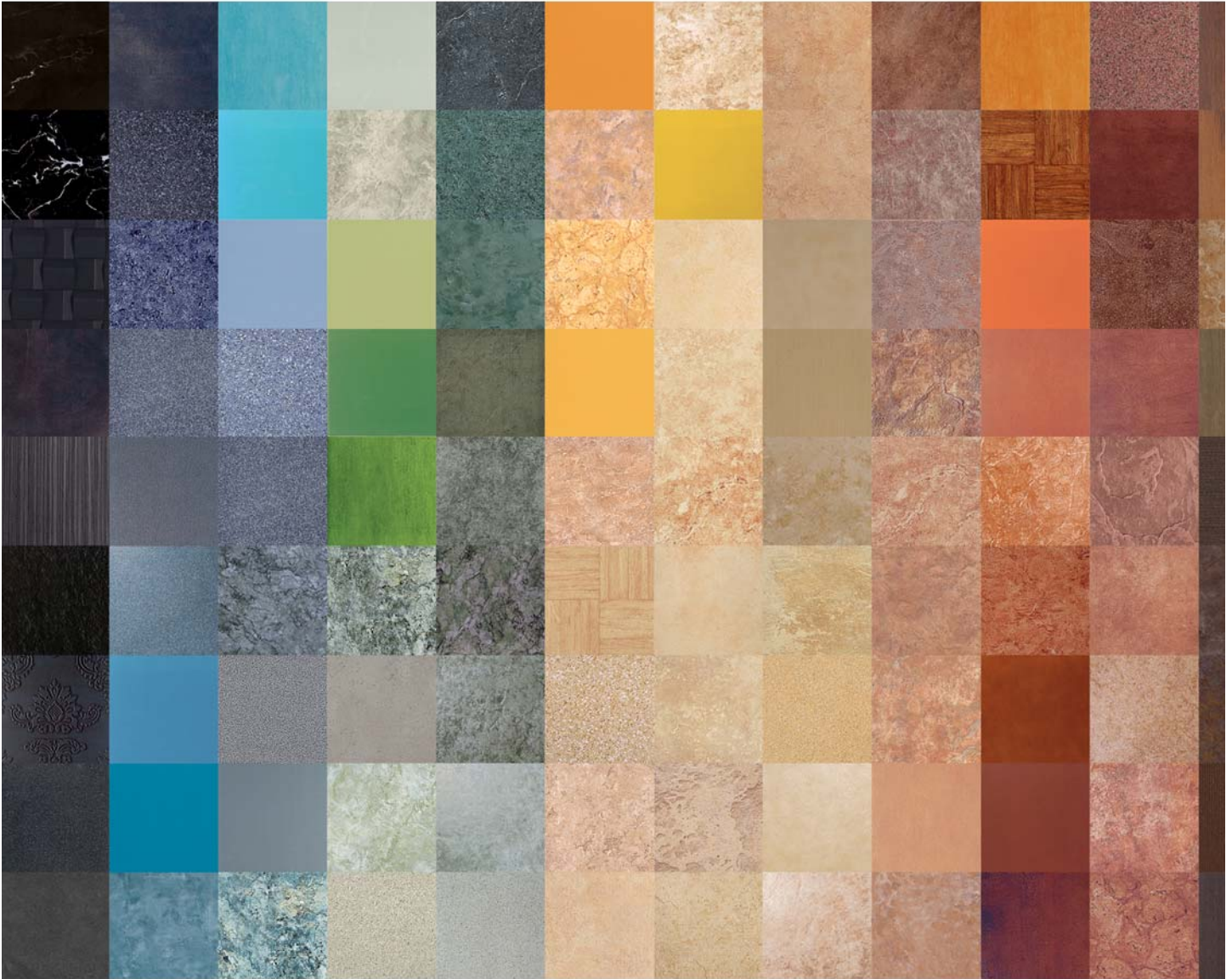


2010

SECOND QUARTER



This document contains forward-looking statements which reflect the Company's views about future events and financial performance. Actual events and results could differ materially from these statements. Readers are cautioned not to place undue reliance on these forward looking statements, which speaks only of their dates and the Company undertakes no obligation to update or revise any of them.

