

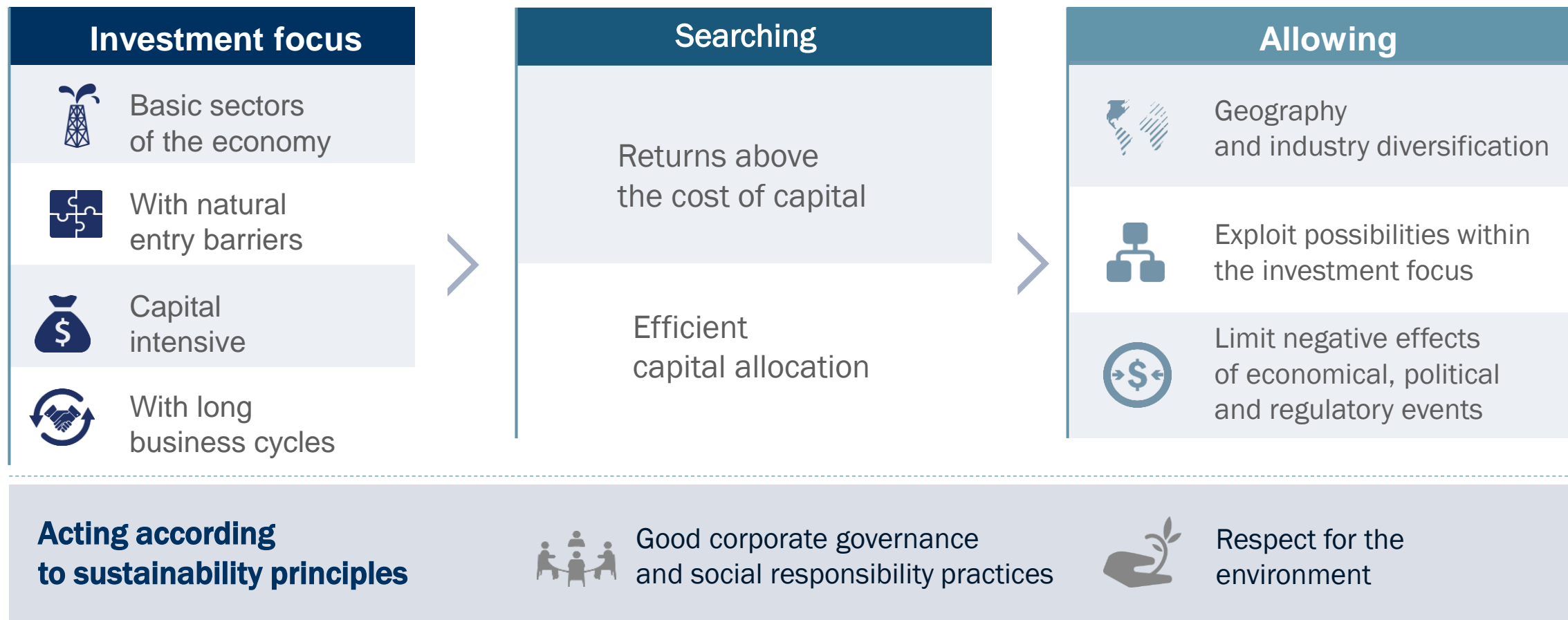


Holding Company with
SUSTAINABLE
INVESTMENTS IN INFRASTRUCTURE



GRUPO ARGOS

Strategy



Our Investments



STRATEGIC In Infrastructure

Cement



55,3%*

- Pure cement player in key markets in the America.
- Logistical synergies.
- Efficiency seeking
- Potential for per-capita consumption growth.
- Risk balance – exposure to economies with different economic cycles.

Energy



52,5%

- Presence in 3 countries.
- Integrated (Gx, transmission distribution and commercialization).

Concessions



Roads and
airports

54,7%

- Road and Airport concession focus.
- Portfolio Optimization



Ports

50%

- Multi-purpose terminals
- Strategic alliances

PORTFOLIO

Real Estate



Real Estate
Fund

50%

- Real estate developers
- Alliance with Concreto 50/50
- > 450,000 m2 of GLA in operation



Urban
Development

100%

- US\$ 1bn worth in assets
- ~ 2.000 Ha in Barranquilla and Barú.
- Synergy opportunities for groups land development

Financial Services



28,8%**

Bancolombia

1,5%***

- * Cementos Argos 55.3% ordinary shares and 46,83% of outstanding shares
- **Grupo Sura 28.74% ordinary shares and 2.09% preferred shares
- ***Bancolombia 1.5% ordinary shares

Food



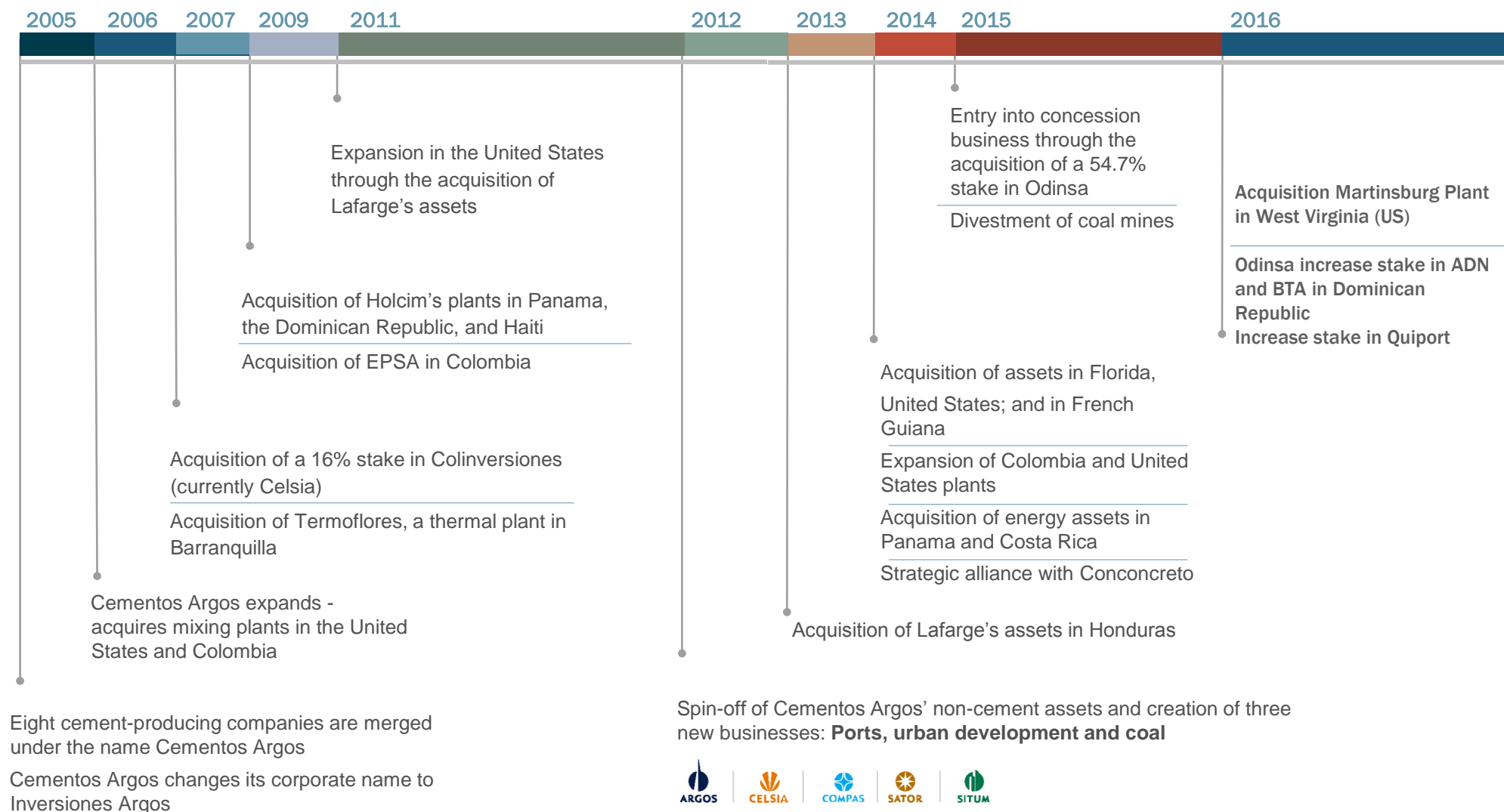
9,8%

History

1934

Founding of Compañía de Cementos Argos (currently Grupo Argos)

Steady organic growth complemented by a track record of value-creating acquisitions





- » 4th biggest players in the United States.
- » 14 countries
- » Cement: 21.5 mn tons per year installed capacity
- » Concrete: 18 mn m3 installed capacity



- » 7,752 GWh of energy generated
- » 274 km transmission networks
- » 20,069 km distribution network
- » 2,388 MW of installed capacity :
- » 3 countries
- » 570,000 Clients

Footprint



- » 3 highway concessions in operations: 1 in Colombia and 2 in Dominican Republic
- » 2 concessions under construction
- » 2 Airport concessions
- » 7 port terminals
- » 50 accessible countries



- » 2 countries
- » 2.1 trillion pesos in assets: 13 shopping centers 7 corporate buildings 14 industrial complex 4 hotels 8 complexes wineries



- » 3 billion pesos in land bank at strategic sites
- » 416 hectares developed In Barranquilla
- » ~ 2,000 Ha to develop between Barranquilla and Barú.

