Third Quarter 2016 Earnings Conference Call



TECNOGLASS INC.
October 31, 2016

(Nasdaq: TGLS; OTCBB: TGLSW)

Safe Harbor

FORWARD LOOKING STATEMENTS

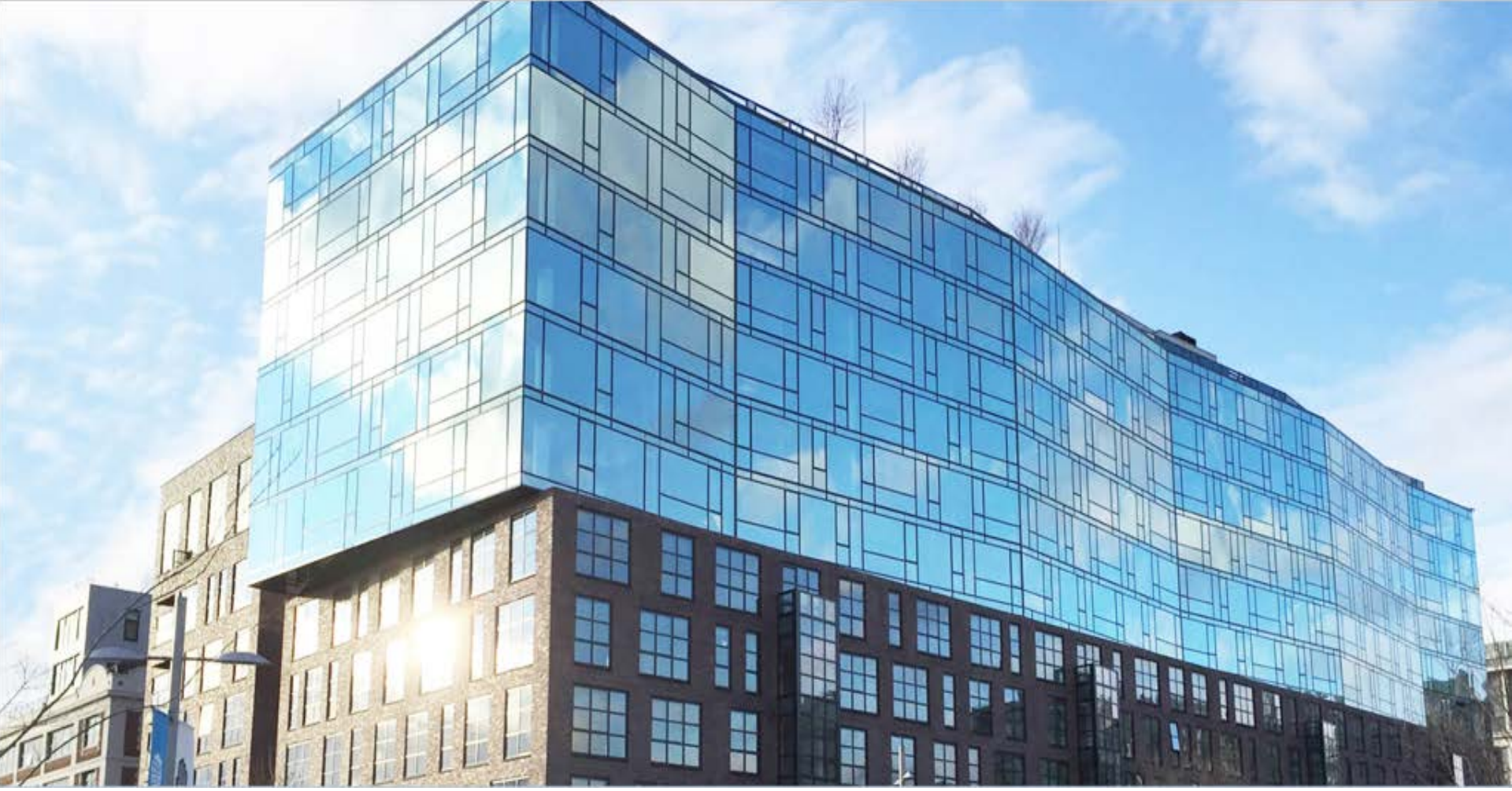
This presentation includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. including statements regarding future financial performance. future growth and future acquisitions. These statements are based on Tecnoglass' current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic. business. competitive and/or regulatory factors. and other risks and uncertainties affecting the operation of Tecnoglass' business. These risks. uncertainties and contingencies are indicated from time to time in Tecnoglass' filings with the Securities and Exchange Commission. The information set forth herein should be read in light of such risks. Further. investors should keep in mind that Tecnoglass' financial results in any particular period may not be indicative of future results. Tecnoglass is under no obligation to. and expressly disclaims any obligation to. update or alter its forward-looking statements. whether as a result of new information. future events. changes in assumptions or otherwise.

FINANCIAL PRESENTATION

Certain of the financial information contained herein is unaudited and does not conform to SEC Regulation S-X. Furthermore. it includes EBITDA (earnings before interest. taxes depreciation and amortization) which is a non-GAAP financial measure as defined by Regulation G promulgated by the SEC under the Securities Act of 1933. as amended. Accordingly. such information may be materially different when presented in Tecnoglass' filings with the Securities and Exchange Commission. Tecnoglass believes that the presentation of this non-GAAP financial measure provides information that is useful to investors as it indicates more clearly the ability of Tecnoglass to meet capital expenditures and working capital requirements and otherwise meet its obligations as they become due. EBITDA was derived by taking earnings before interest. taxes. depreciation and amortization as adjusted for certain one-time non-recurring items and exclusions.

NO OFFER OR SOLICITATION

This announcement is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction. nor shall there be any sale. issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933. as amended.



FINANCIAL HIGHLIGHTS Q3 2016

Q3 2016 Summary Overview

US$ in Thousands

The Company was able to deliver record quarterly revenues and Adjusted EBITDA sequentially through strong performance in all of its markets

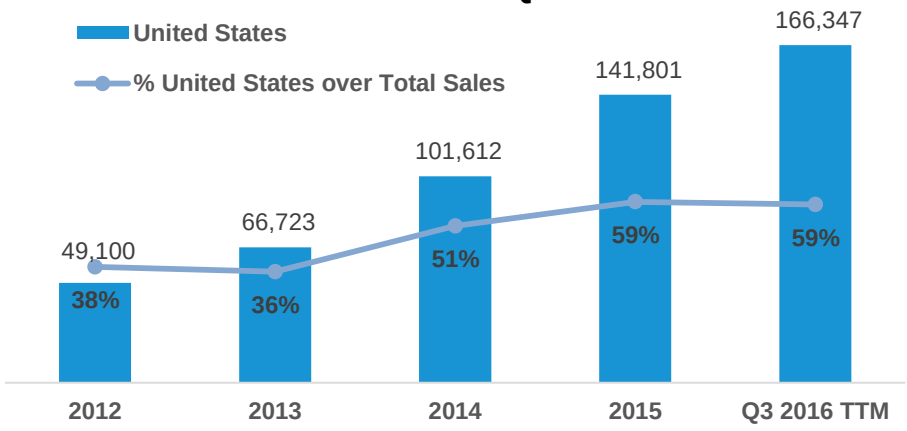
Q3 2016 v. Q3 2015

Revenues	Operating Income	Adjusted EBITDA*
27.2%	41.8%	20.9%

- ✓ Q3 Revenues increased 27.2% to $80 million and increased 27.4% on a constant currency basis (excluding a $96K impact from unfavorable foreign currency in Peso).
- ✓ FX rate moved from $2,935.6 COP/USD in 3Q15 to $2,946.25 COP/USD in 3Q16, providing a stable currency comparison YoY

