Results Report

4Q2017

Grupo Argos works with Colombia's National Parks to achieve the protection of eight ecosystems in Colombia, such as the one in Cinaruco, in Arauca.
Photo: Rodrigo Durán

GRUPO ARGOS

Report as of December 31, 2017

BVC TICKER: GRUPOARGOS, PFGRUPOARG

EXECUTIVE SUMMARY

- Grupo Argos, sustainable infrastructure investments subsidiary, closed 2017 with a separate net income of COP 453 billion, 29% higher than in 2016. In addition, the EBITDA stood at COP 630 billion, 19% higher than last year; An EBITDA margin of 53%, 500 basis points above 2016; And revenues of COP 1.19 trillion, 7% more.

- In the consolidated results, 2017 ended with the highest EBITDA in the history of Grupo Argos, reaching COP 3.9 trillion, compared to the COP 3.6 trillion achieved in 2016, and an EBITDA margin of 27%, which represents an increase of 200 basis points with respect to the last year.

- With respect to the consolidated figures for the fourth quarter, it is worth noting that, for the second consecutive quarter, the three strategic businesses -cements, energy and concessions- have positive contributions in income and EBITDA, which shows the good moment of the concessions and energy businesses and the moderate recovery tendency of the cement sector in Colombia.

- The 2017 results are due to the development of the active portfolio management strategy, which allows Grupo Argos to take advantage of select market opportunities, and compensate for obstacles and challenges.

- Grupo Argos received the Gold Class 2018 award in the Sustainability Yearbook of the European company RobecoSAM.

- At the end of the period, assets stood at COP 47.6 trillion, growing 6.3% compared to the figure for December 2016, as a result of the consolidation of the portfolio. Liabilities amounted to COP 23 trillion, and equity stood at COP 24 trillion.

- By December 2017, the debt totaled COP 1.6 trillion, growing 9% year-on-year. Given the substantial improvement of EBITDA, we highlight that the adjusted net debt/EBITDA indicator stands at 2.3x, being one of the lowest leverage levels in the history of this group. This indicator, added to the 4.7x operating cash flow/interest, shows the high flexibility that Grupo Argos has in order to continue with the growth strategy. At the cash flow level, it closed the year surpassing COP 300 billion pesos.

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Separately, the revenues for 2017 reached COP 1.2 trillion, increasing 7% YOY. This variation is mainly explained by the divestiture of Compas, which generated COP 403 billion in revenues. In addition, revenues from the real estate business increased by COP 53 billion to COP 260 billion, due to the contribution of Pactia and adjustments in the fair value of investment properties.

Equity method income decreased 25% YOY, due to a negative contribution of COP 14 billion of Cementos this year compared to a positive contribution of COP 174 billion in 2016. This lower contribution was due to two aspects: i) challenging market conditions in Colombia and ii) a deferred tax expense of USD 34 mm for the recognition of the tax losses accumulated in the United States at a lower rate after the tax reform. However, we highlight the contribution of the energy business (+117% YOY to COP 104 billion) and concessions (+31% to COP 165 billion) to the equity method.

Revenues 4T2017

About quarterly results, it is worth noting that there are large distortions that do not allow comparability in figures and that mostly have to do with the higher financial income of 4Q16 which resulted from the portfolio sale that amounted to COP 374 billion.

At the same time, during 4Q16, COP 66 billion were recognized for land valuations as a result of the change in accounting policy, which were recorded in full during this period. In addition, the urban development business recorded sales in the amount of COP 163 billion corresponding to 1,869,515 m2, of which COP 125 billion were recorded as real estate revenues in 4Q16, since COP 37 billion were recorded as deferred revenues.

With respect to the lower result in the equity method, this is explained by the lower contributions of the cements business which, as highlighted earlier, was impacted by a greater deferred tax expense due to the tax rate change in the United States.

Millions COP	4Q2017	4Q2016	Var A/A	Dec-17	Dec-16	Var A/A
Revenue from ordinary activities	**48,575**	**615,759**	**-92.1%**	**1,190,197**	**1,111,486**	**7.08%**
Revenue from financial activity	0	369,974	-100.0%	659,532	544,501	21.13%
Real estate revenue (sale of urbanized lots)	39,876	130,812	-69.5%	260,454	207,310	25.64%
Profit (loss) net via equity method	8,699	114,973	-92.4%	270,211	359,675	-24.87%

Cost of ordinary activities showed a decrease of 13% to COP 398 billion. Operating expenses totaled COP 165 billion in 2017 compared to COP 133 billion in 2016. This increase was mainly due to the higher non-recurring expenses of COP 46 billion associated with projects and D&A. The recurring expenses of the holding company decreased 4% to COP 73 billion, while those of the urban development business increased 8% to COP 46 billion due to an increase in property taxes.

Costs 4T2017

In terms of quarterly costs, they show a negative variation explained, as with the income, by the portfolio sale which took place in 4Q16 with an impact of COP 357 billion. A decrease in costs is also observed due to the lower record of lot sales during 4Q17.

At the level of operating expenses, it is worth highlighting that during the fourth quarter, the expense associated with the Compas sale project was recognized, which was carried out during 3Q17, and which amounts to COP 20 billion. This higher expense, which is non-recurring and is not associated with the quarter's operating income, has a negative effect on administrative expenses. If this effect were eliminated, the administrative expenses would have decreased by 32% YOY.

Millions COP	4Q2017	4Q2016	Var A/A	Dec-17	Dec-16	Var A/A
Cost of ordinary activities	**6,252**	**378,153**	**-98.3%**	**397,533**	**458,681**	**-13.3%**
Cost of sales of financial activity	0	357,713	-100.0%	351,062	435,554	-19.4%
Cost of sales of real estate business	6,252	20,440	-69.4%	46,471	23,127	100.9%
Operating expenses	**49,794**	**43,613**	**14.2%**	**165,117**	**133,843**	**23.4%**
Management	47,878	42,048	13.9%	144,354	128,214	12.6%
Management depreciation and amortization	933	899	3.8%	18,450	3,499	427.3%
Sales	983	666	47.6%	2,313	2,130	8.6%

Other income and expenses for 2017 reached COP 20 billion compared to COP 4 billion a year earlier. The increase was due to expenses associated with the sale of Compas and a greater 4x1000 tax due to the maturity of the series of bonds and the debt prepayment.

Millions COP	4Q2017	4Q2016	Var A/A	Dec-17	Dec-16	Var A/A
Other revenue and expenditures	**-3,683**	**9,621**	**-138.28%**	**-19,833**	**-3,818**	**419.46%**
Other revenue	3,706	20,118	-81.58%	11,241	24,777	-54.63%
Other expenditures	-7,389	-10,497	-29.61%	-27,664	-18,627	48.52%
Wealth tax	0	0	NA	-3,410	-9,968	-65.79%

Thus, the separate EBITDA reached COP 630 billion (+19% YOY) for 2017, generating an EBITDA margin of 53%, higher than 48% in 2016. The divestiture of Compas contributed with COP 221 billion. The adjusted EBITDA[1] reached COP 679 billion (+22% YOY).

Non-operating expenses decreased 14% YOY to COP 116 billion due to a lower cost of debt, the optimization generated after the issuance of commercial papers, the prepayment of bank debt, and cash management with the cash generated after the divestiture of Compas.

Millions COP	4Q2017	4Q2016	Var A/A	Dec-17	Dec-16	Var A/A
Non-operating revenue and expenditures	**-27,156**	**-36,774**	**-26.2%**	**-116,348**	**-135,335**	**-14.0%**
Financial, net	-27,121	-36,821	-26.3%	-120,427	-141,519	-14.9%
Exchange rate difference, net	-35	47	-174.5%	4,079	6,184	-34.0%

The net income of the year was COP 453 billion, generating a net margin of 38% (32% in 2016).

Millions COP	4Q2017	4Q2016	Var A/A	Dec-17	Dec-16	Var A/A
Revenue	48,575	615,759	-92.1%	1,190,197	1,111,486	7.1%
Ebitda	-10,221	204,513	-105.0%	629,574	528,611	19.1%
Ebitda Margin	*-21%*	*33%*	*-5425 pb*	*53%*	*48%*	*534 pb*
Net Income	-28,701	168,477	-117.0%	452,841	351,820	28.7%
Net Margin	*-59%*	*27%*	*-8645 pb*	*38%*	*32%*	*639 pb*

By December 2017, the debt closed at COP 1.6 trillion, growing 9% year-on-year. Given the substantial improvement of the EBITDA, we highlight that the adjusted net debt/EBITDA indicator stands at 2.3x, being one of the lowest leverage levels in the history of this group. This indicator, added to the 4.7x operating cash flow/interest, shows the high flexibility resulting from annual management, preparing the company to continue with the growth strategy.

At the cash flow level, the year closed with a figure that surpasses COP 300 billion pesos[2]. This figure is particularly relevant in a dynamic year in terms of portfolio transactions, where divestitures were made that exceeded COP 500 billion and were a source of resources to leverage the growth strategy in the airport concessions sector, with an investment of COP 495 billion in OPAIN.

[1]Adjusted Ebitda = EBITDA (-) equity method (+) Dividends received (+) profit from divestments
[2] The cash balance includes COP 13.6 billion of investments in CTD with maturity of more than 3 months that by accounting policy are not cash equivalents.

