

Grupo Nutresa S. A.

Quarterly Report – Q3 2016



Grupo
nutresa

A future
Together

October 28th, 2016



Highest scores worldwide in the food products industry:

Economic Dimension:

- Codes of Business Conduct
- Customer Relationship Management
- Health & Nutrition
- Risk & Crisis Management

Social Dimension:

- Social Reporting
- Labor Practice Indicators and Human Rights

Environmental Dimension:

- Water Related Risks
- Environmental Reporting
- Packaging
- Raw Material Sourcing

According to the business reputation monitor MERCO Empresas and Líderes Empresariales (MERCOCOM Companies and Leaders), in its 2016 version, Grupo Nutresa has once again ranked as the second most-reputable company in the country.

THE COMPANIES WITH THE BEST REPUTATION

2016 Position	Points	Company	2015 Position
1	10.000	GRUPO BANCOLOMBIA	1
2	9.787	GRUPO NUTRESA	2
3	8.982	ALPINA	6
4	8.933	CEMENTOS ARGOS	9
5	8.798	AVIANCA	5
6	8.672	BAVARIA	7
7	8.583	ECOPETROL	3
8	8.310	GRUPO SURA	8
9	8.284	GRUPO EPM	4
10	8.278	GRUPO ÉXITO	10

Venezuela

As financial instrument

- The investments held in Venezuela will be accounted as financial instruments as of October 1st 2016
- Those investments will be classified as “Other financial non-current assets” by its fair value.
- In the future, our income statement will include revenues from Venezuela only if dividends were distributed
- As of September 30th 2016, the investments in Venezuela and its results are the following:

GRUPO NUTRESA	Grupo Nutresa - September 2016	Venezuela - September 2016	Venezuela as % of total
Total sales	6.419.295	187.828	2,9%
International sales	2.496.108	187.828	7,5%
Ebitda	800.328	23.728	3,0%
EBITDA margin	12,5%	12,6%	
Net income	313.077	(2.836)	-0,9%
Assets	13.474.964	84.768	0,6%
Liabilities	5.276.439	30.775	0,6%
Equity	8.198.525	53.993	0,7%

Cold cuts biscuits	Grupo Nutresa - September 2016	Venezuela - September 2016	Venezuela as % of total
Total sales	1.477.885	187.783	12,7%
International sales	273.535	187.783	68,7%
Ebitda	194.315	23.728	12,2%
EBITDA margin	13,1%	12,6%	

