

Second Quarter 2016 Earnings Conference Call

TECNOGLASS INC.
August 1st 2016

(Nasdaq: TGLS; OTCBB: TGLSW)

Agenda

I. Financial Highlights

II. Operational Update

III. Financial Update

IV. Questions

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.

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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.

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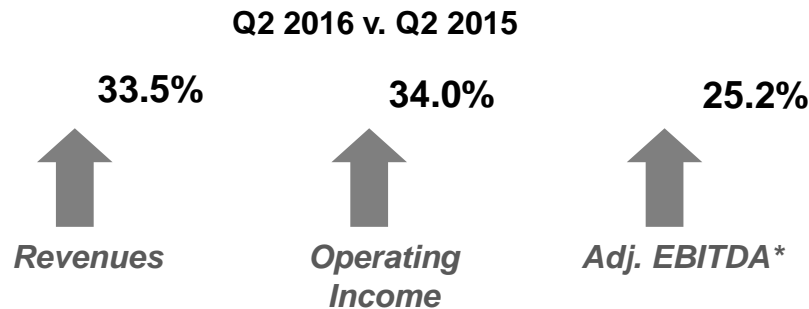


FINANCIAL HIGHLIGHTS Q2 2016

Q2 2016 Summary Overview

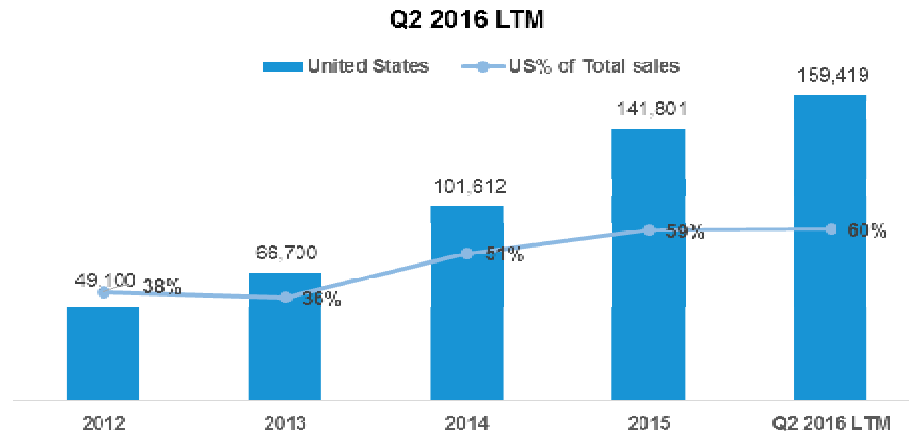
US\$ in Thousands

The Company achieved record quarterly revenues and Adjusted EBITDA



- Q2 Revenues increased 33.5% to \$77.5 million; up 43.1% on a constant currency basis (excluding a \$5.6 million impact from unfavorable foreign currency in Peso).
- FX rate went from an average of \$2,485 COP per USD for the second quarter 2015 to \$3,122 COP per USD for the second quarter 2016, impacting revenues and providing a positive effect on Peso denominated costs.

- The U.S market continues to account for the majority of the Company's sales at 59% of the total for the quarter and 60% on a TTM basis.
- Continued focus on U.S market, seeking geographical diversification within different states by using its strong Florida presence as an expansion platform.



