

## EARNINGS RELEASE

### NET SALES GREW 23.4% AND EBITDA ROSE 22.4% IN 2015

**Monterrey, Mexico, February 19, 2016 – Arca Continental, S.A.B. de C.V. (BMV: AC\*)** (“Arca Continental” or “AC”), the second-largest Coca-Cola bottler in Latin America, announced today its results for the fourth quarter and full year of 2015 (“4Q15” and “12M15”).

**Table 1: Financial Highlights**

Data in millions of Mexican pesos						
	4Q15	4Q14	Variation %	Jan - Dec '15	Jan - Dec '14	Variation %
<b>Total Beverage Volume (MUC)</b>	430.1	334.4	28.6	1,477.7	1,328.6	11.2
<b>Net Sales</b>	22,441	16,200	38.5	76,454	61,957	23.4
<b>EBITDA</b>	4,742	3,427	38.4	16,707	13,644	22.4
<b>Net Income</b>	1,655	1,578	4.9	7,246	6,505	11.4

*Total Beverage Volume includes jug water*

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

#### FOURTH QUARTER 2015 (4Q15) HIGHLIGHTS

- Net sales reached Ps. 22,441 million, 38.5% higher than 4Q14.
- EBITDA came in at Ps. 4,742 million for a margin of 21.1%, up 38.4% when compared to 4Q14.
- Net income rose 4.9% to Ps. 1,655 million for a margin of 7.4%.

#### FULL YEAR 2015 (12M15) HIGHLIGHTS

- Net sales grew 23.4% to Ps. 76,454 million.
- EBITDA reached Ps. 16,707 million for a margin of 21.9%, 22.4% higher when compared to 2014.
- Net income increased 11.4% to Ps. 7,246 million for a margin of 9.5%.

#### COMMENTS FROM THE CEO

“During a year marked by global economic volatility, we were able to favorably satisfy the needs of our customers and consumers, through outstanding execution and a broad and attractive product portfolio, to reach significant growth in sales of 23.4% and EBITDA of 22.4%. We had another consecutive year of achievements thanks to the commitment and dedication of all those that form part of Arca Continental, by incorporating new alliances and innovation into all our business processes,” stated Francisco Garza Egloff, Chief Executive Officer of Arca Continental.

“In 2016 we will focus on strengthening our commitment to integrate, evolve and maintain the momentum of profitable growth of our Company, while further increasing our competitiveness in all business areas,” he added.

## CONSOLIDATED RESULTS

The figures presented in this report were prepared in accordance with International Financial Reporting Standards ("IFRS"). On September 10, 2015, Arca Continental announced the integration of Corporacion Lindley (CL) into its operations, beginning September 1, 2015; therefore this report contains four months of CL's results.

Table 2: Consolidated Data

	4Q15	4Q14	Variation %	Jan - Dec '15	Jan - Dec '14	Variation %
<b>Volume by category (MUC)</b>						
Colas	257.0	202.8	26.7	875.6	801.1	9.3
Flavors	64.7	50.8	27.2	218.7	193.9	12.8
<b>Sparkling Total Volume</b>	<b>321.7</b>	<b>253.6</b>	26.8	<b>1,094.4</b>	<b>995.0</b>	10.0
Water*	39.3	23.4	68.1	120.3	93.4	28.8
Still Beverages**	22.5	17.4	29.3	75.8	64.4	17.7
<b>Volume excluding Jug</b>	<b>383.6</b>	<b>294.4</b>	30.3	<b>1,290.5</b>	<b>1,152.9</b>	11.9
Jug	46.6	40.0	16.5	187.2	175.7	6.5
<b>Total Volume</b>	<b>430.1</b>	<b>334.4</b>	28.6	<b>1,477.7</b>	<b>1,328.6</b>	11.2
<b>Income Statement (MM MXP)</b>						
Net sales	22,441	16,200	38.5	76,454	61,957	23.4
EBITDA	4,742	3,427	38.4	16,707	13,644	22.4

