HOMEX

4Q12 Results Webcast Conference Call

March 28th , 2013

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Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors can cause actual results to differ materially from the plans, objectives, expectations, estimates, and intentions expressed in such forward-looking statements. These factors include economic and political conditions and government policies in Mexico or elsewhere, including changes in housing and mortgage policies, inflation rates, exchange rates, regulatory developments, customer demand, and competition. For those statements, the Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Discussion of factors that may affect future results is contained in our filings with the Securities and Exchange Commission.

Mexico Division

International Division

Homex

Infrastructure Division

Tourism Division

Mexico

- The year 2012 was challenging and the last quarter was no exception. Throughout the year, we faced a number of challenges which are a reflection of the continuing evolution of the housing industry in Mexico into one that is most supportive of better planned communities that provide for a better quality of life for Mexican families.

- During the first half of the year we were impacted by some administrative delays in regard to the Housing Registry System (RUV) and to CONAVI's score system, as well as to the uneven allocation of subsidies between vertical and horizontal homes.

- During the last quarter of the year there was the commitment to advance resources from the 2013 budget to pay vertical homes from 2012; as resources were not disbursed, that also affected our collection cycle during the last quarter of the year.

- During the last half of the year, including the fourth quarter, we concentrated our efforts on finishing homes under construction to materialize our investments in construction in progress, which included investments in the amenities of our successful communities, housing starts as well as the actual build-out of homes in our various developments.

- During the quarter, Mexico Division revenues were up by 2.8 percent year-over-year, boosted by revenues from commercial spaces and land sales at our housing developments, while housing revenues were down by 1.8 percent with volumes declining 8.0 percent. Importantly, on a sequential basis our volume increased 10.5 percent, reflecting an improvement in sales despite the fact that during the quarter we continued to face delays in the allocation of resources from the subsidy program… delays that as of today, still continue to affect our speed of collection and more importantly re-investment rhythm in the construction of new homes.

Mexico

During the first week of February President Enrique Peña Nieto announced new guidelines of the National Housing Policy that will dictate the housing policies of this new administration. The National Housing Policy will continue to encourage the creation of sustainable and better planned communities; and the work that we have done here will continue to serve us well. In our view, the main points from the National Housing Policy are the following:

1. During 2013 there will not be changes to the rules of operation of the industry. However, it is anticipated that changes that will apply in 2014 or 2015 will be announced later this year, and we will have a transition period of up to 24 months to adapt to any such changes. Importantly, we do expect greater subsidy support for vertical home construction.

2. Through the Secretaria de Desarrollo Agrario Terriotiral y Urbano –SEDATU- which will be headed by Mr. Ramirez Marin, we expect greater coordination among government housing institutions positively impacting administrative procedures that sometimes cause bottlenecks; and there will also be greater alignment between housing policies and land policies.

I want to highlight here important information in regard to the value, quality and alignment of our land bank to policies that promote closeness to urban centers:

- From our total land bank as of December 31, 2012 which was equivalent to approximately 75.2 million square meters, at 87 percent of it, we already have projects under construction. Therefore, our land already qualifies as a land bank that is close to a urban center that has all the required services. Moreover, such projects under construction have been graded as level S1 or S2.
- On the remainder 13 percent or 9.5 million square meters today we do not have projects under construction; therefore that land bank doesn’t have a grade as of today.
- Our land bank at our balance sheet, which is recorded at a cost value, as of December 31, 2012 had a value of Ps.10,372 million; the land plots that I mentioned that currently do not have a project under construction have a value of approximately Ps.241 million or 2.3 percent of our total land bank value.
- The impact in the value of our land bank would be equivalent to Ps.144 million or 1.4 percent of the total value of our land or 0.3 percent of our total assets.

Mexico

Continuing with the highlights of the National Housing Plan

3. Reduction of the housing deficit. The new administration has clearly explained their intention to serve formal workers that are not affiliated to INFONAVIT or FOVISSSTE, specifically focusing on formal employees of federal and state governments such as the army, police force and state teachers. The size of these formal workers is of about 2.5 million people. Moreover, this is a segment that Homex has explored and served in the past, and we feel very strongly about our opportunity to advantage the company in this respect.

4. Promote the creation of better homes. SEDATU is strongly supporting the creation of homes that at least have two living spaces and two bedrooms. This is aligned with our improved product offering facilitated by our shift to vertical construction. Today the apartments that we are building for the affordable entry level have more square meters than the comparable home that we used to produce before shifting to vertical products.

International Division

Brazil

- As reflected in our results, the performance of our operations in Brazil continues to be much slower than we expected. As we have shared with you in the past, we have taken proactive measures to reduce capital flows to this division and we will continue to follow a conservative path for the division in terms of capital investments and growth expectations. At the same time we continue to feel confident about our prospects in Brazil, recognizing the continuing strong housing needs in the country especially in the low income bracket of 3 to 6 times minimum wage supported by financing through the Caixa.

