EARNINGS RELEASE 4Q18

GRUPO FAMSA´S ANNUAL RESULTS IN LINE WITH 2018 GUIDANCE AND STRENGHTENED FINANCIAL POSITION

Monterrey, Mexico, February 25th, 2019. – Grupo Famsa, S.A.B. de C.V. (BMV: GFAMSA), a leading Mexican commercial conglomerate in the retail, consumer and savings sector, announced today its earnings results for the fourth quarter and full-year 2018. The preliminary, unaudited financial statements presented in this report have been prepared in accordance with IFRS and the interpretations in effect as of December 31, 2018. Figures are expressed in millions of current, nominal Mexican pesos, unless otherwise stated.

Highlights

- **Grupo Famsa achieves its 2018 Consolidated Guidance.** Net Sales reached Ps.19,959 million (2018 Guidance: Ps.19,839-20,004 mill.); and EBITDA totaled Ps.1,915 million (2018 Guidance: Ps.1,850-1,950 mill.).
- **Famsa Mexico recorded a firm dynamism in Net Sales.** The execution of commercial initiatives allowed us to fully tap into the year-end season, thus delivering a 16.2% annual increase for the full-year 2018.
- **Bank Deposits maintained its growth trend.** Following the strengthening and advertising of the savings products' portfolio, Bank Deposits rose 22.8% YoY.
- **Famsa USA progressed in its operating consolidation.** Quarterly EBITDA ended in positive zone (+Ps.14 million) thus reverting the downward trend posted during the first nine months of 2018.
- **Grupo Famsa monetized assets in 2018 for Ps.694 million.** At yearend, the Company sold 8 properties for Ps.694 million. For 2019 the Company estimates the sale of 9 properties with a value of Ps.800 million.
- **Financial position enhancement.** Short-term gross debt (excluding Banks Deposits), as of December 31st, 2018, represented 22.1% of the total debt, vs. 32.3% at the end of 2017, following the amortizations of short-term liabilities and the refinancing of debt under favorable conditions.

Consolidated Financial Results

	4Q18	4Q17	Δ%	2018	2017	Δ%
Net Sales	5,850	5,051	15.8%	19,959	17,554	13.7%
Cost of Sales	(3,099)	(2,810)	(10.3%)	(10,924)	(9,650)	(13.2%)
Gross Profit	2,751	2,241	22.8%	9,034	7,904	14.3%
Operating Expenses	(2,151)	(1,672)	(28.7%)	(7,603)	(6,788)	(12.0%)
Other (Expenses) Income, net	(92)	0	(>100.0%)	77	294	(73.9%)
Operating Profit	509	569	(10.6%)	1,508	1,411	6.9%
EBITDA	607	667	(8.9%)	1,915	1,824	5.0%
Net (Loss) Income	(86)	(414)	79.2%	70	307	(77.3%)
Gross Margin	47.0%	44.4%	-	45.3%	45.0%	-
EBITDA Margin	10.4%	13.2%	-	9.6%	10.4%	-
Net Margin	(1.5%)	(8.2%)	-	0.4%	1.8%	-

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MESSAGE FROM THE CEO

Grupo Famsa ended the year 2018 achieving a solid progress in its operating performance and financial structure, standing out: i) the accomplishment of its 2018 Guidance, recording a 13.7% annual increase in its Consolidated Net Sales, amounting to Ps.19,959 million and a 5.0% growth in Consolidated EBITDA, reaching Ps.1,915 million in 2018 (Guidance: Ps.1,850-1,950 million); and, ii) the monetization of 8 properties equivalent to Ps.694 million.

Regarding 2018 results, the Company carried out operating expenses in line with 2018´s budget. These expenditures were allocated to disbursements oriented to improve customer service in the sales floor; to enhance the canvass and internet sales channels; and, to revamp some IT platforms, particularly those related to credit origination and collection, pursuing to meet the expected operating level for the following years.

Particularly in Mexico, the operating agility and high impact focus of our marketing campaigns drove a firm dynamism in sales of durable goods and origination of personal loans (with and without payroll discounts). Consequently, Net Sales and EBITDA rose 16.2% and 1.2%, respectively, being EBITDA partially affected by the strategic disbursements mentioned previously.

With respect to Banco Famsa, the strengthening and ongoing advertisement of the investment products' portfolio was reflected on the Ps.30,689 million Bank Deposits base registered as of year-end (+22.8 YoY), remaining as the Company's main source of funding (77.8% of the total funding). In parallel, the bank´s credit portfolio increased in 2018 driven by the origination of personal loans and PyME loans. NPL ratio for the total credit portfolio stood at 9.8% as of the close of 2018.

Separately, in Famsa USA, EBITDA improved notably vs. 2017, derived to an ongoing promotion in digital media (in English) oriented to attract the Hispanic market of second and third generation; a higher displacement of products with higher margins; and, an a more efficient structure of associates.

Regarding the asset monetization plan, during 2018 the obtained resources were used to increase Banco Famsa's capital and to amortize a portion of the Company´s consolidated debt, which decreased annually in Ps.269 million, closing the year in Ps.8,757 million. Thereby, leverage declined from 4.9 times in 2017 to 4.6 times in 2018.

Summarizing year 2018, i) in Mexico, we continued successfully executing a number of initiatives oriented to enhance the results of core categories, as well as support the origination of low risk personal loans, leveraging our commercial outreach with the solid operation of Banco Famsa; ii) In the United States, we moved forward towards its operating consolidation; and, iii) we improved our financial position, downsizing the leverage and extending our maturities schedule.

