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DESC S A DE C V
Form 6-K
May 06, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of April , 2003

Commission File Number: 001-13196

DESC, S.A. DE C.V.

(Translation of registrant's name into English)

PASEO DE LOS TAMARINDOS 400-B, BOSQUES DE LAS LOMAS, 05120 MEXICO, D.F., MEXICO

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports
under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as
permitted by Regulation S-T Rule 101(b)(1): _____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as
permitted by Regulation S-T Rule 101(b)(7): _____

Indicate by check mark whether by furnishing the information contained in this
Form, the registrant is also thereby furnishing the information to the
Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.
Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in
connection with Rule 12g3-2(b): 82-_____

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act
of 1934, the registrant has duly caused this report to be signed on its
behalf by the undersigned, thereunto duly authorized.

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Desc, S.A. de C.V.

(Registrant)

Date: April 30, 2003

By /s/ Arturo D'Acosta Ruiz

(Signature)

Name: Arturo D'Acosta Ruiz
Title: Chief Financial Officer

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The following are included in this report on Form 6-K:

Item ----	Sequential Page Number -----
1. Press Release, dated April 29, 2003, announcing Registrant's Results for the First Quarter of 2003	4
2. Consolidated Financial Statements of Registrant as of December 31, 2002 and 2001, in the format required to be filed with the Mexican Stock Exchange.	18
3. Consolidated Financial Statements of Registrant as of March 31, 2003 and 2002, in the format required to be filed with the Mexican Stock Exchange.	70

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EXHIBIT 1

[Desc Logo]

DESC ANNOUNCES FIRST QUARTER 2003 RESULTS

Mexico City, April 29, 2003 - Desc, S.A. de C.V. (NYSE: DES; BMV: DESC) announced today its results for the first quarter ended March 31, 2003 (1Q03). All figures were prepared according to generally accepted accounting principles in Mexico. -

HIGHLIGHTS

During the first quarter of 2003, the Company's EBITDA improved significantly from US\$18 million reported during the fourth quarter of 2002, to US\$51 million.

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This result reflects the following:

- |X| The initiation of the Tractor Project in the Autoparts Sector for the production of automotive power train components,
- |X| Higher sales volumes in the Chemical Sector, and
- |X| Improved results from the Real Estate Sector due to higher sales from the Punta Mita project.

Year-over-year the results for the first quarter of 2003 reflect a decline caused by:

- |X| Lower sales in the Autoparts Sector as a result of the ongoing temporary shutdowns in some of the assembly plants in order to reduce inventory levels, and the closing of the Daimler Chrysler Lago Alberto Plant in Mexico City,
- |X| In the Chemical Sector, the pressure on sales prices due to the worldwide oversupply, as well as the increase in main raw material prices, and
- |X| Increases in the cost of raw materials in the Food Branded Products business.

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DESC, S.A. DE C.V. AND SUBSIDIARIES

TABLE 1. CONSOLIDATED FIGURES
(FIGURES IN MILLIONS OF CONSTANT PESOS (Ps.) AND U.S. DOLLARS (US\$))

	1Q03	1Q02	1Q03 vs. 1Q02
Sales (Ps.) (3)	5,126	4,892	4.8%
SALES (US\$) (1)	471	507	-7.0%
EXPORTS (US\$) (2)	216	228	-5.6%
Operating Income (Ps.) (3)	218	374	-41.8%
OPERATING INCOME (US\$) (1)	20	39	-48.7%
Operating Margin	4.2%	7.7%	
EBITDA (Ps.) (3)	552	671	-17.7%
EBITDA (US\$) (1)	51	70	-27.1%
Net Majority Income (Ps.) (3)	-323	149	NA
NET MAJORITY INCOME (US\$) (1)	-30	15	NA

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1 Figures in U.S. dollars for sales, operating income, EBITDA and net income are calculated using monthly figures in current pesos divided by the average monthly exchange rate.

2 All export figures are based on real sales invoiced in U.S. dollars.

3 All figures in this report are expressed in constant pesos as of March 31, 2003. * Actual results in pesos based on audited financials.

SALES

During the first quarter, sales increased 9.8% when compared to 4Q02, from US\$430 million to US\$471 million. This result reflects the initiation of the Tractor Project in the Autoparts Sector, as well as price increases and higher sales volumes in the Chemical Sector and sales related with the Punta Mita project in the Real Estate Sector.

When compared to 1Q02, revenues declined 7.0% to US\$471 million from US\$507 million. This result was due to the 24.7% decline in revenues from the Autoparts Sector caused by the drop in production volumes of OEM's, the closing of the Daimler Chrysler plant in Mexico City, and, despite the recovery Q-o-Q, the declining industry trend mentioned during previous quarters.

Revenues from the Chemical Sector increased 21.2% when compared to 1Q02, as a result of the repositioning of inventories by some clients and a greater demand in the detergent market.

Sales in the Food Sector declined 8.0% when compared to 1Q02 due to the closing of the Pork Business in the Bajio region. However, it is important to note that the pork operation in Yucatan is showing positive results.

Sales from the Real Estate Sector declined 9.7% when compared to 1Q02 because estimated sales in the Bosques de Santa Fe project were not achieved.

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GRAPH 1 - NET SALES 1Q03

SECTOR	NET SALES 1Q03 (%)
-----	-----
Autoparts	41%
Chemical	38%
Food	16%
Real Estate	5%

EXPORTS

Quarter-over-quarter total exports increased 14.9% due to higher sales from the Autoparts and Chemical Sectors. Compared to the same quarter of 2002, exports declined 5.6% from US\$228 million in 1Q02 to US\$216 million in 1Q03. This result is due to the 25.7% decline in the Autoparts Sector, which was not offset by the 57.9% and 2.4% increases in the Chemical and Food Sectors, respectively. During the quarter, exports represented 45.8% of total sales.

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OPERATING INCOME (LOSS), MARGIN AND EBITDA

Compared to the fourth quarter of 2002, operating income increased more than 100% from a US\$17 million loss to a US\$20 million income. Compared to 1Q02 operating income declined 48.7%.

EBITDA for the first quarter was US\$51 million, a 183.3% increase when compared to the previous quarter. Compared to the same quarter of 2002, EBITDA declined 27.1%.

TAXES

During the quarter, tax provisions were US\$10 million, which included Income and Asset Taxes and Employee Profit Sharing. Deferred taxes had a net effect in the amount of US\$2 million.

NET MAJORITY INCOME (LOSS)

Net majority loss for the first quarter of 2003 was US\$30 million, as a result of exchange rate losses.

DEBT STRUCTURE

At the close of the first quarter of 2003, Desc's results posted a significant improvement when compared to the fourth quarter of 2002. However, due primarily to the effects derived from the depreciation of the peso/dollar exchange rate during 1Q03, Desc did not achieve the leverage ratio target set forth in the credit contracts signed with Citibank N.A. and a bank syndicate on June 10, 2002 and with BBVA Bancomer S.A. and a bank syndicate on May 27, 2002. All other contractual obligations have been met, including interest and principal payments.

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To date, Desc has informed these lenders that it has not met the leverage ratio and is negotiating a corresponding waiver with the lenders.

During 1Q03, Desc registered a net debt increase of US\$33 million when compared to 4Q02, due to the reduction in cash levels generated mainly by higher working capital requirements and dividend payments.

TABLE 2. DEBT BREAKDOWN

(Figures in millions of U.S. dollars)

	MAR. 31 2002	JUNE 30 2002	SEPT. 30 2002	DEC.31 2002	MAR. 31 2002
Cash Flow	160	214	163	232	103
Total Debt	1,103	1,143	1,083	1,178	1,082
Net Debt	943	929	920	946	979
Interest Coverage	3.4x	3.8x	3.8x	3.4x	3.0x

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Leverage Ratio 3.2x 3.3x 3.4x 4.4x 4.9x

At the end of the first quarter of 2003, the debt composition was 69% dollar-denominated and 31% peso-denominated. The average cost of debt was 4.5% in dollars and 9.7% in pesos, compared to 4.8% and 10.4%, respectively in 1Q02.

RESULTS BY SECTOR

AUTOPARTS SECTOR [AUTOPARTS SECTOR LOGO]

The following table (Table 3) shows the figures obtained in the Autoparts Sector.

TABLE 3. DESC AUTOMOTRIZ FIGURES

(Figures in millions of constant pesos (Ps.) and U.S. dollars (US\$))

	1Q03	1Q02	1Q03 vs. 1Q02	4Q02*	1Q03 vs. 4Q02
Sales (Ps.)	1,947	2,298	-15.3%	1,716	13.4%
SALES (US\$)	179	238	-24.7%	166	8.2%
EXPORTS (US\$)	117	157	-25.7%	102	14.1%
Operating Income (Ps.)	116	256	-54.7%	-95	NA
OPERATING INCOME (US\$)	11	27	-59.9%	-9	NA
Operating Margin	6.0%	11.2%		-5.5%	
EBITDA (Ps.)	299	422	-45.6%	110	NA
EBITDA (US\$)	28	44	-37.0%	11	NA

* Actual results in pesos based on audited financials.

Q-o-Q sales increased 8.2% and operating income went from a US\$9 million loss to an income of US\$11 million. This was due to the 65.3% increase in sale volumes in propeller shafts and 23.6% in axles, while front half-axles started being manufactured as a result of the Tractor Project.

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Sales for the quarter declined 24.7% when compared to 1Q02 mainly due to the inertia in the automotive industry at the end of 2002. As a result, sales volumes remained low reflecting the decline in orders from OEMs in the U.S. and Mexico, the continued temporary shutdown in some assembly plants (GM, FORD, NISSAN, VW and DAIMLERCHRYSLER) with the purpose of adjusting inventories and the closing of the DaimlerChrysler Lago Alberto plant, which impacted the axle, propeller shaft and pick-up box businesses.

As a result of the above, operating income was US\$11 million while operating

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margin reached 6.0%.

The variation in volumes sold in 1Q03, compared to the same quarter of 2002, reflect the increase in aluminum wheels by 108.0%, cv joints by 16.4%, tappets by 63.3%, and output shafts - a new export product derived from the Tractor Project - by 100%,

Compared to the first quarter of 2002, the most significant volume declines were registered in transmissions components 19.6%, pick-up boxes 59.9%, axles 50.0%, pistons 33.3%, light transmissions 23.9%, heavy-duty transmissions 31.0% and steel wheels 14.7%.

Exports during 1Q03 increased 14.1% compared to 4Q02 from US\$102 million to US\$117 million. Y-o-Y exports declined 25.7%.

The average capacity utilization of the transmissions, stamping, axles and cv joints businesses was approximately 54.0%.

Sales per employee increased to US\$111.4 thousand, from US\$110.4 thousand in the same period of the previous year. This improvement reflects the layoffs that took place during 2002.

Mexico's total vehicle production, accumulated as of March 2003, was 400,944 units, which represents a 14.0% decline when compared to the same period of 2002.

CHEMICAL SECTOR [CHEMICAL SECTOR LOGO]

The following table (Table 4) shows the figures obtained in the Chemical Sector.

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TABLE 4. CHEMICAL SECTOR FIGURES

(Figures in millions of constant pesos (Ps.) and U.S. dollars (US\$))

	1Q03	1Q02	1Q03 vs. 1Q02	4Q02*	1Q03 vs. 4Q02
Sales (Ps.)	2,036	1,490	36.7%	1,788	13.9%
SALES (US\$)	187	154	21.2%	173	8.5%
EXPORTS (US\$)	73	46	57.9%	64	14.7%
Operating Income (Ps.)	40	83	-51.6%	3	NA
OPERATING INCOME (US\$)	4	9	-57.4%	0	NA
Operating Margin	2.0%	5.6%		0.2%	
EBITDA (Ps.)	132	156	-15.1%	110	19.9%
EBITDA (US\$)	12	16	-24.8%	11	14.2%

* Actual results in pesos based on audited financials.

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During the quarter sales increased 21.2% compared to 1Q02, as a result of the repositioning of inventories by some clients mainly in Europe and the U.S. in the rubber solution and polystyrene businesses. On one hand, the phosphates business benefited from the demand derived from detergent production, which was higher than expected. On the other hand, sales from the adhesive and waterproofing businesses declined due to the lower activity in government construction projects.

The combination of the pressure on sales prices as a result of the global oversupply of petrochemicals and the increase in the prices of main raw materials and energy products, which were not able to be passed on completely to sales prices, affected the operating income and EBITDA which reached US\$4 million and US\$12 million, representing a decline of 57.4% and 24.8%, respectively. Q-o-Q sales increased 8.5% and operating margin went from 0.2% to 2.0% in 1Q03.

Capacity utilization in the Chemical Sector surpassed 90%, despite the tight margins. Operating margins are expected to recover when pressures on raw material prices decline.

Exports for the quarter increased 57.9% from US\$46 million in 1Q02 to US\$73 million in 1Q03. This increase partially offset the decline in demand from the Mexican market.

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FOOD SECTOR [FOOD SECTOR LOGO]

The following table (Table 5) shows the figures obtained in the Food Sector.

TABLE 5. FOOD SECTOR FIGURES

(Figures in millions of constant pesos (Ps.) and U.S. dollars (US\$))

	1Q03	1Q02	1Q03 vs. 1Q02	4Q02*	1Q03 vs. 4Q02
Sales (Ps.)	907	874	3.7%	905	0.2%
SALES (US\$)	83	91	-8.0%	87	-0.4%
EXPORTS (US\$)	26	25	2.4%	21	19.5%
Operating Income (Ps.)	9	7	33.2%	-3	NA
OPERATING INCOME (US\$)	1	1	14.9%	0	NA
Operating Margin	1.0%	0.8%		-0.3%	
EBITDA (Ps.)	48	54	-9.9%	41	17.0%
EBITDA (US\$)	4	6	-20.4%	4	11.4%

* Actual results in pesos based on audited financials. Includes the non-recurring effects of the closing of the Bajio region operations.

The following table provides the operating margins of the branded products and

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pork businesses

TABLE 6. FOOD SECTOR - RELEVANT FIGURES

* The Pork Business includes the Bajio region operations.

Sales (millions of US\$)	54	48	12.0%
OPERATING MARGIN	1.0%	4.7%	
Sales (millions of US\$)	29	43	-32.5%
OPERATING MARGIN	1.2%	-4.4%	
Sales (millions of US\$)	83	91	-8.0%
OPERATING MARGIN	1.0%	0.8%	

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BRANDED PRODUCTS

The 12.0% increase in sales of branded products Y-o-Y reflects the solid performance of the "Del Fuerte" tomato puree brand, the "Embasa" ketchup style salsa brand and the increase in coffee exports to the U.S., coupled with the 9% average increase in all product categories and a 21.0% increase in the "La Gloria" corn oil brand. In addition, it reflects a market share increase in all the products in the local and U.S. markets.

In addition, revenues were benefited by the new line of "Del Fuerte" chile and salsa as well as the distribution of "Ybarra" canned tuna. These factors have helped to compensated the drop in economic activity in Mexico and the U.S.

The operating margin declined from 4.7% during 1Q02 to 1.0% in 1Q03 due to the significant increase in the cost of the main raw materials which was not offset by the previously mentioned price increases.

PORK BUSINESS

During the quarter, sales in the Pork Business declined 32.5% compared to the same period of 2002 due to the closing of the Bajio region operations. The operating margin was 1.2% which was above the -4.4% reported in 1Q02, as a result of the closing of the Bajio region operations.

GRAPH 2: NATIONAL PORK PRICE

[Graph Displaying National Pork Prices. Source is national market information systems (SECOFI).]

The depreciation of the peso versus the dollar negatively impacted the results since some of the raw materials used for the production of feed maintained its price related to the dollar.

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Sales volumes from the Southeast operations increased 2.7% compared to 1Q02 and capacity utilization was 100%.

REAL ESTATE SECTOR [REAL ESTATE SECTOR LOGO]

Following are the results for the real estate sector for the first quarter of 2003:

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TABLE 7. DINE FIGURES

(Figures in millions of constant pesos (Ps.) and U.S. dollars (US\$))

	1Q03	1Q02	1Q03 vs. 1Q02	4Q02*	1Q03 vs. 4Q02
Sales (Ps.)	233	227	2.8%	37	NA
SALES (US \$)	21	24	-9.7%	4	NA
Operating Income (Ps.)	58	32	83.9%	-30	NA
OPERATING INCOME (US \$)	5	3	58.4%	-3	NA
Operating Margin	24.7%	14.1%		-80.9%	
EBITDA (Ps.)	64	37	71.1%	-29	NA
EBITDA (US \$)	6	4	48.0%	-3	NA

* Actual results in pesos based on audited financials.

Sales in 1Q03 reached US\$21 million, a decline of 9.7% when compared to 1Q02, reflecting sales from the Punta Mita and Bosques de Santa Fe projects, which contributed approximately 71.0% and 25.0% of the revenue for the quarter, respectively.

Compared to the previous quarter, the results from the real estate sector significantly recovered due to the sale of lots in the projects mentioned above.

Operating income reached US\$5 million while the operating margin increased to 24.7% from 14.1% during 1Q02. This result was mainly due to the sales mix, since the lots from Punta Mita represent one of the products with the highest profitability for the Sector. For this reason an intense effort has been made regarding the sale and promotion of the large lots denominated "Ranchos" and the residential lots with ocean and golf course views.

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** Tables to Follow **

	FINANCIAL INDICATORS				
	1Q03	4Q02	3Q02	2Q02	1Q02
Interest Coverage	3.0x	3.3x	3.8x	3.8x	3.4x
Leverage Ratio	4.9x	4.4x	3.4x	3.3x	3.2x
Short-Term Debt	23%	28%	20%	26%	35%
Long-Term Debt	77%	72%	80%	74%	65%
Peso-denominated debt	31%	39%	32%	31%	23%
Dollar-denominated debt	69%	61%	68%	69%	77%

OUTSTANDING SHARES		
"A" Shares	587,479,900	42.9%
"B" Shares	506,257,866	37.0%
"C" Shares	275,341,610	20.1%
TOTAL	1,369,079,376	100.0%

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DESC, S.A. DE C.V. AND SUBSIDIARIES
 Consolidated Balance Sheet
 (In millions of constant pesos, as of March 31, 2003)

	2003	2002
ASSETS		
Current Assets:		
Cash and Short Term Investments	1,106	1,529
Account and Documents Receivable (net)	4,943	3,921
Inventories and Other Assets	2,989	3,033
TOTAL CURRENT ASSETS	9,038	8,483

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Land held for development and real estate projects	4,317	3,951
Fixed Assets	13,257	12,928
Investments in shares of Subsidiaries Non Consolidated	110	166
Other Assets	2,631	2,859
TOTAL ASSETS	29,353	28,387

LIABILITIES		
Current Liabilities:		
Banks Loans	2,706	3,738
Suppliers	1,968	1,759
Taxes to be paid	800	393
Other Liabilities	1,521	1,348
TOTAL CURRENT LIABILITIES	6,995	7,238

Long-Term Debt	8,872	6,816
Deferred taxes	1,263	1,152
Other	582	446
TOTAL LIABILITIES	17,712	15,652

STOCKHOLDERS' EQUITY		
Capital Stock	18	18
Paid-in Surplus	1,170	1,170
Retained Earnings and Reserve for Repurchase of Shares	20,234	21,414
Other	-13,653	-13,850
TOTAL MAJORITY INTEREST	7,769	8,752
Minority Interest	3,872	3,983
TOTAL STOCKHOLDERS' EQUITY	11,641	12,735
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	29,353	28,387

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DESC, S.A. DE C.V. AND SUBSIDIARIES
Consolidated Income Statements

(In millions of constant pesos, as of March 31, 2003)

	1Q03	1Q02
Net Sales	5,126	4,892
Cost of Sales	4,021	3,677
GROSS PROFIT	1,105	1,215

Operating Expenses		
Administrative and Selling Expenses	887	841
OPERATING INCOME	218	374

Interest Expense	241	226
Interest Income	(11)	(46)
Exchange Gain (loss), net	278	(117)
Gain on Monetary Position	(75)	(99)

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COMPREHENSIVE FINANCIAL RESULT	433	(36)
OTHER EXTRAORDINARY INCOME OR EXPENSES	10	40
INCOME BEFORE PROVISIONS	(225)	370
Provisions for:		
Income and Asset Tax	88	183
Employee Profit Sharing	22	39
Deferred Income Taxes	(18)	(49)
TOTAL TAXES	92	173
NET CONSOLIDATED INCOME	(317)	197
Minority Interest	6	48
MAJORITY NET INCOME	(323)	149
12 months Net Income per Share	(1.12)	0.00
Number of shares outstanding: (Millions of shares)	1,369	1,369
EBITDA	552	671

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	1Q03	ACUM 2002*	4Q02	3Q02
SALES (US\$)				
Consolidated	471	1,978	430	490
Autoparts Sector	179	850	166	203
Chemical Sector	187	699	173	185
Food Sector	83	348	87	76
Real Estate Sector	21	78	4	24
EXPORTS (US\$)				
Consolidated	216	902	187	222
Autoparts Sector	117	555	102	128
Chemical Sector	73	247	64	68

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Food Sector	26	100	21	26
OPERATING INCOME (US\$)				
Consolidated	20	106	-17	36
Autoparts Sector	11	64	-9	15
Chemical Sector	4	33	0	11
Food Sector	1	10	0	10
Real Estate Sector	5	9	-3	3
OPERATING MARGIN				
Consolidated	4.2%	5.3%	-3.8%	7.3%
Autoparts Sector	6.0%	7.5%	-5.5%	7.4%
Chemical Sector	2.0%	4.8%	0.1%	6.2%
Food Sector	1.0%	2.8%	-0.3%	12.6%
Real Estate Sector	24.7%	11.2%	-80.9%	10.6%
EBITDA (US\$)				
Consolidated	51	234	18	67
Autoparts Sector	28	135	11	32
Chemical Sector	12	68	11	20
Food Sector	4	26	4	13
Real Estate Sector	6	11	-3	4

* Actual figures.

This press release contains "forward-looking statements" (within the meaning of the Private Securities Litigation Reform Act of 1995) that reflect the current views of Desc's management with respect to future events. The words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "project," and "should" and similar expressions generally are intended to identify forward-looking statements. These statements are subject to risks, uncertainties and changes in circumstances. Actual results may differ materially from present expectations as a result of many factors, including, but not limited to, changes in global and domestic political, economic, business, competitive, market and regulatory factors, the cyclicity of the autoparts and chemicals industries and other factors which are described under the heading

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"Risk Factors" in Desc's most recent Annual Report on Form 20-F filed with the Securities and Exchange Commission. Desc does not assume any obligation to update these forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made.

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EXHIBIT 2

Ticker Symbol: DESC
DESC, S.A. de C.V.

