Grupo Nutresa

Condensed Consolidated Interim Financial Statements for the Three Month Period between January 1st and March 31st of 2016

(Unaudited Information)

UN FUTURO
ENTRE TODOS

Financial Position Statement

(Unaudited information)

At March 31st of 2016 and December 31, 2015
(Values expressed in millions of Colombian Pesos)

	Notes	March 2016	December 2015
ASSETS			
Current assets			
Cash and cash equivalents		$ 291.761	$ 286.064
Trade and other receivables		841.750	878.280
Inventories		1.119.078	1.032.969
Biological assets	6	51.847	53.119
Other current assets		241.822	220.762
Non-current assets held for sale	7	77.861	71.679
Total current assets		**$ 2.624.119**	**$ 2.542.873**
Non-current assets			
Trade and other receivables		25.395	26.729
Non-current, biological assets	6	6.156	5.699
Investments in associated and joint ventures	8	110.760	109.021
Other financial non-current assets	9	3.893.661	3.418.149
Property, plant and equipment, net	10	3.364.160	3.383.722
Investment properties		82.141	82.393
Goodwill	11	2.036.765	2.033.403
Other intangible assets		1.172.357	1.179.957
Deferred tax assets	12.2	371.603	355.461
Other assets		42.717	40.645
Total non-current assets		**$ 11.105.715**	**$ 10.635.179**
TOTAL ASSETS		**$ 13.729.834**	**$ 13.178.052**
LIABILITIES			
Current liabilities			
Financial obligations	13	1.044.488	1.059.660
Trade and other payables		935.523	825.435
Tax charges	12.3	186.031	172.323
Employee benefits liabilities		122.670	160.628
Current provisions		3.289	4.415
Other liabilities		26.274	26.641
Total current liabilities		**$ 2.318.275**	**$ 2.249.102**
Non-current liabilities			
Financial obligations	13	2.170.378	2.034.604
Trade and other payables		158	159
Employee benefits liabilities		218.264	211.533
Deferred tax liabilities	12.2	642.624	639.810
Other liabilities		779	-
Total non-current liabilities		**$ 3.032.203**	**$ 2.886.106**
TOTAL LIABILITIES		**$ 5.350.478**	**$ 5.135.208**
SHAREHOLDER EQUITY			
Share capital issued		2.301	2.301
Paid-in-capital		546.832	546.832
Reserves		3.671.552	1.947.419
Other comprehensive income, accumulated		3.971.790	3.569.478
Retained earnings		-	1.514.303
Earnings for the period		151.672	428.152
Equity attributable to the controlling interest		**$ 8.344.147**	**$ 8.008.485**
Non-controlling interest		35.209	34.359
TOTAL SHAREHOLDER EQUITY		**$ 8.379.356**	**$ 8.042.844**
TOTAL LIABILITIES AND EQUITY		**$ 13.729.834**	**$ 13.178.052**

The notes are an integral part of the consolidated Financial Statements.

Jaime León Montoya Vásquez
General Accountant - Professional Card No. 45056-T

Carlos Ignacio Gallego Palacio
President

Bibiana Moreno Vásquez
External Auditor – Professional Card No. 167200-T
Member of PricewaterhouseCoopers Ltda.

Comprehensive Income Statement

(Unaudited information)

From January 1st to March 31st
(Values expressed in millions of Colombian Pesos)

	Notes	January - March 2016	January – March 2015
Continuing operations			
Operating revenue	5	$ 2.104.216	$ 1.726.220
Cost of goods sold	15	(1.196.310)	(972.781)
Gross profit		$ 907.906	$ 753.439
Administrative expenses	15	(97.009)	(96.265)
Sales expenses	15	(547.935)	(436.316)
Production expenses	15	(34.692)	(32.449)
Exchange differences on operating assets and liabilities	17.3	3.848	8.166
Other operating expenses, net	16	1.169	2.206
Operating profit		$ 233.287	$ 198.781
Financial income		2.165	3.035
Financial expenses	13.7	(70.846)	(50.910)
Portfolio dividends	12	50.453	46.468
Exchange differences on non-operating assets and liabilities	17.3	(9.738)	5.949
Loss on net monetary position		(11.041)	(4.194)
Share of profit of associates and joint ventures	11	185	390
Income before tax and non-controlling interest	12.4	$ 194.465	$ 199.519
Current income tax	12.4	(56.024)	(51.436)
Deferred income tax		14.256	3.407
Profit after taxes from continuous operations		$ 152.697	$ 151.490
Discontinued operations, after income tax		(164)	(304)
Net profit for the year	5	$ 152.533	$ 151.186
Profit for the period attributable to:			
Controlling interest		$ 151.672	$ 150.991
Non-controlling interest		861	195
Net profit for the year		$ 152.533	$ 151.186
Earnings per share (*)			
Basic, attributable to controlling interest (in Colombian pesos)		329,63	328,15

*(*) Calculated on 460.123.458 shares, which have not been modified during the period covered by these Financial Statements.*

	Notes	January - March 2016	January – March 2015
OTHER COMPREHENSIVE INCOME			
Items that are not subsequently reclassified to profit and loss:			
Actuarial gains on defined benefit plans		$ (1.519)	$ (607)
Equity investments measured at fair value	9	475.555	(690.503)
Income tax from items that will not be reclassified		253	53
Total items that are not subsequently reclassified to profit and loss		$ 474.289	$ (691.057)
Items that are or may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of associate and joint ventures	8	1.554	-
Exchange differences on translation of foreign operations	17.2	(73.264)	62.490
Income tax from items that will be reclassified		(267)	-
Total items that are or may be subsequently reclassified to profit and loss:		$ (71.977)	$ 62.490
Other comprehensive income, net taxes		$ 402.312	$ (628.567)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		$ 554.845	$ (477.381)
Total comprehensive income attributable to:			
Controlling interest		553.984	(478.671)
Non-controlling interest		861	1.290
Total comprehensive income		$ 554.845	$ (477.381)

The notes are an integral part of the consolidated Financial Statements.

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Change in Equity Statement

(Unaudited information)

From January 1st to March 31st
(Values expressed in millions of Colombian Pesos)

	Share capital-issued	Paid-in-capital	Other reserves	Hyperinflation reserves	Retained earnings	Earnings for the period	Other comprehensive income, accumulated	Total equity attributable to controlling interest	Non-controlling interest	Total
Equity at January 1, 2016	**2.301**	**546.832**	**1.618.289**	**329.130**	**1.514.303**	**428.152**	**3.569.478**	**8.008.485**	**34.359**	**8.042.844**
Profit for the period						151.672		151.672	861	152.533
Other comprehensive income for the period							402.312	402.312	-	402.312
Comprehensive income for the period						**151.672**	**402.312**	**553.984**	**861**	**554.845**
Transfer to accumulated results					428.152	(428.152)		-		-
Cash dividends (Note 14)			(6.428)		(222.713)			(229.141)		(229.141)
Appropriation of reserves			1.762.980		(1.762.980)			-		-
Tax on wealth (Note 12.6)			(21.962)					(21.962)		(21.962)
Revaluation of equity for hyperinflationary economies				32.781				32.781		32.781
Other equity movements			(43.238)		43.238			-	(11)	(11)
Equity at March 31, 2016	**2.301**	**546.832**	**3.309.641**	**361.911**	**-**	**151.672**	**3.971.790**	**8.344.147**	**35.209**	**8.379.356**
Equity at January 1, 2015	**2.301**	**546.832**	**1.477.590**	**279.827**	**1.305.618**	**587.226**	**3.802.361**	**8.001.755**	**29.918**	**8.031.673**
Profit for the period						150.991		150.991	195	151.186
Other comprehensive income for the period							(629.662)	(629.662)	1.095	(628.567)
Comprehensive income for the period						**150.991**	**(629.662)**	**(478.671)**	**1.290**	**(477.381)**
Transfer to accumulated results					587.226	(587.226)		-		-
Cash dividends (Note 14)					(212.577)			(212.577)	10	(212.567)
Appropriation of reserves			164.876		(164.876)			-		-
Tax on wealth (Note 12.6)			(24.454)					(24.454)		(24.454)
Business combinations								-	49	49
Revaluation of equity for hyperinflationary economies				6.315				6.315		6.315
Other equity movements			(295)		(364)			(659)	7	(652)
Equity at March 31, 2015	**2.301**	**546.832**	**1.617.717**	**286.142**	**1.515.027**	**150.991**	**3.172.699**	**7.291.709**	**31.274**	**7.322.983**

The notes are an integral part of the Consolidated Financial Statements.

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(See attached certification)

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Cash-flow Statement

(Unaudited information)

From January 1st to March 31st
(Values expressed in millions of Colombian Pesos)

	January – March 2016		January – March 2015	
Cash flow from operating activities				
Collection from sales of goods and services	$	2.140.840	$	1.718.338
Payments to suppliers for goods and services		(1.590.610)		1.284.168)
Payments to and on behalf of employees		(403.262)		(318.150)
Income taxes and tax on wealth, paid		(37.923)		(31.093)
Other cash outflows		(63.675)		(67.247)
Net cash flow from operating activities	**$**	**45.370**	**$**	**17.680**
Cash flow from investment activities				
Payments to third parties for control of subsidiaries		-		(743.401)
Cash and cash equivalents from acquisitions		-		6.353
Purchases of equity of associates and joint ventures		-		(4.498)
Sales of property, plant and equipment		798		787
Purchases of property, plant and equipment		(54.155)		(39.617)
Dividends received		11.612		10.757
Interest received		1.587		2.150
Other cash inflows (outflows)		14.052		(1.692)
Net cash used in investment activities	**$**	**(26.106)**	**$**	**(769.161)**
Cash flow from financing activities				
Proceeds from loans		127.553		686.949
Dividends paid (Note 14)		(53.077)		(49.203)
Interest paid		(53.991)		(33.458)
Other outflows of cash		(28.462)		(4.903)
Net cash flow (used in) from financing activities	**$**	**(7.977)**	**$**	**599.385**
Increase (decrease) in cash and cash equivalent from activities	**$**	**11.287**	**$**	**(152.096)**
Net foreign exchange differences		(5.590)		7.011
Net increase (decrease) cash and cash equivalents		**5.697**		**(145.085)**
Cash and cash equivalents at the beginning of the period		286.064		391.863
Cash and cash equivalents at the end of the period	**$**	**291.761**	**$**	**246.778**

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(See attached certification)

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(See attached certification)

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A MESSAGE FROM THE MANAGEMENT AT GRUPO NUTRESA

Grupo Nutresa S.A. is the leader in processed foods in Colombia and one of the most relevant players in this sector in Latin America, with consolidated annual sales of COP 7.9 billion, annually (2015), in 8 Business Units: Cold Cuts, Biscuits, Chocolate, Tresmontes Luchetti (TMLUC), Coffee, Retail Foods, Ice Cream, and Pasta. Grupo Nutresa is a diversified company in terms of geographical reach, products, and supplying; with direct presence in 14 countries and international sales in 71 countries.

Our Centennial Strategy is aimed to double our 2013 sales, by 2020, with sustained profitability between 12% and 14% of the EBITDA margin. To achieve this, we offer our consumer, nutrition, as well as, the experience of recognized and beloved brands, that are nutritious, and generate wellness and well-being, and that are distinguished by the best value for price; widely available in our strategic regions, managed by talented, innovative, committed, and responsible people, who contribute to our sustainable development.

The differentiation of our unique business model:

- *Our People:* Human talent is one of our most valuable assets. The cultural platform is supported by the promotion of participatory environments, development of the competences of being and doing, recognition, the building of a leading brand, as well as, a balanced life for our people.

- *Our Brands:* Our Brands are leaders in the markets in which we participate, are recognized, beloved, and are part of people's daily life. They are supported on nutritional and reliable products, with high value at affordable prices.

- *Our Distribution Network*: Our extensive distribution network, differentiated by channels and segments, and with teams of specialized staff, allows us to have our products available, with adequate availability, affording us a close relationship with our clients.

The principal risks in our business model and mitigating factors are as follows:

Principal risks	Mitigating Factors
Volatility of the prices of raw materials	– Diversification of raw materials – A hedging policies, with defined levels of risk, and administered by a Specialized Committee – A highly trained team dedicated to the monitoring and negotiation of these supplies – An ongoing active search of new opportunities and plans, for the efficient and competitive supply of raw materials, on a Global level
Impact on the business due to a highly competitive environment	– Large distribution capacity with a differentiated strategy to address the different segments – Commercial management, supported by the profound understanding and integration of the market – Attractive proposals with a good price/value relationship – Recognized and valued brands – Innovation and differentiation of portfolios – Pursuit of entrance into new markets
Regulations on nutrition and health in countries where we have a presence	– Vidarium: Nutrition Research Center – Active participation with governments, in discussions about regulations – Monitoring and strict compliance of the regulations in each country – Innovation for the development of new products and the improvement of current ones – Participation and support in programs that promote a healthy life – Management responsible for marketing and advertising

Table 1

2016 First quarter Results

During the first trimester of 2016, Grupo Nutresa's sales sum up COP 2,1 billion, with total and organic growth of 21,9% and 17,9% respectively, compared to the same quarter of 2015.

In Colombia, the sales continue with an outstanding dynamic and reach COP 1,3 billion, which represents 59,5% of the total and corresponds to an increase of 15,6%.

