REPORT OF INDEPENDENT AUDITORS

TO THE SHAREHOLDERS OF WAL-MART DE MÉXICO, S.A.B. DE C.V.

We have audited the accompanying consolidated financial statements of Wal-Mart de México, S.A.B. de C.V. and subsidiaries, which comprise the consolidated statements of financial position at December 31, 2015 and 2014, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, as well as a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to frauds or errors.

AUDITOR'S RESPONSIBILITY

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

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

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

OPINION

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Wal-Mart de México, S.A.B. de C.V. and subsidiaries at December 31, 2015 and 2014, and their consolidated financial performance and cash flows for the years then ended, in conformity with the International Financial Reporting Standards.

Our audit opinion and the accompanying financial statements and footnotes have been translated from the original Spanish version to English for convenience purposes only.

Mancera, S.C.
A Member Practice of Ernst & Young Global Limited

David Sitt

Mexico City, February 3, 2016, except for Note 22 related to the approval of the consolidated financial statements, which is dated February 16, 2016.

WAL-MART DE MÉXICO, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Notes 1 and 3)
Amounts in thousands of Mexican pesos

		December 31, 2015		December 31, 2014
Assets				
Current assets:				
Cash and cash equivalents (Note 5)	Ps.	24,790,838	Ps.	28,047,848
Accounts receivable, net (Note 6)		9,758,720		6,382,321
Inventories (Note 7)		49,748,874		47,175,311
Prepaid expenses and other assets		550,253		858,363
Assets held for sale (Note 8)		-		7,988,358
Total current assets		84,848,685		90,452,201
Non-current assets:				
Property and equipment, net (Note 9)		130,222,356		125,996,056
Intangible assets (Note 10)		34,456,219		29,115,019
Deferred tax assets (Note 15)		3,461,109		2,633,559
Other non-current assets		661,750		517,280
Total assets	Ps.	253,650,119	Ps.	248,714,115
Liabilities and equity				
Current liabilities:				
Accounts payable to suppliers (Note 11)	Ps.	56,395,523	Ps.	52,710,227
Other accounts payable (Note 12)		16,682,373		13,640,563
Taxes payable		4,231,457		3,406,529
Liabilities relating to assets held for sale (Note 8)		-		5,770,732
Total current liabilities		77,309,353		75,528,051
Long-term liabilities:				
Other long-term liabilities (Note 14)		13,104,120		13,179,933
Deferred tax liabilities (Note 15)		9,786,893		8,455,407
Employee benefits (Note 16)		1,629,103		1,304,904
Total liabilities		101,829,469		98,468,295
Equity (Note 17):				
Capital stock		45,468,428		45,523,723
Legal reserve		9,104,745		8,085,178
Retained earnings		86,188,284		94,265,950
Other comprehensive income items		13,827,795		5,481,982
Premium on sale of shares		2,830,646		2,464,001
Employee stock option plan fund		(5,625,092)		(5,598,259)
Equity attributable to owners of the parent		151,794,806		150,222,575
Non-controlling interests		25,844		23,245
Total equity		151,820,650		150,245,820
Total liabilities and equity	Ps.	253,650,119	Ps.	248,714,115

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

WAL-MART DE MÉXICO, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Notes 1 and 3)
Amounts in thousands of Mexican pesos

	Year ended December 31			
	2015		2014	
Net sales	Ps.	485,863,932	Ps.	437,658,414
Other revenues (Note 18)		3,503,414		3,329,320
Total revenues		489,367,346		440,987,734
Cost of sales		(381,986,748)		(343,368,796)
Gross profit		107,380,598		97,618,938
General expenses		(72,235,179)		(64,009,927)
Income before other income and expenses		35,145,419		33,609,011
Other income		812,058		1,663,352
Other expenses		(988,923)		(556,167)
Operating income		34,968,554		34,716,196
Financial income (Note 19)		1,305,158		1,105,853
Financial expenses (Note 19)		(1,249,676)		(1,259,887)
Income before taxes on profits		35,024,036		34,562,162
Taxes on profits (Note 15)		(10,086,810)		(9,521,334)
Net Income from continuing operations		24,937,226		25,040,828
Net income from discontinued operations (Note 8)		1,441,862		5,394,065
Consolidated net income	Ps.	26,379,088	Ps.	30,434,893
Other comprehensive income items:				
Items that do not reclassify to profit and loss of the year:				
Actuarial loss on employee benefits	Ps.	(12,724)	Ps.	(158,054)
Items that may be reclassified subsequently to profit and loss:				
Cumulative translation adjustment		8,358,537		5,242,237
		8,345,813		5,084,183
Comprehensive income	Ps.	34,724,901	Ps.	35,519,076
Net income attributable to:				
Owners of the parent	Ps.	26,375,779	Ps.	30,425,945
Non-controlling interests		3,309		8,948
	Ps.	26,379,088	Ps.	30,434,893
Comprehensive income attributable to:				
Owners of the parent	Ps.	34,721,592	Ps.	35,510,128
Non-controlling interests		3,309		8,948
	Ps.	34,724,901	Ps.	35,519,076
Basic earnings per share from continuing operations attributable to owners of the parent (in pesos)	Ps.	1.426	Ps.	1.426
Basic earnings per share attributable to owners of the parent (in pesos)	Ps.	1.508	Ps.	1.732

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

WAL-MART DE MÉXICO, S.A.B. DE C.V. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

(Notes 1, 3 and 17)

Amounts in thousands of Mexican pesos

	Capital stock	Legal reserve	Retained earnings	Other comprehensive income items	Premium on sale of shares	Employee stock option plan fund	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at December 31, 2013	Ps. 45,777,573	Ps. 6,949,333	Ps. 92,551,723	Ps. 397,799	Ps. 2,314,940	Ps.(5,061,161)	Ps. 142,930,207	Ps. 20,374	Ps. 142,950,581
Movements in employee stock option plan fund					149,061	(537,098)	(388,037)		(388,037)
Increase in legal reserve		1,135,845	(1,135,845)				-		-
Repurchase of shares	(318,964)		(3,677,377)				(3,996,341)		(3,996,341)
Dividends declared			(23,887,088)				(23,887,088)		(23,887,088)
Shares issued for the payment of the contingent liability	65,114						65,114		65,114
Purchase of shares of non-controlling interests			(11,408)				(11,408)	(6,077)	(17,485)
Comprehensive income			30,425,945	5,084,183			35,510,128	8,948	35,519,076
Balance at December 31, 2014	45,523,723	8,085,178	94,265,950	5,481,982	2,464,001	(5,598,259)	150,222,575	23,245	150,245,820
Movements in employee stock option plan fund					366,645	(26,833)	339,812		339,812
Increase in legal reserve		1,019,567	(1,019,567)				-		-
Repurchase of shares	(123,116)		(1,701,956)				(1,825,072)		(1,825,072)
Dividends declared			(31,731,812)				(31,731,812)		(31,731,812)
Shares issued for the payment of the contingent liability	67,821						67,821		67,821
Purchase of shares of non-controlling interests			(110)				(110)	(710)	(820)
Comprehensive income			26,375,779	8,345,813			34,721,592	3,309	34,724,901
Balance at December 31, 2015	Ps. 45,468,428	Ps. 9,104,745	Ps. 86,188,284	Ps. 13,827,795	Ps. 2,830,646	Ps.(5,625,092)	Ps. 151,794,806	Ps. 25,844	Ps. 151,820,650

The accompanying notes are an integral part of these financial statements

WAL-MART DE MÉXICO, S.A.B. DE C.V. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Notes 1 and 3)

Amounts in thousands of Mexican pesos

	Year ended December 31			
		2015		2014
Operating activities				
Income before taxes on profits	Ps.	35,024,036	Ps.	34,562,162
Items related to investing activities:				
Depreciation and amortization		10,024,729		9,279,214
Loss from disposal of property, equipment and impairment		740,888		383,433
Impairment in goodwill		-		456,988
Contingent liability and effect of repatriation of earnings from Walmart Central America reversal		-		(1,598,604)
Stock option compensation expense		298,498		332,533
Interest earned		(503,892)		(480,560)
Items related to financing activities:				
Interest payable under finance leases		1,244,536		1,212,003
Other items		-		1,596
Cash flow from results of operations		46,828,795		44,148,765
Variances in:				
Accounts receivable		(898,674)		2,734,387
Inventories		(1,380,955)		(2,789,949)
Prepaid expenses and other assets		303,826		204,214
Accounts payable to suppliers		2,388,568		4,416,632
Other accounts payable		3,153,345		1,338,759
Taxes on profits paid		(11,605,744)		(10,638,552)
Employee benefits		114,510		148,623
Discontinued operations		-		(1,410,379)
Net cash flow from operating activities		38,903,671		38,152,500
Investing activities				
Purchase of property, equipment and software		(12,526,265)		(12,690,969)
Employee stock option plan fund		41,314		(720,570)
Interest collected		503,892		480,560
Purchase of shares of non-controlling interests		(157)		(17,503)
Proceeds from sale of property and equipment		226,448		120,170
Business disposal		3,726,761		8,744,186
Discontinued operations		-		(28,593)
Net cash flow used in investing activities		(8,028,007)		(4,112,719)
Financing activities				
Dividends paid		(31,562,146)		(21,642,721)
Repurchase of shares		(1,825,072)		(3,996,341)
Payment of finance leases		(1,624,105)		(1,604,607)
Net cash flow used in financing activities		(35,011,323)		(27,243,669)
Effect of changes in the value of cash		878,649		122,245
Net (decrease) increase in cash and cash equivalents		(3,257,010)		6,918,357
Cash and cash equivalents at beginning of year		28,047,848		21,129,491
Cash and cash equivalents at end of year	Ps.	24,790,838	Ps.	28,047,848

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

Amounts in thousands of Mexican pesos, except where otherwise indicated

1.- DESCRIPTION OF THE BUSINESS AND RELEVANT EVENTS:

a. Description of the business

Wal-Mart de México, S.A.B. de C.V. (**WALMEX** or "the Company") is a Mexican Company incorporated under the laws of Mexico and listed on the Mexican Stock Exchange, whose headquarters are located at Nextengo #78, Colonia Santa Cruz Acayucan, C.P. 02770, in Mexico City, Mexico. The principal shareholder of **WALMEX** is Wal-Mart Stores, Inc., a U.S. corporation, through Intersalt, S. de R.L. de C.V., a Mexican Company with a 70.51% shares ownership.

