

2017

FOURTH QUARTER EARNINGS REPORT



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GRUPO CEMENTOS
DE CHIHUAHUA,
S.A.B. DE C.V.
(BMV: GCC *)

GCC REPORTS FOURTH QUARTER AND FULL YEAR 2017 RESULTS

Chihuahua, Chihuahua, Mexico, February 13, 2018 – Grupo Cementos de Chihuahua, S.A.B. de C.V. (BMV: GCC *), a leading producer of cement and ready-mix concrete in the United States and Mexico, today announces its results for the fourth quarter and full year 2017.

HIGHLIGHTS

GCC once again generated double-digit increases in sales and EBITDA during the quarter. Results reflects strong demand in both the U.S. and Mexico, as well as the successful integration of the operations acquired in Texas and New Mexico at the end of 2016. Results also benefitted from favorable pricing environments and good weather in both the U.S. and Mexico, and solid progress in the execution of the Company's growth strategy.

KEY FIGURES (millions of dollars)

| | 4Q17 | 4Q16 | 4Q17 vs. 4Q16 | 2017 | 2016 | 2017 vs. 2016 |
|--|-------|-------|---------------|-------|-------|---------------|
| Net Sales | 238.1 | 186.0 | 28.0% | 925.3 | 748.5 | 23.6% |
| Operating Income before other expenses | 50.8 | 26.8 | 89.2% | 167.3 | 126.6 | 32.1% |
| EBITDA | 71.3 | 45.0 | 58.4% | 249.5 | 188.6 | 32.3% |
| EBITDA margin | 29.9% | 24.2% | | 27.0% | 25.2% | |
| Consolidated Net Income | 28.5 | 9.8 | 192.3% | 83.3 | 69.1 | 20.5% |

EBITDA: operating income + depreciation and amortization

- Total sales increased 28.0% in the fourth quarter of 2017 and 23.6% in the full year.
- EBITDA grew 58.4% in the quarter and 32.3% in the full year 2017.
- The EBITDA margin in 4Q2017 increased 570 basis points. For the full year, the margin increased 180 basis points to 27.0%.
- Net leverage (Net debt/EBITDA) fell to 1.86 at the end of December 2017.

FINANCIAL RESULTS

Consolidated Net Sales for the fourth quarter of 2017 increased to US\$ 238.1 million, 28.0% higher than the same period of 2016. The increase resulted from higher cement and concrete volumes and higher cement prices in both countries.

For comparative purposes, 4Q17 sales, excluding the operations acquired at the end of 2016, increased 15.1%.

Twelve months: **Net sales** for the twelve months of 2017 increased 23.6% to US\$ 925.3 million. Sales, excluding the operations acquired last year, increased 7.5%.

NET SALES

| Millions of dollars | 4Q17 | 4Q16 | 4Q17 vs. 4Q16 | 2017 | 2016 | 2017 vs. 2016 |
|----------------------------|---------------------|-----------------|---------------|---------------------|-----------------|---------------|
| Consolidated | 238.1 | 186.0 | 28.0% | 925.3 | 748.5 | 23.6% |
| United States | 179.7 | 138.4 | 29.8% | 704.8 | 550.6 | 28.0% |
| Mexico | 58.4 | 47.6 | 22.6% | 220.5 | 197.9 | 11.4% |
| | 4Q17 vs 4Q16 | | | 2017 vs 2016 | | |
| | Volumes | Prices * | | Volumes | Prices * | |
| Cement | | | | | | |
| United States | 29.8% | 6.2% | | 28.6% | 6.1% | |
| Mexico | 6.4% | 11.0% | | -1.7% | 15.6% | |
| Concrete | | | | | | |
| United States | 10.0% | 1.8% | | 8.5% | 0.4% | |
| Mexico | 14.8% | 6.7% | | -0.5% | 14.7% | |
| * Prices in local currency | | | | | | |

U.S. sales rose 29.8% to US\$ 179.7 million and represented 76% of GCC's consolidated net sales. The strong growth reflects higher cement sales volumes in the states of Texas, South Dakota, Minnesota, New Mexico, and Colorado. Overall, U.S. cement volumes increased 29.8%, and concrete volumes increased 10.0%. Fourth quarter sales volumes also benefitted from favorable weather conditions throughout GCC's area of operations.