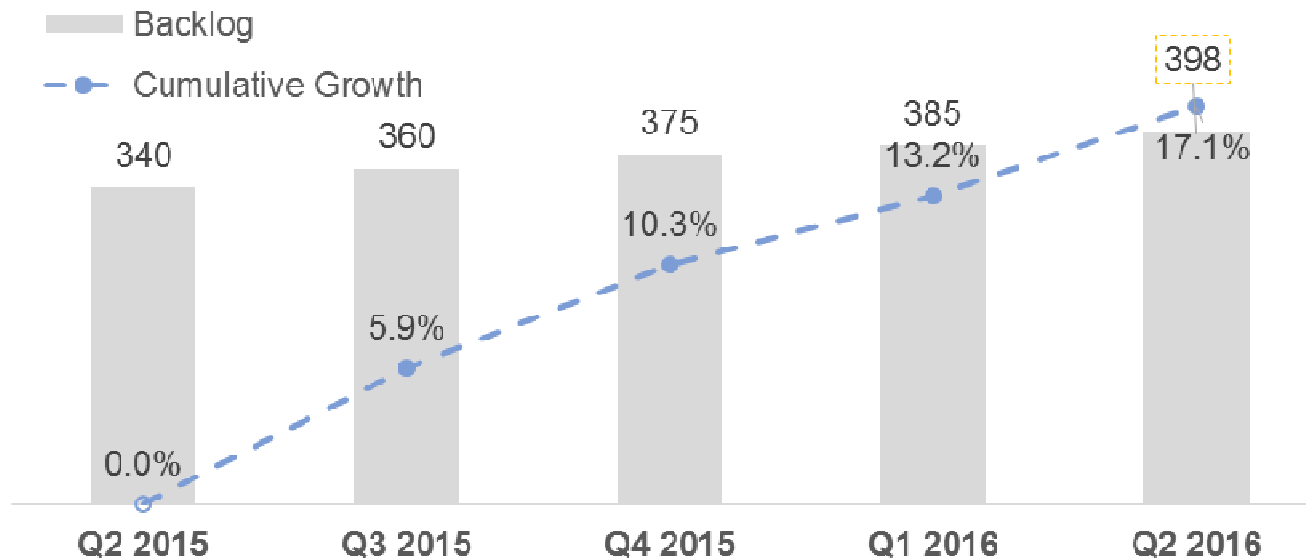
*Adjusted for FX gains or losses. in line with guidance provided for 2016

Rising Backlog

US\$ in Millions

Continued growth in the already strong backlog for 7th straight quarter, reaching US\$398 million through the second quarter of the year

Backlog performance at quarter end



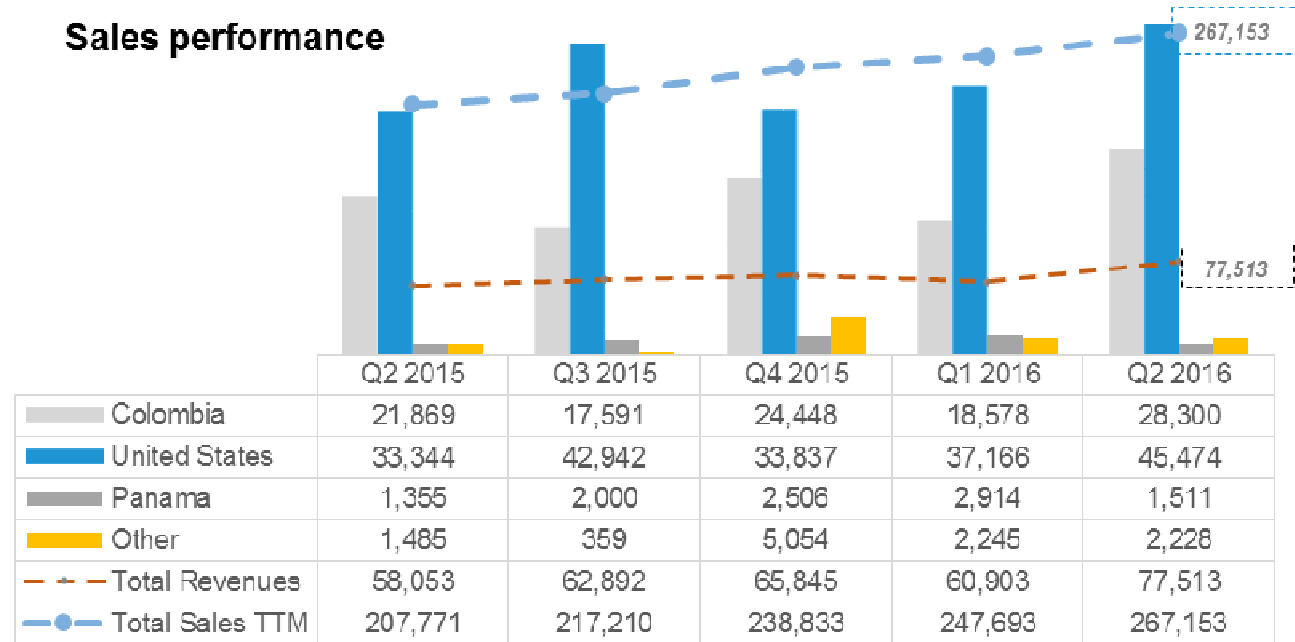
Revenue Quarterly Evolution by Geography

