OFFERING CIRCULAR

U.S.$150,000,000

Grupo Senda Autotransporte, S.A. de C.V.

10.50% Senior Secured Guaranteed Notes Due 2015

Interest on the notes is payable on April 3 and October 3 of each year, beginning on April 3, 2008. The notes will mature on October 3, 2015. We may redeem some or all of the notes at any time on or after October 3, 2011 at the redemption prices described in this offering circular. Prior to October 3, 2011, we may redeem, in whole or in part, the notes, by paying the greater of the principal amount of the notes and the Make-Whole Amount, plus accrued and unpaid interest. Prior to October 3, 2010 we may redeem up to 35% of the notes from the proceeds of certain equity offerings. In addition, in the event of certain changes in the Mexican withholding tax treatment relating to payments on the notes, we may redeem all (but not less than all) of the notes at 100% of their principal amount, plus accrued and unpaid interest. The redemption prices are discussed under the caption "Description of Notes—Optional Redemption." There is no sinking fund for the notes.

The notes will be our secured senior obligations and will be unconditionally guaranteed on a secured senior basis by certain of our subsidiaries and certain future subsidiaries. The notes will be secured on a first-priority basis (subject to certain permitted liens) by liens (i) on all capital stock held or beneficially owned by us of the subsidiary guarantors and Autobuses Coahuilenses, S.A. de C.V.; (ii) all of our and the subsidiary guarantors' inventories and transportation and other equipment; and (iii) all of our and the subsidiary guarantors' real property, including land and buildings. On the date of issuance, perfected liens will be created on all capital stock held or beneficially owned by us of the subsidiary guarantors (except for Coach Investments, LLC and Turimex, LLC) and Autobuses Coahuilenses, S.A. de C.V. Liens will be created and perfected on the capital stock held or beneficially owned by us of Coach Investments, LLC and Turimex, LLC within 120 days of the date of issuance. Liens will be created and perfected on all of our and the subsidiary guarantors' inventories and transportation and other equipment within 120 days of the date of issuance. Liens will be created on all of our and the subsidiary guarantors' real property within 120 days of the date of issuance, and we and the subsidiary guarantors will use our reasonable best efforts to perfect such liens within 120 days of the date of issuance. If we and the subsidiary guarantors do not create the required liens within the applicable time limits, the interest payable on the notes will increase by 0.50% until such liens are created and perfected. This increase in interest payable is in addition to a potential event of default. In addition, we will take all steps necessary to cause any future subsidiary guarantors, as soon as practicable and to the extent permitted by applicable law, to grant a first-priority lien (subject to certain permitted liens) over all of its existing and future inventories, transportation and other equipment, real property and capital stock. Certain other creditors will be entitled to share in the collateral on an equal basis with the notes. See "Description of Notes—Security."

The notes and guarantees will rank equally with all of our and the subsidiary guarantors' existing and future senior secured indebtedness and senior to all of our and the subsidiary guarantors' existing and future subordinated indebtedness subject to certain statutory preferences under Mexican law. The notes and guarantees will be structurally subordinated to the indebtedness and trade payables of our current and future non-guarantor subsidiaries.

The notes are expected to be eligible for trading in the Private Offerings, Resales and Trading through Automated Linkages Market, commonly referred to as the PORTAL Market. We have applied to list the notes on the Official List of the Luxembourg Stock Exchange and to trade on the Euro MTF market of the Luxembourg Stock Exchange. The offering circular constitutes a prospectus for the purpose of the Luxembourg Law dated July 10, 2005 on Prospectuses for Securities.

Investing in the notes involves risks. See "Risk Factors" beginning on page 18.

Price: 100.00%

plus accrued interest, if any, from October 3, 2007.

Delivery of the notes in book-entry form will be made on or about October 3, 2007.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE NATIONAL SECURITIES REGISTRY (*REGISTRO NACIONAL DE VALORES*) MAINTAINED BY THE NATIONAL BANKING AND SECURITIES COMMISSION (*COMISIÓN NACIONAL BANCARIA Y DE VALORES*, OR CNBV), AND MAY NOT BE OFFERED OR SOLD PUBLICLY, OR OTHERWISE BE THE SUBJECT OF BROKERAGE ACTIVITIES, IN MEXICO, EXCEPT PURSUANT TO A PRIVATE PLACEMENT EXEMPTION SET FORTH UNDER ARTICLE 8 OF THE MEXICAN SECURITIES MARKET LAW (*LEY DEL MERCADO DE VALORES*). AS REQUIRED UNDER THE MEXICAN SECURITIES MARKET LAW, WE WILL NOTIFY THE CNBV OF THE OFFERING OF THE NOTES OUTSIDE OF MEXICO. SUCH NOTICE WILL BE DELIVERED TO THE CNBV TO COMPLY WITH A LEGAL REQUIREMENT AND FOR INFORMATION PURPOSES ONLY, AND THE DELIVERY TO AND THE RECEIPT BY THE CNBV OF SUCH NOTICE DOES NOT IMPLY ANY CERTIFICATION AS TO THE INVESTMENT QUALITY OF THE NOTES OR OUR SOLVENCY, LIQUIDITY OR CREDIT QUALITY. THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR OF THE NOTES IS EXCLUSIVELY THE RESPONSIBILITY OF THE COMPANY AND HAS NOT BEEN REVIEWED OR AUTHORIZED BY THE CNBV.

The notes have not been registered under the United States Securities Act of 1933, as amended, or the Securities Act, or any state securities law. Accordingly, the notes are being offered and sold only to qualified institutional buyers in accordance with Rule 144A under the Securities Act and outside the United States of America in accordance with Regulation S under the Securities Act. Prospective purchasers that are qualified institutional buyers are hereby notified that the seller of the notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on transfers of the notes, see "Plan of Distribution" and "Notice to Investors."

Credit Suisse

The date of this offering circular is September 26, 2007.

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You should rely only on the information contained in this offering circular. We have not authorized anyone to provide you with different information. We are not, and the initial purchasers are not, making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in this offering circular is accurate as of any date other than the date on the front of this offering circular.

This offering circular has been prepared by us solely for use in connection with the proposed offering of the securities described in this offering circular. This offering circular is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire securities. Distribution of this offering circular to any person other than the prospective investor and any person retained to advise such prospective investor with respect to its purchase is unauthorized, and any disclosure of any of its contents, without prior written consent, is prohibited.

The initial purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this offering circular. Nothing contained in this offering circular is, or shall be relied upon as, a promise or representation by the initial purchasers as to the past or future. We have furnished the information contained in this offering circular. The initial purchasers make no representation as to any of the information contained herein (financial, legal or otherwise) and assumes no responsibility for the accuracy or completeness of any such information.

Neither the SEC, any state securities commission nor any other regulatory authority, has approved or disapproved the securities nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this offering circular. Any representation to the contrary is a criminal offense.

The notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and the applicable state securities laws pursuant to registration or exemption therefrom. As a prospective purchaser, you should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. Please refer to the sections in this offering circular entitled "Plan of Distribution" and "Notice to Investors."

In making an investment decision, prospective investors must rely on their own examination of the issuer and the terms of the offering, including the merits and risks involved. Prospective investors should not construe anything in this offering circular as legal, business or tax advice. Each prospective investor should consult its own advisors as needed to make its investment decision and to determine whether it is legally permitted to purchase the securities under applicable investment or similar laws or regulations.

We confirm that, after having made all reasonable inquiries, to the best of our knowledge, this offering circular contains all information with regard to us and the notes which is material to the offering and sale of the notes, that the information contained in this offering circular is true and accurate in all material respects and is not misleading in any material respect and that there are no omissions of any other facts from this offering circular which, by their absence herefrom, make this offering circular misleading in any material respect. We accept responsibility for the information contained in this offering circular regarding Grupo Senda Autotransporte, S.A. de C.V. and its subsidiaries, the notes and the applicable transaction documents.

This offering circular contains summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference. Copies of documents referred to herein are available free of charge at the office of the Luxembourg paying agent and will be made available to prospective investors upon request to us or the initial purchasers.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, (the "Order"), or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article

49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons). The notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such notes will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

NOTICE TO PROSPECTIVE INVESTORS IN THE EEA

In any EEA Member State that has implemented Directive 2003/71/EC (together with any applicable implementing measures in any Member State, the "Prospectus Directive"), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

This offering circular has been prepared on the basis that all offers of the notes will be made pursuant to an exemption under the Prospectus Directive, as implemented in member states of the European Economic Area ("EEA"), from the requirement to produce a prospectus for offers of the notes. Accordingly, any person making or intending to make any offer within the EEA of notes which are the subject of the placement contemplated in this offering circular should only do so in circumstances in which no obligation arises for us or the initial purchasers to produce a prospectus for such offer.

PURCHASER'S REPRESENTATION

Each person in a Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") who receives any communication in respect of, or who acquires any of the notes under, the offers contemplated in this offering circular will be deemed to have represented, warranted and agreed to and with us and each initial purchaser that it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

We have not authorized and do not authorize the making of any offer of the notes through any financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, on their behalf, other than offers made by the initial purchasers with a view to the final placement of the notes as contemplated in this offering circular. Accordingly, no purchaser of the notes, other than the initial purchasers, is authorized to make any further offer of the notes on behalf of the initial purchasers.

For the purposes of this representation, the expression an "offer" in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any notes to be offered so as to enable an investor to decide to purchase or subscribe for the notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

We are a variable capital corporation (*sociedad anónima de capital variable*) organized under the laws of Mexico. Substantially all of our directors and officers reside outside the United States. Substantially all of the assets of such persons are located in Mexico. Furthermore, substantially all of our assets are located in Mexico. As a result, it may not be possible for investors to effect service of process within the United States of America or in any other jurisdiction outside of Mexico upon our directors or officers, or to enforce against us or any of them in any jurisdiction outside of Mexico judgments predicated upon the laws of any such jurisdiction, including any judgment predicated upon the federal and state securities laws of the United States. We have been advised by our special Mexican counsel, Ritch Mueller, S.C., that there is uncertainty as to the enforceability in Mexican courts, in original actions or in

actions for enforcement of judgments obtained in courts of jurisdictions outside of Mexico, of civil liabilities under the laws of any jurisdiction outside of Mexico, including any judgment predicated solely upon the federal and state securities laws of the United States.

FORWARD-LOOKING STATEMENTS

This offering circular contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements include, but are not limited to, statements about our future financial position and results of operations, our strategy, plans, objectives, goals and targets, future developments in the markets where we participate or are seeking to participate and other statements contained in this offering circular that are not historical facts. In some cases, you can identify forward-looking statements by terminology such as "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "predict," "should" or "will" or the negative of such terms or comparable terminology. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements expressed or implied by such forward-looking statements to differ materially from historical results or those anticipated. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. These risks, some of which are discussed in "Risk Factors," include economic and political conditions and government policies in Mexico or elsewhere, fuel prices, regulatory developments, customer demand, seasonality and competition.

These forward-looking statements speak only as of the date of this offering circular and we undertake no obligation to update our forward-looking statements or risk factors to reflect new information, future events or otherwise. Additional factors affecting our business emerge from time to time and it is not possible for us to predict all of these factors, nor can we assess the impact of all such factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. Although we believe that the plans, intentions and expectations reflected in or suggested by such forward-looking statements are reasonable, we cannot assure you that those plans, intentions or expectations will be achieved. In addition, you should not interpret statements regarding past trends or activities as assurances that those trends or activities will continue in the future. All written, oral and electronic forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial Information

This offering circular includes our audited consolidated financial statements as of December 31, 2006 and 2005 and for each of the three years in the period ended December 31, 2006 (the "Financial Statements"). This offering circular also includes our unaudited condensed consolidated financial statements as of June 30, 2007 and for the six-month periods ended June 30, 2007 and 2006. See Exhibit I. You should read the unaudited condensed consolidated financial statements for the six-month periods ended June 30, 2007 and 2006 in conjunction with our audited Financial Statements.

The financial information in this offering circular has been prepared in accordance with Mexican Financial Reporting Standards (*Normas de Información Financiera*), which differ in certain significant respects from generally accepted accounting principles in the United States of America ("U.S. GAAP"). See "Differences Between Mexican Financial Reporting Standards and U.S. GAAP" for a description of certain principal differences between Mexican Financial Reporting Standards and U.S. GAAP as they relate to us. **We are not providing any reconciliation to U.S. GAAP of our financial statements or other financial information included in this offering circular. We cannot assure you that a reconciliation would not identify material quantitative differences between figures included in our financial statements or other financial information as prepared on the basis of Mexican Financial Reporting Standards if such information were to be prepared on the basis of U.S. GAAP.**

The Mexican Institute of Public Accountants has issued Bulletin B-10, "Recognition of the Effects of Inflation on Financial Information," and Bulletin B-12, "Statements of Changes in Financial Position." These bulletins outline the inflation accounting methodology mandatory for all Mexican companies reporting under Mexican Financial Reporting Standards. Bulletin B-10 requires a restatement of all comparative financial statements to constant pesos as of the date of the most recent balance sheet presented.

Pursuant to Mexican Financial Reporting Standards, except for information as of and for the six-month periods ended June 30, 2007 and 2006 or as otherwise indicated, financial data for all periods included in this offering circular have been restated in constant pesos (having the same purchasing power for each period indicated taking into account inflation) as of December 31, 2006. Financial data for the six-month periods ended June 30, 2007 and 2006 herein are restated in constant pesos as of June 30, 2007, and therefore are not comparable to financial information restated in constant pesos as of December 31, 2006. According to the Central Bank of Mexico ("*Banco de México*"), the difference in the purchasing power of the peso at December 31, 2006 as compared to the purchasing power of the peso at June 30, 2007 was 0.58%, which we do not consider to be material or to materially affect financial results as presented herein.

We acquired Transportes del Norte México–Laredo y Anexas, Servicio Internacional, S.A. de C.V. ("Transportes del Norte") in October 2004. Transportes del Norte is included in our audited consolidated financial statements as of October 2004 as a consolidated entity but it is not included prior to that date. As a result, our consolidated financial information for the three years ended December 31, 2006 is not directly comparable with prior periods.

Currency Information

Unless stated otherwise, references herein to "pesos" or "Ps." are to pesos, the legal currency of Mexico; references to "U.S. dollars," "dollars," "U.S.$" or "$" are to United States dollars, the legal currency of the United States.

This offering circular contains translations of certain peso amounts to U.S. dollars at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the peso amounts represent such dollar amounts or could be converted into U.S. dollars at the rate indicated. Except for U.S. dollars as of and for the six-month periods ended June 30, 2007 and 2006 or as otherwise indicated, U.S. dollar amounts in this offering circular have been translated from pesos at an exchange rate of Ps.10.7995 to U.S.$1.00 which is the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on December 29, 2006. The U.S. dollar amounts translated from pesos for June 30, 2007 are based on the noon buying rate published by the Federal Reserve Bank of New York on June 29, 2007 of Ps.10.7901 to U.S.$1.00. On August 31, 2007, the noon buying rate published by the Federal Reserve Bank of New York was Ps. 11.032 to U.S.$1.00. See "Exchange Rates" for information regarding the rates of exchange between the peso and the dollar for the periods specified therein.

Industry, Market and Certain Operating Data

Some statistical information in this offering circular is based on government publications or other independent sources. We accept responsibility for the correct extraction and reproduction of this statistical information. Some data are also based on our estimates, which are derived from our review of internal surveys. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy or completeness.

We measure our operating volume by total kilometers traveled. Our passenger transportation kilometer totals are recorded by our payroll department after each bus run and centralized in an enterprise management system. Our personnel transportation kilometer totals are recorded by our maintenance staff at each refueling of our personnel transportation vehicles and centralized in the same enterprise management system. We believe this system provides us with accurate operating volume totals and breakdowns for each of our segments.

Other Information Presented

The standard measure of distance in the ground transportation business in Mexico is the kilometer (km), while in the United States the standard measure is the mile. Unless otherwise specified, all units of distance shown in this offering circular are expressed in terms of kilometers. One kilometer is equal to approximately 0.621 mile.

SUMMARY

This summary highlights selected information from this offering circular and is qualified in its entirety by, and is subject to, the more detailed information and financial statements appearing elsewhere in this offering circular. You should read this entire offering circular carefully, including the risk factors and financial statements contained herein, before making an investment decision.

Our Company

We are a leading provider of bus transportation services in Mexico, principally serving the northeastern and central regions of Mexico. We offer scheduled bus passenger service to more than 125 destinations in 15 states in Mexico and 12 destinations in the United States, with a monthly average of 2,400 daily departures and a fleet of over 1,200 buses. Our principal routes cover substantially all of the major metropolitan areas in northeast and central Mexico and serve most of the small cities between such metropolitan areas. In addition, we operate a personnel transportation business that offers bus transportation services to businesses and educational institutions, using a fleet of over 1,060 buses. We also operate a package delivery business using excess capacity in our buses and other dedicated vehicles. For the year ended December 31, 2006, we had operating revenues of Ps.2,793.2 million, reflecting an 11.0% increase in our operating revenues compared to 2005. For the six-month period ended June 30, 2007, we had operating revenues of Ps.1,364.9 million, reflecting an approximately 2.7% increase in our operating revenues compared to the same period in 2006.

Of our operating revenues in 2006, 81.2% was attributable to our Mexican passenger transportation services business, including 4.7% attributable to our package delivery services business, and 18.8% was attributable to our personnel transportation services business.

The Mexican Transportation Industry

In 2005 the bus transportation industry accounted for 98%, or approximately 2,950 million passenger tickets purchased, of the total of 3,004 million passenger tickets purchased in Mexico for intercity travel.

The Mexican bus transportation industry is highly fragmented. In 2005 there were 47,092 registered buses operating intercity services in Mexico and 3,038 authorized bus service providers, resulting in an average of 15.5 buses per service provider. Only a limited number of bus companies operate more than 1,000 buses. We believe that the bus industry's current fragmentation and the economies of scale achieved by larger bus transportation companies are likely to lead to greater consolidation in the future.

The dominant business model in the Mexican bus transportation industry, as opposed to our business model, is an "owner-operator" arrangement. The bus operators in this model independently own one or more buses and generally control shares of the bus company in proportion to the number of buses they own. As a result, the bus fleets and services provided by these companies are not always standardized and the decision-making process is subject to multiple, sometimes conflicting, interests, impacting route frequency and rate optimization. We believe that our corporate business model allows us to adapt quickly to changing market conditions, establish routes and route frequencies that meet market demand and profitability objectives and maintain uniform standards for our buses and services.

Our Strengths

Our principal competitive strengths are the following:

- Successful business model;
    - Superior corporate structure, high operational standards and advanced systems and logistical capability;
- Leading market position with favorable industry dynamic and economic environment;
    - Strong regional brands;
- Strong growth opportunities in a highly fragmented industry;
    - Established record of consolidation in a highly fragmented industry and disciplined approach to financial and operational business management;
- Experienced management team with a proven track record; and
- Solid cash flow generation with continuously improving EBITDA and EBITDA margins.

Our Business Strategy

Our goal is to continue to grow our business by expanding the number of routes and markets in which we operate in both our passenger transport and personnel transportation businesses within Mexico as well as the United States and to expand into our related businesses to increase revenue and profitability. We seek to achieve this goal through the following strategies:

- *Increase profitability by focusing on operating efficiencies and cost reductions*. We intend to continue initiatives designed to decrease our operating and overhead costs, thus increasing overall profitability across all of our operations by leveraging the strengths of our business model. Our cost-cutting initiatives include improving existing route schedules, enhancing our information systems, centralizing corporate administrative functions and investing in maintenance facilities located at strategic locations along our routes. In addition, we intend to utilize the size of our fleet and economies of scale to leverage purchasing power for vehicles, fuel, tires, maintenance supplies and parts as well as to improve our driver hiring and training programs and other safety initiatives across our operations.
- *Grow passenger volumes through efficient route strategies and exploring additional business opportunities*. We intend to leverage our fleet management experience, strong brand names and safety standards to strengthen and expand our market share and passenger volumes in each of our businesses. We plan to grow operating volume in our passenger transport business through continued service improvements, implementing new route strategies, exploiting market niches, continuing to efficiently utilize our resources, and continuing to increase our revenues per kilometer. We intend to grow operating volume in our personnel transport business by replicating our successful business model in areas in which we have

expanded passenger transport services and by building on our reputation for service, safety and reliability. We also intend to improve revenue by seeking opportunities for package delivery, charter services and other related services.

- *Selectively introduce new cross-border services.* We intend to leverage our Mexican operations to grow our business between Mexico and the United States and service the growing Mexican population in the United States. We believe we can expand our presence in the U.S. market by opening selected new routes between points in central Mexico and the United States and increasing the frequency of our existing routes.

- *Strengthen and promote our brands and increase ticket distribution*. We intend to strengthen our brands by continuing to offer superior quality service at competitive prices. We expect to increase our marketing efforts and develop new channels of ticket distribution.

- *Continue expanding into new markets*. We intend to continue to expand our geographical coverage steadily across Mexico by adding selected routes and service contracts through organic growth and by completing selective and strategic acquisitions and alliances. We plan to develop long-term growth and profitability by accessing a larger customer base through the acquisition of businesses to which we can apply our successful business model.

- *Continue to improve our financial structure.* We intend to continue improving our financial profile in order to facilitate our growth strategy. Since our acquisition of Transportes del Norte in 2004, we have deleveraged our business in terms of our total debt to EBITDA ratio from 4.7x as of December 31, 2004 to 4.0x as of June 30, 2007.

How to Reach Us

We are a variable capital corporation (*sociedad anónima de capital variable*) organized under the laws of Mexico. Our legal name is Grupo Senda Autotransporte, S.A. de C.V., and we frequently refer to ourselves commercially as Grupo Senda. Our principal executive offices are located at Av. Bernardo Reyes No. 3810 Nte., Col. Popular, Monterrey, N.L. C.P. 64290, Mexico. Our telephone number at that address is 52 (81) 8151-4400.

Summary of the Offering

Issuer	Grupo Senda Autotransporte, S.A. de C.V.
Notes Offered	U.S. $150,000,000 aggregate principal amount of 10.50% Senior Guaranteed Notes Due 2015.
Maturity Date	October 3, 2015.
Interest	Beginning on the date of the issuance, the notes will bear interest at the rate of 10.50% per annum, payable semi-annually in arrears on each April 3 and October 3 through their final maturity. Interest on the notes will be computed on the basis of a 360-day year comprised of twelve 30-day months.
Guarantors	The payment of principal, interest and premium on the notes will be fully and unconditionally guaranteed on a general senior secured basis by certain subsidiary guarantors, as described in "Description of Notes—Note Guarantees".
Ranking	The notes will rank equally with all of our and the subsidiary guarantors' existing and future senior secured indebtedness, and senior to all of our and the subsidiary guarantors' existing and future subordinated indebtedness. If there are any other non-guarantor subsidiaries in the future, the notes and guarantees will be structurally subordinated to their indebtedness.
Collateral	The notes will be secured on a first-priority basis (subject to certain permitted liens) by liens • on all capital stock held or beneficially owned by us of the subsidiary guarantors and Autobuses Coahuilenses, S.A. de C.V.; • all of our and the subsidiary guarantors' inventories and transportation and other

equipment; and

- all of our and the subsidiary guarantors' real property, including land and buildings (together with such capital stock and such inventory and transportation and other equipment, the "Collateral").

On the date of issuance, perfected liens will be created on all capital stock held or beneficially owned by us of the subsidiary guarantors (except for Coach Investments, LLC and Turimex, LLC) and Autobuses Coahuilenses, S.A. de C.V. Liens will be created and perfected on the capital stock held or beneficially owned by us of Coach Investments, LLC and Turimex, LLC within 120 days of the date of issuance. Liens will be created and perfected on all of our and the subsidiary guarantors' inventories and transportation and other equipment within 120 days of the date of issuance. Liens will be created on all of our and the subsidiary guarantors' real property within 120 days of the date of issuance, and we and the subsidiary guarantors will use our reasonable best efforts to perfect such liens within 120 days of the date of issuance.

If we and the subsidiary guarantors do not create the required liens within the applicable time limits, the interest payable on the notes will increase by 0.50% until such liens are created and perfected. This increase in interest payable is in addition to a potential event of default.

In addition, we will take all steps necessary to cause any future subsidiary guarantors, as soon as practicable and to the extent permitted by applicable law, to grant a first-priority lien (subject to certain permitted liens) over all of its existing and future inventories, transportation and other equipment, real property and capital stock.

As described below, certain other creditors will be entitled to share in the collateral on

	an equal basis with the notes.
Other Permitted Secured Creditors	Under the terms of the indenture governing the notes, we may from time to time after the date of issuance of the notes grant liens on the Collateral to secure additional permitted secured obligations, which may only consist of certain one or more (i) credit facilities to be limited in the aggregate to a principal amount of $20.0 million and (ii) working capital facilities entered into with one or more Mexican or international financial institutions that are not our affiliates at any time prior to or after the date of issuance of the notes and certain trade payables to be limited in the aggregate to a principal amount of $10.0 million. The holders of the notes acting through the Trustee named below will have the exclusive right to direct the Collateral Agent named below to take any enforcement or other action in respect of the Collateral. The lenders under the credit facilities and the working capital facilities described above and the creditors under any trade payables described above will not be entitled to vote to take any enforcement or other action with respect to the Collateral pursuant to the indenture governing the notes or otherwise. Under the terms of the indenture governing the notes, the holders of the notes and the other permitted secured creditors will agree, among other things, that: • they will not take any individual action to enforce any security agreement or foreclose on the Collateral; • they will provide notice to the Collateral Agent and the Trustee of any event of default in respect of the notes or the permitted secured obligations; and • they will only have the ability to direct the Collateral Agent to take

	or refrain from taking any enforcement action in respect of the Collateral upon the consent of holders of the notes holding, in the aggregate, principal amounts of the notes in excess of certain specified percentages.
Use of Proceeds.....	We estimate that we will receive approximately U.S. $145 million in net proceeds from the sale of the notes in the offering after discounts to the initial purchaser and other transaction fees and expenses payable by us. We intend to use U.S.$145 million of the net proceeds from the offering to repay indebtedness. See "Use of Proceeds."
Optional Redemption.....	We may, at our option, at any time prior to October 3, 2011, redeem some or all of the notes by paying a redemption price equal to the greater of 100% of the principal amount of such notes and a Make-Whole Amount (as defined in "Description of Notes—Optional Redemption") and accrued and unpaid interest, if any, to the date of such redemption. We may redeem the notes, at our option, in whole at any time or in part from time to time, on and after October 3, 2011, at the following redemption prices, expressed as percentages of the principal amount thereof, if redeemed during the twelve-month period commencing on October 3 of any year set forth below:

Year	Percentage
2011	105.25%
2012	103.50%
2013	101.75%
2014 and thereafter	100.00%

Additional Amounts.....	All payments by us or any of the subsidiary guarantors in respect of the notes, whether of principal or interest, will be made without withholding or deduction for or on account of any Mexican taxes, unless required by applicable Mexican law, in which case, subject to specified exceptions, we and each of the subsidiary guarantors will pay such additional amounts as may be required so that the net amount received by

	the holders of the notes in respect of principal, interest or other payments on the notes, after any such withholding or deduction, will not be less than the amount that each holder of the notes would have received in respect of the notes in the absence of any such withholding or deduction. See "Description of Notes—Additional Amounts."
Redemption for Changes in Mexican Withholding Taxes	In the event that, as a result of certain changes in Mexican tax law affecting withholding taxes, we become obligated to pay additional amounts in respect of payments under the notes in excess of those attributable to a withholding tax rate of 10%, the notes will be redeemable, as a whole but not in part, at our option at any time at 100% of their principal amount plus accrued and unpaid interest and additional amounts, if any. See "Description of Notes—Optional Redemption—Optional Redemption for Changes in Withholding Taxes."
Equity Offering Redemption	We may, at our option, at any time prior to October 3, 2010 use the net cash proceeds of one or more Equity Offerings (as defined in the "Description of Notes — Optional Redemption") to redeem in the aggregate up to 35% of the aggregate principal amount of the notes issued under the indenture at a redemption price equal to 110.50% of their principal amount, provided that after giving effect to such redemption (i) at least 65% of the aggregate principal amount of the notes issued under the indenture remain outstanding and (ii) we make such redemption within 90 days after the consummation of such Equity Offering.
Certain Covenants	The indenture governing the notes contains covenants that limit future actions to be taken, or transactions to be entered into, by us and our restricted subsidiaries. The indenture limits our and our restricted subsidiaries' ability to, among other things: • incur additional indebtedness;

	• pay dividends on our capital stock or redeem, repurchase or retire our capital stock or subordinated indebtedness; • make investments or certain other restricted payments; • guarantee debts; • create liens; • create any consensual limitation on the ability of our restricted subsidiaries to pay dividends, make loans or transfer property to us; • engage in sale-leaseback transactions; • engage in transactions with affiliates; • sell assets, including capital stock of our subsidiaries; and • consolidate, merge or transfer assets. If the notes obtain investment grade ratings from at least two of the Rating Agencies (as this term is defined in the indenture) and for so long as each of the foregoing rating agencies maintains its investment grade rating and no default has occurred and is continuing, the foregoing covenants will cease to be in effect with the exception of covenants that contain limitations on liens, sale-leaseback transactions, transactions with affiliates and consolidations, mergers and transfer of assets. These covenants are subject to a number of important qualifications and exceptions. See "Description of Notes—Certain Covenants."
Change of Control	If a Change of Control (as defined in "Description of Notes—Change of Control") occurs, each holder of notes may require us to repurchase all or a portion of its notes at a purchase price equal to 101% of the principal amount, plus accrued and unpaid interest.
Events of Default	For a discussion of certain events of default that will permit acceleration of the principal of the notes plus accrued interest, and any other amounts due in respect of the notes, see "Description of Notes—Events of Default."
Notice to Investors	We have not registered the notes under the Securities Act or any U.S. state securities

	law. The notes are subject to restrictions on transfer and may only be offered in transactions exempt from or not subject to the registration requirements of the Securities Act. See "Notice to Investors." The notes will not be registered in the National Registry of Securities of Mexico maintained by the CNBV and may not be offered or sold publicly or otherwise be subject to brokerage activities in Mexico, except pursuant to a private placement exemption set forth in Article 8 of the Mexican Securities Market Law.
Form and Denomination	The notes will be issued only in registered book-entry form in denominations of US$2,000 and integral multiples of US$1,000 in excess thereof.
Rating.....	The notes will be rated in Mexico by Standard & Poor's and Fitch Ratings.
Listing	Application has been made to the Luxembourg Stock Exchange for the notes to be traded on the Euro MTF market of the Luxembourg Stock Exchange. Directive 2004/109/EC of the European Parliament and Council, dated December 15, 2004, on the harmonization of transparency requirements for information about issuers whose securities are admitted to trading on an European Union regulated market amended Directive 2001/34/EC (the "Transparency Directive") and became effective on January 20, 2005. It requires member states, including Luxembourg, to take measures necessary to comply with the Transparency Directive by January 20, 2007. If, as a result of the Transparency Directive or any legislation implementing the Transparency Directive, we could be required to publish financial information either more regularly than we otherwise would be required to or according to accounting principles which are materially different from the accounting principles which we would otherwise use to prepare our published financial information, we may delist the notes from the Luxembourg Stock Exchange in accordance with the

	rules of such exchange and seek an alternative admission to listing, trading and/or quotation for the notes on a different section of the Luxembourg Stock Exchange or by such other listing authority, stock exchange and/or quotation system inside or outside the European Union as we may decide.
Portal[SM] Market Eligibility	We expect that the Rule 144A notes will be eligible for trading in the Private Offerings, Resales and Trading through Automatic Linkages, or Portal[SM] Market.
Trustee, Registrar, Principal Paying Agent and Transfer Agent.....	The Bank of New York.
Collateral Agent	Deutsche Bank Mexico, S.A.
Luxembourg Listing, Paying and Transfer Agent.....	The Bank of New York (Luxembourg) S.A.
Risk Factors.....	Prospective purchasers of notes should consider carefully all of the information included in this offering circular and, in particular, the information set forth under "Risk Factors" before making an investment in the notes.
Governing Law.....	The notes and the indenture will be governed by New York law.

SUMMARY CONSOLIDATED FINANCIAL AND OPERATING INFORMATION

The following tables present our summary consolidated financial information and other data for the periods indicated. These tables should be read in conjunction with the financial statements and notes thereto included elsewhere in this offering circular and are qualified in their entirety by the information contained therein. See "Presentation of Financial and Other Information."

The financial information in this offering circular has been prepared in accordance with Mexican Financial Reporting Standards, which differ in certain respects from U.S. GAAP. See "Differences Between Mexican Financial Reporting Standards and U.S. GAAP" for a description of certain principal differences between Mexican Financial Reporting Standards and U.S. GAAP as they relate to us.

Our consolidated financial statements as of December 31, 2006 and 2005 and for each of the three years ended December 31, 2006, 2005 and 2004 have been audited by Galaz, Yamazaki, Ruiz Urquiza, S.C., member of Deloitte Touche Tohmatsu, independent auditors, as stated in their report appearing herein. The combined and consolidated financial statements as of December 31, 2005 and 2004 and for the years ended December 31, 2005 and 2004 of Servicio Industrial Regiomontano, S.A. de C.V., its subsidiaries and certain other subsidiaries, which together comprise our personnel transport services business segment, are not presented separately herein and were audited by KPMG Cárdenas Dosal, S.C., independent auditors, with 2005 being the last year KPMG Cárdenas Dosal, S.C. audited such companies.

Our unaudited condensed consolidated financial statements for the six-month periods ended June 30, 2007 and 2006 are included in this offering circular. See "Presentation of Financial and Other Information—Financial Information."

Pursuant to Mexican Financial Reporting Standards, except for information as of and for the six-month periods ended June 30, 2007 and 2006 or as otherwise indicated, financial data for all periods included in this offering circular have been restated in constant pesos (having the same purchasing power for each period indicated taking into account inflation) as of December 31, 2006. Financial data for the six-month periods ended June 30, 2007 and 2006 herein are restated in constant pesos as of June 30, 2007, and therefore are not comparable to financial information restated in constant pesos as of December 31, 2006. According to Banco de Mexico, the difference in the purchasing power of the peso at December 31, 2006, as compared to the purchasing power of the peso at June 30, 2007 was 0.58%, which we do not consider to be material or to materially affect financial results as presented herein.

We acquired Transportes del Norte in October 2004. Transportes del Norte is included in our audited consolidated financial statements as of October 2004 as a consolidated entity but it is not included prior to that date. As a result, our consolidated financial information for the three years ended December 31, 2006 is not directly comparable with prior periods.

Income Statement Data	Year ended December 31,					
	2006	2006	2005	2004	2003	2002 (2)
	(in thousands of U.S. dollars) (1)	(in thousands of constant pesos as of December 31, 2006)				
Operating revenues: (3)						
Passenger transport services	U.S.$ 210,099	Ps. 2,268,958	Ps. 2,071,159	Ps. 1,322,308	Ps. 1,161,705	
Personnel transport services	48,547	524,286	444,779	390,529	361,120	
Total operating revenues	258,646	2,793,244	2,515,938	1,712,838	1,522,826	Ps. 1,5(
Operating expenses:						
Transportation costs	116,420	1,257,285	1,030,170	699,015	614,496	617,771
Fuel costs	38,735	418,314	339,807	209,044	167,971	157,078
Selling, general and administrative expenses	50,846	549,112	570,940	331,003	267,896	277,594
Depreciation and amortization	29,450	318,039	264,139	198,474	173,615	131,347
Total operating expenses	235,451	2,542,750	2,205,056	1,437,536	1,223,978	1,183,790
Operating income: (3)						
Passenger transport services	16,442	177,566	245,239	233,830	236,340	
Personnel transport services	6,753	72,928	65,643	41,471	62,508	
Total operating income	23,195	250,494	310,882	275,302	298,848	323,688
Integral financing cost:						
Interest expense	24,951	269,455	287,290	48,791	29,048	27,749
Interest income	(375)	(4,051)	(9,088)	(8,517)	(7,141)	(8,101)
Foreign exchange loss (gain), net	274	2,964	2,129	(1,060)	(241)	(2,798)
Gain from monetary position	(8,445)	(91,206)	(71,463)	(10,198)	(7,986)	(7,769)
	16,405	177,162	208,868	29,016	13,681	9,081
Other expenses, net	5,689	61,435	54,649	125,300	142,675	103,624
Equity in earnings (losses) of associated companies	125	1,349	(754)	4,637	3,621	(3,769)
Income tax, tax on assets and employee profit sharing expense (benefit)	(1,922)	(20,760)	(20,895)	46,998	74,736	82,389
Consolidated net income	U.S.$ 3,148	Ps. 34,006	Ps. 67,506	Ps. 78,624	Ps. 71,377	Ps. 124,8

(1) Amounts stated in U.S. dollars as of and for the year ended December 31, 2006 have been translated at a rate of Ps.10.7995 = U.S.$1.00, which is the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on December 29, 2006.

(2) Certain sub-line items are not available for the year ended December 31, 2002.

(3) Operating revenues and operating income are presented for each of our segments: passenger transport services (including package delivery services) and personnel transport services.

	Year ended December 31,					
	2006	2006	2005	2004	2003	2002
Balance Sheet Data	(in thousands of U.S. dollars) (1)	(in thousands of constant pesos as of December 31, 2006)				
Cash and cash equivalents	U.S.$ 8,741	Ps. 94,398	Ps. 96,716	Ps. 113,518	Ps. 75,804	Ps. 97,228
Total current assets	32,641	352,499	365,099	293,933	211,731	237,199
Fixed and other assets	214,920	2,321,028	2,107,533	1,884,957	1,322,188	1,296,035
Investment in shares	26,598	287,250	285,535	292,058	151,393	157,435
Goodwill and intangible assets	131,640	1,421,641	1,399,718	1,399,718	25,517	0
Total assets	**405,799**	**4,382,418**	**4,157,885**	**3,870,666**	**1,710,828**	**1,690,669**
Short-term debt (2)	14,890	160,800	201,994	109,674	28,252	91,004
Current portion of long-term debt	22,841	246,668	171,156	52,647	54,809	50,610
Long-term debt	190,784	2,060,369	1,929,060	2,073,934	190,035	208,996
Total debt	**228,515**	**2,467,837**	**2,302,210**	**2,236,255**	**273,095**	**350,610**
Other liabilities (3)	50,659	547,090	577,096	422,686	307,563	276,404
Total liabilities	**279,174**	**3,014,927**	**2,879,306**	**2,658,941**	**580,658**	**627,014**
Capital stock	8,099	87,466	8,685	3,061	2,813	2,813
Retained earnings	140,955	1,522,249	1,487,832	1,436,070	1,369,877	1,308,433
Other capital accounts	(22,429)	(242,224)	(217,938)	(227,405)	(242,520)	(247,592)
Total stockholders' equity	**U.S. $126,625**	**Ps. 1,367,491**	**Ps. 1,278,579**	**Ps. 1,211,726**	**Ps. 1,130,169**	**Ps. 1,063,654**

	Year ended December 31,					
	2006	2006	2005	2004	2003	2002
Financial Data and Ratios	(in thousands of U.S. dollars) (1)	(in thousands of constant pesos as of December 31, 2006, except ratios and per share data)				
EBITDA (4)	U.S.$ 52,644	Ps. 568,533	Ps. 575,021	Ps. 473,776	Ps. 472,464	Ps. 455,034
Debt to EBITDA ratio (5)	4.34	4.34	4.00	4.72	0.58	0.77
Capital expenditures	40,664	439,146	390,728	349,350	175,587	235,984

	Year ended December 31,				
Operating Data	2006	2005	2004	2003	2002
Total bus km (thousands)	293,661	243,623	154,008	120,594	114,135
Total vehicle fleet	2,189	1,969	1,784	1,234	1,160
Passenger transport bus fleet	1,107	1,042	877	469	490
Personnel transport bus fleet	1,009	859	812	685	580
Package delivery vehicle fleet	73	68	95	80	90
Km per bus (thousands) (6)	139	128	91	105	107
Cost per km (7)	Ps. 8.66	Ps. 9.11	Ps. 9.45	Ps.10.32	Ps.10.57
Revenue per km (8)	Ps. 9.51	Ps.10.33	Ps.11.12	Ps.12.63	Ps.13.21
Yield (total revenue per vehicle) (thousands) (9)	Ps. 1,276	Ps. 1,278	Ps. 960	Ps. 1,234	Ps. 1,299

(1) Amounts stated in U.S. dollars as of and for the year ended December 31, 2006 have been translated at a rate of Ps.10.7995 = U.S.$1.00, which is the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on December 29, 2006.

(2) Consists of bank loans.

(3) Consists of accounts payable, accrued expenses, employee retirement obligations and deferred taxes.

(4) Earnings before interest, taxes and depreciation and amortization ("EBITDA") is not a financial measure computed under Mexican Financial Reporting Standards. EBITDA derived from our Mexican Financial Reporting Standards financial information means consolidated net income excluding (i) depreciation and amortization, (ii) integral financing cost (which is comprised of net interest expense, foreign exchange gain or loss and monetary position gain or loss), (iii) other expenses, net, (iv) income and asset tax expense (benefit) and additional employee compensation that is equivalent to statutory employee profit-sharing compensation or "PTU," and (v) equity in earnings of associated companies.

We believe that EBITDA can be useful to facilitate comparisons of operating performance between periods and with other companies because it excludes the effect of (i) depreciation and amortization, which represents a non-cash charge to earnings, (ii) certain financing costs, which are significantly affected by external factors, including interest rates, foreign currency exchange rates, and inflation rates, which have little or no bearing on our operating performance, (iii) income and asset tax expense (benefit), and (iv) employee compensation amounts equivalent to PTU. EBITDA is also a useful basis of comparing our results with those of other companies because it presents operating results on a basis unaffected by capital structure. You should review EBITDA, along with consolidated net income and resources generated from (used in) operating activities, investing activities and financing activities, when trying to understand our operating performance. While EBITDA may provide a useful basis for comparison, our computation of EBITDA is not necessarily comparable to EBITDA as reported by other companies, as each is calculated in its own way and must be read in conjunction with the explanations that accompany it. While EBITDA is a relevant measure of operating performance, it does not represent resources generated from (used in) operating activities in accordance with Mexican Financial Reporting Standards and should not be considered as an alternative to net income, determined in accordance with Mexican Financial Reporting Standards, as an indication of our financial performance, or to resources generated from operating activities, determined in accordance with Mexican Financial Reporting Standards, as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs.

EBITDA has certain material limitations as follows: (i) it does not include interest expense, which, because we have borrowed money to finance some of our acquisitions, is a necessary and ongoing part of our costs and assisted us in generating revenue; and (ii) it does not include depreciation, which, because we must utilize property and equipment in order to generate revenues in our operations, is a necessary and ongoing part of our costs. Therefore, any measure that excludes any or all of interest expense and depreciation has material limitations. For a reconciliation of EBITDA to Mexican Financial Reporting Standards, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—EBITDA Reconciliation for the Years Ended December 31, 2002 to 2006."

(5) Represents total debt divided by EBITDA.

(6) Represents our total bus kilometers divided by our bus fleet (excluding package delivery vehicles) at year end.

(7) Represents our total operating expenses divided by total bus kilometers.

(8) Represents our total operating revenues divided by total bus kilometers.

(9) Represents our total operating revenues divided by our total number of vehicles at year-end.

The summary consolidated financial data set forth below have been derived from our unaudited condensed consolidated interim financial statements as of June 30, 2007 and for the six-month periods ended June 30, 2007 and 2006. In the opinion of our management, the financial data set forth below include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of consolidated financial condition and results of operations as of the dates and for the periods specified. Results for the six months are not, however, necessarily indicative of results to be expected for the full year. For a discussion of our financial results for the six-month periods ended June 30, 2007 and 2006, see Exhibit I.

Income Statement Data	**As of and for the six months ended June 30,**			
	2007	**2007**	**2006**	
	(in thousands of U.S. dollars) (1)	**(in thousands of constant pesos as of June 30, 2007)**		
Operating revenues:				
Passenger transport services (2)	U.S.$ 102,899	Ps. 1,110,292	Ps.	1,076,413
Personnel transport services (3)	23,595	254,587		252,417
Total operating revenues	126,494	1,364,879		1,328,830
Operating expenses:				
Transportation costs	49,924	538,690		568,994
Fuel costs	19,015	205,178		205,040
Selling, general and administrative expenses	24,690	266,404		266,954
Depreciation and amortization	15,068	162,589		151,083
Total operating expenses	108,697	1,172,861		1,192,071
Operating result: (4)				
Passenger transport services (2)	13,046	140,757		104,438
Personnel transport services (3)	4,751	51,261		32,321
Total operating result	17,797	192,018		136,759
Other expenses, net (5)	2,729	29,442		27,642
Integral financing cost:				
Interest expense	14,279	154,068		133,293
Interest income	(150)	(1,621)		(2,120)
Foreign exchange loss (gain), net	110	1,186		347
Gain from monetary position	(2,528)	(27,274)		(21,876)
	11,711	126,359		109,644
Equity in earnings (losses) of associated companies	(117)	(1,261)		2,485
Income and asset tax benefit	(1,985)	(21,421)		(14,523)
Consolidated net income	U.S.$ 5,224	Ps. 56,3	Ps.	16,481

(1) Amounts stated in U.S. dollars as of and for the six months ended June 30, 2007 have been translated at a rate of Ps.10.7901 = U.S.$1.00, which is the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on June 29, 2007.

(2) The passenger transport services segment includes domestic bus transportation services, package delivery services and intercity charter services.

(3) The personnel transport services segment includes industrial personnel and education transportation services and intracity charter services.

(4) Operating revenues and operating income are presented for each of our segments: passenger transport services (including package delivery services) and personnel transport services.

(5) In accordance with Mexican Financial Reporting Standards as required by NIF B-3, Statement of Income, beginning on January 1, 2007, employee profit sharing is presented in other expenses, net. For comparability purposes the 2006 financial information in the table above also reflects employee profit sharing in other expenses, net.

	As of June 30, 2007		As of December 31, 2006
	(in thousands of U.S. dollars) (1)	(in thousands of constant pesos as of June 30, 2007)	
Balance Sheet Data			
Cash and cash equivalents	U.S.$ 11,374	Ps. 122,721	Ps. 95,455
Total current assets	38,130	411,425	356,447
Fixed and other assets	216,343	2,334,365	2,347,022
Investments in shares	26,216	282,878	290,467
Goodwill and intangible assets	133,230	1,437,563	1,437,563
Total assets	413,919	4,466,231	4,431,499
Short-term debt (2)	11,195	120,800	162,601
Current portion of long-term debt	17,591	189,813	249,431
Long-term debt (3)	206,088	2,223,710	2,083,445
Total debt	234,874	2,534,323	2,495,477
Other liabilities (4)	46,324	499,837	553,216
Total liabilities	281,198	3,034,160	3,048,693
Capital Stock	8,197	88,446	88,446
Retained earnings	147,523	1,591,793	1,539,298
Other capital accounts	(22,999)	(248,168)	(244,938)
Total stockholders' equity	U.S.$ 132,721	Ps. 1,432,071	Ps. 1,382,806

	As of June 30,		
Financial Data and Ratios	**2007**	**2007**	**2006**
	(in thousands of U.S. dollars)	(in thousands of constant pesos as of June 30, 2007, except ratios and per share data)	
EBITDA (5)	U.S. $32,865	Ps. 354,607	Ps. 287,841
Debt to EBITDA ratio (6)	3.95	3.95	3.86
Capital expenditures	U.S. $1,051	Ps. 11,341	Ps. 172,869

	As of June 30,	
Operating Data	**2007**	**2006**
Total bus km (thousands)	143,970	141,406
Total vehicle fleet	2,273	2,126
Passenger transport bus fleet	1,134	1,097
Personnel transport bus fleet	1,066	961
Package delivery vehicle fleet	73	68
Km per bus (thousands) (7)	65	69
Cost per km (8)	Ps. 8.15	Ps. 8.43
Revenue per km (9)	Ps. 9.48	Ps. 9.40
Yield (total revenue per vehicle) (thousands) (10)	Ps. 600	Ps. 625

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(1) Amounts stated in U.S. dollars as of and for the six months ended June 30, 2007 have been translated at a rate of Ps.10.7901 = U.S.$1.00, which is the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on June 29, 2007.

(2) Consists of bank loans.

(3) Consists of bank loans and notes payable.

(4) Consists of accounts payable, accrued expenses, employee retirement obligations and deferred taxes.

(5) Earnings before interest, taxes and depreciation and amortization ("EBITDA") is not a financial measure computed under Mexican Financial Reporting Standards. EBITDA derived from our Mexican Financial Reporting Standards financial information means consolidated net income excluding (i) depreciation and amortization, (ii) integral financing cost (which is comprised of net interest expense, foreign exchange gain or loss and monetary position gain or loss), (iii) other expenses, net, (iv) income and asset tax expense (benefit) and additional employee compensation that is equivalent to statutory employee profit-sharing compensation or "PTU", and (v) equity in earnings of associated companies.

We believe that EBITDA can be useful to facilitate comparisons of operating performance between periods and with other companies because it excludes the effect of (i) depreciation and amortization, which represents a non-cash charge to earnings, (ii) certain financing costs, which are significantly affected by external factors, including interest rates, foreign currency exchange rates, and inflation rates, which have little or no bearing on our operating performance, (iii) income and asset tax expense (benefit), and (iv) employee compensation amounts equivalent to PTU. EBITDA is also a useful basis of comparing our results with those of other companies because it presents operating results on a basis unaffected by capital structure. You should review EBITDA, along with consolidated net income and resources generated from (used in) operating activities, investing activities and financing activities, when trying to understand our operating performance. While EBITDA may provide a useful basis for comparison, our computation of EBITDA is not necessarily comparable to EBITDA as reported by other companies, as each is calculated in its own way and must be read in conjunction

with the explanations that accompany it. While EBITDA is a relevant measure of operating performance, it does not represent resources generated from (used in) operating activities in accordance with Mexican Financial Reporting Standards and should not be considered as an alternative to net income, determined in accordance with Mexican Financial Reporting Standards, as an indication of our financial performance, or to resources generated from operating activities, determined in accordance with Mexican Financial Reporting Standards, as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs.

EBITDA has certain material limitations as follows: (i) it does not include interest expense, which, because we have borrowed money to finance some of our acquisitions, is a necessary and ongoing part of our costs and assisted us in generating revenue; and (ii) it does not include depreciation, which, because we must utilize property and equipment in order to generate revenues in our operations, is a necessary and ongoing part of our costs. Therefore, any measure that excludes any or all of interest expense and depreciation has material limitations. For a reconciliation of EBITDA to Mexican Financial Reporting Standards, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—EBITDA Reconciliation."

(6) Represents total debt divided by EBITDA.

(7) Represents our total bus kilometers divided by our bus fleet (excluding package delivery vehicles) at year end.

(8) Represents our total operating expenses divided by total bus kilometers.

(9) Represents our total operating revenues divided by total bus kilometers.

(10) Represents our total operating revenues divided by our total number of vehicles at year end.

RISK FACTORS

You should carefully consider the following discussion of risks, as well as all the other information presented in this offering circular, before buying the notes. These risks are not the only risks that affect our business. Additional risks and uncertainties that we do not know about or that we currently think are immaterial may also affect our operations and business. Any of the following risks, if they actually occur, could materially and adversely affect our business, results of operations, financial condition and prospects. In that event, the market price of the notes could decline, and you could lose all or part of your investment.

Risks Related to Our Business

Significant competition from other transportation companies and other means of transportation may adversely affect our position in the Mexican transportation industry.

The transportation industry in Mexico is highly fragmented and competitive. Our primary sources of competition for passengers are national, regional and local bus companies, informal bus operators, automobile travel and start-up, low-cost air travel provided by regional and national airlines. In the event that Mexican regulation is modified, we may also face competition from international bus or other transportation companies. Competition in the Mexican transportation industry is intense and we cannot assure you that we will continue competing successfully. The effects of competition on our business are highly uncertain and will depend on a variety of factors, including economic conditions, the regulatory environment in Mexico, the behavior of our customers and competitors, and the effectiveness of measures we take. For example, we cannot assure you that bus transportation companies with a significant presence in other parts of Mexico will not expand their operations in our principal geographical markets, international bus or other transportation companies will not target Mexico or that consumer preferences or the use of automobiles arising from increasing disposable income in Mexico, will not negatively affect our business.

Changes to certain industry-specific Mexican tax laws could have a material adverse impact on our results of operations.

Certain special tax rules apply to the Mexican transportation industry. These rules intend to recognize the informal circumstances under which companies in the bus transportation industry operate in Mexico. Under these rules, bus transportation companies like us may deduct, with minimal supporting documentation, expenses related to business travel, maintenance, purchase of used spare parts and minor repairs, up to a maximum amount. We are permitted to deduct other expenses up to a maximum amount without supporting documentation, and subject to the payment of a pre-established tax. We have used the flexibility provided by these rules to deduct permitted expenses from our taxable income, thereby reducing the amount of our taxable income and improving our results of operations. These deductions also have had a positive impact on our cash flows, which in turn have benefited our level of investment and results of operations.

Although the special tax rules have been issued annually on a continuous basis by the Mexican tax authorities for several years, we cannot assure you that this special tax regime will be maintained in the future. In addition, there is no formal interpretation of these rules by the Mexican tax authorities and we cannot assure you that the Mexican tax authorities will concur with the interpretation and application of the rules by us and other operators engaged in the bus transportation business. If the special tax rules are no longer issued or are modified in the future, or if the interpretation of such rules by the Mexican tax authorities differs from the interpretation given to them by us and the transportation industry, our cash flows, operations and results of operations may be materially adversely affected. See "—Risks Related to

Mexico—Changes in Mexican federal governmental policies could adversely affect our results of operations and financial condition."

Our ability to accumulate and deduct tax loss carryforwards could be limited in the future.

Our net results have benefited in the past from our net operating tax loss carryforwards, which reduce the amount of income taxes payable in future years. Some of our tax loss carryforwards are determined pursuant to the terms of the special tax rules applicable to Mexican companies providing transportation services. If the special tax rules regarding tax loss carryforwards are not maintained or are modified in the future or the interpretation of such rules by the Mexican tax authorities differs from the interpretation given to them by us and other operators engaged in the bus transportation business, we may not be able to accumulate new tax loss carryforwards or apply existing tax loss carryforwards to reduce the amount of income taxes payable, which would likely result in greater taxable income and a material adverse effect on our cash flows, investments and results of operations.

All of our assets are pledged to a lender under a bank credit facility.

We have pledged all of the shares that we hold in our significant subsidiaries and granted an industrial mortgage on the majority of our assets to secure a bank credit facility in an aggregate principal amount of Ps.1,624 million that we entered into with Banorte to finance the acquisition of Transportes del Norte. In addition, our controlling shareholders have pledged all their shares in our company and our subsidiaries under that facility. If there is a default under the bank credit facility and an exercise by the lender of its rights against any or all of these shares and assets, we would lose control over our subsidiaries and assets, which would have a material adverse effect on our business, financial condition, results of operation and prospects. In addition, these events could trigger cross-defaults under our other credit facilities. We intend to use the net proceeds from this offering to repay the entire principal amount outstanding under the credit facility and, thus obtain the release of such pledges.

In addition to the pledges and the industrial mortgage under the bank credit facility, certain of our and our subsidiaries' assets are pledged under various short- and long-term debt arrangements. The Collateral securing the notes and the guarantees will rank equally with such pledges.

Our business is subject to seasonal fluctuations, which makes our revenues and results of operations vary from season to season.

The Mexican bus transportation industry is seasonal in nature and generally follows the pattern of the travel industry as a whole, with peaks during the summer months of July and August, the Easter season in March or April, local and national Mexican holidays, and the Christmas and New Year's holiday periods. Therefore, an event that adversely affects ridership during any of these peak periods could have a material adverse effect on our financial condition and results of operations for that year. The day of the week on which certain holidays occur, the length of certain holiday periods, and the date on which certain holidays occur within a fiscal quarter, may also affect our quarterly results of operations and the comparison of our quarterly results.

As a provider of bus transportation services, we are subject to regulations that could be subject to different or stricter interpretation.

Our operations are subject to laws and regulations relating to the bus transportation industry in the federal, state and local jurisdictions in which we operate. These regulations set forth the regime for the granting of permits and authorizations by the Ministry of Communications and Transportation (*Secretaría de Comunicaciones y Transportes*, or the "SCT") in Mexico and the Department of

Transportation (the "DOT") in the United States to operate passenger transportation services, the registration of passenger transportation companies, the ownership and operation of bus terminals, vehicle standards and standards for operators, the liability of passenger transportation companies and package delivery services. Stricter laws and regulations, or different or stricter interpretation of existing laws or regulations, may impose new liabilities on us or result in the need for additional investments, either of which could result in a material decline in our profitability in the short term. In addition, the authorities have broad power to suspend, amend, revoke or expropriate our permits and authorizations for failure to comply with statutory requirements or the terms of the applicable permits or authorizations.

Our operations are subject to environmental laws and regulations.

Our operations are subject to laws and regulations relating to the protection of the environment in the federal, state and local jurisdictions in which we operate, such as regulations regarding fuel emissions from our buses, the handling of diesel fuel and the clean up of fuel spills. Beginning in 2006, we commenced operations in the United States and, accordingly, have become subject to U.S. environmental regulations. Stricter laws and regulations, or different or stricter interpretation of existing laws or regulations, may impose new liabilities on us or result in the need for additional investments in our equipment, either of which could result in a material decline in our profitability in the short term.

Our results of operations are dependent on fuel expenses.

We need fuel to operate our buses. We currently meet, and expect to continue to meet, our fuel requirements almost exclusively through purchases from Petróleos Mexicanos ("Pemex"), a government-owned entity responsible for the exclusive distribution and sale of diesel fuel in Mexico, at discounted prices established by Pemex for distributors that use the fuel for self-consumption. If we are unable to acquire diesel fuel from Pemex or others on acceptable terms, our operations could be materially adversely affected. In addition, as we expand our operations in the United States, we may be required to purchase fuel from alternative, more expensive sources. Instability caused by imbalances in the worldwide supply and demand of oil may result in an increase in fuel prices. Our fuel expense represents a significant portion of our operating expenses (approximately 16.5% in 2006), and major increases in the price of diesel fuel that cannot be hedged or transferred to the final user of our transportation services could have a material adverse effect on our results of operations.

The acquisition of new companies and their integration in our businesses could disrupt our operations and adversely affect our financial condition.

In October 2004, we acquired Transportes del Norte and significantly increased the size of our business within Mexico. See "Our Business—Recent Acquisitions." The integration of this operation is not yet complete, and we could face integration difficulties or unanticipated problems as a result of these transactions. In addition, the expected benefits of these acquisitions, including expected synergies, may not be realized. Also, we may acquire additional businesses in the future, including in the United States. We cannot assure you that these investments will be successful and that the continued integration of our existing businesses and any additional businesses (which implies the use of our executives and of our resources) will not disrupt our operations or affect our financial condition.

Changes to certain liability laws or insurance cost increases could have a material adverse impact on our results of operations.

As an operator of buses and other vehicles, we are exposed to claims for personal injury or death and property damage as a result of accidents. We currently maintain liability insurance within the standards required under applicable law. All of our buses operating cross-border routes are covered by

both U.S. and Mexican insurance policies. Mexican regulations require that each bus operating in Mexico have minimum third party liability insurance coverage. Damages for death or injury are subject to legislatively enacted caps that vary from state to state. U.S. regulations also require that each bus have minimum liability insurance coverage. Currently, expenses relating to insurance contracts account for 1.2% of our operating expenses. The implementation of stricter laws and regulations, or different or stricter interpretation of existing laws or regulations in Mexico or the United States may impose new liabilities on us or require us to contract insurance at greater expense, which could result in a material adverse effect on our business, results of operations, financial condition or prospects.

Although we believe our insurance coverage is adequate, there can be no assurance that the amount of such coverage will not need to be increased, that bus insurers will not reduce their coverage or increase their premiums significantly or that we will not be forced to bear substantial losses from accidents, all of which could have a material adverse effect on our business, results of operations, financial condition or prospects.

Risks Related to Mexico

Adverse economic conditions in Mexico may result in a decrease in our sales and revenues.

We are a Mexican company with substantially all of our assets located in Mexico and substantially all of our revenues derived from operations in Mexico. As such, our business may be significantly affected by general economic conditions in Mexico.

Mexico experienced a period of slow growth from 2001 through 2003, primarily as a result of the downturn in the U.S. economy. According to data published by Banco de Mexico, in 2001, Mexico's gross domestic product, or GDP, declined by 0.3%, while inflation reached 4.4%. In 2002, GDP grew by 0.9% and inflation reached 5.7%. In 2003, GDP grew by 1.2% and inflation declined to 4.0%. In 2004, GDP grew by 4.2% and inflation increased to 5.2%. In 2005, GDP grew by 3.0% and inflation decreased to 3.3%. In 2006, GDP grew by 4.8% and inflation increased to 4.1%.

In the past, Mexico has experienced both prolonged periods of weak economic conditions and deterioration in economic conditions. Mexico also has, and is expected to continue to have, high real and nominal interest rates. The interest rates on 28-day Mexican government treasury securities (*Certificados de la Tesorería de la Federación*) averaged approximately 11.3%, 7.1%, 6.2%, 6.8%, 9.3% and 7.2% for 2001, 2002, 2003, 2004, 2005 and 2006, respectively. Accordingly, to the extent that we incur peso-denominated debt in the future, it could be at high interest rates.

If the Mexican economy falls into a recession or if inflation and interest rates increase significantly or if a social or political crisis would arise, our business, financial condition and results of operation could suffer material adverse consequences because, among other things, demand for bus transportation services may decrease and consumers may find it difficult to pay for the services we offer.

Depreciation or fluctuation of the peso relative to the dollar or the convertibility of Mexican pesos into foreign currencies could adversely affect our results of operations and financial condition.

Changes in the value of the peso relative to the dollar could adversely affect our financial condition and results of operations. For example, the devaluation or depreciation of the peso could increase in peso terms our cost of financing as well as the dollar cost of acquisition of our buses or may impact the cost of fuel and parts. Also, while the Mexican federal government does not currently restrict the ability of Mexican or foreign persons or entities to convert pesos into dollars or other currencies, the Mexican federal government could institute restrictive exchange control policies in the future (as it has

done in the past), which may impact our ability to pay for imported buses and other foreign currency goods used in our operations.

Severe devaluation or depreciation of the peso or the enactment of exchange controls may also result in the disruption of the international foreign exchange markets and may limit our ability to transfer or to convert pesos into dollars and other currencies. This in turn may also impact our ability to service our indebtedness or transfer or convert pesos into U.S. dollars and other currencies for the purpose of making timely payments of interest and principal on the notes and any U.S. dollar-denominated debt that we may incur in the future, including the notes.

Changes in Mexican federal governmental policies could adversely affect our results of operations and financial condition.

We are incorporated in Mexico and substantially all of our assets and operations are located in Mexico. As a result, we are subject to political, economic, legal and regulatory risks specific to Mexico. The Mexican federal government has exercised, and continues to exercise, significant influence over the Mexican economy. Accordingly, Mexican federal governmental actions and policies concerning the economy, could have a significant impact on private sector entities in general and on us in particular, and on market conditions, prices and returns on Mexican securities. We cannot assure you that changes in the Mexican federal governmental policies will not adversely affect our business, results of operations, financial condition and prospects or the price of the notes.

The Mexican government has in recent years implemented changes to the tax laws applicable to Mexican companies, including us. Should the Mexican government implement changes to the tax laws that result in our having significantly higher income or asset tax liability or being subject to the payment of new taxes, we will be required to pay the higher amounts due pursuant to any such changes or new taxes, which could have a material adverse effect on our results of operations. In addition, changes to the Mexican Constitution or any other Mexican laws could also have a material adverse impact on our results of operations.

Developments in other countries could adversely affect the Mexican economy, the market value of our securities and our results of operations.