Excluding the operations acquired last year, cement volumes increased 4.6%, while ready-mix volumes decreased 1.5%.

Cement prices increased 6.2% in the quarter and concrete prices increased 1.8%.

The most dynamic segments in the regions where GCC operates were oil well drilling, residential real estate, and public-sector construction.

Twelve months: U.S. sales rose 28.0% to US\$ 704.8 million. Factors that contributed to growth were: a 28.6% increase in cement volumes, an 8.5% increase in concrete volumes, and a 6.1% increase in cement prices.

Excluding the operations acquired last year, cement volumes increased 2.1%, and ready-mix volumes decreased 6.1%.

Mexico sales rose 22.6% to US\$ 58.4 million and represented 24% of total sales. The increase was a result of increases in cement prices of 11.0% and concrete prices of 6.7%, as well as a 6.4% increase in cement volumes and a 14.8% increase in concrete volumes. The most important factors contributing to the increases were demand in the mining and self-construction sectors and the final stages of several industrial projects— including a brewery and glass bottle plant – which offset a reduction in public sector activity.

Twelve months: Mexico sales rose 11.4%. This increase was principally the result of a 15.6% increase in cement prices and a 14.7% increase in concrete prices, which were partially offset by decreases of 1.7% in cement volumes and 0.5% in ready-mix volumes, reflecting decreases in public sector activity and commercial and industrial projects.

Cost of Sales totaled US\$ 166.1 million in 4Q17 and represented 69.8% of sales, a decrease of 4.1 percentage points, principally as a result of higher prices and operating efficiencies.

Cost of sales, excluding operations acquired last year, represented 68.3% of sales, a 5.3 percentage point reduction.

Twelve months: **Cost of sales** was the equivalent of 72.5% of sales, a 0.5 percentage points decrease.

Excluding the operations acquired last year, cost of sales represented 71.9% of sales, a decrease of 0.7 percentage points.

Operating Expenses totaled US\$ 21.2 million, a 2.3% decrease, and were equivalent to 8.9% of sales, a decrease of 2.8 percentage points. The decrease resulted from lower maintenance expenses and professional fee payments, and a stronger average peso exchange rate.

Operating expenses, excluding the operations acquired last year, totaled US\$ 18.5 million, and were the equivalent of 9.2% of sales, a decrease of 2.8 percentage points.

Twelve months: **Operating expenses** increased 15.2%, and represented 9.4% of sales, a decrease of 0.7 percentage points.

Operating expenses, excluding the operations acquired last year, totaled US\$ 71.7 million, and represented 9.1% of sales, a 0.7 percentage point reduction.

Operating Income before Other Expenses increased 89.2% to US\$ 50.8 million.

Twelve months: **Operating income before other expenses** increased 32.1% to US\$ 167.3 million.

Other Expenses, Net were US\$ 0.2 million a 92.9% reduction compared to US\$ 3.1 million in 4Q16. The reduction reflected principally the payment of fees related to the acquisition of assets in the prior year period.

Twelve months: **Other expenses** were US\$ 0.8 million, a decrease of 86.6% compared to US\$ 6.2 million in the prior year period, which included a charge from the sale of fixed assets and costs related to the acquisition of cement and concrete operations in the U.S.

Operating Income increased 113.2% to US\$ 50.6 million.

Twelve months: **Operating income** increased 38.3% to US\$ 166.5 million.

EBITDA increased 58.4% to US\$ 71.3 million. The EBITDA margin represented 29.9% of sales and was 5.7 percentage points higher than 4Q16.

EBITDA, excluding the operations acquired last year, increased 40.3% to US\$ 60.7 million. The margin increased 5.5 percentage points and represented 30.3% of sales.

