Delivering on our Vision

ANNUAL REPORT | 2014

gruma

Index

The following annual report as a whole contains the performance and financial results, as well as sustainability results, of the GRUMA companies worldwide during 2014. This report has been compiled in conformity with the Global Reporting Initiative ("GRI") methodology, specifically regarding guidelines for the preparation of sustainability reports in version 3.1. Level B, the materiality analysis was conducted taking into consideration the principal corporate responsibility issues and the manner in which the demands and expectations of stakeholders are addressed. The contents are comprised of information compiled from participating areas and regions. Unless otherwise stated, the figures and results regarding sustainability correspond to particular programs or regions.

Financial Highligths

GRUMA, S.A.B. DE C.V. AND SUBSIDIARIES

(MILLIONS OF PESOS, EXCEPT WHERE INDICATED[1])

INCOME STATEMENT	2014	2013	Var.
Sales volume[2]	**3,674**	3,656	0.5%
Net sales	**49,935**	49,036	2%
Operating income	**6,023**	4,640	30%
Operating margin	**12.1%**	9.5%	260 bp
EBITDA[3]	**7,493**	6,254	20%
EBITDA margin	**15.0%**	12.8%	220 bp
Consolidated net income	**4,457**	3,310	35%
Shareholders' net income	**4,287**	3,163	36%

BALANCE SHEET	2014	2013	Var.
Cash and cash equivalents	**1,465**	1,339	9%
Total assets	**40,637**	42,609	(5)%
Debt[4]	**10,761**	16,372	(34)%
Total liabilities	**22,552**	28,182	(20)%
Total equity	**18,084**	14,427	25%
Total shareholders' equity	**16,564**	12,973	28%

OTHER DATA	2014	2013	Var.
Millions of ordinary shares	**433**	433	0%
Earnings per share[5]	**9.91**	7.31	36%
Book value per share[5]	**38.28**	29.98	28%
Year-end share price[6]	**157.32**	98.78	59%
Market capitalization[7]	**68,080**	42,747	59%
Capital expenditures	**1,174**	1,409	(17)%

1 All mentions of pesos refer to Mexican peso

2 Thousands of metric tons

3 EBITDA = operating income + depreciation, amortization and impairment of long lived assets + income unrelated to core business operations

4 In dollar terms, GRUMA decreased its debt by 42% to US$737 million

5 Figures in pesos, based on the number of outstanding shares at year end

6 Figures in pesos

7 Based on the number of outstanding shares at year end

8 bp: basis points

Organization Profile

UNITED STATES AND EUROPE
Corn flour, corn tortillas, wheat tortillas, flatbreads, and other related products are produced.
Main brands: Maseca, Mission, and Guerrero.

United States:
22 plants producing tortillas and related products.
6 corn flour plants.

Europe:
6 plants producing tortilla and related products.
1 flatbread plant.
3 plants producing corn flour and grits.

MEXICO
GIMSA
Producer of corn flour.
Main brand: Maseca.
18 corn flour plants.
1 plant producing other products.

PRODISA
Producer of corn tortillas, wheat tortillas, and related products.
Main brand: Mission
3 plants.

OTHER
3 plants for other products.

Technology Division
Performs the following functions:
- Research and development for the grinding of corn and production of tortillas.
- Engineering, design, and construction of plants.
- Supervises design and construction of plants.
- Provides advice and training to employees.
- Fabrication of equipment for the production of corn flour and tortillas.
- Sales of low volume tortilla production equipment to third parties.

Main brands: Rodotech and Tortec.
2 plants.

CENTRAL AMERICA
Producer of corn flour, tortillas, and other products.
Main brands: Maseca, TortiRicas, Mission and Tosty.
11 plants.

ASIA AND OCEANIA
Producer of corn tortillas, wheat tortillas, flatbreads and other related products.
Main brands: Mission
3 plants..

Organization Profile

Founded in 1949, GRUMA S.A.B. de C.V. ("GRUMA") is one of the largest producers of corn flour and tortillas in the world. With leading brands in the majority of its markets, GRUMA mainly operates in the United States, Mexico, Central America, Europe, Asia, and Oceania. The company's headquarters are located in San Pedro Garza Garcia, Mexico, with approximately 18,000 employees and 79 plants. In 2014 GRUMA generated net sales of approximately $3.4 million USD, 70% of which originated from operations outside of Mexico.

GRUMA's products are present in over 100 countries through its global brands MASECA® and MISSION®, as well as through its regional brands: GUERRERO® in the United States; TORTIRICAS® and TOSTY® in Costa Rica, among others.

Juan González Moreno
Chairman of the Board of Directors
and Chief Ex ecutive Officer

Message from the Chairman of the Board and Chief Executive Officer

Dear shareholders:

In a year of positive results for the company, the careful execution and operational deployment of our strategies to consolidate GRUMA's strengths and remain on the path of profitable growth have put us on the right track towards superior performance and a vision for the future focused on continuous value creation.

I am pleased to report that through solid strategic direction, stronger finances, an optimized portfolio, and a clear and flexible structure, in 2014, thanks to the company's effort and commitment, we achieved another year of positive results and advanced towards the goals first set by the current management; and above all, towards the fulfillment of our mission and long-term vision.

Specifically, we followed up on strategies to optimize our product portfolio and distribution routes, selectively expand towards more profitable products, and better focus on marketing and advertisement expenses, as well as to reduce administrative expenses. We also established specific investment projects based on strict criteria for value creation.

20% EBITDA

59% Share price

42% Debt

Additionally, we decided to realign our focus towards our core businesses, leading us to divest all wheat flour operations in Mexico, for which we obtained $260 million USD, resources entirely allocated to the repayment of debt.

Our stronger and more solid financial condition has positioned us where we need to be in order to advance towards business expansion on a global scale, and that is why we look to capitalize even more on profitable growth opportunities in Mexico and the United States, as well as in Europe and Asia; particularly in Spain, Russia, and Malaysia where we are increasing production capacity.

Discipline in the implementation of these and other strategies allowed us to attain positive results in a highly volatile economic environment in terms of international grain prices and limited financial growth in some of the principal markets where we operate.

In this context, in 2014 we generated net sales of $49,935 million MXN, 2% higher than the year before, which, coupled with the aforementioned strategies, translated into a 30% increase in operating income and 20% in EBITDA, with the latter totaling $7,493 million MXN. Our EBITDA margin expanded from 12.8% to 15%.

The strong increase in cash generation and the divestiture of the wheat flour operations in Mexico allowed us to reduce debt by 42%, from $1,252 million USD to $731 million USD, and is evidenced by a strong reduction in the Debt/EBITDA ratio from 2.6x in December of 2013 to 1.4x by the end of 2014.

The improvement in operating results and in GRUMA's financial structure is reflected in the confidence of investors and analysts who favored our stock on the Mexican Stock Exchange, raising the share price 152% in 2013 and 59% in 2014, with a total market capitalization of $157.32 MXN at the close of the year.

Another sign of this renewed confidence is the increase in our credit rating to investment grade by Fitch Ratings, and securing a positive outlook from Standard & Poor's.

The recent ratings given to us by these institutions, together with the financial stability of the company, allowed us to successfully issue $400 million USD of Senior Notes at the end

The acquisition of Mexifoods in Spain was completed, distributor to over 20 countries in Europe.

of last year, which was seven times oversubscribed in light of investors' interest. These resources will grant us savings of approximately $9 million USD annually in interest expenses.

Using strict profitability criteria, we invested $129 million USD in projects aimed at expanding operations in diverse regions where we operate and maintaining production plants running at maximum efficiency while being at the forefront of technology.

To strengthen our presence in key markets with higher growth potential, we acquired Mexifoods, the leading producer in Spain of tortillas for the retail sector, as well as snacks and other products related to Mexican food, with distribution to more than 20 countries across Europe.

We will continue to make investments in this operation in the coming years, aiming to triple production capacity in order to more efficiently and profitably service markets in the Iberian Peninsula, Southern France, Italy, Portugal and Malta.

We also announced the construction of a new plant in Russia. With the highest quality and food safety standards, it will help us consolidate our strategic position in the third most important tortilla market in Europe.

As a strengthened company focused on growth, we have commenced 2015 with our sights set high towards the future, capitalizing on acquired skills and on the competitive advantages that we have built in order to continue delivering nutrition and value across the world.

Solidarity and Value for the Planet

Consistent with the sustainable performance we have demonstrated since the beginning, dedicating part of our earnings to technological modernization and operational efficiency, in 2014 we made further advances in the company's main environmental goals, and continue to be a model of solidarity and social responsibility to the communities we serve.

To promulgate ecological values and promote the study of our planet, we celebrated our 65th anniversary with the creation of "La Casa de la Tierra. Observatorio del Planeta" (Earth's Home. The Planet's Observatory), in conjunction with public and academic entities.

With specialized information and 500 educational programs about climate change, in the science and cultural space located in Horno 3 at Fundidora Park in Monterrey, Mexico, the goal is to create awareness among the general population about the importance of conservation of the planet as our habitat.

We also continue to support victims of natural disasters, recently aiding communities affected by Hurricane Odile in South Baja California where we took three "tortimóviles" into action and helped local tortilla venders offer over 100,000 free warm tortillas daily to disaster victims in La Paz and in San Jose del Cabo during the emergency state.

These and other actions reflect the ethical and moral values that have distinguished our organization and its workforce throughout our history, properly demonstrating the essence of a company that actively contributes as a leader in the comprehensive development of its community.

I am grateful to our consumers and clients for their confidence in and preference for our products, and for the opportunity to continue reaching their hearts and homes.

I would also like to thank the Board of Directors over which I am honored to preside, for their guidance, feedback, support in decision-making, and follow-up towards the fulfillment of these results.

I also extend my gratitude to our shareholders, investors and analysts for their confidence in the company's current and future performance; and I reiterate my determination, and that of our entire team, to continue generating value for all and to reach new heights.

Juan González Moreno
Chairman of the Board and CEO

GRUMA Philosophy

Mission

To contribute to the quality of life of our customers and consumers everywhere we operate, by offering high-quality products and services that fit their lifestyles, cultures, and needs, generating dynamic and profitable long-term growth to create the greatest value for our shareholders, focusing mainly on our core businesses: corn flour, tortillas, and flatbreads.

Vision

To be the absolute worldwide leader in the production, sale, and distribution of corn flour and tortillas, as well as one of the main producers of flatbreads and other related products in Mexico, the United States, Central America, Europe, Asia, and Oceania.

Values

Effort With effort and dedication, GRUMA is today the undisputed worldwide leader in the production of corn flour and tortillas, as well as an important producer of flatbreads and other products. GRUMA has consolidated its position as a global food company, modern, trustworthy, and socially responsible, through high-quality products and solid brands.

Commitment Always committed to those who have made us who we are: our consumers, customers, suppliers, employees, shareholders and the community in general. Our commitment is to our country and to the world.

Perseverance With perseverance, GRUMA has always maintained a great business vision to reach all corners of the world with success. Over the years the company has managed to overcome financial crises, always moving forward in a positive way, and gaining great knowledge and growth.

Transcendence GRUMA has transcended with great success in Mexico and the rest of the world for more than 65 years now, being proudly a Mexican company with presence in more than 100 countries, with 79 plants in the Americas, Europe, Asia and Oceania, and more than 18,000 employees.

Code of Ethics

All the business and professional activities of GRUMA and its subsidiaries are governed by a Code of Ethics, which our management team, employees and suppliers understand and are obliged to follow. The Code is based on a Fundamental Standard of Conduct:

"To carry out our business in good faith, with absolute honesty and in total compliance with the Law."

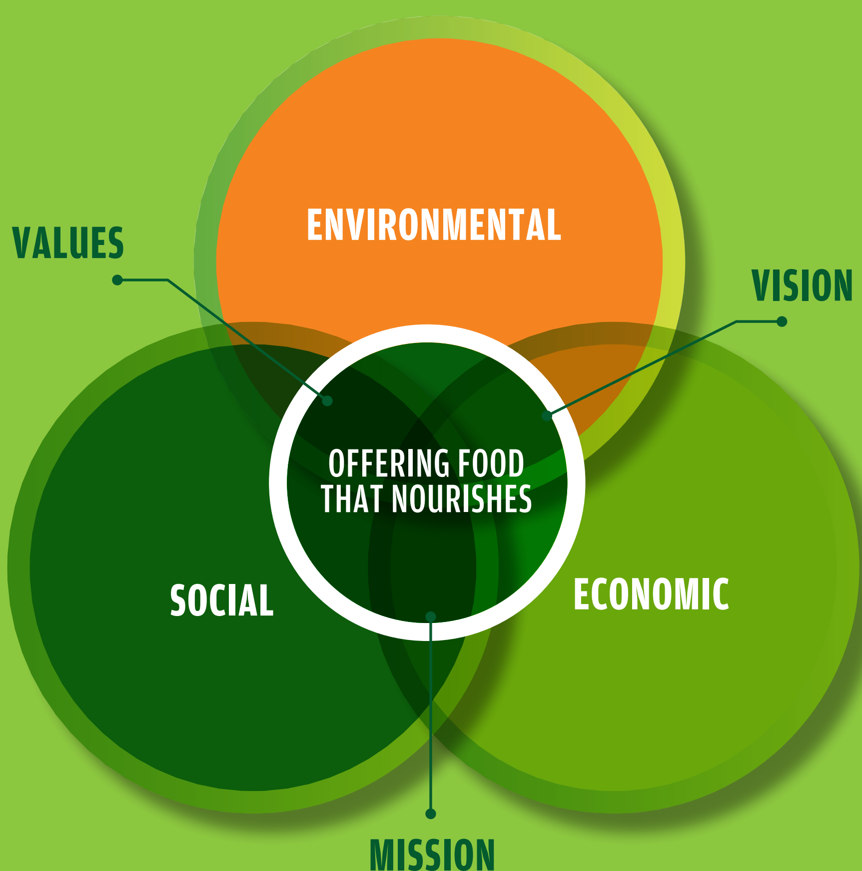
The topics covered in our code of ethics are:

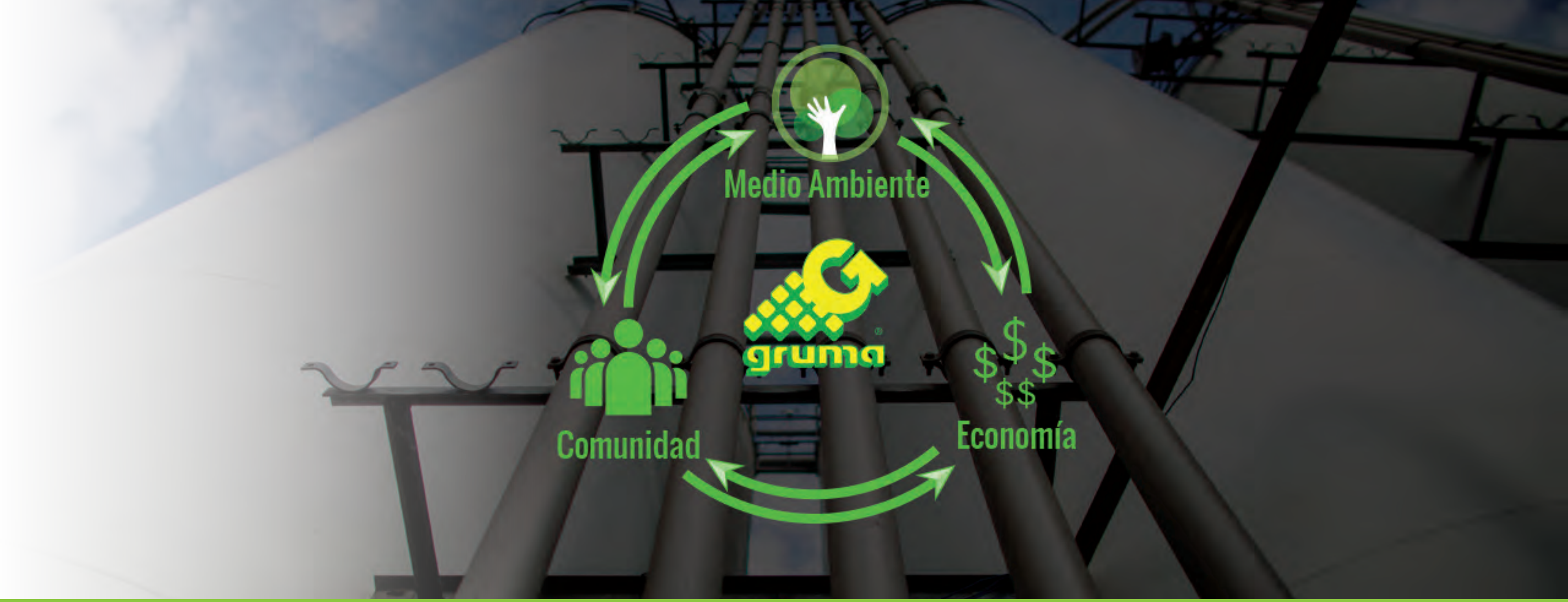
- Conflicts of interest
- Information
- Resources
- Conduct with customers
- Competitors
- Suppliers
- Governmental authorities
- Interpersonal relations
- Non-work activities
- Due compliance

Sustainability Model and Statement

Sustainability Model and Statement

GRUMA has a clear vision of sustainability: meeting the needs of our customers, shareholders, employees and the community by offering food that nourishes; and operating with strict ethical standards, in regulatory compliance and with a long-term vision and commitment that combines economic and social development with caring for the environment as a key factor for our competitiveness.





Stakeholders

Our commitment to society and the environment encompasses a determination to comprehensively meet the needs of our different stakeholders, including customers, consumers, employees, suppliers, shareholders and the community, sharing responsibility for our mutual benefit and operating with strict ethical standards, regulatory compliance and a long-term vision that combines economic and social development with caring for the environment.

STAKEHOLDERS	FORM OF COMMUNICATION	CONTACT FREQUENCY	EXPECTATIONS
INVESTORS	Conference calls, reports, conferences with investors organized by financial institutions, meetings, webpage, e-mail, etc.	Daily	Profitability, value creation, liquidity, sustainability, potential for long term profitable growth
EMPLOYEES	Meetings, conventions, suggestion box	Daily	Comprehensive development
CONSUMERS	Toll free 01-800 number, e-mail	Daily	Quality, nutrition, availability, fair prices
CUSTOMERS	Meetings, calls, e-mail	Daily	Quality, availability and commercial conditions
COMMUNITY	Meetings	Monthly	Environment, community development
ASSOCIATIONS	Meetings, conventions	Monthly	Sector development
MEDIA	Interviews, press conferences, calls, e-mail	Monthly	Press releases
AUTHORITIES	Meetings	Weekly	Quality, sustainability and nutrition
COMPETITORS	Meetings	Monthly	Sector development
UNIVERSITIES	Meetings, conventions, e-mail	Monthly	Sustainability, products
SUPPLIERS	Meetings, conventions, calls, e-mail	Daily	Development, quality, technology
OPINION LEADERS	Interviews and meetings	Monthly	Financial aspects and product information

Value Creation

With a vision focused on the company's profitable growth and on continuing to generate value for our shareholders in the most efficient way, in 2014 we made advances on the path set out at the end of 2012 by concentrating on the company's efforts in areas where we have competitive advantages and a favorable position in the marketplace.

With strict spending discipline and efficient administration, as well as the effort of a great team of people, we closed 2014 with a solid financial structure, an even more profitable company, and new abilities to continue investing and expanding GRUMA as an attractive investment.

Good results and the successful divestiture of the wheat flour operations in Mexico – a business that was not key nor at the nucleus of the company's priorities – contributed to the company's 42% reduction of debt in 2014, a decrease from $1,272 million USD to $737 million USD; this led to a healthy Debt/ EBITDA ratio of 1.4x by year end.

GRUMA's financial stability and its good credit performance were recognized with an investment grade and stable outlook credit rating by Fitch Ratings and Standard & Poor's, respectively, the latter coming in the first quarter of 2015.

The successful issuance of a $400 million USD bond at the end of 2014 echoes renewed confidence from investors in general, with demand seven times greater than the bond itself, at an annual interest rate of 4.875%. The resources obtained were mainly allocated to the repayment of a perpetual bond with an interest rate of 7.75%; this will help GRUMA to reduce interest expenses by approximately $9 million USD per year.

For the second consecutive year, GRUMA stock has been the leading performer among the companies trading on the Mexican Stock Exchange Prices and Quotations Index (Índice de Precios y Cotizaciones de la Bolsa Mexicana de Valores), with a 152% increase in share price in 2013, and 59% in 2014. Our shares closed the year at $157.32 MXN.

In the marketplace, by focusing on products with higher profit margins and on businesses with greater potential, we were able to generate net sales of $49,935 million MXN, 2% higher than last year, with a 30% increase in operating profit and 20% in EBITDA, which totaled $7,493 million MXN. In 2014 our EBITDA margin expanded from 12.8% to 15%.

US $535 million in debt paid off in 2014

Aside from the financial value generated for our shareholders, today GRUMA is a better company, with transparent corporate governance, in line with the Mexican Stock Exchange's best practices, and focused on growing the holdings of diverse investors, with efficient management that offers agile and precise follow up to specific actions, strategies, and results for every division.

At the same time, we have fostered an atmosphere that promotes agility for executive management's decision-making process, and greater coordination in the system of oversight that can quickly and effectively make decisions and resolve issues.

Greater management agility puts us in better position to capitalize on growth opportunities, both in new territories as well as in the innovation of products and processes, all in line with customers' requirements and the dynamic needs of consumers.

Today we have the capacity to respond to specific requests about niches in the marketplace, organic ingredients free from genetically modified organisms, among other needs.

In 2014 we completed important investments in Europe, such as the acquisition of Mexifoods, a leading company in Spain in the production of tortillas, snacks, and other products related to Mexican food, with distribution to more than 20 countries across Europe.

Continued investments will be made in this operation in the coming years, aiming to increase production capacity that will more efficiently and profitably serve markets in the Iberian Peninsula, Southern France, Italy, Portugal, and Malta.

We also launched the construction of a plant in Russia that will help us to consolidate our strategic position in the third most important tortilla market in Europe.

With a strong financial structure and the confidence of our shareholders, in 2015 we will continue making strides with our investments and expansion plans for the company, strengthening our entrance to emerging markets and developing segments that are compatible with the GRUMA vision and mission.

Productivity and Efficiency

Combined factors such as continuous innovation in engineering and ongoing investments to keep facilities operating in optimum condition helped us significantly improve GRUMA's ability to meet the needs of the marketplace in 2014.

Faced with a growing demand for products with ever more specific ingredients and characteristics, GRUMA's scale and technological capacity has allowed us to respond in an opportune way to such requirements, from valuable niche markets such as gluten free products, products free of genetically modified organisms, products with organic contents, as well as other value-added products.

At the same time, we increased production capacity in various plants, while achieving greater efficiency in energy and water consumption; we also reduced atmospheric emissions and those of wastewater.

In particular, at Mission Foods USA, we increased tortilla production capacity with the installation of a TT-2000 wheat line for the Mountain Top, Pennsylvania plant, a TT-750 corn line for the Goldsboro, North Carolina plant, and a TT-3000 in Panorama, California.

Additionally, we worked on optimizing the systems for cleaning and reducing emissions in the tortilla ovens for our California operation, which will be implemented in 2015.

In Mexico, we began upgrading our plant in Tijuana; we will remove our tostada production lines from our United States operations, which will generate a significant reduction in production costs.

Construction has also commenced on a new production line in the Mexicali plant; it is expected to begin operating in 2015 with estimated production of 90,000 tons of corn flour per year, which will be exported to the United States.

Similarly, GRUMA looks to obtain significant savings with a new control system for weighing tortillas; we will coordinate the implementation in all our operations.

In some of the Mexico plants, including the one in Yucatán, the systems for cleaning the corn prior to the feeding stage of the process were modified, thus reducing the load of solids to be treated in the wastewater; in other plants, such as those in Sonora, Jalisco,

and Veracruz, the systems for cleaning the corn at the intake and feeding stage for production were modified, achieving substantial improvements in corn conservation and a superior quality of corn entering the process.

As for our European operations, we have started the construction of a tortilla plant in Moscow, Russia; it will boast modern technological innovations in productivity, quality, and sustainability.

Our research and development department is also working on the design for the fabrication of a line of pizza bases that is one of its kind; it will be ready in 2015.

Over the coming years, we will continue to work on the implementation of more efficient technologies, primarily to reduce repetitive operations by the personnel, but also where product quality may benefit from standardization, as well as where energy savings will significantly impact costs.

We have started the construction of a tortilla plant in Moscow, Russia; it will boast modern technological innovations for productivity, quality, and sustainability.

Marketplace Innovation

The deeper understanding of consumers, clients, and marketplace dynamics obtained in 2013, along with refocusing our advertising investments towards more efficient marketing, allowed GRUMA to consistently be an innovator in 2014 in the countries it serves, in terms of service models, products and packaging.

We put the consumer and the client at the center of our marketing and publicity strategy, with outstanding results, improved relationships with retailers, and a portfolio of products focused on the dynamic needs of the consumer.

Mexico

In a highly competitive environment in the main marketplace for GRUMA's corn flour, we focused our efforts on promoting performance incentives and on different actions aimed at reinforcing tortilla vendors' competitiveness.

In the tortilla vender sector, we launched the corn flour Nixtamasa throughout the central region of Mexico, with which tortillas can be made with similar characteristics to those produced using the traditional corn method; as such, we were able to support the needs of our customers while significantly contributing to sales volume in the region.

In the retail channel, we launched the innovative MASECA Antojitos, with low grease absorption, strengthening our portfolio of packaged corn goods with new options for an ever more demanding and informed consumer who is searching for healthier alternatives with the flavor and quality that characterizes us.

Additionally, we participated in the commercial expositions of the Asociación Nacional de Tiendas de Autoservicio "ANTAD" (National Supermarkets Association) and that of the Asociación Nacional de Abarroteros Mayoristas (National Wholesale Grocers Association) in order to branch out to our clients. We also sponsored the San Marcos National Fair, in Aguascalientes, that allowed us to directly interact with consumers.

United States

In the United States, Mission continues to position itself as a premium brand: innovative and of the highest quality, capable of meeting the specific needs of increasingly demanding markets.

Just as we continue to focus the company's efforts on the most profitable sectors, we also undertook different projects aimed at reinforcing our brand in consumer awareness, in line with each of the marketplace segments we serve; the objective is to increase the effectiveness of our marketing programs.

As a result of continuous evaluation of the dynamic demands of our marketplaces, in 2014, we focused our efforts on the promotion of organic, gluten free and non-GMO products, as their demand has grown in this country.

Particularly, we launched the Gluten Free Flour Tortilla (Tortilla de Harina Libre de Gluten), and the Tortilla for a Healthy Digestion (Tortilla para una Digestión Saludable).

The gluten free tortilla is prepared with rice, soy flour, and other ingredients that conserve the flavor and consistency similar to that of wheat flour tortillas; but without the negative effects that this grain represents to consumers with gluten intolerance. Studies show that 15% of American families purchase products of this type.

The Tortilla for a Healthy Digestion contains probiotics, which according to research, benefit the immune and digestive system.

At the same time, through interactive initiatives on social networks, we have strengthened the bond between the consumer and our brand. Such was the case with the Mission Cinco de Mayo (Mission May 5th) program, which through promotions, raffles, coupons, and on-line discounts, captured well over 73,000 participants, increasing the brand's fan base.

We also developed a new Mission webpage, www.missionmenus.com, with the goal of further connecting with our clients and consumers through useful content such as recipes, nutrition tips, and news. Beyond generating higher loyalty to our brands, this website was presented with the silver award for having the best design among food and beverage websites.

Along with a continuous effort to refine our knowledge of consumers and their needs in 2015, we recognize an interesting growth trend in the area of corn chips; thus we are in close collaboration with snack production companies to determine potential growth opportunities in this sector.

Central America

In the markets we serve within the Central American region, we have focused our efforts on increasing the quality of service we provide to wholesalers through personalized attention, with the Channel Developer, who, with the support of strong sales, can truly streamline and make the various categories we sell more profitable.

This model led to the restructuring of routes and sales teams, and notably discounts, bonuses, and incentives for clients with the highest profits; this resulted in improved product placement on shelves, closer relationships, and an increase in purchase volume by our main clients.

Of particular note, we set a strategy regarding visibility at the point of sale which increased the number of exhibit stands for our products by 42%; this represented an average of 2,400 additional exhibits between January and October of 2014 compared to the same period in 2013. We also implemented cross-marketing strategies aimed at products and offers similar to those offered by GRUMA.

As for new products, in 2014 we launched Maseca Roasted Tamale with Coconut (Maseca Tamal Asado con Coco) in Costa Rica, which was a huge success among families in this country.

In Honduras and Guatemala we launched Maseca Tamale Ready Mix (Maseca Mezcla Lista para Tamal). In general, packages were modernized; now they display the Gluten Free and No Preservatives seals both in packaged presentations and in the 25 and 30 pound sacks for industrial and tortilla vendor clients.

In terms of tortillas, in 2014, we centered our efforts on improving the softness and flavor of TortiRica, which is a very traditional product for our consumers in Costa Rica. This initiative was aided by advertising efforts to position this product as the perfect complement for foods and special occasions.

We also launched the new Mission Suavecitas (Mission Softies) that complement our portfolio of wheat products, as well as new snacks such as Rumba and Quesitos Refill (Small Cheeses Refill) that helped us increase our market share by 10% in this segment of Costa Rica.

In the rice business, the brand image for Luisiana was updated with great success, setting us apart from some private labels while making it much more attractive to the consumers.

With the implementation of Maseca Mobile (Maseca Móvil) in Costa Rica, we boosted measures to promote free sampling of corn products at supermarkets and fairs, among other key points, with the aim of motivating consumers to increase the frequency of their tortilla use, and that of other products.

The acquisition of Mexifoods in Spain, and the investment in Russia, will allow us to boost brand presence on the continent.

Europe

In Europe, we continue to enhance the presence of the Mission brand in Switzerland, Austria, Central and Eastern Europe, as well as in England; aligning production and sales with the needs and trends of the marketplace; an example of this was the re-launch of the packaged wraps portfolio.

Faced with a highly competitive market in this segment, we worked on initiatives aimed at educating the consumer about the multiple nutritious alternatives they could easily, quickly, and very practically cook with GRUMA products; not only with Mexican ingredients, but also adapting to the traditional foods of each country and ethnic group.

