

Monterrey, Mexico. February 13, 2019 – Alpek, S.A.B. de C.V. (BMV: ALPEK)

## Alpek reports 4Q18 EBITDA of U.S. \$369 million

### Selected Financial Information

(U.S. \$ Millions)

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch.%
				3Q18	4Q17			
<b>Total Volume (ktons)</b>	1,061	1,174	975	(10)	9	4,402	4,012	10
Polyester	851	941	752	(10)	13	3,490	3,105	12
Plastics & Chemicals	210	233	224	(10)	(6)	912	906	1
<b>Consolidated Revenues</b>	1,758	1,941	1,321	(9)	33	6,991	5,231	34
Polyester	1,295	1,450	933	(11)	39	5,174	3,724	39
Plastics & Chemicals	400	451	388	(11)	3	1,713	1,506	14
<b>Consolidated EBITDA</b>	369	274	141	35	163	1,063	384	177
Polyester	316	198	77	59	308	788	147	435
Plastics & Chemicals	52	76	64	(32)	(19)	276	237	16
<b>Profit Attributable to Controlling Interest</b>	393	80	(30)	390	1,399	697	(319)	318
CAPEX and Acquisitions	262	37	30	616	777	826	236	250
Net Debt	1,832	1,603	1,262	14	45			
Net Debt/LTM EBITDA <sup>(1)</sup>	1.7	1.9	3.3					
Interest Coverage <sup>(1)</sup>	9.9	7.8	4.8					

(1) Times: Last 12 months

### Operating & Financial Highlights (4Q18)

<b>Alpek</b>	<ul style="list-style-type: none"> <li>4Q18 EBITDA of U.S. \$369 million, including a U.S. \$220 million non-cash gain on business combination (Suape/Citepe) and a U.S. \$28 million non-cash inventory loss, among others</li> <li>Reached final agreement with ContourGlobal to sell the Cosoleacaque and Altamira cogeneration power plants for U.S. \$801 million</li> <li>1.7 times Net Debt/LTM EBITDA; 2.2 times when adjusted by non-cash gain on business combination. Down from 3.3 times at the close of 2017</li> </ul>
<b>Polyester</b>	<ul style="list-style-type: none"> <li>4Q18 Polyester EBITDA of U.S. \$316 million, including a U.S. \$220 million non-cash gain on business combination (Suape/Citepe), a U.S. \$22 million non-cash inventory loss, and U.S. \$4 million net loss from other extraordinary items</li> <li>Alpek JV obtained regulatory clearance and acquired Corpus Christi project from M&amp;G USA; implied recovery resulted in a U.S. \$195 million non-cash gain in 4Q18 Operating Income</li> </ul>
<b>Plastics &amp; Chemicals (P&amp;C)</b>	<ul style="list-style-type: none"> <li>4Q18 P&amp;C EBITDA of U.S. \$52 million, including a U.S. \$5 million non-cash inventory loss</li> <li>P&amp;C volume impacted by downtrend in oil and feedstock prices</li> <li>Domestic supply constraints for certain feedstocks weighed on profitability</li> </ul>

This release contains forward-looking information based on numerous variables and assumptions that are inherently uncertain. They involve judgments with respect to, among other things, future economic, competitive and financial market conditions and future business decisions, all of which are difficult or impossible to predict accurately. Accordingly, results could vary from those set forth in this release. The report presents unaudited financial information based on International Financial Reporting Standards (IFRS). Figures are stated in nominal Mexican pesos (\$) and in current U.S. Dollars (U.S. \$), as indicated. Where applicable, peso amounts were translated into U.S. Dollars using the average exchange rate of the months during which operations were recorded. Financial ratios are calculated in U.S. Dollars. Due to the rounding up of figures, small differences may occur when calculating percent changes from one period to the other.

## Message from the CEO

Alpek reached record volume, sales and EBITDA in 2018 despite a slowdown at the end of the year amid a steep decline in oil and feedstock prices. Adjusting for a U.S. \$220 million non-cash gain on business combination (Suape/Citepe), consolidated EBITDA was U.S. \$843 million and U.S. \$149 million in 2018 and 4Q18, respectively. In contrast with previous quarters, Alpek's 4Q18 results reflect temporary distortions on demand and margins caused by the sudden shift in oil and feedstock price trends, among others.

