



First Quarter 2019 Earnings Results

Conference Call

Mexichem.

Forward-Looking Statements

In addition to historical information, this presentation contains "forward-looking" statements that reflect management's expectations for the future. The words "anticipate," "believe," "expect," "hope," "have the intention of," "might," "plan," "should" and similar expressions generally indicate comments on expectations. The final results may be materially different from current expectations due to several factors, which include, but are not limited to, global and local changes in politics, the economy, business, competition, market and regulatory factors, cyclical trends in relevant sectors; as well as other factors that are highlighted under the title "Risk Factors" on the annual report submitted by Mexichem to the Mexican National Banking and Securities Commission (CNBV).

The forward-looking statements included herein represent Mexichem's views as of the date of this press release. Mexichem undertakes no obligation to revise or update publicly any forward-looking statement for any reason unless required by law."

Mexichem has implemented a Code of Ethics that rules its relationships with its employees, clients, suppliers and general groups. Mexichem's Code of Ethics is available for consulting in the following link:

http://www.mexichem.com/Codigo_de_etica.html.

Additionally, according to the terms contained in the Securities Exchange Act No 42, Mexichem Audit Committee established a mechanism of contact, which allows that any person that knows the un-fulfilment of operational and accounting records guidelines and lack of internal controls of the Code of Ethics, from the Company itself or from the subsidiaries that this controls, file a complaint which is anonymously guaranteed. The whistleblower program is facilitated by a third party. The telephone number in Mexico is 01-800-062-12-03.

The website is: <http://www.ethic-line.com/mexichem> and contact e-mail is: mexichem@ethic-line.com.

Mexichem's Audit Committee will be notified of all complaints for immediate investigation.



- Opening Remarks
- Business Highlights
- Financial Highlights
- Closing Remarks

Overview

Revenue

up 1% to \$1.8 billion

6% on a constant currency basis

Good momentum in Datacom, Precision Agriculture and Building and Infrastructure, within Fluent

Business Groups:

