# Vitro Reports 14.4% Increase in Sales for 1Q16 and Delivers Continued EBITDA Growth

**San Pedro Garza García, Nuevo León, Mexico, April 28, 2016 – Vitro, S.A.B. de C.V. (BMV: VITROA), hereinafter "Vitro" or the "Company",** the leading glass producer in Mexico, today announced its unaudited results for the first quarter of 2016 ("1Q'16").

## First Quarter 2016 Highlights

- Consolidated Net Sales increased 14.4 percent year-on-year ("YoY") to US$230 million driven by strong growth in Glass Containers and exports sales in Flat Glass despite the 18.4 percent YoY peso depreciation (quarterly average).

- Reported EBITDA rose 58.6 percent YoY to US$59 million resulting in a 720 basis point increase in EBITDA margin to 25.8 percent. Vitro benefited from easier comparisons against 1Q15 as one of the float glass furnaces was being repaired at that time. On a comparable basis, 1Q16 Adjusted EBITDA increased 38.3 percent YoY.

- The Company had no debt at the close of 1Q16 compared with US$1,175 million in 1Q'15, while its cash position increased 137.1 percent YoY to US$443 million by quarter end.

| FINANCIAL HIGHLIGHTS* | | | |
|---|---|---|---|
| | 1Q'16 | 1Q'15 | % Change |
| Consolidated Net Sales | 230 | 201 | *14.4%* |
| *Glass Containers* | 68 | 43 | *59.5%* |
| *Flat Glass* | 160 | 158 | *1.5%* |
| Cost of Sales | 143 | 143 | *-0.3%* |
| Gross Income | 87 | 58 | *50.6%* |
| *Gross Margins* | *37.9%* | *28.8%* | *9.1 pp* |
| SG&A | 39 | 35 | *13.5%* |
| *SG&A % of sales* | *17.1%* | *17.2%* | *-0.1 pp* |
| EBIT (3) | 48 | 23 | *105.2%* |
| *EBIT Margins* | *20.9%* | *11.6%* | *9.3 pp* |
| EBITDA (3) | 59 | 37 | *58.6%* |
| *Glass Containers* | 19 | 11 | *69.0%* |
| *Flat Glass* | 41 | 25 | *65.9%* |
| *EBITDA Margins* | *25.8%* | *18.6%* | *7.2 pp* |
| Net income (loss) from continuing operations | 38 | (22) | - |
| Net income from discontinued operations | - | 31 | |
| Net Income attributable to controlling interest | 39 | 11 | *268.2%* |
| Total Debt(1) | 0 | 1,175 | *-100.0%* |
| *Short Term Debt* | 0 | 279 | *-99.9%* |
| *Long Term Debt* | 0 | 896 | *-100.0%* |
| Cash & Cash Equivalents(2) | 443 | 187 | *137.1%* |
| Total Net Debt (1) | (442) | 989 | - |

** Million US$ Nominal*

(1) Total debt includes account receivables debt programs according to IFRS.

(2) Cash & Cash Equivalents include restricted cash on our accounts receivables debt programs and lease contracts.

(3) EBIT and EBITDA are presented before other expenses (income).

Commenting on Vitro's performance and outlook, Mr. Adrián Sada Cueva, Chief Executive Officer, said: *"We have been able to begin this year by delivering a solid top line and EBITDA performance in our two key businesses. Together with a healthy balance sheet and strong net free cash flow generation, we are well positioned to support and fund growth initiatives for the Company."*

Mr. Sada further noted, *"Our commitment to delivering cost efficiencies and productivity enhancements is having the desired results as both our Flat Glass and Glass Container operations reported high double digit EBITDA growth. This good performance was achieved despite the continued challenging dynamics in some of our markets and an 18.4 percent depreciation of the peso against the US dollar.*

*"During the first quarter the stronger sales in fragrances and cosmetics, mainly in our export markets, together with continued strong demand in the pharmaceutical industry were the main drivers behind the increase in glass container sales. In Flat Glass, we continue to benefit from strong market dynamics in the construction and automotive markets."*

*"Stronger sales together with increased production efficiencies resulting from the completion of the furnace repair, and cost savings contributed to strong Adjusted EBITDA growth. Our EBITDA increase also benefited from easier comparisons due to capacity constraints in 1Q15 as one of our float furnaces which represents approximately one third of our capacity was offline for repairs."*

*"The attractive market dynamics we see in the construction and automotive industries support our flat glass expansion plans. We are on track to start the repair and capacity expansion of our Mexicali float glass furnace mid-year which we anticipate will be completed during fourth quarter 2016. We have also started the construction process of a new float glass furnace to increase production capacity which is expected to become operational next year. This year we also expect to conclude the expansion of our calcium chloride plant, which will allow us to expand our client base in this*

*segment. To support the growth of our automotive business we have started to work to increase our capacity for the OEM segment as well as to build our new plant for the replacement market. Regarding our expansion plans for our container division we continue to work to build* a cosmetics and perfumery plant in Brazil as well as to increase capacity in our mold manufacturing plant in Monterrey. *We remain focused on developing and promoting value added products while at the same time achieving cost efficiencies which in turn are expected to deliver performance and returns to all our stakeholders.*"

Commenting on the balance sheet, Mr. Claudio Del Valle, Chief Administrative and Financial Officer, noted: *"Vitro maintains a solid financial position with a healthy, debt-free balance sheet and strong free cash generation. Our healthy financial position reflects the pay down of total debt compared to US$1,175 million in the year-ago quarter and a 137.1% YoY increase in our cash position to US$443 at quarter-end. Our strong EBITDA generation together lower working capital needs resulting from a decrease in value added tax balance allowed us to improve net free cash flow to U$32 million from negative US$15 million in 1Q15."*

