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## EARNINGS RELEASE

**Sales volume rose 92%, EBITDA expands 79% and synergy target improves in 3Q11**

Monterrey, Mexico, October 26, 2011 – Arca Continental, S.A.B. de C.V. (“AC” or the “the Company”) (BMV: AC\*), the second-largest Coca-Cola bottler in Latin America announced today its unaudited results for the third quarter and first nine months ended September 30, 2011.

**Table 1: Financial Highlights**

	Data in millions of mexican pesos					
	3Q11	3Q10	Variation %	Jan - Sep '11	Jan - Sep '10	Variation %
<i>Total Beverage Volume (MUC)</i>	351	183	91.9	803	497	61.7
<i>Net sales</i>	13,442	7,119	88.8	30,842	19,166	60.9
<i>Net Income</i>	1,453	975	49.1	2,941	2,126	38.4
<i>EBITDA</i>	2,841	1,583	79.5	6,356	3,958	60.6

*Beverage total volume with jug*

*EBITDA = Operating Income + Depreciation + Amortization*

### THIRD QUARTER 2011 (3Q11) HIGHLIGHTS:

- Net sales increased 88.8% (14.8% on a pro forma basis)
- Volume rose 91.9% (8.3% on a pro forma basis)
- EBITDA grew 79.5% (16.2% on a pro forma basis).

### FIRST NINE MONTHS 2011 (9M11) HIGHLIGHTS:

- Net sales reached Ps. 30,842 million, 60.9% (Ps. 36,858 million, 13.9% on a pro forma basis)
- EBITDA grew Ps. 6,356 million, a margin of 20.6% (Ps. 7,418 million, 20.1% on a pro forma basis).
- Net income increased 38.4% to Ps. 2,941 million, (4.6% to Ps. 3,596 million on a pro forma basis)

### COMMENTS FROM THE CHIEF EXECUTIVE OFFICER:

“Thanks to continuously perfecting our market execution, combined with an innovative product portfolio and an outstanding team performance, Arca Continental maintained positive trends and achieved 15% growth in net sales on a pro-forma basis during third quarter 2011. This reflects the Company’s strengthened ability to advance its market leadership not only in Mexico, but in Ecuador and Argentina as well, in order to continue achieving profitable growth,” stated Mr. Francisco Garza-Egloff, Chief Executive Officer of Arca Continental.

He added, “Furthermore, I am very pleased to report that the detailed work plan we executed as a team following the recent merger, raised the synergy target to Ps. 1,400 million achievable within 2 years, well-above our original estimates. During the first 100 days of the integration, in addition to establishing the Company’s work plan and metrics, Arca Continental made significant progress in standardizing and capitalizing the use of best practices, driven by a team that is 100% focused on providing excellent service to our clients and consumers.”

## CONSOLIDATED RESULTS

Due to the merger between Embotelladoras Arca and Grupo Continental closed on June 1, 2011, results for the first nine months ended September 30, 2011 include 9 months of Arca and 4 months of Contal, while results for the third quarter 2011 include 3 months of results of Arca and 3 months of Contal. For comparative purposes and to facilitate analysis, Arca Continental has included pro forma financials which were prepared as if Contal and Ecuador had formed part of Arca Continental for the entire periods.

**Table 2: Consolidated Data**

	3Q11	3Q10	Variation %	Jan - Sep '11	Jan - Sep '10	Variation %
<b>Volume by category (MUC)</b>						
Colas	214.2	119.3	79.6	495.8	324.1	53.0
Flavors	53.2	30.0	77.3	133.4	84.2	58.5
<b>Sparkling Total Volume</b>	<b>267.5</b>	<b>149.3</b>	79.2	<b>629.2</b>	<b>408.3</b>	54.1
Water*	21.9	12.1	81.2	48.1	31.0	55.2
Still Beverages**	15.4	5.1	203.2	38.2	14.6	162.1
<b>Volume excluding jug</b>	<b>304.8</b>	<b>166.4</b>	83.1	<b>715.5</b>	<b>453.8</b>	57.7
Jug	46.3	16.5	180.9	87.9	42.9	104.7
<b>Total Volume</b>	<b>351.1</b>	<b>182.9</b>	91.9	<b>803.4</b>	<b>496.8</b>	61.7
<b>Income Statement (MM MXP)</b>						
Net sales	13,442	7,119	88.8	30,842	19,166	60.9
EBITDA	2,841	1,583	79.5	6,356	3,958	60.6

