

**AUTOPISTAS DEL SOL, S.A.****UNAUDITED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION  
AS OF MARCH 31, 2019 AND DECEMBER 31, 2018**

(Expressed in US Dollars)

<b>ASSETS</b>	<b>Notes</b>	<b>March 31, 2019</b>	<b>December 31, 2018</b>
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	2	18,767,644	10,299,292
Restricted cash	3	12,090,051	13,388,377
Accounts receivable	4	1,337,706	692,921
Accounts receivable from related parties	12	4,365	3,002
Inventory		134,018	135,953
Prepaid disbursements	5	484,810	1,102,814
Advance payment of income tax		1,577,135	1,649,406
Current portion of financial assets - concession agreement	7	80,275,677	78,701,645
<b>Total current assets</b>		<b>114,671,405</b>	<b>105,973,410</b>
LOAN AND INTEREST RECEIVABLE FROM RELATED PARTIES	12	100,755,426	99,774,466
VEHICLE, FURNITURE, AND EQUIPMENT – Net	6	1,261,601	1,281,135
FINANCIAL ASSETS - Concession Agreement	7	296,050,582	296,342,871
OTHER ASSETS – Net		143,437	891,270
<b>Total non-current assets</b>		<b>398,211,045</b>	<b>398,289,742</b>
<b>TOTAL</b>		<b>512,882,450</b>	<b>504,263,152</b>

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

## AUTOPISTAS DEL SOL, S.A.

### UNAUDITED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION AS OF MARCH 31, 2019 AND DECEMBER 31, 2018

(Expressed in US Dollars)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	March 31, 2019	December 31, 2018
<u>CURRENT LIABILITIES:</u>			
Current portion of the long-term Debt	16	12,656,350	12,656,350
Accounts payable	8	1,561,472	4,131,097
Accounts payable to related parties	12	1,790,268	1,953,777
Accumulated expenses	9	7,744,019	1,940,332
Income tax payable	10	2,267,419	-
<b>Total current liabilities</b>		<b>26,019,529</b>	<b>20,681,557</b>
<u>LONG-TERM LIABILITIES:</u>			
Long-Term Debt	16		
Deferred Income Tax	10	313,318,995	312,853,671
		56,273,896	55,162,019
<b>Total liabilities</b>		<b>395,612,419</b>	<b>388,697,247</b>
<u>SHAREHOLDERS' EQUITY:</u>			
Capital stock	14	2,500,000	2,500,000
Additional capital contributions	14	58,000,000	58,000,000
Legal reserve	14	500,000	500,000
Retained earnings	14	56,270,032	54,565,906
<b>Total shareholders' equity</b>		<b>117,270,032</b>	<b>115,565,906</b>
<b>TOTAL</b>		<b>512,882,452</b>	<b>504,263,152</b>

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

**AUTOPISTAS DEL SOL, S.A.****UNAUDITED CONDENSED INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME****FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2019 AND 2018**

(Expressed in US Dollars)

	Notes	2019	2018
CONSTRUCTION INCOME	7	1,040,768	-
FINANCIAL INCOME - Concession Agreement	7	15,083,365	14,804,178
OPERATING AND MAINTENANCE INCOME	7	4,357,780	3,932,443
<b>Total operating income</b>		<b>20,481,913</b>	<b>18,736,621</b>
CONSTRUCTION COSTS		<b>(1,040,768)</b>	-
OPERATING EXPENSES	11	<b>(4,083,652)</b>	<b>(3,694,423)</b>
<b>OPERATING PROFIT</b>		<b>15,357,493</b>	<b>15,042,198</b>
INTEREST AND EXPENSES FEES		(6,349,387)	(6,563,534)
FINANCIAL INCOME		1,054,043	1,146,447
OTHER INCOME – Net	13	59,613	47,237
EXCHANGE RATE DIFFERENCE – Net		(20,533)	(86,777)
<b>EARNINGS BEFORE INCOME TAX</b>		<b>10,101,229</b>	<b>9,585,570</b>
INCOME TAX	10	(3,397,102)	(2,966,297)
<b>NET PROFIT</b>		<b>6,704,127</b>	<b>6,619,273</b>

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

**AUTOPISTAS DEL SOL, S.A.**

**UNAUDITED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE  
NINE MONTH PERIOD ENDED MARCH 31, 2019 AND 2018**

(Expressed in US Dollars)