Strengths

BOARD OF DIRECTORS

ROSARIO CÓRDOBA
(Chairman of the Board) - Independent

MARIO SCARPETTA
Independent

ANA CRISTINA ARANGO
Independent

ARMANDO MONTENEGRO
Independent

JORGE URIBE
Independent

DAVID BOJANINI
Non – Independent*

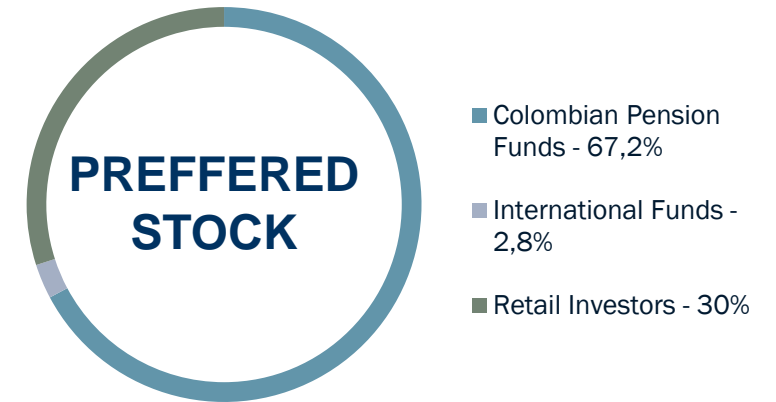
CARLOS GALLEGO
Non – Independent*

JORGE MARIO VELÁSQUEZ
CEO

SHAREHOLDERS



Figures as of June 30, 2016



Preferred shares do not carry voting rights

RECOGNITIONS



The CEO Water Mandate

AFFILIATIONS



Performance



Grupo Argos' Advantages as a Holding Company



Correlation among its businesses, enabling synergies



Access to better financing terms



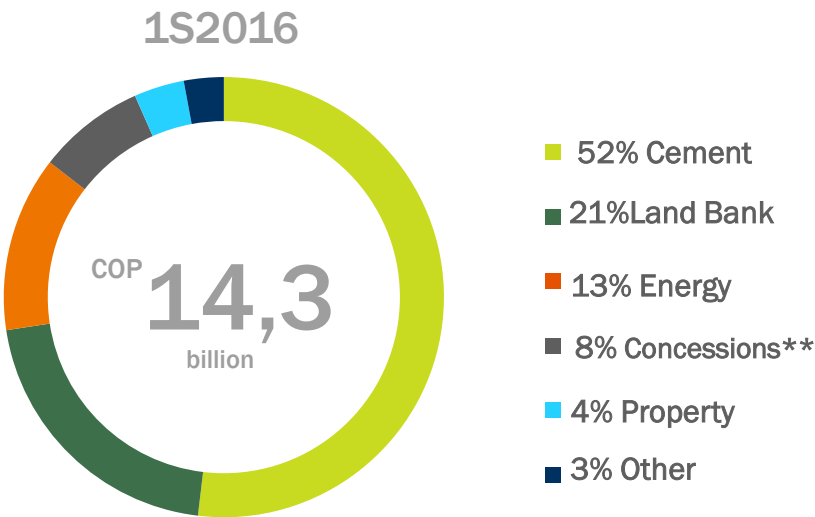
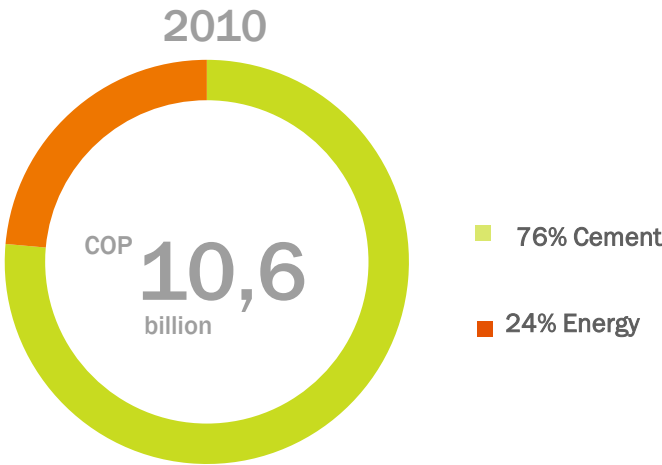
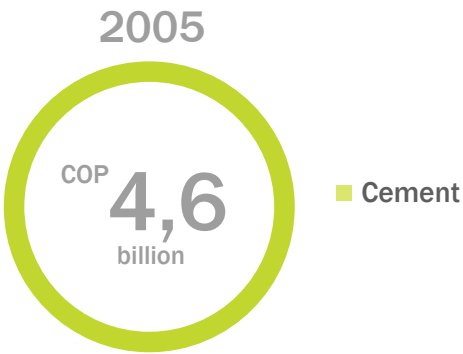
Strategic alignment among subsidiaries



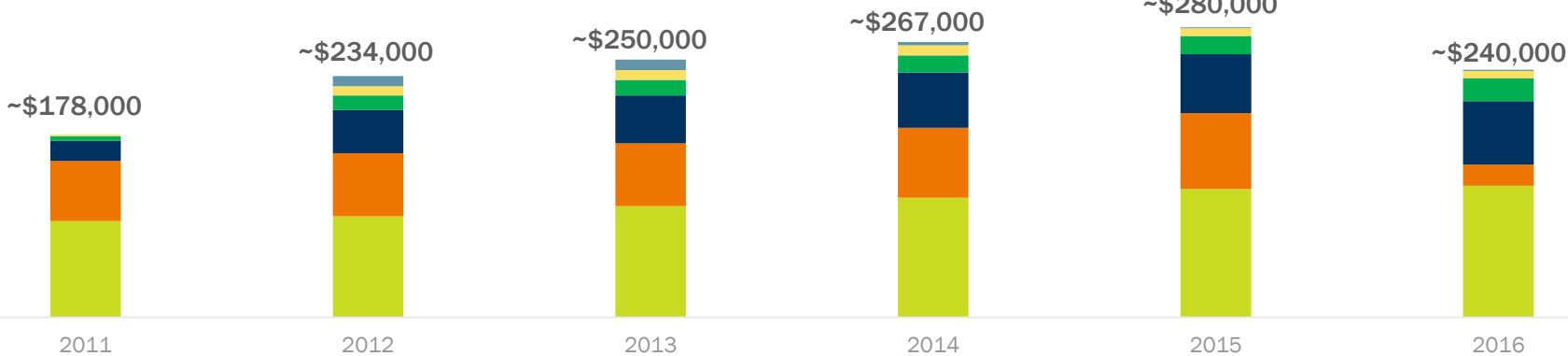
Optimal resource allocation

Portfolio Growth

BY ASSET VALUE*



DIVIDEND GROWTH*** 8% CARG



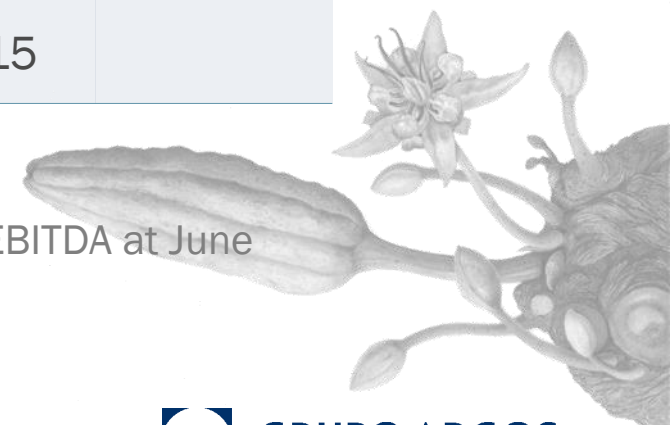
* Doesn't include stakes in Grupo Sura, Nutresa and Bancolombia
** Includes 54,7% stake in Odinsa and 50% stake in Compas
*** Figures in million COP

Consolidated Results

	2Q 2016		
Billion COP	2016	2015	Var.(%)
Revenue	3,396	2,850	19
Costs and Expenses	2,683	2,311	16
Operating Profit	643	563	14
EBITDA	892	765	17
EBITDA Margin (%)	26.26	26.85	

	January - June		
	2016	2015	Var.(%)
Revenue	7,452	5,490	36
Costs and Expenses	5,885	4,387	34
Operating Profit	1,246	906	37
EBITDA	1,854	1,435	29
EBITDA Margin (%)	24.89	26.15	

