



**QUARTERLY REPORT
1Q2018**

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

Relevant events of the period.

- RCO achieved the following 1Q2018 results:
 - 15.22% increase in total toll revenues and other income.
 - 12.32% increase in Adjusted EBITDA.
 - 87.11% Adjusted EBITDA margin.
 - 9.28% increase in ADT for FARAC I, 0.51% decrease in ADT for COVIQSA, 3.23% increase in ADT for CONIPSA and 124.72% increase in ADT for COTESA.
- On January 16th 2018, the company successfully concluded a maturity extension of a bank financing obtained from Inbursa in 2014 of \$4,596.0 million with an original maturity in 2029, to a new maturity in 2034.
- RCO reports a cash distribution to its shareholders made on March 14th, 2018, for a total amount of MXN\$2,422.0 million pro rata to all shareholders, and in case of Series “B”, through Indeval.

Consolidated Financial Information for 1Q2018 and 1Q2017.

(MXN million)	Revenue, Income from operations and EBITDA			Cumulative		
	1Q2018	1Q2017	% Var	2018	2017	% Var
Total toll and other concession revenues ¹	2,155.6	1,870.8	15.22%	2,155.6	1,870.8	15.22%
Construction revenues	186.4	106.2	75.52%	186.4	106.2	75.52%
Total revenues	2,342.0	1,977.0	18.46%	2,342.0	1,977.0	18.46%
Costs and expenses (without construction costs)	736.7	537.2	37.14%	736.7	537.2	37.14%
Construction costs	186.4	106.2	75.52%	186.4	106.2	75.52%
Total costs and expenses	923.1	643.4	43.47%	923.1	643.4	43.47%
Income before other income -net	1,418.9	1,333.6	6.40%	1,418.9	1,333.6	6.40%
Other income -net	7.9	6.4	23.44%	7.9	6.4	23.44%
Income from operations	1,426.8	1,340.0	6.48%	1,426.8	1,340.0	6.48%
EBITDA	1,666.1	1,559.8	6.81%	1,666.1	1,559.8	6.81%
Adjusted EBITDA	1,877.8	1,671.9	12.32%	1,877.8	1,671.9	12.32%
Income from operations margin	66.19%	71.63%		66.19%	71.63%	
EBITDA margin	77.29%	83.38%		77.29%	83.38%	
Adjusted EBITDA margin	87.11%	89.37%		87.11%	89.37%	

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 March 31st, 2018.

The Company’s unaudited consolidated condensed financial statements as of March 31st, 2018, 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, except for the new criteria effective as of January 1st, 2018 and the early adoption of IFRS 16 Leases.

Selected Financial Information and Key Indicators.

Key indicators		1Q2018	1Q2017	% Var	Cumulative		
					2018	2017	% Var
Revenue by road (MXN million) / Toll Revenues							
FARAC I¹	Guadalajara-Zapotlanejo	242.5	195.8	23.86%	242.5	195.8	23.86%
	Maravatio-Zapotlanejo	617.1	535.3	15.29%	617.1	535.3	15.29%
	Zapotlanejo-Lagos	499.0	438.0	13.91%	499.0	438.0	13.91%
	León -Aguascalientes	408.6	358.2	14.09%	408.6	358.2	14.09%
	Total FARAC I²	1,767.2	1,527.2	15.71%	1,767.2	1,527.2	15.71%
COVIQSA	Irapuato-Querétaro	235.8	225.5	4.57%	235.8	225.5	4.57%
CONIPSA	Irapuato-La Piedad	73.7	69.3	6.35%	73.7	69.3	6.35%
COTESA	Tepic- San Blas	16.3	6.5	150.77%	16.3	6.5	150.77%
Average daily traffic (ADT)							
FARAC I	By road stretch						
	Guadalajara-Zapotlanejo	41,860.6	35,946.0	16.45%	41,860.6	35,946.0	16.45%
	Maravatio-Zapotlanejo	10,536.0	9,645.2	9.24%	10,536.0	9,645.2	9.24%
	Zapotlanejo-Lagos	15,248.7	14,297.0	6.66%	15,248.7	14,297.0	6.66%
	León -Aguascalientes	14,284.0	13,256.0	7.76%	14,284.0	13,256.0	7.76%
	By type of vehicle						
	Buses	818.8	796.9	2.74%	818.8	796.9	2.74%
	Trucks	4,307.2	3,950.2	9.04%	4,307.2	3,950.2	9.04%
	Cars	8,567.6	7,783.5	10.07%	8,567.6	7,783.5	10.07%
	Weighted average Total³	13,693.5	12,530.5	9.28%	13,693.5	12,530.5	9.28%
COVIQSA	Irapuato-Querétaro	38,513.1	38,709.7	(0.51%)	38,513.0	38,709.7	(0.51%)
CONIPSA	Irapuato-La Piedad	23,400.5	22,668.5	3.23%	23,401.0	22,668.5	3.23%
COTESA	Tepic- San Blas	8,827.0	3,928.1	124.72%	8,827.0	3,928.1	124.72%
Consolidated results (MXN million)							
revenues ⁴		2,155.6	1,870.8	15.22%	2,155.6	1,870.8	15.22%
Income from operations		1,426.8	1,340.0	6.48%	1,426.8	1,340.0	6.48%
EBITDA		1,666.1	1,559.8	6.81%	1,666.1	1,559.8	6.81%
Adjusted EBITDA		1,877.8	1,671.9	12.32%	1,877.8	1,671.9	12.32%
Long-term debt ⁵					41,137.6	40,847.8	0.71%
Stockholders' equity ⁵					14,912.1	16,549.6	(9.89%)

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 2018, correspond to the statement of financial position as of the end of March 2018. Cumulative figures for 2017, correspond to the statement of financial position as of December 2017.

- **Revenues.** Total toll and other concession revenues for 1Q2018 were MXN\$2,155.6 million, which represented a 15.22% increase as compared to 1Q2017 which had revenues for MXN\$1,870.8 million. Consolidated total revenues are comprised of:
 - **Toll revenues (FARAC I/COTESA),** which increased by 16.74% during 1Q2018 as compared to 1Q2017, to MXN\$1,790.1 million; this increase is mainly due to (i) an increase in toll rates based on inflation, (ii) an increase in ADT of FARAC I. During 1Q2018, the ADT of FARAC I increased by 9.28% as compared to 1Q2017 where cars increased 10.07%, trucks increased by 9.04%, and buses increased 2.74%; and (iii) an increase of 124.72% in ADT of COTESA. It is important to mention that this year the Easter holidays occurred in 1Q2018, while for 2017, they took place during 2Q2017.
 - **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\$8.8 million to MXN\$201.8 million in 1Q2018 from MXN\$193.0 million in 1Q2017.
 - **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\$3.2 million to MXN\$104.6 million in 1Q2018 as compared to MXN\$101.4 million in 1Q2017.
 - **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\$16.1 million to MXN\$59.1 million in 1Q2018 as compared to 1Q2017.

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 (second phase) which represents 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 1Q2018 were MXN\$186.4 million as compared to MXN\$106.2 million in 1Q2017, an increase of MXN\$80.2 million.

- **Costs and expenses (excluding construction costs).** Total costs and expenses for 1Q2018 were MXN\$736.7 million, an increase of MXN\$199.5 million as compared to 1Q2017; these costs and expenses are comprised of:
 - **Amortization of assets derived from the concessions,** which increased by MXN\$17.3 million to MXN\$232.4 million as compared to 1Q2017. The increase due to: (i) the increase in the amortization factor of the intangible asset for FARAC I, (ii) the start of operations of Jiquilpan – La Barca (first phase), (iii) the start of operations of Zacapu Road – Maravatío Junction – Zapotlanejo, and (iv) the start of operations of COTESA.
 - **Operation and maintenance provisions,** which increased by MXN\$98.2 million during 1Q2018 as compared to 1Q2017, mainly due to the increase in major maintenance expense compared to the previous period.
 - **Toll collection costs,** which increased to MXN\$29.8 million during 1Q2018, or MXN\$4.2 million as compared to 1Q2017, mainly due to an increase 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\$5.1 million during 1Q2018 as compared to MXN\$23.0 million during 1Q2017, mainly due to the increase of cost of sales from ancillary services.
 - **General and administrative expenses,** which increased to MXN\$180.0 million during 1Q2018 from MXN\$105.3 million during 1Q2017. This increase mainly due to consultant fees and professional services expenses.

- **Other income net.** Other income for 1Q2018 was MXN\$7.9 million, an increase of MXN\$1.5 million compared to MXN\$6.4 million during 1Q2017.
- **Income from operations:** increased MXN\$86.8 million to MXN\$1,426.8 million during 1Q2018 from MXN\$1,340.0 million of 1Q2017, which represents an Income from Operations Margin of 66.19%.
- **EBITDA.** EBITDA increased by MXN\$106.3 million, to MXN\$1,666.1 million in 1Q2018 from MXN\$1,559.8 million in 1Q2017.
- **Adjusted EBITDA.** Adjusted EBITDA increased by MXN\$205.9 million, to MXN\$1,877.8 million in 1Q2018 from MXN\$1,671.9 million in 1Q2017.