	Notes	Capital Stock	Additional Capital Contributions	Legal Reserve	Retained Earnings	Cash Flow Hedge - Other Comprehensive Income (Accumulated)	Total Equity
<b>BALANCES AS OF DECEMBER 31, 2017</b>		<b>2,500,000</b>	<b>58,000,000</b>	<b>500,000</b>	<b>72,906,773</b>	<b>0</b>	<b>133,906,773</b>
Declared and paid dividends	15	-	-	-	(10,100,000)	-	(10,100,000)
Comprehensive income of the period	18	-	-	-	6,619,238	0	6,619,238
<b>BALANCES AS OF MARCH 31, 2018</b>		<b>2,500,000</b>	<b>58,000,000</b>	<b>500,000</b>	<b>69,426,011</b>	<b>-</b>	<b>130,426,011</b>

	Notes	Capital Stock	Additional Capital Contributions	Legal Reserve	Retained Earnings	Cash Flow Hedge - Other Comprehensive Income (Accumulated)	Total Equity
<b>BALANCES AS OF DECEMBER 31, 2018</b>		<b>2,500,000</b>	<b>58,000,000</b>	<b>500,000</b>	<b>54,565,906</b>	<b>-</b>	<b>115,565,906</b>
Declared and paid dividends	15	-	-	-	(5,000,000)	-	(5,000,000)
Comprehensive income of the period	18	-	-	-	6,704,127	-	6,704,127
<b>BALANCES AS OF MARCH 31, 2019</b>		<b>2,500,000</b>	<b>58,000,000</b>	<b>500,000</b>	<b>56,270,032</b>	<b>-</b>	<b>117,270,032</b>

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

## AUTOPISTAS DEL SOL, S.A.

### UNAUDITED CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2019 AND 2018

(Expressed in US Dollars)

	2019	2018
<b>OPERATING ACTIVITIES</b>		
Net profit	6,704,127	6,619,238
<u>Adjustments to reconcile the net profit with the net cash provided by (used in) the operating activities:</u>		
Income tax expense	2,267,419	1,952,804
Depreciation	14,983	15,911
Amortization	104,237	103,563
Loss (profit) in disposal of assets	1,111,877	1,013,493
Deferred income tax	(980,959)	(1,061,750)
Financial expense	6,349,387	6,563,534
<u>Movements in working capital:</u>		
Accounts receivable and Notes receivable	(646,148)	(224,924)
Inventory	1,935	(11)
Prepaid expenses	690,275	235,029
Accounts payable	(2,569,625)	(2,594,986)
Note receivable	-	142,485
Accounts payable to related parties	(163,509)	-
Accumulated expenses	(80,376)	(26,187)
Financial assets - concession agreement	(1,281,744)	(224,924)
<b>Cash provided by the operating activities</b>	<b>11,521,878</b>	<b>12,738,200</b>
Income tax paid	-	-
Paid interest	-	-
<b>Net cash provided by the operating activities</b>	<b>11,521,878</b>	<b>12,738,200</b>
<b>INVESTMENT ACTIVITIES</b>		
Restricted cash	1,298,327	-
Acquisition of fixed assets	(84,703)	(8,371)
Other assets	732,850	(747)
<b>Net cash used in the investment activities</b>	<b>1,946,474</b>	<b>(9,118)</b>
<b>FINANCING ACTIVITIES</b>		
Declared and paid dividends	(5,000,000)	(10,100,000)
Amortization of debt	-	-
Issuance of debt	-	-
<b>Net cash used in the financing activities</b>	<b>(5,000,000)</b>	<b>(10,100,000)</b>
<b>(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>8,468,352</b>	<b>2,629,082</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>10,299,292</b>	<b>16,052,726</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>18,767,644</b>	<b>18,681,808</b>

The accompanying notes are an integral part of these condensed interim financial statements.

## AUTOPISTAS DEL SOL, S.A.

### NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2019 AND FOR THE YEAR ENDED DECEMBER 31, 2018 (Expressed in US Dollars)

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#### 1. NATURE OF BUSINESS, BASIS OF PRESENTATION, AND MAIN ACCOUNTING POLICIES

**Nature of Business** - Autopistas del Sol, S.A. (“the Company”) is an entity organized according to the commercial laws of Costa Rica, specifically under the provisions of Article No.31 of the General Concession Law for Public Works (Law No.7762). The Company is organized as a corporation that belongs to the following shareholders: PI Promotora de Infraestructuras, S.A. (35%), SyV Concesiones, S.A. (formerly Itinere Costa Rica, S.A.) (35%), Infraestructura SDC Costa Rica, S.A. (17%), and M&S DI-M&S Desarrollos Internacionales, S.A. (13%). The Company’s ultimate shareholders are the USS, OPTrust, and PGGM funds, after the sale of the concessionaire denominated Globalvía by FCC and Bankia in 2017. The Company’s objective is to execute and develop the Public Works Concession Agreement of the “San José – Caldera” route, awarded to a third party by the Government of Costa Rica, through public bid No.01-98, promoted by the National Concessions Board of the Ministry of Public Works and Transportation (MOPT, for its name in Spanish). Under the express authorization of the Government of Costa Rica, on June 9, 2006, the former awardee assigned the contract mentioned above to the business consortium formed by the previously mentioned companies (Autopistas del Sol.). The Company is domiciled in Escazú, next to the Autopista Próspero Fernández toll.