Fluent up 6%

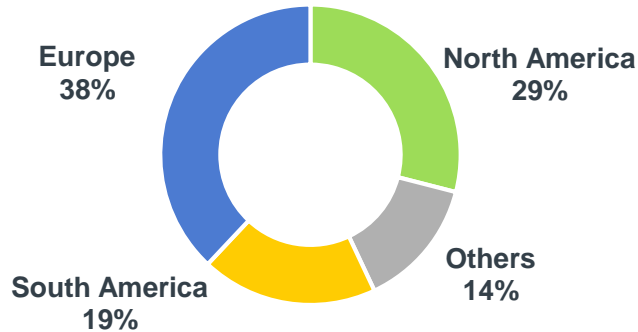
**13% on a constant
currency basis**

**Fluor
revenue flat**

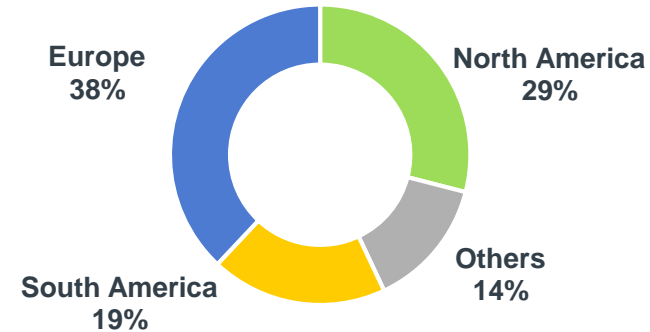
**Vinyl
remained challenging**

In Q1 2019, well diversified and every day more downstream to specialty products

Sales by destination
1Q'18



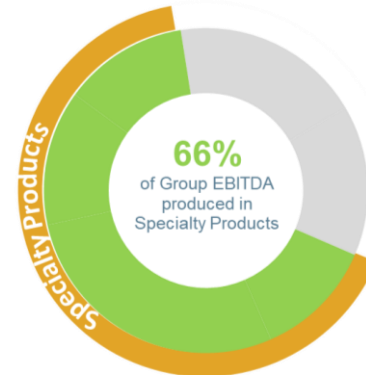
Sales by destination
1Q'19



EBITDA 1Q'18



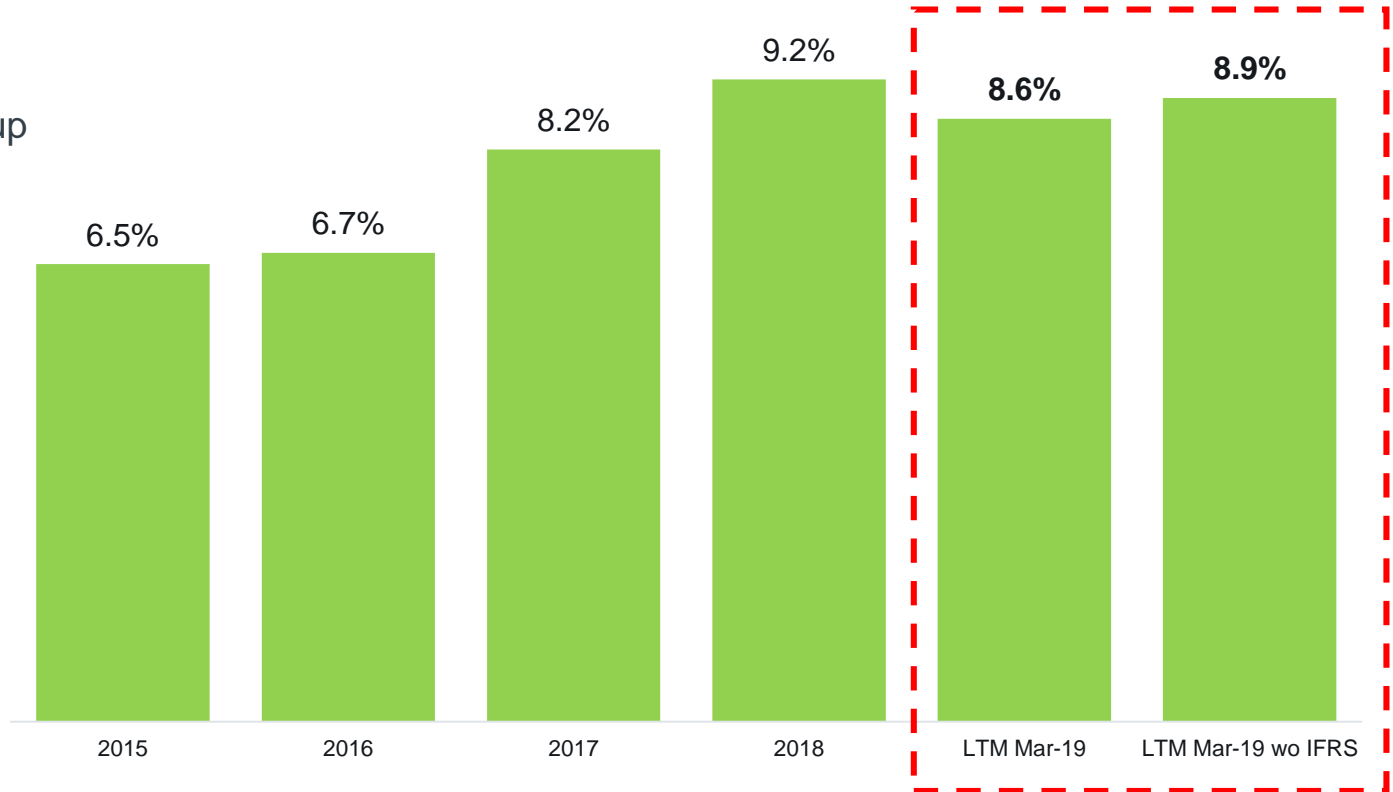
EBITDA 1Q'19



ROIC, above our cost of capital consistent with our long-term strategy

ROIC (%)

Mexichem Group



ROIC: Adjusted NOPAT for continuing operations/Adjusted Equity from continuing operations + Liabilities with cost – Cash. Income from continuing operations and NOPAT (EBIT-taxes) consider trailing twelve months.
Mexichem's WACC = 8.5%

STREAMLINE X ReGen™



CONTAINS RECYCLED MATERIAL

Committed to Sustainable Agriculture, this Netafim product contains recycled driplines.





