



Third Quarter 2018 Earnings

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."

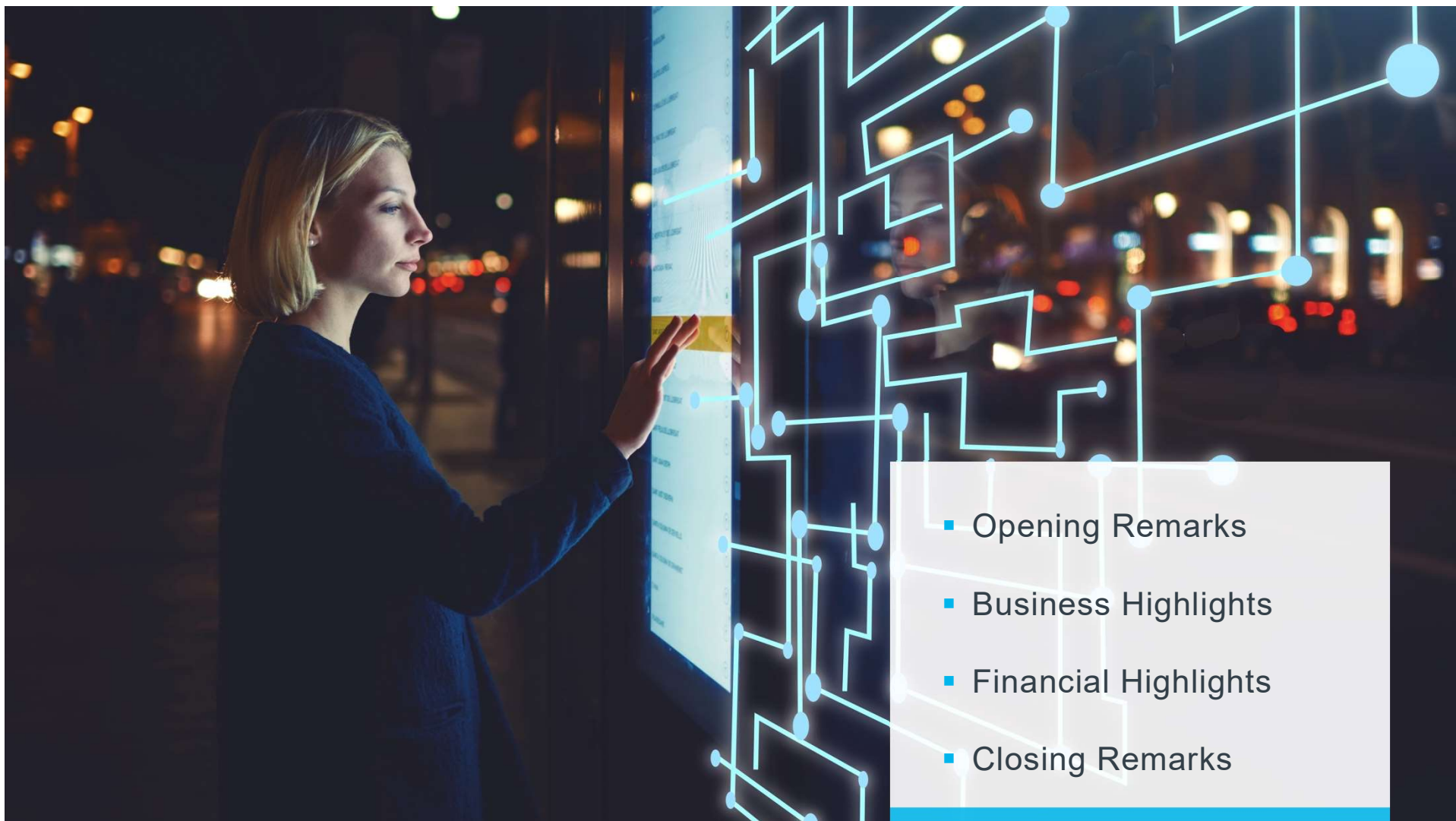
Mexichem has implemented a Code of Ethics that rules its relationships with its employees, clients, suppliers and general groups. Mexichem's Code of Ethics is available for consulting in the following link:

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.