*"We have undertaken a lot of initiatives over the past year and are now well positioned to meet future demand both operationally and financially. I am confident in the management team's ability to lead Vitro in the next stage of its growth," concluded Mr. Sada.*

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*Financial statements were prepared according to International Financial Reporting Standards (IFRS). The Peso figures included in the document are presented in nominal Pesos which could affect its comparability. Dollar figures are in nominal US dollars and are obtained by dividing nominal pesos for each month by the end of month fixed exchange rate published by Banco de México. In the case of the Balance Sheet, US dollar translations are made at the fixed exchange rate as of the end of the period. Certain amounts may not sum due to rounding. All figures and comparisons are in US dollar terms, unless otherwise stated, and may differ from the peso amounts due to the difference in exchange rates.*

*According to IFRS, the F&B business sale to O-I meet the criteria identified in IFRS 5, therefore, its financial information is accounted for as a discontinued operation and presented accordingly to comply with such requirements.*

## REVIEW OF CONSOLIDATED RESULTS

| | Mar'16 | Mar'15 |
|---|---|---|
| ***Inflation in Mexico*** | | |
| Quarter | 1.2% | 0.5% |
| Accumulated | 1.2% | 0.5% |
| LTM | 2.8% | 3.1% |
| ***Inflation in USA*** | | |
| Quarter | 0.9% | 0.6% |
| Accumulated | 0.9% | 0.6% |
| LTM | 1.1% | -0.1% |
| ***Exchange Rate*** | | |
| Closing | 17.2370 | 15.2647 |
| Average (Acumulated) | 17.8442 | 15.0695 |
| Average (Quarter) | 17.8442 | 15.0695 |
| ***Devaluation (Apreciation)*** | | |
| Accumulated (Closing) | -0.1% | 3.5% |
| Quarter (average) YoY | 18.4% | 14.0% |
| Accumulated (Average) | 18.4% | 14.0% |

On September 1, 2015, the sale of the Food and Beverage (F&B) Glass Containers division to Owens-Illinois, Inc. (NYSE:OI) was completed, cash and debt free, with proceeds to Vitro of US$2.15 billion. Of note, these operations had been accounted for as discontinued starting in 2Q'15 following the agreement to divest the F&B business.

Following divestiture of the F&B Glass Containers division, the Company made some changes to the composition of its reportable segments structure. Prior to the divestiture, the Chemical business was grouped within the Glass Containers segment. Effective 3Q'15, the Chemical business became part of the Flat Glass segment as it more closely aligns with Vitro's new structure. Selected financial information for the year 2014 and the first two quarters of 2015 has been reclassified in order to present comparable segment financial information accordingly with the new structure.

The Glass Containers business unit includes the Cosmetics, Fragrances and Toiletries (CFT) segment, participation in the Comegua joint venture, in Central America, which is accounted for under the equity method, and the Molds, Machinery and Equipment businesses. The Flat Glass business unit includes Automotive, Original Equipment Manufacturers (OEM) and Automotive Glass Replacement (AGR) segments, the Construction segment, and the Chemical business.

### CONSOLIDATED SALES

Consolidated Net Sales increased 14.4 percent to US$230 million in 1Q'16, from US$201 million in 1Q'15. The positive effect of higher sales which benefited from continued growth in Glass Containers and Flat Glass, including domestic and export markets, was partially offset by a 18.4 percent YoY peso depreciation (quarterly average) which impacts peso revenue when translated into dollars. In peso terms, revenue increased 35.4%.

## Table 1 - SALES

| | Million of Mexican Pesos | | | Million of US Dollars | | |
|---|---|---|---|---|---|---|
| | 1Q'16 | 1Q'15 | YoY% Change | 1Q'16 | 1Q'15 | YoY% Change |
| **Total Consolidated Sales** | **4,109** | **3,035** | ***35.4*** | **230** | **201** | ***14.4*** |
| Domestic Sales | 2,911 | 2,076 | *40.3* | 163 | 138 | *18.4* |
| Export Sales | 1,117 | 860 | *29.9* | 63 | 57 | *10.0* |
| Foreign Subsidiaries | 81 | 100 | *(18.6)* | 5 | 7 | *(31.1)* |
| **Glass Containers** | **1,210** | **640** | ***88.9*** | **68** | **43** | ***59.5*** |
| Domestic Sales | 741 | 282 | *162.5* | 41 | 19 | *121.2* |
| Export Sales | 469 | 358 | *31.0* | 26 | 24 | *10.9* |
| Foreign Subsidiaries | - | - | *--* | - | - | *--* |
| **Flat Glass** | **2,854** | **2,378** | ***20.1*** | **160** | **158** | ***1.5*** |
| Domestic Sales | 2,126 | 1,776 | *19.7* | 119 | 118 | *1.1* |
| Export Sales | 647 | 501 | *29.1* | 36 | 33 | *9.3* |
| Foreign Subsidiaries | 81 | 100 | *(18.6)* | 5 | 7 | *(31.1)* |

**Glass Containers** sales increased 59.5 percent to US$68 million in 1Q'16, from US$43 million in 1Q'15, reflecting solid sales volumes in the fragrances and pharmaceutical industry and an increase in sales of molds and machinery. Sales also benefited from a healthier product mix in fragrances. Domestic sales rose 121.2 percent YoY to US$41 million primarily reflecting overall higher sales volumes and as previously commented, an increase in the sales of molds and machinery which were partially offset by the negative impact from the 18.4 percent YoY peso depreciation (quarterly average). Export sales increased to US$26 million in 1Q'16, from US$24 million mainly driven by an increased volume and a product shift to higher value added products in the CFT segment.