Grupo Argos Consolidated Financial Results 2017

At the close of 2017, the consolidated operating income reached COP 14.6 trillion, which are stable compared to 2016 due to the divestiture of Compas and the consolidation of Opain that managed to compensate for the drop-in income of the energy business and lower equity method from Sura. Celsia's drop in income was the result of lower energy sales and a decrease in stock prices in an environment of greater water generation.

Consolidated Revenues 4Q2017

The decrease in the income for the quarter is mostly explained by the variations recorded at the level of Grupo Argos because, as explained above, there is a very large variation due to the portfolio sale, which is observed in the decrease of the financial income of 84%, and the valuation of the lots due to a change in accounting policy that was recorded in 4Q16.

It is emphasized that for the quarter, there is an increase in the income from the sale of goods and services, which is due to the incorporation of Opain and the greater recognition of works of this division after the expansion of the El Dorado airport.

During the quarter, all *core* businesses of Grupo Argos recorded an increase in the contribution to the holding company: (1) Cement +5.1%, (2) Energy +3.5%, (3) Concessions +42%.

Millions COP	4Q2017	4Q2016	Var A/A	Dec-17	Dec-16	Var A/A
Revenue	**3,585,209**	**3,723,960**	**-3.7%**	**14,573,579**	**14,552,884**	**0.14%**
Revenue from sales of goods and services	3,222,833	3,001,173	7.4%	12,749,208	13,135,043	-2.94%
Revenue from financial activity	71,471	452,235	-84.2%	694,359	678,501	2.34%
Revenue from real estate business	246,472	183,614	34.2%	892,776	369,381	141.70%
Net interest in profit (loss) of associated companies and businesses	98,817	118,596	-16.7%	435,723	539,998	-19.31%
-Refunds and sales discounts	-54,384	-31,658	71.8%	-198,487	-170,039	16.73%

Costs decreased 1% and reached COP 10.4 trillion in 2017 despite including the cost of the divestiture of Compas (COP 250 billion) and the consolidation of Opain (COP 558 billion). This was due to the reduction of around COP 811 billion in the costs of fuels and energy in Celsia after the normalization of water conditions.

Millions COP	4Q2017	4Q2016	Var A/A	Dec-17	Dec-16	Var A/A
Cost of ordinary activities	**2,803,579**	**2,738,706**	**2.4%**	**10,319,275**	**10,431,474**	**-1.1%**
Cost of sales of goods and services	2,486,738	2,045,753	21.6%	8,713,183	8,983,406	-3.0%
Depreciation and amortization	224,870	240,811	-6.6%	931,133	854,885	8.9%
Cost of financial activity	0	372,707	-100.0%	317,018	462,263	-31.4%
Cost of sales of real estate business	91,971	79,435	15.8%	357,941	130,920	173.4%

On the other hand, the costs of Grupo Argos' consolidated structure were COP 1.9 trillion, growing 19% YOY mainly due to the consolidation of Opain, which contributed COP 336 billion, (this amount includes the effect of greater amortization costs associated with PPP).

Millions COP	4Q2017	4Q2016	Var A/A	Dec-17	Dec-16	Var A/A
SG&A	**265,323**	**517,033**	**-48.7%**	**1,879,177**	**1,574,938**	**19.3%**
Management	99,277	382,408	-74.0%	1,243,861	1,116,030	11.5%
Depreciation and amortization SG&A	107,686	77,878	38.3%	413,193	228,635	80.7%
Sales	58,360	56,747	2.8%	222,123	230,273	-3.5%

Other net income amounted to COP 145 billion in 2017 compared to other net expenses of COP 90 billion in 2016. This improvement was due to a decrease in wealth tax by COP 61 billion and a decrease in impairment expenses and other expenses.

Other Consolidated Revenues/Expenses 4Q2017

Regarding the variation in other income recorded during the quarter, it is important to note that during 4Q16, the effect of the ADN and BTA valuation of Odinsa was recorded through this line of the income statement with a net effect of COP 94 billion.

Also highlighted is a non-operating expense corresponding to the impairment of Gena and Genpac in the amount of COP 103 billion in 4Q16.

Millions COP	4Q2017	4Q2016	Var A/A	Dec-17	Dec-16	Var A/A
Other Revenue and expenditures	**123,358**	**74,714**	**65.1%**	**145,406**	**-89,835**	**-261.9%**
Other revenue	178,759	443,917	-59.7%	376,838	528,168	-28.7%
Other expenditures	-55,401	-369,569	-85.0%	-191,661	-517,134	-62.9%
Wealth tax	0	366	-100.0%	-39,771	-100,869	-60.6%

The consolidated EBITDA at the close of 2017 reached COP 3.9 billion, for a 7% increase YOY. The consolidation of Opain contributed COP 258 billion, the sale of Compas with COP 153 billion and the operational improvement of Celsia with COP 95 billion. It is highlighted that the successful diversification of businesses and geographies in the infrastructure sector has allowed the Group to maintain a growing profitability, going from an EBITDA margin of 25% in 2016 to 27% in 2017.

Finally, net income was COP 907 billion in 2017 (-20% YOY), for a controlling stake of COP 611 billion (+4% YoY). The drop in the total net income was due to the increase in net financial expenses of 9%, following the consolidation of Opain and the higher expenses of the Cementos bridge loan for the acquisition of Martinsburg, and the non-cash effect associated with the deferred tax expense of all subsidiaries, which went from an income of COP 194 billion in 2016 to an expense of COP 64 billion in 2017.

Emphasizing this point, if the consolidated tax of Grupo Argos is broken down and the current tax is separated from the deferred tax, it can be observed that the current tax (which is really cash) decreases 14%, going from COP 547 billion to COP 471 billion. While the deferred tax (non-cash) goes from a profit of COP 194 billion in 2016 to an expense of COP 64 billion in 2017, generating a deferred delta of more than COP 250 billion.

However, it is worth noting that despite the tax increase of 52%, the good performance of the controlling net income should be highlighted which goes from COP 589 billion to COP 611 billion, increasing 4% compared to the previous year.

Consolidated Net Income 4Q2017

At the net income level for the fourth quarter, a decrease equivalent to COP 136 billion can be observed in the quarter. This decline is explained, as was shown earlier, by the higher deferred tax which has a greater effect at the quarter level. At the level of Odinsa, there is an impact of COP 50 billion due to the deferred tax provision on liabilities pursuant to the regulations of the Tax Reform in Colombia and at the level of Cementos Argos, with an impact of USD 34 million, resulting from the lower deferred tax generated by the decrease in the United States tax rate, which went from 35% to 21%. It is important to note that, although these two events negatively affect the net income, it is not a matter of effective expenditures but accounting transactions, which, even in the case of the Cementos tax rate reduction in the United States, will bring competitive advantages for our business in that country.

Millions COP	4Q2017	4Q2016	Var A/A	Dec-17	Dec-16	Var A/A
Revenue from ordinary activities	3,585,209	3,723,960	-3.7%	14,573,579	14,552,884	0.1%
EBITDA	972,221	861,258	12.9%	3,904,630	3,641,026	7.2%
EBITDA Margin	*27%*	*23%*	*17.3%*	*27%*	*25%*	*7.1%*
Net Income	94,712	219,581	-56.9%	906,583	1,132,002	-19.9%
Net income attributable to controlling	44,265	179,749	-75.4%	610,659	589,466	3.6%

Net contribution by segment to the consolidated revenues of Grupo Argos

The net contribution of the different businesses to the consolidated financial results of Grupo Argos for the year 2017 and the fourth quarter is shown below. We emphasize that the contributions do not necessarily coincide with the figures reported by each of the companies due to the homologation adjustments required by accounting standards.

Net contribution by segment 2017

COP billions	Cement	Energy	Real Estate	Portfolio	Coal	Concessions	Total
Revenue	8,529,801	3,084,137	251,981	820,832	87,626	1,803,089	14,573,579
Gross Income	1,564,164	984,846	207,759	494,192	22,696	984,535	4,254,304
Operating Income	675,421	748,295	156,882	431,163	12,555	500,293	2,520,533
EBITDA	1,421,572	1,110,971	156,980	469,574	13,519	736,088	3,904,630
Net Income	45,953	241,415	156,937	277,665	15,916	168,885	906,583
Controlling interest	-20,236	94,287	156,937	250,930	15,695	113,233	610,659

Does not include reclassifications

With regard to the EBITDA of the quarter, the increase in the energy business contribution of +COP 43 billion is indicated, favored by a good performance of the distribution business' operations and stability. At the same time, there is a greater contribution of the concessions business following the consolidation of Opain with a contribution of COP 119 billion for the quarter. This is how all the *core* businesses of GA recorded an increase in the EBITDA contribution for the quarter: (1) Cement +4.2%, (2) Energy +16.4%, (3) Concessions +97%.

