



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

Unaudited Consolidated Financial Statements

March 31, 2018

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

### Unaudited Consolidated Statements of Financial Position

As of March 31, 2018 and 2017

(In millions of Mexican pesos)

	<u>2018</u>	<u>2017</u>		<u>2018</u>	<u>2017</u>
<b>Assets</b>			<b>Liabilities and Stockholders' equity</b>		
CURRENT ASSETS:			CURRENT LIABILITIES:		
Cash and Cash equivalents	\$ 32,784	20,286	Current portion of long-term debt	\$ 2,609	479
Customers	35,046	30,602	Current debt	12,537	11,297
Provision for impairment of customers	(5,088)	(2,543)	Suppliers	57,307	50,421
Other receivables	13,732	13,900	Derivative financial instruments	472	128
Derivative financial instruments	99	110	Other current liabilities	<u>21,760</u>	<u>20,089</u>
Inventories	44,775	41,186	<b>Total current liabilities</b>	<u>94,685</u>	<u>82,414</u>
Other assets	<u>2,869</u>	<u>2,049</u>			
<b>Total current assets</b>	<u>124,216</u>	<u>105,590</u>	NON-CURRENT LIABILITIES:		
			Non-current debt	143,580	127,861
DERIVATIVE FINANCIAL INSTRUMENTS	0	0	Derivative financial instruments	518	590
INVESTMENTS ACCOUNTED USING EQUITY METHOD	2,146	2,075	Other liabilities	5,108	6,392
OTHER INVESTMENTS	474	353	Deferred income tax	12,006	14,998
PROPERTY, PLANT AND EQUIPMENT, NET	145,981	141,775	Employees' benefits	<u>4,948</u>	<u>4,392</u>
GOODWILL AND INTANGIBLE ASSETS, NET	53,523	57,655	<b>Total non-current liabilities</b>	<u>166,161</u>	<u>154,232</u>
OTHER NON-CURRENT ASSETS	<u>22,674</u>	<u>21,749</u>	<b>Total liabilities</b>	<u>260,846</u>	<u>236,646</u>
			STOCKHOLDERS' EQUITY		
			Controlling interest:		
<b>TOTAL ASSETS</b>	<u>\$ 349,016</u>	<u>329,197</u>	Capital stock	211	212
			Retained earnings	<u>65,393</u>	<u>68,607</u>
			Total controlling interest	65,604	68,819
			Non-controlling interest	<u>22,566</u>	<u>23,734</u>
			<b>Total stockholders' equity</b>	<u>88,170</u>	<u>92,553</u>
			<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>\$ 349,016</u>	<u>329,197</u>

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

## Unaudited Consolidated Statements of Income

For the three months ended March 31, 2018 and 2017

(In millions of Mexican pesos)

	2018	2017
Revenue	\$ 85,850	\$ 81,381
Cost of sales	(68,198)	(64,555)
Gross profit	17,652	16,826
General expenses	(11,061)	(10,649)
Other expenses	455	(200)
Operating profit	7,046	5,977
Financial income, net	(148)	2,269
Share of income of investments accounted using the equity method	88	45
Profit before income tax	6,986	8,292
Income tax:		
Caused Income tax	(2,132)	(3,519)
Deferred income tax	83	(121)
<b>Net Consolidated profit</b>	<b>\$ 4,938</b>	<b>4,652</b>
<b>Controlling interest</b>	<b>3,554</b>	<b>3,106</b>
<b>Non-controlling interest</b>	<b>1,384</b>	<b>1,546</b>

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

### Unaudited Consolidated Statements of Cash Flows

For the three months ended March 31, 2018 and 2017

(In millions of Mexican pesos)

	2018	2017
<u>Cash flow from operating activities:</u>		
Profit before tax	\$ 6,986	\$ 8,292
Depreciation and Amortization	4,741	4,771
Profit on sale of property, plant and equipment	(372)	10
Interest collectible	2,231	2,305
Effect of changes in fair value of derivative financial instruments	5	28
Foreing exchange, net	0	0
Other, net	(2,525)	(4,983)
Total	11,066	10,424
Decrease in customers and other accounts receivable	(6,036)	2,135
Increase (decrease) in inventory	(2,094)	(2,415)
Decrease in suppliers	(1,799)	196
Decrease in other accounts payable	959	(6,538)
<b>Net cash generated from operating activities</b>	<b>2,095</b>	<b>3,800</b>
<u>Cash flows from investing activities</u>		
Interest received	236	125
Acquisition of property, plant and equipment	(3,562)	(6,057)
Investments in shares	(0)	(19)
Business acquisitions	0	0
Other assets	(460)	(590)
<b>Net cash received (used) in investing activities</b>	<b>(3,786)</b>	<b>(6,540)</b>
<u>Cash flows from financig activities</u>		
Proceeds from borrowings or debt	21,864	11,856
Payments of borrowings or debt	(12,874)	(3,791)
Increase of borrowings or debt	8,990	8,065
Dividends paid by Alfa, S.A.B. de C.V.	(3,145)	(4,066)
Interest paid	(2,935)	(2,791)
Other	4	(902)
<b>Cash received (used) in financig activities</b>	<b>2,915</b>	<b>306</b>
Increase (decrease) in cash and cash equivalents	1,224	(2,434)
Exchange gains on cash and cash equivalents	(1,253)	(1,913)
Cash and cash equivalents at beginning of year	32,813	24,633
<b>Cash and cash equivalents at end of the period</b>	<b>32,784</b>	<b>20,286</b>