Brief Summary of Results

1

mm US\$	Third Quarter		
Financial Highlights	2018	2017	%Var.
Net sales	1,785	1,503	19%
Operating income	270	201	34%
EBITDA	375	299	25%
EBITDA margin	21.0%	19.9%	107 bps
Net majority income	82	61	34%
Cash Flow before dividends	157	151	4%
Free cash flow	83	71	17%

2

EBITDA by quarter (US mm)

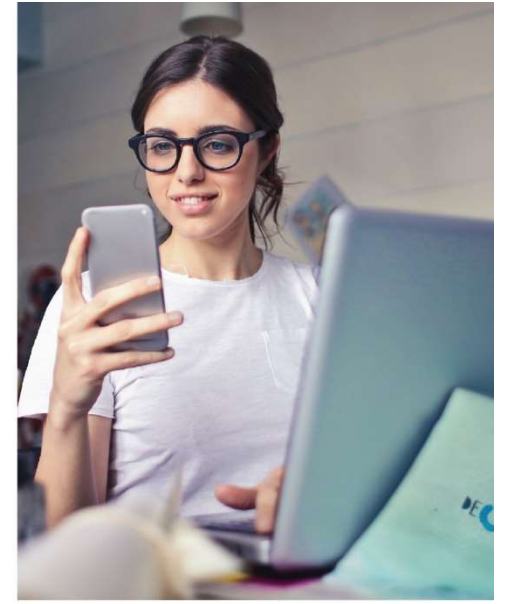


Quarter	Sales			EBITDA		
mm US\$	3Q18	3Q17	%Var.	3Q18	3Q17	%Var.
Vinyl	621	579	7%	151	133	14%
Fluent	1,003	785	28%	140	107	31%
Fluor	210	177	19%	94	68	38%
Eliminations/ Holding	(49)	(38)	29%	(10)	(9)	11%
Mexichem Consolidated	1,785	1,503	19%	375	299	25%