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

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

**Table 3: Consolidated Data - PRO FORMA**

	3Q11	3Q10	Variation %	Jan - Sep '11	Jan - Sep '10	Variation %
<b>Volume by category (MUC)</b>						
Colas	214.2	200.1	7.1	597.3	552.0	8.2
Flavors	53.2	51.2	3.9	153.8	146.1	5.3
<b>Sparkling Total Volume</b>	<b>267.5</b>	<b>251.3</b>	6.4	<b>751.2</b>	<b>698.1</b>	7.6
Water*	21.9	17.4	25.9	55.9	46.2	21.0
Still Beverages**	15.4	11.5	33.7	44.2	33.9	30.4
<b>Volume excluding Jug</b>	<b>304.8</b>	<b>280.2</b>	8.8	<b>851.2</b>	<b>778.1</b>	9.4
Jug	46.3	43.8	5.6	136.9	124.7	9.7
<b>Total Volume</b>	<b>351.1</b>	<b>324.1</b>	8.3	<b>988.1</b>	<b>902.9</b>	9.4
<b>Income Statement (MM MXP)</b>						
Net Sales	13,442	11,713	14.8	36,858	32,350	13.9
EBITDA	2,841	2,445	16.2	7,418	6,410	15.7

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

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

## INCOME STATEMENT

- Consolidated net sales in 3Q11 reached Ps. 13,442 million, an 88.8% increase (14.8% on a pro forma basis) compared to Ps. 7,119 million in 3Q10. This was mainly driven by an 8.3% pro forma volume increase and price per unit case growth of 6.0% resulting from adjustments to off-set inflation, change of product mix and currency gains from operations in South America.
- Total sales volume increased 91.9% in 3Q11 to 351 million unit cases (8.3% on a pro forma basis), due to growth in colas, water and non-carbonated segments in Mexico.
- During 3Q11, cost of goods sold increased 92.3% (15.8% on a pro forma basis) when compared to 3Q10, as a result of volume growth and higher PET and sugar prices, particularly in Argentina. Gross profit increased 84.9% to Ps. 6,157 million. Consolidated gross margin reached 45.8% (46.5% on a pro forma basis).
- Selling and administrative expenses increased 89.1% (12.6% on a pro forma basis) from Ps. 2,038 million to Ps. 3,855 million in 3Q11, derived from an increase in maintenance expenses and a higher fuel cost.
- Consolidated operating profit before non-recurring expenses in 3Q11 rose 78.1% (15.2% on a pro forma basis) with respect to 3Q10, reaching Ps. 2,301 million, representing operating margin of 17.1%.
- Consolidated EBITDA increased 79.5% in 3Q11 (16.2% on a pro forma basis) to Ps. 2,841 million, representing a margin of 21.1%. It is important to mention that the EBITDA margin expanded 20 basis points despite of higher raw material costs such as sweeteners and PET.
- The integral cost of financing was Ps. 7.0 million in 3Q11 compared with a gain of Ps. 89 million in 3Q10. The 3Q11 figure includes net financial expenses of Ps. 174.5 million and an exchange gain of Ps. 167.9 million.
- Provisions for income tax and employee profit sharing reached Ps. 800 million in 3Q11 compared to Ps. 409 million in 3Q10. The effective tax rate for the period was 35.2%.
- As a result of the above, Arca Continental's net income in the quarter increased 49.1% to Ps. 1,453 million.

