

## Third Quarter 2011 Results

Mexico City, October 27, 2011, Grupo Carso S.A.B. de C.V. ("Grupo Carso" BMV: GCARSO OTC: GPOVY) announced today its results for the third quarter of 2011.

### Highlights

- o Grupo Carso's sales increased 13.4% during the quarter and 17.3% cumulatively.
- o Operating Income and EBITDA decreased 12.3% and 12.5% respectively, while the cumulative growth was 16.3% and 11.1% from January to September 2011.
- o Controlling net income decreased 64.3% mainly driven by the Exchange loss recorded in the comprehensive financing result.
- o On October 24, the Board of Directors of Grupo Carso approved to commence the process for a tender offer for the 32.82% of the outstanding shares of capital stock of the series "B-1" of Carso Infraestructura y Construccion S.A.B. de C.V. ("CICSA") at a purchase price of \$8.20 pesos per share. If Grupo Carso acquires a sufficient number of shares, it intends to delist CICSA from the stock market.

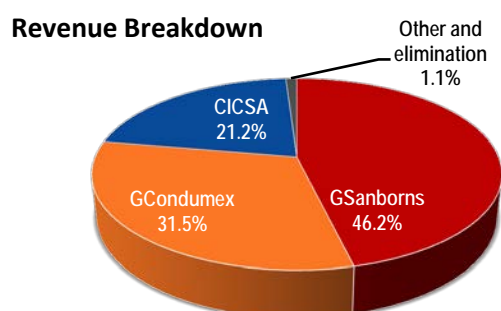
### Summary

(Amounts in million pesos)

Consolidated Results	3Q11	3Q10	Var %	9M11	9M10	Var %
Sales	<b>17,931</b>	15,811	13.4%	<b>52,363</b>	44,634	17.3%
Operating Income	<b>1,688</b>	1,925	-12.3%	<b>5,486</b>	4,717	16.3%
Controlling Net Income	<b>438</b>	2,080	-79.0%	<b>3,236</b>	5,223	-38.0%
EBITDA	<b>1,969</b>	2,250	-12.5%	<b>6,349</b>	5,713	11.1%
Operating Margin	<b>9.4%</b>	12.2%		<b>10.5%</b>	10.6%	
EBITDA Margin	<b>11.0%</b>	14.2%		<b>12.1%</b>	12.8%	

## CONSOLIDATED RESULTS

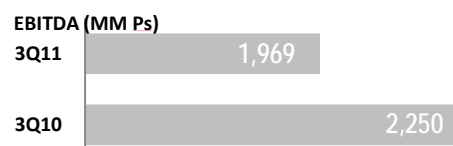
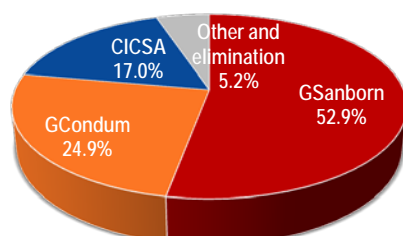
### Revenues



Certain statements in this earnings release may be related to expectations about future events of Grupo Carso. The phrases "will allow," "will," "estimate," "expect," "intend," "might," "should" and similar expressions generally indicate comments based on financial information, operating levels and conditions of the market to date. These statements are subject to factors such as volatility in metals prices, energy inputs and other inputs, the possibility of cyclical or seasonal business or consumer slowdown risks that are detailed in the Company's annual report and may cause actual results to differ materially from current expectations. Grupo Carso undertakes no obligation to publish a review on these forward-looking statements to reflect events or circumstances occurring after the date of publication of this release.

## Operating Income and EBITDA

### Op. Income Breakdown



## Financial Results

Financial Results	3Q11	3Q10	Var%	9M11	9M10	Var%
Interest Expenses	805.6	607.2	32.7%	2,028.7	1,715.6	18.3%
Interest Income	410.4	319.4	28.5%	1,241.3	533.3	132.7%
Interest (net)	-395.2	-287.8	37.3%	-787.4	-1,182.3	-33.4%
ForEx Results	-465.6	54.6	NA	-67.4	196.1	NA
REPOMO	0.0	0.1	0.0%	0.0	0.3	0.0%
Other Financial Income	1.5	1.3	20.9%	3.9	3.5	12.0%
<b>CFR</b>	<b>-859.3</b>	<b>-231.8</b>	<b>270.6%</b>	<b>-850.9</b>	<b>-982.4</b>	<b>-13.4%</b>
Other Financial Operations	-90.1	-45.9	96.2%	-468.6	-159.9	193.2%
Earnings from non-consolidated companies	68.4	386.5	-82.3%	663.3	1,034.6	-35.9%
Controlling participation in net income	57.8	244.9	-76.4%	435.7	607.1	-28.2%
<b>CFR+Other Financial Operations</b>	<b>-949.4</b>	<b>-277.8</b>	<b>241.8%</b>	<b>-1,319.5</b>	<b>-1,142.3</b>	<b>15.5%</b>

