

EL PUERTO DE LIVERPOOL, S.A.B. DE C.V.

REPORT ON RESULTS OF OPERATIONS FOR THE THIRD QUARTER OF 2015

Economic Environment

The positive behavior of the primary macro-economic variables tied to consumer indexes has been favorable since the second half of last year.

Inflation continues to record historical minimums, which supports the purchasing power of Mexico's families, while salaries present growth in real terms.

Job creation reflects adequate numbers strengthening good levels of consumption.

The Mexican Peso depreciated with respect to foreign currencies during the reported quarter, more specifically with respect to the US dollar, resulting in price increases in certain goods and services.

US dollar remittances continued to show significant recovery, both in amounts and in respect to the Mexican peso/US dollar exchange rate.

Consumer confidence reflects a moderate decline in comparison with previous data.

Important Figures

(Millions of Mexican Pesos)

During the third quarter of 2015, the Company's total earnings increased by 12.2% compared to the same quarter of the prior year, reaching the amount of Ps. 19,622 million. At the cumulative level, total earnings amounted to Ps. 58,671 million, for a growth of 11.6%.

The primary indicators of results of operations at the close of the quarter and those accumulated for the year are as follows:

	CUMULATIVE			QUARTER		
	2015	2014	Dif %	3Q15	3Q14	Dif %
Total revenue	58,671	52,552	11.6%	19,622	17,485	12.2%
Commercial (Includes services and other)	49,947	44,536	12.1%	16,803	14,813	13.4%
Interests	6,433	6,018	6.9%	2,103	1,982	6.1%
Leasing	2,291	1,998	14.7%	716	691	3.7%
Cost of sales	34,427	31,165	10.5%	11,655	10,339	12.7%
Gross income	24,244	21,387	13.4%	7,967	7,146	11.5%
Operating expenses	17,709	15,790	12.2%	5,911	5,368	10.1%
Operating income	6,535	5,597	16.8%	2,056	1,778	15.7%
Net income (Owners of Parent)	4,682	3,872	20.9%	1,385	1,183	17.0%
EBITDA	8,187	7,009	16.8%	2,613	2,255	15.9%
Customer's Portfolio				28,035	27,188	3.1%
Same Stores Growth	8.8%	6.2%		10.3%	7.0%	

RESULTS OF OPERATIONS

Sales of goods and services

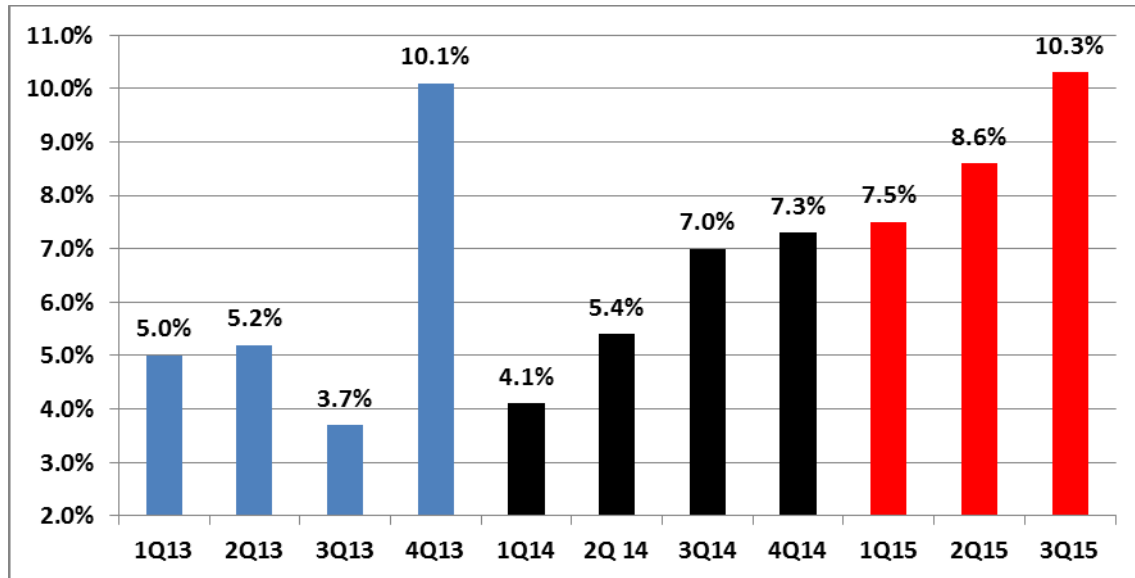
Liverpool's total retail earnings grew by 13.4% during the third quarter, while same-store sales grew by 10.3%. The increase for the year was 12.1% for all stores and 8.8% for same stores.