**Flat Glass** sales increased 1.5 percent to US$160 million, from US$158 million in 1Q'15. Higher sales were mainly driven by solid sales in the domestic construction market, new supply to the automotive sector and higher volume to Auto Glass Replacement (AGR). The completion of repairs to a float glass furnace also contributed to higher sales as the Company was no longer capacity constrained. This performance was partially offset by lower export sales from the chemical business, which supplies raw materials. This business was impacted by a mild winter season in the United States and challenging oil price environment, as well as the 18.4 percent YoY peso depreciation (quarterly average).

**EBIT AND EBITDA**

Consolidated EBIT increased to US$48 million in 1Q'16, from US$23 million in 1Q'15, an increase of 105.2 percent. Consolidated EBITDA was US$59 million, representing a 58.6 percent increase from US$37 million in 1Q'15, while EBITDA margin expanded to 25.8 percent from 18.6 percent in the same period last year. During the first two months of 1Q'15, one of the float glass furnaces, representing one-third of total capacity, was out of service and being repaired, which negatively impacted EBITDA. The Company estimates the impact on EBITDA during 1Q'15 from the furnace downtime and one-off expenses was US$5 million, thus, on a comparable basis, Adjusted EBITDA increased 38% in 1Q'16.

This improved performance was due partially to an increase in sales volumes in the domestic construction market coupled with a solid price mix, and higher capacity utilization at the Flat Glass float furnaces. EBIT and EBITDA also benefitted from continued lower electric and natural gas prices, improved fixed cost absorption following the repair of a float glass furnace and the realization of benefits from cost saving initiatives

## Table 2 - EBIT & EBITDA [1] [2]

| | Million of Mexican Pesos | | | Million of US Dollars | | |
|---|---|---|---|---|---|---|
| | 1Q'16 | 1Q'15 | YoY% Change | 1Q'16 | 1Q'15 | YoY% Change |
| **Consolidated EBIT** | **861** | **355** | ***142.8*** | **48** | **23** | ***105.2*** |
| ***Margin*** | *20.9%* | *11.7%* | *9.2 pp* | ***20.9%*** | ***11.6%*** | *9.3 pp* |
| Glass Containers | 287 | 100 | *188* | 16 | 7 | *141* |
| *Margin* | *23.8%* | *15.6%* | *8.2 pp* | *23.5%* | *15.6%* | *7.9 pp* |
| Flat Glass | 576 | 227 | *153* | 32 | 15 | *115* |
| *Margin* | *20.2%* | *9.6%* | *10.6 pp* | *20.2%* | *9.5%* | *10.7 pp* |
| **Consolidated EBITDA** | **1,060** | **565** | ***87.4*** | **59** | **37** | ***58.6*** |
| ***Margin*** | *25.8%* | *18.6%* | *7.2 pp* | *25.8%* | *18.6%* | *7.2 pp* |
| Glass Containers | 340 | 170 | *100* | 19 | 11 | *69* |
| *Margin* | *28.1%* | *26.5%* | *1.6 pp* | *28.0%* | *26.5%* | *1.5 pp* |
| Flat Glass | 726 | 371 | *96* | 41 | 25 | *66* |
| *Margin* | *25.4%* | *15.6%* | *9.8 pp* | *25.4%* | *15.6%* | *9.8 pp* |

[1] EBIT and EBITDA are presented before other expenses (income)

[2] Consolidated EBIT and EBITDA includes Corporate subsidiaries.

**Glass Containers** EBIT increased to US$16 million in 1Q'16 with margin of 23.5 percent from US$7 million and 15.6%, respectively in the same period last year. EBITDA increased 69 percent to US$19 million in 1Q'16, from US$11 million in 1Q'15, with EBITDA margin up to 28.0 percent from 26.5 percent.

Higher sales volume in the domestic pharmaceutical and fragrances industry and an increase in sales of Molds and Machinery contributed to the good EBIT performance.

**Flat Glass** EBIT increased 115 percent to US$32 million in 1Q'16, from of US$15 million in 1Q'15, while EBIT margin improved to 20.2 percent from 9.5 percent in 1Q'15. EBITDA increased 66 percent to US$41 million, from US$25 million in 1Q'15, while EBITDA margin expanded to 25.4 percent, from 15.6 percent in the same period last year.

EBIT and EBITDA were boosted by higher capacity utilization resulting from the repaired and fully operational float glass furnace, during the first two months of 1Q'15 as well as a solid price mix in the domestic construction market and higher sales volume in the OEM segment. Higher EBIT and EBITDA also benefited from lower natural gas prices and continued cost reduction initiatives.

## NET FINANCIAL COST

### Table 3: Net Financial Income (Cost)

| | Million of Mexican Pesos | | | Million of US Dollars | | |
|---|---|---|---|---|---|---|
| | 1Q'16 | 1Q'15 | YoY% Change | 1Q'16 | 1Q'15 | YoY% Change |
| Net interest income (expenses) | 21 | (356) | -- | 1 | (24) | -- |
| Other financial (expenses) income [(1)] | (75) | (70) | *(7.1)* | (4) | (5) | *9.2* |
| Foreign exchange gain (loss) | 39 | (527) | -- | 2 | (35) | -- |
| **Net Financial Income (Cost)** | **(15)** | **(953)** | ***98.5*** | **(1)** | **(63)** | ***98*** |

(1) Includes natural gas hedgings and expenses related to debt restructuring.