The organic growth in Colombia of a 9,2% comprises a decrease of 0,5% in volumes and an increase of average prices of 10,0%. Taking into account comparable working days of the quarter with those of the previous year, an increase in volumes of 0,8% is remarked. In line with the performance of the previous quarters, Grupo Nutresa increases its weighted market share in Colombia, gaining up to 61,2% at the end of the period, thus proving the competitiveness of our model.

Sales abroad, 32,4% higher than those of the previous year, amount to COP 851.338 million and represent 40,5% from the total, the highest level in the history of Grupo Nutresa. Converted in dollars, this equals USD 261,6 million, representing an increase of 0,7%.

In terms of profitability, the result is positive, with earnings of COP 280.995 million, 19,6% higher than during the same period of the previous year and a margin over sales of 13,4%. While the higher costs of raw materials, exposed to the devaluation, continue to have an effect on the gross profit, factors such as proper management of prices, the strategy of diversification in markets and categories, product innovation reaching 16,9% of sales, management and production cost control, among others, allow us to continue presenting balanced results in terms of profitability and sales growth.

Meanwhile, the operating profit totaled COP 233.287 million, with an operating margin of 11,1% and an increase of 17,4%, added to what was already gained after the first quarter of the previous year, reflecting a good performance of administrative and production expenses, which increased below the Colombian inflation rate.

The post-operating net expenses of COP 38.822 million include the higher financial leverage from February 2015 for the acquisition of Grupo El Corral, the increase of the total debt cost due to higher market reference rates, and the effect of the exchange rate due to the devaluation of the Colombian peso. In addition to this, revenue coming from dividends given by the companies of the investment portfolio is accounted (Grupo Sura and Grupo Argos).

Finally, the consolidated net income amounts to COP 151.672 million, which represents an increase of 0,5% compared to the previous year.

Management monitoring indicators

Grupo Nutresa assesses the management of sustainability on economic, social, and environmental dimensions; to measure the management in the economic dimension, indicators, such as, total sales, international sales, sales in Colombia, and EBITDA, are used.

For Grupo Nutresa, EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization), is calculated by eliminating depreciation charges, amortization, and unrealized gains or losses from exchange differences in operating assets and liabilities, from the operating income. It is considered that EBITDA is most significant for investors, because it provides an analysis of operating results and segment profitability, using the same measurement used by management. Likewise, EBITDA allows comparison of the results, or benchmarks with other companies in the same industry and market. EBITDA is used to track the evolvement of the business and establish operating and strategic objectives. EBITDA is commonly reported and widely used amongst analysts, investors, as well as, other stakeholders interested in the industry. EBITDA is not a measurement, explicitly defined as such, in IFRS, and may therefore, not be comparable with similar indicators used by other companies. EBITDA should not be considered an alternative to operating income, as an indicator of operating results, nor as an alternative to cash flow from operating activities as a measurement of liquidity.

The following table details the reconciliation between the EBITDA and the operating income of Grupo Nutresa, for the period covered by these Financial Statements, and is as follows:

	January – March 2016	January – March 2015
Operating earnings	$ 233.287	$ 198.781
Depreciation and amortization	54.601	45.058
Unrealized exchange differences from operating assets and liabilities	(6.893)	(8.923)
EBITDA (See details by segment, in Note 5)	**$ 280.995**	**$ 234.916**

Table 2

Management of Capital

The increasing value creation is a fundamental part of the strategic objectives set by the Group. This translates into the active management of the capital structure, which balances the sustained growth of current operations, which requires constant investment in capital expenditures (Capex), and growth through acquisitions of ongoing businesses, which bring economic and strategic value to the Group.

In the allocation of resources, for both investments in fixed assets and acquisitions, the cost of capital (WACC) is used as a reference point to measure added value, relevant to each type of investment, geography, and particular level of risk. In every one of the investments, the goal is to seek a return that exceeds the cost of the capital.

Similarly, for each investment, the various sources of funding, both internal and external, are analyzed to secure a suitable profile for the duration of that specific investment, as well as, cost optimization. In accordance with a moderate financial risk profile, the capital structure of the Group aims towards obtaining the highest credit ratings.

Notes for the Condensed Consolidated Interim Financial Statements

For the three month interim period, between January 1st and March 31st of 2016 and 2015
(Values are expressed as millions of Colombian Pesos, except for the values in foreign currency, exchange rates, and number of shares.)

Note 1. CORPORATE INFORMATION

1.1 Entity and corporate purpose of Parent Company and subsidiaries

Grupo Nutresa S.A. and its subsidiaries, (hereinafter referred to as: Grupo Nutresa, the Company, the Group, or Nutresa), constitute an integrated and diversified food industry group, that operates mainly in Colombia and Latin America. The Parent Company is Grupo Nutresa S.A., a corporation of Colombian nationality, incorporated on April 12, 1920, with its headquarters in the City of Medellin, Colombia; its terms expire on April 12, 2050. The Corporate Business Purpose consists of the investment or application of available resources, in organized enterprises, under any of the forms permitted by law, whether domestic or foreign, and aimed at the use of any legal economic activity, either tangible or intangible assets, with the purpose of safeguarding its capital.

Below is information of subsidiaries: name, main activity, Country of Incorporation, functional currency, and percentage of shares held by Grupo Nutresa:

Table 3

Entity	Main Activity	Functional Currency [1]	% Participation March 2016	% Participation December 2015
Colombia				
Industria Colombiana de Café S.A.S.	Production of coffee and coffee related products	COP	100.00%	100.00%
Compañía Nacional de Chocolates S. A. S.	Production of chocolates, its derivatives, and related products	COP	100.00%	100.00%
Compañía de Galletas Noel S. A. S.	Production of biscuits, cereals, et al.	COP	100.00%	100.00%
Industria de Alimentos Zenú S. A. S.	Production and sales of meats and its derivatives	COP	100.00%	100.00%
Productos Alimenticios Doria S. A. S.	Production of pasta, flour, and cereals	COP	100.00%	100.00%
Molino Santa Marta S.A.S.	Milling of grains	COP	100.00%	100.00%
Alimentos Cárnicos S.A.S.	Production of meats and its derivatives	COP	100.00%	100.00%
Tropical Coffee Company S. A. S.	Assembly and production of coffee products	COP	100.00%	100.00%
Litoempaques S. A. S.	Production or manufacturing of packaging material	COP	100.00%	100.00%
Pastas Comarrico S. A. S.	Production of pasta, flour, and cereals	COP	100.00%	100.00%
Novaventa S.A.S.	Sales of foods and other items via direct sales channels	COP	100.00%	100.00%
La Recetta Soluciones Gastronómicas Integradas S.A.S.	Distribution of foods via institutional channels	COP	70.00%	70.00%
Meals Mercadeo de Alimentos de Colombia S.A.S.	Production and sales of ice cream, dairy beverages, et al.	COP	100.00%	100.00%
Servicios Nutresa S.A.S.	Provision of specialized business services	COP	100.00%	100.00%
Setas Colombianas S.A.	Processing and sales of mushrooms	COP	99.48%	99.48%
Alimentos Cárnicos Zona Franca Santa Fe S.A.S.	Provision of logistics services	COP	100.00%	100.00%
Gestión Cargo Zona Franca S.A.S.	Provision of logistics services	COP	100.00%	100.00%
Comercial Nutresa S.A.S.	Sales of food products	COP	100.00%	100.00%
Industrias Aliadas S.A.S.	Provision of services related to coffee	COP	100.00%	100.00%
Opperar Colombia S.A.S.	Provision of transportation services	COP	100.00%	100.00%
Fideicomiso Grupo Nutresa	Management of financial resources	COP	100.00%	100.00%
Fondo de Capital Privado “Cacao para el Futuro” – Compartimento A	Investment in cocoa production	COP	83.41%	83.41%
IRCC Ltda.	Production of foods and operation of food establishments providing to the consumer	COP	100.00%	100.00%
LYC S.A.S.	Production of foods and operation of food establishments providing to the consumer	COP	100.00%	100.00%
PJ COL S.A.S.	Production of foods and operation of food establishments providing to the consumer	COP	100.00%	100.00%
Panero S.A.S.	Production of foods and operation of food establishments providing to the consumer	COP	100.00%	100.00%
New Brands S.A.	Production of dairy and ice cream	COP	100.00%	100.00%
Schadel Ltda.	Production of foods and operation of food establishments providing to the consumer	COP	99.88%	99,88%
Tabelco S.A.S. [2]	Production of foods and operation of food establishments providing to the consumer	COP	28,35%	-
Chile				
Tresmontes Lucchetti S.A.	Provision of specialized business services	CLP	100.00%	100.00%
Nutresa Chile S.A.	Management of financial and investment services	CLP	100.00%	100.00%
Tresmontes Lucchetti Agroindustrial S.A.	Agricultural and industrial production	CLP	100.00%	100.00%
Tresmontes Lucchetti Servicios S.A.	Management of financial and investment services	CLP	100.00%	100.00%
Tresmontes S.A.	Production and sales of foods	CLP	100.00%	100.00%
Inmobiliaria Tresmontes Lucchetti S.A.	Management of financial and investment services	CLP	100.00%	100.00%
Lucchetti Chile S.A.	Production of pasta, flour, and cereals	CLP	100.00%	100.00%
Novaceites S.A.	Production and sales of vegetable oils	CLP	50.00%	50.00%
Inmobiliaria y Rentas Tresmontes Lucchetti	Management of financial and investment services	CLP	100.00%	100.00%

Entity	Main Activity	Functional Currency [1]	% Participation March 2016	% Participation December 2015
Costa Rica				
Compañía Nacional de Chocolates DCR, S.A.	Production of chocolates and its derivatives	CRC	100.00%	100.00%
Compañía de Galletas Pozuelo DCR S.A.	Production of biscuits, et al.	CRC	100.00%	100.00%
Cía. Americana de Helados S.A.	Production and sales of ice cream	CRC	100.00%	100.00%
Servicios Nutresa CR S.A.	Specialized business services provider	CRC	100.00%	100.00%
Guatemala				
Comercial Pozuelo Guatemala S.A.	Distribution and sales of food products	QTZ	100.00%	100.00%
Heladera Guatemalteca S.A.	Production and sales of ice cream	QTZ	-	100.00%
Distribuidora POPS S.A.	Sales of ice cream	QTZ	100.00%	100.00%
Nevada Guatemalteca S.A.	Property leasing services	QTZ	-	100.00%
Guate-Pops S.A.	Personnel services	QTZ	-	100.00%
Mexico				
Nutresa S.A. de C.V.	Production and sales of food products	MXN	100.00%	100,00%
Serer S.A. de C.V.	Personnel services	MXN	100.00%	100,00%
Comercializadora Tresmontes Lucchetti S.A. de C.V.	Sales of food products	MXN	100.00%	100,00%
Servicios Tresmontes Lucchetti S.A. de C.V.	Specialized business services provider	MXN	100.00%	100,00%
Tresmontes Lucchetti México S.A. de C.V.	Production and sales of foods	MXN	100.00%	100,00%
TMLUC Servicios Industriales, S. A. de CV	Specialized business services provider	MXN	100.00%	100,00%
Panama				
Promociones y Publicidad Las Américas S.A.	Management of financial and investment services	PAB	100.00%	100,00%
Alimentos Cárnicos de Panamá S.A.	Production of meats and its derivatives	PAB	100.00%	100,00%
Comercial Pozuelo Panamá S. A	Production of biscuits, et al.	PAB	100.00%	100,00%
American Franchising Corp. (AFC)	Management of financial and investment services	USD	100.00%	100,00%
Aldage, Inc.	Management of financial and investment services	USD	100.00%	-
LYC Bay Enterprise INC.	Management of financial and investment services	USD	100.00%	-
Sun Bay Enterprise INC. (	Management of financial and investment services	USD	100.00%	-
The United States of America				
Abimar Foods Inc.	Production and sales of food products	USD	100.00%	100.00%
Cordialsa Usa, Inc.	Sales of food products	USD	100.00%	100.00%
Costa Rica´s Creamery LLC.	Operation of food establishments providing to the consumer – Ice cream	USD	-	100.00%
Gulla Properties Development LLC.[2]	Management of financial and investment resources	USD	-	-
Heanor Consulting LLC. [2]	Management of financial and investment services	USD	-	-
Venezuela				
Cordialsa Noel Venezuela S.A.	Sales of food products	VEI	100.00%	100.00%
Industrias Alimenticias Hermo de Venezuela	Production of foods	VEI	100.00%	100.00%
Other Countries				

Entity	Main Activity	Country	Functional Currency	% Participation March 2016	% Participation December 2015
TMLUC Argentina S.A.	Production and sales of food products	Argentina	ARS	100.00%	100.00%
Corp. Distrib. de Alimentos S.A (Cordialsa)	Sales of food products	Ecuador	USD	100.00%	100.00%
Comercial Pozuelo El Salvador S.A. de C.V.	Distribution and sales of food products	El Salvador	USD	100.00%	100.00%
Americana de Alimentos S.A. de C.V.	Sales of food products	El Salvador	USD	100.00%	100.00%
Comercial Pozuelo Nicaragua S.A.	Sales of food products	Nicaragua	NIO	100.00%	100.00%
Industrias Lácteas Nicaragua S.A.	Sales and logistics management	Nicaragua	NIO	100.00%	100.00%
Compañía Nacional de Chocolates del Perú S.A.	Production of foods and beverages	Peru	PEN	100.00%	100.00%
TMLUC Perú S.A.	Production and sales of foods	Peru	PEN	100.00%	100.00%
Helados Bon	Production and sales of ice cream, beverages, and dairy, et al.	Dominican Republic	DOP	81.18%	81.18%
Compañía de Galletas Pozuelo de República Dominicana S.R.L.	Management of financial and investment services	Dominican Republic	DOP	100,00%	100,00%
Gabon Capital LTD.	Management of financial and investment services	BVI	USD	100.00%	100,00%
Baton Rouge Holdings LTD.	Management of financial and investment services	BVI	USD	100.00%	100,00%
Ellenbrook Holdings Limited	Management of financial and investment services	BVI	USD	100.00%	100,00%
Perlita Investments LTD.	Management of financial and investment services	BVI	USD	100.00%	100,00%
El Corral Investments INC	Management of financial resources and franchises	BVI	USD	100.00%	100,00%

(1) See Note 17.1, for descriptions of abbreviations for each currency and the primary impact on Grupo Nutresa's Financial Statements.