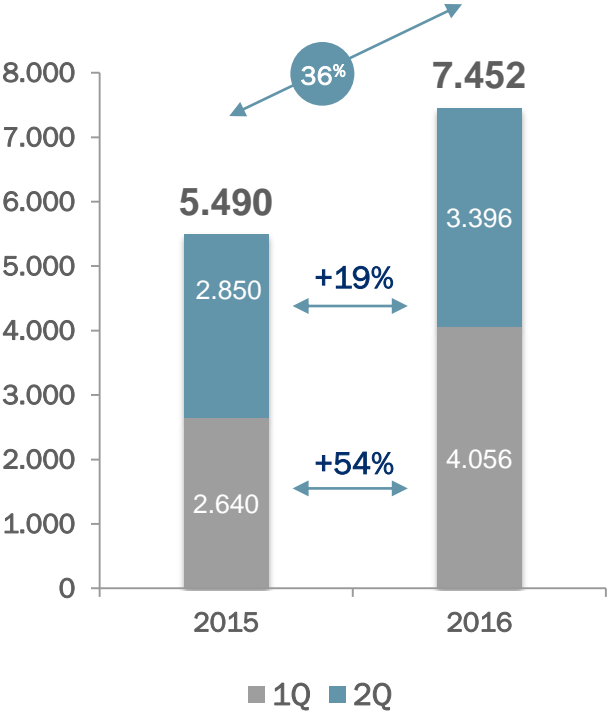
- Active management of the investment portfolio resulting in generating COP 1,854 million in EBITDA at June 2016.
- Consolidation of ODINSA.



Consolidated Results

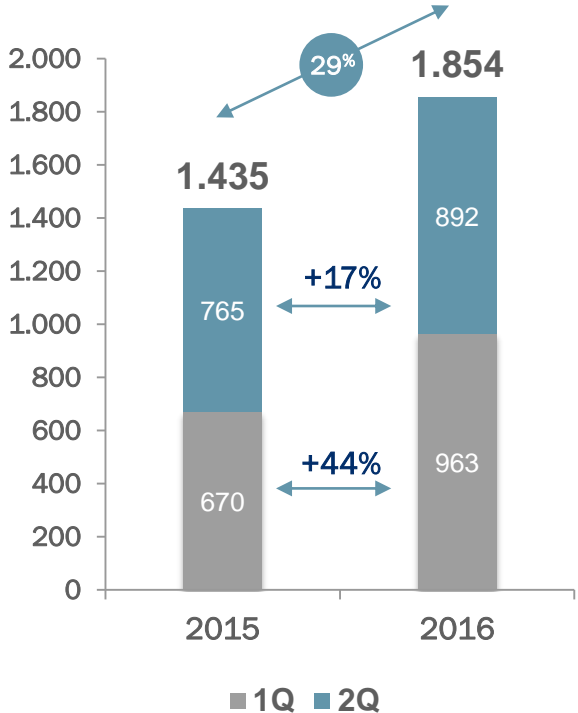
Revenue

Billions of COP

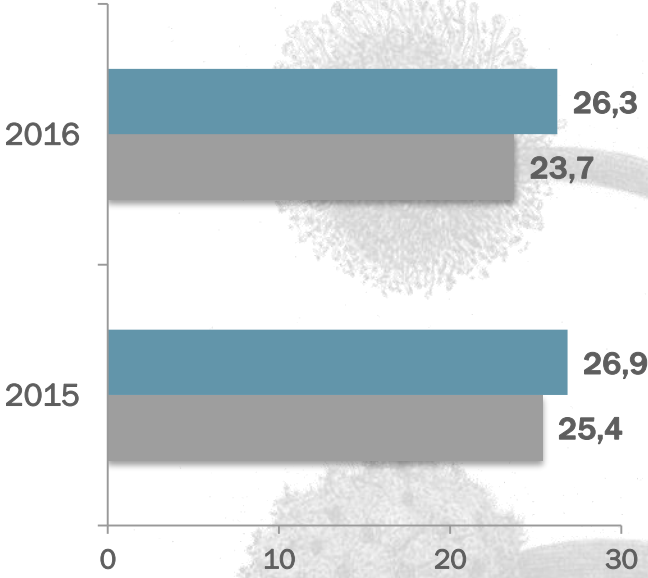


EBITDA

Billions of COP



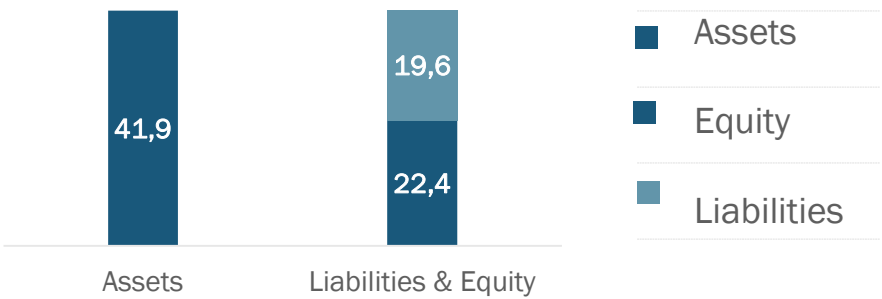
EBITDA Margin (%)



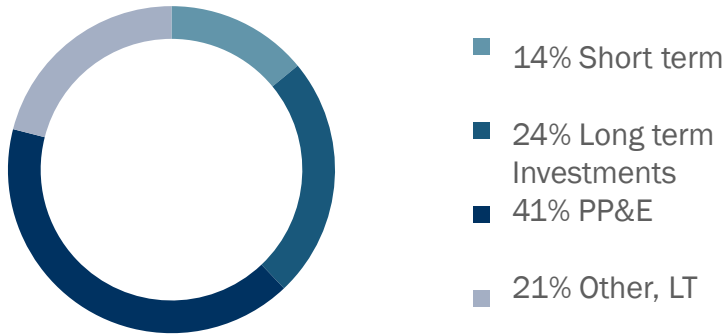
Consolidated Balance Sheet - June 2016

June 2016

Trillions of COP

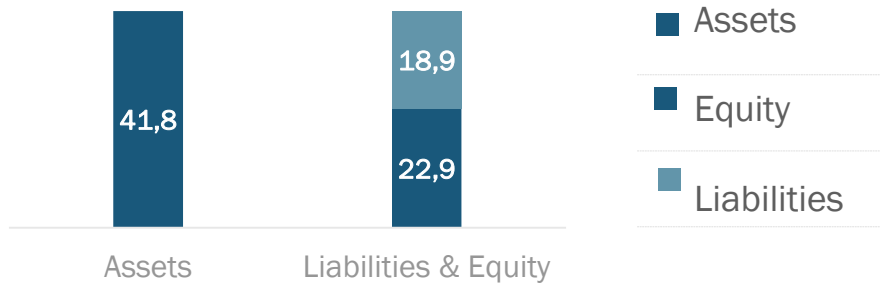


Assets

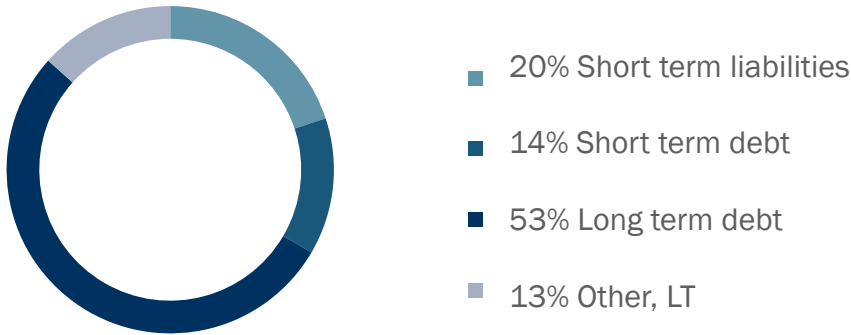


December 2015

Trillions of COP



Liabilities



Separate Results

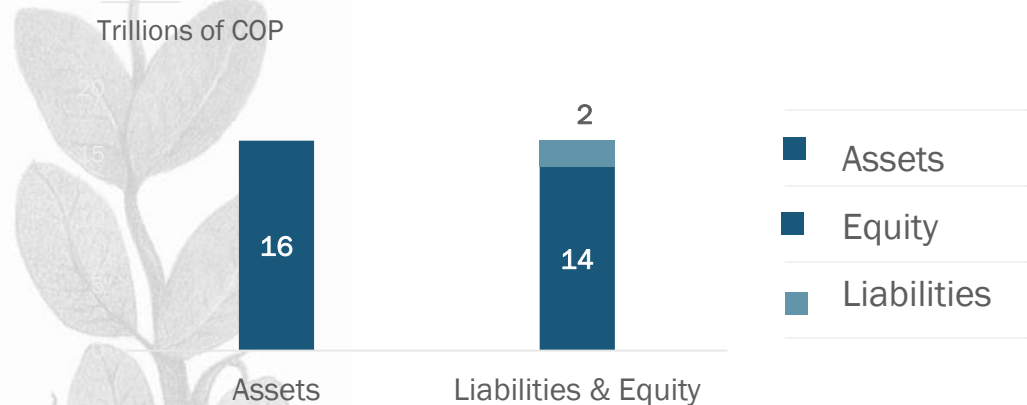


Billion COP	2Q 2016			January - June		
	2016	2015	Var.(%)	2016	2015	Var.(%)
Revenue	115	171	-33	282	297	-5
Costs and Expenses	20	75	-73	58	96	-40
Operating Profit	97	113	-14	202	190	6
EBITDA	98	113	-13	213	201	6
EBITDA Margin (%)	85.3	66.0		75.6	67.6	

