MEXCHEM	Stock information	Bolsa Mexicana de Valores	Ticker Symbol: MEXCHEM*

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Mexichem Reports 2014 Third Quarter and First Nine Months 2014 Results

Tlalnepantla, State of Mexico, October 27th, 2014 - Mexichem, S.A.B. de C.V. (BMV: MEXCHEM*) ("the Company" or "Mexichem") today announced its unaudited results for the third quarter ended September 30th, 2014. The figures have been prepared in accordance with International Financial Reporting Standards ("NIIF" or "IFRS") having US dollars as the functional and reporting currency. All comparisons are made against the same period of the prior year, unless specified to the contrary.

Third Quarter 2014 Financial and Operating Highlights

- **Revenues increased 8% to $1.4 Billion, reflecting year-on-year growth across all Business Chains**
- **EBITDA exclusive of PMV and Venezuela was stable at $198 million. EBITDA inclusive of these operations declined to $207 million, due to ethylene shortages and weaker European results that offset significant improvement in the Fluorine Chain and in the Latin American segment of the Integral Solutions Chain**
- **Net income from continuing operations was $47 million; net income was $53 million**
- **Net Debt to EBITDA Ratio was 1.9x at quarter-end**
- **Free cash flow grew significantly to $271 million in the third quarter; to $90 million for the nine months**
- **Completed acquisition of Dura-Line on September 20th, 2014; Vestolit acquisition expected to close in this year's fourth quarter**
- **New equipment installed successfully at PMV joint venture, which will begin ramp-up in Q42014; Ethylene cracker scheduled to be operational in early 2017**

Conference Call

Mexichem will host a conference call to discuss its 3Q14 results on Tuesday October 28th, 2014 at 10:00 Mexico City / 12:00 NY. To access the call, please dial 001-855-817-7630 (Mexico), or 1-866-652-5200 (United States) or 1-412-317-6060 (International). All callers should dial in a minimum of 15 minutes prior to the start time and ask for the Mexichem conference call. The call will also be available through an audio only live webcast at http://services.choruscall.com/links/mexichem141030.html.

A replay of the call will be available approximately two hours after the end of the call. The replay can be accessed via Mexichem's website at www.mexichem.com

CONSOLIDATED RESULTS

	Third Quarter			January - September		
Consolidated (mm US$)	2014	2013	%Var.	2014	2013	% Var.
Net Sales	1,429	1,326	8%	4,212	3,896	8%
Operating Income	100	155	-36%	359	490	-27%
Net Income	53	-63	N/A	152	84	80%
Net Income from continuing operations	47	89	-47%	152	252	-40%
EBITDA	207	227	-9%	661	717	-8%
Cash Flow	271	35	669%	90	115	-22%
Dividends	0	-19	-100%	0	-59	-100%
Free Cash Flow	271	16	1599%	90	56	62%

MANAGEMENT COMMENTARY

Performance and Outlook

"We made significant progress on key elements of our strategic growth plan in the third quarter. We furthered our dual objectives of expanding our portfolio of high value specialty products and accessing new geographies and high growth markets with the announced acquisitions of Dura-Line in the U.S., and Vestolit in Germany. The Vestolit transaction, which is expected to close in this year's fourth quarter, provides access to new end markets, expands our European footprint, particularly in Germany, and gives us new technology. The Dura-Line transaction, which was completed in mid-September, adds a broad range of high end products, new fast growing markets around datacom, energy and infrastructure solutions and new geographies, including India, South Africa and the Middle East. In anticipation of acquisition activity, we placed a 144A/RegS 30-year bond in the amount of $750 million in early September at an attractive rate. The offering was roughly 4 times oversubscribed, demonstrating investor confidence in our strategy, future prospects and disciplined financial management," said Antonio Carrillo, Chief Executive Officer

