

## Grupo Nutresa reports consolidated third-quarter earnings results with a sales growth of 3,4% and an EBITDA margin of 12,7%.

- Grupo Nutresa's total consolidated sales as of September increase 3,4% year on year, amounting to COP 6,6 trillion.
- Revenues in Colombia amount to COP 4,2 trillion, 4,1% higher than the corresponding sales in 2017.
- International sales, which amount to USD 829,8 million, reflect a 4,0% year-on-year growth.
- In terms of profitability, the Organization reports a consolidated EBITDA of COP 840.842 million, equivalent to 12,7% of sales, with a 5,1% growth.

**Medellín, October 26, 2018.** Grupo Nutresa S.A. (BVC: NUTRESA) discloses its Consolidated Earnings Results as of September 30, 2018.

As of the closing of this year's third quarter, Grupo Nutresa's sales report a 3,4% year-on-year growth amounting to COP 6,6 trillion. Innovation continues to be an important growth driver, with innovation-based sales representing 22,1% of total revenues.

In Colombia, revenues increase by 4,1% year on year, amounting to COP 4,2 trillion, which correspond to 63,8% of Grupo Nutresa's consolidated sales. This is the result of a 2,3% growth in volume, with a price increase of 1,5%.

International sales grow by 4,0% in dollars when compared to the same term in 2017, amounting to USD 829,8 million and representing 36,2% of total sales. These revenues are equivalent to COP 2,4 trillion when stated in Colombian pesos.

Gross profit for the term, which amounts to COP 3,0 trillion, grew by 5,2%, reflecting the effect of the sales increase along with the implementation of productivity measures.

Operating profit amounts to COP 633.826 million, with a margin of 9,6% of sales, a 4,7% improvement in relation to the same period in 2017. This result is a consequence of the efficiency in sales, administration and production expenses over the period.

In terms of profitability, the Organization reports a consolidated EBITDA of COP 840.842 million, 5,1% higher than in 2017, and equivalent to 12,7% of sales.

Net post-operative expenses, which amount to COP 100.759 million, are 46,2% lower than in the same term in 2017, a drop that is explained mainly by the significant reduction in financial expenses from lower debt and better interest rates in the main markets where the Organization operates.

Finally, the consolidated net profit for the period amounts to COP 385.869 million, 19,0% higher than in the same period in 2017. This growth is the result of a balanced equation that includes revenue growth, efficiency in commodities procurement, productivity programs, controlled operating expenses, and a sustained decrease in financial expenses.

### **Dow Jones Global Sustainability Index**

For the eighth consecutive year, Grupo Nutresa has been included in the Dow Jones Global Sustainability Index (DJSI), consolidating its position as one of the most sustainable companies in the world, as well as the only one from the Latin-American food sector to be part of the DJSI.

Based on the 2018 results, the Organization was recognized in various dimensions of sustainability, getting also the top score in six of the 25 criteria evaluated, including: health and nutrition, tax strategy, climate change strategy, environmental reporting, packaging, and water-related risk management.

### **Separate Financial Statements of Grupo Nutresa S.A.**

The Separate Financial Statements of Grupo Nutresa S.A. report COP 398.883 million in operating revenues for the period, of which COP 341.497 are derived from the application of the equity method on subsidiaries and associated companies, and COP 57.386 from the recognition of dividends from the investment portfolio. Net profit is COP 397.401 million and equity amounts to COP 8,2 trillion.

The consolidated and separate financial statements, as of September 30 of 2018, as well as the related financial indicators, are an integral part of this release.