To conclude, I reaffirm our commitment to progress in accomplishing efficiencies in both our operational and financial structure during 2019, building on an improved operating platform, a more efficient e-banking and a wider penetration of alternative channels. Therefore, we set the following growth target rates at our 2019 Guidance: i) consolidated Net Sales, from Ps.21,917 to Ps.22,166 million; and, ii) consolidated EBITDA, from Ps.2,100 million to Ps.2,200 million.

Humberto Garza Valdez,
Chief Executive Officer

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Business Segments

Famsa Mexico

At the end of 4Q18, Net Sales posted an annual increase of 18.5% AsA, amounting to Ps.5,349 million. In parallel, Same-Store Sales (SSS) recorded a 17.8% annual growth, following: i) the positive reception of our marketing campaigns; ii) the maximization of "El Buen Fin" and Christmas season; and, iii) the contribution to sales volume of alternative commercial channels.

For the full-year 2018, Famsa Mexico's Net Sales reached Ps.18,127 million, expanding 16.2% when compared to the Ps.15,605 million in 2017; in line with the 15.4% growth registered in Same-Store Sales (SSS).

Consequently, Computers rose 16.9% YoY and the categories of Electronics, Appliances and Mobile phones, each one recorded an average annual growth rate of 11.8%, with a solid focus on the displacement of our own brands. Furthermore, the origination of personal loans increased 26.6% YoY in year 2018.

With the objective of preserving our growth trend during 2019, we will keep tapping into the execution of digital media campaigns and the stronger participation of alternative commercial channels, such as Canvassing (to expand our commercial outreach beyond our stores network). These endeavors will be supported by:

I. The implementation of continuous commercial campaigns oriented to both stimulate the incremental sales of existing customers and expand the base of new clients;

II. Profitability improvements on the sales floor, to achieve a higher volume of merchandise displaced per square meter;

III. The integration of digital technology, streamlining sales and collection processes; and,

IV. Enhancements on the current technologic platform for online sales, seeking a personalized interaction with the customers, with a higher volume of products sold through this channel.

Banco Famsa

As of December 31, 2018, the commercial credit portfolio (net of allowances) recorded an annual growth of 13.2%, with an NPL of only 1.3%. Similarly, the consumer portfolio (including personal loans with and without payroll discounts) increased 25.8% YoY, with a 12.0% NPL, holding a participation of clients from the formal sector of the economy of ~65%. Consequently, the NPL of the consolidated portfolio of Banco Famsa, including payroll credits stood at 9.8% as of year-end 2018.

During 2019, Banco Famsa will continue strengthening its collection processes, mainly through specialized call centers and in-site operations, to maintain steady levels at past-due accounts in the credit portfolio.

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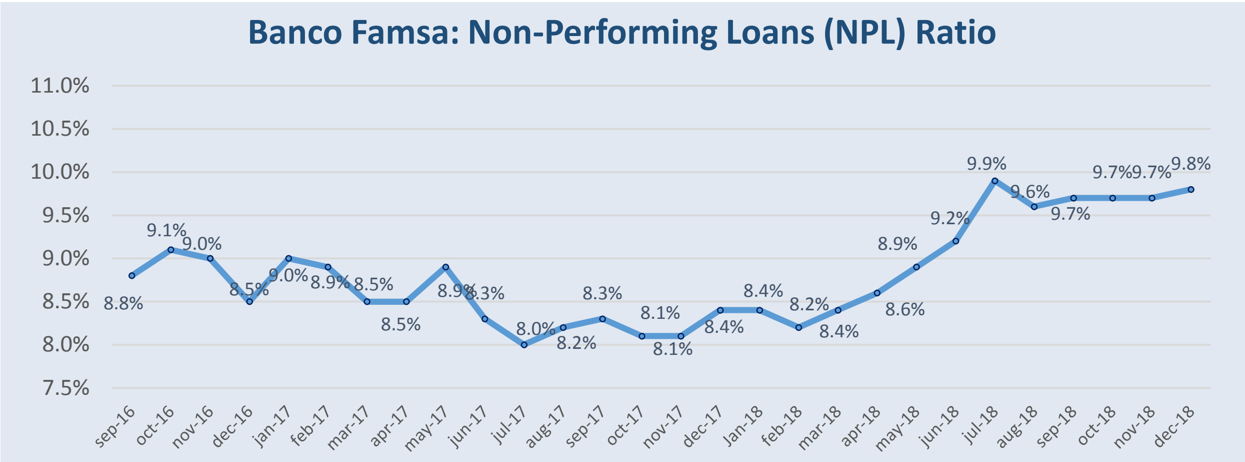
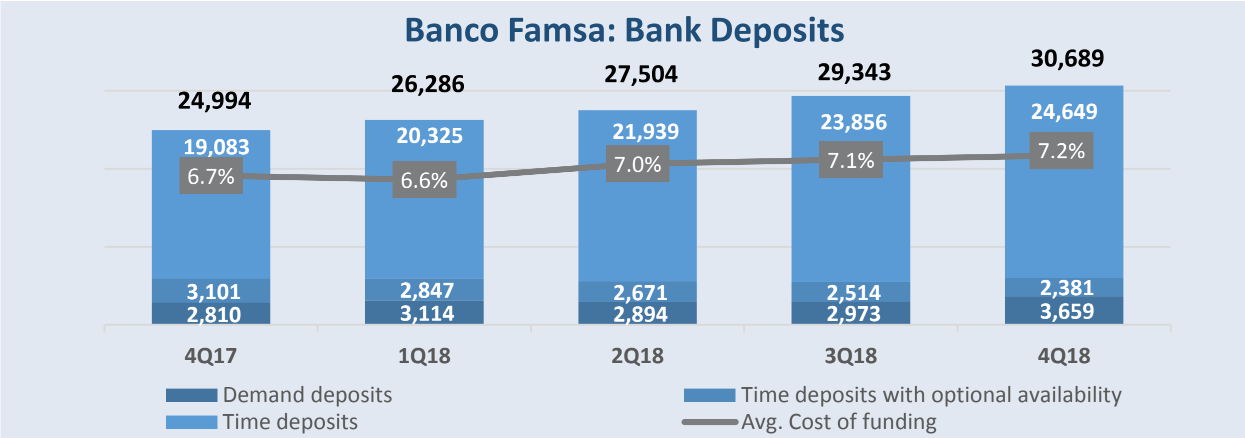


