

## EARNINGS RELEASE

### ARCA CONTINENTAL REPORTS REVENUE GROWTH OF 18% WITH EBITDA UP 13.4% IN 3Q16

Monterrey, Mexico, October 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 third quarter and first nine months of 2016 (“3Q16” and “9M16”).

**Table 1: Financial Highlights**

	Data in millions of Mexican pesos					
	3Q16	3Q15	Variation %	Jan - Sep '16	Jan - Sep '15	Variation %
<i>Total Beverage Volume (MUC)</i>	450.2	397.1	13.4	1,302.2	1,047.7	24.3
<i>Net Sales</i>	24,427	20,695	18.0	68,772	54,013	27.3
<i>EBITDA</i>	5,331	4,702	13.4	14,929	11,965	24.8
<i>Net Income</i>	3,229	2,088	54.7	7,102	5,591	27.0

*Total Beverage Volume includes jug water*

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

### 3Q16 HIGHLIGHTS

- Net sales reached Ps. 24,427 million, 18% higher when compared to 3Q15.
- EBITDA increased 13.4% to Ps. 5,331 million when compared to 3Q15, representing a margin of 21.8%.
- Net income grew by 54.7%, reaching Ps. 3,229 million, for a net margin of 13.2%.

### 9M16 HIGHLIGHTS

- Net sales reached Ps. 68,772 million, 27.3% higher when compared to 9M15.
- EBITDA reached Ps. 14,929 million, or 24.8% above 9M15, for a margin of 21.7%
- Net income rose 27% to Ps. 7,102 million, representing a net margin of 10.3%.

### COMMENTS FROM THE CEO

“By implementing Arca Continental’s best practices throughout our operations with great discipline, and just 12 months after launching the integration of Corporacion Lindley, we have been able to overcome the challenges faced and deliver outstanding results. We reported revenue growth of 18% with EBITDA up 13.4% this quarter thanks to the efforts of all our collaborators who work with dedication and passion to serve our customers and consumers more and in a better way every day”, commented Francisco Garza Egloff, Chief Executive Officer of Arca Continental

“The achievements reached to date further strengthen our competitive pillars, which, in addition to our innovations efforts throughout the market will allow us to continue consistently creating value in 2017”, 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 one month of CL's results in 2015 and nine months in 2016.

Table 2: Consolidated Data

	3Q16	3Q15	Variation %	Jan - Sep '16	Jan - Sep '15	Variation %
<b>Volume by category (MUC)</b>						
Colas	267.8	233.1	14.9	763.6	618.4	23.5
Flavors	62.9	57.5	9.3	182.7	154.2	18.5
<b>Sparkling Total Volume</b>	<b>330.7</b>	<b>290.6</b>	13.8	<b>946.3</b>	<b>772.6</b>	22.5
Water*	40.9	34.3	19.4	122.9	81.5	50.9
Still Beverages**	24.9	20.1	23.8	74.2	53.3	39.1
<b>Volume excluding Jug</b>	<b>396.5</b>	<b>345.1</b>	14.9	<b>1,143.4</b>	<b>907.4</b>	26.0
Jug	53.7	52.0	3.3	158.8	140.3	13.2
<b>Total Volume</b>	<b>450.2</b>	<b>397.0</b>	13.4	<b>1,302.2</b>	<b>1,047.7</b>	24.3
<b>Income Statement (MM MXP)</b>						
Net sales	24,427	20,695	18.0	68,772	54,013	27.3
EBITDA	5,331	4,702	13.4	14,929	11,965	24.8

\* 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 3Q16 reached Ps. 24,427 million, an increase of 18% (9.4% currency-neutral and excluding Peru) when compared to 3Q15. In 9M16, this figure grew by 27.3% (11.2% currency-neutral and excluding Peru) compared to last year, reaching Ps. 68,772 million.
- In 3Q16, volume increase by 13.4%, mainly driven by increases of 13.8% in beverages, 19.4% in single serve water and 23.8% in still beverages, reflecting the solid consumer climate and market execution. In 9M16, the sparkling beverage category grew 22.5%, while still beverages grew 39.1% and single serve water 50.9%. On a consolidated basis, volume grew 26% excluding jug water in 9M16.

