Interceramic®

Internacional de Cerámica, S.A.B. de C. V.

Fourth Quarter 2007

SALES.- Record consolidated sales for 2007 were US $494.2 million, up 6.2 percent over sales of US $465.3 million for 2006

NEW STATE-OF-THE-ART PRODUCTION FACILITY: Interceramic commenced production at its latest, cutting edge new production facility at the Company's base in Chihuahua

Interceramic posts record sales in 2007

In an otherwise tumultuous year for the housing industry in the United States, Interceramic finished 2007 with consolidated sales of US $494.2 million, its highest annual sales to date and the 12th year in a row that the Company has topped sales for the preceding year. A number of other exciting developments occurred over the course of the year as well. In December, Interceramic commenced production at its latest, cutting edge new production facility at the Company's base in Chihuahua, Mexico. Built primarily to support the Company's growth and expansion and to replace some of the Company's older, higher cost production as well as to take advantage of rapidly developing new technology, this new plant has a production capacity of 7.8 million square meters of product a year, making it our largest single production facility. Taking into account the production being replaced, the opening of the new plant puts our total installed capacity at 37 million square meters. This new facility continues towards the transformation of our installed capacity to be the most modern, state of the art production, reducing costs and resulting in higher efficiency. The production that was replaced by part of the new plant, generated an extraordinary equipment write off of 6.6 millions that adversely impacted our financial results for the quarter.

Also during 2007, we completed our first acquisition in the United States in over a decade, purchasing the assets of a prominent Southwestern distributor of marble, granite and other stone products. Known as "IMC" for "International Marble Collection," this company had been in operation for over 30 years, first operating out of a flagship store in Dallas, Texas, but later expanding operations to Fort Worth, Texas, and Phoenix, Arizona. We have retained the existing locations and applied the moniker "Interceramic Marble Collection," which fits very neatly into our existing Company-owned distribution in the United States, and are looking to open a fourth "IMC" store in Las Vegas, Nevada. With more and more home owners and professionals turning to natural stone products for kitchen counters, vanity tops and other luxury applications, we believe the IMC acquisition to be a perfect fit, providing Interceramic with access to scores of new products and providing our customers with virtually everything possible for floor, wall and countertop applications.

In the United States, we continued over the course of 2007 to work on the expansion and upgrading of our Company-owned "Interceramic Tile and Stone Gallery" network. We expanded into the Kansas City, Missouri area with a new store, developed one new facility in Las Vegas, Nevada and completed a remodelling in El Paso, Texas. In Mexico, where we have had dedicated franchise and Company-owned distribution in place for about a decade, our network is functioning extremely well, and we spent the year fine-tuning details and focussing on customer service. While competition remains very fierce in the United States, we have really excelled in Mexico where we continue to increase market share.

In order to provide funds for the acquisition of IMC and a war-chest for one or more additional acquisitions that we have been considering, towards the end of 2007 we completed a new financing on generally favourable terms.

The consolidated sales of US $494.2 million for 2007 represented a 6.2 percent increase over sales in 2006 of US $465.3 million, and while our gross income was up slightly by 2.2 percent over 2006, gross margin suffered declining to 34.8 percent in 2007 from 36.2 percent last year. With increased expenses attributable to the development of our new stores and two new large distribution centers in the United States, improvement of our inventory control systems, operating income decreased by 31.9 percent from 2006, dipping to US $24.0 million from the US $35.3 million registered last year. Our operating margin reflected this decline, ending at 4.9 percent for the year compared to 7.6 percent in 2006. As might be expected, "EBITDA" for 2007 fell behind 2006, and at US $51.3 million stood 15.2 percent behind EBITDA of US $60.5 million last year.

Mexico remains very much a bright spot for us. Sales of US $296.5 million for 2007 bested 2006 sales of US $263.4 million by 12.6 percent. Our extremely unique, high profile presence across the entire country has served us well, ending the year with 226 franchise stores nationwide, as we continue to grow market share in Mexico.

The International markets were a different matter during 2007, with monster competition, the "sub-prime" housing crisis and recession speculation having made for some tough sledding. Nonetheless, we managed the difficult times relatively well, posting sales of US $197.7 million for the year, a 2.1 percent decrease over International sales of US $201.9 million in 2006. Although the outlook for 2008 remains uncertain, particularly in the United States, we anticipate that new sales generated by the IMC acquisition and the consolidation and improvement of our "Interceramic Tile and Stone Gallery" stores completed during 2007 will leave us better positioned to compete in the American markets over the coming year.

