

EARNINGS RELEASE

REVENUE GREW 7.0% WITH NET INCOME UP 30.6% IN 2Q18

Monterrey, Mexico, July 20, 2018 – Arca Continental, S.A.B. de C.V. (BMV: AC*) (“Arca Continental” or “AC”), the second-largest Coca-Cola bottler in America, announced today its results for the second quarter and first half of 2018 (“2Q18” and “6M18”).

Table 1: Financial Highlights

	Data in millions of Mexican pesos					Variation %
	2Q18	2Q17		Jan - Jun '18	Jan - Jun '17	
Total Beverage Volume (MUC)	581	556.5	4.4	1,102.1	973.9	13.2
Total Revenues	41,126	38,445	7.0	78,247	63,247	23.7
EBITDA	7,540	7,387	2.1	13,453	12,389	8.6
Net Income	2,678	2,051	30.6	4,005	3,780	6.0

Total Beverage Volume includes jug water

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

Total Revenues= Net Sales + Revenues outside the territory (OT) in USA

2Q18 HIGHLIGHTS

- Net sales increased 7.0% when compared to 2Q17 to reach Ps. 41,126 million.
- EBITDA was Ps. 7,540 million, for a margin of 18.3%, which was 2.1% higher than 2Q17.
- Net Income rose 30.6% to Ps. 2,678 million, representing a net margin of 6.5%.

6M18 HIGHLIGHTS

- Net sales increased 23.7% when compared to 2Q17 to reach Ps. 78,247 million.
- EBITDA was Ps. 13,453 million, for a margin of 17.2%, which was 8.6% higher than 6M17.
- Net Income rose 6.0% to Ps. 4,005 million, representing a net margin of 5.1%.

COMMENTS FROM THE CHIEF EXECUTIVE OFFICER

“In the second quarter of the year we achieved growth in revenue and net income of 7% and 31%, respectively, thanks to a focus on innovative execution at the point of sale and in our product portfolio to better serve the needs of our customers and consumers, combined with the rollout of price-pack initiatives in most of our operations, which will generate the most impact in the second half of the year”, stated Francisco Garza Eglhoff, Chief Executive Officer of Arca Continental.

“Within a climate of economic and political volatility in the majority of the markets we serve, in 2018, we reiterate our firm commitment to advance in the consolidation of our operations, maintain the competitiveness and quality of our customer service that has distinguished our company throughout its history, with the goal to be in a favorable position to continue delivering profitable and sustainable results for our shareholders”, he added.

CONSOLIDATED RESULTS

The figures presented in this report were prepared in accordance with International Financial Reporting Standards ("IFRS"). On April 1 and August 25, 2017, we announced the integration of Coca-Cola Southwest Beverages ("CCSWB") and Great Plains Coca-Cola Bottling Company, respectively, into our operations and began consolidating their results the same day, therefore, in the accumulated of 2017, this report contains three months of CCSWB.

Table 2: Consolidated Data

	2Q18	2Q17	Variation %	Jan - Jun '18	Jan - Jun '17	Variation %
Volume by category (MUC)						
Colas	296.2	283.9	4.3	558.9	495.6	12.8
Flavors	113.9	113.9	0.0	225.7	202.0	11.7
Sparkling Total Volume	410.1	397.7	3.1	784.6	696.9	12.6
Water*	64.5	57.6	11.8	121.2	101.0	19.9
Still Beverages**	46.4	41.7	11.2	86.6	65.7	31.7
Volume excluding Jug	521.0	497.1	4.8	992.3	864.3	14.8
Jug	60.1	59.3	1.3	109.7	109.6	0.1
Total Volume	581.0	556.5	4.4	1,102.1	973.9	13.2
Income Statement (MM MXP)						
Net sales	41,126	38,445	7.0	78,247	63,247	23.7
EBITDA	7,540	7,387	2.1	13,453	12,389	8.6

* 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 2Q18 increased 7.0% yoy (5.6% currency-neutral and excluding CCSWB) reaching Ps. 41,126 million. This figure reached Ps. 78,247 million in the first half of 2018, up 23.7% (5.0% currency-neutral and excluding CCSWB) compared to last year.

