

Monterrey, Mexico. October 17, 2019 – Alpek, S.A.B. de C.V. (BMV: ALPEK)

Alpek 3Q19 Reported EBITDA of U.S. \$194 million (U.S. \$213 million Comp. EBITDA)

Selected Financial Information

(U.S. \$ Millions)

	3Q19	2Q19	3Q18	(%) 3Q19 vs.		YTD19	YTD18	Ch.%
				2Q19	3Q18			
Total Volume (ktons)	1,118	1,121	1,174	-	(5)	3,325	3,341	-
Polyester	895	887	941	1	(5)	2,639	2,639	-
Plastics & Chemicals	223	234	233	(5)	(5)	686	702	(2)
Consolidated Revenues	1,523	1,643	1,941	(7)	(22)	4,809	5,232	(8)
Polyester	1,162	1,242	1,450	(6)	(20)	3,643	3,879	(6)
Plastics & Chemicals	345	375	451	(8)	(24)	1,096	1,313	(17)
Consolidated EBITDA	194	161	274	20	(29)	495	694	(29)
Polyester	129	96	198	35	(35)	305	472	(35)
Plastics & Chemicals	60	61	76	(1)	(21)	175	224	(22)
Profit Attributable to Controlling Interest	50	56	80	(10)	(37)	133	304	(56)
CAPEX and Acquisitions	49	38	37	31	34	155	564	(72)
Net Debt	2,036	2,084	1,603	(2)	27			
Net Debt/LTM EBITDA ⁽¹⁾	2.4	2.2	1.9					
Interest Coverage ⁽¹⁾	7.8	8.1	7.8					

(1) Times: Last 12 months

Operating & Financial Highlights (3Q19)

Alpek	<ul style="list-style-type: none"> 3Q19 Comparable EBITDA of U.S. \$213 million (+13% qoq and -9% yoy) Issued U.S. \$500 million bond (4.25% coupon) improving average debt maturity to 4.9 years Started operations at Altamira Cogeneration plant. Sale expected to be completed in 4Q19
Polyester	<ul style="list-style-type: none"> 3Q19 Comparable Polyester EBITDA of U.S. \$144 million (+17% qoq and -11% yoy) Reference polyester margin of U.S. \$304 per ton, above guidance (U.S. \$300 per ton) U.S. Px price fell to U.S. \$955 per ton in 3Q19, resulting in a smaller inventory loss vs. 2Q19
Plastics & Chemicals (P&C)	<ul style="list-style-type: none"> 3Q19 Comparable P&C EBITDA of U.S. \$65 million (+4% qoq and -12% yoy) P&C EBITDA mainly driven by strong and sustained Polypropylene (“PP”) results

This release contains forward-looking information based on numerous variables and assumptions that are inherently uncertain. They involve judgments with respect to, among other things, future economic, competitive and financial market conditions and future business decisions, all of which are difficult or impossible to predict accurately. Accordingly, results could vary from those set forth in this release. The report presents unaudited financial information based on International Financial Reporting Standards (IFRS). Figures are stated in nominal Mexican pesos (\$) and in current U.S. Dollars (U.S. \$), as indicated. Where applicable, peso amounts were translated into U.S. Dollars using the average exchange rate of the months during which operations were recorded. Financial ratios are calculated in U.S. Dollars. Due to the rounding up of figures, small differences may occur when calculating percent changes from one period to the other.

Message from the CEO

Alpek's third quarter 2019 Consolidated EBITDA was U.S. \$194 million, driven mainly by improved results from the Polyester segment versus last quarter. Reference polyester margins remained above Guidance throughout 3Q19, as volume increased slightly over the same period. Though paraxylene ("Px") price continued to fall, it did so at a slower rate throughout 3Q19 versus 2Q19, resulting in a lower non-cash inventory loss and negative raw material carry-forward effect ("RMCF"). The Plastics & Chemicals ("P&C") segment continued to post better-than-expected results based on both strong margins and solid demand. The net result of these effects was reflected in a quarterly Consolidated EBITDA increase of U.S. \$33 million.

