

Shareholders' newsletter



First quarter 2014

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Grupo Nutresa initiated an excellent 2014. Growth in sales in Colombia and profitability stand out

Sustained profitable growth, delivering value to our shareholders.

Grupo Nutresa ended the first quarter of 2014 with total sales for COP 1.6 trillion, representing a growth of 26.6%, including acquisitions, and 12.8% organic, with sales for innovation equivalent to 14.1% of the total sales.

Sales in Colombia reached COP 960.6 billion and grew 9.2%. This performance is primarily explained by the continuation of a positive trend in consumption that has been growing in recent quarters, coupled with the ability of our business model to reach the market with a differentiated offer by channels and segments, and the relevance of the value proposals of the brands in the region.

International sales represented 38.9% of the total Grupo Nutresa sales, closing at USD 307 million, an increase of 52.5%. This significant increase was driven by the organic growth of our operations, which was 9.9%, as well as by including the Tresmontes Lucchetti (TMLUC) sales, which generated revenues during the first three months of the year for USD 85.7 million.

In addition to the excellent growth in sales, it is important to note the steady growth of operating profitability, reflected in an EBITDA margin of 13.9%. EBITDA was COP 219.0 billion, 21.8% higher than the first quarter of 2013. This increased profitability is derived from the continuity

of the savings and efficiencies the global purchase program, our hedging policy against the price volatility of our raw materials, the improvement in the mix of products sold and the internal programs to improve productivity.

Operating profit grew by 16%, reaching COP 163.7 billion, with an operating margin of 10.4%.

Finally, the first quarter ended with a consolidated net profit of COP 85.1 billion, 7.3% higher than the same period last year.



- Sales in Colombia grew **9.2%** over the first quarter of 2013, reaching **COP 960.6 billion**.
- EBITDA increased **21.8%** and was **COP 219.0 billion**
- Total sales increased **26.6%**, reaching **COP 1.6 trillion**, including acquisitions, and **12.8%** organic.

The Global Reporting Initiative (GRI) G4 Annual and Sustainability Report

As a significant event for the first quarter, the Grupo Nutresa Annual and Sustainability Report 2013 was published. This document was prepared in accordance with the Global Reporting Initiative (GRI) G4 guidelines for preparing sustainability reports. Grupo Nutresa has reported under the GRI guidelines since 2011. The annual report may be consulted at: <http://informe2013.gruponutresa.com/>.

- International sales, with a growth of **52.5%**, were **USD 307 million**, including acquisitions, and **9.9%** organic.
- Foreign sales represented **38.9%** of the total Grupo Nutresa sales.
- Tresmontes Lucchetti (TMLUC) contributed **USD 85.7 million** in sales during the first three months of the year.

Carlos Ignacio Gallego assume has assumed the Presidency of Grupo Nutresa

On March 19, the Grupo Nutresa Board of Directors designated Civil Engineer Carlos Ignacio Gallego as the new CEO of the organization; he took over on April.

Gallego has more than 25 years of experience. Among his career highlights are his professional ability, his experience in Grupo Nutresa and his great human dimension, which were key reasons for the Board when making the decision.

The announcement strengthens Grupo Nutresa's continuity as a multi – Latina company betting on sustainability and that constantly seeks opportunities for growth and expansion in the global market.

“In Carlos Ignacio Gallego, we have found the person who meets all the requirements to succeed Carlos Enrique Piedrahíta. His experience in Grupo Nutresa, with more than 20 years of dedicated work in these companies, his clear sense of social responsibility and outstanding results as chairman of the Chocolate Business give merit to this appointment,” stated Antonio Celia, Chairman of the Grupo Nutresa Board of Directors.

“It is very satisfying, and challenging at the same time, to be part of Grupo Nutresa, It is an enormous responsibility to assume the Presidency of the Company, but having a competent, committed team makes me feel safer in this process”.

Carlos Ignacio Gallego,
the new Grupo Nutresa CEO.



Gallego's purpose will be to continue the strategy of expansion and strengthening overseas, with Grupo Nutresa's positioning as one of the most sustainable organizations in the food industry, as well as achieving MEGA 2020, as part of the Strategy for Our First Century.

For his part, Dr. Carlos Enrique Piedrahíta Arocha, who resigned January 29, will dedicate his time to carrying out personal projects, including the well – deserved enjoyment of his retirement.