The Mexican economy may be, to varying degrees, affected by economic and market conditions in other countries. Although economic conditions in other countries may differ significantly from economic conditions in Mexico, investors' reactions to adverse developments in other countries may have an adverse effect on the market value of securities of Mexican issuers. In the past, economic crises in Asia, Russia, Brazil, Argentina and other countries adversely affected the Mexican economy.

In addition, in recent years, economic conditions in Mexico have become increasingly correlated to economic conditions in the United States. Therefore, adverse economic conditions in the United States could have a significant adverse effect on the Mexican economy. We cannot assure you that the events in other emerging market countries, in the United States or elsewhere will not adversely affect our business, financial condition and results of operations.

We are subject to different corporate disclosure governance and accounting standards than in the United States.

There may be less or different publicly available information about issuers of securities in Mexico than is regularly published by or about issuers of securities in the United States or other countries with more developed capital markets. In addition, corporate governance requirements, director liability

standards and shareholder derivative actions applicable to Mexican companies may be less developed than those applicable to public companies in the United States. We do not intend to register the notes under the U.S. securities laws or on any U.S. exchange or other market. Accordingly, we will not be subject to the corporate disclosure, governance and accounting standards applicable to companies whose securities are registered under U.S. securities laws or listed on U.S. exchanges or markets. In addition, we prepare our consolidated financial statements in accordance with Mexican Financial Reporting Standards, which differ from U.S. GAAP in a number of respects. For example, we must incorporate the effects of inflation directly in our accounting records and consolidated financial statements. For this and other reasons, the presentation of Mexican Financial Reporting Standards consolidated financial statements and reported earnings may differ from that of U.S. companies in this and other important respects. See "Differences Between Mexican Financial Reporting Standards and U.S. GAAP."

Mexican antitrust law may limit our ability to expand through acquisitions or joint ventures or generally to conduct our business.

Mexico's Federal Antitrust Law (*Ley Federal de Competencia Económica*), and regulations under such law, may adversely affect some of our intended activities, including our ability to acquire businesses, to enter into new or complementary businesses or joint ventures with competitors and to determine the rates we charge for our services. Approval of the Mexican Antitrust Commission (*Comisión Federal de Competencia* or the "Mexican Antitrust Commission") is required for us to acquire significant businesses or to enter into significant joint ventures. The Mexican Antitrust Commission may not approve any proposed acquisition that we may pursue, due to its effects on competition. In addition, the federal antitrust law and regulations may adversely affect our ability to determine the rates we charge for our services. See "Our Business—Government Regulation" and "Our Business—Recent Acquisitions."

Recently approved tax legislation will impact our future cash flows from operations.

On September 14, 2007, the Mexican Congress approved a new federal tax applicable to all Mexican corporations, known as the *Impuesto Empresarial a Tasa Única* (Single Rate Corporate Tax), or IETU, which is a form of alternative minimum tax and replaces the asset tax that has applied to corporations and other taxpayers in Mexico for several years. The IETU is a tax that will be imposed at the rate of 16.5% for calendar year 2008, 17% for calendar year 2009 and 17.5% for calendar year 2010 and thereafter. A Mexican corporation is required to pay the IETU if as a result of the calculation of the IETU, the amount of tax payable under the IETU exceeds the income tax payable by the corporation under the Mexican income tax law. In general terms, the IETU is determined by applying the rates specified above to the amount resulting from deducting from a company's taxable income, among other items, goods acquired (consisting of raw materials and capital investments), services provided by independent contractors and lease payments required for the performance of the activities taxable under the IETU. Salaries and interest payments arising from financing transactions are not deductible for purposes of determining the IETU. However, salaries subject to income tax and social security contributions paid to employees are creditable for purposes of determining the IETU.

For the past few years we have used our tax loss carryforwards to offset or reduce the amount of income taxes otherwise payable by us, which has resulted in us paying asset taxes (instead of income taxes). After the approval of the IETU, we will still be entitled to use our tax loss carryforwards to offset or reduce the amount of income taxes payable, but it is likely that we will be required to pay the IETU, as tax loss carryforwards may not be used to reduce this tax, which is higher than the asset tax that has applied to us up to now. As a result, the amount that we will effectively pay as taxes starting in calendar year 2008 will increase. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources."

Risks Related to the Notes and this Offering

Our indebtedness could adversely affect our financial condition and impair our ability to fulfill our obligations under the notes.

Our ability to meet our debt service requirements, including our obligations with respect to the notes, will depend on our future performance, which is subject to a number of factors, many of which are outside our control. We cannot assure you that we will generate sufficient cash flow from operating activities to meet our debt service and working capital requirements. As of June 30, 2007, we had consolidated total indebtedness of Ps.2,534.3 million (U.S.$234.9 million) and, on a pro forma basis after giving effect to the issuance and sale of the notes and the application of the net proceeds from this offering as described under "Use of Proceeds," would have had consolidated total indebtedness of Ps.2,588.3 million (U.S.$239.9 million).

Our level of indebtedness may have important negative effects on our future operations, including:

- impairing our ability to obtain additional financing in the future (or to obtain such financing on acceptable terms) for working capital, capital expenditures, acquisitions or other general corporate purposes or to repurchase the notes from you upon a change of control;
- making it difficult for us to refinance or restructure our indebtedness (or to refinance or restructure such indebtedness on acceptable terms);
- requiring us to dedicate a substantial portion of our cash flow to the payment of principal and interest on our indebtedness, which reduces the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate purposes;
- increasing the possibility of an event of default under the financial and operating covenants contained in our debt instruments; and
- limiting our ability to adjust to rapidly changing market conditions, reducing our ability to withstand competitive pressures and making us more vulnerable to a downturn in general economic conditions or our business than our competitors with less debt.

If we are unable to generate sufficient cash flow from operations in the future to service our debt, we may be required to refinance all or a portion of our existing debt, including the notes, or to obtain additional financing. We cannot assure you that any such refinancing would be possible or that any additional financing could be obtained. Our inability to obtain such refinancing or financing may have a material adverse effect on us.

We and our subsidiary guarantors may incur substantially more debt, which could exacerbate the risks associated with our indebtedness.

Although the agreements governing our and our subsidiary guarantors' outstanding indebtedness and the indenture governing the notes contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the indebtedness incurred in compliance with these restrictions could be substantial. Also, these restrictions do not prevent us or our subsidiary guarantors from incurring obligations that do not constitute "indebtedness" as defined in

the relevant agreement. If new debt is added to the current indebtedness levels, the related risks that we now face could intensify.

The instruments governing our debt, including the notes offered hereby, contain cross-default provisions that may cause all of the debt issued under such instruments to become immediately due and payable as a result of a default under an unrelated debt instrument.

The indenture governing the notes contains numerous financial and other negative operating covenants and requires us and our subsidiaries to meet certain financial ratios and tests. Instruments governing our other debt also contain certain affirmative and negative covenants. Our failure to comply with the obligations contained in the indenture or other instruments governing our indebtedness or to obtain certain waivers could result in an event of default under the applicable instrument, which could result in the related debt and the debt issued under other instruments becoming immediately due and payable. See "Management's Discussion and Analysis of Financial Condition and Results of Operations —Liquidity and Capital Resources—Indebtedness" for a description of our debt instruments for which we must obtain waivers in connection with this offering.

In such event, we would need to raise funds from alternative sources, which may not be available to us on favorable terms, on a timely basis or at all. Alternatively, such default could require us to sell our assets and otherwise curtail operations in order to pay our creditors.

Restrictive covenants in our debt agreements may restrict the manner in which we can operate our business.

The indenture governing the notes contains covenants limiting, among other things, our ability and the ability of certain of our restricted subsidiaries to:

- incur additional indebtedness;
- pay dividends on our capital stock or redeem, repurchase or retire our capital stock or subordinated indebtedness;
- make investments or certain other restricted payments;
- guarantee debts;
- create liens;
- create any consensual limitation on the ability or our restricted subsidiaries to pay dividends, make loans or transfers property to us;
- engage in sale-leaseback transactions;
- engage in transactions with affiliates;
- sell assets, including capital stock of our subsidiaries; and
- consolidate, merge or transfer assets.

If we fail to comply with these covenants, we would be in default under our debt agreements and the indenture, and the principal and accrued interest on the notes and our other outstanding indebtedness

may become due and payable. These restrictions could impair our ability to respond to certain business opportunities or to make certain investments, which may adversely affect our results of business, results of operations, financial condition and prospects. See "Description of Notes—Certain Covenants." In addition, our future indebtedness agreements may contain additional affirmative and negative covenants which could be more restrictive than those contained in the indenture.

We may not have the ability to repurchase the notes upon a change of control as required by the indenture.

Upon the occurrence of a "change of control" (as defined in the indenture), we will be required to offer to purchase all outstanding notes at 101% of their principal amount plus accrued and unpaid interest to the date of repurchase. We may not have sufficient funds to repurchase all of the notes. In addition, we may be prohibited by future credit facilities from repurchasing any of the notes unless the lenders thereunder consent to such repurchase. Our failure to repurchase the notes would be a default under the indenture governing the notes. A default under the indenture could result in an event of default under our other indebtedness if such default relates to a payment default or the note holders were to accelerate the debt under our notes. If the foregoing occurs, we may not have enough assets to satisfy all obligations under the indenture governing the notes and any such other indebtedness accelerated.

We may not be able to make payments in U.S. dollars.

In the past, the Mexican economy has experienced balance of payments deficits, shortages in foreign exchange reserves and other events that have resulted in restrictions on obtaining foreign currencies in exchange for pesos. While the Mexican government does not currently restrict the ability of Mexican or foreign persons or entities to convert pesos to foreign currencies, or to U.S. dollars in particular, it has done so in the past and could do so again in the future. We cannot assure you that the Mexican government will not implement a restrictive exchange control policy in the future. Any such restrictive exchange control policy could prevent or restrict our access to U.S. dollars to meet our U.S. dollar obligations and could also have a material adverse effect on our business, financial condition and results of operations. We cannot predict the impact of any such measures on the Mexican economy.

The notes are a new issue of securities for which there is currently no public market and you may be unable to sell your notes if a trading market for the notes does not develop.

The notes have not been and will not be registered with the SEC and are being offered and sold only to qualified institutional buyers within the meaning of Rule 144A under the Securities Act and in offshore transactions to persons other than U.S. persons pursuant to Regulation S under the Securities Act. The notes will constitute a new issue of securities with no established trading market and will be subject to the restrictions on transfer described under "Notice to Investors." In addition, the notes have not been registered with the Mexican National Securities Registry and may not be offered or sold publicly, or otherwise be the subject of brokerage activities in Mexico, except pursuant to a private placement exemption set forth under Article 8 of the Mexican Securities Market Law. We have applied to list the notes on the Official List of the Luxembourg Stock Exchange and to trade on the Euro MTF market of the Luxembourg Stock Exchange. We cannot assure you, however, that the application will be accepted or that an active trading market for the notes will develop or be sustained. If a trading market does not develop or is not maintained, the value of the notes may be adversely affected and holders of the notes may experience difficulty in reselling the notes or may be unable to sell them at all.

The liquidity of any market for the notes will depend on the number of holders of the notes, the interest of securities dealers in making a market in the notes, prevailing interest rates, our operating results, prospects for other companies in our industry, the market for similar securities, risks associated

with Mexican issuers of such securities and other factors. If an active trading market does not develop, the market price and liquidity of the notes may be adversely affected. If the notes are traded, they may trade at a discount from their initial offering price depending upon prevailing interest rates, the market for similar securities, general economic conditions, our performance and business prospects and other factors.

Payment of judgments entered against us in Mexico will be in pesos, which may expose you to exchange rate risks.

In the event that proceedings are brought against us or any of our subsidiary guarantors in Mexico, either to enforce a judgment rendered outside of Mexico or as a result of an original action brought in Mexico, we and the subsidiary guarantors would not be required to discharge these obligations in a currency other than pesos. Under the Mexican Monetary Law (*Ley Monetaria de los Estados Unidos Mexicanos*), an obligation, whether resulting from a judgment or by contractual agreement, denominated in any currency other than pesos, which is payable in Mexico, may be satisfied in pesos at the rate of exchange in effect on the date on which payments are made. Such rate of exchange is currently determined by Banco de Mexico and published every business day in the Federal Official Gazette (*Diario Oficial de la Federación*). As a result, you may suffer a U.S. dollar shortfall if you obtain a judgment or a distribution is made to you as a result of bankruptcy proceedings in Mexico. No separate action exists or is enforceable in Mexico for compensation of any shortfall.

If we or our subsidiary guarantors were to be declared bankrupt, holders of notes may find it difficult to collect payment on the notes.

Under Mexico's Bankruptcy Law (*Ley de Concursos Mercantiles*), upon our or our subsidiary guarantors' declaration of insolvency (*concurso mercantil*) or bankruptcy (*quiebra*), our or our subsidiary guarantor obligations under the notes:

- would be converted into pesos at the exchange rate published by Banco de Mexico prevailing at the time of such declaration and subsequently converted into *unidades de inversión*, which is a unit pegged to the consumer price index calculated and published by Banco de Mexico;
- would be dependent upon the outcome and subject to the priorities of the insolvency (*concurso mercantil*) or bankruptcy (*quiebra*) proceedings;
- would not be adjusted to take into account depreciation of the peso against the U.S. dollar occurring after such declaration of insolvency (*concurso mercantil*) or bankruptcy (*quiebra*);
- would be satisfied at the time claims of all of our creditors are satisfied: and
- would cease to accrue interest from the day of the date insolvency (*concurso mercantil*) or bankruptcy (*quiebra*) was declared.

In addition, under Mexican law, it is possible that in the event we or our subsidiary guarantors are declared bankrupt (*quiebra*) or become subject to a insolvency (*concurso mercantil*), any amount by which the stated principal amount of the notes exceeds their accreted value may be regarded as not matured and, therefore, claims of holders of the notes may only be allowed to the extent of the accreted value of the notes. It is believed that there is no legal precedent in connection with a bankruptcy (*quiebra*) or an insolvency (*concurso mercantil*) in Mexico regarding the treatment of accreted value and,

accordingly, uncertainty exists as to how a Mexican court would measure the value of claims of holders of the notes.

If our U.S. subsidiary guarantors were to be declared bankrupt under applicable U.S. federal bankruptcy law, the ability of holders of notes to collect payments on the notes may be similarly limited.

It is possible that the guarantees and the pledges of assets of our subsidiaries may not be enforceable in the event of insolvency (concurso mercantil) or bankruptcy (quiebra).

The guarantees and pledges being given by us and the subsidiary guarantors provide a basis for a direct claim against us and the subsidiary guarantors. However, it is possible that the guarantees and pledges may not be enforceable under Mexican or U.S. federal or state law. In particular, while the laws of Mexico do not prevent the guarantees and pledges from being granted, in the event that we are or a subsidiary guarantor is declared insolvent (*concurso mercantil*) or bankrupt (*quiebra*), the relevant guarantee or pledge may be deemed to have been a fraudulent transfer and declared void, if the guarantor or grantor failed to receive fair consideration in exchange for such guarantee or pledge.

The non-payment of funds by our subsidiaries could have a material and adverse effect on our business, results of operations, financial condition and prospects and ability to service our debt, including the notes.

We are a holding company and we conduct our operations through a series of operating subsidiaries. We support the operations of those subsidiaries with technical and administrative services through various other subsidiaries. All of the assets we use to perform administrative and technical services are held at the subsidiary level. As a result, our cash flow and our ability to service debt depends on the cash flow and earnings of our Restricted Subsidiaries and the payment of funds by those Subsidiaries to us in the form of loans, interest, dividends or otherwise. Our non-guarantor subsidiaries are not obligated to make funds available to us for the payment on the notes. If we are unable to receive cash from our subsidiaries, our results of operations and financial condition could be affected and we may not be able to service our debt, including the notes.

Furthermore, our ability to receive funds from these subsidiaries may be restricted by restrictive covenants in the debt instruments of those entities and applicable laws and regulations including provisions which restrict the payment of dividends based on interim financial results and in the event that carry-on losses have not been fully absorbed. We cannot assure you that these subsidiaries will generate sufficient income to payout dividends and without these dividends, we may be unable to service our debt, including the notes.

The ability of our subsidiaries to pay dividends is subject to Mexican legal requirements, which provide that a corporation may declare and pay dividends only out of the profits reflected in the year-end financial statements that are approved by its stockholders. In addition, such payment can be approved by a subsidiary's stockholders, only after the creation of a required legal reserve and satisfaction of losses, if any, incurred by such subsidiary in previous fiscal years. Therefore, our cash flows could be affected if we do not receive dividends or other payments from our subsidiaries.

Certain of our subsidiaries are not guarantors.

The guarantors of the notes do not include all of our subsidiaries. However, our financial information is presented on a consolidated basis. As of June 30, 2007, our non-guarantor subsidiaries accounted for approximately 14.9% of our net sales and 18.6% of our EBITDA. As of June 30, 2007, our non-guarantor subsidiaries had approximately Ps.101.1 million (U.S.$9.4 million) of indebtedness (all of

which was secured indebtedness). Any right that we or the subsidiary guarantors have to receive assets of any of the non-guarantor subsidiaries upon the liquidation or reorganization of those subsidiaries, and the consequent rights of holders of notes to realize proceeds from the sale of any of those subsidiaries' assets, will be effectively subordinated to the claims of any such subsidiaries' creditors, including holders of debt of that subsidiary. In addition, payments to us by our subsidiaries may be subject to local restrictions on repatriation of earnings or currency exchange.

Risks Relating to the Collateral

The value of the Collateral securing the notes may not be sufficient to satisfy our obligations under the notes.

The notes will be secured by first-priority liens on the Collateral (as defined under "Description of Notes—Security"), some of which will be in place at the closing of this offering and some of which will be created and perfected after the closing of this offering. Regardless of whether any additional Collateral is added after the closing, the notes will share a security interest in the Collateral *pro rata* with other senior secured indebtedness consisting of certain credit facilities in an aggregate amount not to exceed $20.0 million and certain working capital facilities, together with certain trade payables, in an aggregate amount not to exceed $10.0 million. In the event of a foreclosure on the Collateral, we would be required to pay certain fees and other amounts prior to distribution of any amount in respect of the notes and the other obligations secured by the Collateral, which amounts would then be shared on a *pro rata* basis among the notes and such other secured obligations. In addition, certain other permitted liens may exist on the Collateral which may have priority over the liens securing the notes. We can provide no assurance as to the amount that would be distributed in respect of the notes upon any foreclosure or otherwise, or that the proceeds from the sale of the Collateral would be sufficient to satisfy our obligations under the notes.

The value of the Collateral and any amount to be received at foreclosure will depend upon many factors including, among others, the condition of the Collateral, changes in our industry, the ability to sell the Collateral in an orderly sale, the availability of buyers, the flexibility given by the Mexican courts to sell the Collateral, our ability to create and perfect first-priority liens on our existing and future real estate or other existing and future Collateral after the closing of this offering, the condition of the Mexican and U.S. economies and exchange rates. No appraisal of any of the Collateral has been prepared by us or on our behalf in connection with the offering and sale of the notes or is expected to be prepared while the notes are outstanding. Given our competitive position in the Mexican market, there may not be any buyer willing and able to purchase a significant portion of our assets in the event of foreclosure. In addition, since we are not pledging all of our assets, it may not be possible to sell our business as a going concern upon foreclosure. The Collateral consists of a substantial majority, but not all, of our tangible assets (including permits necessary to conduct our business); in particular, certain of our transportation and other equipment and our accounts receivable do not form part of the Collateral. In light of the fact that the Collateral is closely related to assets that are not pledged as Collateral, the ability of the Collateral Agent to sell the Collateral as a going concern may be limited. Each of these factors could reduce the likelihood of a foreclosure as well as reduce the amount of any proceeds in the event of foreclosure and thus cash available to holders of the notes.

We have significant obligations after the closing of this offering related to the creation and perfection of liens on our assets for the benefit of the notes.

We have agreed to create and perfect non-possessory pledges on all of our and the subsidiary guarantors' inventories and transportation and other equipment within 120 days after the closing of this offering. We have also agreed to create mortgages on all of our and the subsidiary guarantors' real

property within 120 days after the closing of this offering and to use our reasonable best efforts to perfect such mortgages within such 120-day period. In order to be perfected and enforceable against third parties, the non-possessory pledges on inventories and transportation and other equipment in Mexico will require registration in the public registry of commerce in Mexico located in the domicile of the pledgor and the mortgages on real property will require registration in the public registry of property in Mexico where the real property is located.

If we fail to satisfy any or all of these obligations, the interest rate on the notes will increase by 0.50% as described under "Description of Notes—Security—Interest Rate Adjustment." However, our failure to create or perfect liens on any of these assets could substantially diminish the value of the Collateral that would have been available had we created and perfected those liens within the 120-day period.

Impediments exist to any foreclosure on the Collateral, which may adversely affect the proceeds of any foreclosure.

Almost all of the documents that create liens on the Collateral for the benefit of the notes, which we refer to as the "Collateral Documents," will be governed by the laws of Mexico, and almost all of the Collateral is located in Mexico. Any foreclosure would therefore be required to comply with Mexican legal and procedural requirements, which require that foreclosure only be permitted upon receipt of a judicial order, and differ substantially from those in the United States. In particular, Mexican law does not allow for self-executing mechanisms or expedited foreclosure proceedings with respect to these types of liens. Any proceeding against the Collateral in Mexico would be required to be initiated in a Mexican court, and could involve significant delays. A Mexican court is likely to require a judgment regarding the existence of an event of default under the Indenture from a U.S. court prior to any foreclosure. We may also have available to us defenses under Mexican law not available under U.S. law to any foreclosure proceeding. In addition, foreclosure proceedings would need to be brought under U.S. law with respect to certain of the Collateral. These delays could result in a deterioration of the Collateral and a decrease in the value that would otherwise be realizable upon foreclosure. During this period, the cash proceeds from any sales of assets that we are not required to hold in a segregated account with the Collateral Agent, if any, may become commingled with our other cash assets and therefore not be identifiable.

Although we have agreed as described herein to file non-possessory pledge agreements and mortgages that create liens in respect of the Collateral in Mexico and to cause perfection of such liens within 120 days after the closing of this offering, there can be no assurance that the registration of such liens will be properly or timely made. In particular, mortgages on real property will be perfected and enforceable against third parties only after the mortgages are registered in the applicable public registries of property and non-possessory pledges will require registration in the applicable public registries of commerce. The time periods for registration vary between public registries, and we can provide no assurance as to our ability to perfect first-priority security interests on our and the subsidiary guarantors' real property, inventories, or transportation and other equipment. In the absence of such registration, the liens on such Collateral in Mexico would not be enforceable against third parties.

Third parties' rights may affect the ability of the Collateral Agent to foreclose on the Collateral and the priority of the notes with respect to the Collateral.

Third parties may have rights and be entitled to remedies that diminish the ability of the Collateral Agent to foreclose upon the Collateral or that affect the priority of the notes with respect to the Collateral. Under Mexican law, amounts owed to employees or, with some limited exceptions, to tax authorities, must be paid by a debtor prior to the satisfaction of any other claims, including secured claims. In addition, under the terms of the notes, certain third-party liens in the Collateral may be senior

to the liens securing the notes. See "Description of Notes—Certain Definitions—Collateral Permitted Liens." Furthermore, certain of our real property, which has an immaterial aggregate book value, has certain title defects which may affect the ability of the Collateral Agent to foreclose on such real property.

Pursuant to the by-laws of certain of our subsidiary guarantors, any shares of Capital Stock of such subsidiary guarantors pledged by us as part of the Collateral will be subject to restrictions on transfer. In particular, before the shares of Capital Stock of such subsidiary guarantors that we own can be foreclosed on and sold, the Collateral Agent would first be required to offer to the other shareholders of such subsidiary guarantors the right to purchase those shares of Capital Stock at a price set by the Collateral Agent. If the other shareholders of such subsidiary guarantors choose to not purchase those shares of Capital Stock within a period of approximately 30 days after the Collateral Agent first gives notice of its intent to foreclose upon and sell the shares of Capital Stock, the Collateral Agent would then be able to foreclose and sell the shares of Capital Stock of such subsidiary guarantors we own on the same terms and conditions on which it offered the shares of Capital Stock to the other shareholders of such subsidiary guarantors. In addition, foreclosure of such shares of Capital Stock may require the approval of the Mexican Federal Competition Commission, the U.S. Federal Trade Commission, the U.S. Department of Justice, the Surface Transportation Board (the "STB") or other regulatory authorities in Mexico or the U.S.

The rights and remedies to which third parties are entitled may limit the ability of the Collateral Agent to foreclose on the Collateral or may otherwise reduce the proceeds available to satisfy our obligations under the notes. We are unaware of any material liens on any of the Collateral as of the date of issuance of the notes (including Collateral with respect to which we have agreed to create liens after the date of issuance of the notes).

A bankruptcy may limit the ability of the Collateral Agent to realize value from the Collateral.

The right of the Collateral Agent to foreclose on the Collateral upon the occurrence of an event of default under the Indenture is likely to be significantly impaired by applicable bankruptcy law if a bankruptcy proceeding were to be commenced by or against us before the Collateral Agent could foreclose on the Collateral.

Under Mexican bankruptcy law, or the *Ley de Concursos Mercantiles*, the Collateral Agent may be prevented from foreclosing or selling all or any part of the Collateral prior to our liquidation. A proceeding under Mexican bankruptcy law is divided into stages: an initial mediation stage and a second bankruptcy stage. The initial stage cannot last more than one year, and during this stage, a mediator (*conciliador*) is to be appointed within five days of the initial court ruling initiating a *concurso mercantil*. The mediator has certain powers to protect the enterprise as a going concern and initiate bankruptcy proceedings. During the second bankruptcy stage, a receiver (*síndico*) is appointed to proceed with the sale of assets. The receiver has additional powers to protect the enterprise. Neither the mediator nor the receiver, however, is specifically required to protect the rights of secured creditors. No proceeds would be distributed in respect of the notes prior to this sale of assets, and any amounts owed to our employees would be paid prior to the distribution of any amounts in respect of the notes. Generally, claims for taxes would also rank senior to the notes, other than with respect to certain portions of the Collateral to the extent perfected and recorded prior to notification of a federal tax claim.

In addition, significant uncertainties are inherent in a Mexican bankruptcy proceeding that may result in further delays that could adversely impact the value of the Collateral. The Ley de Concursos Mercantiles was enacted in 2000, and only a few companies have completed a *concurso mercantil* under the amended law. There have been a limited number of final judicial decisions under this law relating to critical bankruptcy issues such as the relative treatment and priority of debts, criteria for recognition of

claims, the filing of the petition for reorganization, the role of the creditors in overseeing business operations during insolvency proceedings, criteria for court approval of a reorganization plan and the effect of the process on subsidiaries. Creditors' rights in a bankruptcy proceeding are therefore not well-established in Mexico, and this may result in substantial delays beyond those contemplated by the Ley de Concursos Mercantiles as well as the inability of the mediator and the receiver to exercise the remedies and powers granted to them. Delays in proceedings, the inadequacy of available remedies and the inability of the mediator or receiver to exercise available remedies could result in a substantial deterioration of the Collateral during the pendency of any such proceeding.

Similar and additional factors may limit the ability of the Collateral Agent to realize value from the Collateral under applicable U.S. federal bankruptcy law.

The value of the Collateral may decrease because of obsolescence, impairment or certain casualty events.

We can provide no assurances that the value of the Collateral will not be adversely affected by obsolescence, changes in the technology in our industry, other changes in equipment or certain casualty events. The Collateral Documents may not require us to improve the Collateral. Although we will be obligated under the Collateral Documents to maintain insurance with respect to the Collateral, we can provide no assurances that the proceeds of such insurance will be sufficient to repurchase adequate replacement Collateral or will equal the fair market value of the damaged Collateral. Our insurance policies also do not cover all events that may result in damage to the Collateral. Additionally, we may not be required under the Collateral Documents to purchase any title insurance insuring the Collateral Agent's lien on the Collateral. A loss arising from a title defect with respect to the Collateral may adversely affect the value of the Collateral.

USE OF PROCEEDS

We estimate that we will receive approximately U.S.$145 million, after deducting discounts to the initial purchaser and estimated fees and expenses payable by us.

We intend to use the net proceeds from this offering to repay the portion of our long-term indebtedness represented by a secured bank credit facility with Banco Mercantil del Norte, S.A., Institución de Banca Múltiple, Grupo Financiero Banorte ("Banorte"), in the amount of $119,630,031, which accrues interest at specified spreads that range from 1.30% to 2.10% over TIIE (*Tasa de Interés Interbancaria de Equilibrio*), matures in 2013 and was incurred to finance the acquisition of Transportes del Norte, as well as to repay the entire principal amount outstanding under a credit facility with Credit Suisse International, in the amount of $20,259,312, which accrues interests at a rate of 4.5% over TIIE, was entered into February 2007, and matures in 2010, and which was used to refinance a portion of the secured bank credit facility entered into in connection with the acquisition of Transportes del Norte. We intend to use any remaining proceeds to repay other outstanding indebtedness. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources." Amounts stated in U.S. dollars as of June 30, 2007 have been translated at a rate of Ps.10.7901 = U.S.$1.00, which is the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on June 29, 2007.

CAPITALIZATION

The following table sets forth our consolidated capitalization under Mexican Financial Reporting Standards as of June 30, 2007 and as adjusted to give pro forma effect to this offering and the application of the net proceeds as described in "Use of Proceeds." Since June 30, 2007, there has been no material change to our capitalization, except as otherwise disclosed herein. Information in the following table is presented in constant pesos as of June 30, 2007. Since the information in the following table is presented in constant pesos as of June 30, 2007, it is not directly comparable to the financial information included elsewhere in this offering circular, which, unless otherwise indicated, is presented in constant pesos as of December 31, 2006.

	As of June 30, 2007			
	Actual		As adjusted for this offering	
	(thousands of pesos)	(thousands of U.S. dollars) (1)	(thousands of pesos)	(thousands of U.S. dollars) (1)
Cash and cash equivalents	Ps. 122,721	U.S.$ 11,374	Ps. 122,721	U.S.$ 11,374
Debt:				
Short-term debt	120,800	11,195	120,800	11,195
Current portion of long-term debt	189,813	17,591	189,813	17,591
Other long-term debt	711,377	65,929	659,146	61,088
Banorte loan (2)	1,293,733	119,900	-	-
Credit Suisse loan (3)	218,600	20,259	-	-
2015 Senior Notes	-	-	1,618,515	150,000
Total debt	2,534,323	234,874	2,588,274	239,874
Stockholders' equity:				
Majority stockholders' equity	1,309,524	121,363	1,309,524	121,363
Minority interest	122,547	11,357	122,547	11,357
Total stockholders' equity	1,432,071	132,721	1,432,071	132,720
Total capitalization (total debt and stockholders' equity)	Ps. 3,	U.S.$ 367,596	Ps. 4,020,345	U.S.$ 372,594

(1) Solely for purposes of preparing calculations for this table, the translation from peso amounts to U.S. dollar amounts has been performed at an exchange rate of Ps.10.7901 to U.S.$1.00, the noon buying rate published by the Federal Reserve Bank of New York, expressed in pesos per U.S. dollar, on June 29, 2007.

(2) Loan entered into with Banorte in December 2004. See "Use of Proceeds."

(3) Loan entered into with Credit Suisse International in February 2007. See "Use of Proceeds."

EXCHANGE RATES

Mexico has had a free market for foreign exchange since 1991. In December 1994, Banco de Mexico implemented a floating foreign exchange rate regime under which the Mexican peso is allowed to float freely against the U.S. dollar and other currencies. Banco de Mexico will intervene directly in the foreign exchange market only to reduce what it deems to be excessive short-term volatility. Banco de Mexico conducts open market operations on a regular basis to determine the size of Mexico's monetary base. Changes in Mexico's monetary base have an impact on the exchange rate. In addition, Banco de Mexico uses its ability to increase or decrease reserve requirements of financial institutions to effect monetary policy. If the reserve requirement is increased, financial institutions will be required to allocate more funds to their reserves, causing the amount of available funds in the market to decrease and interest rates to increase. The opposite happens if reserve requirements are lowered. Through this mechanism, Banco de Mexico can impact both interest rates and foreign exchange rates.

There can be no assurance that the Mexican government will maintain its current policies with respect to the Mexican peso or that the Mexican peso will not depreciate significantly in the future. In the event of shortages of foreign currency, there can be no assurance that foreign currency would continue to be available to private-sector companies or that foreign currency needed by us to service foreign currency obligations would continue to be available without substantial additional cost.

The following table sets forth, for the periods indicated, the period-end, average, high and low, noon buying rate in New York City for cable transfers in Mexican pesos published by the Federal Reserve Bank of New York, expressed in Mexican pesos per U.S. dollar. The rates have not been restated in constant currency units.

	Exchange Rate			
Year Ended December 31,	Period End	Average (1)	High	Low
2001	9.16	9.33	9.97	8.95
2002	10.43	9.75	10.46	9.00
2003	11.24	10.85	11.41	10.11
2004	11.15	11.31	11.63	10.80
2005	10.63	10.87	11.41	10.41
2006	10.80	10.90	11.46	10.43

(1) Average of exchange rates on the last day of each month.

	Exchange Rate	
	High	Low
2007		
January	11.09	10.77
February	11.16	10.92
March	11.18	11.01
April	11.03	10.92
May	10.93	10.74
June	10.98	10.71
July	11.01	10.81
August	11.26	10.92
September (through September 21)	11.14	10.94

On September 21, 2007, the Federal Reserve Bank of New York noon buying rate was Ps. 10.94 to U.S.$1.00.

SELECTED CONSOLIDATED FINANCIAL DATA

The following tables present our selected consolidated financial and other data as of and for the periods indicated. These tables should be read in conjunction with the financial statements and notes thereto included elsewhere in this offering circular and are qualified in their entirety by the information contained therein. See "Presentation of Financial and Other Information."

The financial information in this offering circular has been prepared in accordance with Mexican Financial Reporting Standards, which differ in certain respects from U.S. GAAP. See "Differences Between Mexican Financial Reporting Standards and U.S. GAAP" for a description of certain principal differences between Mexican Financial Reporting Standards and U.S. GAAP as they relate to us.

Our consolidated financial statements as of December 31, 2006 and 2005 and for each of the three years ended December 31, 2006, 2005 and 2004 have been audited by Galaz, Yamazaki, Ruiz Urquiza, S.C., member of Deloitte Touche Tohmatsu, independent auditors, as stated in their report appearing herein. The combined and consolidated financial statements as of December 31, 2005 and 2004 and for the years ended December 31, 2005 and 2004 of Servicio Industrial Regiomontano, S.A. de C.V., its subsidiaries and certain other subsidiaries, which together comprise our personnel transport services business segment, are not presented separately herein and were audited by KPMG Cárdenas Dosal, S.C., independent auditors, with 2005 being the last year KPMG Cárdenas Dosal, S.C. audited such companies.

Our unaudited condensed consolidated financial statements for the six-month periods ended June 30, 2007 and 2006 are included in this offering circular. See "Presentation of Financial and Other Information—Financial Information."

Pursuant to Mexican Financial Reporting Standards, except for information as of and for the six-month periods ended June 30, 2007 and 2006 or as otherwise indicated, financial data for all periods included in this offering circular have been restated in constant pesos (having the same purchasing power for each period indicated taking into account inflation) as of December 31, 2006. Financial data for the six-month periods ended June 30, 2007 and 2006 herein are restated in constant pesos as of June 30, 2007, and therefore are not comparable to financial information restated in constant pesos as of December 31, 2006. According to Banco de Mexico, the difference in the purchasing power of the peso at December 31, 2006, as compared to the purchasing power of the peso at June 30, 2007 was 0.58%, which we do not consider to be material or to materially affect financial results as presented herein.

We acquired Transportes del Norte in October 2004. Transportes del Norte is included in our audited consolidated financial statements as from October 2004 as a consolidated entity but it is not included prior to this date. As a result, our consolidated financial information for the three years ended December 31, 2006 is not directly comparable with prior periods.

Income Statement Data	Year ended December 31,					
	2006	2006	2005	2004	2003	2002 (2)
	(in thousands of U.S. dollars) (1)	(in thousands of constant pesos as of December 31, 2006)				
Operating revenues: (3)						
Passenger transport services	U.S.$ 210,099	Ps. 2,268,958	Ps. 2,071,159	Ps. 1,322,308	Ps. 1,161,705	
Personnel transport services	48,547	524,286	444,779	390,529	361,120	
Total operating revenues	258,646	2,793,244	2,515,938	1,712,838	1,522,826	Ps. 1,507,479
Operating expenses:						
Transportation costs	116,420	1,257,285	1,030,170	699,015	614,496	617,771
Fuel costs	38,735	418,314	339,807	209,044	167,971	157,078
Selling, general and administrative expenses	50,846	549,112	570,940	331,003	267,896	277,594
Depreciation and amortization	29,450	318,039	264,139	198,474	173,615	131,347
Total operating expenses	235,451	2,542,750	2,205056	1,437,536	1,223,978	1,183,790
Operating income: (3)						
Passenger transport services	16,442	177,566	245,239	233,830	236,340	
Personnel transport services	6,753	72,928	65,643	41,471	62,508	
Total operating income	23,195	250,494	310,882	275,301	298,848	323,688
Integral financing cost:						
Interest expense	24,951	269,455	287,290	48,791	29,048	27,749
Interest income	(375)	(4,051)	(9,088)	(8,517)	(7,141)	(8,101)
Foreign exchange loss (gain), net	274	2,964	2,129	(1,060)	(241)	(2,798)
Gain from monetary position	(8,445)	(91,206)	(71,463)	(10,198)	(7,986)	(7,769)
	16,405	177,162	208,868	29,016	13,681	9,081
Other expenses, net	5,689	61,435	54,649	125,300	142,675	103,624
Equity in earnings (losses) of associated companies	125	1,349	(754)	4,637	3,621	(3,769)
Income tax, tax on assets and employee profit sharing expense (benefit)	(1,922)	(20,760)	(20,895)	46,998	74,736	82,389
Consolidated net income	U.S.$ 3,148	Ps. 34,006	Ps. 67,506	Ps. 78,624	Ps. 71,377	Ps. 124,824

(1) Amounts stated in U.S. dollars as of and for the year ended December 31, 2006 have been translated at a rate of Ps.10.7995 = U.S.$1.00, which is the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on December 30, 2006.
(2) Certain sub-line items are not available for the year ended December 31, 2002.
(3) Operating revenues and operating income are presented for each of our segments: passenger transport services (including package delivery services) and personnel transport services.

	Year ended December 31,					
	2006	2006	2005	2004	2003	2002
Balance Sheet Data	(in thousands of U.S. dollars) (1)	(in thousands of constant pesos as of December 31, 2006)				
Cash and cash equivalents	U.S.$ 8,741	Ps. 94,398	Ps. 96,716	Ps. 113,518	Ps. 75,804	Ps. 97,228
Total current assets	32,641	352,499	365,099	293,933	211,731	237,199
Fixed and other assets	214,920	2,321,028	2,107,533	1,884,957	1,322,188	1,296,035
Investment in shares	26,598	287,250	285,535	292,058	151,393	157,435
Goodwill and intangible assets	131,640	1,421,641	1,399,718	1,399,718	25,517	0
Total assets	**405,799**	**4,382,418**	**4,157,885**	**3,870,666**	**1,710,828**	**1,690,669**
Short-term debt (2)	14,890	160,800	201,994	109,674	28,252	91,004
Current portion of long-term debt	22,841	246,668	171,156	52,647	54,809	50,610
Long-term debt	190,784	2,060,369	1,929,060	2,073,934	190,035	208,996
Total debt	**228,515**	**2,467,837**	**2,302,210**	**2,236,255**	**273,095**	**350,610**
Other liabilities (3)	50,659	547,090	577,096	422,686	307,563	276,404
Total liabilities	**279,174**	**3,014,927**	**2,879,306**	**2,658,941**	**580,658**	**627,014**
Capital stock	8,099	87,466	8,685	3,061	2,813	2,813
Retained earnings	140,955	1,522,249	1,487,832	1,436,070	1,369,877	1,308,433
Other capital accounts	(22,429)	(242,224)	(217,938)	(227,405)	(242,520)	(247,592)
Total stockholders' equity	**U.S. $126,625**	**Ps. 1,367,491**	**Ps. 1,278,579**	**Ps. 1,211,726**	**Ps. 1,130,169**	**Ps. 1,063,654**

	Year ended December 31,					
Financial Data and Ratios	2006	2006	2005	2004	2003	2002
	(in thousands of U.S. dollars) (1)	(in thousands of constant pesos as of December 31, 2006, except ratios and per share data)				
EBITDA (4)	U.S.$ 52,644	Ps. 568,533	Ps. 575,021	Ps. 473,776	Ps. 472,464	Ps. 455,034
Debt to EBITDA ratio (5)	4.34	4.34	4.00	4.72	0.58	0.77
Capital Expenditures	40,664	439,146	390,728	349,350	175,587	235,984

	Year ended December 31,				
Operating Data	2006	2005	2004	2003	2002
Total bus km (thousands)	293,661	243,623	154,008	120,594	114,135
Total vehicle fleet	2,189	1,969	1,784	1,234	1,160
Passenger transport bus fleet	1,107	1,042	877	469	490
Personnel transport bus fleet	1,009	859	812	685	580
Package delivery vehicle fleet	73	68	95	80	90
Km per bus (thousands) (6)	139	128	91	105	107
Cost per km (7)	Ps. 8.66	Ps. 9.11	Ps. 9.45	Ps.10.32	Ps.10.57
Revenue per km (8)	Ps. 9.51	Ps.10.33	Ps.11.12	Ps.12.63	Ps.13.21
Yield (total revenues per vehicle) (thousands) (9)	Ps. 1,276	Ps. 1,278	Ps. 960	Ps. 1,234	Ps. 1,299

(1) Amounts stated in U.S. dollars as of and for the year ended December 31, 2006 have been translated at a rate of Ps.10.7995 = U.S.$1.00, which is the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on December 30, 2006.
(2) Consists of bank loans.
(3) Consists of accounts payable, accrued expenses, employee retirement obligations and deferred taxes.
(4) Earnings before interest, taxes and depreciation and amortization ("EBITDA") is not a financial measure computed under Mexican Financial Reporting Standards. EBITDA derived from our Mexican Financial Reporting Standards financial information means consolidated net income excluding (i) depreciation and amortization, (ii) integral financing cost (which is comprised of net interest expense, foreign exchange gain or loss and monetary position gain or loss), (iii) other expenses, net, (iv) income and asset tax expense (benefit) and additional employee compensation that is equivalent to statutory employee profit-sharing compensation or "PTU", and (v) equity in earnings of associated companies.

We believe that EBITDA can be useful to facilitate comparisons of operating performance between periods and with other companies because it excludes the effect of (i) depreciation and amortization, which represents a non-cash charge to earnings, (ii) certain financing costs, which are significantly affected by external factors, including interest rates, foreign currency exchange rates, and inflation rates, which have little or no bearing on our operating performance, (iii) income and asset tax expense (benefit), and (iv) employee compensation amounts equivalent to PTU. EBITDA is also a useful basis of comparing our results with those of other companies because it presents operating results on a basis unaffected by capital structure. You should review EBITDA along with consolidated net income and resources generated from (used in) operating activities, investing activities and financing activities, when trying to understand our operating performance. While EBITDA may provide a useful basis for comparison, our computation of EBITDA is not necessarily comparable to EBITDA as reported by other companies, as each is calculated in its own way and must be read in conjunction with the explanations that accompany it. While EBITDA is a relevant measure of operating performance, it does not represent resources generated from (used in) operating activities in accordance with Mexican Financial Reporting Standards and should not be considered as an alternative to net income, determined in accordance with Mexican Financial Reporting Standards, as an indication of our financial performance, or to resources generated from operating activities, determined in accordance with Mexican Financial Reporting Standards, as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs.
(5) Represents total debt divided by EBITDA.
(6) Represents our total bus kilometers divided by our bus fleet (excluding package delivery vehicles) at year end.
(7) Represents our total operating expenses divided by total bus kilometers.
(8) Represents our total operating revenues divided by total bus kilometers.
(9) Represents our total operating revenues divided by our total number of vehicles at year-end.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the financial statements and notes thereto included elsewhere in this offering circular.

The financial information in this offering circular has been prepared in constant pesos in accordance with Mexican Financial Reporting Standards, which differ in certain respects from U.S. GAAP. See "Differences Between Mexican Financial Reporting Standards and U.S. GAAP" for a description of certain principal differences between Mexican Financial Reporting Standards and U.S. GAAP as they relate to us. Our financial statements have not been reconciled to U.S. GAAP for the purposes of this offering circular. Any such reconciliation would likely result in material differences. See "Presentation of Financial and Other Information."

Mexican Financial Reporting Standards requires that the financial statements recognize certain effects of inflation. In particular:

- nonmonetary assets (excluding plant, property and equipment of non-Mexican origin) and stockholders' equity are restated for inflation based on the Mexican National Consumer Price Index;
- plant, property and equipment of non-Mexican origin are restated based on the rate of inflation in the country of origin and converted into Mexican pesos using the prevailing exchange rate at the balance sheet date;
- gains and losses in purchasing power from holding monetary assets and liabilities are recognized in income; and
- all financial statements are restated in constant pesos as of the most recent balance sheet date included in those financial statements.

Pursuant to Mexican Financial Reporting Standards, except for information as of and for the six-month periods ended June 30, 2007 and 2006 or as otherwise indicated, financial data for all periods included in this offering circular have been restated in constant pesos (having the same purchasing power for each period indicated taking into account inflation) as of December 31, 2006. For a discussion of our financial results for the six-month periods ended June 30, 2007 and 2006, see Exhibit I.

Overview

Seasonality

The Mexican bus transportation industry is seasonal in nature and generally follows the pattern of the travel industry as a whole, with peaks during the summer months of July and August, the Easter season in March or April, local and national Mexican holidays, and the Christmas and New Year's holiday periods. As a result, our operating cash flows are seasonal with a disproportionate amount of our annual operating cash flows being generated during the peak travel periods. The day of the week on which certain holidays occur, the length of certain holiday periods, and the date on which certain holidays occur within the fiscal quarter, may also affect our quarterly results of operations and the comparison of our quarterly results. See "Risk Factors—Risks Related to Our Business—Our business is subject to seasonal fluctuations, which makes our revenues and results of operations vary from season to season."

Mergers and Acquisitions

A significant part of our growth has been conducted through the mergers and acquisitions of existing businesses and related assets. See "Our Business—Recent Acquisitions." These transactions impact in various ways our financial condition and results of operations, including through the incurrence of debt to finance the acquisitions and the increased level of goodwill resulting from these transactions. In addition, the consolidation of the acquired companies affects the comparability of our results between periods since the companies are consolidated at differing points in time as indicated below:

- Turimex del Norte, S.A. de C.V. and its subsidiaries, together Turimex Internacional (as of January 2006);
- Autobuses Adventur, S.A. de C.V. (as of January 2006);
- Desarrollo de Transportes Monterrey, S.A. de C.V. (as of January 2006);
- Transportes del Norte Mexico-Laredo y Anexas, Servicio Internacional, S.A. de C.V., or Transportes del Norte (as of October 2004);
- Traslados Méndez y Asociados, S.A. de C.V., or Traslados Mendez (as of June 2004);
- Transportes Rodriguez de Saltillo, S.A. de C.V., or Transportes Rodriguez (as of February 2004); and
- Rutas de Saltillo, S.A. de C.V. (as of May 2003).

Critical Accounting Policies and Practices

The preparation of our financial statements requires that we make estimates and assumptions that affect (i) the reported amounts of our assets and liabilities and (ii) the reported amounts of revenues and expenses during the reporting period. We base our estimates and judgments on our historical experience and on various other reasonable factors, which together form the basis for making judgments about the carrying values of our assets and liabilities. Our actual results may differ from these estimates under different assumptions or conditions. We evaluate our estimates and judgments on an ongoing basis. Our significant accounting policies are described in Note 2 to our Financial Statements. We believe our most critical accounting policies that require the application of estimates and judgments are as follows:

Employee Retirement Obligations

Our employee retirement obligations include seniority premiums and severance indemnities at the end of the work relationship. The determination of our obligations and expenses is dependent on our selection of certain assumptions used by actuaries in calculating such amounts. We evaluate our assumptions at least annually. Those assumptions are described in Note 11 to our Financial Statements and include the discount rate and rate of increase in compensation costs. Our assumptions depend on Mexico's economic circumstances.

In accordance with Mexican Financial Reporting Standards, actual results that differ from our assumptions (actuarial gains or losses) are accumulated and amortized over future periods and, therefore, generally affect our recognized expenses and recorded obligations in these future periods. While we believe that our assumptions are reasonable, significant differences in our actual experience or significant

changes in our assumptions may materially affect our employee retirement obligations and our future expense.

Property and Equipment

Property and equipment are depreciated over their useful lives. The estimated useful lives represent the period we expect the assets to remain in service and to generate revenues. We base our estimates on the experience of our technical personnel. The estimated useful life of our transportation equipment is between eight and 12 years. While we believe that these estimates are reasonable given our operating history, actual results may differ as a result of various technological factors, as well as adverse road conditions and other environmental factors.

Impairment of Intangible Assets, Goodwill and Long-Lived Assets

We continually review the carrying value of our intangible assets, goodwill and long-lived assets for accuracy. We perform our annual impairment test on December 31. We also review for impairment whenever events or changes in circumstances indicate that the carrying value amount of an asset may not be recoverable based on our projections of anticipated future cash flows. While we believe that our estimates of future cash flows are reasonable, different assumptions regarding such cash flows could materially affect our evaluations. Our evaluations throughout the year and up to the date of this offering circular did not lead to any significant impairment of intangible assets or long-lived assets as disclosed in Note 9 of our Financial Statements. We can give no assurance that our expectations will not change as a result of new information or developments. However, changes in economic or political conditions in Mexico may cause us to change our current assessment.

Results of Operations

Overview

Our total operating revenues are derived from two segments: passenger transport services and personnel transport services.

Operating revenues from passenger transport services are comprised of revenues from ticket sales to the general public for scheduled, intercity bus routes, intercity charter services and package delivery services. In this segment, the primary factors affecting our revenues are (i) operating volume (the total distance traveled by our buses measured in kilometers) and (ii) the number of passengers that ride our buses, together with the average price of our bus tickets (which we measure in terms of revenue per kilometer).

Operating revenues from personnel transport services are comprised of revenues from bus services provided to businesses and educational institutions, as well as the leasing of buses for intracity charter service. In this segment, the primary factors affecting our revenues are (i) operating volume (the total distance traveled by our buses measured in kilometers) and (ii) the terms of our customer contracts, such as the number of routes per day and the tariff per ride (which we also measure in terms of revenue per kilometer).

Operating volume on a consolidated basis increased by 20.5% from 2005 to 2006 and by 58.2% from 2004 to 2005. Operating volume in our passenger transport services segment increased by 20.2% from 2005 to 2006 and by 77.0% from 2004 to 2005. Operating volume in our personnel transport services segment increased by 21.4% from 2005 to 2006 and by 14.6% from 2004 to 2005.

Revenue per kilometer on a consolidated basis decreased by 7.9% from 2005 to 2006 and by 7.1% from 2004 to 2005. Revenue per kilometer in our passenger transport services segment decreased by 8.9% from 2005 to 2006 and by 11.5% from 2004 to 2005. Revenue per kilometer in our personnel transport services segment decreased by 2.9% from 2005 to 2006 and by less than 1.0% from 2004 to 2005.

Total operating expenses include transportation costs, fuel costs, selling, general and administrative expenses as well as depreciation and amortization. The primary factors affecting our operating costs are operating volume and the age and efficiency of our assets. We measure the efficiency of our assets in terms of operating yield, which is presented as revenues per bus.

As a result of the acquisition of Transportes del Norte, our revenues and costs were affected by various factors. As a general matter, the average length of the routes of Transportes del Norte is longer than that of our historical routes. Also, the Transportes del Norte routes are located in central Mexico where toll roads are more prevalent than in our historical coverage area of northeastern Mexico. These changes had the following effects:

- Longer routes tend to result in higher ticket prices and more kilometers per bus than shorter routes during a given period of time.

- Our buses tend to carry fewer passengers on longer routes as compared to shorter routes.

- Longer routes result in higher variable costs such as fuel and employee compensation because these routes cover more kilometers and require two operators per bus. The particular routes of Transportes del Norte also require greater toll payments because they generally travel on toll roads.

- Longer routes permit us to achieve economies of scale with respect to administrative expenses, marketing and sales expenses, maintenance and depreciation.

Overall, the impact of higher ticket prices and operating volume described above, which is partially offset by a lower number of passengers, results in a higher operating yield in terms of revenues per bus. Also, the benefits of economies of scale tend to more than offset the increase in variable costs, resulting in a reduction in cost per kilometer. As a result of the integration of Transportes del Norte, we have adapted our strategy to focus on achieving optimal operating yields, growing passenger and operating volume and exploring additional business opportunities while focusing on operating efficiencies and reducing costs.

The following table sets forth for the periods indicated operating revenues for each of our segments, consolidated operating expenses and operating income for each of our segments (each expressed as a percentage of total operating revenues), as well as our integral financing cost, other expenses, net, equity in earnings of associated companies, income tax, asset tax and employee profit sharing, and consolidated net income.

	Year ended December 31,					
	2006		2005		2004	
	(thousands of pesos)	(percentage of operating revenues)	(thousands of pesos)	(percentage of operating revenues)	(thousands of pesos)	(percentage of operating revenues)
Operating revenues:						
Passenger transport services(1)	Ps. 2,268,958	81.2%	Ps. 2,071,159	82.3%	Ps. 1,322,308	77.2%
Personnel transport services(2)	524,286	18.8%	444,779	17.7%	390,529	22.8%
Total operating revenues	2,793,244	100.0%	2,515,938	100.0%	1,712,838	100.0%
Operating expenses:						
Transportation costs	1,257,285		1,030,170		699,015	
Fuel costs	418,314		339,807		209,044	
Selling, general and administrative expenses	549,112		570,940		331,003	
Depreciation and amortization	318,039		264,139		198,474	
Total operating expenses	2,542,750	91.0%	2,205,056	87.6%	1,437,536	83.9%
Operating income:						
Passenger transport services(1)	177,566		245,239		233,830	
Personnel transport services(2)	72,928		65,643		41,471	
Total operating income	250,494	9.0%	310,882	12.4%	275,302	16.1%
Integral financing cost:						
Interest expense	269,455		287,290		48,791	
Interest income	(4,051)		(9,088)		(8,517	
Foreign exchange loss (gain), net	2,964		2,129		(1,060	
Gain from monetary position	(91,206		(71,463)		(10,198	
	177,162		208,868		29,016	
Other expenses, net	61,435		54,649		125,300	
Equity in earnings of associated companies	1,349		(754)		4,637	
Income tax, tax on assets and employee profit sharing expense (benefit)	(20,760		(20,895)		46,998	
Consolidated net income	Ps. 34,006		Ps. 67,506		Ps. 78,624	

(1) The passenger transport services segment includes domestic bus transportation services, package delivery services and intercity charter services.
(2) The personnel transport services segment includes industrial personnel and education transportation services and intracity charter services.

Consolidated Results for 2006 Compared to 2005

Overview

The comparison of results between 2006 and 2005 is affected by the acquisition, in January 2006, of Turimex del Norte and its subsidiaries (together "Turimex Internacional") and Autobuses Adventur, S.A. de C.V. in our passenger transport services segment, as well as the acquisition of Desarrollo de Transporte Monterrey, S.A. de C.V. in our personnel transport services segment.

During 2006, Transportes del Norte focused on increasing its market share in a dynamic industry. Therefore investments in increasing the frequency of existing routes and establishing new routes, resulting in an increase in total bus kilometers, were required to successfully accomplish its strategic objectives.

Operating Revenues

Total operating revenues increased by 11.0% from Ps.2,515.9 million in 2005 to Ps.2,793.2 million in 2006, due to an increase in operating volume of approximately 20.5% resulting primarily from the acquisition of Turimex Internacional (27% of the volume increase) and the market expansion of Transportes del Norte (45% of the volume increase) in the passenger transport services segment, and the acquisition of Desarrollos de Transporte Monterrey (15% of the volume increase) in the personnel segment. Of our total operating revenues in 2006, 81.2% was attributable to passenger transportation

services (including 4.7% related to package delivery services) and 18.8% was attributable to personnel transportation services.

Operating Expenses

Total operating expenses increased by 15.3% from Ps.2,205.1 million in 2005 to Ps.2,542.7 million in 2006, primarily due to an increase in our operating volume related to the acquisition of Turimex Internacional, Desarrollos de Transporte Monterrey and the expansion of Transportes del Norte, which resulted in higher transportation, fuel and depreciation expenses.

Transportation costs include driver compensation, maintenance, toll fees, driver travel expenses, insurance and bus operating lease costs. Transportation costs increased by 22.0% from Ps.1,030.2 million in 2005 to Ps.1,257.3 million in 2006, primarily due to increased operating volume related to the acquisition of Turimex Internacional, which is subject to higher labor costs associated with U.S.-based employees. In addition, the increased cost of operating leases entered into at the end of 2005, due to Transportes del Norte's expansion and additional contracted services in the personnel transportation segment, accounted for approximately 19% of the increase.

Fuel costs increased by 23.1% from Ps.339.8 million in 2005 to Ps.418.3 million in 2006, due to an increase in our operating volume and the integration into our operations of Turimex Internacional, which purchases part of its fuel in the United States, where fuel prices are generally higher than in Mexico.

Selling, general and administrative expenses decreased by 3.8% from Ps.570.9 million in 2005 to Ps.549.1 million in 2006, primarily due to a reduction in expenses associated with the completion of Transportes del Norte's integration into our operations, which was offset by an increase in expenses associated with the integration into our business of Turimex.

Depreciation and amortization expenses increased by 20.4% from Ps.264.1 million in 2005 to Ps.318.0 million in 2006, primarily due to the increase in our fleet as a result of the integration into our operations of Turimex Internacional and Desarrollo de Transporte Monterrey as well as the market expansion of Transportes del Norte.

Operating Income

As a result of the changes discussed above, total operating income decreased by 19.4% from Ps.310.9 million in 2005 to Ps.250.5 million in 2006. Operating income as a percentage of operating revenues decreased from 12.4% in 2005 to 9.0% in 2006, primarily due to additional costs incurred in connection with the extensive expansion efforts of Transportes del Norte. During the search for and expansion into new markets, revenue per kilometer tends to be lower than normal and typically returns to normal in the short term through route yield management.

Integral Financing Cost

Under Mexican Financial Reporting Standards, integral financing cost reflects interest expense, interest income, foreign exchange gain or loss and gain or loss attributable to the effects of inflation on monetary liabilities and assets. Our integral financing cost decreased by 15.2% from Ps.208.9 million in 2005 to Ps.177.2 million in 2006. This decrease resulted primarily from a decrease in interest expense related to a decline of interest rates in Mexico as well as a gain in monetary position related to the increase in monetary liabilities represented by additional debt incurred to acquire new buses.

Other Expenses, Net

Other expenses, net, includes certain expenses that we are authorized to pay and deduct (subject in certain cases to the payment of a pre-established tax) pursuant to the annual special tax rules applicable to the bus transportation industry. See "—Simplified Tax Regime Applicable to the Mexican Bus Transportation Industry" and "Related Party Transactions." Other expenses, net increased by 12.5% from Ps.54.6 million in 2005 to Ps.61.4 million in 2006, primarily due to our decision to increase the amounts expended with respect to Autobuses Coahuilenses, S.A. de C.V. to take advantage of such special tax rules. See — "Simplified Tax Regime Applicable to the Mexican Bus Transportation Industry."

Income Tax, Asset Tax and Employee Profit Sharing

The statutory Mexican corporate income tax rate was 30% in 2005 and 29% in 2006. In 2006, we recorded an income and asset tax benefit of Ps.(20.8) million, compared to a benefit of Ps.(20.9) million in 2005. This was primarily due to a deferred tax benefit of Ps. (59.5) million that offset an employee profit-sharing provision of Ps.25.6 million and an income tax expense of Ps.13.2 million. The deferred tax benefit in 2006 was the result of our recording of (i) a non-taxable monetary gain related to our increased bank credit facility and (ii) non-taxable revenues net of non-deductible expenses. We did not pay income taxes in 2005 or 2006, although we paid asset taxes of Ps.10.4 million in 2005 and Ps.13.2 million in 2006. For an explanation of the simplified tax regime applicable to us, see "—Simplified Tax Regime Applicable to the Mexican Bus Transportation Industry."

Consolidated Net Income

Due to the reasons mentioned above, our consolidated net income decreased by 49.6% from Ps.67.5 million in 2005 to Ps.34.0 million in 2006.

Consolidated Results for 2005 Compared to 2004

Operating Revenues

Total operating revenues increased by 46.9% from Ps.1,712.8 million in 2004 to Ps.2,515.9 million in 2005, due to an increase in operating volume of approximately 58% resulting from the acquisition of Transportes del Norte. Excluding the effect of the consolidation of Transportes del Norte, our operating revenues would have increased slightly due to a higher volume of package delivery and charter services. Of our total operating revenues in 2005, 82.3% was attributable to passenger transportation services (including 4.6% related to package delivery services) and 17.7% was attributable to personnel transportation services.

Operating Expenses

Total operating expenses increased by 53.4% from Ps.1,437.5 million in 2004 to Ps.2,205.1 million in 2005, primarily due to an increase in our operating volume and additional expenses related to the integration of Transportes del Norte. Excluding the effect of the consolidation of Transportes del Norte, our operating expenses would have increased slightly principally due to a higher volume of package delivery and charter services.

Transportation costs increased by 47.4% from Ps.699.0 million in 2004 to Ps.1,030.2 million in 2005, primarily due to increased operating volume. In addition, due to the acquisition of Transportes del Norte, we paid increased driver compensation, maintenance and tolls. We also undertook additional

repairs and refurbishing of the buses we acquired from Transportes del Norte in order to bring them in line with our standards.

Fuel costs increased by 62.6% from Ps.209.0 million in 2004 to Ps.339.8 million in 2005, primarily due to an increase in our operating volume resulting from the acquisition of Transportes del Norte.

Selling, general and administrative expenses increased by 72.5% from Ps.331.0 million in 2004 to Ps.570.9 million in 2005, primarily due to investment in additional sales infrastructure in new areas of geographic coverage and integration expenses resulting from Transportes del Norte, including greater management expenses related to inspection, supervision and auditing, strategic marketing campaigns to reposition the brand, higher expenses related to training for new employees, and increased severance payments related to personnel turnover in connection with the consolidation of our acquired companies.

Depreciation and amortization expenses increased by 33.1% from Ps.198.5 million in 2004 to Ps.264.1 million in 2005, primarily due to the increase in our fleet as a result of the acquisition of Transportes del Norte.

Operating Income

As a result of the above, total operating income increased by 12.9% from Ps.275.3 million in 2004 to Ps.310.9 million in 2005. Operating income as a percentage of operating revenues decreased from 16.1% in 2004 to 12.4% in 2005, primarily due to additional costs (maintenance, marketing, employee training and severance expenses, in particular) incurred in connection with the acquisition of Transportes del Norte.

Integral Financing Cost

Our integral financing cost increased by more than seven times from Ps.29.0 million in 2004 to Ps.208.9 million in 2005. This increase resulted primarily from a significant increase in interest expense related to the increased borrowings under the bank credit facility in the aggregate principal amount of Ps.1,624.0 million (nominal amount) that we incurred in connection with the acquisition of Transportes del Norte, which was partially offset by a gain from monetary position primarily due to the increase in the monetary liability represented by such bank credit facility.

Other Expenses, Net

Other expenses, net decreased by 56.4% from Ps.125.3 million in 2004 to Ps.54.6 million in 2005, primarily due to our decision to decrease the amounts expended pursuant to such special tax rules in order to offset in part the increase in operating expenses described above.