Average Brent crude oil price declined from U.S. \$68 per barrel in 2Q19 to U.S. \$62 per barrel during 3Q19. Consequently, average U.S. reference Px price also contracted over the same time frame from U.S. \$1,077 per ton to U.S. \$955 per ton. This feedstock price reduction resulted in a U.S. \$16 million non-cash inventory loss for 3Q19, and a U.S. \$63 million non-cash inventory loss year-to-date. Px price appears to have recently stabilized at this lower level. Regarding P&C, propylene costs have remained relatively low with only a 3% quarter-on-quarter increase. Excluding inventory losses and other non-recurring items, Alpek's 3Q19 and YTD19 Comparable EBITDA was U.S. \$213 million and U.S. \$550 million, respectively.

Polyester segment EBITDA was U.S. \$129 million in 3Q19, including a U.S. \$13 million non-cash inventory loss and a U.S. \$2 million net loss from other non-recurring items. Adjusting for these effects, 3Q19 Comparable Polyester EBITDA was U.S. \$144 million, up 17% but down 11% when compared to 2Q19 and 3Q18, respectively. The increase versus 2Q19 was largely attributed to a smaller raw material carry-forward effect, while the drop versus 3Q18 is largely due to higher polyester margins at that time.

Plastics & Chemicals ("P&C") EBITDA was U.S. \$60 million in 3Q19. Adjusting for non-cash inventory losses of U.S. \$4 million, Comparable P&C EBITDA was U.S. \$65 million, up 4% quarter-on-quarter and down 12% year-on-year. P&C EBITDA generation continued to exceed expectations this quarter, largely supported by strong margins from the Polypropylene ("PP") segment, which offset sub-par caprolactam margins and performance during 3Q19. On a year-on-year basis, P&C Comparable EBITDA was down due to lower industry margins.

The decline in Px prices generated a U.S. \$18 million negative raw material carry-forward effect during 3Q19, and U.S. \$65 million year-to-date. Excluding this effect, and essentially considering a scenario with flat raw material prices, Alpek's 3Q19 and YTD19 Comparable EBITDA would have reached U.S. \$231 million and U.S. \$615 million, respectively.

On the investment front, 3Q19 Capex totaled U.S. \$49 million, mostly from the 350 MW Altamira cogeneration power plant and minor asset replacements. On September 10th, Alpek reported that it had met all regulatory requirements to officially start operations at the Altamira cogeneration facility. With this asset now under operation and generating income, the sale of the two power plants is expected to conclude before year-end.

As of quarter-end, 3Q19 Net Debt totaled U.S. \$2.036 billion and the leverage ratio (Net Debt to LTM EBITDA) was 2.4 times; up from 1.7 times at the close of 4Q18. Net debt decreased by U.S. \$48 million in 3Q19 driven by stronger cash flow generation, however LTM EBITDA dropped, as 3Q18 results, which benefitted from extraordinary polyester margins, were phased out of LTM figures. During the quarter, Alpek successfully issued a 10-year U.S. \$500 million bond at a coupon of 4.25%, a record low for the company. The proceeds were used to refinance short-term debt and extend average debt maturity from 2.7 to 4.9 years.

During 3Q19, Alpek also joined The Recycling Partnership (“TRP”), a non-profit organization focused on improving and widening recycling efforts in the United States via curbside collection and awareness programs. Through our participation in TRP, as well as our recent acquisitions in the recycled PET (“rPET”) market, Alpek continues to show its unwavering commitment towards the promotion of a circular economy for PET.

Alpek’s year-to-date Comparable EBITDA reflects strong operational performance across both segments. Better-than-expected reference margins for Polyester and P&C, as well as a lessening raw material carry-forward effect, have contributed to a second consecutive quarter with EBITDA improvement. During 4Q19, Alpek will focus its efforts on closing the sale of its cogeneration assets. Consequently, we reaffirm our 2019 EBITDA Guidance.

Results by Business Segment

Polyester

(Purified Terephthalic Acid (PTA), Polyethylene Terephthalate (PET), Polyester fibers – 75% of Alpek's Net Sales)

Third quarter 2019 Polyester revenue was down 6% quarter-on-quarter as the slight volume increase was offset by lower average prices. 3Q19 revenue was down 20% year-on-year mainly due to lower volume and feedstock prices versus 3Q18. Average 3Q19 polyester prices decreased 7% and 16% when compared to 2Q19 and 3Q18.

