



1Q18 Results

Financial Highlights

Million MXN

Record High Revenue:

- ✓ Revenue increased 22%
- ✓ Net Ton-Km up 16%
- ✓ Carloads grew 39%

Record EBITDA Figure:

- ✓ P\$4,196 million (+21%)

Net Income:

- ✓ Increased 33% due the additional revenue for the FEC acquisition

1Q 2018

Revenues

\$10,182

+22%

Operating Profit

\$2,491

+11%

EBITDA

\$4,196

+21%

Net Income

\$1,866

+33%

Revenue

Million MXN

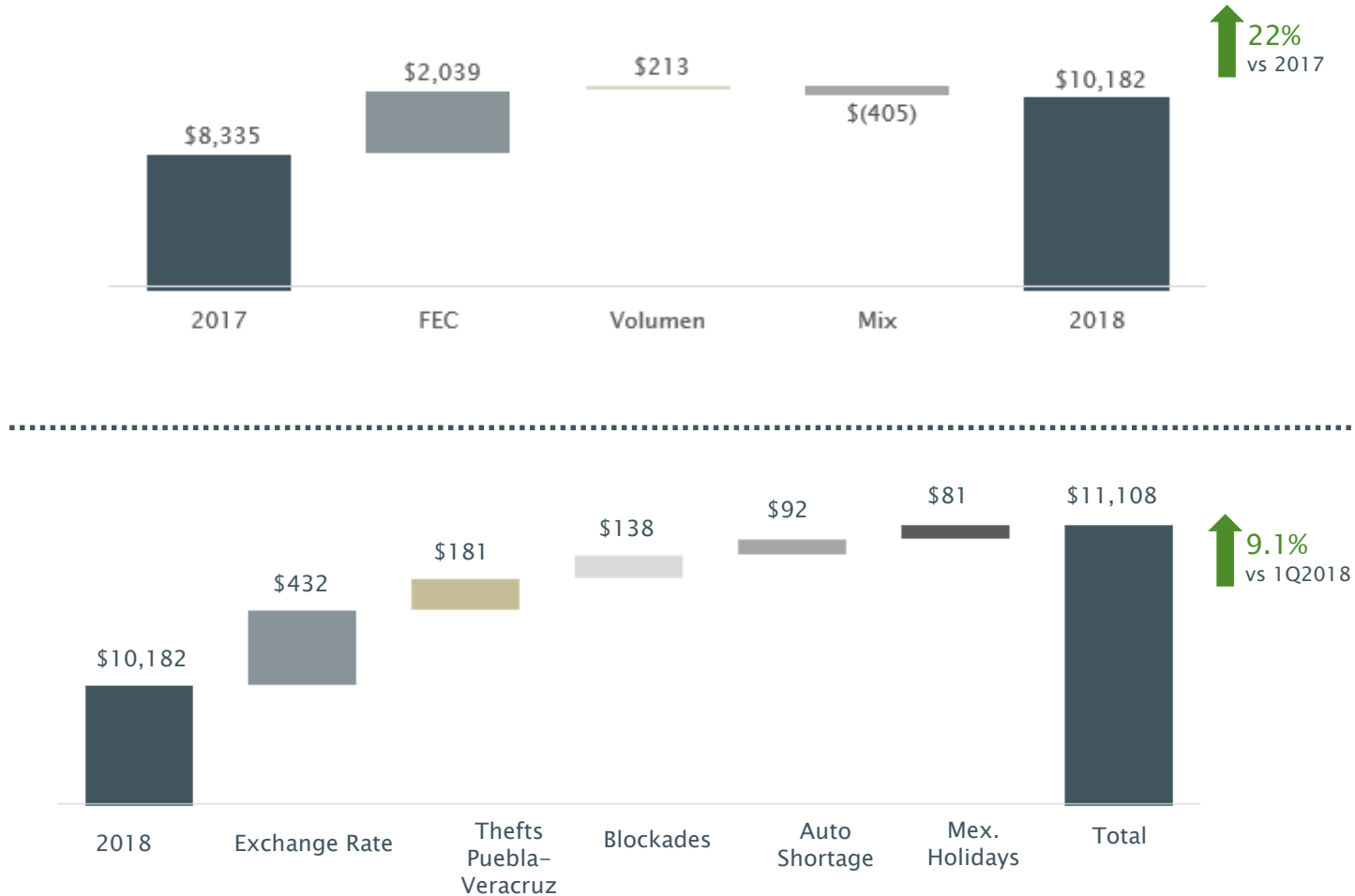
1Q 2018

Revenue
(Million MXN)
\$10,182
+22%

Volume
(Carloads)
478,501
+39%

\$ / Carload
(Thousand MXN)
\$21
+13%

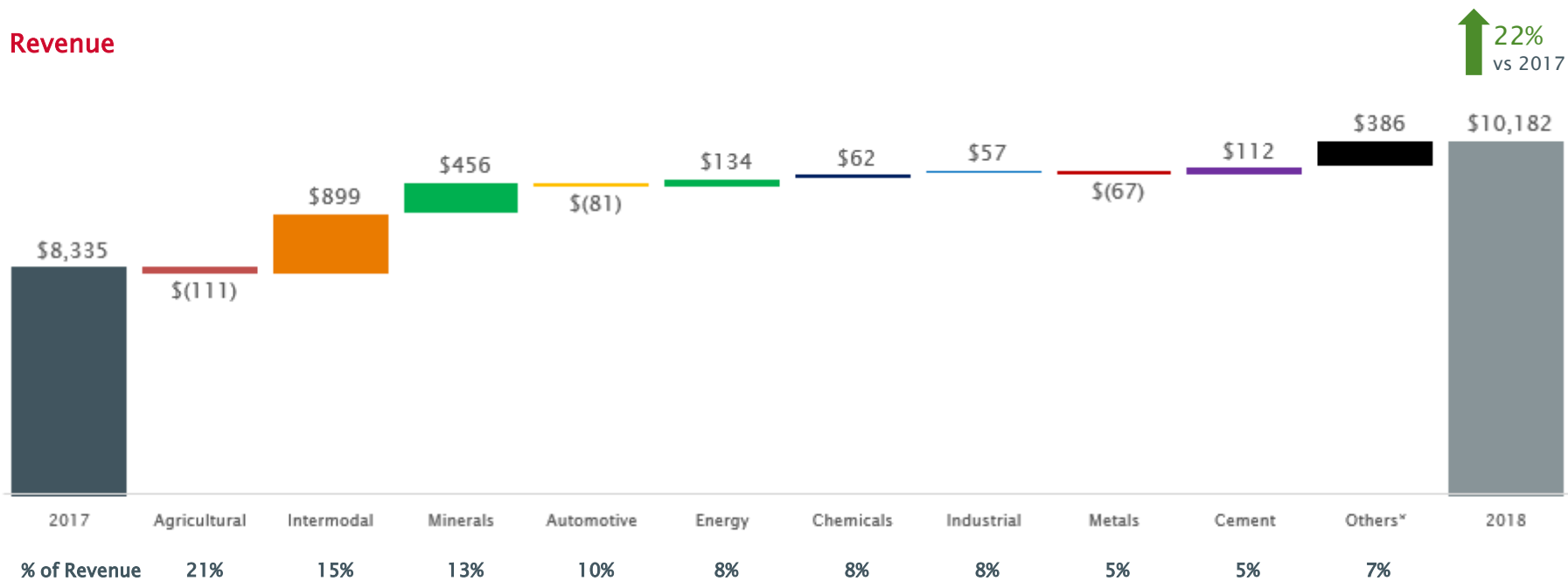
\$ / NTK
(Cents MXN)
\$0.67
+6%



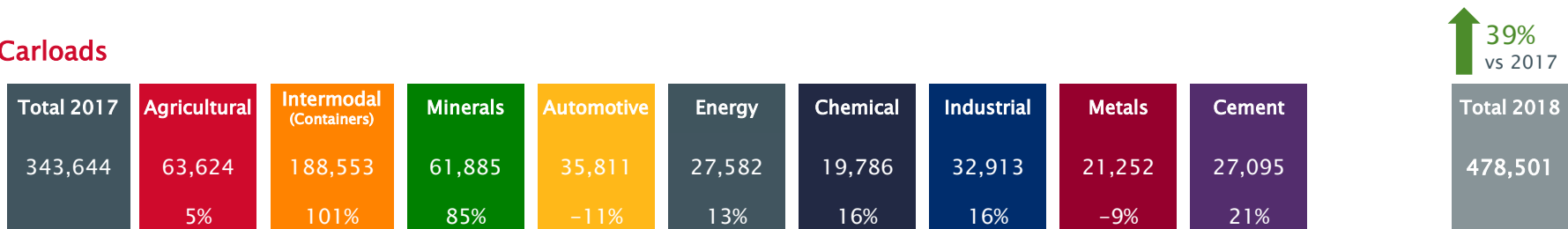
Revenue and Carloads

Million MXN

Revenue



Carloads



* Highway services; terminal services; trackage rights and others.