- In 2Q18, volumes increased 4.8%, reaching 521 MUC excluding jug water, on increases of 3.1% in sparkling, 11.8% in personal water, and 11.2% in stills.
- During the second quarter of 2018, cost of sales increased 5.2% due to higher raw material costs such as PET, and to a lesser degree, by sugar. Consolidated gross profit grew to Ps. 18,204 million, 9.3% higher than 2Q17 and reflecting a gross margin of 44.3%. In the first six months of 2018, consolidated gross profit reached Ps. 34,409 million for a gross margin of 44.0%, 70 bps lower than in 2Q17.
- Selling and administrative expenses rose 13.8%, from Ps. 11,317 million in 2Q17 to Ps. 12,882 million in 2Q18; this line item reflects the integration of Oklahoma in the US and higher depreciation and fuel expense in Mexico. For the first six months of 2018, selling and administrative expenses reached Ps. 25,079 million, representing 32.1% of revenue, and up 30.3% yoy, primarily due to the consolidation of CCSWB in 2Q17.
- In 2Q18, consolidated operating income reached Ps. 5,449 million, up 3.1% when compared to 2Q17, representing an operating margin of 13.2%. In the first half of the year, operating income grew 6.2% to Ps. 9,290 million for an operating margin of 11.9%.
- During 2Q18, consolidated EBITDA increased 2.1% to Ps. 7,540 million, for a margin of 18.3%. In 6M18, EBITDA reached Ps. 13,453 million, 8.6% higher and at a margin of 17.2%. On a currency-neutral basis and excluding CCSWB, EBITDA grew 1.2% in 2Q18 and 1.0% in 6M18.
- The comprehensive financing result was Ps. 855 million in 2Q18, 34.6% lower than the Ps. 1,308 million in 2Q17, mainly due to an FX gain from a higher monetary position in US dollars, partially offset by an increase in interest expense associated with CCSWB debt. In the first half of 2018, this expense reached Ps. 2,272 million, an increase of 17.0% when compared to last year.
- Income tax provision for 2Q18 reflects an effective tax rate of 28.5% and an amount totaling Ps. 1,310 million, 9.1% higher compared to the same period of last year. Year-to-date, the effective tax rate was 29%, 180 basis points lower than last year.
- Net income was Ps. 2,678 million in 2Q18, up 30.6%, and reflecting a margin of 6.5%, and Ps. 4,005 million in 6M18, for a net margin of 5.1%.

BALANCE SHEET & CASH FLOW STATEMENT

- As of June 30, 2018, AC registered a cash balance of Ps. 23,248 million and debt of Ps. 56,923 million, resulting in a net debt position of Ps. 33,675 million. The Net Debt/EBITDA ratio was 1.2x.
- Net operating cash flow reached Ps. 8,511 million in 6M18.
- Capex reached Ps. 4,925 million in 2Q18, mainly allocated towards investments in returnable bottles, improving production and distribution capacity in Mexico and in CCSWB projects to reach the goal of US\$90 million in synergies by end 2020.

Mexico

Arca Continental reports its information for three regions: Mexico, United States and South America, (which includes Peru, Argentina and Ecuador). Each region includes results for the beverage and complementary businesses.

Table 3: Mexico Data

	2Q18	2Q17	Variation %	Jan - Jun '18	Jan - Jun '17	Variation %
Volume by Category (MUC)						
Colas	193.6	185.5	4.3	351.8	340.7	3.2
Flavors	38.4	38.8	-0.9	69.1	69.9	-1.1
Sparkling Total Volume	232.0	224.3	3.4	420.9	410.6	2.5
Water*	30.2	26.8	12.7	50.8	45.6	11.5
Still Beverages**	17.9	16.2	10.6	32.6	29.9	9.1
Volume excluding jug	280.2	267.3	4.8	504.4	486.1	3.8
Jug	57.5	56.5	1.8	103.7	102.1	1.6
Total Volume	337.6	323.8	4.3	608.1	588.2	3.4
Mix (%)						
Returnable	31.4	31.6	-0.1	31.3	31.9	-0.6
Non Returnable	68.6	68.4	0.1	68.7	68.1	0.6
Multi-serve	52.7	51.5	1.3	52.8	51.5	1.3
Single-serve	47.3	48.5	-1.3	47.2	48.5	-1.3
Income Statement (MM MXP)						
Net Sales	16,727	15,717	6.4	30,096	28,537	5.5
EBITDA	4,133	3,989	3.6	6,808	6,664	2.2