The average spot Brent crude oil price decreased for the first time in 4Q18 after 5 consecutive quarters of sequential increases, driving down petroleum-based feedstock prices. The U.S. reference paraxylene ("Px") and propylene ("PGP") contract prices decreased 21% and 30% from September to December, respectively. Lower feedstock prices resulted in a non-cash inventory loss of U.S. \$28 million during the fourth quarter and a net, non-cash inventory gain of U.S. \$41 million for the full year.

4Q18 Polyester segment EBITDA was U.S. \$316 million, including a U.S. \$220 million non-cash gain on business combination (Suape/Citepe) which was partially offset by a non-cash inventory loss of U.S. \$22 million and a U.S. \$4 million net loss from others. Adjusting for these three items, 4Q18 Comparable Polyester EBITDA was U.S. \$122 million, up 85% when compared to 4Q17, driven mainly by the year-over-year recovery in global polyester margins plus the integration of Suape/Citepe. In contrast, the segment's volume was lower and global reference polyester margins decreased quarter-on-quarter, resulting in a 24% Comparable Polyester EBITDA decline versus 3Q18.

Plastics & Chemicals EBITDA was U.S. \$52 million in 4Q18. Adjusting for a U.S. \$5 million non-cash inventory loss, Comparable P&C EBITDA was U.S. \$57 million, down 3% and 22% when compared to 4Q17 and 3Q18, respectively. Polypropylene ("PP") EBITDA growth versus 4Q17 was more than offset by incremental caprolactam ("CPL") costs associated to domestic feedstock supply constraints. Quarter-on-quarter, all P&C products were impacted by the sudden drop in feedstock prices which typically causes temporary distortions on demand.

Alpek executed multiple strategic initiatives during the year. Capex totaled U.S. \$826 million and U.S. \$262 million in 2018 and 4Q18, respectively. The acquisitions of Suape/Citepe in Brazil and the Corpus Christi project in the United States, plus the construction of the Altamira cogeneration power plant in Mexico account for more than 90% of consolidated Capex.

During 4Q18, Corpus Christi Polymers LLC ("CC Polymers"), a JV between Alpek, Indorama and Far Eastern, obtained regulatory clearance from the Federal Trade Commission ("FTC") and acquired the Corpus Christi project from M&G USA for an aggregate amount of U.S. \$1.199 billion in cash and other capital contributions. The Corpus Christi Project assets include the integrated PTA-PET plant under construction in Corpus Christi, Texas, certain M&G intellectual property, and a desalination/boiler plant providing water and steam to the site.

Alpek's contribution for the closing of the transaction was U.S. \$266 million in cash and U.S. \$133 million non-cash associated to a portion of the secured claim with M&G, arising under the original agreement. Alpek will also obtain U.S. \$67 million in cash for the remainder of its secured claim, subject to certain conditions. This transaction implies a total recovery of U.S. \$200 million from the original agreement with M&G, which was subject to a full asset impairment in 2017. As a result, 4Q18 Operating Income includes a non-cash gain of U.S. \$195 million that corresponds to the present value of the total recovery.

Also related to the M&G bankruptcy, the process among Alpek, M&G Mexico and other creditors to approve and implement a definitive restructuring plan advanced in 4Q18.

In addition, work is underway to start up the 350 MW Altamira cogeneration power plant. We recently moved from the construction phase into commissioning, in preparation for commercial operations in coming months. Simultaneously, Alpek continued to sign long-term power supply agreements with industrial customers amid a favorable Mexican power tariff environment.

Alpek also advanced in the process to sell its Cosoleacaque and Altamira cogeneration power plants, reaching a final agreement with ContourGlobal for an aggregate amount of U.S. \$801 million. Pursuant to the agreement, Alpek will maintain a reliable and competitive supply of steam and power for its Mexican facilities through long-term contracts. Moreover, the sale implies realizing an attractive return and will strengthen Alpek's balance sheet and credit metrics even further. Closing of this transaction is expected before the end of the second quarter.

Alpek's financial position improved consistently during 2018, even after the Suape/Citepe and Corpus Christi acquisitions. At the close of 2018, Net Debt totaled U.S. \$1.832 billion and the leverage ratio (Net Debt to LTM EBITDA) was 1.7 times; down from 3.3 times at the close of 2017, driven by better than expected results. Adjusting for the U.S. \$220 million non-cash gain on business combination (Suape/Citepe), the leverage ratio at the close of 2018 was 2.2 times.