US\$ in Thousands

Broad-based revenue improvement in each region outpacing respective industry growth rate



Sales performance



ü The Company's sales in the U.S. market continue to grow primarily in the South Florida region, where the Company has historically had a stronger presence as a supplier of windows and doors for high-rise buildings. This has served as a strong platform to diversify its footprint across the U.S



OPERATIONAL UPDATE Q2 2016

Capacity Expansion to address future growth

Actively investing in manufacturing facilities to address continued growth in backlog

Energia Solar

- ü Robust existing capacity to incorporate the existing business and the expected short-term and mid term growth
- ü Continues to serve as the main export platform to the U.S and other international markets



Alutions

- ü New aluminum press became operational during Q2, providing increased available materials for E.S assembly
- ü New automatic painting line became operational in Q2 to produce industrial glass



Tecnoglass S.A.

- ü Two new operational furnaces to address production growth
- ü Currently installing a new insulated glass unit to operate during Q3
- ü Building a new plant adjacent to current facilities with one additional furnace, one automatic painting line for white glass, one cut line and a new insulated glass unit



Production Enhancement Initiatives Advances

Focused on innovation to penetrate broader market spectrum

Soft Coating Line

- ü Production is ahead of originally projected schedule
- ü Currently manufacturing at 20% capacity to fulfill internal requirements
- ü Strong platform for immediate growth in the Company's top line with expected margin enhancement



Energy Efficiency

- ü New partnership with Panasonic LA to produce solar energy for self-consumption
- ü This installed capacity of 12 megawatts has the potential to reduce consumption of gas as an energy source by around 7%
- ü First stage of the project expected to start during Q3
- ü Investment also creates a tax advantage for the Company as government is looking to incentivate "clean energy" initiatives



Lean Manufacturing

- ü Started in December 2015 in E.S, within the production process, following an inside out approach that have derived in already visible results
- ü Project is set to also address planning, designing, engineering and material handling processes
- ü Tecnoglass program also under way, starting in March of 2016



Some expected KPI's to measure:

- ✓ WIP Improvement
- ✓ Productivity
- ✓ Throughput time
- ✓ Work force

**Indicators measured for the Production process at ES.*

Next Generation of Products Already in Production

Continuously seeking product innovation to penetrate new markets and adjust to new end user trends



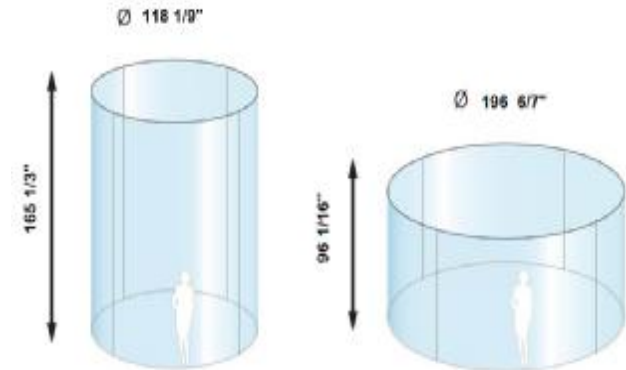
Air flotation technology by Tecnoglass
TECNOAIR

- ü TecnoAir products in manufacturing since Q2 2016
- ü Signifies the first true opportunity to produce the thinnest safety glass in the world is now available.
- ü One of only a hand full of companies worldwide with this type of product manufacturing capacity and the first to implement the Glaston technology for this process



- ü The Tecnobend line continues its steady production since inception at the beginning of 2016
- ü Tecnobend addressed needs for construction requiring high-performance MSVD Low-E coated and uncoated glass

Maximum Glass Sizes - four pieces, full circle.



