

Mexico City (October 21, 2002) – Consorcio ARA S.A. de C.V. (BMV: ARA*) today announced results for the Third Quarter of 2002 and trailing twelve months ended September 30, 2002.

(All figures in Mexican Pesos)

PERFORMANCE HIGHLIGHTS

Third Quarter 2002 compared to the Third Quarter 2001

- 1.6 % increase in revenues, reaching \$ 998.8 million pesos
- 2.5 % gross profit increase resulting in a gross margin of 28.4%, reaching \$ 283.7 million pesos
- 2.3 % increase in operating profit with a margin of 20.7%, reaching \$ 206.8 million pesos
- EBITDA increase of 2.5 % with a margin of 22.0 % of revenues, reaching \$ 220.1 million pesos
- Net profit with a net margin of 11.4%, reaching \$ 113.6 million pesos

LTM September 2002 vs. LTM September 2001

- Increase in revenues of 3.8 %, reaching \$ 4,096.8 million pesos
- 4.1 % increase in gross profit with a gross margin of 28.3 %, reaching \$ 1,161.4 million pesos
- Increase in operating profit of 2.4 % with an operating margin of 20.7%, reaching \$ 846.1 million pesos
- EBITDA growth of 2.0 % with a margin of 21.8 %, reaching \$ 893.4 million pesos
- Net Profit margin posted a 11.9 % margin, reaching \$ 488.3 million of pesos. Without the impact of deferred taxes, the net margin posted was 16.3 %, reaching \$ 669.0 million pesos
- The Earnings Per Share was \$1.48

September 30, 2002 Balance Sheet Highlights.

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- The cost bearing liabilities represent a third part of the cash
 - Leverage was maintained at a healthy level of 11.7% total liabilities to total assets, this is without the non-cash impact of deferred taxes. If included, leverage was 35.7%
 - Consorcio ARA's fully owned Land Bank was enough to build and sell 101,229 units, equivalent to 114,867 affordable entry level units
 - Backlog of 18,423 units, which guarantees approximately one year of future sales
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THIRD QUARTER 2002

UNIT SALES:

During the third quarter of 2002, Consorcio ARA's had total sales of 3,800 reaching 1.6% growth in real terms. The breakdown is as follows:

	3° Quarter 2002		3° Quarter 2001		Variation			
	Units	Millions of Pesos	Units	Millions of Pesos	Units	%	Millions of Pesos	%
Prosavi-Progresiva	524	82.8	248	35.4	276	111.3	47.4	133.7
Infonavit	1,536	357.4	1,640	368.5	-104	-6.3	-11.1	-3.0
Fovi-Fovissste	1,240	317.9	1,618	409.2	-378	-23.4	-91.3	-22.3
Affordable Entry Level	2,776	675.3	3,258	777.7	-482	-14.8	-102.4	-13.2
Middle Income	483	198.8	210	76.3	273	130.0	122.5	160.6
Residential	17	34.6	41	79.6	-24	-58.5	-45.0	-56.5
Comercial Land		0.2		3.7			-3.5	-95.2
Total as Developer	3,800	991.7	3,757	972.7	43	1.1	19.0	2.0
Contractor	--	0.5	--	9.9	--	--	-9.4	-94.5
Comercial Space	--	6.6		--			6.6	100.0
Middle Income	--		21		-21	-100.0		
Total Joint Ventures	--		21		-21	-100.0		
TOTAL	3,800	998.8	3,778	982.6	22	0.6	16.2	1.6

	3° Quarter 2002		3° Quarter 2001		Variation	
	Units	Mix	Units	Mix	Units	%
Prosavi-Progresiva	524	13.8%	248	6.6%	276	111.3
Infonavit	1,536	40.4%	1,640	43.4%	-104	-6.3
Fovi-Fovissste	1,240	32.6%	1,618	42.8%	-378	-23.4
Affordable Entry	2,776	73.0%	3,258	86.2%	-482	-14.8
Middle Income	483	12.7%	231	6.1%	252	109.1
Residential	17	0.4%	41	1.1%	-24	-58.5
TOTAL	3,800	100.0%	3,778	100.0%	22	0.6

Sales in Prosavi-Progresiva reflected an increase in units of 111.3 % and 133.7 % in revenues compared to the same quarter of the previous year. The opening of some new developments with higher priced products caused this.

