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Grupo Nutresa S.A.
Results 1Q 2019

RELEVANT EVENTS



ATLANTIC

Relevant information for the market in March 6, 2019

GRUPO NUTRESA S.A. ENTERED INTO AN AGREEMENT TO ACQUIRE 51% OF ATLANTIC FS S.A.S.

Grupo Nutresa S.A. has signed an agreement to acquire control of Atlantic FS S.A. S. (“AFS”), a Colombian distribution company in the food service channel.

Once the procedures before the corresponding authorities are completed and the conditions to close the transaction are fulfilled, Grupo Nutresa would own 51% of the shares of AFS. The amount of the transaction would be COP\$ 42,000 million, approximately. This amount will be adjusted on the closing date of the transaction based on the working capital and the financial debt of AFS.

RELEVANT EVENTS



According to the Business Monitor of Corporate Reputation – MERCOS - in its Social Responsibility and Corporate Governance version, Grupo Nutresa is the most socially responsible Company and holds the best corporate governance standards in Colombia.

IFRS 16 - MAIN EFFECTS ON THE FINANCIAL STATEMENTS

- As of January 1, 2019, the Financial Statements of Grupo Nutresa, reflect the application of a new accounting standard for leases: IFRS 16.
- This standard eliminates the distinction between operating and financial lease contracts, and proposes to account for them as follows:
 - For those contracts that were previously classified as operating leases, with a duration greater than 12 months, there is a recognition of a right-of-use- asset for the duration of the contract, and it's corresponding liability.
 - These new accounts registered in the Statement of Financial Position, (Right-of-use assets and Right-of-use liabilities) are the result of calculating the net present value of the projected payments of these contracts.
 - For the calculation of the discount rate, Grupo Nutresa uses a distinctive interest rate by country that considers both the duration and type of asset.
- Below we present the main effects in Grupo Nutresa's Statement of Financial Position and we highlight to the notes to the Financial Statements where you can find more detailed information:

Right-of-use assets	
Real estate leases*	860.000
Transportation equipment leases*	55.742
Machinery and production equipment* leases	19.174
Total Right-of-use Assets (Note 11)	934.916
% Increase of Assets vs. 2018	6,9%

Right-of-use liabilities	
Right-of-use liabilities (Note 15)	929.017
Non-current provisions (Note 18)	5.899
Total Right-of-use liabilities	934.916
% Increase of liabilities vs. 2018	18,0%

**With the exception of those leases cataloged as short-term, as well as those denominated as low value.
Values expressed in millions of Colombian Pesos*

IFRS 16 - MAIN EFFECTS ON THE FINANCIAL STATEMENTS

- Additionally, there is a change in the accounting for leases on the Income Statement with the new IFRS 16 standard:
 1. The leases are no longer registered as an operational cost or expense.
 2. In its place, there is a depreciation associated with the Right-of-Use Asset for the corresponding period.
 3. In the post-operative expenses, there is a financial expense associated to the Right-of-use Liability. The difference between the amortization of capital and the financial expenses paid reduces the Right-of-Use Liability account.
- Below, a summary of the main effects of this new standard on Grupo Nutresa's Income Statement for the quarter:

Main changes in Income Statement 1Q 2019	
1. Lease expenses	37.022 ↓
2. Right-of-use depreciation (Note 20)	(27.680) ↑
Operating profit	9.342 ↑
3. Right-of-use financial expenses (Note 14.7)	(15.588) ↑
Net profit	(6.246) ↓
EBITDA (Note 5,2)	37.022 ↑

- For further information on these changes, please refer to the Financial Statement Notes referenced on the charts.

