

## EARNINGS RELEASE

### ARCA CONTINENTAL REPORTS EBITDA GROWTH OF 5.3% WITH NET INCOME UP 23.3% OR 140 BPS IN 4Q14

Monterrey, Mexico, February 18, 2015 – Arca Continental, S.A.B. de C.V. (BMV: AC\*) (“Arca Continental” or “AC”), the second-largest Coca-Cola bottler in Latin America and the third largest in the world, announced its results for the fourth quarter (“4Q14”) and full year (“FY14”) of 2014.

**Table 1: Financial Highlights**

	Data in millions of Mexican pesos					
	4Q14	4Q13	Variation %	Jan - Dec '14	Jan - Dec '13	Variation %
<i>Total Beverage Volume (MUC)</i>	334.4	332.1	0.7	1,328.6	1,348.8	-1.5
<i>Net Sales</i>	16,200	15,308	5.8	61,957	60,359	2.6
<i>EBITDA</i>	3,427	3,255	5.3	13,644	12,845	6.2
<i>Net Income</i>	1,583	1,284	23.3	6,510	5,973	9.0

*Total Beverage Volume includes jug water*

*EBITDA = Operating income + Depreciation + Amortization + Non Recurring Expenses*

#### FOURTH QUARTER 2014 (4Q14) HIGHLIGHTS

- Net sales reached Ps. 16,200 million, 5.8% higher than 4Q13.
- EBITDA was Ps. 3,427 million with a 21.2% margin, 5.3% above the same quarter of last year.
- Net income grew 23.3% to Ps. 1,583 million with a 9.8% margin, up 140 basis points.

#### FULL YEAR 2014 HIGHLIGHTS (FY14)

- Net sales reached Ps. 61,957 million representing a 2.6% increase.
- EBITDA was Ps. 13,644 million for a 22% margin, up 70 basis points.
- Net income increased 9% to Ps. 6,510 million at a margin of 10.5%, up 60 basis points.

#### COMMENTS FROM THE CEO

“2014 will be remembered as a year in which we capitalized on our execution and management capabilities to face the changes in the Mexican beverage industry. We are committed to offering beverage options for all consumption occasions to our clients and consumers, serving different socioeconomic levels and ensuring their total satisfaction. Despite an economy with weak consumption levels, the strategies we implemented enabled us to deliver solid financial results for 2014, with net sales up 2.6%, and a 70-basis points EBITDA margin expansion. The experience and dedication of every member of the Arca Continental team made these results possible”, stated Francisco Garza Egloff, Chief Executive Officer of Arca Continental.

“2015 will surely bring new challenges that we will know how to face appropriately. Economic weakness, depreciation of currencies and increasing prices of some of our key raw materials will demand our discipline and excellence in execution throughout our operations,” he added.

## CONSOLIDATED RESULTS

The figures presented in this report were prepared in accordance with International Financial Reporting Standards ("IFRS"). On April 15, 2014, Arca Continental completed, in association with The Coca-Cola Company, the acquisition of a majority stake in Holding Tonicorp, S.A. (Toni) This association was realized based on a joint participation with a 50% stake by each party; as of the fourth quarter 2014 we consolidated into our financial statements the proportion of our participation in this business.

**Table 2: Consolidated Data**

	4Q14	4Q13	Variation %	Jan - Dec '14	Jan - Dec '13	Variation %
<b>Volume by category (MUC)</b>						
Colas	202.8	204.2	-0.7	801.1	817.9	-2.0
Flavors	50.8	52.2	-2.7	193.9	204.7	-5.3
<b>Sparkling Total Volume</b>	<b>253.6</b>	<b>256.4</b>	-1.1	<b>995.0</b>	<b>1,022.6</b>	-2.7
Water*	23.4	22.0	6.1	93.4	90.4	3.3
Still Beverages**	17.4	14.6	18.9	64.4	62.8	2.6
<b>Volume excluding Jug</b>	<b>294.4</b>	<b>293.1</b>	0.5	<b>1,152.9</b>	<b>1,175.8</b>	-2.0
Jug	40.0	39.0	2.4	175.7	173.0	1.6
<b>Total Volume</b>	<b>334.4</b>	<b>332.1</b>	0.7	<b>1,328.6</b>	<b>1,348.8</b>	-1.5
<b>Income Statement (MM MXP)</b>						
Net sales	16,200	15,308	5.8	61,957	60,359	2.6
EBITDA	3,427	3,255	5.3	13,644	12,845	6.2