### Net Income

Even when the infrastructure, industrial and retail segments posted increases in revenues of 26.2%, 11.2% and 7.8%, controlling net income fell 79.0% during the quarter due to the following reasons: 1) a 270.6% increase in the comprehensive financing result due to a ForEx loss of \$466 MM Ps, 2) the recording in 2010 of the profit of the mining and real estate sectors (which were spun-off at the end of 2010) as a discontinued operation and 3) a lower operating income in the industrial segment.

Cumulative net income before discontinued operations and non-controlling participation increased 2.0% compared with the year ago figure. After these items, the cumulative controlling net income decreased 38.0%

### Interest-bearing Liabilities

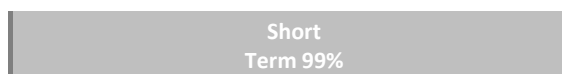
Bank debt at September 30, 2011 totaled \$9,379 MM Ps, 46.4% lower than the debt recorded in the 3Q11. Likewise, net debt was \$6,082 MM Ps, considering cash available of \$3,296 MM Ps. This compares with a net debt of \$14,756 MM Ps recorded in the 3Q10.

The ratio of LTM EBITDA to interes expenses stood at 3.09 times in the 3Q11, being 17.3% lower than in the 3Q10.

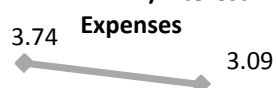
#### Total Bank Debt by CURRENCY (Includes ForEx Hedges)



#### Total Bank Debt by TERM



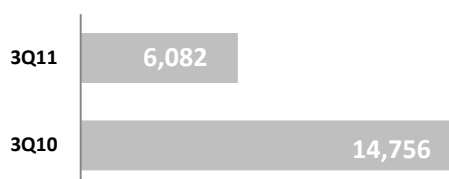
#### LTM EBITDA/Interest



3Q10

3Q11

#### Net Bank Debt (MM Ps)



SEGMENT RESULTS

RETAIL

Consolidated Results	3Q11	3Q10	Var %	9M11	9M10	Var %
Sales	<b>8,293</b>	7,689	7.8%	<b>24,920</b>	22,692	9.8%
Operating Income	<b>893</b>	822	8.7%	<b>2,814</b>	2,435	15.5%
Controlling Net Income	<b>458</b>	775	-41.0%	<b>1,597</b>	2,086	-23.5%
EBITDA	<b>1,027</b>	983	4.5%	<b>3,212</b>	2,922	9.9%
Operating Margin	<b>10.8%</b>	10.7%		<b>11.3%</b>	10.7%	
EBITDA Margin	<b>12.4%</b>	12.8%		<b>12.9%</b>	12.9%	



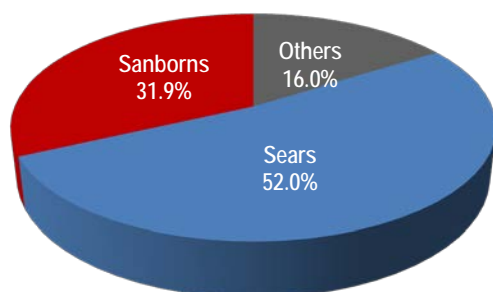
Contribution to  
Consolidated Results  
46% SALES  
53% OP. INCOME  
52% EBITDA

During the quarter, the good performance of the major retail formats was reflected in the consolidated **sales** of Grupo Sanborns, which totaled \$8,293 MM Ps, 7.8% above the figure of the 3Q10. Quarterly **operating income and EBITDA** reached \$893 and \$1,027 MM ps respectively, being 8.7% and 4.5% higher than the amounts recorded a year ago.

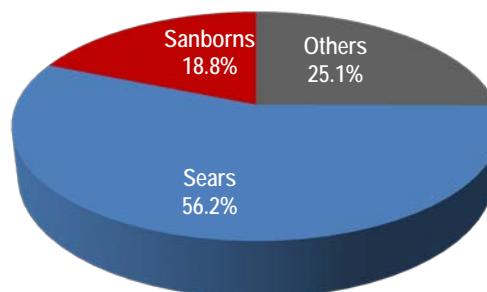
Controlling **Net income** totaled \$458 MM Ps, representing a 41.0% decrease compared with the 3Q10. It is important to note that controlling net income in 2010 includes the profit of the real estate sector as a discontinued operation, totaling \$352 MM Ps in the 3Q10 and \$754 MM Ps in the first nine months of 2010.