(2) At December 31, 2015, Grupo Nutresa possesses no participation, direct or indirect, over these companies; however, there does exist a private Stakeholders' Agreement, derived from the acquisition of Grupo El Corral, in which control over the relevant decision making, of these companies, is granted to the Group. This same agreement gives Grupo Nutresa control over Tabelco S.A.S., an entity in which the Group holds an indirect interest of 28.35%.

1.1.1 Changes in the scope of consolidation

The following are the changes in consolidation parameters, during the period:

2016: On March 1st, there was a merger between Guatemalteca Refrigerator S.A., Nevada Guatemalteca S.A., Guate - Pops S.A. and Distribuidora POPS S.A., thus leaving the latter in effect, in Guatemala.

2015: The acquisition of Grupo El Corral was realized and the assets and liabilities, of the companies acquired to February 28, 2015, as well as, its results, as of March 1, 2015, were incorporated into Grupo Nutresa's Consolidated Statements.

Note 2. BASIS OF PREPARATION

Grupo Nutresa´s consolidated Financial Statements, for the interim period between January 1st and March 31st of 2016, were prepared in accordance with the International Financial Reporting Standards (hereinafter IFRS), issued by the International Accounting Standards Board, (hereinafter IASB), and interpretations issued by the International Financial Reporting Interpretations Committee (hereinafter IFRIC), and approved in Colombia through Decree 2784 of 2012, Decree 3023 of 2013, Decree 2420 of 2015, its regulations, and other accounting standards issued by the Financial Superintendence of Colombia.

2.1 Financial Statements for the interim period

The Condensed Consolidated Financial Statements, for the quarterly period ended March 31, 2016, have been prepared in accordance with IAS 34 Interim Financial Reporting, and therefore, do not include all information and disclosures required for Annual Financial Statements.

Some of the amounts and disclosures related to the First Quarter of 2015, presented in the Financial Statements, for the purposes of comparison, may present variations from information published in the Condensed Consolidated Financial Statements, as of March 31, 2015, due to, that the same, include adjustments and reclassifications, realized as a result of the audit and internal review by the Administration, during the process of transition to IFRS, carried out for the closing of the Financial Statements, ended December 31, 2015, presented to and approved by the Shareholders, this past March 18th. The Groups' Management considers that these adjustments are not material and do not impact the reasonability of the information published previously.

The summary of the changes on the Income Statement, are as follows:

	Initial information	Adjusted results	Difference
Total operating revenue	**1.717.458**	**1.726.220**	**8.762**
Cost of goods sold	(976.867)	(972.781)	4.086
Gross profit	**740.591**	**753.439**	**12.849**
Administration, sales and production expenses	(553.100)	(565.030)	(11.930)
Other operating income (expenses), net	11.045	10.372	(673)
Operating profit	**198.536**	**198.781**	**245**
Financial Income/expenses	(47.777)	(47.875)	(98)
Other income (expenses), net	2.290	2.145	(145)
Portfolio dividends	46.468	46.468	-
Income before taxes and non-controlling interest	**199.517**	**199.519**	**2**
Income tax	(48.029)	(48.029)	-
Non-controlling interest	(150)	(195)	(45)
Discontinued operations	(304)	(304)	-
NET PROFIT	**151.034**	**150.991**	**(43)**
EBITDA	**234.673**	**234.916**	**243**

Table 4

The summary of changes, in the Statement of Financial Position, is as follows:

Statement of Financial Position	Initial information	Adjusted Balances	Difference
Assets	12.240.299	12.346.701	106.402
Liabilities	(4.820.582)	(5.023.718)	(203.136)
Equity	(7.419.717)	(7.322.983)	96.734

Table 5

In the Income Statement, the main impacts correspond to reclassifications between income and operating expenses, due to the transactions that had been recognized as minor expense, and was then reclassified, and presented as income.

In the Statement of Financial Position, the changes correspond mainly to the adjustments realized in the Opening Balance to deferred tax and employee benefits liabilities.

2.2 Basis of measurement

The Condensed Consolidated Financial Statements have been prepared on a historical cost basis, except for the measurements at fair value of certain financial instruments, as described in the policies herewith. The carrying value of recognized assets and liabilities, that have been designated as hedged items, in fair value hedges, and which would otherwise be accounted for at amortized cost, and are adjusted to record changes in the fair values, attributable to those risks, that are covered under "Effective hedges".

2.3 Functional and presentation currency

The Condensed Consolidated Financial Statements are presented in Colombian Pesos, which is both the functional and presentation currency of Grupo Nutresa S.A. These figures are expressed as millions of Colombian Pesos, except for net earnings per share and the representative market exchange rates, which are expressed as Colombian Pesos, and other currencies [E.g. USD, Euros , Pounds Sterling , among others], which are expressed as monetary units.

2.4 Classification of items in current and non-current

Grupo Nutresa presents assets and liabilities in the Statement of Financial Position, classified as current and non-current. An asset is classified as current when the entity: expects to realize the asset, or intends to sell or consume it within its normal operating cycle, holds the asset primarily for negotiating purposes, expects to realize the asset within twelve months after the reporting period is reported, or the asset is cash or cash equivalent, unless the asset is restricted for a period of twelve months after the close of the reporting period. All other assets are classified as non-current. A liability is classified as current when the entity expects to settle the liability within its normal operating cycle or holds the liability primarily for negotiating purposes.

Note 3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

3.1.1 Investments in subsidiaries

The Consolidated Financial Statements include Grupo Nutresa S.A.´s financial information, as well as, its subsidiaries, to March 31, 2016 and its corresponding comparative financial information. A subsidiary is an entity controlled by one of the companies that composes Grupo Nutresa. Control exists when any of the Group companies has the power to direct the relevant activities of the subsidiary, which are generally: the operating and financing activities to obtain benefits from them, and is exposed, or has rights, to those variable yields.

The accounting policies and practices are applied homogeneously, by the Parent Company and its subsidiary companies. In cases of subsidiaries located abroad, the practices do not differ significantly from the accounting practices used in the countries of origin, and/or have been homologized to those that have a significant impact on the consolidated Financial Statements. All balances and significant transactions between companies and the unrealized profits or losses, are eliminated in the consolidation process.

The consolidated statements, from the date of acquisition until the date that Grupo Nutresa loses its control, are included in the Financial Statements of subsidiaries; any residual interest that is retained is measured at fair value; the gains or losses arising from this measurement are recognized in the results for that period.

Consolidation of companies in which Grupo Nutresa owns less than the majority of voting rights:

The Group considers exercising control of the relevant activities of Novaceites S.A., despite that their actual controlling shares are 50% which does not give the majority of the voting rights. This conclusion is based on the composition of the Directive of Novaceites S.A., the Administration of TMLUC, as well as, the General Management of the Company and the level of involvement of TMLUC in its accounting and commercial processes.

3.1.2 Non-controlling interest

Non-controlling interest in net assets of the consolidated subsidiaries are presented separately within Grupo Nutresa's equity. Profit and loss, and "Other comprehensive income", is also attributed to non-controlling and controlling interest.

Subsidiaries' purchases or sales, involving non-controlling ownership, that do not involve a loss of control, are recognized directly in equity.

Grupo Nutresa considers non-controlling interest transactions, as transactions with Shareholders of the Company. When carrying out acquisitions of minority interest transactions, the difference between the consideration paid, and the interest acquired over the book value of the subsidiary´s net assets, is recognized as an equity transaction; therefore, goodwill for those acquisitions is not recognized.

3.2 Investments in associates and joint ventures

An associate is an entity over which Grupo Nutresa has significant influence over financial and operating policies, without having control or joint control. A joint venture is an entity that Grupo Nutresa controls jointly with other participants, where, together, they maintain a contractual agreement that establishes joint control over the relevant activities of the entity.

At the date of acquisition, the excess acquisition cost over the net fair value of the identifiable assets, liabilities, and contingent liabilities assumed by the associate or joint venture, is recognized as goodwill. Goodwill is included in the book value of the investment and is not amortized, nor is it individually tested for impairment.

The results, assets, and liabilities of the associate or joint venture are incorporated in the consolidated financial statement, using *the equity method*, under which the investment is initially recorded at cost and is adjusted with changes of the participation of Grupo Nutresa, over the net assets of the associate or joint venture after the date of acquisition less any impairment loss on the investment. The losses of the associate or joint venture that exceed Grupo Nutresa's shares in the investment, are recognized as a provision, only when it is probable that there will be an outflow of economic benefit and there is a legal or implicit obligation.

Where *the equity method* is applicable, adjustments are made to homologize the accounting policies of the associate or joint venture with those of Grupo Nutresa, the portion that corresponding to Grupo Nutresa. The portion that corresponds to Grupo Nutresa, of gains and losses, obtained from the measurement at fair value at the date of acquisition, is incorporated into the Financial Statements, and unrealized gains and losses from transactions between Grupo Nutresa and the associate or joint venture are eliminated, to the extent of Grupo Nutresa´s participation in the associate or joint venture. *The equity method* is applied from the date of the acquisition to the date that significant influence or joint control over the entity is lost.

The portion of profit and loss, of an associate or joint venture, is presented in the Statement of Comprehensive Income, in the results section for the period, net of taxes and non-controlling interest of the subsidiaries of the associate or joint venture. The portion of changes recognized directly in equity and "Other comprehensive income" of the associate or joint venture is presented in the Statement of Changes in Equity and other consolidated comprehensive income. Cash dividends received, from the associate or joint ventures, are recognized by reducing the carrying value of the investment.

Grupo Nutresa periodically analyzes the existence of impairment indicators and, if necessary, recognizes impairment losses of the associate or joint venture investment. Impairment losses are recognized in profit and loss, and are calculated as the difference between the recoverable amount of the associate or joint venture (which is the higher of the two values, between the value in use and its fair value minus cost to sell), and the book value.

When the significant influence over an associate or joint control is lost, Grupo Nutresa measures and recognizes any retained residual investment at fair value. The difference between the carrying amount of the associate or joint venture (taking into account the relevant items of "Other comprehensive income") and the fair value of the retained residual investment at its value from sale is recognized in profit and loss in that period.

3.3 Significant accounting policies

Grupo Nutresa and its subsidiaries apply the accounting policies and procedures of the Parent Company. The accounting policies applied in preparing the condensed consolidated Financial Statements, for the interim period between January 1st and March 31st, 2016, are consistent with those used in preparing the annual Financial Statements prepared as of December 31, 2015, under the Financial Standards, approved in Colombia.

Grupo Nutresa applies the following significant accounting policies in preparing its condensed consolidated Financial Statements:

3.3.1 Business combinations and goodwill

Operations whereby the joining of two or more entities or economic units into one single entity or group of entities occurs are considered business combinations.

Business combinations are accounted for using *the acquisition method*. Identifiable assets acquired, liabilities, and contingent liabilities assumed from the acquisition are recognized at fair value at the date of acquisition; acquisition expenses are recognized in profit and loss and goodwill as an asset in the Consolidated Statement of Financial Position.

The consideration transferred is measured as the value added of the fair value at the date of acquisition, of assets given, and liabilities incurred or assumed, and equity instruments issued by Grupo Nutresa, including any contingent consideration, for obtaining control the acquired.

Goodwill is measured as the excess of the sum of the consideration transferred, the value of any non-controlling interest, and when applicable, the fair value of any previously held equity interest, over the net value of the assets acquired, liabilities, and contingent liabilities assumed at the date of acquisition. The resulting gain or loss from the measurement of previously held interest can be recognized in current earnings or "Other comprehensive income", accordingly. In previous periods for which it is reported, the acquirer may have recognized in "Other comprehensive income", changes in the value of its equity interest in the acquired. If so, the amount, that was recognized, in ""Other comprehensive income"", shall be recognized, on the same basis as it would be required, if the acquirer had disposed directly of the previously held equity interest. When the consideration transferred is less than the fair value of the net assets acquired, the corresponding gain is recognized in profit and loss, on the date of acquisition.

For each business combination, at the date of acquisition, Grupo Nutresa chooses to measure non-controlling interest at the proportionate share of the identifiable assets acquired, liabilities, and contingent liabilities assumed from the acquisition, or at fair value.