- Also I would like to share with you that effective as of January 2013 our India project has been postponed and we are currently closing our Research & Development office that we had at the country. This is a decision that we have taken in line with our focus to concentrate on generating a positive Free Cash Flow in our consolidated operations.




Infrastructure Division

- As we mentioned in our 2013 guidance we got an extension from the Public Security Secretary to deliver the projects up to May without any penalty. We are working to deliver the first one (Chiapas) in March, and Morelos in May. Therefore we expect that at Chiapas we will have between 7 to 8 months of operations in 2013…and we will operate the Morelos prison for 5 to 6 months during the year.

- The value of these projects hasn't changed, as we continue to have a 20 year concession where we will receive an annual payment from both prisons of approximately Ps.2.2 billion.

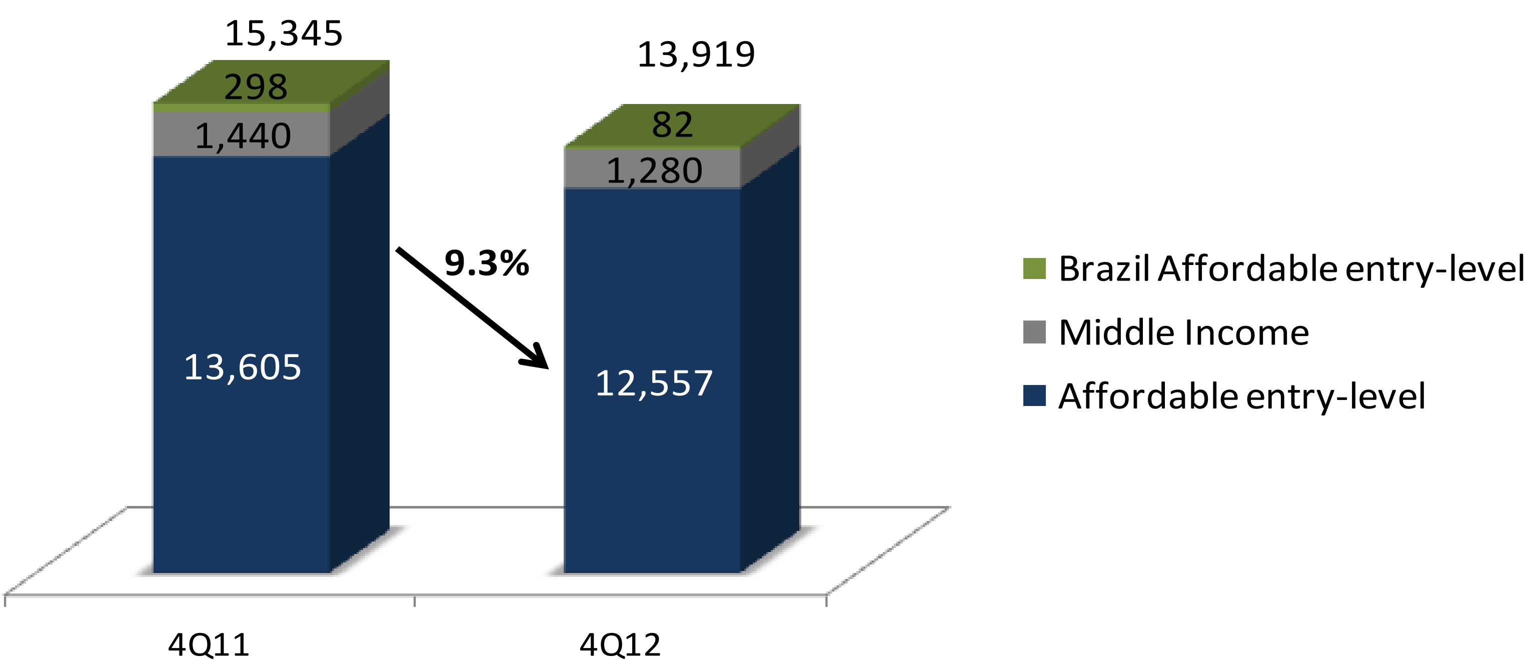
- Today we are working with the Public Secretary to increase the value of the project as effectively we have built more square meters than the original plan as per the modifications that we have done in agreement with them. Through this modification we will be able to withdraw more resources from the long-term financing from Banobras, and more importantly our annual payment when the operation starts will potentially increase.

- In addition to these concessions, we are also executing on other construction projects with state governments, and for 2013 we expect to have revenues from these projects of up to Ps.2.0 billion.