Mexican Stock Exchange
SIFIC/ICS

Quarter 4 2002
Consolidated

CONSOLIDATED BALANCE SHEET AT DECEMBER 31 OF 2002 AND 2001 (Thousands of Pesos)

REF S	CONCEPTS	QUARTER OF PRESEN FISCAL YEAR [2002	AMOUNT
-----	-----	-----	-----
1	TOTAL ASSETS		29,306,247
2	CURRENT ASSETS		9,309,245
3	CASH AND SHORT-TERM INVESTMENTS		2,406,043
4	ACCOUNTS AND DOCUMENTS RECEIVABLE (NET)		2,715,498
5	OTHER ACCOUNTS AND DOCUMENTS RECEIVABLE		963,785
6	INVENTORIES		3,071,196
7	OTHER CURRENT ASSETS		152,723
8	LONG-TERM		4,143,236
9	ACCOUNTS AND DOCUMENTS RECEIVABLE (NET)		0
	INVESTMENT IN SHARES OF SUBSIDIARIES AND NON-CONSOLIDATED		
10	ASSOCIATED		16,538
11	OTHER INVESTMENTS		4,126,698
12	PROPERTY, PLANT AND EQUIPMENT		13,161,896
13	PROPERTY		7,048,224
14	MACHINERY AND INDUSTRIAL EQUIPMENT (NET)		16,456,795
15	OTHER EQUIPMENT		1,190,653
16	ACCUMULATED DEPRECIATION		12,415,585
17	CONSTRUCTION IN PROGRESS		881,809
18	DEFERRED ASSETS (NET)		1,328,809
19	OTHER ASSETS		1,363,061
20	TOTAL LIABILITIES		17,932,309
21	CURRENT LIABILITIES		7,382,486
22	SUPPLIERS		2,007,995
23	BANK LOANS		3,502,768
24	STOCK MARKET LOANS		0
25	TAXES TO BE PAID		102,349
26	OTHER CURRENT LIABILITIES		1,769,374
27	LONG-TERM LIABILITIES		8,706,020
28	BANK LOANS		6,510,656
29	STOCK MARKET LOANS		2,195,364
30	OTHER LOANS		0
31	DEFERRED LOANS		1,287,982
32	OTHER LIABILITIES		555,821

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Ticker Symbol: DESC	Mexican Stock Exchange	Quarter 4 2002
DESC, S.A. de C.V. Audited Information	SIFIC/ICS	Consolidated

33	CONSOLIDATED STOCK HOLDERS' EQUITY	11,373,938	1
34	MINORITY INTEREST	3,758,630	
35	MAJORITY INTEREST	7,615,308	
36	CONTRIBUTED CAPITAL	12,394,252	1
37	PAID-IN CAPITAL STOCK (NOMINAL)	17,798	
38	RESTATEMENT OF PAID-IN CAPITAL STOCK	11,206,064	
39	PREMIUM ON SALES OF SHARES	1,170,390	
40	CONTRIBUTIONS FOR FUTURE CAPITAL INCREASES		
41	CAPITAL INCREASE (DECREASE)	-4,778,944	-
42	RETAINED EARNINGS AND CAPITAL RESERVE	20,054,688	1
43	REPURCHASE FUND OF SHARES	958,783	
44	EXCESS (SHORTFALL) IN RESTATEMENT OF HOLDER'S EQUITY	-24,749,282	-2
45	NET INCOME FOR THE YEAR	-1,043,133	

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Ticker Symbol: DESC	Mexican Stock Exchange	Quarter 4 2002
DESC, S.A. de C.V. Audited Information	SIFIC/ICS	Consolidated

CONSOLIDATED BALANCE SHEET
BREAKDOWN OF MAIN CONCEPTS
(Thousands of Pesos)

REF S	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR [2002]	QUAR FISC
-----	-----	-----	-----
		AMOUNT	%
3	CASH AND SHORT-TERM INVESTMENTS	2,406,043	100%
46	CASH	420,039	17%
47	SHORT-TERM INVESTMENTS	1,986,004	83%
18	DEFERRED ASSETS (NET)	1,328,809	100%
48	AMORTIZED OR REDEEMED EXPENSES		0%
49	GOODWILL	1,328,809	100%
50	DEFERRED TAXES	0	0%
51	OTHERS	0	0%
21	CURRENT LIABILITIES	7,382,486	100%
52	FOREIGN CURRENCY LIABILITIES	4,908,091	66%
53	MEXICAN PESOS LIABILITIES	2,474,395	34%
24	STOCK MARKET LOANS	0	100
54	COMMERCIAL PAPER		0
55	CURRENT MATURITIES OF MEDIUM TERM NOTES		0

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56	CURRENT MATURITIES OF BONDS		0
26	OTHER CURRENT LIABILITIES	1,769,374	100%
57	OTHER CURRENT LIABILITIES WITH COST	0	0%
58	OTHER CURRENT LIABILITIES WITHOUT COST	1,769,374	100%
27	LONG-TERM LIABILITIES	8,706,020	100%
59	FOREIGN CURRENCY LIABILITIES	5,184,967	60%
60	MEXICAN PESOS LIABILITIES	3,521,053	40%
29	STOCK MARKET LOANS	2,195,364	100%
61	BONDS	0	0%
62	MEDIUM TERM NOTES	2,195,364	100%
30	OTHER LOANS	0	100%
63	OTHER LOANS WITH COST	0	0
64	OTHER LOANS WITHOUT COST	0	0
31	DEFERRED LOANS	1,287,982	100%
65	NEGATIVE GOODWILL	0	0%
66	DEFERRED TAXES	1,287,982	100%
67	OTHERS	0	0%
32	OTHER LIABILITIES	555,821	100%
68	RESERVES	0	0%
69	OTHER LIABILITIES	555,821	100%
44	EXCESS (SHORTFALL) IN RESTATEMENT OF STOCK HOLDERS' EQUITY	-24,749,282	100%
70	ACCUMULATED INCOME DUE TO MONETARY POSITION	0	0%
71	INCOME FROM NON-MONETARY POSITION ASSETS	-24,749,282	100%

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Ticker Symbol: DESC Mexican Stock Exchange Quarter 4 2002
DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

CONSOLIDATED BALANCE SHEET
OTHER AMOUNTS
(Thousands of Pesos)

REF S	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR [2002]	QUARTER OF P FISCAL YEAR
-----	-----	-----	-----
		AMOUNT	AMOU
72	WORKING CAPITAL	1,926,759	1,003
73	PENSIONS FUND AND SENIORITY PREMIUMS	555,819	645,
74	EXECUTIVES (*)	0	0
75	EMPLOYERS (*)	5,982	7,4
76	WORKERS (*)	10,342	11,9
77	CIRCULATION SHARES (*)	1,369,079,376	1,369,0
78	REPURCHASED SHARES (*)	0	0

(*) THESE AMOUNTS SHOULD BE EXPRESSED IN UNITS

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Mexican Stock Exchange
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Quarter 4 2002
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CONSOLIDATED INCOME STATEMENT
FROM JANUARY THE 1ST TO DECEMBER 31 OF 2002 AND 2001
(Thousands of Pesos)

REF R	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR [2002]	
		AMOUNT	%
1	NET SALES	19,582,937	100%
2	COST OF SALES	14,977,545	76%
3	GROSS INCOME	4,605,392	24%
4	OPERATING EXPENSES	3,565,380	18%
5	OPERATING INCOME	1,040,012	5%
6	TOTAL FINANCING COST	1,225,192	6%
7	INCOME AFTER FINANCING COST	-185,180	-1%
8	OTHER FINANCIAL OPERATIONS	130,140	1%
9	INCOME BEFORE TAXES AND WORKERS' PROFIT SHARING	-315,320	-2%
10	RESERVE FOR TAXES AND WORKERS' PROFIT SHARING	242,113	1%
11	NET INCOME AFTER TAXES AND WORKERS' PROFIT SHARING	-557,433	-3%
12	SHARE IN NET INCOME OF SUBSIDIARIES AND NON-CONSOLIDATED ASSOCIATES	(5,200)	0%
13	CONSOLIDATED NET INCOME OF CONTINUOUS	-562,633	-3%
14	INCOME OF DISCONTINUOUS OPERATIONS	605,817	3%
15	CONSOLIDATED NET INCOME BEFORE EXTRAORDINARY ITEMS	-1,168,450	-6%
16	EXTRAORDINARY ITEMS NET EXPENSES (INCOME)	0	0%
17	NET EFFECT AT THE BEGINNING OF THE YEAR BY CHANGES IN ACCOUNTING PRINCIPLES	0	0%
18	NET CONSOLIDATED INCOME	-1,168,450	-6%
19	NET INCOME OF MINORITY INTEREST	-125,317	-1%
20	NET INCOME OF MAJORITY INTEREST	-1,043,133	-5%

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Ticker Symbol: DESC
DESC, S.A. de C.V. Audited Information

Mexican Stock Exchange
SIFIC/ICS

Quarter 4 2002
Consolidated

CONSOLIDATED INCOME STATEMENT
BREAKDOWN OF MAIN CONCEPTS
(Thousands of Pesos)

REF R	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR [2002]	
		AMOUNT	%

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1	NET SALES	19,582,937	100%
21	DOMESTIC	10,650,843	54%
22	FOREIGN	8,932,094	46%
23	TRANSLATED INTO DOLLARS (***)	902,039	5%
6	TOTAL FINANCING COST	1,225,192	100%
24	INTEREST PAID	948,112	77%
25	EXCHANGE LOSSES	740,939	60%
26	INTEREST EARNED	65,588	5%
27	EXCHANGE PROFITS	0	0%
28	GAIN DUE TO MONETARY POSITION	-398,271	-33%
8	OTHER FINANCIAL OPERATIONS	130,140	100%
29	OTHER NET EXPENSES (INCOME) NET	130,140	100%
30	(PROFIT) LOSS ON SALE OF OWN SHARES		0%
31	(PROFIT) LOSS ON SALE OF SHORT-TERM INVESTMENTS		0%
10	RESERVE FOR TAXES AND WORKERS' PROFIT SHARING	242,113	100%
32	INCOME TAX	217,458	90%
33	DEFERRED INCOME TAX	-79,974	-33%
34	WORKERS' PROFIT SHARING	104,629	43%
35	DEFERRED WORKERS' PROFIT SHARING	0	0%

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Ticker Symbol: DESC Mexican Stock Exchange Quarter 4 2002
DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

CONSOLIDATED INCOME STATEMENT
OTHER CONCEPTS
(Thousands of Pesos)

REF R	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR [2002]	QUARTER OF P FISCAL YEAR [2
----	-----	-----	-----
		AMOUNT	AMOUNT
36	TOTAL SALES	20,414,788	23,660,8
37	TAX RESULT	0	0
38	NET SALES (**)	19,582,937	21,815,7
39	OPERATION INCOME (**)	1,040,012	1,763,6
40	NET INCOME OF MAJORITY INTEREST (**)	-1,043,133	43,712
41	NET CONSOLIDATED INCOME (**)	-1,168,450	229,59

(**) THE RESTATED INFORMATION ON THE LAST TWELVE MONTHS SHOULD BE USED

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Ticker Symbol: DESC Mexican Stock Exchange Quarter 4: 2002
DESC, S.A. de C.V. SIFIC/ICS Consolidated

CONSOLIDATED CASH FLOW STATEMENT
FROM JANUARY THE 1ST TO DECEMBER 31 OF 2002 AND 2001
(Thousands of Pesos)

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REF C	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR [200
-----	-----	-----
		AMOUNT
1	CONSOLIDATED NET INCOME	-1,168,450
2	+(-) ITEMS ADDED TO INCOME WHICH DO NOT REQUIRE USING CASH	1,383,206
3	CASH FLOW FROM NET INCOME OF THE YEAR	214,756
4	CASH FLOW FROM CHANGE IN WORKING CAPITAL	661,663
5	CASH GENERATED (USED) IN OPERATING ACTIVITIES	876,419
6	CASH FLOW FROM EXTERNAL FINANCING	1,367,677
7	CASH FLOW FROM INTERNAL FINANCING	-540,100
8	CASH FLOW GENERATED (USED) BY FINANCING	827,577
9	CASH FLOW GENERATED (USED) IN INVESTMENT ACTIVITIES	-733,726
10	NET INCREASE (DECREASE) IN CASH AND SHORT-TERM INVESTMENTS	970,270
11	CASH AND SHORT-TERM INVESTMENTS AT THE BEGINNING OF PERIOD	1,435,773
12	CASH AND SHORT-TERM INVESTMENTS AT THE END OF PERIOD	2,406,043

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Ticker Symbol: DESC Mexican Stock Exchange Quarter 4: 2002
DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

CONSOLIDATED CASH FLOW STATEMENT
BREAKDOWN OF MAIN CONCEPTS
(Thousands of Pesos)

REF C	CONCEPTS	QUAR PRE FISCAL AM
-----	-----	-----
2	+ (-) ITEMS ADDED TO INCOME WHICH DO NOT REQUIRE	
13	DEPRECIATION AND AMORTIZATION FOR THE YEAR	
14	+ (-) NET INCREASE (DECREASE) IN PENSIONS FUND AND SENIORITY PREMIUMS	
15	+ (-) NET LOSS (PROFIT) IN MONEY EXCHANGE	
16	+ (-) NET LOSS (PROFIT) IN ASSETS AND LIABILITIES ACTUALIZATION	
17	+ (-) OTHER ITEMS	
4	CASH FLOW FROM CHANGE IN WORKING CAPITAL	
18	+ (-) DECREASE (INCREASE) IN ACCOUNT RECEIVABLE	
19	+ (-) DECREASE (INCREASE) IN INVENTORIES	
20	+ (-) DECREASE (INCREASE) IN OTHER ACCOUNT RECEIVABLE	
21	+ (-) INCREASE (DECREASE) IN SUPPLIER ACCOUNT	
22	+ (-) INCREASE (DECREASE) IN OTHER LIABILITIES	
6	CASH FLOW FROM EXTERNAL FINANCING	
23	+ SHORT-TERM BANK AND STOCK MARKET FINANCING	
24	+ LONG-TERM BANK AND STOCK MARKET FINANCING	
25	+ DIVIDEND RECEIVED	
26	+ OTHER FINANCING	
27	(-) BANK FINANCING AMORTIZATION	

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28	(-) STOCK MARKET AMORTIZATION	
29	(-) OTHER FINANCING AMORTIZATION	
7	CASH FLOW FROM INTERNAL FINANCING	
30	+ (-) INCREASE (DECREASE) IN CAPITAL STOCKS	
31	(-) DIVIDENDS PAID	
32	+ PREMIUM ON SALE OF SHARES	
33	+ CONTRIBUTION FOR FUTURE CAPITAL INCREASES	
9	CASH FLOW GENERATED (UTILIZED) IN INVESTMENT ACTIVITIES	
34	+ (-) DECREASE (INCREASE) IN STOCK INVESTMENTS OF A PERMANENT NATURE	
35	(-) ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT	
36	(-) INCREASE IN CONSTRUCTIONS IN PROGRESS	
37	+ SALE OF OTHER PERMANENT INVESTMENTS	
38	+ SALE OF TANGIBLE FIXED ASSETS	
39	+ (-) OTHER ITEMS	

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Quarter 4 2002
Consolidated

RATIOS CONSOLIDATED

REF P	CONCEPTS	QUARTER OF PR FISCAL YEAR [
-----	-----	-----
YIELD		
1	NET INCOME TO NET SALES	-5.97
2	NET INCOME TO STOCK HOLDERS' EQUITY (**)	-13.7
3	NET INCOME TO TOTAL ASSETS (**)	-3.99
4	CASH DIVIDENDS TO PREVIOUS YEAR NET INCOME	2.35
5	INCOME DUE TO MONETARY POSITION TO NET INCOME	-34.09
ACTIVITY		
6	NET SALES TO NET ASSETS (**)	0.67
7	NET SALES TO FIXED ASSETS (**)	1.49
8	INVENTORIES ROTATION (**)	4.88
9	ACCOUNTS RECEIVABLE IN DAYS OF SALES	44
10	PAID INTEREST TO TOTAL LIABILITIES WITH COST (**)	7.77
LEVERAGE		
11	TOTAL LIABILITIES TO TOTAL ASSETS	61.19
12	TOTAL LIABILITIES TO STOCK HOLDERS' EQUITY	1.58
13	FOREIGN CURRENCY LIABILITIES TO TOTAL LIABILITIES	56.28
14	LONG-TERM LIABILITIES TO FIXED ASSETS	66.15
15	OPERATING INCOME TO INTEREST PAID	1.10
16	NET SALES TO TOTAL LIABILITIES (**)	1.09
LIQUIDITY		
17	CURRENT ASSETS TO CURRENT LIABILITIES	1.26
18	CURRENT ASSETS LESS INVENTORY TO CURRENT LIABILITIES	0.84
19	CURRENTS ASSETS TO TOTAL LIABILITIES	0.52
20	AVAILABLE ASSETS TO CURRENT LIABILITIES	32.59

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21	CASH FLOW	
21	CASH FLOW FROM NET INCOME TO NET SALES	1.10
22	CASH FLOW FROM CHANGES IN WORKING CAPITAL TO NET SALES	3.38
23	CASH GENERATED (USED) IN OPERATING TO INTEREST PAID	0.92
24	EXTERNAL FINANCING TO CASH GENERATED (USED) IN FINANCING	165.26
25	INTERNAL FINANCING TO CASH GENERATED (USED) IN FINANCING	-65.26
26	ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT TO CASH GENERATED (USED) IN INVESTMENT ACTIVITIES	150.61

(**) IN THESE RATIOS, DATA IS BASED ON THE LAST TWELVE MONTHS

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DATA PER SHARE

REF D -----	CONCEPTS -----	QUARTER OF FISCAL YEAR ----- AMOUNT
1	BASIC PROFIT PER ORDINARY SHARE (**)	\$ -0.76
2	BASIC PROFIT PER PREFERENT SHARE (**)	\$ 0
3	DILUTED PROFIT PER ORDINARY SHARE (**)	\$ 0
4	CONTINUOUS OPERATING PROFIT PER COMMON SHARE(**)	\$ -0.41
5	EFFECT OF DISCONTINUOUS OPERATING ON CONTINUOUS OPERATING PROFIT PER SHARE (**)	\$ -0.44
6	EFFECT OF EXTRAORDINARY PROFIT AND LOSS ON CONTINUOUS OPERATING PROFIT PER SHARE (**)	\$ 0
7	EFFECT BY CHANGES IN ACCOUNTING POLICIES ON CONTINUOUS OPERATING PROFIT PER SHARE (**)	\$ 0
8	CARRYING VALUE PER SHARE	\$ 5.56
9	CASH DIVIDEND ACCUMULATED PER SHARE	\$ 0.29
10	DIVIDEND IN SHARES PER SHARE	0
11	MARKET PRICE TO CARRYING VALUE	4.1
12	MARKET PRICE TO BASIC PROFIT PER ORDINARY SHARE (**)	0
13	MARKET PRICE TO BASIC PROFIT PER PREFERENT SHARE (**)	0

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Ticker Symbol: DESC Mexican Stock Exchange Quarter 2002
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2002 Compared to 2001

Consolidated net sales for 2002 decreased 10.2% to Ps. 19,582,937 compared to Ps. 21,815,702 in 2001. Exports reached \$902 million U.S. dollars, representing a 7.9% annual decrease. These decreases were mainly due to the economic slowdown, which started in 2001 and continued in 2002, and caused important effects in the U.S. and Mexico, consequently decreasing DESC's results, primarily in the Autoparts and Chemical Sectors. These decreases are also due to an approximate 5.8% decrease in production the North American auto industry, as well as higher raw materials costs, which were not passed on to final product prices at the same rate.

Cost of sales decreased 7.95% to Ps. 14,977,545 during 2002, from Ps. 16,270,716 in 2001. This decrease was lower than the decrease in sales, due to the cost reduction programs implemented throughout the year.

Gross Margin was 23.5%, which was lower than the 25.4% margin reported in 2001. Operating expenses decreased 5.7% to Ps. 3,565,380 in 2002, compared to Ps. 3,781,308 in 2001, due to cost reduction programs.

AUTOPARTS SECTOR

	Year ended December 31,	
	2001	2002
Net Sales	Ps. 9,933,611	Ps. 8,398,394
Cost of Sales	7,521,370	6,615,119
Gross Margin	24.3%	21.2%
Operating Expenses	Ps. 1,321,022	Ps. 1,163,785
Operating Profit	1,091,219	619,490
Operating Margin	11.0%	7.4%
Depreciation and Amortization	Ps. 717,449	Ps. 705,140
Capital Expenditures	323,085	775,192
Exports (Millions of U.S. dollars)	638.1	554.9

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Ticker Symbol: DESC Mexican Stock Exchange Quarter 2002
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2002 Results

The complex macroeconomic environment affected the results of the Autoparts Sector. Lower economic activity in North America caused inconsistent cycles in

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automotive production within the NAFTA region, where discounts were applied to achieve reductions in inventories levels.

Specifically, automotive production within the NAFTA region improved 5.6%, resulting in 16.7 million units, due to discounts granted to consumers throughout the year, with the car and medium trucks segments being the most important. On the other hand, for the second year in a row, automotive production in Mexico registered a decline of 1.8 million units. Although production in the domestic market presented positive growth, it was not enough to compensate for the setback in the production of vehicles for export caused by the economic situation in United States, our most important commercial partner and the destination of Mexican vehicles for export.

During the year, the North American big three producers (original equipment maker) represented 49% of our sales; losing 7% market share against the Asian and European producers.

In the third quarter of 2002, Daimler-Chrysler closed its plant located in Lago Alberto, Mexico City, to which DESC provided mainly pick-up beds, axles and propeller shafts. This translated into a decline of approximately \$130 million in annual sales.

As a result of the aforementioned, sales in the sector decreased 13.7%, to US \$850 million, when compared to the prior year. Exports to more than 20 countries in the world constituted 65% of total sales, and the goal is to diversify our markets.

In 2002, the sector generated EBITDA of US \$135 million, equivalent to 15.9% of sales.

DESC Automotriz reached an agreement with its partner, Dana Corporation, to initiate two new projects. The projects consist of transferring the production of diverse components of the drive train to Mexico and were named "Project Tractor".

It is important to mention that capital expenditures during the 2002, rose to US \$52 million and were primarily used for the launching of new products related to "Project Tractor". These include, modernization and maintenance projects, balance of capacity and automation in the constant velocity joint business and the installation of a forge (Forjas Spicer). These investments allowed us to have the latest technology and to bring operations to a world-class level.

In 2002, as part of our strategy to sell non-strategic assets, the operations of the Spark Plugs (Bumex) and Electric Parts (IEA) businesses were closed and the operative assets were sold. Total sales from these businesses represented US \$16.2 million in 2001 and did not contribute to operating income.

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Ticker Symbol: DESC	Mexican Stock Exchange	Quarter 2002
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CHEMICAL SECTOR

Year ended December 31,

2001

2002

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Net Sales	Ps. 7,260,119	Ps. 6,936,483
Cost of Sales	5,452,234	5,261,413
Gross Margin	24.9%	24.1%
Operating Expenses	Ps. 1,303,741	Ps. 1,346,692
Operating Profit	504,144	328,378
Operating Margin	6.9%	4.7%
Depreciation and Amortization	Ps. 318,359	Ps. 343,376
Capital Expenditures	253,549	268,219
Exports (Millions of U.S. dollars)	228.7	247.1

2002 Results

In 2002, the Chemical Sector experienced a slight reduction of 2.9%, in its sales in dollars when compared to 2001, reaching US \$699 million. However, exports increased 8%, reaching US \$247 million. This increase in exports partially compensated for the decrease in demand in the Mexican markets.

The weakened markets and the rise in the price of raw materials such as styrene monomer, butadiene monomer and acrylonitrile monomer, as well as natural gas severely affected the industry in general. The rise in raw material prices could not be passed on to final product prices at the same rate due to aggressive competition and weakened demand, which affected operating results. As a result of the aforementioned, the operating margin in 2002 was 4.8%, which was lower than the 6.9% registered in 2001.

It is important to note that these factors also affected several global chemical companies resulting in a decline in operating income when compared to 2001. Additionally, in the domestic market, the closing of the Euzkadi tire-production facility, as well as, the structural crisis in the footwear industry, caused additional reductions in the industrial demand level.

In 2002, the Sector continued with the implementation of several strategies in order to control the critical supply of some raw materials, thereby avoiding negative impacts due to the temporary or definitive closing of some supply sources. As part of the portfolio restructuring, which is based on the sale of non-core assets, the natural pigments business (Bioquimex) was closed.

The research efforts of the Sector are concentrated on the development of specialty products. The new styrenic and acrylic transparent copolymers and high impact resistant acrylic sheets are good examples of improvements in the margin

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Ticker Symbol: DESC	Mexican Stock Exchange	Quarter 2002
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of the mixture of products of their respective business. At the end of 2001, the sector began to use a miniaturized and robotic system contracted with Symyx Technologies, and established a strategic technological platform from which to compete in the Chemical Industry in the XXI century.

Investments for the year reached US \$18.3 million and were primarily focused on projects to improve the productivity and efficiency of solution rubbers, polystyrene and particle boards, the relocation of the production of

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polyurethane adhesives to the Lerma facility, and the acquisition of the rights of the forest plantation Planfosur to guarantee the cellulosic supply for the production of particle boards, and the system of experimentation of Symyx.

Last year there was a shortage of cellulosic supply due to the closing of sawmills. The acquisition of the forest plantations in 2001, which are operated by the company Forestaciones Operativas de Mexico, guaranteed the supply of this raw material for the production of particle boards.

FOOD SECTOR

	Year ended December 31,	
	2001	2002
	----	----
Net Sales	Ps. 3,748,296	Ps. 3,445,214
Cost of Sales	2,844,516	2,666,619
Gross Margin	24.1%	22.6%
Operating Expenses	Ps. 825,089	Ps. 680,124
Operating Profit	78,691	98,471
Operating Margin	2.1%	2.9%
Depreciation and Amortization	Ps. 175,321	Ps. 164,724
Capital Expenditures	178,342	30,161
Exports (Millions of U.S. dollars)	113.0	100.0

2002 Results

Sales registered US \$348 million, a decrease of 6.6 % compared to US \$373 million in 2001. EBITDA remained in-line with 2001 figures reaching US \$26 million.

Branded Products:

During 2002, results improved significantly due to measures taken in the development of new strategies and cost reductions, generating a growth in sales of 3.3% and 29.7% in cash flow (dollars).

US food brands "La Victoria" and "Embasa" posted impressive sales increases given the flat to declining food industry trends in 2002. Combined, both brands grew by 5.8% over the previous year.

Ticker Symbol: DESC	Mexican Stock Exchange	Quarter 2002
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Products derived from tomatoes, branded under "Del Fuerte", increased their market share by five percentage points, demonstrating their leadership and the preference for the brand among the Mexican consumers. The canned tuna brand "Nair", increased sales over the previous year, while the coffee brand "Blason" is considered a premium product among the line of toasted and granulated coffees. During 2002, a new line of chiles and salsas under the brand "Del Fuerte", was introduced in most of the supermarkets chains in Mexico.

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Pork:

The Pork business reported sales of US \$130 million. Exports to Japan grew 21.9% compared to the previous year as supermarket and "foodservice" participation increased in an important way in Mexico.

The results of the pork business can be attributed to the poor results in the Bajio region, as well as at the high costs, low production and efficiency levels, and higher mortality in the animals of this area. During the third quarter of 2002, the Board of Directors of DESC made the decision to close down the operations in the Bajio region in September 2002.

2002 results were also affected by the drop in the price of pork by approximately 22.0% and to a lesser extent, by Hurricane Isidore, which caused farm damage as well as decreases in efficiency production. The insurance company mitigated the damage caused.

Shrimp: The Board of Directors of DESC made the decision to donate the shrimp business (AquaNova) to the Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM) in October of 2002.

REAL ESTATE SECTOR

	Year ended December 31,	
	2001	2002
	----	----
Net Sales		
Residential	Ps. 327,823	Ps. 345,943
Tourism	282,495	230,629
Commercial	242,916	192,191
Total	853,234	768,763
Cost of Sales	452,466	429,532
Gross Margin	47.0%	44.1%
Operating Expenses	Ps. 247,418	Ps. 252,698
Operating Income	153,350	86,533
Operating Margin	18.0%	11.3%
Depreciation and Amortization	Ps. 37,618	Ps. 22,513
Capital Expenditures	2,649	24,023
Investment in Real Estate Projects	739,690	393,286

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2002 Results

In 2002, the real estate sector, as with the rest of DESC's sectors, was

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affected by the slow recovery of the North American and domestic economy. This year, the Sector registered sales of US \$78 million, which represented a decline of 8.5% compared to the US \$85 million registered in 2001. The decrease in sales was caused by the economic factors mentioned above and delayed sales in the "Punta Mita" and "Bosques de Santa Fe" projects into the year 2003.

The operating margin registered 11.1% and EBITDA decreased 40.6%, from US \$19 million in 2001 to US \$11 million in 2002. This decrease was caused by a sales mix with lower margins.

Significant milestones were achieved in the tourist areas. The Punta Mita development continued successfully with the structure of commercialization of the diverse real estate products being offered coupled with the ability to close various operations with several dimensions and characteristics. Sales continued on the lots denominated "Ranchos", which are properties with an area of approximately one hectare, near the seashore. Sales of lots adjacent to the golf course and beach lots which constitute the product with the highest development, continued.

Significant progress has been made in residential developments. The urbanization and commercialization of "Bosques de Santa Fe", a 200-hectare project located in the southern part of Santa Fe in Mexico City, is successfully undergoing with the sales of over 80% of the residential lots and 42% of the multi-family lots.

At the moment, there are more than 20 houses and 40 apartments under construction. Several families are already living in the development and have integrated the development operational structure.

Due to the great success of the Arcos Bosques North Building "B", at the end of 2001 we began the construction of the North Building "C". This project, which construction continued throughout 2002, has a total area of 43,000 m² and a saleable area of 16,500 m². This is project which is expected to be concluded by the end of 2003, is being developed in 50-50 association with ICA. Currently, 70% of the project has been completed and 20% has been pre-sold.

