



**QUARTERLY REPORT  
1Q2014**

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

## Reports unaudited consolidated condensed financial statements for 1Q2014

### Executive Summary

During first quarter of 2014, total toll and other concession revenues increased by 8.78% compared to the first quarter of 2013. This increase was primarily comprised of: (i) a 9.72% increase in toll revenues (FARAC I), mainly due to an increase in toll rates based on inflation adjustment, increase to toll rates resulting from an amendment to Annex 4 of the FARAC I Concession Agreement, and a change in vehicle mix, (ii) an increase in shadow toll and Availability Payments from the SCT (COVIQSA & CONIPSA) of 3.72% and 1.23% respectively, and (iii) a 116.95% increase in ancillary revenues from the use of right of way and other related activities. However, the Average Daily Traffic (ADT) on FARAC I for the first quarter of 2014 decreased 0.80% compared to the same period in 2013 primarily due to the fact that Easter holiday period occurred in the first quarter of 2013 (while this same period takes place in the second quarter of 2014).

At the end of the first quarter of 2014, EBITDA and Adjusted EBITDA increased by 7.30% and 4.12% respectively, compared to the same period in 2013. During March 2014, a prepayment to the Acquisition Loan was made as a result of Excess Cash Distribution for MXN 513.5 million, thus reducing bank debt with maturity in 2018 to MXN 7,196.6 million.

### Selected Consolidated Financial Information for 1Q2014

Consolidated results (MXN million)	1Q2014	1Q2013	% Var	Cumulative		
				2014	2013	% Var
Total toll and other concession revenues*	1,337.5	1,229.5	8.78%	1,337.5	1,229.5	8.78%
Construction revenues	69.5	67.0	3.73%	69.5	67.0	3.73%
Total revenues	1,407.0	1,296.5	8.52%	1,407.0	1,296.5	8.52%
Income from operations	784.5	712.0	10.18%	784.5	712.0	10.18%
Interest expense	983.2	836.3	17.57%	983.2	836.3	17.57%
Loss before income taxes	(284.1)	(166.7)	(70.43%)	(284.1)	(166.7)	(70.43%)
Consolidated net income (loss) for the period	(72.3)	23.1	(412.99%)	(72.3)	23.1	(412.99%)
EBITDA	1,069.5	996.7	7.30%	1,069.5	996.7	7.30%
Adjusted EBITDA	1,120.6	1,076.3	4.12%	1,120.6	1,076.3	4.12%
Income from operations margin **	58.65%	57.91%		58.65%	57.91%	
EBITDA margin **	79.96%	81.07%		79.96%	81.07%	
Adjusted EBITDA margin **	83.78%	87.54%		83.78%	87.54%	
Long-term debt ***				33,342.1	33,743.4	(1.19%)
Stockholders' equity ***				19,879.7	19,941.8	(0.31%)

\* Total toll and other concession revenues exclude Construction revenues.

\*\* Based on Total toll and other concession revenues

\*\*\* Cumulative figures for 2014, correspond to the balance sheet as of the end of March 2014. Cumulative figures for 2013, correspond to the balance sheet as of December 2014.

**Toll Revenues and others**

Key indicators		1Q2014	1Q2013	% Var	Cumulative		
					2014	2013	% Var
<b>Revenue by road (MXN million)/Toll Revenues</b>							
<b>FARAC I*</b>	Guadalajara-Zapotlanejo	150.8	135.7	11.13%	150.8	135.7	11.13%
	Maravatio-Zapotlanejo	370.1	356.5	3.81%	370.1	356.5	3.81%
	Zapotlanejo-Lagos	309.9	275.8	12.35%	309.9	275.8	12.35%
	León -Aguascalientes	231.8	200.7	15.47%	231.8	200.7	15.47%
	<b>Total FARAC I **</b>	<b>1,062.5</b>	<b>968.7</b>	<b>9.68%</b>	<b>1,062.5</b>	<b>968.7</b>	<b>9.68%</b>
<b>COVIQSA</b>	Irapuato-Querétaro	204.9	199.5	2.71%	204.9	199.5	2.71%
<b>CONIPSA</b>	Irapuato-La Piedad	58.7	56.7	3.53%	58.7	56.7	3.53%

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

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

**Average Daily Traffic (ADT) for the period**

Key indicators		1Q2014	1Q2013	% Var	Cumulative		
					2014	2013	% Var
<b>Average daily traffic (ADT)</b>							
<b>FARAC I</b>	<b>By road</b>						
	Guadalajara-Zapotlanejo	32,364.0	30,480.1	6.18%	32,364.0	30,480.1	6.18%
	Maravatio-Zapotlanejo	7,573.5	8,031.5	(5.70%)	7,573.5	8,031.5	(5.70%)
	Zapotlanejo-Lagos	11,642.8	11,520.4	1.06%	11,642.8	11,520.4	1.06%
	León -Aguascalientes	9,910.5	9,588.8	3.35%	9,910.5	9,588.8	3.35%
	<b>By type of vehicle</b>						
	Buses	761.8	856.4	(11.04%)	761.8	856.4	(11.04%)
	Trucks	2,921.2	2,683.9	8.84%	2,921.2	2,683.9	8.84%
	Cars	6,344.6	6,567.8	(3.40%)	6,344.6	6,567.8	(3.40%)
	<b>Weighted average FARAC I *</b>	<b>10,027.6</b>	<b>10,108.1</b>	<b>(0.80%)</b>	<b>10,027.6</b>	<b>10,108.1</b>	<b>(0.80%)</b>
<b>COVIQSA</b>	Irapuato-Querétaro	36,122.8	33,637.9	7.39%	36,122.8	33,637.9	7.39%
<b>CONIPSA</b>	Irapuato-La Piedad	19,733.0	19,419.9	1.61%	19,733.0	19,419.9	1.61%

\* According to each road's kilometers.

**Selected Financial Information**

Key indicators		1Q2014	1Q2013	% Var	Cumulative		
					2014	2013	% Var
<b>Selected Financial Information (MXN million)</b>							
<b>FARAC I</b>	Income from operations	608.8	554.3	9.83%	608.8	554.3	9.83%
	EBITDA	857.6	802.5	6.87%	857.6	802.5	6.87%
	Adjusted EBITDA	898.4	843.0	6.57%	898.4	843.0	6.57%
	EBITDA margin	79.86%	82.46%		79.86%	82.46%	
	Adjusted EBITDA margin	83.66%	86.61%		83.66%	86.62%	
<b>COVIQSA</b>	Income from operations	137.1	133.7	2.54%	137.1	133.7	2.54%
	EBITDA	167.1	163.9	1.95%	167.1	163.9	1.95%
	Adjusted EBITDA	177.2	185.2	(4.32%)	177.2	185.2	(4.32%)
	EBITDA margin	81.55%	82.16%		81.55%	82.16%	
	Adjusted EBITDA margin	86.48%	92.83%		86.48%	92.83%	
<b>CONIPSA</b>	Income from operations	43.2	28.7	50.52%	43.2	28.7	50.52%
	EBITDA	44.7	30.2	48.01%	44.7	30.2	48.01%
	Adjusted EBITDA	45.0	48.0	(6.25%)	45.0	48.0	(6.25%)
	EBITDA margin	76.15%	53.26%		76.15%	53.26%	
	Adjusted EBITDA margin	76.66%	84.66%		76.66%	84.66%	
<b>CONSOLIDATED *</b>	Income from operations	784.5	712.0	10.18%	784.5	712.0	10.18%
	EBITDA	1,069.5	996.7	7.30%	1,069.5	996.7	7.30%
	Adjusted EBITDA	1,120.6	1,076.3	4.12%	1,120.6	1,076.3	4.12%
	EBITDA margin	79.96%	81.07%		79.96%	81.07%	
	Adjusted EBITDA margin	83.78%	87.54%		83.78%	87.54%	

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

## RCO (FARAC I, COVIQSA and CONIPSA)

Red de Carreteras de Occidente, S.A.B. de C.V. (indistinctly, “RCO”, the “Concessionaire” or the “Company”), whose primary purpose is to operate, maintain and exploit the highways and toll-free roads that are the subject matter of the FARAC I, COVIQSA and CONIPSA concession agreements, announced its unaudited financial results as of March 31, 2014.

The Company’s unaudited consolidated condensed financial statements as of March 31, 2014, have been prepared in accordance with the same International Financial Reporting Standards (“IFRS”) and accounting policies used in the preparation of the Company’s audited annual consolidated financial statements for the year ended December 31, 2013, including International Accounting Standard (“IAS”) 34—Interim Financial Reporting.

### Unaudited consolidated Financial Information for 1Q2014

(MXN million)	Revenue, Income from operations and EBITDA			Cumulative		
	1Q2014	1Q2013	% Var	2014	2013	% Var
Total toll and other concession revenues*	1,337.5	1,229.5	8.78%	1,337.5	1,229.5	8.78%
Construction revenues	69.5	67.0	3.73%	69.5	67.0	3.73%
Total revenues	1,407.0	1,296.5	8.52%	1,407.0	1,296.5	8.52%
Costs and expenses (without construction costs)	561.7	523.5	7.30%	561.7	523.5	7.30%
Construction costs	69.5	67.0	3.73%	69.5	67.0	3.73%
Total costs and expenses	631.2	590.5	6.89%	631.2	590.5	6.89%
Income before other income -net	775.8	706.0	9.89%	775.8	706.0	9.89%
Other income -net	8.7	6.0	45.00%	8.7	6.0	45.00%
Income from operations	784.5	712.0	10.18%	784.5	712.0	10.18%
EBITDA	1,069.5	996.7	7.30%	1,069.5	996.7	7.30%
Adjusted EBITDA	1,120.6	1,076.3	4.12%	1,120.6	1,076.3	4.12%
Income from operations margin	58.65%	57.91%		58.65%	57.91%	
EBITDA margin	79.96%	81.07%		79.96%	81.07%	
Adjusted EBITDA margin	83.78%	87.54%		83.78%	87.54%	

\* Total toll and other concession revenues exclude Construction revenues.