WALMEX holds 99.9% equity interest in the following groups of companies in Mexico and Central America:

Group	Line of business
Nueva Walmart	Operation of 1,719 (1,660 in 2014) Bodega Aurrerá discount stores, 256 (251 in 2014) Walmart hypermarkets, 160 (159 in 2014) Sam's Club membership self-service wholesale stores, 95 (93 in 2014) Superama supermarkets and 10 Medimart pharmacies in both years.
Suburbia	Operation of 117 (116 in 2014) Suburbia stores specializing in apparel and accessories for the entire family.
Importing companies	Import goods for sale.
Real estate	Property developments and management of real estate companies.
Service companies	Rendering of professional services to Group companies and not-for-profit services to the community at large, and shareholding.
Walmart Central America	Operation of 484 (477 in 2014) discount stores (Despensa Familiar and Palí), 99 (96 in 2014) supermarkets (Paiz, La Despensa de Don Juan, La Unión and Más x Menos), 102 (94 in 2014) discount warehouse stores (Maxi Bodega and Maxi Palí), 24 (22 in 2014) Walmart hypermarkets and 1 ClubCo membership self-service wholesale stores in 2014. These stores are located in Costa Rica, Guatemala, Honduras, Nicaragua and El Salvador.

b) Relevant events

I. Sale of the Walmart Bank (Note 8 paragraph a)

On December 18, 2014, the Company reached an agreement with Grupo Financiero Inbursa, S.A.B. de C.V. (Inbursa) for this Company to acquire 100% of Walmart Bank.

On June 23, 2015, after receiving the approval from the competent authorities, **WALMEX** sold 100% of the Walmart Bank shares to Inbursa for an amount of Ps. 3,612 million pesos in cash, equivalent to 1.7 times its equity. In addition, certain **WALMEX**'s assets were sold to Inbursa for Ps. 115 million pesos.

The same day, **WALMEX** announced a commercial alliance with Inbursa for the last to offer certain financial services to Walmart's customers.

II. Sale of the restaurant line of business (Note 8 paragraph b)

On September 10, 2013, the Company reached a final agreement with ALSEA, S.A.B. de C.V. (ALSEA) for this Company to acquire 100% of **WALMEX**'s restaurant line of business, which included the Vips, El Portón, Ragazzi and La Finca ("VIPS") restaurant chains.

On March 5, 2014, **WALMEX** received a notification from the Federal Economic Antitrust Commission (COFECE per its acronym in Spanish), about the approval of the sale of the restaurant line of business to ALSEA, subject to certain conditions.

On April 8, 2014, the Company delivered to COFECE the supporting documentation related to its compliance of the conditions previously laid down by it to which the sale of the restaurant line of business was subject to approval.

On May 5, 2014, COFECE finally approved **WALMEX** to sell the restaurant line of business to ALSEA after all the conditions set by it were fulfilled.

On May 12, 2014, the Company informed to its shareholders and the investing public that on May 9, 2014, the sale of its restaurant line of business to ALSEA was materialized. The sale included 361 restaurants from which, 263 operate under the VIPS chain, 92 El Porton and 6 Ragazzi. Additionally, the transaction included intellectual property rights of the four chains, menus, product development, operation processes and others.

2.- NEW ACCOUNTING PRONOUNCEMENTS:

The annual improvements corresponding to the 2012-2014 cycle of the International Financial Reporting Standards (IFRS) that will be in effect beginning January 1, 2016, are mentioned below. These improvements will not have a significant effect on the consolidated financial position or on the consolidated results of the Company:

- IAS 1, *Presentation of Financial Statements*. This disclosure initiative clarifies existing requirements in the standard concerning to materiality, specific items that may not be disclosed in the statement of comprehensive income and in the statement of financial position and have the flexibility the Companies have to order of the notes to the financial statements. It also clarifies the requirements that apply when additional subtotals are included in the statement of financial position and in the statement of comprehensive income.

- IFRS 5, *Non-current assets held for sale and discontinued operations*. Clarifies that the change from one to another method of disposal (sale or distribution to owners) would not be considered a new plan of arrangement, it is a continuation of the original plan. This improvement should be applied prospectively.

- IFRS 7, *Financial Instruments - Disclosure*. This improvement clarifies about service contracts including a commission that can constitute a continuous involvement in a financial asset. An entity must assess the nature of the commission and the contractual provisions in order to assess whether the disclosures are required. Also clarifies the disclosure requirements that do not apply to condensed interim financial statements, unless such disclosures provide a major update of the information reported in the latest annual report. The amendment should be applied retrospectively.

- IAS 19, *Employee Benefits*. This improvement clarifies about the discount rate which mentions that high-quality corporate bonds are evaluated on the basis of the currency in which the obligation is denominated instead of the country where the obligation is located. When there is not a large market for high-quality corporate bonds in that currency, rates on government bonds must be used. The amendment should be applied prospectively.

- IAS 34, *Interim Financial Reporting*. Disclosure of information elsewhere on the interim financial report. Clarifies that the required interim disclosures must be provided either in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included in the interim financial information. The amendment should be applied retrospectively.

3.- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A summary of the significant accounting policies used in the preparation of the consolidated financial statements is described below. These policies have been applied consistently with those applied in the year ended December 31, 2014.

a. Basis of preparation

The accompanying consolidated financial statements have been prepared in conformity with IFRS issued by the IASB, as well as all the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), including those issued by the former Standing Interpretations Committee (SIC).

The consolidated statements of comprehensive income were prepared on a functional basis, which allows for the disclosure of cost of sales separately from other costs, operating and administrative expenses, in conformity with IAS 1, Presentation of Financial Statements. The consolidated statement of comprehensive income also includes a separate operating income line to provide a better understanding of the Company's business performance.

The preparation of consolidated financial statements in conformity with IFRS requires the use of estimates and assumptions in some items.

Before the financial statements of the Company's foreign subsidiaries are consolidated, they are prepared under IFRS and translated to Mexican pesos using the average exchange rate for the consolidated statement of comprehensive income and the year-end exchange rate for the consolidated statement of financial position, in conformity with IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

The cumulative translation adjustment is the effect of translating the financial statements of the Company's foreign subsidiaries into Mexican pesos. This effect is recognized in equity.

WALMEX has sufficient resources to continue operating as a going concern and accordingly, the accompanying consolidated financial statements have been prepared on a going-concern basis and on a historical-cost basis. The Mexican peso is the Company's functional and reporting currency.

b. Risk factors

The Company is exposed to the effects of future events that could affect the purchasing power and/or buying habits of its population. These events may be economic, political or social in nature and some of the most important are described below:

I. Employment and salary. Positive or negative changes in employment and/or real salary levels could affect Mexico's per capita income and, consequently, the Company's business performance.

II. Changes in interest rates and exchange rates. Historically, Walmart has generated cash surpluses in Mexico and Central America on which it earns financial income. A reduction in interest rates could cause a decrease in the Company's financial income, which would affect its earnings growth. However, the Company believes that a reduction in interest rates would actually have a positive effect on its business in the medium and long-term, since it would help improve the purchasing power of its customers. On the other hand, exchange rate fluctuations tend to put upward pressure on inflation and reduce the population's purchasing power, which could ultimately hinder the Company's sales, in particular, due to the purchase of import goods.

III. Competition. The retail sector has become very competitive in recent years, which has led to the need for all the players in the market to constantly look for ways to set themselves apart from the competition. This puts the Company's market share at risk. Other factors affecting the Company's market share could be the business expansion of its competitors and the possible entrance of new competitors into the market.

IV. Inflation. Over the last few years, inflation rates in Mexico and Central America have remained at low levels. A significant increase in inflation rates could have a direct effect on the purchasing power of the Company's customers and the demand for its products and services.

V. Changes in government regulations. The Company is exposed to the changes in different laws and regulations, which, after becoming effective, they could affect the Company's operating results, such as an impact on sales, expenses for payroll indirect taxes and changes in applicable rates. Currently, the level of scrutiny and discretion by the tax authorities has greatly increased. Mexican courts have changed their position favoring those authorities ignoring violations of form and procedure.

c. Consolidation

The accompanying consolidated financial statements include the Financial Statements of **WALMEX** and those of its subsidiaries in which has control in Mexico and abroad, which are grouped as described in Note 1 paragraph a, and they are prepared for the same accounting period.

