

First Quarter 2016 Results

Mexico City, April 27, 2016 Grupo Carso S.A.B. de C.V. ("El Grupo", BMV: GCARSO OTC: GPOVY) announced today its results for the first quarter of 2016.

CORPORATE EVENTS

- At the Annual General Shareholders' Meeting held today, a cash dividend of \$0.88 Ps (Zero Pesos 88/100 National Currency) from the balance of net tax profit account was approved, divided in two equal installments of \$0.44 Ps per share each.

HIGHLIGHTS

- During the 1Q16 **consolidated Sales** of Grupo Carso increased 3.6% reaching \$21,249 MM. All the divisions of the Group posted higher sales as follows: Grupo Condumex 4.5%, Grupo Sanborns 3.6% and Carso Infraestructura y Construcción grew 1.9%.
- **Operating Income** for the quarter reported grew 14.9% totaling \$2,651 MM. The operating margin went up 120 basis points from 11.3% in the 1Q15 to 12.5% in the 1Q16. This was due to a higher profitability in Grupo Condumex, division that increased 41.7% its operating income, followed by Grupo Sanborns, which increased 7.4% the same item.
- **EBITDA** was \$3,158 MM, being 14.4% higher than \$2,762 MM reported in the 1Q15. EBITDA margin rose from 13.5% to 14.9% in proportion to sales.
- In the first quarter of the year, Grupo Carso recorded a **Comprehensive Financial Cost (CFC)** of \$196 MM, which compared favorably against a CFC of \$355 MM in the 1Q15. This was due to a lower ForEx loss and better results in ForEx derivatives.
- Due to improved operating and financial performance, **controlling net income** grew 12.3% in the 1Q16 totaling \$1,630 MM, with a net margin that rose from 7.1% to 7.7% in proportion to sales.
- **Total Debt** at March 31 2016 was \$6,346 MM, declining 14.4% compared with debt at the end of December 2015. Net-debt was negative by \$2,297 MM, compared to a negative net-debt of \$3,351 MM at December 31, 2015. The reduction of 19.7% in cash and cash-equivalents was explained by the beginning of the construction of the gas pipelines by Carso Energy and the opening and renovation of stores at Grupo Sanborns. The ratio Net-debt-to-last-twelve-months (LTM) EBITDA was of -0.2 times in the 1Q16,

compared to -0.27 times in the 4Q15. The dual bond program fully utilized by \$5.0 billion pesos or its equivalent in U.S. dollars changed from long-term to short-term.

SUMMARY

Amounts in million pesos MXN (MM)

Consolidated Results	1Q16	1Q15	Var %
Sales	21,249	20,511	3.6%
Operating Income	2,651	2,308	14.9%
Controlling Net Income	1,630	1,451	12.3%
EBITDA*	3,158	2,762	14.4%
Operating Margin	12.5%	11.3%	
EBITDA Margin	14.9%	13.5%	

FINANCIAL RESULTS

Financial Results	1Q16	1Q15	Var%
Interest Expenses	-113.5	-93.6	21.2%
Income (Loss) on derivatives net	-166.0	-257.3	-35.5%
Interest Income	102.6	122.3	-16.1%
Interest (net)	-176.8	-228.6	-22.6%
ForEx Results	-18.9	-125.9	-85.0%
CFC	-195.7	-354.5	-44.8%
Income taxes	672.7	606.5	10.9%
Earnings from non-consolidated companies	166.4	350.4	-52.5%
Non-controlling participation in Net Income	320.0	246.8	29.7%

NA= Not applicable

INTEREST-BEARING LIABILITIES

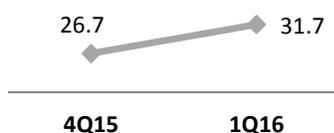
Total Debt by CURRENCY
(Includes ForEx Hedges)

Pesos	Dollars
85%	15%

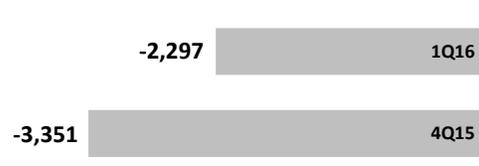
Total Debt by TERM

Short T
100%

LTM EBITDA/Interest
Expense

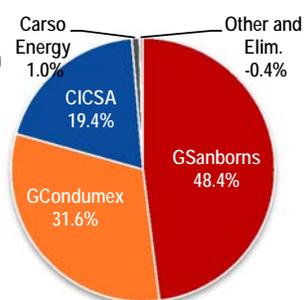


Net Debt (MM Ps)

