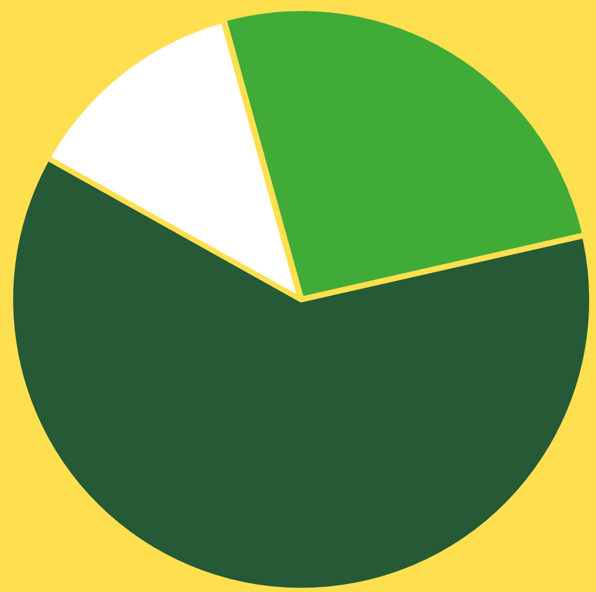
Financial Statements

Consolidated Financial Statements



FISCAL AUDITOR'S REPORT

February 24, 2012

Grupo Nutresa S. A. SHAREHOLDERS

I have audited the consolidated Balance Sheets of Grupo Nutresa S.A. and its subordinate companies as of December 31, 2011 and 2010, and the corresponding consolidated Profit and Loss Statements, Consolidated Changes in the Shareholders' Equity Statements, Consolidated Changes in the Financial Situation Statements, and the consolidated Cash Flow Statements for the years ended on those dates, as well as the summary of the principle accounting policies indicated in Note 2 and other explanatory notes thereto.

The entity's administration is responsible for the adequate preparation and presentation of these financial statements, in accordance with the accounting principles generally accepted in Colombia and the provisions of the Colombian Financial Superintendent. This responsibility included designing, implementing and maintaining the relevant internal control for the preparation and reasonable presentation of the financial statements, ensuring that they are free of relatively important errors due to fraud or mistakes. The administration is also responsible for selecting and applying the appropriate accounting policies, as well as establishing the accounting estimations that are reasonable under the circumstances.

My responsibility consists of stating an opinion concerning said financial statements based on my audits. I have obtained the necessary information to perform my fiscal – auditing duties in according with accounting principles generally accepted in Colombia. These principles require that I plan and conduct an audit to obtain reasonable certainty that the financial statements are free of relatively important errors.

A financial – statement audit contemplates, among other things, following procedures to obtain auditing evidence on the values and disclosures in the financial statement. The procedures selected depend on the auditor's discretion, including the assessment of risk of relatively important errors in the financial statements. In assessing such risks, the fiscal auditor considers the entity's pertinent internal control to prepare and reasonably present the financial statements, in order to design auditing procedures that are appropriate under the circumstances. An audit also includes assessing the appropriateness of the accounting policies used and of the accounting estimations made by the entity's administration, as well as evaluating the presentation of the financial statements as a whole. I consider that the auditing evidence that I have obtained provides a reasonable basis for me to form the opinion that I state below.

It is my opinion that the above – mentioned financial statements that I have audited, which were faithfully taken from the ledgers, reasonably present, in all significant aspects, the financial situation of Grupo Nutresa S.A. as of December 31, 2011 and 2010 and its operating results, the changes in its financial situation and its cash flows for the hears ended on said dates, pursuant to accounting principles generally accepted in Colombia and the provisions of the Colombian Financial Superintendent, which were applied in a uniform manner.

Juber Ernesto Carrión
Fiscal Auditor
Professional Card No. 86122 – T
Member of PricewaterhouseCoopers Ltda.

CERTIFICATION OF THE FINANCIAL STATEMENTS

The undersigned Legal Representative and General Accountant of
Grupo Nutresa S.A.

Hereby Certify:

On February 24, 2012

That we have verified the statements contained in the financial statements of the Company as of December 31, 2011 and 2010, pursuant to applicable regulations and they have been faithfully taken from the books and reflect the financial position and results of the operations of the Company.

In accordance with the above, regarding the above – mentioned financial statements, we state the following:

1. The assets and liabilities do exist and the transactions recorded were made during the corresponding years.
2. All economic transactions that were made have been acknowledged.
3. The assets represent rights obtained by the Company, and the liabilities represent obligations that are the responsibility of the Company.
4. All elements have been acknowledged in the appropriate amounts, in accordance with generally accepted accounting principles.
5. The economic transactions that affect the Company have been correctly classified, described and disclosed.
6. The financial statements and their notes do not contain defects, errors or material inaccuracies that would affect the financial situation, shareholders' equity and operation of the Company. Likewise, adequate procedures and disclosure systems and financial information control have been established and maintained, for the adequate presentation to third – party users of such information.

Carlos Enrique Piedrahita Arocha
President

Jaime Alberto Zuluaga Yepes
Accountant
Professional Card Number 24769 – T

CERTIFICATION OF THE FINANCIAL STATEMENTS LAW 964 OF 2005

Ladies and Gentlemen
SHAREHOLDERS
Grupo Nutresa S. A.
MedellÌn

The undersigned Legal Representative of *Grupo Nutresa S. A.*

Certifies:

24 de febrero de 2012

That the financial statements and operations of the Company as of December 31, 2011 and 2010, contain no defects, inaccuracies or errors that prevent knowing the true financial situation of the Company.

This is stated to comply with Article 46 of Law 964 of 2005.

As evidence, this is signed on the 24th day of the month of February, 2012.

Carlos Enrique Piedrahita Arocha
President

CONSOLIDATED BALANCE SHEET

On December 31
(Values expressed in COP Million)

	NOTES	2011	2010
ASSETS			
Cash and cash equivalents	(4)	$ 193.087	$ 133.389
Net debtor accounts	(5)	629.188	568.234
Net inventory	(6)	601.866	553.016
Deferred assets and other assets	(7)	34.453	52.187
TOTAL CURRENT ASSETS		**$ 1.458.594**	**$ 1.306.826**
Non - Current Assets			
Net permanent investments	(8)	329.071	330.481
Debtor accounts	(5)	21.443	18.022
Net property, plant and equipment	(9)	1.009.855	988.793
Net intangible assets	(10)	900.384	853.564
Deferred assets and other assets	(7)	114.271	31.717
Valuations	(20)	4.097.551	4.555.288
Total non - current assets		**6.472.575**	**6.777.865**
TOTAL ASSETS		**$ 7.931.169**	**$ 8.084.691**
LIABILITIES			
Current Liabilities			
Financial obligations	(12)	$ 54.652	$ 259.639
Suppliers	(13)	163.168	165.155
Accounts payable	(14)	217.086	208.876
Taxes, levies and rates	(15)	95.488	68.247
Labor obligations	(16)	89.949	78.624
Estimated liabilities and allowances	(17)	12.708	11.540
Deferred charges and other liabilities	(18)	5.031	1.983
Total Current Liabilities		**$ 638.082**	**$ 794.064**
Non - Current Liabilities			
Financial obligations	(12)	$ 624.946	$ 866.687
Accounts payable	(14)	158	162
Taxes, levies and rates	(15)	37.334	0
Labor obligations	(16)	6.480	9.763
Estimated liabilities and allowances	(17)	20.900	20.111
Deferred charges and other liabilities	(18)	112.430	58.990
Total Non - Current Liabilities		**802.248**	**955.713**
TOTAL LIABILITIES		**$ 1.440.330**	**$ 1.749.777**
MINORITY STAKE		**16.209**	**11.268**
Equity			
Company stock		$ 2.301	$ 2.176
Capital surplus		546.831	24.457
Reserve	(19)	942.473	836.800
Revaluation of assets	(19)	735.002	765.036
Financial statement conversion effect	(3)	(101.048)	(117.715)
Fiscal period results		253.511	263.239
Valuation surplus	(20)	4.095.560	4.549.653
Total Equity		**6.474.630**	**6.323.646**
TOTAL LIABILITIES + EQUITY + MINORITY STAKE		**$ 7.931.169**	**$ 8.084.691**
Memorandum accounts			
Debtor memorandum accounts	(11)	$ (3.298.126)	$ (1.741.623)
Creditor memorandum accounts	(11)	1.889.094	1.951.154

The notes are an integral part of the consolidated financial statements.

Jaime Alberto Zuluaga Yepes
Accountant
Professional Card No. 24769-T
(See attached certification)

Carlos Enrique Piedrahita Arocha
President
(See attached certification)

Juber Ernesto Carrión
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(See attached report)

CONSOLIDATED PROFIT AND LOSS STATEMENT

From January 1 to December 31
(Values expressed in COP Million)

	NOTES	2011	2010
Operating Income	(21)	$ 5.057.383	$ 4.458.858
Sales cost		(3.030.202)	(2.587.908)
Gross Profit		2.027.181	1.870.950
Operating Expenses for:			
Administration	(22)	(250.061)	(212.941)
Sales	(23)	(1.221.302)	(1.103.652)
Production	(24)	(123.323)	(121.613)
Operating Profit		432.495	432.744
Net Other Income (Other Outlays)			
Income from dividends and financial income	(25)	105.789	81.216
Financial expenses	(26)	(152.968)	(150.930)
Net other income (outlays)	(27)	(15.748)	(22.036)
Total Non - Operating Other Income (Outlays)		**(62.927)**	**(91.750)**
Profit before Allowance for Estimated Income Tax and Minority Stake		**369.568**	**340.994**
Allowance for estimated income tax:	(15)		
Current		(76.893)	(70.002)
Deferred		(37.026)	(6.991)
Profit before Minority Stake		**255.649**	**264.001**
Minority Stake		(2.138)	(762)
Net Profit		$ **253.511**	$ **263.239**
Net Profit Per Share (in COP)		550,96	604,98

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CONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY STATEMENTS

From January 1 to December 31
(Values expressed in COP Million)

			Reserves							
	Capital	Stock - Placing Bonus	Mandatory Reserve	Occasional Reserve	Total Reserves	Revaluation of Equity	Effect for Conversion of Financial Statements (Note 3))	Fiscal Period Income	Surplus for Valuations	Total Equity
Balances as of December 31, 2009	2.176	24.457	121.355	630.356	751.711	796.374	0	213.274	3.598.637	5.386.629
Declared dividends					0			(141.030)		(141.030)
Transfer to drofits and reserves			66.066	18.400	84.466			(84.466)		0
Appropriation tax on equity					0	(10.835)				(10.835)
Adjustment for valuation and other concepts				623	623	(20.503)		12.222	955.371	947.713
Minority stake					0				(4.355)	(4.355)
Adjustments for conversion of financial statements					0		(117.715)		0	(117.715)
Net income in 2010					0			263.239		263.239
Balances as of december 31, 2010	2.176	24.457	187.421	649.379	836.800	765.036	(117.715)	263.239	4.549.653	6.323.646
Stock issue	125	522.374			0					522.499
Declared dividends					0			(154.582)		(154.582)
Transfer to profit and reserves			14.493	94.164	108.657			(108.657)		0
Appropriation tax on equity					0	(18.549)				(18.549)
Adjustment for valuation and other concepts				(2.984)	(2.984)	(11.485)			(457.737)	(472.206)
Minority stake					0				3.644	3.644
Adjustments for conversion of financial statements							16.667			16.667
Net income in 2011					0			253.511		253.511
Balances as of december 31, 2011	2.301	546.831	201.914	740.559	942.473	735.002	(101.048)	253.511	4.095.560	6.474.630

The notes are an integral part of the consolidated financial statements.

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CONSOLIDATED STATEMENT OF CHANGES IN THE FINANCIAL SITUATION

From January 1 to December 31
(Values expressed in COP Million)

FINANCIAL RESOURCES PROVIDED FROM:	NOTES	2011	2010
NET PROFIT		$ 253.511	$ 263.239
Plus (minus) debits (credits) to operations that do not affect the working capital:			
Depreciations	(28)	95.192	90.165
Amortization of intangible assets, deferred assets and other assets	(29)	40.444	33.331
Amortization of retirement pensions		346	612
Net (profit) loss in sales, withdrawal of investments and property, plant and equipment		236	(151)
Net (profit) loss in sales, withdrawal of investments and property, plant and equipment	(33)	(19.021)	253
Minority stake		2.138	762
Effect for conversion and other equity variations		(17.439)	(129.568)
FINANCIAL RESOURCES PROVIDED FROM OPERATIONS		355.407	258.643
Plus:			
Issue and stock - placing bonus	(32)	522.500	0
Income obtained from disposal of property, plant and equipment	(33)	16.414	3.766
Income obtained in the disposal of permanent investments		12.817	1.739
Transfer of portfolio investments to economically tied companies		0	9.291
Decrease in deferred assets and other long - term assets		0	11.200
Increase in long - term financial obligations and other credits		0	62.074
Increase in taxes, levies and rates		37.334	0
Increase in long - term labor obligations		0	8.386
Increase in estimated liabilities and allowances		443	849
Increase in deferred liabilities and other liabilities		53.440	0
Increase in minority stake		4.941	7.657
FINANCIAL RESOURCES PROVIDED BY SOURCES OTHER THAN OPERATIONS		647.889	104.962
TOTAL FINANCIAL RESOURCES PROVIDED		1.003.296	363.605
FINANCIAL RESOURCES USED FOR:			
Declared dividends	(31)	154.582	141.030
Acquisition of permanent investments		725	4.821
Goodwill acquired	(1)	71.114	114.709
Acquisition of intangible assets and deferred assets		25.695	19.675
Acquisition of property, plant and equipment and other assets	(30)	128.228	138.456
Decrease in long - term financial obligations		241.740	0
Decrease in long - term labor obligations		3.283	0
Decrease in long - term accounts payable		4	3.313
Decrease in long - term deferred liabilities and other liabilities		0	647
Increase in long - term debtor accounts		3.421	5.422
Increase in long - term deferred assets and other assets		52.477	0
Appropriation for equity tax		18.549	10.835
TOTAL FINANCIAL RESOURCES USED		699.818	438.908
Working Capital Received through Acquisition of New Companies	(1)	4.272	27.773
INCREASE (DECREASE) IN WORKING CAPITAL		$ 307.750	$ (47.530)

The notes are an integral part of the consolidated financial statements.

Jaime Alberto Zuluaga Yepes
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(See attached certification)

Carlos Enrique Piedrahita Arocha
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CONSOLIDATED ANALYSIS OF CHANGES IN WORKING CAPITAL (CONTINUED)

From January 1 to December 31
(Values expressed in COP Million)

FINANCIAL RESOURCES WERE PROVIDED BY:	2011	2010
INCREASE (DECREASE) IN CURRENT ASSETS		
Cash and cash equivalents	$ 59.698	$ (19.183)
Debtor accounts	60.954	57.305
Inventories	48.850	58.896
Deferred assets and other assets	(17.734)	(1.618)
TOTAL INCREASE IN CURRENT ASSETS	$ 151.768	$ 95.400
DECREASE (INCREASE) IN CURRENT LIABILITIES		
Financial obligations	204.987	(49.095)
Suppliers	1.987	(40.885)
Accounts payable	(8.210)	(70.738)
Taxes, levies and rates	(27.241)	9.897
Labor obligations	(11.325)	4.235
Estimated liabilities and allowances	(1.168)	3.125
Deferred liabilities and other liabilities	(3.048)	531
TOTAL DECREASE (INCREASE) IN CURRENT LIABILITIES	$ 155.982	$ (142.930)
INCREASE (DECREASE) IN WORKING CAPITAL	$ 307.750	$ (47.530)

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(See attached report)

CONSOLIDATED CASH - FLOW STATEMENT

From January 1 to December 31
(Values expressed in COP Million)

CASH FLOW PROVIDED FROM OPERATIONS:	NOTES	2011	2010
NET PROFIT		**$ 253.511**	**$ 263.239**
Plus (minus) debits (credits) due to operations that do not affect cash			
Depreciations	(28)	95.192	90.165
Amortization of intangible assets, deferred assets and other assets	(29)	40.444	33.331
Amortization of retirement pensions		346	612
Allowance (recovery) of allowance for property, plant and equipment and intangible assets		236	(151)
Net (profit) loss in sales and withdrawal of investments and property, plant and equipment	(33)	(19.021)	253
Recovery and/or sanctions of net debtor accounts		(2.630)	(2.285)
Allowance (recovery) of inventories		3.230	(150)
Minority stake		2.138	762
Effect of conversion and other equity variations		(17.572)	(95.717)
Payment of equity tax		(18.828)	(10.835)
Changes in operating assets and liabilities:			
Debtor accounts		(61.745)	(60.442)
Inventories		(52.080)	(58.746)
Deferred assets and other assets		17.734	12.818
Suppliers and accounts payable		1.931	106.814
Taxes, levies and rates		12.377	(9.897)
Labor obligations		8.042	4.151
Estimated liabilities and allowances		1.611	(2.279)
Deferred liabilities and other liabilities		56.488	(1.177)
Transfer of portfolio investments to economically tied companies		0	9.291
Working capital received through acquisition of new companies	(1)	3.608	18.492
NET CASH PROVIDED BY OPERATIONS		**325.012**	**298.249**
CASH FLOW PROVIDED FROM INVESTMENT ACTIVITIES:			
Acquisition of permanent investments		(725)	(4.821)
Goodwill acquired	(1)	(71.114)	(114.709)
Acquisition of property, plant and equipment and other assets	(30)	(128.228)	(138.456)
Acquisition of intangible assets and deferred assets		(25.695)	(19.675)
Income from disposal of property, plant and equipment	(33)	16.414	3.766
Income from disposal of permanent investments		12.817	1.739
NET CASH USED IN INVESTMENT ACTIVITIES		**(196.531)**	**(272.156)**
CASH FLOW FROM FINANCING ACTIVITIES:			
Cash received for issue and stock - placement bonus	(32)	522.500	0
Dividends paid	(31)	(150.292)	(139.534)
(Decrease) increase in financial obligations		(446.728)	111.169
Increase in minority stake		4.941	7.657
NET CASH USED IN FINANCING ACTIVITIES		**(69.579)**	**(20.708)**
Net increase in cash and cash equivalents		**58.902**	**5.385**
Effect of changes in the exchange rate on cash and cash equivalents		132	**(33.851)**
Cash and cash equivalents received in acquisitions	(1)	664	9.283
Cash and cash equivalents at year opening		133.389	152.572
CASH AND CASH EQUIVALENTS AT YEAR CLOSING		**$ 193.087**	**$ 133.389**

The notes are an integral part of the consolidated financial statements.

Jaime Alberto Zuluaga Yepes
Accountant
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(See attached certification)

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(See attached certification)

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(See attached report)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Years ended as of December 31, 2011 and 2010
(Values expressed in COP Million, except for values in USD, the exchange rate and the number of shares).

NOTE 1 » Consolidation Bases

1.1 ENTITY AND BUSINESS PURPOSE OF THE PARENT COMPANY AND OF THE GROUP COMPANIES.

Grupo Nutresa S. A. (formerly _Grupo Nacional de Chocolates S. A._) Parent Company

Grupo Nutresa S.A. is a Colombian *Sociedad Anónima* (stock company), incorporated on April 12, 1920; its main domicile is in the city of Medellín and its term expires on April 12, 2050.

The Parent Company's business purpose consists of investing in or applying resources or funds in companies organized under any form provided by law, either at home or abroad, and whose business purpose is aimed at the exploitation of any legal economic activity, or in tangible or intangible property for the purpose of safeguarding its capital.

In a decision by the Assembly of Shareholders, the company changed its name from *Grupo Nacional de Chocolates S.A.*, to *Grupo Nutresa S.A.*, according to Public Deed Number 1068, registered in the Office of the 20th Notary Public of Medellín, on April 5, 2011. The Company continues to develop its business purpose under the new name.

In 2011, a *Grupo Nutresa* strategy was to issue 25.000.000 shares in order to give the Company the resources to continue growing while maintaining prudent levels of debt and increased liquidity in the shares.

2011 ACQUISITIONS

Helados Bon S.A. and _Distribuidora Bon S.A._

On February 18, 2011, Grupo Nutresa S.A. reached an agreement with the shareholders of Helados Bon S.A. to acquire 73,11% of the company's shares. The price agreed upon for this operation was USD 38,7 million.

Helados Bon is the leading company in the ice – cream business in the Dominican Republic, with a market share of nearly 85%. The company conducts its business through the highly recognized BON brand, and a solid network of ice cream stores, freezers in the traditional channel and carts in its mobile channel. Additionally, BON is the "master franchiser" of Yogen Früz in the country, whose products can be found in some of the company's ice cream stores.

With this acquisition, Grupo Nutresa S.A. also became a direct and indirect shareholder in Distribuidora Bon, S. A., an affiliate of Helados Bon S. A., domiciled in Santo Domingo, the Dominican Republic, and which is dedicated to the production, merchandising and distribution of ice cream and related products.

The following is a summary of the assets and liabilities assumed on the date of acquisition of the companies::

	HELADOS BON S.A.	DISTRIBUIDORA BON S.A	TOTAL
Current Assets	$ 9.050	$ 8.284	$ 17.334
Non – Current Assets	10.887	1.826	12.713
Total Assets	**$ 19.937**	**$ 10.110**	**$ 30.047**
Current Liabilities	(5.493)	(7.570)	(13.063)
Non – Current Liabilities	(10.247)	(403)	(10.650)
Total Liabilities	**$ (15.740)**	**$ (7.973)**	**$ (23.713)**
Equity	**$ 4.197**	**$ 2.137**	**$ 6.334**
Cash	28	636	664
Working Capital	3.530	78	3.608
Goodwill Acquired	71.114	0	71.114

Merger by Absorption

On August 10, 2010, the Office of the Colombian Financial Superintendent, through Resolution 1627, approved the short – form merger whereby *Grupo Nacional de Chocolates S. A.* absorbed its subordinate companies *Valores Nacionales S. A. S. y Portafolio de Alimentos S. A. S.* Pursuant to the resolution, the merger will be completely valid as of the date on which the merger is registered in the Chamber of Commerce Mercantile Registry. Said registration was made on September 10, 2010.

The following, in relation to the subordinate companies, is the name, nationality, date of incorporation, term, main domicile and business purpose:

» *Alimentos Cárnicos S.A.S.*

This Colombian company was incorporated on August 20, 1968, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 17, 2009. It has an indefinite term and its main domicile is in Yumbo, Provincial Department of Valle del Cauca, Colombia.

Its business purpose is to exploit industry activities related to food and/or the substances used as ingredients for food in general and, in particular, meat and/or farm livestock and produce, including the processing and utilization of animal and agricultural by – products to prepare food; to exploit farm produce and large and small livestock and the business directly related to these activities, particularly by cattle breeding, raising, fattening up and their later slaughter or live disposal; the purchase, sale, transport, distribution, import, export and trade in general of its own food and that of other manufactures. It may, furthermore, invest or apply resources or have holdings under any associative form authorized by law, the purpose of which is the exploitation of any legal economic activity, even if it is not directly related to food production or merchandising, and to conduct any other legal economic activity in Colombia and abroad

» *Alimentos Cárnicos Zona Franca Santafé S.A.S.*

This Colombian company was incorporated on October 10, 2008, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 16 2009. It has an indefinite term and its main domicile is in Cota, Provincial Department of Cundinamarca, Colombia.

The company is an industrial user of free – trade – zone goods and services; its main business purpose is the development of the following activities in the free – trade zone: to process, manufacture, purchase and sell food products and sell the sub – products and waste derived from the manufacturing processes; to provide manufacturing services of food products to third parties; to provide purchasing – management services for inputs and raw materials in the food – manufacturing industry; to provide services to reprocess, repack, assemble, label, pack, assemble for third parties, classify, control quality, inspect, reclassify, clean, freeze and thaw the mentioned products. It may also provide coordination services and logistics control of inventories of food products and raw materials for third parties, classify food and raw – material products, along with loading, unloading and picking of the products and raw materials indicated. It may contract for itself and for others third – party transportation services, as well as provide invoicing services and food – product dispatch, and conduct any other legal economic activity.

» *Alimentos Cárnicos de Panamá S. A. (formerly Blue Ribbon Products S. A.)*

This Panamanian company was incorporated on January 19, 1970. It has a perpetual term and its main domicile is in Panama City, Panama.

Its business purpose is to exercise ample manufacturing –, mercantile – or financial – industry activities, as well as purchase, or acquire in other manners, hold, sell, dispose of products, objects, merchandise and materials of any kind and description, currently known or that may be described or invented in the future, through commissions or in other manners.

On June 30, 2011, the minutes of the extraordinary meeting of shareholders were formalized in which the reform of the corporate name of the company for that of Alimentos Cárnicos de Panamá S.A., and which approved the merger agreement through which Alimentos Cárnicos de Panamá S.A. (formerly Blue Ribbon Products S.A.) absorbed Ernesto Berard S.A. Pursuant to Panamanian laws, the merger was formalized on October 3, 2011.

» *Compañía de Cacao del Perú S.A.C.*

This Peruvian company was incorporated on August 23, 2006, under the name of Brent S.A.C. The company changed its name in January 2007 to *Compañía de Cacao del Perú S.A.C.* It has an indefinite term and its main domicile is in the city of Lima, Peru. The company initiated activities in March 2007.

Its business purpose is to gather, purchase, sell, market, distribute, import, export and transform agricultural products, products for human consumption and edible products of all kinds, for itself or for third parties. It is a cacao – bean merchandiser in the country.

On December 1, 2010, the short – form merger was effected, through which *Compañía Nacional de Chocolates de Perú S. A.* absorbed *Compañía de Cacao del Perú S.A.C.*

» *Compañía de Galletas Noel S.A.S.*

This Colombian company was incorporated on August 13, 1998, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada on March* 17, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to exploit food – industry activities in general and, in particular, the production or manufacture of those foods for human consumption and the substances used as ingredients in food, such as prepared cereal, flour, starches, tea, coffee, sago, chocolate, sugar, salt, honey, bakery products, cookie and cracker products and pastry products. It may also distribute and sell and trade in general the products mentioned in the above sentence, produced by the company or by other manufacturers, and the raw materials, materials or inputs used in the food – production industry, as well as distribute, sell and trade in general products for popular consumption susceptible to being distributed through the same channels. It may also invest or apply resources or have holdings under any associative forms authorized by law and conduct any other legal economic activity.marzo de 2009, con vigencia indefinida y domicilio principal en Medellín, Antioquia.

» *Compañía de Galletas Pozuelo DCR, S.A.*

This Costa Rican company was incorporated on October 18, 2004. Its term expires on October 18, 2103, and its main domicile is in the city of San José, Costa Rica.

Its business purpose is to exercise ample activities in industry, agriculture, trade, cattle raising, construction and tourism in general and, in particular, it is devoted to the biscuit business.

» *Compañía de Galletas Pozuelo de la República Dominicana S.R.L.*

This Dominican company was incorporated on June 22, 2000. It has an indefinite term and its main domicile is in the city of Santo Domingo, the Dominical Republic.

Its business purpose is to set up, manage and implement investment, brokerage, security deposit and consulting businesses in general, and to conduct any other legal trade, business or legal activity.

» *Comercial Pozuelo Panamá S.A. (formerly Compañía de Galletas Pozuelo de Panamá S.A.)*

Incorporated on May 17, 2002, this Panamanian company has a perpetual term. Its main domicile is in Panama City, Panama.

Its business purpose is to manufacture and distribute mass – consumption food, such as biscuits, bakery products, canned goods and others; to set up and process and conduct business as an investment company in any part of the world; to purchase, sell and negotiate all kinds of food products, capital stock, securities and valuables of all kinds; to devote itself to any legal business activity that a sociedad anónima is not prohibited from conducting.

On August 12, 2011, the Certificate of Amendment to the Partnership Agreement was formalized, through which the corporate name of de *Compañía de Galletas Pozuelo de Panamá S. A.* was reformed to *Comercial Pozuelo Panamá S. A.*

» *Compañía Nacional de Chocolates S.A.S.*

This Colombian company was incorporated on October 8, 2002, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to conduct food – industry activities in general and, in particular, to produce chocolate and its derivatives, as well as to conduct business related to said industries; to distribute, sell and market the products described above, produced by the company and by other manufactures, and the raw materials, materials or inputs utilized in the food – production industry and in the production of popular – consumption foods susceptible to being distributed through the same channels. The business purpose also includes investing in or applying resources or having holdings under any associative form authorized by law, and carrying out any other legal activity.

» *Compañía Nacional de Chocolates DCR, S.A.*

This Costa Rican company was incorporated on June 29, 2004. Its term expires on June 29, 2103, and its main domicile is in the city of San José, Costa Rica.

Its business purpose is to exercise ample industry, agricultural, trade, cattle raising, construction and tourism activities in general and, in particular, it is devoted to the exploitation of the chocolate industry and its derivatives.

» *Compañía Nacional de Chocolates de Perú S. A.*

This Peruvian company was incorporated on November 13, 2006. It has an indefinite term and its main domicile is in the city of Lima, Peru.