- ✓ The U.S market continues to represent a high a percentage of total sales, at 62.3% for the quarter, compared to 59% on a TTM basis
- ✓ The Company continues to focus on the U.S. market and seeks to expand its geographical diversification and expand upon its strong Florida presence.

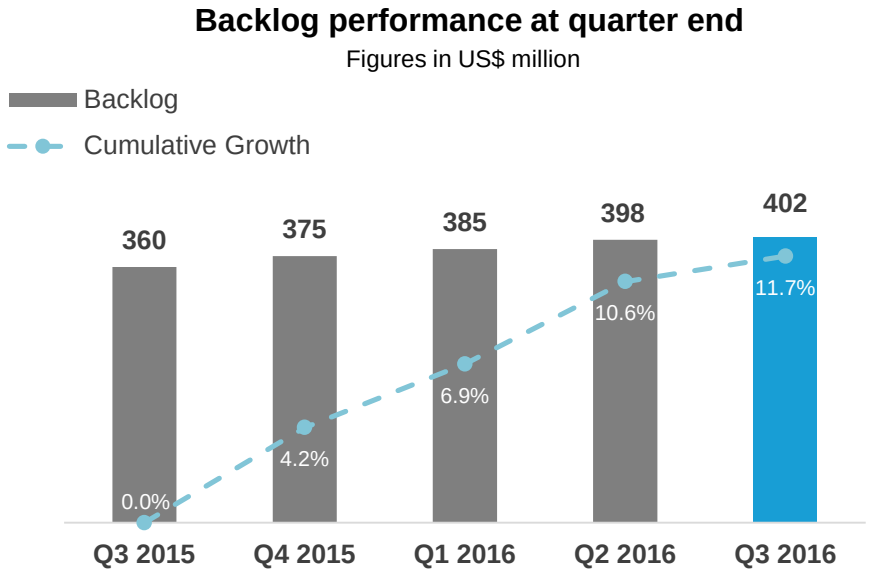
United States Sales Q3 2016 TTM



*Adjusted for FX gains and losses , gains and losses on change in fair value of warrants and earnouts, in line with guidelines provided for 2016|

Rising Backlog

The strong backlog grew for the 8th straight quarter, reaching US$402 million through 3Q16



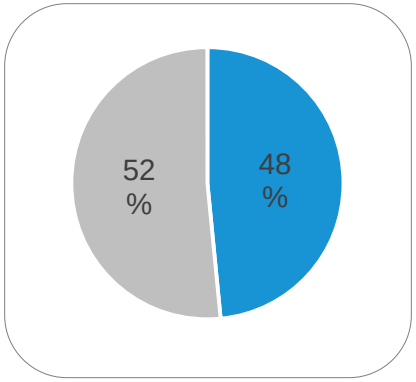


Continued Focus on Geographical and Asset Class Diversification

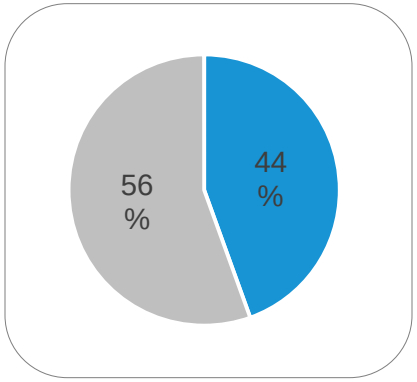
US$ in Millions

Backlog – Breakdown by Geography

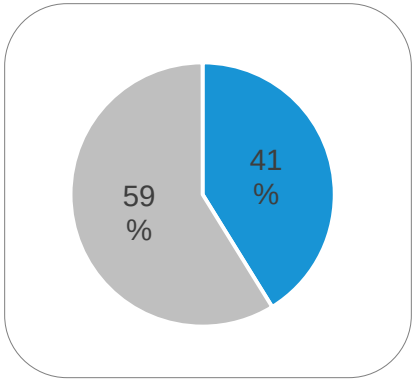
4Q'15 Backlog US$ 375



2Q'16 Backlog US$ 398



3Q'16 Backlog US$ 402



✓Leadership and strong reputation in Florida has served as a solid platform to penetrate other U.S markets and enabled TGLS to receive a healthy amount of new quotes, while continuing to receive a large amount of quotes from its Florida base.

✓The Company's expansion has resulted in higher margins and has laid the foundation to diversify its customer base in new markets, including new construction projects in Texas, New York, Massachusetts, Pennsylvania and California.

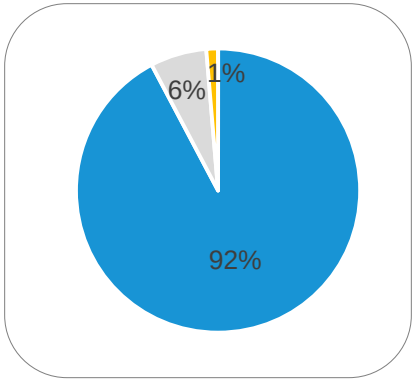
All Other Revenue US (Florida)

Continued Focus on Geographical and Asset Class Diversification (Continued)

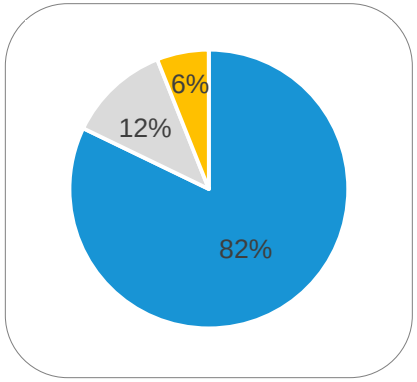
US$ in Millions

Backlog – Breakdown by Type of Client

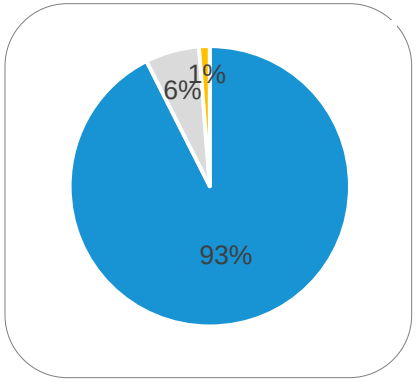
4Q'15 Backlog US$ 375



2Q'16 Backlog US$ 398



3Q'16 Backlog US$ 402



✓The Company remains highly concentrated on commercial assets which continue to perform strongly throughout our footprint.

