

RELEVANT INFORMATION



Grupo Argos, the holding company of the listed companies Argos (cement) and Celsia (energy) and with investments in ports, real estate and other sectors of the economy, a very positive first quarter with growing results in all the strategic units.

Consolidated net income in the first half of the year was 306 billion pesos, representing a growth of 126% compared to 2013. The positive financial results confirm the advantages of the corporate strategy to maintain sustainable and diversified investments in sectors that contribute with the progress and development of economies.

During the second quarter, the company received a AAA rating from the BCR. This rating, being the highest applied to long-term debt instruments, indicates that as an issuer, Grupo Argos has ample and strong capacity to meet its financial commitments. This represents a guarantee of confidence for investors, while also reflecting the strategic management of the company that seeks to continue generating profit and sustainable value for its various stakeholders.

Also, in seeking to improve the debt structure and ensure the availability of resources for expansion plans, the Board of Directors approved the Straight Bonds and/or Commercial Papers Placement and Issuance Program for a total value of up to one trillion pesos (COP 1,000,000,000,000).

In this specific case, the Placing and Issuance Program has the objective of granting the Company with the flexibility necessary to turn to the market in moments that are considered appropriate in order to be able to take advantage of its advantages, and therefore establish the company's financing scheme, allowing for proper financial planning that was structured some time ago.

Grupo Argos consolidated results second quarter 2014:

- Revenues up to 4.5 trillion pesos, an increase of 22%.
- Consolidated EBITDA totaled 1.2 trillion pesos, an increase of 22%.
- Net income up to 306 billion pesos, an increase of 126%
- Assets up to 30.4 trillion pesos, an increase of 11%
- Equity totaled 13.5 trillion, an increase of 9%

Most important information about Grupo Argos businesses:

Cement Business

Argos reports a solid semester where the results of operations in Florida and Honduras are included in their entirety. In addition, 81 days of results were established that respond to the French Guyana assets. The Colombian region continues with a positive momentum, with 3% and 7% growth in volumes of cement and concrete respectively compared with the first semester of the previous year. In the US region, solid second quarter performance is highlighted, where an EBITDA of USD 24 million was recorded. This number is greater than that recorded for all of 2013. The Caribbean and Central American region present satisfactory results for the establishment of operations in Honduras and French Guyana, as well as for the increase in sales in Panama.

Energy Business

Celsia's growth in thermal power generation and the increase in stock prices due to water conditions are highlighted. Likewise, it is worth noting that although these contributions have been lower than the national historical average, in Celsia's case, they were higher than the previous year and the System average. For Cucuana, the production business reached an increase of 88%, while Bajo Tuluá reached 86%. Two power plants are set to enter into commercial operation at the end of this year.

Real Estate Business

During the second quarter, deed registration was carried out for lot C1 of the Genovés II Port project located in the Municipality of Puerto Colombia, sold for a general services project. The total value of this negotiation was COP 6.478 billion. Likewise, a deed was registered for lot D6 of the same project in order to develop a residential project. The sale of this lot was carried out through a bid or call, with a value of COP 5.466 billion. As to rental properties, in July Grupo Argos bought Cementos Argos assets in Ciudad Empresarial Sarmiento Angulo Torre 3 in Bogotá for their real-estate business. Assets are 4,900 m² of office space, representing an investment of approximately COP 39 billion.

Ports Business

In the second quarter of the year, the arrival of the first shipment of 60,000 barrels of Diesel to the Compas port in Barranquilla destined for the Zona Franca de Celsia is highlighted. Thus, the most modern hydrocarbon operations facility opened at this port.

GRUPO ARGOS S.A.
NON-CONSOLIDATED P&L STATEMENT
YTD at June
In millions of Colombian pesos or US dollars

	jun-14
Operating revenues	487.101
<i>US\$ dollars</i>	247
Dividends and participations	88.765
Revenues via equity method	189.597
Revenue from sales of investments	164.858
Real Estate Business	43.881
Gross profit	323.222
<i>Gross margin</i>	<i>66,4%</i>
Operating expense	57.799
Expense via equity method	10.221
Administrative expense	40.722
Provisions for investments	5.056
Depreciation and amortization	1.800
Operating profit	265.423
<i>Operating margin</i>	<i>54,5%</i>
EBITDA	267.223
<i>US\$ dollars</i>	135
<i>EBITDA margin</i>	<i>54,9%</i>
Non-operating revenues	92.603
Other income	92.603
Non-operating expense	44.989
Financial	27.965
Retirement pensions	306
Other expense	16.718
(loss) profit exchange rate	-4.415
Pre-tax earnings	308.622
Provision for income tax	2.942
Net income	305.680
<i>US\$ dollars</i>	156
<i>Net margin</i>	<i>62,8%</i>