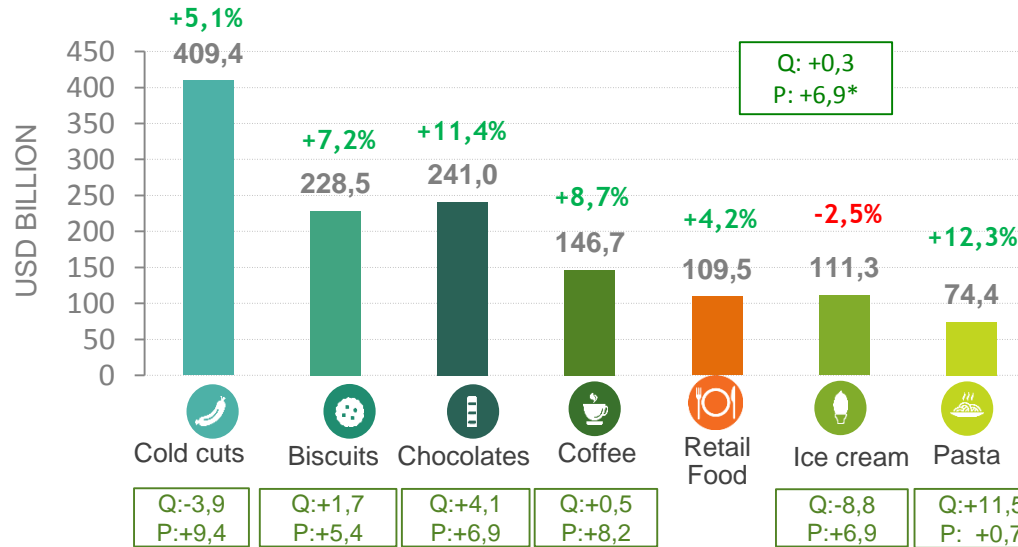
3Q16 Sales

Colombia and international

Colombia sales

COP 1.372,6 mm +7,0%

Cop billion



SALES PER BUSINESS UNIT

3Q - 2016

Percentage variation in volume (Q) and prices (P) % chg. YoY Billion pesos

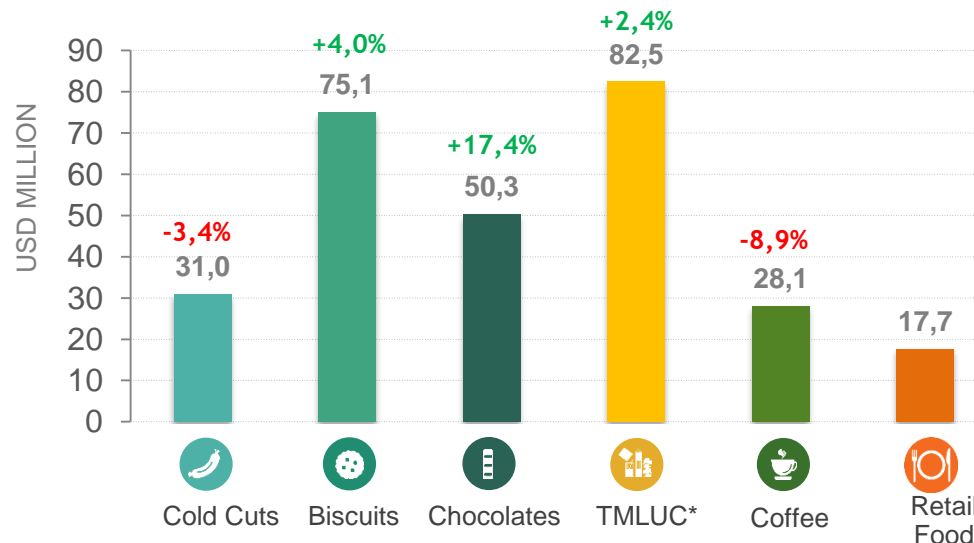
* Variation doesn't include el Corral

International Sales

USD 285,1 mm +3,1%

COP 841,4 +3,1%

Cop billion