Polyester volume was 895 Ktons in 3Q19, up 1% but down 5% when compared to 2Q19 and 3Q18, respectively. The variation versus 3Q18 was mainly due to better-than-expected demand, which was a positive driver last year. On a year-to-date basis, Polyester volume has remained flat versus the same period in 2018.

3Q19 segment EBITDA was U.S. \$129 million, including a U.S. \$13 million non-cash inventory loss and a U.S. \$2 million net loss from other non-recurring items, as were legal fees and expenses. Adjusting for these concepts, 3Q19 Comparable Polyester EBITDA was U.S. \$144 million, up 17% but down 11% when compared to 2Q19 and 3Q18, respectively. 3Q19 Comparable EBITDA results also include a negative raw material carry-forward effect of U.S. \$18 million. However, this impact lessened in 3Q19, and we expect this trend to continue over the following months.

Plastics & Chemicals (P&C)

(Polypropylene (PP), Expandable Polystyrene (EPS), Caprolactam (CPL), Other products – 23% of Alpek's Net Sales)

3Q19 P&C revenue was down 8% and 24% quarter-on-quarter and year-on-year, respectively, as a result of lower volume and average prices. 3Q19 average P&C prices were down 3% and 20% when compared to those of 2Q19 and 3Q18, reflecting lower prices for feedstocks such as propylene and styrene.

Quarterly P&C volume decreased 5%, when compared to both 2Q19 and 3Q18. This reduction mainly derives from lower sales of caprolactam and commercialization of industrial chemicals. However, it is important to note that, while this commercialization impacts volume, its contribution towards EBITDA is relatively small. At the end of 3Q19, year-to-date P&C volume was down 2% versus 2018 for the same reasons.

Segment EBITDA was U.S. \$60 million in 3Q19, including a U.S. \$4 million non-cash inventory loss. Adjusting for the inventory loss, 3Q19 Comparable P&C EBITDA was U.S. \$65 million, up 4% quarter-on-quarter but down 12% when compared to 3Q18. The variation versus 2Q19 is mainly derived from improved PP performance, while subpar Caprolactam results explain the gap versus 3Q18.

Consolidated Financial Results

Net Sales: Net Sales for the third quarter totaled U.S. \$1.523 billion, 7% and 22% lower when compared to 2Q19 and 3Q18, respectively. 3Q19 average consolidated prices were down 7% and 18% quarter-on-quarter and year-on-year, mainly driven by lower feedstock prices. Accumulated net sales as of September 30, 2019 totaled U.S. \$4.809 billion, 8% lower versus the same period last year.

EBITDA: 3Q19 EBITDA was U.S. \$194 million, including a U.S. \$16 million non-cash inventory loss and a U.S. \$3 million net loss from other non-recurring items. Adjusting for these items, Comparable Consolidated EBITDA was U.S. \$213 million, versus U.S. \$189 million and U.S. \$234 million in 2Q19 and 3Q18, respectively. As of September 30, 2019, accumulated Consolidated EBITDA was U.S. \$495 million and accumulated Comparable EBITDA totaled U.S. \$550 million.

Profit (Loss) Attributable to Controlling Interest: Profit Attributable to Controlling Interest for the third quarter of 2019 was U.S. \$50 million, compared to U.S. \$56 million in 2Q19 and U.S. \$80 million in 3Q18. 3Q19 Profit Attributable to Controlling Interest decreased versus 2Q19 as a result of a higher financial cost. Accumulated Profit Attributable to Controlling Interest as of September 30, 2019 was U.S. \$133 million, down 56% when compared to the same period in 2018.

Capital Expenditures and Acquisitions (Capex): 3Q19 Capex was U.S. \$49 million, compared to U.S. \$38 million and U.S. \$37 million in 2Q19 and 3Q18, respectively. Most of these funds were invested in the 350 MW Altamira cogeneration power plant, and minor asset replacements. Accumulated Capex as of September 30, 2019 totaled U.S. \$155 million, down 72% when compared to the same period in 2018.

Net Debt: Consolidated Net Debt as of September 30, 2019 was U.S. \$2.036 billion, down 2% quarter-on-quarter but up 27% year-on-year. Net Debt decreased U.S. \$48 million during 3Q19 driven by stronger cash flow generation. As of September 30, 2019, Gross Debt was U.S. \$2.345 billion and Cash totaled U.S. \$309 million. Financial ratios at quarter-end 3Q19 were: Net Debt to EBITDA of 2.4 times and Interest Coverage of 7.8 times.

