

Fourth Quarter 2020 Results

Mexico City, February 15, 2021, Grupo Carso S.A.B. de C.V. ("The Group", "Grupo Carso", BMV: GCARSO OTC: GPOVY) announced today its results for the fourth quarter and full year 2020.

RELEVANT AND CORPORATE EVENTS

- **Since the beginning of the health emergency caused by the COVID-19 virus, Grupo Carso implemented various prevention and mitigation measures to preserve the health of customers, employees, suppliers and the general population.** As of that date, investments stopped in the retail division and the payment of dividends was not scheduled for this year. **Strict operating expense control was carried out in all divisions,** without affecting the image or service. Inventories were optimized and we maintained financial balance and commitments with customers.
- As of December 19, store closures of non-essential activities, including restaurants, pharmacies and self-service stores were announced again. In several states of Mexico, local authorities implemented reduction of operating hours and allowed capacity. **In the case of the State of Mexico, the first day of February,** restaurants, department stores and shopping centers were able to open during the week and with 20% capacity, and in the case **of Mexico City, the reopening was delayed until February 8, 2021,** with a capacity of 20% for shopping centers and department stores, from Tuesday to Sunday 24 hrs. optional and extended hours of operation of the restaurants until 9:00 p.m. with outdoor service only.
- **The cable and auto parts manufacturing plants** were not affected by closures or shutdowns in the 4Q20, as well as the infrastructure and energy projects that are currently underway. Our distribution centers continued to operate in compliance with all the protocols established by the health authorities.

HIGHLIGHTS

SALES
\$31,151 MM

- **Grupo Carso's sales increased 5.1%, totaling Ps. 31,151 MM.** Grupo Condumex stood out with growth of 34.8% and Carso Infraestructura y Construcción with 21.7%, respectively, while Carso Energy's sales reached \$236 MM. The growth in these divisions offset the 15.7% reduction in Grupo Sanborns, where in mid-December department stores and restaurants were closed again in some locations for prevention and mitigation of the health emergency caused by the COVID-19 virus, which impacted customer traffic in the performance of year-end sales.
- Sales continued through digital stores and **physical points of sale are currently open,** following the guidelines for economic reactivation by State, in terms of capacity percentages and hours of operation.

**OTHER INCOME
(EXPENSES) NET
(\$17 MM)**

**OP. INCOME
\$3,087 MM**

**EBITDA
\$3,949 MM**

Accumulated sales for the year decreased 7.6% totaling Ps. 94,684 MM. Higher sales were observed mainly in Carso Infraestructura y Construcción with an increase of 25.6% and Grupo Condumex of 3.7% compared to 2019 figures, while Grupo Sanborns decreased 25.7% reflecting the effects of store and restaurant closures during the year due to the health emergency.

- **Other Expenses, net** of Ps. 17 MM were recorded in the 4Q20, while in the 4Q19, Other Income, net of Ps. 184 MM was recorded.

On a cumulative basis, Other Income, net of Ps. 1,148 MM was recorded in 2020, which is comprised of several items in the commercial division such as: i) the valuation of labor obligations due to the adjustment of the employee pension scheme, ii) the impairment of investment properties, and iii) the reversal of fixed asset impairment, as well as Other Expenses in other divisions such as: iv) asset impairment and exploration expenses. This compared favorably versus Other Income, net by Ps. 374 MM in 2019.

- **Operating income** for the quarter reported decreased 4.3% to Ps. 3,087 MM, compared to Ps. 3,226 MM in the 4Q19. Operating expenses remained under control, but were affected by the impact of store closures in Grupo Sanborns and lower profitability in Carso Energy. On the other hand, Carso Infraestructura y Construcción and Grupo Condumex improved their operating income 354.0% and 56.3%, respectively.

Accumulated operating income 2020 decreased 22.2%, mainly influenced by the results of the commercial division, while the profitability of Carso Infraestructura's operations grew 39.9% and Grupo Condumex's grew 7.3%.

