



PRESS RELEASE

ALFA consolidates results of Campofrio Food Group (CFG)

Revenues and EBITDA increased 16% and 11% vis-a-vis 3Q13

Monterrey, N.L., Mexico. October 14, 2014.- ALFA, S.A.B de C.V. ("ALFA") announced today unaudited financial results for the quarter ended September 30, 2014 ("3Q14"). Revenues were 16 % higher year-on-year, while EBITDA¹ increased 11%, reaching U.S. \$4,663 million and U.S. \$546 million, respectively. The consolidation of CFG was primarily responsible for the increases during the quarter. Excluding CFG, 3Q14 consolidated revenues and EBITDA were flat with 3Q13.

Commenting on the quarter's results, Mr. Alvaro Fernandez, ALFA's President, said: "Nemak continued to benefit from favorable automotive market conditions. Sigma posted healthy organic results and consolidated Campofrio for the first time. Alestra and Newpek both reported solid results. In turn, Alpek posted a second consecutive quarter showing improved EBITDA generation despite volatility in the polyester markets". 3Q14 Capital Expenditures and acquisitions amounted to U.S. \$324 million. Resources were invested in several key projects including Alpek's contribution to M&G's Corpus Christi PTA/PET plant, Nemak's additional casting and machining capabilities, Sigma's replacement of fixed assets and distribution equipment, infrastructure and equipment in Alestra, and the drilling of new wells at Newpek.

As of September 30, 2014, ALFA's Net Debt totaled U.S. \$5,163 million, U.S. \$2,175 million higher than 3Q13. There are two main reasons for the increase: first, the acquisition of CFG, as Sigma raised approximately U.S. \$600 million and also assumed U.S. \$597 million corresponding to CFG's debt; second, the issuance by ALFA of a U.S. \$1 billion long-term bond in March, 2014. Even taking this increase into account, ALFA's financial condition remained strong, as shown by the following ratios: Net Debt to EBITDA was 2.6 times and Interest Coverage was 5.8 times. Furthermore, proforma Net Debt to EBITDA ratio considering CFG's last twelve months EBITDA was 2.5 times.

Majority Net Income totaled U.S. \$55 million in 3Q14, lower than U.S. \$170 million in 3Q13. The decrease is explained mainly by foreign exchange losses due to the peso depreciation in the quarter.

SELECTED FINANCIAL INFORMATION (U.S. \$ MILLIONS)

	3Q14	3Q13	2Q14	Ch.% vs. 3Q13	Ch.% vs. 2Q14	YTD '14	YTD '13	YTD Chg. %
CONSOLIDATED REVENUES	4,663	4,030	4,024	16	16	12,582	12,011	5
Alpek	1,633	1,783	1,615	(8)	1	4,825	5,419	(11)
Nemak	1,141	1,103	1,202	3	(5)	3,548	3,292	8
Sigma	1,712	980	1,037	75	65	3,702	2,838	30
Alestra	104	97	103	7	1	306	290	5
Newpek	47	37	42	28	12	128	99	30
CONSOLIDATED EBITDA	546	491	510	11	7	1,515	1,477	3
Alpek	131	158	126	(17)	4	362	440	(18)
Nemak	162	156	193	4	(16)	543	471	15
Sigma	185	131	135	42	37	437	393	11
Alestra	43	40	41	8	4	122	133	(8)
Newpek	33	24	30	37	9	89	69	29
MAJORITY NET INCOME	55	170	147	(68)	(63)	331	384	(14)
CAPEX & ACQUISITIONS	324	234	408	38	(21)	968	811	19
NET DEBT	5,163	2,988	4,259	73	21	5,163	2,988	73
Net Debt to LTM EBITDA*	2.6	1.6	2.2			2.6	1.6	
Interest Coverage*	5.8	6.9	6.1			5.8	6.9	

*Times. LTM= Last 12 months

¹ EBITDA = operating income + depreciation and amortization + non-recurring items.

ALFA is the largest independent producer of aluminum engine components for the automotive industry in the world, and one of the world's largest producers of polyester (PTA, PET and fibers). In addition, it leads the Mexican market in petrochemicals such as polypropylene, expandable polystyrene and caprolactam. It is the leading maker of processed meats in North America, and of cheese in Mexico, as well as a leading company in information technology and communications services for the business segment in this country. Since 2006, it participates in the hydrocarbon industry in the U.S. In 2013, ALFA reported revenues of Ps. 203,456 million (U.S. \$15.9 billion), and EBITDA of Ps. 24,534 million (U.S. \$1.9 billion). Currently, ALFA has manufacturing operations in 23 countries and employs 68,000 people. 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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