

Mexico City, July 24, 2019

**GMéxico Transportes, S.A.B. de C.V. (“GMXT” – BMV: GMXT\*).**

**EBITDA.**– During 2Q19, GMXT achieved P\$5.59 billion in EBITDA, 8% higher than 2Q18, and a 45.9% EBITDA margin—a 150bp increase, and a record for GMXT.

**Revenues.**– During 2Q19, revenues grew 4% compared to 2Q18, mainly driven by the Automotive and Industrial segments. Transported volumes were higher than in 2Q18 in tons–km.

**Net Profit.**– Decreased 14%, given a rise in current and deferred taxes, as well as depreciation (35%), largely due to the implementation of accounting standard IFRS 16 (Financial Leasing). Net Profit was also affected by a loss recognized from our stake in our associate Ferrocarril Terminal del Valle de México S.A. de C.V.

**Investments 2019.**– Given the growth and development we expect in the railway transportation sector and in Mexico, we continue with our historical investment plan totaling P\$9.05 billion pesos in various projects for capacity expansion, automated signaling, and infrastructure improvement that will enable us grow, improve our service, and refine our efficiency. In addition, the successful implementation of the new **Master Service Plan** allowed us to improve asset utilization, and to achieve a reduction of P\$1.13 billion pesos in capital investments. We also believe our investment program will increase the positive impact Ferrosur will make in the near future by contributing to the development plan for the Isthmus and South of Mexico.

(Million of pesos)	Second Quarter		Variation		January – June		Variation	
	2019	2018	\$	%	2019	2018	\$	%
Load Volume( Million Tons./Km)	16,849	16,665	184	1.1	31,904	31,645	259	0.8
Moved Cars	482,568	495,277	(12,709)	(2.6)	937,099	973,778	(36,679)	(3.8)
Revenues	\$ 12,173	\$ 11,649	\$ 524	4.5	\$ 23,072	\$ 21,829	\$ 1,243	5.7
Cost of sales	6,180	6,400	(220)	(3.4)	12,199	12,217	(18)	(0.1)
Operating income	\$ 3,680	\$ 3,357	\$ 323	9.6	\$ 6,255	\$ 5,893	\$ 362	6.1
<b>Operating margin (%)</b>	<b>30.2%</b>	<b>28.8%</b>			<b>27.1%</b>	<b>27.0%</b>		
EBITDA	\$ 5,592	\$ 5,177	\$ 415	8.0	\$ 10,360	\$ 9,419	\$ 941	10.0
<b>EBITDA margin (%)</b>	<b>45.9%</b>	<b>44.4%</b>			<b>44.9%</b>	<b>43.1%</b>		
Net income	\$ 1,561	\$ 1,824	\$ (263)	(14.4)	\$ 2,918	\$ 3,689	\$ (771)	(20.9)
<b>Profit margin(%)</b>	<b>12.8%</b>	<b>15.7%</b>			<b>12.6%</b>	<b>16.9%</b>		

**Growth of the Automotive Segment.** – This segment showed accrued growth of 20% in revenues, 7% in Tons-Km, and 5% in cars hauled. The increase in revenues was mainly due to the rise in demand from the US west coast and an expansion of our market share.

**Growth of the Industrial Segment.** – The segment showed 15% accrued growth in revenues in the second quarter, 22% in tons-km, and 8% in cars hauled, given the higher demand for finished goods in North America and higher wastepaper import volumes coming into Mexico.

**Growth of the Chemicals Segment.** – The accrued figure for the second quarter shows that the segment gained 5% in revenues and 4% in cars hauled, with Tons-Km remaining flat. This is due to the increase in fertilizer imports, as well as a recovery of plastic resins routes.