- **Revenues.** Total toll and other concession revenues for 1Q2014 were MXN 1,337.5 million, which represented an 8.78% increase from MXN 1,229.5 million in 1Q2013. Consolidated total revenues are comprised of:
  - **Toll revenues (FARAC I)**, which increased by 9.72% as compared to 1Q2013, to MXN 1,061.5 million;
  - **Shadow toll payments from the SCT (CONIPSA/COVIQSA)**, which increased by MXN 5.9 million, from MXN 158.6 million in 1Q2013 to MXN 164.5 million in 1Q2014;
  - **Availability Payments from the SCT (CONIPSA/COVIQSA)**, which increased by MXN 1.2 million as compared to 1Q2013, to MXN 98.7 million in 1Q2014;
  - **Ancillary Revenue from the use of right of way and other related revenues**, which increased by MXN 6.9 million or 116.95% from 1Q2013 to MXN 12.8 million during 1Q2014. This increase was primarily due to the additional revenues from the businesses operated by the Company alongside its toll roads, such as restaurants and convenience stores.

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

- **Costs and expenses.** Total costs and expenses for 1Q2014 were MXN 631.2 million, a 6.89% increase as compared to 1Q2013.
  - **Amortization of assets derived from the concessions**, which increased to MXN 0.1 million during 1Q2014 or MXN 284.7 million as compared to 1Q2013.
  - **Operation and maintenance provisions**, which increased by MXN 42.6 million from 1Q2013, to MXN 199.5 million during 1Q2014 derived from additional provisions for non-recurring operating expenses. Major Maintenance Provision is recorded within this category, which in 1Q2014 were MXN 51.1 million, a decrease of MXN 28.5 million compared to 1Q2013 mainly due to an update on projection and execution of major maintenance expenses.
  - **Toll collection costs**, which decreased to MXN 30.5 million during 1Q2014, or MXN 9.8 million compared to 1Q2013.
  - **General and administrative expenses**, which increased by MXN 0.9 million, from MXN 41.7 million during 1Q2013 to MXN 42.6 million during 1Q2014.
- **Other income.** Other income for 1Q2014 was MXN 8.7 million compared to MXN 6.0 million during 1Q2013. This increase is mainly due to insurance recovery which during 1Q2014 was MXN 7.6 million compared to MXN 4.0 million during 1Q2013.
- **EBITDA.** EBITDA increased by MXN 72.8 million, to MXN 1,069.5 million in 1Q2014 from MXN 996.7 million in 1Q2013.
- **Adjusted EBITDA.** Adjusted EBITDA increased by MXN 44.3 million, to MXN 1,120.6 million in 1Q2014 from MXN 1,076.3 million in 1Q2013.

#### Net financing cost, income taxes, and net loss

Net financing cost, income taxes and Consolidated net income (loss) for the period						
(MXN million)				Cumulative		
	1Q2014	1Q2013	% Var	2014	2013	% Var
<b>Income from operations</b>	<b>784.5</b>	<b>712.0</b>	<b>10.18%</b>	<b>784.5</b>	<b>712.0</b>	<b>10.18%</b>
<b>Net financing cost</b>	<b>1,068.6</b>	<b>878.7</b>	<b>21.61%</b>	<b>1,068.6</b>	<b>878.7</b>	<b>21.61%</b>
Interest expense	983.2	836.3	17.57%	983.2	836.3	17.57%
Adjustments to principal amount of UDI denominated debt	127.9	73.8	73.31%	127.9	73.8	73.31%
Interest income	(42.5)	(31.3)	(35.78%)	(42.5)	(31.3)	(35.78%)
Net foreign exchange income	-	(0.1)	100.00%	-	(0.1)	100.00%
<b>Loss before income taxes</b>	<b>(284.1)</b>	<b>(166.7)</b>	<b>(70.43%)</b>	<b>(284.1)</b>	<b>(166.7)</b>	<b>(70.43%)</b>
Income taxes benefit	(211.8)	(189.8)	(11.59%)	(211.8)	(189.8)	(11.59%)
<b>Consolidated net income (loss) for the period</b>	<b>(72.3)</b>	<b>23.1</b>	<b>(412.99%)</b>	<b>(72.3)</b>	<b>23.1</b>	<b>(412.99%)</b>
Non-controlling interest	-	-	-	-	-	-

- **Net financing cost.** During 1Q2014, the net financing cost increased by MXN 189.9 million compared to 1Q2013. This increase was due to the following:
  1. **Interest expense**, during 1Q2014 increase by MXN 146.9 million or 17.57% compared to 1Q2013 primarily as a result of:

- (i) recognition of MXN 86.5 million derived from the cancellation of financial derivative instruments as a result of a prepayment to the Acquisition Loan derived from an Excess Cash Distribution.
  - (ii) a net increase of MXN 60.4 million in the other interest expense items compared to 1Q2013 mainly due to: (i) MXN 148.2 million increase in financing interest and fees, (ii) MXN 80.3 million decrease in interest on financial derivative instruments, and (iii) MXN 5.9 million decrease in upfront fee amortization.
2. **Adjustments to principal amount of UDI denominated debt**, which consisted in a loss of MXN 127.9 million during 1Q2014 an increase of 73.31% compared to a loss of MXN 73.8 million during 1Q2013. This line item reflects the UDI value of the CBs.
  3. **Interest income**, which increased by MXN 11.2 million, to MXN 42.5 million during 1Q2014 from MXN 31.3 million during 1Q2013; as a result of the increase in the investment of cash and cash equivalents allocated to fund the Senior Notes, CBs and Banobras Loan debt service reserves.
- **Net foreign exchange income.** During 1Q2014, the net foreign exchange income was MXN 0.0 million, compared to a MXN 0.1 million income during 1Q2013.
  - **Loss before income taxes.** The consolidated loss before income taxes increased by MXN 117.4 million, to MXN 284.1 million in 1Q2014 compared to the consolidated loss before taxes of MXN 166.7 million in 1Q2013.
  - **Income taxes benefit.** Increased 11.59% or MXN 22.0 million from 1Q2013, primarily due to an increase in the income tax rate for 2014, from 28% to 30%, applicable for long-term temporary differences generating a deferred income tax asset, as well as the effects of inflation in: (i) tax loss carryforward, (ii) tax loss of for the period, and (iii) intangible assets derived from the concessions.
  - **Consolidated net income (loss) for the period.** During 1Q2014 the Company recorded a net loss of MXN 72.3 million, a MXN 95.4 million decrease over the net income of MXN 23.1 million recorded in 1Q2013.

#### Cash and Long-term Debt

- **Cash and cash equivalents.** Cash and cash equivalents for 1Q2014 were MXN 5,168.4 million, which represented a decrease of MXN 47.4 million or 0.91% compared to MXN 5,215.8 million during 1Q2013.
- **Long-term debt.** The long-term debt is comprised of the following items: (i) FARAC I Acquisition Loan, (ii) FARAC I CBs, (iii) FARAC I HSBC Capex Loan, (iv) FARAC I Senior Notes, (v) Farac I Banobras Loan, (vi) COVIQSA Loan, and (vii) CONIPSA Loan. In accordance with IFRS, long-term debt is presented net of commission and debt issuance costs.

As of 1Q2014, long-term debt decreased by MXN 401.3 million or 1.19%, to MXN 33,342.1 million from MXN 33,743.4 million at the end of 2013. This decrease (net of principal amortizations) was due to: (i) Acquisition Loan prepayment for MXN 513.5 million, (ii) disbursement of FARAC I HSBC Capex Loan, (iii) FARAC I CBs denominated in UDI increase derived from UDI value update and (iv) CONIPSA and COVIQSA loans principal amortization.

#### Liquidity

The liquidity ratio (current assets/current liabilities) decreased to 2.78 during 1Q2014 from 3.23 during 1Q2013, mainly due to the prepayment to FARAC I Acquisition Loan.

## 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) Maravatio-Zapotlanejo, (iii) Zapotlanejo-Lagos and (iv) León-Aguascalientes toll roads for a period of 30 years from the date of award of the concession beginning October 2007.

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

### Selected Financial Information and key indicators

(MXN million)				Cumulative		
	1Q2014	1Q2013	% Var	2014	2013	% Var
<b>Total toll and other concession revenues</b>	1,073.9	973.2	10.35%	1,073.9	973.2	10.35%
Administrative service revenues	6.4	6.0	6.67%	6.4	6.0	6.67%
Income from operations	608.8	554.3	9.83%	608.8	554.3	9.83%
<b>EBITDA</b>	857.6	802.5	6.87%	857.6	802.5	6.87%
<b>Adjusted EBITDA</b>	898.4	843.0	6.57%	898.4	843.0	6.57%
Income from operations margin	56.69%	56.95%		56.69%	56.96%	
<b>EBITDA margin</b>	79.86%	82.46%		79.86%	82.46%	
<b>Adjusted EBITDA margin</b>	83.66%	86.61%		83.66%	86.62%	
<b>ADT by road</b>						
Guadalajara-Zapotlanejo	32,364.0	30,480.1	6.18%	32,364.0	30,480.1	6.18%
Maravatio-Zapotlanejo	7,573.5	8,031.5	(5.70%)	7,573.5	8,031.5	(5.70%)
Zapotlanejo-Lagos	11,642.8	11,520.4	1.06%	11,642.8	11,520.4	1.06%
León -Aguascalientes	9,910.5	9,588.8	3.35%	9,910.5	9,588.8	3.35%
<b>ADT by type of vehicle</b>						
Buses	761.8	856.4	(11.04%)	761.8	856.4	(11.04%)
Trucks	2,921.2	2,683.9	8.84%	2,921.2	2,683.9	8.84%
Cars	6,344.6	6,567.8	(3.40%)	6,344.6	6,567.8	(3.40%)
<b>Weighted average ADT*</b>	<b>10,027.6</b>	<b>10,108.1</b>	<b>(0.80%)</b>	<b>10,027.6</b>	<b>10,108.1</b>	<b>(0.80%)</b>

\* According to each road's kilometers.