\* 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

- In 4Q15, consolidated net sales rose 38.5% (17.7% excluding Peru and 33.7% on a currency-neutral basis) reaching Ps. 22,441 million compared to 4Q14. In 12M15, this figure rose 23.4% (18.8% on a currency-neutral basis), to reach Ps. 76,454 million when compared to 12M14.
- Sales volume grew 28.6% (5.2% excluding Peru) in 4Q15, driven by the incorporation of Corporacion Lindley and the increasing consumer trends experienced in all categories, where sparkling rose 26.8%, water 68.1% and still beverages 29.3%. During the year, the sparkling segment grew 10% while still beverages increased 17.7% and single serve water rose 28.8%. In 2015, consolidated sales volume reached 1,291 MUC, excluding jug water, representing an increase of 11.9%.

- In 4Q15, due to the exchange rate effect on raw materials denominated in dollars as well as a rise in sugar prices, cost of goods sold increased 41.1% (17.5% excluding Peru). Consolidated gross profit reached Ps. 10,793 million, 35.9% higher than in 4Q14, for a gross margin of 48.1%. During 12M15, gross profit was Ps. 37,090 million for a margin of 48.5%, 50 basis points below 12M14.
- Selling and administrative expenses grew 39.9% (20.9% excluding Peru) to Ps. 7,574 million in 4Q15, mainly due to investments in campaigns and execution at the point of sale, which were reflected in the strong volume trend, as well as the integration of Peru. In 12M15, selling and administrative expenses reached Ps. 24,499 million, up 23.6%, representing 32.0% of sales, which was the same level as in 12M14.
- During 4Q15, consolidated operating income rose 29.2% (14.1% excluding Peru) to Ps. 3,367 million and representing an operating margin of 15%. For 12M15, operating margin reached Ps. 12,754 million, up 18.4% for an operating margin of 16.7%.
- Consolidated EBITDA was Ps. 4,742 million in 4Q15 compared to Ps. 3,427 million in 4Q14, which represents an increase of 38.4% (13.1% excluding Peru) and a margin of 21.1%. In 2015, this figure reached Ps. 16,707 million, up 22.4%, for a margin of 21.9%. On a currency-neutral basis, EBITDA in 4Q15 rose 34.9% and in 12M15 it increased 19.2%.
- The integral financial result was Ps. 915 million in 4Q15 mainly due to the effect from the transaction for and integration of Corporacion Lindley (CL) combined with the devaluation of the Mexican peso. For 12M15, this figure came in at Ps. 1,818 million, 86.7% higher than in 12M14.
- Income tax provision for 4Q15 reflects an effective tax rate of 28.8% in the amount of Ps. 713 million which was 1.4% lower than in 4Q14. For the full year of 2015, the rate was 31%, similar to the rate in 12M14.
- Arca Continental reported net income of Ps. 1,655 million in 4Q15, 4.9% above 4Q14, and a net margin of 7.4%; for 12M15, this figure reached Ps. 7,246 million for a net margin of 9.5%.

### **BALANCE SHEET AND CASH FLOW STATEMENT**

- As of December 31, 2015, Arca Continental registered cash of Ps. 8,307 million and debt of Ps. 39,245 million, resulting in net debt of Ps. 30,938 million. The Net Debt/EBITDA ratio was 1.7x.
- Net operating cash flow reached Ps. 12,792 million in 2015.
- CAPEX reached Ps. 5,728 million in 12M15, allocated mainly towards the acquisition of cooler equipment, returnable packaging, and investments in strengthening production and distribution capabilities. This represents a 9.6% increase from the figure expected at the beginning of the year.

