

**Sales growth of 60% driven by Cerámica San Lorenzo.  
 Operating results reflecting the closing of plants in Argentina in  
 accordance with the Company's Synergies Plan.**

*Figures in millions of nominal Mexican Pesos. Figures may vary due to rounding.  
 Figures calculated under IFRS.*

<b>Income Statement</b>	<b>1 Q</b>	<b>1 Q</b>	
	<b>2016</b>	<b>2017</b>	<b>Var %</b>
Net Sales	2,792	4,470	60%
Cost of Sales	1,616	3,089	91%
Gross Profit	1,177	1,381	17%
Gross Margin	42%	31%	
Operating Expenses	714	1,083	52%
Operating Income	462	310	-33%
Operating Margin	17%	7%	
EBITDA	597	523	-12%
EBITDA Margin	21%	12%	
Comprehensive Financing Cost	93	-403	-535%
Net Income	269	350	30%
Net Margin	10%	8%	

	<b>1 Q</b>	<b>1 Q</b>	
	<b>2016</b>	<b>2017</b>	<b>Var %</b>
Sales Abroad	421	1,495	255%

	<b>DEC</b>	<b>MAR</b>	
	<b>2016</b>	<b>2017</b>	<b>Var %</b>
Net Debt	9,341	9,073	-3%
Net Debt / EBITDA <sup>(1)</sup>	2.8	2.6	
Investments <sup>(2)</sup>	461	154	-67%

<sup>(1)</sup> Normalized Pro.forma Ebitda LTM considering Ceramica San Lorenzo.

<sup>(2)</sup> Refers to year-to-date investments as of march.

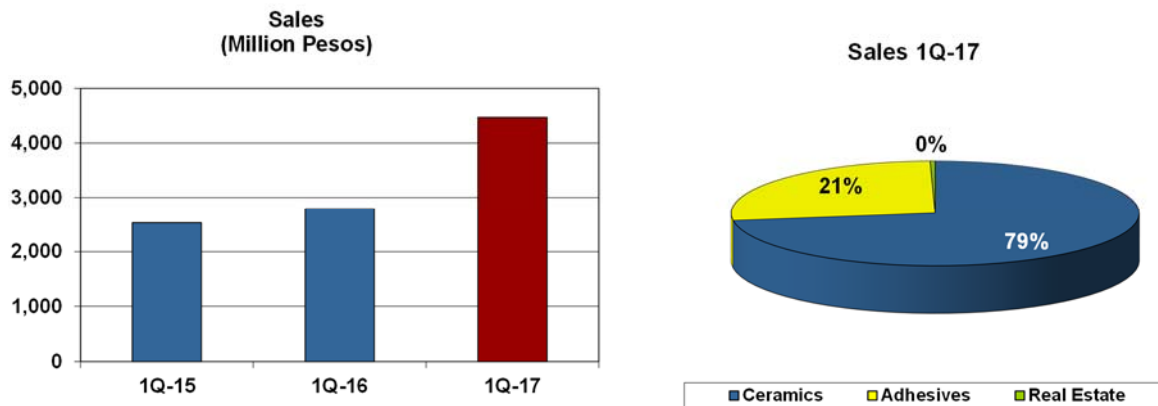
The results achieved by Grupo Lamosa during the first quarter of the year reflected the incorporation of Ceramica San Lorenzo operations, as well as the actions carried out in accordance with the Company's integration plan to capitalize on synergies in the short and medium term.

San Pedro Garza García, Nuevo León, México, May 3rd, 2017. Grupo Lamosa, announces its results related to the first quarter of 2017.