Source: Banco Famsa

Deriving from the execution of diverse commercial endeavors and advertising campaigns oriented to enhance the opening of new investment and savings accounts, in 4Q18, Bank Deposits amounted to Ps.30,689 million, 22.8% above than the Ps.24,994 million registered in 4Q17. For the full-year 2018, 77.8% of Grupo Famsa's funding was comprised of Bank Deposits, 430 bps. over the 73.5% in 4Q17.

Interest on Bank Deposits rose 34.4% YoY, totaling Ps.538 million, due to the increase of the reference rate in Mexico during 2018 (+100 bps.), as well as a larger bank deposits base. Consequently, the average cost of funding grew 50 bps. YoY, to 7.2%. In this regard, we are striving to obtain an incremental participation of demand deposits, to mitigate the upward trend in funding costs.



Source: Banco Famsa

During the quarter, we progressed in the execution of strategies aimed to support our customer base growth, outstanding: i) the higher presence on digital media; ii) the development and commercialization of new savings products; iii) the reactivation of accounts with no movements; and, iv) the higher stimulus to our referral program, offering attractive rewards for the promoter and referral. Separately, we are pushing forward the commercialization of complementary services, such as insurances and subscriptions.

Moreover, over the next quarters, Banco Famsa will execute a number of initiatives to reinforce its service quality, highlighting the renewal of its e-banking platform and the increase of its collection points footprint. This latter towards the consolidation of strategic alliances.

Famsa USA

In 4Q18, Net Sales (in USD) decreased 14.3% YoY, while in MXP the reduction was only 7.7%, due to a higher USD/MXN exchange rate. Separately, Famsa USA posted a positive EBITDA of Ps.14 million this quarter.

For full-year 2018, Net Sales in the US reached Ps.1,705 million, decreasing 7.1% when compared to 2017 Net Sales. Full-year SSS decreased 3.5%.

In this regard, having the objective of accelerating sales volume recovery, towards 2019, we will continue promoting credit sales through: i) advertising campaigns aimed at second and third generation of Hispanics; ii) a highest penetration of exclusive products in the Furniture category; and, iii) the increasing use of "Famsa app".

Business Units

The following table breaks down our network of retail stores and banking branches, which together comprise the business units of Grupo Famsa.

Retail Stores & Banking Branches	Business Units						Floor Space (m²)		
	4Q18	Openings	Closures	3Q18	4Q17	Δ% YoY	4Q18	4Q17	Δ% YoY
Total	**802**	**4**	**14**	**812**	**849**	**(5.5%)**	**552,221**	**549,341**	**0.5%**
Stores	424	2	0	422	425	(0.2%)	514,546	508,896	1.1%
Famsa Mexico	380	1	0	379	377	0.8%	450,735	447,544	0.7%
Famsa USA	22	0	0	22	22	0.0%	60,287	57,810	4.3%
PL USA Branches	22	1	0	21	26	(15.4%)	3,524	3,542	(0.5%)
Banking Branches[1]	378	2	14	390	424	(10.8%)	37,675	40,445	(6.8%)

(1) Most banking branches are located within Famsa Mexico stores.

During 4Q18, we carried out the net closure of 12 banking branches as well as the opening of one retail store in Mexico and one personal loans branch in the US, thus, at year-end, Grupo Famsa recorded a total of 802 retail stores and branches.

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Consolidated Financial Results

