

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, had a satisfactory third quarter.

Consolidated net income in the first half of the year was 332 billion pesos, representing a 73% growth when compared to 2013. These results are an evidence of our commitment to create value for our shareholders and stakeholders, based fundamentally on the premises of economic, social and environmental sustainability.

During September, RobecoSAM announced that Grupo Argos and its subsidiary Cementos Argos, will continue to be in the Dow Jones Sustainability index. This index examines the performance regarding environmental, social and corporate governance factors, besides evaluating other financial aspects like market capitalization and liquidity.

Also during the trimester, the Bolsa de Valores de Colombia awarded once again the IR Recognition to Grupo Argos, thanks to the voluntary adoption of the best practices on disclosure and investor relations.

Besides, the company issued ordinary bonds for COP 1 trillion, with an oversubscription of 2.5 times the initial offering. These resources have allowed Grupo Argos to optimize its capital structure, going from a total duration of 1.6 years to 6.3 years, and give the company greater financial flexibility.

Grupo Argos consolidated results second quarter 2014:

- Revenues up to 6.6 trillion pesos, an increase of 18%.
- Consolidated EBITDA totalized 1.7 trillion pesos, an increase of 13%.
- Net income up to 332 billion pesos, an increase of 73%
- Assets up to 31.8 trillion pesos, an increase of 16%
- Equity totalized 13.8 trillion, an increase of 11%

Most relevant information for the third quarter of 2014:

Cement Business: Argos presented solid results for the quarter, contributing positively to the accumulated results of the year. The main highlights are the impressive growth of the USA region, the consolidation of the cement assets that were recently acquired in Florida, Honduras and French Guyana and the announcement of the expansion of the Sogamoso plant. The Colombia region registered volume growth in both the cement and concrete, 3% and 5% respectively. The USA region presents an Ebitda of USD 26.5 million, which represents an increase of 173% when compared to the same period of 2013. The Caribbean and Central America region consolidated the operation in Honduras and French Guyana, and improved the Ebitda margins in Honduras and Panamá.

Energy business: Celsia reached an agreement with GDF Suez to acquire energy assets in Panama and Costa Rica, which represents the first step of the company in its process of internationalization. During the period, water factors as well as the maintenance process developed in two of the thermo plants, affected in some extent the results of the company. The Cucuana project, of 55 MW, completed an advancement of 94%, while the Bajo Tulua, of 19.9 MW, reached 97%. The Bajo Tulua project will begin operations at the end of the year and Cucuana in the first trimester of 2015.

Real Estate Business: total income for the land development business in trimester was 4,329 million pesos, as a result of the deed registration of the D5 lot in the Portal de Genovés II project, which was expected for the month of October. In the Properties for Rent business line, the Viva Villavicencio shopping mall opened its doors during the month of September; this project was developed in a partnership with Grupo Exito and represented a total investment of 230,000 million pesos.

Ports business: during the third trimester of the year Compas opened a bulk cargo plant in the Tolu terminal, with a positive response from the market, servicing the import of 50.000 metric tons of cereals. Continuing with the investment plan for different terminals, the company signed a contract for the construction of the bulk terminal in the Buenaventura terminal, which will have the latest technology for the export of metallurgic coal. On the other side, works to expand the docking capacity in Barranquilla were started.

GRUPO ARGOS S.A.
NON-CONSOLIDATED P&L STATEMENT
For the 9 months ending September 30th, 2014
In millions of Colombian pesos or US dollars

	sep-14	sep-13	Var. (%)
Operating revenues	632.038	379.932	66,4
<i>US\$ dollars</i>	352	204,91	71,9
Dividends and participations	88.765	82.659	7,4
Revenues via equity method	234.460	197.382	18,8
Revenue from sales of investments	257.877	57.603	347,7
Real Estate Business	50.936	42.288	20,5
Gross profit	404.515	317.697	27,3
<i>Gross margin</i>	<i>64,0%</i>	<i>83,6%</i>	
Operating expense	85.610	61.854	38,4
Expense via equity method	20.795	18.735	11,0
Administrative expense	58.147	37.458	55,2
Provisions for investments	3.229	4.107	-21,4
Depreciation and amortization	3.439	1.554	121,3
Operating profit	318.905	255.843	24,6
<i>Operating margin</i>	<i>50,5%</i>	<i>67,3%</i>	
EBITDA	322.344	257.397	25,2
<i>US\$ dollars</i>	166	139,46	19,0
<i>EBITDA margin</i>	<i>51,0%</i>	<i>67,7%</i>	
Non-operating revenues	96.563	9.211	948,3
Other income	96.563	9.211	948,3
Non-operating expense	70.008	61.098	14,6
Financial	44.562	49.315	-9,6
Retirement pensions	642	889	-27,8
Other expense	24.804	10.894	127,7
(loss) profit exchange rate	-8.448	-6.069	39,2
Pre-tax earnings	337.012	197.887	70,3
Provision for income tax	4.893	5.839	-16,2
Net income	332.119	192.048	72,9
<i>US\$ dollars</i>	172	104	64,8
<i>Net margin</i>	<i>52,5%</i>	<i>50,5%</i>	