The acquisition of Mexifoods in Spain, and the investment in Russia, will allow us to boost brand presence on the continent.

In England we launched three new lines of wraps from the Mission Deli Super Soft brand: Wholemeal, Mini Original, and Mini Tomatoes, with great success in the markets we serve.

Asia and Oceania

In the Asia and Oceania territories, we continue to establish solid connections between our brands and our clients and consumers through innovative publicity strategies on social networks and sponsorship of key sporting events, among other specific campaigns.

In particular, during the 2014 World Cup tournament held in Brazil, we launched an aggressive campaign to position corn chips as a fun snack alternative during the matches of greater interest to this market; this was an effort to introduce the Asian culture to the custom of consuming this product accompanied by dips and dressings.

In Singapore, we secured solid positioning of the Mission brand by sponsoring the Asian Basketball Championship, which was won by the local woman's team with great fanfare and media coverage.

In Australia, Mission Foods launched a new Facebook page and focused its strategy on building a solid relationship with consumers in order to increase loyalty to our brands through informative, attractive, and fun comments that present Mission as an innovative and quality brand that they can trust.

Sustainability and Social Responsibility

With an inherent vision of social responsibility and sustainability, founded on a spirit of solidarity towards the less fortunate, the full development of our employees, support for education and the promotion of a culture of environmental protection awareness, GRUMA ended another year of progress in 2014 towards its strategy to benefit the community.

In line with a history of over 65 years of commitment to society, the company continues to nourish the communities it serves across the different countries where it operates, providing foods of the highest quality, and promoting the economic development of these nations by providing jobs, training, technological innovations, and support to the value chain, all while driving forward business profits.

At the same time, modernization projects and continuous improvements in operations boosted the productivity and efficiency of the different production centers, thereby reducing the company's environmental footprint.

Quality of Life in the Company

Human capital is a key factor in the company's results, and a fundamental asset in our strategy for the long term; that is why in 2014 we continued to invest in training, talent development, and in the quality of life at the company.

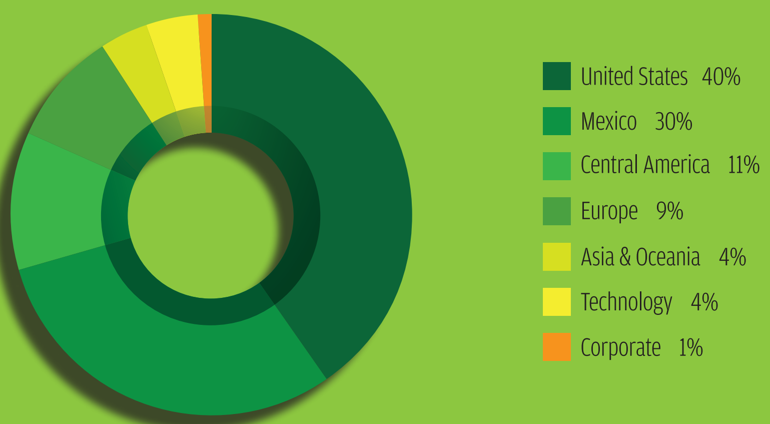
Our workforce

Business unit	Total employees
United States	7,202
Mexico	5,346
Central America	1,984
Europe	1,595
Asia & Oceania	775
Technology	680
Corporate	263
Total	17,845

Employees with collective bargaining agreement

	Total	Male	Female
United States	620	388	232
Mexico	1,589	1,574	15
Central America	0	0	0
Europe	166	98	68
Asia & Oceania	463	264	199
Technology	337	337	0
Corporate	0	0	0
Total	3,175	2,661	514

Employee % per Business Unit



Training and Development

We foster talent development through training, ensuring a better quality of life, and by structuring a work environment that is conducive to development.

Over 2,500 training courses were conducted during 2014, with an investment of over 325,000 man-hours and exceeding $12.3 million MXN, benefiting 2,549 employees.

Among the notable courses offered to personnel in 2014 were: Leadership, Teamwork, Ethics, Onboarding, Data Protection Act, Change Management, Time Management, and Interpersonal Excellence.

Benefits and Compensation

We strive to provide competitive compensation that rewards hard work, loyalty, and employees' enthusiasm with benefits superior to those required by law in each country and marketplace where we participate.

BENEFIT	CENTRAL AMERICA	ASIA & OCEANÍA	MEXICO	EUROPE						
				SPAIN	UK	ITALY	RUSSIA	UKRAINE	HOLLAND	TURKEY
Major medical insurance	√						√			
Life insurance	√		√		√					
Social security	√		√	√	√	√	√	√	√	√
Pension Plan	√	√		√	√	√	√	√	√	√
Housing support	√		√							
Education / training	√	√	√							
Food vouchers			√	√						
Vacations		√	√	√	√	√	√	√	√	√
Payment / Time-off for sickness		√						√		
Death grant			√						√	√
Health program			√	√	√	√			√	

Health and Safety

Our employees' development and physical wellbeing, as well as that of their families, is absolutely fundamental to ensure the long-term success of our different business strategies, as is implementing a culture of continuous improvement in all our operations.

In this matter, we developed different initiatives to improve the wellbeing of our personnel, and to create a work environment conducive to the development of our workers.

Workplace Wellbeing

In Central America, we deployed an organizational climate (sometimes known as corporate climate) program based on information provided from 266 employees organized into 28 focus groups.

One of the greatest achievements of this program improvements made in the prevention of accidents and work-related illnesses, as well as the standardization and progress made to programs related to surveillance and protection of assets; this helped create affinity with the company and a safer environment in the workplace.

With support from different departments, we worked on diverse projects to make our company more efficient and competitive in order to successfully face the many challenges of the market.

325,000 man-hours of training

Ps. 12.3 million capital invested in training

+integra2

Recognizing the achievements of our employees is fundamental to creating the right work environment, and in keeping personnel enthusiasm high. That is why every month we host +integra2 sessions; it is an opportunity for management in each of the Central America divisions to present advances and results and to recognize achievements and challenges met in throughout our business.

A new communication model was started as well; Mucho +Integra2 is conducted quarterly and takes into account all of the employees of the operation. The goal is to make all staff aware of the achievements and challenges in the areas where they work, and for them to have a greater sense of connection with the company's actions.

Work-Family Balance

Continuing the tradition of support for the development of our workforce, which has characterized GRUMA since the beginning, in 2014 we continued offering our employees and their families diverse academic and educational programs. An example of this is the Zero Extreme Poverty in Central America (Cero Pobreza Extrema en Centroamérica) project, which helped workers who, despite earning wages above those stipulated by law, could still not satisfactorily meet their basic needs due to the size of their families.

Zero Extreme Poverty

Our support program for the financial wellbeing of our workforce moves forward steadily with the new Zero Extreme Poverty initiative, promoted by the DEMASA Solidarity Association.

The program aims to eliminate the situation of extreme poverty that affects some of the company's employees in the community of Pavas, Costa Rica, through agreements and public-private partnerships.

38 Housing bonds processed through the “Zero Extreme Poverty” program

Among the notable achievements of this project in 2014 were:

- The joint implementation of diverse agreements with the Joint Institute for Social Aid (IMAS), the National Scholarship Fund (FONABE), and the Housing Mortgage Bank (Banco Hipotecario de la Vivienda BANHVI), among other organizations, allowed us to eradicate all identified cases of our employee’ living in extreme poverty.

- Establishment of a space for social transformation created by the private sector, social-labor organizations (Asociación Solidarista de Empleados de DEMASA y Fundación Granitos de Oro / DEMASA Employee Solidarity Association and Grains of Gold Foundation), non-governmental organizations, and state institutions.

- Caring for over 400 families from our company and the community by providing different workshops, including: financial training, psychological attention, relief from the Simple Alternative Minimum Tax (IMAS), Child Care Network, FONABE Scholarships, Housing Bonds.

- The signing of an agreement between ASEDEMASA and Food Banks that assisted 121 families who displayed goals and a willingness to change and move forward. By the end of 2014, 98 families received a monthly stipend totaling approximately Đ100,000 CRC.

- Processing 38 Housing Bonds, helping our workers and several families from the community have the opportunity to own their own house.

On the celebration of World Food Day, we simultaneously delivered and donated 4.3 tons of corn flour to food banks in the Central American region, effectively communicating to our employees and the community just some of what GRUMA contributes as a Socially Responsible Company.

Courses were held, where training was given to our suppliers about conservation and fumigation of grains, as well as in the management of post-harvest damage.

Links to the Community

Suppliers and Field Support

Based on ethical principles and the company's traditions, we maintain a direct and mutually beneficial dialogue with everyone involved in the value chain, always seeking to increase the company's competitiveness and that of its suppliers. These interactions are conducted taking into account the values of responsibility, long-term relationships, and preference for local suppliers; in this way, we support the development of the communities we serve.

Local Suppliers

To strengthen the company and the value chain against the ongoing volatility of the prices of important raw materials to our operations, such as corn, we support the value chain with long-term agreements with local suppliers in the principal markets that we service; we also spearhead programs promoting agricultural modernization, productivity, and quality.

Over the last several years, we signed agreements that have allowed us to meet an ample percentage of local suppliers' requirements in our Honduras, Guatemala, and El Salvador operations.

Among the initiatives to boost competitiveness in the value chain and advance the development of local providers in Mexico, it should be noted that:

- In Jalisco and Sinaloa, collaboration is under way with farmers and seed experts in experimental plots of land to grow and evaluate new hybrid corn crops for special projects.
- In Chiapas, courses were held where training was given on conservation and fumigation of grains, as well as in the management of post-harvest damage; training was also given on the quality standards required by GRUMA plants.
- Courses on approved corn quality analysis criteria were offered to the suppliers of our plants.
- Prior to harvest, we provided technical personnel support to suppliers in order to evaluate their equipment and storage facilities.

- In Chiapas, the organization of four farmer groups was formalized with the aim of granting them legal status to access public and private investment programs and field support facilities.

Among the actions to benefit suppliers in the United States are:

- In Edinburg, Texas, a portable laboratory was installed to analyze aflatoxins in the region, at no cost to farmers.
- With the collaboration of seed producers, advancements were made in the development of appropriate varieties for the nixtamalización process.
- In Henderson and Plainview, unloading and drying speeds were increased, helping farmers lower their freight costs.

Food Banks

2014 was an important year; it allowed us to consolidate key projects regarding management and corporate social responsibility. These projects helped us center our efforts on continuing to give support to society through programs that contribute to quality of life, and to nutritional improvements among the most vulnerable populations.

Three of the biggest projects we focused on during 2014 were:

- Continuing to support Food Banks in Costa Rica, Honduras, and Guatemala.
- Establishing the first internal corporate program for Zero Extreme Poverty in Costa Rica.
- The creation and support of a food bank in Guanacaste, Costa Rica, as part of the month of food celebration, where assistance will be given to over 10,000 people living in poverty throughout communities surrounding Huacas, Liberia, Tamarindo, Filadelfia, Santa Cruz, Nicoya, and Hojancha.

Among the first social organizations to benefit from the inauguration of the food bank in Guanacaste, include the Cepia Foundation, which serves a population of 145 families every month; the indigenous association FUNDEICO, which supports 100 families a month; and the Bethel City of God Christian Association (Asociación Cristiana Ciudad de Dios Bethel), which provides daily aid to 130 children from the precarious “Martina Bustos” neighborhood in Liberia.

2014 was an important year for the food bank in Costa Rica, an approximately three-year old institution in the country that has been providing daily sustenance to more than 20 thousand people.

Community Support

Because we are part of the same community that we serve with our products, as well as the fact that it is good for business, in solidarity we provide aid to our neighbors and consumers in times of emergency.

In Mexico, GRUMA played a fundamental role in the relief provided to victims of the humanitarian catastrophe caused by Hurricane Odile, in Baja California, which, according to the Center for Scientific Research and Higher Education, was the most intense hurricane to touch ground in this region since 1970.

Almost immediately, GRUMA dispatched its Tortimobiles, traveling tortillerías that brought warm product, free of charge, to affected neighborhoods and shelters, for the victims of this meteorological disaster.

On this occasion, with the presence of our CEO, 1.4 million tortillas were delivered, 10,000 kilograms of corn flour, 5,000 liters of water, 2,400 care packages, as well as 500 rolls of toilet paper, among other relief supplies.

Additionally, to help our clients get their operations back up and running, and to help them to supply the population with product, 55 tortillerías were painted, 1,022 coolers were distributed, and 15 power generating plants were made available to tortilla businesses.

We teamed up with the Mexican Army to increase their capacity to respond to disasters, installing a mobile tortillería and donating 10,000 kilograms of flour in Los Cabos.

More than Ps. 6.8 million in donations

Human Development

Individual people are at the nucleus of our social responsibility and sustainability model here at GRUMA; that is why we continue to carry out initiatives aimed at strengthening education, health, and culture.

Among other personal development support projects, we can highlight important scholarship programs and other education help, such as the “Planting a Seed for the Future” program from the GRUMA Foundation; through this program 185 scholarships were granted, for a total of $462,500 MXN, helping underprivileged youths complete high school and university.

Donations

The spirit of solidarity with social causes related to the organization’s values was also reflected in the significant donations made to various organizations, such as:

Foundation	Amount in thousands of pesos
Museo del Acero (Steel Museum)	$ 4,055
Patronato de Cerralvo	$ 2,541
Andares ABP	$ 95
Al Servicio de Mis Hermanos	$ 50
Mexican Red Cross	$ 50
Mexican Foundation for Rural Development	$ 50
Regiomontana Association of Autistic Children	$ 25
Nuevo Leon Boys and Girls Club	$ 10

Earth’s Home. The Planet’s Observatory (La Casa de la Tierra. Observatorio del Planeta)

With the objective of sharing our ecological values with society and with children, and to promote scientific research about our planet, in conjunction with public and academic entities, we supported the creation of “Earth’s Home. The Planet’s Observatory”.

Located in Horno 3 at Fundidora Park, in Nuevo Leon, Mexico, the aim of this science and cultural space is to create public awareness on the importance of environmental conservation, through instructional programs that inform and educate newer generations in a fun and enjoyable way.

Environment

Thanks to continuous innovation and a clear focus on the importance of our own technological developments, GRUMA constantly improves the efficiency of operating equipment, optimizing their consumption of resources such as water and energy; we have thus succeeded in reducing our impact on the environment.

Emissions Reduction

In particular, we have made progress in reducing energy consumption and emissions from the tortilla ovens in our production lines; this has made them more productive and efficient. These improvements will be reflected in the main environmental indicators as of 2015.

Three production lines in the Chiapas plant, and one in the Culiacán plant, were converted from diesel fuel to natural gas; this has significantly reduced contaminating emissions from these operations.

Water Management

As for water management in our plants, along with consumption optimization via new and more efficient equipment, advancements were made in the treatment of wastewater.

In our United States operations, we received recognition from the city of Evansville, Indiana for excellent care in the reduction of wastewater discharge and odor emissions to the environment.

In Mexico, the systems for cleaning the corn prior to the feeding stage of the process were modified, thus reducing the load of solids to be treated in the wastewater at our Chiapas and Yucatán plants.

We also started construction on a wastewater treatment lagoon in our Tampico plant; it will become operational in 2015. In the Nuevo Leon plant, the water treatment system was also modified, with an additional methanator added. It considerably reduces the biological demand on the effluents of the plant.

Waste Management

Since 2009, we have implemented specific policies in our United States operations in order to responsibly manage the waste generated by the production and distribution of our products, both in our facilities, as well as in the value chain.

Thanks to these efforts, the ratio of recycled pounds vs. pounds produced has maintained constant progress, with a 152% improvement in this indicator over the last five years.

Thus, while production has risen by 9% in recent years, we have maintained the percentage of waste produced in relation to tons produced, to less than 0.42%, which is clear evidence of the continuous optimization of the process.

Corporate Citizenship

At GRUMA we are committed to society's comprehensive development, and that of the marketplaces where we are present. That is why, during 2014, we actively participated in different forums to maintain a constant and reciprocal dialogue with civil, governmental, and academic associations; sharing knowledge and best practices, providing technological contributions, and supporting projects and initiatives to advance economic, social, and cultural progress in the community.

We worked with the following institutions and associations:

ASERCA
Agencia de Servicios a la Comercialización y Desarrollo de Mercados Agropecuarios
Services Agency for the Marketing and Development of Agricultural Markets

CANACINTRA
Cámara Nacional de la Industria de Transformación
National Chamber of the Transformation Industry

CANACODEA
Cámara Nacional de Comerciantes Detallistas y Afines (Costa Rica)
National Chamber of Retailers and Related Businesses (Costa Rica)

CANAMI
Cámara Nacional de Maíz Industrializado
National Chamber of Industrialized Corn

CANIMOLT
Cámara Nacional de la Industria Molinera de Trigo
National Chamber of the Wheat Milling Industry

CAMEXCR
Cámara Empresarial México-Costa Rica
Mexico-Costa Rica Chamber of Commerce

CAMEXSAL
Cámara Empresarial México-El Salvador
Mexico-El Salvador Chamber of Commerce

CCE
Consejo Coordinador Empresarial

CEDRSSA
Centro de Estudios para el Desarrollo Rural Sustentable y la Soberanía Alimentaria

CNA
Consejo Coordinador Empresarial
Business Coordinating Council

COMCE
Consejo Empresarial Mexicano de Comercio Exterior, Inversión y Tecnología, A.C.
Mexican Business Council for Foreign Trade, Investment and Technology (NGO)

CONCAMIN
Confederación de Cámaras Industriales de los Estados Unidos Mexicanos
Confederation of Industrial Chambers of Mexico

CONMÉXICO
Organismo empresarial que representa a la industria de bienes de consumo en México
A business organization that represents the consumer goods industry in Mexico

CCGM
Conservatorio de la Cultura Gastronómica Mexicana
Conservatory of Mexican Gastronomic Culture

DICONSA
Sistema de Distribución CONASUPO, S.A. de C.V.
CONASUPO Distribution System, S.A. de C.V

Fondo Chiapas
A private sector and state government investment fund that promotes long-term ecological projects, among others, to generate employment the state of Chiapas.

ILSI de México
International Life Sciences Institute

PROTORTILLA
Consejo Promotor y Regulador de la Cadena Maíz-Tortilla, A.C.
Promotion and Regulation Council of the Corn-Tortilla Chain (NGO)

SAGARPA
Secretaría de Agricultura, Ganadería, Desarrollo Rural, Pesca y Alimentación
Secretariat of Agriculture, Livestock, Rural Development, Fishing and Food

Secretaría de Salud Federal
Área de difusión
Federal Secretariat of Health (distribution area)

TIA
Tortilla Industry Association

Corporate Governance

Thanks to our strong corporate governance practices, we have successfully faced challenges and capitalized on opportunities. The result has been continuous growth and generation of value.

Our Board of Directors comprises 11 proprietary members and their respective alternates, 6 of whom are independent. Our directors have extensive professional experience and are recognized in diverse fields such as: production, economics, finance, commerce, and construction, among others; this enriches the vision and strategy of the company.

The Board of Directors is supported in its work by the Executive Committee, the Audit Committee, and the Corporate Practices Committee.

BOARD OF DIRECTORS

Related Directors

Juan González Moreno
Chairman of the Board of Directors and Chief Executive Officer of GRUMA and GIMSA

Carlos Hank González
Chairman of the Board of Directors of Banorte Financial Group,
Vice President of the Board of Directors of GRUMA, Chief Executive Officer of Grupo Hermes

Homero Huerta Moreno
Chief Administrative Officer of GRUMA

Eduardo Livas Cantú
Member of GRUMA's Executive Committee

Javier Vélez Bautista
Member of GRUMA's Executive Committee

Independent Directors

Gabriel A. Carrillo Medina
Chairman and Stockholder of Mail Ray and Detecno

Everardo Elizondo Almarguer
Professor of Economy at Escuela de Gobierno y Transformación Publica Tecnológico de Monterrey and regular columnist at Reforma and El Norte newspapers

Thomas S. Heather Rodríguez
Partner of Ritch, Mueller, Heather and Nicolau

Juan Manuel Ley López
Chairman of the Board of Directors of Casa Ley and Chief Executive Officer of Grupo Ley

Adrián Sada González
Chairman of the Board of Directors of Vitro

Alberto Santos Boesch
Chairman of the Board of Directors of Empresas Santos, Chairman of the Board of Directors and Chief Executive Officer of Ingenios Santos and Vice President of Grupo Tres Vidas Acapulco

EXECUTIVE COMMITTEE

GRUMA's Executive Committee strengthens the bond between the Board of Directors and the company's management; it also enhances the decision-making process. This committee is comprised by:

Juan González Moreno
Chairman of the Board of Directors and Chief Executive Officer of GRUMA and GIMSA

Carlos Hank González
Vice President of the Board of Directors of GRUMA

Eduardo Livas Cantú
Member of the Board of Directors of GRUMA

Javier Vélez Bautista
Member of the Board of Directors of GRUMA

MANAGEMENT TEAM

Juan González Moreno
Chairman of the Board and Chief Executive Officer of GRUMA and GIMSA

Raúl Cavazos Morales
Chief Financial Officer

Leonel Garza Ramírez
Chief Procurement Officer

Homero Huerta Moreno
Chief Administrative Officer

José Antonio Jaikel Aguilar
Chief Executive Officer of Gruma Centroamérica

Rodolfo Maldonado Pérez
Chief Executive Officer of Gruma Europe, Middle East and Africa

Felipe Antonio Rubio Lamas
Chief Technology Officer

Joaquín Alberto Rubio Lamas
Chief Operating Officer of Gruma México and Latin America

Fernando Solís Cámara y Jiménez Canet
Chief Communications Officer

Salvador Vargas Guajardo
General Counsel

Javier Vélez Bautista
Chief Executive Officer of Mission Foods United States

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Audit Committee's Report For the 2014 Fiscal Year

April 22, 2015

To the Board of Directors of GRUMA, S.A.B DE C.V. ("GRUMA")

In accordance with the article 43 of the Mexican Securities Law (Ley de Mercado de Valores) and article Twenty Sixth of the Bylaws of the Company, I hereby inform you the activities carried out during the fiscal year ended on December 31, 2014. In order to establish its work program, the Committee has considered the best practices relevant for the Company and the provision of applicable laws and norms.

1. Internal Audit.

The work plans and quarterly reports of the company's internal audit area were reviewed. Likewise, the follow up reports to our comments were submitted, without any relevant findings.

2. Code of Ethics.

Follow up was given to compliance to the Code of Ethics, which regulates the actions of its directors, officers and employees, without any relevant case as of this date.

The operation of the communication channel between officers and employees with the Audit Committee was overseen. Periodically, we verified that management efficiently and timely dealt with observations requiring so. Likewise, the coverage of the previously referred channel is still being extended.

3. Audit.

We quarterly reviewed, with the management of the Company and with the external auditors, the progress of the Company in the process of complying with the requirements set forth by the Sarbanes-Oxley Act.

We reviewed, with the members of the Corporate Legal Department, the status of the main legal matters in which the Company participates, including the international arbitration proceeding presented by the Spanish subsidiaries of Gruma, Valores Mundiales, S.L. and Consorcio Andino, S.L. against the Republic of Venezuela which was submitted with the International Center for Settlement of Investment Disputes (ICSID) for the expropriation of Molinos Nacionales, C.A. and of Derivados de Maiz Seleccionado, Demaseca, C.A., companies that until January 2013 integrated the Venezuela Division of GRUMA, as well as the compliance of the norms applicable to GRUMA and Subsidiaries.

Based on the above, as well as on the interviews with external auditors and with the management of the Company, we consider that the internal control and internal audit system satisfactorily complies with its main goals.

The work plan of the external auditors of the Company for the 2014 fiscal year was reviewed, and follow up was given to the progress in its implementation.

In our interviews and meetings of the Audit Committee with the auditors, we made sure of the compliance with rotation and independence requirements for its staff. Also, we reviewed with them and with the management the comments regarding the internal control, as well as the goals, procedures and scope of the external audit for the 2014 fiscal year. To our judgment, the external audit services adequately comply with the requirements.

The additional services provided by the external audit firm were approved, same which included the work for the certification of the internal control system required under the Sarbanes-Oxley Act, intercompany transfer pricing studies and other tax services. We considered that the services approved by the Committee do not affect the independence of the external audit firm.

It is noted that in the fiscal year 2014 the Public Company Accounting Oversight Board ("PCAOB"), which is the entity that oversees the external auditors of public companies in the New York Stock Exchange, carried out an inspection of the audits of the consolidated financial statements of Gruma as of December 31, 2013, which was carried out through the company's external auditors, PricewaterhouseCoopers, S.C., pointing out that the PCAOB's inspection was concluded without observations.

4. Financial Information.

We assisted the Board of Directors in the drafting of the opinions and reports referred to by article 28 paragraph IV, sections “c”, “d” and “e” regarding the 2013 fiscal year. Additionally the annual report of activities carried out by this Committee during 2013 fiscal year was drafted and submitted to the Board of Directors and the Shareholders’ meeting.

The 20-F Form regarding the 2013 fiscal year, which was timely and completely submitted to the Securities and Exchange Commission of the United States, was reviewed.

We reviewed the quarterly financial information of the Company for the 2014 fiscal year, including the deconsolidation of the financial information of Molinera de México, S.A. de C.V. due to its sale to Grupo Trimex; prior to the analysis of each quarterly report, we concluded that the financial information was prepared in accordance with the applicable accounting standards, we did not find any irregularity or omission and consequently, agreed to its submission to the Board of Directors and its publication.

We provided quarterly follow up to the exchange rate hedge reports, making sure of their compliance with the policies established by the company.

We reviewed the audited financial statements of the Company as of December 31, 2014, the auditor’s report and accounting policies used for its elaboration. After reviewing the letter from the independent auditors to the management, we advise the Board of Directors to approve them in order to submit them for the consideration of the Shareholders’ Meeting.

The financial statements were prepared under the International Financial Reporting Standards (IFRS), which also include the International Accounting Standards (IAS) in force, the related interpretations issued by the International Financial Reporting Interpretations committee (IFRIC), including those previously issued by the Standing Interpretations Committee (SIC).

5. Standards and applicable laws.

We made sure of the existence and reliability of the internal controls established by GRUMA to give complete fulfillment to the different contractual obligations and legal dispositions to which it is subject to.

6. In assistance to the Board of Directors.

Follow up was given to the prepayment project for the perpetual bonds issued by GRUMA on December 2004 for a total of US $300’000,000.00 (THREE HUNDRED MILLION U.S. DOLLARS) through the issuance of 10-year senior notes in the international markets for a total of US $400’000,000.00 (FOUR HUNDRED MILLION U.S. DOLLARS).

Additionally, it is necessary to note that the committee granted its favorable opinion to the Board of Directors to carry out the sale of GRUMA ´s wheat flour operations in Mexico to Grupo Trimex, operation that was concluded in the month of December 2014.

Likewise, we reviewed with management the new SEC/CNBV requirements and the report of non-recurrent operations higher that 5% of the value of the company’s assets.

The work carried out by the Committee remained properly documented in minutes corresponding to every meeting which were reviewed and opportunely approved by the members of the Committee.

On behalf of GRUMA, S.A.B. DE C.V. Audit Committee,

LIC. THOMAS S. HEATHER
Chairman

Corporate Governance Committee's Report For the 2014 Fiscal Year

April 22, 2015

To the Board of Directors of GRUMA, S.A.B DE C.V.

In accordance with article 43 of the Mexican Securities Law (Ley de Mercado de Valores), as well as article Twenty Sixth of the Bylaws of the Company, I hereby inform you the activities carried out by the Corporate Governance Committee during the period elapsed as from January 1 to December 31, 2014.

1. Performance of Senior Officers.- It was evaluated based on the financial results and according to the fulfillment of the personal goals set forth within their responsibilities toward the Company. Based on evaluations carried out by the Human Resources area, in general terms, the performance of the Senior Officers was satisfactory; therefore they received a performance bonus (variable compensation) according to the policies set forth by the Company.

2. Senior Officers' Compensation.- The total compensation paid to the Chief Executive Officer and other Senior Officers of the Company during the 2014 fiscal year is within market terms, versus other companies comparable to the Company, and is in accordance with the Compensation Policies set forth by the Company.

3. Waivers.- During the reporting period, the Board of Directors did not grant any waiver for any Director, Senior Officer of person with decision authority to take advantage of business opportunities for him/herself or in favor of third parties, which correspond to the Company or its subsidiaries.

4. Relevant Operations.- The Committee has been informed by the management and the independent auditors of the relevant operations with related parties, same which have been disclosed in the notes of the financial statements for the reporting period.

On behalf of the Corporate Governance Committee,

LIC. THOMAS S. HEATHER
Chairman

Consolidated Results

Sales volume was nearly unchanged at 3,674 thousand tons in 2014 compared with 3,656 thousand tons in 2013. While sales volume in Gruma Corporation's U.S. operations and GIMSA grew in their core products, corn flour and tortillas, lower volumes were registered at Gruma Corporation's European operations in connection with extraordinary sales of corn in the prior period, offsetting the foregoing growth in core products.

Net sales increased by 2% to Ps.49,935 million in 2014 compared with Ps.49,036 million in 2013, due primarily to a favorable Peso depreciation effect at foreign subsidiaries.

Cost of sales decreased by 2% to Ps.31,575 million in 2014 compared with Ps.32,266 million in 2013, due primarily to lower raw material costs and efficiencies arising mostly from rationalization of products and presentations. Cost of sales as a percentage of net sales decreased to 63.2% in 2014 from 65.8% in 2013, reflecting better performance at all subsidiaries, particularly at Gruma Corporation and GIMSA.

Selling and administrative expenses increased by 1% to Ps. 12,040 million in 2014 compared with Ps.11,937 million in 2013, due primarily to the peso depreciation effect. Selling and administrative expenses as a percentage of net sales decreased to 24.1% from 24.3% in 2013, due primarily to better expense absorption.

Other expenses, net increased by 54% to Ps.297 million in 2014 compared with Ps.193 million in 2013, due primarily to losses on raw material and natural gas hedging and write-off of fixed assets.

Operating income increased by 30% to Ps.6,023 million in 2014 compared with Ps.4,640 million in 2013, and operating margin increased to 12.1% from 9.5% in 2013 due to better operating performance at Gruma Corporation, and to a lesser extent, at Gruma Asia & Oceania.