## 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 Peru, and beverages and snacks in Ecuador.

**Table 3: North America Data**

	4Q15	4Q14	Variation %	Jan - Dec '15	Jan - Dec '14	Variation %
<b>Volume by Category (MUC)</b>						
Colas	165.2	157.2	5.1	652.1	636.5	2.5
Flavors	32.3	29.2	10.8	121.6	116.0	4.8
<b>Sparkling Total Volume</b>	<b>197.6</b>	<b>186.4</b>	6.0	<b>773.7</b>	<b>752.4</b>	2.8
Water*	17.4	15.2	14.5	74.3	68.0	9.2
Still Beverages**	11.8	10.1	16.6	47.7	42.3	12.9
<b>Volume excluding jug</b>	<b>226.7</b>	<b>211.7</b>	7.1	<b>895.8</b>	<b>862.7</b>	3.8
Jug	43.2	40.0	8.2	182.8	175.7	4.0
<b>Total Volume</b>	<b>270.0</b>	<b>251.7</b>	7.3	<b>1,078.5</b>	<b>1,038.5</b>	3.9
<b>Mix (%)</b>						
Returnable	35.3	36.9	-1.6	37.0	37.5	-0.5
Non Returnable	64.7	63.1	1.6	63.0	62.5	0.5
Multi-serve	53.1	53.0	0.1	51.7	51.9	-0.2
Single-serve	46.9	47.0	-0.1	48.3	48.1	0.2
<b>Income Statement (MM MXP)</b>						
Net Sales	12,715	11,334	12.2	50,248	46,347	8.4
EBITDA	2,689	2,566	4.8	11,752	10,967	7.2

\* 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

- During 4Q15, Mexico Beverages posted net sales of Ps. 11,420 million, an increase of 11.7% compared to the same period last year. Sales volume increased 7.3% compared to 4Q14, to 270 MUC. The average price per unit case, excluding jug water, increased 4.4% to Ps. 49.13 in 4Q15 due to a more adequate price-pack architecture developed for our portfolio.
- EBITDA for North America increased 4.8% to Ps. 2,689 million in 4Q15, representing a margin of 21.1%. During 12M15, this line item reached Ps. 11,752 million, up 7.2% for a margin of 23.4%.

- Powerade grew 34.5% in 4Q15, closing the year with 23.8% volume growth thanks to the ambitious plan to increase coverage and the strong acceptance of Powerade Zero.
- Juices and Nectars rose 11.5% in 4Q15, maintaining their leading position in the traditional channel, mainly due to strategies in the market to increase coverage of packages more aligned with consumer purchasing power.
- Single serve water increased 14.5% in 4Q15 due to a better price-pack strategy at the point of sale.
- We continued increasing our chilled product coverage for Santa Clara through the installation of more than 3,000 coolers, securing the fifth consecutive quarter of double-digit growth for this brand.
- The DTH channel posted an 18.5% increase in sales volume when compared to 4Q14 and closed the year with over 530 routes, 60% more than in 2014.
- Our Vending business recorded its 13<sup>th</sup> consecutive month of sales volume growth, closing the year up 12.3%. This represents a compound annual growth rate of 9.1% for the last 4 years. In addition, snack transactions were up 7.8% in the quarter.
- During 2015, we installed more than 45,000 coolers in order to improve the buying experience of consumers of our products. Furthermore, we continued to deploy our ACT execution model in all our business units, with improvements already reported in our point-of-sale execution indicators, which contributed to the solid sales volume registered.
- Exports closed the year with a positive trend having grown Topo Chico sales volume by 35% in 4Q15. 2015 was an important year for the exports business, which achieved the highest sales and EBITDA growth in the Company's history. In addition, major events were sponsored, including Lollapalooza in Chicago, AT&T Arts Center of Dallas, Austin City Limits and Formula 1.
- Bokados also ended the year with positive momentum by posting high single-digit growth in sales and EBITDA. This was mainly due to the increase in coverage and the incorporation of execution initiatives at the point of sale similar to those in the beverage business, which have contributed to an improved operating discipline.
- Wise sales grew 12M15 thanks to greater coverage and the offering of new products in its portfolio. Among these was the introduction of the new Cinnabon flavored popcorn, along with an image change for the packaging of this product line. Fort Worth is now in operation producing onion rings, high-quality potatoes and wheat pellets.

## AC SOUTH AMERICA

On September 10, 2015 Arca Continental announced the integration of Corporacion Lindley (CL) to its operations, starting from September 1, 2015; therefore, this report contains four months of CL's results.

