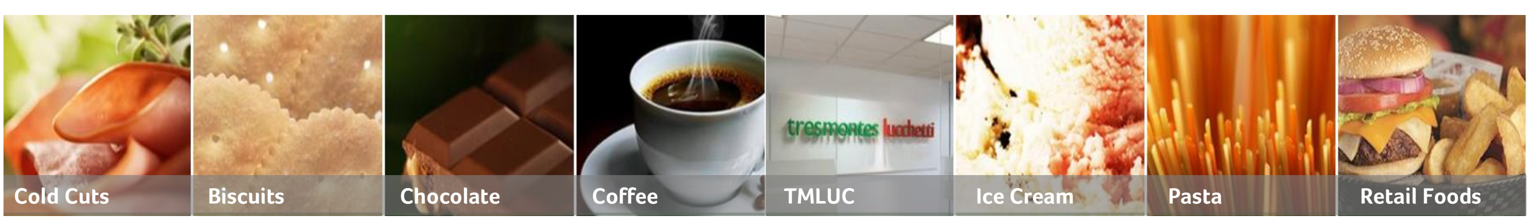
Grupo Nutresa

Condensed Consolidated Financial Statements for the three month interim period between April 1st and June 30th of 2015

(Unaudited information)



Statement of Financial Position

International Financial Reporting Standards

(Unaudited information)

At June 30, 2015 and December 31, 2014
(Values expressed in Million COP)

	Notes	June 2015	December 2014
ASSETS			
Current assets			
Cash and cash equivalents		$ 205,543	$ 391,882
Trade and other receivables		786,133	742,561
Inventories		1,024,777	839,716
Biological assets		51,055	50,087
Other current assets		240,901	151,911
Total current assets		**$ 2,308,409**	**$ 2,176,157**
Non-current assets			
Trade and other receivables		27,965	25,134
Investments in associated and joint ventures		109,241	93,261
Other financial non-current assets	7	3,560,224	4,016,472
Property, plant and equipment		3,133,238	2,966,128
Investment properties		93,133	98,245
Goodwill		2,184,341	1,373,072
Other intangible assets		801,337	760,869
Deferred tax assets	9	312,217	300,627
Other assets		50,266	29,778
Total non-current assets		**$ 10,271,962**	**$ 9,663,586**
TOTAL ASSETS		**$ 12,580,371**	**$ 11,839,743**
LIABILITIES			
Current liabilities			
Financial obligations	11	808,787	451,677
Trade and other payables		778,109	645,530
Tax charges		183,996	150,218
Employee benefits liabilities		127,135	131,072
Current provisions		899	3,093
Other liabilities		13,926	17,659
Total current liabilities		**$ 1,912,852**	**$ 1,399,249**
Non-current liabilities			
Financial obligations	11	2,259,269	1,691,120
Trade and other payables		169	167
Employee benefits liabilities		228,615	217,401
Deferred tax liabilities	9	461,263	457,209
Total non-current liabilities		**$ 2,949,316**	**$ 2,365,897**
TOTAL LIABILITIES		**$ 4,862,168**	**$ 3,765,146**
SHAREHOLDER EQUITY			
Share capital issued		2,301	2,301
Paid-in capital		546,832	546,832
Reserves		1,922,435	1,770,964
Other comprehensive income, accumulated		3,443,781	3,805,786
Retained earnings	5.3	1,542,524	1,284,015
Earnings for the period		229,634	635,962
Equity attributable to the controlling interest		**$ 7,687,507**	**$ 8,045,860**
Non-controlling interest		30,696	28,737
TOTAL SHAREHOLDER EQUITY		**$ 7,718,203**	**$ 8,074,597**
TOTAL LIABILITIES AND EQUITY		**$ 12,580,371**	**$ 11,839,743**

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

Comprehensive Income Statement

International Financial Reporting Standards

April 1st to June 30th
(Values expressed in Million COP)

(Unaudited information)

	Notes	April-June 2015		April-June 2014
Continuing operations				
Operating revenue	**6**	**$ 1,850,154**	**$**	**1,530,137**
Cost of goods sold	8	1,042,177		855,858
Gross profit		**$ 807,977**	**$**	**674,279**
Administrative expenses	8	(87,506)		(78,385)
Sales expenses	8	(513,132)		(396,881)
Production expenses	8	(32,596)		(27,304)
Exchange difference on operating assets and liabilities	13	(148)		(4,911)
Other operating expenses, net		(1,480)		(10,471)
Operating income	**6**	**$ 173,115**	**$**	**156,327**
Financial income		1,823		2,940
Financial expenses	11	(59,361)		(37,492)
Exchange difference on non-operating assets and liabilities		6,827		(1,737)
Loss on net monetary position		(3,172)		(2,162)
Share of profit of associates and joint ventures		758		1,360
Dividend portfolio	7	494		-
Other income (expense), net		-		(3)
Income before income tax and non-controlling interest		**$ 120,484**	**$**	**119,233**
Current income tax	9	(38,425)		(18,713)
Deferred income tax	9	1,408		1,248
Profit after tax from continuous operations	10	**$ 83,467**	**$**	**101,768**
Discontinued operations after income tax		(4,010)		(8,532)
Net profit for the year		**$ 79,457**	**$**	**93,236**
Profit for the period attributable to:				
Controlling interest		**78,600**		**93,212**
Non-controlling interest		**857**		**24**
Net profit		**$ 79,457**	**$**	**93,236**
OTHER COMPREHENSIVE INCOME NET TAXES				
Items that are not subsequently reclassified to profit and loss:				
Actuarial gains on defined benefit plans		$ -	$	152
Equity investments measured at fair value	7	233,719		355,143
Total items that are not subsequently reclassified to profit and loss		$ 233.719	**$**	**355,295**
Items that are or may be subsequently reclassified to profit and loss:				
Share of other comprehensive income of associate and joint ventures		$ -	$	(303)
Exchange differences on translation of foreign operations	13	**(20,538)**		(81,029)
Total items that are or may be subsequently reclassified to profit and loss:		**$ (20.538)**	**$**	**(81,332)**
Other comprehensive income, after tax		**$ 213,181**	**$**	**273,963**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**$ 292,638**	**$**	**367,199**
Total comprehensive income attributable to:				
Controlling interest		290,904		367,175
Non-controlling interest		1,734		24
Total comprehensive income		**$ 292,638**	**$**	**367,199**
Earnings per share (*)				
Basic, attributable to controlling interest		**170.82**		**202.58**

(*) Calculated on 460.123.458 shares which have not been modified during the period covered by these financial statements.
The notes are an integral part of the consolidated financial statements.

Grupo nutresa

Comprehensive Income Statement
International Financial Reporting Standards

(Unaudited information)

January 1st to June 30th
(Values expressed in Million COP)

	Notes	January-June 2015	January-June 2014
Continuing operations			
Operating revenue	**6**	**$ 3,567,612**	**$ 3,053,342**
Cost of goods sold	8	2,019,044	1,697,993
Gross profit		**$ 1,548,568**	**$ 1,355,349**
Administrative expenses	8	(181,286)	(163,158)
Sales expenses	8	(940,414)	(772,883)
Production expenses	8	(64,634)	(56,597)
Exchange difference on operating assets and liabilities	13	7,873	(3,849)
Other operating revenues (expense), net		1,544	(6,853)
Operating income	**6**	**$ 371,651**	**$ 352,009**
Financial income		4,956	6,274
Financial expenses	11	(110,271)	(78,243)
Exchange difference on non-operating assets and liabilities		12,922	4,336
Loss on net monetary position		(7,366)	(8,353)
Share of profit (loss) of associates and joint ventures		1,148	2,828
Dividend portfolio	7	46,962	43,363
Other income (expense), net		-	3,149
Income before income tax and non-controlling interest		**$ 320,002**	**$ 325,363**
Current income tax	9	(89,862)	(55,180)
Deferred income tax	9	4,815	(9,069)
Profit and loss after tax from continuous operations		**$ 234,955**	**$ 261,114**
Discontinued operations after income tax	10	(4,314)	(8,278)
Net profit for the year		**$ 230,641**	**$ 252,836**
Profit for the period attributable to:			
Controlling interest		**229,634**	**251,555**
Non-controlling interest		**1,007**	**1,281**
Net profit		**$ 230,641**	**$ 252,836**
OTHER COMPREHENSIVE INCOME NET TAXES			
Items that are not subsequently reclassified to profit and loss:			
Actuarial gains on defined benefit plans		**$ -**	**$ 131**
Equity investments measured at fair value	7	(456,705)	620,423
Income tax relating to components that will not be reclassified		-	(14)
Items that are not subsequently reclassified to profit and loss:		**$ (456,705)**	**$** 620,540
Items that are or may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of associate and joint ventures		**$**	**$** 82
Exchange differences on translation of foreign operation	13	95,577	(370,935)
Total items that are or may be subsequently reclassified to profit and loss		**$ 95,577**	$ **(370,853)**
Other comprehensive income, after tax		**$ (361,128)**	**$ 249,687**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**$ (130,487)**	**$ 502,523**
Total comprehensive income attributable to:			
Controlling interest		(132,371)	501,811
Non-controlling interest		1,884	712
Total comprehensive income		**$ (130,487)**	$ **502,523**
Earnings per share (*)			
Basic, attributable to controlling interest		499.07	546.71

(*) Calculated on 460.123.458 shares, which have not been modified during the period covered by these financial statements
The notes are an integral part of the consolidated financial statements.