Net comprehensive financing cost increased by 12% to Ps.1,105 million in 2014, compared with Ps.988 million in 2013. The increase was due primarily to non-cash charges related to the amortization of debt issuance expenses, mostly from the perpetual bond called during December 2014, and the increased valuation of the contingent payment to Archer-Daniels-Midland related to the repurchase of GRUMA shares. Also, during 2014 we had losses on currency derivative instruments related to raw material procurement versus gains in 2013.

Income taxes increased by 442% to Ps.1,060 million in 2014 compared with Ps.195 million in 2013, due primarily in 2013 to the implementation of several initiatives that allowed GRUMA to use tax loss carry-forwards and the conclusion of several fiscal litigation cases. The effective tax rate was 21.5% for 2014 and 5.3% for 2013.

Discontinued operations in 2014 were Ps.599 million, Ps.746 million higher than in 2013 due especially to a gain on the sale of the wheat flour operations and better performance of these operations during the year. The discontinued operations line item relates mostly to the Venezuelan Companies, Molinera de México and the wheat flour operations at GIMSA.

Shareholders' net income was Ps.4,287 million in 2014 compared with Ps.3,163 million in 2013, due primarily to better operational performance at most subsidiaries, primarily at Gruma Corporation, and the gain on the sale of the wheat flour operations.

Gruma Corporation

Sales volume was nearly unchanged at 1,653 thousand tons in 2014 compared with 1,651 thousand tons in 2013. The U.S. operations increased 4%, but were offset by reductions at the European operations due to extraordinary sales of corn during 2013. The increase in the United States was mainly driven by the corn flour business in connection with some corn chip manufacturers' organic growth, successful retail promotions, new tortilla customers and increased market share.

Net sales increased by 5% to Ps.29,323 million in 2014, compared with Ps.27,801 million in 2013 due primarily to (i) a favorable Peso depreciation effect, (ii) the change in the sales mix away from corn in Europe, a low price product segment and (iii) the change in the sales mix toward higher price products and presentations at the U.S. tortilla operations. These positive effects were partially offset by price reductions at the corn flour business in connection with lower corn costs. Measured in Dollar terms, net sales increased by 1%.

Cost of sales increased by 2% to Ps.18,139 million in 2014 compared with Ps.17,808 million in 2013, due to the Peso depreciation effect. Measured in Dollar terms, cost of sales decreased by 2% due primarily to lower raw material costs, rationalization of products and presentations, efficiencies in corn inventory handling, among others. As a percentage of net sales, cost of sales decreased to 61.9% in 2014 from 64.1% in 2013, due primarily to the U.S. tortilla business in connection with (i) a change in the sales mix toward high-margin products (as in the case of wheat tortillas and low-count corn tortilla presentations), (ii) a products and presentations rationalization program, and (iii) lower raw material costs while our product prices were relatively stable. Our operations in Europe also improved, due primarily to lower raw material and packaging costs and production efficiencies related principally to packaging automation.

Selling and administrative expenses increased by 6% to Ps.8,189 million in 2014 compared with Ps.7,738 million in 2013, due primarily to (i) the Peso depreciation effect, (ii) royalty fees from the U.S. corn flour operations to the holding company related to the MASECA® trademark, which were implemented beginning in 2014, (iii) increasing headcount of the sales team and administrative areas at our operations in Europe, and (iv) the launching of the Mission brand in several countries. Measured in Dollar terms, selling and administrative expenses increased by 2%. Selling and administrative expenses as a percentage of net sales increased to 27.9% in 2014 from 27.8% in 2013, due primarily to the foregoing higher expenses coupled with lower expense absorption.

Operating income increased by 34% to Ps.2,862 million in 2014 from Ps.2,137 million in 2013, and operating margin increased to 9.8% from 7.7%, despite higher royalty fees. Measured in Dollar terms, operating income grew 26%.

GIMSA

Sales volume increased by 1% to 1,798 thousand tons in 2014 compared with 1,780 thousand tons in 2013. Corn flour sales volume increased 3%, but was offset by lower sales of by-products for animal feed. Corn flour sales volume grew primarily from (i) commercial initiatives like changes in the variable compensation structure of the company's sales team; and (ii) price reductions in connection with lower cost of corn.

Net sales decreased by 5% to Ps.15,074 million in 2014 compared with Ps.15,944 million in 2013, due primarily to price reductions implemented to reflect lower corn cost.

Cost of sales decreased by 8% to Ps.10,380 million in 2014 compared with Ps.11,319 million in 2013, due primarily to lower corn cost. As a percentage of net sales, cost of sales decreased to 68.9% in 2014 from 71.0% in 2013. While gross profit per ton was similar to last year, gross margin benefited from the effect of a smaller base of net sales in connection with the foregoing price reduction and from the lower cost of corn.

Selling and administrative expenses increased by 15% to Ps.2,436 million in 2014 compared with Ps.2,114 million in 2013 due primarily to the amortization of royalty fees related to the MASECA® trademark license agreement between the holding company and GIMSA. Selling and administrative expenses as a percentage of net sales increased to 16.2% in 2014 from 13.3% in 2013 due primarily to the foregoing amortization of royalty fees and lower expense absorption resulting from the price reductions.

Operating income decreased by 13% to Ps.2,129 million in the 2014 from Ps.2,448 million in 2013, and operating margin decreased to 14.1% from 15.4%. Most of this effect was related to the amortization of royalty fees.

Gruma Centroamérica

Sales volume increased by 1% to 200 thousand tons in 2014 compared with 198 thousand tons in 2013, due primarily to the launching of new corn flour presentations, and more aggressive promotion of our corn flour flanker brand.

Net sales increased by 3% to Ps.3,479 million in 2014 compared with Ps.3,386 million in 2013, due mainly to higher prices related to higher raw-material costs (partially offset by depreciation of the Costa Rican Colón) and higher sales volume.

Cost of sales increased by 1% to Ps.2,278 million in 2014 compared with Ps.2,264 million in 2013, due primarily to the aforementioned volume growth. Cost of sales as a percentage of net sales decreased to 65.5% in 2014 from 66.9% in 2013, due primarily to the foregoing higher prices.

Selling and administrative expenses decreased by 1% to Ps.936 million in 2014 compared with Ps.947 million in 2013, due to depreciation of the Costa Rican Colón. As a percentage of net sales, selling and administrative expenses decreased to 26.9% in 2014 from 28.0% in 2013, due to better expense absorption related to higher net sales.

Operating income increased by 26% to Ps.232 million in 2014, compared with Ps.183 million in 2013. Operating margin increased to 6.7% in 2014 from 5.4% in 2013.

Consolidated Financial Position

Balance-Sheet Highlights (December 2014 versus December 2013)

Total assets as of December 31, 2014 were Ps.40,637 million, a decrease of 5% reflecting a reduction in other accounts receivable, as well as corn inventories in GIMSA.

Total liabilities as of December 31, 2014 were Ps.22,552 million, 20% less derived from debt reduction.

Shareholders' equity as of December 31, 2014 was Ps.18,084 million, 25% more than in December 2013.

Debt Profile

GRUMA's debt as of December 31, 2014, totaled US$737 million, of which approximately 91% was dollar denominated.

Debt Maturity Profile (US$ millions)							
	Rate	2015	2016	2017	2018	2019..	TOTAL
Senior Notes 2024	4.875%					400	400
Rabobank Syndicated Facility	LIBOR + 1.5% - 3%	22	33	33	121		209
BBVA Syndicated Facility MXP	TIIE + 1.375% - 2.625%	4.1	8.2	36.7	5.4		54.4
Other	3.06% (avg.)	72	1.8	0.1			73.4
TOTAL	**3.84%** (avg.)	**97.6**	**42.9**	**69.7**	**126.4**	**400**	**736.8**

Capital Expenditures Program

GRUMA's capital expenditures in 2014 were US$130 million, most of which were allocated to Gruma Corporation and GIMSA for maintenance and technology upgrades, as well as capacity expansions at existing plants of such subsidiaries, and also to the acquisition of Mexifoods.

Independent Auditor's Report

Monterrey, N. L, March 17, 2015

To the Shareholders' Meeting of
Gruma, S. A. B. de C. V.

We have audited the accompanying consolidated financial statements of Gruma, S. A. B. de C. V and subsidiaries (the "Company"), which comprise the consolidated statement of financial position at December 31, 2014 and 2013, and the consolidated statements of income, of other comprehensive income, of changes in stockholders' equity and of cash flows for the years ended December 31, 2014, 2013 and 2012, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The management of the Company is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Gruma, S. A. B. de C.V. and its subsidiaries at December 31, 2014 and 2013, and its financial performance and its cash flows for the years ended December 31, 2014, 2013 and 2012, in accordance with International Financial Reporting Standards (IFRS).

Emphasis of matter

Without qualifying our opinion, we draw attention to the disclosed in notes to the financial statements: (i) Notes 2-D and 26, related to the sale of the wheat flour operations in México on December 2014 and as a result, the financial performance and cash flows for those operations, on the accompanying financial statements, were classified as discontinued operations, which were retrospectively presented on this manner, as required by IFRS; in addition, and in order to segregate the continued from the discontinued operations, some disclosures notes from prior years have been updated. (ii) Notes 26 and 28, where is explained that, on January 22, 2013, the Ministry of Justice and Internal Relations in Venezuela designated individuals as special managers representing the Bolivarian Republic of Venezuela, for the foreign subsidiaries located in that country, providing the right to take control over such subsidiaries. Consequently and as a result of the loss of control, the Company stopped consolidating the financial information of the Venezuelan subsidiaries as of January 22, 2013.

PricewaterhouseCoopers, S. C.

C.P.C. Víctor A. Robledo Gómez
Audit Partner

Consolidated Balance Sheets

GRUMA, S.A.B. DE C.V. AND SUBSIDIARIES
As of December 31, 2014 and 2013
(In thousands of mexican pesos)
(Notes 1, 2 and 3)

	Note		2014		2013
Assets					
Current:					
Cash and cash equivalents	6	Ps.	1,465,088	Ps.	1,338,555
Derivative financial instruments	20		96,376		120,562
Accounts receivable, net	7		6,489,396		7,193,317
Inventories	8		6,556,777		7,644,130
Recoverable income tax			707,242		1,768,539
Prepaid expenses			153,770		167,739
			15,468,649		18,232,842
Asset held for sale	11		-		103,300
Total current assets			15,468,649		18,336,142
Non-current:					
Long-term notes and accounts receivable	9		182,843		190,863
Investment in associate	10		-		148,881
Property, plant and equipment, net	11		17,814,336		17,904,972
Intangible assets, net	12		2,792,146		2,631,101
Deferred tax assets	13		1,269,743		287,668
Investment in Venezuela available for sale	26		3,109,013		3,109,013
Total non-current assets			25,168,081		24,272,498
Total Assets		Ps.	40,636,730	Ps.	42,608,640
Liabilities					
Current:					
Short-term debt	14	Ps.	1,437,108	Ps.	3,275,897
Trade accounts payable			3,555,521		3,547,498
Derivative financial instruments	20		49,024		71,540
Provisions	15		129,047		53,980
Income tax payable			623,867		1,525,933
Other current liabilities	16		3,011,424		2,875,593
Total current liabilities			8,805,991		11,350,441
Non-current:					
Long-term debt	14		9,324,052		13,096,443
Provision for deferred taxes	13		2,344,759		2,046,118
Employee benefits obligations	17		619,983		629,043
Provisions	15		445,177		323,804
Other non-current liabilities	29		1,012,522		735,931
Total non-current liabilities			13,746,493		16,831,339
Total Liabilities			22,552,484		28,181,780
Equity					
Shareholders' equity:					
Common stock	18		5,363,595		5,363,595
Reserves			(171,932)		(132,209)
Retained earnings	18		11,371,983		7,741,678
Total shareholders' equity			16,563,646		12,973,064
Non-controlling interest			1,520,600		1,453,796
Total Equity			18,084,246		14,426,860
Total Liabilities and Equity		Ps.	40,636,730	Ps.	42,608,640

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Income Statements

GRUMA, S.A.B. DE C.V. AND SUBSIDIARIES
For the years ended December 31, 2014, 2013 and 2012
(In thousands of mexican pesos, except per-share data)
(Notes 1, 2 and 3)

	Note	2014	2013	2012
Net sales		Ps. 49,935,328	Ps. 49,035,523	Ps. 49,270,534
Cost of sales		(31,574,750)	(32,265,587)	(33,548,061)
Gross profit		18,360,578	16,769,936	15,722,473
Selling and administrative expenses		(12,040,402)	(11,937,116)	(13,040,182)
Other expenses, net	22	(297,262)	(193,069)	(73,198)
Operating income		6,022,914	4,639,751	2,609,093
Comprehensive financing cost, net	24	(1,105,403)	(987,625)	(880,390)
Income before income tax		4,917,511	3,652,126	1,728,703
Income tax expense	25	(1,059,583)	(195,361)	(905,280)
Consolidated net income from continuing operations		3,857,928	3,456,765	823,423
Income (loss) from discontinued operations, net	26	598,852	(146,796)	880,336
Consolidated net income		Ps. 4,456,780	Ps. 3,309,969	Ps. 1,703,759
Attributable to:				
Shareholders		Ps. 4,287,310	Ps. 3,163,133	Ps. 1,115,338
Non-controlling interest		169,470	146,836	588,421
		Ps. 4,456,780	Ps. 3,309,969	Ps. 1,703,759
From continuing operations:				
Basic and diluted earnings per share (pesos)		Ps. 8.38	Ps. 7.28	Ps. 0.82
From discontinued operations:				
Basic and diluted earnings per share (pesos)		Ps. 1.53	Ps. (0.12)	Ps. 1.18
From continuing and discontinued operations:				
Basic and diluted earnings per share (pesos)		Ps. 9.91	Ps. 7.16	Ps. 2.00
Weighted average shares outstanding (thousands)		432,749	441,835	558,712

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Income

GRUMA, S.A.B. DE C.V. AND SUBSIDIARIES
For the years ended December 31, 2014, 2013 and 2012
(In thousands of mexican pesos)
(Notes 1, 2 and 3)

	Note	2014	2013	2012
Consolidated net income		Ps. 4,456,780	Ps. 3,309,969	Ps. 1,703,759
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Remeasurement of employment benefit obligations	17	(11,414)	(170,618)	(105,967)
Income taxes	13	(4,223)	42,298	10,783
		(15,637)	(128,320)	(95,184)
Items that may be subsequently reclassified to profit or loss:				
Foreign currency translation adjustments (net of the reclassification adjustment from discontinued operations of Ps.432,458 in 2013)		(162,033)	156,847	29,130
Share of other comprehensive income of associated companies		-	-	71,217
Cash flow hedges		110,810	(585,811)	461,687
Other		-	-	(71,810)
Income taxes	13	17,981	142,545	(125,113)
		(33,242)	(286,419)	365,111
Other comprehensive income, net of tax		(48,879)	(414,739)	269,927
Total comprehensive income		Ps. 4,407,901	Ps. 2,895,230	Ps. 1,973,686
Attributable to:				
Shareholders		Ps. 4,239,705	Ps. 2,630,867	Ps. 1,378,161
Non-controlling interest		168,196	264,363	595,525
		Ps. 4,407,901	Ps. 2,895,230	Ps. 1,973,686

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Changes in Equity

GRUMA, S.A.B. DE C.V. AND SUBSIDIARIES
For the years ended December 31, 2014, 2013 and 2012
(In thousands of mexican pesos)
(Notes 1, 2 and 3)

	Common stock (Note 18-A)			
	Number of shares (thousands)	Amount		Foreign currency translation (Note 18-D)
Balances at January 1, 2012	563,651	Ps. 6,972,425	Ps.	(76,972)
Transactions with owners of the Company:				
Dividends paid from net tax profit account				
Contribution from non-controlling interest				
Acquisition of Company's own shares	(106,335)	(1,304,346)		
Contingent payment due to acquisition of Company's own shares (Note 29)				
Effect of acquisition of non-controlling interest, net of taxes (Note 29)				
	(106,335)	(1,304,346)		-
Comprehensive income:				
Net income of the year				
Foreign currency translation adjustment (Net of taxes of Ps.825)				9,860
Other				
Remeasurement of employment benefit obligations (Net of taxes of Ps.10,783)				
Cash flow hedges (Net of taxes of Ps.(125,938))				
Comprehensive income of the year	-	-		9,860
Balances at December 31, 2012	457,316	Ps. 5,668,079	Ps.	(67,112)
Transactions with owners of the Company:				
Dividends paid from CUFIN				
Cancellation of Company's own shares due to merger with shareholder (Note 10)	(24,567)	(304,484)		
Decrease of non-controlling interest due to cease of consolidation of Venezuela (Note 26)				
Effect on acquisition of non-controlling interest, net of taxes				
	(24,567)	(304,484)		-
Comprehensive income:				
Net income of the year				
Foreign currency translation adjustment (Net of taxes of Ps.(14,391))				(278,338)
Currency translation of discontinued operations				317,133
Remeasurement of employment benefit obligations (Net of taxes of Ps.42,298)				
Cash flow hedges (Net of taxes of Ps.156,936)				
Comprehensive income of the year	-	-		38,795
Balances at December 31, 2013	432,749	Ps. 5,363,595	Ps.	(28,317)

Reserves					
Share of equity of associated companies	Cash flow hedges and other reserves	Retained earnings (Note 18-B)	Total shareholders' equity	Non-controlling interest	Total equity
Ps. (71,217)	Ps. 3,953	Ps. 6,603,014	Ps. 13,431,203	Ps. 4,281,581	Ps. 17,712,784
			-	(96,187)	(96,187)
			-	165,710	165,710
		(2,707,003)	(4,011,349)	-	(4,011,349)
		(492,272)	(492,272)	-	(492,272)
		995,923	995,923	(1,914,578)	(918,655)
-	-	(2,203,352)	(3,507,698)	(1,845,055)	(5,352,753)
		1,115,338	1,115,338	588,421	1,703,759
			9,860	20,095	29,955
71,217	(328)	(71,217)	(328)	(265)	(593)
		(82,458)	(82,458)	(12,726)	(95,184)
	335,749		335,749	-	335,749
71,217	335,421	961,663	1,378,161	595,525	1,973,686
Ps. -	Ps. 339,374	Ps. 5,361,325	Ps. 11,301,666	Ps. 3,032,051	Ps. 14,333,717
				(594,024)	(594,024)
		(705,364)	(1,009,848)	-	(1,009,848)
				(1,057,497)	(1,057,497)
		50,379	50,379	(191,097)	(140,718)
-	-	(654,985)	(959,469)	(1,842,618)	(2,802,087)
		3,163,133	3,163,133	146,836	3,309,969
			(278,338)	2,727	(275,611)
			317,133	115,325	432,458
		(127,795)	(127,795)	(525)	(128,320)
	(443,266)		(443,266)	-	(443,266)
-	(443,266)	3,035,338	2,630,867	264,363	2,895,230
Ps. -	Ps. (103,892)	Ps. 7,741,678	Ps. 12,973,064	Ps. 1,453,796	Ps. 14,426,860

Consolidated Statements of Changes in Equity

GRUMA, S.A.B. DE C.V. AND SUBSIDIARIES
For the years ended December 31, 2014, 2013 and 2012
(In thousands of mexican pesos)
(Notes 1, 2 and 3)

	Common stock (Note 18-A)				
	Number of shares (thousands)		Amount		Foreign currency translation (Note 18-D)
Balances at December 31, 2013	432,749	Ps.	5,363,595	Ps.	(28,317)
Transactions with owners of the Company:					
Dividends paid (Ps.1.50 per share)					
	-		-		-
Comprehensive income:					
Net income of the year					
Foreign currency translation adjustment (Net of taxes of Ps.30,712)					(137,802)
Remeasurement of employment benefit obligations (Net of taxes of Ps.(4,223))					
Cash flow hedges (Net of taxes of Ps.(12,731))					
Comprehensive income of the year	-		-		(137,802)
Balances at December 31, 2014	432,749	Ps.	5,363,595	Ps.	(166,119)

The accompanying notes are an integral part of these consolidated financial statements.

Reserves					
Share of equity of associated companies	Cash flow hedges and other reserves	Retained earnings (Note 18-B)	Total shareholders' equity	Non-controlling interest	Total equity
Ps. -	Ps. (103,892)	Ps. 7,741,678	Ps. 12,973,064	Ps. 1,453,796	Ps. 14,426,860
		(649,123)	(649,123)	(101,392)	(750,515)
-	-	(649,123)	(649,123)	(101,392)	(750,515)
		4,287,310	4,287,310	169,470	4,456,780
			(137,802)	6,481	(131,321)
		(7,882)	(7,882)	(7,755)	(15,637)
	98,079		98,079	-	98,079
-	98,079	4,279,428	4,239,705	168,196	4,407,901
Ps. -	Ps. (5,813)	Ps. 11,371,983	Ps. 16,563,646	Ps. 1,520,600	Ps. 18,084,246

Consolidated Statements of Cash Flows

GRUMA, S.A.B. DE C.V. AND SUBSIDIARIES
For the years ended December 31, 2014, 2013 and 2012
(In thousands of mexican pesos)
(Notes 1, 2 and 3)

	2014	2013	2012
Operating activities:			
Income before taxes	Ps. 4,917,511	Ps. 3,652,126	Ps. 1,728,703
Foreign exchange (gain) loss from working capital	(188,825)	(7,712)	91,630
Net cost of the year for employee benefit obligations	142,017	105,918	103,503
Items related with investing activities:			
Depreciation and amortization	1,460,451	1,569,376	1,522,778
Impairment of long-lived assets	14,395	45,235	4,014
Written-down fixed assets	64,503	-	37,681
Interest income	(13,273)	(16,645)	(15,057)
Loss in sale of fixed assets and damaged assets	42,788	93,089	18,528
Items related with financing activities:			
Derivative financial instruments	145,274	(32,578)	(93,501)
Foreign exchange loss (gain) from debt	116,412	(38,761)	(2,342)
Interest expense	1,008,251	1,014,656	780,790
	7,709,504	6,384,704	4,176,727
Accounts receivable, net	258,084	272,851	(206,899)
Inventories	382,429	1,945,933	(1,397,041)
Prepaid expenses	46,445	18,215	(7,688)
Trade accounts payable	(110,409)	(1,488,658)	874,387
Accrued liabilities and other accounts payables	44,845	537,578	(62,932)
Income taxes paid	(1,816,012)	(1,016,629)	(1,833,885)
Employee benefits obligations and others, net	(135,532)	(138,010)	(60,455)
Net cash flows from operating activities of discontinued operations	350,646	163,447	323,922
	(979,504)	294,727	(2,370,591)
Net cash flows from operating activities	6,730,000	6,679,431	1,806,136
Investing activities:			
Acquisitions of property, plant and equipment	(1,597,298)	(1,408,730)	(2,384,731)
Sale of property, plant and equipment	115,574	115,354	74,714
Investment in Valores Azteca, S.A. de C.V. (associate)	-	-	(895,640)
Acquisition of subsidiaries, net of cash acquired	(122,081)	-	-
Acquisition of intangible assets	(17,126)	(2,580)	(14,063)
Sale of wheat flour operation in Mexico	3,677,788	-	-
Interests collected	13,273	16,498	15,057
Other	922	12,382	15,345
Net cash flows used in investing activities of discontinued operations	(75,464)	(257,825)	(266,311)
Net cash flows provided by (used in) investing activities	1,995,588	(1,524,901)	(3,455,629)
Cash to be used in (provided by) financing activities	8,725,588	5,154,530	(1,649,493)
Financing activities:			
Proceeds from debt	8,838,154	12,361,530	14,617,718
Payment of debt	(15,649,521)	(15,873,548)	(6,970,516)
Interests paid	(1,010,976)	(994,675)	(767,618)
Derivative financial instruments collected	(13,832)	24,366	143,889
Acquisition of Company's own shares	-	-	(4,011,348)
Acquisition of non-controlling interest (1)	-	(37,418)	(996,575)
Capital contribution from non-controlling interest	-	-	165,710
Dividends paid	(750,515)	(594,024)	(96,187)
Net cash flows used in financing activities of discontinued operations	(4,556)	1,373	(267,398)
Net cash flows (used in) provided by financing activities	(8,591,246)	(5,112,396)	1,817,675
Net increase in cash and cash equivalents	134,342	42,134	168,182
Exchange differences on cash	(7,809)	9,053	(60,465)
Cash and cash equivalents at the beginning of the year	1,338,555	1,287,368	1,179,651
Cash and cash equivalents at the end of the year	Ps. 1,465,088	Ps. 1,338,555	Ps. 1,287,368

The accompanying notes are an integral part of these consolidated financial statements.

(1) At December 31, 2013, an account payable for Ps.103,300 resulted from this transaction.

1. ENTITY AND OPERATIONS

Gruma, S.A.B. de C.V. (GRUMA) is a Mexican company with subsidiaries located in Mexico, the United States of America, Central America, Europe, Asia and Oceania, together referred to as the “Company”. The Company’s main activities are the production and sale of corn flour, tortillas and related products.

GRUMA is a publicly held corporation (Sociedad Anónima Bursátil de Capital Variable) organized under the laws of Mexico. The address of its registered office is Rio de la Plata 407 in San Pedro Garza García, Nuevo León, Mexico. GRUMA is listed on the Mexican Stock Exchange and the New York Stock Exchange.

The consolidated financial statements were authorized by the Chief Administrative Office of the Company on February 25, 2015.

2. BASIS OF PREPARATION

The consolidated financial statements of Gruma, S.A.B. de C.V. and Subsidiaries for all the periods presented have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The IFRS also include the International Accounting Standards (IAS) in force, as well as all the related interpretations issued by the IFRS Interpretations Committee, including those previously issued by the Standing Interpretations Committee.

The Company applied IFRS that were effective at December 31, 2014. The following standards have been adopted by the Company for the first time for the year beginning on January 1, 2014 and had the following impact:

- Amendment to IAS 32, “Financial instruments: Presentation”, issued in December 2011, included changes in the accounting requirements related with the offsetting of financial assets and liabilities. The implementation of these changes had no impact on the Company’s financial position or performance.
- Amendment to IAS 39, “Financial instruments: Recognition and Measurement”, issued in June 2013 to clarify that there is no need to discontinue hedge accounting if a hedging derivative is novated, as long as certain criteria are met. The application of this amendment had no impact on the Company’s financial position or performance.
- IFRIC Interpretation 21, “Levies”, issued in May 2013, clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognized before the specified minimum threshold is reached. The interpretation had no impact on the Company’s financial position or performance.

A) BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on the basis of historical cost, except for Venezuela's financial information for the year 2012, due to its hyperinflationary environment, and for the fair value of certain financial instruments as described in the policies shown below (see Note 3-K).

The preparation of financial statements requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

B) FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in Mexican pesos, which is the functional currency of GRUMA.

C) USE OF ESTIMATES AND JUDGMENTS

The relevant estimates and assumptions are reviewed on a regular basis. The review of accounting estimates are recognized in the period in which the estimate was reviewed and in any future period that is affected.

In particular, the information for assumptions, uncertainties from estimates, and critical judgments in the application of accounting policies, that have the most significant effect in the recognized amounts in these consolidated financial statements are described below:

- The assumptions used for the determination of fair values of financial instruments (Note 20).
- The assumptions and uncertainties with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income (Notes 13 and 25).
- The key assumptions in impairment testing for long-lived assets used for the determination of the recoverable amount for the different cash generating units (Notes 11 and 12).
- The actuarial assumptions used for the determination of employee benefits obligations (Note 17).
- The key assumptions in impairment testing of the investment in Venezuela (Notes 26 and 28).

D) RECLASSIFICATIONS IN THE FINANCIAL STATEMENTS FOR COMPARATIVE PURPOSES

As mentioned in Note 26 "Discontinued Operations", in December 2014, the Company concluded the sale of its wheat flour operations in Mexico. Therefore, the income and cash flows provided by the wheat flour operations in Mexico, for the periods presented, are classified as a discontinued operation. As indicated by IFRS, the presentation as a discontinued operation was applied retrospectively for the periods presented in these financial statements. Additionally, certain other disclosures have also been updated to segregate amounts between continuing and discontinued operations for the periods presented.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF CONSOLIDATION

a. Subsidiaries

The subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when it is exposed, or has rights, to variable returns through its power over the investee. The financial statements of subsidiaries are incorporated in the consolidated financial statements commencing on the date on which the control begins, until the date when that control ceases.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated. Subsidiaries' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Company.

At December 31, 2014 and 2013, the main subsidiaries included in the consolidation were:

	% of ownership	
	At December 31, 2014	At December 31, 2013
Gruma Corporation and subsidiaries	100.00	100.00
Grupo Industrial Maseca, S.A.B. de C.V. and subsidiaries	83.18	83.18
Molinera de México, S.A. de C.V. and subsidiaries (Note 26 and 29)	-	100.00
Gruma International Foods, S.L. and subsidiaries	100.00	100.00
Productos y Distribuidora Azteca, S.A. de C.V.	100.00	100.00
Investigación de Tecnología Avanzada, S.A. de C.V. and subsidiaries [1]	-	100.00

[1] During March 2014, Investigación de Tecnología Avanzada, S.A. de C.V. was merged with Gruma, S.A.B. de C.V.

At December 31, 2014 and 2013, there were no significant restrictions for the investment in the subsidiaries mentioned above, except for those described in Note 26.

b. Transactions with non-controlling interest without change of control

The Company applies a policy of treating transactions with non-controlling interest as transactions with equity owners of the Company. When purchases from non-controlling interest take place, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recognized as operations with holders of equity instruments; therefore, no goodwill is recognized with these acquisitions. Disposals to non-controlling interests result in gains and losses for the group and are also recorded in equity when there is no loss of control.

c. Business combinations

Business combinations are recognized through the acquisition method of accounting. The consideration transferred for the acquisition of a subsidiary is measured as the fair value of the assets given, the liabilities incurred by the Company with the previous owners and the equity instruments issued by the Company. The cost of an acquisition also includes the fair value of any contingent payment.

The related acquisition costs are recognized in the income statement when incurred.

Identifiable assets acquired, liabilities assumed and contingent liabilities in a business combination are measured at fair value at the acquisition date.

The Company recognizes any non-controlling interest as the proportional share of the net identifiable assets of the acquired entity.

The Company recognizes goodwill when the cost including any amount of non-controlling interest in the acquired entity exceeds the fair value at acquisition date of the identifiable assets acquired and liabilities assumed.