International sales
Ex-Venezuela: +4,2%
% chg. YoY Million dollars

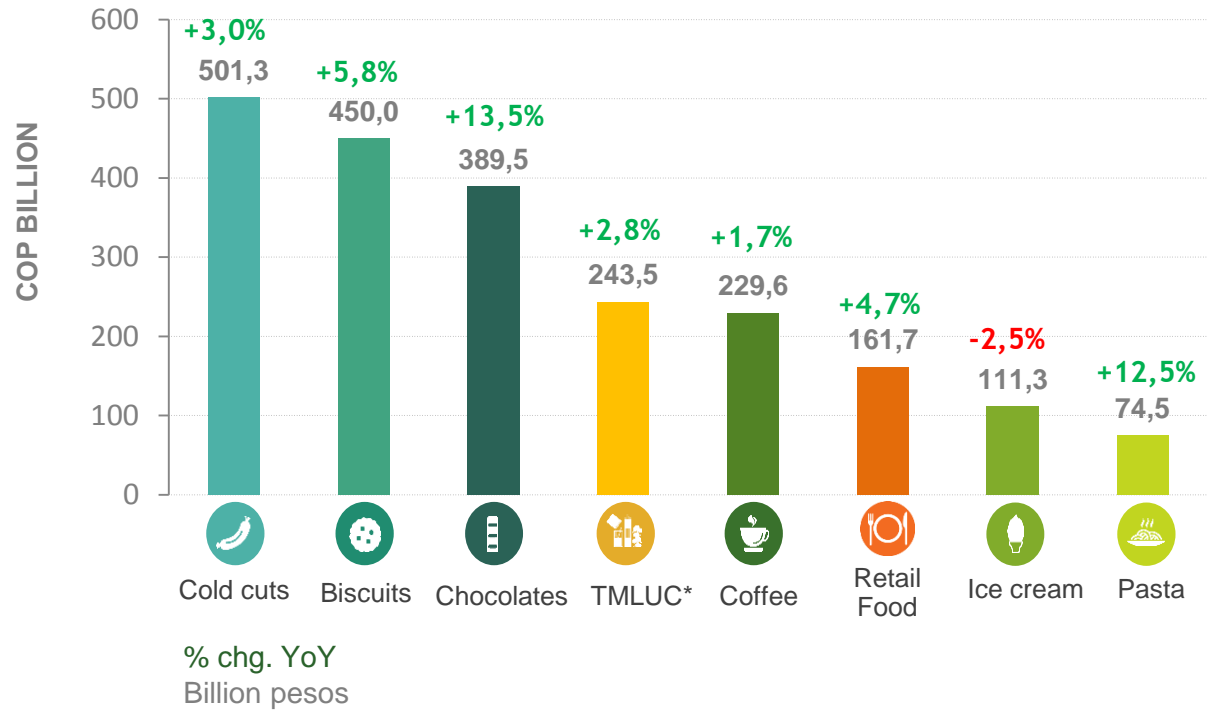
* Tresmontes Lucchetti

** Previously reported as Ice Cream

Total 3Q16 Sales

SALES PER BUSINESS UNIT 3Q - 2016

TOTAL SALES
COP 2.214,0 +5,5%
Miles de millones



* Tresmontes Lucchetti

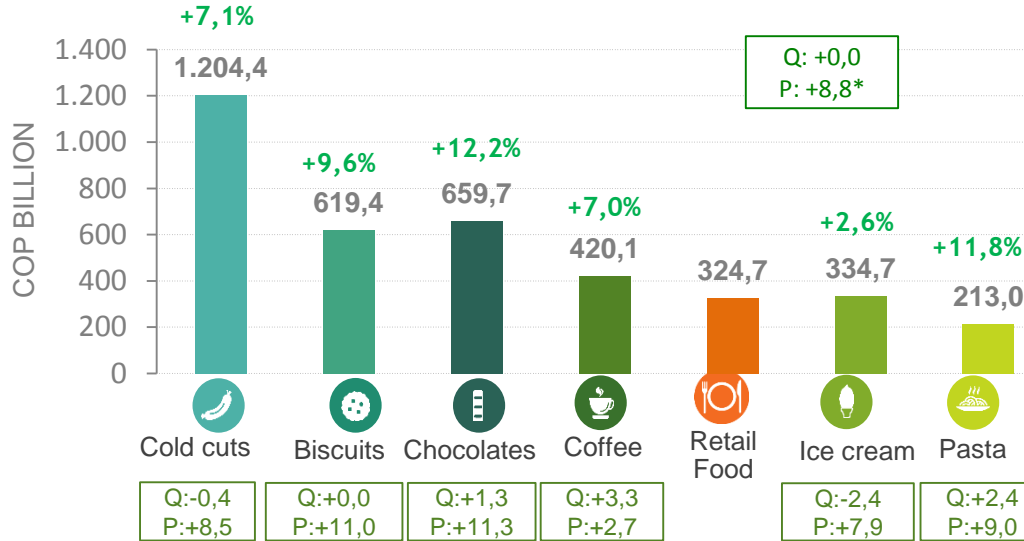
3Q16 accumulated sales Colombia and international