*Figures in millions of Mexican Pesos. Figures may vary due to rounding.*

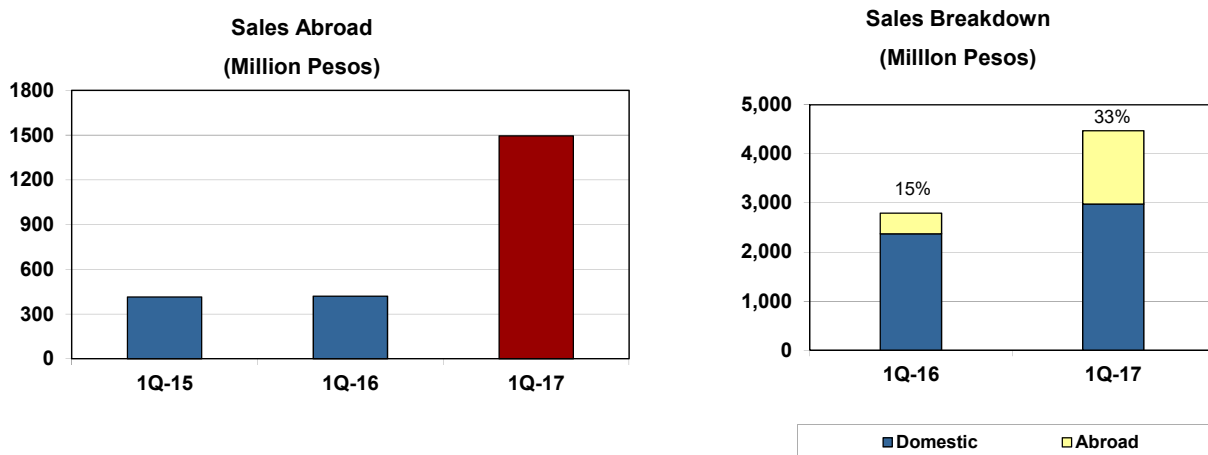
## SALES

During the first months of the year, the construction and building sectors in Mexico continued to show a favorable dynamism, which was capitalized by Grupo Lamosa's divisions. Total sales during the first quarter of the year amounted to Ps.4,470 million pesos, an increase of 60% when compared to sales of Ps.2,792 million recorded during the first quarter of 2016. Excluding sales of Cerámica San Lorenzo in South America, the sales growth would be 22%.



## SALES ABROAD

Foreign sales, which include exports and sales made by subsidiaries abroad, totaled \$ 1,495 million pesos during the first three months of the current year, an increase of 255% when compared to the same period of the previous year, and a margin to sales of 33%.



During the first quarter of the year, Grupo Lamosa's divisions continued to show growth in its results.

## PERFORMANCE PER BUSINESS SEGMENT

	Ceramics			Adhesives			Real Estate			Total		
	1Q-16	1Q-17	Var	1Q-16	1Q-17	Var	1Q-16	1Q-17	Var	1Q-16	1Q-17	Var
Total Sales	1,970	3,535		823	934		0	2		3,536	5,346	
Intersegment Sales	0	0		-1	-2		0	0		-743	-877	
Net Sales	1,970	3,535	79%	822	933	13%	0	2		2,792	4,470	60%
EBIT	316	102	-68%	177	217	22%	-1	0		462	310	-33%
Dep. Amort. & Others	95	182	92%	11	11	-1%	0	0		135	213	58%
EBITDA	411	284	-31%	189	228	21%	-1	0		597	523	-12%
%	21%	8%		23%	24%					21%	12%	

## CERAMIC DIVISION

The revenues of the ceramic division during the first quarter of 2017 amounted to Ps. 3,535 million pesos, representing 79% of total sales, and a 79% growth when compared to sales of Ps. 1,970 million recorded during the same period of 2016. Excluding sales of Ceramics San Lorenzo, captured by this division, the growth would be located at 26%.