U.S. operations generated 69% of EBITDA, while Mexico operations generated 31%.

Twelve months: **EBITDA** increased 32.3% to US\$ 249.5 million, with a margin of 27.0%, an increase of 1.8 percentage points compared to 2016.

Twelve-month EBITDA, excluding the operations acquired last year, increased 14.2% to US\$ 213.4 million; the margin increased 1.6 percentage points to 27.0% of sales.

U.S. operations generated 66% of full-year EBITDA, while Mexico operations generated 34%.

Net Financial Expenses totaled US\$ 9.3 million, a decrease of 27.7%. The reduction was principally the result of increased interest income reflecting a higher cash balance, and an exchange gain resulting from the appreciation of the peso, as compared to an exchange loss in the prior period.

Twelve months: **Net financial expenses** increased 56.5% to US\$ 55.8 million. The increase was principally the result of fees related to a debt refinancing and a higher level of debt, both as a result of the acquisition of assets in the United States.

Income Taxes totaled US\$ 13.3 million, an increase of 897.5%. The increase was the result of higher pre-tax income and the effect of the earnings repatriation tax included in the U.S. tax reform legislation; the latter was approximately US\$ 3.0 million.

Twelve months: **Taxes** increased 75.6% to US\$ 29.3 million. The increase was a result of the same factors as in the quarter.

Consolidated Net Income was US\$ 28.5 million, a 192.3% increase. The increase was the result of higher operating income before other expenses and reductions in other expenses and financial expenses, which were partially offset by higher taxes.

Twelve months: **Net income** was US\$ 83.3 million, an increase of 20.5%. The increase was the result of the same factors as in the quarter.

Earnings per Share were US\$ 0.09 per share in the fourth quarter, US\$ 0.06 higher than the same period of the previous year.

Twelve months: **Earnings per share** were US\$ 0.25 for the full year 2017, an increase of US\$ 0.04 compared to 2016.

Free Cash Flow generated in the fourth quarter was US\$ 64.6 million, 23.5% higher than the US\$ 52.3 million generated in 4Q16. The increase resulted from a higher level of EBITDA

and a decrease in working capital requirements, which were partially offset by increased maintenance capex.

Twelve months: **Free cash flow** was US\$ 111.8 million, 4.3% above the 2016 level of US\$ 107.1 million. The increase principally reflected a higher level of EBITDA, which was partially offset by higher financial expenses, working capital, taxes, and maintenance capex.

EBITDA AND FREE CASH FLOW (millions of dollars)

| | 4Q17 | 4Q16 | Var | 2017 | 2016 | Var |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| Operating income before other expenses | 50.8 | 26.8 | 89.2% | 167.3 | 126.6 | 32.1% |
| Depreciation and amortization | 20.5 | 18.1 | 12.8% | 82.2 | 62.0 | 32.6% |
| EBITDA | 71.3 | 45.0 | 58.4% | 249.5 | 188.6 | 32.3% |
| Interest income (expense) | (11.7) | (4.6) | 154.1% | (61.5) | (31.0) | 98.5% |
| (Increase) Decrease in working capital | 48.0 | 26.5 | 81.3% | (4.7) | (0.2) | 2242.8% |
| Taxes | (0.9) | (0.4) | 148.4% | (12.7) | (7.0) | 82.9% |
| Capital Expenditures* | (17.3) | (2.9) | 488.0% | (45.0) | (33.5) | 34.3% |
| Other | (24.7) | (11.2) | 120.6% | (13.8) | (9.8) | 40.8% |
| Free cash flow | 64.6 | 52.3 | 23.5% | 111.8 | 107.1 | 4.3% |
| Initial cash balance | 179.3 | 177.7 | 0.9% | 163.9 | 146.6 | 11.8% |
| FX effect | (3.3) | (2.6) | 26.0% | 3.1 | (7.2) | -143.1% |
| Growth capital expenditures and other related expenses | (5.9) | (319.5) | -98.2% | (30.3) | (324.9) | -90.7% |
| Debt amortizations, net | (1.8) | 255.9 | -100.7% | (3.8) | 251.5 | -101.5% |
| Dividends paid | 0.0 | 0.0 | 0.0% | (11.6) | (9.3) | 23.7% |
| Final cash balance | 232.9 | 163.9 | 42.2% | 232.9 | 163.9 | 42.2% |

*excludes capital expenditures for growth and expansion

Interest-Bearing Debt as of December 31, 2017 totaled US\$ 696.7 million, based on contractual balances, 0.5% lower than the level as of December 31, 2016.