Colombia sales

COP 3.923,2 mm +10,5%
Cop billion

Organic sales

COP 3.853,8 mm +8,5%
Cop billion



SALES PER BUSINESS UNIT

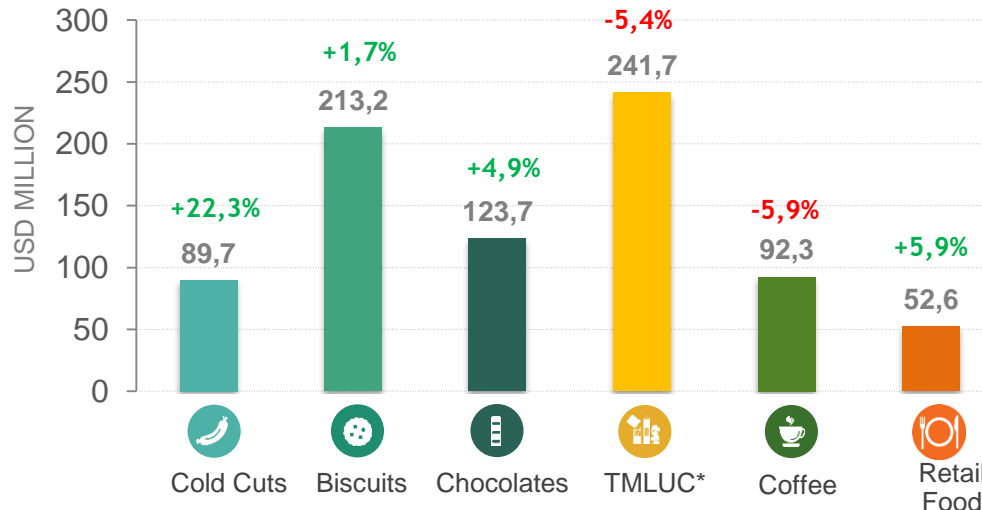
3Q - 2016

Percentage variation in volume (Q) and prices (P)
% chg. YoY Billion pesos

* Variation doesn't include el Corral

International Sales

USD 815,5 mm +1,3%
COP 2.496,1 +17,1%
Cop billion



International sales
Ex-Venezuela: -0,7%
% chg. YoY Million dollars

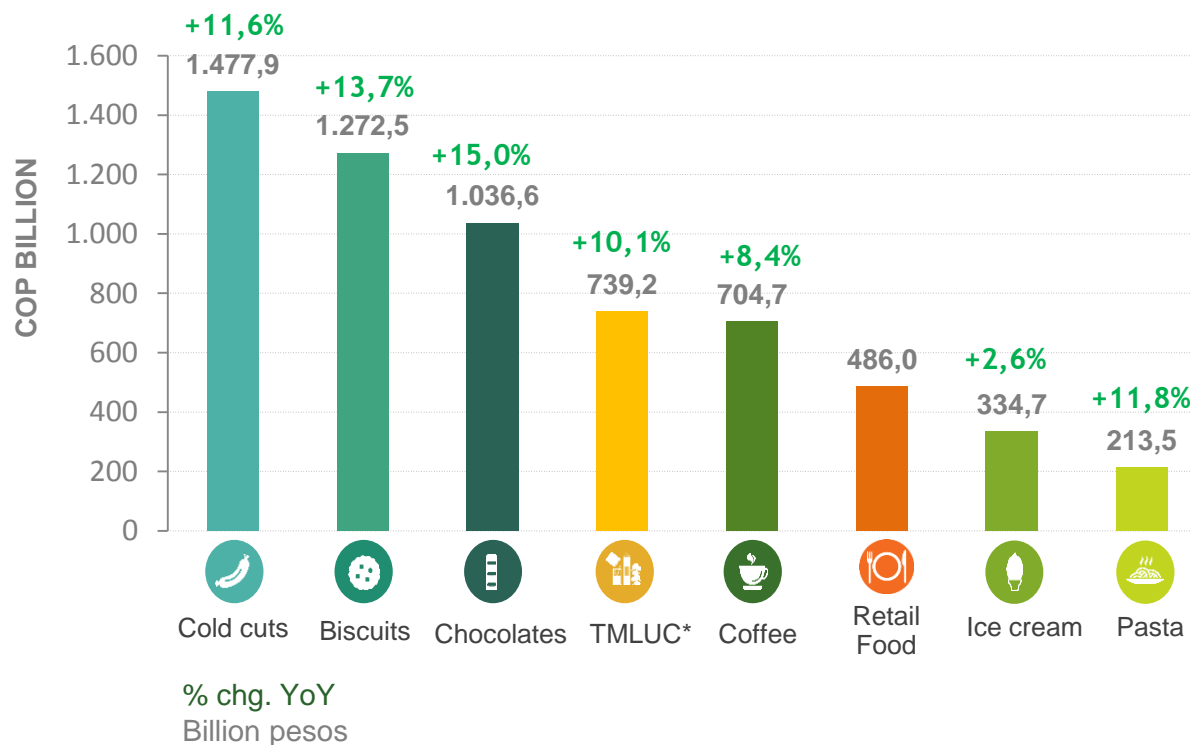
* Tresmontes Lucchetti

** Previously reported as Ice Cream

Total accumulated sales

SALES PER BUSINESS UNIT 3Q - 2016

TOTAL SALES
COP 6.419,3 +13,0%
Organic growth: +11,7%



* Tresmontes Lucchetti

Sales by region

3Q 2016




















61,1%
COLOMBIAN
SALES



38,9%
INTERNATIONAL
SALES

Market share Colombia + TMLUC

Consolidated market share in Colombia: 60,8% -0,2%

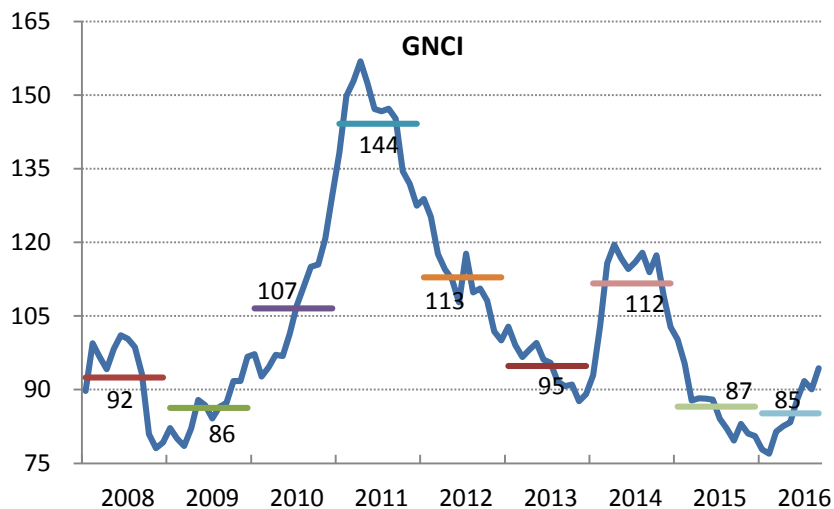
Cold Cuts	Biscuits	Chocolates	Coffee	TMLUC	Ice Cream	Pasta	Retail Food
							
73,3% -0.1%	55,4% -0.3%	Chocolate confectionery 67,4% (A) +0,3%  Hot chocolate 62,9% (B) +0,6%  Milk modifiers 24,4% (C) -0,6%  Nuts 56,1% +2,0% (D)	Roast and ground coffee (A) 53,2% -1,2%  Soluble coffee (B) 41,6% -0.1% 	ICB* 64,5% (A) +1,9% Pastas 28,3% (B) +0,5% Coffee 16,7% (C) +0,5% Potato Chips 13,5% (D) +0,4% México ICB* 32,4% (E) +2,0%	ICE CREAM ND 	51,5% -0.7% 	# 1 in Hamburguers and Steakhouses categories in Colombia   # 1 in Ice cream shops – Rep. Dom. & CR  
#2 Private labels 7,1%	#2 Nestlé 11,3% #3 Mondelez 10,4%	(A) #2 Ferrero 8,1% (B) #2 Casa Lúker 26,4% (C) #1 Nestlé 70,1% (D) Frito Lay 25,5%	(A) #2 Águila Roja 25,3% (B) #1 Nestlé 43,0%	(A) #2 Carozzi 33,1% (B) #1 Carozzi 45,8% (C) #1 Nestlé 70,2% (D) #1 Frito Lay 64,0% (E) #1 Mondelez 55.4%		#2 La Muñeca 30,5%	

*ICB= Instant Cold Beverages

Source: Nielsen twelve month as of september 2016.