✓The Company has amplified its installed capacity and has developed new products in order to gain additional residential market share across all key markets.

Commercial | Residential (Single Families / Developers) | Retail (Dealers)

U.S. growth drives backlog and product diversification efforts

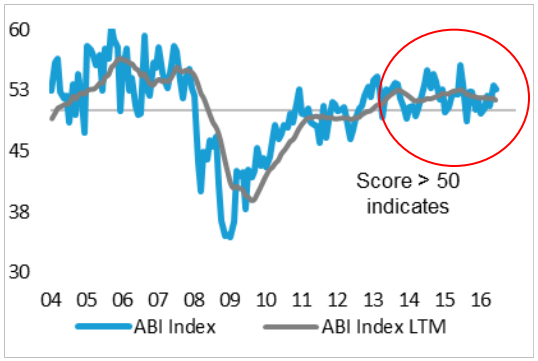
US$ in Millions

Construction is the biggest development driver to underpin medium-term growth

Architecture Billings Index(1) Trending Favorably for Commercial Construction Outlook

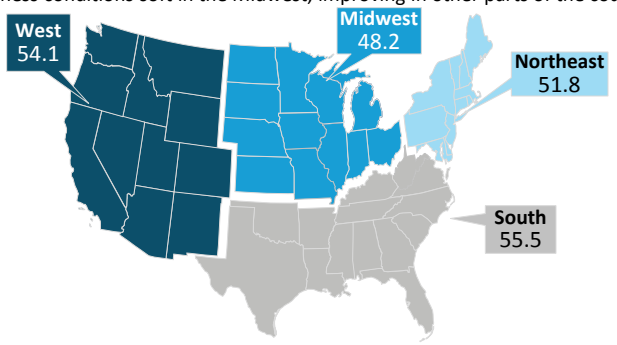
- ✓ Tecnoglass is poised to benefit from favorable industry dynamics in the U.S. as a result of the recovery of the construction sector and limited additional production capacity in the industry.

Architectural Billing Index



Regional(2)

Business conditions soft in the Midwest, improving in other parts of the country



Dodge's 2017 Construction Outlook (2)

- ✓ In the first nine months of 2016, commercial building activity is up 10% from the same time last year.
- ✓ Full 2016 commercial construction activity is expected to grow by approximately 12%
- ✓ Office and store construction is showing improvement
- ✓ In 2017, the segment is projected to increase 4% in square footage (to 648 million) along with the jump in dollar volume

Commercial Building (Billions of Dollars) 2015 +6% 2016 +12%



Source:

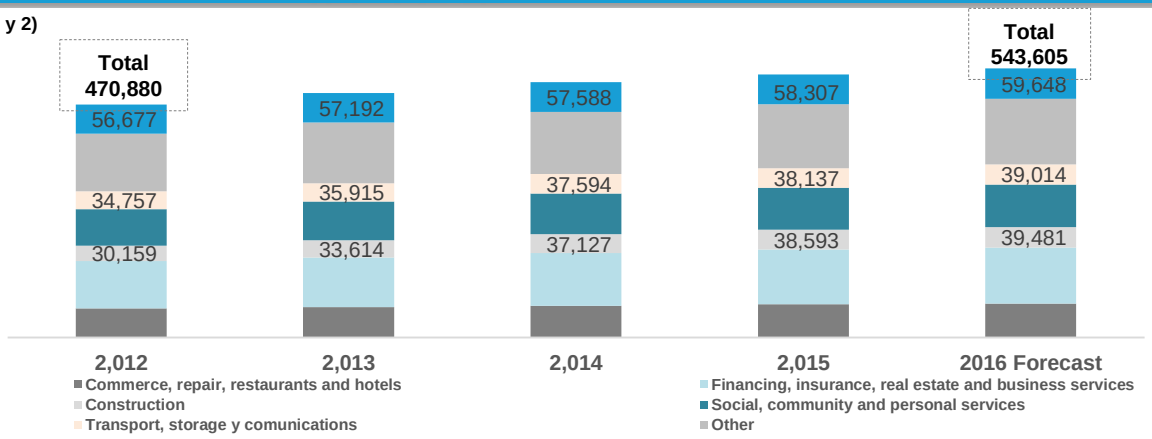
1. The American Institute of Architects (AIA) reported the Architecture Billing Index (ABI-Jun-2016). http://www.aia.org/press/releases/
2. Graphs represent data from June 2015 – June 2016 across the four regions. 50 represents the diffusion center. A score of 50 equals no change from the previous month. Above 50 shows increase; Below 50 shows decrease. 3-month moving average.
3. Dodge Data & Analytics.

Colombian Construction Activity Continue to Drive GDP Growth

Construction is the biggest development driver to underpin medium-term growth

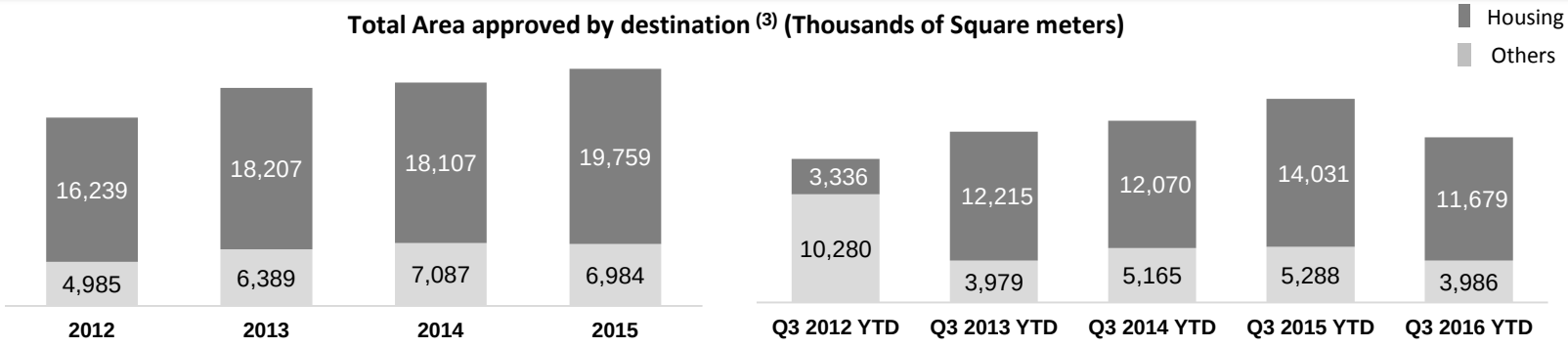
Colombian GDP

GDP´s performance by Industry (1 y 2) (COP$ Thousands of Millions)