Income Tax, Asset Tax and Employee Profit Sharing

The statutory Mexican corporate income tax rate was 33% in 2004 and 30% in 2005. In 2005, we recorded an income and asset tax benefit of (Ps.20.9) million, compared to an expense of Ps. 47.0 million in 2004. This was primarily due to a deferred tax benefit in the amount of (Ps.45.1 million), employee profit sharing expense of Ps.13.9 million and asset taxes of Ps.10.4 million in 2005, compared to a deferred tax expense in the amount of Ps.16.1 million, employee profit sharing expense of Ps.19.2 million and asset taxes of Ps.11.7 million in 2004. The deferred tax benefit in 2005 was the result of our recording of (i) a non-taxable monetary gain related to our increased bank credit facility and (ii) non-taxable revenues net of non-deductible expenses. Our effective income tax rate decreased from 26%

in 2004 to (74.6)% in 2005 for the same reasons. We did not pay income taxes in 2004 or 2005, although we did pay asset taxes. For an explanation of the simplified tax regime applicable to us, see "— Simplified Tax Regime Applicable to the Mexican Bus Transportation Industry."

Consolidated Net Income

Our consolidated net income decreased by 14.1% from Ps.78.6 million in 2004 to Ps.67.5 million in 2005, primarily due to higher interest expense related to the bank credit facility incurred in connection with the acquisition of Transportes del Norte.

Results by Segment

We discuss below our operating revenues and operating income by segment for 2006, 2005 and 2004.

Passenger Transport Services for 2006 Compared to 2005

Operating revenues from passenger transport services increased by 9.5% from Ps.2,071.2 million in 2005 to Ps.2,268.9 million in 2006, primarily due to the increase in our operating volume by 20.2%. These increases resulted primarily from our market expansion initiatives related to Transportes del Norte and the integration of Turimex Internacional into our operations.

Operating income from passenger transport services decreased by 27.6% from Ps.245.2 million in 2005 to Ps.177.6 million in 2006, primarily as a result of increased operating expenses associated with the establishment of new routes and increasing the frequency of our existing routes in connection with the strategic expansion initiatives of Transportes del Norte. As mentioned above, when searching for new markets, revenue per kilometer tends to be lower than under normal operating conditions.

Personnel Transport Services for 2006 Compared to 2005

Operating revenues from personnel transport services increased by 17.9% from Ps.444.8 million in 2005 to Ps.524.3 million in 2006, primarily due to an increase in operating volume and in the number of contracts served as regards Desarrollo de Transporte Monterrey, as well as an increase in our operating volume in markets outside the city of Monterrey.

Operating income from personnel transport services increased by 11.1% from Ps.65.6 million in 2005 to Ps.72.9 million in 2006. This gain was primarily due to higher operating volume, partially offset by costs related to the integration of Desarrollo de Transporte Monterrey and an increase in sales and marketing expenses linked to our marketing efforts outside the city of Monterrey.

Passenger Transport Services for 2005 Compared to 2004

Operating revenues from passenger transport services increased by 56.6% from Ps.1,322.3 million in 2004 to Ps.2,071.2 million in 2005, primarily due to the increase in our operating volume by 77.4%. These increases resulted from the acquisition and consolidation of Transportes del Norte. Excluding the effect of the consolidation of Transportes del Norte's operations, our passenger transport service revenues would have increased slightly due to a higher volume of package delivery and charter services.

Operating income from passenger transport services increased by 4.9% from Ps.233.8 million in 2004 to Ps.245.2 million in 2005, primarily as a result of new routes obtained in connection with the acquisition of Transportes del Norte.

Personnel Transport Services for 2005 Compared to 2004

Operating revenues from personnel transport services increased by 13.9% from Ps.390.5 million in 2004 to Ps.444.8 million in 2005, primarily due to an increase in operating volume and the number of contracts served as a result of the complete integration of Transportes Rodriguez and Traslados Mendez, which represented approximately 61% of the increase in revenues. The remainder of the increase was due to higher revenues from our Monterrey operations, which was principally the result of an increase in the number of contracts served, partially offset by a reduction in tariffs.

Operating income from personnel transport services increased by 58.1% from Ps.41.5 million in 2004 to Ps.65.6 million in 2005. This gain was primarily due to higher operating volume, a decrease in maintenance and administration expenses following the integration of Transportes Rodriguez and Traslados Mendez, and an improvement in the operating margin of our operations in Monterrey. Our operating margins in Monterrey improved in 2005 principally due to our cost reduction efforts.

Liquidity and Capital Resources

Capital Requirements

Our principal capital requirements are for capital expenditures, including acquisitions of other companies, bus acquisitions and leases, major improvements to bus terminals and maintenance of facilities. We have generally met our capital requirements primarily from operating cash flows and borrowings. Resources provided by operating activities were Ps.279.2 million in 2006, Ps.294.1 million in 2005 and Ps.334.7 million in 2004. Our resources provided by operating activities decreased in 2006 primarily due to a decrease in accounts payable resulting from prepayment discounts and because of a decline in net income.

We are a holding company and derive substantially all of our cash flows from our subsidiaries. Our ability to make payments on the notes will be affected by our ability to receive payments from our subsidiaries, which may be limited by the terms of our debt agreements.

Our net resources used in investing activities were Ps.508.4 million in 2006, Ps.382.4 million in 2005 and Ps.2,276.0 million in 2004. Our 2006 expenditures were primarily related to our investment in buses in connection with the strategic expansion of Transportes del Norte and the increase in operating volume and a number of contracts served in the passenger transportation segment. Our expenditures in 2005 were primarily related to our investment in buses, maintenance garages and terminals related to the integration of Transportes del Norte. Our general policy is to replace approximately 10% of our fleet per year. In the future, we expect to continue with this policy as well as increase our passenger transport services in the United States and personnel transport services in two major cities in northern and central Mexico. We expect to finance our capital expenditures in 2007 from operating cash flows.

We have not paid dividends since 2002 due to restrictions in the terms of our bank credit facilities. We currently are prohibited from paying dividends under the terms of our bank credit facilities until 2013.

Contractual Obligations

In the table below we set forth certain contractual obligations as of June 30, 2007, consisting of employee retirement obligations, operating lease obligations, long-term debt (which is comprised of bank loans and capital leases) and estimated interest expense, and the period in which the contractual obligations come due.

	Payments Due by Period (as of June 30, 2007)				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
	(in thousands of pesos)				
Contractual obligations:					
Employee retirement obligations	Ps. 137,778	Ps. 10,874	Ps. 18,282	Ps. 16,138	Ps. 92,485
Long-term debt	2,413,523	189,813	938,771	1,122,511	162,428
Estimated interest	822,508	242,475	369,607	170,732	39,694
Total	**Ps. 3,373,809**	**Ps. 443,162**	**Ps. 1,326,660**	**Ps. 1,309,381**	**Ps. 294,607**

Indebtedness

At June 30, 2007, we had total outstanding indebtedness of Ps.2,534.3 million compared to total outstanding indebtedness of Ps.2,495.5 million at December 31, 2006. Our total debt is comprised of 22 short- and long-term secured and unsecured bank loans held by six banks. Some of these loans have been guaranteed by our subsidiaries Transportes Tamaulipas, S.A. de C.V., Transportes del Norte, S.A. de C.V., Servicio Industrial Regiomontano, S.A. de C.V., Autobuses Coahuilenses, S.A. de C.V., Multicarga, S.A. de C.V., Servicio Industrial Coahuilense, S.A. de C.V., Servicios Integrados del Transporte, S.C., Turimex del Norte, S.A. de C.V., Rutas de Saltillo, S.A. de C.V., Desarrollo de Transporte Monterrey, S.A. de C.V., Autotransportes Adventur, S.A. de C.V. and Traslados Méndez, S.A. de C.V. Some of these loans currently restrict the ability of our subsidiaries to grant guarantees and grant security interests in their assets. We expect to obtain waivers of such restrictions in connection with the offering.

At June 30, 2007, all of our indebtedness was denominated in pesos and bore interest at floating rates. The weighted average cost of all borrowed funds at June 30, 2007 was 10.5%.

Our largest bank loan for an aggregate principal amount of Ps.1,624 million was entered into with Banco Mercantil del Norte, S.A., Institución de Banca Múltiple, Grupo Financiero Banorte ("Banorte") in December 2004. We plan to prepay this bank credit facility in full with the net proceeds from the notes. See "Use of Proceeds." The Banorte loan is secured and matures in 2013 (although prepayments are permitted at any time before maturity) and bears interest at specified spreads that range from 1.30% to 2.10%, depending on the ratio of our total debt to earnings before interest, tax and depreciation or "EBITDA" (as such term is defined in the credit facility) over TIIE (*Tasa de Interés Interbancaria de Equilibrio*). Under this loan agreement, we have pledged to Banorte all of the shares that we hold in our significant subsidiaries and granted a first priority lien on all of our assets as of the date of the lien. In addition, our controlling shareholders have pledged all of their shares in our company and our subsidiaries. The proceeds of this loan were used to acquire Transportes del Norte. Upon repayment in full of amounts due under the loan agreement, the aforementioned pledges will be released.

The loan agreement with Banorte contains financial covenants using defined terms that are based on Mexican Financial Reporting Standards (excluding Bulletin D-4 on net deferred tax assets). The most restrictive of these covenants require us to maintain stockholders' equity that is greater than or equal to Ps.1,300 million. In addition, we were required to maintain a consolidated ratio of total debt to EBITDA that was less than or equal to 4.75 to 1 as of December 2006. As of June 30, 2007, we were in compliance with such covenants.

At June 30, 2007, 50.9% of our outstanding indebtedness was represented by the Banorte loan. The remaining 49.1% of our indebtedness was represented by 21 other bank loans that contain less restrictive covenants.

Recently approved tax legislation will impact our future cash flows from operations.

On September 14, 2007, the Mexican Congress approved a new federal tax applicable to all Mexican corporations, known as the *Impuesto Empresarial a Tasa Única* (Single Rate Corporate Tax), or IETU, which is a form of alternative minimum tax and replaces the asset tax that has applied to corporations and other taxpayers in Mexico for several years. The IETU is a tax that will be imposed at the rate of 16.5% for calendar year 2008, 17% for calendar year 2009 and 17.5% for calendar year 2010 and thereafter. A Mexican corporation is required to pay the IETU if as a result of the calculation of the IETU, the amount of tax payable under the IETU exceeds the income tax payable by the corporation under the Mexican income tax law. In general terms, the IETU is determined by applying the rates specified above to the amount resulting from deducting from a company's taxable income, among other items, goods acquired (consisting of raw materials and capital investments), services provided by independent contractors and lease payments required for the performance of the activities taxable under the IETU. Salaries and interest payments arising from financing transactions are not deductible for purposes of determining the IETU. However, salaries subject to income tax and social security contributions paid to employees are creditable for purposes of determining the IETU.

For the past few years we have used our tax loss carryforwards to offset or reduce the amount of income taxes otherwise payable by us, which has resulted in us paying asset taxes (instead of income taxes). After the approval of the IETU, we will still be entitled to use our tax loss carryforwards to offset or reduce the amount of income taxes payable, but it is likely that we will be required to pay the IETU, as tax loss carryforwards may not be used to reduce this tax, which is higher than the asset tax that has applied to us up to now. As a result, the amount that we will effectively pay as taxes starting in calendar year 2008 will increase, although we do not expect a material impact on our cash flows resulting from operations.

Hedging and Market Risk Disclosures

From time to time, we enter into hedging arrangements to protect our exposure to changes in Mexican floating interest rates (which affect the cost of our indebtedness) and the depreciation of the peso relative to the U.S. dollar (which affects the purchase price we pay for all buses that we acquire). See Note 11 to our Financial Statements.

Interest rate risk exists with respect to our indebtedness that bears interest at floating rates. At June 30, 2007, all of our outstanding indebtedness bore interest at variable interest rates determined primarily by reference to TIIE. TIIE increases would, consequently, increase our interest payments.

At December 31, 2006, with respect to 100.0% of our bank loans, we converted our obligation from a floating interest rate into a floating interest rate subject to a maximum amount or cap. The aggregate notional amount of debt that was subject to interest rate caps was Ps.2,467.8 million at December 31, 2006.

A hypothetical, instantaneous and unfavorable change of 1% (100 basis points) in the average interest rate applicable to floating-rate liabilities held at December 31, 2006 would have increased our interest expense in 2006 by approximately Ps.21.2 million or 10.5%, over a twelve-month period.

Beginning in January 2006, we entered into a two-year hedging arrangement based on a notional amount of Ps.1,700 million for 2006 and Ps.1,400.00 million for 2007, where we limit our exposure to TIIE to a cap of 10.95% and a floor of 7.75%.

At December 31, 2006, we did not have any U.S. dollar hedges. In February 2007, we entered into a dollar-peso cross-currency swap to hedge the exchange rate risk associated with a U.S.$20 million loan.

Simplified Tax Regime Applicable to the Mexican Bus Transportation Industry

We are subject to corporate income tax under a special statutory tax regime known as the simplified tax regime (*régimen simplificado*) provided for under the Mexican income tax law that is applicable to companies engaged exclusively in providing passenger or cargo vehicular ground transportation as well as companies engaged in certain other economic activities.

On January 1, 2002, a new Mexican income tax law came into effect that substantially modified the procedure for determining taxable income under the special tax regime (the "New Simplified Regime"). The New Simplified Regime determines taxable income based on revenues earned net of deductible expenses paid (which include certain specifically authorized deductions).

To transition to the New Simplified Regime, a company paying taxes under the old regime was required to determine its taxable income or its tax loss carryforwards, at the date on which it was enacted, based on a formula that took into account certain capital accounts, liabilities and net monetary assets. As a result of the transition requirements, we recognized a tax loss carryforward in the amount of Ps.729.2 million (nominal amount) as of December 31, 2002.

The New Simplified Regime permits companies providing passenger and cargo vehicular ground transportation services to act in a coordinated manner with other unrelated companies or individuals. The Mexican income tax law defines a "coordinated" group as one where a company operates its assets related to such transportation services and "coordinates" the transportation services of other members of the "coordinated" group. All companies that act on a "coordinated" basis may jointly calculate and pay taxes in a single tax return. In addition, all transactions and transfers of goods and services among the members of a coordinated group are tax exempt, and any of the expenses related to the transportation services may be proportionally and individually deducted by each entity that is part of the "coordinated" group. The New Simplified Regime authorizes an entity that is part of a "coordinated" group to recognize net operating losses of any other member of the coordinated group on a consolidated basis.

The New Simplified Regime directs the Mexican tax authorities to issue special rules relating to the tax obligations of coordinated groups. These provisions, which are subject to annual approval, have been in place for more than 10 years. These rules include, subject to certain conditions, the right of an entity that is part of a "coordinated" group (i) to apply a withholding tax of 7.5% to wages paid to drivers, fare collectors, mechanics and foremen, (ii) to deduct, with minimal supporting documentation, any expense related to business travel, maintenance, acquisition of used spare parts and minor repairs, up to 11% of the entity's total revenues, and (iii) to deduct, without supporting documentation, any other expense not to exceed 10% of the entity's total revenues, if concurrently therewith, such entity pays taxes on the deducted amount at a rate of 16%. See "Risk Factors—Risks Related to Our Business—Changes to certain industry-specific Mexican tax laws could have a material adverse impact on our results of operations" and "Risk Factors—Risks Related to Our Business—Our ability to accumulate and deduct tax loss carryforwards could be limited in the future."

In addition to income tax, we are subject to an alternative minimum tax known as an asset tax, which is assessed on the average value of most of our assets, net of certain liabilities. The general asset tax rate is 1.8%. We are required to pay asset tax if the amount of asset tax exceeds the applicable income tax liability. Asset tax can be credited against income tax in subsequent years for a period of up to 10 years. The Mexican Congress is currently considering a form of alternative minimum tax that is

intended to replace the asset tax and would require us to pay taxes even if we have tax loss carry forwards to offset income taxes otherwise due.

We are also subject to employee profit-sharing requirements by law, which is calculated on the basis of 10% of a company's adjusted taxable income. As part of the profit-sharing requirement, we make a profit-sharing-based payment to our employees under our collective bargaining agreements.

EBITDA Reconciliation for the Years Ended December 31, 2002 to 2006

We provide a reconciliation of net income to EBITDA computed from our Mexican Financial Reporting Standards financial information in the table below.

	Year Ended December 31,					
	2006	2006	2005	2004	2003	2002
	(in thousands of U.S. dollars)	(in thousands of constant pesos as of December 31, 2006)				
Net income	U.S.$ 3,148	Ps. 34,006	Ps. 67,506	Ps. 78,624	Ps. 71,377	Ps. 124,824
Depreciation and amortization	29,449	318,039	264,139	198,475	173,615	131,347
Integral financing cost	16,405	177,162	208,868	29,016	13,681	9,081
Other expenses, net	5,689	61,435	54,649	125,300	142,675	103,624
Income tax, asset tax and employee profit sharing (benefit)	(1,922)	(20,760)	(20,895)	46,998	74,736	82,389
Equity in earnings of associated companies	(125)	(1,349)	754	(4,637)	(3,621)	3,769
EBITDA	U.S.$ 52,644	Ps. 568,533	Ps. 575,021	Ps. 473,776	Ps. 472,463	Ps. 455,034

THE MEXICAN PASSENGER TRANSPORTATION INDUSTRY

The Mexican passenger transportation sector can be divided in three main sub-sectors:

- rail transportation;
- air transportation; and
- bus transportation.

According to the SCT, in 2005 (the most recent year for which figures are available), approximately 3,004 million passenger tickets were purchased in Mexico for intercity travel by rail, air, boat and bus.

Rail Passenger Transportation

The Mexican rail passenger transportation industry historically has suffered from a lack of investment. Mexico's rail network is currently almost solely used for freight transportation. According to the SCT, the number of rail passenger tickets purchased in 2005 totaled 0.3 million, as compared with 2,950 million bus passenger tickets purchased during the same year.

Air Passenger Transportation

The Mexican airline sector provides long-distance passenger transport services between large population centers that have the necessary infrastructure to accommodate airline operations. Mexico's two traditional national carriers, Aeromexico and Mexicana, have historically suffered from economic difficulties. Recently, these airlines have faced competition from certain "low-cost," start-up airlines that have established their operations in Mexico. Air passenger transportation historically has represented a small percentage of ticketed intercity transportation. According to the SCT, in 2005 the air transportation industry accounted for 1.4%, or approximately 42 million tickets, of the total of 3,004 million passenger tickets purchased in Mexico for intercity travel. See "—Bus Passenger Transportation—Competition from Low-Cost Air Carriers."

Bus Passenger Transportation

We believe that there are substantial opportunities for us to continue to grow our business within the Mexican bus transportation industry.

Dominance of Bus Industry

According to the SCT, in 2005 the bus transportation industry accounted for 98%, or approximately 2,950 million passenger tickets purchased, of the total of 3,004 million passenger tickets purchased in Mexico for intercity travel. According to the Mexican Population Council (*Consejo Nacional de Población*), Mexico's current population is estimated to be approximately 106 million people. The average monthly income of 98% of the Mexican population is below Ps.14,000 (equivalent to approximately U.S.$1,317), and the average monthly income of 83% of the Mexican population is below Ps.4,000 (equivalent to approximately U.S.$376), according to the National Institute of Statistics, Geographics and Informatics (*Instituto Nacional de Estadística, Geografía e Informática*, or "INEGI").

Bus transportation is the most widely available form of affordable intercity transportation in Mexico. The dominance of bus transportation can be explained by several factors, including the

relatively low income of a large portion of the Mexican population, the relatively long distances separating major Mexican population centers and the virtual absence of passenger train service.

Fragmentation of the Bus Industry

The bus transportation industry is highly fragmented. According to the SCT, in 2005 there were 47,092 registered buses operating intercity services in Mexico and 3,038 authorized bus service providers, which results in an average of 15.5 buses per service provider. Only a limited number of bus companies operate more than 1,000 buses. We believe that the bus industry's current fragmentation and the economies of scale achieved by larger bus transportation companies are likely to lead to greater consolidation in the future.

Business Models

The dominant business model in the Mexican bus transportation industry is an "owner-operator" arrangement (commonly called *hombre-camión*). The bus operators in this model independently own one or more buses and generally control shares of the bus company in proportion to the number of buses they own. As a result, the bus fleets and services provided by these companies are not always standardized and optimized. The owner-operators sometimes share with the company responsibility for maintenance and upkeep of their buses. We believe this business model is inefficient due to its highly decentralized nature, which makes it difficult for companies to offer consistent service and adapt to market changes and seasonal fluctuations. In contrast, all of our personnel are directly employed by us and all our buses and services are standardized. We believe that our business model allows us to adapt quickly to changing market conditions and maintain uniform standards for our buses and service.

Bus Terminals

In order to obtain authorization to operate any given route, a bus service provider first must have authorized points of arrival and departure approved by the SCT. Almost all central bus terminals are co-owned and operated by the bus industry participants providing services in that terminal. Alternatively, bus companies may use individual, stand-alone terminals, which require permits from the SCT and other authorities.

Competition from Low-Cost Air Carriers

We believe that the low-cost air travel may become an alternative for long-distance travelers moving between large population centers, although growth of this industry may be limited by Mexico's limited air travel infrastructure especially in smaller cities. We estimate that as of December 31, 2006, the average price of our bus tickets was approximately Ps.85.3. According to the SCT, in 2005 approximately 3.2% of all vehicular ground transportation targeted the luxury and executive markets. Our luxury and executive services, which generally cost 10% to 30% more than our regular bus transportation services, accounted for only 4.2% of our revenues in 2006, the year we began offering these services. A large portion of the bus industry's revenue is derived from service to drop-off points located along longer routes between large population centers. Based on our estimates, we believe that over 80% of our passenger revenue relates to trips to or from intermediate drop-off points.

We do not believe that growth of the air transportation industry would materially affect the bus transportation market. According to the SCT, in 2005, the air transportation industry as a whole accounted for 42 million passenger tickets purchased out of a total of 3,004 million passenger tickets purchased for all forms of transportation as a whole, as compared with 2,950 million passenger tickets purchased for the bus transportation industry. Based on these statistics, a hypothetical increase of 100%

in the size of the air transportation industry would be equivalent to only approximately 1.5% of the bus transportation industry. See "Risk Factors—Risks Related to Our Business—Significant competition from other transportation companies and other means of transportation may adversely affect our position in the Mexican bus transportation industry."

Impact of Economic Cycles

We believe that the Mexican bus transportation industry has historically maintained relative stability throughout Mexico's economic cycles. In negative economic cycles, we believe that a large part of the population turns to ground transportation as an alternative to more expensive means of transportation such as air travel. According to the Mexican Transportation Institute (*Instituto Mexicano de Transporte*), for instance, during the period of economic crisis in Mexico that began with the devaluation of the peso in 1994, the total number of airline passengers declined from 18.4 million in 1994 to 14.2 million in 1996 while the number of bus transportation passengers grew from 2,614 million to 2,722 million. During times of economic growth, we believe that part of the lowest income segment of the population benefits from greater purchasing power and increases its use of bus transportation.

Macroeconomic Factors Affecting the Bus Transportation Industry

According to a private study conducted by the Center for Economic Study at the Autonomous University of Nuevo León (*Centro de Investigaciones Económicas de la Universidad Autónoma de Nuevo León*), the bus transportation industry is sensitive to certain macroeconomic factors, including automobile ownership rates, economic activity, bus ticket prices and seasonality. For example, increases in the number of automobiles in use or decreases in the cost of using an automobile in comparison with the cost of a bus ticket have a negative effect on our business. In contrast, increases in industrial activity positively affect the bus transportation industry. In addition, we believe that increases in the total population as well as national and international migratory tendencies have a positive effect on our business. Finally, investment and growth in infrastructure and services in low-density population centers have a positive effect on the industry.

Restrictions on Foreign Investment

Ownership by non-Mexican investors of shares of the voting stock of Mexican companies engaged in providing ground passenger transportation services is not permitted by the Mexican Foreign Investment Law (*Ley de Inversión Extranjera*) and its regulations. Foreign investors may only acquire non-voting stock or instruments such as ordinary participation certificates that represent a financial interest in underlying shares but as a general rule do not have voting rights in respect of the underlying shares. See "Our Business—Government Regulation— Mexican Operations— Foreign Investment" and "Principal Shareholders."

OUR BUSINESS

Overview

We are a leading provider of bus transportation services in Mexico, principally serving the northeastern and central regions of Mexico. We offer scheduled bus passenger service to more than 125 destinations in 15 states in Mexico and 12 destinations in the United States, with a monthly average of 2,400 daily departures and a fleet of over 1,200 buses as of June 30, 2007. Our principal routes cover substantially all of the major metropolitan areas in northeast and central Mexico and serve most of the small cities between such metropolitan areas. Beginning in January 2006, we acquired bus transportation operations from certain of our shareholders that service international routes between points in Mexico and the United States. In addition, we operate a personnel transportation business that offers bus transportation services to businesses and educational institutions, using a fleet of over 1,060 buses as of June 30, 2007. We also operate a package delivery business using excess capacity in our buses and other dedicated vehicles. We employed over 6,600 people as of June 30, 2007. For the year ended December 31, 2006, our operating revenues totaled Ps.2,793.2 million, reflecting an 11.0% increase in our operating revenues compared to 2005. For the six-month period ended June 30, 2007, we had operating revenues of Ps.1,364.9 million, reflecting an approximately 2.7% increase in our operating revenues compared to the same period in 2006.

Of our operating revenues in 2006, 81.2% was attributable to our Mexican passenger transportation services business (including 4.7% attributable to package delivery services) and 18.8% was attributable to our personnel transportation services business.

We are a variable capital corporation (*sociedad anónima de capital variable*) organized under the laws of Mexico. Our legal name is Grupo Senda Autotransporte, S.A. de C.V., and we frequently refer to ourselves commercially as Grupo Senda. Our principal executive offices are located at Av. Bernardo Reyes No. 3810 Nte., Col. Popular, Monterrey, N.L. C.P. 64290, Mexico. Our telephone number at that location is +52 (81) 8151-4400.

History

We were founded in 1930 as a bus company by Mr. Protasio Rodríguez Cuellar with routes between Linares, in the state of Nuevo León, and Villa Mainero, in the state of Tamaulipas. Over the next 50 years, we acquired routes and transportation companies in the states of Nuevo León and Tamaulipas. In 1986, we began diversifying our business by providing personnel transportation services to businesses and educational institutions for the transfer of their industrial personnel and students. In 1992, we underwent a corporate reorganization and in 1995 we emerged as a holding company under the name Grupo Senda Autotransporte, S.A. de C.V. In 1993, we invested in Autobuses del Noreste, S.A. de C.V. ("Autobuses del Noreste"), which provides bus transportation services in northeastern Mexico. In addition, we began offering package delivery services under the name Senda Express. In 1995, we established a tourism division for bus charter packages, now known as Turimex. In 1996, our shareholders formed Turimex, LLC, a Texas company, to provide bus charter services in the United States. In 2000, we joined with another leading bus transportation provider to operate a joint venture bus transportation company, Autobuses Coahuilenses, S.A. de C.V. ("Autobuses Coahuilenses"), which provides passenger service in the state of Coahuila. In 2002, the United States began permitting foreign companies to incorporate in the United States and offer scheduled bus service between points in the United States. That year, some of our shareholders formed Turimex del Norte, S.A. de C.V. and, together with Turimex, LLC, began providing bus transportation services between various points in the United States and Mexico under the name Turimex Internacional. In October 2004, we acquired Transportes del

Norte, significantly expanding our geographic coverage. In 2006, we acquired Turimex Internacional from these shareholders in January 2006 and are expanding our operations in the United States.

Our Strengths

We believe the following are our principal competitive strengths:

Successful business model

We believe our business model enables us to deliver punctual, high quality service to our customers by providing efficient route schedules, courteous and safe drivers, clean and comfortable buses at competitive prices which drives client loyalty, strengthens our brands and attracts new clients for our future growth. Our business model has the following strengths:

- We own, operate and service our own fleet and directly employ and supervise our drivers, which enables us to maintain strict quality controls and take advantage of economies of scale, unlike our competitors, who operate under the decentralized owner-operator business model.

- We have high standards for safety and service, which include extensive driver screening and initial training, mandatory continuing education and ongoing compliance audits and inspections.

- We have a sophisticated in-house proprietary information system, which helps us to increase vehicle utilization rates and generate additional revenues with minimal incremental costs.

Leading market position with favorable industry dynamic and economic environment

We are a leading provider of bus transportation services in Mexico with over 75 years of experience and a presence in 15 Mexican states in northeastern and central Mexico and Texas. We believe we operate in attractive markets for the following reasons:

- The concentration of industrial activity in the northeastern and central regions of Mexico benefits our personnel transportation business.

- Our extensive presence at points along the cross-border migratory corridor strategically positions us to extend our current footprint in Texas.

- Our target market is the lower 83% income bracket of persons in Mexico who have an average monthly income of Ps.4,000 or less and for whom buses are the most widely available and affordable form of intercity transportation due to the lack of trains and relatively high cost of air travel.

- We have well recognized regional and national brands with a solid reputation and associated with top quality service.

Strong growth opportunities in a highly fragmented industry

We have a demonstrated ability to identify, execute and integrate acquisitions and capitalize on related synergies. Our successful acquisitions and joint ventures include the following:

- In 2006, we substantially acquired all the outstanding shares of Turimex del Norte and its subsidiaries. This acquisition has given us access to the U.S. markets and has strengthened our

strategic position for future growth. In 2006, Turimex del Norte accounted for an increase of 7.6% in our revenues and an increase of 10.6% in EBITDA.

- In 2004, we acquired Transportes del Norte and thereby increased our revenue by approximately 47% and broadened our bus passenger transportation coverage from four to 15 Mexican states.

- In 2003 and 2004, we acquired three personnel transportation companies thereby increasing our overall personnel transportation fleet by approximately 197 buses. Through acquisitions and internal growth this business represented 17.7% of our revenues and 22.1% of our operating income in 2005.

- Our joint venture with another leading bus transportation provider in Coahuila increased our consolidated revenue by 23% and our EBITDA by 40% between 2000 and 2001.

Experienced management team with a proven track record

We have been operating since 1930, which provides us with a deep knowledge of the industry, including the regulatory environment as well as our customers' needs and expectations. We have an experienced senior management team with an average of 15 years of experience in the transportation industry.

Solid cash flow generation with continuously improving EBITDA and EBITDA margins

Through the successful execution of our business strategy, we believe we have achieved higher growth rates and operating margins than our U.S. and European peers. Between 2000 and 2006, our revenues increased by 108.4% and our EBITDA increased by 108.9%, and our asset utilization, in terms of kilometers per bus, increased by 31.8%. We have also improved our financial structure. Between December 2004 (the date of the Transportes del Norte acquisition) and June 2007, we deleveraged our business in terms of our total debt to EBITDA ratio from 4.7x as of December 31, 2004 to 4.0x as of June 30, 2007.

Our Business Strategy

Our goal is to continue to grow our business by expanding the number of routes and markets in which we operate in both our passenger transport and personnel transportation businesses within Mexico as well as the United States and to expand into our related businesses to increase revenue and profitability. We seek to achieve this goal through the following strategies:

Increase profitability by focusing on operating efficiencies and cost reductions

We intend to continue initiatives designed to decrease our operating and overhead costs, thus increasing overall profitability across all of our operations by leveraging the strengths of our business model. Our cost-cutting initiatives include improving existing route schedules and fare structures through the constant monitoring of indicators of efficiency, enhancing our information systems, centralizing corporate administrative functions and investing in maintenance facilities located at strategic locations along our routes. In addition, we intend to utilize the size of our fleet and economies of scale to leverage purchasing power for vehicles, fuel, tires, maintenance supplies and parts as well as to improve our driver hiring and training programs and other safety initiatives across our operations.

Grow passenger volumes through efficient route strategies and exploring additional business opportunities

We intend to leverage our fleet management experience, strong brand names and safety standards to strengthen and expand our market share and passenger and operating volumes in each of our businesses. We plan to grow operating volume in our passenger transport business through continued service improvements, implementing new route strategies, exploiting market niches, continuing to efficiently utilize our resources, and continuing to increase our revenues per kilometer. We intend to grow operating volume in our personnel transport business by replicating our successful business model in areas in which we have expanded passenger transport services and by building on our reputation for service, safety and reliability, which we believe serves as an effective tool in bidding for new contracts. We also intend to improve revenue growth by seeking case-by-case opportunities for related services and additional business opportunities such as package delivery and charter services.

Selectively pursue new cross-border opportunities

We intend to leverage our Mexican operations to continue to grow our business between Mexico and the United States and service the growing Mexican population in the United States. We intend to continue to expand our presence in the U.S. market and enhance the success of our U.S. operations by opening selected new routes between points in central Mexico and the United States and increasing the frequency of our existing routes.

Strengthen and promote our brands and increase ticket distribution

We intend to continue to strengthen our brands by continuing to offer superior quality service at competitive prices. We expect to increase our marketing efforts and develop new channels of ticket distribution.

Continue expanding into new markets

We intend to continue to expand our geographical coverage steadily across Mexico by adding selected routes and service contracts through organic growth and by completing selective and strategic acquisitions and alliances. We plan to develop long-term growth and profitability by accessing a larger customer base through the acquisition of businesses that we believe will benefit from the application of our successful business model. In addition, we intend to continue the successful integration of Transportes del Norte by continuing to implement our business model in new markets.

Continue to improve our financial structure

We intend to continue improving our financial profile in order to facilitate our growth strategy. Since our acquisition of Transportes del Norte in 2004, we have deleveraged our business in terms of our total debt to EBITDA ratio from 4.7x as of December 31, 2004 to 4.0x as of June 30, 2007.

Business Operations

Our business operations are divided into four principal areas:

- domestic passenger bus transportation services (scheduled and chartered);
- cross-border bus transportation services;

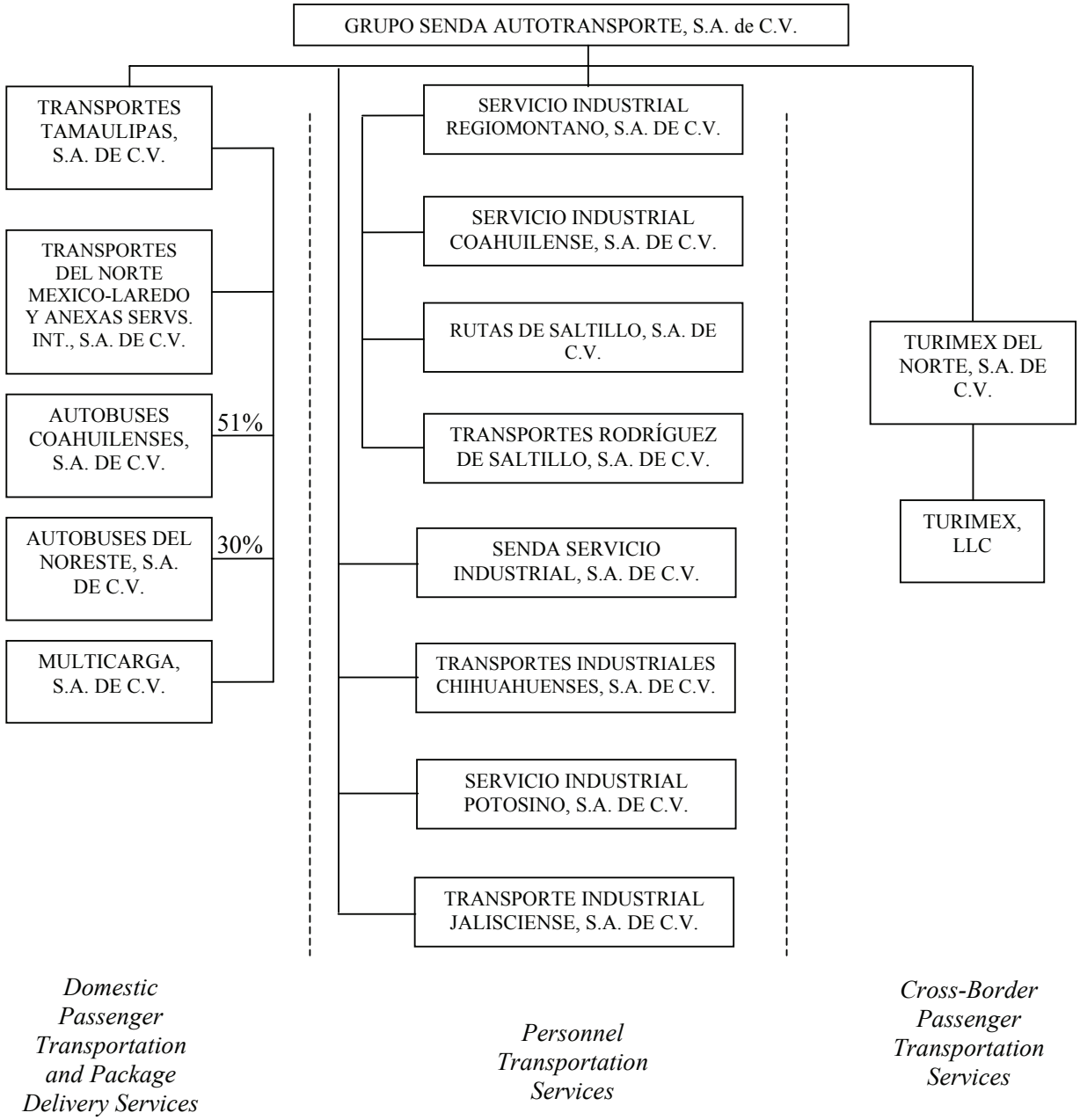
- industrial personnel and education transportation services (contracted and chartered); and

- package delivery services.

For financial reporting purposes, we operate two segments: passenger transport services (which includes domestic bus transportation services, package delivery services and intercity charter services) and personnel transport services (which includes intracity charter services). The results from our recently acquired cross-border bus transportation services will be included in our passenger transport segment and consolidated in our financial statements as of January 2006.

Our Corporate Structure

We are a holding company, and we operate our business through subsidiaries. The following chart summarizes our corporate structure as of June 30, 2007. The chart has been simplified to show only our major holding companies, the principal areas in which we operate and our principal lines of business.



Significant Subsidiaries and Associated Companies

The following table sets forth our significant subsidiaries and associated companies accounted for using the equity method as of June 30, 2007:

Name of Company	Jurisdiction	Percentage of Ownership and Voting Interest	Description
Passenger Transportation, Package Delivery and Related Services:			
Transportes Tamaulipas, S.A. de C.V.	Mexico	97.7%	Bus passenger transportation in northeastern Mexican states and Texas and an intermediate holding company.
Transportes del Norte Mexico-Laredo y Anexas Servicios Internacionales, S.A. de C.V.	Mexico	97.7%	Bus passenger transportation in 15 Mexican states.
Autobuses Coahuilenses, S.A. de C.V.	Mexico	49.8%	Bus passenger transportation in Coahuila.
Multicarga, S.A. de C.V.	Mexico	97.2%	Package delivery and messenger services.
Autobuses del Noreste, S.A. de C.V.	Mexico	29.3%	Bus passenger transportation in northeast Mexico.
Personnel Transportation Services:			
Servicio Industrial Regiomontano, S.A. de C.V.	Mexico	97.3%	Personnel transportation and an intermediate holding company.
Rutas de Saltillo, S.A. de C.V.	Mexico	97.6%	Personnel transportation in Coahuila.
Servicios Integrados de Transporte, S.C.	Mexico	97.6%	Personnel transportation in Tamaulipas.
Servicio Industrial Coahuilense, S.A. de C.V.	Mexico	97.3%	Personnel transportation in Coahuila.
Transportes Rodriguez de Saltillo, S.A. de C.V.	Mexico	97.6%	Personnel transportation in Coahuila.
Transportes Industriales Chihuahenses, S.A. de C.V.	Mexico	98.0%	Personnel transportation in Chihuahua.
Transporte Industrial Jalisciense, S.A. de C.V.	Mexico	98.0%	Personnel transportation in Jalisco.
Servicio Industrial Potosino, S.A. de C.V.	Mexico	100%	Personnel transportation in San Luis Potosí.
Senda Servicio Industrial, S.A. de C.V.	Mexico	97.5%	Personnel transportation in Nuevo León.
Cross-Border Bus Transportation Services:			
Turimex del Norte, S.A. de C.V.	Mexico	98.0%	Bus passenger transportation to the border of the United States and an intermediate holding company.
Coach Investments, LLC	Delaware	96.1%	Intermediate holding company.
Turimex, LLC	Texas	94.6.%	Bus passenger transportation in the United States.
Other Transportation-Related Services:			
Servicios Especializados Senda, S.A. de C.V.	Mexico	98.0%	Corporate staff, payroll, accounting, and other administrative functions.
Servicios TDN, S.A. de C.V.	Mexico	97.6%	Bus maintenance and driver services for Transportes del Norte.

Each of Transportes Tamaulipas, S.A. de C.V., Transportes del Norte, S.A. de C.V., Autobuses Coahuilenses, S.A. de C.V. and Servicio Industrial Regiomontano, S.A. de C.V. currently accounts for at least 10% of our assets or net profits. The issued capital of Transportes Tamaulipas, S.A. de C.V., Transportes del Norte, S.A. de C.V., Autobuses Coahuilenses, S.A. de C.V. and Servicio Industrial Regiomontano, S.A. de C.V. is Ps.1,186,125, Ps.257,110, Ps.173,252 and Ps.362,889, respectively.

The principal executive offices of Transportes Tamaulipas, S.A. de C.V. are located at Avenida Bernardo Reyes #3810-E Norte Col. Popular, Monterrey, NL, Mexico. The principal executive offices of Transportes del Norte, S.A. de C.V. are located at Poniente 140 # 859 Col. Industrial Vallejo, Azcapotzalco, D.F., Mexico. The principal executive offices of Autobuses Coahuilenses, S.A. de C.V. are located at Barcelona # 211-C Col. Popular, Monterrey, N.L., Mexico. The principal executive offices of Servicio Industrial Regiomontano are located at Lerdo de Tejada #318 Col. Centro, San Nicolas de los Garza, N.L., Mexico.

We did not receive any dividends from Transportes Tamaulipas, S.A. de C.V., Transportes del Norte, S.A. de C.V., Autobuses Coahuilenses, S.A. de C.V. and Servicio Industrial Regiomontano, S.A. de C.V. in the year ended December 31, 2006 or in the six-month period ended June 30, 2007.

Recent Acquisitions

Part of our recent growth has been achieved through the acquisitions of existing businesses and related assets set forth below. The following have been our most significant acquisitions over the last years:

Name	Date	Purchase Price ($US)	Purchase Price (historical)	Percentage of Ownership
Turimex del Norte, S.A. de C.V.*	January 2006	U.S. $7.0 million	Ps. 76.1 million	98.0%
Turimex, LLC *	January 2006	U.S. $2.4 million	Ps. $26.2 million	94.6%
Desarrollo de Transporte Monterrey, S.A. de C.V. *	January 2006	U.S. $18,300	Ps. 0.2 million	96.7%
Transportes del Norte, S.A. de C.V.	October 2004	U.S. $149.5 million	Ps. 1,691.5 million	97.7%
Traslados Méndez, S.A. de C.V.	June 2004	U.S. $0.5 million	Ps. 5.7 million	97.6%
Transportes Rodríguez, S.A. de C.V.	February 2004	U.S. $2.21 million	Ps. 25 million	97.6%
Rutas de Saltillo, S.A. de C.V.	May 2003	U.S. $4.15 million	Ps. 45 million	97.6%

* Acquired from shareholders of Grupo Senda

In January 2006, in exchange for the issuance of new shares of common stock of Grupo Senda, we acquired substantially all of the shares of Turimex del Norte, S.A. de C.V. and Turimex, LLC from our shareholders David Rodríguez Benítez, Jaime Protasio Rodríguez Benítez, Alberto Rodríguez Benítez and María Elena Rodríguez Benítez for an aggregate price of U.S.$7.0 million.

In January 2006, we also acquired substantially all of the shares of Desarrollo de Transporte Monterrey, S.A. de C.V. from our shareholders Jaime Rodríguez Silva and David Rodríguez Benítez for an aggregate price of Ps.200,000. See "—Passenger Transportation Services—Cross-Border Transportation Services" and "Related Party Transactions."

In October 2004, we acquired substantially all of the shares of Transportes del Norte, a leading bus operator in 15 Mexican states (Distrito Federal, Mexico, Michoacán, Guanajuato, Querétaro, Jalisco, Zacatecas, Aguascalientes, San Luis Potosí, Tamaulipas, Nuevo León, Coahuila, Durango, Sinaloa and Chihuahua). Prior to our acquisition of Transportes del Norte, our passenger transportation services business covered only four states (San Luis Potosí, Tamaulipas, Nuevo León and Coahuila). The aggregate price of the transaction was Ps.1,746.5 million (in constant pesos of December 31, 2005). As of December 31, 2005, Transportes del Norte's assets included 389 buses with an average age of 7.6 years, 180 routes and approximately 426 daily departures, co-ownership of 37 bus terminals, the "Transportes del Norte" brand and real estate holdings totaling Ps.70.6 million (nominal pesos). Transportes del Norte's principal routes are Monterrey-Saltillo, Nuevo Laredo-Durango, Guadalajara-Mexico City, Guadalajara-Matamoros, Guadalajara-Monterrey, Torreón-Monterrey, Mexico City-Monterrey, Mexico City-U.S. border, Bajío-U.S. border, Mexico City-Nuevo Laredo, Mexico City-Acuña, San Luis Potosí-Acuña and Monterrey-Tamazuchale. As a result of the implementation of our integration strategy, we believe that we have significantly improved Transportes del Norte's market share and efficiency since we acquired it.

In accordance with Mexican law, on June 16, 2006, notice of the acquisition of Transportes del Norte was given to the Mexican Antitrust Commission. A sanction of Ps. 221,108 was imposed by this agency as such notice was not made prior to the completion of the acquisition as required under applicable law.

The Mexican Antitrust Commission granted us the authorization to acquire Transportes del Norte, subject to certain restrictions. However, because of some operative issues we have contested the Commission's ruling and have been granted an injunction by the Mexican Federal Court. Although we cannot predict the outcome of this judicial process, we do not foresee any material effect on our business or financial condition.

In 2004 and 2003, we acquired three separate companies for an aggregate amount of Ps.83.7 million (in constant pesos of December 31, 2005) that permitted us to expand our personnel transportation business to new geographic areas. In February 2004, we acquired 97.6% of the shares Transporte Rodríguez de Saltillo, S.A. de C.V. ("Transporte Rodriguez") for an aggregate price of Ps.25 million (nominal pesos). In June 2004, we acquired 97.6% of the shares of Traslados Méndez y Asociados, S.A. de C.V. ("Traslados Mendez") for an aggregate price of Ps.5.7 million (nominal pesos). Both Transporte Rodríguez and Traslados Méndez operate personnel transportation businesses in the state of Coahuila. The acquisition of these companies allowed us to increase our coverage area for personnel transportation business to Saltillo and Torreón.

In 2003, we acquired 97.6% of the shares of Rutas de Saltillo, S.A. de C.V. for an aggregate price of Ps.45 million (nominal pesos). Rutas de Saltillo, S.A. de C.V. also operates a personnel transportation business in the state of Coahuila. Its major clients include Delphi Sistemas de Energía and GE Electrical Distribution. See Note 10 to the Financial Statements.

Passenger Transportation Services

Our principal line of business is our passenger transportation segment. The service we offer is ticketed, intercity, scheduled bus transportation. As of December 31, 2006, passenger transportation accounted for 81.2% of our consolidated operating revenues. As of December 31, 2006, we operated approximately 300 bus routes with 1,107 buses in Mexico and Texas transporting individuals to and from population centers and intermediate stops between population centers.

Client Base and Revenue Sources

We estimate that sales to the general public account for approximately 91% of our total sales. Approximately 6% of our sales stem from specialized travel and tourism services, and approximately 3% of total sales are derived from agreements with government entities, as described below. Revenues by bus route are diversified, with no route representing more than 4% of revenues. As of June 30, 2007, our most important route in terms of revenue was Monterrey-Mexico City. Other important routes are Monterrey-Matehuala, Mexico City-Laredo, Linares-Victoria, Monterrey-Torreón, Monterrey-Victoria, Monterrey-Saltillo, Monterrey-San Luis, Monterrey-Tampico, Mexico City-Reynosa, Monterrey-Houston and Monterrey-Dallas.

The following table sets forth the estimated percentage of operating revenues of our passenger transportation segment represented by each of our passenger bus service types:

Service type	Percentage of operating revenues as of June 30, 2007
Regular (*Primera & Economía*)	95.8%
Executive (*Ejecutivo*)	2.9
Regular "plus" (*Plus*)	1.3

For a description of the target market for each of our service types, see "—Intellectual Property."

Currently, the SCT requires that we, as well as every company in the sector, offer student, teacher and senior citizen discounts. We offer special rates for students and teachers during vacation periods in conformity with the official school calendar, and year-round special rates for senior citizens.

Revenue from sales to the general public are predominantly in cash, with minimal credit card sales.

In addition to our sales to the general public, we have entered into certain service agreements. The Mexican Social Security Institute (*Instituto Mexicano del Seguro Social or* "IMSS") awards yearly contracts to transport social security rights-holders to certain hospitals in buses equipped with stretchers. We have serviced IMSS passengers for the last six years in the states of Nuevo León, Coahuila, Tamaulipas, Durango and San Luis Potosí. In addition, we have entered into certain agreements with the State Workers Social Security Institute (*Instituto de Seguridad Social al Servicio de los Trabajadores del Estado or* "ISSSTE") that allow ISSSTE rights-holders to exchange coupons for bus tickets to hospitals. As of June 30, 2007, approximately 2.6% of our operating revenue was derived from our contracts with the IMSS and ISSSTE.

Bus Terminals

In Mexico, we operate jointly with other bus companies 39 shared central bus terminals in metropolitan areas and solely operate 14 individual bus terminals and 65 intermediate bus stations for passenger pick-up and drop-off. The following table illustrates the geographic distribution of our bus terminals in Mexico:

Terminal Type	Monterrey	Central Region	Coahuila Region	Northeast Region (Excluding Monterrey)	Central North Region	Total
Shared central terminals	1	16	2	8	12	39
Individual terminals	5	2	4	1	2	14
Intermediate stations with bus stops	0	2	26	21	16	65
Total	**6**	**20**	**32**	**30**	**30**	**118**

In addition to the terminals listed above, we operate six leased terminals in the United States for our exclusive use. We do not own any bus terminals in the United States.

Mexican bus transportation companies generally co-own a percentage of the central bus terminals in which they operate. Such percentage is determined in proportion to the operating volume of each operator in each terminal at the time of incorporation of the terminal. We have not yet obtained certificates for two shared central bus terminals (included in the previous table) as part of our acquisition of Transportes del Norte, although this does not affect our right to operate in these terminals.

The most important of our central bus terminals in terms of revenue are in Monterrey, San Luis Potosí, Nuevo Laredo, Mexico City, Guadalajara, Ciudad Victoria and Torreón.

Seasonality

The Mexican bus transportation industry is seasonal in nature and generally follows the pattern of the travel industry as a whole, with peaks during the summer months of July and August, Easter season in March or April, local and national Mexican holidays, and the Christmas and New Year's holiday periods. International operations to the United States also tend to increase during the Thanksgiving and spring break holiday periods. See "Risk Factors—Risks Related to Our Business—Our business is subject to seasonal fluctuations, which makes our revenues and results of operations vary from season to season."

Logistics

Our logistics staff has developed and implemented an in-house proprietary linear programming system to enable us to monitor numeric indicators of efficiency while responding to changes in the market. Our linear programming system allows us to track bus route information, implement schedules and assign buses and drivers to routes efficiently. This software also allows us to plan for the rotation of buses to better respond to seasonal fluctuations and reduce bus idleness through charter and tourism services.

In addition, we have implemented a separate linear programming system for our personnel transportation business. See "—Personnel Transportation Services—Description of our Personnel Transportation Business."

Sales and Promotion

The following table sets forth the seven geographical regions where we operate in Mexico and in the United States and the principal sales locations, number of sales points and the percentage of our operating revenues, for each region:

Region	Principal sales locations	Total number of sales points	Percentage of our operating revenues as of June 30, 2007
Monterrey	Bus terminals and intermediate bus stations	48	28%
Northeast	Nuevo Laredo, Reynosa, Matamoros and Tampico	32	19
Central North	San Luis Potosí, Torreón and Aguascalientes	23	16
Coahuila	Saltillo, Piedras Negras and Monclova	33	16
Central	Mexico City, Querétaro, Guadalajara, Guanajuato and Michoacán	21	12
Chihuahua	Chihuahua, Durango, Ciudad Juárez and Mazatlán	8	2
U.S.A.	Houston, Dallas, San Antonio and Laredo	11	7
Total		**176**	**100%**

We also rely on commission-based sales agents and travel agents, who typically receive a 10% commission on sales. We estimate that in 2006 approximately

- 93% of our sales were effected through our sales offices, our call center and our ticket booths at terminals; and

- 7% percent of our sales were effected through travel agencies, commission-based sales agents and the Internet.

Travel agencies and commission-based sales agents typically contract directly with us. In most cases, these agreements do not include exclusivity provisions. Commissions paid to commission-based sales agents and travel agents were equivalent to 0.7% of our operating revenue in 2006.

In addition, we have negotiated with certain retail stores to sell tickets in their branches on a commission basis, including Elektra, HEB, FAMSA and Soriana.

We operate a call center in Monterrey with a staff of 70 customer service representatives. The call center sells regular bus tickets, charter tickets and package delivery services. In addition, we operate customer service centers in each geographic zone in which we operate.

Typically, our customers decide to travel only a short time before their trip and do not purchase their tickets in advance. We estimate that approximately one-third of our ticket sales are made during the 30 minutes prior to departure. The majority of these sales are made at the terminals. On shorter routes that have higher-frequency stops, our customers tend to purchase tickets directly from our drivers.

We employ a variety of techniques to promote our services and increase awareness of our brands. Our marketing staff has produced a promotional video that airs on all of our buses equipped with television screens. From time to time, we engage in mass market advertising (including radio and television advertising; and in-store promotions with our ticket sellers), especially when promoting new routes and services. In addition, we engage in direct advertising campaigns and sponsor sports teams. We are also party to an advertising agreement with a large sports and entertainment venue in Monterrey.

Customer Service and Quality Control

We believe that our strong emphasis on customer service and quality control significantly strengthens our position in the bus transportation industry. We believe that our image with passengers benefits from our emphasis on professional service, bus cleanliness, punctuality and safety. All of our drivers are subject to minimum rest and health requirements and mandatory periodic training. We regularly conduct inspections of our buses and sales offices, client satisfaction surveys and anonymous personnel evaluations.

We provide customer service through a network of customer service centers, a call center and sales offices. We provide feedback opportunities to our clients through a toll-free number, suggestion boxes and post-trip evaluation forms.

Joint Ventures and Affiliated Companies

Even though much of our growth has occurred organically or through strategic acquisitions, we also derive significant revenues through alliances with other companies.

In 2000, we joined with another leading bus transportation provider to operate a joint venture bus transportation company, Autobuses Coahuilenses, S.A. de C.V., in which we own 51%. We have ownership interests in other bus companies, including Autobuses del Noreste, S.A. de C.V. (in which we own 30%). Autobuses Coahuilenses, S.A. de C.V. provides bus transportation services in Coahuila. Autobuses del Noreste provides bus transportation services in the northeast of Mexico.

We also have joint operating agreements with other bus companies governing the operation of certain routes, including:

- Monterrey-Tampico, in the state of Tamaulipas and Monterrey-Ciudad Valles, in the state of San Luis Potosí (with Transpaís);
- Ciudad Juárez-Coatzacoalcos, in the state of Veracruz and Ciudad Acuña-Coatzacoalcos, in the state of Veracruz (with ADO); and
- Galeana, in the state of Nuevo León, and Saltillo, in the state of Coahuila (with Estrella Blanca).

Intellectual Property

We own the following trademarks:

Brands	Description of target market	Service type
AVE	Executive market, business travelers and passengers with a monthly income of Ps.11,600 or higher	Executive (luxury)
Plus	Executive market, business travelers, passengers with a monthly income of Ps.11,600 or higher	Regular "plus"
Sendor, Coahuilenses, Transportes del Norte	Market for passengers with a monthly income between Ps.2,700 and Ps.11,599	Regular
Sentur, Altiplano	Market for passengers with a monthly income of less than Ps.6,800	Economy
Cercanías	Market in the suburban market for passengers with a monthly income of less than Ps.6,800	Economy
Turimex	Charter services for passengers with a monthly income of Ps.11,600 or higher	Charter
Aventur	Charter services for passengers with a monthly income of less than Ps.6,800	Economy charter
Senda Turismo	Charter services market for passengers with a monthly income of less than Ps.6,800	Charter
Turimex Internacional	Cross-border market for passengers with a monthly income of 6,800 or higher	Regular international
Grupo Senda	Holding brand for Grupo Senda	

We are not dependent on any patents, licenses or manufacturing processes.

Cross-Border Transportation Services

International migratory tendencies have a favorable impact on the cross-border bus transportation industry. The Mexican National Population Council (*Consejo Nacional de Población*, or CONAPO) estimates that there were approximately 26 million persons of Mexican origin living in the United States as of 2003, and we believe that this figure has likely increased since then. We believe that these persons will provide continued demand for cross-border bus transportation services.

Since December 2005, we have operated charter services between the United States and Mexico and provided seasonal transportation services for employment brokers transporting migratory workers to and from the United States.

In January 2006, we acquired Turimex Internacional. Turimex Internacional operates a regular bus transportation business between points within the United States and points in Mexico. From 2002, when Turimex Internacional began offering regular bus service between the United States and Mexico, to the time of our acquisition, we provided management and administrative services to Turimex Internacional.

We operate our international business in compliance with all applicable rules and regulations in the United States and in Mexico. Turimex del Norte operates the Mexico segments of our cross-border routes in compliance with SCT regulations. Upon crossing the border from Mexico to the United States, Turimex del Norte leases the bus to its subsidiary Turimex, LLC, and a new bus operator employed by Turimex, LLC drives the bus to its destination in the United States. Turimex, LLC is fully compliant with DOT regulations. The buses we use to operate our cross-border routes are registered in both the United States and in Mexico. In Mexico, we utilize our pre-existing SCT-compliant terminal infrastructure.

We estimate that Turimex Internacional transported approximately 434,000 passengers in 2006, or 55% more than in 2005. As of June 30, 2007, Turimex Internacional operated 41 buses and six terminals with sales offices in the United States in addition to our Mexican sales and terminal infrastructure.

All of our buses which we use in our cross-border transportation business are purchased in the United States and are fully compliant with DOT-mandated safety rules and regulations. See "—Property and Equipment—Fleet Composition and Bus Acquisitions." In addition, all of our buses operating cross-border routes are covered by both U.S. and Mexican insurance policies. See "—Insurance."

We believe that barriers to entry in the cross-border bus transportation business include the fulfillment of DOT requirements in the United States, safety and insurance costs, and SCT regulations governing U.S.-based bus companies.

Competition

Our primary sources of competition for passengers in our passenger transportation business are bus companies, informal bus operators, automobile travel and low-cost and regional airlines.

Other bus companies are our most significant form of competition. The principal companies we compete with in northeastern Mexico are Grupo Estrella Blanca, S.A. de C.V. and Inversionistas en Autotransportes Mexicanos, S.A. de C.V. ("IAMSA"). Estrella Blanca and IAMSA operate in the North, Central, Pacific and Gulf regions of Mexico, as well as the United States. Estrella Blanca and IAMSA

operate under an "owner-operator" model. See "The Mexican Bus Transportation Industry—Bus Passenger Transportation—Business Models." Other major participants in the industry that operate in other regions include Autobuses de Oriente, S.A. de C.V. and Transpaís Autotransportes, S.A. de C.V.

Besides bus transportation companies, we also face competition from informal, unauthorized bus operators, particularly on routes to and from the United States. These bus operators are often able to operate with very low costs because they do not necessarily comply with safety and other regulations. Some of these operators have avoided the bus terminal approval process by developing and opening alternative bus terminals.

In addition, we experience competition from the automobile sector. Our business is negatively impacted as the relative cost of automobile travel falls in relation with the cost of a bus ticket for a similar trip. Increases in the number of automobiles per person in Mexico may negatively affect our business. According to the INEGI, between 1990 and 2001, the average number of automobiles in Mexico grew at an annual rate of 5.5%. In addition, we believe that used cars imported from the United States present a greater threat than new cars because they are less expensive and therefore more likely to be purchased by our target passenger market.

Additionally, we may face increased competition from low cost and regional airlines in our luxury and executive class of service, which accounted for approximately 2.1% of our revenues in 2006. Companies that already offer service in Mexico are Aerolitoral, Aviacsa, Click, Interjet , Volaris, Avolar and Viva Aerobus, among others. See "The Mexican Passenger Transportation Industry—Bus Passenger Transportation—Competition from Low-Cost Air Carriers."

We do not face competition from the rail sector because there is no significant passenger train service in the areas of Mexico in which we operate.

Package Delivery Services

We have developed a package delivery business primarily using excess storage capacity on our passenger bus routes. We believe this approach has allowed us to generate additional revenue at minimal additional cost. We operate our package delivery business with approximately 400 employees (including 53 dedicated salespeople), 185 sales offices, our existing passenger bus fleet plus approximately 73 additional delivery vehicles and a call center. The personnel we employ in our package delivery business reports to management in the passenger transportation services segment. Operating revenue from the package delivery business totaled Ps.131.9 million, or 4.7% of our total revenues for the year ended December 31, 2006.

Our package delivery services business principally targets institutional clients. As of June 30, 2007, we estimate that institutional clients represented approximately 70% of our package delivery sales and approximately 30% of our sales were to the general public.

Our package delivery operates solely in the regions where we offer passenger transportation services. We have entered into alliances with other package delivery companies, including Transpaís and IBCA Express.

We own the Senda Express and USA Express trademarks. We do not currently offer package delivery services to or from the United States.

In the package delivery business, we face competition in northern Mexico from Transurge, Sagita, Afimex and Estrella Blanca, among others. In Mexico generally, we face competition from

Estrella Blanca, Flecha Amarilla and Potosinos, among others. We do not consider long-distance, higher-cost and more developed courier companies to be our competitors.

Personnel Transportation Services

We have offered personnel transportation services since 1986. This part of our business has undergone considerable growth since the adoption of the North American Free Trade Agreement, which has led to the establishment of industrial parks, *maquiladoras* and service companies in Mexico. As of December 31, 2006, personnel transportation accounted for 18.8% of our consolidated operating revenues. Before the acquisition of Transportes del Norte in 2004, this segment accounted for 23.7% of our revenues as of December 31, 2003.

We provide most of our services to clients in the city of Monterrey through our Servicio Industrial Regiomontano subsidiary, and we have operations in the cities of Saltillo, San Luis Potosí, Torreón, Reynosa and Guadalajara. We plan to expand our business in other industrialized cities where we provide passenger transportation services, such as Aguascalientes, Celaya, Durango, León, Chihuahua, Querétaro and Ciudad Juárez, among others.

Description of our Personnel Transportation Business

The market for personnel transportation services principally stems from the need to transport personnel to industrial facilities, especially in areas that are not well served by public transportation such as industrial parks on the outskirts of cities. In addition, we contract with educational institutions to provide transportation services to their students.

Because we provide customized transportation services to each of our clients, we believe that this market requires a higher level of specialization than scheduled bus transportation in terms of logistics, service, professionalism and cost. Our logistics staff utilizes a proprietary software system that allows us to determine bus routes and drop-off and pick-up points that best suit our clients' needs.

At December 31, 2006, we operated over 723 buses in Monterrey, over 123 buses in Saltillo, over 70 buses in San Luis Potosí, over 60 buses in Torreón, and approximately 32 buses in Reynosa.

