Quarterly Financial Information

[105000] Management commentary

Management commentary [text block]

HIGHLIGHTS

On a consolidated basis **sales volume** rose 3% resulting from a 20% surge at Gruma Europe and 5% at Gruma USA.

Net sales increased 8% mostly in connection with a 6% rise at Gruma USA, the Mexican peso ("MSN" or "peso") weakness effect versus the U.S. dollar ("USD" or "dollar"), a 4% increase at GIMSA, and 10% at Gruma Europe. Sales from non-Mexican operations represented 74% of consolidated figures.

Consolidated **EBITDA** rose 9%, and EBITDA margin improved to 16.5% from 16.4% due to the adoption of International Financial Reporting Standard 16 ("IFRS 16"), effective January 2019. In 3Q19, the benefit to EBITDA from the adoption of IFRS 16 was Ps.237 million on a consolidated basis. EBITDA from non-Mexican operations represented 75% of consolidated figures.

Majority net income grew 2% to Ps.1,304 million due primarily to lower taxes.

GRUMA's **debt** declined US$72 million during the quarter to US$1.38 billion, including US$217 million from the adoption of IFRS 16, representing an annualized **net debt/EBITDA** ratio of 1.8x.

Consolidated Financial Highlights
(Ps. millions)

	3Q19	3Q18	Var
Sales volume (thousand metric tons)	1,056	1,027	3%
Net sales	20,053	18,488	8%
Operating income	2,474	2,436	2%
Operating margin	12.3%	13.2%	(90) bp
EBITDA	3,299	3,023	9%
EBITDA margin	16.5%	16.4%	10 bp
Majority net income	1,304	1,275	2%

Disclosure of nature of business [text block]

Since 1949, GRUMA, S.A.B. de C.V., is one of the world's leading tortilla and corn flour producers. With leading brands in most of its markets, GRUMA has operations in the United States, Mexico, Central America, Europe, Asia and Oceania.

Disclosure of management's objectives and its strategies for meeting those objectives [text block]

Our strategy is to focus on our core business—corn flour and tortilla—as well as to expand our product portfolio towards the flatbreads category in general. We will continue taking advantage of the increasing popularity of Mexican food and, more importantly, tortillas, in the U.S., European, Asian and Oceanian markets. We will also continue taking advantage of the adoption of tortillas by the consumers of several regions of the world for the preparation of different recipes other than Mexican food. Our strategy includes the following key elements:

Expand in the Tortilla Market in the United States: We believe that the size and growth of the tortilla market in this country still offer us significant opportunities for expansion, mainly in the retail channel, looking to continuously innovate our products with emphasis on healthy alternatives based on the preferences of our customers.

Enter and Expand in the Tortilla, Flatbread Markets and Flavored Corn Chips in Europe, Asia and Oceania: We believe that markets in other continents such as Europe, Asia and Oceania offer us significant opportunities. We believe our current operations will enable us to better serve our customers in those regions, with fresher products and respond more quickly to their needs.
Gradually Enter the Flat Bread and Flavored Corn Chips Markets in the United States and Mexico.

Maintain MISSION® and GUERRERO® Tortilla Brands as the First and Second National Brands in the United States and Position our Mission Brand in Other Regions of the World: We intend to achieve this by increasing our efforts at building brand name recognition, and by expanding and having presence in more supermarket chains.

Encourage Transition from the Traditional Cooked-Corn Method to the Corn Flour Method as Well as New Uses for Corn Flour: GRUMA introduced the corn flour method for the production of tortilla and other corn-based products to the market. We believe that there is still much growth potential and that the transition from the Traditional Method to the corn flour method of making tortillas and other corn-based products, is the primary opportunity for increased corn flour sales, particularly in Mexico. We continue working in expanding the use of corn flour in the manufacture of different types of products.

Invest in our Core Business and Focus on Optimizing Operational Matters: We intend to focus our capital expenditure program on our core business to enable us to meet future demand, consolidate our leading position in the industry and continue generating returns to the shareholders above our cost of capital.

Disclosure of entity's most significant resources, risks and relationships [text block]

Our financial condition and results of operations may be influenced by some of the following factors:

- level of demand for tortillas and corn flour;
- increase or decrease in the Hispanic population in the United States;
- increases in Mexican food consumption by the non-Hispanic population in the United States; and use of tortillas in non-Mexican cuisine in the United States, Europe, Asia and Oceania;
- costs and availability of corn and wheat flour;
- costs of energy and other related products;
- acquisitions, plant expansions and divestitures;
- effects of government initiatives and policies;
- effects from variations of interest rates and exchange rates;
- volatility in corn and wheat prices and energetics costs;
- competition from tortilla manufacturers, especially in the United States;
- competition in the corn flour business; and
- general economic conditions in the countries where we operate and worldwide.

Disclosure of results of operations and prospects [text block]

GRUMA REPORTS THIRD QUARTER 2019 RESULTS

HIGHLIGHTS

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Net sales increased 8% mostly in connection with a 6% rise at Gruma USA, the Mexican peso ("MSN" or "peso") weakness effect versus the U.S. dollar ("USD" or "dollar"), a 4% increase at GIMSA, and 10% at Gruma Europe. Sales from non-Mexican operations represented 74% of consolidated figures.

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CONSOLIDATED RESULTS OF OPERATIONS

3Q19 versus 3Q18

Sales volume increased 3% to 1,056 thousand metric tons, primarily reflecting a 20% surge at Gruma Europe and 5% at Gruma USA.

Net sales rose 8% to Ps.20,053 million driven primarily by (1) volume growth and higher average prices at Gruma USA; (2) Mexican peso weakness; (3) price increases at GIMSA; and (4) volume growth at Gruma Europe. Net sales benefitted by Ps.483 million from the Mexican peso weakness versus the U.S. dollar, principally on figures for Gruma USA and Gruma Europe.

Cost of sales as a percentage of net sales rose to 62.9% from 62.2% driven by Other Subsidiaries, mainly resulting from less activity at the Technology division in line with GRUMA's lower capital expenditures program. In absolute terms, cost of sales increased 10% to Ps.12,607 million, mostly in connection with (1) volume growth and rising costs for several inputs at Gruma USA; (2) the negative impact of peso weakness of Ps.296 million, representing 27% of the consolidated increase; (3) rising costs for several inputs and services at GIMSA; and (4) volume growth at Gruma Europe.

Selling, general and administrative expenses ("SG&A") as a percentage of net sales expanded to 24.7% from 24.6%, resulting primarily from higher freight expenses at GIMSA and information technology projects at Gruma USA. In absolute terms, SG&A rose 9% to Ps.4,951 million due to (1) the aforementioned factors; (2)higher distribution expenses at Gruma USA in connection with volume growth and better prices; and (3) the negative impact of peso weakness of Ps.129 million, representing 32% of the consolidated increase.

Other expense, net, rose Ps.13 million to Ps.22 million.

Operating income grew 2% to Ps.2,474 million. Operating margin declined to 12.3% from 13.2%.

EBITDA rose 9% to Ps.3,299 million, and EBITDA margin improved to 16.5% from 16.4%, driven by the benefit of Ps.237 million from the adoption of IFRS 16.

Net comprehensive financing cost was Ps.490 million, an increase of Ps.58 million, primarily in connection with higher interest expenses, which were partially offset by foreign exchange gains. Interest expenses rose by a combination of factors, especially (1) a higher proportion of peso denominated debt; (2) Ps.52 million from the adoption of IFRS 16; and (3) higher average debt.

Income taxes were Ps.679 million, 7% less than in 3Q18 due mainly to a lower effective tax rate. The effective tax rate declined to 34.2% from 36.3% basically due to reductions in (1) foreign exchange losses related to intercompany loans from foreign subsidiaries; and (2) non-deductible expenses.

Majority net income increased 2% to Ps.1,304 million driven primarily by lower taxes.

SUBSIDIARY RESULTS OF OPERATIONS

3Q19 versus 3Q18

Gruma USA

Sales volume rose 5% to 371 thousand metric tons.

Corn flour sales volume surged 8% driven by (1) successful promotions at large restaurant chains; (2) more frequent promotions and more in-store displays, and for longer periods of time, at the retail channel; (3) gain of customers based on superior service and product quality; and (4) growth at small Mexican food restaurants and small tortilla companies supplied by foodservice distributors and club formats.

The **tortilla** business grew 2% driven by (1) carb balance and gluten-free tortillas in particular as consumers favor healthier alternatives, and because there were increased points of distribution supported with incremental displays in fresh areas of the grocery stores; (2) super soft wheat flour tortillas resulting from increased consumption of flour tortillas in general, supported with more frequent promotions and incremental displays; and (3) large restaurant chains benefiting from digital sales, delivery initiatives, and organic expansion and growth.

Net sales increased 6% to Ps.11,111 million driven by volume growth and higher average prices, especially at the retail tortilla business, mostly because of the sales mix favoring higher-priced SKUs, in particular carb-balance, gluten-free, super soft wheat flour, street tacos flour and corn and medium count corn. Also, food service contributed to the improvement due to increased sales of healthier SKUs to restaurant chains and price increases implemented in early 2019. The sales volume mix favoring corn flour partially offset the benefit from higher average prices at the tortilla business.

Cost of sales as a percentage of net sales improved to 57.8% from 58.2%. The better sales mix at the tortilla business and lower wheat flour costs more than offset (1) cost pressures arising primarily from labor and electricity; (2) higher depreciation reflecting primarily the new Dallas plant and other projects to increase production capacity; and (3) the negative impact from the sales volume mix favoring corn flour, which generates lower gross margins than tortillas. In absolute terms, cost of sales rose 5% to Ps.6,417 million, due mainly to (1) sales volume growth; (2) the aforementioned cost pressures and higher depreciation; and (3) the change in the sales mix favoring healthier alternatives, which have higher material costs.

SG&A as a percentage of net sales rose to 28.2% from 27.9% due mainly to expenses related to information technology projects. In absolute terms, SG&A increased 7% due to the aforementioned expenses and, more importantly, from distribution expenses in connection with sales volume growth and higher average prices.

Operating income rose 7% to Ps.1,561 million, and operating margin improved to 14.1% from 13.8%.

EBITDA surged 14% to Ps.2,087 million. EBITDA margin improved 150 basis points to 18.8% from 17.3%.The adoption of IFRS 16 represented a benefit of Ps.177 million.

GIMSA

Sales volume declined 1% to 515 thousand metric tons resulting mostly from lower sales to wholesalers, which was partially offset by higher sales to major snack producers, export sales to Gruma USA, and sales to tortilla makers. Sales volume has continued to grow sequentially, showing a 2% increase versus 2Q19.

Net sales grew 4% to Ps.5,427 million primarily in connection with price increases effective at the end of January 2019. Also, average prices benefited from the change in the sales mix toward bulk presentations.

Cost of sales as a percentage of net sales improved to 70.6% from 72.4% driven by (1) a better sales mix; and (2) price increases implemented to offset rising costs, especially for corn procurement (as rail transportation was used more than trucking) and, to a lesser extent, corn and additives. In absolute terms, cost of sales rose 2% to Ps.3,831 million in connection with the aforementioned cost pressures.

SG&A as a percentage of net sales increased to 17.3% from 16.1% due mainly to higher freight expenses resulting from higher tariffs and higher intercompany shipments to face demand in some regions, especially when considering rising exports from the Mexicali plant. In absolute terms, SG&A climbed 11% to Ps.937 million driven by the aforementioned factors.

Operating income rose 6% to Ps.635 million, and operating margin improved to 11.7% from 11.5%.

EBITDA increased 6% to Ps.882 million. EBITDA margin improved to 16.3% from 16%. The adoption of IFRS 16 represented a benefit of Ps.11 million.

Gruma Europe

Sales volume surged 20% to 110 thousand metric tons. In the **corn milling** business, sales volume soared 23%, resulting mostly from (1) extraordinary sales of corn; (2) inventory build-up by some customers in the United Kingdom in anticipation of potential disruptions from BREXIT outcomes; and (3) growth in Asia from existing snack customers as well as new customers. The **tortilla** business rose 11% driven by (1) new retail customers, especially in the United Kingdom; (2) increased supply to global restaurant chains in some countries, the Netherlands and Russia in particular; (3) increased adoption of tortillas for Middle Eastern cuisine dishes at local restaurants, especially in Spain, Germany and France; and (4) the launch of the Mission brand in several countries in Europe, Northern Africa and the Middle East, coupled with branded new product introductions in some countries.

Net sales increased 10% to Ps.1,532 million resulting from sales volume growth. Average prices declined mostly from (1) exchange rate fluctuations, in particular, the U.S. dollar strengthening versus the British pound and the euro; and, to a lesser extent, (2) sales mix favoring the corn milling business.

Cost of sales as a percentage of net sales improved to 75.5% from 76.2% primarily in connection with (1) better absorption; lower costs for raw materials and packaging; and (3) savings arising from packaging automation initiatives at tortilla plants. In absolute terms, cost of sales rose 9% to Ps.1,157 million in connection with sales volume growth, which were partially offset by exchange rate fluctuations.

SG&A as a percentage of net sales increased to 19.3% from 19.1% driven by higher marketing expenses at the tortilla business in connection with the launch of the brand in several countries. In absolute terms, SG&A rose 11% to Ps.296 million resulting primarily from sales volume growth, which was partially offset by exchange rate fluctuations.

Operating income rose 17% to Ps.79 million, and operating margin improved to 5.2% from 4.8%.

EBITDA increased 12% to Ps.144 million, and EBITDA margin rose to 9.4% from 9.2%. The adoption of IFRS 16 represented a benefit of Ps.3 million.

Gruma Centroamérica

Sales volume declined 2% to 54 thousand metric tons due mainly to (1) sales of corn made last year; (2) lower corn flour sales to the United Nations World Food Programme; and (3) lower sales of rice as large retailers favored private-label brands.

Net sales increased 5% to Ps.1,189 million driven mostly by (1) better sales mix favoring branded corn flour sales; (2) lower allowances in the rice business and corn flour in Honduras; and, more importantly, (3) positive impacts from exchange rate fluctuations when figures are expressed in peso terms. Central American currencies were relatively stable against the U.S. dollar, while the Mexican peso weakened.

Cost of sales as a percentage of net sales improved to 64.1% from 64.7% driven mostly by (1) the change in sales mix favoring branded corn flour; (2) reduced allowances at the rice business and corn flour in Honduras; and (3) lower maintenance and labor costs. In absolute terms, cost of sales rose 4% to Ps.762 million mainly in connection with the aforementioned exchange rate fluctuations.

SG&A as a percentage of net sales rose to 28.4% from 26.6% due mainly to (1) higher marketing expenses; and (2) provisions for doubtful accounts. In absolute terms, SG&A increased 13% to Ps.338 million principally resulting from (1) exchange rate fluctuations when figures are measured in peso terms; and (2) the aforementioned increases.

Operating income fell 10% to Ps.89 million, and operating margin declined 130 basis points to 7.5%.

EBITDA decreased 1% to Ps.133 million, and EBITDA margin contracted 80 basis points to 11.2%. The benefit from the adoption of IFRS 16 was Ps.6 million.

Other Subsidiaries and Eliminations

Operating income declined Ps.166 million to Ps.118 million due to (1) less activity at the Technology division in line with the company's reduced capital expenditure program; (2) reductions at Gruma Asia-Oceania resulting from higher raw material costs, and higher marketing and freight expenses; (3) losses at the Mexican tortilla business in connection with the start-up of the plant in Central Mexico and expanded sales coverage. EBITDA was Ps.55 million, Ps.133 million less than last year.

CONFERENCE CALL

The third quarter conference call will be held on Thursday, October 24, 2019 at 11:30 am Eastern Time (10:30 am Central/ Mexico City Time). To access the call, please dial: domestic US +1 (877) 407 0784, international +1 (201) 689 8560.

ACCOUNTING PROCEDURES

The consolidated figures have been prepared in accordance with the International Financial Reporting Standards (IFRS). Results for foreign subsidiaries are translated into Mexican pesos applying the historical exchange rate. Nevertheless, under the section "Subsidiary Results of Operations" and the table "Financial Highlights by Subsidiary" of this report, figures for Gruma USA and Gruma Europe were translated into Mexican pesos using a convenience translation at the exchange rate of Ps.19.6363/dollar as of September 30, 2019. The differences between the use of convenience translation and the historical exchange rate are recorded under the line "Convenience Translation Effect" of the same table.