"Our third quarter financial results reflected solid execution in those areas that are within our control. We posted another high single-digit revenue increase, thanks to: increased capacity in our Resins, Compounds and Derivatives segment; higher sales in the Latin-American operations of Integral Solutions and the 11-day contribution of Dura-Line to that segment; and the start of the long-awaited recovery in our Fluorine Chain, specifically price increases in fluorspar and modestly improved pricing and volumes in refrigerant gases. EBITDA excluding PMV and Venezuelan operations, remained similar on a year-on-year basis, but reported EBITDA comparisons were negative in the third quarter for several reasons. Most notably, as we previously reported, ethylene and VCM shortages and record high ethylene prices resulted in reduced volumes and margins in the quarter. As we have been mentioning ethylene represents over 50% of the PVC cost. When our PMV joint venture is fully ramped in late-2015 and our ethylene cracker project is operational in early 2017, Mexichem will have a more stable source of reasonably priced raw materials, but until then, we will work toward optimizing market conditions to benefit our results. In the short term, however, this situation penalized third quarter profitability. Additionally, we faced sales and margin headwinds in Europe due to a surprisingly difficult economic conditions, and geopolitical issues that specifically affected exports from Eastern Europe and Turkey. Finally, in the third quarter we carried out a major overhaul of facilities at PMV, which required a temporary shutdown of operations. On the positive side, we saw very strong performance from our Fluorine Chain. As anticipated, we benefited from new contracts in effect with our major acid fluorspar customers, resulting in increased shipments at new pricing levels and the favorable ITC ruling, which has led to modestly higher refrigerant gas prices. We also saw a strong performance in our Integral Solutions Latin American business in the quarter.

“Third quarter 2014 net income from continuing operations was $47 million, net income was $53 million, and our net debt to EBITDA ratio was 1.9x at the end of the 2014 nine-month period. Based on our current projections and after completing both of the acquisitions, we expect to end the year with a net debt to EBITDA ratio of around 2.3 times, slightly above our internal target of 2 times. However, we are very confident that the significant growth opportunities that we have as a result of these acquisitions, combined with the more favorable outlook for our existing businesses in 2015, particularly in our higher margin Fluorine Chain, will enable us to bring this ratio under our target level in the medium term.

“Based on our current visibility, we expect to report double digit EBITDA growth in this year’s fourth quarter, compared to the corresponding period in 2013. This expectation includes the effect of ethylene and VCM prices similar to what we experienced in the third quarter, but excludes the impact of PMV and operations in Venezuela. Our guidance reflects better conditions in key Latin American markets, the improved performance of the Fluorine Chain and a full quarter benefit from our Dura-Line acquisition. Full year EBITDA comparisons however are likely to be flat year-on-year, due to the industry and economic factors that impacted third-quarter performance, specifically high North American ethylene prices and the weaker outlook for business conditions in Europe, which we expect to continue in the coming months.

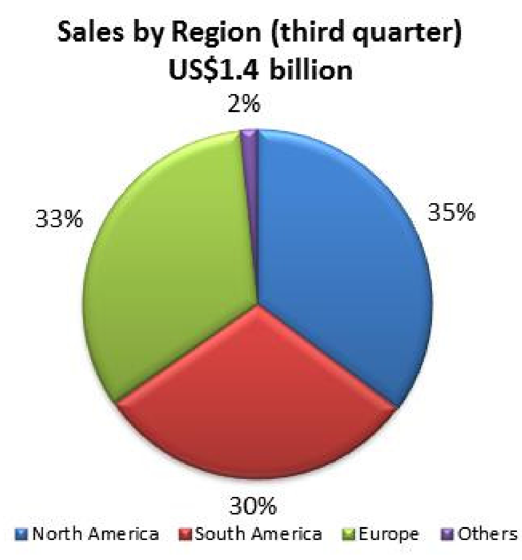
“We will enter 2015 with positive momentum. Our growth prospects will be driven by the confluence of several factors. First, we are expecting continued positive comparisons in our Fluorine Chain, which is our highest margin business. Second, our re-furbished PMV joint venture saw a significant capacity increase in mid-October and will reduce our VCM costs as it ramps up in the second half of 2015. Third, we will see a full year of benefit from our expanded capacity for both PVC resin and pipes in Latin America, where demand is expected to be healthy. Fourth, we will have the benefit of our recent Dura-Line and Vestolit acquisitions, which we believe will add between $110 million and $120 million of EBITDA to our consolidated results in the first year after their respective closings—before the benefit of meaningful synergies. These acquisitions give Mexichem access to new, high growth end markets and geographies, and we are moving forward with substantial cross-selling plans to fully take advantage of these opportunities. The big uncertainties we will continue to face in 2015 are the health of the European economy and worldwide ethylene market conditions” Mr. Carrillo concluded.