*Client Base and Revenue Source*s

We estimate that more than 90% of our operating revenue from personnel transportation is derived from repeat business with large institutional clients, of which approximately 7% is derived from services provided to educational institutions. Approximately 7.5% of the sales in this segment are from charter services. No single contract represents more than 6% of the total operating revenue of our personnel transportation business.

We price our services according to market conditions. Our contracts are typically awarded based on competitive bidding processes. The duration of our contracts is generally one year and price and service terms are typically reviewed annually. In most of the cases, we offer a 30 to 90 day payment policy. In 2006, the average period for our receivables was 48 days.

Our principal clients are Vidrio Plano de Mexico, S.A. de C.V., Daimler Chrysler Vehículos Comerciales, S.A. de C.V., Delphi Sistemas de Energía, S.A. de C.V., Nemak, S.A. de C.V., Métalas S. de R.L., Denso Mexico, S.A. de C.V., and the Institute of Technology and Higher Education of Monterrey (*Instituto Tecnológico y de Estudios Superiores de Monterrey* or "ITESM"), among others.

Logistics

Our logistics staff utilizes a proprietary logistics software that includes digital mapping and enables us to utilize our fleet with maximum efficiency. By analyzing information about the location of personnel or students as well as the location of the final destination of the passengers, the system determines the ideal bus routes and drop-off and pick-up points that best suit our clients' needs. Our experienced logistics personnel and our proprietary software enable us to ensure effective scheduling practices and optimize our routes, monitor buses, drivers and hours worked and adjust operations accordingly.

In addition to our existing network of maintenance garages used for our passenger transportation services, we operate various satellite maintenance garages that are strategically located near the industrial park zones of the different cities where we provide our services. In Monterrey, we operate six satellite maintenance garages distributed throughout the city.

Seasonality

The personnel transportation business is seasonal in nature as a result of the education component of this business. Our operating revenue tends to be higher in August through November and March through May and lower in June, July, January and February. See "Risk Factors—Risks Related to Our Business—Our business is subject to seasonal fluctuations, which makes our revenues and results of operations vary from season to season."

Intellectual Property

We own the Servicio Industrial Regiomontano (SIR) trademark, which is our commercial name in Monterrey and other trademarks that we use as our commercial names in other regions in which we operate.

Customer Service and Sales

We have a specialized sales force dedicated to the development of our personnel transportation business. Our management team communicates regularly with most of our clients. In addition, we regularly visit client facilities and strive to respond quickly and effectively to changes in our client's needs.

We closely monitor bus routes to ensure that service remains punctual and responsive to our customers' needs. We require our drivers to inspect each bus daily before departing and monitor distance and fuel consumption to determine each unit's productivity. All of our services are subject to periodic field inspections.

Workforce and Labor Relations

At June 30, 2007, we employed 6,798 employees. A substantial majority of our workforce consists of full-time employees. Occasionally we hire temporary employees for special projects or during seasons of high demand.

The following table sets forth the number of employees by main category of activity and geographic location at December 31, 2006.

Area/City	Administrative and Other Personnel	Sales Agents	Drivers	Terminal Employees	Supervisors	Maintenance Employees	Total
Corporate	208	-	7	-	27	3	245
Monterrey	231	71	1,408	255	179	536	2,680
Northeast	69	4	522	236	77	279	1,187
Coahuila	41	6	538	174	40	183	982
Central North	42	12	379	198	55	169	855
Central	32	15	226	165	31	122	591
Chihuahua	-	2	1	22	4	4	33
U.S.A.	6	31	114	41	9	24	225
Total	**629**	**141**	**3,195**	**1,091**	**422**	**1,320**	**6,798**

We have never experienced a strike or any other work stoppage among our employees in the history of our operations, and we consider our relations with our employees to be good. As of June 30, 2007, 83.9% of our employees were represented by two unions pursuant to 15 collective bargaining agreements. The National Transportation Union of Mexico (*Sindicato Industrial Nacional de Autotransportes Conexos y Similares de la República Mexicana, CTM, Nuevo León*) represents approximately 81.4% of our unionized employees and is a party to collective bargaining agreements with 13 other bus companies, and the Northeast Public Transportation Workers Union (*Sindicato Industrial de Trabajadores del Transporte Público del Noreste de México, CTM, Coahuila*) represents approximately 18.6% of our unionized employees and is a party to collective bargaining agreements with three other bus companies. As required by Mexico's Federal Labor Law (*Ley Federal del Trabajo*), our contracts are reviewed every year with respect to salaries, and every two years with respect to general clauses and services. All management positions are held by non-union employees.

We strive to keep our workforce motivated and improve employee retention through the following policies:

- a competitive compensation plan that includes a variable component tied to performance;
- various recognition programs to reward outstanding employees; and
- an internal career development and training program to maximize our employees' professional growth within the company.

Our general policy is to require that 4% of our employees' yearly time be devoted to training, except during seasons of high demand. We have established a training center, located in Monterrey, comprised of four development schools that offer mandatory training. Our driving school trains bus drivers and assists them in obtaining SCT certification. In addition, we have a sales school and mechanics school and an administrative school.

Fuel Supply

We are not a party to any long-term fuel supply agreements in Mexico or in the United States. We currently meet, and expect to continue meeting, our fuel requirements almost exclusively through purchases from Pemex, a government-owned entity responsible for the exclusive distribution and sale of diesel fuel in Mexico. Pemex establishes fuel prices and provides certain discounts for companies such as us that distribute fuel for self-consumption. Currently, this discount is approximately 5% below the retail price for fuel paid by the general public in Mexico. We are party to certain long-term franchise agreements with Pemex. From time to time, we acquire fuel at market prices. See "Risk Factors—Risks Related to Our Businesses—Our results of operations are dependent on fuel expenses."

Government Regulation

Mexican Operations

Our operations in Mexico are regulated by the Mexican Federal Law on Roads, Bridges and Autotransportation (*Ley de Caminos, Puentes y Autotransporte Federal*, or the "LCPAF") and the Mexican Regulations of Federal Autotransportation and Ancillary Services (*Reglamento de Autotransporte Federal y Servicios Auxiliares*, or the "Regulations"), and are subject to the supervision of the SCT.

Permits

Pursuant to the LCPAF, a permit from the SCT is required for the operation and exploitation of federal transportation services and services ancillary thereto. We currently hold permits from the SCT to provide intercity transportation services, comprising passenger transportation and tourism transportation, ancillary services such as the operation and exploitation of passenger terminals at the point of origin and point of destination for the boarding and arrival of passengers, and package and courier transportation services.

Permits from the SCT have an unlimited duration and are granted to Mexican individuals and to Mexican corporations that satisfy foreign investment restrictions.

Other Approvals

For each transportation route operated, the SCT issues a different approval, which supplements the general permit for transportation services.

All vehicles used by us in connection with the transportation services must meet the physical, mechanical and year model limitation conditions set forth by the SCT.

Drivers of vehicles used for federal transportation services, must obtain from the SCT, and renew, a license to operate those vehicles, usually every two years. In order to obtain this license, the drivers are required to approve the corresponding training courses. Drivers are obligated to follow the relevant traffic regulations and the SCT can suspend or cancel their licenses for violations of regulations. We are required to verify every two years that the drivers operating our vehicles have valid licenses.

Termination and Revocation of Permits

Permits granted by the SCT for intercity transportation services, as our permits, may be terminated if (i) we voluntarily terminate the permit, (ii) the permit is revoked as discussed below, (iii) we are dissolved and our assets sold in connection with a liquidation or (iv) we are declared bankrupt (in *quiebra*).

The SCT may revoke the permits granted pursuant to the LCPAF for federal transportation services for any of the following reasons:

- failure to comply with the purpose, obligations or conditions established in the relevant permit, without justified cause;

- total or partial interruption of the transportation services, without justified cause;

- charging prices that are higher than the authorized or registered prices;
- failure to make indemnification payments for damages caused in connection with the rendering of the relevant services;
- change of nationality by the permit holder;
- the assignment, encumbrance or transfer of the permit, the rights conferred by the permit or the assets used to exploit the permit in favor of any foreign government;
- the assignment or transfer of the permit or the rights conferred by the permit without the prior authorization from the SCT;
- substantial modification or alteration of the services rendered, without the prior authorization from the SCT;
- the rendering of services other than the services authorized to be rendered under the permit;
- failure to grant or maintain certain required guarantees for damages against third parties; and
- repeated failure to comply with the obligations set forth in applicable law.

Should a permit be revoked, the relevant permit-holder will not be allowed to obtain a new permit during a period of five years.

If a permit is revoked by the SCT for any of the reasons specified above, the permit-holder is not entitled to receive compensation from the SCT or any other party.

SCT may only revoke permits based upon any of the circumstances mentioned above. Prior to revoking a permit, SCT must give a 15-day prior notice to the permit-holder, allow the permit-holder to present any recovery claims and is obligated to issue a final decision in respect of the matter, within thirty calendar days.

We have never had a permit revoked by the SCT.

The Mexican government also has the right to expropriate permits for public policy reasons. In that circumstance, we would have the right to be indemnified. However, applicable law is not clear in respect of how the indemnification amount is to be determined prior to the timing for payment of such indemnification.

Liability and Insurance

Pursuant to the LCPAF and its Regulations, we are liable for damages to passengers and luggage suffered as a consequence of the transportation services we provide. For these purposes, we are obligated to maintain third party liability insurance (covering property and persons) for an amount, currently equal to approximately U.S.$75,000 per vehicle, that must cover travelers and their luggage from when they board the vehicle until they descend from it. See "Risk Factors—Risks Related to Our Business—As a provider of bus transportation services, we are subject to regulations that could be subject to different or stricter interpretation."

Even though we are required to obtain, and maintain, insurance as a means to ensure compliance with our obligations as providers of transportation services, the extent of our responsibility is limited under the LCPAF and other applicable Mexican laws. See "—Insurance."

Prices

Pursuant to the LCPAF and the Regulations, prices for the passenger transportation and package transportation services we provide are determined by us. Although we are not required to obtain the prior authorization from the SCT to apply such prices, we are obligated to register such prices with the SCT, at least seven days in advance to the date the relevant prices will be effective. Registered prices are the maximum prices we are permitted to apply.

If SCT considers that there is no effective competition in the exploitation of passenger transportation services for any specific route, after having received an opinion for these purposes from the Mexican Federal Competition Commission (*Comisión Federal de Competencia*), then prices will be determined by the SCT and may be maintained for as long as the condition giving rise to this determination subsists.

Inspection and Supervision

Under the LCPAF, the SCT inspects and supervises federal transportation services and compliance with all relevant applicable laws.

For this purpose, the SCT may, from time to time, request any necessary information from permit holders and order inspections to such permit holders. Information provided to the SCT for this purpose is deemed confidential.

Sanctions

In addition to revoking permits as specified above, in connection with any breach by a permit holder of the terms of applicable law or the permit, the SCT may impose fines for violations to applicable law. Fines may equal up to approximately U.S.$4,000.

Foreign Investment

Ownership by non-Mexican investors of shares of our voting stock is not permitted by the Mexican Foreign Investment Law and its regulations. Foreign investors may only acquire non-voting stock or instruments that represent a financial interest in underlying shares but do not have voting rights in respect of the underlying shares. See "The Mexican Passenger Transportation Industry—Restrictions on Foreign Investment."

State and Municipal Regulations

We are also subject to state and municipal regulations that apply to our ordinary transportation activities.

U.S. Operations

In the United States our business is subject to regulation by the DOT, like any U.S.-based bus transportation company. We have created a compliance department to ensure that all of our U.S.

operations comply with applicable rules and regulations. We are subject to certain rules and regulations regarding our insurance in the United States. See "—Insurance."

The Federal Motor Carrier Safety Administration

As a motor carrier engaged in interstate, as well as intrastate, transportation of passengers and express shipments, we are subject to regulation by the DOT's Federal Motor Carrier Safety Administration ("FMCSA"). Failure to maintain a satisfactory safety rating, designate agents for service of process or to meet minimum insurance requirements, after notice and opportunity to remedy, may result in the FMCSA's ordering the suspension or revocation of our authority to render transportation services. FMCSA regulations also govern the qualifications, duties and hours of service of drivers, the standards for vehicles, parts and accessories, the maintenance of records and the submission of reports pertaining to our drivers, buses and operations. We are subject to periodic and random inspections and audits by the FMCSA or, pursuant to cooperative arrangements with the FMCSA, by state police or officials, to determine whether our drivers, buses and records are in compliance with the FMCSA's regulations. The FMCSA also administers regulations to assure compliance with vehicle noise and emission standards prescribed by the Environmental Protection Agency (the "EPA"). All of the buses in our fleet contain engines that comply with, or are exempt from compliance with, EPA regulations.

Surface Transportation Board

We are also regulated by the DOT's Surface Transportation Board (the "STB"). The STB must grant prior approval for us to pool operations or revenues with another passenger carrier. The STB, moreover, must authorize any merger by us with, or its acquisition or control of, another motor carrier of passengers. We must maintain reasonable through routes with other motor carriers of passengers, and, if found not to have done so, the STB can prescribe them. We have obtained authorization from the STB of our acquisition of Turimex, LLC.

State Regulations

As an interstate motor carrier of passengers, we may engage in intrastate operations over any of its authorized routes. By federal law, states are pre-empted from regulating our fares or our schedules, including the withdrawal of service over any interstate route. However, our buses remain subject to state vehicle registration requirements, bus size and weight limitations, fuel sales and use taxes, vehicle emissions, speed and traffic regulations and other local standards not inconsistent with federal requirements.

Other

We are subject to regulation under the Americans with Disabilities Act pursuant to regulations adopted by the DOT. The regulations require that all new buses acquired by us for our fixed route operations must be equipped with wheelchair lifts. Additionally, by October 2006, one-half of our fleet involved in fixed route operations was required to be lift-equipped, and by October 2012, such fleet will need to be entirely lift-equipped. Currently, the added cost of a built-in lift device in a new bus is approximately U.S.$40,000 plus additional maintenance and employee training costs. At June 30, 2007, 10% of our fleet operating in the United States used in fixed route operations was wheelchair lift-equipped. In accordance with the October 2006 requirement, we currently plan to have one-half of our fleet lift-equipped by June 2008 by purchasing new wheel chair lift-equipped buses.

Insurance

We maintain all usual and customary insurance policies for companies engaged in similar types of operations. We believe our insurance policies are adequate to meet our needs.

Mexican regulation requires that each bus operating in Mexico be covered by third party liability insurance (which includes property and persons) in an amount equal to approximately U.S.$75,000 to cover third party liability and approximately U.S.$12,000 to cover passenger injury. Damages for death or injury are subject to legislatively-enacted caps that vary from state to state.

Together with other bus companies, we are members of Asociación de Transportistas de Pasajeros del Norte, A.C. ("ATPN"), a fund that issues insurance policies at a one-time cost of Ps.1,970 per bus to satisfy applicable law. The ATPN reimburses us for documented expenses related to insurance claims. Funds maintained by ATPN may not be sufficient to satisfy claims and we may be required to use our own funds to satisfy such claims.

All of our buses operating cross-border routes are covered by both U.S. and Mexican insurance policies. We comply with all applicable U.S. regulations, which require minimum insurance coverage of U.S.$5 million for each commercial motor vehicle operating in interstate transportation. See "Risk Factors—Risks Related to Our Business—Changes to certain liability laws or insurance cost increases could have a material adverse impact on our results of operations."

Property and Equipment

As of June 30, 2007, we operated with approximately 165 sales offices in Mexico (not including sales agents), 14 garages and 17 commercial and administrative offices throughout central and northeastern Mexico.

Below is a table that includes our most significant assets, their value and their approximate average remaining life as of June 30, 2007:

	At June 30, 2007		
	Quantity	Value (in thousands of constant pesos)	Remaining average life (years)
Buses and other vehicles	2,273	1,746,932	4.6
Real estate (excluding offices)	10	154,920	–
Offices	17	44,580	14

Substantially all of our assets are pledged under a bank credit facility. We plan to prepay this bank credit facility in full with the net proceeds from the notes and, as a result, to have the pledges be released. See "Use of Proceeds."

We lease most of the locations of our garages and offices.

As of June 30, 2007, Turimex Internacional operated approximately six sales offices in the United States. We carry casualty insurance against loss or damage to our buses, buildings and equipment contained in buildings.

Fleet Composition and Bus Acquisitions

During 2006, we took delivery of 84 new buses and retired 21 buses, resulting in a fleet of 2,189 vehicles at December 31, 2006, including our passenger and personnel transportation fleet and our package delivery vehicles. At June 30, 2007, the average age of our bus fleet was 5.0 years, which we believe compares favorably to competitors in Mexico as well as international standards. Before the acquisition of Transportes del Norte, the average age of our bus fleet was 3.9 years.

Our current policy is to replace approximately 10% of our fleet per year. We purchase our buses from Scania Comercial, S.A. de C.V., Irizar, México, S.A. de C.V. and Daimler Chrysler Servicios de México, S.A. de C.V. for our Mexican routes and from Motor Coach Industries, Inc. for our cross-border routes. Our Mexican operations require us to operate buses that satisfy SCT safety requirements. Our U.S. operations require us to operate buses that satisfy DOT safety requirements. At June 30, 2007, all 41 of our Turimex Internacional buses complied with DOT requirements. Because of stringent DOT safety and technical requirements, DOT-compliant buses are more expensive than our Mexican buses that we use on comparable routes.

The following table sets forth the comparative cost of our buses as of June 30, 2007:

Bus Type	Cost (1)
Regular/Plus (*Primera/Plus*)	100%
Economy (*Economico*)	93%
Executive/Luxury (*Ejecutivo/Lujo*)	110%
Personnel transport	33%
International service (U.S. DOT-compliant)	180%

(1) 100% is equivalent to the cost of a regular service bus, which was approximately U.S.$264,000 as of June 30, 2007.

We believe that there are sufficient alternative sources of buses and related equipment so that interruption of any source would be unlikely to cause a significant disturbance to our operations.

We monitor and maintain our buses through an Enterprise Resource Planning (ERP) system purchased from J.D. Edwards de Mexico y Compañia, S. en N.C. de C.V. Through this system, the head of the maintenance garage tracks the service registries of each bus and determines necessary maintenance procedures based on data provided by the ERP. Approximately 98% of our buses are equipped with an internal device similar to an airplane "black box" that records departure time, bus speed, stop time and other technical information. We have developed information systems to monitor information recorded by our buses' black boxes. We believe that these systems enable us to identify problems or inefficiencies and respond accordingly.

Litigation

We are a party in various lawsuits arising in the ordinary course of our business, primarily cases involving personal injury and property damage claims and employment-related claims. The majority arise from traffic accidents involving buses operated by us. We currently are not subject to pending legal proceedings, other than routine litigation incidental to our business. We do not believe any liabilities resulting from these proceedings are likely to have a material adverse effect on our financial condition, cash flows or results of operations. See "—Recent Acquisitions" above.

MANAGEMENT

Directors

The management of our business is vested in the board of directors, which consists of 9 directors and is determined and elected by our shareholders at the annual ordinary general meeting. Alternate directors are authorized to serve on the board of directors in the place of directors who are unable to attend meetings or otherwise participate in the activities of the board of directors. The board of directors currently consists of eight members, without any alternates, of which 25% qualify as independent under Mexican law. They are as follows:

Name	Position	Director since	Age
Jaime Rodríguez Silva	President	1995	71
David Rodríguez Benítez	Secretary	1995	38
Alberto Santos de Hoyos	Director	2003	65
Miguel A. Gallo Laguna	Director	2004	73
José de Passos Vieira-Lima	Director	2007	59
Alberto Rodríguez Benítez	Director	1995	37
Jaime Protasio Rodríguez Benítez	Director	1995	39
María Elena Rodríguez Benítez	Director	1995	41
Manuel Sescosse	Director	2007	54

David Rodríguez Benítez, Alberto Rodríguez Benítez, Jaime Protasio Rodríguez Benítez and María Elena Rodríguez Benítez are the sons and daughter of our controlling shareholder Jaime Rodríguez Silva. Alberto Santos de Hoyos, Miguel A. Gallo Laguna, José Vieira-Lima and Manuel Sescosse are not related to the Rodríguez family.

Jaime Rodríguez Silva. Mr. Rodríguez is the president of our board of directors and our controlling shareholder. He has actively participated in Grupo Senda since the 1960s. Mr. Rodríguez is also a regional advisor to Grupo Financiero Banamex and Banco de Mexico. He also serves as a director of certain bus terminals. Mr. Rodríguez holds a degree in business administration from the *Instituto Tecnológico y de Estudios Superiores de Monterrey* (ITESM) and a graduate degree in senior business management from ITESM.

David Rodríguez Benítez. Mr. Rodríguez has been a member of our board of directors since 1995. He was appointed chief executive officer in March 1998. Previously he was the general manager of Transportes Tamaulipas, S.A. de C.V., our subsidiary. He was also the administrative manager for bus maintenance at Autobuses del Noreste, S.A. de C.V. Currently, Mr. Rodríguez is the vice-president of the *Cámara Nacional de Autotransporte de Pasaje y Turismo* (CANAPAT), the lobbying body of the bus transportation industry, a member of the Advisory Council of Banamex and a Founding Council member of Impulsa Monterrey, A.C. (the Monterrey chapter of the international Junior Achievement Program) Mr. Rodríguez holds a degree in administrative mechanical engineering from ITESM and has pursued postgraduate studies in senior management at ITESM.

Alberto Santos de Hoyos. Mr. Santos has been a member of our board of directors since 2004. Mr. Santos is also a member of the board of directors of other companies, including Sigma Alimentos, S.A. de C.V., ING Seguros Comercial América, S.A. de C.V., Banco de Mexico and Axtel, S.A.B. de C.V., among others. He has been a member of several commissions and the president of various commissions and organizations such as the *Camara de la Industria de Transformación* (CAINTRA), the

Confederación de Camaras Industriales (CONCAMIN), *Comisión de Turismo*, *Comisión de Hacienda* and *Comisión de Fomento Industrial*. From 1980 to 1991, he was the president of the board of directors of Grupo Gamesa, S.A. From 1998 to 2000, Mr. Santos was the president of the *Cámara Nacional de la Industria Azucarera y Alcoholera*. In addition, he served as a Senator of the Republic of Mexico for the state of Nuevo León from 1994 to 2000. Mr. Santos holds a degree in business administration from the *Instituto Tecnológico y de Estudios Superiores de Monterrey* (ITESM).

Miguel A. Gallo Laguna. Mr. Gallo has been a member of our board of directors since 2005. He has worked with over 60 companies in Europe, the United States and Latin America. He is also a member of various institutions and associations such as the European International Business Association (EIBA), The International Academy of Management, Executive Board Member Family Business Network, International Family Enterprise Research Academy and Strategic Management Society. Since 2003, he has been Professor Emeritus at the *Instituto de Estudios Superiores de la Empresa* (IESE), Universidad de Navarra, and a visiting professor at ITESM. Mr. Gallo has authored 17 books as well as various articles and research documents. He has participated in congresses and conferences in Europe and the United States. Mr. Gallo holds a Ph.D. in Industrial Engineering and holds several degrees from Harvard Business School and *Instituto de Estudios Superiores de la Empresa* (IESE).

Jose Vieira Lima. Mr. Lima has been a member of our board of directors since 2007. He is the president and CEO of Stracienta, a company specializing in strategy implementation. Previously he was president and CEO of DaimlerChrysler Commercial Vehicles Mexico. He also held several directorial posts at DaimlerChrysler and Volvo in Brazil, Mexico and Mozambique. He has been a speaker at various international transportation forums sponsored by the World Bank. Mr. Vieira holds a degree in mechanical engineering from the *Superior Technical University of Beira*, Portugal. He has also completed several seminars at Harvard Business School and other institutions.

Alberto Rodríguez Benítez. Mr. Rodríguez has been a member of our board of directors since 1995. He was appointed regional director of the Coahuila region in July 2005. Previously he was the general manager of Autobuses Coahuilenses, S.A. de C.V., our subsidiary. He also worked as our manager of strategic planning, manager of finances and treasurer. Mr. Rodríguez is an advisor to the Consejo Cívico de las Instituciones de Nuevo León, A.C. and participates in the *Programa de Continuidad en Habilidades Directivas* of ITESM. Mr. Rodríguez holds a degree in business administration from the *Instituto Tecnológico y de Estudios Superiores de Monterrey* (ITESM) and a masters degree in administration from the same institution. He also holds a masters degree in international administration from the Garvin School of International Management (Thunderbird).

Jaime Protasio Rodríguez Benítez. Mr. Rodríguez has been a member of our board of directors since 1995. From 1990 to 1999, he was our service manager. He holds a degree in business administration.

María Elena Rodríguez Benítez. Ms. Rodríguez has been a member of our board of directors since 1995. Previously, she served as our marketing director from 1989 to 1995. She holds a degree in marketing.

Manuel Sesscosse. Mr. Sescosse has been a member of our board of directors since January 2007. He is also the commercial director of Grupo Financiero Banorte. He previously served as general director of Bancentro – Banorte and as commercial vice president of Grupo Financiero Banorte Multivalores. Mr. Sesscosse has also been president of the Banking Center of Monterrey. Mr. Sesscosse holds a degree in business administration from *Instituto Tecnológico y de Estudios Superiores de Monterrey* (ITESM) and also completed several exchange programs in the area of banking.

Board Committees

As required by the Mexican Securities Market Law, we maintain an audit committee composed of three independent members. These members are Alberto Santos de Hoyos, Miguel Ángel Gallo and Manuel Sescosse, the latter also acting as financial expert to the audit committee. The primary functions of our audit committee are to supervise our external auditors, analyze external auditor reports, keep our board of directors informed of our internal controls and audits, supervise all operations with related parties, request reports from our employees as necessary, inform our board of directors of any issues it encounters, supervise the activities of our chief executive officer and provide our board of directors with an annual report.

As required by the Mexican Securities Market Law, we currently maintain a corporate practices committee composed of three members, two of which are independent. The members of the corporate practices committee are José Vieira-Lima, Miguel Angel Gallo and Alberto Rodríguez . The principal functions of the corporate practices committee are to provide opinions to the board of directors, solicit and obtain reports from independent experts, convene shareholder meetings, support the board of directors in the preparation of annual reports and provide an annual report to the board of directors, which must include, among others things, compensation information for our chief executive officer and other officers.

Our senior management and our finance department oversee our financial planning and implement our financial and operating plans. Tasks related to compensation and performance evaluation are performed in conformity with predefined policies and supervised by our human resources department, as authorized by our senior management.

Executive Officers

Our executive officers currently are as follows:

Name	Current Position	Years as Employee
David Rodríguez Benítez	Chief Executive Officer	14
Miguel Ángel Acosta Rodríguez	Chief Financial Officer	8
Apolinar de León Ayarzagoitia	Chief Operating Officer	26
Luis Manuel Arias Yáñez	Strategic Planning Director	2
Sergio Hernández Tamez	Director of Human Resources	9
José Manuel Valdez	General Counsel	13
Alberto Rodríguez Benítez	Regional Director—Autobuses Coahuilenses	13
Alejandro Gonález Hinojosa	Regional Director—Personnel Segment & Packaging Division	11*
Rafael Sampayo Hernández	Regional Director—Transportes Tamaulipas	28
Mario Jesús Casares López	Regional Director—Turimex Internacional	7
Carlos Arizpe Ramos	Regional Director—Transportes del Norte	8
Carlos Rafael Páez Pavón	Regional Director—Central	2

* Rejoined Grupo Senda in June 2006, after a nine-month absence.

David Rodríguez Benítez and Alberto Rodríguez Benítez are sons of our controlling shareholder, Jaime Rodríguez Silva.

Miguel Ángel Acosta Rodríguez. Mr. Acosta has been our chief financial officer since 2004. He joined us in 1999 as General Comptroller. Previously, he was the information and budgeting manager for Gruma, S.A. de C.V. Mr. Acosta holds a degree in accounting and an MBA from the *Instituto Tecnológico y de Estudios Superiores de Monterrey* (ITESM). He also holds an MSc in finance from the University of Lancaster in the United Kingdom.

Apolinar de León Ayarzagoitia. Mr. De León has been our chief operating officer since June 2006. Previously he was our regional director for the Monterrey area, the general manager of Transportes del Norte, S.A. de C.V. and general manager of Autobuses Noreste, S.A. de C.V. Mr. De León holds a senior business management degree from the *Instituto Panamericano de Alta Dirección de Empresa* ("IPADE").

Luis Manuel Arias Yañez. Mr. Arias has been our strategic planning director since April 2005. Previously, he was strategic planning manager for Gruma, S.A. de C.V. He has also served as administrative manager of Grupo Invertierra, S.A. de C.V. Mr. Arias holds a degree in business management from the *Universidad Anáhuac de México*.

Sergio Hernández Tamez. Mr. Hernández has been our director of human resources since 2002. Previously he was the director of human resources for Celular de Telefonía, S.A. de C.V. He was also the head of industrial relations for Grupo IMSA, S.A. de C.V. Mr. Hernández is currently a member of Ejecutivos de Relaciones Industriales A.C. (ERIAC). Mr. Hernandez holds a degree in psychology and a master's degree in labor psychology from the *Universidad Autónoma de Nuevo León* and a master's in organizational development from the *Universidad de Monterrey*.

José Manuel Valdez Gaytán. Mr. Valdez has been our general counsel since December 2000. Previously he was the general counsel of Autolíneas Nuevo León. He has also been legal assistant to the Congress of the state of Nuevo León. He has also served as auditing attorney for the General Comptroller of the state of Nuevo León. Mr. Valdez holds a degree in legal sciences from the *Facultad de Derecho del Centro de Estudios Universitarios* and a master's degree in private international law from the *Universidad Autónoma de Nuevo León*.

Alejandro González Hinojosa. Mr. González has been director for Personnel Segment and Packaging Division since September 2006. Previously, he held various positions within the company, including regional director of Monterrey, and co-chief executive officer. Mr. González holds a degree in industrial and systems engineering from the *Instituto Tecnológico y de Estudios Superiores de Monterrey* (ITESM) and a master's in senior business management from IPADE.

Rafael Sampayo Hernández. Mr. Sampayo has been our director for Transportes Tamaulipas since September 2006. Previously he served as regional director for the Northeast, general manager for Transportes Tamaulipas, S.A. de C.V. and general manager for Autobuses Coahuilenses, S.A. de C.V., our subsidiaries. Mr. Sampayo holds a senior business management degree from IPADE.

Mario Jesús Casares López. Mr. Casares has been our director for Turimex Internacional, since 2005. Previously he held various other positions within the company. He has also served as the assistant director of marketing of Grupo Financiero Bancomer. Mr. Casares holds a degree in economics from the *Universidad Autónoma de Nuevo León*, as well as other degrees from the *Instituto Tecnológico y de Estudios Superiores de Monterrey* (ITESM).

Carlos Arizpe Ramos. Mr. Carlos Arizpe has been our Director of Transportes del Norte since June 2007. Previously he was our regional director for the Central-North area and also general manager of Senda Express. He has also served as the administrative manager for Grupo Industrial Lala, S.A. de C.V. and the financial manager of Mexico of Levi Strauss & Co. Mr. Arizpe holds a degree in business administration from the *Instituto Tecnológico y de Estudios Superiores de Monterrey* (ITESM) and a master's in business administration from the same institute, as well as a master's in senior business management from IPADE.

Carlos Rafael Páez Pavón. Mr. Páez has been our regional director for the Central area since August 2006. Previously, he was our business development manager for the package delivery segment. He has been general director of Grupo Transregio, S.A. de C.V. and general director of Gema, S.A. de C.V. Mr. Páez holds a degree in industrial administration engineering from the *Universidad Autónoma de Nuevo León*, a master's degree in finance from the same institution.

Executive and Director Compensation and Bonuses

The aggregate amount of compensation paid by us to our directors and executive officers for the year ended December 31, 2006 was Ps.24.1 million, including compensation in the form of three gold coins (centenarios) paid to directors for their attendance at each board meeting. Executive officers are paid a base salary and a bonus equivalent to one to two months of their base salary, based on individual performance and the financial results of operations of their division. Compensation for our executive officers is determined by our board of directors on the basis of recommendations from our human resources department.

PRINCIPAL SHAREHOLDERS

On June 30, 2007, our share capital consisted of 135,500 fully paid Series A shares, without par value, and 8,163,028 fully paid Series B shares, without par value. The following table sets forth certain information concerning the ownership of our share capital:

Name of Shareholder	Series A Shares	Series B Shares	Total Shares	Percentage Share Ownership (1)
Jaime Rodríguez Silva	108,400	6,530,423	6,638,823	80.00%
María Elena Benítez de Rodríguez	5,420	326,521	331,941	4.00
María Elena Rodríguez Benítez	5,420	326,521	331,941	4.00
Jaime Protasio Rodríguez Benítez	5,420	326,521	331,941	4.00
David Rodríguez Benítez	5,420	326,521	331,941	4.00
Alberto Rodríguez Benítez	5,420	326,521	331,941	4.00
Total	**135,500**	**8,163,028**	**8,298,528**	**100.00%**

(1) Percentages are based on 8,298,528 shares outstanding as of June 30, 2007.

David Rodríguez Benítez, Alberto Rodríguez Benítez, Jaime Protasio Rodríguez Benítez and María Elena Rodríguez Benítez are the children of Jaime Rodríguez Silva and his wife María Elena Benítez de Rodríguez.

Our controlling shareholders have pledged all of their shares in our company and our subsidiaries to secure the bank credit facility that we entered into to finance the acquisition of Transportes del Norte. We plan to prepay this bank credit facility in full with the net proceeds from the notes and, as a result, obtain the release of the relevant pledge. See "Use of Proceeds."

Our bylaws prohibit the acquisition of shares of our common stock by non-Mexican persons and any acquisition of Series A shares in violation of our bylaws will be null and void under Mexican law and such shares will be cancelled and our share capital reduced.

RELATED PARTY TRANSACTIONS

We have engaged, and will continue to engage, in a variety of transactions in the ordinary course of business with our controlling shareholders and companies affiliated with our controlling shareholders. We believe that these transactions have been entered into on terms that are no less favorable to us than those that could be obtained from unrelated third parties.

Our transactions with related parties include our sale and leasing to them of buses, transportation equipment and other related assets and our sale to them of auto parts and fuel. In addition, we provide related parties with services, ranging from corporate management and administrative functions to transportation logistics. We lease properties from related parties and purchase goods and services from them, such as fuel, spare bus parts, maintenance and logistics services. The aggregate amount of operating revenues from related parties was Ps.8.6 million in 2006, Ps.134.3 million in 2005, Ps.24.0 million in 2004 and Ps.41.2 million in 2003. The decrease in 2006 derived from the merger of Turimex Internacional with one of our subsidiaries. The increase in 2005 resulted from increased sales with Turimex Internacional and Desarrollo de Transportes de Monterrey, two related companies that we have since acquired. The aggregate amount of operating expenses in respect of related parties was Ps.20.7 million in 2006, Ps.14.5 million in 2005, Ps.14.0 million in 2004 and Ps.28.1 million in 2003. See Note 14 to the Financial Statements.

We have entered into other transactions with related parties that are described below.

Transactions with Turimex Internacional

In January 2006, in exchange for the issuance of new shares of common stock of Grupo Senda, we acquired substantially all of the shares of Turimex del Norte, S.A. de C.V. and Turimex, LLC from our shareholders David Rodríguez Benítez, Alberto Rodríguez Benítez, María Elena Rodríguez Benítez and Jaime Protasio Rodríguez Benítez, for an aggregate price of U.S.$7.0 million. Turimex del Norte and Turimex, LLC (together, Turimex Internacional) offer bus transportation services in Mexico and the United States. Beginning in 2003 through the acquisition, we provided Turimex Internacional with operational, management and administrative services at cost, and sold to Turimex LLC four buses, auto parts, fuel and other transportation-related goods at cost.

Transactions with Desarrollo de Transporte Monterrey

In January 2006, we acquired substantially all of the shares of Desarrollo de Transporte Monterrey, S.A. de C.V., or Desarrollo de Transporte Monterrey, from our shareholders Jaime Rodríguez Silva and David Rodríguez Benitez for Ps.200,000. Desarrollo de Transporte Monterrey provides personnel transportation services in Monterrey. Prior to our acquisition of this entity, our subsidiary Servicio Industrial Regiomontano, S.A. de C.V., or SIR, provided Desarrollo de Transporte Monterrey with all the goods and services necessary to operate, including leased buses, auto parts, repair and maintenance services and administrative and logistical services at a cost approximately equal to the operating income of Desarrollo de Transporte Monterrey.

Transfers

In prior years, we have made cash transfers to our shareholders. These cash transfers were made pursuant to the terms of the special tax regime applicable to the Mexican bus industry. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Simplified Tax Regime Applicable to the Mexican Bus Transportation Industry." These cash transfers have been and remain subject to the approval of our board of directors. The annual amount of these transfers has

been decreasing as we have increased the investment of operating cash flows in our operations. For the years ended December 31, 2003, 2004 and 2005, the aggregate amount of cash transfers to our shareholders was Ps.105.1 million, Ps.87.9 million and Ps.27.1 million, respectively. There were no cash transfers in 2006. Such transfers are accounted for as administrative facilities in the Financial Statements (see Note 14). In the future, we do not expect our board of directors to propose cash transfers or other distributions to shareholders.

In prior years, as contemplated under the special tax regime applicable to the Mexican bus industry, we also have made cash transfers to, and received cash transfers from, other bus companies with which we jointly operate in a "coordinated" group. We made cash transfers to our partner in Autobuses Coahuilenses, S.A. de C.V. in the amount of Ps.32.5 million in 2006, Ps.26.2 million in 2005, Ps.41.6 million in 2004 and Ps.35.1 million in 2003. We received cash transfers from our affiliate Autobuses del Noreste, S.A. de C.V. in the amount of Ps.10.2 million in 2005, Ps.13.1 million in 2004 and Ps.13.5 million in 2003. Such transfers are accounted for as expenses between authorized transportation providers, net in the Financial Statements (see Note 14). The amount of these transfers varies from year to year, and is subject to the approval of the board of directors of the company making the transfer. We expect to continue making similar cash transfers in the future. See "Risk Factors—Risks Related to Our Business—Changes to certain industry-specific Mexican tax laws could have a material adverse impact on our results of operations."

Other Transactions

In September 2004, our shareholder Jaime Rodríguez Silva made an interest-free loan to us in the amount of Ps.45.6 million, of which Ps.8.7 million remains outstanding. We used this loan to finance our acquisition of Transportes del Norte. The outstanding balance matures on December 31, 2007 and we intend to pay it on or prior to that date.

Our controlling shareholders have pledged all of their shares in our company and our subsidiaries to secure the bank credit facility that we entered into to finance the acquisition of Transportes del Norte. We plan to prepay this bank credit facility in full with the net proceeds from the notes and cause the relevant pledges to be released. See "Use of Proceeds."

We have entered into lease agreements with Inmobiliaria y Asesoría Regiofin de México, S.A. de C.V., a company owned by Jaime Rodríguez Silva. These lease agreements cover our corporate headquarters in Monterrey and certain workshops, sales offices and terminals, at prices that are at or below market value. These lease agreements have indefinite terms.

We have provided logistic and other transportation services to Autotransportes Adventur, S.A. de C.V., a company that provides charter services in Mexico. We acquired substantially all of the capital stock of this company in January 2006 for a nominal amount from our shareholders David Rodríguez Benitez, Alberto Rodríguez Benitez, María Elena Rodríguez Benitez and Jaime Rodríguez Benitez.

In 2006, we paid for expenses in the amount of approximately Ps.2 million related to servicing certain properties and assets owned by our shareholder Jaime Rodríguez Silva.

DESCRIPTION OF NOTES

We will issue the Notes under an Indenture, to be dated the Issue Date, between us, the Subsidiary Guarantors and The Bank of New York, as Trustee (the "Trustee"). The terms of the Notes include those stated in the Indenture and those made a part of the Indenture by reference to the Trust Indenture Act of 1939 (the "TIA"). The Indenture is not, however, required to be nor will it be qualified under the TIA and will not incorporate by reference all provisions of the TIA. We summarize below certain provisions of the Indenture, but do not restate the Indenture in its entirety. We urge you to read the Indenture because it, and not this description, defines your rights. You can obtain a copy of the Indenture in the manner described under "Available Information," and, for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF at the office of the paying agent in Luxembourg.

You can find the definition of capitalized terms used in this section under "—Certain Definitions." When we refer to:

- the Company in this section, we mean Grupo Senda Autotransporte, S.A. de C.V., and not any of its subsidiaries; and
- Notes in this section, we mean the Notes originally issued on the Issue Date and Additional Notes, if any.

General

The Notes will:

- be general senior secured obligations of the Company;
- rank equal in right of payment with all other existing and future Senior Secured Indebtedness of the Company, subject to priorities set forth under the *Ley de Concursos Mercantiles* and other applicable laws of Mexico;
- share a security interest in the Collateral (as defined below) *pro rata* with other Senior Secured Indebtedness existing under one or more (i) Credit Facilities in an aggregate amount not to exceed $20.0 million and (ii) Working Capital Facilities, together with certain Trade Payables, in an aggregate amount not to exceed $10.0 million;
- rank senior in right of payment to all existing and future Subordinated Indebtedness of the Company or Subsidiary Guarantors, if any;
- be unconditionally guaranteed on a general secured senior basis by the Subsidiary Guarantors; and
- be structurally subordinate to all existing and future obligations of the Company's Subsidiaries that do not guarantee the Notes.

As of June 30, 2007, on a pro forma basis after giving effect to this offering and the application of the net proceeds as described under "Use of Proceeds":

- the Company and the Subsidiary Guarantors would have had consolidated total indebtedness of US$230.5 million, of which US$203.2 million would have been secured;

- the Company and its Subsidiaries would have had consolidated total indebtedness of US$239.9 million; and

- the Non-Guarantor Restricted Subsidiaries of the Company would have had total indebtedness of US$9.4 million, which indebtedness would be structurally senior to the notes.

Additional Notes

Subject to the limitations set forth under "—Certain Covenants—Limitation on Incurrence of Additional Indebtedness," the Company and its Subsidiaries may incur additional Indebtedness. At the Company's option, this additional Indebtedness may consist of additional Notes ("Additional Notes") issued by the Company in one or more transactions, which have identical terms (other than issue date and issue price) as Notes issued on the Issue Date. Holders of Additional Notes would have the right to vote together with Holders of Notes issued on the Issue Date as one class.

Principal, Maturity and Interest

The Company will issue Notes in denominations of US$2,000 and integral multiples of US$1,000 in excess thereof. The Notes will mature on October 3, 2015 at which time the principal amount of the Notes outstanding on such date will become due and payable. The Notes will not be entitled to the benefit of any mandatory sinking fund.

Interest on the Notes will accrue at the rate of 10.50% per annum and will be payable semi-annually in arrears on each April 3 and October 3, commencing on April 3, 2008. Payments will be made to the persons who are registered Holders at the close of business on March 19 and September 19, respectively, immediately preceding the applicable interest payment date.

Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from and including the Issue Date. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. The redemption of Notes with unpaid and accrued interest to the date of redemption will not affect the right of Holders of record on a record date to receive interest due on an interest payment date.

Initially, the Trustee will act as Paying Agent and Registrar for the Notes. The Company may change the Paying Agent and Registrar without notice to Holders. If a Holder of US$1.0 million or more in aggregate principal amount of Notes has given wire transfer instructions to the Company at least 10 Business Days prior to the applicable payment date, the Company will make all principal, premium and interest payments on those Notes in accordance with those instructions. All other payments on the Notes will be made at the office or agency of the Paying Agent and Registrar in New York City unless the Company elects to make interest payments by check mailed to the registered Holders at their registered addresses. Application has been made to list the Notes on the Official List of the Luxembourg Stock Exchange and to trade on the Euro MTF. As long as the Notes are listed on this market and as long as the rules of this exchange require, the Company will also maintain a Paying Agent and a transfer agent in Luxembourg.

Additional Amounts

The Company is required by Mexican law to deduct Mexican withholding taxes from payments of interest to investors who are not residents of Mexico for tax purposes, and will pay additional amounts on those payments to the extent described in this subsection "—Additional Amounts."

The Company and the Subsidiary Guarantors will pay to Holders of the Notes all additional amounts that may be necessary so that every net payment of interest (including any premium paid upon redemption of the Notes) or principal to the Holder will not be less than the amount such Holder would have received if such taxes, duties, assessments or other governmental charges had not been withheld or deducted. By net payment, we mean the amount the Company, the Subsidiary Guarantors or the Company's paying agent pay the Holder after deducting or withholding an amount for or on account of any present or future taxes, duties, assessments or other governmental charges imposed with respect to that payment by a Mexican taxing authority.

The Company's obligation to pay additional amounts is subject to several important exceptions, however. The Company and the Subsidiary Guarantors will not pay additional amounts to any Holder for or solely on account of any of the following:

- any taxes, duties, assessments or other governmental charges imposed solely because at any time there is or was a connection between the Holder or beneficial Holder of a Note and Mexico (or any political subdivision or territory or possession thereof), including such Holder or beneficial owner (i) being or having been a citizen or resident thereof, (ii) maintaining or having maintained an office, permanent establishment, or branch subject to taxation therein, or (iii) being or having been present or engaged in a trade or business therein (other than the mere receipt of a payment or the ownership or holding of a Note),

- any estate, inheritance, gift, transfer or similar tax, assessment or other governmental charge imposed with respect to a Note,

- any taxes, duties, assessments or other governmental charges imposed solely because the Holder or any other person fails to comply with any certification, identification, information, documentation or other reporting requirement concerning the nationality, residence, identity or connection with Mexico (or any political subdivision or territory or possession thereof) of the Holder or any beneficial owner of a Note, if compliance is required by statute, rule, regulation, or by the official interpretation of applicable tax law by the Mexican taxing authorities (including interpretations made by means of the *Resolución Miscelánea Fiscal*, the *Extracto de Resoluciones No Vinculativos*, the *Extracto de Resoluciones Favorables* and the *Criterios Normativos del SAT*) or by an applicable income tax treaty, which is in effect and to which Mexico is a party, as a precondition to exemption from, or reduction in the rate of, the tax, assessment or other governmental charge and the Company has given the Holders at least 60 days' notice that Holders will be required to provide such information and identification,

- any tax, duty, assessment or other governmental charge payable otherwise than by deduction or withholding from payments on or with respect to a Note,

- any taxes, duties, assessments or other governmental charges with respect to such Note presented for payment more than 30 days after the date on which the payment became due and payable or the date on which payment thereof is duly provided for and notice thereof given to Holders, whichever occurs later, except to the extent that the Holders of such Note would have been entitled to such additional amounts on presenting such Note for payment on any date during such 30-day period, and

- any payment on a Note to a Holder that is a fiduciary or partnership or a person other than the sole beneficial owner of any such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of the payment would not have been entitled to the additional amounts had the beneficiary, settlor, member or beneficial owner been the Holder of a Note.

The limitations on the Company's obligations to pay additional amounts stated in the third bullet point above will not apply if the provision of information, documentation or other evidence described in the applicable bullet point would be materially more onerous, in form, in procedure or in the substance of information disclosed, to a Holder or beneficial owner of a Note, taking into account any relevant differences between U.S. and Mexican law, regulation or administrative practice, than comparable information or other reporting requirements imposed under U.S. tax law (including the United States-Mexico income tax treaty), regulation (including proposed regulations) and administrative practice.

Applicable Mexican regulations currently allow the Company to withhold at a reduced rate, provided it complies with certain information reporting requirements. Accordingly, the limitations on the Company's obligations to pay additional amounts stated in the third bullet point above also will not apply and will not entitle the Company to require the information therein specified unless (a) the provision of the information, documentation or other evidence described in the applicable bullet point is expressly required by the applicable Mexican statutes, rules, regulations or administrative practice, and (b) the Company otherwise would meet, without the need for any information to be provided to the Company by any Holder of the Notes, the requirements for application of the reduced Mexican tax rate.

In addition, such third bullet point does not require, and should not be construed as requiring, that any person, including any non-Mexican pension fund, retirement fund or financial institution, register with the Ministry of Finance and Public Credit to establish eligibility for an exemption from, or a reduction of, Mexican withholding tax.

Upon request, the Company and the Subsidiary Guarantors will provide the Trustee with documentation satisfactory to the Trustee evidencing the payment of Mexican taxes in respect of which the Company has paid any additional amount. The Company will make copies of such documentation available to the Holders of the Notes or the relevant paying agent upon request.

Any reference in this offering circular, the Indenture or the Notes to principal, premium, interest or any other amount payable in respect of the Notes by the Company will be deemed also to refer to any additional amount that may be payable with respect to that amount under the obligations referred to in this subsection "—Additional Amounts."

In the event that additional amounts actually paid with respect to the Notes pursuant to the preceding paragraphs are based on rates of deduction or withholding of withholding taxes in excess of the appropriate rate applicable to the Holder of such Notes, and as a result thereof such Holder is entitled to make a claim for a refund or credit of such excess from the authority imposing such withholding tax, then such Holder shall, by accepting such Notes, be deemed to have assigned and transferred all right, title and interest to any such claim for a refund or credit of such excess to the Company. However, by making such assignment, the Holder makes no representation or warranty that the Company will be entitled to receive such claim for a refund or credit and incurs no other obligation with respect thereto.

In the event of any merger or other transaction described and permitted under "—Limitation on Merger, Consolidation and Sale of Assets," then all references to Mexico, Mexican law or regulations, and Mexican taxing authorities under this section "—Additional Amounts" (other than the fourth and fifth paragraphs above) and under "—Optional Redemption—Optional Redemption for Changes in Withholding Taxes" shall be deemed to also include the United States and any political subdivision therein or thereof, United States law or regulations, and any taxing authority of the United States or any political subdivision therein or thereof, respectively.

Security

General

The Notes will be secured by first-priority Liens (subject to Collateral Permitted Liens), equally and on a *pro rata* basis with certain Permitted Secured Obligations of the Company or the Subsidiary Guarantors, pursuant to pledge agreements and mortgages (collectively, the "Collateral Documents") to be entered into from time to time by the Company and the Subsidiary Guarantors (collectively, the "Grantors"), Deutsche Bank Mexico, S.A., as collateral agent in Mexico, and other collateral agents (including in the U.S.) that may be appointed from time to time under the Indenture (collectively, the "Collateral Agent"), for the benefit of the Holders of the Notes and the creditors under the Permitted Secured Obligations from time to time.

On the Issue Date, perfected Liens will be created on all Capital Stock held or beneficially owned by the Company of the Subsidiary Guarantors (except for Coach Investments, LLC and Turimex, LLC) and Autobuses Coahuilenses, S.A. de C.V.

Within 120 days of the Issue Date, Liens will be created and perfected on the capital stock held or beneficially owned by the Company of Coach Investments, LLC and Turimex, LLC.

Within 120 days of the Issue Date, Liens will be created and perfected on all inventories and transportation and other equipment of the Company and the Subsidiary Guarantors.

Within 120 days of the Issue Date, Liens will be created on all real property of the Company and the Subsidiary Guarantors, including land and buildings (collectively, "Real Property"), in the form of Mortgages (as defined below), which the Company and the Subsidiary Guarantors will use their reasonable best efforts to perfect within 120 days of the Issue Date.

If the Company and the Subsidiary Guarantors do not create the required Liens by the applicable dates the amount of interest on the Notes will increase by 0.50% as described under "—Interest Rate Adjustment" below. This increase in interest is in addition to a potential Event of Default. See clause (9) under "—Events of Default." In order to be perfected and enforceable against third parties, Liens on the inventories and transportation and other equipment of the Company and the Mexican Subsidiary Guarantors will require registration in the public registry of commerce in Mexico located in the domicile of the pledgor and Liens on the Real Property of the Company and the Mexican Subsidiary Guarantors will require registration in the public registry of property in Mexico where the real property is located.

We are unaware of any material Liens on any of the Collateral as of the Issue Date. There are certain risks related to the Collateral and the ability of the Collateral Agent to foreclose on the Collateral. See "Risk Factors—Risks Related to the Collateral."

In addition, the Company will take all steps necessary to cause any future Subsidiary Guarantors, as soon as practicable and to the extent permitted by applicable law, to grant a first-priority Lien (subject to Collateral Permitted Liens) over all of its existing and future inventories, transportation and other equipment, Real Property and Capital Stock pursuant to the applicable Collateral Documents.

The Collateral

The Liens granted under the Collateral Documents will constitute security interests in the applicable assets of the Company and the Subsidiary Guarantors described below (collectively, and together with any other assets that may be pledged from time to time, the "Collateral"). As discussed

below, perfected Liens with respect to the Capital Stock of the Subsidiary Guarantors (except for Coach Investments, LLC and Turimex, LLC) and the Capital Stock held or beneficially owned by the Company of Autobuses Coahuilenses, S.A. de C.V. will be created on the Issue Date. Liens will be created and perfected on the capital stock held or beneficially owned by the Company of Coach Investments, LLC and Turimex, LLC within 120 days of the date of issuance. Liens with respect to inventories and transportation and other equipment of the Company and the Subsidiary Guarantors will be created and perfected within 120 days of the Issue Date. Liens with respect to all Real Property of the Company and the Subsidiary Guarantors will be created within 120 days of the Issue Date, and the Company and the Subsidiary Guarantors will use their reasonable best efforts to perfect these Liens within the same 120-day period.

Inventories and Transportation and Other Equipment. Within 120 days of the Issue Date, each of the Company and Subsidiary Guarantors will create a first-priority Lien (subject to Collateral Permitted Liens) over all of its existing and future (except as described below) inventories and transportation and other equipment, in each case pursuant to a non-possessory pledge (collectively, the "Non-Possessory Pledge Agreements"). The final form of the Non-Possessory Pledge Agreements will be agreed upon by the date of this offering circular.

The pledged inventories of the Company and the Subsidiary Guarantors will include all present and future inventories, including, without limitation, auto parts and accessories, tires, fuel and prepaid inventories.

The pledged transportation and other equipment of the Company and the Subsidiary Guarantors will consist of:

- all transportation equipment (including, without limitation, all buses and other vehicles), workshop equipment, furniture and fixtures, computer equipment and fuel equipment owned by the Company and the Subsidiary Guarantors on the Issue Date, other than buses otherwise pledged to third parties as first-priority security interests under Liens in existence on the Issue Date;

- all transportation equipment (including, without limitation, all buses and other vehicles), workshop equipment, furniture and fixtures, computer equipment and fuel equipment acquired by the Company or any of the Subsidiary Guarantors after the Issue Date (including all such assets made part of the Collateral as Replacement Collateral as described under "—Certain Covenants—Limitation on Asset Sales and Sales of Subsidiary Stock") and, in certain circumstances, similar assets acquired by any of the Company's other subsidiaries; and

- all proceeds in respect of any of the foregoing, including all proceeds from insurance recoveries in respect of such assets.

The Non-Possessory Pledge Agreements will contain provisions requiring the Company to generate and deliver to the Collateral Agent reports semi-annually on each April 3 and October 3, commencing on April 3, 2008, in respect of the status of the Collateral, the book value thereof and an estimate of the approximate market value thereof and to provide the Collateral Agent with access, upon request, to the Company's control systems for inventories, transportation and other equipment and related assets.

Liens created pursuant to the Non-Possessory Pledge Agreements in relation to Mexican Subsidiary Guarantors will be perfected and enforceable against third parties once the agreements are acknowledged as registered in the public registry of commerce (*registro público de comercio*) in Mexico

of the domicile of the pledgor. Within 120 days of the Issue Date, the Company and the Subsidiary Guarantors will file the Non-Possessory Pledge Agreements and cause the perfection of such Liens.

The Liens created by these Non-Possessory Pledge Agreements will be governed by Mexican law and remedies including foreclosure will be subject to Mexican law. Pursuant to the provisions of each Non-Possessory Pledge Agreement, the Company and the Subsidiary Guarantors will retain possession and use and have the right to exploit and dispose of the Collateral, including proceeds in respect thereof, subject to the Liens created under the Non-Possessory Pledge Agreements, in the ordinary course of their business, in each case unless and until the Collateral Agent, upon the occurrence and during the continuance of a Collateral Event of Default, instructs otherwise or takes other enforcement action in accordance with the terms of the Collateral Documents. Prior to a Collateral Event of Default, cash constituting Collateral by virtue of being proceeds under a Non-Possessory Pledge Agreement (other than Net Cash Proceeds from a Collateral Asset Sale or an Event of Loss) may be used or applied as contemplated under "—Use of the Collateral," and upon such use or application such cash shall not be deemed to be Collateral.

Real Property. Within 120 days of the Issue Date, the Company and the Subsidiary Guarantors will cause each of the Company and such Subsidiaries to create first-priority Liens (subject to Collateral Permitted Liens) on the Real Property owned by it on the Issue Date. In the case of the Company and each Mexican Subsidiary Guarantor, such liens will be created pursuant to mortgage instruments (the "Mortgages") on the Real Property owned by it on the Issue Date by executing the Mortgages before a Mexican notary public and filing them with the applicable public registries of property, and promptly (but in no event more than ten days after the Issue Date) to file and maintain in effect preventive notices (*avisos preventivos*) with the applicable public registries of property (*registros públicos de propiedad*) relating to such Real Property prior to the creation and perfection of such Mortgages. The final form of the Mortgages will be agreed upon by the date of this offering circular.

The Company will use its reasonable best efforts to perfect the Mortgages within 120 days of the Issue Date. Mortgages on the Real Property of the Company and the Mexican Subsidiary Guarantors will be perfected and enforceable against third parties only after the Mortgages are registered in the applicable public registries of property of the location of the relevant real property. The time periods for registration vary between public registries of property, and we can provide no assurance as to our ability to perfect first priority Mortgages on the Real Property. See "Risk Factors—Risks Related to the Collateral—We have significant obligations after the closing of this offering related to the creation and perfection of liens on our assets for the benefit of the notes."

First-priority Liens (subject to Collateral Permitted Liens) will also be created by each of the Company and each Subsidiary Guarantor pursuant to Mortgages on any Real Property acquired by it after the Issue Date, and each of the Company and each such Subsidiary Guarantor will use its reasonable best efforts to perfect such Mortgages as promptly as practicable.

Each Mortgage will be governed by Mexican law, and thus remedies including foreclosure over the Real Property will be subject to Mexican law and the law of the state of Mexico where the Real Property is situated. The Company and each Subsidiary granting a Mortgage may continue to use and exploit the Real Property, except to the extent that the Collateral Agent exercises its rights under the relevant Mortgage and the relevant collateral documents upon the occurrence and during the continuance of a Collateral Event of Default. See "Risk Factors—Risks Related to the Collateral—Impediments exist to any foreclosure on the Collateral, which may adversely affect the proceeds of any foreclosure."

The Collateral Documents will allow the Company to grant certain easements and rights of way that will burden certain properties that are part of the Collateral but that will be necessary to provide

access and utilities and similar services to the properties listed above. These easements and rights of way will not materially affect the value of the burdened properties that are part of the Collateral.

Stock Pledges. On, or in the case of Coach Investments, LLC and Turimex, LLC, within 120 days of, the Issue Date, the Company will cause a perfected first-priority Lien to be created, pursuant to one or more stock pledge agreements (the "Stock Pledge Agreements"), on all of the Capital Stock of the Subsidiary Guarantors and on all Capital Stock held or beneficially owned by the Company of Autobuses Coahuilenses, S.A. de C.V. (the "Pledged Stock"). The Liens on the Pledged Stock of the Mexican Subsidiary Guarantors will be governed by Mexican law and thus remedies including foreclosure on such Pledged Stock will be subject to Mexican commercial and procedural law. The Liens on the Pledged Stock of Coach Investments, LLC and Turimex, LLC will be governed by U.S. law and thus remedies including foreclosure on such Pledged Stock may be subject to U.S. commercial and procedural law, including the laws of any applicable states. Shares of the Pledged Stock will not be registered securities under Mexican or U.S. securities laws, and may not be publicly offered in Mexico or in the U.S. or traded on the Mexican Stock Exchange (*Bolsa Mexicana de Valores*) or on any U.S. securities exchange. Upon the occurrence and during the continuation of an Event of Default, each Stock Pledge Agreement will grant voting rights to the applicable Collateral Agent in respect of certain actions by the relevant Subsidiary, either pursuant to an irrevocable power of attorney to be granted in favor of the Collateral Agent or through other means. The matters on which the Collateral Agent will have voting rights over the Pledged Stock of the relevant Subsidiary upon the occurrence and during the continuation of a Collateral Event of Default, subject to certain exceptions, will be with respect to:

(1) any merger of any such Subsidiary with any other company (other than a merger with an Affiliate of the Company in which the surviving company's Capital Stock is pledged pursuant to a Stock Pledge Agreement and that is subject to the restrictions (including by-law provisions), in each case as described herein);

(2) the winding-up, liquidation or dissolution of such Subsidiary, excluding any *concurso mercantil, quiebra,* bankruptcy or other similar proceeding under the *Ley de Concursos Mercantiles*, the U.S. Bankruptcy Code or any other similar applicable law relating to or affecting creditors' rights generally;

(3) the creation or incurrence of any Lien (other than Collateral Permitted Liens) on any Real Property; and

(4) the incurrence by such Subsidiary of Indebtedness (other than Permitted Indebtedness).

For the avoidance of doubt, at any time that the stock of any of the Subsidiary Guarantors is pledged, the Real Property of such Subsidiary will be considered Collateral for purposes of "—Certain Covenants—Limitation on Asset Sales and Sales of Subsidiary Stock—Events of Loss."

Unless an Event of Default has occurred, the Collateral Agent will not have any economic rights in respect of the Pledged Stock.

Interest Rate Adjustment

The interest rate on the Notes specified under "—Principal, Maturity and Interest" will increase by 0.50% per annum commencing on any of the dates specified in (a), (b) or (c) below if:

(a) on the 121st day after the Issue Date, there is any material defect in the creation, perfection or first-priority status of any Lien (subject to Collateral Permitted Liens) granted pursuant to a Non-

Possessory Pledge Agreement in respect of Collateral having an aggregate book value in excess of $5.0 million;

(b) on the day immediately after the Issue Date, or in the case of Coach Investments, LLC and Turimex, LLC, on the 121st day after the Issue Date, there is a material defect in any pledge required to be made as described above in relation to the Capital Stock held or beneficially owned by the Company of any Subsidiary Guarantor or the Capital Stock held or beneficially owned by the Company of Autobuses Coahuilenses, S.A. de C.V. or a material defect in any authorization required for any future sale or other disposition of such Capital Stock that may occur as a result of such pledge; or

(c) on the 121st day after the Issue Date, there is any material defect in the creation, perfection or first-priority status of any Mortgage (subject to Collateral Permitted Liens) with respect to Real Property required to be pledged as described above having an aggregate book value in excess of $2.0 million.

To avoid any such interest rate adjustment, the Company shall be required to deliver to the Trustee and the Collateral Agent (x) an officer's certificate to the effect that none of the conditions requiring an interest rate adjustment are continuing, (y) copies of each of the relevant Collateral Documents, including evidence of registration with the applicable public registry in Mexico or in the United States, as applicable, and any other related documentation, and copies of resolutions evidencing shareholders' approval, if required, of any pledge of stock (or any by-law amendment in lieu thereof), and (z) an opinion of counsel to the Company that a first-priority Lien (subject to Collateral Permitted Liens) has been perfected in the subject Collateral in accordance with applicable law.

Such increase in interest rate will remain in effect until such date as none of the conditions identified above shall exist (determined as of such date) and the Company has delivered to the Trustee and the Collateral Agent an officer's certificate to such effect, together with all documentation described in the preceding paragraph.