Appendix A - Tables

TABLE 1 | VOLUME (KTONS)

	3Q19	2Q19	3Q18	(% 3Q19 vs.)		YTD19	YTD18	Ch.%
				2Q19	3Q18			
Total Volume	1,118	1,121	1,174	-	(5)	3,325	3,341	-
Polyester	895	887	941	1	(5)	2,639	2,639	-
Plastics and Chemicals	223	234	233	(5)	(5)	686	702	(2)

TABLE 2 | PRICE CHANGES (%)

	(% 3Q19 vs.)		YTD19 vs.
	2Q19	3Q18	YTD18
Polyester			
Avg. Ps. Prices	(6)	(14)	(5)
Avg. U.S. \$ Prices	(7)	(16)	(6)
Plastics and Chemicals			
Avg. Ps. Prices	(2)	(18)	(14)
Avg. U.S. \$ Prices	(3)	(20)	(15)
Total			
Avg. Ps. Prices	(6)	(16)	(7)
Avg. U.S. \$ Prices	(7)	(18)	(8)

TABLE 3 | INCOME STATEMENT (U.S. \$ Millions)

	3Q19	2Q19	3Q18	(% 3Q19 vs.)		YTD19	YTD18	Ch.%
				2Q19	3Q18			
Total Revenues	1,523	1,643	1,941	(7)	(22)	4,809	5,232	(8)
Gross Profit	213	155	288	37	(26)	507	756	(33)
Operating expenses and others	(74)	(45)	(56)	(63)	(32)	(168)	(179)	6
Operating income	139	110	232	27	(40)	339	578	(41)
Financial cost, net	(59)	(19)	(81)	(220)	27	(100)	(96)	(4)
Income Tax	(16)	(22)	(50)	26	67	(66)	(119)	45
Consolidated net income	63	69	101	(9)	(37)	172	362	(52)
Controlling Interest	50	56	80	(10)	(37)	133	304	(56)

TABLE 4 | REVENUES

	3Q19	2Q19	3Q18	(% 3Q19 vs.)		YTD19	YTD18	Ch.%
				2Q19	3Q18			
Total Revenues								
Ps. Millions	29,560	31,425	36,833	(6)	(20)	92,552	99,721	(7)
U.S. \$ Millions	1,523	1,643	1,941	(7)	(22)	4,809	5,232	(8)
Domestic Revenues								
Ps. Millions	8,943	9,036	10,609	(1)	(16)	26,755	30,094	(11)
U.S. \$ Millions	461	472	559	(2)	(18)	1,390	1,580	(12)
Foreign Revenues								
Ps. Millions	20,617	22,389	26,224	(8)	(21)	65,797	69,627	(5)
U.S. \$ Millions	1,062	1,171	1,382	(9)	(23)	3,419	3,653	(6)
Foreign / Total (%)	70	71	71			71	70	

TABLE 5 | OPERATING INCOME AND EBITDA

	3Q19	2Q19	3Q18	(% 3Q19 vs.)		YTD19	YTD18	Ch.%
				2Q19	3Q18			
Operating Income								
Ps. Millions	2,706	2,099	4,407	29	(39)	6,527	11,035	(41)
U.S. \$ Millions	139	110	232	27	(40)	339	578	(41)
EBITDA								
Ps. Millions	3,771	3,077	5,200	23	(27)	9,532	13,252	(28)
U.S. \$ Millions	194	161	274	20	(29)	495	694	(29)

TABLE 6 | COMPARABLE EBITDA

	3Q19	2Q19	3Q18	(% 3Q19 vs.)		YTD19	YTD18	Ch.%
				2Q19	3Q18			
EBITDA								
Ps. Millions	3,771	3,077	5,200	23	(27)	9,532	13,252	(28)
U.S. \$ Millions	194	161	274	20	(29)	495	694	(29)
Adjustments*								
Ps. Millions	367	541	(762)	(32)	148	1,062	(1,373)	177
U.S. \$ Millions	19	28	(40)	(33)	147	55	(72)	177
Comparable EBITDA								
Ps. Millions	4,139	3,619	4,437	14	(7)	10,594	11,880	(11)
U.S. \$ Millions	213	189	234	13	(9)	550	622	(12)