GRUPO ARGOS S.A.
NON-CONSOLIDATED BALANCE SHEET
In millions of Colombian pesos or US dollars

	jun-14
Cash and equivalents	35.017
Accounts receivable	455.236
Inventories	39.387
Diferidos	502
CURRENT ASSETS	530.142
Permanent investments	8.184.750
Deudores	8.243
Intangibles and deferred items	135.003
Property, plant and equipment, net	185.259
appraisals	7.491.917
Other assets	1.554
NON-CURRENT ASSETS	16.006.726
TOTAL ASSETS	16.536.868
US\$ dollars	8.791
Financial obligations	385.842
Suppliers and accounts payable	95.140
Dividends payable	150.236
Taxes and rates	997
Labor liabilities	786
Other liabilities	60.995
CURRENT LIABILITIES	693.996
Financial obligations	427.609
Convertible bonds	581.136
Taxes and rates	0
Labor liabilities	2.253
Other liabilities	53.595
NON-CURRENT LIABILITIES	1.064.593
TOTAL LIABILITIES	1.758.589
US\$ dollars	935
SHAREHOLDERS' EQUITY	14.778.279
US\$ dollars	7.856
TOTAL LIABILITIES + SHAREHOLDERS' EQUITY	16.536.868

GRUPO ARGOS S.A.
CONSOLIDATED P&L STATEMENT
YTD at June
In millions of Colombian pesos or US dollars

	jun-14
Operating revenues	4.483.222
<i>US\$ dollars</i>	<i>2.291</i>
Variable costs	3.104.003
Cost of goods sold	2.878.171
Depreciation and amortization	225.832
Gross Profit	1.379.219
<i>Gross margin</i>	<i>30,8%</i>
Overheads	455.384
Administrative expense	293.446
Selling expense	110.748
Depreciation and amortization	51.190
Operating Profit	923.835
<i>Operating margin</i>	<i>20,6%</i>
EBITDA	1.200.857
<i>US\$ dollars</i>	<i>613</i>
<i>EBITDA margin</i>	<i>26,8%</i>
Non-operating revenues	206.950
Dividends and stakes	35.833
Other income	171.117
Non-operating expense	314.909
Net financial expense	160.936
Other expense	153.973
Exchange difference	-4.783
Pre-tax earnings	811.093
Provision for taxes	253.603
Minority interest	251.810
Net income	305.680
<i>US\$ dollars</i>	<i>156</i>
<i>Net margin</i>	<i>6,8%</i>

GRUPO ARGOS S.A.
CONSOLIDATED BALANCE SHEET
In millions of Colombian pesos or US dollars

	jun-14
Cash and equivalents	1.180.468
Trade receivables	1.093.900
Accounts receivable, net	918.659
Inventories	695.736
Prepaid expenses	103.633
CURRENT ASSETS	3.992.396
Permanent investments	1.435.622
Accounts receivable	15.346
Inventories	53.898
Deferred items and intangibles	2.215.854
Property, plant and equipment, net	8.958.648
Appraisals	13.725.223
Other assets	14.151
NON-CURRENT ASSETS	26.418.742
TOTAL ASSETS	30.411.138
US\$ dollars	16.166
Financial obligations	1.049.304
Bonds outstanding	123.586
Commercial Paper	0
Suppliers and accounts payable	926.168
Dividends payable	320.552
Taxes and rates	130.476
Labor liabilities	74.585
Sundry creditors	26.901
Other liabilities	1.016.541
CURRENT LIABILITIES	3.668.113
Financial obligations	2.496.608
Labor liabilities	322.633
Deferred items	91.677
Bonds outstanding	3.615.959
Bond placement premium	-6.568
Sundry creditors	26.901
NON-CURRENT LIABILITIES	6.547.210
TOTAL LIABILITIES	10.215.323
US\$ dollars	5.430
Minority interest	6.693.724
US\$ dollars	3.558
SHAREHOLDERS' EQUITY	13.502.091
US\$ dollars	7.177
TOTAL LIABILITIES + SHAREHOLDERS' EQUITY	30.411.138