- **Weighted Average Daily Traffic (ADT)**, for the first quarter of 2014 decreased 0.80% compared to the same period in 2013 primarily due to the fact that Easter holiday period occurred in the first quarter of 2013 (while this same period takes place in the second quarter of 2014).
- **Total toll and other concession revenues.** FARAC I total toll and concession revenues for 1Q2014 were MXN 1,073.9 million, an increase of MXN 100.7 million compared to MXN 973.2 million in 1Q2013. Total toll and other concession revenues are comprised of:
  - **Toll revenues**, which increased by MXN 94.0 million or 9.72%, to MXN 1,061.5 million in 1Q2014 from MXN 967.5 million in 1Q2013, this increase is mainly due to an increase in toll rates based on inflation adjustment, increase to toll rates resulting from an amendment to Annex 4 of the FARAC I Concession Agreement, and a change in vehicle mix.
  - **Ancillary Revenue from the Use of Right of Way**, which increased by MXN 6.7 million, to MXN 12.4 million during 1Q2014 from MXN 5.7 million during 1Q2013. This item is comprised primarily of the revenues from the businesses operated by the Company alongside its toll roads, such as restaurants and convenience stores.



- **Administrative services revenues.** During 1Q2014, administrative services revenues were MXN 6.4 million. These revenues, which are eliminated in the consolidation process, represent the personnel services rendered to COVIQSA and CONIPSA by the Company's subsidiary Prestadora de Servicios RCO.

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

- **Costs and expenses.** Total costs and expenses, were MXN 547.8 million in 1Q2014 from MXN 496.5 million in 1Q2013, comprised of:
  - **Amortization of assets derived from the concessions**, which increased by MXN 0.4 million, to MXN 248.5 million in 1Q2014 from MXN 248.1 million in 1Q2013;
  - **Operation and maintenance provisions**, which increased by MXN 52.1 million, to MXN 157.8 million in 1Q2014 from MXN 105.7 million in 1Q2013, mainly due to higher operating costs during 1Q2014 which recorded MXN 78.2 million while during 1Q2013 it recorded MXN 31.5 million due to additional provisions for non-recurring operating expenses;
  - **Toll collection costs**, which decreased by MXN 9.3 million, to MXN 26.8 million in 1Q2014 from MXN 36.1 million in 1Q2013;
  - **General and administrative expenses**, which increased by 3.03% or MXN 1.2 million, to MXN 40.8 million in 1Q2014 from MXN 39.6 million in 1Q2013, primarily due to an MXN 1.1 million increase in personnel management costs.
- **Other income.** Other income for 1Q2014 was MXN 6.8 million compared to MXN 4.6 million during 1Q2013. This increase is mainly due to insurance recovery which during 1Q2014 was MXN 6.6 million compared to MXN 3.2 million during 1Q2013.
- **Income from operations.** In 1Q2014, income from operations was MXN 608.8 million, an increase of MXN 54.5 million compared to MXN 554.3 million in 1Q2013, which represents an Income from Operations Margin of 56.69%<sup>1</sup>.
- **EBITDA.** EBITDA for 1Q2014 increased by MXN 55.1 million, to MXN 857.6 million from MXN 802.5 million in 1Q2013, which represents an EBITDA Margin of 79.86%<sup>2</sup>.
- **Adjusted EBITDA.** Adjusted EBITDA for 1Q2014 was MXN 898.4 million, an increase of MXN 55.4 million compared to MXN 843.0 million from 1Q2013, which represents an Adjusted EBITDA Margin of 83.66%<sup>3</sup>.
- **Net financing cost.** During 1Q2014, the net financing cost increased by MXN 214.3 million. This increase was due to the following:
  1. **Interest expense**, during 1Q2014 increased by 21.87% or MXN 172.3 million compared to 1Q2013, primarily as a result of:
    - (i) recognition of MXN 86.5 million derived from the cancellation of financial derivative instruments as a result of a prepayment to the Acquisition Loan derived from an Excess Cash Distribution.

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

<sup>2</sup> *EBITDA / Total toll and other concession revenues*

<sup>3</sup> *Adjusted EBITDA / Total toll and other concession revenues*

- (ii) a net increase of MXN 85.8 million in the other interest expense items compared to 1Q2013 mainly due to (i) MXN 169.8 million increase in financing interest and fees, (ii) MXN 80.3 million decrease in financial derivative instruments interest, (iii) MXN 6.1 million decrease in upfront fee amortization, and (iv) MXN 0.6 million increase in mayor maintenance interests.
2. **Adjustments to principal amount of UDI denominated debt**, which consisted in a loss of MXN 127.9 million during 1Q2014 an increase of 73.54% compared to a loss of MXN 73.7 million during 1Q2013. This line item reflects the UDI value of the CBs<sup>4</sup>;
  3. **Interest income**, which increased by MXN 12.2 million, to MXN 36.5 million during 1Q2014 from MXN 24.3 million during 1Q2013, as a result of the increase in the investment of cash and cash equivalents allocated to fund the Senior Notes, CBs and Banobras Loan debt service reserves;
  4. **Net foreign exchange (loss) income**. During 1Q2014, FARAC I reported MXN 0.0 net foreign exchange (loss) income, which represented no change compared to 1Q2013.

#### FARAC I Debt Service Coverage Ratio.

The Debt Service Coverage Ratio (amount available for debt service purposes/adjusted interest expense) increased by 46.45%, to 2.31 in 1Q2014 from 1.58 in 1Q2013.

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

DSCR FARAC I (MXN million)				Cumulative		
	Q1 2014	Q1 2013	% Var	2014	2013	% Var
(+) Income from operations	608.8	554.3	9.83%	608.8	554.3	9.83%
(+) Amortization of assets derived from the concession	248.5	248.1	0.16%	248.5	248.1	0.16%
(+) Depreciation	0.3	0.1	160.67%	0.3	0.1	160.67%
(+) Major maintenance provision	40.8	40.5	0.74%	40.8	40.5	0.74%
<b>(=) Adjusted Ebitda</b>	<b>898.4</b>	<b>843.0</b>	<b>6.57%</b>	<b>898.4</b>	<b>843.0</b>	<b>6.57%</b>
(-) Mayor Maintenance Expenses	23.6	-	100.00%	23.6	-	100.00%
(+) Available Cash*	492.1	112.5	337.44%	492.1	112.5	337.44%
(+) Net Prepayment/ (Disbursement for Loans)	513.5	187.4	174.01%	513.5	187.4	174.01%
(=) Amount Available for Debt Service	1,880.5	1,142.2	64.64%	1,880.5	1,142.2	64.64%
(/) Total Debt Service **	814.0	724.5	12.35%	814.0	724.5	12.35%
<b>Debt Service Coverage Ratio (DSCR)</b>	<b>2.31</b>	<b>1.58</b>	<b>46.45%</b>	<b>2.31</b>	<b>1.58</b>	<b>46.45%</b>

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

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

<sup>4</sup> UDI value as of March 31<sup>st</sup>, 2013 of 4.941512 and UDI value as of March 31<sup>st</sup>, 2014 of 5.1451

FARAC I Debt Maturity Profile (MXN Million)

Year	Bank Debt			Debt Capital Markets			Total
	Acquisition	Capex	Banobras	CBs Pesos	CBs UDI <sup>1</sup>	Senior Notes	
2014		31.3					31.3
2015		125.0					125.0
2016		125.0					125.0
2017		125.0					125.0
2018	7,196.6	93.8					7,290.4
2019			389.6	285.2	416.1	225.0	1,315.9
2020			408.2	300.0	435.9	450.0	1,594.1
2021			429.6	316.5	458.7	525.0	1,729.8
2022			451.0	332.4	481.6	675.0	1,940.0
2023			475.2	347.2	507.5	900.0	2,229.9
2024			499.5	357.4	533.4	1,200.0	2,590.3
2025			526.6	358.0	562.4	1,350.0	2,796.9
2026			555.1	332.4	592.8	1,125.0	2,605.3
2027			582.3	211.9	621.8	750.0	2,166.0
2028			607.9		649.2	300.0	1,557.1
2029			627.9		670.6		1,298.5
2030			627.9		670.6		1,298.5
2031			583.7		623.3		1,207.0
2032			371.0		396.2		767.2
<b>Total</b>	<b>7,196.6</b>	<b>500.0</b>	<b>7,135.5</b>	<b>2,841.0</b>	<b>7,620.1</b>	<b>7,500.0</b>	<b>32,793.2</b>
<b>Reserve <sup>2</sup></b>	<b>-</b>	<b>-</b>	<b>364.5</b>	<b>178.5</b>	<b>478.8</b>	<b>703.1</b>	<b>1,725.0</b>
<b>Net total</b>	<b>7,196.6</b>	<b>500.0</b>	<b>6,771.0</b>	<b>2,662.5</b>	<b>7,141.3</b>	<b>6,796.9</b>	<b>31,068.3</b>

<sup>1</sup> UDI value as of March 31, 2014 of 5.1451

<sup>2</sup> Contractual cash reserve.

**FARAC I Expansion Works**

During 1Q2014, RCO completed capital expenditures of MXN 67.0 million in connection with the Expansion Works. Since the inception of the FARAC I Concession Agreement RCO has performed capital expenditures totaling MXN 1,356.6 million in connection with the Expansion Works.

**FARAC I Expansion and Rehabilitation Works status**

PROJECT	BEGINNING DATE	CLOSING DATE	STATUS
Rehabilitation of El Desperdicio-Lagos de Moreno feeder	Jun-09	Jan-10	Finished
León - Aguascalientes rehabilitation of 104 - 108 segment	Jun-09	Dec-09	Finished
Zapotlanejo - Guadalajara 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 En medio and Tonalá	Dec-12	Jan-14	Finished
León - Aguascalientes construction of El Desperdicio - Encarnación de Díaz feeder	Oct-12	Jun-14	In process
Zacapu / Maravatío - Zapotlanejo	Pending Right of Way release by the SCT; an estimated 18 months process after received.		