Despite the slowdown at the end of the year, 2018 results reflect a favorable oil price environment, the global polyester margin recovery which was amplified by a mid-year spike in Asia, and the successful integration of the Suape/Citepe acquisition, among other non-recurring, Alpek-specific drivers in the P&C segment.

Our outlook for 2019 is based on a lower average Brent oil price year-over-year and lower margins for certain products that benefitted from non-recurring events in 2018. Yet, we maintain positive view for underlying industry margins in the majority of our products, supported by a stable supply/demand balance outlook. 2019 Guidance will be disclosed tomorrow, prior to our 4Q18 Conference Call.

## Results by Business Segment

### Polyester

*(Purified Terephthalic Acid (PTA), Polyethylene Terephthalate (PET), Polyester fibers – 74% of Alpek's Net Sales)*

Fourth quarter 2018 Polyester revenues were up 39% year-on-year driven by higher volume and average prices. In contrast, 4Q18 revenues were 11% lower quarter-on-quarter due mainly to lower volume amid a sequential decline in feedstock prices (e.g. paraxylene and MEG). Average 4Q18 Polyester prices were up 23% when compared to 4Q17 and 1% lower versus 3Q18, reflecting feedstock price volatility at the end of 2018.

Polyester volume was 851 Ktons in 4Q18, including 145 Ktons from Suape/Citepe. Adjusting for the volume from the acquired entities in Brazil, Polyester was down 6% and 8% when compared to 4Q17 and 3Q18, respectively, as the sudden drop in oil and feedstock prices weighed on demand. For the full year, Polyester volume was 12% higher than the same period in 2017; down 1% when adjusted for Suape/Citepe.

4Q18 segment EBITDA was U.S. \$316 million, including a U.S. \$220 million non-cash gain on business combination (Suape/Citepe) which was partially offset by a non-cash inventory loss of U.S. \$22 million and a U.S. \$4 million net loss from others such as non-recurring legal fees/expenses. Adjusting for these three items, 4Q18 Comparable Polyester EBITDA was U.S. \$122 million, up 85% when compared to 4Q17, driven mainly by the year-over-year recovery in global polyester margins and the integration of Suape/Citepe. In contrast, global reference polyester margins decreased quarter-on-quarter, and a combination of seasonality plus the sudden drop in oil and feedstock prices weighed on demand in 4Q18, resulting in a 24% Comparable Polyester EBITDA decline versus 3Q18. 2018 Comparable Polyester EBITDA was U.S. \$529 million, up 126% versus 2017 despite the end-of-year slowdown.

### Plastics & Chemicals (P&C)

*(Polypropylene (PP), Expandable Polystyrene (EPS), Caprolactam (CPL), Other products – 25% of Alpek's Net Sales)*

4Q18 P&C revenues increased 3% year-on-year and decreased 11% quarter-on-quarter as a result of lower volume and mixed average prices. Average fourth quarter 2018 P&C prices were up 10% compared to 4Q17 and down 2% versus 3Q18, due to oil price volatility at the end of 2018.

Fourth quarter 2018 P&C volume was down 6% and 10% when compared to 4Q17 and 3Q18, respectively. Segment volume was impacted by the sudden drop in feedstock prices which typically cause temporary distortions on demand. For the full year, P&C volume was up 1% as the decrease in certain products was more than offset by EPS volume growth following the capacity expansion in Mexico that was completed in 3Q17.

Segment EBITDA was U.S. \$52 million in 4Q18, including a U.S. \$5 million non-cash inventory loss. Adjusting for the inventory loss, Comparable 4Q18 P&C EBITDA was down 3% and 22% versus 4Q17 and 3Q18, respectively. Year-on-year, incremental caprolactam costs associated to domestic feedstock supply constraints more than offset PP EBITDA growth. When compared to 3Q18, all P&C products posted lower EBITDA amid a downtrend in oil and feedstock prices that affected volume. 2018 Comparable P&C EBITDA was U.S. \$275 million, up 20% versus 2017 driven by PP and EPS.