ABOUT GRUMA

Since 1949, GRUMA, S.A.B. de C.V., is one of the world's leading tortilla and corn flour producers. With leading brands in most of its markets, GRUMA has operations in the United States, Mexico, Central America, Europe, Asia and Oceania. GRUMA is headquartered in San Pedro Garza García, Mexico, and has approximately 20,700 employees and 74 plants. In 2018, GRUMA had net sales of US$3.9 billion, of which 73% came from non-Mexican operations. For further information, please visit www.gruma.com.

This report may contain certain forward-looking statements and information relating to GRUMA, S.A.B. de C.V., and its subsidiaries (collectively, "GRUMA") that are based on the beliefs of its management as well as assumptions made by and information then available to GRUMA. Such statements reflect the views of GRUMA with respect to future events and are subject to certain risks, uncertainties, and assumptions. Many factors could cause the actual results, performance, or achievements of GRUMA to be materially different from historical results or any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. Such factors include, among others, changes in economic, political, social, governmental, business, or other factors globally or in Mexico, the United States, Latin America, or any other countries in which GRUMA does business, and world corn and wheat prices. If one or more of these risks or uncertainties materializes, or underlying assumptions are proven incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected, or targeted. GRUMA does not intend, and undertakes no obligation, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Financial position, liquidity and capital resources [text block]

FINANCIAL POSITION

September 2019 versus June 2019

Balance Sheet Highlights

Total assets rose 1% to Ps.68,514 million principally from higher (1) trade accounts receivable driven by peso weakness, volume growth, and better pricing at Gruma USA; and (2) accounts receivable in connection with value-added taxes to recover in Mexico.

Total liabilities declined 1% to Ps.42,638 million mostly from lower debt.

Shareholders' equity increased 3% to Ps.25,876 million.

Debt Profile

GRUMA's debt was US$1.2 billion, US$67 million less than as of June 2019. Approximately 57% of GRUMA's debt was USD denominated. When considering the adoption of IFRS 16, debt increases by US$217 million to US$1.38 billion.

Debt [(1)]

(USD millions)

Sep'19	Sep'18	Var vs Sep'18		Jun'19	Var vs Jun'19	
		($)	(%)		($)	(%)
1,163	1,110	52	5	1,230	(67)	(5)%

Debt Maturity Profile [(1)]

(USD millions)

	Rate	2019	2020	2021	2022	2023	2024	2025	TOTAL
Senior Notes 2024 (USD)	Fixed 4.875%						400.0		400.0
Rabobank Syndicated Term Loan (USD $150)	LIBOR + 1%	11.3	22.5	26.3	82.5				142.5
Scotiabank Revolving Facility (USD $120)	LIBOR + 0.75%				120.0				120.0
Cebures 2023 (MXN $3,000)	Fixed 8.52%					152.8			152.8
Club Loan (MXN $2,000)	TIIE + 0.55%			101.9					101.9
Other:									
MXN	8.33%	277.6							227.6
USD	2.99%	5.0							5.0
EUR	1.54%	1.3	3.6	2.3	2.0	1.9	1.9		12.8
TOTAL	**5.91% (avg.)**	**245.2**	**26.1**	**130.4**	**204.5**	**154.6**	**401.9**	**0.0**	**1,162.6**

(1)The US$217 million related to leases are not included on the above debt figures.

CAPITAL EXPENDITURE PROGRAM

GRUMA's capital expenditures totaled US$17 million in 3Q19 allocated to capacity expansions, primarily at the Dallas plant, for wheat flour tortillas and corn chips; Tijuana, in Northwestern Mexico, for tostadas; and Malaysia, for wheat flour tortillas and pizza crusts. Capital expenditures were also allocated to maintenance and general technology upgrades.

GRUMA, S.A.B. DE C.V., AND SUBSIDIARIES
FINANCIAL HIGHLIGHTS
(MILLIONS OF MEXICAN PESOS)

	QUARTERS			YTD SEPTEMBER		
INCOME STATEMENT SUMMARY	3Q19	3Q18	VAR (%)	2019	2018	VAR (%)
NET SALES	20,053	18,488	8	57,946	54,962	5
COST OF SALES	12,607	11,497	10	36,438	34,297	6
GROSS PROFIT	7,447	6,991	7	21,508	20,665	4
GROSS MARGIN (%)	37.1%	37.8%		37.1%	37.6%	
SELLING AND ADMINISTRATIVE EXPENSES	4,951	4,546		14,489	13,516	
OTHER EXPENSE (INCOME) , NET	22	9		134	48	
OPERATING INCOME	2,474	2,436	2	6,885	7,100	(3)
OPERATING MARGIN (%)	12.3%	13.2%		11.9%	12.9%	
NET COMPREHENSIVE FINANCING COST	490	432		1,390	1,052	
INTEREST EXPENSE	502	348		1,461	918	
INTEREST INCOME	(24)	(24)		(78)	(58)	
(GAIN) LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS	(25)	44		10	54	
FOREIGN EXCHANGE LOSS (GAIN)	37	64		(3)	137	
INCOME TAXES	679	729		1,882	2,183	
NET INCOME	1,304	1,275	2	3,602	3,866	(7)
MAJORITY NET INCOME	1,304	1,275	2	3,601	3,865	(7)
EARNINGS PER SHARE[1]	3.14	2.98	6	8.68	9.02	(4)
DEPRECIATION AND AMORTIZATION	825	576		2,396	1,688	
IMPAIRMENT OF LONG LIVED ASSETS	0	12		66	24	
EBITDA[2]	3,299	3,023	9	9,348	8,812	6
EBITDA MARGIN (%)	16.5%	16.4%		16.1%	16.0%	
CAPITAL EXPENDITURES (MILLION US$)	17	40		67	128	

BALANCE SHEET SUMMARY	Sep-19	Sep 18	VAR (%)	Jun 19	VAR (%)
CASH AND CASH EQUIVALENTS	4,594	3,747	23	4,829	(5)
TRADE ACCOUNTS RECEIVABLE	8,213	7,224	14	7,928	4
OTHER ACCOUNTS RECEIVABLE	3,174	2,722	17	2,930	8
INVENTORIES	11,384	11,594	(2)	11,472	(1)
CURRENT ASSETS	28,100	25,959	8	27,794	1
PROPERTY, PLANT, AND EQUIPMENT, NET	33,805	28,797	17	33,753	0
TOTAL ASSETS	68,514	61,003	12	68,093	1
SHORT-TERM DEBT	5,739	2,421	137	6,725	(15)
CURRENT LIABILITIES	18,379	14,181	30	19,182	(4)
LONG-TERM DEBT	21,270	18,379	16	21,011	1
TOTAL LIABILITIES	42,638	35,422	20	43,032	(1)
MAJORITY SHAREHOLDERS' EQUITY	25,888	25,593	1	25,072	3
SHAREHOLDERS' EQUITY	25,876	25,581	1	25,060	3
CURRENT ASSETS/CURRENT LIABILITIES	1.53	1.83		1.45	
TOTAL LIABILITIES/SHAREHOLDERS' EQUITY	1.65	1.38		1.72	
DEBT/EBITDA[3]	2.20	1.76		2.31	
EBITDA/INTERES EXPENSE[3]	6.49	10.11		6.91	
BOOK VALUE PER SHARE[1]	62.38	59.73		60.03	

[1] On the basis of 415'005,791 shares as of September 30, 2019, 428'490,992 shares as of September 30, 2018, and 417'662,059 shares as of June 30, 2019.

[2] EBITDA = operating income + depreciation, amortization and impairment of long lived assets +(-) other expenses (income) unrelated to core business operations.

[3] Last twelve months.

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

FINANCIAL HIGHLIGHTS BY SUBSIDIARY

(MILLIONS OF MEXICAN PESOS)

		QUARTERS						YTD SEPTEMBER					
		3Q19	%	3Q18	%	VAR ($)	VAR (%)	2019	%	2018	%	VAR ($)	VAR (%)
GRUMA USA[1]	SALES VOLUME[2]	371		354		16	5	1,079		1,045		34	3
Corn flour, tortillas, and other	NET SALES	11,111		10,512		599	6	32,415		31,044		1,371	4
	COST OF SALES	6,417	57.8	6,117	58.2	300	5	18,691	57.7	17,881	57.6	810	5
	GROSS PROFIT	4,694	42.2	4,395	41.8	299	7	13,724	42.3	13,163	42.4	561	4
	SG&A	3,134	28.2	2,938	27.9	196	7	9,242	28.5	8,718	28.1	524	6
	OPERATING INCOME	1,561	14.1	1,453	13.8	108	7	4,485	13.8	4,439	14.3	46	1
	EBITDA	2,087	18.8	1,823	17.3	264	14	6,023	18.6	5,492	17.7	531	10
GIMSA	SALES VOLUME	515		520		(4)	(1)	1,509		1,533		(24)	(2)
Corn flour and other	NET SALES	5,427		5,204		223	4	15,934		15,125		809	5
	COST OF SALES	3,831	70.6	3,769	72.4	62	2	11,317	71.0	10,916	72.2	401	4
	GROSS PROFIT	1,596	29.4	1,435	27.6	161	11	4,617	29.0	4,209	27.8	408	10
	SG&A	937	17.3	840	16.1	96	11	2,692	16.9	2,442	16.1	250	10
	OPERATING INCOME	635	11.7	600	11.5	36	6	1,855	11.6	1,747	11.5	108	6
	EBITDA	882	16.3	831	16.0	51	6	2,592	16.3	2,431	16.1	161	7
GRUMA EUROPE[1]	SALES VOLUME[2]	110		92		18	20	290		259		32	12
Corn flour, tortillas, and other	NET SALES	1,532		1,399		133	10	4,345		4,220		125	3
	COST OF SALES	1,157	75.5	1,066	76.2	91	9	3,299	75.9	3,220	76.3	79	2
	GROSS PROFIT	375	24.5	333	23.8	42	13	1,047	24.1	1,000	23.7	46	5
	SG&A	296	19.3	267	19.1	29	11	873	20.1	834	19.8	38	5
	OPERATING INCOME	79	5.2	67	4.8	11	17	177	4.1	171	4.0	7	4
	EBITDA	144	9.4	128	9.2	15	12	366	8.4	355	8.4	11	3
GRUMA CENTROAMÉRICA	SALES VOLUME	54		55		(1)	(2)	159		154		6	4
Corn flour and other	NET SALES	1,189		1,127		62	5	3,444		3,335		109	3
	COST OF SALES	762	64.1	729	64.7	33	4	2,270	65.9	2,160	64.8	110	5
	GROSS PROFIT	427	35.9	398	35.3	29	7	1,175	34.1	1,176	35.2	(1)	(0)
	SG&A	338	28.4	300	26.6	38	13	913	26.5	909	27.2	5	1
	OPERATING INCOME	89	7.5	100	8.8	(10)	(10)	261	7.6	269	8.1	(8)	(3)
	EBITDA	133	11.2	135	12.0	(2)	(1)	389	11.3	375	11.3	14	4
OTHER SUBSIDIARIES & ELIMINATIONS	SALES VOLUME	6		6		(0)	(6)	23		37		(13)	(37)
	NET SALES	812		747		65	9	2,427		2,464		(37)	(2)
	COST OF SALES	443	54.6	115	15.4	328	285	1,206	49.7	821	33.3	385	47
	GROSS PROFIT	370	45.6	632	84.6	(262)	(41)	1,221	50.3	1,644	66.7	(423)	(26)
	SG&A	252	31.0	336	45.0	(84)	(25)	943	38.9	947	38.4	(4)	(0)
	OPERATING INCOME	118	14.5	284	38.0	(166)	(58)	209	8.6	669	27.2	(460)	(69)
	EBITDA	55	6.8	188	25.2	(133)	(71)	82	3.4	361	14.7	(279)	(77)
CONVENIENCE TRANSLATION EFFECT[3]	NET SALES	(18)		(501)		483	96	(620)		(1,227)		607	49
	COST OF SALES	(3)		(299)		296	99	(346)		(700)		355	51
	GROSS PROFIT	(15)		(203)		187	92	(275)		(527)		253	48
	SG&A	(6)		(135)		129	96	(174)		(334)		160	48
	OPERATING INCOME	(10)		(68)		58	86	(101)		(194)		92	48
	EBITDA	(2)		(82)		80	98	(105)		(202)		97	48
CONSOLIDATED	SALES VOLUME	1,056		1,027		29	3	3,061		3,027		34	1
	NET SALES	20,053		18,488		1,566	8	57,946		54,962		2,984	5
	COST OF SALES	12,607	62.9	11,497	62.2	1,110	10	36,438	62.9	34,297	62.4	2,141	6
	GROSS PROFIT	7,447	37.1	6,991	37.8	456	7	21,508	37.1	20,665	37.6	844	4
	SG&A	4,951	24.7	4,546	24.6	405	9	14,489	25.0	13,516	24.6	973	7
	OTHER EXP. (INC.), NET	22		9		13	139	134		48		86	179
	OPERATING INCOME	2,474	12.3	2,436	13.2	38	2	6,885	11.9	7,100	12.9	(215)	(3)
	EBITDA	3,299	16.5	3,023	16.4	276	9	9,348	16.1	8,812	16.0	535	6

[1] Convenience translation at the exchange rate of Ps19.6363/dollar as of September 30, 2019. For further details see "Accounting Procedures".

[2] All sales volume figures are expressed in thousand metric tons.

[3] The difference between the use of convenience translation and the historical exchange rate is recorded under "Convenience Translation Effect".

Internal control [text block]

We carried out an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer, Chief Financial Officer and Chief Administrative Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon our evaluation, our Chief Executive Officer, Chief Financial Officer and Chief Administrative Officer concluded that our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms, and that it is accumulated and communicated to our management, including our Chief Executive Officer, Chief Financial Officer and Chief Administrative Officer, as appropriate to allow timely decisions regarding required disclosure.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision and with the participation of our management, including our Board of Directors, Chief Executive Officer, Chief Financial Officer, Chief Administrative Officer and other personnel, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control—Integrated Framework (v.2013) by the Committee of Sponsoring Organizations of the Treadway Commission.

Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS as issued by IASB. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Based on our evaluation under the framework in Internal Control—Integrated Framework (v.2013), our management concluded that our internal control over financial reporting was effective.

There has been no change in our internal control over financial reporting that has materially affected, or is reasonably likely that could materially affect, our internal control over financial reporting.

Disclosure of critical performance measures and indicators that management uses to evaluate entity's performance against stated objectives [text block]

Management evaluates operating and financial indicators to measure improvement or deterioration of the company's performance; the main operating indicators include profitability as a percentage of sales and those demonstrating profitability of investment such as EBITDA, ROIC, ROE and ROA; liquidity, leverage and hedging ratios are also assessed.

[110000] General information about financial statements

Ticker:	GRUMA
Period covered by financial statements:	2019-01-01 al 2019-09-30
Date of end of reporting period:	2019-09-30
Name of reporting entity or other means of identification:	GRUMA, S.A.B. de C.V.
Description of presentation currency:	MXN
Level of rounding used in financial statements:	MILES DE PESOS
Consolidated:	Yes
Number of quarter:	3
Type of issuer:	ICS
Explanation of change in name of reporting entity or other means of identification from end of preceding reporting period:	
Description of nature of financial statements:	

Disclosure of general information about financial statements [text block]

Follow-up of analysis [text block]

IN ACCORDANCE WITH THE RULES OF PROCEDURE OF THE MEXICAN STOCK EXCHANGE, ARTICLE 4.033.01 SECTION VIII, WE INFORM YOU THAT ACTINVER, BANK OF AMERICA MERRILL LYNCH, BARCLAYS, BBVA, BTG PACTUAL, CITI, GBM, GOLDMAN SACHS, HSBC, INTERCAM, INVEX, J.P. MORGAN, MONEX, MORGAN STANLEY, NAU SECURITIES, SANTANDER, SCOTIABANK, UBS AND VECTOR, AMONG OTHER, GIVE ANALYSIS COVERAGE OF THE COMPANY'S SECURITIES.