B) FOREIGN CURRENCY

a. Transactions in foreign currency

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at year-end exchange rates. The differences that arise from the translation of foreign currency transactions are recognized in the income statement.

b. Foreign currency translation

The financial statements of the Company's entities are measured using the currency of the main economic environment where each entity operates (functional currency). The consolidated financial statements are presented in Mexican pesos, currency that corresponds to the presentation currency of the Company.

The financial position and results of all of the group entities that have a functional currency which differs from the Company's presentation currency are translated as follows:

- Assets and liabilities are translated at the closing rate of the period.
- Income and expenses are translated at average exchange rates when it has not fluctuated significantly during the year.
- Equity is translated at the exchange rate in effect at the date when the contributions were made and the earnings were generated.
- All resulting exchange differences are recognized in other comprehensive income as a separate component of equity denominated "Foreign currency translation adjustments".

Previous to the translation to Mexican pesos, the financial statements of foreign subsidiaries with functional currency from a hyperinflationary environment are adjusted by inflation in order to reflect the changes in purchasing power of the local currency. Subsequently, assets, liabilities, equity, income, costs, and expenses are translated to the presentation currency at the closing rate at the date of the most recent balance sheet. To determine the existence of hyperinflation, the Company evaluates the qualitative characteristics of the economic environment, as well as the quantitative characteristics established by IFRS of an accumulated inflation rate equal or higher than 100% in the past three years.

The Company applies hedge accounting to foreign exchange differences originated between the functional currency of a foreign subsidiary and the functional currency of the Company. Exchange differences resulting from the translation of a financial liability designated as hedge for a net investment in a foreign subsidiary, are recognized in other comprehensive income as a separate component denominated "Foreign currency translation adjustments" while the hedge is effective. See Note 3-L for the accounting of the net investment hedge.

The closing exchange rates used for preparing the financial statements are as follows:

	As of December 31, 2014	As of December 31, 2013
Pesos per U.S. dollar	14.7180	13.0765
Pesos per Euro	17.8912	18.0430
Pesos per Swiss franc	14.8847	14.7241
Pesos per Venezuelan bolivar (Bs.)	1.2265	2.0756
Pesos per Australian dollar	12.0462	11.6443
Pesos per Chinese yuan	2.4040	2.1428
Pesos per Pound sterling	22.9042	21.5684
Pesos per Malaysian ringgit	4.2081	3.9692
Pesos per Costa Rica colon	0.0270	0.0258
Pesos per Ukrainian hryvnia	0.9302	1.6341
Pesos per Russian ruble	0.2616	0.3995
Pesos per Turkish lira	6.3470	6.1268

C) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and short term highly liquid investments with original maturities of less than three months. These items are recognized at historical cost, which do not differ significantly from its fair value.

D) ACCOUNTS RECEIVABLE

Trade receivables are initially recognized at fair value and subsequently valued at amortized cost using the effective interest rate method, less provision for impairment. The Company has determined that the amortized cost does not represent significant differences with respect to the invoiced amount from short-term trade receivables, since the transactions do not have relevant associated costs.

Allowances for doubtful accounts or impairment represent the Company's estimates of losses that could arise from the failure or inability of customers to make payments when due. These estimates are based on the ageing of customers' balances, specific credit circumstances and the Company's historical bad receivables experience.

E) INVENTORIES

Inventories are measured at the lower of cost and net realizable value. Cost is determined using the average cost method. The net realizable value is the estimated selling price of inventory in the normal course of business, less applicable variable selling expenses. The cost of finished goods and production in process comprises raw materials, direct labor, other direct costs and related production overheads. Cost of inventories may also include the transfer from equity of any gains or losses on qualifying cash flow hedges for purchases of raw materials.

F) INVESTMENTS IN ASSOCIATES

Associates are all entities over which the Company has significant influence over, but does not control the financial and operative decisions. It is assumed that significant influence exists when there is a shareholding of between 20% and 50% of the voting rights of the other entity or less than 20% when it is clearly demonstrated that such significant influence exists.

Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. The Company's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment losses.

The Company's share of its associates' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying value of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate. Unrealized gains and losses from transactions held with associates are eliminated from the investment in proportion to the Company's share in the entity.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Company.

G) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are valued at acquisition cost, less accumulated depreciation and recognized impairment losses. Cost includes expenses that are directly attributable to the asset acquisition.

Subsequent costs, including major improvements, are capitalized and are included in the carrying value of the asset or recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the specific asset will flow to the Company and the costs can be measured reliably. Repairs and maintenance are recognized in the income statement when incurred. Major improvements are depreciated during the remaining useful life of the related asset. Leasehold improvements are depreciated using the lower of the lease term or useful life. Land is not depreciated.

Costs of borrowings, general and specific, of qualifying assets that require a substantial period of time (over one year) for acquisition or construction, are capitalized as part of the acquisition cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

Depreciation is calculated over the asset cost less residual value, considering its components separately. Depreciation is recognized in income using the straight-line method and applying annual rates that reflect the estimated useful lives of the assets. The estimated useful lives are summarized as follows:

	Years
Buildings	25 - 50
Machinery and equipment	5 - 25
Leasehold improvements	10 *

* The lesser of 10 years or the term of the leasehold agreement.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses from sale of assets result from the difference between revenues of the transaction and the book value of the assets, which is included in the income statement as other expenses, net.

H) INTANGIBLE ASSETS

a. Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested annually for impairment, or whenever the circumstances indicate that the value of the asset might be impaired. Goodwill is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

b. Intangible assets with finite lives

Intangible assets with finite lives are carried at cost less accumulated amortization and impairment losses. Amortization is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are as follows:

	Years
Non-compete agreements	3 - 20
Patents and trademarks	3 - 20
Customer lists	5 - 20
Software for internal use	3 - 7

c. Indefinite-lived intangible assets

Indefinite-lived intangible assets are not amortized, but subject to impairment tests on an annual basis or whenever the circumstances indicate that the value of the asset might be impaired.

d. Research and development

Research costs are expensed when incurred.

Costs from development activities are recognized as an intangible asset when such costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits will be obtained, and the Company pretends and has sufficient resources in order to complete the development and use or sell the asset. The amortization is recognized in income based on the straight-line method during the estimated useful life of the asset.

Development costs that do not qualify as intangible assets are recognized in income when incurred.

I) IMPAIRMENT OF LONG-LIVED ASSETS AND INVESTMENT IN ASSOCIATES

The Company performs impairment tests for its property, plant and equipment, intangible assets with finite lives, and investment in associates, when certain events and circumstances suggest that the carrying value of the assets might not be recovered. Indefinite-lived intangible assets and goodwill are subject to impairment tests at least once a year.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or cash-generating unit is the higher of an asset's fair value less costs to sell and value in use. To determine value in use, estimated future cash flows are discounted at present value, using a pre-tax discount rate that reflect time value of money and considering the specific risks associated with the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating unit).

Impairment losses on goodwill are not reversed. For other assets, impairment losses are reversed if a change in the estimates used for determining the recoverable amount has occurred. Impairment losses are reversed to the extent that the book value does not exceed the book value that was determined, net of depreciation or amortization, if no impairment loss was recognized.

J) LONG-LIVED ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Long-lived assets are classified as held for sale when (a) their carrying amount is to be recovered mainly through a sale transaction, rather than through continuing use, (b) the assets are held immediately for sale and (c) the sale is considered highly probable in its current condition.

For the sale to be considered highly probable:

- Management must be committed to a sale plan.
- An active program must have begun in order to locate a buyer and to complete the plan.
- The asset must actively be quoted for its sale at a price that is reasonable to its current fair value; and
- The sale is expected to be completed within a year starting the date of classification.

Non-current assets held for sale are stated at the lower of carrying amount and fair value less costs to sell.

Discontinued operations are the operations and cash flows that can be clearly distinguished from the rest of the entity, that either have been disposed of or are classified as held for sale, and:

- Represent a line of business or geographical area of operations.
- Are part of a single coordinated plan to dispose of a line of business or geographical area of operations, or
- Is a subsidiary acquired exclusively with a view to resale.

K) FINANCIAL INSTRUMENTS

Regular purchases and sales of financial instruments are recognized in the balance sheet on the trade date, which is the date when the Company commits to purchase or sell the instrument.

a. Financial assets

Classification

In its initial recognition and based on its nature and characteristics, the Company classifies its financial assets in the following categories: (i) financial assets at fair value through profit or loss, (ii) loans and receivables, (iii) financial assets held until maturity, and (iv) available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Balances of financial instruments held by the Company at December 31, 2014 and 2013 are disclosed in Note 20-A.

i. Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss when designated as held for trading or classified as such in its initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are carried at fair value, and directly attributable transaction costs and corresponding changes of fair value are recognized in the income statement. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for assets with maturities greater than 12 months. Initially, these assets are carried at fair value plus any transaction costs directly attributable to them; subsequently, these assets are recognized at amortized cost using the effective interest rate method.

iii. Financial assets held until maturity

When the Company has the intention and capacity to keep debt instruments until maturity, these financial assets are classified as held until maturity. Initially, these assets are carried at fair value plus any transaction costs directly attributable to them; subsequently, these assets are recognized at amortized cost using the effective interest rate method.

iv. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated in this category or not classified in any of the other categories. They are included in current assets, except for assets with maturities greater than 12 months. These assets are initially recognized at fair value plus any transaction costs directly attributable to them; subsequently, these assets are recognized at fair value. If these assets cannot be measured through an active market, then they are measured at cost (See Note 26). Profit or losses from changes in the fair value are recognized in other comprehensive income in the period when incurred. At disposition date, such profit or losses are recognized in income.

Interest on available-for-sale securities calculated using the effective interest method is recognized in the income statement as part of interest income. Dividends on available-for-sale equity instruments are recognized in the income statement when the Company's right to receive payments is established.

Impairment

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. See Note 3-D for the accounting policy for the impairment of accounts receivable.

b. Financial liabilities

i. Debt and financial liabilities

Debt and financial liabilities that are non-derivatives are initially recognized at fair value, net of transaction costs directly attributable to them: subsequently, these liabilities are recognized at amortized cost. The difference between the net proceeds and the amount payable is recognized in the income statement during the debt term, using the effective interest rate method.

ii. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities for trading and financial liabilities designated at initial recognition.

L) DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Derivative financial instruments are initially recognized at fair value and are subsequently re-measured at their fair value; the transaction costs are recognized in the income statement when incurred. Derivative financial instruments are classified as current, except for maturities exceeding 12 months.

Fair value is determined based on recognized market prices. When not quoted in markets, fair value is determined using valuation techniques commonly used in the financial sector. Fair value reflects the credit risk of the instrument and includes adjustments to consider the credit risk of the Company or the counterparty, when applicable.

The method for recognizing the resulting gain or loss depends on whether the derivative is designated as a hedge and, if so, the nature of the item being hedged. The Company designates derivative financial instruments as follows:

- Hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedge);
- Hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge); or
- Hedges of a net investment in a foreign operation (net investment hedge).

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, including objectives, strategies for risk management and the method for assessing effectiveness in the hedge relationship.

a. Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. At December 31, 2014 and 2013, the Company did not have this type of hedging.

b. Cash flow hedges

For cash flow hedge transactions, changes in the fair value of the derivative financial instrument are included as other comprehensive income in equity, based on the evaluation of the hedge effectiveness, and are reclassified to the income statement in the periods when the projected transaction is realized, see Note 20-C.

Hedge effectiveness is determined when changes in the fair value or cash flows of the hedged position are compensated with changes in the fair value or cash flows of the hedge instrument in a quotient that ranges between 80% and 125% of inverse correlation. Ineffective portions from changes in the fair value of derivative financial instruments are recognized immediately in the income statement.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecasted transaction is ultimately registered in the income statement.

c. Net investment hedge

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized in the income statement. Gains and losses accumulated in equity are included in the income statement when the foreign operation is partially disposed of or sold, see Note 18-D.

M) LEASES

a. Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are recognized in the income statement on a straight-line basis over the period of the lease.

b. Finance leases

Leases where the Company has substantially all the risks and rewards of ownership, are classified as finance leases.

Under finance leases, at the initial date, both assets and liabilities are recognized at the lower of the fair value of the leased property and the present value of the minimum lease payments. In order to discount the minimum payments, the Company uses the interest rate implicit in the lease, if this practicable to determine; if not, the Company's incremental borrowing rate is used.

Lease payments are allocated between the interest expense and the reduction of the pending liability. Interest income is recognized in each period during the lease term so as to produce a constant periodic interest rate on the remaining balance of the liability.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

N) EMPLOYEE BENEFITS

a. Post-employment benefits

In Mexico, the Company has the following defined benefit plans:

- Single-payment retirement plan, when employees reach the required retirement age, which is 60.
- Seniority premium, after 15 years of service.

The Company has established trust funds in order to meet its obligations for the seniority premium. Employees do not contribute to these funds.

The liability recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation, less the fair value of plan assets. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset). The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated cash outflows using discount rates in accordance with IAS-19, that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognized immediately in the income statement.

In the United States, the Company has a savings and investment plan that incorporates voluntary employee 401 (k) contributions with matching contributions of the Company in this country. The Company's contributions are recognized in the income statement when incurred.

b. Termination benefits

Termination benefits are payable when employment is terminated by decision of the Company, before the normal retirement date.

The Company recognizes termination benefits as a liability at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognizes costs for a restructuring representing a provision and involves the payment of termination benefits. Termination benefits that do not meet this requirement are recognized in the income statement in the period when incurred.

c. Short term benefits

Short term employee benefits are measured at nominal base and are recognized as expenses as the service is rendered. If the Company has the legal or constructive obligation to pay as a result of a service rendered by the employee in the past and the amount can be estimated, an obligation is recognized for short term bonuses or profit sharing.

O) PROVISIONS

Provisions are recognized when (a) the Company has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources will be required to settle the obligation; and (c) the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the specific risks of the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

P) SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Q) REVENUE RECOGNITION

Sales are recognized upon shipment to, and acceptance by, the Company's customers or when the risk of ownership has passed to the customers. Revenue comprises the fair value of the consideration received or receivable, net of returns, discounts, and rebates. Provisions for discounts and rebates to customers, returns and other adjustments are recognized in the same period that the related sales are recorded and are based upon either historical estimates or actual terms.

R) INCOME TAXES

The tax expense of the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized from the analysis of the balance sheet considering temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates that have been approved or substantially approved at the date of the balance sheet and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized for tax loss carry-forwards not used, tax credits and deductible temporary differences, only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. In each period-end deferred income tax assets are reviewed and reduced to the extent that it is not probable that the benefits will be realized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if the entity has a legally enforceable right to set off assets against liabilities and are related to income tax levied by the same tax authority on the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

S) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares, which include convertible debt and share options.

For the years ended December 31, 2014, 2013 and 2012, the Company had no dilutive instruments issued.

T) SEGMENT REPORTING

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to transactions with other components of the same entity. Operating results from an operating segment are regularly reviewed by the entity's chief executive officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4. RISK AND CAPITAL MANAGEMENT

A) RISK MANAGEMENT

The Company is exposed to a variety of financial risks: market risk (including currency risk, interest rate risk, and commodity price risk), credit risk and liquidity risk. The group's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. The Company uses derivative financial instruments to hedge some of these risks.

Currency risk

The Company operates internationally and thus, is exposed to currency risks, particularly with the U.S. dollar. Currency risks arise from commercial operations, recognized assets and liabilities and net investments in foreign subsidiaries.

The following tables detail the exposure of the Company to currency risks at December 31, 2014 and 2013. The tables show the carrying amount of the Company's financial instruments denominated in currencies other than Mexican pesos.

At December 31, 2014:

	Amounts in thousands of Mexican pesos				
	U.S. Dollar	Pound sterling	Euros	Costa Rica colons and others	Total
Monetary assets:					
Current (1)	Ps. 2,917,159	Ps. 370,185	Ps. 384,298	Ps. 1,402,849	Ps. 5,074,491
Non-curren	9,994	-	836	19,742	30,572
Monetary liabilities:					
Current	(5,476,106)	(278,869)	(291,244)	(869,436)	(6,915,655)
Non-current	(9,100,161)	(2,075)	(36,458)	(180,569)	(9,319,263)
Net position	Ps. (11,649,114)	Ps. 89,241	Ps. 57,432	Ps. 372,586	Ps. (11,129,855)

At December 31, 2013:

	Amounts in thousands of Mexican pesos				
	U.S. Dollar	Pound sterling	Euros	Costa Rica colons and others	Total
Monetary assets:					
Current (1)	Ps. 2,776,046	Ps. 265,952	Ps. 764,541	Ps. 1,077,969	Ps. 4,884,508
Non-current	9,912	-	7,406	10,854	28,172
Monetary liabilities:					
Current	(5,459,193)	(271,561)	(247,916)	(544,162)	(6,522,832)
Non-current	(9,536,365)	(2,157)	(20,864)	(53,503)	(9,612,889)
Net position	Ps. (12,209,600)	Ps. (7,766)	Ps. 503,167	Ps. 491,158	Ps. (11,223,041)

Approximately 70% of this balance corresponds to accounts receivable.

For the years ended December 31, 2014, 2013 and 2012, the effects of exchange rate differences on the Company's monetary assets and liabilities were recognized as follows:

		2014		2013		2012
Exchange differences arising from foreign currency liabilities accounted for as a hedge of the Company's net investment in foreign subsidiaries, recorded directly to equity as an effect of foreign currency translation adjustments	Ps.	(961,855)	Ps.	(46,412)	Ps.	468,381
Exchange differences arising from foreign currency transactions recognized in the income statement		72,413		46,473		(82,577)
	Ps.	(889,442)	Ps.	61	Ps.	385,804

Net sales are denominated in Mexican pesos, U.S. dollars, and other currencies. Sales generated in Mexican pesos were 30% in 2014, 33% in 2013 and 35% in 2012 of total net sales. Sales generated in U.S. dollars were 53% in 2014, 51% in 2013 and 50% in 2012 of total net sales. Additionally, at December 31, 2014 and 2013, 70% and 71%, respectively, of total assets were denominated in different currencies other than Mexican pesos, mainly in U.S. dollars. An important portion of operations are financed through debt denominated in U.S. dollars. For the years ended December 31, 2014, 2013 and 2012, net sales in currencies other than Mexican pesos amounted to Ps.34,825,230, Ps.32,925,736 and Ps.32,139,710, respectively.

An important currency risk for the debt denominated in U.S. dollars is present in subsidiaries that are not located in the United States, which represented 100% of total debt denominated in U.S. dollars.

At December 31, 2014, the Company had no open positions of foreign exchange derivative instruments.

At December 31, 2013, the Company had foreign exchange derivative instruments for a nominal amount of U.S.$65 million maturing in January 2014. The purpose of these instruments is to hedge the risks related to exchange rate variations on corn price, in those cases in which is denominated in U.S. dollars.

The effect of foreign exchange differences recognized in the income statements for the years ended December 31, 2014, 2013 and 2012, related with the assets and liabilities denominated in foreign currency, totaled a gain of Ps.72,413, a gain of Ps.46,473 and a loss of Ps.(82,577), respectively. Considering the exposure at December 31, 2014, 2013 and 2012, and assuming an increase or decrease of 10% in the exchange rates while keeping constant the rest of the variables such as interest rates, the effect after taxes in the Company's consolidated results will be an increase or a decrease of Ps.12,521, Ps.35,796 and Ps.458,069, respectively.

Interest rate risk

The variations in interest rates could affect the interest expense of financial liabilities bearing variable interest rates, and could also modify the fair value of financial liabilities bearing fixed interest rates.

For the Company, interest rate risk is mainly derived from debt financing transactions, including debt securities, bank and vendor credit facilities and leases. These financing transactions generate exposure to interest rate risk, principally due to changes in relevant base rates (mainly, LIBOR, and to a lesser extent, TIIE and EUROLIBOR) that are used to determine the interest rates applicable to the borrowings.

The following table shows, at December 31, 2014 and 2013, the Company's debt at fixed and variable rates:

	Amounts in thousands of Mexican pesos	
	2014	2013
Debt at fixed interest rate	Ps. 5,855,096	Ps. 3,747,511
Debt at variable interest rate	4,906,064	12,624,829
Total	Ps. 10,761,160	Ps. 16,372,340

From time to time, the Company uses derivative financial instruments such as interest rate swaps for the purposes of hedging a portion of its debt, in order to reduce the Company's exposure to increases in interest rates.

For variable rate debt, an increase in interest rates will increase interest expense. A hypothetical increase of 100 basis points in interest rates on debt at December 31, 2014, 2013 and 2012 will have an effect on the results of the Company of Ps.49,061, Ps.126,248 and Ps.161,370, respectively, considering debt and interest rates at that date, and assuming that the rest of the variables remain constant.

Commodity price risk and derivatives

The availability and price of corn, wheat and other agricultural commodities and fuels, are subject to wide fluctuations due to factors outside of the Company's control, such as weather, plantings, government (domestic and foreign) farm programs and policies, changes in global demand/supply and global production of similar and competitive crops, as well as fuels. The Company hedges a portion of its production requirements through commodity futures and options contracts in order to reduce the risk created by price fluctuations and supply of corn, wheat, natural gas, diesel and soy oils which exist as part of ongoing business operations. The open positions for hedges of purchases do not exceed the maximum production requirements for a period no longer than 18 months, based on the Company's corporate policies.

During 2014, the Company entered into short-term hedge transactions through commodity futures and options to hedge a portion of its requirements. All derivative financial instruments are recorded at their fair value as either assets or liabilities. Changes in the fair value of derivatives are recorded each period in earnings or accumulated other comprehensive income in equity, depending on whether the derivative qualifies for hedge accounting and is effective as part of a hedge transaction. Ineffectiveness results when the change in the fair value of the hedge instruments differs from the change in the fair value of the position.

For hedge transactions that qualify and are effective, gains and losses are deferred until the underlying asset or liability is settled, and then are recognized as part of that transaction.

Gains and losses which represent hedge ineffectiveness and derivative transactions that do not qualify for hedge accounting are recognized in the income statement.

At December 31, 2014, 2013 and 2012, financial instruments that qualify as hedge accounting represented a unfavorable effect of Ps.25,133 and Ps.71,540 in 2014 and 2013, respectively, and a favorable effect of Ps.119,275 in 2012, which was recognized as comprehensive income in equity.

From time to time the Company hedges commodity price risks utilizing futures and options strategies that do not qualify for hedge accounting. As a result of non-qualification, these derivative financial instruments are recognized at their fair values and the associated effect is recorded in current period earnings. For the years ended December 31, 2014 and 2012, the Company recognized a favorable effect of Ps.45,534 and Ps.17,090, respectively. Additionally, as of December 31, 2014 and 2013 the Company realized Ps.76,635 and Ps.30,160, respectively, in net losses on commodity price risk hedges that did not qualify for hedge accounting; likewise, as of December 31, 2012, realized net gains of Ps.21,058.

Based on the Company's overall commodity exposure at December 31, 2014, 2013 and 2012, a decrease or increase of 10 percent in market prices applied to the fair value of these instruments would result in a gain or loss to the income statement of Ps.34,693, Ps.54,568 and Ps.68,811, respectively (for non-qualifying contracts).

In Mexico, to support the commercialization of corn for Mexican corn growers, Mexico's Secretary of Agriculture, Livestock, Rural Development, Fisheries and Food Ministry (Secretaría de Agricultura, Ganadería, Desarrollo Rural, Pesca y Alimentación, or SAGARPA), through the Agricultural Incentives and Services Agency (Apoyos y Servicios a la Comercialización Agropecuaria, or ASERCA), a government agency founded in 1991, implemented a program designed to promote corn sales in Mexico. The program includes the following objectives:

- Ensure that the corn harvest is brought to market, providing certainty to farmers concerning the sale of their crops and supply security for the buyer.
- Establish a minimum price for the farmer and a maximum price for the buyer, which are determined based on international market prices, plus a basic formula specific for each region.
- Implement a corn hedging program to allow both farmers and buyers to minimize their exposure to price fluctuations in the international markets.

To the extent that this or other similar programs are canceled by the Mexican government, we may be required to incur additional costs in purchasing corn for our operations, and therefore we may need to increase the prices of our products to reflect such additional costs.

Credit risk

The Company's regular operations expose it to defaults when customers and counterparties are unable to comply with their financial or other commitments. The Company seeks to mitigate this risk by entering into transactions with a diverse pool of counterparties. However, the Company continues to remain subject to unexpected third party financial failures that could disrupt its operations.

The Company is also exposed to risks in connection with its cash management activities and temporary investments, and any disruption that affects its financial intermediaries could also adversely affect its operations.

The Company's exposure to risk due to trade receivables is limited given the large number of its customers located in different parts of Mexico, the United States, Central America, Europe, Asia and Oceania. For this reason, there is not a significant concentration of credit risk. However, the Company still maintains allowances for doubtful accounts. Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

Since most of the clients do not have an independent rating of credit quality, the Company's management determines the maximum credit risk for each one, taking into account its financial position, past experience, and other factors. Credit limits are established according to policies set by the Company, which also includes controls that assure its compliance.

During 2014 and 2013, credit limits were complied with and, consequently, management does not expect any important losses from trade accounts receivable.

The Company has centralized its treasury operations in Mexico and in the United States for its operations in that country. Liquid assets are invested primarily in government bonds and short term debt instruments with a minimum grade of "A1/P1" in the case of operations in the United States and "A" for operations in Mexico. For operations in Central America, only invests cash reserves with leading local banks and local branches of international banks. Additionally, small investments are maintained abroad. The Company faces credit risk from potential defaults of their counterparts with respect to financial instruments they use. Substantially all of these financial instruments are not guaranteed. Additionally, when the Company enters into hedge contracts for exchange rates, interest rates and/or commodities, it minimizes the risk of default by the counterparts by contracting derivative financial instruments only with major national and international financial institutions using contracts and standard forms issued by the International Swaps and Derivatives Association, Inc. ("ISDA") and operations standard confirmation formats.

Investment risk in Venezuela

The recent political and civil instability that has prevailed in Venezuela represents a risk to the Company's investment in this country. The Company does not have insurance for the risk of expropriation of its investments. See Note 26 for additional information.

The exchange rate controlled by the Foreign Exchange Administration Commission (Comisión de Administración de Divisas, CADIVI) at December 31, 2012 was 4.30 Venezuelan bolivars per U.S. dollar. Certain entities in specific sectors such as the food industry, were allowed to use foreign currency to settle accounts payable or to remit dividends using the exchange rate established by CADIVI. There are often substantial delays to obtain foreign currency through this mechanism.

In March 2013, the Venezuelan government announced the creation of an alternative exchange mechanism called the Supplementary System of Foreign Exchange Administration (Sistema Complementario de Administración de Divisas, SICAD). The SICAD operates as an auction system that allows entities of specific sectors to buy foreign currency for imports. This is not a free auction (that is, the counterpart that offers the highest price does not necessarily have the right to receive the foreign currency). Each auction may have different rules (for example, the minimum and maximum amount of foreign currency that may be offered to exchange). Limited amounts of dollars are available and entities do not commonly get the full amount for which they entered in auction. During December 2013, the Venezuelan government authorized the Central Bank of Venezuela to publish the average exchange rate resulting of SICAD auctions. During weeks of December 23 and December 30, 2013, the Central Bank of Venezuela published on its website the average exchange rate for auctions No.13 and No.14 (11.30 Venezuelan bolivars per U.S. dollar).

On January 24, 2014, Exchange Agreement No. 25 became effective, which establishes the concepts to which the SICAD exchange rate (11.30 Venezuelan bolivars per U.S. dollar) applies to, for foreign currency transactions. In addition, the agreement also provides that the sale operation of foreign currency, whose clearance has been requested to the Central Bank of Venezuela before the Exchange Agreement No. 25 became effective, will be settled at the exchange rate effective on the date on which such operations were authorized. This Exchange Agreement No.25 resulted in a net foreign exchange loss of Ps.16,642 in 2014, which was presented as discontinued operations. This exchange loss is originated by certain accounts receivable maintained with the Venezuelan companies as of December 31, 2014 which are expected to be settled at this new exchange rate (12.00 Venezuelan bolivars per U.S. dollar).

During 2014, the Venezuelan Government expanded the use of SICAD rate creating a third currency exchange mechanism called SICAD 2 which may be used by entities for certain transactions. SICAD 2 initiated operations in March 2014, at this date the average exchange rate was 51.86 Venezuelan bolivars per U.S. dollar. The SICAD 2 daily average rate is published by the Central Bank of Venezuela. See Note 26-B.

Liquidity risk

The Company funds its liquidity and capital resource requirements, in the ordinary course of business, through a variety of sources, including:

- cash generated from operations;
- committed and uncommitted short-term and long-term lines of credit;

- medium- and long-term debt contracting;
- offerings in Bond markets; and
- sales of its equity securities and those of its subsidiaries and affiliates from time to time.

Factors that could decrease the sources of liquidity include a significant decrease in the demand for, or price of, products, each of which could limit the amount of cash generated from operations, and a lowering of the corporate credit rating or any other credit downgrade, which could further impair the liquidity and increase costs with respect to new debt and cause stock price to suffer. The Company's liquidity is also affected by factors such as the depreciation or appreciation of the peso and changes in interest rates.

The following tables show the remaining contractual maturities of financial liabilities of the Company:

At December 31, 2014:

	Less than a year	From 1 to 3 years	From 3 to 5 years	More than 5 years	Total
Short and long term debt	Ps. 1,428,641	Ps. 1,647,598	Ps. 1,860,880	Ps. 5,887,200	Ps. 10,824,319
Interest payable from short and long term debt	387,229	692,162	589,194	287,001	1,955,586
Financing leases	8,467	10,931	-	-	19,398
Trade accounts and other payables	7,319,859	-	-	-	7,319,859
Other non-current liabilities	-	823,960	-	-	823,960
Derivative financial instruments	49,024	-	-	-	49,024
	Ps. 9,193,220	Ps. 3,174,651	Ps. 2,450,074	Ps. 6,174,201	Ps. 20,992,146

At December 31, 2013:

	Less than a year	From 1 to 3 years	From 3 to 5 years	More than 5 years	Total
Short and long term debt	Ps. 3,272,118	Ps. 4,262,055	Ps. 5,153,781	Ps. 3,922,950	Ps. 16,610,904
Interest payable from short and long term debt	687,821	1,214,130	897,858	304,029	3,103,838
Financing leases	3,771	11,024	-	-	14,795
Trade accounts and other payables	8,003,004	-	-	-	8,003,004
Other non-current liabilities	-	671,069	-	-	671,069
Derivative financial instruments	71,540	-	-	-	71,540
	Ps. 12,038,254	Ps. 6,158,278	Ps. 6,051,639	Ps. 4,226,979	Ps. 28,475,150

The Company expects to meet its obligations with cash flows generated by operations. Additionally, the Company has access to credit line agreements with various banks to address potential cash needs.