Grupo Nutresa highlights Dr. Piedrahíta's outstanding management during his time in the Organization, as well as his strong leadership, his holistic view of the businesses and his great human and social sense.

New crackers plant in the United States



Grupo Nutresa, through its subsidiary Fehr Foods, recently announced the opening of a new plant to produce crackers in Abilene, Texas.

The total investment of the plant was nearly USD 32 million, of which Grupo Nutresa will invest USD 24 million in 2014 in order to increase capacity and take advantage of the market for crackers, estimated at nearly USD 6 billion.

Fehr Foods, a company acquired in October 2010, is engaged in the production of cookies; it has national coverage in the United States and exports mainly to Mexico, Colombia and countries in Central America and the Caribbean.

The new plant is strategically located within the United States, allowing Grupo Nutresa to increase capacity in that country by nearly 40%, also leveraged in its multi – channel service model.

Grupo Nutresa creates the **Oriental Coffee Alliance**, a joint venture with Mitsubishi Co. to market coffee products

Grupo Nutresa, its subsidiary Colcafé and Mitsubishi Corporation signed a joint – venture agreement on February 17 in Tokyo, Japan, to create a new company, denominated “ORIENTAL COFFEE ALLIANCE SDN. BHD.” (OCA), in order to jointly develop the marketing of coffee products in Asia and seek new business opportunities in the region in other categories in which Grupo Nutresa operates.

Oriental Coffee Alliance will be headquartered in Kuala Lumpur, Malaysia; its shareholders will be Colcafé and Mitsubishi Corporation, each with a 50% share. Through the new company, Dan Kaffe Malaysia (DKM), a company acquired by Grupo Nutresa in December 2012, as well as some Colcafé and Grupo Nutresa products, will be sold in Asia.



This partnership with Mitsubishi Corporation, a Japanese multinational and one of the largest and most recognized conglomerates in the world, with a large sales network in Asia, will permit Grupo Nutresa to advance the objectives initially delineated with the acquisition of DKM, to expand its role in the global coffee industry, diversify the production and origin of its soluble coffees, and move into the fast – growing coffee market in Asia.

Colcafé will appoint the commercial director of the new company, who – together with the general director, appointed by Mitsubishi Corporation – will be in charge of developing the businesses of the joint venture.

RECOGNITIONS

Colcafé and Vidarium in the XXV Colombian Congress of Cardiology and Cardiovascular Surgery

In the framework of the XXV Colombian Congress of Cardiology and Cardiovascular Surgery, which was held in March in Medellín, the work led by Colcafé and Vidarium, entitled “The chronic consumption of filtered coffee with antioxidants improves the antioxidant capacity of plasma without affecting the lipid profile in health adults” took second place in the category of Institutional Research.

Tosh surprises with its “Street Marketing” strategies

Tosh was recognized in the category “Street Marketing” at the Ibero American Promotions and Events Festival (Festival Iberoamericano de Promociones y Eventos, FIP) for its unconventional advertising actions and the creation of campaigns based on images that attract viewers from the sensory or the emotional, and that are related to the purchase and consumption of the product.

The Go to Market model of the Cold Cut Business, among the five best in Latin America

A recent “LATAM Customer and Channel Management Survey”, conducted by McKinsey in association with Nielsen, showed that the Go to Market model of the Cold Cut Business is among the five best in Latin America. In this study, 43 companies from countries, such as

Brazil, Mexico, Peru and Colombia, were evaluated.

The Yariquíes Experimental Farm received important certifications

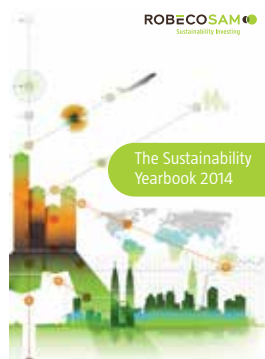
The Compañía Nacional de Chocolates Yariquíes Experimental Farm, located in the Department of Santander, obtained the Certification in the reduction of greenhouse gas (GHG) emissions and the Agricultural Good Practices Certification, under Standard 5811, both from the Colombian Institute of Technical Standards and Certification (Instituto Colombiano de Normas Técnicas Certificación, ICONTEC).