Our operations in the Affordable Entry level segment decreased 14.8 % from 3,258 units during the third quarter of 2001 to 2,776 units during the third quarter of 2002 reflecting a decrease of 13.2 % in revenues. The volume of FOVI-FOVISSSTE sales decreased 23.4% when compared to the same quarter a year ago by posting 1,240 units which generated a 22.3 % decrease in revenues which posted \$ 317.9 million of pesos. As you can see the FOVISSSTE segment represents practically all of the effect. The INFONAVIT revenues reached \$ 357.4 million pesos, that in a 3.0% decrease and posted 1,536 units. It is worth mentioning that during the quarter revenues were recognized from sales and construction of 483 middle income units sold out of which 447 units sold were financed through FOVI's

B3 program. The opening of new developments will strengthen the segment in the future. Going forward, this segment will increase its participation in the mix, and this will cause an important enrichment of it.

The Residential housing segment decreased of 58.5 % in volumes and 56.5 % in revenues during the quarter, caused by the completion of some of the developments. The residential market due to the return of credit, is experiencing a momentary oversupply of inventory.

AVERAGE PRICES

During the third quarter the average selling prices performed well and according to our expectations. It increased in most segments, and the breakdown is as follows:

	Third Quarter 2002 (Thousands \$)	Third Quarter 2001 (Thousands \$)	Variation %
Average Selling Price	158.1	142.9	10.6
Prosavi-Progresiva	232.7	224.7	3.6
Infonavit	256.4	252.9	1.4
Fovi-Fovissste	243.3	238.7	1.9
Affordable Entry Level	411.5	363.2	13.3
Middle Income	2,034.3	1,940.5	4.8
Residential			

EARNINGS STATEMENT, 3° Quarter 2002 VS 3° Quarter 2001.

	3° Quarter 2002		3° Quarter 2001		Variation
	Millions of Pesos	%	Millions of Pesos	%	%
Revenues	998.8	100.0	982.6	100.0	1.6
Cost of Goods Sold	715.0	71.6	705.8	71.8	1.3
Gross Profit	283.8	28.4	276.8	28.2	2.5
G&A Costs	77.0	7.7	74.6	7.6	3.1
Operating Profit	206.8	20.7	202.1	20.6	2.3
ICF	10.5	1.0	6.0	0.6	73.4
Other Income	5.6	0.6	5.1	0.5	9.6
Joint Ventures	-0.2	0.0	-2.2	-0.2	-89.8
PreTax Profit	201.7	20.2	199.0	20.3	1.3
Taxes	88.1	8.8	80.1	8.2	9.9
Net Profit	113.6	11.4	118.8	12.1	-4.4
Depreciation	13.3	1.3	12.6	1.3	5.6
EBITDA	220.1	22.0	214.7	21.9	2.5

REVENUES

Revenues increased 1.6% in real terms from \$ 982.6 million in the third quarter of 2001 to \$998.8 million of pesos in the third quarter of 2002.

COST OF GOODS SOLD

Cost of goods sold moved from \$ 705.8 million during the third quarter of 2001 to \$ 715.0 million of pesos during the third quarter of 2002.

GROSS PROFIT

Gross profit for the third quarter of 2002 increased 2.5 % compared to the same period last year, posting \$ 283.7 million pesos. This increase generated a pooled gross margin of 28.4%. Gross margin in each segment is as follows:

	Gross Margin	Gross Margin	Variation
	3° Quarter 2002	3° Quarter 2001	Points
Prosavi-Progresiva	23.5%	23.1%	0.4
Affordable	28.5%	28.1%	0.4
Middle Income	29.9%	29.3%	0.6
Residential	30.8%	30.4%	0.4
Developer	28.4%	28.2%	0.2
Contractor	--	25.9%	-25.9
Comercial Land	42.1%	--	42.1
TOTAL	28.4%	28.2%	0.2

GENERAL AND ADMINISTRATIVE COSTS.

