ELEMENTIA ANNOUNCES FOURTH QUARTER 2018[1] RESULTS

Mexico City, February 20, 2019 - Elementia, S.A.B. de C.V. (BMV: ELEMENT*) ("the Company", or "Elementia") announced today its financial and operating results for the fourth quarter ("4Q18") and twelve months ended December 31, 2018 ("2018"). Figures in this report are unaudited and have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). Figures are stated in nominal Mexican pesos ($)[2].

Main Highlights

- During 4Q18, Elementia reported 7% and 11% growth in consolidated revenues and EBITDA, respectively. These results reflect the recovery of clients in Cement U.S., the breakeven point reached at the Indiana facility in Building Systems U.S. and the completion of the learning curve from changes in production technology in Building Systems LatAm.
- On October 22, 2018, the Company approved a capital increase through a Rights Offering in which 120 million shares were issued at a price of $12.50 per share, increasing the Company's capital by $1.5 billion. The proceeds were allocated towards the prepayment of short and long-term debt.
- Cash flow generation before CAPEX as of December 31, 2018 was $2,437 million, representing 61% of EBITDA.
- Leverage ratio was 3.49x in 4Q18.

The Company's strategic focus for 2018 was based on the following points:

1) Finishing the ramp-up of the cement capacity expansion in Mexico	• Completed	
2) Continue integrating Giant 3) and recovery of clients in South Carolina facility	• Progress according to plans • Completed	
4) Start-up of operations and ramp-up of Costa Rica's grinding facility	• Progress according to plans	
5) Start-up of operations and ramp-up of the Indiana facility	• Reached breakeven point in 4Q18	
6) Building Systems LatAm transition due to technology changes	• Learning curve completed in 4Q18	

[1] Elementia's 4Q18 earnings conference call will take place on February 21, 2019. Dial-in information can be found in the annexes of this document. The report, transcript and audio of the results can be downloaded at www.elementia.com.
[2] For further details, please see the full disclaimer.

Operating and financial highlights

MXN millions	Fourth quarter 2018	Fourth quarter 2017	Δ%	January - December 2018	January - December 2017	Δ%
Consolidated Cement BU volume	1,232	1,163	6%	4,794	4,411	9%
Consolidated Metal products BU volume	11	13	(13%)	56	59	(4%)
Consolidated Building systems BU volume	161	201	(20%)	825	873	(5%)
Net Sales	6,205	5,777	7%	27,317	23,729	15%
Cost of sales	4,596	4,105	12%	20,532	17,103	20%
Gross profit (loss)	1,609	1,672	(4%)	6,785	6,626	2%
% of net sales	26%	29%	(3.0 pp)	25%	28%	(3.1 pp)
Operating expenses	1,045	1,068	(2%)	4,547	4,107	11%
Operating income (loss)	564	604	(7%)	2,238	2,519	(11%)
% of net sales	9%	10%	(1.4 pp)	8%	11%	(2.4 pp)
EBITDA	1,009	908	11%	4,015	4,011	0%
% of net sales	16%	16%	0.5 pp	15%	17%	(2.2 pp)
Comprehensive financing result, net	(380)	(472)	(19%)	(1,495)	(1,247)	20%
Income (loss) before income taxes	184	132	39%	743	1,272	(42%)
Income tax	50	(53)	(194%)	675	702	(4%)
Income (loss) from continued operations	134	185	(28%)	68	570	(88%)
Income (loss) from discontinued operations	(425)	69	(716%)	(487)	332	(247%)
Net Income (loss)	(291)	254	(215%)	(419)	902	(146%)
Working Capital	3,974	4,609	(14%)			
Recievables, net	3,445	3,790	(9%)			
Inventories, net	5,220	5,589	(7%)			
Payables	4,691	4,770	(2%)			
Free Cash Flow	(385)	(1,500)	(74%)			
Operating	2,368	1,587	49%			
Investments	(1,583)	(2,612)	(39%)			
Financing	(1,170)	(475)	146%			
Cash and cash equivalents	2,116	2,715	(22%)			
Total Debt	16,091	17,065	(6%)			
Employees	6,459	6,779	(5%)			

Net sales

For 4Q18, consolidated net sales reached $5,977 million, up 6% compared to $5,629 million in 4Q17, mainly due to higher prices in Metal Products and higher sales volume in U.S. Building Systems.

