# Vitro Reports First Quarter 2019 Results

## Revenues flat YoY; EBITDA impacted by Reorganization Expenses and Higher Energy Costs

**San Pedro Garza Garcia, Nuevo Leon, Mexico, April 30, 2019 – Vitro, S.A.B. de C.V. (BMV: VITROA), hereinafter "Vitro" or the "Company",** a leading glass producer in North America, announced today its results for the first quarter of 2019 ("1Q'19").

## FINANCIAL HIGHLIGHTS*

**Millions of US Dollars**

| FINANCIAL HIGHLIGHTS* | | 1Q'19 | 1Q'18 | % Change |
|---|---|---|---|---|
| Consolidated Net Sales | | 555 | 558 | *-0.4%* |
| | *Flat Glass* | 501 | 496 | *1.0%* |
| | *Glass Containers* | 54 | 60 | *-10.4%* |
| Cost of Sales | | 422 | 386 | *9.4%* |
| Gross Income | | 133 | 172 | *-22.5%* |
| *Gross Margin* | | *23.9%* | *30.8%* | *-6.9 pp* |
| SG&A | | 90 | 101 | *-10.9%* |
| *SG&A % of sales* | | *16.2%* | *18.1%* | *-1.9 pp* |
| EBIT (1) | | 43 | 71 | *-39.1%* |
| *EBIT Margin* | | *7.8%* | *12.7%* | *-4.9 pp* |
| EBITDA (1) | | 79 | 103 | *-22.9%* |
| | *Flat Glass* | 65 | 89 | *-27.8%* |
| | *Glass Containers* | 14 | 14 | *-1.8%* |
| *EBITDA Margin* | | *14.3%* | *18.5%* | *-4.2 pp* |
| Net income | | 21 | 65 | *-68.5%* |
| Total Debt | | 712 | 689 | *3.4%* |
| | *Short Term Debt* | 14 | 2 | *518.4%* |
| | *Long Term Debt* | 698 | 687 | *1.7%* |
| Cash & Cash Equivalents | | 177 | 160 | *10.4%* |
| Total Net Debt | | 536 | 529 | *1.3%* |

** Millions US$*

(1) EBIT and EBITDA are presented before other expenses and income.

### First Quarter 2019 Highlights

- Consolidated Net Sales were relatively flat year-over-year ("YoY") in 1Q'19 at US$555 million. Flat Glass sales rose 1.0% YoY to US$501 million, reflecting higher sales volumes in both Mexico and the US, but a less favorable price mix partly driven by competitive pressures. This was offset by a 10.4% decline in revenues at the Glass Container unit to US$54 million, as lower sales in the Machinery and Equipment ("FAMA") business that was not compensated by stable revenues in the Cosmetics, Fragrances and Pharmaceutical ("CFT") business.

- EBITDA decreased 22.9% YoY to US$79 million. Lower EBITDA was mainly driven by the Flat Glass Business which declined 27.8% YoY. The Architectural Glass unit continued to adjust prices and its product mix strategy with the goal of recovering key customers and gain share in an increasingly competitive environment.

- Profitability in the Automotive segment was impacted by higher logistic costs to better utilize installed capacity between facilities, as well as reorganization costs. A slower than anticipated ramp up of in new developments and products in the new windshield line in Garcia and in products that were moved from the Creighton facility, closed at the end of last year, to existing plants, also negatively impacted results.

- Furthermore, an increase in energy prices in México amounting US$8 million impacted the Architectural, Automotive, CFT and the Chemical businesses. Glass Containers Business EBITDA declined 1.8% YoY mainly driven by FAMA and a weaker price mix in CFT. Consolidated EBITDA in 1Q18 includes US$4.5 million in long-term leases, which are excluded from EBITDA in 1Q19 as a result of the adoption of a new accounting standard for operating leases (IFRS16) beginning in January 2019.

- Net Debt was US$536 million at the close of 1Q'19, up 1.3% YoY and 27% QoQ. Despite paying down US$50 million in debt in 1Q'19, Net Debt increased by US$113 million from year-end 2018 and includes a US$49 million impact from the adoption of IFRS16 as described above. During 1Q19, Vitro made capital investments of US$37 million and paid a cash dividend for a total of US$50 million.