- During 3Q16, cost of sales increased 21.6% due to higher sweetener prices and the strengthening of the U.S. dollar. Consolidated gross profit grew to Ps. 11,541 million, 14.3% higher than 3Q15 and reflecting a gross margin of 47.2%. During 9M16, gross profit grew 23.3%, reaching Ps. 32,421 million for a margin of 47.1% which was 150 bps below the same period last year.
- Selling and administrative expenses increased from Ps. 6,333 million to Ps. 7,528 million, or 18.9%, in 3Q16; this reflected the integration of Peru and the impact of the exchange rate on our dollar-denominated operations. During 9M16, selling and administrative expenses reached Ps. 21,200 million for an increase of 25.3%, representing 30.8% of sales and a decrease of 50 basis points when compared to last year
- Consolidated operating income rose 44.1% in 3Q16 compared to 3Q15, to Ps. 5,281 million, representing an operating margin of 21.6%. During 9M16, operating income grew 32.8% to Ps. 12,461 million for an operating margin of 18.1%.
- Consolidated EBITDA in 3Q16 increased 13.4% to Ps. 5,331 million, representing a margin of 21.8%. During 9M16, consolidated EBITDA reached Ps. 14,929 million, 24.8% higher and at a margin of 21.7%. On a currency-neutral basis and excluding Peru, EBITDA grew in both periods; 7.2% in 3Q16 and 10.2% in 9M16.
- The comprehensive cost of financing in 3Q16 was Ps. 628 million, an increase of 34% compared to 3Q15 due to the integration of Corporacion Lindley (CL). In 9M16, this line item reached Ps. 1,863 million, 106.4% higher than 9M15.
- Income tax provision for 3Q16 reflects an effective tax rate of 30.2% and an amount totaling Ps. 1,402 million, 33.4% above 3Q15. Year-to-date, the effective tax rate was 30.2%, 130 basis points below 2015.
- Arca Continental reported net income of Ps. 3,229 million in 3Q16, up 54.7%, reflecting a margin of 13.2%, and Ps. 7,102 million in 9M16, for a net margin of 10.3%.

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

- As of September 30, 2016, AC registered a cash balance of Ps. 8,213 million and debt of Ps. 33,501 million, resulting in a net debt position of Ps. 25,288 million. The Net Debt/EBITDA ratio dropped to 1.29x.
- Net operating cash flow reached Ps. 13,449 million in 9M16.
- As of September 30, 2016, Capex reached Ps. 5,064 million, mainly allocated towards strengthening our execution capabilities at the point of sale, as well as in production and distribution.

## 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**

	3Q16	3Q15	Variation %	Jan - Sep '16	Jan - Sep '15	Variation %
<b>Volume by Category (MUC)</b>						
Colas	190.8	180.0	6.0	523.8	486.8	7.6
Flavors	38.6	33.7	14.7	104.8	89.3	17.4
<b>Sparkling Total Volume</b>	<b>229.4</b>	<b>213.7</b>	7.3	<b>628.6</b>	<b>576.1</b>	9.1
Water*	24.8	23.3	6.8	65.2	56.9	14.5
Still Beverages**	15.0	13.4	12.1	42.2	35.9	17.5
<b>Volume excluding jug</b>	<b>269.2</b>	<b>250.3</b>	7.5	<b>736.1</b>	<b>669.0</b>	10.0
Jug	50.8	50.9	-0.1	147.7	139.5	5.8
<b>Total Volume</b>	<b>320.0</b>	<b>301.2</b>	6.3	<b>883.7</b>	<b>808.5</b>	9.3
<b>Mix (%)</b>						
Returnable	33.8	37.0	-3.2	34.8	37.6	-2.7
Non Returnable	66.2	63.0	3.2	65.2	62.4	2.7
Multi-serve	52.4	51.6	0.8	52.0	51.3	0.7
Single-serve	47.6	48.4	-0.8	48.0	48.7	-0.7
<b>Income Statement (MM MXP)</b>						
Net Sales	15,681	13,967	12.3	42,854	37,534	14.2
EBITDA	3,757	3,520	6.7	10,269	9,063	13.3