Table 4: South America Data

	4Q15	4Q14	Variation %	Jan - Dec '15	Jan - Dec '14	Variation %
<b>Volume by Category (MUC)</b>						
Colas	91.8	45.6	101.4	223.5	164.7	35.7
Flavors	32.4	21.7	49.4	97.1	77.9	24.7
<b>Sparkling Total Volume</b>	<b>124.2</b>	<b>67.2</b>	84.7	<b>320.7</b>	<b>242.6</b>	32.2
Water*	22.0	8.2	167.2	46.0	25.4	81.3
Still Beverages**	10.7	7.3	47.0	28.1	22.2	26.7
<b>Volume excluding jug</b>	<b>156.9</b>	<b>82.8</b>	89.5	<b>394.8</b>	<b>290.1</b>	36.1
Jug	3.3	0.0	0.0	4.4	0.0	0.0
<b>Total Volume</b>	<b>160.2</b>	<b>82.8</b>	93.5	<b>399.2</b>	<b>290.1</b>	37.6
<b>Mix (%)</b>						
Returnable	30.5	30.9	-0.4	31.7	30.9	0.8
Non Returnable	69.5	69.1	0.4	68.3	69.1	-0.8
Multi-serve	83.2	83.7	-0.5	82.1	82.8	-0.7
Single-serve	16.8	16.3	0.5	17.9	17.2	0.7
<b>Income Statement (MM MXP)</b>						
Net Sales	9,726	4,866	99.9	26,206	15,610	67.9
EBITDA	2,053	861	138.4	4,955	2,677	85.1

\* 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 99.9% (30.4% excluding Peru) to Ps. 9,726 million in 4Q15. In 2015, this division increased its sales by 67.9% (40% excluding Peru). This result stemmed mainly from the ability to pass on pricing in-line with inflation, as well as the strengthening of the dollar.
- In 4Q15, total sales volume for South America increased 93.5% when compared to 4Q14 (-1.3% excluding Peru), mainly affected by Argentina's economy. In 2015, volume in this region grew 37.6% (3% excluding Peru).

- EBITDA increased 138.4% (37.7% excluding Peru) to Ps. 2,053 million in 4Q15, for a margin of 21.1%, up 340 bps from 4Q14. For 2015, EBITDA increased 85.1% (47.6% excluding Peru) to Ps. 4,955 million, representing a margin of 18.9%, for an additional 180 bps.
- Net Income reached Ps. 350 million, up 40.4% (65.7% excluding Peru) in 4Q15 and Ps. 1,575 million for growth of 53.4% in 2015, representing net margins of 3.6% and 6%, respectively.

### Argentina

- During 4Q15, sales volume decreased 7.5%, primarily from the sparkling beverages category, which declined 12.6%, which was partially offset by an increase of 25% in single-served water and 85% in still beverages. In 2015, sales volume registered an increase of 1.1%.
- The Company continues to invest in the Argentinean market. In 4Q15, cooler coverage increased by 1 p.p. reaching 48%, which drove growth in the mix of single-serve packages during 2015. Seeking to offer attractive options to consumers under the still beverages category, the Company launched two more format options, 300 ml and 1500 ml for Cepita.

### Ecuador

- During 4Q15, sales volume in Ecuador grew by 5.5% driven mainly by the 16.7% increase in the sparkling beverage category. In 2015, sales volume rose 4.7% when compared to 2014.
- Tonicorp posted 9% growth in sales in 4Q15. This increase was due to initiatives aimed at improving price points, new packaging and promotions. In addition, the increase in customer base has reached more than 110,000 selling points.
- In Inalecsa, the focus on Tortolines has increased the market share in the plantain-chip snack market. In addition, the efficiency program has contributed to a margin expansion of 100 bps and to a double-digit increase in net income.

### Peru

- During 4Q15 sales volume in Peru, increased 0.4%, primarily from growth in single-serve water, which was up 7.1%, still beverage category up 3.9%, partially offset by a 1.8 decrease in the sparkling beverage category. In 2015, sales volume registered an increase of 4% compared to 2014.
- As part of our sales initiatives, we placed more than 6,000 coolers during the quarter, reaching a chilled coverage of 28%. In addition, we launched new packaging, such as Frugos in 1-lt., to drive the still beverage category.