- **Grupo Carso's EBITDA** totaled Ps. 3,949 MM in the 4Q20, 1.4% higher than the Ps. 3,893 MM reported in the 4Q19, which corresponded to an EBITDA margin of 12.7%.

Excluding the extraordinary item mentioned above, EBITDA from January to December 2020 decreased 22.6%, totaling Ps. 11,206 MM.

- ForEx variations, coupled with higher accrued interest charged, caused the **Comprehensive Financing Result (CFR)** to be an expense of Ps. 1,514 MM, being higher than a Financial expense of Ps. 264 MM recorded in the 4Q19.

The cumulative RIF was an expense of Ps. 587 MM, which decreased 46.5% due to the inclusion of foreign exchange gains that offset higher net interest paid.

**NET INCOME
\$989 MM**

- **The controlling net income** was Ps. 989 MM compared to Ps. 1,829 MM in the 4Q19. The 45.9% decline was attributable to the financial results noted above, as well as lower operating results.
- **Controlling net income for the twelve months of 2020** decreased 23.5%.
- **Total Debt** as of December 31, 2020 was Ps. 24,111 MM, increasing compared to the debt at the end of December 2019, which was Ps. 12,600 MM. This was explained by the debt of USD \$400 million of Ideal Panama, acquired in February 2020, the placement of the stock certificate for Ps. 3,500 MM in March, and the Foreign exchange effect on the debt related to the Samalayuca-Sasabe Gas Pipeline. **Net debt** was Ps. 9,705 MM, compared to a net debt of Ps. 2,741 MM as of December 31, 2019.

The amount of **cash and equivalents** for the 4Q20 totaled Ps. 14,406 MM compared to Ps. 9,859 MM at the end of December 2019.

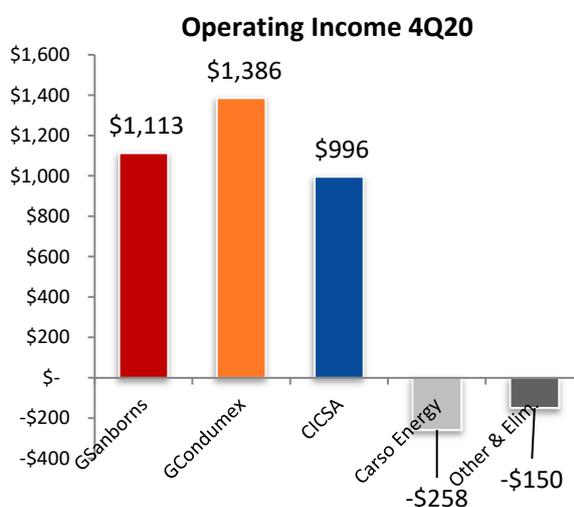
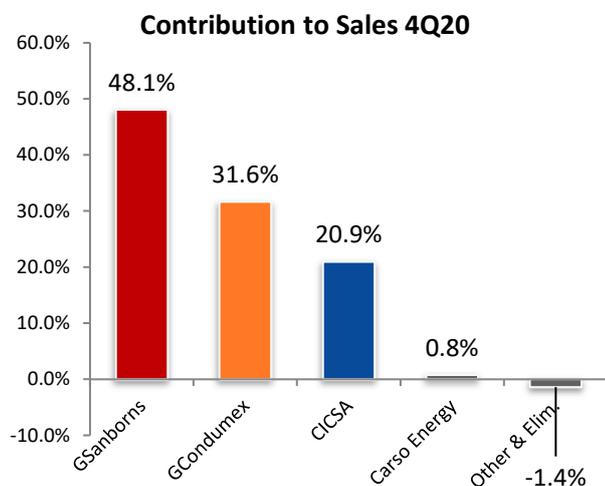
The net-debt-to-LTM-EBITDA ratio was 0.87x in the 4Q20, compared to 0.19x at the end of the 4Q19. The Company has a stock certificate program authorized on February 17, 2017 for Ps. 10,000 MM, with an issue for Ps. 3,000 MM on March 16, 2018 and an issue of Ps. 3,500 MM on March 13, 2020, both with a 3-year maturity.