SALES

Sales in 3Q14 increased $103 million or 8% year-on-year to $1.4 billion, mainly due to the following factors:

- A $10 million or 2% increase in sales in the Chlorine Vinyl Chain. Sales for Resins, Compounds and Derivatives grew by $28 million, mainly due to the increased capacity in Mexico and Colombia. This was offset by a decline in PMV sales of chlorine to third parties, which reflected greater internal consumption.
- A $37 million or 5% sales increase in the Integral Solutions Chain mainly due to higher sales in Latin America and the consolidation of Dura-Line as of September 20th, 2014.
- A $13 million or 9% sales increase in Fluorine Chain, due mainly to the increase in prices in acid grade fluorspar and hydrofluoric acid as a result of recent contract negotiations, as well as modestly higher volumes and prices for refrigerant gases following the recent preliminary resolution by the U.S. International Trade Commission.

SALES BY REGION:



EBITDA

3Q14 EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) was $207 million, $20 million or 9% lower than in 3Q13. EBITDA from Resins, Compounds and Derivatives fell by $21.4 million, due to high VCM prices following the recent reduction in availability and increase in prices of North American ethylene. PMV, the Company's joint venture with Pemex, reported negative EBITDA for the quarter, due to a planned maintenance shutdown. In 2013, the equivalent shutdown was carried out in the fourth quarter. The third negative impact in the quarter was a significant reduction in our European Integral Solutions EBITDA.

These negative effects were partially offset by higher margins in the Fluorine Chain following the price increases in acid grade fluorspar, hydrofluoric acid and refrigerant gases, as well as modestly higher refrigerant gas volumes together. The Latin American Integral Solutions business also reported year-on-year EBITDA growth, amid an improving operating environment in the region.

OPERATING INCOME

Operating income for the third quarter was $100 million, 36% lower than in 3Q13 due to the factors mentioned above and to higher depreciation and amortization as a result of an expanded asset base following the investment in PMV and the capacity expansion in Mexico and Colombia in the Chlorine-Vinyl Chain.

FINANCIAL COST

In 3Q14 financial costs increased $32 million to $51 million mainly due:

- During 3Q13, the Company registered financial revenue of $11 million related to the unwinding of derivative instruments to swap Mexican peso-denominated debt into Euros, creating a high base of comparison for 3Q14. In 3Q14, the Company unwound a swap related to Mexican-denominated debt that had been prepaid. This resulted in a financial cost of $3 million. The total difference represented an expense increase of $14 million.
- An increase in interest expense of $6.6 million, due in part to the bond issue completed on September 9th 2014, which increased the Company's debt by $400 million. Additionally, interest costs related to capital expenditures invested in 2013 to expand capacity in Mexico and Colombia and to finance other assets, which were capitalized during the construction phase, in accordance with IAS 16 *"Property, Plant and equipment"*. Since the expansion became operational in 2014, interest costs have been expensed, thus increasing the Company's financial costs.
- In 3Q14 the Company prepaid its 2016 maturity Mexican peso denominated debt with a premium of $2.3 million, which contributed to higher financial costs compared to 3Q13.