The growth in transactions contributed with 60% of the same-store sales increase at the cumulative level.

The figures published by the ANTAD accumulated at September 30, 2015 reflected a growth in nominal terms, of 6.2% for same stores. Specifically, the department stores associated with the ANTAD recorded same-store growth of 10.5%. According to these figures, the categories of general merchandise, cosmetics and footwear continue to perform well. Apparel in general and electronics reflect a recovery in the last quarter.

Our categories show a growth close to our sales average. Cosmetics, furniture and children, have the best performance. While home goods and electronics show a growth slightly below average. It should be pointed out, however, that this last category is being compared with a year in which the World Soccer Cup was held.

Same-Store Sales Growth



With regards to the Omnicanal platform, we have increased the available means of payment in liverpool.com.mx, including debit cards, referenced deposits and Paypal. The application for sales people in the store, which permits the possibility of offering the client an extended catalog, shows good results. The number of articles available on line is four times greater than the number we had just one year ago. The first phase of the concept, "*Click and Collect*", where the client can buy on line and pick up their merchandise in the store of their preference.

Interests

The consumer credit market continues to be sluggish. In accordance with the most recent figures, we can see improvement in personal, durable goods and mortgage loans. Delinquency levels of consumer credit at the national level are low.

During the quarter, income in the credit division grew by 6.1% in comparison to the same period in the prior year. At the cumulative level, this increase was 6.9%. The trade portfolio reflected growth of 3.1% when compared to the prior year, confirming the tendency of slow growth observed over the last fifteen months, in which the clients' preference to utilize cash has been apparent.

Liverpool continues to introduce different promotions into the retail mixture, so as to duly balance the portions that do generate interest from those that do not, in the credit portfolio. As a result, at the cumulative level, credit income has a better rhythm of growth than does the total portfolio.

The growth observed in the portion of clients who pay the total of their account at the due date (payers in full) is notable; this situation has mitigated the favorable effect observed in the productivity of the portfolio by a larger portion of the portfolio derived from interest-bearing sales.

Leasing

Leasing income in the shopping centers increased by 14.7% at the cumulative level and by 3.7% during the quarter, the latter reflecting a comparative base in which opening effects and key money were included.

Occupancy levels in the shopping malls are steady, at levels of 97%.

Cost of Sales and Gross Margin

The cost of sales grew by 12.7% during the quarter and by 10.5% during the year, thereby strengthening the disciplined management of the inventories.

At the cumulative level, the gross margin increases by 63 base points, reaching 41.3%. In the third quarter, this margin falls by 27 base points, reaching 40.6%. This reduction reflects the lower revenue growth in the real estate division.

As mentioned previously when presenting the results of the two first quarters, part of this expansion in the gross accumulated margin is explained by non-recurrent commercial agreements at the beginning of the year, which we do not expect to be repeated during the rest of the year.

Operating Expenses

Operating expenses increased by 10.1% during the quarter and by 12.2% for the year. The primary factors behind this growth are: a) the expenses related to the growth of operations, personnel expenses and depreciation for new stores, boutiques and shopping malls, and; b) the information technology expenses related to new projects (including the Omnicanal platform), as well as the impact of the depreciation of the Mexican peso versus the US dollar.