**Commenting on Vitro's performance and outlook, Mr. Adrián Sada Cueva, Chief Executive Officer,** said "*During the first quarter we continued to make progress in line with the strategic priorities we have laid out to further strengthen our position as the leading glass producer in North America. In addition to approving investments to remain at the forefront of technology in the Automotive business, we advanced on the reorganization of installed capacity at this business, while in the Architectural business we continued to regain key customers and launched innovative value-added products. We are also pleased with the overall improvement in SG&A as we continue to optimize our operations across the board.*

*Results for the quarter, however, remain impacted by some of the challenges, both internal and external, that we have been facing since the second half of 2018. Revenues were relatively flat YoY as higher sales volumes in Flat Glass were mitigated by a less favorable mix and competitive pressures impacting pricing, along with softer machinery and equipment sales. Profitability, in turn, was penalized by: a) reorganization costs and temporary inefficiencies in the Automotive business as we shifted some production, and b) a more competitive environment in Architectural glass as we make headway in regaining key customers, while significantly higher energy costs also impacted our operations in Mexico.*

*We have faced some challenges in our Flat Glass Business over the past year, but we remain fully committed to maintain the confidence of our customers and increase our market share. We are doing this by implementing strategic changes to our commercial approach and remaining close to our customers. Keeping a proactive approach to finding and developing new projects together is a key priority of this strategy. We are encouraged that the Carlisle plant is getting closer to achieving full capacity, although the cold repair of line 2 will take place in the next quarter as planned.*

*To reinforce Vitro's market leadership in automotive glass – both as supplier to OEMs and aftermarket customers, this quarter our Board of Directors approved a US$60 million investment in new technologies focused in North America, to be implemented over the next 16 months. Technological disruption is creating the need for new solutions in windshields, windows and sunroofs, and these investments will allow us to position the Company at the forefront of innovation to serve the auto industry, aligning our capabilities to become the supplier of choice for advanced auto glass solutions, required for automobiles of the future.*

In sum, we remain focused on value creation for our shareholders through our comprehensive actions to improve profitability and regain topline growth."

Commenting on the balance sheet, Mr. Claudio Del Valle, Chief Administrative and Financial Officer noted, *"We remain fully focused on maintaining a strong balance sheet that provides flexibility to continue to support the Company's long-term growth strategy. To further reduce interest expenses, this quarter we pre-paid US$50 million of our US$700 million 5-year syndicated loan. However, Net Debt, increased 27% sequentially and was up by low single digits YoY, mainly reflecting the initial impact from the adoption of a new accounting standard for long-term operational leases (IFRS16) that came into effect on January 1, 2019. During 1Q19 we also paid a cash dividend totaling US$50 million and made capital investments of US$37 million to support our operations. Nonetheless, we maintain healthy debt ratios with net debt to LTM EBITDA of 1.57x. Looking forward, we have opportunities to improve our financial performance as our business strategy continues to gain traction.*

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*This report presents unaudited financial information prepared in US Dollars according to International Financial Reporting Standards (IFRS). Certain amounts may not sum due to rounding.*

| | Mar'19 | Mar'18 |
|---|---|---|
| ***Inflation in Mexico*** | | |
| Quarter | 0.5% | 1.2% |
| LTM | 4.0% | 5.0% |
| ***Inflation in USA*** | | |
| Quarter | 1.1% | 1.2% |
| LTM | 1.8% | 1.9% |
| ***Exchange Rate*** | | |
| Closing | 19.38 | 18.27 |
| Average (Quarter) | 19.23 | 18.57 |
| ***Devaluation (Apreciation) MXN/USD*** | | |
| Accumulated (Closing) | -1.4% | -7.1% |
| Quarter (average) YoY | 3.5% | -6.5% |

## REVIEW OF CONSOLIDATED RESULTS

The Flat Glass division is segmented as follows: Automotive Original Equipment Manufacturers ("OEM"), Automotive Replacement Glass ("ARG"), Architectural Glass and Inorganic Chemical business.

