

Mexico City (February 20, 2003) – Consorcio ARA S.A. de C.V. (BMV: ARA*) today announced results for the Fourth Quarter of 2002 and trailing twelve months ended December 31, 2002.

(All figures in Mexican Pesos)

PERFORMANCE HIGHLIGHTS

Fourth Quarter 2002 compared to the Fourth Quarter 2001

- 1.5 % increase in revenues, reaching \$ 1,427.1 million pesos. This revenues are equivalent to 5,423 units and represent approximately 7,065 homes considering the national average housing price of \$ 202,000 pesos
- 3.3 % gross profit increase resulting in a gross margin of 28.8%, reaching \$ 411.1 million pesos
- 3.3 % increase in operating profit with a margin of 21.1%, reaching \$ 301.6 million pesos
- EBITDA increase of 4.5 % with a margin of 22.2 % of revenues, reaching \$ 316.4 million pesos
- Net profit increase of 40.2% with a net margin of 18.8%, reaching \$ 267.6 million pesos

LTM December 2002 vs. LTM December 2001

- Increase in revenues of 3.4 %, reaching \$ 4,186.5 million pesos. This revenues are equivalent to 15,815 units and represent approximately 20,725 homes considering the national average housing price of \$ 202,000 pesos
- 4.6 % increase in gross profit with a gross margin of 28.5 %, reaching \$ 1,194.1 million pesos
- Increase in operating profit of 4.1 % with an operating margin of 20.8%, reaching \$ 870.2 million pesos
- EBITDA growth of 4.2 % with a margin of 22.0 %, reaching \$ 922.0 million pesos
- Net Profit increase of 12.3% with a net margin of 13.7 %, reaching \$ 573.2 million of pesos
- The Earnings Per Share was \$1.74

December 31, 2002 Balance Sheet Highlights.

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- The cost bearing liabilities represent a seventh of our cash
 - Leverage was maintained at a healthy level of 11.4% total liabilities to total assets, this is without the non-cash impact of deferred taxes. If included, leverage was 34.6%
 - Consorcio ARA's fully owned Land Bank was enough to build and sell 110,128 units, equivalent to 122,342 affordable entry level units
 - Backlog of 17,688 units, which guarantees approximately a little over a year of future sales
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FOURTH QUARTER 2002

UNIT SALES:

During the Fourth quarter of 2002, Consorcio ARA's had total sales of 5,453 units reaching 1.5% growth in real terms. The breakdown is as follows:

	4° Quarter 2002		4° Quarter 2001		Variation			
	Units	Millions of Pesos	Units	Millions of Pesos	Units	%	Millions of Pesos	%
Prosavi-Progresiva	783	124.8	980	153.8	-197	-20.1	-29.0	-18.9
Infonavit	2,281	554.0	1,972	471.0	309	15.7	83.0	17.6
Fovi	1,074	286.0	882	241.6	192	21.8	44.4	18.4
Fovissste	597	138.6	1,271	303.5	-674	-53.0	-164.9	-54.3
Affordable Entry Level	3,952	978.6	4,125	1,016.1	-173	-4.2	-37.5	-3.7
Middle Income	699	273.4	409	149.0	290	70.9	124.4	83.5
Residential	19	38.6	41	104.8	-22	-53.7	-66.2	-63.2
Comercial Land		5.9		-23.8			29.7	-124.8
Total as Developer	5,453	1,421.3	5,555	1,399.9	-102	-1.8	21.4	1.5
Contractor	--	--	--	6.8	--	--	-6.8	-100.0
Comercial Space	--	5.8		--			5.8	100.0
Middle Income	--		2		-2	-100.0		
Total Joint Ventures	--		2		-2	-100.0		
TOTAL	5,453	1,427.1	5,557	1,406.7	-104	-1.9	20.4	1.5

	4° Quarter 2002		4° Quarter 2001		Variation	
	Units	Mix	Units	Mix	Units	%
Prosavi-Progresiva	783	14.4%	980	17.6%	-197	-20.1
Infonavit	2,281	41.8%	1,972	35.5%	309	15.7
Fovi-Fovissste	1,671	30.6%	2,153	38.7%	-482	-22.4
Affordable Entry	3,952	72.5%	4,125	74.2%	-173	-4.2
Middle Income	699	12.8%	411	7.4%	288	70.1
Residential	19	0.3%	41	0.7%	-22	-53.7
TOTAL	5,453	100.0%	5,557	100.0%	-104	-1.9

Sales in Prosavi-Progresiva reflected an decrease in units of 20.1 % and 18.9 % in revenues compared to the same quarter of the previous year. The completion of some developments and the commitment of the government to provide a lower priced home caused this.