## BALANCE SHEET AND CASH FLOW STATEMENT

- As of September 30, 2011 Arca Continental's cash balance was Ps. 5,341 million, with financial debt of Ps. 13,055 million, resulting in net debt to cash of Ps. 7,714 million, Ps. 2,059 million more than the period ended June 30, 2011, after the dividend payment of Ps. 3,881 million and capital expenditure investments.
- Net operating cash flow increased Ps. 4,383 million in the first nine months of the year, thanks to the efficient use of working capital. Net debt to EBITDA ratio was 0.78x.
- Investment in fixed assets reached Ps. 1,588 million as of September 30, 2011, mainly allocated towards sales and transportation equipment and machinery adjustments.

Table 4: Mexico's Data

	3Q11	3Q10	Variation %	Jan - Sep '11	Jan - Sep '10	Variation %
<b>Volume by Category (MUC)</b>						
Colas	175.5	99.2	76.9	381.4	265.9	43.5
Flavors	34.9	21.2	64.6	78.0	57.4	35.8
<b>Sparkling Total Volume</b>	<b>210.4</b>	<b>120.4</b>	74.7	<b>459.4</b>	<b>323.3</b>	42.1
Water*	18.6	11.1	66.8	39.5	27.8	41.8
Still Beverages**	10.0	4.9	103.1	22.3	14.2	56.7
<b>Volume excluding jug</b>	<b>239.0</b>	<b>136.5</b>	75.1	<b>521.2</b>	<b>365.4</b>	42.6
Jug	46.3	16.5	180.9	87.9	42.9	104.7
<b>Total Volume</b>	<b>285.2</b>	<b>152.9</b>	86.5	<b>609.1</b>	<b>408.3</b>	49.2
<b>Mix (%)</b>						
Returnable	36.9	35.6	1.3	36.2	34.6	1.6
Non Returnable	63.1	64.4	-1.3	63.8	65.4	-1.6
Multi-serve	50.6	50.8	-0.2	50.5	50.3	0.2
Single-Serve	49.4	49.2	0.2	49.5	49.7	-0.2
<b>Income Statement (MM MX)</b>						
Net Sales	10,790	6,055	78.2	23,609	16,128	46.4
EBITDA	2,470	1,483	66.6	5,370	3,700	45.1

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

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

Table 5: Mexico's Data - PRO FORMA

	3Q11	3Q10	Variation %	Jan - Sep '11	Jan - Sep '10	Variation %
<b>Volume by Category (MUC)</b>						
Colas	175.5	163.3	7.4	483.2	442.4	9.2
Flavors	34.9	34.4	1.4	98.4	94.8	3.8
<b>Sparkling Total Volume</b>	<b>210.4</b>	<b>197.7</b>	6.4	<b>581.6</b>	<b>537.1</b>	8.3
Water*	18.6	15.2	22.0	47.2	39.9	18.5
Still Beverages**	10.0	8.4	18.5	28.2	24.4	15.5
<b>Volume excluding jug</b>	<b>239.0</b>	<b>221.4</b>	7.9	<b>657.0</b>	<b>601.4</b>	9.2
Jug	46.3	43.8	5.6	136.9	124.7	9.7
<b>Total Volume</b>	<b>285.2</b>	<b>265.3</b>	7.5	<b>793.9</b>	<b>726.2</b>	9.3
<b>Income Statement (MM MX)</b>						
Net Sales	10,790	9,727	10.9	29,625	26,404	12.2
EBITDA	2,470	2,172	13.7	6,432	5,552	15.9