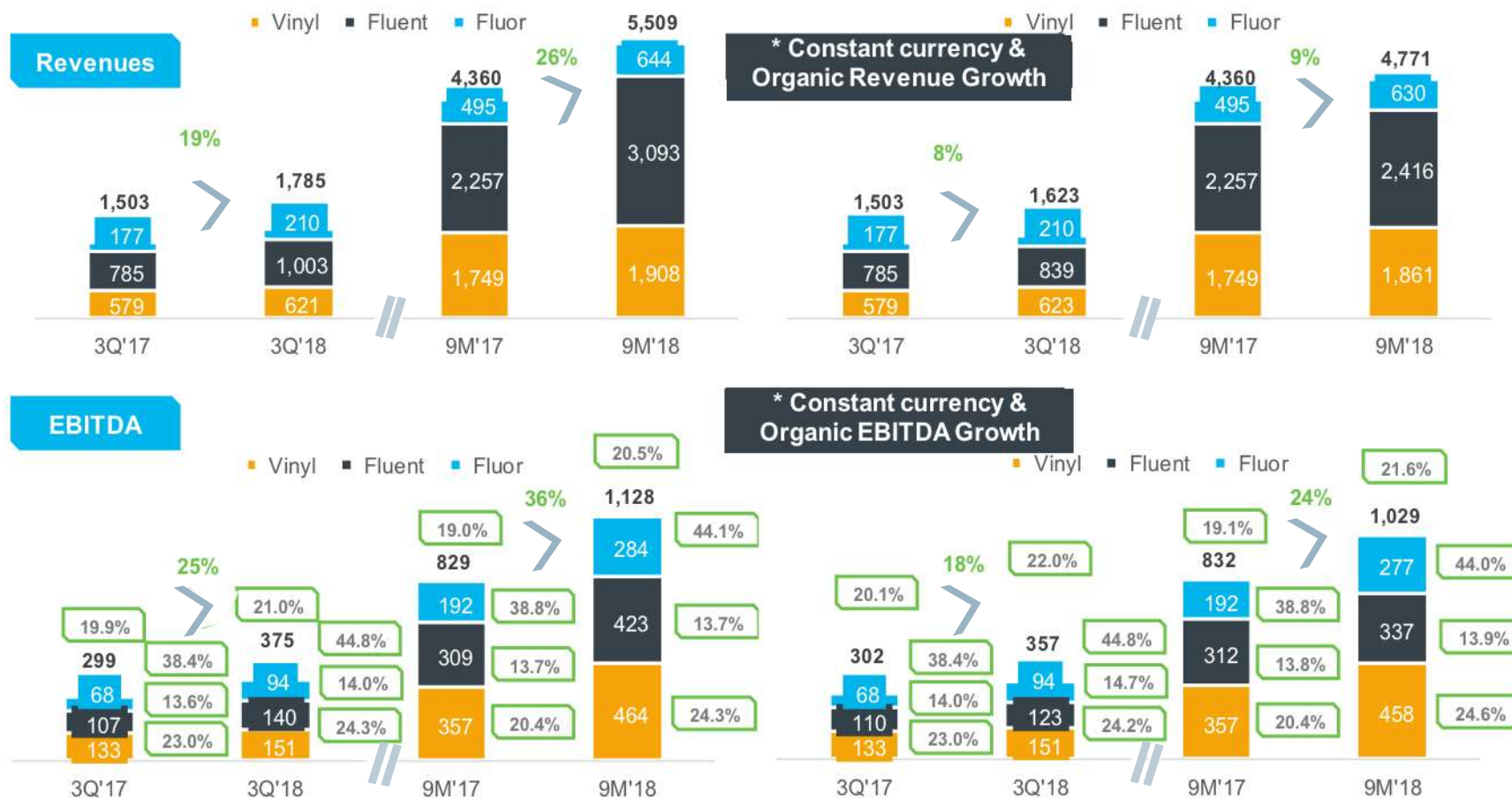






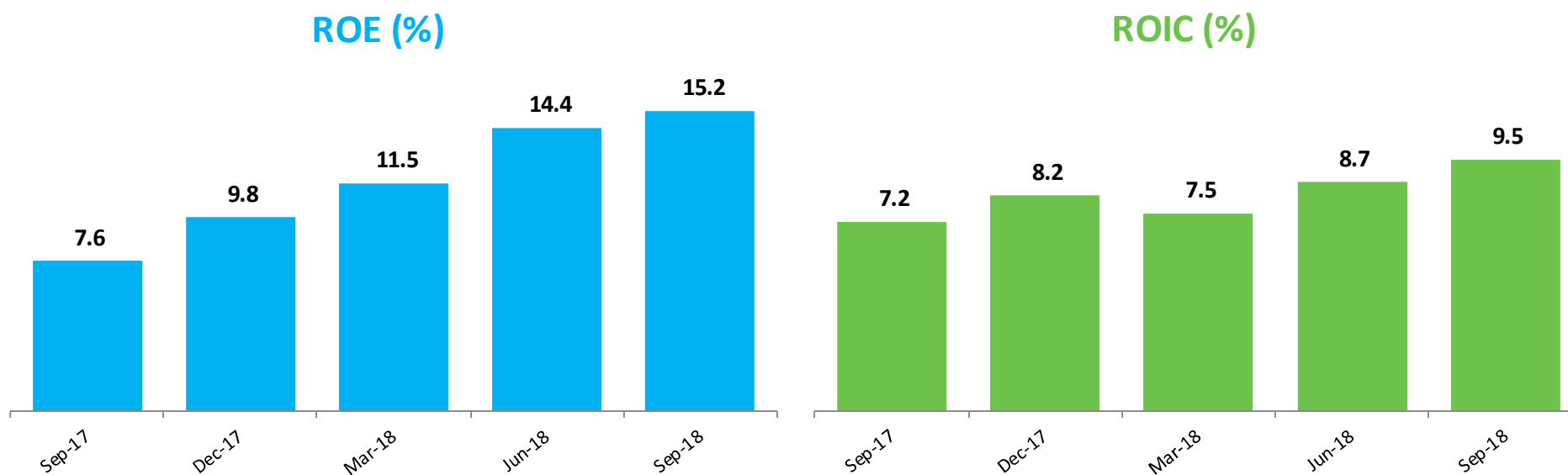
Strong Performance by Business Group

X% EBITDA margin



* **Organic** = means that it will exclude: i) Netafim's results for the quarter; ii) CADE and Netafim Ltd. Acquisition related expenses; iii) Brazil Tax legal settlement benefit, and iv) FX translation effects without consider any positive or negative effect from Venezuela.