TECNOBEND





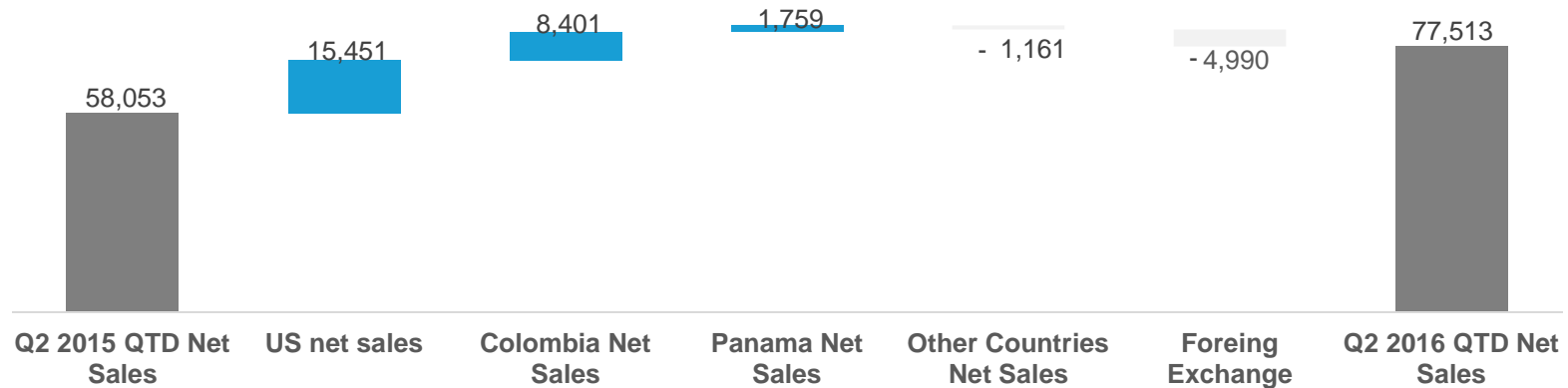
FINANCIAL RESULTS Q2 2016

Revenue Bridge 2016 vs 2015

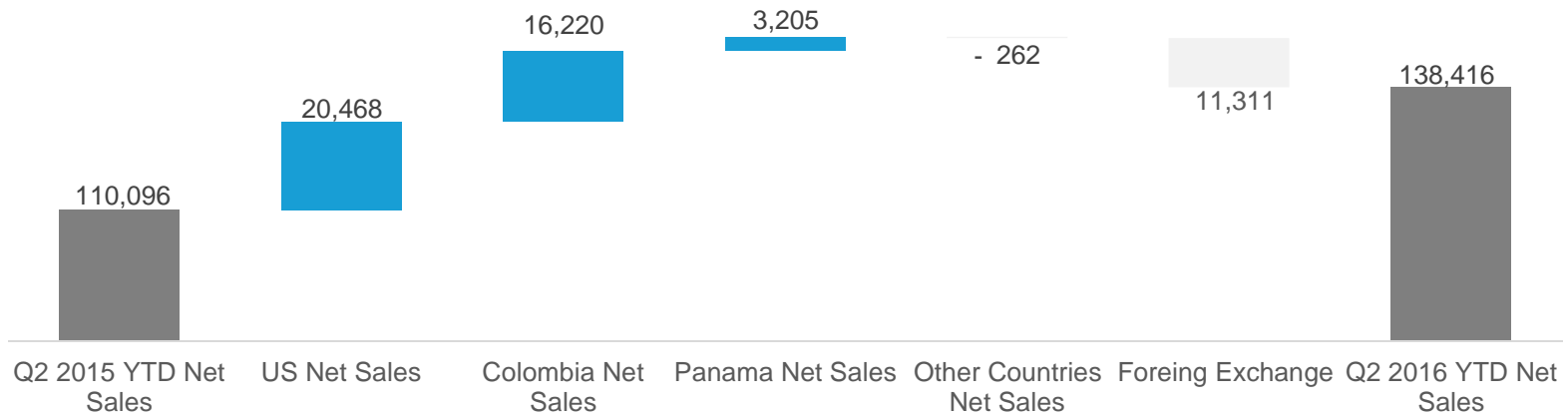
US\$ in Thousands

Revenue increase derived mainly from all regions, partially offset by FX for COP revenues

