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INTERCERAMIC RELEASES FOURTH QUARTER 2014 RESULTS

Boosted by an outstanding fourth quarter, Interceramic ended 2014 with record annual sales, and while operating results for the year continued to be impaired a bit by expenses related to the opening of new stores and higher natural gas prices, the fourth quarter went far to repair this. For 2014, consolidated sales of Ps 7,208.9 million were 7.9 percent greater than those posted in 2013 of Ps 6,679.6 million. Nonetheless, the overall sales growth led to a 5.4 percent increase in gross income, from Ps 2,286.0 million in 2013 to Ps 2,409.5 million in 2014. Gross margin in 2014 was 33.4 percent, a slight dip from 2013's gross margin of 34.2 percent. Mexico led in sales growth, increasing by 10.1 percent from Ps 4,573.2 million in 2013 to Ps 5,034.4 million in 2014. In the International markets, sales declined to US \$163.1 million in 2014 from US \$164.0 million in 2013, a drop of less than one percent. Much of this is a result of our sale of the "IMC" granite and stone business in the United States during the third quarter of 2014.

For most of 2014, the higher expenses referenced earlier put a drag on operating results, and we ended the year with operating income of Ps 408.3 million which, compared to operating income of Ps 456.7 million in 2013, went down by 10.6 percent. Operating expenses for 2014 were Ps 2,017.8, a 10.3 increase over 2013, when they were Ps 1,828.9 million. Our operating margin fell to 5.7 percent for 2014 compared to an operating margin for 2013 of 6.8 percent. Buoyed by fourth quarter earnings however, Interceramic's EBITDA for 2014 was Ps 736.2 million, just 2.4 percent lower than 2013 EBITDA of Ps 754.6 million. Interceramic's net income for 2014 was Ps 107.0 million comprised of a net majority income of Ps 79.0 million and net minority income of Ps 28.0 million. In 2013, net income was Ps 430.6 million with net majority income being Ps 394.0 million and net minority income resting at Ps 36.6 million. As has frequently been the case, the swing in net income is primarily driven by currency fluctuations between the Mexican Peso and the United States Dollar, reflecting a non-cash loss. In 2013, this effect was a loss of Ps 26.1 million, while in 2014 the exchange loss was a materially larger Ps 169.8 million.

At the end of 2014, our debt service coverage ratio was 9.5 times compared to last year when it was 9.9 times. The Company's ratio of debt to EBITDA at the end of 2014 stood at 2.3 times as opposed to last year's ratio of 2.0.

Looking at the fourth quarter of 2014 over the same period in 2013, the outstanding progress made in the last quarter is readily apparent. Consolidated sales of Ps 1,944.0 million in the fourth quarter of 2014 rose by 14.2 percent over consolidated sales of Ps 1,702.6 million in the same quarter of 2013—a second successively quarterly record for Interceramic. Mexican sales for the quarter hit Ps 1,432.4 million which, when compared to fourth quarter 2013 sales in Mexico of Ps 1,209.1 million, showed a 18.5 percent increase. Comparing International sales over the same periods resulted in a decrease of 3.6 percent when measured in Dollars, from US \$38.0 million in 2013 to US \$36.6 million in the fourth quarter of 2014. The real star in these results is the Company's consolidated operating income, which at Ps 150.5 million for the fourth quarter of 2014 was a whopping 34.3 percent higher than the Ps 112.1 million recorded in the same period of 2013. Likewise, the Company's EBITDA rose to record levels, hitting Ps 238.6 million in the fourth quarter of 2014, up 25.1 percent over EBITDA of Ps 190.8 million in the same quarter of the prior year.

We are working hard to see that these gains are consolidated and pushed forward through 2015, and we are optimistic that 2015 may well be our best year yet. As always, we thank our investors, our customers and our employees for their continued support.

Víctor D. Almeida

Chairman of the Board & CEO

RELEVANT FINANCIAL INFORMATION

INCOME STATEMENT (Thousands of Pesos except per Share data)	Oct-Dec '14	Oct-Dec '14 Vs. Oct-Dec '13	Jan-Dec '14	Jan-Dec '14 Vs. Jan-Dec '13
	Net Sales	1,944,016	14.2%	7,208,933
Cost of goods sold	(1,296,310)	16.5%	(4,799,405)	9.2%
Gross Income	647,705	9.8%	2,409,528	5.4%
Operating Expenses	(507,244)	6.1%	(2,017,817)	10.3%
Other Expenses, Net	10,033	N.A.	16,608	N.A.
Operating Income	150,495	34.3%	408,319	(10.6%)
Interest Expense	(22,256)	16.5%	(77,147)	1.3%
Interest Income	1,078	(47.4%)	3,831	(59.4%)
Foreign Exchange Loss	(126,853)	N.A.	(169,797)	N.A.
Equity in Associated	3,000	(11.2%)	4,601	N.A.
Income Tax	47,836	(6.0%)	(117,427)	(8.8%)
Deferred Income Tax	52,363	(72.9%)	54,613	(72.1%)
Net Majority Income	91,564	(72.9%)	78,953	(80.0%)
Minority Income	14,099	13.7%	28,039	(23.4%)
Weighted Average Number of Shares Outstanding (Thousands)	162,664	0.0%	162,664	0.0%
EPS	0.56	(72.9%)	0.49	(80.0%)

BALANCE SHEET (Thousands of Pesos)	December 2014	Dec '14 Vs. Dec '13
Current Assets	3,178,959	9.9%
Cash Equivalents	349,511	90.2%
Fixed Assets	2,264,173	(4.7%)
Other non-current Assets	151,815	11.6%
TOTAL ASSETS	5,594,948	3.5%
Short-term Bank Debt	587,250	128.7%
Other short-term Liabilities	787,649	(6.0%)
Long-term Bank Debt	1,120,173	(7.4%)
Deferred Taxes	121,333	(23.1%)
Other long-term Liabilities	196,901	35.2%
TOTAL LIABILITIES	2,813,306	7.9%
Majority Shareholders' Equity	2,550,118	0.2%
Minority Interest	231,524	(7.0%)
TOTAL SHAREHOLDERS' EQUITY	2,781,642	(0.5%)