



IMPULSORA DEL DESARROLLO Y EL EMPLEO EN AMÉRICA LATINA

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Impulsora del Desarrollo y el Empleo en America Latina (IDEAL) posted revenues of \$5,280.9 MM Ps under IFRS during the second quarter of the year 2016, which represents an annual increment of 10.1% and 15.7% when considering the adjusted income (\$6,492.2 MM Ps)*.

These results are mainly explained by I) 10.3% increase of Daily Average Traffic on the toll roads, II) And the beginning of operations in May of the Social Infrastructure Project, CRS Morelos and III) the increase of the Proportional Tariff T1 in Atotonilco based on the progress made in the construction.

EBITDA reached \$3,616.8 MM Ps under IFRS as far as June 2016, showing a 7.7% increase when compare to the same period of the previous year. The Adjusted EBITDA* reached \$4,828.1 MM Ps, which represents an increase of 15.8% when compare to the second quarterly of 2015. The Adjusted EBITDA Margin stood at 74.4% compared with the 74.3% registered in the past year.

Due to continuous investments on different infrastructure projects, such as toll roads, waste water treatment plants and social infrastructure, IDEAL reported assets of \$100,386.6 MM Ps at the end of the second quarter, this indicates a 10.4% increase when compared with the same period of the previous year. Of the total assets, 87.4% are linked to the Operative Portfolio, out of which 56.3% form part of the toll road sector, 19.4% social infrastructure, 13.3% energy, 8.7% water and 2.3% transport.

HIGHLIGHTS



Total Debt, stood at \$84.5 Bn Ps, out of which;

- Net Debt stood at \$74.6 Bn Ps.
- 90.1% is at a Project Level; therefore it does not have an impact in the Holding Company.
- 81.3% has a long term fixed nominal interest rate exposure through Swaps.
- 9.1% is Long Term Debt with an average duration of 15.8 years.
- 26.5% is market related debt and the rest is commercial banking debt.

As of June 2016, the Total Interest Swap Position stood at \$65.7 Bn Ps and \$300 MM USD;

- All the Swap Positions are directly (matched) or indirectly (unmatched) securing financial costs against current or contracted financings. This strategy effectively locks long term financial costs for the projects and stabilizes returns. Since the swap position has a hedging nature, it does not put at risk the position of the company.
- Matched Position represents 69.7%.
- Unmatched position (\$19.9 Bn Ps) is marked to market and the valuation is reflected in the income statement giving high volatility to the net income.

It is worth to highlight that the company still has assets under construction, such as:

Projects under construction	% Part. IDEAL	Capacity	Beginning of Operations
Mitla - Tehuantepec	40%	169.2 Km	September 2017
Guadalajara Bypass	100%	111.0 Km	June 2017
Macrotúnel Acapulco	70%	8.5 km	July 2017
Toluca-Atzacmulco	100%	62.0 km	December 2017
Cardel - Poza Rica	70%	128.7 km	November 2018
Tuxpan-Tampico	70%	104.6 km	January 2019
Las Varas- Puerto Vallarta	100%	86.9 Km	September 2019
Terminal Cuatro Caminos	80%	222,577 m ²	January 2017

HIGHLIGHTS

> “Las Varas-Vallarta” concession was awarded by the SCT on May 3rd, which includes the construction, operation and management of the toll road, with a length of 86.9 km. IDEAL has formed a strategic portfolio of over 1,658.3 km long at June 30th, allowing for areas of great significance to be interconnected.