Our operations in the Affordable Entry level segment decreased 4.2 % from 4,125 units during the Fourth quarter of 2001 to 3,952 units during the Fourth quarter of 2002 reflecting a decrease of 3.7 % in revenues. The volume of FOVI-FOVISSSTE sales decreased 22.4% when compared to the same quarter a year ago by posting 1,671 units which generated a 22.1% decrease in revenues which posted \$ 424.6 million of pesos. FOVISSSTE represents practically all of the effect of the decrease in the Affordable Entry Level segment, due to its contraction of 53.0% in volume and 54.3% in revenues. This results are in line with the expectations announced to the markets since last May.

INFONAVIT revenues reached \$ 554.0 million pesos, that in a 17.6% increase and posted 2,281 units. It is worth mentioning that during the quarter revenues were recognized from sales and construction of 699 middle income units sold out of which 666 units sold were

financed through Sociedad Hipotecaria Federal (previously known as FOVI). The opening of new developments will strengthen this segment in the future. Going forward, this segment will increase its participation in the sales mix, thus enriching it.

The Residential housing segment decreased of 53.7 % in volume and 63.2 % in revenues during the quarter, caused by the completion of some developments. The residential market is oversupplied due to increased competition.

AVERAGE PRICES

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

Average Selling Price	Fourth Quarter	Fourth Quarter	Variation %
	2002 (Thousands \$)	2001 (Thousands \$)	
Prosavi-Progresiva	159.4	157.0	1.5
Infonavit	242.9	238.8	1.7
Fovi	266.3	273.9	-2.8
Fovissste	232.1	238.8	-2.8
Affordable Entry Level	247.6	246.3	0.5
Middle Income	391.1	364.2	7.4
Residential	2,032.5	2,555.6	-20.5

The average selling price of the residential segment reached \$2,032.5 thousand pesos, that is, a 20.5% decrease compared with the fourth quarter of 2001. This was caused by a change in the sales mix due to the completion of Torre Playa Diamante.

The FOVI-FOVISSSTE segment experienced a 2.8% decrease. While Prosavi-Progresiva and Infonavit experienced increases in price of 1.5% and 1.7% respectively, it is worth mentioning that the middle income segment increased its price by 7.4% due to the new mortgages of SHF in which the client can purchase homes worth up to \$ 1,500,000 pesos.

EARNINGS STATEMENT, 4° Quarter 2002 VS 4° Quarter 2001.

	4° Quarter 2002		4° Quarter 2001		Variation %
	Millions of Pesos	%	Millions of Pesos	%	
Revenues	1,427.1	100.0	1,406.7	100.0	1.5
Cost of Goods Sold	1,016.0	71.2	1,008.7	71.7	0.7
Gross Profit	411.1	28.8	398.0	28.3	3.3
G&A Costs	109.6	7.7	106.2	7.6	3.1
Operating Profit	301.6	21.1	291.8	20.7	3.3
ICF	9.5	0.7	15.4	1.1	-38.3
Other Income	14.6	1.0	-0.1	0.0	-13,310.1
Joint Ventures	-0.2	0.0	-1.3	-0.1	-87.8
PreTax Profit	306.5	21.5	275.0	19.6	11.4
Income and other taxes	32.8	2.3	33.9	2.4	-3.5
Deferred Tax	6.1	0.4	50.1	3.6	-87.8
Total Tax	38.9	2.7	84.0	6.0	-53.8
Net Profit	267.6	18.8	190.9	13.6	40.2
Depreciation	14.9	1.0	11.1	0.8	34.4
EBITDA	316.4	22.2	302.9	21.5	4.5

REVENUES

Revenues increased 1.5% in real terms from \$ 1,406.7 million in the Fourth quarter of 2001 to \$1,427.1 million of pesos in the Fourth quarter of 2002.

COST OF GOODS SOLD

Cost of goods decreased as a percentage of revenues by 0.5%. They contracted from 71.7% to 71.2%. This improvement is explained by higher efficiencies in the construction processes.