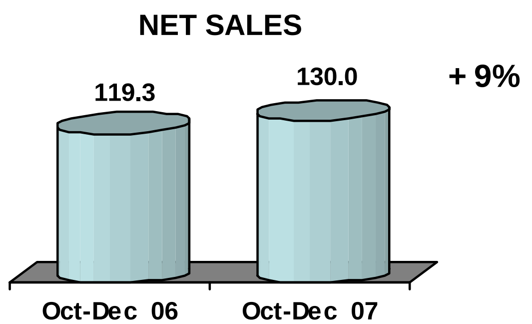
Results for the fourth quarter of 2007 pretty much mirror the overall year. Consolidated sales for the quarter were US $130.0 million, up 9.0 percent over sales of US $119.3 million for the fourth quarter of 2006. Operating income fell substantially, and at US $4.5 million was just about half of the US $9.0 million of operating income in the same quarter last year. Fourth quarter 2007 EBITDA slumped to US $11.7 million from the US $15.5 million recorded in the fourth quarter of 2006, a 24.3 percent decline.

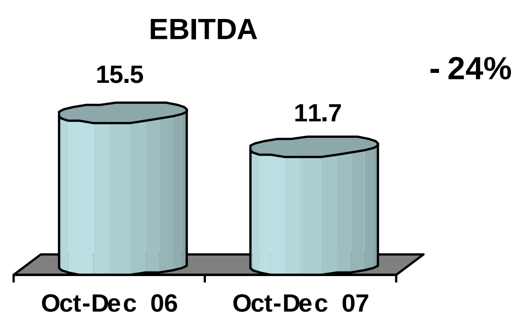
While 2007 did not turn out to be the year we at Interceramic had been hoping for, ongoing gains in Mexico and investments made over the course of 2007 in our International infrastructure give us confidence moving forward into 2008. We will continue to look for and assess opportunities to expand our Company-owned distribution in both markets and look to leverage the diversity that the IMC acquisition brings to our operations. As always, we thank our investors, our customers and our employees for their continued support.

Oscar E. Almeida
Chairman of the Board

Víctor D. Almeida
Chief Executive Officer

(MILLIONS OF NOMINAL U.S. DOLLARS)





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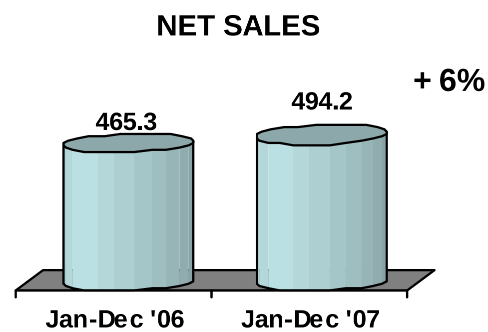