Short-term debt was US\$ 17.2 million, or 2.5% of the total.

The Company's debt is 100% denominated in U.S. dollars.

Net leverage (Net debt/EBITDA) at the end of the fourth quarter of 2017 was 1.86 times. As of December 31, 2016, the ratio was 2.57 times.

INTEREST-BEARING DEBT* (millions of dollars)

| | Dec-2017 | Dec-2016 | 2017 vs. 2016 |
|--------------|--------------|--------------|---------------|
| TOTAL | 696.7 | 700.5 | -0.5% |
| Short-term | 17.2 | 3.9 | 345.5% |
| Long-term | 679.5 | 696.6 | -2.5% |

* Not including commissions and debt issuance costs

OUTLOOK FOR 2018

| | 2018 vs 2017 | | Consolidated 2018 | |
|----------------------|---------------------------|----------|-------------------|---------------------------|
| | Volumes | Prices * | | |
| United States | | | | |
| Cement | low single digit increase | 3% – 5% | EBITDA | Mid-single digit increase |
| Concrete | | | | |
| Mexico | | | | |
| Cement | = | 3% – 5% | Working Capital | Slight decrease |
| Concrete | | | CAPEX | US\$ 120 million |

* Prices in local currency

BASIS OF PREPARATION FOR FINANCIAL STATEMENTS

The financial numbers presented in Mexican pesos in the financial statements were prepared in accordance with International Financial Reporting Standards (IFRS).

The numbers presented in this report have been expressed in U.S. dollars, for the convenience of the reader. Assets and liabilities were converted at the closing exchange rate for each period. Line items in the income statement were converted at the average exchange rate for the period.

The exchange rates used are those published by Banco de México, as shown below.

EXCHANGE RATES (PESOS PER U.S. DOLLAR)

| | 2017 | 2016 |
|------------------------|---------|---------|
| Fourth quarter average | 18.9511 | 19.8427 |
| As of December 31 | 19.7867 | 20.7314 |
| Twelve-month average | 18.9326 | 18.6666 |

These convenience conversions should not be considered representative of amounts in pesos or dollars that were, could have been, or might be converted at the exchange rates used.

Unless otherwise stated, all percentage changes refer to fourth quarter of 2017 or full year 2017 amounts compared to those of the corresponding period of 2016.

ANALYST COVERAGE

In accordance with Mexican Stock Exchange regulations, the Company informs that analysts currently covering GCC stock include: Acciones y Valores Banamex, J.P. Morgan, Bank of America Merrill Lynch, and UBS Casa de Bolsa.

CONFERENCE CALL

Grupo Cementos de Chihuahua, S.A.B. de C.V. will host its earnings conference call on February 14, 2018.

Time: 11:00 am (Eastern Time) / 10:00 am (Mexico City time) / 09:00 am (Mountain Time)

Dial in: U.S.: 1-888-378-4439 Toll Free

International: 1-323-701-0225

Conference ID: 1077193

Replay (through 2/21/18):

U.S.: 1-844-512-2921 Toll Free

International: 1-412-317-6671

Conference ID: 1077193

Listen-only webcast and replay: [click here](#).

ABOUT GCC

GCC is a leading supplier of cement, concrete, aggregates, and construction-related services in Mexico and the United States. The Company has annual cement production capacity of 5.1 million tons.

Founded in 1941, the Company's shares trade on the Mexican Stock Exchange under the ticker symbol GCC*.