On June 9, 2006, the Government of Costa Rica, acting through the National Concession Board (CNC) (“the Granting Authority”) signed Addendum No.3 to the Concession agreement with Public Service Concession Agreement for the San José - Caldera Highway Project, through which the concession agreement was modified to leave proof of the new concessionaire: Autopistas del Sol consortium (“the Awardee”), which is formed by the following companies: Promotora de Infraestructuras, S.A., SYV CR Valle del Sol, S.A., Infraestructuras SDC Costa Rica, S.A., and M&S DI-M&S Desarrollos Internacionales, S.A. For that purpose, the awardee consortium created the corporation designated as Autopistas del Sol, S.A. (“the Concessionaire”) in order to carry out the project which is the objective of this agreement.

On January 8, 2008, the Company received the contract initiation order by the National Concessions Board, and the construction stage of the San José - Caldera highway started. The construction stage was completed on January 27, 2010, and at this moment, the exploitation stage started (toll collection) for all the highway sections.

**Basis of Presentation** - The condensed interim financial statements corresponding to the nine month period ended March 31, 2019 have been prepared according to IAS 34, “Interim Financial Reporting,” and they should be read along with the annual report for the year ended December 31, 2018, prepared in accordance with the International Financial Reporting Standards (IFRS.)

**Accounting Policies** - Except for the following, the accounting policies that have been applied are consistent with those applied in the annual report of 2018.

Taxes earned on results of the interim periods are calculated in function of the tax rate applicable to the foreseen annual income.

#### **Application of New and Revised International Financial Reporting Standards (IFRS)**

The amendments to the International Financial Reporting Standards are consistent with those applied in the annual report for the year 2018.

## 2. CASH AND CASH EQUIVALENTS

As of March 31, 2019 and December 31, 2018, cash and cash equivalents were broken down as follows:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Cash on hand and due from banks	18,741,418	10,273,066
Cash equivalents	26,226	26,226
<b><u>Total</u></b>	<b><u>18,767,644</u></b>	<b><u>10,299,292</u></b>

As of March 31, 2019 and December 31, 2018, cash and cash equivalents included certificates of deposit at Banco de Costa Rica.

### 3. RESTRICTED CASH

The restricted cash for the years ended March 31, 2019 and December 31, 2018:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Allowance for long-term debt	6,136,045	6,135,071
Allowance for maintenance	5,954,006	7,253,306
<b>Total</b>	<b>12,090,051</b>	<b>13,388,377</b>

On May 31, 2017 the company issued a bond in the local and international market and canceled the debt with CABEI/Bankia. This transaction required a renewal of the Fidecomiso that is detailed in note 16.

The account denominated allowance for long-term debt is related to the "Fideicomiso Irrevocable de Garantía y Administración de Cuentas del Proyecto de Concesión San José - Caldera" (Irrevocable Account Management and Guarantee Trust Agreement of the San José-Caldera Concession Project Accounts) (Note 16). The objective of this account is to reserve the amounts to be paid in the short-term of the bonds operation, in order to comply with the Loan Agreement (Note 17). This reserve is subdivided into:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Debt Service Reserve Account US Bonds	4,410,545	18,418,875
Debt Service Reserve Account CR Bonds	1,725,500	1,725,500
	<b>6,136,045</b>	<b>20,144,375</b>

(1) Additionally, at March 31, 2019 a guarantee amounting US\$ 12,500,000 has been issued by Globalvia Inversiones

The objective of the allowance for maintenance, is to fund the Operation and Maintenance account in case of situations of insufficiency in this account.

### 4. ACCOUNTS RECEIVABLE

Accounts receivable mainly include accrued and uncollected interest on bank deposits held (Note 2 and 3), exemptions from fuels and asphalts, sales taxes to be recovered and balances receivable from the Grantor.