*Adjustments: Inventory and non-operating, one-time (gains) losses

TABLE 7 | FINANCIAL COST, NET (U.S. \$ Millions)

	3Q19	2Q19	3Q18	(%) 3Q19 vs.		YTD19	YTD18	Ch.%
				2Q19	3Q18			
Financial Expenses	(39)	(35)	(33)	(13)	(20)	(109)	(84)	(29)
Financial Income	10	9	5	6	103	29	15	92
Net Financial Expenses	(29)	(25)	(28)	(16)	(5)	(80)	(70)	(15)
Fx Gains (Losses)	(30)	7	(53)	(541)	44	(20)	(27)	24
Financial Cost, Net	(59)	(19)	(81)	(220)	27	(100)	(96)	(4)

TABLE 8 | NET INCOME (U.S. \$ Millions)

	3Q19	2Q19	3Q18	(%) 3Q19 vs.		YTD19	YTD18	Ch.%
				2Q19	3Q18			
Consolidated Net Income	63	69	101	(9)	(37)	172	362	(52)
Non-Controlling Interest	13	14	21	(5)	(38)	39	58	(32)
Controlling Interest	50	56	80	(10)	(37)	133	304	(56)
Earnings per Share (U.S. Dollars)	0.02	0.03	0.04	(10)	(37)	0.06	0.14	(56)
Avg. Outstanding Shares (Millions)*	2,117	2,118	2,117			2,118	2,117	

* The same number of equivalent shares are considered in the periods presented

TABLE 9 | CASH FLOW (U.S. \$ Millions)

	3Q19	2Q19	3Q18	(%) 3Q19 vs.		YTD19	YTD18	Ch.%
				2Q19	3Q18			
EBITDA	194	161	274	20	(29)	495	694	(29)
Net Working Capital & Others	(2)	90	(125)	(102)	99	64	(275)	123
Capital Expenditures & Acq.	(49)	(38)	(37)	(31)	(34)	(155)	(564)	72
Financial Expenses	(34)	(32)	(30)	(6)	(14)	(97)	(79)	(24)
Income tax	(25)	(60)	(34)	58	27	(115)	(75)	(53)
Dividends	-	(2)	-	99	(61)	(181)	(28)	(537)
Payment to affiliated companies	2	8	-	(82)	100	10	10	(7)
Other Sources / Uses	(37)	(12)	(14)	(215)	(172)	(225)	(24)	(843)
Decrease (Increase) in Net Debt	48	116	34	(59)	42	(204)	(341)	40

TABLE 10 | STATEMENT OF FINANCIAL POSITION & FINANCIAL RATIOS (U.S. \$ Millions)

	3Q19	2Q19	3Q18	(%) 3Q19 vs.	
				2Q19	3Q18
Assets					
Cash and cash equivalents	309	287	229	8	35
Trade accounts receivable	597	703	942	(15)	(37)
Inventories	914	987	1,042	(7)	(12)
Other current assets	407	346	271	17	50
Total current assets	2,226	2,323	2,483	(4)	(10)
Investment in associates and others	454	448	97	1	367
Property, plant and equipment, net	2,410	2,443	2,453	(1)	(2)
Goodwill and intangible assets, net	211	217	208	(3)	1
Other non-current assets	601	577	488	4	23
Total assets	5,903	6,009	5,730	(2)	3
Liabilities & stockholders' equity					
Debt	115	592	280	(81)	(59)
Suppliers	713	833	1,094	(14)	(35)
Other current liabilities	412	333	285	24	44
Total current liabilities	1,239	1,757	1,659	(29)	(25)
Debt (include debt issuance cost)	2,041	1,603	1,547	28	33
Employees' benefits	58	58	54	-	8
Other long-term liabilities	438	473	631	(7)	(31)
Total liabilities	3,777	3,891	3,891	(3)	(3)
Total stockholders' equity	2,125	2,117	1,839	-	16
Total liabilities & stockholders' equity	5,903	6,009	5,730	(2)	3
Net Debt	2,036	2,084	1,603	(2)	27
Net Debt/EBITDA*	2.4	2.2	1.9		
Interest Coverage*	7.8	8.1	7.8		