Net contribution by segment 4Q2017

COP billions	Cement	Energy	Real Estate	Portfolio	Coal	Concessions	Total
Revenue	2,105,624	821,147	31,236	95,333	21,156	513,973	**3,585,209**
Gross Income	391,094	272,997	25,259	87,514	7,787	242	**781,630**
Operating Income	185,829	215,972	16,990	39,028	1,626	183,603	**639,665**
EBITDA	361,763	308,005	17,014	44,930	1,731	242,159	**972,221**
Net Income	- 66,738	68,831	16,736	24,628	46	51,332	**94,712**
Controlling interest	- 15,146	25,895	16,736	- 4,550	49	21,403	**44,265**

Does not include reclassifications

Investments portfolio

	Interest	Value (COP millions)	Value (USD millions)***	Price per share (COP)*
CEMENT				
Cementos Argos	55.3%	7,341,969	2,460	11,520
ENERGY				
Celsia	52.9%	1,864,413	625	4,760
EPSA**	11.9%	777,440	261	18,900
CONCESSIONS				
Odinsa	99.7%	2,052,450	688	10,500
OTHER				
Grupo Suramericana	27.7%	5,227,782	1,752	40,300
Grupo Nutresa	9.8%	1,258,682	422	27,820
TOTAL		18,522,736	6,207	

** Price at the close of December 31, 2017 for Cementos Argos, Celsia, Grupo Suramericana, and Grupo Nutresa. FX on December 31, 2017: COP 2,984 / 1 USD*

*** The price per share of EPSA (COP 18,900) and Odinsa (COP 10,500) correspond to the price offered in the tender offer of Celsia and to the delisting tender offer launched by Grupo Argos.*

***** Grupo Argos' interest in Cementos Argos equates to 46.83% of the outstanding shares and 55.3% of ordinary shares.*

[1]Includes the consolidated participation of Grupo Argos and subsidiaries

Dividend's operating revenue and Cash Flow – Separate

Dividends operating revenue (million COP)

COP million	2017	2016	Var A/A
Grupo de Inversiones Suramericana S.A.- Ordinaria	63,304	61,467	3.0%
Grupo Nutresa S.A.	24,160	19,047	26.8%
Grupo de Inversiones Suramericana S.A. - Preferencial	0	1,246	NA
Bancolombia S.A.	0	3,420	NA
Others	232	214	8.4%
Total	87,696	85,394	-1.30%

Cash Flow received from the operation

Dividends received	2017	2016	Var A/A
Cementos Argos S.A.	150,191	123,959	21.2%
Odinsa S.A.	92,425	0	NA
[1]Grupo de Inversiones Suramericana S.A.- Ordinaria	14,788	60,321	
Celsia S.A. E.S.P.	38,189	11,338	236.8%
Empresa de Energía del Pacifico EPSA S.A.	23,817	20,567	15.8%
Grupo Nutresa S.A.	23,753	22,109	7.4%
Bancolombia S.A.	0	5,018	NA
Grupo de Inversiones Suramericana S.A. - Preferencial	0	740	NA
Others	60	214	-71.8%
Total dividends received	**343,224**	244,266	
Reimbursement of contributions			
Opain + Consortiums	49,313	0	NA
Pactia	5,737	12,157	-52.8%
Total reimbursement of contributions	**55,050**	12,157	80.0%
Revenues from sale of shares			
[1]Grupo de Inversiones Suramericana S.A.- Ordinary	63,304		
Total sale of shares	**63,304**		
Cash flow received from operation	**461,578**	**256,423**	**80.0%**

[1] Grupo Sura paid dividends in shares that were divested. Accounting records as revenues from dividend the portion of cash that was received and as sale of shares the divestment of those shares sold. The total income generated by the dividends paid by Grupo Sura in 2017 amounts to COP78.1 billion.

Separate statement of financial position

STATEMENT OF FINANCIAL POSITION – SEPARATE

	Dec-17	Dec-16	Var. (%)
Cash and cash equivalents	299,082	179,358	66.75%
Derivative Financial Instruments	0	0	NA
Current Investments	13,692	0	NA
Trade account receivables, net	198,433	266,766	-25.62%
Inventories	164,685	81,488	102.10%
Prepayments	3,660	6,660	-45.05%
Total current assets	**679,552**	**534,272**	**27.19%**
Non-current investment	14,687,131	14,515,263	1.18%
Other non-current account receivables	11,965	4,166	187.21%
Inventories	47,275	42,583	11.02%
Intangibles, net	3,329	5,917	-43.74%
Property, plant and equipment, net	10,723	25,551	-58.03%
Investment properties	2,083,575	1,867,447	11.57%
Total non-current assets	**16,843,998**	**16,460,927**	**2.33%**
Total assets	**17,523,550**	**16,995,199**	**3.11%**
Current financial liabilities	3,728	5,920	-37.03%
Bonds and other financial liabilities	367,340	139,132	164.02%
Current trade and other current payables	83,789	92,004	-8.93%
Provisions	515	1,921	-73.19%
Current tax payables	45,668	5,562	721.07%
Labor liabilities	12,683	11,776	7.70%
Other current liabilities	62,970	46,770	34.64%
Total current liabilities	**576,693**	**303,085**	**90.27%**
Non-current financial liabilities	458,039	550,033	-16.73%
Bonds and other financial liabilities	769,075	766,243	0.37%
Deferred taxes	162,692	132,865	22.45%
Employee benefits liability	11,908	13,075	-8.93%
Total non-current liabilities	**1,401,714**	**1,462,216**	**-4.14%**
Total liabilities	**1,978,407**	**1,765,301**	**12.07%**
Issued capital	53,933	53,933	0.00%
Share premium	1,354,759	1,354,759	0.00%
Other Comprehensive Income	1,564,175	1,559,137	0.32%
Reserves	2,829,844	2,743,764	3.14%
Other equity components	592,604	466,622	27.00%
Retained earnings (loss)	8,696,987	8,699,863	-0.03%
Net income (loss)	452,841	351,820	28.71%
Total Equity	**15,545,143**	**15,229,898**	**2.07%**

SEPARATE STATEMENT OF LOSSES AND PROFITS

	4Q2017	4Q2016	Var (%)	Dec-17	Dec-16	Var (%)
Operating Revenues	48,575	615,759	-92.1%	1,190,197	1,111,486	7.1%
Financial income or expenses, net	0	369,974	-100.0%	659,532	544,501	21.1%
Real estate income	39,876	130,812	-69.5%	260,454	207,310	25.6%
Equity method, net	8,699	114,973	-92.4%	270,211	359,675	-24.9%
Variable cost	6,252	378,153	-98.3%	397,533	458,681	-13.3%
Cost of sales - Financial activities	0	357,713	-100.0%	351,062	435,554	-19.4%
Cost of sales - Real estate business	6,252	20440	-69.4%	46,471	23,127	100.9%
Gross income	42,323	237,606	-82.2%	792,664	652,805	21.4%
Gross margin	87.13%	38.59%		66.60%	58.73%	
Overhead	49,794	43,613	14.2%	165,117	133,843	23.4%
Administrative expenses	47,878	42,048	13.9%	144,354	128,214	12.6%
D&A	933	899	3.8%	18,450	3,499	427.3%
Selling expenses	983	666	47.6%	2,313	2,130	8.6%
D&A - selling	0	0	NA	0	0	NA
Other income and other expenses	-3,683	9,621	-138.3%	-19,833	-3,818	419.5%
Other income	3706	20118	-81.6%	11,241	24,777	-54.6%
Other expenses	-7,389	-10,497	-29.6%	-27,664	-18,627	48.5%
Wealth tax	0	0	NA	-3,410	-9,968	-65.8%
Operating income	-11,154	203,614	-105.5%	607,714	515,144	18.0%
Operating margin	-22.96%	33.07%		51.06%	46.35%	
EBITDA	-10,221	204,513	-105.0%	629,574	528,611	19.1%
EBITDA margin	-21.04%	33.21%		52.90%	47.56%	
Non-operating revenues and expenses	-27,156	-36,774	-26.2%	-116,348	-135,335	-14.0%
Financial revenues and expenses, net	-27,121	-36,821	-26.3%	-120,427	-141,519	-14.9%
Revenues from dividends	0	0	NA	0	0	NA
Exchange difference, net	-35	47	-174.5%	4,079	6,184	-34.0%
Net participation in associates results	0	0	NA	0	0	NA
Pre-tax profit (loss)	-38,310	166,840	-123.0%	491,366	379,809	29.4%
Income tax	-9,609	-1,637	487.0%	38,525	27,989	37.6%
Net income	-28,701	168,477	-117.0%	452,841	351,820	28.7%
Net margin	-59.09%	27.36%		38.05%	31.65%	

SEPARATE STATEMENTE OF CASH FLOW

	2017	2016
NET INCOME	452,841	351,820
Adjustments for:	-	-
Income from dividends and participations of uncontrolled companies	(99,209)	-
Tax expense recognized during the period	38,525	21,439
Equity method – subsidiaries	(270,210)	(352,840)
Gain/loss from measurement at fair value of investment properties	(115,329)	(66,307)
Financial expenses recognized during the period	134,204	153,714
Interest revenues recognized during the period	(9,833)	(16,392)
Gain/loss from measurement at fair value of PP&E	810	(4,012)
Loss due to the disposition of intangibles	10	-
net income from sale investment	(220,773)	(23,725)
net income of fair value arising on investments in associates or joint ventures	(43,659)	-
Loss arising on the sale of non-current assets available for sale and other assets	2	-
Gain/loss from disposal of investment properties	(5,965)	(11,550)
Gain/loss from measurement at fair value of financial instruments	-	-
Instrument inefficiency on cash flow hedge	-	-
valuation of financial instruments	(5,295)	(1,311)
(Recovery) net loss for provisions recognized in results of the period	(762)	2,235
D&A of non - current assets	18,450	3,412
Impairment from Non- current assets recognized during the period	17	-
Exchange difference not realized, recognized in results of financial instruments	272	(5,637)
Other adjustments to reconcile the gain (loss)	25,405	-
	(100,499)	50,846
CHANGE IN WORKING CAPITAL:	-	-
Trade account receivables and other accounts receivables	148,396	(182,486)
Inventories	31,285	9,211
Other assets	(10,691)	(5,622)
Trade account payables and other accounts payables	1,614	(58,703)
Provisions	(430)	-
Other liabilities	15,714	24,688
CASH FROM OPERATIONS	85,389	(162,066)
Dividends received and revenue from other participations	351,403	244,743
Income and wealth tax payed	(11,206)	(8,260)
CASH FROM OPERATIONS	425,586	74,417
	-	-
CASH FLOW FROM INVESTMENT ACTIVITIES	-	-
Financial interests received	9,567	-
Acquisition of PP&E	(1,402)	(5,727)
Sale of property, plant and equipment	-	-
Acquisition of investment properties	-	(230)
Sale of investment properties	6,564	121,770
Intangible asset acquisition	-	(25)
Acquisition of other non-current assets	-	-
Sale non-current assets	-	-
Acquisition of subsidiaries	(505,863)	(138,926)
Sale of participation in subsidiaries	1,753	-