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

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

### OPERATING RESULTS FOR NORTH AMERICA

- During 3Q16 Mexico Beverages posted net sales of Ps. 14,268 million, up 12.6% compared to the same period last year. Sales volume increased 6.3% compared to 3Q15, to 320 MUC. The average price per unit case, excluding jug water, increased 5.0% to Ps. 51.76 as a result of a better mix of non-returns and an adequate pricing strategy implemented during the year.
- In 3Q16, EBITDA for North America increased 6.7% to Ps. 3,757 million, representing a margin of 24%. During 9M16, this line item reached Ps. 10,269 million, up 13.3% for a margin of 24%, representing a reduction of 10 basis points compared to 9M15.
- As a result of new product launches, an adequate price/pack architecture, as well as proper execution at the point of sale, in 2016, we have increased our market share in the main categories we serve.

- Driven by our strategic plan of product availability, 3Q16 was an outstanding quarter for the still beverages and single serve water segments, which grew 12.1% and 6.8%, respectively. Moreover, the quarter reported double-digit growth in nearly all categories.
- Powerade continued its positive sales volume trend and leadership in the energy drinks category with 23.8% sales volume growth in 3Q16. During this quarter, this product achieved took over the lead position in Jalisco in the traditional channel.
- Juices and Nectars grew 15.2% in 3Q16, maintaining their positive trend for the year and their category leadership in the traditional channel.
- Almost a year after the launch of Ciel Exprim, the flavored water category grew 55.6% during the year and increased its market share in the traditional channel.
- Santa Clara continued its positive trend with double-digit growth year-over-year driven by the introduction of more than 2,000 coolers, and reaching an availability of over 60%.
- Direct to Home channel sales volume rose 13.9% in 3Q16 largely driven by the still beverage category which generated 30% additional sales. Our website “Coca-Cola en tu Hogar” has reached over 6,000 clients.
- During the quarter, we conducted several initiatives to strengthen our product portfolio, highlighting the relaunch of the "Share a Coke" campaign, and achieved 2.7 million additional transactions. We also began distributing *Monster*, achieving the best results within the Coca-Cola system in Mexico with an availability level of 48%.
- In 3Q16, Vending sales grew 7.7%, marking 22 months of consecutive growth, as a result of an intense and ongoing campaign to relocate equipment we well as the use of telemetry.
- Topo Chico sales in the U.S. grew 31.5% in 3Q16 and 31.8% in 9M16 when compared to 2015. The brand continued to sponsor major events such as Lollapalooza in Chicago in August, and several popular events in California and New York.
- Bokados, through the implementation of “Plan Conquista”, reached over 18,000 new customers and with the implementation of adequate price-pack architecture, maintained solid growth levels in sales and EBITDA during 2016.
- Wise continued its innovations within the potato chip category during 3Q16, focusing efforts on the “Food Truck Favorites” program and new Kettle Mediterranean flavors.