The business purpose is to conduct industrial and agro – industrial activities in the manufacturing and merchandising of all kinds of foods and beverages, as well as all types of farm and livestock exploitation; it may also devote itself to warehousing, merchandising, distribution, export and import goods in general and, in particular, it is devoted to the industry of biscuits, chocolates and other sweets.

On December 1, 2010, the short – form merger was effected through which *Compañía Nacional de Chocolates de Perú S. A.* absorbed *Compañía de Cacao del Perú S.A.C.*

» *Cordialsa Boricua Empaque, Inc.*

This Puerto Rican company was incorporated on January 1, 2004. It has an unlimited term and its main domicile is in the city of San Juan, Puerto Rico.

Its business purpose is to market food products.

» ***Comercial Nutresa S. A. S.* (formerly *Cordialsa Colombia S. A. S.*)**

This Colombian company was incorporated through a private document on February 12, 2010; it was registered in the Medellín Chamber of Commerce on February 17, 2010. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to conduct any legal activity.

On March 31, 2011, the memorandum was registered in the Medellín Chamber of Commerce in which the name of the company was changed from *Compañía de Cordialsa Colombia S. A. S.* to *Comercial Nutresa S. A. S.*.

» ***Cordialsa Costa Rica S.A.***

This Costa Rican company was incorporated on June 29, 2004. Its term expires on June 29, 2012 and its main domicile is in the city of San José, Costa Rica.

Its business purpose is to execute extensive industry, agricultural, trade, cattle – raising, construction and tourism activities in general and, in particular, it is devoted to merchandising food products.

» ***Cordialsa Honduras S.A.***

This Honduran company was incorporated on November 29, 2004. It has an indefinite term and its main domicile is in the city of Tegucigalpa, Honduras.

Its business purpose is to distribute and market food products and any other industrial, commercial activity or service related to said distribution and merchandising.

This company is currently in the process of liquidation.

» ***Cordialsa de México S.A. de C.V.***

This Mexican company was incorporated on July 15, 2002. Its term expires on July 15, 2102 and its main domicile is in Mexico City, Federal District, Mexico.

This company was liquidated in December 2011. Its business purpose was to import, export, represent, market, distribute, manufacture, do assembly work for third parties, purchase and sell all kinds of food products for human consumption.

» **Comercial Pozuelo El Salvador S. A. de C. V. (formerly Cordialsa El Salvador, S. A. de C. V.)**

This Salvadoran company was incorporated on November 25, 2004. It has an indefinite term and its main domicile is in San Salvador, El Salvador.

Its business purpose consists of distributing and merchandising food products. On November 15, 2011, a public deed was registered in the El Salvador *Centro Nacional de Registros*, through which the company name was reformed from *Cordialsa El Salvador S.A. de C. V. to Comercial Pozuelo El Salvador, S. A. de C. V.*

» ***Comercial Pozuelo Nicaragua S. A.* (formerly *Distribuidora Tropical Nicaragua S. A.*)**

This Nicaraguan company was incorporated on November 11, 2004. Its term expires on November 11, 2103 and its main domicile is in the city of Managua, Nicaragua.

Its business purpose is to distribute and market biscuits and, in general, the purchase and sale, export, import, pack, industrialization and merchandising of all kids of food products; import and export all kinds of merchandise and any legally tradable goods; and to enter into all kinds of contracts and contract obligations, execute any act or legal contract this is not prohibited.

The company name was changed from de *Distribuidora Tropical Nicaragua S. A.* to *Comercial Pozuelo Nicaragua S. A.* on October 20, 2011, the date on which Sentence Number 41 was inscribed in the Nicaragua Mercantile Department, and which approved the reforms to the Partnership Agreement and the company bylaws.

» ***Cordialsa Nicaragua S.A.***

This Nicaraguan company was incorporated on November 11, 2004. Its term expires on November 11, 2103 and its main domicile is in Managua, Nicaragua.

Its business purpose is to commercialize food products.

This company was dissolved and liquidated on October 31, 2011, the date on which Public Deed Number 15 was inscribed in the Nicaragua Mercantile Department, and which formalized said operation.

» ***Cordialsa USA, Inc.***

This American company was incorporated on March 22, 2004. It has an indefinite term and its main domicile is in Houston, Texas, U. S. A.

Its business purpose is to conduct any legal activity other than banking or trust activities or practice a profession allowed to be incorporated under the Texas Company Code. In particular, it is devoted to merchandising food products.

» ***Cordialsa Noel de Venezuela S.A.***

This Venezuelan company was incorporated on November 15, 1995. Its term expires on November 15, 2094, and its main domicile is in Caracas, Venezuela.

Its business purpose is to exploit food – industry activities in general, including manufacturing, sales, distribution, importing and merchandising. Likewise, it may invest or apply resources of have holdings under any associative form authorized by law.

» ***Corporación Distribuidora de Alimentos S. A., Cordialsa***

This Ecuadorian company was incorporated on February 3, 1994. Its term expires in 2045 and its main domicile is in Quito, Ecuador.

Its business purpose is to conduct food – industry activities, including exploitation, distribution and merchandising.

» ***Distribuidora Bon, S.A.***

This affiliate of *Helados Bon S.A.* was incorporated on April 1, 1993, and its main domicile is in Santo Domingo, the Dominical Republic.

Its business purpose is the distribution of *BON* brand products of any nature, composition and/or condition throughout the country and abroad. It may also install, acquire, enable, maintain and rent all the equipment and supplies necessary and useful for these purposes, within the greater efficiency and technical capacity.

» ***Comercial Pozuelo Guatemala S. A.* (formerly *Distribuidora Cordialsa Guatemala S. A.*)**

This Guatemalan company was incorporated on November 18, 2004. It has an indefinite term and its main domicile is in the Provincial Department of Guatemala, Guatemala.

Its business purpose is to distribute and merchandise food products and to conduct any other industrial, trade or service activity related to said distribution and merchandising.

On December 7, 2011, the statutory reform was inscribed in the Mercantile Register of Guatemala, in which the company changed its name from *Distribuidora Cordialsa Guatemala S. A.* to *Comercial Pozuelo Guatemala S. A.*

» ***Ernesto Berard S.A.***

This Panamanian company was incorporated on February 21, 1978. It has a perpetual term and its main domicile is in Chiriquí, Panamá.

Its business purpose is to manufacture fresh sausages and canned sausages made of beef, pork or chicken and to process meat products in general, as well as other associated activities.

On June 30, 2011, the minutes of the extraordinary meeting of shareholders were formalized in which the merger agreement was approved, through which *Alimentos Cárnicos de Panamá S. A. (formerly Blue Ribbon Products S. A.)* absorbed *Ernesto Berard S. A.* Pursuant to Panamanian laws, this merger was formalized on October 3, 2011.

» ***Fehr Foods, Inc.***

This American company was incorporated on February 13, 1992. It has a perpetual term and its main domicile is in the city of Abilene, Texas, U. S. A.

Its business purpose is to conduct any legal activity pursuant to the laws of Texas and, in particular, produce and commercialize baked goods.

On June 29, 2011, the documents were registered before the Office of the Secretary of State of Texas, through which the fusion by absorption was approved in which *Fehr Foods, Inc.* absorbed *Fehr Holdings, LLC*; *Oktex Baking, GP, LLC, y Oktex Baking, LP*.

The absorbed companies had the following characteristics:

- **Fehr Holdings, LLC**

  This American company was incorporated on March 1, 2009. It has a perpetual term and its main domicile is in Abilene, Texas U. S. A.
  Its business purpose is to conduct any legal activity and, in particular, to invest in other companies.

- **Oktex Baking, GP, LLC**

  This American company was incorporated on October 12, 2004, pursuant to the laws of the State of Nevada. It has a perpetual term and its main domicile is in Abilene, Texas U. S. A.

  Its business purpose is to acquire stock or holdings and to act as general partner of Oktex Baking, LP, and to conduct all legal activities necessary to meet said purpose.

- **Oktex Baking, LP**

  This American company was incorporated on October 12, 2004, pursuant to the laws of the State of Oklahoma. Its term expires on December 31, 2052, and its main domicile is in Oklahoma City, Oklahoma U. S. A.

  Its business purpose is to produce and commercialize baked products.

» ***Gestión Cargo Zona Franca S.A.S.***

This Colombian company was incorporated on October 10, 2008, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 16 2009. It has an indefinite term and its main domicile is in Cartagena, Provincial Department of Bolívar, Colombia.

The company is an industrial user of free – trade goods and services; its business purpose is principally, to develop the following activities in the free – trade zone: provide management services to purchase, import and export food products and raw materials used in the food industry in general, for third parties. Likewise, it may reprocess, repack, assemble, label, pack, assemble for third parties, classify, control quality, inspect, reclassify, clean, freeze and thaw the mentioned articles. It may also provide coordination services and logistics control of imported products and raw materials for third parties, classify food and raw – material products, control inventories and customs processes, along with loading, unloading and picking of the products and raw materials indicated. It may do laboratory tests and analyses on food products and raw materials for food, as well as interpret their results.

» *Helados Bon S.A.*

This Dominican company was incorporated on August 26, 1974. It has an indefinite term and its main domicile is in the municipality of Santo Domingo Oeste, the Dominican Republic.

Its business purpose is to manufacture, pack, distribute, sell and franchise ice cream and products of this nature throughout the national territory and abroad.

» *Industrias Aliadas S.A.S.*

This Colombian company was incorporated on September 21, 1988, through Public Deed Number 4349, registered in the Office of the Second Notary Public of Ibagué. Its term expires on September 21, 2038 and its main domicile is in Ibagué, Provincial Department of Tolima, Colombia.

On April 28, 2011, Memorandum Number 28 was registered in the Ibagué Chamber of Commerce, whereby the company was transformed in a *Sociedad por Acciones Simplificada*.

Its business purpose is to purchase, sell, dry, sort and export coffee. In general, the company conducts all activities related to the coffee industry.

» *Industrias Alimenticias Hermo de Venezuela S.A.*

This Venezuelan company was incorporated on December 12, 1995. Its term expires on December 12, 2094 and its main domicile in is Caracas, Venezuela.

Its business purpose is to produce, import, exploit, and commercialize foods and products in general, and to invest resources or have holdings under any associative form authorized y law.

» Industria Colombiana de Café S.A.S.

This Colombian company was incorporated June 1, 1950, as a Sociedad Anónima (stock company) and unanimously transformed by the Assembly of Shareholders into a Sociedad por Acciones Simplificada on March 18, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to assemble and exploit coffee – industry and food – industry activities in general, and those of directly related businesses, as well as conduct any other legal economic activity

» *Industria de Alimentos Zenú S.A.S.*

This Colombian company was incorporated on August 20, 2002, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 17, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to conduct food – industry activities in general, as well as for those substances used as ingredients in foods and, in particular, meat, including the processing and utilization of by – products from beef, pork, sheep, fish and other animal species; the slaughter and preparation of large or small livestock and the purchase, sale, transport, distribution, importation and exportation of meet. It may also process meat and prepare sausages, soups, extracts, fats, canned meat, spices, condiments, dairy products, cottage cheese, eggs, and food substances for animals; the distribution, sale, importation, exportation and marketing in general of the elements mentioned above in their natural state or industrially prepared by the company or by others. In addition, it may distribute, sell, and trade in general products for popular consumption susceptible to being distributed through the same channels. It may also invest or apply resources or have holdings under any associative forms authorized by law and conduct any other legal economic activity.

» *Industrias Noel U.S.A Co.*

This American company was incorporated on January 14, 1997. It has a perpetual term and its main domicile is in Coral Gables, Florida, U. S. A.

Its business purpose was to conduct all legal businesses pursuant to the laws of the United States and the State of Florida, especially those related to the food industry; to produce materials for human consumption; and to perform all acts necessary to fulfill its business purpose.

Industrias Noel U.S.A Co. was voluntarily dissolved on January 21, 2011.

» *La Recetta Soluciones Gastronómicas Integradas S.A.S.*

This Colombian company was incorporated on April 11, 2008, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 25, 2010. It has an indefinite term and its main domicile is in Cota, Provincial Department of Cundinamarca, Colombia.

Its business purpose is to distribute products of any nature through the institutional channel on its own behalf or for third parties; these products include mass – consumption foods and products, with its own brands or with third – party brands, as well as packaging and packing them.

» *Litoempaques S.A.S.*

This Colombian company was incorporated on March 16, 1995, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to exploit the metal – works and packing – industry activities in general and, in particular, to produce or manufacture and/or assembly, and/or market bottles, lids and packaging made of any material and for any use. It may also do lithography work in metal or in any other base aimed at all kinds of industries; to sell, distribute, import, export and commercialize all of the above elements in general, whether produced by the company or by other manufactures, as well as the raw materials or inputs used in the metal – works industry and packing industry. It may also conduct any other legal economic activity.

» *Meals Mercadeo de Alimentos de Colombia S.A.S.*

This Colombian company was incorporated on January 29, 1964, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 17, 2009. It has an indefinite term and its main domicile is in Bogotá, Provincial Department of Cundinamarca, Colombia.

Its business purpose is to conduct food – industry activities in general and, in particular, ice cream, dairy beverages, desserts, yoghurts, juices, refreshments, and fruit – based prepared food; to conduct business activities directly related to said industry. It general it may distribute, sell and trade the products mentioned above, produced by the company or by other manufacturers, as well as the raw materials, materials or inputs used in the food – production industry, as well as distribute, sell and trade in general popular products that are susceptible to being distributed through the same channels. It may also invest or apply resources or have holdings under any of the associative forms authorized by law, and conduct any other legal economic activity..

» Molinos Santa Marta S.A.S.

Es una sociedad colombiana constituida el 18 de abril de 1980 como sociedad anónima y transformada por unanimidad de la Asamblea de Accionistas en una sociedad por acciones simplificada el 18 de marzo de 2009, con vigencia indefinida y con domicilio principal en Santa Marta, Magdalena.

Su objeto social consiste en la molturación de granos, así como el desarrollo de los negocios y actividades que se relacionen directamente con la industria molinera; y la realización de cualquier otra actividad económica lícita.

» *Novaventa S.A.S.*

This Colombian company was incorporated on October 2, 2000, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 17, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to commercialize and distribute food products, raw materials and elements used in food industries and manage specialized channels to commercialize said products and other articles that are susceptible to being distributed through the same channels. It may also provide maintenance services for equipment used to commercialize the items mentioned above, and conduct any other legal economic activity.

On December 30, 2009, Public Deed Number 4,716, registered in the Office of the Twentieth (20) Notary Public of Medellín, formalized the merger by absorption between *Novaventa S.A.S.* (the absorbing company), a company that continued to exist legally, and *Dulces de Colombia S.A.S.* (the absorbed company), a company that was dissolved without being liquidated and whose patrimony was merged to that of *Novaventa S.A.S.*

» *Pastas Comarrico S.A.S.*

This Colombian company was incorporated on November 30, 2004, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Barranquilla, Provincial Department of Atlántico, Colombia.

Its business purpose is to conduct food – industry activities in general and, in particular, to manufacture and/or commercialize flours, pastas, prepared food made from cereals and their derivatives, as well as conduct business activities directly related to said industry; and to conduct any other legal economic activity.

» *Productos Alimenticios Doria S.A.S.*

This Colombian company was incorporated on November 18, 1966, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Mosquera, Provincial Department of Cundinamarca, Colombia.

Its business purpose is to exploit food – industry activities in general and, in particular, flours and prepared foods made from cereals and their derivatives, pastas among others, and conduct businesses that are directly related to said industry. It may also distribute and, in general, market food products, raw materials and elements used in the food industry, and the manufacture of flours and preparations made from cereals and its derivatives; as well as invest or apply resources or have holdings under any legal associative form; and conduct any other legal economic activity.

» *Servicios Nutresa S.A.S. (formerly Servicios Nacional de Chocolates S.A.S.)*

This Colombian company was incorporated on April 21, 2006, as a Sociedad Anónima (stock company) and unanimously transformed by the Assembly of Shareholders into a Sociedad por Acciones Simplificada on March 17, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to provide in Colombia and/or abroad specialized business services in areas such as risk management and insurance, assistance in legal, auditing and control, accounting, tax, negotiation in purchases, financial – planning, human – resource support and development, administrative, informational technology, treasury matters and any other that can create value for its clients. In addition, to invest or apply resources or have holdings under any of the associative forms authorized by law, and conduct any other legal economic activity.

On April 1, 2011, the statutory reform was registered in the Medellín Chamber of Commerce in which the name of the company was changed from Servicios Nacional de Chocolates S. A. S. to Servicios Nutresa S. A. S.

» *Setas Colombianas S. A.*

This Colombian company was incorporated on December 16, 1991. Its term expires on December 16, 2041, and its main domicile is in Medellín, Provincial Department of Department, Colombia.

Its business purpose is to exploit, cultivate, produce, process, distribute and commercialize mushrooms and, in general, food – industry products for human consumption and food for animals, and conduct business activities directly related to the food industry. It may also invest in livestock, farming and industrial units or businesses to process, exploit or distribute food products for human consumption and food for animals.

Through Public Deed Number 4161, dated December 10, 2010, registered in the Office of the Twentieth (20) Notary Public of the Circuit of Medellín, the statutory reform of *Setas Colombianas S. A.* was formalized in which the company's paid – up capital was decreased by COP 8,443,034.446 with a cash reimbursement of contributions. This reform was approved by the Assembly of Shareholders in an ordinary meeting on March 12, 2010 and was later authorized by the Office of the Financial Superintendent through Resolution 1088 dated May 31, 2010, as well as by the Ministry of Social Protection through Resolution 1870 dated November 18, 2010.

Tropical Coffee Company S.A.S.

This Colombian company was incorporated on March 31, 1950, as a *sociedad anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Santa Marta, Provincial Department of Magdalena, Colombia.

Its business purpose is to assemble and exploit coffee – industry and food – industry activities in general and to conduct directly related business activities. In addition, it can conduct any other legal economic activity.

» Nutresa S.A. de C.V.

This Mexican company was incorporated on May 8, 1981. It has a term of ninety – nine (99) years and its main domicile is in the State of Mexico.

Its business purpose is to manufacture and purchase and sell all kinds of food and nutrition products, edible foods, nutritional beverages, diet products; to do assembly work for finished and semi – finished products for third parties, using its own machinery or that of others, among others; and to conduct all activities necessary to comply with its business purpose.

» *Serer S.A. de C.V.*

This Mexican company was incorporated on May 8, 1981. It has a term of ninety – nine (99) years and its main domicile is in the State of Mexico.

Its business purpose is to manufacture and purchase and sell all kinds of food and nutrition products, edible foods, nutritional beverages, diet products; to do assembly work for finished and semi – finished products for third parties, using its own machinery or that of others, among others; and to conduct all activities necessary to comply with its business purpose.

» *Portafolio de Alimentos S. A. S. y Valores Nacionales S.A.S.*

On August 10, 2010, the Colombian Financial Superintendent, through Resolution 1627, approved the short – form merger through which *Grupo Nacional de Chocolates S. A.* absorbed its subordinate companies *Valores Nacionales S. A. S.* and *Portafolio de Alimentos S. A. S.* Pursuant to the resolution, the merger would be fully effective on the date on which the mercantile registration was made in the Chamber of Commerce. Said registration was made on September 10, 2010.

The merges companies had the following characteristics:

- ***Portafolio de Alimentos S.A.S.***

  This Colombian company was incorporated on December 28, 2007 as a *sociedad anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *sociedad por acciones simplificada* on May 26, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

  Its business purpose is to invest or apply resources or have holdings in companies organized under any legally authorized form, whether domestic or foreign, whose business purpose is the exploitation of any legal economic activity, or in tangible or intangible assets in order go safeguard its capital. It may also conduct any other legal economic activity..

- ***Valores Nacionales S.A.S.***

  This Colombian company was incorporated on December 9, 2002 as a *sociedad anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 17, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

  Its business purpose is to invest or apply resources or have holdings in companies organized under any legally authorized form, whether domestic or foreign, whose business purpose is the exploitation of any legal economic activity, or in tangible or intangible assets in order go safeguard its capital. It may also conduct any other legal economic activity.

1.2 FINANCIAL INFORMATION

The consolidated financial statements include the accounts of the Parent Company and its subordinate companies. All intra – company balances and significant transactions were eliminated in the consolidation.

Below is a breakdown of the consolidated share of the Parent Company in the equity of its subordinate companies, as well as their financial information. The figures presented were taken from the subordinate companies' certified financial statements as of December 31, along with their corresponding fiscal auditor's opinion, subject to effective legal dispositions.

		YEAR 2011				YEAR 2010			
COMPANY	Consolidated Share	Assets	Liabilities	EQUITY	Profit (Loss)	Assets	Liabilities	EQUITY	Profit (Loss)
Alimentos Cárnicos S.A.S.	100,00%	622.927	278.411	344.516	66.440	528.607	286.268	242.339	32.913
Alimentos Cárnicos Zona Franca Santafé S.A.S. (1)	100,00%	59.810	60.574	(764)	(726)	59.404	59.441	(37)	(12)
Alimentos Cárnicos de Panamá (formerly Blue Ribbon Product S.A.) (1)	100,00%	75.702	18.164	57.538	(2.412)	64.294	5.292	59.002	2.284
Compañía de Galletas Noel S.A.S.	100,00%	1.096.938	286.454	810.484	31.999	971.507	457.660	513.847	33.972
Compañía de Galletas Pozuelo DCR, S.A. (1)	100,00%	410.628	51.531	359.097	12.511	402.874	76.607	326.267	10.517
Comercial Pozuelo Panamá S.A. (formerly Compañía de Galletas Pozuelo de Panamá S.A.) (1)	100,00%	16.508	13.269	3.239	(253)	14.482	11.030	3.452	241
Compañía Nacional de Chocolates de DCR, S.A. (1)	100,00%	29.251	4.504	24.747	3.718	36.656	16.067	20.589	2.824
Compañía Nacional de Chocolates de Perú S.A.	100,00%	218.275	27.392	190.883	8.250	210.467	53.237	157.230	(148)
Compañía Nacional de Chocolates S.A.S.	100,00%	1.010.636	342.498	668.138	37.566	977.168	441.227	535.941	21.399
Cordialsa Boricua Empaque Inc. (1)	100,00%	5.060	187	4.873	(882)	7.515	1.800	5.715	281
Cordialsa Costa Rica S.A. (1)	100,00%	509	0	509	8	494	0	494	43
Comercial Pozuelo El Salvador S.A. de C.V. (formerly Cordialsa El Salvador S.A. de C.V.) (1)	100,00%	5.419	5.572	(153)	(695)	3.562	3.568	(6)	(19)
Cordialsa de México S.A. de C.V. (1)	100,00%	0	0	0	(58)	2.385	124	2.261	1.291
Cordialsa Honduras S.A. (1)	100,00%	0	0	0	0	0	0	0	
Cordialsa Usa Inc. (1)	100,00%	4.689	1.755	2.934	8	5.721	2.838	2.883	37
Cordialsa Noel de Venezuela S.A. (1)	100,00%	45.058	35.673	9.385	2.445	26.316	35.541	(9.225)	(16.976)

COMPANY	Consolidated Share	YEAR 2011 Assets	YEAR 2011 Liabilities	YEAR 2011 EQUITY	YEAR 2011 Profit (Loss)	YEAR 2010 Assets	YEAR 2010 Liabilities	YEAR 2010 EQUITY	YEAR 2010 Profit (Loss)
Corporación Distribuidora de Alimentos S.A., Cordialsa (1)	100,00%	16.182	13.018	3.164	330	15.924	13.074	2.850	280
Comercial Pozuelo Guatemala S.A. (formerly Distribuidora Cordialsa Guatemala S.A.) (1)	100,00%	10.711	10.291	420	(416)	2.728	2.683	45	(243)
Comercial Pozuelo Nicaragua S.A. (formerly Distribuidora Tropical S.A.) (1)	100,00%	5.318	4.397	921	(395)	5.139	5.604	(465)	(564)
Gestión Cargo Zona Franca S.A.S. (1)	100,00%	23.496	11.691	11.805	7.014	18.797	14.021	4.776	4.771
Grupo Nutresa S.A. (formerly Grupo Nacional de Chocolates S.A.)	100,00%	6.545.458	69.218	6.476.240	255.982	6.403.741	80.066	6.323.675	278.403
Industria Colombiana de Café S.A.S. Colcafé (1)	100,00%	669.540	171.211	498.329	21.095	661.165	372.161	289.004	42.045
Industria de Alimentos Zenú S.A.S.	100,00%	549.124	251.152	297.972	13.851	649.352	350.030	299.322	58.805
Industrias Alimenticias Hermo de Venezuela S.A. (1)	100,00%	234.695	67.973	166.722	3.165	182.721	47.750	134.971	7.877
La Recetta Soluciones Gastronómicas Integradas S.A.	70,00%	32.938	27.531	5.407	1.634	29.834	26.397	3.437	1.105
Litoempaques S.A.S.	100,00%	23.869	2.364	21.505	(35)	26.206	4.748	21.458	185
Meals Mercadeo de Alimentos de Colombia S.A. S.	100,00%	417.502	164.039	253.463	10.972	410.374	180.724	229.650	5.908
Molinos Santa Marta S.A.S.	100,00%	99.306	42.666	56.640	5.522	100.125	51.983	48.142	(1.909)
Novaventa S.A.S.	100,00%	99.967	60.343	39.624	1.983	92.477	52.980	39.497	7.774
Nutresa S.A. de C.V. (1)	100,00%	58.775	26.293	32.482	9.703	43.411	19.163	24.248	8.211
Pastas Comarrico S.A.S.	100,00%	25.365	4.741	20.624	1.230	26.831	8.769	18.062	1.230
Productos Alimenticios Doria S.A.S.	100,00%	156.195	50.136	106.059	4.424	192.097	96.805	95.292	10.520
Serer S.A. de C.V. (1)	100,00%	6.660	4.150	2.510	1.134	4.961	3.342	1.619	1.265
Servicios Nutresa S.A.S. (formerly Serv. Nal. de Chocolates S.A.S)	100,00%	562.309	561.669	640	330	390.777	390.471	306	98
Setas Colombianas S.A.	94,79%	63.267	4.353	58.914	4.928	59.060	4.127	54.933	5.401
Tropical Coffe Company S.A.S.	100,00%	50.141	24.672	25.469	(321)	43.850	21.419	22.431	(652)
Comercial Nutresa S.A.S (formerly Cordialsa Colombia S.A.S.)	100,00%	232.443	195.729	36.714	9.543	195.014	192.343	2.671	661
Industrias Aliadas S.A.S	66,67%	57.032	5.296	51.736	7.104	65.340	19.304	46.036	2.586
Helados Bon (1)	73,11%	17.995	12.993	5.002	(1.190)	0	0	0	0
Distribuidora Bon (1)	100,00%	8.695	6.569	2.126	(31)	0	0	0	0
Fehr Foods Inc. (1)	100,00%	55.943	20.789	35.154	4.645	0	0	0	0
Ernesto Berard S.A. (1) (2)	100,00%	0	0	0	0	6.739	3.756	2.983	398
Fehr Holdings LLC (1) (3)	100,00%	0	0	0	0	49.878	30.738	19.140	3.764

(1) As of December 31, 2011 and 2010, the Parent Company had no direct investment in these companies. However, it had a majority share through subordinate companies.
(2) Companies taken over by the Parent Company, through Resolution 1627 dated August 10, 2010, from the Office of the Colombian Financial Superintendent.
(3) On June 29, 2011, it merges with *Fehr Foods Inc.*

1.3 CONSOLIDATION METHODOLOGY

The consolidation method used to prepare the consolidated financial statements is called "Global Integration Method."

Using this methodology, all the assets, liabilities, equity and results of the subordinate companies are incorporated into the financial statements of the parent company or controlling company, after the parent company or controlling company has eliminated the investments it has made in the equity of its subordinate companies and the investments that the subordinate companies have made among each other, as well as the reciprocal operations and balances that existed on the consolidated financial statement cut – off date.

The procedure stated below was followed to prepare the consolidated financial statements:

a) Determine the Parent Company and the subordinate companies to be consolidated, in accordance with the existing economic tie and with effective legal provisions.
b) Obtain the financial statements of the Parent Company and of the companies to be consolidated.
c) Verify the homogeneity of the accounting bases used by the companies to be consolidated and adjust them in material aspects to the accounting principles generally accepted in Colombia.
d) Translate the financial statements of the subordinate companies abroad into Colombian Pesos (COP) before starting the consolidation process, using as a base some of the guidelines established in NIC 29. As of 2007 for the companies that belong to countries whose economy is no longer considered hyperinflationary, the figures used are those stated in the current account unit of measure at the end of 2006, as a base for the book values of the items in their 2007 financial statements before translating them into Colombian Pesos.
e) As of 2010, the monetary translation adjustment for the subordinate companies abroad is recorded in the Changes in the Shareholders' Equity Statement. Until 2009, it was reflected in the Profit and Loss Statement.
f) Verify that reciprocal balances match. If there are differences, reconcile and adjust.
g) Prepare a worksheet for the consolidation.
h) Determine the minority state in the shareholders' equity and the profits and losses of the subordinate companies.
i) Eliminate the intra – company balances and transactions.
j) Prepare the consolidated financial statements, along with their corresponding notes..