Tresmontes Lucchetti: Recognized for its energy efficiency

Thanks to the good results in energy efficiency, the Company was awarded the Energy Efficiency Seal, from the Ministry of Energy of Chile. This recognition is part of the National Energy Strategy of Chile for 2012 – 2030. The Seal identified and recognizes those companies leading the development of measures in this area.

The Ice Cream Business plant in Bogotá receives the Environmental Certificate

On February 13, the La Floresta ice cream production plant in Bogotá received ICONTEC certification, under the ISO 14001 standard, recognizing its solid environmental performance. In 2014, the Ice Cream Business aims to receive this same certification for its plant in Manizales.



Grupo Nutresa included in the Sustainability Yearbook 2014, Bronze Class

This past January, Grupo Nutresa obtained the Bronze Class recognition in the “Sustainability Yearbook 2014,” which places it among the six leading companies in sustainability in the food sector in the world.

This Yearbook, published by Robeco SAM includes a classification of companies with the best performance in corporate sustainability globally and is made taking the companies listed in the Dow Jones Sustainability Index as the base.

Grupo Nutresa’s permanence in the Sustainability Yearbook and in the Dow Jones Sustainability Index ratify the Organization’s commitment to protect the environment, create economic value and have a better relationship with our stakeholders.

Consolidated statement of results *

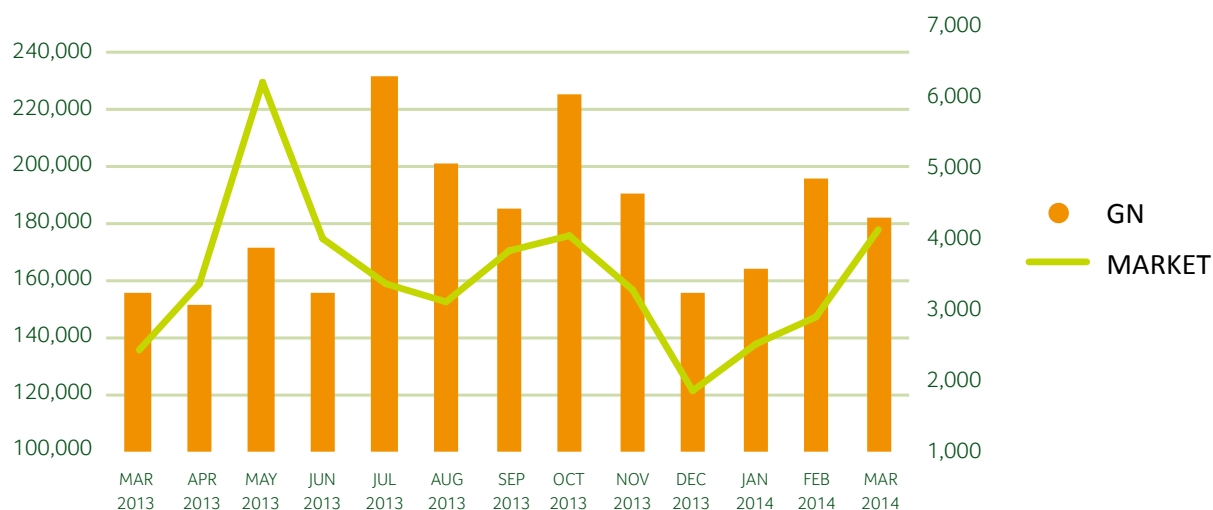
MARCH 31, 2014.

Figures in COP\$ MM	march-14	%	march-13	%	% var.
Total operating revenues	1,572,825	100.0%	1,242,052	100.0%	26.6%
Cost of goods sold	-875,730	-55.7%	-682,801	-55.0%	28.3%
Gross income	697,095	44.3%	559,251	45.0%	24.6%
Administrative expenses	-103,109	-6.6%	-64,873	-5.2%	58.9%
Sales expenses	-400,920	-25.5%	-325,559	-26.2%	23.1%
Production expenses	-29,371	-1.9%	-27,738	-2.2%	5.9%
Total operating expenses	-533,400	-33.9%	-418,170	-33.7%	27.6%
Operating income	163,695	10.4%	141,081	11.4%	16.0%
Financial revenues	7,447	0.5%	2,375	0.2%	213.6%
Financial expenses	-39,145	-2.5%	-16,818	-1.4%	132.8%
Foreign currency exposure	7,445	0.5%	-1,758	-0.1%	-523.5%
Other revenues (expenditures), net	-8,069	-0.5%	-7,981	-0.6%	1.1%
Dividends (non-food)	9,657	0.6%	8,803	0.7%	9.7%
Non-operating, net	-22,665	-1.4%	-15,379	-1.2%	47.4%
Income before tax	141,030	9.0%	125,702	10.1%	12.2%
Income tax	-54,819	-3.5%	-46,692	-3.8%	17.4%
Minority interest	-1,156	-0.1%	276	0.0%	-518.8%
Net Income	85,055	5.4%	79,286	6.4%	7.3%
Consolidated EBITDA	218,965	13.9%	179,705	14.5%	21.8%