## 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 one month of CL's results in 2015 and nine months in 2016.

**Table 4: South America Data**

	3Q16	3Q15	Variation %	Jan - Sep '16	Jan - Sep '15	Variation %
<b>Volume by Category (MUC)</b>						
Colas	77.0	53.1	45.1	239.7	131.1	82.8
Flavors	24.3	23.9	1.7	77.9	64.9	20.0
<b>Sparkling Total Volume</b>	<b>101.3</b>	<b>76.9</b>	31.6	<b>317.6</b>	<b>196.1</b>	62.0
Water*	16.1	11.0	45.7	57.7	24.6	135.1
Still Beverages**	10.0	6.8	46.8	31.9	17.4	83.8
<b>Volume excluding jug</b>	<b>127.3</b>	<b>94.8</b>	34.4	<b>407.3</b>	<b>238.0</b>	71.1
Jug	2.8	1.1	159.6	11.2	1.1	931.8
<b>Total Volume</b>	<b>130.1</b>	<b>95.8</b>	35.8	<b>418.5</b>	<b>239.1</b>	75.0
<b>Mix (%)</b>						
Returnable	29.8	32.0	-2.3	30.2	31.8	-1.5
Non Returnable	70.2	68.0	2.3	69.8	68.2	1.5
Multi-serve	72.0	76.4	-4.5	70.9	79.5	-8.6
Single-serve	28.0	23.6	4.5	29.1	20.5	8.6
<b>Income Statement (MM MXP)</b>						
Net Sales	8,746	6,728	30.0	25,918	16,480	57.3
EBITDA	1,573	1,182	33.1	4,660	2,902	60.6

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

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

### OPERATING RESULTS FOR SOUTH AMERICA

- Net sales for South America increased 30% to Ps. 8,746 million in 3Q16, and 57.3% to Ps. 25,918 million in 9M16.
- Total sales volume in South America grew 35.8% in 3Q16 when compared to 3Q15 driven by the incorporation of Peru and offset by the economic situations in Argentina and Ecuador.
- EBITDA for South America increased 33.1% to Ps. 1,573 million in 3Q16, reflecting a margin of 18%, 40 basis points higher than in 3Q15. In 9M16, EBITDA was Ps. 4,660 million, up 60.6% from 9M15, at a margin of 18%, which was 40 basis points higher.

- During 3Q16, Net Income reached Ps. 364 million, a decline of 24.9%, and Ps. 1,154 million in 9M16, representing net margins of 4.2% and 4.5%, respectively.
- Always focused on value creation, in 2015 we formalized our standardized execution model with the launching of ACT (Arca Continental Total Execution) in Mexico, focused on ensuring excellence in execution at the point of sale. As part of this strategy, this month we began implementing this model in Peru, Ecuador and Argentina.

### **Argentina**

- Sales volume declined 8.5% in 3Q16 primarily affected by the performance of sparkling and single serve water, down 7.5% and 16.3%, respectively. In 9M16, sales volume registered a decline of 9.8%.
- During 3Q16, we continued to invest in returnable packaging and coolers, reaching chilled space coverage of 55.7% as part of our efforts to mitigate the effects of the contraction in volume. In addition, we continued to work on price-pack initiatives to offset the high inflation, expanding our margin by 90 basis points during the quarter.

### **Ecuador**

- Ecuador's sales volume declined 13.5% in 3Q16, mainly due to a 15% decrease in beverages which were affected by the tax on sugar sweetened beverages beginning June 2016. During 2016, sales volume decreased 7.4% compared to 2015.
- During the quarter, we expanded our product portfolio to focus on improving affordability, as well as to strengthen our execution strategy at the point of sale while significantly improving our product coverage and availability.
- In Tonicorp, we continued our innovation strategy focused on affordability and consumption frequency, reaching a market share of 81.4% in flavored milk and 72.1% in yogurt.
- In Inalecsa, we continued strengthening our leadership in sweet snacks with the launch of our Easter bread INALECSA, as well as the launch of single serve packaging aimed at increasing the number of transactions.

### **Peru**

- Sales volume in 3Q16 declined 2.5%, mainly affected by a 2.8% decrease in sparkling beverages. In 9M16, sales volume grew 2.8%.
- We continue our expansion pace for chilled product coverage by introducing more than 6,300 additional coolers in the quarter, reaching 19,500 to date. Additionally, we continue to increase our product portfolio with the successful launch of Powerade Zero.