Net sales per business unit

MXN millions	4Q18	4Q17	Δ% Year/Year
Cement Mexico	1,279	1,248	2%
Cement United States	1,133	1,045	8%
Cement Central America	96	-	-
Metal Products	1,949	1,767	10%
Building Systems United States	838	662	27%
Building Systems LatAm	682	907	(25%)
Total Elementia [1]	5,977	5,629	6%

1) Does not include holding and eliminations

Net sales per destination

MXN millions	4Q18	4Q17	Δ% Year/Year
United States	2,526	2,023	25%
Mexico	2,653	2,920	(9%)
Central America	241	281	(14%)
South America	689	781	(12%)
Rest of the World	96	92	4%
Total Elementia [1]	6,205	6,098	2%

1) Does not include holding and eliminations

Operating Income

In 4Q18, operating income reached $564 million, a 7% decline compared to $604 million in 4Q17, derived from higher costs in U.S. Cement, as well as to the combined negative effects of reference copper price and exchange rate fluctuations in the Metal Products Business Unit.

EBITDA

Consolidated EBITDA increased 11% to $1,009 million in 4Q18, mainly driven by Building Systems LatAm, U.S. Cement and U.S. Building Systems, which outweigh the contractions reported in Metal Products. However, the EBITDA margin was 16% in 4Q18, an increase of 54 basis points compared to 4Q17. EBITDA in 4Q18 was up by 2% compared to 3Q18 despite winter seasonality.

MXN millions	4Q18	3Q18	4Q17	Δ% Q/Q	Δ% Year/Year
Cement Mexico	588	611	583	(4%)	1%
Cement United States	177	204	110	(13%)	61%
Cement Central America	22	7	-	214%	100%
Metal Products	97	97	231	0%	(58%)
Building Systems United States	50	54	26	(7%)	92%
Building Systems LatAm	114	58	(31)	97%	468%
Total Elementia [1]	1,048	1,031	919	2%	14%

1) Does not include holding and eliminations

Financing Result

MXN millions	Fourth quarter			January - December		
	2018	2017	Δ%	2018	2017	Δ%
Interest income	(18)	(11)	64%	(49)	(33)	48%
Interest expense	401	348	15%	1,530	1,082	41%
Bank commissions	19	65	(71%)	78	126	(38%)
Net exchane loss (profit)	(22)	70	(131%)	(64)	72	(189%)
Total comprehensive financing cost, net	380	472	(19%)	1,495	1,247	20%

Integral cost of financing – net as of December 31, 2018 increased 20% as a result of the increase in TIIE and LIBOR interest rates, as well as to a higher gap between interest rates for peso and dollar-denominated debt. Given that 56% of our debt is denominated in pesos, the Company reported a significant increase in this expense line despite having over 70% of our debt at fixed rates. Additionally, the Company had a foreign exchange benefit from hedges.

Income Tax

Income and deferred taxes totaled $50 million in 4Q18, an increase of $103 million compared to the $53 million reported in the same period of 2017 due to the end of previous fiscal loss deductions at Cement Mexico, a decrease in operating income and an increase in the cost of financing.

For the twelve months ended December 31, 2018, this line item reported a decline of 4% shifting from $702 million in 2017 to $675 million in 2018.

Apparent effective tax rate was 96% for 2018, which it is distorted by losses in profits before taxes for U.S. Cement, as well as to the Holding which holds most of the debt. Without these impacts, the effective tax rate was 32%.

Net Income

Net loss was $291 million in 4Q18, a decrease of 215% when compared to the $254 million reported in 4Q17. This was mainly due to higher losses from discontinued operations, a lower operating income and higher taxes. For further details, please refer to the "Discontinued Operations" Section.

