Mexichem.

MEXCHEM	Report of action	Bolsa Mexicana de Valores	Ticker Symbol: MEXCHEM*

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Mexichem reports results for First Quarter 2014

Tlalnepantla, State of Mexico, April 29, 2014 - Mexichem, S.A.B. de C.V. (BMV: MEXCHEM*) ("the Company" or "Mexichem") today announced its unaudited results for the first quarter ended March 31, 2014. The figures have been prepared in accordance with International Financial Reporting Standards ("NIIF" or "IFRS") having US dollars as functional and reporting currency First quarter 2014, results consolidate the results of PMV, the Company's joint venture with Petroleos Mexicanos (Pemex). All comparisons are made against the same period of the prior year, unless specified to the contrary.

First Quarter 2014 Highlights

- **Revenues increased 9% to $1.3 Billion, driven by the strong performance of Resins, Compounds and Derivatives segment, increased contribution from Integral Solutions Chain and PMV consolidation**
- **Cost of goods sold increased 17% to 985 million, mainly due to product mix, higher natural gas prices, and increased volumes at Integral Solutions' European operations**
- **EBITDA of $198 Million, down 10%, reflected growth in the Integral Solutions and Chlorine Vinyl Chains, offset by the anticipated decline in Fluorine Chain**
- **Net income was $49.2 million vs. $42.6 million; net income from continuing operations was $51.4 million, similar to 1Q13 levels**
- **Net Debt to EBITDA Ratio was 1.3x at quarter-end**
- **PMV Joint Venture consolidated in Mexichem's 1Q14 financial results**

Conference Call

Mexichem will host a conference call to discuss its 1Q14 results on Wednesday, April 30, 2014 at 10:00 Mexico City / 11:00 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 a live webcast at http://services.choruscall.com/links/mexichem140430.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

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CONSOLIDATED RESULTS

	First Quarter		
Consolidated (mm US$)	2014	2013	%Var.
Net Sales	1,328	1,216	9%
Operating Income	102	141	-28%
Net Income	49	43	16%
Net Income from continuing operations	51	51	0%
EBITDA	198	219	-10%
Cash Flow	-151	-61	147%
Dividends	0	-20	-100%
Free Cash Flow	-151	-81	86%

MANAGEMENT COMMENTARY

Performance and Outlook

"First quarter results were in line with our expectations and reflected Mexichem's greater scale, broadened geographic footprint and our strategic shift to a high-value, vertically integrated supplier of specialty chemicals. Revenue growth was driven by a double-digit sales increase in our Resins, Compounds and Derivatives business, the consolidation of our PMV joint venture, and mid-single digit sales growth in our Integral Solutions Chain led by the strong performance of our European operations" said Antonio Carrillo, Chief Executive Officer.

“Year-on-year EBITDA improvements were posted across our Chorine Vinyl and Integral Solutions Chains; in particular, EBITDA performance at our Integral Solutions Chain’s European operation outpaced its revenue growth by roughly 4 times, reflecting the benefits of recent restructuring initiatives, mild weather and improved market conditions. EBITDA growth by these business segments was achieved after absorbing an increase of more than 50% in natural gas costs. Consolidated EBITDA was $198 million, 10% below last year’s levels mainly due to factors related to our Fluorine Chain. As noted in our fourth quarter 2013 conference call, we expected lower volumes in the upstream part of our Fluorine Chain, especially in fluorspar, as certain customers work through high inventory levels. Additionally, in the downstream part of that business, lower refrigerant gas pricing continue to plague the industry, however, we are optimistic about a positive resolution of the anti-dumping case we initiated in the U.S.”

“We succeeded in posting first quarter 2014 net income from continuing operations of $51.4 million, similar to the comparable 2013 period, due to lower year-over-year interest expenses and lower cash taxes.”

“Based on our existing portfolio of business, we are pleased to reaffirm our guidance that 2014 will be a year of progressive improvement for Mexichem. We expect our results to benefit from our increased capacity and greater efficiencies, with positive year-on-year comparisons gaining momentum in the second half of the year in line with a more favorable product mix, increased demand and better pricing. Specifically, Mexichem’s 2014 performance should reflect volume increases in our **Integral Solutions Chain** with continued positive margin comparisons at our European subsidiaries which has lower margins than our Latin American operations, and improved market conditions. In the **Resins, Compounds and Derivatives** segment of our **Chlorine Vinyl Chain,** we expect to continue to see higher volumes as we add new capacity and to benefit from the sequential decline in natural gas prices. We expect **PMV** to ramp up after a major shutdown in August and to end the year with significantly higher capacity. In our **Fluorine Chain**, we have concluded contract negotiations with our major fluorspar customers, and new pricing will go into effect in the second half of 2014, when we believe higher prices will begin to outpace lower volumes. Additionally, we have a leaner cost base to offset part of the impact of lower refrigerant gas prices; a favorable outcome from the US authorities regarding Mexichem’s anti-dumping claim would benefit our results, mainly in 2015. The caveats we would point to are: our operations in Venezuela, which currently contribute approximately 5% to our total EBITDA, the potential for uneven PMV operations between now and the major shutdown in August in order to install new equipment, and natural gas pricing, which has eased but remains at above-average levels.”