Main Variations

Revenues 1Q – 2018

▲ % Revenue Growth

High

61%

+137%

▪ **Intermodal:** Increase domestic traffic's volumes and consolidation of Florida's operations.

+52%

▪ **Minerals:** Growth in volumen of fracturing sand and iron ore.

+30%

▪ **Cement:** New traffics converted from trucks.

+19%

▪ **Energy:** New imports of LPG and refined products due to Mexico's Energy Reform and new volumes from coal imports.

Medium

25%

+8%

▪ **Chemicals:** Increase in import volumes and increase in the movement of domestic resins.

+8%

▪ **Industrial:** Recovery of new railcar volumes and increase in the export of beer.

Decrease

14%

-5%

▪ **Agricultural:** Lower demand for imported grains due to a switch to national crops.

-7%

• **Automotive:** service failures in American Railways, which affected the flow of railway equipment available to transport the production of automotive assembly plants.

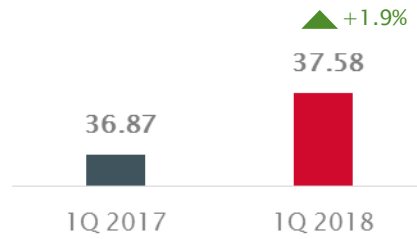
-12%

▪ **Metals:** Conclusion of gas pipeline projects and market drop.

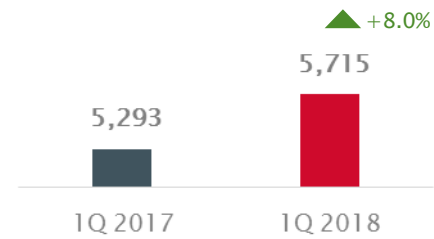
Operating Metrics

1Q 2018 vs 1Q 2017

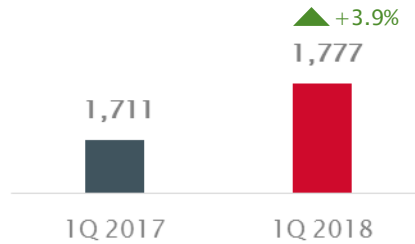
Average Train Speed
(km/hr)



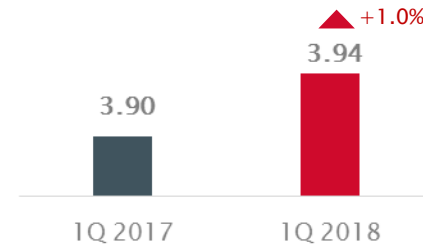
Gross Tons per Train
(Tons)



Average Train Length
(Meters)



Fuel Efficiency
(Liters/ 1000 GTK 's)