> On June 9th IDEAL entered into a definitive agreement with Canada Pension Plan Investment Board and Ontario Teacher’s Pension Plan to establish a new partnership, in which it will contribute its 99% equity interest in the concessionaire of the Arco Norte toll road; while CPPIB and OTPP together will commit an equity investment of 19.4 Bn Ps in exchange for shares representing 49% of the capital stock of the new partnership. The transaction is subject to customary closing conditions

> The WWTP Atotonilco has been operating partially since June as contracted, maintaining a steady flow of 2.7 m³/s. Currently some of the machinery started its testing period, such as:

- The 2 of the blending mud tanks
- The 5 of the TPQ stations
- The 8 of the Substations
- The 8 spin- dryers on mud testing
- 29 out of 30 Digestors (10 are being filled)
- 4 out of 16 gravity thickeners
- 2 out of 12 flotation thickeners

WWTP Atotonilco

- Charged Testing Units
- Digestors being filled
- Empty Digestors
- Working Electric Substations
- Water Canals in use



Arco Norte



TOLL ROADS



IDEAL's roads have been showing increase in Daily Average Traffic, when compare with the same period of the last year;

<i>Average Daily Traffic on Standard Vehicles</i>	2Q-15	2Q-16	Δ %
Toluca Bypass	18,936	20,047	5.9%
Tepic-Villa Unión	7,721	8,363	8.3%
Tijuana	8,570	9,564	11.6%
Chamapa	46,282	48,535	4.9%
Arco Norte	18,252	19,896	9.0%
Autopista Urbana Sur	28,701	32,998	15.0%
Toluca-Atlacomulco	37,919	40,212	6.0%
Mitla-Tehuantepec	0	971	N/A
Pacífico Norte			
Mazatlán-Culiacán	8,438	9,280	10.0%
Culiacán Bypass	3,427	3,860	12.6%
Mazatlán Bypass	4,802	6,532	36.0%
Pacífico Sur			
Guadalajara-Tepic	11,443	12,349	7.9%
Tepic Bypass	0	1,910	N/A
TOTAL AVERAGE GROWTH			10.3%

- Mazatlán Bypass and the Culiacán Bypass both showed an important increase rate of 36.0% and 12.6% respectively in comparison to the previous year, as a consequence of the ramp up period and the growth on heavy traffic.
- As of June 2016, the traffic in AU Sur reported a 15% increase rate when compare with the same period of the previous year, essentially due to the constant growth of traffic in the city and the increase of traffic due to the opening of the Viaducto Tlalpan section.
- Arco Norte reported a 9% growth in this second quarter of the year, in consequence of the continuous investment in infrastructure, increased manufacturing and industrial presence in this toll road's area of influence.
- In general all the toll roads reported a growing trend in this second quarter of the year, due to its strong organic growth, increase in heavy traffic and in long distance trips.

I+D

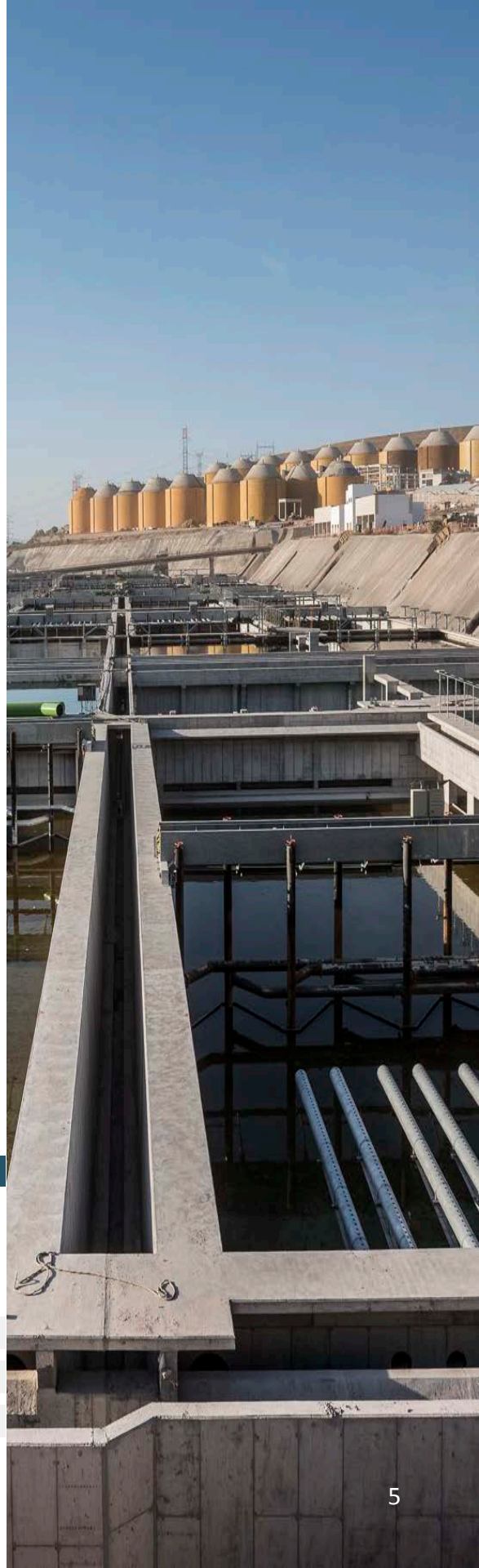
Total revenue stood at \$179.7 MM Ps during the second quarter of 2016, representing a 15.6% increase vs. the previous year.