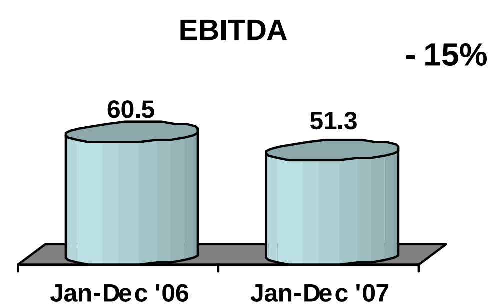

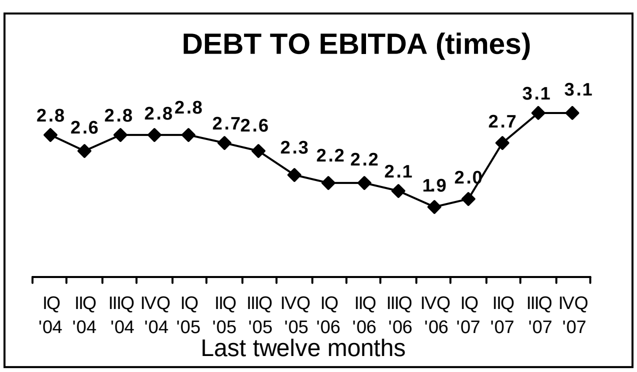

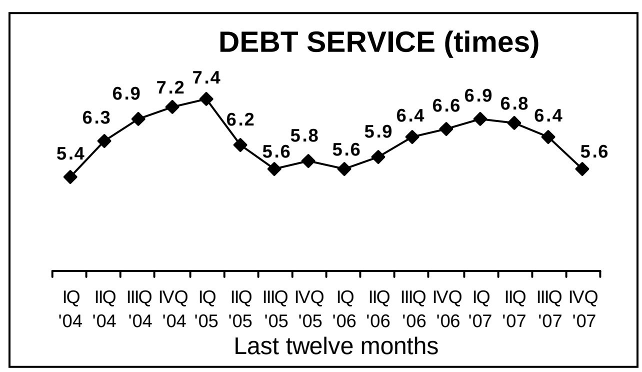

RELEVANT FINANCIAL INFORMATION

INCOME STATEMENT (Thousands of Nominal US Dollars, except per Share data)	Oct-Dec '07	Oct-Dec '07 Vs. Oct-Dec '06	Jan-Dec '07	Jan-Dec '07 Vs. Jan-Dec '06
Net Sales	129,970	9.0%	494,173	6.2%
Cost of goods sold	(85,459)	12.9%	(322,214)	8.5%
Gross Income	44,511	2.1%	171,960	2.2%
Operating Expenses	(39,980)	15.5%	(147,930)	11.3%
Operating Income	4,531	(49.5%)	24,030	(31.9%)
Integral Cost of Financing	(152)	(110.1%)	(4,435)	(30.7%)
Interest Expense	(3,518)	64.9%	(11,668)	11.9%
Interest Income	815	N.A.	2,482	86.9%
Foreign Exchange Gain (Loss)	463	(76.5%)	(23)	(98.5%)
Monetary Effect	2,087	24.0%	4,775	13.7%
Other Items	(6,763)	N.A.	(7,675)	454.6%
Income Tax and Employee Profit Sharing	(1,765)	68.4%	(5,461)	23.7%
Deferred Income Tax	706	N.A.	53	(95.6%)
Minority Income	1,150	81.8%	3,991	(11.0%)
Net Majority Income	(4,593)	(156.5%)	2,521	(87.3%)
Weighted Average Number of Shares Outstanding (Thousands	162,664	0.0%	162,664	0.0%
EPS (as traded in the BMV)	(0.03)	(156.5%)	0.02	(87.3%)

BALANCE SHEET (Thousands of Nominal US Dollars)	Dec '07	Dec 2007 Vs. Dec 2006
Current Assets	235,570	16.7%
Cash Equivalents	20,558	17.5%
Fixed Assets	235,098	10.6%
Other non-current Assets	21,922	19.1%
TOTAL ASSETS	492,589	13.8%
Short-term Bank Debt	8,408	N.A.
Other short-term Liabilities	66,525	29.6%
Long-term Bank Debt	152,075	26.7%
Deferred Taxes	44,140	15.8%
Other long-term Liabilities	5,558	(16.3%)
TOTAL LIABILITIES	276,706	28.0%
Majority Shareholders' Equity	188,241	(0.9%)
Minority Interest	27,642	3.6%
TOTAL SHAREHOLDERS' EQUITY	215,883	(0.4%)

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 as of December 2007 except per Share data)	Oct-Dec '07	Oct-Dec '07 Vs. Oct-Dec '06	Jan-Dec '07	Jan-Dec '07 Vs. Jan-Dec '06
Net Sales	1,419,458	4.8%	5,503,423	2.4%
Cost of goods sold	(933,291)	8.6%	(3,587,799)	4.6%
Gross Income	486,167	(1.8%)	1,915,624	(1.4%)
Operating Expenses	(436,619)	11.1%	(1,647,516)	7.4%
Operating Income	49,548	(51.4%)	268,108	(34.2%)
Integral Cost of Financing	(1,853)	(111.0%)	(50,617)	(34.7%)
Interest Expense	(38,425)	58.5%	(129,752)	7.6%
Interest Income	8,908	N.A.	27,577	78.8%
Foreign Exchange Gain (Loss)	4,849	(78.0%)	(1,400)	(93.1%)
Monetary Effect	22,814	19.2%	52,958	10.4%
Other Items	(73,724)	N.A.	(84,055)	413.0%
Income Tax and Employee Profit Sharing	(19,265)	117.4%	(60,979)	19.9%
Deferred Income Tax	7,675	N.A.	524	(96.3%)
Minority Income	12,554	74.7%	44,413	(14.3%)
Net Majority Income	(50,172)	(154.5%)	28,568	(87.3%)
Weighted Average Number of Shares Outstanding (Thousands)	162,664	0.0%	162,664	0.0%
EPS (as traded in the BMV)	(0.31)	(154.5%)	0.18	(87.3%)

BALANCE SHEET (Thousands of Pesos as of December 2007)	Dec '07	Dec 2007 Vs. Dic 2006
Current Assets	2,567,708	12.3%
Cash Equivalents	224,083	13.0%
Fixed Assets	2,562,563	6.4%
Other non-current Assets	238,950	14.6%
TOTAL ASSETS	5,369,221	9.5%
Short-term Bank Debt	91,652	N.A.
Other short-term Liabilities	725,121	24.7%
Long-term Bank Debt	1,657,618	21.9%
Deferred Taxes	481,124	11.4%
Other long-term Liabilities	60,577	(19.5%)
TOTAL LIABILITIES	3,016,092	23.2%
Majority Shareholders' Equity	2,051,829	(4.7%)
Minority Interest	301,300	(0.3%)
TOTAL SHAREHOLDERS' EQUITY	2,353,130	(4.1%)

Note: Pursuant to Bulletin B-15 financial statements previously reported have been restated to take into account a common actualization factor determined by weighting the Company's respective sales in Pesos and Dollars, each as effected by inflation and devaluation in the applicable currencies. This factor for the 12 month period from January 2007 to December 2007 was 4.11% compared to the inflation for the same period of 3.76%.