The Glass Containers Business Unit is comprised of Cosmetics, Fragrances and Pharmaceutical ("CFT"), and the Molds, Machinery and Equipment ("FAMA") Businesses.

### CONSOLIDATED SALES

Consolidated revenues were relatively flat -0.4% YoY at US$555 million, compared with US$558 million in 1Q'18. The Flat Glass Business reported revenue growth of 4.4% in the domestic market and 22.0% in the export market, while export sales in the Glass Container Business rose 13%. This good performance was offset by declines in domestic sales of the Machinery and Equipment ("FAMA") segment and Flat Glass Foreign Subsidiaries in South America.

## Table 1 - SALES

| | *Millions of US Dollars* | | |
|---|---|---|---|
| | 1Q'19 | 1Q'18 | *YoY% Change* |
| **Total Consolidated Sales** | **555** | **558** | ***(0.4)*** |
| Domestic Sales | 159 | 163 | *(2.9)* |
| Export Sales | 97 | 81 | *19.2* |
| Foreign Subsidiaries | 300 | 313 | *(4.2)* |
| **Flat Glass** | **501** | **496** | ***1.0*** |
| Domestic Sales | 133 | 128 | *4.4* |
| Export Sales | 68 | 56 | *22.0* |
| Foreign Subsidiaries | 300 | 313 | *(4.2)* |
| **Glass Containers** | **54** | **60** | ***(10.4)*** |
| Domestic Sales | 25 | 34 | *(27.9)* |
| Export Sales | 29 | 26 | *13.0* |

Flat Glass sales increased 1.0% YoY to US$501 million in 1Q'19, from US$496 million during the same period of 2018, driven by sustained growth in the U.S. Architectural segment as well as in the Automotive and Chemical Businesses.

While U.S. Architectural segment reported volume increases of 15% and 20% in the commercial and residential segments, respectively, total revenues for the Architectural Business declined 2% YoY in 1Q19 reflecting a less favorable price mix. Greater sales volumes drove a 22% increase in Export sales in the Architectural Business while Mexican subsidiary sales reported a volume increase of 3% benefiting from a good performance in the industrial market.

In the Automotive Business, revenues rose 2% despite the highly competitive market and the slowdown in OEM industry in the U.S.. During the quarter, some products that reached the end of their life cycle were not replaced due to low market demand. Nonetheless, the Company is starting to ramp up production for new vehicle platforms including the Ford Explorer and its luxury version Aviator. Also, at the end of last year Vitro began production of the VW Tiguan platform in Mexico, with full production currently underway. Revenues for OEM segment in Mexico increased 27% YoY, benefitting mainly from the laminated glass market, and a slight contribution from the tempered glass market.

Overall, the Automotive plants in Mexico are performing well, with the exception of the recently inaugurated Windshield line, which is experiencing some delays during its ramping up phase. This has affected the production start-up of some models resulting in lower than anticipated volumes and efficiencies. Dedicated groups are focused on improving efficiencies in both the original and new lines and the Company estimates that production and efficiency levels will be recovered during the second half of 2019.

The Inorganic Chemical business reported revenue growth of 7% over the same period in 2018, mainly driven by a better performance in export sales focused in the petrochemicals and de-icing sector.

Glass Containers revenues decreased 10.4% YoY, to US$54 million during 1Q'19 from US$60 million in 1Q'18, due to weaker sales by the Molds, Machinery and Equipment segment ("FAMA"), partially offset by slight growth in sales from the CFT business during the period.

Revenues from FAMA were mainly affected by a shift in demand for machines and spare parts that were pushed out to later this year. In the meantime, FAMA continues to target new customers in Argentina, Chile, and United States. Being certified by leading container producers, such as AB InBev and O-I, is important for this business and FAMA continues pursue certification with other companies.

The CFT business reported sales volume growth of 7% YoY compared with same quarter of 2018, mainly driven by the Export sales to the U.S. fragrances market that showed solid volume growth of 17% YoY and the domestic Pharmaceutical segment, which posted a 43% increase in volumes. This was more than offset by a 16% decline in domestic sales volumes from the Fragrances segment. In South America, the Fragrances segment continues to gain market share driven by a 7% volume increase.