In addition to "Bosques de Santa Fe", we continued promoting the residential lots of "La Estadia", "Punta Ixtapa" and "La Punta Bosques" (the number of available lots are one in "Punta Bosques", two in "Punta Ixtapa" and 14 in "La Estadia") achieving a good number of operations in spite of the difficult economic situation in 2002.

COMPREHENSIVE FINANCIAL RESULT

The income statement of the company, which complies with the Generally Accepted Accounting Principles in Mexico (MEXICAN GAAP), should indicate all the operations and financial effects including inflation. The comprehensive financial result includes: i) interest expense, ii) interest income on temporary

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investments, iii) foreign exchange gains or losses caused by inflation on net monetary assets or liabilities in foreign currency, iv) UDIs fluctuations, and v) monetary gains or losses caused by inflation over net monetary assets or liabilities. When the Company's monetary liabilities are higher than its monetary assets during inflationary periods, the Company generates a profit on its monetary position. The Company's net position in foreign currency is affected by the changes in the exchange rate (peso/dollar), which generates

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foreign exchange gains or losses.

The following table provides a breakdown of the comprehensive financial result for the periods indicated:

	2001 ----	Year ended December 31, ----- 2002 -----
Interest Expense	(Ps. 1,038,590)	(Ps.
Interest Income	123,401	
Exchange Gain (Loss), Net	328,631	(
Variation in UDIS	(105,109)	(
Gain on Monetary Position	367,756	
COMPREHENSIVE FINANCIAL RESULT	(323,911)	(1,

In 2002, the comprehensive financial result reflected a loss of Ps. 1,225,192 compared to a loss of Ps. 323,911 in 2001. This result was mainly due to the combination of the following factors: i) a decline of 19.88% in interests paid, from (Ps. 1,038,590) in 2001 to (Ps. 832,071) in 2002; ii) a 46.85% decrease in interests earned from Ps. 123,401 in 2001 to Ps. 65,588 en el 2002; iii) the exchange rate depreciated during 2002 which created an exchange rate loss of Ps. 740,939 compared to an exchange rate gain of Ps. 328,631 in 2001; iv) from the two medium-term notes denominated in UDIS there was a (Ps. 116,041) loss in 2002, and v) in 2002 there was a 8.30% lower gain from monetary position, from Ps. 367,756 in 2001 to Ps. 398,271 in 2002.

EQUITY IN ASSOCIATED COMPANIES AND UNCONSOLIDATED SUBSIDIARIES

The Company reported a loss from equity in associated companies and unconsolidated subsidiaries of Ps. 5,200 in 2002 compared to a loss of Ps. 120,589 in 2001. The losses posted in 2001 were a result of the divestiture of the shrimp business.

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OTHER EXPENSES, NET

In 2002, other expenses amounted to Ps. (130,140) compared to Ps. (537,995) in 2001. The main expenses consist of the following:

- Amortization of goodwill, pre-operating expenses and patents (Ps. 113,002)
- Impairment of Fixed Assets (Ps. 49,041)

DISCONTINUED OPERATIONS

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In 2002, we decided to close the following non-strategic businesses:

Spark plugs and electric parts in the Autoparts Sector, the natural pigments business in the Chemical Sector and the Bajio region pork business in the Food Sector.

In closing these businesses, the Company is complying with its strategy to focus on sectors that have greater value generation potential. The cost of these discontinued operations, recorded in the Company's results rose to (Ps. 605,817). On the other hand, the shrimp business was donated to the Instituto Tecnológico de Estudios Superiores de Monterrey (ITESM) in October 2002.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

The Company's cash flow generation allows it to maintain a solid liquidity level. During 2002, Desc generated an operating cash flow of Ps. 2,309,156, which represented an annual decline of 24.0% compared to 2001. This operating cash flow level helped to partially offset the consolidated debt expense of the Company, to increase the working capital for the year and complete the investment in fixed assets. The Company's capitalization ratio at the close of 2002 was 0.48x and the interest coverage ration was 3.32x.

At the holding company level, DESC does not have any significant operations, and, as a result, its main revenue sources are dividend payments and other payments from its subsidiaries, which meet practically all of its cash needs.

1) Dividends

During DESC's Annual Ordinary and Extraordinary Shareholder's Meeting, which took place on April 25, 2002, a cash dividend payment was declared of Ps. 0.29 per share, payable in four quarterly installments of Ps. 0.0725 per share in the months of July 2002, October 2002, January 2003 and April 2003. Therefore, during 2002, the first two installments were paid on July 25, 2002 and October 24, 2002.

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- PHENOL BUSINESS FILES FOR "CONCURSO MERCANTIL"

On March 12, 2002 Fenoquimia S.A. de C.V., which produces and markets phenol, acetone and methylmethacrylate has filed for its "Concurso Mercantil" before the Mexican courts. This process is similar to "Chapter 11" protection under US bankruptcy laws.

- DESC OBTAINS A SYNDICATED LOAN TO REFINANCE DEBT

On June 13, 2002, DESC closed two syndicated loan contracts (one in pesos and one in dollars) for a total of approximately US\$ 410 million, which will allow DESC to improve its debt profile.

DESC used these proceeds to replace certain bank loans, thereby optimizing the Company's financing costs. This will also improve its debt structure, while taking advantage of the competitive interest rates in the market and will

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continue to strengthen its balance sheet, which has been characteristic of DESC for the last five years.

These achievements were made possible due to the following two transactions:

The first transaction for US\$ 275 million was divided into two tranches:

- |X| Tranche A - US\$97 million, 3-year maturity at a rate of LIBOR plus 137.5 basis points, and

- |X| Tranche B - US\$178 million, 5-year maturity at a rate of LIBOR plus 162.5 basis points.

Citibank acted as lead arranger, with JP Morgan Chase and Deutsche Bank as Senior Arrangers. Comerica Bank and Banco Nacional de Comercio Exterior acted as Arrangers. Other participants included Export Development Canada, the Toronto-Dominion Bank, BBVA Bancomer, Credit Lyonnais, Credit Suisse First Boston, HSBC Bank and Bayerische Hypo-Und Vereinsbank.

The second transaction was for Ps. 1,300 million and 5-year maturity at a rate of TIIE plus 0.90 basis points. The leading arrangers were BBVA-Bancomer and Banco Santander Mexicano, other participants included Banorte, Invex, Comerica Bank and Ixe Banco.

- DESC-DINE MERGER

During the General Annual Ordinary and Extraordinary Shareholders' Meeting, which took place on April 25, 2002, the merger of DESC with its Dine subsidiary was approved, with DESC being the surviving entity and Dine the merged company.

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- CLOSE OR SALE OF NON-STRATEGIC BUSINESSES

On July 25, DESC announced the close or sale of the following businesses:

AUTOPARTS SECTOR

Spark plugs
Electric parts

CHEMICAL SECTOR

Natural Pigments

These closings are in-line with the strategy of focusing on businesses with the greater value generation potential.

ADMINISTRATIVE RESTRUCTURING PROCESS

As part of productivity improvements, which includes administrative efficiencies and improvements in the decision making process, the consolidation of the new DESC structure took place during 2002. This new structure is composed of a Chief Financial Officer, a Chief Planning and Human Resources Officer and a Chief Information Officer. These positions will report directly to the Executive Vice-President.

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In addition, the Autoparts Sector, the Real Estate Sector, Branded Products division (Industrias Resistol, Corfuerte and ASF), Polymers and Specialties, the Ecosystems division, and the Grupo Porcicola Mexicano (pork business) will report to the Executive Committee.

During the year, 3,020 employees were laid-off. This represents a 15.6% headcount reduction from 2001. This figure includes the administrative corporate staff in each of the Sectors.

DONATION OF BUSINESS

In the Third Quarter of 2002, the shrimp business (AquaNova) was donated to the Instituto Tecnologico de Estudios Superiores de Monterrey (ITESM). Through the donation of this important national asset, DESC hopes that its 10-year effort will be fruitful by donating the business to an institution that will look to achieve its set objectives.

CHANGE IN THE NAME OF THE AUTOPARTS SECTOR

As part of the restructure that took place at DESC, during the fourth quarter of 2002, Unik S.A. de C.V. changed its name to DESC Automotriz, S.A. de C.V.

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SIGNIFICANT ACCOUNTING POLICIES

THE ACCOUNTING POLICIES FOLLOWED BY THE COMPANY ARE IN CONFORMITY WITH MEXICAN GAAP, WHICH REQUIRE MANAGEMENT TO MAKE CERTAIN ESTIMATES AND USE CERTAIN ASSUMPTIONS TO DETERMINE THE VALUATION OF SOME OF THE BALANCES INCLUDED IN THE FINANCIAL STATEMENTS AND TO MAKE THE DISCLOSURES REQUIRED FOR INCLUSION THEREIN. ALTHOUGH ACTUAL RESULTS MAY DIFFER FROM THOSE ESTIMATES, MANAGEMENT BELIEVES THAT THE ESTIMATES AND ASSUMPTIONS USED WERE APPROPRIATE UNDER THE CIRCUMSTANCES.

THE SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY ARE AS FOLLOWS:

CHANGES IN ACCOUNTING POLICIES - IN 2001, THE NEW BULLETIN C-2 "FINANCIAL INSTRUMENTS" WENT INTO EFFECT. THIS BULLETIN ESTABLISHES THE METHODOLOGY FOR VALUING AND RECORDING FINANCIAL INSTRUMENTS AND REQUIRES RECOGNITION OF ALL EFFECTS OF THE FINANCIAL INSTRUMENTS CONTRACTED ON THE BALANCE SHEET AS EITHER ASSETS OR LIABILITIES, UNDER NET COMPREHENSIVE FINANCIAL RESULT. THE FINANCIAL INSTRUMENTS THAT HAVE BEEN DESIGNATED AND EFFECTIVELY FUNCTION AS HEDGING OF ASSETS AND LIABILITIES OR FUTURE TRANSACTIONS WILL AFFECT THE ASSETS, LIABILITIES OR THE RESPECTIVE TRANSACTIONS WHEN THEY ARE REALIZED, SETTLED OR TAKE PLACE, RESPECTIVELY.

AS OF 2001, INTERNATIONAL ACCOUNTING STANDARD 40, "INVESTMENT PROPERTIES," ENTERED INTO EFFECT ON A SUPPLEMENTAL BASIS, ESTABLISHING VALUATION CRITERIA FOR PROPERTIES WHOSE PURPOSE IS TO GENERATE PROFITS OR INCREASE VALUE OR BOTH. PURSUANT TO CIRCULAR 55 ISSUED BY THE MEXICAN INSTITUTE OF PUBLIC ACCOUNTANTS, THE VALUATION MODEL APPLICABLE TO MEXICO IS THE COST MODEL, WHICH ESTABLISHES THAT SUCH PROPERTIES MUST BE VALUED AT ACQUISITION AND/OR CONSTRUCTION COST AND ARE RESTATED BY APPLYING THE NPCI, LESS THE RESPECTIVE ACCUMULATED DEPRECIATION.

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BEGINNING JANUARY 2000, THE COMPANY ADOPTED THE PROVISIONS OF NEW BULLETIN D-4, "ACCOUNTING FOR INCOME AND ASSET TAXES AND EMPLOYEE PROFIT SHARING". THE EFFECT OF THE ADOPTION WAS TO RECOGNIZE AN INITIAL LONG-TERM LIABILITY FOR DEFERRED INCOME TAXES AFFECTING STOCKHOLDERS' EQUITY UNDER "CUMULATIVE EFFECT OF INITIAL RECOGNITION OF DEFERRED INCOME TAXES."

AS A RESULT OF THE IMPLEMENTATION OF THE ADOPTION OF BULLETIN D-4 MENTIONED ABOVE, THE COMPANY CHANGED ITS METHOD FOR RECORDING THE EFFECT FROM TAX CONSOLIDATION. UNTIL 1999, IT WAS RECORDED IN THE YEAR IN WHICH THE RESPECTIVE ANNUAL CONSOLIDATED TAX RETURN WAS FILED. BEGINNING IN 2000, THIS BENEFIT IS RECORDED IN RESULTS OF THE YEAR IN WHICH THE BENEFIT IS GENERATED.

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BASIS OF CONSOLIDATION - THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS INCLUDE THOSE OF DESC AND THE SUBSIDIARIES IN WHICH THERE IS STOCKHOLDING AND ADMINISTRATIVE CONTROL. ALL SIGNIFICANT INTERCOMPANY TRANSACTIONS AND BALANCES HAVE BEEN ELIMINATED IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS.

THE EQUITY IN NET INCOME (LOSS) AND CHANGES IN STOCKHOLDERS' EQUITY OF THOSE SUBSIDIARIES THAT WERE ACQUIRED OR SOLD, HAS BEEN INCLUDED IN THE FINANCIAL STATEMENTS AS OF OR UP TO THE DATE ON WHICH THE TRANSACTIONS TOOK PLACE AND WAS RESTATED IN TERMS OF THE PURCHASING POWER AS OF THE END OF THE LATEST PERIOD.

INVESTMENTS IN SHARES OF ASSOCIATED COMPANIES AND UNCONSOLIDATED SUBSIDIARIES ARE RECORDED USING THE EQUITY METHOD.

TRANSLATION OF FINANCIAL STATEMENTS OF SUBSIDIARIES - THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES, WHOSE OPERATIONS ARE NOT AN INTEGRAL PART OF THE MEXICAN COMPANIES ("FOREIGN ENTITIES"), ARE RESTATED FOR THE INFLATION RATE OF THE RESPECTIVE FOREIGN COUNTRY AND ARE TRANSLATED INTO MEXICAN PESOS AT THE EXCHANGE RATE IN EFFECT AT THE END OF THE YEAR. THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES, WHOSE OPERATIONS ARE AN INTEGRAL PART OF THE MEXICAN COMPANIES ("INTEGRATED FOREIGN OPERATIONS"), ARE TRANSLATED USING YEAR END EXCHANGE RATES FOR MONETARY ITEMS AND HISTORICAL EXCHANGE RATES FOR NONMONETARY ITEMS, AND THE TRANSLATED FINANCIAL STATEMENTS ARE THEN RESTATED USING THE NATIONAL CONSUMER PRICE INDEX (NCPI) OF MEXICO. THE EFFECTS OF TRANSLATING FOREIGN ENTITIES ARE RECORDED DIRECTLY IN STOCKHOLDERS' EQUITY IN THE "CUMULATIVE EFFECT OF RESTATEMENT" ACCOUNT. THE EFFECTS OF TRANSLATING INTEGRATED FOREIGN OPERATIONS ARE INCLUDED IN THE "INTEGRAL FINANCING RESULT" OF THE YEAR IN THE "MONETARY POSITION GAIN" ACCOUNT. SUCH EFFECTS ARE NOT SIGNIFICANT.

RECOGNITION OF THE EFFECTS OF INFLATION - THE COMPANIES RESTATE ALL OF THEIR FINANCIAL STATEMENTS IN TERMS OF THE PURCHASING POWER OF THE MEXICAN PESO AS OF THE END OF THE LATEST PERIOD, THEREBY COMPREHENSIVELY RECOGNIZING THE EFFECTS OF INFLATION. THE PRIOR YEAR AMOUNTS PRESENTED HEREIN DIFFER FROM THOSE ORIGINALLY REPORTED IN TERMS OF MEXICAN PESOS OF THE RESPECTIVE YEAR. CONSEQUENTLY, ALL FINANCIAL STATEMENT AMOUNTS ARE COMPARABLE, BOTH FOR THE CURRENT AND THE PRIOR YEAR, BECAUSE ALL ARE STATED IN TERMS OF MEXICAN PESOS OF THE SAME PURCHASING POWER.

CASH EQUIVALENTS - INVESTMENTS IN MARKETABLE SECURITIES CONSIST MAINLY OF ACCEPTANCES, BANK PROMISSORY NOTES, AND PAPER ISSUED BY THE MEXICAN AND UNITED STATES OF AMERICA GOVERNMENTS, AT MARKET (COST PLUS ACCRUED INTEREST).

INVENTORIES AND COST OF SALES - INVENTORIES ARE ORIGINALLY RECORDED AT THEIR ACQUISITION OR MANUFACTURING COST AND RESTATED TO THEIR SPECIFIC NET REPLACEMENT

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COST WITHOUT EXCEEDING NET REALIZABLE VALUE. SUBSTANTITALLY ALL SUBSIDIARIES COMPUTE COST OF SALES USING THE REPLACEMENT COST AT THE TIME OF SALE.

LAND HELD FOR DEVELOPMENT AND REAL ESTATE PROJECTS - UNDEVELOPED LAND REPRESENTS LAND RESERVES THAT, TOGETHER WITH DEVELOPED LAND AND ONGOING AND COMPLETED PROJECTS, ARE CONSIDERED NON-CURRENT INVENTORIES, SINCE THEY ARE HELD FOR SALE. THEY INCLUDE ACQUISITION, DEVELOPMENT AND CONSTRUCTION COSTS AND ARE RESTATED IN U.S. DOLLARS BASED ON THE SLIPPAGE OF THE MARKET EXCHANGE RATE FOR THE PURPOSE OF SHOWING VALUES IN ACCORDANCE WITH THE CURRENT SITUATION OF THE REAL ESTATE MARKET.

THE COMPANY CAPITALIZES THE NET COMPREHENSIVE FINANCING COST ON DEBT USED TO FINANCE REAL ESTATE PROJECTS IN PROGRESS, IN ADDITION TO THEIR CONSTRUCTION AND DEVELOPMENT COSTS.

INVESTMENT IN SHARES - INVESTMENT IN SHARES HAS BEEN RECORDED USING THE EQUITY METHOD, BASED ON THE FINANCIAL STATEMENTS PREPARED ON THE SAME BASIS AS THOSE OF THE COMPANY, AND IS PRESENTED UNDER OTHER ASSETS IN THE BALANCE SHEET.

PROPERTY, PLANT AND EQUIPMENT - THIS ITEMS IS RECORDED AT ACQUISITION COST AND IS RESTATED BY USING NCPI FACTORS. FOR FOREIGN FIXED ASSETS, THEIR ACQUISITION COST IS RESTATED FOR INFLATION OF THE COUNTRY OF ORIGIN AND THE FLUCTUATION OF THE MEXICAN PESO AGAINST SUCH CURRENCY IS CONSIDERED.

DEPRECIATION IS CALCULATED BY THE STRAIGHT-LINE METHOD BASED ON THE REMAINING USEFUL LIVES OF THE ASSETS.

THE COMPANIES CAPITALIZE THE NET COMPREHENSIVE FINANCING COST ON DEBT USED TO FINANCE CONSTRUCTION IN PROGRESS AND THE INSTALLATION OF EQUIPMENT, UNTIL THEY ARE PLACED IN SERVICE.

IMPAIRMENT OF FIXED ASSETS - THE AMOUNTS SHOWN IN THE ACCOMPANYING CONSOLIDATED STATEMENTS OF INCOME BASICALLY REFER TO THE REDUCTION IN VALUE OF PROPERTY AND EQUIPMENT OF SOME PRODUCTION FACILITIES, IN ORDER TO REFLECT THEIR REALIZABLE VALUE IN ACCORDANCE WITH THE CURRENT SITUATION OF SUCH BUSINESSES.

GOODWILL - THE GOODWILL RESULTING FROM ACQUISITIONS MADE IN EXCESS OF BOOK VALUE IS AMORTIZED OVER PERIODS RANGING FROM FIVE TO 20 YEARS, THE TERMS OVER WHICH THE BENEFITS FROM THE INVESTMENT WILL BE REALIZED.

FINANCIAL INSTRUMENTS - FINANCIAL ASSETS AND LIABILITIES RESULTING FROM ANY TYPE OF FINANCIAL INSTRUMENT, EXCEPT FOR INVESTMENTS IN FINANCIAL INSTRUMENTS HELD TO MATURITY, ARE PRESENTED IN THE BALANCE SHEET AT FAIR VALUE. THE EFFECTS OF THE VALUATION OF A FINANCIAL ASSET OR LIABILITY ARE RECOGNIZED IN RESULTS OF OPERATIONS OF THE RESPECTIVE PERIOD. INVESTMENTS IN FINANCIAL INSTRUMENTS HELD

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TO MATURITY ARE VALUED AT ACQUISITION COST. THE COSTS AND YIELDS OF FINANCIAL

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INSTRUMENTS ARE RECOGNIZED IN RESULTS OF THE PERIOD IN WHICH THEY OCCUR.

DERIVATIVE FINANCIAL INSTRUMENTS - THE INTERNAL CONTROL SYSTEM ESTABLISHED BY THE COMPANY INCLUDES POLICIES AND PROCEDURES TO MANAGE ITS EXPOSURE TO FLUCTUATIONS IN FOREIGN CURRENCY EXCHANGE RATES USING DERIVATIVE FINANCIAL INSTRUMENTS. THESE INSTRUMENTS ARE TRADED ONLY WITH AUTHORIZED INSTITUTIONS AND TRADING LIMITS HAVE BEEN ESTABLISHED FOR EACH INSTITUTION. THE COMPANY DOES NOT CARRY OUT TRANSACTIONS WITH DERIVATIVE FINANCIAL INSTRUMENTS FOR THE PURPOSE OF SPECULATION.

THE DERIVATIVE FINANCIAL INSTRUMENTS CURRENTLY USED BY THE COMPANY ARE PRIMARILY HEDGE CONTRACTS TO REDUCE ITS EXPOSURE TO EXCHANGE RATE FLUCTUATIONS. PREMIUMS PAID ARE AMORTIZED OVER THE TERM OF THE DERIVATIVE FINANCIAL INSTRUMENT USING THE UNPAID BALANCE OF THE LIABILITY BEING HEDGED.

DERIVATIVE FINANCIAL INSTRUMENTS IDENTIFIED AS HEDGES ARE VALUED BY APPLYING THE SAME VALUATION CRITERIA USED FOR THE ASSETS OR LIABILITIES HEDGED, AND THE EFFECTS OF THEIR VALUATION ARE RECOGNIZED IN RESULTS OF OPERATIONS, NET OF COSTS, EXPENSES, OR REVENUE FROM THE ASSETS OR LIABILITIES WHOSE RISKS ARE BEING HEDGED. THE FINANCIAL ASSETS OR LIABILITIES GENERATED BY THESE INSTRUMENTS ARE PRESENTED IN THE BALANCE SHEET AS A REDUCTION OF THE LIABILITIES OR ASSETS WHOSE RISKS ARE BEING HEDGED.

INCOME TAX, ASSET TAX AND EMPLOYEE PROFIT SHARING - INCOME TAX (ISR) AND EMPLOYEE STATUTORY PROFIT-SHARING (PTU) ARE RECORDED IN RESULTS OF THE YEAR IN WHICH THEY ARE INCURRED. DEFERRED INCOME TAX ASSETS AND LIABILITIES ARE RECOGNIZED FOR TEMPORARY DIFFERENCES RESULTING FROM COMPARING THE BOOK AND TAX VALUES OF ASSETS AND LIABILITIES, PLUS ANY FUTURE BENEFITS FROM TAX LOSS CARRYFORWARDS DEFERRED INCOME TAX ASSETS ARE REDUCED BY ANY BENEFITS THAT, IN THE OPINION OF MANAGEMENT, WILL PROBABLY NOT BE REALIZED. DEFERRED PTU IS DERIVED FROM TEMPORARY DIFFERENCES BETWEEN THE BOOK RESULT AND INCOME FOR PTU PURPOSES AND IS RECOGNIZED ONLY WHEN IT CAN BE REASONABLY ASSUMED THAT THEY WILL GENERATE A LIABILITY OR BENEFIT, AND THERE IS NO INDICATION THAT THIS SITUATION WILL CHANGE IN SUCH A WAY THAT THE LIABILITIES WILL NOT BE PAID OR BENEFITS WILL NOT BE REALIZED.

THE ASSET TAX PAID THAT IS EXPECTED TO BE RECOVERABLE IS RECORDED AS AN ADVANCE PAYMENT OF INCOME TAX AND IS PRESENTED ON THE BALANCE SHEET WITH DEFERRED ISR.

EMPLOYEE RETIREMENT OBLIGATIONS - THE LIABILITY FROM SENIORITY PREMIUMS, PENSIONS AND RETIREMENT PAYMENTS, WHICH IS SIMILAR TO A PENSION, IS RECORDED AS ACCRUED, AND IS CALCULATED BY INDEPENDENT ACTUARIES BASED ON THE PROJECTED CREDIT UNIT METHOD, AT REAL INTEREST RATES. THEREFORE, THE LIABILITY IS BEING

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RECOGNIZED WHICH, AT PRESENT VALUE, IS EXPECTED TO COVER THE OBLIGATION FOR THESE BENEFITS AT THE ESTIMATED RETIREMENT DATE OF ALL THE COMPANIES' EMPLOYEES. SEVERANCE PAYMENTS ARE CHARGED TO RESULTS WHEN THEY ARE DETERMINED TO BE PAYABLE.

RESTATE STOCKHOLDERS' EQUITY - THIS ITEM CONSISTS OF MONETARY POSITION RESULT ACCUMULATED THROUGH THE FIRST RESTATEMENT OF THE FINANCIAL STATEMENTS AND THE GAIN (LOSS) FROM HOLDING MONETARY ASSETS, BECAUSE PRICE LEVELS INCREASED ABOVE (BELOW) INFLATION.

REVENUE RECOGNITION - REVENUES OF THE SUBSIDIARIES OF THE AUTOPARTS, CHEMICAL

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AND FOOD SECTORS ARE RECOGNIZED WHEN THE INVENTORIES ARE DELIVERED OR SHIPPED TO CUSTOMERS AND CUSTOMERS ASSUME RESPONSIBILITY FOR THEM.

THE REAL ESTATE SECTOR RECOGNIZES THE REVENUES AND COSTS FROM SALES OF URBANIZED PLOTS OF LAND IN RESULTS WHEN THE SALES ARE FORMALIZED AND THE DEPOSITS SECURING THE TRANSACTION ARE RECEIVED. THE INDIVIDUAL ASSIGNMENT OF THE COST OF THE LAND AND REAL ESTATE PROJECT TAKES INTO CONSIDERATION THE RELATIVE SELLING PRICE OF THE TOTAL PROJECT SO AS TO MAINTAIN THE SAME PROFIT MARGIN THROUGHOUT THE PROJECT.