## COVIQSA

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

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

### Selected Financial Information and key indicators

(MXN million)	1Q2014	1Q2013	% Var	Cumulative		
				2014	2013	% Var
<b>Total toll and other concession revenues</b>	204.9	199.5	2.71%	204.9	199.5	2.71%
Income from operations	137.1	133.7	2.54%	137.1	133.7	2.54%
<b>EBITDA</b>	167.1	163.9	1.95%	167.1	163.9	1.95%
<b>Adjusted EBITDA</b>	177.2	185.2	(4.32%)	177.2	185.2	(4.32%)
Income from operations margin	66.91%	67.02%		66.91%	67.02%	
<b>EBITDA margin</b>	81.55%	82.16%		81.55%	82.16%	
<b>Adjusted EBITDA margin</b>	86.48%	92.83%		86.48%	92.83%	
<b>ADT for the period</b>	36,122.8	33,637.9	7.39%	36,122.8	33,637.9	7.39%

- **Total toll and other concession revenues.** COVIQSA total toll and other concession revenues for 1Q2014 increased by MXN 5.4 million, to MXN 204.9 million from MXN 199.5 million in 1Q2013. These revenues are comprised of:
  - **Shadow toll payment from the SCT**, which increased by MXN 4.5 million, to MXN 158.3 million in 1Q2014 from MXN 153.8 million in 1Q2013;
  - **Availability Payment from the SCT**, which increased by MXN 0.8 million, to MXN 46.3 million in 1Q2014 from MXN 45.5 million in 1Q2013;
  - **Ancillary Revenue from the Use of Right of Way**, which increased by MXN 0.1 million to MXN 0.3 million during 1Q2014, from MXN 0.2 million during 1Q2013.
- **Costs and expenses.** Total costs and expenses for 1Q2014 were MXN 69.1 million, an increase of MXN 2.6 million compared to MXN 66.5 million for 1Q2013. Costs and expenses are comprised of:
  - **Amortization of assets derived from the concessions**, which decreased by MXN 0.2 million, to MXN 30.0 million in 1Q2014 from MXN 30.2 million in 1Q2013;
  - **Operation and maintenance provisions**, which increased by MXN 3.3 million in 1Q2014, to MXN 31.0 million from MXN 27.7 million in 1Q2013, comprised of: (i) an MXN 11.3 million increase in operating expenses resulting from the origination of non-recurring operating expenses provision, (ii) a MXN 3.0 million increase in minor maintenance and, (iii) an MXN 11.2 million decrease in the Major Maintenance Provision mainly due to an update on projection and execution of major maintenance expenses;
  - **Toll collection costs**, which decreased by MXN 0.6 million, from MXN 2.9 million in 1Q2013 to MXN 2.3 million in 1Q2014. Toll collection costs are comprised of insurance premiums and the accrued ICA Management Fee;
  - **General and administrative expenses**, which increased by MXN 0.1 million as compared to 1Q2013, to MXN 5.8 million in 1Q2014 from MXN 5.7 million in 1Q2013.

- **Other income (expenses), net.** In 1Q2014 other income recorded MXN 1.3 million. At the end of 1Q2013 registered an income of MXN 0.7 million.
- **Income from operations.** Income from operations increased by MXN 3.4 million, to MXN 137.1 million during 1Q2014 from an income from operations of MXN 133.7 million during 1Q2013. At the end of 1Q2014 the operating margin for 1Q2014 was 66.91%<sup>5</sup>.
- **EBITDA.** EBITDA for 1Q2014 increased by MXN 3.2 million to MXN 167.1 million from an EBITDA of MXN 163.9 million in 1Q2013, which represents an EBITDA Margin of 81.55%<sup>6</sup>.
- **Adjusted EBITDA.** Adjusted EBITDA for 1Q2014 was MXN 177.2 million, a decrease of MXN 8.0 million compared to an Adjusted EBITDA of MXN 185.2 million for 1Q2013, which represents an Adjusted EBITDA Margin of 86.48%<sup>7</sup>.
- **Net financing cost.** During 1Q2014, the net financing cost decreased by MXN 19.7 million, to MXN 7.5 million from MXN 27.2 million in 1Q2013. This decrease was due to the following:
  - **Interest expense**, which decreased by MXN 7.1 million to MXN 26.6 million compared to 1Q2013 due to a decrease in financing interest and fees;
  - **Interest income**, which increased by MXN 12.6 million, to MXN 19.1 million in 1Q2014 from MXN 6.5 million in 1Q2013.

#### COVIQSA | Debt Service Coverage Ratio.

The Debt Service Coverage Ratio (amount available for debt service purposes/principal amortization + adjusted interest expense) decreased by 29.82% to 8.65 during 1Q2014 from 12.32 in 1Q2013.

COVIQSA (MXN million)				Cumulative		
	1Q2014	1Q2013	% Var	2013	2012	% Var
(+) Income from operations	137.1	133.7	2.54%	137.1	133.7	2.54%
(+) Amortization of assets derived from the concession	30.0	30.2	(0.66%)	30.0	30.2	(0.66%)
(+) Depreciation	-	-	-	-	-	-
(+) Major maintenance provision	10.1	21.3	(52.58%)	10.1	21.3	(52.58%)
<b>(=) Adjusted Ebitda</b>	<b>177.2</b>	<b>185.2</b>	<b>(4.32%)</b>	<b>177.2</b>	<b>185.2</b>	<b>(4.32%)</b>
(-) Income Tax	155.1	-	100.00%	155.1	-	100.00%
(-) Mayor Maintenance Expense	18.0	17.4	3.42%	18.0	17.4	3.42%
(+) Available Cash*	306.8	268.3	14.35%	306.8	268.3	14.35%
<b>(=) Amount Available for Debt Service</b>	<b>310.9</b>	<b>436.1</b>	<b>(28.71%)</b>	<b>310.9</b>	<b>436.1</b>	<b>(28.71%)</b>
(/) <b>Total Debt Service (Principal + Interest) **</b>	<b>35.9</b>	<b>35.4</b>	<b>1.58%</b>	<b>35.9</b>	<b>35.4</b>	<b>1.58%</b>
<b>Debt Service Coverage Ratio (DSCR)</b>	<b>8.65</b>	<b>12.32</b>	<b>(29.82%)</b>	<b>8.65</b>	<b>12.32</b>	<b>(29.82%)</b>

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

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

<sup>5</sup> Income from operations / Total toll and other concession revenues

<sup>6</sup> EBITDA / Total toll and other concession revenues

<sup>7</sup> Adjusted EBITDA / Total toll and other concession revenues

COVIQSA's Debt Maturity Profile (MXN Million)

<b>Bank Debt</b>	
<b>Year</b>	<b>Acquisition</b>
2014	56.4
2015	100.2
2016	125.2
2017	150.3
2018	162.8
2019	175.3
2020	187.8
2021	150.3
<b>Total</b>	<b>1,108.2</b>
<b>Reserve *</b>	<b>72.7</b>
<b>Net total</b>	<b>1,035.5</b>

\* Contractual cash reserve.

## CONIPSA

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

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

### Selected Financial Information and key indicators

(MXN million)				Cumulative		
	1Q2014	1Q2013	% Var	2014	2013	% Var
<b>Total toll and other concession revenues</b>	58.7	56.7	3.53%	58.7	56.7	3.53%
Income from operations	43.2	28.7	50.52%	43.2	28.7	50.52%
<b>EBITDA</b>	44.7	30.2	48.01%	44.7	30.2	48.01%
<b>Adjusted EBITDA</b>	45.0	48.0	(6.25%)	45.0	48.0	(6.25%)
Income from operations margin	73.59%	50.62%		73.59%	50.62%	
<b>EBITDA margin</b>	76.15%	53.26%		76.15%	53.26%	
<b>Adjusted EBITDA margin</b>	76.66%	84.66%		76.66%	84.66%	
<b>ADT for the period</b>	19,733.0	19,419.9	1.61%	19,733.0	19,419.9	1.61%

- **Total toll and other concession revenues.** CONIPSA Total toll and other concession revenues for 1Q2014, increased by MXN 2.0 million, to MXN 58.7 million from MXN 56.7 million in 1Q2013. These revenues are comprised of:
  - **Shadow toll payment from the SCT**, which increased by MXN 1.5 million, to MXN 6.2 million in 1Q2014 from MXN 4.7 million in 1Q2013;
  - **Availability Payment from the SCT**, which increased by MXN 0.5 million, to MXN 52.5 million in 1Q2014 from MXN 52.0 million in 1Q2013.
- **Costs and expenses.** Total costs and expenses during 1Q2014 were MXN 16.0 million, a decrease of MXN 12.7 million compared to MXN 28.7 million in 1Q2013. CONIPSA's costs and expenses are comprised of:
  - **Amortization of assets derived from the concessions**, which recorded MXN 1.5 million in 1Q2014 with no change compared 1Q2013;
  - **Operation and maintenance provisions**, which decreased by MXN 12.8 million, from MXN 23.5 million in 1Q2013 to 10.7 million in 1Q2014, derived from a MXN 17.5 million decrease in the Major Maintenance Provision mainly due to an update on projection and execution of major maintenance expenses;
  - **Toll collection costs**, which increased by MXN 0.1 million, to MXN 1.4 million in 1Q2014 from MXN 1.3 million in 1Q2013. Toll collection costs were comprised of insurance premiums and accrued ICA Management Fee;
  - **General and administrative expenses**, which recorded MXN 2.4 million in 1Q2014 with no change compared to 1Q2013.



- **Other income (expense), net.** During 1Q2014, other income was MXN 0.5 million, a decrease of MXN 0.2 million compared to 1Q2013, mainly due to a decrease in income from insurance recovery which during 1Q2014 was MXN 0.3 million compared to MXN 0.6 million during 1Q2013.
- **Income from operations.** Income from operations during 1Q2014 was MXN 43.2 million, an increase of MXN 14.5 million compared to an income from operations of MXN 28.7 million during 1Q2013. As a result of the aforementioned revenues increase, the operating margin for 1Q2014 was 73.59%<sup>8</sup>.
- **EBITDA.** For 1Q2014 increased by MXN 14.5 million, to MXN 44.7 million from an EBITDA of MXN 30.2 million in 1Q2013, which represents an EBITDA Margin of 76.15%<sup>9</sup>.
- **Adjusted EBITDA.** For 1Q2014 was MXN 45.0 million, a decrease of MXN 3.0 million compared to MXN 48.0 million for 1Q2013, which represents an Adjusted EBITDA Margin of 76.66%<sup>10</sup>.
- **Net financing cost.** During 1Q2014, the net financing cost decreased by MXN 4.7 million, to MXN 9.7 million from MXN 14.4 million in 1Q2013. This decrease was due to the following:
  - **Interest expense**, which decreased by MXN 4.5 million compared to 1Q2013, to MXN 11.5 million, comprised of: (i) a MXN 2.5 million decrease in the non-cash financial cost of the Major Maintenance Provision and, (ii) a MXN 2.0 million decrease in financing interest and fees;
  - **Interest income**, which increased by MXN 0.2 million, to MXN 1.8 million in 1Q2014 from MXN 1.6 million in 1Q2013.