This press release may contain forward-looking statements. All statements that are not clearly historical in nature are forward-looking, and the words "anticipate," "believe," "expect," "estimate," "intend," "project" and similar expressions are generally intended to identify forward-looking statements. These statements are subject to risks and uncertainties including, among others, changes in macroeconomic, political, governmental or business conditions in the markets where GCC operates; changes in interest rates, inflation rates and currency exchange rates; performance of the construction industry; and pricing, business strategy, and other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may differ materially from the beliefs, projections, and estimates described herein. GCC assumes no obligation to update the information contained in this press release.

Income Statement

(Thousands of dollars)

| | 4Q 2017 | % | 4Q 2016 | % | 4Q17 / 4Q16 |
|--|----------------|--------|-----------------|--------|----------------|
| Net sales | 238,096 | 100.0% | 186,049 | 100.0% | 28.0% |
| USA sales | 179,708 | 75.5% | 138,415 | 74.4% | 29.8% |
| Mexico sales | 58,388 | 24.5% | 47,634 | 25.6% | 22.6% |
| Cost of sales | 166,098 | 69.8% | 137,489 | 73.9% | 20.8% |
| Gross income | 71,998 | 30.2% | 48,560 | 26.1% | 48.3% |
| Operating expenses | 21,211 | 8.9% | 21,714 | 11.7% | -2.3% |
| Operating income before other expenses, net | 50,787 | 21.3% | 26,846 | 14.4% | 89.2% |
| Other expenses, net | 222 | 0.1% | 3,126 | 1.7% | -92.9% |
| Operating income | 50,565 | 21.2% | 23,720 | 12.7% | 113.2% |
| Financial income | 1,257 | 0.5% | 602 | 0.3% | 108.8% |
| Financial expenses | (12,211) | -5.1% | (12,234) | -6.6% | -0.2% |
| Exchange gain (loss), net | 1,637 | 0.7% | (1,249) | -0.7% | -231.1% |
| Net financing expenses | (9,317) | -3.9% | (12,881) | -6.9% | -27.7% |
| Earnings in associates | 619 | 0.3% | 259 | 0.1% | 139.0% |
| Income before taxes | 41,867 | 17.6% | 11,098 | 6.0% | 277.2% |
| Income taxes | 13,337 | 5.6% | 1,337 | 0.7% | 897.5% |
| Consolidated net income | 28,530 | 12.0% | 9,761 | 5.2% | 192.3% |
| Controlling interest | 28,530 | 12.0% | 9,713 | 5.2% | 193.7% |
| Non-controlling interest | - | 0.0% | 48 | 0.0% | -100.0% |
| EBITDA | 71,264 | 29.9% | 44,992 | 24.2% | 58.4% |
| Free cash flow | 64,632 | 27.1% | 52,344 | 28.1% | 23.5% |

Cumulative Income Statement to December

(Thousands of dollars)

| | 2017 | % | 2016 | % | 2017 / 2016 |
|--|-----------------|--------|-----------------|--------|---------------|
| Net sales | 925,297 | 100.0% | 748,486 | 100.0% | 23.6% |
| USA sales | 704,798 | 76.2% | 550,575 | 73.6% | 28.0% |
| Mexico sales | 220,499 | 23.8% | 197,911 | 26.4% | 11.4% |
| Cost of sales | 671,224 | 72.5% | 546,564 | 73.0% | 22.8% |
| Gross income | 254,073 | 27.5% | 201,922 | 27.0% | 25.8% |
| Operating expenses | 86,742 | 9.4% | 75,284 | 10.1% | 15.2% |
| Operating income before other expenses, net | 167,331 | 18.1% | 126,638 | 16.9% | 32.1% |
| Other expenses, net | 838 | 0.1% | 6,234 | 0.8% | -86.6% |
| Operating income | 166,493 | 18.0% | 120,404 | 16.1% | 38.3% |
| Financial income | 3,530 | 0.4% | 1,822 | 0.2% | 93.7% |
| Financial expenses | (57,341) | -6.2% | (38,849) | -5.2% | 47.6% |
| Exchange gain (loss), net | (2,019) | -0.2% | 1,356 | 0.2% | -248.9% |
| Net financing expenses | (55,830) | -6.0% | (35,671) | -4.8% | 56.5% |
| Earnings in associates | 1,944 | 0.2% | 1,085 | 0.1% | 79.2% |
| Income before taxes | 112,607 | 12.2% | 85,818 | 11.5% | 31.2% |
| Income taxes | 29,306 | 3.2% | 16,685 | 2.2% | 75.6% |
| Consolidated net income | 83,301 | 9.0% | 69,133 | 9.2% | 20.5% |
| Controlling interest | 83,157 | 9.0% | 68,948 | 9.2% | 20.6% |
| Non-controlling interests | 144 | 0.0% | 185 | 0.0% | -22.2% |
| EBITDA | 249,518 | 27.0% | 188,603 | 25.2% | 32.3% |
| Free cash flow | 111,756 | 12.1% | 107,139 | 14.3% | 4.3% |