SUMMARY

Amounts in Million Pesos MXN (MM)

Consolidated Results	4Q20	4Q19	Var %	2020	2019	Var %
Sales	31,151	29,632	5.1%	94,684	102,478	-7.6%
Operating Income	3,087	3,226	-4.3%	8,916	11,453	-22.2%
Controlling Net Income	989	1,829	-45.9%	5,777	7,547	-23.5%
EBITDA	3,949	3,893	1.4%	11,206	14,481	-22.6%
Operating Margin	9.9%	10.9%		9.4%	11.2%	
EBITDA Margin	12.7%	13.1%		11.8%	14.1%	

CONTRIBUTION TO CONSOLIDATED RESULTS BY SEGMENT



FINANCIAL RESULTS

Financial Results	4Q20	4Q19	Var%	2020	2019	Var%
Interest Expense	-505.5	-414.2	22.0%	-2,272.8	-1,185.7	91.7%
Income (Loss) on derivatives net	-71.1	23.1	NA	-397.9	-426.9	-6.8%
Interest Income	195.5	378.4	-48.4%	1,269.2	743.4	70.7%
Interest (net)	-381.1	-12.6	2913.3%	-1,401.5	-869.2	61.2%
ForEx Results	-1,133.0	-251.1	351.2%	814.6	-227.6	NA
CFR	-1,514.1	-263.8	474.0%	-586.9	-1,096.7	-46.5%
Income taxes	937.9	735.5	27.5%	2,713.8	2,928.6	-7.3%
Earnings from non-consolidated companies	620.0	-115.8	NA	900.0	978.1	-8.0%
Non-controlling participation in Net Income	266.0	281.6	-5.6%	738.6	858.6	-14.0%

NA= Not applicable

ASSOCIATED COMPANIES

Grupo Carso holds important investments in companies of different segments, such as Elementia, S.A.B. de C.V. (Cement and construction materials) with a 36.5% share; GMéxico Transportes, S.A.B. de C.V. (Railroad) with 15.1%, as well as Transpecos Pipeline L.L.C. and Comanche Trail Pipeline L.L.C. with 51.0%, which manage the Waha-San Elizario and Waha-Presidio gas pipelines in Texas, U.S.A., and Inmuebles SROM, S.A. de C.V., with a 14.0%, directly and indirectly representing the following:

Associated Companies	Holding %	LTM Sep-20			Stockholders'
		Sales	Op. Income	EBITDA	Equity
Elementia, S.A.B. de C.V. (Elementia)	36.47%	26,186.5	964.8	3,232.2	4,950.7
Infraestructura y Transportes México, S.A. de C.V. (ITM)	16.75%	47,028.3	13,724.5	20,690.0	17,626.1
Trans-Pecos Pipeline, LLC (Gasoducto Waha-Presidio)	51.00%	2,000.4	1,602.1	1,602.1	3,171.4
Comanche Trail Pipeline, LLC (Gasoducto Waha-San Elizario)	51.00%	1,466.8	1,307.4	1,307.4	1,868.9
Inmuebles SROM, S.A. de C.V.	14.00%	920.0	600.7	344.6	1,742.6

*In the case of Trans-Pecos Pipeline, LLC, Comanche Trail Pipeline, LLC and Inmuebles SROM, S.A. de C.V. the book value of the investment as of September 2020 is considered.