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		
	1Q2018	1Q2017	% Var	2018	2017	% Var
Income from operations	1,426.8	1,340.0	6.48%	1,426.8	1,340.0	6.48%
Net financing cost	1,020.9	1,034.8	(1.34%)	1,020.9	1,034.8	(1.34%)
Interest expense	988.0	878.5	12.46%	988.0	878.5	12.46%
Adjustments to principal amount of UDI denominated debt	128.5	237.3	(45.85%)	128.5	237.3	(45.85%)
Interest income	(95.5)	(80.8)	(18.19%)	(95.5)	(80.8)	(18.19%)
Net foreign exchange income	(0.1)	(0.2)	50.00%	(0.1)	(0.2)	50.00%
Income before income taxes	405.9	305.2	32.99%	405.9	305.2	32.99%
Income taxes (benefit)	25.8	(183.8)	114.04%	25.8	(183.8)	114.04%
Consolidated net income for the period	380.1	489.0	(22.27%)	380.1	489.0	(22.27%)

- **Net financing cost.** During 1Q2018, the net financing cost decreased by MXN\$13.9 million as compared to 1Q2017, comprised of:
 1. **Interest expense**, during 1Q2018 increased by MXN\$109.5 million as compared to 1Q2017, mainly due to the following: (i) an increase of MXN\$120.8 million increase in premiums and interest on financing, (ii) MXN\$2.9 million increase in amortization of premiums and debt expenses, (iii) MXN\$20.6 million decrease of interest on derivative financial instruments, and (iv) MXN\$6.4 million increase in interest on major maintenance provision and interest on right of use¹.
 2. **Adjustments to principal amount of UDI denominated debt**, due to a variation in UDI value as of 1Q2018², a loss of MXN\$128.5 million was registered during 1Q2018 compared to a loss of MXN\$237.3 million during 1Q2017; this variation reflects the accumulated inflation of 1Q2018 as compared to 1Q2017. This line item reflects the UDI value of the CBs RCO 12U.
 3. **Interest income**, which increased by MXN\$14.7 million, to MXN\$95.5 million during 1Q2018 from MXN\$80.8 million in 1Q2017.
- **Income before income taxes.** The consolidated income before income taxes increased by MXN\$100.7 million to MXN\$405.9 million in 1Q2018 compared to the consolidated income before taxes of MXN\$305.2 million in 1Q2017, primarily due to the increase in toll and other concession revenues.

¹ By adoption of IFRS 16 Leases, interest related to leasing is a component of financial costs recognized as interest for right of use.

² UDI value as of March 31st 2018 was 6.0213 compared to 5.9345 as of December 31st 2017, an increase of 1.46%; UDI value as of March 31st 2017 was 5.7231 compared to 5.5628 as of December 31st 2016, an increase of 2.88%.

- **Income taxes (benefit).** During 1Q2018 the income taxes was MXN\$25.8 million, a MXN\$209.6 million increase from the benefit registered during 1Q2017; mainly due to the inflationary decrease of 2018 compared to 2017.
- **Consolidated net income for the period.** During 1Q2018 the Company recorded a net income of MXN\$380.1 million, a MXN\$108.9 million decrease over the net income of MXN\$489.0 million in 1Q2017.

CASH AND LONG-TERM DEBT

- **Cash and cash equivalents.** For 1Q2018 registered MXN\$7,325.9 million, which represented a decrease of 16.19% compared to MXN\$8,741.2 million at the end of 2017.
- **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 1Q2018, long-term debt increased by MXN\$289.8 million to MXN\$41,137.6 million from MXN\$40,847.8 million at the end of 2017. This net increase mainly stems from: (i) disposition for both FARAC I 2016 Capex Loan and FARAC I 2017 Capex Loan, (ii) 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 3.60 as of 1Q2018 compared to 3.75 at the end of 2017, mainly due to the increase in cash and cash equivalents, and the decrease of trade accounts receivable.

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)	1Q2018	1Q2017	% Var	Cumulative		
				2018	2017	% Var
Total toll and other concession revenues	1,829.7	1,569.6	16.57%	1,829.7	1,569.6	16.57%
Administrative service revenues	29.0	15.1	92.05%	29.0	15.1	92.05%
Costs and expenses (excluding construction costs)	590.0	456.8	29.16%	590.0	456.8	29.16%
Income from operations	1,275.6	1,133.4	12.55%	1,275.6	1,133.4	12.55%
EBITDA	1,473.8	1,314.4	12.13%	1,473.8	1,314.4	12.13%
Adjusted EBITDA	1,584.2	1,396.1	13.47%	1,584.2	1,396.1	13.47%
Income from operations margin	69.72%	72.21%		69.72%	72.21%	
EBITDA margin	80.55%	83.74%		80.55%	83.74%	
Adjusted EBITDA margin	86.58%	88.95%		86.58%	88.95%	
ADT by road						
Guadalajara-Zapotlanejo	41,860.6	35,946.0	16.45%	41,860.6	35,946.0	16.45%
Maravatío-Zapotlanejo	10,536.0	9,645.2	9.24%	10,536.0	9,645.2	9.24%
Zapotlanejo-Lagos	15,248.7	14,297.0	6.66%	15,248.7	14,297.0	6.66%
León -Aguascalientes	14,284.0	13,256.0	7.76%	14,284.0	13,256.0	7.76%
ADT by type of vehicle						
Buses	818.8	796.9	2.74%	818.8	796.9	2.74%
Trucks	4,307.2	3,950.2	9.04%	4,307.2	3,950.2	9.04%
Cars	8,567.6	7,783.5	10.07%	8,567.6	7,783.5	10.07%
Weighted average ADT Total FARAC I¹	13,693.5	12,530.5	9.28%	13,693.5	12,530.5	9.28%

¹ According to each road's kilometers.

- **Weighted Average Daily Traffic (ADT)**, during 1Q2018 a 9.28% increase was recorded compared to the same period of 2017, where ADT increased by 10.07% in cars, 9.04% in trucks and 2.74% in buses. It is important to mention that this year the Easter holidays occurred in 1Q2018, while for 2017, they took place during 2Q2017.
- **Total toll and other concession revenues**, total toll and concession revenues for 1Q2018 were MXN\$1,829.7 million, an increase of MXN\$260.1 million compared to MXN\$1,569.6 million in 1Q2017. Total toll and other concession revenues are comprised of:
 - **Toll revenues**, which increased by MXN\$246.8 million to MXN\$1,773.7 million in 1Q2018 from MXN\$1,526.9 million in 1Q2017, 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 1Q2018 the amount increased by MXN\$13.3 million to MXN\$56.0 million from MXN\$42.7 million during 1Q2017.
 - **Administrative services revenues**. During 1Q2018, administrative services revenues were MXN\$29.0 million. These revenues, which are eliminated in the consolidation process, represent the personnel

services rendered to COVIQSA, CONIPSA and COTESA 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 (second phase) which represents an increase to the value of intangible asset for FARAC I and have a zero net effect on the Company's results. The amounts registered at the end of 1Q2018 were MXN\$156.3 million as compared to MXN\$49.0 million in 1Q2017.

- **Costs and expenses (excluding construction costs)**, total costs and expenses were MXN\$590.0 million in 1Q2018 as compared to MXN\$456.8 million in 1Q2017, comprised of:
 - **Amortization of assets derived from the concessions**, which increased by MXN\$15.5 million, to MXN\$192.2 million in 1Q2018 from MXN\$176.7 million in 1Q2017. The increase due to: (i) the increase in the amortization factor of the intangible asset for FARAC I, (ii) the start of operations of Jiquilpan – La Barca (first phase), and (iii) the start of operations of Zacapu Road – Maravatio Junction – Zapotlanejo.
 - **Operation and maintenance provisions**, increased by MXN\$32.0 million during 1Q2018, mainly due to an increase on the estimate of the major maintenance expenses, as compared to the previous period.
 - **Toll collection costs**, which increased by MXN\$4.1 million, to MXN\$28.2 million in 1Q2018 from MXN\$24.1 million in 1Q2017.
 - **Cost of ancillary revenue from the use of right of way and other related revenues**, increased by MXN\$5.1 million during 1Q2018 as compared to MXN\$23.0 million during 1Q2017.
 - **General and administrative expenses**, which registered MXN\$180.9 million in 1Q2018 from MXN\$104.4 million in 1Q2017. This increase is mainly due to consultant fees and professional services expenses.
- **Other income net**. During 1Q2018, FARAC I recorded an income of MXN\$6.9 million, an increase of MXN\$1.4 million from MXN\$5.5 million during 1Q2017.
- **Income from operations**. In 1Q2018, income from operations was MXN\$1,275.6 million, an increase of MXN\$142.2 million compared to MXN\$1,133.4 million in 1Q2017, which represents an Income from Operations Margin of 69.72%³.
- **EBITDA**. EBITDA for 1Q2018 increased by MXN\$159.4 million, to MXN\$1,473.8 million from MXN\$1,314.4 million in 1Q2017, which represents an EBITDA Margin of 80.55%⁴.
- **Adjusted EBITDA**. Adjusted EBITDA for 1Q2018 was MXN\$1,584.2 million, an increase of MXN\$188.1 million compared to MXN\$1,396.1 million from 1Q2017, which represents an Adjusted EBITDA Margin of 86.58%⁵.
- **Net financing cost**. During 1Q2018, the net financing cost decreased by MXN\$102.6 million. This decrease was due to the following:

³ *Income from operations / Total toll and other concession revenues*

⁴ *EBITDA / Total toll and other concession revenues*

⁵ *Adjusted EBITDA / Total toll and other concession revenues*

- Interest expense**, increased by MXN\$117.4 million primarily as a result of the following: (i) MXN\$124.1 million increase in premiums and interest on financing, (ii) MXN\$13.5 million decrease in effects of valuation of derivative financial instruments, (iii) MXN\$2.9 million increase in amortization of premiums and debt expenses, and (iv) MXN\$3.9 million increase in interest on major maintenance provision and interest on right of use⁶.
- Adjustments to principal amount of UDI denominated debt**, due to a variation in UDI value as of 1Q2018⁷, a loss of MXN\$128.5 million was registered during 1Q2018, compared to a loss of MXN\$237.3 million during 1Q2017. This variation reflects the UDI value of the CBs RCO 12U.
- Interest income**, which increased by MXN\$14.2 million, to MXN\$78.6 million during 1Q2018 from MXN\$64.4 million during 1Q2017.

FARAC I Debt Service Coverage Ratio.

The Debt Service Coverage Ratio (amount available for debt service purposes / Debt Service) increased by 69.15%, to 4.50 in 1Q2018 from 2.66 in 1Q2017.

FARAC I Debt Service Coverage Ratio for the period.

DSCR FARAC I (MXN million)				Cumulative		
	1Q2018	1Q2017	% Var	2018	2017	% Var
(+) Income from operations	1,275.6	1,133.4	12.55%	1,275.6	1,133.4	12.55%
(+) Amortization of assets derived from the concession	192.2	176.7	8.77%	192.2	176.7	8.77%
(+) Depreciation	6.0	4.3	39.53%	6.0	4.3	39.53%
(+) Major Maintenance Provision	110.4	81.7	35.13%	110.4	81.7	35.13%
(=) Adjusted EBITDA	1,584.2	1,396.1	13.47%	1,584.2	1,396.1	13.47%
(-) Major Maintenance Expenses	111.5	205.5	(45.75%)	111.5	205.5	(45.75%)
(+) Available Cash ¹	2,786.3	1,147.3	142.85%	2,786.3	1,147.3	142.85%
(+) COVIQSA / CONIPSA excess cash to FARAC I	189.0	-	100.00%	189.0	-	100.00%
(=) Amount Available for Debt Service	4,448.0	2,334.9	90.50%	4,448.0	2,334.9	90.50%
(/) Debt Service ²	987.8	877.1	12.62%	987.8	877.1	12.62%
Debt Service Coverage Ratio (DSCR)	4.50	2.66	69.15%	4.50	2.66	69.15%

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).

⁶ By adoption of IFRS 16 Leases, interest related to leasing is a component of financial costs recognized as interest for right of use.

⁷ UDI value as of March 31st 2018 was 6.0213 compared to 5.9345 as of December 31st 2017, an increase of 1.46%; UDI value as of March 31st 2017 was 5.7231 compared to 5.5628 as of December 31st 2016, an increase of 2.88%.

FARAC I Debt Maturity Profile (MXN Million)

Year	Bank Debt					Debt Capital Markets				Total
	Capex HSBC	Capex Santander / Interacciones 2014	Capex Santander 2017	Banobras	Inbursa	CBs Pesos RCO12	CBs UDI RCO 12U ¹	CBs Pesos RCO 14	Senior Notes	
2018	88.2									88.2
2019		56.4	20.2		9.2	285.2	486.9		225.0	1,082.9
2020		225.2	1.8		9.2	300.0	510.1		450.0	1,496.3
2021		171.8	14.8	55.7	73.5	316.5	536.9	44.0	525.0	1,738.1
2022		11.5	50.2	60.3	83.6	332.4	563.6	132.0	675.0	1,908.7
2023		25.5	66.0	81.3	100.2	347.2	593.9	264.0	900.0	2,378.1
2024		73.2	37.5	103.2	149.8	357.4	624.2	396.0	1,200.0	2,941.4
2025		123.6	44.2	129.7	200.4	358.0	658.1	528.0	1,350.0	3,392.0
2026		253.3	90.7	157.1	299.7	332.4	693.8	572.0	1,125.0	3,524.0
2027		348.9	124.8	183.6	299.7	211.9	727.7	616.0	750.0	3,262.6
2028		285.1	113.1	210.1	299.7		759.8	616.0	300.0	2,583.8
2029				233.9	299.7		784.8	616.0		1,934.3
2030				241.2	554.3		784.8	616.0		2,196.2
2031				1,085.3	554.3		729.5			2,369.1
2032				1,085.3	554.3		463.7			2,103.3
2033				1,085.3	554.3					1,639.6
2034				1,085.3	554.3					1,639.6
2035				1,085.3						1,085.3
2036				1,085.3						1,085.3
2037				1,167.5						1,167.5
Total	88.2	1,574.5	563.1	9,135.6	4,596.0	2,841.0	8,917.8	4,400.0	7,500.0	39,616.2
Reserve ²		61.0	21.8	483.1	226.2	481.0	946.0	418.4	760.4	3,397.9
Net total	88.2	1,513.5	541.3	8,652.5	4,369.8	2,360.0	7,971.9	3,981.6	6,739.6	36,218.4

¹ UDI value as of March 31, 2018 of 6.021319

² Contractual cash reserve.

FARAC I Expansion Works

During 1Q2018, RCO completed capital expenditures of MXN\$112.5 million in connection with the Expansion Works. Since the inception of FARAC I Concession Agreement, RCO has invested a total of MXN\$2,792.6 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	Finished
Jiquilpan-La Barca *	Oct-14	Apr - 18 **	In process

*The first phase (La Barca-Sahuayo) was completed in June 2017. The second phase (Sahuayo-Jiquilpan) is under construction.

**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)	1Q2018	1Q2017	% Var	Cumulative		
				2018	2017	% Var
Total toll and other concession revenues	235.8	225.5	4.57%	235.8	225.5	4.57%
Income from operations	132.6	166.1	(20.17%)	132.6	166.1	(20.17%)
EBITDA	166.1	198.5	(16.32%)	166.1	198.5	(16.32%)
Adjusted EBITDA	215.3	214.0	0.61%	215.3	214.0	0.61%
Income from operations margin	56.23%	73.66%		56.23%	73.66%	
EBITDA margin	70.44%	88.03%		70.44%	88.03%	
Adjusted EBITDA margin	91.31%	94.90%		91.31%	94.90%	
ADT for the period	38,513.1	38,709.7	(0.51%)	38,513.0	38,709.7	(0.51%)

- **Total shadow toll and other concession revenues.** COVIQSA total shadow toll and other concession revenues for 1Q2018 increased by MXN\$10.3 million, to MXN\$235.8 million from MXN\$225.5 million in 1Q2017.
- **Costs and expenses.** Total costs and expenses for 1Q2018 were MXN\$103.8 million, an increase of MXN\$43.9 million compared to MXN\$59.9 million for 1Q2017. Mainly due to an increase in the major maintenance expenses compared to the previous period.
- **Other income, net.** In 1Q2018 other income recorded MXN\$0.6 million, an increase of MXN\$0.1 million compared to an income of MXN\$0.5 million in 1Q2017.
- **Income from operations.** In 1Q2018, income from operations was MXN\$132.6 million as compared to MXN\$166.1 million in 1Q2017, which represents an Income from Operations Margin of 56.23%⁸.
- **EBITDA.** EBITDA for 1Q2018 was MXN\$166.1 million as compared to an EBITDA of MXN\$198.5 million in 1Q2017, which represents an EBITDA Margin of 70.44%⁹.
- **Adjusted EBITDA.** Adjusted EBITDA for 1Q2018 was MXN\$215.3 million as compared to an Adjusted EBITDA of MXN\$214.0 million in 1Q2017, which represents an Adjusted EBITDA Margin of 91.31%¹⁰.
- **Net financing cost.** During 1Q2018, the net financing cost registered a gain of MXN\$18.9 million, a difference of MXN\$7.8 million as compared to 1Q2017 which registered an expense of MXN\$11.1 million, mainly due to and adjustment on the calculation of intercompany interest income made during 1Q2017.