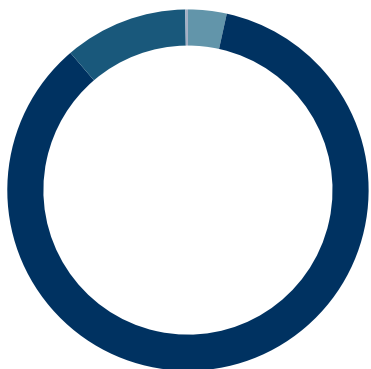
Separate Balance Sheet - June 2016

June 2016

Trillions of COP



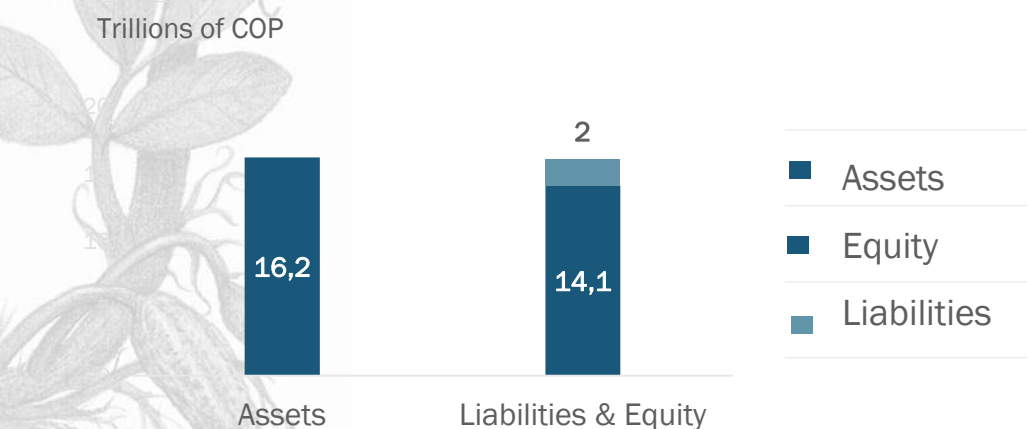
Assets



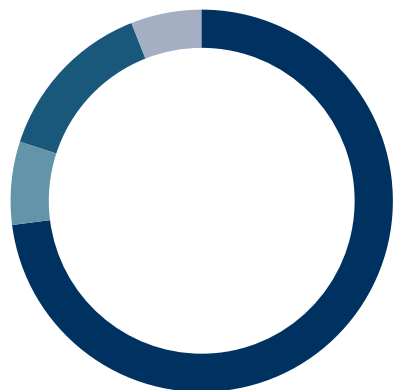
- 85% Long Term Investment
- 11% PP&E
- 4% Short Term
- 0% Other, LT

December 2015

Trillions of COP

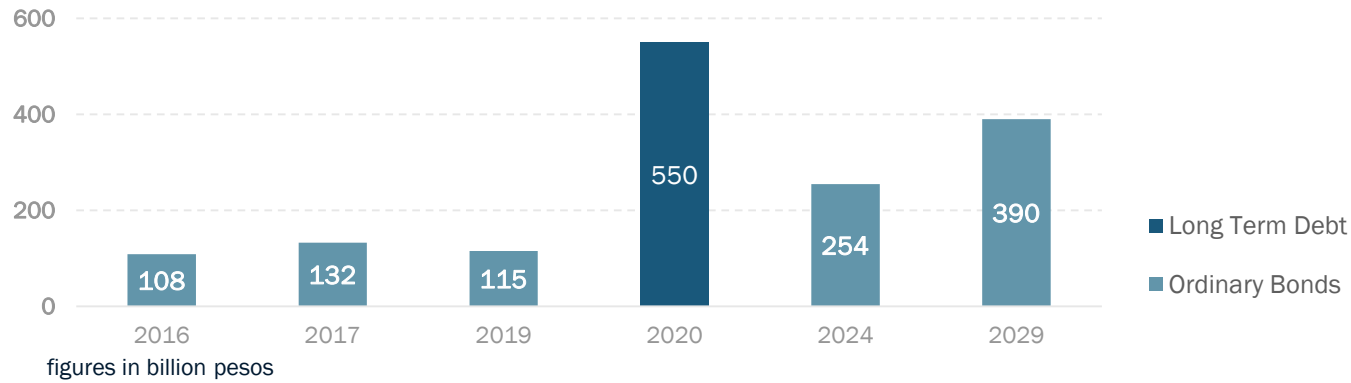


Liabilities

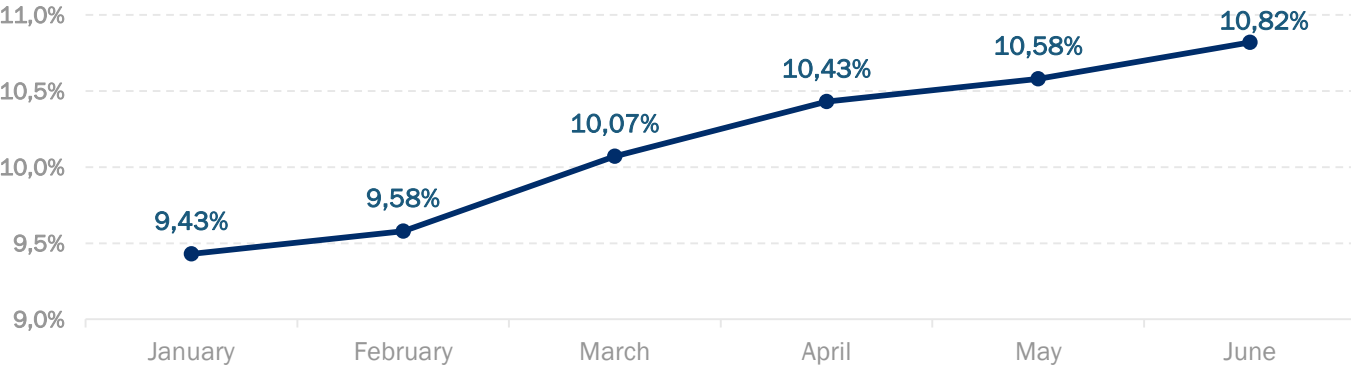


- 73% Long Term Debt
- 14% Short term Liabilities
- 6% Short Term Debt
- 7% Other, LT

Debt Profile



Cost of Individual Debt



*FX 2,994 COP/USD

** Adjusted EBITDA = EBITDA (-) participation method (+) Dividends received (+) Divestments

COP

1,55

BILLION

(USD 513 million)*

3,5x

Debt / Ebitda**



Cement BUSINESS



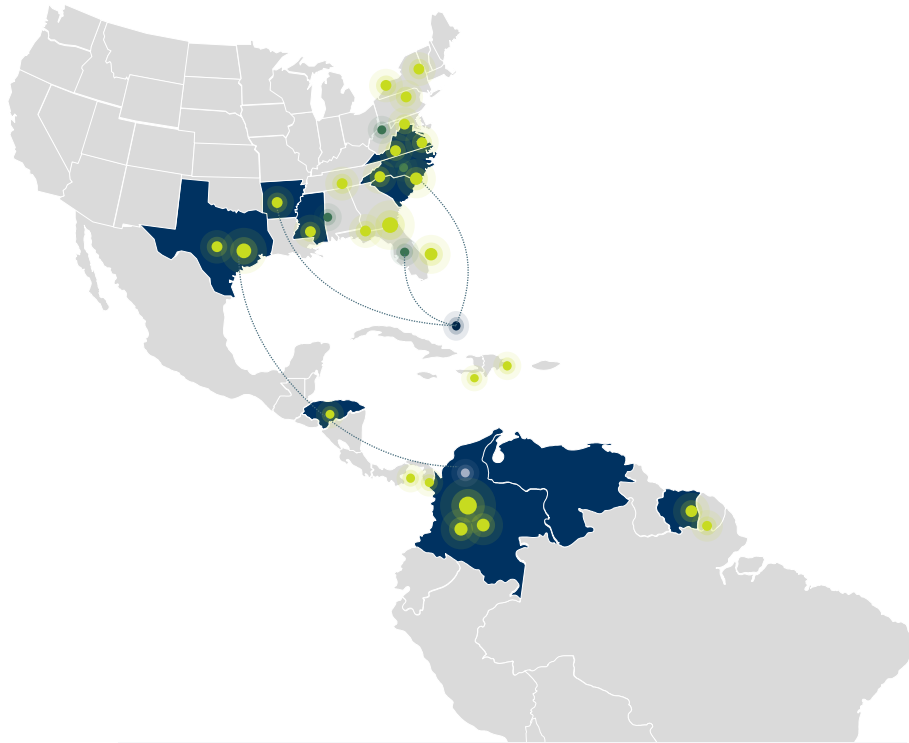
GRUPO ARGOS

Strategic focus




 Efficiency	> Undertaking Strategic Investments to Further Enhance Efficiency and Competitiveness
 Leader	> #1 or #2 Positions in Key Emerging and Developed Interconnected Markets in the Americas
 Logistics	> Flexible Operations with Vertical Integration and Extensive Logistics Network
 Growth potential	> Operating in Countries with Significant Growth Potential
 Organic / inorganic growth	> Strategic Investments Further Enhance Efficiency & Competitiveness Track Record of Successfully Implementing Disciplined Growth Strategy
 Financial discipline	> Healthy Financial Position and Flexibility to Pursue Growth
 Innovation	> Focus on Innovation and Sustainability