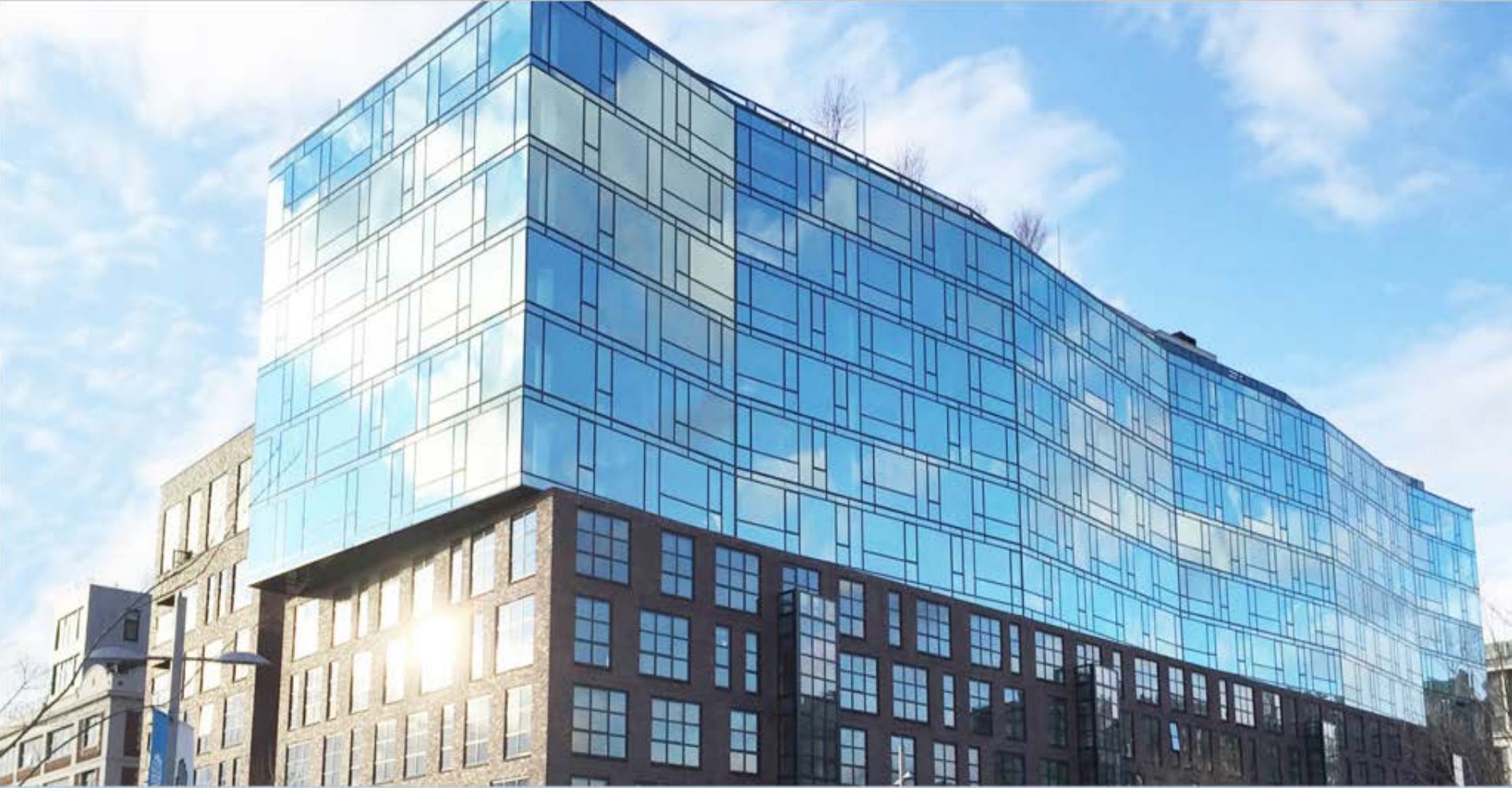
Statistics of Building Construction Licenses in Colombia

Total Area approved by destination (3) (Thousands of Square meters)



Source:
1.DANE. Real GDP for II trimester of 2016. Figures from 2012 to 2015 are in constant prices of 2005.
2.2016 GDP Forecast is according to macroeconomic projections made by foreign and local analysts.
3.DANE – Statistics of Building Construction Licenses – ELIC, August 2016
http://www.dane.gov.co/files/investigaciones/boletines/licencias/bol_lic_ago16.pdf

TECNOGLASS



OPERATIONAL UPDATE Q3 2016

Our Business Strategy



- Development of additional high-value products supported by current equipment and state-of-the-art technology.



- Manufacture the highest quality products in the market through a rigorous quality assurance program.



- Continued vertical integration provides margin enhancement.



- Further leverage strength in the Florida market to further penetrate the U.S.



- Continue to leverage strength in Colombian market to further penetrate Latin America.

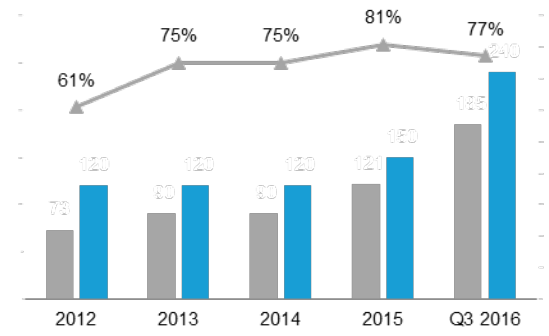


- Maintain fast and reliable delivery to customers due to strategic location.

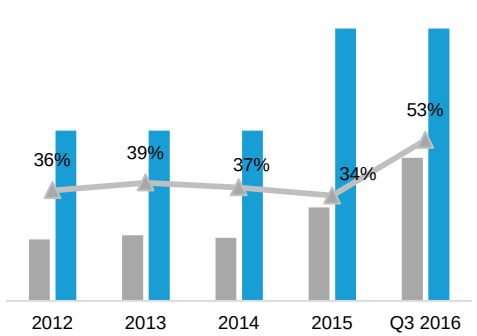
Tecnoglass has undergone a Robust Capex Phase to Address Upcoming Growth

Existing installed capacity provides a strong base for growth and operational flexibility to increase output