Share acquisition in associates and joint ventures	(15,892)	(65,974)
Sale of share in associates and Join Ventures	402,807	188,149
Acquisition of financial assets	(99,752)	(187,147)
Sale of financial assets	99,471	472,745
Subordinates debt payment	48,744	-
CASH FLOW FROM INVESTMENT ACTIVITIES	**(54,003)**	**384,635**
	-	-
CASH FLOW FROM FINANCING	-	-
Bond issuance	350,000	-
Payment of bonds and commercial papers	(132,250)	(209,734)
Increase/decrease in other financing instruments	(211,992)	(151,389)
Dividends paid	(257,604)	(229,929)
CASH FLOW FROM FINANCING	**(251,846)**	**(591,052)**
	-	-
CASH FROM THE PERIOD	**119,737**	**(132,000)**
	-	-
Cash and cash equivalents at the beginning of the period	179,358	311,454
FX effects on cash	(13)	(96)
CASH FROM PREVIOUS PERIOD	**299,082**	**179,358**

Consolidated Statement of financial position

STATEMENT OF FINANCIAL POSITION - CONSOLIDATED

	Dec-17	Dec-16	Var %
Cash and cash equivalents	2,625,892	1,921,472	36.7%
Derivative financial instruments	176	1,420	-87.5%
Investments	45,371	2,303	1870.1%
Trade account receivables, net	2,713,848	2,707,432	0.2%
Inventories	1,086,669	1,069,615	1.6%
Prepayments	134	0	NA
Non-current assets held for sale	228,103	198,478	14.9%
Total current assets	49,925	350,872	-85.8%
Non-current investment	**6,750,119**	**6,251,592**	8.0%
Other non-current account receivables	9,616,673	9,925,907	-3.1%
Inventories	2,619,430	2,560,227	2.3%
Intangibles, net	47,275	42,583	11.0%
Property, plant and equipment, net	7,196,127	4,638,553	55.1%
Investment properties	18,481,446	18,258,476	1.2%
Deferred taxes	2,203,222	2,273,994	-3.1%
Biological assets	573,316	758,382	-24.4%
Derivative financial instruments	54,129	20,870	159.4%
Other non-current assets	2533	650	289.5%
Total non-current assets	23,679	18,340	29.1%
Total assets	**40,817,829**	**38,497,982**	6.0%
Current financial liabilities	**47,567,948**	**44,749,574**	6.3%
Bonds and other financial liabilities	2,874,332	3,407,874	-15.7%
Current trade and other current payables	704,251	760,339	-7.4%
Current provisions	2,116,725	1,567,365	35.0%
Current tax payables	340,185	328,471	3.6%
Labor liabilities	189,664	169,270	12.0%
Other current liabilities	210,547	202,657	3.9%
Derivative financial instruments	667,596	480,889	38.8%
Liabilities associated with assets held for sale	3,622	102,555	-96.5%
Total current liabilities	824	191,699	-99.6%
Non-current financial liabilities	**7,107,746**	**7,211,119**	-1.4%
Bonds and other financial liabilities	6,499,405	6,363,559	2.1%
Deferred taxes	6,653,888	4,644,438	43.3%
Provisions	1,562,383	1,580,512	-1.1%
Other non-current payables	304,360	298,565	1.9%
Labor liabilities	237,324	319,950	-25.8%
Derivative financial instruments	494,531	440,950	12.2%
Other non-current liabilities	0	8,901	-100.0%
Total non-current liabilities	401,163	246,984	62.4%
Total Liabilities	**16,153,054**	**13,903,859**	16.2%
Total Equity	**23,260,800**	**21,114,978**	10.2%
Issued capital	53,933	53,933	0.0%
Share premium	1,354,759	1,354,759	0.0%
Other Comprehensive Income	2,159,131	1,987,756	8.6%
Reserves	2,829,844	2,743,764	3.1%
Other components of shareholders' equity	-7,225	-21,305	-66.1%
Retained earnings (loss)	9,045,006	8,898,455	1.6%
Net income (loss)	610,659	589,466	3.6%
Non-controlling interest	8,261,041	8,027,768	2.9%
Equity	**24,307,148**	**23,634,596**	2.8%

INCOME STATEMENT - CONSOLIDATED

	4Q2017	4Q2016	Var (%)	Dec-17	Dec-16	Var (%)
Revenues from operating activities	3,585,209	3,723,960	-3.7%	14,573,579	14,552,884	0.1%
Goods sold	3,222,833	3,001,173	7.4%	12,749,208	13,135,043	-2.9%
Financial income/expenses	71,471	452,235	-84.2%	694,359	678,501	2.3%
Real estate income	246,472	183,614	34.2%	892,776	369,381	141.7%
Equity method, net	98,817	118,596	-16.7%	435,723	539,998	-19.3%
Sales returns and discounts	-54,384	-31,658	71.8%	-198,487	-170,039	16.7%
Variable cost	2,803,579	2,738,706	2.4%	10,319,275	10,431,474	-1.1%
Cost of goods sold	2,486,738	2,045,753	21.6%	8,713,183	8,983,406	-3.0%
Depreciation and amortization	224,870	240,811	-6.6%	931,133	854,885	8.9%
Cost of sales – Financial act.	0	372,707	-100.0%	317,018	462,263	-31.4%
Cost of sales - Real estate	91,971	79,435	15.8%	357,941	130,920	173.4%
Gross income	781,630	985,254	-20.7%	4,254,304	4,121,410	3.2%
Gross margin	21.80%	26.46%		29.19%	28.32%	
Operating expenses	265,323	517,033	-48.7%	1,879,177	1,574,938	19.3%
Administrative expenses	99,277	382,408	-74.0%	1,243,861	1,116,030	11.5%
D&A- administrative	97,763	67,663	44.5%	377,781	189,020	99.9%
Selling expenses	58,360	56,747	2.8%	222,123	230,273	-3.5%
D&A- administrative	9,923	10,215	-2.9%	35,412	39,615	-10.6%
Other income/expenses	123,358	74,714	65.1%	145,406	-89,835	-261.9%
Other income	178,759	443,917	-59.7%	376,838	528,168	-28.7%
Other expenses	-55,401	-369,569	-85.0%	-191,661	-517,134	-62.9%
Wealth Tax	0	366	-100.0%	-39,771	-100,869	-60.6%
Operating profit	639,665	542,935	17.8%	2,520,533	2,456,637	2.6%
Operating margin	17.84%	14.58%		17.30%	16.88%	
EBITDA	972,221	861,258	12.9%	3,904,630	3,641,026	7.2%
EBITDA margin	27.12%	23.13%		26.79%	25.02%	
Non-operating revenues and expenses	-276,908	-256,228	8.1%	-1,079,085	-971,602	11.1%
Financial revenues and expenses, net	-287,705	-277,702	3.6%	-1,102,280	-1,011,876	8.9%
Exchange difference, net	10,797	21,474	-49.7%	23195	40274	-42.4%
Gain/loss on investment retirement	0	0	NA	0	0	NA
Pre-tax profit (loss)	362,757	286,707	26.5%	1,441,448	1,485,035	-2.9%
Income tax	268,045	67,126	299.3%	534,865	353,033	51.5%
Profit (loss) from continuing operations	94,712	219,581	-56.9%	906,583	1,132,002	-19.9%
Net loss from discontinued operations	0	0	NA	0	0	NA
Net income	94,712	219,581	-56.9%	906,583	1,132,002	-19.9%
Net margin	2.64%	5.90%		6.22%	7.78%	
Controlling interest	44,265	179,749	-75.4%	610,659	589,466	3.6%
Net margin - controlling	1.23%	4.83%		4.19%	4.05%	

We will hold a conference to discuss second quarter 2017 results on Thursday, February 22nd at 7:30 a.m. Colombia time.

Conference ID: 2.589.569

United States /Canada:	*(866) 837 - 3612*
Colombia:	*01800-913-0176*
Int'l/Local:	*(706) 634 - 9385*

A detailed presentation of these results shall be made available on Grupo Argos' Investor Website (www.grupoargos.com) under home or in the Financial Information / Reports section.