Statement of Financial Position (Thousands of dollars)

| | December 2017 | December 2016 | Variation |
|--|------------------|------------------|---------------|
| Total assets | 1,943,535 | 1,867,127 | 4.1% |
| Current Assets | 499,320 | 396,638 | 25.9% |
| Cash and cash equivalents | 232,933 | 163,851 | 42.2% |
| Accounts receivable, net | 91,338 | 73,260 | 24.7% |
| Other accounts receivable, net | 46,579 | 39,351 | 18.4% |
| Due from related parties | 2,726 | 2,564 | 6.3% |
| Inventories and urban land | 113,212 | 106,470 | 6.3% |
| Prepaid expenses | 12,532 | 11,142 | 12.5% |
| Non-current assets | 1,444,215 | 1,470,489 | -1.8% |
| Investment in associates | 9,799 | 7,756 | 26.3% |
| Property, machinery and equipment, net | 936,387 | 925,016 | 1.2% |
| Goodwill | 405,576 | 405,097 | 0.1% |
| Intangible assets, net | 60,790 | 65,172 | -6.7% |
| Other non-current assets | 5,430 | 7,735 | -29.8% |
| Deferred taxes | 26,233 | 59,713 | -56.1% |
| Total liabilities | 1,018,748 | 996,115 | 2.3% |
| Current liabilities | 186,581 | 154,709 | 20.6% |
| Current portion of long term debt | 17,150 | 3,850 | 345.5% |
| Trade accounts payable | 89,232 | 70,763 | 26.1% |
| Due to related parties | 1,435 | 820 | 75.0% |
| Short term - employee benefits | 25,335 | 23,745 | 6.7% |
| Accrued expenses and taxes other than income taxes | 48,422 | 50,380 | -3.9% |
| Provisions | 5,007 | 5,151 | -2.8% |
| Long-term liabilities | 832,167 | 841,406 | -1.1% |
| Long term debt | 665,751 | 685,795 | -2.9% |
| Employee benefits | 41,089 | 37,190 | 10.5% |
| Asset retirement obligation | 9,043 | 8,560 | 5.6% |
| Other long-term liabilities | 734 | 745 | -1.5% |
| Income taxes payable | 29,308 | 39,054 | -25.0% |
| Deferred income taxes | 86,242 | 70,062 | 23.1% |
| Total equity | 924,787 | 871,012 | 6.2% |
| Controlling interest | 924,757 | 870,705 | 6.2% |
| Capital stock | 32,100 | 32,100 | 0.0% |
| Additional paid-in capital | 148,300 | 148,300 | 0.0% |
| Reserves | 22,700 | 22,700 | 0.0% |
| Retained earnings | 877,027 | 818,857 | 7.1% |
| Net consolidated income | 83,157 | 68,948 | 20.6% |
| Other comprehensive income | (238,527) | (220,200) | -8.3% |
| Non-controlling interest | 30 | 307 | -90.2% |
| Total Liabilities and Equity | 1,943,535 | 1,867,127 | 4.1% |