Cash-flow Statement

International Financial Reporting Standards

January 1st to June 30th
(Values expressed in Millions of COP)

(Unaudited information)

	January–June 2015	January–June 2014
Cash flow from operating activities		
Collection from sales of goods and services	$ 3,561,331	$ 3,041,166
Payments to suppliers for goods and services	(2,755,664)	(2,380,254)
Payments to and on behalf of employees	(616,282)	(543,634)
Income taxes and tax on wealth paid	(154,594)	(100,239)
Other inflows of cash	20,842	33,222
Net cash flow from operating activities	**$ 55,633**	**$ 50,261**
Cash flow from investment activities		
Payments to third parties for control of subsidiaries	(743,401)	(14,460)
Cash and cash equivalents from acquisition	6,452	-
Purchases of equity of associates and joint ventures	(14,831)	-
Sales of property, plant and equipment	2,157	2,445
Purchases of property, plant and equipment	(147,583)	(122,978)
Dividends received	22,402	20,657
Interest received	3,795	4,150
Other inflows of cash	9,545	35,273
Net cash used in investment activities	**$ (861,464)**	**$ (74,913)**
Cash flow from financial activities		
Proceeds from loans	767,891	39,509
Dividends paid (Note 12)	(102,379)	(94,775)
Interest paid	(89,195)	(67,822)
Other inflows of cash	36,771	18,657
Net cash flow from (used in) financial activities	**$ 613,088**	**$ (104,431)**
Decrease in cash and cash equivalent from activities	**$ (192,743)**	**$ (129,083)**
Net foreign exchange differences	6,404	(23,909)
Net decrease cash and cash equivalents	**(186,339)**	**(152,992)**
Cash and cash equivalents at the beginning of the period	391,882	415,867
Cash and cash equivalents at the end of the period	**$ 205,543**	**$ 262,875**

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

Change in Equity Statement

International Financial Reporting Standards

January 1st to June 30th
(Values expressed in Millions of COP)

(Unaudited information)

	Share capital issued	Paid-in capital	Reserves	Accumulated reserves	Earnings for the period	Other comprehensive income ,accumulated	Total equity attributable to controlling interest	Total equity attributable to non-controlling interests	Total
Equity to January 1, 2015	**2,301**	**546,832**	**1,770,964**	**1,919,977**	**-**	**3,805,786**	**8,045,860**	**28,737**	**8,074,597**
Profit for the period					229,634		229,634	1,007	230,641
Other comprehensive income for the period, net of income tax						(362,005)	(362,005)	877	(361,128)
Comprehensive income for the period					**229,634**	**(362,005)**	**(132,371)**	**1,884**	**(130,487)**
Cash dividends (Note 12)				(212,577)			(212,577)		(212,577)
Appropriation of reserves			164,876	(164,876)			-		-
Business combinations							-	61	61
Non-controlling interest transactions							-	14	14
Tax on wealth			(24,680)				(24,680)		(24,680)
Revaluation of equity for hyperinflationary economies			11,275				11,275		11,275
Balance at June 30, 2015	**2,301**	**546,832**	**1,922,435**	**1,542,524**	**229,634**	**3,443,781**	**7,687,507**	**30,696**	**7,718,203**
Balance at January 1, 2014	**2,301**	**546,832**	**1,522,608**	**1,664,250**	**-**	**3,377,631**	**7,113,622**	**19,518**	**7,133,140**
Profit for the period					251,555		251,555	1,281	252,836
Other comprehensive income for the period, net of income tax						250,256	250,256	(569)	249,687
Comprehensive income for the period					**251,555**	**250,256**	**501,811**	**712**	**502,523**
Cash dividends (Note 12)				(198,773)			(198,773)		(198,773)
Appropriation of reserves			181,462	(181,462)			-		-
Business combinations							-	5,539	5,539
Non-controlling interest transactions			(46)				(46)	(92)	(138)
Revaluation of equity for hyperinflationary economies			26,123				26,123		26,123
Balance at June 30, 2014	**2,301**	**546,832**	**1,730,147**	**1,284,015**	**251,555**	**3,627,887**	**7,442,737**	**25,677**	**7,468,414**

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

A MESSAGE FROM MANAGEMENT AT GRUPO NUTRESA

Grupo Nutresa is the leader in processed foods in Colombia and one of the most relevant players in this sector in Latin America, with consolidated annual sales of 6.4 Trillion COP (2014), in 8 categories: Meats, Biscuits, Chocolate, Coffee, Tresmontes Luchetti (TMLUC), Ice cream, Pasta, and Retail foods. Grupo Nutresa is a diverse company across different geographies, products and supplying; with direct presence in 14 countries and international sales in 71 countries.

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

What makes us unique is our Company Model:

- Human talent is one of our most valuable assets. The cultural platform is based on the promotion of participatory environments, development of the skills of being and doing, recognition, building a leading brand, as well as, fostering a balanced life for our people.

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

- Our extensive distribution network, differentiated by channels and segments, with teams of specialized staff, and our close relationship with our clients, insures that we are able to have our products available, without any delays, when our clients need them.

The principle risks in our business model and the mitigation factors are:

Principle Risks	Mitigating Factors
Volatility in the prices of raw materials	– Diversification of raw materials – A clear hedging policy administered by a specialized committee – A highly trained team dedicated to monitoring and negotiating these supplies – Active search and exploitation of new opportunities for global sourcing
Impact on the businesses due to a highly competitive environment	– Large distribution capacity with differentiated strategies addressing the each of the segments – Attractive proposals with a good price/ product relationship – Recognized and beloved brands – Innovation and differentiation of portfolios – Entrance into new markets
Regulatory changes in nutrition and health in countries where we are present	– Vidarium Corporation: Nutrition Research Center – Active participation with governments in discussion on regulations – Monitoring and strict compliance of the regulations in each country – Innovation for the development of new products and the improvement of current ones – Participation and support in programs that promote a healthy life

Table 1

2015 Second Quarter Results

At the close of this period, Grupo Nutresa sales amounted to COP 3,6 Trillion, an increase of 16,8% compared to those reported in the same period last year. Organic growth was 12,3%.

Sales in Colombia had outstanding performance, in line with the dynamics of past quarters, reaching COP 2,3 Trillion, representing 63,6% of total sales, and a growth of 15,5%, which includes the revenues from Grupo El Corral since last March. Likewise, the solid organic growth of 8,4% in Colombia is supported by a 3,4% higher volumes and a price adjustment of 4,8%.

The outstanding, sustained performance in Colombia is explained, among others, by a solid distribution that allows us covering the national market at all times close to our consumers; a portfolio of high-quality, innovative products with the best price/value relation; and a set of well-known and beloved brands inspired in nutrition, wellness and delight.

Sales abroad for COP 1,3 Trillion represent 36,4% of total sales and are 19,3% higher than the first half of 2014; when expressed in dollars -USD 522 Million- this represents a decrease of 5,8%, explained by the devaluation of currencies against the US dollar in Latin America. After excluding Venezuela, sales abroad, expressed in dollars, grew 1,1%.

In terms of profitability, Grupo Nutresa achieved an EBITDA of COP 458.338 Billion, 4,7% above the same period last year, with a sales margin of 12,8%. This result reflects the additional challenge imposed by the devaluation against the US dollar of Latin American currencies, which affects a portion of our raw materials, the prices of which are linked to the US dollar.

Operating income amounted to COP 371.651 Billion, representing an increase of 5,6% over the first semester of 2014, with an operating margin of 10,4%.

Finally, the company had a consolidated net profit of COP 229.634 Billion, 8,7% lower than the previous year, mainly due to the debt incurred for the acquisition of Grupo El Corral in February 2015 and the increase in income tax.

Monitoring management indicators

Grupo Nutresa uses a number of indicators for management evaluation, contained within its strategic objectives: environmental, social, and economic sustainability.

Total sales, international sales, sales in Colombia, and EBITDA are some of the indicators used by Grupo Nutresa to evaluate the management of economic sustainability.

For Grupo Nutresa, EBITDA (Earnings before interest, taxes, depreciation, and amortization) is calculated eliminating operating income due to depreciation charges and amortization, as well as, unrealized gains or losses on exchange differences of operating assets and liabilities. EBITDA is considered to be more meaningful to investors, because it provides an analysis of operating results and segment profitability, using the same measure used by management. EBITDA also allows us to compare our results with those of other companies in similar industry and market.

EBITDA is used to track the development of the business and establish operating and strategic objectives. EBITDA is a common reporting measurement and is widely used among analysts, investors, and other stakeholders, in the industry. EBITDA is not a measurement that is explicitly defined in IFRS, and may therefore not be comparable with similar indicators used by other companies. EBITDA should not be considered an alternative to operating income as an indicator of operating results, or as an alternative to cash flow from operating activities, as a measurement of liquidity.

The following table presents the reconciliation between EBITDA and Grupo Nutresa's operating income, for the period covered in the financial statements presented:

	Second Quarter		First Half	
	2015	**2014**	**2015**	**2014**
Operating income	$ 173,116	$ 156,326	$ 371,651	$ 352,009
Depreciation and amortization	51,492	38,582	96,551	80,250
Unrealized exchange differences from operating assets and liabilities	(943)	5,641	(9,864)	5,296
EBITDA *(See segments detail in Note 6)*	**$ 223,665**	**$ 200,549**	**$ 458,338**	**$ 437,555**

Table 2

Management of capital

The increasing value creation is a fundamental part of the strategic goals set by the Group. This results in the active management of the capital structure, which balances the sustained growth of current operations, which requires constant investment in capital expenditures (CapEx), and growth through acquisitions of ongoing businesses, which bring economic and strategic value to the Group. In the allocation of resources, both investments in fixed assets, as well as, acquisitions, we use, as a reference point from which to measure of added value, the cost of capital (WACC) relevant to each type of investment, geography and particular level of risk. In every one of our investments, we seek that the return exceeds the cost of the capital.

In the same manner, for each investment, we analyze the various sources of funding, both internal and external, assuring a suitable profile for the duration of that specific investment, as well as, cost optimization. Along with a moderate financial risk profile, the capital structure of the Group is aimed at obtaining the highest credit ratings.

Notes for the Condensed Consolidated Interim Financial Statement

Three month intermediate periods between April 1st and June 30th of 2015 and 2014
(Values are expressed as Millions of Colombian Pesos, except for the values in foreign currency, exchange rates, and number of shares)

Note 1. Corporate Information

1.1 Entity and corporate purpose of Parent Company and subsidiaries

Grupo Nutresa S.A. and its subsidiaries (hereinafter referred to as: Grupo Nutresa, the Company, the Group, or Nutresa) constitute an integrated and diversified food industry group, that operates mainly in Colombia and Latin America.

The Parent Company is Grupo Nutresa S.A., a corporation of Colombian nationality, incorporated on April 12, 1920, with its headquarters in the City of Medellin, Colombia; its terms expire on April 12, 2050. The Corporate Business Purpose is the investment or application or resource availability, in organized enterprises, organized under any of the forms permitted by law, whether domestic or foreign, and aimed at, operating any legal economic activity, with either tangible or intangible assets with the purpose of safeguarding its capital.