This is mainly explained by an increase in the operations from the existing concessioners, new toll plazas and lanes and the interoperability of all tag issuers in the second quarter of 2016, reaching 128.6 million in comparison with the 99.3 million registered during the same period of 2015, which represents an increase of 29.5%

ADJUSTMENTS

* According to the IFRS standards, the adjustments resulting from the Waste Water Treatment Plants of Atotonilco and Saltillo as well as the Social Infrastructure Project of Makobil and CRS Morelos are not registered at income level.

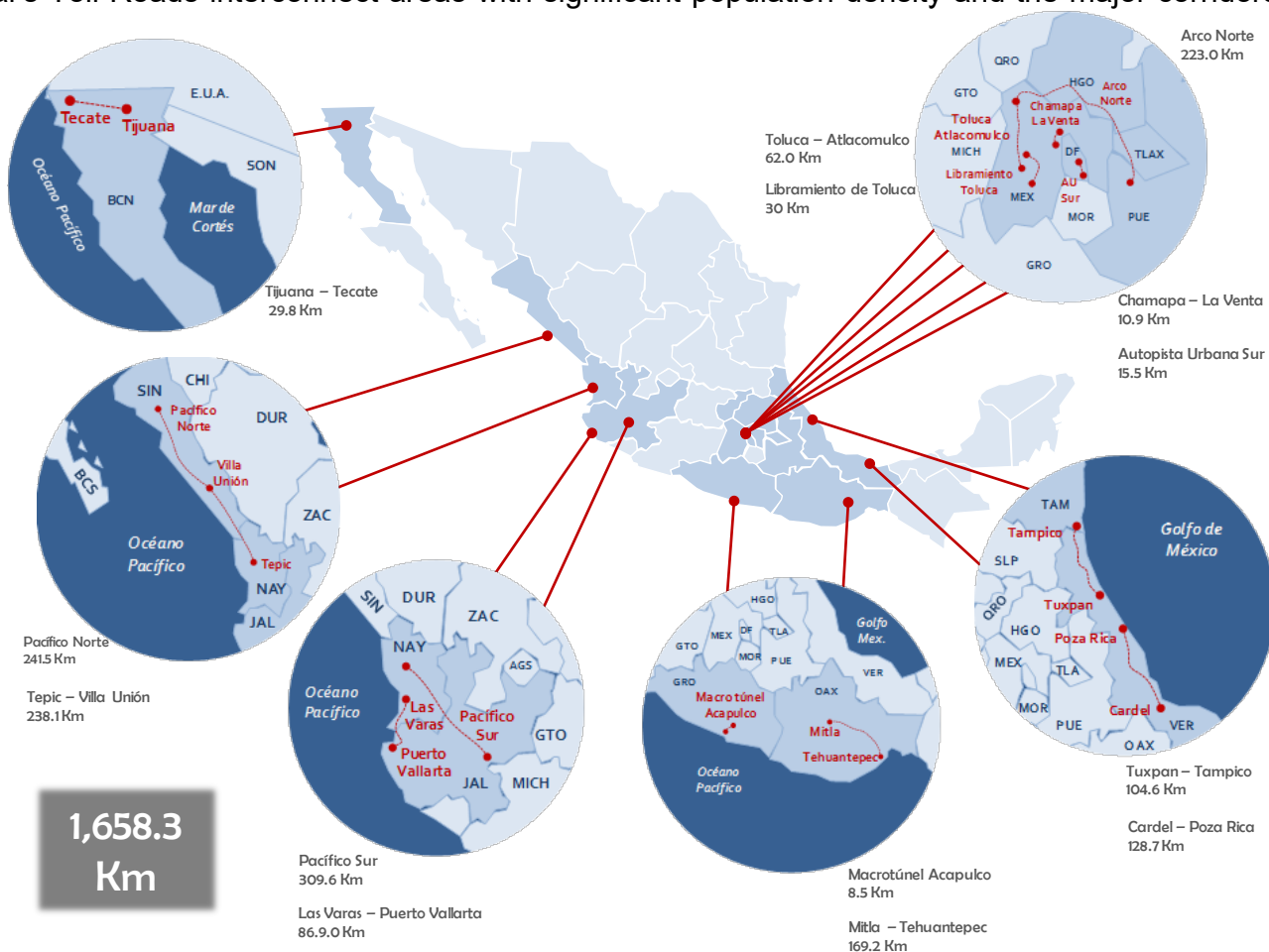
Accumulated <i>Jan-Jun</i>	2Q-15	2Q-16	Var
Income	4,798.3	5,280.9	10.1%
Water Adjustments	431.7	475.1	10.1%
Social Infrastructure Adjustments	380.4	736.1	93.5%
Adjusted Income	5,610.5	6,492.2	15.7%
Adjusted EBITDA	4,170.1	4,828.1	15.8%
Adjusted EBITDA Margin	74.3%	74.4%	0.1%