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

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

OPERATING RESULTS FOR MEXICO

- Net sales for Mexico reached Ps. 16,727 million in 2Q18, up 6.4%. Sales volume maintained a positive trend, increasing 4.8%, without jug water, to 337.6 MUC. The average price per unit case, excluding jug water, reached Ps. 56.54 in 2Q18, up 1.5% yoy, not including jug water nor exports, average price in our territory increased 3.2%. For the first half of 2018, sales increased 5.5% to Ps. 30,096 million, while sales volume rose 3.4% when compared to last year, to reach 608.1 MUC.
- During 2Q18, EBITDA for Mexico posted Ps. 4,133 million, increasing 3.6% yoy, and representing an EBITDA margin of 24.7%. The 70bps margin contraction was mainly due to the higher cost of raw materials such as sugar and PET. For the first half of 2018, this line item reached Ps. 6,808 million, up 2.2% and representing a margin of 22.6%.

- In 2Q18 we registered the 12th consecutive quarter of volume growth, mainly driven by increases of 10.6% in stills, 12.7% in single-serve water and 3.4% in sparkling.
- During 2Q18, commercial activations took place related to the World Cup when we launched different commemorative presentations of Coca-Cola without sugar. Additionally, the World Cup Trophy Tour visited the cities of Monterrey and Guadalajara where we realized different activations which primarily drove growth in colas and isotonic, up 3% and 17.4%, respectively, during the quarter.
- During the second quarter of the year, Coca-Cola without sugar reached 73% coverage while volume grew more than 60%, when compared to the same period of last year.
- In 2Q18 we implemented the newest version of our service model, RTM 4.0, in 2 additional territories to achieve 80% of our distribution centers and 64% of our sales volume in Mexico.
- Santa Clara maintained a positive trend in 2Q18 with double digit growth, making this the second-best quarter since its launch. Brand coverage in traditional channels reached 43% during the quarter and market share increased in flavored milk as well as white milk.
- In the tea category we continued to innovate by launching the new image and formula of Fuze Tea; in addition, we added 1Lt and 250ml presentations to the On-Premise channel.
- The At Work channel demonstrated a positive trend, with volume growth of 7.4%, primarily driven by activations of Coca Cola without sugar, AdeS and Powerade, as well as the introduction of coffee machines.
- Vending in 2Q18 reached sales growth of 5.6% primarily due to the coffee category. Additionally, we grew our installed vending machine market coverage by 3%.
- Our Data Analytics project carried out two pilot use cases in our Mexico operations during 2Q18, focusing on key commercial processes. We have strengthened over 150 distribution routes by using the latest techniques and Machine Learning.
- Bokados, during 2Q18, reported positive results with mid-single digit growth in volumes and sales primarily driven by categories such as popcorn and marzipan which grew 11% and 21%, respectively. We maintained the commercial strategy focused primarily in building Brand Love and working on our Operational Excellence model.

UNITED STATES

On April 1 and August 25, 2017 we announced the integration of Coca-Cola Southwest Beverages ("CCSWB") and Great Plains Coca-Cola Bottling Company, respectively, into our operations and began consolidating their results the same day, therefore, in the accumulated of 2017, this report contains three months of results from CCSWB. The U.S. includes the beverage businesses of CCSWB and Great Plains and the snacks businesses of Wise and Deep River.

Table 4: United States Data

	2Q18	2Q17	Variation %	Jan - Jun '18	Jan - Jun '17	Variation %
Volume by Category (MUC)						
Colas	50.1	45.6	10.0	96.2	45.6	111.1
Flavors	31.0	27.0	14.8	58.3	27.0	115.7
Sparkling Total Volume	81.2	72.6	11.8	154.5	72.6	112.8
Water*	17.3	13.9	24.7	31.4	13.9	125.9
Still Beverages**	19.7	16.5	19.6	34.8	16.5	111.4
Volume excluding jug	118.2	103.0	14.8	220.7	103.0	114.4
Mix (%)						
Multi-serve	73.0	71.1	1.9	72.8	71.1	1.7
Single-Serve	27.0	28.9	-1.9	27.2	28.9	-1.7
Income Statement (MM MX)						
Total Revenues***	15,472	13,580	13.9	29,113	14,633	99.0
EBITDA	1,908	1,768	7.9	3,050	1,807	68.8

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

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

*** Total Revenues includes net sales and revenues outside the territory (OT) in USA

OPERATING RESULTS FOR THE U.S.