## 5. PREPAID EXPENSES

The detail of the prepaid expenses is the following:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Construction companies and repairs	202,364	316,380
Insurance	128,591	587,546
Others	153,856	198,888
<b>Total</b>	<b>484,811</b>	<b>1,102,814</b>

## 6. VEHICLES, FURNITURE, AND EQUIPMENT - NET

The detail as of March 31, 2019 and December 31, 2018 of vehicles, furniture, and equipment is the following

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Vehicles	1,362,574	1,357,274
Office furniture and equipment	1,025,519	1,017,263
Computer equipment	1,037,859	966,712
Subtotal	3,425,952	3,341,249
Vehicle depreciation	(1,062,994)	(1,028,859)
Depreciation of office furniture and equipment	(548,483)	(520,414)
Depreciation of computer equipment	(552,873)	(510,842)
Less: Accumulated depreciation	(2,164,351)	(2,060,114)
<b>Net</b>	<b>1,261,601</b>	<b>1,281,135</b>

The movement of the vehicles, furniture, and equipment account during the period between January 1<sup>st</sup> and March 31, 2019 and 2018:

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Initial balance	<b>1,281,135</b>	<b>1,626,820</b>
Additions	84,703	8,371
Disposals – cost		-
Disposals - accumulated depreciation		-
Depreciation expense	(104,237)	(103,563)
	<hr/>	<hr/>
Final balance	<b>1,261,601</b>	<b>1,531,628</b>

## 7. FINANCIAL ASSET - CONCESSION AGREEMENT

The detail of the financial asset account balance is the following:

	<b>Note</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Initial balance		<b>370,103,573</b>	<b>370,103,573</b>
Increases resulting from construction and operation of the highway		5,398,548	3,932,443
Increase from financial income		15,083,365	14,804,178
Charges through toll collection (Note 22) and Complementary Agreement No.1		(19,185,830)	(18,713,349)
		<hr/>	<hr/>
<b>Total</b>		<b>371,399,656</b>	<b>370,126,845</b>
Less: Current portion of financial Asset		(80,275,677)	(76,747,272)
		<hr/>	<hr/>
<b>Total – Non Current Portion of Financial Asset</b>		<b>291,123,979</b>	<b>293,379,572</b>

## 8. ACCOUNTS PAYABLE

Accounts payable for March 31, 2019 and December 31, 2018 include construction suppliers, service suppliers (security and toll agents) and others.

In addition, as of December 31, 2018, there is a balance of US\$1,884,093, respectively related to the withholding tax on remittances abroad according to Law No.7092 for December due to the payment of interest of the international bonds (Note 17). This withholding tax has been paid on January 2019.

## 9. ACCUMULATED EXPENSES

As of March 31, 2019 and December 31, 2018, the accumulated expenses are detailed as follows:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Interest payable	5,884,063	
Employees' legal benefits	407,527	353,110
Provision for vacations	47,135	61,967
Provision for duty payable to Consejo Nacional de Concesiones	193,399	734,392
Provisions for suppliers (not billed)	1,160,259	778,290
Othes	51,636	12,574
<b>Total</b>	<b>7,744,019</b>	<b>1,940,333</b>

## 10. INCOME TAX

**Review by Tax Authorities** - Income tax returns for the last three fiscal years are open for review by the tax authorities. Consequently, discrepancies may arise from the application of concepts by the tax authorities that differ from those applied by the Company. The Company's tax management considers that it has properly applied the tax regulations. The tax rate in Costa Rica is 30%.

**Income Tax Calculation** - As of March 31, 2019, and 2018, income tax was calculated on the accounting profit using the current tax rate, deducting non-taxable income, and adding the non-deductible expenses:

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Profit before income tax	10,101,229	9,585,570
Difference between IFRIC result and tax result	(3,595,065)	(3,378,208)
Adjustments to the tax basis	1,222,445	302,088
Profit before tax, adjusted	7,728,609	6,509,450
Tax rate	30%	30%
Current income tax	1,952,835	2,242,687
Deferred Income Tax	1,078,519	4,989,518
<b>Income tax</b>	<b>3,397,102</b>	<b>2,966,297</b>

**Deferred Income Tax** - Deferred income tax liability originates from the financial asset related to the public works concession agreement. Deferred tax asset originates from the interest rate hedge agreement.

Deferred income tax movement is detailed as follows:

	As of March 31, 2019			
	December 31, 2018	Movement Effect in Results	Movement Effect in Equity	March 31, 2019
Effect of application - IFRIC 12	(55,162,019)	(1,078,519)		(56,240,538)
<b>Total</b>	<b>(55,162,019)</b>	<b>(1,078,519)</b>		<b>(56,240,538)</b>

	As of March 31, 2018			
	December 31, 2017	Movement Effect in Results	Movement Effect in Equity	March 31, 2018
Effect of application - IFRIC 12	(50,563,477)	(1,013,463)	-	(51,576,940)
Hedge agreement	-	-	-	-
<b>Total</b>	<b>(50,563,477)</b>	<b>(1,013,463)</b>	<b>(5,351,352)</b>	<b>(51,576,940)</b>