G&A as a percentage of revenues were 7.7 % of sales, that is, \$ 77.0 million of pesos. Due to the boom in the Mexican housing sector we have decided to increase the income of key employees who show a great performance and efficiency doing their job thus motivating and keeping them with us.

OPERATING PROFIT

Operating profit totaled \$ 206.8 million pesos, a 2.3% increase in real terms compared to the third quarter of 2001. The corresponding margin was 20.7 %.

EBITDA

During the third quarter of 2002, Consorcio ARA posted EBITDA of \$ 220.1 million of which \$13.3 million came from depreciation. The resulting margin was 22.0%.

INTEGRAL COST OF FINANCING

Integral cost of financing increased 73.4 % from \$ 6.0 million during the third quarter of 2001 to \$10.5 million during the third quarter of 2002. The breakdown is as follows:

	3° Quarter 2002	3° Quarter 2001	Variation
	Million Pesos	Million Pesos	%
Interest Paid	15.9	15.8	0.6
Interest Earned	10.1	12.7	-20.4
Foreign Exchange (Gain) Loss	0.2	0.5	-61.8
Monetary Position (Gain) Loss	4.5	2.4	87.5
INTEGRAL COST OF FINANCING	10.5	6.0	73.4

Despite the fact that cash has remained high, the lower interest rates paid due to market conditions resulted in a lower interest earned figure.

Our EBITDA is 21.0 times higher than the ICF, and the Interest Paid can be covered in more than 13.8 times.

EQUITY IN JOINT VENTURES

Middle Income Joint Venture reduced their operations due to the end of development in this business line.

TAXES

The deferred taxes registered by the company were \$ 64.5 million of pesos during the quarter. The total amount of taxes paid during the quarter was \$ 88.1 million pesos.

NET PROFIT

Net profit for the Third Quarter was \$ 113.6 million with a net margin of 11.4%.

LTM ended on September 2002 Vs. 2001

UNIT SALES (LTM):

	LTM September 2002		LTM September 2001		Variation			
	Units	Millions of Pesos	Units	Millions of Pesos	Units	%	Millions of Pesos	%
Prosavi-Progresiva	2,618	416.9	2,037	283.6	581	28.5	133.3	47.0
Infonavit	6,505	1,534.1	6,674	1,439.9	-169	-2.5	94.2	6.5
Fovi-Fovissste	5,205	1,335.0	5,800	1,471.1	-595	-10.3	-136.1	-9.3
Affordable Entry Level	11,710	2,869.1	12,474	2,911.0	-764	-6.1	-41.9	-1.4
Middle Income	1,488	583.2	1,114	429.8	374	33.6	153.4	35.7
Residential	101	230.5	129	229.4	-28	-21.7	1.1	0.5
Comercial Land	--	-23.2	--	32.7	--		-55.9	-170.9
Total as Developer	15,917	4,076.5	15,754	3,886.5	163	1.0	190	4.9
Contractor	--	7.3	--	62.1			-54.8	-88.2
Comercial Store rents		13.0		--			13.0	
Middle Income	2		200		-198	-99.0		
Total in Joint Ventures	2		200		-198	-99.0		
TOTAL	15,919	4,096.8	15,954	3,948.6	-35	-0.2	148.2	3.8

SUMMARY	LTM September 2002		LTM September 2001		Variation	
	Units	Mix	Units	Mix	Units	%
Prosavi-Progresiva	2,618	16.4%	2,037	12.8%	581	28.5
Infonavit	6,505	40.9%	6,674	41.8%	-169	-2.5
Fovi-Fovissste	5,205	32.7%	5,800	36.4%	-595	-10.3
Affordable Entry	11,710	73.6%	12,474	78.2%	-764	-6.1
Middle Income	1,490	9.4%	1,314	8.2%	176	13.4
Residential	101	0.6%	129	0.8%	-28	-21.7
TOTAL	15,919	100.0%	15,954	100.0%	-35	-0.2

AVERAGE PRICES (LTM)

Average Selling Price	LTM September 2002	LTM September 2001	Variation
	(Thousands of Pesos)	(Thousands of Pesos)	%
Prosavi-Progresiva	159.3	139.2	14.4
Infonavit	235.8	215.7	9.3
Fovi-Fovissste	256.5	253.6	1.1
Affordable Entry Level	245.0	233.4	5.0
Middle Income	391.9	385.8	1.6
Residential	2,281.7	1,778.0	28.3

EARNINGS STATEMENT, LTM.