* Times: last 12 months

Polyester

TABLE 11 | REVENUES

	3Q19	2Q19	3Q18	(%) 3Q19 vs.		YTD19	YTD18	Ch. %
				2Q19	3Q18			
Total Revenues								
P.s. Millions	22,553	23,749	27,510	(5)	(18)	70,126	73,936	(5)
U.S. \$ Millions	1,162	1,242	1,450	(6)	(20)	3,643	3,879	(6)
Domestic Revenues								
P.s. Millions	4,561	4,035	5,275	13	(14)	12,580	14,536	(13)
U.S. \$ Millions	235	211	278	11	(15)	653	763	(14)
Foreign Revenues								
P.s. Millions	17,992	19,715	22,235	(9)	(19)	57,545	59,399	(3)
U.S. \$ Millions	927	1,031	1,172	(10)	(21)	2,990	3,115	(4)
Foreign / Total (%)	80	83	81			82	80	

TABLE 12 | OPERATING INCOME AND EBITDA

	3Q19	2Q19	3Q18	(%) 3Q19 vs.		YTD19	YTD18	Ch. %
				2Q19	3Q18			
Operating Income								
P.s. Millions	1,675	1,064	3,117	57	(46)	3,506	7,222	(51)
U.S. \$ Millions	86	56	164	54	(48)	182	378	(52)
EBITDA								
P.s. Millions	2,516	1,830	3,768	38	(33)	5,886	9,018	(35)
U.S. \$ Millions	129	96	198	35	(35)	305	472	(35)

TABLE 13 | COMPARABLE EBITDA

	3Q19	2Q19	3Q18	(%) 3Q19 vs.		YTD19	YTD18	Ch. %
				2Q19	3Q18			
EBITDA								
P.s. Millions	2,516	1,830	3,768	38	(33)	5,886	9,018	(35)
U.S. \$ Millions	129	96	198	35	(35)	305	472	(35)
Adjustments*								
P.s. Millions	287	523	(706)	(45)	141	883	(1,241)	171
U.S. \$ Millions	15	27	(37)	(46)	140	46	(65)	170
Comparable EBITDA								
P.s. Millions	2,803	2,352	3,062	19	(8)	6,769	7,776	(13)
U.S. \$ Millions	144	123	161	17	(11)	351	407	(14)

*Adjustments: Inventory and non-operating, one-time (gains) losses

Plastics & Chemicals

TABLE 14 | REVENUES

	3Q19	2Q19	3Q18	(%) 3Q19 vs.		YTD19	YTD18	Ch. %
				2Q19	3Q18			
Total Revenues								
Ps. Millions	6,693	7,168	8,559	(7)	(22)	21,091	25,015	(16)
U.S. \$ Millions	345	375	451	(8)	(24)	1,096	1,313	(17)
Domestic Revenues								
Ps. Millions	4,202	4,553	5,253	(8)	(20)	13,069	15,476	(16)
U.S. \$ Millions	217	238	277	(9)	(22)	679	812	(16)
Foreign Revenues								
Ps. Millions	2,491	2,616	3,307	(5)	(25)	8,022	9,540	(16)
U.S. \$ Millions	128	137	174	(6)	(26)	417	501	(17)
Foreign / Total (%)	37	36	39			38	38	

TABLE 15 | OPERATING INCOME AND EBITDA

	3Q19	2Q19	3Q18	(%) 3Q19 vs.		YTD19	YTD18	Ch. %
				2Q19	3Q18			
Operating Income								
Ps. Millions	951	954	1,306	-	(27)	2,757	3,854	(28)
U.S. \$ Millions	49	50	69	(2)	(29)	143	202	(29)
EBITDA								
Ps. Millions	1,173	1,166	1,448	1	(19)	3,380	4,275	(21)
U.S. \$ Millions	60	61	76	(1)	(21)	175	224	(22)

TABLE 16 | COMPARABLE EBITDA

	3Q19	2Q19	3Q18	(%) 3Q19 vs.		YTD19	YTD18	Ch. %
				2Q19	3Q18			
EBITDA								
Ps. Millions	1,173	1,166	1,448	1	(19)	3,380	4,275	(21)
U.S. \$ Millions	60	61	76	(1)	(21)	175	224	(22)
Adjustments*								
Ps. Millions	81	18	(57)	340	243	179	(131)	236
U.S. \$ Millions	4	1	(3)	328	243	9	(6)	244
Comparable EBITDA								
Ps. Millions	1,254	1,185	1,391	6	(10)	3,559	4,144	(14)
U.S. \$ Millions	65	62	73	4	(12)	184	218	(15)

*Adjustments: Inventory and non-operating, one-time (gains) losses

Appendix B – Financial Statements

ALPEK, S.A.B. DE C.V. and Subsidiaries

STATEMENT OF FINANCIAL POSITION

Information in Millions of Mexican Pesos

(% Sep-19 vs.