INCOME TAXES

3Q14 Income tax expense declined $43 million year-on-year to $2.7 million from $45.3, mainly due to lower income from continuing operations before taxes, and also to variation in the impact of the US Dollar debt translation effect into local currency, related to companies with US Dollar functional and reporting currency.

NET INCOME

In 3Q14, net income totaled $52.8 million compared to a net loss of $62.8 million in 3Q13. This increase was primarily due to the impact of discontinued operations in the Fluor Chain on 3Q13 results.

Net income from continuing operations totaled $47.3 million, compared with $88.9 million in 3Q13, due to lower operating income and higher financial interest expenses.

CASH FLOW HIGHLIGHTS

	Third Quarter			January - September		
Free Cash Flow	2014	2013	%Var.	2014	2013	% Var.
EBITDA	207	227	-9%	661	717	-8%
Taxes	-21	-45	-53%	-83	-132	-37%
Net Interest	-39	-13	204%	-96	-62	53%
Bank Commissions	-3	-5	-25%	-12	-12	-1%
Foreign Exchange Expense (Venezuela)	0	0		-33	0	
Change in Working Capital	238	-68	N/A	-45	-227	-80%
Operating cash flow before Capex	382	96	297%	392	282	39%
CAPEX (organic)	-52	-61	-14%	-161	-167	-4%
CAPEX (Total JV)	-104	0	N/A	-254	0	N/A
CAPEX JV (OXY SHARE)	46	0	N/A	113	0	N/A
NET CAPEX JV	-59	0	N/A	-141	0	N/A
MEXICHEM TOTAL CAPEX (organic & JV)	-111	-61	82%	-302	-167	80%
Cash Flow	271	35	669%	90	115	-22%
Dividends	0	-19	-100%	0	-59	-100%
Free Cash Flow	271	16	1599%	90	56	62%

Operating cash flow before capital expenditures was $382 million in 3Q14, compared with $96 million in 3Q13. The increase was mainly due to higher pro forma working capital in

3Q13. This quarter, the Company's working capital performance improved significantly in its Resins business and Integral Solutions Chain.

Capital expenditures in 3Q14 totaled $156 million, including $46 million corresponding to OxyChem's contribution to the ethylene cracker joint venture. Of the $110 million corresponding to Mexichem, $46 million was invested in the aforementioned ethylene cracker, $13 million in PMV, a joint venture with Pemex, and $51 million was organic capital expenditures.

Capital expenditures for the nine months ended September 30th, 2014 totaled $415 million, of which $113 million corresponds to OxyChem. Of the $302 million corresponding to Mexichem, $113 million was invested in the ethylene cracker, $28 million was invested in PMV, and $161 million was organic capital expenditures.

GENERAL BALANCE SHEET

NET WORKING CAPITAL

Net working capital as of September 30th, 2014 was $791 million including Dura-Line´s net working capital of $72 million, compared with $961 million a year earlier without Dura-Line's operations. Including Dura-Line's net working capital, pro forma working capital as of September 30th, 2013 was $1.0 billion.

The year-on-year decrease in net working capital was mainly due to higher trade payables in Chlorine Vinyl Chain and in Integral Solutions Chain in their Latin American operations.

Dura-Line's working capital as of September 30, 2014 consisted of $92 million in account receivables, $59 million in inventories and $79 million in account payables while as of September 30th, 2013, on a pro forma basis, it consisted of $89 million in account receivables, $61 million in inventories and $76 million in account payables.

FINANCIAL DEBT

	Last Twelve Months	
	Sep 2014	Dec 2013
Net Debt USD	1,618	933
Net Debt/EBITDA 12 M	1.9x	1.0x
Interest Coverage	5.2x	8.2x
Outstanding Shares	2,100,000,000	2,100,000,000

Financial debt as of September 30th, 2014 was $2.5 billion, while cash and cash equivalents totaled $0.9 billion, resulting in net financial debt of $1.6 billion. The increase was primarily due to the investments related to Mexichem's joint ventures with Pemex and OxyChem and the acquisition of Dura-Line.