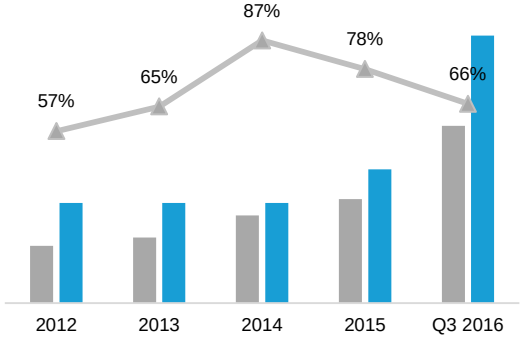
Cutting lines (Tables) - Ton/Day



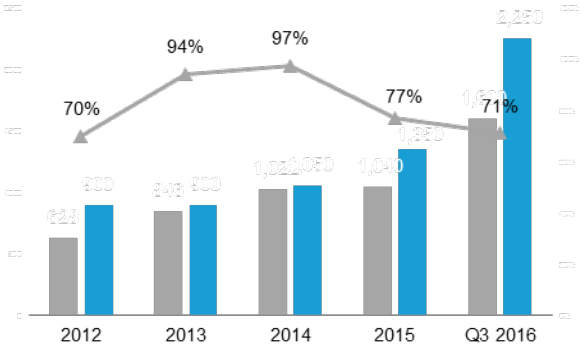
Curtain Wall–Windows/Day



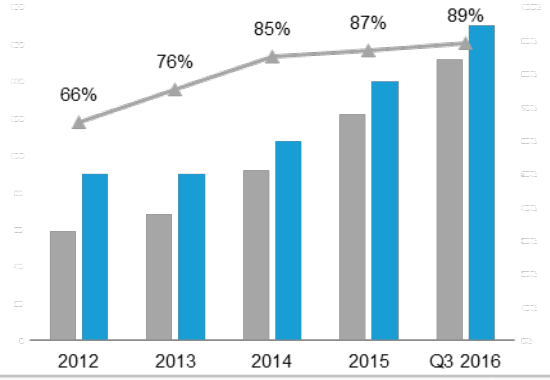
Fixed Windows - Windows/Day



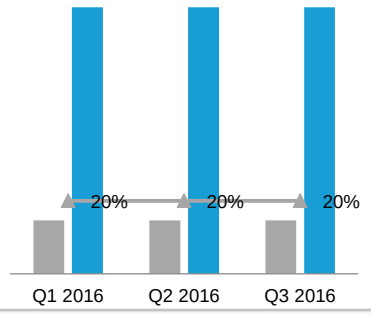
Insulated (Thermoacoustic) - M2/Day



Tempering - Ton/Day



Soft Coat (Lines) – M2/Month



Real Installed % Of Utilization

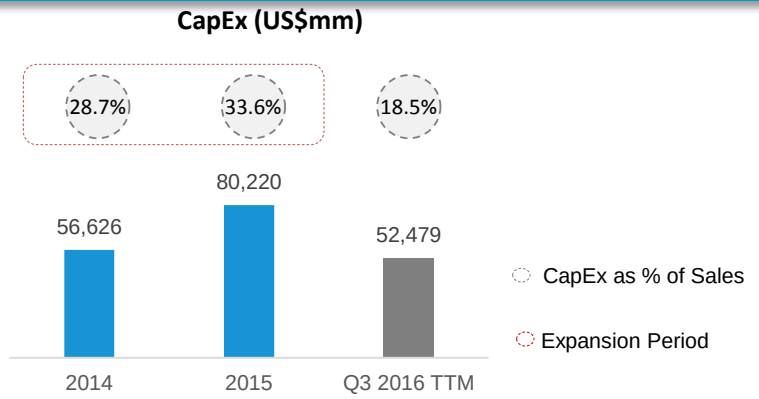
Investing Strategically to Support Growth while Maintaining a Prudent Debt Profile

Ample flexibility to increase installed capacity by adding production lines in existing facilities

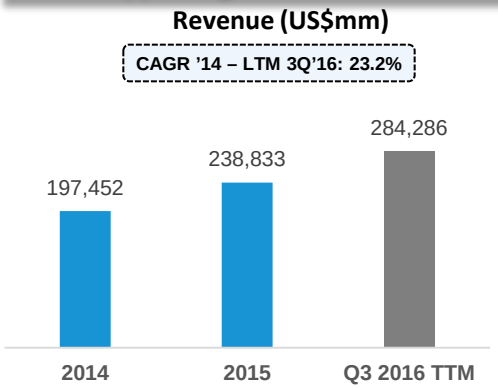
Recent Investments in PP&E…

Expansion Period

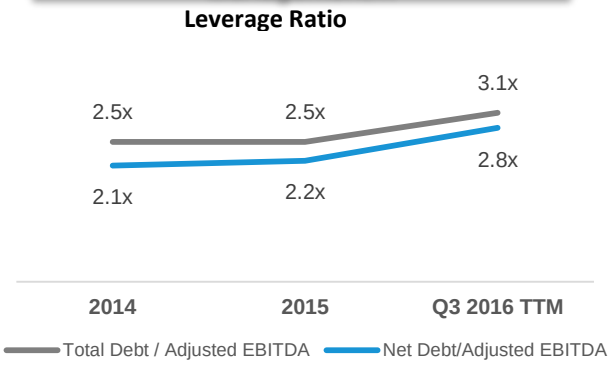
- Marked by the acquisition of:
  - State-of-the-art glass making facilities
  - Glass laminating lines
  - High volume insulating equipment
  - Aluminum extension press
  - New foundry
  - Lot of land adjacent to current facilities
  - 123,399 square foot manufacturing and warehousing facility in Miami, Florida



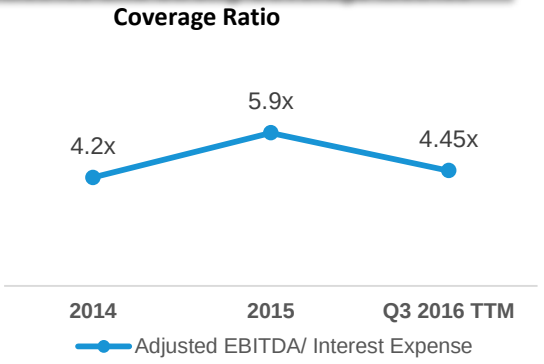
…Supporting Revenue Growth…



Supported by Prudent Debt Management…



…Resulting in Conservative Leverage Metrics and Strong Coverage Metrics



Several Corporate Actions Have Been Undertaken to Enhance Shareholder´s Return and Improve Liquidity

These initiatives return capital to shareholders and expand share float

1 Warrant Exchange Offer

Under the terms of the offer, each of Tecnoglass' warrant holder had the opportunity to receive 1 Tecnoglass' ordinary share in exchange for every 2.5 of the Company's outstanding warrants tendered by the holder and exchanged pursuant to the offer.

Results of Warrant Exchange

Warrants Outstanding before the offer	6,716,161
Warrants Tendered	5,479,049
% of warrants tendered	82%
Warrants outstanding after the offer	1,237,112

Number of Shares issued as a result of exchange	2,191,608

As a result, $26.3 million were credited to Shaholders' Equity through the offer by September 30.