Interceramic Reports Second Quarter Results

Markedly improved results in the second quarter of 2010 for Interceramic indicate solid signs of recovery for the company. With consolidated sales for the quarter reaching US \$112.7 million, we posted our highest level of sales since the third quarter of 2008 and a 10.6 percent increase over sales of US \$101.9 million in the second quarter of 2009. Gross income for the quarter grew by an even greater margin, up 25.4 percent to US \$41.4 million in the second quarter of 2010 compared to US \$33.0 million in the same quarter last year. Our operating income climbed significantly during the quarter, up to US \$6.8 million—our highest operating income figure for a quarter since 2007 and a considerable increase over operating income of US \$0.7 million in the second quarter of 2009. Even more encouraging, operating income for the quarter was almost 200 percent better than what we achieved during the first quarter of this year. Interceramic's operating margin also hit levels not seen since 2007, and at 6.0 percent was 5.3 points higher than an operating margin of just 0.7 percent in the second quarter last year. The company's EBITDA for the second quarter of the year was US \$12.7 million, an increase of 83.7 percent over EBITDA of US \$6.9 million in the second quarter of 2009. These much improved results were reflected in our key financial ratios, with our debt service coverage ratio jumping to 3.7 times at the end of the second quarter of the year, better than the 2.7 times at the end of the second quarter of 2009 and the ratio of debt to EBITDA declined to 3.7 as opposed to 7.0 last year.

There is no doubt that the better financial results stem mainly from improved conditions, substantially all of which is occurring in Mexico. We have been pleasantly surprised over the past couple of years at the resiliency of the tile markets in Mexico in the face of the global economic recession, however, conditions in Mexico have unfortunately been dampened by the ongoing stress of poor performance in the United States. The impact of the financial crisis and the construction downturn was much greater initially in the United States than in Mexico, and it seems that recovery there will take considerably longer. We have retrenched and consolidated significantly in the United States in an attempt to reduce our costs and expenses as much as possible as we await true improvement in market conditions. On a company-wide basis, we have put great focus on reduction of production costs, expenses and increased operating efficiencies, with those efforts bearing fruit in the company's recent results. In an exciting development, during the second quarter of 2010 we signed a Memorandum of Understanding for a joint venture agreement with Guandong Kito Ceramics Co., Ltd pursuant to which the joint venture will produce and market in China a new "ICC" or "Interceramic China" brand of ceramic tile. Initial plans call for an almost 22,000 square feet showroom in Foshan, China to display and sell products of higher design and quality than are now commonly found in China.

Taking a look at the first half of this year compared to last, consolidated sales increased by 9.3 percent in the first half of 2010 compared to the first half of 2009, up to US \$215.9 million from US \$197.4 million. Gross income for the first six months of 2010 was US \$77.7 million, an increase of 23.3 percent over gross income of US \$63.0 million in the first semester of last year. Operating income, which in the first half of 2009 was a loss of US \$1.6 million, rose to US \$9.2 million in the first half of this year, and EBITDA for the first semester of 2010 reached US \$21.1 million, growing by 100.2 percent over EBITDA of US \$10.6 million in the first half of 2009.

As noted, Mexico has proven key to Interceramic's recovery, and indeed the company's ability to ride out the past two years of severe economic downturn. In the second quarter of 2010, Mexican sales were up 9.6 percent over the second quarter of 2009, at \$895.7 million pesos compared to \$817.2 million pesos. Looking at the first semester of 2010, at \$1,746.8 million pesos sales grew by 6.8 percent over Mexican sales of \$1,635.2 million pesos in the first half of 2009. Results in the United States remain comparatively poor, although still better than in preceding periods up to 2008. International sales for the second quarter of 2010 were US \$41.9 million and compared to second quarter 2009 sales of US \$40.7 million, grew by a modest 3.0 percent. Comparing the six month periods, in 2010 our United States sales were US \$78.1 million, a 1.6 percent decrease from the US \$79.4 million posted in the first six months of last year.

We at Interceramic are very encouraged by our palpable movement towards sustained recovery. Despite the economic and other difficult conditions that continues to trouble the country, Interceramic is prospering in Mexico. While we will not take our eye off the ball in our Mexican efforts, our prime focus is to work on bringing our United States operations into comparable success. As we have reported earlier, we have closed a number of our company-owned distribution facilities in the United States and consolidated operations at more profitable and efficient locations. We will continue to look at reductions where appropriate and positioning Interceramic for growth in the United States on the day that recovery takes hold there. As always, we thank our investors, our customers and our employees for their continued support.