- We want to be very clear that we are taking a prudent capital policy to participate in new projects. Today, the projects that we have are initially funded through the down payment that we receive from the government, and as we advance on the execution of the projects, as we are paid on a percentage of completion basis, the projects are self funded with these resources.

Volume 4Q12

- Volume: 13,919 units during 4Q12, 9.3% decrease.
- Affordable entry-level México: 7.7% decrease.
- Middle-income : 11.2% increase.



Federal Penitentiary Projects

- We had an accounting effect of a negative contribution from these projects during the quarter as we decided not to consolidate the Chiapas penitentiary Project. As described in our previous filings with the CNBV and SEC, on March 21, 2012, the Company and Arendal (the original holder of the Chiapas Penitentiary concession) amended the Makobil shareholders agreement. That amendment includes an agreement whereby the Company, then the holder of the 24 percent of the shares of Makobil, was granted the right to purchase the remaining 76 percent ownership interest in Makobil from Arendal, for a total purchase price of Ps.1.1 billion.

- As the year-end 2012 Financial Statements closing process started in Homex, we requested from Makobil additional information in connection with its financial statements. The delivery of such information was delayed and only partially delivered early February 2013. When received and after an initial assessment on the available information, the Company undertook test controls to determine whether Homex had full control of Makobil for the 2012 full fiscal year and concluded that it did not.

- It is important to highlight that what we have decided is only an accounting treatment for the recognition of the project and this has NO effect on our commitment to acquire the project once that is completed and delivered to authorities. As well, it does not affect the concession contract for 20 years and the flows that we will receive as the operation starts.

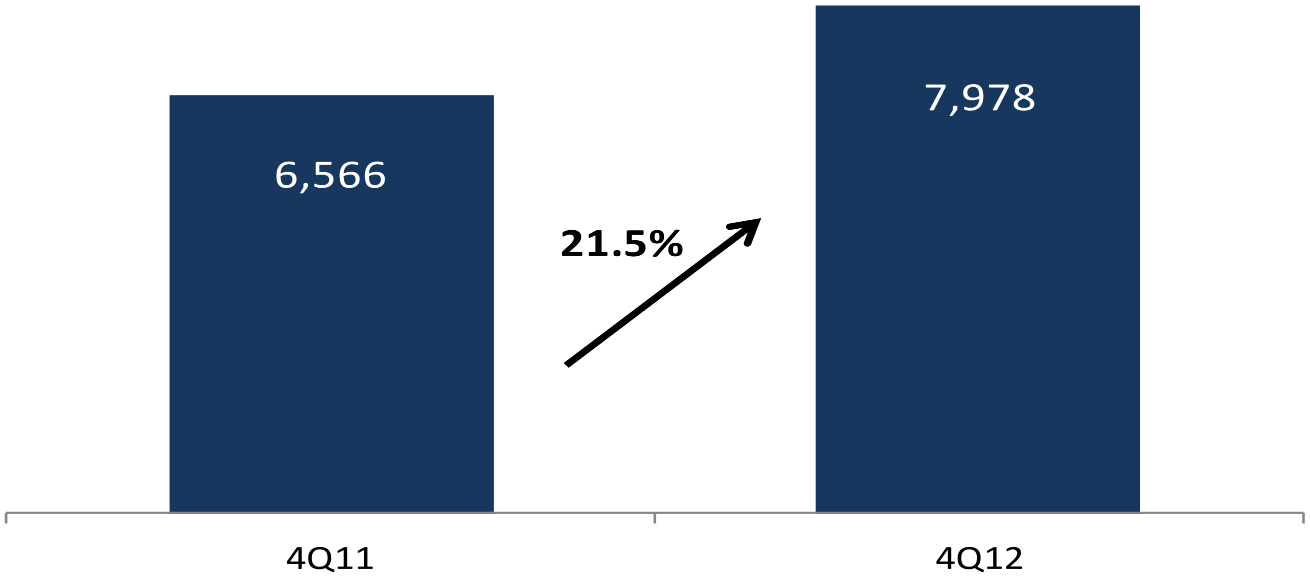
- As an effect of these accounting changes, during the quarter we had a negative contribution from Penitentiary revenues as we are only recognizing revenues from the Morelos project and revenues from the infrastructure division, where we are recognizing the construction services that we are doing for the federal and state government increased significantly to Ps.3.9 billion.

- For the year, revenues from Penitentiaries were Ps.3.8 billion, only reflecting the contribution from the Morelos project.

- During the quarter, the advance on the Morelos project was lower than expected, as we encountered delays derived from the government transition at the time that the past administration needed to close books to deliver the office to the coming administration. This affected the issuance of the Certificates of completion (CAAPS), which, in turn, affected our ability to withdraw resources from the Banobras loan and continue advancing with the construction work on the project.