1.4 EFFECT OF THE CONSOLIDATION

The effect of the consolidation on the assets, liabilities, profits and equity of *Grupo Nutresa S.A.*(Parent Company) appears below:

Reconciliation of Assets		2011		2010
Parent Company's Assets	$	6.545.459	$	6.403.741
Subordinate Companies' Assets		7.078.878		6.584.252
Subtotal	**$**	**13.624.337**	**$**	**12.987.993**
Eliminations and Reclassifications Due to the Effect of the Consolidation				
Debtor Accounts		(1.473.839)		(1.689.054)
Inventories		(4.427)		(4.435)
Investments (Cost plus Valuation)		(4.293.157)		(3.289.941)
Property, Plant and Equipment (Cost plus Valuation)		28.040		6.034
Intangible Assets and Other Assets		50.215		74.094
Total Eliminations and Reclassifications		(5.693.168)		(4.903.302)
TOTAL CONSOLIDATED ASSETS	**$**	**7.931.169**	**$**	**8.084.691**

Reconciliation of Liabilities		2011		2010
Parent Company's Liabilities	$	69.219	$	80.066
Subordinate Companies' Liabilities		2.870.049		3.363.092
Subtotal		**2.939.268**		**3.443.158**
Eliminations and Reclassifications Due to the Effect of the Consolidation				
Commercial Current Accounts, Supplier Accounts and Accounts Payable		(1.485.121)		(1.680.096)
Differed Charges and Other Liabilities		(13.817)		(13.285)
Total Eliminations and Reclassifications		(1.498.938)		(1.693.381)
TOTAL CONSOLIDATED LIABILITIES	**$**	**1.440.330**	**$**	**1.749.777**

Reconciliation of Profits	2011	2010
Parent Company's Profit	$ 255.982	$ 278.403
Subordinate Companies' Profit	264.138	247.101
Subtotal	**520.120**	**525.504**
Adjustments and Eliminations Due to the Effect of the Consolidation:		
Profit from Holding Method	(258.797)	(262.477)
Minority Stake	(2.138)	(762)
Loss (Profit) before Acquisition of Companies	1.991	(4.364)
Net Result Generated from Operations among the Companies and Other Companies	(7.665)	5.338
Total Eliminations and Reclassifications	(266.609)	(262.265)
TOTAL CONSOLIDATED EQUITY	**$ 253.511**	**$ 263.239**

Reconciliation of Equity	2011	2010
Parent Company's Equity	$ 6.476.240	$ 6.323.675
Subordinate Companies' Equity	4.208.828	3.221.160
Subtotal	**10.685.068**	**9.544.835**
Eliminations Due to the Effect of the Consolidation:		
Company Stock	(748.848)	(723.793)
Capital Surplus	(1.772.154)	(295.203)
Reserves	(1.080.604)	(776.243)
Equity Revaluation	(209.851)	(69.221)
Financial Statement Monetary Translation Effect	(101.048)	(117.715)
Valuation Surplus	(29.333)	(981.113)
Fiscal Period Profit (1)	(268.600)	(257.901)
Total Eliminations and Reclassifications	(4.210.438)	(3.221.189)
TOTAL CONSOLIDATED EQUITY	**$ 6.474.630**	**$ 6.323.646**

(1) Includes profits from the holding method.

NOTE 2 » Summary of the Main Accounting Practices and Policies

For its accounting records and to prepare its financial statements, the Parent Company and its subordinate companies observe generally accepted accounting principles that are controlled by legal provisions and by the Colombian supervision and control agencies. Without prejudice to the above, the group of companies apply accounting practices and policies adopted by the Parent Company, which, in the case of the subordinate companies located abroad, do not substantially differ from the accounting practices used in the countries of origin and/or those that do not generate a significant impact on the consolidated financial statements have been homologated.

The accounting policies and practices described below are homogeneously applied by the Parent Company and its subordinate companies, pursuant to the above.

2.1 INFLATION ADJUSTMENT

Through Decree 1536 dated May 7, 2007, the National Government of Colombia retroactively eliminated, as of January 1, 2007, the accounting effects of the inflation – adjustment system; they were also eliminated for tax effects through Law 1111 of 2006. Inflation adjustments accrued in the non – monetary assets and liabilities until December 31, 2006, were to form part of the balance in their respective accounts for all accounting effects until they were cancelled, depreciated or amortized. Likewise, the balance of the equity revaluation account may be reduced through acknowledgement of the liquidated equity tax and may not be distributed as a profit until the company is liquidated or its value is capitalized pursuant to legal regulations. Once capitalized, it may be used to absorb losses, only when the Company dissolution has been filed and may not be used to reduce the capital with the effective reimbursement of contributions to partners or shareholders.

During 2011, invoking this regulation, the administration posted capital tax in the amount of COP 18.549 (2010: COP 10.835) in the equity valuation account. It had been posted to the previous Profit and Loss Statement.

To acknowledge the inflation adjustment in the financial statements of the companies located abroad, NIC 29 guidelines were followed. This standard establishes the practices to be followed in preparing the accounting information for a hyperinflationary country. In the case of *Grupo Nutresa S.A.*, as of 2009, Venezuela has been considered a hyper – inflationary economy; therefore the companies *Industrias Alimenticias Hermo de Venezuela S.A.* and *Cordialsa Venezuela S.A.*, both located in that country, have complied with this regulation..

2.2 FOREIGN – EXCHANGE ACCOUNTS

Foreign – exchange transactions are posted at the applicable exchange rate effective on the date of the transaction. For monetary conversion from United States Dollars (USD) to Colombian Pesos (COP), at the closing of each fiscal period, the accounts receivable or accounts payable are adjusted at the representative market rate published by the official agency in charge of certifying this information. For accounts – receivable balances in other currencies (in terms of legal tender), the exchange differences are posted in the Profit and Loss Statement as financial income. For accounts payable, only the exchange differences not attributable to asset – acquisition costs are posted in the Profit and Loss Statement. Only exchange differences that occur from the time acquisition assets are in construction or installation and until they are ready to be used are attributable to post in asset – acquisition costs.

Pursuant to Regulatory Decree 4918 dated December 26, 2007, the exchange difference from variable – income investments in subordinate companies abroad must be restated in the legal tender, using the effective change rate certified by the Office of the Colombian Financial Superintendent.

The rights and obligations in financial derivatives made for the purpose of hedging assets or liabilities in foreign currency are posted in the balance – sheet accounts and are adjusted at the representative market rate and credited or debited to the Profit and Loss Statement. Option contracts and futures contract bonuses or deductions are debited or credited to the fiscal period profit and loss statement, as the case may be.

2.3 BAD – DEBT ALLOWANCE

The bad – debt allowance is reviewed and updated at the end of each fiscal year, based on Administration analysis of the balance aging and the analysis of individual account collectability. Periodically, amounts deemed uncollectible or difficult to collect are posted in the Profit and Loss Statement.

2.4 INVENTORIES

Inventories are posted at cost. To determine the cost, the averaging method is used, and, at the fiscal – period closing, the cost is reduced to its market value, if it is less. The averaging method is applied to raw materials and materials, finished products and processes and the specific – value method is used for raw materials in transit. If necessary, at the closing of the fiscal period, an allowance is made for obsolete or slow – moving inventories.

2.5 DEFERRED ASSETS

Deferred assets include:

Expenses paid in advance, such as interest and insurance, which are amortized as the services are received.

Deferred charges that represent goods or services received are expected to obtain economic benefits in other periods. These deferred charges include costs and expenses incurred in the project development, computing programs, and advertising and promotion expenses. They are amortized in periods that range from 12 to 60 months..

2.6 PROPERTY, PLANT AND EQUIPMENT, DEPRECIATION, VALUATION AND ALLOWANCES

The ítem Property, Plant and Equipment is recorded at cost, including additions, improvements and capitalization due to exchange differences and financial expenses.

Repairs and maintenance are posted in the fiscal year Profit and Loss Statement. Sales and withdrawals are recorded at the adjusted net cost, and the difference between the adjusted net cost and the sales price is reflected in the Profit and Loss Statement.

Depreciation is calculated using the straight – line method on cost, based on the probable useful life of the corresponding assets, at the annual rates permitted by the tax law in the corresponding country, for each group of assets. For the Parent Company and its subordinate companies in Colombia, the annual rates use are 5% for buildings, 10% for machinery and office equipment, and 20% for transportation equipment and computing equipment.

Accelerated depreciation is applied to some production equipment; it is equal to 25% of the normal rate for each additional work shift. For other equipment, a depreciation rate based on work hours was used, attending to the technical specifications of the equipment provided by the supplier.

Excesses of net cost over the realization value, determined based on technical appraisals, is recorded in the valuation account; its counterpart is the item valuation surplus. When the net cost is higher than the technical appraisal, an allowance is set up for the difference, which is posted in the Profit and Loss Statement.

Property, plant, and equipment appraisals and the appraisals for Art and Culture assets in the item Other Assets were prepared pursuant to the provisions in the corresponding effective regulations in each country and, for the companies with domicile in Colombia, pursuant to Decree 2649 of 1992.

The companies adequately protect their assets; to do so, they take out insurance policies to cover them against different risks, such as fire, earthquake, theft, robbery and damages to third parties.

2.7 TRADABLE INVESTMENTS AND PERMANENT INVESTMENTS

The provisions of the Colombian Finance Superintendent External Circular No. 11 of 1998 require that the investments that the Company owns must be classified as tradable investments if the Company intends to trade them within three (3) years, or as permanent investments if it intends to keep them for more than three (3) years. Investments are also classified according to the returns that they generate as fixed – income investments or variable – income investments. Once they are classified, the investments are recorded and they appreciate as follows:

Fixed –income investments (debt rights), whether classified as tradable or permanent, are initially recorded at their acquisition cost and they appreciate every month at their realization value. The resulting adjustment is reflected in the Profit and Loss Statement.

Variable – income investments in stock or capital holdings or in entities that are not controlled by the Company, are recorded at cost and appreciate at their realization value. For permanent investments, the resulting adjustment, whether positive or negative, is recorded in the item valuation in the assets account with a credit or debit to valuation surplus in the Changes in the Shareholders' Equity, as the case may be. For tradable investments, the resulting adjustment, whether positive or negative, affects the last cost recorded for the investment, and the income or outlay generated is reflected in the Profit and Loss Statement. The market value is determined by the stock listed on the stock market, thus: for high – marketability shares, based on the average of the last ten (10) days of quotations; for average – marketability shares, based on the average of the last ninety (90) days of quotations; and for low – marketability stock or stock that is not listed in the stock market, based on its intrinsic value.

Pursuant to Joint Circulars 006 and 11 of 2005, issued by the Colombian Superintendent of Societies and the Financial Superintendent, respectively, investments in subordinate companies in which more than 50% of the capital belongs to the Parent Company, either directly or through an intermediary or with the assistance of its subordinate companies, among other criteria, are posted using the equity – holdings method applied forward as of January 1, 1994. Using this method, investments are initially recorded at cost and later adjusted, with a credit or debit to the Profit and Loss Statement, as the case may be, to acknowledge the holdings in profits or losses in the subordinate companies as of January 1, 1994, after eliminating unrealized profits between the subordinate companies and the Parent Company. The cash distribution of the profits of these companies, obtained before December 31, 1993, are recorded as income and, after that date, it is recorded as a lesser value of the investment. In addition to the above, the proportional holdings are also recorded as a greater or lesser value of the investments posted in variations in other equity accounts of the subordinate companies other than the Profit and Loss Statement of the fiscal period, with a credit or debit to the surplus account through the holdings method in the equity.

As of 2007, pursuant to Decree 4918 dated December 28, 2007, the exchange differences originated during the year, resulting from restating investments in the subordinate companies abroad are recorded as a greater or lesser value of the equity in the item Holdings Method Surplus..

2.8 INTANGIBLE ASSETS

Commercial Credits

Pursuant to Joint Circulars 006 and 11 of 2005, issued by the Colombian Superintendent of Societies and the Financial Superintendent, respectively, the additional amount paid over the book value during stock acquisition in companies over which the Parent Company has or acquires control is recorded as goodwill, pursuant to the provisions set forth in Articles 260 and 261 of the Commerce Code. For Colombia, goodwill acquired must be amortized within the time expected to recover the investment, for a maximum term of twenty (20) years. Pursuant to the same regulation, when a price is paid and it is less than its intrinsic value, it is not subject to accounting acknowledgement as goodwill. For the consolidated financial statements, goodwill is acknowledged in the Changes in Shareholders' Equity Statement, through a valuation surplus of the subordinated company's acquired assets from which it stemmed; said acknowledgement is not made when it is a commercial credit estimated to exceed normal future earnings.

Every year, the goodwill is reviewed to evaluate its origin and if it is concluded that it does not generate economic benefits or that the economic benefit has already been obtained, the goodwill will be amortized in the corresponding fiscal period..

Brands and Rights

Intangible assets include direct costs incurred in the acquisition of commercial brands, as well as the distribution rights acknowledged based on a technical study prepared by company personnel. Said costs are amortized in the lesser period of time between the estimated exploitation and the term of their legal term or contractual term.

Based on an update of the technical study made by an independent investment bank, such tangible assets have a useful life of ninety – nine (99) years.

Leasing Agreements with a Purchase Option

For the Colombian subordinate companies, assets acquired through financial leasing agreements with a purchase option are recorded in the asset account at the present rental value with the agreed – upon purchase options, calculated at the beginning date of the agreement, based on the internal rate of return of the respective agreement. The corresponding liability is simultaneously recorded,

Such rights are amortized and posted in the Profit and Loss Statement using the straight – line method at a rate of 10% for rights in equipment leasing equipment and 20% for vehicles and computer equipment. The rentals paid during the contract performance are posted in liabilities in the calculated part of the payment of capital and in the fiscal period profit and loss statement under financial expenses.

2.9 FINANCIAL DERIVATIVES

In the normal course of business, companies do operations with financial derivatives, for the sole purpose of reducing their exposure to exchange – rate and interest – rate fluctuations regarding obligations in foreign currency. Such financial derivatives include, among others, fixed – rate cross currency swap contracts and hedging – forwards contracts.

Although Colombian accounting laws and regulations do not stipulate specific treatment for this type of transaction, as of 2007 companies have adopted a policy of calculating the amount of the income or expense that is the result of comparing the representative market rate at year closing to the rate agreed upon in each contract, reduced to its present value on the valuation date, and the resulting adjustment is reflected in the Profit and Loss Statement during the period in which the contracts were entered into, so as to compensate adequately the income or expense generated due to exchange – rate and interest – rate variations of the hedged items, as the case may be.

2.10 TAXES, LEVIES AND RATES

This heading includes the value of the mandatory, general – nature taxation in favor of the State, for which the companies are responsible, for the concept of private liquidations that are determined on the taxable bases for the fiscal period.

Income tax is determined based on estimations. In addition to the taxable income for the fiscal period, the reserve for estimated income tax reflected in the profit and loss statement includes the tax effect applicable to the temporary differences between the book items and the fiscal items used to calculate the income tax. The tax value on such differences is recorded in a deferred – income – tax account.

2.11 LABOR OBLIGATIONS

Labor obligations are adjusted at the end of each fiscal period, based on the work contracts and on effective legal labor regulations.

The amount of the retirement pensions is determined based on actuarial studies. Subordinate companies with their domicile in Colombia, Ecuador, Mexico and Peru are subject to actuarial liabilities by law.

The payments made to retired personnel are posted in the fiscal period Profit and Loss Statement.

2.12 CREDITOR MEMORANDUM ACCOUNTS AND DEBTOR MEMORANDUM ACCOUNTS

2.12.1 Debtor Memorandum Accounts

Events or circumstances from which rights can be generated that affect the financial structure of the companies and asset internal – control – effect accounts are recorded in Debtor Memorandum Accounts. This item also includes accounts used to reconcile differences between accounting records of an active nature and tax returns.

2.12.2 Creditor Memorandum Accounts

Commitments or contracts relating to possible obligations that may affect the financial structure of the companies are recorded in Creditor Memorandum Accounts. This item also includes liability internal – control – effects accounts and equity, as well as accounts used to reconcile the differences between accounting records of a credit nature and tax returns.

2.13 ACKNOWLEDGEMENT OF INCOME, COSTS AND EXPENSES

Income from sales is acknowledged when the product is dispatched; income from leasing is acknowledged in the month in which it is accrued; and income from services is acknowledged when it is provided. Costs and expenses are reflected in the Profit and Loss Statement using the accrual system.

2.13.1 Production Costs

Indirect costs that have not contributed to bringing inventories to their present condition and location and that are not necessary for the production process are posted in production – cost accounts.

2.14 NET PROFIT PER SHARE

Net profit per share is calculated on 460.123.458 outstanding shares of the Parent company at the 2011 closing. (The 2010 closing registered 435.123.458 shares.)

2.15 CASH AND CASH EQUIVALENTS

To prepare the Cash Flow Statement, temporary investments are considered cash equivalents, when they expire in less than three (3) months time or when there is the intention to complete them within that time or when they can be completed within that time.

2.16 RELATIVE IMPORTANCE OR MATERIAL SIGNIFICANCE

The Consolidated Financial Statements and the Notes to the Financial Statements disclose in an integral manner the economic events that, in the years that ended on December 31, 2011 and 2010, affected the financial situation of the companies, their profits and losses and cash flows, as well as the changes in their financial situation and in their shareholders' equity. There are no undisclosed events of that nature, which could significantly alter the economic decisions of the users of the information mentioned.

For the purpose of disclosure, relative importance was determined using a base of five percent (5%) of current assets and non – current assets, current liabilities and non – current liabilities, equity, the results of the fiscal period and each general – ledger account, on an individual basis.

2.17 FINANCIAL – STATEMENT RECLASSIFICATION

Some reclassifications have been incorporated into the 2010 financial statements to facilitate their comparison with the 2011 financial statements.

NOTE 3 » Transactions in Foreign Currency

Effective basic laws and regulations permit the free negotiation of foreign currency through Banks and other financial institutions at free exchange rates. Nonetheless, most foreign – currency transactions still require official approval.

Operations and balances in foreign currency are converted at the representative market rate (RMR) certified by the Colombian Financial Superintendent, as being COP 1.942,70 and COP 1.913,98 per USD 1, as of December 31, 2011 and 2010, respectively. For the monetary conversion of the financial statements of the foreign subordinate companies, the operations for income, costs and expenses are expressed in United States Dollars (USD) at the average annual exchange rate of each country and from that currency into Colombian Pesos (COP), applying the average RMR for the year, which was COP 1.848,17 and COP 1.897,89 per USD 1 during the years 2011 and 2010, respectively. The conversion of the balance sheet accounts is made at the corresponding closing rates.

The Parent Company and its subordinate companies had the following assets and liabilities in foreign currency, posted with their Colombian Peso equivalents as of December 31.

	2011		2010	
	US$	$	US$	$
Cash	39.549.080	76.832	36.939.889	70.702
Debtor Accounts	181.133.687	351.888	120.959.449	231.514
Inventories	66.539.640	129.267	108.875.635	208.386
Deferred Assets and Other Assets	14.913.825	28.973	9.514.825	18.211
Property, Plant and Equipment	104.273.061	202.571	111.998.218	214.362
Intangible Assets	134.012.659	260.346	136.838.526	261.906
Subtotal	**540.421.952**	**1.049.877**	**525.126.542**	**1.005.081**
Financial Obligations	115.841.657	225.045	230.291.345	440.773
Suppliers	40.494.535	78.669	37.762.673	72.277
Accounts Payable	73.683.064	143.144	55.976.008	107.137
Taxes, Levies and Rates	9.851.122	19.138	10.226.596	19.574
Labor Obligations	11.042.357	21.452	7.920.271	15.159
Estimated Liabilities	3.482.696	6.766	3.893.028	7.451
Deferred Liabilities and Other Liabilities	12.225.333	23.750	3.095.010	5.924
Subtotal	**266.620.764**	**517.964**	**349.164.931**	**668.295**
Net Active Situation	**273.801.188**	**531.913**	**175.961.611**	**336.786**

Conversion Impact on Financial Statements by Country:

2011	Costa Rica	Ecuador	El Salvador	The United States	Guatemala	Mexico	Nicaragua	Panama	Peru	Puerto Rico	Venezuela	Dominican Republic	TOTAL
Current Assets	1.074	235	49	402	102	(3.508)	(154)	471	3.268	108	1.971	0	4.019
Non – Current Assets	5.199	5	0	429	0	(562)	(9)	721	10.741	1	1.136	0	17.659
Total activo	**6.274**	**239**	**49**	**831**	**102**	**(4.070)**	**(163)**	**1.192**	**14.009**	**109**	**3.107**	**0**	**21.678**
Current Liabilities	(477)	(195)	(49)	(400)	(101)	1.060	179	(269)	(1.719)	(24)	(1.206)	0	(3.201)
Non – Current Liabilities	(205)	(1)	0	(100)	0	148	0	0	(1.208)	0	69	0	(1.296)
Total Liabilities	**(682)**	**(196)**	**(49)**	**(500)**	**(101)**	**1.208**	**179**	**(269)**	**(2.926)**	**(24)**	**(1.137)**	**0**	**(4.497)**
Conversion Impact on Profit and Loss Statement	**(624)**	**(17)**	**36**	**(223)**	**18**	**708**	**10**	**240**	**333**	**45**	**0**	**(12)**	**514**
Conversion Impact on Financial Statements	**6.216**	**60**	**(36)**	**553**	**(17)**	**(3.570)**	**6**	**683**	**10.749**	**40**	**1.970**	**12**	**16.667**
Total accumulated effect by financial statements conversion													**(101.048)**

2010	Costa Rica	Ecuador	El Salvador	The United States	Guatemala	Mexico	Nicaragua	Panama	Peru	Puerto Rico	Venezuela	TOTAL
Current Assets	2.317	(1.092)	(114)	(276)	(41)	(356)	(404)	(2.057)	(1.740)	(480)	(124.288)	(128.531)
Non – Current Assets	10.168	(13)	0	(3)	0	(53)	(52)	(3.066)	(5.902)	(1)	(59.898)	(58.820)
Total Assets	**12.485**	**(1.105)**	**(114)**	**(279)**	**(41)**	**(409)**	**(456)**	**(5.123)**	**(7.642)**	**(481)**	**(184.186)**	**(187.351)**
Current Liabilities	1.233	(930)	(113)	(86)	(34)	(174)	(443)	(1.067)	(601)	(111)	(66.088)	(68.414)
Non – Current Liabilities	852	0	0	0	0	(54)	0	0	(1.093)	0	(142)	(437)
Total Liabilities	**2.085**	**(930)**	**(113)**	**(86)**	**(34)**	**(228)**	**(443)**	**(1.067)**	**(1.694)**	**(111)**	**(66.230)**	**(68.851)**
Conversion Impact on Profit and Loss Statement	**517**	**2**	**0**	**10**	**(3)**	**334**	**9**	**13**	**(99)**	**2**	**0**	**785**
Conversion Impact on Financial Statements	**10.917**	**(173)**	**(1)**	**(183)**	**(10)**	**153**	**(4)**	**(4.043)**	**(6.047)**	**(368)**	**(117.956)**	**(117.715)**

NOTE 4 » Cash and Cash Equivalents

The balance as of December 31 included:

	2011	2010
Cash, Banks, and Savings and Loan Corporations	$ 163.234	$ 87.484
Temporary Investments	29.853	45.905
TOTAL	**$ 193.087**	**$ 133.389**

There are no restrictions on these values for their availability.

NOTE 5 » Net Debtor Accounts

The balance as of December 31 included:

	2011	2010
Clients:		
Domestic	$ 321.449	$ 322.671
Foreign	174.667	137.712
Allowance for Clients (1)	(5.710)	(8.340)
Subtotal	**$ 490.406**	**$ 452.043**
Advance Payments of Taxes, Contributions and Credit Balances	74.837	65.683
Income Receivable	1.865	486
Advance Payments and Advances	41.772	30.601
Employee Accounts Receivable	9.229	7.894
Personal Loans	484	778
Others	10.595	10.749
TOTAL DEBTOR ACCOUNTS (SHORT TERM)	**$ 629.188**	**$ 568.234**
Employee Accounts Payable	21.216	17.680
Advance Payments and Advances	227	286
Personal Loans	0	56
TOTAL DEBTOR ACCOUNTS (LONG TERM)	**$ 21.443**	**$ 18.022**

(1) The product – sales accounts that mature in more than one (1) year's time are written off against the allowance. The movement of the Debtor Account Allowance is detailed below:

	2011	2010
Balance at the Beginning of the Year	$ 8.340	$ 10.625
Allowance for the Year	9.355	8.284
Write Off	(11.985)	(10.569)
FINAL BALANCE	**$ 5.710**	**$ 8.340**

NOTE 6 » Net Inventories

The balance as of December 31 included:

	2011	2010
Raw Materials	$ 221.710	$ 188.253
Products Being Produced	52.366	39.119
Finished Products	160.765	159.524
Merchandise Not Manufactured by the Company	37.185	30.045
Materials, Spare Parts, Accessories and Packing	87.043	79.794
Inventory in Transit	16.591	29.247
Livestock	30.302	27.900
Inventory – Protection Allowance	(4.096)	(866)
TOTAL	**$ 601.866**	**$ 553.016**

NOTE 7 » Differed Assets and Other Assets

The balance as of December 31 included:

	2011	2010
Expenses Paid in Advance	$ 10.513	$ 8.089
Deferred Charges Placed on the Equity	52.476	0
Deferred Charges	67.412	58.913
Financial – Derivative Rights (Note 8)	14.788	15.109
Other Assets	3.535	1.793
TOTAL	**148.724**	**83.904**
Total Current Assets	**(34.453)**	**(52.187)**
Total Non – Current Assets	**$ 114.271**	**$ 31.717**

FINANCIAL DERIVATIVES

The balances in assets and liabilities due to financial derivatives as of December 31, 2011 and 2010 correspond to the market value of effective contracts in accordance with the rights and obligations of the companies. For their derivative contracts, all profits and losses are acknowledged in the fiscal year profit and loss statement. As of December 31, 2011 and 2010, the derivatives generated profits for COP 11.766 (2010: COP 6.084) and losses for COP 23.396 (2010: COP 17.402), respectively.

The market value of the derivatives as of December 31, the interest rates and the exchange rates for these contracts are listed below:

2011

Financial Institution	Initial Financial Obligation USD	Financial Obligation Balance USD	Hedging Value USD	Initial Date	Maturity	Rights $	Obligations $	Profits (Losses) Non - Realized $	Initial Exchange Rate (1)	Future Exchange Rate (1)	Interest Rate on Right	Interest Rate on Obligation
Swaps												
BBVA	40.285.714	15.107.143	15.107.143	17/04/2008	14/02/2014	2.283	(366)	1.917		1.795,00	Libor 3 months + 0,85	11,25% EA
RBS	37.714.286	14.142.858	14.142.858	30/04/2008	14/02/2014	2.414	(287)	2.127		1.772,00	Libor 3 months + 0,95	10,92% EA
Citibank	40.176.271	40.176.271	40.176.271	03/07/2008	03/07/2018	10.091		10.091		2,96PEN	Libor 6 months + 1,80	8,84% EA
TOTAL LONG – TERM RIGHTS						**$14.788**	**($653)**					
TOTAL RIGHTS						**$14.788**	**($653)**					
OBLIGATIONS												
Swaps												
RBS	33.000.000	7.071.438	7.071.438	14/06/2006	14/06/2013		(4.143)	(4.143)		2.518,50	Libor 3 months + 0,85	9,87% EA
TOTAL LONG – TERM OBLIGATIONS						**0**	**(4.143)**					
TOTAL OBLIGATION						**0**	**(4.143)**					
GRAND TOTAL						**$14.788**	**(4.796)**					

2010												
Financial Institution	Initial Financial Obligation USD	Financial Obligation Balance USD	Hedging Value USD	Initial Date	Maturity	Rights $	Obligations $	Profits (Losses) Non - Realized $	Initial Exchange Rate (1)	Future Exchange Rate (1)	Interest Rate on Right	Interest Rate on Obligation
RIGHTS												
Purchase D. Forwards												
Helm Bank			5.698.535	15/12/2010	14/01/2011	130		130	1.898,00	1.885,04		
Helm Bank			5.769.280	16/12/2010	14/01/2011	68		68	1.910,00	1.894,91		
Bancolombia			15.043.671	17/11/2010	17/01/2011	540		540	1.879,00	1.877,74		
Bancolombia			19.055.316	17/11/2010	17/01/2011	684		684	1.879,00	1.877,74		
BBVA			20.550.225	05/11/2010	04/01/2011	1.992		1.992	1.819,00	1.816,90		
TOTAL LONG – TERM RIGHTS						**3.414**						
Swaps												
BBVA	40.285.714	25.178.572	25.178.572	17/04/2008	14/02/2014	2.596	(464)	2.132		1.795,00	Libor 3 Months + 0,95	11,25% EA
RBS	37.714.286	23.571.429	23.571.429	14/06/2006	14/02/2014	2.900	(424)	2.476		1.772,00	Libor 3 Months + 0,95	10,92% EA
Citibank	40.176.271	40.176.271	40.176.271	03/07/2008	03/07/2018	6.199		6.198		2,96PEN	Libor 6 Months + 1,80	8,84% EA
TOTAL LONG – TERM RIGHTS						**11.695**	**(888)**					
TOTAL RIGHTS						**15.109**	**(888)**					
OBLIGATIONS												
Purchase N.D. Forwards												
Helm Bank	1.000.000		1.000.000	11/02/2010	08/02/2011		(100)	(100)	1.945,00	2.021,96		
Helm Bank	1.000.000		1.000.000	11/02/2010	08/02/2011		(100)	(100)	1.945,00	2.021,96		
Helm Bank	1.000.000		1.000.000	11/02/2010	08/02/2011		(100)	(100)	1.945,00	2.021,96		
Helm Bank	3.251.230		3.251.230	16/12/2010	14/01/2011		38					
Helm Bank	7.526.629		7.526.629	22/12/2010	21/01/2011		(132)	(132)	1.938,00	1.916,67		
TOTAL SHORT – TERM OBLIGATIONS							**(394)**					
Swaps												
RBS	33.000.000	14.142.864	14.142.864	14/06/2006	14/06/2013		(7.246)	(7.246)		2.518,50	Libor 3 Months + 0,85	9,87% EA
TOTAL LONG – TERM OBLIGATIONS							**(7.246)**					
TOTAL OBLIGATIONS							**(8.528)**					
GRAND TOTAL						**15.109**	**(8.528)**					

(1) Expressed in Colombian Pesos (COP)

The value of the above – mentioned financial instruments includes the accrual of the contract interests and the effect of the exchange – rate difference.

