

**Sales and EBITDA of \$17,727 and \$3,314 million pesos.
 Net Debt to Ebitda ratio of 2.4x. Capex \$757 million pesos.**

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

Income Statement	4 Q	4 Q	
	2017	2018	Var %
Net Sales	4,802	4,646	-3%
Cost of Sales	2,798	2,887	3%
Gross Profit	2,004	1,759	-12%
Gross Margin	42%	38%	
Operating Expenses	993	1,101	11%
Operating Income	948	637	-33%
Operating Margin	20%	14%	
EBITDA	1,117	756	-32%
EBITDA Margin	23%	16%	
Comprehensive Financing Cost	619	478	-23%
Net Income	370	108	
Net Margin	8%	2%	

YTD	YTD	
2017	2018	Var %
17,971	17,727	-1%
11,009	10,701	-3%
6,962	7,026	1%
39%	40%	
4,074	4,243	4%
2,804	2,731	-3%
16%	15%	
3,423	3,314	-3%
19%	19%	
455	648	42%
1,677	1,355	-19%
9%	8%	

	4 Q	4 Q	
	2017	2018	Var %
Foreign Sales	1,619	1,383	-15%

YTD	YTD	
2017	2018	Var %
6,042	5,625	-7%

	DEC	DEC	
	2017	2018	Var %
Debt	7,873	7,864	0%
Net Debt / EBITDA ⁽¹⁾	2.3	2.4	
Capex ⁽²⁾	439	757	

(1) Ebitda: Operating income plus depreciation, amortization and disposal of property, plant and equipment.

(2) Referes to year-to date investments as of December.

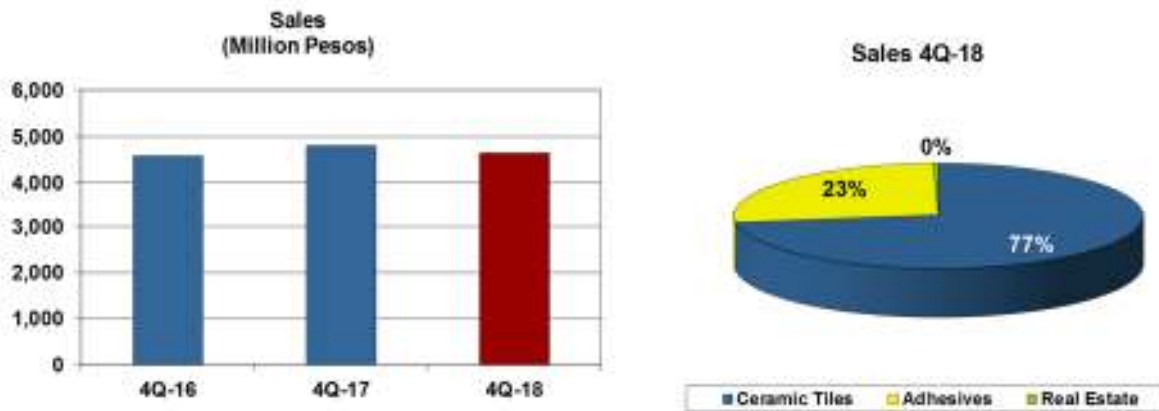
The last twelve months operating results reached by Lamosa at the end of the fourth quarter of the year allowed to consolidate the growth it has shown in the last 5 years, period of time in which the company has doubled its size in terms of revenues.

San Pedro Garza García, Nuevo León, México, February 27th, 2019. Grupo Lamosa, announces its results related to the fourth quarter of 2018.

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

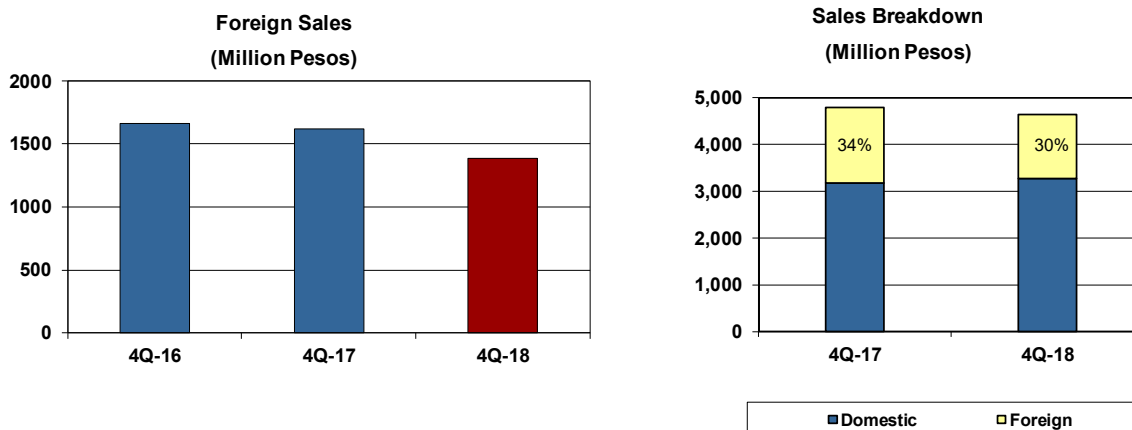
SALES

The results during 2018 were negatively impacted by the uncertainty that prevailed in Mexico derived from political and economic factors, as well as by a low growth in the construction sector. Accumulated sales at the end of 2018 ascended to \$ 17,727 million pesos, showing a reduction of 1% when compared to the sales of \$ 17,971 million recorded at the end of the previous year.