Any contingent consideration in a business combination is classified as liability or equity, and is recognized at fair value at the date of acquisition. Subsequent changes in fair value of a contingent consideration, classified as financial liability, are recognized in profit and losses, in that period or in "Other comprehensive income". When it is classified as equity, it is not re-measured and its subsequent settlement is recognized in equity. If the consideration is not classified as a financial liability, it is measured in accordance with applicable IFRS.

Goodwill acquired in a business combination is allocated, at the date of acquisition, to cash-generating units of Grupo Nutresa, that are expected to be benefitted by the combination, irrespective of whether other assets or liabilities of the acquired are assigned to these units.

When goodwill is part of a cash-generating unit, and part of the operation within that unit is sold, the goodwill associated with the operation disposed is included in the carrying value of the operation, when the gain or loss of the disposal of the operation is determined. Goodwill written off is determined based upon the percentage of the operation sold, which is the difference between the book value of the operation sold and the book value of the cash-generating unit.

3.3.2 Foreign currency

Transactions made in a currency other than the functional currency of the Company are translated using the exchange rate at the date of the transaction. Subsequently, monetary assets and liabilities denominated in foreign currencies are translated using the exchange rates at the closing of the Financial Statements and taken from the information published by the official entity responsible for certifying this information; non-monetary items that are measured at fair value are translated using the exchange rates on the date when its fair value is determined and non-monetary items that are measured at historical cost, are translated using the official exchange rates, from the date of the original transaction.

All exchange differences arising from operating assets and liabilities are recognized on the income statement, as part of operating income or expenses; exchange differences in other assets and liabilities are recognized as income or expense, except for, monetary items that provide an effective hedge for a net investment in a foreign operation and from investments in shares classified as fair value through equity. These items and their tax impact are recognized in "Other comprehensive income" until disposal of the net investment, at which time are recognized in profit and loss.

For the presentation of Grupo Nutresa's Consolidated Financial Statements, the financial situation and results of entities whose functional currency is different from the presentation currency of the Company and whose economy is not classified as hyperinflationary, are translated as follows:

• Assets and liabilities, including goodwill, and any adjustment to the fair value of assets and liabilities, arising from the acquisition are translated at end of period exchange rates.

• Income and expenses are translated at the monthly average exchange rate.

In companies whose economy has been classified as hyperinflationary, assets, liabilities, income, and expenses are translated at the end of period exchange rates.

Exchange differences, arising from translation of foreign operations, are recognized in "Other comprehensive income" on a separate account ledger named "Exchange differences on translation of foreign operations", as well as, exchange differences, in long-term receivable or payable accounts, which are part of, the net investment abroad. In the disposal of foreign operations, the amount of "Other comprehensive income" that relates to the foreign operation is recognized in the period results.

Restated Financial Statements in hyperinflationary economies

The Financial Statements of subsidiaries whose functional currency is corresponding to that of a hyperinflationary economy, including comparative information, is restated in terms of the current measured unit, at the date of closing of the reporting period, before being translated into pesos for consolidation. Gains or losses, on the net monetary position, are included in profit or loss.

3.3.3 Cash and cash equivalents

Cash and cash equivalents, in the Statement of Financial Position and statement of cash flows, include cash on hand and banks, highly liquid investments easily convertible to a determined amount of cash and subject to an insignificant risk of changes in its value, with a maturity of three months or less from the date of purchase. These items are initially recognized at historical cost and restated to recognize its fair value at the date of each annual accounting period.

3.3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and, simultaneously, to a financial liability or equity instrument of another entity. Financial assets and liabilities are initially recognized at fair value plus (less) the transaction costs directly attributable, except for those who are subsequently measured at fair value.

At initial recognition, Grupo Nutresa classifies its financial assets for subsequent measurement at amortized cost or fair value, depending on Grupo Nutresa's business model for the administration of financial assets and the characteristics of the contractual cash flows of the instrument; or as derivatives designated as hedging instruments in an effective hedge, accordingly.

(i) Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost, using the effective interest rate, if the asset is held within a business model whose objective is to keep the contractual cash flows, and the contractual terms, on specific dates, cash flows that are solely for payments of principal and interest on the value of outstanding capital. Notwithstanding the foregoing, Grupo Nutresa designates a financial asset as irrevocably measured at fair value through profit and loss.

Grupo Nutresa has determined that the business model for accounts receivable is to receive the contractual cash flows, which is why they are included in this category.

(ii) Financial assets measured at fair value

The financial assets, different from those measured at amortized cost are subsequently measured at fair value, with changes recognized in profit and loss. However, for investments in equity instruments that are not held for trading purposes, Grupo Nutresa irrevocably chooses to present gains and losses on the fair value measurement in "Other comprehensive income". Upon disposal of investments at fair value, through "Other comprehensive income", the accumulated value of the OCI is transferred directly to retained earnings and are not reclassified to profit and loss, in that period. Cash dividends received from these investments are recognized in the Statement of Comprehensive Income, in the profit and loss of that period.

The fair values of quoted investments are based on the valid quoted prices.

Financial assets measured at fair value are not tested for impairment.

(iii) Impairment of financial assets at amortized cost

Financial assets measured at amortized cost are evaluated for indicators of impairment at each balance sheet date. Financial assets are impaired when there exists, objective evidence, that, as a result of one or more events occurring after the initial recognition of the financial asset, the estimated future flows of the financial asset, (or group of financial assets) have been impacted.

The criteria used to determine if there is objective evidence of impairment losses, includes:
- significant financial difficulty of the issuer or counterparty
- non-payment of principal and interest
- probability that the lender will declare bankruptcy or financial reorganization

The amount of the impairment is the difference between the carrying value of the asset, and the present value of estimated future cash flows, discounted at the original effective rate of the financial asset. The carrying value of the asset is reduced and the amount of the loss is recognized in profit and loss, for the period.

(iv) Derecognition

A financial asset, or a part of it, is derecognized from the Statement of Financial Position when it is sold, transferred, expires, or Grupo Nutresa loses control over the contractual rights or the cash flows of the instrument. A financial liability, or a portion of it, is derecognized from the Statement of Financial Position, when the contractual obligation has been settled, or has expired. When an existing financial liability is replaced by another, from the same counterparty on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification, it is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying value is recognized in the Statement of Comprehensive Income in profit and loss.

(v) Financial liabilities

Financial liabilities are subsequently measured at amortized cost, using the effective interest rate. Financial liabilities include balances with suppliers and accounts payable, financial obligations, and other derivative financial liabilities. This category also includes those derivative financial instruments taken by the Group that are not designated as hedging instruments, in effective hedging risks.

Financial obligations are classified as such, for obligations that are obtained by resources, be it from credit institutions or other financial institutions, in the country or abroad.

(vi) Off-setting financial instruments

Financial assets and financial liabilities are offset so that the net value is reported on the Consolidated Statement of Financial Position, only if (i) there is, at present, a legally enforceable right to offset the amounts recognized, and (ii) there is an intention to settle on a net basis, or to realize the assets and settle the liabilities, simultaneously.

(vii) Derivative instruments and hedge accounts

A financial derivative is a financial instrument, whose value changes in response to changes in an observable market variable (such as an interest rate, foreign exchange, the price of a financial instrument, or a market index, including credit ratings) and whose initial investment is very small compared to other financial instruments with similar changes in response to market conditions, and are generally settled at a future date.

In the normal course of business, companies engage in transactions with derivative financial instruments with the sole purpose of reducing its exposure to fluctuations in exchange rates and interest rates on foreign currency obligations. These instruments include, among others, swaps, forwards, options and futures over commodities traded for own-use.

Derivatives are classified under the category of financial assets or liabilities, according to the nature of the derivative, and are measured at fair value on the income statement, except those that are designated as hedging instruments.

Commodities contracts, with the purpose of receipt or delivery a non-financial item, in accordance with the purchase, sale, or usage requirements expected by the entity, are considered "derivatives for own-use" and the impact is recognized as part of cost of the inventory.

Grupo Nutresa designates and documents certain derivatives as hedging instruments to cover:
- Changes in the fair value of recognized assets and liabilities or in firm commitments (fair value hedges)
- Exposure to variations in cash flows of highly probable forecast transactions (cash flow hedges) and
- Hedges of net investments in foreign operations

The Group expects that the hedges are highly effective in offsetting the changes in fair value or variations of cash flows. The Group continuously evaluates the coverage, at least quarterly, to determine that they have actually been highly effective throughout the periods for which they were designated.

Hedges which meet the strict criteria required for hedge accounting are accounted for as follows:

Fair value hedges: The Group uses these hedges to mitigate the risks of exchange rates and interest rates on recognized assets and liabilities. Changes in the fair value of the hedging instruments are recognized in the income statement, as financial expense, and the hedged item is adjusted for the hedged risk and any gain or loss is recognized in the income statement as financial expense.

Cash flow hedges: the effective portion of changes in fair value of the hedging instrument is recognized in "Other comprehensive income", while any ineffective portion is recognized immediately in profit or loss. When a hedged item results in the recognition of a non-financial asset, or liability, the gains and losses, previously recognized in ""Other comprehensive income"", are included in the cost of the asset or liability. Otherwise, gains or losses recognized in "Other comprehensive income" are transferred to the income statement when the hedged item affects profit or loss.

Net investment hedges: Changes in fair value of the hedging instrument are recognized directly in "Other comprehensive income", as well as, gains or losses from the translation of a foreign operation, until the sale or disposal of the investment.

3.3.5 Inventories

Assets held for sale in the ordinary course of business, or in the process of production for such sale, or in the form of materials or supplies to be consumed in the production process, or services provided, are classified as inventory.

Inventories are valued at the lower of, acquisition or manufacturing cost, or the net realizable value. Cost is determined using the *average cost method*. Net realizable value is the estimated selling price of inventory in the ordinary course of operations, less the applicable variable sales expenses.

Inventories are valued using *the weighted average method* and the cost includes the costs directly related to the acquisition and those incurred to give them their current condition and location. The cost of finished goods and work in progress is comprised of: raw materials, direct labor, other direct costs, and indirect manufacturing expenses.

Trade discounts, rebates, and other similar items are deducted from the acquisition cost of inventory.

In the case of commodities, the cost of the inventory includes any gain or loss on the hedging of raw material procurement.

3.3.6 Biological assets

Biological assets held by Grupo Nutresa are measured from initial recognition at the fair value less expenses to realize the sale; the changes are recognized in the income statement for the period. Agricultural products coming from biological assets are measured at fair value less costs to sell at the time of collection or harvest, when they are transferred to inventory.

When fair value cannot be reliably measured, they are measured at cost and the existence of impairment indicators permanently assessed.

3.3.7 Property, plant and equipment

Property, plant and equipment includes the value of land, buildings, furniture, vehicles, machinery and equipment, computer hardware, and other facilities owned by the consolidated entities, which are used in the operation of the entity.

Fixed assets are measured at cost, net of accumulated depreciation, and accumulated impairment losses, if any. The cost includes: the acquisition price, costs directly related to the location of assets in place and the necessary conditions to operate in the manner intended by Grupo Nutresa, borrowing costs for construction projects that take a period of a year or more to be completed if the conditions for approval are met, and the present value of the expected cost for the decommissioning of the asset after its use, if the recognition criteria for a provision are met.

Trade discounts, rebates, and other similar items are deducted from the acquisition cost of the asset.

For significant components of property, plant and equipment that must be replaced periodically, the Group derecognizes the replaced component and recognizes the new component as an asset with a corresponding specific useful life, and depreciates it, accordingly. Likewise, when major maintenance is performed, its cost is recognized as a replacement of the carrying value of the asset to the extent that the requirements for recognition are met. All other routine repair and maintenance expenses are recognized in results, as they are incurred.

Substantial improvements on properties of third parties are recognized as part of Grupo Nutresa's fixed assets and depreciated for the shortest period between the useful life of the improvements made or the lease term.

Depreciation begins when the asset is available for use and is calculated on a straight line basis over the estimated asset life as follows:

Buildings	20 to 60 years
Machinery (*)	10 to 40 years
Minor equipment - operating	2 to 10 years
Transport equipment	3 to 10 years
Communication and computer equipment	3 to 10 years
Furniture, fixtures and office equipment	5 to 10 years

Table 6

(*) Some of the machinery related to production is depreciated using *the hours produced method,* according to the most appropriate manner, in which the consumption of the economic benefits of the asset is reflected.

The residual values, useful lives, and depreciation methods of assets are reviewed and adjusted prospectively at year-end, in cases where it is required.

A component of property, plant and equipment or any substantial part of it initially recognized is derecognized upon sale or when no future economic benefit from its use or its sale is expected. Any gain or loss at the time of derecognizing the asset, (calculated as the difference between the net income from the sale and the carrying value of the asset), is included in the income statement when the asset is written-off.

3.3.8 Investment properties

Investment properties are initially measured at cost. The acquisition cost of an investment property includes its purchase price and any directly attributable expenditure. The cost of self-constructed investment property is its cost at the date when the construction or development is complete.

Subsequent to initial recognition, investment properties are measured at net cost of accumulated depreciation and loss accumulated impairment losses, if any.

Depreciation is calculated linearly over the asset's useful lives, estimated between 20 and 60 years. Residual values and useful lives are reviewed and adjusted prospectively, at yearend, or when required.