The purpose of entering into hedging contracts is the following:

The foreign – currency purchase and sale forward contracts hedge exposures to the exchange risk regarding accounts receivable, accounts payable, loans and firm future commitments in foreign currency. Substantially all the contracts are in United States Dollars (USD). In general, contract expiration coincides with the expiration of the hedged element or account.

All of the above contracts have been entered into with financial institutions of known prestige and their proper compliance is expected. The administration permanently monitors its positioning and the financial situation of the counterparts and does not anticipate losses due to contract performance.

NOTE 8 » Net Permanent Investments

The balance as of December 31 included:

COMPANY	Number of Shares Owned	Share Percentage	2011 Cost	2010 Cost	2011 Valuation (Devaluation)	2010 Valuation (Devaluation)	2011 Dividends Received	2010 Dividends Received
Bimbo de Colombia S.A.	2.324.630	40,00%	52.986	52.986	5.581	(3.410)	0	0
Carnes y Derivados de Occidente S.A.	0	0,00%	0	3	0	2	0	0
Sociedad Central Ganadera S.A.(1)	48.691	17,14%	1.025	957	1.032	717	228	267
Cía. de Distribución y Transporte S.A.(2)	0	0,00%	0	1.314	0	899	665	544
Grupo de Inversiones Suramericana S.A.	59.387.803	12,66%	147.259	147.259	1.699.702	2.078.596	16.897	15.677
Fondo Ganadero de Antioquia S.A.	1.547.021	3,57%	3.077	3.077	(653)	(758)	0	0
Inversiones Argos S.A.	79.804.628	12,37%	120.795	120.795	1.221.519	1.467.318	15.641	14.466
Predios del Sur S.A. (3)	0	0,00%	0	783	0	(132)	0	0
Promotora de Manufacturas para Exportación S.A.	0	0,00%	0	176	0	0	0	0
Promotora de Proyectos S. A.	398.038	12,87%	265	265	(177)	(177)	0	0
Trigonal S. A.	744	2,08%	2	2	4	7	0	0
Sociedad Portuaria Regional de Buenaventura	78.437	0,10%	111	111	83	73	93	0
Other societies			704	782	0	0	7	42
Subtotal			**326.224**	**328.510**	**2.927.091**	**3.543.135**	**33.531**	**30.996**
Investment Allowance			(46)	(532)				
Mandatory Investments and Other Investments (4)			**2.893**	**2.503**				
Total Net Permanent Investments			**329.071**	**330.481**	**2.927.091**	**3.543.135**	**33.531**	**30.996**

(1) During 2011, 910 shares were acquired in *Sociedad Central Ganadera S.A.*
(2) In December 2011, 182.901 shares in *Compañía de Distribución y Transporte S.A.* were sold
(3) In accordance with the Extraordinary Assembly on January 25, 2011, the definite liquidation of this company was approved.
(4) The Grupo Nutresa S.A. trust is included

Duly authorized by the Colombian Financial Superintendent, in the month of August 2009, through the *Grupo Nacional de Chocolates* trust, the Company issued 500.000.000 ordinary bonds at a par value of COP 1.000 per bond, which were placed in their entirety on the market and have a "AAA" (Triple A) rating by Fitch Ratings Colombia S.A., ratified in 2011 and 2010. The bonds are endorsed 100% by the Company.

As of December 31 2011 and 2010, bond distribution is:

Series	Capital	CPE RATE +	Mode
C5	98.541	4,1900%	T.V.
C7	131.815	4,9600%	T.V.
C10	135.482	5,3300%	T.V.
C12	134.162	5,5900%	T.V.
TOTAL	**500.000**		

NOTE 9 » Net Property, Plant and Equipment

The balance as of December 31 included:

2011	Cost	Accrued Depreciation	Book Value	Valuations
Real Estate	$ 728.000	$ (290.400)	$ 437.600	$ 689.459
Office Equipment	33.819	(25.766)	8.053	0
Production Equipment	1.307.736	(884.430)	423.306	477.049
Transportation Equipment	8.979	(7.819)	1.160	1.309
Construction and Assemblies in Process	80.051	0	80.051	0
Flexible Depreciation	0	70.742	70.742	0
Allowance	(11.057)	0	(11.057)	0
TOTAL	**$ 2.147.528**	**$ (1.137.673)**	**$ 1.009.855**	**$ 1.167.817**

2010	Cost	Accrued Depreciation	Book Value	Valuations
Real Estate	$ 675.709	$ (259.143)	$ 416.566	$ 597.020
Office Equipment	30.860	(20.324)	10.536	0
Production Equipment	1.238.903	(839.558)	399.345	410.849
Transportation Equipment	10.108	(8.204)	1.904	1.406
Construction and Assemblies in Process	99.870	0	99.870	0
Flexible Depreciation	0	71.656	71.656	0
Allowance	(11.084)	0	(11.084)	0
TOTAL	**$ 2.044.366**	**$ (1.055.573)**	**$ 988.793**	**$ 1.009.275**

LIENS

The property, plant and equipment are free of liens and, therefore, fully owned by the companies, except for:

- The urban buildings mortgages in favor of *Bancolombia S.A.*, located at Carrera 62 No. 11 – 31, in Bogotá, D. C., Colombia, with Mortgage Security Number 51600000784, and at Carrera 65 No. 12 – 60 in Bogotá, D. C., Colombia, with Mortgage Security Number 51600000786, to guarantee open credits owned by *Compañía Nacional de Chocolates S.A.S.*

- Lot of land Number 1, with an approximate area of 88,307.20 m2, owned by *Compañía de Galletas Noel S.A.S.* in favor of *Bancolombia*.

- A lot of land located in the Los Llanos rural area, in the Municipality of Yarumal, Provincial Department of Antioquia, Colombia. Registered under Real Estate Registration Folio Number 037-0009591 at the Public – Instruments Registration Office in Yarumal, owned by *Setas Colombianas S.A.*, for an open mortgage for future credits.

- A rural estate known as *Sopetrana*, currently *Alcalá*, located in the *Los Llanos* rural area, in the Municipality of Yarumal, Provincial Department of Antioquia, Colombia. Registered under Real Estate Registration Folio Number 037-0009592 at the Public – Instruments Registration Office in Yarumal, owned by *Setas Colombianas S.A.*, for an open mortgage for future credits.

- A lot of land in the territorial community called *Llanos de Cuivá*, located in the Municipality of Yarumal, Provincial Department of Antioquia, Colombia. Registered under Real Estate Registration Folio Number 037-0009593 at the Public – Instruments Registration Office in Yarumal, owned by *Setas Colombianas S.A.*, for an open mortgage for future credits.

- A building located in the Municipality of Santa Rosa de Osos, Provincial Department of Antioquia, Colombia, in the rural area of Sopetrana – Aragón. The property is distinguished with Municipal Cadastral Number 1382. It is registered under Real Estate Registration Folio Number 025-0004324 at the Public – Instruments Registration Office in Santa Rosa de Osos, owned by *Setas Colombianas S.A.*, for an open mortgage for future credits..

The value posted in the Profit and Loss Statement under Depreciation of Property, Plant and Equipment was COP 95.192 in 2011 and COP 90.165 in 2010. See Note 28.

NOTE 10 » Net Intangible Assets

The balance as of December 31 included:

	2011 Cost	2011 Accrued Depreciation and Amortization	Book Value 2011	Book Value 2010
Commercial Credit (1)	$ 448.550	$ (54.167)	$ 394.383	$ 341.205
Brands and Patents	512.755	(55.745)	457.010	457.795
Distribution Rights (2)	9.077	(7.481)	1.596	2.874
Goods in leasing (3)	17.989	(6.841)	11.148	18.867
Trust Rights	4.919	0	4.919	4.848
Others	31.598	(250)	31.348	27.995
Allowance	(20)	0	(20)	(20)
TOTAL	**$ 1.024.868**	**$ (124.484)**	**$ 900.384**	**$ 853.564**

(1) Corresponds to the additional amount paid in respect to the intrinsic value of the shares acquired by the Parent Company and its subordinate companies, with an amortization period of between three (3) and twenty (20) years. The amortization posted to the 2011 Profit and Loss Statement amounted to COP 21.894 (2010: COP 17.099). To date, no contingencies or deterioration in the value of the other investments have been observed, which could require an adjustment or acceleration of their amortization.
(2) Corresponds to the rights acquired by ***Compañía Boricua Empaque, Inc.*** in Puerto Rico.
(3) The value of the goods received in leasing at the year closing is summarized below by groups:

	2011 Cost	2011 Accrued Amortization	Book Value 2011	Book Value 2010
Machinery	$ 9.699	$ (3.788)	$ 5.911	$ 15.354
Transportation Equipment	6.947	(2.666)	4.279	3.513
Office Equipment	1.343	(387)	956	0
Total Goods in Leasing	**$ 17.989**	**$ (6.841)**	**$ 11.146**	**$ 18.867**

The rent payable, together with the option to purchase, amount to COP 13.225 (2010: COP 1.322). The payments of the rentals are registered in the results of the period.

NOTE 11 » Memorandum Accounts

The balance as of December 31 included:		2011		2010
Debtor Memorandum Accounts:				
Contingent Rights				
Assets and Securities Delivered as Security	$	487.212	$	582.571
Assets and Securities in the Possession of Third Parties		24.305		28.065
Litigations and Lawsuits		1.653		2.644
Subtotal	$	513.170	$	613.280
Fiscal Debtor Memorandum Accounts:		**(5.459.647)**		**(3.940.040)**
Debtor Control Memorandum Accounts				
Goods Received in Financial Leasing		9.667	$	6.792
Totally Depreciated Property, Plant and Equipment		526.158		502.207
Asset Inflation Adjustment		861.155		861.444
Other Debtor Control Memorandum Accounts		251.371		214.694
Subtotal	$	1.648.351	$	1.585.137
TOTAL DEBTOR MEMORANDUM ACCOUNTS		**(3.298.126)**		**(1.741.623)**
Creditor Memorandum Accounts:				
Contingent Responsibilities				
Third – Party Goods and Securities Received	$	576	$	2.856
Other Contingent Responsibilities		1.259.939		1.293.286
Subtotal	**$**	**1.260.515**	**$**	**1.296.142**
Fiscal Creditor Memorandum Accounts	$	(351.065)	$	(321.287)
Creditor Control Memorandum Accounts	$	66.165	$	71.872
Inflation Adjustments		913.479		904.427
Subtotal	**$**	**979.644**	**$**	**976.299**
TOTAL CREDITOR MEMORANDUM ACCOUNTS	**$**	**1.889.094**	**$**	**1.951.154**

NOTE 12 » Financial Obligations

The balance as of December 31 included:

	Institution	Balance 2011	Balance 2010	Accrued Interest	Rate	Security	Expiration Short Term	Expiration Long Term
Domestic Banks	*Bancolombia*	**$2.360**	$197.638	$354	LIBOR + 1,45%	*Promissory Note*	$2.360	0
	BBVA	**556**	73.557	22	DTF + 5,00%	*Promissory Note*	277	279
	Leasing Bancolombia	**6.752**	10.412	615	DTF + 4,5% - 5,00%	*Promissory Note*	3.165	3.587
	Overdrafts	**2.293**	3.517			*Promissory Note*	2.293	0
Foreign Banks	*Development Corporation of Abilene*	**1.167**	2.301				0	1.167
	Scotiabank	**70.562**	124.954	471	LIBOR + 0,85% - 0,95%	*Promissory Note*	41.663	28.899
	Banco de Crédito Perú	**0**	25.208			*Contract*	0	0
	Leasing Banco de Credito Perú	**568**	1.603	20	6,9% - 8,0%	*Contract*	397	171
	BBVA NY	**0**	45.936			*Promissory Note*	0	0
	BBVA PERÚ	**0**	4.398			*Promissory Note*	0	0
	Leasing BBVA Continental	**681**	778	11	2,84% - 5,25%	*Contract*	596	86
	Leasing HSBC	**0**	55			*Promissory Note*	0	0
	HSBC Panamá	**4**			9%		4	0
	Helm Bank Panamá	**0**	42.483			*Promissory Note*	0	0
	Overdrafts	**3.898**	2.247			*Promissory Note*	3.897	0
Others	*Alpina S.A.*	**590**	1.511	40	3,47%	*Promissory Note*		590
	Predios del sur	**-0**	445					0
	Fideicomiso Grupo Nacional de Chocolates S.A. (Nota 9)	**500.000**	500.000	40.838	*IPC* + 4,19% - 5,59%		0	500.000
	Peruvian Bonds (1)	**85.371**	80.756	7.060	8,84% E.A.	*Promissory Note*	0	85.371
	Financial Derivative Instruments (Note 8)	**4.796**	8.528		LIBOR + 1,80% SV -9,52%, 10,50%, 10,80% TV	*Promissory Note*	0	4.796
	TOTAL	**$ 679.598**	**$1.126.326**	**$49.431**			**$54.652**	**$624.946**
	Payable in 2012	**54.652**						
	Payable in 2013	**38.560**						
	Payable after 2014	**586.386**						

(1) Issuance of bonds

Duly authorized by the Compañía Nacional de Chocolates S.A. Assembly of Shareholders, in July 2008, the Company issued bonds in Peru through a private offer with the following characteristics:

- **Type of Instrument:** Corporate Debenture Bonds
- **Characteristics:** Nominative, indivisible bonds that their holders may trade
- **Country of Issuance:** Peru
- **Currency of Issuance:** New Peruvian Soles
- **Amount of the Issuance:** 118.520.000 bonds
- **Destination of the Issuance:** Capitalization of Compañía Nacional de Chocolates de Perú S.A. for the purpose of financing investment projects and debt substitution
- **Interest Rate:** 8,65625% EA (on New Peruvian Soles) payable on a semester basis
- **Type of Amortization:** Bullet
- **Guarantor:** Grupo Nacional de Chocolates S.A.
- **Structuring Institution:** Citibank del Perú S.A.
- **Term:** 10 years

During 2011, COP 7.060 (2010: COP 7.188) were posted in the Profit and Loss Statement for interest on the above – mentioned bonds.

NOTE 13 » Suppliers

The balance as of December 31 included:

		2011		2010
Domestic	$	82.851	$	92.878
Foreign		80.317		72.277
TOTAL	**$**	**163.168**	**$**	**165.155**

NOTE 14 » Accounts Payable

The balance as of December 31 included:

		2011		2010
Costs and Expenses Payable	$	126.529	$	121.400
Dividends Payable		43.150		38.860
Withholdings and Payroll Contributions		27.194		27.693
Withholding at the Source		18.282		19.593
Total		2.089		1.492
TOTAL	$	217.244	$	209.038
Total Short Term		217.086		208.876
Total Long Term	**$**	**158**	**$**	**162**

NOTE 15 » Taxes, Levies and Rates

Liabilities for taxes, levies and rates are mainly comprised of income – tax taxation, calculated pursuant to applicable regulations in the domicile of the Parent Company and of its subordinate companies, namely:

Regarding income tax, Colombian tax regulations set forth that:

a. Fiscal income is taxed at a rate of 33% for the 2011 tax year and following. Occasional earnings are treated separately from ordinary income and are taxed at the same rate indicated above. Occasional earnings include the earnings obtained from the disposal of fixed assets owned for two (2) years or more, the profits from liquidation companies and those profits from inheritances, legacies and donations.

b. The taxable base to determine the income tax cannot be less than 3% of the net worth of the shareholders' equity on the last day of the immediately previous taxable fiscal period.

The Colombian companies that settled the tax based on presumptive income in 2011 were: *Grupo Nutresa S.A., Tropical Coffee Company S.A.S., Molinos Santa Marta S.A.S., Pastas Comarrico S.A.S., Litoempaques S.A.S.,* and *Meals de Colombia S.A.S.*

The other subordinate companies settled the tax based on the ordinary income system.

c. As of December 31, 2011, the fiscal losses of the subordinate companies in Colombia amounted to COP 20.387. Pursuant to effective tax regulations, the fiscal losses generated from 2003 to 2006 can be offset or fiscally readjusted with the net ordinary income for the following eight (8) years, without exceeding 25% of the value of the loss annually, without prejudice to the presumptive income for the fiscal period. Losses originated as of tax year 2007 may be offset and/or fiscally readjusted, without any limit on the percentage, at any time, with net ordinary income without prejudice to the presumptive income for the fiscal period. Losses of the companies will not be transferred to the shareholders. Fiscal losses originated in revenue that do not constitute income or occasional earnings, and originated in costs and deductions that have no relation of causality with the generation of taxable income, may not – under any circumstance – be offset with the taxpayers net income.

d. As of December 31, 2011, the Company presented excesses of presumptive income over ordinary income of the subordinate companies in Colombia pending offset amounted to COP 18.648. Pursuant to effective tax regulations, the excesses presumptive income over ordinary income obtained as of tax year 2003 may be offset and/or fiscally readjusted with the net ordinary income, within the following five (5) years.

e. Beginning in 2004, income – tax taxpayers that enter into operations with economically bound companied or with related parties abroad will be obligated to determine their ordinary and extraordinary income, their costs and deductions, their assets and liabilities, for the purpose of calculating their income tax and complementary taxes, considering the so – called market prices and profit margins for these operations. To date, the administration and advisors of the Company and its subordinate companies have concluded the study corresponding to 2010, and no adjustments were required in the financial statements.

f. Law 1111 of 2006 created the capital tax for tax years 2007 to 2010, for legal corporate entities, individuals and de facto companies, and income – tax taxpayers whose equity as of January 1, 2007 is equal to or greater then COP 3.000 Million. The rate is 1,2%.

Under the terms of Law 1370 of 2009, a capital tax was created for taxable year 2011, which income taxpayers must pay. Therefore, those taxpayers with a net worth above COP 5.000 Million are subject to a rate of 4,8%; those with a net worth of between COP 3.000 Million and 5.000 Million must pay a tax rate of 2,4%. Likewise, Emergency Decree Number 4825 of December 2010 included a new range of taxpayers required to pay this tax. It establishes a rate of 1% for those taxpayers whose net worth is between COP 1.000 Million and 2.000 Million; those whose net worth is between COP 2.000 Million and 3.000 Million must pay a rate of 1,4%. This decree also established a 25% surcharge on this tax.

The estimated value of the tax, including the surcharge, is estimated at COP 74.668. The tax was accrued on January 1, 2011 and is paid in eight (8) installments during four (4) years; that is, two (2) installments per year.

Regarding Income Tax:

Tax regulations in Mexico set forth that:

During the 2011 fiscal period, the Mexican income – tax rate was 30%, which is applied on the fiscal result of the fiscal period. In addition, it established that the workers' share of the fiscal profits is ten percent (10%).

Tax regulations in Costa Rica set forth that:

Income tax is determined based on estimations. The allowance for income tax reflected in the Profit and Loss Statement includes, in addition to the taxable income tax for the fiscal period, the tax effect applicable to the temporary differences between the accounting items and the fiscal items used to calculate the income tax. The value of the tax on such differences is recorded in a deferred income – tax account. The income – tax rate is 30%.

Tax regulations in Panama set forth that:

Income tax is determined based on estimations, on the taxable bases of the fiscal period. The income – tax rate is 30%.

Tax regulations in Ecuador set forth that:

Pursuant to the Tax Policy Law, companied incorporated in Ecuador will be subjected to a tax rate of 25%.

The balance of taxes, levies and rates as of December 31 included:

	2011	2010
Income Tax and Complementary Taxes	$ 21.165	$ 19.847
Sales Tax Payable	50.415	43.003
Equity Tax	57.125	0
Others	4.117	5.397
TOTALS	**$ 132.822**	**$ 68.247**
Total Short – Term Income Tax	**95.488**	**68.247**
Total Long – Term Income Tax	**37.334**	**0**

The movement of the income – tax account, during the year, included the following:

	2011	2010
Allowance Posted in the Profit and Loss Statement for the Year	$ 76.893	$ 70.002
Deferred Income Tax	37.026	6.991
Minus: Advance Payments, Self – Withholdings and Withholdings Made.	(92.754)	(57.146)
Total Income Tax and Complementary Taxes Payable	**$ 21.165**	**$ 19.847**

NOTE 16 » Labor Obligations

The balance as of December 31 included:

	2011	2010
Salaries Payable	$ 1.817	$ 1.138
Consolidated Severance Pay	33.375	28.455
Vacation Pay	17.599	17.143
Bonuses and Interest on Severance Pay	31.691	31.705
Others	11.947	9.946
TOTAL	**$ 96.429**	**$ 88.387**
Total Short – Term Labor Obligations	**89.949**	**78.624**
Total Long – Term Labor Obligations	**$ 6.480**	**$ 9.763**

Direct employees of *Grupo Nutresa S.A.* (Parent Company) and its subordinate companies during the fiscal period:

2011						
DIRECT EMPLOYEES	**Number of Persons by Gender**			**Salaries**	**Company Benefits**	**Total**
	Men	**Women**	**Total**			
Top Management	94	35	129	31.800	19.690	51.490
Mid – Management	5.558	3.080	8.638	253.896	168.096	421.992
Others	6.352	1.993	8.345	121.755	82.153	203.908
TOTAL	**12.004**	**5.108**	**17.112**	**407.451**	**269.939**	**677.390**

2010						
DIRECT EMPLOYEES	**Number of Persons by Gender**			**Salaries**	**Company Benefits**	**Total**
	Men	**Women**	**Total**			
Top Management	123	38	161	33.031	14.497	47.528
Mid – Management	5.072	2.888	7.960	225.147	155.859	381.006
Others	5.875	2.139	8.014	107.008	72.622	179.630
TOTAL	**11.070**	**5.065**	**16.135**	**365.186**	**242.978**	**608.164**

NOTE 17 » Estimated liabilities and allowances

The balance as of December 31 included:

Labor obligations	$ 84	$ 0
For costs and expenses	4.446	2.219
Retirement pensions (1)	24.140	23.797
Others	4.938	5.635
TOTAL	$ 33.608	$ 31.651
Total short – term estimated liabilities and allowances	12.708	11.540
Total long – term estimated liabilities and allowances	**$ 20.900**	**$ 20.111**
Total largo plazo	**$ 20.900**	**$ 20.111**

(1) Retirements Pensions

The allowance for retirement pensions was posted based on actuarial calculations as of December 31.

	2011	2010
Actuarial calculation for retirement pensions	$ 26.057	$ 27.175
Retirement pensions to be amortized (db)	(1.917)	(3.378)
Total	$ 24.140	$ 23.797
Total current retirement pensions	3.240	3.686
Total long – term retirement pensions	$ 20.900	$ 20.111
The charges to the profit and loss statement were the following:		
Due to reduction in the allowance provision	346	612
Due to payments made during the year	3.164	3.221
TOTAL	**$ 3.510**	**$ 3.833**

The actuarial liabilities as of December 31, 2011, were amortizable at a rate of between 85% and 100%. (In 2011, 100% was amortized, except those of Productos Alimenticios Doria S.A.S, Compañía Nacional de Chocolates S.A.S., Tropical Coffee Company S.A.S, Industria Colombiana de Café S.A.S, and Compañía de Galletas Noel S.A.S.).

The benefits covered are monthly pensions, semester bonuses, readjustments pursuant to effective legal regulations, survivorship annuities and their corresponding bonuses. In addition, funeral expenses were included for the direct – hire employees of the companies.

Colombian companies use the method of current value of split income due, readjusted in accordance with the parameters established in Article 1 of Decree 2783 dated December 20, 2001. The balance of actuarial liabilities to be amortized as of December 31, 2010 corresponds to nineteen (19) years, pursuant to Decree 4565 dated December 7, 2010.

In the case of Ecuador, the actuarial method used to calculate liabilities is that established in Article 72 of the Ecuador Reform Law for Tributary Equity, published in Official Record 242 dated December 29, 2007, as well as Article 35, Letter f) of the Ecuador Application Regulation for the Organic Internal Tax Policy Law. On the other hand, the Ecuador labor regulations began in 1998 for workers and employees who are not affiliated to the Instituto Ecuatoriano de Seguridad Social, IESS (Ecuador Social Security Institute), and as of 1992, for workers and employees, whether they are affiliated to IESS or not; in fact, in 1989, the Constitutional Court declared it imprescriptible. From the tax perspective, the Employer – Paid Retirement Plan (Jubilación Patronal) has been effective since 1998, pursuant to the provisions set forth in Official Record 379 dated August 8, 1998. The calculation includes the real actuarial interest rate of 4,00%, the financial discount rate of 6,50%, and the salary increase rate of 2,4% per year.

The total number of persons covered by the actuarial calculations is 1.075, as of December 2011 and 1.220 as of December 2010.

NOTE 18 » Deferred accounts and other liabilities

The balance as of December 31 included:

	2011	2010
Deferred taxes	$ 112.430	$ 58.938
Advanced payments and advanced receivable	4.924	1.870
Income receivable from third parties	107	114
Other	0	51
TOTAL	**$ 117.461**	**$ 60.973**
Total short – term deferred accounts and other liabilities	**5.031**	**1.983**
Total long – term deferred accounts and other liabilities	**$ 112.430**	**$ 58.990**

NOTE 19 » Reserves and equity revaluation

- Legal reserve:

Pursuant to Colombian commerce legislation, 10% of the net profits must be appropriated each year as a legal reserve, until the reserve balance reaches at least 50% of the subscribed capital. In accordance with its bylaws, the Company keeps its legal reserve until it reaches 100% of the subscribed capital. The reserve cannot be distributed until the Company is liquidated, but it must be used to absorb losses. Any excess above the minimum amount required by law may be freely disposed of by the Assembly of Shareholders.

- Reserve for flexible depreciation:

Some of the subordinate companies have constituted a reserve consisting of 70% of the highest depreciation value requested for fiscal effects.

- Reserve for stock buy – back:

Some of the companies have constitute a reserve for stock buy – back, through transfer from other reserves. Pursuant to the provisions set forth in the Commerce Code, all rights inherent in stock buy – back have a suspended status and these must be excluded when determining the intrinsic value of the issued stock. The Company must maintain a reserve equal to the cost of the buy – backs of its own stock.

- Other reserves

This includes the value accrued using the holding method and the dividends received from the subordinate companies and other reserves for free disposal by the Assembly of Shareholders.

The breakdown of the balance as of December 31 is as follows:

	2011	2010
Mandatory reserves	$ 201.914	$ 187.421
Occasional reserves	740.559	649.379
Total reserves	**$ 942.473**	**$ 836.800**

Equity revaluation

The adjustments for inflation corresponding to the balances of the equity accounts, until December 31, 2006, were accredited to this account and posted to the fiscal period Profit and Loss Statement. Pursuant to effective Colombian laws and regulations, this balance may be distributed when the Company is liquidated or capitalized. This capitalization represents an income that is neither income nor an occasional earning.

This item is decreased with the Equity Tax and may not be distributed as a profit until the Company is liquidated or capitalized, pursuant to legal provisions.

