

**GRUPO ARGOS S.A.**  
**NON-CONSOLIDATED INCOME STATEMENT**

Values expressed in million COP

	3Q16	3Q15	Var. (%)	Accumulated Sept. 2016	Accumulated Sept. 2015	Var. (%)
<b>Operating Revenues</b>	<b>192.922</b>	<b>695.413</b>	<b>-72,3</b>	<b>475.247</b>	<b>992.148</b>	<b>-52,1</b>
Financial income or expenses, net	85.637	602.770	-85,8	174.527	797.531	-78,1
Real estate income	29.910	46.930	-36,3	76.498	76.727	-0,3
Equity method, net	77.375	45.713	69,3	224.222	117.890	90,2
<b>Variable cost</b>	<b>77.774</b>	<b>331.494</b>	<b>-76,5</b>	<b>80.528</b>	<b>377.604</b>	<b>-78,7</b>
Cost of sales - Financial activities	77.774	313.850	-75,2	77.841	355.925	-78,1
Cost of sales - Real estate business	-	17.644	-100,0	2.687	21.679	-87,6
<b>Gross Profit</b>	<b>115.148</b>	<b>363.919</b>	<b>-68,4</b>	<b>394.719</b>	<b>614.544</b>	<b>-35,8</b>
<i>Gross margin</i>	60%	52%	14,1	83%	62%	34,1
<b>Overhead</b>	<b>23.564</b>	<b>18.619</b>	<b>26,6</b>	<b>90.236</b>	<b>74.165</b>	<b>21,7</b>
Administrative expenses	22.068	17.000	29,8	86.166	70.765	21,8
Depreciation and amortization - administrative	866	795	8,9	2.606	2.157	20,8
Selling expenses	630	824	-23,5	1.464	1.243	17,8
<b>Other income and other expenses</b>	<b>(2.137)</b>	<b>(13.502)</b>	<b>84,2</b>	<b>(13.439)</b>	<b>(18.889)</b>	<b>28,9</b>
Other income	255	572	-55,4	4.659	11.947	-61,0
Other expenses	(2.392)	(14.074)	83,0	(8.130)	(21.168)	61,6
Wealth tax	-	-	0,0	(9.968)	(9.668)	-3,1
<b>Operating profit</b>	<b>89.447</b>	<b>331.798</b>	<b>-73,0</b>	<b>291.044</b>	<b>521.490</b>	<b>-44,2</b>
<i>Operating margin</i>	46%	48%	-2,8	61%	53%	16,5
<b>EBITDA</b>	<b>90.313</b>	<b>332.593</b>	<b>-72,8</b>	<b>303.618</b>	<b>533.315</b>	<b>-43,1</b>
<i>EBITDA margin</i>	47%	48%	-2,1	64%	54%	18,9
<b>Non-operating revenues and expenses</b>	<b>(45.263)</b>	<b>(26.865)</b>	<b>-68,5</b>	<b>(98.561)</b>	<b>(77.965)</b>	<b>-26,4</b>
Financial revenues and expenses, net	(45.240)	(26.642)	-69,8	(104.698)	(77.828)	-34,5
Exchange difference, net	(23)	(223)	89,7	6.137	(137)	4579,6
<b>Pre-tax profit (loss)</b>	<b>44.184</b>	<b>304.933</b>	<b>-85,5</b>	<b>192.483</b>	<b>443.525</b>	<b>-56,6</b>
Income tax	17.439	(5.741)	403,8	29.626	(6.555)	552,0
<b>Net income</b>	<b>26.745</b>	<b>310.674</b>	<b>-91,4</b>	<b>162.857</b>	<b>450.080</b>	<b>-63,8</b>
<i>Margin</i>	14%	45%	-69,0	34%	45%	-24,5