Investment properties are written off, either at the time of disposal, or when it is removed permanently from use and no future economic benefit is expected. The difference between the net disposal and the book value of the assets is recognized in income for the period, in which it was derecognized.

Transfers to or from investment properties are made only when there is a change in use. In the case of a transfer from investment property to property, plant and equipment, the cost, taken into account in subsequent accounting, is the book value at the date of change of use.

3.3.9 Intangible assets

An intangible asset is an identifiable asset, non-monetary, and without physical substance. Intangible assets acquired separately are initially measured at cost. The cost of intangible assets acquired in business combinations is its fair value at the date of acquisition. After initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses in value.

The useful lives of intangible assets are determined as finite or indefinite. Intangible assets with finite useful lives are amortized over their useful life, linearly, and are evaluated to determine whether they had any impairment whenever there are indications that the intangible asset might have suffered such impairment. The amortization period and *the amortization method*, for an intangible asset with a finite useful life, are reviewed at least at the close of each period. Changes in the expected useful life or the expected pattern of consumption of the future economic benefits of the asset, are accounted for at the change of the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Amortization expenses of intangible assets with finite useful lives are recognized in the Statement of Comprehensive Income. The useful life of an intangible asset with a finite life is between 3 and 100 years.

Intangible assets with indefinite useful lives are not amortized, but are tested annually to determine if they have suffered impairment either individually or at the level of the cash-generating unit. The assessment of indefinite life is reviewed annually to determine whether the assessment remains valid. If not, the change in useful life from indefinite to finite is made prospectively.

Gains or losses, that arise when an intangible asset is written-off, are measured as the difference between the value obtained in the disposal, and the carrying value of the asset are recognized in the Statement of Comprehensive Income, in profit and loss.

Research and development costs

Research costs are expensed as they are incurred. The expenditures directly related to the development in an individual project are recognized as intangible assets when the Grupo Nutresa can demonstrate:

- The technical feasibility of completing the intangible asset so that it is available for use or sale;
- Its intention to complete the asset and its capacity to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to reliably measure the expenditure during development.

In the Statement of Financial Position, assets arising from development expenditures are stated at cost less accumulated amortization and accumulated impairment losses.

Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future economic benefit. During the development period, the asset is subject to annual impairment tests to determine if loss of value exists.

Research costs and development costs not eligible for capitalization, are accounted as expenses in profit and loss.

3.3.10 Impairment of non-financial assets

At each reporting date, Grupo Nutresa assesses if there is any indication that an asset may be impaired in value. Grupo Nutresa estimates the recoverable amount of the asset or cash-generating unit, at the moment that an indication of impairment is detected, or annually (at December 31st) for goodwill, intangible assets with indefinite useful lives, and those not yet in use.

Grupo Nutresa has defined as a cash-generating unit, the entities legally constituted, dedicated to production, assigning to each of them the net assets of the entities legally constituted dedicated to services rendered to the productive units (in a traversal or individual manner). The impairment assessment is realized at the CGU level or group of CGUs that contain the asset to assess.

The recoverable value of an asset is the greater of the fair value less costs to sell, either an asset or a cash-generating unit, and its value in use, and is determined for an individual asset, unless the asset does not generate cash flows that are substantially independent of other assets or groups of assets; in this case the asset must be grouped to a cash-generating unit. When the book value of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is reduced to its recoverable amount.

In calculating the value in use, the estimated future cash flows, whether of an asset or a cash-generating unit, are discounted to their present value using a discount rate, which reflects market considerations of the value of money over time, as well as, the specific risks of the asset. An appropriate valuation model is used to determine the fair value minus the cost to sell.

The impairment losses of continuing operations are recognized in the Statement of Comprehensive Income, in profit and loss, in those expense categories that correspond to the function of the impaired asset. Impairment losses attributable to a cash-generating unit are initially allocated to goodwill and, once exhausted, the impairment losses are proportionally attributed to other non-current assets of the cash-generating unit, based upon the book value of each asset.

The impairment for goodwill is determined by assessing the recoverable amount of each CGU (or group of cash-generating units) related to the goodwill. The impairment losses related to goodwill cannot be reversed in future periods.

For assets in general, excluding goodwill, at each reporting date, an assessment of whether there is any indication that impairment losses previously recognized value no longer exist or have decreased, is performed. If any such indication exists, Grupo Nutresa estimates the recoverable amount of the asset or cash-generating unit. An impairment loss, previously recognized, is reversed only if there was a change in the assumptions used to determine the recoverable value of an asset, since the last time that the last impairment loss was recognized. The reversal is limited so that the carrying value of the asset does not exceed its recoverable amount, nor does it exceed the carrying value that would have been determined, net of depreciation, if it had not recognized impairment loss for the asset in previous years. Such a reversal is recognized in the Statement of Comprehensive Income in profit and loss.

3.3.11 Taxes

This heading includes the value of mandatory general-nature taxation in favor of the State, by way of private closeouts, that are based on the taxes of the fiscal year and responsibility of each company, according to the tax norms of national and territorial governing entities, in each of the countries where Grupo Nutresa´s companies operate.

a) Income tax
(i)Current

Assets and liabilities for income tax for the period are measured by the values expected to be recovered or paid to the taxation authorities. The expense for income tax is recognized under current tax, in accordance with the tax clearance, between taxable income and accounting profit and loss, and is affected by the rate of income tax in the current year in accordance with the provisions of the tax rules of each country. Taxes and tax norms or laws used to compute these values are those that are approved at the end of the reporting period in the countries where Grupo Nutresa operates and generates taxable income.

(ii) Deferred

Deferred income tax is recognized using *the liability method* and is calculated on temporary differences between the carrying value of assets and liabilities in the Statement of Financial Positions and book value. Deferred tax liabilities are generally recognized for all temporary tax differences imposed, and all of the deferred tax assets are recognized for: all temporary deductible differences, future compensation of tax credits, and unused tax losses, to the extent that it is likely there will be availability of future tax profit, against which, they can be attributed. Deferred taxes are not subject to financial discount.

Deferred asset and liability taxes are not recognized if a temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction affected neither the accounting profit nor taxable profit and loss; and in the case of deferred tax liability, arising from the initial recognition of goodwill.

The deferred tax liabilities related to investments in subsidiaries, associates, and interests in joint ventures, are not recognized when the timing of the reversal of temporary differences can be controlled, and it is probable that such differences will not reverse in the near future, and the deferred tax assets related to investments in subsidiaries, associates, and interests in joint ventures are recognized only to the extent that it is probable that the temporary differences will reverse in the near future and it is likely the availability of future tax profit, against which these deductible differences, will be charged.

The book value of deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available, in part or in totality, of the deferred tax asset, to be used. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is probable that future taxable income will be recoverable.

Deferred assets and liabilities taxes are measured at the tax rates that are expected to be applicable in the period when the asset is realized or the liability is settled, based on tax rates and tax rules that were approved at the date of filing, or whose approval will be nearing completion by that date.

Deferred assets and liabilities taxes are offset if there is a legally enforceable right to do so, and are with the same taxation authority.

Deferred tax is recognized in profit and loss, except when relating to items not recognized in profit and loss, in which case will be presented in "Other comprehensive income" or directly in equity.

The current assets and liabilities, for income tax, are also offset, if related to the same taxation authority and are intended to be settled at net value, or the asset realized and liability settled, simultaneously.

b) Income tax for equity - CREE

The income tax for equity – CREE, applicable to Colombian Companies, is the tax with which taxpayers, legal entities, and assimilated filers of income taxes, contribute to employee benefits, creation of employment, and social investment.

The basis for determining the income tax for equity – CREE, cannot be less than 3% of the net fiscal equity on the last day of the immediately preceding fiscal year.

The income tax for equity – CREE applies a fee of 9% under the Law 1739 December 2014.

During the years 2015, 2016, 2017 and 2018, the Law 1739 of December 23, 2014, establishes a surcharge on income tax for equity - CREE, which is at the responsibility of the taxpayer of this tax and is applied to a taxable base in excess of $800 COP, at rates of 5%, 6%, 8%, and 9% per year, respectively.

The tax base of income tax for equity- CREE, is established by subtracting from the gross income likely to increase the fiscal equity, the returns, rebates and discounts, and those thus obtained, will be subtracted from those which correspond to the non-constituted income established in the Tax Code. Net income, thus obtained, total costs and applicable tax deductions, will be subtracted, as well as, from the exempted income exhaustively fixed, according to tax regulations.

c) Tax on wealth

The tax burden of the "wealth tax" is originated, for Colombian Companies, from possession of the same to the January 1st of the years 2015, 2016, and 2017, by taxpayers. Therefore, those taxpayers with gross assets minus debts, whose value exceeds $1.000, should determine their tax under the conditions established in the tax regulations.

According to the provisions of Article 6 of Law 1739 of 2014, and additionally, Article 297-2 of the tax statute, the accrual of wealth tax will take place on January 1st of the years 2015, 2016, and 2017, and may be allocated to capital reserves without affecting net income, in accordance with Article 10 of the same law.

3.3.12 Employee benefits

a) Short-term benefits

They are, (other than termination benefits), benefits expected to be settled in its totality, before the end of the following twelve months, at the end of the annual period, of which the services provided by employees, is reported. Short-term benefits are recognized to the extent that the employee renders the service, to the expected value to be paid.

b) Other long-term benefits

Long-term employee benefits, (that differ from post-employment benefits and termination benefits) that do not expire within twelve (12) months after the end of the annual period in which the employees renders services, are remunerated, such as long-term benefits, the variable compensation system, and retroactive severance interest. The cost of long-term benefits is distributed over the time measured between the employee starting date, and the expected date of when the benefit is received. These benefits are projected to the payment date, and are discounted with *the projected unit credit method.*

c) Pensions and other post-employment benefits

(i) Defined contribution plans

Contributions to defined contribution plans are recognized as expenses in the Statement of Comprehensive Income, in profit and loss, on an accrual basis.

(ii) Defined benefit plans

Defined benefit plans are plans for post-employment benefits in which Grupo Nutresa has a legal or implicit obligation, of the payment of benefits. Subsidiary companies domiciled in Colombia, Ecuador, Mexico, and Peru, have actuarial liability as required by law.

The cost of this benefit is determined by *the projected unit credit method*. The liability is measured annually, by the present value of expected future payments required to settle the obligations arising from services rendered by employees in the current period and prior periods.

Updates of the liability for actuarial gains and losses are recognized in the Statement of Financial Position, against retained earnings through "Other comprehensive income". These items will not be reclassified to profit and loss, in subsequent periods; the cost of past and present services, and net interest on the liability, is recognized in profit and loss, distributed among cost of sales and administrative expenses, sales and distribution, likewise as are gains and losses by reductions in benefits and non-routine settlements.

Interest on the liability is calculated by applying the discount rate on said liability.

Payments made to retirees are deducted from the amounts provisioned for this benefit.

(d) Termination benefits

Termination benefits are provided for the period of employment termination, as a result of the Company's decision to terminate a contract of employment, before the normal retirement date; or the employee's decision to accept an offer of benefits in exchange for termination of an employment contract. Termination benefits are measured in accordance with the provisions of the laws and the agreements between Grupo Nutresa and the employee, at the time the decision to terminate the employment relationship with the employee, is officially released.

3.3.13 Provisions, contingent liabilities and assets

a) Provisions

Provisions are recognized when, as a result of a past event, Grupo Nutresa has a present legal or constructive obligation to a settlement, and requires an outflow of resources, are considered probable, and can be estimated with certainty.

In cases where Grupo Nutresa expects the provision to be reimbursed in whole, or in part, the reimbursement is recognized as a separate asset, only in cases where such reimbursement is virtually certain.

Provisions are measured at best estimate of the disbursement of the expenditure required to settle the present obligation. The expense relating to any provision is presented in the Statement of Comprehensive Income, net of all reimbursement. The increase in the provision, due to the passage of time, is recognized as financial expense.

b) Contingent liabilities

Possible obligations arising from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of Grupo Nutresa, or present obligations arising from past events, that are not likely, but there exists a possibility that an outflow of resources including economic benefits is required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability, are not recognized in the Statement of Financial Position and are instead revealed as contingent liabilities.

c) Contingent assets

Possible assets, arising out of past events and whose existence will be confirmed only by the occurrence, or possibly by the non-occurrence of one or more uncertain future events which are not entirely under the control Grupo Nutresa, are not recognized in the Statement of Financial Position, and are however, disclosed as contingent assets when it is a probable occurrence. When the contingent event is certain, then the asset is recognized and the associated income is recognized in profit and loss, for that period.

3.3.14 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be measured reliably.

The specific recognition criteria, listed below, must also be met for revenue to be recognized:

a) Sale of goods
Revenue, from the sale of goods, is recognized when the significant risks and rewards of ownership have been substantially transferred to the buyer.

b) Services
Revenue from providing services is recognized when these services are rendered, or according to the degree of completion (or percentage of completion) of contracts.

c) Interest
For all financial instruments measured at amortized cost, interest income or expense, is recognized with *the effective interest rate method*. The effective interest rate is the rate that exactly discounts estimated future cash payments or those received through the expected life of the financial instrument, or in a shorter period, in the net book value of the financial asset or financial liability.

d) Dividend income

This income is recognized when Grupo Nutresa's right to receive payment is established, which is generally when the Shareholders approve the dividend, except when the dividend represents a recovery of investment costs. Dividend income is not recognized, when payment is made to all Shareholders, in the same proportion of stocks from the issuer.