- Net sales in the US reached Ps. 15,472 million in 2Q18. On a comparable and currency-neutral basis, sales growth was 4.6%. Sales volume came in at 118.2 MUC, an increase of 14.8% (4.3% without Oklahoma) compared to 2Q17.
- In 2Q18, EBITDA for the US was Ps. 1,908 million, representing a margin of 12.3%.
- During the quarter, we executed two key programs to achieve these positive results: Share a Coke and the FIFA World Cup. As a result of these programs, the consumption of single-serve presentations increased 2.1% when compared to the same period a year ago.
- We continued increasing coverage and volumes of Topo Chico in CCSWB markets, during the quarter we installed more than 600 coolers and were able to double the customer base from the previous quarter.

- In 2Q18, we continued accelerating the use of our electronic commercial platform myCoke.com, presenting it to customers to improve their ordering experience and to improve our service costs, which led to an increase in orders through the platform by 5% yoy.
- In May, we announced a US\$250 million investment for the construction of a new production plant and distribution center in Houston. The plant is expected to start operations in early 2020; it will have five production lines, in-line blowing, as well as facilities for distribution, warehousing and sales. The world class design will enable efficient supply chain optimization and improve our operations in the Southeast region.
- In the snacks business in the US, during 2Q18 we continued working on the expansion to new territories such as Arizona and Seattle as well as new points of sale, achieving the positioning of Wise Cheez and Popcorn in the *Family Dollar* chain on a national level.

SOUTH AMERICA

South America includes beverage operations in Peru, Argentina, Ecuador and the snacks business Inalecsa.

Table 5: South America Data

	2Q18	2Q17	Variation %	Jan - Jun '18	Jan - Jun '17	Variation %
Volume by Category (MUC)						
Colas	52.5	52.8	-0.6	110.9	109.3	1.5
Flavors	44.4	48.1	-7.6	98.3	105.1	-6.5
Sparkling Total Volume	96.9	100.9	-3.9	100.8	100.4	0.4
Water*	16.9	16.9	-0.2	39.0	41.6	-6.2
Still Beverages**	8.8	9.1	-2.7	19.1	19.3	-1.2
Volume excluding jug	122.6	126.8	-3.3	267.3	275.2	-2.9
Jug	2.6	2.9	-9.0	6.0	7.5	-20.1
Total Volume	125.2	129.7	-3.5	273.3	282.7	-3.3
Mix (%)						
Returnable	28.5	28.7	-0.2	28.5	29.1	-0.5
Non Returnable	71.5	71.3	0.2	71.5	70.9	0.5
Multi-serve	66.9	67.5	-0.6	67.4	68.1	-0.7
Single-serve	33.1	32.5	0.6	32.6	31.9	0.7
Income Statement (MM MXP)						
Net Sales	8,928	9,148	-2.4	19,038	20,078	-5.2
EBITDA	1,498	1,630	-8.1	3,595	3,918	-8.2

* 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

- South America net sales decreased by 2.4% to Ps. 8,928 million in 2Q18, mainly due to a volume drop in Peru and the phasing in of price increases which will be reflected in the second half of the year. On a currency-neutral basis, sales grew 4.8%.
- In 2Q18, total volume for South America decreased 3.3% to 125.2 MUC, excluding jug water, primarily due to the drop in Peru volumes.
- EBITDA for South America fell 8.1% in 2Q18 to Ps. 1,498 million, reflecting a margin of 16.8% that contracted 100bps when compared to 2Q17.

Argentina

- During 2Q18 sales volume increased 8.0%, primarily due to stills and sparkling which grew 50.1% and 2.8%, respectively. Sales volume rose 6.4% in 6M18.
- During 2Q18, we launched new presentations of AdeS in chocolate and almond flavors which allowed us to increase market share in these categories and we are working on increasing their coverage.
- Volumes of Coca-Cola without sugar in 2Q18 grew 17.4% compared to the performance of Coca-Cola Zero last year.
- During the second quarter we continued our focus on strengthening returnable presentations by launching new SKUs, introduced new single-serve presentations and continued our focus on improving the fundamentals of our ACT commercial model.

