



Consolidated Results

Consolidated Million Pesos	Third Quarter			January- September		
	2010	2009	%Var.	2010	2009	% Var.
Net Sales	10,059	7,822	28.6%	26,978	22,595	19.4%
Gross Profit	3,348	2,979	12.4%	9,435	8,110	16.3%
Net Majority Income	1,269	622	104.1%	2,979	2,238	33.1%
Operating cash flow (EBITDA)	2,460	1,758	40.0%	6,350	4,836	31.3%
Free cash flow	2,054	1,373	49.6%	5,209	3,478	49.7%

On growth

Mexichem reported positive accrued figures for the Third quarter of 2010 in its main indicators. Consolidated sales rose 19.4% vs. the same period of last year, to \$26.978 billion pesos, boosted by a 13.2% improvement in sales prices, a 5.5% hike in volumes sold, and the incorporation of INEOS Fluor's results as of the second quarter of the year.

With regard to Third quarter results, sales amounted to \$10.059 billion pesos—28.6% higher than for the same period of 2009.

Efficiency and productivity

Accrued EBITDA totaled \$6.35 billion pesos—31.3% higher than in 2009. This increase was due to a better sales performance, as well as the figures and synergies resulting from the incorporation of INEOS Fluor's results since April.

EBITDA for the Third quarter amounted to \$2.46 billion pesos—40% better than in 2009.

Net financial cost

At the end of September 2010, net financial cost totaled \$480 million pesos—\$142 million pesos less than in the same period of 2009—mainly due to a positive F/X effect, as 2010 showed an F/X gain of \$360 million pesos, vs. a loss of \$2.0 million pesos in 2009.

Income tax

Accrued Income tax totaled \$1.354 billion pesos—56% higher than in 2009, due to better results. This sum represents 31% of the profit before tax.

Gross Cash Flow Generation (Net profit without non-cash-generating items)

Gross generation for 2010 amounted to \$4.374 billion pesos— 27% higher than in 2009—due to better operating results.

Operating and Free Cash Flow

	Third Quarter			January- September		
	2010	2009	% Var.	2010	2009	% Var.
Operating cash flow and Free cash flow						
Operating profit	1,844	1,323	39%	4,799	3,635	32%
+ Depreciation and amortization	616	434	42%	1,551	1,201	29%
EBITDA	2,460	1,758	40%	6,350	4,836	31%
-Investment in fixed assets	406	385	5%	1,141	1,358	-16%
Free cash flow	2,054	1,373	50%	5,209	3,478	50%

Free cash flow up to September 2010 amounted to \$5.209 billion pesos—50% higher than in 2009—due to better operating results. Maintenance CAPEX investment in 2010 of \$1.141 billion pesos is in line with the program, which considers a total of US\$150 to US\$160 million dollars in the year, to be invested in expanding capacity, efficiency, and environmental protection.

Balance Sheet

Working Capital

Working capital at the end of September 2010 in dollar terms amounted to US\$472 million, matching our policies. It shows 60 days of receivables, 70 days of inventory, and 95 days for suppliers, as a result of strict controls in these line items.

Plant and Equipment

The balance in this item is \$16.847 billion pesos, \$2.321 billion pesos more (net of depreciation) than at the end of 2009, as a result of investments in machinery and equipment at all our plants for environmental protection, expanding capacity, efficiency, and modernization, as well as of the incorporation of INEOS Fluor's figures.

Net Debt

With regard to net debt by the close of September 2010, it settled at US\$803 million in dollar terms, translating into an increase of US\$327 million vs. the 2009 yearend figure. This is a result of the acquisition of INEOS Fluor.

The estimated pro forma net debt to EBITDA ratio at the end of the quarter is 1.22x—below the internal goal of 2.0x. It is important to note that only 13% of the debt is short term.

	Twelve months Pro forma	
	2010	2009
Net Debt US\$ MM	802.9	521.4
Net Debt/EBITDA	1.22x	1.09x
Interest coverage	7.5x	8.2x
Outstanding Shares	1,800,000,000	1,800,000,000

Operating results by Chain

Integrated Solutions Chain

Cadena Soluciones Integrales	Tercer Trimestre			Enero - Septiembre		
	2010	2009	% Var.	2010	2009	% Var.
Ventas	4,431	4,013	10.4%	11,960	11,066	8.1%
Flujo de Operación (EBITDA)	910	485	87.6%	2,235	1,961	14.0%
Volúmenes y precios	Tercer Trimestre			Enero - Septiembre		
Volumen Total	12.2%			8.9%		
Precio promedio en pesos	-1.6%			-0.8%		

This chain's sales for the Third quarter of 2010 amount to \$11.96 billion pesos—8.1% higher YOY, thanks to an 8.9% increase in the critical mass, thus managing to keep sales prices at the same level as in 2009. With regard to EBITDA for 2010, it rose 14.0%, as a result of better sales and an F/X effect in the main markets where we operate (Brazil, Mexico, Colombia, etc).