#### CONIPSA I Debt Service Coverage Ratio.

The Debt Service Coverage Ratio (amount available for debt service purposes/principal amortization + adjusted interest expense) decreased by 14.93% to 4.40 in 2013 from 5.17 in 2012.

CONIPSA (MXN million)	1Q2014	1Q2013	% Var	Cumulative		
				2013	2012	% Var
(+) Income from operations	43.2	28.7	50.52%	43.2	28.7	50.52%
(+) Amortization of assets derived from the concession	1.5	1.5	-	1.5	1.5	-
(+) Depreciation	0.01	0.01	4.01%	0.01	0.01	4.01%
(+) Major maintenance provision	0.3	17.8	(98.31%)	0.3	17.8	(98.31%)
<b>(=) Adjusted Ebitda</b>	<b>45.0</b>	<b>48.0</b>	<b>(6.25%)</b>	<b>45.0</b>	<b>48.0</b>	<b>(6.25%)</b>
(-) Income Tax	-	-	-	-	-	-
(-) Mayor Maintenance Expense	6.7	24.2	(72.29%)	6.7	24.2	(72.29%)
(+) Available Cash*	52.6	85.9	(38.71%)	52.6	85.9	(38.71%)
<b>(=) Amount Available for Debt Service</b>	<b>90.9</b>	<b>109.7</b>	<b>(17.14%)</b>	<b>90.9</b>	<b>109.7</b>	<b>(17.14%)</b>
(/) Total Debt Service (Principal + Interest) **	20.7	21.2	(2.59%)	20.7	21.2	(2.59%)
<b>Debt Service Coverage Ratio (DSCR)</b>	<b>4.40</b>	<b>5.17</b>	<b>(14.93%)</b>	<b>4.40</b>	<b>5.17</b>	<b>(14.93%)</b>

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

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

<sup>8</sup> Income from operations / Total toll and other concession revenues

<sup>9</sup> EBITDA / Total toll and other concession revenues

<sup>10</sup> Adjusted EBITDA / Total toll and other concession revenues

CONIPSA's Debt Maturity Profile (MXN Million)

<b>Bank Debt</b>	
<b>Year</b>	<b>Acquisition</b>
2014	43.5
2015	58.0
2016	58.0
2017	63.8
2018	69.6
2019	75.4
<b>Total</b>	<b>368.3</b>
<b>Reserve *</b>	<b>54.0</b>
<b>Net total</b>	<b>314.3</b>

\* Contractual cash reserve.

## RELEVANT EVENTS

During the period from January 1, 2014 to March 31, 2014, the Company disclosed the following relevant events:

**Red de Carreteras de Occidente, S.A.B. de C.V. (“RCO”) informs about an increase in toll rates in connection with the amendment of the Annex 4 (Toll Rates Regulation Basis) of the Concession Title.**

RCO informs that, in terms of its Concession Title dated October 3, 2007, the Mexican Ministry of Communications and Transportation (*Secretaría de Comunicaciones y Transportes* or “SCT”), authorized the increase in toll rates for the Toll Booth named “La Joya” as of the date on which two overpasses in km 11+200 and 12+900 from Guadalajara – Zapotlanejo toll road began operations. Also, the SCT authorized the implementation of new toll rates for all RCO Toll Roads, except for Guadalajara – Zapotlanejo, as of the date on which toll free lanes from km 18+700 to km 21+260 began operations. Both, the toll free lanes and the two overpasses are part of the Expansion Works in terms of the Concession Title and have been previously authorized by the SCT, having its correspondent toll rate registry presented to the Highway Development Head Office of the SCT (*Dirección General de Desarrollo Carretero*). The effective date of the increase in toll rates was January 17, 2014.

Published on EMISNET on March 18, 2014.

# 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)  
From January 1 to March 31 of:

(MXN million)

					Cumulative			
	2014	2013	Variation	%	2014	2013	Variation	%
<b>TOTAL REVENUES</b>	<b>1,407.0</b>	<b>1,296.5</b>	<b>110.5</b>	<b>8.52</b>	<b>1,407.0</b>	<b>1,296.5</b>	<b>110.5</b>	<b>8.52</b>
Toll revenues	1,061.5	967.5	94.0	9.72	1,061.5	967.5	94.0	9.72
Shadow toll payments from the SCT	164.5	158.6	5.9	3.72	164.5	158.6	5.9	3.72
Availability payments from the SCT	98.7	97.5	1.2	1.23	98.7	97.5	1.2	1.23
Ancillary revenues from the use of right of way and other related revenues	12.8	5.9	6.9	116.95	12.8	5.9	6.9	116.95
Total toll and other concession revenues	1,337.5	1,229.5	108.0	8.78	1,337.5	1,229.5	108.0	8.78
Construction revenues	69.5	67.0	2.5	3.73	69.5	67.0	2.5	3.73
<b>COSTS AND EXPENSES</b>	<b>631.2</b>	<b>590.5</b>	<b>40.7</b>	<b>6.89</b>	<b>631.2</b>	<b>590.5</b>	<b>40.7</b>	<b>6.89</b>
Amortization of assets derived from the concessions	284.7	284.6	0.1	0.04	284.7	284.6	0.1	0.04
Operation and maintenance provisions	199.5	156.9	42.6	27.15	199.5	156.9	42.6	27.15
Toll collection costs	30.5	40.3	(9.8)	(24.32)	30.5	40.3	(9.8)	(24.32)
Cost of ancillary revenues from the use of right of way and other related revenues	4.4	-	4.4	100.00	4.4	-	4.4	100.00
Construction costs	69.5	67.0	2.5	3.73	69.5	67.0	2.5	3.73
General and administrative expenses	42.6	41.7	0.9	2.16	42.6	41.7	0.9	2.16
<b>INCOME BEFORE OTHER INCOME-NET</b>	<b>775.8</b>	<b>706.0</b>	<b>69.8</b>	<b>9.89</b>	<b>775.8</b>	<b>706.0</b>	<b>69.8</b>	<b>9.89</b>
Other income - net	8.7	6.0	2.7	45.00	8.7	6.0	2.7	45.00
<b>INCOME FROM OPERATIONS</b>	<b>784.5</b>	<b>712.0</b>	<b>72.5</b>	<b>10.18</b>	<b>784.5</b>	<b>712.0</b>	<b>72.5</b>	<b>10.18</b>
Net financing cost	1,068.6	878.7	189.9	21.61	1,068.6	878.7	189.9	21.61
Interest expense	983.2	836.3	146.9	17.57	983.2	836.3	146.9	17.57
Premiums and interests on financing	697.6	549.4	148.2	26.97	697.6	549.4	148.2	26.97
Interest on derivative financial instruments	124.8	205.1	(80.3)	(39.15)	124.8	205.1	(80.3)	(39.15)
Effects of valuation of derivative financial instruments	0.1	(1.4)	1.5	107.14	0.1	(1.4)	1.5	107.14
Unwind and restructure of derivative financial instruments	86.5	-	86.5	100.00	86.5	-	86.5	100.00
Amortization of premiums and debt expenses	14.0	19.9	(5.9)	(29.65)	14.0	19.9	(5.9)	(29.65)
Major maintenance interests	60.2	63.3	(3.1)	(4.90)	60.2	63.3	(3.1)	(4.90)
Adjustments to principal amount of UDI denominated debt	127.9	73.8	54.1	73.31	127.9	73.8	54.1	73.31
Interest income	(42.5)	(31.3)	(11.2)	(35.78)	(42.5)	(31.3)	(11.2)	(35.78)
Investments interest	(42.5)	(31.3)	(11.2)	(35.78)	(42.5)	(31.3)	(11.2)	(35.78)
Net foreign exchange (loss) income	-	(0.1)	0.1	(100.00)	-	(0.1)	0.1	(100.00)
<b>LOSS BEFORE INCOME TAXES</b>	<b>(284.1)</b>	<b>(166.7)</b>	<b>(117.4)</b>	<b>(70.43)</b>	<b>(284.1)</b>	<b>(166.7)</b>	<b>(117.4)</b>	<b>(70.43)</b>
<b>INCOME TAXES BENEFIT</b>	<b>(211.8)</b>	<b>(189.8)</b>	<b>(22.0)</b>	<b>(11.59)</b>	<b>(211.8)</b>	<b>(189.8)</b>	<b>(22.0)</b>	<b>(11.59)</b>
<b>CONSOLIDATED NET LOSS FOR THE PERIOD</b>	<b>(72.3)</b>	<b>23.1</b>	<b>(95.4)</b>	<b>(412.99)</b>	<b>(72.3)</b>	<b>23.1</b>	<b>(95.4)</b>	<b>(412.99)</b>
<b>Other comprehensive income / (loss) items</b>								
Items that will be reclassified subsequently to profit or (loss):								
Valuation of derivative financial instruments	14.5	(361.0)	375.5	104.02	14.5	(361.0)	375.5	104.02
Deferred income taxes of derivative financial instruments	(4.3)	100.7	(105.0)	(104.27)	(4.3)	100.7	(105.0)	(104.27)
<b>COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>	<b>(62.1)</b>	<b>(237.2)</b>	<b>175.1</b>	<b>73.82</b>	<b>(62.1)</b>	<b>(237.2)</b>	<b>175.1</b>	<b>73.82</b>
Consolidated net income (loss):								
<b>CONTROLLING INTEREST</b>	<b>(72.3)</b>	<b>23.1</b>	<b>(95.4)</b>	<b>(412.99)</b>	<b>(72.3)</b>	<b>23.1</b>	<b>(95.4)</b>	<b>(412.99)</b>
<b>NON-CONTROLLING INTEREST</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Comprehensive income (loss) net for:								
<b>CONTROLLING INTEREST</b>	<b>(62.2)</b>	<b>(237.3)</b>	<b>175.1</b>	<b>73.79</b>	<b>(62.2)</b>	<b>(237.3)</b>	<b>175.1</b>	<b>73.79</b>
<b>NON-CONTROLLING INTEREST</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>BASIC LOSS PER COMMON SHARE (pesos)</b>	<b>(0.00)</b>	<b>0.00</b>	<b>(0.00)</b>	<b>(412.99)</b>	<b>(0.00)</b>	<b>0.00</b>	<b>(0.00)</b>	<b>(412.99)</b>
<b>DILUTED LOSS PER SHARE (pesos)</b>	<b>(0.00)</b>	<b>0.00</b>	<b>(0.00)</b>	<b>(412.99)</b>	<b>(0.00)</b>	<b>0.00</b>	<b>(0.00)</b>	<b>(412.99)</b>