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

Table 3

Entity	Main Activity	Functional Currency [2]	% Participation June 2015	% Participation December 2014
Colombia				
Industria Colombiana de Café S. A. S.	Production of coffee and coffee related products	COP	**100.00%**	100.00%
Compañía Nacional de Chocolates S. A. S.	Production of chocolates, its derivatives, and related products	COP	**100.00%**	100.00%
Compañía de Galletas Noel S. A. S.	Production of biscuits, cereals, et al.	COP	**100.00%**	100.00%
Industria de Alimentos Zenú S. A. S.	Production and sales of meats and its derivatives	COP	**100.00%**	100.00%
Productos Alimenticios Doria S. A. S.	Production of pasta, flour, and cereals	COP	**100.00%**	100.00%
Molino Santa Marta S.A.S.	Milling of grains	COP	**100.00%**	100.00%
Alimentos Cárnicos S.A.S.	Production of meats and its derivatives	COP	**100.00%**	100.00%
Tropical Coffee Company S. A. S.	Assembly and production of coffee products	COP	**100.00%**	100.00%
Litoempaques S. A. S.	Production or manufacturing of packaging material	COP	**100.00%**	100.00%
Pastas Comarrico S. A. S.	Production of pasta, flour, and cereals	COP	**100.00%**	100.00%
Novaventa S. A. S.	Sales of foods and other items via direct sales channels	COP	**100.00%**	100.00%
La Recetta Soluciones Gastronómicas Integradas S. A. S.	Distribution of foods via institutional channels	COP	**70.00%**	70.00%
Meals Mercadeo de Alimentos de Colombia S. A. S.	Production and sales of ice cream, dairy beverages, et al.	COP	**100.00%**	100.00%
Servicios Nutresa S. A. S.	Provision of specialized business services	COP	**100.00%**	100.00%
Setas Colombianas S.A.	Processing and sales of mushrooms	COP	**99.48%**	99.48%
Alimentos Cárnicos Zona Franca Santa Fe S.A.S.	Provision of logistic services	COP	**100.00%**	100.00%
Gestión Cargo Zona Franca S.A.S.	Provision of logistics services	COP	**100.00%**	100.00%
Comercial Nutresa S.A.S.	Sales of food products	COP	**100.00%**	100.00%
Industrias Aliadas S.A.S.	Provision of Services related to coffee	COP	**100.00%**	100.00%
Opperar Colombia S.A.S.	Provision of transportation services	COP	**100.00%**	100.00%
Fideicomiso Grupo Nutresa	Management of financial resources	COP	**100.00%**	100.00%
Fondo de capital privado "Cacao para el futuro" – Compartimento A	Investment in cocoa production	COP	**83.41%**	83.41%
IRCC Ltda.[1]	Production of foods and operation of food establishments providing to the consumer	COP	**100.00%**	-
LYC S.A.S. [1]	Production of foods and operation of food establishments providing to the consumer	COP	**100.00%**	-
PJ COL S.A.S. [1]	Production of foods and operation of food establishments providing to the consumer	COP	**100.00%**	-
Panero S.A.S. [1]	Production of foods and operation of food establishments providing to the consumer	COP	**100.00%**	-
New Brands S.A. [1]	Production of dairy and ice cream	COP	**100.00%**	-
Schadel Ltda. [1]	Production of dairy and its derivatives	COP	**99.88%**	-
Chile				
Tresmontes Lucchetti S.A.	Provision of specialized business services	CLP	**100.00%**	100.00%
Nutresa Chile S.A.	Management of financial resources	CLP	**100.00%**	100.00%
Tresmontes Lucchetti Agroindustrial S.A.	Agricultural and industrial production	CLP	**100.00%**	100.00%
Tresmontes Lucchetti Internacional S.A.	Sales of food products	CLP	**100.00%**	100.00%
Tresmontes Lucchetti Servicios S.A.	Management of financial resources	CLP	**100.00%**	100.00%
Tresmontes S.A.	Production and sales of foods	CLP	**100.00%**	100.00%
Inmobiliaria Tresmontes Lucchetti S.A.	Management of financial resources	CLP	**100.00%**	100.00%
Lucchetti Chile S.A.	Production of pasta, flour, and cereals	CLP	**100.00%**	100.00%
Novaceites S.A.	Production and sales of vegetable oil	CLP	**50.00%**	50.00%
Inmobiliaria y Rentas Tresmontes Lucchetti	Management of financial resources	CLP	**100.00%**	100.00%

Entity	Main Activity	Functional Currency (2)	% Participation June 2015	December 2014
Costa Rica				
Compañía Nacional de Chocolates DCR. S.A.	Production of chocolates and its derivatives	CRC	**100.00%**	100.00%
Compañía de Galletas Pozuelo DCR S.A.	Production of biscuits, et al.	CRC	**100.00%**	100.00%
Industrias Lácteas de Costa Rica S.A.	Production and sales of dairy	CRC	**100.00%**	100.00%
Cía. Americana de Helados S.A.	Production and ice cream sales	CRC	**100.00%**	100.00%
Fransouno S.A.	Production and sales of foods	CRC	**100.00%**	100.00%
Helados H.D. S.A.	Production and sales of foods	CRC	**100.00%**	100.00%
Americana de Alimentos Ameral S.A.	Production and sales of foods	CRC	**100.00%**	100.00%
Inmobiliaria Nevada S.A.	Wide-trade exercise and industry representation	CRC	**100.00%**	100.00%
Servicios Nutresa C.R. S.A.	Specialized business services provider	CRC	**100.00%**	-
Guatemala				
Comercial Pozuelo Guatemala S.A.	Distribution and sales of food products	QTZ	100.00%	100.00%
Heladera Guatemalteca S.A.	Production and sales of ice cream	QTZ	100.00%	100.00%
Distribuidora POPS S.A.	Sales of ice cream	QTZ	100.00%	100.00%
Nevada Guatemalteca S.A.	Property leasing services	QTZ	100.00%	100.00%
Guate-Pops S.A.	Employee services	QTZ	100.00%	100.00%
México				
Nutresa S.A. de C.V.	Production and sales of food products	MXN	100.00%	100.00%
Serer S.A. de C.V.	Production and sales of food products	MXN	100.00%	100.00%
Comercializadora Tresmontes Lucchetti S.A. C.V.	Sales of food products	MXN	100.00%	100.00%
Servicios Tresmontes Lucchetti S.A. de C.V.	Management of financial resources	MXN	100.00%	100.00%
Tresmontes Lucchetti México S.A. de C.V.	Production and sales of foods	MXN	100.00%	100.00%
TMLUC Servicios Industriales. S. A. de CV	Management of financial resources	MXN	100.00%	100.00%
Panamá				
Promociones y Publicidad Las Américas S.A.	Management of financial resources	PAB	100.00%	100.00%
Alimentos Cárnicos de Panamá S.A.	Production of meats and its derivatives	PAB	100.00%	100.00%
Comercial Pozuelo Panamá S. A	Production of biscuits, et al.	PAB	100.00%	100.00%
American Franchising Corp. (AFC)	Management of financial resources	USD	100.00%	100.00%
Aldage, Inc. (1)	Management of financial resources	USD	100.00%	-
LYC Bay Enterprise INC. (1)	Management of financial resources	USD	100.00%	-
Sun Bay Enterprise INC. (1)	Management of financial resources	USD	100.00%	-
United States of America				
Abimar Foods Inc.	Production and sales of food products	USD	100.00%	100.00%
POPS One L.L.C.	Operation of food establishments providing to the consumer. – Ice cream	USD	98.00%	98.00%
POPS Two L.L.C.	Operation of food establishments providing to the consumer. – Ice cream	USD	98.00%	98.00%
Cordialsa Usa. Inc.	Sales of food products	USD	100.00%	100.00%
Costa Rica´s Creamery L.L.C.	Operation of food establishments providing to the consumer. – Ice cream	USD	100.00%	100.00%
Venezuela				
Cordialsa Noel Venezuela S.A.	Sales of food products	VEI	100.00%	100.00%
Industrias Alimenticias Hermo de Venezuela	Production of foods	VEI	100.00%	100.00%

Other countries

Entity	Main Activity	Country	Funcional Currency	% participation June 2015	December 2014
TMLUC Argentina S.A.	Production and sales of foods	Argentina	ARS	100.00%	100.00%
Corp. Distrib. de Alimentos S.A. (Cordialsa)	Sales of food products	Ecuador	USD	100.00%	100.00%
Comercial Pozuelo El Salvador S.A. de C.V.	Distribution and sales of food products	El Salvador	USD	100.00%	100.00%
Americana de Alimentos S.A. de C.V.	Sales of food products	El Salvador	USD	100.00%	100.00%
Comercial Pozuelo Nicaragua S.A.	Sales of food products	Nicaragua	NIO	100.00%	100.00%
Industrias Lácteas Nicaragua S.A.	Sales and logistics management	Nicaragua	NIO	100.00%	100.00%
Compañía Nacional de Chocolates del Perú S.A.	Production of foods and beverages	Peru	PEN	100.00%	100.00%
TMLUC Perú S.A.	Production and sales of foods	Peru	PEN	100.00%	100.00%
Cordialsa Boricua Empaque, Inc.	Sales of food products	Puerto Rico	USD	0%	100.00%
Helados Bon	Production and sales of ice cream, beverages and dairy, et al.	Dominican República	DOP	81.18%	81.18%
Gabon Capital LTD. (1)	Management of financial resources.	British Virgin Island	USD	100.00%	-
Baton Rouge Holdings LTD. (1)	Management of financial resources.	British Virgin Island	USD	100.00%	-
Ellenbrook Holdings Limited (1)	Management of financial resources.	British Virgin Island	USD	100.00%	-
Perlita Investments LTD. (1)	Management of financial resources.	British Virgin Island	USD	100.00%	-
El Corral Investments Inc. (1)	Management of financial resources and franchises	British Virgin Island	USD	100.00%	-

(1) Companies incorporated as part of a business combination in February of 2015 of Grupo El Corral.
(2) See note 13.1 a reference list of acronyms used for foreign currencies and the main impact on Grupo Nutresa's financial statements.

Changes in the scope of consolidation

Changes occurred within the consolidation perimeters, during the reported period:

2015: The acquisition of Grupo El Corral was conducted by incorporating into Grupo Nutresa's consolidated, the assets and liabilities representing the companies acquired to February 28, 2015 and its results as of March 1, 2015. In June, the company, Servicos Nutresa CR S.A. was registered in Costa Rica.

2014: Control of the "Fondo de Cacao" was obtained. An entity, over which, Grupo Nutresa had significant influence, and so the equity method was applied until March 2014. The assets and liabilities of the subsidiary are incorporated in the consolidated financial statement of Grupo Nutresa at March 31, 2014, and profit and loss from April 1, 2014. In the second quarter of 2014, as part of corporate restructuring in Chile, there was a spinoff of Tresmontes Lucchetti Chile S.A., resulting in a new company called Tresmontes Lucchetti Dos S.A.; and a new company called Servicios Industriales S.A. de C.V. was established in Mexico.

Note 2. Basis of preparation

Grupo Nutresa´s condensed consolidated financial statements, for the interim period between April 1st and June 30th of 2015, are prepared in accordance with the International Financial Reporting Standards (IFRSs), issued by the International Accounting Standards Board (hereinafter, IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (hereinafter, IFRIC), and approved in Colombia through Decree 2784 of 2012, Decree 3023 of 2013, its regulations, and other accounting standards issued by the Superintendencia Financiera de Colombia.

Grupo Nutresa prepared consolidated financial statements until December 31, 2014, applying the principles generally accepted in Colombia; the Condensed Financial Statements, for the three month interim period between April 1st and June 30th, 2015 which are part of the first Annual Report, which were prepared in accordance with IFRS; See Note 5 - "Transition to International Financial Reporting Standards" for more details regarding the impact of First-time Adoption of IFRS in Grupo Nutresa.