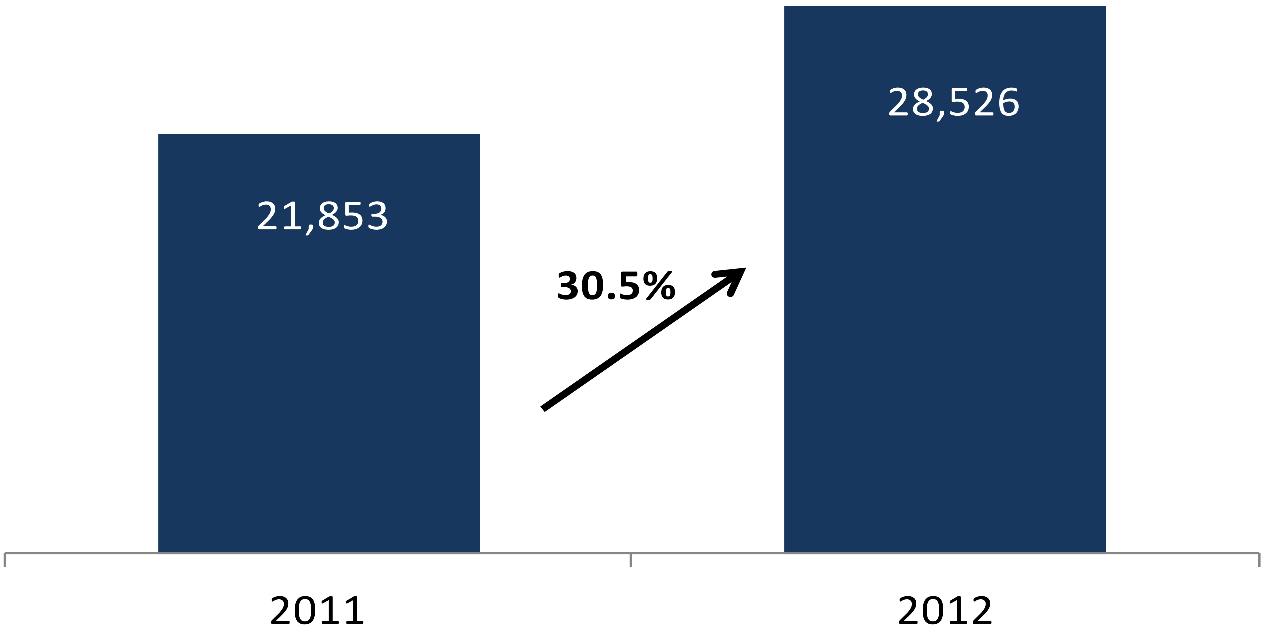
Total Revenues 4Q12

- Revenues increased 21.5 percent to Ps.7,978 million from Ps.6,566 million in the same period of 2011.



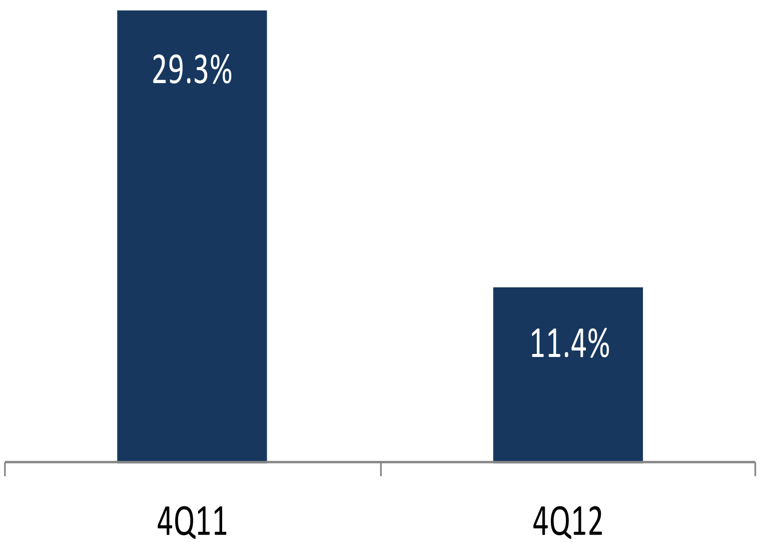
Total Revenues 2012

- Revenues increased 30.5 percent to Ps.28,526 million from Ps.21,853 million in 2011.