\* Includes all single-serve presentations of purified, flavored, and mineral water.

\*\* Includes teas, isotonic, energy drinks, juices, nectars, and fruit beverages.

## FINANCIAL ANALYSIS

### INCOME STATEMENT

- Consolidated net sales for 4Q14 reached Ps. 16,200 million and Ps. 61,957 million for the full year of 2014, up 5.8% and 2.6% (9.6% and 7.1% on a currency-neutral basis), respectively, when compared to the same periods in 2013 (1.8% and -0.3% excluding Tonicorp, respectively).

- 4Q14 was the first quarter of volume growth for the year, posting a 0.7% increase. During the year, the sparkling segment declined 2.7% while still beverages rose 2.6%. Single serve water had positive results with 3.3% growth. Full year consolidated sales volume decreased 1.5% including jug water, which was a better performance than expected at the start of the year due to the tax on sweetened beverages.
- During 4Q14, cost of sales increased 9.2% (4.4% excluding Toni) due mainly to tough comps with respect to sugar prices in 4Q13. Consolidated gross profit rose 2.5% to Ps. 7,952 million in 4Q14 representing a gross margin of 49.1%. For the full year, gross profit reached Ps. 30,396 million, up 4.8%, for a 49.1% gross margin, up 100 basis points versus last year.
- Selling and administrative expenses increased 1.8% (-1.9% excluding Toni) from Ps. 5,316 million to Ps. 5,413 million in 4Q14. This line item demonstrates strict control of expenses during the year as well as efficiencies achieved and the implementation of best practices in various business processes. For the full year of 2014, selling and administrative expenses reached Ps. 19,824 million, reflecting an increase of 4.4% (1.9% excluding Toni).
- Consolidated operating income rose 8.7% (6.9% excluding Toni) in 4Q14 compared to 4Q13, to Ps. 2,607 million with an operating margin of 16.1%, up 40 basis points. As of December 31, 2014, operating income reached Ps. 10,774 million, up 8.9%, with an operating margin of 17.4% which was 100 basis points higher than in FY13.
- Consolidated EBITDA in 4Q14 increased 5.3% (3% excluding Toni) to Ps. 3,427 million representing a margin of 21.2%. For the full year of 2014, EBITDA increased 6.2% (4.3% excluding Toni) to Ps. 13,644 million, representing a margin of 22%, 70 basis points higher than in 2013 and 100 basis points higher excluding Toni. On a currency-neutral basis, EBITDA would have grown 9% during 4Q14 and 10% in the full year of 2014.
- The integral financial result for 4Q14 was Ps. 240 million compared to Ps. 256 million in 4Q13.
- Income tax provision for 4Q14 reached Ps. 724 million, 3% lower than 4Q13, reflecting an effective tax rate of 30.6% as a result of the fiscal regime changes in Mexico in 2014. As of December 31, 2014 the effective tax rate was 31.4%.
- Arca Continental reported net income of Ps. 1,583 million in 4Q14, up 23.3%, representing a net margin of 9.8%, for an additional 140 basis points. For the full year of 2014, net income reached Ps. 6,510 million, reflecting a net margin of 10.5%, up 60 basis points.