Cash Flow

MXN millons	January - December 2018	2017	Δ%
EBITDA	**4,015**	**4,011**	**0%**
Change in working capital	634	(1,451)	(144%)
Cash taxes	(640)	(76)	741%
Interest, net	(1,495)	(1,057)	41%
Bank comisions	(78)	(130)	(40%)
Cash flow before Capex	**2,437**	**1,297**	**88%**
% of EBITDA	61%	32%	28.4 pp
Organic capex and Cement BU Expansions	(1,735)	(2,527)	(31%)
Free cash flow before financing	**702**	**(1,230)**	**(157%)**
Incurred (paid) debt	(957)	554	(273%)
Increase (decrease) in capital	1,497	-	100%
Sale (buy) stock buyback	(165)	(25)	560%
Free cash flow	**1,077**	**(701)**	**(254%)**

In 4Q18, free cash flow before CAPEX represented 61% of EBITDA and increased by $1,140 million due to $634 million coming from improvements in working capital.

CAPEX was down by 31% from $2,527 million in 2017 to $1,735 million in 2018.

The share repurchase fund increased $140 million, while bank debt decreased $957 million.

Capital increase

On October 22, 2018, we held a General Ordinary Shareholders' Meeting during which a capital increase was approved using the Rights Offering mechanism totaling $1.5 billion, to which 120,000,000 shareholders subscribed at a price of $12.50 per share. The capital increase was successfully completed in three phases:

(i) During the first period, which took place from November 12 to 26, 2018, 111,377,741 (one hundred and eleven million, three hundred and seventy-seven, seven hundred and forty-one) new shares were subscribed and paid for;

(ii) During the second subscription period, which took place from November 27 to 29, 2018, 7,858,078 (seven million, eight hundred and fifty-eight thousand, and seventy-eight) new shares were subscribed and paid for.

(iii) In accordance with the Shareholders' Meeting resolutions and as agreed upon by the Board of Directors, the remaining new shares not subscribed to or paid for in the first and second subscription periods, meaning 764,181 (seven hundred and sixty-four thousand, one hundred and eighty-one) were offered for subscription and payment exclusively to the controlling shareholders.

Due to the above, the Company's paid-in capital stock is now represented by a total of 1,212,179,775 ordinary shares, not expressed in nominal terms, of which 36,050,825 correspond to the minimum capital and 1,176,128,950 in variable capital.

These proceeds will be used to pay down short- and long-term liabilities.

Balance Sheet

MXN millions	Dec 2018	Dec 2017	Δ%
Cash and cash equivalents	2,116	2,715	(22%)
Receivables, net	3,445	3,790	(9%)
Inventories, net	5,220	5,589	(7%)
Other receivables and currents assets	2,592	1,892	37%
Current assets	**13,373**	**13,986**	**(4%)**
Other receivables, net	15	25	(40%)
Investment in associated companies and others	3	3	0%
Property, plant and equipment, net	31,763	32,163	(1%)
Intangible assets, net	5,341	5,641	(5%)
Deferred assets Tax	1,166	1,144	2%
Other assets	614	579	6%
Non- current assets	**38,902**	**39,555**	**(2%)**
Total assets	**52,275**	**53,541**	**(2%)**
Short term debt	466	270	73%
Payables	4,691	4,770	(2%)
Other current liabilities	1,791	2,559	(30%)
Current liabilities	**6,948**	**7,599**	**(9%)**
Long term debt	15,625	16,795	(7%)
Deferred taxes	2,956	3,018	(2%)
Other long term liabilities	1,444	1,477	(2%)
Long term liabilities	**20,025**	**21,290**	**(6%)**
Total liabilities	**26,973**	**28,889**	**(7%)**
Shareholders' Equity	**25,302**	**24,652**	**3%**
Equity attributable to owners of the Entity	**23,104**	**22,207**	**4%**
Capital stock	8,725	7,227	21%
Additional paid-in capital	7,579	7,579	0%
Retained earnings	5,686	6,051	(6%)
Other comprehensive income	1,114	1,350	(17%)
Non- controlling interest	**2,198**	**2,445**	**(10%)**
Total liabilities and shareholders' equity	**52,275**	**53,541**	**(2%)**

Information on debt

MXN millions	Dec 2018	Dec 2017
Short-term debt	466	270
Long-term debt	15,625	16,795
Total debt	16,091	17,065
Cash and cash equivalents	2,116	2,715
Net debt	13,975	14,350
Net financial expense	1,481	1,049
EBITDA LTM	4,015	4,011
Leverage ratio	3.48x	3.58x
Interest coverage ratio	2.71x	3.82x

	Fourth quarter	
Currency denomination	**2018**	**2017**
MXN	56%	57%
USD	44%	43%
Interest rate		
Fixed	75%	73%
Variable	25%	27%

During 2018, in line with the management's commitment to deleverage the Company to reach conservative leverage levels, Elementia decreased its short-term debt by $357 million and partially prepaid the intercompany loan in December by $600 million, for a total debt decrease of $957 million.