## Consolidated Financial Results

**Net Sales:** Net Sales for the fourth quarter totaled U.S. \$1.758 billion, including U.S. \$188 million from Suape/Citepe. Adjusting for the acquired entities in Brazil, 4Q18 Consolidated Net Sales were up 19% year-on-year and down 9% when compared to 3Q18 as a result of lower volume and mixed average prices due to oil price volatility at the end of 2018. Accumulated Net Sales as of December 31, 2018 totaled U.S. \$6.991 billion, including U.S. \$494 million from Suape/Citepe. 2018 Net Sales were 34% higher when compared with 2017, and increased 24% when adjusted for the acquired entities in Brazil.

**EBITDA:** 4Q18 EBITDA was U.S. \$369 million, including a net gain of U.S. \$188 million from the following three non-operating items: i) a U.S. \$220 million non-cash gain on business combination (Suape/Citepe), ii) a U.S. \$28 million non-cash inventory loss and iii) a U.S. \$4 million net loss from others such as non-recurring legal fees/expenses. Adjusting for these items, Comparable Consolidated EBITDA was U.S. \$181 million, U.S. \$234 million and U.S. \$124 million in 4Q18, 3Q18 and 4Q17. Accumulated EBITDA as of December 31, 2018 was U.S. \$1.063 billion, including a net gain of U.S. \$259 million from the following three non-operating items: i) a U.S. \$220 million non-cash gain on business combination, ii) a U.S. \$41 million non-cash inventory gain, and iii) a U.S. \$2 million net loss from others. Adjusting for these items, 2018 Comparable Consolidated EBITDA was U.S. \$804 million, up 74% versus 2017.

**Profit (Loss) Attributable to Controlling Interest:** Profit Attributable to Controlling Interest for the fourth quarter of 2018 was U.S. \$393 million, including the U.S. \$220 million non-cash gain on business combination plus a net benefit of U.S. \$136 million associated to the recovery of Alpek's secured claim under the original Corpus Christi agreement with M&G. The net Corpus Christi recovery benefit is comprised of a U.S. \$195 million non-cash gain in Operating Income resulting from the partial reversal of the asset impairment that was recognized in 2017, less U.S. \$59 million in deferred income tax. 2018 Profit Attributable to Controlling Interest was U.S. \$697 million, including a net benefit of U.S. \$356 million from the gain on business combination and the Corpus Christi recovery. In contrast, 2017 Loss Attributable to Controlling Interest was U.S. -\$319 million, including a net loss of U.S. -\$481 million related to M&G provisions and impairments.

**Capital Expenditures and Acquisitions (Capex):** 4Q18 Capex was U.S. \$262 million, compared to U.S. \$30 million and U.S. \$37 million in 4Q17 and 3Q18, respectively. The majority of these funds were invested in the acquisition of the Corpus Christi project from M&G. Accumulated Capex as of December 31, 2018 totaled U.S. \$826 million, which includes the acquisitions of Suape/Citepe in Brazil (U.S. \$435 million) and the Corpus Christi project in the United States (U.S. \$266 million), plus the construction of the Altamira cogeneration power plant in Mexico.

**Net Debt:** Consolidated Net Debt as of December 31, 2018 was U.S. \$1.832 billion, up 45% and 14% year-on-year and quarter-on-quarter, respectively. On an absolute basis, Net Debt increased U.S. \$569 million during 2018 as the year's CAPEX investment of U.S. \$826 million was partially offset by better-than-expected EBITDA. As of December 31, 2018, Gross Debt was U.S. \$2.043 billion and Cash totaled U.S. \$212 million. Financial ratios at the close of 4Q18 were: Net Debt to EBITDA of 1.7 times and Interest Coverage of 9.9 times. Adjusted by the non-cash gain from the Suape/Citepe acquisition, Net Debt to EBITDA was 2.2 times and Interest Coverage of 7.8 times.