Use of the Collateral

Subject to the terms and conditions of the Indenture, the Credit Facilities outstanding from time to time and the Collateral Documents, the Company and the other Grantors will be entitled, unless a Collateral Event of Default has occurred and is continuing and the Collateral Agent has given contrary instructions in accordance with the terms of the Collateral Documents and the Indenture, to receive all cash dividends, interest and other payments made upon or in respect of the Pledged Stock (if any), and to exercise any voting and other rights in respect thereof, to generally remain in possession of and to retain exclusive control over the Collateral (other than any amounts that are the proceeds of a Collateral Asset Sale or an Event of Loss relating to the Collateral), to freely operate the Collateral, to replace machinery and equipment and to sell or otherwise dispose of inventory and other Collateral (including, with respect to cash constituting Collateral by virtue of being proceeds under a Non-Possessory Pledge Agreement (other than Net Cash Proceeds from a Collateral Asset Sale or an Event of Loss) to pay dividends or make investments or loans), and to collect, invest and dispose of any income in respect of any Collateral, in each case in the ordinary course of business. See "—Enforcement and Disposition of Collateral" below.

Release of the Collateral

Upon the full and final payment and performance by the Company and each of the Subsidiary Guarantors party thereto of their respective Obligations under the Notes, the Indenture, the Permitted Secured Obligations and the Collateral Documents, the Collateral Documents will terminate and the Liens

on all of the Collateral will be released, without the Company being required to take any other action. The Collateral Agent will release the Liens in favor of the Collateral Agent in any Collateral to be sold pursuant to a Collateral Asset Sale or, in the case of certain obsolete or other assets, to be disposed of in a transaction not considered a Collateral Asset Sale pursuant to clause (i) of the exclusion to the definition thereof; *provided* that the Company and/or such other Grantor complies with the provisions of the Indenture (described below under the sub-heading "—Certain Covenants—Limitation on Asset Sales and Sales of Subsidiary Stock") as well as any provisions relating to such a sale contained in each of the Credit Facilities at such time outstanding. The Company may use the Net Cash Proceeds of a Collateral Asset Sale to purchase Replacement Collateral to be made part of the Collateral, or repay Permitted Secured Obligations (other than Trade Payables) and make an offer to repurchase Notes (which offer will be made on a *pro rata* basis to holders of other Permitted Secured Obligations (other than Trade Payables) and the Notes). In addition, the Collateral Agent may at any time release the Liens in favor of the Collateral Agent in any Collateral if requested by the Company or any Grantor and approved by the Required Creditors pursuant to clause (5) of the definition thereof. See "—Required Creditors" and "—Required Creditors—Amendments and Modifications" below.

Future Permitted Secured Obligations

Under the terms of the Indenture, the Company may from time to time after the date of issuance of the Notes grant Liens on the Collateral to secure additional Permitted Secured Obligations, which may only consist of one or more (i) Credit Facilities to be limited in the aggregate to a principal amount of $20.0 million and (ii) Working Capital Facilities entered into with one or more Mexican or international financial institutions that are not Affiliates of the Company at any time prior to or after the date of issuance of the Notes and Trade Payables to be limited in the aggregate to a principal amount of $10.0 million.

The Holders of the Notes acting through the Trustee will have the exclusive right to direct the Collateral Agent to take any enforcement or other action in respect of the Collateral. The lenders under the Credit Facilities and the Working Capital Facilities and the creditors under any Trade Payables will not be entitled to vote to take any enforcement or other action with respect to the Collateral pursuant to the Indenture or otherwise, and each will be required to agree in their respective credit and pledge agreements that they will not independently take any such action.

Under the terms of the Indenture, for the Company to grant any permitted Lien on the Collateral to secure additional Permitted Secured Obligations as described above, the Company will be required each time to deliver to the Trustee an officers' certificate certifying that, among other things, such granting of a Lien on the Collateral to secure the additional Permitted Secured Obligation is in accordance with the terms of the Indenture, the amount of the Lien does not exceed the permitted applicable aggregate amounts specified above and the holder or creditor of such Permitted Secured Obligation has agreed in its credit and pledge agreement that, among other things, (i) any enforcement or other action with respect to the Collateral is reserved exclusively for the Holders of the Notes and that they will not independently take any such action and (ii) the Holders of the Notes are third party beneficiaries under such credit and pledge agreement with the right to enforce such exclusive rights with respect to the Collateral. The officers' certificate is required to be delivered together with (1) an opinion of counsel to the Company stating that, among other things, such new Lien on the Collateral to secure the additional Permitted Secured Obligation does not, together with all other Liens on the Collateral securing other Permitted Secured Obligations, exceed the applicable aggregate amount and that the perfected security interest of the Holders of Notes remains unaffected (other than the sharing thereof, as applicable and permitted) and (2) an opinion of U.S. counsel to the Company stating that such request by the Company for such new Lien on the Collateral to secure the additional Permitted Secured Obligation is in accordance with the terms of the Indenture. If all conditions are satisfied by the Company (as evidenced by such

officers' certificate and such opinions of counsel), the Trustee will instruct to Collateral Agent to proceed to grant new Lien on the Collateral to secure the additional Permitted Secured Obligation.

Required Creditors

Pursuant to the terms of the Indenture and the Collateral Documents, the exercise of any rights under the Collateral Documents will be undertaken through the Collateral Agent upon the direction of the Trustee or, as may be required or permitted by the Indenture, on instructions of the Holders of the Notes generally acting through the Trustee (collectively, the "Voting Creditors") holding, in the aggregate, sufficient principal amounts of the Notes to satisfy the applicable thresholds under the definition of "Required Creditors" below. As a result, the Holders of the Notes, acting alone, may cause the Collateral Agent to foreclose on the Collateral, including upon an event of default under any Permitted Secured Obligation.

Under the Indenture, the "Required Creditors" will consist of:

(1) during any period commencing upon the occurrence of a Non-Payment Default and continuing until the 60th calendar day thereafter, Voting Creditors holding at least 75% of the aggregate outstanding principal amount of the Notes;

(2) during any period commencing on the 61st calendar day after the occurrence of a Non-Payment Default and continuing thereafter, Voting Creditors holding at least 66⅔% of the aggregate outstanding principal amount of the Notes;

(3) during any period commencing upon any occurrence of a Payment Default, Voting Creditors holding at least 40% of the aggregate outstanding principal amount of the Notes;

(4) in the event of a Bankruptcy Event of Default, Voting Creditors holding at least 40% of the aggregate outstanding principal amount of the Notes; and

(5) with respect to amendments and modifications of the Collateral Documents generally, or the granting of waivers or releases of Collateral thereunder (other than as permitted for Permitted Secured Obligations), each of (i) Voting Creditors holding at least 51% of the aggregate outstanding principal amount of the Notes and (ii) the Trustee acting at the direction of the Holders of the Notes pursuant to the terms of the Indenture.

For purposes of the determination of Required Creditors in any circumstance, any Notes held by the Company or any of its Affiliates will be deemed not to be outstanding. If more than one voting threshold could apply in any situation—for example if more than one type of Collateral Event of Default has occurred—the lowest applicable voting threshold will apply, except that the threshold for a Bankruptcy Event of Default will always be used if a Bankruptcy Event of Default has occurred.

In accordance with the Indenture, the Required Creditors may direct the Collateral Agent to exercise any enforcement or related action available under the Collateral Documents. Each Secured Party will agree that, among the Secured Parties, only the Required Creditors may exercise any such power, and shall have no duty whatsoever to consider the interests of any parties in so exercising, other than the interests of the Voting Creditors. All of the creditors under the Permitted Secured Obligations and the Holders of the Notes will agree not to take independently any enforcement or related action, including in connection with any bankruptcy of any Grantor. In addition, each Secured Party will agree to distribute to the Collateral Agent, for distribution in accordance with the terms of the Indenture, any proceeds

received by such creditor (by way of set-off or otherwise) from any sale, transfer or other disposition of any Collateral (other than by the Collateral Agent).

Notices; Remedies Upon Collateral Event of Default

Each of the Secured Parties will agree as applicable under the indenture or the credit agreement or instrument evidencing the Permitted Secured Obligation to promptly notify the Collateral Agent and the Trustee upon the occurrence of any default or event of default or similar occurrence under the Notes or Credit Facilities or Working Capital Facilities held by such Secured Party. If notified that there has been a Collateral Event of Default, the Collateral Agent or the Trustee may send a notice to each of the Voting Creditors, requesting instructions from the Required Creditors regarding whether and to what extent the Collateral Agent should take any enforcement or other action in respect of the Collateral. The Collateral Agent will be empowered to take certain actions without instruction from the Required Creditors, in its discretion, and will be required, promptly following notice of the occurrence of a Bankruptcy Event of Default, to take available enforcement action and exercise other remedies in respect of the Collateral (to the maximum extent permitted by law) pending receipt of instructions of the Required Creditors in the exercise of its reasonable discretion for the protection of the interests of the Holders of the Notes and the other creditors.

Upon delivery of a remedies instruction by the Required Creditors or the Trustee, the Collateral Agent will be required to act in accordance with such instruction, to the maximum extent permitted by law. Once a remedies instruction providing for such initiation of foreclosure or other sale of Collateral has been received by the Collateral Agent, it may not be rescinded or modified, and no other enforcement action likely to impair or frustrate the enforcement action provided for in such remedies instruction may be initiated, except pursuant to a remedies instruction delivered in the case of such a remedies instruction given by a group of Required Creditors that includes holdings of at least 75% of the obligations held by Voting Creditors that voted in favor of delivering such original remedies instruction or if the obligation of the Company or any Grantor that gave rise to the initiation of foreclosure shall have been remedied and interruption shall be possible under applicable law.

Amendments and Modifications

Any Collateral Document may be amended or terminated, or terms thereof may be waived or Collateral released thereunder (other than as permitted for Permitted Secured Obligations), by the Grantors and the Collateral Agent acting upon the instruction of the Required Creditors pursuant to clause (5) of the definition thereof. Under the Indenture, any such modification, amendment or waiver may be made with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes; *provided* that the consent of each Holder affected thereby shall be required to the extent such modification, amendment or waiver would terminate, or deprive any Holder of the benefit of, the Liens of the Collateral Documents on all or substantially all of the Collateral, other than to the extent expressly permitted by the Indenture and the Collateral Documents.

Enforcement and Disposition of Collateral

The Indenture and the Collateral Documents provide that, upon the occurrence and during the continuation of a Collateral Event of Default:

- all rights of the Company and its Subsidiaries to exercise voting and other rights with respect to any Pledged Stock will cease upon notice from the Collateral Agent, and all these rights will become vested in the Collateral Agent which, to the fullest extent permitted by applicable law, will have the exclusive right to exercise these rights;

- all rights of the Company and its Subsidiaries to receive cash dividends, interest and other payments made upon or in respect of the Collateral (other than lease payments with respect to Real Property or cash proceeds from other receivables that are used to satisfy certain labor and tax obligations of the Company and the Subsidiary Guarantors or dividends or similar transfers required to duly and punctually pay the Notes) will cease upon notice from the Collateral Agent and all such cash dividends, interest and other payments in respect of the Collateral will be paid to the Collateral Agent and held in one or more collateral accounts (collectively, the "Collateral Accounts") established by the Collateral Agent to hold cash proceeds in respect of the Collateral for distribution to the Secured Parties equally on a *pro rata* basis;

- the Collateral Agent may enter upon all or any portion of the Company's and its Subsidiaries' premises that comprises the Collateral to inspect the Collateral and may exercise rights with respect to the Collateral available under applicable law.

For so long as a Collateral Event of Default has occurred and is continuing, the Collateral Agent may be directed to take (or to refrain from taking) such action or exercise such power only upon the instruction of the Required Creditors generally acting through the Trustee.

The cash proceeds of sales of, or collections on, any Collateral received upon the exercise of remedies, including pursuant to a bankruptcy proceeding, will be applied pursuant to the Indenture in the following order of priority:

- first, to the payment of all unpaid fees, expenses, reimbursements, indemnifications and advancements of the Collateral Agent and the Trustee under the Collateral Documents and the Indenture;

- second, to the payment of principal under the Notes and the Permitted Secured Obligations, in each case excluding any premium, interest, penalty or other amounts in respect thereof, on a *pro rata* basis and subject to the limitations provided below;

- third, to the payment of accrued and unpaid interest under the Notes and the Permitted Secured Obligations, on a *pro rata* basis as provided below;

- fourth, to the payment of any other obligations under the Notes and the Permitted Secured Obligations, on a *pro rata* basis as provided below; and

- fifth, to the Company and its Subsidiaries or to whomever else may lawfully be entitled to receive such proceeds or as a court of competent jurisdiction may direct.

Any amounts distributed pursuant to paragraphs third, fourth and fifth above will be applied *pro rata* in respect of the aggregate amounts of such obligations under each of (i) the Notes, (ii) the Credit Facilities, (iii) the Working Capital Facilities and (iv) the Trade Payables (in each case for further distribution on a *pro rata* basis among the relevant Secured Parties); *provided* that in no event shall the aggregate amount applied under paragraph third in respect of any of the Credit Facilities, the Working Capital Facilities or the Trade Payables exceed the maximum amounts permitted to be secured by Liens in the Collateral in respect thereof as set forth in the Indenture (and described above under "—Permitted Secured Obligations").

No appraisal of any of the Collateral has been prepared by or on behalf of the Company in connection with the issuance and sale of the Notes or otherwise. There can be no assurance that the proceeds from the sale of the Collateral in whole or in part pursuant to the Collateral Documents would be sufficient to satisfy payments due in respect of the Notes. By its nature, some or all of the Collateral will

be illiquid and may have no readily ascertainable market value. The exercise of remedies may be restricted or limited with respect to some or all of the Collateral. In addition, certain of the Collateral may be subject to additional legal or other restrictions that may inhibit or significantly delay its disposition. Accordingly, there can be no assurance that the Collateral can be disposed of in a short period of time, or at all. See "Risk Factors—Risks Relating to the Collateral."

The preceding description of the Collateral Documents is a summary and does not restate any Collateral Document in its entirety. We urge you to read the Collateral Documents, which can be obtained as described under "Available Information."

Note Guarantees

Payment of principal of, premium, if any, and interest on the Notes will be Guaranteed jointly and severally on a senior secured basis by each of the following Subsidiary Guarantors, comprised of each Subsidiary party to a Collateral Document: Transportes Tamaulipas, S.A. de C.V., Transportes del Norte México–Laredo y Anexas Servicios Internacionales S.A. de C.V., Multicarga, S.A. de C.V., Servicio Industrial Regiomontano, S.A. de C.V., Servicio Industrial Coahuilense, S.A. de C.V., Rutas de Saltillo, S.A. de C.V., Transportes Rodriguez de Saltillo, S.A. de C.V., Senda Servicio Industrial, S.A. de C.V., Transportes Industriales Chihuahuenses, S.A. de C.V., Servicio Industrial Potosino, S.A. de C.V., Transporte Industrial Jalisciense, S.A. de C.V., Turimex del Norte, S.A. de C.V., Turimex LLC, Servicios Integrados de Transporte, S.A. de C.V., Coach Investments, LLC, Servicios Especializados Senda, S.A. de C.V., Servicios TDN, S.A. de C.V. and Autotransportes Adventur, S.A. de C.V. In addition, as described below, certain future Restricted Subsidiaries will concurrently Guarantee the payment of the principal of, premium, if any, and interest on the Notes on a senior secured basis by executing a supplemental indenture and providing the Trustee with an Officers' Certificate and Opinion of Counsel. On the Issue Date, each of the Subsidiaries existing on the Issue Date will be designated as a Restricted Subsidiary. In addition, any Subsidiary created or acquired by the Company subsequent to the Issue Date will initially be designated as a Restricted Subsidiary.

Each Subsidiary Guarantor will unconditionally guarantee the performance of all obligations of the Company under the Indenture and the Notes. The Obligations of each Subsidiary Guarantor in respect of its Note Guarantee may be deemed to constitute a fraudulent conveyance, fraudulent transfer or similar illegal transfer under applicable Mexican law. See "Risk Factors—Risks Related to the Notes and this Offering—It is possible that guarantees may not be enforceable in the event of insolvency (*concurso mercantil*) or bankruptcy (*quiebra*) of our subsidiary guarantors."

Each Subsidiary Guarantor will be released and relieved of its obligations under its Note Guarantee in the event:

(1) there is a Legal Defeasance or a Covenant Defeasance of the Notes as described under "—Legal Defeasance and Covenant Defeasance";

(2) there is a sale or other disposition of Capital Stock of such Subsidiary Guarantor following which such Subsidiary Guarantor is no longer a direct or indirect Subsidiary of the Company;

(3) there is a sale of all or substantially all of the assets of such Subsidiary Guarantor (including by way of merger, stock purchase, asset sale or otherwise) to a Person that is not (either before or after giving effect to such transaction) a Restricted Subsidiary; or

(4) such Subsidiary Guarantor is designated as an Unrestricted Subsidiary in accordance with "—Certain Covenants—Limitation on Designation of Unrestricted Subsidiaries";

provided that the transaction is carried out pursuant to and in accordance with all other applicable provisions of the Indenture.

After the Issue Date, if any Person that is a Restricted Subsidiary becomes a Significant Subsidiary (including upon a Revocation of the Designation of a Subsidiary as an Unrestricted Subsidiary), the Company will cause such Restricted Subsidiary (promptly following the determination in accordance with the terms of the Indenture that such Restricted Subsidiary is a Significant Subsidiary) concurrently to become a Subsidiary Guarantor on a senior basis by executing a supplemental indenture and providing the Trustee with an Officers' Certificate and Opinion of Counsel. In accordance with the terms of the Indenture, after the supplemental indenture becomes effective, the Company will mail to Holders a notice of such event. The Company will also make any other notification required by the Luxembourg Stock Exchange. In addition, the Company will take all steps necessary to cause any such Restricted Subsidiary to enter into the applicable Collateral Documents, as described under "—Security" above.

The Unrestricted Subsidiaries will not Guarantee the Notes. Such Subsidiaries and any Subsidiary Guarantor that is released and relieved of its obligations under its Note Guarantee will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Company in the event of a bankruptcy, liquidation or reorganization of these non-Subsidiary Guarantors. In addition, holders of minority equity interests in Subsidiaries may receive distributions prior to or *pro rata* with the Company depending on the terms of the equity interests. See "Risk Factors—Risk Factors Related to the Notes and this Offering—One of our subsidiaries is not a guarantor and our obligations with respect to the notes and the obligations of the subsidiary guarantors under the guarantees will be effectively subordinated to all liabilities of this non-guarantor subsidiary."

Optional Redemption

Optional Redemption. Except as stated below, the Company may not redeem the Notes prior to October 3, 2011. The Company may redeem the Notes, at its option, in whole at any time or in part from time to time, on and after October 3, 2011, at the following redemption prices, expressed as percentages of the principal amount thereof, if redeemed during the twelve-month period commencing on October 3 of any year set forth below:

Year	Percentage
2011	105.25%
2012	103.50%
2013	101.75%
2014 and thereafter	100.00%

Prior to October 3, 2011, the Company will have the right, at its option, to redeem any of the Notes, in whole or in part, at any time or from time to time prior to their maturity, on at least 30 days' but not more than 60 days' notice, at a redemption price equal to the greater of (1) 100% of the principal amount of such Notes and (2) the sum of 100% of the principal amount of such Notes plus the present value of each remaining scheduled payment of interest thereon (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 50 basis points (the "Make-Whole Amount"), plus in each case accrued interest on the principal amount of the Notes to the date of redemption.

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity or interpolated maturity (on a day count basis) of the

Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"Comparable Treasury Issue" means the United States Treasury security or securities selected by an Independent Investment Banker as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of such Notes.

"Independent Investment Banker" means one of the Reference Treasury Dealers appointed by the Company.

"Comparable Treasury Price" means, with respect to any redemption date (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotation or (2) if the Company obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

"Reference Treasury Dealer" means Credit Suisse Securities (USA) LLC or its affiliates which are primary United States government securities dealers and not less than two other leading primary United States government securities dealers in New York City reasonably designated by the Company; *provided*, *however*, that if any of the foregoing shall cease to be a primary United States government securities dealer in New York City (a "Primary Treasury Dealer"), the Company will substitute therefor another Primary Treasury Dealer.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Company, of the bid and asked price for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer at 3:30 pm New York time on the third business day preceding such redemption date.

Optional Redemption upon Equity Offerings. At any time, or from time to time, on or prior to October 3, 2010 the Company may, at its option, use the net cash proceeds of one or more Equity Offerings to redeem in the aggregate up to 35% of the aggregate principal amount of the Notes issued under the Indenture at a redemption price equal to 110.50% of the principal amount thereof; *provided* that:

(1) after giving effect to any such redemption at least 65% of the aggregate principal amount of the Notes issued under the Indenture remains outstanding; and

(2) the Company shall make such redemption not more than 90 days after the consummation of such Equity Offering.

"Equity Offering" means (i) a rights offering of Qualified Capital Stock of the Company made generally to the holders of such Qualified Capital Stock, (ii) any primary public or private offering of Qualified Capital Stock of the Company or (iii) any capital contribution received by the Company from any holder of Capital Stock that is accounted for as Qualified Capital Stock, in each case other than issuances upon exercise of options by employees of the Company or any of its Subsidiaries.

Optional Redemption for Changes in Withholding Taxes. If, as a result of any amendment to, or change in, the laws (or any rules or regulations thereunder) of Mexico or any political subdivision or taxing authority or other instrumentality thereof or therein affecting taxation, or any amendment to or

change in the official interpretation of applicable tax law by the Mexican tax authorities or application of such laws, rules or regulations, which amendment to or change of such laws, rules, regulations or interpretation or application becomes effective on or after the date on which the Notes being offered are issued (which, in the case of a merger, consolidation or other transaction permitted and described under "—Limitation on Merger, Consolidation and Sale of Assets," shall be treated for this purpose as the date of such transaction), the Company has become obligated, or will become obligated, in each case after taking all reasonable measures to avoid this requirement, to pay additional amounts in excess of those attributable to a Mexican withholding tax rate of 10% with respect to the Notes (see "—Additional Amounts" and "Taxation—Mexican Taxation"), then, at the Company's option, all, but not less than all, of the Notes may be redeemed at any time at a redemption price equal to 100% of the outstanding principal amount, plus accrued and unpaid interest and any additional amounts due thereon up to but not including the date of redemption; *provided*, *however*, that (1) no notice of redemption for tax reasons may be given earlier than 90 days prior to the earliest date on which the Company would be obligated to pay these additional amounts if a payment on the Notes were then due and (2) at the time such notice of redemption is given such obligation to pay such additional amounts remains in effect.

Prior to the publication of any notice of redemption pursuant to this provision, the Company will deliver to the Trustee:

- a certificate signed by one of the Company's duly authorized representatives stating that the Company is entitled to effect the redemption and setting forth a statement of facts showing that the conditions precedent have occurred, and
- an opinion of Mexican legal counsel (which may be the Company's counsel) of recognized standing to the effect that the Company has or will become obligated to pay such additional amounts as a result of such change or amendment.

This notice, once delivered by the Company to the Trustee, will be irrevocable.

The Company will give notice to DTC pursuant to the provisions described under "—Notices" of any redemption the Company proposes to make at least 30 days (but not more than 60 days) before the redemption date.

Optional Redemption Procedures. In the event that less than all of the Notes are to be redeemed at any time, selection of Notes for redemption will be made by the Trustee in compliance with the requirements of the principal national securities exchange, if any, on which Notes are listed or, if the Notes are not then listed on a national securities exchange, on a *pro rata* basis, by lot or by any other method as the Trustee shall deem fair and appropriate (subject to the procedures of DTC). If a partial redemption is made with the proceeds of an Equity Offering, selection of the Notes or portions thereof for redemption will, subject to the preceding sentence, be made by the Trustee only on a *pro rata* basis or on as nearly a *pro rata* basis as is practicable (subject to the procedures of DTC), unless the method is otherwise prohibited. No Notes of a principal amount of US$2,000 or less may be redeemed in part and Notes of a principal amount in excess of US$2,000 may be redeemed in part in multiples of US$1,000 only.

Notice of any redemption will be mailed by first-class mail, postage prepaid, at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address. If Notes are to be redeemed in part only, the notice of redemption will state the portion of the principal amount thereof to be redeemed. For so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trade on the Euro MTF, the Company will cause notices of redemption also to be published as provided under "—Certain Covenants—Notices." A new Note in a

principal amount equal to the unredeemed portion thereof (if any) will be issued in the name of the Holder thereof upon cancellation of the original Note (or appropriate adjustments to the amount and beneficial interests in a Global Note will be made, as appropriate).

The Company will pay the redemption price for any Note together with accrued and unpaid interest thereon through the date of redemption. On and after the redemption date, interest will cease to accrue on Notes or portions thereof called for redemption as long as the Company has deposited with the Paying Agent funds in satisfaction of the applicable redemption price pursuant to the Indenture. Upon redemption of any Notes by the Company, such redeemed Notes will be cancelled.

Notwithstanding the foregoing provisions of this "—Optional Redemption" section, the Company and its Subsidiaries are not prohibited from acquiring the Notes by means other than a redemption, whether pursuant to a tender offer, open market purchase or otherwise.

Change of Control

Upon the occurrence of a Change of Control, each Holder will have the right to require that the Company purchase all or a portion (equal to US$2,000 and integral multiples of US$1,000) of the Holder's Notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest thereon through the date of purchase (the "Change of Control Payment").

Within 30 days following the date upon which the Change of Control occurred, the Company must send, by first-class mail, a notice to each Holder, with a copy to the Trustee, offering to purchase the Notes as described above (a "Change of Control Offer") and publish the Change of Control Offer in a newspaper having a general circulation in Luxembourg (which is expected to be the *d' Wort*). The Change of Control Offer shall state, among other things, the purchase date, which must be no earlier than 30 days nor later than 60 days from the date the notice is mailed, other than as may be required by law (the "Change of Control Payment Date").

On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions thereof properly tendered and not withdrawn pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent funds in an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company.

If only a portion of a Note is purchased pursuant to a Change of Control Offer, a new Note in a principal amount equal to the portion thereof not purchased will be issued in the name of the Holder thereof upon cancellation of the original Note (or appropriate adjustments to the amount and beneficial interests in a Global Note will be made, as appropriate).

The Company will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer.

Notes repurchased by the Company pursuant to a Change of Control Offer will have the status of Notes issued but not outstanding or will be retired and canceled, at the option of the Company. Notes purchased by a third party pursuant to the preceding paragraph will have the status of notes issued and outstanding.

Other existing and future Indebtedness of the Company may contain prohibitions on the occurrence of events that would constitute a Change of Control or require that Indebtedness to be repurchased upon a Change of Control. Moreover, the exercise by the Holders of their right to require the Company to repurchase the Notes upon a Change of Control would cause a default under such Indebtedness even if the Change of Control itself does not.

If a Change of Control Offer occurs, there can be no assurance that the Company will have available funds sufficient to make the Change of Control Payment for all the Notes that might be delivered by Holders seeking to accept the Change of Control Offer. In the event the Company is required to purchase outstanding Notes pursuant to a Change of Control Offer, the Company expects that it would seek third-party financing to the extent it does not have available funds to meet its purchase obligations and any other obligations in respect of Senior Secured Indebtedness. However, there can be no assurance that the Company would be able to obtain necessary financing.

Holders will not be entitled to require the Company to purchase their Notes in the event of a takeover, recapitalization, leveraged buyout or similar transaction which does not result in a Change of Control.

The Company will comply with the requirements of Rule 14e-l under the Exchange Act and any other applicable securities laws and regulations in connection with the purchase of Notes in connection with a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the "Change of Control" provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Indenture by doing so.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of the Company and its Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder to require the Company to repurchase its Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Company and its Subsidiaries taken as a whole to another Person or group may be uncertain.

Certain Covenants

Suspension of Covenants

During any period of time that (i) the Notes have Investment Grade Ratings from at least two of the Rating Agencies and (ii) no Default or Event of Default has occurred and is continuing (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a "Covenant Suspension Event"), the Company and its Restricted Subsidiaries will not be subject to the provisions of the Indenture described under:

- "—Limitation on Incurrence of Additional Indebtedness";
- "—Limitation on Guarantees";

- "—Limitation on Restricted Payments";
- "—Limitation on Asset Sales and Sales of Subsidiary Stock";
- "—Limitation on Designation of Unrestricted Subsidiaries";
- "—Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries"; and
- "—Limitation on Layered Indebtedness";

(collectively, the "Suspended Covenants").

In the event that the Company and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the "Reversion Date") one of the Rating Agencies withdraws its Investment Grade Rating or downgrades its rating assigned to the notes below an Investment Grade Rating, then the Company and its Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants. The period of time between the Suspension Date and the Reversion Date is referred to as the "Suspension Period." Notwithstanding that the Suspended Covenants may be reinstated, no Default or Event of Default will be deemed to have occurred as a result of a failure to comply with the Suspended Covenants during the Suspension Period (or upon termination of the Suspension Period or after that time based solely on events that occurred during the Suspension Period).

On the Reversion Date, all Indebtedness incurred during the Suspension Period will be classified as having been incurred pursuant to the first paragraph of "—Limitation on Incurrence of Additional Indebtedness" below or one of the clauses set forth in the second paragraph of "—Limitation on Incurrence of Additional Indebtedness" below (to the extent such Indebtedness would be permitted to be incurred thereunder as of the Reversion Date and after giving effect to Indebtedness incurred prior to the Suspension Period and outstanding on the Reversion Date). To the extent such Indebtedness would not be so permitted to be incurred pursuant to the first or second paragraph of "—Limitation on Incurrence of Additional Indebtedness," such Indebtedness will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under clause (d) of the second paragraph of "—Limitation on Incurrence of Additional Indebtedness." Calculations made after the Reversion Date of the amount available to be made as Restricted Payments under "—Limitation on Restricted Payments" will be made as though the covenant described under "—Limitation on Restricted Payments" had been in effect since the Issue Date and throughout the Suspension Period.

Limitation on Incurrence of Additional Indebtedness

(1) The Company will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness, including Acquired Indebtedness (such Acquired Indebtedness having not been Incurred in connection with, or in anticipation or contemplation of, the relevant acquisition, merger or consolidation), except that (a) any Non-Guarantor Restricted Subsidiary may Incur Acquired Indebtedness (other than Acquired Indebtedness Incurred in connection with, or in contemplation of, the merger with such Non-Guarantor Restricted Subsidiary) and (b) the Company and any Subsidiary Guarantor may Incur Indebtedness, including Acquired Indebtedness, if (with respect to this clause (b)), at the time of and immediately after giving pro forma effect to the Incurrence thereof and the application of the proceeds therefrom, the Consolidated Leverage Ratio of the Company is not greater than 3.25 to 1:00 and no Default or Event of Default shall have occurred and be continuing at the time such additional Indebtedness is Incurred.

(2) Notwithstanding clause (1) above, the Company and its Restricted Subsidiaries, as applicable, may Incur the following Indebtedness ("Permitted Indebtedness"):

(a) Indebtedness in respect of the Notes excluding Additional Notes;

(b) Guarantees by any Subsidiary Guarantor of Indebtedness of the Company or any other Subsidiary Guarantor permitted under the Indenture; *provided* that, if any such Guarantee is of Subordinated Indebtedness, the Note Guarantee of such Subsidiary Guarantor shall be senior to such Subsidiary Guarantor's Guarantee of such Subordinated Indebtedness;

(c) Indebtedness Incurred by the Company or any Subsidiary Guarantor under Credit Facilities in an aggregate principal amount at any time outstanding not to exceed US$20.0 million;

(d) other Indebtedness of the Company and its Restricted Subsidiaries outstanding on the Issue Date, other than Indebtedness otherwise specified under any of the other clauses of this definition of Permitted Indebtedness;

(e) Hedging Obligations entered into by the Company and its Restricted Subsidiaries in the ordinary course of business and not for speculative purposes;

(f) intercompany Indebtedness between the Company and any of its Restricted Subsidiaries or between any Restricted Subsidiaries; *provided* that:

(i) if the Company or any Subsidiary Guarantor is the obligor on such Indebtedness and the payee is not the Company or any Subsidiary Guarantor, such Indebtedness must be expressly subordinated to the prior payment in full of all obligations under the Notes and the Indenture, in the case of the Company, or such Subsidiary Guarantor's Note Guarantee, in the case of any such Subsidiary Guarantor, and

(ii) in the event that at any time any such Indebtedness ceases to be held by the Company or a Restricted Subsidiary, such Indebtedness shall be deemed to be Incurred and not permitted by this clause (f) at the time such event occurs;

(g) Indebtedness of the Company or any of its Restricted Subsidiaries arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (including daylight overdrafts paid in full by the close of business on the day such overdraft was Incurred) drawn against insufficient funds in the ordinary course of business; *provided* that such Indebtedness is extinguished within five business days of Incurrence;

(h) Indebtedness of the Company or any of its Restricted Subsidiaries represented by letters of credit for the account of the Company or any Restricted Subsidiary, as the case may be, in order to provide security for workers' compensation claims, payment obligations in connection with self-insurance or similar requirements in the ordinary course of business;

(i) Indebtedness of the Company or any Subsidiary Guarantor represented by Capitalized Lease Obligations or Purchase Money Indebtedness, in each case Incurred for the purpose of acquiring or financing all or any part of the purchase price or cost of

construction or improvement of property or equipment a Permitted Business in an aggregate amount at any time not to exceed US$10.0 million;

(j) Indebtedness in respect of bid, performance or surety bonds in the ordinary course of business for the account of the Company or any of its Restricted Subsidiaries, including Guarantees or obligations of the Company or any Restricted Subsidiary with respect to letters of credit supporting such bid, performance or surety obligations (in each case other than for the payment of borrowed money);

(k) Refinancing Indebtedness in respect of:

(i) Indebtedness (other than Indebtedness owed to the Company or any Subsidiary of the Company) Incurred pursuant to clause (1) above (it being understood that no Indebtedness outstanding on the Issue Date is Incurred pursuant to such clause (1) above), or

(ii) Indebtedness Incurred pursuant to clause (a), (d) or (1) (excluding Indebtedness outstanding on the Issue Date deemed to be incurred under clause (c) above or Indebtedness owed to the Company or a Subsidiary of the Company) of this covenant;

(l) Permitted Acquisition Indebtedness;

(m) Indebtedness incurred solely in connection with the purchase of buses by any Non-Guarantor Restricted Subsidiary in an aggregate principal amount not to exceed $10.0 million at any one time outstanding; and

(n) additional Indebtedness in the form of one or more Working Capital Facilities or Trade Payables of the Company or any Restricted Subsidiary in an aggregate principal amount not to exceed US$10.0 million at any one time outstanding.

(3) For purposes of determining compliance with, and the outstanding principal amount of, any particular Indebtedness Incurred pursuant to and in compliance with this covenant, the amount of Indebtedness issued at a price that is less than the principal amount thereof will be equal to the amount of the liability in respect thereof determined in accordance with Mexican Financial Reporting Standards. Accrual of interest, the accretion or amortization of original issue discount, the payment of regularly scheduled interest in the form of additional Indebtedness of the same instrument or the payment of regularly scheduled dividends on Disqualified Capital Stock in the form of additional Disqualified Capital Stock with the same terms will not be deemed to be an Incurrence of Indebtedness for purposes of this covenant; *provided* that any such outstanding additional Indebtedness or Disqualified Capital Stock paid in respect of Indebtedness Incurred pursuant to any provision of clause (2) of this covenant will be counted as Indebtedness outstanding thereunder for purposes of any future Incurrence under such provision. For purposes of determining compliance with this "—Limitation on Incurrence of Additional Indebtedness" covenant, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Indebtedness described in clauses (a) through (n) above, or is entitled to be incurred pursuant to paragraph (1) of this covenant, the Company will be permitted to classify such item of Indebtedness on the date of its incurrence and will only be required to include the amount and type of such Indebtedness in one of the above clauses, although the Company may divide and classify an item of Indebtedness in one or more of the types of Indebtedness and may later re-divide or reclassify all or a portion of such item of Indebtedness in any manner that complies with this covenant *provided* that all Indebtedness of the Company and its Restricted Subsidiaries outstanding on the Issue

Date under Working Capital Facilities shall be deemed to have been Incurred under clause (2)(c) above. Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Company or any Restricted Subsidiary may incur pursuant to this covenant shall not be deemed to be exceeded as a result solely of fluctuations in exchange rates or currency values.

Limitation on Guarantees

The Company will not permit any Restricted Subsidiary of the Company (other than a Subsidiary Guarantor) to Guarantee any Indebtedness of the Company or any Subsidiary Guarantor or to secure any Indebtedness of the Company or any Subsidiary Guarantor with a Lien (other than Permitted Liens) on the assets of such Restricted Subsidiary, unless contemporaneously therewith (or prior thereto) effective provision is made to Guarantee or secure the Notes on an equal and ratable basis with such Guarantee or Lien for so long as such Guarantee or Lien remains effective, and in an amount equal to the amount of Indebtedness so Guaranteed or secured. Any Guarantee by any such Restricted Subsidiary of Subordinated Indebtedness of the Company or any Subsidiary Guarantor will be subordinated and junior in right of payment to the contemporaneous Guarantee of the Notes by such Restricted Subsidiary.

Limitation on Restricted Payments

The Company will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, take any of the following actions (each, a "Restricted Payment"):

declare or pay any dividend or return of capital or make any distribution on or in respect of shares of Capital Stock of the Company or any Restricted Subsidiary to holders of such Capital Stock (including, without limitation, any payment to holders of the Company's Capital Stock in connection with any merger or consolidation involving the Company), other than:

(1) dividends or distributions payable in Qualified Capital Stock of the Company, or

(2) dividends or distributions payable to the Company and/or a Subsidiary Guarantor;

purchase, redeem or otherwise acquire or retire for value:

(3) any Capital Stock of the Company, or

(4) any Capital Stock of any Restricted Subsidiary held by an Affiliate of the Company (other than a Restricted Subsidiary) or any Preferred Stock of a Restricted Subsidiary, except for purchases, redemptions, acquisitions or retirements for value of Capital Stock on a *pro rata* basis from the Company and/or any Restricted Subsidiaries, on the one hand, and minority holders of Capital Stock of a Restricted Subsidiary, on the other hand, according to their respective percentage ownership of the Capital Stock of such Restricted Subsidiary;

make any principal payment on, purchase, defease, redeem, prepay, decrease or otherwise acquire or retire for value, prior to any scheduled final maturity, scheduled repayment or scheduled sinking fund payment, as the case may be, any Subordinated Indebtedness (excluding any intercompany Indebtedness between or among the Company and/or any Restricted Subsidiaries); or

make any Investment (other than Permitted Investments);

if at the time of the Restricted Payment and immediately after giving effect thereto:

(5) a Default or an Event of Default shall have occurred and be continuing;

(6) the Company is not able to Incur at least US$1.00 of additional Indebtedness pursuant to clause (1) of "—Limitation on Incurrence of Additional Indebtedness"; or

(7) the aggregate amount (the amount expended for these purposes, if other than in cash, being the Fair Market Value of the relevant property) of the proposed Restricted Payment and all other Restricted Payments made subsequent to the Issue Date up to the date thereof, shall exceed the sum of:

(A) 50% of cumulative Consolidated Net Income of the Company or, if such cumulative Consolidated Net Income of the Company is a loss, minus 100% of the loss, accrued during the period, treated as one accounting period, beginning on the Issue Date to the end of the most recent fiscal quarter for which consolidated financial information of the Company is available; *plus*

(B) 100% of the aggregate net cash proceeds, Cash Equivalents and Marketable Securities received by the Company from any Person from any:

(i) contribution to the equity capital of the Company not representing an interest in Disqualified Capital Stock or issuance and sale of Qualified Capital Stock of the Company, in each case, subsequent to the Issue Date, or

(ii) issuance and sale subsequent to the Issue Date (and, in the case of Indebtedness of a Restricted Subsidiary, at such time as it was a Restricted Subsidiary) of any Indebtedness of the Company or any Restricted Subsidiary that has been converted into or exchanged for Qualified Capital Stock of the Company,

excluding, in each case, any net cash proceeds:

(x) received from a Subsidiary of the Company;

(y) used to redeem Notes under "—Redemption—Optional Redemption Upon Equity Offerings"; or

(z) applied in accordance with clause (2) or (3) of the second paragraph of this covenant below; *plus*

(C) any Investment Return; provided, however, that no amount will be included under this clause (C) to the extent it is included in Consolidated Net Income.

If, other than with respect to payments made under clause (1) below, no Default or Event of Default shall have occurred and be continuing after giving effect to such Restricted Payment, the foregoing provisions will not prohibit the following Restricted Payments:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption of Subordinated Indebtedness within 60 days after the date of declaration of such dividend or distribution or giving of the redemption notice, as the case may be, if the dividend, distribution or redemption would have been permitted on the date of declaration; or notice pursuant to the preceding paragraph; provided that such redemption shall be included (without duplication for the declaration) in the calculation of the amount of Restricted Payments;

(2) the payment of any dividend or distribution by Autobuses Coahuilenses, S.A. de C.V. to its shareholders in the ordinary course of business;

(3) the making of any Restricted Payment,

(x) in exchange for Qualified Capital Stock of the Company, or

(y) through the application of the Net Cash Proceeds received by the Company from a substantially concurrent sale of Qualified Capital Stock of the Company or a contribution to the equity capital of the Company not representing an interest in Disqualified Capital Stock, in each case not received from a Subsidiary of the Company;

provided that the value of any such Qualified Capital Stock used or the Net Cash Proceeds of which are used to make a Restricted Payment pursuant to this clause (3) shall be excluded from clause (3)(B) of the first paragraph of this covenant;

(4) the voluntary prepayment, purchase, defeasance, redemption or other acquisition or retirement for value of any Subordinated Indebtedness solely in exchange for, or through the application of net proceeds of a substantially concurrent sale, other than to a Subsidiary of the Company, of Refinancing Indebtedness for such Subordinated Indebtedness;

(5) repurchases by the Company of Common Stock of the Company or options, warrants or other securities exercisable or convertible into Common Stock of the Company from any current or former employees, officers or directors of the Company or any of its Subsidiaries or their authorized representatives upon the death, disability or termination of employment or directorship of such employees, officers or directors, or the termination of retention of any such consultants, in an amount not to exceed US$2.0 million in any calendar year (with unused amounts in any calendar year being permitted to be carried over into succeeding calendar years up to a maximum of US$3.0 million) plus the cash proceeds of key man life insurance policies received by the Company and its Restricted Subsidiaries;

(6) the repurchase of Capital Stock deemed to occur upon the exercise of stock options or warrants to the extent such Capital Stock represents a portion of the exercise price of those stock options or warrants;

(7) the declaration and payment of regularly scheduled or accrued dividends or distributions to holders of any class or series of Disqualified Capital Stock of the Company or any Restricted Subsidiary issued on or after the Issue Date in accordance with the test described pursuant to clause (1) of "—Limitation on Incurrence of Additional Indebtedness" to the extent such payments are included in the calculation of Consolidated Interest Expense;

(8) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness of the Company or any Subsidiary Guarantor pursuant to and in accordance with the terms of a "change of control" covenant set forth in the indenture or other agreement pursuant to which such Subordinated Indebtedness is issued and such "change of control" covenant is substantially similar to the Change of Control provision included in the Indenture; provided that the Company (or another Person) has repurchased all Notes required to be repurchased by the Company under the caption "—Change of Control" prior to the purchase, redemption or other acquisition or retirement for value of such Subordinated Indebtedness pursuant to the applicable "change of control" covenant;

(9) the purchase by the Company of fractional shares arising out of stock dividends, splits or combinations or business combinations;

(10) other Restricted Payments in an aggregate amount since the Issue Date not to exceed US$5.0 million; and

(11) dividends, distributions or returns of capital made by a Restricted Subsidiary of the Company on a *pro rata* basis to the Company and/or the Subsidiaries Guarantors, on the one hand, and minority holders of Capital Stock of a Restricted Subsidiary, on the other hand (or on a less than *pro rata* basis to any minority holder).

In determining the aggregate amount of Restricted Payments made subsequent to the Issue Date, amounts expended pursuant to clauses (1) (without duplication for the declaration of the relevant dividend), (2), (5), (8), (10) and (11) above shall be included in such calculation and amounts expended pursuant to clauses (3), (4), (6), (7) and (9) above shall not be included in such calculation.

Limitation on Asset Sales and Sales of Subsidiary Stock

Asset Sales. The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(a) the Company or the applicable Restricted Subsidiary, as the case may be, receives consideration at the time of the Asset Sale at least equal to the Fair Market Value of the assets or Capital Stock sold or otherwise disposed of; and

(b) at least 75% of the consideration received for the assets or Capital Stock sold by the Company or the Restricted Subsidiary, as the case may be, in the Asset Sale shall be in the form of cash or Cash Equivalents received at the time of such Asset Sale.

For purposes of the immediately preceding clause (b), each of the following will be deemed to be cash:

(1) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash within 120 days of the receipt thereof (subject to ordinary settlement periods), to the extent of the cash received in that conversion; and

(2) any liabilities (as shown on the Company's or such Restricted Subsidiary's most recent balance sheet) of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes and the Note Guarantees) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Company or such Restricted Subsidiary from further liability;

(3) the Fair Market Value of any Capital Stock of a Person engaged in a Permitted Business that will become, upon purchase, a Restricted Subsidiary or assets (other than current assets as determined in accordance with Mexican Financial Reporting Standards or Capital Stock) to be used by the Company or any Restricted Subsidiary in a Permitted Business;

provided that amounts received pursuant to clauses (1), (2) and (3) shall not be deemed to constitute Net Cash Proceeds for purposes of making an Asset Sale Offer.

The Company or such Restricted Subsidiary, as the case may be, may apply the Net Cash Proceeds of any such Asset Sale within 365 days thereof to:

(a) repay any Indebtedness under a Credit Facility, any Senior Secured Indebtedness of the Company or a Subsidiary Guarantor, any Indebtedness secured by the assets subject to such Asset Sale or Indebtedness of any Restricted Subsidiary that is not a Subsidiary Guarantor (including, in each case without limitation, Capital Lease Obligations),

(b) make capital expenditures in a Permitted Business, or

(c) purchase:

(1) assets (other than current assets (which shall not include spare parts) as determined in accordance with Mexican Financial Reporting Standards or Capital Stock) to be used by the Company or any Restricted Subsidiary in a Permitted Business,

(2) all or substantially all of the assets of, or any Capital Stock of, a Person engaged in a Permitted Business if, after giving effect to any such acquisition, such Person is or becomes or such assets are contributed to a Restricted Subsidiary, or

(d) enter into a binding commitment with a Person, other than the Company and its Restricted Subsidiaries, to apply such Net Cash Proceeds pursuant to clause (b) or (c) above, provided that such binding commitment shall be subject only to customary conditions and the applicable purchase shall be consummated within 180 days from the date of signing such binding commitment, in each case, from or with a Person other than the Company and its Restricted Subsidiaries.

Collateral Asset Sales. The Company will not, and will not permit any of its Subsidiaries to, consummate a Collateral Asset Sale unless:

(a) such Collateral Asset Sale involves the Collateral substantially in its entirety, or, if such Collateral Asset Sale involves less than all of the Collateral (a "Partial Collateral Asset Sale"), such Partial Collateral Asset Sale involves a single Collateral Asset Sale with a Fair Market Value at the time of consummation of such Collateral Asset Sale not exceeding $10.0 million and is not part of a series of Collateral Asset Sales in any eighteen month period with an aggregate Fair Market Value (measured as of the time of consummation of such sales) exceeding $10.0 million in the aggregate;

(b) the Company or the applicable Restricted Subsidiary, as the case may be, receives consideration at the time of the Collateral Asset Sale at least equal to the Fair Market Value of such Collateral;

(c) with respect to each such Collateral Asset Sale, the Company delivers an Officers' Certificate to the Trustee dated no more than 15 days prior to the date of consummation of the relevant Collateral Asset Sale, certifying that such sale complies with clauses (a) and (b) above;

(d) at least 80% of the consideration received for the Collateral sold by the Company or its Restricted Subsidiaries, as the case may be, shall be in the form of cash or Cash Equivalents received at the time of such Collateral Asset Sale; *provided* that any other consideration received for such Collateral shall constitute Collateral pursuant to appropriate Collateral Documents to which the owner thereof is a party; and

(e) the Net Cash Proceeds therefrom shall be paid directly by the purchaser thereof to the Collateral Agent, pursuant to the Indenture, as additional Collateral.

In the case of a Partial Collateral Asset Sale, the Company, within 365 days from the date of consummation of a Partial Collateral Asset Sale, may apply all of the Net Cash Proceeds therefrom to purchase or otherwise invest in Replacement Collateral or to repay Permitted Secured Obligations (other than Trade Payables). Any such Net Cash Proceeds not so applied will be applied to make an Asset Sale Offer in accordance with the terms described below under "—Asset Sale Offer". In the case of a Collateral Asset Sale other than a Partial Collateral Asset Sale, all of the Net Cash Proceeds therefrom will be immediately applied to make an Asset Sale Offer in accordance with the terms described below under "—Asset Sale Offer."

Events of Loss. If the Company or a Restricted Subsidiary suffers an Event of Loss, the Net Cash Proceeds therefrom will be paid directly by the party providing such Net Cash Proceeds to the Collateral Agent, pursuant to the applicable Collateral Document, as additional Collateral. As any portion or all of the Net Cash Proceeds from any such Event of Loss are received by the Collateral Agent, the Company may apply all of such amount or amounts, as received, together with all interest earned thereon, individually or in combination, (1) to purchase or otherwise invest in Replacement Collateral, (2) to restore the relevant Collateral and (3) solely in the event that the Collateral subject to the Event of Loss is not necessary for and the absence of such Collateral would not otherwise materially adversely affect the business of the Company as it was conducted prior to the occurrence of such Event of Loss, to repay Permitted Secured Obligations (other than Trade Payables). In the event that the Company elects to restore the relevant Collateral pursuant to the foregoing clause (2), within 180 days of receipt of such Net Cash Proceeds from an Event of Loss, the Company will:

(a) give the Trustee irrevocable written notice of such election, and

(b) enter into a binding commitment to restore such Collateral, a copy of which will be supplied to the Trustee, and will have 365 days from the date of such binding commitment to complete such restoration, which will be carried out with due diligence. The Company will take such action, at its sole expense, as may be required to ensure that the Collateral Agent has, from the date of such purchase or investment, a first ranking Lien on such Replacement Collateral.

Any such Net Cash Proceeds that the Company does not elect to apply within such 180-day period or does not actually apply within such 365-day period will be applied to make an Asset Sale Offer in accordance with the terms described below under "—Asset Sale Offer."

Replacement Collateral. Under the terms of the Indenture, in the event that the Company decides pursuant to the foregoing provisions to apply any portion of the Net Cash Proceeds from a Collateral Asset Sale or an Event of Loss to purchase or otherwise invest in Replacement Collateral:

(1) the Company will deliver an Officers' Certificate to the Trustee dated no more than 30 days prior to the date of consummation of the relevant investment in Replacement Collateral, certifying that the purchase price for the amount of the investment in Replacement Collateral does not exceed the Fair Market Value of such Replacement Collateral;

(2) the Company will deliver an Officer's Certificate to the Collateral Agent and the Trustee certifying compliance with the provisions of the Indenture and the Permitted Secured Obligations and requesting the release of such certified purchase price to the Company (or the applicable Restricted Subsidiary), free of the Lien of the Collateral Documents; and

(3) the Company will take such actions, at its sole expense, as may be required to permit the Collateral Agent, pursuant to the applicable Collateral Document, to release such Net Cash Proceeds, together with any interest thereon, from the Lien of the applicable Collateral Document and to ensure that the Collateral Agent has, from the date of such purchase or investment, a first-priority Lien on such Replacement Collateral pursuant to appropriate Collateral Documents.

Asset Sale Offer. To the extent all or a portion of the Net Cash Proceeds of any Asset Sale are not applied as described in clause (a), (b) or (c) of the paragraph immediately preceding "—Collateral Asset Sales" above or the other respective paragraphs set forth above on or prior to the last day (the "Asset Sale Offer Trigger Date") for the application of such proceeds therefor (including in the case of an Event of Loss, the election to apply), the Company will make an offer to purchase Notes (the "Asset Sale Offer"), at a purchase price equal to 100% of the principal amount of the Notes to be purchased, plus accrued and unpaid interest thereon, to the date of purchase (the "Asset Sale Offer Amount"). The Company will purchase pursuant to an Asset Sale Offer from all tendering Holders on a *pro rata* basis, and, at the Company's option, on a *pro rata* basis with the holders of any other Senior Secured Indebtedness with similar provisions requiring the Company to offer to purchase the other Senior Secured Indebtedness with the proceeds of Asset Sales, that principal amount (or accreted value in the case of Indebtedness issued with original issue discount) of Notes and the other Senior Secured Indebtedness to be purchased equal to such unapplied Net Cash Proceeds. The Company may satisfy its obligations under this covenant with respect to the Net Cash Proceeds of an Asset Sale by making an Asset Sale Offer prior to the expiration of the relevant period.

The purchase of Notes pursuant to an Asset Sale Offer will occur not less than 20 business days following the date of the Asset Sale Offer, or any longer period as may be required by law, nor more than 45 days following the Asset Sale Offer Trigger Date. The Company may, however, defer an Asset Sale Offer until there is an aggregate amount of unapplied Net Cash Proceeds from one or more Asset Sales equal to or in excess of US$5.0 million. At that time, the entire amount of unapplied Net Cash Proceeds, and not just the amount in excess of US$5.0 million, will be applied as required pursuant to this covenant. Pending application in accordance with this covenant, Net Cash Proceeds may be applied to temporarily reduce revolving credit borrowings or Invested in Cash Equivalents.

Each notice of an Asset Sale Offer will be mailed first class, postage prepaid, to the record Holders as shown on the register of Holders within 20 days following the Asset Sale Offer Trigger Date, with a copy to the Trustee offering to purchase the Notes as described above. Each notice of an Asset Sale Offer will state, among other things, the purchase date, which must be no earlier than 30 days nor later than 60 days from the date the notice is mailed, other than as may be required by law (the "Asset Sale Offer Payment Date"). Upon receiving notice of an Asset Sale Offer, Holders may elect to tender their Notes in whole or in part in amounts equal to US$2,000 and integral multiples of US$1,000 in exchange for cash.

On the Asset Sale Offer Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions thereof properly tendered pursuant to the Asset Sale Offer;

(2) deposit with the Paying Agent funds in an amount equal to the Asset Sale Offer Amount in respect of all Notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company.

To the extent Holders of Notes and holders of other Senior Secured Indebtedness, if any, which are the subject of an Asset Sale Offer properly tender and do not withdraw Notes or the other Senior Secured Indebtedness in an aggregate amount exceeding the amount of unapplied Net Cash Proceeds, the Company will purchase the Notes and the other Senior Secured Indebtedness on a *pro rata* basis (based on amounts tendered). If only a portion of a Note is purchased pursuant to an Asset Sale Offer, a new Note in a principal amount equal to the portion thereof not purchased will be issued in the name of the Holder thereof upon cancellation of the original Note (or appropriate adjustments to the amount and beneficial interests in a global note will be made, as appropriate). Notes (or portions thereof) purchased pursuant to an Asset Sale Offer will be cancelled and cannot be reissued.

The Company will comply with the requirements of Rule 14e-l under the Exchange Act and any other applicable securities laws in connection with the purchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any applicable securities laws or regulations conflict with the "Asset Sale" provisions of the Indenture, the Company will comply with these laws and regulations and will not be deemed to have breached its obligations under the "Asset Sale" provisions of the Indenture by doing so.

Upon completion of an Asset Sale Offer, the amount of Net Cash Proceeds will be reset at zero. To the extent that the aggregate amount of Notes tendered pursuant to an Asset Sale Offer is less than the aggregate amount of unapplied Net Cash Proceeds the Company may use any remaining Net Cash Proceeds:

(1) from any Asset Sale, for general corporate purposes of the Company and its Restricted Subsidiaries;

(2) from any Collateral Asset Sale, for Replacement Collateral; and

(3) from any Event of Loss, for Replacement Collateral or to restore the relevant Collateral.

In the event any Asset Sale Offer involves Net Cash Proceeds from any combination of an Asset Sale, Collateral Asset Sale or an Event of Loss, the remaining Net Cash Proceeds will be applied as set forth in the previous sentence on a basis proportionate to the aggregate Net Cash Proceeds from each such event that gave rise to the Asset Sale Offer. The Company shall account for Net Cash Proceeds from a Collateral Asset Sale or Event of Loss separately from Net Cash Proceeds from an Asset Sale. Remaining Net Cash Proceeds attributable to a Collateral Asset Sale or Event of Loss will remain as Collateral pursuant to the relevant Collateral Documents pending application pursuant to clause (2) or (3) above.

Notwithstanding the foregoing, the provisions of this "Asset Sale" covenant (other than clause (a) of the first paragraph above) will not apply to Asset Sales by Autobuses Coahuilenses, S.A. de C.V. in an aggregate Fair Market Value not to exceed $10.0 million since the Issue Date.

Limitation on the Ownership of Capital Stock of Subsidiary Guarantors

The Company will not permit any Person other than the Company or a Subsidiary Guarantor to, directly or indirectly, own or control any Capital Stock of any Subsidiary Guarantor, except for:

(1) Capital Stock owned by such Person (or any direct or indirect transferee thereof) as of the Issue Date;

(2) directors' qualifying shares;

(3) the sale of 100% of the shares of the Capital Stock of any Subsidiary Guarantor held by the Company and its Subsidiary Guarantors to any Person other than the Company or another Subsidiary Guarantor effected in accordance with, as applicable, the Collateral Documents, "—Limitation on Asset Sales and Sales of Subsidiary Stock" and "—Limitation on Merger, Consolidation and Sale of Assets"; and

(4) in the case of a Subsidiary Guarantor other than a Wholly Owned Restricted Subsidiary, the issuance by that Subsidiary Guarantor of Capital Stock on a pro rata basis to the Company and the Subsidiary Guarantor, on the one hand, and minority holders of the Capital Stock of such Subsidiary Guarantor, on the other hand (or on less than a pro rata basis to any minority holder).

Limitation on Designation of Unrestricted Subsidiaries

The Company may designate after the Issue Date any Subsidiary of the Company as an "Unrestricted Subsidiary" under the Indenture (a "Designation") only if:

(1) no Default or Event of Default shall have occurred and be continuing at the time of or after giving effect to such Designation and any transactions between the Company or any of its Restricted Subsidiaries and such Unrestricted Subsidiary are in compliance with "—Limitation on Transactions with Affiliates";

(2) at the time of and after giving effect to such Designation, the Company could Incur US$1.00 of additional Indebtedness pursuant to clause (1) of "—Limitation on Incurrence of Additional Indebtedness";

(3) the Company would be permitted to make an Investment at the time of Designation (assuming the effectiveness of such Designation and treating such Designation as an Investment at the time of Designation) as a Restricted Payment pursuant to the first paragraph of "—Limitation on Restricted Payments" in an amount (the "Designation Amount") equal to the amount of the Company's Investment in such Subsidiary on such date;

(4) neither the Capital Stock of such Subsidiary nor any of its assets is part of the Collateral; and

(5) at the time of such Designation, neither the Company nor any Restricted Subsidiary will:

(a) provide credit support for, subject any of its property or assets (other than the Capital Stock of any Unrestricted Subsidiary) to the satisfaction of, or Guarantee, any Indebtedness of such Subsidiary (including any undertaking, agreement or instrument evidencing such Indebtedness);

(b) be directly or indirectly liable for any Indebtedness of such Subsidiary; or

(c) be directly or indirectly liable for any Indebtedness which provides that the holder thereof may (upon notice, lapse of time or both) declare a default thereon or cause the payment thereof to be accelerated or payable prior to its final scheduled maturity upon the occurrence of a default with respect to any Indebtedness of such Subsidiary, except for any non-recourse Guarantee given solely to support the pledge by the Company or any Restricted Subsidiary of the Capital Stock of such Subsidiary.

The Company may revoke any Designation of a Subsidiary as an Unrestricted Subsidiary (a "Revocation") only if:

(1) no Default or Event of Default shall have occurred and be continuing at the time of and after giving effect to such Revocation; and

(2) all Liens and Indebtedness of such Unrestricted Subsidiary outstanding immediately following such Revocation would, if Incurred at such time, have been permitted to be Incurred for all purposes of the Indenture.

The Designation of a Subsidiary of the Company as an Unrestricted Subsidiary shall be deemed to include the Designation of all of the Subsidiaries of such Subsidiary. All Designations and Revocations must be evidenced by resolutions of the Board of Directors of the Company, delivered to the Trustee certifying compliance with the preceding provisions.

Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

(a) Except as provided in paragraph (b) below, the Company will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or permit to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on or in respect of its Capital Stock to the Company or any other Restricted Subsidiary or pay any Indebtedness owed to the Company or any other Restricted Subsidiary;

(2) make loans or advances to, or Guarantee any Indebtedness or other obligations of, or make any Investment in, the Company or any other Restricted Subsidiary; or

(3) sell, lease or transfer any of its property or assets to the Company or any other Restricted Subsidiary.

(b) Paragraph (a) above will not apply to encumbrances or restrictions existing under or by reason of:

(1) applicable law rule, regulation or order;

(2) the Indenture, the Notes and the Note Guarantees;

(3) the terms of any Indebtedness outstanding on the Issue Date, and any amendment, modification, restatement, renewal, restructuring, replacement or refinancing thereof; *provided* that any amendment, modification, restatement, renewal, restructuring, replacement or refinancing is not materially more restrictive, taken as a whole, with respect to such encumbrances or restrictions than those in existence on the Issue Date;

(4) customary non-assignment provisions of any contract and customary provisions restricting assignment or subletting in any lease governing a leasehold interest of any Restricted Subsidiary, or any customary restriction on the ability of a Restricted Subsidiary to dividend, distribute or otherwise transfer any asset which secures Indebtedness secured by a Lien, in each case permitted to be Incurred under the Indenture;

(5) any instrument governing Acquired Indebtedness not Incurred in connection with, or in anticipation or contemplation of, the relevant acquisition, merger or consolidation, which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person or the properties or assets of the Person so acquired; provided that

such Indebtedness was permitted to be Incurred in accordance with the covenant described under the caption "—Limitation on Incurrence of Additional Indebtedness";

(6) restrictions with respect to a Restricted Subsidiary of the Company imposed pursuant to a binding agreement which has been entered into for the sale or disposition of Capital Stock or assets of such Restricted Subsidiary; *provided* that such restrictions apply solely to the Capital Stock or assets of such Restricted Subsidiary being sold;

(7) customary restrictions imposed on the transfer of copyrighted or patented materials;

(8) an agreement governing Indebtedness of the Company or any Restricted Subsidiaries permitted to be Incurred subsequent to the date of the Indenture in accordance with the covenant described above under the caption "—Limitation on Incurrence of Additional Indebtedness" *provided* that the provisions relating to such encumbrance or restriction contained in such agreement are no more restrictive than those contained in the agreement referred to in clause (3) of this paragraph;

(9) purchase money obligations for property (including Capital Stock) acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in paragraph (a)(3) of this covenant;

(10) Liens permitted to be incurred under the provisions of the covenant described below under the caption "—Limitation on Liens" that limit the right of the debtor to dispose of the assets securing such Indebtedness;

(11) provisions limiting the payment of dividends or the disposition or distribution of assets or property or transfer of Capital Stock in joint venture agreements, sale leaseback agreements, limited liability company organizational documents and other similar agreements entered into in accordance with the terms of the Indenture and (a) in the ordinary course of business consistent with past practice and (b) with the approval of the Company's Board of Directors, which limitation is applicable only to the assets, property or Capital Stock that are the subject of such agreements; or

(12) restrictions on cash, Cash Equivalents, Marketable Securities or other deposits or net worth imposed by customers or lessors under contracts or leases entered into in the ordinary course of business consistent with past practice to secure Trade Payable obligations.

Limitation on Layered Indebtedness

The Company will not, and will not permit any Subsidiary Guarantor to, directly or indirectly, Incur any Indebtedness that is subordinate in right of payment to any other Senior Secured Indebtedness, unless such Indebtedness is expressly subordinate in right of payment to, in the case of the Company, the Notes or, in the case of a Subsidiary Guarantor, its Note Guarantee to the same extent and on the same terms as such Indebtedness is subordinate to such other Senior Secured Indebtedness; *provided* that the foregoing limitation shall not apply to distinctions between categories of Senior Secured Indebtedness that exist by reason of any Liens arising or created in respect of some but not all such Senior Secured Indebtedness.