On the other hand, savings in energy and a reduced need for additional reserves for the overdue portfolio have helped to lower expenses.

Operating Income

At the close of the third quarter of the year, operating income amounted to Ps. 2,056 million, representing a growth of 15.7% as compared to the same period in 2014. Accumulated for the year, operating income increased by 16.8%, reaching Ps. 6,535 million.

EBITDA

The EBITDA for the quarter totaled Ps. 2,613 million, which is 15.9% more than the EBITDA generated during the prior year. At the accumulated level this account reached Ps. 8,187 million, for a growth of 16.8% over the prior year.

The accumulated EBITDA margin was 14.0%, which represents an expansion of 62 base points over the prior year. For the last twelve months, the EBITDA margin is 16.3%, reflecting a 21 base point improvement over the previous period.

Financing Expenses

Net financing expenses for the quarter were 20.9% higher than the prior year. At a accumulative basis this item has decreased 0.7% vs year ago reaching Ps. 695 million. This percentage includes an accumulated exchange loss of Ps. 161.9 million derived from the devaluation of the Mexican peso.

Taxes

Total income tax (payable and deferred) increased by 22.2% during the quarter and by 23.1% at the accumulated level, both compared with the prior year. This reflects the good results of operations.

Net Income

The net controlling income for the third quarter was 17.0% greater than that obtained during the same period in 2014, amounting to Ps. 1,385 million and 20.9% at the accumulated level, reaching Ps. 4,682 million.

BALANCE SHEET

Cash and Short-term Investments

At September 30, 2015, the balance of this account was Ps. 3,595 million, reflecting an increase of Ps. 3,144 million.

Clients

At the close of the third quarter of 2015, the trade portfolio amounted to Ps. 28,035 million, which is equal to an increase of 3.1% with respect to the amount recorded on the same date in the prior year.

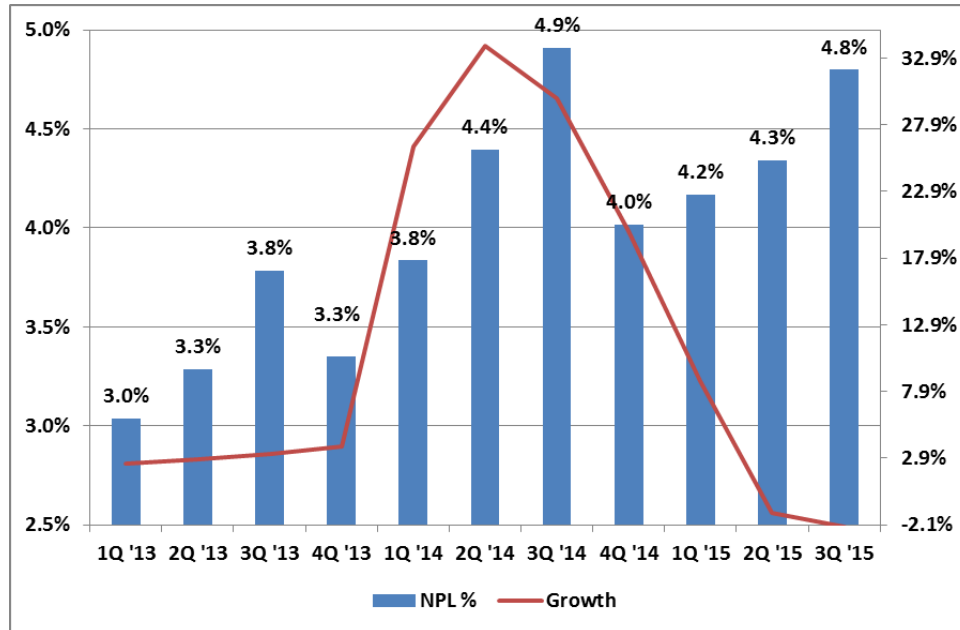
Participation of Liverpool credit cards is 45.3% of total sales for 2015, versus 46.6% for the same period during the prior year.