Q-bic Plus Infiltration Crates

Dual purpose: storing rainwater and helping trees grow





Working with a major social media company to help secure fiber connections between several of their U.S. data centers

Las Cuevas fluorspar mine in San Luis Potosi, Mexico

Saving up to 50,000 gallons
of fresh water a day





**Building &
Infrastructure***



Datacom*



**Precision
Agriculture***



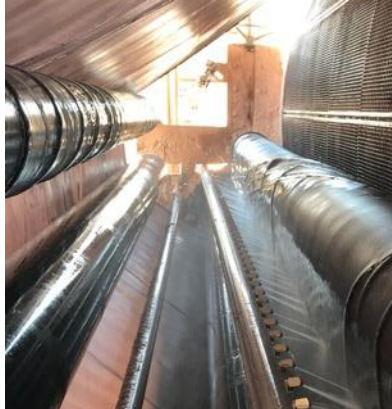
Fluor



Vinyl



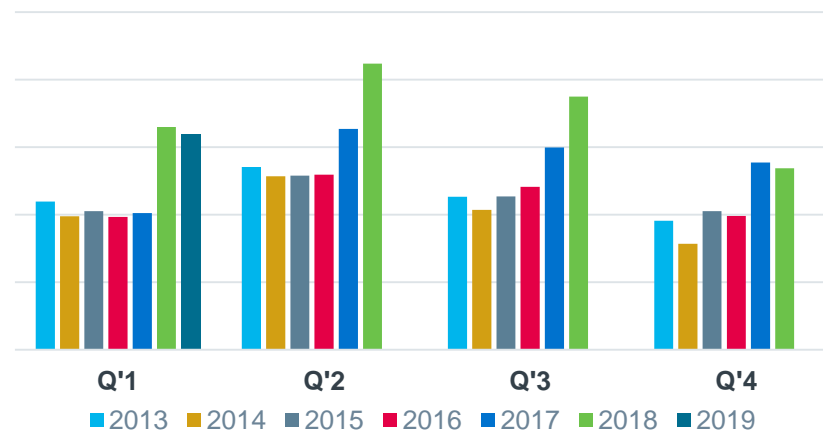
* Business Groups included as “Fluent” for reporting purposes



Brief summary of results

mm US\$	First Quarter		
	2019	2018	%Var.
Financial Highlights			
Net sales	1,766	1,756	1%
Operating income	186	227	-18%
EBITDA	318	330	-4%
EBITDA margin	18.0%	18.8%	-77 bps
EBITDA w o IFRS 16 effect	300	330	-9%
Net majority income	48	79	-39%
Operating cash flow before capex, buy-back shares program & dividends	(42)	(28)	50%

EBITDA by quarter (US mm)



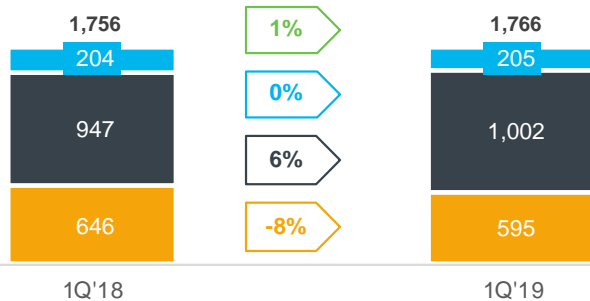
mm US\$	Sales			EBITDA		
	1Q19	1Q18	%Var.	1Q19	1Q18	%Var.
Vinyl	595	646	-8%	94	138	-32%
Fluent	1,002	947	6%	127	98	30%
Fluor	205	204	0%	84	80	5%
Eliminations/ Holding	(36)	(41)	-12%	13	14	-7%
Mexichem Consolidated	1,766	1,756	1%	318	330	-4%