GROSS PROFIT

Gross profit for the Fourth quarter of 2002 increased 3.3 % compared to the same period last year, posting \$ 411.1 million pesos. This increase generated a pooled gross margin of 28.8%. Gross margin in each segment is as follows:

	Gross Margin 4° Quarter 2002	Gross Margin 4° Quarter 2001	Variation Points
Prosavi-Progresiva	23.8%	24.1%	-0.3
Affordable	28.8%	28.3%	0.5
Middle Income	30.2%	30.5%	-0.3
Residential	30.3%	31.9%	-1.6
Developer	28.8%	28.3%	0.5
Contractor	--	28.8%	-28.8
Comercial Land	46.4%	--	46.4
TOTAL	28.8%	28.3%	0.5

In general , the behavior of the gross margins were mixed. It is worth to mention, nevertheless, that the increase of 0.5% in the affordable entry level segment has the highest impact due to its volume in the sales mix. This fact explains the most if the 50 bp increase in the consolidated gross margin.

GENERAL AND ADMINISTRATIVE COSTS.

G&A as a percentage of revenues posted 7.7 %, that is, \$ 109.6 million pesos. Even though they experienced a marginal increase compared to the same quarter of the 2001, these are at an acceptable level for the company, and a leadership level in the industry

OPERATING PROFIT

Operating profit totaled \$ 301.6 million pesos, a 3.3% increase in real terms compared to the Fourth quarter of 2001. The corresponding margin was 21.1 %. It is worth mentioning that the increase experienced was twice as strong as the revenues'.

EBITDA

During the Fourth quarter of 2002, Consorcio ARA posted EBITDA of \$ 316.4 million of which \$14.9 million came from depreciation. The resulting margin was 22.2%.

INTEGRAL COST OF FINANCING

Integral cost of financing decreased 38.3 % from \$ 15.4 million during the Fourth quarter of 2001 to \$ 9.5 million during the Fourth quarter of 2002. The breakdown is as follows:

	4° Quarter 2002 Million Pesos	4° Quarter 2001 Million Pesos	Variation %
Interest Paid	15.7	26.3	-40.3
Interest Earned	13.0	11.3	14.7
Foreign Exchange (Gain) Loss	(0.4)	(1.9)	-80.5
Monetary Position (Gain) Loss	7.2	2.3	213.0
INTEGRAL COST OF FINANCING	9.5	15.4	-38.3

Cash has remained high thus interest earned posted \$13.0 million, that is 14.7% stronger than the previous year. Higher interest rates also contributed to this.

Our EBITDA is 33.4 times higher than the ICF, and that it can cover Interest Paid more than 20.1 times.

EQUITY IN JOINT VENTURES

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

TAXES

The total amount of taxes paid during the quarter was \$ 38.9 million pesos, representing a decrease of 53.8%. Tax provisions for deferred tax during the quarter needed to be adjusted by the benefit derived from the lower corporate tax rates that will be imposed in Mexico starting this year. These will be scaled down from 35% to 32% at a rate of 1% per year during the next three. This will be performed according to Mexico GAAP's D4 bulletin. This is a non-recurring issue.

NET PROFIT

Net profit for the Fourth Quarter increase in a 40.2% reaching \$ 267.6 million with a net margin of 18.8%.

LTM ended on December 2002 Vs. 2001

UNIT SALES (LTM):

	LTM December 2002		LTM December 2001		Variation			
	Units	Millions of Pesos	Units	Millions of Pesos	Units	%	Millions of Pesos	%
Prosavi-Progresiva	2,421	395.0	2,089	305.9	332	15.9	89.1	29.1
Infonavit	6,814	1,643.0	6,400	1,444.5	414	6.5	198.5	13.7
Fovi	3,633	975.1	3,666	993.1	-33	-0.9	-18.0	-1.8
Fovissste	1,090	261.9	2,321	557.1	-1,231	-53.0	-295.2	-53.0
Interés Social	11,537	2,880.0	12,387	2,994.6	-850	-6.9	-114.6	-3.8
Tipo Medio	1,778	717.5	1,079	418.5	699	64.8	299.0	71.5
Residencial	79	168.2	131	274.9	-52	-39.7	-106.7	-38.8
Terrenos Comerciales		6.1		9.5			-3.4	-35.5
Total como Promotor	15,815	4,166.8	15,686	4,003.4	129	0.8	163.5	4.1
Constructor		0.6		45.5			-44.9	-98.7
Locales Comerciales		19.0					19.0	
Tipo Medio			117		-117	-100.0		
Total en A/P			117		-117	-100.0		
TOTAL	15,815	4,186.5	15,803	4,048.8	12	0.1	137.6	3.4