## 11. OPERATING EXPENSES

The detail of operating expenses as of March 31, 2019 and 2018:

	Note	March 31, 2019	March 31, 2018
Salaries		635,855	594,701
Social contributions		155,711	160,292
General office expense		221,360	237,065
Rentals		33,879	43,878
Depreciation	7	104,237	103,563
Amortization		14,983	15,911
Professional fees		1,122,777	1,074,662
All-risk insurance		378,363	344,139
Operation and maintenance		902,353	539,623
1% duty and other fees		287,783	327,013
Bank fees		114,313	147,215
Other taxes		71,562	64,588
Other operating expenses		40,476	41,773
<b>Total</b>		<b>4,083,652</b>	<b>3,694,423</b>

Duties (fees) also include 1% of the toll income of the period corresponding to the amount earned for adopting the Guaranteed Minimum Income plan with the National Concession Board, according to the Concession Agreement.

## 12. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Balances with related parties are detailed as follows:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
<u>Short-term accounts receivable</u>		
Infraestructura SDC Costa Rica, S.A.	1,170	970
SyV Concesiones, S.A.	926	413
M&S Desarrollo Internacional, S.A.	1,253	991
Promotora de Infraestructura, S.A.	1,015	628
<b>Total</b>	<b>4,365</b>	<b>3,002</b>
<u>Long-term Loans</u>		
Infraestructura SDC Costa Rica, S.A.	16,676,309	16,676,309
SyV Concesiones, S.A.	12,752,472	12,752,472
M&S Desarrollo Internacional, S.A.	34,333,578	34,333,578
Promotora de Infraestructura, S.A.	34,333,578	34,333,578
<b>Total</b>	<b>98,095,936</b>	<b>98,095,936</b>
<u>Interest Receivable</u>		
Infraestructura SDC Costa Rica, S.A.	452,113	285,350
SyV Concesiones, S.A.	345,734	218,209
M&S Desarrollo Internacional, S.A.	930,821	587,486
Promotora de Infraestructura, S.A.	930,821	587,486
<b>Total</b>	<b>2,659,490</b>	<b>1,678,531</b>
<b>Total Long – term Loans and Interest receivable</b>	<b>100,755,426</b>	<b>99,774,466</b>
<u>Accounts payable (long term and short term):</u>		
Globalvía Inversiones, S.A.	1,662,194	1,838,398
Globalvía Infraestructuras Chile, S.A.	128,074	115,379
<b>Total</b>	<b>1,790,268</b>	<b>1,953,777</b>

Long-term accounts receivable correspond to a loan granted to shareholders with fixed interest rate (4%). The maximum maturity is the date of the end of the concession.

Accounts receivable and payable in the short-term do not have guarantees, do not earn interest, and do not have a previously-agreed maturity date. These originate from business transactions as well as from intercompany loans.

Accumulated expenses payable correspond to sureties and the billing of professional services rendered by the Company's key staff.

Transactions with related parties are the following:

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
<u>Miscellaneous fees (includes surety bonds and guarantees)</u>		
Globalvía Inversiones, S.A.	24,778	118,819
Globalvía Infraestructuras Chile, S.A	12,696	
<b>Total</b>	<b>37,474</b>	<b>118,819</b>

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
<u>Financial Income</u>		
Infraestructura SDC Costa Rica, S.A	166,763	180,497,49
SyV Concesiones, S.A.	343,336	371,612,49
M&S Desarrollo Internacional, S.A.	127,525	138,027,51
Promotora de Infraestructura, S.A.	343,336	371,612,49
<b>Total</b>	<b>980,959</b>	<b>1,061,750</b>

Fees correspond to services provided by the Parent Company necessary for the development of the project, among these, services in the areas of construction, traffic, information systems, sureties, and legal. In addition, management services fees correspond to fees earned by the Financial Director, who is expatriate employee from the Company's shareholders (the amount earned by these directors is approved by the Company's Board of Directors, and the sums paid are periodically billed to the Company by the respective employers of these persons).

The financial income corresponds to the interest accrued by the loan granted to the shareholders of the Company.

### 13. OTHER INCOME

The 2019 and 2018 other income of the period correspond to the recovery of US dollars that were previously registered as repair and maintenance expenses for damages caused by the users, in addition to the sale of scrap and other income for the right of use of the highway.

### 14. CAPITAL STOCK AND ADDITIONAL CAPITAL CONTRIBUTIONS

**Capital Stock** - As of March 31, 2019 and December 31, 2018, capital stock amounts to US\$2,500,000, represented by 2,500,000 nominative common shares of US\$1.00 each. The totality of the shares was endorsed to guarantee the loan with Banco Centroamericano de Integración Económica (BCIE) and Bankia SAU (Note 16), and these were in a trust entered into with Scotiabank de Costa Rica, S.A. (Note 16).