2.1 Financial Statements for the interim period

The condensed consolidated financial statements for the quarterly period ended June 30, 2015 have been prepared in accordance with IAS 34 Interim Financial Reporting and therefore do not include all information and disclosures required for Annual Financial Statements**.**

2.2 Basis of measurement

The consolidated financial statements have been prepared, based on historical cost, except for the measurement at fair value of certain financial instruments, as described in the policies within this report.

2.3 Functional and presentation currency

The consolidated financial statements are presented in Colombian Pesos COP, which is the functional and presentation currency of Grupo Nutresa S.A. These figures are expressed as Millions of Colombian Pesos (COP), except for earnings per share and the market representative exchange rate which are expressed as Colombian Pesos (COP) and other currencies. [e.g. USD, Euros(€), Pounds Sterling(£), etc.]

2.4 Classification of items in current and non-current

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

Note 3. Significant accounting policies

3.1 Basis of consolidation

3.1.1 Investments in subsidiaries

The consolidated financial statements include Grupo Nutresa S.A.´s financial information, as well as, its subsidiaries, as of June 30, 2015 and with its corresponding comparative financial information. A subsidiary is a company controlled by one of the companies that make up the entity Grupo Nutresa. Control exists when any of the Group companies, have the power to direct the relevant activities of the subsidiary, which are generally: the operating activities and the financing to obtain benefits from its activities, and is exposed, or has rights, to those variable yields.

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

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

Grupo El Corral companies are currently conducting their transition to IFRS, in accordance with the timetable for First-time Adoption for companies in Group 2, in Colombia; which explains why assets, liabilities, revenues, costs, and expenses are included in the interim consolidated financial statements of Grupo Nutresa at June 30, 2015 corresponding to the accounting information prepared under COLGAAP, established in Decree 2649 of 1993. In addition to this, on the date of preparation of these interim financial statements, the fair value measurement of assets and liabilities acquired and the purchase price allocation are in process; the incorporated preliminary figures used for business combinations, detailed in the interim financial statements for the first quarter of 2015, will be modified by the measurements made within 12 months after the business combination, in accordance with IFRS 3.

3.1.2 Non-controlling interest:

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

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

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

3.2 Investments in associates and joint ventures

An associate is an entity over which Grupo Nutresa has significant influence over financial and operating policies, without having control or joint control.

A joint venture is an entity that Grupo Nutresa controls jointly with other participants, where, together, they maintain a contractual agreement that establishes joint control over the relevant activities of the entity.

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

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

Where *the equity method* is applicable, adjustments are made to homologize the accounting policies of the associate or joint venture with Grupo Nutresa, the portion that corresponds to Grupo Nutresa in profits and losses, and is obtained by measuring of net assets, at fair value, at the date of acquisition, gains and losses from transactions between Grupo Nutresa and the associate or joint venture is eliminated, to the extent of Grupo Nutresa´s participation in the associate or joint venture. *The equity method* is applied from the date of acquisition until the significant influence or joint control over the entity is lost.

The portion of profit and loss of an associate or joint venture is presented in the statement of comprehensive income, in the results section for the period, net of taxes and non-controlling interest in the subsidiaries of the associate or joint venture. The portion of changes recognized directly in equity and other comprehensive income of the associate or joint venture is presented in the statement of change,s in equity and other consolidated comprehensive income. Cash dividends received, from the associate or joint ventures, are recognized by reducing the carrying amount of the investment.

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

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

Investments in associates and joint ventures to June 30, 2015 and December 31, 2014 are as follows:

		% Participation	
	Country	June 2015	December 2014
Associates			
Bimbo de Colombia S.A.	Colombia	**40%**	40%
Dan Kaffe Sdn. Bhd [1]	Malaysia	**44%**	37%
Estrella Andina S.A.S.	Colombia	**30%**	30%
Joint ventures			
Oriental Coffee Alliance Sdn. Bhd	Malaysia	**50%**	50%

Table 4

(1) In April 2015 there was an increase in participation of Dan Kaffe Sdn. as a result of the capitalization of accounts receivable by $10,087 COP. This transaction did not generate any changes within the controlling interest over the company.

3.3 Significant accounting policies

Grupo Nutresa and its subsidiaries apply the accounting policies and procedures of the Parent Company. The accounting policies applied in preparing the condensed consolidated financial statements, for the interim period between April 1st and June 30th, 2015, are consistent with those used in preparing the annual financial statements prepared under IFRS as of December 31, 2014.

Grupo Nutresa applies the following significant accounting policies in preparing its consolidated financial statements:

3.3.1 Business combinations and goodwill

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

Business combinations are accounted for using *the acquisition method*. Identifiable assets acquired, liabilities assumed, and contingent liabilities of the acquiree are recognized at fair value at the date of acquisition; acquisition costs are recognized in profit and loss and goodwill as an asset in the consolidated statement of financial position.

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

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

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

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

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

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

3.3.2 Foreign currency

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

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

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

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

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

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

a) Measurement of financial statements in hyperinflationary economies

The financial statements of subsidiaries whose functional currency is the currency of a hyperinflationary economy, including comparative information, are restated in terms of the measuring unit current at the date of closing of the reporting period, before being translated into Colombian Pesos (COP) for consolidation. Gains or losses on the net monetary position are included in profit and loss.

3.3.3 Cash and cash equivalents

Cash and cash equivalents, in the statement of financial position and statement of cash flows, include cash on hand and banks, highly liquid investments readily convertible to a known amount of cash and subject to an insignificant risk of changes in its value, with a maturity of three months or less from the date of purchase. These items are initially recognized at cost and restated to recognize its fair value at the date of each accounting year.

3.3.4 Financial instruments

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

On initial recognition, Grupo Nutresa classifies its financial assets for subsequent measurement at amortized cost or fair value, depending on Grupo Nutresa's business model for the administration of financial assets and the characteristics of the contractual cash flows of the instrument.

(i) *Financial assets measured at amortized cost*

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

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

(ii) *Financial assets measured at fair value*

The different financial assets of those measured at amortized cost are subsequently measured at fair value, with changes recognized in the period results. However, for investments in equity instruments that are not held for trading purposes, Grupo Nutresa irrevocably chooses to present gains and losses on the fair value measurement in other comprehensive income. On disposal of investments at fair value, through other comprehensive income, the cumulative value of the gain or loss is transferred directly to retained earnings and are not reclassified to profit and loss, in that period. Cash dividends received from these investments are recognized in the statement of comprehensive income, in the profit and loss of that period. The fair values of quoted investments are based on the current trading prices.

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

(iii) *Impairment of financial assets at amortized cost*

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

The criteria used to determine if there is objective evidence of impairment losses, includes:

- significant financial difficulty of the issuer or counterparty
- non-payment of principal and interest
- probability that the lender will declare bankruptcy or financial reorganization

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

(iv) *Derecognition*

A financial asset or a part of it, is dropped from the statement of financial position when it is sold, transferred, expires, or Grupo Nutresa loses control over the contractual rights or the cash flows of the instrument. A financial liability, or a portion of it, is derecognized from the statement of financial position, when the contractual obligation has been canceled or has expired. When an existing financial liability is replaced by another, from the same counterparty on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification, it is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income in the state results.

(v) *Financial liabilities*

Financial liabilities are subsequently measured at amortized cost, using the effective interest rate. Financial liabilities include balances with suppliers and accounts payable, financial obligations, and other derivative financial liabilities. Those obtaining resources, from credit institutions or other financial institutions in the country or abroad, are classified as financial liabilities obligations.

(vi) *Off-setting financial instruments*

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

(vii) *Derivative instruments*

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

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

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

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

3.3.5 Inventories

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

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

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

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

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

3.3.6 Biological assets

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

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

3.3.7 Property, plant and equipment

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

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

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

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

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

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

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

Table 5

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

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

3.3.8 Investment properties

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

Subsequent to initial recognition, investment properties are measured at net cost of accumulated depreciation and loss accumulated impairment, if any. Depreciation is calculated linearly over the asset's useful life estimated between 20 and 60 years. Residual values and useful life are reviewed and adjusted prospectively at year end, or where required.

Investment properties are written off, either at the time of disposal, or when it is removed permanently from use and no future economic benefit is expected.

The difference between the net disposal and the book value of assets produced is recognized in income for the period in which it was decommissioned.

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

3.3.9 Intangible assets

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

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

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

Gains or losses that arise when an intangible asset is written off are measured as the difference between the value obtained in the arrangement and the carrying amount of the asset, and are recognized in the statement of comprehensive income in the profit and loss.

Research and development costs

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

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

In the statement of financial position, the asset development expenditure is stated at cost less accumulated amortization and accumulated impairment losses.

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

Research costs and development costs not eligible for capitalization, are expensed in the profit and loss.

3.3.10 Impairment of non-financial assets

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

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

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

The impairment losses of continuing operations are recognized in the statement of comprehensive income, in the statement section in those expense categories that correspond to the function of the impaired asset. Impairment losses attributable to a cash-generating unit is initially allocated to goodwill and, once exhausted, the impairment losses are proportionally attributed to other non-current assets of the cash-generating unit.

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

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

3.3.11 Taxes

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

a) Income tax

(i) Current

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

(ii) Deferred

The deferred income tax is recognized using *the liability method* and is calculated on temporary differences between the carrying amounts of assets and liabilities in the statement of financial positions and its tax bases. Deferred tax liabilities are generally recognized for all taxable temporary differences, and the deferred tax assets are recognized for: all deductible temporary differences, future compensation of tax credits, and unused tax losses, to the extent that there is likely availability profit future tax against which they can be attributed. Deferred taxes are not subject to financial discount.

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

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

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

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

Assets and deferred tax liabilities are offset if there is a legally enforceable right to do so, and are with the same taxation authority.

Deferred tax is recognized in profit and loss, except when relating to items recognized outside profit and loss, in which case will be presented in other comprehensive income or directly in equity.

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

b) Income tax for equity CREE

The income tax for equity – CREE, applicable to Colombian Companies, is the assessment for taxpaying legal entities to contribute to the employee benefits, employment, and social investment.

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

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

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

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

c) Tax on wealth

The tax burden of the "wealth tax" originates, for Colombian Companies, from possession of the same to the January 1st of the years 2015, 2016, and 2017, by taxpayers. Therefore, those taxpayers with gross assets minus debts, whose value exceeds $1,000 COP, should determine their tax under the conditions established in the tax regulations.

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

3.3.12 Employee Benefits

a) Short-term benefits

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

b) Other long-term benefits

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

c) Pension and other post-employment benefits

(i) Defined contribution plans

Contributions to defined contribution plans are recognized as expenses in the statement of comprehensive income in profit and loss, on an accrual basis.

