on derivative financial instruments	-	0.1	(0.1)	(100.00)
Other current liabilities	0.2	1.9	(1.7)	(89.47)
Provisions	42.3	99.7	(57.4)	(57.57)
Accounts payable to related parties	15.9	14.5	1.4	9.66
Current portion of long-term debt	218.4	201.6	16.8	8.33
Taxes other than income tax	162.2	175.8	(13.6)	(7.74)
Income taxes payable	127.6	1.2	126.4	10,533.33
Total current liabilities	857.8	784.7	73.1	9.32
Non-current liabilities				
Long-term debt	2,189.4	2,353.2	(163.8)	(6.96)
Provisions for major maintenance	36.4	20.0	16.4	82.00
Accounts payable to related parties- long term	17.6	15.9	1.7	10.69
Deferred income tax liability	101.5	113.7	(12.2)	(10.73)
Total non-current liabilities	2,344.9	2,502.8	(157.9)	(6.31)
TOTAL LIABILITIES	3,202.7	3,287.5	(84.8)	(2.58)
STOCKHOLDERS' EQUITY				
Capital stock	1,226.7	1,226.7	-	-
Accumulated results	919.0	956.4	(37.4)	(3.91)
Other comprehensive loss (income)	32.8	68.7	(35.9)	(52.26)
TOTAL STOCKHOLDERS' EQUITY	2,178.5	2,251.8	(73.3)	(3.26)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	5,381.2	5,539.3	(158.1)	(2.85)

CONIPSA

Concesionaria Irapuato La Piedad S.A. de C.V.
COMPARATIVE STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)
(MXN million)

	From July 1 to September 30 of				Cumulative			
	2017	2016	Variation	%	2017	2016	Variation	%
TOTAL REVENUES	68.4	63.1	5.3	8.40	206.7	198.5	8.2	4.13
Shadow toll payments from the SCT	14.9	11.7	3.2	27.35	46.3	43.2	3.1	7.18
Availability payments from the SCT	53.5	51.4	2.1	4.09	160.4	154.3	6.1	3.95
Ancillary revenues from the use of rights of way	-	-	-	-	-	1.0	(1.0)	(100.00)
Total toll and other concession revenues	68.4	63.1	5.3	8.40	206.7	198.5	8.2	4.13
COSTS AND EXPENSES	27.3	39.5	(12.2)	(30.89)	76.4	115.6	(39.2)	(33.91)
Amortization of assets derived from the concessions	1.6	1.5	0.1	6.67	4.7	4.7	-	-
Operation and maintenance provisions	19.4	33.8	(14.4)	(42.60)	57.6	99.8	(42.2)	(42.28)
Toll collection costs	0.6	0.7	(0.1)	(14.29)	1.8	2.0	(0.2)	(10.00)
General and administrative expenses	5.7	3.5	2.2	62.86	12.3	9.1	3.2	35.16
INCOME BEFORE OTHER INCOME NET	41.1	23.6	17.5	74.15	130.3	82.9	47.4	57.18
Other income, net	0.9	1.1	(0.2)	(18.18)	1.8	3.1	(1.3)	(41.94)
INCOME FROM OPERATIONS	42.0	24.7	17.3	70.04	132.1	86.0	46.1	53.60
Net financing cost	(1.8)	7.5	(9.3)	(124.00)	(0.9)	21.0	(21.9)	(104.29)
Interest expense	4.7	10.2	(5.5)	(53.92)	16.0	29.1	(13.1)	(45.02)
Premiums and interests on financing	5.3	4.4	0.9	20.45	16.8	12.5	4.3	34.40
Interest on derivative financial instruments	(0.9)	1.0	(1.9)	(190.00)	(1.7)	2.1	(3.8)	(180.95)
Amortization of premiums and debt expenses	0.3	0.3	-	-	0.9	1.0	(0.1)	(10.00)
Major maintenance interests	-	4.5	(4.5)	(100.00)	-	13.5	(13.5)	(100.00)
Interest income	(6.5)	(2.7)	(3.8)	(140.74)	(16.9)	(8.2)	(8.7)	(106.10)
Net foreign exchange loss	-	-	-	-	-	0.1	(0.1)	(100.00)
INCOME BEFORE INCOME TAXES	43.8	17.2	26.6	154.65	133.0	65.0	68.0	104.62
INCOME TAXES	10.7	3.2	7.5	234.38	31.6	17.0	14.6	85.88
NET INCOME FOR THE PERIOD	33.1	14.0	19.1	136.43	101.4	48.0	53.4	111.25
Other comprehensive income items								
Items that will be reclassified subsequently to profit or loss:								
Valuation of derivative financial instruments	(0.4)	4.9	(5.3)	(108.16)	(7.6)	3.1	(10.7)	(345.16)
Deferred income taxes of derivative financial instruments	0.1	(1.4)	1.5	107.14	2.3	(0.9)	3.2	355.56
COMPREHENSIVE INCOME FOR THE PERIOD	32.8	17.5	15.3	87.43	96.1	50.2	45.9	91.43