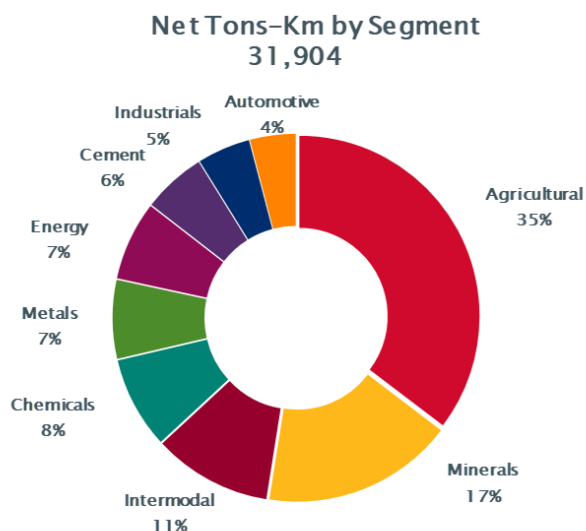
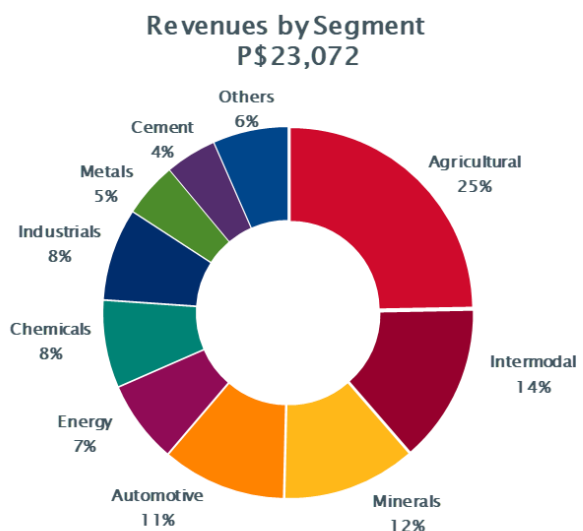
## Results by Segment

Contribution by segment in terms of revenues, tons-km, and cars hauled up to June 30, 2019:

Segment	Second Quarter								
	Income			Carloads			Net Tons - Km		
	2019	2018	Var.	2019	2018	Var.	2019	2018	Var.
Agricultural	\$ 3,225	\$ 3,153	2%	79,326	79,710	0%	6,326	6,042	5%
Minerals	\$ 1,333	\$ 1,367	-2%	50,117	60,005	-16%	2,659	2,944	-10%
Minerals	\$ 815	\$ 827	-2%	23,026	27,281	-16%	1,097	1,048	5%
Automotive	\$ 1,340	\$ 1,085	24%	38,698	34,773	11%	684	624	10%
Metals	\$ 575	\$ 534	8%	19,969	22,373	-11%	1,205	1,239	-3%
Cement	\$ 534	\$ 537	0%	26,952	29,042	-7%	948	1,015	-7%
Chemicals	\$ 939	\$ 871	8%	21,037	19,818	6%	1,346	1,346	0%
Industrials	\$ 1,004	\$ 851	18%	38,607	33,534	15%	766	606	26%
Intermodal	\$ 1,675	\$ 1,637	2%	184,836	188,741	-2%	1,818	1,802	1%
<b>Total</b>	<b>\$ 11,440</b>	<b>\$ 10,860</b>	<b>5%</b>	<b>482,568</b>	<b>495,277</b>	<b>-3%</b>	<b>16,849</b>	<b>16,665</b>	<b>1%</b>
Others	\$ 733	\$ 789	-7%						
<b>Total as of June 30, 2019</b>	<b>\$ 12,173</b>	<b>\$ 11,649</b>	<b>5%</b>						