3.3.15 Production expenses

Indirect production costs that do not contribute to move inventories to their present location and condition, and that are not necessary for the production process, are recorded as production expenses.

3.3.16 Government grants

Government grants are recognized when there is reasonable assurance that they will be received and all conditions linked to them will be safely met. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods in which related costs that are intended for compensation are recognized as expense. When the grant relates to an asset, it is recorded as deferred income and is recognized as profit or loss on a systematic basis over the estimated useful life of the asset.

3.3.17 Fair value

Fair value is the price that would be received in selling an asset or paid to transfer a liability in an orderly transaction between independent market participants, at the measurement date. The fair value of all financial assets and liabilities is determined at the date of presentation of the Financial Statements, for recognition or disclosure in the Notes to the Financial Statements.

Grupo Nutresa uses valuation techniques which are appropriate under circumstances for which sufficient information is available to measure the fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value is determined:

- Based on quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date (Level 1).
- Based on valuation techniques commonly used by market participants using variables other than the quoted prices that are observable for the asset or liability, either directly or indirectly (Level 2).
- Based on internal discount cash flow techniques or other valuation models, using estimated variables by Grupo Nutresa for the unobservable asset or liability, in the absence of variables observed in the market (Level 3).

Judgments include data such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could impact the reported fair value of financial instruments.

3.3.18 Operating segments

An operating segment is a component of Grupo Nutresa that: engages in business activities from which it may earn income from ordinary activities and incur costs and expenses, from which it has financial information and whose operating results are regularly reviewed by the maximum authority in making operating decisions for Grupo Nutresa, The Board of Grupo Nutresa, to decide about the allocation of resources to segments, as well as, assess performance.

The financial information of the operating segments is prepared under the same accounting policies used in the preparation of the Consolidated Financial Statements of Grupo Nutresa.

For those operational segments that overreach the quantitative threshold of 10% of income, EBITDA, and operational income, as well as, the informational segments that are considered relevant for decision making by the Board of Directors; financial information is presented separately; the other segments are grouped in categories called "Other segments".

3.3.19 Earnings per share

Basic earnings per share are calculated by dividing profit or loss, for the period that is attributable to holders of ordinary shares, by the weighted average number of ordinary shares, outstanding.

The average number of shares outstanding, for the periods ended March 31, 2016 and 2015, is 460.123.458.

To calculate diluted earnings per share, profit for the period, attributable to holders of ordinary shares, and the weighted average number of shares outstanding, for all the inherent dilutive potential ordinary shares, is adjusted.

3.3.20 Relative importance or materiality

Information is material or has relative importance, if it can, individually, or collectively, influence the economic decisions taken by users, based on the Financial Statements. Materiality depends on the size and nature of error or inaccuracy and prosecuted depending on the particular circumstances in which they are produced. The size or nature of the item, or a combination of both, could be the determining factor.

Note 4. JUDGMENTS, ESTIMATES, AND SIGNIFICANT ACCOUNTING ASSUMPTIONS

The preparation of Grupo Nutresa's Condensed Consolidated Financial Statements requires that management must make judgments, accounting estimates, and assumptions that impact the amount of revenue and expenses, assets, and liabilities, and related disclosures, as well as, the disclosure of contingent liabilities at the close of the reporting period. The Group bases its assumptions and estimates, considering all parameters available at the time of preparation of the consolidated Financial Statements. In this regard, the uncertainty of assumptions and estimates could impact future results that could require significant adjustments to the book amounts of the assets or liabilities impacted.

In applying Grupo Nutresa's accounting policies, Management has made the following judgments and estimates, which have significant impact on the amounts recognized in these consolidated Financial Statements:

- Assessment of the existence of impairment indicators, for assets, goodwill, and asset valuation, to determine the existence of impairment losses (financial and non-financial assets);
- Assumptions used in the actuarial calculation of post-employment and long-term obligations with employees;
- Useful life and residual values of property, plant and equipment and intangibles;
- Suppositions used to calculate the fair value of financial instruments;
- Probability of occurrence and value of liabilities with uncertain value or contingents;
- Determination of the existence of financial or operating leases, based on the transfer of risks and benefits of the leased assets;
- Development expenses;
- Recoverability of deferred tax assets;
- Determination of control, significant influence, or joint control over an investment;
- Classification of Venezuela as a hyperinflationary economy

Judgments and estimates used by the management of Grupo Nutresa, in preparation of the Condensed Consolidated Financial Statements for the three month period ended March 31, 2016, do not differ significantly from those realized at the yearend close of the previous period, that is, December 31, 2015.

Note 5. OPERATING SEGMENTS

Grupo Nutresa`s operating segments reflect its structure and how the administration, in particular the Board of Directors, evaluates the financial information for decision-making in operational matters. For the administration, businesses are considered by combining geographic areas and types of products. The segments for which financial information are presented are as follows:

- **Cold Cuts:** Production and sale of processed meats (sausage, pepperoni, and bologna burgers), matured meat (ham, Spanish chorizo, salami), ready to meals, canned foods and mushrooms
- **Biscuits**: Production and marketing of sweet biscuits flavored lines, with crème filling, and salted wafer-like crackers and snacks
- **Chocolate**: Production and sale of chocolate bars, chocolate (bars and milk modifiers), chocolate candies, granola bars, and nuts
- **TMLUC**: Stands for Tresmontes Lucchetti, a business unit that produces and sales: instant cold drinks, pasta, coffee, snacks, edible oil, juice, soups, dessert, and tea
- **Coffee**: Production and marketing of roasted and ground coffee, instant coffee (powdered, granulated, and freeze-dried) and coffee extracts
- **Retail Foods**: Formats established for direct sale to consumers, are restaurants and ice cream parlors, where hamburger products, prepared meats, ice cream, and yogurt are offered
- **Ice Cream:** This segment includes desserts, water and milk-based ice cream pops, cones, Ice cream by the liter, as well as, ice cream cups and biscuits with ice cream
- **Pasta**: Produced and sold in Colombia, as short, long, egg, with vegetables, with butter, and instant pasta

The Board of Directors monitors the operating results of business units separately, for the purpose of making decisions about allocating resources and assessing financial performance. The financial performance of the segments is evaluated, on the basis of sales and EBITDA generated, which are measured uniformly with the consolidated Financial Statements. Financing operations, investment, and tax management are managed centrally, and therefore, are not allocated to operating segment.

The Management Reports and the ones generated by accountancy of the Company use the same policies as described in the note of accounting criteria, and there are no differences, in totality, between the total measurements of results, with respect to the accounting policies applied.

Transactions between segments correspond mainly to sales of finished products, raw materials, and services. The sale price between segments corresponds to the cost of the product, plus a profit margin. These transactions are eliminated in the consolidation of Financial Statements.

Assets and liabilities are managed on a consolidated basis, and by the administration of each of the Grupo Nutresa Companies; no segment allocation is performed.

There are no individual customers whose transactions represent more than 10% of Grupo Nutresa's revenue.

5.1 Information on financial performance by segments at March 31st:

a) Ordinary income by segments

	External clients		Inter-segments		Total	
	2016	2015	2016	2015		2015
Cold Cuts	491.447	419.295	953	61	492.400	419.356
Biscuits	414.464	336.315	4.852	3.536	419.316	339.851
Chocolate	311.157	276.511	5.342	3.150	316.499	279.661
TMLUC	244.967	207.983	519	-	245.486	207.983
Coffee	247.791	208.206	348	206	248.139	208.412
Retail Food	162.072	73.139	-	-	162.072	73.139
Ice Cream	118.998	106.996	17	90	119.015	107.086
Pasta	65.572	61.206	78	121	65.650	61.327
Others	47.748	36.569	-	-	47.748	36.569
Total segments	**2.104.216**	**1.726.220**	**12.109**	**7.164**	**2.116.325**	**1.733.384**
Adjustments and eliminations					(12.109)	(7.164)
Consolidated					**2.104.216**	**1.726.220**

Table 7

b) EBITDA

	Operating Profit		Depreciation and Amortization		Unrealized Exchange Differences From Operating Assets And Liabilities		EBITDA	
	2016	2015	2016	2015	2016	2015	2016	2015
Cold Cuts	68.917	58.763	8.855	7.422	(4.387)	(10.308)	73.385	55.877
Biscuits	47.265	42.640	7.195	5.571	(749)	381	53.711	48.592
Chocolate	22.705	24.075	8.352	7.228	(1.660)	(731)	29.397	30.572
TMLUC	17.455	16.302	8.562	5.784	273	588	26.290	22.674
Coffee	43.551	39.104	5.155	4.902	1.856	1.001	50.562	45.007
Retail Foods	16.608	9.543	6.296	3.191	(25)	(4)	22.879	12.730
Ice Cream	11.529	6.915	7.380	7.712	(261)	124	18.648	14.751
Pasta	3.467	5.761	1.785	1.747	(347)	22	4.905	7.530
Others	1.790	(4.322)	1.021	1.501	(1.593)	4	1.218	(2.817)
Total segments	**233.287**	**198.781**	**54.601**	**45.058**	**(6.893)**	**(8.923)**	**280.995**	**234.916**

Table 8

5.2 Information by geographical locations

The breakdown of sales to external customers is herewith detailed by major geographical locations where the Group operates, and is as follows:

	January-March 2016	January-March 2015
Colombia	1.252.879	1.083.451
Central America	212.162	159.892
United States	196.264	141.474
Chile	181.068	142.822
Mexico	70.369	65.620
Venezuela	69.072	31.515
Dominican Republic and the Caribbean	33.710	25.102
Peru	33.167	28.043
Ecuador	27.667	22.153
Others	27.858	26.148
Total	**2.104.216**	**1.726.220**

Table 9

Sales information is carried out with consideration of the geographical location of end-user customer.

5.3 Information by type of product

Given that some segments are also categorized by geographical location, sales to external customers are presented by product category as follows:

	January-March 2016	January-March 2015
Foods	1.127.650	895.319
Beverages	507.043	434.697
Candy and Snacks	347.292	296.293
Others	122.231	99.911
Total	**2.104.216**	**1.726.220**

Table 10

Note 6. BIOLOGICAL ASSETS

	March 2016	December 2015
Forest plantation	9.347	8.913
Biological assets - cattle	24.383	24.636
Biological assets – pig	24.273	25.269
Total	**58.003**	**58.818**
Current portion	51.847	53.119
Non-current portion	6.156	5.699

Table 11

The forest plantations include: 170 hectares of cocoa plantations (December 2015 – 170 ha), located in the Department of Santander in Colombia, aimed at promoting the development of cocoa farming through agro forestry systems (Cocoa - Timber) to the country's farmers, and also to supply the raw material consumption of the Group. Also included are 66.360 square meters of mushroom crops (December 2015 – 40.290 m^2), located in Yarumal, Colombia, that are used by Setas Colombianas S.A. - in its production process; taking into account that no active market exists for these crops. Companies measure the biological assets under the cost model until the fair value of these can be reliably measured.

The biological assets as of March 2016, include 20.185 cattle (December 2015 – 22.394 units) and 78.535 pigs (December 2015- 81.017 units) in Colombia and Panama, the production of this activity which is used as raw material for product development of the Cold Cuts Business.

Pigs and cattle, in Colombia, are measured at fair value, using as a reference, the market values published by the National Association of Pig Farmers and livestock auctions at fairs in each location. Pigs that are produced abroad (March 2016 - $12.590 - December 2015 - $5.125) are measured upon initial recognition under the cost model, taking into account that there is no active market.

The gain (loss) for the period due to changes in fair value minus the costs to sell of biological assets in the First Quarter of 2016 is $1.223 (2015 - $818).

Non-current biological assets correspond to cocoa plantations which have an average life of 15 years.

Note 7. NON-CURRENT ASSETS HELD FOR SALE

Currently under construction, are seven distribution centers that form part of "build to suit" that will house the finished product for secondary distribution in Colombia, in the cities of Aguachica, Florence, Palermo, Valledupar, Pasto, Cartagena, and Monteria. This initiative is framed under the strategy of sustainable development in construction, and also ensures optimum comfort for human resources and the product. Grupo Nutresa realizes the design and construction of these buildings that will be sold to a real estate fund, once construction is complete in mid-2016, to then be taken into operating leases by Grupo Nutresa, thereby achieving a significant release of working capital.

At March 31, 2016, the balance of $77.861 (December 2015 - $71.679), includes acquired land in the amount of $21.985 and construction in progress in the amount of $55.876; these buildings are expected to be completed during 2016, for which the committed resources are in the amount of $66.572.

Note 8. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

			Book Value		January – March 2016		January – March 2015	
	Country	% Participation	March 2016	December 2015	Share of Income For The Period	Share of Other Comprehensive Income	Share of Income For The Period	Share of Other Comprehensive Income
Associates								
Bimbo de Colombia S.A.	Colombia	40%	75.851	75.505	111	235	1.252	-
Dan Kaffe Sdn. Bhd.	Malaysia	44%	25.298	23.886	191	1.221	(361)	-
Estrella Andina S.A.S.	Colombia	30%	6.347	6.484	(137)	-	(390)	-
Joint ventures								
Oriental Coffee Alliance Sdn. Bhd.	Malaysia	50%	3.264	3.146	20	98	(111)	-
Total associates and joint ventures			**110.760**	**109.021**	**185**	**1.554**	**390**	**-**

Table 12

Bimbo de Colombia S.A. is a company domiciled in Tenjo, Colombia, dedicated primarily to the manufacturing of baked goods.