The Net Debt / EBITDA ratio was 1.9x as of September 30th, 2014, based on EBITDA of $844 million for the previous 12 months. The Interest Coverage / EBITDA ratio was 5.2x at the end of 3Q14.

CONSOLIDATED BALANCE SHEET

	USD in thousands		
Balance Sheet	**Sep 2014**	**Dec 2013**	**%**
Total assets	**8,958,331**	**8,181,802**	**9%**
Cash and temporary investments	896,704	1,232,561	-27%
Receivables	1,203,908	896,777	34%
Inventories	814,142	728,805	12%
Others current assets	223,405	194,835	15%
Long term assets	5,820,172	5,128,824	13%
Total liabilities	**5,149,031**	**4,590,745**	**12%**
Current portion of long-term debt	59,154	62,121	-5%
Suppliers	1,226,908	953,147	29%
Other current liabilities	526,596	499,677	5%
Long-term debt	2,455,429	2,103,086	17%
Other long-term liabilities	880,944	972,714	-9%
Consolidated shareholders'equity	**3,809,300**	**3,591,057**	**6%**
Minority shareholders'equity	411,479	292,501	41%
Majority shareholders'equity	**3,397,821**	**3,298,556**	**3%**
Total liabilities & shareholders' equity	**8,958,331**	**8,181,802**	**9%**

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CONSOLIDATED STATEMENT OF RESULTS

USD in thousands	Third Quarter			January - September		
INCOME STATEMENT	**2014**	**2013**	**%**	**2014**	**2013**	**%**
Net sales	1,429,188	1,326,336	8%	4,211,745	3,895,865	8%
Cost of sales	1,077,038	928,523	16%	3,114,149	2,700,447	15%
Gross profit	**352,150**	**397,813**	**-11%**	**1,097,596**	**1,195,418**	**-8%**
Operating expenses	252,198	242,401	4%	738,253	705,868	5%
Operating income	**99,952**	**155,412**	**-36%**	**359,343**	**489,550**	**-27%**
Financial cost	50,969	18,633	174%	153,552	98,356	56%
Other expenses	(1,027)	2,546	N/A	(3,199)	958	N/A
Income from continuing operations before income tax	**50,010**	**134,233**	**-63%**	**208,990**	**390,236**	**-46%**
Income tax	2,744	45,345	-94%	57,001	138,728	-59%
Income from continuing operations	**47,266**	**88,888**	**-47%**	**151,989**	**251,508**	**-40%**
Discontinued operations	352	(150,536)	N/A	(263)	(164,221)	-100%
Consolidated net income	**47,618**	**- 61,648**	**N/A**	**151,726**	**87,287**	**74%**
Minority stockholders	- 5,222	1,198	**N/A**	- 78	2,963	**N/A**
Net income	**52,840**	**- 62,846**	**N/A**	**151,804**	**84,324**	**80%**
EBITDA	**207,010**	**226,657**	**-9%**	**661,403**	**716,541**	**-8%**

OPERATING RESULTS BY CHAIN

INTEGRAL SOLUTIONS CHAIN

	Third Quarter			January - September		
Integral Solutions Chain	2014	2013	%Var.	2014	2013	% Var.
Sales	838	801	5%	2,407	2,302	5%
Operating Income	52	71	-27%	155	176	-12%
EBITDA	100	110	-10%	291	295	-1%
	Third Quarter				January - September	
Volume (Var. %)	4%				4%	

Third quarter sales for the Integral Solutions chain were $838 million, 5% higher than the same period in 2013. Sales benefitted from a 4% increase in Latin American revenues, with improved volumes and product mix in Mexico and Brazil, as well as the consolidation of Dura-Line as of September 20th, 2014. These effects were partially offset by a 1% decrease in European sales.

Year-to-date sales increased 5% year-on-year to $2,407 million, with 6% growth in Europe and 1% growth in Latin America.