Subsidiaries are consolidated from the date on which control is transferred to **WALMEX**, and are no longer consolidated from the date that control is lost. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statements of comprehensive income from the date of acquisition or up to the date of sale, as appropriate.

All related party balances and transactions have been eliminated in the consolidation, in conformity with IFRS 10, *Consolidated Financial Statements*.

Non-controlling interests represent the portion of equity interest in the net assets of a subsidiary not attributable to the controlling Company. Non-controlling interests is presented as a separate component of equity.

d. Financial assets and liabilities and fair value measurement

A financial instrument is any contract that give rise to a financial asset for one entity and a financial liability or equity instrument for another entity. The Company determines the classification of its financial assets and liabilities at its initial recognition, as described below:

I. Financial assets. These assets are classified in one of the following categories, as required: financial assets at fair value through profit or loss, and accounts receivable, investments held to maturity or financial assets held for sale. The Company's financial assets primarily consist in trade receivables and other accounts receivable which are initially recognized at fair value. Fair value of an asset is the price in which such asset could be sold in an ordinary transaction with third parties, capable of being part of such transaction.

II. Financial liabilities. These liabilities are classified at its fair value, including accounts payable to suppliers, other accounts payable and financial leases, as required; these liabilities are initially recognized at fair value. Fair value of a liability is the amount that would be paid to transfer the responsibility to a new creditor in an ordinary transaction among those parties.

Assets and liabilities carried at fair value are measured using the fair value hierarchy, which prioritizes the inputs used in measuring fair value. The levels of the fair value hierarchy are as follows:

- Level 1. Observable data as they are quoted prices in active markets,
- Level 2. Other quoted prices in active markets that are directly or indirectly observable inputs, and
- Level 3. Unobservable for which there is little or no market data inputs, so that the Company develops its own assumptions.

Subsequent measurement of the Company's financial assets and liabilities is determined based on its classification.

e. Cash and cash equivalents

Cash and cash equivalents principally consist of bank deposits and highly liquid investments with original maturities of less than 90 days plus accrued interest and are stated at its fair value.

f. Derivative financial instruments

The Company has entered into currency hedging through Over The Counter (OTC) currency forward transactions (Fx-forwards) to mitigate the effects caused by variability in the exchange rate of foreign currency on its accounts payable related to import goods for sale.

In accordance with IFRS 9, *Financial Instruments,* derivatives are initially recognized at fair value at the date the derivative contract is subscribed and subsequently revalued at fair value at the end of the reporting period. The resulting gain or loss is recognized immediately in the financial income (expense) line in the consolidated statement of comprehensive income.

The maturity of these contracts is a maximum duration of six months.

In accordance with our standards of corporate governance, the Company does not manage derivative financial instruments other than those hedges Fx-forwards.

g. Accounts receivable and reserve for bad debts

WALMEX recognizes the reserve for bad debts at the time the legal collection process begins in conformity with its internal procedures.

Average aging of the accounts receivable to customers is 30 days.

h. Inventories

Inventories are valued using the retail method, except for merchandise for the Sam's Club and distribution centers, which are valued using the average-cost method. These inventory valuation methods are the same as those applied in the prior year. Inventories, including obsolete, slow-moving and defective items or items in poor condition, are stated at amounts not in excess of their net realizable value.

Inventory pertaining to the Agro-industrial Development of grains, edibles and meat is valued using the average-cost method.

Freight and buying allowances on the Company's group are capitalized on the inventory and are recognized in the cost of sales based on the turnover of the inventories that gave rise to them.

i. Prepaid expenses

Prepaid expenses are recognized as current assets in the consolidated statement of financial position as of the date the prepayments are made. At the time the goods are received, prepaid expenses are charged to the income statement or capitalized in the corresponding asset line when there is certainty that the acquired goods will generate future economic benefits.

j. Property and equipment

Property and equipment are recorded at acquisition cost and presented net of accumulated depreciation.

Depreciation of property and equipment is computed on a straight-line method at the following annual rates:

Buildings, facilities and leasehold improvements	2.5%	to	33.3%
Furniture and equipment	5.0%	to	33.3%

k. Lease

In conformity with IAS 17, *Leases*, the Company classifies its property lease agreements as either finance or operating leases.

A lease is considered a finance lease if it transfers substantially all the risks and rewards incident to ownership of the underlying property to the lessee, considering the renewals established in each lease agreement. Rent is recognized in the income statement over the lease term as incurred.

Lease agreements that do not qualify as finance leases are treated as operating leases. Fixed lease payments are recognized in the income statement on a straight-line method over the lease term. The commencement date of lease is considered the occupancy date of the leased property, including the lessee's rights to renewal. Variable lease payments are based on a percentage of the Company's sales, and are recognized as an expense in the period in which they are incurred.

l. Impairment in the value of property and equipment

Based on the guidelines of IAS 36, *Impairment of Assets,* the Company recognizes impairment in the value of property and equipment by applying the expected present value technique to determine value in use, considering each store as the minimum cash generating unit.

The present value technique requires detailed budget calculations, which are prepared separately for each cash-generating unit. These budgets generally cover five years and for those projected beyond five years, an expected growth percentage is applied.

Impairment losses are recognized in the consolidated statement of comprehensive income in the other expenses line.

m. Intangible assets

Intangible assets are valued at the lower of either acquisition cost or their fair value at the acquisition date and are classified based on their useful lives, which may be definite or indefinite. Indefinite-lived assets are not amortized; however, they are tested annually for impairment, in conformity with IAS 36, *Impairment of Assets*. Definite-lived assets are amortized using the straight-line method.

n. Assets and liabilities held for sale and discontinued operations

In conformity with IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations,* non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. These assets are not subject to depreciation and are measured at the lower of their previous carrying amount and fair value less costs to sell.

Assets and liabilities that meet the criteria to be classified as held for sale are presented separately in the statement of financial position from the rest of the assets and liabilities.

Incomes, expenses and costs related to this transaction are separately disclosed and recognized as part of the discontinued operations line in the consolidated statement of comprehensive income.

o. Liabilities and provisions

In conformity with IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, accrued liabilities are recognized whenever the Company has current obligations (legal or assumed) resulting from past events, that can be reasonably estimated and that will most likely give rise to a future cash disbursement for their settlement. Reimbursements are recognized net of the related obligation when it is certain that the reimbursement will be obtained. Provision expenses are presented in the consolidated statement of comprehensive income net of any corresponding reimbursements.

p. Taxes on profits

Taxes on profits are classified on current and deferred, and are recognized in the consolidated statement of comprehensive income in the year they are expensed or accrued, except when they come from items directly recognized in other comprehensive income, in which case, the corresponding taxes are recognized in equity.

Current taxes on profits are determined based on the tax laws approved in the countries on which **WALMEX** has operations, and is the result of applying the applicable tax rates at the date of the consolidated financial statements on the taxable profits of each entity of the Group. It is presented as a current liability/asset net of prepayments made during the year.

Deferred taxes on profits are recognized using the asset and liability method, in conformity with IAS 12, *Income Taxes*. Under this method, deferred taxes are recognized on all temporary differences between the financial reporting and tax values of assets and liabilities, applying the enacted income tax rate, effective as of the date of the consolidated statement of financial position, or the enacted rate that will be in effect when the deferred tax assets and liabilities are expected to be recovered or settled.

The Company periodically evaluates the possibility of recovering deferred tax assets.

q. Employee benefits

In conformity with the laws of each country in which the Company operates, the termination benefits for retirement or death to which the Company's employees are entitled, are as follows:

Mexico:

Seniority premiums accruing to employees under the Mexican Labor Law and termination retirement benefits are recognized as a cost of the years in which services are rendered, based on actuarial computations made by an independent expert, using the projected unit credit method, in conformity with IAS 19, *Employee Benefits*.

Actuarial gains and losses are recognized as they accrue directly in the consolidated statement of comprehensive income, in conformity with IAS 19.

Employee profit sharing is presented in operating results as part of the general expenses line and represents a liability due and payable in less than one year.

All other payments accruing to employees or their beneficiaries in the event of involuntary retirement or death, in terms of the Mexican Labor Law, are expensed as incurred.

Central America:

Labor termination benefits at retirement to which the employees of the Walmart Central America companies are entitled, under the labor laws of each country are recognized as a cost during the years the employees render their services based on the actuarial calculations for each country carried out by independent experts, using the projected unit credit method, in conformity with IAS 19.

In Guatemala, employees are entitled to labor termination benefits at retirement after three years of service in the Company, except in the case of justified dismissals.

In El Salvador and Honduras, employees are entitled to labor termination benefits at retirement after one year of service in the Company, except in the case of justified dismissals.

In Nicaragua, payouts for to labor termination benefits at retirement vary from one to five months of salary for the period the services were provided.

In Costa Rica, labor termination benefits at retirement are paid to employees based on current corporate policy and in conformity with the laws of such country.

r. Equity

Legal reserve:

In conformity with the Mexican Corporations Act, the Company appropriates at least 5% of the net income of each year to increase the legal reserve. This practice must be continued each year until the legal reserve reaches 20% of the value of the Company's capital stock.