**GRUPO ARGOS S.A.**  
**NON-CONSOLIDATED BALANCE SHEET**  
Values expresses in million COP

	Sept. 2016	Dec. 2015	Var. (%)	Dec. 2015 (Restated)	Var. (%)
Cash and cash equivalents	165.562	311.454	-46,8	311.454	-46,8
Derivative Financial Instruments	-	15.940	0,0	15.940	-100,0
Trade account receivables, net	261.026	231.096	13,0	231.096	13,0
Inventories	102.371	9.448	983,5	9.448	983,5
Prepayments	6.699	1.798	272,6	1.798	272,6
Non-current asset held for sale	94.740	94.740	0,0	94.740	0,0
<b>Total current assets</b>	<b>630.398</b>	<b>664.476</b>	<b>-5,1</b>	<b>664.476</b>	<b>-5,1</b>
Non-current investment	13.489.078	13.604.214	-0,8	13.634.024	-1,1
Other non-current account receivables	4.041	3.382	19,5	3.382	19,5
Inventories	20.659	24.146	0,0	24.146	-14,4
Intangibles, net	6.565	8.489	-22,7	8.489	-22,7
Property, plant and equipment, net	86.502	82.850	4,4	82.850	4,4
Investment properties	1.682.704	1.781.868	-5,6	1.781.868	-5,6
<b>Total non-current assets</b>	<b>15.289.549</b>	<b>15.505.723</b>	<b>-1,4</b>	<b>15.535.533</b>	<b>-1,6</b>
<b>Total assets</b>	<b>15.919.947</b>	<b>16.170.199</b>	<b>-1,5</b>	<b>16.200.009</b>	<b>-1,7</b>
Current financial liabilities	5.891	123.415	0,0	123.415	-95,2
Bonds and other financial liabilities	137.205	4.958	2.667,3	4.958	2.667,3
Current trade and other current payables	156.449	185.324	-15,6	185.324	-15,6
Provisions	1.335	770	73,4	770	73,4
Current tax payables	7.176	14.177	-49,4	14.177	-49,4
Labor liabilities	6.690	1.933	246,1	1.933	246,1
Estimated liabilities for employee benefits	517	517	0,0	517	0,0
Other current liabilities	51.633	17.253	199,3	17.253	199,3
<b>Total current liabilities</b>	<b>366.896</b>	<b>348.347</b>	<b>5,3</b>	<b>348.347</b>	<b>5,3</b>
Non-current financial liabilities	550.031	550.028	0,0	550.028	0,0
Bonds and other financial liabilities	766.155	997.932	-23,2	1.006.588	-23,9
Deferred taxes	136.493	120.205	13,6	120.205	13,6
Other non-current payables	-	8.656	-100,0	-	0,0
Estimated liabilities for employee benefits	6.819	6.819	0,0	6.819	0,0
<b>Total non-current liabilities</b>	<b>1.462.338</b>	<b>1.683.640</b>	<b>-13,1</b>	<b>1.683.640</b>	<b>-13,1</b>
<b>Total Liabilities</b>	<b>1.829.234</b>	<b>2.031.987</b>	<b>-10,0</b>	<b>2.031.987</b>	<b>-10,0</b>
<b>Total Equity</b>	<b>14.090.713</b>	<b>14.138.212</b>	<b>-0,3</b>	<b>14.168.022</b>	<b>-0,5</b>
<b>Total equity and liabilities</b>	<b>15.919.947</b>	<b>16.170.199</b>	<b>-1,5</b>	<b>16.200.009</b>	<b>-1,7</b>
				0	0
Issued capital	51.510	51.510	0,0	51.510	0,0
Share premium	680.218	680.218	0,0	680.218	0,0
Other Comprehensive Income	1.700.353	1.824.154	-6,8	1.871.114	-9,1
Reserves	2.743.764	2.606.859	5,3	2.606.859	5,3
Retained earnings (loss)	8.752.011	8.603.670	1,7	8.603.670	1,7
Net income (loss)	162.857	371.801	-56,2	354.651	-54,1
<b>Total Equity</b>	<b>14.090.713</b>	<b>14.138.212</b>	<b>-0,3</b>	<b>14.168.022</b>	<b>-0,5</b>

Assets and liabilities restated to reflect the effect of adjustments resulting from the purchase price allocation process - PPA - from the acquisition of Odinsa SA, in accordance with IFRS 3 - Business Combinations.