⁸ *Income from operations / Total toll and other concession revenues*

⁹ *EBITDA / Total toll and other concession revenues*

¹⁰ *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 63.33% to 5.86 during 1Q2018 from 3.59 in 1Q2017.

COVIQSA (MXN million)				Cumulative		
	1Q2018	1Q2017	% Var	2018	2017	% Var
(+) Income from operations	132.6	166.1	(20.17%)	132.6	166.1	(20.17%)
(+) Amortization of assets derived from the concession	33.0	31.9	3.45%	33.0	31.9	3.45%
(+) Depreciation	0.5	0.5	-	0.5	0.5	-
(+) Major Maintenance Provision	49.2	15.5	217.42%	49.2	15.5	217.42%
(=) Adjusted EBITDA	215.3	214.0	0.61%	215.3	214.0	0.61%
(-) Income Tax	48.9	46.3	5.62%	48.9	46.3	5.62%
(-) Major Maintenance Expense	22.6	59.4	(61.93%)	22.6	59.4	(61.93%)
(+) Available Cash ¹	467.8	268.3	74.36%	467.8	268.3	74.36%
(=) Amount Available for Debt Service	611.6	376.6	62.40%	611.6	376.6	62.40%
(/) Debt Service ²	104.3	104.9	(0.57%)	104.3	104.9	(0.57%)
Debt Service Coverage Ratio (DSCR)	5.86	3.59	63.33%	5.86	3.59	63.33%

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
2018	168.0
2019	257.6
2020	305.2
2021	323.1
2022	364.0
2023	364.0
2024	364.0
2025	193.5
Total	2,339.4
Reserve¹	112.1
Net total	2,227.3

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)	1Q2018	1Q2017	% Var	Cumulative		
				2018	2017	% Var
Total toll and other concession revenues	73.7	69.3	6.35%	73.7	69.3	6.35%
Income from operations	15.5	45.5	(65.93%)	15.5	45.5	(65.93%)
EBITDA	17.5	47.4	(63.08%)	17.5	47.4	(63.08%)
Adjusted EBITDA	67.6	62.3	8.51%	67.6	62.3	8.51%
Income from operations margin	21.03%	65.66%		21.03%	65.66%	
EBITDA margin	23.74%	68.40%		23.74%	68.40%	
Adjusted EBITDA margin	91.72%	89.90%		91.72%	89.90%	
ADT for the period	23,400.5	22,668.5	3.23%	23,401.0	22,668.5	3.23%

- **Total shadow toll and other concession revenues.** CONIPSA Total shadow toll and other concession revenues for 1Q2018, increased by MXN\$4.4 million, to MXN\$73.7 million from MXN\$69.3 million in 1Q2017.
- **Costs and expenses.** Total costs and expenses during 1Q2018 were MXN\$59.0 million, an increase of MXN\$34.8 million compared to MXN\$24.2 million in 1Q2017. Mainly due to an increase in the major maintenance expenses compared to the previous period.
- **Other income, net.** During 1Q2018, other income was MXN\$0.8 million, an increase of MXN\$0.4 million as compared to MXN\$0.4 million in 1Q2017.
- **Income from operations.** Income from operations during 1Q2018 was MXN\$15.5 million, a decrease of MXN\$30.0 million compared to 1Q2017, which represents an Income from Operations Margin for 1Q2018 of 21.03%¹¹ mainly due to the major maintenance expenses increase.
- **EBITDA.** For 1Q2018 decreased by MXN\$29.9 million, to MXN\$17.5 million from an EBITDA of MXN\$47.4 million in 1Q2017, which represents an EBITDA Margin of 23.74%¹².
- **Adjusted EBITDA.** For 1Q2018 was MXN\$67.6 million, an increase of MXN\$5.3 million compared to MXN\$62.3 million for 1Q2017, which represents an Adjusted EBITDA Margin of 91.72%¹³.
- **Net financing cost.** During 1Q2018, the net financing cost registered an income of MXN\$0.0 million, a decrease from the financing cost registered in 1Q2017 of MXN\$1.7 million. Mainly due to an increase of the gain of interest on derivative financial instruments by MXN\$1.0 million compared to 1Q2017.

¹¹ Income from operations / Total toll and other concession revenues

¹² EBITDA / Total toll and other concession revenues

¹³ 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 97.32% to 27.94 in 1Q2018 from 14.16 in 1Q2017.

CONIPSA (MXN million)				Cumulative		
	1Q2018	1Q2017	% Var	2018	2017	% Var
(+) Income from operations	15.5	45.5	(65.93%)	15.5	45.5	(65.93%)
(+) Amortization of assets derived from the concession	1.6	1.6	-	1.6	1.6	-
(+) Depreciation	0.4	0.3	33.33%	0.4	0.3	33.33%
(+) Major Maintenance Provision	50.1	14.9	236.24%	50.1	14.9	236.24%
(=) Adjusted EBITDA	67.6	62.3	8.51%	67.6	62.3	8.51%
(-) Income Tax	4.4	0.1	4,300.00%	4.4	0.1	4,300.00%
(-) Major Maintenance Expense	35.4	31.1	13.65%	35.4	31.1	13.65%
(+) Available Cash ¹	282.3	130.3	116.65%	282.3	130.3	116.65%
(=) Amount Available for Debt Service	310.1	161.4	92.13%	310.1	161.4	92.13%
(/) Debt Service ²	11.1	11.4	(2.63%)	11.1	11.4	(2.63%)
Debt Service Coverage Ratio (DSCR)	27.94	14.16	97.32%	27.94	14.16	97.32%

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
2018	18.1
2019	27.7
2020	32.9
2021	34.8
2022	39.3
2023	39.3
2024	29.5
Total	221.5
Reserve¹	15.0
Net total	206.5

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 as of 2017 gathers a total contributed capital stock of 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. The SCT granted the definitive authorization to start operations on October 13th 2017.

Selected Financial Information and key indicators for the period.

(MXN million)	1Q2018	1Q2017	% Var	Cumulative		
				2018	2017	% Var
Total toll and other concession revenues	16.3	6.5	150.77%	16.3	6.5	150.77%
Income from operations	9.1	4.4	106.82%	9.1	4.4	106.82%
EBITDA	9.5	4.4	115.91%	9.5	4.4	115.91%
Adjusted EBITDA	11.5	4.4	161.36%	11.5	4.4	161.36%
Income from operations margin	55.83%	67.69%	(17.53%)	55.83%	67.69%	(17.53%)
EBITDA margin	58.28%	67.69%	(13.90%)	58.28%	67.69%	(13.90%)
Adjusted EBITDA margin	70.55%	67.69%	4.22%	70.55%	67.69%	4.22%
TPD del Periodo	8,827.0	3,928.1	124.72%	8,827.0	3,928.1	124.72%

- **Weighted Average Daily Traffic (ADT)**, during 1Q2018 a positive variation of 124.72% was registered compared to the same period in 2017. It is important to mention that this year the Easter holidays occurred in 1Q2018, while for 2017, they took place during 2Q2017. Moreover, it is important to highlight that COTESA started partial operations in February 2017.
- **Total toll and other concession revenues.** During 1Q2018, an increase of MXN\$9.8 million was registered to MXN\$16.3 million, compared to MXN\$6.5 million in 1Q2017.
- **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 asset for COTESA and have a zero net effect on COTESA's results. The amounts registered were MXN\$30.5 million as of 1Q2018, a decrease of MXN\$26.7 million compared to 1Q2017.
- **Costs and expenses (without construction costs).** Costs and expenses during 1Q2018 were MXN\$7.2 million, an increase of MXN\$5.1 from MXN\$2.1 in 1Q2017.
- **Income from operations.** Income from operations registered a variation of MXN\$4.7 million to MXN\$9.1 million in 1Q2018 compared to 1Q2017 or an income from operations margin of 55.83%.
- **EBITDA.** EBITDA during 1Q2018 registered MXN\$9.5 million, a margin of 58.28%, an increase of MXN\$5.1 million compared to MXN\$4.4 million in 1Q2017.
- **Adjusted EBITDA.** Adjusted EBITDA registered MXN\$11.5 million, a margin of 70.55%, an increase of MXN\$7.1 million compared to MXN\$4.4 million registered in 1Q2017.
- **Net financing result:** during 1Q2018, there were no interest expenses. Interest income registered MXN\$0.8 million.

RELEVANT EVENTS

During the period from January 1st, 2018 to March 31st, 2018, the following relevant events were reported:

1. RCO informs maturity extension of the Banco Inbursa facility.

Red de Carreteras de Occidente, S.A.B. de C.V. ("RCO") informs that on January 16, 2018 it successfully concluded a maturity extension of the Banco Inbursa facility dated August 5, 2014, with an original maturity in 2029, to a new maturity in 2034.