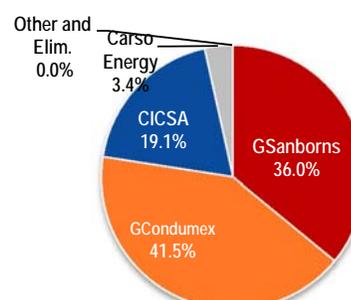


CONTRIBUTION TO CONSOLIDATED RESULTS BY SEGMENT

1Q16
Revenue Breakdown
by Segment



1Q16
Op. Income
Breakdown



SEGMENT RESULTS

RETAIL

Consolidated Results	1Q16	1Q15	Var %
Sales	10,285	9,927	3.6%
Operating Income	954	888	7.4%
Controlling Net Income	631	558	13.1%
EBITDA	1,221	1,112	9.8%
Operating Margin	9.3%	8.9%	
EBITDA Margin	11.9%	11.2%	



Contribution to
Consolidated Results
48% SALES
36% OP. INCOME
39% EBITDA

Note: For additional information, please refer to the 1Q16 Earnings Report of Grupo Sanborns S.A.B de C.V.

During the first quarter of the year, total sales of Grupo Sanborns reached \$10,285 million, a 3.6% increase that meant \$358 million pesos more. It is important to remember that since the second half of September 2015, the revenue business model of mobile phones changed, recording the commission in the gross profit, which remained constant in peso terms. This change resulted in a reduction in total sales in the 1Q16 of \$401 million pesos.

Without this change, the sales figure of Grupo Sanborns increased 7.6% from \$9,927 MM in the 1Q15 to \$10,686 MM in the 1Q16.

Gross Profit increased 6.5% reaching \$4,135 MM. Gross margin expanded 110 basis points to 40.2%, driven by the change in the revenue business model of mobile phones, which offset a higher share of technology products within the sales mix.

Regarding the operating income and EBITDA, these items totaled \$954 and \$1,221 million, which represented increases of 7.4% and 9.8%, respectively. The operating margin improved from 8.9% to 9.3% of sales, while the EBITDA margin improved from 11.2% to 11.9% of sales.

Better operating and financial results explained an increase of 13.1% in the controlling net income of the 1Q16, reaching \$631 million pesos, compared to \$558 million recorded in the 1Q15.

INDUSTRIAL

Consolidated Results	1Q16	1Q15	Var %
Sales	6,724	6,435	4.5%
Operating Income	1,101	777	41.7%
Controlling Net Income	570	468	21.9%
EBITDA	1,191	865	37.6%
Operating Margin	16.4%	12.1%	
EBITDA Margin	17.7%	13.4%	



Contribution to
Consolidated Results
32% SALES
42% OP. INCOME
37% EBITDA

Sales of Grupo Consumex improved from \$6,435 to \$6,724 million pesos, which represented an increase of 4.5%. This was due to the better performance of all sectors that comprise the industrial unit: construction cables, telecom cables and products for the automotive industry, compared to the figures of the same quarter of the previous year.

Operating Income and EBITDA of the 1Q16 rose 41.7% and 37.6%, reaching \$1,101 MM and \$1,191 MM, respectively. This improvement in profitability was mainly due to the automotive sector and the reorganization of the cable business, in order to increase productivity and gain efficiencies through business partnerships in the distribution chain.

Controlling net income of Consumex increased 21.9% from \$468 MM in the 1Q15 to \$570 MM in the 1Q16.

INFRAESTRUCTURE AND CONSTRUCTION

Resultados Consolidados	1T16	1T15	Var %
Ventas	4,130	4,054	1.9%
Utilidad de Operación	506	527	-4.0%
Utilidad Neta Controladora	297	358	-16.9%
EBITDA	604	617	-2.1%
Margen de Operación	12.3%	13.0%	
Margen EBITDA	14.6%	15.2%	

carso
INFRAESTRUCTURA Y CONSTRUCCIÓN

Contribution to
Consolidated Results
19% SALES
19% OP. INCOME
19% EBITDA

Sales of Carso Infraestructura y Construcción (CICSA) totaled \$4,130 MM from January to March 2016, decreasing 1.9% compared to the same period of 2015. The completion of several projects explained this, as well as lower revenues in the manufacture and services for the oil industry with Pemex.