**EBIT AND EBITDA**

Consolidated EBITDA decreased 22.9% to US$79 million in 1Q'19 primarily due to higher energy and reorganization costs together with a less favorable product/price mix. This was partially offset by higher sales volumes at the U.S. Architectural business and the Automotive business in Mexico, and slight increases in both the CFT and Chemical businesses.

Flat Glass EBIT was 46% lower YoY to US$33 million, while EBITDA was down 28% to US$65 million in 1Q'19. This was mainly due to higher energy costs, impacting US$5.1 million in our Mexican facilities and US$2.9 million in our U.S. facilities, as well as reorganization costs at the Automotive Business. In addition, higher logistic, freight and transportation costs related to sales volume increase of the Architectural and Automotive OEM segments also impacted profitability.

EBITDA at the Automotive business was significantly impacted by the closure of the Creighton facility in August 2018. With production shifted to other facilities, the Company experienced reorganization costs including higher than anticipated expenses and slower production with lower yield in its U.S. plants than what it was yielding at the Creighton facility. Vitro is taking measures to address the current situation, including recent changes in the senior management of the business and return to operational efficiency levels formerly achieved at the Creighton plant and other facilities.

## Table 2 - EBIT & EBITDA [1] [2]

| | Millions of US Dollars | | |
|---|---|---|---|
| | 1Q'19 | 1Q'18 | YoY% Change |
| **Consolidated EBIT** | **43** | **71** | ***(39.1)*** |
| ***Margin*** | ***7.8%*** | ***12.7%*** | *-4.9 pp* |
| Flat Glass | 33 | 61 | *(46)* |
| *Margin* | *6.5%* | *12.3%* | *-5.8 pp* |
| Glass Containers | 10 | 10 | *(8)* |
| *Margin* | *17.8%* | *17.4%* | *0.4 pp* |
| **Consolidated EBITDA** | **79** | **103** | ***(22.9)*** |
| ***Margin*** | *14.3%* | *18.5%* | *-4.2 pp* |
| Flat Glass | 65 | 89 | *(28)* |
| *Margin* | *12.9%* | *18.0%* | *-5.1 pp* |
| Glass Containers | 14 | 14 | *(2)* |
| *Margin* | *25.4%* | *23.2%* | *2.2 pp* |

(1) EBIT and EBITDA are presented before other expenses and income

(2) Consolidated EBIT and EBITDA includes Corporate subsidiaries.

Glass Containers EBIT and EBITDA was flat at US$10 million and US$14 million, respectively. A healthy product mix in CFT export sales for Fragrances, as well as favorable volumes in the domestic Pharmaceutical segment, were offset by weaker results at FAMA.

Consolidated EBITDA in 1Q'18 includes US$4.5 million in long-term leases, which are excluded from EBITDA in 1Q'19 as a result of the adoption of a new accounting standard for operating leases (IFRS16) beginning in January 2019.

**NET FINANCIAL COST**

During 1Q'19 Vitro reported Net Financial Cost of US$16 million, compared to US$9 million during the first quarter of 2018. This was mainly due to the Foreign exchange loss resulting from a weaker Mexican peso in the Company's operations which was partially offset by a reduction of Net Interest Expenses from US$10 million in 1Q'18 to US$9 million in 1Q'19 as a result of the new syndicated loan which reduced interest expense. Other financial income remained unchanged.