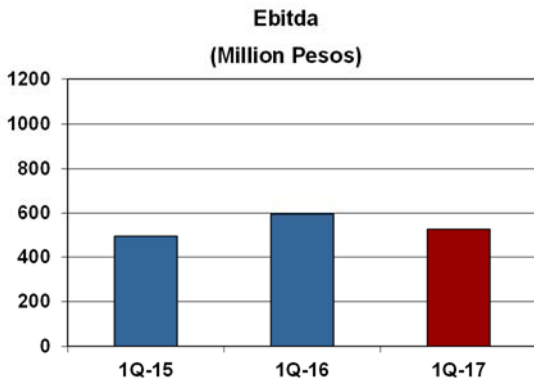
## ADHESIVES DIVISION

Sales of the adhesives division during the first three months of the year totaled \$ 933 million pesos, equivalent to 21% of the company's consolidated sales, and a 13% increase when compared to sales of \$ 822 posted during the first quarter of 2016.

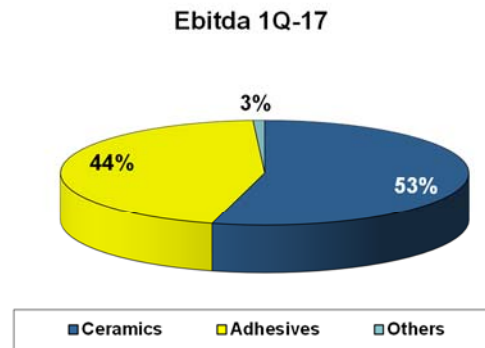
## OPERATING INCOME

Operating income during the first quarter of the year amounted to Ps. 310 million, a decrease of 33% when compared to the operating income of Ps. 462 million recorded during the first quarter of 2016. It is worth to mention that according to the Company's plan to capitalize on synergies, during the first months of the year was transferred and concentrated production capacity in two of the four plants located in Argentina, in order to make operations in Argentina more efficient. This entailed the closure of two plants with an impact on results of Ps. 390 million pesos, corresponding mostly to indemnities, and to the write-off of assets. Excluding this non-recurring expenses, operating income would grow 51%.

Ebitda for the first quarter of 2017 amounted to Ps. 523 million, 12% lower than the Ebitda of Ps. 597 million recorded during the same period of 2016. Excluding the impact of the non-recurring expenses aforementioned, Ebitda growth would be 53%, with a sales margin of 20%.



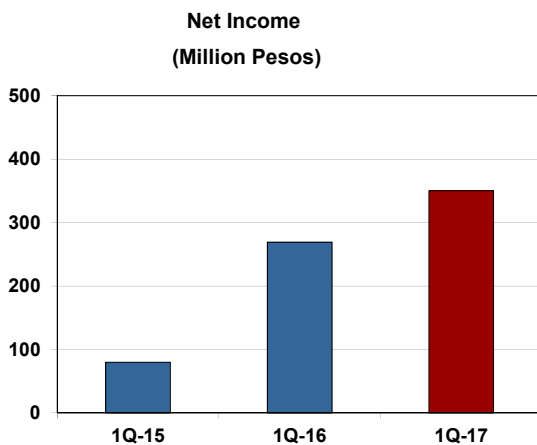
Note: 1Q-17 Include non-recurring expenses of \$390 millions pesos, related to closure of plants in Argentina.



## NET INCOME

During the first quarter of the year, the comprehensive financing cost was reduced by 535% from a cost of \$ 93 million to a gain of \$ 403 million pesos. This behavior is mainly explained by the 9% appreciation of the Peso against the US Dollar, causing an exchange gain of \$ 570 million, compared to the exchange loss of \$ 37 million pesos recorded during the first quarter of 2016. This exchange gain offset the higher level of net financial expenses arising from the new debt acquired at the end of the third quarter of 2016 for the acquisition of Ceramica San Lorenzo. Net financial expenses totaled \$ 167 million, compared to \$ 55 million pesos during the first three months of 2016.