INTEREST BEARING LIABILITIES

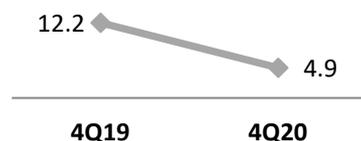
Total Debt by CURRENCY

Pesos 27%	Dollars 73%
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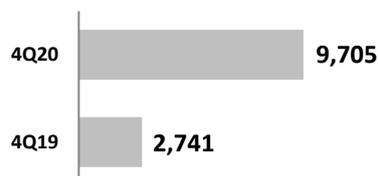
Total Debt by TERM

Short T 14%	Long T 86%
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LTM EBITDA/Interest Expense



Net Debt (MM Ps)



RESULTS BY SEGMENT

RETAIL

Consolidated Results	4Q20	4Q19	Var %	2020	2019	Var %
Sales	14,978	17,771	-15.7%	39,613	53,288	-25.7%
Operating Income	1,113	1,894	-41.2%	1,681	4,699	-64.2%
Controlling Net Income	469	1,235	-62.0%	727	2,949	-75.3%
EBITDA	1,258	2,367	-46.9%	2,041	6,789	-69.9%
Operating Margin	7.4%	10.7%		4.2%	8.8%	
EBITDA Margin	8.4%	13.3%		5.2%	12.7%	



Contribution to Consolidated Results
48% SALES
36% OP. INCOME
32% EBITDA

Note: For more information, please refer to the 4Q20 earnings release of Grupo Sanborns, S.A.B. de C.V..

In the fourth quarter of the year, **Grupo Sanborns' total sales** were Ps. 14,978 million, a decrease of 15.7%. Including the "El Buen Fin" promotional campaign, the categories in Sears and Sanborns that showed the best performance were: electronics, exercise equipment, white goods, Christmas bazaar, dermocosmetics, video games, medicines and personal care items, while there was a lower demand for clothing and footwear, and restaurant consumption. Promotora Musical launched new telephone models. In mid-December, restaurants and department stores were again completely closed, which reduced customer traffic in all formats, and today, with the stores now open, there are still various restrictions in terms of hours and capacity percentages.

Operating expenses decreased from Ps. 4,491 MM to Ps. 3,721 MM in the 4Q20 and represented 24.8% of sales, a decrease of 50 basis points compared to 25.3% in the 4Q19. The main savings were observed in expenses related to rents, electricity consumption, bank commissions, expansion expenses and fees, advertising, promotion and depreciation. We continue to implement additional measures to reduce overhead, without affecting our image or service.

Fourth quarter operating income totaled Ps. 1,113 MM compared to Ps. 1,894 MM in the 4Q19. Operating margin was 7.4% versus 10.7% last year.

For purposes of the **quarterly EBITDA** calculation, Other Expenses of Ps. 45 MM in the 4Q20, from impairment of investment properties and Other Income of Ps. 322 MM from valuation of labor obligations were not considered. This indicator decreased 46.9% to Ps. 1,258 million, with a margin of 8.4% over sales.

Controlling Net Income decreased 62.0%, totaling Ps. 469 million, with the effects of lower operating results, while in the 4Q19 net income was Ps. 1,235 million.

INDUSTRIAL

Consolidated Results	4Q20	4Q19	Var %	2020	2019	Var %
Sales	9,855	7,312	34.8%	32,937	31,747	3.7%
Operating Income	1,386	886	56.3%	4,117	3,837	7.3%
Controlling Net Income	509	-164	-409.8%	2,749	1,832	50.1%
EBITDA	1,470	942	56.1%	4,654	4,241	9.7%
Operating Margin	14.1%	12.1%		12.5%	12.1%	
EBITDA Margin	14.9%	12.9%		14.1%	13.4%	


CONDUMEX
Contribution to
Consolidated Results
32% SALES
45% OP. INCOME
37% EBITDA

In the 4Q20, the **sales of Grupo Condumex** increased a solid 34.8% totaling Ps. 9,855 MM. All divisions increased their sales, highlighting mainly Automotive with higher volume of harnesses for the main platform, as well as automotive cable to third parties, which stood out compared to the 4Q19 when the General Motors U.S.A. strike affected production in Mexico. The cable sector also increased with higher sales of copper cable, fiber optic cable, coaxial cable and installation services in Telecom. The construction division performed well, but with less dynamism in the domestic and export construction markets due to the economic contraction caused by the sanitary contingency.