3 Months analysis - Q2 2016 QTD



6 Months analysis - Q2 2016 YTD

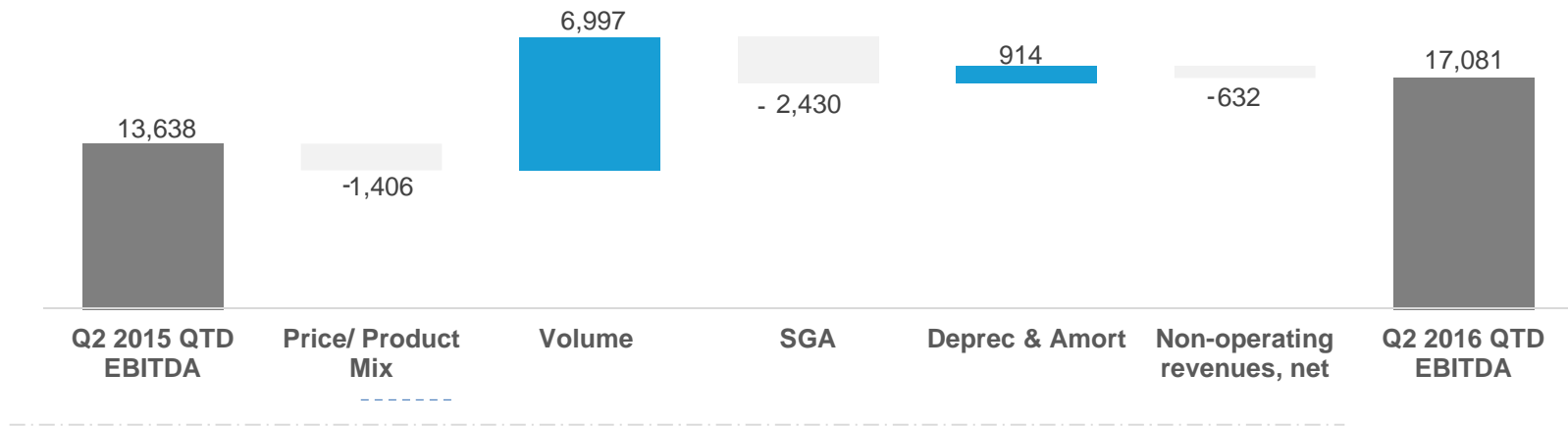


Adjusted EBITDA Bridge 2016 vs 2015

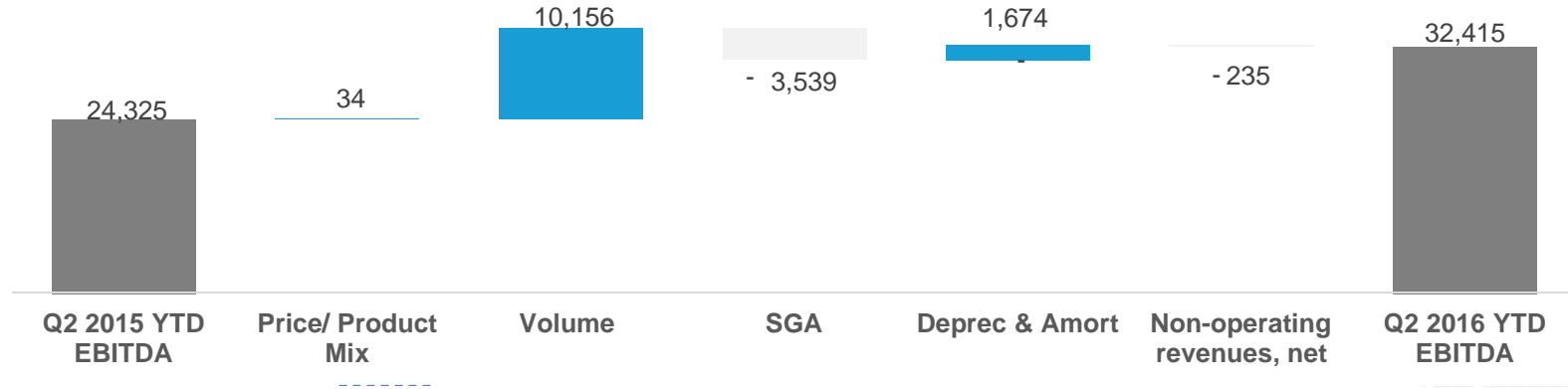
US\$ in Thousands

Adjusted EBITDA improvement driven by higher revenues and margin improvement YTD

3 Months analysis - Q2 2016 QTD



6 Months analysis - Q2 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



P&L Highlights 2016 vs 2015

US\$ in Thousands

	Three months ended June 30,				2016 vs 2015		Six months ended June 30,				2016 vs 2015				
	2016	% Sales	2015	% Sales	\$ Δ	% Δ	2016	% Sales	2015	% Sales	\$ Δ	% Δ			
Revenues	77,513	100%	58,053	100%	19,460	34%	138,416	100%	110,096	100%	28,320	26%			
Cost of sales	51,048	66%	37,179	64%	13,869	37%	88,742	64%	70,612	64%	18,130	26%			
Gross Profit	26,465	34%	20,874	36%	5,591	27%	49,674	36%	39,484	36%	10,190	26%			
Total SG&A & Other Operating expenses	13,996	18%	11,566	20%	2,430	21%	25,713	19%	22,174	20%	3,539	16%			
Operating income	12,469	16%	9,308	16%	3,161	34%	23,961	17%	17,310	16%	6,651	38%			
Adjusted Ebitda	17,081	22%	13,638	23%	3,443	25%	32,415	23%	24,325	22%	8,090	33%			
Non-operating revenues, net	-	56	0%	1,417	2%	-1,473	-104%	-	732	-1%	5,142	5%	-5,874	-114%	