B) CAPITAL MANAGEMENT

The Company's objectives when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) are to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk, to safeguard the Company's ability to continue as a going concern while taking advantage of strategic opportunities in order to provide sustainable returns for shareholders and benefits to stockholders.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

In addition, to monitor capital, debt agreements contain financial covenants which are disclosed in Note 14.

5. SEGMENT INFORMATION

The Company's reportable segments are strategic business units that offer different products in different geographical regions. These business units are managed separately because each business segment requires different technology and marketing strategies.

The Company's reportable segments are as follows:

- Corn flour and packaged tortilla division (United States and Europe):

  Manufactures and distributes more than 20 varieties of corn flour that are used mainly to produce and distribute different types of tortillas and tortilla chip products in the United States. The main brands are MASECA for corn flour and MISSION and GUERRERO for packaged tortillas.

- Corn flour division (Mexico):

  Engaged principally in the production, distribution and sale of corn flour in Mexico under MASECA brand. Corn flour produced by this division is used mainly in the preparation of tortillas and other related products.

- Corn flour, wheat flour and other products division (Venezuela) – Discontinued operation:

  Engaged, mainly, in producing and distributing grains used principally for industrial and human consumption. The main brands are JUANA, TIA BERTA and DECASA for corn flour; ROBIN HOOD and POLAR for wheat flour; MONICA for rice and LASSIE for oats.

- Other segments:

  This section represents those segments whose amounts on an individual basis do not exceed 10% of the consolidated total of net sales, operating income and assets. These segments are:

  a) Corn flour, hearts of palm, rice, and other products (Central America).

  b) Wheat flour (Mexico) – Discontinued operation.

  c) Packaged tortillas (Mexico).

  d) Wheat flour tortillas and snacks (Asia and Oceania).

  e) Technology and equipment, which conducts research and development regarding flour and tortilla manufacturing equipment, produces machinery for corn flour and tortilla production and is engaged in the construction of the Company's corn flour manufacturing facilities.

All inter-segment sales prices are market-based. The Chief Executive Officer evaluates performance based on operating income of the respective business units. The accounting policies for the reportable segments are the same as the policies described in Notes 2 and 3.

Segment information as of and for the year ended December 31, 2014:

	Corn flour and packaged tortilla division (United States and Europe)	Corn flour division (Mexico)	Other segments	Eliminations and corporate expenses	Total
Net sales to external customers	Ps. 29,278,747	Ps. 14,601,217	Ps. 6,033,808	Ps. 21,556	Ps. 49,935,328
Inter-segment net sales	44,162	472,889	1,128,571	(1,645,622)	-
Operating income (loss)	2,861,967	2,129,365	355,281	676,301	6,022,914
Depreciation and amortization	1,066,561	698,493	242,269	(467,974)	1,539,349
Total assets	18,742,701	10,908,911	8,327,030	2,658,088	40,636,730
Total liabilities	7,452,455	2,943,529	3,688,623	8,467,877	22,552,484
Expenditures for fixed assets	796,255	343,813	426,239	30,991	1,597,298

Segment information as of and for the year ended December 31, 2013:

	Corn flour and packaged tortilla division (United States and Europe)	Corn flour division (Mexico)	Other segments	Eliminations and corporate expenses	Total
Net sales to external customers	Ps. 27,760,984	Ps. 15,575,243	Ps. 5,626,457	Ps. 72,839	Ps. 49,035,523
Inter-segment net sales	39,639	368,796	1,172,465	(1,580,900)	-
Operating income (loss)	2,136,570	2,447,975	266,692	(211,486)	4,639,751
Depreciation and amortization	1,066,910	321,244	220,988	5,469	1,614,611
Total assets	17,364,824	11,547,873	10,384,077	3,311,866	42,608,640
Investment in associates	-	-	64,713	84,168	148,881
Total liabilities	8,942,631	4,238,286	3,204,957	11,795,906	28,181,780
Expenditures for fixed assets	849,693	566,512	187,260	(194,735)	1,408,730

Segment information as of and for the year ended December 31, 2012:

	Corn flour and packaged tortilla division (United States and Europe)	Corn flour division (Mexico)	Corn flour, wheat flour and other products division (Venezuela)- Discontinued operation	Other segments	Eliminations and corporate expenses	Total
Net sales to external customers	Ps. 26,900,883	Ps. 16,510,471	Ps. -	Ps. 5,822,755	Ps. 36,425	Ps.49,270,534
Inter-segment net sales	30,672	437,189	-	1,097,289	(1,565,150)	-
Operating income (loss)	1,334,615	1,749,125	-	(60,064)	(414,583)	2,609,093
Depreciation and amortization	1,058,384	346,146	-	255,372	(95,429)	1,564,473
Total assets	17,600,503	12,793,474	7,087,569	11,318,494	660,362	49,460,402
Investment in associates	-	-	-	146,388	1,009,863	1,156,251
Total liabilities	7,931,084	3,808,836	2,948,192	4,630,339	15,808,234	35,126,685
Expenditures for fixed assets	1,630,227	451,771	-	184,794	117,939	2,384,731

A summary of information by geographic segment for the years ended December 31, 2014, 2013 and 2012 is presented below:

	2014	%	2013	%	2012	%
Net sales to external customers:						
United States and Europe	Ps. 29,278,747	59	Ps. 27,760,984	57	Ps. 26,900,883	55
Mexico	15,110,099	30	16,109,787	33	17,130,824	34
Central America	3,478,894	7	3,385,916	7	3,368,693	7
Asia and Oceania	2,067,588	4	1,778,836	3	1,870,134	4
	Ps. 49,935,328	100	Ps. 49,035,523	100	Ps. 49,270,534	100
Capital expenditures:						
United States and Europe	Ps. 796,255	47	Ps. 849,693	60	Ps. 1,630,227	68
Mexico	621,123	36	385,242	27	631,359	27
Central America	83,213	5	49,614	4	70,078	3
Asia and Oceania	96,707	12	124,181	9	53,067	2
	Ps. 1,597,298	100	Ps. 1,408,730	100	Ps. 2,384,731	100
Identifiable assets						
United States and Europe	Ps. 18,742,701	46	Ps. 17,364,824	41	Ps. 17,600,503	36
Mexico	16,397,034	40	19,510,613	46	18,695,391	38
Venezuela - Discontinued operation..	-	-	-	-	7,087,569	14
Central America	2,416,331	6	2,239,126	5	2,376,482	5
Asia and Oceania	3,080,664	8	3,494,077	8	3,700,457	7
	Ps. 40,636,730	100	Ps. 42,608,640	100	Ps. 49,460,402	100

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include:

	At December 31, 2014	At December 31, 2013
Cash at bank	Ps. 1,250,167	Ps. 809,905
Short-term investments (less than 3 months)	214,921	528,650
	Ps. 1,465,088	Ps. 1,338,555

7. ACCOUNTS RECEIVABLE

Accounts receivable comprised the following:

	At December 31, 2014	At December 31, 2013
Trade accounts and notes receivable	Ps. 4,893,079	Ps. 5,177,963
Accounts receivable with Venezuelan companies	1,123,900	1,137,718
Employees	2,647	9,545
Recoverable value-added tax	327,938	901,570
Other debtors	396,899	294,377
Allowance for doubtful accounts	(255,067)	(327,856)
	Ps. 6,489,396	Ps. 7,193,317

The age analysis of accounts receivable is as follows:

			Past due balances		
	Total	Not past due date balances	1 to 120 days	121 to 240 days	More than 240 days
Accounts receivable	Ps. 6,744,463	Ps. 4,327,191	Ps. 1,196,623	Ps. 39,869	Ps. 1,180,780
Allowance for doubtful accounts	(255,067)	(132,714)	(55,424)	(5,285)	(61,644)
Total at December 31, 2014	Ps. 6,489,396	Ps. 4,194,477	Ps. 1,141,199	Ps. 34,584	Ps. 1,119,136

			Past due balances		
	Total	Not past due date balances	1 to 120 days	121 to 240 days	More than 240 days
Accounts receivable	Ps. 7,521,173	Ps. 4,577,857	Ps. 1,494,638	Ps. 82,260	Ps. 1,366,418
Allowance for doubtful accounts	(327,856)	(60,217)	(40,619)	(50,217)	(176,803)
Total at December 31, 2013	Ps. 7,193,317	Ps. 4,517,640	Ps. 1,454,019	Ps. 32,043	Ps. 1,189,615

For the years ended December 31, 2014 and 2013, the movements on the allowance for doubtful accounts are as follows:

	2014	2013
Beginning balance	Ps. (327,856)	Ps. (368,234)
Allowance for doubtful accounts	(20,426)	(52,208)
Receivables written off during the year	99,870	92,700
Exchange differences	(6,655)	(114)
Ending balance	Ps. (255,067)	Ps. (327,856)

8. INVENTORIES

Inventories consisted of the following:

	At December 31, 2014	At December 31, 2013
Raw materials, mainly corn and wheat	Ps. 3,971,721	Ps. 5,182,139
Finished products	939,410	925,917
Materials and spare parts	1,223,602	1,132,007
Production in process	160,243	148,755
Advances to suppliers	90,267	76,223
Inventory in transit	171,534	179,089
	Ps. 6,556,777	Ps. 7,644,130

For the years ended December 31, 2014, 2013 and 2012, the cost of raw materials consumed and the changes in the inventories of production in process and finished goods, recognized as cost of sales amounted to Ps.19,047,263, Ps.20,036,893 and Ps.22,735,345, respectively.

For the years ended December 31, 2014, 2013 and 2012, the Company recognized Ps.93,013, Ps.69,178 and Ps.88,713, respectively, for inventory that was damaged, slow-moving and obsolete.

9. LONG-TERM NOTES AND ACCOUNTS RECEIVABLE

Long-term notes and accounts receivable are as follows:

	At December 31, 2014	At December 31, 2013
Long-term notes receivable from sale of tortilla machines	Ps. 134,502	Ps. 144,142
Guarantee deposits	29,596	29,874
Long-term recoverable value-added tax	7,453	6,531
Other	11,292	10,316
	Ps. 182,843	Ps. 190,863

At December 31, 2014 and 2013, long-term notes receivable are denominated in pesos, maturing from 2016 to 2018 and bearing monthly interests at an annual average rate of 16.5% for both years.

10. INVESTMENT IN ASSOCIATE

Investment in associate is comprised of the following:

	At December 31, 2014	At December 31, 2013
Harinera de Monterrey, S.A. de C.V (Mexican company)	Ps. -	Ps. 148,881
	Ps. -	Ps. 148,881

The percentage of interest held in associate is:

	At December 31, 2014	At December 31, 2013
Harinera de Monterrey, S.A. de C.V	-	40%

Harinera de Monterrey, S.A. de C.V.

On June 10, 2014, GRUMA reached an agreement with Grupo Trimex, S.A. de C.V. for the sale of its wheat flour operations in Mexico. The sale concluded in December 2014. The associate Harinera de Monterrey, S.A. de C.V. was part of this sale operation. See Note 26-A for additional information.

Valores Azteca, S.A. de C.V.

The Extraordinary Stockholders' Meeting held on May 15, 2013 agreed on the merger by incorporation of Valores Azteca as merged company that is extinguished, with GRUMA as merging company. In accordance with this merger, GRUMA as owner of 45% of the capital stock of Valores Azteca, received 24,566,561 ordinary shares, with no par value, Series B, Class I, of GRUMA. The effect in the Company's equity as a result of this merger was $1,009,848, derived from cancellation of the Company's investment in Valores Azteca, whose only asset was represented by GRUMA's shares.

At December 31, 2012, Valores Azteca had 9.66% of the outstanding shares of the Company. As of December 31, 2012 and until the date of the merger, Valores Azteca had assets amounting to Ps.1,094,016 and no liabilities. From January 1, 2013 and until the date of the merger, Valores Azteca did not perform any operation and for the year ended December 31, 2012, had no revenues and reported a net profit of Ps.107,963. Valores Azteca was a private company and did not perform any operation or activity besides owning the shares of GRUMA. Derived from the multiple transactions completed on December 14, 2012 (see Note 29), the Company acquired 45% of the outstanding shares of Valores Azteca.

11. PROPERTY, PLANT AND EQUIPMENT

Changes in property, plant and equipment for the years ended December 31, 2014 and 2013 were as follows:

	Land and buildings	Machinery and equipment	Leasehold improvements	Construction in progress	Total
At December 31, 2012					
Cost	Ps. 8,908,549	Ps. 28,915,146	Ps. 1,152,567	Ps. 1,403,066	Ps. 40,379,328
Accumulated depreciation	(2,923,702)	(16,009,897)	(528,195)	-	(19,461,794)
Net book value	Ps. 5,984,847	Ps. 12,905,249	Ps. 624,372	Ps. 1,403,066	Ps. 20,917,534
For the year ended December 31, 2013					
Opening net book value	Ps. 5,984,847	Ps. 12,905,249	Ps. 624,372	Ps. 1,403,066	Ps. 20,917,534
Exchange differences	(53,934)	(46,458)	6,951	2,659	(90,782)
Additions	6,691	384,303	1,953	1,075,379	1,468,326
Disposals	(7,680)	(221,036)	(8,578)	(11,919)	(249,213)
Depreciation charge from continuing operations	(163,255)	(1,098,155)	(90,264)	-	(1,351,674)
Transfers to assets held for sale	-	(103,300)	-	-	(103,300)
Transfers (1)	160,523	1,196,601	209,329	(1,566,453)	-
Impairment	-	(16,930)	-	-	(16,930)
Discontinued operations	(875,211)	(1,657,813)	(6,058)	(129,907)	(2,668,989)
Closing net book value	Ps. 5,051,981	Ps. 11,342,461	Ps. 737,705	Ps. 772,825	Ps. 17,904,972
At December 31, 2013					
Cost	Ps. 7,747,517	Ps. 26,801,643	Ps. 1,314,759	Ps. 772,825	Ps. 36,636,744
Accumulated depreciation	(2,695,536)	(15,459,182)	(577,054)	-	(18,731,772)
Net book value	Ps. 5,051,981	Ps. 11,342,461	Ps. 737,705	Ps. 772,825	Ps. 17,904,972
For the year ended December 31, 2014					
Opening net book value	Ps. 5,051,981	Ps. 11,342,461	Ps. 737,705	Ps. 772,825	Ps. 17,904,972
Exchange differences	278,400	699,298	80,285	36,649	1,094,632
Additions	138,727	427,996	13,791	1,132,298	1,712,812
Disposals	(4,684)	(232,215)	(2,341)	(14,095)	(253,335)
Depreciation charge from continuing operations	(176,029)	(1,090,620)	(88,750)	-	(1,355,399)
Transfers (1)	404,565	967,484	31,194	(1,403,243)	-
Acquisition through business combinations	-	26,282	-	-	26,282
Impairment	(14,395)	-	-	-	(14,395)
Discontinued operations	(596,689)	(681,295)	(658)	(22,591)	(1,301,233)
Closing net book value	Ps. 5,081,876	Ps. 11,459,391	Ps. 771,226	Ps. 501,843	Ps. 17,814,336
At December 31, 2014					
Cost	Ps. 7,661,597	Ps. 27,864,912	Ps. 1,504,589	Ps. 501,843	Ps. 37,532,941
Accumulated depreciation	(2,579,721)	(16,405,521)	(733,363)	-	(19,718,605)
Net book value	Ps. 5,081,876	Ps. 11,459,391	Ps. 771,226	Ps. 501,843	Ps. 17,814,336

Transfers correspond to capitalizations of construction in progress.

For the years ended December 31, 2014, 2013 and 2012, depreciation expense was recognized as follows:

	2014		2013		2012	
Cost of sales	Ps.	1,094,832	Ps.	1,073,355	Ps.	1,111,572
Selling and administrative expenses		260,567		278,319		290,385
	Ps.	1,355,399	Ps.	1,351,674	Ps.	1,401,957

At December 31, 2014 and 2013, property, plant and equipment included idle assets with a carrying value of approximately Ps.476,760 and Ps.668,068, respectively, resulting from the temporary shut-down of the productive operations of various plants in Mexico and the United States, mainly in the corn flour division in Mexico and packaged tortilla division in the United States.

For the years ended December 31, 2014 and 2013, the Company recognized impairment losses on fixed assets by Ps.14,395 and Ps. 16,930, respectively, within "Other expenses".

The impairment loss recognized in 2014 for Ps.14,395 referred to the subsidiary Gruma Centroamérica, which is part of "other segments". This impairment loss reflects a decrease in the recoverable value of the fixed assets of this CGU since these assets will not be used for the purposes they were acquired for.

The impairment loss recognized in 2013 for Ps.16,930 referred to the subsidiary Transporte Aéreo Técnico Ejecutivo, S.A. de C.V., which is part of "other segments". On December 16, 2013, the Company entered into a purchase-sale contract with retention of title to sell an Eurocopter aircraft for a total of Ps.103,300. At December 31, 2013, the Company reclassified this item as "Asset held for sale" within current assets and the difference between its carrying value and its sale price was recognized in income as an impairment loss. During January 2014, the sale was terminated at the agreed price.

The Company recognized equipment under finance lease arrangements that are described in Note 27-B.

12. INTANGIBLE ASSETS

Changes in intangible assets for the years ended December 31, 2014 and 2013 were as follows:

	Intangible assets acquired						
	Goodwill	Covenants not to compete	Patents and trademarks	Customer lists	Software for internal use	Internally generated intangible assets and others	Total
At December 31, 2012							
Cost	Ps. 2,505,839	Ps. 478,820	Ps. 137,370	Ps. 146,260	Ps. 667,243	Ps. 72,134	Ps. 4,007,666
Accumulated amortization	-	(386,061)	(88,315)	(62,224)	(631,699)	(63,923)	(1,232,222)
Net book value	Ps. 2,505,839	Ps. 92,759	Ps. 49,055	Ps. 84,036	Ps. 35,544	Ps. 8,211	Ps. 2,775,444
For the year ended December 31, 2013							
Opening net book value	Ps. 2,505,839	Ps. 92,759	Ps. 49,055	Ps. 84,036	Ps. 35,544	Ps. 8,211	Ps. 2,775,444
Exchange differences	(33,147)	(26)	148	(575)	(37)	5,936	(27,701)
Additions	-	-	-	-	809	2,592	3,401
Disposals	-	-	(3)	-	(69)	(838)	(910)
Amortization charge from continuing operations	-	(47,252)	(9,315)	(8,817)	(1,521)	(3,394)	(70,299)
Impairment	-	-	(761)	(27,544)	-	-	(28,305)
Discontinued operations	-	-	-	-	(19,619)	(910)	(20,529)
Closing net book value	Ps. 2,472,692	Ps. 45,481	Ps. 39,124	Ps. 47,100	Ps. 15,107	Ps. 11,597	Ps. 2,631,101
At December 31, 2013							
Cost	Ps. 2,472,692	Ps. 465,125	Ps. 135,508	Ps. 71,657	Ps. 417,002	Ps. 23,980	Ps. 3,585,964
Accumulated amortization	-	(419,644)	(96,384)	(24,557)	(401,895)	(12,383)	(954,863)
Net book value	Ps. 2,472,692	Ps. 45,481	Ps. 39,124	Ps. 47,100	Ps. 15,107	Ps. 11,597	Ps. 2,631,101
For the year ended December 31, 2014							
Opening net book value	Ps. 2,472,692	Ps. 45,481	Ps. 39,124	Ps. 47,100	Ps. 15,107	Ps. 11,597	Ps. 2,631,101
Exchange differences	67,676	401	5,679	5,416	995	(474)	79,693
Additions	-	-	-	-	10,434	6,692	17,126
Disposals	-	-	-	-	(34)	(3,326)	(3,360)
Amortization charge from continuing operations	-	(43,012)	(5,684)	(6,561)	(1,836)	(849)	(57,942)
Acquisition through business combinations	84,089	-	44,287	29,049	-	-	157,425
Discontinued operations	(28,774)	-	-	-	(1,742)	(1,381)	(31,897)
Closing net book value	Ps. 2,595,683	Ps. 2,870	Ps. 83,406	Ps. 75,004	Ps. 22,924	Ps. 12,259	Ps. 2,792,146
At December 31, 2014							
Cost	Ps. 2,595,683	Ps. 467,357	Ps. 197,384	Ps. 109,748	Ps. 389,933	Ps. 23,138	Ps. 3,783,243
Accumulated amortization	-	(464,487)	(113,978)	(34,744)	(367,009)	(10,879)	(991,097)
Net book value	Ps. 2,595,683	Ps. 2,870	Ps. 83,406	Ps. 75,004	Ps. 22,924	Ps. 12,259	Ps. 2,792,146

At December 31, 2014 and 2013, except for goodwill, the Company does not have indefinite-lived intangible assets.

For the years ended December 31, 2014, 2013 and 2012, amortization expense of intangible assets from continuing operations amounted to Ps.57,942, Ps.70,299 and Ps.62,416, respectively, which were recognized in the income statement as selling and administrative expenses.

For the year ended December 31, 2013, the Company recognized an impairment loss of intangible assets amounting Ps.28,305, within "Other expenses". The impairment loss recognized in 2013 referred to "other segments" and was originated by a decrease of the asset's ability to generate future economic benefits.

Research and development costs of Ps.152,967, Ps.144,563 and Ps.136,826 that did not qualify for capitalization were recognized in the income statement for the years ended December 31, 2014, 2013 and 2012, respectively.

Goodwill acquired in business combinations is allocated at acquisition date to the cash-generating units (CGU) that are expected to benefit from the synergies of the business combinations. The carrying values of goodwill allocated to the CGU or a group of CGU are as follows:

Cash-generating unit	At December 31, 2014	At December 31, 2013
Mission Foods Division (1)	Ps. 875,427	Ps. 802,845
Gruma Seaham Ltd (2)	335,748	338,596
Gruma Corporation	212,765	212,765
Rositas Investments Pty, Ltd (2)	177,676	171,748
Semolina A.S. (2)	158,582	153,084
Gruma Holding Netherlands B.V. (1)	137,643	123,507
Azteca Milling, L.P. (1)	108,369	71,228
Grupo Industrial Maseca, S.A.B. de C.V.	98,622	98,622
NDF Azteca Milling Europe SRL (2)	92,177	93,317
Agroindustrias Integradas del Norte, S.A. de C.V. (3)	86,325	115,099
MexiFoods, S.L. (2)	84,089	-
Altera LLC (2)	54,510	95,755
Gruma Centroamérica (2)	51,207	51,207
Solntse Mexico (2)	42,443	64,819
Molinos Azteca de Chiapas, S.A. de C.V. (3)	28,158	28,158
Harinera de Yucatán, S.A. de C.V. (3)	18,886	18,886
Harinera de Maíz de Mexicali, S.A. de C.V. (3)	17,424	17,424
Molinos Azteca, S.A. de C.V. (3)	8,926	8,926
Harinera de Maíz de Jalisco, S.A. de C.V. (3)	6,706	6,706
	Ps. 2,595,683	Ps. 2,472,692

(1) Subsidiary of Gruma Corporation

(2) Subsidiary of Gruma International Foods, S.L.

(3) Subsidiary of Grupo Industrial Maseca, S.A.B. de C.V.

In 2014 and 2013, the discount rates and growth rates in perpetuity used by the Company for determining the discounted cash flows of the CGU with the main balances of goodwill are the following:

	After-tax discount rates		Growth rates	
Cash-generating unit	2014	2013	2014	2013
Mission Foods Division	7.0%	6.4%	1.8%	2.5%
Azteca Milling, L.P.	7.0%	6.4%	1.8%	2.5%
Gruma Seaham	7.9%	8.5%	2.5%	2.5%
Gruma Corporation	6.1%	6.4%	2.5%	2.5%
Rositas Investment PTY, LTD	7.3%	7.7%	3.0%	3.0%
Gruma Holding Netherlands B.V.	7.4%	8.4%	1.9%	1.9%
Agroindustrias Integradas del Norte, S.A. de C.V.	8.6%	9.0%	2.5%	2.5%
Semolina A.S.	9.4%	10.6%	2.5%	2.5%

The discount rate used reflects the Company's specific risks related to its operations. The long-term growth rate used is consistent with projections included in industry reports.

With respect to the determination of the CGU's value in use, the Company's management considered that a reasonably possible change in the key assumptions used, will not cause that the CGU's carrying value to materially exceed their value in use. The recovery amount of cash-generating units has been determined based on calculations of the values in use. These calculations use cash flow projections based on financial budgets approved by the Company's management for a 5-year period.

For the years ended December 31, 2014, 2013 and 2012, no impairment losses on goodwill were recognized.

13. DEFERRED TAX ASSETS AND LIABILITIES

A) COMPONENTS OF DEFERRED TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	At December 31, 2014	At December 31, 2013
Deferred tax asset:		
To be recovered after more than 12 months	Ps. (803,084)	Ps. (280,424)
To be recovered within 12 months	(466,659)	(7,244)
	(1,269,743)	(287,668)
Deferred tax liability:		
To be recovered after more than 12 months	2,273,512	1,964,789
To be recovered within 12 months	71,247	81,329
	2,344,759	2,046,118
Deferred tax liability, net	Ps. 1,075,016	Ps. 1,758,450

The principal components of deferred tax assets and liabilities are summarized as follows:

	(Asset) Liability	
	At December 31, 2014	At December 31, 2013
Net operating loss carryforwards and other tax credits	Ps. (252,872)	Ps. (322,530)
Customer advances	(956)	(3,884)
Allowance for doubtful accounts	(3,460)	(17,858)
Provisions	(643,612)	(516,933)
Deferred income for trademarks license with subsidiary	(586,119)	(703,269)
Derivative financial instruments	(18,780)	(30,377)
Other	(114,107)	(115,040)
Deferred tax asset	(1,619,906)	(1,709,891)
Property, plant and equipment, net	2,143,603	1,758,421
Prepaid expenses	1,515	3,376
Inventories	2,188	15,133
Intangible assets and others	372,632	352,573
Investment in associates	-	403,384
Other	(18,946)	24,836
	2,500,992	2,557,723
Tax consolidation effect	193,930	910,618
Deferred tax liability	2,694,922	3,468,341
Net provision for deferred taxes	Ps. 1,075,016	Ps. 1,758,450

At December 31, 2014 and 2013, the Company did not recognize a deferred income tax asset of Ps.1,634,646 and Ps.1,817,029, respectively, for tax loss carryforwards, since sufficient evidence was not available to determine that these tax loss carryforwards will be realized during their amortization period. These tax losses expire in the year 2024. During 2013, the Company amortized tax losses of Ps.1,648,249 for which a deferred income tax asset was not previously recognized.

At December 31, 2014 and 2013, undistributed taxable income of subsidiaries amounted to Ps.1,930,922 and Ps.2,462,656, respectively. No deferred income tax has been recognized for this concept, since the Company has the ability to control the time for its reversal and it is probable that in the foreseeable future these temporary differences will not reverse.

The changes in the temporary differences during the year were as follows:

	Balance at January 1, 2014	Recognized in income	Recognized in other comprehensive income	Reclassifications	Discontinued operations	Foreign currency translation	Balance at December 31, 2014
Net operating loss carryforwards and other tax credits	Ps. (322,530)	Ps. 49,757	Ps. -	Ps. (933)	Ps. 30,056	Ps. (9,222)	Ps. (252,872)
Customer advances	(3,884)	(956)	-	3,866	18	-	(956)
Allowance for doubtful accounts	(17,858)	1,289	-	42	13,134	(67)	(3,460)
Provisions	(516,933)	(112,509)	4,593	1,132	22,360	(42,255)	(643,612)
Deferred income from trademark license with subsidiary	(703,269)	117,150	-	-	-	-	(586,119)
Derivative financial instrments	(30,377)	-	12,731	-	-	(1,134)	(18,780)
Others	(115,040)	2,131	-	(32)	-	(1,166)	(114,107)
Deferred tax asset	(1,709,891)	56,862	17,324	4,075	65,568	(53,844)	(1,619,906)
Property, plant and equipment	1,758,421	363,920	-	5,937	(78,161)	93,486	2,143,603
Prepaid expenses	3,376	(681)	-	-	(1,180)	-	1,515
Inventories	15,133	(16,375)	-	3,020	-	410	2,188
Intangible assets and others	352,573	(38,978)	-	17,346	1,091	40,600	372,632
Investment in associates	403,384	(490,059)	-	-	-	86,675	-
Others	24,836	(7,755)	(31,082)	(3,966)	-	(979)	(18,946)
	2,557,723	(189,928)	(31,082)	22,337	(78,250)	220,192	2,500,992
Tax consolidation effect	910,618	(716,688)	-	-	-	-	193,930
Deferred tax liability	3,468,341	(906,616)	(31,082)	22,337	(78,250)	220,192	2,694,922
Net provision for deferred taxes	Ps. 1,758,450	Ps. (849,754)	Ps. (13,758)	Ps. 26,412	Ps. (12,682)	Ps. 166,348	Ps. 1,075,016

	Balance at January 1, 2013	Recognized in income	Recognized in other comprehensive income	Reclassifications	Discontinued operations	Foreign currency translation	Balance at December 31, 2013
Net operating loss carryforwards and other tax credits	Ps. (686,260)	Ps. 364,975	Ps. -	Ps. -	Ps. (30,056)	Ps. 28,811	Ps. (322,530)
Customer advances	(3,722)	(144)	-	-	(18)	-	(3,884)
Allowance for doubtful accounts	(4,637)	(43)	-	(71)	(13,134)	27	(17,858)
Provisions	(799,140)	34,495	(42,298)	7,335	282,062	613	(516,933)
Deferred income from trademark license with subsidiary	-	(703,269)	-	-	-	-	(703,269)
Derivative financial instruments	125,938	-	(156,936)	-	-	621	(30,377)
Others	(102,387)	(13,168)	-	45	766	(296)	(115,040)
Deferred tax asset	(1,470,208)	(317,154)	(199,234)	7,309	239,620	29,776	(1,709,891)
Property, plant and equipment	2,075,116	(166,724)	-	(280)	(156,831)	7,140	1,758,421
Prepaid expenses	3,782	246	-	-	(652)	-	3,376
Inventories	38,458	(15,461)	-	-	(7,864)	-	15,133
Intangible assets and others	322,962	29,238	-	-	(1,091)	1,464	352,573
Investment in associates	407,958	(6,821)	-	-	-	2,247	403,384
Others	8,792	8,870	14,391	(1,343)	-	(5,874)	24,836
	2,857,068	(150,652)	14,391	(1,623)	(166,438)	4,977	2,557,723
Tax consolidation effect	2,189,312	(1,278,694)	-	-	-	-	910,618
Deferred tax liability	5,046,380	(1,429,346)	14,391	(1,623)	(166,438)	4,977	3,468,341
Net provision for deferred taxes	Ps. 3,576,172	Ps. (1,746,500)	Ps. (184,843)	Ps. 5,686	Ps. 73,182	Ps. 34,753	Ps. 1,758,450

B) TAX LOSS CARRYFORWARDS

At December 31, 2014, the Company had tax loss carryforwards which amounted to approximately Ps.5,605,486. Based on projections prepared by the Company's management of expected future taxable income, it has been determined that only tax losses for an amount of Ps.156,670 will be used. Therefore, the Company did not recognize a deferred tax asset for the difference. Tax losses that will be used have the following expiration dates:

Year	Amount
2015	Ps. 48,392
2016	9,683
2017	7,604
2018	5,453
2019 a 2023	85,538
Total	Ps. 156,670

C) UNCERTAIN TAX POSITIONS

At December 31, 2014 and 2013, the Company recognized a liability for uncertain tax positions of Ps.41,200 and Ps. 41,421, respectively, excluding interest and penalties, and it is included in Other non-current liabilities. The following table shows a reconciliation of the Company's uncertain tax positions, excluding interest and penalties:

	2014	2013
Uncertain tax positions at beginning of year	Ps. 41,421	Ps. 38,688
Translation adjustment of the beginning balance	(7,178)	(1,758)
Increase as result of uncertain tax positions taken in the year	5,225	6,538
Reductions due to a lapse of the statute of limitations	1,732	(2,047)
Uncertain tax positions at end of year	Ps. 41,200	Ps. 41,421

It is expected that the amount of uncertain tax positions will change in the next 12 months; however, the Company does not expect the change to have a significant impact on its consolidated financial position or results of operations. The Company had accrued interest and penalties of approximately Ps.4,298 and Ps. 3,609 related to uncertain tax positions for 2014 and 2013, respectively.