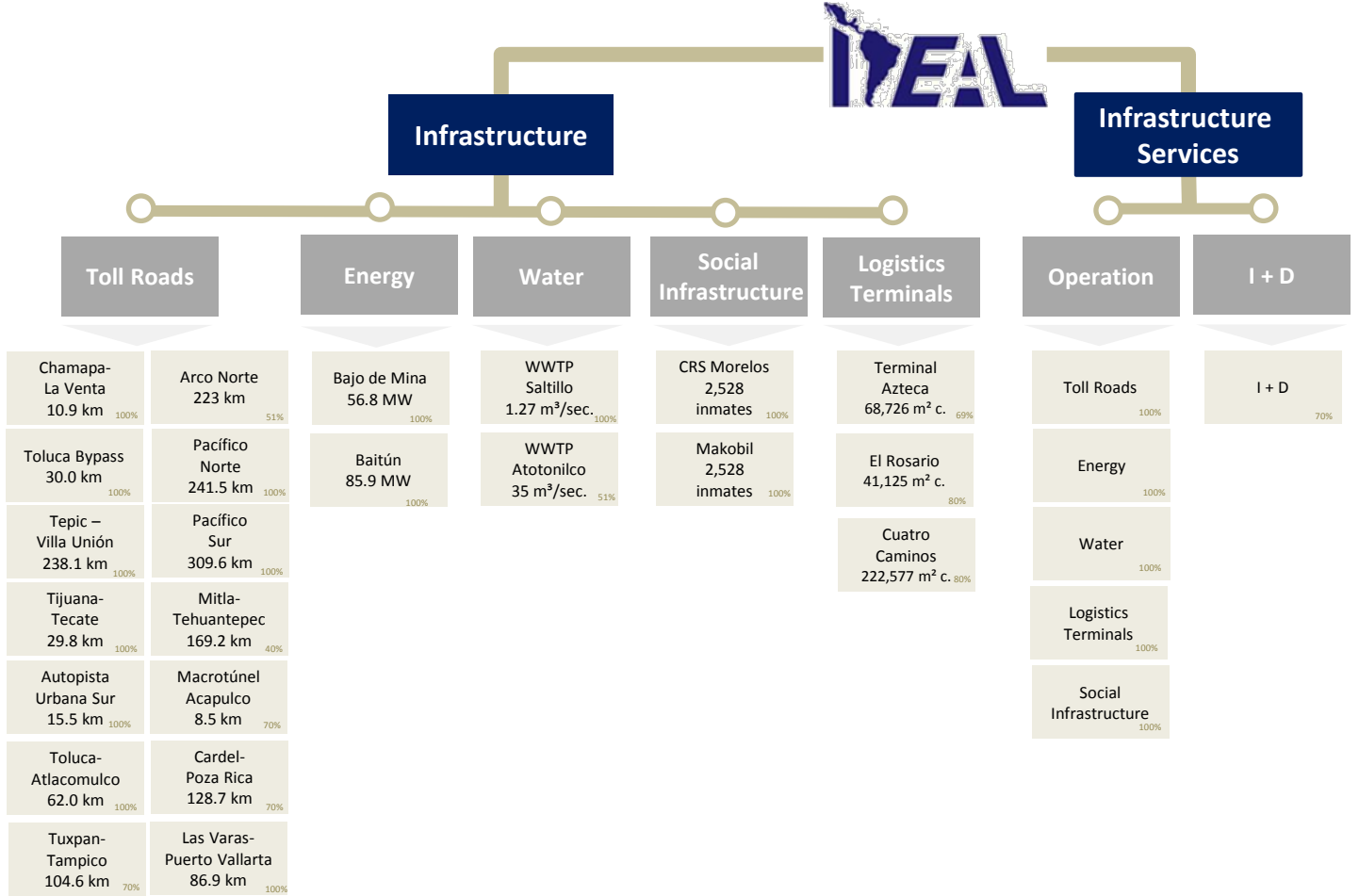


The construction of the Waste Water Treatment Plant Atotonilco has a 97.3% of work in progress and is now in testing period, it also has a 97.2% of financial completion.



Ideal's Toll Roads interconnect areas with significant population density and the major corridors





ASSETS

MM of nominal pesos as of June 2016

	2Q-15	2Q-16
Toll Roads	37,132.5	41,450.0
Water	6,929.5	7,020.4
Energy	10,428.9	11,687.8
Multimode Terminals	1,459.2	2,050.4
Social Infrastructure	14,612.5	15,531.9
TOTAL Infraestructure	70,562.6	77,740.5
Electronic Toll System	2,174.7	2,858.6
Sinergia	331.4	275.8
TOTAL Services	2,506.2	3,134.4
Cash & Equivalentes	2,174.0	2,932.4
Road's Trust	2,699.8	2,528.2
Water Trust	268.1	625.3
Social Infrastructure Trust	279.7	1,481.1
Other Trusts	2,232.6	2,268.9
TOTAL ASSETS	90,939.1	100,386.6
Total Operative Assets	78,549.0	87,778.4
% of Total Assets	86.4%	87.4%

PORTFOLIO & STRUCTURE



	Toll Roads	End of Concession	DAT ¹	Total Length (Km)
Fully operational	Chamapa	Aug-52	48,535	10.9
	Toluca	Aug-59	20,047	30.0
	Tepic	Apr-35	8,363	238.1
	Tijuana	Dec-49	9,564	29.8
	Arco Norte	Dec-65	19,896	223
	Autopista Urbana Sur	Dec-42	32,998	15.5
	Pacifico Norte	Dec-39	19,673	241.5
Partial Operations	Pacifico Sur	Dec-41	14,259	309.6
	Toluca-Atlacomulco	Mar-53	40,212	62.0
	Mitla	May-30	971	169.2
Under Construction	Macrotúnel Acapulco ²	Jun-43	9,616	8.5
	Cardel Poza Rica ²	Jul-44	5,004	128.7
	Tuxpan-Tampico ²	Nov-44	5,948	104.6
	Las Varas - Puerto Vallarta	May-46	7,798	86.9
TOTAL			242,885	1,658.3 Km