### **BALANCE SHEET & CASH FLOW STATEMENT**

- As of December 31, 2014, Arca Continental registered cash of Ps. 9,039 million and debt of Ps. 15,776 million, resulting in net debt of Ps. 6,737 million. The Net Debt/EBITDA ratio was 0.5x.
- Net operating cash flow reached Ps. 12,806 million as of December 31, 2014.
- CAPEX for the full year of 2014 totaled Ps. 4,112 million, allocated mainly towards the acquisition of cooling equipment, returnable bottles, and projects to achieve operating efficiencies.

## AC North America

Arca Continental reports its information for AC North America and AC South America. AC North America includes results for the beverage and snack businesses in Mexico as well as snacks in the U.S., while AC South America include results for the beverage business in Argentina and beverages and snacks in Ecuador.

Table 3: North America Data

	4Q14	4Q13	Variation %	Jan - Dec '14	Jan - Dec '13	Variation %
<b>Volume by Category (MUC)</b>						
Colas	157.2	157.1	0.1	636.5	651.5	-2.3
Flavors	29.2	29.5	-1.2	116.0	124.1	-6.6
<b>Sparkling Total Volume</b>	<b>186.4</b>	<b>186.6</b>	-0.1	<b>752.4</b>	<b>775.6</b>	-3.0
Water*	15.2	14.0	8.4	68.0	65.7	3.6
Still Beverages**	10.1	10.0	1.6	42.3	45.1	-6.2
<b>Volume excluding jug</b>	<b>211.7</b>	<b>210.6</b>	0.5	<b>862.7</b>	<b>886.4</b>	-2.7
Jug	40.0	39.0	2.4	175.7	173.0	1.6
<b>Total Volume</b>	<b>251.7</b>	<b>249.6</b>	0.8	<b>1,038.5</b>	<b>1,059.4</b>	-2.0
<b>Mix (%)</b>						
Returnable	36.9	34.7	2.2	37.5	35.3	2.2
Non Returnable	63.1	65.3	-2.2	62.5	64.7	-2.2
Multi-serve	53.0	53.2	-0.2	51.9	51.8	0.1
Single-serve	47.0	46.8	0.2	48.1	48.2	-0.1
<b>Income Statement (MM MXP)</b>						
Net Sales	11,334	11,203	1.2	46,347	46,206	0.3
EBITDA	2,566	2,470	3.9	10,967	10,364	5.8

\* Includes all single-serve presentations of purified, flavored, and mineral water.

\*\* Includes teas, isotonic, energy drinks, juices, nectars, and fruit beverages.

## OPERATING RESULTS – NORTH AMERICA

- Mexico Beverages posted net sales of Ps. 10,222 million during 4Q14, with sales volume up 0.8% to 252 MUC. The average price per unit case, excluding jug water, increased 0.2% to Ps. 47.01 in 4Q14.
- EBITDA reached Ps. 2,463 million in 4Q14, up 4.9% and representing a margin of 24.1%, 90 basis points higher than in 4Q13. For the full year of 2014, this line item reached Ps. 10,605 million, up 6.7% and representing a margin of 25.2%, up 160 basis points.