CONTACT INFORMATION:

Natalia Agudelo

Investor Relations Director

Grupo Argos

Tel: +57 (4) 319-8712

E-mail: nagudelop@grupoargos.com

Odinsa

In 2017, the Company completed the strategic approach process that was planned in 2016, through the sale of assets in sectors other than road and airport concessions. This process included the consolidation of some uncontrolled assets, achieving a healthy balance between projects in structuring stages, projects in construction stage and projects in operation. At the same time, it strengthened its long-term strategic and financial position. In 2017, this process culminated with the divestiture of the Gena and Genpac power generation plants, and the Santa Marta Paraguachón concession.

It is worth remembering that after achieving this strategic refocusing, the company achieved important milestones in 2017, such as the issuance of bonds in the amount of COP 400 billion and the first disbursement for the La Pintada S.A.S. project that operates the Pacifico II concession. These milestones allowed the company to become the fifth project of the 4G program with a disbursement under their respective credit agreements, in a difficult environment for financing such initiatives.

It is worth mentioning how execution under existing projects continues at a firm pace during the fourth quarter of 2017. Important works were carried out in the Opain S.A. airport concession and in the Autopista del Café road concession.

In December, Opain inaugurated the expansion of the national and international terminals of El Dorado Airport, with a new area of 48,000 m², allowing it to increase its capacity to 40 million passengers per year. The investment made, between voluntary and supplementary works, exceeded $420 billion. 6 boarding bridges, 3 VIP rooms and a little over 25,000 m² of new commercial areas were added to allow the entry of about 30 brands, including: Dufry Duty Free's Hudson, Tech on the Go, The Market Place, Gaira Café, Attenza Duty Free, Archie's, la Plaza de Andrés, Wing Paris Croissant, Papa Johns, Inkanta, Montblanc and Dufry Duty Paid.

The expansions have led El Dorado to have a total area of 221,000 m2 of passenger terminals, 6 VIP rooms, 90 contact positions for passenger aircraft, 28 international airlines, the capacity to mobilize 8,200 bags per hour, 1 million tons of cargo per year, and connecting about 31 million passengers with 47 domestic and 49 international destinations.

At Autopistas del Café, the completion and commissioning is highlighted, in December 2017, of the Variante La Paz which is part of the works of the adaptation fund. The activities that took place involved significant volumes of ground leveling, with an estimated total of 386,000 cubic meters and an investment of more than COP 31.5 billion. This construction constitutes a solution of high regional and national importance, by allowing to overcome the threat of landslides that compromise the stability of the road near the municipality of Chinchiná, in the department of Caldas.

4Q17 Consolidated Results

Revenues for the fourth quarter of 2017 reached COP 237 billion, decreasing 75.9% compared to 2016. It is worth highlighting that the revenues recorded in 2016 included 3 non-recurring effects that should be purged to make the results of the operation comparable, such as: (1) the valuation of the Dominican Republic, Autopistas del Nordeste and Boulevard Turístico del Atlántico concessions, (2) income received from the sale of the stake in the construction consortium of the La Pintada concession, and (3) deconsolidation of Gena and Genpac that were sold in 2017. The total of these effects is COP 747 million in both revenue and EBITDA. Thus, by excluding the non-recurring effects recorded in 4Q2016, the revenues would have shown an increase of 1% year-on-year.

By segment, revenues from the highway concessions business reached COP 174 billion (-24.3% YOY), as a result of lower levels of construction reported in 4Q2017 vs. 4Q2016.

In the construction segment, revenues totaled COP 68 billion (-14.0% YOY) and were impacted by the lower construction volume of Aruba Green Corridor and the El Dorado expansion, that for the fourth quarter was in the final phase of construction. These works were partially compensated by the greater volume of works in La Pintada and the major maintenance works in Llanos and Autopistas del Café.

Finally, in the airport business, revenues reached COP 21 billion (+60.8% YOY). It is important to mention that the two airport concessions are recorded under the equity method in the consolidated financial statements of Odinsa. Therefore, the increase is mostly due to the Quiport's higher level of net income.

The EBITDA for 4Q2017 is COP 173 billion, for a reduction of 78.3% YOY, which is explained by the non-recurring effects mentioned above. By excluding these effects at once, EBITDA increases by 243% going from COP 50 billion to COP 173 billion. The EBITDA's better performance is attributed to a greater recognition of assets in AKF and ADN because of the revaluation of financial assets. The EBITDA increases for these two concessions during the quarter amount to 177% and 752%, respectively.

Net income reached COP 23,963 million, impacted by the events explained above.

Odinsa has shown great discipline in controlling its levels of indebtedness, considering that it is currently investing in assets that are in the construction stage. The consolidated financial debt of Odinsa as of December 31, 2017 is COP 2,366,859 million, for an increase of only COP 17 billion, with respect to December 31, 2016. Most of the debt consolidated under Odinsa follows the "Project Finance" modality, which means that it has no recourse against Odinsa.

4Q17 contributions per business

Million COP	Road concessions	Construction	Airport concessions	Other int. op. (*)	Other direct ODINSA (**)	TOTAL
Operating revenues	173,660	67,677	20,728	9,445	9,054	236,562
Equity method revenue	102,154	21,302	20,728	9,445	8,968	153,375
Total revenue	138,404	23,081	20,763	11,114	-9,478	173,038
Gross Earnings	140,117	22,803	20,763	4,035	-10,580	163,814
EBITDA	45,369	14,072	7,730	58	-38,432	23,963
Operational income	59%	31%	100%	100%	99%	65%
Profit or loss at parent company	80%	34%	100%	118%	-105%	73%
Gross Margin	41%	32%	37%	1%	-424%	25%

*Direct business of Odinsa Holding (financing to subsidiaries abroad, financial charges and taxes).
**Direct business of Odinsa (Operation of Highways, Real Estate, corporate expenses, financial burdens and national taxes).
***The column for eliminations between businesses is not shown.

Highway Concessions in Operation

Autopistas del Café - AKF
Colombia
Period: 30 years (1997 – 2027)
Minimum guaranteed income
Odinsa equity: 60%

This concession reports a total traffic of 3,395,627 vehicles for 4Q2017, showing a 2.3% increase YOY, in line with the region's growth in tourist activity. The increase for 2017 is 2.1%, for a total of 12.8 million vehicles, which confirms the strength of this highway corridor despite the lower economic growth that affected the country in 2017, thanks to the tourism industry's good performance in this area of the country.

Toll collection for the fourth quarter amounts to COP 49 billion, for an increase of 8.2% YOY, which reflects a combination of the increase in total vehicle traffic and the increase in the toll rate, adjusted for inflation.

In the fourth quarter of 2017, the concession reports an EBITDA of COP 48 billion, which represents an increase of 176.9%, with respect to the same period of 2016, due to the lower maintenance costs, which was more extensive in the fourth quarter of 2016. The fourth quarter net income reached COP 9 billion for a 23.2% decrease compared to the fourth quarter of 2016 as a result of the higher tax provisions for the period.

For all of 2017, the recorded EBITDA was COP 80 billion, which represents an increase of 28.6% with respect to the COP 62 billion reported in 2016. This is the result of the greater construction margin obtained in 2017, having executed many of the works directly, not through the construction consortium, and the good performance in traffic, which brings higher margins.

In the 2017 year to date, the net income contributed were COP 26 billion, which represents a decrease of 37.8% with respect to the COP 42 billion reported in 2016. This is attributable to a higher tax expense for the period by calculating the deferred tax and the result of having lower levels of tax shields provided for losses of previous periods, given the new regulations applicable from January 1, 2017.

COP million	4Q17	4Q16	YoY	2017	2016	YoY
Total traffic	3,395,627	3,319,911	2.3%	12,770,844	12,513,926	2.1%
Average Daily Traffic ADT	36,909	36,086	2.3%	34,989	34,191	2.3%
Collection	49,267	45,516	8.2%	186,794	172,355	8.4%
Ebitda	47,525	17,161	176.9%	80,351	62,491	28.6%
Net Income	8,817	11,485	-23.2%	26,012	41,798	-37.8%

Autopistas del Nordeste

Dominican Republic
Period: 30 years (2008 – 2038)
Minimum guaranteed income
Odinsa equity: 67.5%

The concession shows an increase in traffic of 13.6% YOY for the fourth quarter of 2017, positively impacted by a growth in the increase in traffic associated with the unusual low levels of traffic in the same period of 2016, attributed to heavy rainfall that hit the country in that year and the fact that tourism also recovered significantly in 2017.

In terms of EBITDA, USD 27 million were recorded for the quarter, which compare very favorably with the USD 4.1 million for the same period of 2016. This is the result of the recovery of provisions for contingencies and major maintenance of USD 8 million and, mainly, due to a higher financial income of USD 18 million, associated with the revaluation of financial assets. The net income reaches USD 21.8 million as a result of the above, compared to the loss of USD 10.7 million recorded for the same period of 2016.

In line with the above, for the 2017 year to date, EBITDA reached USD 49.5 million, from USD 9.2 million reported in 2016, for an increase of 438%. The main reasons for this increase are the increased financial income and the recovery of provisions already mentioned. The net income in 2017 reached USD 25.6 million, for an increase of 419% over the previous year, as a result of the increase in EBITDA and higher financial expenses recorded in the period, related to the subordinated debt that the concession has with its shareholders.