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

	sep-14	dec-13	Var. (%)
Cash and equivalents	398.460	92.302	331,7
Accounts receivable	382.234	203.010	88,3
Inventories	41.233	57.744	-28,6
Diferidos	199	89	123,6
CURRENT ASSETS	822.126	353.145	132,8
Permanent investments	8.319.337	8.189.320	1,6
Deudores	8.793	35.732	-75,4
Intangibles and deferred items	133.892	90.623	47,7
Property, plant and equipment, net appraisals	229.527	90.149	154,6
Other assets	7.621.805	6.708.915	13,6
Other assets	1.755	1.500	17,0
NON-CURRENT ASSETS	16.315.109	15.116.239	7,9
TOTAL ASSETS	17.137.235	15.469.384	10,8
US\$ dollars	8.448	8.028	5,2
Financial obligations	145.000	373.158	-61,1
Suppliers and accounts payable	68.586	71.408	-4,0
Dividends payable	101.407	48.549	108,9
Taxes and rates	423	12.057	-96,5
Labor liabilities	2.009	1.712	17,3
Other liabilities	110.733	48.618	127,8
CURRENT LIABILITIES	428.158	555.502	-22,9
Financial obligations	50.109	445.109	-88,7
Convertible bonds	1.558.686	694.448	124,4
Taxes and rates	0	0	0,0
Labor liabilities	2.191	2.191	0,0
Other liabilities	1.789	53.595	-96,7
NON-CURRENT LIABILITIES	1.612.775	1.195.343	34,9
TOTAL LIABILITIES	2.040.933	1.750.845	16,6
US\$ dollars	1.006	909	10,7
SHAREHOLDERS' EQUITY	15.096.302	13.718.539	10,0
US\$ dollars	7.442	7.120	4,5
TOTAL LIABILITIES + SHAREHOLDERS' EQUITY	17.137.235	15.469.384	10,8

GRUPO ARGOS S.A.
CONSOLIDATED P&L STATEMENT
For the 9 months ending September 30th, 2014
In millions of Colombian pesos or US dollars

	sep-14	sep-13	Var. (%)
Operating revenues	6.642.653	5.645.303	17,7
<i>US\$ dollars</i>	<i>3.425</i>	<i>3.044</i>	<i>12,5</i>
Variable costs	4.727.880	4.048.416	16,8
Cost of goods sold	4.379.027	3.708.811	18,1
Depreciation and amortization	348.853	339.605	2,7
Gross Profit	1.914.773	1.596.887	19,9
<i>Gross margin</i>	<i>28,8%</i>	<i>28,3%</i>	
Overheads	667.673	512.422	30,3
Administrative expense	447.789	334.296	33,9
Selling expense	146.717	122.998	19,3
Depreciation and amortization	73.167	55.128	32,7
Operating Profit	1.247.100	1.084.465	15,0
<i>Operating margin</i>	<i>18,8%</i>	<i>19,2%</i>	
EBITDA	1.669.120	1.479.198	12,8
<i>US\$ dollars</i>	<i>860</i>	<i>799</i>	<i>7,6</i>
EBITDA margin	25,1%	26,2%	
Non-operating revenues	230.278	127.814	80,2
Dividends and stakes	37.476	34.125	9,8
Other income	192.802	93.689	105,8
Non-operating expense	486.485	450.608	8,0
Net financial expense	257.068	249.524	3,0
Other expense	229.417	201.084	14,1
Exchange difference	-2.068	-94	2100,0
Pre-tax earnings	988.825	761.577	29,8
Provision for taxes	330.066	316.831	4,2
Minority interest	326.640	252.698	29,3
Net income	332.119	192.048	72,9
<i>US\$ dollars</i>	<i>172</i>	<i>104</i>	<i>64,8</i>
<i>Net margin</i>	<i>5,0%</i>	<i>3,4%</i>	

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

	jun-14	dec-13	Var. (%)
Cash and equivalents	1.729.435	1.526.948	13,3
Trade receivables	1.073.358	811.657	32,2
Accounts receivable, net	1.121.606	471.676	137,8
Inventories	747.827	497.973	50,2
Prepaid expenses	74.824	35.940	108,2
CURRENT ASSETS	4.747.050	3.344.194	41,9
Permanent investments	839.987	1.001.182	-16,1
Accounts receivable	39.083	10.518	271,6
Inventories	0	85.247	-100,0
Deferred items and intangibles	2.947.544	2.732.394	7,9
Property, plant and equipment, net	9.242.029	7.566.366	22,1
Appraisals	13.935.993	12.656.081	10,1
Other assets	15.111	19.353	-21,9
NON-CURRENT ASSETS	27.019.747	24.071.141	12,2
TOTAL ASSETS	31.766.797	27.415.335	15,9
US\$ dollars	15.660	14.228	10,1
Financial obligations	984.043	720.914	36,5
Bonds outstanding	124.258	204.182	-39,1
Commercial Paper	0	0	0,0
Suppliers and accounts payable	1.453.773	742.605	95,8
Dividends payable	208.237	103.212	101,8
Taxes and rates	82.792	304.355	-72,8
Labor liabilities	104.158	87.119	19,6
Sundry creditors	81.277	27.554	195,0
Other liabilities	803.135	668.750	20,1
CURRENT LIABILITIES	3.841.673	2.858.691	34,4
Financial obligations	1.951.420	1.063.692	83,5
Labor liabilities	321.347	326.510	-1,6
Deferred items	85.885	94.927	-9,5
Bonds outstanding	4.593.509	3.840.671	19,6
Bond placement premium	-5.310	-6.568	-19,2
Other liabilities	210.524	0	N/A
Sundry creditors	29.007	55.107	-47,4
NON-CURRENT LIABILITIES	7.186.382	5.374.339	33,7
TOTAL LIABILITIES	11.028.055	8.233.030	33,9
US\$ dollars	5.437	4.273	27,2
Minority interest	6.904.327	6.741.142	2,4
US\$ dollars	3.404	3.499	-2,7
SHAREHOLDERS' EQUITY	13.834.415	12.441.163	11,2
US\$ dollars	6.820	6.457	5,6
TOTAL LIABILITIES + SHAREHOLDERS' EQUITY	31.766.797	27.415.335	15,9