## RECENT EVENTS

- On October 30, 2015, Fitch Ratings assigned AC a global “A” investment grade rating with “stable” outlook. The ratings agency highlighted the long-term sustainability and strengthening of its participation in the markets it serves.
- On December 11, 2015, Standard & Poor’s Ratings Services raised to investment grade its rating of CL, subsidiary of AC, from BB+ to BBB.
- On January 4, 2016, AC completed its acquisition of 6.6% common shares with voting rights issued by Corporación Lindley S.A., which were previously owned by the Arrendondo Lindley family; with this, AC reached an ownership stake of more than 60% of CL’s capital stock. In addition, on January 29, AC acquired 1.79% of the non-voting investment shares issued by CL, at a price of US\$ 0.89 per share.
- For the 5th consecutive year, the *Bolsa Mexicana de Valores* announced that AC will continue to be part of its Sustainability and Social Responsibility Index (ISRS) after demonstrating that AC incorporates the best international practices in the areas of Social and Environmental Responsibility and Corporate Governance.
- AC announce that its consolidated volume growth expectation for 2016 will be around 3%, excluding jug and considering 12 months of volume from Peru.

## CONFERENCE CALL INFORMATION

Arca Continental will host a conference call on February 19, 2016 to discuss these results at 10:00 am Mexico/Monterrey time / 11:00 am New York time. A live webcast of this event is available at [www.arcacontinental.com](http://www.arcacontinental.com) or connect via telephone by dialing:

To participate, please dial:

- +1-877-712-5080 (U.S. participants)
  - +1-334-245-3009 (International participants)
- Passcode: 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 89 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 83 million consumers in Northern and Western Mexico, Ecuador, Peru 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.arcacontinental.com](http://www.arcacontinental.com)

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)

			Variation				Variation	
	4Q15	4Q14	MM MXP	%	Jan - Dec '15	Jan - Dec '14	MM MXP	%
Net sales	22,441	16,200	6,240	38.5	76,454	61,957	14,497	23.4
Cost of Sales	11,648	8,256	3,392	41.1	39,363	31,569	7,794	24.7
<b>Gross Profit</b>	<b>10,793</b>	<b>7,944</b>	<b>2,849</b>	<b>35.9</b>	<b>37,090</b>	<b>30,388</b>	<b>6,702</b>	<b>22.1</b>
	48.1%	49.0%			48.5%	49.0%		
Selling Expenses	6,200	4,344	1,856	42.7	20,218	16,193	4,025	24.9
Administrative Expenses	1,374	1,069	305	28.6	4,281	3,631	650	17.9
Total Costs	7,574	5,413	2,161	39.9	24,499	19,824	4,675	23.6
	33.8%	33.4%			32.0%	32.0%		
Non Recurring Expenses	205	117	88	75.3	417	216	201	93.4
<b>Operating Income before other income</b>	<b>3,014</b>	<b>2,415</b>	<b>599</b>	<b>24.8</b>	<b>12,175</b>	<b>10,349</b>	<b>1,826</b>	<b>17.6</b>
Other Income (Expenses) <sup>1</sup>	353	192	161	84.1	579	425	154	36.3
<b>Operating Income</b>	<b>3,367</b>	<b>2,606</b>	<b>761</b>	<b>29.2</b>	<b>12,754</b>	<b>10,774</b>	<b>1,980</b>	<b>18.4</b>
	15.0%	16.1%			16.7%	17.4%		
Interest Expense Net	-332	-244	-87	35.6	-1,043	-976	-68	6.9
Exchange Gain (Loss)	-584	5	-589		-775	2	-777	
Comprehensive Financial Results	-915	-240	-676	282.0	-1,818	-974	-844	86.7
Share of net income of associates <sup>2</sup>	21	0	20		157	54	103	191.3
<b>Earnings Before Taxes</b>	<b>2,472</b>	<b>2,367</b>	<b>106</b>	<b>4.5</b>	<b>11,093</b>	<b>9,854</b>	<b>1,239</b>	<b>12.6</b>
Profit Taxes	713	723	-10	(1.4)	3,434	3,089	345	11.2
Non-controlling interest	-104	-65	-39	59.0	-413	-260	-153	59.1
<b>Net Profit</b>	<b>1,655</b>	<b>1,578</b>	<b>77</b>	<b>4.9</b>	<b>7,246</b>	<b>6,505</b>	<b>741</b>	<b>11.4</b>
	7.4%	9.7%			9.5%	10.5%		
Depreciation and amortization	1,170	704	466	66.1	3,536	2,655	881	33.2
<b>EBITDA</b>	<b>4,742</b>	<b>3,427</b>	<b>1,314</b>	<b>38.4</b>	<b>16,707</b>	<b>13,644</b>	<b>3,063</b>	<b>22.4</b>
	21.1%	21.2%			21.9%	22.0%		