[210000] Statement of financial position, current/non-current

Concept	Close Current Quarter 2019-09-30	Close Previous Exercise 2018-12-31
Statement of financial position [abstract]		
Assets [abstract]		
Current assets [abstract]		
Cash and cash equivalents	4,594,097,000	3,435,722,000
Trade and other current receivables	11,295,935,000	9,925,847,000
Current tax assets, current	641,807,000	517,809,000
Other current financial assets	184,184,000	66,049,000
Current inventories	11,384,451,000	11,115,967,000
Current biological assets	0	0
Other current non-financial assets	0	0
Total current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners	28,100,474,000	25,061,394,000
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	0	0
Total current assets	28,100,474,000	25,061,394,000
Non-current assets [abstract]		
Trade and other non-current receivables	220,563,000	198,838,000
Current tax assets, non-current	10,611,000	11,585,000
Non-current inventories	0	0
Non-current biological assets	0	0
Other non-current financial assets	0	0
Investments accounted for using equity method	0	0
Investments in subsidiaries, joint ventures and associates	0	0
Property, plant and equipment	29,639,848,000	30,154,660,000
Investment property	0	0
Right-of-use assets that do not meet definition of investment property	4,165,473,000	0
Goodwill	3,597,342,000	3,670,715,000
Intangible assets other than goodwill	652,639,000	647,794,000
Deferred tax assets	2,068,510,000	2,034,423,000
Other non-current non-financial assets	58,294,000	53,294,000
Total non-current assets	40,413,280,000	36,771,309,000
Total assets	68,513,754,000	61,832,703,000
Equity and liabilities [abstract]		
Liabilities [abstract]		
Current liabilities [abstract]		
Trade and other current payables	11,703,892,000	10,661,675,000
Current tax liabilities, current	383,739,000	411,337,000
Other current financial liabilities	5,532,061,000	4,550,794,000
Current lease liabilities	635,762,000	0
Other current non-financial liabilities	0	0
Current provisions [abstract]		
Current provisions for employee benefits	0	0
Other current provisions	123,591,000	148,271,000
Total current provisions	123,591,000	148,271,000
Total current liabilities other than liabilities included in disposal groups classified as held for sale	18,379,045,000	15,772,077,000
Liabilities included in disposal groups classified as held for sale	0	0
Total current liabilities	18,379,045,000	15,772,077,000
Non-current liabilities [abstract]		
Trade and other non-current payables	79,432,000	92,890,000
Current tax liabilities, non-current	0	0

Concept	Close Current Quarter 2019-09-30	Close Previous Exercise 2018-12-31
Other non-current financial liabilities	17,821,394,000	17,164,392,000
Non-current lease liabilities	3,628,095,000	0
Other non-current non-financial liabilities	0	0
Non-current provisions [abstract]		
Non-current provisions for employee benefits	821,161,000	814,752,000
Other non-current provisions	519,920,000	491,566,000
Total non-current provisions	1,341,081,000	1,306,318,000
Deferred tax liabilities	1,388,748,000	1,395,571,000
Total non-current liabilities	24,258,750,000	19,959,171,000
Total liabilities	42,637,795,000	35,731,248,000
Equity [abstract]		
Issued capital	5,143,681,000	5,248,104,000
Share premium	0	0
Treasury shares	0	0
Retained earnings	19,959,332,000	19,640,139,000
Other reserves	784,785,000	1,224,803,000
Total equity attributable to owners of parent	25,887,798,000	26,113,046,000
Non-controlling interests	(11,839,000)	(11,591,000)
Total equity	25,875,959,000	26,101,455,000
Total equity and liabilities	68,513,754,000	61,832,703,000

[310000] Statement of comprehensive income, profit or loss, by function of expense

Concept	Accumulated Current Year 2019-01-01 - 2019-09-30	Accumulated Previous Year 2018-01-01 - 2018-09-30	Quarter Current Year 2019-07-01 - 2019-09-30	Quarter Previous Year 2018-07-01 - 2018-09-30
Profit or loss [abstract]				
Profit (loss) [abstract]				
Revenue	57,945,853,000	54,961,552,000	20,053,329,000	18,487,638,000
Cost of sales	36,437,512,000	34,296,925,000	12,606,828,000	11,497,046,000
Gross profit	21,508,341,000	20,664,627,000	7,446,501,000	6,990,592,000
Distribution costs	11,434,084,000	10,715,904,000	3,946,726,000	3,578,328,000
Administrative expenses	3,054,748,000	2,800,276,000	1,004,159,000	967,352,000
Other income	0	0	0	0
Other expense	134,285,000	48,046,000	21,787,000	9,113,000
Profit (loss) from operating activities	6,885,224,000	7,100,401,000	2,473,829,000	2,435,799,000
Finance income	80,693,000	57,523,000	48,766,000	24,206,000
Finance costs	1,471,113,000	1,109,048,000	538,943,000	456,331,000
Share of profit (loss) of associates and joint ventures accounted for using equity method	0	0	0	0
Profit (loss) before tax	5,494,804,000	6,048,876,000	1,983,652,000	2,003,674,000
Tax income (expense)	1,882,419,000	2,182,955,000	678,554,000	728,504,000
Profit (loss) from continuing operations	3,612,385,000	3,865,921,000	1,305,098,000	1,275,170,000
Profit (loss) from discontinued operations	(10,507,000)	0	(1,045,000)	0
Profit (loss)	3,601,878,000	3,865,921,000	1,304,053,000	1,275,170,000
Profit (loss), attributable to [abstract]				
Profit (loss), attributable to owners of parent	3,600,568,000	3,865,140,000	1,303,869,000	1,274,945,000
Profit (loss), attributable to non-controlling interests	1,310,000	781,000	184,000	225,000
Earnings per share [text block]				
Earnings per share [abstract]				
Earnings per share [line items]				
Basic earnings per share [abstract]				
Basic earnings (loss) per share from continuing operations	8.64	8.99	3.12	2.97
Basic earnings (loss) per share from discontinued operations	(0.03)	0	0	0
Total basic earnings (loss) per share	8.61	8.99	3.12	2.97
Diluted earnings per share [abstract]				
Diluted earnings (loss) per share from continuing operations	8.64	8.99	3.12	2.97
Diluted earnings (loss) per share from discontinued operations	(0.03)	0	0	0
Total diluted earnings (loss) per share	8.61	8.99	3.12	2.97

[410000] Statement of comprehensive income, OCI components presented net of tax

Concept	Accumulated Current Year 2019-01-01 - 2019-09-30	Accumulated Previous Year 2018-01-01 - 2018-09-30	Quarter Current Year 2019-07-01 - 2019-09-30	Quarter Previous Year 2018-07-01 - 2018-09-30
Statement of comprehensive income [abstract]				
Profit (loss)	3,601,878,000	3,865,921,000	1,304,053,000	1,275,170,000
Other comprehensive income [abstract]				
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax [abstract]				
Other comprehensive income, net of tax, gains (losses) from investments in equity instruments	0	0	0	0
Other comprehensive income, net of tax, gains (losses) on revaluation	0	0	0	0
Other comprehensive income, net of tax, gains (losses) on remeasurements of defined benefit plans	0	0	0	0
Other comprehensive income, net of tax, change in fair value of financial liability attributable to change in credit risk of liability	0	0	0	0
Other comprehensive income, net of tax, gains (losses) on hedging instruments that hedge investments in equity instruments	0	0	0	0
Share of other comprehensive income of associates and joint ventures accounted for using equity method that will not be reclassified to profit or loss, net of tax	0	0	0	0
Total other comprehensive income that will not be reclassified to profit or loss, net of tax	0	0	0	0
Components of other comprehensive income that will be reclassified to profit or loss, net of tax [abstract]				
Exchange differences on translation [abstract]				
Gains (losses) on exchange differences on translation, net of tax	0	0	0	0
Reclassification adjustments on exchange differences on translation, net of tax	0	0	0	0
Other comprehensive income, net of tax, exchange differences on translation	0	0	0	0
Available-for-sale financial assets [abstract]				
Gains (losses) on remeasuring available-for-sale financial assets, net of tax	0	0	0	0
Reclassification adjustments on available-for-sale financial assets, net of tax	0	0	0	0
Other comprehensive income, net of tax, available-for-sale financial assets	0	0	0	0
Cash flow hedges [abstract]				
Gains (losses) on cash flow hedges, net of tax	(281,834,000)	(128,901,000)	(434,223,000)	(284,689,000)
Reclassification adjustments on cash flow hedges, net of tax	0	0	0	0
Amounts removed from equity and included in carrying amount of non-financial asset (liability) whose acquisition or incurrence was hedged highly probable forecast transaction, net of tax	0	0	0	0
Other comprehensive income, net of tax, cash flow hedges	(281,834,000)	(128,901,000)	(434,223,000)	(284,689,000)
Hedges of net investment in foreign operations [abstract]				
Gains (losses) on hedges of net investments in foreign operations, net of tax	(159,742,000)	(1,350,898,000)	25,584,000	(1,988,295,000)
Reclassification adjustments on hedges of net investments in foreign operations, net of tax	0	0	0	0
Other comprehensive income, net of tax, hedges of net investments in foreign operations	(159,742,000)	(1,350,898,000)	25,584,000	(1,988,295,000)
Change in value of time value of options [abstract]				
Gains (losses) on change in value of time value of options, net of tax	0	0	0	0
Reclassification adjustments on change in value of time value of options, net of tax	0	0	0	0
Other comprehensive income, net of tax, change in value of time value of options	0	0	0	0
Change in value of forward elements of forward contracts [abstract]				
Gains (losses) on change in value of forward elements of forward contracts, net of tax	0	0	0	0
Reclassification adjustments on change in value of forward elements of forward contracts, net of tax	0	0	0	0
Other comprehensive income, net of tax, change in value of forward elements of forward contracts	0	0	0	0

Concept	Accumulated Current Year 2019-01-01 - 2019-09-30	Accumulated Previous Year 2018-01-01 - 2018-09-30	Quarter Current Year 2019-07-01 - 2019-09-30	Quarter Previous Year 2018-07-01 - 2018-09-30
Change in value of foreign currency basis spreads [abstract]				
Gains (losses) on change in value of foreign currency basis spreads, net of tax	0	0	0	0
Reclassification adjustments on change in value of foreign currency basis spreads, net of tax	0	0	0	0
Other comprehensive income, net of tax, change in value of foreign currency basis spreads	0	0	0	0
Financial assets measured at fair value through other comprehensive income [abstract]				
Gains (losses) on financial assets measured at fair value through other comprehensive income, net of tax	0	0	0	0
Reclassification adjustments on financial assets measured at fair value through other comprehensive income, net of tax	0	0	0	0
Amounts removed from equity and adjusted against fair value of financial assets on reclassification out of fair value through other comprehensive income measurement category, net of tax	0	0	0	0
Other comprehensive income, net of tax, financial assets measured at fair value through other comprehensive income	0	0	0	0
Share of other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss, net of tax	(12,799,000)	(4,553,000)	(12,562,000)	(7,027,000)
Total other comprehensive income that will be reclassified to profit or loss, net of tax	(454,375,000)	(1,484,352,000)	(421,201,000)	(2,280,011,000)
Total other comprehensive income	(454,375,000)	(1,484,352,000)	(421,201,000)	(2,280,011,000)
Total comprehensive income	3,147,503,000	2,381,569,000	882,852,000	(1,004,841,000)
Comprehensive income attributable to [abstract]				
Comprehensive income, attributable to owners of parent	3,147,751,000	2,387,519,000	1,911,360,000	282,102,000
Comprehensive income, attributable to non-controlling interests	(248,000)	(5,950,000)	(1,028,508,000)	(1,286,943,000)

[520000] Statement of cash flows, indirect method

Concept	Accumulated Current Year 2019-01-01 - 2019-09-30	Accumulated Previous Year 2018-01-01 - 2018-09-30
Statement of cash flows [abstract]		
Cash flows from (used in) operating activities [abstract]		
Profit (loss)	3,601,878,000	3,865,921,000
Adjustments to reconcile profit (loss) [abstract]		
+ Discontinued operations	10,507,000	0
+ Adjustments for income tax expense	1,882,419,000	2,182,955,000
+ (-) Adjustments for finance costs	0	0
+ Adjustments for depreciation and amortisation expense	2,396,203,000	1,687,959,000
+ Adjustments for impairment loss (reversal of impairment loss) recognised in profit or loss	66,259,000	23,875,000
+ Adjustments for provisions	0	0
+ (-) Adjustments for unrealised foreign exchange losses (gains)	(2,094,000)	137,458,000
+ Adjustments for share-based payments	0	0
+ (-) Adjustments for fair value losses (gains)	52,042,000	48,552,000
- Adjustments for undistributed profits of associates	0	0
+ (-) Adjustments for losses (gains) on disposal of non-current assets	(12,711,000)	(8,974,000)
	0	0
+ (-) Adjustments for decrease (increase) in inventories	(545,165,000)	(1,073,243,000)
+ (-) Adjustments for decrease (increase) in trade accounts receivable	(652,535,000)	(832,861,000)
+ (-) Adjustments for decrease (increase) in other operating receivables	(953,740,000)	(208,706,000)
+ (-) Adjustments for increase (decrease) in trade accounts payable	814,941,000	13,988,000
+ (-) Adjustments for increase (decrease) in other operating payables	74,458,000	(171,652,000)
+ Other adjustments for non-cash items	0	0
+ Other adjustments for which cash effects are investing or financing cash flow	0	0
+ Straight-line rent adjustment	0	0
+ Amortization of lease fees	0	0
+ Setting property values	0	0
+ (-) Other adjustments to reconcile profit (loss)	(2,097,589,000)	(1,859,762,000)
+ (-) Total adjustments to reconcile profit (loss)	1,032,995,000	(60,411,000)
Net cash flows from (used in) operations	4,634,873,000	3,805,510,000
- Dividends paid	0	0
	0	0
- Interest paid	(1,361,017,000)	(906,298,000)
+ Interest received	(58,711,000)	(36,726,000)
+ (-) Income taxes refund (paid)	0	0
+ (-) Other inflows (outflows) of cash	0	0
Net cash flows from (used in) operating activities	5,937,179,000	4,675,082,000
Cash flows from (used in) investing activities [abstract]		
+ Cash flows from losing control of subsidiaries or other businesses	0	0
- Cash flows used in obtaining control of subsidiaries or other businesses	0	0
+ Other cash receipts from sales of equity or debt instruments of other entities	0	0
- Other cash payments to acquire equity or debt instruments of other entities	0	0
+ Other cash receipts from sales of interests in joint ventures	0	0
- Other cash payments to acquire interests in joint ventures	0	0
+ Proceeds from sales of property, plant and equipment	60,390,000	68,102,000
- Purchase of property, plant and equipment	1,282,092,000	2,434,814,000
+ Proceeds from sales of intangible assets	0	0
- Purchase of intangible assets	50,256,000	149,708,000
+ Proceeds from sales of other long-term assets	0	0
- Purchase of other long-term assets	0	0

Concept	Accumulated Current Year 2019-01-01 - 2019-09-30	Accumulated Previous Year 2018-01-01 - 2018-09-30
+ Proceeds from government grants	0	0
- Cash advances and loans made to other parties	0	0
+ Cash receipts from repayment of advances and loans made to other parties	0	0
- Cash payments for futures contracts, forward contracts, option contracts and swap contracts	0	0
+ Cash receipts from futures contracts, forward contracts, option contracts and swap contracts	0	0
+ Dividends received	0	0
- Interest paid	0	0
+ Interest received	58,711,000	36,726,000
	0	0
+ (-) Other inflows (outflows) of cash	(21,290,000)	5,286,000
Net cash flows from (used in) investing activities	(1,234,537,000)	(2,474,408,000)
Cash flows from (used in) financing activities [abstract]		
+ Proceeds from changes in ownership interests in subsidiaries that do not result in loss of control	0	0
- Payments from changes in ownership interests in subsidiaries that do not result in loss of control	0	0
+ Proceeds from issuing shares	0	0
+ Proceeds from issuing other equity instruments	0	0
- Payments to acquire or redeem entity's shares	1,628,590,000	926,525,000
- Payments of other equity instruments	0	0
+ Proceeds from borrowings	35,001,705,000	23,120,463,000
- Repayments of borrowings	33,561,522,000	21,606,874,000
- Payments of finance lease liabilities	0	0
- Payments of lease liabilities	665,041,000	0
+ Proceeds from government grants	0	0
- Dividends paid	1,389,676,000	1,386,959,000
- Interest paid	1,285,065,000	880,697,000
+ (-) Income taxes refund (paid)	0	0
+ (-) Other inflows (outflows) of cash	(10,484,000)	37,778,000
Net cash flows from (used in) financing activities	(3,538,673,000)	(1,642,814,000)
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	1,163,969,000	557,860,000
Effect of exchange rate changes on cash and cash equivalents [abstract]		
Effect of exchange rate changes on cash and cash equivalents	(5,594,000)	(41,198,000)
Net increase (decrease) in cash and cash equivalents	1,158,375,000	516,662,000
Cash and cash equivalents at beginning of period	3,435,722,000	3,229,980,000
Cash and cash equivalents at end of period	4,594,097,000	3,746,642,000