	LTM September 2002		LTM September 2001		Variation
	Millions of	%	Millions of	%	
	Pesos		Pesos		
Revenues	4,096.8	100.0	3,948.6	100.0	3.8
Cost of Goods Sold	2,935.4	71.7	2,832.9	71.7	3.6
Gross Profit	1,161.4	28.3	1,115.7	28.3	4.1
G&A Costs	315.2	7.7	289.5	7.3	8.9
Operating Profit	846.1	20.7	826.2	20.9	2.4
ICF	42.4	1.0	23.9	0.6	77.6
Other Income	7.5	0.2	7.6	0.2	-2.1
Joint Ventures	-1.7	0.0	-1.2	0.0	37.8
PreTax Profit	809.5	19.8	808.7	20.5	0.1
Taxes	321.2	7.8	241.1	6.1	33.2
Net Profit	488.3	11.9	567.6	14.4	-14.0
Depreciation	47.2	1.2	49.7	1.3	-5.0
EBITDA	893.4	21.8	875.9	22.2	2.0

GROSS PROFIT (LTM)

	Gross Margin LTM September 2002	Gross Margin LTM September 2001	Variation Points
Prosavi-Progresiva	23.8%	23.2%	0.6
Affordable	28.4%	28.2%	0.2
Middle Income	30.1%	30.3%	-0.2
Residential	31.2%	31.3%	-0.1
Contractor	-13.3%	27.5%	-40.8
Comercial Land	30.6%	30.1%	0.5
Comercial Store Rents	53.8%	--	53.8
TOTAL	28.3%	28.3%	0.0

INTEGRAL COST OF FINANCING (LTM)

	LTM September 2002 (Millions of Pesos)	LTM September 2001 (Millions of Pesos)	Variation %
Interest Paid	68.5	103.2	-33.6
Interest Earned	39.8	75.8	-47.5
Foreign Exchange (Gain) Loss	0.0	-1.3	-100.0
Monetary Position (Gain) Loss	13.7	-4.9	-379.6
INTEGRAL COST OF FINANCING	42.4	23.9	77.6

NET PROFIT (LTM)

Net profit for the trailing twelve months ending in September 2002 posted \$ 488.3 million pesos with a 11.9% margin and an EPS of \$1.48. The breakdown is as follows:

	LTM September 2002
Net Profit (pesos)	486,183,845
Average Shares	327,897,190
EPS (pesos)	1.48

BALANCE SHEET as of SEPTEMBER 30, 2002

	September 2002	September 2001	Variation %
	Millions of Pesos	Millions of Pesos	
Total Assets	5,306.3	4,776.5	11.1
Short Term Assets	4,842.0	4,428.8	9.3
Cash	647.8	635.0	2.0
Accounts Receivable	1,124.3	921.6	22.0
Other Accounts Receivable	0.0	62.1	-100.0
Inventories	2,915.1	2,712.7	7.5
Other Short Term Assets	154.8	97.4	59.1
Long Term Assets	464.3	347.7	33.5
Equity in Joint Ventures	5.2	45.1	-88.5
Buildings and Equipment	459.1	302.6	51.7
Total Liabilities	1,893.2	1,735.3	9.1
Short Term Liabilities	597.7	666.7	-10.4
Accounts Payable	156.4	221.1	-29.3
Bank Loans	150.9	81.3	85.6
Taxes Payable	15.9	11.9	33.6
Other Short Term Liabilities	274.5	352.4	-22.1
Long Term Liabilities	21.5	13.5	-59.2
Bank Loans	--	8.0	-100.0
Leasing	21.5	5.5	290.9
Differed Liabilities	1,274.0	1,055.1	20.7
Differed Taxes	1,271.2	1,054.6	20.6
Labor Bond	2.8	0.5	460.0
Stockholder's Equity	3,413.1	3,041.2	12.2

ASSETS

Total assets increased 11.1 % compared to September 30, 2001. Inventories, which include land and work in progress are the most important assets and increased by 7.5 %. Throughout the quarter cash reached \$ 647.8 million pesos representing a 2.0 % real term increase from the previous third quarter. Assets include new commercial space that has been provided to benefit our customers.