## Appendix A - Tables

TABLE 1 | VOLUME (KTONS)

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch.%
				3Q18	4Q17			
Total Volume	1,061	1,174	975	(10)	9	4,402	4,012	10
Polyester	851	941	752	(10)	13	3,490	3,105	12
Plastics and Chemicals	210	233	224	(10)	(6)	912	906	1

TABLE 2 | PRICE CHANGES (%)

	(% ) 4Q18 vs.		2018 vs. 2017
	3Q18	4Q17	
<b>Polyester</b>			
Avg. Ps. Prices	3	28	26
Avg. U.S. \$ Prices	(1)	23	24
<b>Plastics and Chemicals</b>			
Avg. Ps. Prices	2	15	15
Avg. U.S. \$ Prices	(2)	10	13
<b>Total</b>			
Avg. Ps. Prices	5	28	24
Avg. U.S. \$ Prices	-	22	22

TABLE 3 | INCOME STATEMENT (U.S. \$ Millions)

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch.%
				3Q18	4Q17			
Total Revenues	1,758	1,941	1,321	(9)	33	6,991	5,231	34
Gross Profit	181	288	162	(37)	12	938	544	72
Operating expenses and others	327	(56)	(52)	684	728	148	(732)	120
Operating income	508	232	110	119	362	1,086	(188)	676
Financial cost, net	(45)	(81)	(68)	45	35	(141)	(188)	25
Share of losses of associates	(1)	-	-	(100)	(100)	(2)	-	(690)
Income Tax	(60)	(50)	(62)	(20)	3	(178)	106	(269)
Consolidated net income	402	101	(20)	299	2,107	765	(271)	383
Controlling Interest	393	80	(30)	390	1,399	697	(319)	318

**TABLE 4 | REVENUES**

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch. %
				3Q18	4Q17			
<b>Total Revenues</b>								
Ps. Millions	34,802	36,833	25,010	(6)	39	134,523	98,998	36
U.S. \$ Millions	1,758	1,941	1,321	(9)	33	6,991	5,231	34
<b>Domestic Revenues</b>								
Ps. Millions	10,195	10,609	8,166	(4)	25	40,289	34,957	15
U.S. \$ Millions	516	559	431	(8)	20	2,095	1,846	14
<b>Foreign Revenues</b>								
Ps. Millions	24,607	26,224	16,844	(6)	46	94,234	64,042	47
U.S. \$ Millions	1,243	1,382	890	(10)	40	4,895	3,385	45
Foreign / Total (%)	71	71	67			70	65	

**TABLE 5 | OPERATING INCOME AND EBITDA**

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch. %
				3Q18	4Q17			
<b>Operating Income</b>								
Ps. Millions	10,167	4,407	2,084	131	388	21,202	(2,854)	843
U.S. \$ Millions	508	232	110	119	362	1,086	(188)	676
<b>EBITDA</b>								
Ps. Millions	7,355	5,200	2,660	41	177	20,607	7,483	175
U.S. \$ Millions	369	274	141	35	163	1,063	384	177

**TABLE 6 | COMPARABLE EBITDA**

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch. %
				3Q18	4Q17			
<b>EBITDA</b>								
Ps. Millions	7,355	5,200	2,660	41	177	20,607	7,483	175
U.S. \$ Millions	369	274	141	35	163	1,063	384	177
<b>Adjustments*</b>								
Ps. Millions	(3,938)	(762)	(309)	(417)	(1,173)	(5,310)	1,322	(502)
U.S. \$ Millions	(188)	(40)	(16)	(368)	(1,047)	(259)	79	(430)
<b>Comparable EBITDA</b>								
Ps. Millions	3,417	4,437	2,350	(23)	45	15,297	8,806	74
U.S. \$ Millions	181	234	124	(22)	46	804	462	74

\*Adjustments: Inventory and non-operating, one-time (gains) losses

TABLE 7 | FINANCIAL COST, NET (U.S. \$ Millions)

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch. %
				3Q18	4Q17			
Financial Expenses	(29)	(33)	(23)	12	(24)	(113)	(78)	(45)
Financial Income	8	5	2	59	324	23	10	123
Net Financial Expenses	(21)	(28)	(21)	25	2	(90)	(68)	(33)
Financial Assets Impairment	-	-	-	-	-	-	(95)	100
Fx Gains (Losses)	(24)	(53)	(47)	57	51	(50)	(25)	(104)
Financial Cost, Net	(45)	(81)	(68)	45	35	(141)	(188)	25

TABLE 8 | NET INCOME (U.S. \$ Millions)

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch. %
				3Q18	4Q17			
Consolidated Net Income	402	101	(20)	299	2,107	765	(271)	383
Non-Controlling Interest	10	21	10	(53)	(4)	68	49	40
Controlling Interest	393	80	(30)	390	1,399	697	(319)	318
Earnings per Share (U.S. Dollars)	0.19	0.04	(0.01)	390	1,399	0.33	(0.15)	318
Avg. Outstanding Shares (Millions)*	2,118	2,118	2,117			2,118	2,117	