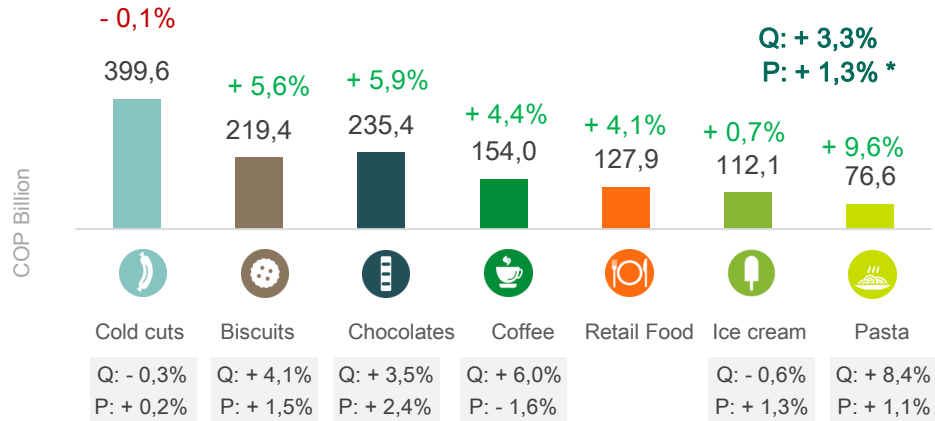
COLOMBIA & INTERNATIONAL SALES

1Q2019

Colombia sales

COP 1.408,2 + 4,6%

COP Billion



SALES PER BUSINESS UNIT

Percentage variation in volume (Q) and prices (P)
% chg. YoY Billion COP

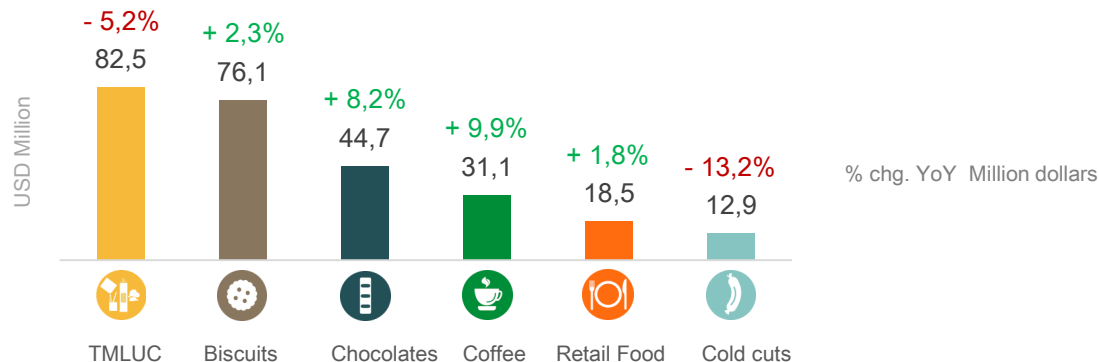
* Variation doesn't include Retail Food

International sales

USD 267,3 mm + 0,8%

COP 837,6 + 10,5%

COP Billion



SALES TOTAL

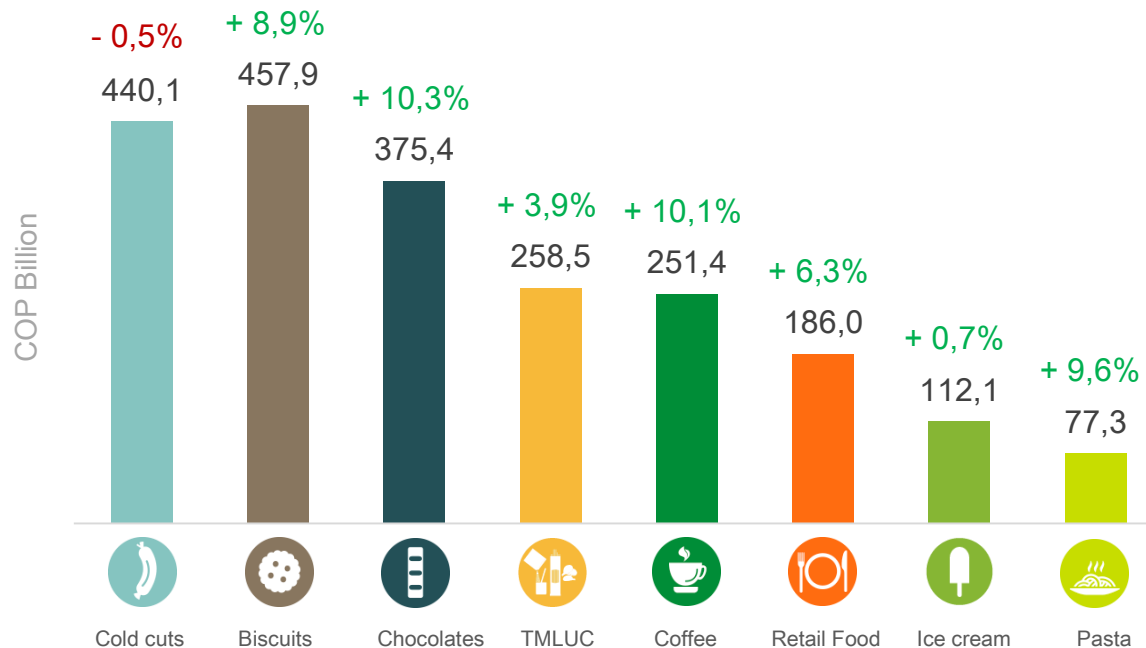
1Q2019

Sales total

COP 2.245,7 + 6,7%

COP Billion

SALES PER BUSINESS UNIT



% chg. YoY - Billion COP

SALES BY REGION

2019

62,7%
Colombia

37,3%
International

Convention

Production | Distribution | Services

United States

8,4%



Mexico

3,7%



Central America

9,9%



Colombia

62,7%



Ecuador

1,3%



Dominican Republic and the Carribean

1,8%



Venezuela



Peru

1,8%



Chile

8,4%



Other

2,0%

MARKET POSITION

Colombia + TMLUC

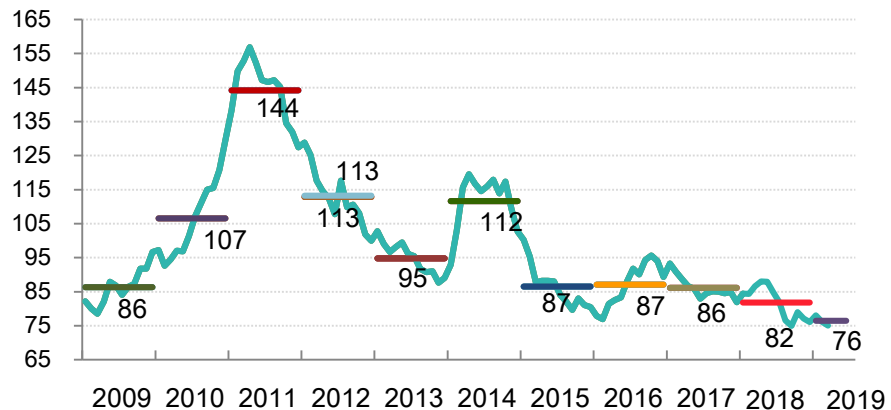
Cold cuts	Biscuits	Chocolates	Coffee	TMLUC	Ice Cream	Pasta	Retail Food
