



**Alfa, S.A.B. de C.V. and Subsidiaries**

Unaudited Consolidated Financial Statements

September 30, 2017

## Alfa, S.A.B. de C.V. and Subsidiaries

### Unaudited Consolidated Statements of Financial Position

As of September 30, 2017 and 2016

(In millions of Mexican pesos)

	<u>2017</u>	<u>2016</u>		<u>2017</u>	<u>2016</u>
<b>Assets</b>			<b>Liabilities and Stockholders' equity</b>		
CURRENT ASSETS:			CURRENT LIABILITIES:		
Cash and Cash equivalents	\$ 23,646	22,655	Current portion of long-term debt	\$ 2,591	1,090
Customers	30,965	33,782	Current debt	11,149	6,187
Provision for impairment of customers	(4,785)	(3,712)	Suppliers	51,131	47,906
Other receivables	14,913	16,502	Derivative financial instruments	192	341
Derivative financial instruments	94	86	Other current liabilities	19,984	22,463
Inventories	40,515	39,466	<b>Total current liabilities</b>	<u>85,048</u>	<u>77,988</u>
Other assets	3,442	2,888			
<b>Total current assets</b>	<u>108,790</u>	<u>111,667</u>	NON-CURRENT LIABILITIES:		
			Non-current debt	130,865	131,038
DERIVATIVE FINANCIAL INSTRUMENTS	1	15	Derivative financial instruments	443	711
INVESTMENTS ACCOUNTED USING EQUITY METHOD	1,299	2,001	Other liabilities	5,317	6,506
OTHER INVESTMENTS	358	749	Deferred income tax	13,577	14,204
PROPERTY, PLANT AND EQUIPMENT, NET	143,556	138,070	Employees' benefits	4,626	4,304
GOODWILL AND INTANGIBLE ASSETS, NET	53,433	54,934	<b>Total non-current liabilities</b>	<u>154,828</u>	<u>156,762</u>
OTHER NON-CURRENT ASSETS	20,170	20,347	<b>Total liabilities</b>	<u>239,876</u>	<u>234,750</u>
			STOCKHOLDERS' EQUITY		
<b>TOTAL ASSETS</b>	<u>\$ 327,607</u>	<u>327,783</u>	Controlling interest:		
			Capital stock	212	213
			Retained earnings	65,445	69,657
			Total controlling interest	65,657	69,871
			Non-controlling interest	22,073	23,162
			<b>Total stockholders' equity</b>	<u>87,731</u>	<u>93,033</u>
			<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>\$ 327,605</u>	<u>327,783</u>

**Alfa, S.A.B. de C.V. and Subsidiaries**

## Unaudited Consolidated Statements of Income

For the nine months ended September 30, 2017 and 2016

(In millions of Mexican pesos)

	<u>2017</u>	<u>2016</u>
Revenue	\$ 236,282	\$ 217,069
Cost of sales	(189,467)	(166,649)
Gross profit	46,815	50,420
General expenses	(31,853)	(29,805)
Other expenses	(9,215)	(136)
Operating profit	5,748	20,479
Financial income, net	(4,690)	(11,346)
Share of income of investments accounted using the equity method	76	38
Profit before income tax	1,133	9,171
Income tax:		
Caused Income tax	(4,911)	(4,940)
Deferred income tax	3,191	1,678
<b>Net Consolidated profit</b>	<b>\$ (587)</b>	<b>5,908</b>
<b>Controlling interest</b>	<b>(1,462)</b>	<b>3,590</b>
<b>Non-controlling interest</b>	<b>875</b>	<b>2,319</b>

## Alfa, S.A.B. de C.V. and Subsidiaries

### Unaudited Consolidated Statements of Cash Flows

For the nine months ended September 30, 2017 and 2016

(In millions of Mexican pesos)

	2017	2016
<u>Cash flow from operating activities:</u>		
Profit before tax	\$ 1,133	\$ 9,171
Depreciation and Amortization	21,814	12,066
Profit on sale of property, plant and equipment	(484)	(2)
Interest collectible	5,792	5,058
Effect of changes in fair value of derivative financial instruments	57	(23)
Foreing exchange, net	0	0
Other, net	(533)	5,397
Total	27,779	31,668
Decrease in customers and other accounts receivable	(1,447)	(2,260)
Increase (decrease) in inventory	(1,531)	(2,132)
Decrease in suppliers	(0)	1,943
Decrease in other accounts payable	(6,172)	(5,891)
<b>Net cash generated from operating activities</b>	<b>18,628</b>	<b>23,325</b>
<u>Cash flows from investing activities</u>		
Interest received	308	311
Acquisition of property, plant and equipment	(15,482)	(18,451)
Investments in shares	(1,913)	(506)
Business acquisitions	0	0
Other assets	(500)	(2,229)
<b>Net cash received (used) in investing activities</b>	<b>(17,586)</b>	<b>(20,875)</b>
<u>Cash flows from financig activities</u>		
Proceeds from borrowings or debt	33,970	33,742
Payments of borrowings or debt	(21,805)	(31,418)
Increase of borrowings or debt	12,165	2,324
Dividends paid by Alfa, S.A.B. de C.V.	(4,821)	(5,373)
Interest paid	(6,342)	(5,955)
Other	(1,132)	3,013
<b>Cash received (used) in financig activities</b>	<b>(130)</b>	<b>(5,992)</b>
Increase (decrease) in cash and cash equivalents	912	(3,542)
Exchange gains on cash and cash equivalents	(1,899)	1,345
Cash and cash equivalents at beginning of year	24,633	24,852
<b>Cash and cash equivalents at end of the period</b>	<b>23,646</b>	<b>22,655</b>