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		Variation	
	2015	2014	MM MXP	%
<b>ASSETS</b>				
Cash and cash equivalents	8,307	9,039	(732)	-8.1
Accounts receivable; Net	6,352	4,312	2,040	47.3
Inventories	4,337	2,832	1,505	53.1
Prepayments	407	269	138	51.3
<b>Total Current Assets</b>	<b>19,403</b>	<b>16,453</b>	2,951	17.9
Investments in shares and other investments	4,491	3,926	565	14.4
Property, plant and other equipment	45,060	25,321	19,739	78.0
Other non current assets	62,809	34,668	28,141	81.2
<b>Total Assets</b>	<b>131,763</b>	<b>80,367</b>	51,396	64.0
<b>LIABILITIES</b>				
Short term bank loans	6,995	1,699	5,296	311.8
Suppliers	9,370	4,812	4,558	94.7
Accounts payable and taxes	3,068	4,077	(1,009)	-24.7
<b>Total Current Liabilities</b>	<b>19,433</b>	<b>10,588</b>	8,846	83.5
Bank Loans and long term liabilities	32,250	14,078	18,172	129.1
Deferred income tax and others	12,129	6,317	5,812	92.0
<b>Total Liabilities</b>	<b>63,813</b>	<b>30,983</b>	32,830	106.0
<b>SHAREHOLDER'S EQUITY</b>				
Non controlled participation	16,907	3,320	13,586	409.2
Capital Stock	28,769	28,748	21	0.1
Retained Earnings	15,029	10,811	4,218	39.0
Net Profit	7,246	6,505	741	11.4
<b>Total Shareholders' Equity</b>	<b>67,950</b>	<b>49,384</b>	18,566	37.6
<b>Total Liabilities and Shareholders' Equity</b>	<b>131,763</b>	<b>80,367</b>	51,396	64.0

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

	as of december 31	
	2015	2014
<b>Earnings Before Taxes</b>	<b>11,093</b>	<b>9,854</b>
Depreciation and amortization	3,536	2,654
Gain on sale and fixed assets impairment	527	523
Foreign exchange	761	0
Accrued interests	1,819	949
<b>Operating cash flow before taxes</b>	<b>17,736</b>	<b>13,980</b>
Cashflow generated/used in the operation	(4,944)	(1,262)
<b>Operating cashflow after working capital</b>	<b>12,792</b>	<b>12,718</b>
Investment Activities:		
Capital Expenditures and Investments (Net)	(20,797)	(6,460)
Financing Activities:		
Dividends paid	(2,964)	(106)
Share repurchase program	28	335
Debt amortization	12,059	889
Paid interests	(1,813)	(973)
Other	18	81
<b>Net cash flow</b>	<b>7,327</b>	<b>226</b>
Net increase of cash and equivalents	(678)	6,484
Change in Cash	(54)	(11)
<b>Initial cash and equivalents balance</b>	<b>9,039</b>	<b>2,566</b>
<b>Final cash and equivalents balance</b>	<b>8,307</b>	<b>9,039</b>