Net Sales

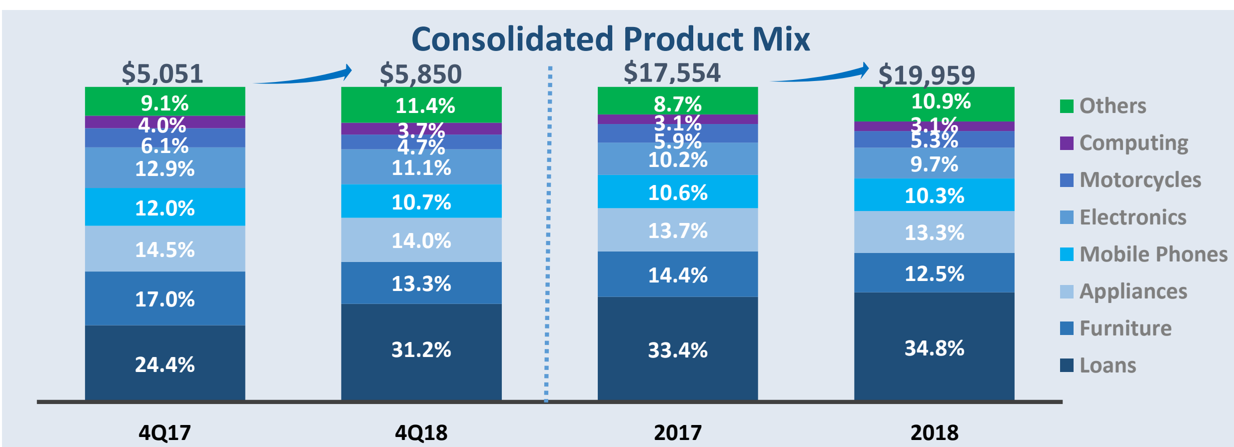
Segment	Net Sales						Same-Store Sales (SSS)			
	4Q18	4Q17	Δ%	2018	2017	Δ%	4Q18	4Q17	2018	2017
Grupo Famsa[1]	5,850	5,051	15.8%	19,959	17,554	13.7%	15.7%	(2.8%)	14.0%	1.7%
Famsa Mexico[2]	5,349	4,515	18.5%	18,127	15,605	16.2%	17.8%	(2.5%)	15.4%	3.7%
Famsa USA[3]	464	502	(7.7%)	1,705	1,831	(6.9%)	(13.6%)	1.7%	(3.5%)	(17.0%)
Other	278	303	(8.3%)	1,007	1,030	(2.3%)	-	-	-	-
Intercompany	(241)	(270)	(10.8%)	(879)	(912)	(3.6%)	-	-	-	-

(1) Includes sales of non-retail business
(2) Includes Banco Famsa
(3) SSS calculated in US dollars, excluding foreign exchange rate effects

4Q18 consolidated Net Sales rose 15.8%, reaching Ps.5,850 million, driven by the solid performance of the commercial operations in Mexico, which during the period recorded an increase in the origination of personal loans, particularly payroll loans. Meanwhile, SSS grew 15.4%, positively compared to the 2.8% decrease recorded in 4Q17.

As for the full-year 2018, consolidated Net Sales amounted Ps.19,959 million, increasing 13.7% when compared to the Ps.17,554 million of 2017.

Towards 2019, we will continue deploying our advertising strategies, mainly focused on the promotion of credit sales of our own brands, in order to achieve higher margins.



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Cost of Sales

As of quarter-end, consolidated Cost of Sales posted an increase of 10.3% YoY, amounting to Ps.3,099 million, vs. the Ps.2,810 million recorded during 4Q17, mainly derived form a larger base of bank deposits, but growing at a lower rate than Net Sales.

The proportion of Cost of Sales to Net Sales decreased from 55.6% in 4Q17 to 53.0% this quarter (a 260 bps. decrease) as a result of a lesser cost of merchandise an allowance for uncollectible accounts, which mitigated the rise of interests on bank deposits.

Consolidated Cost of Sales for the full year 2018 was 13.2% higher than that of 2017, totaling Ps.10,924 million. The proportion of Cost of Sales to Net Sales was 54.7%, 30 bps. lower than that of 2017.

Gross Profit

4Q18 consolidated Gross Profit was Ps.2,751 million, a 22.8% increase when compared to the Ps.2,241 million recorded in 4Q17, as a result of the growth in Net Sales volume. Consequently, Gross Margin grew 260 bps., reaching a 47.0% consolidated Gross Margin as of the end of 4Q18.

For the full-year 2018, consolidated Gross Profit rose 14.3% YoY, amounting to Ps.9,034 million. 2018 consolidated Gross Margin close at 45.3%, 30 bps. above than the 45.0% recorded in 2017.

Operating Expenses

During 4Q18, consolidated Operating Expenses (selling and administrative expenses) totaled Ps.2,151 million, rising 28.7% vs. the Ps.1,672 million recorded in the same period last year, affected by the disbursement of services aimed to enhance customer service in the sales floor, strengthen the canvass and internet sales channels, and revamp some IT architectures, particularly those of origination and collection.

In line with the foregoing, the proportion of Operating Expenses to Net Sales increased 370 bps., from 33.1% in 4Q17 to 36.8% in 4Q18, due to the aforementioned strategic disbursements.

2018 consolidated Operating Expenses recorded a 12.0% annual growth, totaling Ps.7,603 million, vs. the Ps.6,788 million recorded in 2017, also affected by the above explained items. Nevertheless, the proportion of Operating Expenses to Net Sales dropped by 60 bps. standing at 38.1%, in line with the annual budget.

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EBITDA

Segment	EBITDA						% EBITDA			
	4Q18	4Q17	Δ%	2018	2017	Δ%	4Q18	4Q17	2018	2017
Grupo Famsa[1]	607	667	(9.0%)	1,915	1,824	5.0%	10.4%	13.2%	9.6%	10.4%
Famsa Mexico[2]	604	760	(20.5%)	1,987	1,965	1.2%	11.3%	16.8%	11.0%	12.6%
Famsa USA	14	(88)	>100%	(19)	(128)	84.9%	2.9%	(17.6%)	(1.1%)	(7.0%)
Other	(7)	(5)	(40.0%)	(51)	(10)	(>100%)	(2.7%)	(1.7%)	(5.1%)	(1.0%)
Intercompany	(3)	1	>100%	(2)	(3)	(33.2%)	1.2%	0.4%	0.2%	0.3%

(1) Includes EBITDA from non-retail business
(2) Includes Banco Famsa

4Q18 consolidated EBITDA totaled Ps.607 million, vs. Ps.667 million in 4Q17, following the increase in Operating Expenses, partially offset by the Net Sales growth. Consolidated EBITDA Margin fell from 13.2% in 4Q17 to 10.4% this quarter.