D) TAX EFFECTS FROM OTHER COMPREHENSIVE INCOME

Deferred taxes related to other comprehensive income are comprised of:

	At December 31, 2014	At December 31, 2013	At December 31, 2012
Foreign currency translation adjustments	Ps. (30,712)	Ps. 14,391	Ps. 14,701
Remeasurement of employment benefit obligations	4,223	(42,298)	(10,783)
Cash flow hedges	12,731	(156,936)	125,938
Total	Ps. (13,758)	Ps. (184,843)	Ps. 129,856

E) TAX CONSOLIDATION

Until December 31, 2013, Gruma, S.A.B. de C.V. determined its income tax under the tax consolidation regime, together with its subsidiaries in Mexico.This, due to the abrogation of the Income Tax Law effective until December 31, 2013, which eliminated this tax regime. The Company decided not to join the new Optional Regime for Company Groups for the year 2014.

Due to the elimination of the tax consolidation regime, the Company has the obligation to pay the deferred tax determined at that time during the following five-year period. The payment corresponding to the 25% of the income tax resulting from the deconsolidation was paid in 2014 and the remaining income tax (restated with inflation factors) must be paid to the tax authority in accordance with the following deadlines:

1. 25% no later than April 30, 2015.
2. 20% no later than April 30, 2016.
3. 15% no later than April 30, 2017.
4. 15% no later than April 30, 2018.

In accordance with subsection d) of section XV of the transitional Article 9 of the 2014 Income Tax Law, and since the Company was the parent entity at December 31, 2013 and at such date was subject to the payment schedule contained in the section VI of Article 4 of the transitional provisions of the Income Tax Law published in the Official Gazette on December 7, 2009, or Article 70-A of the 2013 Income Tax Law that was abrogated, the Company shall continue to settle its deferred income tax from tax consolidation pertaining to 2007 and previous years, under the provisions above mentioned, until its payment is completed.

At December 31, 2014, the liability arising from tax consolidation regime effective December 31, 2013 amounted to Ps.305,493 and is estimated to be incurred as follows:

Year of payment	Amount	
2015	Ps.	111,563
2016		83,439
2017		58,400
2018		52,091
Total	Ps.	305,493

At December 31, 2014, income tax to be settled in the next 12 months was classified in the statement of financial position as short-term income tax payable for Ps.111,563. The remaining liability considered as long-term for Ps.193,930 in accordance with the requirements of the Income Tax Law, was included as a component of the deferred income taxes.

14. DEBT

Debt is summarized as follows:

Short-term:

		At December 31, 2014		At December 31, 2013
Bank loans	Ps.	973,499	Ps.	2,612,997
Current portion of long-term bank loans		455,142		659,129
Current portion of financing lease liabilities		8,467		3,771
	Ps.	1,437,108	Ps.	3,275,897

Long-term:

		At December 31, 2014		At December 31, 2013
Bank loans	Ps.	9,768,263	Ps.	10,011,831
Perpetual notes		-		3,732,717
Financing lease liabilities		19,398		14,795
		9,787,661		13,759,343
Current portion of long-term bank loans		(455,142)		(659,129)
Current portion of financing lease liabilities		(8,467)		(3,771)
	Ps.	9,324,052	Ps.	13,096,443

The terms, conditions and carrying values of debt are as follows:

	Currency	Interest rate	Maturity date		At December 31, 2014		At December 31, 2013
10-year Senior notes	U.S.$	4.875%	2024	Ps.	5,820,558	Ps.	-
Syndicated loan	U.S.$	LIBOR + 1.5%	2015-2018		3,060,147		2,855,248
Credit	U.S.$	2.55% - 3.50%	2015		863,457		725,750
Syndicated loan	Pesos	TIIE + 1.625%	2015-2018		800,000		1,193,683
Credit	Liras	5.00%	2015		101,096		75,717
Credit	Pesos	3.51% - 6.53%	2017		81,364		88,082
Financing lease liability	Euros	1.70% - 5.73%	2014-2017		19,398		14,795
Credit	Euros	1.50% - 4.00%	2015-2020		15,140		-
Perpetual notes	U.S.$	7.75%	(a)		-		3,732,717
Syndicated loan	Pesos	TIIE + 2% (b)	2014-2018		-		2,284,283
Credit	U.S.$	LIBOR + 1.75%	2014-2016		-		1,951,575
Credit	Pesos	5.19%	2014		-		1,550,000
Revolving credit	U.S.$	LIBOR + 1.375%	2019		-		1,038,800
Credit	Pesos	TIIE + 1.875%	2015-2018		-		597,702
Credit	U.S.$	LIBOR + 0.9935%	2014		-		261,530
Credit	U.S.$	LIBOR + 2%	2014		-		2,458
Total				Ps.	10,761,160	Ps.	16,372,340

(a) Redeemable starting 2009 at the Company’s option.
(b) Interbank Equilibrium Interest Rate.

At December 31, 2014 and 2013, short-term debt bore interest at an average rate of 3.42% and 4.13%, respectively. At December 31, 2014, 2013 and 2012, interest expense included interest related to debt amounting Ps.1,008,251, Ps.1,014,656 and Ps.780,790, respectively.

At December 31, 2014, the annual maturities of long-term debt outstanding were as follows:

Year	Amount	
2016	Ps.	632,090
2017		1,026,440
2018		1,844,964
2019		-
2020 and thereafter		5,820,558
Total	Ps.	9,324,052

To perform the acquisition of the non-controlling interest from ADM mentioned in Note 29, GRUMA obtained bridge loan facilities with maturity dates of up to a year for a total amount of Ps.5,103,360 (U.S.$400 million), lent by Goldman Sachs Bank USA, Banco Santander and Banco Inbursa (the "Short-Term Loan Facilities"), and used Ps.637,920 (U.S.$50 million) of Gruma Corporation's revolving syndicated long term credit facility with Bank of America, which matures in 2016. For the execution of the Short-Term Loan Facilities, GRUMA's permitted leverage ratios established under the loan facilities as of December 31, 2012 were increased to allow GRUMA to increase its leverage as a result of the obtainment of the Short-Term Loan Facilities.

In order to refinance the Short-Term Loan Facilities, on June 10, 2013, the Company obtained a 5-year Syndicated Credit Facility for Ps.$2,300,000 with Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa, as administrative agent, with an average life of 4.2 years and amortizations starting on December 2014, at a rate of TIIE plus a spread between 162.5 and 262.5 basis points based on the Company's leverage ratio. Banco Nacional de Comercio Exterior, S.N.C., Banca de Desarrollo and HSBC México, S.A., Institución de Banca Múltiple, Grupo Financiero HSBC, also participated in this facility. On December 10, 2014, this credit facility was fully paid in advance.

Likewise, on June 13, 2013, the Company obtained a 5-year Syndicated Credit Facility for U.S.$220 million with Coöperatieve Centrale Raiffeisen Boerenleenbank B.A., "Rabobank Nederland", New York Branch, as administrative agent, with an average life of 4.2 years and semiannual amortizations starting on December 2014, at a rate of LIBOR plus a spread between 150 and 300 basis points based on the Company's leverage ratio. BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer and Bank of America, N.A., also participated in this facility.

On November 24, 2014 the conditions were renegotiated for Gruma Corporation revolving credit with Bank of America, N.A., which was carried out on June 20, 2011 for U.S.$250 million. Its maturity date was extended from June 2016 to November 2019, and the interest rate was reduced by 25 basis points to LIBOR plus a spread between 112.5 and 175 basis points, based on the Company's leverage ratio.

In order to refinance the perpetual notes, on December 5, 2014 the Company issued 10-year senior notes of Ps.5,820,558 (U.S.$400 million) in international markets, payable at maturity on December 1, 2024. The senior notes have an annual fixed interest rate of 4.875% payable semi-annually. The senior notes were placed by Goldman Sachs & Co. and Santander Investment Securities Inc., as leading agents, and Banco Bilbao Vizcaya Argentaria, SA, Credit Agricole Securities and Scotia Capital Inc., as secondary agents. The proceeds were used to redeem the Perpetual Notes on December 15, 2014 and for the repayment of additional indebtedness of U.S.$100 million.

The Company has credit line agreements for Ps.6,255,150 (U.S.$425 million), which are fully available as of December 31, 2014. These credit line agreements require a quarterly payment of a commitment fee ranging from 0.15% to 0.60% over the unused amounts, which is recognized as interest expense of the year.

The outstanding credit agreements contain covenants mainly related to compliance with certain financial ratios and delivery of financial information, which, if not complied with during the period, as determined by creditors, may be considered a cause for early maturity of the debt.

Financial ratios are calculated according to formulas established in the credit agreements. The main financial ratios contained in the credit agreements are the following:

- Interest coverage ratio, defined as the ratio of consolidated earnings before interest, tax, depreciation and amortization (EBITDA) of the last twelve months to consolidated interest charges, should not be less than 2.50 to 1.00.
- Leverage ratio, defined as the ratio of total consolidated indebtedness (as described in the credit agreements) to consolidated EBITDA, should be as follows:

Period	Leverage ratio
From December 8, 2012 to September 30, 2013	No greater than 4.75 to 1.00
From October 1, 2013 to September 30, 2014	No greater than 4.50 to 1.00
From October 1, 2014 to September 30, 2015	No greater than 4.00 to 1.00
From October 1, 2015 and thereafter	No greater than 3.50 to 1.00

At December 31, 2014 and 2013, the Company was in compliance with the financial covenants, as well as with the delivery of the required financial information.

15. PROVISIONS

The movements of provisions are as follows:

	Labor provisions	Restoration provision	Tax provision	Compensation for import of contaminated rice	Subtotal
Balance at December 31, 2012	Ps. 236,582	Ps. 128,659	Ps. 21,232	Ps. -	Ps. 386,473
Charge (credit) to income:					
Additional provisions	73,636	-	1,501	-	75,137
Unused amounts reversed	-	(5,800)	-	-	(5,800)
Used during the year	(45,989)	-	-	-	(45,989)
Exchange differences	1,715	623	214	-	2,552
Discontinued operations	(34,589)	-	-	-	(34,589)
Balance at December 31, 2013	231,355	123,482	22,947	-	377,784
Charge (credit) to income:					
Additional provisions	289,715	14,729	15,719	12,146	332,309
Unused amounts reversed	(1,481)	(1,763)	-	-	(3,244)
Used during the year	(190,719)	(1,015)	(62)	-	(191,796)
Exchange differences	38,551	16,637	2,715	1,268	59,171
Balance at December 31, 2014	Ps. 367,421	Ps. 152,070	Ps. 41,319	Ps. 13,414	Ps. 574,224
Of which current	Ps. 126,074	Ps. 2,973	Ps. -	Ps. -	Ps. 129,047
Of which non-current	241,347	149,097	41,319	13,414	445,177

	Subtotal		Unregulated labor security obligations		Total	
Balance at December 31, 2012	Ps.	386,473	Ps.	1,070	Ps.	387,543
Charge (credit) to income:						
Additional provisions		75,137		-		75,137
Unused amounts reversed		(5,800)		-		(5,800)
Used during the year		(45,989)		-		(45,989)
Exchange differences		2,552		-		2,552
Discontinued operations		(34,589)		(1,070)		(35,659)
Balance at December 31, 2013		377,784		-		377,784
Charge (credit) to income:						
Additional provisions		332,309		-		332,309
Unused amounts reversed		(3,244)		-		(3,244)
Used during the year		(191,796)		-		(191,796)
Exchange differences		59,171		-		59,171
Balance at December 31, 2014	Ps.	574,224	Ps.	-	Ps.	574,224
Of which current	Ps.	129,047	Ps.	-	Ps.	129,047
Of which non-current		445,177		-		445,177

Labor provisions

In the United States, when permitted by law, the Company self insures against workers' compensation claims. As claims are filed for workers' compensation, the Company recognizes an obligation to settle these claims. Certain actuarial information is used to estimate the expected outflows of economic resources and projected timing of the settlement of these claims. The discount rate applied during 2014 was 3.20%.

Likewise, the subsidiary in Italy esablished a provision to meet legal costs arising from labor claims related mainly to work accidents.

Subsidiaries in Venezuela established a provision for labor claims filed against the Company related to work accidents and the payment of certain labor benefits, and to meet the terms of the collective labor contracts that, as of the date hereof, are still being negotiated with workers' unions.

Restoration provision

In the United States and Europe, the Company has recognized an obligation to remove equipment and leasehold improvements from certain of its leased manufacturing facilities in order to restore the facilities to their original condition, less normal wear and tear as determined by the terms of the lease. The Company has estimated the expected outflows of economic resources associated with these obligations and the probability of possible settlement dates based upon the terms of the lease. These estimates are used to calculate the present value of the estimated expenditures using a pre-tax discount rate and taking into account any specific risks associated with these obligations. The discount rate applied during 2014 was 4.99%.

Tax provision

In Central America, for the periods from 2005 to 2011, tax authorities have lodged tax assessments against the Company for approximately Ps.26,000 (971 million colons) in connection with sales and income tax. Based on the criteria of the Company's management and the opinion of tax consultants hired for the Company´s defense, there is a probability that some of the tax assessments will be settled. For this reason, the Company has accrued the necessary amounts to cover the payment of these obligations.

Additionally in Central America, during 2014 tax authorities have decided not to issue authorizations for the use of tax loss carryforwards from previous years, arguing that they are reviewing the procedure for granting such tax benefit. Tax loss carryforwards prescribing during 2014 amounted to Ps.53,000 (1,988 million colons); therefore, the Company has accrued approximately Ps.16,000 (596 million colons) corresponding to the tax impact of this matter, considering that the Company will excercise its right in court, where a favorable outcome is reserved.

Compensation for import of contaminated rice

At December 31, 2014 in Central America, the Company recognized a provision for $13,414 (496 million colons) corresponding to the probable loss due to the refusal of the government due to its determination of excess of agrochemicals in imported rice.

Unregulated labor security obligations

In Venezuela, the Organic Law of Prevention, Conditions and Work Environment (Ley Orgánica de Prevención, Condiciones y Medio Ambiente de Trabajo) establishes the substitution of certain security obligations for other more onerous. This regulation has not been officially released by the Venezuelan government, making it difficult to determine the payment date for this obligation.

16. OTHER CURRENT LIABILITIES

At December 31, 2014 and 2013, Other current liabilities includes the following:

	At December 31, 2014	At December 31, 2013
Employee benefits payable	Ps, 802,706	Ps. 590,722
Promotion and advertising payable	255,694	224,099

The rest of the items that comprise Other current liabilities correspond to accrued expenses payable.

17. EMPLOYEE BENEFITS OBLIGATIONS

Employee benefits obligations recognized in the balance sheet, by country, were as follows:

Country	At December 31, 2014	At December 31, 2013
Mexico	Ps. 505,798	Ps. 523,427
United States and Europe	103,864	96,871
Central America	10,321	8,745
Total	Ps. 619,983	Ps. 629,043

A) MEXICO

In Mexico, labor obligations recognized by the Company correspond to the single-payment retirement plan and seniority premium. The benefits for the retirement plan and seniority premium are defined benefit plans, based on the projected salary at the date in which the employee is assumed to receive the benefits. Currently, the plan operates under Mexican law, which does not require minimum funding.

The plans in Mexico typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk:

- Investment risk. The expected return rate for investment funds is equivalent to the discount rate, which is calculated using a discount rate determined by reference to long-term government bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and fixed-rate instruments. Due to the long-term nature of the plan liabilities, the Company considers appropriate that a reasonable portion of the plan assets should be invested in equity securities to leverage the return generated by the fund; however, a minimum 30% must be invested in government bonds as required by Mexican tax laws.
- Interest risk. A decrease in the interest rate will increase the plan liability; the volatility in interest rates depends exclusively in the economic environment.
- Longevity risk. The present value of the defined benefit plan liability is calculated by reference to the best estimate of mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plan's liability.
- Salary risk. The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary expectancy of the plan participants will increase the plan's liability.

The reconciliation between the beginning and ending balances of the present value of the defined benefit obligations (DBO) is as follows:

		2014		2013
DBO at beginning of the year	Ps.	579,667	Ps.	456,691
Add (deduct):				
Current service cost		28,083		16,032
Financial cost		31,591		21,852
Remeasurement for the period		7,851		167,985
Benefits paid		(85,747)		(84,445)
Past service cost		-		1,552
DBO at end of the year	Ps.	561,445	Ps.	579,667

At December 31, 2014 and 2013, liabilities relating to vested employee benefits amounted to Ps.337,619 and Ps.391,860, respectively.

The reconciliation between the beginning and ending balances of the employee benefit plan assets at fair value for the years 2014 and 2013 is shown below:

		2014		2013
Plan assets at fair value at beginning of the year	Ps.	56,240	Ps.	48,910
Add (deduct):				
Return on plan assets		2,970		2,494
Return on plan assets recognized in other comprehensive income		(3,563)		4,836
Plan assets at fair value at end of the year	Ps.	55,647	Ps.	56,240

The following table shows the reconciliation between the present value of the defined benefit obligation and the plan assets at fair value, and the projected net liability included in the balance sheet:

	At December 31, 2014		At December 31, 2013	
Employee benefit (assets) liabilities:				
DBO	Ps.	561,445	Ps.	579,667
Plan assets		(55,647)		(56,240)
Employee benefits obligations	Ps.	505,798	Ps.	523,427

The value of the DBO related to the pension plan amounted to Ps.495,808 and Ps.507,826 at December 31, 2014 and 2013, respectively, while the value of the DBO related to seniority premiums amounted to Ps.65,637 and Ps.71,841, respectively.

At December 31, 2014, 2013 and 2012, the components of net cost comprised the following:

	2014		2013		2012	
Current service cost	Ps.	28,083	Ps.	16,032	Ps.	19,907
Past service cost		-		1,552		-
Financial cost		31,591		21,852		22,296
Return on plan assets		(2,970)		(2,494)		(4,085)
Net cost for the year	Ps.	56,704	Ps.	36,942	Ps.	38,118

The net cost for the year 2014, 2013 and 2012 of Ps.56,704, Ps.36,942 and Ps.38,118, respectively, was recognized as follows:

	2014		2013		2012	
Cost of sales	Ps.	10,150	Ps.	10,470	Ps.	3,640
Selling and administrative expenses		41,498		21,993		30,711
Discontinued operations		5,056		4,479		3,767
Net cost for the year	Ps.	56,704	Ps.	36,942	Ps.	38,118

Remeasurements of the defined benefit obligation recognized in other comprehensive income are comprised of:

	2014		2013		2012	
Return on plan assets (excluding amounts included in net cost of the year)	Ps.	3,563	Ps.	(4,836)	Ps.	(5,975)
Actuarial gains and losses arising from changes in demographic assumptions		59,940		-		-
Actuarial gains and losses arising from changes in financial assumptions		(15,234)		(19,366)		67,269
Actuarial gains and losses arising from experience adjustments		(36,855)		187,351		44,621
Acquisition/disposal or excision of business		-		-		52
	Ps.	11,414	Ps.	163,149	Ps.	105,967

The total amount recognized in other comprehensive income is described below:

	2014		2013	
Balance at the beginning of the year	Ps.	274,004	Ps.	110,855
Remeasurements that occurred during the year		11,414		163,149
Balance at the end of the year	Ps.	285,418	Ps.	274,004

At December 31, 2014 and 2013, plan assets stated at fair value and related percentages with respect to total plan assets were analyzed as follows:

	At December 31, 2014		At December 31, 2013	
Equity securities, classified by type of industry:	Ps. 42,508	76%	Ps. 42,180	75%
Consumer industry	10,191		7,907	
Financial institutions	32,317		34,273	
Fixed rate securities	13,139	24%	14,060	25%
Fair value of plan assets	Ps. 55,647	100%	Ps. 56,240	100%

The Company has a policy of maintaining at least 30% of its trust assets in Mexican Federal Government instruments. Guidelines have been established for the remaining 70% and investment decisions are taken in accordance with these guidelines to the extent market conditions and available funds allow it.

As of December 31, 2014, the funds maintained in plan assets were considered sufficient to face the Company's short-term needs; therefore, the Company's management has determined that for the time being there is no need for additional contributions to increase these assets.

The main actuarial assumptions used were as follows:

	At December 31, 2014	At December 31, 2013
Discount rate	6.25%	5.75%
Future increase rate in compensation levels	4.50%	4.50%
Long-term inflation rate	3.50%	3.50%

At December 31 2014 and 2013, the impact in DBO for a decrease of 25 basis points in the discount rate amounts to Ps.10,147 and Ps.9,470, respectively.

The sensitivity analysis mentioned above is based on the change in the discount rate while keeping constant the rest of the assumptions. In practice, this is unlikely to occur, and changes in some of the assumptions can be correlated.

The methods used in preparing the sensitivity analysis did not change from those used in prior years.

The average duration of the benefit obligation at December 31, 2014 and 2013 is 13 and 14 years, respectively.

The Company does not expect to contribute during the next fiscal year.

B) OTHER COUNTRIES

In the United States, the Company has a savings and investment plan that incorporates voluntary employee 401(k) contributions with matching contributions from the Company in this country. For the years ended December 31, 2014, 2013 and 2012, total expenses related to this plan amounted to Ps.81,215, Ps.68,658 and Ps.62,340, respectively (U.S.$6,082, U.S.$5,351 and U.S.$4,737 thousand, respectively).

Additionally, the Company has established an unfunded nonqualified deferred compensation plan for a selected group of management and highly compensated employees. The plan is voluntary and allows employees to defer a portion of their salary or bonus in excess of the savings and investment plan limitations. The employees elect investment options and the Company monitors the result of those investments and records a liability for the obligation. For the years ended December 31, 2014, 2013 and 2012, total expenses related to this plan were approximately Ps.7,184, Ps.2,515 and Ps.6,014, respectively (U.S.$538, U.S.$196 and U.S.$457 thousand, respectively). At December 31, 2014 and 2013, the liability recognized for these items amounted to Ps.94,151 and Ps.87,469, respectively (U.S.$6,397 and U.S.$6,689 thousand, respectively).

In Central America, the retirement and severance provisions are determined according to the current Labor Legislation of each country. At December 31, 2014 and 2013, the liability recognized for this item amounted to Ps.10,321 and Ps.8,745, respectively, and the total labor obligation cost amounted Ps.1,586 and Ps.1,843, respectively.

18. EQUITY

A) COMMON STOCK

At December 31, 2014 and 2013, the Company's outstanding common stock consisted of 432,749,079 Series "B" shares, with no par value, fully subscribed and paid, which can only be withdrawn with stockholders' approval.

The Extraordinary Stockholders' Meeting held on May 15, 2013 agreed on the merger by incorporation of Valores Azteca, S.A. de C.V. as merged company that is extinguished, with GRUMA as merging company. In accordance with this merger, GRUMA as owner of 45% of the capital stock of Valores Azteca, received 24,566,561 ordinary shares, with no par value, Series B, Class I, of GRUMA. The effect in the Company's equity as a result of this merger was $1,009,848.

Additionally, the following shares of GRUMA were approved to be cancelled:

Amount of shares cancelled	Description
1,523,900 shares	Shares held in Treasury, repurchased by GRUMA
106,335,069 shares	Shares held in Treasury, acquired by GRUMA from ADM in December 2012 (Note 29)
24,566,561 shares	Shares received by GRUMA, due to the merger of Valores Azteca with GRUMA (Note 10)

B) RETAINED EARNINGS

In accordance with Mexican Corporate Law, the legal reserve must be increased annually by 5% of annual net profits until it reaches a fifth of the fully paid common stock amount. The legal reserve is included within retained earnings.

Movements in the legal reserve for the years ended December 31, 2014 and 2013 are as follows:

	Amount
Balance at December 31, 2012	Ps. 304,631
Increases during the year	-
Balance at December 31, 2013	304,631
Increases during the year	283,674
Balance at December 31, 2014	Ps. 588,305

In October 2013, the Chamber of Senators and Deputies approved the issuance of the new Income Tax Law, effective starting January 1, 2014. Among other, the Law establishes a 10% tax rate on earnings from 2014 and thereafter, for dividend paid to foreign residents and Mexican individuals; additionally, this law states that for the years 2001 to 2013, the net taxable income will be determined in accordance with the Income Tax Law that was effective for each year.

Dividends paid are not subject to income tax if paid from the Net Tax Profit Account (CUFIN) and will be taxed at a rate that fluctuates between 32% and 35% if they are paid from the reinvested Net Tax Profit Account. Dividends paid that exceed CUFIN and reinvested CUFIN are subject to an income tax payable at a rate of 30% if paid in 2015. The tax is payable by the Company and may be credited against the normal income tax payable by the Company in the year in which the dividends are paid or in the following two years. Dividends paid from earnings previously taxed are not subject to any withholding or additional tax payment.

C) PURCHASE OF COMMON STOCK

The Shareholders' Meeting held on April 26, 2013 approved to increase the reserve to repurchase the Company's own shares up to Ps.650,000, while the Shareholders' Meeting held on December 13, 2012 approved to increase the reserve to repurchase the Company's own shares up to Ps.4,500,000. The maximum amount of proceeds that can be used to purchase the Company's own shares cannot exceed, in any case, the net earnings of the entity, including retained earnings. The difference between the acquisition cost of the repurchased shares and their stated value, composed of common stock and share premium, is recognized as part of the reserve to repurchase the Company's own shares, which is included within retained earnings from prior years. The gain or loss on the sale of the Company's own shares is recorded in retained earnings.

Movements in the reserve for acquisition of Company's own shares for the years ended December 31, 2014 and 2013 are as follows. During 2014, no movements were recognized in this reserve.

		Amount
Balance at December 31, 2012	Ps.	467,388
Increase in reserve for repurchase of Company's own shares approved by the Stockholders' Meeting in April 26, 2013		650,000
Cancellation of repurchased shares in 2013		(467,388)
Balance at December 31, 2014 and 2013	Ps.	650,000

D) FOREIGN CURRENCY TRANSLATION ADJUSTMENTS

Foreign currency translation adjustments consisted of the following as of December 31:

		2014		2013
Balance at beginning of year	Ps.	(10,895)	Ps.	(64,081)
Effect of the year from translating net investment in foreign subsidiaries		793,342		(217,535)
Reclassification adjustment for foreign currency translation from discontinued operations [(1)]		-		317,133
Exchange differences arising from foreign currency liabilities accounted for as a hedge of the Company's net investments in foreign subsidiaries		(961,855)		(46,412)
Balance at end of year	Ps.	(179,408)	Ps.	(10,895)

(1) Corresponds to the shareholders' portion of the foreign currency translation effect. The non-controlling portion of the foreign currency translation effect at December 31, 2013 amounts to Ps.115,325.

The investment that the Company maintains in its operations in the United States and Europe generated a hedge of up to U.S.$597 and U.S.$651 million at December 31, 2014 and 2013, respectively.

At December 31, 2014 and 2013, the accumulated effect of translating net investment in foreign subsidiaries impacted non-controlling interest in the amounts of Ps.6,481 and Ps.(8,769), respectively.

19. SUBSIDIARIES

The table below shows details of non-wholly subsidiaries of the Company that have material non-controlling interests:

Name of subsidiary	Country of incorporation and business	% of non-controlling interest At December 31, 2014	% of non-controlling interest At December 31, 2013	Income allocated to non-controlling interest For the years ended December 31, 2014	Income allocated to non-controlling interest For the years ended December 31, 2013	Income allocated to non-controlling interest For the years ended December 31, 2012
Grupo Industrial Maseca, S.A.B. de C.V.	Mexico	16.82%	16.82%	Ps. 201,651	Ps. 301,328	Ps. 241,575

Name of subsidiary	Accumulated non-controlling interest At December 31, 2014	Accumulated non-controlling interest At December 31, 2013
Grupo Industrial Maseca, S.A.B. de C.V.	Ps. 1,566,037	Ps. 1,473,531

Summarized financial information in respect of the Company's subsidiary that has material non-controlling interests is set out below. The summarized financial information below represents amounts before inter-company eliminations.

Grupo Industrial Maseca, S.A.B. de C.V.