REVENUES AND COSTS FROM REAL ESTATE PROJECTS ARE RECORDED ORIGINALLY AS A DEFERRED CREDIT FOR CONSTRUCTION COMMITMENTS AND AS REAL ESTATE PROJECTS IN PROCESS, AND ARE RECOGNIZED IN RESULTS BASED ON THE "PERCENTAGE OF COMPLETION" METHOD. THEREFORE, REVENUE IS MATCHED WITH COSTS INCURRED TO REACH THE STAGE OF COMPLETION TO TERMINATE THE PROJECT. IF THE LAST ESTIMATED COSTS DETERMINED EXCEED THE TOTAL REVENUES CONTRACTED, THE RESPECTIVE PROVISION IS CHARGED TO RESULTS OF THE YEAR.

INTEGRAL FINANCIAL RESULT - THIS REPRESENTS THE NET EFFECT OF INTEREST EARNED AND INCURRED, EXCHANGE GAINS AND LOSSES AND MONETARY POSITION GAIN OR LOSS ON, WHICH IS THE RESULT OF MAINTAINING MONETARY ASSETS AND LIABILITIES WHOSE REAL PURCHASING POWER IS MODIFIED BY THE EFFECTS OF INFLATION.

FOREIGN CURRENCY TRANSACTIONS ARE RECORDED AT THE EFFECTIVE EXCHANGE RATE AT THE DATE THE TRANSACTIONS ARE CARRIED OUT AND FOREIGN CURRENCY ASSETS AND LIABILITIES ARE ADJUSTED TO THE EXCHANGE RATE EFFECTIVE AT YEAREND.

INCOME PER SHARE - BASIC INCOME (LOSS) PER ORDINARY SHARE IS CALCULATED BY DIVIDING CONSOLIDATED NET INCOME (LOSS) OF MAJORITY STOCKHOLDERS BY THE WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING DURING THE YEAR.

COMPREHENSIVE INCOME (LOSS) - COMPREHENSIVE INCOME (LOSS) IS COMPRISED OF THE NET CONSOLIDATED INCOME FOR THE PERIOD PLUS (LESS) ANY GAINS OR LOSSES THAT UNDER

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SPECIFIC ACCOUNTING REGULATIONS ARE RECORDED DIRECTLY IN STOCKHOLDERS' EQUITY, SUCH AS THE GAIN OR LOSS FROM HOLDING NONMONETARY ASSETS.

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ANNEX 3
SHARE OWNERSHIP

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COMPANY NAME	MAIN ACTIVITIES	NUMBER OF SHARES
SUBSIDIARIES		
BOSQUES DE LAS LOMAS, S.A. DE C.V.	REAL ESTATE SECTOR	43,189,000
CLUB ECUESTRE CHILUCA, S.A. DE C.V.	REAL ESTATE SECTOR	15,274,170
PROMOCIONES BOSQUES, S.A. DE C.V.	REAL ESTATE SECTOR	82,212,000
CORPORATIVO DINE, S.A. DE C.V	REAL ESTATE SECTOR	238,390,000
HOLDING DICOMEX, S.A. DE C.V	REAL ESTATE SECTOR	141,740,000
PROMOTORA INMOBILIARIA HIDALGUENSE, S.A DE C.V.	REAL ESTATE SECTOR	12,876,272
TURISTICA AKKO, S.A. DE C.V.	REAL ESTATE SECTOR	10,000
BOSQUES DE SANTA FE, S.A. DE C.V.	REAL ESTATE SECTOR	50
CANADA DE SANTA FE, S.A. DE C.V.	REAL ESTATE SECTOR	278,000,000
INMOBILIARIA DINE, S.A. DE C.V.	REAL ESTATE SECTOR	10,010,200
CANTILES DE MITA	REAL ESTATE SECTOR	54,326,326
CLUB DE GOLF PUNTA MITA, S.A. DE C.V.	REAL ESTATE SECTOR	12,410,869
RESORT CLUB PUNTA MITA, S.A. DE C.V	REAL ESTATE SECTOR	50,000
UNIK, S.A. DE C.V.	AUTO PARTS SECTOR	700,968,215
CORFUERTE, S.A. DE C.V.	FOOD SECTOR	643,205,800
AGROKEN, S.A. DE C.V.	FOOD SECTOR	366,460,475
AUTHENTIC SPECIALITY FOODS	FOOD SECTOR	291,101
AGROBIOS CORPORATIVO	FOOD SECTOR	550,000
CID CENTRO DE INVESTIGACION Y DESARROLLO	CHEMICALS SECTOR	190,386,900
DIRECCION IRSA, S.A. DE C.V.	CHEMICALS SECTOR	4,201,745
FENOQUIMIA, S.A. DE C.V.	CHEMICALS SECTOR	4,998,994
FORESTACIONES OPERATIVAS DE MEXICO, S.A.	CHEMICALS SECTOR	31,440
GIRSA CORPORATIVO, S.A. DE C.V.	CHEMICALS SECTOR	5,509,998
GIRSA INMOBILIARIA, S.A. DE C.V.	CHEMICALS SECTOR	615,124,720
H2ORIZONTES, S.A. DE C.V.	CHEMICALS SECTOR	49,950
PRODUCTOS DE CONSUMO RESISTOL, S.A. DE C.V.	CHEMICALS SECTOR	691,180,902
QUIMIR, S.A. DE C.V.	CHEMICALS SECTOR	1,930,986
RESIRENE, S.A. DE C.V.	CHEMICALS SECTOR	236,058,979
SERVICIOS FORESTACIONES DE MEXICO, S.A. DE C.V.	CHEMICALS SECTOR	218
TECNO INDUSTRIA RF, S.A. DE C.V.	CHEMICALS SECTOR	10,673,496
REXEL, S.A. DE C.V.	CHEMICALS SECTOR	1,000,997
INDUSTRIAS NEGROMEX, S.A. DE C.V.	CHEMICALS SECTOR	410,044,831
DYNASOL ELASTOMEROS, S.A. (ESPANA)	CHEMICALS SECTOR	1
DYNASOL GESTION, S.A.	CHEMICALS SECTOR	1
DYNASOL, L.L.C.	CHEMICALS SECTOR	1
PARATEC ELASTOMEROS L.L.C.	CHEMICALS SECTOR	1
PLASTIGLAS DE MEXICO, S.A. DE C.V.	CHEMICALS SECTOR	200,778,189
PARATEC, S.A. de C.V.	CHEMICALS SECTOR	73,960
AEROPLYCSA, S.A. DE C.V.	SERVICE COMPANIES	648,309,280
CORPORATIVO ARCOS	SERVICE COMPANIES	260,524,996
PROMOCION Y CONTROL, S.A. DE C.V.	SERVICE COMPANIES	1,254,000
BIG SOFT	SERVICE COMPANIES	1,449,999
PACIFIC INTERNATIONAL AIRWAYS, S.A. DE C.V.	SERVICE COMPANIES	244,498
SERCOR	SERVICE COMPANIES	449
OTHER SUBSIDIARIES (4) (NO. OF SUBS.:)	CHEMICALS SECTOR	29,922,181

Associates

1. Others

SERVICES

1

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Other Permanent Investments

Total

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 DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

ANNEX 4
 PROPERTY, PLANT AND EQUIPMENT
 (Thousands of Pesos)

CONCEPT	ACQUISITION COST	DEPRECIATION	ACCUMULATED CARRYING VALUE	REVALUATION	DEPRECIATION REVALUATION
DEPRECIATION ASSETS					
PROPERTY	1,886,655	395,798	1,490,857	3,783,218	1,822,000
MACHINERY	6,667,406	3,175,152	3,492,254	9,314,682	5,750,000
TRANSPORT EQUIPMENT	195,418	121,826	73,592	76,333	200,000
OFFICE EQUIPMENT	113,123	65,307	47,816	76,755	400,000
COMPUTER EQUIPMENT	304,462	264,560	39,902	79,099	700,000
OTHER	171,364	135,472	35,892	773,895	470,000
DEPRECIABLES TOTAL	9,338,428	4,158,115	5,180,313	14,103,982	8,180,000
NON-DEPRECIATION ASSETS					
GROUNDS	255,759	0	255,759	897,804	
CONSTRUCTIONS IN PROCESS	909,406	0	909,406	0	
OTHER	0	0	0	0	
NON-DEPRECIABLES TOTAL	1,165,165	0	1,165,165	897,804	
TOTAL	10,503,593	4,158,115	6,345,478	15,001,786	8,180,000

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Ticker Symbol: DESC
 DESC, S.A. de C.V. Audited Information
 MEXICAN STOCK EXCHANGE QUARTER: 4 2002
 SIFIC/ICS Consolidated

ANNEX 5
 LOAN BREAKDOWN
 (Thousands of Pesos)

Credit Type/ Amortization Rate of Amortization of Credits in For

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Institution	Date	Interest	Denominated in Pesos		Entities (Thousands of \$)			
					Time Interval	Until 1	Until 2	Until
Banks			Year	1 Year	Year	Year	Years	Year
WITH WARRANTY								
DEUTSCHE BANK	15-Oct-07	8.75	0	0	0	0	0	0
FINANCIAL INSTITUTIONS								
IFC	15-Feb-04	3.86	0	0	0	0	0	0
IFC	15-Feb-03	3.74	0	0	0	0	0	0
IFC	15-Feb-06	3.86	0	0	0	0	0	0
IFC	15-Sep-09	8.31	0	0	0	0	0	0
DEG	28-Dec-06	4.13	0	0	0	0	0	0
CITIBANK NA (SYNDICATE)	12-Jun-07	2.97	0	0	0	0	0	0
DEUTSCHE BANK (SYNDICATE)	12-Jun-07	2.97	0	0	0	0	0	0
JP MORGAN CHASE BANK (SYNDICATE)	12-Jun-07	2.97	0	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	12-Jun-07	2.97	0	0	0	0	0	0
COMERICA BANK (SYNDICATE)	12-Jun-07	2.97	0	0	0	0	0	0
EXPORT DEVELOPMENT CANADA	12-Jun-07	2.97	0	0	0	0	0	0
TORONTO DOMINION BANK	12-Jun-07	2.97	0	0	0	0	0	0
BBVA BANCOMER (SYNDICATE)	12-Jun-07	2.97	0	0	0	0	0	0
CREDIT LYONNAIS (SYNDICATE)	12-Jun-07	2.97	0	0	0	0	0	0
CREDIT SUISSE FIRST BOSTON (SYNDICATE)	12-Jun-07	2.97	0	0	0	0	0	0
HSBC BANK (SINDICADO)	12-Jun-07	2.97	0	0	0	0	0	0
BAYERISCHE HYPO-UND VEREINSBANK (SYNDICATE)	12-Jun-07	2.97	0	0	0	0	0	0

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Ticker Symbol: DESC
DESC, S.A. de C.V. Audited Information

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MEXICAN STOCK EXCHANGE
SIFIC/ICS
ANNEX 5
LOAN BREAKDOWN
(Thousands of Pesos)

QUARTER: 4 2002
Consolidated

Credit Type/ Institution	Amortization Date	Rate of Interest	Denominated in Pesos	Amoritization of Credits in For Entities (Thousands of \$)				
				Time Interval				
			Until 1 Year	More than 1 Year	Current Year	Until 1 Year	Until 2 Years	Un Year
Banks								
WITH WARRANTY								
DEUTSCHE BANK	15-Oct-07	8.75	0	0	0	0	0	0
FINANCIAL INSTITUTIONS								
BBVA BANCOMER (SYNDICATE)	26-Jun-07	9.30	0	355,000	0	0	0	0
BANCO SANTANDER MEXICO (SYNDICATE)	26-Jun-07	9.30	0	355,000	0	0	0	0
BANCO INVEX (SYNDICATE)	26-Jun-07	9.30	0	200,000	0	0	0	0
COMERICA BANK MEXICO (SYNDICATE)	26-Jun-07	9.30	0	100,000	0	0	0	0
IXE BANCO (SYNDICATE)	26-Jun-07	9.30	0	40,000	0	0	0	0
BANCO MERCANTIL DEL NORTE	26-Jun-07	9.30	0	250,000	0	0	0	0
BANCO INBURSA	1-Dec-03	3.85	0	0	0	227,949		
BANCO INBURSA	1-Dec-04	3.75	0	0	0	80,818	518,065	
BANCO INBURSA	9-Jun-03	3.85	0	0	0	704,568		0
IXE BANCO	30-May-03	3.75	0	0	0	61,132		0
BBVA BANCOMER	8-Apr-03	3.02	0	0	0	0		0
BANAMEX-CITIBANK	10-Nov-03	2.82	0	0	0	0		0
BANAMEX-CITIBANK	3-Jun-03	2.59	0	0	0	0		0
BANAMEX-CITIBANK	16-May-08	8.06	5	11,907	0	0		0
BANCO INBURSA	11-Feb-03	3.25	0	0	0	6,735		0
BANCO INBURSA	11-Feb-03	3.25	0	0	0	13,832		0
ING BANK	3-Mar-03	3.02	0	0	0	0		0
California Commerce	B.2-Aug-03	2.25	0	0	0	0		0
California Commerce	B.3-Apr-03	3.25	0	0	0	0		0
BANCO INBURSA	10-Jan-03	3.75	0	0	0	93,251		0
BANCO INBURSA	10-Jan-03	3.75	0	0	0	31,084		0
Other Financial Leases	2-Jul-10	8.40	0	0	0	0		0
BANCO SANTANDER MEXICANO	31-Jan-07	8.87	1,216	3,953	0	0		0

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BANCO SANTANDER MEXICANO	31-Jan-07	8.87	2,040	6,637	0	0	0
BANCO SANTANDER MEXICANO	31-Jan-07	6.60	1,040	3,192	0	0	0
BANCO SANTANDER MEXICANO	28-May-03	2.66	0	0	0	51,807	0
BANAMEX-CITIBANK	3-Jun-03	2.59	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	4-Jun-03	2.48	0	0	0	20,723	0
BANAMEX-CITIBANK	25-Mar-03	3.57	0	0	0	0	0
JP MORGAN CHASE BANK	11-Mar-03	7.34	0	0	0	0	0
BANAMEX-CITIBANK	25-Mar-03	3.64	0	0	0	0	0

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Ticker Symbol: DESC

DESC, S.A. de C.V. Audited Information

MEXICAN STOCK EXCHANGE
SIFIC/ICS
ANNEX 5

QUARTER: 4 2002
Consolidated

LOAN BREAKDOWN
(Thousands of Pesos)

Credit Type/ Institution	Amortization Date	Rate of Interest	Denominated in Pesos	Amoritization of Credits in For Entities (Thousands of \$)				
				Time Interval				
			Until 1 Year	More than 1 Year	Current Year	Until 1 Year	Until 2 Years	Unli Yea
Banks								
WITH WARRANTY								
DEUTSCHE BANK	15-Oct-07	8.75	0	0	0	0	0	0
FINANCIAL INSTITUTIONS								
BANAMEX-CITIBANK	14-Aug-03	3.56	0	0	0	0	0	0
COMERICA BANK	20-Mar-04	2.83	0	0	0	0	0	0
COMERICA BANK	21-Dec-03	2.92	0	0	0	0	0	0
BANAMEX-CITIBANK	16-Jun-03	2.82	0	0	0	0	0	0
COMERICA BANK	30-Aug-03	7.75	0	0	0	0	0	0
COMERICA BANK	30-Aug-03	7.75	0	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	7-Feb-03	2.63	0	0	0	46,626	0	0
BBVA BANCOMER	17-Mar-03	2.98	0	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	17-Feb-03	2.68	0	0	0	31,084	0	0

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BANAMEX-CITIBANK	17-Jan-03	3.04	0	0	0	0	0
BANAMEX-CITIBANK	23-Apr-03	2.84	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	4-Jun-03	2.48	0	0	0	15,930	0
BANCO NAL. COMERCIO EXTERIOR	10-Mar-03	2.85	0	0	0	6,994	0
BANCO NAL. COMERCIO EXTERIOR	7-Feb-03	2.63	0	0	0	48,698	0
BANCO NAL. COMERCIO EXTERIOR	14-Feb-03	2.68	0	0	0	25,903	0
BBVA BANCOMER	17-Mar-03	2.98	0	0	0	0	0
BANAMEX-CITIBANK	23-Apr-03	2.84	0	0	0	0	0
BANAMEX-CITIBANK	13-Jun-03	2.41	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	21-May-03	2.49	0	0	0	53,879	0
BANCO NAL. COMERCIO EXTERIOR	10-Mar-03	2.85	0	0	0	9,196	0
TOTAL BANKS			4,301	1,325,689	0	1,530,209	518,065

** TABLE CONTINUED **

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Ticker Symbol: DESC

DESC, S.A. de C.V. Audited Information

MEXICAN STOCK EXCHANGE

SIFIC/ICS

ANNEX 5

LOAN BREAKDOWN

(Thousands of Pesos)

QUARTER: 4 2002

Consolidated

Credit Type/
Institution

Amoritization of Credits in Foreign Currency with Foreign
Entities (Thousands of \$)

Time Interval

Banks	Current Year	Until 1 Year	Until 2 Years	Until 3 Years	Until 4 Years	Until 5 Years
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WITH WARRANTY

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DEUTSCHE BANK	0	0	0	0	0	756,903

FINANCIAL INSTITUTIONS						
IFC	0	62,168	31,084	0	0	0
IFC	0	51,807	0	0	0	0
IFC	0	14,806	14,798	14,802	7,402	
IFC	0	155,420	155,420	155,420	155,420	466,259
DEG	0	4,180	4,297	2,169	2,169	0
CITIBANK NA (SYNDICATE)	0	0	77,710	252,556	174,847	116,565
DEUTSCHE BANK (SYNDICATE)	0	0	59,577	150,886	91,309	60,873
JP MORGAN CHASE BANK (SYNDICATE)	0	0	59,577	150,886	91,309	60,873
BANCO NAL. COMERCIO EXTERIOR	0	0	0	116,565	116,565	77,710
COMERICA BANK (SYNDICATE)	0	0	51,807	129,516	77,710	51,807
EXPORT DEVELOPMENT CANADA	0	0	34,555	86,336	51,807	34,529
TORONTO DOMINION BANK	0	0	0	77,710	77,710	51,807
BBVA BANCOMER (SYNDICATE)	0	0	12,951	22,665	9,714	6,476
CREDIT LYONNAIS (SYNDICATE)	0	0	51,807	51,807	0	0
CREDIT SUISSE FIRST BOSTON (SYNDICATE)	0	0	51,807	51,807	0	0
HSBC BANK (SINDICADO)	0	0	51,807	51,807	0	0
BAYERISCHE HYPO-UND VEREINSBANK (SYNDICATE)	0	0	51,807	51,807	0	0

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Ticker Symbol: DESC

DESC, S.A. de C.V. Audited Information

MEXICAN STOCK EXCHANGE

SIFIC/ICS

ANNEX 5

LOAN BREAKDOWN

(Thousands of Pesos)

QUARTER: 4 2002

Consolidated

 Credit Type/ Institution Amortization of Credits in Foreign Currency with Foreign
 Entities (Thousands of \$)

 Time Interval

	Current Year	Until 1 Year	Until 2 Years	Until 3 Years	Until 4 Years	Until 5 Years
Banks						

 WITH WARRANTY

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DEUTSCHE BANK	0	0	0	0	0	756,903
FINANCIAL INSTITUTIONS						
BBVA BANCOMER (SYNDICATE)	0	0	0	0	0	0
BANCO SANTANDER MEXICO (SYNDICATE)	0	0	0	0	0	0
BANCO INVEX (SYNDICATE)	0	0	0	0	0	0
COMERICA BANK MEXICO (SYNDICATE)	0	0	0	0	0	0
IXE BANCO (SYNDICATE)	0	0	0	0	0	0
BANCO MERCANTIL DEL NORTE	0	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0	0
IXE BANCO	0	0	0	0	0	0
BBVA BANCOMER	0	207,226	0	0	0	0
BANAMEX-CITIBANK	0	362,646	0	0	0	0
BANAMEX-CITIBANK	0	93,252	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0	0
ING BANK	0	86,344	0	0	0	0
California Commerce B	0	93,252	0	0	0	0
California Commerce B	0	39,373	0	0	0	0
BANCO INBURSA	0	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0	0
Other Financial Leases	0	17,766	3,841	5,996	6,607	29,705
BANCO SANTANDER MEXICANO	0	0	0	0	0	0
BANCO SANTANDER MEXICANO	0	0	0	0	0	0
BANCO SANTANDER MEXICANO	0	0	0	0	0	0
BANCO SANTANDER MEXICANO	0	0	0	0	0	0
BANAMEX-CITIBANK	0	155,420	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0	0
BANAMEX-CITIBANK	0	7,584	0	0	0	0
JP MORGAN CHASE BANK	0	43,789	0	0	0	0
BANAMEX-CITIBANK	0	7,770	0	0	0	0

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Ticker Symbol: DESC

DESC, S.A. de C.V. Audited Information

MEXICAN STOCK EXCHANGE

SIFIC/ICS

ANNEX 5

LOAN BREAKDOWN

(Thousands of Pesos)

QUARTER: 4 2002

Consolidated

Credit Type/
Institution

Amortization of Credits in Foreign Currency with Foreign
Entities (Thousands of \$)

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Banks	Time Interval					
	Current Year	Until 1 Year	Until 2 Years	Until 3 Years	Until 4 Years	Until 5 Years
WITH WARRANTY						
DEUTSCHE BANK	0	0	0	0	0	756,903
FINANCIAL INSTITUTIONS						
BANAMEX-CITIBANK	0	15,195	0	0	0	0
COMERICA BANK	0	10,361	5,181	0	0	0
COMERICA BANK	0	62,168	0	0	0	0
BANAMEX-CITIBANK	0	122,263	0	0	0	0
COMERICA BANK	0	202	0	0	0	0
COMERICA BANK	0	390	65	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0	0
BBVA BANCOMER	0	103,613	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0	0
BANAMEX-CITIBANK	0	51,807	0	0	0	0
BANAMEX-CITIBANK	0	13,988	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0	0
BBVA BANCOMER	0	103,613	0	0	0	0
BANAMEX-CITIBANK	0	30,048	0	0	0	0
BANAMEX-CITIBANK	0	51,807	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0	0
TOTAL BANKS	0	1,968,258	718,091	1,372,735	862,569	1,713,507

** TABLE COMPLETE **

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Ticker Symbol: DESC
DESC, S.A. de C.V. Audited Information

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MEXICAN STOCK EXCHANGE
SIFIC/ICS
ANNEX 5
LOAN BREAKDOWN
(Thousands of Pesos)

QUARTER: 4 2002
Consolidated

LISTED IN THE MEXICAN STOCK EXCHANGE	Amortization Date	Rate of Interest	Denominated in Pesos					
			Amoritization of Credits in Entities (Thousands of \$)					
			Time Interval					
			Until 1 Year	More than 1 Year	Current Year	Until 1 Year	Until 2 Years	Un Year
UNSECURED DEBT								
UDIBONOS	21-Oct-06	9.00		1,045,153	0	0	0	0
UDIBONOS	13-Jul-07	8.20		1,150,211	0	0	0	0
			0	2,195,364	0	0	0	0
TOTAL STOCK EXCHANGE								
SUPPLIERS			759,169	0	0	0	0	0
OTHERS								
TOTAL SUPPLIERS			759,169	0	0	0	0	0
OTHERS			1/0/1900	1,608,576	0	0	0	0
OTHER CURRENT LIABILITIES AND OTHER CREDITS								
			2,372,046	3,521,053	0	1,530,209	518,065	

** TABLE CONTINUED **

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Ticker Symbol: DESC
DESC, S.A. de C.V. Audited Information

MEXICAN STOCK EXCHANGE
SIFIC/ICS
ANNEX 5
LOAN BREAKDOWN
(Thousands of Pesos)

QUARTER: 4 2002
Consolidated

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LISTED IN THE MEXICAN STOCK EXCHANGE
 Amortization of Credits in Foreign Currency with Foreign Entities (Thousands of \$)

	Current Year	Until 1 Year	Until 2 Years	Until 3 Years	Until 4 Years	Until 5 Years
UNSECURED DEBT						
UDIBONOS	0	0	0	0	0	0
UDIBONOS	0	0	0	0	0	0
UDIBONOS	0	0	0	0	0	0
TOTAL STOCK EXCHANGE						
SUPPLIERS	0	1,248,826	0	0	0	0
OTHERS						
TOTAL SUPPLIERS	0	1,248,826	0	0	0	0
OTHERS						
OTHERS	0	160,798	0	0	0	0
OTHER CURRENT LIABILITIES AND OTHER CREDITS						
OTHER CREDITS	0	3,377,882	718,091	1,372,735	862,569	1,713,507

** TABLE COMPLETE **

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Ticker Symbol: DESC Mexican Stock Exchange Quarter: 4 2002
 DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

TRADE BALANCE AND MONETARY POSITION IN FOREIGN EXCHANGE
 (THOUSANDS OF PESOS)

TRADE BALANCE	DOLLARS (1)		OTHER CURRENCES
	THOUSANDS OF DOLLARS	THOUSANDS OF PESOS	
1. INCOME			
EXPORTS	902,039	8,932,094	0
OTHER	4,359	42,094	0
TOTAL	906,398	8,974,188	0

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2. EXPEDITURE			
IMPORT (RAW MATERIALS)	405,591	3,916,886	0
INVESTMENTS	29,174	281,685	0
OTHER	113,307	1,093,579	0
TOTAL	548,072	5,292,150	0
NET BALANCE	358,326	3,682,038	
FOREIGN MONETARY POSITION			
TOTAL ASSETS	351,852	3,645,644	0
LIABILITIES POSITION	1,001,953	10,381,536	0
SHORT TERM LIABILITIES POSITION	480,833	4,982,055	0
LONG TERM LIABILITIES POSITION	521,120	5,399,481	0
NET BALANCE	-650,101	-6,735,892	0

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Ticker Symbol: DESC Mexican Stock Exchange Quarter : 4 2002
 DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

INTEGRATION AND INCOME CALCULATION BY MONETARY POSITION
 (THOUSANDS OF PESOS)

MONTH	MONETARY ASSETS	MONETARY LIABILITIES	(ASSET) LIABILITIES MONETARY POSITION	MO IN
JANUARY	6,547,549	15,496,640	-8,949,091	
FEBRUARY	5,870,367	15,568,071	-9,697,704	
MARCH	6,161,504	15,906,306	-9,744,802	
APRIL	6,554,529	15,787,368	-9,232,839	
MAY	6,264,061	15,742,248	-9,477,647	
JUNE	6,320,793	16,310,647	-9,989,854	
JULY	7,837,993	16,647,138	-8,809,145	
AUGUST	7,311,643	16,289,775	-8,978,132	
SEPTEMBER	7,073,792	16,723,293	-9,649,501	
OCTOBER	7,220,801	16,690,826	-9,470,025	
NOVEMBER	6,762,260	16,424,933	-9,662,673	
DECEMBER	6,734,293	16,660,173	-9,925,880	
ACTUALIZATION	0	0	0	
CAPITALIZATION	0	0	0	
FOREIGN CORP.	0	0	0	
OTHER	0	0	0	
TOTAL				

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ZTicker Symbol: DESC Mexican Stock Exchange Quarter: 4 2002
DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

STOCK EXCHANGE QUARTER: 3 YEAR: 2002
CODE: DESC

BONDS AND MEDIUM TERM NOTES LISTING IN STOCK MARKET (1)

ANNEX 8

FINANCIAL LIMITATIONS BASED ON ISSUANCES OR INSTRUMENTS

-1 Interest Coverage.