Income Statement

Million MXN

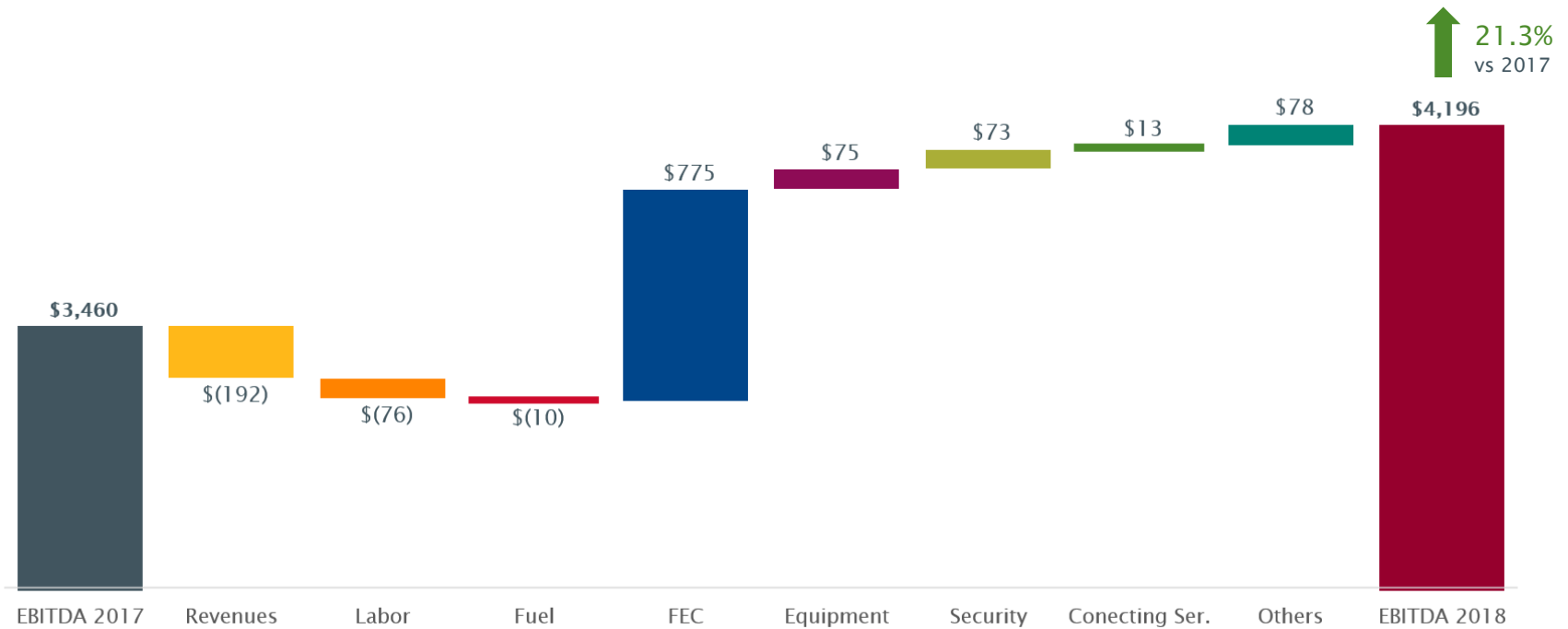
Average F/X 18.7637 20.3893

Concept	GMXTyS		Variation	
	1Q 2018	1Q 2017	\$	%
Revenues	\$ 10,182	\$ 8,335	\$1,847	22%
Operating Cost	5,852	4,812	1,040	22%
General Expenses	649	447	202	45%
Others (Income) expense	(31)	39	(70)	(179)%
Total Operating Cost, Expense	\$ 6,470	\$ 5,298	\$1,172	22%
Adjustments	484	423	61	14%
EBITDA	\$ 4,196	\$ 3,460	\$ 736	21%
EBITDA´s Margin	41.2%	41.5%		

Concept	FEC		Variation	
	1Q 2018	1Q 2017	\$	%
Revenues	\$ 2,039	\$ 2,082	\$ (43)	(2)%
Operating Cost	1,082	1,065	17	2%
General Expenses	182	245	(63)	(26)%
Others (Income) expense	-	12	(12)	(100)%
Total Operating Cost, Expense	\$ 1,264	\$ 1,322	\$ (58)	(4)%
Adjustments	-	-	-	-
EBITDA	\$ 775	\$ 760	\$ 15	2%
EBITDA´s Margin	38.0%	36.5%		

EBITDA Breakdown

Million MXN



- **Revenue:** Lower revenues on Agricultural, Automotive and Metals
- **FEC:** Consolidation of P\$775 million for 3 months of EBITDA
- **Fuel:** Hike in diesel prices of 5% and lower diesel efficiency of 1% (average of 3.94 in 1T18 vs to 3.90 in 1T17)
- **Equipment:** Decrease in car hire (volumen and exchange rate)
- **Security:** Decrease in the number of customer claims



FEC Organizational Restructure

An organizational restructure of FEC has been completed, which will reduce administrative expenses by US\$12 million annually, compared to 2017. FEC's management has been strengthened through internal reassignments and new engagements, which will enable us to achieve greater efficiency and more synergies.

New Terminal at Titusville, Florida

FEC will begin operating a new terminal at Titusville, FLA, in May 2018. This will enable us to have strategic presence to serve new, high-potential markets in Central Florida to which we had no access previously.

