

Unaudited Consolidated Statements of Cash Flows

For the 1Q17 ended March 31, 2017 (In millions of Mexican pesos)

	1Q17	Dec 16
Cash flows from operating activities:		
Consolidated net income (loss)	268	(446)
Adjustments for:	-	-
Income tax expense recognized in net loss	51	132
Loss (gain) on disposal of property, plant and equipment	-	31
Depreciation and amortization	174	711
Contingencies	-	(2)
Fair value adjustment of investment properties	6	(192)
Interest income	(2)	(9)
Interest expense	250	686
Unrealized foreign exchange	(656)	294
	<u>92</u>	<u>1,204</u>
Changes in working capital:		
(Increase) decrease in:		
Accounts receivable, net	60	(48)
Accounts receivables to related parties	2	(9)
Inventories, net	102	(94)
Prepaid expenses	(122)	(28)
Other assets	3	7
Increase (decrease) in:		
Accounts payable to Suppliers	249	369
Accounts payable to related parties	-	84
Other accounts payable and accrued liabilities	(12)	47
Direct employee benefits	(7)	23
Advance payments from customers	(22)	33
Income taxes paid	(32)	(167)
Employee benefits	(7)	39
Contingencies	9	(12)
Net cash flows generated by operating activities	314	1,448
Cash flows from investing activities:		
Interest received	2	9
Acquisition of property, plant and equipment	(144)	(561)
Sale of property, plant and equipment	(4)	75
Net cash flows (generated by) used in investing activities	(146)	(478)
Cash flows from financing activities:		
Proceeds from debt	713	7,065
Payments of debt	(881)	(7,264)
Interest paid	(139)	(422)
Purchase of non-controlling interest	-	(161)
Capital increase	-	-
Dividends paid	-	-
Net cash flow (used in) generated by financing activities	(307)	(781)
Net increase (decrease) in cash and cash equivalents	(139)	189
Effects of exchange rate changes on cash flows	(128)	90
Cash and cash equivalents at end of year	733	454
Cash and cash equivalents at beginning of year	466	733