



# INFORMACIÓN RELEVANTE

## RESULTADOS 2006



## Cementos Argos (CemArgos)

- *The Company doubled its consolidated revenue reaching USD \$1.455 million*
- *EBITDA tripled to USD \$243 million*

Cementos Argos obtained operating revenues on a consolidated basis of COP \$3.4 billion (US \$1.495 million) 49% of these revenues, which doubled those of last year, corresponded to sales in the United States, slightly less than half of domestic sales in Colombia, and the rest to the Company's Latin American business. Sales of cement increased by 27% compared with 2005, and concrete sales rose by 19%. EBITDA came to more than COP \$572.000 million (US \$243 million) with an EBITDA margin of 16.7%. The uptrend in these results, to be further consolidated in 2007, is due to the gradual recovery in prices on the Colombian market, and to the satisfactory results obtained in the United States and the rest of Latin America.

On an individual basis Cementos Argos obtained COP \$ 1.13 billion (US \$ 479 million) in operating revenue as well as an EBITDA of more than COP \$240.000 million (US \$ 102 million) This represents increases of more than 30% and 95% respectively compared to 2005. Furthermore the Company obtained COP \$140.000 in net profits, which were lower than those of last year, this due to the fact that during the latter period, a coal asset was sold off representing extraordinary non-operating revenues that were not repeated in 2006. Company assets increased by 15% for a year-end total of COP \$9 billion, that is to say US \$ 4.000 million due principally to the acquisitions made during the year.

As part of the Organization's plan to increase its international scale, another concrete company in the United States, Ready Mixed Concrete Company, was purchased for US \$ 435 million. This investment supplements the Company's previous acquisitions, consisting of Southern Star and Concrete Express, which were carried out in 2005. This investment, besides generating additional revenues, increases the Company's participation of a developed economy such as that of the United States.

Our concrete business in the United States produced sales revenues of US \$646 million corresponding to a sales volume of 8 million cubic yards, representing an 18% increase in dollar sales and a 4% increase in volume compared with 2005.

Our cement companies in Panama, Haiti and the Dominican Republic, where important investments are held, registered almost a 12 % increase in sales that totaled US \$151 million. Approximately 1.3 million tons of cement were sold together with 1.2 cubic yards of concrete, representing a 6% volume increase in cement and a 40% volume increase in concrete compared with 2005.

Likewise, export sales of cement came to 2.3 million tons or US \$125 million, representing a year-on-year increase of 13%.

As for the Colombian market, the Company maintained its leadership position. Sales of cement, concrete and lime represented revenues of almost COP \$1.1 billion, that is to say 32% higher than those of last year, which is equivalent to US \$479 million. In terms of volume, domestic sales accounted for 3.9 million tons of cement, 1.4 million cubic meters of concrete, 94 thousand tons of white cement, 47 thousand tons of lime and 905 thousand tons of aggregate.