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			
	2018	2017	Variation	%	2018	2017	Variation	%
TOTAL REVENUES	2,342.0	1,977.0	365.0	18.46	2,342.0	1,977.0	365.0	18.46
Toll revenues	1,790.1	1,533.4	256.7	16.74	1,790.1	1,533.4	256.7	16.74
Shadow toll payments from the SCT	201.8	193.0	8.8	4.56	201.8	193.0	8.8	4.56
Availability payments from the SCT	104.6	101.4	3.2	3.16	104.6	101.4	3.2	3.16
Ancillary revenues from the use of right of way and other related revenues	59.1	43.0	16.1	37.44	59.1	43.0	16.1	37.44
Total toll and other concession revenues	2,155.6	1,870.8	284.8	15.22	2,155.6	1,870.8	284.8	15.22
Construction revenues	186.4	106.2	80.2	75.52	186.4	106.2	80.2	75.52
COSTS AND EXPENSES	923.1	643.4	279.7	43.47	923.1	643.4	279.7	43.47
Amortization of assets derived from the concessions	232.4	215.1	17.3	8.04	232.4	215.1	17.3	8.04
Operation and maintenance provisions	266.4	168.2	98.2	58.38	266.4	168.2	98.2	58.38
Toll collection costs	29.8	25.6	4.2	16.41	29.8	25.6	4.2	16.41
Cost of ancillary revenues from the use of right of way and other related revenues	28.1	23.0	5.1	22.17	28.1	23.0	5.1	22.17
General and administrative expenses	180.0	105.3	74.7	70.94	180.0	105.3	74.7	70.94
Total costs and expenses excluding construction costs	736.7	537.2	199.5	37.14	736.7	537.2	199.5	37.14
Construction costs	186.4	106.2	80.2	75.52	186.4	106.2	80.2	75.52
INCOME BEFORE OTHER INCOME NET	1,418.9	1,333.6	85.3	6.40	1,418.9	1,333.6	85.3	6.40
Other income, net	7.9	6.4	1.5	23.44	7.9	6.4	1.5	23.44
INCOME FROM OPERATIONS	1,426.8	1,340.0	86.8	6.48	1,426.8	1,340.0	86.8	6.48
Net financing cost	1,020.9	1,034.8	(13.9)	(1.34)	1,020.9	1,034.8	(13.9)	(1.34)
Interest expense	988.0	878.5	109.5	12.46	988.0	878.5	109.5	12.46
Premiums and interests on financing	950.3	829.5	120.8	14.56	950.3	829.5	120.8	14.56
Interest on derivative financial instruments	1.2	21.8	(20.6)	(94.50)	1.2	21.8	(20.6)	(94.50)
Amortization of premiums and debt expenses	29.3	26.4	2.9	10.98	29.3	26.4	2.9	10.98
Major maintenance interests	5.9	-	5.9	100.00	5.9	-	5.9	100.00
Right of use interests	1.3	0.8	0.5	62.50	1.3	0.8	0.5	62.50
Adjustments to principal amount of UDI denominated debt	128.5	237.3	(108.8)	(45.85)	128.5	237.3	(108.8)	(45.85)
Interest income	(95.5)	(80.8)	(14.7)	(18.19)	(95.5)	(80.8)	(14.7)	(18.19)
Net foreign exchange income	(0.1)	(0.2)	0.1	50.00	(0.1)	(0.2)	0.1	50.00
INCOME BEFORE INCOME TAXES	405.9	305.2	100.7	32.99	405.9	305.2	100.7	32.99
INCOME TAXES (BENEFIT)	25.8	(183.8)	209.6	114.04	25.8	(183.8)	209.6	114.04
CONSOLIDATED NET INCOME FOR THE PERIOD	380.1	489.0	(108.9)	(22.27)	380.1	489.0	(108.9)	(22.27)
Other comprehensive income items								
Items that will be reclassified subsequently to profit or loss:								
Valuation of derivative financial instruments	(70.4)	(55.2)	(15.2)	(27.54)	(70.4)	(55.2)	(15.2)	(27.54)
Deferred income taxes of derivative financial instruments	21.1	16.5	4.6	27.88	21.1	16.5	4.6	27.88
COMPREHENSIVE INCOME FOR THE PERIOD	330.8	450.3	(119.5)	(26.54)	330.8	450.3	(119.5)	(26.54)
BASIC AND DILUDED INCOME PER COMMON SHARE (pesos)	0.0132	0.0170	(0.0038)	(22.27)	0.0132	0.0170	(0.0038)	(22.27)

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

	March 2018	December 2017	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	7,325.9	8,741.2	(1,415.3)	(16.19)
Trade accounts receivable - net	129.8	110.0	19.8	18.00
Recoverable taxes	88.4	60.2	28.2	46.84
Accounts receivable to related parties	1.6	0.3	1.3	433.33
Financial asset from the concessions-current portion	390.4	388.5	1.9	0.49
Other accounts receivable and prepaid expenses	21.2	189.6	(168.4)	(88.82)
Total current assets	7,957.3	9,489.8	(1,532.5)	(16.15)
Non-current assets				
Long-term restricted cash	100.4	98.8	1.6	1.62
Financial assets derived from the concessions - long-term portion	859.6	869.0	(9.4)	(1.08)
Intangible assets derived from the concessions	42,820.8	42,900.0	(79.2)	(0.18)
Furniture and equipment and franchise rights - net	17.7	18.2	(0.5)	(2.75)
Machinery and equipment - net	34.0	36.0	(2.0)	(5.56)
Right of use asset - net	38.2	34.4	3.8	11.05
Derivate financial instruments	88.5	140.1	(51.6)	(36.83)
Deferred income tax asset	6,820.5	6,791.4	29.1	0.43
Other assets	5.4	5.9	(0.5)	(8.47)
Total non-current assets	50,785.1	50,893.8	(108.7)	(0.21)
TOTAL ASSETS	58,742.4	60,383.6	(1,641.2)	(2.72)
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	295.5	296.2	(0.7)	(0.24)
Interest payable	564.7	878.4	(313.7)	(35.71)
Other current liabilities	35.0	73.7	(38.7)	(52.51)
Provisions	588.3	463.0	125.3	27.06
Current portion of long-term debt	345.7	365.8	(20.1)	(5.49)
Short-term employee benefits	198.9	141.6	57.3	40.47
Accounts payable for work executed, not yet approved	75.3	63.4	11.9	18.77
Taxes other than income tax	39.4	218.3	(178.9)	(81.95)
Income taxes payable	68.8	47.9	20.9	43.63
Total current liabilities	2,211.6	2,548.3	(336.7)	(13.21)
Non-current liabilities				
Long-term debt	41,137.6	40,847.8	289.8	0.71
Provisions for major maintenance	218.6	175.4	43.2	24.63
Long-term employee benefits	30.9	26.9	4.0	14.87
Post-employment employee benefits	3.5	3.3	0.2	6.06
Other long term liabilities	39.4	28.7	10.7	37.28
Derivative financial instruments	39.5	19.5	20.0	102.56
Deferred income tax liability	149.2	184.1	(34.9)	(18.96)
Total non-current liabilities	41,618.7	41,285.7	333.0	0.81
TOTAL LIABILITIES	43,830.3	43,834.0	(3.7)	(0.01)
STOCKHOLDERS' EQUITY				
Capital stock	16,290.7	18,259.0	(1,968.3)	(10.78)
Accumulated deficit	(1,410.4)	(1,790.5)	380.1	21.23
Other comprehensive loss	31.8	81.1	(49.3)	(60.79)
TOTAL STOCKHOLDERS' EQUITY	14,912.1	16,549.6	(1,637.5)	(9.89)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	58,742.4	60,383.6	(1,641.2)	(2.72)