In 4Q18, net debt to trailing 12-month EBITDA ratio was 3.48x, complying with the covenants set by the financial institutions (3.75x≥ net debt/EBITDA). The interest coverage ratio was 2.71x, below the covenants set by bank agreements (3.00x≤ net interest/EBITDA). We have already requested a waiver to address the interest coverage ratio.

Approximately 97% of Elementia's gross debt is long-term with a highly comfortable payment schedule.

Discontinued Operations

- During the second quarter of 2018, and based on the market dynamics in Latin America, the Company made the decision to rationalize installed capacity at Building Systems LatAm, which implied that, during 3Q18 and 4Q18, the operations in Honduras, Guadalajara and Villahermosa in Mexico were closed; as such, these closings will be registered as "discontinued operations".
- Additionally, in line with market trends and in accordance to the migration to new technologies that offer advantages within the different stages of the value chain, the Company made the decision to discontinue production and sales of fiber-cement products based on natural fibers. Additionally, the galvanized steel sheet business was also discontinued. The aforementioned effects have an impact on the operations of Building Systems in Mexico, Bolivia, Ecuador and Colombia. As such, the closing of these operations will be registered as "discontinued operations".

	January - December		
MXN millons	**2018**	**2017**	**Δ%**
Income	370	1,984	(81%)
Cost of sales	523	1,451	(64%)
Gross profit (loss)	(153)	533	(129%)
Operating expenses	111	182	(39%)
Other expenses (income)	216	-	100%
Financial result, net	5	9	(40%)
Income (loss) before income taxes	(486)	341	(242%)
Income tax	1	10	(87%)
Income (loss)	(487)	332	(247%)

Operating Results by Business Unit

Cement Business Unit – Mexico

	Fourth quarter			January - December		
MXN millions	2018	2017	Δ%	2018	2017	Δ%
Net sales	1,279	1,247	3%	5,193	4,433	17%
Operating income (loss)	453	457	(1%)	1,928	1,575	22%
% of net sales	35%	37%	(1.2 pp)	37%	36%	1.6 pp
EBITDA	588	583	1%	2,430	1,947	25%
% of net sales	46%	47%	(0.8 pp)	47%	44%	2.9 pp
Δ% in sales volume	6%			17%		
Δ% in average price	(2%)			0%		

During 4Q18, net sales reached $1,279 million, up 3% compared to 4Q17, mainly due to additional volume obtained from the ramp-up of the capacity expansion.

EBITDA reached $588 million in 4Q18, representing an increase of $5 million or 1% compared to 4Q17 mainly as a result of the cost and expenses efficiency program, which offset the increase in cost of energy.

Cement Business Unit – United States

MXN millions	Fourth quarter 2018	Fourth quarter 2017	Δ%	January - December 2018	January - December 2017	Δ%
Net sales	1,133	1,045	8%	4,238	4,332	(2%)
Operating income (loss)	47	160	(71%)	(168)	92	(283%)
% of net sales	4%	15%	(11.2 pp)	(4%)	2%	(6.1 pp)
EBITDA	177	110	61%	327	527	(38%)
% of net sales	16%	11%	5.1 pp	8%	12%	(4.4 pp)
Δ% in sales volume	5%			(4%)		
Δ% in average price (USD)	(4%)			(0%)		

In 4Q18, net sales and EBITDA reached $1,133 million and $177 million, an increase of 8% and 61%, respectively compared to 4Q17.

During the quarter, the Company continued with the client recovery registered in 3Q18. Elementia's strategy to recover clients was concluded as planned and in fact improved as a result of the Company's sales strategy to offset the disruption experienced in March as a result of the work stoppage.