## RECENT EVENTS

- On July 22, 2016, Arca Continental (AC) agreed to transfer the rights of the Topo Chico brand in Mexico to The Coca-Cola Company (TCCC). This will allow the expansion of volume in all the territories operated by Arca Continental.
- On September 30, 2016, Arca Continental announced that during due diligence and transition planning, in regards to the letter of intent previously signed by Arca Continental with The Coca-Cola Company along with Coca-Cola Bottling Company UNITED, the companies concluded that it is in the best interests of all parties involved, for Arca Continental to focus on the Southwest transition, while UNITED will turn its full attention and resources to its previously announced Atlanta market transition. Therefore, UNITED will no longer participate in the Southwest joint venture.
- Arca Continental has reached a comprehensive agreement with The Coca-Cola Company regarding concentrate prices on sparkling beverages in Mexico, as well as other aspects of their business relationship.

The term of this new framework is for 10 years beginning July 1, 2017 with the option of extending it for an additional 10 years.

Concentrate prices will gradually increase in the first three years; any adjustments beyond this point will be assessed considering overall performance.

Other commitments include various initiatives to keep on capturing value in this flagship market.

The new agreement will continue expanding a mutually-beneficial business relationship that strengthens and gives long-term security, which will enable us to focus on the profitable growth of the Coca-Cola system. At the same time, we will perfect our performance in the market and the productivity of both companies, further solidifying an extraordinary and excellent relationship with our partner of over 90 years.

## CONFERENCE CALL INFORMATION

Arca Continental will host a conference call on October 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.arcacontal.com](http://www.arcacontal.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

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## 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 90 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 85 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.arcacontal.com](http://www.arcacontal.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	
	3Q16	3Q15	MM MXP	%	Jan - Sep '16	Jan - Sep '15	MM MXP	%
Net sales	24,427	20,695	3,732	18.0	68,772	54,013	14,759	27.3
Cost of Sales	12,886	10,594	2,292	21.6	36,350	27,716	8,635	31.2
<b>Gross Profit</b>	<b>11,541</b>	<b>10,101</b>	<b>1,440</b>	<b>14.3</b>	<b>32,422</b>	<b>26,298</b>	<b>6,124</b>	<b>23.3</b>
	47.2%	48.8%			47.1%	48.7%		
Selling Expenses	6,218	5,288	930	17.6	17,504	14,018	3,486	24.9
Administrative Expenses	1,310	1,045	265	25.3	3,696	2,906	789	27.2
Total Costs	7,528	6,333	1,195	18.9	21,200	16,925	4,275	25.3
	30.8%	30.6%			30.8%	31.3%		
Non Recurring Expenses	-1,129	161	-1,290		-927	212	-1,139	
<b>Operating Income before other income</b>	<b>5,142</b>	<b>3,606</b>	<b>1,535</b>	<b>42.6</b>	<b>12,149</b>	<b>9,161</b>	<b>2,988</b>	<b>32.6</b>
Other Income (Expenses) <sup>1</sup>	139	58	81	138.6	312	226	86	38.2
<b>Operating Income</b>	<b>5,281</b>	<b>3,665</b>	<b>1,616</b>	<b>44.1</b>	<b>12,461</b>	<b>9,387</b>	<b>3,074</b>	<b>32.8</b>
	21.6%	17.7%			18.1%	17.4%		
Interest Expense Net	-355	-272	-82	30.2	-1,685	-712	-973	136.7
Exchange Gain (Loss)	-273	-196	-77		-178	-191	13	
Comprehensive Financial Results	-628	-468	-159	34.0	-1,863	-903	-960	106.4
Share of net income of associates <sup>2</sup>	-9	65	-74	(113.4)	97	137	-40	(29.3)
<b>Earnings Before Taxes</b>	<b>4,645</b>	<b>3,261</b>	<b>1,383</b>	<b>42.4</b>	<b>10,694</b>	<b>8,620</b>	<b>2,074</b>	<b>24.1</b>
Profit Taxes	1,402	1,051	351	33.4	3,231	2,720	510	18.8
Non-controlling interest	-13	-122	109	(89.3)	-362	-309	-53	17.0
<b>Net Profit</b>	<b>3,229</b>	<b>2,088</b>	<b>1,142</b>	<b>54.7</b>	<b>7,102</b>	<b>5,591</b>	<b>1,511</b>	<b>27.0</b>
	13.2%	10.1%			10.3%	10.4%		
Depreciation and amortization	1,178	875	303	34.6	3,395	2,366	1,028	43.5
<b>EBITDA</b>	<b>5,331</b>	<b>4,702</b>	<b>629</b>	<b>13.4</b>	<b>14,929</b>	<b>11,965</b>	<b>2,964</b>	<b>24.8</b>
	21.8%	22.7%			21.7%	22.2%		