Income Statement (Thousands of pesos)

| | 4Q 2017 | % | 4Q 2016 | % | 4Q17 / 4Q16 |
|--|------------------|--------|------------------|--------|---------------|
| Net sales | 4,505,491 | 100.0% | 3,678,398 | 100.0% | 22.5% |
| USA sales | 3,399,793 | 75.5% | 2,735,008 | 74.4% | 24.3% |
| Mexico sales | 1,105,698 | 24.5% | 943,390 | 25.6% | 17.2% |
| Cost of sales | 3,143,516 | 69.8% | 2,725,017 | 74.1% | 15.4% |
| Gross income | 1,361,975 | 30.2% | 953,381 | 25.9% | 42.9% |
| Operating expenses | 401,915 | 8.9% | 432,270 | 11.8% | -7.0% |
| Operating income before other expenses, net | 960,060 | 21.3% | 521,111 | 14.2% | 84.2% |
| Other expenses, net | 4,191 | 0.1% | 61,677 | 1.7% | -93.2% |
| Operating income | 955,869 | 21.2% | 459,434 | 12.5% | 108.1% |
| Financial income | 23,862 | 0.5% | 11,942 | 0.3% | 99.8% |
| Financial expenses | (230,521) | -5.1% | (243,587) | -6.6% | -5.4% |
| Exchange gain (loss), net | 30,991 | 0.7% | (24,101) | -0.7% | -228.6% |
| Net financing expenses | (175,668) | -3.9% | (255,746) | -7.0% | -31.3% |
| Earnings in associates | 11,681 | 0.3% | 5,137 | 0.1% | 127.4% |
| Income before taxes | 791,882 | 17.6% | 208,825 | 5.7% | 279.2% |
| Income taxes | 252,601 | 5.6% | 21,750 | 0.6% | 1061.4% |
| Consolidated net income | 539,281 | 12.0% | 187,075 | 5.1% | 188.3% |
| Controlling interest | 539,280 | 12.0% | 186,121 | 5.1% | 189.7% |
| Non-controlling interest | 1 | 0.0% | 954 | 0.0% | -99.9% |
| EBITDA | 1,348,108 | 29.9% | 883,774 | 24.0% | 52.5% |
| Free cash flow | 1,271,914 | 28.2% | 871,169 | 23.7% | 46.0% |

Cumulative Income Statement to December (Thousands of pesos)

| | 2017 | % | 2016 | % | 2017 / 2016 |
|--|--------------------|--------|-------------------|--------|---------------|
| Net sales | 17,334,958 | 100.0% | 13,996,791 | 100.0% | 23.8% |
| USA sales | 13,183,077 | 76.0% | 10,307,197 | 73.6% | 27.9% |
| Mexico sales | 4,151,881 | 24.0% | 3,689,594 | 26.4% | 12.5% |
| Cost of sales | 12,596,889 | 72.7% | 10,223,785 | 73.0% | 23.2% |
| Gross income | 4,738,069 | 27.3% | 3,773,006 | 27.0% | 25.6% |
| Operating expenses | 1,642,990 | 9.5% | 1,410,917 | 10.1% | 16.4% |
| Operating income before other expenses, net | 3,095,079 | 17.9% | 2,362,089 | 16.9% | 31.0% |
| Other expenses, net | 15,169 | 0.1% | 118,801 | 0.8% | -87.2% |
| Operating income | 3,079,910 | 17.8% | 2,243,288 | 16.0% | 37.3% |
| Financial income | 67,003 | 0.4% | 34,243 | 0.2% | 95.7% |
| Financial expenses | (1,079,949) | -6.2% | (729,769) | -5.2% | 48.0% |
| Exchange gain (loss), net | (39,306) | -0.2% | 24,603 | 0.2% | -259.8% |
| Net financing expenses | (1,052,252) | -6.1% | (670,923) | -4.8% | 56.8% |
| Earnings in associates | 36,429 | 0.2% | 20,019 | 0.1% | 82.0% |
| Income before taxes | 2,064,087 | 11.9% | 1,592,384 | 11.4% | 29.6% |
| Income taxes | 531,336 | 3.1% | 308,194 | 2.2% | 72.4% |
| Consolidated net income | 1,532,751 | 8.8% | 1,284,190 | 9.2% | 19.4% |
| Controlling interest | 1,530,053 | 8.8% | 1,280,737 | 9.2% | 19.5% |
| Non-controlling interest | 2,698 | 0.0% | 3,453 | 0.0% | -21.9% |
| EBITDA | 4,653,082 | 26.8% | 3,525,567 | 25.2% | 32.0% |
| Free cash flow | 2,082,087 | 12.0% | 1,990,777 | 14.2% | 4.6% |