Employee stock option plan fund:

The employee stock option plan fund is comprised of **WALMEX** shares presented at acquisition cost. The plan is designed to grant stock options to executives of the companies in the Group, as approved by the Mexican National Banking and Securities Commission.

All employee stock options are granted to executives of subsidiary companies at a value that is no less than the market value on the grant date.

In accordance with current corporate policy, **WALMEX** executives may exercise their option to acquire shares in equal parts over five years. The right to exercise an employee stock option expires after ten years as of the grant date or after sixty days following the date of the employee's termination.

The compensation cost of stock option is calculated using the Black-Scholes financial valuation technique, in conformity with IFRS 2, *Share-Based Payments*.

Premium on sale of shares:

The premium on sale of shares represents the difference between the cost of shares granted under the stock option plan and the value at which such shares were sold to executives of companies in the Group, net of the corresponding income tax.

s. Revenue recognition

Revenue from merchandise sales is recognized in the consolidated statement of comprehensive income at the time ownership of the products sold is transferred to the customer and the services income at the time the service is provided, in conformity with IAS 18, *Revenue*.

Sam's Club membership income is deferred over the twelve-month term of the membership and it is presented in the other revenues line in the consolidated statement of comprehensive income.

Rental income is recognized as it accrues over the terms of the lease agreements entered into with third parties and it is presented in the other revenues line in the consolidated statement of comprehensive income.

The Company recognizes the net amount of cell phone minutes revenues in the net sales line in its consolidated statement of comprehensive income at the time the intermediation service is provided.

Revenues from the sale of waste, extended warranties and service commissions are recognized in the other revenues line in the consolidated statement of comprehensive income at the time ownership of the products sold is transferred to the customer or the service is provided.

t. Basic earnings per share attributable to owners of the parent

The basic earnings per share is the result of dividing the net income of the year attributable to owners of the parent by the weighted average number of outstanding shares, in conformity with the guidelines of IAS 33, *Earnings per Share*. Diluted earnings per share is the same as basic earnings per share since there is currently no potentially dilutive common stock.

u. Operating segments

Segment financial information is prepared based on the information used by the Company's senior management to make business decisions and assess the Company's performance. Segment information is presented based on the geographical zones in which the Company operates, in conformity with IFRS 8, *Operating Segments*.

v. Foreign currency transactions

The Company's foreign currency denominated assets and liabilities are translated to functional currency at the prevailing exchange rate at the date of the consolidated statement of financial position. Exchange differences are recognized in the consolidated statement of comprehensive income under the financial income (expenses) line, in conformity with IAS 21, *The Effects of Changes in Foreign Exchange Rates.*

4.- RISK MANAGEMENT:

The Company's activities are exposed to various financial risks such as market risk, exchange rate risk and interest rate risk. The Company is in the care of those risks that impede or jeopardize their financial goals, seeking to minimize the potential negative effects through different strategies.

Note 3 paragraph b, describes, in general terms the risks to which the Company is exposed. More specifically, the risks of exchange rate, interest rate, and derivative financial instruments, are explained as follows:

Exchange rate risk:

The Company operates with foreign companies and therefore is exposed to the risk of exchange rate operations with foreign currencies, particularly the US dollar. This risk may arise from commercial transactions, recognized monetary assets and liabilities as well as the operation in Central America.

At December 31, 2015, the exchange rate used to translate assets and liabilities denominated in US dollars was Ps. 17.3832 per dollar (Ps. 14.7345 in 2014). At the date of issuance of these financial statements, the exchange rate is Ps. 18.4772 per dollar.

Considering the net monetary position in dollars at December 31, 2015, whether an increase or decrease in the exchange rate of the US dollar against the Mexican peso of Ps. 0.50 pesos arose, a favorable or unfavorable effect would be taken into the financial income (expenses) of the Company of Ps. 19,253.

Derivative financial instruments:

As mentioned in Note 3, paragraph f, the Company has entered into contracts Fx-forwards of foreign currency in order to protect itself from exposure to variability in the exchange rate for the payment of liabilities in Mexico for the purchase of import goods agreed in US dollars.

The valuation techniques used by the Company to determine and disclose the fair value of its financial instruments, are based on the hierarchy level 2 (Other quoted prices in active markets that are directly or indirectly observable inputs), in accordance with IFRS 13, *Fair Value Measurement.*

At December 31, 2015, the Company has contracts Fx-forwards for a period of two months in the amount of US$ 14,267 thousand. The notional amount and fair value amounted Ps. 245,733 and Ps. 447, respectively, and represents 2% of the accounts payable to foreign suppliers. The change in fair value that was recognized by those contracts is presented under financial income in the consolidated statement of comprehensive income.

Interest rate risk:

The Company has temporary investments which generate interests. By reducing the interest rate decreases the financial income of the Company. The interest rate of these investments fluctuated during the year between 3.0% and 3.10%. At December 31, 2015 financial income was obtained from interest in the amount of Ps. 503,892 (Ps. 480,560 in 2014).

Considering the highly liquid instruments at December 31, 2015, whether an increase or decrease in the interest rate of 0.50% is present, favorable or unfavorable effect would have on the financial income of the Company of Ps. 81,987.

5.- CASH AND CASH EQUIVALENTS:

An analysis of cash and cash equivalents at December 31, 2015 and 2014, is as follows:

		December 31, 2015		December 31, 2014
Cash and cash in banks	Ps.	9,913,581	Ps.	11,820,670
Highly marketable investments		14,877,257		16,227,178
	Ps.	24,790,838	Ps.	28,047,848

6.- ACCOUNTS RECEIVABLE, NET:

An analysis of accounts receivable at December 31, 2015 and 2014, is as follows:

		December 31, 2015		December 31, 2014
Recoverable taxes	Ps.	6,423,542	Ps.	4,198,189
Trade receivables		2,751,227		1,829,013
Other accounts receivable		894,186		603,134
Reserve for bad debts		(310,235)		(248,015)
	Ps.	9,758,720	Ps.	6,382,321

7.- INVENTORIES:

An analysis of inventories at December 31, 2015 and 2014, is as follows:

		December 31, 2015		December 31, 2014
Merchandise for sale	Ps.	47,098,964	Ps.	44,425,969
Agro-industrial development		680,923		615,382
		47,779,887		45,041,351
Merchandise in transit		1,968,987		2,133,960
	Ps.	49,748,874	Ps.	47,175,311

8.- ASSETS AND LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS:

As mentioned in Note 1 paragraph b subsections I and II, during 2015 and 2014, the Company completed the sale of the Walmart Bank and of its restaurant division, respectively.

For the year ended December 31, 2015, the line of discontinued operations includes the results of Walmart Bank; in 2014, includes the results of Walmart Bank and the restaurant division. At December 31, 2014, the assets and liabilities held for sale shown in the consolidated statement of financial position correspond to the Walmart Bank.

Both transactions are explained below:

a) Walmart Bank sale

On June 23, 2015, **WALMEX** sold 100% of the Walmart Bank shares to Inbursa for an amount of Ps. 3,612 million pesos in cash. In addition, certain **WALMEX**'s assets were sold to Inbursa for Ps. 115 million pesos.

Also, it was announced a commercial alliance with Inbursa for the last to offer certain financial services to Walmart's customers.

The main items of the result of the discontinued operation that is presented in the consolidated statement of comprehensive income that includes the results of the Walmart Bank for the six months period ended on June 30, 2015 and the effects derived from the sale and its results at December 31, 2014, are shown below:

		December 31, 2015		December 31, 2014
Net revenues	Ps.	4,626,799	Ps.	1,726,085
Costs, expenses and taxes		(3,184,937)		(1,903,384)
Net income (loss) from discontinued operations	Ps.	1,441,862	Ps.	(177,299)

Assets and liabilities from the Walmart Bank at the sale date and at December 31, 2014, are as follows:

		June 30, 2015		December 31, 2014
Credit portfolio	Ps.	4,823,626	Ps.	5,050,227
Other current assets		1,993,797		1,833,987
Current assets		6,817,423		6,884,214
Other non-current assets		1,055,947		1,104,144
Total assets	Ps.	7,873,370	Ps.	7,988,358
Traditional deposits	Ps.	5,346,015	Ps.	5,587,657
Other current liabilities		331,892		178,595
Current liabilities		5,677,907		5,766,252
Non-current liabilities		4,883		4,480
Total liabilities	Ps.	5,682,790	Ps.	5,770,732

b) Sale of restaurant division

On May 9, 2014, the Company completed the sale of the restaurant division to ALSEA in the amount of Ps. 8,152 million pesos plus the amount of the operating working capital by Ps. 592 million pesos. This division operated with the "Vips", "El Porton", "Ragazzi" and "La Finca" chains. Additionally, ALSEA will pay **WALMEX** in the future rents over the units that are located in properties in which other **WALMEX**'s formats coexists.

Vips transaction included a total of 361 restaurants of which 263 are "Vips", 92 units of "El Porton" and 6 units of "Ragazzi". Additionally, the transaction included intellectual property rights of the four chains, menus, product development, operation processes and others.