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)

	September 30	December 31	Variation	
	2016	2015	MM MXP	%
<b>ASSETS</b>				
Cash and cash equivalents	8,213	8,295	-82	-1.0
Accounts receivable; Net	6,137	6,386	-250	-3.9
Inventories	4,949	4,337	612	14.1
Prepayments	571	367	204	55.5
<b>Total Current Assets</b>	<b>19,871</b>	<b>19,386</b>	484	2.5
Investments in shares and other investments	5,113	4,491	622	13.9
Property, plant and other equipment	45,958	42,913	3,045	7.1
Other non current assets	63,665	64,148	-484	-0.8
<b>Total Assets</b>	<b>134,606</b>	<b>130,938</b>	3,668	2.8
<b>LIABILITIES</b>				
Short term bank loans	7,117	6,998	119	1.7
Suppliers	10,097	9,060	1,037	11.4
Accounts payable and taxes	3,210	3,026	184	6.1
<b>Total Current Liabilities</b>	<b>20,424</b>	<b>19,084</b>	1,340	7.0
Bank Loans and long term liabilities	26,384	32,246	-5,862	-18.2
Deferred income tax and others	12,053	11,658	395	3.4
<b>Total Liabilities</b>	<b>58,861</b>	<b>62,988</b>	-4,127	-6.6
<b>SHAREHOLDER'S EQUITY</b>				
Non controlled participation	11,628	16,907	-5,279	-31.2
Capital Stock	35,531	28,769	6,763	23.5
Retained Earnings	21,484	15,030	6,455	42.9
Net Profit	7,102	7,246	-144	-2.0
<b>Total Shareholders' Equity</b>	<b>75,745</b>	<b>67,950</b>	7,795	11.5
<b>Total Liabilities and Shareholders' Equity</b>	<b>134,606</b>	<b>130,938</b>	3,668	2.8

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

	as of september 30	
	2016	2015
<b>Earnings Before Taxes</b>	<b>10,694</b>	<b>8,620</b>
Depreciation and amortization	3,395	2,366
Gain on sale and fixed assets impairment	330	258
Foreign exchange	178	191
Accrued interests	1,685	973
<b>Operating cash flow before taxes</b>	<b>16,282</b>	<b>12,409</b>
Cashflow generated/used in the operation	-2,833	-2,878
<b>Operating cashflow after working capital</b>	<b>13,449</b>	<b>9,532</b>
Investment Activities:		
Capital Expenditures and Investments (Net)	-6,911	-19,054
Financing Activities:		
Dividends paid	-3,101	-2,876
Share repurchase program	36	-45
Debt amortization	-9,398	15,872
Paid interests	-1,731	-886
Capital increase	7,371	0
Other	0	-9
<b>Net cash flow</b>	<b>-6,823</b>	<b>12,056</b>
Net increase of cash and equivalents	-285	2,534
Change in Cash	203	157
<b>Initial cash and equivalents balance</b>	<b>8,295</b>	<b>9,039</b>
<b>Final cash and equivalents balance</b>	<b>8,213</b>	<b>11,730</b>