	At December 31, 2014	At December 31, 2013
Current assets	Ps. 4,375,184	Ps. 4,440,185
Non-current assets	6,533,727	7,141,225
Current liabilities	2,291,459	3,647,105
Non-current liabilities	652,070	624,718
Equity attributable to owners of the Company	6,513,209	5,836,056
Non-controlling interests	1,566,037	1,473,531
Dividends paid to non-controlling interests	101,392	594,024

	For the year ended December 31, 2014	2013	2012
Net sales	Ps. 15,074,107	Ps. 15,944,039	Ps. 16,947,660
Net income	1,199,763	1,767,978	1,352,888
Comprehensive income	1,162,092	1,760,949	1,295,452
Cash flows:			
Operating activities	Ps. 2,481,087	Ps. 4,473,355	Ps. 842,946
Investment activities	(171,624)	(2,792,669)	(457,388)
Financing activities	(2,111,933)	(1,886,033)	(351,475)

20. FINANCIAL INSTRUMENTS

A) FINANCIAL INSTRUMENTS BY CATEGORY

The carrying values of financial instruments by category are presented below:

	At December 31, 2014				
	Loans, receivables and liabilities at amortized cost	Financial assets and liabilities at fair value through profit or loss	Hedge derivatives	Assets available for sale	Total categories
Financial assets:					
Cash and cash equivalents	Ps. 1,465,088	Ps. -	Ps. -	Ps. -	Ps. 1,465,088
Derivative financial instruments	-	8,575	87,801	-	96,376
Accounts receivable	6,489,396	-	-	-	6,489,396
Investment in Venezuela available for sale	-	-	-	3,109,013	3,109,013
Long term notes receivable from sale of tortilla machines and other (Note 9)	145,794	-	-	-	145,794
Financial liabilities:					
Current debt	Ps. 1,437,108	Ps. -	Ps. -	Ps. -	Ps. 1,437,108
Trade accounts payable	3,555,521	-	-	-	3,555,521
Derivative financial instruments	-	49,024	-	-	49,024
Long-term debt	9,324,052	-	-	-	9,324,052
Contingent payment due to repurchase of the Company's own shares (Note 29)	-	823,960	-	-	823,960
Other liabilities (excludes non-financial liabilities)	27,053	-	-	-	27,053

	At December 31, 2013				
	Loans, receivables and liabilities at amortized cost	Financial assets and liabilities at fair value through profit or loss	Hedge derivatives	Assets available for sale	Total categories
Financial assets:					
Cash and cash equivalents	Ps. 1,338,555	Ps. -	Ps. -	Ps. -	Ps. 1,338,555
Derivative financial instruments	-	12,282	108,280	-	120,562
Accounts receivable	7,193,317	-	-	-	7,193,317
Investment in Venezuela available for sale	-	-	-	3,109,013	3,109,013
Long term notes receivable from sale of tortilla machines and other (Note 9)	154,458	-	-	-	154,458
Financial liabilities:					
Current debt	Ps. 3,275,897	Ps. -	Ps. -	Ps. -	Ps. 3,275,897
Trade accounts payable	3,547,498	-	-	-	3,547,498
Derivative financial instruments	-	-	71,540	-	71,540
Long-term debt	13,096,443	-	-	-	13,096,443
Contingent payment due to repurchase of the Company's own shares (Note 29)	-	671,069	-	-	671,069
Other liabilities (excludes non-financial liabilities)	51,924	-	-	-	51,924

B) FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents, accounts receivable, trade accounts payable and other current liabilities approximate their fair value, due to their short maturity. In addition, the net book value of accounts receivable and recoverable taxes represent the expected cash flow to be received.

The estimated fair value of the Company's financial instruments is as follows:

	At December 31, 2014	
	Carrying amount	Fair value
Assets:		
Derivative financial instruments - fuel [1]	Ps. 7,804	Ps. 7,804
Derivative financial instruments - corn [1]	88,572	88,572
Investment in Venezuela available for sale	3,109,013	3,109,013 [2]
Long-term notes receivable from sale of tortilla machines	134,502	145,780
Liabilities:		
10-year Bonds in U.S. dollars bearing fixed interest at an annual rate of 4.875%	5,820,558	6,063,816
Short and long-term debt	4,940,602	5,042,515
Contingent payment due to repurchase of the Company's own shares	823,960	823,960
Derivative financial instruments - other raw materials	49,024	49,024

(1) At December 31, 2014, the balance of derivative financial instruments receivable amounted to Ps.96,376, and is comprised of Ps.23,127 corresponding to the gain from the valuation of open positions in corn and fuel derivative financial instruments at the end of the year, and Ps.119,503 corresponding to revolving funds or margin calls that arise from price changes in the underlying asset that the Company maintains with the third party, to be applied against payments, related to corn and fuel derivatives.

(2) Following the applicable guidelines and considering that the range of reasonable fair-value estimates was significant and the probabilities of the various estimates within the range could not be reasonably assessed, the Company recognized this financial asset at its carrying value and not at its fair value. See Note 26.

	At December 31, 2013	
	Carrying amount	Fair value
Assets:		
Derivative financial instruments – exchange rate [1]	Ps. 12,282	Ps. 12,282
Investment in Venezuela available for sale	3,109,013	3,109,013 [2]
Long-term notes receivable from sale of tortilla machines	144,142	127,182
Liabilities:		
Perpetual bonds in U.S. dollars bearing fixed interest at an annual rate of 7.75%	3,732,717	3,967,083
Short and long-term debt	12,639,623	12,924,889
Contingent payment due to repurchase of the Company's own shares	671,069	671,069
Derivative financial instruments - other raw materials	71,540	71,540

(1) At December 31, 2013, the balance of derivative financial instruments receivable amounted to Ps.120,562, and is comprised of Ps.12,282 corresponding to the gain from the valuation of open positions in exchange rate derivative financial instruments at the end of the year, and Ps.108,280 corresponding to revolving funds or margin calls that arise from price changes in the underlying asset that the Company maintains with the third party, to be applied against payments, related to corn derivatives.

(2) Following the applicable guidelines and considering that the range of reasonable fair-value estimates was significant and the probabilities of the various estimates within the range could not be reasonably assessed, the Company recognized this financial asset at its carrying value and not at its fair value. See Note 26.

The fair values al December 31, 2014 and 2013 were determined by the Company as follows:

- The fair values of bonds in U.S. dollars were determined based on available market prices. Fair values of bonds are classified as level 1 in the fair value hierarchy.
- The fair value for the rest of the long-term debt was based on the present value of the cash flows discounted at interest rates based on readily observable market inputs. Fair value of long-term debt is classified as level 3 in the fair value hierarchy. The average discount rate used was 3.34% in 2014 and 3.74% in 2013.
- Long-term notes receivable from sale of tortilla machines are classified as level 2 in the fair value hierarchy. Its fair value was based on the present value of future cash flows using a discount rate of 9.01% in 2014 and 2013.

C) DERIVATIVE FINANCIAL INSTRUMENTS

At December 31, 2014 derivative financial instruments comprised the following:

		Fair value			
Type of contract	Notional amount	Asset		Liability	
Corn futures	12,345,000 Bushels	Ps.	-	Ps.	21,249
Natural gas swaps	3,360,000 Mmbtu		-		49,024
Fuel swaps	5,544,000 Gallons		-		1,878

At December 31, 2014, open positions of corn derivatives were recorded at fair value. The result of the valuation of financial instruments that qualified as cash flow hedge represented a loss of Ps.25,133, which was recognized in comprehensive income within equity. At December 31, 2014, the Company had open positions of financial instruments for corn, natural gas and fuel that did not qualify as hedge accounting. These open positions represented a loss of Ps.45,534, which was recognized in income as other expenses, net.

Operations terminated at December 31, 2014 on corn and natural gas derivatives represented a loss of Ps.76,365 which was recognized in income as other expenses, net (Note 22).

Exchange rate derivative financial instruments were recorded at fair value. At December 31, 2014, the Company had no open positions of these instruments. Likewise, for the year ended December 31, 2014, terminated operations of these instruments represented a loss of Ps.23,375, which was recognized in income as comprehensive financing cost, net (Note 24).

At December 31, 2014, the Company had revolving funds denominated “margin calls” amounting Ps.119,503, which are required to be applied against payments, due to price changes in the underlying asset.

For the year ended December 31, 2014, the Company reclassified the amount of Ps.251,746 from comprehensive income and recognized it as part of inventory. This amount refers to the loss from the terminated operations for corn hedges, in which the grain, subject to these hedges, was received. Additionally, the corn hedges terminated during the period and for which no corn has been received, originated a gain of Ps.2,395, which was recognized in comprehensive income.

At December 31, 2013 derivative financial instruments comprised the following:

Type of contract	Notional amount	Fair value			
		Asset		Liability	
Corn futures	6,365,000 Bushels			Ps.	71,540
Exchange rate forwards	$ 65,280,000 USD	Ps.	12,282		

At December 31, 2013, open positions of corn derivatives were recorded at fair value. The result of the valuation of financial instruments that qualified as cash flow hedge represented a loss of Ps.71,540, which was recognized in comprehensive income within equity. At December 31, 2013, the Company had no open positions of financial instruments that did not qualify as hedge accounting.

Operations terminated at December 31, 2013 on corn and natural gas derivatives represented a loss of Ps.30,160 which was recognized in income as other expenses, net (Note 22).

Exchange rate derivative financial instruments were recorded at fair value. At December 31, 2013, the open positions of exchange rate derivatives represented a gain of Ps.9,543 which was recognized in income as comprehensive financing cost, net (Note 24). Likewise, for the year ended December 31, 2013, terminated operations of these instruments represented a gain of Ps.24,377, which was recognized in income as comprehensive financing cost, net (Note 24).

At December 31, 2013, the Company had revolving funds denominated "margin calls" amounting Ps.108,280, which are required to be applied against payments, due to price changes in the underlying asset.

For the year ended December 31, 2013, the Company reclassified the amount of Ps.207,241 from comprehensive income and recognized it as part of inventory. This amount refers to the gain from the terminated operations for corn hedges, in which the grain, subject to these hedges, was received. Additionally, the corn hedges terminated during the period and for which no corn has been received, originated a loss of Ps.62,009, which was recognized in comprehensive income.

D) FAIR VALUE HIERARCHY

A three-level hierarchy is used to measure and disclose fair values. An instrument's categorization within the fair value hierarchy is based on the lowest level of significant input to its valuation.

The following is a description of the three hierarchy levels:

- Level 1–Quoted prices for identical instruments in active markets.
- Level 2–Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3–Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

a. Determination of fair value

When available, the Company generally uses quoted market prices to determine fair value and classifies such items in Level 1. If quoted market prices are not available, fair value is valued using industry standard valuation models. When applicable, these models project future cash flows and discount the future amounts to a present value using market-based observable inputs, including interest rates, currency rates, volatilities, etc. Items valued using such inputs are classified according to the lowest level input or value driver that is significant to the valuation. Thus, an item may be classified in Level 3 even though there may be some inputs that are readily observable. In addition, the Company considers assumptions for its own credit risk and the respective counterparty risk.

b. Measurement

Assets and liabilities measured at fair value are summarized below:

	At December 31, 2014					
	Level 1		Level 3		Total	
Assets:						
Plan assets - seniority premium fund	Ps.	55,647	Ps.	-	Ps.	55,647
Derivative financial instruments - corn		88,572		-		88,572
Derivative financial instruments - fuel		7,804		-		7,804
Investment in Venezuela available for sale		-		3,109,013		3,109,013 [1]
	Ps.	152,023	Ps.	3,109,013	Ps.	3,261,036
Liabilities:						
Derivative financial instruments - natural gas	Ps.	-	Ps.	49,024	Ps.	49,024
Contingent payment due to repurchase of the Company's own shares		-		823,960		823,960
	Ps.	-	Ps.	872,984	Ps.	872,984

[1] Following the applicable guidelines and considering that the range of reasonable fair-value estimates was significant and the probabilities of the various estimates within the range could not be reasonably assessed, the Company recognized this financial asset at its carrying value and not at its fair value. See Note 26.

	At December 31, 2013							
	Level 1		Level 2		Level 3		Total	
Assets:								
Plan assets - seniority premium fund	Ps.	56,240	Ps.	-	Ps.	-	Ps.	56,240
Derivative financial instruments - exchange rate		-		12,282		-		12,282
Investment in Venezuela available for sale		-		-		3,109,013		3,109,013[1]
	Ps.	56,240	Ps.	12,282	Ps.	3,109,013	Ps.	3,177,535
Liabilities:								
Derivative financial instruments - corn	Ps.	71,540	Ps.	-	Ps.	-	Ps.	71,540
Contingent payment due to repurchase of the Company's own shares		-		-		671,069		671,069
	Ps.	71,540	Ps.	-	Ps.	671,069	Ps.	742,609

[1] Following the applicable guidelines and considering that the range of reasonable fair-value estimates was significant and the probabilities of the various estimates within the range could not be reasonably assessed, the Company recognized this financial asset at its carrying value and not at its fair value. See Note 26.

There were no transfers between the three levels in the period.

Level 1 - Quoted prices for identical instruments in active markets

Financial instruments that are negotiated in active markets are classified as Level 1. The inputs used in the Company's financial statements to measure the fair value include quoted market prices of corn listed on the Chicago Board of Trade.

Level 2 - Quoted prices for similar instruments in active markets

Financial instruments that are classified as Level 2 refer mainly to quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, as well as model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.

Derivative financial instruments - exchange rate

Exchange rate financial instruments were recorded at fair value, which was determined based on future cash flows discounted to present value. Significant data used to determine the fair value of these instruments were as follows:

	At December 31, 2013
Forward exchange rate	13.12
Discount rate	3.79%

Level 3 - Valuation techniques

The Company has classified as Level 3 those financial instruments whose fair values are obtained using valuation models that include observable inputs but also include certain unobservable inputs.

The table below includes a roll-forward of the balance sheet amounts for the years ended December 31, 2014 and 2013 for financial instruments classified by the Company within Level 3 of the valuation hierarchy. When a determination is made to classify a financial instrument within Level 3, it is due to the use of significant unobservable inputs. However, Level 3 financial instruments typically include, in addition to the unobservable or level 3 components, observable components (that is, components that are actively quoted and can be validated to external sources); accordingly, the gains and losses in the table below include changes in fair value due, in part, to observable factors that are part of the valuation methodology:

	Contingent payment due to repurchase of the Company's own shares	Derivative financial instruments - other raw materials	Investment available for sale
Balance as of December 31, 2012	Ps. 606,495	Ps. 28,832	Ps. -
Investment in Venezuela available for sale	-	-	3,109,013
Total gains or losses:			
In the income statement	64,574	(28,832)	-
In the comprehensive income statement	-	-	-
Additional provision	-	-	-
Balance as of December 31, 2013	671,069	-	3,109,013
Investment in Venezuela available for sale			
Total gains or losses:			
In the income statement	152,891	49,024	-
In the comprehensive income statement	-	-	-
Additional provision	-	-	-
Balance as of December 31, 2014	Ps. 823,960	Ps. 49,024	Ps. 3,109,013

Contingent payment due to repurchase of the Company's own shares

Regarding the contingent payment due to repurchase of the Company's own shares and as mentioned in Note 29, the Company recognized a contingent payment liability amounting to Ps.823,960 (U.S.$55,983 million) and Ps. 671,069 (U.S.$ 51.3 million) at December 31, 2014 and 2013, respectively, regarding the scenario identified as (i) in that Note. This provision is related to the increase in GRUMA's shares market price, over the closing price of GRUMA's shares determined for purposes of the transaction, at the end of a 42-month period.

The contingent payment liability was recognized at fair value, which was determined using discounted future cash flows and a discount rate which represented the average rate of return of bonds issued by companies comparable to GRUMA. Subsequent changes in the fair value of the contingent payment liability will be recognized in the income statement. The Monte Carlo simulation model was used to estimate the future price of the shares; this model includes the expected return and weighted volatility of historical prices of GRUMA's shares over a period of 42 months.

Significant data used to determine the fair value of the contingent payment liability is as follows:

	At December 31,	
	2014	2013
Weighted volatility of historical prices of GRUMA's shares	27.05%	38.83%
Weighted average price of GRUMA's shares (simulated)	Ps. 364.97 per share	Ps. 316.95 per share
Forward exchange rate	Ps. 15.27 per dollar	Ps. 14.07 per dollar
Discount rate	4.87%	6.80%

An increase or decrease of 10% in the discount rate used for the calculation of fair value, would result in an effect of Ps.5,480 and Ps.9,571, at December 31, 2014 and 2013, respectively.

Derivative financial instruments - natural gas

Natural gas derivative financial instruments were recognized at fair value, which was determined using future cash flow discounted to present value, using quoted market prices of natural gas listed on the NYMEX Exchange.

For the Company, the unobservable input included in the valuation of this Level 3 financial instrument refers solely to the Company's own credit risk. For the year 2014 the Company's management believes that a possible reasonable change in this unobservable assumption will not cause a change where the fair value can materially exceed the carrying value.

Investment available for sale

The investment in Venezuela available for sale is recognized at the best estimated amount considered by the Company, which is represented by its carrying value, since no active market exists for this investment. See Note 26 for more information.

21. EXPENSES BY NATURE

Expenses by nature are presented in the income statement within the captions of cost of sales and selling and administrative expenses and are analyzed as follows:

	2014	2013	2012
Cost of raw materials consumed and changes in inventory (Note 8)	Ps. 19,047,263	Ps. 20,036,893	Ps. 22,735,345
Employee benefit expenses (Note 23)	11,824,788	11,127,071	11,211,456
Depreciation	1,402,509	1,400,412	1,447,034
Amortization	57,942	168,964	75,744
Rental expense of operating leases (Note 27)	875,293	733,861	722,739
Research and development expenses (Note 12)	152,967	144,563	136,826

22. OTHER EXPENSES, NET

Other expenses, net comprised the following:

	2014	2013	2012
Net loss from sale of fixed assets	Ps. (40,981)	Ps. (89,941)	Ps. (17,966)
Net gain from sale of scrap	1,845	1,073	2,092
Impairment loss on long-lived assets	(14,395)	(45,235)	(4,014)
Cost of written-down fixed assets	(64,503)	-	(37,681)
Current employees' statutory profit sharing	(53,677)	(53,415)	(51,123)
Non-recoverable cost of damaged assets	(3,652)	(4,221)	(2,654)
Result from derivative financial instruments	(121,899)	(1,330)	38,148
Total	Ps. (297,262)	Ps. (193,069)	Ps. (73,198)

23. EMPLOYEE BENEFIT EXPENSES

Employee benefit expenses are comprised of the following:

	2014	2013	2012
Salaries, wages and benefits (including termination benefits)	Ps. 11,028,190	Ps. 10,408,024	Ps. 10,481,833
Social security contributions	654,581	613,129	626,120
Employment benefits (Note 17)	142,017	105,918	103,503
Total	Ps. 11,824,788	Ps. 11,127,071	Ps. 11,211,456

24. COMPREHENSIVE FINANCING COST

Comprehensive financing cost, net is comprised by:

	2014		2013		2012	
Interest expense (Note 14)	Ps.	(1,189,993)	Ps.	(1,105,268)	Ps.	(897,021)
Interest income		35,552		37,250		43,856
Gain from derivative financial instruments (Note 20)		(23,375)		33,920		55,352
Gain (loss) from foreign exchange differences, net		72,413		46,473		(82,577)
Comprehensive financing cost, net	Ps.	(1,105,403)	Ps.	(987,625)	Ps.	(880,390)

25. INCOME TAX EXPENSE

A) INCOME BEFORE INCOME TAX

The domestic and foreign components of income before income tax are the following:

	For the years ended December 31,					
	2014		2013		2012	
Domestic	Ps.	1,987,178	Ps.	1,361,499	Ps.	671,136
Foreign		2,930,333		2,290,627		1,057,567
	Ps.	4,917,511	Ps.	3,652,126	Ps.	1,728,703

B) COMPONENTS OF INCOME TAX EXPENSE

The components of income tax expense are the following:

	2014		2013		2012	
Current tax:						
Current tax on profits for the year	Ps.	(2,103,594)	Ps.	(2,079,506)	Ps.	(530,500)
Adjustments in respect of prior years		194,257		137,645		(38,568)
Total current tax		(1,909,337)		(1,941,861)		(569,068)
Deferred tax:						
Origin and reversal of temporary differences		865,992		98,251		(474,286)
Tax credit derived from foreign dividends		-		-		138,074
Use of tax loss carryforwards not previously recognized		(16,238)		1,648,249		-
Total deferred tax		849,754		1,746,500		(336,212)
Total income tax expense	Ps.	(1,059,583)	Ps.	(195,361)	Ps.	(905,280)

Domestic federal, foreign federal and state income taxes in the consolidated statements of income consisted of the following components:

	For the years ended December 31,		
	2014	2013	2012
Current:			
Domestic federal	Ps. (714,311)	Ps. (1,022,764)	Ps. (210,103)
Foreign federal	(1,082,163)	(810,651)	(315,224)
Foreign state	(112,863)	(108,446)	(43,741)
	(1,909,337)	(1,941,861)	(569,068)
Deferred:			
Domestic federal	709,553	1,601,949	(187,958)
Foreign federal	156,612	160,320	(153,677)
Foreign state	(16,411)	(15,769)	5,423
	849,754	1,746,500	(336,212)
Total income taxes	Ps. (1,059,583)	Ps. (195,361)	Ps. (905,280)

C) RECONCILIATION OF FINANCIAL AND TAXABLE INCOME

For the years ended December 31, 2014, 2013 and 2012, the reconciliation between statutory income tax amounts and the effective income tax amounts is summarized as follows:

	2014	2013	2012
Statutory federal income tax (30% for 2014, 2013 and 2012)	Ps. (1,475,253)	Ps. (1,095,638)	Ps. (518,611)
Effects related to inflation	(109,626)	(146,883)	(99,747)
Foreign income tax rate differences	(41,826)	(86,918)	(57,008)
Tax credit derived from foreign dividends	718,135	-	383,740
Recoverable asset tax written off	-	-	(209,940)
Tax loss carryforwards used	23,341	1,131,434	(86,620)
Recovery of asset tax from previous years	-	216,204	-
Nondeductible expenses and others	(174,354)	(213,560)	(317,094)
Effective income tax (21.55%, 5.35% and 52.37% for 2014, 2013 and 2012, respectively)	Ps. (1,059,583)	Ps. (195,361)	Ps. (905,280)

In October 2013, the Chamber of Senators and Deputies approved the issuance of the new Income Tax Law, effective starting January 1, 2014, abrogating the Income Tax Law published on January 1, 2002. The new Income Tax Law captures the essence of the previous Income Tax Law; however, this new law makes significant changes, including an income tax rate of 30% for 2014 and the following years; compared to the previous Income Tax Law, which established tax rates of 30%, 29% and 28% for 2013, 2014 and 2015, respectively. This change had no significant effect in the income of the year.

26. DISCONTINUED OPERATIONS

A) AGREEMENT FOR THE SALE OF THE WHEAT FLOUR OPERATIONS IN MEXICO

On June 10, 2014, GRUMA reached an agreement with Grupo Trimex, S.A. de C.V. ("Grupo Trimex") for the sale of its wheat flour operations in Mexico. This transaction is in line with the Company's strategy of focusing on its core businesses. Through this transaction, Grupo Trimex acquired all the shares representing Molinera de México, S.A. de C.V.'s capital stock (including transfer of personnel and assets), as well as the assets owned by Agroindustrias Integradas del Norte, S.A. de C.V., subsidiary of Grupo Industrial Maseca, S.A. B. de C.V. related to wheat flour production.

During December 2014, the Company concluded the sale of its wheat flour operations in Mexico. The total sale price was Ps.3,677,788.

The Company recognized in income a gain of Ps.214,755 as discontinued operations.

Income and cash flows related to the wheat flour operations in Mexico for the periods presented were classified as discontinued operations.

The assets and liabilities of the wheat flour operations in Mexico, at November 30, 2014 and at December 31, 2013 are shown below:

	At November 30, 2014	At December 31, 2013
Accounts receivable, net	Ps. 823,764	Ps. 917,417
Inventories	1,332,661	1,095,199
Other current assets	119,895	38,613
Total current assets	2,276,320	2,051,229
Property, plant and equipment	1,323,744	1,301,233
Other non-current assets	233,284	230,874
Total non-current assets	1,557,028	1,532,107
Total assets	Ps. 3,833,348	Ps. 3,583,336
Current liabilities	268,971	204,662
Non-current liabilities	101,344	45,811
Total liabilities	Ps. 370,315	Ps. 250,473

The analysis of the gain or loss from discontinued operations related with the sale of the wheat flour operations in Mexico is as follows:

	2014		2013		2012	
Net sales	Ps.	4,807,420	Ps.	5,070,781	Ps.	5,138,916
Cost of sales		(3,824,071)		(4,245,166)		(4,301,215)
Gross profit		983,349		825,615		837,701
Selling and administrative expenses		(540,674)		(635,341)		(605,014)
Other expenses, net		(8,411)		574		(27,771)
Operating income		434,264		190,848		204,916
Share of profits of associated company		3,036		2,562		2,976
Comprehensive financing cost, net		(9,652)		19,211		53,697
Income before income taxes		427,648		212,621		261,589
Income taxes		(3,516)		(3,088)		42,499
Income from discontinued operation, net	Ps.	424,132	Ps.	209,533	Ps.	304,088
Net gain from the sale of wheat flour operations in Mexico		214,755		-		-
Income from discontinued operations of wheat flour operations in Mexico	Ps.	638,887	Ps.	209,533	Ps.	304,088
Attributable to:						
Shareholders	Ps.	670,907	Ps.	210,455	Ps.	221,062
Non-controlling interest		(32,020)		(922)		83,026
	Ps.	638,887	Ps.	209,533	Ps.	304,088

B) LOSS OF CONTROL OF VENEZUELA

The Ministry of Popular Power for Internal Relations and Justice published on January 22, 2013 Administrative Providence number 004-13 dated January 21, 2013 (the "Providence") in the Official Gazette of the Bolivarian Republic of Venezuela (the "Republic"). Given this Providence, which designated special managers with the broadest management faculties conferred by the Republic, GRUMA determined that it had lost control of the subsidiaries in Venezuela: Molinos Nacionales, C.A. ("MONACA") and Derivados de Maíz Seleccionado, DEMASECA, C.A. ("DEMASECA"). Refer to Note 28 for additional detail on the processes in Venezuela.

Following the principles set by IFRS, the Company lost the ability to affect the variable returns and concluded that it had lost the control of MONACA and DEMASECA on January 22, 2013. Consequently and as a result of such loss of control, the Company proceeded with the following:

a) Ceased the consolidation of the financial information of MONACA and DEMASECA starting January 22, 2013 and derecognized the assets and liabilities of these companies from the consolidated balance sheet. For disclosure and presentation purposes, the Company considered these subsidiaries as a significant segment and therefore, applied the guidelines from IFRS 5 for their accounting treatment as discontinued operations. Consequently, the results and cash flows generated by the Venezuelan companies for the periods presented were classified as discontinued operations.

b) The amounts recognized in other comprehensive income relating to these companies were reclassified in the year 2013 to the consolidated income statement as part of the results from discontinued operations, considering that MONACA and DEMASECA were disposed of due to the loss of control.

c) Recognized the investment in MONACA and DEMASECA as a financial asset, classifying it as an available-for-sale financial asset. The Company classified its investment in these companies as available for sale since management believed that is the appropriate treatment applicable to a non-voluntary disposition of assets and the asset did not fulfill the requirements of classification in another category of financial assets. Following the applicable guidelines and considering that the range of reasonable fair-value estimates was significant and the probabilities of the various estimates within the range could not be reasonably assessed, the Company recognized this financial asset at its carrying value translated to the functional currency of the Company using an exchange rate of $2.9566 Mexican pesos per bolivar (Bs.4.3 per U.S. dollar), which was effective at the date of the loss of control, and not at its fair value. The investment in MONACA and DEMASECA is subject to impairment tests at the end of each reporting period when there is objective evidence that the financial asset is impaired.

While negotiations with the government may take place from time to time, the Company cannot assure that such negotiations will be successful or will result in the Investors receiving adequate compensation, if any, for their investments subject to the Expropriation Decree. Additionally, the Company cannot predict the results of any arbitral proceeding, or the ramifications that costly and prolonged legal disputes could have on its results of operations or financial position, or the likelihood of collecting a successful arbitration award. The Company and its subsidiaries reserve and intend to continue to reserve the right to seek full compensation for any and all expropriated assets and investments under applicable law, including investment treaties and customary international law.

As required by IFRS, GRUMA performed impairment tests on the investments in MONACA and DEMASECA to determine a potential recoverable amount, using two valuation techniques: 1) an income approach considering estimated future cash flows as a going concern business, discounted at present value using an appropriate discount rate (weighted average cost of capital), and 2) a market approach, such as the public company market multiple method using implied multiples such as earnings before interest, taxes, depreciation and amortization, and revenues of comparable companies adjusted for liquidity, control and disposal expenses. In both cases, the potential recoverable amounts using the income and market approach were higher than the carrying value of these investments and therefore, no impairment adjustment was deemed necessary at December 31, 2014 and 2013. Regarding the calculations to determine the potential recoverable amount, the Company's management believes that a possible reasonable change in the key assumptions would not cause the carrying value of the Company's investment in MONACA and DEMASECA materially exceed the potential recoverable amount before described.

For purposes of these calculations, the Company used the SICAD 1 available exchange rate (12.00 Venezuelan bolivars per U.S. dollar as of December 31, 2014 and 11.30 Venezuelan bolivars per U.S. dollar as of December 31, 2013) which is the reference considered by Management for settlement, based on its legal ability to do so. The Venezuelan exchange system, comprising the SICAD, involves different rates at which certain transactions should be executed, including "foreign investments and payment of royalties" for which the reference rate is 12.00 Venezuelan bolivars per U.S. dollar. For a simulation exercise where a different exchange rate is used for impairment tests, such as the SICAD 2 (49.99 Venezuelan bolivars per U.S. dollar at December 31, 2014), the calculations would result in an impairment loss in income of Ps.124,578 related with the Company's investment in MONACA and DEMASECA.

The historical value of the net investment in MONACA and DEMASECA at January 22, 2013, the date when the Company ceased the consolidation of the financial information of these entities, was Ps.2,913,760 and Ps.195,253, respectively.