Competitive advantage




Low-cost cement
and export potential


State-of-the
art technology

2 Competitive Advantages:
Strategically located assets
and broad distribution and logistics
network enhances flexibility

» U.S. plants provide additional flexibility

- Efficient cement plants with access to distribution networks (sea and rail)
- Potential to supply our Caribbean and Central American markets via exports from the Port of Mobile (Alabama)
- Acquisition Martinsburg Plant consolidates Argos as the 4th biggest players in the United States.

» The Cartagena plant enhances our regional links

- Efficient dry line with cement production capacity of 2.3 MTPA
- Efficient access to low-cost limestone reserves and direct access to a dedicated port
- Operations in a free zone with stable tax exemptions through 2028

Well-established distribution network



27

Ports/terminals



390

Concrete plants



74

Dispatch facilities
and warehouses



14

Cement plants



2.800

Mixers



9

Grinding plants

Growth Potential

Perfect fit with our current footprint



Reaching an important urban region




- » **19 %**
Of US total population
- » **+ 39 %**
Population increase vs. Argos before acquisition
- » **+ 20 bps**
Expected population growth above US population (2016/2020)

New assets

 **2.2 M MT**
Grinding capacity

 **1.6 M MT**
Clinker capacity

 **8 Terminals**
4 with water access
5 with rail access*

 **177 κ**
Total storage

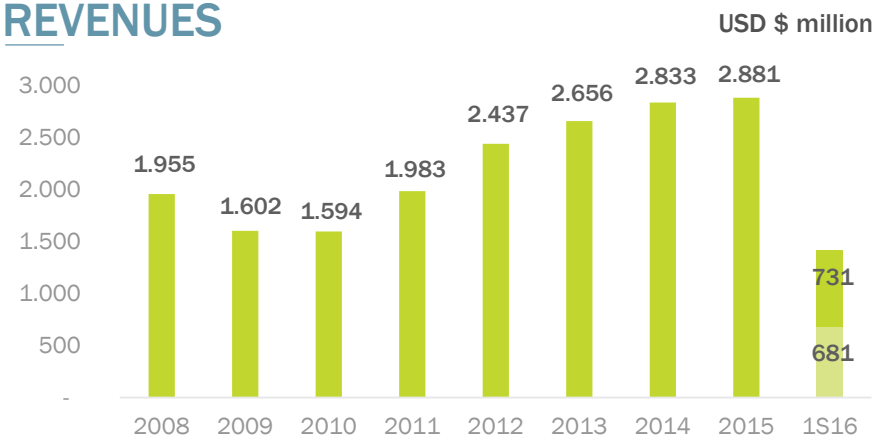
- » Consolidation as the 4th biggest players in the United States.
- » 29% increase of installed capacity in the USA, reaching 10,7mn tons (8,5% of the countries installed capacity).

- » 10% Increase in the companies total installed capacity
- » Assets with positive EBITDA in the market with great growth potential.
- » Acquisition largely financed with the divestment of non-strategic assets, and the Sale of a 20% minority stake in Panama, generating value for shareholders.

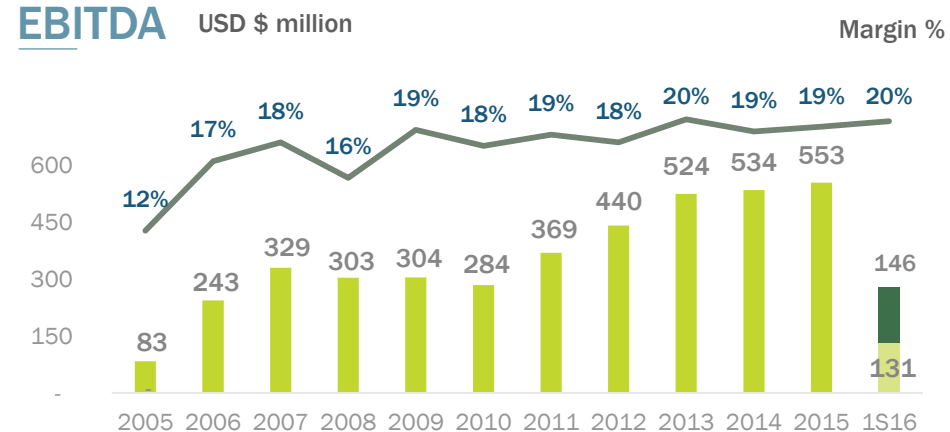
+ 29%
Installed cement capacity in US

Results

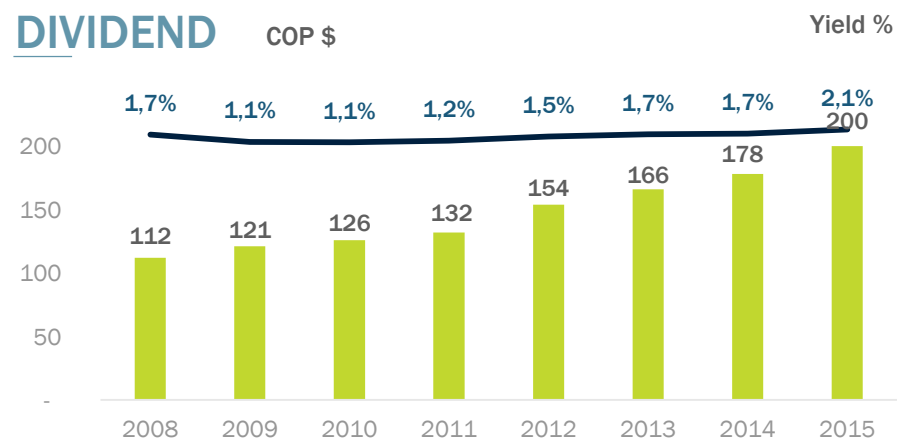
REVENUES



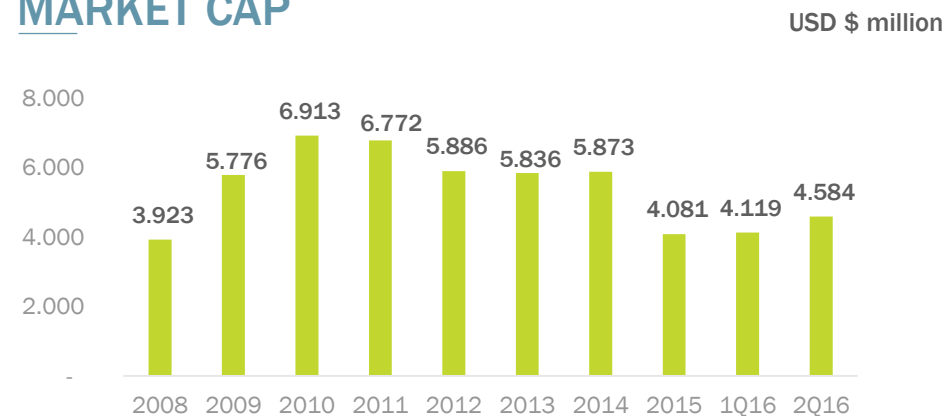
EBITDA



DIVIDEND



MARKET CAP





Energy
BUSINESS



GRUPO ARGOS

Strategic focus



Vertically integrated



Generation, transmission, distribution and commercialization



Portfolio optimization



Increase sources of revenue



Asset selection



Seeking cash flow stability



Innovation



- » Become a major player in large-scale, grid-connected non-conventional renewable energies.
- » Adoption of state-of-the-art technologies and implementation of new business models.



Distributed energy



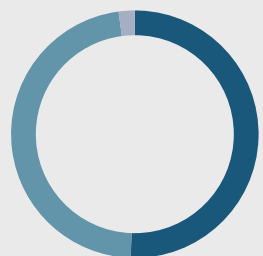
Small-scale, renewable energy generation for on-site use.