Sanborns sales increased 5.0% compared with the 3Q10, while same-store sales grew 2.4%. Likewise, Sears increased 2.1% its sales from July to September 2011, while same-store sales grew 4.6. As of September 30, 2011, 6 entertainment stores were opened, 2 new Sanborns stores, 2 new Sears stores and one reopening.

Grupo Sanborns Revenue  
Breakdown 3Q11



Grupo Sanborns Op. Income  
Breakdown 3Q11



SEGMENT RESULTS

INDUSTRIAL

Consolidated Results	3Q11	3Q10	Var %	9M11	9M10	Var %
Sales	5,643	5,076	11.2%	16,351	13,893	17.7%
Operating Income	420	628	-33.1%	1,558	1,409	10.6%
Net Income	-76	1,131	NA	1,117	2,734	-59.1%
EBITDA	501	714	-29.8%	1,802	1,691	6.5%
Operating Margin	7.4%	12.4%		9.5%	10.1%	
EBITDA Margin	8.9%	14.1%		11.0%	12.2%	



Contribution to  
Consolidated Results  
31% SALES  
25% OP. INCOME  
25% EBITDA

Quarterly **revenues** for Grupo Condumex reached \$5,643 MM Ps, resulting in an 11.2% growth compared with the 3Q10. This result was mainly explained by the sound performance of the Telecom and the Automotive sector, where the 441.0% growth of the fiber optic cable sales stood out, as well as an increase of 13.1% and 6.9% in the sales of harnesses and automotive cable.

**Volume Growth  
Industrial Product Lines**

	Var% 3Q11 vs. 3Q10	Var% 9M11 vs. 9M10
<b>Telecom</b>		
Copper Cable	-19.2%	8.0%
Fiber Optics	441.0%	143.8%
Coaxial Cable	-31.8%	-18.5%
<b>Automotive</b>		
Harnesses	13.1%	14.9%
Automotive Cable	6.9%	16.9%
<b>Construction &amp; Energy</b>		
Energy Cables	-13.8%	-1.4%
Transformers & Turnkey Projects	-93.3%	-23.1%
Industrial Metals	-11.1%	0.8%

The creation of the reserve for inventory impairment, coupled with a competitive price environment caused **operating income** and **EBITDA** to decrease 33.1% y 29.8%, respectively. Moreover, a **net loss** of \$76 MM Ps was recorded, which compared unfavorably with a \$1,131 MM Ps profit recorded in the 3Q10. It is important to note that net income in 2010 includes the profit of the mining sector as a discontinued operation, totaling \$521 MM Ps in the 2Q10 and \$1,612 MM Ps in the first nine months of 2010.

SEGMENT RESULTS

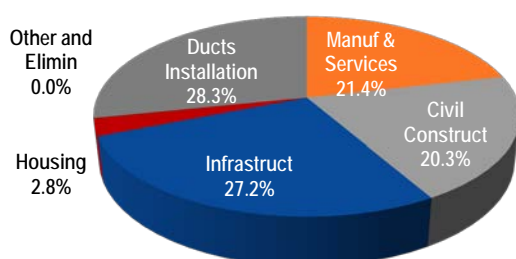
INFRASTRUCTURE AND CONSTRUCTION

Consolidated Results	3Q11	3Q10	Var %	9M11	9M10	Var %
Sales	3,810	3,019	26.2%	10,626	7,596	39.9%
Operating Income	287	221	30.3%	796	540	47.3%
Net Income	-20	154	-113.2%	484	413	17.2%
EBITDA	358	286	25.3%	1,003	731	37.2%
Operating Margin	7.5%	7.3%		7.5%	7.1%	
EBITDA Margin	9.4%	9.5%		9.4%	9.6%	

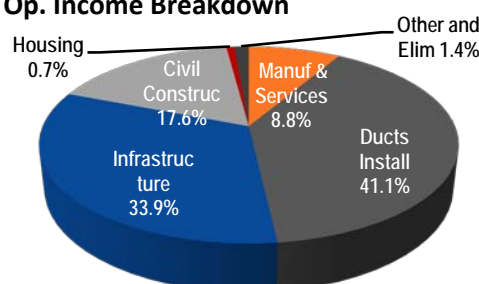


Contribution to Consolidated Results  
21% SALES  
17% OP. INCOME  
18% EBITDA

Revenue Breakdown



Op. Income Breakdown



During the 3Q11, CICSAs sales reached \$3,810 MM Ps, which meant a significant growth of 26.2%, or \$791 million pesos more than the sales figure a year ago. This was the consequence of higher revenues mainly derived from civil construction, manufacture and services for the oil & chemical industries, and ducts installation projects.