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

(MXN million)

	March 2014	December 2013	Variation	%
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents-current portion	5,168.4	5,215.8	(47.4)	(0.91)
Trade accounts receivable	76.2	355.3	(279.1)	(78.55)
Recoverable taxes	76.8	37.2	39.6	106.45
Financial asset-current portion	480.9	458.9	22.0	4.79
Other accounts receivable and prepaid expenses	58.5	43.4	15.1	34.79
<b>Total current assets</b>	<b>5,860.8</b>	<b>6,110.6</b>	<b>(249.8)</b>	<b>(4.09)</b>
Non-current assets				
Long-term restricted cash	87.8	87.3	0.5	0.57
Financial assets derived from the concessions - long-term portion	854.7	974.0	(119.3)	(12.25)
Intangible assets derived from the concessions	44,393.5	44,606.6	(213.1)	(0.48)
Franchise rights	1.2	1.2	-	-
Furniture and equipment - net	9.0	7.9	1.1	13.92
Deferred income tax asset	5,706.0	5,418.1	287.9	5.31
Other assets	0.8	0.8	-	-
<b>Total non-current assets</b>	<b>51,053.0</b>	<b>51,095.9</b>	<b>(42.9)</b>	<b>(0.08)</b>
<b>TOTAL ASSETS</b>	<b>56,913.8</b>	<b>57,206.5</b>	<b>(292.7)</b>	<b>(0.51)</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
Current liabilities				
Accounts payable to suppliers	290.2	287.5	2.7	0.94
Interest payable	417.1	403.7	13.4	3.32
Interest payable on derivative financial instruments	27.8	29.5	(1.7)	(5.76)
Other current liabilities	14.2	29.3	(15.1)	(51.54)
Provisions	818.6	648.0	170.6	26.33
Current portion of long-term debt	170.0	163.8	6.2	3.79
Employee benefits	53.4	41.0	12.4	30.24
Accounts payable for work executed, not yet approved	53.2	42.0	11.2	26.67
Taxes other than income tax	181.1	112.9	68.2	60.41
Employee profit sharing	0.8	0.6	0.2	33.33
Income taxes payable	80.4	135.6	(55.2)	(40.71)
<b>Total current liabilities</b>	<b>2,106.8</b>	<b>1,893.9</b>	<b>212.9</b>	<b>11.24</b>
Non-current liabilities				
Long-term debt	33,342.1	33,743.4	(401.3)	(1.19)
Provisions for major maintenance	184.9	210.5	(25.6)	(12.16)
Employee benefits	20.1	22.2	(2.1)	(9.46)
Derivative financial instruments	1,380.2	1,394.7	(14.5)	(1.04)
<b>Total-non current liabilities</b>	<b>34,927.3</b>	<b>35,370.8</b>	<b>(443.5)</b>	<b>(1.25)</b>
<b>TOTAL LIABILITIES</b>	<b>37,034.1</b>	<b>37,264.7</b>	<b>(230.6)</b>	<b>(0.62)</b>
<b>STOCKHOLDERS' EQUITY</b>				
Capital stock	25,938.8	25,938.8	-	-
Accumulated deficit	(5,291.3)	(5,219.0)	(72.3)	(1.39)
Other comprehensive loss	(767.8)	(778.0)	10.2	1.31
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>19,879.7</b>	<b>19,941.8</b>	<b>(62.1)</b>	<b>(0.31)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>56,913.8</b>	<b>57,206.5</b>	<b>(292.7)</b>	<b>(0.51)</b>

**Red de Carreteras de Occidente, S.A.B. de C.V. and Subsidiaries**  
**COMPARATIVE CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Indirect methodology)**  
**From January 1 to March 31 of:**

(MXN million)

Concept	2014	2013
<b>OPERATING ACTIVITIES</b>		
Loss before income taxes	(284.2)	(166.7)
Adjustments for:		
Depreciation and amortization	285.0	284.8
Financing related activities:		
Interest expense	757.8	612.7
Valuation effects of derivative financial instruments	211.3	205.1
Ineffective portion of derivative financial instruments	0.1	(1.4)
Amortization of commissions and debt issuance costs	14.0	19.8
Adjustments to principal amount of UDI denominated debt	127.9	73.7
	1,111.9	1,028.1
+/- Decrease / (increase) in:		
Trade accounts receivable	279.1	(30.2)
Recoverable taxes	(23.7)	23.9
Financial asset	97.3	197.6
Other accounts receivable and other prepaid expenses	(15.1)	5.1
+/- Increase / (decrease) in:		
Accounts payable to suppliers	2.6	(33.6)
Other current liabilities	(15.0)	(14.2)
Provisions	84.8	(13.4)
Accounts payable to related parties, net	-	(17.7)
Taxes other than income tax	68.2	35.3
Income taxes paid	(151.5)	(21.9)
Employee profit sharing	0.2	0.7
Employee benefits	10.3	(22.3)
Net cash provided by operating activities	1,449.1	1,137.2
<b>INVESTING ACTIVITIES</b>		
Acquisition of furniture and equipment	(1.3)	(0.3)
Franchise rights	(0.1)	-
Intangible assets derived from the concessions	(60.4)	(54.0)
Net cash (used in) provided by investing activities	(61.8)	(54.3)
<b>FINANCING ACTIVITIES</b>		
Proceeds from long-term debt	10.0	140.0
Payments of debt	(546.8)	(397.0)
Interest paid	(684.2)	(659.6)
Payments of derivative financial instruments	(213.1)	(121.1)
Comissions and debt issuance costs paid	(0.1)	(0.4)
Net cash used in financing activities	(1,434.2)	(1,038.1)
+/- Increase in cash, cash equivalents and restricted cash	(46.9)	44.8
Cash, cash equivalents and restricted cash at the beginning of the period	5,303.1	3,175.9
Cash, cash equivalents and restricted cash at the end of the period	5,256.2	3,220.7

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 loss	Non controlling interest	Total stockholders' equity
Balance as of January 1, 2013	25,938.8	(4,773.5)	(2,095.6)	-	19,069.6
Comprehensive loss:					
Valuation of derivative financial instruments	-	-	(361.0)	-	(361.0)
Deferred income taxes of derivative instruments	-	-	100.6	-	100.6
Net loss for the period	-	23.1	-	-	23.1
Comprehensive loss	-	23.1	(260.4)	-	(237.3)
Balance as of March 31, 2013	25,938.8	(4,750.4)	(2,356.0)	-	18,832.3
Balance as of January 1, 2014	25,938.8	(5,219.0)	(778.0)	-	19,941.8
Comprehensive loss:					
Valuation of derivative financial instruments	-	-	14.5	-	14.5
Deferred income taxes of derivative instruments	-	-	(4.3)	-	(4.3)
Net loss for the period	-	(72.3)	-	-	(72.3)
Comprehensive loss	-	(72.3)	10.2	-	(62.1)
Balance as of March 31, 2014	25,938.8	(5,291.3)	(767.8)	-	19,879.7

# FARAC I

Red de Carreteras de Occidente, S.A.B. de C.V.  
COMPARATIVE CONSOLIDATED STATEMENTS OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)  
From January 1 to March 31 of:  
(MXN million)