NOTE 20 » Valuation surplus

The balance as of December 31 included:

	2011	2010
Marketable securities	$ 2.927.091	$ 3.543.135
Property, plant and equipment	1.167.817	1.009.275
Others	2.643	2.878
Total valuations	4.097.551	4.555.288
Minus minority stake	(1.991)	(5.635)
Total valuation surplus	**$ 4.095.560**	**$ 4.549.653**

NOTE 21 » Operating income

The balance as of December 31 included:

	2011	2010
Net domestic product sales	$ 3.496.189	$ 3.232.621
Exports and sales abroad	1.561.194	1.226.237
TOTAL	**$ 5.057.383**	**$ 4.458.858**

Total operating income in USD by country is broken down next:

Country		2011	Part %		2010	Part %
Colombia (1)	US$	2.102.130.044	77,13%	US$	1.854.288.725	78,93%
Costa Rica		113.011.639	4,15%		108.056.913	4,60%
Ecuador		28.599.586	1,05%		25.358.145	1,08%
United States		70.584.089	2,59%		18.233.011	0,78%
Guatemala		8.123.464	0,30%		3.129.473	0,13%
Mexico		57.331.044	2,10%		51.081.948	2,17%
Nicaragua		10.050.447	0,37%		8.714.666	0,37%
Panama		42.104.777	1,54%		40.150.478	1,71%
Peru		54.836.736	2,01%		46.388.091	1,97%
Puerto Rico		3.477.119	0,13%		8.811.527	0,38%
El Salvador		4.165.623	0,15%		2.435.728	0,10%
Venezuela		211.889.737	7,77%		182.727.886	7,78%
Dominican Republic		19.285.159	0,71%		0	0,00%
	US$	**2.725.589.464**	**100,00%**	**US$**	**2.349.376.591**	**100,00%**

(1) The sales of Colombian companies were converted to the RMR average of COP 1.848,17 (2010: COP 1.897,89).

NOTE 22 » Administration operating expenses

The balance as of December 31 included:

		2011		2010
Personnel expenses	$	124.130	$	117.197
Professional fees		25.185		26.901
Services		28.003		20.886
Taxes, insurance and leasing		18.064		13.159
Amortizations		28.169		7.901
Travel expenses		8.704		8.658
Contributions and affiliations		4.474		3.553
Depreciations		2.229		2.254
Legal expenses		533		1.298
Supplies for computer equipment and communications		468		2.546
Taxis and buses		1.979		1.823
Office supplies and stationery		1.027		999
Others		7.096		5.766
TOTAL	**$**	**250.061**	**$**	**212.941**

NOTE 23 » Sales operating expenses

The balance as of December 31 included:

		2011		2010
Personnel expenses	$	357.710	$	327.049
Services		484.458		462.334
Taxes, insurance and leasing		123.953		100.708
Publicity material		31.717		33.331
Depreciations		25.662		27.385
Travel expenses		24.485		22.919
Professional fees		18.741		22.777
Commissions		12.849		11.347
Fuels and lubricants		10.838		7.110
Portfolio allowance		9.355		8.284
Containers and packaging		8.178		6.262
Amortization		9.125		3.603
Office supplies and stationery		3.950		3.570
Legal expenses		1.771		3.102
Tasting events and promotions		874		3.251
Others		97.636		60.620
TOTAL	**$**	**1.221.302**	**$**	**1.103.652**

NOTE 24 » Production expenses

The balance as of December 31 included:

		2011		2010
Personnel expenses	$	31.067	$	35.377
Services		44.588		32.115
Taxes, insurance and leasing		13.200		15.992
Taxis and buses		5.219		4.708
Depreciations		3.431		8.921
Professional fees		3.821		2.018
Travel expenses		2.061		1.738
Cleaning and cafeteria elements		2.015		5.842
Contributions and affiliations		1.866		865
Office supplies and stationery		1.143		1.254
Supplies, machinery and equipment		1.039		993
Fuel and spare parts		663		631
Amortizations		370		38
Checks and restaurants		183		322
Legal expenses		150		14
Others		12.507		10.785
Total	**$**	**123.323**	**$**	**121.613**

NOTE 25 » Dividends and financial income

The balance as of December 31 included:

		2011		2010
From other companies (Note 8)	$	33.531	$	30.996
Exchange – rate difference		52.900		36.052
Derivative valuation profit		11.766		6.084
Interest		7.442		5.633
Other financial income		150		2.451
Total	**$**	**105.789**	**$**	**81.216**

NOTE 26 » Financial expenses

The balance as of December 31 included:

		2011		2010
Interest	$	64.191	$	62.608
Exchange – rate difference		44.906		53.660
Derivative valuation loss		23.396		17.402
Conditioned commercial discounts		723		10.968
Financial – movement tax		14.724		716
Others		5.028		5.576
Total	**$**	**152.968**	**$**	**150.930**

NOTE 27 » Net other income and outlays

The balance as of December 31 included:

	2011	2010
Recoveries	$ 20.572	$ 29.041
Investment – sale profit	11.185	1.514
Property, plant and equipment and intangible – assets profit	10.888	178
Indemnifications – acknowledgements	1.792	838
Leasings	676	578
Services	211	1.505
Loss on withdrawal of assets	(4.174)	(3.444)
Donations	(5.954)	(5.946)
Intangible – asset amortizations	0	(3.329)
Goodwill amortization	0	(14.746)
Extraordinary expenses (1)	(19.513)	(6.914)
Adjustments for inflation (2)	(20.313)	(16.999)
Net others	(11.118)	(4.312)
Total	**$ (15.748)**	**$ (22.036)**

(1) Includes COP 9.524 for share – issue costs and COP 2.439 for change of Company name.
(2) Corresponds to adjustment for Inflation in Venezuela

NOTE 28 » Depreciations

The balance as of December 31 included:

	2011	2010
Constructions and buildings	$ 24.817	$ 19.055
Computer and communication equipment	1.139	1.426
Fleet and transportation equipment	1.215	1.631
Machinery and equipment	66.310	65.069
Furniture and fixtures	1.711	2.984
General total	**$ 95.192**	**$ 90.165**

NOTE 29 » Amortization of intangible assets, deferred assets and other assets

The balance as of December 31 included:

	2011	2010
Goodwill	$ 21.894	$ 17.099
Project everest	5.538	4.062
Improvements to property of others	3.401	3.550
Intangible brands	3.360	3.470
Leasing	3.525	3.680
Distribution rights	1.277	1.277
Licenses	234	0
Software	171	0
Building, machinery and equipment maintenance	1.044	193
General total	**$ 40.444**	**$ 33.331**

NOTE 30 » Acquisition of property, plant and equipment

During the year, the following assets were acquired:

	2011	2010
Real estate	$ 30.991	$ 48.285
Office equipment	1.790	2.951
Production equipment	94.465	85.807
Transportation equipment	982	1.413
General total	**$ 128.228**	**$ 138.456**

NOTE 31 » Dividends decreed and paid

In the ordinary Assembly of Shareholders held March 31, 2011, a monthly per – share dividend of COP 28,50 was decreed between April 2011 and March 2012 inclusive, on 435.123.458 outstanding shares. Beginning with the issuance of shares in July 2011, the dividend was paid on 460.123.458 outstanding shares. Dividends were decreed for 2011 in the amount of COP 154.582 (2010: COP 141.030), including the minority shareholders.

During 2011, dividends in the amount of COP 150.292 (2010: COP 139.534) were paid.

NOTE 32 » Issuance of shares

In 2011, 25.000.000 ordinary shares were subscribed, placed at a value of COP 20.900 per share, for a capital total of COP 522.500 Million received.

NOTE 33 » Net Profit on Sale of Property, Plant and Equipment and Investments

The balance as of December 31 included:

Income Obtained in the Transfer of Property, Plant and Equipment and Intangible Assets

	2011	2010
Machinery and equipment	$ 4.748	$ 2.533
Real estate	3.772	300
Intangible assets	7.326	0
Fleet and transportation equipment	456	875
Others	112	58
General total	**$ 16.414**	**$ 3.766**

Net profit (loss) on sale and withdrawal of investments and property, plant and equipment

	2011	2010
Real estate	$ 2.465	$ 1.409
Investments	10.244	1.344
Intangible assets	6.567	(2.308)
Machinery and equipment	(99)	(506)
Others	(156)	(192)
General total	**$ 19.021**	**$ (253)**

NOTE 34 » Consolidated financial ratios

	2011	2010
Liquidity ratio (current assets / current liabilities)	2,29	1,65
Indicates the capability the Company has to attend its short – term obligations, using current assets as endorsement.		
Debt ratio (total liabilities / total assets)	18,16%	21,64%
Indicates the part of the company assets that are financed with third – party resources.		
Asset turnover ratio (operating income / total assets)	0,64	0,55
Profit margin ratio (net profit / operating income)	5,01%	5,90%
Profitability ratio		
(Net Profit / Net Worth)	3,92%	4,16%
(Net Profit / Total Assets)	3,20%	3,26%
Consolidated EBITDA, adjusted		
Operating profit	432.495	432.744
Depreciations	95.192	90.165
Amortizations	40.444	15.256
Total consolidated EBITDA, adjusted	**$568.131**	**$538.165**
EBITDA over total equity	8,77%	8,51%

Multi – Nationality Indicators

	2011	2010
Share of assets abroad (Assets abroad / Total assets)	12,85%	11,85%
(Assets abroad / Total assets) (Sales abroad / Total sales)	23,18%	21,07%
Number of direct employees abroad / number of direct employees	29,76%	31,13%

(1) Below is a breakdown of the operations by country, expressed in COP, converted at an average RMR of COP 1.848,17 (2010: COP 1.897,89):

	Sales		Total Assets		Net Profit		Administration Expenses		Sales Expenses		Production Expenses	
Country	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Colombia	3.885.094	3.519.236	6.911.971	7.126.873	221.590	247.919	207.265	182.493	1.008.846	927.721	81.646	98.904
Costa Rica	208.865	205.080	309.182	309.440	17.676	15.230	9.751	10.225	50.378	45.480	9.028	5.264
Ecuador	52.857	48127	16.147	15.947	254	280	0	245	11.141	9.994	0	0
El Salvador	7.699	4.623	4.760	3.266	(695)	(18)	0	3	2.407	1.405	0	0
United States	130.451	34.604	60.898	55.353	4.349	1.126	3.769	816	14.996	7.488	10.475	438
Guatemala	15.014	5.939	10.230	2.478	(415)	(242)			3.473	2.032		
Mexico	105.958	96.948	55.817	39.386	9.861	10.860	3.716	3.558	15.819	14.259	667	1.427
Nicaragua	18.575	16.540	5.216	4.890	(398)	(564)		3	3.509	3.035	0	0
Panama	77.817	76.201	83.674	76.949	(4.005)	1.543	2.823	1.358	13.903	11.802	589	947
Peru	101.348	88.040	196.147	235.762	(3.964)	(7.018)	7.692	5.216	18.723	19.862	1.770	1.863
Puerto Rico	6.426	16.723	591	7.286	(882)	281			2.426	4.960		
Venezuela	411.638	346.797	254.497	207.061	9.577	(6.158)	11.608	9.023	64.843	55.615	19.148	12.770
Dominican Republic	35.641	0	22.039	0	563	0	3.437	0	10.838	0	0	0
TOTAL	5.057.383	4.458.858	7.931.169	8.084.691	253.511	263.239	250.061	212.941	1.221.302	1.103.652	123.323	121.613

NOTE 35 » Balances and transactions among economically bound companies

Operations of Grupo Nutresa S.A. (Parent Company) or its subordinate companies in which the members of the Board of Directors, Legal Representatives, Chief Officers and Shareholders of Grupo Nutresa S.A. own more than a 10% share:

COMPANY	Value of operations 2011	Value of operations 2010	Effect on results 2011	% of share in operating income (expenses) 2011
BANCOLOMBIA S.A.				
Commissions	$ 5.843	$ 3.815	$ 5.843	0,37%
Professional fees	46	0	46	0,00%
Purchase of goods	0	23	0	0,00%
Purchase of services	255	22	255	0,01%
Financial returns	20	23	20	0,00%
Interest paid	0	147	0	0,00%
Interest received	6	1.469	6	0,00%
Balance receivable	136	842	0	
Balance payable	2.055	11.816	0	
C.I.CONFECCIONES COLOMBIA S.A.				
Purchase of goods	0	175	0	0,00%
Purchase of services	0	5	0	0,00%
Sale of services	1	0	1	0,00%
Balance receivable	1	0	0	
CONSULTORÍA EN GESTIÓN DE RIESGOS SURAMERICANA S.A.				
Professional fees	39	0	39	0,00%
Purchase of services	8	0	8	0,00%
Balance payable	10	0		
EPS MEDICINA PREPAGADA SURAMERICANA S.A.				
Purchase of services	4	5	4	0,00%
Sale of services	3	0	3	0,00%
Balance receivable	3	0	0	
Balance payable	3	0	0	
GRUPO DE INVERSIONES SURAMERICANA S.A.				
Dividends received	16.896	15.677	16.896	0,33%
Dividends paid	50.978	38.728		3,20%
INVERSIONES ARGOS S.A.				
Dividends received	15.642	14.466	15.642	0,31%
Dividends paid	4.491	4.271	0	0,28%
INVERSIONES Y CONSTRUCCIONES ESTRATÉGICAS S.A.				
Dividends paid	0	599	0	0,00%
SERVICIOS DE SALUD IPS SURAMERICANA S.A.				
Purchase of goods	0	15	0	0,00%
Purchase of services	36	9	36	0,00%
Professional fees	3	1	3	0,00%
Sale of services	58	0	58	0,00%
Sale of goods	1.475	0	1.475	0,03%
Balance receivable	296	0	0	
Balance payable	7	0	0	
PORTAFOLIO DE INVERSIONES SURAMERICANA S.A.				
Dividends paid	0	13.010	0	0,00%
PROTECCIÓN S.A.				
Sale of services	16	0	16	0,00%
Balance receivable	28	85		

COMPANY	Value of operations 2011	Value of operations 2010	Effect on results 2011	% of share in operating income (expenses) 2011
SEGUROS DE VIDA SURAMERICANA S.A.				
Purchase of goods	0	584	0	0,00%
Purchase of insurance	0	458	0	0,00%
Purchase of services	2	31	2	0,00%
SERVICIOS DE VEHÍCULO SURAMERICANA S.A.				
Balance receivable	0	1	0	
SODEXHO PASS DE COLOMBIA				
Commissions	37	15	37	0,00%
Purchase of goods	0	247	0	0,00%
Purchase of services	4.487	643	4.487	0,15%
Professional fees	20	0	20	0,00%
Balance receivable	11	0	0	
Balance payable	115	0	0	
SODEXO COLOMBIA S.A.				
Purchase of goods	9	12.648	9	0,00%
Purchase of services	23.079	1.470	23.079	0,76%
Professional fees	6	3	6	0,00%
Sale of goods	0	104	0	0,00%
Sale of services	5.754	1	5.754	0,11%
Balance receivable	1.007	606	0	
Balance payable	1.904	0	0	
SURAMERICANA SEGUROS S.A.				
Commissions	0	75	0	0,00%
Purchase of goods	0	18.150	0	0,00%
Purchase of insurance	2.413	3.759	2.413	0,08%
Compra de servicios	1.487	4.521	1.487	0,05%
Financial returns	0	684	0	0,00%
Professional fees	0	6	0	0,00%
Indemnification for claims	0	56	0	0,00%
Interest paid	0	4	0	0,00%
Loss for claims	0	15	0	-
Sale of goods	0	5.005	0	0,00%
Sale of services	0	553	0	0,00%
Balance receivable	167	69	0	
COMPUREDES				
Purchase of services	157	0	157	0,01%
Professional fees	184	0	184	0,01%
Balance payable	54	0	0	

Note: All of the above operations were executed at normal market prices under normal market conditions.

Basic Financial Statements

FISCAL AUDITOR'S REPORT

pwc

February 24, 2012

Grupo Nutresa S. A. ASEMBLY OF SHAREHOLDERS

I have audited the Balance Sheet of Grupo Nutresa S.A. as of December 31, 2011 and 2010, and the corresponding Profit and Loss Statements, Changes in the Shareholders' Equity Statements, Changes in the Financial Situation Statements, and the Cash Flow Statements for the years ended on those dates, as well as the summary of the principle accounting policies indicated in Note 2 and other explanatory notes thereto.

The administration is responsible for the adequate preparation and presentation of these financial statements, in accordance with the accounting principles generally accepted in Colombia and the provisions of the Colombian Financial Superintendent. This responsibility includes designing, implementing and maintaining the relevant internal control for the financial statements to be free of relatively important errors due to fraud or mistakes. The administration is also responsible for selecting and applying the appropriate accounting policies, as well as establishing the accounting estimations that are reasonable under the circumstances.

My responsibility consists of stating an opinion concerning said financial statements based on my audits. I have obtained the necessary information to perform my fiscal – auditing duties in according with accounting principles generally accepted in Colombia. These principles require that I plan and conduct an audit to obtain reasonable certainty that the financial statements are free of relatively important errors.

A financial – statement audit contemplates, among other things, following procedures to obtain auditing evidence on the values and disclosures in the financial statement. The procedures selected depend on the auditor's discretion, including the assessment of risk of relatively important errors in the financial statements. In assessing such risks, the fiscal auditor considers the entity's pertinent internal control to prepare and reasonably present the financial statements, in order to design auditing procedures that are appropriate under the circumstances. An audit also includes assessing the appropriateness of the accounting policies used and of the accounting estimations made by the entity's administration, as well as evaluating the presentation of the financial statements as a whole. I consider that the auditing evidence that I have obtained provides a reasonable basis for me to form the opinion that I state below.

It is my opinion that the above – mentioned financial statements that I have audited, which were faithfully taken from the ledgers, reasonably present, in all significant aspects, the financial situation of Grupo Nutresa S.A. as of December 31, 2011 and 2010 and its operating results, the changes in its financial situation and its cash flows for the years ended on these dates, pursuant to accounting principles generally accepted in Colombia and the provisions of the Colombian Financial Superintendent, which were applied in a uniform manner.

Based on the result of my tests, in my opinion:

a) The Company's accounting has been kept pursuant to legal regulations and to proper accounting techniques.
b) The operations recorded in the accounting ledgers and the acts of the administrators adjust to the Statutes and to the decisions of the General Assembly of Shareholders.
c) The correspondence, account vouchers, Minutes Ledger, and Share Registry Ledger are duly kept and maintained.
d) There are adequate measures for the internal control, conservation and custody of Company assets and those of third parties in its possession.
e) The Company has complied with the regulations established in External Circular 062 of 2007, through which the Colombian Financial Superintendent established the obligation to implements mechanisms to prevent and control money laundering and the financing of terrorism, stemming from illegal securities – market activities.
f) There is concordance between the financial statements that accompany this opinion and the management report prepared by the administration.

The information contained in the payment declarations of contributions to the Comprehensive Social Security System, in particular the information relating to the affiliates and the income contribution base, has been taken from accounting records and supports. The Company is not is arrears for the concept of contributions to the Comprehensive Social Security System.

Juber Ernesto Carrión
Fiscal Auditor
Professional Card No. 86122 – T
Member of PricewaterhouseCoopers Ltda.

CERTIFICATION OF THE FINANCIAL STATEMENTS

The undersigned Legal Representative and General Accountant of Grupo Nutresa S.A.

HEREBY CERTIFY:

On February 24, 2012

That we have verified the statements contained in the financial statements of the Company as of December 31, 2011 and 2010, pursuant to applicable regulations and they have been faithfully taken from the books and reflect the financial position and results of the operations of the Company.

In accordance with the above, regarding the above – mentioned financial statements, we state the following:

1. The assets and liabilities of *Grupo Nutresa S.A.* do exist and the transactions recorded were made during the corresponding years.

2. All economic transactions that were made have been acknowledged.

3. The assets represent rights obtained by the Company, and the liabilities represent obligations that are the responsibility of the Company.

4. All elements have been acknowledged in the appropriate amounts, in accordance with generally accepted accounting principles.

5. The economic transactions that affect the Company have been correctly classified, described and disclosed.

6. The financial statements and their notes do not contain defects, errors or material inaccuracies that would affect the financial situation, shareholders' equity and operation of the Company. Likewise, adequate procedures and disclosure systems and financial information control have been established and maintained, for the adequate presentation to third – party users of such information.

Carlos Enrique Piedrahita Arocha
President

Jaime Alberto Zuluaga Yepes
Accountant - Professional Card
Number 24769-T

CERTIFICATION OF THE FINANCIAL STATEMENTS LAW 964 OF 2005

Grupo Nutresa S. A. SHAREHOLDERS
MedellÌn

The undersigned Legal Representative of *Grupo Nutresa S. A.*

CERTIFIES:

That the financial statements and operations of the Company as of December 31, 2011 and 2010, contain no defects, inaccuracies or errors that prevent knowing the true financial situation of the Company.

This is stated to comply with Article 46 of Law 964 of 2005.

As evidence, this is signed on the 24th day of the month of February, 2012.

Carlos Enrique Piedrahita Arocha
President

BALANCE SHEET

AS OF DECEMBER 31
(Values Expressed in COP Millions)

	NOTES	2011	2010
ACTIVO			
Current Assets			
Cash and Cash Equivalents	(3)	$ 94	$ 225
Debtor Accounts	(4)	10.662	90.361
Total Current Assets		**$ 10.756**	**$ 90.586**
Non - Current Assets			
Net Permanent Investments	(5)	3.554.895	2.716.228
Deferred Charges		503	0
Other Assets		155	155
Valuations	(5)	2.979.150	3.596.772
Total Non - Current Assets		**$ 6.534.703**	**$ 6.313.155**
TOTAL ASSETS		**$ 6.545.459**	**$ 6.403.741**
LIABILITIES			
Current Liabilities			
Financial Obligations		$ 0	$ 445
Accounts Payable	(7)	59.309	70.262
Taxes, Levies and Rates	(8)	249	604
Labor Obligations		872	947
Deferred Income	(9)	8.296	7.650
Total Current Liabilities		**68.726**	**79.908**
Non - Current Liabilities			
Accounts Payable	(7)	157	158
Taxes, Levies and Rates	(8)	336	0
Total Non - Current Liabilities		**493**	**158**
TOTAL LIABILITIES		**$ 69.219**	**$ 80.066**
EQUITY			
Company Stock	(10)	2.301	2.176
Capital Surplus		1.351.089	682.329
Reserves	(11)	1.236.743	1.112.852
Equity Revaluation	(12)	650.975	651.143
Results of the Fiscal Year		255.982	278.403
Surplus for Revaluation	(5)	2.979.150	3.596.772
Total Equity		**$ 6.476.240**	**$ 6.323.675**
TOTAL LIABILITY AND EQUITY		**$ 6.545.459**	**$ 6.403.741**
Memorandum Accounts	**(6)**		
Debtor Memorandum Accounts		**$ (3.075.419)**	**$ (2.989.672)**
Creditor Memorandum Accounts		**1.794.101**	**2.309.582**

The notes are an integral part of the financial statements.

Jaime Alberto Zuluaga Yepes
Accountant
Professional Card No. 24769-T
(See attached certification)

Carlos Enrique Piedrahita Arocha
President
(See attached certification)

Juber Ernesto Carrión
Fiscal Auditor
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(See attached report)

PROFIT AND LOSS STATEMENT

FROM JANUARY 1 TO DECEMBER 31
(Values Expressed in COP Millions)

	NOTES		2011		2010
Holding Method Income	(5)		$ 223.644		$ 239.836
Food Holding Method		294.100		334.162	
Financial Expenses, Interests		(64.191)		(62.608)	
Amortization of Goodwill		(14.520)		(14.746)	
Exchange Differences		7.994		(16.950)	
Realization of Investments		161		(65)	
Dividends		100		43	
Profits from Realization of Investments	(14)		11.024		1.579
Realization of Investments to Third Parties		12.322		3.108	
Cost of Realization of Investments to Third Parties		(1.298)		(1.529)	
Dividends	(5)		33.432		30.953
Interests Received			4		5
Other Operating Income			7.217		13.126
Operating Administration Expenses			(9.004)		(11.563)
Administration Expenses	(13)	(9.004)		(11.563)	
Operating Profit			**266.317**		**273.936**
Financial Expenses			(3)		(273)
Other Income and Outlays			(10.205)		6.616
Total Non - Operating Income and Outlays			(10.208)		6.343
Profit before Reserve for Estimated Income Tax			**256.109**		**280.279**
Reserve for Income Tax	(8)		(127)		(1.876)
Net Profit			**$ 255.982**		**$ 278.403**
Net Profit per Share (2)			556,33		639,83

(1) The heading comprising Holding Methods Income are included in the financial statements of the companies for which *Grupo Nutresa S.A. registerd the holding method.*
(2) Stated in Colombian Pesos (COP)

The notes are an integral part of the financial statements.

Jaime Alberto Zuluaga Yepes
Accountant
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CHANGES IN SHAREHOLDERS' EQUITY STATEMENT

From January 1 to December 31
(Values Expressed in COP Million)

					RESERVES										
	Notes	Capital	Stock - Placing Bonus	Holding Method Surplus	Legal	Due to Legal Provisions	For Stock Buy - Back	At the Disposal of Highest Company Body	Future Investments	Other Reserves	Total Reserves	Revaluation of Equity	Profit from the Fiscal Year	Valuation Surplus	Total Equity
Balances as of December 31, 2009		2.176	24.456	1.721.245	2.711	1.076	82.400	48.351	715.530	131	850.199	706.433	225.496	1.869.198	5.399.203
Dividends Declared													(140.980)		(140.980)
Transfers to Profits and Reserves								84.516			84.516		(84.516)		0
Equity Tax Appropriation												(252)			(252)
Adjustment for Valuations														573.434	573.434
Application of Holding Method	(5)			237.846											237.846
Movements Received through Acquisition				(1.301.218)				31.290	146.802	45	178.137	(55.038)		1.154.140	(23.979)
Net Profit for the Year 2010													278.403		278.403
Balances as of December 31, 2010		2.176	24.456	657.873	2.711	1.076	82.400	164.157	862.332	176	1.112.852	651.143	278.403	3.596.772	6.323.675
Emission of Shares		125	522.375												522.500
Dividends Declared													(154.512)		(154.512)
Transfers to Profits and Reserves								(5.700)	0	129.591	123.891		(123.891)		0
Equity Tax Appropriation												(168)			(168)
Adjustment for Valuations														(617.622)	(617.622)
Application of Holding Method	(5)			146.385											146.385
Net Profit for the Year 2011													255.982		255.982
Balances as of December 31, 2011		2.301	546.831	804.258	2.711	1.076	82.400	158.457	862.332	129.767	1.236.743	650.975	255.982	2.979.150	6.476.240

The notes are an integral part of the financial statements.

Jaime Alberto Zuluaga Yepes
Accountant
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STATEMENT OF CHANGES IN THE FINANCIAL SITUATION

From January 1 to December 31
(Values Expressed in COP Millions)

FINANCIAL RESOURCES PROVIDED FROM	NOTES	2011	2010
NET PROFIT		$ **255.982**	$ **278.403**
Plus (Minus) Debits (Credits) to Operations that Do Not Affect the Working Capital:			
Amortization of Goodwill		0	110
Net Profit on Sale and Liquidation of Investments	(14)	(11.024)	(1.579)
Profit from Holding Method Application	(5)	(223.393)	(231.614)
Recovery of Holding Method Application Allowance	(5)	(251)	(8.222)
Results Received from Merger		0	(17.449)
Dividends from Affiliates and Subsidiaries	(5)	43.145	163.891
RESOURCES PROVIDED FROM OPERATIONS		**64.459**	**183.540**
Plus:			
Emission of Shares		522.500	0
Income Obtained in Realization or Liquidation of Investments	(14)	12.813	1.725
Increase in Accounts Payable		336	0
RESOURCES PROVIDED BY SOURCES OTHER THAN OPERATIONS		**535.649**	**1.725**
TOTAL FINANCIAL RESOURCES PROVIDED		$ **600.108**	$ **185.265**
FINANCIAL RESOURCES USED IN:			
Dividends Declares	(15)	154.512	140.980
Decrease in Accounts Payable		1	40.615
Acquisition of Investments in Stock		513.570	10.609
Acquisition of Other Investments		2	25
Increase in Deferred Assets		503	0
Acquisition of Goodwill		0	110
Equity Tax		168	252
TOTAL FINANCIAL RESOURCES USED		$ **668.756**	$ **192.591**
Working Capital Received from Acquisitions		**0**	**49.387**
(Decrease) Increase in Working Capital		$ (68.648)	$ 42.061
Analysis of Changes in Working Capital			
INCREASE (DECREASE) IN CURRENT ASSETS			
Cash and Cash Equivalent		$ (131)	$ 34
Debtor Accounts		(79.699)	46.951
TOTAL		$ **(79.830)**	$ **46.985**
(INCREASE) DECREASE IN CURRENT LIABILITIES			
Financial Obligations		445	(445)
Accounts Payable		10.953	463
Taxes, Levies and Rates		355	(174)
Labor Obligations		75	(297)
Deferred Liabilities		(646)	(4.471)
TOTAL		$ **11.182**	$ **(4.924)**
(DECREASE) INCREASE IN WORKING CAPITAL		$ **(68.648)**	$ **42.061**

The notes are an integral part of the financial statements.