For the full-year 2018, Consolidated EBITDA grew 5.0% reaching Ps.1,915 million, within the range set at 2018 Guidance.

During 2019, we will seek to bolster EBITDA through a more efficient operation, with a high degree of automation, a greater participation of alternative sales channels “e-commerce” and the commercialization of products with higher margins.

Financial Expenses, net

	4Q18	4Q17	Δ%	2018	2017	Δ%
Interest income	141	8	>100.0%	369	291	27.0%
Interest expenses	(342)	(298)	(14.9%)	(1,231)	(1,103)	(11.7%)
Exchange gain & losses, net	(134)	(212)	36.8%	(20)	152	(>100.0%)
Total	**(335)**	**(502)**	**33.3%**	**(882)**	**(660)**	**(33.7%)**

Net Financial Income went from Ps.502 million in 4Q17 to Ps.335 million this quarter, mainly driven by higher interest income (Ps.141 million) and a lesser FX loss (Ps.134 million in 4Q18, vs. Ps.212 million in 4Q17). In contrast, 2018 Net Financial Income increased 33.7%, mainly due to the Ps.20 million FX loss compared to the Ps.152 million FX gain in 2017, alongside a higher amount of interest expenses, derived from the rise in the reference rate throughout the year, as 66.0% of our consolidated debt is subscribed at a floating rate.

Net Income

A consolidated Net Loss of Ps.86 million was recorded during 4Q18, due to a Ps.134 million exchange loss, as well as the recognition of Ps.220 million deferred taxes.

For the full-year 2018, Consolidated Net Income reached Ps.70 million, vs. Ps.307 million in 2017, as a result of: i) an annual exchange loss of Ps.20 million (vs. the exchange gain of Ps.152 million in 2017); and, ii) tax effects reflected in the deferred tax line (2018: Ps.481 million vs. 2017: Ps.299 million). None of these items imply any cash outflow.

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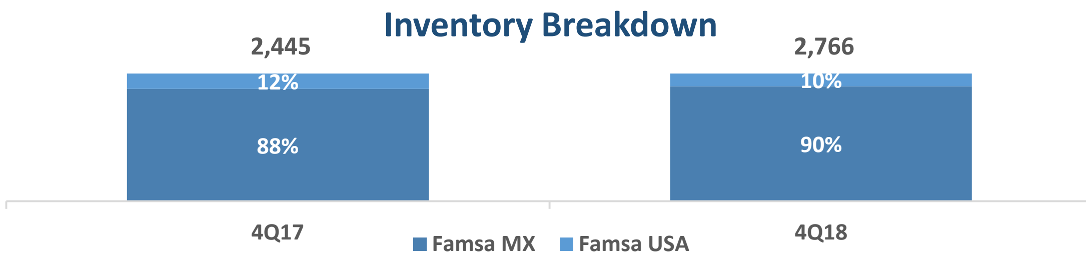
Financial Position Summary

Key Items	4Q18	4Q17	Δ%
Trade Receivables, net	30,427	25,200	20.7%
Mexico Consumer	23,295	18,517	25.8%
Mexico Commercial	4,935	4,360	13.2%
USA Consumer	2,197	2,323	(5.4%)
Inventory	2,766	2,445	13.1%



Trade Receivables

As of December 31, 2018, consolidated Trade Receivables balance (net of allowances for doubtful receivables) was Ps.30,427 million, 20.7% above than the Ps.25,200 million recorded at year-end 2017.

On the Consumer Portfolio in Mexico, we posted an annual increase of Ps.4,778 million, thus totaling Ps.23,295 million as of year-end, from Ps.18,517 million in 2017, as a result of the outlined strategies during the year oriented to stimulate the growth of credit origination. Similarly, the Commercial Portfolio in Mexico rose Ps.575 million vs. 2017, reaching Ps.4,935 million, due to the support provided by Banco Famsa to SMEs and corporate banking.

On the other hand, the Consumer Portfolio in the US amounted to Ps.2,197 million as of quarter-end, from Ps.2,323 million recorded in 4Q17.

Inventory

As of year-end, inventory totaled Ps.2,766 million, increasing 13.1% YoY, a s a result of the working capital increase.

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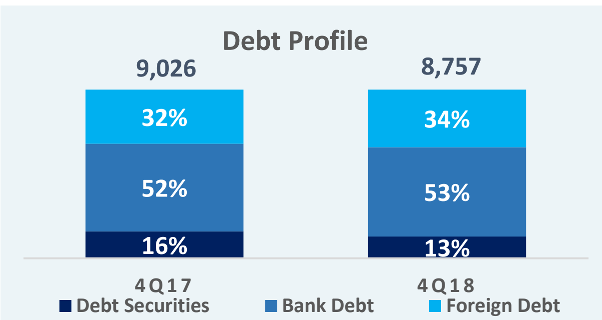
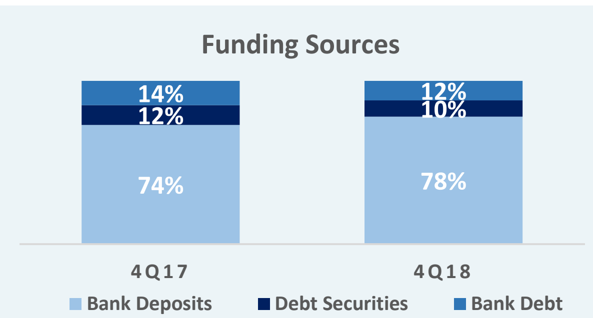
Debt