<p>#1</p>    	<p>#1</p>    	<p>Chocolate confectionery #1</p>  <p>Hot chocolate #1</p>  <p>Milk modifiers #2</p>  <p>Nuts #1</p> 	<p>Roast and ground coffee (A) #1</p>  <p>Soluble coffee (B) #2</p> 	<p>ICB* #1</p>  <p>Pasta #2</p>  <p>Coffee #2</p>  <p>Potato chips #2</p>  <p>Mexico ICB* #2</p>	<p>Ice Cream #1</p> 	<p>#1</p> 	<p>#1</p> <p>In Hamburgers and Steakhouses categories in Colombia</p>   <p>#1</p> <p>In Ice Cream shops – Rep. Dom & CR</p> 
<p>#2 Private labels</p>	<p>#2 Nestlé #3 Mondelez</p>	<p>(A) #2 Ferrero (B) #2 Casa Lúker (C) #1 Nestlé (D) #2 Frito Lay</p>	<p>(A) #2 Águila Roja (B) #1 Nestlé</p>	<p>(A) #2 Carozzi (B) #1 Carozzi (C) #1 Nestlé (D) #1 Frito Lay (E) #1 Mondelez</p>		<p>#2 La Muñeca</p>	

*ICB= Instant Cold Beverages

Source: Nielsen twelve months as of February 2019.
Market Position measured in Value

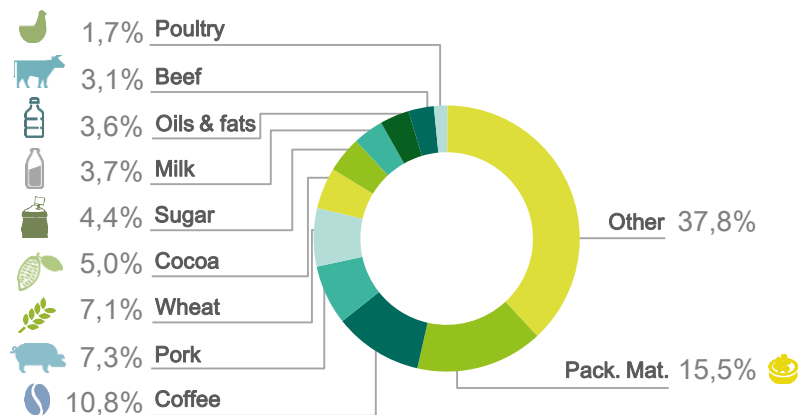
RAW MATERIALS

Commodities Index Grupo Nutresa



The technical specifications of the GNCI may be obtained at:
<https://www.gruponutresa.com/en/inversionistas/resultados-y-publicaciones/resultados-trimestrales/#2019-1>