2 Dividends per share

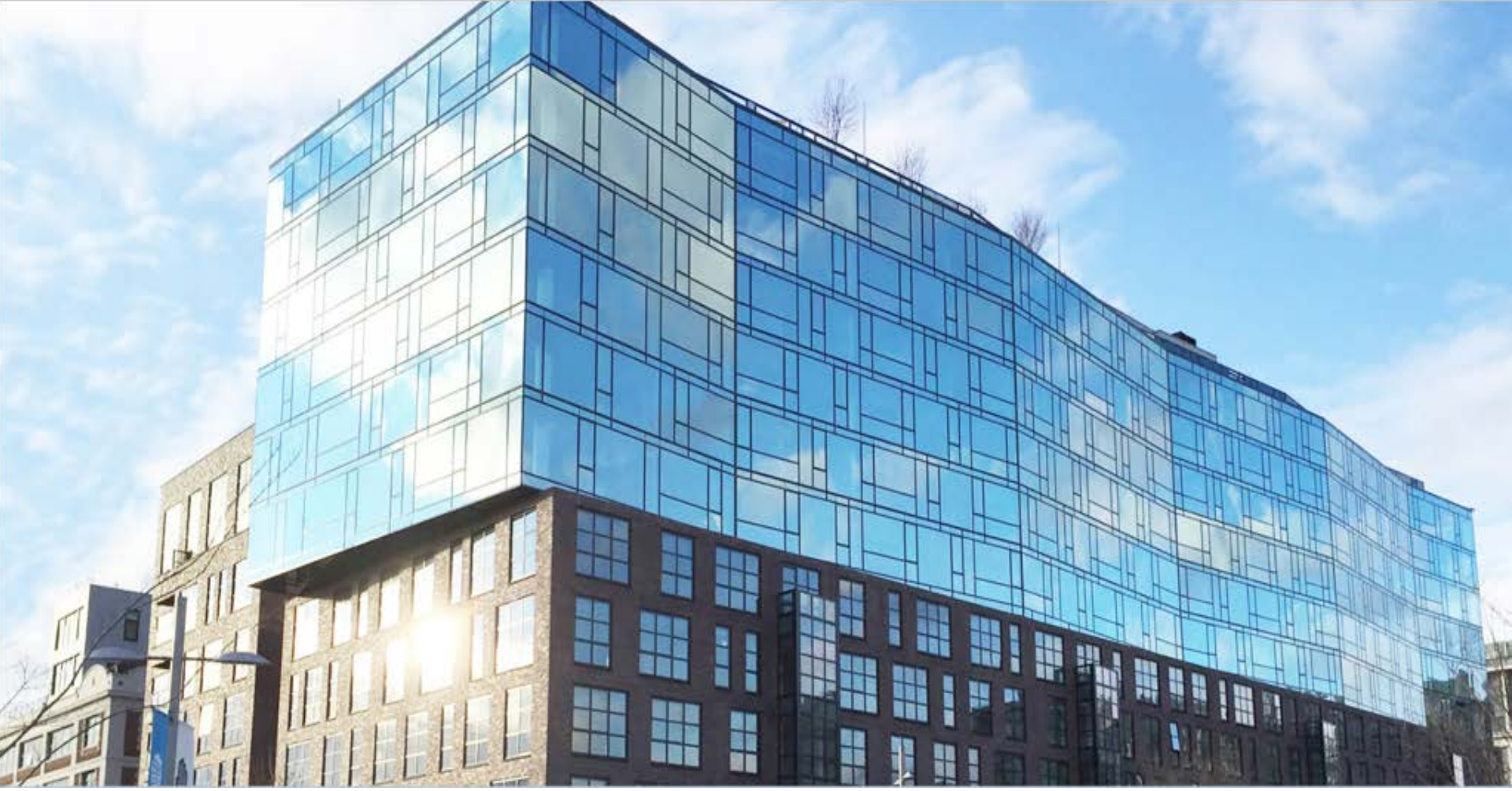
Quarterly rate	Dividend	Payment date*
1	$0.125	November 1st of 2016
2	$0.125	February of 2017
3	$0.125	May of 2017
4	$0.125	August of 2017
Total	**$0.500**	

Results of Dividend Election

Shares Outstanding as of Record Date (September 23rd)	31,646,390	
Stock dividend election	25,326,878	80%
Cash dividend election	6,319,512	20%

As a result, on November 1, 2016, the Company will pay $789,939 and issue 275,049 shares for the first quarterly dividend.