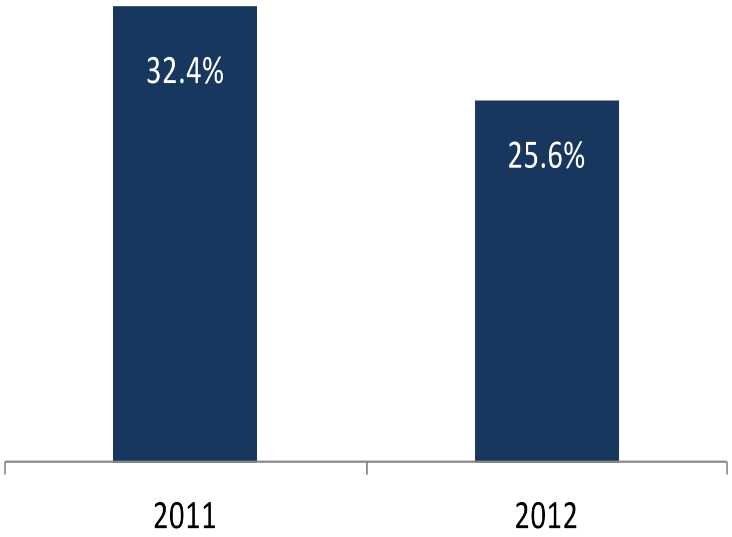
Gross Margin 4Q12

- Our Gross margin for the quarter adjusted by the capitalization of interest was 11.4 percent.



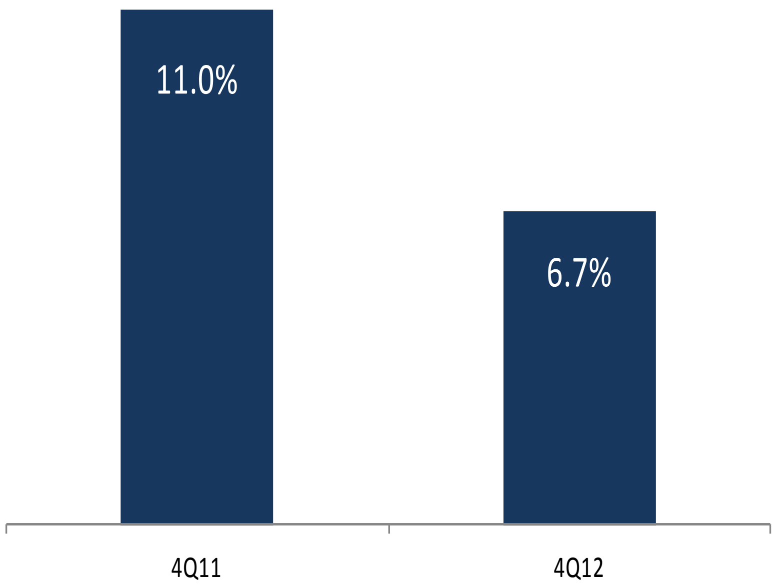
Gross Margin 2012

- Our Gross margin for the year adjusted by the capitalization of interest was 25.6 percent.



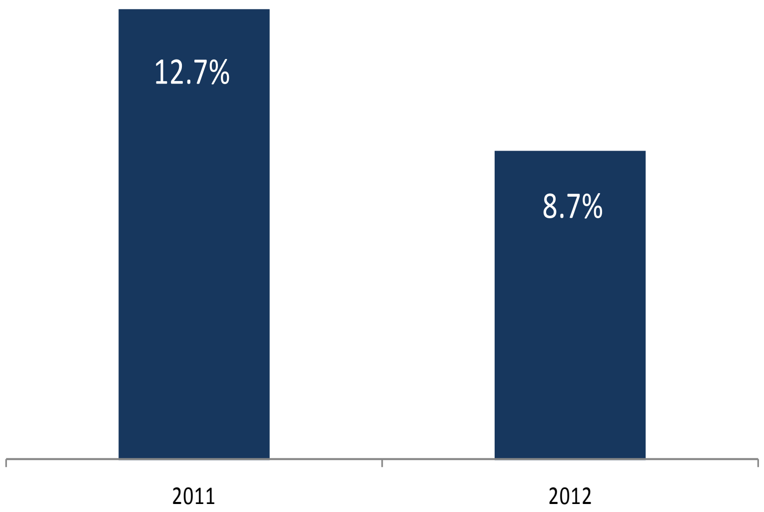
SG&A 4Q12

- SG&A decreased to 6.7 percent compared to 11.0 percent during the year ago period.