Gain (Loss) on change in fair value of Earnout Shares	3,330	4%	-	9,653	-17%	12,983	-134%	7,034	5%	-	7,672	-7%	14,706	-192%	
Gain (Loss) on change in fair value of warrant liability	6,687	9%	-	16,391	-28%	23,078	-141%	12,598	9%	-	11,313	-10%	23,911	-211%	
Interest expense	-	4,242	-5%	-	2,050	-4%	-	7,366	-5%	-	4,202	-4%	-	3,164	75%
Income (Loss) before taxes	18,188	23%	-	17,369	-30%	35,557	-205%	35,495	26%	-	735	-1%	36,230	-4929%	
Income tax provision	3,815	5%	3,631	6%	184	5%	7,458	5%	8,403	8%	-945	-11%			
Net income (Loss)	14,373	19%	-	21,000	-36%	35,373	-168%	28,037	20%	-	9,138	-8%	37,175	-407%	
Basic loss per share	0.53		-	0.84			1.04		-	0.37					
Diluted loss per share	0.47		-	0.84			0.91		-	0.37					

- ü P&L for the period positively impacted by higher sales which drove gross profit expansion.
- ü Cost of sales change primarily related to incremental electric and gas consumption costs related to unusually warm weather caused by El Niño.
- ü SG&A increase mainly in sales due to shipping expenses related to shipping costs & to support lean manufacturing initiatives.
- ü Positive impact from the change in fair value of warrants and earn-out shares (non-cash items).