	Energy	End of Concession	Installed Capacity	Generation
Fully Operational	Bajo de Mina	Mar-58	56 MW	264.9 GW/h
	Baitun	Mar-58	87 MW	411.4 GW/h
TOTAL			143 MW	676.4 GW/h

	Water	End of Concession	Installed Capacity	Average Treated Water
Fully operational Testing Period	PTAR Saltillo	Dec-26	1.27 m ³ /sec	910 L/sec
	PTAR Atotonilco	Jan-35	35 m ³ / sec	
TOTAL			36.27 m³ / sec	910 L/sec

	Social Infrastructure	End of Concession	Construction	Inmates
Fully operational	CRS Morelos	May-35	109,012 m ²	2,528 inmates & 288 children
	MAKOBIL	Dec-33	83,977 m ²	2,528 inmates
TOTAL			192,989 m²	5,056 inmates

	Logistic Terminals	End of Concession	Construction	Commercial Space
Fully Operational	Terminal Azteca	Jun-37	68,726 m ²	82 premises
	El Rosario	Jun-39	41,125 m ²	74 premises
Construction	Cuatro Caminos	Aug-43	222,577 m ²	
TOTAL			332,428 m²	156 premises

¹ Daily Average Traffic as of June 2016

² IDEAL has participation on this projects through financing.

DEBT & INTEREST RATE SWAP POSITION



	Total Debt (MM PS)	Term	Kind of Debt	Reference rate	Hedge
FICCB 08U	6,179	20.0 Years	Fixed CPI indexed	UDIbono 25	Yes
FICCB 09	886	3.5 Years	Variable Rate	TIIE 28 Dias	Yes
FICCB 09U	664	3.5 Years	Fixed CPI indexed	UDIbono 10	Yes
FICCB 08	1,567	20.0 Years	Fixed in Pesos	Mbono 27	NA
FICRCB 13	4,541	26.6 Years	Fixed in Pesos	NA	NA
ARCONCB 15	6,444	18.9 Years	Fixed in Pesos	Mbono 27	NA
Sub-Total Cerbur	20,280	19.9 Years			
Others Long Term	55,794		Variable rate	TIIE 28 dias	Yes
Others Short Term	0	0.4 Years	Variable rate	TIIE 28 dias	NA
Total Debt at a project level	76,075	15.8 Years			
Promotora (Holding Co)	6,460				
IDEAL Cebur (Long Term)	1,920				
Total Debt	84,455				
Cash & Equivalents	2,932				
Trusts	6,904				
Net Debt	74,619				

	Amount	Kind of Swap	
Pesos	Matched position (Promotora)	6,594	
	Matched position (SPV's)	39,166	
	Unmatch position (Promotora)	19,900	TIIE - Fixed
	Total Swap position	65,659	
USD	Unmatch position (Promotora)	300	USD - Fixed
	Total Swap position	300	