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	2018	2017
OPERATING ACTIVITIES		
Income before income taxes	405.9	305.2
Adjustments for:		
Depreciation and amortization	239.2	220.0
Financing related activities:		
Interest expense	957.4	830.2
Reclassifications for amounts recognized in profit and loss	1.2	21.7
Amortization of commissions and debt issuance costs	29.3	26.4
Unrealized exchange loss	(0.1)	(0.1)
Adjustments to principal amount of UDI denominated debt	128.5	237.3
	<u>1,761.4</u>	<u>1,640.7</u>
+/- Decrease / (increase) in:		
Trade accounts receivable	(19.8)	649.9
Recoverable taxes	62.0	3.6
Financial asset from the concession	7.5	0.5
Other accounts receivable and other prepaid expenses	59.6	(75.4)
Other assets	0.5	-
+/- Increase / (decrease) in:		
Accounts payable to suppliers	(114.1)	8.1
Other current liabilities	(24.7)	(19.9)
Provisions	162.6	10.6
Taxes other than income tax	(22.1)	(43.7)
Income taxes paid	(72.1)	(48.4)
Employee benefits - net	61.3	(2.7)
Post-employment employee benefits	0.2	0.2
Net cash provided by operating activities	1,862.3	2,123.5
INVESTING ACTIVITIES		
Acquisition of furniture and equipment and franchise rights	(0.6)	(0.1)
Acquisition of machinery and equipment	(7.8)	(2.0)
Intangible assets derived from the concessions	(141.3)	(92.1)
Net cash (used in) provided by investing activities	(149.7)	(94.2)
FINANCING ACTIVITIES		
Proceeds from long-term debt	230.8	-
Payments of debt	(91.4)	(85.3)
Interest paid	(1,265.5)	(1,163.9)
Payment for liabilities for lease	(3.2)	(2.7)
Payments of derivative financial instruments	(1.2)	(21.8)
Commissions and debt issuance costs paid	(27.5)	(0.7)
Capital stock reduction	(1,968.3)	-
Net cash used in financing activities	(3,126.3)	(1,274.4)
+/- Increase in cash, cash equivalents and restricted cash	(1,413.7)	754.9
Cash, cash equivalents and restricted cash at the beginning of the period	<u>8,840.0</u>	<u>6,772.5</u>
Cash, cash equivalents and restricted cash at the end of the period	<u>7,426.3</u>	<u>7,527.4</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, 2017	21,409.0	(3,679.4)	28.9	17,758.4
Comprehensive income:				
Valuation of derivative financial instruments	-	-	(55.2)	(55.2)
Deferred income taxes of derivative instruments	-	-	16.6	16.6
Net loss for the period	-	488.9	-	488.9
Comprehensive loss	-	488.9	(38.6)	450.2
Balance as of March 31, 2017	21,409.0	(3,190.5)	(9.8)	18,208.7
Balance as of January 1, 2018	18,259.0	(1,790.5)	81.0	16,549.6
Capital stock reduction	(1,968.3)	-	-	(1,968.3)
Comprehensive income:				
Valuation of derivative financial instruments	-	-	(70.4)	(70.4)
Deferred income taxes of derivative instruments	-	-	21.1	21.1
Net income for the period	-	380.1	-	380.1
Comprehensive income	-	380.1	(49.3)	330.8
Balance as of March 31, 2018	16,290.7	(1,410.4)	31.8	14,912.1

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 January 1 to March 31 of				Cumulative			
	2018	2017	Variation	%	2018	2017	Variation	%
TOTAL REVENUES	2,015.0	1,633.7	381.3	23.34	2,015.0	1,633.7	381.3	23.34
Toll revenues	1,773.7	1,526.9	246.8	16.16	1,773.7	1,526.9	246.8	16.16
Ancillary revenues from the use of right of way and other related revenues	56.0	42.7	13.3	31.15	56.0	42.7	13.3	31.15
Total toll and other concession revenues	1,829.7	1,569.6	260.1	16.57	1,829.7	1,569.6	260.1	16.57
Administrative service revenues	29.0	15.1	13.9	92.05	29.0	15.1	13.9	92.05
Construction revenues	156.3	49.0	107.3	218.98	156.3	49.0	107.3	218.98
COSTS AND EXPENSES	746.3	505.8	240.5	47.55	746.3	505.8	240.5	47.55
Amortization of assets derived from the concessions	192.2	176.7	15.5	8.77	192.2	176.7	15.5	8.77
Operation and maintenance provisions	160.6	128.6	32.0	24.88	160.6	128.6	32.0	24.88
Toll collection costs	28.2	24.1	4.1	17.01	28.2	24.1	4.1	17.01
Cost of ancillary revenues from the use of right of way and other related revenues	28.1	23.0	5.1	22.17	28.1	23.0	5.1	22.17
General and administrative expenses	180.9	104.4	76.5	73.28	180.9	104.4	76.5	73.28
Total costs and expenses excluding construction costs	590.0	456.8	133.2	29.16	590.0	456.8	133.2	29.16
Construction costs	156.3	49.0	107.3	218.98	156.3	49.0	107.3	218.98
INCOME BEFORE OTHER INCOME NET	1,268.7	1,127.9	140.8	12.48	1,268.7	1,127.9	140.8	12.48
Other income, net	6.9	5.5	1.4	25.45	6.9	5.5	1.4	25.45
INCOME FROM OPERATIONS	1,275.6	1,133.4	142.2	12.55	1,275.6	1,133.4	142.2	12.55
Net financing cost	943.5	1,046.1	(102.6)	(9.81)	943.5	1,046.1	(102.6)	(9.81)
Interest expense	990.7	873.3	117.4	13.44	990.7	873.3	117.4	13.44
Premiums and interests on financing	950.5	826.4	124.1	15.02	950.5	826.4	124.1	15.02
Interest on derivative financial instruments	7.9	21.4	(13.5)	(63.08)	7.9	21.4	(13.5)	(63.08)
Amortization of premiums and debt expenses	27.6	24.7	2.9	11.74	27.6	24.7	2.9	11.74
Major maintenance interests	3.5	-	3.5	100.00	3.5	-	3.5	100.00
Right of use interests	1.2	0.8	0.4	50.00	1.2	0.8	0.4	50.00
Adjustments to principal amount of UDI denominated debt	128.5	237.3	(108.8)	(45.85)	128.5	237.3	(108.8)	(45.85)
Interest income	(78.6)	(64.4)	14.2	22.05	(78.6)	(64.4)	(14.2)	(22.05)
Dividends from subsidiaries	(97.0)	-	(97.0)	(100.00)	(97.0)	-	(97.0)	(100.00)
Net foreign exchange income	(0.1)	(0.1)	-	-	(0.1)	(0.1)	-	-
INCOME BEFORE INCOME TAXES	332.1	87.3	244.8	280.41	332.1	87.3	244.8	280.41
INCOME TAXES (BENEFIT)	(12.7)	(225.8)	213.1	94.38	(12.7)	(225.8)	213.1	94.38
CONSOLIDATED NET INCOME FOR THE PERIOD	344.8	313.1	31.7	10.12	344.8	313.1	31.7	10.12
Other comprehensive income items								
Items that will be reclassified subsequently to profit or loss:								
Valuation of derivative financial instruments	(40.7)	(24.9)	(15.8)	(63.45)	(40.7)	(24.9)	(15.8)	(63.45)
Deferred income taxes of derivative financial instruments	12.2	7.5	4.7	62.67	12.2	7.5	4.7	62.67
COMPREHENSIVE INCOME FOR THE PERIOD	316.3	295.7	20.6	6.97	316.3	295.7	20.6	6.97
BASIC AND DILUDED INCOME PER COMMON SHARE (pesos)	0.0120	0.0109	0.0011	10.12	0.0120	0.0109	0.0011	10.12

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

	March 2018	December 2017	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	6,282.2	7,614.6	(1,332.4)	(17.50)
Trade accounts receivable - net	125.1	109.9	15.2	13.83
Recoverable taxes	11.6	35.6	(24.0)	(67.42)
Accounts receivable to related parties	42.5	32.5	10.0	30.77
Other accounts receivable and prepaid expenses	201.7	169.3	32.4	19.14
Total current assets	6,663.1	7,961.9	(1,298.8)	(16.31)
Non-current assets				
Intangible assets derived from the concessions	41,125.0	41,191.7	(66.7)	(0.16)
Furniture and equipment and franchise rights -net	17.5	18.0	(0.5)	(2.78)
Machinery and equipment-net	28.3	29.8	(1.5)	(5.03)
Right of use asset - net	34.7	30.6	4.1	13.40
Investment in shares	2,201.8	2,161.9	39.9	1.85
Derivate financial instruments	9.6	31.3	(21.7)	(69.33)
Deferred income tax asset	6,874.4	6,847.2	27.2	0.40
Other assets	5.0	5.1	(0.1)	(1.96)
Total non-current assets	50,296.3	50,315.6	(19.3)	(0.04)
TOTAL ASSETS	56,959.4	58,277.5	(1,318.1)	(2.26)
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	25.2	21.2	4.0	18.87
Interest payable	543.7	855.9	(312.2)	(36.48)
Interest payable on derivative financial instruments	1.0	2.0	(1.0)	(50.00)
Other current liabilities	33.8	66.6	(32.8)	(49.25)
Provisions	442.9	384.8	58.1	15.10
Current portion of long-term debt	88.2	117.7	(29.5)	(25.06)
Short-term employee benefits	198.9	141.6	57.3	40.47
Accounts payable for work executed, not yet approved	75.3	63.4	11.9	18.77
Taxes other than income tax	85.4	80.3	5.1	6.35
Income taxes payable	1.8	2.3	(0.5)	(21.74)
Total current liabilities	1,496.2	1,735.8	(239.6)	(13.80)
Non-current liabilities				
Long-term debt	38,876.3	38,516.9	359.4	0.93
Provisions for major maintenance	123.3	104.9	18.4	17.54
Long-term employee benefits	30.9	26.9	4.0	14.87
Post-employment employee benefits	3.5	3.3	0.2	6.06
Accounts payable to related parties - long-term	2,853.0	2,691.3	161.7	6.01
Other long term liabilities	35.5	26.3	9.2	34.98
Derivative financial instruments	39.5	19.5	20.0	102.56
Deferred income tax liability	1.40	0.9	0.5	55.56
Total-non current liabilities	41,963.4	41,390.0	573.4	1.39
TOTAL LIABILITIES	43,459.6	43,125.8	333.8	0.77
STOCKHOLDERS' EQUITY				
Capital stock	16,290.7	18,259.0	(1,968.3)	(10.78)
Accumulated deficit	(2,769.5)	(3,114.3)	344.8	11.07
Other comprehensive income (loss)	(21.4)	7.0	(28.4)	(405.71)
TOTAL STOCKHOLDERS' EQUITY	13,499.8	15,151.7	(1,651.9)	(10.90)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	56,959.4	58,277.5	(1,318.1)	(2.26)