USD million	4Q17	4Q16	YoY	2017	2016	YoY
Total Traffic	993,257	874,169	13.6%	3,906,080	3,753,592	4.1%
Average Daily Traffic ADT	10,796	9,502	13.6%	10,702	10,256	4.3%
Collection	3,174	2,854	11.2%	12,565	12,401	1.3%
Ebitda	26.9	-4.1	752%	49.5	9.2	435%
Net Income	21.8	-10.7	304%	25.6	-8	419%

Boulevard Turístico del Atlántico

Dominican Republic
Period: 30 years (2008 – 2038)
Minimum guaranteed income
Odinsa equity: 67.5%

In 2017, the works were completed to recover the damage recorded in three sectors of the road, resulting from the strong winter weather of 2016, which particularly affected the province of Samana where the concession is located. In addition, the construction of the toll station that replaces the truck existing previously (El Catey) was completed.

During the fourth quarter of 2017, as a result of the weather conditions affecting the country, there was a slight decrease in total vehicle traffic of 1.7%. Despite this, the dollar toll collection was USD 651 million, for an increase of 23%.

The Irma and Maria hurricanes, which affected the Dominican Republic at the end of 2017, caused minor physical damage to the concession infrastructure. The impact was greater in relation to traffic and toll collection, as can be observed in the figures of the quarter.

In line with the above, the EBITDA for 2017 reached USD 28.9 million, from USD 22.6 million reported in 2016, for an increase of 27.6%. The main reasons for this increase are the increase in the financial income of the concession, related to the valuation of financial assets.

The net income in 2017 reached USD 12.2 million, for a decrease of 74.6% over the previous year, as a result of the increase in EBITDA and higher financial expenses recorded in the period, related to the debt that the concession has with both multilateral financial institutions and its shareholders.

USD thousand	4Q17	4Q16	YoY	2017	2016	YoY
Total Traffic	315,744	321,056	-1.7%	1,349,361	1,375,946	-1.9%
Average Daily Traffic ADT	3,432	349	883.4%	3,697	3,759	-1.6%
Collection	651	527	23.5%	2,762	2,649	4.3%
Ebitda	7.0	9.9	-29.2%	28.9	22.6	27.6%
Net Income	3.5	42.6	-91.8%	12.2	48.1	-74.6%

Highway Concessions under Construction

La Pintada Concession

Colombia
Under construction
Construction termination date 2021
Period: 20 years (2043)
Present value of toll revenue (PVTR)
Odinsa equity: 78.9%

The most relevant event for this concession in the fourth quarter of 2017 was having obtained the first disbursement of the project financing, of approximately COP 1.3 trillion, consisting of a dollar credit facility of USD 250 million and another in Colombian pesos of COP 510 billion. This resulted in Concesión La Pintada becoming the fifth project of the 4G program to achieve a disbursement under their respective credit agreements.

The works of Concesión La Pintada S.A.S. are progressing according to the established work schedule. As of December 2017, the overall progress of the project is 30%. Of the 5 functional units, one has already been delivered (UF-5). The other 4 functional units, 1 to 4, record an increase of 41.78%, 19.03%, 2.88% and 11.52%, respectively.

The works include the beginning of Túnel Mulatos drilling in its two entrances. This tunnel was awarded to a consortium formed by the firms Estima and Latinco. Meanwhile, of the 5 major bridges, Cauca and Marvalle were awarded to Consorcio Pipinta, and Cártama, Piedras and Mulatos to the Consortium composed of Concrearmado - VSL.

Likewise, civil works were started for the installation of the prefabricated concrete plant, the Argos concrete plant was commissioned in Cártama and operations were started for the production of aggregates in the Peñalisa plant.

88.64% of the properties required for the works have already been released and 51% are already recorded in deeds. In addition, environmental licensing is at 100%. It is worth remembering, that, from the very beginning of the works, the Certificate for the Absence of Ethnic Communities was obtained.

In the fourth quarter of 2017, average daily traffic increased by 4.2% compared to the same period in 2016, as a result of having completed the rehabilitation works for functional unit 5. The highest levels of reported traffic support a higher level of toll collection, amounting to COP 6.661 billion, for an increase of 12.1% compared to the fourth quarter of 2016. It is worth noting that the category that grew the most was heavy vehicles, which, added to the increase in tools with the CPI, allows this increase in the level of toll collection.

With regard to EBITDA and net income for the fourth quarter of 2017, negative figures were recorded as a result of a reclassification of the financial expense in the construction stage, which forced the reversal of revenues recorded in the first three quarters of 2017.

For 2017 as a whole, the EBITDA recorded an increase of 186.1%, attributable to the higher work levels reported. The greater losses for 2017 are attributable to the higher financial expense generated by the levels of financial debt required in the construction phase of the project.

COP millions	4Q17	4Q16	YoY	2017	2016	YoY
Total Traffic	634,906	609,471	4.2%	2,473,671	2,275,688	8.7%
Average Daily Traffic ADT	6,901	6,625	4.2%	6,777	6,218	9.0%
Collection	6,661	5,940	12.1%	26,080	22,118	17.9%
Ebitda	-7,509.1	6,327.9	-218.7%	27,683.7	9,677.0	186.1%
Net Income	-20,479.5	-3,913.0	423.4%	-16,541.5	-3,133.0	428.0%

Malla Vial del Meta

Colombia
Private PPP initiative
Demand risk
Odinsa equity: 51%

This concession executes the Malla Vial del Meta IP project, one of the first government-approved private initiative Public-Private Partnerships (Asociaciones Público-Privadas, APP).

The revenues of the Concesión Vial de los Llanos [Llanos Road Concession] come from the five toll stations of the project: Ocoa, Iraca, La Libertad, Yucao and Casetabla. They were impacted by two events: 1) The changes in macroeconomic variables that affected the conditions with which the project was structured such as the fall in international oil prices, which generated a recomposition of the traffic and a decrease in the number of cargo vehicles that transit through the department of Meta, the country's largest crude oil producer; and 2) the impossibility of implementing the tariff structure of the concession contract from the beginning of project execution in the toll stations of Casetabla and Yucao, and the subsequent issue of resolution 331 of February 15, 2017, through which the Ministry of Transport and the National Infrastructure Agency (*Agencia Nacional de Infraestructura*, [ANI]) modified resolution 1130 of 2015 regulating the project's tariff scheme.

Due to the change in the conditions of the concession contract, the concessionaire summoned, on December 1, 2016, a Court of Arbitration before the Chamber of Commerce of Bogotá, to settle the disputes among the parties.

Taking into account the Court summons and the round tables, between the parties, with the aim of reaching a settlement agreement, Supplementary Agreement No. 6 of December 21, 2016 was signed, which defined, among other aspects, the suspension of the obligation to obtain the financial closing of the project, and the commencement of the construction phase. Similarly, the parties agreed with the amending document that the activities of the pre-construction phase would be continued (preparing studies and designs, operation, maintenance of the existing infrastructure), as well as the implementation of the activities necessary to ensure the transitability of the concession corridor. These contractual obligations were executed and fulfilled by the concessionaire in the course of the year 2017, according to the proposed schedules.

In the course of the year 2018, the concessionaire expects to continue with the Court of Arbitration, whose first hearing proceedings was convened for March 7, 2018. Similarly, the concessionaire will continue taking the necessary steps before the ANI to reach a settlement agreement that allows the viability of executing the concession project.

During 2017, multiple interventions were carried out on the road, in compliance with the concession contract (pre-construction phase) and, in particular, Supplementary Agreement No. 6 of December 21, 2016.

In operating terms, average daily traffic reached 18,766 vehicles in 4Q2017, which represents a decrease of 0.1% compared to the same period in the previous year. This lack of dynamism in traffic is characterized by the continued impact of the fall in traffic due to oil activity.

In 4Q2017, EBITDA was negative by COP 1.340 billion due to the low levels of revenues reported by Functional Unit 1, which are lower than the operation and maintenance expenses. The net income for the quarter is affected by an adjustment of the tax provision.

For all of 2017, EBITDA was negative by COP 1.782 billion, which results from having to record costs related to the works of Supplementary Agreement No. 6 and to major maintenance. In line with this, the net income for the year was COP 93 million.

COP millon	4Q17	4Q16	YoY	2017	2016	YoY
Total Traffic	1,726,485	1,724,303	0.1%	6,570,387	6,750,431	-2.7%
Average Daily Traffic ADT	18,766	18,742	0.1%	18,001	18,444	-2.4%
Collection	20,276	22,636	-10.4%	79,950	81,160	-1.5%
Ebitda	-1,339.9	639.7	-309.5%	-1,782.3	1,665.2	-207.0%
Net Income	-1,026.7	758.8	-235.3%	92.7	1,907.0	-95.1%

Green Corridor

Aruba
DBFM Contract (Design, Build, Finance & Maintain)
Guaranteed traffic
Odinsa equity: 100%
Ceiling amount for the offer: USD 73 mm
Scope: 7 km of secondary roadway, rehabilitation and/or reconstruction of 24 km of existing roads, construction of 5 km of new roads and construction of 13 km of cycle routes.
Capex: USD 58.0 Millon
Project duration: 30 months
Maintenance: 18 years
Method of Payment: Once the works are completed, the state will make quarterly payments over the course of 18 years. The payments will be the equivalent of 130 million florins in January 2011 (USD $73 Million)

At the end of 2017, the Aruba Green Corridor project recorded a 98% advance. The main works of the project are already in operation. The Spaans Lagoen bridge was opened for service on September 13th. All the way, double roadway, from the airport to the Pos-Chiquito roundabout, it was put into service for users on September 26, as well as the lighting of this route. The paved, demarcated and signposted secondary access roads were delivered, and the mini-parks and the linear park have already been commissioned for the service and enjoyment of the community.

