

# RELEVANT INFORMATION



Grupo Argos, sustainable infrastructure investments holding, posted consolidated revenues of COP\$ 4 trillion at the end of the first quarter of 2016, with a 54% growth due to the good operating results of its subsidiaries in the sectors of cement (Argos), energy (Celsia) and concessions (Odinsa), urban development business and its participation in real estate (Pactia) and port (Compas) businesses.

The most relevant fact is the good performance of all businesses in which Grupo Argos has interests, with a consolidated Ebitda of COP\$ 939 billion, or a 44% growth, and a consolidated net income of COP\$ 227 billion, or a 148% growth. Infrastructure, as the backbone that interconnects the subsidiaries of Grupo Argos, continues to maintain a very positive dynamics in all the markets where the company operates.

The reorganization of the first tier of the organizational structure was completed in the period with the appointment of former president of Cementos Argos, Jorge Mario Velasquez, as the new President of Grupo Argos, after 32 years of company service. To manage the subsidiaries in which Grupo Argos has controlling interests, the following appointments were made: Juan Esteban Calle was appointed as President of Cementos Argos; Mauricio Ossa was appointed President of Odinsa; Maria Clara Aristizabal was appointed Manager of the Urban Development Business. The executive management team also includes Mr. Ricardo Sierra who was appointed as President of Celsia in June of 2015.

Grupo Argos, included in the Global Dow Jones Sustainability Index for 3 consecutive years, received the Silver Class Distinction in the RobecoSAM Sustainability Yearbook 2016, and it was recognized as *RobecoSAM Mover* for being the organization in this industry worldwide with the most progress in economic, environmental and social sustainability.

## **Consolidated results of Grupo Argos at the end of the first quarter of 2016:**

- Consolidated revenues of COP\$ 4 trillion, or a 54% growth.
- Consolidated Ebitda of COP\$ 939 billion, or a 44% growth, and Ebitda margin of 23%.
- Net income of COP\$ 227 billion, a 148% growth.
- Consolidated assets of COP\$ 41 trillion.
- Consolidated equity of COP\$ 22 trillion

## **Business results:**

Although Argos subsidiaries, Celsia and Odinsa, also listed on the stock exchange, have released their Q1 2016 financial results to the market, we highlight the main events of the period:

- **Argos (Cement)**

The revenues of the cement business increased by 34% (COP\$ 2.2 trillion) and EBITDA increased by 38% (COP\$ 425 billion). The three regions where the company operates (United States, Caribbean and Central America, and Colombia) posted positive results. The United States Regional Division contributed significantly to the results due to the market recovery, better economic performance and residential construction growth rates in the southern states of the country where Argos operates.

- Celsia (Energy)**

The revenues of the energy business increased by 72% (COP\$ 1.34 trillion) and EBITDA increased by 25% (COP\$ 267 billion). These results show the strength of the Company's portfolio composition, once the challenges posed by El Niño in Colombia are overcome. Of note are the operations in Central America, which contributed COP\$ 57 billion to the EBITDA and COP\$ 191 billion to revenues. Celsia continues to actively seeking new business models based on renewable energies.
- Odinsa (Concessions)**

The revenues of the road and airport concession business increased by 49% (COP\$ 252 billion) and its Ebitda increased by 79% (COP\$ 131 billion). The good performance was due to road concessions, increased construction activities and the improvement in the results of Opain. The company consolidated a controlling position in the road concessions Autopistas del Nordeste and Boulevard Turístico del Atlántico, located in the Dominican Republic, reaching a shareholding of 67.5%.
- Urban and Real Estate Development**

The comprehensive results of the urban development business and the real estate business represented in the Pactia Fund recorded an increase of 202% in revenues (COP\$ 38 billion), reaching an EBITDA of COP\$ 10 billion and an Ebitda margin of 26%.
- Compas (Ports)**

The port business recorded revenues of COP\$ 38 billion, a decrease of 3%, and an EBITDA of COP\$ 16 billion, up 6%, with a record Ebitda margin of 41%. The company handled a total of 1,180,000 tons, an increase of 4% compared to the figure reported in 2015.