*Estimated dates



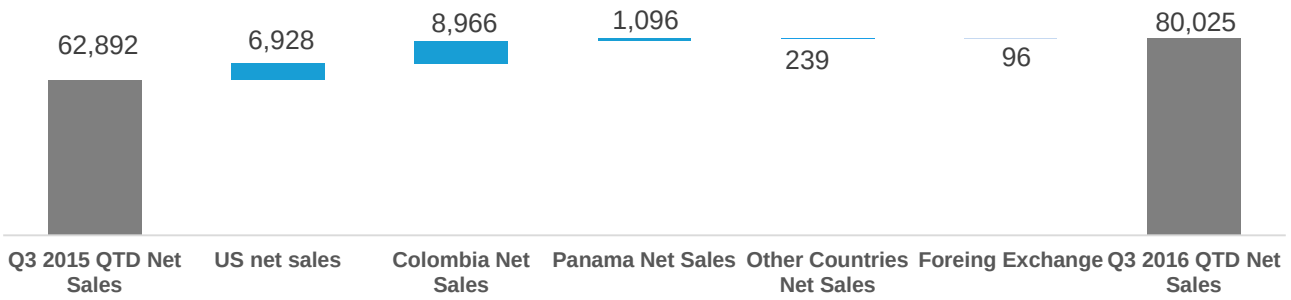
FINANCIAL RESULTS Q3 2016

Revenue Bridge 2016 vs 2015

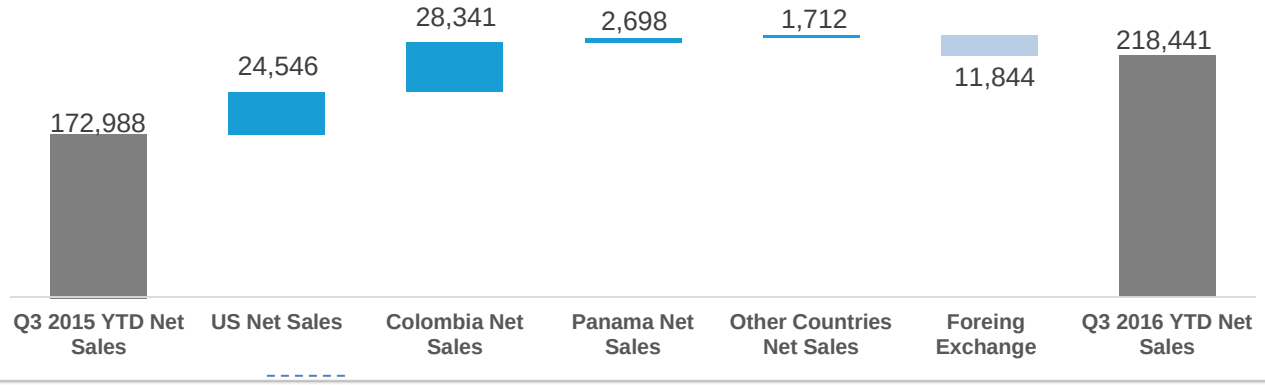
US$ in Thousands

Revenue increase derived from strong activity in all regions

3 Months analysis - O3 2016 OTD



9 Months analysis - Q3 2016 YTD

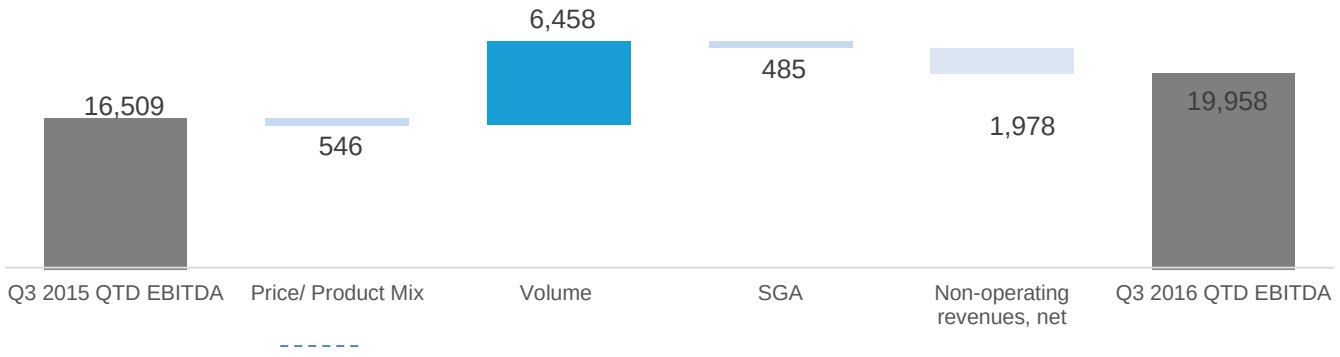


Adjusted EBITDA Bridge 2016 vs 2015

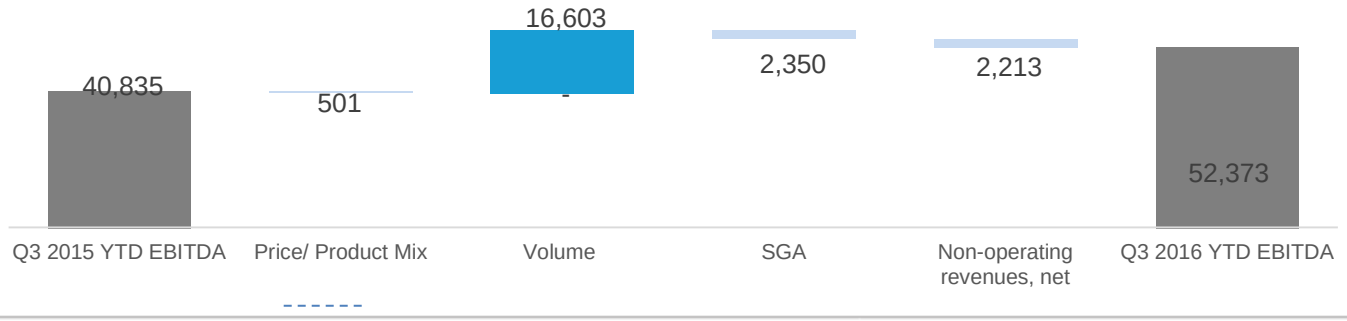
US$ in Thousands

Adjusted EBITDA improvement driven by higher revenues and margin improvement YTD

3 Months analysis - Q3 2016 QTD



9 Months analysis - Q3 2016 YTD



** EBITDA calculation is adjusted to remove the FX gain and losses related to movements on balance sheet accounts consistent with 2016E EBITDA outlook*

Profit & Loss Highlights 2016 vs 2015

US$ in Thousands

	Three months ended September 30,				2016 vs 2015		Nine months ended September 30,				2016 vs 2015	
	2016	% Sales	2015	% Sales	$ Δ	% Δ	2016	% Sales	2015	% Sales	$ Δ	% Δ
Sales to third parties	65,429	82%	47,148	75%	18,281	39%	175,100	80%	131,078	76%	44,022	34%
Sales to related parties	14,596	18%	15,744	25%	-1,148	-7%	43,341	20%	41,910	24%	1,431	3%
Revenues	**80,025**	**100%**	**62,892**	**100%**	**17,133**	**27%**	**218,441**	**100%**	**172,988**	**100%**	**45,453**	**26%**
Raw materials	28,631	36%	22,663	36%	5,968	26%	79,435	36%	65,684	38%	13,751	21%
Direct labor	3,394	4%	2,564	4%	830	32%	8,689	4%	7,277	4%	1,412	19%
Indirect costs	18,382	23%	13,959	22%	4,423	32%	51,025	23%	36,837	21%	14,188	39%
Cost of sales	**50,407**	**63%**	**39,186**	**62%**	**11,221**	**29%**	**139,149**	**64%**	**109,798**	**63%**	**29,351**	**27%**
Gross Profit	**29,618**	**37%**	**23,706**	**38%**	**5,912**	**25%**	**79,292**	**36%**	**63,190**	**37%**	**16,102**	**25%**
Administrative expenses	4,656	6%	3,840	6%	816	21%	13,183	6%	11,523	7%	1,660	14%
Selling expenses	8,296	10%	7,914	13%	382	5%	22,728	10%	20,617	12%	2,111	10%
Other general expenses	1,332	2%	1,136	2%	196	17%	4,086	2%	2,924	2%	1,162	40%
Total SG&A & Other Operating expenses	**14,284**	**18%**	**12,890**	**20%**	**1,394**	**11%**	**39,997**	**18%**	**35,064**	**20%**	**4,933**	**14%**
Operating income	**15,334**	**19%**	**10,816**	**17%**	**4,518**	**42%**	**39,295**	**18%**	**28,126**	**16%**	**11,169**	**40%**
Adjusted Ebitda	**19,958**	**25%**	**16,509**	**26%**	**3,449**	**21%**	**52,373**	**24%**	**40,834**	**24%**	**11,539**	**28%**
Non-operating revenues, net	3,064	4%	10,744	17%	-7,680	-71%	2,332	1%	15,886	9%	-13,554	-85%
Gain (Loss) on change in fair value of Earnout Shares	- 2,630	-3%	- 2,519	-4%	- 111	4%	4,404	2%	- 10,191	-6%	14,595	-143%
Gain (Loss) on change in fair value of warrant liability	- 12,885	-16%	- 10,148	-16%	- 2,737	27%	- 287	0%	- 21,461	-12%	21,174	-99%
Interest expense	- 4,771	-6%	- 2,307	-4%	- 2,464	107%	- 12,137	-6%	- 6,509	-4%	- 5,628	86%
Income (Loss) before taxes	**- 1,888**	**-2%**	**6,586**	**10%**	**- 8,474**	**-129%**	**33,607**	**15%**	**5,851**	**3%**	**27,756**	**474%**
Income tax provision	6,035	8%	8,524	14%	-2,489	-29%	13,493	6%	16,927	10%	-3,434	-20%
Net income (Loss)	**- 7,923**	**-10%**	**- 1,938**	**-3%**	**- 5,985**	**309%**	**20,114**	**9%**	**- 11,076**	**-6%**	**31,190**	**-282%**
Basic loss per share	*- 0.28*		*- 0.08*				*0.73*		*- 0.44*			
Diluted loss per share	*- 0.28*		*- 0.08*				*0.65*		*- 0.44*			