## Table 3: NET FINANCIAL INCOME (COST)

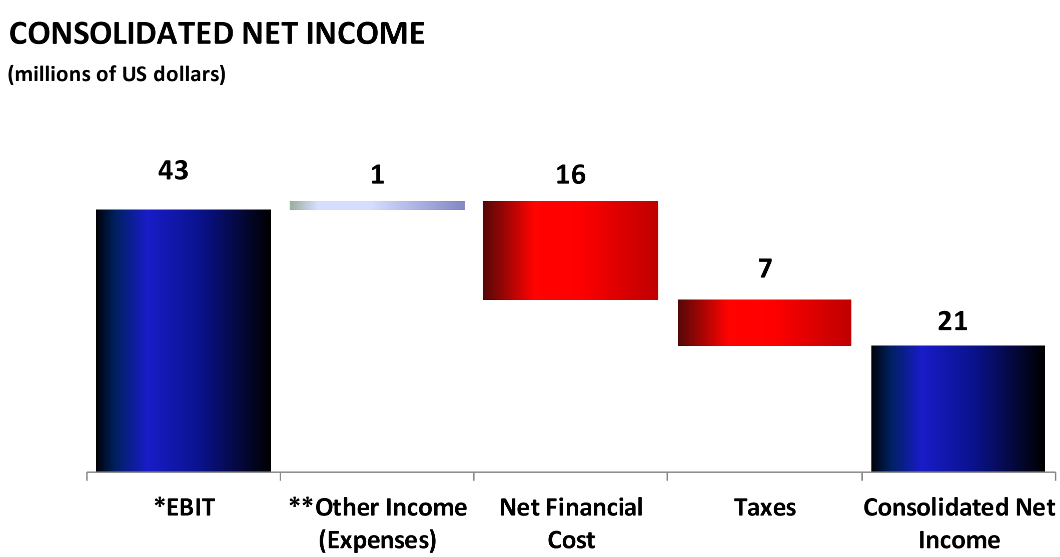
| | *Millions of US Dollars* | | |
|---|---|---|---|
| | **1Q'19** | **1Q'18** | **YoY% Change** |
| Net interest income (expenses) | (9) | (10) | *(12.2)* |
| Other financial (expenses) income [1] | (1) | (1) | *NA* |
| Foreign exchange gain (loss) | (6) | 2 | *NA* |
| **Net Financial Income (Cost)** | **(16)** | **(9)** | *NA* |

(1) Includes natural gas hedgings and other financial expenses.

YoY % Change is presented in absolute values.

**CONSOLIDATED NET INCOME**

The Company reported Consolidated Net Income of US$21 million in the first quarter of 2019, which was composed of the following: EBIT of US$43 million, Other Income of US$1 million. Net Financial Cost of US$16 million, and US$7 million tax expense. The effective rate on income tax was 26.7%.




* EBIT is presented before other expenses and income

** Includes equity method participation on associates.

## CONSOLIDATED FINANCIAL POSITION

As of March 31, 2019, the Company had a cash balance of US$177 million, compared to US$291 million at the end of 4Q'18. Total debt was US$712 million, comprised of short and long-term debt denominated in US Dollars and related to the syndicated loan. In March 2019, Vitro voluntarily pre-paid US$50 million of its US$700 million syndicated loan due June 2023. The Debt to EBITDA ratio at the end of the first quarter was 2.09x, with Net Debt to EBITDA of 1.57x.

### Table 4: DEBT INDICATORS

| | Millions of US Dollars, except where indicated | | | | | | |
|---|---|---|---|---|---|---|---|
| | 1Q'19 | 4Q'18 | 3Q'18 | 2Q'18 | 1Q'18 | 4Q'17 | 3Q'17 |
| **Leverage**[1] | | | | | | | |
| (Total Debt / EBITDA[2]) (Times) LTM | 2.09 | 1.95 | 1.79 | 1.73 | 1.72 | 1.75 | 1.91 |
| (Total Net Debt / EBITDA[2]) (Times) LTM | 1.57 | 1.16 | 1.51 | 1.41 | 1.32 | 1.29 | 1.36 |
| **Total Debt** | **712** | **714** | **687** | **688** | **689** | **689** | **748** |
| Short-Term Debt | 14 | 3 | 3 | 3 | 2 | 5 | 4 |
| Long-Term Debt | 698 | 711 | 684 | 685 | 687 | 685 | 744 |
| Cash and Cash Equivalents | 177 | 291 | 106 | 128 | 160 | 180 | 214 |
| **Total Net Debt** | **536** | **422** | **581** | **560** | **529** | **509** | **534** |
| Currency Mix (%) Dlls / Pesos | 100 / 0 | 100 / 0 | 100 / 0 | 100 / 0 | 100 / 0 | 100 / 0 | 100 / 0 |

(1) Financial ratios are calculated using figures in dollars.
(2) EBITDA is Last Twelve Months
(3) EBITDA includes LTM historical information plus proforma data for the acquired businesses.