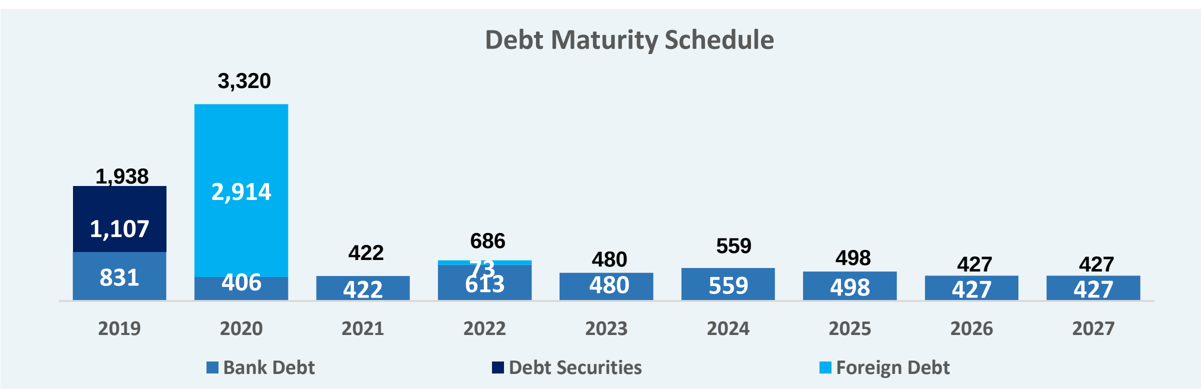
	4Q18	4Q17	Δ%
Net Debt	7,216	7,383	(2.3%)
Gross Debt	8,757	9,026	(3.0%)
Interest Coverage Ratio	1.6	1.7	(0.1)

Leverage Ratios	4Q18	4Q17	Δ
Total Debt (ex. Bank Deposits) / EBITDA (LTM)	4.6x	4.9x	(0.3x)
Net Debt (ex. Bank Deposits) / EBITDA (LTM)	3.8x	4.0x	(0.2x)
Total Debt (ex. Bank Deposits) / Shareholder´s Equity	1.2x	1.2x	-

Gross Debt, excluding Bank Deposits, decreased from Ps.9,026 million in 4Q17 to Ps.8,757 million as of December 31, 2018, a 3.0% drop, mainly following the amortizations carried out with the proceeds from the asset monetization plan conducted throughout the year. 4Q18 Net Debt stood at Ps.7,216 million in 4Q18, from Ps.7,383 million recorded in 4Q17.







At quarter-end, Grupo Famsa´s Gross Debt was composed as follows:

Debt Composition	Short-term	%	Long-term	%	Total	%
Bank Debt	831	42.9%	4,081	59.9%	4,913	56.1%
Debt Securities	1,107	57.1%	2,737	40.1%	3,844	43.9%
	1,938	**100.0%**	**6,818**	**100.0%**	**8,757**	**100.0%**

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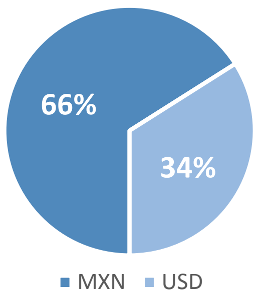
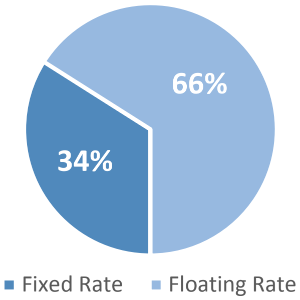
GFAMSA

By Currency



By Rate



Shareholders´ Equity

The shareholder's equity as of December 31, 2018, totaled Ps.7,322 million, 0.9% above the Ps.7,255 million recorded as of December 31, 2017.

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2019 Guidance

During 2019, Grupo Famsa will be focused on the strengthening of its operating and financial fronts, following these strategies:

I. An ongoing deployment of strategic initiatives oriented to support sales dynamism, ease the achievement of greater efficiencies and consolidate a result-driven, efficient structure of associates, to achieve an incremental profitability; and,

II. Move forward towards the accomplishment of its asset monetization plan, setting a Ps.800 million target for 2019 (these resources will be primarily used for the amortization of short-term debt), while searching for funding sources well aligned to its operation, in pursuit of the enhancement of its maturity schedule and a lower exposure to market fluctuations.

Therefore, we set the following Guidance for 2019:

Financial Results	2018	2019 Guidance (Low Range)	2019 Guidance (High Range)
Consolidated Net Sales	$19,959	$21,917	$22,166
Consolidated EBITDA	$1,915	$2,100	$2,200
EBITDA Margin	9.6%	9.6%	9.9%

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Recent Developments

- On November 14th, Grupo Famsa informed that by recommendation of its audit committee, the Board of Directors approved the ratification of KPMG CARDENAS DOSAL, S.C. to audit the Consolidated Financial Statements for full-year 2018, under the supervision of the designated partner, the Certified Public Accountant Rogelio Berlanga Coronado.