*Unaudited information.

Volume of daily negotiations

Figures in COP\$ MM



Consolidated balance sheet*

MARCH 31, 2014.

Figures in COP\$ MM	mar-14	mar-13	% var.
ASSETS			
Cash and temporary investments	353,987	268,522	31.8%
Investments	376,030	356,520	5.5%
Receivables	901,396	721,224	25.0%
Inventories	759,576	565,079	34.4%
Property, plant and equipment	1,481,507	1,130,203	31.1%
Intangibles	1,979,821	1,030,021	92.2%
Deferred assets	110,933	53,810	106.2%
Other assets	18,237	6,387	185.5%
Appreciation	4,881,634	4,924,714	-0.9%
Total Assets	10,863,121	9,056,480	19.9%
LIABILITIES			
Financial liabilities	1,990,883	698,237	185.1%
Suppliers	224,001	166,315	34.7%
Accounts payable	440,450	349,442	26.0%
Taxes, duties and tariffs	114,252	103,109	10.8%
Labor liabilities	75,652	67,660	11.8%
Estimated liabilities and provisions	223,600	156,784	42.6%
Deferred liabilities	224,405	160,397	39.9%
Other liabilities	2,502	4,320	-42.1%
Total Liabilities	3,295,745	1,706,264	93.2%
Minority interest	19,809	5,700	247.5%
EQUITY	7,547,567	7,344,516	2.8%
TOTAL LIABILITIES AND EQUITY	10,863,121	9,056,480	19.9%

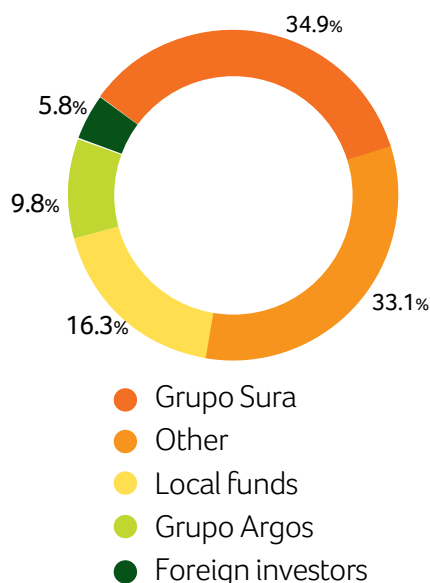
*Unaudited information.

Key indicators

Precio de Cierre	27,280
Precio de Cierre año anterior	26,000
Máximo 52 Semanas	28,500
Mínimo 52 Semanas	22,900
Capitalización Bursatil (\$MM)	12,552,168
Valor Intrínseco	16,429
RPG (1)	24.9
P/VL (1)	2.4
EV / EBITDA (1)	11.8
Utilidad por acción	841
Dividendo por acción-mes	36.0
Rentabilidad por dividendos (2)	1.5%
Rentabilidad por valorización (2)	4.9%
Rentabilidad combinada (2)	6.5%
Variación COLCAP(2)	-4.9%
Retorno sobre activos (1)	11.0%
Retorno sobre patrimonio (1)	10.0%
Retorno sobre capital invertido (1)	14.9%
Acciones en Circulación	460,123,458
Número de Accionistas	15,069
Bursatilidad	Alta