The reserves for the overdue portfolio accumulated at September 30 are made up as follows:

(Millions)	2015	2014	DIFF %
Beginning balance of the reserve:	2,216	1,767	25.4%
(+) New reserves:	1,645	1,774	-7.3%
(-) Applications:	(1,420)	(1,199)	18.4%
Ending balance of the reserve:	2,441	2,342	4.2%

Accounts overdue by more than 90 days comprised 4.8% of the total portfolio, compared to 4.9% at the close of the same period in 2014.

Accounts overdue by more than 90 days (%) and growth rate versus the prior year



Inventories and Accounts Payable

Inventories amounted to Ps. 15,856 million at the end of the quarter, 12.5% higher than the amount recorded the prior year. New stores contribute 4.1 p.p. to the increase mentioned in line with the policy of maintaining healthy inventories, moderating their rhythm of growth and based on demand.

At the close of the quarter, the balance of accounts payable to suppliers presents an increase of 23.8% in comparison with the prior year, while 81.3% of the inventories are financed by the accounts payable to suppliers, a 7.3% improvement over the prior year.

Cost-bearing Debt and Cash Flow

Total debt reached Ps. 13,993 million. The gross/EBITDA and net/EBITDA leverage ratio for the last twelve months is 1.0 times and 0.7 times, respectively.

The flow generated by the operation at the accumulated level reached the amount of Ps. 10,030 million, compared to Ps. 8,310 million during the prior year. The net cash flow closed at Ps. -1,052 million, incorporating primarily the effects of the tax reform and certain needs for working capital.

Investments in Projects and Remodeling

At September 30, 2015, the investment in expansion projects and remodelings reached the amount of Ps. 3,168 million.

Expansion and Recent Events

At the date of this report, the following stores have been opened:

Liverpool Stores:

Coacalco, State of Mexico (September 10, 2015)

Fábricas de Francia Stores:

Cuautla, Morelos (April 21, 2015)

Chimalhuacán, State of Mexico (April 24, 2015)

Zumpango, State of Mexico (September 24, 2015)

Boutiques

On October 22, 2015, we opened the first West Elm, Pottery Barn, Pottery Barn Kids and Pottery Barn Teens boutiques.

During 2015 thirty boutiques have opened in total.

In the same way, in the coming weeks the growth program for the year will be completed the following projects:

Liverpool Stores:

Tlalnepantla, State of Mexico

Fábricas de Francia Stores:

Texcoco, State of Mexico

Salamanca, Guanajuato

Boutiques in different formats

With respect to the growth in commercial areas, 5.4% more department store space will be added, as will 0.6% net rentable space in shopping centers and 20.0% square meters more of specialty boutiques in comparison to the prior year.

Expansion work and the remodeling of our Liverpool Perisur flagship store is on-going as well as Perisur, Atizapán and Monterrey's shopping centers; same to continue during 2016.

Analysts' Coverage

In compliance with the Mexican Securities Market Act, the Company hereby discloses the list of institutions and financial groups that analyze Liverpool's financial and operating performance:

Actinver	HSBC
Barclays	Itaú BBA
BBVA Bancomer	Interacciones
BTG Pactual	Intercam
Credit Suisse	J.P. Morgan
Deutsche Bank	Santander
Ve por más	Scotiabank

Company Profile

El Puerto de Liverpool, S.A.B. de C.V.: (at September 30, 2015)

Stores:

Liverpool	78	1,298,548 m2
Fábricas de Francia	27	198,391 m2
Duty Free	4	4,925 m2
Total Stores	109	1,501,864 m2

Shopping malls: 25 480,089 m2

Boutiques: 107 52,869 m2

Credit Card

Number of Cards	3Q 2015	3Q2014	% Diff
Liverpool Cards	3,812,757	3,644,303	4.6%

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