IMPULSORA DEL DESARROLLO Y EL EMPLEO EN AMERICA LATINA, S.A.B. DE C.V

Consolidated Income Statement

MM of nominal pesos

	1Q	2Q	3Q	4Q	1Q	2Q	Accumulated Jan-Jun		Var
	2015				2016		2015	2016	%
Income from continuing operations	2,159.5	2,638.8	2,522.1	3,412.6	2,615.6	2,665.3	4,798.3	5,280.9	10%
Toll Roads	1,783.7	1,866.7	1,923.2	2,004.7	2,036.8	2,059.8	3,650.4	4,096.6	12%
Services	112.9	409.3	138.9	793.6	188.0	159.5	522.2	347.5	-33%
Water	6.7	6.9	6.4	7.1	12.4	6.9	13.6	19.3	42%
Energy	105.4	141.0	167.8	304.6	86.9	145.2	246.4	232.2	-6%
Social Infrastructure	150.7	215.0	285.7	302.5	291.4	293.9	365.7	585.4	60%
Expenses from continuing operations	989.1	1,149.6	1,143.0	1,567.1	1,180.6	1,370.7	2,138.7	2,551.3	19%
Concession Amort.	388.9	396.2	413.9	424.9	431.2	456.1	785.1	887.2	13%
Operation Expenses	600.2	753.4	729.1	1,142.2	749.4	914.7	1,353.6	1,664.1	23%
EBIT	1,170.4	1,489.3	1,379.1	1,845.5	1,435.0	1,294.6	2,659.6	2,729.6	3%
EBITDA	1,559.3	1,885.4	1,793.0	2,270.4	1,605.6	2,011.2	3,444.7	3,616.8	5%
Interest income	509.6	515.3	736.5	636.8	740.2	805.6	1,024.9	1,545.8	51%
Interest expenses	1,802.4	1,807.8	2,176.5	2,201.0	1,933.2	3,137.7	3,610.2	5,071.0	40%
Commissions	18.5	24.2	29.0	33.3	19.4	25.0	42.7	44.4	4%
Forex	-134.8	-84.6	-159.1	-50.2	16.6	-207.3	-219.4	-190.7	-13%
Financial Expenses	1,686.1	1,747.4	2,046.4	2,184.1	1,969.3	2,955.4	3,433.5	4,924.7	43%
Total Net Financial Income (Expenses)	-1,176.5	-1,232.1	-1,309.9	-1,547.3	-1,229.1	-2,149.8	-2,408.6	-3,378.9	40%
NET INCOME AFTER NII	-6.2	257.2	69.2	298.2	205.9	-855.2	251.0	-649.3	-359%
Derivatives	-830.4	1,476.9	-182.7	1,677.6	-873.6	840.8	646.5	-32.7	-105%
Market related income (expense)	-830.4	1,476.9	-182.7	1,677.6	-873.6	840.8	646.5	-32.7	-105%
Other Income (Expenses)	4.2	-49.3	-192.1	96.1	21.7	28.2	-45.1	49.9	-211%
Results of non consolidated companies	31.7	-2.2	43.7	23.4	-37.0	68.7	29.5	31.7	8%
NET INCOME BEFORE TAXES	-800.7	1,682.6	-262.0	2,095.3	-682.9	82.5	881.9	-600.4	-168%
Income Tax & Employee profit sharing	-60.8	404.9	554.1	1,117.4	-111.5	817.1	344.1	705.6	105%
NET INCOME	-739.9	1,277.7	-816.0	978.0	-571.4	-734.6	537.8	-1,306.0	-343%
MINORITY INTEREST	57.5	82.0	88.2	228.1	51.8	50.2	139.5	102.0	-27%
MAJORITY NET INCOME	-797.3	1,195.6	-904.3	749.8	-623.2	-784.8	398.3	-1,408.0	-453%