Oscar E. Almeida
Honorary Chairman

Víctor D. Almeida
Chairman of the Board & CEO

RELEVANT FINANCIAL INFORMATION

INCOME STATEMENT (Thousands of Nominal US Dollars, except per Share data)	Apr-Jun'10	Apr-Jun'10 Vs. Apr-Jun '09	Jan-Jun '10	Jan-Jun'10 Vs. Jan-Jun '09
Net Sales	112,677	10.6%	215,886	9.3%
Cost of goods sold	(71,326)	3.5%	(138,183)	2.8%
Gross Income	41,350	25.4%	77,703	23.3%
Operating Expenses	(34,550)	7.2%	(68,486)	6.0%
Operating Income	6,801	N.A.	9,217	N.A.
Integral Cost of Financing	(6,568)	N.A.	(1,347)	(157.0%)
Interest Expense	(2,289)	(11.0%)	(4,734)	(6.0%)
Interest Income	321	12.8%	645	21.4%
Foreign Exchange Gain (Loss)	(4,599)	(142.8%)	2,741	(60.1%)
Other Expenses, Net	(529)	13.0%	(887)	(31.4%)
Income Tax	(2,551)	68.1%	(5,092)	74.0%
Deferred Income Tax	(59)	(123.3%)	(118)	N.A.
Minority Income	1,027	N.A.	1,791	N.A.
Net Majority Income	(3,934)	(155.4%)	(18)	(99.5%)
Weighted Average Number of Shares Outstanding (Thousands)	162,664	0.0%	162,664	0.0%
EPS	(0.02)	(155.4%)	(0.00)	(99.5%)

BALANCE SHEET (Thousands of Nominal US Dollars)	June 2010	June '10 Vs. June '09
Current Assets	196,629	(3.1%)
Cash Equivalents	25,253	(7.4%)
Fixed Assets	149,580	(12.6%)
Other non-current Assets	19,141	6.8%
TOTAL ASSETS	365,350	(6.8%)
Short-term Bank Debt	15,275	(38.5%)
Other short-term Liabilities	46,558	4.3%
Long-term Bank Debt	138,875	(9.7%)
Deferred Taxes	32,457	(13.6%)
Other long-term Liabilities	5,781	16.5%
TOTAL LIABILITIES	238,946	(10.1%)
Majority Shareholders' Equity	108,050	2.0%
Minority Interest	18,355	(9.1%)
TOTAL SHAREHOLDERS' EQUITY	126,405	0.3%

Note: "Unless otherwise indicated, all financial information are in accordance with Norms for Financial Information as determined by the "Consejo Mexicano para la Investigacion y Desarrollo de Normas de Informacion Financiera, A.C. (CINIF)", and for purposes of clarity, information is also presented in nominal US Dollars dividing the nominal pesos for each month by the applicable average exchange rate for that month."

RELEVANT FINANCIAL INFORMATION

INCOME STATEMENT (Thousands of Pesos except per Share data)	Apr-Jun'10	Apr-Jun'10		Jan-Jun '10	Jan-Jun'10	
		Vs.	Apr-Jun '09		Vs.	Jan-Jun '09
Net Sales	1,425,643	4.8%		2,737,524	0.0%	
Cost of goods sold	(902,511)	(1.9%)		(1,752,371)	(6.0%)	
Gross Income	523,132	18.9%		985,153	12.8%	
Operating Expenses	(436,895)	1.5%		(868,794)	(3.2%)	
Operating Income	86,237	N.A.		116,360	N.A.	
Integral Cost of Financing	(85,098)	N.A.		(19,946)	N.A.	
Interest Expense	(28,992)	(15.5%)		(60,189)	(13.8%)	
Interest Income	4,060	7.0%		8,178	11.1%	
Foreign Exchange Gain (Loss)	(60,166)	N.A.		32,066	(61.7%)	
Other Expenses, Net	(6,718)	6.7%		(11,322)	(37.3%)	
Income Tax	(32,251)	59.2%		(64,597)	59.2%	
Deferred Income Tax	(750)	(122.1%)		(1,500)	N.A.	
Minority Income	13,007	N.A.		22,743	N.A.	
Net Majority Income	(51,586)	(154.0%)		(3,748)	(94.5%)	
Weighted Average Number of Shares Outstanding (Thousands)	162,664	0.0%		162,664	0.0%	
EPS	(0.32)	(154.0%)		(0.02)	(94.5%)	

BALANCE SHEET (Thousands of Pesos)	June 2010	June '10	
		Vs.	June '09
Current Assets	2,524,717	(5.6%)	
Cash Equivalents	324,244	(9.8%)	
Fixed Assets	1,920,604	(14.8%)	
Other non-current Assets	245,776	4.1%	
TOTAL ASSETS	4,691,098	(9.2%)	
Short-term Bank Debt	196,125	(40.1%)	
Other short-term Liabilities	597,802	1.7%	
Long-term Bank Debt	1,783,155	(12.1%)	
Deferred Taxes	416,747	(15.8%)	
Other long-term Liabilities	74,234	13.5%	
TOTAL LIABILITIES	3,068,063	(12.4%)	
Majority Shareholders' Equity	1,387,360	(0.6%)	
Minority Interest	235,675	(11.5%)	
TOTAL SHAREHOLDERS' EQUITY	1,623,035	(2.3%)	