Strategic Outlook

Risk diversification

- » Presence in 3 countries: Colombia, Panama, and Costa Rica
- » Electricity generating technologies: hydropower, thermal, and wind
- » Vertically integrated: Hydro, Thermal, Wind

History of consolidation



51% Hydro
47% Thermal
2% Wind

2007

Acquisition of Termoflores
(now Zona Franca Celsia), Colombia

2008

Acquisition of Merilétrica,
the Rio Piedras plant, and the
Hidromontañas Project, Colombia

2009

Acquisition of EPSA, Colombia

2014

Acquisition of GDF Suez's
assets in Panama and Costa Rica

Profitability Seeking

Asset optimization
seeking a portfolio calibration

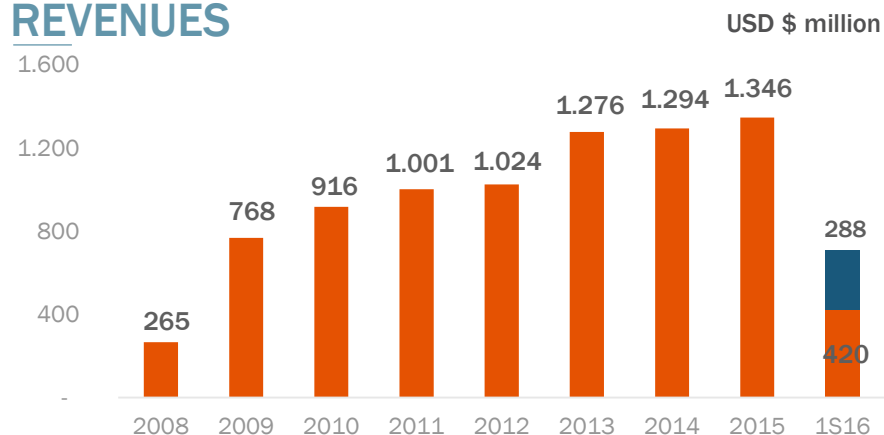
New business units:
(companies, Smart cities and homes)

Innovation: Small-scale,
renewable energy generation for on-site use.

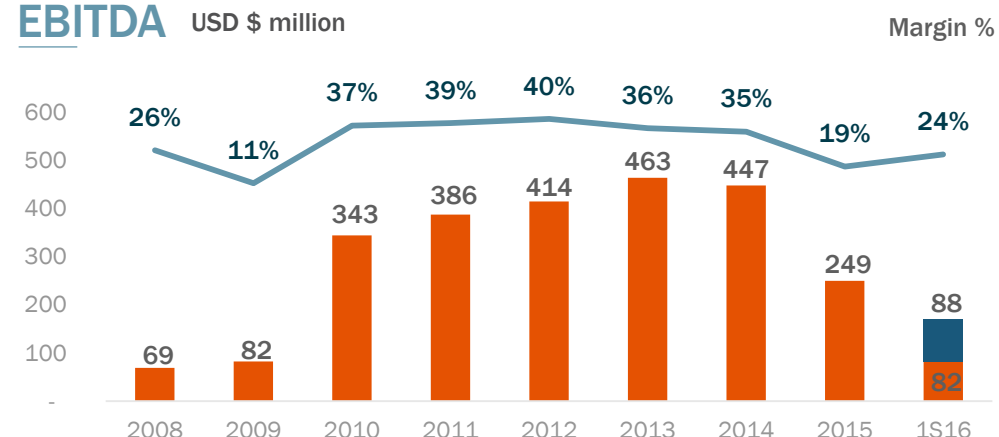
Adoption of new business model
End user focus

Results

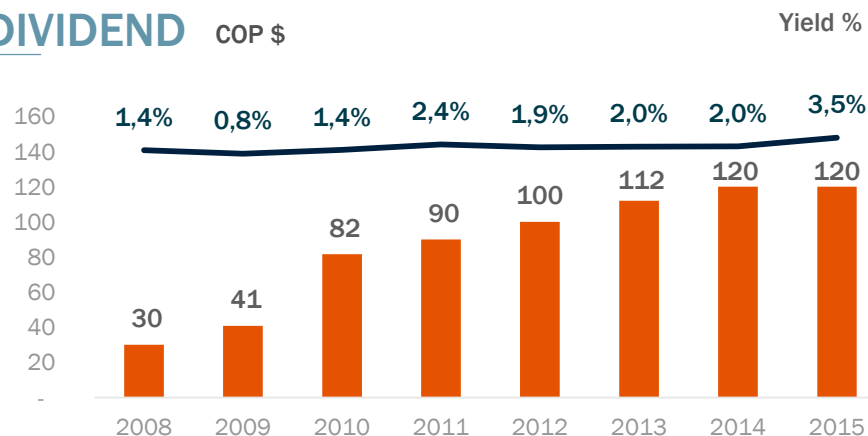
REVENUES



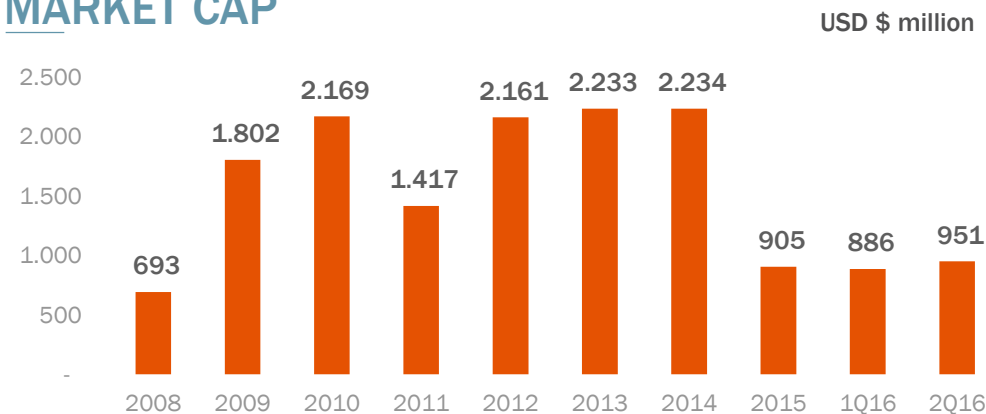
EBITDA



DIVIDEND



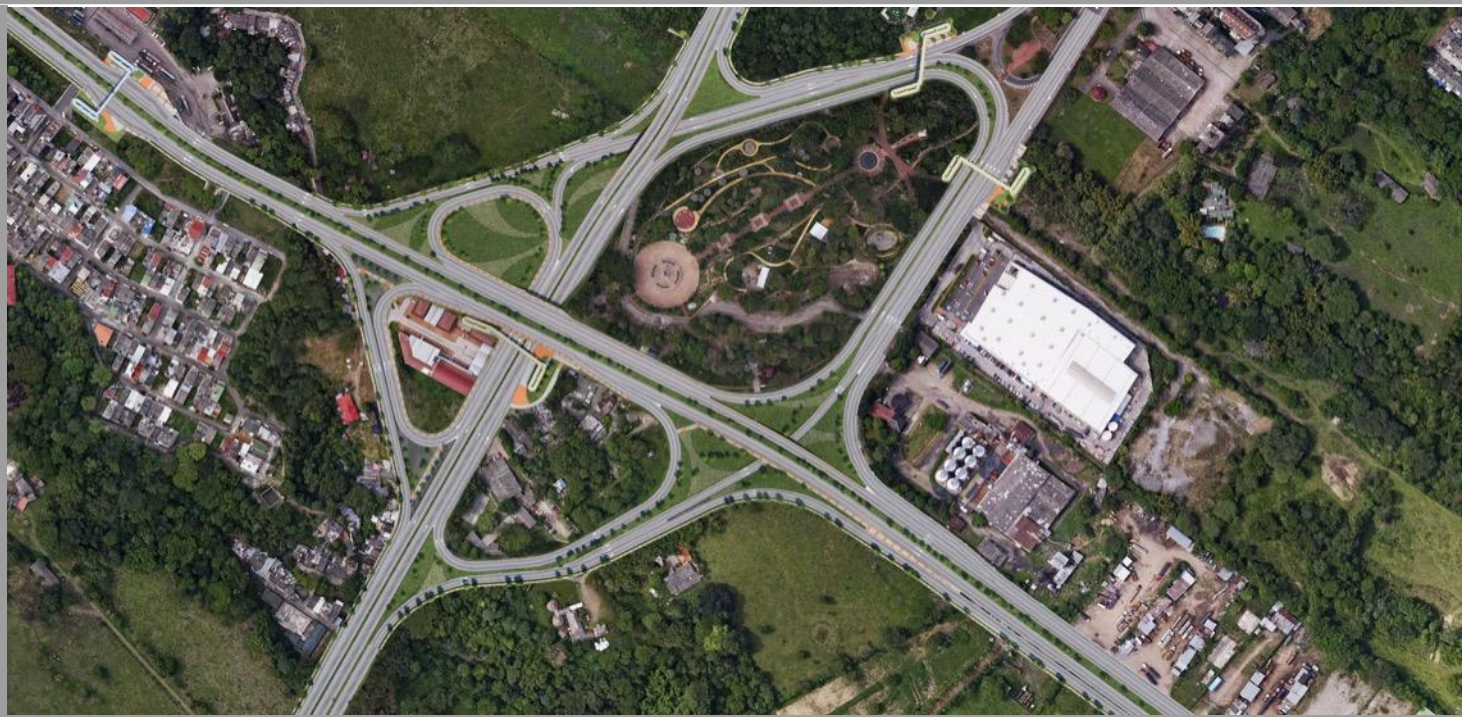
MARKET CAP





Concessions

Roads & airports



GRUPO ARGOS

Strategic focus



Portfolio reshaping



Focus in optimization of projects and resources



Growth opportunities



Presence in countries with big infrastructure need



Sustainable growth and profitability



Diversified business lines that guarantee stable cash flow generation
Selective pursue of projects.