The recovery in volume was combined with higher sales prices due to the favorable performance of copper +23.0% (USD/Lb \$3.2 vs. USD/Lb \$2.6) as well as the average exchange rate +7.0% (current USD/MXN \$20.63 vs. previous USD/MXN \$19.28).

Operating income and EBITDA increased 56.3% and 56.1%, respectively. The increase in profitability was mainly explained by the Automotive division's higher cable volumes, coupled with the higher average exchange rate mentioned above and lower operating expenses.

Controlling Net Income of Grupo Condumex went from a loss of Ps. 164 MM in the 4Q19 -which included variations in the exchange rate due to an appreciation that affected us- to a net income of Ps. 509 MM in the 4Q20.

INFRASTRUCTURE AND CONSTRUCTION



Contribution to Consolidated Results
21% SALES
32% OP. INCOME
30% EBITDA

Consolidated Results	4Q20	4Q19	Var %	2020	2019	Var %
Sales	6,522	5,361	21.7%	24,542	19,538	25.6%
Operating Income	996	219	354.0%	2,967	2,121	39.9%
Controlling Net Income	492	156	214.5%	2,211	1,556	42.1%
EBITDA	1,169	413	183.1%	3,645	2,707	34.7%
Operating Margin	15.3%	4.1%		12.1%	10.9%	
EBITDA Margin	17.9%	7.7%		14.9%	13.9%	

The total sales of Carso Infraestructura y Construcción sales increased 21.7% to Ps. 6,522 million in the fourth quarter of the year. This was mainly due to **Manufacturing and Services for the Oil and Chemical Industry**, with an additional Ps. 1,373 million from the progress in the construction of the Maloob E-I platforms for Pemex and three UIMs (Marine Infrastructure Unit) platforms. Revenues from land drilling also increased, with the reactivation of the well repair contract. **Infraestructura** increased its revenues 10.7% due to the inclusion of the Mayan Train section II project and the increase in production in Mitla-Tehuantepec Stage 2. The **Pipeline Installations division** decreased 13.8% this quarter due to the completion of the Samalayuca-Sásabe gas pipeline, where contractor and labor costs increased to accommodate the additional construction volume, which was completed in December 2020. The **civil construction and housing division** projects were affected by the sanitary contingency.

Consolidated operating income and EBITDA increased 354.0% and 183.1%, respectively. Higher profitability was observed in Structures and Manufacturing Equipment in the Services for the Oil and Chemical Industry division, due to the aforementioned, as well as in Infraestructura with extraordinary income from the reconciliation of the Emisor Oriente Tunnel project.

Controlling net income increased 214.5% from \$156 MM in 4Q19 to \$492 MM in 4Q20.

The mix of projects at the end of December 2020 includes the construction of the Las Varas-Vallarta and Mitla-Tehuantepec highways, various real estate projects, telecommunications installation services, the Maloob E-I oil platforms, various services and equipment for the oil industry, as well as the start of construction of the platform and track for the Mayan Train corresponding to section 2 Escárcega-Calkiní.

Carso Infraestructura's backlog totaled Ps. 48,313 million as of December 30, 2020, compared to Ps. 21,043 million in the same period of the previous year.

CARSO ENERGY



Consolidated Results	4Q20	4Q19	Var %	2020	2019	Var %
Sales	236	11	2125.0%	912	52	1668.0%
Operating Income	-258	-13	1959.4%	-183	-17	955.5%
Controlling Net Income	-176	216	NA	661	634	4.3%
EBITDA	210	-9.3	NA	561	-9	NA
Operating Margin	-109.4%	-118.1%		-20.1%	-33.6%	
EBITDA Margin	89.0%	-87.7%		61.5%	-18.1%	

Contribution to Consolidated Results
0.8% SALES
-8% OP. INCOME
5% EBITDA

Carso Energy's consolidated sales amounted to Ps. 236 MM in the 4Q20 compared to Ps. 11 MM in the 4Q19. The additional revenues were mainly due to the two hydroelectric plants in Panama that were acquired in February 2020.