The mix of projects carried out during the quarter within the portfolio of CICSA had lower profitability versus the 1Q15; therefore, operating income and EBITDA decreased 4.0% and 2.1%, respectively.

Controlling net income for the quarter decreased 16.9% from \$358 MM in the 1Q15 to \$297 MM in the 1Q16. The main projects of CICSA currently are: the progress in the construction of the Eastern Discharge Tunnel, the Atotonilco waste-water treatment plant, the Tepic-Guadalajara and Mitla-Tehuantepec bypass roads, the subway transport hub ETRAM Toreo, the Nuevo Veracruz real estate development and Telecom installation services.

The backlog of CICSA totaled \$16,448 MM at March 31, 2016, compared to \$18,561 MM in the same period of last year. This figure does not include \$938 MM from projects that CICSA has in consortium with other companies; therefore, the backlog in the 1Q16 would have reached \$17,386 MM.

CARSO ENERGY

The **Waha-Presidio and Waha-San Elizario** gas pipelines in Texas, U.S.A., concluded with environmental consultations obtaining the permits. The procedures for rights of way continue and the construction of the gas pipeline began in late March.



Contribution to
Consolidated Results
1.0% SALES
3.4% OP. INCOME
4.0% EBITDA

The **Samalayuca-Sásabe** gas pipeline, between the states of Chihuahua and Sonora continue with the approval of environmental and social impact permits, procedures of rights of way, progress in the development of engineering and signature of contracts to supply pipes and valves. The construction is expected to begin in the first half of 2016.

INVITATION TO THE CONFERENCE CALL

Date: Thursday, April 28, 2016
 Time: 9:30-10:00 A.M. Mexico City Time/ 10:30 A.M.-11:00 A.M. NY time (US EST)
 Access Number: +1 (412) 317-5456 (International and Mexico)
 Toll Free U.S.: +1 (844) 846-8975
 Conference ID: 10084903
 Replay: +1 (412) 317-0088/+1 (877) 344-7529
 Replay Access Code: 10084903 (Available 7 days)

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ADDITIONAL CHARTS:

Financial Income Data								
Million PESOS (MXN)						(MM USD)		
	1Q16		1Q15		Var %	1Q16	1Q15	Var %
GRUPO CARSO								
Revenues	21,249.1	100.0%	20,510.6	100.0%	3.6%	1,179.4	1,373.8	-14.1%
Operating Income	2,651.5	12.5%	2,308.0	11.3%	14.9%	147.2	154.6	-4.8%
EBITDA	3,158.4	14.9%	2,761.6	13.5%	14.4%	175.3	185.0	-5.2%
Financial Results	-195.7	-0.9%	-354.5	-1.7%	-44.8%	-10.9	-23.7	-54.2%
Controlling Net Income	1,629.5	7.7%	1,450.6	7.1%	12.3%	90.4	97.2	-6.9%
GRUPO SANBORNS								
Sales	10,284.6	100.0%	9,926.7	100.0%	3.6%	570.9	664.9	-14.1%
Operating Income	953.6	9.3%	887.7	8.9%	7.4%	52.9	59.5	-11.0%
EBITDA	1,220.6	11.9%	1,111.6	11.2%	9.8%	67.8	74.5	-9.0%
Controlling Net Income	631.2	6.1%	557.8	5.6%	13.1%	35.0	37.4	-6.2%
GRUPO CONDUMEX								
Sales	6,723.7	100.0%	6,435.2	100.0%	4.5%	373.2	431.0	-13.4%
Operating Income	1,100.9	16.4%	776.9	12.1%	41.7%	61.1	52.0	17.4%
EBITDA	1,190.9	17.7%	865.3	13.4%	37.6%	66.1	58.0	14.0%
Controlling Net Income	570.4	8.5%	468.0	7.3%	21.9%	31.7	31.3	1.0%
CICSA								
Sales	4,129.9	100.0%	4,053.6	100.0%	1.9%	229.2	271.5	-15.6%
Operating Income	506.2	12.3%	527.1	13.0%	-4.0%	28.1	35.3	-20.4%
EBITDA	604.1	14.6%	617.2	15.2%	-2.1%	33.5	41.3	-18.9%
Controlling Net Income	297.3	7.2%	357.6	8.8%	-16.9%	16.5	24.0	-31.1%