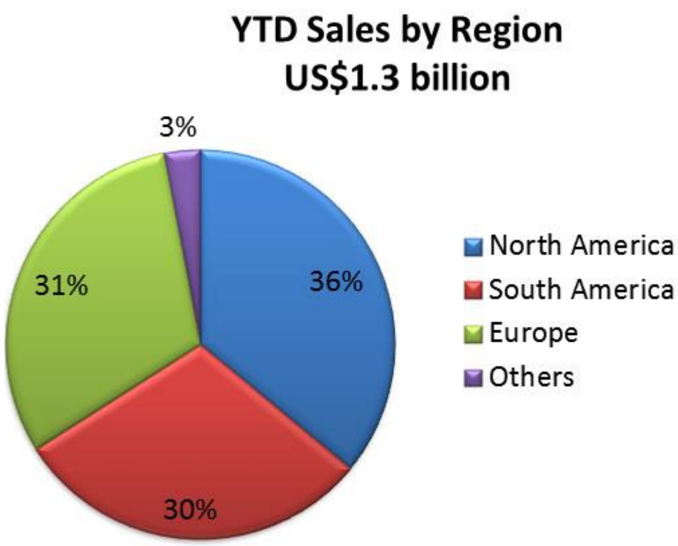
“Mexichem continues to distinguish itself by its industry-leading balance sheet. We ended the first quarter with a net debt to EBITDA ratio of 1.3x, which gives us the financial flexibility and resources to make strategic acquisitions and invest in organic growth projects that will lead to profitable, sustainable growth in 2014 and beyond,” Mr. Carrillo concluded.

SALES

Sales in 1Q14 increased $112 million or 9% year-on-year to $1.3 billion, mainly due to the following factors:

- A $92 million or 28% increase in sales to thirds in our Chlorine Vinyl Chain of which $100 million came from the increase in production capacity in Resins, Compounds and Derivatives, reduced by $8 million in PMV, which reflected a shift from external chlorine sales in 2013 to internal consumption in 2014.
- A $44 million or 6% sales increase in our Integral Solutions Chain mainly due to higher sales in Western Europe.
- These positive factors were offset by a $25 million or 14% decline in sales in the Fluorine Chain caused primarily by a decline in volumes of fluorspar, as well as low prices for refrigerant gases.

SALES BY REGION:



EBITDA

1Q14 EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) was $198 million, 10% lower than in 1Q13. The year-on-year decline resulted mainly from: i) a 36% decline in the Fluorine Chain caused by lower fluorspar volumes, which significantly affected the Company's product mix, ii) low prices for refrigerant gases, and iii) higher natural gas prices that increased energy costs in 1Q14.

The EBITDA decline in our Fluorine Chain was partially offset by:

- A 4% increase in Chlorine-Vinyl EBITDA, driven by higher resin volumes due to greater capacity, and ethylene sales from PMV, which the Company did not have in 1Q13.
- A 5% increase in Integral Solutions EBITDA, driven by stronger performance in Western Europe, benefitting from restructuring initiatives amid improved economic conditions and a milder winter.

OPERATING EARNINGS

Operating earnings for the first quarter of the year were $102 million, 28% lower than in 1Q13. In addition to the factors explained above, the decline in operating income was due to higher depreciation and amortization expense in the Chlorine-Vinyl Chain, primarily related to the increase in intangible assets related to the acquisition of the specialty resins business of PolyOne in May 2013 and the addition of the ethylene and VCM plants from Pajaritos into the PMV in September 2013.

FINANCIAL INTEREST AND FOREIGN EXCHANGE EARNINGS

In 1Q14, net financial costs were 54% lower at $29 million. In 1Q13, the Company incurred a foreign exchange rate loss of $31 million (translation adjustment) due to the decline in the exchange rate from 13.0101 pesos per dollar at the end of December 2012 to 12.3546 pesos per dollar at the end of March 2013. This increased the dollar value of its Mexican peso denominated debt which led to higher financial expenses in last year's first quarter.