Operating income for the third quarter declined 27% to $52 million. This was primarily due to the depreciation of Latin American currencies against the U.S. dollar, as well as a more challenging operating environment in Europe, which impacted both revenues and margins. YTD operating profit was $155 million, down 12% from the same period of 2013.

Third quarter EBITDA declined 10% or $10 million year-on-year to $100 million. This decline was due to lower EBITDA in Europe, where a difficult operating environment and lower exports due mainly to the Russian-Ukraine conflict, hurt results. Our Latin American showed strong performance in the third quarter but couldn´t offset the European decline.

Based on an exchange rate of $6.30 bolivars per dollar, which is the official exchange rate applicable to companies such as Mexichem, 3Q14 EBITDA from Venezuelan operations was $7.2 million, compared with $14.0 million in 3Q13. Year to date EBITDA from Venezuelan operations was $22.8 million, compared with $34.2 million in the first nine months of 2013.

CHLORINE VINYL CHAIN[1]

	Third Quarter			January - September		
Chlorine - Vinyl Chain	2014	2013	%Var.	2014	2013	% Var.
Total Sales**	476	466	2%	1,475	1,353	9%
Operating Income	1	63	-98%	97	192	-50%
EBITDA	36	79	-54%	195	236	-17%
	Third Quarter				January - September	
Volume (Var. %)	-3%				4%	

**Intercompany sales were $51 million and $93 million for 3Q 2014 and 2013, respectively, and $176 million and $284 million accrued to september 2014 and 2013.

	Third Quarter			January - September		
Resins, Compounds & Derivatives	2014	2013*	%Var.	2014	2013*	% Var.
Total Sales**	475	447	6%	1,448	1,260	15%
Operating Income	23	53	-57%	112	158	-29%
EBITDA	46	67	-32%	174	194	-10%
	Third Quarter				January - September	
Volume (Var. %)	-5%				9%	

*Coatzacoalcos plant results were re-allocated in PMV section in 2013

**Intercompany sales were $67 million and $102 million for 3Q 2014 and 2013, respectively, and $224 million and $294 million YTD september 2014 and 2013

	Third Quarter			January - September		
PMV	2014	2013*	%Var.	2014	2013*	% Var.
Total Sales**	39	34	14%	163	110	47%
Operating Income	-22	10	N/A	-15	34	N/A
EBITDA	-10	12	N/A	21	42	-50%
	Third Quarter				January - September	
Volume (Var. %)	7%				18%	

*2013 figures are proforma. Include Coatzacoalcos plant

**Intercompany sales were $22 million and $6 million for 3Q 2014 and 2013, respectively, and $87 million and $8 million accrued to september 2014 and 2013.

[1] *2013 data for Resins, Compounds and Derivatives as well as for PMV are pro forma data for comparative purposes.*

Revenues in the Chlorine Vinyl Chain increased 2% in 3Q14 when compared with 3Q13 rising to $476 million, from $466 million a year earlier.

3Q14 EBITDA for the Chlorine Vinyl Chain declined 54%, or $43 million, to $36 million. EBITDA for the nine months ended September 30th, 2014 declined 17% to $195 million.

In 3Q14, Resins, Compounds and Derivatives revenues increased 6%, while revenues for the first nine months of 2014 increased 15%. In both cases, the increases were due mainly to higher volumes following the increase in capacity in Mexico and Colombia, while for the nine months of 2014 the consolidation of the specialty resins business acquired from PolyOne beginning in June 2013 also benefited revenues.

In Resins, Compounds and Derivatives, third quarter operating income declined $30 million year-on-year to $23 million. Operating income for the first nine months of 2014 declined $46 million to $112 million. In both cases, the lower operating income was the result of higher prices of VCM as a result of North American ethylene prices and shortages and the increase in depreciation and amortization due to the consolidations of the specialty resins business of PolyOne beginning in June 2013.