Limitation on Liens

The Company will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Liens of any kind against or upon any of the Collateral or any proceeds therefrom (except for Collateral Permitted Liens).

Furthermore, the Company will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Liens of any kind (except for Permitted Liens) against or upon any of their respective properties or assets other than the Collateral, whether owned on the Issue Date or acquired after the Issue Date, or any proceeds therefrom, to secure any Indebtedness or Trade Payables unless contemporaneously therewith effective provision is made:

(1) in the case of the Company or any Non-Guarantor Restricted Subsidiary, to secure the Notes and all other amounts due under the Indenture; and

(2) in the case of a Subsidiary Guarantor, to secure such Subsidiary Guarantor's Note Guarantee and all other amounts due under the Indenture;

in each case, equally and ratably with such Indebtedness or other obligation (or, in the event that such Indebtedness is subordinated in right of payment to the Notes or such Note Guarantee, as the case may be, prior to such Indebtedness or other obligation) with a Lien on the same properties and assets securing such Indebtedness or other obligation for so long as such Indebtedness or other obligation is secured by such Lien.

Limitation on Merger, Consolidation and Sale of Assets

The Company will not, in a single transaction or series of related transactions, consolidate or merge with or into any Person (whether or not the Company is the surviving or continuing Person), or sell, assign, transfer, lease, convey or otherwise dispose of (or cause or permit any Restricted Subsidiary to sell, assign, transfer, lease, convey or otherwise dispose of) all or substantially all of the Company's properties and assets (determined on a consolidated basis for the Company and its Restricted Subsidiaries), to any Person unless:

(a) either:

(1) the Company shall be the surviving or continuing corporation, or

(2) the Person (if other than the Company) formed by such consolidation or into which the Company is merged or the Person which acquires by sale, assignment, transfer, lease, conveyance or other disposition the properties and assets of the Company and of the Company's Restricted Subsidiaries substantially as an entirety (the "Surviving Entity"):

(A) shall be a corporation, organized and validly existing under the laws of Mexico or the United States of America, any State thereof or the District of Columbia, and

(B) shall expressly assume, by supplemental indenture (in form and substance satisfactory to the Trustee), executed and delivered to the Trustee and by any other documents required under the Collateral Documents, the due and punctual payment of the principal of, and premium, if any, and interest on all of the Notes and the performance and observance of every covenant of the Notes, the Indenture and the Collateral Documents on the part of the Company to be performed or observed;

(b) immediately after giving effect to such transaction and the assumption contemplated by clause (a)(2)(B) above (including giving effect on a pro forma basis to any Indebtedness, including any Acquired Indebtedness, Incurred or anticipated to be Incurred in connection with or in respect of such transaction), the Company or such Surviving Entity, as the case may be,

(1) will be able to Incur at least US$1.00 of additional Indebtedness pursuant to clause (1) of "—Limitation on Incurrence of Additional Indebtedness," or

(2) will have a Consolidated Leverage Ratio of not more than the Consolidated Leverage Ratio of the Company and its Restricted Subsidiaries immediately prior to such transaction;

(c) immediately before and immediately after giving effect to such transaction and the assumption contemplated by clause (a)(2)(B) above (including, without limitation, giving effect on a pro forma basis to any Indebtedness, including any Acquired Indebtedness, Incurred or anticipated to be Incurred and any Lien granted in connection with or in respect of the transaction), no Default or Event of Default shall have occurred or be continuing;

(d) each Subsidiary Guarantor (including Persons that become Subsidiary Guarantors as a result of the transaction) has confirmed by supplemental indenture that its Note Guarantee will apply for the Obligations of the Surviving Entity in respect of the Indenture and the Notes;

(e) if the Company is organized under Mexican law and merges with a corporation, or the Surviving Entity is, organized under the laws of the United States, any State thereof or the District of Columbia or the Company is organized under the laws of the United States, any State thereof or the District of Columbia and merges with a corporation, or the Surviving Entity is, organized under the laws of Mexico, the Company or the Surviving Entity will have delivered to the Trustee an Opinion of Counsel from each of Mexico and the United States to the effect that, as applicable:

(i) the Holders of the Notes will not recognize income, gain or loss for U.S. or Mexican income tax purposes as a result of the transaction and will be taxed in the Holder's home jurisdiction in the same manner and on the same amounts (assuming solely for this purpose that no Additional Amounts are regarded to be paid on the Notes) and at the same times as would have been the case if the transaction had not occurred,

(ii) any payment of interest or principal under or relating to the Notes or any Note Guarantees will be paid in compliance with any requirements under the section "—Additional Amounts," and

(iii) no other taxes on income, including capital gains, will be payable by Holders of the Notes under the laws of Mexico or the United States relating to the acquisition, ownership or disposition of the Notes, including the receipt of interest or principal thereon; *provided* that the Holder does not use or hold, and is not deemed to use or hold the Notes in carrying on a business in Mexico or the United States, and

(f) the Company or the Surviving Entity has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that the consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition and, if required in connection with such transaction, the supplemental indenture, comply with the applicable provisions of the Indenture and that all conditions precedent in the Indenture relating to the transaction have been satisfied.

For purposes of this covenant, the transfer (by lease, assignment, sale or otherwise, in a single transaction or series of transactions) of all or substantially all of the properties or assets of one or more Restricted Subsidiaries of the Company, the Capital Stock of which constitutes all or substantially all of the properties and assets of the Company (determined on a consolidated basis for the Company and its Restricted Subsidiaries), will be deemed to be the transfer of all or substantially all of the properties and assets of the Company.

The provisions of clause (b) above will not apply to:

(1) any transfer of the properties or assets of a Restricted Subsidiary to the Company or to a Subsidiary Guarantor; or

(2) any merger of a Restricted Subsidiary into the Company or a Subsidiary Guarantor; or

(3) any merger of the Company into a Wholly-Owned Restricted Subsidiary of the Company created for the purpose of holding the Capital Stock of the Company;

so long as, in each case the Indebtedness of the Company and its Restricted Subsidiaries taken as a whole is not increased thereby and such transferee or surviving or continuing person, as applicable, assumes the Obligations under and becomes a party to the applicable Collateral Documents in accordance with the terms thereof.

Upon any consolidation, combination or merger or any transfer of all or substantially all of the properties and assets of the Company and its Restricted Subsidiaries in accordance with this covenant, in which the Company is not the continuing corporation, the Surviving Entity formed by such consolidation or into which the Company is merged or to which such conveyance, lease or transfer is made will succeed to, and be substituted for, and may exercise every right and power of, the Company under the Indenture and the Notes with the same effect as if such Surviving Entity had been named as such. For the avoidance of doubt, compliance with this covenant will not affect the obligations of the Company (including a Surviving Entity, if applicable) under "—Change of Control," if applicable.

Each Subsidiary Guarantor will not, and the Company will not cause or permit any Subsidiary Guarantor to, consolidate with or merge into, or sell or dispose of all or substantially all of its assets to, any Person (other than the Company) that is not a Subsidiary Guarantor unless:

(1) such Person (if such Person is the surviving entity) assumes all of the obligations of such Subsidiary Guarantor in respect of its Note Guarantee by executing a supplemental indenture and providing the Trustee with an Officers' Certificate and Opinion of Counsel, and such transaction is otherwise in compliance with the Indenture and assumes the obligations under and becomes a party to the Collateral Documents to which such Subsidiary Guarantor is a party in accordance with the terms thereof;

(2) such Note Guarantee is to be released as provided under "—Note Guarantees"; or

(3) such sale or other disposition of substantially all of such Subsidiary Guarantor's assets is made in accordance with "—Limitation on Asset Sales and Sales of Subsidiary Stock."

Limitation on Transactions with Affiliates

(1) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, enter into any transaction or series of related transactions (including, without

limitation, the purchase, sale, lease or exchange of any property or the rendering of any service) with, or for the benefit of, any of its Affiliates (each an "Affiliate Transaction"), unless:

(a) the terms of such Affiliate Transaction are no less favorable than those that could reasonably be expected to be obtained in a comparable transaction at such time on an arm's-length basis from a Person that is not an Affiliate of the Company;

(b) in the event that such Affiliate Transaction involves aggregate payments, or transfers of property or services with a Fair Market Value, in excess of US$5.0 million, the terms of such Affiliate Transaction will be approved by a majority of the members of the Board of Directors of the Company (including a majority of the disinterested members thereof), the approval to be evidenced by a Board Resolution stating that the Board of Directors has determined that such transaction complies with the preceding provisions; and

(c) in the event that such Affiliate Transaction involves aggregate payments, or transfers of property or services with a Fair Market Value, in excess of US$10.0 million, the Company will, prior to the consummation thereof, obtain a favorable opinion as to the fairness of such Affiliate Transaction to the Company and the relevant Restricted Subsidiary (if any) from a financial point of view from an Independent Financial Advisor and file the same with the Trustee.

(2) Paragraph (1) above will not apply to:

(a) Affiliate Transactions with or among the Company and any Subsidiary Guarantor or between or among Subsidiary Guarantors (other than purchases, leases or sales of Collateral or land held by the Company or any Subsidiary (i) the Capital Stock of which is pledged or required to be pledged or (ii) the Real Property of which is mortgaged or required to be mortgaged as described under "—Security" above;

(b) transactions between or among Non-Guarantor Restricted Subsidiaries of the Company;

(c) transactions between the Company and/or the Subsidiary Guarantors on the one hand, and the Non-Guarantor Restricted Subsidiaries of the Company on the other; provided that such transactions are (x) in the ordinary course of business consistent with past practices and (y) on terms that are no less favorable than those that could reasonably be expected to be obtained in a comparable transaction at such time on an arm's-length basis from a Person that is not an Affiliate of the Company;

(d) reasonable fees and compensation paid to, and any indemnity provided on behalf of, officers, directors, employees, consultants or agents of the Company or any Restricted Subsidiary as determined in good faith by the Company's Board of Directors;

(e) Affiliate Transactions undertaken pursuant to any contractual obligations or rights in existence on the Issue Date and any amendment, modification or replacement of such agreement (so long as such amendment, modification or replacement is not materially more disadvantageous to the Company and its Restricted Subsidiaries, taken as a whole, or the Holders of the Notes than the original agreement as in effect on the Issue Date);

(f) any Restricted Payments made in compliance with "—Limitation on Restricted Payments" or Permitted Investments;

(g) loans and advances to officers, directors and employees of the Company or any Restricted Subsidiary for travel, entertainment, moving and other relocation expenses, in each case made in the ordinary course of business and not exceeding US$2.0 million outstanding at any one time;

(h) any employment agreement, employee benefit plan, officer or director indemnification agreement or any similar arrangement entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business or consistent with past practice and payments pursuant thereto; and

(i) any issuance of Capital Stock (other than Disqualified Stock) of the Company to Affiliates of the Company or to any director, officer or employee of the Company, and the granting and performance of registration rights.

Limitation on Sale and Leaseback Transactions

The Company will not, and will not permit any of its Restricted Subsidiaries to, enter into any Sale and Leaseback Transaction; *provided* that the Company or any Restricted Subsidiary may enter into a Sale and Leaseback Transaction if:

(a) the aggregate value of property at any time outstanding subject to Sale and Leaseback Transactions does not exceed US$20.0 million; or

(b) (1) the Company or such Restricted Subsidiary, as applicable, could have:

(A) Incurred Indebtedness in an amount equal to the Attributable Indebtedness relating to such Sale and Leaseback Transaction pursuant to clause (1) of "—Limitation on Incurrence of Additional Indebtedness"; and

(B) to the extent such lease is a Capitalized Lease Obligation, incurred a Lien to secure such Indebtedness pursuant to "—Limitation on Liens";

(2) the gross cash proceeds of such Sale and Leaseback Transaction are at least equal to the Fair Market Value of the property sold; and

(3) the transfer of assets in such Sale and Leaseback Transaction is permitted by, and the proceeds of such transaction are applied in compliance with the covenant described under "—Asset Sales."

Conduct of Business

The Company and its Restricted Subsidiaries will not engage in any business other than a Permitted Business.

Reports to Holders

So long as any Notes are outstanding, the Company will furnish to the Trustee:

- within 120 days following the end of each of the Company's fiscal years, information (presented in the English language) including "Selected Consolidated Financial Data", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Our Business"

sections with scope and content substantially similar to the corresponding sections of this offering memorandum (after taking into consideration any changes to the business and operations of the Company after the Issue Date), information regarding the Company's share capital, constitutional documents and any material contracts to which the Company or the Restricted Subsidiaries are a party other than contracts entered into in the ordinary course of business, consolidated audited income statements, balance sheets and cash flow statements and the related Notes thereto for the Company for the two most recent fiscal years in accordance with Mexican Financial Reporting Standards, which need not, however, contain any reconciliation to U.S. GAAP or otherwise comply with Regulation S-X of the Commission, together with an audit report thereon by the Company's independent auditors;

- within 60 days following the end of the fiscal quarter ended September 30, 2007 and of the first three fiscal quarters in each of the Company's fiscal years thereafter, quarterly reports containing unaudited balance sheets, statements of income, statements of shareholders equity and statements of cash flows and the related notes thereto for the Company and the Restricted Subsidiaries on a consolidated basis, in each case for the quarterly period then ended and the corresponding quarterly period in the prior fiscal year and prepared in accordance with Mexican Financial Reporting Standards, which need not, however, contain any reconciliation to U.S. GAAP or otherwise comply with Regulation S-X of the Commission, together with a "Management's Discussion and Analysis of Financial Condition and Results of Operations" section for such quarterly period and condensed footnote disclosure (in each case, presented in the English language);

- promptly from time to time after the occurrence of a material acquisition or disposition that would constitute a Significant Subsidiary (as defined in Regulation S-X of the Commission), financial statements of the acquired business and a pro forma consolidated balance sheet and statement of operations of the Company and the Restricted Subsidiaries giving effect to the acquisition or disposition to the extent practicable utilizing available information (which need not be required to contain any U.S. GAAP information or otherwise comply with Regulation S-X of the Commission); and

- promptly from time to time after the occurrence of a material event at the Company or any of its Restricted Subsidiaries, other reports containing substantially the same information required to be contained in Form 6-K (or any successor form) of the Exchange Act.

In addition, so long as any Notes are outstanding and during any period during which the Company is not subject to Section 13 or 15(d) of the Exchange Act or exempt therefrom, the Company will furnish to the Holders of the Notes and to prospective investors, upon the requests of such Holders, any information required to be delivered pursuant to Rule 144A(d)(4) of the Securities Act so long as the Notes are not freely transferable under the Exchange Act by Persons who are not "affiliates" under the Securities Act.

The Company will also make available copies of all reports furnished to the Trustee (a) on the Company's website and (b) to the newswire service of Bloomberg L.P., or if Bloomberg L.P. does not then operate, any similar agency. In addition, if and so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF and the rules of the Luxembourg Stock Exchange so require, copies of such reports furnished to the Trustee will also be make available at the specified office of the paying agent in Luxembourg.

Listing

Application has been made to list the Notes on the Official List of the Luxembourg Stock Exchange and to be admitted to trading on the Euro MTF. In the event that the Notes are admitted to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF, the Company will use its reasonable best efforts to maintain such listing and trading; *provided* that if, as a result of the European Union regulated market amended Directive 2001/34/EC (the "Transparency Directive") or any legislation implementing the Transparency Directive the Company could be required to publish financial information either more regularly than it otherwise would be required to or according to accounting principles which are materially different from the accounting principles which the Company would otherwise use to prepare its published financial information, the Company may delist the Notes from the Euro MTF in accordance with the rules of the Luxembourg Stock Exchange and seek an alternative admission to listing, trading and/or quotation for the Notes on a different section of the Luxembourg Stock Exchange or by such other listing authority, stock exchange and/or quotation system inside or outside the European Union as the Company may reasonably decide.

Notices

From and after the date the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF and so long as it is required by the rules of such exchange, all notices to Holders of Notes will be published in English:

(1) in a leading newspaper having a general circulation in Luxembourg (which is expected to be the *d' Wort*);

(2) if such Luxembourg publication in not practicable, in one other leading English language newspaper being published on each day in morning editions, whether or not it shall be published in Saturday, Sunday or holiday editions; or

(3) on the website of the Luxembourg Stock Exchange, www.bourse.lu.

Notices shall be deemed to have been given on the date of publication as aforesaid or, if published on different dates, on the date of the first such publication. In addition, notices will be mailed to Holders of Notes at their registered addresses.

Events of Default

The following are "Events of Default":

(1) default in the payment when due of the principal of or premium, if any, on any Notes, including the failure to make a required payment to purchase Notes tendered pursuant to an optional redemption, Change of Control Offer or an Asset Sale Offer;

(2) default for 30 days or more in the payment when due of interest, Additional Amounts or liquidated damages, if any, on any Notes;

(3) the failure to perform or comply with any of the provisions described under "—Certain Covenants—Merger, Consolidation and Sale of Assets";

(4) the failure by the Company or any Restricted Subsidiary to comply with any other covenant or agreement contained in the Indenture or in the Notes for 30 days or more after written notice to

the Company from the Trustee or the Holders of at least 25% in aggregate principal amount of the outstanding Notes;

(5) default by the Company or any Restricted Subsidiary under any Indebtedness which:

(a) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of any applicable grace period provided in such Indebtedness on the date of such default; or

(b) results in the acceleration of such Indebtedness prior to its stated maturity;

and the principal or accreted amount of Indebtedness covered by (a) or (b) at the relevant time, aggregates US$10.0 million or more;

(6) failure by the Company or any of its Restricted Subsidiaries to pay one or more final judgments against any of them, aggregating US$10.0 million or more, which judgment(s) are not paid, discharged or stayed for a period of 60 days or more;

(7) certain events of bankruptcy affecting the Company or any of its Restricted Subsidiaries;

(8) except as permitted by the Indenture, any Note Guarantee is held to be unenforceable or invalid in a judicial proceeding or ceases for any reason to be in full force and effect or any Subsidiary Guarantor, or any Person acting on behalf of any Subsidiary Guarantor, denies or disaffirms such Subsidiary Guarantor's obligations under its Note Guarantee; or

(9) any (A) breach by the Company or any Subsidiary party thereto of any representation or warranty set forth in the Collateral Documents, (B) default by the Company or any Subsidiary party thereto in the performance of any covenant set forth in the Collateral Documents, or (C) repudiation by the Company or any Subsidiary party thereto of its obligations under the Collateral Documents or the unenforceability of any of the Collateral Documents against the Company or any Subsidiary party thereto for any reason, including the failure to enter into or execute any of the Collateral Documents within the allotted time period; *provided*, that any or all of the occurrences set forth in (A) through (C) taken together, relate to Collateral the aggregate value of which is in excess of $10.0 million ($5.0 million with respect to breaches and defaults specified in (A) or (B) that relate to the enforceability, perfection or priority of any security interest in Collateral or the existence of a Lien on Collateral other than a Collateral Permitted Lien or any repudiation specified in (C)); *provided further*, that solely in the case of (A) or (B) with respect to any breach or default that does not relate to the enforceability, perfection or priority of the security interest granted in Collateral or the existence of an Lien on Collateral other than a Collateral Permitted Lien, such breach or default remains uncured for a period of 30 days after notice is provided thereof by the Trustee or a Holder of the Notes.

If an Event of Default (other than an Event of Default specified in clause (7) above with respect to the Company) shall occur and be continuing, the Trustee or the Holders of at least 25% in principal amount of outstanding Notes may declare the unpaid principal of (and premium, if any) and accrued and unpaid interest on all the Notes to be immediately due and payable by notice in writing to the Company and the Trustee specifying the Event of Default and that it is a "notice of acceleration." If an Event of Default specified in clause (7) above occurs with respect to the Company, then the unpaid principal of (and premium, if any) and accrued and unpaid interest on all the Notes will become immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

At any time after a declaration of acceleration with respect to the Notes as described in the preceding paragraph, the Holders of a majority in principal amount of the Notes may rescind and cancel such declaration and its consequences:

(1) if the rescission would not conflict with any judgment or decree;

(2) if all existing Events of Default have been cured or waived, except non-payment of principal or interest that has become due solely because of the acceleration;

(3) to the extent the payment of such interest is lawful, interest on overdue installments of interest and overdue principal, which has become due otherwise than by such declaration of acceleration, has been paid; and

(4) if the Company has paid the Trustee its reasonable compensation and reimbursed the Trustee for its reasonable expenses (including the fees and expenses of its counsel), disbursements and advances.

No rescission will affect any subsequent Default or impair any rights relating thereto.

The Holders of a majority in principal amount of the Notes may waive any existing Default or Event of Default under the Indenture, and its consequences, except a default in the payment of the principal of, premium, if any, or interest on any Notes.

In the event of any Event of Default specified in clause (5) of the first paragraph above, such Event of Default and all consequences thereof (excluding, however, any resulting payment default) will be annulled, waived and rescinded, automatically and without any action by the Trustee or the Holders, if within 30 days after such Event of Default arose the Company delivers an Officers' Certificate to the Trustee stating that (x) the Indebtedness or Guarantee that is the basis for such Event of Default has been discharged or (y) the holders thereof have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to such Event of Default or (z) the default that is the basis for such Event of Default has been cured, it being understood that in no event shall an acceleration of the principal amount of the Notes as described above be annulled, waived or rescinded upon the happening of any such events.

Subject to the provisions of the Indenture relating to the duties of the Trustee, the Trustee is under no obligation to exercise any of its rights or powers under the Indenture at the request, order or direction of any of the Holders, unless such Holders have offered to the Trustee reasonable indemnity. Subject to all provisions of the Indenture and applicable law, the Holders of a majority in aggregate principal amount of the then outstanding Notes have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee.

No Holder of any Notes will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless:

(1) such Holder gives to the Trustee written notice of a continuing Event of Default;

(2) Holders of at least 25% in principal amount of the then outstanding Notes make a written request to pursue the remedy;

(3) such Holders of the Notes provide to the Trustee satisfactory indemnity;

(4) the Trustee does not comply within 60 days; and

(5) during such 60-day period the Holders of a majority in principal amount of the outstanding Notes do not give the Trustee a written direction which, in the opinion of the Trustee, is inconsistent with the request;

provided that a Holder of a Note may institute suit for enforcement of payment of the principal of and premium, if any, or interest on such Note on or after the respective due dates expressed in such Note.

Upon becoming aware of any Default or Event of Default, the Company is required to deliver to the Trustee written notice of events which would constitute such Defaults or Events of Default, their status and what action the Company is taking or proposes to take in respect thereof. In addition, the Company is required to deliver to the Trustee, within 105 days after the end of each fiscal year, an Officers' Certificate indicating whether the signers thereof know of any Default or Event of Default that occurred during the previous fiscal year. The Indenture provides that if a Default or Event of Default occurs, is continuing and is actually known to the Trustee, the Trustee must mail to each Holder notice of the Default or Event of Default within 30 days after the occurrence thereof. Except in the case of a Default or Event of Default in the payment of principal of, premium, if any, or interest on any Note, the Trustee may withhold notice if and so long as a committee of its trust officers in good faith determines that withholding notice is in the interests of the Holders.

Legal Defeasance and Covenant Defeasance

The Company may, at its option and at any time, elect to have its obligations with respect to outstanding Notes and all obligations of the Subsidiary Guarantors under the Note Guarantees discharged ("Legal Defeasance"). Such Legal Defeasance means that the Company will be deemed to have paid and discharged the entire indebtedness represented by the outstanding Notes and Note Guarantees after the deposit specified in clause (1) of the second following paragraph, except for:

(1) the rights of Holders to receive payments in respect of the principal of, premium, if any, and interest on the Notes when such payments are due;

(2) the Company's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payments;

(3) the rights, powers, trust, duties and immunities of the Trustee and the Company's and the Subsidiary Guarantor's obligations in connection therewith; and

(4) the Legal Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have its obligations and the obligations of the Subsidiary Guarantors released with respect to certain covenants (including, without limitation, obligations to make Change of Control Offers, Asset Sale Offers, the obligations described under "—Certain Covenants" and the cross-acceleration provisions and judgment default provisions described under "—Events of Default") that are described in the Indenture ("Covenant Defeasance") and thereafter any omission to comply with such obligations will not constitute a Default or Event of Default with respect to the Notes or the Note Guarantees. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, reorganization and insolvency events) described under "—Events of Default" will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders cash in U.S. dollars, certain direct non-callable obligations of, or guaranteed by, the United States, or a combination thereof, in such amounts as will be sufficient without reinvestment, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, premium, if any, and interest (including Additional Amounts) on the Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be;

(2) in the case of Legal Defeasance, the Company has delivered to the Trustee an Opinion of Counsel from counsel in the United States reasonably acceptable to the Trustee (subject to customary exceptions and exclusions) and independent of the Company to the effect that:

(a) the Company has received from, or there has been published by, the Internal Revenue Service a ruling; or

(b) since the Issue Date, there has been a change in the applicable U.S. federal income tax law,

in either case to the effect that, and based thereon such Opinion of Counsel shall state that, the Holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Company has delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee (subject to customary exceptions and exclusions) to the effect that the Holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) in the case of Legal Defeasance or Covenant Defeasance, the Company has delivered to the Trustee:

(a) an opinion of Mexican legal counsel (which may be the Company's counsel) reasonably acceptable to the Trustee (subject to customary exceptions and exclusions) and independent of the Company to the effect that, based upon Mexican law then in effect, Holders will not recognize income, gain or loss for Mexican tax purposes, including withholding tax except for withholding tax then payable on interest payments due, as a result of Legal Defeasance or Covenant Defeasance, as the case may be, and will be subject to Mexican taxes on the same amounts and in the same manner and at the same time as would have been the case if such Legal Defeasance or Covenant Defeasance, as the case may be, had not occurred, or

(b) a ruling received from the tax authorities of Mexico to the same effect as the Opinion of Counsel described in clause (a) above;

(5) no Default or Event of Default shall have occurred and be continuing on the date of the deposit pursuant to clause (1) of this paragraph (except any Default or Event of Default resulting from the

failure to comply with "—Certain Covenants—Limitation on Incurrence of Additional Indebtedness" as a result of the borrowing of the funds required to effect such deposit);

(6) the Trustee has received an Officers' Certificate stating that such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under the Indenture or any other material agreement or instrument to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound;

(7) the Company has delivered to the Trustee an Officers' Certificate stating that the deposit was not made by the Company with the intent of preferring the Holders over any other creditors of the Company or any Subsidiary of the Company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company or others;

(8) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel from counsel reasonably acceptable to the Trustee (subject to customary exceptions and exclusions) and independent of the Company, each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance have been complied with; and

(9) the Company has delivered to the Trustee an Opinion of Counsel from counsel reasonably acceptable to the Trustee and independent of the Company to the effect that the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to surviving rights or registration of transfer or exchange of the Notes, as expressly provided for in the Indenture) as to all outstanding Notes when:

(1) either:

(a) all the Notes theretofore authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust) have been delivered to the Trustee for cancellation; or

(b) all Notes not theretofore delivered to the Trustee for cancellation have become due and payable, and the Company has irrevocably deposited or caused to be deposited with the Trustee funds or certain direct, non-callable obligations of, or guaranteed by, the United States sufficient without reinvestment to pay and discharge the entire Indebtedness on the Notes not theretofore delivered to the Trustee for cancellation, for principal of, premium, if any, and interest on the Notes to the date of deposit, together with irrevocable instructions from the Company directing the Trustee to apply such funds to the payment;

(2) the Company has paid all other sums payable under the Indenture and the Notes by it; and

(3) the Company has delivered to the Trustee an Officers' Certificate and Opinion of Counsel stating that all conditions precedent under the Indenture relating to the satisfaction and discharge of the Indenture have been complied with.

Modification of the Indenture

From time to time, the Company, the Subsidiary Guarantors and the Trustee, without the consent of the Holders, may amend the Indenture, the Notes or the Note Guarantees for certain specified purposes, including curing ambiguities, defects or inconsistencies; to provide for uncertificated Notes in addition to or in place of certificated Notes; to provide for the assumption of the Company's or a Subsidiary Guarantor's obligations to Holders of Notes in the case of a merger or consolidation or sale of all or substantially all of the Company's or such Subsidiary Guarantor's assets, as applicable, to the extent permitted under the Indenture; to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights under the Indenture of any such Holder; to comply with requirements of the SEC in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act; to conform the text of the Indenture, the Note Guarantees or the Notes to any provision of this Description of the Notes to the extent that such provision in this Description of the Notes was intended to be a verbatim recitation of a provision of the Indenture, the Note Guarantees or the Notes; to allow any Subsidiary Guarantor to execute a supplemental indenture and/or a Note Guarantee with respect to the Notes and to release Subsidiary Guarantors from the Note Guarantee in accordance with the terms of the Indenture; to comply with the requirements of any applicable securities depositary; to provide for a successor Trustee in accordance with the terms of the Indenture; to otherwise comply with any requirement of the Indenture; to issue Additional Notes; and make any other changes which do not adversely affect the rights of any of the Holders in any material respect. The Trustee will be entitled to rely on such evidence as it deems appropriate, including solely on an Opinion of Counsel and Officers' Certificate, and shall have no liability whatsoever in reliance upon the foregoing.

Other modifications and amendments of the Indenture or the Notes may be made with the consent of the Holders of a majority in principal amount of the then outstanding Notes issued under the Indenture, except that, without the consent of each Holder affected thereby, no amendment may (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the rate of or change or have the effect of changing the time for payment of interest, including defaulted interest, on any Notes;

(3) reduce the principal of or change or have the effect of changing the fixed maturity of any Notes, or change the date on which any Notes may be subject to redemption, or reduce the redemption price therefor;

(4) make any Notes payable in money other than that stated in the Notes;

(5) make any change in provisions of the Indenture entitling each Holder to receive payment of principal of, premium, if any, and interest on such Note on or after the due date thereof or to bring suit to enforce such payment, or permitting Holders of a majority in principal amount of Notes to waive Defaults or Events of Default;

(6) amend, change or modify in any material respect the obligation of the Company to make and consummate a Change of Control Offer in respect of a Change of Control that has occurred or make and consummate an Asset Sale Offer with respect to any Asset Sale, Collateral Assets or Event of Loss that has been consummated;

(7) eliminate or modify in any manner a Subsidiary Guarantor's obligations with respect to its Note Guarantee which adversely affects Holders in any material respect, except as contemplated in the Indenture;

(8) make any change in the provisions of the Indenture described under "—Additional Amounts" that adversely affects the rights of any Holder or amend the terms of the Notes in a way that would result in a loss of exemption from Taxes;

(9) make any change to the provisions of the Indenture or the Notes that adversely affect the ranking of the Notes; or

(10) terminate, or deprive any Holder of the benefit of, the Liens of the Collateral Documents on all or substantially all of the Collateral, other than to the extent expressly permitted by the Indenture or the Collateral Documents.

Governing Law; Jurisdiction

The Indenture and the Notes will be governed by, and construed in accordance with, the law of the State of New York but without giving effect to applicable principles of conflicts of law to the extent that the application of the law of another jurisdiction would be required thereby. The Company and the Subsidiary Guarantors consent to the jurisdiction of the Federal and State courts located in the City of New York, Borough of Manhattan and have appointed an agent for service of process with respect to any actions brought in these courts arising out of or based on the Indenture or the Notes.

The Trustee

Except during the continuance of an Event of Default, the Trustee will perform only such duties as are specifically set forth in the Indenture. During the existence of an Event of Default, the Trustee will exercise such rights and powers vested in it by the Indenture, and use the same degree of care and skill in its exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

The Indenture and the provisions of the TIA contain certain limitations on the rights of the Trustee, should it become a creditor of the Company, to obtain payments of claims in certain cases or to realize on certain property received in respect of any such claim as security or otherwise. Subject to the TIA, the Trustee will be permitted to engage in other transactions; *provided* that if the Trustee acquires any conflicting interest as described in the TIA, it must eliminate such conflict or resign.

No Personal Liability

An incorporator, director, officer, employee, stockholder or controlling person, as such, of the Company or of any Subsidiary Guarantor shall not have any liability for any obligations of the Company or such Subsidiary Guarantor under the Notes (including the Note Guarantees) or the Indenture or for any claims based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability.

Currency Indemnity

The Company and each Subsidiary Guarantor will pay all sums payable under the Indenture or the Notes solely in U.S. dollars. Any amount that you receive or recover in a currency other than U.S. dollars in respect of any sum expressed to be due to you from the Company or any Subsidiary Guarantor

will only constitute a discharge to the Company to the extent of the U.S. dollar amount which you are able to purchase with the amount received or recovered in that other currency on the date of the receipt or recovery or, if it is not practicable to make the purchase on that date, on the first date on which you are able to do so. If the U.S. dollar amount is less than the U.S. dollar amount expressed to be due to you under any Note, the Company and the Subsidiary Guarantors will jointly and severally indemnify you against any loss you sustain as a result. In any event, the Company and the Subsidiary Guarantors will jointly and severally indemnify you against the cost of making any purchase of U.S. dollars. For the purposes of this paragraph, it will be sufficient for you to certify in a satisfactory manner that you would have suffered a loss had an actual purchase of U.S. dollars been made with the amount received in that other currency on the date of receipt or recovery or, if it was not practicable to make the purchase on that date, on the first date on which you were able to do so. In addition, you will also be required to certify in a satisfactory manner the need for a change of the purchase date.

The indemnities described above:

- constitute a separate and independent obligation from the other obligations of the Company and the Subsidiary Guarantors;
- will give rise to a separate and independent cause of action;
- will apply irrespective of any indulgence granted by any Holder; and
- will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note.

Certain Definitions

Set forth below is a summary of certain of the defined terms used in the Indenture. Reference is made to the Indenture for a full definition of all such terms, as well as any other terms used herein for which no definition is provided.

"*Acquired Indebtedness*" means Indebtedness of a Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary or at the time it merges or consolidates with the Company or any of its Restricted Subsidiaries or is assumed in connection with the acquisition of assets from such Person. Such Indebtedness will be deemed to have been Incurred at the time such Person becomes a Restricted Subsidiary or at the time it merges or consolidates with the Company or a Restricted Subsidiary or at the time such Indebtedness is assumed in connection with the acquisition of assets from such Person.

"*Additional Amounts*" has the meaning set forth under "—Additional Amounts" above.

"*Additional Notes*" has the meaning set forth under "—Additional Notes" above.

"*Affiliate*" means, with respect to any specified Person, any other Person who directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"*Asset Acquisition*" means:

(1) an Investment by the Company or any Restricted Subsidiary in any other Person pursuant to which such Person will become a Restricted Subsidiary, or will be merged with or into the Company or any Restricted Subsidiary;

(2) the acquisition by the Company or any Restricted Subsidiary of the assets of any Person (other than a Subsidiary of the Company) which constitute all or substantially all of the assets of such Person or comprises any division or line of business of such Person or any other properties or assets of such Person other than in the ordinary course of business; or

(3) any Revocation with respect to an Unrestricted Subsidiary.

"*Asset Sale*" means any direct or indirect sale, disposition, issuance, conveyance, transfer, lease, assignment or other transfer, including a Sale and Leaseback Transaction (each, a "disposition") by the Company or any Restricted Subsidiary of:

(a) any Capital Stock of any Restricted Subsidiary (but not Capital Stock of the Company); or

(b) any property or assets (other than cash or Cash Equivalents or Capital Stock of the Company) of the Company or any Restricted Subsidiary;

Notwithstanding the preceding, the following items will not be deemed to be Asset Sales:

(1) the disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries as permitted under "—Certain Covenants—Merger, Consolidation and Sale of Assets;"

(2) for purposes of "—Certain Covenants—Limitation on Asset Sales and Sales of Subsidiary Stock" only, the making of a Restricted Payment permitted under "—Certain Covenants—Limitation on Restricted Payments" or any Permitted Investment;

(3) a disposition to the Company or a Restricted Subsidiary, including a Person that is or will become a Restricted Subsidiary immediately after the disposition;

(4) any single transaction or series of related transactions that involves property or assets of the Company or any Restricted Subsidiary or Capital Stock of a Restricted Subsidiary having a Fair Market Value of less than US$2.0 million in any calendar year (or the equivalent in other currencies);

(5) a transfer of assets between or among the Company and any of its Subsidiary Guarantors or between or among the Non-Guarantor Restricted Subsidiaries of the Company;

(6) an issuance or sale of Capital Stock by a Restricted Subsidiary of the Company to the Company or any of its Restricted Subsidiaries;

(7) any sale or other disposition of damaged, worn-out, obsolete or no longer useful assets or properties in the ordinary course of business;

(8) any sale of assets received by the Company or any of its Restricted Subsidiaries upon the foreclosure on a Lien in the ordinary course of business;

(9) the granting of Liens permitted under "—Certain Covenants—Limitations or Liens";

(10) the good faith surrender or waiver of contract rights or settlement, release or surrender of contract, tort or other claims or statutory rights in connection with a settlement;

(11) a disposition of current accounts receivable by the Company or a Restricted Subsidiary on a non-recourse basis in the ordinary course of business and consistent with past practice; and

(12) a Collateral Asset Sale.

"*Asset Sale Offer*" has the meaning set forth under "—Certain Covenants—Limitation on Asset Sales and Sales of Subsidiary Stock."

"*Asset Sale Transaction*" means any Asset Sale or Collateral Asset Sale and, whether or not constituting an Asset Sale or Collateral Asset Sale, (1) any sale or other disposition of Capital Stock, (2) any Designation with respect to an Unrestricted Subsidiary and (3) any sale or other disposition of property or assets excluded from the definition of Asset Sale by clause (2) of that definition.

"*Attributable Indebtedness*" in respect of a Sale and Leaseback Transaction means, as at the time of determination, the greater of:

(1) the Fair Market Value of the property subject to such arrangement; and

(2) the present value (discounted at the rate of interest implicit in such transaction, determined in accordance with Mexican Financial Reporting Standards) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction (including any period for which such lease has been extended.

"*Bankruptcy Event of Default*" means an Event of Default under clause (7) under "—Events of Default" or any similar event of default under any Credit Facility.

"*Board of Directors*" means, as to any Person, the board of directors, management committee or similar governing body of such Person or any duly authorized committee thereof.

"*Board Resolution*" means, with respect to any Person, a copy of a resolution certified by the Secretary or an Assistant Secretary of such Person to have been duly adopted by the Board of Directors of such Person and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"*Capitalized Lease Obligations*" means, as to any Person, the obligations of such Person under a lease that are required to be classified and accounted for as capital lease obligations under Mexican Financial Reporting Standards. For purposes of this definition, the amount of such obligations at any date will be the capitalized amount of such obligations at such date, determined in accordance with Mexican Financial Reporting Standards; and the Stated Maturity thereof shall be the date of the last payment of rent or other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty.

"*Capital Stock*" means:

(1) with respect to any Person that is a corporation, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, including each class of Common Stock and Preferred Stock of such Person;

(2) with respect to any Person that is not a corporation, any and all partnership or other equity or ownership interests of such Person; and

(3) any warrants, rights or options to purchase any of the instruments or interests referred to in clause (1) or (2) above.

"*Cash Equivalents*" means:

(1) marketable direct obligations issued by, or unconditionally guaranteed by, the United States government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition thereof;

(2) *Certificados de la Tesorería de la Federation* (Cetes) or *Bonos de Desarrollo del Gobierno Federal* (Bondes), in each case, issued by the government of Mexico and maturing not later than one year after the acquisition thereof;

(3) marketable direct obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition, having one of the two highest ratings obtainable from either S&P or Moody's or any successor thereto;

(4) commercial paper maturing no more than one year from the date of creation thereof and, at the time of acquisition, having a rating of at least A-2 from S&P or at least P-2 from Moody's;

(5) demand deposits, certificates of deposit, time deposits or bankers' acceptances maturing within one year from the date of acquisition thereof issued by (a) any bank organized under the laws of the United States of America or any state thereof or the District of Columbia, (b) any U.S. branch of a non-U.S. bank having at the date of acquisition thereof combined capital and surplus of not less than US$500.0 million, or (c) in the case of Mexican peso deposits, any of the five top-rated banks (as evaluated by an internationally recognized rating agency) organized under the laws of Mexico;

(6) repurchase obligations with a term of not more than 180 days for underlying securities of the types described in clause (1) above entered into with any bank meeting the qualifications specified in clause (5) above; and

(7) investments in money market funds which invest substantially all of their assets in securities of the types described in clauses (1) through (6) above.

"*Change of Control*" means the occurrence of one or more of the following events:

(1) any Person or Group other than the Permitted Holders is or becomes the beneficial owner (as defined below), directly or indirectly, in the aggregate of more than 50% of the total voting power of the Voting Stock of the Company (including a Surviving Entity, if applicable);

(2) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors of the Company, together with any new directors whose election by such Board of Directors or whose nomination for election by the shareholders of the Company was approved by a vote of a majority of the directors of the Company then still in office who were either directors at the beginning of such period or whose election or nomination

for election was previously so approved, cease for any reason to constitute a majority of the Board of Directors of the Company then in office;

(3) the Company consolidates with, or merges with or into, another Person, or the Company sells, conveys, assigns, transfers, leases or otherwise disposes of all or substantially all of the assets of the Company, determined on a consolidated basis, to any Person, other than a transaction where the Person or Persons that, immediately prior to such transaction "beneficially owned" the outstanding Voting Stock of the Company are, by virtue of such prior ownership, or Permitted Holders are, the "beneficial owners" in the aggregate of a majority of the total voting power of the then outstanding Voting Stock of the surviving or transferee person (or if such surviving or transferee Person is a direct or indirect wholly-owned subsidiary of another Person, such Person who is the ultimate parent entity), in each case whether or not such transaction is otherwise in compliance with the Indenture; or

(4) the approval by the holders of Capital Stock of the Company of any plan or proposal for the liquidation or dissolution of the Company, whether or not otherwise in compliance with the provisions of the Indenture.

For purposes of this definition:

(a) "beneficial owner" will have the meaning specified in Rules 13d-3 and 13d-5 under the Exchange Act, except that any Person or Group will be deemed to have "beneficial ownership" of all securities that such Person or Group has the right to acquire, whether such right is exercisable immediately, only after the passage of time or, except in the case of the Permitted Holders, upon the occurrence of a subsequent condition.

(b) "Person" and "Group" will have the meanings for "person" and "group" as used in Sections 13(d) and 14(d) of the Exchange Act; and

(c) the Permitted Holders or any other Person or Group will be deemed to beneficially own any Voting Stock of a corporation held by any other corporation (the "parent corporation") so long as the Permitted Holders or such other Person or Group, as the case may be, beneficially own, directly or indirectly, in the aggregate at least 50% of the voting power of the Voting Stock of the parent corporation and no other Person or Group beneficially owns an equal or greater amount of the Voting Stock of the parent corporation.

"*Change of Control Payment*" has the meaning set forth under "—Change of Control."

"*Change of Control Payment Date*" has the meaning set forth under "—Change of Control."

"*Collateral Asset Sale*" means any disposition of any Collateral, or a series of related dispositions by the Company or any of its Subsidiaries involving the Collateral, other than (i) the sale for Fair Market Value of machinery, equipment, furniture, apparatus, tools or implements or other similar property that may be defective or may have become worn out or obsolete or no longer used or useful in the operations of the Company or (ii) sales of inventory in the ordinary course of business. A Collateral Asset Sale will not include an Event of Loss.

"*Collateral Event of Default*" means either or both of (i) an Event of Default under the Indenture and (ii) an event of default under any Credit Facility or Working Capital Facility.

"*Collateral Permitted Liens*" means any of the following:

(1) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, suppliers, materialmen, repairmen and other Liens imposed by law incurred in the ordinary course of business for sums not yet delinquent or being contested in good faith, if such reserve or other appropriate provision, if any, as shall be required by Mexican Financial Reporting Standards has been made in respect thereof;

(2) Liens for taxes, assessments or governmental charges or levies on the property of the Company or any Restricted Subsidiary if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings promptly instituted and diligently concluded; *provided* that any reserve or other appropriate provision that shall be required in conformity with Mexican Financial Reporting Standards shall have been made therefor;

(3) Liens Incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, including any Lien securing letters of credit issued in the ordinary course of business consistent with past practice in connection therewith, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(4) Liens upon specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(5) Liens encumbering deposits made to secure obligations arising from statutory, regulatory, contractual, or warranty requirements of the Company or a Restricted Subsidiary, including rights of offset and set-off;

(6) Liens existing on the Issue Date;

(7) zoning restrictions, licenses, easements, servitudes, rights of way, title defects, covenants running with the land and other similar charges or encumbrances or restrictions not interfering in any material respect with the ordinary operation of any Collateral or materially and adversely affecting the value of the Collateral; and

(8) Liens created pursuant to the Collateral Documents, including Liens thereon securing the Notes, the Note Guarantees and the Permitted Secured Obligations.

"*Commission*" means the U.S. Securities and Exchange Commission.

"*Common Stock*" of any Person means any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person's common equity interests, whether outstanding on the Issue Date or issued after the Issue Date, and includes, without limitation, all series and classes of such common equity interests.

"*Consolidated EBITDA*" means, for any Person for any period, Consolidated Net Income for such Person for such period, plus the following, without duplication, to the extent deducted or added in calculating such Consolidated Net Income:

(1) Consolidated Income Tax Expense for such Person for such period;

(2) Consolidated Interest Expense for such Person for such period;

(3) Consolidated Non-cash Charges for such Person for such period; and

(4) Transfers to holders (other than the Company and its Restricted Subsidiaries) of the Company's or any of its Restricted Subsidiaries' Capital Stock that are categorized as "other expenses" in the Company's consolidated financial statements.

less (x) all non-cash credits and gains increasing Consolidated Net Income for such Person for such period, other than any items which represent the reversal in such period of any accrual of, or cash reserve for, anticipated charges in any prior period where such accrual or reserve is no longer required under Mexican Financial Reporting Standards and (y) all cash payments made by such Person and its Subsidiaries (Restricted Subsidiaries in the case of the Company) during such period relating to non-cash charges that were added back in determining Consolidated EBITDA in any prior period.

Notwithstanding the foregoing, the items specified in clauses (1) and (3) above for any Subsidiary (Restricted Subsidiary in the case of the Company) will be added to Consolidated Net Income in calculating Consolidated EBITDA for any period:

(a) in proportion to the percentage of the total Capital Stock of such Subsidiary (Restricted Subsidiary in the case of the Company) held directly or indirectly by such Person at the date of determination, and

(b) to the extent that a corresponding amount would be permitted at the date of determination to be distributed to such Person by such Subsidiary (Restricted Subsidiary in the case of the Company) pursuant to its charter and bylaws and each law, regulation, agreement or judgment applicable to such distribution.

"*Consolidated Income Tax Expense*" means, with respect to any Person for any period, the provision for U.S. federal, state, local and non-U.S. income taxes payable by such Person and its Subsidiaries (Restricted Subsidiaries in the case of the Company) for such period as determined on a consolidated basis in accordance with Mexican Financial Reporting Standards.

"*Consolidated Interest Expense*" means, for any Person for any period, the sum of, without duplication determined on a consolidated basis in accordance with Mexican Financial Reporting Standards:

(1) the aggregate of cash and non-cash interest expense of such Person and its Subsidiaries (Restricted Subsidiaries in the case of the Company) for such period determined on a consolidated basis in accordance with Mexican Financial Reporting Standards, including, without limitation (whether or not interest expense in accordance with Mexican Financial Reporting Standards):

    (a) any amortization or accretion of debt discount or any interest paid on Indebtedness of such Person and its Subsidiaries (Restricted Subsidiaries in the case of the Company) in the form of additional Indebtedness,

    (b) any amortization of deferred financing costs,

    (c) the net costs under Hedging Obligations (but excluding amortization of fees),

(d) all capitalized interest,

(e) the interest portion of any deferred payment obligation,

(f) commissions, discounts and other fees and charges Incurred in respect of letters of credit or bankers' acceptances,

(g) imputed interest with respect to Attributable Indebtedness, and

(h) any interest expense paid in respect of Indebtedness of another Person that is Guaranteed by such Person or one of its Subsidiaries (Restricted Subsidiaries in the case of the Company) or secured by a Lien on the assets of such Person or one of its Subsidiaries (Restricted Subsidiaries in the case of the Company); and

(2) the interest component of Capitalized Lease Obligations paid, accrued and/or scheduled to be paid or accrued by such Person and its Subsidiaries (Restricted Subsidiaries in the case of the Company) during such period.

"*Consolidated Leverage Ratio*" means, for any Person as of any date of determination, the ratio of (a) the total consolidated Indebtedness of such Person as of the date of such determination to (b) the aggregate amount of Consolidated EBITDA of such Person for the four most recent full fiscal quarters for which financial statements are available ending prior to the date of such determination (the "Four Quarter Period"). In the event that such Person, or any of its Restricted Subsidiaries Incurs, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital and revolving credit borrowings) or issues, repurchases or redeems Disqualified Stock or Preferred Stock subsequent to the commencement of such Four Quarter Period and on or prior to the date on which the calculation of the Consolidated Leverage Ratio is made (the "Calculation Date"), then the Consolidated Leverage Ratio will be calculated after giving effect on a pro forma basis to such Incurrence, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or Preferred Stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the such Four Quarter Period. In making such calculation, the amount of Indebtedness under any revolving credit facility outstanding on the Calculation Date will be computed based on the average daily balance of such Indebtedness during such Four Quarter Period or such shorter period for which such facility was outstanding.

For purposes of this definition, the Consolidated Leverage Ratio will be calculated after giving effect on a pro forma basis as determined in the good faith judgment of the Company's Chief Financial Officer for the period of such calculation to:

(1) the Incurrence or repayment or redemption of any Indebtedness (including Acquired Indebtedness) of such Person or any of its Subsidiaries (Restricted Subsidiaries in the case of the Company), and the application of the proceeds thereof, including the Incurrence of any Indebtedness (including Acquired Indebtedness), and the application of the proceeds thereof, giving rise to the need to make such determination, occurring during such Four Quarter Period or at any time subsequent to the last day of such Four Quarter Period and on or prior to such date of determination, to the extent, in the case of an Incurrence, such Indebtedness is outstanding on the date of determination, as if such Incurrence and the application of the proceeds thereof, repayment or redemption occurred on the first day of such Four Quarter Period; and

(2) any Asset Sale Transaction or Asset Acquisition by such Person or any of its Subsidiaries (Restricted Subsidiaries, in the case of the Company), including any Asset Sale Transaction or

Asset Acquisition giving rise to the need to make such determination occurring during the Four Quarter Period or at any time subsequent to the last day of the Four Quarter Period and on or prior to such date of determination, as if such Asset Sale Transaction or Asset Acquisition occurred on the first day of the Four Quarter Period.

(3) the Consolidated Net Income attributable to discontinued operations, as determined in accordance with Mexican Financial Reporting Standards, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(4) the Consolidated Interest Expenses attributable to discontinued operations, as determined in accordance with Mexican Financial Reporting Standards, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded but only to the extent that the obligations giving rise to such Consolidated Interest Expenses will not be obligations of such Person or any of its Restricted Subsidiaries following the Calculation Date;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such Four Quarter Period; and

(6) if any Indebtedness bears a floating rate of interest, the Consolidated Interest Expense on such Indebtedness will be equal to the greater of (i) the floating rate of interest in effect on the Calculation Date and (ii) the average floating rate of interest for such Four Quarter Period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

For purposes of this definition, whenever pro forma effect is to be given to any transaction, the pro forma calculations shall be made in good faith by the Chief Financial Officer or another responsible financial or accounting officer of the Company.

"*Consolidated Net Income*" means, with respect to any Person for any period, the aggregate net income (or loss) of such Person and its Restricted Subsidiaries (after deducting (or adding) the portion of such net income (or loss) attributable to minority interests in Restricted Subsidiaries of such Person) for such period on a consolidated basis, determined in accordance with Mexican Financial Reporting Standards; *provided* that there shall be excluded therefrom to the extent reflected in such aggregate net income (loss):

(1) net after-tax gains or losses from Asset Sale Transactions or abandonments or reserves relating thereto;

(2) net after-tax items classified as extraordinary gains or losses;

(3) the net income (but not loss) of any Person, other than such Person and any Subsidiary of such Person (Restricted Subsidiary in the case of the Company); except that:

(a) the net income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to the Company or any of its Restricted Subsidiaries; and

(b) solely for purposes of calculating Consolidated Net Income pursuant to clause (3) of the first paragraph of "—Certain Covenants—Limitation on Restricted Payments" only,

Consolidated Net Income of the Company will include the Company's proportionate share of the net income of

(i) any Person acquired in a "pooling of interests" transaction accrued prior to the date it becomes a Restricted Subsidiary or is merged or consolidated with the Company or any Restricted Subsidiary; or

(ii) a Surviving Entity prior to assuming the Company's obligations under the Indenture and the Notes pursuant to "—Certain Covenants—Limitation on Merger, Consolidation and Sales of Assets";

(4) the net income (but not loss) of any Subsidiary of such Person (Restricted Subsidiary in the case of the Company) to the extent that (and only so long as) a corresponding amount could not be distributed to such Person at the date of determination as a result of any restriction pursuant to the constituent documents of such Subsidiary (Restricted Subsidiary in the case of the Company) or any law, regulation, agreement or judgment applicable to any such distribution;

(5) any increase (but not decrease) in net income attributable to minority interests in any Subsidiary (Restricted Subsidiary in the case of the Company);

(6) any gain (or loss) from foreign exchange translation or change in net monetary position;

(7) any gains or losses (less all fees and expenses or charges relating thereto) attributable to the early extinguishment of Indebtedness and Hedging Obligations; and

(8) the cumulative effect of changes in accounting principles.

"*Consolidated Non-cash Charges*" means, for any Person for any period, the aggregate depreciation, amortization and other non-cash expenses or losses of such Person and its Subsidiaries (Restricted Subsidiaries in the case of the Company) for such period, determined on a consolidated basis in accordance with Mexican Financial Reporting Standards (excluding any such charge which constitutes an accrual of or a reserve for cash charges for any future period or the amortization of a prepaid cash expense paid in a prior period).

"*Consolidated Tangible Assets*" means, for any Person at any time, the total consolidated assets of such Person and its Restricted Subsidiaries as set forth on the balance sheet as of the most recent fiscal quarter of such Person, prepared in accordance with Mexican Financial Reporting Standards, less Intangible Assets.

"*Covenant Defeasance*" has the meaning set forth under "—Legal Defeasance and Covenant Defeasance."

"*Credit Facilities*" means one or more debt facilities, commercial paper facilities or Debt Issuances, in each case with banks, investment banks, insurance companies, mutual funds and/or other institutional lenders or institutional investors providing for revolving credit loans, term loans, letters of credit, in each case, as amended, extended, modified, renewed, restated, Refinanced, supplemented or otherwise modified (in whole or in part, and without limitation as to amount, terms, conditions, covenants and other provisions) from time to time.

"*Currency Agreement*" means, in respect of any Person, any foreign exchange contract, currency swap agreement or other similar agreement as to which such Person is a party designed to hedge foreign currency risk of such Person.

"*Debt Issuances* " means, with respect to the Company or any Restricted Subsidiary, one or more issuances after the Issue Date of Indebtedness evidenced by notes, debentures, bonds or other similar securities or instruments.

"*Default*" means an event or condition the occurrence of which is, or with the lapse of time or the giving of notice or both would be, an Event of Default.

"*Designation*" and "*Designation Amount*" have the meanings set forth under "—Certain Covenants—Limitation on Designation of Unrestricted Subsidiaries" above.

"*Disqualified Capital Stock*" means that portion of any Capital Stock which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the sole option of the holder thereof, in any case, on or prior to the date that is 90 days after the date on which the Notes mature; *provided*, *however*, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to purchase or redeem such Capital Stock upon the occurrence of an "asset sale" or "change of control" occurring prior to the final maturity of the Notes shall not constitute Disqualified Stock if:

(1) the "asset sale" or "change of control" provisions applicable to such Capital Stock are no more favorable to the holders of such Capital Stock than the terms applicable to the Notes and described under "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock" and "—Change of Control"; and

(2) any such requirement only becomes operative after compliance with such terms applicable to the Notes, including the purchase of any Notes tendered pursuant thereto.

The amount of any Disqualified Capital Stock shall be equal to the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price, but excluding accrued dividends, if any. The amount of any Disqualified Stock that does not have a fixed redemption, repayment or repurchase price will be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were redeemed, repaid or repurchased on any date on which the amount of such Disqualified Stock is to be determined pursuant to the Indenture; *provided*, *however*, that if such Disqualified Stock could not be required to be redeemed, repaid or repurchased at the time of such determination, the redemption, repayment or repurchase price will be the book value of such Disqualified Stock as reflected in the most recent financial statements of such Person.

"*Equity Offering*" has the meaning set forth under "—Optional Redemption."

"*Event of Default*" has the meaning set forth under "—Events of Default."

"*Event of Loss*" means (i) the loss of, destruction of, or damage to any Collateral, (ii) the condemnation, seizure, confiscation, requisition of the use or taking by exercise of the power of eminent domain or otherwise of any Collateral or (iii) any consensual settlement in lieu of any event listed in clause (ii), in each case whether in a single event or a series of related events, that results in Net Cash Proceeds from all sources in excess of $2.0 million.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, or any successor statute or statutes thereto.

"*Fair Market Value*" means, with respect to any asset, the price (after deducting any liabilities relating to such assets) which could be negotiated in an arm's-length free market transaction, for cash, between a willing seller and a willing and able buyer, neither of which is under any compulsion to complete the transaction; *provided* that the Fair Market Value of any such asset or assets will be determined conclusively by the Board of Directors of the Company acting in good faith, and will be evidenced by a Board Resolution; and *provided further* that with respect to any price less than US$2.0 million (or the equivalent in other currencies) only a good faith determination by the Company's management will be required.

"*Fitch*" means Fitch Ratings and its successors and assigns.

"*Four Quarter Period*" has the meaning set forth in the definition of Consolidated Leverage Ratio above.

"*Guarantee*" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person:

(1) to purchase or pay, or advance or supply funds for the purchase or payment of, such Indebtedness of such other Person, whether arising by virtue of partnership arrangements, or by agreement to keep- well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise, or

(2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof, in whole or in part,

provided that "Guarantee" will not include endorsements for collection or deposit in the ordinary course of business. "Guarantee" used as a verb has a corresponding meaning.

"*Hedging Obligations*" means the obligations of any Person pursuant to any Interest Rate Agreement or Currency Agreement.

"*Incur*" means, with respect to any Indebtedness or other obligation of any Person, to create, issue, incur (including by conversion, exchange or otherwise), assume, Guarantee or otherwise become liable in respect of such Indebtedness or other obligation on the balance sheet of such Person (and "Incurrence," "Incurred" and "Incurring" will have meanings correlative to the preceding).

"*Indebtedness*" means with respect to any Person, without duplication:

(1) the principal amount (or, if less, the accreted value) of all obligations of such Person for borrowed money;

(2) the principal amount (or, if less, the accreted value) of all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) all Capitalized Lease Obligations of such Person;

(4) all obligations of such Person issued or assumed as the deferred purchase price of property, all conditional sale obligations and all obligations under any title retention agreement (but excluding

trade accounts payable and other accrued liabilities arising in the ordinary course of business that are not overdue by 180 days or more or are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted);

(5) all letters of credit, banker's acceptances or similar credit transactions, including reimbursement obligations in respect thereof;

(6) Guarantees and other contingent obligations of such Person in respect of Indebtedness referred to in clauses (1) through (5) above and clauses (8) through (10) below;

(7) all Indebtedness of any other Person of the type referred to in clauses (1) through (6) which is secured by any Lien on any property or asset of such Person, the amount of such Indebtedness being deemed to be the lesser of the Fair Market Value of such property or asset or the amount of the Indebtedness so secured;

(8) all obligations under Hedging Obligations of such Person;

(9) Attributable Indebtedness of such Person; and

(10) all Disqualified Capital Stock issued by such Person.

For the avoidance of doubt, the recognition and acknowledgement by the Company or any Restricted Subsidiary of its obligation to make payment of a Trade Payable arising in the ordinary course of business to a bank following the sale and assignment thereof pursuant to the terms of Supplier Factoring Facilities shall not be Indebtedness.

"*Independent Financial Advisor*" means an accounting firm, appraisal firm, investment banking firm or consultant of internationally recognized standing that is, in the judgment of the Company's Board of Directors, qualified to perform the task for which it has been engaged and which is independent in connection with the relevant transaction.

"*Intangible Assets*" means with respect to any Person all unamortized debt discount and expense, unamortized deferred charges, goodwill, patents, trademarks, service marks, trade names, copyrights and all other items which would be treated as intangibles on the consolidated balance sheet of such Person prepared in accordance with Mexican Financial Reporting Standards.

"*Interest Rate Agreement*" of any Person means any interest rate protection agreement (including, without limitation, interest rate swaps, caps, floors, collars, derivative instruments and similar agreements) and/or other types of hedging agreements designed to hedge interest rate risk of such Person.

"*Investment*" means, with respect to any Person, any:

(1) direct or indirect loan, advance or other extension of credit (including, without limitation, a Guarantee) to any other Person,

(2) capital contribution to (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others) any other Person, or

(3) any purchase or acquisition by such Person of any Capital Stock, bonds, notes, debentures or other securities or evidences of Indebtedness issued by, any other Person.

"Investment" will exclude accounts receivable or deposits arising in the ordinary course of business. "Invest," "Investing" and "Invested" will have corresponding meanings.

For purposes of the "Limitation on Restricted Payments" covenant, the Company will be deemed to have made an "Investment" in an Unrestricted Subsidiary at the time of its Designation, which will be valued at the Fair Market Value of the sum of the net assets of such Unrestricted Subsidiary at the time of its Designation and the amount of any Indebtedness of such Unrestricted Subsidiary or owed to the Company or any Restricted Subsidiary immediately following such Designation. Any property transferred to or from an Unrestricted Subsidiary will be valued at its Fair Market Value at the time of such transfer. If the Company or any Restricted Subsidiary sells or otherwise disposes of any Capital Stock of a Restricted Subsidiary (including any issuance and sale of Capital Stock by a Restricted Subsidiary) such that, after giving effect to any such sale or disposition, such Restricted Subsidiary would cease to be a Subsidiary of the Company, the Company will be deemed to have made an Investment on the date of any such sale or disposition equal to sum of the Fair Market Value of the Capital Stock of such former Restricted Subsidiary held by the Company or any Restricted Subsidiary immediately following such sale or other disposition and the amount of any Indebtedness of such former Restricted Subsidiary Guaranteed by the Company or any Restricted Subsidiary or owed to the Company or any other Restricted Subsidiary immediately following such sale or other disposition.

"*Investment Grade Rating*" means a rating equal to or higher than (i) Baa3 (or the equivalent) with respect to Moody's or (ii) BBB- (or the equivalent) with respect to S&P or (iii) BBB- (or the equivalent) with respect to Fitch, or, if two of such entities cease to rate the notes for reasons outside of the control of the Company, the equivalent investment grade credit rating from any other Rating Agency.

"*Investment Return*" means, in respect of any Investment (other than a Permitted Investment) made after the Issue Date by the Company or any Restricted Subsidiary:

(1) the proceeds in cash received by the Company or any Restricted Subsidiary upon the sale, liquidation or repayment of such Investment or, in the case of a Guarantee, the amount of the Guarantee upon the unconditional release of the Company and its Restricted Subsidiaries in full, less any payments previously made by the Company or any Restricted subsidiary in respect of such Guarantee;

(2) in the case of the Revocation of the Designation of an Unrestricted Subsidiary, an amount equal to the lesser of:

   (a) the Company's Investment in such Unrestricted Subsidiary at the time of such Revocation;

   (b) that portion of the Fair Market Value of the net assets of such Unrestricted Subsidiary at the time of Revocation that is proportionate to the Company's equity interest in such Unrestricted Subsidiary at the time of Revocation; and

   (c) the Designation Amount with respect to such Unrestricted Subsidiary upon its Designation which was treated as a Restricted Payment; and

(3) in the event the Company or any Restricted Subsidiary makes any Investment in a Person that, as a result of or in connection with such Investment, becomes a Restricted Subsidiary, the Fair Market Value of the Investment of the Company and its Restricted Subsidiaries in such Person,

in the case of each of (1), (2) and (3), up to the amount of such Investment that was treated as a Restricted Payment under "—Certain Covenants—Limitation on Restricted Payments" less the amount of any previous Investment Return in respect of such Investment.

