



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

Unaudited Consolidated Financial Statements

June 30, 2016

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

Unaudited Consolidated Statements of Financial Position

As of June 30, 2016 and 2015

(In millions of Mexican pesos)

	<u>2016</u>	<u>2015</u>		<u>2016</u>	<u>2015</u>
Assets			Liabilities and Stockholders' equity		
CURRENT ASSETS:			CURRENT LIABILITIES:		
Cash and Cash equivalents	\$ 21,097	17,615	Current portion of long-term debt	\$ 1,498	4,413
Customers	35,266	25,423	Current debt	5,693	9,680
Provision for impairment of customers	(3,653)	(986)	Suppliers	43,186	36,517
Other receivables	12,337	8,745	Derivative financial instruments	408	313
Derivative financial instruments	18	79	Other current liabilities	<u>21,626</u>	<u>17,466</u>
Inventories	38,174	31,940	Total current liabilities	<u>72,411</u>	<u>68,389</u>
Other assets	<u>3,342</u>	<u>4,063</u>			
Total current assets	<u>106,580</u>	<u>86,880</u>	NON-CURRENT LIABILITIES:		
			Non-current debt	127,808	89,096
DERIVATIVE FINANCIAL INSTRUMENTS	2	23	Derivative financial instruments	611	1,729
INVESTMENTS ACCOUNTED USING EQUITY METHOD	1,983	1,601	Other liabilities	6,383	4,269
OTHER INVESTMENTS	465	298	Deferred income tax	13,493	10,508
PROPERTY, PLANT AND EQUIPMENT, NET	132,155	96,584	Employees' benefits	<u>4,118</u>	<u>3,182</u>
GOODWILL AND INTANGIBLE ASSETS, NET	52,143	40,711	Total non-currents liabilities	<u>152,414</u>	<u>108,785</u>
OTHER NON-CURRENT ASSETS	<u>20,965</u>	<u>13,705</u>	Total liabilities	<u>224,824</u>	<u>177,174</u>
TOTAL ASSETS	<u>\$ 314,293</u>	<u>239,803</u>	STOCKHOLDERS' EQUITY		
			Controlling interest:		
			Capital stock	213	207
			Retained earnings	<u>67,701</u>	<u>51,969</u>
			Total controlling interest	67,915	52,176
			Non-controlling interest	<u>21,554</u>	<u>10,453</u>
			Total stockholders' equity	<u>89,469</u>	<u>62,629</u>
			TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 314,293</u>	<u>239,803</u>

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

For the six months ended June 30, 2016 and 2015
 (In millions of Mexican pesos)

	2016	2015
Revenue	\$ 141,746	\$ 125,715
Cost of sales	(107,812)	(99,189)
Gross profit	33,935	26,526
General expenses	(19,465)	(15,426)
Other expenses	(266)	511
Operating profit	14,204	11,610
Financial costs, net	(7,780)	(8,851)
Share of losses of investments accounted using the equity method	11	(352)
Profit before income tax	6,435	2,408
Income tax:		
Caused Income tax	(3,428)	(3,204)
Deferred income tax	1,981	2,240
Net Consolidated profit	\$ 4,988	1,444
Controlling interest	3,355	941
Non-controlling interest	1,633	503

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

Unaudited Consolidated Statements of Cash Flows

For the six months ended June 30, 2016 and 2015

(In millions of Mexican pesos)

	2016	2015
<u>Cash flow from operating activities:</u>		
Profit before tax	\$ 6,435	\$ 2,408
Depreciation and Amortization	7,838	6,337
Profit on sale of property, plant and equipment	0	(375)
Interest collectible	3,373	2,355
Effect of changes in fair value of derivative financial instruments	(33)	189
Foreing exchange, net	0	0
Other, net	3,546	5,803
Total	21,160	16,718
Decrease in customers and other accounts receivable	(839)	(2,105)
Increase (decrease) in inventory	(1,663)	(1,104)
Decrease in suppliers	(1,387)	944
Decrease in other accounts payable	(4,697)	(664)
Net cash generated from operating activities	12,574	13,790
<u>Cash flows from investing activities</u>		
Interest received	229	149
Acquisition of property, plant and equipment	(11,773)	(6,369)
Investments in shares	(250)	(632)
Business acquisitions	0	0
Other assets	(1,212)	9,074
Net cash received (used) in investing activities	(13,006)	2,222
<u>Cash flows from financig activities</u>		
Proceeds from borrowings or debt	30,002	15,047
Payments of borrowings or debt	(26,908)	(9,117)
Increase of borrowings or debt	3,094	5,930
Dividends paid by Alfa, S.A.B. de C.V.	(5,261)	(3,323)
Interest paid	(4,147)	(2,493)
Other	2,158	(15,623)
Cash received (used) in financig activities	(4,156)	(15,510)
Increase (decrease) in cash and cash equivalents	(4,589)	501
Exchange gains on cash and cash equivalents	834	445
Cash and cash equivalents at beginning of year	24,852	16,669
Cash and cash equivalents at end of the period	21,097	17,615