EBITDA margin significantly increased in 4Q18 compared to 4Q17, shifting from 11% to 16%, representing an increase of 5.1 percentage points derived from the outstanding management of operations and the team's commitment in the U.S., as well as to the production, sales and supply strategy that led to lower costs.

Cement Business Unit – Central America

MXN millions	Fourth quarter 2018	Fourth quarter 2017	Fourth quarter Δ%	January - December 2018	January - December 2017	January - December Δ%
Net sales	96			198		
Operating income (loss)	20			25		
% of net sales	21%	0%	20.8 pp	13%	0%	12.6 pp
EBITDA	22			30		
% of net sales	23%	0%	22.9 pp	15%	0%	15.2 pp
Δ% in sales volume	-			-		
Δ% in average price (USD)	-			-		

Net sales reached $96 million and EBITDA $22 million in 4Q18. It is important to mention that six months after starting operations, the unit already has an EBITDA margin of 23%.

Metal Products Business Unit

MXN millions	Fourth quarter 2018	Fourth quarter 2017	Δ%	January - December 2018	January - December 2017	Δ%
Net sales	1,949	1,766	10%	9,076	8,153	11%
Operating income (loss)	2	72	(97%)	314	675	(53%)
% of net sales	0%	4%	(4.0 pp)	3%	8%	(4.8 pp)
EBITDA	97	231	(58%)	697	1,054	(34%)
% of net sales	5%	13%	(8.1 pp)	8%	13%	(5.2 pp)
EBITDA en USD / TON	421	950	(56%)	647	952	(32%)
Δ% in sales volume	(13%)			(4%)		
Δ% in average price (USD)	21%			14%		

Net sales for Metal Products increased 10% in 4Q18 compared to 4Q17. EBITDA in 4Q18 was 58% lower than for the same period in 2017 mainly due to the combined effect on inventory cost from the decrease in the reference copper price (COMEX) and the appreciation of the Mexican peso against the U.S. dollar. This reflected on EBITDA per ton which was 56% lower than in 4Q17.

It is important to mention that when there are relevant fluctuations within short timeframes, we are unable to pass these on to the market. Additionally, in 4Q18, the business had an inventory surplus which exacerbated the aforementioned effect.

Building Systems Business Unit – U.S.

MXN millions	Fourth quarter 2018	Fourth quarter 2017	Δ%	January - December 2018	January - December 2017	Δ%
Net sales	838	662	27%	3,509	3,306	6%
Operating income (loss)	22	11	93%	136	155	(13%)
% of net sales	3%	2%	0.9 pp	4%	5%	(0.8 pp)
EBITDA	50	26	91%	259	277	(7%)
% of net sales	6%	4%	2.0 pp	7%	8%	(1.0 pp)
Δ% in sales volume	20%			3%		
Δ% in average price (USD)	0%			2%		

In 4Q18, net sales reached $838 million, up 27% versus 4Q17. For 2018, this line item was $3,509 million, an increase of 6% compared to 2017.

Additionally, EBITDA was $50 million in 4Q18, an increase of 91%, and $259 million in 2018, a 7% decline, compared to the same periods in 2017. We achieved this result by reaching the break-even point at the Indiana plant.

EBITDA margin was 6% in 4Q18, 2 percentage points higher than in 4Q17.

Building Systems Business Unit – LatAm

MXN millions	Fourth quarter 2018	Fourth quarter 2017	Δ%	January - December 2018	January - December 2017	Δ%
Net sales	681	907	(25%)	4,307	2,990	44%
Operating income (loss)	60	(83)	172%	18	24	(24%)
% of net sales	9%	(9%)	18.0 pp	0%	1%	(0.4 pp)
EBITDA	113	(31)	462%	277	203	37%
% of net sales	17%	(3%)	20.0 pp	6%	7%	(0.3 pp)
Δ% in sales volume	(39%)			(10%)		
Δ% in average price	(9%)			(3%)		

In 4Q18, net sales reached $681 million, down 25% versus 4Q17. In 2018, this line item was $4,307 million, an increase of 44% compared to 2017.