[610000] Statement of changes in equity - Accumulated Current

	Components of equity [axis]								
Sheet 1 of 3	Issued capital [member]	Share premium [member]	Treasury shares [member]	Retained earnings [member]	Revaluation surplus [member]	Reserve of exchange differences on translation [member]	Reserve of cash flow hedges [member]	Reserve of gains and losses on hedging instruments that hedge investments in equity instruments [member]	Reserve of change in value of time value of options [member]
Statement of changes in equity [line items]									
Equity at beginning of period	5,248,104,000	0	0	19,640,139,000	0	1,181,722,000	43,081,000	0	0
Previously stated [member]	5,248,104,000	0	0	19,640,139,000	0	1,181,722,000	43,081,000	0	0
Increase (decrease) due to changes in accounting policy and corrections of prior period errors [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy required by IFRSs [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to voluntary changes in accounting policy [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to corrections of prior period errors [member]	0	0	0	0	0	0	0	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0	0	3,600,568,000	0	0	0	0	0
Other comprehensive income	0	0	0	(12,799,000)	0	(158,055,000)	(281,963,000)	0	0
Total comprehensive income	0	0	0	3,587,769,000	0	(158,055,000)	(281,963,000)	0	0
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	1,948,871,000	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	181,338,000	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	(104,423,000)	0	0	(1,501,043,000)	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	(104,423,000)	0	0	319,193,000	0	(158,055,000)	(281,963,000)	0	0
Equity at end of period	5,143,681,000	0	0	19,959,332,000	0	1,023,667,000	(238,882,000)	0	0

	Components of equity [axis]								
Sheet 2 of 3	Reserve of change in value of forward elements of forward contracts [member]	Reserve of change in value of foreign currency basis spreads [member]	Reserve of gains and losses on financial assets measured at fair value through other comprehensive income [member]	Reserve of gains and losses on remeasuring available-for-sale financial assets [member]	Reserve of share-based payments [member]	Reserve of remeasurements of defined benefit plans [member]	Amount recognised in other comprehensive income and accumulated in equity relating to non-current assets or disposal groups held for sale [member]	Reserve of gains and losses from investments in equity instruments [member]	Reserve of change in fair value of financial liability attributable to change in credit risk of liability [member]
Statement of changes in equity [line items]									
Equity at beginning of period	0	0	0	0	0	0	0	0	0
Previously stated [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy and corrections of prior period errors [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy required by IFRSs [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to voluntary changes in accounting policy [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to corrections of prior period errors [member]	0	0	0	0	0	0	0	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0	0	0	0	0	0	0	0
Other comprehensive income	0	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	0	0	0	0	0	0	0
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	0	0	0	0	0	0	0
Equity at end of period	0	0	0	0	0	0	0	0	0
	Components of equity [axis]								

Sheet 3 of 3	Reserve for catastrophe [member]	Reserve for equalisation [member]	Reserve of discretionary participation features [member]	Other comprehensive income [member]	Other reserves [member]	Equity attributable to owners of parent [member]	Non-controlling interests [member]	Equity [member]
Statement of changes in equity [line items]								
Equity at beginning of period	0	0	0	0	1,224,803,000	26,113,046,000	(11,591,000)	26,101,455,000
Previously stated [member]	0	0	0	0	1,224,803,000	26,113,046,000	(11,591,000)	26,101,455,000
Increase (decrease) due to changes in accounting policy and corrections of prior period errors [member]	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy [member]	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy required by IFRSs [member]	0	0	0	0	0	0	0	0
Increase (decrease) due to voluntary changes in accounting policy [member]	0	0	0	0	0	0	0	0
Increase (decrease) due to corrections of prior period errors [member]	0	0	0	0	0	0	0	0
Changes in equity [abstract]								
Comprehensive income [abstract]								
Profit (loss)	0	0	0	0	0	3,600,568,000	1,310,000	3,601,878,000
Other comprehensive income	0	0	0	0	(440,018,000)	(452,817,000)	(1,558,000)	(454,375,000)
Total comprehensive income	0	0	0	0	(440,018,000)	3,147,751,000	(248,000)	3,147,503,000
Issue of equity	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	1,948,871,000	0	1,948,871,000
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	181,338,000	0	181,338,000
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	(1,605,466,000)	0	(1,605,466,000)
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	0	0	(440,018,000)	(225,248,000)	(248,000)	(225,496,000)
Equity at end of period	0	0	0	0	784,785,000	25,887,798,000	(11,839,000)	25,875,959,000

[610000] Statement of changes in equity - Accumulated Previous

	Components of equity [axis]								
Sheet 1 of 3	Issued capital [member]	Share premium [member]	Treasury shares [member]	Retained earnings [member]	Revaluation surplus [member]	Reserve of exchange differences on translation [member]	Reserve of cash flow hedges [member]	Reserve of gains and losses on hedging instruments that hedge investments in equity instruments [member]	Reserve of change in value of time value of options [member]
Statement of changes in equity [line items]									
Equity at beginning of period	5,363,595,000	0	0	18,506,958,000	0	1,872,713,000	240,415,000	0	0
Previously stated [member]	5,363,595,000	0	0	18,506,958,000	0	1,872,713,000	240,415,000	0	0
Increase (decrease) due to changes in accounting policy and corrections of prior period errors [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy required by IFRSs [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to voluntary changes in accounting policy [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to corrections of prior period errors [member]	0	0	0	0	0	0	0	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0	0	3,865,140,000	0	0	0	0	0
Other comprehensive income	0	0	0	(4,553,000)	0	(1,344,305,000)	(128,763,000)	0	0
Total comprehensive income	0	0	0	3,860,587,000	0	(1,344,305,000)	(128,763,000)	0	0
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	1,852,166,000	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	(52,775,000)	0	0	(873,750,000)	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	(52,775,000)	0	0	1,134,671,000	0	(1,344,305,000)	(128,763,000)	0	0
Equity at end of period	5,310,820,000	0	0	19,641,629,000	0	528,408,000	111,652,000	0	0

Sheet 2 of 3	Components of equity [axis]								
	Reserve of change in value of forward elements of forward contracts [member]	Reserve of change in value of foreign currency basis spreads [member]	Reserve of gains and losses on financial assets measured at fair value through other comprehensive income [member]	Reserve of gains and losses on remeasuring available-for-sale financial assets [member]	Reserve of share-based payments [member]	Reserve of remeasurements of defined benefit plans [member]	Amount recognised in other comprehensive income and accumulated in equity relating to non-current assets or disposal groups held for sale [member]	Reserve of gains and losses from investments in equity instruments [member]	Reserve of change in fair value of financial liability attributable to change in credit risk of liability [member]
Statement of changes in equity [line items]									
Equity at beginning of period	0	0	0	0	0	0	0	0	0
Previously stated [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy and corrections of prior period errors [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy required by IFRSs [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to voluntary changes in accounting policy [member]	0	0	0	0	0	0	0	0	0
Increase (decrease) due to corrections of prior period errors [member]	0	0	0	0	0	0	0	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0	0	0	0	0	0	0	0
Other comprehensive income	0	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	0	0	0	0	0	0	0
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	0	0	0	0	0	0	0
Equity at end of period	0	0	0	0	0	0	0	0	0
	Components of equity [axis]								

Sheet 3 of 3	Reserve for catastrophe [member]	Reserve for equalisation [member]	Reserve of discretionary participation features [member]	Other comprehensive income [member]	Other reserves [member]	Equity attributable to owners of parent [member]	Non-controlling interests [member]	Equity [member]
Statement of changes in equity [line items]								
Equity at beginning of period	0	0	0	0	2,113,128,000	25,983,681,000	(5,763,000)	25,977,918,000
Previously stated [member]	0	0	0	0	2,113,128,000	25,983,681,000	(5,763,000)	25,977,918,000
Increase (decrease) due to changes in accounting policy and corrections of prior period errors [member]	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy [member]	0	0	0	0	0	0	0	0
Increase (decrease) due to changes in accounting policy required by IFRSs [member]	0	0	0	0	0	0	0	0
Increase (decrease) due to voluntary changes in accounting policy [member]	0	0	0	0	0	0	0	0
Increase (decrease) due to corrections of prior period errors [member]	0	0	0	0	0	0	0	0
Changes in equity [abstract]								
Comprehensive income [abstract]								
Profit (loss)	0	0	0	0	0	3,865,140,000	781,000	3,865,921,000
Other comprehensive income	0	0	0	0	(1,473,068,000)	(1,477,621,000)	(6,731,000)	(1,484,352,000)
Total comprehensive income	0	0	0	0	(1,473,068,000)	2,387,519,000	(5,950,000)	2,381,569,000
Issue of equity	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	1,852,166,000	0	1,852,166,000
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	(926,525,000)	0	(926,525,000)
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	0	0	(1,473,068,000)	(391,172,000)	(5,950,000)	(397,122,000)
Equity at end of period	0	0	0	0	640,060,000	25,592,509,000	(11,713,000)	25,580,796,000

[700000] Informative data about the Statement of financial position

Concept	Close Current Quarter 2019-09-30	Close Previous Exercise 2018-12-31
Informative data of the Statement of Financial Position [abstract]		
Capital stock (nominal)	5,143,681,000	5,248,104,000
Restatement of capital stock	0	0
Plan assets for pensions and seniority premiums	0	0
Number of executives	0	0
Number of employees	7,149	7,015
Number of workers	13,580	13,818
Outstanding shares	415,005,791	423,430,920
Repurchased shares	5,951,702	9,318,159
Restricted cash	0	0
Guaranteed debt of associated companies	0	0

[700002] Informative data about the Income statement

Concept	Accumulated Current Year 2019-01-01 - 2019-09-30	Accumulated Previous Year 2018-01-01 - 2018-09-30	Quarter Current Year 2019-07-01 - 2019-09-30	Quarter Previous Year 2018-07-01 - 2018-09-30
Informative data of the Income Statement [abstract]				
Operating depreciation and amortization	[1] 2,462,462,000	[2] 1,711,834,000	825,344,000	587,484,000

[700003] Informative data - Income statement for 12 months

Concept	Current Year 2018-10-01 - 2019-09-30	Previous Year 2017-10-01 - 2018-09-30
Informative data - Income Statement for 12 months [abstract]		
Revenue	77,021,889,000	73,292,624,000
Profit (loss) from operating activities	9,210,304,000	9,584,131,000
Profit (loss)	4,706,898,000	5,705,923,000
Profit (loss), attributable to owners of parent	4,705,229,000	5,709,898,000
Operating depreciation and amortization	[3] 3,066,413,000	[4] 2,238,211,000

[800001] Breakdown of credits

Institution [axis]	Foreign institution (yes/no)	Contract signing date	Expiration date	Interest rate	Denomination [axis]											
					Domestic currency [member]						Foreign currency [member]					
					Time interval [axis]						Time interval [axis]					
					Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]	Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]
Banks [abstract]																
Foreign trade																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Banks - secured																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Commercial banks																
1. BANCO BLADEX	SI	2019-08-05	2019-11-01	VAR. L + 0.70%							98,182,000					
2. BBVA ESPAÑA	SI	2015-06-30	2020-10-09	FIJO 1.2925%								8,820,000	0	0	0	0
3. REINDUS	SI	2015-06-30	2023-10-01	FIJO 3.950%								2,764,000	2,763,000	2,763,000	2,763,000	0
4. SANTANDER ESPAÑA	SI	2015-06-30	2021-12-15	VAR. EURIBOR+0.65%								5,264,000	5,279,000	1,322,000	0	0
5. BBVA ESPAÑA	SI	2017-07-24	2024-07-21	FIJO 1.53%								36,375,000	36,373,000	36,373,000	36,373,000	36,373,000
6. FINANCIACION BANCO POPULAR	SI	2014-01-01	2020-03-25	FIJO 2.389%							2,021,000	0	0	0	0	0
7. BANCA INTESA SANPAOLO GROUP	SI	2015-12-24	2020-06-30	FIJO 1.190%								38,148,000	0	0	0	0
8. BONO 10Y2024	SI	2014-12-05	2024-12-01	FIJO 4.875%								0	0	0	0	7,815,455,000
9. RABOBANK TERM LOAN DLLS	SI	2017-04-21	2022-04-21	VAR. L+1.00%								441,817,000	441,817,000	1,875,737,000	0	0
10. SCOTIABANK REVOLVENTE	SI	2019-06-26	2020-09-28	VAR. L+0.75%								0	0	2,356,356,000	0	0
11.CEBURE GRUMA18	NO	2018-09-27	2023-09-23	VAR. TIIE + 0.38%	0				2,991,717,000	0						
12. CLUB LOAN PESOS	NO	2018-09-27	2021-09-24	VAR. TIIE + 0.55%	0	0	2,000,000,000	0	0							
13. INBURSA	NO	2019-09-30	2019-10-03	TIIE + 0.13%	1,750,000,000			0								
14. BANAMEX	NO	2019-09-19	2019-10-10	TIIE + 0.10%	1,300,000,000										0	
15. INBURSA	NO	2019-09-17	2019-10-17	TIIE + 0.13%	150,000,000											
16. INBURSA	NO	2019-09-19	2019-10-17	TIIE + 0.13%	1,000,000,000											
17. BANCOMER	NO	2019-09-26	2019-10-24	FIJO 8.25%	270,000,000											
TOTAL					4,470,000,000	0	2,000,000,000	0	2,991,717,000	0	100,203,000	533,188,000	486,232,000	4,272,551,000	39,136,000	7,851,828,000
Other banks																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Total banks																
TOTAL					4,470,000,000	0	2,000,000,000	0	2,991,717,000	0	100,203,000	533,188,000	486,232,000	4,272,551,000	39,136,000	7,851,828,000
Stock market [abstract]																
Listed on stock exchange - unsecured																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Listed on stock exchange - secured																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Private placements - unsecured																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Private placements - secured																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Total listed on stock exchanges and private placements																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Other current and non-current liabilities with cost [abstract]																

Institution [axis]	Foreign institution (yes/no)	Contract signing date	Expiration date	Interest rate	Denomination [axis]											
					Domestic currency [member]						Foreign currency [member]					
					Time interval [axis]						Time interval [axis]					
					Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]	Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]
Other current and non-current liabilities with cost																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Total other current and non-current liabilities with cost																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Suppliers [abstract]																
Suppliers																
VARIOS	NO	2019-01-09	2020-09-30		0	2,556,677,000	0	0	0	0	0	0	0	0	0	0
VARIOS EXT	NO	2019-01-09	2020-09-30		0	0	0	0	0	0	0	4,195,929,000	0	0	0	0
TOTAL					0	2,556,677,000	0	0	0	0	0	4,195,929,000	0	0	0	0
Total suppliers																
TOTAL					0	2,556,677,000	0	0	0	0	0	4,195,929,000	0	0	0	0
Other current and non-current liabilities [abstract]																
Other current and non-current liabilities																
VARIOS CORTO PLAZO	NO				0	177,546,000	0	0	0	0	0	0	0	0	0	0
TOTAL					0	177,546,000	0	0	0	0	0	0	0	0	0	0
Total other current and non-current liabilities																
TOTAL					0	177,546,000	0	0	0	0	0	0	0	0	0	0
Total credits																
TOTAL					4,470,000,000	2,734,223,000	2,000,000,000	0	2,991,717,000	0	100,203,000	4,729,117,000	486,232,000	4,272,551,000	39,136,000	7,851,828,000

[800003] Annex - Monetary foreign currency position

Disclosure of monetary foreign currency position [text block]

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

19.6363	Pesos per U.S. dollar
583.88	Costa Rica colons per U.S. dollar
1.4789	Australian dollars per U.S. dollar
7.0731	Chinese yuans per U.S. dollar
0.8125	Pound sterling per U.S. dollar
0.9904	Swiss franc per U.S. dollar
0.9137	Euro per U.S. dollar
4.1858	Malaysian ringgits per U.S. dollar
24.0630	Ukrainian hryvnias per U.S. dollar
64.4156	Russian rubles per U.S. dollar
5.6591	Turkish liras per U.S. dollar
1.3816	Singapore dollars per U.S. dollar

	Currencies [axis]				
	Dollars [member]	Dollar equivalent in pesos [member]	Other currencies equivalent in dollars [member]	Other currencies equivalent in pesos [member]	Total pesos [member]
Foreign currency position [abstract]					
Monetary assets [abstract]					
Current monetary assets	345,040,000	6,775,309,000	225,336,000	4,424,769,000	11,200,078,000
Non-current monetary assets	859,000	16,868,000	1,284,000	25,221,000	42,089,000
Total monetary assets	345,899,000	6,792,177,000	226,620,000	4,449,990,000	11,242,167,000
Liabilities position [abstract]					
Current liabilities	353,167,000	6,934,893,000	94,901,000	1,863,513,000	8,798,406,000
Non-current liabilities	816,394,000	16,030,958,000	18,068,000	354,782,000	16,385,740,000
Total liabilities	1,169,561,000	22,965,851,000	112,969,000	2,218,295,000	25,184,146,000
Net monetary assets (liabilities)	(823,662,000)	(16,173,674,000)	113,651,000	2,231,695,000	(13,941,979,000)

[800005] Annex - Distribution of income by product

	Income type [axis]			
	National income [member]	Export income [member]	Income of subsidiaries abroad [member]	Total income [member]
MASECA				
HARINA DE MAIZ	15,580,449,000	0	0	15,580,449,000
MASECA, MISSION, GUERRERO				
H. DE MAIZ, TORTILLAS, OTROS	0	0	42,365,404,000	42,365,404,000
TOTAL	15,580,449,000	0	42,365,404,000	57,945,853,000

[800007] Annex - Financial derivate instruments

Management discussion about the policy uses of financial derivate instruments, explaining if these policies are allowed just for coverage or for other uses like trading [text block]

-Derivative financial instruments contracting policies.