Balance Sheet Highlights Q3 2016 vs 2015

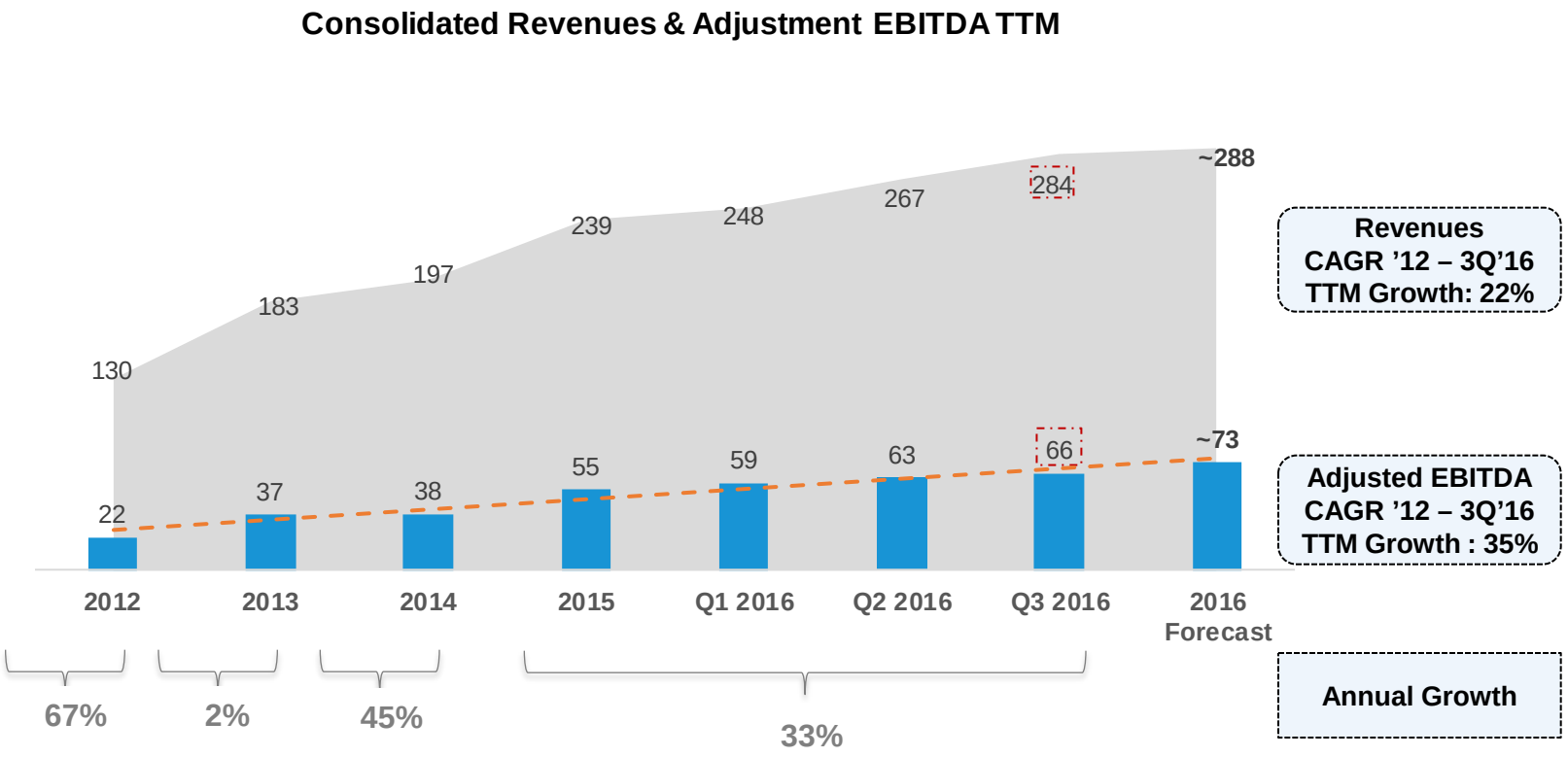
US$ in Thousands

	September 30, 2016	December 31, 2015	$ Δ	% Δ
ASSETS				
Cash and cash equivalents	18,125	18,496	- 371	-2%
Trade accounts receivable, net	84,629	52,515	32,114	61%
Other current assets	121,437	96,368	25,069	26%
Total current assets	**224,191**	**167,379**	**56,812**	**34%**
Property, plant and equipment, net	174,818	135,974	38,844	29%
Other long term current assets	12,763	12,846	- 83	-1%
Total long term assets	**187,581**	**148,820**	**38,761**	**26%**
Total assets	**411,772**	**316,199**	**95,573**	**30%**
LIABILITIES AND SHAREHOLDERS' EQUITY				
Trade accounts payable	49,984	39,142	10,842	28%
Short-term debt and current portion of long term debt	62,401	16,921	45,480	269%
Dividens payable	4,857	-	4,857	100%
Other current liabilities	53,777	80,686	- 26,909	-33%
Total current liabilities	**171,019**	**136,749**	**34,270**	**25%**
Long term debt	140,189	121,493	18,696	15%
Other long term debt	4,847	24,818	- 19,971	-80%
Total Long term liabilities	**145,036**	**146,311**	**- 1,275**	**-1%**
Total Liabilities	**316,055**	**283,060**	**32,995**	**12%**
Total shareholders' equity	**95,717**	**33,139**	**62,578**	**189%**
Total liabilities and shareholders' equity	**411,772**	**316,199**	**95,573**	**30%**

Revenues and EBITDA Progress 2016E vs. 2012

US$ in Millions

Upward trend of revenues and Adjusted EBITDA continues



Q1, Q2 and Q3 are expressed in Twelve to month basis.

Thank you

Questions?