YoY % Change is presented in absolute values

In 1Q'16 Vitro reported Net Financial Cost of US$1 million, compared with Net Financial Cost of US$63 million in 1Q'15. The Company reported a Foreign Exchange (FX) Gain of US$2 million in 1Q'16, compared to an FX loss of US$35 million in the same period last year. Net Interest Expenses decreased from US$24 million in 1Q'15 to a gain in 1Q'16 of to US$1 million, while Other Financial Expenses declined to US$4 million from US$5 million in the year-ago quarter, both mainly resulting from the debt payment during 3Q'15 and a higher dollar cash balance this year.

## TAXES

### Table 4: Taxes

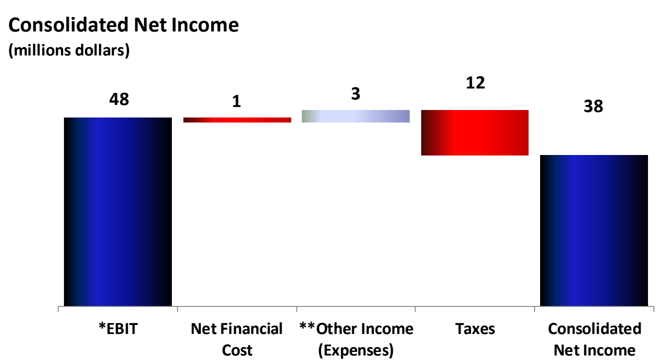
| | Million of Mexican Pesos | | | Million of US Dollars | | |
|---|---|---|---|---|---|---|
| | 1Q'16 | 1Q'15 | YoY% Change | 1Q'16 | 1Q'15 | YoY% Change |
| Accrued Income Tax | 28 | 49 | *(43)* | 1 | 3 | *(56)* |
| Deferred Income Tax (gain) | 172 | (288) | -- | 10 | (19) | -- |
| **Total Income Tax** | **200** | **(240)** | **--** | **12** | **(16)** | **--** |

YoY % Change is presented in absolute values

Total Income Tax in 1Q'16 was US$12 million, compared to a Total Income Tax benefit of US$16 million in 1Q'15, primarily reflecting the effect of a Deferred Income Tax loss US$10 million in 1Q'16, while in the same period last year, taxes only reflected a Deferred Income Tax gain of US$19 million.

## CONSOLIDATED NET INCOME

The Company reported Consolidated Net Income of US$38 million, EBIT of US$48 million and a Tax Expense of US$12 million, primarily resulting from a deferred income tax during the quarter.




* EBIT is presented before other expenses (income)
** Includes equity method participation on associates

## CONSOLIDATED FINANCIAL POSITION

### Table 5: Debt Indicators

| | *Million of US Dollars, except where indicated* | | | | | | |
|---|---|---|---|---|---|---|---|
| | 1Q'16 | 4Q'15 | 3Q'15 | 2Q'15 | 1Q'15 | 4Q'14 | 3Q'14 |
| **Leverage** (1) | | | | | | | |
| (Total Debt / EBITDA) (Times) LTM | 0.0 | 0.0 | 0.0 | 2.9 | 3.1 | 3.2 | 3.6 |
| (Total Net Debt / EBITDA) (Times) LTM | 0.0 | 0.0 | 0.0 | 2.4 | 2.6 | 2.8 | 2.9 |
| **Total Debt** (3)(4) | **0** | **1** | **1** | **1,149** | **1,175** | **1,188** | **1,241** |
| Short-Term Debt | 0 | 1 | 1 | 290 | 279 | 79 | 299 |
| Long-Term Debt | 0 | 0 | 0 | 860 | 896 | 1,109 | 942 |
| Cash and Equivalents (2) | 443 | 414 | 509 | 169 | 187 | 180 | 251 |
| **Total Net Debt** | **(442)** | **(413)** | **(507)** | **980** | **989** | **1,009** | **990** |
| Currency Mix (%) Dlls / Pesos | | 76 / 24 | 74 / 26 | 92 / 8 | 92 / 8 | 90 / 9 | 90 / 9 |

(1) Financial ratios are calculated using figures in dollars.

(2) Cash & Cash Equivalents include restricted cash collateralizing lease contracts and cash on our accounts receivables financing programs.

(3) According to IFRS, our accounts receivable securitization trusts are included in the Consolidated Financial Statements of Vitro and Subsidiaries.

(4) As part of the agreements to finalize the Company's debt restructuring process, a note of US$235 was issued on April 8, 2013 by a Vitro subsidiary, increasing Net and Total Debt by such amount.

As of March 31, 2016, the Company had a cash balance of US$443 million. This compares to a cash balance of US$187 million in same quarter last year.
Total Debt by the end of the quarter is near zero.