Balance Sheet Data						
Million PESOS(MXN)				(MM USD)		
	1Q16	4Q15	Var %	1Q16	4Q15	Var %
GRUPO CARSO						
Cash & Equivalents	7,551.6	8,070.3	-6.4%	419.2	481.8	-13.0%
Trade Receivables	17,303.6	17,782.3	-2.7%	960.5	1,061.7	-9.5%
Accounts Receivable to Related Parties	3,122.8	3,436.1	-9.1%	173.3	205.1	-15.5%
Other Accounts Receivable	3,706.7	2,976.6	24.5%	205.7	177.7	15.8%
Recoverable Taxes	721.0	523.8	37.6%	40.0	31.3	28.0%
Other Financial Assets	1,091.4	2,692.0	-59.5%	60.6	160.7	-62.3%
Inventories	14,197.7	13,818.9	2.7%	788.1	825.0	-4.5%
Current Assets	47,694.8	49,300.1	-3.3%	2,647.3	2,943.4	-10.1%
Other Non-Current Trade Receivables	27.5	27.5	0.0%	1.5	1.6	-7.0%
Non-Current Inventories	790.9	790.9	0.0%	43.9	47.2	-7.0%
Other Non-Current Financial Assets	138.1	227.2	-39.2%	7.7	13.6	-43.5%
Investments in Associates	13,868.6	13,938.6	-0.5%	769.8	832.2	-7.5%
Property, Plant and Equipment	24,405.2	23,470.1	4.0%	1,354.6	1,401.2	-3.3%
Investment Properties	2,759.0	2,758.7	0.0%	153.1	164.7	-7.0%
Intangible Assets and Goodwill	272.3	237.6	14.6%	15.1	14.2	6.6%
Deferred Tax Assets	2,328.4	2,143.2	8.6%	129.2	128.0	1.0%
Other Non-Current Non-Financial Assets	1,292.5	1,291.2	0.1%	71.7	77.1	-6.9%
Non-Current Assets	45,882.4	44,884.9	2.2%	2,546.7	2,679.8	-5.0%
Total Assets	93,577.2	94,185.0	-0.6%	5,194.1	5,623.2	-7.6%
Suppliers	6,603.6	8,399.6	-21.4%	366.5	501.5	-26.9%
Other Current Trade Payables	5,378.6	5,349.9	0.5%	298.5	319.4	-6.5%
Short-Term Taxes Payable	447.4	737.0	-39.3%	24.8	44.0	-43.6%
Short-Term Bank Debt	6,346.3	2,411.6	163.2%	352.3	144.0	144.7%
Other Current Financial Liabilities	69.2	87.5	-21.0%	3.8	5.2	-26.5%
Other Current Non-Financial Liabilities	1,797.6	1,675.8	7.3%	99.8	100.1	-0.3%
Current Provisions	3,726.1	3,227.3	15.5%	206.8	192.7	7.3%
Current Liabilities	24,368.7	21,888.7	11.3%	1,352.6	1,306.8	3.5%
Long-Term Taxes Payable	1,284.5	1,314.9	-2.3%	71.3	78.5	-9.2%
Long-Term Bank Debt	0.0	5,000.0	NA	0.0	298.5	NA
Other Long-Term Financial Liabilities	331.3	351.6	-5.8%	18.4	21.0	-12.4%
Long-Term Provisions	474.5	444.6	6.7%	26.3	26.5	-0.8%
Deferred Tax Liabilities	1,388.4	1,390.9	-0.2%	77.1	83.0	-7.2%
Non-Current Liabilities	3,478.7	8,501.9	-59.1%	193.1	507.6	-62.0%
Total Liabilities	27,847.4	30,390.7	-8.4%	1,545.7	1,814.4	-14.8%
Stockholder's Equity	65,729.7	63,794.4	3.0%	3,648.4	3,808.8	-4.2%
Shares Outstanding ('000)	2,270,262	2,273,930	-0.2%	2,270,262	2,273,930	-0.2%
Closing Stock Price	80.6	71.0	13.5%	4.5	4.24	5.5%

NA=Not Applicable