COVIQSA

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

	From January 1 to March 31 of				Cumulative			
	2018	2017	Variation	%	2018	2017	Variation	%
TOTAL REVENUES	235.8	225.5	10.3	4.57	235.8	225.5	10.3	4.57
Shadow toll payments from the SCT	182.3	176.7	5.6	3.17	182.3	176.7	5.6	3.17
Availability payments from the SCT	50.4	48.5	1.9	3.92	50.4	48.5	1.9	3.92
Ancillary revenues from the use of right of way and other related revenues	3.1	0.3	2.8	933.33	3.1	0.3	2.8	933.33
Total toll and other concession revenues	235.8	225.5	10.3	4.57	235.8	225.5	10.3	4.57
COSTS AND EXPENSES	103.8	59.9	43.9	73.29	103.8	59.9	43.9	73.29
Amortization of assets derived from the concessions	33.0	31.9	1.1	3.45	33.0	31.9	1.1	3.45
Operation and maintenance provisions	52.9	19.4	33.5	172.68	52.9	19.4	33.5	172.68
Toll collection costs	0.8	0.7	0.1	14.29	0.8	0.7	0.1	14.29
General and administrative expenses	17.1	7.9	9.2	116.46	17.1	7.9	9.2	116.46
INCOME BEFORE OTHER INCOME NET	132.0	165.6	(33.6)	(20.29)	132.0	165.6	(33.6)	(20.29)
Other income, net	0.6	0.5	0.1	20.00	0.6	0.5	0.1	20.00
INCOME FROM OPERATIONS	132.6	166.1	(33.5)	(20.17)	132.6	166.1	(33.5)	(20.17)
Net financing cost	(18.9)	(11.1)	(7.8)	(70.27)	(18.9)	(11.1)	(7.8)	(70.27)
Interest expense	51.0	56.0	(5.0)	(8.93)	51.0	56.0	(5.0)	(8.93)
Premiums and interests on financing	54.0	54.0	-	-	54.0	54.0	-	-
Interest on derivative financial instruments	(5.7)	0.5	(6.2)	(1,240.00)	(5.7)	0.5	(6.2)	(1,240.00)
Amortization of premiums and debt expenses	1.4	1.4	-	-	1.4	1.4	-	-
Major maintenance interests	1.2	-	1.2	100.00	1.2	-	1.2	100.00
Right of use interests	0.1	0.1	-	-	0.1	0.1	-	-
Interest income	(69.9)	(67.1)	(2.8)	(4.17)	(69.9)	(67.1)	(2.8)	(4.17)
INCOME BEFORE INCOME TAXES	151.5	177.2	(25.7)	(14.50)	151.5	177.2	(25.7)	(14.50)
INCOME TAXES	36.0	34.8	1.2	3.45	36.0	34.8	1.2	3.45
NET INCOME FOR THE PERIOD	115.5	142.4	(26.9)	(18.89)	115.5	142.4	(26.9)	(18.89)
Other comprehensive income / (loss) items								
Items that will be reclassified subsequently to profit or loss:								
Valuation of derivative financial instruments	(26.0)	(26.5)	0.5	1.89	(26.0)	(26.5)	0.5	1.89
Deferred income taxes of derivative financial instruments	7.8	7.9	(0.1)	(1.27)	7.8	7.9	(0.1)	(1.27)
COMPREHENSIVE INCOME FOR THE PERIOD	97.3	123.8	(26.5)	(21.41)	97.3	123.8	(26.5)	(21.41)

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

	March 2018	December 2017	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	664.3	688.0	(23.7)	(3.44)
Trade accounts receivable - net	0.4	0.1	0.3	300.00
Recoverable taxes	44.9	-	44.9	100.00
Interest receivable on derivative financial instruments	2.1	2.0	0.1	5.00
Financial asset from the concessions -current portion	168.8	170.5	(1.7)	(1.00)
Other accounts receivable and prepaid expenses	8.9	12.3	(3.4)	(27.64)
Total current assets	889.4	872.9	16.5	1.89
Non-current assets				
Long-term restricted cash	47.2	46.5	0.7	1.51
Accounts receivable to related parties- long term portion	2,853.0	2,691.3	161.7	6.01
Financial asset derived from the concessions - long-term portion	368.1	371.5	(3.4)	(0.92)
Intangible assets derived from the concessions	1,227.7	1,260.8	(33.1)	(2.63)
Machinery and equipment- net	3.2	3.5	(0.3)	(8.57)
Right of use asset - net	2.6	2.9	(0.3)	(10.34)
Derivate financial instruments	67.4	93.4	(26.0)	(27.84)
Other assets	0.2	0.4	(0.2)	(50.00)
Total non-current assets	4,569.4	4,470.3	99.1	2.22
TOTAL ASSETS	5,458.8	5,343.2	115.6	2.16
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	269.8	270.5	(0.7)	(0.26)
Interest payable	19.1	20.5	(1.4)	(6.83)
Other current liabilities	0.6	1.9	(1.3)	(68.42)
Provisions	97.4	59.1	38.3	64.81
Accounts payable to related parties	30.7	23.4	7.3	31.20
Current portion of long-term debt	232.4	224.0	8.4	3.75
Taxes other than income tax	159.0	130.8	28.2	21.56
Income taxes payable	57.1	15.6	41.5	266.03
Total current liabilities	866.1	745.8	120.3	16.13
Non-current liabilities				
Long-term debt	2,071.8	2,134.8	(63.0)	(2.95)
Provisions for major maintenance	42.8	36.4	6.4	17.58
Accounts payable to related parties- long term	-	17.7	(17.7)	(100.00)
Other long term liabilities	3.0	1.9	1.1	57.89
Deferred income tax liability	68.3	97.1	(28.8)	(29.66)
Total non-current liabilities	2,185.9	2,287.9	(102.0)	(4.46)
TOTAL LIABILITIES	3,052.0	3,033.7	18.3	0.60
STOCKHOLDERS' EQUITY				
Capital stock	1,226.7	1,226.7	-	-
Accumulated results	1,131.4	1,016.0	115.4	11.36
Other comprehensive income	48.7	66.8	(18.1)	(27.10)
TOTAL STOCKHOLDERS' EQUITY	2,406.8	2,309.5	97.3	4.21
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	5,458.8	5,343.2	115.6	2.16