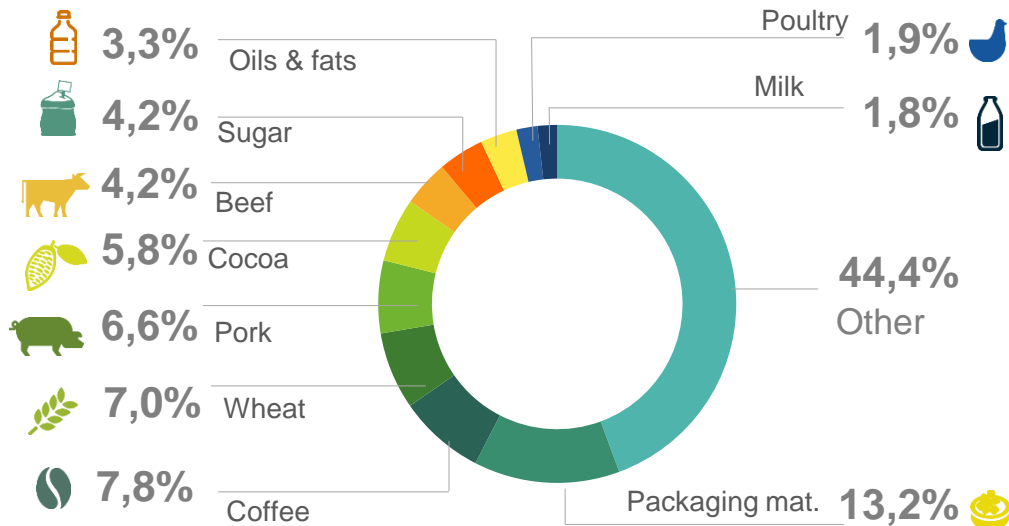
(% share as in value and change vs. same period last year)

GRUPO NUTRESA COMMODITIES INDEX



COGS BREAKDOWN

(3Q16)