SUMMARY	LTM December 2002		LTM December 2001		Variation	
	Units	Mix	Units	Mix	Units	%
Prosavi-Progresiva	2,421	15.3%	2,089	13.2%	332	15.9
Infonavit	6,814	43.1%	6,400	40.5%	414	6.5
Fovi-Fovissste	4,723	29.9%	5,987	37.9%	-1,264	-21.1
Affordable Entry	11,537	73.0%	12,387	78.4%	-850	-6.9
Middle Income	1,778	11.2%	1,196	7.6%	582	48.7
Residencial	79	0.5%	131	0.8%	-52	-39.7
TOTAL	15,815	100.0%	15,803	100.0%	12	0.1

AVERAGE PRICES (LTM)

Average Selling Price	LTM December 2002	LTM December 2001	Variation
	(Thousands of Pesos)	(Thousands of Pesos)	%
Prosavi-Progresiva	163.1	146.4	11.4
Infonavit	241.1	225.7	6.8
Fovi	268.4	270.9	-0.9
Fovissste	240.3	240.0	0.1
Affordable Entry Level	249.6	241.8	3.2
Middle Income	403.5	387.8	4.0
Residential	2,129.0	2,098.5	1.5

EARNINGS STATEMENT, LTM.

	LTM December 2002		LTM December 2001		Variation
	Millions of	%	Millions of	%	%
	Pesos		Pesos		
Revenues	4,186.5	100.0	4,048.8	100.0	3.4
Cost of Goods Sold	2,992.4	71.5	2,906.9	71.8	2.9
Gross Profit	1,194.1	28.5	1,142.0	28.2	4.6
G&A Costs	323.9	7.7	306.5	7.6	5.7
Operating Profit	870.2	20.8	835.5	20.6	4.1
ICF	37.3	0.9	36.1	0.9	3.2
Other Income	22.3	0.5	11.9	0.3	86.5
Joint Ventures	-0.5	0.0	-4.3	-0.1	-87.7
PreTax Profit	854.7	20.4	807.0	19.9	5.9
Income and other taxes	90.6	2.2	83.3	2.1	8.6
Deferred Tax	190.9	4.6	213.4	5.3	-10.6
Total Tax	281.4	6.7	296.8	7.3	-5.2
Net Profit	573.2	13.7	510.3	12.6	12.3
Depreciation	51.8	1.2	49.0	1.2	5.8
EBITDA	922.0	22.0	884.5	21.8	4.2

GROSS PROFIT (LTM)

	Gross Margin LTM December 2002	Gross Margin LTM December 2001	Variation Points
Prosavi-Progresiva	23.7%	23.6%	0.1
Affordable	28.5%	28.2%	0.3
Middle Income	30.3%	29.9%	0.4
Residential	30.5%	31.3%	-0.8
Contractor	-531.5%	27.2%	-558.7
Comercial Land	51.5%	28.2%	23.3
Comercial Store Rents	51.5%	--	51.5
TOTAL	28.5%	28.2%	0.3

INTEGRAL COST OF FINANCING (LTM)

	LTM Dec. 2002 (Millions of Pesos)	LTM Dec. 2001 (Millions of Pesos)	Variation %
Interest Paid	59.0	93.8	-37.1
Interest Earned	42.1	63.9	-34.1
Foreign Exchange (Gain) Loss	1.5	0.3	-602.9
Monetary Position (Gain) Loss	18.9	6.5	190.8
INTEGRAL COST OF FINANCING	37.3	36.1	3.2

TAXES LTM

The total amount of taxes paid during the year 2002 was \$ 281.4 million pesos, representing a decrease of 5.2% and a deferred income tax of \$190.9 million pesos. Tax provisions for deferred tax during the fourth quarter needed to be adjusted by the benefit derived from the lower corporate tax rates that will be imposed in Mexico starting this year. These will be scaled down from 35% to 32% at a rate of 1% per year during the next three. This will be performed according to Mexico GAAP's D4 bulletin. This is a non-recurring issue.

NET PROFIT (LTM)

Net profit for the trailing twelve months ending in December 2002 increased in 12.3% and posted \$ 573.2 million pesos with a 13.7% margin and an EPS of \$1.74. The breakdown is as follows:

	LTM December 2002
Net Profit (pesos)	570,837,074
Average Shares	327,907,849
EPS (pesos)	1.74