CONIPSA

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

	From January 1 to March 31 of				Cumulative			
	2018	2017	Variation	%	2018	2017	Variation	%
TOTAL REVENUES	73.7	69.3	4.4	6.35	73.7	69.3	4.4	6.35
Shadow toll payments from the SCT	19.5	16.3	3.2	19.63	19.5	16.3	3.2	19.63
Availability payments from the SCT	54.2	53.0	1.2	2.26	54.2	53.0	1.2	2.26
Total toll and other concession revenues	73.7	69.3	4.4	6.35	73.7	69.3	4.4	6.35
COSTS AND EXPENSES	59.0	24.2	34.8	143.80	59.0	24.2	34.8	143.80
Amortization of assets derived from the concessions	1.6	1.6	-	-	1.6	1.6	-	-
Operation and maintenance provisions	53.0	18.7	34.3	183.42	53.0	18.7	34.3	183.42
Toll collection costs	0.6	0.6	-	-	0.6	0.6	-	-
General and administrative expenses	3.8	3.3	0.5	15.15	3.8	3.3	0.5	15.15
INCOME BEFORE OTHER INCOME NET	14.7	45.1	(30.4)	(67.41)	14.7	45.1	(30.4)	(67.41)
Other income, net	0.8	0.4	0.4	100.00	0.8	0.4	0.4	100.00
INCOME FROM OPERATIONS	15.5	45.5	(30.0)	(65.93)	15.5	45.5	(30.0)	(65.93)
Net financing cost	-	1.7	(1.7)	(100.00)	-	1.7	(1.7)	(100.00)
Interest expense	6.6	6.3	0.3	4.76	6.6	6.3	0.3	4.76
Premiums and interests on financing	6.2	6.1	0.1	1.64	6.2	6.1	0.1	1.64
Interest on derivative financial instruments	(1.1)	(0.1)	(1.0)	(1,000.00)	(1.1)	(0.1)	(1.0)	(1,000.00)
Amortization of premiums and debt expenses	0.3	0.3	-	-	0.3	0.3	-	-
Major maintenance interests	1.2	-	1.2	100.00	1.2	-	1.2	100.00
Interest income	(6.6)	(4.6)	(2.0)	(43.48)	(6.6)	(4.6)	(2.0)	(43.48)
INCOME BEFORE INCOME TAXES	15.5	43.8	(28.3)	(64.61)	15.5	43.8	(28.3)	(64.61)
INCOME TAXES	2.1	7.9	(5.8)	(73.42)	2.1	7.9	(5.8)	(73.42)
NET INCOME FOR THE PERIOD	13.4	35.9	(22.5)	(62.67)	13.4	35.9	(22.5)	(62.67)
Other comprehensive income items								
Items that will be reclassified subsequently to profit or loss:								
Valuation of derivative financial instruments	(3.8)	(3.8)	-	-	(3.8)	(3.8)	-	-
Deferred income taxes of derivative financial instruments	1.1	1.1	-	-	1.1	1.1	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	10.7	33.2	(22.5)	(67.77)	10.7	33.2	(22.5)	(67.77)

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

	March 2018	December 2017	Variation	%
ASSETS				
Current assets				
Cash and cash equivalents-current portion	322.0	394.0	(72.0)	(18.27)
Trade accounts receivable - net	4.4	-	4.4	100.00
Recoverable taxes	10.6	-	10.6	100.00
Interest receivable on derivative financial instruments	0.4	0.4	-	-
Financial asset from the concessions-current portion	221.6	218.0	3.6	1.65
Other accounts receivable and prepaid expenses	29.4	6.4	23.0	359.38
Total current assets	588.4	618.8	(30.4)	23.75
Non-current assets				
Long-term restricted cash	53.2	52.3	0.9	1.72
Accounts receivable to related parties - long-term portion	-	17.7	(17.7)	(100.00)
Financial assets derived from the concessions - long-term portion	491.5	497.3	(5.8)	(1.17)
Intangible assets derived from the concessions	51.7	53.3	(1.6)	(3.00)
Machinery and equipment- net	2.5	2.8	(0.3)	(10.71)
Right of use asset - net	0.9	1.0	(0.1)	(10.00)
Derivate financial instruments	11.5	15.3	(3.8)	(24.84)
Other assets	0.1	0.3	(0.2)	(66.67)
Total non-current assets	611.4	640.0	(28.6)	(4.47)
TOTAL ASSETS	1,199.8	1,258.8	(59.0)	(4.69)
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	0.1	1.5	(1.4)	(93.33)
Interest payable	1.9	2.0	(0.1)	(5.00)
Other current liabilities	0.6	1.0	(0.4)	(40.00)
Provisions	47.4	7.9	39.5	500.00
Accounts payable to related parties	9.5	7.9	1.6	20.25
Current portion of long-term debt	25.0	24.1	0.9	3.73
Taxes other than income tax	17.4	7.2	10.2	141.67
Income taxes payable	7.5	23.8	(16.3)	(68.49)
Total current liabilities	109.4	75.4	34.0	45.09
Non-current liabilities				
Long-term debt	189.5	196.1	(6.6)	(3.37)
Provisions for major maintenance	39.9	34.0	5.9	17.35
Other long term liabilities	1.0	0.5	0.5	100.00
Deferred income tax liability	79.6	86.1	(6.5)	(7.55)
Total non-current liabilities	310.0	316.7	(6.7)	(2.12)
TOTAL LIABILITIES	419.4	392.1	27.3	6.96
STOCKHOLDERS' EQUITY				
Capital stock	264.4	264.4	-	-
Accumulated results	507.7	591.3	(83.6)	(14.14)
Other comprehensive income	8.3	11.0	(2.7)	(24.55)
TOTAL STOCKHOLDERS' EQUITY	780.4	866.7	(86.3)	(9.96)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	1,199.8	1,258.8	(59.0)	(4.69)

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 January 1 to March 31 of				Cumulative			
	2018	2017	Variation	%	2018	2017	Variation	%
TOTAL REVENUES	46.8	63.7	(16.9)	(26.53)	46.8	63.7	(16.9)	(26.53)
Toll revenues	16.3	6.5	9.8	150.77	16.3	6.5	9.8	150.77
Total toll and other concession revenues	16.3	6.5	9.8	150.77	16.3	6.5	9.8	150.77
Construction revenues	30.5	57.2	(26.7)	(46.68)	30.5	57.2	(26.7)	(46.68)
COSTS AND EXPENSES	37.7	59.3	(21.6)	(36.42)	37.7	59.3	(21.6)	(36.42)
Amortization of assets derived from the concessions	0.4	-	0.4	100.00	0.4	-	0.4	100.00
Operation and maintenance provisions	3.0	0.2	2.8	1,400.00	3.0	0.2	2.8	1,400.00
Toll collection costs	0.2	0.2	-	-	0.2	0.2	-	-
General and administrative expenses	3.6	1.7	1.9	111.76	3.6	1.7	1.9	111.76
Total costs and expenses excluding construction costs	7.2	2.1	5.1	242.86	7.2	2.1	5.1	242.86
Construction costs	30.5	57.2	(26.7)	(46.68)	30.5	57.2	(26.7)	(46.68)
INCOME BEFORE OTHER INCOME NET	9.1	4.4	4.7	106.82	9.1	4.4	4.7	106.82
INCOME FROM OPERATIONS	9.1	4.4	4.7	106.82	9.1	4.4	4.7	106.82
Net financing cost	(0.8)	(1.6)	0.8	50.00	(0.8)	(1.6)	0.8	50.00
Interest income	(0.8)	(1.6)	0.8	50.00	(0.8)	(1.6)	0.8	50.00
INCOME BEFORE INCOME TAXES	9.9	6.0	3.9	65.00	9.9	6.0	3.9	65.00
INCOME TAXES	2.0	0.7	1.3	185.71	2.0	0.7	1.3	185.71
NET AND COMPREHENSIVE INCOME FOR THE PERIOD	7.9	5.3	2.6	49.06	7.9	5.3	2.6	49.06

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

	<u>March 2018</u>	<u>December 2017</u>	<u>Variation</u>	<u>%</u>
ASSETS				
Current assets				
Cash and cash equivalents-current portion	57.4	44.5	12.9	28.99
Recoverable taxes	21.4	24.6	(3.2)	(13.01)
Other accounts receivable and prepaid expenses	3.6	1.6	2.0	125.00
Total current assets	82.4	70.7	11.7	23.75
Non-current assets				
Intangible assets derived from the concessions	226.6	198.9	27.7	13.93
Furniture and equipment and franchise rights - net	0.6	0.2	0.4	200.00
Deferred income tax asset	3.4	3.0	0.4	13.33
Other assets	0.1	0.1	-	-
Total non-current assets	230.7	202.2	28.5	14.09
TOTAL ASSETS	313.1	272.9	40.2	14.73
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable to suppliers	0.4	3.0	(2.6)	(86.67)
Other current liabilities	0.1	4.3	(4.2)	(97.67)
Provisions	0.5	11.2	(10.7)	(95.54)
Accounts payable to related parties	2.3	1.3	1.0	76.92
Income taxes payable	2.4	6.2	(3.8)	(61.29)
Total current liabilities	5.7	26.0	(20.3)	(78.08)
Non-current liabilities				
Provisions for major maintenance	12.6	-	12.6	100.00
Total non-current liabilities	12.6	-	12.6	100.00
TOTAL LIABILITIES	18.3	26.0	(7.7)	(29.62)
STOCKHOLDERS' EQUITY				
Capital stock	270.4	230.5	39.9	17.31
Accumulated results	24.4	16.4	8.0	48.78
TOTAL STOCKHOLDERS' EQUITY	294.8	246.9	47.9	19.40
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	313.1	272.9	40.2	14.73

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. On December 21st 2017, it successfully concluded a maturity extension of a bank financing (acquisition loan) obtained from Banobras in 2013 with an original maturity in 2032, to a new maturity in 2037. In addition to the extension, RCO entered into a new credit facility with Banobras (which constitutes Additional Senior Debt under the Common Terms Agreement and RCO’s other financing documents) for an amount of MXN\$4,000 million pesos with maturity in 2037, which may be used within 3 years as of this date.

“**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 \$8.79 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 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 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 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. On January 16th 2018, it successfully concluded a maturity extension originally in 2029, to a new maturity in 2034.

"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.