Ecuador

- Ecuador's volume grew 4% in 2Q18, explained by 4.3% increase in the colas category and 13.1% in personal water. In the first half of 2018, sales volume increased 7.5% when compared to last year.
- During 2Q18 we continued to expand to more cities new presentation of Del Valle Nectar, as well as new flavors of Fuze Tea to expand the offer as well as the market share in these categories.
- In Tonicorp, we continued increasing our market share driven by our core categories such as: ice cream, flavored milk and yogurt. Additionally, we worked on new product innovation to satisfy the needs of all consumers, and therefore launched presentations of low fat and lactose free yogurt this quarter.
- Inalecsa reported mid-single-digit sales growth in 2Q18 mainly due to the performance of new products launched during 4Q17 such as Prispas and Bizcotelas, as well as our ability to capitalize on taking over direct distribution. Furthermore, we launched Mis Gansitos in chocolate, strawberry and vanilla flavors during the quarter.

Peru

- In 2Q18, volume declined 11.3%, mainly affected by the tax increase on sugar beverages which impacted 70% of our portfolio; due to this, we implemented an average price increase of 8% to compensate for this effect. In the first half of the year, volume decreased 11.6% when compared to 6M17.
- During 2Q18, we continued investing in our cooler coverage, installing 13,000 coolers and driving returnable presentations with the introduction of more than 400,000 cases of returnable bottles in all formats to increase coverage.
- In 2Q18, we continued promoting the development of our key customers with the "Bodega Elegida" program, reaching more than 10,000 customers and in the On Premise channel.

RECENT EVENTS

- On April 26, 2018, we announced our CAPEX budget for 2018 of Ps. 12 billion, of which 30% will be allocated to the beverage operations in Mexico, 30% for beverage operations in the United States, 30% for beverage operations in South America and the remaining 10% for the Food and Snacks division.

CONFERENCE CALL INFORMATION

Arca Continental will host a conference call on July 20, 2018 to discuss these results at 11:00 am Mexico/Monterrey time / 12:00 pm New York time. A live webcast of this event will be available at www.arcacontal.com or connect via telephone.

To participate, please dial:

+1-877-712-5080 (U.S. participants)

+1-334-245-3009 (International participants)

0-1-800-062-2650 (Mexico participants)

Passcode: 36151

About Arca Continental

Arca Continental is a company dedicated to the production, distribution, and sale of non-alcoholic beverages which are brand names of The Coca-Cola Company as well as salty snacks under the brands of Bokados in Mexico, Inalecsa in Ecuador, and Wise and Deep River in the United States. With an outstanding track record of more than 92 years. Arca Continental is the second largest Coca-Cola bottling company in Latin America and one of the most important in the world. Within its Coca-Cola franchise, the company serves a population of more than 119 million in the northern and western parts of Mexico as well as Ecuador, Peru, the northern region of Argentina and the Southwestern U.S. Arca Continental is listed on the Mexican Stock Market under the ticker symbol "AC". For further information about Arca Continental, please visit 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	
	2Q18	2Q17	MM MXP	%	Jan - Jun '18	Jan - Jun '17	MM MXP	%
Net sales	40,332	37,656	2,676	7.1	76,450	62,458	13,992	22.4
Revenues OT in USA ¹	794	789	5	0.7	1,797	789	1,008	127.8
Total Revenues	41,126	38,445	2,682	7.0	78,247	63,247	15,000	23.7
Cost of Sales	22,922	21,783	1,139	5.2	43,839	34,999	8,840	25.3
Gross Profit	18,204	16,662	1,542	9.3	34,409	28,248	6,161	21.8
	44.3%	43.3%			44.0%	44.7%		
Selling Expenses	10,931	9,466	1,465	15.5	21,181	15,992	5,189	32.4
Administrative Expenses	1,951	1,850	101	5.5	3,898	3,256	642	19.7
Total Costs	12,882	11,317	1,566	13.8	25,079	19,248	5,831	30.3
	31.3%	29.4%			32.1%	30.4%		
Non Recurring Expenses	142	251	-109	(43.5)	353	500	-147	(29.3)
Operating Income before other income	5,180	5,094	85	1.7	8,977	8,500	477	5.6
Other Income (Expenses) ²	269	191	78	40.9	313	248	66	26.4
Operating Income	5,449	5,285	163	3.1	9,290	8,748	542	6.2
	13.2%	13.7%			11.9%	13.8%		
Interest Expense Net	-955	-866	-89	10.2	-1,779	-1,492	-288	19.3
Exchange Gain (Loss)	99	-442	541	(122.5)	-492	-451	-42	9.3
Comprehensive Financial Results	-855	-1,308	452	(34.6)	-2,272	-1,942	-329	17.0
Share of net income of associates ³	0	-49	48	(99.5)	-10	-28	18	(63.3)
Earnings Before Taxes	4,593	3,929	664	16.9	7,008	6,778	231	3.4
Profit Taxes	1,310	1,201	109	9.1	2,032	2,086	-54	(2.6)
Non-controlling interest	-605	-677	72	(10.6)	-971	-912	-59	6.4
Net Profit	2,678	2,051	627	30.6	4,005	3,780	226	6.0
	6.5%	5.3%			5.1%	6.0%		
Depreciation and amortization	1,949	1,851	99	5.3	3,809	3,141	668	21.3
EBITDA	7,540	7,387	153	2.1	13,453	12,389	1,064	8.6
	18.3%	19.2%			17.2%	19.6%		