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

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

## MEXICO OPERATING RESULTS

- Total net sales in 3Q11 reached Ps. 10,790 million, a 78.2% increase (10.9% on a pro forma basis) while sales volume increased 86.5% to 285 million unit cases (7.5% on pro forma basis). Average price per unit case, excluding jug water, rose 3.0% to Ps. 42.75.
- EBITDA reached Ps. 2,470 million, increasing 66.6%, (13.7% on a pro forma basis), representing a margin of 22.9%
- During the quarter, the sparkling beverage category significantly contributed to volume growth, mainly driven by a 7.4% increase in the colas segment. New sparkling beverage products launched during the quarter were: Coca-Cola and Coke Zero 355 ml. non-returnable, Fanta Strawberry and Grape 400 ml. and Flavors 2.5 liter Ref-Pet.
- Arca Continental continued to grow volume and value share across the still beverage category. This segment contributed 18.5% to overall volume growth. New product launches during the quarter included Jugos del Valle mega cans, Gladiator mini cans, Valle Frut Citrus Punch in 600 ml. Pet, Del Valle Nectar 453 ml (Peach, Guava and Mango flavors), re-launching of Burn energy drink, Ciel + Mandarin 1 liter Pet and Nestea White Tea. The new PowerAde ION 4 continued its successful introduction reaching 30% growth compared to last year, gaining market share in the sports drinks category.
- Deployment of Service Models under the Route to Market initiative gained momentum across all territories. The Company also completed roll-outs of centralized telesales capabilities in Hermosillo, Culiacan, Mazatlan and Mexicali.
- The Company installed approximately 40,000 additional coolers throughout the Northern and Western territories; our goal is to reach 47,000 units by the end of 2011, improving cooler coverage in the market.
- Topo Chico continues positive sales growth trends, achieving double digit volume increases, maintaining a strong leadership position in the marketplace.
- The Jug Water segment grew 5.6% in volume in 3Q11. The Company is implementing best practices and processes from the Western operation to leverage growth opportunities in Northern locations. This channel serves approximately 800,000 households per week.
- Vending-machine revenues increased 11%. Productivity per machine increased 15% during the same period as a result of process improvements and route scheduling. The Company has improved its overall prospecting and equipment relocation processes.
- Home-Delivery channel of CSD's and new beverages continued rapidly expand, strengthening consumer relations. Sales volume increased 17% in 3Q11. Year to date, the Company reached 10,000 new homes serving more than 50,000 consumers directly.
- The "Nostalgia" operation, which consists of exports of soft drinks in glass bottles through Coca-Cola bottlers in the United States, increased sales volume 6.5% in the third quarter, reaching 2.1 million unit cases.
- Exports of Topo Chico, Barrilitos, snacks and sauces to the U.S. market, increased 30% during the quarter. The Topo Chico brand posted volume growth across the entire portfolio: mineral water increased 28% due to expanded coverage in convenience stores. Topo Chico sparkling water has rapidly gained acceptance across different segments with 60% volume growth while Topo Sabores increased 14%.
- Net sales in the Bokados snack business registered high single-digit sales growth. The expansion plan in the Northern Pacific and Jalisco territories is yielding excellent results. The new portfolio of products that launched to address government requirements of low calorie processed goods at schools has already shown positive results by leveraging Arca Continental merger.
- In the Information Technology area, the Company continued to merge telecommunications networks and standardizing compute platforms. We also continue updating hand-held equipment used by our sales force teams with state-of-the-art technology to improve execution at the point of sale.
- In coordination with Coca-Cola system, Arca Continental pledged continued support for the PEACE ONE DAY campaign. Peace One Day was founded in 1999 to establish the first ever fixed calendar day for global ceasefire and non-violence.

Table 6: South America Data

	3Q11	3Q10	Variation %	Jan - Sep '11	Jan - Sep '10	Variation %
<b>Volume by Category (MUC)</b>						
Colas	38.8	20.0	94.0	114.2	58.2	96.3
Flavors	18.3	8.8	108.0	55.4	26.8	106.9
<b>Sparkling Total Volume</b>	<b>57.1</b>	<b>28.8</b>	98.3	<b>169.6</b>	<b>85.0</b>	99.6
Water*	3.3	0.9	251.3	8.6	3.2	174.0
Still Beverages**	5.4	0.2	3323.4	15.9	0.4	4186.8
<b>Total Volume</b>	<b>65.8</b>	<b>29.9</b>	120.2	<b>194.2</b>	<b>88.5</b>	119.5
<b>Mix (%)</b>						
Returnable	33.4	34.1	-0.7	33.4	33.8	-0.4
Non Returnable	66.6	65.9	0.7	66.6	66.2	0.4
Multi-serve	81.3	82.1	-0.8	81.3	82.0	-0.7
Single-serve	18.7	17.9	0.8	18.7	18.0	0.7
<b>Income Statement (MM MX)</b>						
Net Sales	2,652	1,065	149.0	7,233	3,038	138.1
EBITDA	371	100	272.1	986	258	282.5