Dan Kaffe Sdn. Bhd. is a company dedicated to the production of frozen coffee extract and dry instant coffee. It is a strategic partner for the coffee business due to their high production standards, ideal location, and growth potential, as it allows for combination of the world-class Colcafé soluble coffee experience, and with deep knowledge of the Japanese partner of the Asian market, the flavor, ingredients, and advanced technologies, provisioning capabilities of pending raw materials, and widespread commercial network, throughout the region.

Estrella Andina S.A.S. is a simplified joint stock company, engaged in the marketing of ready-made meals in cafeterias.

Oriental Coffee Alliance Sdn. Bhd. is a company dedicated to the sale of Dan Kaffe Malaysia (DKM) products, as well as, some Colcafé products and also part of the Group, in Asia. This partnership with the Mitsubishi Corporation, allows Grupo Nutresa advance their initially set objectives, with the acquisition of DKM, to expand its role in the global coffee industry, diversify production and the origin of its soluble coffee, and break into the rapid growth market of coffee in Asia.

	2016
Opening balance at January 1st	**109.021**
Participation in profit and loss for the period	186
Participation in comprehensive income	1.554
Balance at March 31st	**110.760**

Table 13

Note 9. OTHER NON-CURRENT FINANCIAL ASSETS

Grupo Nutresa classifies portfolio investments that are not held for trading, as financial instruments measured at fair value, through "Other comprehensive income".

The results for the period include income from dividends on said instruments, and are recognized, by Nutresa, on the date that the right to receive future payments is established, which is the date of declaration of dividends by the issuing company. The "Other comprehensive income" includes changes in the fair value of these financial instruments.

The breakdown of financial instruments is as follows:

Book Value	Number of Shares Held	Participation as % in Total Ordinary Shares	March 2016	December 2015
Grupo de Inversiones Suramericana S.A.	59.387.803	12,66%	2.333.941	2.120.145
Grupo Argos S.A.	79.804.628	12,36%	1.554.594	1.292.835
Other related parties			5.126	5.169
			3.893.661	**3.418.149**

Table 14

	January – March 2016		January – March 2015	
	Dividend Income	Income/Loss on Fair Value Measurement	Dividend Income	Income/Loss on Fair Value Measurement
Grupo de Inversiones Suramericana S.A.	27.081	213.796	25.062	(382.457)
Grupo Argos S.A.	22.904	261.759	21.388	(308.046)
Other related parties	468	-	18	-
	50.453	**475.555**	**46.468**	**(690.503)**

Table 15

Dividend income recognized in March 2016 and 2015, for portfolio investments, corresponds to the total annual dividend declared by the issuers, and no similar income for the remainder of the year is expected.

At March 31, 2016, there were pledges for 26.000.000 shares of Grupo de Inversiones Suramericana S.A. in favor of financial entities in Colombia, as collateral for obligations contracted by Grupo Nutresa and its subsidiaries.

Fair value measurement

The fair value of shares traded and that are classified as high trading volume is determined based on the price quoted on the Colombian Stock Exchange; this measurement is in the Hierarchy 1, established by IFRS 13 for measuring fair value. This category includes investments held by Grupo Nutresa in Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A. This measurement is done monthly.

Investments in other companies classified in this category are measured at fair value on a non-recurrent basis, only when a market value is available. The Company considers omission of recurrent measurement of these investments is immaterial for the presentation of Grupo Nutresa's Financial Statements.

There have been no changes in the fair value hierarchy for the measurement of these investments, nor have there been changes in the valuation techniques used.

Note 10. PROPERTY, PLANT AND EQUIPMENT

The movement of property, plant and equipment occurring during the period is as follows:

	Land	Buildings	Machinery and Production Equipment	Transportation Equipment	Computer Equipment	Office Equipment	Leasehold Improvements	Assets In Progress	Total
Balance at January 1, 2016	**778.644**	**807.776**	**1.499.487**	**9.819**	**13.076**	**17.857**	**76.077**	**180.986**	**3.383.722**
Acquisitions	-	87	1.393	26	241	1.371	2.546	48.491	**54.155**
Disposals	-	-	(991)	(75)	(2)	(4)	(94)	-	**(1.166)**
Depreciation	-	(8.667)	(37.583)	(679)	(993)	(1.032)	(2.392)	-	**(51.346)**
Transfers	-	1.828	28.368	34	49	2.319	388	(33.022)	**(36)**
Adjustments in hyperinflationary economies	233	5.614	7.263	26	50	31	-	1.808	**15.025**
Currency translation impact	(4.143)	(11.682)	(15.958)	(284)	(173)	(405)	(371)	(3.178)	**(36.194)**
Balance at March 31, 2016	**774.734**	**794.956**	**1.481.979**	**8.867**	**12.248**	**20.137**	**76.154**	**195.085**	**3.364.160**
Balance at January 1, 2015	**751.463**	**648.498**	**1.200.784**	**17.129**	**6.167**	**15.803**	**6.684**	**316.807**	**2.963.335**
Acquisitions	-	35	2.088	282	271	175	1.407	35.359	**39.617**
Business combinations[(1)]	1.868	16.521	44.188	1.046	2.455	3.218	63.390	1.001	**133.687**
Disposals	-	-	(2.797)	(237)	-	(11)	-	-	**(3.045)**
Depreciation	-	(6.819)	(32.788)	(1.187)	(641)	(1.496)	(1.130)	-	**(44.061)**
Transfers	2.703	819	41.749	(56)	99	910	384	(48.886)	**(2.278)**
Adjustments in hyperinflationary economies	49	888	2.187	11	-	1	-	143	**3.279**
Currency translation impact	7.392	(8.856)	5.421	192	(54)	419	324	6.954	**11.792**
Balance at March 31, 2015	**763.475**	**651.086**	**1.260.832**	**17.180**	**8.297**	**19.019**	**71.059**	**311.378**	**3.102.326**

Table 16

(1) Relates to the acquisition of Grupo El Corral in February 2015.

There are no impairment losses during the period covered by the Financial Statements.

Note 11. GOODWILL

The movement of the carrying value of goodwill, assigned to each one of the segments of the Group, is as follows:

Reportable Segment	CGU	Balance at January 1, 2016	Exchange Differences	Balance at March 31, 2016
Retail Foods	Grupo El Corral	534.811	-	534.811
	Grupo Pops	170.494	-	170.494
	Helados Bon	51.530	-	51.530
Coffee	Industrias Aliadas S.A.S.	4.313	-	4.313
Cold Cuts	Setas Colombianas S.A.	906	-	906
Chocolate	Nutresa de México	182.642	(2.098)	180.544
Biscuits	Abimar Foods Inc.	96.546	-	96.546
	Galletas Pozuelo	36.995	(1.493)	35.502
TMLUC	Grupo TMLUC	955.166	6.953	962.119
		2.033.403	**3.362**	**2.036.765**

Table 17

Note 12. INCOME TAXES AND PAYABLE TAXES

12.1 Applicable regulations

a) Colombia:

Taxable income that is taxed at a rate of 25%, paid by taxpayers except for taxpayers under express provision which are handled at special rates, and at 10% income from windfall.

A 9% fee is applicable to the income tax for equity - CREE, according to the Law 1739 of December 2014. For the years 2015, 2016, 2017, and 2018, Law 1739 of December 23, 2014 establishes a surcharge on income tax for equity - CREE, which is at the responsibility of the taxpayer at rates of 5%, 6%, 8%, and 9% per year, respectively.

b) Chile:

Chile, the law implemented separate systems for "capital income" and "income from work". The first are taxed at the First Category Tax, which mainly affects businesses. This tax has a fixed rate of 22,5% for 2015 and 24% for 2016, based on tax rates, which are calculated using aggregates or decreases, as mandated by law. These taxes paid is attributable to the "Global Complementary", which records the total income of all natural persons and residents of the country; or "the Additional", which records taxes of income from Chilean sources, for all natural and legal persons residing outside the country, as appropriate.

c) Mexico:

The income tax rate in Mexico is 30%; applied on taxable income for the year. Additionally, for workers the taxable income rate is 10%.

d) Costa Rica:

Income tax is calculated based on actual income for the year and estimates during the year. The provision for income taxes includes, besides taxable income, a taxable impact on temporary differences between accounting and items used for the calculation of income tax. The value of such tax differences are recognized in an account of deferred income tax. The income tax rate is 30%.

e) Panama:

The income tax is based on actual net income. The income tax rate is 25%.

f) Ecuador:

According to the Law of Taxation Act, companies, incorporated in Ecuador, have tax incentive, applicable for investments that are executed in the country, and which consist of a progressive reduction of percentage points in income tax, and which are subject to a tax rate of 22%.

12.2 Deferred income tax

The following represents deferred asset and liabilities taxes:

	March 2016	December 2015
Deferred tax assets		
Goodwill tax, TMLUC	181.803	184.055
Employee benefits	53.293	58.096
Accounts payable	9.584	6.991
Tax losses	77.387	71.464
Tax credits	3.147	3.237
Accounts receivable	17.249	2.872
Other assets	29.140	28.746
Total deferred tax assets	**371.603**	**355.461**
Deferred tax liabilities		
Property, plant and equipment	360.360	347.350
Intangibles	166.174	221.600
Investments	5.373	5.315
Inventories	1.413	877
Accounts payable	474	1.374
Other liabilities	108.830	63.294
Total deferred tax liabilities	**642.624**	**639.810**
Deferred tax liabilities, net	**271.021**	**284.349**

Table 18

The deferred tax movements during the period are as follows:

	2016
Initial balance liability, net	**(284.349)**
Deferred income tax expenses recognized in profit and loss	14.256
Deferred tax relating to components of other comprehensive income	(14)
Impact of changes from foreign exchange rates	(914)
Ending balance liability, net	**(271.021)**

Table 19

12.3 Income tax and tax payable

The current tax payable balance includes:

	March 2016	December 2015
Income tax and complimentary	82.156	61.273
Tax for equity - CREE	11.340	11.002
Tax on wealth	21.962	-
Sales tax, payable	38.982	65.662
Withholding taxes, payable	22.702	27.105
Other taxes	8.889	7.281
Total (*)	**186.031**	**172.323**

Table 20

The Group and its legal advisors apply their professional criterion in determining the provision for income tax and tax for equity - CREE. There are many transactions and calculations for the final tax determination, which is uncertain during the course of ordinary business. The Company recognizes liabilities for situations observed in preliminary tax audits based on estimates, if any, of additional tax payment. When the final tax outcome of these situations is different from the amounts that were initially recorded, these differences are charged to current income tax and deferred tax assets and liabilities, in the period in which these are determined.

12.3 Income tax expenses

The income tax expenses are as follows:

	January-March 2016	January-March 2015
Income tax	40.777	37.819
Taxes for equity - CREE	9.565	8.948
CREE surcharges	5.682	4.669
Total	**56.024**	**51.436**
Deferred taxes	(14.256)	(3.407)
Total tax expenses	**41.768**	**48.029**

Table 21

12.4 Effective tax rate

The effective tax rate differs from the theoretical rate, due to the impact produced by applying the tax rules. Within tax regulations, there are benefits such as non-taxable income (e.g. dividends, research incentives, etc.); there are, also, restricted tax deductions, such as in the case of financial transactions tax, a deductible applicable only in Colombia, a 50% non-taxable, provisions, costs and expenses from previous years, fines, penalties, et. Al. In some countries like Colombia and Peru, the possibility of signing a contract with the state legal stability, allows for more tranquility and tax burden surprises are avoided; these contracts allow a greater deduction of expenses for investment in productive fixed assets, investments in science and technology, donations, tax depreciation of goodwill; different methods of depreciation and amortization are applied according to set accounting standards. All these special situations create differences in the effective tax rate, with respect to the theoretical rate, in each country.

Below is reconciliation, of both the applicable tax rate and the effective tax rates:

	2016		2015	
	Value	**%**	**Value**	**%**
Accounting profit	**194.465**		**199.519**	
Tax expenses at applicable tax rates	**70.319**	**36,16%**	**71.399**	**35,79%**
Un-taxed income	(19.300)	-9,92%	(18.115)	**-9,09%**
Non-deductible expenses	11.748	6,04%	1.118	**0,56%**
Taxable income	621	0,32%	(23)	**0,01%**
Tax deductions	(13.764)	-7,08%	(3.823)	**0,00%**
Other tax impact	(7.856)	-4,04%	(2.527)	**-3,17%**
Total tax expenses	**41.768**	**21,48%**	**48.029**	**24,07%**

Table 22

The expenses due to applicable tax rate, is calculated using the weighted average tax rates, applicable in each country where Grupo Nutresa operates.

The untaxed income relates mainly to the impact of dividend income of portfolio investments; non-deductible expenses are composed primarily of tax expenses, provisions, recognition of employee benefits, depreciation, among others; tax deductions relate primarily, to tax amortization and depreciation, and deduction in productive fixed assets.