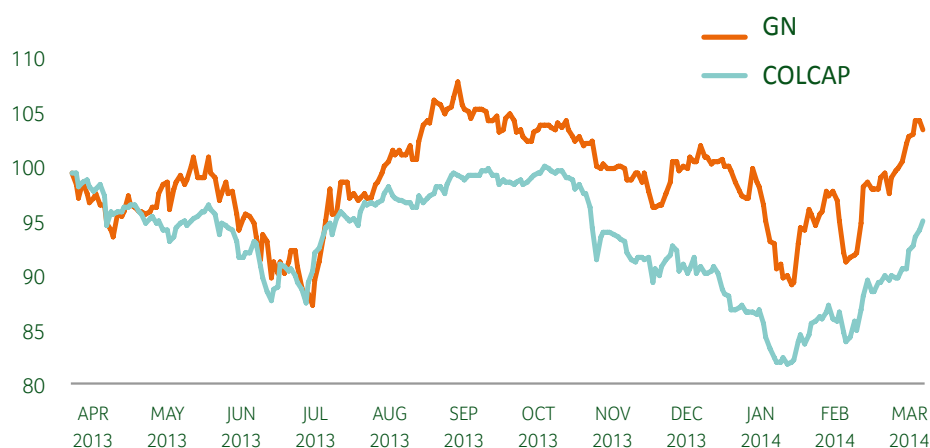
FIGURES IN COP\$ MM
(1) Food companies / 12 months
(2) last 12 months

Ownership structure



Behavior of the share

Figures in COP\$ MM





Chocolates



Choy's Marshmallow, a huge success in Central America

Compañía Nacional de Chocolates de Costa Rica recently launched a new presentation of Choy's Marshmallow in the Central American market; it is a candy with a soft colored marshmallow interior, coated with chocolate and toasted rice, which has gained acceptance among customers and consumers. It was initially launched in Costa Rica and will soon be available in the Guatemala, El Salvador and Panama markets, under the new concept "You are unique, be Choy's" ("¡Sos único, be Choy's").



Kraks Peanuts from La Especial

Compañía Nacional de Chocolates, and its brand La Especial, continues to surprise with its innovations. This time, it is with the new Japanese – type peanut Mani Kraks. Priced at COP 500, Colombian consumers can enjoy a delicious coated, baked peanut, the perfect blend of sweet and salty, and smooth and crunchy.



Jumbo Flow, a new pleasure without limits

Seeking to increase and strengthen the participation of Jumbo as brand of the Candy Bar segment, Compañía Nacional de Chocolates recently launched in Colombia Jumbo Flow, with two delicious presentations: a chocolate – covered nougat bar with peanuts and caramel, and white chocolate. The Jumbo Flow aim is to become the best option for consumers in the COP 1,000 range.

Pícaras Ice

For the Valentine season, Compañía Nacional de Chocolates de Perú launched the only cookies with an ice effect: Pícaras Ice, with a piña colada and cappuccino flavor. Strawberry – flavor Pícaras Ice, in the shape of a heart and special messages on the packaging, was added to the piña colada and cappuccino flavors.



Cold Cuts

Practicarne, innovation that makes the difference

Zenú successfully launched in Colombia a new practical and nutritional meat solution: Practicarne, an innovative, unique product that comes to take over the most important consumption moment of the day: lunch. Practicarne saves time because it is ready. It is precooked; it doesn't require any additional seasonings, oil or salt, and allows countless preparations with great taste, texture and aroma. Practicarne is available in a 400 – gram presentation, with a suggested price of COP 5,800, available in major supermarkets and convenience stores; the 200 – gram presentation, for COP 2,900, is available in stores.



New Cazadora: Economy and Yield

For housewives of the Colombian coastline seeking economic, practical, good tasting products with a great yield, in March Cunit launched the new Cazadora sausage, made with pork, beef and chicken, with a smoky flavor, precooked for consumption "as it comes." With this launch, the Cold Cut Business complements the value proposal of sausages for the Cunit brand and develops a breakfast product aimed at price – sensitive buyers. The advertising campaign began in March with a major display in points of sale and outdoor media support.



A new year with Pietrán Purposes

In February, the "Pietrán Purposes" campaign was conducted in Colombia, with the objective of strengthening the positioning of the brand and stimulating the market. The campaign consisted of consumers purchasing two Pietrán products, claiming a code card to enroll in www.pietran.com.co, to participate in the drawing for three trips for two to Decamerón Barú Hotel – in the Colombian Caribbean- 60 Samsung Galaxy Tab 3 Tablets, and 50 beach bicycles. The central axis of the campaign was a digital communication strategy that achieved a 12.7% redemption of codes registered on the Webpage.