## CASH FLOW

### Table 6: Cash Flow from Operations Analysis [1]

| | Million of Mexican Pesos | | | Million of US Dollars | | |
|---|---|---|---|---|---|---|
| | 1Q'16 | 1Q'15 | YoY% Change | 1Q'16 | 1Q'15 | YoY% Change |
| EBITDA | 1,060 | 565 | *87.4* | 59 | 37 | *58.6* |
| Working Capital [2] | (119) | (550) | *78.3* | (6) | (37) | *82.6* |
| **Cash Flow from operations before Capex** | **941** | **16** | ***5,937.5*** | **53** | **1** | ***5,950.6*** |
| Capex [5] | (240) | (126) | *(90.4)* | (13) | (8) | *(61.0)* |
| **Cash Flow from operations after Capex** | **701** | **(110)** | **--** | **40** | **(7)** | **--** |
| Net Interest Paid [3] | (26) | (34) | *21.4* | (2) | (2) | *32.7* |
| Cash Taxes (paid) recovered [4] | (105) | (88) | *(19.9)* | (6) | (6) | *(5.7)* |
| **Net Free Cash Flow** | **569** | **(232)** | **--** | **32** | **(15)** | **--** |

(1) This statement is a cash flow analysis and it does not represent a Cash Flow Statement according with IFRS
(2) Includes: Clients, inventories, suppliers, other current assets and liabilities including IVA (Value Added Tax)
(3) Includes interest income, natural gas hedgings and expenses related to debt restructuring
(4) Includes PSW (Profit Sharing to Workers)
(5) Includes advanced payments which under IFRS is cosidered as other long term assets.

In 1Q'16 the Company reported a Net Free Cash Flow of US$32 million, compared to a negative Net Free Cash Flow of US$15 million in 1Q'15. This was mainly driven by higher EBITDA of US$59 million, compared to US$37 million reported in 1Q'15, a decrease in Working Capital investment to US$6 million mainly driven by the payment of taxes withheld during the last quarter of 2015, partially compensated by higher Capital Expenditures.

**Capital Expenditures:** CapEx for 1Q'16 was US$13 million. Funds were allocated as follows: US$4 million invested in increasing production capacity of the Álcali plant (Calcium Chloride), US$6 million invested in various projects related to capacity expansions and other projects in the Flat Glass segment and US$3 million allocated to capacity expansions in the Glass Containers segment.

## KEY DEVELOPMENTS

**Vitro holds General Annual Ordinary Shareholders' Meeting**
In said meeting, the annual reports of the Audit Committee and of the Corporate Practices Committee were approved, as well as those of the Board of Directors and of the Chief Executive Office, for the fiscal year concluded last December 31st.

Also approved was the payment in cash of dividends from the profits reflected in the financial statements of the Company in the year concluded in December 31st of 2015, at the rate of $0.045536782 dollars per share. Finally, all the members of the Board of Directors were ratified including the President and Secretary for the period 2016. As a result, Vitro will maintain 5 Independent Directors, whom represent 41.66% of its composition, preserving it above the minimum level required by the Ley del Mercado de Valores ("Securities Exchange Act") in Mexico.

**Vitro is a Socially Responsible Company**

For the ninth consecutive year Vitro received the Socially Responsible Company badge, granted by the Mexican Center for Philanthropy.

To obtain the badge, the Cemefi asked companies to submit evidence supporting their projects and policies in five indicators; management of social responsibility, quality of life in the company, business ethics, community outreach and environmental preservation.

The distinctive ESR joins other achievements Vitro has received, including being selected as a Great Place to Work, being recognized as an Inclusive Company with the distinctive Rincon Gallardo and being included as part of the Super Empresas listed by Expansion.

**Investor Relations and Media Contacts:**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About Vitro

Vitro, S.A.B. de C.V. (BMV: VITROA) is the leading glass manufacturer in Mexico and one of the world's major companies in its industry, backed by more than 100 years of experience. Founded in 1909 in Monterrey, Mexico, the Company has subsidiaries in the Americas, offering quality products and reliable services to meet the needs of two businesses: glass containers and flat glass. Companies of Vitro produce, process, distribute, and market a wide range of glass articles, which are part of the daily life of thousands of people. Vitro offers solutions for multiple markets, including cosmetic, pharmaceutical and toiletries, as well as architectural and automotive. The Company is also a supplier of chemical products and raw material, machinery, molds and equipment for industrial use. As a socially responsible organization, Vitro works on several initiatives aligned to its Sustainability Model, aiming to create a positive influence in the economic, social, and environmental aspects relevant to its stakeholders, in a responsible corporate management framework. For more information, visit: http://www.vitro.com

**Disclaimer**

*This announcement contains historical information, certain management's expectations, estimates and other forward-looking information regarding Vitro, S.A.B. de C.V. and its Subsidiaries (collectively the "Company"). While the Company believes that these management's expectations and forward looking statements are based on reasonable assumptions, all such statements reflect the current views of the Company with respect to future events and are subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated in this report. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic, political, governmental and business conditions worldwide and in such markets in which the Company does business, changes in interest rates, changes in inflation rates, changes in exchange rates, the growth or reduction of the markets and segments where the Company sells its products, changes in raw material prices, changes in energy prices, particularly gas, changes in the business strategy, and other factors. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. The Company does not assume any obligation, to and will not update these forward-looking statements.*

**Use of Non-IFRS Measures**

*A body of International Financial Reporting Standards is commonly referred to as "IFRS". A non-IFRS financial measure is generally defined as one that purports to measure historical or future financial performance, financial position or cash flows but excludes or includes amounts that would not be so adjusted in the most comparable IFRS measure. We disclose in this report certain non- IFRS financial measures, including EBITDA. EBITDA: earnings before other income and expenses, interest, taxes plus depreciation and amortization, and provision for employee retirement obligations with impact in the operating profit.*