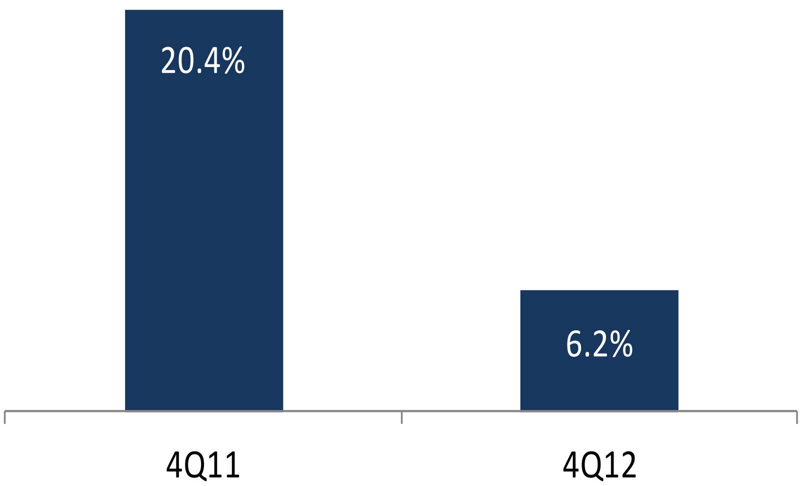
SG&A 2012

- For the year SG&A was 8.7 percent, which compares to 12.7 percent during the year ago period.



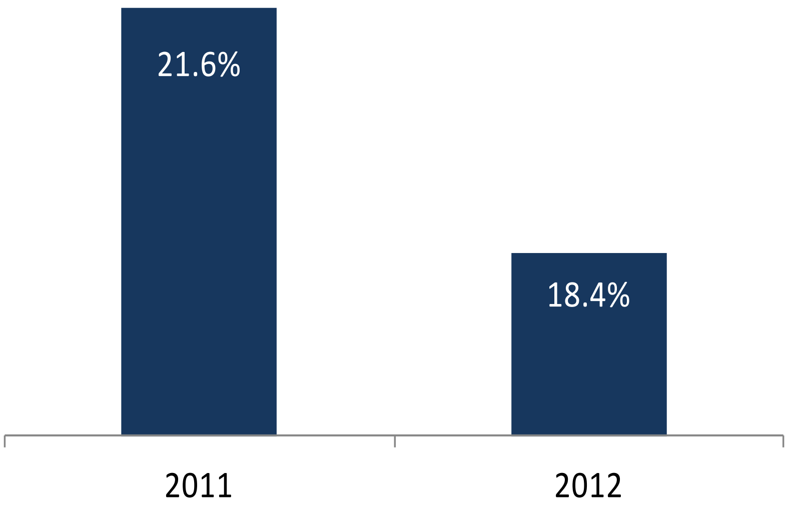
EBITDA Margin 4Q12

- EBITDA margin decreased to 6.2 percent which compares to an EBITDA margin of 20.4 percent during 4Q11.



EBITDA Margin 2012

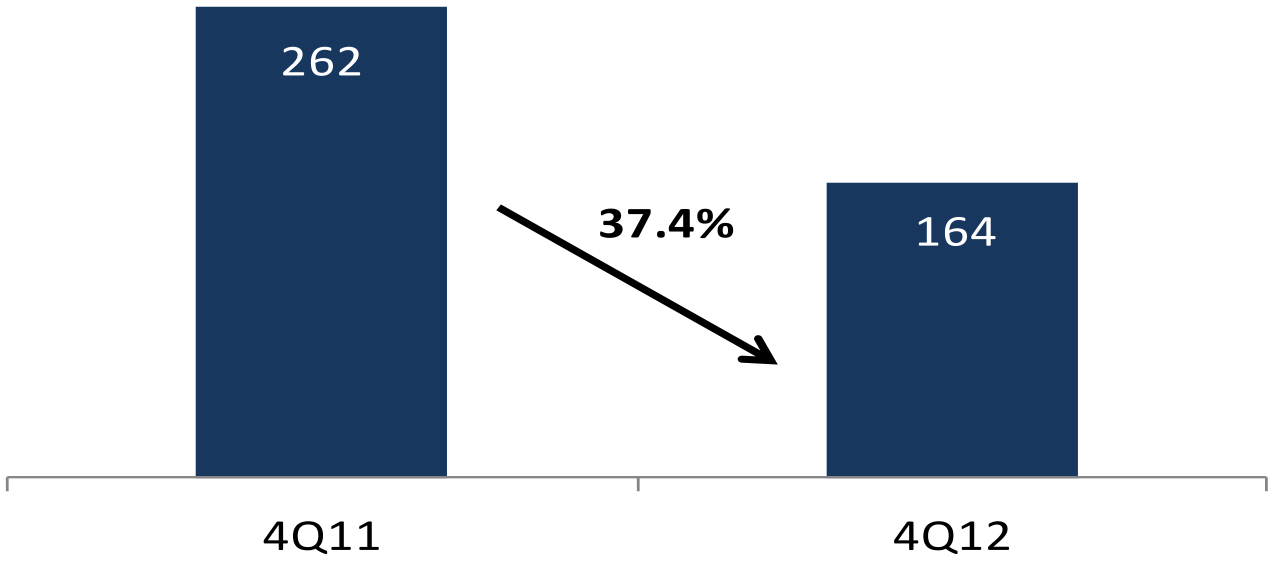
- On a twelve month accumulated basis, our EBITDA margin was 18.4 percent which compares to 21.6 percent during the year ago period.