					Cumulative			
	2014	2013	Variation	%	2014	2013	Variation	%
<b>TOTAL REVENUES</b>	<b>1,149.8</b>	<b>1,046.2</b>	<b>103.6</b>	<b>9.90</b>	<b>1,149.8</b>	<b>1,046.2</b>	<b>103.6</b>	<b>9.90</b>
Toll revenues	1,061.5	967.5	94.0	9.72	1,061.5	967.5	94.0	9.72
Ancillary revenues from the use of right of way and other related revenues	12.4	5.7	6.7	117.54	12.4	5.7	6.7	117.54
Total toll and other concession revenues	1,073.9	973.2	100.7	10.35	1,073.9	973.2	100.7	10.35
Administrative service revenues	6.4	6.0	0.4	6.67	6.4	6.0	0.4	6.67
Construction revenues	69.5	67.0	2.5	3.73	69.5	67.0	2.5	3.73
<b>COSTS AND EXPENSES</b>	<b>547.8</b>	<b>496.5</b>	<b>51.3</b>	<b>10.33</b>	<b>547.8</b>	<b>496.5</b>	<b>51.3</b>	<b>10.33</b>
Amortization of assets derived from the concessions	248.5	248.1	0.4	0.16	248.5	248.1	0.4	0.16
Operation and maintenance provisions	157.8	105.7	52.1	49.29	157.8	105.7	52.1	49.29
Toll collection costs	26.8	36.1	(9.3)	(25.76)	26.8	36.1	(9.3)	(25.76)
Cost of ancillary revenues from the use of right of way and other related revenues	4.4	-	4.4	100.00	4.4	-	4.4	100.00
Construction costs	69.5	67.0	2.5	3.73	69.5	67.0	2.5	3.73
General and administrative expenses	40.8	39.6	1.2	3.03	40.8	39.6	1.2	3.03
<b>INCOME BEFORE OTHER INCOME-NET</b>	<b>602.0</b>	<b>549.7</b>	<b>52.3</b>	<b>9.51</b>	<b>602.0</b>	<b>549.7</b>	<b>52.3</b>	<b>9.51</b>
Other income - net	6.8	4.6	2.2	47.83	6.8	4.6	2.2	47.83
<b>INCOME FROM OPERATIONS</b>	<b>608.8</b>	<b>554.3</b>	<b>54.5</b>	<b>9.83</b>	<b>608.8</b>	<b>554.3</b>	<b>54.5</b>	<b>9.83</b>
Net financing cost	1,051.4	837.1	214.3	25.60	1,051.4	837.1	214.3	25.60
Interest expense	960.0	787.7	172.3	21.87	960.0	787.7	172.3	21.87
Premiums and interests on financing	689.2	519.4	169.8	32.69	689.2	519.4	169.8	32.69
Interest on derivative financial instruments	124.8	205.1	(80.3)	(39.15)	124.8	205.1	(80.3)	(39.15)
Effects of valuation of derivative financial instruments	-	(1.8)	1.8	(100.00)	-	(1.8)	1.8	(100.00)
Unwind and restructure of derivative financial instruments	86.5	-	86.5	100.00	86.5	-	86.5	100.00
Amortization of premiums and debt expenses	13.3	19.4	(6.1)	(31.44)	13.3	19.4	(6.1)	(31.44)
Major maintenance interests	46.2	45.6	0.6	1.32	46.2	45.6	0.6	1.32
Adjustments to principal amount of UDI denominated debt	127.9	73.7	54.2	73.54	127.9	73.7	54.2	73.54
Interest income	(36.5)	(24.3)	(12.2)	(50.21)	(36.5)	(24.3)	(12.2)	(50.21)
<b>LOSS BEFORE INCOME TAXES</b>	<b>(442.6)</b>	<b>(282.8)</b>	<b>(159.8)</b>	<b>(56.51)</b>	<b>(442.6)</b>	<b>(282.8)</b>	<b>(159.8)</b>	<b>(56.51)</b>
<b>INCOME TAXES BENEFIT</b>	<b>(250.7)</b>	<b>(216.9)</b>	<b>(33.8)</b>	<b>(15.58)</b>	<b>(250.7)</b>	<b>(216.9)</b>	<b>(33.8)</b>	<b>(15.58)</b>
<b>CONSOLIDATED NET LOSS FOR THE PERIOD</b>	<b>(191.9)</b>	<b>(65.9)</b>	<b>(126.0)</b>	<b>(191.20)</b>	<b>(191.9)</b>	<b>(65.9)</b>	<b>(126.0)</b>	<b>(191.20)</b>
<b>Other comprehensive income / (loss) items</b>								
Items that will be reclassified subsequently to profit or (loss):								
Valuation of derivative financial instruments	14.5	(361.0)	375.5	104.02	14.5	(361.0)	375.5	104.02
Deferred income taxes of derivative financial instruments	(4.3)	100.7	(105.0)	(104.27)	(4.3)	100.7	(105.0)	(104.27)
<b>COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>	<b>(181.7)</b>	<b>(326.2)</b>	<b>144.5</b>	<b>44.30</b>	<b>(181.7)</b>	<b>(326.2)</b>	<b>144.5</b>	<b>44.30</b>
Consolidated net income (loss):								
<b>CONTROLLING INTEREST</b>	<b>(191.9)</b>	<b>(65.9)</b>	<b>(126.0)</b>	<b>(191.20)</b>	<b>(191.9)</b>	<b>(65.9)</b>	<b>(126.0)</b>	<b>(191.20)</b>
<b>NON-CONTROLLING INTEREST</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Comprehensive income (loss) net for:								
<b>CONTROLLING INTEREST</b>	<b>(181.7)</b>	<b>(326.2)</b>	<b>144.5</b>	<b>44.30</b>	<b>(181.7)</b>	<b>(326.2)</b>	<b>144.5</b>	<b>44.30</b>
<b>NON-CONTROLLING INTEREST</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>BASIC LOSS PER COMMON SHARE (pesos)</b>	<b>(0.01)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(191.20)</b>	<b>(0.01)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(191.20)</b>
<b>DILUTED LOSS PER SHARE (pesos)</b>	<b>(0.01)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(191.20)</b>	<b>(0.01)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(191.20)</b>



Red de Carreteras de Occidente, S.A.B. de C.V.				
COMPARATIVE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF				
(MXN million)				
	March 2014	December 2013	Variation	%
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents-current portion	4,171.5	4,674.6	(503.1)	(10.76)
Trade accounts receivable	76.2	63.4	12.8	20.19
Recoverable taxes	7.0	21.0	(14.0)	(66.67)
Accounts receivable to related parties	11.1	9.3	1.8	19.35
Other accounts receivable and prepaid expenses	45.2	38.2	7.0	18.32
<b>Total current assets</b>	<b>4,311.0</b>	<b>4,806.5</b>	<b>(495.5)</b>	<b>(10.31)</b>
Non-current assets				
Intangible assets derived from the concessions	42,315.9	42,492.8	(176.9)	(0.42)
Franchise rights	1.2	1.2	-	-
Furniture and equipment - net	8.7	7.6	1.1	14.47
Investment in shares	1,931.4	1,931.4	-	-
Deferred income tax asset	5,928.0	5,680.9	247.1	4.35
Other assets	0.8	0.8	-	-
<b>Total non-current assets</b>	<b>50,186.0</b>	<b>50,114.7</b>	<b>71.3</b>	<b>0.14</b>
<b>TOTAL ASSETS</b>	<b>54,497.0</b>	<b>54,921.2</b>	<b>(424.2)</b>	<b>(0.77)</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
Current liabilities				
Accounts payable to suppliers	20.4	17.1	3.3	19.30
Interest payable	409.0	394.8	14.2	3.60
Interest payable on derivative financial instruments	27.7	29.6	(1.9)	(6.42)
Other current liabilities	11.8	26.7	(14.9)	(55.81)
Provisions	648.6	496.0	152.6	30.77
Accounts payable to related parties	865.3	848.3	17.0	2.00
Current portion of long-term debt	30.6	30.6	-	-
Employee benefits	53.4	41.0	12.4	30.24
Accounts payable for work executed, not yet approved	53.2	42.0	11.2	26.67
Taxes other than income tax	46.0	67.8	(21.8)	(32.15)
Employee profit sharing	0.8	0.6	0.2	33.33
Income taxes payable	0.9	0.1	0.8	800.00
<b>Total current liabilities</b>	<b>2,167.7</b>	<b>1,994.6</b>	<b>173.1</b>	<b>8.68</b>
Non-current liabilities				
Long-term debt	32,021.6	32,383.9	(362.3)	(1.12)
Provisions for major maintenance	90.2	126.7	(36.5)	(28.81)
Employee benefits	20.1	22.2	(2.1)	(9.46)
Derivative financial instruments	1,380.2	1,394.8	(14.6)	(1.05)
<b>Total non-current liabilities</b>	<b>33,512.1</b>	<b>33,927.6</b>	<b>(415.5)</b>	<b>(1.22)</b>
<b>TOTAL LIABILITIES</b>	<b>35,679.8</b>	<b>35,922.2</b>	<b>(242.4)</b>	<b>(0.67)</b>
<b>STOCKHOLDERS' EQUITY</b>				
Capital stock	25,938.8	25,938.8	-	-
Accumulated deficit	(6,357.6)	(6,165.6)	(192.0)	(3.11)
Other comprehensive loss	(764.0)	(774.2)	10.2	1.32
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>18,817.2</b>	<b>18,999.0</b>	<b>(181.8)</b>	<b>(0.96)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>54,497.0</b>	<b>54,921.2</b>	<b>(424.2)</b>	<b>(0.77)</b>

# COVIQSA

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

(MXN million)

	2014	2013	Variation	%	Cumulative			
					2014	2013	Variation	%
<b>TOTAL REVENUES</b>	204.9	199.5	5.4	2.71	204.9	199.5	5.4	2.71
Shadow toll payments from the SCT	158.3	153.8	4.5	2.93	158.3	153.8	4.5	2.93
Availability payments from the SCT	46.3	45.5	0.8	1.76	46.3	45.5	0.8	1.76
Ancillary revenues from the use of right of way and other related revenues	0.3	0.2	0.1	50.00	0.3	0.2	0.1	50.00
Total toll and other concession revenues	204.9	199.5	5.4	2.71	204.9	199.5	5.4	2.71
<b>COSTS AND EXPENSES</b>	69.1	66.5	2.6	3.91	69.1	66.5	2.6	3.91
Amortization of assets derived from the concessions	30.0	30.2	(0.2)	(0.66)	30.0	30.2	(0.2)	(0.66)
Operation and maintenance provisions	31.0	27.7	3.3	11.91	31.0	27.7	3.3	11.91
Toll collection costs	2.3	2.9	(0.6)	(20.69)	2.3	2.9	(0.6)	(20.69)
General and administrative expenses	5.8	5.7	0.1	1.75	5.8	5.7	0.1	1.75
<b>INCOME BEFORE OTHER INCOME (EXPENSES)-NET</b>	135.8	133.0	2.8	2.11	135.8	133.0	2.8	2.11
Other income - net	1.3	0.7	0.6	85.71	1.3	0.7	0.6	85.71
<b>INCOME (LOSS) FROM OPERATIONS</b>	137.1	133.7	3.4	2.54	137.1	133.7	3.4	2.54
Net financing cost	7.5	27.2	(19.7)	(72.43)	7.5	27.2	(19.7)	(72.43)
Interest expense	26.6	33.7	(7.1)	(21.07)	26.6	33.7	(7.1)	(21.07)
Premiums and interests on financing	17.1	22.9	(5.8)	(25.33)	17.1	22.9	(5.8)	(25.33)
Effects of valuation of derivative financial instruments	0.1	0.4	(0.3)	(75.00)	0.1	0.4	(0.3)	(75.00)
Amortization of premiums and debt expenses	0.6	0.5	0.1	20.00	0.6	0.5	0.1	20.00
Major maintenance interests	8.8	9.9	(1.1)	(11.11)	8.8	9.9	(1.1)	(11.11)
Interest income	(19.1)	(6.5)	(12.6)	(193.85)	(19.1)	(6.5)	(12.6)	(193.85)
<b>INCOME (LOSS) BEFORE INCOME TAXES</b>	129.6	106.5	23.1	21.69	129.6	106.5	23.1	21.69
<b>INCOME TAXES (BENEFIT)</b>	31.6	21.5	10.1	46.98	31.6	21.5	10.1	46.98
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	98.0	85.0	13.0	15.29	98.0	85.0	13.0	15.29

