

Third Quarter sales for Grupo Nutresa grow 3,1% in Colombia, and its consolidated EBITDA margin stands at 12,5%

- Sales in Colombia continue to deliver a positive performance, amounting to COP 4,0 trillion, 3,1% higher than revenues for the corresponding term in 2016.
- Sales abroad increased 5,8% in US dollars, totaling USD 797,7 million after excluding, for comparison purposes, the sales over the first nine months of 2016 in Venezuela.
- Accumulated EBITDA amounts to COP 800.218 million, representing 12,5% of total sales.

Medellin, October 27, 2017. Grupo Nutresa S.A. (BVC: NUTRESA) discloses its Consolidated Financial Results as of September 30, 2017.

Third Quarter sales for Grupo Nutresa in Colombia continue to report a positive trend amounting to COP 4,0 trillion, representing 63% of consolidated sales, and growing 3,1% compared to the same period of last year.

Sales abroad, excluding the sales reported in Venezuela for the same period, are USD 797,7 million, representing 37% of total sales, and reporting a 5,8% growth. When expressed in Colombian pesos, these sales are equivalent to COP 2,3 trillion pesos.

Consolidated revenues, after the aforementioned exclusion, amount to COP 6,4 trillion, 2,6% higher compared to same period in 2016. This progress is the result of sales growth in the local market and a solid and sustained growth in international revenues. Innovation sales represent 20,6% of total revenues for the period.

In alignment with the constant efforts to achieve greater efficiency and productivity, gross profit continues to improve, and amounts to COP 2,8 trillion, 3,0% higher than the same period last year.

Operating profit amounts to COP 605.502 million, with an operating margin of 9,5% as a result of an increase in sales expenses associated with greater investment in our distribution channels and savings in our production expenses.

With regard to the profitability, consolidated EBITDA totals COP 800.218 million, representing 12,5% of revenues.

Net post-operative expenses total COP 187.263 million, 14,8% less than the same term in 2016, due primarily to the treatment of the investment in Venezuela as a financial instrument starting October 1st of such year.

Finally, consolidated net profit amounts to COP 324.258 million, a 3,6% increase, and represents 5,1% of the sales.

Dow Jones Sustainability Index (DJSI) and DJSI MILA Pacific Alliance

For the seventh consecutive year, Grupo Nutresa entered the Dow Jones Sustainability Index and continues to be the only company in the food sector from an emerging market to be part of this global index.

The Organization once again stood out in all the dimensions of sustainability. In the economic dimension, it obtained the maximum score in terms of health and nutrition, materiality, risk and crisis management, and tax management. In the environmental category, Grupo Nutresa received the highest score in environmental reporting and packaging. Finally, in the social dimension, it achieved the highest valuation in Human Rights.

Grupo Nutresa was also included in a new sustainability index in the region, the Dow Jones Sustainability MILA Pacific Alliance Index. This Index focuses on assessing and measuring the performance of the companies in the MILA (Latin American Integrated Market) in terms of corporate sustainability.

Separate financial statements of Grupo Nutresa S.A.

The Separate Financial Statements of Grupo Nutresa S.A. report COP 331.961 million in operating revenues as of the closing of the Third Quarter of 2017, derived from the application of the equity method on subsidiaries and associated companies for COP 277.757 million, and from the recognition of dividends from the investment portfolio totaling COP 54.204 million. The net profit is COP 330.316 million and the equity amounts to COP 8,9 trillion.

The Consolidated and Separate Financial Statements, as of September 30, 2017, as well as the related financial indicators, are an integral part of this release.