EBITDA

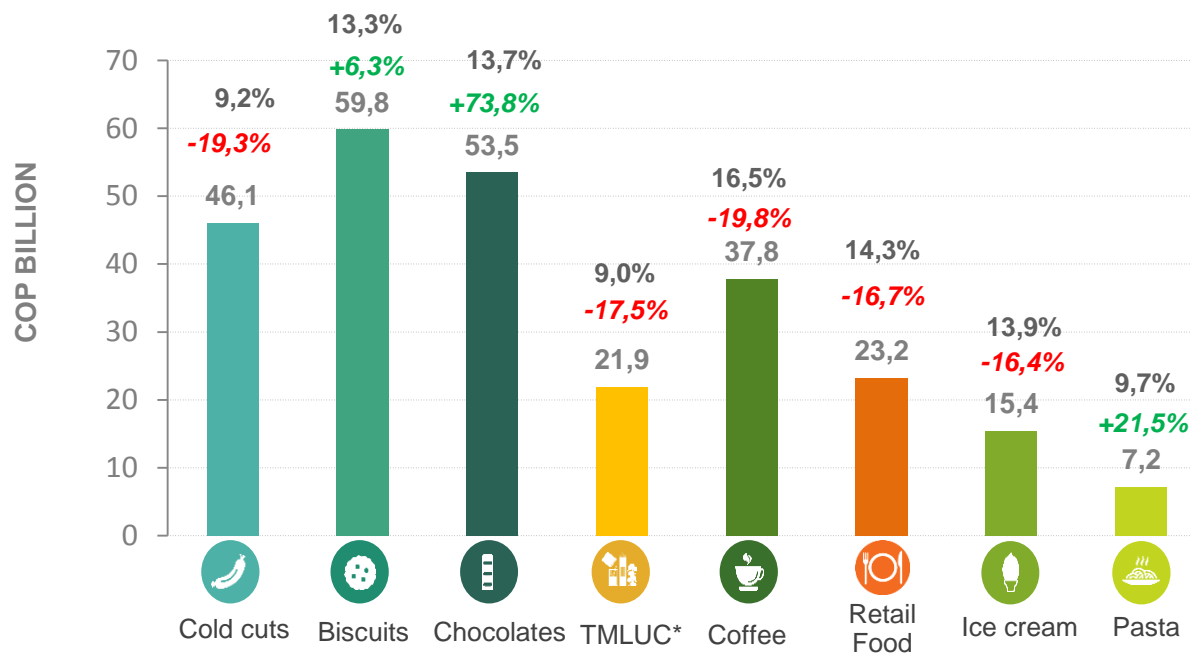
3Q16

EBITDA

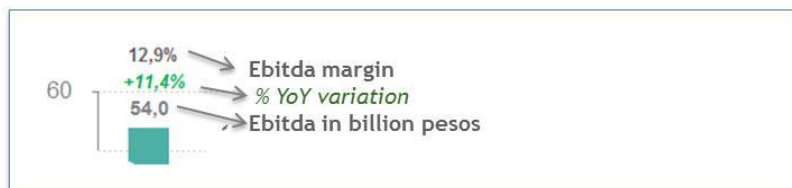
COP 266,1 -1,7%

Billion pesos

MARGIN 12,0%



Convention:



* Tresmontes Lucchetti

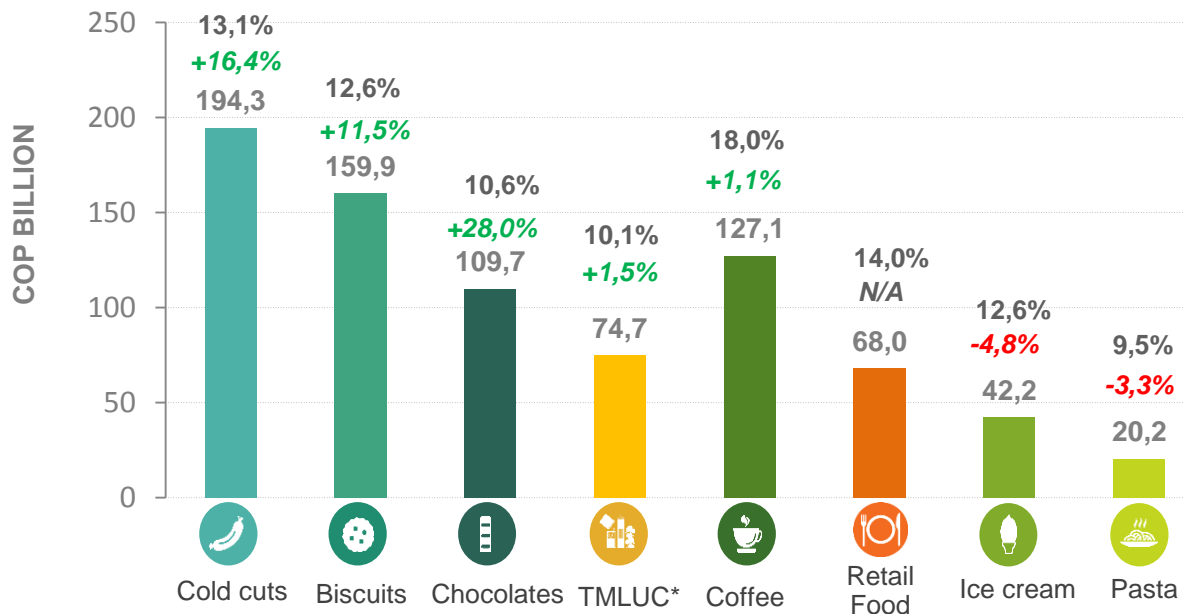
EBITDA accumulated 3Q16

EBITDA

COP 800,3 +9,7%

Billion pesos

MARGIN 12,5%



Convention:



* Tresmontes Lucchetti

Consolidated Income statement 3Q16

	2016-3Q	% Revenues	2015-3Q	% Revenues	% Var.
Continuing operations					
Operating revenue	2.214.012		2.099.200		5,5%
Cost of goods sold	(1.279.858)	-57,8%	(1.187.913)	-56,6%	7,7%
Gross profit	934.154	42,2%	911.287	43,4%	2,5%
Administrative expenses	(99.902)	-4,5%	(95.397)	-4,5%	4,7%
Sales expenses	(596.608)	-26,9%	(561.107)	-26,7%	6,3%
Production expenses	(37.705)	-1,7%	(31.886)	-1,5%	18,2%
Exchange differences on operating assets and liabilities	1.152	0,1%	(4.707)	-0,2%	-124,5%
Other operating expenses, net	8.885	0,4%	(3.726)	-0,2%	-338,5%
Operating profit	209.976	9,5%	214.464	10,2%	-2,1%
Financial income	3.061	0,1%	2.291	0,1%	33,6%
Financial expenses	(85.697)	-3,9%	(60.814)	-2,9%	40,9%
Exchange differences on non-operating assets and liabilities	3.685	0,2%	1.857	0,1%	98,4%
Loss on net monetary position	(14.419)	-0,7%	(10.010)	-0,5%	44,0%
Share of profit of associates and joint ventures	1.350	0,1%	703	0,0%	92,0%
Other income (expenses), net	-	-	19	0,0%	-100,0%
Income before tax and non-controlling interest	117.956	5,3%	148.510	7,1%	-20,6%
Current income tax	(37.516)	-1,7%	(47.782)	-2,3%	-21,5%
Deferred income tax	2.620	0,1%	(3.491)	-0,2%	-175,1%
Profit after taxes from continuous operations	83.060	3,8%	97.237	4,6%	-14,6%
Discontinued operations, after income tax	55	0,0%	(446)	0,0%	-112,3%
Net profit for the year	83.115	3,8%	96.791	4,6%	-14,1%
Non-controlling interest	(1.122)	-0,1%	(920)	0,0%	22,0%
Profit for attributable to controlling interest	81.993	3,7%	95.871	4,6%	-14,5%
Consolidated EBITDA	266.125	12,0%	270.788	12,9%	-1,7%