\* The same number of equivalent shares are considered in the periods presented

TABLE 9 | CASH FLOW (U.S. \$ Millions)

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch. %
				3Q18	4Q17			
EBITDA	369	274	141	35	163	1,063	384	177
Net Working Capital & Others	(45)	(125)	(37)	64	(21)	(321)	83	(485)
Capital Expenditures & Acq.	(262)	(37)	(30)	(616)	(777)	(826)	(236)	(250)
Financial Expenses	(28)	(30)	(22)	6	(27)	(107)	(72)	(48)
Income tax	(17)	(34)	(9)	52	(80)	(92)	(87)	(5)
Dividends	(24)	-	(7)	(100)	(237)	(53)	(176)	70
Payment affiliated companies	-	-	-	-	(207)	10	1	1,280
Other Sources / Uses	(221)	(14)	(105)	(1,511)	(111)	(245)	(118)	(108)
Decrease (Increase) in Net Debt	(228)	34	(70)	(776)	(226)	(569)	(221)	(158)



TABLE 10 | STATEMENT OF FINANCIAL POSITION &amp; FINANCIAL RATIOS (U.S. \$ Millions)

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.	
				3Q18	4Q17
<b>Assets</b>					
Cash and cash equivalents	212	229	484	(7)	(56)
Trade accounts receivable	792	942	544	(16)	45
Inventories	1,245	1,042	829	20	50
Other current assets	348	271	280	29	24
<b>Total current assets</b>	<b>2,597</b>	<b>2,483</b>	<b>2,138</b>	<b>5</b>	<b>21</b>
Investment in associates and others	447	97	33	360	1,257
Property, plant and equipment, net	2,390	2,453	2,105	(3)	14
Goodwill and intangible assets, net	222	208	206	6	8
Other non-current assets	436	488	270	(11)	61
<b>Total assets</b>	<b>6,091</b>	<b>5,730</b>	<b>4,752</b>	<b>6</b>	<b>28</b>
<b>Liabilities &amp; stockholders' equity</b>					
Debt	514	280	375	84	37
Suppliers	1,134	1,094	874	4	30
Other current liabilities	311	285	170	9	83
<b>Total current liabilities</b>	<b>1,960</b>	<b>1,659</b>	<b>1,420</b>	<b>18</b>	<b>38</b>
Debt (include debt issuance cost)	1,525	1,547	1,366	(1)	12
Employees' benefits	56	54	54	4	4
Other long term liabilities	358	631	308	(43)	16
<b>Total liabilities</b>	<b>3,898</b>	<b>3,891</b>	<b>3,147</b>	<b>-</b>	<b>24</b>
<b>Total stockholders' equity</b>	<b>2,193</b>	<b>1,839</b>	<b>1,604</b>	<b>19</b>	<b>37</b>
<b>Total liabilities &amp; stockholders' equity</b>	<b>6,091</b>	<b>5,730</b>	<b>4,752</b>	<b>6</b>	<b>28</b>
Net Debt	1,832	1,603	1,262	14	45
Net Debt/EBITDA*	1.7	1.9	3.3		
Interest Coverage*	9.9	7.8	4.8		

\* Times: last 12 months

## Polyester

**TABLE 11 | REVENUES**

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch. %
				3Q18	4Q17			
<b>Total Revenues</b>								
Ps. Millions	25,623	27,510	17,668	(7)	45	99,559	70,477	41
U.S. \$ Millions	1,295	1,450	933	(11)	39	5,174	3,724	39
<b>Domestic Revenues</b>								
Ps. Millions	4,973	5,275	3,679	(6)	35	19,510	17,446	12
U.S. \$ Millions	252	278	194	(9)	29	1,015	921	10
<b>Foreign Revenues</b>								
Ps. Millions	20,650	22,235	13,989	(7)	48	80,049	53,031	51
U.S. \$ Millions	1,043	1,172	739	(11)	41	4,159	2,804	48
Foreign / Total (%)	81	81	79			80	75	