Operating Income and EBITDA reached \$287 and \$358 MM Ps from July to September 2011, posting 30.3% and 25.3% increases respectively, compared with the operating results of the previous year, which totaled \$221 and \$286 MM Ps.

During the quarter, a net loss of \$20 MM Ps was recorded, which compared unfavorably with a net profit of \$154 MM Ps recorded in the 3Q10. This was mainly due to a ForEx loss of \$115 MM Ps comprised in the comprehensive financing cost, as well as to the sale of certain assets.

Backlog at September 20, 2011 totaled \$16,742 MM Ps, reflecting an 18.3% reduction over the amount reported at the end of the same period of 2010, which was \$20,492 MM Ps. The breakdown of the backlog by division was as follows: Infrastructure projects \$10,349 MM Ps, manufacture and services for the oil & chemical \$3,179 MM Ps, ducts installation \$1,797 MM Ps, civil construction \$1,267 MM Ps and housing \$150 MM Ps.

### **Manufacture and Services for the Oil & Chemical Industries**

Sales of the Manufacture and Services for the Oil & Chemical Industries reached \$817 MM Ps, reflecting a 34.4% sound growth versus the 3Q10. Operating income and EBITDA totaled \$25 and \$57 MM Ps, respectively, which compared favorably with an operating loss of \$28 MM Ps and an EBITDA of \$1 MM Ps recorded from July to September 2010.

### **Ducts Installation**

In the Ducts Installation sector, sales reached \$1,079 MM Ps, 33.4% above the sales recorded in the same period a year ago. Operating Income and EBITDA totaled \$118 and \$130 MM Ps, representing increases of 56.7% and 52.0%, respectively. The sound performance of the period was driven by the telecom business in Mexico and abroad, the Conejo-Medanos acueduct in Ciudad Juarez and the construction of natural gas networks in Mexico City.

### **Infrastructure Projects**

In the Infrastructure sector sales rose 3.1% from \$1,007 MM Ps in the 3Q10 to \$1,038 MM Ps in the 3Q11. These figures were primarily explained by the progress in the Tunel Emisor Oriente, the 87% completion of the Culiacan bypass road, the Atotonilco wastewater treatment plant and the El Realito dam in San Luis Potosi, among others.

### **Civil Construction**

Due to the projects that began generating revenue this year such as: the Plaza Mariana and the Ciudad Segura C-4 building -both of them completed in this quarter-, the subway metro Line 12 stations, the Operational Center of the Federal Preventive Police (PFP), the Huimanguillo Criminal Facility, the Villahermosa and San Luis Potosi shopping centers and two Star Medica hospitals in Queretaro and Chihuahua, the civil construction sector posted a significant growth of 70.2% in revenues, which totaled \$775 MM Ps. Operating income and EBITDA reached \$51 and \$23 MM Ps, representing 119.0% and 109.5% sound increases, respectively.

### **Housing**

In the third quarter of 2011, revenues of the Housing sector totaled \$105 MM Ps, decreasing 45.8% when compared with the revenues recorded in the same period of the previous year. The fall in the business volume was due to the rationalization in the developments in the north of the country. It is worth noting that operating income posted a 29.8% growth from \$1.65 MM Ps in the 3Q10 to \$2.14 MM Ps in the 3Q11 due to the ongoing administrative restructuring and modifications in the construction schemes.

**Invitation to the Conference Call**

Date: Friday, October 28, 2011  
 Hora: 11:00 a.m. Mexico City time, 12 p.m. New York (ET)  
 Teléfono: +1 (706) 902-1711 (International and Mexico)  
 ID#: 22733071