For further details please check the notes of the financial statements on the following link:

<http://www.gruponutresa.com/inversionistas/resultados-y-publicaciones/resultados-trimestrales/?lang=en#2016-3>

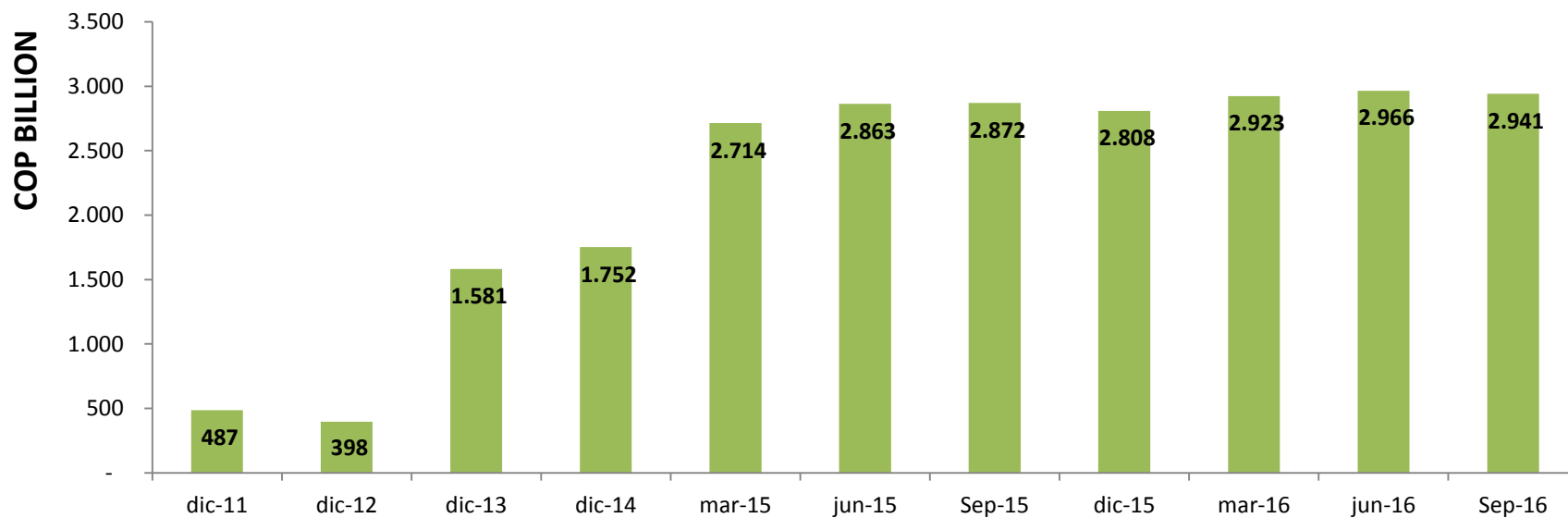
Consolidated accumulated Income statement 3Q16

	2016-Accum	% Revenues	2015-Accum	% Revenues	% Var.
Continuing operations					
Operating revenue	6.419.295		5.682.601		13,0%
Cost of goods sold	(3.679.153)	-57,3%	(3.205.159)	-56,4%	14,8%
Gross profit	2.740.142	42,7%	2.477.442	43,6%	10,6%
Administrative expenses	(293.889)	-4,6%	(278.481)	-4,9%	5,5%
Sales expenses	(1.725.263)	-26,9%	(1.517.307)	-26,7%	13,7%
Production expenses	(107.009)	-1,7%	(96.520)	-1,7%	10,9%
Exchange differences on operating assets and liabilities	16.938	0,3%	3.173	0,1%	433,8%
Other operating expenses, net	17.441	0,3%	(1.635)	0,0%	NA
Operating profit	648.360	10,1%	586.672	10,3%	10,5%
Financial income	7.708	0,1%	7.247	0,1%	6,4%
Financial expenses	(238.650)	-3,7%	(171.084)	-3,0%	39,5%
Portfolio dividends	50.494	0,8%	46.962	0,8%	7,5%
Exchange differences on non-operating assets and liabilities	(8.668)	-0,1%	14.771	0,3%	-158,7%
Loss on net monetary position	(32.946)	-0,5%	(17.376)	-0,3%	89,6%
Share of profit of associates and joint ventures	2.154	0,0%	1.851	0,0%	16,4%
Other income (expenses), net	-	0,0%	81	0,0%	-100,0%
Income before tax and non-controlling interest	428.452	6,7%	469.124	8,3%	-8,7%
Current income tax	(135.723)	-2,1%	(137.645)	-2,4%	-1,4%
Deferred income tax	23.579	0,4%	1.324	0,0%	NA
Profit after taxes from continuous operations	316.308	4,9%	332.803	5,9%	-5,0%
Discontinued operations, after income tax	(192)	0,0%	(4.760)	-0,1%	-96,0%
Net profit for the year	316.116	4,9%	328.043	5,8%	-3,6%
Non-controlling interest	(3.039)	0,0%	(1.888)	0,0%	61,0%
Profit for attributable to controlling interest	313.077	4,9%	326.155	5,7%	-4,0%
Consolidated EBITDA	800.328	12,5%	729.671	12,8%	9,7%

