

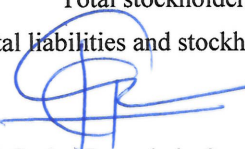
**Alpek, S. A. B. de C. V. and Subsidiaries**  
**(Subsidiary of Alfa, S. A. B. de C. V.)**

# **Consolidated Statements of Financial Position**

**As of March 31, 2019 and December 31, 2018**

**In millions of Mexican pesos**

	<b>As of March 31, 2019 (Unaudited)</b>	<b>As of December 31, 2018 (Audited)</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 4,447	\$ 4,168
Restricted cash	3	3
Trade and other accounts receivable, net	19,999	21,934
Inventories	20,610	24,511
Derivative financial instruments	34	30
Prepayments	408	469
Total current assets	<u>45,501</u>	<u>51,115</u>
Non-current assets:		
Property, plant and equipment, net	47,095	47,033
Goodwill and intangible assets, net	4,274	4,368
Right-of-use assets	3,323	-
Deferred income taxes	1,219	1,384
Derivative financial instruments	2	-
Prepayments	35	38
Other non-current assets	15,636	15,959
Total non-current assets	<u>71,584</u>	<u>68,782</u>
Total assets	<u><u>\$ 117,085</u></u>	<u><u>\$ 119,897</u></u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Debt	\$ 13,420	\$ 10,118
Lease liabilities	958	-
Trade and other accounts payable	20,193	26,051
Income taxes payable	1,146	1,279
Derivative financial instruments	619	1,047
Provisions	50	81
Total current liabilities	<u>36,386</u>	<u>38,576</u>
Non-current liabilities:		
Debt	30,228	30,012
Lease liabilities	2,395	-
Derivative financial instruments	262	283
Provisions	1,073	1,107
Deferred income taxes	4,657	4,752
Income taxes payable	421	469
Employee benefits	1,101	1,099
Other non-current liabilities	413	436
Total non-current liabilities	<u>40,550</u>	<u>38,158</u>
Total liabilities	<u>76,936</u>	<u>76,734</u>
Stockholders' equity		
Controlling interest:		
Capital stock	6,052	6,052
Share premium	9,106	9,106
Retained earnings	14,974	17,235
Other reserves	5,475	5,734
Total controlling interest	<u>35,607</u>	<u>38,127</u>
Non-controlling interest	4,542	5,036
Total stockholders' equity	<u>40,149</u>	<u>43,163</u>
Total liabilities and stockholders' equity	<u><u>\$ 117,085</u></u>	<u><u>\$ 119,897</u></u>

  
 José Carlos Pons de la Garza  
 Chief Financial Officer

**Alpek, S. A. B. de C. V. and Subsidiaries**  
**(Subsidiary of Alfa, S. A. B. de C. V.)**

**Consolidated Statements of Profit (Loss)**

**For the three months ended March 31, 2019 and 2018**

**In millions of Mexican pesos, except for earnings per share amounts**

	<u><b>Unaudited</b></u>	
	<b>2019</b>	<b>2018</b>
Revenues	\$ 31,567	\$ 28,746
Cost of sales	(28,910)	(24,943)
Gross profit	2,657	3,803
Selling expenses	(518)	(458)
Administrative expenses	(681)	(680)
Other income, net	264	30
Operating income	1,722	2,695
Financial income	179	110
Financial expenses	(663)	(436)
Gain due to exchange fluctuation, net	55	242
Financial result, net	(429)	(84)
Equity in loss of associates and joint ventures recognized using the equity method	(3)	(9)
Income before taxes	1,290	2,602
Income taxes	(525)	(664)
Net consolidated income	<u>\$ 765</u>	<u>\$ 1,938</u>
Income attributable to:		
Controlling interest	\$ 517	\$ 1,550
Non-controlling interest	248	388
	<u>\$ 765</u>	<u>\$ 1,938</u>
Earnings per basic and diluted share, in Mexican pesos	<u>\$ 0.24</u>	<u>\$ 0.73</u>
Weighted average outstanding shares (millions of shares)	<u>2,118</u>	<u>2,117</u>

José Carlos Pons de la Garza  
Chief Financial Officer

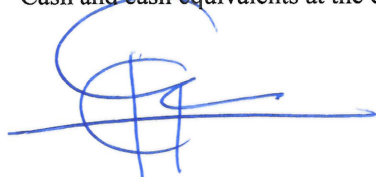
**Alpek, S. A. B. de C. V. and Subsidiaries**  
**(Subsidiary of Alfa, S. A. B. de C. V.)**

**Consolidated Statements of Cash Flows**

**For the three months ended March 31, 2019 and 2018**

**In millions of Mexican pesos**

	<u><b>Unaudited</b></u>	
	<b>2019</b>	<b>2018</b>
Cash flows from operating activities		
Income (loss) before income taxes	\$ 1,290	\$ 2,602
Depreciation and amortization	961	695
Impairment of long-lived assets	-	1
Allowance for doubtful accounts	30	8
Financial result, net	290	(4)
Statutory employee profit sharing, provisions and other items	(95)	16
Subtotal	2,476	3,318
Movements in working capital		
Decrease (increase) in trade receivables and other assets	1,485	(3,407)
Decrease (increase) in inventories	3,658	(672)
(Decrease) increase in trade and other accounts payable	(5,392)	2,576
Income taxes paid	(582)	(139)
Net cash flows generated from operating activities	1,645	1,676
Cash flows from investing activities		
Interest collected	81	91
Cash flows in acquisition of property, plant and equipment	(612)	(388)
Cash flows in acquisition of intangible assets	(5)	(9)
Cash flows in business acquisition, net of cash acquired	(672)	-
Investment in joint ventures and associates	(33)	(650)
Loans collected from related parties	-	1
Notes receivable	-	(553)
Collection of notes	20	17
Net cash flows used in investing activities	(1,221)	(1,491)
Cash flows from financing activities		
Proceeds from debt	4,109	193
Payments of debt	(51)	(943)
Payments of leases	(212)	-
Interest paid	(474)	(369)
Dividends paid by Alpek, S. A. B. de C. V.	(2,778)	-
Dividends paid to non-controlling interest	(659)	-
Reissuance of shares	-	17
Loan payments to related parties	(1)	-
Net cash flows used in financing activities	(66)	(1,102)
Net increase (decrease) in cash and cash equivalents	358	(917)
Effect of changes in exchange rates	(79)	(524)
Cash and cash equivalents at the beginning of the year	4,168	8,795
Cash and cash equivalents at the end of the period	<u>\$ 4,447</u>	<u>\$ 7,354</u>



José Carlos Pons de la Garza  
Chief Financial Officer