(ii) Defined benefit plans

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

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

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

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

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

d) Termination benefits

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

3.3.13 Provisions, contingent liabilities and assets

a) Provisions

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

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

Provisions are measured at best estimate of the disbursement of the expenditure required to settle the present obligation. The expense relating to any provision is presented in the statement of comprehensive income, net result of all reimbursement. The increase in the provision, due to the passage of time, is recognized as interest expense.

b) Contingent liabilities

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

c) Contingent assets

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

3.3.14 Revenue

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

Specific recognition criteria listed below must also be met for revenue to be recognized:

a) Sale of goods

The revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been substantially transferred to the buyer.

b) Services

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

c) Interest

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

d) Dividend income

This revenue is recognized when Grupo Nutresa's right to receive payment is established, which is generally when the shareholders approve the dividend, except when the dividend represents a recovery of investment costs. Neither is dividend income is recognized when the payment is made to all shareholders in the same proportion in shares of the issuer.

3.3.15 Government grants

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

3.3.16 Fair value

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

The fair value is determined:

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

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

In Note 7 Fair Value Measurement analysis of fair values of financial instruments, nonfinancial assets and liabilities, and more detailed measurement, is provided.

3.3.17 Operating segments

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

The financial information of the operating segments is prepared under the same accounting policies used in the preparation of the consolidated financial statements of Grupo Nutresa

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

3.3.18 Earnings per share

Basic earnings per share are calculated by dividing profit and loss attributable to ordinary equity holders, by the weighted average number of ordinary shares outstanding during the period.

The average number of shares outstanding, for the periods ended June 30, 2015 and 2014, is 460.123.458.

Diluted earnings per share are calculated by adjusting, profit and loss attributable to ordinary equity holders and the weighted average number of shares of dilutive potential ordinary shares.

3.3.19 Relative importance or materiality

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

Note 4. Judgments, estimates, and significant accounting assumptions

The preparation of Grupo Nutresa's financial statements requires that the management must make judgments; accounting estimates and assumptions that affect the amount of revenue and expense, assets and liabilities, and related disclosures, as well as the disclosure of contingent liabilities on the balance sheet date. In this regard, uncertainty about these assumptions and estimates could result in future results, that may require significant changes to the amount of assets and liabilities affected.

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

- Assessment of the existence of impairment indicators, for assets, goodwill, and asset valuation, to determine the existence of impairment losses (financial and non-financial);
- Assumptions used in the actuarial calculation of post-employment and long-term obligations to employees;
- Useful life and residual values of property, plant and equipment and intangible assets.

- Assumptions used to calculate the fair value of financial instruments;
- Probability of occurrence and the value of the liabilities of uncertain value or contingents;
- Determination of financial or operating leases, based upon the transfer of risks and rewards of the leased assets;
- Development costs;
- Recoverability of deferred tax asset;
- Determination of control, significant influence or joint control over an investment;
- Classification of Venezuela as a hyperinflationary economy.

The judgments and estimates made by Management of Grupo Nutresa, in the preparation of the condensed financial statements for the period ended June 30, 2015 do not differ significantly from those made at the end of the previous annual period 31 December 2014.

Note 5. Transition to International Financial Reporting Standards - IFRS

The consolidated interim condensed financial statements, for the quarter interim period between April 1st and June 30th, 2015, are part of the first Annual Financial Statements and are prepared in accordance with International Financial Reporting Standards (IFRS), approved in Colombia through Decree 2784 of 2012, its regulations and other accounting standards mandated by the Financial Superintendencia Financiera de Colombia, as described in accounting policies paragraph. Grupo Nutresa applied IFRS 1 to recognize the transition of its financial statements from local standards to IFRS, preparing its opening balance sheet at January 1, 2014.

5.1 Transition policies and procedures

5.1.1 Optional exceptions to the retrospective application of IFRS:

Herewith, are the main limited exemptions contained in IFRS 1 for its process of transition:

– *Cost attributed to property, plant and equipment and investment properties:* the Company used as deemed cost the carrying value, recognized 31 December 2013, under COLGAAP, for assets that had value to that cut in local companies; for other assets, the fair value option was used.

– *Business combinations:* IFRS 3 has been applied retrospectively to business combinations completed after June 2013. The use of this exception implies that for the other business combinations, the goodwill value corresponds to the value recognized under the previous accounting principles; these, goodwill, were subjected to evaluation of impairment and corresponding losses were charged to retained earnings.

– *Cumulative translation differences*: cumulative translation differences for all foreign operations are deemed to be zero at the date of transition to IFRS.

– *Designation of previously recognized financial instruments:* equity instruments were classified as “measured at fair value”, with changes in equity based on existing circumstances at the date of transition to IFRSs.

– *Measurement of assets and liabilities of subsidiaries, associates and joint ventures:* for foreign companies that had adopted IFRS before the transition date of the Parent Company, assets and liabilities are incorporated into the consolidated financial statements as the book value set in the financial statements of the subsidiary, after making the necessary approvals needed for the uniform application of accounting policies, established by Grupo Nutresa.

– *Other exceptions*: the measurement of financial instruments at fair value upon initial recognition is applied prospectively; like the decline of financial assets and liabilities, capitalization of borrowing costs for qualifying assets, and the measurement of government grants.

5.1.2 Use of estimates

Accounting estimates made by Grupo Nutresa to January 1 2013 and December 31 2014, reflect the existing conditions at the transition date and comparative period, and are consistent with estimates made for the same date under COLGAAP (after which the necessary adjustments, are made, to reflect any difference in accounting policies), items that are significantly different are:

- Pensions, termination, and other long-term employee benefits
- Fair value of property, plant and equipment and investment property
- Fair value of financial instruments and derivatives

5.2 Reconciliation

The following reconciliations provide a quantification of the impact of transition to IFRS, during 2014 and the comparative interim periods reported.

5.2.1 Reconciliation of Grupo Nutresa's equity to January 1, 2014

		COLGAAP	Adjustments and reclassifications	IFRS	Notes 5.2.5
Assets	Cash and cash equivalents	$ 415,478	$ 389	$ 415,867	
	Accounts receivable	857,299	(44,850)	812,449	(a) (b)
	Inventories	725,323	(27,168)	698,155	(a) (c)
	Biological assets	-	38,417	38,417	(c)
	Financial instruments	357,830	3,200,181	3,558,011	(d)
	Investments in associated and joint ventures	-	89,248	89,248	(d)
	Property, plant and equipment	1,456,074	1,402,477	2,858,551	(a) (e) (f)
	Investment properties	-	73,773	73,773	(e)
	Intangibles and goodwill	2,038,332	(6,861)	2,031,471	(g) (h)
	Deferred tax assets	39,814	85,065	124,879	(i)
	Financial instruments	-	828	828	
	Pre-paid expenses and other assets	77,911	(34,975)	42,936	(a) (d)
	Valuation surplus	4,612,437	(4,612,437)	-	(d) (f)
Total Assets		**$ 10,580,498**	**$ 164,087**	**$ 10,744,585**	
Liabilities	Financial obligations	1,996,737	20,335	2,017,072	(j)
	Suppliers	638,873	(45,067)	593,806	(h) (j) (k)
	Tax charges	159,523	16,382	175,905	(k)
	Employee benefits liabilities	138,378	211,621	349,999	(l)
	Estimated liabilities and provisions	54,184	(51,700)	2,484	(m)
	Deferred tax liabilities	159,573	307,395	466,968	(i)
	Other	3,159	2,053	5,212	
Total Liabilities		**$ 3,150,427**	**$ 461,019**	**$ 3,611,446**	
Non-controlling interest		19,209	309	19,518	
SHAREHOLDER EQUITY		**$ 7,410,862**	**$ 297,241**	**$ 7,113,621**	

Table 6

5.2.2 Reconciliation of Grupo Nutresa's net income for the interim periods of three and six months ended June 30, 2014

	Second Quarter 2014	First Half 2014	Notes 5.2.5
COLGAAP net income	$ 83.867	$ 170.078	
IFRS net income	**93.237**	**252.836**	
Variation	**$ 9.370**	**$ 82.758**	
Non –amortization of goodwill	$ 19,967	$ 39,589	(h)
Provision not from IFRS	6,610	25,642	
Dividend portfolio	(10,926)	22,780	(b)
Deferred tax	2,251	10,168	(i)
Depreciation of fixed assets	(3,617)	(9,637)	(f)
COLGAAP deferred costs	1,697	(3,711)	
Employee benefits	(3,155)	(6,834)	
Biological assets valuation	464	2,053	
Investment in associates	1,360	2,828	(d)
Change conversion process	(3,985)	(680)	(n)
Other adjustments	(1,296)	560	
Total impact	**$ 9,370**	**$ 82,758**	

Table 7

5.2.3 Reconciliation of Grupo Nutresa's net income for the period between January 1st and December 31st of 2014

		December 2014 COLGAAP		Adjustments and reclassifications		December 2014 IFRS	Notes 5.2.5
Operating revenue	$	6,461,752	$	(15,662)	$	6,446,090	(n) (o)
Cost of goods sold		(3,591,978)		(27,440)		(3,619,418)	(f) (n)
Gross Profit	$	**2,869,774**	$	**(43,102)**	$	**2,826,672**	
Administrative expenses		(408,021)		67,211		(340,810)	(f) (n) (p)
Sales expenses		(1,703,834)		30,580		(1,673,254)	(f) (h) (n) (o)
Production expenses		(119,579)		(2,607)		(122,186)	(f) (n) (p)
Exchange difference on operating assets and liabilities		-		3,878		3,878	
Other operating expenses, net		-		(8,791)		(8,791)	
Operating income	$	**638,340**	$	**47,169**	$	**685,509**	
Financial income		12,633		(281)		12,352	
Financial expenses		(157,945)		(7,787)		(165,732)	
Exchange difference on non-operating assets and liabilities		25,572		(7,139)		18,433	
Loss on net monetary position		(9,122)		(3,649)		(12,771)	(n)
Share of profit of associates and joint ventures		-		3,187		3,187	(d)
Dividend portfolio		53,017		(9,622)		43,395	(b)
Other income (expense), net		(18,827)		25,459		6,632	(q)
Income before income tax and non-controlling interest	$	**543,668**	$	**47,337**	$	**591,005**	
Current income tax		(152,103)		3,796		(148,307)	
Deferred income tax		(11,583)		218,957		207,374	(i)
Net income after taxes from continuing operations	$	**379,982**	$	**270,090**	$	**650,072**	
Discontinued operations		-		(12,086)		(12,086)	
Net income	$	**379,982**	$	**258,004**	$	**637,986**	
Non-controlling interest		(2,411)		387		(2,024)	
Profit attributable to controlling interest	$	**377,571**	$	**258,391**	$	**635,962**	5.3

Table 8

5.2.4 Reconciliation of Grupo Nutresa's equity to December 31, 2014

			Notes 5.2.5
COLGAAP Equity value at December 31, 2014	$	8,198,774	
IFRS Equity value at December 31, 2014		**8,045,860**	
Variation	$	(152,914)	
Employee benefits	$	(173,400)	(l)
Property, plant and equipment valuation surplus		(111,749)	(f)
Property, plant and equipment valuation adjustments		89,233	(f)
Deferred taxes		7,256	(i)
Goodwill		35,265	(h)
Other adjustments		481	
Total impact	$	**(152,914)**	

Table 9

5.2.5 Explanatory Notes

(a) $15,769 COP was reclassified to property, plant and equipment advances; $5,708 COP to advance for inventories; and $22,502 COP to pay in advance for costs and expenses (other assets).