Strong performance by business group

X% EBITDA margin
X% Δ% vs last year

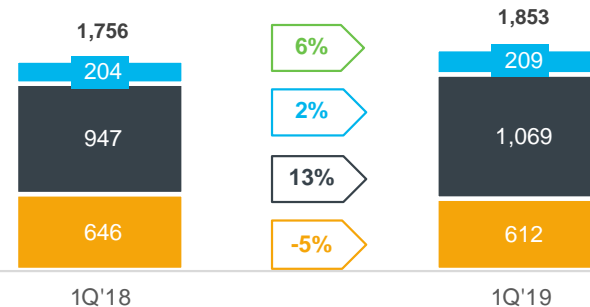
Revenues

% Total sales
 Vinyl 32% Fluent 57% Fluor 12%



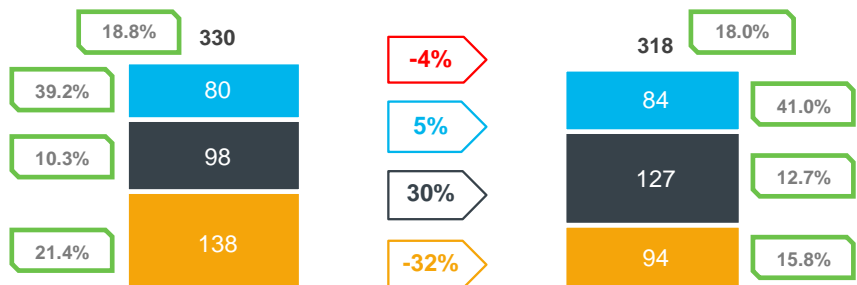
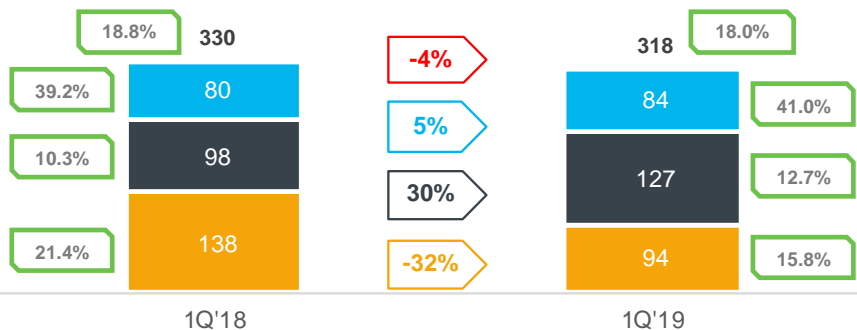
* Constant currency revenue growth

Vinyl Fluent Fluor



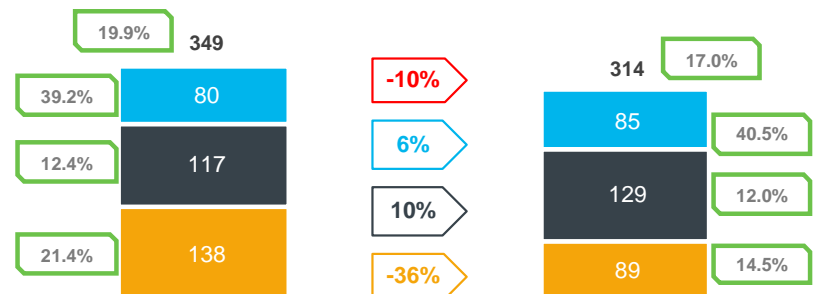
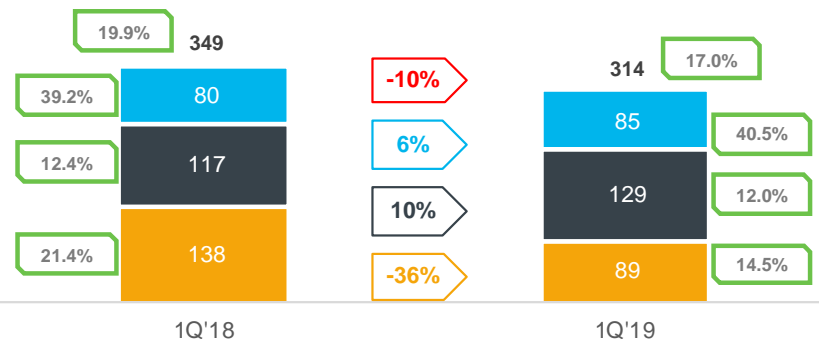
EBITDA

% Total EBITDA
 Vinyl 30% Fluent 40% Fluor 26%



* Constant currency & organic EBITDA growth

Vinyl Fluent Fluor



* Organic = means that it will exclude: i) CADE 2018 and Netafim Ltd. Acquisition related expenses in 2018 & 2019; ii) IFRS 16 benefit in 2019 EBITDA and iii) FX translation effects without consider any positive or negative effect from Venezuela.