The main items of the result of the discontinued operation that is presented in the consolidated statement of comprehensive income for the period from January 1 to May 8, 2014, that include the effects derived from the sale, are shown below:

		December 31, 2014
Net revenues	Ps.	10,809,678
Costs, expenses and taxes		(5,238,314)
Net income from discontinued operations	Ps.	5,571,364

Assets and liabilities from the restaurant division at May 8, 2014, are as follows:

		May 8, 2014
Current assets	Ps.	962,901
Property and equipment - net		2,910,307
Other assets		15,874
Total assets	Ps.	3,889,082
Suppliers	Ps.	140,299
Other liabilities		462,046
Current liabilities		602,345
Non-current liabilities		405,195
Total liabilities	Ps.	1,007,540

Legal, consulting, advisory and other expenses related with the disposals of the Walmart Bank and the restaurant division, are recognized in the year they are incurred in the line of discontinued operations in the consolidated statement of comprehensive income.

9.- PROPERTY AND EQUIPMENT – NET:

An analysis of property and equipment at December 31, 2015 and 2014, is as follows:

	Property and equipment owned by the Company										
	December 31, 2013	Additions	Disposals	Transfers	Translation effect	December 31, 2014	Additions	Disposals	Transfers	Translation effect	December 31, 2015
Land	Ps. 29,533,130	Ps. 472,204	Ps. (50,955)	Ps. 119,948	Ps. 199,273	Ps. 30,273,600	Ps. 194,790	Ps. (22,389)	Ps. 390,712	Ps. 572,574	Ps. 31,409,287
Buildings	44,424,528	2,468,155	(53,886)	(289,336)	570,290	47,119,751	2,291,570	(170,144)	(4,703,460)	894,800	45,432,517
Facilities and leasehold improvements	39,872,160	1,884,859	(311,548)	760,719	277,300	42,483,490	2,626,734	(573,547)	5,982,656	862,525	51,381,858
Furniture and equipment	47,489,589	5,219,207	(1,865,997)	1,193,725	697,228	52,733,752	4,902,570	(1,654,270)	976,916	1,490,134	58,449,102
Subtotal	161,319,407	10,044,425	(2,282,386)	1,785,056	1,744,091	172,610,593	10,015,664	(2,420,350)	2,646,824	3,820,033	186,672,764
Accumulated depreciation	(55,262,816)	(8,531,668)	1,917,307	2,561	(577,278)	(62,451,894)	(9,269,521)	1,308,559	(56,745)	(1,165,739)	(71,635,340)
Work in process	2,611,938	2,527,164	(21,241)	(1,740,553)	106,653	3,483,961	2,075,568	(78,225)	(2,497,005)	245,746	3,230,045
Total	Ps. 108,668,529	Ps. 4,039,921	Ps. (386,320)	Ps. 47,064	Ps. 1,273,466	Ps. 113,642,660	Ps. 2,821,711	Ps. (1,190,016)	Ps. 93,074	Ps. 2,900,040	Ps. 118,267,469

	Leased property and equipment										
	December 31, 2013	Additions	Disposals	Transfers	Translation effect	December 31, 2014	Additions	Disposals	Transfers	Translation effect	December 31, 2015
Buildings	Ps. 13,360,286	Ps. 402,712	Ps. (202,737)	Ps. -	Ps. 139,179	Ps. 13,699,440	Ps. 173,208	Ps. (441,654)	Ps. (3,904)	Ps. 249,028	Ps. 13,676,118
Furniture and equipment	1,896,610	169,218	-	(62,061)	-	2,003,767	379,000	-	(146,475)	-	2,236,292
Subtotal	15,256,896	571,930	(202,737)	(62,061)	139,179	15,703,207	552,208	(441,654)	(150,379)	249,028	15,912,410
Accumulated depreciation	(2,842,698)	(654,509)	172,133	23,929	(48,666)	(3,349,811)	(668,249)	99,829	57,011	(96,303)	(3,957,523)
Total	Ps. 12,414,198	Ps. (82,579)	Ps. (30,604)	Ps. (38,132)	Ps. 90,513	Ps. 12,353,396	Ps. (116,041)	Ps. (341,825)	Ps. (93,368)	Ps. 152,725	Ps. 11,954,887
Grand total	Ps. 121,082,727	Ps. 3,957,342	Ps. (416,924)	Ps. 8,932	Ps. 1,363,979	Ps. 125,996,056	Ps. 2,705,670	Ps. (1,531,841)	Ps. (294)	Ps. 3,052,765	Ps. 130,222,356

Depreciation expense for the years ended December 31, 2015 and 2014, was Ps. 9,844,748 and Ps. 9,107,587, respectively.

Property and equipment impairment for the years ended December 31, 2015 and 2014, was Ps. 407,953 and Ps. 128,083, respectively, and is presented in the disposals column.

At December 31, 2014, the transfer column includes the reclassification of fixed assets held for sale of Walmart Bank by Ps. 23,651.

Work in process mostly consists of Company´s investments mainly for the construction of new stores.

10.– INTANGIBLE ASSETS:

An analysis of intangible assets at December 31, 2015 and 2014, is as follows:

	Intangible assets										
	December 31, 2013	Additions	Disposals	Transfers	Translation effect	December 31, 2014	Additions	Disposals	Transfers	Translation effect	December 31, 2015
Goodwill	Ps. 24,745,086	Ps. -	Ps. (456,988)	Ps. -	Ps. 3,732,243	Ps. 28,020,341	Ps. -	Ps. -	Ps. -	Ps. 5,036,987	Ps. 33,057,328
Trademarks	663,420	-	-	-	60,603	724,023	-	-	-	108,301	832,324
Licences and software	1,396,329	144,445	(102,806)	(237,259)	18,478	1,219,187	425,320	(191,252)	975	43,774	1,498,004
Trade receivables	169,928	-	-	-	10,196	180,124	-	-	-	34,792	214,916
Patents	66,184	7,544	(7,040)	-	3,970	70,658	9,713	(49,513)	-	7,462	38,320
Subtotal	27,040,947	151,989	(566,834)	(237,259)	3,825,490	30,214,333	435,033	(240,765)	975	5,231,316	35,640,892
Accumulated amortization	(1,083,761)	(191,910)	13,169	188,393	(25,205)	(1,099,314)	(179,981)	156,296	(1,617)	(60,057)	(1,184,673)
Total	Ps. 25,957,186	Ps. (39,921)	Ps. (553,665)	Ps. (48,866)	Ps. 3,800,285	Ps. 29,115,019	Ps. 255,052	Ps. (84,469)	Ps. (642)	Ps. 5,171,259	Ps. 34,456,219

The disposals column includes the Goodwill impairment determined at December 31, 2014.

At December 31, 2014, the transfer column includes the reclassification of intangible assets held for sale of the Walmart Bank of Ps. 31,592.

Goodwill represents the excess of the purchase price over the fair value of the net assets of Walmart Central America at the acquisition date, plus the fair value of the non-controlling interests, computed in conformity with the guidelines in IFRS 3, *Business Combinations*.

Goodwill was assigned in conformity with IAS 38, *Intangible Assets,* applying the perpetuity value technique to determine the goodwill's value in use, considering each Central American country (Costa Rica, Guatemala, Honduras, Nicaragua and El Salvador) as a minimum cash generating unit.

Goodwill is translated to the applicable exchange rates at year end and the corresponding effect is recognized in other comprehensive income items.

The Company engaged the services of an independent expert to test its goodwill for impairment. This evaluation was performed in conformity with IAS 36, *Impairment of Assets*, using the discounted cash flow technique (expected present value) to estimate the value in use of each cash generating unit based on the estimated revenues, costs, expenses, working capital requirements and fixed asset investments of each unit. This technique includes projection assumptions and value estimates and is consistent with the technique used to determine the purchase price of Walmart Central America at the time of the acquisition, which was the basis for estimating the goodwill to be allocated to each country.

Recoverable goodwill was computed based on value in use, which was calculated using cash flow projections considering the five-year business plan that underlies the decision making of the Company's senior management, except for El Salvador and Nicaragua, where the business plan covers ten years.

As a result of this study, at December 31, 2015, there was no impairment in the value of the Company's Goodwill. At December 31, 2014, the Company recognized an impairment loss of Ps. 456,988 in the other expenses line and a translation effect of Ps. 70,223 in other comprehensive income items.

Trade marks represents those that were acquired at the time of the acquisition of Walmart Central America such as: Palí, Despensa Familiar, Maxi Bodega, among others. They are translated at the year-end exchange rate and the corresponding effect is recognized in other comprehensive income items.

Licenses, software and customers amortization expense for the years ended December 31, 2015 and 2014, was Ps. 179,981 and Ps. 171,627, respectively.

11.- RELATED PARTIES:

a) Related party balances

At December 31, 2015 and 2014, the consolidated statement of financial position includes the following balances with related parties:

		December 31, 2015		December 31, 2014
Accounts payable to suppliers:				
C.M.A. – U.S.A., L.L.C. (affiliate)	Ps.	916,863	Ps.	990,986
Global George, LTD. (affiliate)		37,618		6,625
	Ps.	954,481	Ps.	997,611
Other accounts payable:				
Wal-Mart Stores, Inc. (holding Company)	Ps.	640,601	Ps.	506,503

At December 31, 2015 and 2014, balances receivable due from and payable due to related parties consist of current accounts that bear no interest, payable in cash and without guarantees.

b) Related party transactions

WALMEX has entered into the following open-ended agreements with related parties:

- Agreement for imports of merchandise for sale, interest-free and payable monthly.
- Agreement for purchase commissions with Global George that are payable on a recurring basis.
- Agreement for technical assistance and services with Walmart Stores that are payable monthly.
- Agreement for royalties for trademark use with Walmart Stores, payable quarterly based on a percentage of sales of the retail businesses.