(b) Outstanding receivable dividends of the investment portfolio, $9,622 COP, are recognized as receivables in the opening statement of financial position.

During the transition period, in March 2015, income and accounts receivable by total dividends declared receivables portfolio investments are recognized as such under IFRS. These were recognized under COLGAAP according to payment periods determined by the issuer. .

(c) $22,827 COP, is presented separately in livestock inventories and under IFRS are is classified as biological assets. And alAlso included in this group of accounts, are contractor participation accounts which are recorded as intangibles under COLGAAP, and with a corresponding valuation by of $10,623 COP.

(d) Financial instruments include equity investments, over which you have neither control nor significant influence. Mainly, investments in Grupo de Inversiones Suramericana ($2,001,369 COP) and Grupo Argos ($1,551,402 COP). These are measured in the opening balance sheet at fair value, which means that a valuation of $3,290,708 COP is incorporated into the book value of the financial instruments.

In addition, items over which Nutresa Group has significant influence are classified as investments in associates; the deemed cost option is taken by the Company, for the measurement of these investments, and are recognized the book value recorded under accounting principles generally accepted in Colombia in the amount of $89,248 COP. This includes mainly, Bimbo de Colombia SA ($71,651 COP), Dan Kaffe (Malaysia) Sdn. ($13,114 COP), and Estrella Andina S.A.S. ($1,005 COP).

The application of *the equity method* on these investments, during the period of transition, generated income of $1,360 COP in the second quarter, $2,828 COP in the first half and $3,187 COP for the year 2014.

(e) Property classified as investment property was transferred from property, plant and equipment in accordance with the accounting policies established by Grupo Nutresa and was measured under deemed cost option, using the book value under COLGAAP in the amount of $73.773 COP, a revalued amount.

(f) The company took book values revalued under COLGAAP, as deemed costs, for those assets that had been updated in 2013 with technical appraisals, which implicated inclusion of the carrying amount of property, plant and equipment, valuations, in the amount of $1,318,569 COP; for other assets, the fair value option was used and those new appraised values increased the book value by $27.199 COP.

In the case of the foreign companies that reported under IFRS before the Parent Company, book value was taken as deemed cost, carrying the value of the assets of each subsidiary in its financial statements, under IFRS, at the date of transition of the Parent Company; subsequently, there was an increase in the value of the consolidated assets in the amount of $93,279 COP.

These adjustments represented a higher depreciation expenses in the amount of $3,617 COP for the second quarter of 2014, $9,637 COP for the first half, and $15,708 COP for the end of the year 2014 ($10,980 COP cost to sell. $4,728 COP administrative expenses, production and sales)

The impact from the measurement of property, plant and equipment, under IFRS, on Grupo Nutresa's equity is $89,233 COP, at the end of the transition year.

In addition to this, in December of 2014 under COLGAAP, an update of the appraisal surplus was performed, resulting in an increase of $111,749 COP; this equity adjustment is not recorded under IFRS in accordance with the policies adopted by the Group.

(g) For intangibles, other than goodwill, the carrying value under COLGAAP was used as deemed cost.

(h) The Company restated the business combination Tresmontes Lucchetti, acquired in 2013. This restatement had no impact on the Grupo Nutresa's consolidated equity, but generated reclassifications between the accounts balance sheets:

Other intangibles	$ 197,824
Goodwill	(175,312)
Property, plant and equipment	6,627
Accounts payable	10,590
Deferred tax liabilities	(36,324)
Others	(3,405)

Table 10

Impairment tests were also performed on goodwill from business combinations not restated, and were recorded with a retained earnings charge of $43,392 COP for this item.

The reversal of the depreciation of goodwill under COLGAAP was homologated for foreign subsidiaries that apply IFRS increase the value of intangibles by $17,326 COP.

During the transition period, a reduction in expenditure of $78,657 COP ($19,967 COP, in the second quarter and $39,589 COP, in the first half), was generated due to the non-amortization of goodwill under IFRS.

All this generates an accumulation in the Company equity, at year-end of transition, an impact of $35,265 COP.

(i) In accordance with COLGAAP, recognition of deferred tax is made considering only those temporary differences that arise between the accounting results and fiscal results. Under IFRS, the method is the called the "liability method", which considers all temporary differences between the accounting and tax bases of assets and liabilities. The net impact on of Grupo Nutresa's opening balance sheet is $211,712 COP ($59,358 COP deferred tax assets and future income tax liability of $271,070 COP).

The balance of deferred taxes under IFRS at January 1, 2014, relates mainly to: liabilities for long-term employee benefits in the amount $50,783 COP (assets), deemed cost of property, plant and equipment of $323,562 COP (liability), change in the useful lives of trademarks and other intangibles of $31,766 COP (liability).

The difference in methodology for estimation and recognition of deferred taxes and the IFRS adjustments made to generate income for the period, less deferred tax expense in the transition year of $41,942 COP ($2,251 COP for the second quarter and $10,168 COP for the first half).

In addition to this, in 2014, goodwill for tax was generated in some of the companies in Chile (Tresmontes Lucchetti Chile SA, Inmobiliaria Tresmontes Luccetti, and Nutresa de Chile) for $45,230,485 CLP ($176,687 COP) caused by tax rules applicable in this country for the restructuring process TMLUC advance by the Group in order to simplify its corporate structure; This item is not recognized in the consolidated financial statements under COLGAAP because originated in cash accounts rather than results. According to the fiscal projections made by management, the deferred tax asset will be realized over the next 10 years, generating a decrease in net income and therefore a lower amount of tax payable.

The net impact of deferred under IFRS in the equity of the Company at the end of the transition year is an increase of $7,256 COP.

(j) The adjustment relates to the measurement at amortized cost of financial obligations, implied inclusion in the balance of obligation of accrued interest payment in the amount of $14,415 COP.

(k) Accounts payable were transferred to current taxes payable by $17,346 COP.

(l) Grupo Nutresa calculated of pension liabilities in accordance with the Method IAS 19. In addition, using actuarial calculation, long-term benefits were also recognized using the method of projected unit credit. The company recognized 100% of the profits and losses in its first financial statements under IFRS, under retained earnings. The value of the adjustment made was $159,675 COP.

During 2014, more spending was generated due to employee benefits in the amount of $13,725 COP ($3,155 COP for the second quarter and $6,834 COP for the first half), representing a lower value of the assets after the transition year of $-173,400 COP.

(m) COLGAAP provisions which under IFRS are not classified as such were transferred. $51,256 COP of employee benefits and $2,206 COP in provisions for costs and expenses.

(n) Until December 31, 2013, under COLGAAP, the results of operations of subsidiaries abroad were converted at the cumulative average exchange rate for the period; as of the implementation of International Standards, the Company implemented an accounting policy for translating the results of the period, of foreign companies, to the monthly average of the exchange rate. This change in the conversion process generated an impact on net income for 2014, detailed as follows:

		2014
Operating revenue	$	57,931
Cost of goods sold		(45,698)
Gross profit	$	**12,233**
Administration, sales, and production expenses		(16,008)
Monetary position		(3,649)
Impact to net income	$	**(7,424)**

Table 11

The impact on net income for the second quarter is $3,985 COP and in the first half $680 COP.

(o) In accordance with the definitions of income under IAS 18, these amounts were reclassified to a lower value of operating income in the amount of $72,580 COP for the year 2014, corresponding to discounts and rebates granted to customers, distributors, and export costs, which under COLGAAP, were recognized under sales expenses.

(p) Under COLGAAP, during the interim period, provisions for costs and expenses were recognized as advertising and " trade", and in the preparation of the interim financial statements under IFRS, these must be recognized as expenses when they are incurred; This resulted in a decrease of selling expenses in the quarter by $6,610 COP ($ 25,642 COP in the first half) . This situation does not generate impact on the annual results, because under COLGAAP, the unused provisions at the end of the year, is reversed.

The deferral of some expenditures are also allowed during the interim period. Proper recognition of these expenses at the time they are incurred resulted in a decrease in expenses by the Company in the amount of $1,697 COP in the second quarter (an increase of $3,711 COP for the first half). The impact on annual results for 2014 was an increase of $980 COP of administrative expenses.

(q) As part of the change in presentation of the financial statements under IFRS, gain or loss as a net monetary correction of $9,622 COP for 2014 were separated from other income and non-operating expenses from COLGAAP. In addition, under IFRS, sales and derecognition of property, plant and equipment, are recognized as other income and operating expenses, generating a loss of $6,632 COP for 2014.

5.3 Accumulated earnings generated in the process of First-time Adoption IFRS

The process of First-time adoption of IFRS generated accumulated earnings of $1,284,015 COP in the corresponding opening balance as follows: decrease due to equity impact from the First-time Adoption in the amount of $ 297,241 COP, as well as, a net increase due to reclassification of other equity items such as $ 1,581 .256 COP (reduced by the elimination of $173.546 COP for the conversion impact of companies abroad and increased reclassification of $1,754,802 COP corresponding to valuation of property, plant and equipment and other assets).

In addition, during the transition period, profits of $258,509 COP were accumulated due to the difference between the net income attributable to controlling interest for the annual period 2014 at values of $635,962 COP and the value appropriated by the Shareholders over the COLGAAP earnings in the same period.

These accumulated $1,542,524 COP profits are not subject to dividend distribution and will be carried to "Other reserves" once the Shareholders of Grupo Nutresa approve the transfer.