Balance Sheet Highlights Q2 2016 vs 2015

US\$ in Thousands

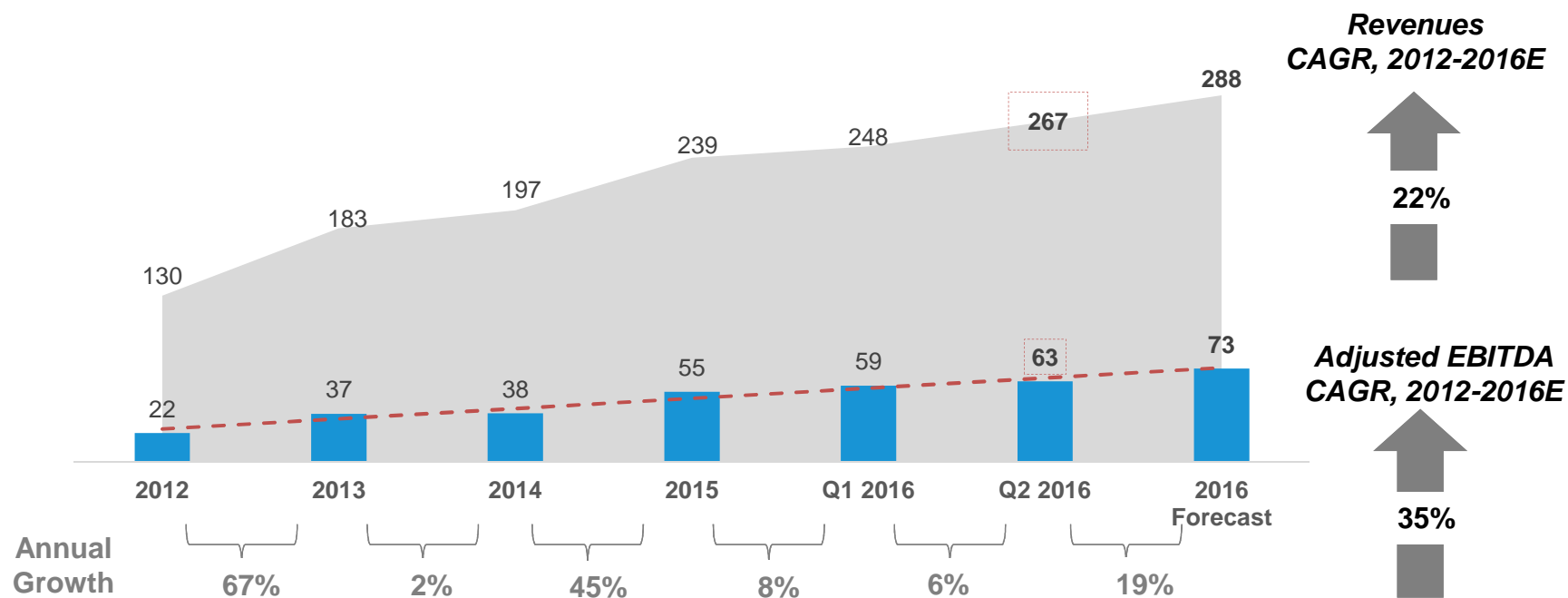
	June 30, 2016	December 31, 2015	\$ Δ	% Δ
ASSETS				
Cash and cash equivalents	29,535	18,496	11,039	60%
Trade accounts receivable, net	72,862	52,515	20,347	39%
Other current assets	148,545	96,368	52,177	54%
Total current assets	250,942	167,379	83,563	50%
Property, plant and equipment, net	157,422	135,974	21,448	16%
Other long term current assets	12,689	12,846		
Total long term assets	170,111	148,820	21,291	14%
Total assets	421,053	316,199	104,854	33%
LIABILITIES AND SHAREHOLDERS' EQUITY				
Trade accounts payable	59,452	39,142	20,310	52%
Short-term debt and current portion of long term debt	69,961	16,921	53,040	313%
Other current liabilities	66,082	80,686	14,604	-18%
Total current liabilities	195,495	136,749	58,746	43%
Long term debt	140,925	121,493	19,432	16%
Other long term debt	6,299	24,818	18,519	-75%
Total Long term liabilities	147,224	146,311	913	1%
Total Liabilities	342,719	283,060	59,659	21%
Total shareholders' equity	78,334	33,139	45,195	136%
Total liabilities and shareholders' equity	421,053	316,199	104,854	33%

Revenues and EBITDA Progress 2016E vs. 2012

US\$ in Millions

Continue to achieve upward trend of revenues and Adjusted EBITDA

Consolidated Revenues & Adjustment EBITDA TTM



Q1 and Q2 are expressed in Twelve to month basis.

Thank you

Questions?

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