Statement of Financial Position (Thousands of pesos)

| | December 2017 | December 2016 | Variation |
|--|-------------------|-------------------|---------------|
| Total assets | 38,456,154 | 38,708,186 | -0.7% |
| Current Assets | 9,879,915 | 8,222,896 | 20.2% |
| Cash and cash equivalents | 4,608,972 | 3,396,868 | 35.7% |
| Accounts receivable, net | 1,807,276 | 1,518,792 | 19.0% |
| Other accounts receivable, net | 921,652 | 815,798 | 13.0% |
| Due from related parties | 53,942 | 53,159 | 1.5% |
| Inventories and urban land | 2,240,098 | 2,207,281 | 1.5% |
| Prepaid expenses | 247,975 | 230,998 | 7.3% |
| Non-current assets | 28,576,239 | 30,485,290 | -6.3% |
| Investment in associates | 193,884 | 160,800 | 20.6% |
| Property, machinery and equipment, net | 18,528,011 | 19,176,875 | -3.4% |
| Goodwill | 8,025,005 | 8,398,222 | -4.4% |
| Intangible assets, net | 1,202,838 | 1,351,111 | -11.0% |
| Other non-current assets | 107,445 | 160,354 | -33.0% |
| Deferred taxes | 519,056 | 1,237,928 | -58.1% |
| Total liabilities | 20,157,673 | 20,650,857 | -2.4% |
| Current liabilities | 3,691,826 | 3,207,339 | 15.1% |
| Current portion of long term debt | 339,342 | 79,816 | 325.2% |
| Trade accounts payable | 1,765,605 | 1,467,019 | 20.4% |
| Due to related parties | 28,394 | 16,996 | 67.1% |
| Short term - employee benefits | 501,297 | 492,275 | 1.8% |
| Accrued expenses and taxes other than income taxes | 958,115 | 1,044,446 | -8.3% |
| Provisions | 99,073 | 106,787 | -7.2% |
| Long-term liabilities | 16,465,847 | 17,443,518 | -5.6% |
| Long term debt | 13,173,007 | 14,217,493 | -7.3% |
| Employee benefits | 813,013 | 771,004 | 5.4% |
| Asset retirement obligation | 178,940 | 177,454 | 0.8% |
| Other long-term liabilities | 14,522 | 15,455 | -6.0% |
| Income taxes payable | 579,911 | 809,638 | -28.4% |
| Deferred income taxes | 1,706,454 | 1,452,474 | 17.5% |
| Total equity | 18,298,481 | 18,057,329 | 1.3% |
| Controlling interest | 18,297,892 | 18,051,455 | 1.4% |
| Capital stock | 396,270 | 396,270 | 0.0% |
| Additional paid-in capital | 1,832,940 | 1,832,940 | 0.0% |
| Reserves | 279,998 | 279,998 | 0.0% |
| Retained earnings | 11,884,900 | 10,810,068 | 9.9% |
| Net consolidated income | 1,530,053 | 1,280,737 | 19.5% |
| Other comprehensive income | 2,373,731 | 3,451,442 | -31.2% |
| Non-controlling interest | 589 | 5,874 | -90.0% |
| Total Liabilities and Equity | 38,456,154 | 38,708,186 | -0.7% |