Efficiency



Improve operating efficiency.

Strategic Outlook

History of successful projects
in the region that provided entry to new markets

History of International Projects

2000	Autopistas del Nordeste Project, Dominican Republic
2007	Boulevard Turístico del Atlántico Project, Dominican Republic
2008	» Viadom Project, Dominican Republic » Energy Sector: Generadora del Atlántico, Panama » Energy Sector: Generadora del Pacífico, Chile
2013	Green Corridor Project, Aruba
2015	Mariscal Sucre Airport Concession, Ecuador (Quito)
2016	» Completed acquisition of 50% stake in Mariscal Sucre Airport in Quito, Ecuador » Increase participation to 68% in ADN and BTA in Dominican Republic » Increase participation in Pacifico II

Portfolio Reshaping – Value Creation

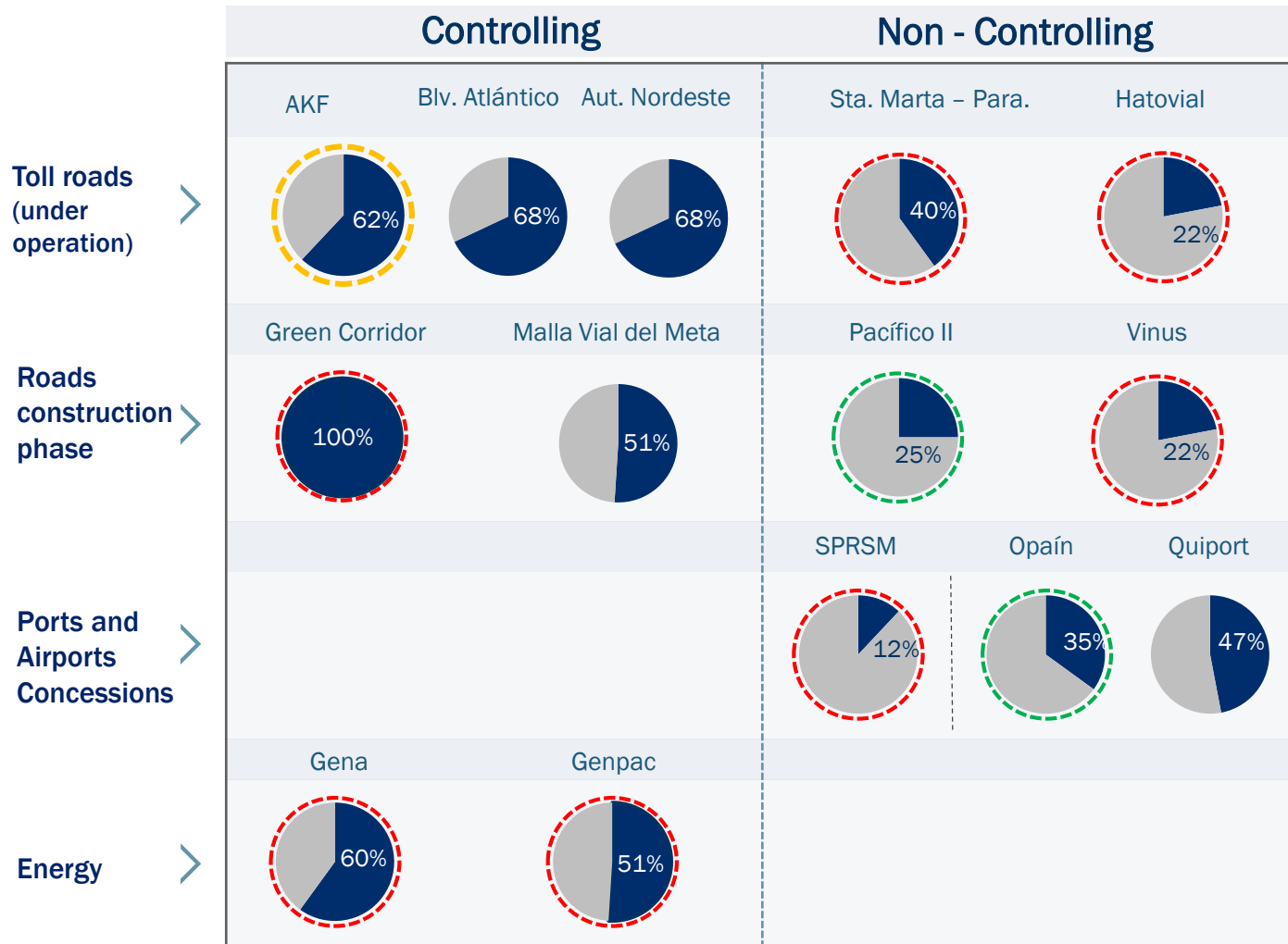
Long-term infrastructure concessions in two specific business segments, at any stage of the value chain.

Acquire controlling position in strategic assets

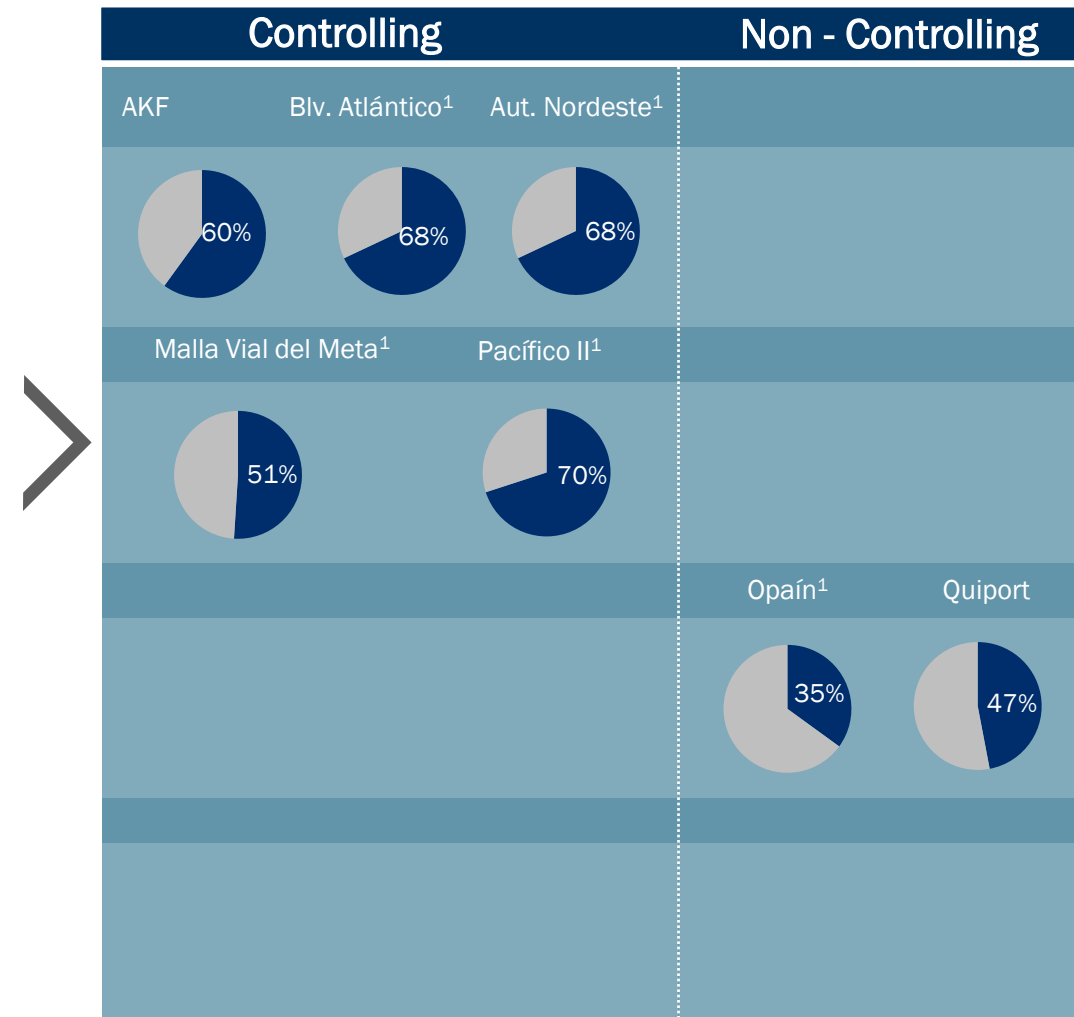
Divest from the electricity generation and sea port businesses.