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**ADDITIONAL TABLES:**

FINANCIAL SUMMARY													
Million PESOS							Million DOLLARS						
	3Q11		3Q10		% change	9M11		9M10		% change	3Q11	3Q10	% change
<b>GRUPO CARSO</b>													
Revenues	17,931.2	100.0%	15,811.0	100.0%	13.4%	52,363.1	100.0%	44,634.0	100.0%	17.3%	1,462.9	1,234.4	18.5%
Operating Income	1,687.8	9.4%	1,925.2	12.2%	-12.3%	5,486.1	10.5%	4,717.3	10.6%	16.3%	137.7	150.3	-8.4%
EBITDA	1,968.7	11.0%	2,249.6	14.2%	-12.5%	6,348.9	12.1%	5,713.0	12.8%	11.1%	160.6	175.6	-8.6%
Financial Results	-859.3	-4.8%	-231.8	-1.5%	270.6%	-850.9	-1.6%	-982.4	-2.2%	-13.4%	-70.1	-18.1	287.3%
Net Income	437.8	2.4%	2,079.9	13.2%	-79.0%	3,235.9	6.2%	5,223.3	11.7%	-38.0%	35.7	162.4	-78.0%
Cash & Equivalents	3,296.4		2,741.5		20.2%						268.9	214.0	25.6%
Total Assets	69,202.6		105,764.5		-34.6%						5,645.7	8,257.4	-31.6%
Total Debt	9,378.7		17,497.7		-46.4%						765.1	1,366.1	-44.0%
% Ps. Denominated	55%		55%		0.0%								
% Long Term	1%		1%		114.3%								
Net Debt	6,082.3		14,756.2		-58.8%						496.2	1,152.1	-56.9%
Stockholder's Equity	33,639.6		50,957.1		-34.0%						2,744.4	3,978.4	-31.0%
Shares Outstanding ('000)	2,292,597		2,302,900		-0.4%								
Stock Price (Sep '11)	32.24		63.40		-49.1%								
<b>GRUPO CONDUMEX</b>													
Sales	5,643.2	100.0%	5,076.3	100.0%	11.2%	16,351.4	100.0%	13,893.0	100.0%	17.7%	460.4	396.3	16.2%
Operating Income	419.8	7.4%	627.7	12.4%	-33.1%	1,557.9	9.5%	1,409.0	10.1%	10.6%	34.2	49.0	-30.1%
EBITDA	501.3	8.9%	714.2	14.1%	-29.8%	1,801.7	11.0%	1,690.9	12.2%	6.5%	40.9	55.8	-26.6%
Net Income	-76.4	-1.4%	1,130.7	22.3%	NA	1,116.9	6.8%	2,733.9	19.7%	-59.1%	-6.2	88.3	NA
<b>GRUPO SANBORNS</b>													
Sales	8,293.1	100.0%	7,689.5	100.0%	7.8%	24,920.4	100.0%	22,691.8	100.0%	9.8%	676.6	600.3	12.7%
Operating Income	893.4	10.8%	821.9	10.7%	8.7%	2,813.5	11.3%	2,435.1	10.7%	15.5%	72.9	64.2	13.6%
EBITDA	1,026.8	12.4%	982.2	12.8%	4.5%	3,212.5	12.9%	2,921.8	12.9%	9.9%	83.8	76.7	9.2%
Net Income	457.8	5.5%	775.4	10.1%	-41.0%	1,596.9	6.4%	2,086.4	9.2%	-23.5%	37.3	60.5	-38.3%
<b>CICSA</b>													
Sales	3,810.1	100.0%	3,019.1	100.0%	26.2%	10,626.1	100.0%	7,596.1	100.0%	39.9%	310.8	235.7	31.9%
Operating Income	287.3	7.5%	220.6	7.3%	30.3%	795.9	7.5%	540.3	7.1%	47.3%	23.4	17.2	36.1%
EBITDA	358.1	9.4%	285.9	9.5%	25.3%	1,003.5	9.4%	731.1	9.6%	37.3%	29.2	22.3	30.9%
Financial Results	-163.9	-4.3%	18.4	0.6%	NA	-16.7	-0.2%	-10.7	-0.1%	56.8%	-13.4	1.4	NA
Net Income	-20.4	-0.5%	153.8	5.1%	NA	484.2	4.6%	413.1	5.4%	17.2%	-1.7	12.0	NA
Cash & Equivalents	741.9		345.4		114.8%						60.5	27.0	124.5%
Total Assets	16,212.4		16,156.0		0.3%						1,322.6	1,261.4	4.9%
Total Debt	1,412.4		1,872.6		-24.6%						115.2	146.2	-21.2%
% Ps. Denominated	50%		43%		0.0%								
% Long Term	0%		0%		0.0%								
Net Debt	670.5		1,527.2		-56.1%						54.7	119.2	-54.1%
Stockholder's Equity	10,180.0		9,768.1		4.2%						830.5	762.6	8.9%
Shares Outstanding ('000)	2,530,832		2,579,019		-1.9%								
Stock Price (Sep'11)	7.00		7.27										