The Company had the following transactions with related parties during the years ended December 31, 2015 and 2014:

		December 31, 2015		December 31, 2014
Import of merchandise for sale:				
C.M.A. – U.S.A., L.L.C. (affiliate)	Ps.	4,680,065	Ps.	3,774,128
Global George, LTD. (affiliate)		71,093		95,862
	Ps.	4,751,158	Ps.	3,869,990
Technical assistance, services and royalties:				
Wal-Mart Stores, Inc. (holding Company)	Ps.	2,527,818	Ps.	2,398,523

c) Remuneration of principal officers

An analysis of remuneration to the Company's principal officers for the years ended December 31, 2015 and 2014 is as follows:

		December 31, 2015		December 31, 2014
Short-term benefits	Ps.	1,006,727	Ps.	786,173
Termination benefits		123,429		75,044
Share-based payments		97,556		21,070
	Ps.	1,227,712	Ps.	882,287

12.- OTHER ACCOUNTS PAYABLE:

An analysis of other accounts payable at December 31, 2015 and 2014, is as follows:

		December 31, 2015		December 31, 2014
Accrued liabilities and others	Ps.	10,959,660	Ps.	8,666,850
Dividends		2,488,350		2,300,168
Provisions		1,179,335		599,482
Deferred revenue		857,879		875,527
Related parties (Note 11)		640,601		506,503
Financial lease (Note 14)		556,548		559,050
Contingent liability (Note 13)		-		132,983
	Ps.	16,682,373	Ps.	13,640,563

13.- COMMITMENTS AND CONTINGENCIES:

a) Commitments

At December 31, 2015, the Company has commitments totaling Ps. 13,957,560 (Ps. 12,737,320 in 2014) for the acquisition of inventories, property and equipment, as well as for maintenance services.

b) Contingent liability

At December 31, 2014, the Company recognized a contingent liability for contingent compensation related to the acquisition of Walmart Central America that was valued to its present value. It was paid on February 16, 2015, in cash and in shares as follows:

Payment in shares	Ps.	67,821
Payment in cash		65,162
Total payment of contingent liability	Ps.	132,983
Number of shares		2,048,240

c) Legal proceedings

Wal-Mart de México, S.A.B. de C.V. ("**WALMEX**") is a subsidiary of Wal-Mart Stores, Inc. ("WMT"). WMT owns approximately 70% of the shares and voting power in **WALMEX** and has the ability to designate at least a majority of the directors of **WALMEX**. The remaining shares of **WALMEX** are publicly traded on the Mexican Stock Exchange and, to the best of the knowledge of **WALMEX**, no shareholder other than WMT and its affiliates owns more than 2% of the outstanding shares of **WALMEX**.

Currently, the Board of Directors of **WALMEX** is composed of 11 directors and 4 alternates. The Audit Committee and the Corporate Governance Committee of the Board of Directors are composed exclusively of independent directors (including alternate directors).

WMT is subject to a wide variety of laws and regulations in the United States of America and in the countries in which it operates, including but not limited to the U.S. Foreign Corrupt Practices Act (the "FCPA").

As **WALMEX** publicly disclosed on April 23, 2012, WMT is the subject of an investigation under the FCPA by the U.S. Department of Justice and the U.S. Securities and Exchange Commission following a disclosure that WMT made to those agencies in November 2011.

The Audit Committee of the Board of Directors of WMT, which is composed solely of independent directors, is conducting an internal investigation into, among other things, alleged violations of the FCPA and other alleged crimes or misconduct in connection with foreign subsidiaries, including **WALMEX** and whether prior allegations of such violations and/or misconduct were appropriately handled by WMT. The Audit Committee of WMT and WMT have engaged outside counsel from a number of law firms and other advisors who are assisting in the on-going investigation of these matters. **WALMEX** has also engaged outside counsel to assist in these matters.

WMT is also conducting a voluntary global review of its policies, practices and internal controls for FCPA compliance. WMT is engaged in strengthening its global anti-corruption compliance programs through appropriate remedial anti-corruption measures. **WALMEX** is taking part in such voluntary global review and strengthening of programs.

Furthermore, lawsuits relating to the matters under investigation have been filed by several of WMT's shareholders against it and against **WALMEX**, its current directors, certain of its former directors, certain of its current and former officers and certain of **WALMEX**'s current and former officers.

WALMEX is cooperating with WMT in the review of these matters and it intends to continue fully cooperating in such regard.

A number of federal and local government agencies in Mexico have also initiated investigations of these matters. **WALMEX** is cooperating with the Mexican governmental agencies conducting these investigations.

The Audit Committee and the Corporate Governance Committee of the Board of Directors of **WALMEX**, as well as the Board of Directors of **WALMEX**, have been informed about these matters and have determined, by an unanimous vote of the independent directors only, that it is in the best interests of **WALMEX** to continue to cooperate at this time with WMT and the U.S. and Mexican agencies conducting these investigations.

WALMEX could be exposed to a variety of negative consequences as a result of the matters noted above. There could be one or more enforcement actions in respect of the matters that are the subject of some or all of the ongoing government investigations, and such actions, if brought, may result in judgments, settlements, fines, penalties, injunctions, cease and desists orders or other relief, criminal convictions and/or penalties. The shareholder lawsuits may result in judgments against WMT and **WALMEX** and to current and former directors and current and former officers of WMT and **WALMEX** named in those proceedings. **WALMEX** cannot predict accurately at this time the outcome or impact of the government´s investigations, the shareholder lawsuits, the internal investigation and review. In addition, **WALMEX** expects to incur costs in responding to requests for information or subpoenas seeking documents, testimony and other information in connection with the government investigations, and it cannot predict at this time the ultimate amount of all such costs. These matters may require the involvement of certain members of **WALMEX**'s senior management that could impinge on the time they have available to devote to other matters relating to the business. **WALMEX** may also see ongoing media and governmental interest in these matters that could impact the perception among certain audiences of its role as a corporate citizen.

WALMEX, its Board of Directors and its Audit Committee and Corporate Governance Committee will at all times ensure compliance with applicable Mexican law and ensure that they create value to **WALMEX**, acting diligently and adopting reasoned decisions, without favoring any shareholder or group of shareholders.

Although **WALMEX** does not presently believe, based on the information currently available and the advice of its external Mexican counsel, that these matters will have a material adverse effect on its business, given the inherent uncertainties in such situations, **WALMEX** can provide no assurance that these matters will not be material to its business in the future.

14.– OTHER LONG-TERM LIABILITIES:

At December 31, 2015 and 2014, the other long-term liabilities line includes the Company's obligations beyond one year under its finance leases.

In order to determine if the suppliers transfer the right to use an asset, **WALMEX** analyses the provision of services agreement that do not have the legal form of a lease but that involve the use of an asset. **WALMEX** does not have a provision of services agreement that must be classified as a lease, in conformity with IFRIC 4, *Determining Whether an Arrangement Contains a Lease.*

The Company has entered into operating leases with third parties. Rental expense under these leases is recognized on a straight-line basis over the term of the lease agreements considering as the commencement date of the lease the occupancy date of the leased property and including the lessee's rights to renewal.

The Company has entered into property lease agreements that qualify as finance leases. These agreements are recorded at the lower of either the present value of future minimum lease payments or at the market value of the property, and they are amortized over the term of the lease agreements, which includes the lessee's rights to renewal.

The Company has entered into property lease agreements with third parties for compulsory terms ranging from 1 to 14 years.

The Company has also entered into finance leases for the rental of residual water treatment plants used to meet environmental protection standards. The terms of these agreements are 7 and 10 years.

Future rental payments are as follows:

Year	Operating leases (compulsory term)		Finance leases (minimum payments)			
			Present value		Future value	
2016	Ps.	364,431	Ps.	556,548	Ps.	1,753,062
2017	Ps.	294,896	Ps.	548,642	Ps.	1,705,610
2018	Ps.	240,489	Ps.	452,159	Ps.	1,565,051
2019	Ps.	203,868	Ps.	407,274	Ps.	1,489,070
2020	Ps.	184,734	Ps.	411,813	Ps.	1,455,969
2021 and thereafter	Ps.	1,099,453	Ps.	10,573,622	Ps.	25,297,492

At December 31, 2015 and 2014, the liability derived from the use of the straight-line method under operating leases was Ps. 712,297 and Ps. 621,351, respectively, from which Ps. 26,565 and Ps. 22,485 are presented in the current liabilities line.

Total rent under operating leases charged to the income statement during the years ended December 31, 2015 and 2014 was Ps. 4,946,864 and Ps. 4,401,420, respectively.

15.– TAXES ON PROFITS:

WALMEX as an integrating entity and its integrated subsidiaries in Mexico, determine and pay its income tax under the optional integration regime for groups of entities. Also, the tax provision includes the tax income of subsidiaries located abroad, which is determined in accordance with applicable tax laws of each country.