Once the construction is completed, the built infrastructure must be subjected to an audit process. This process should be completed in the first few months of 2018. 4 audits have been carried out to date. At this time, steps are being taken with the contracting authority to adjust the scope of the audits.

In 2017, an operating income of COP 73.978 billion is recorded for the concession. EBITDA for 2017 reached COP 15.070 billion, due to a reclassification of financial income to operating income. Net income reached COP 1.556 billion in 2017.

Airport Concessions

Opain

Colombia
Period: 20 years (2007 – 2027)
Royalties (% of total revenue): 46.2%
Odinsa equity + AC [administrative costs]: 65%

The most notable event in the fourth quarter of 2017 for Opain, was inaugurating the expansion of the national and international terminals of El Dorado Airport, with a new area of 48,000 m², allowing it to increase its capacity to 40 million passengers per year. The investment made, between voluntary and supplementary works, exceeded COP 420 billion. 6 boarding bridges, 3 VIP rooms and a little over 25,000 m² of new commercial areas were added to allow the entry of about 30 brands, including: Dufry Duty Free's Hudson, Tech on the

Go, The Market Place, Gaira Café, Attenza Duty Free, Archie's, la Plaza de Andrés, Wing Paris Croissant, Papa Johns, Inkanta, Montblanc and Dufry Duty Paid.

The expansions have led El Dorado to have a total area of 221,000 m2 of passenger terminals, 6 VIP rooms, 90 contact positions for passenger aircraft, 28 international airlines, the capacity to mobilize 8,200 bags per hour, 1 million tons of cargo per year, and connecting about 31 million passengers with 47 domestic and 49 international destinations.

Based on the report from Civil Aviation (Aerocivil), the total passenger movement in 2017 for El Dorado was 30,989,206 passengers. The airport of the country's capital continues to be the third largest airport of Latin America in terms of passenger traffic, after the airports of Mexico City and Guarulhos (Sao Paulo), with a slight decrease of -0.17%, showing an increase in the number of international passengers of 6.50% and a decrease in domestic passengers of -3.23%. As for the fourth quarter of 2017, passengers decreased by 5.84% with respect to the same period of 2016, as it was the period in which the pilot strike of Avianca took place, which mainly affected domestic aircraft operations.

EBITDA for the fourth quarter of 2017 reaches COP 56.199 billion, for an increase of 35.6%, a result of an increase in unregulated income, driven by the delivery of the commercial spaces for the voluntary and supplementary works. In addition, the reduction of administrative expenses is highlighted in the last quarter of the year.

The net income for the quarter is COP 5.042 billion, down by 72.7% compared to that reported in the same period of 2016 as a result of the higher tax provision recorded.

	4Q17	4Q16	YoY	2017	2016	YoY
Passengers	7,596,508	8,067,320	-5.8%	30,989,206	31,041,853	-0.2%
Domestic	5,039,732	5,496,203	-8.3%	20,600,699	21,287,629	-3.2%
International	2,556,776	2,571,117	-0.6%	10,388,507	9,754,224	6.5%
Paying Passengers	3,158,016.0	3,395,938.0	-7.0%	12,604,995.0	12,553,734.0	0.4%
Domestic	2,172,898	2,456,823	-11.6%	8,789,954	9,009,777	-2.4%
International	985,118.0	939,115.0	4.9%	3,815,041.0	3,543,957.0	7.6%
Revenue	206,972	190,149	8.8%	870,106	820,079	6.1%
Regulated	137,031	127,662	7.3%	603,907	563,872	7.1%
Unregulated	69,941	62,487	11.9%	266,199	256,207	3.9%
EBITDA (COP million)	56,199.2	41,451.3	35.6%	280,942.9	265,121.4	6.0%
Net Income (COP million)	5,042	18,440	-72.7%	41,898	63,983	-34.5%

Quiport

Ecuador
Period: 35 years (2006 – 2041)
Royalty (% regulated revenues): 11%
Odinsa equity: 46.5%

In 2017, a positive variation of 0.2% was recorded in the number of passengers serviced at Mariscal Sucre Airport, recording 4,861,041. The operations in 4Q2017 were affected by the elimination of certain domestic routes, resulting in a decrease in the total number of passengers of 2.18%, with respect to the same period of 2016.

For all of 2017, international traffic increased by 1.5% due to the local airline TAME resuming certain routes and the improvement of Avianca and Copa routes. Meanwhile, domestic traffic decreased by 0.9% due to the continued impact of the economic slowdown on local travelers, who opt for other transportation options, the elimination of certain routes by TAME and the non-operation of the local airline Petroamazonas during the last quarter of the year, due to the maintenance of its fleet.

The cargo volumes managed by the Mariscal Sucre International Airport in 2017 showed an excellent performance as they increased by about 15% compared to 2016. This is the result of the increase in demand for fresh flowers in international markets, the elimination of safeguards for the importation of goods and the trade agreement signed between Ecuador and the European Union. Additionally, starting in the year 2017, the Cargolux airline is operating from Quito, attracting cargo volumes that previously operated in other airports in Ecuador.

During the year 2017, Quiport’s operating income reached USD 147 million, a figure similar to that reached in 2016. An important component of the operating income is caused by the regulated income, which showed an increase compared to 2016, mainly associated with the positive performance in international passenger traffic and cargo operations. This positive performance could be achieved thanks to the provision of commercial incentives to airlines that started new routes or increased frequencies during the year 2017. These incentives partially offset the additional income generated during 2017. However, the benefits associated with opening new routes and new frequencies will continue to positively impact performance in 2018.

The EBITDA of the Company reached USD 106 million, which represents a decrease of 0.7% with respect to 2016. This is mainly associated with an increase in the worker profit sharing expense, which in accordance with Ecuadorian legislation is directly related to the company’s net income level.

The net income was USD 56 million, which represents an increase of more than 9% compared to the previous year. This increase is mainly attributable to a lower financial expense, resulting from amortization and debt payments made during 2016 and 2017.

Financial Results
3rd Quarter of 2017 - **Concessions** business

	4Q17	4Q16	YoY	2017	2016	YoY
Passengers	1,181,900	1,208,248	-2.2%	4,861,041	4,852,530	0.2%
International:	525,562	519,421	1.2%	2,201,517	2,169,901	1.5%
Domestic	656,338	688,827	-4.7%	2,659,524	2,682,629	-0.9%
Operations	13,713	14,221	-3.6%	55,778	57,298	-2.7%
Revenue (thousands USD)	17,673	18,540	-4.7%	146,990	147,190	-0.1%
Regulated	16,323	15,675	4.1%	110,842	108,407	2.2%
Unregulated	9,514	10,125	-6.0%	38,609	38,344	0.7%
Other income	-8,164	-7,260	-12%	-2,461	439	-661%
Expenses (thousands USD)	12,808	13,694	-6.5%	50,874	50,154	1.4%
Direct	11,263	11,718	-3.9%	42,639	41,458	2.8%
Indirect	1,545	1,976	-21.8%	8,235	8,696	-5.3%
EBITDA (USD million)	25.4	25.0	1.7%	106.3	107.0	-0.7%
Net Income (USD million)	12.3	10.9	13.0%	55.6	50.9	9.1%

Cementos Argos

BVC: CEMARGOS, PFCEMARGOS
ADR LEVEL 1: CMTOY / ADR 144A: CMTRY - Reg-S: CMTSY

Cementos Argos S.A. (Argos) is a geographically diverse rapidly growing cement and ready mix concrete (RMC) company with presence in 15 countries and leading market positions in the US, Colombia, Caribbean & Central America (CCA) and total annual capacity of approximately 24 million tons of cement and 18M million m3 of concrete.

Key Highlights

- Successful advances in the execution of the divestment strategy: in December 2017th, the sale of the block business assets, acquired in 2014th, was carried out. Additionally, the company progressed in the sale of self-generation power plants in Colombia.
- Positive outlook in the United States after the fiscal reform, which is expected to generate positive effects in the country´s economy, the industry and in Argos operations.
- One-time, non-recurring impairment related to the adjustment of the tax losses carry forward given the reduction of the corporate tax rate from 35% to 21%. This effect does not impact the cash flow and represents a single charge of USD 34 million that affects the net income.
- Cementos Argos was notified about the decision of the Superintendence of Industry and Commerce of Colombia to fine the company for an alleged involvement in conscious price parallelism. The company does not share the decision, and has already appealed it, and will exhaust all legal instances to demonstrate its good conduct. Depending on the appeal´s result, the provision in the financial statements will be record, if necessary.

Consolidated Results

Consolidated cement volumes reached 4.0 million tons, with a 17.6% increase driven by positive dynamics in the US and Central America and the Caribbean regions. Concrete volumes decreased 3.9%, explained by the lower dispatches in the United States and Colombia.

The adjusted EBITDA, excluding no-recurring items associated to the BEST program, closed in COP 375 billion with a 17.8% margin. The results reflect the efforts in efficiency and the geographical diversification strategy, which allowed the company to partially offset the market conditions in Colombia.