Operating income went from Ps. -13 MM to Ps. -258 MM in the 4Q20 while EBITDA went from Ps. -9 to Ps. 210 MM.

The Controlling net result of Carso Energy was Ps. -176 MM compared to Ps. 216 MM in the 4Q19 due to the recording of extraordinary items for impairment recognition in Tabasco Oil Company.

Likewise, we report that in February 2021 the operation of the Saasabe-Samalayuca Gas Pipeline (COD) will begin. With the aforementioned, the availability for the provision of gas transportation services to the Federal Electricity Commission (CFE) will begin, according to the contract entered into with said commission.

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INVITATION TO THE CONFERENCE CALL:

Date: Tuesday, February 16, 2021
 Time: 10:00-10:30 A.M. Mexico City Time/ 11:00 A.M.-11:30 A.M. N TimeY (US EST)
 Access Numbers: +52 (55) 8880-8040 (Mexico Dial-in)
 +1 (412) 317-6384 (International)
 +1 (844) 686-3847 (USA Toll-Free)
 Conference ID: Grupo Carso
 Audio Replay: International and Mexico: +1 (412) 317-0088
 USA Toll-Free: +1 (877) 344-7529
 Canada Toll-Free: +1 (855) 669-9658
 Replay Code: 10152388 (Available until February 23, 2021)

ADDITIONAL CHARTS:

Consolidated Financial Income Data										
Million PESOS (MXN)										
	4Q20		4Q19		Var %	2020		2019		Var %
GRUPO CARSO										
Revenues	31,151.2	100.0%	29,632.3	100.0%	5.1%	94,684.4	100.0%	102,477.6	100.0%	-7.6%
Operating Income	3,086.9	9.9%	3,226.0	10.9%	-4.3%	8,916.3	9.4%	11,453.2	11.2%	-22.2%
Financial Results	-1,514.1	-4.9%	-263.8	-0.9%	474.0%	-586.9	-0.6%	-1,096.7	-1.1%	-46.5%
Controlling Net Income	989.0	3.2%	1,829.2	6.2%	-45.9%	5,777.0	6.1%	7,547.4	7.4%	-23.5%
EBITDA	3,949.3	12.7%	3,893.2	13.1%	1.4%	11,206.3	11.8%	14,481.1	14.1%	-22.6%
GRUPO SANBORNS										
Sales	14,978.3	100.0%	17,770.7	100.0%	-15.7%	39,612.9	100.0%	53,288.5	100.0%	-25.7%
Operating Income	1,113.3	7.4%	1,893.8	10.7%	-41.2%	1,681.1	4.2%	4,699.2	8.8%	-64.2%
Controlling Net Income	468.7	3.1%	1,234.8	6.9%	-62.0%	727.5	1.8%	2,948.5	5.5%	-75.3%
EBITDA	1,257.5	8.4%	2,367.0	13.3%	-46.9%	2,040.6	5.2%	6,789.5	12.7%	-69.9%
GRUPO CONDUMEX										
Sales	9,855.4	100.0%	7,311.9	100.0%	34.8%	32,936.5	100.0%	31,746.6	100.0%	3.7%
Operating Income	1,385.7	14.1%	886.4	12.1%	56.3%	4,117.5	12.5%	3,836.8	12.1%	7.3%
Controlling Net Income	509.2	5.2%	-164.4	-2.2%	-409.8%	2,748.5	8.3%	1,831.7	5.8%	50.1%
EBITDA	1,470.2	14.9%	942.1	12.9%	56.1%	4,653.9	14.1%	4,240.7	13.4%	9.7%
CICSA										
Sales	6,521.9	100.0%	5,360.9	100.0%	21.7%	24,541.9	100.0%	19,538.0	100.0%	25.6%
Operating Income	995.6	15.3%	219.3	4.1%	354.0%	2,967.4	12.1%	2,121.4	10.9%	39.9%
Controlling Net Income	492.0	7.5%	156.4	2.9%	214.5%	2,210.5	9.0%	1,555.9	8.0%	42.1%
EBITDA	1,168.9	17.9%	412.9	7.7%	183.1%	3,644.9	14.9%	2,706.6	13.9%	34.7%
CARSO ENERGY										
Sales	235.8	100.0%	10.6	1.0	2125.0%	911.8	100.0%	51.6	1.0	1668.0%
Operating Income	-257.8	-109.4%	-12.5	-1.2	1959.4%	-183.1	-20.1%	-17.3	-0.3	955.5%
Controlling Net Income	-176.4	-74.8%	215.7	20.4	NA	661.0	72.5%	633.8	12.3	4.3%
EBITDA	209.8	89.0%	-9.3	-0.9	NA	560.6	61.5%	-9.3	-0.2	NA