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

¹ Revenues from outside the territory (OT) in US from sales to other bottlers

² Includes equity method from our participation in operational companies like Jugos del Valle, IEQSA and Bebidas Refrescantes de Nogales

³ 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)

	June 30		December 31		Variation	
	2018		2017		MM MXP	%
ASSETS						
Cash and cash equivalents	23,248	23,842	-593	-2.5		
Accounts receivable; Net	13,882	11,512	2,369	20.6		
Inventories	8,048	7,718	331	4.3		
Prepayments	887	710	177	25.0		
Total Current Assets	46,065	43,781	2,284	5.2		
Investments in shares and other investments	6,567	6,769	-202	-3.0		
Property, plant and other equipment	71,461	71,664	-203	-0.3		
Other non current assets	117,724	118,069	-346	-0.3		
Total Assets	241,817	240,285	1,532	0.6		
LIABILITIES						
Short term bank loans	946	1,785	-840	-47.0		
Suppliers	17,660	14,984	2,676	17.9		
Accounts payable and taxes	3,833	6,548	-2,715	-41.5		
Total Current Liabilities	22,439	23,318	-878	-3.8		
Bank Loans and long term liabilities	55,977	53,338	2,639	4.9		
Deferred income tax and others	21,566	22,053	-487	-2.2		
Total Liabilities	99,983	98,708	1,275	1.3		
SHAREHOLDER'S EQUITY						
Non controlled participation	31,797	31,103	694	2.2		
Capital Stock	45,759	45,758	1	0.0		
Retained Earnings	60,272	51,625	8,648	16.8		
Net Profit	4,005	13,090	-9,085	-69.4		
Total Shareholders' Equity	141,834	141,576	258	0.2		
Total Liabilities and Shareholders' Equity	241,817	240,285	1,532	0.6		

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

	as of June 30	
	2018	2017
Earnings Before Taxes	7,008	6,778
Depreciation and amortization	3,809	3,141
Gain on sale and fixed assets impairment	297	280
Foreign exchange	492	451
Accrued interests	1,637	1,492
Operating cash flow before taxes	13,245	12,142
Cashflow generated/used in the operation	-4,734	-3,758
Operating cashflow after working capital	8,511	8,384
Investment Activities:		
Capital Expenditures and Investments (Net)	-4,546	-8,032
Financing Activities:		
Dividends paid	-3,948	-3,529
Share repurchase program	-270	231
Debt amortization	1,510	12,719
Paid interests	-1,631	-1,907
Other	0	7,987
Net cash flow	-4,339	15,501
Net increase of cash and equivalents	-375	15,852
Change in Cash	-218	-299
Initial cash and equivalents balance	23,842	5,546
Final cash and equivalents balance	23,248	21,100