The net income reflects the lower sales in Colombia and non-recurring charges in the US, related to the deferred asset tax impairment of USD 34.7 million.

mramirezm@argos.com.co
cricaurte@argos.com.co
acastanol@argos.com.co

Financial Results
4th Quarter of 2017

ARGOS

		4Q2017	4Q2016	Var A/A	2017	2016	Var A/A
Cement	mm TM	4,042	3,436	17.6%	16,275	13,976	16.5%
RCM	mm m3	2,567	2,671	-3.9%	10,590	11,273	-6.1%
Revenues	COP bn	2,107	2,004	5.1%	8,533	8,517	0.2%
Ebitda	COP bn	362	398	-8.9%	1422	1672	-15.0%
Adjusted Ebitda	COP bn	375	398	-5.6%	1479	1672	-11.5%
Ebitda margin	%	17.2%	19.8%	264 pb	16.7%	19.6%	-297 pb
Adjusted Ebitda margin	%	17.8%	19.8%	203 pb	17.3%	19.6%	-230 pb
Net Income - Controlling	COP bn	-80	27	NA	-13	420	NA
Net margin	%	-3.8%	1.3%	NA	-0.1%	4.9%	NA

To see detailed results, click on the following link:
file:///C:/Users/nagudelop/Downloads/Cementos%20Argos%204Q17%20Report%20FV..pdf

mramirezm@argos.com.co
cricaurte@argos.com.co
acastanol@argos.com.co

CELSIA

Celsia

BVC: CELSIA

Celsia is the energy company of the Argos Group, with a presence in Colombia, Panama and Costa Rica and a generation capacity of 2,400 MW through 28 hydroelectric, thermal, photovoltaic and wind power plants, generating around 6,317 GWh per year.

Most notable events

- The Company's consolidated generation was 1,769 GWh in the quarter, up 12% compared to the same quarter last year and up 23% compared with Q317. Out of the consolidated generation, 77% came from hydroelectric generation, 20% from thermal power plants, 3% from the wind farm in Costa Rica, and 0.20% (4 GWh) from the new solar farm in Yumbo. Year-to date electric power generation is 6,317 GWh, 11% down from the previous year.

- Consolidated revenue for the quarter was COP 823,902 million, 4% up from the same period of the previous year. Year-to-date revenue totaled COP 3,094,036 million, 18% down from the same period of the previous year. This is in line with our expectations given the lower generation volume of the thermal power plants and the spot price decrease, influenced in 2016 by the El Niño phenomenon. Revenue from Central America was USD 247 million during the year, representing 24% of the consolidated revenue.

- Fourth quarter EBITDA this year was COP 309,114 million, up +21% Y/Y compared to the COP 255,886 million reported for the same period in 2016. Good performance in Central America together with a more efficient operation in Colombia allowed the power generation facilities to make a significant contribution to the results, which added to the stability of the distribution and retail sales business.

- Over the quarter, the Company reported consolidated net earnings of COP 71,457 million (-6% Y/Y). When subtracting minority interests, the net income attributable to controlling shareholders was COP 39,328 million (+20% Y/Y). Year-to-date net earnings totaled COP 250,966 million (+47% Y/Y), and the profit attributable to the controlling shareholders was COP 149,147 million (+352% Y/Y).

inversionistas@celsia.com

Relevant figures

	Units	4Q2017	4Q2016	Var Y/Y %	2017	2016	Var Y/Y %
Ordinary revenue	COP mill.	823,902	793,411	3.8%	3,094,036	3,794,910	-18.5%
Gross earnings	COP mill.	275,647	217,606	26.7%	994,396	884,629	12.4%
Earnings before financial results	COP mill.	217,384	172,166	26.3%	757,859	642,439	18.0%
EBITDA	COP mill.	309,114	255,886	20.8%	1,123,681	1,031,375	8.9%
EBITDA Margin	%	*37.50%*	*32.30%*	16.1%	*36.30%*	*27.20%*	33.5%
Net earnings	COP mill.	71,457	75,630	-5.5%	250,966	171,034	46.7%
Net earnings attrib. to holding co.	COP mill.	39,328	32,651	20.4%	149,147	32,997	352.0%
Generation							
Total energy produced	GWh	1,769	1,586	11.5%	6,317	7,125	-11.3%
Total energy sold	GWh	2,232	2,036	9.6%	8,092	9,375	-13.7%
Energy produced in Colombia	GWh	**1,542**	**1,250**	23.4%	**5,226**	**5,596**	-6.6%
Hydraulic Colombia	GWh	1,214	930	30.5%	4,274	3,019	41.6%
Thermal Colombia	GWh	325	320	1.6%	946	2,577	-63.3%
Solar Colombia	GWh	3,6	0,0		5,4	0,0	
Energy sold Colombia	GWh	**1,752**	**1,504**	16.5%	**6,148**	**7,267**	-15.4%
Contract sales Colombia	GWh	773	883	-12.5%	2,940	3,983	-26.2%
Stock exchange transactions Colombia	GWh	979	621	57.6%	3,208	3,285	-2.3%
Energy produced Central America	GWh	**227**	**336**	-32.4%	**1,091**	**1,529**	-28.6%
Hydraulic Central America	GWh	147	163	-9.8%	480	465	3.2%
Thermal Central America	GWh	31	132	-76.5%	447	866	-48.4%
Wind Central America	GWh	49	41	19.5%	164	198	-17.2%
Energy sold Central America	GWh	**481**	**499**	-3.6%	**1,944**	**2,075**	-6.3%
Contract sales Central America	GWh	446	444	0.5%	1,807	1,877	-3.7%
Spot sales Central America	GWh	35	55	-36.4%	137	198	-30.8%
Distribution							
Energy losses	%	8.40%	8.30%	1.2%	8.40%	8.30%	1.2%
Collection	%	98%	100%	-2.0%	98%	100%	-2.0%
SAIDI - EPSA/CETSA	Hours	4.6	3.6	27.8%	16.3	13.7	19.0%
SAIFI - EPSA/CETSA	Times	5.7	4.2	35.7%	19.5	15.7	24.2%
Retail marketing							
Regulated market sales	GWh	298	283	5.3%	1,181	1,188	-0.6%
Unregulated market sales	GWh	244	222	9.9%	956	903	5.9%
Users	Number	603,511	586,270	2.9%	603,511	586,270	2.9%

To see the detailed results, click the following link:

http://www.celsia.com/en/Financial-information/Reports

inversionistas@celsia.com

Real Estate Business

Results from the 4th Quarter of 2017

For the fourth quarter, the urban development business recorded deeds of COP 12 billion, corresponding to 8,430 m2. However, COP 39,871 billion were recorded for the quarter, which includes the valuations of the private equity fund, the impairment of Grupo Argos properties, and the deferred income.

Valuations of Grupo Argos properties were recorded in the amount of COP 18 billion, according to the fair value policy adopted (these results include Grupo Argos' share of the valuation of the Pactia private equity fund.

The deferred income corresponds to accounting under IFRS, which, for the urban development business, only recognizes income in the proportion to which the development progresses. We emphasize that this business has negative net working capital, and the sale of the lots occurs in advance of the development.

Income details from developed and undeveloped lots
Urban Development Business - Grupo Argos

COP millions	4Q2017	4Q2016	Var A/A	2017	2016	Var A/A
Revenue	39.871	140.157	(71,6%)	266.547	216.390	23,2%
Revenue from the sale of lots	12.645	162.530	(92,2%)	83.748	216.604	(61,3%)
Lots sale in m2	8.430	1.869.515	(99,5%)	56.033	1.924.853	(97,1%)
Cash Flow	37.457	15.834	136,6%	181.914	101.331	79,5%

In the real estate rental business, we highlight the positive results of the Pactia real estate fund, which since its creation on January 20, 2017, has shown annual effective yields of 7.55%, recording a per-unit value, including yields, of $10,713.9 as of December 31, 2017 (per-unit distributed yields of $72,256). The number of outstanding units as of December 31 amounted to 187,573,164, which implies an equity value for Grupo Argos' stake (36.29%) of COP 724 billion.

In line with its GLA growth strategy, the company continues to make progress in increasing the gross leasable area, which by the end of the third quarter of 2017 amounted to 721,229 m2 thousand square meters, showing a 43% increase over the same period of last year. The majority of the assets are concentrated in commerce and industry, with more than 568 thousand m2 of GLA. We note that the assets under management totaled COP 3.122 billion, and the liabilities amounted to COP 1.126 billion at the end of the period.

The ownership interests as of December 31 were distributed as follows: 46.1% Conconcreto, 36.3% Grupo Argos and 17.6% Protección. For the month of January, a contribution of Protección is expected upon the authorization of a raising of capital by this fund in the amount of COP 90 billion.

With regard to the results, gross operating revenues were COP 52 billion, growing 23% year-on-year, while net operating income was COP 38 billion, growing 26%, for a consolidated EBITDA of COP 27 billion and a margin of 52%.

Revenues and costs details - Pactia

COP millions	4T2017	4T2016	Var A/A	2017	2016	Var A/A
Gross Actual Revenue	68,912	45,906	50%	223,963	179,147	9%
Operating Costs	24,579	19,317	27%	70,472	58,445	18%
Net Operating Income	44,333	26,589	67%	153,492	120,703	35%
Consolidated EBITDA	29,295	18,093	62%	107,198	100,133	-3%
Ebitda margin	43%	39%	300pb	48%	56%	(800pb)

It is emphasized that during the quarter, the execution of the Coral Gables project was approved in Miami, corresponding to the *Multifamily* line, which will add to the portfolio 6,100 M2 of GLA. The United States expansion strategy adopted has contributed to the revenue fund COP 8.354 mm during the last quarter of 2017.

During the quarter, the purchase of the industrial complex San Carlos I was completed, located in Bogotá, which will add 134.123m2 of GLA to the portfolio.