Note 6. Operating segments

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

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

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

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

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

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

6.1 Information on financial performance by segment at June 30th, 2015 and 2014:

a) Ordinary income

Revenue	Second Quarter						First Half					
	External clients		Inter-segments		Total		External clients		Inter-segments		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Meats	419.623	387.812	115	562	419.738	388.374	838.918	831.371	176	587	839.094	831.958
Biscuits	357.216	289.823	2.275	2.461	359.491	292.284	693.531	574.599	5.811	5.371	699.342	579.970
Chocolate	281.364	242.515	4.373	4.855	285.737	247.370	557.875	478.063	7.523	7.681	565.398	485.744
Coffee	216.460	189.085	2.345	3.303	218.805	192.388	424.666	372.782	2.455	3.407	427.121	376.189
TMLUC	218.463	192.774			218.463	192.774	417.683	355.483			417.683	355.483
Ice cream	105.018	107.118	739	213	105.757	107.331	212.014	206.706	829	295	212.843	207.001
Pasta	63.493	59.593	292	161	63.785	59.754	124.699	114.350	306	354	125.005	114.704
Retail foods	147.207	27.012			147.207	27.012	220.346	55.949			220.346	55.949
Others	41.310	34.405			41.310	34.405	77.880	64.039			77.880	64.039
Total segments	**1.850.154**	**1.530.137**	**10.139**	**11.555**	**1.860.293**	**1.541.692**	**3.567.612**	**3.053.342**	**17.100**	**17.695**	**3.584.712**	**3.071.037**
Adjustments and eliminations					(10.139)	(11.555)					(17.100)	(17.695)
Consolidated					**1.850.154**	**1.530.137**					**3.567.612**	**3.053.342**

Table 12

b) EBITDA

Table 13

EBITDA	Second Quarter							
	Operating income		Depreciation and amortization		Unrealized exchange differences from operating assets and liabilities		EBITDA	
	2015	2014	2015	2014	2015	2014	2015	2014
Meats	47,223	43,484	7,637	4,794	(854)	212	54,006	48,490
Biscuits	36,490	27,884	5,896	5,517	(164)	2,649	42,222	36,050
Chocolate	16,539	14,242	7,620	5,965	148	1,775	24,307	21,982
Coffee	28,963	26,782	4,936	4,879	(355)	934	33,544	32,595
TMLUC	17,260	25,427	7,043	4,513	338	(1,005)	24,641	28,935
Ice cream	3,668	10,612	7,727	7,774	(252)	277	11,143	18,663
Pasta	5,629	2,057	1,806	1,600	28	356	7,463	4,013
Retail Foods	18,160	3,971	7,710	757	(0)	(512)	25,870	4,216
Others	(816)	1,867	1,117	2,783	168	955	469	5,605
Total segments	**173,116**	**156,326**	**51,492**	**38,582**	**(943)**	**5,641**	**223,665**	**200,549**

EBITDA	First Half							
	Operating income		Depreciation and amortization		Unrealized exchange differences from operating assets and liabilities		EBITDA	
	2015	2014	2015	2014	2015	2014	2015	2014
Meats	105,880	97,926	15,165	13,319	(11,162)	139	109,883	111,384
Biscuits	75,168	65,159	11,549	11,748	217	2,019	86,934	78,926
Chocolate	40,544	40,116	14,918	13,557	(583)	1,666	54,879	55,339
Coffee	68,015	73,144	9,891	9,737	646	1,485	78,552	84,366
TMLUC	33,328	34,628	12,826	9,381	927	(399)	47,081	43,610
Ice cream	10,547	18,145	15,475	16,333	(128)	217	25,894	34,695
Pasta	11,375	7,071	3,569	3,266	50	69	14,994	10,406
Retail Foods	27,703	8,073	10,902	1,569	(5)	(1)	38,600	9,641
Others	(909)	7,747	2,256	1,340	174	101	1,521	9,188
Total segments	**371,651**	**352,009**	**6,551**	**80,250**	**(9,864)**	**5,296**	**458,338**	**437,555**

6.2 Information by geographical locations

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

	Second Quarter		First Half	
	2015	2014	2015	2014
Colombia	1,186,221	1,008,019	2,269,673	1,965,236
Central America	162,488	105,293	322,380	220,976
USA	148,278	105,651	289,752	210,833
Chile	132,344	117,351	259,016	232,905
Mexico	72,084	67,294	137,704	108,167
Venezuela	26,502	26,872	58,017	122,180
Peru	31,590	26,026	59,633	49,303
Ecuador	24,511	17,668	46,664	32,360
Dominican Republic and the Caribbean	20,972	14,948	46,463	35,419
Others	45,164	41,015	78,310	75,963
Total	**1,850,154**	**1,530,137**	**3,567,612**	**3,053,342**

Table 14

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

6.3 Information by type of products

Some operating segments are also categorized by geographical location and the revenue, from sales to external customers, is presented by product category as follows:

	Second Quarter		First Half	
	2015	2014	2015	2014
Foods	992,210	775,152	1,890,464	1,593,539
Beverages	454,278	404,282	884,066	777,207
Candy and snacks	297,725	258,124	591,607	506,973
Others	105,941	92,579	201,475	175,623
Total	**1,850,154**	**1,530,137**	**3,567,612**	**3,053,342**

Table 15

Note 7. Financial instruments at fair value

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

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

The breakdown of financial instruments at June 30th is as follows:

	Number of shares held	Participation as % in total ordinary shares	Book Value June 2015		Book Value December 2014	
Grupo de Inversiones Suramericana S.A.	59.387.803	12.66%	$	2,198,536	$	2,375,512
Grupo Argos S.A.	79.804.628	12.36%		1,356,679		1,635,996
Other companies				5,009		4,964
			$	**3,560,224**	**$**	**4,016,472**

Table 16

	Second Quarter 2015		Second Quarter 2014		First Half 2015		First Half 2014	
	Dividend Income	Income on fair value measurement	Dividend Income	Income on fair value measurement	Dividend Income	Losses on fair value measurement	Dividend Income	Income on fair value measurement
Grupo Suramericana de Inversiones S.A.	-	205,481	-	201,918	25,062	(176,976)	23,161	368,204
Grupo Argos S,A,	-	28,730	-	153,225	21,388	(279,316)	19,792	252,183
Other companies	494	(492)	-	-	512	(413)	410	36
	494	**233,719**	**-**	**355,143**	**46,962**	**(456,705)**	**43,363**	**620,423**

Table 17

Annual dividends declared by Suramericana de Inversiones and Grupo Argos were fully recognized as income in the first quarter of 2015 and as a result no further income is expected for the year.

a) Fair value measurement of financial instruments

The fair value of shares, traded and classified as high trading volume, is determined based on the average of the last 10 trading days; this measurement is located in a hierarchy Level 1, as established by IFRS 13 for the fair value measurement. This category includes investments held by the Company in Suramericana Group and Argos Group. This measurement is done on a monthly basis.

There have been neither changes in the fair value hierarchy for measurement of these investments nor changes in the valuation techniques used.

Investments in other companies, classified under this category, are measured at fair value on a non-recurring basis, only when a market value is available. The company believes this omission of this recurrent measurement for these investments is immaterial for the presentation of Grupo Nutresa's financial statements.

Note 8. Expenditures by nature

Below is a detailed breakdown of expenditures by nature, for a three month period between April 1st and June 30th, 2015 and 2014:

	Second Quarter 2015		Second Quarter 2014		First Half 2015		First Half 2014	
Inventory consumption and other expenses	$	811,669	$	615,759	$	1,571,227	$	1,213,957
Employee benefits		318,920		264,298		629,274		543,262
Other services		209,192		170,930		385,928		324,040
Leases		57,112		34,774		98,211		66,240
Transport services		51,143		44,809		97,261		88,962
Depreciation and amortization		51,492		38,582		96,551		80,250
Advertising material		44,265		42,961		84,743		75,805
Fees		21,717		17,493		38,076		33,408
Taxes other than income tax		15,497		10,532		32,139		24,667
Insurance		6,953		6,567		12,988		13,432
Impairment of assets		3,021		1,536		4,615		3,274
Other expenses		84,429		110,188		154,365		223,334
	$	**1,675,410**	**$**	**1,358,429**	**$**	**3,205,378**	**$**	**2,690,631**

Table 18

Note 9. Taxes

9.1 Applicable regulations

a) Colombia

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

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

b) Chile

In Chile, the law implemented separate systems for "capital income" and "income from work". The first are taxed at the First Category Tax which mainly affects businesses. This tax has a fixed 20% for 2014 and 21% for 2015, based on tax rates which are calculated using aggregates or decreases, as mandated by law. These taxes paid is this attributable to the Global Complementario, which is levied on the income of all natural person and residents of the country; or in addition, taxes on income from Chilean sources, for all natural and legal persons residing outside the country, as appropriate.

c) Mexico

During fiscal year 2014, the income tax rate in Mexico was 30%; applied on taxable income for the year. Additionally, for workers the taxable income rate is 10%.

d) Costa Rica

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

e) Panama

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

f) Ecuador

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

9.2 Current income tax

The current income tax increased due to the elimination of income or deduction from exchange differences on foreign investments, constituted expenditures for taxpayers, not yet realized, as required by Law 1739 2014 Article 66.

The current income tax expense is as follows:

	Second Quarter		First Half	
	2015	**2014**	**2015**	**2014**
Income tax	$ 27,923	$ 17,050	$ 67,554	$ 45,967
Taxes for Equity - CREE	7,403	1,663	14,539	9,213
CREE Surcharges	3,100	-	7,769	-
Total	**$ 38,426**	**$ 18,713**	**$ 89,862**	**$ 55,180**
Deferred taxes	(1,408)	(1,248)	(4,815)	9,069
Total tax expenses	**$ 37,018**	**$ 17,465**	**$ 85,047**	**$ 64,249**

Table 19

9.3 Deferred income tax

The breakdown of balance of deferred income tax assets and liabilities is as follows:

	June 2015	December 2014
Deferred tax assets		
Goodwill tax TMLUC	$ 165,498	$ 176,687
Employee benefits	60,771	56,638
Accounts payable	2,289	2,629
Investments	4,792	3,924
Tax losses	1,199	2,227
Tax credits	2,081	730
Account receivable	2,323	1,425
Other assets	73,264	56,367
Total deferred tax assets	**$ 312,217**	**$ 300,627**

	June 2015	December 2014
Deferred tax liabilities		
Property, plant and equipment	$ (316,260)	$ (319,940)
Intangibles	(49,821)	(45,298)
Investments	(4,296)	(4,713)
Inventories	(1,032)	(595)
Accounts payable	(756)	(1,195)
Other liabilities	(89,098)	(85,468)
Total deferred tax Liabilities	**$ (461,263)**	**$ (457,209)**
Deferred tax liabilities, net	**$ (149,046)**	**$ (156,582)**

Table 20

The impact of deferred income tax on income for the period January to June 2015 was income of $4,815 COP, compared to an expense for the same period in 2014 of $9,069 COP. The variation is mainly due to the reversal of deferred taxes which generated a difference in the exchange, for investments abroad explained above.

The deferred tax movement during the period is as follows:

	Second Quarter 2015	First Half 2015
Initial balance	$ (149,028)	$ (156,582)
Deferred income taxes recognized in profit and loss	1,408	4,815
Increase from business combinations	(273)	(122)
Impact of changes of foreign exchange rates	(1,153)	2,843
Ending balance	**$ (149,046)**	**$ (149,046)**

Table 21

9.4 Effective tax rate

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

All these special situations create differences in the effective tax rate, with respect to the theoretical rate, in each country.