Gruma's policies regarding financial instruments establish that the acquisition of any derivative financial instruments agreement must be associated with the hedging of an underlying operation of the company, such as the purchase of inventory or fuel consumption (commodities), interest payment at a determined rate, foreign currency payments at an exchange rate, among others.

Gruma has a Risks Management policy that details the procedure to authorize their contracting.

-General description of the objectives to use derivative financial instruments.

The availability and price of corn and other agricultural commodities are subject to important fluctuations due to factors that are beyond our control, such as the weather, planting seasons, agricultural programs and government policies (both national and foreign), changes in the global supply/demand created by population growth, competitors and global production of similar harvests. The objective of using derivative financial instruments is to reduce the aforementioned risks.

Likewise, in the normal course of business, Gruma enters into transactions in which it could be exposed to risks for changes in the interest rates or for fluctuations of exchange rates. The variations in the exchange rates can result from changes in the economic conditions, tax and monetary policies, volatile conditions, global markets liquidity, international and local political events, among others. In order to minimize these risks Gruma has entered into certain financial instruments.

-Instruments used and hedging, or negotiation strategies implemented.

We hedge a part of our production requirements through futures and options contracts in order to minimize the risk generated by the fluctuations in the price and supply of corn, natural gas and diesel, risk that exists as an ordinary part of our business.

Additionally, Gruma has entered into certain financial instruments such as interest rate swaps and foreign exchange financial instruments (FX).

-Allowed negotiation markets and eligible counterparties.

In order to minimize the counterparty solvency risk, Gruma enters into derivative financial instruments only with major national and international financial institutions using mainly, when applicable depending on the derivative instrument used, the standard International Swaps and Derivatives Association, Inc. ("ISDA") authorized forms and long form confirmation agreements.

-Policies on the appointment of calculation or valuation agents.

Gruma appoints the counterparties as calculation agents who periodically send the account statements of the open positions of the financial instruments

-Policies on margins, collaterals, credit lines, VAR.

The Central Risks Committee of Gruma establishes that the derivative financial transactions may be performed with collaterals or using credit lines for that purpose.

The majority of the executed transactions establish certain obligations on behalf of the Issuer to guarantee, from time to time, the differential between fair value and the credit line (risk margin) established with the respective financial institutions, consequently the timely compliance of those obligations are assured. Additionally, it is made clear that, upon failure to fulfill the obligations of providing collateral, the counterparty will have the right, but not the obligation, to early terminate the transactions in place, and to demand the corresponding consideration pursuant to the agreed terms. In addition, and in order to maintain a risk exposure level within the boundaries authorized by the Central Risks Committee and the Audit Committee, the Corporate Treasury department reports, in a weekly and monthly manner, the information about the Derivative Financial Instruments to such organs, respectively, and quarterly to the Board of Directors.

As of this date, Gruma has margin calls with their counterparty for $452,471 thousand pesos.

-Internal control procedures to manage the exposure to market and liquidity risks.

The Finance Department of each region in which the company has operations, evaluates the changes in the exposure of the derivative financial instruments and periodically informs them to the Corporate Financial & Planning Management, and the latter informs the General Management and the Central Risks Committee when the market conditions have materially changed. The execution of the derivative financial instruments is authorized pursuant to the guidelines set forth in the Risks Management policy of the company..

-Existence of an independent third party who reviews the aforementioned procedures.

The procedures are reviewed in the external audit process performed by PricewaterhouseCoopers, S.C. annually.

-Information regarding the authorization of the use of derivatives and if there is a committee in charge of giving those authorizations and the derivatives risk management.

All derivative financial transactions must be previously authorized by a Divisional Risks Committee and by the Central Risks Committee which is formed by members of the senior management and approved by the Audit Committee and the Board of Directors.

General description about valuation techniques, standing out the instruments valuated at cost or fair value, just like methods and valuation techniques [text block]

-Description of methods, valuation techniques and valuation frequency:

Derivative financial instruments that are not reported as hedging instruments for accounting purposes are initially recorded at fair value, and at the end of each reporting period they are re-measured at their fair value. The result of this valuation is recognized in the income statement. All accounting records comply with applicable regulations and are based on the official financial statements of each Financial Institution.

For derivative financial instruments that qualify as cash flow hedges, the effects of changes in the fair value of such derivative financial instrument are included within the other comprehensive income in equity, based on an evaluation of the hedge effectiveness. Such changes in the fair value are reclassified to income in the period when the firm commitment or projected transaction is realized. Derivative financial instruments that qualify as fair value hedges are initially recorded at fair value and the effects of changes in the fair value 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.

-Clarification concerning if the valuation is performed by an independent third party or if it is an internal valuation and on which cases one or the other valuation is used. If it is performed by a third party, if his arranger, seller or counterparty of the derivative financial instrument is mentioned.

Gruma determines the fair value 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. Regarding purchases of corn, natural gas and diesel futures the market values of the US Chicago and New York futures exchanges are taken as reference, through the specialized Financial Institutions engaged for such purposes. These valuations are made periodically.

-For hedging instruments, explanation of the method used to determine the effectiveness of the same, identifying the current available hedging level of the global position.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

When a hedge is no longer effective as well as when the hedge does not comply with the documentation requirements set forth in the International Financial Reporting Standards the results of the valuation of the financial instruments at their fair value are recognized in the income statement.

As of September 30, 2019, the open positions of financial instruments of corn that qualified as hedges had 100% of effectiveness.

Management discussion about intern and extern sources of liquidity that could be used for attending requirements related to financial derivate instruments [text block]

-Discussion about the internal and external sources of liquidity that could be used to attend the requirements related to derivative financial instruments.

There is potential liquidity requirements under our derivative financial instruments described in Section II below. Gruma plans to use its available cash flow as well as other available liquidity sources to satisfy such liquidity requirements.

Changes and management explanation in principal risk exposures identified, as contingencies and events known by the administration that could affect future reports [text block]

-Description of the changes in the exposure to major identified risks, its management and contingencies that could affect it in future reports.

The availability and price of corn and other agricultural commodities are subject to important fluctuations due to factors that are beyond our control, such as the weather, planting seasons, agricultural programs and government policies (both national and foreign), changes in the global supply/demand created by population growth, competitors and global production of similar harvests. We hedge a part of our production requirements through futures contracts, options and swaps in order to reduce the risk generated by the fluctuations in price and supply of corn, wheat, natural gas and diesel, risks that exist in the normal course of our business.

Gruma carried out forward and options transactions with the intention of hedging the currency risk of the Mexican peso with respect to the U.S. dollar, related with the price of corn purchases for domestic and imported harvest. The variations in the exchange rate can result from changes in the economic conditions, tax and monetary policies, volatile conditions, global markets liquidity, international and local political events, among others.

The company entered into interest rate hedging contracts related to long-term debt, which expires in 2023.

-Disclosure of eventualities, such as changes on the value of the underlying asset, which cause it to differ from the one originally agreed, that modify it, or that the hedging level has changed, pursuant to which the issuer is required to assume new obligations or affect its liquidity.

Gruma carried out forward and options transactions with the intention of hedging the currency risk of the Mexican peso with respect to the U.S. dollar, related with the price of corn purchases for domestic and imported harvest. The fair value of these derivative instruments can decrease or increase in the future before the instruments expire. The variations in the exchange rate can result from changes in the economic conditions, tax and monetary policies, volatile conditions, global markets liquidity, international and local political events, among others.

- Include Influence on results or cash flow of the mentioned derivative transactions:

As of September 30, 2019, the open positions of corn and fuels financial instruments were valued at their fair value. The financial instruments of corn and wheat that qualified as hedges for accounting purposes represented a loss of $164,471 thousand pesos which was applied to other comprehensive income in equity.

The Company entered into hedge contracts for corn purchases, which were designated as fair value hedges and represented a gain of $2,373 thousand pesos. Therefore, the derivative financial instruments, as well as the assets being hedged, are recognized at fair value at the trade date. Changes in the fair value of the derivative financial instruments and the assets being hedged are recognized in income of the year. As of September 30, 2019, the effectiveness of these hedges was 100%.

As of September 30, 2019, open positions of corn financial instruments that did not qualify as hedge accounting represented an unfavorable effect of $2,244 thousand pesos, which was recognized in the income statement.

The open positions of fuels financial instruments that qualify as hedges for accounting purposes represented a loss of $34,743 thousand pesos which was applied to other comprehensive income in equity. The open positions of fuels financial instruments that did not qualify as hedges for accounting purposes represented a loss of $42,906 thousand pesos which was applied to the income statement.

As of September 30, 2019, the foreign exchange derivative financial instruments were valuated at fair value. The open positions of these instruments that qualified as hedges for accounting purposes represented a gain of approximately $113,673 thousand pesos was applied to other comprehensive income in equity

As of September 30, 2019, the open positions of these instruments that did not qualify as hedges for accounting represented a gain of $28,307 thousand pesos, which was reflected on the income statement.

The Company uses derivative financial instruments such as interest rate swaps with the purpose of managing the interest rate risk of long-term debt. The Company entered into swap interest rate contracts to hedge the loan that matures in 2023, where the contract variable rate of the TIIE 28D is exchanged for a fixed rate of 8.14%.

As of September 30, 2019, the unfavorable effect of changes in the fair value of the contracts that qualified as hedge accounting, amounts to $ 179,930 thousand pesos, which was recognized in comprehensive income within equity.

-Description and number of the derivative financial instruments that had expired during the quarter and those which its position has been closed.

As of September 30, 2019, the Company reclassified the amount of $48,226 thousand pesos from comprehensive income and recognized it as part of inventory. This amount refers to the gain from the closed 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 $99,703 thousand pesos, which was recognized in comprehensive income, and will be transferred to inventory once the corn is received.

As of September 30, 2019, terminated operations of fuels derivative financial instruments that qualified as cash flow hedge represented a loss of $2,056 thousand pesos, which was recognized in comprehensive income within equity. And it is expected to be recycled from comprehensive income to the income statement in 2019.

As of September 30, 2019, terminated operations of exchange rate derivative financial instruments that qualified as cash flow hedge represented a loss of $29,817 thousand pesos, which was recognized in comprehensive income within equity. And it is expected to be recycled from comprehensive income and recognized as part of the inventory in the year 2019.

The operations that concluded during the third quarter of 2019, for financial instruments of corn and fuels, recognized in income, represented a loss of $9,107 thousand pesos. As of September 30, 2019, the favorable effect in the results of the concluded transactions of these instruments is of $3,018 thousand pesos.

The operations that concluded during the third quarter of 2019 regarding the foreign exchange financial instruments originated a gain of $7,298 thousand pesos which was recognized in the income statement. As of September 30, 2019, the unfavorable effect in the results of the concluded transactions of these instruments is of $38,287 thousand pesos.

-Description and number of the margin calls presented during the quarter.

As of September 30, 2019, the company has revolving funds denominated “margin calls” for $452,471 thousand pesos. The margin calls are required upon the variations in the prices of the underlying asset as collateral in favor of the counterparty to reduce the risk of non-payment in an event of default.

-Disclosure of any breach that has been presented to the respective agreements.

The company has complied with all obligations under its derivative financial instruments agreements.

Quantitative information for disclosure [text block]

I. Characteristics of the derivative financial instruments as of the date of this report.

Summary of Derivative Financial Instruments as of September 30, 2019
Amounts in Thousands of Pesos

Corn,Wheat and Fuels Derivative Financial Instruments

20. Type of Derivative	21. Hedging / Negotiation purpouse	22. Notional Amount				22. Underlying Asset (pesos)		Fair Value (Thousands of pesos)		24. Installments (Thousands of pesos)		25. Collatrall / Lines of credit / Guarantees (Thousands of pesos)	Long / Short
		3rd Quarter 2019		2nd Quarter 2019		3rd Quarter 2019	2nd Quarter 2019	3rd Quarter 2019	2nd Quarter 2019	2019	2020-2021		
Corn futures	Hedge	11,975,000	Bushels	(5,330,000)	Bushels	74.1516	82.7919	(50,112)	31,989	(52,462)	2,350	147,737	Long
Wheat futures	Hedge	10,235,000	Bushels	11,640,000	Bushels	85.6143	96.3856	(155,062)	7,183	(51,538)	(103,524)	278,237	Long
Swap corn	Hedge	15,945,000	Bushels	(19,870,000)	Bushels	77.8749	82.8319	38,665	52,985	2,212	36,453	n.a.	Long
Corn option	Hedge	9,795,000	Bushels		Bushels	22.6211		(2,216)	-	-	(2,216)	n.a.	Long
Swap wheat	Negotiation*	-	Bushels	195,000	Bushels		106.7754	-	2,013	-	-	n.a.	Long
Swap gas	Negotiation*	8,090,000	Mmbtu	6,550,000	Mmbtu	45.5954	46.3777	(27,976)	(25,717)	(7,669)	(20,307)	n.a.	Long
Gas futures	Hedge	6,360,000	Mmbtu	5,140,000	Mmbtu	48.3195	47.0794	(17,846)	(19,826)	(3,233)	(14,613)	26,497	Long
								(214,547)	48,627	(112,690)	(101,857)	452,471	

Exchange Rate Derivative Financial Instruments

20. Type of Derivative	Purchase / Sell	21. Hedging / Negotiation purpouse	Currency exchange	22. Notional Amount (Thousands of USD)		22. Underlying Asset (pesos)		Fair Value (Thousands of pesos)		24. Installments (Thousands of pesos)		25. Collatrall / Lines of credit / Guarantees (Thousands of pesos)	Long / Short
				3rd Quarter 2019	2nd Quarter 2019	3rd Quarter 2019	2nd Quarter 2019	3rd Quarter 2019	2nd Quarter 2019	2019	2020		
Forwards	Purchase	Hedge	USD-MXN	59,280	59,280	20.1450	20.1450	33,524	13,378	13,256	20,268	n.a.	Long
Forwards	Purchase	Hedge	USD-MXN	56,760	56,760	20.1689	20.1689	29,916	9,386	11,020	18,896	n.a.	Long
Forwards	Purchase	Hedge	USD-MXN	39,200	39,200	19.8967	19.8967	19,980	4,965	7,394	12,586	n.a.	Long
Forwards	Purchase	Hedge	USD-MXN	-	15,200		19.9385	-	(2,642)	-	-	n.a.	Long
Forwards	Sell	Hedge	USD-MXN	2,002	4,402	19.6046	19.4994	576	1,825	576	-	n.a.	Short
Forwards	Purchase	Hedge	USD-MXN	-	9,900		19.9370	-	(1,749)	-	-	n.a.	Long
Forwards	Purchase	Hedge	USD-MXN	56,760	56,760	20.1700	20.1700	29,677	9,057	10,734	18,943	n.a.	Long
Forwards	Purchase	Negotiation*	USD-MXN	48,300	89,600	19.9630	19.8797	15,760	(1,887)	3,314	12,446	n.a.	Long
				262,302	331,102			129,433	32,333	46,293	83,140		

* The sole purpose of the Company's acquisition of derivative financial instruments is hedging market and liquidity risks, notwithstanding, the accounting rules require specific documentation and evidence to classify a derivative financial instrument as a hedging instrument, and consequently the company classified its derivative financial instruments as negotiation instruments.