**TABLE 12 | OPERATING INCOME AND EBITDA**

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch. %
				3Q18	4Q17			
<b>Operating Income</b>								
Ps. Millions	9,248	3,117	1,022	197	805	16,470	(6,815)	342
U.S. \$ Millions	461	164	54	181	757	839	(396)	312
<b>EBITDA</b>								
Ps. Millions	6,300	3,768	1,467	67	329	15,318	2,970	416
U.S. \$ Millions	316	198	77	59	308	788	147	435

**TABLE 13 | COMPARABLE EBITDA**

	4Q18	3Q18	4Q17	(% ) 4Q18 vs.		2018	2017	Ch. %
				3Q18	4Q17			
<b>EBITDA</b>								
Ps. Millions	6,300	3,768	1,467	67	329	15,318	2,970	416
U.S. \$ Millions	316	198	77	59	308	788	147	435
<b>Adjustments*</b>								
Ps. Millions	(4,048)	(706)	(215)	(474)	(1,782)	(5,289)	1,489	(455)
U.S. \$ Millions	(193)	(37)	(11)	(419)	(1,602)	(258)	87	(398)
<b>Comparable EBITDA</b>								
Ps. Millions	2,252	3,062	1,252	(26)	80	10,029	4,458	125
U.S. \$ Millions	122	161	66	(24)	85	529	234	126

\*Adjustments: Inventory and non-operating, one-time (gains) losses

## Plastics &amp; Chemicals

TABLE 14 | REVENUES

	4Q18	3Q18	4Q17	(% 4Q18 vs.)		2018	2017	Ch.%
				3Q18	4Q17			
<b>Total Revenues</b>								
Ps. Millions	7,910	8,559	7,342	(8)	8	32,925	28,522	15
U.S. \$ Millions	400	451	388	(11)	3	1,713	1,506	14
<b>Domestic Revenues</b>								
Ps. Millions	4,831	5,253	4,487	(8)	8	20,307	17,511	16
U.S. \$ Millions	244	277	237	(12)	3	1,057	925	14
<b>Foreign Revenues</b>								
Ps. Millions	3,079	3,307	2,855	(7)	8	12,618	11,011	15
U.S. \$ Millions	156	174	151	(11)	3	656	581	13
Foreign / Total (%)	39	39	39			38	39	

TABLE 15 | OPERATING INCOME AND EBITDA

	4Q18	3Q18	4Q17	(% 4Q18 vs.)		2018	2017	Ch.%
				3Q18	4Q17			
<b>Operating Income</b>								
Ps. Millions	881	1,306	1,071	(33)	(18)	4,735	3,966	19
U.S. \$ Millions	45	69	57	(35)	(21)	247	208	19
<b>EBITDA</b>								
Ps. Millions	1,017	1,448	1,203	(30)	(15)	5,292	4,519	17
U.S. \$ Millions	52	76	64	(32)	(19)	276	237	16

TABLE 16 | COMPARABLE EBITDA

	4Q18	3Q18	4Q17	(% 4Q18 vs.)		2018	2017	Ch.%
				3Q18	4Q17			
<b>EBITDA</b>								
Ps. Millions	1,017	1,448	1,203	(30)	(15)	5,292	4,519	17
U.S. \$ Millions	52	76	64	(32)	(19)	276	237	16
<b>Adjustments*</b>								
Ps. Millions	110	(57)	(94)	294	216	(21)	(167)	87
U.S. \$ Millions	5	(3)	(5)	284	208	(1)	(8)	87
<b>Comparable EBITDA</b>								
Ps. Millions	1,127	1,391	1,108	(19)	2	5,271	4,352	21
U.S. \$ Millions	57	73	59	(22)	(3)	275	229	20