BALANCE SHEET as of DECEMBER 31, 2002

	December 2002	December 2001	Variation %
	Millions of	Millions of	
	Pesos	Pesos	
Total Assets	5,775.1	5,009.5	15.3
Short Term Assets	5,276.6	4,583.1	15.1
Cash	795.2	741.3	7.3
Accounts Receivable	1,096.1	1,042.4	5.1
Other Accounts Receivable	0.1	0.0	N.A.
Inventories	3,252.2	2,710.8	20.0
Other Short Term Assets	132.9	88.7	49.9
Long Term Assets	498.5	426.4	16.9
Equity in Joint Ventures	5.0	13.5	-62.5
Machinery and Equipment	493.5	412.9	19.5
Total Liabilities	1,996.2	1,751.7	14.0
Short Term Liabilities	616.4	630.9	-2.3
Accounts Payable	157.7	283.9	-44.4
Bank Loans	0.7	0.9	-23.8
Leasing	14.8	4.6	225.2
Taxes Payable	39.8	34.6	15.1
Other Short Term Liabilities	403.4	307.0	31.4
Long Term Liabilities	40.6	4.0	903.4
Bank Loans	0.0	0.0	0.0
Leasing	40.6	4.0	903.4
Differed Liabilities	1,339.2	1,116.7	19.9
Differed Taxes	1,335.8	1,113.8	19.9
Labor Bond	3.4	2.9	17.2
Stockholder's Equity	3,778.9	3,257.9	16.0

ASSETS

Total assets increased 15.3 % compared to December 31, 2001. Inventories including land (which increased 27.5%) and work in progress (which increased 7.5%) are the most important assets and reflected increased by 20.0 %. By the end of the year cash reached \$ 795.2 million pesos representing a 7.3 % real term increase from the previous fourth quarter.

ACCOUNTS RECEIVABLE

Accounts receivable increased 5.1 % in pesos and posted 3.1 months of sales. The optimum level is in the range between 3.5 and 4.5 months. It is worth mentioning that the company continues to have accounts receivable at leadership levels.

MACHINERY AND EQUIPMENT:

Machinery and equipment increased 19.5%. This figure includes all assets required for our traditional operations as well as comercial areas built for the benefit of our clients. These 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. Subsequently comercial areas in Consorcio ARA's land bank will developed thus.

LIABILITIES

Deferred Liabilities amount to \$ 1,335.9 million pesos and reflect the historical impact of deferred taxes. Due to this effect leverage understood as total liabilities to total assets reached 34.6 %. Without taking them into account, leverage would be 11.4 %. Outstanding cost bearing liabilities represent only 5.5 % of total liabilities and 13.9 % of cash. Our short-term liabilities decreased 2.3 %. The accounts payable to land suppliers went from \$ 157.6 million to \$ 78.9 million pesos in the year, representing a 49.9% decrease.

STOCKHOLDER'S EQUITY

Consorcio ARA's stock holder's equity increased 16.0 % posting \$ 3,778.9 million pesos ending December 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 23.0 million square meters strong, which provides the company with the capacity to sell more than 110,128 homes, the equivalent of 122,342 affordable entry level homes. The breakdown is as follows:

	December 2002	Affordable Units	Revenues Million Pesos
	Units	Equivalent	Equivalent
Prosavi-Progresiva	21,925	14,327	3,575.9
Affordable Entry	80,241	80,241	20,027.2
Middle Income	5,807	9,389	2,343.3
Residential	2,155	18,385	4,588.6
TOTAL	110,128	122,342	30,535.0

The land bank breakdown by state is as follows:

	Units	%
Valle de México	60,211	54.7
Quintana Roo	23,691	21.5
Baja California	8,514	7.7
Toluca, Edo. Mex	4,879	4.4
Nuevo León	3,109	2.8
Sonora	2,822	2.6
Puebla	1,901	1.7
Guanajuato	1,594	1.4
Jalisco	1,495	1.4
Chihuahua	812	0.7
Veracruz	490	0.4
Morelos	217	0.2
Querétaro	172	0.2
Guerrero	132	0.1
Sinaloa	49	0.0
Tabasco	40	0.0
TOTAL	110,128	100.0

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

MORTGAGE COMMITMENT BACKLOG

As of December 31, 2002 Consorcio Ara's mortgage commitment backlog stood as follows:

	December 2002	%	December 2001	%	% Change
	Units		Units		
Prosavi-Progresiva	573	3.2	1,093	6.3	-47.6
Affordable	12,875	72.8	13,163	76.2	-2.2
Infonavit	4,789	27.1	5,892	34.1	-18.7
Fovi-Fovissste	8,086	45.7	7,271	42.1	11.2
Middle Income	3,828	21.6	2,658	15.4	44.0
Residential	412	2.3	364	2.1	13.2
TOTAL	17,688	100.0	17,278	100	2.4

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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