- In 2014, Powerade consolidated its position as the leader in the sports drink segment within all the channels in our territory, as well as in the Juice and Nectars category in the traditional channel, demonstrating our capacity to grow and lead in other beverage categories.
- During 2014, thanks to our pricing strategy and product portfolio, we increased the mix of returnable presentations by 2.2 percentage points while maintaining the mix of single serve formats to reach one of the healthiest sales mixes in the industry.
- Water grew 8.4% in 4Q14 and 3.6% in FY14 due to special execution programs implemented in the traditional and modern channels for this category.
- During 2014, jug water posted a 6.1% sales increase for the second consecutive quarter of volume growth. This was mainly due to the increase in coverage within the Direct-to-Home (DTH) and traditional channels. DTH continues posting double-digit growth thanks to an increase in routes and the expansion of the product portfolio sold through this business model.
- Vending registered sales volume growth of 3% in 4Q14 and improved the productivity per machine to increase the profitability of this business. For FY14, sales surpassed Ps. 1,200 million, representing an increase of 2.8%.
- During 2014, we activated 8,400 new clients within the Siglo XXI program, placed 40,000 new coolers and 72,000 display platforms in the market as part of the initiatives to improve the quality of execution at the point of sale.
- We executed with excellence the main national campaigns such as Share a Coke, the launching of Coca-Cola Life, the Christmas promotion and the consolidation and expansion of Santa Clara.
- Bokados closed 2014 with higher sales and EBITDA, as well as increased market share in all the territories in which it operates. This growth is in tandem with the investment and innovation initiatives in operations and logistics that were launched at the beginning of the year. We also continued expanding its product portfolio to improve the quality offered to our consumers.
- Wise, our snacks operations in the U.S., registered higher profitability in 2014. We continued expanding our presence in the modern channel in the U.S. and Mexico to add more coverage of this brand. In 2015, we expect our new plant in Ft. Worth, TX to become 100% operational.

## AC SOUTH AMERICA

On April 15, 2014, Arca Continental completed, in association with The Coca-Cola Company, the acquisition of a majority stake in Holding Tonicorp, S.A. This association was done via a joint agreement whereby each party owns a 50% stake; beginning in the fourth quarter 2014 results, we consolidated our proportional results in this business.

Table 4: South America Data

	4Q14	4Q13	Variation %	Jan - Dec '14	Jan - Dec '13	Variation %
<b>Volume by Category (MUC)</b>						
Colas	45.6	47.0	-3.1	164.7	166.4	-1.1
Flavors	21.7	22.7	-4.6	77.9	80.5	-3.3
<b>Sparkling Total Volume</b>	<b>67.2</b>	<b>69.7</b>	<b>-3.6</b>	<b>242.6</b>	<b>247.0</b>	<b>-1.8</b>
Water*	8.2	8.0	2.3	25.4	24.7	2.7
Still Beverages**	7.3	4.7	55.8	22.2	17.7	25.0
<b>Total Volume</b>	<b>82.8</b>	<b>82.4</b>	<b>0.4</b>	<b>290.1</b>	<b>289.4</b>	<b>0.2</b>
<b>Mix (%)</b>						
Returnable	30.9	29.3	1.6	30.9	29.6	1.3
Non Returnable	69.1	70.7	-1.6	69.1	70.4	-1.3
Multi-serve	83.7	83.7	0.0	82.8	83.3	-0.5
Single-serve	16.3	16.3	0.0	17.2	16.7	0.5
<b>Income Statement (MM MXP)</b>						
Net Sales	4,866	4,106	18.5	15,610	14,153	10.3
EBITDA	861	785	9.8	2,677	2,481	7.9

\* Includes all single-serve presentations of purified, flavored, and mineral water.

\*\* Includes teas, isotonic, energy drinks, juices, nectars, and fruit beverages.

## OPERATING RESULTS – SOUTH AMERICA

- Net sales for the South America Division increased 18.5% to Ps. 4,866 million in 4Q14; excluding the effects of Toni, the increase would have been 3.5%. As of December 31, 2014, net sales were Ps. 15,610 million, 10.3% higher, (down 2.2% excluding the effects of Toni). These results were due to the devaluation of the Argentine peso and the decline in purchasing power in Argentina.
- In 4Q14, total sales volume for South America increased 0.4% when compared to 4Q13, with a 2.3% increase in water and a 55.8% increase in still beverages. Sales volume for this region remained practically flat in FY14.
- EBITDA for South America increased 9.8% to Ps. 861 million in 4Q14, for a margin of 17.7%. For FY14, this line item grew 7.9% to Ps. 2,677 million, reflecting a 17.1% margin.
- During 4Q14, net income reached Ps. 260 million, representing a net margin of 5.3%. For the full year of 2014, this figure reached Ps. 1,037 million at a net margin of 6.6%.