An analysis of taxes on profits charged to the income statement for the years ended December 31, 2015 and 2014, is as follows:

	December 31, 2015		December 31, 2014	
Current year tax	Ps.	9,514,561	Ps.	10,863,537
Deferred tax		572,249		(1,342,203)
Total	Ps.	10,086,810	Ps.	9,521,334

An analysis of the effects of the temporary differences giving rise to deferred tax assets and liabilities at December 31, 2015 and 2014, is as follows:

	December 31, 2015		December 31, 2014	
Deferred tax assets				
Inventories	Ps.	565,092	Ps.	544,447
Advance collections		305,603		536,933
Labor obligations		547,287		461,510
Other long-term liabilities		585,681		460,544
Provisions		295,599		179,844
Reserve for bad debts		93,070		74,405
Tax losses carryforward from subsidiaries		28,208		29,301
Other items		1,040,569		346,575
	Ps.	3,461,109	Ps.	2,633,559
Deferred tax liabilities				
Property and equipment	Ps.	9,573,657	Ps.	8,156,133
Prepaid expenses		186,016		281,314
Other items		27,220		17,960
	Ps.	9,786,893	Ps.	8,455,407

In the consolidated statement of financial position at December 31, 2014, a reclassification was made from deferred tax liabilities to deferred tax assets of Ps. 2,633,559, to make it comparable with the one presented in the current year.

The reconciliation between the statutory tax rate and Company's effective tax rate for the year ended December 31, 2015 and 2014, is as follows:

	2015	2014
Statutory tax rate	30.0 %	30.0 %
Non-deductible expenses from payments to associates exempt from income tax	0.9 %	0.9 %
Reversal of repatriation of earnings from Walmart Central America	-	(1.2)%
Other items	(2.1)%	(2.2)%
Effective tax rate	28.8 %	27.5 %

Income tax rates applicable are shown below:

	Rate
Mexico	30%
Costa Rica	30%
Guatemala	25%
Honduras	30%
Nicaragua	30%
El Salvador	30%

The Company has tax losses from subsidiaries that, in conformity with the current Mexican Income Tax Law, may be carried forward against the taxable income generated in future years, as follows:

Year of expiration		Amount
2020	Ps.	43
2021		325
2022		746
2023		452
2024		81,883
2025		10,579
	Ps.	94,028

16.– EMPLOYEE BENEFITS:

Annually, the Company engages an independent expert to perform the actuarial calculations related to its labor obligations and it is prepared in conformity with IAS 19, *Employee Benefits*.

Mexico:

The Company has set up a defined benefits trust fund to cover seniority premiums accruing to employees. Workers make no contributions to this fund. Also, the Company recognizes the liability for termination benefits for retirement. These obligations are determined using the projected unit credit method.

At December 31, 2015 and 2014, an analysis of the Company's assets and liabilities for seniority premiums and retirement benefits is as follows:

	Seniority premiums				Retirement benefits			
	2015		2014		2015		2014	
Defined benefit obligations	Ps.	935,158	Ps.	855,596	Ps.	123,396	Ps.	113,410
Plan assets		(730,709)		(684,207)		-		-
Net projected liability	Ps.	204,449	Ps.	171,389	Ps.	123,396	Ps.	113,410

Changes in the net present value of the defined benefit obligations (DBO) at December 31, 2015 and 2014, are shown below:

	Seniority premiums				Retirement benefits			
	2015		2014		2015		2014	
DBO at beginning of year	Ps.	855,596	Ps.	736,256	Ps.	113,410	Ps.	97,307
Net period cost charged to the results:								
- Labor cost from actual services		128,809		107,486		7,455		6,317
- Interest cost on DBO		58,401		53,744		7,763		7,133
Other comprehensive income items	(	8,207)		39,193	(	5,232)		3,718
Benefits paid	(	99,441)	(	77,668)		-		-
Transfers		-	(	3,415)		-	(	1,065)
DBO at year end	Ps.	935,158	Ps.	855,596	Ps.	123,396	Ps.	113,410

Changes in the net present value of the plan assets (PA), at December 31, 2015 and 2014, are shown below:

	Seniority premiums					
	2015			2014		
PA at beginning of year	Ps.	(	684,207)	Ps.	(	612,821)
Expected return on plan assets		(	46,402)		(	44,481)
Other comprehensive income items			41,187			12,069
Plan contributions		(	140,719)		(	115,684)
Benefits paid			99,432			76,710
PA at year end	Ps.	(	730,709)	Ps.	(	684,207)

Valuation techniques used by the Company to determine and disclose the fair value of its financial instruments is based on a Level 1 hierarchy (observable data as they are quoted prices in active markets) in conformity with IFRS 13, *Fair value measurement*.

At December 31, 2015 and 2014, the plan assets have been invested through the trust mostly in money market instruments.

At December 31, 2015 and 2014, actuarial gains/losses from the labor obligations are recognized in the other comprehensive income items line by Ps. 123,218 and Ps. 145,241, respectively.

Central America:

At December 31, 2015 and 2014, changes in the net present value of the DBO, is shown below:

	2015			2014		
DBO at beginning of year	Ps.		1,020,105	Ps.		750,835
Net period cost charged to the results:						
- Labor costs from actual services			187,372			112,665
- Interest cost on DBO			94,164			74,682
Other comprehensive income items			34,747			103,074
Benefits paid		(	194,417)		(	159,276)
Translation effects			159,287			138,125
DBO at year end	Ps.		1,301,258	Ps.		1,020,105

At December 31, 2015 and 2014, actuarial gains/losses from the labor obligations are recognized in the other comprehensive income items line by Ps. 260,851 and Ps. 226,104, respectively.

At December 31, 2015, the assumptions used in the actuarial valuations of Mexico and Central America, are as follows:

	Mexico	Central America
Financial:		
Discount rate	7.00%	7.91% -12.77%
Salary increase rate	5.25%	3.10% - 7.50%
Minimum salary increase rate	4.00%	2.60% - 7.00%
Inflation rate	4.00%	2.60% - 7.00%
Biometrics:		
Mortality	IMSS97[1]	RP – 2000[2]
Disability	21.07%	15.4%
Retirement age	65 years	60-65 years

(1) Experience from the Mexican Institute for Social Security for males and females
(2) RP-2000 for Costa Rica, Guatemala, Honduras, Nicaragua and El Salvador.

These assumptions are consistent with those used in the last year, except for the discount rate of Central America that ranged 7.19% to 12.37% in 2014.

A sensitivity analysis of the DBO at December 31, 2015, is as follows:

	Mexico		Central America	
DBO at december 31, 2015	Ps.	1,058,554	Ps.	1,301,258
DBO at discount rate +1%	Ps.	983,198	Ps.	1,445,192
DBO at discount rate -1%	Ps.	1,192,259	Ps.	1,641,688
Effects over DBO:				
Discount rate +1%	Ps.	(96,005)	Ps.	(90,670)
Discount rate -1%	Ps.	113,056	Ps.	105,826

The discount rate is determined using the curve of government bonds issued by the Federal Government known as M. Bonds.

17.– EQUITY:

a. At ordinary meeting held on March 24, 2015, the shareholders adopted the following resolutions:

1. Approval of a cap of Ps. 5,000,000 on the amount the Company would use in 2015 to repurchase its own shares.
2. Cancellation of 114,048,160 shares resulting from the repurchase of shares.
3. Increase in the legal reserve of Ps. 1,019,567 to be charged to retained earnings.
4. A declared ordinary cash dividend of Ps. 0.56 pesos per share to be paid in four installments of Ps. 0.14 pesos per share on April 28, 2015, August 25, 2015, November 24, 2015 and February 23, 2016; and one extraordinary cash dividend of Ps. 1.28 pesos per share to be paid in four installments of Ps. 0.64 pesos per share on April 28, 2015, Ps. 0.13 pesos per share on August 25, 2015, Ps. 0.32 pesos per share on November 24, 2015 and Ps. 0.19 pesos per share which is subject to the approval and closing of the sale of the Walmart Bank and will be paid on the date and subject to the terms determined by the Board of Directors.

b. At ordinary meeting held on March 20, 2014, the shareholders adopted the following resolutions:

1. Approval of a cap of Ps. 5,000,000 on the amount the Company would use in 2014 to repurchase its own shares.
2. Cancellation of 107,608,000 shares resulting from the repurchase of shares.
3. Increase in the legal reserve of Ps. 1,135,845 to be charged to retained earnings.
4. A declared ordinary cash dividend of Ps. 0.52 pesos per share to be paid in four installments of Ps. 0.13 pesos per share on April 29, 2014, August 26, 2014, November 25, 2014 and February 24, 2015; and two extraordinary cash dividends, the first one of Ps. 0.46 pesos per share to be paid in two installments, one of Ps. 0.27 pesos per share on April 29, 2014 and the second one of Ps. 0.19 pesos per share on November 25, 2014. The second extraordinary cash dividend of Ps. 0.40 pesos per share which is subject to the approval and closing of the sale of the Vips restaurant division.

c. Capital stock is represented by registered shares with no par value. The Company's capital stock must be represented by a minimum of 3,000,000,000 shares and a maximum of 100,000,000,000 shares.