Continued positive trends and returns

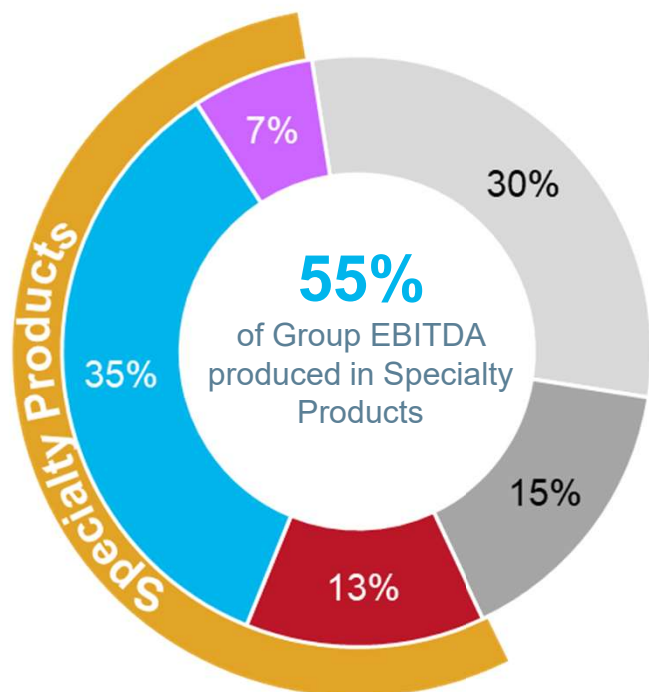


ROE: Income from continuing operations / Adjusted Average Equity from continuing operations

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 = 7.5% ()

EBITDA Evolution

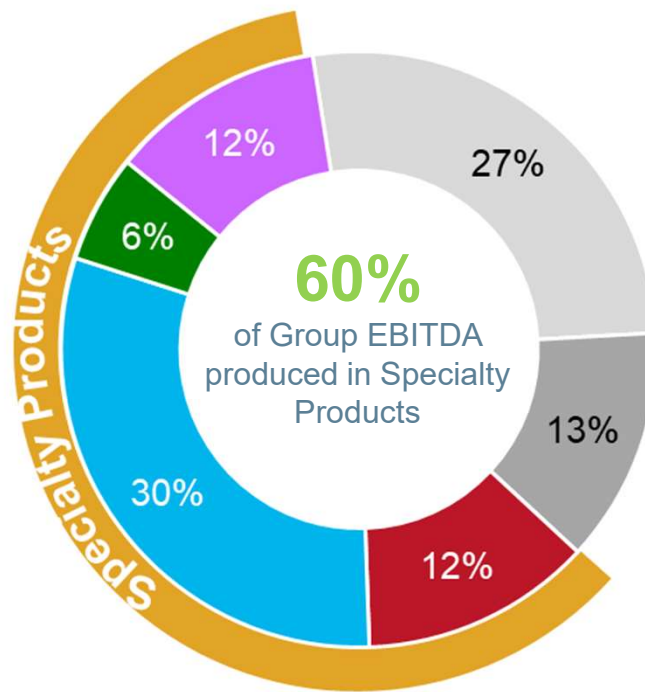
EBITDA 3Q'17



Specialty Products:
 Downstream
 Fluent
 Specialty Resins & Compounds

General Products:
 Resins, Derivatives & PMV
 Upstream

EBITDA 3Q'18



Specialty Products:
 Downstream
 Fluent
 Specialty Resins & Compounds
 Netafim

General Products:
 Resins, Derivatives & PMV
 Upstream

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Strong Cash Generation Despite Seasonality

mm US\$	Third Quarter			January - September		
	2018	2017	%Var.	2018	2017	% Var.
EBITDA	375	299	25%	1,128	829	36%
Taxes paid	(58)	(34)	71%	(190)	(104)	83%
Net interest paid	(49)	(35)	40%	(143)	(107)	34%
Bank commissions	(7)	(8)	-13%	(30)	(21)	43%
Exchange rate gains (losses)	(8)	(5)	60%	(40)	(17)	135%
Change in trade working capital ^{(1) (2)}	(33)	0	N/A	(294)	(208)	41%
Operating cash flow before capex	220	217	1%	431	372	16%
CAPEX (Organic)	(61)	(54)	13%	(186)	(149)	25%
CAPEX (Total JV)	(2)	(19)	-89%	(13)	(105)	-88%
CAPEX JV (OXY share)	-	6	-100%	-	45	-100%
NET CAPEX JV	(2)	(13)	-85%	(13)	(59)	-78%
Total CAPEX (organic & JV)	(63)	(66)	-5%	(199)	(208)	-4%
Cash flow before dividends	157	151	4%	232	164	41%
Shareholders' dividend	(74)	(80)	-8%	(210)	(132)	59%
Free cash flow	83	71	17%	22	32	-31%
PMV's insurance A/R	-	-		268	-	
Free cash flow after Insurance	83	71	17%	290	32	806%