The result obtained from dividing the sum of (i) the consolidated operating profit plus depreciation and amortization during the immediately prior 4 full fiscal quarters by (ii) consolidated financial expense during such period, shall not be less than 2.75 times.

-2 Capitalization.

The result obtained from dividing, (i) total debt with cost minus cash plus fifty million dollars, by (ii) net assets plus total debt with cost minus cash plus fifty million dollars, shall not be greater than 0.50 times.

-3 Leverage Ratio.

The result obtained from dividing (i) total debt with cost minus cash plus fifty million dollars, by (ii) the sum of the consolidated operating profit plus depreciation and amortization during the immediately prior 4 full fiscal quarters, shall not exceed 4.75 times.

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Ticker Symbol: DESC Mexican Stock Exchange Quarter: 4 2002
DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

CURRENT STATUS OF FINANCIAL LIMITATIONS

(1) Interest Coverage.	3.32
(2) Capitalization.	0.48
(3) Leverage Ratio.	4.47

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Ticker Symbol: DESC Mexican Stock Exchange Quarter: 4 2002
DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

STOCK EXCHANGE CODE: DESC

QUARTER

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PLANTS, COMMERCE CENTERS OR DISTRIBUTION CENTERS

ANNEX 9

PLANT OR CENTER	ECONOMIC ACTIVITY
EJES TRACTIVOS, S.A. DE C.V. PISTONES MORESA, S.A. DE C.V. MORESTANA, S.A. DE C.V. PISTONES MORESA, S.A. DE C.V. ENGRANES CONICOS, S.A. DE C.V. PRODUCTOS ESTAMPADOS DE MEXICO, S.A. DE C.V. VELCON, S.A. DE C.V. TRANSMISIONES TSP, S.A DE C.V. TREMEC, S.A. DE C.V. CARDANES, S.A. DE C.V. HAYES WHEELS CHIHUAHUA, S.A. DE C.V. HAYES WHEELS ACERO, S.A. DE C.V. AUTOMETALES, S.A. DE .CV. TF VICTOR, S.A. DE C.V.	REAR AXLES PISTONS (PIECES) TAPPETS (PIECES) PISTON PINS (PIECES) GEARS (SETS) PICK-UP BOXES (PIECES) CONSTANT VELOCITY JOINTS (PIECES) TRANSMISSIONS (TRANS.) TRANSMISSIONS (TRANS.) PROPELLER SHAFTS (PIECES) ALUMINUM WHEELS (PIECES) STEEL WHEELS (PIECES) IRON FOUNDRY (TONS.) GASKETS, SEALS, MOTOR PARTS (PIECES)
FORJAS SPICER, S.A. DE C.V.	PRECISION FORGES (TONS.)
VEHYCO	PISTONS (PIECES)
COATZACOALCOS, VER.	POLYSTYRENE (TONS)
XOCOHTZINGO, TLAX.	POLYSTYRENE (TONS)
ALTAMIRA, TAMPS. (Dynasol)	SYNTHETIC RUBBER (TONS)
ALTAMIRA, TAMPS. (INSA)	SYNTHETIC RUBBER (TONS)
ALTAMIRA, TAMPS. (PARATEC) COATZACOALCOS, VER.	SYNTHETIC RUBBER (TONS) PHOSPHATE (TONS)
TULTITLAN, EDO. MEX.	PHOSPHATE (TONS)
LECHERIA, EDO. MEX. ALTAMIRA, TAMPS.	PHOSPHATE (TONS) CARBON BLACK (TONS)
COSOLEACAQUE, VER.	METHYL METHACRYLATE (TONS)
OCOYOACAC, EDO. MEX.	ACRYLC SHEET
SAN LUIS POTOSI. S.L.P. SALAMANCA, GTO.	ACRYLC SHEET WATERPROOFING SEALANTS AND ADHESIVES (TONS)
VALLEJO, D.F.	ADHESIVES (TONS)
LERMA, EDO. MEX.	ADHESIVES (TONS)

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Ticker Symbol: DESC Mexican Stock Exchange Quarter: 4 2002
 DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

STOCK EXCHANGE CODE: DESC

QUARTER

PLANTS, COMMERCE CENTERS OR DISTRIBUTION CENTERS

ANNEX 9

PLANT OR CENTER	ECONOMIC ACTIVITY	P CA
QUERETARO, QRO.	NATURAL PIGMENTS	
LECHERIA, EDO. MEX.	EMULSIONS (TONS)	
LERMA, EDO. MEX.	MELAMINE LAMINATES (TONS)	
ZITACUARO, MICH.	PARTICLE BOARD (Millions of M2)	
LECHERIA, EDO. MEX.	ORTHOPHOSPHATE (TONS)	

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Ticker Symbol: DESC Mexican Stock Exchange Quarter: 4 2002
 DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

STOCK EXCHANGE CODE: DESC

QUARTER: 4

YEAR: 2002

PLANTS, COMMERCE CENTERS OR DISTRIBUTION CENTERS

ANNEX 9

PLANT OR CENTER	ECONOMIC ACTIVITY	PLANT CAPACITY (1)
-----------------------	----------------------	--------------------------

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MERIDA	MILL (ton/month)	2760
IRAPUATO	MILL (ton/month)	20,00
PENINSULA	HOG (thousands)	3
BAJIO	HOG (thousands)	1
MERIDA	SLAUGHTER HOUSE	22
CANCUN	SLAUGHTER HOUSE	2
PENJAMO	SLAUGHTER HOUSE	11
IRAPUATO	SLAUGHTER HOUSE	24
MOCHIS (SANTA ROSA)	FRESH TOMATO PROCESSING (THOUSAND OF POUNDS IN 100 DAYS)	6,61
	TOMATO PRODUCTS IN TETRABRIK CONTAINER (MILLION OF CASES)	
	TOMATO PASTE (THOUSAND OF POUNDS IN 100 DAYS)	98,10
	DEHYDRATED PRODUCTS (THOUSAND OF POUNDS/YEAR IN 100 DAYS OF SEASON?)	84
MOCHIS (LA CORONA)	CANNED VEGETABLES (THOUSAND OF POUNDS)	159,98
	CANNED VEGETABLES (MILLIONS OF CASES)	6.6
MAZATLAN	TUNA (thousands boxes)	250
ROSEMEAD, CALIFORNIA	SALSA & CANNED VEGETABLES (thousands lb)	16622

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Ticker Symbol: DESC Mexican Stock Exchange Quarter: 4 2002
DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

MEXICAN STOCK EXCHANGE
SIFIC / ICS

STOCK EXCHANGE CODE: DESC

QUARTER: 4

MAIN RAW MATERIALS

ANNEX 10

DOMESTIC	MAIN SUPPLIERS	FOREIGN	M SUP
LAMINATE	HYLSA, S. A. DE C.V.	STEEL	MC STEEL
STEEL	INDUSTRIAS CH, S. A.	STEEL	MITSUBISHI
ALUMINUM	NACOBRE	LAMINATE	NISHO OWA
COLOR PAINTS	P.P.G. INDUSTRIAS DE MEXICO S.A DE C.V.	STEEL	TOTH INDU
LAMINATE	AHMSA	AUTOMOTIVE PARTS	DANA CO.
COLOR PAINTS	DUPONT DE MEXICO	FORGE	GSB FORJA

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RODAMIENTOS	KOYO DE MEXICO	LAMINATE	DAEWOO CO
RODAMIENTOS	TIMKEM	ALUMINUM	REYNOLDS
LAMINATE	GENERAL MOTORS	RODAMIENTOS	THE TIMKE
		FORGE	THYSSEN P
STYRENE	PEMEX	STYRENE	STERLING,
BUTADIEN		BUTADIEN	SHELL, PO
			EQUISTAR,
METHANOL	PEMEX	METHANOL	CELANESE,
TOLUEN	PEMEX		
NATURAL GAS	PEMEX		
PHOSPHORIC ACID MERCANTILE	RHODIA MEXICANA		
PHOSPHORIC ACID (TECHNICAL)	RHODIA MEXICANA	ACETOCYANOHRINE	BP CHEMIC
FRESH JALAPENO	OWN PRODUCTION & FRESH MARKET (VARIOUS)		
FRESH TOMATO	OWN PRODUCTION & FRESH MARKET (VARIOUS)		
FRESH TOMATILLO	OWN PRODUCTION & FRESH MARKET (VARIOUS)		
TETRABRIK CONTAINER	TETRAPAK		
METALLIC CAN	GRUPO ZAPATA		

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Ticker Symbol: DESC Mexican Stock Exchange Quarter: 4 2002
 DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

MEXICAN STOCK EXCHANGE
 SIFIC / ICS

STOCK EXCHANGE CODE: DESC

QUARTER: 4

MAIN RAW MATERIALS

ANNEX 10

DOMESTIC	MAIN SUPPLIERS	FOREIGN	MAIN SUPPLIERS
METALLIC CAN	ZAPATA ENVASES		
CORN OIL	ARANCIA CORN PRODUCTS		
SHIPPING CARTON	CELULOSA Y CORRUGADOS		
SHIPPING CARTON	EMPAQUE DE CARTON TITAN		
		TOMATO PASTE	MORNING STAR

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		REYNOLD'S ITEMS	REYNOLDS
METALLIC CAN DIESEL	ENVASES DE SINALOA PEMEX	VEGETABLES VEGETABLES PACKAGING MATERIAL - GLASS PACKAGING MATERIAL - CANS	RIO FARMS WOOLF ENTERPRIS OWENS BROCKWAY PECHINEY PLASTI
HOG GENETIC	PIC	GRAIN	CARGILL

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Ticker Symbol: DESC Mexican Stock Exchange Quarter: 4 2002
 DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

MEXICAN STOCK EXCHANGE
 SIFIC / ICS

SALES DISTRIBUTION BY PRODUCT
 DOMESTIC SALES

MAIN PRODUCTS	TOTAL PRODUCTION	
	VOLUME	AMOUNT
AUTOPARTS SECTOR		
CHEMICAL SECTOR		
FOOD SECTOR		
REAL ESTATE SECTOR		
COMPANIES OF OTHER SERVICES		
TOTAL		

** TABLE CONTINUED **

MAIN PRODUCTS	MARKET SHARES (%)	TRADEMARKS
	AUTOPARTS SECTOR	
CHEMICAL SECTOR		
FOOD SECTOR		
REAL ESTATE SECTOR		
COMPANIES OF OTHER SERVICES		

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TOTAL

** TABLE COMPLETE **

SALES DISTRIBUTION BY PRODUCT
FOREIGN SALES

----- MAIN PRODUCTS	----- TOTAL PRODUCTION	
	VOLUME	AMOUNT
AUTOPARTS SECTOR		
CHEMICAL SECTOR		
FOOD SECTOR		

TOTAL

** TABLE CONTINUED **

----- MAIN PRODUCTS	----- MARKET SHARES (%)	----- TRADEMARKS
	AUTOPARTS SECTOR	
CHEMICAL SECTOR		
FOOD SECTOR		

TOTAL

** TABLE COMPLETE **

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Ticker Symbol: DESC Mexican Stock Exchange Quarter:4 2002
DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

STOCK EXCHANGE CODE: DESC QUARTER: 4 YEAR: 2002

ANNEX 12
SCHEDULE FOR THE DETERMINATION OF THE NET FISCAL EARNINGS ACCOUNT (NFEA)

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(Thousands of Pesos)

NFEA BALANCE FOR PREVIOUS PERIOD FOR WHICH IS DETERMINED

NFE BALANCE TO DECEMBER 31st Of: 2001	3,984,396
Number of shares Outstanding at the Date of the NFEA:	1,369,079,376

(Units)

 Are figures fiscally audited?

DIVIDENDS PAIDOUT IN THE PERIOD THAT COMES FROM THE NFEA

Quarter	Series	Number of shares Outstanding	Date of Settlement	Amount
-----	-----	-----	-----	-----
2	A	587,479,900	18-04-02	42,592
4	A	587,479,900	24-10-02	42,592
3	A	587,479,900	25-07-02	42,592
1	A	587,479,900	31-01-02	42,592
2	B	506,176,760	18-04-02	36,698
4	B	506,257,866	24-10-02	36,704
3	B	506,257,866	25-07-02	36,704
1	B	506,176,760	31-01-02	36,698
2	C	275,341,610	18-04-02	19,962
4	C	275,341,610	24-10-02	19,962
3	C	275,341,610	25-07-02	19,962
1	C	275,341,610	31-01-02	19,962
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----

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 DETERMINATION OF THE NFEA OF THE PRESENT YEAR NFE
 FROM THE PERIOD JANUARY 1 TO 31 OF DECEMBER OF 2001

FISCAL EARNINGS	-----	0

- DETERMINED INCOME	-----	0

+ DEDUCTED WORKER'S PROP.	-----	0

- DETERMINED WORKER	-----	0

- DETERMINED RFE	-----	0

- NON DEDUCTIBLES	-----	0

NFE OF PERIOD:	-----	0

 BALANCE OF THE NFEA AT THE END OF THE PERIOD

NFE BALANCE TO DECEMBER 31st Of: 2002	-----	3,802,604

Number of shares Outstanding at the Date of the NFEA:	-----	1,369,079,376

 MODIFICATION BY COMPLEMENTARY

NFE BALANCE TO DECEMBER 31st Of: 2002	-----	0
---------------------------------------	-------	---

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Number of shares Outstanding at the Date of the NFEA: 0
 Units

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Ticker Symbol: DESC Mexican Stock Exchange Quarter 2002
 DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

STOCK EXCHANGE CODE: DESC QUARTER: 4 YEAR: 2002

ANNEX 12-A

SCHEDULE FOR THE DETERMINATION OF THE NET FISCAL EARNINGS ACCOUNT REINVERTED (NFEAR)

(Thousands of Pesos)

NFEAR BALANCE FOR PREVIOUS PERIOD FOR WHICH IS DETERMINED

NFEAR BALANCE TO DECEMBER 31st Of: 2001 0

Number of shares Outstanding at the Date of the NFEAR: 0

(Units)

-----Are figures fiscally audited? ----- Are the figures fiscally consolidated?

DIVIDENDS PAIDOUT IN THE PERIOD THAT COMES FROM THE NFEAR

Quarter	Series	Number of shares Outstanding	Date of Settlement
---------	--------	------------------------------	--------------------

0

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 DETERMINATION OF THE NFEAR OF THE PRESENT
 YEAR NFER FROM THE PERIOD JANUARY 1 TO 31 OF DECEMBER OF 2001

Fiscal Earnings		-----
	+ Deducted Worker's profit share	0

	- Determined income tax	0

	- Non-Deductibles	0

- (+) Earnings (loss) from foreign of profit:		-----
	Determined RFE of the fiscal year	0

	- Income Tax (Deferred ISR)	0

	* Factor to Determine the NFEAR:	0

	NFER From the period	0

BALANCE OF THE NFEAR AT THE END OF THE PERIOD

NFEAR BALANCE TO 31 OF DECEMBER OF 2002		-----
		0

Number of Shares Outstanding at the Date of the NFEAR:		-----
Units		0

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** TABLE COMPLETE **

TOTAL NUMBER OS SHARES REPRESENTING THE PAID-IN CAPITAL STOCK ON THE DATE OF
SENDING THE SHARES:

1,369,079,376

SHARES PROPORTION BY:

CPO'S:

UNITS:

ADRS's:

GDRS's:

ADS's:

GDS's:

Series	Number of Shares	Repurchased own shares Market value of the share	
		At repurchase	At Quarter

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Ticker Symbol: DESC Mexican Stock Exchange Quarter 2002
DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

MEXICAN STOCK EXCHANGE
SIFIC / ICS

STOCK EXCHANGE CODE: DESC QUARTER: 4 YEAR: 2002
DESC, S.A. DE C.V.

CONSOLIDATED
Final Printing

DECLARATION FROM THE COMPANY OFFICIALS RESPONSIBLE:

I HEREBY SWEAR THAT THE FINANCIAL INFORMATION HEREIN SUPPLIED TO THIS
STOCK EXCHANGE, CORRESPONDING TO THE PERIOD FROM 1 OF JANUARY TO 31
OF DECEMBER OF 2002 AND 2001 IS THAT OBTAINED FROM OUR AUTHORIZED
ACCOUNTING REGISTERS AND IS RESULT OF THE APPLICATION OF THE
ACCOUNTING PRINCIPLES AND NORMS ACCEPTED AND STATED BY THE MEXICAN
INSTITUTE OF PUBLIC ACCOUNTANTS AND IN THE PROVISIONS OF THE MEXICAN
NATIONAL BANK AND STOCK COMMISSION (COMISION NACIONAL BANCARIA Y DE
VALORES).

THE ACCOUNTING PRINCIPLES AND NORMS USED BY THIS COMPANY AND THE
PROCESSING OF DATA FOR THE PERIOD TO WHICH THE SAID INFORMATION
REFERS WERE APPLIED USING THE SAME BASES AS FOR THE PREVIOUS YEAR.

LIC. ARTURO D'ACOSTA RUIZ
FINANCIAL OFFICER

LIC. SALVADOR S. ICAZBALCETA OCAMPO CHIEF
DIRECTOR OF CONTROL

MEXICO, D.F., AT APRIL 29, 2003

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Ticker Symbol: DESC	Mexican Stock Exchange	Quarter 4: 2002
DESC, S.A. de C.V. Audited Information	SIFIC/ICS	Consolidated

General Data of the Issuer:

Corporate Name:	Desc, S.A. de C.V.
Address:	Paseo de los Tamarindos 400-B
City:	Bosques de las Lomas
Zip Code:	5120
State:	Mexico, D.F.
Telephone:	52-61-80-00
Fax:	52-61-80-98
E-Mail:	desc@mail.desc.com.mx
Internet Address	www.desc.com.mx

Fiscal Data of the Issuer:

RFC of Company:	DES9405182F1
Domicile:	Paseo de los Tamarindos 400-B
City:	Bosques de las Lomas
Zip Code:	5120
State:	Mexico, D.F.

Responsibility for Payments:

Name:	Lic. Alejandro de la Barrera Gomez
Address:	Paseo de los Tamarindos 400-B
City:	Bosques de las Lomas
Zip Code:	5120
State:	Mexico, D.F.
Telephone:	52-61-80-00
Fax:	52-61-80-98

Data with respect to officers:

Mexican Stock Exchange equivalent:	Chairman of the Board of Directors
Title at company:	Chairman and Chief Executive Officer
Name:	Mr. Fernando Senderos Mestre
Address:	Paseo de los Tamarindos 400-B
City:	Bosques de las Lomas
Zip Code:	5120
State:	Mexico, D.F.
Telephone:	52-61-80-00
Fax:	52-61-80-98

Mexican Stock Exchange equivalent:	Chief Financial Officer
Title at company:	Director of Finance
Name:	Lic. Arturo D'Acosta Ruiz
Address:	Paseo de los Tamarindos 400-B
City:	Bosques de las Lomas
Zip Code:	5120
State:	Mexico, D.F.
Telephone:	52-61-80-00
Fax:	52-61-80-98
E-Mail:	adacosta@mail.desc.com.mx

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Ticker Symbol: DESC Mexican Stock Exchange Quarter 4: 2002
DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

Mexican Stock
Exchange equivalent: Officer in Charge of Sending Quarterly
Financial Information
Title at company: Corporate Manager of Financial Information
Name: Lic. Alejandro De La Barreda Gomez
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-98
E-Mail: abarredag@mail.desc.com.mx

Mexican Stock
Exchange equivalent: Alternate Officer in Charge of Sending
Quarterly Financial Information
Title at company: Corporate Comptroller
Name: Lic. Salvador Icazbalceta Ocampo
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-96
E-Mail: sicazbalceta@mail.desc.com.mx

Mexican Stock
Exchange equivalent: Officer Responsible for Legal Affairs
Title at company: General Counsel
Name: Lic. Ramon Estrada Rivera
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-97
E-Mail: restrada@mail.desc.com.mx

Mexican Stock
Exchange equivalent: Secretary of the Board of Directors
Title at company: Secretary of the Board of Directors
Name: C.P. Ernesto Vega Velasco
Address: Bosque de Ciruelos No. 130 Room 1203
City: Bosques de las Lomas
Zip Code: 11700
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-60
E-Mail: evega@mail.desc.com.mx

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Ticker Symbol: DESC Mexican Stock Exchange Quarter 4: 2002
DESC, S.A. de C.V. Audited Information SIFIC/ICS Consolidated

Mexican Stock
Exchange equivalent: Officer in Charge of Providing Information
to Investors
Title at company: Corporate Manager of Financial Information
Name: Lic. Alejandro De La Barrera Gomez
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-97
E-Mail: abarredag@mail.desc.com.mx

Mexican Stock
Exchange equivalent: Officer Authorized to Send Information via
Emisnet
Title at company: Chief Financial Officer
Name: Lic. Arturo D'Acosta Ruiz
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-98
E-Mail: adascosta@mail.desc.com.mx

Mexican Stock
Exchange equivalent: Officer Authorized to Send Relevant Events
via Emisnet
Title at company: Secretary of the Board of Directors
Name: C.P. Ernesto Vega Velasco
Address: Bosque de Ciruelos No. 130 Room 1203
City: Bosques de las Lomas
Zip Code: 11700
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-60
E-Mail: evega@mail.desc.com.mx

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STOCK EXCHANGE CODE: DESC

QUARTER: 1

YEAR: 2003

CONSOLIDATED BALANCE SHEET
AT MARCH 31 OF 2003 AND 2002
(Thousands of Pesos)

REF S	CONCEPTS	QUARTER OF PRESENT FISCAL YE AMOUNT	%
1	TOTAL ASSETS	29,352,600	100%
2	CURRENT ASSETS	8,892,454	30%
3	CASH AND SHORT-TERM INVESTMENTS	1,106,338	4%
4	ACCOUNTS AND DOCUMENTS RECEIVABLE (NET)	3,370,046	11%
5	OTHER ACCOUNTS AND DOCUMENTS RECEIVABLE	1,572,661	5%
6	INVENTORIES	2,843,409	10%
7	OTHER CURRENT ASSETS	0	0%
8	LONG-TERM	4,426,671	15%
9	ACCOUNTS AND DOCUMENTS RECEIVABLE (NET)	0	0%
10	INVESTMENT IN SHARES OF SUBSIDIARIES AND NON-CONSOLIDATED ASSOCIATED	109,561	0%
11	OTHER INVESTMENTS	4,317,110	15%
12	PROPERTY, PLANT AND EQUIPMENT	13,401,967	46%
13	PROPERTY	6,941,019	24%
14	MACHINERY AND INDUSTRIAL EQUIPMENT (NET)	16,446,398	56%
15	OTHER EQUIPMENT	2,026,905	7%
16	ACCUMULATED DEPRECIATION	12,979,135	44%
17	CONSTRUCTION IN PROGRESS	966,780	3%
18	DEFERRED ASSETS (NET)	1,556,405	5%
19	OTHER ASSETS	1,075,103	4%
20	TOTAL LIABILITIES	17,712,066	100%
21	CURRENT LIABILITIES	6,994,666	39%
22	SUPPLIERS	1,968,169	11%
23	BANK LOANS	2,705,811	15%
24	STOCK MARKET LOANS	0	0%
25	TAXES TO BE PAID	800,331	5%
26	OTHER CURRENT LIABILITIES	1,520,355	9%
27	LONG-TERM LIABILITIES	8,872,202	50%
28	BANK LOANS	6,651,564	38%
29	STOCK MARKET LOANS	2,220,638	13%
30	OTHER LOANS	0	0%
31	DEFERRED LOANS	1,263,143	7%

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32	OTHER LIABILITIES	582,055	3%
33	CONSOLIDATED STOCK HOLDERS' EQUITY	11,640,534	100%
34	MINORITY INTEREST	3,871,782	33%
35	MAJORITY INTEREST	7,768,752	67%
36	CONTRIBUTED CAPITAL	12,557,803	108%
37	PAID-IN CAPITAL STOCK (NOMINAL)	17,798	0%
38	RESTATEMENT OF PAID-IN CAPITAL STOCK	11,369,615	98%
39	PREMIUM ON SALES OF SHARES	1,170,390	10%
40	CONTRIBUTIONS FOR FUTURE CAPITAL INCREASES		
41	CAPITAL INCREASE (DECREASE)	-4,789,051	-41%
42	RETAINED EARNINGS AND CAPITAL RESERVE	17,487,440	150%
43	REPURCHASE FUND OF SHARES	907,079	8%
44	EXCESS (SHORTFALL) IN RESTATEMENT OF HOLDER'S EQUITY	-22,860,079	-196%
45	NET INCOME FOR THE YEAR	-323,491	-3%

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STOCK EXCHANGE CODE: DESC

QUARTER: 1

YEAR: 2003

CONSOLIDATED BALANCE SHEET
AT MARCH 31 OF 2003 AND 2002
(Thousands of Pesos)