FOREIGN SALES

Foreign sales, which include sales of subsidiaries abroad in addition to exports, totaled \$ 5,625 million pesos during 2018, meaning 32% of total sales and a decrease of 7% when compared to foreign sales of \$ 6,042 million recorded in 2017. Ceramica San Lorenzo's sales in South America partially offset the lower dynamism showed in Mexico, confirming once again the suitability of the company's diversification strategy.



Lamosa's businesses showed mixed results at the end of the year.

PERFORMANCE PER BUSINESS SEGMENT

	Ceramic Tiles			Adhesives			Real Estate			Total		
	4Q-17	4Q-18	Var	4Q-17	4Q-18	Var	4Q-17	4Q-18	Var	4Q-17	4Q-18	Var
Total Sales	3,790	3,567		1,005	1,079		8	0		5,633	5,547	
Intersegment Sales	0	0		-1	0		0	0		-831	-900	
Net Sales	3,790	3,567	-6%	1,004	1,079	8%	8	0		4,802	4,646	-3%
EBIT	678	351	-48%	261	286	9%	2	0		948	637	-33%
Dep. Amort.& Asset impairment	146	100	-32%	8	8	-8%	0	0		168	119	-29%
EBITDA	824	450	-45%	270	294	9%	2	0		1,117	756	-32%
%	22%	13%		27%	27%					23%	16%	

	Ceramic Tiles			Adhesives			Real Estate			Total		
	Dec-17	Dec-18	Var	Dec-17	Dec-18	Var	Dec-17	Dec-18	Var	Dec-17	Dec-18	Var
Total Sales	14,201	13,688		3,759	4,041		17	0		21,278	21,211	
Intersegment Sales	0	0		-5	-2		0	0		-3,307	-3,484	
Net Sales	14,201	13,688	-4%	3,753	4,039	8%	17	0		17,971	17,727	-1%
EBIT	1,897	1,804	-5%	903	940	4%	1	0		2,804	2,731	-3%
Dep. Amort.& Asset impairment	538	497	-8%	31	35	11%	0	0		619	582	-6%
EBITDA	2,435	2,301	-5%	935	974	4%	1	0		3,423	3,314	-3%
%	17%	17%		25%	24%					19%	19%	

CERAMIC TILE BUSINESS

The sales of Wall and Floor tile business, which incorporates Ceramica San Lorenzo operations, amounted to \$ 13,688 million pesos, representing 77% of consolidated sales and a 4% reduction in relation to sales of \$ 14,201 million posted in 2017.

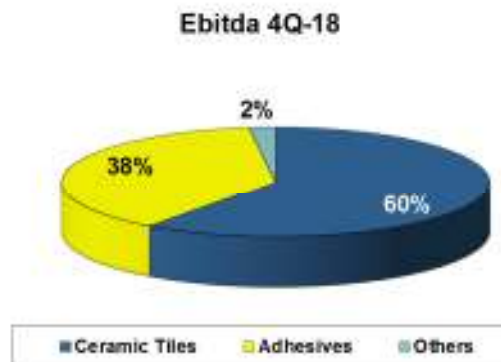
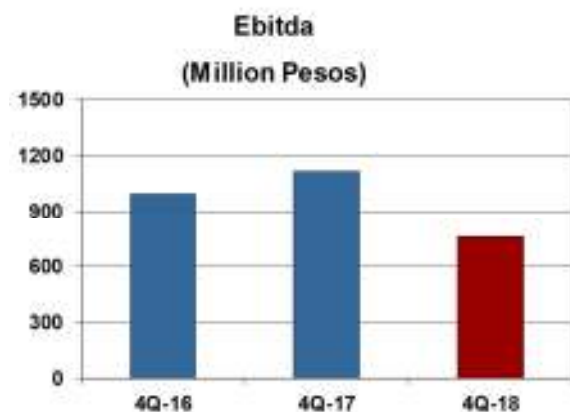
ADHESIVES BUSINESS

Adhesive business revenues made during 2018 meant 23% of Lamosa's total sales, amounting to \$4,039 million pesos, showing an 8% growth when compared to the sales of \$ 3,753 million in 2017.

OPERATING INCOME

In order to keep implementing actions regarding to increase the productivity of Ceramica San Lorenzo's operations according to the synergies plan of the company, Lamosa carried out non-recurring expenses of \$ 56 million pesos in South America that impacted the results of the year. Operating income at the end of the year amounted to \$ 2,731 million pesos, showing a margin to sales of 15% and a decrease of 3% when compared to the profit of \$ 2,804 million recorded in 2017.