*In managing our business we rely on EBITDA as a means of assessing our operating performance and a portion of our management's compensation and employee profit sharing plan is linked to EBITDA performance. We believe that EBITDA can be useful to facilitate comparisons of operating performance between periods and with other companies because it excludes the effect of (i) depreciation and amortization, which represents a non-cash charge to earnings, (ii) certain financing costs, which are significantly affected by external factors, including interest rates, foreign currency exchange rates and inflation rates, which have little or no bearing on our operating performance, (iii) income tax and statutory employee profit sharing, which is similar to a tax on income and (iv) other expenses or income not related to the operation of the business. EBITDA is also a useful basis of comparing our results with those of other companies because it presents operating results on a basis unaffected by capital structure and taxes.*

*We also calculate EBITDA in connection with covenants related to some of our financings. We believe that EBITDA enhances the understanding of our financial performance and our ability to satisfy principal and interest obligations with respect to our indebtedness as well as to fund capital expenditures and working capital requirements. EBITDA is not a measure of financial performance under IFRS. EBITDA should not be considered as an alternate measure of net income or operating income, as determined on a consolidated basis using amounts derived from statements of operations prepared in accordance with IFRS, as an indicator of operating performance or as cash flows from operating activity or as a measure of liquidity. EBITDA has* *material limitations that impair its value as a measure of a company's overall profitability since it does not address certain ongoing costs of our business that could significantly affect profitability such as financial expenses and income taxes, depreciation, pension plan reserves or capital expenditures and associated charges.*

***To fully comply with the Mexican Stock Exchange Regulation, art. 4.033.01 Section VIII, the Company states that at the date of this press release, the following Brokerage or Credit Institutions provide analysis coverage to our securities: GBM Grupo Bursátil Mexicano, S.A. de C.V., Casa de Bolsa.*

# CONSOLIDATED

## VITRO, S.A.B. DE C.V. AND SUBSIDIARIES
## CONSOLIDATED FINANCIAL POSITION

| | Nominal Pesos | | | Nominal Dollars | | |
|---|---|---|---|---|---|---|
| FINANCIAL POSITION | 1Q'16 | 1Q'15 | % Var. | 1Q'16 | 1Q'15 | % Var. |
| Cash & Cash Equivalents | 7,633 | 2,588 | *195.0* | 443 | 170 | *161.2* |
| Trade Receivables | 2,328 | 3,464 | *(32.8)* | 135 | 227 | *(40.5)* |
| Inventories | 2,234 | 3,594 | *(37.8)* | 130 | 235 | *(45.0)* |
| Other Current Assets | 515 | 941 | *(45.2)* | 30 | 62 | *(51.5)* |
| Assets held for sale | 21 | 21 | *(0.0)* | 1 | 1 | *(11.5)* |
| **Total Current Assets** | **12,731** | **10,606** | *20.0* | **739** | **695** | *6.3* |
| Property, Plant & Equipment | 9,436 | 14,613 | *(35.4)* | 548 | 957 | *(42.8)* |
| Deferred Assets | 3,418 | 8,463 | *(59.6)* | 198 | 554 | *(64.2)* |
| Other Long-Term Assets | 1,183 | 796 | *48.6* | 69 | 52 | *31.6* |
| Investment in Affiliates (2) | 1,452 | 1,170 | *24.0* | 84 | 77 | *9.8* |
| **Total Non Current Assets** | **15,488** | **25,043** | *(38.2)* | **899** | **1,641** | *(45.2)* |
| **Total Assets** | **28,219** | **35,649** | ***(20.8)*** | **1,637** | **2,335** | ***(29.9)*** |
| Short-Term & Current Debt | 6 | 4,265 | *(99.9)* | 0 | 279 | *(99.9)* |
| Trade Payables | 1,024 | 1,434 | *(28.6)* | 59 | 94 | *(36.8)* |
| Other Current Liabilities | 2,435 | 3,199 | *(23.9)* | 141 | 210 | *(32.6)* |
| **Total Current Liabilities** | **3,465** | **8,899** | *(61.1)* | **201** | **583** | *(65.5)* |
| Long-Term Debt | 0 | 13,676 | *(100.0)* | 0 | 896 | *(100.0)* |
| Employee benefits | - | 828 | -- | - | 54 | -- |
| Other LT Liabilities | 3,934 | 4,021 | *(2.2)* | 228 | 263 | *(13.4)* |
| **Total Non Current Liabilities** | **3,934** | **18,525** | *(78.8)* | **228** | **1,214** | *(81.2)* |
| **Total Liabilities** | **7,399** | **27,423** | *(73.0)* | **429** | **1,797** | *(76.1)* |
| Controlling interest | 19,308 | 6,846 | *182.0* | 1,096 | 435 | *152.1* |
| Noncontroliing interest | 1,512 | 1,380 | *9.6* | 112 | 104 | *7.7* |
| **Total Shareholders Equity** | **20,820** | **8,226** | *153.1* | **1,208** | **539** | *124.2* |

| FINANCIAL INDICATORS(1) | 1Q'16 | 1Q'15 |
|---|---|---|
| Debt/EBITDA (LTM, times) | 0.0 | 9.2 |
| EBITDA/ Interest. Exp. (LTM, times) | 5.1 | 1.5 |
| Debt / (Debt + Equity) (times) | 0.0 | 0.7 |
| Debt/Equity (times) | 0.0 | 2.2 |
| Total Liab./Stockh. Equity (times) | 0.4 | 3.3 |
| Curr. Assets/Curr. Liab. (times) | 3.7 | 1.2 |
| Sales (LTM)/Assets (times) | 0.6 | 0.4 |
| EPS (Ps$) (YTD)* | 1.5 | 0.3 |

* Based on w eighted average outstanding shares year to date

| OTHER INFORMATION | 1Q'16 | 1Q'15 |
|---|---|---|
| # Shares Issued (thousands) | 483,571 | 483,571 |
| # Weighted Average Shares Outstanding (thousands) | 483,126 | 483,126 |
| # Employees | 10,535 | 16,110 |

(1) Financial ratios are calculated using figures in dollars.