CONSOLIDATED FINANCIAL STATEMENTS
INCOME STATEMENT AS OF SEPTEMBER 30, 2017

	January- September 2017	% Revenues	January- September 2016	% Revenues	% Var.
Continuing operations					
Operating revenue	6.391.409		6.419.295		-0,4%
Cost of goods sold	(3.569.154)	-55,8%	(3.679.153)	-57,3%	-3,0%
Gross profit	2.822.255	44,2%	2.740.142	42,7%	3,0%
Administrative expenses	(293.049)	-4,6%	(293.889)	-4,6%	-0,3%
Sales expenses	(1.845.163)	-28,9%	(1.725.263)	-26,9%	6,9%
Production expenses	(101.420)	-1,6%	(107.009)	-1,7%	-5,2%
Exchange differences on operating assets and liabilities	1.330	0,0%	16.938	0,3%	-92,1%
Other operating expenses, net	21.549	0,3%	17.441	0,3%	23,6%
Operating profit	605.502	9,5%	648.360	10,1%	-6,6%
Financial income	10.280	0,2%	7.708	0,1%	33,4%
Financial expenses	(239.784)	-3,8%	(238.650)	-3,7%	0,5%
Portfolio dividends	54.321	0,8%	50.494	0,8%	7,6%
Exchange differences on non-operating assets and liabilities	(15.534)	-0,2%	(8.668)	-0,1%	79,2%
Loss on net monetary position	-	0,0%	(32.946)	-0,5%	-100,0%
Share of profit of associates and joint ventures	141	0,0%	2.154	0,0%	-93,5%
Other income (expenses), net	3.313	0,1%	-	-	-
Income before tax and non-controlling interest	418.239	6,5%	428.452	6,7%	-2,4%
Current income tax	(119.877)	-1,9%	(135.723)	-2,1%	-11,7%
Deferred income tax	29.939	0,5%	23.579	0,4%	27,0%
Profit after taxes from continuous operations	328.301	5,1%	316.308	4,9%	3,8%
Discontinued operations, after income tax	(1.175)	0,0%	(192)	0,0%	N/A
Net profit for the period	327.126	5,1%	316.116	4,9%	3,5%
Non-controlling interest	2.868	0,0%	3.039	0,0%	-5,6%
Profit for the period attributable to controlling interest	324.258	5,1%	313.077	4,9%	3,6%
EBITDA	800.218	12,5%	800.328	12,5%	0,0%

For further details, please review the Notes to the Financial Statements at:

<https://www.gruponutresa.com/en/inversionistas/resultados-y-publicaciones/resultados-trimestrales/#2017-3>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF SEPTIEMBER 30, 2017

	September 2017	December 2016	% Var.
ASSETS			
Current assets			
Cash and cash equivalents	244.514	219.322	11,5%
Trade and other receivables	997.236	889.197	12,2%
Inventories	1.041.736	1.028.417	1,3%
Biological assets	85.823	75.677	13,4%
Other current assets	295.692	246.832	19,8%
Non-current assets held for sale	40.926	100.330	-59,2%
Total current assets	2.705.927	2.559.775	5,7%
Non-current assets			
Trade and other receivables	24.864	23.495	5,8%
Biological assets	8.823	7.433	18,7%
Investments in associated and joint ventures	171.711	164.510	4,4%
Other financial non-current assets	4.186.276	3.885.206	7,7%
Property, plant and equipment, net	3.340.223	3.383.513	-1,3%
Investment properties	72.352	71.842	0,7%
Goodwill	2.061.972	2.034.454	1,4%
Other intangible assets	1.158.978	1.163.671	-0,4%
Deferred tax assets	380.851	356.994	6,7%
Other non-current assets	97.870	48.661	101,1%
Total non-current assets	11.503.920	11.139.779	3,3%
TOTAL ASSETS	14.209.847	13.699.554	3,7%
LIABILITIES			
Current liabilities			
Financial obligations	782.255	847.689	-7,7%
Trade and other payables	866.238	888.840	-2,5%
Tax charges	227.088	163.362	39,0%
Employee benefits liabilities	200.062	161.592	23,8%
Current provisions	1.139	2.734	-58,3%
Other current liabilities	52.321	49.746	5,2%
Total current liabilities	2.129.103	2.113.963	0,7%
Non-current liabilities			
Financial obligations	2.353.842	2.277.429	3,4%
Trade and other payables	158	158	0,0%
Employee benefits liabilities	234.802	216.744	8,3%
Deferred tax liabilities	690.887	705.700	-2,1%
Other non-current liabilities	613	600	2,2%
Total non-current liabilities	3.280.302	3.200.631	2,5%
TOTAL LIABILITIES	5.409.405	5.314.594	1,8%
SHAREHOLDER EQUITY			
Equity attributable to the controlling interest	8.760.740	8.346.719	5,0%
Non-controlling interest	39.702	38.241	3,8%
TOTAL SHAREHOLDER EQUITY	8.800.442	8.384.960	5,0%
TOTAL LIABILITIES AND EQUITY	14.209.847	13.699.554	3,7%