Vinyl-chlorine chain

	Tercer Trimestre			Enero - Septiembre		
Cadena Cloro - Vinilo	2010	2009	%Var.	2010	2009	% Var.
Ventas	4,413	3,902	13.1%	12,871	11,514	11.8%
Flujo de Operación (EBITDA)	769	938	-18.0%	2,328	2,418	-3.7%
Volúmenes y precios	Tercer Trimestre			Enero - Septiembre		
Volumen Total	8.8%			6.3%		
Precio promedio en pesos	3.9%			5.1%		

The Vinyl-Chlorine chain's sales at the close of September 2010 amount to \$12.871 billion pesos—11.8% higher than in the same period of 2009, thanks to a 6.3% increase in the critical mass—mainly in PVC and compounds—as well as a 5.1% improvement in sale prices. EBITDA for the first 9 months of 2010 amounted to \$2.328 billion pesos—3.7% less than in 2009—as a result of the lag between the price hikes in raw materials, and the rises in finished product prices. This trend should be reversed throughout the last quarter of the year.

As for PEMEX, our client and supplier, up to September 2010, its performance has been the best, surpassing 99 thousand tons of chlorine consumed—52% higher than in the same period of 2009.

Fluorine Chain

	Tercer Trimestre			Enero - Septiembre		
Cadena Flúor	2010	2009	% Var.	2010	2009	% Var.
Ventas	2,076	618	236.2%	4,851	1,733	180.0%
Flujo de Operación (EBITDA)	773	247	213.2%	1,850	746	147.9%
Volúmenes y precios	Tercer Trimestre			Enero - Septiembre		
Volumen Total	38.1%			34.1%		
Precio promedio en pesos	143.4%			108.7%		

Accrued sales up to September 2010 amounted to \$4.851 billion pesos—180% better than in 2009—as a result of better volumes by 34.1% and sale prices by 108.7%. EBITDA amounted to \$1.85 billion pesos—147.9% higher than in 2009. These significant hikes are the result of the sales improvement, greater self-consumption of fluorite, and the inclusion of INEOS Fluor since April 2010, together with the synergies that this acquisition generated.

Other Relevant Events

Following a period of negotiations and revision by the corresponding authorities, Mexichem's acquisition of Polycyd and Plasticos Rex was approved. The conditions that the authorities imposed are being sorted, so we feel optimistic in thinking that by November, Mexichem will be able to consolidate the figures of these companies in its results.

Outlook

The third quarter of 2010 was once again better than we had anticipated. It was possible to compensate for the circumstances of the macroeconomic environment through Mexichem's strategies of: vertical integration, as well as geographic and product diversification, in addition to the leadership in each of the businesses in which we participate. Likewise, the incorporation of INEOS Fluor for six months has enabled us to consolidate the synergies, allowing us to: i) become the world's most important integrated producer of fluorochemicals, ii) be the world leader in the production of fluorite, hydrofluoric acid, and coolant gases known as fluorocarbons, and iii) bring long-term viability to the world's fluorochemical industry.

We are facing a yearend of challenges, but also of opportunities. We are in line with the goals we set at the start of the year; thus, we expect once again to have a positive fourth quarter.

General Consolidated Balance Sheet

In thousands of pesos (2010 and 2009 at historical values)	To September 30		
	2010	2009	%
Total assets	41,993,632	36,158,356	16%
Cash and temporary investments	5,745,873	5,387,314	7%
Receivables	7,018,449	5,870,176	20%
Inventories	4,132,838	3,272,033	26%
Others current assets	1,060,793	1,042,435	2%
Long term assets	24,035,679	20,586,398	17%
Total liabilities	25,758,044	21,972,710	17%
Current liabilities	10,010,048	10,120,291	-1%
Long-term liabilities	15,747,996	11,852,419	33%
Consolidated shareholders'equity	16,235,588	14,185,646	14%
Minority shareholders'equity	49,781	82,698	-40%
Majority shareholders'equity	16,185,807	14,102,948	15%

Consolidated Income Statement

In thousands of pesos (2010 and 2009 at historical values)

Income Statement	January- September			Third Quarter		
	2010	2009	%	2010	2009	%
Net Sales	26,977,666	22,595,164	19.4%	10,058,944	7,821,536	28.6%
Cost of Sales	17,542,799	14,484,801	21.1%	6,710,662	4,842,989	38.6%
Gross Profit	9,434,867	8,110,363	16.3%	3,348,282	2,978,547	12.4%
Operating Expenses	4,636,202	4,475,172	3.6%	1,504,677	1,655,468	-9.1%
Operating Income	4,798,665	3,635,191	32.0%	1,843,605	1,323,079	39.3%
Financial Cost	480,201	622,609	-22.9%	(171,440)	451,579	-138.0%
Other Expenses	(17,939)	(19,330)	-7.2%	(12,815)	(363)	3430.4%
Income from continuing operations before income tax	4,336,403	3,031,912	43.0%	2,027,860	871,863	132.6%
Income Tax	1,354,125	868,832	55.9%	758,631	327,640	131.5%
Income from continuing operations after income tax	2,982,278	2,163,080	37.9%	1,269,230	544,223	133.2%
Discontinued operations	-	89,048	0.0%	0	79,005	-100.0%
Consolidated net income	2,982,278	2,252,128	32.4%	1,269,230	623,228	103.7%
Minority Stock holders	3,413	14,156	-75.9%	0	1,510	-100.0%
Majority stock holders	2,978,865	2,237,972	33.1%	1,269,230	621,718	104.1%
EBITDA	6,349,675	4,836,444	31.3%	2,459,732	1,757,513	40.0%