ACCOUNTS RECEIVABLE

Accounts receivable increased 22.0 % in pesos and posted 3.7 months of sales. The optimum level is in the range between 3.5 and 4.5 months. This is something we had anticipated due to the FOVISSSTE delay in operations. It is worth mentioning that the company continues to have accounts receivable at leadership levels. FOVISSSTE is beginning its operations at an improved levels.

BUILDINGS AND EQUIPMENT:

Buildings and equipment increased 51.7% to date due to the construction of comercial areas for the benefit of our clients. These operations were performed by Promotora y Desarrolladora de Centros Comerciales S.A. de C.V. (PDCC), subsidiary of Consorcio ARA. In the near future these operations will cease to consolidate due to the entrance of a strategic partner. Subsecuently comercial areas in the Consorcio ARA's land bank will developed thus.

LIABILITIES

Deferred Liabilities amount to \$ 1,271.2 million pesos and reflect the historical impact of deferred taxes. Due to this effect leverage understood as total liabilities to total assets reached 35.7 %. Without taking them into account, leverage would be 11.7 %. Outstanding cost bearing liabilities represent only 11.8 % of total liabilities and 34.4 % of cash. Despite all this it's evident that we have consistently maintained a very healthy balance sheet. Our short-term liabilities decreased 10.4 %, this is primarily due to the increase on other short term liabilities. These include some advanced down payments and titling expenses from clients. The accounts payable to land suppliers went from \$ 66.4 million to \$ 75.4 million pesos in the year.

STOCKHOLDER'S EQUITY

Consorcio ARA's stock holder's equity increased 12.2 % posting \$ 3,413.1 million pesos ending September 2002.

LAND BANK

Consorcio ARA's continues to hold the optimal land bank for its operations from a strategic, operational and financial point of view. This land bank is 19.8 million square meters strong, which provides the company with the capacity to sell more than 101,229 homes, the equivalent of 114,867 affordable entry level homes. The breakdown is as follows:

	September 2002	Affordable Units	Revenues Million Pesos
	Units	Equivalent	Equivalent
Prosavi-Progresiva	18,008	11,849	2,921.0
Affordable Entry	75,994	75,994	18,734.1
Middle Income	5,053	8,296	2,045.2
Residential	2,174	18,728	4,616.8
TOTAL	101,229	114,867	28,317.1

The land bank breakdown by state is as follows:

	Units	%
Valle de México	53,139	52.5
Quintana Roo	24,048	23.8
Baja California	9,588	9.5
Estado de México	4,718	4.7
Sonora	2,822	2.8
Guanajuato	1,624	1.6
Nuevo León	1,574	1.6
Puebla	1,546	1.5
Chihuahua	1,062	1.0
Veracruz	490	0.5
Morelos	221	0.2
Querétaro	172	0.2
Guerrero	136	0.1
Sinaloa	49	0.0
Tabasco	40	0.0
TOTAL	101,229	100.0

A clear preference for regions with strong economic development and demographics continues to be evident.

MORTGAGE COMMITMENT BACKLOG

As of September 30, 2002 Consorcio Ara's mortgage commitment backlog stood as follows:

	September 2002	%	September 2001	%	% Change
	Units		Units		
Prosavi-Progresiva	641	3.5	1,550	8.7	-58.6
Affordable	13,492	73.2	14,073	78.6	-4.1
Infonavit	5,471	29.7	6,584	36.8	-16.9
Fovi-Fovissste	8,021	43.5	7,489	41.8	7.1
Middle Income	3,859	20.9	1,918	10.7	101.2
Residential	431	2.3	365	2.0	18.1
TOTAL	18,423	100.0	17,906	100.0	2.9

Current backlog levels are sufficient for more than one year of sales. The company believes that optimal levels are within the 1 to 1.5 year range since it is not a construction backlog but rather a mortgage commitment pool. We will make an emphasis to increase it in the next few quarters.

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