

# 2013

## FIRST 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 RELEASES FIRST QUARTER 2013 RESULTS

In the first quarter of 2013, Interceramic is pleased to have posted a steady increase in sales over last year. Consolidated sales of Ps 1,579.0 million for the first quarter of 2013 were 7.3 percent higher than consolidated sales of Ps 1,471.2 recorded in the first quarter of 2012. Operating income of Ps 92.9 million was just below the operating income of Ps 94.6 million recorded in the same quarter last year. The Company's EBITDA for the first quarter of 2013 was Ps 169.6 million, up 0.2 percent from first quarter 2012 EBITDA of Ps 169.4 million. Our debt service coverage ratio for the quarter at 9.7 was considerably better than the ratio of 8.2 at the end of the first quarter of 2012, while the Company's ratio of debt to EBITDA at the end of the first quarter of 2013 stood at 1.9, the same as the last quarter of 2012 but a reduction over the first quarter of 2012, when the same ratio was 2.3 times.

Given the improvement in the Company's financial performance over recent periods our borrowing costs have decreased materially, and during the first quarter of this year interest expense dipped to Ps 19.7 million compared to Ps 23.4 million in the same period last year, a reduction of 15.7 percent over the periods.

Net majority income for the first quarter of 2013 was Ps 76.5 million, and although a decrease of 53.2 percent over net majority income in the first quarter of 2012 of Ps 163.4 million, most of this resulted from a less favorable exchange rate gain over the periods (Ps 65.0 million this year compared to Ps 139.1 million last year) and the increase in income tax, with tax for the quarter of Ps 51.4 million exceeding last year's taxes in the first quarter of 35.5 million by 43.9 percent.

In Mexico, consolidated sales of Ps 1,084.4 million were 7.6 percent higher than the first quarter of 2012, when sales were Ps 1,007.8 million. Sales in the International markets were US \$39.1 million, 8.9 percent better than sales of US \$35.9 million in the first quarter of 2012.

Although not a spectacular start to the year, our results from the first quarter of 2013 are consistent with our expectations and bode well for the remainder of the year. As always, we at Interceramic want to thank our investors, our customers and our employees for their continued support.

**Víctor D. Almeida**  
Chairman of the Board & CEO

**RELEVANT FINANCIAL INFORMATION**

<b>INCOME STATEMENT</b> (Thousands of Pesos except per Share data)	<b>Jan-Mar'13</b>	<b>Jan-Mar'13</b> Vs. <b>Jan-Mar'12</b>
Net Sales	1,579,009	7.3%
Cost of goods sold	(1,047,063)	7.6%
Gross Income	531,946	6.8%
Operating Expenses	(434,782)	9.1%
Other Expenses, Net	(4,290)	(17.3%)
Operating Income	92,874	(1.8%)
Interest Expense	(19,685)	(15.7%)
Interest Income	2,013	(19.6%)
Foreign Exchange Gain (Loss)	65,034	(53.2%)
Equity in Associated	(3,793)	(1.9%)
Income Tax	(52,159)	43.9%
Deferred Income Tax	750	0.0%
Net Majority Income	76,481	(53.2%)
Minority Income	8,552	(14.9%)
Weighted Average Number of Shares Outstanding (Thousands)	162,664	0.0%
EPS	0.47	(53.2%)
<b>BALANCE SHEET</b> (Thousands of Pesos)	<b>March 2013</b>	<b>Mar '13</b> Vs. <b>Mar '12</b>
Current Assets	2,879,964	6.1%
Cash Equivalents	227,797	(24.1%)
Fixed Assets	2,330,611	4.9%
Other non-current Assets	140,151	13.9%
<b>TOTAL ASSETS</b>	<b>5,350,726</b>	<b>5.7%</b>
Short-term Bank Debt	195,217	42.3%
Other short-term Liabilities	726,691	33.0%
Long-term Bank Debt	1,387,246	(9.8%)
Deferred Taxes	344,283	2.0%
Other long-term Liabilities	144,430	25.4%
<b>TOTAL LIABILITIES</b>	<b>2,797,868</b>	<b>4.7%</b>
Majority Shareholders' Equity	2,287,764	8.2%
Minority Interest	265,094	(2.8%)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>2,552,858</b>	<b>6.9%</b>