## CASH FLOW

In 1Q'19 the Company reported a negative Net Free Cash Flow of US$48 million compared to a negative US$3 million reported in 1Q'18. This mainly reflects a lower EBITDA contribution and a dividend payment in 1Q'19.

### Table 5: CASH FLOW FROM OPERATIONS ANALYSIS [1]

| | Millions of US Dollars | | |
|---|---|---|---|
| | 1Q'19 | 1Q'18 | YoY% Change |
| EBITDA | 79 | 103 | *22.9* |
| Working Capital[2] | (31) | (32) | *2.9* |
| **Cash Flow from operations before Capex** | **49** | **71** | ***31.7*** |
| Capex[4] | (37) | (32) | *(15.4)* |
| **Cash Flow from operations after Capex** | **12** | **40** | ***69.3*** |
| Net Interest Paid [3] | (9) | (10) | *14.1* |
| Cash Taxes (paid) recovered | (1) | (0) | *137.2* |
| Dividends | (50) | (32) | *NA* |
| **Net Free Cash Flow** | **(48)** | **(3)** | ***NA*** |

(1) This statement is a cash flow analysis and it does not represent a Cash Flow Statement according with IFRS.
(2) Includes: trade receivables, inventories, suppliers, other current assets and liabilities including IVA (Value Added Tax).
(3) Includes interest income, natural gas hedgings and other financial expenses.

## CAPITAL EXPENDITURES

Capex totaled US$37 million during the first quarter of the year. Funds were expended as follows: US$23 million for the Architectural Business of which US$18 million were for a scheduled cold repair of one production line at the Carlisle plant and the rest mainly focused on maintenance; US$7 million for the Automotive business for the Windshield line and to serve new platform services in Mexico and United States; US$6 million for the Fragrance and Pharmaceutical Business in Mexico; US$0.5 million for the maintenance in the Chemical Business and US$0.5 million for the Machinery and Equipment of FAMA Business.

## RELEVANT EVENTS

**Vitro Automotive Glass announces USD$60 million investment in new technologies**
On February 27, 2019, Vitro announced that the Board of Directors approved a USD$60 million investment in new technologies. The executive team will be working over the next 18 months to implement these investments according to the Board's guidelines. The investments will be focused on North America to reinforce Vitro's market leadership in automotive glass, supplying both original equipment manufacturers and aftermarket customers.

**Vitro announces advanced payment of debt**
On February 19, 2019, Vitro announced it notified BBVA in its capacity as Administrative Agent of the syndicated loan, its intention to pre-pay voluntarily and in advance an amount of US $ 50 million, with the aim of improving its financial structure and reducing the interest payment. Both strategies are in line with the Company's objective to maintain a solid financial structure for opportunities of growth that could be presented in the future. The payment was effectively made on March 1, 2019.

**Investor Relations Contacts:**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**About Vitro**

Vitro, S.A.B. de C.V. (BMV: VITROA) is a leading glass manufacturer in North America and one of the world's major companies in its industry, backed by more than 100 years of experience. Founded in 1909 in Monterrey, Mexico, the Company has subsidiaries around the globe, offering quality products and reliable services to meet the needs of two businesses: flat glass and glass containers. Companies of Vitro produce, process, distribute, and market a wide range of glass articles, which are part of the daily life of thousands of people. Vitro offers solutions for multiple markets, including architectural and automotive as well as cosmetic, pharmaceutical and toiletries. The Company is also a supplier of chemical products and raw material, machinery, molds and equipment for industrial use. As a socially responsible organization, Vitro works on several initiatives aligned to its Sustainability Model, aiming to create a positive influence in the economic, social, and environmental aspects relevant to its stakeholders, in a responsible corporate management framework. For more information, visit: http://www.vitro.com

