



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

Unaudited Consolidated Financial Statements

March 31, 2016

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

## Unaudited Consolidated Statements of Financial Position

As of March 31, 2016 and 2015

(In millions of Mexican pesos)

|   | 2016              | 2015           |   | 2016              | 2014           |
|---|-------------------|----------------|---|-------------------|----------------|
| <b>Assets</b>                             |                   |                | <b>Liabilities and Stockholders' equity</b>       |                   |                |
| CURRENT ASSETS:                           |                   |                | CURRENT LIABILITIES:                              |                   |                |
| Cash and Cash equivalents                 | \$ 18,995         | 22,884         | Current portion of long-term debt                 | \$ 3,928          | 11,374         |
| Customers                                 | 31,715            | 23,353         | Current debt                                      | 5,502             | 8,143          |
| Provision for impairment of customers     | (3,572)           | (940)          | Suppliers   | 38,749            | 33,101         |
| Other receivables                         | 12,848            | 9,684          | Derivative financial instruments                  | 502               | 608            |
| Derivative financial instruments          | 36                | 84             | Other current liabilities                         | 19,723            | 15,532         |
| Inventories                               | 35,062            | 30,389         |   |                   |                |
| Other assets                              | 3,376             | 4,045          | <b>Total current liabilities</b>                  | <b>68,404</b>     | <b>68,759</b>  |
|   |                   |                |   |                   |                |
| <b>Total current assets</b>               | <b>98,461</b>     | <b>89,499</b>  | NON-CURRENT LIABILITIES:                          |                   |                |
|   |                   |                | Non-current debt                                  | 116,445           | 82,685         |
| DERIVATIVE FINANCIAL INSTRUMENTS          | 0                 | 58             | Derivative financial instruments                  | 719               | 1,598          |
|   |                   |                | Other liabilities                                 | 6,003             | 4,644          |
| INVESTMENTS ACCOUNTED USING EQUITY METHOD | 1,924             | 1,375          | Deferred income tax                               | 12,282            | 9,775          |
|   |                   |                | Employees' benefits                               | 3,875             | 3,025          |
| OTHER INVESTMENTS                         | 293               | 298            |   |                   |                |
|   |                   |                | <b>Total non-currents liabilities</b>             | <b>139,324</b>    | <b>101,727</b> |
| PROPERTY, PLANT AND EQUIPMENT, NET        | 124,047           | 93,447         |   |                   |                |
|   |                   |                | <b>Total liabilities</b>                          | <b>207,728</b>    | <b>170,485</b> |
| GOODWILL AND INTANGIBLE ASSETS, NET       | 47,638            | 38,633         | STOCKHOLDERS' EQUITY                              |                   |                |
|   |                   |                | Controlling interest:                             |                   |                |
| OTHER NON-CURRENT ASSETS                  | 19,877            | 13,229         | Capital stock                                     | 205               | 207            |
|   |                   |                | Retained earnings                                 | 63,215            | 52,030         |
|   |                   |                |   |                   |                |
|   |                   |                | Total controlling interest                        | 63,421            | 52,237         |
|   |                   |                | Non-controlling interest                          | 21,091            | 13,817         |
|   |                   |                |   |                   |                |
|   |                   |                | <b>Total stockholders' equity</b>                 | <b>84,512</b>     | <b>66,054</b>  |
|   |                   |                |   |                   |                |
| <b>TOTAL ASSETS</b>                       | <b>\$ 292,240</b> | <b>236,539</b> | <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b> | <b>\$ 292,240</b> | <b>236,539</b> |

**Alfa, S.A.B. de C.V. and subsidiaries**  
 Unaudited Consolidated Statements of Income

For the three months ended March 31, 2016 and 2015  
 (In millions of Mexican pesos)

|  | <u>2016</u>            | <u>2015</u>                     |
|--|------------------------|---------------------------------|
| Revenue  | \$ 68,628              | \$ 61,122                       |
| Cost of sales  | <u>(52,584)</u>        | <u>(48,938)</u>                 |
| Gross profit   | 16,044                 | 12,184                          |
| General expenses   | (9,219)                | (7,442)                         |
| Other expenses   | <u>(63)</u>            | <u>(218)</u>                    |
| Operating profit   | 6,761                  | 4,524                           |
| Financial costs, net   | (1,946)                | (6,244)                         |
| Share of losses of investments accounted using the equity method | (12)                   | (83)                            |
| Profit before income tax   | 4,803                  | (1,803)                         |
| Income tax:  |                        |                                 |
| Caused Income tax  | (1,681)                | (1,572)                         |
| Deferred income tax  | 662                    | 1,939                           |
| <b>Net Consolidated profit</b>                                   | <b>\$ <u>3,784</u></b> | <b>\$ <u><u>(1,436)</u></u></b> |
| <b>Controlling interest</b>                                      | <b><u>2,538</u></b>    | <b><u>(1,871)</u></b>           |
| <b>Non-controlling interest</b>                                  | <b><u>1,247</u></b>    | <b><u>435</u></b>               |

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

## Unaudited Consolidated Statements of Cash Flows

For the three months ended March 31, 2016 and 2015

(In millions of Mexican pesos)

|   | 2016           | 2015           |
|---|----------------|----------------|
| <u>Cash flow from operating activities:</u>                         |                |                |
| Profit before tax   | \$ 4,803       | \$ (1,803)     |
| Depreciation and Amortization                                       | 3,683          | 3,393          |
| Profit on sale of property, plant and equipment                     | (2)            | (380)          |
| Interest collectible  | 1,709          | 1,186          |
| Effect of changes in fair value of derivative financial instruments | (49)           | 34             |
| Foreing exchange, net   | 0              | 0              |
| Other, net  | (238)          | 5,077          |
| Total   | 9,906          | 7,507          |
| Decrease in customers and other accounts receivable                 | (1,366)        | (730)          |
| Increase (decrease) in inventory                                    | (221)          | (330)          |
| Decrease in suppliers   | (3,888)        | (1,284)        |
| Decrease in other accounts payable                                  | (3,297)        | (1,840)        |
| <b>Net cash generated from operating activities</b>                 | <b>1,135</b>   | <b>3,323</b>   |
| <u>Cash flows from investing activities</u>                         |                |                |
| Interest received   | 145            | 74             |
| Acquisition of property, plant and equipment                        | (5,474)        | (2,783)        |
| Investments in shares   | (178)          | (606)          |
| Business acquisitions   | 0              | 0              |
| Other assets  | 237            | 441            |
| <b>Net cash received (used) in investing activities</b>             | <b>(5,270)</b> | <b>(2,873)</b> |
| <u>Cash flows from financig activities</u>                          |                |                |
| Proceeds from borrowings or debt                                    | 26,065         | 14,354         |
| Payments of borrowings or debt                                      | (21,308)       | (6,220)        |
| Increase of borrowings or debt                                      | 4,758          | 8,134          |
| Dividends paid by Alfa, S.A.B. de C.V.                              | (3,935)        | (407)          |
| Interest paid   | (2,732)        | (1,254)        |
| Other   | 733            | (555)          |
| <b>Cash received (used) in financig activities</b>                  | <b>(1,176)</b> | <b>5,918</b>   |
| Increase (decrease) in cash and cash equivalents                    | (5,311)        | 6,368          |
| Exchange gains on cash and cash equivalents                         | (545)          | (153)          |
| Cash and cash equivalents at beginning of year                      | 24,852         | 16,669         |
| <b>Cash and cash equivalents at end of the period</b>               | <b>18,995</b>  | <b>22,884</b>  |