**Additional Capital Contributions** - As of March 31, 2019 and December 31, 2018, no additional capital contributions were made by the shareholders; thus, the amount remained in US\$58,000,000 for both years.

**Legal Reserve** - As of March 31, 2019 and December 31, 2018, the Company reaches 20% of the legal reserve established by Costa Rican laws. Such reserve is accounted for in the moment in

which the financial statements have been approved by the shareholders' Meeting.

**Dividends** – In 2018 and 2017, dividends amounting to US\$43,700,000 and US\$20,000,000 were paid, respectively

## 15. MAIN AGREEMENTS.

Regarding to the main agreements included in the annual report 2018, there have not been significant changes (Notes 16, 17, 19, 20, 21, 22, 23 and 25 of the annual accounts).

## 16. FINANCING AGREEMENT

On May 31, 2017, Autopistas del Sol, S.A. issued a bond in the international market under rule 144A (Securities Exchange Commission) and simultaneously a bond issue in the local market authorized by Superintendencia General de Valores. The main characteristics of the emissions are:

	<b>International Bond</b>	<b>Local Bond</b>
Amount	US\$300,000,000	US\$50,750,000
Balance at 31.12.2018	US\$297,000,000	US\$50,750,000
Balance at 31.03.2019	US\$284,865,000	US\$50,750,000
Interest rate	7.375%	6.80%
Maturity	30 December de 2030	30 June 2027
Currency	United State Dollar	
Period of settlement	Biannual	
Date of interest payment	30 June and 30 December	

This transaction has been accounted for in accordance with International Financial Reporting Standards (IFRS) at amortized cost. The interests are registered according to the effective interest rate method. The amortized cost at March 31, 2019 is as follows:

	March 31, 2019	December 31, 2018
International Bond	282,390,970	276,986,899
Local Bond	49,468,438	48,523,122
<b>Total</b>	<b>331,859,408</b>	<b>325,510,021</b>
<u>Less: Current portion of the long- term debt</u>		
International Bond	10,941,000	10,941,000
Local Bond	1,715,350	1,715,350
<u>Less: Interest payable</u>		
International Bond	5,050,474	-
Local Bond	833,589	-
<b>Total</b>	<b>(18,540,413)</b>	<b>(12,656,350)</b>
<b>Total</b>	<b>313,318,995</b>	<b>312,853,671</b>

International and Local bond maturity are the following:

	International Bond	Local Bond
Less than a year	10,941,000	1,715,350
Between 1 and 3 years	26,049,000	9,627,275
Between 3 and 5 years	36,429,000	13,255,900
More than 5 years	211,446,000	26,151,475
	<b>284,865,000</b>	<b>50,750,000</b>

**Limitation on Restricted Payments** - The main conditions to declare or make any Restricted Payment are:

- a. No Default or Event of Default exists, or would exist after such a payment;
- b. All required payments of Debt Service through the month-end date immediately preceding the date such Restricted Payment is to be made have been fully accounted for through the Indenture Trustee Accounts, the A&R Payment and Guarantee Trust Accounts or paid in full.
- c. The Debt Service Coverage Ratio with respect to the most recently completed Calculation Period is equal to or greater than 1.20. (1.37 in December 2018 and 1.31 in June de 2018)
- d. The Projected Debt Service Coverage Ratio, with respect to the Calculation Period in effect on the date such calculation is made (as set forth in the current Annual Budget and Base Case Model), is equal to or greater than 1.20.
- e. The Debt Service Reserves Accounts is funded in an aggregate amount not less than the Debt Service Reserve Required Amount and the O&M Reserve Account is funded in an aggregate amount not less than the O&M Reserve Required Amount.

The Company agrees and convenes with the Secured Parties that, until the date of final termination, they will be bound by the following affirmative and negative covenants, which have been previously established:

**Affirmative Covenants** – The main affirmative covenants of the Agreement are detailed as follows:

- a. Maintaining the project in good condition
- b. Keeping insurance and relevant permits up-to-date
- c. Complying with regulatory requirements
- d. Maintaining guarantees
- e. Conducting business
- f. Complying with the reporting obligation, including the presentation of financial statements
- g. Complying with the repayment obligation, including scheduled amortization and payments
- h. Being continuously committed to the business
- i. Maintaining authorized auditors
- j. Timely filing all the required tax returns
- k. Financing certain reserves and other accounts in accordance with the Irrevocable Guarantee Trust and Account Management Agreement (Note 19).
- l. Maintaining ratings