4Q18 EBITDA grew 462%, reaching $113 million, mainly due to: (i) the conclusion of the learning curve required due to the change in production technology which comes with a different cost structure and changes in raw materials including chrysotile, (ii) savings from restructuring, capacity rationalization and simplification of the business in the region.

EBITDA margin improved, going from -3% in 4Q17 to 17% in 4Q18, a net improvement of 20 percentage points.

Relevant Events

- On February 18, 2019, Antonio Perales was appointed as the Company's Legal Director.
- On October 22, 2018, the Company held an Ordinary Shareholders' Meeting, where an increase of the variable portion of the capital stock of the Company for $1.5 billion was approved.
- On September 28, 2018, the Building Systems president left the Company.
- On June 27, 2018, the Company announced the replacement of its committed revolving credit line, having now USD 400 million available.

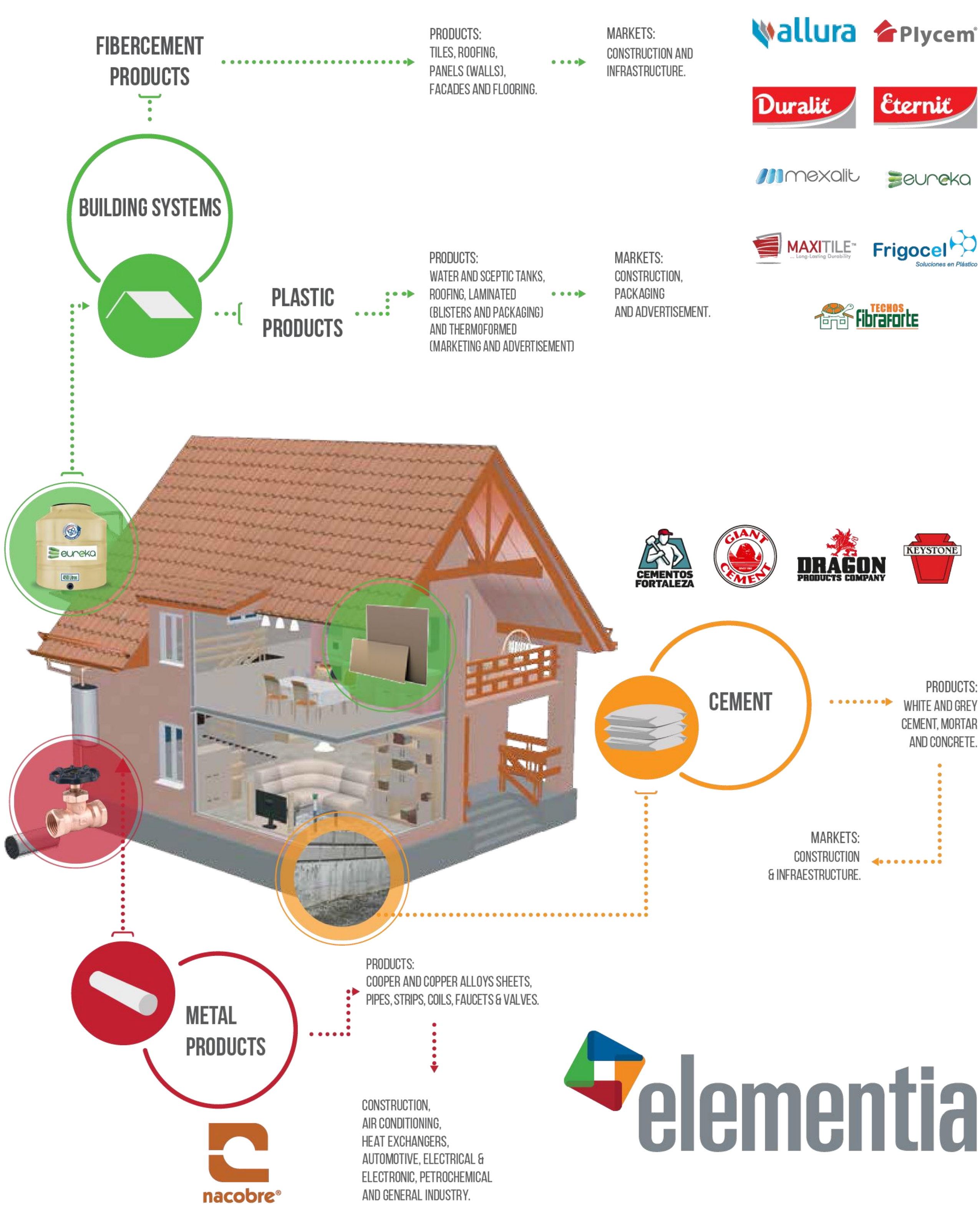
Analyst Coverage

- Bank of America Merrill Lynch
- BBVA
- Citi
- Credit Suisse
- HSBC
- J.P. Morgan
- Morgan Stanley
- Santander
- UBS

Annexes

MXN millons	January - December 2018	2017	Δ%
Net income (loss)	**(419)**	**902**	**(146%)**
Other items unrealized	-	80	(100%)
Depreciation and amortization	1,777	1,492	19%
Loss (gain) on disposal of fixed assets	23	(3)	(867%)
Interest income	(50)	(33)	52%
Interest expense	1,530	1,087	41%
Exchange loss (gain)	(29)	(498)	(94%)
Other items	40	534	(93%)
Non cash figures	**2,872**	**3,561**	**(19%)**
Net cash flow provided by (used in) working capital	**(504)**	**(1,974)**	**(74%)**
Increase in accounts receivable	344	(310)	(211%)
Increase in inventories	369	(1,187)	(131%)
Increase in other receivables and other current assets	(359)	(367)	(2%)
Increase in trade accounts payable	(79)	46	(272%)