According to CMAI, ethylene average spot prices in the USA during 2Q14 was 58.89 cts per lb while during the third quarter 2014 it was 68.06 cts per lb representing an increase of 16%. It is important to mention that during the quarter ethylene spot prices in the US reached historically high record prices touching 76.5 cts per lb.

3Q14 EBITDA for Resins, Compounds and Derivatives declined 32% to $46 million. Year-to-date EBITDA declined 10% to $174 million. In both cases, the reduction was the result of the conditions in the North American ethylene market.

In 3Q14, PMV revenues increased 14% to $39 million, mainly due to higher sales of ethylene and VCM. 3Q14 and first nine months of 2014 EBITDA declined $21 million, mainly due to the major overhaul of PMV operations that was carried out in the quarter, which required a temporary shutdown of operations. In 2013, the equivalent shutdown was carried out in the fourth quarter.

FLUORINE CHAIN

Fluorine Chain	Third Quarter 2014	Third Quarter 2013	%Var.	January - September 2014	January - September 2013	% Var.
Sales	166	153	9%	506	526	-4%
Operating Income	43	29	47%	121	150	-19%
EBITDA	62	40	57%	174	197	-12%

	Third Quarter	January - September
Volume (Var. %)	-5%	-11%

3Q14 revenues increased 9% or $13 million to $166 million. This was mainly the result of higher revenues from the sale of acid grade fluorspar and hydrofluoric acid due to new contracts that came into effect in 2Q14, as well as modestly higher prices and volumes for refrigerant gases following the preliminary ruling by the U.S. International Trade Commission in 2Q14. Year-to-date revenue fell 4% or $20 million to $506 million.

Operating income for 3Q14 was $43 million, an increase of 47% from the $29 million reported in the same period of 2013. In the first nine months of 2014, operating income declined $29 million to $121 million. This was due mainly to a high base of comparison in 3Q13 due to an $18 million benefit from the reversal of an environmental provision.

3Q14 EBITDA increased $22 million or 57% to $62 million, as margins benefited going from 26% in 3Q13 to 37.6% in third quarter 2014, due to the improvement in pricing in acid grade fluorspar and hydrofluoric acid as well as slight increases in refrigerant gas volumes and prices. For the first nine months of 2014, EBITDA decreased $23 million or 12%, mainly due to the aforementioned reversal of an environmental provision.

RECENT EVENTS

- On October 15, 2014, the U.S. Department of Commerce (US DOC) released its proposed final resolution regarding antidumping duties and countervailing duties on Chinese refrigerant gases imported into the United States. The proposed final resolution ruled that imports from China of refrigerant gas R-134a, also known as HFC-134-a or 1,1,1,2-Tetrafluoroethane, should be subject to antidumping duties of 280.67% and countervailing duties averaging 11.14%. The U.S. International Trade Commission (U.S. ITC) will vote on injury by the end of November 2014. An affirmative vote will result in the imposition of duties for at least five years. A negative vote would end the process.
- On September 19th, 2014, Mexichem completed the acquisition of Dura-Line for $630 million, and consolidated its results under the Integral Solutions Chain. Based in

Knoxville, Tennessee, USA, Dura-Line is a global leader in high-density polyethylene (HDPE) conduit, duct and pressure-pipe solutions for telecom and data communications, energy and infrastructure industries. Dura-Line has manufacturing facilities in North America, India, Oman, Europe and South Africa, and further advances Mexichem's strategy of becoming global, vertically integrated chemical company with a focus on high-end specialized products and solutions.