Cogs Breakdown 2019



EBITDA

1Q2019

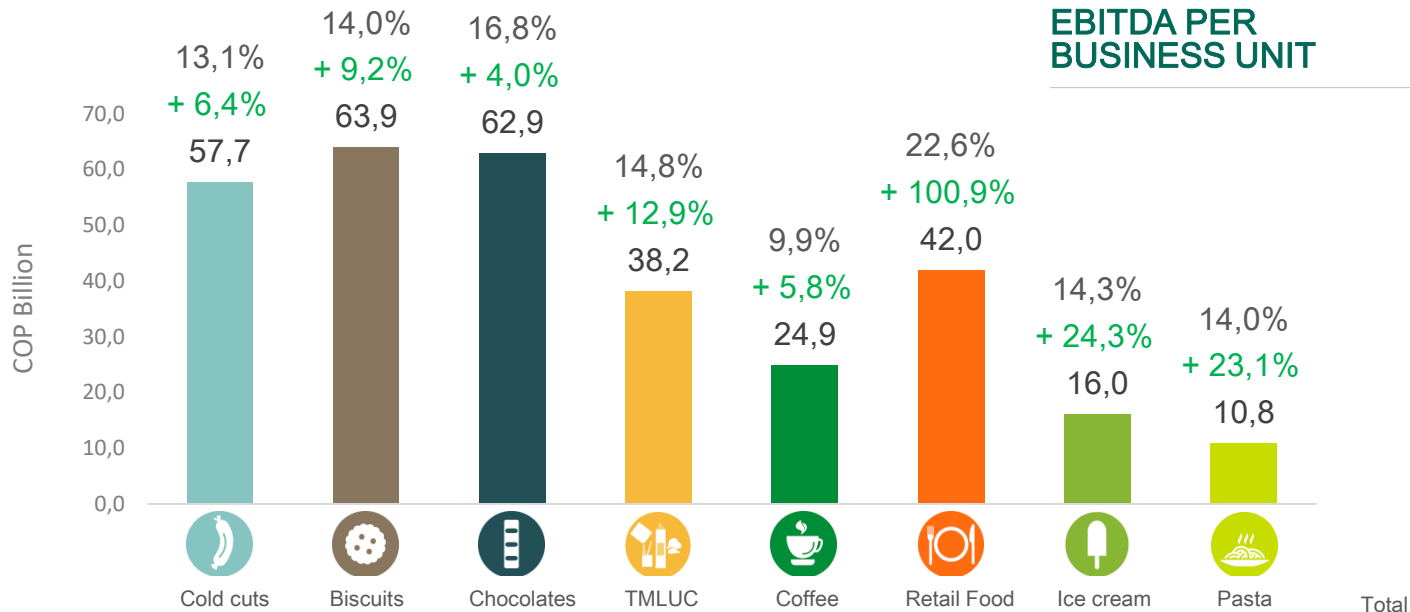
EBITDA

COP 320,1 + 17,1%
COP Billion

Margin

14,3%

EBITDA PER BUSINESS UNIT



EBITDA Margin without IFRS 16

Variation

EBITDA

11,9%	13,4%	15,9%	13,3%	9,2%	13,6%	12,6%	12,7%	12,6%
- 3,5%	+ 4,6%	- 1,1%	+ 1,5%	- 1,7%	+ 21,5%	+ 9,5%	+ 12,1%	+ 3,6%
								283,1

Convention

13,1% EBITDA Margin without IFRS 16 impact
+6,4% % YoY variation
57,7 EBITDA in COP Billion