Jaime Alberto Zuluaga Yepes
Accountant
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CASH FLOW STATEMENT

From January 1 to December 31
(Values Expressed in COP Millions)

CASH FLOW PROVIDED FROM OPERATIONS:	NOTES	2011	2010
UTILIDAD NETA		$ **255.982**	$ **278.403**
Plus (Minus) Debits (Credits) Due to Operations that Do Not Affect Cash:			
Amortization of Goodwill		0	110
Net Profit on Sale and Liquidation of Investments	(14)	(11.024)	(1.579)
¨Profit from Applying Holding Method	(5)	(223.393)	(231.614)
Recovery of Holding Method Application Allowance	(5)	(251)	(8.222)
Results Received from Merger		0	(17.449)
Dividends Received from Affiliates and Subsidiaries	(5)	43.145	163.892
Payment of Equity Tax		(168)	(252)
Changes in Operating Assets and Liabilities:			
Debtor Accounts		79.699	(46.951)
Deferred Assets		(503)	0
Accounts Payable		(15.240)	(42.572)
Taxes, Levies and Rates		(19)	174
Labor Obligations		(75)	297
Deferred Liabilities		646	4.471
Working Capital Received from Acquisitions		0	(25)
NET CASH PROFIDED FROM OPERATIONS		$ **128.799**	$ **98.683**
CASH FLOWS PROVIDED FROM INVESTMENT ACTIVITIES:			
income Obtained from Realization of Investments	(14)	12.813	1.725
Acquisition of Investments in Stock		(513.570)	(10.609)
Acquisition of Other Investments		(2)	(25)
Acquisition of Goodwill		0	(110)
NET CASH USED IN INVESTMENT ACTIVITIES		$ **(500.759)**	$ **(9.019)**
CASH FLOWS FROM FINANCINT ACTIVITIES:			
Cash Received from Emission of Shares		522.500	0
Dividends Paid	(15)	(150.226)	(139.487)
Financial Obligations Acquired		(445)	445
NET CASH FROM (USED IN) FINANCING ACTIVITIES		$ **371.829**	$ **(139.042)**
Decrease in Cash and Cash Equivalents		(131)	(49.378)
Cash and Cash Equivalents due to Acquisitions		0	49.412
Cash and Cash Equivalents at Year Opening		225	191
CASH AND CASH EQUIVALENTS AT YEAR CLOSING		$ **94**	$ **225**

The notes are an integral part of the financial statements.

Jaime Alberto Zuluaga Yepes
Accountant
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(See attached report)

NOTES TO THE FINANCIAL STATEMENTS

AYears ended as of December 31, 2011 and 2010
(Values expressed in COP Million, except for values in USD, the exchange rate and the number of shares).

NOTE 1 » Economic Entity

Grupo Nutresa S.A. is a Colombian *Sociedad Anónima* (stock company), incorporated pursuant with Colombian Laws on April 12, 1920. The Company term expires on April 12, 2050 and its main domicile in the city of Medellín.

The Company's business purpose consists of investing in or applying resources or funds to companies organized in any form provided by law, either at home or abroad, and whose business purpose is aimed at the exploitation of any legal economic activity, or in tangible or intangible property for the purpose of safeguarding its capital.

In a decision by the Assembly of Shareholders, the company changed its name from *Grupo Nacional de Chocolates S.A.*, to *Grupo Nutresa S.A.*, according to Public Deed Number 1068, registered in the Office of the 20th Notary Public of Medellín, on April 5, 2011. The Company continues to develop its business purpose under the new name.

In 2011, a *Grupo Nutresa* strategy was to issue 25.000.000 shares in order to give the Company the resources to continue growing while maintaining prudent levels of debt and increased liquidity in the shares.

2011 ACQUISITIONS

Helados Bon S. A. and Distribuidora Bon S.A.

February 18, 2011, *Grupo Nutresa S.A.* reached an agreement with *Helados Bon S.A.* shareholder´s for the acquisition of 73,11% stake in the company. The price agreed for this acquisition was US$38,7 million.

Helados Bon is the leading company in the ice – cream business in the Dominican Republic, with a market share of nearly 85%. The company conducts its business through the highly recognized *BON* brand, and a solid network of ice cream stores, freezers in the traditional channel and carts in its mobile channel. Additionally, *BON* is the "master franchiser" of *Yogen Früz* in the country, whose products can be found in some of the company's ice cream stores.

With this acquisition, *Grupo Nutresa S.A.* also became a direct and indirect shareholder in *Distribuidora Bon, S. A.*, an affiliate of *Helados Bon S. A.*, domiciled in Santo Domingo, the Dominican Republic, and which is dedicated to the production, marketing and distribution of ice cream and related products.

Merger by Absorption

On August 10, 2010, the Office of the Colombian Financial Superintendent, through Resolution 1627, approved the short – form merger whereby *Grupo Nacional de Chocolates S. A.* absorbed its subordinate companies *Valores Nacionales S. A. S. y Portafolio de Alimentos S. A. S.* Pursuant to the resolution, the merger will be completely valid as of the date on which the merger is registered in the Chamber of Commerce Mercantile Registry. Said registration was made on September 10, 2010.

The following is the summary of the assets and liabilities received and delivered at book value at the August 2010 closing:

	INCREASE	DECREASE	NET
Current Assets	$ 67.840		$ 67.840
Cash Equivalents	49.412		
Accounts Receivable	18.428		
Non – Current Assets	1.154.140	(1.220.762)	(66.622)
Investments		(1.220.762)	
Valuations	1.154.140		
TOTAL NET ASSETS	**$ 1.221.980**	**$ (1.220.762)**	**$ 1.218**
Current Liabilities	(18.453)		(18.453)
Total Net Liabilities	**(18.453)**		**(18.453)**
Equity	1.203.527	(1.220.762)	(17.235)
Results		(6.744)	(6.744)
Total Net Equity	**$ 1.203.527**	**$ (1.227.506)**	**$ (23.979)**

NOTE 2 » Presentation Bases and Summary of the Principle Accounting Policies and Practices

For its accounting records and the preparation of its financial statements, the Company observes accounting principles generally accepted in Colombia, which are prescribed by legal provisions and the Office of the Colombian Financial Superintendent.

The principal accounting policies and practices implemented in the Company pursuant to the above are described below::

2.1 CONSOLIDACIÓN

Companies in Colombia must prepare non – consolidated, general – purpose financial statements, which are presented to the Assembly of Shareholders and which serve as a basis for the distribution of dividends and other appropriations. In addition, the Commerce Code requires the preparation of consolidated, general – purpose financial statements, which are also presented to the Assembly of Shareholders for their approval, but which do not serve as a basis for the distribution and appropriation of profits. The financial statements that accompany these notes do not consolidate the assets, liabilities, equity or results of the subordinate companies. The investments in these companies are recorded using the holding method as indicated below.

2.2 FOREIGN – EXCHANGE ACCOUNTS

Foreign – Exchange transactions are posted at the applicable Exchange rate effective on the date of the respective transaction. For the monetary conversion from United States Dollars to Colombian Pesos, at the close of each fiscal period the accounts receivable and accounts payable balances are adjusted at the representative market rate published by the official agency in charge of certifying that information. For accounts – receivable balances in other currencies (in terms of legal tender), the exchange differences are posted in the Profit and Loss Statement as financial income. For accounts payable, only the exchange differences not attributable to asset acquisitions are posted in the Profit and Loss Statement. Exchange differences that occur from the time acquisition assets are in construction or installation until they are ready to be used are attributable to pose in asset acquisition costs.

Pursuant to Regulatory Decree 4918, dated December 26, 2007, the exchange difference from variable – income investments in subordinate companies abroad must be restated in the legal tender, using the effective exchange rate certified by the Office of the Colombian Finance Superintendent and must be recorded in the Holding Method Surplus account as a greater or lesser value of the equity, as the case may be.

When the investment is effectively carried out, the adjustments for exchange differences that have been recorded in Equity will affect the results of the fiscal period.

The rights and obligations in financial derivatives made for the purpose of hedging assets or liabilities in foreign currency are posted in the Balance Sheet accounts and are adjusted to the representative market rate being credited or debited to the Profit and Loss Statement. Option – contract and futures – contracts bonuses or discounts are credited or debited to the Profit and Loss Statement of the fiscal period, as the case may be.

2.3 TRADABLE INVESTMENTS AND PERMANENT INVESTMENTS

The provisions of the Colombian Financial Superintendent, according to External Circular No. 11 of 1998, require that the investments that the Company owns be classified in accordance with the intention of their implementation by the administration as tradable investments, if it intends to keep them for less than three (3) years, and permanent investments if it intends to keep them for more than three (3) years. They are also classified in accordance with the returns that they generate in fixed – income investments and variable – income investments. Once classified, the investments are recorded and they appreciate as follows:

Fixed – income investments (debt rights), regardless of their classification as tradable or permanent, are initially recorded at their acquisition cost and are appreciated monthly at their realization value. The resulting adjustment is reflected in the Profit and Loss Statement.

Variable – income investments in shares or capital holdings, in entities that are not controlled by the Company, are recorded at cost and appreciate at their realization value. For permanent investments, the resulting adjustment, whether it is positive or negative, is recorded in the item valuation in the assets account with a credit or debit to the valuation surplus in the Changes in the Shareholders' Equity Statement, as the case may be. For tradable investments, the resulting adjustment, whether it is positive or negative, affects the last cost recorded for the investment; the income or expense generated is registered in the Profit and Loss Statement. For shares listed in the stock market, the market value is determined as follows: for high – marketability shares, based on the average of the last ten (10) days of quotations; for average – marketability shares, based on the average of the last ninety (90) days of quotations; and for low – marketability stock or stock that is not listed in the stock market, based on its intrinsic value.

Pursuant to Joint Circulars 006 and 11 of 2005, issued by the Colombian Superintendent of Societies and the Financial Superintendent, respectively, investments in subordinate companies in which more than 50% of the capital belongs to the Parent Company, either directly or through an intermediary or with the assistance of its subordinate companies, among other criteria, are posted using the equity – holdings method applied forward as of January 1, 1994. Using this method, investments are initially recorded at cost and later adjusted, with a credit or debit to the Profit and Loss Statement, as the case may be, to acknowledge the holdings in profits or losses in the subordinate companies as of January 1, 1994, after eliminating unrealized profits between the subordinate companies and the Parent Company. The cash distributions of the profits of these companies, obtained before December 31, 1993, are recorded as income and, after that date, it is recorded as a lesser value of the investment. In addition to the above, the proportional holdings are also recorded as a greater or lesser value of the investments posted in variations in other equity accounts of the subordinate companies other than the Profit and Loss Statement of the fiscal period, with a credit or debit to the surplus account through the holdings method in the equity.

2.4 INTANGIBLE ASSETS

Brands and Rights

Intangible assets include direct costs incurred in the acquisition of commercial brands, as well as the distribution rights acknowledged based on a technical study prepared by company personnel. Said costs are amortized in the lesser period of time between the estimated exploitation and the term of their legal term or contractual term.

2.5 TAXES, LEVIES AND RATES

This heading includes the value of the mandatory, general – nature taxation in favor of the State, for which the companies are responsible, for the concept of private liquidations that are determined on the taxable bases for the fiscal period.

Income tax is determined based on estimations.

2.6 ACKNOWLEDGEMENT OF INCOME, COSTS AND EXPENSES

Income received from the holding method is acknowledged on a quarterly basis, according to the results of the subordinate companies.

Generally speaking, income, costs and expenses are recorded in the Profit and Loss Statement on an accrual basis.

2.7 LABOR OBLIGATIONS

Labor obligations are adjusted at the end of each fiscal period, based on the work contracts and the legal labor regulations in force.

2.8 CREDITOR MEMORANDUM ACCOUNTS AND DEBTOR MEMORANDUM ACCOUNTS

2.8.1 Debtor Memorandum Accounts

Events or circumstances from which rights can be generated that affect the financial structure of the Company and accounts for effects of the internal control of assets are recorded in Debtor Memorandum Accounts. This item also included accounts used to reconcile differences between accounting records of an active nature and tax returns.

2.8.2 Creditor Memorandum Accounts

Commitments or contracts relating to possible obligations that may affect the financial structure of the Company are recorded in Creditor Memorandum Accounts. This item also includes accounts for effects of the internal control of liabilities and equity, as well as accounts used to reconcile the differences between accounting records of a credit nature and tax returns.

2.9 NET PROFIT PER SHARE

Net profit per share is calculated on 460.123.458 outstanding shares of the Parent company at the 2011 closing. (The 2010 closing registered 435.123.458 shares.)

2.10 CASH AND CASH EQUIVALENTS

To prepare the Cash Flow Statement, the simultaneous (funding) operations are considered cash equivalents, when they expire in less than three (3) months time.

2.11 RELATIVE IMPORTANCE OR MATERIAL SIGNIFICANCE

The Financial Statements and the Notes to the Financial Statements disclose in an integral manner the economic events that, in the years that ended on December 31, 2011 and 2010, affected the financial situation of the Company, its profits and losses and cash flows, as well as the changes in the financial situation and in the shareholders' equity. There are no undisclosed events of that nature which could significantly alter the economic decisions of the users of the information mentioned.

For the purpose of disclosure, relative importance was determined using a base of five percent (5%) of current assets and non – current assets, current liabilities and non – current liabilities, equity, the results of the fiscal period and each general – ledger account, on an individual basis.

2.12 FINANCIAL STATEMENT RECLASSIFICATION

Ciertas reclasificaciones han sido incorporadas en los estados financieros de 2010 para facilitar la comparación con los estados financieros de 2011.

NOTE 3 » Cash and Cash Equivalents

The balance as of December 31 included:

	2011	2010
Cash	$ 10	$ 16
Banks and Savings Accounts	74	99
Miscellaneous	10	110
TOTAL	**$ 94**	**$ 225**

The balance of these operations, except for cash, was placed at an average rate of 4,65% effective annually (E.A.) in 2011 and 4,05% E.A. in 2010.

NOTE 4 » Debtor Accounts

The balance as of December 31 included:

	2011	2010
Economically Bound Companies (Note 18)	$ 1.213	$ 79.265
Dividends Receivable (1)	8.296	7.650
Deposits	45	45
Advances and Advanced Payments	2	2
Net Advanced Tax Payments	1.052	559
Loans to Individuals	21	36
Accounts Receivable from Employees	3	0
Others	30	2.804
TOTAL DEBTOR ACCOUNTS (SHORT TERM)	**$ 10.662**	**$ 90.361**

(1) Corresponds to pending declared dividends to be received by investments in non – subordinate companies as of December 31, 2011 and 2010, with maturity between January and March 2012 and 2011, respectively.

NOTE 5 » Net Permanent Investments

The Balance as of December 31 included:

	Cost 2011	Cost 2010	Valuation 2011
Investments in Economically Bound Companies	$ 3.190.878	$ 2.350.741	$ 93.581
Investments in Other Companies	364.499	366.710	2.885.569
Trust Rights (1)	523	287	0
Other Investments	127	127	0
Investment Allowance	(1.132)	(1.637)	0
TOTAL PERMANENT INVESTMENTS	**$ 3.554.895**	**$ 2.716.228**	**$ 2.979.150**

(1) Corresponds to *Fideicomiso Grupo Nutresa S.A.*

Duly authorized by the Colombian Financial Superintendent, in August 2009 through *Fideicomiso Grupo Nutresa S.A.*, the Company issued 500.000.000 ordinary bonds at a par value of COP 1.000 per bond, which were placed in their entirety on the market and have a "AAA" (Triple A) rating by Fitch Ratings Colombia S.A., ratified in 2011 and 2010. The bonds are endorsed 100% by the Company.

As of December 31 2011 and 2010, bond distribution is:

SERIES	CAPITAL	CPE RATE +	Mode
C5	98.541	4,1900%	T.V
C7	131.815	4,9600%	T.V
C10	135.482	5,3300%	T.V
C12	134.162	5,5900%	T.V
TOTAL	500.000		

INVESTMENT IN ECONOMICALLY BOUND COMPANIES

COMPANY	Number of Common Shares	Holdings %	Cost 2011	Cos 2010	Valuation 2011	Dividends Received 2011
Cía. Nacional de Chocolates S.A.S	496.886	100	$ 668.137	$ 535.941	$ 0	$ 13.114
Compañía de Galletas Noel S.A.S.	119.000.000	100	778.067	481.675	32.417	
Tropical Coffee Company S.A.S.	1.000.000	100	24.975	21.939	494	
Ind. de Alimentos Zenú S.A.S.	2.496.089	100	298.375	299.446	0	23.264
Ind. Colombiana de Café S.A.S.	2.947.415	100	498.313	289.005	16	
Litoempaques S.A.S.	400.000	100	20.760	20.714	745	
Molino Santa Marta S.A.S.	30.316.584	100	35.804	27.041	20.835	
Novaventa S.A.S.	1.479.701.695	92,50	36.652	35.950	0	1.009
Pastas Comarrico S.A.S.	400.000	100	17.064	14.501	3.560	
Productos Alimenticios Doria S.A.S.	68.634.332	100	98.626	87.852	7.434	
Alimentos Cárnicos S.A.S.	4.736.893.458	100	344.516	242.339	0	4.500
Meals Mercadeo de Alimentos de Colombia S.A.S.	227.000.000	100	248.205	224.056	5.608	
Compañía Nacional de Chocolates de Perú S.A.	6.870	0.00	5	4	1	0
La Recetta S.A.S.	350.000	70	4.355	3.212	0	
Servicios Nutresa S.A.S. (formerly Servicios Nal. de Chocolates S.A.S.)	10.000	100	541	166	99	
Setas Colombianas S.A.	1.143.325.130	94,79	40.114	36.322	15.732	1.258
Alimentos Cárnicos Zona Franca S.A.S.	5.000	100	0	0	0	
Gestión Cargo Zona Franca S.A.S.	5.000	100	11.805	4.791	0	
Comercial Nutresa S.A.S. (formerly Cordialsa Colombia S.A.S.)	2.724.624	100	36.713	2.671	0	
Industrias Aliadas S.A.S.	1.780.000	66,67	27.851	23.115	6.640	
Subtotal			**$ 3.190.878**	**$ 2.350.741**	**$ 93.581**	**$ 43.145**
Investment Allowance			(569)	(820)		
TOTAL INVESTMENTS			**$ 3.190.309**	**$ 2.349.921**	**$ 93.581**	**$ 43.145**

A summary of the effect of applying the holding method in the structure of the *Grupo Nutresa S.A.* financial statements appears below:

	2011	2010
Increase in Assets		
Investments		
Holding Method	$ 370.029	$ 272.234
Dividends Received	(43.145)	(165.611)
Movement in Investments	326.884	106.623
Valuation	(1.469)	(55.951)
TOTAL INCREASE IN ASSETS	**$ 325.415**	**$ 50.672**
Increase in Equity:		
Results	$ 223.644	$ 239.836
Holding Method Profit	223.393	231.614
Net Investment Allowance Recovery	251	8.222
Capital Surplus	146.385	32.398
Valuation Surplus	(1.469)	(55.951)
TOTAL INCREASE IN EQUITY	**$ 368.560**	**$ 216.283**

The subordinate companies are listed below with their business purpose:

» ***Industria Colombiana de Café S. A. S. "Colcafé S. A. S."*:**
This Colombian company was incorporated June 1, 1950, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to assemble and exploit coffee – industry and food – industry activities in general, and those of directly related businesses, as well as conduct any other legal economic activity.

» ***Compañía Nacional de Chocolates S.A.S.*:**
This Colombian company was incorporated on October 8, 2002, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to conduct food – industry activities in general and, in particular, to produce chocolate and its derivatives, as well as to conduct business related to said industries; to distribute, sell and market the products described above, produced by the company and by other manufactures, and the raw materials, materials or inputs utilized in the food – production industry and in the production of popular – consumption foods susceptible to being distributed through the same channels. The business purpose also includes investing in or applying resources or having holdings under any associative form authorized by law, and carrying out any other legal activity.

» ***Tropical Coffee Company S.A.S.*:**
This Colombian company was incorporated on March 31, 1950, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Santa Marta, Provincial Department of Magdalena, Colombia.

Its business purpose is to assemble and exploit coffee – industry and food – industry activities in general and to conduct directly related business activities. In addition, it can conduct any other legal economic activity.

» ***Productos Alimenticios Doria S.A.S.*:**
This Colombian company was incorporated on November 18, 1966, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Mosquera, Provincial Department of Cundinamarca, Colombia.

Its business purpose is to exploit food – industry activities in general and, in particular, flours and prepared foods made from cereals and their derivatives, pastas among others, and conduct businesses that are directly related to said industry. It may also distribute and, in general, market food products, raw materials and elements used in the food industry, and the manufacture of flours and preparations made from cereals and its derivatives; as well as invest or apply resources or have holdings under any legal associative form; and conduct any other legal economic activity.

» *Industria de Alimentos Zenú S.A.S.:*

This Colombian company was incorporated on August 20, 2002, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 17, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to conduct food – industry activities in general, as well as for those substances used as ingredients in foods and, in particular, meat, including the processing and utilization of by – products from beef, pork, sheep, fish and other animal species; the slaughter and preparation of large or small livestock and the purchase, sale, transport, distribution, importation and exportation of meet. It may also process meat and prepare sausages, soups, extracts, fats, canned meat, spices, condiments, dairy products, cottage cheese, eggs, and food substances for animals; the distribution, sale, importation, exportation and marketing in general of the elements mentioned above in their natural state or industrially prepared by the company or by others. In addition, it may distribute, sell, and trade in general products for popular consumption susceptible to being distributed through the same channels. It may also invest or apply resources or have holdings under any associative forms authorized by law and conduct any other legal economic activity.

» *Compañía de Galletas Noel S.A.S.:*

This Colombian company was incorporated on August 13, 1998, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 17, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to exploit food – industry activities in general and, in particular, the production or manufacture of those foods for human consumption and the substances used as ingredients in food, such as prepared cereal, flour, starches, tea, coffee, sago, chocolate, sugar, salt, honey, bakery products, cookie and cracker products and pastry products. It may also distribute and sell and trade in general the products mentioned in the above sentence, produced by the company or by other manufacturers, and the raw materials, materials or inputs used in the food – production industry, as well as distribute, sell and trade in general products for popular consumption susceptible to being distributed through the same channels. It may also invest or apply resources or have holdings under any associative forms authorized by law and conduct any other legal economic activity.

» *Comercial Nutresa S.A.S.* (formerly *Cordialsa Colombia S. A. S.)*:

This Colombian company was incorporated through a private document on February 12, 2010; it was registered in the Medellín Chamber of Commerce on February 17, 2010. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to conduct any legal activity.

On March 31, 2011, the memorandum was registered in the Medellín Chamber of Commerce in which the name of the company was changed from *Compañía de Cordialsa Colombia S. A. S.* to *Comercial Nutresa S. A. S.*

» *Gestión Cargo Zona Franca S.A.S.:*

This Colombian company was incorporated on October 10, 2008, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 16 2009. It has an indefinite term and its main domicile is in Cartagena, Provincial Department of Bolívar, Colombia.

The company is an industrial user of free – trade goods and services; its business purpose is principally, to develop the following activities in the free – trade zone: provide management services to purchase, import and export food products and raw materials used in the food industry in general, for third parties. Likewise, it may reprocess, repack, assemble, label, pack, assemble for third parties, classify, control quality, inspect, reclassify, clean, freeze and thaw the mentioned articles. It may also provide coordination services and logistics control of imported products and raw materials for third parties, classify food and raw – material products, control inventories and customs processes, along with loading, unloading and picking of the products and raw materials indicated. It may do laboratory tests and analyses on food products and raw materials for food, as well as interpret their results.

» *Alimentos Cárnicos Zona Franca Santafé S.A.S.:*

This Colombian company was incorporated on October 10, 2008, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 16 2009. It has an indefinite term and its main domicile is in Cota, Provincial Department of Cundinamarca, Colombia.

The company is an industrial user of free – trade – zone goods and services; its main business purpose is the development of the following activities in the free – trade zone: to process, manufacture, purchase and sell food products and sell the sub – products and waste derived from the manufacturing processes; to provide manufacturing services of food products to third parties; to provide purchasing – management services for inputs and raw materials in the food – manufacturing industry; to provide services to reprocess, repack, assemble, label, pack, assemble for third parties, classify, control quality, inspect, reclassify, clean, freeze and thaw the mentioned products. It may also provide coordination services and logistics control of inventories of food products and raw materials for third parties, classify food and raw – material products, along with loading, unloading and picking of the products and raw materials indicated. It may contract for itself and for others third – party transportation services, as well as provide invoicing services and food – product dispatch, and conduct any other legal economic activity..

» *Alimentos Cárnicos S.A.S.:*

This Colombian company was incorporated on August 20, 1968, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 17, 2009. It has an indefinite term and its main domicile is in Yumbo, Provincial Department of Valle del Cauca, Colombia.

Its business purpose is to exploit industry activities related to food and/or the substances used as ingredients for food in general and, in particular, meat and/or farm livestock and produce, including the processing and utilization of animal and agricultural by – products to prepare food; to exploit farm produce and large and small livestock and the business directly related to these activities, particularly by cattle breeding, raising, fattening up and their later slaughter or live disposal; the purchase, sale, transport, distribution, import, export and trade in general of its own food and that of other manufactures. It may, furthermore, invest or apply resources or have holdings under any associative form authorized by law, the purpose of which is the exploitation of any legal economic activity, even if it is not directly related to food production or marketing, and to conduct any other legal economic activity in Colombia and abroad.

» *Molinos Santa Marta S.A.S.:*

This Colombian company was incorporated on April 18, 1980, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Santa Marta, Provincial Department of Magdalena, Colombia.

Its business purpose is to mil grain, as well as develop the business and activities that are directly related to the milling industry and conduct any other legal economic activity.

» *Litoempaques S.A.S.:*

This Colombian company was incorporated on March 16, 1995, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to exploit the metal – works and packing – industry activities in general and, in particular, to produce or manufacture and/or assembly, and/or market bottles, lids and packaging made of any material and for any use. It may also do lithography work in metal or in any other base aimed at all kinds of industries; to sell, distribute, import, export and commercialize all of the above elements in general, whether produced by the company or by other manufactures, as well as the raw materials or inputs used in the metal – works industry and packing industry. It may also conduct any other legal economic activity.

» *Pastas Comarrico S.A.S.:*

This Colombian company was incorporated on November 30, 2004, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 18, 2009. It has an indefinite term and its main domicile is in Barranquilla, Provincial Department of Atlántico, Colombia.

Its business purpose is to conduct food – industry activities in general and, in particular, to manufacture and/or commercialize flours, pastas, prepared food made from cereals and their derivatives, as well as conduct business activities directly related to said industry; and to conduct any other legal economic activity.

» *Novaventa S.A.S.:*

This Colombian company was incorporated on October 2, 2000, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 17, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to commercialize and distribute food products, raw materials and elements used in food industries and manage specialized channels to commercialize said products and other articles that are susceptible to being distributed through the same channels. It may also provide maintenance services for equipment used to commercialize the items mentioned above, and conduct any other legal economic activity.

» *Meals Mercadeo de Alimentos de Colombia S.A.S.:*

This Colombian company was incorporated on January 29, 1964, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 17, 2009. It has an indefinite term and its main domicile is in Bogotá, Provincial Department of Cundinamarca, Colombia.

Its business purpose is to conduct food – industry activities in general and, in particular, ice cream, dairy beverages, desserts, yoghurts, juices, refreshments, and fruit – based prepared food; to conduct business activities directly related to said industry. It general it may distribute, sell and trade the products mentioned above, produced by the company or by other manufacturers, as well as the raw materials,

materials or inputs used in the food – production industry, as well as distribute, sell and trade in general popular products that are susceptible to being distributed through the same channels. It may also invest or apply resources or have holdings under any of the associative forms authorized by law, and conduct any other legal economic activity.

» *Servicios Nutresa S. A. S.* (Formerly *Servicios Nacional de Chocolates S. A. S.*)

This Colombian company was incorporated on April 21, 2006, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 17, 2009. It has an indefinite term and its main domicile is in Medellín, Provincial Department of Antioquia, Colombia.

Its business purpose is to provide in Colombia and/or abroad specialized business services in areas such as risk management and insurance, assistance in legal, auditing and control, accounting, tax, negotiation in purchases, financial – planning, human – resource support and development, administrative, informational technology, treasury matters and any other that can create value for its clients. In addition, to invest or apply resources or have holdings under any of the associative forms authorized by law, and conduct any other legal economic activity.

On April 1, 2011, the statutory reform was registered in the Medellín Chamber of Commerce in which the name of the company was changed from *Servicios Nacional de Chocolates S. A. S.* to *Servicios Nutresa S. A. S.*.

» *La Recetta Soluciones Gastronómicas Integradas* S.A.S.:

This Colombian company was incorporated on April 11, 2008, as a *Sociedad Anónima* (stock company) and unanimously transformed by the Assembly of Shareholders into a *Sociedad por Acciones Simplificada* on March 25, 2010. It has an indefinite term and its main domicile is in Cota, Provincial Department of Cundinamarca, Colombia.