Concesionaria Irapuato La Piedad S.A. de C.V.
COMPARATIVE STATEMENTS OF FINANCIAL POSITION AS OF
(MXN million)

	September 2017	December 2016	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	368.0	144.2	223.8	155.20
Trade accounts receivable	-	154.0	(154.0)	(100.00)
Recoverable taxes	14.2	11.3	2.9	25.66
Interest receivable on derivative financial instruments	0.3	0.1	0.2	200.00
Financial asset-current portion	218.0	218.8	(0.8)	(0.37)
Other accounts receivable and prepaid expenses	3.8	11.9	(8.1)	(68.07)
Total current assets	604.3	540.3	64.0	23.75
Non-current assets				
Long-term restricted cash	51.6	49.6	2.0	4.03
Accounts receivable to related parties - long-term portion	17.6	15.9	1.7	10.69
Financial assets derived from the concessions - long-term portion	498.2	499.3	(1.1)	(0.22)
Intangible assets derived from the concessions	54.9	59.6	(4.7)	(7.89)
Machinery and equipment- net	2.5	3.3	(0.8)	(24.24)
Derivate financial instruments	8.8	16.6	(7.8)	(46.99)
Other assets	0.3	0.4	(0.1)	(25.00)
Total non-current assets	633.9	644.7	(10.8)	(1.68)
TOTAL ASSETS	1,238.2	1,185.0	53.2	4.49
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	14.1	-	14.1	100.00
Interest payable	2.0	2.0	-	-
Other current liabilities	0.6	2.1	(1.5)	(71.43)
Provisions	15.1	60.8	(45.7)	(75.16)
Accounts payable to related parties	5.1	4.8	0.3	6.25
Current portion of long-term debt	22.9	21.8	1.1	5.05
Taxes other than income tax	13.8	21.7	(7.9)	(36.41)
Income taxes payable	28.3	-	28.3	100.00
Total current liabilities	101.9	113.2	(11.3)	(9.98)
Non-current liabilities				
Long-term debt	202.4	219.0	(16.6)	(7.58)
Provisions for major maintenance	34.0	-	34.0	100.00
Deferred income tax liability	81.9	80.8	1.1	1.36
Total non-current liabilities	318.3	299.8	18.5	6.17
TOTAL LIABILITIES	420.2	413.0	7.2	1.74
STOCKHOLDERS' EQUITY				
Capital stock	264.4	264.4	-	-
Accumulated results	547.2	496.0	51.2	10.32
Other comprehensive loss	6.4	11.6	(5.2)	(44.83)
TOTAL STOCKHOLDERS' EQUITY	818.0	772.0	46.0	5.96
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	1,238.2	1,185.0	53.2	4.49