Forward-looking Statements

This report contains, or may be deemed to contain, forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The future results of Grupo Famsa, S.A.B. de C.V. and its subsidiaries may differ from the results expressed in, or implied by, the forward-looking statements set out herein, possibly to a material degree.

Analyst Coverage

Since Grupo Famsa, S.A.B. de C.V. ("Famsa") securities are subject to the rules and regulations included in the Reglamento Interior de la Bolsa Mexicana de Valores (Interior Rules and Regulations of the Mexican Stock Market), the Company would like to inform that, in compliance with that stated in Disposition 4.033.10 of said Rules and Regulations, the following financial institutions provide formal coverage over its stock: GBM, Vector and BBVA Bancomer. For further information on institutional coverage, please visit www.grupofamsa.com.

Technical Notes and Bases for Consolidation and Presentation

Non-performing Loans Ratio (NPL): The calculation of NPL in this Quarterly Report includes "Collection Rights" in Banco Famsa's total Credit Portfolio. These rights correspond to loans that are discounted via payroll. Due to an accounting reclassification that came into effect in July 2013, they are excluded from the Credit Portfolio used for the calculation of the NPL indicator for the Mexican National Banking and Securities Commission (CNBV).

Credit Portfolio: Banco Famsa's business model focuses largely on Consumer Credit, therefore the weight of such credits in the bank's portfolio mix differs from that of standard financial institutions in the Mexican-banking sector. Consequently, Banco Famsa's results and figures are not directly comparable with those of the aforementioned.

Net Financial Expenses: They are primarily comprised of the Financial Expenses corresponding to financing instruments and foreign exchange rate effect.

Percentage rates of change: Percentage rates of change presented in this Report are calculated according to the consolidated financial statements contained herein.

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Consolidated Financial Statements

Grupo Famsa, S.A.B. de C.V. and subsidiaries
Consolidated Statements of Financial Position
Thousands of Mexican Pesos

	31-dec-18	31-dec-17	Δ$	Δ%
Assets				
CURRENT ASSETS:				
Cash and equivalents	1,540,797	1,643,117	(102,320)	(6.2%)
Trade receivables, net	21,130,319	16,768,429	4,361,890	26.0%
Rights to collect from related parties	800,000	800,000	-	-
Recoverable taxes	467,459	324,763	142,696	43.9%
Other accounts receivable	2,705,219	2,140,876	564,343	26.4%
Inventories	2,766,022	2,445,183	320,839	13.1%
Advance payments	591,224	454,534	136,690	30.1%
Total current assets	**$30,001,040**	**$24,576,902**	**$5,424,138**	**22.1%**
NON-CURRENT ASSETS:				
Restricted Cash	311,785	311,785	-	-
Trade receivables, net	9,297,081	8,431,555	865,526	10.3%
Rights to collect from related parties	2,608,691	3,304,702	(696,011)	(21.1%)
Property, leasehold improvements, and furniture & equipment, net	1,120,051	1,378,676	(258,625)	(18.8%)
Goodwill and intangible assets, net	459,103	473,228	(14,125)	(3.0%)
Guarantee deposits	144,975	136,373	8,602	6.3%
Other assets	1,930,832	1,368,764	562,068	41.1%
Deferred income-tax	4,332,309	4,814,057	(481,748)	(10.0%)
Total non-current assets	**$20,204,827**	**$20,219,140**	**($14,313)**	**(0.1%)**
Total assets	**$50,205,867**	**$44,796,042**	**$5,409,825**	**12.1%**
Liabilities and Stockholders´equity				
CURRENT LIABILITIES:				
Demand deposits	29,045,634	22,623,205	6,422,429	28.4%
Short-term debt	1,939,121	2,911,207	(972,086)	(33.4%)
Suppliers	1,435,208	1,579,182	(143,974)	(9.1%)
Accounts payable and accrued expenses	1,323,584	1,300,450	23,134	1.8%
Deferred income from guarantee sales	287,370	255,513	31,857	12.5%
Income tax payable	39,104	74,099	(34,995)	(47.2%)
Total current liabilities	**$34,070,021**	**$28,743,656**	**$5,326,365**	**18.5%**
NON-CURRENT LIABILITIES:				
Time-deposits	1,643,664	2,370,959	(727,295)	(30.7%)
Long-term debt	6,818,138	6,114,730	703,408	11.5%
Deferred income for guarantee sales	152,032	135,339	16,693	12.3%
Employee benefits	200,329	176,454	23,875	13.5%
Total non-current liabilities	**$8,814,163**	**$8,797,482**	**$16,681**	**0.2%**
Total liabilities	**$42,884,184**	**$37,541,138**	**$5,343,046**	**14.2%**
Stockholders´ equity				
Capital Stock	1,702,539	1,706,089	(3,550)	(0.2%)
Additional paid-in capital	3,794,363	3,836,949	(42,586)	(1.1%)
Retained earnings	797,031	468,796	328,235	70.0%
Net income	65,441	305,496	(240,055)	(78.6%)
Reserve for repurchase of shares	241,457	216,119	25,338	11.7%
Foreign currency translation adjustment	625,941	630,984	(5,043)	(0.8%)
Total stockholders´equity attributable to shareholders´	**7,226,772**	**7,164,433**	**62,339**	**0.9%**
Non-controlling interest	94,911	90,471	4,440	4.9%
Total stockholders´equity	**$7,321,683**	**$7,254,904**	**$66,779**	**0.9%**
Total liabilities and stockholders´equity	**$50,205,867**	**$44,796,042**	**$5,409,825**	**12.1%**