Tresmontes Lucchetti - TMLUC

Kryzpo Air Crunch: Unique in the world

Tresmontes Lucchetti launched the new Kryzpo Air Crunch in the Chilean market; it is the result of working with a prestigious Italian supplier, which created a unique product in the world. Kryzpo Air Crunch offers a "crinkle – cut" potato, with a unique, distinctive texture that gives them an unmatched crunchiness and flavor. In its two varieties, Original and Cheese, Kryzpo Air Crunch has arrived to revolutionize the Chilean snack market. Kryzpo is The Power of the Crunch!





Pasta



Doria complements its portfolio of stuffed pasta

Strengthening new moments of consumption, and innovating the category, Doria launched three new flavors of stuffed pastas: Ravioli with Ham, Ravioli with Cheese and Spinach, and Tortellini with Vegetables. These new references have become in an excellent alternative for Colombian families that seek accompanying special moments.

Specialties Doria for everyone

Continuing with the success obtained with Doria Rancho – Flavored Spaghetti, massifying it in the traditional channels and hoping that more consumers have Access to value – added references, Doria hits stores with a new reference, Butter Spaghetti 200 g. Thus, the Brand continues to work to be accessible to the Colombian population and enjoy pastas with the right touch of butter.



Doria Kids with the image from the movie RIO 2

In line with the objective of increasing the per – capita consumption of pasta in Colombia, from childhood, Doria Kids was renewed and now comes with all the joy and fun of the characters from the movie RIO 2. The new pastas recreate the shape of the characters in the film, and together with the macaroni and cheese, become an ideal food choice for children.



Ice Cream

New Mini Polet

For those who want to enjoy Polet more often and in smaller quantities, the Ice Cream Business launched in Colombia the new Mini Polet, an ideal product that provides maximum pleasure in its creaminess and content, in an ideal serving size. Mini Polet is available in the flavors of vanilla – almond, fruits of the forest and Cookies & Cream.



New Country Hill 100% Juices

Country Hill is a brand recognized by Colombian consumers, thanks to the excellent quality of its orange juice, which is very similar to freshly squeezed juice. It now launches its new image and presentation in the market, together with two new flavors that seek to bring consumers to 100% natural, fresh apple and grape juices, with no sugar or sweeteners, and only natural, fresh fruit.



The new Crem Helado Vital ice line of ice cream

Crem Helado introduced its new line of Vital Ice products, with special formulations that provide consumers with a creamy, rich product that has functional benefits for health, in the Colombian market. In the one – liter presentation – ideal to take home – Vital Ice offers different varieties that are low in fat and sugar, with benefits such as “Take care of your heart” and “Take care of your figure.” Vital Ice is the new delicious, healthy option from Crem Helado.



Biscuits

More variety of Festival Cookies with Lemon Coconut and RIO 2

This new reference of Festival Cookies is a limited edition for the Colombian market that presents a new, tropical flavor and complements the brand portfolio to continue strengthening the variety as one of its main attributes. This innovation is framed in the most important mass promotion that the brand will have in 2014, revolving around the RIO 2 movie franchise.



Festival Lemon Coconut (Coco Limón) has a concentric, two – color cream, with coconut in the middle and lemon flavor on the edges, and the image of the characters from the movie RIO 2. To this is added is the striking yellow coloring of its packaging, which stands out from now on at the point of sale.

New DUZ Merendina

The new DUZ Merendina, launched last March in Costa Rica, is a chocolate – covered two – flavored vanilla and chocolate “queque” or cake. DUZ Merendina was introduced to the market in order to expand the Pozuelo offer in the pastry category in the region. This product is now available on the shelves of Walmart and other large chains in Costa Rica; in the second semester of 2014, it will be launched in Guatemala, Panama and El Salvador.



Lil' Dutch Maid Crackers in Dollar Stores

The Lil' Dutch Maid brand launched a new reference of stacks crackers to enrich the portfolio that it offers in the so – called Dollar Stores in the United States, where it has a strong presence. These crackers, which are currently produced in Colombia, will soon be manufactured in the new Fehr Foods plant in Abilene, Texas.