INCOME STATEMENT

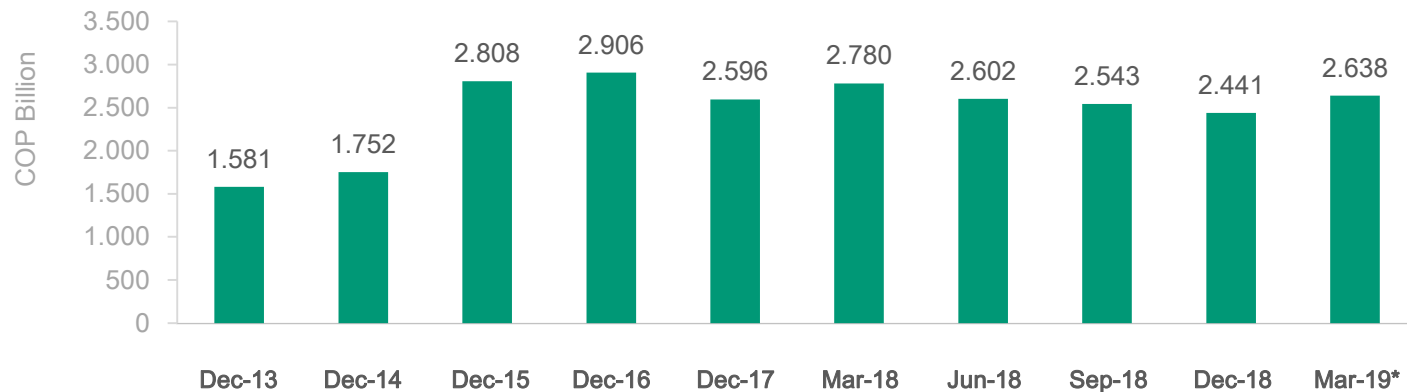
1Q2019

	2019 - 1Q	% Revenues	2019 - 1Q Without IFRS 16	% Revenues Without IFRS 16	2018 - 1Q	% Revenues	% Var.	% Var. Without IFRS 16
Continuing operations								
Operating revenue	2.245.742		2.245.742		2.104.345		6,7%	-
Cost of goods sold	(1.253.514)	-55,8%	(1.254.601)	-55,9%	(1.168.715)	-55,5%	7,3%	7,3%
Gross profit	992.228	44,2%	991.141	44,1%	935.630	44,5%	6,0%	5,9%
Administrative expenses	(104.388)	-4,6%	(104.688)	-4,7%	(99.417)	-4,7%	5,0%	5,3%
Sales expenses	(625.569)	-27,9%	(633.397)	-28,2%	(607.913)	-28,9%	2,9%	4,2%
Production expenses	(33.782)	-1,5%	(33.909)	-1,5%	(33.212)	-1,6%	1,7%	2,1%
Exchange differences on operating assets and liabilities	3.810	0,2%	3.810	0,2%	1.952	0,1%	95,2%	95,2%
Other operating expenses, net	(2.136)	-0,1%	(2.136)	-0,1%	4.942	0,2%	-143,2%	-143,2%
Operating profit	230.163	10,2%	220.821	9,8%	201.982	9,6%	14,0%	9,3%
Financial income	3.427	0,2%	3.427	0,2%	3.241	0,2%	5,7%	5,7%
Financial expenses	(72.588)	-3,2%	(57.000)	-2,5%	(71.961)	-3,4%	0,9%	-20,8%
Portfolio dividends	61.493	2,7%	61.493	2,7%	32.336	1,5%	90,2%	90,2%
Exchange differences on non-operating assets and liabilities	702	0,0%	702	0,0%	(2.666)	-0,1%	-126,3%	-126,3%
Share of profit of associates and joint ventures	(377)	0,0%	(377)	0,0%	(2.327)	-0,1%	-83,8%	-83,8%
Income before tax and non-controlling interest	222.820	9,9%	229.066	10,2%	160.605	7,6%	38,7%	42,6%
Current income tax	(43.888)	-2,0%	(43.888)	-2,0%	(44.069)	-2,1%	-0,4%	-0,4%
Deferred income tax	(2.661)	-0,1%	(2.661)	-0,1%	5.479	0,3%	-148,6%	-148,6%
Profit after taxes from continuous operations	176.271	7,8%	182.517	8,1%	122.015	5,8%	44,5%	49,6%
Discontinued operations, after income tax	(842)	0,0%	(842)	0,0%	(226)	0,0%	N/A	N/A
Net profit for the period	175.429	7,8%	181.675	8,1%	121.789	5,8%	44,0%	49,2%
Non-controlling interest	992	0,0%	992	0,0%	922	0,0%	7,6%	7,6%
Profit for the period attributable to controlling interest	174.437	7,8%	180.683	8,0%	120.867	5,7%	44,3%	49,5%
								-
EBITDA	320.118	14,3%	283.096	12,6%	273.276	13,0%	17,1%	3,6%