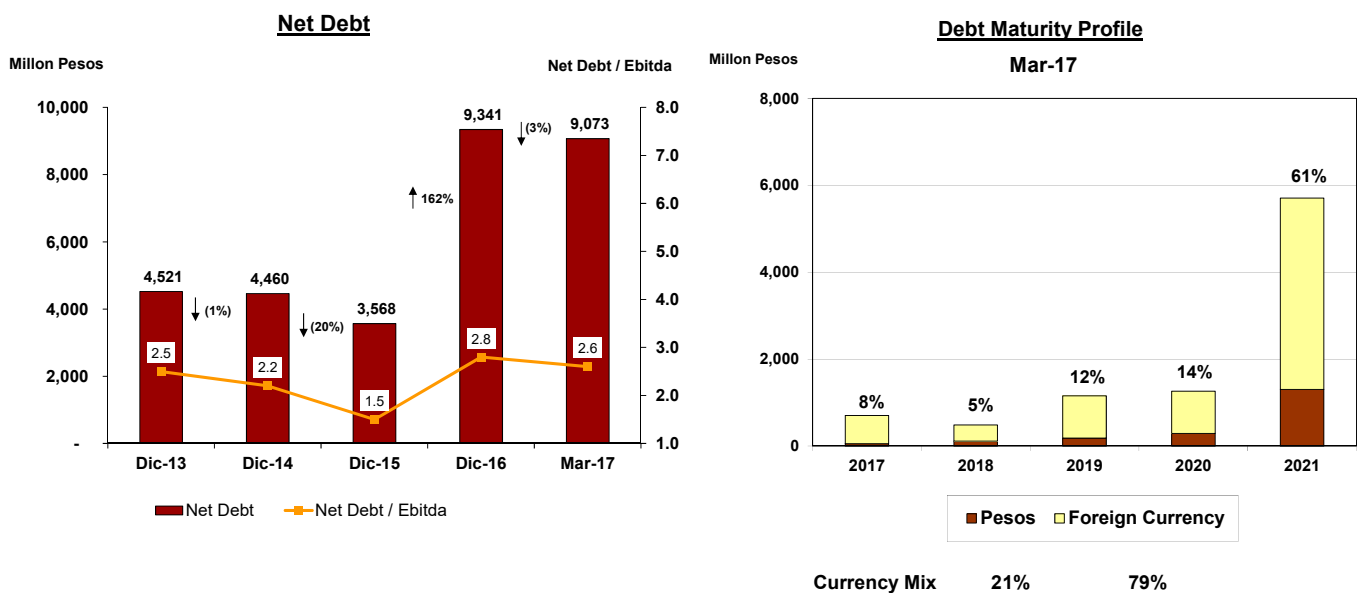
Nonetheless, non-recurring expenses due to the closure of the plants in Argentina, and higher taxes recorded during the first quarter of the year, the significant reduction in the comprehensive financing cost contributed to a net income of \$ 350 million Pesos, showing a growth of 30% when compared to the net income of \$ 269 million pesos posted during the first three months of 2016.



<b>Net Comprehensive Financing Cost</b>			
	<u>1Q-16</u>	<u>1Q-17</u>	<u>VAR</u>
NET FINANCIAL EXPENSE	55	167	200%
EXCHANGE LOSS	37	(570)	-1628%
	<u>93</u>	<u>(403)</u>	<u>-535%</u>

**FINANCIAL PERFORMANCE**

Grupo Lamosa ended up the first quarter of the year with a net cash debt of Ps.9,073 million, 3% lower than the Ps.9,341 million recorded at the end of 2016. Debt currently has a comfortable maturity profile with capital amortizations with final maturity until 2021. The ratio of net debt to Ebitda at the end of the first quarter of the year was 2.6 times, considering for this calculation the Ebitda of the last 12 months of San Lorenzo Ceramic normalized, excluding the non-recurring expenses. This figure compares favorably with the ratio of 2.8 times recorded at the close of 2016.



The actions implemented during the first months of the year according to the capitalization plan of synergies and the integration process of Ceramica San Lorenzo, will allow to continue to favorably impact the results of the company in the immediate future.

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