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SEPARATE FINANCIAL STATEMENTS

INCOME STATEMENT AS OF SEPTEMBER 30, 2017

	January- September 2017	% Revenues	January- September 2016	% Revenues	% Var.
Dividend portfolio	54.204	16,3%	50.453	16,0%	7,4%
Share of profit for the period of subsidiaries	278.103	83,8%	263.155	83,4%	5,7%
Share of profit for the period of associates and joint ventures	(346)	-0,1%	2.005	0,6%	-117,3%
Gross profit	331.961	100,0%	315.613	100,0%	5,2%
Administrative expenses	(3.161)	-1,0%	(2.914)	-0,9%	8,5%
Exchange differences on operating assets and liabilities	(1)	0,0%	(24)	0,0%	-95,8%
Other operating expenses, net	1.803	0,5%	770	0,2%	134,2%
Operating profit	330.602	99,6%	313.445	99,3%	5,5%
Financial income	4	0,0%	2	0,0%	100,0%
Financial expenses	(1.105)	-0,3%	(784)	-0,2%	40,9%
Exchange differences on non-operating assets and liabilities	(1)	0,0%	(7)	0,0%	-85,7%
Income before tax	329.500	99,3%	312.656	99,1%	5,4%
Current income tax	(84)	0,0%	(82)	0,0%	2,4%
Deferred income tax	900	0,3%	234	0,1%	N/A
Net profit for the period	330.316	99,5%	312.808	99,1%	5,6%
Earnings per share	717,89		679,83		5,6%

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STATEMENT OF FINANCIAL POSITION AS OF SEPTIEMBER 30, 2017

	September 2017	December 2016	% Var.
ASSETS			
Current assets			
Cash and cash equivalents	216	42	N/A
Trade and other receivables	16.091	18.098	-11,1%
Other current assets	446	938	-52,5%
Total current assets	16.753	19.078	-12,2%
Non-current assets			
Trade and other receivables	2.965	2.972	-0,2%
Investments in subsidiaries	4.729.819	4.568.234	3,5%
Investments in associated	143.857	138.652	3,8%
Other financial non-current assets	4.115.298	3.809.367	8,0%
Deferred tax assets	5.732	4.945	15,9%
Other assets	7	7	0,0%
Total non-current assets	8.997.678	8.524.177	5,6%
TOTAL ASSETS	9.014.431	8.543.255	5,5%
LIABILITIES			
Current liabilities			
Trade and other payables	130.712	80.968	61,4%
Tax charges	162	188	-13,8%
Employee benefits liabilities	1.549	1.068	45,0%
Total current liabilities	132.423	82.224	61,1%
Non-current liabilities			
Trade and other payables	168	168	0,0%
Employee benefits liabilities	15.506	14.413	7,6%
Deferred tax liabilities	6.649	6.416	3,6%
Total non-current liabilities	22.323	20.997	6,3%
TOTAL LIABILITIES	154.746	103.221	49,9%
SHAREHOLDER EQUITY	8.859.685	8.440.034	5,0%
TOTAL LIABILITIES AND EQUITY	9.014.431	8.543.255	5,5%

INDICATORS

Consolidated	September 2017	December 2016
Indebtedness - Net debt/EBITDA (12 months)	2,81	2,82
Solvency - Assets/Liabilities	2,63	2,58
Liquidity - Current Assets/Current Liabilities	1,27	1,21

Separate	September 2017	December 2016
Indebtedness - Net debt/EBITDA	-	-
Solvency - Assets/Liabilities	58,25	82,77
Liquidity - Current Assets/Current Liabilities	0,13	0,23

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