**Negative Covenants** – The main negative covenants of the Agreement are detailed as follows:

- a. Debt limitations
- b. Limitations to amendments, modifications, and exemptions of the project's documents
- c. Limitations to the termination and allocation of transaction documents
- d. Limitations to subsidiaries and investments
- e. Limitation to the sale of assets
- f. Limitation to transactions with stockholders and affiliates
- g. Restrictions in mergers, consolidation, liquidation or dissolution transactions
- h. Restrictions in hedge transactions with commercial or speculative purposes
- i. Restrictions related to paying in advance or paying off the debt

The Agreement shall establish that certain events, actions, circumstances, or conditions that will be considered an event of default regarding the bonds, among which the following are included:

- a. Not paying any principal or interest on the promissory notes when these expire
- b. Failure to comply with the loan documents
- c. Failure to comply with the terms of the assignment agreement
- d. Deceitful behavior (in any material matter)
- e. Seizure or similar process against any of the properties of the concession (including those properties subject to the guarantee documents) for the sum higher than U\$25.000.000
- f. Event of loss
- g. When a sentence has been pronounced, or an order or final and unappealable arbitration award has been issued, against the Issuer or any property of the Concession exceeding the threshold amount, or when one or more sentences have been pronounced, or one or more orders or final and unappealable arbitration awards have been issued against the Issuer of the Project, and which could, or could be reasonable expected to, result in an Adverse Material Change.
- h. Inability to pay debts for an amount exceeding the threshold amount.
- i. Bankruptcy or insolvency proceedings
- j. CNC will not pay the sum corresponding to the Minimum Income Guarantee after the final resolution of any conflict regarding this payment is given, according to the Concession Agreement,
- k. Revocation, suspension, termination or repudiation of the Concession Agreement
- l. Revocation, suspension, termination, or rejection of other Project documents of the Project
- m. Not maintaining the relevant permits required for the Project
- n. Guarantees are no longer in full force of effect, and neither are any promissory notes, or any other document securing an obligation, applicable either.
- o. Any event of force majeure that has materially and adversely affected the Project for two hundred seventy (270) consecutive days.

After the breach of contract occurs, and while it continues to occur, the bondholders will have certain remedies available to them, including the right to accelerate the reimbursement obligation in virtue of the bonds.

As of March 31, 2019, the Company has complied with the covenants of the loan agreement.

## 17. GUARANTEES

According to the terms of the Concession Agreement (Note 16), the Concessionaire must provide the following bonds:

- a. **Operation Guarantee** - Operation bonds will have the same validity term as the operation period. As of December 31, 2018 and March 31, 2019, the Company will extend the operation bonds, which have been assumed by the Company's shareholders.

As of March 31, 2019, the aforementioned bonds will be in the amount of US\$276,600 (US\$26,400 of the Complementary Agreement, US\$46,300 of Sector I, US\$126,400 of Sector II and US\$77,500 of Sector III), an amount notified by the National Concession Board and which expires on May 7, 2019.

- b. **Environmental Guarantee** - On December 4, 2007, an environmental guarantee was furnished on behalf of the Ministry of Energy and Mines (MINAE) in the amount of US\$1 million, which was provided by Constructora San José - Caldera CSJC, S.A., pursuant to the construction agreement (Note 26g). During 2011, the environmental guarantee was adjusted by MINAE to US\$2.3 million; as of December 31, 2018 such amount is kept as a guarantee that expires on May 7, 2019.
- c. **Other Guarantees** – Guarantee in favor of the Consejo Nacional de Concesiones amounting US\$533.229.75 as a requirement to qualify for the Guaranteed Minimum Income mechanism for 2019. Additionally the Company has also provided for a total of US \$174,478, related to works to be executed detailed in Addendum No.6.

The detail of the guarantees is the following:

	<b>Bond</b>	<b>Maturity</b>
Section I	46,300	07-May-19
Section II	126,400	07-May-19
Section III	77,500	07-May-19
Complementary Agreement	26,400	07-May-19
Environment	2,300,000	07-May-19
Guaranteed Minimum Income 2019	533,230	31-Dic-19
Addendum 6	174,478	31-Oct-19
<b>Total</b>	<b>3,284,308</b>	

The Company has signed a contract with Banco BAC San José to secure obligations for the account of third parties and to comply with filing the guarantees required by the Concession Agreement and others within the Company's ordinary course of business. The maximum amount of such agreement is US\$6,000,000 with 1% annual commission on the amount of each of the guarantees issued to secure the contract, with maturity in October 2019.