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Grupo Famsa, S.A.B. de C.V. and subsidiaries

Consolidated Statement of Income
Thousands of Mexican Pesos

	4Q18	4Q17	Δ$	Δ%	2018	2017	Δ$	Δ%
Total revenues	5,849,802	5,051,084	798,718	15.8%	19,958,741	17,553,897	2,404,844	13.7%
Cost of sales	(3,098,730)	(2,810,001)	(288,729)	(10.3%)	(10,924,390)	(9,649,533)	(1,274,858)	(13.2%)
Gross profit	**$2,751,072**	**$2,241,083**	**$509,989**	**22.8%**	**$9,034,350**	**$7,904,364**	**$1,129,986**	**14.3%**
Operating expenses	(2,150,644)	(1,671,518)	(479,126)	(28.7%)	(7,602,773)	(6,787,591)	(815,182)	(12.0%)
Other (Expenses) Income, net	(91,536)	(285)	(91,251)	(>1000.0%)	76,893	294,135	(217,242)	(73.9%)
Operating profit	**$508,892**	**$569,280**	**($60,388)**	**(10.6%)**	**$1,508,470**	**$1,410,908**	**$97,562**	**6.9%**
Financial income	141,366	7,682	133,684	>1000.0%	369,038	290,563	78,475	27.0%
Financial expenses	(341,806)	(297,553)	(44,253)	(14.9%)	(1,231,425)	(1,102,815)	(128,610)	(11.7%)
FX gain & losses, net	(134,351)	(212,430)	78,079	36.8%	(19,911)	152,190	(172,101)	(113.1%)
Financial expenses, net	(334,791)	(502,301)	167,510	33.3%	(882,298)	(660,062)	(222,236)	(33.7%)
Profit before income tax	**$174,101**	**$66,979**	**$107,122**	**159.9%**	**$626,173**	**$750,846**	**($124,673)**	**(16.6%)**
Income tax	(260,002)	(480,863)	220,861	45.9%	(556,288)	(443,461)	(112,826)	(25.4%)
Consolidated net income (loss)	**($85,901)**	**($413,884)**	**$327,983**	**79.2%**	**$69,885**	**$307,385**	**($237,500)**	**(77.3%)**
Controlling interest	($85,045)	($414,003)	$328,958	79.5%	$65,445	$305,495	($240,050)	(78.6%)
Non-controlling interest	($856)	$119	($975)	(819.3%)	$4,440	$1,890	$2,550	134.9%
Consolidated net income (loss)	**($85,901)**	**($413,884)**	**$327,983**	**79.2%**	**$69,885**	**$307,385**	**($237,500)**	**(77.3%)**

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Grupo Famsa, S.A.B. de C.V. and subsidiaries

Consolidated Statement of Cash Flows
Thousands of Mexican Pesos

	YTD 18	YTD 17
Operating activities		
Profit before income tax	626,169	750,847
Depreciation and amortization	406,380	412,880
Allowance for doubtful receivables	1,125,270	1,112,183
Income on sale of property, leasehold improvements, furniture & equipment	(19,063)	(239,947)
Estimated liabilities for labor benefits	78,870	49,845
Estimated inventory loss	21,219	29,675
Credit placement costs	(869,501)	(425,307)
Interest Income	(68,101)	(14,688)
Amortization of debt securing cost	10,769	5,915
Interest accrued on collection rights with related parties	(300,937)	(271,483)
Interest expenses	1,231,425	1,102,814
Interest paid on bank deposits	1,906,945	1,376,007
Exchange gain and losses, net	(38,831)	(139,903)
Net cash flows from operating activities before variations in working capital	**$4,110,614**	**$3,748,838**
Accounts receivables	(5,483,185)	(5,518,398)
Inventories	(342,058)	78,984
Rights to collect from related parties	996,948	1,072,162
Interest on bank deposits	(1,863,157)	(1,376,007)
Demand deposits and time deposits	5,651,346	3,931,258
Decrease on other accounts of working capital	(1,598,906)	(203,734)
Net cash flows from operating activities	**$1,471,602**	**$1,733,103**
Investing activities		
Acquisition of property, leasehold improvements, furniture and equipment	(127,640)	(109,205)
Acquisition of intangible assets	(17,296)	(79,981)
Proceeds from sale of property, furniture and equipment	46,420	505,142
Interest received	68,101	14,688
Other assets and deposits in guarantee	1,517	(76,742)
Net cash flow used in investing activities	**($28,898)**	**$253,902**
Financing activities		
Interest paid	(1,245,398)	(1,102,814)
Proceeds from current and non-current debt and bank loans	2,167,693	6,615,191
Payments of current and non-current debt and bank loans	(2,444,572)	(7,129,890)
Stock repurchase, net	(20,798)	10,787
Net cash flow from financing activities	**($1,543,075)**	**($1,606,726)**
(Decrease) increase in net cash and cash equivalents	(100,371)	380,279
Adjustments to cash flow as a result of changes in exchange rates	(1,949)	(240,740)
Cash and cash equivalents at the beginning of the period	1,643,117	1,503,578
Cash and cash equivalents at the end of the period	**$1,540,797**	**$1,643,117**

Notes to the Financial Statements: For a greater depth of analysis, we recommend referring to the Notes of our Financial Statements at www.grupofamsa.com.

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