**Disclaimer**

*This press release contains historical information, certain management's expectations, estimates and other forward-looking information regarding Vitro, S.A.B. de C.V. and its Subsidiaries (collectively the "Company"). While the Company believes that these management's expectations and forward looking statements are based on reasonable assumptions, all such statements reflect the current views of the Company with respect to future events and are subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated in this report. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic, political, governmental and business conditions worldwide and in such markets in which the Company does business, changes in interest rates, changes in inflation rates, changes in exchange rates, the growth or reduction of the markets and segments where the Company sells its products, changes in raw material prices, changes in energy prices, particularly gas, changes in the business strategy, and other factors. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. The Company does not assume any obligation, to and will not update these forward-looking statements.*

**Use of Non-IFRS Measures**

*A body of International Financial Reporting Standards is commonly referred to as "IFRS". A financial measure is generally defined as one that purports to measure historical or future financial performance, financial position or cash flows but excludes or includes amounts that may not be fully comparable with IFRS. In this report we use certain measures that are different to IFRS, among which is included EBITDA. EBITDA would not be so adjusted in the most comparable IFRS measure. We disclose in this report certain non-IFRS financial measures, including EBITDA. EBITDA: operating profit plus depreciation and amortization, and provision for employee retirement obligations with impact in the operating profit.*

***To fully comply with the Mexican Stock Exchange Regulation, art. 4.033.01 Section VIII, the Company states that at the date of this press release, the following Brokerage or Credit Institutions provide analysis coverage to our securities: GBM Grupo Bursátil Mexicano, S.A. de C.V., Casa de Bolsa.*

# CONSOLIDATED

## VITRO, S.A.B. DE C.V. AND SUBSIDIARIES
## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS OF MARCH 31st, 2019 AND 2018

| FINANCIAL POSITION | Dollars 1Q'19 | 1Q'18 | % Var. |
|---|---|---|---|
| Cash & Cash Equivalents | 177 | 160 | *10.5* |
| Trade Receivables | 336 | 332 | *1.3* |
| Inventories | 409 | 363 | *12.8* |
| Other Current Assets | 61 | 79 | *(22.8)* |
| **Total Current Assets** | **983** | **933** | *5.3* |
| Property, Plant & Equipment | 1,237 | 1,204 | *2.7* |
| Intangible asset | 333 | 348 | *(4.4)* |
| Deferred taxes | 116 | 151 | *(23.1)* |
| Other Long-Term Assets | 87 | 41 | *113.1* |
| Investment in Associates | 8 | 92 | *(91.1)* |
| **Total Non Current Assets** | **1,781** | **1,837** | *(3.0)* |
| **Total Assets** | **2,764** | **2,770** | ***(0.2)*** |
| Short-Term & Current Debt | 14 | 2 | *518.4* |
| Trade Payables | 208 | 254 | *(18.3)* |
| Other Current Liabilities | 196 | 163 | *20.1* |
| **Total Current Liabilities** | **418** | **420** | *(0.4)* |
| Long-Term Debt | 698 | 687 | *1.7* |
| Other LT Liabilities | 207 | 225 | *(8.2)* |
| **Total Non Current Liabilities** | **905** | **912** | *(0.8)* |
| **Total Liabilities** | **1,323** | **1,332** | *(0.6)* |
| Controlling interest | 1,440 | 1,437 | *0.2* |
| Noncontroliing interest | 1 | 1 | *(14.3)* |
| **Total Shareholders Equity** | **1,441** | **1,438** | *0.2* |

| FINANCIAL INDICATORS(1) | 1Q'19 | 1Q'18 |
|---|---|---|
| Debt/EBITDA (LTM, times) | 2.1 | 1.7 |
| EBITDA/ Interest. Exp. (LTM, times) | 9.6 | 10.1 |
| Net Debt/EBITDA (LTM, times) | 1.6 | 1.3 |
| Debt / (Debt + Equity) (times) | 0.3 | 0.3 |
| Debt/Equity (times) | 0.5 | 0.5 |
| Total Liab./Stockh. Equity (times) | 0.9 | 0.9 |
| Curr. Assets/Curr. Liab. (times) | 2.3 | 2.2 |
| Sales (LTM)/Assets (times) | 0.8 | 0.8 |
| EPS (US$) (YTD)* | 0.0 | 0.1 |

* Based on w eighted average outstanding shares year to date

| OTHER INFORMATION | 1Q'19 | 1Q'18 |
|---|---|---|
| # Shares Issued (thousands) | 483,571 | 483,571 |
| # Weighted Average Shares Outstanding (thousands) | 479,039 | 481,819 |
| # Employees | 15,211 | 14,863 |

(1) Financial ratios are calculated using figures in dollars.