Note: Revenues and Tons-Km figures stated in millions

Segment	YTD								
	Income			Carloads			Net Tons - Km		
	2019	2018	Var.	2019	2018	Var.	2019	2018	Var.
Agricultural	\$ 5,700	\$ 5,275	8%	146,242	143,334	2%	11,214	10,518	7%
Minerals	\$ 2,709	\$ 2,692	1%	102,412	121,890	-16%	5,450	5,905	-8%
Minerals	\$ 1,661	\$ 1,688	-2%	50,782	54,863	-7%	2,250	2,193	3%
Automotive	\$ 2,512	\$ 2,096	20%	74,248	70,584	5%	1,302	1,218	7%
Metals	\$ 1,100	\$ 1,036	6%	39,643	43,625	-9%	2,400	2,490	-4%
Cement	\$ 1,033	\$ 1,020	1%	51,526	56,137	-8%	1,798	1,959	-8%
Chemicals	\$ 1,762	\$ 1,676	5%	41,075	39,604	4%	2,610	2,619	0%
Industrials	\$ 1,862	\$ 1,625	15%	71,529	66,447	8%	1,508	1,232	22%
Intermodal	\$ 3,210	\$ 3,190	1%	359,642	377,294	-5%	3,372	3,511	-4%
<b>Total</b>	<b>\$ 21,550</b>	<b>\$ 20,299</b>	<b>6%</b>	<b>937,099</b>	<b>973,778</b>	<b>-4%</b>	<b>31,904</b>	<b>31,645</b>	<b>1%</b>
Others	\$ 1,522	\$ 1,530	-1%						
<b>Total as of June 30, 2019</b>	<b>\$ 23,072</b>	<b>\$ 21,829</b>	<b>6%</b>						



**Important Productivity Improvements.** – GMXT continues to increase its productivity results through new operating efficiency plans and ongoing assessments.

**We are proud to report that all our Efficiency Indicators showed improvements during 2Q19,** due to the implementation of “Precision Scheduled Railroading”, and our strategic investments made since late 2018.

During the second quarter, **average train length increased 4.6% to 1,823 meters,** which enables us to transport the same loads with fewer trains, saving on crews and freeing railway capacity to keep improving speed, thus increasing asset productivity and utilization.

**Train Velocity increased 3.7%** from the levels seen in the second quarter of 2018.

**Gross tons per train rose by 3.2%** to 6,064 tons per train.

**We report our key operating metrics on a consolidated level up to June 30, 2019:**

Key Metrics	Jan-Jun 2019	Jan-Jun 2018	Var % 2019 vs 2018
Net Tons - km (millions)	31,904	31,645	1%
Moved Cars (thousands)	937.1	973.8	-4%
Employees	11,204	11,222	0%
Train Speed (kilometers per hour)	38.49	37.26	3.3%

**Dividend.**– The Management Board approved on July 15, 2019 a cash dividend of \$0.30 pesos per outstanding share, to be paid in a single installment on August 26, 2019. **This translates into an annualized dividend yield of 5.34%.**

## GMXT Conference Call to Discuss Second Quarter 2019 Results

### **GMéxico Transportes, S.A.B. de C.V. (“GMXT” - BMV: GMXT\*).**

GMXT will hold a conference call to discuss the results for the second quarter of 2019 with the investment community on July 24<sup>th</sup>, 2019 at 11:00 a.m. (Mexico time).

A question and answer session for analysts and investors will follow the call.

To participate, please dial 10 minutes before the start of the conference:

(844) 868-5860 (Participants from United States and Canada)

(215) 372-9505 (Participants outside the United States)

01 800 9269157 (From Mexico)

Confirmation Code: 9389943

**During the conference call, please join the live presentation through Webex at the following link:**

<https://ferromex.webex.com/meet/gmxt.ereports>

A replay of the call will be available 2 hours after the end of the call and until August 7, 2019.

(855) 859-2056 (Participants from the United States)

(404) 537-3406 (Participants outside the United States)

Confirmation code: 9389943

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**GMÉXICO TRANSPORTES, S.A.B. DE C.V. (GMXT)**  
**CONDENSED FINANCIAL STATEMENTS (IFRS)**

(In million of Mexican Pesos)