On January 24, 2014, Exchange Agreement No. 25 became effective, which establishes the concepts to which the SICAD 1 exchange rate applies, for foreign currency transactions. In addition, the agreement also provides that the sale operation of foreign currency, whose clearance has been requested to the Central Bank of Venezuela before the Exchange Agreement No.25 became effective, will be settled at the exchange rate effective on the date on which such operations were authorized. This Exchange Agreement No.25 resulted in a net foreign exchange loss of Ps.16,642 to the Company for the year 2014, which was presented as discontinued operations. This exchange loss is originated by certain accounts receivable maintained with the Venezuelan companies as of December 31, 2014 which are expected to be settled at this SICAD 1 exchange rate (12.00 Venezuelan bolivars per U.S. dollar as of December 31, 2014). For a simulation exercise where a different exchange rate is used, such as the SICAD 2, an additional foreign exchange loss of Ps.64,745 will result from certain accounts receivable maintained with the Venezuelan companies.

The financial information of MONACA and DEMASECA at January 22, 2013 and December 31, 2012 is:

	At January 22, 2013*	At December 31, 2012*
Current assets	Ps. 4,345,709	Ps. 4,463,157
Non-current assets	2,558,444	2,624,411
Total assets	6,904,153	7,087,569
Percentage of consolidated total assets	14.0%	14.3%
Current liabilities	2,641,540	2,853,060
Non-current liabilities	96,103	95,132
Total liabilities	2,737,643	2,948,192
Percentage of consolidated total liabilities	7.8%	8.4%
Total net assets	4,166,510	4,139,377
Percentage of consolidated total net assets	29.1%	28.8%
Non-controlling interest	1,057,497	1,049,088
Interest of Gruma in total net assets	Ps. 3,109,013	Ps. 3,090,289

* No material transactions between MONACA and DEMASECA and the Company need to be eliminated.

Additionally, at December 31, 2014 and 2013 certain subsidiaries of GRUMA have accounts receivable with the Venezuelan companies for a total amount of Ps.1,123,904 and Ps.1,137,718, respectively. According to tests performed by the Company, these receivables are not impaired (see Note 7).

The analysis of the gain or loss from discontinued operation related to the loss of control of the Venezuelan subsidiaries is:

	2014	2013	2012
Net sales	Ps. -	Ps. 880,991	Ps. 9,907,182
Cost of sales	-	(668,091)	(7,500,396)
Gross profit		212,900	2,406,786
Selling and administrative expenses	(23,393)	(129,960)	(1,707,076)
Other expenses, net	-	(1,431)	(687)
Operating income	(23,393)	81,509	699,023
Comprehensive financing cost, net	-	21,471	97,735
Income before income taxes	(23,393)	102,980	796,758
Income taxes	-	(26,850)	(220,510)
Discontinued operations	(23,393)	76,130	576,248
Foreign exchange loss of accounts receivable with Venezuela	(16,642)	-	-
Reclassification of foreign currency translation adjustment	-	(432,459)	-
(Loss) gain from discontinued operations	Ps. (40,035)	Ps. (356,329)	Ps. 576,248
Attributable to:			
Shareholders	Ps. (8,048)	Ps. (261,461)	Ps. 439,010
Non-controlling interest	(31,987)	(94,868)	137,238
	Ps. (40,035)	Ps. (356,329)	Ps. 576,248

27. COMMITMENTS

A) OPERATING LEASES

The Company is leasing certain facilities and equipment under long-term lease agreements in effect through 2027, which include an option for renewal. These agreements are recognized as operating leases, since the contracts do not transfer substantially all risks and advantages inherent to ownership.

Future minimum lease payments under operating lease agreements are as follows:

	2014	2013
No later than 1 year	Ps. 586,002	Ps. 586,314
Later than 1 year and no later than 5 years	1,116,360	1,056,789
Later than 5 years	271,441	308,252
	Ps. 1,973,803	Ps. 1,951,355

Rental expense was approximately Ps.875,293, Ps.733,861 and Ps.722,739 for the years ended December 31, 2014, 2013 and 2012, respectively.

B) FINANCE LEASES

At December 31, 2014 and 2013, the net carrying values of assets recorded under finance leases totaled Ps.26,264 and Ps.20,298, respectively, and corresponded to transportation and production equipment.

Future minimum lease payments under finance lease agreements are as follows:

		2014		2013
No later than 1 year	Ps.	8,467	Ps.	3,771
Later than 1 year and no later than 5 years		11,576		11,024
		20,043		14,795
Future finance charges on finance leases		(645)		-
Present value of finance lease liabilities	Ps.	19,398	Ps.	14,795

The present value of finance lease liabilities is as follows:

		2014		2013
No later than 1 year	Ps.	8,467	Ps.	3,771
Later than 1 year and no later than 5 years		10,931		11,024
Total	Ps.	19,398	Ps.	14,795

C) OTHER COMMITMENTS

At December 31, 2014 and 2013, the Company had various outstanding commitments to purchase commodities and raw materials in the United States for approximately Ps.4,466,913 and Ps.3,112,207, respectively (U.S.$303.5 million and U.S.$238 million, respectively) and in Mexico for approximately Ps.3,576,474 and Ps.2,850,677, respectively (U.S.$243 million and U.S.$218 million, respectively), which will be delivered during 2015. The Company has concluded that there are not embedded derivatives resulting from these contracts.

At December 31, 2014 and 2013, the Company had outstanding commitments to purchase machinery and equipment in the United States amounting to approximately Ps.110,385 and Ps.128,689, respectively.

28. CONTINGENCIES

MEXICO

Income Tax Claim.- The Ministry of Finance and Public Credit has lodged certain tax assessments against the Company for an amount of Ps.29,900 plus penalties, updates and charges, in connection with withholding on interest payments to our foreign creditors during the years 2001 and 2002. Mexican tax authorities claim that the Company should have withheld at a higher rate than the 4.9% actually withheld by the Company. The Company filed several motions to annul these assessments, which later were relinquished, in order to be eligible for the tax amnesty program set forth in the Provisional Article Third of the Federal Income Law for the 2013 Fiscal Year.

Thereafter on May 2013, the partial tax assessment relief was authorized, by which the Company paid Ps.3,310 on May 21, 2013 to finalize the dispute.

On January 29, 2014, the Company was notified of an official letter whereby the International Taxation Central Administration Office lodged a tax assessment for the amount of Ps.41,192 in connection with the 2001 and 2002 years, and derived from the initial allegation made in 2005. Given that the assessment subject to allegation was partially relieved (80%) and, that the remaining amount was paid on May of 2013, on April 7, 2014, the Company filed a challenge to such assessment, same which was resolved on September 12, 2014, whereby the assessment lodged by the Ministry of Finance and Public Credit was completely annulled.

UNITED STATES

Ana G. Gracias v. Gruma Corporation. – On or about June 26, 2013, plaintiff, a former employee of Gruma Corporation in California, filed a putative class action against Gruma Corporation before the Superior Court of the State of California (Los Angeles County) seeking damages for certain wage and hour claims under California law, including civil penalties pursuant to the California Private Attorney General Act. The court has entered a stay while Gruma Corporation appeals a denial of a motion to compel arbitration. Briefing is expected to be filed during March 2015. Gruma Corporation intends to vigorously defend against this action. We expect a mediation to be scheduled early in 2015. It is the opinion of Gruma Corporation that the outcome of this proceeding will not have a material adverse effect on Gruma Corporation's financial position, results of operations, or cash flows.

Ramiro Torres v. Gruma Corporation. – On or about December 19, 2014, plaintiff, a former employee of Gruma Corporation in California, filed a putative class action against Gruma Corporation before the Superior Court of the State of California (Fresno County) seeking civil penalties pursuant to the California Private Attorney General Act. We will seek for this matter to be removed to the United States District Court Eastern District of California and proceed to compel arbitration. Gruma Corporation intends to vigorously defend against this action. We expect a mediation to be scheduled early in 2015. It is the opinion of Gruma Corporation that the outcome of this proceeding will not have a material adverse effect on Gruma Corporation's financial position, results of operations, or cash flows.

Finally, Gruma Corporation and its subsidiaries are involved in various pending litigations filed in the normal course of business. It is the opinion of Gruma Corporation that the outcome of these proceedings will not have a material adverse effect on the financial position, results of operation, or cash flows of the Company.

VENEZUELA

Expropriation Proceedings by the Venezuelan Government.- On May 12, 2010, the Bolivarian Republic of Venezuela (the "Republic") published in the Official Gazette of Venezuela decree number 7,394 (the "Expropriation Decree"), dated April 27, 2010 which announced the forced acquisition of all assets, property and real estate of MONACA. The Republic has expressed to GRUMA's representatives that the Expropriation Decree extends to DEMASECA.

GRUMA's interests in MONACA and DEMASECA are held through two Spanish companies: Valores Mundiales, S.L. ("Valores Mundiales") and Consorcio Andino, S.L. ("Consorcio Andino"). In 2010, Valores Mundiales and Consorcio Andino (collectively, the "Investors") commenced discussions with the Republic regarding the Expropriation Decree and related measures affecting MONACA and DEMASECA. Through Valores Mundiales and Consorcio Andino, GRUMA participated in these discussions which have explored the possibility of (i) entering into a joint venture with the Venezuelan government; and/or (ii) obtaining adequate compensation for the assets subject to expropriation. As of this date, these discussions have not resulted in an agreement with the Republic.

The Republic and the Kingdom of Spain are parties to a Treaty on Reciprocal Promotion and Protection of Investments, dated November 2, 1995 (the "Investment Treaty"), under which the Investors may settle investment disputes by means of arbitration before the International Centre for Settlement of Investment Disputes ("ICSID"). On November 9, 2011, the Investors, MONACA and DEMASECA provided formal notice to the Republic that an investment dispute had arisen as a consequence of the Expropriation Decree and related measures adopted by the Republic. In that notification, the Investors, MONACA and DEMASECA also agreed to submit the dispute to ICSID arbitration if the parties were unable to reach an amicable agreement.

In January 2013, the Venezuelan Government issued a resolution (providencia administrativa) granting the "broadest powers of administration" over MONACA and DEMASECA to special managers (administradores especiales) that had been imposed on those companies since 2009 and 2010, respectively (see below).

On May 10, 2013, Valores Mundiales and Consorcio Andino submitted a Request for Arbitration to ICSID, which was registered on June 11, 2013 under case No. ARB/13/11. The purpose of the arbitration is to seek compensation for the damages caused by the Republic's violation of the Investment Treaty.

The tribunal that presides over this arbitration proceeding was constituted in January 2014. Valores Mundiales and Consorcio Andino filed their memorial in July 2014. On September 14, 2014, the Republic filed a motion requesting to bifurcate the proceeding into separate jurisdictional and merits phases. On October 1, 2014 the tribunal rejected the Republic's request. The Republic is expected to file its counter-memorial no later than March 9, 2015.

While discussions with the government may take place from time to time, the Company cannot assure that such discussions will be successful or will result in the Investors receiving adequate compensation, if any, for their investments subject to the Expropriation Decree and related measures. Additionally, the Company cannot predict the results of any arbitral proceeding, or the ramifications that costly and prolonged legal disputes could have on its results of operations or financial position, or the likelihood of collecting a successful arbitration award.

While awaiting resolution of this matter and as required by the IFRS, GRUMA performed impairment tests on the investments in MONACA and DEMASECA to determine a potential recoverable amount, using two valuation techniques: 1) an income approach considering estimated future cash flows as a going concern business, discounted at present value using an appropriate discount rate (weighted average cost of capital) and 2) a market approach, such as the public company market multiple method using implied multiples such as earnings before interest, taxes, depreciation and amortization, and revenues of comparable companies adjusted for liquidity, control and disposal expenses. In both cases, the potential recoverable amounts using the income and market approach were higher than the carrying value of these investments and therefore, no impairment adjustment was deemed necessary.

The historical value of the net investment in MONACA and DEMASECA at January 22, 2013, the date when the Company ceased the consolidation of the financial information of MONACA and DEMASECA, was Ps.2,913,760 and Ps.195,253, respectively. Additionally, at December 31, 2014 and December 31, 2013 certain subsidiaries of GRUMA have accounts receivable with the Venezuelan companies totaling Ps.1,123,904 and Ps.1,137,718, respectively. The Company does not have insurance for the risk of expropriation of its investments.

Intervention Proceedings by the Venezuelan Government.- On December 4, 2009, the Eleventh Investigations Court for Criminal Affairs of Caracas issued an order authorizing the precautionary seizure of assets in which Ricardo Fernández Barrueco had any interest. Purportedly due to Ricardo Fernández Barrueco's former indirect non-controlling interest in MONACA and DEMASECA, these subsidiaries were subject to the precautionary measure. Between 2009 and 2012, the Ministry of Finance of Venezuela, pursuant to the precautionary measure ordered by the court, designated several special managers of the indirect minority shareholding that Ricardo Fernández Barrueco previously owned in MONACA and designated several special managers of DEMASECA. On January 22, 2013, the Ministry of Justice and Internal Relations revoked the prior designations made by the Ministry of Finance of Venezuela and made a new designation of individuals as special managers and representatives on behalf of the Republic of MONACA and DEMASECA, granting those managers the "broadest powers of administration" over both companies.

As a result of the foregoing, MONACA and DEMASECA, as well as Consorcio Andino and Valores Mundiales, as direct shareholders of the Venezuelan subsidiaries, filed a petition as aggrieved third-parties to the proceedings against Ricardo Fernández Barrueco challenging the precautionary measures and all related actions. On November 19, 2010, the Eleventh Investigations Court for Criminal Affairs of Caracas ruled that MONACA and DEMASECA are companies wholly owned and controlled by Valores Mundiales and Consorcio Andino, respectively. In spite of this ruling, the court kept the precautionary measures issued on December 4, 2009 in effect. An appeal has been filed, which is pending resolution as of this date.

The People's Defense Institute for the Access of Goods and Services of Venezuela ("INDEPABIS")[1] issued an order, authorizing the temporary occupation and operation of MONACA for a period of 90 calendar days from December 16, 2009, which was renewed for 90 days on March 16, 2010. The order expired on June 16, 2010 and as of the date hereof MONACA has not been notified of any extension. INDEPABIS has also initiated a regulatory proceeding against MONACA in connection with the alleged failure to comply with regulations governing precooked corn flour and for allegedly refusing to sell this product as a result of the December 4, 2009 precautionary asset seizure described above. MONACA filed an appeal against these proceedings which has not been resolved as of the date hereof.

Additionally, INDEPABIS initiated an investigation of DEMASECA and issued an order authorizing the temporary occupation and operation of DEMASECA for a period of 90 calendar days from May 25, 2010, which was extended until November 21, 2010. INDEPABIS issued a new precautionary measure of occupation and temporary operation of DEMASECA, valid for the duration of this investigation. DEMASECA has challenged these measures but as of the date hereof, no resolution has been issued. The proceedings are still ongoing.

The Company intends to exhaust all legal remedies available in order to safeguard and protect the Company's legitimate interests.

Finally, the Company and its subsidiaries are involved in various pending litigations filed in the normal course of business. It is the opinion of the Company that the outcome of these proceedings will not have a material adverse effect on the financial position, results of operation, or cash flows of the Company.

29. TRANSACTIONS WITH NON-CONTROLLING INTEREST

A) ACQUISITION OF NON-CONTROLLING INTEREST FROM ARCHER DANIELS MIDLAND

On December 14, 2012, GRUMA acquired from ADM its investment owned directly and indirectly in GRUMA and certain of its subsidiaries, consisting of:

a. 23.16% of the issued shares of GRUMA, through the acquisition of 18.81% of the issued shares of GRUMA and 45% of the issued shares of Valores Azteca, a company that owns 9.66% of the issued shares of GRUMA. The acquisition was carried out against GRUMA's shareholders equity, using funds reserved for the purchase of own shares authorized by GRUMA's General Ordinary Shareholders' Meeting;

b. 3% of the capital stock of Valores Mundiales, S.L. and Consorcio Andino, S.L., holding companies of GRUMA's subsidiaries in Venezuela, Molinos Nacionales, C.A. ("MONACA") and Derivados de Maíz Seleccionado, C.A. ("DEMASECA"), respectively;

c. 40% of the shares of Molinera de México; and

d. 20% of the shares of Azteca Milling (subsidiary of Gruma Corporation), through the acquisition of 100% of the shares of Valley Holding Inc., which has no assets or liabilities other than the investment in shares of Azteca Milling.

At December 31, 2014 and 2013, Other long-term liabilities included Ps.823,960 and Ps.671,069, respectively, corresponding to a contingent payment from the agreement for the acquisition of the non-controlling interest from ADM in December 2012. This liability corresponds to a contingent payment of up to U.S.$60 million, proportionally distributed between GRUMA's and Valores Azteca's shares that are part of the equity interests, payable only if during the following 42 months after closing the transaction, certain conditions are met in connection with (i) GRUMA's stock market price increase over the closing price of GRUMA's stock determined for purposes of the transaction (the "Closing Price"), at the end of the 42 months' period; (ii) the difference between GRUMA's stock price established for public offers made by GRUMA and the Closing Price; (iii) the acquisition, by a strategic investor, of 15% or more of GRUMA's capital stock; or (iv) the reduction of the percentage of GRUMA's shares that are considered to be held by the public at any time, starting from 26%.

[1] By means of the "Decreto-Ley contentivo de la Ley Orgánica de Precios Justos" published on the Official Gazette of Venezuela Nº 40.340 dated January 23, 2014, INDEPABIS was absorbed by the "Superintendencia Nacional para la Defensa de los Derechos Socioeconómicos" (SUNDDE).

The Company has recognized a liability solely regarding the scenario (i) as mentioned in the previous paragraph, in connection to GRUMA's stock market price increase, over GRUMA's stock Closing Price determined for purposes of the purchase of the Equity Interests, at the end of the 42 months' period. As of December 31, 2014 and 2013, the Company did not consider as probable scenarios (ii), (iii) and (iv) for the contingent payment abovementioned, so there was no contingent payment obligation recorded in connection with these cases.

The contingent payment liability was registered at fair value, which was determined using projected future cash flows discounted to present value and the discount rate used is the average rate of return of any corporate bonds issued by companies comparable to GRUMA. The Monte Carlo simulation model was used to estimate the future shares price, which includes the expected return and the weighted volatility of historical prices of GRUMA's stock over a period of 42 months. The significant data used to determine the fair value of the contingent payment liability as of December 31, 2014 and 2013 is presented in Note 20-D.

Subsequent changes in the fair value of the contingent payment liability are recognized in the income statement. For the years ended December 31, 2014 and 2013, the effect in income was Ps.152,891 and Ps.64,574, respectively, and were recognized as "Comprehensive financing cost, net".

30. RELATED PARTIES

Related party transactions were carried out at market value.

A) SALES OF GOODS AND SERVICES

	For the years ended December 31,					
	2014		2013		2012	
Sales of goods:						
Associate	Ps.	39,156	Ps.	50,821	Ps.	49,783
Sale of services:						
Entities that have significant influence over the Company		-		18,203		34,106
Associate		-		-		1,294
	Ps.	39,156	Ps.	69,024	Ps.	85,183

B) PURCHASES OF GOODS AND SERVICES

	For the years ended December 31,					
	2014		2013		2012	
Purchases of goods:						
Entities that have significant influence over the Company	Ps.	-	Ps.	-	Ps.	2,350,350
Associate		-		-		931
Purchases of services:						
Associate		32,413		35,719		33,385
Other related parties		-		18,379		114,422
	Ps.	32,413	Ps.	54,098	Ps.	2,499,088

Other transactions with related parties are identified in Note 29.

C) KEY MANAGEMENT PERSONNEL COMPENSATION

Key management includes Board members, alternate Board members, officers and members of the Audit Committee and Corporate Practice Committee. The compensation paid to key management for employee services is shown below:

	2014		2013		2012	
Salaries and other short-term employee benefits	Ps.	145,739	Ps.	132,371	Ps.	179,492
Termination benefits		25,322		66,561		33,527
Total	Ps.	171,061	Ps.	198,932	Ps.	213,019

At December 31, 2014, 2013 and 2012, the reserve for deferred compensation amounted to Ps.36,648, Ps.34,800 and Ps.62,300, respectively.

D) BALANCES WITH RELATED PARTIES

At December 31, 2014 the Company had no balances with related parties. At December 31, 2013, the balances with related parties were as follows:

	Nature of the transaction	At December 31, 2013	
Receivables from related parties:			
Associate	Commercial and services	Ps.	592
Other related parties			2,352
		Ps.	2,944

31. FINANCIAL STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new IFRS, which will become effective after the issuance of the Company's financial statements, are explained below. This list includes those IFRS standards which the Company reasonably expects to apply in the future. The Company has the intention of adopting these new IFRS on the date they become effective.

A) NEW STANDARDS

a. IFRS 15, "Revenue from contracts with customers"

IFRS 15, "Revenue from contracts with customers", issued in May 2014, deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus, has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18, "Revenue", and IAS 11, "Construction contracts", and related interpretations. The standard is effective for annual periods beginning on or after January 1, 2017 and earlier adoption is permitted.

b. IFRS 9, "Financial instruments"

IFRS 9, "Financial instruments", addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through profit and loss. A new expected credit losses model replaces the incurred loss impairment model used in IAS 39. IFRS relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. The standard is effective for accounting periods beginning on or after January 1, 2018. Early adoption is permitted.

The Company is assessing the potential impact on its financial statements resulting from the application of these new standards.

B) AMENDMENTS

a. IAS 16, "Property, plant and equipment" and IAS 38, "Intangible assets"

In May 2014 the IASB amended IAS 16 and IAS 38 to establish that the determination of the useful life of an asset requires the consideration that the expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technical or commercial obsolescence of the asset might reflect a reduction of the future economic benefits of the asset. Additionally, the amendment includes that a depreciation or amortization method that is based on revenue that is generated by an activity that includes the use of an asset may not be appropriate. These amendments to IAS 16 and IAS 38 are effective for annual periods beginning on or after January 1, 2016.

b. IFRS 10, "Consolidated financial statements" and IAS 28, "Investments in associates and joint ventures" - Sale or contribution of assets between an investor and its associate or joint venture

In September 2014 the IASB amended IFRS 10 and IAS 28 to establish the guidelines for the sale or contribution of assets between an investor and its associate or joint venture. The amendment helps clarify a current inconsistency between IFRS 10 and IAS 28. The amendment address that the accounting treatment will depend if the non-monetary assets that are sold or contributed to an associate or joint venture constitute a "business". Additionally, it states that a total gain or loss will be recognized by the investor when the non-monetary assets involve a business. If the assets do not comply with the definition of business, then a partial gain or loss is recognized by the investor up to the interest of the other investors. The amendment to IFRS 10 and IAS 28 is effective for annual periods beginning on or after January 1, 2016.

The Company's management expects that the adoption of the amendments explained above will not have significant effects in its financial statements.

32. SUBSEQUENT EVENTS

On February 10, 2015, the Exchange Agreement No. 33 published in the Official Gazette of Venezuela, established as of February 12, 2015 the elimination of the foreign exchange rate SICAD 2 and the creation of a new foreign exchange rate mechanism called SIMADI (Foreign Exchange Marginal System).

According to the decree, the foreign exchange rate will be the one freely agreed by the parties involved in transactions of purchase and sale of dollars in the market. The Central Bank of Venezuela will publish daily on its website the reference foreign exchange rate, corresponding to the weighted average exchange rate of the operations for each day in the markets of: a) trading transactions in local currency of foreign currencies, and b) trading transactions in local currency of foreign currency securities. The SIMADI foreign exchange rate published at the date in which the consolidated financial statements were authorized, was 171.03 Venezuelan bolivars per U.S. dollar.

GRI Index

	Disclosure		Location of disclosure	Direct response, another source or reason omsión
1. STRATEGY AND ANALYSIS				
1.1	Statement from the most senior decisionmaker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy	C	6-9	
1.2	Description of key impacts, risks, and opportunities	C	6-9	
2. ORGANIZATIONAL PROFILE				
2.1	Name of the organization	C	4-5	
2.2	Primary brands, products, and/or services	C	4-5	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	C	4-5	
2.4	Location of organization's headquarters	C	Inside back cover	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	C	4-5	
2.6	Nature of ownership and legal form	C	4-5	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/ beneficiaries)	C	4-5	
2.8	Scale of the reporting organization	C	4-5	
2.9	Significant changes during the reporting period regarding size, structure, or ownership	C	41-44	
2.10	Awards received in the reporting period	C	web page	http://www.gruma.com/somos-gruma/premios-y-reconocimientos.aspx?sec=1051
3. REPORT PARAMETERS				
Report Profile				
3.1	Reporting period (e.g., fiscal/calendar year) for information provided	C	Inside front cover	
3.2	Date of most recent previous report (if any)	C	Inside front cover	
3.3	Reporting cycle (annual, biennial, etc.)	C	Inside front cover	
3.4	Contact point for questions regarding the report or its contents	C	Inside back cover	
Report Scope and Boundary				
3.5	Process for defining report content	C	Inside front cover	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)	C	Inside front cover	
3.7	State any specific limitations on the scope or boundary of the report	C	Inside front cover	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations	C	Inside front cover	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report	C	Inside front cover	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/ acquisitions, change of base years/periods, nature of business, measurement methods)	C	Inside front cover	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	C	Inside front cover	

	Disclosure		Location of disclosure	Direct response, another source or reason omsión
GRI Content Index				
3.12	Table identifying the location of the StandardDisclosures in the report.	C	124-128	
Assurance				
3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	INA		
4. GOVERNANCE, COMMITMENTS, AND ENGAGEMENT				
Governance				
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	C	34-36	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	C	34-36	
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	C	34-36	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	C	web page	http://www.gruma.com/inversionistas/inversionistas-gruma/contacto-para-inversionistas.aspx
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organization's performance	C	34-36	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	C	34-36	
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity	C	34-36	
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	C	10-11	http://www.gruma.com/inversionistas/inversionistas-gruma/gobierno-corporativo/estatutos-sociales-y-código-de-ética.aspx
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	C	web page	http://www.gruma.com/inversionistas/inversionistas-gruma/gobierno-corporativo/estatutos-sociales-y-código-de-ética.aspx
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	C	web page	http://www.gruma.com/inversionistas/inversionistas-gruma/gobierno-corporativo/estatutos-sociales-y-código-de-ética.aspx
Commitments to External Initiatives				
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	C	12	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	C	22-33	
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization	C	33	

	Disclosure		Location of disclosure	Direct response, another source or reason omsión
Stakeholder Engagement				
4.14	List of stakeholder groups engaged by the organization	C	13	
4.15	Basis for identification and selection of stakeholders with whom to engage	C	13	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	C	13	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	C	13	
ECONOMIC PERFORMANCE INDICATORS				
Aspect: Economic Performance				
EC1	Direct economic value generated and distributed	C	3	
EC3	Coverage of the organization's defined benefit plan obligations	C	22-33	
EC4	Significant financial assistance received from government	C		GRUMA does not receive government aid
Aspect: Market Presence				
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	C	28-29	
Aspect: Indirect Economic Impacts				
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, inkind, or pro bono engagement	C	22-33	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	C	22-33	
ENVIRONMENTAL PERFORMANCE INDICATORS				
Aspect: Materials				
EN2	Percentage of materials used that are recycled input materials	P	32	
Aspect: Energy				
EN5	Energy saved due to conservation and efficiency improvements	P	32	
Aspect: Water				
EN8	Total water withdrawal by source	P	32	
EN10	Percentage and total volume of water recycled and reused	P	32	
Aspect: Biodiversity				
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	NA		GRUMA operations are not carried out in protected flora and fauna conservations areas
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	NA		GRUMA operations are not carried out in protected flora and fauna conservations areas

	Disclosure		Location of disclosure	Direct response, another source or reason omsión
Aspect: Emissions, Effluents, and Waste				
EN21	Total water discharge by quality and destination	P	32	
EN22	Total weight of waste by type and disposal method	P	32	
EN23	Total number and volume of significant spills	NA		GRUMA's operations do not represent a risk of leaks
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	NA		GRUMA's operations do not produce hazardous residues
Aspect : Compliance				
EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations	C		No fines or sanctions were reported in 2014
LABOR PRACTICES AND DECENT WORK PERFORMANCE INDICATORS				
Aspect: Employment				
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	C	22-23	
LA3	Total number and rate of new employee hires and employee turnover by age group, gender, and region	C	24	
Aspect: Labor/Management Relations				
LA4	Percentage of employees covered by collective bargaining agreements	C	23	
Aspect: Occupational Health and Safety				
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	C	25-31	
Aspect: Training and Education				
LA10	Average hours of training per year per employee by gender, and by employee category	C	25	
Aspect: Diversity and Equal Opportunity				
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	C	34-36	
HUMAN RIGHTS PERFORMANCE INDICATORS				
Aspect: Freedom of Association and Collective Bargaining				
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	C		At GRUMA the right to free association is respected
Aspect: Child Labor				
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	NA		GRUMA does not hire minors
Aspect: Forced and Compulsory Labor				
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	NA		GRUMA operates under collective bargaining contracts

	Disclosure		Location of disclosure	Direct response, another source or reason omsión
SOCIETY PERFORMANCE INDICATORS				
Aspect: Local Communities				
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	P	28-31	
FP4	Nature, scope and effectiveness of any programs and practices (in-kind contributions, volunteer initiatives, knowledge transfer, partnerships and product development) that promote healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need	P	28-31	
Aspect : Public Policy				
SO5	Public policy positions and participation in public policy development and lobbying	C	33	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	NA		GRUMA does not make donations to political parties
Aspect: Compliance				
SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations	C		No fines or sanctions were reported in 2013
PRODUCT RESPONSIBILITY PERFORMANCE INDICATORS				
Aspect: Customer Health and Safety				
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	C	web page	http://www.gruma.com/media/180388/informesustgruma2010.pdf
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	C		No incidents were reported in 2014
Aspect : Product and Service Labeling				
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	C		All GRUMA products present the information required by applicable norms
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	C		No breaches of compliance were reported in 2014
Aspect: Comunicación de marketing				
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	C		No incidents were reported in 2014
Aspect : Customer Privacy				
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	C		No incidents were reported in 2014
Aspect: Compliance				
PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services	C		No incidents were reported in 2014

C = Complete P = Partial NA = Does not apply INA = Information not available

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United States: New York Stock Exchange (NYSE)
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Ticker Symbols
BMV: GRUMAB
NYSE: GMK*
* each American Depositary Receipt
represents four ordinary shares

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