12.5 Tax on wealth

According to the provisions of Article 6 of Law 1739 of 2014, which adds Article 297-2 of the tax statute, the accrual of tax on wealth will take place on January 1st of the years 2015, 2016, and 2017, and may be charged to capital reserves without affecting net income, in accordance with Article 10 of the same law. For 2016, $21.962 is recognized as charges to the reserves at the disposal of the highest corporate body, and for the same, (2015 - $24.454).

Note 13. FINANCIAL OBLIGATIONS

13.1 Financial liabilities at amortized cost

Financial obligations held by Grupo Nutresa are classified as measured, by using *the amortized cost method,* and are based on the Group's Business Model. Book values, at the end of the reporting period, are as follows:

	March 2016	December 2015
Loans	2.653.053	2.537.306
Bonds	507.974	510.924
Leases	17.670	18.712
Gross debt	**3.178.697**	**3.066.942**
Accrued interest and others	36.169	27.322
Total	**3.214.866**	**3.094.264**
Current	1.044.488	1.059.660
Non-current	**2.170.378**	**2.034.604**

Table 23

Financial obligations, mainly loans, taken out by Colombian companies in dollars, incorporates adjustments to the amortized cost, in the amount of $146 (December 2015 - $7.896) , as a result of the measurement at fair value of hedging exchange rates, as described in Note 13.6, henceforth.

13.2 Bonds

Grupo Nutresa generated issuance of two bonds:

• In July 2008, Compañía Nacional de Chocolates de Perú S.A. issued corporate bonds with Grupo Nutresa serving as guarantor. The issuance was executed in the amount of $118.520.000 sols, with a maturity date of 10 years (2018), at a fixed interest 8,84% E.A., paid annually in arrears, with repayment at maturity. In the First Quarter of 2016, expenses attributable to interest in the amounts of $2.239 (2015 – $2.055) were recorded. The balance of this obligation, in pesos, at March 2016, is $106.514 (December 2015 - $109.465).

- In August 2009, an issue of corporate bonds took place in Colombia, through Fideicomiso Grupo Nutresa, which is managed by Alianza Fiduciaria S.A. The emission has a balance, at March 2016, including accrued interest in the amount of $406.914, and has the following characteristics:

Maturity	Interest Rate	March 2016	December 2015
2016	IPC + 4,96%	133.606	133.436
2019	IPC + 4,33%	137.323	137.148
2021	IPC + 5,75%	135.985	135.812
	Total	**406.914**	**406.396**

Table 24

In the First Quarter of 2016, there were interest expenses in the amount of $11.684 (2015 – $8.621).

13.3 Maturity

Period	March 2016	December 2015
1 year (including payable interest)	1.044.488	1.059.660
2 to 5 years	1.592.742	1.385.167
More than 5 years	577.636	649.437
Total	**3.214.866**	**3.094.264**

Table 25

13.4 Balance by currency

Currency	March 2016 Original Currency	March 2016 COP	December 2015 Original Currency	December 2015 COP
COP	2.611.496	$ 2.611.496	2.565.286	$ 2.565.286
CLP	88.260.600.000	394.797	67.678.319.984	300.145
USD	17.418.096	52.610	27.377.015	86.223
PEN	118.520.000	106.515	118.520.000	109.465
MXN	60.000.000	10.512	-	-
VEF	247.500.000	2.767	367.326.632	5.823
Total		**$ 3.178.697**		**$ 3.066.942**

Table 26

Currency balances are presented after currency hedging.

To evaluate the sensitivity of financial obligation balances, in relationship to variations in exchange rates, all of the obligations, as of March 31, 2016, that are in currencies other than the Colombian peso and that do not have cash flow hedges, are taken. A 10% increase in exchange rates in reference to the dollar would generate an increase of $7.232, in the final balance.

13.5 Interest rates

Changes in interest rates may affect the interest expense for financial liabilities that are tied to a variable interest rate. For the Company, the interest rate risk is primarily attributable to operational debt; which includes debt securities, the issuance of bank loans, and leases. These are susceptible to changes in base rates, (CPI - IBR- DTF - TAB [Chile] - LIBOR - TIIE [Mexico]), that are used to determine the applicable rate on bonds and loans.

The following table shows the structure of the financial risk due to exchange rates:

	March 2016	December 2015
Variable interest rate debt	2.743.879	2.620.381
Fixed interest rate debt	434.818	446.561
Total	**3.178.697**	**3.066.942**
Average rate	8,79%	7,50%

Table 27

To provide an idea of the sensitivity of financial expenses to interest rates, an increase of +100bp has been supposed, a scenario in which the interest expense of the Group would increase by $7.947.

13.6 Derivatives and financial hedging instruments

Grupo Nutresa, at certain times, resorts to borrowing in dollars in order to secure more competitive interest rates in the market, and uses derivatives to mitigate the risk of the exchange rate in these operations. These derivatives are designated as accounting hedges, which implies that the fair value measurement of the derivative instrument is recognized as an adjustment to the amortized cost of the financial obligation, designated as a hedged item. The debt, in USD with hedging at March 31, 2016 is in the amount of USD 1.600.000 (December 2015 – USD 40.000.000).

In addition, Grupo Nutresa uses financial derivatives to manage and cover the cash flow positions against the US dollar, in the different geographies where it operates; these derivatives are not designated as hedge accounting, are measured at fair value, and are included in the Statement of Financial Position, under the category of "Other current assets" and "Other current liabilities", respectively.

The following details the assets and liabilities by financial derivative instruments:

	March 2016		December 2015	
	Asset	Liability	Asset	Liability
Hedges				
Fair value of exchange rates on financial obligations	-	(146)	10.997	(3.101)
Non-designated derivatives	**-**	**(146)**	**10.997**	**(3.101)**
Forwards and options on currencies				
Forwards and options on commodities	11.827	(14.687)	13.101	(10.589)
Total non-designated derivatives	488	(179)	2.976	(2.862)
Net value of financial derivatives	**12.315**	**(14.866)**	**16.077**	**(13.451)**
Hedges		***(2.697)***	***10.522***	

Table 28

The valuation of non-assigned financial derivative instruments, generated losses in the amount of $14.215 (2015 - $2.230), recorded as part of the exchange different of non-financial assets and liabilities.

All financial derivatives are measured at fair value on a monthly basis, according *to the valuation method* of Black Scholes. These items are classified in Level 2, of the fair value hierarchy.

13.7 Financial expenses

The financial expenses recognized in the income statement, are as follows:

	January-March 2016	January-March 2015
Loans interest	47.654	34.235
Bonds interest	11.684	8.621
Interest from financial leases	190	193
Other interest	3.364	2.020
Total interest expenses	**62.892**	**45.069**
Other financial expenses	7.954	5.841
Total financial expenses	**70.846**	**50.910**

Table 29

The increase in interest expenses in 2016 is mainly due to the increase of the financial debt, for the acquisition of Grupo El Corral, and the increase in benchmark rates (CPI, IBR, DTF, among others).

Note 14. DIVIDENDS DECREED

The ordinary Shareholders of Grupo Nutresa S.A., at the meeting, held on March 18, 2016, declared ordinary share dividends of $41,55 per-share and per-month, equivalent to $498 annually per share (2015 - $462 annually per share), over 460.123.458 outstanding shares, during the months of April 2016 and March 2017, inclusive, for a total of $229.141 (2015 - $212.577).

During the first quarter of 2016, dividends were paid in the amount of $53.077 (2015 - $49.203).

Note 15. EXPENDITURE BY NATURE

Below is a detailed breakdown of cost and expenditures, by nature, for the period:

	January-March 2016	January-March 2015
Inventory consumption and other costs	916.017	740.785
Employee benefits	371.333	303.373
Other services (1)	223.825	187.617
Leases	57.964	41.071
Transport services	62.769	54.744
Depreciation and amortization (2)	54.601	45.058
Advertising material	14.949	23.442
Fees	19.862	16.100
Taxes other than income tax	22.152	16.441
Insurance	7.949	5.916
Impairment of assets	3.669	1.524
Other expenses	120.856	101.740
Total	**1.875.946**	**1.537.811**

Table 30

(1) Other services include, primarily, restaurant $9.736 (2015 - $ 8.642), energy $22.119 (2015 - $16.167) , gas $10.955 (2015 - $ 8.102), communications, computer, and office equipment $14.714 (2015 - $5.585), surveillance $7.389 (2015 - $5.856), temps $36.131 (2015 - $32.216), marketing services $25.977 (2015 - $34.167), service and maintenance of machinery and equipment $14.912 (2,015- $13.251).

(2) Expenses for depreciation and amortization, impacted profit and loss for the period, as follows:

	January-March 2016	January-March 2015
Cost of sales	34.225	27.186
Administration expenses	3.191	3.646
Sales and distribution expenses	16.537	13.311
Production expenses	648	914
Total	**54.601**	**45.057**

Table 31

Note 16. OTHER OPERATING INCOME (EXPENSES), NET

The following is a breakdown of other operating income (expenses):

	January-March 2016	January-March 2015
Donations	(1.362)	(1.749)
Indemnities and recuperations	937	674
Disposal and removal of property, plant and equipment and intangibles	293	(451)
Fines, penalties , litigation and legal processes	(1.469)	(714)
Government grants (1)	3.145	3.880
Sponsorships	55	-
Other income and expenses	(430)	566
	1.169	**2.206**

Table 32

(1) With regard to income recorded in Abimar Foods Inc., for grants received from the Development Corporation Of Abilene – DCOA, an organization that provides financial assistance to private companies to facilitate the maintenance and expansion of employment or to attract more investment that contribute to Abilene's economic development . This grant has been essential in the initiation of operations of the new production line of crackers, which began operations in June 2015. DCOA granted a loan, in the amount of USD 2,500,000, for two years, and without interest. In addition, upon pre-certification of the investment, and compliance with other requirements necessary to obtain the grant, USD 1.500.000 (COP 3.880) was received in March 2015, as such debt forgiveness, as was, USD 1.000.000 (COP 3.145), in 2016.

Note 17. EXCHANGE RATE VARIATION IMPACT

17.1 Main currencies and exchange rates

Herewith is an evolution of exchange rates at close, to Colombian Pesos from foreign currencies, corresponding to the functional currency of Grupo Nutresa´s subsidiaries, which have a significant impact on the consolidated Financial Statements:

		March 2016	December 2015	March 2015	December 2014
Balboa	PAB	**3.022,35**	3.149,47	2.576,05	2.392,46
Colons	CRC	**5,57**	5,78	4,79	4,38
Cordobas	NIO	**106,91**	112,77	95,70	89,96
Peruvian Sol	PEN	**898,71**	923,60	832,06	800,16
Dollars	USD	**3.022,35**	3.149,47	2.576,05	2.392,46
Mexican Pesos	MXN	**175,20**	181,63	169,01	162,38
Quetzals	GTQ	**391,95**	412,65	336,97	314,94
Bolivars	VEF	**11,17**	15,85	13,42	47,85
Dominican Peso	DOP	**65,94**	69,14	57,57	53,93
Chilean Peso	CLP	**4,48**	4,43	4,12	3,95
Argentinean Peso	ARS	**206,77**	242,72	292,20	279,75

Table 33

17.2 Reserves for translation of foreign operations

Grupo Nutresa's Consolidated Financial Statements, include foreign subsidiaries, located mainly in Chile, Costa Rica, the United States, Mexico, Peru, Venezuela, Panama, and other Latin America. The Financial Statements of these subsidiaries are translated into Colombian pesos, in accordance with the accounting policies of Grupo Nutresa. The impact of exchange rates on the translation of assets, liabilities, and results of foreign companies is recognized in "Other comprehensive income", as follows:

	January-March 2016	January-March 2015
Chile	10.646	62.976
Costa Rica	(24.555)	41.487
United States	(5.389)	6.314
Mexico	(8.703)	6.477
Peru	(8.987)	11.251
Venezuela	(33.673)	(65.952)
Panama	(156)	(2.872)
Others	(2.447)	2.809
Impact of exchange for the period	**(73.264)**	**62.490**
Reserves for exchange at the beginning of the period	338.513	(14.351)
Reserves for exchange at the end of the period	**265.249**	**48.139**

Table 34

The translation of financial statements, in the preparation of the Consolidated Financial Statements, does not generate a tax impact.

The accumulated translation differences are reclassified to profit and loss, partially or totally, when the operation abroad is disposed of.

17.3 Differences in exchange rates from foreign currency transactions

The differences in exchange rates of assets and liabilities, recognized in profit and loss, are as follows:

	January – March 2016	January – March 2015
Realized	(3.045)	(757)
Unrealized	6.893	8.923
Operating exchange differences	**3.848**	**8.166**
Non-operating exchange differences	**(9.738)**	**5.949**
Total income from exchange differences	**(5.890)**	**14.115**

Table 35

Note 18. EVENTS AFTER THE REPORTING PERIOD

These Condensed Consolidated Interim Financial Statements were authorized for issuance by the Board of Grupo Nutresa on February 26, 2016 and will be subject to approval on April 29, 2016 at the Shareholders' Meeting. There were no significant events, after the close of the Financial Statements and up to the date of approval, that could significantly impact, the financial position of Grupo Nutresa, herewith, reflected in the Financial Statements, ended March 31, 2016.