IMPULSORA DEL DESARROLLO Y EL EMPLEO EN AMERICA LATINA, S.A.B. DE C.V

Consolidated Balance sheet

MM of nominal pesos

	1Q	2Q	3Q	4Q	1Q	2Q
	2015				2016	
Current	12,254.0	12,033.8	13,323.5	15,238.0	16,232.7	16,900.6
Cash and cash equivalents	2,399.3	2,174.0	2,423.0	3,320.4	3,003.2	2,932.4
Securities	4,476.3	5,200.5	5,726.9	5,023.4	6,472.3	6,903.5
Loans	1,485.3	645.9	828.7	1,431.0	1,542.6	1,851.7
Others	487.0	141.6	141.7	232.7	366.1	533.9
Accounts receivable	1,654.5	2,035.1	2,359.5	3,472.2	3,190.3	3,177.9
Receivable Taxes	1,751.7	1,836.6	1,843.7	1,758.3	1,658.3	1,501.1
Property – net	452.0	468.1	463.0	470.9	466.9	481.0
Intangible assets	71,534.1	73,610.3	75,723.2	77,354.1	78,129.3	79,594.0
Toll Roads on concession - net	37,983.5	38,523.1	39,368.9	40,457.6	41,068.9	41,826.1
Hidroelectric plant and equipment	10,093.8	10,283.2	10,981.3	11,011.2	10,887.4	11,548.1
Accounts receivable - Concession contracts	20,666.5	22,024.0	22,609.0	23,268.2	23,574.8	23,645.9
Licences and software	18.9	18.6	18.2	17.9	17.5	17.1
Goodwill - net	1,565.1	1,565.1	1,565.1	1,434.0	1,431.2	1,422.7
Instalation Expense	0.5	0.5	0.4	0.4	0.4	0.4
Social Infrastructure Intangible Assets	1,205.8	1,195.8	1,180.3	1,164.8	1,149.2	1,133.7
Other assets	1,169.0	1,078.5	960.3	774.4	660.2	364.5
Deferred Assets	3,946.0	3,748.5	3,397.8	2,786.1	3,260.5	3,046.5
TOTAL ASSETS	89,355.0	90,939.1	93,867.8	96,623.5	98,749.6	100,386.6

IMPULSORA DEL DESARROLLO Y EL EMPLEO EN AMERICA LATINA, S.A.B. DE C.V

Consolidated Balance sheet

MM of nominal pesos

	1Q	2Q	3Q	4Q	1Q	2Q
	2015				2016	
Short-Term	19,756.7	13,262.7	15,730.3	16,735.1	19,337.3	16,214.9
Accounts payable	3,255.3	3,265.5	3,405.5	3,084.8	3,148.4	2,869.2
Notes and loans payable	9,274.6	4,681.2	6,987.7	8,787.0	10,425.4	8,611.5
Derivatives	6,880.2	4,914.5	4,967.5	4,533.2	5,383.6	4,276.8
Sundry creditors	312.9	355.2	318.3	250.0	329.9	398.7
Taxes payable	33.7	46.3	51.4	80.1	50.0	58.6
Long-Term	63,916.6	70,412.0	71,455.8	72,392.4	72,598.8	77,977.0
Rights of yielded collection	46,476.7	45,841.2	52,552.0	52,277.9	51,900.6	54,923.3
Bank Loans	14,027.6	14,707.5	15,417.5	16,175.7	16,761.4	21,151.3
Other Long Term Liabilities	2,017.9	8,468.9	2,011.6	2,432.8	2,430.8	504.5
Deferred taxes	1,394.4	1,394.4	1,474.6	1,505.9	1,505.9	1,397.9
TOTAL LIABILITIES	83,673.3	83,674.7	87,186.1	89,127.5	91,936.1	94,191.9
STOCKHOLDERS' EQUITY						
Paid-in Capital	8,786.6	8,786.6	8,786.6	8,786.6	8,786.6	8,798.8
Other accounts in capital	-2,843.9	-2,482.8	-2,324.3	-2,548.8	-2,587.5	-2,298.0
Subsidiaries	518.7	548.3	582.9	650.7	641.6	452.2
Net Income	-1,784.8	-589.1	-1,493.3	-757.6	-1,366.9	-2,163.8
Minority Interest	1,005.1	1,001.3	1,129.8	1,365.1	1,339.8	1,405.5
TOTAL STOCKHOLDERS' EQUITY	5,681.7	7,264.4	6,681.8	7,496.0	6,813.6	6,194.7
LIABILITIES & STOCKHOLDERS' EQUITY	89,355.0	90,939.1	93,867.8	96,623.5	98,749.6	100,386.6