Consolidated Balance Sheet Data			
Million PESOS(MXN)			
	4Q20	4Q19	Var %
GRUPO CARSO			
Cash & Equivalents	11,764.1	8,157.9	44.2%
Trade Receivables	21,530.5	22,613.4	-4.8%
Accounts Receivable to Related Parties	5,188.0	4,954.6	4.7%
Other Accounts Receivable	6,808.8	5,415.4	25.7%
Recoverable Taxes	634.1	630.1	0.6%
Other Financial Assets	2,642.2	1,701.4	55.3%
Inventories	16,020.7	17,652.6	-9.2%
Current Assets	64,588.4	61,125.3	5.7%
Other Non-Current Trade Receivables	1,300.7	1,247.3	4.3%
Non-Current Inventories	987.3	993.5	-0.6%
Other Non-Current Financial Assets	0.0	16.5	-100.0%
Investments in Associates	36,399.8	34,882.6	4.3%
Property, Plant and Equipment	50,177.5	36,535.2	37.3%
Investment Properties	3,392.6	3,233.9	4.9%
Assets for Rights of Use	4,955.6	5,634.2	-12.0%
Intangible Assets	1,459.7	1,470.4	-0.7%
Deferred Tax Assets	5,375.6	4,627.6	16.2%
Other Non-Current Non-Financial Assets	1,210.5	687.5	76.1%
Non-Current Assets	105,259.3	89,328.6	17.8%
Total Assets	169,847.7	150,453.9	12.9%
Suppliers	11,623.9	10,884.7	6.8%
Other Short-Term Accounts Payable	5,879.6	7,646.3	-23.1%
Short-Term Taxes Payable	1,793.9	1,200.8	49.4%
Short-Term Debt	3,291.0	417.5	688.2%
Short-Term Bank Debt	263.6	0.3	NA
Short-Term Lease Liabilities	1,262.7	1,369.3	-7.8%
Other Current Non-Financial Liabilities	4,359.5	3,648.1	19.5%
Current Provisions	6,450.6	4,721.3	36.6%
Current Liabilities	34,924.8	29,888.4	16.9%
Long-Term Taxes Payable	917.0	1,438.1	-36.2%
Bank loans non-current	17,320.2	9,182.8	88.6%
Stock market loans non-current	3,500.0	3,000.0	16.7%
Other non-current financial liabilities	1,431.5	607.5	135.6%
Long-Term Lease Liabilities	4,553.4	5,360.9	-16.9%
Long-Term Provisions	649.0	1,223.3	-46.9%
Deferred Tax Liabilities	5,911.3	5,108.5	15.7%
Non-Current Liabilities	34,282.4	25,921.0	32.3%
Total Liabilities	69,207.2	55,809.4	24.0%
Stockholder's Equity	100,640.5	94,644.6	6.3%
Shares Outstanding ('000)	2,267,664	2,279,648.7	-0.5%
Closing Stock Price	66.4	69.8	-4.9%

NA=Not Applicable