## 18. FINANCIAL INSTRUMENTS

A summary of the main disclosures regarding the financial instruments is the following:

### FINANCIAL INSTRUMENT CATEGORIES

As of March 31, 2019 and December 31, 2018, the Company's financial instruments consist of the following:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Cash	18,741,418	10,273,066
<u>Financial assets (valued at fair value):</u>		
Restricted cash	12,090,051	13,388,377
Financial assets (valued at amortized cost):		
Cash equivalents	26,226	26,226
Accounts receivable	1,337,706	692,921
Accounts receivable from related companies	100,759,791	99,777,468
Financial asset - concession agreement	371,399,656	370,103,573
<b>Total</b>	<b>504,354,848</b>	<b>502,865,432</b>

A summary of the main risks associated to the previously mentioned financial instruments, as well as the way in which the Company is managing the risks, is presented as follows:

- a. **Credit Risk** - The financial instruments that may potentially subject the Company to credit risk consist mainly of cash, restricted cash, cash equivalents, held-to-maturity investments,

and accounts receivable. Cash, cash and cash equivalents, restricted cash, and held-to-maturity investments are kept at sound financial institutions, are payable on demand, and generally pose a minimum risk. The accounts receivable are mainly with government agencies and with related companies that do not present any risks for their recovery based on the Company's previous experience with these entities.

- b. **Liquidity Risk** - The Company requires of liquid funds for its normal operation. For these purposes, the Company receives on a daily basis liquidity through toll collection. The Company constantly monitors its cash flows and analyzes its matched maturities, in order to attend to any short and mid-term obligation.
- c. **Interest Rate Risk** -Until May 31, 2017 The loan obtained for financing the works has been acquired at fluctuating interest rates (Libor rate plus a margin). Consequently, the Company is exposed to risk of variations in such interest rate, which effect can be significant in the Project's operations. In order to be protected from this risk, the Company entered into an interest rate swap agreement. This risk was cancelled with the new financing at fixed rates.
- d. **Exchange Rate Risk** - Most of the transactions conducted by the Company have been denominated in US dollars, and the transactions performed in Costa Rican colones (local currency) during these stages have been minimal. In addition, both the financing structure and the public works concession agreement include that most of the Company's construction and operating income and costs have been convened in this currency. Income from toll collection is received in Costa Rican colones, which is exchanged to US dollar on a daily basis, and in addition, the rate is adjusted on a quarterly basis, taking into account the exchange rate behavior. Consequently, Management considers that the Project is not exposed to exchange rate risk, except for those transactions that take place in local currency, which are not material.
- e. **Leverage Risk** - The Company manages its capital structure in order to maximize the return for its shareholders by optimizing equity and debt balance. The capital structure used consists of debt, cash and its equivalents, restricted cash, and shareholders' equity, which is included in the capital stock, additional capital contributions, reserves, retained earnings, and interest flow hedges. The Company's leverage ratio is the following:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Bank debt	325,510,021	325,975,345
Cash and cash equivalents (includes restricted cash)	23,687,669	30,857,695
Net bank debt	<b>301,822,352</b>	<b>295,117,651</b>
Shareholders' equity	115,565,906	117,270,032
Leverage ratio	252%	261%

Restricted cash is included for debt service (Note 3).

f. **Fair Value** - As of March 31, 2019 and December 31, 2018, fair value of financial assets and liabilities, according to their fair value hierarchy, is as follows:  
 Management considers that the nominal amounts recorded for financial assets and liabilities in the financial statements approximate its fair value. The following table includes an analysis of financial instrument at fair value, classified by valuation method:

- **Level 1** - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **Level 2** - Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** - Inputs are unobservable inputs for asset or liability.

All financial assets and liabilities as of March 31, 2019 and December 31, 2018 are level 3.

## 19. CONTINGENT ASSETS AND LIABILITIES

Contingent assets and liabilities are those detailed in the annual financial statements as of December 31, 2018, on which there have not been significant changes that affect the Company's interim financial statements.

## 20. TOLL COLLECTION

The calculation for toll collection is the following:

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Gross toll collection	19,269,037	18,877,012
Co-participation - National Concession Board	-	-
Tolls paid to own employees	(39,844)	(40,229)
Exemptions, not under contract, granted to the Government and others	(140,092)	(126,348)
<b>Net toll collection</b>	<b>19,089,102</b>	<b>18,710,434</b>

The Company, when determining the financial asset balance, in addition to the co-participation with the National Concession Board, does not take into consideration any amounts that correspond to tolls granted to their own employees, as well as non-contractual exempted tolls granted to the Government, and this is due to the fact that it does not receive funds for these concepts.

## 21. SUBSEQUENT EVENTS

Nothing to report.

## 22. APPROVAL OF THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

The financial statements have been approved by Management, and its issue has been authorized for April 30, 2019.

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