

PRESS RELEASE

Alpek entered into a joint venture to acquire M&G's Corpus Christi Project

Monterrey, Mexico. March 21, 2018 – ALFA, S.A.B. de C.V. (ALFA), announced today that its subsidiary Alpek, S.A.B. de C.V. ("Alpek"), in conjunction with Indorama Ventures Holdings LP ("Indorama") and Far Eastern Investment (Holding) Limited ("Far Eastern"), recently constituted the society Corpus Christi Polymers LLC ("CC Polymers"), which has entered into an asset purchase agreement with M&G USA Corp. and its affiliated debtors ("M&G") whereby CC Polymers will acquire the integrated PTA-PET plant currently under construction in Corpus Christi, Texas (the "Corpus Christi Project"), certain M&G intellectual property, and a desalination/boiler plant providing water and steam to the Corpus Christi Project. The purchase agreement provides M&G with a binding bid of \$1.125 billion in cash and other capital contributions.

The Corpus Christi Project is an integrated PTA-PET plant currently under development that, when completed, will have nominal capacity of 1.1 million and 1.3 million metric tons per year of PET and PTA, respectively. The plant is expected to be the largest single line vertically integrated PTA-PET production facility in the world and the largest PTA plant in the Americas.

Pursuant to the terms of the newly formed joint venture:

- The parties will provide resources to CC Polymers to complete the project in the most efficient and cost effective way. A timeline for project completion will be communicated at a later stage.
- Each of Alpek, Indorama, and Far Eastern will have the right to receive one-third of the capacity of PTA and PET produced at the Corpus Christi Project upon completion. Each party will independently procure its raw materials and will independently sell and distribute their corresponding PTA and PET.

The closing of the transaction is subject to conditions precedent including approval by the bankruptcy court and applicable governmental authorities.

PJT Partners is serving as financial advisor and Weil, Gotshal & Manges LLP is serving as legal advisor to Alpek. HSBC is serving as financial advisor and Lowenstein Sandler LLP is serving as legal advisor to Indorama. Morgan Stanley is serving as financial advisor and Duane Morris LLP is serving as legal advisor to Far Eastern.

About Alpek

Alpek is a leading petrochemical company operating two business segments: "Polyester" (PTA, PET and polyester fibers), and "Plastics & Chemicals" (polypropylene, expandable polystyrene, caprolactam, and other specialty and industrial chemicals). Alpek is an integrated producer of PTA and PET in North America, the largest expandable polystyrene manufacturer in the Americas, and the only producer of caprolactam in Mexico. Alpek also operates one of the largest polypropylene facilities in North America. In 2017, Alpek reported revenues of U.S. \$5.2 billion and EBITDA of U.S. \$384 million. The Company operates 23 plants in the United States, Mexico, Canada, Brazil, Argentina and Chile, and employs more than 5,000 people. Alpek is a publicly traded company listed on the Mexican Stock Exchange.

About ALFA

ALFA is a holding company that manages a portfolio of diversified subsidiaries: Sigma, a leading multinational refrigerated food company, focused on the production, marketing and distribution of quality foods through recognized brands in Mexico, Europe, United States and Latin America. Alpek, one of the world's largest producers of polyester (PTA, PET and fibers), and the leader in the Mexican market for polypropylene, expandable polystyrene (EPS) and caprolactam. Nemak, a leading provider of innovative lightweighting solutions for the global automotive industry, specializing in the development and manufacturing of aluminum components for powertrain, structural components and for electric vehicles. Axtel, a provider of Information Technology (IT) and Communication services for the enterprise, government and mass market in Mexico. Newpek, an oil and gas exploration and production company with operations in Mexico and the United States. In 2017, ALFA reported revenues of Ps. 317,627 million (U.S. \$16.8 billion), and EBITDA1 of Ps. 38,312 million (U.S. \$2.0 billion). ALFA's shares are quoted on the Mexican Stock Exchange and on Latibex, the market for Latin American shares of the Madrid Stock Exchange.

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