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Interest Rate Derivative Financial Instruments

Type of Derivative	Hedging / Negotiation purpouse	Notional Amount (Thousands of MXN)	Underlying Asset (Int rate %)		Fair Value (Thousands of pesos)		Installments (Thousands of pesos)		Collatrall / Lines of credit / Guarantees (Thousands of pesos)
			3rd Quarter 2019	2nd Quarter 2019	3rd Quarter 2019	2nd Quarter 2019	2020	2021-2023	
Interest rate swap	Hedge	1,000,000	8.04000%	8.48800%	(59,953)	(26,900)	(15,498)	(44,455)	
Interest rate swap	Hedge	1,000,000	8.04000%	8.48800%	(59,988)	(26,937)	(15,510)	(44,478)	
Interest rate swap	Hedge	1,000,000	8.04000%	8.48800%	(59,988)	(26,937)	(15,510)	(44,478)	
	Hedge	3,000,000			(179,930)	(80,773)	(46,519)	(133,411)	

-As of September 30, 2019, the financial instruments transactions of corn, wheat and fuels in long positions represented a loss of $214,547 thousand pesos. The financial instruments transactions of exchange rate represented a gain of $128,857 thousand pesos in long positions and for short positions, represented a gain of $576 thousand pesos.

I. As of September 30, 2019 the Company has revolving funds denominated “margin calls” for $452,471 thousand pesos, required upon variations in prices of the underlying asset as collateral in favor of the counterparty in order to reduce the risk of non-payment in an event of default.

As of September 30, 2019, the Company reclassified the amount of $48,226 thousand pesos from comprehensive income and recognized it as part of inventory. This amount refers to the gain from the closed 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 $99,703 thousand pesos, which was recognized in comprehensive income, and will be transferred to inventory once the corn is received.

As of September 30, 2019, terminated operations of fuels derivative financial instruments that qualified as cash flow hedge represented a loss of $2,056 thousand pesos, which was recognized in comprehensive income within equity. And it is expected to be recycled from comprehensive income to the income statement in 2019.

As of September 30, 2019, terminated operations of exchange rate derivative financial instruments that qualified as cash flow hedge represented a loss of $29,817 thousand pesos, which was recognized in comprehensive income within equity. And it is expected to be recycled from comprehensive income and recognized as part of the inventory in the year 2019.

The operations that concluded during the third quarter of 2019, for financial instruments of corn and fuels, recognized in income, represented a loss of $9,107 thousand pesos. As of September 30, 2019, the favorable effect in the results of the concluded transactions of these instruments is of $3,018 thousand pesos.

The operations that concluded during the third quarter of 2019 regarding the foreign exchange financial instruments originated a gain of $7,298 thousand pesos which was recognized in the income statement. As of September 30, 2019, the unfavorable effect in the results of the concluded transactions of these instruments is of $38,287 thousand pesos.

Sensitivity analysis

Fuels Derivative Financial Instruments:

According to the position as of September 30, 2019, a hypothetical 10 percent loss of the fuels value would result in an additional adverse effect of $37,273 thousand pesos (for non-qualifying contracts). This sensitivity analysis is determined based on the underlying assets’ values obtained from the valuation performed as of September 30, 2019.

Type of Derivative	Hedging / Negotiation purpouse	Notional Amount		As of September 30, 2019		Potential Loss (Thousands of pesos)		
				Underlying Asset (pesos)	Fair Value (Thousands of pesos)	Variation 10%	Variation 25%	Variation 50%
Swap gas	Negotioation*	8,090,000	Mmbtu	45.5954	(27,976)	(37,273)	(93,181)	(186,363)
					(27,976)	(37,273)	(93,181)	(186,363)

Exchange Rate Derivative Financial Instruments:

Based on our position as of September 30, 2019, a hypothetical appreciation of 10% of the Mexican peso against the United States dollar would result in an additional unfavorable effect of $96,373 thousand pesos (for non-qualifying contracts). This sensitivity analysis is based in the value of the underlying assets given in the valuation made by the counterparty as of September 30, 2019, which includes the effects on the exchange rate variables, time and volatility.

Type of Derivative	Purchase / Sell	Hedging / Negotiation purpouse	Currency exchange	Notional Amount (Thousands of USD)	As of September 30, 2019		Potential Loss (Thousands of pesos)		
					Underlying Asset (pesos)	Fair Value (Thousands of pesos)	Variation 10%	Variation 25%	Variation 50%
Forwards	Purchase	Negotiation*	USD-MXN	$ 48,300	19.9530	15,760	(96,373)	(240,933)	(481,866)
				$ 48,300		15,760	(96,373)	(240,933)	(481,866)

* The sole purpose of the Company's acquisition of derivative financial instruments is hedging market and liquidity risks, notwithstanding, the accounting rules require specific documentation and evidence to classify a derivative financial instrument as a hedging instrument, and consequently the company classified its derivative financial instruments as negotiation instruments.

-For derivative financial instruments with negotiation purposes or those whose ineffectiveness of the hedge must be acknowledged, description of the method applied in determining the expected losses or the price sensitivity of the derivatives, including volatility.

The potential losses of the derivative financial instruments were determined pursuant to the underlying assets' value and their volatility, under a sensibility analysis considering a 10%, 25% and 50% loss in the underlying assets' value.

-Presentation of a sensitivity analysis for such transactions that includes, at least, the following elements:

a) Identification of the risks that may create losses in the issuer for derivative transactions.
b) Identification of the instruments that would create such losses.

The fair value of corn and fuels derivative financial instruments can decrease or increase in the future before the date of maturity of the instruments. These variations can be the result of factors that are beyond our control, such as the weather, planting seasons, agricultural programs and government policies (both national and foreign), changes in the global supply/demand created by population growth, competitors and global production of similar harvests.

The fair value of the foreign exchange financial instruments can decrease or increase in the future before the expiration date of said instruments. These variations in the exchange rate can be the result of changes in the economic, fiscal policies or monetary conditions, volatility, liquidity in global markets, international or local political events, among others.

-Presentation of 3 scenarios (probable, possible and remote or stress) that can create negative circumstances for the issuer, identifying the assumptions and factors taken into consideration in their execution.

-a) Possible scenario with a variation of at least 25% in the underlying asset's Price and remote scenario with a variation of at least 50%.

The sensitivity chart already contains this information.

-Estimation of the potential loss reflected in the income statement and cash flow for each scenario.

For the derivative financial instruments of fuels, based on our position as of September 30, 2019, a hypothetical change of 10%, 25% and 50% loss in market prices applied to the fair value of the instruments would result in an additional charge to income for $37,273, $93,181 and $186,363 thousands of pesos, respectively.

For the foreign exchange financial instruments, based on our position as of September 30, 2019, a hypothetical change of 10%, 25% and 50% of appreciation of the Mexican peso against the United States dollar would result in an additional charge of $96,373, $240,933 and $481,866 thousand pesos, respectively.

-For hedging financial instruments, indicate the stress level or the variation of the underlying assets under which the effectiveness measures result sufficient.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

When a hedge is no longer effective as well as when the hedge does not comply with the documentation requirements set forth in the International Financial Reporting Standards the results of the valuation of the financial instruments at their fair value are recognized in the income statement.

[800100] Notes - Subclassifications of assets, liabilities and equities

Concept	Close Current Quarter 2019-09-30	Close Previous Exercise 2018-12-31
Subclassifications of assets, liabilities and equities [abstract]		
Cash and cash equivalents [abstract]		
Cash [abstract]		
Cash on hand	0	0
Balances with banks	4,477,862,000	3,256,874,000
Total cash	4,477,862,000	3,256,874,000
Cash equivalents [abstract]		
Short-term deposits, classified as cash equivalents	0	0
Short-term investments, classified as cash equivalents	116,235,000	178,848,000
Other banking arrangements, classified as cash equivalents	0	0
Total cash equivalents	116,235,000	178,848,000
Other cash and cash equivalents	0	0
Total cash and cash equivalents	4,594,097,000	3,435,722,000
Trade and other current receivables [abstract]		
Current trade receivables	8,212,859,000	7,602,749,000
Current receivables due from related parties	0	0
Current prepayments [abstract]		
Current advances to suppliers	0	0
Current prepaid expenses	550,597,000	449,544,000
Total current prepayments	550,597,000	449,544,000
Current receivables from taxes other than income tax	2,335,845,000	1,597,754,000
Current value added tax receivables	2,335,845,000	1,597,754,000
Current receivables from sale of properties	0	0
Current receivables from rental of properties	0	0
Other current receivables	196,634,000	275,800,000
Total trade and other current receivables	11,295,935,000	9,925,847,000
Classes of current inventories [abstract]		
Current raw materials and current production supplies [abstract]		
Current raw materials	8,610,682,000	8,460,545,000
Current production supplies	0	0
Total current raw materials and current production supplies	8,610,682,000	8,460,545,000
Current merchandise	0	0
Current work in progress	152,982,000	130,505,000
Current finished goods	1,494,534,000	1,399,881,000
Current spare parts	822,207,000	744,879,000
Property intended for sale in ordinary course of business	0	0
Other current inventories	304,046,000	380,157,000
Total current inventories	11,384,451,000	11,115,967,000
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners [abstract]		
Non-current assets or disposal groups classified as held for sale	0	0
Non-current assets or disposal groups classified as held for distribution to owners	0	0
Total non-current assets or disposal groups classified as held for sale or as held for distribution to owners	0	0
Trade and other non-current receivables [abstract]		
Non-current trade receivables	219,258,000	198,248,000
Non-current receivables due from related parties	0	0
Non-current prepayments	0	0
Non-current lease prepayments	0	0
Non-current receivables from taxes other than income tax	0	0
Non-current value added tax receivables	0	0

Concept	Close Current Quarter 2019-09-30	Close Previous Exercise 2018-12-31
Non-current receivables from sale of properties	0	0
Non-current receivables from rental of properties	0	0
Revenue for billing	0	0
Other non-current receivables	1,305,000	590,000
Total trade and other non-current receivables	220,563,000	198,838,000
Investments in subsidiaries, joint ventures and associates [abstract]		
Investments in subsidiaries	0	0
Investments in joint ventures	0	0
Investments in associates	0	0
Total investments in subsidiaries, joint ventures and associates	0	0
Property, plant and equipment [abstract]		
Land and buildings [abstract]		
Land	2,230,077,000	2,249,376,000
Buildings	6,600,071,000	6,364,290,000
Total land and buildings	8,830,148,000	8,613,666,000
Machinery	15,662,567,000	15,786,369,000
Vehicles [abstract]		
Ships	0	0
Aircraft	0	0
Motor vehicles	0	0
Total vehicles	0	0
Fixtures and fittings	0	0
Office equipment	0	0
Tangible exploration and evaluation assets	0	0
Mining assets	0	0
Oil and gas assets	0	0
Construction in progress	4,727,779,000	5,290,708,000
Construction prepayments	0	0
Other property, plant and equipment	419,354,000	463,917,000
Total property, plant and equipment	29,639,848,000	30,154,660,000
Investment property [abstract]		
Investment property completed	0	0
Investment property under construction or development	0	0
Investment property prepayments	0	0
Total investment property	0	0
Intangible assets and goodwill [abstract]		
Intangible assets other than goodwill [abstract]		
Brand names	66,703,000	85,540,000
Intangible exploration and evaluation assets	0	0
Mastheads and publishing titles	0	0
Computer software	450,166,000	413,271,000
Licences and franchises	228,000	985,000
Copyrights, patents and other industrial property rights, service and operating rights	0	0
Recipes, formulae, models, designs and prototypes	0	0
Intangible assets under development	0	0
Other intangible assets	135,542,000	147,998,000
Total intangible assets other than goodwill	652,639,000	647,794,000
Goodwill	3,597,342,000	3,670,715,000
Total intangible assets and goodwill	4,249,981,000	4,318,509,000
Trade and other current payables [abstract]		
Current trade payables	6,752,606,000	5,968,044,000
Current payables to related parties	0	0
Accruals and deferred income classified as current [abstract]		

Concept	Close Current Quarter 2019-09-30	Close Previous Exercise 2018-12-31
Deferred income classified as current	0	0
Rent deferred income classified as current	0	0
Accruals classified as current	41,088,000	62,504,000
Short-term employee benefits accruals	41,088,000	62,504,000
Total accruals and deferred income classified as current	41,088,000	62,504,000
Current payables on social security and taxes other than income tax	96,238,000	109,359,000
Current value added tax payables	96,238,000	109,359,000
Current retention payables	0	0
Other current payables	4,813,960,000	4,521,768,000
Total trade and other current payables	11,703,892,000	10,661,675,000
Other current financial liabilities [abstract]		
Bank loans current	5,103,391,000	4,330,288,000
Stock market loans current	0	0
Other current iabilities at cost	0	0
Other current liabilities no cost	177,546,000	101,668,000
Other current financial liabilities	251,124,000	118,838,000
Total Other current financial liabilities	5,532,061,000	4,550,794,000
Trade and other non-current payables [abstract]		
Non-current trade payables	0	0
Non-current payables to related parties	0	0
Accruals and deferred income classified as non-current [abstract]		
Deferred income classified as non-current	0	0
Rent deferred income classified as non-current	0	0
Accruals classified as non-current	0	0
Total accruals and deferred income classified as non-current	0	0
Non-current payables on social security and taxes other than income tax	0	0
Non-current value added tax payables	0	0
Non-current retention payables	0	0
Other non-current payables	79,432,000	92,890,000
Total trade and other non-current payables	79,432,000	92,890,000
Other non-current financial liabilities [abstract]		
Bank loans non-current	17,641,464,000	17,164,392,000
Stock market loans non-current	0	0
Other non-current liabilities at cost	0	0
Other non-current liabilities no cost	0	0
Other non-current financial liabilities	179,930,000	0
Total Other non-current financial liabilities	17,821,394,000	17,164,392,000
Other provisions [abstract]		
Other non-current provisions	519,920,000	491,566,000
Other current provisions	123,591,000	148,271,000
Total other provisions	643,511,000	639,837,000
Other reserves [abstract]		
Revaluation surplus	0	0
Reserve of exchange differences on translation	1,023,667,000	1,181,722,000
Reserve of cash flow hedges	(238,882,000)	43,081,000
Reserve of gains and losses on hedging instruments that hedge investments in equity instruments	0	0
Reserve of change in value of time value of options	0	0
Reserve of change in value of forward elements of forward contracts	0	0
Reserve of change in value of foreign currency basis spreads	0	0
Reserve of gains and losses on financial assets measured at fair value through other comprehensive income	0	0
Reserve of gains and losses on remeasuring available-for-sale financial assets	0	0
Reserve of share-based payments	0	0
Reserve of remeasurements of defined benefit plans	0	0

Concept	Close Current Quarter 2019-09-30	Close Previous Exercise 2018-12-31
Amount recognised in other comprehensive income and accumulated in equity relating to non-current assets or disposal groups held for sale	0	0
Reserve of gains and losses from investments in equity instruments	0	0
Reserve of change in fair value of financial liability attributable to change in credit risk of liability	0	0
Reserve for catastrophe	0	0
Reserve for equalisation	0	0
Reserve of discretionary participation features	0	0
Reserve of equity component of convertible instruments	0	0
Capital redemption reserve	0	0
Merger reserve	0	0
Statutory reserve	0	0
Other comprehensive income	0	0
Total other reserves	784,785,000	1,224,803,000
Net assets (liabilities) [abstract]		
Assets	68,513,754,000	61,832,703,000
Liabilities	42,637,795,000	35,731,248,000
Net assets (liabilities)	25,875,959,000	26,101,455,000
Net current assets (liabilities) [abstract]		
Current assets	28,100,474,000	25,061,394,000
Current liabilities	18,379,045,000	15,772,077,000
Net current assets (liabilities)	9,721,429,000	9,289,317,000

[800200] Notes - Analysis of income and expense

Concept	Accumulated Current Year 2019-01-01 - 2019-09-30	Accumulated Previous Year 2018-01-01 - 2018-09-30	Quarter Current Year 2019-07-01 - 2019-09-30	Quarter Previous Year 2018-07-01 - 2018-09-30
Analysis of income and expense [abstract]				
Revenue [abstract]				
Revenue from rendering of services	0	0	0	0
Revenue from sale of goods	57,945,853,000	54,961,552,000	20,053,329,000	18,487,638,000
Interest income	0	0	0	0
Royalty income	0	0	0	0
Dividend income	0	0	0	0
Rental income	0	0	0	0
Revenue from construction contracts	0	0	0	0
Other revenue	0	0	0	0
Total revenue	57,945,853,000	54,961,552,000	20,053,329,000	18,487,638,000
Finance income [abstract]				
Interest income	75,971,000	51,035,000	23,821,000	21,406,000
Net gain on foreign exchange	3,020,000	0	0	0
Gains on change in fair value of derivatives	0	0	24,945,000	0
Gain on change in fair value of financial instruments	0	0	0	0
Other finance income	1,702,000	6,488,000	0	2,800,000
Total finance income	80,693,000	57,523,000	48,766,000	24,206,000
Finance costs [abstract]				
Interest expense	1,361,013,000	874,744,000	476,257,000	323,449,000
Net loss on foreign exchange	0	137,458,000	36,745,000	64,184,000
Losses on change in fair value of derivatives	9,980,000	54,014,000	0	44,313,000
Loss on change in fair value of financial instruments	0	0	0	0
Other finance cost	100,120,000	42,832,000	25,941,000	24,385,000
Total finance costs	1,471,113,000	1,109,048,000	538,943,000	456,331,000
Tax income (expense)				
Current tax	1,834,545,000	1,767,234,000	647,733,000	576,771,000
Deferred tax	47,874,000	415,721,000	30,821,000	151,733,000
Total tax income (expense)	1,882,419,000	2,182,955,000	678,554,000	728,504,000

[800500] Notes - List of notes

Disclosure of notes and other explanatory information [text block]

Since the information presented herein refers to interim financial information, the Company opted to prepare its information according to IAS 34 (Option 1).