**GRUPO ARGOS S.A.**  
**CONSOLIDATED INCOME STATEMENT**  
Values expressed in million COP

	3Q16	3Q15	Var. (%)	Accumulated Sept. 2016	Accumulated Sept. 2015	Var. (%)
<b>Operating Revenues</b>	<b>3.362.235</b>	<b>3.212.391</b>	<b>4,7</b>	<b>10.814.008</b>	<b>8.702.372</b>	<b>24,3</b>
Cost of goods sold	3.105.623	3.121.999	-0,5	10.133.870	8.216.109	23,3
Financial income or expenses, net	138.927	1.770	7749,0	224.899	162.738	38,2
Real estate income	59.828	46.411	28,9	185.767	73.816	151,7
Equity method, net	103.520	79.081	30,9	407.853	329.157	23,9
Sales returns and discounts	(45.663)	(36.870)	-23,8	(138.381)	(79.448)	74,2
<b>Variable cost</b>	<b>2.357.572</b>	<b>2.441.431</b>	<b>-3,4</b>	<b>7.689.545</b>	<b>6.402.070</b>	<b>20,1</b>
Cost of goods sold	2.066.846	2.234.831	-7,5	6.937.653	5.786.452	19,9
Depreciation and amortization	200.431	189.486	5,8	611.232	553.844	10,4
Cost of sales - Financial activities	77.774	-	0,0	89.175	42.075	111,9
Cost of sales - Real estate business	12.521	17.114	-26,8	51.485	19.699	161,4
<b>Gross Profit</b>	<b>1.004.663</b>	<b>770.960</b>	<b>30,3</b>	<b>3.124.463</b>	<b>2.300.302</b>	<b>35,8</b>
<i>Gross margin</i>	<i>30%</i>	<i>24%</i>	<i>24,5</i>	<i>29%</i>	<i>26%</i>	<i>9,3</i>
<b>Overhead</b>	<b>350.059</b>	<b>298.121</b>	<b>17,4</b>	<b>1.063.412</b>	<b>822.997</b>	<b>29,2</b>
Administrative expenses	232.226	202.847	14,5	733.622	567.824	29,2
Depreciation and amortization - administrative	49.767	39.591	25,7	126.864	82.211	54,3
Selling expenses	58.651	57.854	1,4	173.526	157.788	10,0
Depreciation and amortization - sales	9.415	(2.171)	533,7	29.400	15.174	93,8
<b>Other income and other expenses</b>	<b>(32.286)</b>	<b>(18.378)</b>	<b>-75,7</b>	<b>(192.833)</b>	<b>(116.576)</b>	<b>65,4</b>
Other income	23.052	31.718	-27,3	74.536	117.572	-36,6
Other expenses	(54.718)	(48.704)	-12,3	(166.134)	(127.880)	29,9
Wealth Tax	(620)	(1.392)	55,5	(101.235)	(106.268)	-4,7
<b>Operating profit</b>	<b>622.318</b>	<b>454.461</b>	<b>36,9</b>	<b>1.868.218</b>	<b>1.360.729</b>	<b>37,3</b>
<i>Operating margin</i>	<i>19%</i>	<i>14%</i>	<i>30,8</i>	<i>52%</i>	<i>47%</i>	<i>11,5</i>
<b>EBITDA</b>	<b>882.551</b>	<b>682.759</b>	<b>29,3</b>	<b>2.736.949</b>	<b>2.118.226</b>	<b>29,2</b>
<i>EBITDA margin</i>	<i>26,25%</i>	<i>21,25%</i>	<i>23,5</i>	<i>25,31%</i>	<i>24,34%</i>	<i>4,0</i>
<b>Non-operating revenues and expenses</b>	<b>(243.502)</b>	<b>(190.570)</b>	<b>-27,8</b>	<b>(715.374)</b>	<b>(502.108)</b>	<b>42,5</b>
Financial revenues and expenses, net	(256.109)	(172.868)	-48,2	(734.174)	(478.641)	53,4
Exchange difference, net	12.607	(21.268)	159,3	18.800	(23.467)	-180,1
Gain/loss on investment retirement	-	3.566	-100,0	-	-	0,0
<b>Pre-tax profit (loss)</b>	<b>378.816</b>	<b>263.891</b>	<b>43,6</b>	<b>1.152.844</b>	<b>858.621</b>	<b>34,3</b>
Income tax	88.218	75.127	17,4	273.258	223.608	22,2
<b>Profit (loss) from continuing operations</b>	<b>290.598</b>	<b>188.764</b>	<b>53,9</b>	<b>879.586</b>	<b>635.013</b>	<b>38,5</b>
Net loss from discontinued operations	-	-	-	-	-	-
<b>Net income</b>	<b>290.598</b>	<b>188.764</b>	<b>53,9</b>	<b>879.586</b>	<b>635.013</b>	<b>38,5</b>
<i>Net margin</i>	<i>9%</i>	<i>6%</i>	<i>47,1</i>	<i>8%</i>	<i>7%</i>	<i>11,5</i>
<b>Total comprehensive income attributable to:</b>						
Non-controlling interest	153.839	105.978	45,2	490.525	258.737	89,6
<b>Controlling interest</b>	<b>136.759</b>	<b>82.786</b>	<b>65,2</b>	<b>389.061</b>	<b>376.276</b>	<b>3,4</b>
<i>Margin</i>	<i>4%</i>	<i>3%</i>	<i>57,8</i>	<i>4%</i>	<i>4%</i>	<i>-16,8</i>