STATEMENT OF INCOME	2Q				Accumulated			
	2019	2018	Variance		2019	2018	Variance	
<b>Revenues</b>	<b>12,173</b>	<b>11,649</b>	<b>524</b>	<b>4%</b>	<b>23,072</b>	<b>21,829</b>	<b>1,243</b>	<b>6%</b>
Operating Cost	6,180	6,400	(220)	(3)%	12,199	12,217	(18)	(0)%
Marginal contribution	5,993	5,249	744	14%	10,873	9,612	1,261	13%
Gross margin	49.2%	45.1%			47.1%	44.0%		
Administrative expenses	430	471	(41)	(9)%	898	910	(12)	(1)%
Employee profit sharing	220	218	2	1%	437	416	21	5%
Other revenues	(24)	(47)	23	(49)%	(60)	(78)	18	(23)%
<b>EBITDA</b>	<b>5,592</b>	<b>5,177</b>	<b>415</b>	<b>8%</b>	<b>10,360</b>	<b>9,419</b>	<b>941</b>	<b>10%</b>
Depreciation and amortization	1,687	1,250	437	35%	3,343	2,471	872	35%
<b>Operating profit</b>	<b>3,680</b>	<b>3,357</b>	<b>323</b>	<b>10%</b>	<b>6,255</b>	<b>5,893</b>	<b>362</b>	<b>6%</b>
Operating margin	30.2%	28.8%			27.1%	27.0%		
Interest expenses	668	629	39	6%	1,324	1,398	(74)	(5)%
Interest earned	(35)	(36)	1	(3)%	(72)	(79)	7	(9)%
Exchange loss - net	(14)	7	(21)	0%	(19)	(433)	414	(96)%
Equity in net income in associated companies	63	(27)	90	0%	83	(37)	120	0%
<b>Income before taxes</b>	<b>2,998</b>	<b>2,784</b>	<b>214</b>	<b>8%</b>	<b>4,939</b>	<b>5,044</b>	<b>(105)</b>	<b>(2)%</b>
Income Tax	957	390	567	145%	1,083	387	696	180%
<b>Net income</b>	<b>2,041</b>	<b>2,394</b>	<b>(353)</b>	<b>(15)%</b>	<b>3,856</b>	<b>4,657</b>	<b>(801)</b>	<b>(17)%</b>
Noncontrolling interest	(480)	(570)	90	(16)%	(938)	(968)	30	(3)%
<b>Net income attributed to controlling interest</b>	<b>1,561</b>	<b>1,824</b>	<b>(263)</b>	<b>(14)%</b>	<b>2,918</b>	<b>3,689</b>	<b>(771)</b>	<b>(21)%</b>
<b>BALANCE SHEET</b>								
Cash and cash equivalents	2,545	4,894	(2,349)	(48)%	2,545	4,894	(2,349)	(48)%
Accounts receivable	6,732	5,545	1,187	21%	6,732	5,545	1,187	21%
Inventories	1,100	906	194	21%	1,100	906	194	21%
Prepaid expenses and other accounts receivable	2,451	1,966	485	25%	2,451	1,966	485	25%
<b>Total Current Assets</b>	<b>12,828</b>	<b>13,311</b>	<b>(483)</b>	<b>(4)%</b>	<b>12,828</b>	<b>13,311</b>	<b>(483)</b>	<b>(4)%</b>
Property, machinery, equipment and concessions - Net	91,985	86,284	5,701	7%	91,985	86,284	5,701	7%
Goodwill	4,087	4,714	(627)	(13)%	4,087	4,714	(627)	(13)%
Other assets	1,325	1,541	(216)	(14)%	1,325	1,541	(216)	(14)%
<b>Total Assets</b>	<b>110,225</b>	<b>105,850</b>	<b>4,375</b>	<b>4%</b>	<b>110,225</b>	<b>105,850</b>	<b>4,375</b>	<b>4%</b>
<b>Liabilities and Stockholders' Equity</b>								
Current portion of long - term debt	106	110	(4)	(4)%	106	110	(4)	(4)%
Accrued expenses	7,730	6,376	1,354	21%	7,730	6,376	1,354	21%
<b>Total current liabilities</b>	<b>7,836</b>	<b>6,486</b>	<b>1,350</b>	<b>21%</b>	<b>7,836</b>	<b>6,486</b>	<b>1,350</b>	<b>21%</b>