\*Adjustments: Inventory and non-operating, one-time (gains) losses

## Appendix B – Financial Statements

### ALPEK, S.A.B DE C.V. and Subsidiaries

#### STATEMENT OF FINANCIAL POSITION

Information in Millions of Mexican Pesos

	Dec-18	Sep-18	Dec-17	(% Dec 18 vs.)	
				Sep-18	Dec-17
<b>ASSETS</b>					
<b>CURRENT ASSETS:</b>					
Cash and cash equivalents	4,168	4,299	8,795	(3)	(53)
Restricted cash	3	3	763	5	(100)
Trade accounts receivable	15,579	17,713	10,739	(12)	45
Other accounts and notes receivable	5,643	3,232	4,152	75	36
Inventories	24,511	19,602	16,364	25	50
Other current assets	1,211	1,860	1,379	(35)	(12)
<b>Total current assets</b>	<b>51,115</b>	<b>46,709</b>	<b>42,192</b>	<b>9</b>	<b>21</b>
Investment in associates and others	8,794	1,828	650	381	1,253
Property, plant and equipment, net	47,033	46,150	41,535	2	13
Goodwill and intangible assets, net	4,368	3,922	4,065	11	7
Other non-current assets	8,587	9,183	5,336	(6)	61
<b>Total assets</b>	<b>119,897</b>	<b>107,792</b>	<b>93,778</b>	<b>11</b>	<b>28</b>
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>					
<b>CURRENT LIABILITIES:</b>					
Debt	10,118	5,263	7,408	92	37
Suppliers	22,330	20,574	17,255	9	29
Other current liabilities	6,128	5,366	3,356	14	83
<b>Total current liabilities</b>	<b>38,576</b>	<b>31,203</b>	<b>28,019</b>	<b>24</b>	<b>38</b>
<b>NON-CURRENT LIABILITIES:</b>					
Debt (include debt issuance cost)	30,012	29,106	26,958	3	11
Deferred income taxes	4,752	4,382	4,403	8	8
Other non-current liabilities	2,295	7,486	1,673	(69)	37
Employees' benefits	1,099	1,012	1,061	9	4
<b>Total liabilities</b>	<b>76,734</b>	<b>73,189</b>	<b>62,114</b>	<b>5</b>	<b>24</b>
<b>STOCKHOLDERS' EQUITY:</b>					
<b>Controlling interest:</b>					
Capital stock	6,052	6,052	6,048	-	0
Share premium	9,106	9,071	9,071	-	-
Contributed capital	15,158	15,123	15,119	-	0
Earned surplus	22,969	14,391	11,797	60	95
Total controlling interest	38,127	29,514	26,916	29	42
Non-controlling interest	5,036	5,089	4,748	(1)	6
<b>Total stockholders' equity</b>	<b>43,163</b>	<b>34,603</b>	<b>31,664</b>	<b>25</b>	<b>36</b>
<b>Total liabilities and stockholders' equity</b>	<b>119,897</b>	<b>107,792</b>	<b>93,778</b>	<b>11</b>	<b>28</b>

## ALPEK, S.A.B DE C.V. and Subsidiaries

## STATEMENT OF INCOME

Information in Millions of Mexican Pesos

	4Q18	3Q18	4Q17	4Q18 vs.(%)		2018	2017	2018 vs. (%)
				3Q18	4Q17			2017
Revenues	34,802	36,833	25,010	(6)	39	134,523	98,998	36
Domestic	10,195	10,609	8,166	(4)	25	40,289	34,957	15
Export	24,607	26,224	16,844	(6)	46	94,234	64,041	47
Cost of sales	(31,245)	(31,365)	(21,941)	0	(42)	(116,519)	(88,598)	(32)
Gross profit	3,557	5,468	3,069	(35)	16	18,004	10,400	73
Operating expenses and others	6,610	(1,061)	(985)	723	771	3,198	(13,254)	124
Operating income	10,167	4,407	2,084	131	388	21,202	(2,854)	843
Financial result, net	(935)	(1,548)	(1,296)	37	28	(2,783)	(3,410)	18
Equity in income of associates and joint ventures	(23)	2	-	(1,255)	(100)	(30)	(4)	(692)
Income before taxes	9,209	2,861	788	222	1,069	18,389	(6,268)	393
Income taxes	(1,200)	(950)	(1,173)	(26)	(2)	(3,455)	1,713	(302)
<b>Consolidated net income</b>	<b>8,009</b>	<b>1,911</b>	<b>(385)</b>	<b>319</b>	<b>2,180</b>	<b>14,934</b>	<b>(4,555)</b>	<b>428</b>
<b>Profit attributable to Controlling interest</b>	<b>7,815</b>	<b>1,516</b>	<b>(577)</b>	<b>416</b>	<b>1,455</b>	<b>13,633</b>	<b>(5,487)</b>	<b>348</b>
<b>Profit attributable to Non-controlling interest</b>	<b>194</b>	<b>395</b>	<b>192</b>	<b>(51)</b>	<b>1</b>	<b>1,301</b>	<b>932</b>	<b>40</b>