Its business purpose is to distribute products of any nature through the institutional channel on its own behalf or for third parties; these products include mass – consumption foods and products, with its own brands or with third – party brands, as well as packaging and packing them.

» *Compañía Nacional de Chocolates de Perú S.A.:*

The Peruvian company was incorporated on November 13, 2006, for an indefinite term and its main domicile is in Lima, Peru.

The business purpose is to conduct industrial and agro – industrial activities by manufacturing and commercializing all kinds of beverages and foods, as well as all types of farm and livestock exploitation. It may also devote itself to warehousing, merchandising, distributing, exporting and importing activities for goods in general and, in particular, it is dedicated to the industry of cookies, chocolates and other sweets.

On December 1, 2010, the short – form merger was effected, whereby *Compañía Nacional de Chocolates de Perú S. A.* absorbed *Compañía de Cacao del Perú S. A. C.*.

» *Industrias Aliadas S.A.S.:*

This Colombian company was incorporated on September 21, 1988, through Public Deed Number 4349, registered in the Office of the Second Notary Public of Ibagué. Its term is until September 21, 2038 and its main domicile is in Ibagué, Provincial Department of Tolima, Colombia.

On April 28, 2011, Memorandum Number 28 was registered in the Ibagué Chamber of Commerce, whereby the company was transformed in a *Sociedad por Acciones Simplificada*.

Its business purpose is to purchase, sell, dry, sort and export coffee. In general, the company conducts all activities related to the coffee industry.

» *Setas Colombianas S.A.:*

This Colombian company was incorporated on December 16, 1991. Its term is until December 16, 2041, and its main domicile is in Medellín, Provincial Department of Department, Colombia.

Its business purpose is to exploit, cultivate, produce, process, distribute and commercialize mushrooms and, in general, food – industry products for human consumption and food for animals, and conduct business activities directly related to the food industry. It may also invest in livestock, farming and industrial units or businesses to process, exploit or distribute food products for human consumption and food for animals.

Through Public Deed Number 4161, dated December 10, 2010, registered in the Office of the Twentieth Notary Public of the Circuit of Medellín, the statutory reform of *Setas Colombianas S. A.* was formalized in which the company's paid – up capital was decreased by COP 8.443.034.446 with a cash reimbursement of contributions. This reform was approved by the Assembly of Shareholders in an ordinary meeting on March 12, 2010 and was later authorized by the Office of the Financial Superintendent through Resolution 1088 dated May 31, 2010, as well as by the Ministry of Social Protection through Resolution 1870 dated November 18, 2010.

» *Portafolio de Alimentos S.A.S. y Valores Nacionales S.A.S.:*

On August 10, 2010, the Colombian Financial Superintendent, through Resolution 1627, approved the short – form merger through which *Grupo Nacional de Chocolates S. A.* absorbed its subordinated companies *Valores Nacionales S. A. S.* and *Portafolio de Alimentos S. A. S.* Pursuant to the resolution, the merger would be fully effective on the date on which the mercantile registration was made in the Chamber of Commerce. Said registration was made on September 10, 2010.

The values presented below were taken from the financial statements of the subordinate companies as of December 31, along with their corresponding certificates and fiscal auditor's opinion, subject to the legal regulations in force:

2011 COMPANY	Company Stock	Capital Surplus	Reserves	Equity Revaluation	Profit (Loss)	Loss from Previous Fiscal Year	Valuation Surplus	TOTAL EQUITY
Ind. Colombiana de Café S.A.S.	22	138.595	88.156	7.841	21.095	0	242.620	498.329
Cía. Nacional de Chocolates S.A.S.	25	194.755	179.703	18.821	37.566	0	237.267	668.137
Compañía de Galletas Noel S.A.S.	119.000	281.196	154.540	7.901	31.999	0	215.849	810.485
Ind. de Alimentos Zenú S.A.S.	250	(3.150)	123.042	73.660	13.851	0	90.320	297.973
Productos Alimenticios Doria S.A.S.	6.853	0	14.933	24.668	4.424	0	55.182	106.060
Molino Santa Marta S.A.S.	30	6.721	4.502	20.169	5.522	(1.910)	21.604	56.638
Alimentos Cárnicos S.A.S.	47.376	44.405	131.936	0	66.440	0	54.359	344.516
Tropical Coffee Company S.A.S.	4.891	0	3.363	382	(321)	(975)	18.130	25.470
Litoempaques S.A.S.	4.000	0	2.082	6.726	(35)	0	8.732	21.505
Pastas Comarrico S.A.S.	400	6.951	2.589	0	1.230	0	9.454	20.624
Novaventa S.A.S.	1.600	3.588	18.367	8.215	1.983	0	5.872	39.625
Cía. Nacional de Chocolates del Perú S.A.	169.204	0	3.329	0	8.852	9.498	0	190.883
La Recetta S.A.S.	500	1.820	1.118	0	1.634	0	336	5.408
Meals Mercadeo de Alimentos de Colombia S.A.S.	22.700	127.597	31.444	0	10.972	0	61.100	253.813
Servicios Nutresa S.A.S. (formerly Serv. Nal. de Chocolates S.A.S.)	100	0	163	2	330	0	44	639
Setas de Colombia S.A.	7.237	3.800	10.888	31.656	4.928	(29.906)	30.313	58.916
Alimentos Cárnicos Zona Franca S.A.S.	5	0	0	0	(726)	(42)	0	(763)
Gestión Cargo S.A.S	5	0	4.786	0	7.014	0	0	11.805
Comercial Nutresa S.A.S. (formerly Cordialsa Colombia S.A.S.)	2.725	23.785	661	0	9.543	0	0	36.714
Industrias Aliadas S.A.S.	13.959	1.362	551	6.506	7.104	(2.650)	24.904	51.736

2010	Company Stock	Capital Surplus	Reserves	Equity Revaluation	Profit (Loss)	Profit or Loss from Previous Fiscal Period	Valuation Surplus	TOTAL EQUITY
Ind. Colombiana de Café S.A.S.	16	12.778	46.110	9.409	42.045	0	178.646	289.004
Cía. Nacional de Chocolates S.A.S.	22	73.284	171.417	21.421	21.399	0	248.398	535.941
Compañía de Galletas Noel S.A.S.	116.660	41.406	120.567	10.953	33.972	0	190.289	513.847
Ind. de Alimentos Zenú S.A.S.	250	227	87.502	76.638	58.805	0	75.900	299.322
Productos Alimenticios Doria S.A.S.	6.853	0	4.413	27.543	10.520	0	45.963	95.292
Molinos Santa Marta S.A.S.	30	6.721	4.502	20.589	(1.909)	0	18.209	48.142
Alimentos Cárnicos S.A.S.	44.034	14.267	103.522	0	32.913	0	47.603	242.339
Tropical Coffee Company S.A.S.	4.891	0	3.042	501	(652)	0	14.649	22.431
Litoempaques S.A.S.	4.000	0	1.897	6.921	185	0	8.455	21.458
Pastas Comarrico S.A.S.	400	6.951	1.359	82	1.230	0	8.040	18.062
Novaventa S.A.S.	1.600	3.588	11.684	8.761	7.774	0	6.090	39.497
Cía. Nacional de Chocolates del Perú S.A.	136.209	0	21.169	0	(148)	0	0	157.230
La Recetta S.A.S.	500	1.820	12	0	1.105	0	0	3.437
Meals Mercadeo de Alimentos de Colombia S.A.S.	22.700	127.597	25.535	837	5.908	0	47.073	229.650
Servicios Nutresa S.A.S. (formerly Serv. Nal. de Chocolates S.A.S.)	100	0	65	2	98	0	41	306
Setas de Colombia S.A.	7.237	3.800	6.813	33.478	5.401	(29.906)	28.110	54.933
Alimentos Cárnicos Zona Franca S.A.S.	5	0	0	0	(12)	(30)	0	(37)
Gestión Cargo S.A.S.	5	0	0	0	4.771	0	0	4.776
Comercial Nutresa S.A.S. (formerly Cordialsa Colombia S.A.S.)	1.000	1.010	0	0	661	0	0	2.671
Industrias Aliadas S.A.S.	13.959	1.362	292	7.791	897	(3.288)	25.023	46.036

ECONOMICALLY BOUND COMPANIES IN WHICH GRUPO NUTRESA S.A. DOES NOT HAVE A DIRECT STAKE

ISSUER COMPANY / COMPANY SHAREHOLDER	Compañía Nacional de Chocolates S.A.S.	Compañía de Galletas Noel S.A.S.	Colcafé S.A.S.	Compañía Nacional de Chocolates DCR S.A.	Industria de Alimentos Zenú S.A.S.	Compañía de Galletas Pozuelo DCR S.A.	Compañía Nacional de Chocolates de Perú S.A.	Alimentos Cárnicos S.A.S.	Helados Bon S.A.	ECONOMIC ACTIVITY
Alimentos Cárnicos de Panamá S.A. (formerly Blue Ribbon Products S.A.)					100,00%					Production
Cordialsa Noel Venezuela S.A.	50,00%	50,00%								Merchandising
Industrias Alimenticias Hermo de Venezuela						100,00%				Production
Corp. Distrib. de Alimentos S.A. (Cordialsa)	50,00%	50,00%								Merchandising
Cordialsa Boricua Empaque, Inc.	24,09%	75,91%								Merchandising
Cordialsa USA, Inc.	10,28%	74,66%	15,06%							Merchandising
Compañía Nacional de Chocolates DCR, S.A.	100,00%									Food – Industry Exploitation
Cordialsa Costa Rica, S.A.	50,00%	50,00%								Merchandising
Comercial Pozuelo Guatemala S.A. (formerly Dist. Cordialsa Guatemala S.A.)				0,01%		99,99%				Merchandising
Cordialsa Honduras, S.A.	50,00%	50,00%								Merchandising
Comercial Pozuelo El Salvador S.A. de C.V. (formerly Cordialsa Salvador S.A. de C.V.)						99,997%			0,003%	Merchandising
Compañía de Galletas Pozuelo DCR S.A.	35,75%	62,84%			1,41%					Food – Industry Exploitation
Comercial Pozuelo de Panamá S.A. (formerly Dist. Tropical de Nicaragua S.A.)						100,00%				Production
Comercial Pozuelo Nicaragua S.A. (formerly Dist. Tropical de Nicaragua S.A.)				0,08%		99,92%				Merchandising
Nutresa S.A. de C.V.	10,22%		40,13%		14,00%		35,65%			Production
Serer S.A. de C.V.			44,70%		15,59%		39,71%			Production
Fehr Holdings, LLC		100,00%								Production
Compañía de Galletas Pozuelo de República Dominicana S.A.						100,00%				Investments
Helados Bon S.A.									73,11%	Production
Distribuidora Bon S.A.								0,06%	99,94%	Merchandising

INVESTMENT IN OTHER COMPANIES

COMPANY	Number of Common Stock	Holdings %	Cost 2011	Cost 2010	Valuation (Devaluation) 2011	Valuation (Devaluation) 2010	Dividends Received 2011
Compañía de Distribución y Transporte S.A.	0	0,00%	$ 0	$ 1.315	$ 0	$ 899	$ 665
Grupo Suramericana de Inversiones S.A.	469.037.260	12,66%	161.433	161.433	1.685.527	2.064.421	16.896
Inversiones Argos S.A.	645.400.000	12,37%	148.703	148.703	1.193.611	1.439.409	15.642
Predios del Sur S.A.	0	0,00%	0	783	0	(131)	0
Promotora de Manufacturas para Exportación S.A.	0	0,00%	0	177	0	0	0
Promotora de Proyectos S.A.	3.093.368	12,87%	265	265	(176)	(177)	0
Sociedad Central Ganadera S.A.	279.859	17,40%	1.025	958	1.032	717	228
Fondo Ganadero de Antioquia	43.321.254	3,57%	88	88	(6)	(9)	0
Bimbo de Colombia S.A.	5.811.574	40,00%	52.985	52.985	5.581	(3.410)	0
Carnes y Derivados	0	0,00%	0	3	0	2	1
Others			0	0	0	0	0
Subtotal			**$ 364.499**	**$ 366.710**	**$ 2.885.569**	**$ 3.501.721**	**$ 33.432**
Investment Allowance			(46)	(532)	0	**0**	**0**
TOTAL INVESTMENTS			**$ 364.453**	**$ 366.178**	**$ 2.885.569**	**$ 3.501.721**	**$ 33.432**

NOTE 6 » Memorandum Accounts

The balance as of December 31 included:

	2011	2010
Debtor Memorandum Accounts:		
Contingent Rights		
Assets and Securities Given Out as Guarantee	$ 401.760	$ 499.770
Litigations and Lawsuits	0	1.469
Subtotal	**$ 401.760**	**$ 501.239**
Fiscal Debtor Memorandum Accounts		
Investments	$ (4.098.029)	$ (4.126.012)
Intangible Assets	110	0
Expenses	(11.389)	(8.506)
Fiscal Losses to Be Compensated	783	14.344
Fiscal Losses Compensated	9.934	5.268
Excess Presumptive Income Compensated	9.281	4.231
Subtotal	**$ (4.089.310)**	**$ (4.110.675)**
Other Control Debtor Memorandum Accounts		
Assets and Securities in Trust	$ 152	$ 7.785
Asset Inflation Adjustment	611.979	611.979
Subtotal	$ 612.131	$ 619.764
TOTAL DEBTOR MEMORANDUM ACCOUNTS	**$ (3.075.419)**	**$ (2.989.672)**

	2011	2010
Creditor Memorandum Accounts		
Contingent Responsibilities		
Assets and Securities Received as Guarantee	$ (607)	$ 1.605
Litigations and/or Lawsuits	805	746
Credits	1.245.857	1.220.603
Labor	956	0
Other Contingent Responsibilities	725	1.187
Subtotal	**$ 1.247.736**	**$ 1.224.141**
Fiscal Creditor Memorandum Accounts		
Operating Income	(257.437)	281.639
Control Creditor Memorandum Accounts		
Equity Inflation Adjustments	803.802	803.802
TOTAL CREDITOR MEMORANDUM ACCOUNTS	**$ 1.794.101**	**$ 2.309.582**

NOTE 7 » Accounts Payable

The balance as of December 31 included:

	2011	2010
Economically Bound Companies (Note 18)	$ 15.120	$ 30.455
Costs and Expenses Payable	668	655
Dividends Payable	43.138	38.851
Withholdings and Payroll	30	33
Withholdings at the Source	345	245
Others	8	23
TOTAL ACCOUNTS PAYABLE (SHORT TERM)	**$ 59.309**	**$ 70.262**
Others (1)	157	158
TOTAL ACCOUNTS PAYABLE (LONG TERM)	**$ 157**	**$ 158**

(1) We expect to pay the balance in 2021.

NOTE 8 » Taxes, levies and rates

As of December 31, the taxes, levies and rates included:

	2011	2010
Sales Tax Payable	$ 82	$ 476
Municipal Taxes	0	128
Equity Tax (*)	503	0
	585	**604**
Les: Non – Current Portion of Equity Tax	336	0
TOTAL	**$ 249**	**$ 604**

(*) The maturity of the non – current portion of the Equity Tax is as follows:

Year	Value
2013	$ 168
2014	168
TOTAL	$ 336

INCOME TAX AND COMPLEMENTARY TAXES

Current tax dispositions applicable to the Company stipulate that:

a) Fiscal income is generally taxed at a rate of 33% for the concept of income tax and complementary taxes, except for the contributors that, by express disposition, handle special rates.
b) The taxable base to determine the income tax cannot be less than 3% of the net worth of the net worth (shareholders' equity) on the last day of the immediately previous taxable fiscal period.
c) As of tax year 2007, for tax purposes, the system of integral – inflation adjustments was eliminated; the occasional – earnings tax on the total taxable occasional earnings that taxpayers obtained during the year was reactivated for legal corporate entities. The sole applicable tax rate for taxable occasional earnings is 33%.
d) As of tax year 2007 and solely for tax purposes, taxpayers may annually adjust the cost of real estate and personal property that have the nature of fixed assets. The adjustment percentage will be set by the Colombian National Tax and Customs Directorate through a resolution.
e) As of December 31, 2011, the Company presented fiscal losses to be compensated in the amount of COP 782 originated in 2006 and 2008. Pursuant to effective tax regulations, the fiscal losses generated from 2003 to 2006 can be offset and/or fiscally readjusted with the net ordinary income for the following eight (8) years, without exceeding 25% of the value of the loss annually, without prejudice to the presumptive income for the fiscal period. Losses originated as of tax year 2007 may be offset and/or fiscally readjusted, without any limit on the percentage, at any time, with net ordinary income without prejudice to the presumptive income for the fiscal period. Company losses will not be transferred to the shareholders. Fiscal losses originated in revenue that do not constitute income or occasional earnings, and originated in costs and deductions that have no relation of causality with the generation of taxable income, may not – under any circumstance – be offset with the taxpayers net income.
e) As of December 31, 2011, the Company presented excesses of presumptive income over ordinary income in the amount of COP 9.281, generated in 2009 and 2010. Pursuant to effective tax regulations, the excesses presumptive income over ordinary income may be offset and/or fiscally readjusted with the net ordinary income, within the following five (5) years.

The maturity of the fiscal losses and the excesses of presumptive income is the following:

Date of Maturity	Fiscal Losses	Excesses of Presumptive Income
No Date of Maturity	$ 62	$ 0
2015	0	6.084
2014	13	3.197
2013	613	0
2012	61	0
	$ 749	$ 9.281

f) Since 2004, taxpayers of income tax which has entered into operations with economically bound companies or related parties abroad and/or residents in countries deemed tax havens are required to determine their ordinary and extraordinary income, for income tax and complementary tax purposes, considering the so – called market prices and profit margins for these operations.

During 2011 and 2010, the Company did not enter into operations with economically bound companies or related parties abroad and/or with residents in countries deemed tax havens; therefore, it did not have to prepare the transfer price study that regulations covering such operations require.

Below is the breakdown of the reconciliation between before – tax profits and remittance and the taxable income for the years ended on December 31:

		2011		2010
Profit before Allowance for Estimated Income Tax	$	256.109	$	280.279
Plus:				
Taxes and Other Non – Deductible Expenses		430		1.822
Non – Deductible Expenses		407		124
Increase in Non – Deductible Allowances		233		214
Loss in Holding Method		360		2.876
Costs and Expenses from Previous Fiscal Periods		490		12
Dividend Received Due to the Holding Method		43.145		165.611
Levy on Financial Movements		511		53
Expenses for Emission of Shares		9.524		0
TOTAL Items that Increase the Net Taxable Income	**$**	**55.100**	**$**	**170.712**
Minus:				
Untaxed Income		1		27
Income Using Holding Method		224.005		242.712
Dividends that Do Not Constitute Income		76.576		196.564
Repayment of Costs and Expenses from Prior Fiscal Periods		0		5.896
Presumptive Income Losses and Excesses Offset		9.934		5.268
Investment Sales Cost		693		502
Repayment of Allowances		0		21
TOTAL Items that Decrease the Net Taxable Income	**$**	**311.209**	**$**	**450.990**
Presumptive Income	$	385	$	5.856
Taxable Net Income		385		5.856
Tax Rate		33%		33%
Allowance for Current Income Tax Before Discounts		127		1.933
Minus: Tax Discounts		0		(57)
Allowance for Current Year Income Tax		**127**		**1.876**

The credit balance for income tax and complementary taxes as of December 31 was determined as follows:

		2011		2010
Allowance for Income Tax and Current Occasional Earnings	$	127	$	1.876
Minus:				
Auto – Retentions and Withholdings		827		1.469
Uncompensated Credit Balance		0		966
Credit Balance for Income Tax and Complementary Taxes	**$**	**700**	**$**	**559**

RECONCILIATION BETWEEN ACCOUNTING NET WORTH AND FISCAL NET WORTH

Below is the reconciliation between the accounting net worth and the fiscal net worth for the years ending as of December 31:

		2011		2010
Accounting Net Worth	$	6.476.240	$	6.323.674
Plus (Minus) Items that Increase (Decrease)				
Net Worth for Fiscal Effects:				
Allowances		1.149		1.639
Valuations		(2.979.150)		(3.596.672)
Goodwill Amortization Pending		110		0
Fiscal Cost of Investments		(1.120.029)		(530.978)
FISCAL NET WORTH	**$**	**2.378.320**	**$**	**2.197.663**

The tax returns for income taxes and complementary taxes for the 2006, 2008, 2009 and 2010 tax years are subject to review and acceptance by the tax authorities. The Company Administrators and its legal advisors consider that the sums posted as liabilities for that concept are sufficient to attend any requirement that may be set forth regarding those years.

CAPITAL TAX

Under the terms of Law 1370 of 2009, a capital tax was created for taxable year 2011, which income taxpayers must pay. Therefore, those taxpayers with a net worth above COP 5.000 Million are subject to a rate of 4,8%; those with a net worth of between COP 3.000 Million and COP 5.000 Million must pay a tax rate of 2,4%.

Emergency Decree Number 4825 of December 2010 included a new range of taxpayers required to pay this tax. It establishes a rate of 1% for those taxpayers whose net worth is between COP 1.000 Million and 2.000 Million; those whose net worth is between COP 2.000 Million and 3.000 Million must pay a rate of 1,4%.

This decree also established a 25% surcharge on this tax, which is applicable only to capital – tax taxpayers under Law 1370 of 2009.

Decree 514 of 2010 added the following transition paragraph to Article 78 of Regulatory Decree 2649 of 1993: "Taxpayers may allocate annually the value of the contributions due in the respective capital – tax periods covered by Law 1370 of 2009 against the revaluation account of the capital. When the capital revaluation account does not record a credit balance or is insufficient to allocate the capital tax, taxpayers may annually allocate the value of the required installments in the Profit and Loss Accounts of the respective period.

The tax value, including the surcharge, was COP 670. The tax was accrued on January 1, 2011 and is paid in eight (8) installments during four (4) years; that is, two (2) installments per year. The Company registered COP 670 of capital tax under the deferred assets account, which will be amortized on a straight line under the equity revaluation account. The amortized value of this deferred asset for 2011 is COP 168.

NOTE 9 » Deferred Revenue

This corresponds to the dividends decreed by companies that are not controlled between March 2011 and April 2012, payable monthly and quarterly, as the case may be.

The balance as of December 31, 2011 and 2010 included:

NAMES	2011	2010
Inversiones Argos S.A.	$ 3.990	$ 3.671
Grupo de Inversiones Suramericana S.A.	4.306	3.979
TOTAL	**$ 8.296**	**$ 7.650**

NOTE 10 » Capital Stock

The balance as of December 31, 2011 and 2011 included:

	2011	2010
Authorized Capital of 480.000.000 shares at a par value of COP 5 each	$ 2.400	$ 2.400
Non – Issued Shares 19.876.542 (2010: 44.876.542)	(99)	(224)
SUBSCRIBED AND PAID – UP CAPITAL	**$ 2.301**	**$ 2.176**

NOTE 11 » Reserves

- **Legal Reserve**
  Pursuant to Colombian commerce legislation, 10% of the net profits must be appropriated each year as a legal reserve, until the reserve balance reaches at least 50% of the subscribed capital. In accordance with its bylaws, the Company keeps its legal reserve until it reaches 100% of the subscribed capital. The reserve cannot be distributed until the Company is liquidated, but it must be used to absorb losses. Any excess above the minimum amount required by law may be freely disposed of by the Assembly of Shareholders.
- **Reserve for Stock Buy – Back**
  Pursuant to the provisions set forth in the Commerce Code, all rights inherent in stock buy – back have a suspended status and these must be excluded when determining the intrinsic value of the issued stock. The Company must maintain a reserve equal to the cost of the buy – backs of its own stock.
- **Other Reserves**
  This includes other reserves that are substantially for free disposal by the Assembly of Shareholders.

NOTE 12 » Equity Revaluation

The adjustments for inflation made from January 1, 1992, until December 31, 2006 were accredited to this account and charged to the fiscal period Profit and Loss Statement, except for the Valuation Surplus. This item is decreased with the Equity Tax and may not be distributed as a profit until the Company is liquidated or capitalized, pursuant to legal provisions.

NOTE 13 » Administration Operating Expenses

The balance as of December 31 included:

	2011	2010
Personnel Expenses	$ 3.621	$ 3.584
Taxes	691	1.750
Travel Expenses	1.572	1.615
Professional Fees	439	1.131
Miscellaneous and Others	2.681	3.483
TOTAL	**$ 9.004**	**$ 11.563**

NOTE 14 » Net Profit on Sale and Liquidation of Investments

The balance as of December 31 included:

YEAR 2011			
Name	Cost	Sale Price or Value Received	Profit or (Loss)
Withdrawal of Investments			
Predios del Sur S.A.	$ 764	$ 491	$ (273)
Sale of Investments			
Meats and Derivatives	2	4	2
Ditransa	1.023	12.318	11.295
TOTAL	**$ 1.789**	**$ 12.813**	**$ 11.024**
YEAR 2010			
Name	Cost	Sale Price or Value Received	Profit or (Loss)
Sale of Investments			
Planeco S.A.	$ 15	$ 1.724	$ 1.709
Confecciones Colombia S.A.	172	14	(158)
Compañía de Cacao del Perú S.A.C	1.331	1.359	28
Comercial Nutresa S.A.S.	10	10	0
TOTAL	**$ 1.528**	**$ 3.107**	**$ 1.579**

NOTE 15 » Dividends Decreed

In the ordinary Assembly of Shareholders held March 31, 2011, a monthly per – share dividend of COP 28,50 was decreed between April 2011 and March 2012 inclusive, on 435.123.458 outstanding shares. Beginning with the issuance of shared in July 2011, the dividend was paid on 460.123.458 outstanding shares. Dividends were decreed for 2011 in the amount of COP 154.512 (2010: COP 140.980).

During 2011, dividends were paid in the amount of COP 150.226 (2010: COP 139.487).

NOTE 16 » Administration of Stocks and Dividends

The Company entered into a contract with *Deceval* by virtue of which the latter is in charge of providing comprehensive deposit and administration services of the Company stock, beginning on June 1, 2011.

The main contractual commitments are the following:

- To have custody of and update the Shareholder's Registry Ledger
- To make annotations regarding trading account and custody
- To update and correct data
- To oversee the assemblies
- To serve shareholders
- To serve third parties
- To attend to off – exchange operations
- To administer subscriptions
- To administer risks
- To liquidate and control dividends
- To maintain documentation / files
- To provide reports and consultations
- To provide legal support
- To provide other services

NOTE 17 » Financial Ratios

	2011	2010
Liquidity Ratio		
(Current Assets / Current Liabilities)	0,16 time	1,13 time
Indicates the capability that the Company has to attend its short – term obligations, using current assets as endorsement.		
Debt Ratio		
(Total Liabilities / Total Assets)	1,06%	1,25%
Indicates the part of the Company's assets that are financed with third – party resources.		
Profitability Ratio		
• (Net Profit / Net Worth)	3,95%	4,40%
Percentage of Net Worth that Represents the Net Profit		
• (Net Profit / Total Assets)	3,91%	4,35%

Percentage of Total Assets that Represents the Net Profit.

	2011	2010
Stock Information		
Number of Outstanding Shares	460.123.458	435.123.458
Nominal Value (*)	5	5
Commercial Value (*)	21.800	27.100
Intrinsic Value (*)	14.075	14.533
Number of Shareholders	22.092	9.181
Average Price on the Stock Market (*)	22.922	26.341
Maximum Price on the Stock Market (*)	27.100	27.520
Minimum Price on the Stock Market (*)	20.500	19.920

(*) Values expressed in Colombian Pesos (COP)

NOTE 18 » Balances and Transactions among Economically Bound Companies

(Colombian Law 222 of 1995, Articles 29 and 47, and Circular 002 of 1998 from the Colombian Financial Superintendent).

