

## ALFA Reports Continued 2Q10 Revenue Growth and Record-High EBITDA

San Pedro Garza García, N.L., Mexico. July 21, 2010.- ALFA, S.A.B. de C.V. (ALFA), one of the leading industrial companies in Mexico, today announced unaudited results for the second quarter of 2010 (2Q10). Revenues totaled U.S. \$2,670 million, 6% and 29% higher than 1Q10 and 2Q09. EBITDA was U.S. \$321 million, 14% higher than 1Q10 and 21% above 2Q09.

Commenting on the results for the quarter, Mr. Alvaro Fernandez, President of ALFA, said: *“This was another very good quarter. We reported record EBITDA, with all group companies contributing to our performance, particularly Alpek and Nemak, as we have been able to capitalize on management’s initiatives and recovery in our markets, primarily in North America and China. At Sigma, the success of our marketing and promotional initiatives produced record volumes despite relatively slow industry demand. Alestra, in turn, posted EBITDA growth based on our on-going expansion in the Value Added Service market.”*

The ALFA companies are supported by a strong balance sheet. Consolidated net debt was reduced by U.S. \$140 million during this quarter, after paying a U.S. \$70 million cash dividend during the period. Strong EBITDA and lower working capital needs further improved ALFA’s debt ratios, with net debt to EBITDA of 2.1 times and interest coverage of 4.4 times.

*“In summary, results are a clear reflection of ALFA’s competitive strengths and leading positions in its markets. The company has benefited from recovering economies and the steps taken last year by our strong management team to adjust rapidly to changing market conditions. Those steps have clearly had an impact on EBITDA and continue to contribute to ALFA’s profitability”,* concluded Mr. Fernandez.

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This release contains forward-looking information based on numerous variables and assumptions that are inherently uncertain. They involve judgments with respect to, among others, future economic, competitive and financial market conditions and future business decisions, all of which are difficult or impossible to predict accurately. Accordingly, results are likely to vary from those set forth in this release.

ALFA is a Mexican company comprising four business groups: Alpek (petrochemicals), Nemak (aluminum auto components), Sigma (refrigerated food) and Alestra (telecommunications). ALFA is the world’s leading manufacturer of high-tech aluminum engine heads and blocks. It is one of the world’s largest producers of PTA, a petrochemical product, and has a leading market share in other petrochemicals in Mexico. In addition, ALFA is Mexico’s leading producer of processed meats and cheese and one of the most important telecommunications services companies in Mexico. For 2009, ALFA reported revenues of U.S. \$8,536 million and EBITDA of U.S. \$1,055 million. Currently, ALFA has manufacturing operations in 16 countries and employs more than 52,000 people. ALFA’s shares are quoted on the Mexican Stock Exchange and on Latibex, the market for Latin American shares of the Madrid Stock Exchange.

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### Selected Financial Information

(U.S. \$ Millions)

	2Q10	1Q10	2Q09	Q/Q % Chg.	Y/Y % Chg.
<b>Consolidated Revenues</b>	<b>2,670</b>	<b>2,511</b>	<b>2,064</b>	<b>6.3%</b>	<b>29.4%</b>
Alpek	1,228	1,158	994	6.0%	23.5%
Nemak	730	674	419	8.3%	74.2%
Sigma	602	571	543	5.4%	10.9%
Alestra	89	87	88	2.3%	1.1%
<b>Consolidated EBITDA</b>	<b>321</b>	<b>281</b>	<b>266</b>	<b>14.5%</b>	<b>20.9%</b>
Alpek	127	103	107	22.9%	18.9%
Nemak	102	95	61	7.2%	66.0%
Sigma	67	66	74	1.2%	-9.7%
Alestra	28	27	26	2.9%	7.3%
<b>Majority Net Income</b>	<b>61</b>	<b>88</b>	<b>65</b>	<b>-30.7%</b>	<b>-6.2%</b>
<b>CAPEX</b>	<b>68</b>	<b>48</b>	<b>58</b>	<b>41.7%</b>	<b>17.2%</b>
<b>Net Debt</b>	<b>2,437</b>	<b>2,577</b>	<b>2,549</b>	<b>5.4%</b>	<b>4.4%</b>
Net Debt to EBITDA*	2.06	2.29	2.84		
Interest Coverage*	4.4	4.3	3.4		

\* LTM