Free cash flow

	First Quarter		
	2019	2018	%Var.
mm US\$			
EBITDA	318	330	-4%
Taxes paid	(54)	(54)	0%
Net interest paid	(84)	(74)	14%
Bank commissions	(5)	(3)	67%
Exchange rate gains (losses)	(1)	(10)	-90%
Change in trade working capital ⁽¹⁾⁽²⁾	(215)	(217)	-1%
Operating cash flow before capex, buy-back shares program & dividends	(42)	(28)	50%
Total CAPEX (organic & JV)	(60)	(66)	-9%
Operating cash flow before buy-back shares program & dividends	(102)	(94)	9%
Buy-back shares program	3	(15)	N/A
Operating cash flow before dividends	(99)	(110)	-10%
Shareholders' dividend	(79)	(74)	7%
Free cash flow	(179)	(184)	-3%

1) PMV's insurance A/R is not included in trade working capital calculation.

2) Trade working capital variation (Mar 18 vs Dec 17) includes Netafim's proforma results for comparative purposes.

Committed with our investment grade rating

	Last Twelve Months	
	Mar 2019	Dec 2018
Net Debt (USD million)	2,994	2,871
Net Debt/EBITDA 12 M*	2.16x	2.05x
Interest coverage	5.23x	5.59x

Net debt USD includes \$0.3 million of letters of credit with maturities of more than 180 days that for covenant purposes are considered gross debt, although they are not booked in the accounting debt.

* Without the IFRS 16 effect the ratio was 2.19x

Strong balance sheet and healthy debt profile

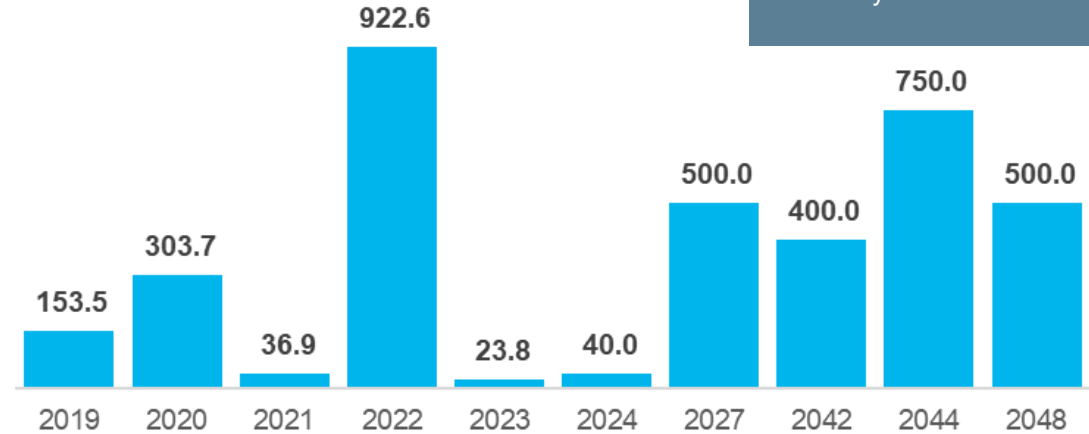
Investment Grade

Fitch Ratings	BBB
S&P	BBB-
Moody's	Baa3

Long-Term Debt Schedule

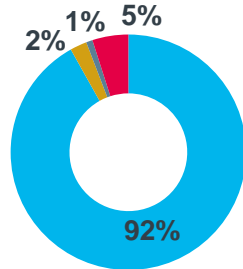
US\$MM, as of March 31th, 2019

- Debt Average Life 14.19 years
- Weighted Average Cost of Debt 4.90%



Most Debt at Holdco Level

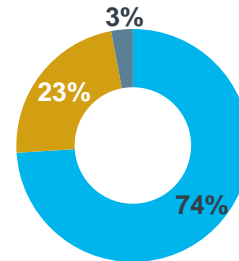
Debt by Division



■ Holding ■ Vinyl ■ Fluor ■ Fluent

Alignment of Debt to Revenue Currency

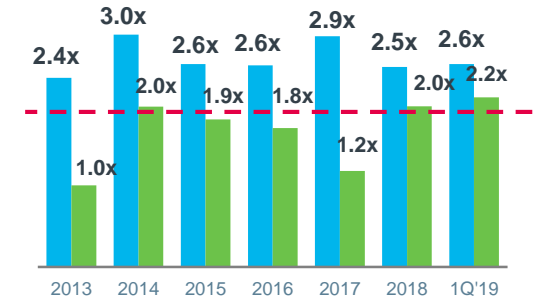
Debt by Currency (Swapped)



■ US\$ ■ Euro ■ Others

US\$1.5B revolving credit facility (100% available)

Conservative Leverage Ratios



Source: Company filings

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