"*Issue Date*" means the first date of issuance of Notes under the Indenture.

"*Legal Defeasance*" has the meaning set forth under "—Legal Defeasance and Covenant Defeasance."

"*Lien*" means any lien, mortgage, deed of trust, pledge, security interest, charge or encumbrance of any kind (including any conditional sale or other title retention agreement, any lease in the nature thereof and any agreement to give any security interest); *provided* that the lessee in respect of a Capitalized Lease Obligation or Sale and Leaseback Transaction will be deemed to have Incurred a Lien on the property leased thereunder.

"*Marketable Securities*" means publicly traded debt or equity securities that are listed for trading on a national securities exchange and that were issued by a corporation whose debt securities are rated in one of the three highest categories by either S&P or Moody's.

"*Moody's*" means Moody's Investors Service, Inc. and its successors and assigns.

"*Net Cash Proceeds*" means, with respect to any Asset Sale, Collateral Asset Sale or Event of Loss, the proceeds in the form of cash or Cash Equivalents, including payments in respect of deferred payment obligations when received in the form of cash or Cash Equivalents received by the Company or any of its Restricted Subsidiaries from such Asset Sale, Collateral Asset Sale or Event of Loss, net of:

(1) reasonable out-of-pocket expenses and fees relating to such Asset Sale, Collateral Asset Sale or Event of Loss (including, without limitation, legal, accounting and investment banking fees and sales commissions);

(2) taxes paid or payable in respect of such Asset Sale, Collateral Asset Sale or Event of Loss after taking into account any reduction in consolidated tax liability due to available tax credits or deductions and any tax sharing arrangements;

(3) repayment of Indebtedness secured by a Lien permitted under the Indenture that is required to be repaid in connection with such Asset Sale (but not a Collateral Asset Sale or Event of Loss); and

(4) solely with respect to any Asset Sale or Collateral Asset Sale, appropriate amounts to be provided by the Company or any Restricted Subsidiary, as the case may be, as a reserve, in accordance with Mexican Financial Reporting Standards, against any liabilities associated with such Asset Sale or Collateral Asset Sale and retained by the Company or any Restricted Subsidiary, as the case may be, after such Asset Sale or Collateral Asset Sale, including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale or Collateral Asset Sale, but excluding any reserves with respect to Indebtedness.

"*Non-Guarantor Restricted Subsidiary*" means a Restricted Subsidiary that is not a Subsidiary Guarantor.

"*Non-Payment Default*" means any Collateral Event of Default other than a Payment Default.

"*Non-Recourse Indebtedness*" with respect to any Person means Indebtedness of such Person for which (1) the sole legal recourse for collection of principal and interest on such Indebtedness is against the specific property identified in the instruments evidencing or securing such Indebtedness and such property was acquired with the proceeds of such Indebtedness or such Indebtedness was incurred within 365 days after the acquisition or construction of such property and (2) no other assets of such Person may be realized upon in collection of principal or interest on such Indebtedness.

"*Note Guarantee*" means any guarantee of the Company's Obligations under the Notes and the Indenture provided by a Restricted Subsidiary pursuant to the Indenture.

"*Obligations*" means, with respect to any Indebtedness, any principal, interest (including, without limitation, Post-Petition Interest), penalties, fees, indemnifications, reimbursements, damages, and other liabilities payable under the documentation governing such Indebtedness, including in the case of the Notes and the Note Guarantees, the Indenture.

"*Officer*" means, when used in connection with any action to be taken by the Company, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Financial Officer, any Vice President, the Treasurer, the Controller or the Secretary of the Company.

"*Officers' Certificate*" means, when used in connection with any action to be taken by the Company, a certificate signed by two Officers or by an Officer and either an Assistant Treasurer or an Assistant Secretary of the Company and delivered to the Trustee.

"*Opinion of Counsel*" means a written opinion of counsel, who may be an employee of or counsel for the Company (except as otherwise provided in the Indenture) and which opinion shall be reasonably acceptable to the Trustee.

"*Partial Collateral Asset Sale*" has the meaning set forth under "—Certain Covenants—Limitation on Asset Sales and Sales of Subsidiary Stock."

"*Payment Default*" means any Collateral Event of Default involving a failure to pay principal or interest or any other amount when due following the expiration of any applicable grace period under the Notes, the Indenture or any Credit Facility or Working Capital Facility.

"*Permitted Acquisition Indebtedness*" means Indebtedness of the Company or any Subsidiary Guarantor to the extent such Indebtedness was (i) Indebtedness of a Subsidiary prior to the date on which such Subsidiary became a Subsidiary Guarantor, (ii) Indebtedness of a Person that was merged, consolidated or amalgamated into the Company or a Subsidiary Guarantor or (iii) assumed in connection with the acquisition of assets from a Person; *provided* that on the date such Subsidiary became a Subsidiary Guarantor or the date such Person was merged, consolidated or amalgamated into the Company or a Restricted Subsidiary or assumed in connection with an asset acquisition, as applicable, after giving pro forma effect thereto, (a) the Company, would be permitted to incur at least US$1.00 of additional Indebtedness pursuant to paragraph (1) under "—Certain Covenants—Limitation on Incurrence of Additional Indebtedness," or (b) the Consolidated Leverage Ratio of the Company and the Restricted Subsidiaries would not be greater than the Consolidated Leverage Ratio immediately prior to such transaction.

"*Permitted Business*" means bus transportation services, including the bus passenger, personnel transportation and package delivery business and any business ancillary or complementary thereto.

"*Permitted Holders*" means Jaime Rodriguez Silva and his Related Parties.

"*Permitted Indebtedness*" has the meaning set forth under clause (2) of "—Certain Covenants—Limitation on Incurrence of Additional Indebtedness."

"*Permitted Investments*" means:

(1) Investments by the Company or any Restricted Subsidiary in any Person that is, or that result in any Person becoming, immediately after such Investment, a Subsidiary Guarantor or constituting a merger or consolidation of such Person into the Company or with or into a Subsidiary Guarantor;

(2) Investments by any Restricted Subsidiary in the Company;

(3) any Investment by any Non-Guarantor Restricted Subsidiary of the Company in any Person that is, or that result in any Person becoming, immediately after such Investment, a Non-Guarantor Restricted Subsidiary of the Company or constituting a merger or consolidation of such Person into a Non-Guarantor Restricted Subsidiary of the Company;

(4) Investments in cash and Cash Equivalents;

(5) any extension, modification or renewal of any Investments existing as of the Issue Date (but not Investments involving additional advances, contributions or other investments of cash or property or other increases thereof, other than as a result of the accrual or accretion of interest or original issue discount or payment-in-kind pursuant to the terms of such Investment as of the Issue Date), but only to the extent such extension, modification or renewal is on terms no worse than those existing on the Issue Date;

(6) Investments permitted pursuant to clause (2)(b) or (e) of "—Certain Covenants—Limitation on Transactions with Affiliates";

(7) Investments received as a result of the bankruptcy or reorganization of any Person or taken in settlement of or other resolution of claims or disputes, and, in each case, extensions, modifications and renewals thereof;

(8) Investments made by the Company or its Restricted Subsidiaries as a result of non-cash consideration permitted to be received in connection with an Asset Sale made in compliance with the covenant described under "—Certain Covenants—Limitation on Asset Sales and Sales of Subsidiary Stock";

(9) Investments in the form of Hedging Obligations permitted under clause 2(e) of "—Certain Covenants—Limitation on Incurrence of Additional Indebtedness";

(10) Investments in a Person engaged in a Permitted Business not to exceed US$5.0 million at any one time outstanding;

(11) receivables owing to the Company or any Restricted Subsidiary if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(12) payroll, travel, entertainment, relocation and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business;

(13) loans or advances to employees made in the ordinary course of business consistent with past practices of the Company or such Restricted Subsidiary;

(14) Investments in any Person to the extent such Investments consist of prepaid expenses, negotiable instruments held for collection and lease, utility and workers' compensation, performance and other similar deposits made in the ordinary course of business by the Company or any Restricted Subsidiary;

(15) any Investment by the Company or any Restricted Subsidiary of the Company in a Non-Guarantor Restricted Subsidiary of the Company in the form of intercompany Indebtedness permitted to be incurred pursuant to clause 2(f) of the covenant described under "—Certain Covenants—Limitation on Incurrence of Additional Indebtedness"; and

(16) any Investment by a Non-Guarantor Restricted Subsidiary in another Non-Guarantor Restricted Subsidiary;

provided, *however*, that with respect to any Investment, the Company may, in its sole discretion, allocate all or any portion of any Investment and later re-allocate all or any portion of any Investment to, one or more of the above clauses (1) through (16) so that the entire Investment would be Permitted Investment.

"*Permitted Liens*" means any of the following:

(1) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, suppliers, materialmen, repairmen and other Liens imposed by law incurred in the ordinary course of business for sums not yet delinquent or being contested in good faith;

(2) Liens Incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, including any Lien securing letters of credit issued in the ordinary course of business consistent with past practice in connection therewith;

(3) Liens incurred or deposits made to secure the performance of tenders, statutory or regulatory obligations, bankers' acceptances, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations of a similar nature in the ordinary course of business (exclusive of obligations for the payment of borrowed money);

(4) Liens upon specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(5) Liens securing reimbursement obligations with respect to commercial letters of credit which encumber documents and other property relating to such letters of credit and products and proceeds thereof;

(6) Liens encumbering deposits made to secure obligations arising from statutory, regulatory, contractual, or warranty requirements of the Company or a Restricted Subsidiary, including rights of offset and set-off;

(7) Liens securing Hedging Obligations that relate to Indebtedness that is Incurred in accordance with "—Certain Covenants—Limitation on Incurrence of Additional Indebtedness" and that are secured by the same assets as secure such Hedging Obligations;

(8) Liens existing on the Issue Date and Liens to secure any Refinancing Indebtedness which is Incurred to Refinance any Indebtedness which has been secured by a Lien permitted under the covenant described under "Certain Covenants—Limitation on Liens" not incurred pursuant to clauses (9) or (10) of the definition of "Permitted Liens" and which Indebtedness has been Incurred in accordance with "Certain Covenants—Limitation on Incurrence of Additional Indebtedness"; *provided* that such new Liens:

(a) are no less favorable to the Holders of Notes and are not more favorable to the lienholders with respect to such Liens than the Liens in respect of the Indebtedness being Refinanced and

(b) do not extend to any property or assets other than the property or assets securing the Indebtedness Refinanced by such Refinancing Indebtedness;

(9) Liens securing Acquired Indebtedness Incurred in accordance with "Certain Covenants—Limitation on Incurrence of Additional Indebtedness" not incurred in connection with, or in anticipation or contemplation of, the relevant acquisition, merger or consolidation; *provided* that:

(a) such Liens secured such Acquired Indebtedness at the time of and prior to the Incurrence of such Acquired Indebtedness by the Company or a Restricted Subsidiary and were not granted in connection with, or in anticipation of the Incurrence of such Acquired Indebtedness by the Company or a Restricted Subsidiary; and

(b) such Liens do not extend to or cover any property of the Company or any Restricted Subsidiary other than the property that secured the Acquired Indebtedness prior to the time such Indebtedness became Acquired Indebtedness of the Company or a Restricted Subsidiary and are no more favorable to the lienholders than the Liens securing the Acquired Indebtedness prior to the Incurrence of such Acquired Indebtedness by the Company or a Restricted Subsidiary;

(10) Liens securing an amount of Indebtedness under Credit Facilities outstanding at any one time not to exceed US$20.0 million;

(11) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(12) Liens encumbering customary initial deposits and margin deposits, and other Liens that are customary in the industry and incurred in the ordinary course of business securing Indebtedness under Hedging Obligation in an aggregate amount not exceed US$2.0 million;

(13) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided* that any reserve or other appropriate provision as is required in conformity with Mexican Financial Reporting Standards has been made therefor;

(14) licenses of intellectual property in the ordinary course of business;

(15) Liens to secure a defeasance trust;

(16) easements, rights of way zoning and similar restrictions, reservations, restrictions or encumbrances in respect of real property or title defects that were not incurred in connection with

Indebtedness and that do not in the aggregate materially adversely affect the value of said properties (as such properties are used by the Company or its Restricted Subsidiaries) or materially impair their use in the operation of the business of the Company and its Restricted Subsidiaries;

(17) Liens arising from precautionary Uniform Commercial Code financing statement filings regarding operating leases entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business;

(18) judgment Liens not giving rise to an Event of Default so long as any appropriate legal proceedings that may have been duly initiated for the review of such judgment shall not have been finally terminated or the period within which such legal proceedings may be initiated shall not have expired;

(19) Liens on Capital Stock of an Unrestricted Subsidiary that secure Indebtedness or other obligations of such Unrestricted Subsidiary; and

(20) Liens securing Acquired Debt that was incurred by any Non-Guarantor Restricted Subsidiary pursuant to clause (1) of the covenant described under "—Certain Covenants—Limitation on Incurrence of Additional Indebtedness."

"*Permitted Secured Obligations*" means any (1) Senior Secured Indebtedness under any Credit Facilities and any Working Capital Facilities and (2) Trade Payables, in each case of the Company or the Subsidiary Guarantors that rank *pari passu* with the Notes and/or the relevant Note Guarantees, the holders of which are subject to the terms described under "—Future Permitted Secured Obligations" and "—Required Creditors", and the principal amount of which, in each case, does not exceed the maximum amounts permitted to be secured by Liens in the Collateral in respect of the Credit Facilities, Working Capital Facilities or the Trade Payables, as the case may be, each as described under "—Future Permitted Secured Obligations."

"*Person*" means an individual, partnership, limited partnership, corporation, company, limited liability company, unincorporated organization, trust or joint venture, or a governmental agency or political subdivision thereof.

"*Post-Petition Interest*" means all interest accrued or accruing after the commencement of any insolvency or liquidation proceeding (and interest that would accrue but for the commencement of any insolvency or liquidation proceeding) in accordance with and at the contract rate (including, without limitation, any rate applicable upon default) specified in the agreement or instrument creating, evidencing or governing any Indebtedness, whether or not, pursuant to applicable law or otherwise, the claim for such interest is allowed as a claim in such insolvency or liquidation proceeding.

"*Preferred Stock*" of any Person means any Capital Stock of such Person that has preferential rights over any other Capital Stock of such Person with respect to dividends, distributions or redemptions or upon liquidation.

"*Purchase Money Indebtedness*" means Indebtedness Incurred for the purpose of financing all or any part of the purchase price, or other cost of construction or improvement of any property; *provided*, that the aggregate principal amount of such Indebtedness does not exceed the lesser of the Fair Market Value of such property or such purchase price or cost, including any Refinancing of such Indebtedness that does not increase the aggregate principal amount (or accreted amount, if less) thereof as of the date of Refinancing.

"*Qualified Capital Stock*" means any Capital Stock that is not Disqualified Capital Stock and any warrants, rights or options to purchase or acquire Capital Stock that is not Disqualified Capital Stock that are not convertible into or exchangeable into Disqualified Capital Stock.

"*Rating Agencies*" means (i) S&P and (ii) Moody's and (iii) Fitch or (iv) if two of S&P, Moody's or Fitch shall not make a rating of the Notes publicly available, a nationally recognized United States securities rating agency or agencies, as the case may be, selected by the Company, which shall be substituted for S&P or Moody's or Fitch, as the case may be.

"*Refinance*" means, in respect of any Indebtedness, to issue any Indebtedness in exchange for or to refinance, replace, defease or refund such Indebtedness in whole or in part. "Refinanced" and "Refinancing" will have correlative meanings.

"*Refinancing Indebtedness*" means Indebtedness of the Company or any Restricted Subsidiary issued to Refinance any other Indebtedness of the Company or a Restricted Subsidiary so long as:

(1) the aggregate principal amount (or initial accreted value, if applicable) of such new Indebtedness as of the date of such proposed Refinancing does not exceed the aggregate principal amount (or initial accreted value, if applicable) of the Indebtedness being Refinanced (plus the amount of any premium required to be paid under the terms of the instrument governing such Indebtedness and the amount of reasonable expenses incurred by the Company in connection with such Refinancing);

(2) such new Indebtedness has:

  (a) a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being Refinanced, and

  (b) a final maturity that is equal to or later than the final maturity of the Indebtedness being Refinanced;

(3) if the Indebtedness being Refinanced is:

  (a) Indebtedness of the Company, then such Refinancing Indebtedness will be Indebtedness of the Company and/or a Subsidiary Guarantor;

  (b) Indebtedness of a Subsidiary Guarantor, then such Refinancing Indebtedness will be Indebtedness of the Company and/or such Subsidiary Guarantor; and

  (c) Subordinated Indebtedness, then such Refinancing Indebtedness shall be subordinate to the Notes or the relevant Note Guarantee, if applicable, at least to the same extent and in the same manner as the Indebtedness being Refinanced.

"*Related Party*" means:

(1) (i) a parent, brother or sister of any Permitted Holder, (ii) the spouse or a former spouse of any individual named in clause (i), (iii) the lineal descendants of any person named in clauses (i) and (ii) and the spouse or a former spouse of any such lineal descendant, or (iv) the estate or any guardian, custodian or other legal representative of any individual named in clauses (i) through (iii); or

(2) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons beneficially holding an 80% or more controlling interest of which consist of any one or more Permitted Holders and/or such other Persons referred to in the immediately preceding clause (1).

"*Representative*" means any trustee, agent or representative (if any) for an issue of Senior Secured Indebtedness of the Company.

"*Replacement Collateral"* means, at any relevant date in connection with a Collateral Asset Sale or Event of Loss, assets to be used in the business of the Company or its Subsidiaries, which on such date (i) constitute similar assets to Collateral disposed of or destroyed and do not constitute Capital Stock of any Person (other than with respect to any Collateral Asset Sale or Event of Loss of Pledged Stock, to which this clause (i) shall not apply), (ii) are to be acquired by the Company at a purchase price that does not exceed the Fair Market Value of such Replacement Collateral, (iii) will be upon purchase free and clear of all Liens other than Collateral Permitted Liens (other than any Lien described under clause (6) of the definition thereof), and (iv) are subject to Collateral Documents to which the owner of the Replacement Collateral is a party.

"*Required Creditors*" has the meaning set forth under "—Required Creditors."

"*Restricted Payment*" has the meaning set forth under "—Certain Covenants—Limitation on Restricted Payments."

"*Restricted Subsidiary*" means any Subsidiary of the Company which at the time of determination is not an Unrestricted Subsidiary.

"*Revocation*" has the meaning set forth under "—Certain Covenants—Limitation on Designation of Unrestricted Subsidiaries."

"*S&P*" means Standard & Poor's Ratings Services and its successors and assigns.

"*Sale and Leaseback Transaction*" means any direct or indirect arrangement with any Person or to which any such Person is a party providing for the leasing to the Company or a Restricted Subsidiary of any property, whether owned by the Company or any Restricted Subsidiary at the Issue Date or later acquired, which has been or is to be sold or transferred by the Company or such Restricted Subsidiary to such Person or to any other Person by whom funds have been or are to be advanced on the security of such Property.

"*Secured Parties*" means (i) the Voting Creditors and (ii) creditors under any Trade Payables of the Company and the Subsidiary Guarantors and the lenders under any of the Credit Facilities and the Working Capital Facilities of the Company and the Subsidiary Guarantors, in each case under this (ii) to the extent secured subject to the applicable limits.

"*Senior Secured Indebtedness*" means the Notes and the Note Guarantees and any other Indebtedness of the Company or any Subsidiary Guarantor that ranks equal in right of payment with the Notes or the relevant Note Guarantee, as the case may be.

"*Significant Subsidiary*" means a Subsidiary of the Company constituting a "Significant Subsidiary" of the Company in accordance with Rule l-02(w) of Regulation S-X under the Securities Act in effect on the date hereof.

"*Stated Maturity*" means, with respect to any security, the date specified in such security as the fixed date on which the final payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred).

"*Subordinated Indebtedness*" means, with respect to the Company or any Subsidiary Guarantor, any Indebtedness of the Company or such Subsidiary Guarantor, as the case may be which is expressly subordinated in right of payment to any Senior Secured Indebtedness or the relevant Note Guarantee, as the case may be.

"*Subsidiary*" means, with respect to any Person, any other Person of which such Person owns, directly or indirectly, more than 50% of the voting power of the other Person's outstanding Voting Stock; provided that Autobuses Coahuilenses, S.A. de C.V. shall not be a Subsidiary of the Company.

"*Subsidiary Guarantor*" means any Restricted Subsidiary which provides a Note Guarantee pursuant to the Indenture until such time as its Note Guarantee is released in accordance with the Indenture.

"*Surviving Entity*" has the meaning set forth under "—Certain Covenants—Limitation on Merger, Consolidation and Sale of Assets."

"*Trade Payables*" means, with respect to any Person, any accounts payable owed by such Person arising in the ordinary course of business in connection with the acquisition of goods or services and required to be paid within one year from the date of Incurrence thereof which constitute accounts payable and are considered current liabilities in accordance with Mexican Financial Reporting Standards.

"*Unrestricted Subsidiary*" means any Subsidiary of the Company Designated as such pursuant to "—Certain Covenants—Limitation on Designation of Unrestricted Subsidiaries." Any such Designation may be revoked by a Board Resolution of the Company, subject to the provisions of such covenant.

"*Voting Creditors*" has the meaning set forth under "—Required Creditors."

"*Voting Stock*" with respect to any Person, means securities of any class of Capital Stock of such Person entitling the holders thereof (whether at all times or only so long as no senior class of stock has voting power by reason of any contingency) to vote in the election of members of the Board of Directors (or equivalent governing body) of such Person.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness at any date, the number of years (calculated to the nearest one-twelfth) obtained by dividing:

(1) the then outstanding aggregate principal amount or liquidation preference, as the case may be, of such Indebtedness into

(2) the sum of the products obtained by multiplying:

  (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal or liquidation preference, as the case may be, including payment at final maturity, in respect thereof, by

(b) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the making of such payment.

"*Wholly-Owned Restricted Subsidiary*" means, for any Person, any Restricted Subsidiary of which all the outstanding Capital Stock (other than, in the case of a Restricted Subsidiary not organized in the United States, directors' qualifying shares or an immaterial amount of shares required to be owned by other Persons pursuant to applicable law) is owned by such Person or any other Person that satisfies this definition in respect of such Person.

"*Working Capital Facilities*" means one or more facilities, in each case with banks, investment banks and/or other institutional lenders or institutional investors, providing for Indebtedness the proceeds of which will be utilized in the ordinary course of business for working capital purposes, in each case, as amended, extended, renewed, restated, Refinanced, supplemented or otherwise modified (in whole or in part) from time to time.

TAXATION

General

The following summary contains a description of the material U.S. and Mexican federal tax consequences of the purchase, ownership and disposition of the notes by certain non-Mexican resident holders.

This summary is based upon federal tax laws of the United States and Mexico as in effect on the date of this offering circular, including the provisions of the income tax treaty between the United States and Mexico, which we refer to in this offering circular as the Tax Treaty, all of which are subject to change. This summary does not purport to be a comprehensive description of all the U.S. or Mexican federal income tax considerations that may be relevant to a decision to purchase, hold or dispose of the notes. The summary does not address any tax consequences under the laws of any state, municipality or locality of Mexico or the United States or the laws of any taxing jurisdiction other than the federal laws of Mexico and the United States.

Prospective investors should consult their own tax advisors as to the Mexican and United States tax consequences of the purchase, ownership and disposition of notes, including, in particular, the effect of any foreign (non-Mexican and non-U.S.), state or local tax laws.

Mexico has also entered into or is negotiating several other double taxation treaties with various countries that may have an impact on the tax treatment of the purchase, ownership or disposition of notes. Prospective purchasers of notes should consult their own tax advisors as to the tax consequences, if any, of the application of any such treaties.

Mexican Federal Tax Considerations

General

The following is a general summary of the principal Mexican federal income tax consequences of the acquisition, ownership and disposition of the notes by holders that are not residents of Mexico for Mexican federal tax purposes and that do not hold such notes through a permanent establishment in Mexico for tax purposes to which income under the notes is attributable; for purposes of this summary, each such holder is referred to as a foreign holder.

This summary is based on the Mexican federal income tax law (*Ley del Impuesto sobre la Renta*) and regulations in effect on the date of this offering circular, all of which are subject to change, possibly with retroactive effect, or to new or different interpretations, which could affect the continued validity of this general summary.

This summary does not address all of the Mexican tax consequences that may be applicable to specific holders of the notes and does not purport to be a comprehensive description of all the Mexican tax considerations that may be relevant to a decision to purchase, own or dispose of the notes. In particular, this summary does not describe any tax consequences arising under the laws of any state, locality, municipality or taxing jurisdiction other than certain federal laws of Mexico.

Potential investors should consult with their own tax advisors regarding the particular consequences of the purchase, ownership or disposition of the notes under the federal laws of Mexico or any other jurisdiction or under any applicable double taxation treaty.

For purposes of Mexican taxation, an individual or corporation that does not satisfy the requirements to be considered a resident of Mexico for tax purposes, as specified below, is deemed a non-resident of Mexico for tax purposes and a foreign holder for purposes of this summary.

An individual is a resident of Mexico for tax purposes, if he/she established his/her home in Mexico. When the individual in question has a home in another country, the individual will be deemed a resident in Mexico if his/her center of vital interests is located in Mexican territory. This will be deemed to occur if (i) more than 50% of the aggregate income realized by such individual in the calendar year is from a Mexican source or (ii) the principal center of his/her professional activities is located in Mexico. Mexican nationals who filed a change of tax residence to a country or jurisdiction that does not have a comprehensive exchange of information agreement with Mexico and where his/her income is subject to a preferred tax regime as defined by Mexican law, will be considered Mexican residents for tax purposes during the year of the filing of notice of such residence change and during the following three years. Unless otherwise proven, a Mexican national is deemed a resident of Mexico for tax purposes.

A legal entity is a resident of Mexico if it maintains the principal administration of its business or the effective location of its management in Mexico.

If a legal entity or an individual is deemed to have a permanent establishment in Mexico for Mexican tax purposes, all income attributable to that permanent establishment will be subject to Mexican income taxes, in accordance with applicable tax laws.

The governments of the United States and Mexico entered into an income tax treaty (and a protocol thereto) to avoid double taxation, which came into effect on January 1, 1994 (the Tax Treaty). The United States and Mexico have also entered into an agreement that covers the exchange of information with respect to tax matters.

Mexico has also entered into and is negotiating tax treaties for the avoidance of double taxation with several other countries.

Payments of Interest

Pursuant to the Mexican Income Tax Law, payments of interest on the notes (including original issue discount, which is deemed to be interest) made by us or by any of the Subsidiary Guarantors to foreign holders will be subject to Mexican withholding tax at a rate of 4.9%, if, as expected, the following requirements are met:

- issuance of the notes (including the principal characteristics of the notes) is notified to the CNBV pursuant to Article 7 of the Mexican Securities Market Law and the information requirements related to such registration established in the general rules issued by the Tax Administrative Service (*Servicio de Administración Tributaria* or "SAT") are duly complied with;

- the notes, as expected, are placed outside of Mexico through banks or brokerage houses, in a country with which Mexico has in force a treaty for the avoidance of double taxation (which currently includes the United States of America); and

- we timely file with the SAT, fifteen days after the placement of the notes, information regarding such placement, and on a quarterly basis, information, among other things, setting forth that no party related to us, jointly or individually, directly or indirectly, is the effective beneficiary of more than 5% of the aggregate amount of each interest payment, and we maintain records that evidence compliance with this requirement.

If any of the above mentioned requirements is not met, the Mexican withholding tax will be 10% or higher.

As of the date of this offering circular, the Tax Treaty is not expected to have any effect on the Mexican tax consequences described in this summary, because, as described above, under Mexico's Income Tax Law, we expect to be entitled to withhold taxes in connection with interest payments under the notes at a 4.9% rate.

Payments of interest on the notes made by us to non-Mexican pension and retirement funds will be exempt from Mexican withholding tax provided that:

- such fund is duly incorporated pursuant to the laws of its country of residence and is the effective beneficiary of the interest payment;
- such income is exempt from taxes in its country of residence; and
- such fund is registered with the SAT in accordance with certain rules issued for these purposes.

Holders or beneficial owners of the notes may be requested to, subject to specified exceptions and limitations, provide certain information or documentation necessary to enable us and the Subsidiary Guarantors to apply the appropriate Mexican withholding tax rate on interest payments under the notes made by us or the Subsidiary Guarantors to such holders or beneficial owners. In the event that the specified information or documentation concerning the holder or beneficial owner, if requested, is not timely provided, we or the Subsidiary Guarantors may withhold Mexican tax from interest payments on the notes to that holder or beneficial owner at the maximum applicable rate, but our obligation to pay Additional Amounts relating to those withholding taxes will be limited as described under "Description of Notes—Additional Amounts."

Payments of Principal

Under Mexican Income Tax Law, payments of principal on the notes made by us or by the Subsidiary Guarantors to a foreign holder will not be subject to Mexican withholding tax.

Taxation of Capital Gains

Under the Mexican Income Tax Law and regulations thereunder, capital gains resulting from the sale or other disposition of the notes by a foreign holder to another foreign holder are not taxable in Mexico. Gains resulting from the sale of the notes by a foreign holder to a Mexican resident for tax purposes or to a foreign holder deemed to have a permanent establishment in Mexico for tax purposes or by a Mexican resident or foreign holder through a permanent establishment in Mexico for tax purposes will be subject to the Mexican taxes pursuant to the rules described above in respect of interest payments.

Other Mexican Taxes

Under current Mexican tax laws, generally there are no estate, inheritance, succession or gift taxes applicable to the acquisition, ownership or disposition of the notes by a foreign holder. Gratuitous transfers of the notes in certain circumstances may result in the imposition of a Mexican federal tax upon the recipient. There are no Mexican stamp, issuer registration or similar taxes or duties payable by foreign holders of the notes with respect to the notes.

U.S. Federal Income Tax Considerations

To ensure compliance with Internal Revenue Service Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this offering circular or any document referred to herein is not intended or written to be used, and cannot be used by prospective investors for the purpose of avoiding penalties that may be imposed on them under the United States Internal Revenue Code as amended (the "Code"); (b) such discussion is written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.

The following discussion is a summary of certain U.S. federal income tax consequences that may be relevant to a holder or a beneficial owner of notes that is an individual citizen or resident of the United States or a domestic corporation or otherwise subject to United States federal income tax on a net income basis in respect of the notes (a "U.S. Holder"). This summary is based upon provisions of the Code and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income tax consequences different from those summarized below. This summary does not address all aspects of United States federal income taxes or all tax considerations that may be relevant to U.S. holders in light of their personal circumstances.

If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) holds notes, the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. A partner in a partnership that acquires or holds the notes should consult its own tax advisers.

This summary is only applicable to U.S. Holders who purchase the notes at original issuance at their initial offering price and who will hold the notes as capital assets.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to a particular holder or to certain types of holders subject to special treatment, such as persons subject to certain U.S. federal income tax laws regarding expatriates, dealers in securities or foreign currency, financial institutions, insurance companies, tax-exempt organizations and taxpayers whose functional currency is not the U.S. dollar, or who hold the notes as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or other integrated investment.

If you are considering the purchase of notes, you should consult your own tax advisors concerning the particular United States federal income tax consequences to you of the ownership of the notes, as well as the consequences to you arising under the laws of any other taxing jurisdiction.

Payments of Interest

Interest on a note will generally be taxable to you as ordinary income at the time it is paid or accrued in accordance with your method of accounting for tax purposes. In addition to interest on the notes, you will be required to include in income any additional amounts and any tax withheld from the interest payments you receive, even if you do not in fact receive this withheld tax. You may be entitled to deduct or credit this tax, subject to certain limitations (including that the election to deduct or credit foreign taxes applies to all of your foreign taxes for a particular tax year). Interest income (including Mexican taxes withheld from the interest payments and any additional amounts) on a note generally will be considered foreign source income and, for taxable years beginning before January 1, 2007, the interest and additional amounts paid on the notes generally should constitute "passive income" (unless

withholding tax is imposed at a rate of 5% or more, in which case, such income generally will constitute "high withholding tax interest,") and for taxable years beginning after December 31, 2006, the interest and additional amounts generally should constitute "passive category income". You may be denied a foreign tax credit for foreign taxes imposed with respect to the notes where you do not meet a minimum holding period requirement during which you are not protected from risk of loss. The rules governing the foreign tax credit are complex. You are urged to consult your tax advisors regarding the availability of the foreign tax credit under your particular circumstances.

Sale, Exchange and Retirement of Notes

Your tax basis in a note will, in general, be your cost for that note. Upon the sale, exchange, retirement or other disposition of a note, you will recognize gain or loss equal to the difference between the amount you realize upon the sale, exchange, retirement or other disposition (less an amount equal to any accrued interest that you did not previously include in income, which will be taxable as interest income) and the adjusted tax basis of the note. Such gain or loss will be capital gain or loss and will generally be treated as United States source gain or loss. Consequently, you may not be able to claim a credit for any Mexican tax imposed upon a disposition of a note unless such credit can be applied (subject to applicable limitation) against tax due on other income treated as derived from foreign sources. Capital gains of individuals derived in respect of capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Backup Withholding and Information Reporting

Generally, information reporting requirements will apply to all payments we make to you and the proceeds from a sale of a note paid to you, unless you are an exempt recipient such as a corporation. Additionally, if you fail to provide your taxpayer identification number, or in the case of interest payments, fail either to report in full dividend and interest income or to make certain certifications, you may be subject to backup withholding.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your United States federal income tax liability provided the required information is furnished to the Internal Revenue Service.

Non-United States Holders

The following summary applies to you if you are a holder of notes other than a U.S. Holder (a Non-U.S. Holder), as defined above.

The interest income that you derive in respect of the notes generally will be exempt from United States federal income taxes, including United States withholding tax on payments of interest, unless such income is effectively connected with the conduct of a trade or business in the United States.

If you are a Non-U.S. Holder, any gain you realize on a sale of the notes generally will be exempt from United States federal income tax, including United States withholding tax, unless:

- your gain is effectively connected with your conduct of a trade or business in the United States; or
- you are an individual holder and are present in the United States for 183 days or more in the taxable year of the sale and certain other conditions are met.

Although Non-U.S. Holders generally are exempt from backup withholding, a Non-U.S. Holder may, in certain circumstances, be required to comply with certification procedures to prove entitlement to this exemption.

PLAN OF DISTRIBUTION

In connection with this offering, Credit Suisse Securities (USA) LLC, or Credit Suisse, is acting as sole bookrunner. Credit Suisse is acting as the representative of the initial purchasers. Subject to the terms and conditions stated in the purchase agreement dated the date of this offering circular, each initial purchaser named below has agreed to purchase, severally and not jointly, and we have agreed to sell to that initial purchaser, the principal amount of the notes set forth opposite the initial purchaser's name.

Initial purchaser	Principal Amount
Credit Suisse Securities (USA) LLC…….	$150,000,000
Total.....	$150,000,000

The purchase agreement provides that the obligations of the initial purchasers to purchase the notes are subject to approval of legal matters by counsel and to other conditions. The initial purchasers must purchase all of the notes if they purchase any of the notes.

We have been advised that the initial purchasers propose to resell the notes at the offering price set forth on the cover page of this offering circular within the U.S. to qualified institutional buyers (as defined in Rule 144A) in reliance on Rule 144A and outside the U.S. in reliance on Regulation S. See "Notice to Investors." The price at which the notes are offered may be changed at any time without notice.

The notes have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. See "Notice to Investors."

Accordingly, in connection with sales outside the U.S., each initial purchaser has agreed that, except as permitted by the purchase agreement and set forth in "Notice to Investors," it will not offer or sell the notes within the U.S. or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of this offering and the closing date, and it will have sent to each dealer to which it sells notes during the 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the notes within the U.S. or to, or for the account or benefits of, U.S. persons.

In addition, until 40 days after the commencement of this offering, an offer or sale of notes within the U.S. by a dealer that is not participating in this offering may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

We have agreed that, for a period of 60 days from the date of this offering circular, we will not, without the prior written consent of Credit Suisse, offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, or announce the offering of, any U.S. dollar denominated debt securities issued or guaranteed by us.

The notes have not been registered with the National Securities Registry maintained by the CNBV, and may not be offered or sold publicly in Mexico. The notes may be privately placed in Mexico, among Mexican institutional and accredited investors, pursuant to the private placement exemption set forth in Article 8 of the Mexican Securities Market Law.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), an offer to the public of any notes which are the

subject of the offering/placement contemplated by this offering circular (the "Securities") may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any Securities may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities shall result in a requirement for the publication by the Issuer or any initial purchaser of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Securities to be offered so as to enable an investor to decide to purchase any Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

Each initial purchaser has represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the notes which are the subject of the offering/placement contemplated by this offering circular in circumstances in which Section 21(1) of the FSMA does not apply to the issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom.

France

Neither this offering circular nor any other offering material relating to the notes described in this offering circular has been submitted to the clearance procedures of the Autorité des Marchés Financiers or by the competent authority of another member state of the European Economic Area and notified to the Autorité des Marchés Financiers. The notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this offering circular nor any other offering material relating to the notes has been or will be:

- released, issued, distributed or caused to be released, issued or distributed to the public in France; or

- used in connection with any offer for subscription or sale of the notes to the public in France.

Such offers, sales and distributions will be made in France only:

- to qualified investors (investisseurs qualifiés) and/or to a restricted circle of investors (cercle restreint d'investisseurs), in each case investing for their own account, all as defined in, and in accordance with, Article L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code monétaire et financier; or

- to investment services providers authorized to engage in portfolio management on behalf of third parties; or

- in a transaction that, in accordance with article L.411-2-II-1°-or-2°-or 3° of the French Code monétaire et financier and article 211-2 of the General Regulations (Règlement Général) of the Autorité des Marchés Financiers, does not constitute a public offer (appel public à l'épargne).

The notes may be resold directly or indirectly, only in compliance with Articles L.411-1, L.411-2,L.412-1 and L.621-8 through L.621-8-3 of the French Code monétaire et financier.

General

Purchasers of notes sold outside the United States may be required to pay stamp taxes and other charges in compliance with the laws and practices of the country of purchase in addition to the price to investors on the cover page of this offering circular.

The notes will constitute a new class of securities with no established trading market. We do not intend to list the notes on any national securities exchange. The notes are expected to be listed on the Euro MTF section of the Luxembourg Stock Exchange and the notes are expected to be eligible for trading in the Portal Market, the National Association of Securities Dealers' screen based automated market for trading of securities eligible for resale under Rule 144A. However, we cannot assure you that the prices at which the notes will sell in the market after this offering will not be lower than the applicable initial offering price or that an active trading market for the notes will develop and continue after this offering. The initial purchasers have advised us that they currently intend to make a market in the notes. However, they are not obligated to do so and may discontinue any market-making activities with respect to the notes at any time without notice. In addition, market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act, and may be limited during the pendency of any shelf registration statement. Accordingly, we cannot assure you as to the liquidity of or the trading market for the notes.

We expect that delivery of the notes will be made against payment therefor on or about the closing date specified on the cover page of this offering circular, which will be the fifth business day following the date of the pricing of the notes (this settlement cycle being referred to as "T+5"). Under Rule 15c6-1 of the SEC under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes on the date of pricing or the next succeeding business day will be required, by virtue of the fact that the notes initially will settle in T+5, to specify alternative settlement cycle at the time of any such trade to prevent a failed settlement.

The initial purchasers may engage in over-allotment, stabilizing transactions, covering transactions and penalty bids in accordance with Regulation M under the Exchange Act.

- Over-allotment involves sales in excess of the offering size, which creates a short position for the initial purchasers.
- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- Covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions.
- Penalty bids permit the initial purchasers to reclaim a selling concession from a broker/dealer when the notes originally sold by such broker/dealer are purchased in a stabilizing or covering transaction to cover short positions.

These stabilizing transactions, covering transactions and penalty bids may cause the price of the notes to be higher than it would otherwise be in the absence of these transactions. These transactions, if commenced, may be discontinued at any time.

The initial purchasers have performed investment banking and advisory services for us from time to time for which they have received customary fees and expenses. The initial purchasers may, from time to time, engage in future transactions with and perform services for us in the ordinary course of their business.

We have agreed to indemnify the initial purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments that the initial purchasers may be required to make because of any of those liabilities.

NOTICE TO CANADIAN RESIDENTS

Resale Restrictions

The distribution of the notes in Canada is being made only on a private placement basis exempt from the requirement that we prepare and file a prospectus with the securities regulatory authorities in each province where trades of notes are made. Any resale of the notes in Canada must be made under applicable securities laws which will vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the notes.

Representations of Purchasers

By purchasing notes in Canada and accepting a purchase confirmation a purchaser is representing to us and the dealer from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase the notes without the benefit of a prospectus qualified under those securities laws,
- where required by law, that the purchaser is purchasing as principal and not as agent,
- the purchaser has reviewed the text below under Notice to Investors, and
- the purchaser acknowledges and consents to the provision of specified information concerning its purchase of the notes to the regulatory authority that by law is entitled to collect the information.

Further details concerning the legal authority for this information is available on request.

Rights of Action—Ontario Purchasers Only

Under Ontario securities legislation, certain purchasers who purchase a security offered by this offering circular during the period of distribution will have a statutory right of action for damages, or while still the owner of the notes, for rescission against us in the event that this offering circular contains a misrepresentation without regard to whether the purchaser relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the notes. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the notes. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against us. In no case will the amount recoverable in any action exceed the price at which the notes were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, we will have no liability. In the case of an action for damages, we will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the notes as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario purchaser. Ontario purchasers should refer to the complete text of the relevant statutory provisions.

Enforcement of Legal Rights

All of our directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

Taxation and Eligibility for Investment

Canadian purchasers of notes should consult their own legal and tax advisors with respect to the tax consequences of an investment in the notes in their particular circumstances and about the eligibility of the notes for investment by the purchaser under relevant Canadian legislation.

NOTICE TO INVESTORS

The notes have not been registered under the Securities Act and may not be offered or sold within the United States or to or for the account or benefit of U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the notes are being offered hereby only (a) to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act), or QIBs, in compliance with Rule 144A under the Securities Act and (b) in offers and sales that occur outside the United States to persons other than U.S. persons ("non-U.S. purchasers," which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for non-U.S. beneficial owners (other than an estate or trust), in offshore transactions meeting the requirements of Rule 903 of Regulation S. As used herein, the terms "offshore transactions," "United States" and "U.S. person" have the respective meanings given to them in Regulation S.

Each purchaser of notes will be deemed to have represented and agreed with Grupo Senda and the initial purchasers as follows:

1. It is purchasing the notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is (a) a QIB, and is aware that the sale to it is being made in reliance on Rule 144A under the Securities Act or (b) a non-U.S. purchaser that is outside the United States (or a non-U.S. purchaser that is a dealer or other fiduciary as referred to above);

2. It understands that the notes are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the notes have not been and will not be registered under the Securities Act, and that the notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

3. It shall not resell or otherwise transfer any of such notes prior to (a) the date which is two years (or such shorter period of time as permitted by Rule 144(k) under the Securities Act or any successor provision thereunder) after the later of the date of original issuance of the notes and (b) such later date, if any, as may be required by applicable laws except:

- to us or any of our subsidiaries;
- pursuant to a registration statement which has been declared effective under the Securities Act;
- within the United States to a QIB in compliance with Rule 144A under the Securities Act;
- outside the United States to non-U.S. purchasers in offshore transactions meeting the requirements of Rule 904 of Regulation S under the Securities Act; or
- pursuant to another available exemption from the registration requirements of the Securities Act;

4. It agrees that it will give notice of any restrictions on transfer of such notes to each person to whom it transfers the notes;

5. It understands that the certificates evidencing the notes (other than the Regulation S global notes) will bear a legend substantially to the following effect unless otherwise agreed by us and the trustee:

> THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE OR OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN "OFFSHORE TRANSACTION" PURSUANT TO RULE 903 OR 904 OF REGULATION S, (2) AGREES THAT IT WILL NOT OFFER, SELL OR OTHERWISE TRANSFER THIS SECURITY, EXCEPT (A) (I) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT ACQUIRING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION COMPLYING WITH RULE 144A, (II) IN AN OFFSHORE TRANSACTION COMPLYING WITH THE REQUIREMENTS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR (III) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE RESPECTIVE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

6. If it is a non-U.S. purchaser acquiring a beneficial interest in a Regulation S global note offered pursuant to this offering circular, it acknowledges and agrees that, until the expiration of the 40-day "distribution compliance period" within the meaning of Regulation S, any offer, sale, pledge or other transfer shall not be made by it in the United States or to, or for the account or benefit of, a U.S. person, except pursuant to Rule 144A to a QIB taking delivery thereof in the form of a beneficial interest in a U.S. global note, and that each Regulation S global note will contain a legend to substantially the following effect:

> PRIOR TO EXPIRATION OF THE 40-DAY DISTRIBUTION COMPLIANCE PERIOD (AS DEFINED IN REGULATION S ("REGULATION S") UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT")), THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES (AS DEFINED IN REGULATION S) OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S), EXCEPT TO A PERSON REASONABLY BELIEVED TO BE A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A ("RULE 144A") UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A AND THE INDENTURE REFERRED TO HEREIN.

7. It acknowledges that the foregoing restrictions apply to holders of beneficial interests in the notes, as well as holders of the notes;

8. It acknowledges that the trustee will not be required to accept for registration of transfer any notes acquired by it, except upon presentation of evidence satisfactory to us and the trustee that the restrictions set forth herein have been complied with; and

9. It acknowledges that we, the trustee, the initial purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agrees that if any of the acknowledgments, representations or agreements deemed to have been made by its purchase the notes are no longer accurate, it shall promptly notify us, the trustee and the initial purchasers. If it is acquiring the notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such count and it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

LEGAL MATTERS

The validity of the notes offered by this offering circular will be passed upon for us by Cleary Gottlieb Steen & Hamilton LLP, New York, New York, and Ritch Mueller, S.C., Mexico City, Mexico, and for the initial purchasers by Milbank, Tweed, Hadley & McCloy LLP, New York, New York, and Mijares, Angoitia, Cortés y Fuentes, S.C., Mexico City, Mexico.

INDEPENDENT AUDITORS

Our consolidated financial statements as of December 31, 2006 and 2005 and for each of the three years ended December 31, 2006, 2005 and 2004 have been audited by Galaz, Yamazaki, Ruiz Urquiza, S.C., member of Deloitte Touche Tohmatsu, independent auditors, as stated in their report appearing herein. The combined and consolidated financial statements as of December 31, 2005 and 2004 and for the years ended December 31, 2005 and 2004 of Servicio Industrial Regiomontano, S.A. de C.V., its subsidiaries and certain other subsidiaries, which together comprise our personnel transport services business segment, are not presented separately herein and were audited by KPMG Cárdenas Dosal, S.C., independent auditors, with 2005 being the last year KPMG Cárdenas Dosal, S.C. audited such companies.

The independent auditors who audit our principal statements are appointed by our board of directors. Our current independent auditor is Galaz, Yamazaki, Ruiz Urquiza, S.C., member of Deloitte Touche Tohmatsu.

AVAILABLE INFORMATION

To permit compliance with Rule 144A under the Securities Act in connection with resales of notes, we will be required under the indenture, upon the request of a holder of Rule 144A notes or Regulation S notes (during the restricted period, as defined in the legend included under "Notice to Investors"), to furnish to such holder and any prospective purchaser designated by such holder the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request we are neither a reporting company under Section 13 or Section 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. As long as we maintain this exemption, we will not be required under the indenture to deliver information otherwise required to be delivered under Rule 144A(d)(4) under the Securities Act. We have also furnished, and will be required periodically to furnish, certain information, including quarterly and annual reports, to the CNBV and to the Mexican Stock Exchange.

The indenture further requires that we furnish to the Trustee (as defined herein) all notices of meetings of the holders of notes and other reports and communications that are generally made available to holders of the notes. At our request, the Trustee will be required under the indenture to mail these notices, reports and communications received by it from us to all record holders of the notes promptly upon receipt. See "Description of Notes."

We will make available to the holders of the notes, at the corporate trust office of the Trustee at no cost, copies of the indenture as well as this offering circular, including a review of our operations, and annual audited consolidated financial statements prepared in conformity with Financial Reporting Standards. We will also make available at the office of the Trustee our unaudited quarterly consolidated financial statements in English prepared in accordance with Mexican Financial Reporting Standards. Information is also available at the office of the paying agent in Luxembourg.

GENERAL LISTING INFORMATION

Listing

Application has been made to list the notes on the Official List of the Luxembourg Stock Exchange and to trade on the Euro MTF market of the Luxembourg Stock Exchange.

Consents

Except as otherwise stated herein, we have obtained all necessary consents, approvals and authorizations in connection with the issuance of the new notes. Our shareholders approved the issuance of the notes on August 25, 2006.

No Material Change

Except as otherwise disclosed in this offering circular, there has been no material adverse change in our financial position since June 30, 2007, the date of our most recent unaudited interim financial statements.

Litigation

Except as disclosed herein, there are no pending actions, suits or proceedings (domestic or foreign) against or affecting us, which, if determined adversely against us, could individually or in the aggregate have a material adverse effect on a consolidated basis on our condition (financial or otherwise), prospects, results of operations or general affairs or would adversely affect our ability to perform our obligations under the notes and which are material in the context of the issue of the notes and, to the best of our knowledge, no such actions, suits or proceedings are threatened or contemplated.

Available Documents

For so long as the notes are outstanding, copies of the indenture, our annual reports and the future annual audited consolidated financial statements, quarterly unaudited consolidated financial statements, annual audited non-consolidated financial statements and quarterly unaudited non-consolidated financial statements, and the subsidiary guarantors' future annual audited consolidated and/or non-consolidated financial statements, quarterly unaudited consolidated and/or non-consolidated financial statements, will be available and can be obtained free of charge at our principal executive offices, at the offices of the trustee, or (for so long as the notes are listed on the Luxembourg Stock Exchange) at the offices of the Luxembourg paying agent.

For so long as the notes are outstanding, copies of our and the subsidiary guarantors' charter documents (and any amendments or modifications thereto) may be obtained free of charge at our principal executive offices and through the Luxembourg paying agent (for so long as the notes are listed on the Luxembourg Stock Exchange) at the offices of the Luxembourg paying agent).

Clearing Systems and Settlement

The notes are expected to be accepted for clearance through the facilities of DTC, Euroclear and Clearstream, Luxembourg.

The ISIN number and the CUSIP number for the notes sold pursuant to Rule 144A are US 40051V AA 35 and 40051V AA 3, respectively, and the ISIN number and the CUSIP number for the

notes sold pursuant to Regulation S are USP 68166 AA81 and P68166 AA 8, respectively. Finally, the common code for the notes sold pursuant to Rule 144A is 032400671 and the common code for the notes sold pursuant to Regulation S is 032400698.

Modifications and Amendments

In the event that any modifications or amendments are made to the indenture, which modifications or amendments are required to be published in a notice pursuant to the rules of the Luxembourg Stock Exchange, the company shall publish notice of such amendment or modifications in accordance with the rules of such exchange. In addition, the company will supplement this offering circular in accordance with the rules of the Luxembourg Stock Exchange Stock Exchange in the event of a significant change, which could have an effect on the financial assets of the company.

DIFFERENCES BETWEEN MEXICAN FINANCIAL REPORTING STANDARDS AND U.S. GAAP

Our consolidated financial statements are prepared in accordance with Mexican Financial Reporting Standards, which differ in certain respects from U.S. GAAP.

We are not providing any reconciliation to U.S. GAAP of our financial statements or other financial information in this offering circular. We cannot assure you that a reconciliation would not identify material quantitative differences between our financial statements or other financial information as prepared on the basis of Mexican Financial Reporting Standards if such information were to be prepared on the basis of U.S. GAAP.

Below is a description of certain principal differences between Mexican Financial Reporting Standards and U.S. GAAP, as they relate to us, that could affect operating income, consolidated net income, stockholders' equity and changes in our financial position.

Accounting for the Effects of Inflation

Mexican Financial Reporting Standards requires that the comprehensive effects of price level changes due to inflation be recorded in the financial statements for, among others, non-monetary assets and expenses, including inventories, cost of sales, property, plant and equipment, accumulated depreciation and other non-monetary assets, as well as stockholders' equity. Non-monetary assets and stockholders' equity are generally restated for inflation using factors derived from the National Consumer Price Index for Mexico, except that inventory and cost of sales may be adjusted to their replacement cost not to exceed net realizable value. Additionally, under Mexican Financial Reporting Standards, for fixed assets of foreign origin, restated acquisition cost expressed in the currency of the country of origin is converted into Mexican pesos at the market exchange rate in effect at the balance sheet date. Mexican Financial Reporting Standards also requires the determination of an inflationary gain or loss arising from a company's net monetary asset or liability position, and the adjustment or restatement of income statement amounts for the year to Mexican pesos of constant purchasing power as of the date of the most recent balances sheet presented. Accounting for the effects of inflation under Mexican Financial Reporting Standards is considered a more meaningful presentation than historical cost based financial reporting for Mexican companies.

Under U.S. GAAP, historical costs are recorded and generally are not subsequently adjusted for inflation in financial statements prepared in accordance with U.S. GAAP. Additionally, there are specific SEC rules and regulations, depending on the reporting currency and other considerations, for the presentation of inflation in the financial statements of Mexican companies registering securities with the SEC for sale in the United States.

Deferred Income Tax and Employee Statutory Profit Sharing

Under Mexican Financial Reporting Standards, Bulletin D-4, "Accounting for Income Tax, Asset Tax and Employee Profit Sharing", requires an asset and liability approach for recognizing existing temporary differences for income tax that are expected to reverse over a definite period of time. Bulletin D-4 is similar to U.S. GAAP with respect to accounting for current and deferred income taxes, except that any deferred tax assets recorded must be reduced by a valuation allowance if it is "highly probable" that some portion or all of the deferred tax assets will not be realized.

Deferred employee statutory profit sharing is derived from temporary differences between the accounting result and income for employee statutory profit sharing purposes and is recognized only when it can be reasonably assumed that such difference will generate a liability or benefit, and there is no indication that circumstances will change in such a way that the liabilities will not be paid or benefits will not be realized.

Under U.S. GAAP, income taxes are accounted for under the asset and liability method. Deferred tax and employee profit sharing assets and liabilities are recognized for the futures tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective income tax or employee statutory profit sharing basis and operating loss and tax credit carryforwards. Deferred tax and employee profit sharing assets and liabilities are measured using enacted tax rates expected to apply to taxable or employee profit sharing income in the years in which those temporary differences are expected to be recovered or settled. A valuation allowance is recognized if , based on the weight of available evidence, it is "more likely than not" that some portion or all of the deferred tax asset will not be realized. The effect on the deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Although not an income tax, deferred employee profit sharing is calculated under the asset and liability method for all temporary differences.

The effect of income tax and employee profit sharing on the differences between the indexed cost and the specific replacement cost valuation of inventories is applied as an adjustment to stockholders' equity.

Under Mexican Financial Reporting Standards, a net presentation is required either as a non-current asset or long-term liability. Under U.S. GAAP, a separate presentation of current and non-current deferred income tax assets or liabilities is required.

Statement of Cash Flows

Under Mexican Financial Reporting Standards, Bulletin B-12, "Statement of Changes in Financial Position," specifies the appropriate presentation of the statement of changes in financial position based on financial statements restated in constant Mexican pesos in accordance with Bulletin B-10, "Recognition of the Effects of Inflation in the Financial Information." Bulletin B-12 identifies the sources and applications of resources representing differences between beginning and ending financial statement balances in constant Mexican pesos. In accordance with this bulletin, monetary and foreign exchange gains and losses are not treated as non-cash items in the determination of resources provided by operations.

Under U.S. GAAP, Statement of Financial Accounting Standards ("SFAS") No. 95, "Statement of Cash Flows," does not provide guidance with respect to inflation adjusted financial statements. If we were to present statements of cash flows without reversing the effects of inflationary accounting, we would adopt the guidance issued by the AICPA SEC Regulations Committee's International Practices Task Force, encouraging foreign registrants that file price level adjusted financial statements to provide cash flow statements that show separately the effects of inflation on cash flows.

Minority Interest

Under Mexican Financial Reporting Standards, minority interest in consolidated subsidiaries is presented as a separate component of stockholders' equity in the consolidated balance sheet. In the statement of operations, the minority interest in consolidated net income is included in consolidated net

income, and the distribution between majority and minority interests is presented below consolidated net income on the face of the statement of operations.

Under U.S. GAAP, minority interest in consolidated subsidiaries is excluded from stockholders' equity and is presented between liabilities and equity in the consolidated balance sheet. In the statement of operations, the minority interest in consolidated net income is presented as a reduction of consolidated net income.

Impairment of Long-Lived Assets

Under Mexican Financial Reporting Standards, beginning in 2004 all long-lived assets are required to be evaluated periodically for potential impairment. The calculation of impairment losses requires the determination of the recoverable value of assets, which is defined as the greater of the net selling price of a cash-generating unit and its value in use, which is the present value of discounted future net cash flows. In addition, under certain limited circumstances, the reversal of previously recognized impairment losses is permitted. Any recorded impairment losses are presented in other expenses.

U.S. GAAP requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Assets are considered impaired when the fair value is less than the carrying value of the asset. An impairment loss is to be recorded only when the recoverable amount of the asset, defined as the estimated futures undiscounted cash flows expected to result from the use of the asset, is less than the carrying value of the asset, and is measured by the difference between the carrying value of the asset and its fair value. Any impairment loss recorded for an asset to be held and used establishes a new cost basis and, therefore, cannot be reversed in the future. Any recorded impairment losses are presented in operating expenses.

Consolidation Criteria

Mexican Financial Reporting Standards requires consolidation of all subsidiaries over which the company exercises control, despite not holding a majority of the voting common stock of the subsidiary. Control over another company is considered to exist when more than 50% of a company's outstanding shares, with voting rights, are held directly or indirectly through a subsidiary, unless the holder can demonstrate that control to govern the company has been yielded.

Mexican Financial Reporting Standards allows proportionate consolidation of joint ventures, where neither party contractually of effectively exercises control over the joint venture.

U.S. GAAP generally only permits the consolidation of majority-owned subsidiaries. The proportional consolidation method is not allowed under any circumstances. A joint venture must be accounted for using the equity method.

In addition to the traditional concept of consolidation, on January 17, 2003, the FASB issued FASB Interpretation No. 46, ''Consolidation of Variable Interest Entities—an Interpretation of ARB No. 51,'' replaced in December 2003, by Interpretation No. 46(R) ''Consolidation of Variable Interest Entities—an interpretation of APB 51'' (FIN 46R), which contained certain clarifications to address accounting for variable interest entities (VIEs). The primary purpose of FIN46R is to provide guidance on the identification of, and financial reporting for, entities over which control is achieved through means other than voting rights; such entities are known as variable-interest entities. Generally, VIEs are to be consolidated by the primary beneficiary which represents the enterprise that will absorb the majority of the VIE's expected losses if they occur, receive a majority of the VIE's residual returns if they occur, or both. Qualifying Special Purpose Entities (QSPE) and certain other entities are exempt for the

consolidation provisions of FIN 46R. As described in SFAS No. 140, par. 35, a QSPE is a trust or other legal vehicle that meets certain conditions. Under U.S. GAAP, a QSPE is not consolidated in the financial statements of a transferor or its affiliates.

Goodwill

Under Mexican Financial Reporting Standards, through December 31, 2004, goodwill represented the excess of the purchase price over the book value (after considering certain adjustments related to fair value) of net assets acquired in a business combination, and Mexican Financial Reporting Standards required that goodwill be amortized over the period estimated to benefit from the excess purchase price, with the amortization period not to exceed 20 years.

Effective January 1, 2005, Bulletin B-7, "Business Combinations," went into effect and results in the following changes to Mexican Financial Reporting Standards:

- Goodwill is redefined as the excess of the purchase price over the fair value of the net assets acquired.
- Positive goodwill is no longer amortizable but rather subject to periodic evaluations for impairment.
- Any negative goodwill resulting from a bargain purchase is allocated to proportionately reduce the values assigned to noncurrent assets (generally fixed assets).
- Any negative goodwill that remains after the above allocations is recorded as an extraordinary gain in the period in which it is generated.

Under U.S. GAAP, SFAS No. 142, "Goodwill and Other Intangible Assets," which went into effect for all goodwill generated on or after July 1, 2001, prohibits the amortization of goodwill and requires that positive goodwill be evaluated periodically for impairment. In addition, any negative goodwill is recorded as an extraordinary gain in the period in which it is generated.

Business Combinations

As noted in the previous discussion of goodwill, effective January 1, 2005, Bulletin B-7, "Business Combinations," went into effect under Mexican Financial Reporting Standards. This new standard prohibits the use of uniting of interests accounting and requires the use of the purchase method of accounting.

Bulletin B-7 substantially conforms Mexican Financial Reporting Standards to U.S. GAAP. The primary differences relate to the acquisition of minority interest and the lack of detailed guidance on the identification of intangible assets to be recognized as an asset apart from goodwill.

Effective July 1, 2002, SFAS No. 141, "Business Combination" went into effect. This standard prohibits the use of pooling-of-interests accounting and requires the use of the purchase method of accounting.

The primary differences between Mexican Financial Reporting Standards and U.S. GAAP relate to the acquisition of minority interest and the existence in U.S. GAAP of detailed guidance on the identification of intangible assets to be recognized as an asset apart from goodwill.

Valuation of Long-Term Investments

Mexican Financial Reporting Standards Bulletin B-8, "Consolidated and Combined Financial Statements and Valuation of Permanent Investments in Shares" requires the equity method to value long-term investments in those unconsolidated investees where the company owns 10% or more of the outstanding common stock of the investee, since significant influence is presumed to exit because such percentage provides the investor with the right to appoint a member to the board of directors and statutory auditor. Further, the equity method is required for all long-term investments where significant influence, as defined, is present, regardless of the direct ownership in outstanding common stock.

U.S. GAAP APB Opinion No. 18, "The Equity Method of Accounting for Investments in Common Stock" specifies a minimum of 20% versus the 10% required by Mexican Financial Reporting Standards. Further, the key factor is the ability to exercise significant influence. The burden of proof lies with the investor to demonstrate that such ability exists or does not exist if the 20% rule is not allowed.

Financial Instruments

Effective January 1, 2005, Bulletin C-10, "Derivative Financial Instruments and Hedging Transactions," went into effect and significantly modified the accounting for hedging instruments under Mexican Financial Reporting Standards. The changes include:

- requiring the adjustment of cash flow hedges in other comprehensive income, consistent with IFRS and U.S. GAAP;
- enhanced hedge documentation requirements; and
- elimination of requirement that derivative financial instruments associated with financial debt instruments be valued using the same valuation criteria applied to the hedged assets or liabilities.

Under U.S. GAAP, SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," went into effect in 2001 and requires the adjustment of all financial instruments to market value, with such adjustments recorded:

- in the income statement for fair value hedges (fixed to variable); and
- in other comprehensive income for cash flow hedges (variable to fixed).

The rules for the documentation of the hedging relationship to allow "hedge accounting" are very strict and require that the hedge be clearly documented at its initiation, and that formal documentation exist to (1) identify the financial instrument being hedged, (2) explain the nature of the risk, and (3) explain how the effectiveness of the hedge is to be measured.