REF S	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR AMOUNT	%
3	CASH AND SHORT-TERM INVESTMENTS	1,106,338	100
46	CASH	391,688	35
47	SHORT-TERM INVESTMENTS	714,650	65
18	DEFERRED ASSETS (NET)	1,556,405	100
48	AMORTIZED OR REDEEMED EXPENSES		0
49	GOODWILL	1,556,405	100
50	DEFERRED TAXES		0
51	OTHER		0
21	CURRENT LIABILITIES	6,994,666	100
52	FOREIGN CURRENCY LIABILITIES	3,936,480	56
53	MEXICAN PESOS LIABILITIES	3,058,186	44
24	STOCK MARKET LOANS		
54	COMMERCIAL PAPER	0	0
55	CURRENT MATURITIES OF MEDIUM TERM NOTES	0	0
56	CURRENT MATURITIES OF BONDS	0	0
26	OTHER CURRENT LIABILITIES	1,520,355	100
57	OTHER CURRENT LIABILITIES WITH COST		0
58	OTHER CURRENT LIABILITIES WITHOUT COST	1,520,355	100
27	LONG-TERM LIABILITIES	8,872,202	100
59	FOREIGN CURRENCY LIABILITIES	5,326,948	60
60	MEXICAN PESOS LIABILITIES	3,545,254	40
29	STOCK MARKET LOANS	2,220,638	100
61	BONDS		0

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62	MEDIUM TERM NOTES	2,220,638	100
30	OTHER LOANS		
63	OTHER LOANS WITH COST	0	0
64	OTHER LOANS WITHOUT COST	0	0
31	DEFERRED LOANS	1,263,143	100
65	NEGATIVE GOODWILL		0
66	DEFERRED TAXES	1,263,143	100
67	OTHER		0
32	OTHER LIABILITIES	582,055	100
68	RESERVES	0	0
69	OTHER LIABILITIES	582,055	100
44	EXCESS (SHORTFALL) IN RESTATEMENT OF STOCK HOLDERS' EQUITY	-22,860,079	100
70	ACCUMULATED INCOME DUE TO MONETARY POSITION	0	0
71	INCOME FROM NON-MONETARY POSITION ASSETS	-22,860,079	100

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STOCK EXCHANGE CODE: DESC

QUARTER: 1

YEAR: 2003

CONSOLIDATED BALANCE SHEET
OTHER CONCEPTS
(Thousands of Pesos)

REF S	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR AMOUNT	QUARTER OF FISCAL AMOUNT
72	WORKING CAPITAL	1,897,788	1,244
73	PENSIONS FUND AND SENIORITY PREMIUMS	599,820	638,
74	EXECUTIVES (*)	0	0
75	EMPLOYERS (*)	5,787	7,5
76	WORKERS (*)	10,336	11,8
77	CIRCULATION SHARES (*)	1,369,079,376	1,369,0
78	REPURCHASED SHARES (*)	0	0

(*) THESE CONCEPTS SHOULD BE EXPRESSED IN UNITS

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CONSOLIDATED INCOME STATEMENT
FROM JANUARY THE 1ST TO MARCH 31 OF 2003 AND 2002
(Thousands of Pesos)

REF R	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR	
		AMOUNT	%
1	NET SALES	5,126,462	100%
2	COST OF SALES	4,021,345	78%
3	GROSS INCOME	1,105,117	22%
4	OPERATING EXPENSES	887,027	17%
5	OPERATING INCOME	218,090	4%
6	TOTAL FINANCING COST	433,260	8%
7	INCOME AFTER FINANCING COST	-215,170	-4%
8	OTHER FINANCIAL OPERATIONS	9,766	0%
9	INCOME BEFORE TAXES AND WORKERS' PROFIT SHARING	-224,936	-4%
10	RESERVE FOR TAXES AND WORKERS' PROFIT SHARING	92,402	2%
11	NET INCOME AFTER TAXES AND WORKERS' PROFIT SHARING	-317,338	-6%
12	SHARE IN NET INCOME OF SUBSIDIARIES AND NON-CONSOLIDATED ASSOCIATES	0	0%
13	CONSOLIDATED NET INCOME OF CONTINUOUS	-317,338	-6%
14	INCOME OF DISCONTINUOUS OPERATIONS	0	0%
15	CONSOLIDATED NET INCOME BEFORE EXTRAORDINARY ITEMS	-317,338	-6%
16	EXTRAORDINARY ITEMS NET EXPENSES (INCOME)	0	0%
17	NET EFFECT AT THE BEGINNING OF THE YEAR BY CHANGES IN ACCOUNTING PRINCIPLES	0	0%
18	NET CONSOLIDATED INCOME	-317,338	-6%
19	NET INCOME OF MINORITY INTEREST	6,153	0%
20	NET INCOME OF MAJORITY INTEREST	-323,491	-6%

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CONSOLIDATED INCOME STATEMENT
BREAKDOWN OF MAIN CONCEPTS
(Thousands of Pesos)

REF R	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR	
		AMOUNT	%

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1	NET SALES	5,126,462	100%
21	DOMESTIC	2,780,695	54%
22	FOREIGN	2,345,767	46%
23	TRANSLATED INTO DOLLARS (***)	215,682	4%
6	TOTAL FINANCING COST	433,260	100%
24	INTEREST PAID	240,995	56%
25	EXCHANGE LOSSES	278,437	64%
26	INTEREST EARNED	11,154	3%
27	EXCHANGE PROFITS	0	0%
28	GAIN DUE TO MONETARY POSITION	-75,018	-17%
8	OTHER FINANCIAL OPERATIONS	9,766	100%
29	OTHER NET EXPENSES (INCOME) NET	9,766	100%
30	(PROFIT) LOSS ON SALE OF OWN SHARES	0	0%
31	(PROFIT) LOSS ON SALE OF SHORT-TERM INVESTMENTS	0	0%
10	RESERVE FOR TAXES AND WORKERS' PROFIT SHARING	92,402	100%
32	INCOME TAX	88,108	95%
33	DEFERRED INCOME TAX	-18,182	-20%
34	WORKERS' PROFIT SHARING	22,476	24%
35	DEFERRED WORKERS' PROFIT SHARING	0	0%

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CONSOLIDATED INCOME STATEMENT
OTHER CONCEPTS
(Thousands of Pesos)

REF R	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR AMOUNT	QUAR
36	TOTAL SALES	5,395,195	
37	TAX RESULT	0	
38	NET SALES (**)	20,075,415	
39	OPERATION INCOME (**)	897,391	
40	NET INCOME OF MAJORITY INTEREST (**)	-1,581,120	
41	NET CONSOLIDATED INCOME (**)	-1,750,418	

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CONSOLIDATED CASH FLOW STATEMENT
FROM JANUARY THE 1ST TO MARCH 31 OF 2003 AND 2002
(THOUSANDS OF PESOS)

REF C	CONCEPTS	QUARTER FISCA AM
1	CONSOLIDATED NET INCOME	-31
2	+(-) ITEMS ADDED TO INCOME WHICH DO NOT REQUIRE USING CASH	33
3	CASH FLOW FROM NET INCOME OF THE YEAR	1
4	CASH FLOW FROM CHANGE IN WORKING CAPITAL	-36
5	CASH GENERATED (USED) IN OPERATING ACTIVITIES	-34
6	CASH FLOW FROM EXTERNAL FINANCING	-79
7	CASH FLOW FROM INTERNAL FINANCING	
8	CASH FLOW GENERATED (USED) BY FINANCING	-79
9	CASH FLOW GENERATED (USED) IN INVESTMENT ACTIVITIES	-19
10	NET INCREASE (DECREASE) IN CASH AND SHORT-TERM INVESTMENTS	-1,33
11	CASH AND SHORT-TERM INVESTMENTS AT THE BEGINNING OF PERIOD	2,43
12	CASH AND SHORT-TERM INVESTMENTS AT THE END OF PERIOD	1,10

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CONSOLIDATED CASH FLOW STATEMENT
BREAKDOWN OF MAIN CONCEPTS
(Thousands of Pesos)

REF C	CONCEPTS	QUARTER OF PRESENT FISCAL YEAR AMOUNT
2	+ (-) ITEMS ADDED TO INCOME WHICH DO NOT REQUIRE	334,062
13	DEPRECIATION AND AMORTIZATION FOR THE YEAR	334,062
14	+ (-) NET INCREASE (DECREASE) IN PENSIONS FUND AND SENIORITY PREMIUMS	0
15	+ (-) NET LOSS (PROFIT) IN MONEY EXCHANGE	0
16	+ (-) NET LOSS (PROFIT) IN ASSETS AND LIABILITIES ACTUALIZATION	0
17	+ (-) OTHER ITEMS	0
4	CASH FLOW FROM CHANGE IN WORKING CAPITAL	-360,326
18	+ (-) DECREASE (INCREASE) IN ACCOUNT RECEIVABLE	-840,681
19	+ (-) DECREASE (INCREASE) IN INVENTORIES	219,080
20	+ (-) DECREASE (INCREASE) IN OTHER ACCOUNT RECEIVABLE	103,942

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21	+ (-) INCREASE (DECREASE) IN SUPPLIER ACCOUNT	-149,352
22	+ (-) INCREASE (DECREASE) IN OTHER LIABILITIES	306,686
6	CASH FLOW FROM EXTERNAL FINANCING	-791,774
23	+ SHORT-TERM BANK AND STOCK MARKET FINANCING	-841,527
24	+ LONG-TERM BANK AND STOCK MARKET FINANCING	49,754
25	+ DIVIDEND RECEIVED	0
26	+ OTHER FINANCING	0
27	(-) BANK FINANCING AMORTIZATION	0
28	(-) STOCK MARKET AMORTIZATION	0
29	(-) OTHER FINANCING AMORTIZATION	0
7	CASH FLOW FROM INTERNAL FINANCING	0
30	+ (-) INCREASE (DECREASE) IN CAPITAL STOCKS	0
31	(-) DIVIDENDS PAID	0
32	+ PREMIUM ON SALE OF SHARES	0
33	+ CONTRIBUTION FOR FUTURE CAPITAL INCREASES	0
9	CASH FLOW GENERATED (UTILIZED) IN INVESTMENT ACTIVITIES	-196,056
34	+ (-) DECREASE (INCREASE) IN STOCK INVESTMENTS OF A PERMANENT NATURE	0
35	(-) ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT	-129,274
36	(-) INCREASE IN CONSTRUCTIONS IN PROGRESS	-66,783
37	+ SALE OF OTHER PERMANENT INVESTMENTS	0
38	+ SALE OF TANGIBLE FIXED ASSETS	0
39	+ (-) OTHER ITEMS	0

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RATIOS CONSOLIDATED

REF P	CONCEPTS	QUARTER OF FISCAL
	YIELD	
1	NET INCOME TO NET SALES	-6.19
2	NET INCOME TO STOCK HOLDERS' EQUITY (**)	-20.35
3	NET INCOME TO TOTAL ASSETS (**)	-5.96
4	CASH DIVIDENDS TO PREVIOUS YEAR NET INCOME	0
5	INCOME DUE TO MONETARY POSITION TO NET INCOME	-23.64
	ACTIVITY	
6	NET SALES TO NET ASSETS (**)	0.68
7	NET SALES TO FIXED ASSETS (**)	1.5
8	INVENTORIES ROTATION (**)	5.19
9	ACCOUNTS RECEIVABLE IN DAYS OF SALES	51
10	PAID INTEREST TO TOTAL LIABILITIES WITH COST (**)	0
	LEVERAGE	
11	TOTAL LIABILITIES TO TOTAL ASSETS	60.34
12	TOTAL LIABILITIES TO STOCK HOLDERS' EQUITY	1.52
13	FOREIGN CURRENCY LIABILITIES TO TOTAL LIABILITIES	52.3
14	LONG-TERM LIABILITIES TO FIXED ASSETS	66.2
15	OPERATING INCOME TO INTEREST PAID	0.90
16	NET SALES TO TOTAL LIABILITIES (**)	1.13

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LIQUIDITY		
17	CURRENT ASSETS TO CURRENT LIABILITIES	1.27
18	CURRENT ASSETS LESS INVENTORY TO CURRENT LIABILITIES	0.86
19	CURRENTS ASSETS TO TOTAL LIABILITIES	0.50
20	AVAILABLE ASSETS TO CURRENT LIABILITIES	15.82
CASH FLOW		
21	CASH FLOW FROM NET INCOME TO NET SALES	0.33
22	CASH FLOW FROM CHANGES IN WORKING CAPITAL TO NET SALES	-7.03
23	CASH GENERATED (USED) IN OPERATING TO INTEREST PAID	-1.43
24	EXTERNAL FINANCING TO CASH GENERATED (USED) IN FINANCING	100
25	INTERNAL FINANCING TO CASH GENERATED (USED) IN FINANCING	0
26	ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT TO CASH GENERATED (USED) IN INVESTMENT ACTIVITIES	65.94

(**) IN THESE RATIOS FOR THE DATA TAKE INTO CONSIDERATION THE LAST TWELVE MONTHS

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DATA PER SHARE

REF D	CONCEPTS	QUARTER OF PRE FINANCIAL YE AMOUNT
1	BASIC PROFIT PER ORDINARY SHARE (**)	\$ -1.12
2	BASIC PROFIT PER PREFERRED SHARE (**)	\$ 0
3	DILUTED PROFIT PER ORDINARY SHARE (**)	\$ 0
4	CONTINUOUS OPERATING PROFIT PER COMMON SHARE (**)	\$ 0
5	EFFECT OF DISCONTINUOUS OPERATING ON CONTINUOUS OPERATING PROFIT PER SHARE (**)	\$ 0.00
6	EFFECT OF EXTRAORDINARY PROFIT AND LOSS ON CONTINUOUS OPERATING PROFIT PER SHARE (**)	\$ 0
7	EFFECT BY CHANGES IN ACCOUNTING POLICIES ON CONTINUOUS OPERATING PROFIT PER SHARE (**)	\$ 0
8	CARRYING VALUE PER SHARE	\$ 5.67
9	CASH DIVIDEND ACCUMULATED PER SHARE	\$ 0
10	DIVIDEND IN SHARES PER SHARE	0
11	MARKET PRICE TO CARRYING VALUE	3.66
12	MARKET PRICE TO BASIC PROFIT PER ORDINARY SHARE (**)	0
13	MARKET PRICE TO BASIC PROFIT PER PREFERRED SHARE (**)	0

(**) TO CALCULATE THE DATA PER SHARE USE THE NET INCOME FOR THE LAST TWELVE MONTHS

PRESS RELEASE

See Exhibit 1 to the Registrant's Form 6-K to which this document is included as an exhibit.

SIGNIFICANT ACCOUNTING POLICIES

THE ACCOUNTING POLICIES FOLLOWED BY THE COMPANY ARE IN CONFORMITY WITH MEXICAN GAAP, WHICH REQUIRE MANAGEMENT TO MAKE CERTAIN ESTIMATES AND USE CERTAIN ASSUMPTIONS TO DETERMINE THE VALUATION OF SOME OF THE BALANCES INCLUDED IN THE FINANCIAL STATEMENTS AND TO MAKE THE DISCLOSURES REQUIRED FOR INCLUSION THEREIN. ALTHOUGH ACTUAL RESULTS MAY DIFFER FROM THOSE ESTIMATES, MANAGEMENT BELIEVES THAT THE ESTIMATES AND ASSUMPTIONS USED WERE APPROPRIATE IN THE CIRCUMSTANCES.

THE SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY ARE AS FOLLOWS:

CHANGES IN ACCOUNTING POLICIES - IN 2001 THE NEW BULLETIN C-2 "FINANCIAL INSTRUMENTS", WENT INTO EFFECT. THIS BULLETIN ESTABLISHES THE METHODOLOGY FOR VALUING AND RECORDING FINANCIAL INSTRUMENTS, AND REQUIRES RECOGNITION OF ALL EFFECTS OF THE FINANCIAL INSTRUMENTS CONTRACTED ON THE BALANCE SHEET AS EITHER ASSETS OR LIABILITIES, UNDER NET COMPREHENSIVE FINANCIAL RESULT. THE FINANCIAL INSTRUMENTS THAT HAVE BEEN DESIGNATED AND EFFECTIVELY FUNCTION AS HEDGING OF ASSETS AND LIABILITIES OR FUTURE TRANSACTIONS WILL AFFECT THE ASSETS, LIABILITIES OR THE RESPECTIVE TRANSACTIONS WHEN THEY ARE REALIZED, SETTLED OR TAKE PLACE, RESPECTIVELY.

AS OF 2001, INTERNATIONAL ACCOUNTING STANDARD 40, "INVESTMENT PROPERTIES," ENTERED INTO EFFECT ON A SUPPLEMENTAL BASIS, ESTABLISHING VALUATION CRITERIA FOR PROPERTIES WHOSE PURPOSE IS TO GENERATE PROFITS OR INCREASE VALUE OR BOTH. PURSUANT TO CIRCULAR 55 ISSUED BY THE MEXICAN INSTITUTE OF PUBLIC ACCOUNTANTS, THE VALUATION MODEL APPLICABLE TO MEXICO IS THE COST MODEL, WHICH ESTABLISHES THAT SUCH PROPERTIES MUST BE VALUED AT ACQUISITION AND/OR CONSTRUCTION COST AND ARE RESTATED BY APPLYING THE NPCI, LESS THE RESPECTIVE ACCUMULATED DEPRECIATION.

BEGINNING JANUARY 2000, THE COMPANY ADOPTED THE PROVISIONS OF NEW BULLETIN D-4, "ACCOUNTING FOR INCOME AND ASSET TAXES AND EMPLOYEE PROFIT SHARING". THE EFFECT OF THE ADOPTION WAS TO RECOGNIZE, AN INITIAL LONG-TERM LIABILITY FOR DEFERRED INCOME TAXES AFFECTING STOCKHOLDERS' EQUITY UNDER "CUMULATIVE EFFECT OF INITIAL RECOGNITION OF DEFERRED INCOME TAXES"

AS A RESULT OF THE IMPLEMENTATION OF THE ADOPTION OF BULLETIN D-4 MENTIONED ABOVE, THE COMPANY CHANGED ITS METHOD FOR RECORDING THE EFFECT FROM TAX CONSOLIDATION. UNTIL 1999, IT WAS RECORDED IN THE YEAR IN WHICH THE RESPECTIVE ANNUAL CONSOLIDATED TAX RETURN WAS FILED. BEGINNING IN 2000, THIS BENEFIT IS RECORDED IN RESULTS OF THE YEAR IN WHICH THE BENEFIT IS GENERATED.

BASIS OF CONSOLIDATION - THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS INCLUDE THOSE OF DESC AND THE SUBSIDIARIES IN WHICH THERE IS STOCKHOLDING AND ADMINISTRATIVE CONTROL. ALL SIGNIFICANT INTERCOMPANY TRANSACTIONS AND BALANCES HAVE BEEN ELIMINATED IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS.

THE EQUITY IN NET INCOME (LOSS) AND CHANGES IN STOCKHOLDERS' EQUITY OF THOSE SUBSIDIARIES THAT WERE ACQUIRED OR SOLD, HAS BEEN INCLUDED IN THE FINANCIAL STATEMENTS AS OF OR UP TO THE DATE ON WHICH THE TRANSACTIONS TOOK PLACE AND WAS RESTATED IN TERMS OF THE PURCHASING POWER AS OF THE END OF THE LATEST PERIOD.

INVESTMENTS IN SHARES OF ASSOCIATED COMPANIES AND UNCONSOLIDATED SUBSIDIARIES ARE RECORDED USING THE EQUITY METHOD.

TRANSLATION OF FINANCIAL STATEMENTS OF SUBSIDIARIES - THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES, WHOSE OPERATIONS ARE NOT AN INTEGRAL PART OF THE MEXICAN COMPANIES ("FOREIGN ENTITIES"), ARE RESTATED FOR THE INFLATION RATE OF THE RESPECTIVE FOREIGN COUNTRY AND ARE TRANSLATED INTO MEXICAN PESOS AT THE EXCHANGE RATE IN EFFECT AT THE END OF THE YEAR. THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES, WHOSE OPERATIONS ARE AN INTEGRAL PART OF THE MEXICAN COMPANIES ("INTEGRATED FOREIGN OPERATIONS"), ARE TRANSLATED USING YEAREND EXCHANGE RATES FOR MONETARY ITEMS AND HISTORICAL EXCHANGE RATES FOR NONMONETARY ITEMS, AND THE TRANSLATED FINANCIAL STATEMENTS ARE THEN RESTATED USING THE NATIONAL CONSUMER PRICE INDEX (NCPI) OF MEXICO. THE EFFECTS OF TRANSLATING FOREIGN ENTITIES ARE RECORDED DIRECTLY IN STOCKHOLDERS' EQUITY IN THE "CUMULATIVE EFFECT OF RESTATEMENT" ACCOUNT. THE EFFECTS OF TRANSLATING INTEGRATED FOREIGN OPERATIONS ARE INCLUDED IN THE "INTEGRAL FINANCING RESULT" OF THE YEAR IN THE "MONETARY POSITION GAIN" ACCOUNT. SUCH EFFECTS ARE NOT SIGNIFICANT.

RECOGNITION OF THE EFFECTS OF INFLATION - THE COMPANIES RESTATE ALL OF THEIR FINANCIAL STATEMENTS IN TERMS OF THE PURCHASING POWER OF THE MEXICAN PESO AS OF THE END OF THE LATEST PERIOD, THEREBY COMPREHENSIVELY RECOGNIZING THE EFFECTS OF INFLATION. THE PRIOR YEAR AMOUNTS PRESENTED HEREIN DIFFER FROM THOSE ORIGINALLY REPORTED IN TERMS OF MEXICAN PESOS OF THE RESPECTIVE YEAR. CONSEQUENTLY, ALL FINANCIAL STATEMENT AMOUNTS ARE COMPARABLE, BOTH FOR THE CURRENT AND THE PRIOR YEAR, BECAUSE ALL ARE STATED IN TERMS OF MEXICAN PESOS OF THE SAME PURCHASING POWER.

CASH EQUIVALENTS - INVESTMENTS IN MARKETABLE SECURITIES CONSIST MAINLY OF ACCEPTANCES, BANK PROMISSORY NOTES, AND PAPER ISSUED BY THE MEXICAN AND UNITED STATES OF AMERICA GOVERNMENTS, AT MARKET (COST PLUS ACCRUED INTEREST).

INVENTORIES AND COST OF SALES - INVENTORIES ARE ORIGINALLY RECORDED AT THEIR ACQUISITION OR MANUFACTURING COST AND RESTATED TO THEIR SPECIFIC NET REPLACEMENT COST WITHOUT EXCEEDING NET REALIZABLE VALUE. SUBSTANTIALLY ALL SUBSIDIARIES COMPUTE COST OF SALES USING THE REPLACEMENT COST AT THE TIME OF SALE.

LAND HELD FOR DEVELOPMENT AND REAL ESTATE PROJECTS - UNDEVELOPED LAND REPRESENTS LAND RESERVES THAT, TOGETHER WITH DEVELOPED LAND AND ONGOING AND COMPLETED PROJECTS, ARE CONSIDERED NON-CURRENT INVENTORIES, SINCE THEY ARE HELD FOR SALE. THEY INCLUDE ACQUISITION, DEVELOPMENT AND CONSTRUCTION COSTS AND ARE RESTATED IN U.S. DOLLARS BASED ON THE SLIPPAGE OF THE MARKET EXCHANGE RATE FOR THE PURPOSE OF SHOWING VALUES IN ACCORDANCE WITH THE CURRENT SITUATION OF THE REAL ESTATE MARKET.

THE COMPANY CAPITALIZES THE NET COMPREHENSIVE FINANCING COST ON DEBT USED TO FINANCE REAL ESTATE PROJECTS IN PROGRESS, IN ADDITION TO THEIR CONSTRUCTION AND DEVELOPMENT COSTS.

INVESTMENT IN SHARES - INVESTMENT IN SHARES HAS BEEN RECORDED USING THE EQUITY METHOD, BASED ON THE FINANCIAL STATEMENTS PREPARED ON THE SAME BASIS AS THOSE OF THE COMPANY, AND IS PRESENTED UNDER OTHER ASSETS IN THE BALANCE SHEET.

PROPERTY, PLANT AND EQUIPMENT - THIS ITEMS IS RECORDED AT ACQUISITION COST AND IS RESTATED BY USING NCPI FACTORS. FOR FOREIGN FIXED ASSETS, THEIR ACQUISITION COST IS RESTATED FOR INFLATION OF THE COUNTRY OF ORIGIN AND THE FLUCTUATION OF THE MEXICAN PESO AGAINST SUCH CURRENCY IS CONSIDERED.

DEPRECIATION IS CALCULATED BY THE STRAIGHT-LINE METHOD BASED ON THE REMAINING USEFUL LIVES OF THE ASSETS.

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THE COMPANIES CAPITALIZE THE NET COMPREHENSIVE FINANCING COST ON DEBT USED TO FINANCE CONSTRUCTION IN PROGRESS AND THE INSTALLATION OF EQUIPMENT, UNTIL THEY ARE PLACED IN SERVICE.

IMPAIRMENT OF FIXED ASSETS - THE AMOUNTS SHOWN IN THE ACCOMPANYING CONSOLIDATED STATEMENTS OF INCOME BASICALLY REFER TO THE REDUCTION IN VALUE OF PROPERTY AND EQUIPMENT OF SOME PRODUCTIVE FACILITIES, IN ORDER TO REFLECT THEIR REALIZABLE VALUE IN ACCORDANCE WITH THE CURRENT SITUATION OF SUCH BUSINESSES.

GOODWILL - THE GOODWILL RESULTING FROM ACQUISITIONS MADE IN EXCESS OF BOOK VALUE IS AMORTIZED OVER PERIODS RANGING FROM FIVE TO 20 YEARS, THE TERMS OVER WHICH THE BENEFITS FROM THE INVESTMENT WILL BE REALIZED.

FINANCIAL INSTRUMENTS - FINANCIAL ASSETS AND LIABILITIES RESULTING FROM ANY TYPE OF FINANCIAL INSTRUMENT, EXCEPT FOR INVESTMENTS IN FINANCIAL INSTRUMENTS HELD TO MATURITY, ARE PRESENTED IN THE BALANCE SHEET AT FAIR VALUE. THE EFFECTS OF THE VALUATION OF A FINANCIAL ASSET OR LIABILITY ARE RECOGNIZED IN RESULTS OF OPERATIONS OF THE RESPECTIVE PERIOD. INVESTMENTS IN FINANCIAL INSTRUMENTS HELD TO MATURITY ARE VALUED AT ACQUISITION COST. THE COSTS AND YIELDS OF FINANCIAL INSTRUMENTS ARE RECOGNIZED IN RESULTS OF THE PERIOD IN WHICH THEY OCCUR.