Increase (decrease) in other liabilities	(779)	(156)	399%
Net cash flow provided by operating activities	**2,368**	**1,587**	**49%**
Other payments for joint ventures			-
Acquisition of property, machinery and equipment	(1,735)	(2,527)	(31%)
Other assets	152	(85)	(279%)
Net cash flow used in investing activities	**(1,583)**	**(2,612)**	**(39%)**
Incurred (paid) debt	(957)	640	(250%)
Increase (decrease) in capital	1,332	(25)	(5428%)
Bank loans and others, net	(1,545)	(1,090)	42%
Net cash used in financing activities	**(1,170)**	**(475)**	**146%**
Net increase (decrease) in cash and cash equivalents	**(385)**	**(1,500)**	**(74%)**
Effects differences on translating foreign operations	(214)	303	(171%)
Cash and cash equivalents at the beginning of the period	2,715	3,912	(31%)
Cash and cash equivalents at the end of the period	2,116	2,715	(22%)

Earnings Conference Call Invitation



FIBERCEMENT PRODUCTS
PRODUCTS:
TILES, ROOFING,
PANELS (WALLS),
FACADES AND FLOORING.
MARKETS:
CONSTRUCTION AND
INFRASTRUCTURE.
allura
Plycem
Duralit
Eternit
mexalit
eureka
MAXITILE
Frigocel
Soluciones en Plástico
TECHOS Fibraforte
BUILDING SYSTEMS
PLASTIC PRODUCTS
PRODUCTS:
WATER AND SCEPTIC TANKS,
ROOFING, LAMINATED
(BLISTERS AND PACKAGING)
AND THERMOFORMED
(MARKETING AND ADVERTISEMENT)
MARKETS:
CONSTRUCTION,
PACKAGING
AND ADVERTISEMENT.
eureka
CEMENTOS FORTALEZA
GIANT CEMENT
DRAGON PRODUCTS COMPANY
KEYSTONE
CEMENT
PRODUCTS:
WHITE AND GREY
CEMENT, MORTAR
AND CONCRETE.
MARKETS:
CONSTRUCTION
& INFRAESTRUCTURE.
METAL PRODUCTS
PRODUCTS:
COOPER AND COPPER ALLOYS SHEETS,
PIPES, STRIPS, COILS, FAUCETS & VALVES.
CONSTRUCTION,
AIR CONDITIONING,
HEAT EXCHANGERS,
AUTOMOTIVE, ELECTRICAL &
ELECTRONIC, PETROCHEMICAL
AND GENERAL INDUSTRY.
nacobre
elementia

Investor Relations
Alfredo Salvador Recke Rioseco
Tel: +52 55 5728-5370
arecke@elementia.com