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

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

Table 7: South America Data - PRO FORMA

	3Q11	3Q10	Variation %	Jan - Sep '11	Jan - Sep '10	Variation %
<b>Volume by Category (MUC)</b>						
Colas	38.8	36.8	5.4	114.2	109.6	4.2
Flavors	18.3	16.8	9.1	55.4	51.4	7.9
<b>Sparkling Total Volume</b>	<b>57.1</b>	<b>53.6</b>	6.6	<b>169.6</b>	<b>160.9</b>	5.4
Water*	3.3	2.2	53.1	8.6	6.3	37.1
Still Beverages**	5.4	3.1	75.5	15.9	9.4	69.0
<b>Total Volume</b>	<b>65.8</b>	<b>58.8</b>	11.9	<b>194.2</b>	<b>176.7</b>	9.9
<b>Income Statement (MM MX)</b>						
Net Sales	2,652	1,986	33.5	7,233	5,946	21.6
EBITDA	371	274	35.5	986	858	14.9

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

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

## **SOUTH AMERICA OPERATING RESULTS**

- Net revenues in the South America Division increased 149% to Ps. 2,652 million pesos in the third quarter 2011 (33.5% on a pro forma basis). Arca Continental continue to promote sales growth via strategic investments in the marketplace, new portfolio of products and more affordable, returnable presentations, both in single-serve and multi-serve.
- Total sales volume in South America grew 120.2% to 65.8 MCU (11.9% on a pro forma basis). Ecuador contributed approximately half of this volume increase.
- EBITDA in the South America Division rose 272.1% (35.5% on a pro forma basis) to Ps. 371 million in 3Q11.

### **Argentina**

- Arca Continental continued to grow profitable growth in returnable presentations and in the still beverage category. The Company's new production lines in Tucuman and Salta (NR and Tetra-pack) are fully operational. These investments played a key role in the successful launch of Cepita juice in 200 ml tetra-pack, the new Powerade ION 4 and Aquarius flavored water across all territories.
- The Company began replicating its service model corporate commercial strategy of Service Models under the Route to Market Initiative, which has been very successful in Mexico.
- Arca Continental continued to take steps to mitigate price increases in key inputs, such as switching to lighter PET bottles in both countries, as well as installing in Argentina sugar clarification equipment and bottle inspection systems to increase productivity.
- The Company improved its execution at the point of sale by installing 2,400 additional coolers, to reach a goal of having an installed base of 46,000 units by year end, almost duplicating the market coverage since Arca Continental entered this market in 2008.

### **Ecuador**

- Arca Continental expanded capabilities with strategic investments in key production facilities to support volume growth in non-returnable packages and the still beverage category.
- During the third quarter, the Company implemented initiatives to improve its market position with more affordable presentations, such as the new 1.75 PET format at an attractive price point.
- Due to solid execution capabilities, as well as attractive marketing campaigns, such as the sponsorship of the Ecuadorian National soccer team that recently participated in the America Cup, volume and value share increased.
- The Nestea brand maintained its solid leadership with excellent market loyalty, quickly becoming the leading brand in the few years since introduction, which demonstrates the constant innovation of the Company's products, competitive packages, higher efficiency in execution, and more precise segmentation.
- Arca Continental improved its execution at the point of sale by installing coolers, reaching 8,400 year to date. Our goal is to reach 48,000 coolers by year end to aggressively increasing market coverage.
- In the area of IT, the implementation of SAP/ERP platform will drive efficiencies in administrative functions, while simultaneously streamlining key processes and indicators.