COTESA

Concesionaria Tepic San Blas, S. de R.L. de C.V.								
COMPARATIVE STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)								
(MXN million)								
	From July 1 to September 30 of				Cumulative			
	2017	2016	Variation	%	2017	2016	Variation	%
TOTAL REVENUES	59.1	-	59.1	100.00	175.0	0.2	174.8	87,400.00
Toll revenues	12.4	-	12.4	100.00	36.4	-	36.4	100.00
Total toll and other concession revenues	12.4	-	12.4	100.00	36.4	-	36.4	100.00
Construction revenues	46.7	-	46.7	100.00	138.6	0.2	138.4	69,200.00
COSTS AND EXPENSES	50.7	0.8	49.9	6,237.50	149.6	1.1	148.5	13,500.00
Amortization of assets derived from the concessions	0.1	-	0.1	100.00	0.2	-	0.2	100.00
Operation and maintenance provisions	1.0	-	1.0	100.00	3.2	-	3.2	100.00
Toll collection costs	0.6	0.1	0.5	500.00	1.3	0.1	1.2	1,200.00
Construction costs	46.7	-	46.7	100.00	138.6	0.2	138.4	69,200.00
General and administrative expenses	2.3	0.7	1.6	228.57	6.3	0.8	5.5	687.50
INCOME BEFORE OTHER INCOME NET	8.4	(0.8)	9.2	1,150.00	25.4	(0.9)	26.3	2,922.22
Other income, net	-	-	-	-	-	-	-	-
INCOME FROM OPERATIONS	8.4	(0.8)	9.2	1,150.00	25.4	(0.9)	26.3	2,922.22
Net financing cost	(0.9)	(0.1)	(0.8)	(800.00)	(3.6)	(0.1)	(3.5)	(3,500.00)
Interest income	(0.9)	(0.1)	(0.8)	(800.00)	(3.6)	(0.1)	(3.5)	(3,500.00)
INCOME BEFORE INCOME TAXES	9.3	(0.7)	10.0	1,428.57	29.0	(0.8)	29.8	3,725.00
INCOME TAXES	2.5	(0.2)	2.7	1,350.00	7.3	(0.2)	7.5	3,750.00
NET AND COMPREHENSIVE INCOME FOR THE PERIOD	6.8	(0.5)	7.3	1,460.00	21.7	(0.6)	22.3	3,716.67

Concesionaria Tepic San Blas, S. de R.L. de C.V.
COMPARATIVE STATEMENTS OF FINANCIAL POSITION AS OF
(MXN million)

	September 2017	December 2016	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	87.5	137.2	(49.7)	(36.22)
Recoverable taxes	18.9	1.8	17.1	950.00
Other accounts receivable and prepaid expenses	2.6	0.5	2.1	420.00
Total current assets	109.0	139.5	(30.5)	23.75
Non-current assets				
Intangible assets derived from the concessions	159.6	20.9	138.7	663.64
Derivate financial instruments	-	0.5	(0.5)	(100.00)
Financial asset deferred tax	0.1	-	0.1	100.00
Total non-current assets	159.7	21.4	138.3	646.26
TOTAL ASSETS	268.7	160.9	107.8	67.00
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	8.3	-	8.3	100.00
Other current liabilities	0.2	-	0.2	100.00
Accounts payable to related parties	1.6	0.7	0.9	128.57
Income taxes payable	6.3	-	6.3	100.00
Total current liabilities	16.4	0.7	15.7	2,242.86
Non-current liabilities				
Deferred income tax liability	0.4	-	0.4	100.00
Total non-current liabilities	0.4	-	0.4	100.00
TOTAL LIABILITIES	16.8	0.7	16.1	2,300.00
STOCKHOLDERS' EQUITY				
Capital stock	230.5	160.4	70.1	43.70
Accumulated results	21.4	(0.2)	21.6	10,800.00
TOTAL STOCKHOLDERS' EQUITY	251.9	160.2	91.7	57.24
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	268.7	160.9	107.8	67.00

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 September 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 \$8.62 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 concession title (*Título de Concesión*) dated September 12th, 2005, 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.

“COTESA” means Concesionaria Tepic San Blas, S. de R.L. de C.V.

“COTESA Concession Agreement” means the concession title (*Título de Concesión*) dated May 19, 2016, issued by the Federal Government, through the SCT, which entitles COTESA to (i) operate, preserve and maintain a 30.929 km federal toll road located in the state of Nayarit for a 30 year period beginning on the aforementioned date.

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

“COVIQSA Concession Agreement” means concession title (*Título de Concesión*) dated June 21st, 2006, 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 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 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 2016 Capex Loan**” means the Santander Loan dated December 2nd, 2014 as it was amended and extended on November 9th, 2016 in order to: (i) extend the original maturity from December 10th, 2021 to September 10th, 2028, and (ii) increase the amount in MXN\$650.0 million resulting in a total amount of MXN\$1,650.0 million; and afterwards partially granted from Santander to “*Banco Interacciones, S.A. Institución de Banca Múltiple, Grupo Financiero Interacciones*” through a cession agreement dated December 29th, 2016.

“**FARAC I 2017 Capex Loan**” means the Santander Loan dated April 27th, 2017 intended to be used by RCO to pay Capex and expansion works expenses for an amount of MXN\$2,000.0 million.

“**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.

“**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, 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 construction, maintenance, expansion, protection, exploitation and in general for the adequate use of the FARAC I highways as well as COTESA and the toll free roads of COVIQSA and CONIPSA; also needed for the Expansion Works required 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 September 21st, 2006 (subsequently amended on September 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.