	Sep-19	Jun-19	Sep-18	Jun-19	Sep-18
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	6,069	5,493	4,299	10	41
Restricted cash	3	3	3	-	-
Trade accounts receivable	11,714	13,470	17,713	(13)	(34)
Other accounts and notes receivable	6,630	5,535	3,232	20	105
Inventories	17,945	18,923	19,602	(5)	(8)
Other current assets	1,353	1,102	1,860	23	(27)
Total current assets	43,714	44,526	46,709	(2)	(6)
Investment in associates and others	8,919	8,593	1,828	4	388
Property, plant and equipment, net	47,322	46,824	46,150	1	3
Goodwill and intangible assets	4,138	4,166	3,922	(1)	6
Other non-current assets	11,811	11,068	9,183	7	29
Total assets	115,904	115,177	107,792	1	8
LIABILITIES AND STOCKHOLDER'S EQUITY					
CURRENT LIABILITIES:					
Debt	2,253	11,341	5,263	(80)	(57)
Suppliers	14,001	15,963	20,574	(12)	(32)
Other current liabilities	8,082	6,375	5,366	27	51
Total current liabilities	24,336	33,679	31,203	(28)	(22)
NON-CURRENT LIABILITIES:					
Debt (include debt issuance cost)	40,083	30,733	29,106	30	38
Deferred income taxes	3,873	4,562	4,382	(15)	(12)
Other non-current liabilities	4,736	4,497	7,486	5	(37)
Employees' benefits	1,143	1,121	1,012	2	13
Total liabilities	74,171	74,592	73,189	(1)	1
STOCKHOLDERS' EQUITY:					
Controlling interest:					
Capital stock	6,047	6,050	6,052	-	-
Share premium	9,077	9,098	9,071	-	-
Contributed capital	15,124	15,148	15,123	-	-
Earned surplus	21,522	20,729	14,391	4	50
Total controlling interest	36,646	35,877	29,514	2	24
Non-controlling interest	5,087	4,708	5,089	8	-
Total stockholders' equity	41,733	40,585	34,603	3	21
Total liabilities and stockholders' equity	115,904	115,177	107,792	1	8

ALPEK, S.A.B. DE C.V. and Subsidiaries

STATEMENT OF INCOME

Information in Millions of Mexican Pesos

	3Q19	2Q19	3Q18	(%) 3Q19 vs		YTD19	YTD18	(%) YTD19 vs YTD18
				2Q19	3Q18			
Revenues	29,560	31,425	36,833	(6)	(20)	92,552	99,721	(7)
Domestic	8,943	9,036	10,609	(1)	(16)	26,755	30,094	(11)
Export	20,617	22,389	26,224	(8)	(21)	65,797	69,627	(6)
Cost of sales	(25,417)	(28,460)	(31,365)	11	19	(82,786)	(85,273)	3
Gross profit	4,143	2,965	5,468	40	(24)	9,766	14,448	(32)
Operating expenses and others	(1,437)	(866)	(1,061)	(66)	(36)	(3,239)	(3,413)	5
Operating income	2,706	2,099	4,407	29	(39)	6,527	11,035	(41)
Financial result, net	(1,157)	(354)	(1,548)	(227)	25	(1,941)	(1,849)	(5)
Equity in income of associates and joint ventures	(7)	(1)	2	(879)	(428)	(11)	(7)	(58)
Income before taxes	1,542	1,744	2,861	(12)	(46)	4,575	9,179	(50)
Income taxes	(316)	(420)	(950)	25	67	(1,260)	(2,255)	44
Consolidated net income	1,226	1,324	1,911	(7)	(36)	3,315	6,924	(52)
Profit attributable to Controlling interest	976	1,064	1,516	(8)	(36)	2,557	5,818	(56)
Profit attributable to Non-controlling interest	250	260	395	(4)	(37)	758	1,106	(32)