DERIVATIVE FINANCIAL INSTRUMENTS - THE INTERNAL CONTROL SYSTEM ESTABLISHED BY THE COMPANY INCLUDES POLICIES AND PROCEDURES TO MANAGE ITS EXPOSURE TO FLUCTUATIONS IN FOREIGN CURRENCY EXCHANGE RATES USING DERIVATIVE FINANCIAL INSTRUMENTS. THESE INSTRUMENTS ARE TRADED ONLY WITH AUTHORIZED INSTITUTIONS AND READING LIMITS HAVE BEEN ESTABLISHED FOR EACH INSTITUTION. THE COMPANY DOES NOT CARRY OUT TRANSACTIONS WITH DERIVATIVE FINANCIAL INSTRUMENTS FOR THE PURPOSE OF SPECULATION.

THE DERIVATIVE FINANCIAL INSTRUMENTS CURRENTLY USED BY THE COMPANY ARE PRIMARILY HEDGE CONTRACTS TO REDUCE ITS EXPOSURE TO EXCHANGE RATE FLUCTUATIONS. PREMIUMS PAID ARE AMORTIZED OVER THE TERM OF THE DERIVATIVE FINANCIAL INSTRUMENT USING THE UNPAID BALANCE OF THE LIABILITY BEING HEDGED.

DERIVATIVE FINANCIAL INSTRUMENTS IDENTIFIED AS HEDGES ARE VALUED BY APPLYING THE SAME VALUATION CRITERIA USED FOR THE ASSETS OR LIABILITIES HEDGED, AND THE EFFECTS OF THEIR VALUATION ARE RECOGNIZED IN RESULTS OF OPERATIONS, NET OF COSTS, EXPENSES, OR REVENUE FROM THE ASSETS OR LIABILITIES WHOSE RISKS ARE BEING HEDGED. THE FINANCIAL ASSETS OR LIABILITIES GENERATED BY THESE INSTRUMENTS ARE PRESENTED IN THE BALANCE SHEET AS A REDUCTION OF THE LIABILITIES OR ASSETS WHOSE RISKS ARE BEING HEDGED.

INCOME TAX, ASSET TAX AND EMPLOYEE PROFIT SHARING - INCOME TAX (ISR) AND EMPLOYEE STATUTORY PROFIT-SHARING (PTU) ARE RECORDED IN RESULTS OF THE YEAR IN WHICH THEY ARE INCURRED. DEFERRED INCOME TAX ASSETS AND LIABILITIES ARE RECOGNIZED FOR TEMPORARY DIFFERENCES RESULTING FROM COMPARING THE BOOK AND TAX VALUES OF ASSETS AND LIABILITIES, PLUS ANY FUTURE BENEFITS FROM TAX LOSS CARRYFORWARDS DEFERRED INCOME TAX ASSETS ARE REDUCED BY ANY BENEFITS THAT, IN THE OPINION OF MANAGEMENT, WILL PROBABLY NOT BE REALIZED. DEFERRED PTU IS DERIVED FROM TEMPORARY DIFFERENCES BETWEEN THE BOOK RESULT AND INCOME FOR PTU PURPOSES AND IS RECOGNIZED ONLY WHEN IT CAN BE REASONABLY ASSUMED THAT THEY WILL GENERATE A LIABILITY OR BENEFIT, AND THERE IS NO INDICATION THAT THIS SITUATION WILL CHANGE IN SUCH A WAY THAT THE LIABILITIES WILL NOT BE PAID OR BENEFITS WILL NOT BE REALIZED.

THE ASSET TAX PAID THAT IS EXPECTED TO BE RECOVERABLE IS RECORDED AS AN ADVANCE PAYMENT OF INCOME TAX AND IS PRESENTED ON THE BALANCE SHEET WITH DEFERRED ISR.

EMPLOYEE RETIREMENT OBLIGATIONS - THE LIABILITY FROM SENIORITY PREMIUMS, PENSIONS AND RETIREMENT PAYMENTS, WHICH IS SIMILAR TO A PENSION, IS RECORDED AS ACCRUED, AND IS CALCULATED BY INDEPENDENT ACTUARIES BASED ON THE PROJECTED

CREDIT UNIT METHOD, AT REAL INTEREST RATES. THEREFORE, THE LIABILITY IS BEING RECOGNIZED WHICH, AT PRESENT VALUE, IS EXPECTED TO COVER THE OBLIGATION FOR THESE BENEFITS AT THE ESTIMATED RETIREMENT DATE OF ALL THE COMPANIES' EMPLOYEES. SEVERANCE PAYMENTS ARE CHARGED TO RESULTS WHEN THEY ARE DETERMINED TO BE PAYABLE.

RESTATE STOCKHOLDERS' EQUITY - THIS ITEM CONSISTS OF MONETARY POSITION RESULT ACCUMULATED THROUGH THE FIRST RESTATEMENT OF THE FINANCIAL STATEMENTS AND THE GAIN (LOSS) FROM HOLDING MONETARY ASSETS, BECAUSE PRICE LEVELS INCREASED ABOVE (BELOW) INFLATION.

REVENUE RECOGNITION - REVENUES OF THE SUBSIDIARIES OF THE AUTOPARTS, CHEMICAL AND FOOD SECTORS ARE RECOGNIZED WHEN THE INVENTORIES ARE DELIVERED OR SHIPPED TO CUSTOMERS AND CUSTOMERS ASSUME RESPONSIBILITY FOR THEM.

THE REAL ESTATE SECTOR RECOGNIZES THE REVENUES AND COSTS FROM SALES OF URBANIZED PLOTS OF LAND IN RESULTS WHEN THE SALES ARE FORMALIZED AND THE DEPOSITS SECURING THE TRANSACTION ARE RECEIVED. THE INDIVIDUAL ASSIGNMENT OF THE COST OF THE LAND AND REAL ESTATE PROJECT TAKES INTO CONSIDERATION THE RELATIVE SELLING PRICE OF THE TOTAL PROJECT SO AS TO MAINTAIN THE SAME PROFIT MARGIN THROUGHOUT THE PROJECT.

REVENUES AND COSTS FROM REAL ESTATE PROJECTS ARE RECORDED ORIGINALLY AS A DEFERRED CREDIT FOR CONSTRUCTION COMMITMENTS AND AS REAL ESTATE PROJECTS IN PROCESS, AND ARE RECOGNIZED IN RESULTS BASED ON THE "PERCENTAGE OF COMPLETION" METHOD. THEREFORE, REVENUE IS MATCHED WITH COSTS INCURRED TO REACH THE STAGE OF COMPLETION TO TERMINATE THE PROJECT. IF THE LAST ESTIMATED COSTS DETERMINED EXCEED THE TOTAL REVENUES CONTRACTED, THE RESPECTIVE PROVISION IS CHARGED TO RESULTS OF THE YEAR.

INTEGRAL FINANCIAL RESULT - THIS REPRESENTS THE NET EFFECT OF INTEREST EARNED AND INCURRED, EXCHANGE GAINS AND LOSSES AND MONETARY POSITION GAIN OR LOSS ON, WHICH IS THE RESULT OF MAINTAINING MONETARY ASSETS AND LIABILITIES WHOSE REAL PURCHASING POWER IS MODIFIED BY THE EFFECTS OF INFLATION.

FOREIGN CURRENCY TRANSACTIONS ARE RECORDED AT THE EFFECTIVE EXCHANGE RATE AT THE DATE THE TRANSACTIONS ARE CARRIED OUT AND FOREIGN CURRENCY ASSETS AND LIABILITIES ARE ADJUSTED TO THE EXCHANGE RATE EFFECTIVE AT YEAREND.

INCOME PER SHARE - BASIC INCOME (LOSS) PER ORDINARY SHARE IS CALCULATED BY DIVIDING CONSOLIDATED NET INCOME (LOSS) OF MAJORITY STOCKHOLDERS BY THE WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING DURING THE YEAR.

COMPREHENSIVE INCOME (LOSS) - COMPREHENSIVE INCOME (LOSS IS COMPRISED OF THE NET CONSOLIDATED INCOME FOR THE PERIOD PLUS (LESS) ANY GAINS OR LOSSES THAT UNDER SPECIFIC ACCOUNTING REGULATIONS ARE RECORDED DIRECTLY IN STOCKHOLDERS' EQUITY, SUCH AS THE GAIN OR LOSS FROM HOLDING NONMONETARY ASSETS.

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COMPANY NAME	MAIN ACTIVITIES	NUMBER OF SHARES	OWNERSHIP
SUBSIDIARIES			
BOSQUES DE LAS LOMAS, S.A. DE C.V.	REAL ESTATE SECTOR	43,189,000	100
CLUB ECUESTRE CHILUCA, S.A. DE C.V.	REAL ESTATE SECTOR	15,274,170	78
PROMOCIONES BOSQUES, S.A. DE C.V.	REAL ESTATE SECTOR	82,212,000	100
CORPORATIVO DINE, S.A. DE C.V	REAL ESTATE SECTOR	238,390,000	100
HOLDING DICOMEX, S.A. DE C.V	REAL ESTATE SECTOR	141,740,000	50
PROMOTORA INMOBILIARIA HIDALGUENSE, S.A DE C.V.	REAL ESTATE SECTOR	12,876,272	59
TURISTICA AKKO, S.A. DE C.V.	REAL ESTATE SECTOR	10,000	100
BOSQUES DE SANTA FE, S.A. DE C.V.	REAL ESTATE SECTOR	50	98
CANA DE SANTA FE, S.A DE C.V.	REAL ESTATE SECTOR	278,000,000	73
INMOBILIARIA DINE, S.A. DE C.V.	REAL ESTATE SECTOR	10,010,200	100
CANTILES DE MITA	REAL ESTATE SECTOR	54,326,326	95
CLUB DE GOLF PUNTA MITA, S.A. DE C.V.	REAL ESTATE SECTOR	12,410,869	87
RESORT CLUB PUNTA MITA, S.A. DE C..V	REAL ESTATE SECTOR	50,000	100
UNIK, S.A. DE C.V.	AUTOMOTIVE SECTOR	700,968,215	100
CORFUERTE, S.A. DE C.V.	FOOD SECTOR	643,205,800	77
AGROKEN, S.A. DE C.V.	FOOD SECTOR	366,460,475	100
AUTHENTIC SPECIALITY FOODS	FOOD SECTOR	291,101	81
AGROBIOS CORPORATIVO	FOOD SECTOR	550,000	100
CID CENTRO DE INVESTIGACION Y DESARROLLO	CHEMICAL SECTOR	190,386,900	100
DIRECCION IRSA, S.A. DE C.V.	CHEMICAL SECTOR	4,201,745	100
FENOQUIMIA, S.A. DE C.V.	CHEMICAL SECTOR	4,998,994	100
FORESTACIONES OPERATIVAS DE MEXICO, S.A.	CHEMICAL SECTOR	31,658	100
GIRSA CORPORATIVO, S.A. DE C.V.	CHEMICAL SECTOR	5,509,998	100
GIRSA INMOBILIARIA, S.A. DE C.V.	CHEMICAL SECTOR	615,124,720	100
H2ORIZONTES, S.A. DE C.V.	CHEMICAL SECTOR	49,950	100
PRODUCTOS DE CONSUMO RESISTOL, S.A. DE C.V.	CHEMICAL SECTOR	691,180,902	100
QUIMIR, S.A. DE C.V.	CHEMICAL SECTOR	1,930,986	100
RESIRENE, S.A. DE C.V.	CHEMICAL SECTOR	236,058,979	100
TECNO INDUSTRIA RF, S.A. DE C.V.	CHEMICAL SECTOR	10,673,496	100
REXCEL, S.A. DE C.V.	CHEMICAL SECTOR	1,000,997	100
INDUSTRIAS NEGROMEX, S.A. DE C.V.	CHEMICAL SECTOR	410,044,831	100
DYNASOL ELASTOMEROS, S.A. (ESPANA)	CHEMICAL SECTOR	1	50
DYNASOL GESTION, S.A.	CHEMICAL SECTOR	1	50
DYNASOL, L.L.C.	CHEMICAL SECTOR	1	50
PARATEC ELASTOMERS, L.L.C.	CHEMICAL SECTOR	1	98
PLASTIGLAS DE MEXICO, S.A. DE C.V.	CHEMICAL SECTOR	200,778,189	95
PARATEC, S.A. de C.V.	CHEMICAL SECTOR	73,960	28
AEROFYCSA, S.A. DE C.V.	SERVICES COMPANIES	648,309,280	100
CORPORATIVO ARCOS	SERVICES COMPANIES	260,524,996	100
PROMOCION Y CONTROL, S.A. DE C.V.	SERVICES COMPANIES	1,254,000	100
BIG SOFT	SERVICES COMPANIES	1,449,999	100
PACIFIC INTERNATIONAL AIRWAYS, S.A. DE C.V.	SERVICES COMPANIES	244,498	100
SERCOR	SERVICES COMPANIES	449	100
BIOQUIMEX	CHEMICAL SECTOR	28,922,181	100
OTHER SUBSIDIARIES (4) (NO. OF SUBS.:)		1	0
Associates			
1. Others	Services	1	100
TOTAL OTHER INVESTMENTS			
Other Permanent Investments			
Total			

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ANNEX 4
PROPERTY, PLANT AND EQUIPMENT
(THOUSANDS OF PESOS)

CONCEPT	ACQUISITION COST	ACCUMULATED DEPRECIATION	CARRYING VALUE	REVALUATION	DEP R
DEPRECIATION ASSETS					
PROPERTY	1,792,610	398,573	1,394,037	4,012,814	
MACHINERY	6,776,446	3,334,649	3,441,797	9,669,952	
TRANSPORT EQUIPMENT	190,984	124,733	66,251	77,740	
OFFICE EQUIPMENT	113,690	68,533	45,157	78,569	
COMPUTER EQUIPMENT	313,242	277,180	36,062	81,814	
OTHER	351,592	170,051	181,541	819,274	
TOTAL DEPRECIATION	9,538,564	4,373,719	5,164,845	14,740,163	
NON DEPRECIATION ASSETS					
GROUNDS	260,403	0	260,403	875,192	
CONSTRUCTIONS IN PROCESS	966,780	0	966,780	0	
OTHER	0	0	0	0	
TOTAL NON DEPRECIABLES	1,227,183	0	1,227,183	875,192	
TOTAL	10,765,747	4,373,719	6,392,028	15,615,355	

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ANNEX 5
LOAN BREAKDOWN
(THOUSANDS OF PESOS)

STOCK EXCHANGE CODE:DESC QUARTER: 1 YEAR: 2003

ANNEX 5

CREDITS BREAKDOWN

(THOUSANDS OF PESOS)

CREDIT TYPE / INSTITUTION AMORTIZATION RATE OF DENOMINATED

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	DATE	INTEREST	IN PESOS	
			UNTIL 1 YEAR	MORE THAN 1 YEAR
BANKS				
WITH WARRANTY				
DEUTSCHE BANK	15-Oct-07	8.75	0	0
FINANCIAL INSTITUTIONS				
IFC	15-Feb-04	3.47	0	0
IFC	15-Feb-06	3.47	0	0
IFC	15-Sep-09	4.98	0	0
IFC	15-Sep-09	10.35	0	0
DEG	28-Dec-06	4.13	0	0
CITIBANK NA (SYNDICATE)	12-Jun-05	2.81	0	0
DEUTSCHE BANK (SYNDICATE)	12-Jun-05	2.81	0	0
JP MORGAN CHASE BANK (SYNDICATE)	12-Jun-05	2.81	0	0
COMERICA BANK (SYNDICATE)	12-Jun-05	2.81	0	0
EXPORT DEVELOPMENT CANADA (SYNDICATE)	12-Jun-05	2.81	0	0
BBVA BANCOMER (SYNDICATE)	12-Jun-05	2.81	0	0
CREDIT LYONNAIS (SYNDICATE)	12-Jun-05	2.81	0	0
CREDIT SUISSE FIRST BOSTON (SYNDICATE)	12-Jun-05	2.81	0	0
HSBC BANK (SINDICADO)	12-Jun-05	2.81	0	0
BAYERISCHE HYPO-UND VEREINSBANK (SYNDICATE)	12-Jun-05	2.81	0	0
CITIBANK NA (SYNDICATE)	12-Jun-07	3.06	0	0
DEUTSCHE BANK (SYNDICATE)	12-Jun-07	3.06	0	0
JP MORGAN CHASE BANK (SYNDICATE)	12-Jun-07	3.06	0	0
BANCOMEXT	12-Jun-07	3.06	0	0

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CREDIT TYPE / INSTITUTION	AMORTIZATION DATE	RATE OF INTEREST	DENOMINATED IN PESOS	
			UNTIL 1 YEAR	MORE THAN 1 YEAR
BANKS				
WITH WARRANTY				
DEUTSCHE BANK	15-Oct-07	8.75	0	0
FINANCIAL INSTITUTIONS				
COMERICA BANK (SYNDICATE)	12-Jun-07	3.06	0	0
EXPORT DEVELOPMENT CANADA (SYNDICATE)	12-Jun-07	3.06	0	0
TORONTO DOMINION (SYNDICATE)	12-Jun-07	3.06	0	0
BBVA BANCOMER (SYNDICATE)	12-Jun-07	3.06	0	0
BBVA BANCOMER (SYNDICATE)	26-Jun-07	9.30	0	355,000
BANCO SANTANDER MEXICANO (SYNDICATE)	26-Jun-07	9.30	0	355,000
BANCO INVEX (SYNDICATE)	26-Jun-07	9.30	0	200,000
COMERICA BANK MEXICO (SYNDICATE)	26-Jun-07	9.30	0	100,000
IXE BANCO (SYNDICATE)	26-Jun-07	9.30	0	40,000
BANCO MERCANTIL DEL NORTE (SYNDICATE)	26-Jun-07	9.30	0	250,000
BANCO INBURSA	1-Sep-03	3.85	0	0
BANCO INBURSA	1-Dec-04	3.85	0	0
BANCO INBURSA	12-May-03	3.85	0	0
BANCO INBURSA	18-Aug-03	3.80	0	0
BANCO INBURSA	10-Jun-03	4.90	0	0
BANCO INBURSA	16-Jun-03	4.90	0	0

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IXE BANCO	30-May-03	3.75	0	0
BBVA BANCOMER	8-Apr-03	3.02	0	0
BANAMEX-CITIBANK	10-Nov-03	2.82	0	0
BANAMEX-CITIBANK	11-Jun-03	2.61	0	0
BANAMEX-CITIBANK	16-May-08	8.06	1,500	10,410
California Commerce B.	2-Aug-03	2.25	0	0
California Commerce B.	3-Apr-03	3.25	0	0
BANCO INBURSA	9-Jul-03	3.85	0	0
BANCO INBURSA	12-May-03	3.85	0	0
Other Financial Leases	31-Dec-10	8.40	0	0
BANCO SANTANDER MEXICANO	31-Jan-07	10.54	1,773	11,261
BANCO SANTANDER MEXICANO	31-Jan-07	8.20	1,026	2,945
BANCO SANTANDER MEXICANO	28-May-03	2.66	0	0
BANAMEX-CITIBANK	3-Jun-03	2.59	0	0

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CREDIT TYPE / INSTITUTION	AMORTIZATION DATE	RATE OF INTEREST	DENOMINATED IN PESOS	
			UNTIL 1 YEAR	MORE THAN 1 YEAR
BANKS				
WITH WARRANTY				
DEUTSCHE BANK	15-Oct-07	8.75	0	0
FINANCIAL INSTITUTIONS				
BANCO NAL. COMERCIO EXTERIOR	4-Jun-03	2.48	0	0
COMERICA BANK	13-Jun-03	2.28	0	0
BANAMEX-CITIBANK	14-Aug-03	2.99	0	0

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COMERICA BANK	20-Mar-04	2.29	0	0
COMERICA BANK	21-Dec-03	2.39	0	0
BANAMEX-CITIBANK	16-Jun-03	2.39	0	0
COMERICA BANK	30-Aug-03	7.75	0	0
COMERICA BANK	28-Feb-04	7.75	0	0
BANCO NAL. COMERCIO EXTERIOR	8-Aug-03	2.73	0	0
BBVA BANCOMER	12-Sep-03	2.25	0	0
BANCO NAL. COMERCIO EXTERIOR	8-Aug-03	2.72	0	0
BANAMEX-CITIBANK	16-Jul-03	2.58	0	0
BANAMEX-CITIBANK	23-Apr-03	2.36	0	0
BANCO NAL. COMERCIO EXTERIOR	4-Jun-03	2.48	0	0
BANCO NAL. COMERCIO EXTERIOR	5-Sep-03	2.69	0	0
BANCO NAL. COMERCIO EXTERIOR	8-Aug-03	2.73	0	0
BANCO NAL. COMERCIO EXTERIOR	8-Aug-03	2.72	0	0
BBVA BANCOMER	12-Sep-03	2.25	0	0
BANAMEX-CITIBANK	23-Apr-03	2.36	0	0
BANAMEX-CITIBANK	13-Jun-03	2.27	0	0
BANCO NAL. COMERCIO EXTERIOR	21-May-03	2.49	0	0
BANCO NAL. COMERCIO EXTERIOR	5-Sep-03	2.69	0	0
TOTAL BANKS			4,299	1,324,616

** TABLE CONTINUED **

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ANNEX 5
LOAN BREAKDOWN
(THOUSANDS OF PESOS)

STOCK EXCHANGE CODE:DESC QUARTER: 1 YEAR: 2003

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ANNEX 5

CREDITS BREAKDOWN

(THOUSANDS OF PESOS)

CREDIT TYPE / INSTITUTION	AMORTIZATION OF CREDITS IN FOREIGN CURRENCY WITH NATIONAL ENTITIES (THOUSANDS OF \$)				
	TIME INTERVAL				
BANKS	CURRENT YEAR	UNTIL 1 YEAR	UNTIL 2 YEARS	UNTIL 3 YEARS	UNTIL 4 YEARS
WITH WARRANTY					
DEUTSCHE BANK	0	0	0	0	0
FINANCIAL INSTITUTIONS					
IFC	0	0	0	0	0
IFC	0	0	0	0	0
IFC	0	0	0	0	0
IFC	0	0	0	0	0
DEG	0	0	0	0	0
CITIBANK NA (SYNDICATE)	0	0	0	0	0
DEUTSCHE BANK (SYNDICATE)	0	0	0	0	0
JP MORGAN CHASE BANK (SYNDICATE)	0	0	0	0	0
COMERICA BANK (SYNDICATE)	0	0	0	0	0
EXPORT DEVELOPMENT CANADA (SYNDICATE)	0	0	0	0	0
BBVA BANCOMER (SYNDICATE)	0	0	0	0	0
CREDIT LYONNAIS (SYNDICATE)	0	0	0	0	0
CREDIT SUISSE FIRST BOSTON (SYNDICATE)	0	0	0	0	0
HSBC BANK (SINDICADO)	0	0	0	0	0

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BAYERISCHE HYPO-UND VEREINSBANK (SYNDICATE)	0	0	0	0	0
CITIBANK NA (SYNDICATE)	0	0	0	0	0
DEUTSCHE BANK (SYNDICATE)	0	0	0	0	0
JP MORGAN CHASE BANK (SYNDICATE)	0	0	0	0	0
BANCOMEXT	0	0	0	0	0

87-B

CREDIT TYPE / INSTITUTION	AMORTIZATION OF CREDITS IN FOREIGN CURRENCY WITH NATIONAL ENTITIES (THOUSANDS OF \$)				
	TIME INTERVAL				
BANKS	CURRENT YEAR	UNTIL 1 YEAR	UNTIL 2 YEARS	UNTIL 3 YEARS	UNTIL 4 YEARS
WITH WARRANTY					
DEUTSCHE BANK	0	0	0	0	0
FINANCIAL INSTITUTIONS					
COMERICA BANK (SYNDICATE)	0	0	0	0	0
EXPORT DEVELOPMENT CANADA (SYNDICATE)	0	0	0	0	0
TORONTO DOMINION (SYNDICATE)	0	0	0	0	0
BBVA BANCOMER (SYNDICATE)	0	0	0	0	0
BBVA BANCOMER (SYNDICATE)	0	0	0	0	0
BANCO SANTANDER MEXICANO (SYNDICATE)	0	0	0	0	0
BANCO INVEX (SYNDICATE)	0	0	0	0	0
COMERICA BANK MEXICO (SYNDICATE)	0	0	0	0	0
IXE BANCO (SYNDICATE)	0	0	0	0	0
BANCO MERCANTIL DEL NORTE (SYNDICATE)	0	0	0	0	0
BANCO INBURSA	318,860	0	160,500	0	0

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BANCO INBURSA	0	0	374,500	0	0
BANCO INBURSA	48,150	0	0	0	0
BANCO INBURSA	96,300	0	0	0	0
BANCO INBURSA	48,150	0	0	0	0
BANCO INBURSA	74,900	0	0	0	0
IXE BANCO	63,130	0	0	0	0
BBVA BANCOMER	0	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0
California Commerce B.	0	0	0	0	0
California Commerce B.	0	0	0	0	0
BANCO INBURSA	111,280	0	0	0	0
BANCO INBURSA	14,285	0	0	0	0
Other Financial Leases	0	0	0	0	0
BANCO SANTANDER MEXICANO	0	0	0	0	0
BANCO SANTANDER MEXICANO	0	0	0	0	0
BANCO SANTANDER MEXICANO	53,500	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0

88-B

CREDIT TYPE / INSTITUTION	AMORTIZATION OF CREDITS IN FOREIGN CURRENCY WITH NATIONAL ENTITIES (THOUSANDS OF \$)				
	TIME INTERVAL				
BANKS	CURRENT YEAR	UNTIL 1 YEAR	UNTIL 2 YEARS	UNTIL 3 YEARS	UNTIL 4 YEARS
WITH WARRANTY					
DEUTSCHE BANK	0	0	0	0	0