* Adjusted EBITDA is not a financial measure computed under IFRS. Adjusted EBITDA as derived from our MFRS financial information means MFRS net income, excluding (i) depreciation and amortization; (ii) net comprehensive financing costs (“CFC”) (comprised of net interest expense (income), foreign exchange gain or loss, valuation effects of derivative instruments and monetary position gain or loss) including CFC capitalized to land balances that is subsequently charged to cost of sales; and (iii) income tax expense and employee statutory profit-sharing expense.

Net Comprehensive Financing Cost 4Q12

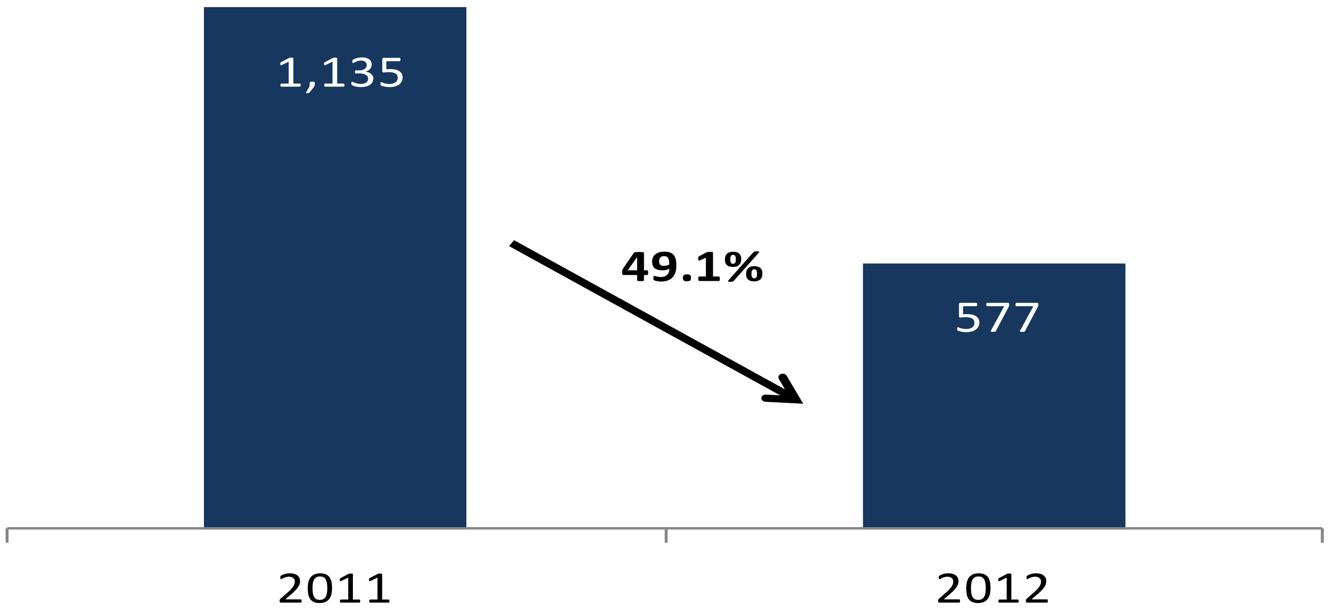
- The lower cost of financing during the fourth quarter of 2012 reflects the reversal effect of the interest from the long-term financing in relation to the Chiapas project, as well as from the recognition of a lower foreign exchange loss during the recent quarter compared to the fourth quarter of 2011.