Sell non strategic fixed assets

Portfolio Optimization

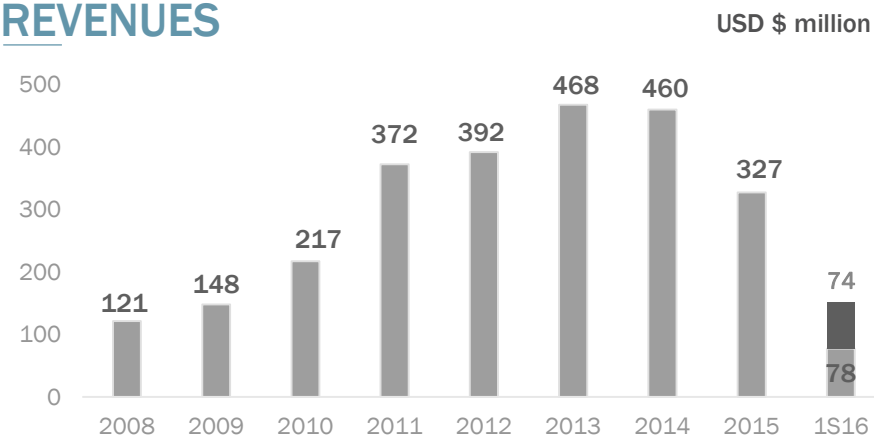


● Seeking management control
 ● Seeking partialdivesture
 ● Seeking total divesture

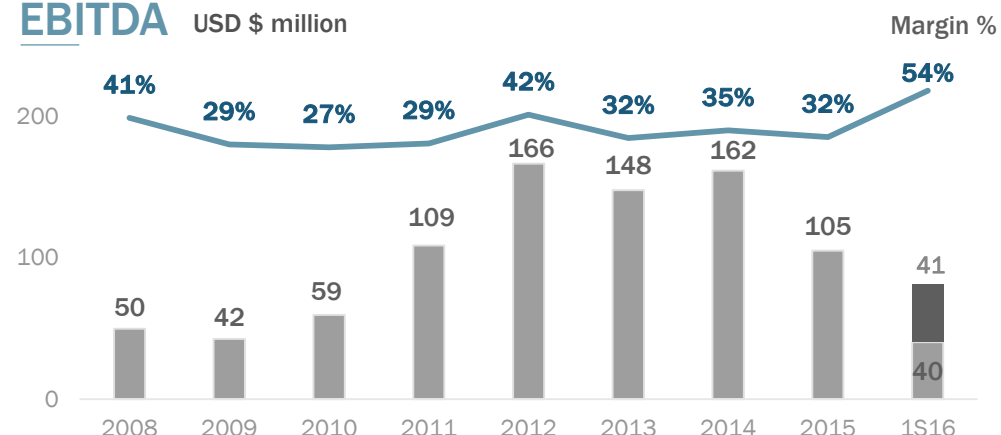


Results

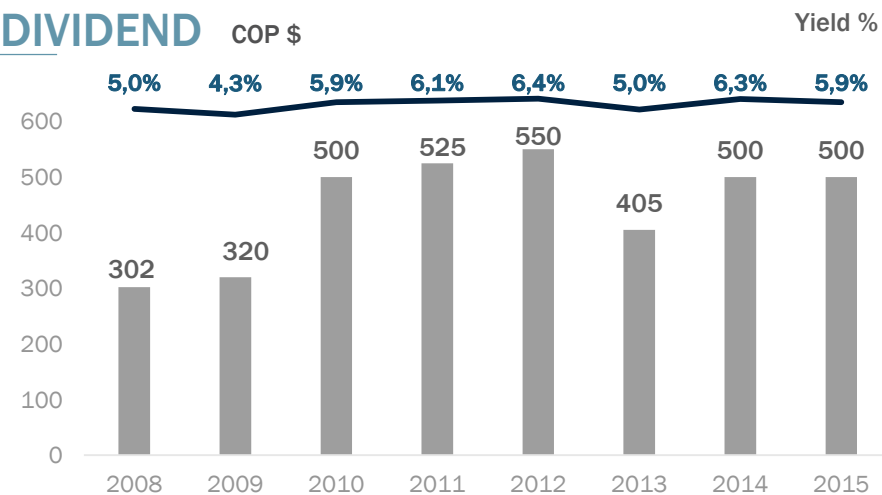
REVENUES



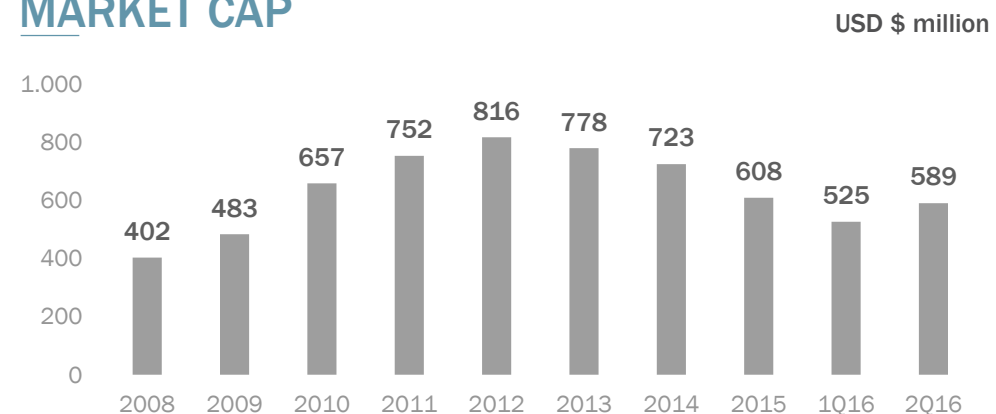
EBITDA



DIVIDEND



MARKET CAP





Concessions Ports



GRUPO ARGOS

Strategic focus



Commitment



Provide our clients with the best value proposal



World class partners



APM and Singapore Port Authority



Emphasis



Maintain emphasis in security, our employees and sustainable development.



Logistics



Continually enhance our facilities.



Flexibility



Single port network multipurpose Colombia

Growth Opportunities

Multi-purpose terminals in the Atlantic and the Pacific oceans allow Compas to serve different multi-purpose industries and markets

History of Strategic Alliances

Born from the alliance between Southern Port Holding Inc. and Grupo Argos.

5 Terminals under Operation

2 operations in association

Operating agreements in Houston, USA and Panama

Terminals under construction: Buenaventura and Tamalameque

Investments of COP 414 billion between 2014 and 2019, for the adaptation, modernization and specialization of our terminals.

5 million tons handled in 2015



Consolidation through strong partnerships

Recognized leaders in providing integrated logistics services for foreign trade

Invest in the modernization and specialization of our terminals

Boscoal - Port under construction:

- > Will be the main port of entrance to Colombia.
- > Estimates entry 1Q17
- > Alliance with Singapore Port Terminal (SPT).
- > Estimated investment (US\$120mn Grupo Argos and US 800mn SPT in two phases)
- > Capacity to move bulk, general cargo and containers

Tolu port with Privileged location for the industry, 150km closer Antioquia than Cartagena port.

Cartagena port recently signed Alliance with APM Terminals. APM terminals has its own ships guaranteeing container flow.



Real- Estates

 PACTIA



GRUPO ARGOS

Value creation



Urban Development



35 years of expertise.

416 Ha developed up to 2015.

Housing potential: ~ **26,000**

Potential residents: **>100,000**

Land use: **56%** residential, **31%** commercial and services, **11%** Institutional, **2%** Industrial.



~ 2,000 Ha to develop between Barranquilla and Barú.

Land development in Barranquilla: 833 Ha equivalent to 2,5x Central Park in NYC.
Land development in Barú: 1,180 Ha. Tourism potential.

~ COP 3bn worth in assets

Orderly planning , optimizing investment , verifying costs that are appropriate for the operation and increase efficiency.

Synergy opportunities for development of all the groups lands assets

Value creation



Real Estate Fund



~ **450,000** m2 GLA Among comercales centers , offices, warehouses , self-storage and hotel.

COP 2,1 trillion in assets

Alliance with Concreto. Actual shareholder structure
60% Concreto, **40%** Grupo Argos.



~ **250,000** m2 in pipeline.

Shareholder structure will reach **50%-50%** once Grupo Argos completes the fund payments.

Contact

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