



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

Unaudited Consolidated Financial Statements

June 30, 2019

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

Unaudited Consolidated Statements of Financial Position

As of June 30, 2019 and 2018

(In millions of Mexican pesos)

	<u>2019</u>	<u>2018</u>		<u>2019</u>	<u>2018</u>
<b>Assets</b>			<b>Liabilities and Stockholders' equity</b>		
CURRENT ASSETS:			CURRENT LIABILITIES:		
Cash and Cash equivalents	\$ 23,330	22,943	Current portion of long-term debt	\$ 7,449	2,795
Customers	34,331	38,596	Current debt	17,525	12,635
Provision for impairment of customers	(5,480)	(5,408)	Suppliers	56,211	62,412
Other receivables	14,226	14,400	Derivative financial instruments	1,542	611
Derivative financial instruments	172	753	Current lease liabilities	2,112	0
Inventories	48,241	50,526	Other current liabilities	22,031	23,631
Other assets	2,744	2,715			
<b>Total current asstes</b>	<u>117,563</u>	<u>124,525</u>	<b>Total current liabilities</b>	<u>106,870</u>	<u>102,084</u>
			NON-CURRENT LIABILITIES:		
DERIVATIVE FINANCIAL INSTRUMENTS	432	730	Non-current debt	131,727	147,131
INVESTMENTS ACCOUNTED USING EQUITY METHOD	9,727	2,545	Derivative financial instruments	326	351
OTHER INVESTMENTS	497	428	Non-current lease liabilities	5,449	0
PROPERTY, PLANT AND EQUIPMENT, NET	149,513	160,145	Other liabilities	3,442	11,221
GOODWILL AND INTANGIBLE ASSTES, NET	50,129	55,075	Deferred income tax	12,521	13,009
RIGHT-OF-USE ASSETS	7,024	0	Employees' benefits	4,984	5,133
OTHER NON-CURRENT ASSETS	25,460	27,195			
			<b>Total non-currents liabilities</b>	<u>158,449</u>	<u>176,845</u>
			<b>Total liabilities</b>	<u>265,319</u>	<u>278,929</u>
			STOCKHOLDERS' EQUITY		
			Controlling interest:		
			Capital stock	210	211
			Retained earnings	70,802	68,434
			Total controlling interest	71,012	68,645
			Non-controlling interest	24,015	23,069
			<b>Total stockholdres' equity</b>	<u>95,026</u>	<u>91,713</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>360,345</u></b>	<b><u>370,643</u></b>	<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ <u>360,345</u></b>	<b><u>370,643</u></b>

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

## Unaudited Consolidated Statements of Income

For the six months ended June 30, 2019 and 2018

(In millions of Mexican pesos)

	<u>2019</u>	<u>2018</u>
Revenue	\$ 171,627	\$ 179,588
Cost of sales	(139,691)	(141,786)
Gross profit	31,936	37,802
General expenses	(22,130)	(22,851)
Other expenses	1,589	627
Operating profit	11,395	15,578
Financial income, net	(4,141)	(3,492)
Share of income of investments accounted using the equity method	49	103
Profit before income tax	7,303	12,189
Income tax:		
Caused Income tax	(3,652)	(3,744)
Deferred income tax	674	665
<b>Net Consolidated profit</b>	<b>\$ <u>4,325</u></b>	<b>\$ <u>9,111</u></b>
<b>Controlling interest</b>	<u>3,080</u>	<u>7,141</u>
<b>Non-controlling interest</b>	<u>1,245</u>	<u>1,970</u>

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

### Unaudited Consolidated Statements of Cash Flows

For the six months ended June 30, 2019 and 2018

(In millions of Mexican pesos)

	2019	2018
<u>Cash flow from operating activities:</u>		
Profit before tax	\$ 7,303	\$ 12,189
Depreciation, Amortization & Impairments of Assets	9,955	9,338
Profit on sale of property, plant and equipment	(865)	(551)
Interest collectible	3,772	4,636
Effect of changes in fair value of derivative financial instruments	0	7
Foreing exchange, net	0	0
Other, net	94	(1,529)
Total	20,260	24,090
Decrease in customers and other accounts receivable	1,621	(5,993)
Increase (decrease) in inventory	3,063	(5,134)
Decrease in suppliers	(7,558)	439
Decrease in other accounts payable	(6,860)	(1,618)
<b>Net cash generated from operating activities</b>	<b>10,524</b>	<b>11,784</b>
<u>Cash flows from investing activities</u>		
Interest received	448	409
Acquisition of property, plant and equipment	(5,496)	(7,881)
Investments in shares	0	0
Business acquisitions	(672)	(7,127)
Other assets	(6,019)	(696)
<b>Net cash received (used) in investing activities</b>	<b>(11,739)</b>	<b>(15,294)</b>
<u>Cash flows from financig activities</u>		
Proceeds from borrowings or debt	16,838	30,116
Payments of borrowings or debt	(14,951)	(26,825)
Increase of borrowings or debt	1,887	3,291
Dividends paid	(1,969)	(3,145)
Dividends paid to non-controlling interest	(1,346)	(689)
Interest paid	(4,504)	(5,104)
Other	4,602	(220)
<b>Cash received (used) in financig activities</b>	<b>(1,329)</b>	<b>(5,868)</b>
Increase (decrease) in cash and cash equivalents	(2,544)	(9,379)
Exchange gains on cash and cash equivalents	(537)	(492)
Cash and cash equivalents at beginning of year	26,411	32,813
<b>Cash and cash equivalents at end of the period</b>	<b>23,330</b>	<b>22,943</b>