## RECENT EVENTS

- The Mexican Stock Exchange announced that Arca Continental's shares which trade under the ticker symbol "AC\*", will continue to be part of the IPC Index (Índice de Precios y Cotizaciones) from September 1, 2011 to August 31, 2012.
- Arca Continental was selected by the Mexican Stock Exchange as part of a group of listed companies that meet the criteria of a new sustainability index. This index will assess companies according to a range of environmental, social sustainability and corporate governance criteria, to reflect internationally recognized standards of corporate social responsibility.
- On October 5, 2011 the acquisition of the totality of shares representing the equity capital of PetStar, S.A. de C.V. ("PetStar") was completed. PetStar is the largest polyethylene terephthalate ("PET") recycling business in Mexico. The Coca-Cola Company, as well as an important group of bottlers, will join as partners in this company, which will allow Arca Continental to advance sustainability goals and strengthen its responsibility with regards to protecting the environment.
- On October 12, 2011, the Company announced the successful issuance of bonds ("Certificados Bursátiles") in the Mexican capital markets. A total Ps. 3,000 million in Certificados Bursátiles were placed, Ps. 2,000 million of which were issued for a tenor of 10 years yielding a fixed coupon rate of 7.63%, while Ps. 1,000 million were issued for a tenor of 5 years, with a coupon of 28-day TIIE (Tasa de Interés Interbancaria de Equilibrio, or "Equilibrium Interbank Interest Rate") plus 0.25 percentage points. Despite the challenging market conditions, the issuances were oversubscribed by 2.0x and 2.7x, respectively. The proceeds from this issuance will be used to refinance a bridge loan from HSBC, Bank of America and BBVA Bancomer, thus improving Arca Continental's cost of debt and maturity profile.

### About Arca Continental

Arca Continental produces and distributes non-alcoholic beverages under The Coca-Cola Company brand. Arca Continental was formed in 2011 through the merger of Embotelladoras Arca and Grupo Continental, making it the second-largest Coca-Cola bottler in Latin America and one of the largest in the world. Headquartered in Monterrey, the Company serves more than 53 million consumers in Northern and Western Mexico, Ecuador and Northern Argentina. Arca Continental also produces and distributes Bokados brand snack foods. The Company's shares trade on the Mexican Stock Exchange under the ticker symbol "AC". For more information, 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 soft drinks, 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	
	3Q11	3Q10	MM MXP	%	Jan - Sep '11	Jan - Sep '10	MM MXP	%
Net sales	13,442	7,119	6,322	88.8	30,842	19,166	11,676	60.9
Cost of Sales	7,285	3,789	3,496	92.3	16,755	10,364	6,391	61.7
<b>Gross Profit</b>	<b>6,157</b>	<b>3,330</b>	<b>2,826</b>	<b>84.9</b>	<b>14,086</b>	<b>8,802</b>	<b>5,285</b>	<b>60.0</b>
	45.8%	46.8%			45.7%	45.9%		
Selling Expenses	3,005	1,694	1,311	77.4	7,178	4,715	2,462	52.2
Administrative Expenses	851	345	506	146.8	1,848	1,000	848	84.8
<b>Total Costs</b>	<b>3,855</b>	<b>2,038</b>	<b>1,817</b>	<b>89.1</b>	<b>9,026</b>	<b>5,715</b>	<b>3,311</b>	<b>57.9</b>
	28.7%	28.6%			29.3%	29.8%		
<b>Op. income before non recurring Exp.</b>	<b>2,301</b>	<b>1,292</b>	<b>1,009</b>	<b>78.1</b>	<b>5,061</b>	<b>3,087</b>	<b>1,974</b>	<b>63.9</b>
	17.1%	18.1%			16.4%	16.1%		
Non Recurring Expenses	0	1	-1		6	3	3	
<b>Operating Income</b>	<b>2,301</b>	<b>1,291</b>	<b>1,011</b>	<b>78.3</b>	<b>5,055</b>	<b>3,083</b>	<b>1,971</b>	<b>63.9</b>
	17.1%	18.1%			16.4%	16.1%		
Other Income (Expenses)	(24)	7	-31	(454.4)	(173)	80	-253	(315.5)
Employees Profit Sharing	199	106	94	88.7	411	214	197	91.7
	2,078	1,192	886	74.4	4,470	2,949	1,521	51.6
Interest Expense Net	(174)	(64)	-111	174.4	(425)	(198)	-226	114.2
Exchange Gain (Loss)	168	152	16	10.2	147	118	28	23.7
<b>Comprehensive Financial Results</b>	<b>(7)</b>	<b>89</b>	<b>-95</b>	<b>(107.4)</b>	<b>(278)</b>	<b>(80)</b>	<b>-198</b>	<b>248.2</b>
<b>Earnings Before Taxes</b>	<b>2,072</b>	<b>1,280</b>	<b>791</b>	<b>61.8</b>	<b>4,192</b>	<b>2,869</b>	<b>1,323</b>	<b>46.1</b>
Profit Taxes	601	303	298	98.3	1195	750	445	59.4
Net Controlling Interest Income	(18)	(3)	-15	565.9	(56)	6	-62	
<b>Net Profit</b>	<b>1,453</b>	<b>975</b>	<b>478</b>	<b>49.1</b>	<b>2,941</b>	<b>2,126</b>	<b>815</b>	<b>38.4</b>
	10.8%	13.7%			9.5%	11.1%		
Depreciation and amortization	540	291	248	85.3	1,295	871	424	48.6
<b>EBITDA</b>	<b>2,841</b>	<b>1,583</b>	<b>1,258</b>	<b>79.5</b>	<b>6,356</b>	<b>3,958</b>	<b>2,398</b>	<b>60.6</b>
	21.1%	22.2%			20.6%	20.7%		

