

RELEVANT INFORMATION



According to the authorization granted by the Board, Grupo Argos has reached an agreement with Conconcreto for them to jointly develop their property rental strategy, through the contribution of certain assets that enable the composition of a portfolio focused on development and operation, with an adequate diversification in both uses and geographies. The stake held by each company will be of 50%.

Conconcreto's experience in the real estate sector in Colombia, combined with Grupo Argos' financial strength and international experience, will allow this portfolio become an important player in the country and the region.

The combination of the selected assets will create a portfolio that, in its initial stage, will operate more than 430 thousand m2, equivalent to COP 1.3 billion. In the next 4 years, will develop 300 thousand m2 in gross leasable area that will double the value of the administrated assets, reaching an amount of COP 2.6 billion and becoming one of the biggest real estate portfolios in the country.

Grupo Argos will contribute with 32 thousand m2 in operating real estate assets, COP 122 thousand million in projects under construction, land for develop worth COP 112 thousand million and COP 365 thousand million in cash, which will be disbursed during the 4 years according with the portfolio's investment needs and enable to reach the aforementioned growth targets.

It is worth noting that Grupo Argos will continue its real estate development business independently, through the brand Situm. This real estate development business is composed of a land bank, which the company owns in the north coast (Barranquilla y Barú) and in the Colombian southwest. This business will not be a part of the new real estate portfolio.

It is expected that this combination will be executed during the first semester of 2015, after accomplishing the confirmatory due diligences and the procedures required by these kind of transactions.

Medellin, December 17, 2014