Long - term debt	28,063	28,329	(266)	(1)%	28,063	28,329	(266)	(1)%
Long - term accrued expenses	15,351	12,276	3,075	25%	15,351	12,276	3,075	25%
Employee retirement obligations	192	199	(7)	(4)%	192	199	(7)	(4)%
<b>Total liabilities</b>	<b>51,442</b>	<b>47,290</b>	<b>4,152</b>	<b>9%</b>	<b>51,442</b>	<b>47,290</b>	<b>4,152</b>	<b>9%</b>
Capital stock	633	633	-	0%	633	633	-	0%
Other comprehensive income	9,773	11,137	(1,364)	(12)%	9,773	11,137	(1,364)	(12)%
Retained earnings	40,046	38,729	1,317	3%	40,046	38,729	1,317	3%
<b>Total stockholders' equity</b>	<b>50,452</b>	<b>50,499</b>	<b>(47)</b>	<b>(0)%</b>	<b>50,452</b>	<b>50,499</b>	<b>(47)</b>	<b>(0)%</b>
Non - controlling interest	8,331	8,061	270	3%	8,331	8,061	270	3%
<b>Total Liabilities and Stockholders' Equity</b>	<b>110,225</b>	<b>105,850</b>	<b>4,375</b>	<b>4%</b>	<b>110,225</b>	<b>105,850</b>	<b>4,375</b>	<b>4%</b>
<b>STATEMENTS OF CASH FLOWS</b>								
<b>Income before taxes</b>	<b>2,998</b>	<b>2,784</b>	<b>214</b>	<b>8%</b>	<b>4,939</b>	<b>5,044</b>	<b>(105)</b>	<b>(2)%</b>
Depreciation and amortization	1,687	1,250	437	35%	3,343	2,471	872	35%
Equity in net income of associated company	63	(27)	90	0%	83	(37)	120	0%
Others - Net	188	246	(58)	(24)%	213	342	(129)	(38)%
Changes in assets and liabilities	(1,776)	(587)	(1,189)	203%	(3,151)	(1,503)	(1,648)	110%
<b>Net cash provided by operating activities</b>	<b>3,160</b>	<b>3,666</b>	<b>(506)</b>	<b>(14)%</b>	<b>5,427</b>	<b>6,317</b>	<b>(890)</b>	<b>(14)%</b>
Acquisition of property and equipment	(1,576)	(2,267)	691	(30)%	(3,049)	(2,914)	(135)	5%
Dividends received	6	4	2	0%	12	8	4	50%
Others - Net	(77)	(35)	(42)	120%	44	68	(24)	(35)%
<b>Net cash used in investing activities</b>	<b>(1,647)</b>	<b>(2,298)</b>	<b>651</b>	<b>(28)%</b>	<b>(2,993)</b>	<b>(2,838)</b>	<b>(155)</b>	<b>5%</b>
Proceeds from bank financing	-	-	-	0%	-	8,280	(8,280)	(100)%
Amortization of bank loan	(22)	(44)	22	(50)%	(126)	(1,070)	10,577	(99)%
Dividends paid	(1,579)	(615)	(964)	157%	(3,415)	(2,199)	(1,216)	55%
Others - Net	(8)	24	(32)	0%	(19)	(605)	586	(97)%
<b>Net cash used in financing activities</b>	<b>(1,609)</b>	<b>(635)</b>	<b>(974)</b>	<b>153%</b>	<b>(3,560)</b>	<b>(5,227)</b>	<b>1,667</b>	<b>(32)%</b>
<b>Increase (decrease) in cash</b>	<b>(96)</b>	<b>733</b>	<b>(829)</b>	<b>0%</b>	<b>(1,126)</b>	<b>(1,748)</b>	<b>622</b>	<b>(36)%</b>
<b>Cash at beginning of the period</b>	<b>2,641</b>	<b>4,161</b>	<b>(1,520)</b>	<b>(37)%</b>	<b>3,671</b>	<b>6,642</b>	<b>(2,971)</b>	<b>(45)%</b>
<b>Cash at the end of the period</b>	<b>2,545</b>	<b>4,894</b>	<b>(2,349)</b>	<b>(48)%</b>	<b>2,545</b>	<b>4,894</b>	<b>(2,349)</b>	<b>(48)%</b>