- On August 4th, Mexichem reached an agreement to acquire Marl, Germany-based VESTOLIT GmbH for €219 million, supporting Mexichem's strategy of global growth in high-end specialty products and upstream vertical integration. The transaction is expected to be approved in the fourth quarter of 2014, once all regulatory approvals have been received.
- On September 9th, 2014, Mexichem issued a 144A / Reg S $750 million 30-year bond with a spread of 270 basis points over 30-year US Treasury Bills. This successful bond issue increased Mexichem's liquidity and average maturity to 17 years from 10 years, while its attractive spread also improved the Company's financial position. A portion of the bond proceeds was used to prepay the CEBUR Mexican peso-denominated bond due in 2016. That CEBUR had been swap to euros in 2013. In 3Q14, the Company unwound the swap and contracted a new one. The new swap was contracted to mitigate the risk of variation in the value of the equity invested in Wavin and the recent announced Vestolit´s operation. With this transaction, and due to the conditions of the markets, Mexichem reduces its coupons under the new $750 million issuance in 151 bp
- Work at PMV continues, with major maintenance carried out in 2014, including the installation of a new vacuum column. Year-to-date investment in the plant corresponding to Mexichem total $28 million. Capacity is expected to reach around 285, 000 tons by the end of 2014. The final stage of investment will be carried out in 3Q15, with the plant reaching a final capacity of 400,000 tons in 4Q15.
- Work at the planned ethylene cracker project in Texas, USA, continues on schedule. The equity contribution to-date corresponding to Mexichem totals $143 million, and the project is expected to begin commercial operations in early 2017.
- On July 15, the Company announced that Pemex had selected a consortium consisting of Mexichem, Enesa Energía S.A. de C.V, and Invenergy Clean Power LLC to build its Cactus cogeneration project. The consortium will partner with MGC Cactus, S.A.P.I. de C.V., a subsidiary of Pemex. The Cactus cogeneration project will generate electricity using the steam produced by Pemex's Cactus gas processor facility, located approximately 39km from the city of Villahermosa. The plant will have a preliminary capacity of 530 MW and 500 tons of steam per hour. The plant is expected to begin operations in the first half of 2018, and will represent total investment of $650 million which will be shared by the partners
- On August 25, Mexichem received a credit rating of Baa3 (international scale) from Moody's Investor Services, with a stable outlook. The Company was previously rated Ba1 by Moody's, who cited factors including the Mexichem's liquidity, vertical integration strategy and its track record integrating acquisitions as factors in the new credit rating. Following the recent change in rating by Moody's, Mexichem now has an

investment grade rating from Standard & Poor's, Moody's and Fitch. The Company is rated BBB- (Global Scale)/ mxAA/MXA-1+ (national scale) by Standard & Poor's and BBB (Global Scale)/ AA+ (mex) (national scale) by Fitch.

ABOUT MEXICHEM

Mexichem is a global specialty chemical company, producing key raw materials for products used in infrastructure, housing, drinking water and other vital industries. Our clients are located in more than 60 countries and rely on our efficient production to satisfy their needs. At present, the company is focusing on its three key production chains: Chlorine Vinyl (including Resins, Compounds and Derivatives and PMV), Integral Solutions and Fluorine. The Company has annual revenues of more than US$ 5 billion, and has been traded on the Mexican Securities Exchange for more than 30 years.

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Forward-looking Statements

This press release includes declarations relating to, and is subject to, current expectations as factors, including, without limitation, global economic and market conditions, the costs of raw materials and energy, expenses, revenues and earnings of Mexichem and its segments and that of the relevant markets where its companies operate. These expectations are based on certain preliminary information, internal estimates, expectations and assumptions of management. All of these things are subject to a series of risks and uncertainties in the projection of future conditions, regulations in the relevant market, products and fields of industry issued by the respective authorities, as well as events and results. Real results could differ significantly from the expectations expressed in prospective declarations. Mexichem may choose to update these prospects, but specifically rejects any responsibility to do so, except as required by law.

Independent Analysts

Currently, the following investment firms have analysts who cover Mexichem:

-HSBC

-Grupo Santander

-JP Morgan

-Bank of America Merrill Lynch

-BBVA Bancomer

-Citigroup

-Credit Suisse

-Morgan Stanley

-GBM-Grupo Bursátil Mexicano

-UBS

-ITAU BBA

-BTG Pactual

-Actinver

-Invex Casa de Bolsa

-Banorte-Ixe

-Scotia Capital

-Vector

-Monex