For further details please check the notes of the financial statements on the following link:

<https://www.gruponutresa.com/en/inversionistas/resultados-y-publicaciones/resultados-trimestrales/#2019-1>

CONSOLIDATED NET DEBT



	Dec-13	Dec-14	Dec-15	Dec-16	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19*
Net debt	1,581	1,752	2,808	2,906	2,596	2,780	2,602	2,543	2,441	2,638
Net debt / EBITDA	1,90	2,10	2,88	2,82	2,49	2,64	2,46	2,34	2,17	2,32
EBITDA / Interest	10,38	5,83	4,70	3,52	4,35	4,57	4,93	5,25	5,68	6,22
Interest / Sales	1,36%	2,21%	2,61%	3,37%	2,76%	2,63%	2,42%	2,32%	2,20%	2,00%

*Debt and proforma EBITDA without IFRS 16 impact

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This presentation and further detailed information can be found in the following link in our section "Grupo Nutresa Valuation Kit":

<http://www.gruponutresa.com/es/content/grupo-nutresa-valuation-kit-gnvk>



For more information regarding Grupo Nutresa's level 1ADR, please call The Bank of New York Mellon marketing desk

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FINANCIAL POSITION

2019

	March 2019	December 2018	% Var.
ASSETS			
Current assets			
Cash and cash equivalents	290.833	347.520	-16,3%
Trade and other receivables	1.088.410	1.020.579	6,6%
Inventories	1.152.833	1.109.878	3,9%
Biological assets	85.337	94.569	-9,8%
Other current assets	259.405	241.726	7,3%
Non-current assets held for sale	6.695	6.777	-1,2%
Total current assets	2.883.513	2.821.049	2,2%
Non-current assets			
Trade and other receivables	26.197	28.065	-6,7%
Investments in associated and joint ventures	193.085	192.795	0,2%
Other financial non-current assets	3.682.549	3.322.694	10,8%
Property, plant and equipment, net	3.334.889	3.376.364	-1,2%
Right-of-use of leased assets	911.015	0	-
Investment properties	76.974	77.062	-0,1%
Goodwill	2.085.257	2.085.908	0,0%
Other intangible assets	1.168.448	1.167.536	0,1%
Deferred tax assets	589.304	379.753	55,2%
Other non-current assets	73.785	72.471	1,8%
Total non-current assets	12.141.503	10.702.648	13,4%
TOTAL ASSETS	15.025.016	13.523.697	11,1%

For further details please check the notes of the financial statements on the following link:

<https://www.gruponutresa.com/en/inversionistas/resultados-y-publicaciones/resultados-trimestrales/#2019-1>

FINANCIAL POSITION

2019

	March 2019	December 2018	% Var.
LIABILITIES			
Current liabilities			
Financial obligations	557.006	522.302	6,6%
Trade and other payables	1.147.187	1.094.960	4,8%
Tax charges	186.532	228.841	-18,5%
Employee benefits liabilities	159.605	165.833	-3,8%
Current provisions	4.149	4.118	0,8%
Other current liabilities	16.056	26.676	-39,8%
Total current liabilities	2.070.535	2.042.730	1,4%
Non-current liabilities			
Financial obligations	2.371.920	2.265.743	4,7%
Right-of-use of leased liabilities	911.359	0	-
Trade and other payables	158	158	
Employee benefits liabilities	176.068	175.036	0,6%
Deferred tax liabilities	914.360	704.763	29,7%
Non-current provisions	5.901	0	-
Other non-current liabilities	514	536	-4,1%
Total non-current liabilities	4.380.280	3.146.236	39,2%
TOTAL LIABILITIES	6.450.815	5.188.966	24,3%
SHAREHOLDER EQUITY			
Equity attributable to the controlling interest	8.530.766	8.290.443	2,9%
Non-controlling interest	43.435	44.288	-1,9%
TOTAL SHAREHOLDER EQUITY	8.574.201	8.334.731	2,9%
TOTAL LIABILITIES AND EQUITY	15.025.016	13.523.697	11,1%

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DISCLAIMER

This document can contain forward looking statements related to Grupo Nutresa S.A. and its subordinated companies, under assumptions and estimations made by company management. For better illustration and decision making purposes Grupo Nutresa's figures are consolidated; for this reason they can differ from the ones presented to official entities. Grupo Nutresa S.A. does not assume any obligation to update or correct the information contained in this document.

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