CONSOLIDATED FINANCIAL STATEMENTS  
INCOME STATEMENT AS OF SEPTEMBER 30, 2018

	January- September 2018	% Revenues	January- September 2017	% Revenues	% Var.
<b>Continuing operations</b>					
<b>Operating revenue</b>	<b>6.609.298</b>		<b>6.391.409</b>		<b>3,4%</b>
Cost of goods sold	(3.641.026)	-55,1%	(3.569.154)	-55,8%	2,0%
<b>Gross profit</b>	<b>2.968.272</b>	<b>44,9%</b>	<b>2.822.255</b>	<b>44,2%</b>	<b>5,2%</b>
Administrative expenses	(299.442)	-4,5%	(293.049)	-4,6%	2,2%
Sales expenses	(1.932.962)	-29,2%	(1.845.163)	-28,9%	4,8%
Production expenses	(105.573)	-1,6%	(101.420)	-1,6%	4,1%
Exchange differences on operating assets and liabilities	(478)	0,0%	1.330	0,0%	-135,9%
Other operating income, net	4.009	0,1%	21.549	0,3%	-81,4%
<b>Operating profit</b>	<b>633.826</b>	<b>9,6%</b>	<b>605.502</b>	<b>9,5%</b>	<b>4,7%</b>
Financial income	11.059	0,2%	10.280	0,2%	7,6%
Financial expenses	(191.440)	-2,9%	(239.784)	-3,8%	-20,2%
dividends	58.559	0,9%	54.321	0,8%	7,8%
Exchange differences on non- operating assets and liabilities	15.090	0,2%	(15.534)	-0,2%	-197,1%
Participation in profit of associates and joint ventures	(65)	0,0%	141	0,0%	-146,1%
Other income, net	6.038	0,1%	3.313	0,1%	82,3%
<b>Income before tax and non-controlling interest</b>	<b>533.067</b>	<b>8,1%</b>	<b>418.239</b>	<b>6,5%</b>	<b>27,5%</b>
Current incometax	(134.375)	-2,0%	(119.877)	-1,9%	12,1%
Deferred incometax	(9.295)	-0,1%	29.939	0,5%	-131,0%
<b>Profit from continuing operations</b>	<b>389.397</b>	<b>5,9%</b>	<b>328.301</b>	<b>5,1%</b>	<b>18,6%</b>
Discontinued operations, after incometax	(1.266)	0,0%	(1.175)	0,0%	7,7%
<b>Net profit for the period</b>	<b>388.131</b>	<b>5,9%</b>	<b>327.126</b>	<b>5,1%</b>	<b>18,6%</b>
Non-controlling interest	2.262	0,0%	2.868	0,0%	-21,1%
<b>Profit for the period attributable to controlling interest</b>	<b>385.869</b>	<b>5,8%</b>	<b>324.258</b>	<b>5,1%</b>	<b>19,0%</b>
<b>EBITDA</b>	<b>840.842</b>	<b>12,7%</b>	<b>800.218</b>	<b>12,5%</b>	<b>5,1%</b>

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

<https://www.gruponutresa.com/en/inversionistas/resultados-y-publicaciones/resultados-trimestrales/#2018-3>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF SEPTEMBER 30, 2018

	September 2018	December 2017	% Var.
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	310.030	435.643	-28,8%
Trade and other receivables	989.524	957.568	3,3%
Inventories	1.041.679	982.816	6,0%
Biological assets	85.499	81.518	4,9%
Other assets	325.976	221.475	47,2%
Non-current assets held for sale	6.628	6.557	1,1%
<b>Total current assets</b>	<b>2.759.336</b>	<b>2.685.577</b>	<b>2,7%</b>
<b>Non-current assets</b>			
Trade and other receivables	26.197	26.509	-1,2%
Investments in associated and joint ventures	181.617	180.451	0,6%
Other financial non-current assets	3.367.394	4.133.963	-18,5%
Property, plant and equipment, net	3.297.443	3.395.671	-2,9%
Investment properties	77.153	72.306	6,7%
Goodwill	2.040.907	2.118.226	-3,7%
Other intangible assets	1.143.862	1.181.350	-3,2%
Deferred tax assets	388.120	415.072	-6,5%
Other assets	70.353	100.352	-29,9%
<b>Total non-current assets</b>	<b>10.593.046</b>	<b>11.623.900</b>	<b>-8,9%</b>
<b>TOTAL ASSETS</b>	<b>13.352.382</b>	<b>14.309.477</b>	<b>-6,7%</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Financial obligations	473.200	557.133	-15,1%
Trade and other payables	925.802	993.241	-6,8%
Income tax and taxes payable	269.618	207.776	29,8%
Employee benefits liabilities	210.356	172.730	21,8%
Current provisions	3.869	9.820	-60,6%
Other current liabilities	20.265	14.261	42,1%
<b>Total current liabilities</b>	<b>1.903.110</b>	<b>1.954.961</b>	<b>-2,7%</b>
<b>Non-current liabilities</b>			
Financial obligations	2.379.353	2.474.077	-3,8%
Trade and other payables	158	158	0,0%
Employee benefits liabilities	214.774	226.574	-5,2%
Deferred tax liabilities	700.085	702.967	-0,4%
Other non-current liabilities	533	559	-4,7%
<b>Total non-current liabilities</b>	<b>3.294.903</b>	<b>3.404.335</b>	<b>-3,2%</b>
<b>TOTAL LIABILITIES</b>	<b>5.198.013</b>	<b>5.359.296</b>	<b>-3,0%</b>
<b>EQUITY</b>			
<b>Equity attributable to the controlling interest</b>	<b>8.112.245</b>	<b>8.907.656</b>	<b>-8,9%</b>
Non-controlling interest	42.124	42.525	-0,9%
<b>TOTAL EQUITY</b>	<b>8.154.369</b>	<b>8.950.181</b>	<b>-8,9%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>13.352.382</b>	<b>14.309.477</b>	<b>-6,7%</b>