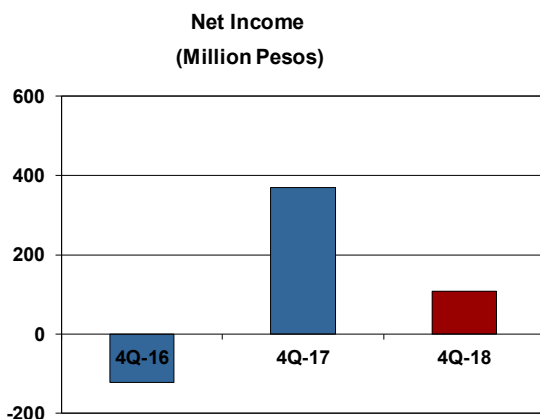
The company's Ebitda was \$ 3,314 million pesos in 2018, representing a sales ratio of 19% and a reduction of 3% when compared to Ebitda of \$ 3,423 million from the previous year.



NET INCOME

During 2018, the net financial expense of Grupo Lamosa showed a significant reduction of 14%, reaching \$ 576 million pesos in relation to the \$ 673 million posted last year. Notwithstanding the lower financial cost of the company, the exchange loss recorded during the year of \$ 72 million in comparison with the exchange gain of \$ 217 million in 2017, made the comprehensive financing cost resulted to increase 42%, moving from \$ 455 million pesos in 2017 to \$ 648 million at the end of the year.

Net income at the end of the year amounted to \$ 1,355 million pesos, representing 8% of total sales and a 19% reduction in relation to the net income of \$ 1,677 million registered in 2017. This reduction is mainly explained by the reduction in the operating income and the increase in the comprehensive financing cost.



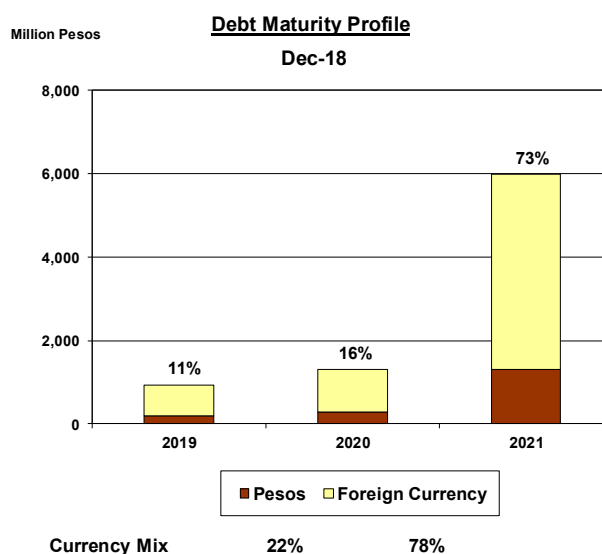
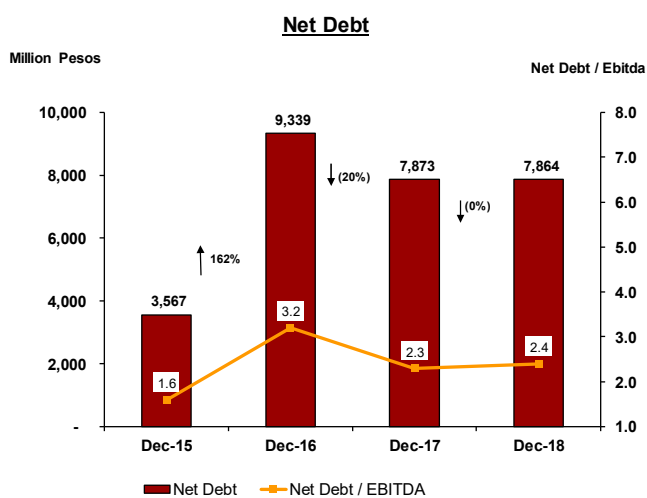
Net Comprehensive Financing Cost			
	<u>2017</u>	<u>2018</u>	<u>VAR</u>
NET FINANCIAL EXPENSE	673	576	-14%
EXCHANGE (GAIN) LOSS	(217)	72	-133%
	455	648	42%

YTD figures.

FINANCIAL PERFORMANCE

During the year, the cash flow generation capacity allowed to continue with the investment plan, spending the amount of \$ 757 million pesos. These investments were mainly aimed to improve productivity in the company's productions centers, as well as the implementation of information technologies to strengthen operations in South America.

At the end of the fourth quarter of the year, Grupo Lamosa ended up with a sound financial structure, which it has maintained in the last years, and which has given it the opportunity to continue supporting the organic and inorganic growth of the company. The consolidated net debt amounted to \$ 7,864 million pesos, similar to the \$ 7,873 million pesos recorded at the end of 2017. The net debt to Ebitda ratio was 2.4 times, slightly higher than the ratio of 2.3 times recorded at the end of 2017.



The 2018 turned out to be a year of significant challenges both in Mexico and abroad. A year that was adequately addressed given the operational flexibility and the greater presence that the company has throughout the Americas. Grupo Lamosa will continue to bet on its growth strategy to capitalize on opportunities in the markets where it has a presence.

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