## Argentina

- Sales volume increased 3% in 4Q14, primarily due to the performance in flavors, single serve water and still beverages thanks to the expansion of the product portfolio to include more affordable options for consumers. The sparkling beverage segment increased 1.4% while still beverages increased 66.4% when compared to the same period in 2013. For the full year of 2014, sales volume in Argentina remained flat compared to 2013.
- We continued increasing our mix of returnable packages in 4Q14 by 0.6 percentage points to end the year with a 3 percentage point increase compared to FY13, reflecting our goal of creating greater brand loyalty.
- In this country, we gained market share in the flavored water and still beverage categories, supported by the launchings of Cepita Orange and Peach in 300 ml with results surpassing expectations.
- To further drive growth in single-serve formats, we installed over 4,100 coolers to reach 45% coverage.

## Ecuador

- In 4Q14, sales volume in Ecuador decreased 2.3%, mainly due to the decline in sparkling and single serve water, offset by the 54.6% increase in still beverages. During FY14, volumes rose slightly, by 0.6% when compared to FY13, due mostly to single-serve water and still beverages.
- In 2014, single serve and returnable presentations have consistently improved in volume thanks to the investment initiatives at the point of sale, reflecting an increase in the sales mix of 1.8 and 0.5 percentage points, respectively.
- We installed more than 20,700 coolers to reach 46% coverage in the traditional channel, thereby continuing our investment initiative at the point of sale to drive single serve package growth.
- At Tonicorp we have increased our market share in all the categories in which we participate. Its performance in the last nine months has improved in terms of sales and EBITDA. We have incorporated Coca-Cola processes to improve execution at the point of sale and implemented best practices in the production chain.
- Inalecsa closed the year with growth in volume, sales and EBITDA. We also grew market share in all the categories in which we participate.

## RECENT EVENTS

- Arca Continental Ecuador was recognized for its notable participation in the third “Global Chemical Leasing Award”, a panel of “Efficient Companies with the Cleanest Production” organized by the ONUDI (United Nations Organization for Industrial Development) and the Coordinating Minister of Industries and Productivity to promote the cleanest production practices.
- For the fourth consecutive year, the Mexican Stock Exchange announced that Arca Continental would continue to be part of the Sustainability and Social Responsibility Index upon demonstrating that it incorporates the best international practices in the areas of Social Responsibility, Environmental Protection and Corporate Governance.

## CONFERENCE CALL INFORMATION

Arca Continental will host a conference call on February 18, 2015 to discuss these results at 9:00 am Mexico/Monterrey time / 10:00 am New York time. A live webcast of this event is available at: [www.arcacontal.com](http://www.arcacontal.com) or connect via telephone by dialing:

From within the U.S.	+1 800 311 9401
Toll-Free from within Mexico	+001 800 368 1029
International Participants	+1 334 323 7224

**Access Code:** 36151

### About Arca Continental

Arca Continental produces, distributes and sells non-alcoholic beverages under The Coca-Cola Company brand, as well as snacks under the brands of Bokados in Mexico, Inalecsa in Ecuador and Wise in the U.S. with an outstanding history spanning more than 85 years, Arca Continental is the second-largest Coca-Cola bottler in Latin America and one of the largest in the world. Within its Coca-Cola franchise territory, the Company serves over 53 million consumers in Northern and Western Mexico, Ecuador and Northern Argentina. The Company's shares trade on the Mexican Stock Exchange under the ticker symbol "AC". For more information on Arca Continental, please visit [www.arcacontal.com](http://www.arcacontal.com) or download the [AC Investor](#) iPad app.