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

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

Investment Grade Rating and Reduced Leverage

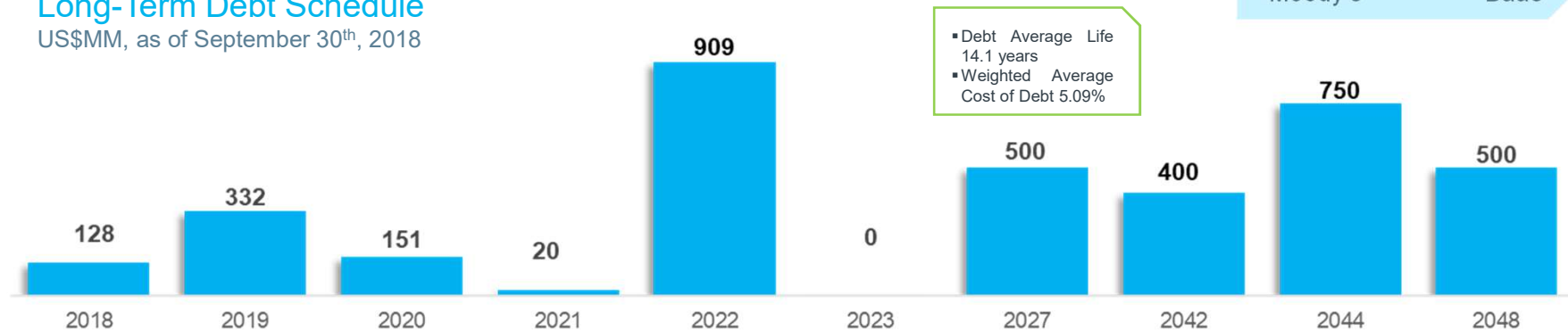
	Last Twelve Months	
	Sep 2018	Dec 2017
Net Debt USD million	2,757	1,356
Net Debt/EBITDA 12 M	1.91x	1.23x
Interest coverage	6.19x	5.67x

Net debt USD includes \$0.6 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.

Strong balance sheet and healthy debt profile

Long-Term Debt Schedule

US\$MM, as of September 30th, 2018

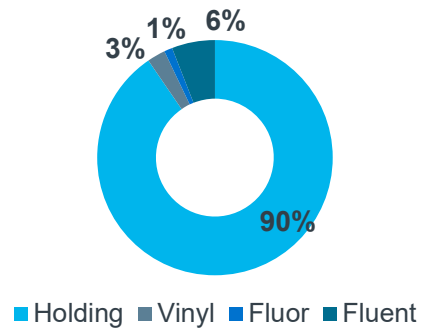


Investment Grade

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

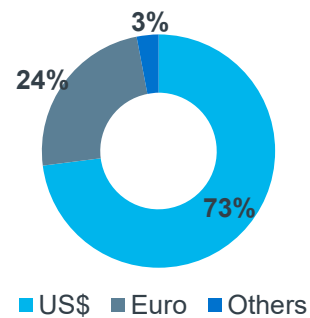
Most Debt at Holdco Level

Debt by Division)

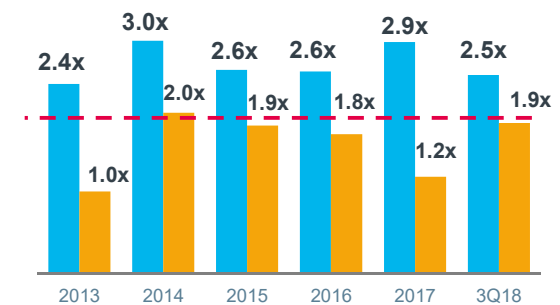


Alignment of Debt to Revenue Currency

Debt by Currency (Swapped)



Conservative Leverage Ratios



Source: Company filings

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





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