**GRUPO ARGOS S.A.**  
**CONSOLIDATED BALANCE SHEET**  
Values expressed in million COP

	Sept. 2016	Dec. 2015	Var. (%)	Dec. 2015 (restated)	Var. (%)
Cash and cash equivalents	1.585.276	1.671.818	-5,2	1.671.845	-5,2
Derivative financial instruments	14.068	38.054	-63,0	38.054	-63,0
Investments	360.910	212.681	69,7	212.681	69,7
Trade account receivables, net	2.963.994	2.509.017	18,1	2.510.288	18,1
Inventories	1.010.407	902.218	12,0	902.218	12,0
Biological assets	-	-	0,0	-	0,0
Prepayments	248.181	229.301	8,2	229.301	8,2
Non-current asset held for sale	103.504	104.882	-1,3	104.882	-1,3
<b>Total current assets</b>	<b>6.286.340</b>	<b>5.667.971</b>	<b>10,9</b>	<b>5.669.269</b>	<b>10,9</b>
Non-current investment	10.724.307	10.149.084	5,7	11.173.076	-4,0
Other non-current account receivables	1.478.723	217.495	579,9	281.034	426,2
Inventories	20.659	24.146	-14,4	24.146	-14,4
Intangibles, net	4.553.369	5.298.574	-14,1	4.734.795	-3,8
Property, plant and equipment, net	17.079.909	17.935.551	-4,8	17.787.341	-4,0
Investment properties	1.627.804	1.669.342	-2,5	1.672.098	-2,6
Deferred taxes	715.743	769.633	-7,0	767.104	-6,7
Biological assets	20.242	20.243	0,0	20.243	0,0
Derivative financial instruments	-	324	-100,0	324	-100,0
Other non-current assets	29.701	12.631	135,1	12.614	135,5
Restricted cash	-	10.019	(100)	10.019	-100,0
<b>Total non-current assets</b>	<b>36.250.457</b>	<b>36.107.042</b>	<b>0,4</b>	<b>36.482.794</b>	<b>-0,6</b>
<b>Total assets</b>	<b>42.536.797</b>	<b>41.775.013</b>	<b>1,8</b>	<b>42.152.063</b>	<b>0,9</b>
Current financial liabilities	2.433.539	3.305.497	-26,4	3.305.497	-26,4
Bonds and other financial liabilities	744.073	573.120	29,8	573.120	29,8
Current trade and other current payables	1.784.599	1.881.144	-5,1	1.881.144	-5,1
Current provisions	327.919	307.137	6,8	322.761	1,6
Current tax payables	556.587	445.593	24,9	444.987	25,1
Labor liabilities	154.576	151.948	1,7	151.948	1,7
Estimated liabilities for employee benefits	21.612	32.714	-33,9	32.714	-33,9
Other current liabilities	599.752	291.256	105,9	291.256	105,9
Liabilities associated with assets held for sale	824	856	-3,7	856	-3,7
<b>Total current liabilities</b>	<b>6.623.481</b>	<b>6.989.265</b>	<b>-5,2</b>	<b>7.004.283</b>	<b>-5,4</b>
Non-current financial liabilities	5.441.004	4.948.257	10,0	4.948.257	10,0
Bonds and other financial liabilities	4.845.056	4.419.113	9,6	4.419.113	9,6
Deferred taxes	1.617.068	1.616.905	0,0	1.802.851	-10,3
Provisions	253.396	202.401	25,2	196.050	29,3
Other non-current payables	240.584	65.391	267,9	65.391	267,9
Labor liabilities	17.875	2.932	509,7	2.932	509,7
Estimated liabilities for employee benefits	364.824	366.140	-0,4	366.140	-0,4
Derivative financial instruments	90.431	172.155	-47,5	172.155	-47,5
Tax payables	-	-	0,0	-	0,0
Other non-current liabilities	256.588	102.655	150,0	102.655	150,0
<b>Total non-current liabilities</b>	<b>13.126.826</b>	<b>11.895.949</b>	<b>10,3</b>	<b>12.075.544</b>	<b>8,7</b>
<b>Total Liabilities</b>	<b>19.750.307</b>	<b>18.885.214</b>	<b>4,6</b>	<b>19.079.827</b>	<b>3,5</b>
<b>Total Equity</b>	<b>22.786.490</b>	<b>22.889.799</b>	<b>-0,5</b>	<b>23.072.236</b>	<b>-1,2</b>
<b>Total equity and liabilities</b>	<b>42.536.797</b>	<b>41.775.013</b>	<b>1,8</b>	<b>42.152.063</b>	<b>0,9</b>
Issued capital	51.510	51.510	0,0	51.510	0,0
Share premium	680.218	680.218	0,0	680.218	0,0
Other Comprehensive Income	1.320.770	1.975.078	-33,1	2.009.210	-34,3
Reserves	2.743.765	2.606.859	5,3	2.606.859	5,3
Other components of shareholders' equity	241.008	241.008	0,0	241.008	0,0
Retained earnings (loss)	9.173.922	8.936.938	2,7	8.943.229	2,6
Net income (loss)	389.061	301.000	29,3	281.005	38,5
Non-controlling interest	-	-	0,0	-	0,0
<b>Total Equity</b>	<b>22.786.490</b>	<b>22.889.799</b>	<b>-0,5</b>	<b>23.072.236</b>	<b>-1,2</b>

Assets and liabilities restated to reflect the effect of adjustments resulting from the purchase price allocation process - PPA - from the acquisition of Odinsa SA, in accordance with IFRS 3 - Business Combinations.