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

(MXN million)

	March 2014	December 2013	Variation	%
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents-current portion	804.2	435.0	369.2	84.87
Trade accounts receivable	-	231.2	(231.2)	(100.00)
Recoverable taxes	67.5	5.0	62.5	1,250.00
Accounts receivable to related parties	865.3	848.3	17.0	2.00
Financial asset-current portion	268.6	258.5	10.1	3.91
Other accounts receivable and prepaid expenses	7.7	2.7	5.0	185.19
Total current assets	2,013.3	1,780.7	232.6	13.06
Non-current assets				
Long-term restricted cash	41.3	41.0	0.3	0.73
Financial assets derived from the concessions - long-term portion	374.2	485.1	(110.9)	(22.86)
Intangible assets derived from the concessions	1,732.0	1,762.0	(30.0)	(1.70)
Derivate financial instruments	-	0.1	(0.1)	(100.00)
Total non-current assets	2,147.5	2,288.2	(140.7)	(6.15)
<b>TOTAL ASSETS</b>	<b>4,160.8</b>	<b>4,068.9</b>	<b>91.9</b>	<b>2.26</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
Current liabilities				
Accounts payable to suppliers	269.8	270.1	(0.3)	(0.11)
Interest payable	6.0	6.5	(0.5)	(7.69)
Other current liabilities	1.8	2.1	(0.3)	(14.29)
Provisions	102.9	93.1	9.8	10.53
Accounts payable to related parties	20.7	19.1	1.6	8.38
Current portion of long-term debt	81.4	75.1	6.3	8.39
Taxes other than income tax	129.1	36.4	92.7	254.67
Income taxes payable	72.0	135.5	(63.5)	(46.86)
Total current liabilities	683.7	637.9	45.8	7.18
Non-current liabilities				
Long-term debt	1,010.2	1,034.6	(24.4)	(2.36)
Provisions for major maintenance	50.7	37.8	12.9	34.13
Deferred income tax liability	114.7	155.1	(40.4)	(26.05)
Total non-current liabilities	1,175.6	1,227.5	(51.9)	(4.23)
<b>TOTAL LIABILITIES</b>	<b>1,859.3</b>	<b>1,865.4</b>	<b>(6.1)</b>	<b>(0.33)</b>
<b>STOCKHOLDERS' EQUITY</b>				
Capital stock	1,226.7	1,226.7	-	-
Accumulated deficit	1,074.8	976.8	98.0	10.03
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>2,301.5</b>	<b>2,203.5</b>	<b>98.0</b>	<b>4.45</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>4,160.8</b>	<b>4,068.9</b>	<b>91.9</b>	<b>2.26</b>

## CONIPSA

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

(MXN million)

					Cumulative			
	<u>2014</u>	<u>2013</u>	<u>Variation</u>	<u>%</u>	<u>2014</u>	<u>2013</u>	<u>Variation</u>	<u>%</u>
<b>TOTAL REVENUES</b>	58.7	56.7	2.0	3.53	58.7	56.7	2.0	3.53
Shadow toll payments from the SCT	6.2	4.7	1.5	31.91	6.2	4.7	1.5	31.91
Availability payments from the SCT	52.5	52.0	0.5	0.96	52.5	52.0	0.5	0.96
Total toll and other concession revenues	58.7	56.7	2.0	3.53	58.7	56.7	2.0	3.53
<b>COSTS AND EXPENSES</b>	16.0	28.7	(12.7)	(44.25)	16.0	28.7	(12.7)	(44.25)
Amortization of assets derived from the concessions	1.5	1.5	-	-	1.5	1.5	-	-
Operation and maintenance provisions	10.7	23.5	(12.8)	(54.47)	10.7	23.5	(12.8)	(54.47)
Toll collection costs	1.4	1.3	0.1	7.69	1.4	1.3	0.1	7.69
General and administrative expenses	2.4	2.4	-	-	2.4	2.4	-	-
<b>INCOME BEFORE OTHER INCOME (EXPENSES)-NET</b>	42.7	28.0	14.7	52.50	42.7	28.0	14.7	52.50
Other income - net	0.5	0.7	(0.2)	(28.57)	0.5	0.7	(0.2)	(28.57)
<b>INCOME (LOSS) FROM OPERATIONS</b>	43.2	28.7	14.5	50.52	43.2	28.7	14.5	50.52
Net financing cost	9.7	14.4	(4.7)	(32.64)	9.7	14.4	(4.7)	(32.64)
Interests expense	11.5	16.0	(4.5)	(28.13)	11.5	16.0	(4.5)	(28.13)
Premiums and interests on financing	6.2	8.2	(2.0)	(24.39)	6.2	8.2	(2.0)	(24.39)
Major maintenance interests	5.3	7.8	(2.5)	(32.05)	5.3	7.8	(2.5)	(32.05)
Interest income	(1.8)	(1.6)	(0.2)	(12.50)	(1.8)	(1.6)	(0.2)	(12.50)
<b>INCOME (LOSS) BEFORE INCOME TAXES</b>	33.5	14.3	19.2	134.27	33.5	14.3	19.2	134.27
<b>INCOME TAXES (BENEFIT)</b>	8.6	7.0	1.6	22.86	8.6	7.0	1.6	22.86
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	24.9	7.3	17.6	241.10	24.9	7.3	17.6	241.10

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

(MXN million)

	March 2014	December 2013	Variation	%
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents-current portion	192.7	106.3	86.4	81.28
Trade accounts receivable	-	60.7	(60.7)	(100.00)
Recoverable taxes	2.3	11.2	(8.9)	(79.46)
Accounts receivable to related parties	12.2	11.9	0.3	2.52
Financial asset-current portion	212.3	200.5	11.8	5.89
Other accounts receivable and prepaid expenses	5.6	2.4	3.2	133.33
<b>Total current assets</b>	<b>425.1</b>	<b>393.0</b>	<b>32.1</b>	<b>23.75</b>
Non-current assets				
Long-term restricted cash	46.5	46.3	0.2	0.43
Financial assets derived from the concessions - long-term portion	480.5	488.9	(8.4)	(1.72)
Intangible assets derived from the concessions	76.4	77.9	(1.5)	(1.93)
Furniture and equipment	0.3	0.3	-	-
<b>Total non-current assets</b>	<b>603.7</b>	<b>613.4</b>	<b>(9.7)</b>	<b>(1.58)</b>
<b>TOTAL ASSETS</b>	<b>1,028.8</b>	<b>1,006.4</b>	<b>22.4</b>	<b>2.23</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
Current liabilities				
Accounts payable to suppliers	-	0.3	(0.3)	(100.00)
Interest payable	2.2	2.4	(0.2)	(8.33)
Other current liabilities	0.7	0.5	0.2	40.00
Provisions	67.1	58.9	8.2	13.92
Accounts payable to related parties	2.5	2.1	0.4	19.05
Current portion of long-term debt	58.0	58.0	-	-
Taxes other than income tax	6.0	8.7	(2.7)	(31.03)
<b>Total current liabilities</b>	<b>144.0</b>	<b>130.9</b>	<b>13.1</b>	<b>10.01</b>
Non-current liabilities				
Long-term debt	310.3	324.8	(14.5)	(4.46)
Provision for major maintenance	43.9	46.1	(2.2)	(4.77)
Deferred income tax liability	26.6	25.5	1.1	4.31
<b>Total non-current liabilities</b>	<b>380.8</b>	<b>396.4</b>	<b>(15.6)</b>	<b>(3.94)</b>
<b>TOTAL LIABILITIES</b>	<b>524.8</b>	<b>527.3</b>	<b>(2.5)</b>	<b>(0.47)</b>
<b>STOCKHOLDERS' EQUITY</b>				
Capital stock	228.4	228.4	-	-
Accumulated deficit	275.6	250.7	24.9	9.93
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>504.0</b>	<b>479.1</b>	<b>24.9</b>	<b>5.20</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>1,028.8</b>	<b>1,006.4</b>	<b>22.4</b>	<b>2.23</b>

## GLOSSARY

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

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

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

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

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

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

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

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

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

Issuer	Red de Carreteras de Occidente S.A.B. de C.V.	
Type	Long-term Debt Securities	
Rating	mxAAA by S&P; AAA(mex) by Fitch.	
Guarantee	Debt Service Reserve for Certificados Bursátiles	
	Banobras first losses partial guarantee over 6.5% from unpaid balance.	
	"RCO 12" Nominal fixed Interest rate	"RCO 12U" Real Interest rate
Issuance amount	MXN \$2.84 billion	MXN \$7.62 billion; 1,481,044,500.00 UDI
Denomination	Pesos	UDI
Type of Interest rate	Fija	Fixed
Coupon	9.00%	5.25%
Legal term	15 years	20 years
Average term	11 years	14 years
Amortization schedule	Year 7 a 15	Year 7 a 20

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

“CONIPSA Concession Agreement” means the September 12, 2005 concession title (*Título de Concesión*) issued by the Federal Government, through the SCT, which entitles CONIPSA to (i) operate, preserve and maintain a 73.520 km federal toll-free road otherwise known as the “Irapuato-La Piedad” highway, which extends from the junction

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

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

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

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

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

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

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

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

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

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

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

**“Excess Cash Distribution”** mandatory payments of the remaining cash (Cash Sweep), established in the Loan Agreement and used to the prepayment of the Credit Acquisition.

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

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

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

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

**“FARAC I Capex Loans”** means:

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

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

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

**“IFRS”** means International Financial Reporting Standards.

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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