Disclosure of accrued expenses and other liabilities [text block]

Other liabilities mainly includes: Employee benefits payable and promotion and advertising payable.

Disclosure of associates [text block]

The Company has no investment in associated companies.

Disclosure of auditors' remuneration [text block]

Audit fees are disclosed at the end of the period.

Disclosure of authorisation of financial statements [text block]

The consolidated financial statements were authorized by the Chief Administrative Office of the Company on October 8, 2019.

Disclosure of available-for-sale financial assets [text block]

As of September 30, 2019, the Company does not have assets held for sale.

Disclosure of basis of preparation of financial statements [text block]

-BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on the basis of historical cost, except for the fair value of certain financial instruments as described in the policies shown below (See accounting policy of financial instruments).

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.

Disclosure of biological assets, agriculture produce at point of harvest and government grants related to biological assets [text block]

The Company does not have this type of assets.

Disclosure of borrowings [text block]

See section [800001] - Breakdown of credits.

Disclosure of business combinations [text block]

See section [800600] Accounting policy for Business combinations.

Disclosure of cash and cash equivalents [text block]

See section [800100] Cash and cash equivalents entry.

Disclosure of changes in accounting policies [text block]

Financial Standards issued and effective for fiscal year 2019

The Company has started the application of IFRS 16, "Leases” as of January 1, 2019. The simplified transition method was applied, therefore comparative information prior to adoption was not restated.

This new standard replaces the guidelines established by IAS 17. The distinction between operating leases (off-balance sheet) and financial leases (in the balance sheet) is eliminated for the lessee's accounting and is replaced by the model where a lease is recognized by right-of-use asset and a financial liability, except for short-term agreements of insignificant value.

Management reviewed all the lease agreements of the Company, considering the new guidelines from IFRS 16. The standard mainly affects the accounting of the operating leases of the Company. The agreements related with short-term leases and low value assets are recognized in income using the straight-line method.

The Company’s activities as lessor are not relevant, therefore, no significant impact is expected in the financial statements.

For the lease contracts subject to the new standard, the Company recognizes the right-of-use assets and lease liabilities of approximately $ 4,589,150 as of January 1, 2019.

The following information presents the leases in which the Company is a lessee, as of September 30, 2019:

Balance as of September 30, 2019
Figures in Thousands of pesos

	Land	Buildings	Machinery & Equipment	Total
Right-of-use-Asset	3,237	3,893,930	268,306	4,165,473

Lease Liabilities		
Short-term		635,762
Long-term		3,628,095
	Ps.	4,263,857

Lease liabilities maturity		
Less than one year		635,762
Between one and five year		1,605,503
More than five years		2,022,592
Total	**Ps.**	**4,263,857**

Effects on the income statement and cash flows of the Company
For the period from January 1, 2019 to September 30, 2019
Figures in Thousands of pesos

Increase in operating income	63,977
Increase in depreciation expense	601,065
Increase in interest expense	155,128
Increase in cash flows from operating activities	665,041
Decrease in cash flows from financing activities	(665,041)

<u>Effect in Equity from the adoption of IFRS 16</u>

The initial effect from the adoption of IFRS 16 "Leases" in the Company’s equity was Ps.181,841 and is presented as Other changes in the Statement of changes in equity.

Disclosure of commitments [text block]

The Company has commitments to purchase commodities, raw material and machinery and equipment that are disclosed at the end of the year.

Disclosure of contingent liabilities [text block]

As of September 30, 2019, the Company does not have contingent liabilities to be disclosed.

Disclosure of cost of sales [text block]

See Disclosure of results of operations and prospects in section [105000].

Disclosure of credit risk [text block]

The Company's management establishes the maximum credit risk according to its policies. The Company assures the compliance of the credit limits established and, therefore, no important losses from trade accounts receivable are expected.

Disclosure of debt instruments [text block]

Debt Profile

GRUMA's debt was US$1.2 billion, US$67 million less than as of June 2019. Approximately 57% of GRUMA's debt was USD denominated. When considering the adoption of IFRS 16, debt increases by US$217 million to US$1.38 billion.

Debt (1)

(USD millions)

		Var vs Sep'18			Var vs Jun'19	
Sep'19	Sep'18	($)	(%)	Jun'19	($)	(%)
1,163	1,110	52	5	1,230	(67)	(5)%

Debt Maturity Profile

(US$ millions)

	Rate	2019	2020	2021	2022	2023	2024	2025	TOTAL
Senior Notes 2024 (USD $400)	Fixed 4.875%						400.0		400.0
Rabobank Syndicated Term Loan (USD $150)	LIBOR + 1%	18.8	22.5	26.3	82.5				150.0
CEBURES 2023 (MXN $3,000)	TIIE + 0.38%					155.3			155.3
Scotiabank Syndicated Term Loan (MXN $2,000)	TIIE + 0.55%			103.5					103.5
Other:									
MXN	8.63%	301.2							301.2
USD	3.66%	13.0							13.0
EUR	1.50%	4.6	3.7	2.3	2.0	1.9	1.9		16.5
TOTAL	**6.59%** (avg.)	**337.6**	**26.2**	**132.1**	**84.5**	**157.2**	**401.9**	**0.0**	**1,139.5**

(1)The US$217 million related to leases are not included on the above debt figures.

Disclosure of derivative financial instruments [text block]

See [800007] Annex - Financial derivate instruments.

Disclosure of discontinued operations [text block]

-DISCONTINUED OPERATIONS

A)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, 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”).

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, the Company ceased the consolidation of the financial information of MONACA and DEMASECA as of this date.

B) IMPAIRMENT OF THE INVESTMENT IN VENEZUELA

At December 31, 2015 and 2014, GRUMA performed impairment tests on the investments in MONACA and DEMASECA to determine a potential recoverable amount.

The impairment test performed in the fourth quarter of 2015, resulted in an impairment loss of Ps.4,362,108, which was recognized in consolidated income for the year ended December 31, 2015 as “Loss from discontinued operations”. As of December 31, 2018, the circumstances for which the investment in these subsidiaries was impaired have not changed.

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.

At December 31, 2018 and 2017, certain subsidiaries of GRUMA had accounts receivable with the Venezuelan companies for a total amount of Ps.1,490,376 and Ps.1,494,352, respectively, which were fully impaired and are included as part of the impairment loss recognized in income as of this dates.

Disclosure of dividends [text block]

The General Ordinary Shareholders’ Meeting held on April 27, 2018, among other matters, approved the following:

- To pay a cash dividend in the amount of Ps.1,852’166,058.12, equivalent to Ps.4.28 for each of the 432’749,079 issued and outstanding shares, with voting rights, which aggregate amount will be paid from the Taxable Net Income for dividends and income generated as of December 31, 2013.

  This payment will be made in cash in four installments, each for Ps.1.07, on July 17 and October 16, 2018, January 15 and April 16, 2019.

The General Ordinary Shareholders' Meeting of GRUMA , S.A.B. de C.V. held on April 26, 2019, among other matters, approved the following:

- To pay a cash dividend equivalent to Ps.4.65 for each issued and outstanding shares, with voting rights, which aggregate amount will be paid from the Taxable Net Income for dividends and income generated as of December 31, 2013.

  This payment will be made in cash in four installments, each for Ps. 1.1625, on July 12 and October 11, 2019, January 10 and April 10, 2020.

Disclosure of expenses [text block]

See Disclosure of results of operations and prospects in section [105000].

Disclosure of fair value of financial instruments [text block]

See [800007] Annex - Financial derivate instruments.

Disclosure of finance income (cost) [text block]

See Disclosure of results of operations and prospects in section [105000].

Disclosure of impairment of assets [text block]

For the nine-month period ending September 30, 2019, the Company recognized impairment losses on fixed assets of Ps. 66.3 million.

Disclosure of information about employees [text block]

See section [700000] Informative data about the Statement of financial position.

Disclosure of issued capital [text block]

The Company's outstanding common stock consists of 415,005,791 Series "B" shares, amounting to Ps.5,143,681 thousand. As of September 30, 2019, the Company repurchased 5,951,702 shares.

Disclosure of other operating income (expense) [text block]

See Disclosure of results of operations and prospects in section [105000].

Disclosure of property, plant and equipment [text block]

See Financial position, liquidity and capital resources in section [105000].

Disclosure of related party [text block]

-RELATED PARTIES

As of September 30, 2019, the Company did not carry out any transaction with nor had balances with related parties.

Disclosure of significant accounting policies [text block]

Since the information presented herein refers to interim financial information, the Company opted to prepare its information according to IAS 34 (Option 1).

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 September 30, 2019, with no significant impact on its financial statements.

Financial Standards issued and effective for fiscal year 2019

The Company has started the application of IFRS 16, "Leases" as of January 1, 2019. The simplified transition method was applied, therefore comparative information prior to adoption was not restated.

This new standard replaces the guidelines established by IAS 17. The distinction between operating leases (off-balance sheet) and financial leases (in the balance sheet) is eliminated for the lessee's accounting and is replaced by the model where a lease is recognized by right-of-use asset and a financial liability, except for short-term agreements of insignificant value.

Management reviewed all the lease agreements of the Company, considering the new guidelines from IFRS 16. The standard mainly affects the accounting of the operating leases of the Company. The agreements related with short-term leases and low value assets are recognized in income using the straight-line method.

The Company's activities as lessor are not relevant, therefore, no significant impact is expected in the financial statements.

For the lease contracts subject to the new standard, the Company recognizes the right-of-use assets and lease liabilities of approximately $ 4,589,150 as of January 1, 2019.

The following information presents the leases in which the Company is a lessee, as of September 30, 2019:

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Figures in Thousands of pesos

	Land	Buildings	Machinery & Equipment	Total
Right-of-use-Asset	3,237	3,893,930	268,306	4,165,473

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Short-term	635,762
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	Ps. 4,263,857

Lease liabilities maturity		
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Total	**Ps.**	**4,263,857**

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Increase in depreciation expense	601,065
Increase in interest expense	155,128
Increase in cash flows from operating activities	665,041
Decrease in cash flows from financing activities	(665,041)

Effect in Equity from the adoption of IFRS 16

The initial effect from the adoption of IFRS 16 "Leases" in the Company's equity was Ps.181,841 and is presented as Other changes in the Statement of changes in equity.

[800600] Notes - List of accounting policies

Disclosure of significant accounting policies [text block]

Since the information presented herein refers to interim financial information, the Company opted to prepare its information according to IAS 34 (Option 1).

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 September 30, 2019, with no significant impact on its financial statements.

Financial Standards issued and effective for fiscal year 2019

The Company has started the application of IFRS 16, "Leases” as of January 1, 2019. The simplified transition method was applied, therefore comparative information prior to adoption was not restated.

This new standard replaces the guidelines established by IAS 17. The distinction between operating leases (off-balance sheet) and financial leases (in the balance sheet) is eliminated for the lessee's accounting and is replaced by the model where a lease is recognized by right-of-use asset and a financial liability, except for short-term agreements of insignificant value.

Management reviewed all the lease agreements of the Company, considering the new guidelines from IFRS 16. The standard mainly affects the accounting of the operating leases of the Company. The agreements related with short-term leases and low value assets are recognized in income using the straight-line method.

The Company’s activities as lessor are not relevant, therefore, no significant impact is expected in the financial statements.

For the lease contracts subject to the new standard, the Company recognizes the right-of-use assets and lease liabilities of approximately $ 4,589,150 as of January 1, 2019.

The following information presents the leases in which the Company is a lessee, as of September 30, 2019:

Balance as of September 30, 2019
Figures in Thousands of pesos

	Land	Buildings	Machinery & Equipment	Total
Right-of-use-Asset	3,237	3,893,930	268,306	4,165,473

Lease Liabilities		
Short-term		635,762
Long-term		3,628,095
	Ps.	4,263,857

Lease liabilities maturity		
Less than one year		635,762
Between one and five year		1,605,503
More than five years		2,022,592
Total	**Ps.**	**4,263,857**

Effects on the income statement and cash flows of the Company
For the period from January 1, 2019 to September 30, 2019
Figures in Thousands of pesos

Increase in operating income	63,977
Increase in depreciation expense	601,065
Increase in interest expense	155,128
Increase in cash flows from operating activities	665,041
Decrease in cash flows from financing activities	(665,041)

Effect in Equity from the adoption of IFRS 16

The initial effect from the adoption of IFRS 16 "Leases" in the Company’s equity was Ps.181,841 and is presented as Other changes in the Statement of changes in equity.

Description of accounting policy for biological assets [text block]

The Company does not have this type of assets.

Description of accounting policy for business combinations [text block]

-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 transferred, 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.

When the entity or entities acquired are, before and after the acquisition, ultimately controlled by the same entity, and such control is not temporary, it is assumed that the entities are under common control and therefore, there is no business combination. Transactions and exchanges between entities under common control are recognized on the basis of the carrying value of assets and liabilities transferred on the date of the transaction, and therefore, goodwill is not recognized.

Description of accounting policy for derivative financial instruments and hedging [text block]

-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 twelve 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 changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

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.

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.

Description of accounting policy for determining components of cash and cash equivalents [text block]

-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.

Description of accounting policy for earnings per share [text block]

-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.

Description of accounting policy for employee benefits [text block]

- 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 saving and investment plans that incorporate voluntary employees 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 restructuring costs that represents 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 related service is provided. 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.

Description of accounting policy for financial assets [text block]

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.

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.

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.

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.

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. 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 considered 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 the accounting policy for the impairment of accounts receivable.

Description of accounting policy for financial instruments [text block]

-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.

Description of accounting policy for financial instruments at fair value through profit or loss [text block]

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.

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.

Description of accounting policy for financial liabilities [text block]

Financial liabilities

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.

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.

Description of accounting policy for foreign currency translation [text block]

-FOREIGN CURRENCY

a. Transactions in foreign currency

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates effective 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 the 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 period.
- Equity is translated at the effective exchange rate in 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 end of the period. 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 the accounting of the net investment hedge policy.

Description of accounting policy for functional currency [text block]

-FUNCTIONAL AND PRESENTATION CURRENCY

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

Description of accounting policy for impairment of assets [text block]

-IMPAIRMENT OF LONG-LIVED ASSETS

The Company performs impairment tests for its property, plant and equipment and intangible assets with finite useful lives, when certain events and circumstances suggest that the carrying value of the assets might not be recovered. Intangible assets with indefinite useful lives 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.

Description of accounting policy for income tax [text block]

-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, 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.

Description of accounting policy for intangible assets and goodwill [text block]

-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 useful lives

Intangible assets with finite useful 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. Intangible assets with indefinite useful lives

Intangible assets with indefinite useful lives 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.

Description of accounting policy for investment in associates [text block]

As of September 30, 2019, the Company has no investments in associated companies.

Description of accounting policy for investments in joint ventures [text block]

As of September 30, 2019, the Company has no investments in joint ventures.

Description of accounting policy for issued capital [text block]

-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.

Description of accounting policy for leases [text block]

-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 expense 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.

Description of accounting policy for measuring inventories [text block]

-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 includes raw materials, direct labor, other direct costs and related production overheads. Cost of inventories could also include the transfer from comprehensive income of any gains or losses on cash flow hedges for purchases of raw materials.

Description of accounting policy for non-current assets or disposal groups classified as held for sale and discontinued operations [text block]

-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 have been 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.

Description of accounting policy for property, plant and equipment [text block]

-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, 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.

Description of accounting policy for provisions [text block]

-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.

Description of accounting policy for recognition of revenue [text block]

-REVENUE RECOGNITION

Starting January 1, 2018, the Company adopted IFRS 15, Revenue from contracts with customers, using the modified retrospective method; accordingly, the comparative information has not been restated and is being presented under IAS 18.