INCOME TAXES

Income taxes declined $5.8 million or 21% mainly due to in 2013 we had deductions for accounting purposes that were not deductions for tax purposes coming from our dollar value of the Mexican pesos debt. At the end of 2012 the exchange rate was 13.0101, while as of March 2013 was 12.3546 which generated an exchange rate loss of $31 million, accounting loss that didn´t happen in 2014.

NET INCOME

In 1Q14, net income increased 16% year-on-year to $49.2 million, compared to $42.6 million, primarily due to last year's loss from discontinued operations of $7.8 million.

Net income from continuing operations totaled $51.4 million, stable with 1Q13, as a result of lower interest expenses and lower cash taxes.

CASH FLOW HIGHLIGHTS

	First Quarter		
Free Cash Flow	2014	2013	%Var.
EBITDA	198	219	-10%
Taxes	-27	-47	-43%
Translation Adjustment	0	-31	-100%
Net Interest	-21	-29	-28%
Change in Working Capital	-184	-113	62%
Operating cash flow before Capex	-34	-1	3790%
CAPEX (organic)	-54	-60	-10%
CAPEX (JV)	-63	0	N/A
Cash Flow	-151	-61	147%
Dividends	0	-20	-100%
Free Cash Flow	-151	-81	86%

Operating cash flow generation before capital expenditures was -$34 million. The variation of $33 million was mainly due to lower EBITDA and increased working capital in absolute dollars related to the higher seasonal working capital requirements related to increased revenues from our European operations ,partially offset by lower taxes and the conversion effect.

Capital expenditures were $117 million, inclusive of a $60 million capital contribution to the **joint venture** with OxyChem.

GENERAL BALANCE SHEET

NET WORKING CAPITAL

Net working capital as of March 31, 2014 was $857 million, compared to $844 million as of March 31, 2013. The cash conversion cycle in 1Q14 was 16 days, compared with 27 days in 1Q13.

FINANCIAL DEBT

Financial debt at the end of March 2014 was $2.2 billion and cash and cash equivalents was $1.0 billion, resulting in net financial debt of $1.2 billion higher to levels at December 31, 2013. This compares to net financial debt of $814 million at the close of 1Q13. The year-over-year increase of 43% was mainly due to the purchase of the Company's specialty resins business for $250 million in May 2013, and capital expenditures related to the Company's joint ventures with Pemex and OxyChem.

The Net Debt / EBITDA ratio was 1.3x at the end of 1Q14, well within the Company's internal target of 2x. The Net Interest Coverage / EBITDA ratio was 8.7x at the end of 1Q14, an improvement over 8.2x at the end of 2013.

	Twelve months Pro forma	
	Mar 2014	Dec 2013
Net Debt USD	1,160	933
Net Debt/EBITDA 12 M	1.3x	1.0x
Net Interest Coverage	8.7x	8.2x
Outstanding Shares	2,100,000,000	2,100,000,000

POSITION IN FOREIGN CURRENCY

The Company's foreign currency exposure was $628 million at the end of 1Q14. The principal exchange rate exposure is in Euros.

CONSOLIDATED BALANCE SHEET

	USD in thousands		
Balance Sheet	**Mar 2014**	**Dec 2013**	**%**
Total assets	**8,323,802**	**8,181,802**	**2%**
Cash and temporary investments	1,027,928	1,232,561	-17%
Receivables	1,085,655	896,777	21%
Inventories	760,895	728,805	4%
Others current assets	210,183	194,835	8%
Long term assets	5,239,141	5,128,824	2%
Total liabilities	**3,584,220**	**3,575,477**	**0%**
Current portion of long-term debt	57,090	62,121	-8%
Suppliers	989,821	953,147	4%
Other current liabilities	499,919	499,677	0%
Long-term debt	2,130,981	2,103,086	1%
Other long-term liabilities	953,320	972,714	-2%
Consolidated shareholders'equity	**3,692,671**	**3,591,057**	**3%**
Minority shareholders'equity	352,438	292,501	20%
Majority shareholders'equity	**3,340,233**	**3,298,556**	**1%**