I-Advize Corporate Communications, Inc.
Melanie Carpenter
Tel. +1-212-406-3692
mcarpenter@i-advize.com

Disclaimer on forward-looking statements

Figures are stated in nominal Mexican pesos ($) and all comparisons are made against the same period of the previous year ("4Q17" and "2017"), unless otherwise specified. Figures are stated in nominal Mexican pesos ($) in accordance to IFRS. As a result of figures roundup, totals may not exactly match the sum of the figures presented. The Audit Committee and the Board of Directors authorized the modification of the accounting policies of the company with respect to the valuation of fixed assets, shifting from the revaluation method to the historical value method. This was implemented during 3Q17 with effects retroactive to January 1, 2017

This document contains certain forward-looking statements and information related to Elementia, S.A.B. Of C.V. ("Elementia") that reflect the vision and / or expectations of Elementia and its management team in relation to its performance, business and future events. Forward-looking statements may include, but are not limited to, statements that could predict, project, indicate or imply certain future results, performance or achievements, and may include words "anticipate", "believe," "estimate, "expect", "project", "plan", "predict", "foresee", "forecast", "reach" or any other word or phrase with a similar meaning, which may be given orally or in writing.

The presented results may materially differ from those projected as a result of factors beyond Elementia's control. These factors may include, but are not limited to: economy in general; political and business conditions in Mexico and other markets where we operate; international capital and securities markets performance, as well as economic crises; our ability to refinance our financial obligations; if necessary; competition in the sector and markets; management's expectations and estimates in regards to the Company's future financial performance and financing plans / programs; limited access to financing sources with competitive terms, and compliance with clauses to which we are bound to; our ability to meet debt obligations; our investment plans; currency fluctuations, interest rates or inflation, as well as currency conversion; changes in government legislation and regulation, including environmental regulation, and obligations arising therefrom, and judicial or administrative judgments against us; procurement policies and interpretations; increase in insurance premiums; changes in market prices, customer demand and preference, and competitive conditions; cyclicity and seasonality in our operating results; our ability to implement the corporate strategy; increase in prices of goods and / or services supplied to us, and fluctuations in the prices of the raw material; the imposition of price controls on the products we sell; trade barriers; technological innovation; costs uncertainty and regulation applicable to company mergers and acquisitions or strategic alliances; our ability to make acquisitions for regulatory or other issues, and successfully integrate the operations of the acquired businesses; liability claims including claims related to health, safety and environmental protection issues, as well as claims arising from joint lawsuits in Mexico or other jurisdictions in which we operate; failures in our information obtained from our technology systems, including data and communication systems; the impact by changes in accounting principles, new legislation, actions by regulatory authorities, government announcements and monetary or fiscal policy in Mexico, or in other markets in which we operate; decrease in the sale of our products by independent distributors; our ability to retain qualified personnel and rehire key personnel; our ability to extract synergies from our business mergers and acquisitions activities; delays by suppliers or lack of ability to obtain, under conditions acceptable to us, inputs required by us to produce the products we sell; investigations by federal authorities; and other risk factors.

Forward-looking statements and statements included in this document are subject to various risks, uncertainties and assumptions. In any circumstance these statements only refer to their date of elaboration and Elementia has no obligation to update or revise any of them, whether for new information, future events, among others, unless required by law. Therefore, caution should be exercised when using future projections. The document and its contents belong to the Company and may not be reproduced or distributed as a whole or as part of without prior written consent by Elementia.

About Elementia

Elementia is a unique platform that manufactures and commercializes building materials for the construction industry and adds value to all stages of this industry. The Company has grown, both organically and through strategic mergers and acquisitions, consolidating operations in 9 countries in the Americas, showing strong growth in its Cement business unit, while maintaining its leadership in the Metals business, and through our Building Systems unit, we offer lightweight construction products, which is the main building trend in the market. This has been possible thanks to the passion and dedication of its more than 7,000 employees and the leadership of its main brands, including: Cementos Fortaleza®, Giant®, Keystone® and Dragon®; Nacobre®; Allura®, Mexalit®, Plycem®, Eternit®, Duralit® and Fibraforte®, among others.