Below is reconciliation, of both the applicable tax rate and the effective tax rate, for the periods ended 30 June 2015 and 2014 is as follows:

	First Half			
	2015		2014	
	Valor	%	Valor	%
Accounting profit	**$ 320.002**		**$ 325.363**	
Tax expenses at applicable tax rates	**$ 115.297**	**36.03%**	**$ 119.636**	**36.77%**
Untaxed income	(25.439)	(7.95)%	(12.884)	(3,96)%
Non deductible expenses	8.509	2.66%	12.565	3,86%
Taxable income	(22.834)	(7.14)%	(20.538)	(6,31)%
Tax deductions	(23.014)	(7.19)%	(58.647)	(18,03)%
Other tax impact	32.528	10.16%	24.117	7,41%
Total tax expenses	**$ 85.047**	**26.58%**	**$ 64.249**	**19,75%**

Table 22

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

The untaxed income relates mainly to the impact of dividend income from investments portfolio; tax deductions, related to the tax amortization of goodwill, and deduction in productive fixed assets.

9.5 Excess presumptive tax income and tax losses

At June 30, 2015, the tax losses of the subsidiary companies in Colombia amounted to $3,942 COP. According to Colombian tax rules, tax losses generated from 2003 and until 2006 can be offset, adjusted for tax, with the net ordinary income of the following eight years, not to exceed 25% of the value of the loss, and without detriment to presumptive income for the year. Losses arising from the 2007 tax year are be compensated, adjusted for tax, without a percentage limitation, at any time, with ordinary net income subject to presumptive income for the year. The Companies losses are not transferable to associates. Non constituted tax losses from rental income or windfall profit, expenses, and deductions that have no causal link to the generation of taxable income, in any case may be offset against the taxpayer's net income.

At June 30, 2015, the excess presumptive income and ordinary income of subsidiary companies in Colombia, pending compensation, amounted to $367 COP. According to current tax regulations, excess presumptive income and ordinary income can be offset with net ordinary income, within five years, and adjusted for tax purposes.

Expiration date	Tax Losses	Excess presumptive income
Without expiration date	$ 3,928	$ -
2018	-	367
2014	14	-
	$ 3,942	**$ 367**

Table 23

9.6 Wealth tax

According to the provisions of Article 6 of Law 1739 of 2014, which adds article 297-2 of the tax statute, the accrual of wealth tax will take place on January 1st of the years 2015, 2016 and 2017 and will be charged to capital reserves without affecting net income in accordance with Article 10 of the same law. By 2015, they were recognized with a charge to reserves available to the highest corporate body $24,680 COP for this item.

Note 10. Discontinued operations

2015: Under the project of Tresmontes Lucchetti for a manufacturing plant in Jalisco-Mexico, the instant iced beverages production lines was transferred from the Tresmontes S.A. in Chile, to the new complex Tresmontes Lucchetti Mexico. This transfer resulted in costs attributable to severance for personnel, production, logistics, exportation, and administration associated with these production lines and provisions for northern markets.

All expenses incurred in the restructuring in Tresmontes S.A. are recognized in the consolidated financial statements, as part of discontinued operations, in the second quarter of 2015.

This restructuring of the production is intended to diversify risk, production efficiency, and afford provisions in a timely manner, to fulfill the needs of the North American and Caribbean markets.

2014: The respective Board of Directors of TMLUC Argentina S.A. and TMLUC Perú S.A., after a detailed and thorough analysis of the performance of the business and future prospects, as well as, alternative scenarios for the course of the operations, decided to end both manufacturing and commercial operations in Argentina and Peru. The closure of operations in Argentina was carried out between March and June of 2014, while in Peru, it was conducted between April and December of the same year; this closure generated layoff of personnel, collection and payment of assets and liabilities of the company, sale of fixed assets, and payment of liabilities. To date, administration of balances of current assets, are in process, as well as, the management of the company with no manufacturing and commercial activity.

Note 11. Financial obligations and expenses

11.1 Financial liabilities at amortized cost

Financial liabilities held by Grupo Nutresa were classified as measured by using the amortized cost base according to the Group's business model. The book value at the reporting date is as follows:

	June 2015	December 2014
Loans	$ 2.530.043	$ 1.617.924
Bonds	498.020	496.293
Leasing	18.367	9.531
Gross debt	**3.046.430**	**2.123.748**
Interest and others	21.626	19.048
Total	**$ 3.068.056**	**$ 2.142.797**
Current	808.787	451.677
Non-current	**$ 2.259.269**	**$ 1.691.120**

Table 24

11.2 Principal debt operations during the period

For the acquisition of Grupo El Corral, financial obligations in the amount of $685,000 COP were assumed, under terms of between 1 and 3 years at an average interest rate of 5.15% with a fixed in DTF and IBR. The financial expense of this transaction generated a cost of $14,003 COP at June 2015. A total cost of $30.806 COP is estimated for 2015.

11.3 Bonds

Nutresa generated issuance of two bonds:

• In July 2008, Compañía Nacional de Chocolates de Perú S.A. issued corporate bonds with Grupo Nutresa serving as guarantor. The issuance was executed in the amount of $118.52 Million Peruvian Sols, with a maturity date of 10 years (2018), at a fixed interest 8.84% EAR, paid annually in arrears, with repayment at maturity. During the first half of 2015, this resulted in an expense attributable to the interest of $4,219 COP. The balance of this obligation June 2015 is $96,561 COP.

• In August 2009, an issue of corporate bonds took place in Colombia, through Fideicomiso Grupo Nutresa, which is managed by Alianza Fiduciaria. As of June 2015, this issuance has balance of $401,459 COP, and has the following parameters:

Maturity	Interest rate	Balance at June 2015
2016	IPC + 4.96%	$ 131,815
2019	IPC + 5.33%	$ 135,482
2021	IPC + 5.75%	$ 134,162

Table 25

At the end of the first half of 2015, the issuance of these Colombia bonds has generated an interest expense on the bonds of $18,084 COP.

11.4 Maturity

Period	Undiscounted Value
1 year	$ 808.787
2 to 5 years	1.421.569
More than 5 years	816.074
Total	**$ 3.046.430**

Table 26

11.5 Balance by currency (Millions)

		June 2015
Moneda	Balance in original currency	Balance in COP
COP	2.429.617,33	$ 2.429.617
CLP	75.339,52	305.274
USD	68,58	177.492
PEN	118,52	96.561
MXN	216,38	35.721
VEF	135,00	1.765
Total		**$ 3.046.430**

Table 27

11.6 Interest rates

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

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

Rate	June 2015
Variable interest rate debt	2.683.677
Fixed interest rate debt	362.753
Total	**3.046.430**
Average rate	6,78%

Table 28

11.7 Financial expenses

A breakdown of financial expenses for the first half of 2015 and 2014 are as follows:

	Second Quarter		First Half	
	2015	2014	2015	2014
Interest on loans and overdrafts	37,115	19,491	69,688	40,936
Bond interests	11,381	11,028	21,660	22,229
Interest on financial leases	155	200	347	415
Other interest	3,730	1,977	5,755	3,939
Total interest expenses	**52,381**	**32,696**	**97,450**	**67,519**
Other financial expenses	6,980	4,795	12,821	10,724
Total Financial Expenses	**59,361**	**37,491**	**110,271**	**78,243**

Table 29

The increase in interest expense from period to period, is primarily due to the interest generated, thus far in 2015, by the financing of the acquisition of Grupo El Corral and the increase in benchmark rates (CPI, IBR, DTF, among others).

Note 12. Declared dividends

The Shareholders of the Parent, at its regular meeting, on March 27, 2015, declared a regular dividend of $38.5 COP per share per month, ($462 COP annually per share) for 460,123,458 outstanding shares in circulation during the months from April 2015 to March 2016, inclusive, for a total of $212,577 COP (2014: $198,773 COP).

During 2015, dividends of $102.379 COP (2014: $94.775 COP) have been paid.

Note 13. Exchange rate variation impact

13.1 Main currencies and exchange rates

Herewith, is an analysis of the closing exchange rates of foreign currencies corresponding to the functional currency of Grupo Nutresa's subsidiaries that have a significant impact on the consolidated financial statements, expressed in Colombian Pesos (COP).

		June 2015	December 2014	June 2014	December 2013
Panamanian Balboa	PAB	**2,585.11**	2,392.46	1,881.19	1,926.83
Costa Rican Colone	CRC	**4.78**	4.38	3.43	3.79
Nicaraguan Cordoba	NIO	**94.9**	89.96	72.49	76.06
Peruvian Sol	PEN	**814.7**	800.16	671.61	689.14
US Dollar	USD	**2,585.11**	2,392.46	1,881.19	1,926.83
Mexican Peso	MXN	**165.1**	162.38	144.7	147.48
Guatemalan Quetzale	GTQ	**339.1**	314.94	241.84	245.73
Bolivars	VEF	**13.1**	47.85	37.64	305.85
Dominican Peso	DOP	**57.5**	53.93	43.23	45.03
Chilean Peso	CLP	**4.07**	3.95	3.42	3.67
Argentine Peso	ARS	**284.6**	279.75	231.33	295.62

Table 30

13.2 Impact of exchange rates on the translation of financial statements of business abroad

The impact of exchange rates on the translation of assets, liabilities, and results of companies abroad is recognized in other comprehensive income:

Table 31

2015	Second Quarter	First Half
Chile	$ (13,321)	$ 49,573
Costa Rica	1,759	43,224
USA	457	6,789
Mexico	(4,046)	2,600
Peru	(6,081)	5,164
Venezuela	(926)	(72,448)
Panama	3,616	56,952
Others	(1,996)	3,723
Total	**$ (20,538)**	**$ 95,577**

2014	Second Quarter	First Half
Chile	$ (46,581)	$ (76,886)
Costa Rica	(13,407)	(37,271)
Venezuela	(1,717)	(244,408)
Others	(19,324)	(12,370)
Total	**$ (81,029)**	**$ (370,935)**

13.3 Difference in exchange for foreign currency transactions

The table below represents a breakdown of the differences in exchange, for assets and operating liabilities, recognized in profit and loss, as part of the operating utility:

	Second Quarter		First Half	
	2015	2014	2015	2014
Realized exchange differences				
Clients	84	(2,478)	6,773	384
Suppliers	(1,175)	3,208	(8,764)	1,063
	(1,091)	**730**	**(1,991)**	**1,447**
Realized exchange differences				
Clients	(380)	(5,958)	(2,898)	(5,953)
Suppliers	1,323	317	12,762	657
	943	**(5,641)**	**9,864**	**(5,296)**
Operating exchange differences	**(148)**	**(4,911)**	**7,873**	**(3,849)**

Table 32

The impact is mainly due to the general fall in the exchange rates of local currencies, against the US Dollar, which affects accounts payable to suppliers, due to the high level of imports of raw materials into the Grupo Nutresa Companies.

Note 14. Events after the reporting period

These interim condensed consolidated interim financial statements were authorized for issue by the Board of Grupo Nutresa on August 28, 2015. No significant events occurred after the closing, thereof or until the date of its approval that may significantly affect the financial position of Grupo Nutresa reflected in the financial statements ended to June 30, 2015