This material may contain forward-looking statements regarding Arca Continental and its subsidiaries based on management's expectations. This information as well as statements regarding future events and expectations is subject to risks and uncertainties, as well as factors that could cause the results, performance and achievements of the Company to differ at any time. Such factors include changes in the general economic, political, governmental and commercial conditions both domestically and globally, as well as variations in interest rates, inflation rates, exchange rate volatility, tax rates, the demand for and the price of carbonated beverages, water, and the price of sugar and other raw materials used in the production of sparkling beverages, weather conditions and various others. As a result of these risks and factors, actual results could be materially different from the estimates provided; therefore, Arca Continental does not accept responsibility for any variations or for the information provided by official sources.

**Arca Continental, S.A.B. de C.V. and Subsidiaries**  
**Consolidated Income Statement**  
(millions of Mexican pesos)

	4Q14		4Q13		Variation		Jan - Dec '14		Jan - Dec '13		Variation	
	MM MXP	%	MM MXP	%	MM MXP	%	MM MXP	%	MM MXP	%	MM MXP	%
Net sales	16,200		15,308		892	5.8	61,957		60,359		1,598	2.6
Cost of Sales	8,248		7,551		697	9.2	31,561		31,344		218	0.7
<b>Gross Profit</b>	<b>7,952</b>	<b>49.1%</b>	<b>7,758</b>	<b>50.7%</b>	<b>195</b>	<b>2.5</b>	<b>30,396</b>	<b>49.1%</b>	<b>29,016</b>	<b>48.1%</b>	<b>1,380</b>	<b>4.8</b>
Selling Expenses	4,344		4,303		41	1.0	16,193		15,371		822	5.4
Administrative Expenses	1,069		1,013		56	5.5	3,631		3,617		13	0.4
Total Costs	5,413	33.4%	5,316	34.7%	97	1.8	19,824	32.0%	18,988	31.5%	836	4.4
Non Recurring Expenses	116		212		-96	(45.2)	215		426		-211	(49.6)
<b>Operating Income before other income</b>	<b>2,423</b>		<b>2,230</b>		<b>194</b>	<b>8.7</b>	<b>10,358</b>		<b>9,602</b>		<b>756</b>	<b>7.9</b>
Other Income (Expenses) <sup>1</sup>	183		169		15	8.6	416		289		127	44.0
<b>Operating Income</b>	<b>2,607</b>	<b>16.1%</b>	<b>2,398</b>	<b>15.7%</b>	<b>208</b>	<b>8.7</b>	<b>10,774</b>	<b>17.4%</b>	<b>9,891</b>	<b>16.4%</b>	<b>883</b>	<b>8.9</b>
Interest Expense Net	-245		-238		-6	2.7	-976		-928		-48	5.2
Exchange Gain (Loss)	5		-18		23	(128.4)	2		-43		45	(105.0)
Comprehensive Financial Results	-240		-256		17	(6.6)	-974		-971		-3	0.3
Share of net income of associates <sup>2</sup>	0		-40		40	(100.1)	54		98		-44	(45.0)
<b>Earnings Before Taxes</b>	<b>2,367</b>		<b>2,102</b>		<b>265</b>	<b>12.6</b>	<b>9,854</b>		<b>9,017</b>		<b>836</b>	<b>9.3</b>
Profit Taxes	724		747		-22	(3.0)	3,090		2,775		316	11.4
Non-controlling interest	-59		-71		12	(16.9)	-253		-270		16	(6.1)
<b>Net Profit</b>	<b>1,583</b>	<b>9.8%</b>	<b>1,284</b>	<b>8.4%</b>	<b>299</b>	<b>23.3</b>	<b>6,510</b>	<b>10.5%</b>	<b>5,973</b>	<b>9.9%</b>	<b>537</b>	<b>9.0</b>
Depreciation and amortization	704		644		60	9.3	2,655		2,528		127	5.0
<b>EBITDA</b>	<b>3,427</b>	<b>21.2%</b>	<b>3,255</b>	<b>21.3%</b>	<b>172</b>	<b>5.3</b>	<b>13,644</b>	<b>22.0%</b>	<b>12,845</b>	<b>21.3%</b>	<b>799</b>	<b>6.2</b>