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

	September		Variation	
	2011	2010	MM MXP	%
<b>ASSETS</b>				
Cash and cash equivalents	5,341	3,463	1,878	54.2
Accounts receivable; Net	2,362	1,448	914	63.1
Inventories	3,876	2,276	1,599	70.3
Prepayments	182	147	35	24.1
<b>Total Current Assets</b>	<b>11,761</b>	<b>7,334</b>	4,427	60.4
Investments in shares and other investments	2,153	612	1,541	251.8
Property, plant and other equipment	17,787	11,707	6,081	51.9
Other non current assets	29,313	12,001	17,311	144.2
<b>Total Assets</b>	<b>61,014</b>	<b>31,654</b>	29,360	92.8
<b>LIABILITIES</b>				
Short term bank loans	1,299	1,087	212	19.5
Suppliers	4,091	2,127	1,964	92.3
Accounts payable and taxes	1,733	998	735	73.6
<b>Total Current Liabilities</b>	<b>7,123</b>	<b>4,212</b>	2,911	69.1
Bank Loans and long term liabilities	11,756	7,454	4,302	57.7
Deferred income tax and others	3,074	1,958	1,115	56.9
<b>Total Liabilities</b>	<b>21,953</b>	<b>13,624</b>	8,328	61.1
<b>SHAREHOLDER'S EQUITY</b>				
Non controlled participation	2,436	1,131	1,304	115.3
Capital Stock	5,696	4,698	998	21.2
Retained Earnings	27,988	10,074	17,914	177.8
Net Profit	2,941	2,126	815	38.3
<b>Total Shareholders' Equity</b>	<b>39,061</b>	<b>18,030</b>	21,032	116.7
<b>Total Liabilities and Shareholders' Equity</b>	<b>61,014</b>	<b>31,654</b>	29,360	92.8