At December 31, 2015 and 2014, an analysis of historical paid-in stock and the number of shares representing it is as follows:

		December 31, 2015		December 31, 2014
Fixed minimum capital	Ps.	5,591,362	Ps.	5,591,362
Variable capital		36,935,265		36,982,593
Total	Ps.	42,526,627	Ps.	42,573,955
Number of freely subscribed common shares:		17,461,402,631		17,506,639,103

During the year ended December 31, 2015, **WALMEX** repurchased 47,284,712 (122,676,160 in 2014) of its own shares, of which 2,980,000 (11,608,000 in 2014) were cancelled as per the resolution adopted at the shareholders' meeting held on March 24, 2015 (March 20, 2014). As a result of the share repurchases, the Company's historical capital stock was reduced by Ps. 115,149 (Ps. 298,294 in 2014). The difference between the theoretical value and the repurchase cost of the shares acquired was reflected against retained earnings.

d. Distributed earnings and capital reductions that exceed the net taxed profits account (CUFIN per its acronym in Spanish) and restated contributed capital account (CUCA per its acronym in Spanish) balances are subject to income tax, in conformity with Articles 10 and 78 of the Mexican Income Tax Law.

At December 31, 2015 and 2014, the total balance of the tax accounts related to equity is Ps. 94,297,267 and Ps. 102,436,241, respectively, in conformity of the current tax laws effective January 1, 2014.

Additionally the individuals residing in Mexico and residents abroad (individuals or corporations) are subject to pay income tax at an additional rate of 10% on dividends or profits distributed by corporations resident in Mexico. The latter are obliged to withhold tax to pay it to the federal treasury. The additional tax rate of 10% mentioned only applies to profits obtained beginning on 2014. For these purposes, the corporation is required to keep track of CUFIN with the profits generated until December 31, 2013. From the balance of this account, dividends paid from January 1, 2014, will be subtracted and once exhausted, this balance will begin to withhold an additional tax rate of 10%. At December 31, 2015 and 2014, the Company had a balance of CUFIN with the profits generated as of December 31, 2013 of Ps. 19,080,323 and Ps. 48,547,901, respectively.

e. At December 31, 2015, the legal reserve of the Company represents 20% of the equity, which according to the Mexican Corporations Act, has reached the maximum of its constitution. At December 31, 2014, the legal reserve represented 17.8% of the equity.

f. The employee stock option plan fund consists of 218,286,764 **WALMEX** shares, which have been placed in a trust created for the plan.

The total compensation cost charged to operating results in the years ended December 31, 2015 and 2014 was Ps. 298,498 and Ps. 332,533, respectively, which represented no cash outlay for the Company.

Changes in the stock option plan are as follows:

	Number of shares	Weighted average price per share (pesos)
Balance at December 31, 2013	224,777,509	26.87
Granted	49,367,214	30.89
Exercised	(29,358,139)	15.71
Cancelled	(12,159,746)	35.19
Balance at December 31, 2014	232,626,838	28.70
Granted	44,185,575	35.91
Exercised	(56,630,756)	21.78
Cancelled	(14,037,608)	34.28
Balance at December 31, 2015	206,144,049	31.77
Shares available for option grant:		
At December 31, 2015	12,142,715	
At December 31, 2014	9,626,682	

At December 31, 2015, an analysis of granted and exercisable shares under the stock option plan fund is as follows:

Year	Granted			Range of price (pesos)	Exercisable	
	Number of shares	Average remaining life (in years)	Weighted average price per share (pesos)		Number of shares	Weighted average price per share (pesos)
2006	6,082,595	0.2	14.41	14.40-15.02	6,082,595	14.41
2007	8,092,729	1.2	21.54	21.54	8,092,729	21.54
2008	11,614,382	2.2	19.35	19.35	11,614,382	19.35
2009	13,892,185	3.2	15.88	15.85-19.00	13,892,185	15.88
2010	15,119,452	4.2	29.70	29.69-31.05	15,119,452	29.70
2011	18,481,506	5.2	33.75	33.70-33.75	12,824,426	33.75
2012	26,055,731	6.2	39.76	34.74-40.05	15,153,710	39.75
2013	27,359,572	7.2	39.21	39.17-41.89	9,905,377	39.21
2014	38,504,772	8.2	30.91	30.84-39.17	5,356,807	30.93
2015	40,941,125	9.2	35.90	30.50-36.07	-	-
Total	206,144,049	6.2	31.77		98,041,663	28.00

18.– OTHER REVENUES:

For the years ended December 31, 2015 and 2014, an analysis of other revenues related to the Company's primary business activities is as follow:

	December 31, 2015		December 31, 2014	
Memberships	Ps.	1,218,007	Ps.	1,225,248
Rental		1,170,188		964,532
Gasoline		228,349		268,675
Sale of waste		432,853		380,164
Service commissions		307,444		273,923
Parking		58,769		110,512
Others		87,804		106,266
Total	Ps.	3,503,414	Ps.	3,329,320

19.– FINANCIAL INCOME (EXPENSES):

An analysis of financial income (expenses) for the years ended December 31, 2015 and 2014, is as follows:

	December 31, 2015		December 31, 2014	
Financial income				
Financial income	Ps.	1,165,508	Ps.	1,044,108
Exchange gain		139,650		61,745
	Ps.	1,305,158	Ps.	1,105,853
Financial expenses				
Interest on finance leases	Ps.	(1,244,536)	Ps.	(1,212,003)
Others		(5,140)		(47,884)
	Ps.	(1,249,676)	Ps.	(1,259,887)

Financial income primarily consists of interest earned on investments and income earned on factoring transactions.

20.– SEGMENT FINANCIAL INFORMATION:

Segment financial information is prepared based on the information used by the Company's senior management to make business decisions and on the criteria established in IFRS 8, *Operating Segments*.

The Company operates in Mexico and Central America and sells to the general public, and it is primarily engaged in operating self-service stores.

The Company has identified the following operating segments by geographical zone:

Mexico:

- Self-service: Operation of discount stores, hypermarkets, wholesale-price membership stores and supermarkets.
- Others: Consists of department stores and real estate transactions with third parties.

Central America:

Operation of discount stores, supermarkets, hypermarkets, warehouse stores and wholesale-price membership stores in Costa Rica, Guatemala, Honduras, Nicaragua and El Salvador.

An analysis of financial information by operating segments and geographical zones is as follows:

Segment	Year ended December 31, 2015 Total revenues	Operating income	Financial income (expenses) – net	Income before taxes on profits
Mexico:				
Self-service	Ps. 396,518,063	Ps. 29,539,010	Ps. -	Ps. -
Other	13,730,785	1,579,392	-	-
Central America:				
Self-service	79,118,498	3,850,152	-	-
Consolidated	Ps. 489,367,346	Ps. 34,968,554	Ps. 55,482	Ps. 35,024,036

Segment	Year ended December 31, 2014 Total revenues	Operating income	Financial income (expenses) – net	Income before taxes on profits
Mexico:				
Self-service	Ps. 365,450,584	Ps. 29,250,810	Ps. -	Ps. -
Other	13,326,879	1,446,300	-	-
Central America:				
Self-service	62,210,271	2,877,470	-	-
Impairment of goodwill and cancellation of contingent liability	-	1,141,616	-	-
Consolidated	Ps. 440,987,734	Ps. 34,716,196	Ps. (154,034)	Ps. 34,562,162

Segment		Purchase of property and equipment		Depreciation and amortization		Total assets		Current liabilities
	Year ended December 31, 2015							
Mexico:								
Self-service	Ps.	7,767,173	Ps.	7,625,367	Ps.	159,125,458	Ps.	54,045,672
Others		713,974		599,695		11,222,435		2,338,440
Unassignable Items		-		-		12,073,810		8,560,968
Central America:								
Self-service		4,045,118		1,799,667		38,171,088		12,364,273
Goodwill and contingent liability		-		-		33,057,328		-
Consolidated	Ps.	12,526,265	Ps.	10,024,729	Ps.	253,650,119	Ps.	77,309,353

Segment		Purchase of property and equipment		Depreciation and amortization		Total assets		Current liabilities
	Year ended December 31, 2014							
Mexico:								
Self-service	Ps.	9,136,037	Ps.	7,282,731	Ps.	154,715,809	Ps.	50,868,727
Others		703,749		546,450		11,858,431		2,157,821
Unassignable Items		-		-		17,043,770		6,178,912
Assets and liabilities held for sale		-		-		7,988,358		5,770,732
Central America:								
Self-service		2,851,183		1,450,033		29,087,406		10,418,876
Goodwill and contingent liability		-		-		28,020,341		132,983
Consolidated	Ps.	12,690,969	Ps.	9,279,214	Ps.	248,714,115	Ps.	75,528,051

Unassignable items refer primarily to reserve land, cash and cash equivalents of the parent and real estate companies, as well as income tax payable and deferred tax assets.

At December 31, 2014, assets and liabilities held for sale correspond to the Walmart Bank.

21.– SUBSEQUENT EVENT:

On January 18, 2016, the Company reported that it had initiated a process to consider potential offers from third parties that in case of materialize, would lead to the sale of the division of Suburbia stores. This decision is in line with the Company´s strategy to focus on its core business.

This process is at an early stage and cannot be guaranteed that the sale is to be carried out or other terms or conditions of a potential operation.

22.– APPROVAL OF THE FINANCIAL STATEMENTS:

The accompanying consolidated financial statements and its notes for the years ended December 31, 2015 and 2014 were approved for issue and public release by the Company´s management on February 3, 2016. These financial statements and its notes were subsequently approved by the Company’s Board of Directors in a meeting held on February 16, 2016.