EBITDA = Operating Income + Depreciation and Amortization + Non Recurring Expenses

<sup>1</sup> Includes equity method from our participation in operational companies like Jugos del Valle, IEQSA and Bebidas Refrescantes de Nogales

<sup>2</sup> Includes equity method from our participation in non-operational companies like PIASA, PetStar, Beta San Miguel, among others

**Arca Continental, S.A.B. de C.V. and Subsidiaries**  
**Consolidated Balance Sheet**  
(millions of Mexican pesos)

	December 31	December 31	Variation	
	2014	2013	MM MXP	%
<b>ASSETS</b>				
Cash and cash equivalents	9,039	2,566	6,474	252.3
Accounts receivable; Net	4,257	3,176	1,080	34.0
Inventories	2,856	2,317	538	23.2
Prepayments	266	180	86	47.5
<b>Total Current Assets</b>	<b>16,417</b>	<b>8,239</b>	<b>8,178</b>	<b>99.3</b>
Investments in shares and other investments	3,888	3,801	87	2.3
Property, plant and other equipment	25,321	24,171	1,150	4.8
Other non current assets	34,345	30,137	4,208	14.0
<b>Total Assets</b>	<b>79,972</b>	<b>66,349</b>	<b>13,623</b>	<b>20.5</b>
<b>LIABILITIES</b>				
Short term bank loans	1,664	2,376	(712)	-30.0
Suppliers	4,912	4,297	615	14.3
Accounts payable and taxes	4,307	1,376	2,931	213.0
<b>Total Current Liabilities</b>	<b>10,883</b>	<b>8,049</b>	<b>2,834</b>	<b>35.2</b>
Bank Loans and long term liabilities	14,112	11,701	2,411	20.6
Deferred income tax and others	5,622	5,415	206	3.8
<b>Total Liabilities</b>	<b>30,617</b>	<b>25,165</b>	<b>5,452</b>	<b>21.7</b>
<b>SHAREHOLDER'S EQUITY</b>				
Non controlled participation	3,311	2,831	480	17.0
Capital Stock	28,748	29,066	(318)	-1.1
Retained Earnings	10,786	3,314	7,472	225.5
Net Profit	6,510	5,973	537	9.0
<b>Total Shareholders' Equity</b>	<b>49,355</b>	<b>41,184</b>	<b>8,172</b>	<b>19.8</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>79,972</b>	<b>66,349</b>	<b>13,623</b>	<b>20.5</b>

**Arca Continental, S.A.B. de C.V. and Subsidiaries**  
**Cash Flow Statement**  
(millions of Mexican pesos)

	as of december 31	
	2014	2013
<b>Earnings Before Taxes</b>	<b>9,854</b>	<b>9,017</b>
Depreciation and amortization	2,654	2,528
Gain on sale and fixed assets impairment	523	544
Accrued interests	973	819
<b>Operating cash flow before taxes</b>	<b>14,004</b>	<b>12,908</b>
Cashflow generated/used in the operation	(1,198)	(4,059)
<b>Operating cashflow after working capital</b>	<b>12,806</b>	<b>8,849</b>
Investment Activities:		
Capital Expenditures and Investments (Net)	(6,460)	(5,102)
Financing Activities:		
Dividends paid	(182)	(5,012)
Share repurchase program	335	(388)
Debt amortization	889	2,588
Paid interests	(973)	(910)
Other	70	0
<b>Net cash flow</b>	<b>139</b>	<b>(3,722)</b>
Net increase of cash and equivalents	6,484	24
Change in Cash	(11)	(134)
<b>Initial cash and equivalents balance</b>	<b>2,566</b>	<b>2,676</b>
<b>Final cash and equivalents balance</b>	<b>9,039</b>	<b>2,566</b>