	Operating Value 2011	Operating Value 2010	Effect on Profit and Loss Results 2011	% of Share in Operating Income (Expenses) 2011
COMPAÑÍA DE GALLETAS NOEL S.A.S.				
Professional Fees and Services	$ 1.531	$ 2.651	$ 1.531	0,55%
Interest Received	0	51		
Dividends Received	0	14.623		
Balance Receivable	10	11		
INDUSTRIAS ALIMENTICIAS ZENÚ S.A.S.				
Professional Fees and Services	0	5.292		
Interest Received	23.264	12.368		
Dividends Received	0	1		
Balance Receivable	0	1.826		
COMPAÑÍA NACIONAL DE CHOCOLATES S.A.S.				
Professional Fees and Services	1.107	1.625	1.107	0,40%
Interest Received	0	170		
Dividends Received	13.114	40.932		
Balance Receivable	93	250		
Balance Payable	(153)	5		
PRODUCTOS ALIMENTICIOS DORIA S.A.S.				
Professional Fees and Services	494	418	494	0,18%
Interest Received	26	15	26	0,01%
Dividends Received	0	28.111		
Balance Receivable	0	17.443		
ALIMENTOS CÁRNICOS S.A.S.				
Professional Fees and Services	2.632	1.261	2.632	0,95%
Interest Received	4.500	24.287		
Dividends Received	0	90		
Balance Receivable	0	12.613		
INDUSTRIA COLOMBIANA DE CAFÉ S.A.S.				
Professional Fees and Services	1.113	1.175	1.113	0,40%
Interest Received	0	33.363		
Dividends Received	9	269	9	0,003%
Balance Receivable	442	35.939		
MOLINO SANTA MARTA S.A.S.				
Interest Received	0	262		
MEALS DE COLOMBIA S.A.S.				
Professional Fees and Services	339	666	339	0,12%
Interest Received Intereses recibidos	22	16	22	0,01%
SERVICIOS NUTRESA S.A.S.				
Dividends Received		487		
Other Expenses	375	0	375	4,16%
Balance Receivable	7	2		
Professional Fees	11	13	11	0,12%
Balance Payable	15.273	30.446		

	Operating Value 2011	Operating Value 2010	Effect on Profit and Loss Results 2011	% of Share in Operating Income (Expenses) 2011
NOVAVENTA S.A.S.				
Interest Received	$ 0	$ 87		
Dividends Received	1.009	0		
ALIMENTOS CÁRNICOS ZONA FRANCA SANTAFÉ S.A.S.				
Interest Received	26	7	26	0,01%
Balance Receivable	661	654		
GESTIÓN CARGO ZONA FRANCA S.A.S.				
Dividends Received	0	624		
Balance Receivable	0	624		
LITOEMPAQUES S.A.S.				
Dividends Received	0	3.793		
Balance Receivable	0	3.797		
PASTAS COMARRICO S.A.S.				
Dividends Received	0	4.322		
Balance Receivable	0	4.322		
TROPICAL COFFEE COMPANY S.A.S.				
Dividends Received	0	1.784		
Balance Receivable	0	1.784		
SETAS COLOMBIANAS S.A.				
Dividends Received	1.258	915		
COMPAÑÍA NACIONAL DE CHOCOLATES DEL PERÚ S.A.				
Balance Payable	$ 0	$ 4		

Operations with companies in which Grupo Nutresa S.A. Board of Directors members, its Legal Representatives, and Chief Officers have a share greater than 10%:

	Operating Value 2011	Operating Value 2010	Effect on Profit and Loss Results 2011	% of Share in Operating Income (Expenses) 2011
Grupo de Inversiones Suramericana S.A.				
Dividends Received	$ 16.896	$ 15.677	$ 16.896	6,10%
Dividends Paid	50.978	38.728	0	
Portafolio Inversiones Suramericana S.A.				
Dividends Paid	0	13.010	0	
Inversiones Argos S.A.				
Dividends Received	15.642	14.466	15.642	5,65%
Dividends Paid	4.491	4.271	0	

GRI Content Index

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
1. Strategy and Analysis			
1.1	Statement from the most senior decision-maker of the organization.	2011 Annual and Sustainability Report. Pages 14 to 24	
1.2	Description of key impacts, risks, and opportunities.	2011 Annual and Sustainability Report. Pages 15 to 16	
2. Organizational Profile			
2.1	Name of the organization.	2011 Annual and Sustainability Report. Pages 20 and 98	
2.2	Primary brands, products, and/or services.	2011 Annual and Sustainability Report. Page 3	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	2011 Annual and Sustainability Report. Pages 3 and 98	
2.4	Location of organization's headquarters.	2011 Annual and Sustainability Report. Pages 20 and 98	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	2011 Annual and Sustainability Report. Information Regarding this Annual and Sustainability Report. Pages 6 and 7	
2.6	Nature of ownership and legal form.	2011 Annual and Sustainability Report. Pages 20 and 98	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	2011 Annual and Sustainability Report. Page 36	
2.8	Scale of the reporting organization.	2011 Annual and Sustainability Report. Pages 4, 18 and 20	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	2011 Annual and Sustainability Report. Page 18	
2.10	Awards received in the reporting period.	2011 Annual and Sustainability Report. Pages 5 and 90 to 97	
3. Report Parameters			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	2011 Annual and Sustainability Report. Page 6 This report corresponds to the January 1 – December 31, 2011 fiscal year.	
3.2	Date of most recent previous report (if any).	2011 Annual and Sustainability Report. The most recent report was done in 2010, corresponding to the period from January 1 to December 31.	
3.3	Reporting cycle (annual, biennial, etc.)	2011 Management and Sustainability Report. Information Regarding this Annual and Sustainability Report. Page 6 This report compiles annual management.	
3.4	Contact point for questions regarding the report or its contents.	2011 Annual and Sustainability Report. Page 115	

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
3.5	Process for defining report content.	2011 Annual and Sustainability Report. Materiality Analysis. Page 7	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	2011 Annual and Sustainability Report. Information Regarding this Annual and Sustainability Report. Pages 6 to 8	
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	2011 Annual and Sustainability Report. Information Regarding this Annual and Sustainability Report. Page 6	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	2011 Annual and Sustainability Report. Pages 18 and 98	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	2011 Annual and Sustainability Report. Pages 6 to 8	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g.,mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	2011 Annual and Sustainability Report. Page 7	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	2011 Annual and Sustainability Report. Pages 6 to 8	
3.12	Table identifying the location of the Standard Disclosures in the report.	This content forms an integral part of *Grupo Nutresa*'s Annual and Sustainability Report.	
3.13	Policy and current practice with regard to seeking external assurance for the report.	2011 Annual and Sustainability Report. Page 34	
4. Governance, Commitments, and Engagement			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	2011 Annual and Sustainability Report. Page 29 Twenty – one point forty – three percent (21.43%) of the members of the *Grupo Nutresa* Board of Directors is women and 78.57% are men. None of them belongs to ethnic minorities; 14.29% range in age from 30 – 50 years and 85.71% are over 50 years old."	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	The President of the Board of Directors does not have a managerial position. This is different from the President of *Grupo Empresarial Nutresa*.	
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	2011 Annual and Sustainability Report. Page 29 See the definition in the Code of Good Governance: http://www.gruponutresa.com/en/node/213"	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	2011 Annual and Sustainability Report. Page 31 See Contact with Investors: http://www.nutresa.com/es/relacion_inversionistas"	

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	2011 Annual and Sustainability Report. Pages 21 and 22 We have a Performance Management System that included sustainability matters, which are approved by the Appointment and Retribution Committee.	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	2011 Annual and Sustainability Report. Corporate Government. Pages 29 and 30	
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	2011 Annual and Sustainability Report. Pages 11 to 13 See the definition in the Code of Good Governance: http://www.gruponutresa.com/en/node/213	
4.8	See the definition in the Code of Good Governance: http://www.gruponutresa.com/en/node/213"	2011 Annual and Sustainability Report. Pages 9, 21, 29 and 30	
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	2011 Annual and Sustainability Report. Pages 14 to 24, 29 http://www.unglobalcompact.org/participant/4638-Grupo-Nutresa-S-A- Each month, *Grupo Nutresa*'s Board of Directors reviews and monitors the sales and financial report, the strategy and the relevant business and sustainability matters, as well as monitoring pending topics. In addition, each month a member of the Corporate Committee forms part of the Board meeting and presents his management report.	Statement of Continuous Support, Page. 81
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	We are currently carrying out an internal – evaluation process of the Board of Director's management, which includes the economic, social and environmental variables. Beginning in 2012, this review will be made by a third party.	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	2011 Annual and Sustainability Report. Pages 14 to 24 http://www.unglobalcompact.org/participant/4638-Grupo-Nutresa-S-A-"	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	2011 Annual and Sustainability Report. Pages 30, 32 and 33 http://www.unglobalcompact.org/participant/4638-Grupo-Nutresa-S-A-"	
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	2011 Annual and Sustainability Report. Pages 44, 88 and 89	
4.14	List of stakeholder groups engaged by the organization.	The stakeholder groups defined by *Grupo Nutresa* are: Employees, Community, Suppliers, Clients and Consumers, the Nation, and its Shareholders.	
4.15	Basis for identification and selection of stakeholders with whom to engage.	2011 Annual and Sustainability Report. Pages 7 and 8	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	2011 Annual and Sustainability Report. Pages 7 and 8	

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	2011 Annual and Sustainability Report. *Grupo Nutresa's Materiality Matrix*. Page 8	
Sourcing			
FP1	FP1 Percentage of purchased volume from suppliers compliant with company's sourcing policy.	Our procurement policy is the "Code of Conduct for Suppliers," which was made known in 2011 to common, direct material suppliers (raw materials and packing material). The method used was evaluation visits by staff from Purchasing Management. The total volume purchased from these suppliers that we visited corresponds to 4.39%.	Principle 1 and 2
FP2	FP2 Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard.	Fifty – eight point twenty – four percent (58.24%) of the raw materials purchased have international certifications; the remaining 41.76% comply with internal standards established and the legislation of the countries of origin and destination. Of these certified purchases, 83% come from Colombian suppliers and the remaining 17% come from suppliers in countries such as the United States, Brazil and Chile.	Principle 1
Economic			
EC1 COMM	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	2011 Annual and Sustainability Report. Page 36	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	2011 Annual and Sustainability Report. Pages 15 and 16, 85 and 86 The Organization has not made a quantitative estimate of the financial implications of climate change.	Principle 7
EC3	Coverage of the organization's defined benefit plan obligations.	2011 Annual and Sustainability Report. Page 54 By law, provision is made for retirement pensions and were recorded based on actuarial calculations as of December 31, 2011, for Colombian companies.	
EC4 COMM	Significant financial assistance received from government.	No significant financial assistance was received	
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.		
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	2011 Annual and Sustainability Report. Global Presence. Page 3 and 74	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	As part of the internationalization strategy formalized in *Grupo Nutresa*'s Strategic Plan, we have decided to maintain the local teams. In addition, we have a selection policy that promotes hiring senior management from the local communities. In 2011, of the 129 *Grupo Nutresa* directors, 96 correspond to local communities and 33 to foreigners.	Principle 6

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	2011 Annual and Sustainability Report. Page 63 and 71 to 73	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.		
Environmental			
EN1 COMM	Materials used by weight or volume.	The consumption of direct raw materials in the Businesses reached 502,242 tons. A total of 311,272 gallons of liquid fuel was used, along with 6,296 tons of solid fuels and 29,134,736 m2 of gaseous fuels. Consolidated information for packaging materials and their classification, 2011 Annual and Sustainability Report Page 82	Principle 8
EN2	Percentage of materials used that are recycled input materials.	Raw materials are from natural sources. We wish to highlight that 80.5% of the corrugated use recycled material.	Principle 8 and 9
EN3	Direct energy consumption by primary energy source.	2011 Annual and Sustainability Report. Page 82, the "Consolidated Indicators of Environmental Performance" table. Eighty – four point nine percent (84.9%) of primary energy comes from the use of natural gas; 15.1% comes from the use of other fuels (Coal, LPG, Gasoline, Diesel Fuel, etc.). In the Pastas Doria plant, 9,090,318 kWh are cogenerated per year with a gas engine.	Principle 8
EN4	Indirect energy consumption by primary source.	2011 Annual and Sustainability Report. Page 84, the "Consolidated Indicators of Environmental Performance" table. All indirect electrical energy consumed in Colombia by *Grupo Nutresa* is purchased from EPM (a private public – utilities company).	Principle 8
EN5	Energy saved due to conservation and efficiency improvements.	The indicator of energy consumption (kWh/t.p) decreased by 4.5%. The absolute value reduced the consolidated net consumption of electrical energy by 1.7%, while the use of thermal energy increased 0.45%.	Principle 8 and 9
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	2011 Annual and Sustainability Report. Page 83, "Energy Consumption". In the Coffee Business, the I. Aliadas plant in Ibagué and the Colcafé plant in Medellín use the coffee grounds to produce instant coffee. These initiatives can generate the equivalent of 87,115,164.8 kWh per year from biofuels. In the Cold Cuts Business in Caloto, we continue with the plan to convert to cleaner fuels, by going from using crude oil to using natural gas.	Principle 8 and 9
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	2011 Annual and Sustainability Report. Page 83, "Energy Consumption". The practices in the Chocolate and Pasta Businesses are focused on efficient use of electric energy (indirect consumption) and these practices have achieved a savings of 2,061,901 kWh/year. These calculations are based on consumption records before and after implementing the initiatives.	Principle 8 and 9

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
EN8	Total water withdrawal by source.	2011 Annual and Sustainability Report. Page 82, the "Consolidated Indicators of Environmental Performance" table and Page 84 "Water Consumption". Municipal aqueduct systems supply 88.31% of the water supplied; 6.06% of the collected water is taken directly from superficial sources, and 5.57%, from subterranean sources. We wish to highlight the Chocolate Business, which has a project to use rainwater to supply 0.7% of the water consumed in the Business.	Principle 8
EN9	Water sources significantly affected by withdrawal of water.	All water supplies that are not provided by aqueduct systems meet the requirements of environmental authorities regarding the amounts that may be extracted from each one of the sources.	Principle 8
EN10	Percentage and total volume of water recycled and reused.	2011 Annual and Sustainability Report. Page 84, "Water Consumption". With the initiatives developed in several plants, 1.37% of the total amount of water consumed is reutilized; this equals 20,569.1 m3 of water per year. In the Coffee Business, the steam condensates are recovered in the caldera de borra, improving its efficiency. The reutilized water equals 4.68% of the water consumption of the Business. In the Pastas Doria plant, treated industrial wastewater is reutilized to use in secondary processes, which represents a savings of 2.47% of the total water consumed in the Business.	Principle 8 and 9
EN11 COMM	Location and size of land or waters owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	The industrial plants and their areas of influence are not located in protected areas or in areas of high – unprotected biodiversity.	Principle 8
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	The industrial plants and their areas of influence are not located in protected areas or in areas of high – unprotected biodiversity.	Principle 8
EN13 COMM	Habitats protected or restored.		
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.		
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.		
EN16	Total direct and indirect greenhouse gas emissions by weight.	2011 Annual and Sustainability Report. Page 85. The Greenhouse Gas (GHG) Report was validated by GAIA, using the methodology proposed in the GHG Protocol. Eighty – four percent (84%) of the emissions corresponds to the use of direct energy (Scope 1) and 16% corresponds to the consumption of indirect energy (Scope 2).	Principle 8
EN17	Other relevant indirect greenhouse gas emissions by weight.		

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	2011 Annual and Sustainability Report. Page 85, "Climate Change". We have developed several initiatives to reduce greenhouse gases, such as: The use of grounds in the Coffee Business, which replaces the equivalent of 8,425,083 m3 of natural gas per year (this consumption of natural gas would generate 15.735 tons of CO2 Equivalent per year). The GHG emissions associated with the use of coffee ground are neutral. We have the experimental cocoa bean farm in the Chocolate Business.	Principle 7,8 and 9
EN19	Emissions of ozone-depleting substances by weight.	for organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Principle 8
EN20	NOx, SOx, and other significant air emissions by type and weight.	Seventeen point six (17.6) tons of MP, 5.4 tons of SO2 and 111.9 Tons of NOx are emitted. These emissions come from the heating sources of each plant, ovens and boilers. The Environmental Protection Agency (EPA) factors (Emission Factors AP-42) are utilized.	Principle 8
EN21	Total water discharge by quality and destination.	2011 Annual and Sustainability Report. Page 87 The final destination of the waters utilized in our plants is sewer systems or bodies of water, in which we comply with the discharge standards required by the authorities. Seventy – one point four percent (71.4%) of the discharges pass through primary treatment; 23.3% pass through secondary treatment and the remaining 5.3% pass through advanced treatments.	Principle 8
EN22	Total weight of waste by type and disposal method.	2011 Annual and Sustainability Report. Page 82 and Page 87. Thirteen point five percent (13.5%) is ordinary waste and go to landfills; 36.5% is organic waste from the processes and is recovered; 49% of the waste is recycles. All of these wastes are classified as non – hazardous waste. The remaining 1% is characterized as hazardous, of which 0.3% is usable and 0.7% is non – usable; these are incinerated according to current regulations.	Principle 8
EN23	Total number and volume of significant spills.	2011 Annual and Sustainability Report. Page 88. No significant accidental spills occurred.	Principle 8
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.		
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	The Businesses have management plans to reduce the environmental impacts of their industrial processes. Examples of these initiatives are: Reduction in the use of packing material (See 2011 Annual and Sustainability Report. Pages 75 and 76, "Decrease in the Consumption of Packing Material"), Practices implemented to reduce water consumption (See 2011 Annual and Sustainability Report Page 84, "Water Consumption"), the installation of emission – control equipment (See 2011 Annual and Sustainability Report. Page 87), Improvements in wastewater treatment (see 2011 Annual and Sustainability Report. Page 87), Use of cleaner fuels (See 2011 Annual and Sustainability Report. Page 83).	Principle 7,8 and 9
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	The returns of finished products close to fulfilling their useful life or with any non – conformity, reached 2% of sales in 2011 (the packing material is not measured separately). This principal indicator is calculated with *Comercial Nutresa's* consolidated sales. Neither cold cuts nor ice cream is included.	Principle 8 and 9
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	2011 Annual and Sustainability Report. Page 88. No sanctions or fines were imposed in 2011 due to non – compliance with environmental regulations.	Principle 28
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.		
EN30	Total environmental protection expenditures and investments by type.	2011 Annual and Sustainability Report. Page 87, "Environmental Expenditures or Investments". Forty – six point six percent (46.6%) corresponds to investments made to improve the wastewater – treatment systems, the handling of waste and emission control, 24.3% to maintain the wastewater – treatment systems, 16.2% for comprehensive waste management, 10.9% for environmental – management systems, and 2.2% to maintain emission controls.	Principle 7,8 and 9
Social: Labor Practices and Decent Work			
LA1	Total workforce by employment type, employment contract, and region.	2011 Annual and Sustainability Report. Toward a Better Society – Generation of Employment. Pages 57 to 59	

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
LA2	Total number and rate of employee turnover by age group, gender, and region.	2011 Annual and Sustainability Report. Page 52 <30 30-50 >50 Total Men 6,6% 4,9% 0,01% 11,5% Women 1,4% 1,3% 0,00% 2,8% TOTAL 8,0% 6,2% 0,01% 14,3% The gender and age proportion abroad are: <30 30-50 >50 Total Men 11,8% 5,8% 0,4% 17,0% Women 12,4% 11,3% 0,3% 24,0% TOTAL 24,0% 17,1% 0,7% 42,8%	Principle 6
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	2011 Annual and Sustainability Report. Pages 53 and 54	
LA15	Return to work and retention rates after parental leave, by gender.	We have Information related to parental leave: In 2011, 239 men and 194 women had the right to parental leave, of which 100% exercised the right. In relation to employees who returned after completing the parental leave, at the time of this report, there were 231 men and 179 women.	
LA4	Percentage of employees covered by collective bargaining agreements.	2011 Annual and Sustainability Report. Pages 59 and 60	Principle 1 and 3
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	*Grupo Nutresa* does not have a minimum notice period in its collective agreements for operational changes. In the cases that apply by law, there is a period of four (4) weeks. In countries outside of Colombia, the period is in accordance with the legislation of the country of origin.	Principle 3
FP3	Percentage of working time lost due to industrial disputes, strikes and/or lock-outs, by country.	In 2011, there were no disputes or strikes that would have generated labor interruptions in *Grupo Nutresa.*	Principle 1 and 2
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	In the companies in Colombia, 100% of the *Grupo Nutresa* employees are represented through Health and Safety Committees. The committees meet periodically according to the work plan established, which is developed in the year.	Principle 1
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	2011 Annual and Sustainability Report. Page 54	Principle 1
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Healthy Habits and Healthy Living. Pages 54 and 55	Principle 1
LA9	Health and safety topics covered in formal agreements with trade unions.	2011 Annual and Sustainability Report. Pages 54 and 55 One hundred percent (100%) of *Grupo Nutresa* agreements consider benefits, along with health and industrial – safety programs.	Principle 1
LA10	Average hours of training per year per employee by employee category.	2011 Annual and Sustainability Report. Pages 55 and 56	

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	2011 Annual and Sustainability Report. Page 54 Provision is made by law for retirement pensions and is based on actuarial calculations as of December 31, 2011 for the retirements in Colombia.	
LA12	Percentage of employees receiving regular performance and career development reviews.	In *Grupo Nutresa*, 55.72% of the women and 41.49% of the men received a performance evaluation.	
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Of the 14 members of the Board of Directors, three (3) are women and 11 are men. Fourteen point twenty – nine percent (14.29%) range in age from 30 – 50 years and 85.71% are over 50 years old and none of the members belongs to ethnic minorities. 2011 Annual and Sustainability Report. Pages 57 to 59	Principle 1 and 6
LA14	Ratio of basic salary of men to women by employee category.	"Our assessment system for salary positions is based on the contribution and responsibility of the position. Gender is not considered an assessment criterion. The Chairman of the Parent Company is excluded from the indicator, since there is no gender ratio comparable in this same category. In Management, the salary ratio of men to women is 1:1.5. For Administration, the ratio of men to women is 1:1. For the operations category, the salary ratio of women to men is 1:1.2.	Principle 1 and 6
Social: Human Rights			
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Human – rights clauses were not included in the significant investment agreements in 2011.	Principle 1,2,3,4,5 and 6
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	In 2011, no contracts were celebrated with suppliers and contractors that included human – rights clauses.	Principle 1,2,3,4,5 and 6
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Zero point fifty – nine percent (0.59%) of *Grupo Nutresa* employees attended training workshops in human rights. In addition, some teams from the companies with union representatives attended human – rights training with the ILO, for a total of 69 hours in Human – Rights training.	Principle 1, 4, 5, 6 and 3
HR4	Total number of incidents of discrimination and actions taken.	Through the systems that the Organization has established, in none of the *Grupo Nutresa* companies have incidents of discrimination been identified.	Principle 1,2 and 6
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Through the systems that the organization has established, in none of the *Grupo Nutresa* companies have significant risks that threaten the freedom of association and collective bargaining been identified.	Principle 1,2 and 3
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Through the systems that the organization has established, in none of the significant *Grupo Nutresa* suppliers have incidents of child labor been identified. An example in the Coffee Business is "Requirements for the Supply of Green Coffee," a pamphlet for Coffee suppliers.	Principle 1,2 and 5

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	Through the systems that the organization has established, in none of the significant *Grupo Nutresa* suppliers and in none of the *Grupo Nutresa* companies have incidents of forced labor been identified.	Principle 1, 2 and 4
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.		
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Through the systems that the organization has established, in none of the *Grupo Nutresa* companies have incidents of the violation of human rights of the Indigenous people been identified.	Principle 1 and 2
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Of the 21 manufacturing and marketing operations *Grupo Nutresa* has in the countries where it operates, 18 operations in human rights – corresponding to 85.71% of its operations – were reviewed. 2011 Annual and Sustainability Report. Page 30	
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Through the systems that the organization has established, in none of the *Grupo Nutresa* companies have complaints or grievances related to human rights by our stakeholders have been identified.	
Social: Society			
SO1 (FPSS)	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	2011 Annual and Sustainability Report. Page 62	
SO1 (G3.1)	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	2011 Annual and Sustainability Report. Pages 62 to 70 and 71 to 73	Principle 10
SO9	Operations with significant potential or actual negative impacts on local communities.	We have identified the vulnerability and risks to the communities that provide cocoa beans and coffee, due to the low level of economic development of these communities and their dependence on the prices of these raw materials.	
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Our Programs to Strengthen the Small Farmer. 2011 Annual and Sustainability Report. Pages 71 to 73	
FP4	Nature, scope and effectiveness of any programs and practices (in-kind contributions, volunteer initiatives, knowledge transfer, partnerships and product development) that promote healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need.	Nutrition, Health and Wellness. 2011 Annual and Sustainability Report. Pages 42 and 64	
SO2	Percentage and total number of business units analyzed for risks related to corruption.	One hundred percent (100%) of the business units have been analyzed for risks related to corruption. 2011 Annual and Sustainability Report. Page 30	Principle 10
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	In 2010, 100% of the employees received training in anti – corruption programs. In 2011, in – depth programs in anti – corruption topics were carried out for 15.5% of the members of the Steering Committee and who have staff. Likewise, 1.52% of the non – administrative employees received this training.	Principle 10

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
SO4	Actions taken in response to incidents of corruption.	During 2011, we learned of 69 incidents of corruption committed against the *Grupo Nutresa* companies; 110 persons directly or indirectly linked to the companies participated. All of them had their contracts cancelled and the corresponding legal actions were filed against them.	Principle 10
SO5 COMM	Public policy positions and participation in public policy development and lobbying.	The incidence of *Grupo Nutresa* in public policy is made through the union participation and public private – cooperation agencies.	Principle 1, 2, 3, 4, 5, 6, 7, 9 and 10
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.		
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	In 2011, *Grupo Nutresa* was not subject to any sanctions in relation to this indicator.	
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	In 2011, there were no significant fines. Seven (7) cases were presented through conflict – resolution mechanisms and there were three (3) cases with minor fines for a total of less than US$ 23,000.	
Social: Product Responsibility			
PR1 COMM	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	From product conception, we take into account the health and nutrition aspects in accordance with *Grupo Nutresa*'s nutrition policies and the comprehensive management and food – safety systems. 2011 Annual and Sustainability Report. Page 46	Principle 1
PR2 COMM	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	During the period reported, there was no fine or sanction derived from the safety and health non – compliance of our products. In relation to voluntary labeling codes, there were 428 cases.	Principle 1
FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.	To produce food in Colombia, we have certifications in comprehensive – management and food – safety systems, made by entities recognized nationally and internationally, in the different production lines in the food plants, demonstrating that 70.72% of our total volume of production in Colombia is certified in comprehensive – management and food – safety systems.	
FP6	Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and sugars.	Each Business established commitments to innovate with products with Health profiles and improve existing products. In the *Pastas Doria* Business, 100% of the products comply with healthy profiles; in the rest of the companies, there are commitments to improve indicators. In 2011, 8.7% of the total volume of consumer – product sales were reformulated to reduce their content of saturated fat, trans fat, sodium and sugars.	

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
FP7	Percentage of total sales volume of consumer products, by product category sold, that contain increased fiber, vitamins, minerals, phytochemicals or functional food additives.	Eight point fifty – five percent (8.55%) of *Grupo Nutresa*'s total sales are products enriched with nutritional ingredients, such as fiber, vitamins, minerals, phytochemicals, and functional food additives.	
PR3 COMM	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	According to *Grupo Nutresa* policy, all products in our portfolio comply with the labeling regulations of the country of origin and destination. *Grupo Nutresa* has undertaken the GDA (Guideline Daily Amount) labeling project to improve information for consumers.	Principle 8
FP8	Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements.	We have nutrition – communication policy and we are implementing the labeling of products in our portfolio under the GDA parameters.	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	During the period reported, there were no fines or sanctions derived from non – compliance of the regulations related to product information. In relation to the voluntary codes, there were 30 cases.	Principle 8
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	2011 Annual and Sustainability Report. Pages 77 and 78	
PR6 COMM	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	*Grupo Nutresa* has an advertising and marketing self – regulation policy in order to comply with the principles of honesty, truthfulness and fair competition; this policy is available at http://www.gruponutresa.com/es/content/nutrici%C3%B3n.	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	In 2011, there was one incident of non – compliance with marketing regulations.	
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	In 2011, there were two (2) complaints for this indicator.	Principle 1
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	There were no significant sanctions in this period.	
Animal Welfare			

GRI INDICATOR		COMMENT ON APPLICABILITY	GLOBAL PACT
FP9	Percentage and total of animals raosed and/or processed, by species and breed type.	Of the 7,963 animals for reproduction, 11% belongs to the Landrace breed; 20%, Large White; 1%, Duron; 2%, Muscled; 59%, F1, F2; and 7%, PIC. A total of 152,027 animals were raised among these breeds. Genetic material is imported from high – level sanitary and reproductive genetic companies and is utilized in a program that permits greater benefits, yield, resistance to diseases, among others.	
FP10	Policies and practices, by species and breed type, related to physical alterations and the use of anaesthetic.	The Cold Cuts Business has replaced surgical – castration practices for immunological – castration processes, eliminating the pain to which the animal is subjected.	
FP11	Percentage and total of animals raised and/or processed, by species and breed type, per housing type.	Of the animals raised, 92.04% are in pens and 7.9 are in cages. The pens are differentiated and the populations are homogenous by age and size to equal developmental conditions, protect the health of the pigs and decrease stress.	
FP12	Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type.	The Cold Cuts Business has a biosecurity program that ensures health in the pigs and safety in the final product, minimizing the risk of introduction and spread of infectious diseases in the pig farms. This program includes special control and monitoring of the imported genetic material, a strict vaccination plan for the pigs, the implementation of Good – Manufacturing Practices throughout the process and the design of indoor and outdoor facilities with the materials and equipment necessary to ensure optimal conditions for the development of the animals.	
FP13	Total number of incidents of non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals.	In 2011, there was no incident related to this issue. As an internal practice, we have specialized trucks to transport the live animals, with bodywork to ensure the comfort of the animal in terms of loading and unloading, adequate ventilation, non – slip floors, and dividers.	

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Taller de edición

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