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SEPARATE FINANCIAL STATEMENTS

INCOME STATEMENT AS OF SEPTEMBER 30, 2018

	January- September 2018	% Revenues	January- September 2017	% Revenues	% Var.
Portfolio dividends	57.386	14,4%	54.204	16,3%	5,9%
Share of profit for the period of subsidiaries	342.034	85,7%	278.103	83,8%	23,0%
Share of profit, for the period of associates	(537)	-0,1%	(346)	-0,1%	55,2%
<b>Gross profit</b>	<b>398.883</b>	<b>100,0%</b>	<b>331.961</b>	<b>100,0%</b>	<b>20,2%</b>
Administrative expenses	(2.562)	-0,6%	(3.161)	-1,0%	-18,9%
Exchange differences on operating assets and liabilities	1	0,0%	(1)	0,0%	-200,0%
Other operating expenses, net	1.542	0,4%	1.803	0,5%	-14,5%
<b>Operating profit</b>	<b>397.864</b>	<b>99,7%</b>	<b>330.602</b>	<b>99,6%</b>	<b>20,3%</b>
Financial income	3	0,0%	4	0,0%	-25,0%
Financial expenses	(771)	-0,2%	(1.105)	-0,3%	-30,2%
Exchange differences on non-operating assets and liabilities	(3)	0,0%	(1)	0,0%	200,0%
<b>Income before tax</b>	<b>397.093</b>	<b>99,6%</b>	<b>329.500</b>	<b>99,3%</b>	<b>20,5%</b>
Current incometax	(154)	0,0%	(84)	0,0%	83,3%
Deferred incometax	462	0,1%	900	0,3%	-48,7%
<b>Net profit for the period</b>	<b>397.401</b>	<b>99,6%</b>	<b>330.316</b>	<b>99,5%</b>	<b>20,3%</b>
<b>Earnings per share</b>	<b>863,68</b>		<b>717,89</b>		<b>20,3%</b>

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SEPARATED STATEMENT OF FINANCIAL POSITION AS OF SEPTEMBER 30, 2018

	September 2018	December 2017	% Var.
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	190	465	-59,1%
Trade and other receivables	29.781	14.481	105,7%
Other assets	541	402	34,6%
<b>Total current assets</b>	<b>30.512</b>	<b>15.348</b>	<b>98,8%</b>
<b>Non-current assets</b>			
Trade and other receivables	2.962	2.965	-0,1%
Investments in subsidiaries	4.838.789	4.872.188	-0,7%
Investments in associated	151.656	149.441	1,5%
Other financial non-current assets	3.367.171	4.061.685	-17,1%
Deferred tax assets	5.563	5.227	6,4%
Other assets	9	6	50,0%
<b>Total non-current assets</b>	<b>8.366.150</b>	<b>9.091.512</b>	<b>-8,0%</b>
<b>TOTAL ASSETS</b>	<b>8.396.662</b>	<b>9.106.860</b>	<b>-7,8%</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	142.732	69.855	104,3%
Tax charges	285	416	-31,5%
Employee benefits liabilities	1.374	1.205	14,0%
<b>Total current liabilities</b>	<b>144.391</b>	<b>71.476</b>	<b>102,0%</b>
<b>Non-current liabilities</b>			
Trade and other payables	158	158	0,0%
Employee benefits liabilities	15.898	15.126	5,1%
Deferred tax liabilities	9.240	9.449	-2,2%
<b>Total non-current liabilities</b>	<b>25.296</b>	<b>24.733</b>	<b>2,3%</b>
<b>TOTAL LIABILITIES</b>	<b>169.687</b>	<b>96.209</b>	<b>76,4%</b>
<b>EQUITY</b>	<b>8.226.975</b>	<b>9.010.651</b>	<b>-8,7%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>8.396.662</b>	<b>9.106.860</b>	<b>-7,8%</b>

INDICATORS

Consolidated	September 2018	December 2017
Indebtedness - Net debt/EBITDA (12 months)	2,34	2,49
Solvency - Assets/Liabilities	2,57	2,67
Liquidity - Current Assets/Current Liabilities	1,45	1,37

Separate	September 2018	December 2017
Indebtedness - Net debt/EBITDA	-	-
Solvency - Assets/Liabilities	49,48	94,66
Liquidity - Current Assets/Current Liabilities	0,21	0,21

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