(2) Investment in Affiliates includes 49.7% participation in Comegua under the equity method.

# CONSOLIDATED

## VITRO, S.A.B. DE C.V. AND SUBSIDIARIES

### CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIODS, (MILLION)

| | First Quarter | | | | | |
|---|---|---|---|---|---|---|
| INCOME STATEMENT | Nominal Pesos | | | Nominal Dollars | | |
| | 2016 | 2015 | % Var. | 2016 | 2015 | % Var. |
| Consolidated Net Sales | 4,109 | 3,035 | 35.4 | 230 | 201 | 14.4 |
| Cost of Sales | 2,549 | 2,160 | 18.0 | 143 | 143 | (0.3) |
| **Gross Income** | **1,560** | **876** | 78.2 | **87** | **58** | 50.6 |
| SG&A Expenses | 699 | 521 | 34.2 | 39 | 35 | 13.5 |
| **Operating Income** | **861** | **355** | 142.8 | **48** | **23** | 105.2 |
| Other Expenses (Income), net | (9) | (2) | 335.0 | (1) | (0) | 324.0 |
| **Operating income after other expenses (income), net** | **870** | **357** | **143.9** | **49** | **24** | **106.4** |
| Share in earnings (loss) of unconsolidated associated companies | 47 | 24 | 97.3 | 3 | 2 | 71.9 |
| Interest Expense | 0 | 372 | (100.0) | (0) | 25 | -- |
| Interest (Income) | (21) | (16) | 31.5 | (1) | (1) | 10.1 |
| Other Financial Expenses, net | 75 | 70 | 7.1 | 4 | 5 | (9.2) |
| Foreign Exchange Loss (Income) | (39) | 527 | -- | (2) | 35 | -- |
| Net financial cost | 15 | 953 | (98.5) | 1 | 63 | (98.1) |
| **Income (loss) before Tax** | **902** | **(573)** | -- | **50** | **(38)** | -- |
| Income Tax | 200 | (240) | -- | 12 | (16) | -- |
| **Net income (loss) from continuing operations** | **702** | **(333)** | -- | **38** | **(22)** | -- |
| Net Income (loss) from discontinued operations | - | 466 | -- | - | 31 | -- |
| **Net income (loss)** | **702** | **133** | 429.3 | **38** | **9** | 335.1 |
| Net Income (loss) attributable to controlling interest | 721 | 161 | 348.3 | 39 | 11 | 268.2 |
| Net Income (loss) attributable to noncontrolling interest | (19) | (28) | (33.6) | (1) | (2) | (46.4) |

## VITRO, S.A.B. DE C.V. AND SUBSIDIARIES

### SEGMENTED INFORMATION

FOR THE FOLLOWING PERIODS, (MILLION)

| | First Quarter | | | | | |
|---|---|---|---|---|---|---|
| | Nominal Pesos | | | Nominal Dollars | | |
| | 2016 | 2015 | % | 2016 | 2015 | % |
| **GLASS CONTAINERS** | | | | | | |
| Net Sales | 1,210 | 640 | *88.9%* | 68 | 43 | *59.5%* |
| Intercompany Sales | 2 | 1 | *243.7%* | 0 | 0 | *194.0%* |
| Net Sales to third parties | 1,208 | 640 | *88.8%* | 68 | 42 | *59.3%* |
| EBIT (4) | 287 | 100 | *187.9%* | 16 | 7 | *141.1%* |
| Margin (1) | 23.8% | 15.6% | | 23.5% | 15.6% | |
| EBITDA (4) | 340 | 170 | *100.4%* | 19 | 11 | *69.0%* |
| Margin (1) | 28.1% | 26.5% | | 28.0% | 26.5% | |
| **Glass containers volumes (MM Pieces)** | | | | | | |
| Domestic | 108 | 100 | *7.7%* | | | |
| Exports | 132 | 114 | *15.1%* | | | |
| Total:Dom.+Exp. | 240 | 215 | *11.6%* | | | |
| **FLAT GLASS** | | | | | | |
| Net Sales | 2,854 | 2,378 | *20.1%* | 160 | 158 | *1.5%* |
| Intercompany Sales | 0 | 1 | | 0 | 0 | *-74.5%* |
| Net Sales to third parties | 2,854 | 2,377 | *20.1%* | 160 | 158 | *1.5%* |
| EBIT (4) | 576 | 227 | *153.2%* | 32 | 15 | *114.8%* |
| Margin (1) | 20.2% | 9.6% | | 20.2% | 9.5% | |
| EBITDA (4) | 726 | 371 | *95.8%* | 41 | 25 | *65.9%* |
| Margin (1) | 25.4% | 15.6% | | 25.4% | 15.6% | |
| **Flat Glass Volumes (Thousand m2R) (2)** | | | | | | |
| Const + Auto | 31,720 | 28,062 | *13.0%* | | | |
| Soda Ash (Thousand Tons) | 146 | 159 | *-8.2%* | | | |
| **CONSOLIDATED (3)** | | | | | | |
| Net Sales | 4,109 | 3,035 | *35.4%* | 230 | 201 | *14.4%* |
| Intercompany Sales | - | - | -- | - | - | -- |
| Net Sales to third parties | 4,109 | 3,035 | *35.4%* | 230 | 201 | *14.4%* |
| EBIT (4) | 861 | 355 | *142.8%* | 48 | 23 | *105.2%* |
| Margin (1) | 20.9% | 11.7% | | 20.9% | 11.6% | |
| EBITDA (4) | 1,060 | 565 | *87.4%* | 59 | 37 | *58.6%* |
| Margin (1) | 25.8% | 18.6% | | 25.8% | 18.6% | |

(1) EBIT and EBITDA Margins consider Consolidated Net Sales.