With Noel, Grupo Nutresa now has three companies in Colombia certified as a Healthy Organization

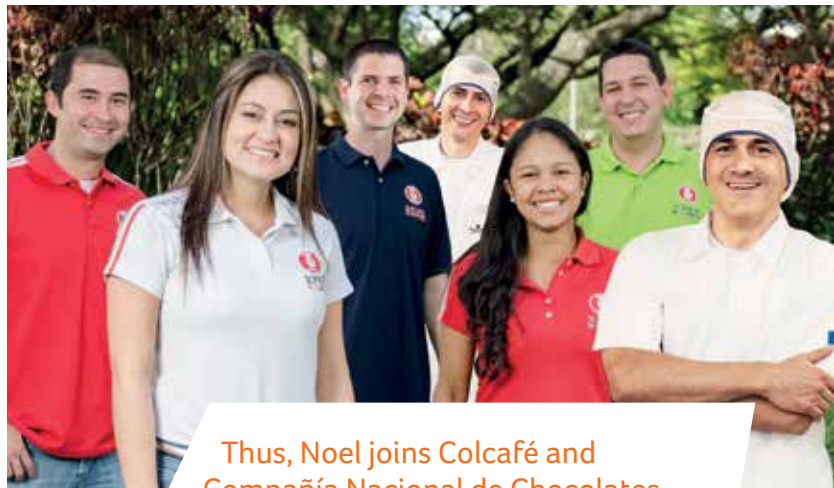


Last February, Compañía de Galletas Noel was certified as a Healthy Organization by the Colombian Heart Foundation (Fundación Colombiana del Corazón), which constituted a valuable recognition for companies seeking to promote healthy habits and lifestyles.

This achievement has been possible thanks to the management of health as an essential element for wellness, and to “Live with Sense,” its philosophy of a balanced life and mode of action that develops the dimensions of Being and that have been incorporated in its processes, while creating real awareness of the comprehensive care of its employees.

For Colcafé, the endorsement was given on January 27 and resulted in the high commitment of each one of its employees for the individual management of preventable cardiovascular risk factors. Meanwhile, Compañía Nacional de Chocolates obtained its certificate on November 20, 2013, becoming the first Colombian company to do so.

As a mode of action in the framework of “Live with Sense,” the Noel Heart culture will allow Noel to reassure its clients and consumers that its products, in addition to offering the best quality, are made by people who work in a company that works for their comprehensive wellness.



Thus, Noel joins Colcafé and Compañía Nacional de Chocolates, companies that were recently certified.

Villa Colombia is now a reality in Haiti



Four years after the earthquake in Haiti, and thanks to the management of Antioquia Presente and the resources

from hundreds of Colombians, the construction of Villa Colombia, a set of 72 homes in Croix de Bouquets, close to Port au Prince, was achieved. Of these 72 homes, 20 were donated by Grupo Nutresa and its employees.

This collaboration was part of the total of COP 1,026 billion that Grupo Nutresa provided after the tragedy; COP 515 million were delivered in the form of products, COP 340 million were contributed directly by the businesses and the remaining COP 171 million were donated by nearly 2,500 volunteer employees.

As in Haiti, Grupo Nutresa will continue to support communities that are affected by catastrophes and disasters that compromise the quality of life for people, not only in Colombia, but also throughout the strategic region.

Tresmontes Lucchetti has entered the “Consortium for Sustainability”

In order to contribute to the research and creation of a global standard in the processes

of assessing the sustainability of cold instant beverages, Tresmontes Lucchetti (TMLUC) joined the Consortium for Sustainability, together with Fundación Chile.

To conduct this investigation, the life cycle of Livean – one of the leading TMLUC brands of cold instant beverages – will be analyzed, taking the Sustainability Management and Reporting System (SMRS) methodology, one of the most demanding and globally recognized systems, which is used by The Sustainability Consortium (TSC), as its basis.



Fundación Nutresa supports the Multilingual Medellín Project that will train more than 400 pre – school teachers in the city

Aware of the need to prepare the future leaders of the country, and committed to promoting education that enhances internationalization, Fundación Nutresa supports the “Pre – K English” Bilingual Program, from the office of the Mayor of Medellín, which will train more than 400 pre – school teachers in English, for a period of three years.

With an investment of more than COP 2 billion, the project will strengthen the teaching of English through communication skills in this foreign language and train teachers in methodological



strategies to qualify the teaching and learning process.