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FINANCIAL INSTITUTIONS					
BANCO NAL. COMERCIO EXTERIOR	21,400	0	0	0	0
COMERICA BANK	0	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0
COMERICA BANK	0	0	0	0	0
COMERICA BANK	0	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0
COMERICA BANK	0	0	0	0	0
COMERICA BANK	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	48,150	0	0	0	0
BBVA BANCOMER	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	32,100	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	16,451	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	7,223	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	50,290	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	26,750	0	0	0	0
BBVA BANCOMER	0	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	55,640	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	9,496	0	0	0	0
TOTAL BANKS	1,096,055	0	535,000	0	0

** TABLE CONTINUED **

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ANNEX 5
LOAN BREAKDOWN
(THOUSANDS OF PESOS)

STOCK EXCHANGE CODE:DESC QUARTER: 1 YEAR: 2003

ANNEX 5

CREDITS BREAKDOWN

(THOUSANDS OF PESOS)

CREDIT TYPE / INSTITUTION	AMORTIZATION OF CREDITS IN FOREIGN CURRENCY WITH FOREIGN ENTITIES (THOUSANDS OF \$)				
	TIME INTERVAL				
	CURRENT YEAR	UNTIL 1 YEAR	UNTIL 2 YEARS	UNTIL 3 YEARS	UNTIL 4 YEARS
BANKS					
WITH WARRANTY					
DEUTSCHE BANK	0	0	0	0	0
FINANCIAL INSTITUTIONS					
IFC	32,100	32,100	0	0	0
IFC	7,643	7,643	15,286	15,286	
IFC	34,393	34,393	68,786	68,786	68,786
IFC	45,857	45,857	91,714	91,714	91,714
DEG	3,242	0	4,995	2,240	1,680
CITIBANK NA (SYNDICATE)	0	0	80,250	80,250	0
DEUTSCHE BANK (SYNDICATE)	0	0	61,525	61,525	0
JP MORGAN CHASE BANK (SYNDICATE)	0	0	61,525	61,525	0
COMERICA BANK (SYNDICATE)	0	0	53,500	53,500	0
EXPORT DEVELOPMENT CANADA (SYNDICATE)	0	0	35,685	35,685	0

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BBVA BANCOMER (SYNDICATE)	0	0	13,375	13,375	0
CREDIT LYONNAIS (SYNDICATE)	0		53,500	53,500	0
CREDIT SUISSE FIRST BOSTON (SYNDICATE)	0	0	53,500	53,500	0
HSBC BANK (SINDICADO)	0	0	53,500	53,500	0
BAYERISCHE HYPO-UND VEREINSBANK (SYNDICATE)	0	0	53,500	53,500	0
CITIBANK NA (SYNDICATE)	0	0	0	180,563	180,563
DEUTSCHE BANK (SYNDICATE)	0	0	0	94,294	94,294
JP MORGAN CHASE BANK (SYNDICATE)	0	0	0	94,294	94,294
BANCOMEXT	0	0	0	120,375	120,375

87-C

CREDIT TYPE / INSTITUTION	AMORTIZATION OF CREDITS IN FOREIGN CURRENCY WITH FOREIGN ENTITIES (THOUSANDS OF \$)				
	TIME INTERVAL				
BANKS	CURRENT YEAR	UNTIL 1 YEAR	UNTIL 2 YEARS	UNTIL 3 YEARS	UNTIL 4 YEARS
WITH WARRANTY					
DEUTSCHE BANK	0	0	0	0	0
FINANCIAL INSTITUTIONS					
COMERICA BANK (SYNDICATE)	0	0	0	80,250	80,250
EXPORT DEVELOPMENT CANADA (SYNDICATE)	0	0	0	53,487	53,487
TORONTO DOMINION (SYNDICATE)	0	0	0	80,250	80,250
BBVA BANCOMER (SYNDICATE)	0	0	0	10,026	10,031
BBVA BANCOMER (SYNDICATE)	0	0	0	0	0
BANCO SANTANDER MEXICANO (SYNDICATE)	0	0	0	0	0

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BANCO INVEX (SYNDICATE)	0	0	0	0	0
COMERICA BANK MEXICO (SYNDICATE)	0	0	0	0	0
IXE BANCO (SYNDICATE)	0	0	0	0	0
BANCO MERCANTIL DEL NORTE (SYNDICATE)	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0
IXE BANCO	0	0	0	0	0
BBVA BANCOMER	214,000	0	0	0	0
BANAMEX-CITIBANK	267,500	0	0	0	0
BANAMEX-CITIBANK	28,890	0	0	0	0
BANAMEX-CITIBANK	0	0	0	0	0
California Commerce B.	0	0	96,300	0	0
California Commerce B.	40,660	0	0	0	0
BANCO INBURSA	0	0	0	0	0
BANCO INBURSA	0	0	0	0	0
Other Financial Leases	7,387	4,177	5,698	6,192	6,820
BANCO SANTANDER MEXICANO	0	0	0	0	0
BANCO SANTANDER MEXICANO	0	0	0	0	0
BANCO SANTANDER MEXICANO	0	0	0	0	0
BANAMEX-CITIBANK	160,500	0	0	0	0

88-C

CREDIT TYPE / INSTITUTION	AMORTIZATION OF CREDITS IN FOREIGN CURRENCY WITH FOREIGN ENTITIES (THOUSANDS OF \$)				
	TIME INTERVAL				
BANKS	CURRENT YEAR	UNTIL 1 YEAR	UNTIL 2 YEARS	UNTIL 3 YEARS	UNTIL 4 YEARS

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WITH WARRANTY

DEUTSCHE BANK	0	0	0	0	0
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FINANCIAL INSTITUTIONS

BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0
COMERICA BANK	63,130	0	0	0	0
BANAMEX-CITIBANK	7,846	0	0	0	0
COMERICA BANK	5,350	5,350	0	0	0
COMERICA BANK	64,200	0	0	0	0
BANAMEX-CITIBANK	126,260	0	0	0	0
COMERICA BANK	132	0	0	0	0
COMERICA BANK	302	70	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0
BBVA BANCOMER	107,000	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0
BANAMEX-CITIBANK	53,500	0	0	0	0
BANAMEX-CITIBANK	14,445	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0
BBVA BANCOMER	107,000	0	0	0	0
BANAMEX-CITIBANK	31,030	0	0	0	0
BANAMEX-CITIBANK	53,500	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0
BANCO NAL. COMERCIO EXTERIOR	0	0	0	0	0

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TOTAL BANKS	1,475,867	129,590	802,639	1,417,617	882,544
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** TABLE COMPLETE **

89-C

ANNEX 5
LOAN BREAKDOWN
(THOUSANDS OF PESOS)

STOCK EXCHANGE CODE:DESC QUARTER: 1 YEAR: 2003

ANNEX 5

CREDITS BREAKDOWN

(THOUSANDS OF PESOS)

LISTED IN THE MEXICAN STOCK EXCHANGE	AMORTIZATION DATE	RATE OF INTEREST	DENOMINATED IN PESOS	
---	----------------------	---------------------	----------------------	--

UNTIL 1 YEAR	MORE THAN 1 YEAR
-----------------	---------------------

UNSECURED DEBT

UDIBONOS	10/21/2006	9.00	0	1,057,186
----------	------------	------	---	-----------

UDIBONOS	7/13/2007	8.20	0	1,163,452
----------	-----------	------	---	-----------

0	2,220,638
---	-----------

TOTAL STOCK EXCHANGE

SUPPLIERS			948,187	0
-----------	--	--	---------	---

OTHERS			0	0
--------	--	--	---	---

TOTAL SUPPLIERS			948,187	0
-----------------	--	--	---------	---

OTHERS			1,305,369	0
--------	--	--	-----------	---

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OTHER CURRENT LIABILITIES AND OTHER CREDITS	2,257,855	3,545,254
--	-----------	-----------

** TABLE CONTINUED **

90-A

LISTED IN THE MEXICAN STOCK EXCHANGE

AMORTIZATION OF CREDITS IN FOREIGN CURRENCY WITH NATIONAL ENTITIES
(THOUSANDS OF \$)

TIME INTERVAL

	CURRENT YEAR	UNTIL 1 YEAR	UNTIL 2 YEARS	UNTIL 3 YEARS	UNTIL 4 YEARS
UNSECURED DEBT					
UDIBONOS	0	0	0	0	0
UDIBONOS	0	0	0	0	0
	0	0	0	0	0
TOTAL STOCK EXCHANGE					
SUPPLIERS	0	0	0	0	0
OTHERS	0	0	0	0	0
TOTAL SUPPLIERS	0	0	0	0	0
OTHERS	0	0	0	0	0
OTHER CURRENT LIABILITIES AND OTHER CREDITS	1,096,055	0	535,000	0	0

** TABLE CONTINUED **

90-B

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LISTED IN THE MEXICAN STOCK EXCHANGE	AMORTIZATION OF CREDITS IN FOREIGN CURRENCY WITH FOREIGN ENTITIES OF \$)					
	TIME INTERVAL					
	CURRENT YEAR	UNTIL 1 YEAR	UNTIL 2 YEARS	UNTIL 3 YEARS	UNTIL 4 YEARS	UN
UNSECURED DEBT						
UDIBONOS	0	0	0	0	0	
UDIBONOS	0	0	0	0	0	
	0	0	0	0	0	
TOTAL STOCK EXCHANGE						
SUPPLIERS	0	1,019,982	0	0	0	
OTHERS	0	0	0	0	0	
TOTAL SUPPLIERS	0	1,019,982	0	0	0	
OTHERS	0	214,986	0	0	0	
OTHER CURRENT LIABILITIES AND OTHER CREDITS	1,475,867	1,364,558	802,639	1,417,617	882,544	1

** TABLE COMPLETE **

90-C

ANNEX 6
TRADE BALANCE AND MONETARY POSITION IN FOREIGN EXCHANGE
(THOUSANDS OF PESOS)

TRADE BALANCE	DOLLARS (1)		OTHER CURRE
	THOUSANDS OF DOLLARS	THOUSANDS OF PESOS	THOUSANDS OF DOLLARS
1. INCOME			
EXPORTS	215,682	2,332,126	0
OTHER	1,285	13,760	0
TOTAL	216,967	2,345,886	0
2. EXPENDITURE			
IMPORT (RAW MATERIALS)	107,643	1,127,078	0

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INVESTMENTS	3,079	31,789	0
OTHER	19,956	208,615	0
TOTAL	130,678	1,367,482	0
NET BALANCE	86,289	978,404	
FOREIGN MONETARY POSITION			
TOTAL ASSETS	240,129	2,569,380	0
LIABILITIES POSITION	865,742	9,263,439	0
SHORT TERM LIABILITIES POSITION	367,896	3,936,487	0
LONG TERM LIABILITIES POSITION	497,846	5,326,952	0
NET BALANCE	-625,613	-6,694,059	0

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ANNEX 7
INTEGRATION AND INCOME CALCULATION BY MONETARY POSITION
(THOUSANDS OF PESOS)

MONTH	MONETARY ASSETS	MONETARY LIABILITIES	(ASSET) LIABILITIES MONETARY POSITION	MON
JANUARY	7,547,767	17,932,309	-10,384,542	
FEBRUARY	7,353,633	18,695,312	-11,341,679	
MARCH	6,550,172	17,713,494	-11,163,322	
APRIL				
ACTUALIZATION	0	0	0	
CAPITALIZATION	0	0	0	
FOREIGN CORP.	0	0	0	
OTHER	0	0	0	
TOTAL	0	0	0	

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STOCK EXCHANGE CODE: DESC

QUARTER: 1

BONDS AND MEDIUM TERM NOTES LISTING IN STOCK MARKET (1)

ANNEX 8

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FINANCIAL LIMITATIONS BASED ON ISSUES OR INSTRUMENTS

-1 Interest Coverage.

The result obtained from dividing the sum of (i) the consolidated operating profit plus depreciation and amortization during the immediately prior 4 full fiscal quarters by (ii) consolidated financial expense during such period, shall not be less than 2.75 times.

-2 Capitalization.

The result obtained from dividing, (i) total debt with cost minus cash plus fifty million dollars, by (ii) net assets plus total debt with cost minus cash plus fifty million dollars, shall not be greater than 0.50 times.

-3 Leverage Ratio.

The result obtained from dividing (i) total debt with cost minus cash plus fifty million dollars, by (ii) the sum of the consolidated operating profit plus depreciation and amortization during the immediately prior 4 full fiscal quarters, shall not exceed 4.50 times.

CURRENT STATUS OF FINANCIAL LIMITATIONS

(1) Interest Coverage.	3.00
(2) Capitalization.	0.49
(3) Leverage Ratio.	4.96

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MEXICAN STOCK EXCHANGE
SIFIC/ICS

STOCK EXCHANGE CODE: DESC

QUARTER: 1

YEAR: 2003

PLANTS, COMMERCE CENTERS OR DISTRIBUTION CENTERS

ANNEX 9

PLANT OR CENTER	ECONOMIC ACTIVITY	CA
EJES TRACTIVOS, S.A. DE C.V.	REAR AXLES	
PISTONES MORESA, S.A. DE C.V.	PISTONS (PIECES)	1
MORESTANA, S.A. DE C.V.	TAPPETS (PIECES)	1
PISTONES MORESA, S.A. DE C.V.	PISTON PINS (PIECES)	2
ENGRANES CONICOS, S.A. DE C.V.	GEARS (SETS)	
PRODUCTOS ESTAMPADOS DE MEXICO, S.A. DE C.V.	PICK-UP BOXES (PIECES)	
VELCON, S.A. DE C.V.	CONSTANT VELOCITY JOINTS (PIECES)	
TRANSMISIONES TSP, S.A DE C.V.	TRANSMISSIONS (TRANS.)	

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STOCK EXCHANGE CODE: DESC

QUARTER:

YEAR: 2003

PLANTS, COMMERCE CENTERS OR DISTRIBUTION CENTERS

ANNEX 9

PLANT OR CENTER	ECONOMIC ACTIVITY
MERIDA	MILL (ton/month)
IRAPUATO	MILL (ton/month)
PENINSULA	HOG (thousands)
MERIDA	SLAUGHTER HOUSE
CANCUN	SLAUGHTER HOUSE
PENJAMO	SLAUGHTER HOUSE
IRAPUATO	SLAUGHTER HOUSE
MOCHIS (SANTA ROSA)	FRESH TOMATO PROCESSING (THOUSAND OF POUNDS IN 100 DAYS)
	TOMATO PRODUCTS IN TETRABRIK CONTAINER (MILLION OF CASES)
	TOMATO PASTE (THOUSAND OF POUNDS IN 100 DAYS)
	DEHYDRATED PRODUCTS (THOUSAND OF POUNDS/YEAR IN 100 DAYS OF SEASON?)
MOCHIS (LA CORONA)	CANNED VEGETABLES (THOUSAND OF POUNDS)
	CANNED VEGETABLES (MILLIONS OF CASES)
MAZATLAN	TUNA (thousands boxes)
ROSEMEAD, CALIFORNIA	SALSA & CANNED VEGETABLES (thousands lb)

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MEXICAN STOCK EXCHANGE
SIFIC / ICS
MAIN RAW MATERIALS

ANNEX 10

MAIN SUPPLIERS	FOREIGN	MAIN SUPPLIERS
HYLSA, S. A. DE C.V.	STEEL	MC STEEL
INDUSTRIAS CH, S. A.	STEEL	MITSUBISHI
NACOBRE	LAMINATE	NISHO OWAI
P.P.G. INDUSTRIAS DE MEXICO , S. A. DE C.V.	STEEL	TOTH INDUSTRIES
AHMSA	AUTOMOTIVE PARTS	DANA CO.
DUPONT DE MEXICO	FORGE	GSB FORJA
KOYO DE MEXICO	LAMINATE	DAEWOO CORP.
TIMKEM	ALUMINUM	REYNOLDS METAL
GENERAL MOTORS	RODAMIENTOS	THE TIMKEN CO.
	FORGE	THYSEN PRECISION FORGE

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PEMEX	STYRENE BUTADIEN	STERLING, MITSUI SHELL, POLIMERI EUROPA , BP CH EQUISTAR, SABIC, REPSOL QUIMIC CELANESE, PETROCEL
PEMEX PEMEX	METHANOL	
PEMEX RHODIA MEXICANA RHODIA MEXICANA	ACETOCYANOHRINE	BP CHEMICAL
OWN PRODUCTION & FRESH MARKET (VARIOUS) OWN PRODUCTION & FRESH MARKET (VARIOUS) OWN PRODUCTION & FRESH MARKET (VARIOUS)		

TETRAPAK GRUPO ZAPATA ZAPATA ENVASES ARANCIA CORN PRODUCTS CELULOSA Y CORRUGADOS EMPAQUE DE CARTON TITAN	TOMATO PASTE REYNOLD'S ITEMS	MORNING STAR REYNOLDS
ENVASES DE SINALOA PEMEX	VEGETABLES VEGETABLES PACKAGING MATERIAL - GLASS PACKAGING MATERIAL - CANS	RIO FARMS WOOLF ENTERPRISES OWENS BROCKWAY PECHINEY PLASTIC
PIC	GRAIN	CARGILL

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ANNEX 11

SALES DISTRIBUTION BY PRODUCT
DOMESTIC SALES

-----		-----	
MAIN PRODUCTS		TOTAL PRODUCTION	
-----		-----	
	VOLUME	AMOUNT	VOLUME

AUTOPARTS SECTOR			
CHEMICAL SECTOR			
FOOD SECTOR			
REAL ESTATE SECTOR			
COMPANIES OF OTHER SERVICES			

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 TOTAL

SALES DISTRIBUTION BY PRODUCT
 FOREIGN SALES

MAIN PRODUCTS	TOTAL PRODUCTION		
	VOLUME	AMOUNT	VOLUME

AUTOPARTS SECTOR
 CHEMICAL SECTOR
 FOOD SECTOR

 TOTAL

** TABLE CONTINUED **

SALES DISTRIBUTION BY PRODUCT
 DOMESTIC SALES

MAIN PRODUCTS	MARKET SHARES (%)		
---------------	-------------------	--	--

TRADEMAR

AUTOPARTS SECTOR
 CHEMICAL SECTOR
 FOOD SECTOR
 REAL ESTATE SECTOR
 COMPANIES OF OTHER SERVICES

 TOTAL

SALES D

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MAIN PRODUCTS	MARKET SHARES (%)	TRADEMARK
AUTOPARTS SECTOR		
CHEMICAL SECTOR		
FOOD SECTOR		
TOTAL	2,345,768	

** TABLE COMPLETE **

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STOCK EXCHANGE CODE: DESC

QUARTER: 1

YEAR: 2003

ANNEX 12
 SCHEDULE FOR THE DETERMINATION OF THE NET FISCAL EARNINGS ACCOUNT (NFEA)
 (Thousands of Pesos)

NFEA BALANCE FOR PREVIOUS PERIOD FOR WHICH IS DETERMINED

NFE BALANCE TO DECEMBER 31st Of: 2002 3,802,604

Number of shares Outstanding at the Date of the NFEA: 1,369,079,376

(Units)

Are figures fiscally audited?

DIVIDENDS PAIDOUT IN THE PERIOD THAT COMES FROM THE NFEA

Quarter	Series	Number of shares Outstanding	Date of Settlement	Amount
1	A	587,479,900	31-01-03	42,592
1	B	506,257,866	31-01-03	36,704
1	C	275,341,610	31-01-03	19,962

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DETERMINATION OF THE NFEA OF THE PRESENT YEAR NFE
FROM THE PERIOD JANUARY 1 TO 31 OF DECEMBER OF 2001

FISCAL EARNINGS	0
- DETERMINED INCOME	0
+ DEDUCTED WORKER'S PROP.	0
- DETERMINED WORKER	0
- DETERMINED RFE	0
- NON DEDUCTIBLES	0
NFE OF PERIOD:	0

BALANCE OF THE NFEA AT THE END OF THE PERIOD

NFE BALANCE TO DECEMBER 31st Of: 2002	3,752,467
Number of shares Outstanding at the Date of the NFEA:	1,369,079,376

MODIFICATION BY COMPLEMENTARY

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 DETERMINATION OF THE NFEAR OF THE PRESENT YEAR
 NFER FROM THE PERIOD JANUARY 1 TO 31 OF DECEMBER OF 2001

Fiscal Earnings

+ Deducted Worker's profit share	0

- Determined income tax	0

- Non-Deductibles	0

- (+) Earnings (loss) from foreign of profit:	

Determined RFE of the fiscal year	0

- Income Tax (Deferred ISR)	0

* Factor to Determine the NFEAR:	0

NFER From the period	0

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 BALANCE OF THE NFEAR AT THE END OF THE PERIOD

NFEAR BALANCE TO 31 OF DECEMBER OF 2002	-----
	0

Number of Shares Outstanding at the Date of the NFEAR:	0

Units	

 MODIFICATION BY COMPLEMENTARY

NFEAR BALANCE TO 31 OF DECEMBER OF 2002	-----
	0

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Number of Shares Outstanding at the Date of the NFEAR: 0

Units

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STOCK EXCHANGE CODE: DESC

QUARTER: 1

YEAR: 2003

INTEGRATION OF THE PAID SOCIAL CAPITAL STOCK
CHARACTERISTICS OF THE SHARES

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INTEGRATION OF THE PAID SOCIAL CAPITAL STOCK
CHARACTERISTICS OF THE SHARES

SERIES	NOMINAL VALUE	VALID COUPON	NUMBER OF SHARES		
			FIXED PORTION	VARIABLE PORTION	MEXICAN SUB
A	0.01300	19	5,874,799,000		587,479,900
B	0.01300	19		506,257,866	506,257,866
C	0.01300	19		275,341,610	
Total			5,874,799,000	781,599,476	1,093,737,766

TOTAL NUMBER OS SHARES REPRESENTING THE PAID-IN CAPITAL STOCK ON THE DATE OF SENDING THE SHARES:

1,369,079,376

SHARES PROPORTION BY:

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CPO'S:

UNITS:

ADRS's:

GDRS's:

ADS's:

GDS's:

Repurchased own shares

Market value of the share

Series	Number of Shares	At repurchase	At Quarter
--------	------------------	---------------	------------

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MEXICAN STOCK EXCHANGE
SIFIC / ICS

STOCK EXCHANGE CODE: DESC
DESC, S.A. DE C.V.

QUARTER: 1 YEAR: 2003

CONSOLIDATED
Final Printing

DECLARATION FROM THE COMPANY OFFICIALS RESPONSIBLE:

I HEREBY SWEAR THAT THE FINANCIAL INFORMATION HEREIN SUPPLIED TO THIS STOCK EXCHANGE, CORRESPONDING TO THE PERIOD FROM 1 OF JANUARY TO THE 31st OF MARCH OF 2003 AND 2002 IS THAT OBTAINED FROM OUR AUTHORIZED ACCOUNTING REGISTERS AND IS THE RESULT OF THE APPLICATION OF THE ACCOUNTING PRINCIPLES AND NORMS ACCEPTED AND STATED BY THE MEXICAN INSTITUTE OF PUBLIC ACCOUNTANTS AND IN THE PROVISIONS OF THE MEXICAN NATIONAL BANK AND STOCK COMMISSION (COMISION NACIONAL BANCARIA Y DE VALORES).

THE ACCOUNTING PRINCIPLES AND NORMS USED BY THIS COMPANY AND THE PROCESSING OF DATA FOR THE PERIOD TO WHICH THE SAID INFORMATION REFERS WERE APPLIED USING THE SAME BASES FOR THE PREVIOUS YEAR.

LIC. ARTURO D'ACOSTA RUIZ
CHIEF FINANCIAL OFFICER

LIC. SALVADOR S. ICAZBALCETA OCAMPO
DIRECTOR OF CONTROL
MEXICO, D.F., AT APRIL 29, 2003

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General Data of the Issuer:

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Corporate Name: Desc, S.A. de C.V.
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-98
E-Mail: desc@mail.desc.com.mx
Internet Address: www.desc.com.mx

Fiscal Data of the Issuer:

RFC of Company: DES9405182F1
Domicile: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.

Responsibility for Payments:

Name: Lic. Alejandro de la Barreda Gomez
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-98

Data with respect to officers:

Mexican Stock
Exchange equivalent: Chairman of the Board of Directors
Title at company: Chairman and Chief Executive Officer
Name: Mr. Fernando Senderos Mestre
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-98

Mexican Stock
Exchange equivalent: Chief Financial Officer
Title at company: Director of Finance
Name: Lic. Arturo D'Acosta Ruiz
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-98
E-Mail: adacosta@mail.desc.com.mx

Mexican Stock
Exchange equivalent: Officer in Charge of Sending Quarterly Financial
Title at company: Corporate Manager of Financial Information
Name: Lic. Alejandro De La Barreda Gomez

Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas

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Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-98
E-Mail: abarredag@mail.desc.com.mx

Mexican Stock
Exchange equivalent: Alternate Officer in Charge of Sending Quarterly
Title at company: Corporate Comptroller
Name: Lic. Salvador Icazbalceta Ocampo
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-96
E-Mail: sicazbalceta@mail.desc.com.mx

Mexican Stock
Exchange equivalent: Officer Responsible for Legal Affairs
Title at company: General Counsel
Name: Lic. Ramon Estrada Rivera
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-97
E-Mail: restrada@mail.desc.com.mx

Mexican Stock
Exchange equivalent: Secretary of the Board of Directors
Title at company: Secretary of the Board of Directors
Name: C.P. Ernesto Vega Velasco
Address: Bosque de Ciruelos No. 130 Room 1203
City: Bosques de las Lomas
Zip Code: 11700
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-60
E-Mail: evega@mail.desc.com.mx

Mexican Stock
Exchange equivalent: Officer in Charge of Providing Information
Title at company: Corporate Manager of Financial Information
Name: Lic. Alejandro De La Barreda Gomez
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas
Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-97
E-Mail: abarredag@mail.desc.com.mx

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Mexican Stock
Exchange equivalent: Officer Authorized to Send Information via
Title at company: Chief Financial Officer
Name: Lic. Arturo D'Acosta Ruiz
Address: Paseo de los Tamarindos 400-B
City: Bosques de las Lomas

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Zip Code: 5120
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-98
E-Mail: adascosta@mail.desc.com.mx

Mexican Stock
Exchange equivalent: Officer Authorized to Send Relevant Events
Title at company: Secretary of the Board of Directors
Name: C.P. Ernesto Vega Velasco
Address: Bosque de Ciruelos No. 130 Room 1203
City: Bosques de las Lomas
Zip Code: 11700
State: Mexico, D.F.
Telephone: 52-61-80-00
Fax: 52-61-80-60
E-Mail: evega@mail.desc.com.mx