CONSOLIDATED STATEMENT OF RESULTS

USD in thousands	First Quarter		
INCOME STATEMENT	**2014**	**2013**	**%**
Net sales	1,327,529	1,215,900	9%
Cost of sales	984,852	839,078	17%
Gross profit	**342,677**	**376,822**	**-9%**
Operating expenses	240,857	235,696	2%
Operating income	**101,820**	**141,126**	**-28%**
Financial cost	28,864	63,275	-54%
Other expenses	100	(538)	N/A
Income from continuing operations before income tax	**72,856**	**78,389**	**-7%**
Income tax	21,484	27,248	-21%
Income from continuing operations	**51,372**	**51,141**	**0%**
Discontinued operations	442	(7,778)	N/A
Consolidated net income	**51,814**	**43,363**	**19%**
Minority stockholders	2,604	784	**232%**
Net income	**49,210**	**42,579**	**16%**
EBITDA	**197,683**	**219,411**	**-10%**

INTEGRAL SOLUTIONS CHAIN

	First Quarter		
Integral Solutions Chain	2014	2013	%Var.
Sales	744	700	6%
Operating Income	35	35	0%
EBITDA	79	75	5%
Variation Volume and Price	First Quarter		
Volume	8%		
Average Price USD	-2%		

Integral Solutions' sales increased 6% to $744 million. Within that segment, European sales increased approximately 13%. Latin American sales were stable with those of the prior year.

Operating income was unchanged at $35 million, with higher sales in Europe offset by the increase in the resin costs due to currency depreciation in Brazil and Colombia.

EBITDA for the quarter was $79 million, an increase of 5% from 1Q13, due to a 47% increase in EBITDA reflecting improved margins at the Chain's European operations, and the relatively flat performance of the Company's higher-margin Latin American business.

EBITDA from operations in Venezuela was $9 million, based on an exchange rate of 6.3 bolivars per U.S. dollar, which is the applicable exchange rate for companies such as Mexichem.

CHLORINE VINYL CHAIN

	First Quarter		
Chlorine - Vinyl Chain	2014	2013	%Var.
Total Sales*	488	423	15%
Operating Income	47	62	-25%
EBITDA	79	76	4%
Variation Volume and Price	First Quarter		
Volume	13%		
Average Price USD	2%		

*Intercompany sales were $63 million and $90 million for 2014 and 2013, respectively.

	First Quarter		
Resins, Compounds & Derivatives	2014	2013*	%Var.
Total Sales**	477	392	22%
Operating Income	45	53	-14%
EBITDA	66	64	3%
Variation Volume and Price	First Quarter		
Volume	23%		
Average Price USD	-1%		

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

**Intercompany sales were $77 million and $92 million for 2014 and 2013, respectively.

	First Quarter		
PMV	2014	2013*	%Var.
Total Sales**	55	34	62%
Operating Income	2	9	-83%
EBITDA	13	12	6%
Variation Volume and Price	First Quarter		
Volume	31%		
Average Price USD	24%		

*2013 figures include Coatzacoalcos plant

**Intercompany sales were $31 million and $1 million for 2014 and 2013, respectively.

The Chlorine Vinyl Chain reported sales of $488 million in 1Q14, 15% higher than in 1Q13[1].

Sales of Resins, Compounds and Derivatives increased 22% to $477 million, in spite of unusually harsh weather conditions in the U.S. The increase was due mainly to higher resin volumes, which benefitted from increased capacity in Mexico and the acquisition of the Company's specialty resins business. Sales of derivatives including most caustic soda sales will be shifted to PMV once contracts can be assigned directly to PMV.

PMV sales rose 62% to $55 million, driven by sales of ethylene that did not exist in 1Q13 and higher VCM prices as compared to Chlorine and Caustic soda, which were their main products during 2013.

EBITDA for the Chlorine Vinyl Chain increased 4% to $79 million. Resins, Compounds and Derivatives' EBITDA were up 3% to $66 million, while PMV's EBITDA was $13 million, up 6% from a year earlier. This growth was achieved despite the significant increase in natural gas prices in 1Q14. PMV's operating income was $2 million, compared with $9 million a year earlier, due to a shift in product mix and an increase in internal consumption of Chlorine in PMV to produce and sell VCM, compared to 1Q13 when chlorine sales were totally external.

FLUORINE CHAIN

	First Quarter		
Fluorine Chain	2014	2013	%Var.
Sales	159	184	-14%
Operating Income	29	51	-42%
EBITDA	45	70	-36%
Variation Volume and Price	First Quarter		
Volume	-19%		
Average Price USD	7%		

In the first quarter of 2014, Fluorine Chain sales declined 14% to $159 million, due to:

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

- Lower volumes of fluorspar due to inventory build-up, and
- Continued low pricing levels for refrigerant gases

EBITDA was down 36% to $45 million and operating earnings were $29 million, down 42% from 1Q13, resulting from lower sales, a shift in customer mix and higher energy costs.