The Company produces and sells corn flour, packaged tortilla and other related products such as flat bread, snacks and corn grits. The Company serves wholesale and retail markets, as well as institutional markets. Sales are recognized when control of the products has transferred, being when the products are delivered to the customers, and there is no unfulfilled obligation that could affect the customer's acceptance of the products, the risks of loss and obsolescence have been transferred to the customer, and the customer has accepted the products in accordance with the sales contract.

Revenue from sales is recognized based on the price specified in the contract, net of discounts, volume rebates and returns. Volume rebates are estimated, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

A refund liability is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with a short-term credit.

A receivable is recognized when the products are delivered as this is the point in time that the consideration is unconditional.

The payments made to customers, which represent a modification of the transaction price, are presented as a decrease of revenue.

Until December 31, 2017, sales were recognized upon shipment of products to, and acceptance by, the Company's customers or when the risk of ownership had passed to the customers. Revenue was recognized at 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 were recognized in the same period that the related sales were recorded and were based upon either historical estimates or actual terms.

Description of accounting policy for segment reporting [text block]

-SEGMENT INFORMATION

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.

Description of accounting policy for subsidiaries [text block]

-SUBSIDIARIES

The subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are incorporated in the consolidated financial statements starting on the date on which the control begins, until the date such 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.

As of September 30, 2019, the main subsidiaries included in the consolidation are:

% of

	ownership
Gruma Corporation and subsidiaries…………………….……	100.00
Grupo Industrial Maseca, S.A. de C.V. and subsidiaries……	99.93
Gruma International Foods, S.L. and subsidiaries…..................	100.00
Mission Foods México, S. de R.L. de C.V…………………….	100.00

Description of accounting policy for trade and other receivables [text block]

-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 maturity dates of customers’ balances, specific credit circumstances and the Company’s historical experience on doubtful accounts.

Description of accounting policy for transactions with non-controlling interests [text block]

-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 interest acquired of the carrying value of net assets of the subsidiary is recognized as equity transactions; therefore, no goodwill is recognized with these acquisitions. Disposals of non-controlling interests result in gains or losses for the Company and are recorded in equity when there is no loss of control.

[813000] Notes - Interim financial reporting

Disclosure of interim financial reporting [text block]

HIGHLIGHTS

On a consolidated basis **sales volume** rose 3% resulting from a 20% surge at Gruma Europe and 5% at Gruma USA.

Net sales increased 8% mostly in connection with a 6% rise at Gruma USA, the Mexican peso ("MSN" or "peso") weakness effect versus the U.S. dollar ("USD" or "dollar"), a 4% increase at GIMSA, and 10% at Gruma Europe. Sales from non-Mexican operations represented 74% of consolidated figures.

Consolidated **EBITDA** rose 9%, and EBITDA margin improved to 16.5% from 16.4% due to the adoption of International Financial Reporting Standard 16 ("IFRS 16"), effective January 2019. In 3Q19, the benefit to EBITDA from the adoption of IFRS 16 was Ps.237 million on a consolidated basis. EBITDA from non-Mexican operations represented 75% of consolidated figures.

Majority net income grew 2% to Ps.1,304 million due primarily to lower taxes.

GRUMA's **debt** declined US$72 million during the quarter to US$1.38 billion, including US$217 million from the adoption of IFRS 16, representing an annualized **net debt/EBITDA** ratio of 1.8x.

Consolidated Financial Highlights

(Ps. millions)

	3Q19	3Q18	Var
Sales volume (thousand metric tons)	1,056	1,027	3%
Net sales	20,053	18,488	8%
Operating income	2,474	2,436	2%
Operating margin	12.3%	13.2%	(90) bp
EBITDA	3,299	3,023	9%
EBITDA margin	16.5%	16.4%	10 bp
Majority net income	1,304	1,275	2%

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

FINANCIAL HIGHLIGHTS

(MILLIONS OF MEXICAN PESOS)

INCOME STATEMENT SUMMARY	QUARTERS 3Q19	3Q18	VAR (%)	YTD SEPTEMBER 2019	2018	VAR (%)
NET SALES	20,053	18,488	8	57,946	54,962	5
COST OF SALES	12,607	11,497	10	36,438	34,297	6
GROSS PROFIT	7,447	6,991	7	21,508	20,665	4
GROSS MARGIN (%)	37.1%	37.8%		37.1%	37.6%	
SELLING AND ADMINISTRATIVE EXPENSES	4,951	4,546		14,489	13,516	
OTHER EXPENSE (INCOME) , NET	22	9		134	48	
OPERATING INCOME	2,474	2,436	2	6,885	7,100	(3)
OPERATING MARGIN (%)	12.3%	13.2%		11.9%	12.9%	
NET COMPREHENSIVE FINANCING COST	490	432		1,390	1,052	
INTEREST EXPENSE	502	348		1,461	918	
INTEREST INCOME	(24)	(24)		(78)	(58)	
(GAIN) LOSS FROM DERIVATIVE FINANCIAL INSTRUMENTS	(25)	44		10	54	
FOREIGN EXCHANGE LOSS (GAIN)	37	64		(3)	137	
INCOME TAXES	679	729		1,882	2,183	
NET INCOME	1,304	1,275	2	3,602	3,866	(7)
MAJORITY NET INCOME	1,304	1,275	2	3,601	3,865	(7)
EARNINGS PER SHARE[1]	3.14	2.98	6	8.68	9.02	(4)
DEPRECIATION AND AMORTIZATION	825	576		2,396	1,688	
IMPAIRMENT OF LONG LIVED ASSETS	0	12		66	24	
EBITDA[2]	3,299	3,023	9	9,348	8,812	6
EBITDA MARGIN (%)	16.5%	16.4%		16.1%	16.0%	
CAPITAL EXPENDITURES (MILLION US$)	17	40		67	128	

BALANCE SHEET SUMMARY	Sep-19	Sep 18	VAR (%)	Jun 19	VAR (%)
CASH AND CASH EQUIVALENTS	4,594	3,747	23	4,829	(5)
TRADE ACCOUNTS RECEIVABLE	8,213	7,224	14	7,928	4
OTHER ACCOUNTS RECEIVABLE	3,174	2,722	17	2,930	8
INVENTORIES	11,384	11,594	(2)	11,472	(1)
CURRENT ASSETS	28,100	25,959	8	27,794	1
PROPERTY, PLANT, AND EQUIPMENT, NET	33,805	28,797	17	33,753	0
TOTAL ASSETS	68,514	61,003	12	68,093	1
SHORT-TERM DEBT	5,739	2,421	137	6,725	(15)
CURRENT LIABILITIES	18,379	14,181	30	19,182	(4)
LONG-TERM DEBT	21,270	18,379	16	21,011	1
TOTAL LIABILITIES	42,638	35,422	20	43,032	(1)
MAJORITY SHAREHOLDERS' EQUITY	25,888	25,593	1	25,072	3
SHAREHOLDERS' EQUITY	25,876	25,581	1	25,060	3
CURRENT ASSETS/CURRENT LIABILITIES	1.53	1.83		1.45	
TOTAL LIABILITIES/SHAREHOLDERS' EQUITY	1.65	1.38		1.72	
DEBT/EBITDA[3]	2.20	1.76		2.31	
EBITDA/INTERES EXPENSE[3]	6.49	10.11		6.91	
BOOK VALUE PER SHARE[1]	62.38	59.73		60.03	

[1] On the basis of 415'005,791 shares as of September 30, 2019, 428'490,992 shares as of September 30, 2018, and 417'662,059 shares as of June 30, 2019.

[2] EBITDA = operating income + depreciation, amortization and impairment of long lived assets +(-) other expenses (income) unrelated to core business operations.

[3] Last twelve months.

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

FINANCIAL HIGHLIGHTS BY SUBSIDIARY

(MILLIONS OF MEXICAN PESOS)

		QUARTERS						YTD SEPTEMBER					
		3Q19	%	3Q18	%	VAR ($)	VAR (%)	2019	%	2018	%	VAR ($)	VAR (%)
GRUMA USA[1]	SALES VOLUME[2]	**371**		354		16	5	**1,079**		1,045		34	3
Corn flour, tortillas, and other	NET SALES	**11,111**		10,512		599	6	**32,415**		31,044		1,371	4
	COST OF SALES	**6,417**	57.8	6,117	58.2	300	5	**18,691**	57.7	17,881	57.6	810	5
	GROSS PROFIT	**4,694**	42.2	4,395	41.8	299	7	**13,724**	42.3	13,163	42.4	561	4
	SG&A	**3,134**	28.2	2,938	27.9	196	7	**9,242**	28.5	8,718	28.1	524	6
	OPERATING INCOME	**1,561**	14.1	1,453	13.8	108	7	**4,485**	13.8	4,439	14.3	46	1
	EBITDA	**2,087**	18.8	1,823	17.3	264	14	**6,023**	18.6	5,492	17.7	531	10
GIMSA	SALES VOLUME	**515**		520		(4)	(1)	**1,509**		1,533		(24)	(2)
Corn flour and other	NET SALES	**5,427**		5,204		223	4	**15,934**		15,125		809	5
	COST OF SALES	**3,831**	70.6	3,769	72.4	62	2	**11,317**	71.0	10,916	72.2	401	4
	GROSS PROFIT	**1,596**	29.4	1,435	27.6	161	11	**4,617**	29.0	4,209	27.8	408	10
	SG&A	**937**	17.3	840	16.1	96	11	**2,692**	16.9	2,442	16.1	250	10
	OPERATING INCOME	**635**	11.7	600	11.5	36	6	**1,855**	11.6	1,747	11.5	108	6
	EBITDA	**882**	16.3	831	16.0	51	6	**2,592**	16.3	2,431	16.1	161	7
GRUMA EUROPE[1]	SALES VOLUME[2]	**110**		92		18	20	**290**		259		32	12
Corn flour, tortillas, and other	NET SALES	**1,532**		1,399		133	10	**4,345**		4,220		125	3
	COST OF SALES	**1,157**	75.5	1,066	76.2	91	9	**3,299**	75.9	3,220	76.3	79	2
	GROSS PROFIT	**375**	24.5	333	23.8	42	13	**1,047**	24.1	1,000	23.7	46	5
	SG&A	**296**	19.3	267	19.1	29	11	**873**	20.1	834	19.8	38	5
	OPERATING INCOME	**79**	5.2	67	4.8	11	17	**177**	4.1	171	4.0	7	4
	EBITDA	**144**	9.4	128	9.2	15	12	**366**	8.4	355	8.4	11	3
GRUMA CENTROAMÉRICA	SALES VOLUME	**54**		55		(1)	(2)	**159**		154		6	4
Corn flour and other	NET SALES	**1,189**		1,127		62	5	**3,444**		3,335		109	3
	COST OF SALES	**762**	64.1	729	64.7	33	4	**2,270**	65.9	2,160	64.8	110	5
	GROSS PROFIT	**427**	35.9	398	35.3	29	7	**1,175**	34.1	1,176	35.2	(1)	(0)
	SG&A	**338**	28.4	300	26.6	38	13	**913**	26.5	909	27.2	5	1
	OPERATING INCOME	**89**	7.5	100	8.8	(10)	(10)	**261**	7.6	269	8.1	(8)	(3)
	EBITDA	**133**	11.2	135	12.0	(2)	(1)	**389**	11.3	375	11.3	14	4
OTHER SUBSIDIARIES & ELIMINATIONS	SALES VOLUME	**6**		6		(0)	(6)	**23**		37		(13)	(37)
	NET SALES	**812**		747		65	9	**2,427**		2,464		(37)	(2)
	COST OF SALES	**443**	54.6	115	15.4	328	285	**1,206**	49.7	821	33.3	385	47
	GROSS PROFIT	**370**	45.6	632	84.6	(262)	(41)	**1,221**	50.3	1,644	66.7	(423)	(26)
	SG&A	**252**	31.0	336	45.0	(84)	(25)	**943**	38.9	947	38.4	(4)	(0)
	OPERATING INCOME	**118**	14.5	284	38.0	(166)	(58)	**209**	8.6	669	27.2	(460)	(69)
	EBITDA	**55**	6.8	188	25.2	(133)	(71)	**82**	3.4	361	14.7	(279)	(77)
CONVENIENCE TRANSLATION EFFECT[3]	NET SALES	**(18)**		(501)		483	96	**(620)**		(1,227)		607	49
	COST OF SALES	**(3)**		(299)		296	99	**(346)**		(700)		355	51
	GROSS PROFIT	**(15)**		(203)		187	92	**(275)**		(527)		253	48
	SG&A	**(6)**		(135)		129	96	**(174)**		(334)		160	48
	OPERATING INCOME	**(10)**		(68)		58	86	**(101)**		(194)		92	48
	EBITDA	**(2)**		(82)		80	98	**(105)**		(202)		97	48
CONSOLIDATED	SALES VOLUME	**1,056**		1,027		29	3	**3,061**		3,027		34	1
	NET SALES	**20,053**		18,488		1,566	8	**57,946**		54,962		2,984	5
	COST OF SALES	**12,607**	62.9	11,497	62.2	1,110	10	**36,438**	62.9	34,297	62.4	2,141	6
	GROSS PROFIT	**7,447**	37.1	6,991	37.8	456	7	**21,508**	37.1	20,665	37.6	844	4
	SG&A	**4,951**	24.7	4,546	24.6	405	9	**14,489**	25.0	13,516	24.6	973	7
	OTHER EXP. (INC.) , NET	**22**		9		13	139	**134**		48		86	179
	OPERATING INCOME	**2,474**	12.3	2,436	13.2	38	2	**6,885**	11.9	7,100	12.9	(215)	(3)
	EBITDA	**3,299**	16.5	3,023	16.4	276	9	**9,348**	16.1	8,812	16.0	535	6

[1] Convenience translation at the exchange rate of Ps19.6363/dollar as of September 30, 2019. For further details see "Accounting Procedures".

[2] All sales volume figures are expressed in thousand metric tons.

[3] The difference between the use of convenience translation and the historical exchange rate is recorded under "Convenience Translation Effect".

-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 (S*ociedad 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.

-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 is 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.
- 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.
- The key assumptions in impairment testing for long-lived assets used for the determination of the recoverable amount for the different cash generating units.
- The actuarial assumptions used for the determination of employee benefits obligations.
- The key assumptions in impairment testing of the investment in Venezuela.

Description of significant events and transactions

As of September 30, 2019, the Company does not have significant events or transactions to disclose.

Description of accounting policies and methods of computation followed in interim financial statements [text block]

See section [800600 – Notes – List of accounting policies] for accounting policies and methods of computation.

Explanation of seasonality or cyclicality of interim operations

See 'Disclosure of results of operations and prospects' in section [105000 – Management commentary].

Explanation of nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature size or incidence

There are no significant effects on assets, liabilities, equity, net income or cash flows that are unusual because of their nature, value or incidence.

Explanation of nature and amount of changes in estimates of amounts reported in prior interim periods or prior financial years

There are no changes in estimates. See section [800500 – Notes – List of Notes].

Explanation of issues, repurchases and repayments of debt and equity securities

The Company does not have repayments of debt and equity securities. As of September 30, 2019, the Company repurchased 5,951,702 shares.

Dividends paid, ordinary shares:	1,388,251,000
Dividends paid, other shares:	0
Dividends paid, ordinary shares per share:	3.3025
Dividends paid, other shares per share:	0

Explanation of events after interim period that have not been reflected

There are no subsequent events that need to be disclosed.

Explanation of effect of changes in composition of entity during interim period

There are no changes in the Company's composition.

Description of compliance with IFRSs if applied for interim financial report

-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 September 30, 2019, with no significant impact on its financial statements.

Description of nature and amount of change in estimate during final interim period

There are no changes in estimates.

Footnotes

[1] ↑

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The depreciation and amortization expense in 2019 presented in this section and the one disclosed in the Statement of cash flows [520000], includes impairment of fixed assets for approximately $66.3 million.

[2] ↑

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The depreciation and amortization expense in 2018 presented in this section and the one disclosed in the Statement of cash flows [520000], includes impairment of fixed assets for approximately $23.9 million.

[3] ↑

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The depreciation and amortization expense for the 12-month period starting on October 1, 2018 and ending on September 30, 2019 presented in this section includes: The record for impairment of fixed assets for approximately $45.8 million.

[4] ↑

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The depreciation and amortization expense for the 12-month period starting on October 1, 2017 and ending on September 30, 2018 presented in this section includes: The record for impairment of fixed assets for approximately $35.0 million.