(2) m2R = Reduced Squared Meters

(3) Includes corporate companies and other's sales and EBIT.

(4) EBIT and EBITDA are presented before other expenses (income) effect

# CONSOLIDATED

**"Presented for informative purposes with comparable amounts"**

## VITRO, S.A.B. DE C.V. AND SUBSIDIARIES
## CONSOLIDATED FINANCIAL POSITION

| FINANCIAL POSITION | Nominal Pesos 1Q'16 | Nominal Pesos 1Q'15 | % Var. | Nominal Dollars 1Q'16 | Nominal Dollars 1Q'15 | % Var. |
|---|---|---|---|---|---|---|
| Cash & Cash Equivalents | 7,633 | 2,588 | *195.0* | 443 | 170 | *161.2* |
| Trade Receivables | 2,328 | 1,843 | *26.3* | 135 | 121 | *11.8* |
| Inventories | 2,234 | 2,105 | *6.1* | 130 | 138 | *(6.0)* |
| Other Current Assets | 515 | 782 | *(34.1)* | 30 | 51 | *(41.6)* |
| Assets held for sale and descontinuated operations | 21 | 3,289 | *(99.4)* | 1 | 215 | *(99.4)* |
| **Total Current Assets** | **12,731** | **10,606** | *20.0* | **739** | **695** | *6.3* |
| Property, Plant & Equipment | 9,436 | 8,485 | *11.2* | 548 | 556 | *(1.5)* |
| Deferred Assets | 3,418 | 7,573 | *(54.9)* | 198 | 496 | *(60.0)* |
| Other Long-Term Assets | 1,183 | 518 | *128.2* | 69 | 34 | *102.1* |
| Investment in Affiliates [2] | 1,452 | 1,170 | *24.0* | 84 | 77 | *9.8* |
| Assets LT held for sale and in liquidation process | (0) | 7,295 | -- | (0) | 478 | -- |
| **Total Non Current Assets** | **15,488** | **25,043** | *(38.2)* | **899** | **1,641** | *(45.2)* |
| **Total Assets** | **28,219** | **35,649** | ***(20.8)*** | **1,637** | **2,335** | ***(29.9)*** |
| Short-Term & Current Debt | 6 | 4,249 | *(99.9)* | 0 | 278 | *(99.9)* |
| Trade Payables | 1,024 | 535 | *91.3* | 59 | 35 | *69.4* |
| Other Current Liabilities | 2,435 | 2,401 | *1.4* | 141 | 157 | *(10.2)* |
| Liabilities ST from group of assets in liquidation process | (0) | 1,713 | -- | (0) | 112 | -- |
| **Total Current Liabilities** | **3,465** | **8,899** | *(61.1)* | **201** | **583** | *(65.5)* |
| Long-Term Debt | 0 | 13,509 | *(100.0)* | 0 | 885 | *(100.0)* |
| Employee benefits | - | 467 | -- | - | 31 | -- |
| Other LT Liabilities | 3,934 | 4,017 | *(2.1)* | 228 | 263 | *(13.3)* |
| Liabilities LT from group of assets in liquidation process | - | 532 | -- | - | 35 | -- |
| **Total Non Current Liabilities** | **3,934** | **18,525** | *(78.8)* | **228** | **1,214** | *(81.2)* |
| **Total Liabilities** | **7,399** | **27,423** | *(73.0)* | **429** | **1,797** | *(76.1)* |
| Controlling interest | 19,308 | 6,846 | *182.0* | 1,096 | 435 | *152.1* |
| Noncontrolling interest | 1,512 | 1,380 | *9.6* | 112 | 104 | *7.7* |
| **Total Shareholders Equity** | **20,820** | **8,226** | *153.1* | **1,208** | **539** | *124.2* |

| FINANCIAL INDICATORS[1] | 1Q'16 | 1Q'15 |
|---|---|---|
| Debt/EBITDA (LTM, times) | 0.0 | 9.2 |
| EBITDA/ Interest. Exp. (LTM, times) | 5.1 | 1.5 |
| Debt / (Debt + Equity) (times) | 0.0 | 0.7 |
| Debt/Equity (times) | 0.0 | 2.2 |
| Total Liab./Stockh. Equity (times) | 0.4 | 3.3 |
| Curr. Assets/Curr. Liab. (times) | 3.7 | 1.2 |
| Sales (LTM)/Assets (times) | 0.6 | 0.4 |
| EPS (Ps$) (YTD)* | 1.5 | 0.3 |

* Based on weighted average outstanding shares year to date

| OTHER INFORMATION | 1Q'16 | 1Q'15 |
|---|---|---|
| # Shares Issued (thousands) | 483,571 | 483,571 |
| # Weighted Average Shares Outstanding (thousands) | 483,126 | 483,126 |
| # Employees | 10,535 | 10,937 |

(1) Financial ratios are calculated using figures in dollars.

(2) Investment in Affiliates includes 49.7% participation in Comegua under the equity method.