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

	as of september 30	
	2011	2010
<b>Earnings Before Taxes</b>	<b>4,215</b>	<b>2,876</b>
Depreciation and amortization	1,239	821
Other	36	-2
Accrued interests	577	328
	1,851	1,148
<b>Operating cash flow before taxes</b>	<b>6,066</b>	<b>4,024</b>
Working Capital	1,683	128
<b>Operating cashflow after working capital</b>	<b>4,383</b>	<b>3,895</b>
Investment Activities:		
Capital Expenditure (Net)	1,719	5,358
Financing Activities:		
Dividends paid	5,020	846
Share repurchase program	133	-98
Debt amortization	-4,600	-1,680
Paid interests	423	309
Other	2	5
	978	-618
Net increase of cash and equivalents	1,686	-844
Change in Cash	27	-114
<b>Initial cash and equivalents balance</b>	<b>3,628</b>	<b>4,421</b>
<b>Final cash and equivalents balance</b>	<b>5,341</b>	<b>3,463</b>

## Arca Continental, S.A.B. de C.V. and Subsidiaries

### Pro Forma Consolidated Income Statement

(millions of Mexican pesos)

			Variation				Variation	
	3Q11	3Q10	MM MXP	%	Jan - Sep '11	Jan - Sep '10	MM MXP	%
Net sales	13,442	11,713	1,728	14.8	36,858	32,350	4,508	13.9
Cost of Sales	7,194	6,212	982	15.8	19,704	17,306	2,398	13.9
<b>Gross Profit</b>	<b>6,247</b>	<b>5,501</b>	<b>746</b>	<b>13.6</b>	<b>17,154</b>	<b>15,044</b>	<b>2,109</b>	<b>14.0</b>
	46.5%	47.0%			46.5%	46.5%		
Selling Expenses	3,124	2,712	412	15.2	8,758	7,675	1,083	14.1
Administrative Expenses	823	793	30	3.8	2,460	2,298	162	7.1
Total Costs	3,946	3,504	442	12.6	11,218	9,973	1,245	12.5
	29.4%	29.9%			30.4%	30.8%		
<b>Op. income before non recurring Exp.</b>	<b>2,301</b>	<b>1,997</b>	<b>304</b>	<b>15.2</b>	<b>5,936</b>	<b>5,072</b>	<b>864</b>	<b>17.0</b>
	17.1%	17.0%			16.1%	15.7%		
Non Recurring Expenses	0	1	-1	(100.0)	6	3	3	82.0
<b>Operating Income</b>	<b>2,301</b>	<b>1,996</b>	<b>305</b>	<b>15.3</b>	<b>5,930</b>	<b>5,068</b>	<b>861</b>	<b>17.0</b>
	17.1%	17.0%			16.1%	15.7%		
Other Income (Expenses)	-24	55	-79	(143.4)	-148	152	-300	(197.9)
Employees Profit Sharing	199	163	36	22.0	496	419	77	18.4
	2,078	1,887	191	10.1	5,285	4,801	484	10.1
Interest Expense Net	-174	-69	-105	151.5	-404	-193	-211	109.6
Exchange Gain (Loss)	168	139	29	21.0	134	103	31	30.1
Comprehensive Financial Results	-7	69	-76	(109.5)	-270	-90	-180	200.5
<b>Earnings Before Taxes</b>	<b>2,072</b>	<b>1,957</b>	<b>115</b>	<b>5.9</b>	<b>5,015</b>	<b>4,711</b>	<b>304</b>	<b>6.4</b>
Profit Taxes	601	530	72	13.5	1,420	1,293	127	9.9
Net Controlling Interest Income	-18	44	-62	(140.0)	1	19	-17	(92.9)
<b>Net Profit</b>	<b>1,453</b>	<b>1,471</b>	<b>-19</b>	<b>(1.3)</b>	<b>3,596</b>	<b>3,437</b>	<b>159</b>	<b>4.6</b>
	10.8%	12.6%			9.8%	10.6%		
Depreciation and amortization	540	448	91	20.3	1,483	1,339	144	10.8
<b>EBITDA</b>	<b>2,841</b>	<b>2,445</b>	<b>395</b>	<b>16.2</b>	<b>7,418</b>	<b>6,410</b>	<b>1,008</b>	<b>15.7</b>
	21.1%	20.9%			20.1%	19.8%		