* Data in Million pesos, except percentages

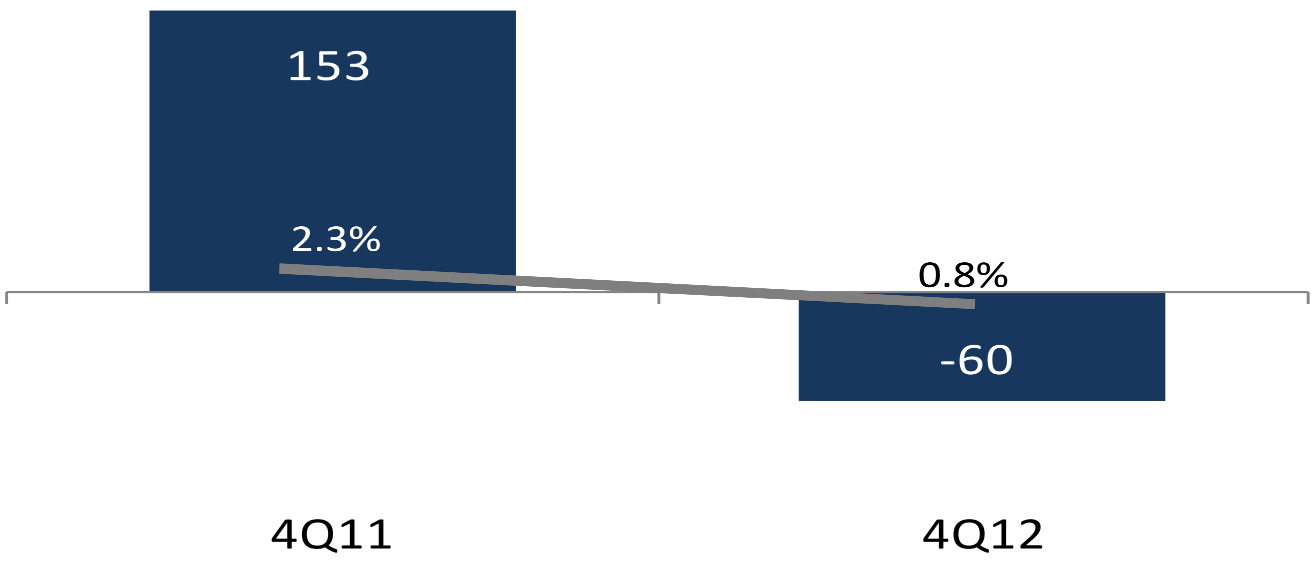
Net Comprehensive Financing Cost 2012

- The lower cost of financing for the year also reflects a reversal effect of the interest from the long-term financing in relation to the Chiapas project as well as from the recognition of a lower foreign exchange loss during 2012.



Net Income* 4Q12

- Net income, adjusted by FX effects, for the fourth quarter of 2012 was negative Ps.60 million pesos or a 0.8 percent margin compared to Ps.153 million and a margin of 2.3 percent reported in the same period of 2011. On an accumulated basis as of December 31, 2012, net income margin was 6.0 percent, compared to 7.5 percent during 2011.



* Data in Million pesos, except percentages.

* Net Income adjusted by FX effects.

Working Capital Cycle

Days	December 2011	September 2012	December 2012
Total Accounts Receivable (a)	36	62	85
Housing Receivables	29	42	86
Inventory days	696	772	621
Accounts Payable (b)	98	125	88
Total WCC	634	709	619

[1] Computation of WCC does not include COGS and Revenues from the penitentiary construction projects

a. Excluding receivables from the penitentiary construction projects .
b. Excluding accounts payable related to the penitentiary construction projects and payment of Ps. 1.1 billion in relation to the acquisition of the equity state at one of the federal penitentiaries.

Debt as of December 30, 2012

- Quarter-over-Quarter total housing debt, considering the same exchange rate for both periods, increased to Ps.17.0 billion from Ps.16.0 billion as of September 30, 2012, the Ps.1.0 billion increase was mainly due to the increase in receivables and increased investments reflected in our construction-in-progress inventory.
- During the period we were also in compliance with all of our debt covenants.
- The long- term financing for the twelve months accumulated period totaled Ps.2.9 billion, down from the Ps.5.0 billion as of September 30, 2012 as a result of the decision not to consolidate the Chiapas penitentiary project previously explained.

Free Cash Flow

- As of December 31, 2012, we had a total non-cash positive impact of Ps. 239 million, including effects registered in the Profit and Loss statements and Balance Sheet.
- Considering non-cash FX effects and on a consolidated basis, we generated a negative FCF of Ps.6.4 billion, which was driven by the recognition of the advances in construction from the Penitentiary project. According to the required accounting treatment of these projects, such advances must be booked as an accounts receivable.
- Outside of our penitentiary projects, Homex generated negative FCF of Ps.2.7 billion and adjusted for the twelve-month accumulated non-cash foreign exchange gain, our FCF was negative Ps.3.0 billion.
- During the quarter, the Company generated a negative FCF of Ps.2.5 billion from a negative balance of Ps.522 million registered as of September 30, 2012, a level that also includes the FX adjustments and the recognition of the account payable from the partnership acquisition at one of the prisons.

GUIDANCE 2013

2013 GUIDANCE	Without the contribution of Federal Penitentiaries	Including the contribution of Federal Penitentiaries
Revenue Growth	2-3%	-16% to -17%
EBITDA Margin	22% to 23%	21% to 22%
Free Cash Flow	Positive Ps.700 million to Ps.1,000 million	Neutral to slightly positive

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