RECENT EVENTS / UPDATES

- Despite expectations of uneven results for PMV in the first half of 2014, 1Q14 performance was better than anticipated, although risks remain for 2Q14. One of the main pieces of equipment to be replaced in order to increase VCM capacity (the Vacuum Column) is scheduled to arrive in August and be installed before the end of the third quarter.

- Mexichem has made equity contributions of $80 million in 2014 to its joint venture with OxyChem; the first $60 million was made in January and an additional $20 million in April. As of the day of this report, total equity contributions made by Mexichem are $103 million. The construction process of the ethylene cracker in Texas continues on schedule. The new cracker is expected to begin operations in early 2017 and will give Mexichem exposure to the shale gas revolution in the United States.

- Mexichem is optimistic that it will receive a positive ruling in its case against Chinese refrigerant gas producers in June 2014.

- The ramp-up phase of the expected PVC resin capacity increase in our Colombian facility began in April 2014 and will be fully operational early in 4Q14.

- As the Company announced in April 2014, PMV has been consolidated retroactive to the fourth quarter of 2013. In attachment 1 to this earnings release, the Company has provided consolidated 4Q13 figures including the PMV financials.

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 50 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

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ATTACHMENT 1

Mexichem S.A.B. de C.V
Statement of Consolidated Results
USD in thousands

	Fourth Quarter		
	2013	**2012**	**Var**
Net Sales	1,281,143	1,084,212	18%
Cost of Sales	946,312	715,372	32%
Gross Profit	334,831	368,840	-9%
Operating Expenses	262,076	288,227	-9%
Operating Income	72,755	80,613	-10%
Financial Cost	90,371	35,587	154%
Equity in income of associated companies	2,140	(141)	
Income from continuing operations before income tax	(19,756)	45,167	
Income tax	18,071	(7,839)	
Income from continuing operations after income tax	(37,827)	53,006	
Discontinued operations	15,806	(6,708)	
Consolidated net income	(22,021)	46,298	
Minority Stock holders	(866)	712	
Net income	(21,155)	45,586	
EBITDA	182,350	181,527	0%

	January - December		
	2013	**2012**	**Var**
Net Sales	5,176,999	4,767,743	9%
Cost of Sales	3,646,751	3,178,163	15%
Gross Profit	1,530,248	1,589,580	-4%
Operating Expenses	967,942	947,135	2%
Operating Income	562,306	642,445	-12%
Financial Cost	174,741	225,319	-22%
Equity in income of associated companies	(705)	(1,795)	-61%
Income from continuing operations before income tax	388,270	418,921	-7%
Income tax	156,800	119,535	31%
Income from continuing operations after income tax	231,470	299,386	-23%
Discontinued operations	(148,415)	19,527	
Consolidated net income	83,055	318,913	-74%
Minority Stock holders	2,452	2,818	-13%
Net income	80,603	316,095	-75%
EBITDA	898,892	962,486	-7%

General Consolidated Balance Sheet	December		
USD in thousands	**2013**	**2012**	**Var**
Total Assets	**8,181,802**	**7,676,251**	**7%**
Cash and temporary investments	1,232,561	1,645,197	-25%
Receivables	896,777	922,272	-3%
Inventories	728,805	736,209	-1%
Others current assets	194,835	151,343	29%
Long term assets	5,128,824	4,221,230	22%
Total liabilities	**4,590,745**	**4,438,041**	**3%**
Current liabilities	1,514,945	1,519,245	0%
Long term liabilities	3,075,800	2,918,796	5%
Consolidated shareholders'equity	**3,591,057**	**3,238,210**	**11%**
Minority shareholders'equity	292,501	18,339	**1495%**
Mayority shareholders'equity	**3,298,556**	**3,219,871**	**2%**
Total liabilities + Shareholder's Equity	**8,181,802**	**7,676,251**	

	Fourth Quarter		
Chlorine - Vinyl Chain	**2013**	**2012**	**% Var.**
Sales	461	290	59%
Operating Income	22	53	-58%
EBITDA	64	65	-2%
Variation Volume and Price	**Fourth Quarter**		
Total Volume	44%		
Average Price USD	11%		

	Fourth Quarter		
Resins, Compounds & Derivatives	**2013**	**2012**	**% Var.**
Sales	454	255	78%
EBITDA	56	53	6%
Variation Volume and Price	**Fourth Quarter**		
Total Volume	77%		
Average Price USD	1%		

	Fourth Quarter		
PMV	**2013**	**2012**	**% Var.**
Sales	42	35	21%
EBITDA	8	12	-36%
Variation Volume and Price	**Fourth Quarter**		
Total Volume	5%		
Average Price USD	23%		