For further details please check the notes of the financial statements on the following link:

<http://www.gruponutresa.com/inversionistas/resultados-y-publicaciones/resultados-trimestrales/?lang=en#2016-3>

Consolidated net debt



RATIO	dic-11	dic-12	dic-13	dic-14	mar-15	jun-15	Sep-15	dic-15	mar-16	jun-16	Sep-16
Net debt / EBITDA	0,86	0,59	1,90	2,10	3,21	3,29	3,08	2,88	2,86	2,82	2,81
EBITDA / Interest	8,85	12,74	10,38	5,83	5,80	5,01	4,93	4,70	4,54	4,25	3,87
Interest / Sales	1,27%	0,99%	1,36%	2,21%	2,20%	2,49%	2,53%	2,61%	2,71%	2,89%	3,12%

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This presentation and further detailed information can be found in the following link in our section "**Grupo Nutresa Valuation Kit**":
<http://www.gruponutresa.com/es/content/gruponutresa-valuation-kit-gnvk>

For more information regarding Grupo Nutresa's level 1ADR, please call The Bank of New York Mellon marketing desk

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Balance sheet

3Q 2016

	September 2016	% Var.	December 2015
ASSETS			
Current assets			
Cash and cash equivalents	222.833	-22,10%	286.064
Trade and other receivables	869.999	-0,94%	878.280
Inventories	1.081.609	4,71%	1.032.969
Biological assets	66.216	24,66%	53.119
Other current assets	285.916	29,51%	220.762
Non-current assets held for sale	76.079	6,14%	71.679
Total current assets	2.602.652	2,35%	2.542.873
Non-current assets			
Trade and other receivables	26.261	-1,75%	26.729
Non-current, biological assets	7.151	25,48%	5.699
Investments in associated and joint ventures	161.801	48,41%	109.021
Other financial non-current assets	3.725.217	8,98%	3.418.149
Property, plant and equipment, net	3.311.507	-2,13%	3.383.722
Investment properties	71.951	-12,67%	82.393
Goodwill	2.009.524	-1,17%	2.033.403
Other intangible assets	1.149.421	-2,59%	1.179.957
Deferred tax assets	363.222	2,18%	355.461
Other assets	46.257	13,81%	40.645
Total non-current assets	10.872.312	2,23%	10.635.179
TOTAL ASSETS	13.474.964	2,25%	13.178.052

	September 2016	% Var.	December 2015
LIABILITIES			
Current liabilities			
Financial obligations	799.469	-24,6%	1.059.660
Trade and other payables	855.542	3,6%	825.435
Tax charges	206.372	19,8%	172.323
Employee benefits liabilities	162.674	1,3%	160.628
Current provisions	2.921	-33,8%	4.415
Other liabilities	28.191	5,8%	26.641
Total current liabilities	2.055.169	-8,6%	2.249.102
Non-current liabilities			
Financial obligations	2.364.526	16,2%	2.034.604
Trade and other payables	158	-0,6%	159
Employee benefits liabilities	224.265	6,0%	211.533
Deferred tax liabilities	631.573	-1,3%	639.810
Other liabilities	748	0,0%	-
Total non-current liabilities	3.221.270	11,6%	2.886.106
TOTAL LIABILITIES	5.276.439	2,8%	5.135.208
SHAREHOLDER EQUITY			
Equity attributable to the controlling interest	8.162.045	1,9%	8.008.485
Non-controlling interest	36.480	6,2%	34.359
TOTAL SHAREHOLDER EQUITY	8.198.525	1,9%	8.042.844
TOTAL LIABILITIES AND EQUITY	13.474.964	2,3%	13.178.052

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This document can contain forward looking statements related to Grupo Nutresa S.A. and its subordinated companies, under assumptions and estimations made by company management. For better illustration and decision making purposes Grupo Nutresa's figures are consolidated; for this reason they can differ from the ones presented to official entities. Grupo Nutresa S.A. does not assume any obligation to update or correct the information contained in this document.



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