# CONSOLIDATED

## VITRO, S.A.B. DE C.V. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF INCOME

FOR THE PERIODS, (MILLIONS)

| INCOME STATEMENT | First Quarter Dollars 2019 | 2018 | % Var. |
|---|---|---|---|
| Consolidated Net Sales | 555 | 558 | (0.4) |
| Cost of Sales | 422 | 386 | 9.4 |
| **Gross Income** | **133** | **172** | (22.5) |
| SG&A Expenses | 90 | 101 | (10.9) |
| **Operating Income** | **43** | **71** | (39.1) |
| Other Expenses (Income), net | (1) | 2 | NA |
| **Operating income after other expenses (income), net** | **44** | **69** | **(35.6)** |
| Share in earnings (loss) of unconsolidated associated companies | - | 2 | NA |
| Interest Expense | 9 | 10 | (8.3) |
| Interest (Income) | (0) | (0) | NA |
| Other Financial Expenses, net | 1 | 1 | 7.1 |
| Foreign Exchange Loss (Income) | 6 | (2) | NA |
| Net financial cost | 16 | 9 | 72.2 |
| **Income (loss) before Tax** | **28** | **61** | (54.1) |
| Income Tax | 7 | (4) | NA |
| **Net income (loss)** | **21** | **65** | (68.5) |
| Net Income (loss) attributable to controlling interest | 21 | 65 | (68.5) |
| Net Income (loss) attributable to noncontrolling interest | 0 | 0 | (70.3) |

# VITRO, S.A.B. DE C.V. AND SUBSIDIARIES

## SEGMENTED INFORMATION

FOR THE FOLLOWING PERIODS, (MILLION)

| | First Quarter | | |
|---|---|---|---|
| | Dollars | | |
| | 2019 | 2018 | % |
| **FLAT GLASS** | | | |
| Net Sales | 501 | 496 | *1.0%* |
| EBIT [4] | 33 | 61 | *-46.2%* |
| Margin [1] | 6.5% | 12.3% | |
| EBITDA [4] | 65 | 89 | *-27.8%* |
| Margin [1] | 12.9% | 18.0% | |
| **Flat Glass volumes** | | | |
| Construction (Thousand m2R) [2] | 64,798 | 65,001 | *-0.3%* |
| Automotive (Thousands pieces) | 15,664 | 16,020 | *-2.2%* |
| Soda Ash (Thousand Tons) | 178 | 178 | *0.2%* |
| **GLASS CONTAINERS** | | | |
| Net Sales | 54 | 60 | *-10.4%* |
| EBIT [4] | 10 | 10 | *-8.1%* |
| Margin [1] | 17.8% | 17.4% | |
| EBITDA [4] | 14 | 14 | *-1.8%* |
| Margin [1] | 25.4% | 23.2% | |
| **Glass containers volumes (MM Pieces)** | | | |
| Domestic | 126 | 119 | *5.2%* |
| Exports | 150 | 138 | *9.1%* |
| Total:Dom.+Exp. | 276 | 257 | *7.3%* |
| **CONSOLIDATED [3]** | | | |
| Net Sales | 555 | 558 | *-0.4%* |
| EBIT [4] | 43 | 71 | *-39.1%* |
| Margin [1] | 7.8% | 12.7% | |
| EBITDA [4] | 79 | 103 | *-22.9%* |
| Margin [1] | 14.3% | 18.5% | |

[1] EBIT and EBITDA Margins consider Consolidated Net Sales.
[2] m2R = Reduced Squared Meters.
[3] Includes corporate companies and other's sales and EBIT.
[4] EBIT and EBITDA are presented before other expenses and income effect.