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Independent Auditors' Report to the Board of Directors and Stockholders of Grupo Senda Autotransporte, S.A. de C.V.

We have audited the accompanying consolidated balance sheets of Grupo Senda Autotransporte, S.A. de C.V. and Subsidiaries (the "Company") as of December 31, 2006 and 2005, and the related consolidated statements of income, changes in stockholders' equity and changes in financial position for the three years in the period ended December 31, 2006 (all expressed in thousands of Mexican pesos of purchasing power of December 31, 2006). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of the Company's subsidiaries mentioned in Note 1 to the accompanying financial statements as of and for the years ended December 31, 2005 and 2004, which statements reflect total assets constituting 16% of the consolidated total assets in 2005 and total revenues constituting 18% and 23%, respectively, of consolidated total revenues for the years ended December 31, 2005 and 2004. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those subsidiaries, is based solely on the reports of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in Mexico. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and that they are prepared in accordance with Mexican Financial Reporting Standards. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the financial reporting standards used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of the other auditors, such consolidated financial statements present fairly, in all material respects, the financial position of Grupo Senda Autotransporte, S.A. de C.V. and Subsidiaries as of December 31, 2006 and 2005, and the results of their operations, changes in their stockholders' equity and changes in their financial position for each of the three years in the period ended December 31, 2006, in conformity with Mexican Financial Reporting Standards.

Our audits also comprehended the translation of the Mexican peso amounts into U.S. dollar amounts and in our opinion such translation has been made in conformity with the basis stated in Note 1. The translation of the financial statement amounts into U.S. dollars and the translation of the financial statements into English have been made solely for the convenience of readers in the United States of America.

Galaz, Yamazaki, Ruiz Urquiza, S. C.

Member of Deloitte Touche Tohmatsu

C.P.C. Carlos Javier Vázquez Ayala
/s/ Carlos Javier Vázquez Ayala
Monterrey, N.L. Mexico

February 28, 2007

Independent Auditors' Report

(Translation from Spanish Language Original)

The Board of Directors and Stockholders
Servicio Industrial Regiomontano, S.A. de C. V.:

We have examined the accompanying combined balance sheet of Servicio Industrial Regiomontano, S. A. de C. V. and subsidiaries, Transporte Industrial Jalisciense, S.A. de C.V. and Senda Servicio Industrial, S.A. de C.V. as of December 31, 2005, and the related combined statements of income, stockholders' equity and changes in financial position for the year then ended. These combined financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Mexico. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and are prepared in accordance with accounting principles generally accepted in Mexico. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As mentioned in note 2b to the combined financial statements, management of the group of companies considered that the accompanying combined financial statements are fair, since they represent the overall personnel transportation business and they are affiliated companies under common control with similar financial and operating financial policies.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Servicio Industrial Regiomontano, S.A. de C.V. and subsidiaries, Transporte Industrial Jalisciense, S.A. de C.V. and Senda Servicio Industrial, S.A. de C.V. as of December 31, 2005, and the result of their operations, the changes in their stockholders' equity and the changes in their financial position for the year then ended in conformity with accounting principles generally accepted in Mexico.

KPMG Cárdenas Dosal, S. C.

/s/Rogelio Berlanga Coronado
Monterrey, N.L., México

January 31, 2006

Independent Auditors' Report

(Translation from Spanish Language Original)

The Board of Directors and Stockholders
Servicio Industrial Regiomontano, S.A. de C.V.:

We have examined the accompanying consolidated statements of income, stockholders' equity and changes in financial position of Servicio Industrial Regiomontano, S.A. de C.V. and subsidiaries, for the year ended December 31, 2004. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Mexico. Those standards require that we plan and perform the audit to obtain reasonable assurance about generally accepted whether the financial statements are free of material misstatement and are prepared in accordance with accounting principles generally accepted in Mexico. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements, referred to above present fairly, in all material respects, the results of their operations and the changes in their financial position of Servicio Industrial Regiomontano, S.A. de C.V. and subsidiaries for the year ended December 31, 2004 in conformity with accounting principles generally accepted in Mexico.

KPMG Cárdenas Dosal, S.C.

/s/Rogelio Berlanga Coronado
Monterrey, N.L., México

January 31, 2006

Grupo Senda Autotransporte, S.A. de C.V. and Subsidiaries

Consolidated Balance Sheets

As of December 31, 2006 and 2005
(Thousands of U.S. dollars ($) and thousands of Mexican pesos (Ps.) of purchasing power as of December 31, 2006)

	2006		2005
Assets			
Current Assets:			
Cash and cash equivalents	$ 8,741	Ps. 94,398	Ps. 96,716
Accounts receivable	21,058	227,413	232,647
Inventories	2,842	30,688	35,736
Current Assets	32,641	352,499	365,099
Land and buildings – net	18,490	199,680	153,999
Transportation and other equipment – net	181,621	1,961,421	1,779,871
Other assets	14,809	159,927	173,663
Investments in shares	26,598	287,250	285,535
Goodwill and intangible assets	131,640	1,421,641	1,399,718
Total	$ 405,799	Ps. 4,382,418	Ps. 4,157,885
Liabilities and Stockholders' Equity			
Current Liabilities:			
Bank loans	$ 14,890	Ps. 160,800	Ps. 201,994
Current portion of long-term debt	22,841	246,668	171,156
Accounts payable	4,708	50,840	68,527
Accrued expenses	24,269	262,095	217,590
Current Liabilities	66,708	720,403	659,267
Long-term Liabilities:			
Long-term debt	190,784	2,060,369	1,929,060
Employee retirement obligations	12,487	134,851	130,220
Derivative financial instruments	613	6,621	
Deferred tax	8,582	92,683	160,759
Long-term Liabilities	212,466	2,294,524	2,220,039
Total Liabilities	279,174	3,014,927	2,879,306
Stockholders' Equity:			
Capital stock	8,099	87,466	8,685
Premium on issuance of shares	8,542	92,256	92,256
Retained earnings	140,955	1,522,249	1,487,832
Insufficiency in restated stockholders' equity	(32,810)	(354,338)	(338,659)
Additional minimum pension liability	(914)	(9,872)	(4,369)
Initial cumulative effect of deferred income tax	(7,554)	(81,579)	(81,579)
Unrealized loss on derivative financial instruments	(435)	(4,701)	
Majority Stockholders' Equity	115,883	1,251,481	1,164,166
Minority Stockholders' Equity	10,742	116,010	114,413
Total Stockholders' Equity	126,625	1,367,491	1,278,579
Total	$405,799	Ps. 4,382,418	Ps. 4,157,885

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

/s/ David Rodríguez Benítez
Ing. David Rodríguez Benítez
Chief Executive Officer

/s/ Miguel A. Acosta Rodríguez
C.P. Miguel A. Acosta Rodríguez
Chief Financial Officer

Grupo Senda Autotransporte, S.A. de C.V. and Subsidiaries

Consolidated Income Statements

For the years ended December 31, 2006, 2005 and 2004
(Thousands of U.S. dollars ($) and thousands of Mexican pesos (Ps.) of purchasing power as of December 31, 2006, except per share amounts)

	2006		2005	2004
Operating revenues	$ 258,646	Ps. 2,793,244	Ps. 2,515,938	Ps. 1,712,837
Operating expenses:				
Transportations costs	116,420	1,257,285	1,030,170	699,015
Fuel costs	38,735	418,314	339,807	209,044
Selling, general & administrative expenses	50,846	549,112	570,940	331,003
Depreciation and amortization	29,450	318,039	264,139	198,474
	235,451	2,542,750	2,205,056	1,437,536
Operating income	23,195	250,494	310,882	275,301
Integral financing cost:				
Interest expense	24,951	269,455	287,290	48,791
Interest income	(375)	(4,051)	(9,088)	(8,517)
Foreign exchange loss (gain) – net	274	2,964	2,129	(1,060)
Gain from monetary position	(8,445)	(91,206)	(71,463)	(10,198)
	16,405	177,162	208,868	29,016
Income before income tax and equity in earnings of associated companies	6,790	73,332	102,014	246,285
Other expenses – net	5,689	61,435	54,649	125,300
Equity in earnings (losses) of associated companies	125	1,349	(754)	4,637
Income before income tax, tax on assets and employee statutory profit sharing	1,226	13,246	46,611	125,622
Income tax, tax on assets and employee statutory profit sharing	(1,922)	(20,760)	(20,895)	46,998
Consolidated net income	$ 3,148	Ps. 34,006	Ps. 67,506	Ps. 78,624
Net income of majority stockholders	$ 3,186	Ps. 34,417	Ps. 51,762	Ps. 66,193
Net (loss) income of minority stockholders	$ (38)	Ps. (411)	Ps. 15,744	Ps. 12,431
Consolidated net income	$ 3,148	Ps. 34,006	Ps. 67,506	Ps. 78,624
Majority earnings per share	$ 0.40	Ps. 4.32	Ps. 296.45	Ps. 479.36

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

S.A. de C.V. and Subsidiaries
anges in Stockholders' Equity

31, 2006, 2005 and 2004
Ps.) of purchasing power as of December 31, 2006)

Premium on issuance of shares	Retained earnings	Insuffi-ciency in restated stock-holders' equity	Additional minimum pension liability	Initial cumulative effect of deferred income tax	Unrealized loss on derivative financial instruments	Minority interest	Total stock-holders' equity
	Ps.1,369,877	Ps. (328,914)	Ps. (4,369)	Ps. (81,579)		172,342	1,130,170
							248
	66,193	(3,283)				18,398	81,308
	Ps.1,436,070	Ps. (332,197)	Ps. (4,369)	Ps. (81,579)		Ps.190,740	Ps.1,211,726
							5,624
Ps. 92,256						(92,256)	0
	51,762	(6,462)				15,929	61,229
92,256	1,487,832	(338,659)	(4,369)	(81,579)		114,413	1,278,579
						1,788	80,569
	34,417	(15,679)	(5,503)		Ps. (4,701)	(191)	8,343
Ps. 92,256	Ps.1,522,249	Ps. (354,338)	Ps. (9,872)	Ps. (81,579)	Ps. (4,701)	Ps.116,010	Ps.1,367,491

ntegral part of these consolidated financial statements.

Grupo Senda Autotransporte, S.A. de C.V. and Subsidiaries

Consolidated Statements of Changes in Financial Position

For the years ended December 31, 2006, 2005 and 2004
(Thousands of Mexican pesos (Ps.) of purchasing power as of December 31, 2006)

	2006	2005	2004
Operating Activities:			
Consolidated net income	Ps. 34,006	Ps. 67,506	Ps. 78,624
Items that did not require (generate) resources:			
Equity in (earnings) losses of associated companies	(1,349)	754	(4,637)
Depreciation and amortization	318,039	264,139	198,475
Labor obligations	30,588	28,174	3,920
Deferred income tax	(59,498)	(45,146)	16,059
Other	(10,800)		
	310,986	315,427	292,441
Changes in current assets and liabilities:			
Accounts receivable	(46,359)	(78,788)	(15,195)
Inventories	5,206	(9,182)	(7,179)
Accounts payable and other	9,364	66,610	64,609
Net resources generated by operating activities	279,197	294,067	334,676
Financing Activities:			
Long-term accounts receivable			15,596
Proceeds from long-term debt	572,420	285,683	2,061,910
Payments of long-term debt	(330,471)	(152,360)	(44,712)
Monetary effect on debt	(95,635)	(67,369)	(54,039)
Issuance of capital stock	80,569	5,624	248
Net resources generated by financing activities	226,883	71,578	1,979,002
Investing Activities:			
Acquisition of transportation and other equipment	(439,146)	(390,728)	(349,350)
Investments in shares of subsidiaries	(76,031)		(1,885,180)
Other investing activities	6,779	8,280	(41,432)
Net resources used in investing activities	(508,398)	(382,448)	(2,275,962)
Cash and cash equivalents:			
Net (decrease) increase	(2,318)	(16,803)	37,716
Balance at the beginning of the year	96,716	113,519	75,803
Balance at the end of the year	Ps. 94,398	Ps. 96,716	Ps. 113,519

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

Grupo Senda Autotransporte, S.A. de C.V. and Subsidiaries
Notes to the Consolidated Financial Statements

For the years ended December 31, 2006, 2005 and 2004
(Thousands of Mexican pesos (Ps.) of purchasing power as of December 31, 2006)

1. Nature of business and basis of presentation

Nature of business – The principal business activity of Grupo Senda Autotransporte, S.A. de C.V. and subsidiaries (the "Company") is to provide passenger transportation services to the general public. The Company is a leading provider of bus transportation services in Mexico, principally serving the northeastern and central regions of Mexico. The Company also operates a personnel transport business that offers bus transportation services to businesses and schools.

Basis of presentation –

a. ***Explanation for translation into English and convenience translation –*** The accompanying 2006 consolidated balance sheet and income statement have been translated from Spanish into English for use outside of Mexico. These consolidated financial statements are presented on the basis of Mexican Financial Reporting Standards ("MFRS"). Certain accounting practices applied by the Company that conform with MFRS may not conform with accounting principles generally accepted in the country of use.

The consolidated financial statements are stated in thousands of Mexican pesos ("Ps.") of purchasing power as of December 31, 2006, the currency of the country in which the Company is incorporated and has its principal operations. The translations of Mexican pesos into U.S. dollars ("$") are included solely for the convenience of the readers of the United States of America and have been made at the rate of Ps. 10.7995 per one U.S. dollar, the noon buying rate of Federal Reserve Bank of New York on December 31, 2006. Such translation should not be construed as representations that the Mexican peso amounts have been, could have been, or could in the future, be converted into U.S. dollars at this rate or at any other rate.

b. ***Consolidation of financial statements –*** The consolidated financial statements include those of Grupo Senda Autotransporte, S.A. de C.V. and the subsidiaries it controls. Significant intercompany balances and transactions have been eliminated in these consolidated financial statements.

The consolidated subsidiary companies are the following:

Passenger Transport Services:	%
Transportes Tamaulipas, S.A. de C.V.	98
Autobuses Coahuilenses, S.A. de C.V. (1)	
Transportes del Norte México–Laredo y Anexos Servicios Internacionales, S.A. de C.V.	98
Servicios T de N, S.A. de C.V	90
Multicarga, S.A. de C.V.	98
Servicios Especializados Senda, S.A de C.V. (2)	98
Turimex del Norte, S.A de C.V. (2)	98
Autotransportes Adventure, S.A. de C.V. (2)	97

Personnel Transport Services:	%
Servicio Industrial Regiomontano, S.A. de C.V.	98
Servicios Integrados de Transporte, S.C.	98
Rutas de Saltillo, S.A. de C.V.	98
Traslados Méndez y Asociados, S.A de C.V. (3)	98
Servicio Industrial Coahuilense, S.A. de C.V.	98
Transportes Rodríguez de Saltillo, S.A. de C.V.	98
Transporte Industrial Jalisciense, S.A. de C.V.	98
Senda Servicio Industrial, S.A. de C.V.	98
Transporte Industrial Chihuahuense, S.A de C.V. (2)	98
Desarrollo de Transporte Monterrey, S.A de C.V. (2) (3)	98
Servicio Industrial Potosino, S.A de C.V. (2)	98

The companies that comprise the personnel transport services segment for the years ended December 31, 2005 and 2004 were audited by an independent auditor other than the Company's principal auditor.

(1) Transportes Tamaulipas, S.A. de C.V. has a 51% ownership percentage in Autobuses Coahuilenses, S.A. de C.V.

(2) Included in the Company's consolidated financial statements as they were acquired or incorporated in 2006.

(3) Companies merged with subsidiaries in the Personnel Transport segment in January 2007.

2. Summary of significant accounting policies

New financial reporting standards - As of June 1, 2004, the function of establishing and issuing MFRS became the responsibility of the Mexican Board for Research and Development of Financial Reporting Standards ("CINIF"). CINIF decided to rename the accounting principles generally accepted in Mexico (MEX GAAP), previously issued by the Mexican Institute of Public Accountants ("IMCP"), as Mexican Normas de Información Financiera (Financial Reporting Standards), individually referred to as "NIFs". As of December 31, 2005, eight Series A standards had been issued (NIF A-1 to NIF A-8), representing the Conceptual Framework, intended to serve as the supporting rationale for the development of such standards, and as a reference to resolve issues arising in practice; NIF B-1, Accounting Changes and Corrections of Errors, was also issued. The Series A NIFs and NIF B-1 went into effect as of January 1, 2006. Application of the

new MFRS did not have a material impact on the Company's financial position, results of operations or related disclosures.

The accompanying consolidated financial statements have been prepared in conformity with MFRS, which require that management make certain estimates and use certain assumptions that affect the amounts reported in the financial statements and their related disclosures; however, actual results may differ from such estimates. The Company's management, upon applying professional judgment, considers that estimates made and assumptions used were adequate under the circumstances. The significant accounting policies of the Company are as follows:

a) Changes in accounting policies:

Amendments to Bulletin C-2, Financial Instruments – Effective January 1, 2005, the Company adopted the amendments to Bulletin C-2, which require that gains or losses from financial instruments designated as available-for-sale, due to changes in their fair value, be recognized within comprehensive income within stockholder's equity. The provisions of Bulletin C-2 also permit reclassifications among the different categories if established conditions are met as well as require that securities classified as available-for-sale be subject to evaluation and impairment recognition. The adoption of this bulletin did not have a significant impact on the Company's consolidated financial position or results of operations.

Adoption of Bulletin C-10, Derivative Financial Instruments and Hedging Activities – Effective January 1, 2005, the Company adopted the provisions of Bulletin C-10, which requires that all derivative instruments be recognized at fair value, sets the rules to recognize hedging activities and requires separation, if appropriate, of embedded derivative instruments. With respect to cash flow hedging, Bulletin C-10 establishes that the effective portion be recognized temporarily under comprehensive income within stockholders' equity, with subsequent reclassification to current earnings at the time it is affected by the hedged item. The ineffective portion should be immediately recognized in current earnings. Until December 31, 2004, according to prior accounting standards (Bulletin C-2), the Company did not recognize the effect of hedging derivatives under financial expenses until the flow exchanges mentioned in the options on interest rate contracts were actually executed. The adoption of this bulletin did not have a significant impact on the Company's consolidated financial position or results of operations.

Amendments to Bulletin D-3, Labor Obligations – Effective in January 1, 2005, the Company adopted the amendments to Bulletin D-3, related to recognition of the liability for severance payments at the end of the work relationship for reasons other than restructuring, which is recorded using the projected unit credit method, based on calculations prepared by independent actuaries. Bulletin D-3 grants the option to immediately recognize, in current earnings, the resulting transition asset or liability, or to amortize it over the average remaining labor life of employees. Until 2004 severance payments were charged to results when the liability was determined to be payable. The accrued liability as of January 1, 2005 calculated by independent actuaries amounted to Ps. 102,083. The company chose to record such amount as a transition liability to be amortized using the straight-line method over 12 years, which represents the average labor life of employees expected to receive such benefits.

Adoption of Bulletin D-7, Business Acquisitions – As of January 1, 2005, the Company adopted the provisions of Bulletin B-7. Bulletin B-7 provides rules for the accounting treatment of business acquisitions and investments in associated entities. It establishes, among other matters, that a) the adoption of the purchase method as the sole valuation rule for these transactions; b) goodwill arising from an acquired entity should not be amortized, but should be subject to

impairment tests, at least on an annual basis in conformity with Bulletin C-15, Accounting for Impairment and Disposal of Long-lived Assets; and c) any unamortized excess of recorded value over cost of subsidiaries and associated companies should be immediately considered in the year's results. It also provides rules for the accounting treatment of asset transfers or share exchanges between entities under common control and for the acquisition of minority interest, the effects of which are recorded in stockholders' equity.

The principal effects of adopting this new bulletin in 2005 were as follows:

- Amortization of goodwill for the acquisition of subsidiaries was suspended.

- In 2005, the Company acquired an additional ownership interest in one of its subsidiaries. The purchase of shares originated a dilution in the minority interest of Ps. 92,256, which was recorded as a capital transaction and is presented as premium on issuance of shares, in the accompanying consolidated statement of changes in stockholders' equity.

b) **Recognition of the effects of inflation –** The Company restates its consolidated financial statements to Mexican peso purchasing power as of the most recent balance sheet date presented. Accordingly, the consolidated financial statements of the prior year, that are presented for comparative purposes, have also been restated to Mexican pesos of the same purchasing power and, therefore, differ from those originally reported in the prior year.

c) **Cash equivalents –** The Company considers all highly-liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

d) **Inventories and cost of sales –** Inventories are stated at the lower of net realizable value or average cost as restated for the effects of inflation using the National Consumer Price Index ("NCPI"). Cost of sales is also restated for the effects of inflation by applying the NCPI.

e) **Property and equipment –** Property and equipment are initially recorded at acquisition cost and restated using the NCPI.

Depreciation is calculated using the straight-line method based on the remaining useful lives of the related assets, which range between 4 and 20 years. The estimated useful life of transportation equipment ranges between 8 and 12 years.

f) **Maintenance and repairs expenses –** Maintenance, repairs and renovation expenses are recorded in the income statement, as incurred. Significant capital investments are capitalized.

g) **Impairment of long-lived assets in use –** The Company reviews the carrying amounts of long-lived assets in use when an impairment indicator suggests that such amounts might not be recoverable, considering the greater of the present value of future net cash flows or the net sales price upon disposal. Impairment is recorded when the carrying amounts exceed the greater of the amounts mentioned above. The impairment indicators considered for these purposes are, among others, (i) the operating losses or negative cash flows in the period if they are combined with a history or projection of losses, (ii) depreciation and amortization charged to results, which in percentage terms in relation to revenues are substantially higher than that of previous years, (iii) obsolescence, (iv) reduction in the demand for the products manufactured, (v) competition and (vi) other legal and economic factors.

h) **Investments in shares –** Investments in shares of associated companies in which the Company has a non-controlling interest and over which it exercise significant influence are accounted for by the equity method.

i) **Goodwill and intangible assets –** Goodwill represents the excess of cost over fair value of subsidiaries (and associated companies) as of the date of acquisition. It is restated using the NCPI and, at least once a year, is subject to impairment tests.

Intangible assets with indefinite lives, such as trademarks and routes are not amortized because they can be renewed at a nominal cost; however, their value is subject to impairment tests.

j) **Derivative financial instruments –** The Company states all derivative financial instruments at fair value in the balance sheet regardless of the purpose for holding them. When derivatives are designated as hedges, fair value is recognized depending on whether it is a fair value hedge or a cash flow hedge.

Changes in the fair value of derivative financial instruments designated as hedges are recognized as follows; (1) for fair value hedges, changes in both the derivative instrument and the hedged item are recognized in current earnings, (2) for cash flow hedges, changes in the fair value of the derivative instrument are temporarily recognized as a component of other comprehensive income and then reclassified to current earnings when affected by the hedged item. The ineffective portion of the change in fair value is immediately recognized in current earnings, within comprehensive financing cost, regardless of whether the derivative instrument is designated as a fair value hedge or a cash flow hedge.

Commencing on January 1, 2005, hedging derivative instruments are recorded as assets or liabilities without offsetting them against the hedged items; until December 31, 2004, the related applicable bulletin required offsetting.

The principal derivative financial instruments that the Company uses are options on interest rate caps. The Company's policy is not to enter into derivative transactions of a speculative nature.

k) **Employee retirement obligations –** Seniority premiums, pension plans and severance payments are recognized as costs over employee years of service and are calculated by independent actuaries using the projected unit credit method at net discount rates. Accordingly, the liability is being accrued which, at present value, will cover the obligation from benefits projected to the estimated retirement date of the Company's employees.

l) **Provisions –** Provisions are recognized for current obligations that result from a past event when it is probable that such obligations will result in the use of economic resources and can be reasonably estimated.

m) **Excess (insufficiency) in restated stockholders' equity –** Excess (insufficiency) in restated stockholders' equity represents the accumulated monetary position result through the initial restatement of the consolidated financial statements and the gain (loss) from holding nonmonetary assets.

n) **Income tax, tax on assets and employee statutory profit sharing –** Income taxes (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 ISR assets are reduced by any benefits about which there is uncertainty as to their realizability. PTU is recognized in results of the year in which it is incurred considering the basis established by the Mexican transportation tax system. As part of this requirement, the Company has negotiated directly with its employees an alternative amount of compensation. Under its collective bargaining agreements, the Company has agreed to this form of compensation. Tax on assets (IMPAC) paid is recorded in the income statement because it is not considered to be recoverable.

o) **Revenue recognition –** Revenues are recognized in the period in which the related services are provided to customers.

p) **Monetary position result –** Monetary position result, which represents the erosion of purchasing power of monetary items caused by inflation, is calculated by applying NCPI factors to monthly net monetary position. Gains (losses) result from maintaining a net monetary liability (asset) position, respectively.

q) **Earnings per share –** Earnings per common share are calculated by dividing consolidated net income of majority stockholders by the weighted average number of shares outstanding during each period. The Company does not have dilutive common share equivalents and therefore does not present dilutive earnings per share. The weighted average number of shares outstanding for the years ended December 31, 2006, 2005 and 2004 were 7,966,898, 174,609 and 138,084.

r) **Reclassifications –** The consolidated financial statements as of and for the years ended December 31, 2005 and 2004 have been reclassified in order to conform to the presentation of the consolidated financial statements as of and for the year ended December 31, 2006. PTU was reclassified from operating expenses to income tax, tax on assets and employee statutory profit sharing.

3. Accounts receivable

	2006	2005
Trade accounts receivable	Ps. 145,413	Ps. 98,291
Due from affiliates	17,287	78,699
Recoverable taxes	29,567	22,571
Other accounts receivable	35,146	33,086
	Ps. 227,413	Ps. 232,647

4. Inventories

	2006	2005
Auto parts and accessories	Ps. 15,760	Ps. 24,806
Fuel and other related inventories	10,239	7,157
Tires	2,255	1,290
Prepaid inventories	2,434	2,483
	Ps. 30,688	Ps 35,736

5. Land and buildings

	2006	2005
Land	Ps. 118,858	Ps.118,858
Buildings	96,323	46,338
	215,181	165,196
Accumulated depreciation	(15,501)	(11,197)
	Ps. 199,680	Ps. 153,999

6. Transportation and other equipment

	2006	2005
Transportation equipment	Ps.2,631,867	Ps. 2,299,191
Workshop equipment	34,941	34,174
Furniture and fixtures	57,682	57,029
Computer equipment	121,662	112,749
Fuel equipment	5,975	5,975
Leasehold improvements	180,354	163,177
	3,032,481	2,672,295
Accumulated depreciation	(1,278,851)	(993,982)
Subtotal	1,753,630	1,678,313
Advance payments for fixed assets		35,670
Other assets	9,025	65,888
Total	1,762,655	1,779,871
Transportation equipment under capital lease	211,827	
Accumulated depreciation	(13,061)	
	198,766	
Total	Ps.1,961,421	Ps.1,779,871

7. Other assets

	2006	2005
Guarantee deposits	Ps. 8,767	Ps. 13,096
Pension asset	87,751	102,532
Debt issuance costs	27,575	35,609
Other	35,834	22,426
Total	Ps. 159,927	Ps. 173,663

8. Investments in shares

	% Ownership	2006	2005
Central de Autobuses de Matehuala, S.A. de C.V.	35	Ps. 4,486	Ps. 4,880
Central de Autobuses de Monterrey, S.A. de C.V.	21	59,910	60,725
Terminal Terrestre Potosina, S.A. de C.V.	11	3,850	4,839
Central Maclovio Herrera, S.A. de C.V.	44	12,308	16,693
Central de Autobuses de Saltillo, S.A. de C.V.	19	8,097	8,558
Central Camionera de Torreón, S.A. de C.V.	14	11,506	12,116
Autobuses del Noreste, S.A. de C.V.	30	119,653	109,346
Other		67,440	68,378
		Ps. 287,250	Ps. 285,535

Combined condensed financial information of the principal associated companies as of and for the years ended December 31, 2006 and 2005 are as follows:

	2006	2005
Balance sheets:		
Current assets	Ps. 106,678	Ps. 70,989
Total assets	1,265,284	1,144,998
Current liabilities	123,679	79,941
Total liabilities	384,426	263,384
Stockholders' equity	881,858	881,614
Income statements:		
Operating revenues	602,893	572,310
Net loss	(1,671)	(8,458)

9. Goodwill and intangible assets

The goodwill and intangible asset balances as of December 31, 2006 and 2005 resulted from the acquisition of the following companies:

	2006	2005
Rutas de Saltillo, S.A. de C.V.	Ps. 26,036	Ps. 26,036
Transportes Rodríguez de Saltillo, S.A. de C.V.	20,229	20,229
Servicio Industrial Coahuilense, S.A. de C.V.	2,282	2,282
Turimex del Norte, S.A. de C.V.	11,294	
Coach Investment	10,629	
Traslados Méndez Asociados, S.A. de C.V.	3,979	3,979
Transportes del Norte México–Laredo y Anexas Servicio Internacional, S.A. de C.V.	1,350,023	1,350,023
	1,424,472	1,402,549
Less accumulated amortization	(2,831)	(2,831)
	Ps.1,421,641	Ps.1,399,718

In January 2006, the Company acquired 98% of the outstanding capital stock of Turimex del Norte, S.A de C.V. This acquisition generated goodwill of Ps. 11,294.

In January 2006, Turimex del Norte S.A de C.V. acquired 98% of the outstanding capital stock of Coach Investment, a foreign entity. This acquisition generated goodwill of Ps. 10,629.

In January 2006, Transportes Tamaulipas, S.A de C.V. acquired the outstanding capital stock of Desarrollo de Transportes Monterrey S.A de C.V. This acquisition generated goodwill of Ps.10,800.

In October 2004, the Company acquired 100% of the capital stock of Transportes del Norte México–Laredo y Anexos Servicio Internacional, S.A. de C.V. for Ps. 1,818,481. As a result of the purchase, the Company identified indefinite lived intangible assets, represented by a trademark and routes amounting to Ps. 1,350,023.

10. Long-term debt

a) Long-term debt is described as follows:

	2006	2005
Line-of-credit in Mexican pesos, with equal monthly principal payments from February 21, 2004 through January 21, 2008. Interest payable at TIIE (28 days), plus 1%.	Ps. 5,508	Ps. 13,336
Line-of-credit in Mexican pesos, with equal monthly principal payments from August 1, 2006 through August 1, 2011. Interest payable at TIIE (28 days), plus 2%.	79,429	90,220
Line-of-credit in Mexican pesos, with equal monthly principal payments from January 1, 2007 through January 21, 2011. Interest payable at TIIE (28 days), plus 0.85%.	40,000	41,648
Line-of-credit in Mexican pesos, with equal monthly principal payments from October 31, 2007 through September 30, 2010. Interest payable at TIIE (28 days), plus 2%.	87,500	91,105
Line-of-credit in Mexican pesos, collateralized by the Company's equity shares, an industrial mortgage and a civil mortgage, with equal monthly principal payments from July 15, 2006 through December 15, 2013. Interest payable at TIIE (28 days), plus 2.1%.	1,510,000	1,690,909
Line-of-credit in Mexican pesos, with equal monthly principal payments from June 30, 2004 through May 31, 2008, Interest payable at TIIE (28 days), plus 1.5%.	20,967	37,240
Line-of-credit in Mexican pesos, payable in 120 monthly installments through February 2011. Interest payable at TIIE (28 days), plus 1%.	69,274	94,110
Line-of-credit in Mexican pesos, collaterized with industrial mortgage. Interest payable at TIIE (28 days) plus 0.85%.	40,000	41,648
Line-of-credit in Mexican pesos, due date of April 2011. Interest payable at TIIE (28 days), plus 2%.	36,000	

Line-of-credit in Mexican pesos, due date of February 2011. Interest payable at TIIE (28 days), plus 1.6%.	75,000	
Line-of-credit in Mexican pesos, due date of February 2011 Interest payable at TIIE (28 days), plus 1.6%.	25,000	
Line-of-credit in Mexican pesos, with equal monthly principal payments from February 23, 2004 through February 22, 2011, Interest payable at TIIE (28 days), plus 1%.	15,458	
Notes payable collaterized with transportation equipment, with equal monthly principal payments from March 2006 through April 2011. Interest payable at 14.11% annually.	113,489	
Capital leases for transportation equipment. Interest payable at 14.92% annually.	189,412	
	2,307,037	2,100,216
Current portion of long-term debt	(246,668)	(171,156)
	Ps. 2,060,369	Ps.1,929,060

b) The most restrictive covenants contained in the loan agreements limit the payment of cash dividends, and require the Company (consolidated) and certain of its subsidiaries to maintain certain minimum financial ratios. As of December 31, 2006, the Company was in compliance with such covenants.

c) Bank loans of Ps. 340,766, were guaranteed by certain of the Company's subsidiaries.

d) Maturities of long-term bank loans as of December 31, 2006, are as follows:

Year	**Amount**
2008	Ps. 303,277
2009	315,075
2010	349,158
2011	446,859
2012 and thereafter	646,000
	Ps. 2,060,369

e) At December 31, 2006 the contractual payments for capitalized leases are as follows:

Contractual lease payments	Ps. 264,515
Interest payable	(75,103)
Present value of minimum lease payments	189,412
Current portion of contractual lease payments	(16,994)
	Ps. 172,418

The maturity dates of the Company's capital lease contracts, which include a purchase option of Ps. 60,513, are as follows:

Year		
2008	Ps.	24,354
2009		31,869
2010		39,563
2011		76,632
Total	Ps.	172,418

f) The Company uses options on interest rate caps to manage its exposure to interest rate fluctuations. The Company documents its hedging relationships, including their objectives and risk management strategies to carry out derivative transactions. As a policy, the Company does not carry out derivative transactions of a speculative nature.

At December 31, 2006, the options entered into by the Company convert a portion of the bank loans from a floating rate to a floating rate with a maximum ceiling ("Cap"), as shown in the following table:

Transaction	Inception date	Termination date	Cap	Floating rate	Notional Amount
Interest rate options	January 30, 2004	January 20, 2007	10.00%	TIIE-28 days	Ps. 5,555
Interest rate options	January 3, 2005	December 3, 2007	10.00%	TIIE-28 days	60,000
Interest rate options	January 3, 2005	January 3, 2008	18.00%	TIIE-28 days	1,512,000
Interest rate options	January 27, 2006	January 28, 2008	8.50%	TIIE-28 days	1,700,000
Interest rate options	January 27, 2006	January 28, 2008	11.50%	TIIE-28 days	1,700,000

At December 31, 2006 TIIE (28 days) was 7.34%.

The fair value of the Company's derivative financial instruments as of December 31, 2006 was a liability of Ps. 6,621. The corresponding debit was recorded in other comprehensive income in Stockholders' Equity, net of the deferred tax effect of Ps. 1,920.

11. Employee retirement obligations

The Company's employee retirement obligations and the annual cost of such benefits are calculated by an independent actuary on the basis of formulas defined in the plans using the projected unit credit method. Beginning in 2005, it includes an obligation for severance payments referred to in Note 2(a).

The present value of these obligations and the assumptions used for the estimation at December 31, 2006 and 2005 are analyzed as follows:

		2006		2005
Accumulated benefit obligation	Ps.	134,851	Ps.	130,220
Additional amount for projected benefits		33,224		34,633
Projected benefit obligation		148,075		164,853
Unrecognized transition obligation		(100,849)		(114,308)
Variances for assumptions and adjustments based on experience		(5,629)		(27,226)
Net projected liability		41,597		23,319
Additional minimum liability		93,254		106,901
Liability recorded on the balance sheets	Ps.	134,851	Ps.	130,220
Net periodic pension cost	Ps.	30,588	Ps.	28,174
Assumptions:				
Discount rate		4.00%		4.00%
Salary increase		1.00%		1.00%

12. Stockholders' equity

a) At the General Extraordinary Stockholders' meetings held on January 13, 16 and 17 of 2006, the Company's fixed common stock was increased by 7,600,328 Series B shares for Ps. 78,781 (Ps. 76,003 historical pesos).

As a result of the issuance of capital stock disclosed above, common stock is represented by 8,298,528 shares with a nominal value of 10 pesos each, comprised of 135,500 Series A shares that represent the minimum fixed capital and 8,163,028 Series B shares representing variable capital as of December 31, 2006.

b) At the General Extraordinary Stockholders' meetings held on April 8, 2005 and December 13 and 29 of 2005, the Company's fixed common stock was increased by 125,500 Series A shares and 414,200 Series B shares representing variable capital, amounting to Ps. 5,624 (Ps. 5,397 historical pesos).

c) In 2005, Grupo Senda Autotransporte, S.A. de C.V. received additional capital stock from one of its subsidiaries. The increase resulted in a minority interest dilution of Ps. 92,256. As the transaction was entered into between entities under common control, the excess of the price paid over the book value of the acquired shares was recorded as a capital distribution as disclosed in the accompanying statement of changes in stockholders' equity under the heading premium on issuance of shares.

d) Comprehensive income represents changes in stockholders' equity during the year, for concepts other than distributions and activity in contributed common stock, and is comprised of the net income of the year, plus other comprehensive income (loss) items of the same period, which are presented directly in stockholders' equity without affecting the consolidated income statement. Other comprehensive income (loss) items consist of the insufficiency in restated stockholders' equity and the minimum pension liability adjustment.

e) Retained earnings include the statutory legal reserve. Mexican General Corporate Law requires that at least 5% of net income of the year be transferred to the legal reserve until

the reserve equals 20% of capital stock at par value (historical pesos). The legal reserve may be capitalized but may not be distributed unless the entity is dissolved. The legal reserve must be replenished if it is reduced for any reason.

f) Stockholders' equity, except restated paid-in capital and tax retained earnings, will be subject to income tax at the rate in effect when a dividend is distributed. Any tax paid on such distribution, may be credited against the income tax payable of the year in which the tax on the dividend is paid and the two fiscal years following such payment.

g) At December 31, the minority interest consists of the following:

	2006	2005
Common stock	Ps. 42,405	Ps. 40,617
Retained earnings	82,011	66,267
Net income	(411)	15,744
Insufficiency in capital restatement	(7,995)	(8,215)
	Ps. 116,010	Ps. 114,413

h) At December 31, 2006, the balance of the Company's contributed capital account was Ps.87,466.

13. Transactions with related parties

Transactions with affiliated and associated parties entered into during the normal course of business are as follows:

	For the year ended December 31		
	2006	2005	2004
Auto parts and fuel sales		Ps. 16,247	Ps. 10,455
Service revenues	Ps. 8,612	55,011	13,593
Operating expenses	20,708	14,533	13,953
Other expenses	32,148	43,172	116,447
Fixed asset sales		19,957	2,502
Fixed asset purchases		63,018	156

14. Other expenses, net

	For the year ended December 31		
	2006	2005	2004
Administrative facilities		Ps. 27,108	Ps. 87,892
Expenses between authorized transportation providers, net	Ps. 32,148	16,064	28,555
Loss on sales of fixed assets	15,411		1,643
Other	13,876	11,477	7,210
	Ps. 61,435	Ps. 54,649	Ps. 125,300

Administrative facilities represent payments that have been made, which meet certain requirements for tax purposes and may be deducted pursuant to Mexican tax regulations.

15. Income tax and tax on assets

In accordance with Mexican tax law, the Company is subject to ISR and IMPAC. ISR is computed taking into consideration taxable income, whereby taxable income is reduced by the authorized deductions provided in the law. For these purposes, taxable income is deemed as cash-basis revenues, and authorized deductions are those paid in cash plus depreciation of fixed assets acquired since 2002. The ISR rate was 30% in 2005, 29% in 2006 and starting in 2007 will be 28%. Due to changes in the tax legislation effective January 1, 2007, taxpayers who file tax reports and meet certain requirements may obtain a tax credit equivalent to 0.5% or 0.25% of taxable income.

Through 2006, IMPAC was calculated by applying 1.8% on the net average of the majority of restated assets less certain liabilities, including liabilities payable to banks and foreign entities. IMPAC is payable only to the extent that it exceeds ISR payable for the same period; any required payment of IMPAC is creditable against the excess of ISR over IMPAC of the following ten years. As of January 1, 2007, the IMPAC rate will be 1.25% on the value of assets for the year, without deducting any liabilities.

The expense (benefit) for income tax, asset tax and the employee profit sharing for the years ended December 31, 2006 and 2005 are as follows:

	2006	2005	2004
Deferred income tax (benefit) expense	Ps. (59,498)	Ps. (45,146)	Ps. 38,396
Effect of change in statutory tax rate			(22,337)
Tax on assets	13,159	10,370	11,695
Employee profit sharing	25,579	13,881	19,244
Total	Ps. (20,760)	Ps. (20,895)	Ps. 46,998

A reconciliation of the statutory income tax rate to the effective rate, expressed as a percentage of income before income and asset tax for the years ended December 31 is as follows:

	2006	2005	2004
Statutory rate	29.0%	30.0%	33.0%
Add (deduct):			
Nontaxable revenues, net of nondeductible expenses	(250.6)	(61.5)	6.1
Other – Effects of inflation	(187.4)	(75.8)	(1.6)
Equity in earnings of associated companies	(3.0)	1.0	(1.4)
Tax on assets	62.1	31.7	10.9
Effect of change in statutory tax rate			(21.0)
Effective rate	(349.9)%	(74.6)%	26.0%

The principal components of deferred income tax are as of December 31, 2006 and 2005 are as follows:

	2006	2005
Deferred ISR liability (asset):		
Inventories	Ps. 7,986	Ps. 6,039
Prepaid expenses	13,487	13,313
Property and equipment	279,465	240,029
Other	(9,384)	22,888
Tax loss carryforwards	(198,871)	(121,510)
Long-term liability, net	Ps. 92,683	Ps. 160,759

Tax loss carryforwards for which the deferred ISR asset, have been recognized can be recovered subject to certain conditions. The restated amount as of December 31, 2006 is Ps. 710,252, of which Ps. 213,052 expires in 2012, Ps. 146,113 in 2015 and Ps. 351,087 in 2016.

For the year ended December 31, 2006, the Company paid income tax of Ps. 4,931 and tax on assets of Ps. 8,228. For the year ended in December 31, 2005, the Company did not pay income tax and paid tax on assets of Ps. 10,370.

16. Commitments and contingencies

Commitments – During 2006 and 2005, the Company entered into various operating lease agreements for the use of transportation equipment, in which it is obligated to make payments over periods ranging from 48 to 60 months. For the years ended December 31, 2006 and 2005, rental expense was Ps. 42,679 and Ps. 15,493, respectively.

As of December 31, 2006, contractual lease commitments by year are as follows:

Year	Amount
2007	Ps. 35,658
2008	35,658
2009	24,414
2010	5,020
Total	Ps. 101,750

Contingencies - The Company currently is not subject to pending legal proceedings, other than routine litigation incidental to its business, against which the Company believes it is adequately insured or which it believes is not material.

17. Business segment data

The accounting policies for Company's business segments are the same as those mentioned in Note 2.

The Company evaluates the performance of its segments on the basis of operating income. Transactions between segments are recorded as if they were entered into with third parties at market value.

The Company's reportable segments are differentiated by the different services they provide. The segments are managed separately and each segment utilizes its distinct management operating system.

The operations of the Company are classified into two reportable business segments, in accordance with MFRS as follows:

Segment	Principal Services
Passenger Transport Services	Transportation services to the general public. Transportation is provided between cities, to government locations, to tourist attractions and for special events.
Personnel Transport Services	Transportation services to employees within the commercial industry as well as the transportation of students for educational purposes.

The eliminations column represents transactions entered into between the Company's segments.

The Company's segment data is presented as follows:

	Passenger Transport Services	Personnel Transport Services	Eliminations	Consolidated
2006				
Operating revenues	Ps. 2,613,840	Ps. 628,486		Ps. 3,242,326
Interdivisional revenues	265,133	104,200	Ps. 79,749	499,082
Consolidated revenues	2,348,707	524,286	(79,749)	2,793,244
Operating income	177,566	72,928		250,494
Total assets	3,585,755	903,962	(107,299)	4,382,418
Capital expenditures	320,417	118,729		439,146
Depreciation and amortization	251,005	67,034		318,039
Total liabilities	2,616,144	506,082	(107,299)	3,014,927
2005				
Operating revenues	Ps. 2,232,637	Ps. 490,898		Ps. 2,723,535
Interdivisional revenues	126,465	46,119	Ps. 35,013	207,597
Consolidated revenues	2,106,172	444,779	(35,013)	2,515,938
Operating income	245,239	65,643		310,882
Total assets	3,573,905	655,228	(71,248)	4,157,885
Capital expenditures	366,269	24,459		390,728
Depreciation and amortization	202,954	61,185		264,139
Total liabilities	2,563,829	315,477		2,879,306
2004				
Operating revenues	Ps. 1,417,065	Ps. 402,658		Ps. 1,819,723
Interdivisional revenues	90,251	12,129	Ps. 4,506	106,886
Consolidated revenues	1,326,814	390,529	(4,506)	1,712,837
Operating income	233,830	41,471		275,301
Capital expenditures	266,482	82,868		349,350
Depreciation and amortization	136,236	62,239		198,475

18. New accounting principles

When Mexican NIF Series A went into effect on January 1, 2006, which represents the Conceptual Framework described in Note 3, some of its provisions created divergence with specific MFRS already in effect. Consequently, in March 2006, CINIF issued Interpretation Number 3 (INIF No. 3), *Initial Application of MFRS*, establishing, that provisions set forth in specific MFRS that have not been amended should be followed until their adaptation to the Conceptual Framework is complete. For example, in 2006, revenues, costs and expenses were not required to be classified as ordinary and non-ordinary in the statement of income and other comprehensive income items in the statement of stockholders' equity were not required to be reclassified into the statement of income at the time net assets that gave rise to them were realized.

CINIF continues to pursue its objective of moving towards a greater convergence with international financial reporting standards. To this end, on December 22, 2006, it issued the following MFRS, which will become effective for fiscal years beginning on January 1, 2007:

NIF B-3, *Statement of Income*

NIF B-13, *Events Occurring after the Date of the Financial Statements*

NIF C-13, *Related Parties*

NIF D-6, *Capitalization of Comprehensive Financing Result*

Some of the significant changes established by these standards are as follows:

NIF B-3, *Statement of Income*, sets the general standards for presenting and structuring the statement of income, the minimum content requirements and general disclosure standards. Consistent with NIF A-5, Basic Elements of Financial Statements, NIF B-3 now classifies revenues, costs and expenses, into ordinary and non-ordinary. Ordinary items (even if not frequent) are derived from the primary activities representing and entity's main source of revenues. Non-ordinary items are derived from activities other than those representing an entity's main source of revenues. Consequently, the classification of certain transactions as special or extraordinary, according to former Bulletin B-3, was eliminated. As part of the structure of the statement of income, ordinary items should be presented first and, at a minimum, present income or loss before income taxes, income or loss before discontinued operations, if any, and net income or loss. Presenting operating income is neither required nor prohibited by NIF B-3. Cost and expense items may be classified by function, by nature, or a combination of both. When classified by function, gross income may be presented. Statutory employee profit sharing should now be presented as an ordinary expense (within other income (expense) pursuant to INIF No. 4 issued in January 2007) and no longer presented within income tax. Special items mentioned in particular MFRS should now be part of other income and expense and items formerly recognized as extraordinary should be part of non-ordinary items.

NIF B-13, *Events Occurring after the Date of the Financial Statements*, requires that for (i) asset and liability restructurings and (ii) creditor waivers to their right to demand payment in case the entity defaults on contractual obligations, occurring in the period between the date of the financial statements and the date of their issuance, only disclosure needs to be included in a note to the financial statements while recognition of these items should take place in the financial statements of the period in which such events take place. Previously, these events were recognized in the

financial statements instead in addition to their disclosure. NIF A-7, Presentation and Disclosure, in effect as of January 1, 2006, requires, among other things, that the date on which the issuance of the financial statements is authorized be disclosed as well as the name of authorizing management officer(s) or body (bodies). NIF B-13 establishes that if the entity owners or others are empowered to modify the financial statements, such fact should be disclosed. Subsequent approval of the financial statements by the stockholders or other body does not change the subsequent period, which ends when issuance of the financial statements is authorized.

NIF C-13, *Related Parties*, broadens the concept "related parties" to include a) the overall business in which the reporting entity participates; b) close family members of key or relevant officers; and c) any fund created in connection with a labor-related compensation plan. NIF C-13 requires the following disclosures: a) the relationship between the controlling and subsidiary entities, regardless of whether or not any intercompany transactions took place during the period; b) that the terms and conditions of consideration paid or received in transactions carried out between related parties are equivalent to those of similar transactions carried out between independent parties and the reporting entity, only if sufficient evidence exists; c) benefits granted to key or relevant officers; and d) name of the direct controlling company and, if different, name of the ultimate controlling company. Notes to comparative financial statements of prior periods should disclose the new provisions of NIF C-13.

NIF D-6, *Capitalization of Comprehensive Financing Result*, establishes general capitalization standards that include specific accounting for financing in domestic and foreign currencies or a combination of both. Some of these standards include: a) mandatory capitalization of comprehensive financing cost ("RIF") directly attributable to the acquisition of qualifying assets; b) in the instance financing in domestic currency is used to acquire assets, yields obtained from temporary investments before the capital expenditure is made are excluded from the amount capitalized; c) exchange gains or losses from foreign currency financing should be capitalized considering the valuation of associated hedging instruments, if any; d) a methodology to calculate capitalizable RIF relating to funds from generic financing; e) regarding land, RIF may be capitalized if development is taking place; and f) conditions that must be met to capitalize RIF, and rules indicating when RIF should no longer be capitalized. The entity may decide on whether to apply provisions of NIF D-6 for periods ending before January 1, 2007, in connection with assets that are in the process of being acquired at the time this NIF goes into effect.

On January 2007, CINIF issued Interpretation Number 4, (INIF No. 4), establishing that PTU should be presented in the statement of income as an ordinary expense within other income and expense. This interpretation will become effective for fiscal years beginning on January 1, 2007.

At the date of issuance of these financial statements, the Company has not fully assessed the effects of adopting these new standards on its financial information.

19. Authorization of the issuance of the financial statements

The consolidated financial statements were authorized for issuance on February 28, 2007 by David Rodríguez Benítez, CEO, and Miguel Angel Acosta Rodríguez, CFO. These consolidated financial statements are subject to the approval of the general ordinary stockholders' meeting, at which financial statements may be modified, based on provisions set forth by Mexican General Corporate Law.

Independent Accountants' Review Report to the Board of Directors and Stockholders of Grupo Senda Autotransporte, S.A. de C.V.

We have reviewed the accompanying consolidated balance sheet of Grupo Senda Autotransporte, S.A. de C.V. and subsidiaries (the "Company") as of June 30, 2007, and the related consolidated statements of income, changes in stockholders' equity and changes in financial position for the six-month periods ended June 30, 2007 and 2006 (all expressed in thousands of Mexican pesos of purchasing power of June 30, 2007).These interim financial statements are the responsibility of the Company's management.

A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Mexico, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to such condensed consolidated interim financial statements for them to be in conformity with Mexican Financial Reporting Standards.

We have previously audited, in accordance with auditing standards generally accepted in Mexico, the consolidated balance sheet of Grupo Senda Autotransporte, S.A. de C.V. and subsidiaries as of December 31, 2006, and the related consolidated statements of income, changes in stockholders' equity and changes in financial position for the year then ended (not presented herein), and in our report dated February 28, 2007, we expressed an unqualified opinion on those consolidated financial statements.

Our review also comprehended the translation of the Mexican peso amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. The translation of the financial statement amounts into U.S. dollars and the translation of the financial statements into English have been made solely for the convenience of readers in the United States of America.

Galaz, Yamazaki, Ruiz Urquiza, S.C.
Member of Deloitte Touche Tohmatsu

/s/ Carlos Javier Vázquez Ayala
Monterrey, N.L. Mexico

August 10, 2007

Grupo Senda Autotransporte, S.A. de C.V. and Subsidiaries

Consolidated Balance Sheets

As of June 30, 2007 and December 31, 2006
(Thousands of U.S. dollars ($) and thousands of Mexican pesos (Ps.) of purchasing power as of June 30, 2007)

	(Unaudited) June 30, 2007		December 31, 2006
Assets			
Current Assets:			
Cash and cash equivalents	$ 11,374	Ps. 122,721	Ps. 95,455
Accounts receivable	23,962	258,553	229,960
Inventories	2,794	30,151	31,032
Current Assets	38,130	411,425	356,447
Land and buildings – net	18,489	199,501	201,916
Transportation and other equipment – net	183,192	1,976,659	1,983,389
Other assets	14,662	158,205	161,717
Investments in shares	26,216	282,878	290,467
Goodwill and intangible assets	133,230	1,437,563	1,437,563
Total	$ 413,919	Ps. 4,466,231	Ps. 4,431,499
Liabilities and Stockholders' Equity			
Current Liabilities:			
Bank loans	$ 11,195	Ps. 120,800	Ps. 162,601
Current portion of long-term debt	17,591	189,813	249,431
Accounts payable	5,316	57,360	51,409
Accrued expenses	21,488	231,857	265,030
Current Liabilities	55,590	599,830	728,471
Long-term Liabilities:			
Long-term debt	206,088	2,223,710	2,083,445
Employee retirement obligations	12,769	137,778	136,361
Derivative financial instruments	614	6,621	6,695
Deferred Tax	6,137	66,221	93,721
Long-term Liabilities	225,608	2,434,330	2,320,222
Total Liabilities	281,198	3,034,160	3,048,693
Stockholders' Equity:			
Capital stock	8,197	88,446	88,446
Premium on issuance of shares	8,646	93,289	93,289
Retained earnings	147,523	1,591,793	1,539,298
Insufficiency in restated stockholders' equity	(33,992)	(366,774)	(358,307)
Additional minimum pension liability	(925)	(9,983)	(9,983)
Initial cumulative effect of deferred income tax	(7,645)	(82,493)	(82,493)
Unrealized loss on derivative financial instruments	(441)	(4,754)	(4,754)
Majority Stockholders' Equity	121,363	1,309,524	1,265,496
Minority Stockholders' Equity	11,357	122,547	117,310
Total Stockholders' Equity	132,721	1,432,071	1,382,806
Total	$ 413,919	Ps. 4,466,231	Ps. 4,431,499

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

/s/ David Rodríguez Benítez
Ing. David Rodríguez Benítez
Chief Executive Officer

/s/ Miguel A. Acosta Rodríguez
C.P. Miguel A. Acosta Rodríguez
Chief Financial Officer

Grupo Senda Autotransporte, S.A. de C.V. and Subsidiaries

Consolidated Income Statements

For the Six-Month Periods Ended June 30, 2007 and 2006
(Thousands of U.S. dollars ($) and thousands of Mexican pesos (Ps.) of purchasing power as of June 30, 2007)

	(Unaudited) June 30, 2007		(Unaudited) June 30, 2006
Operating revenues	$ 126,494	Ps. 1,364,879	Ps. 1,328,830
Operating expenses:			
Transportation costs	49,924	538,690	568,994
Fuel costs	19,015	205,178	205,040
Selling, general and administrative expenses	24,690	266,404	266,954
Depreciation and amortization	15,068	162,589	151,083
	108,697	1,172,861	1,192,071
Operating income	17,797	192,018	136,759
Other expenses – net	2,729	29,442	27,642
Integral financing cost:			
Interest expense	14,279	154,068	133,293
Interest income	(150)	(1,621)	(2,120)
Foreign exchange loss – net	110	1,186	347
Gain from monetary position	(2,528)	(27,274)	(21,876)
	11,711	126,359	109,644
Income before, income and asset tax and equity in earnings of associated companies	3,357	36,217	(527)
Equity in earnings of associated companies	(117)	(1,261)	2,485
Income before income and asset tax	3,240	34,956	1,958
Income and asset tax benefit – net	(1,985)	(21,421)	(14,523)
Consolidated net income	$ 5,225	Ps 56,377	Ps. 16,481
Net income of majority stockholders	$ 4,865	Ps. 52,495	Ps. 18,218
Net income (loss) of minority stockholders	360	3,882	(1,737)
Consolidated net income	$ 5,225	Ps. 56,377	Ps. 16,481
Majority earnings per share	$ 0.59	Ps. 6.33	Ps. 4.50

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

S.A. de C.V. and Subsidiaries
anges in Stockholders' Equity
ded June 30, 2007 and 2006
Ps.) of purchasing power as of June 30, 2007)

tal k	Premium on issuance of shares	Retained earnings	Insufficiency in restated stockholders ' equity	Additional minimum pension liability	Initial cumulative effect of deferred income tax	Unrealized loss on derivative financial instrument s	Minority interest	Total stockholders' equity
8,781	Ps. 93,289	Ps. 1,504,470	Ps. (342,446)	Ps. (4,417)	Ps. (82,493)		Ps. 115,693	Ps. 1,2
9,665							1,813	81,478
		18,218	(9,429)				(1,467)	7,322
8,446	Ps. 93,289	Ps. 1,522,688	Ps. (351,875)	Ps. (4,417)	Ps. (82,493)		Ps. 116,039	Ps. 1,2
8,446	Ps. 93,289	Ps. 1,539,298	Ps. (358,307)	Ps. (9,983)	Ps.(82,493)	Ps.(4,754)	Ps. 117,310	Ps. 1,2
		52,495	(8,467)				5,237	49,265
8,446	Ps. 93,289	Ps. 1,591,793	Ps. (366,774)	Ps. (9,983)	Ps.(82,493)	Ps.(4,754)	Ps. 122,547	Ps. 1,4

ntegral part of these consolidated financial statements.

Grupo Senda Autotransporte, S.A. de C.V. and Subsidiaries

Consolidated Statements of Changes in Financial Position

For the Six-Month Periods Ended June 30, 2007 and 2006
(Thousands of Mexican pesos (Ps.) of purchasing power as of June 30, 2007)

	(Unaudited)June 30, 2007	(Unaudited) June 30, 2006
Operating Activities:		
Consolidated net income	Ps. 56,377	Ps. 16,481
Items that did not require (generate) resources:		
Equity in earnings of associated companies	1,261	(2,485)
Depreciation and amortization	162,589	151,082
Labor obligations	1,417	(6,349)
Deferred income tax	(27,500)	(20,523)
Other		(11,251)
	194,144	126,955
Changes in current assets and liabilities:		
Accounts receivable	(28,593)	(52,192)
Inventories	881	2,767
Accounts payable and other	(27,296)	15,713
Net resources generated from operating activities	139,136	93,243
Financing Activities:		
Proceeds from long-term debt	219,180	120,849
Short-term debt	(41,801)	81,605
Long-term notes payable	133,549	56,505
Payments of long-term debt	(209,680)	(183,382)
Monetary effect on debt	(62,402)	(21,520)
Issuance of capital stock		81,478
Net resources generated from financing activities	38,846	135,535
Investing Activities:		
Acquisition of transportation and other equipment	(153,444)	(172,869)
Investments in shares		(72,840)
Other assets	2,728	(5,999)
Net resources used in investing activities	(150,716)	(251,708)
Cash and cash equivalents:		
Net increase (decrease)	27,266	(22,930)
Balance at the beginning of the period	95,455	97,798
Balance at the end of the period	Ps. 122,721	Ps. 74,868

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

Grupo Senda Autotransporte, S.A. de C.V. and Subsidiaries

Notes to Condensed Consolidated Financial Statements

For the Six-Month Periods Ended June 30, 2007 and 2006 (Unaudited) and as of December 31, 2006 (Thousands of Mexican pesos (Ps.) of purchasing power as of June 30, 2007)

1. Nature of business and basis of presentation

Nature of business – The principal business activity of Grupo Senda Autotransporte, S.A. de C.V. and subsidiaries (the "Company") is to provide passenger transportation services to the general public. The Company is a leading provider of bus transportation services in Mexico, principally serving the northeastern and central regions of Mexico. The Company also operates a personnel transport business that offers bus transportation services to businesses and schools.

Basis of presentation –

a. ***Explanation for translation into English and convenience translation*** - The accompanying consolidated financial statements have been translated from Spanish into English for use outside of Mexico. These consolidated financial statements are presented on the basis of Mexican Financial Reporting Standards ("MFRS") for interim financial information. Accordingly, they do not include all of the information and footnotes required by MFRS for audited financial statements. Certain accounting practices applied by the Company that conform with MFRS may not conform with accounting principles generally accepted in the country of use.

The consolidated financial statements are stated in thousands of Mexican pesos ("Ps.") of purchasing power as of June 30, 2007, the currency of the country in which the Company is incorporated and has its principal operations. The translations of Mexican pesos into U.S. dollars ("$") are included solely for the convenience of the readers of the United States of America and have been made at the rate of Ps. 10.7901 per one U.S. dollar, the noon buying rate of Federal Reserve Bank of New York on June 30, 2007. Such translation should not be construed as representations that the Mexican peso amounts have been, could have been, or could in the future, be converted into U.S. dollars at this rate or at any other rate.

b. ***Consolidation of financial statements*** - The consolidated financial statements includes those of Grupo Senda Autotransporte, S.A. de C.V. and the subsidiaries it controls. Significant intercompany balances and transactions have been eliminated in these consolidated financial statements. The Company's consolidated subsidiaries as well as the percentage ownership as of June 30, 2007 (unaudited) are as follows:

Passenger Transport Services:	%
Transportes Tamaulipas, S.A. de C.V.	98
Autobuses Coahuilenses, S.A. de C.V. (1)	
Transportes del Norte México–Laredo y Anexos Servicios Internacionales, S.A. de C.V.	98
Servicios T de N, S.A. de C.V.	90
Multicarga, S.A. de C.V.	98
Servicios Especializados Senda, S.A. de C.V. (2)	98
Turimex del Norte, S.A. de C.V. (2)	98
Autotransportes Adventure, S.A. de C.V. (2)	97

Personnel Transport Services:	%
Servicio Industrial Regiomontano, S.A. de C.V.	98
Servicios Integrados de Transporte, S.C.	98
Rutas de Saltillo, S.A. de C.V.	98
Servicio Industrial Coahuilense, S.A. de C.V.	98
Transportes Rodríguez de Saltillo, S.A. de C.V.	98
Transporte Industrial Jalisciense, S.A. de C.V.	98
Senda Servicio Industrial, S.A. de C.V.	98
Transportes Industriales Chihuahuenses, S.A de C.V.[2]	98
Servicio Industrial Potosino, S.A. de C.V.[2]	98

[1] Transportes Tamaulipas, S.A. de C.V. has a 51% ownership percentage in Autobuses Coahuilenses, S.A. de C.V.

[2] Included in the Company's consolidated financial statements as they were acquired or incorporated in 2006.

2. Accounting principles

New financial reporting standards - As of June 1, 2004, the function of establishing and issuing MFRS became the responsibility of the Mexican Board for Research and Development of Financial Reporting Standards ("CINIF"). CINIF decided to rename the accounting principles generally accepted in Mexico (MEX GAAP), previously issued by the Mexican Institute of Public Accountants ("IMCP"), as Mexican Normas de Información Financiera (Financial Reporting Standards), individually referred to as "NIFs".

In December 2006, the CINIF issued NIF B-3, Statement of Income, which sets the general standards for presenting and structuring the statement of income, the minimum content requirements and general disclosure standards. Consistent with NIF A-5, Basic Elements of Financial Statements, NIF B-3 now classifies revenues, costs and expenses, into ordinary and non-ordinary. Ordinary items (even if not frequent) are derived from the primary activities representing and entity's main source of revenues. Non-ordinary items are derived from activities other than those representing an entity's main source of revenues. Consequently, the classification of certain transactions as special or extraordinary, according to former Bulletin B-3, was eliminated. As part of the structure of the statement of income, ordinary items should be presented first and, at a minimum, present income or loss before income taxes, income or loss before discontinued operations, if any, and net income or loss. Presenting operating income is neither required nor prohibited by NIF B-3. If presented, the line item other income (expense) is presented immediately before operating income. Cost and expense items may be classified by function, by nature, or a combination of both. When classified by function, gross income may be presented. Statutory employee profit sharing should now be presented as an ordinary expense (within other income (expense) pursuant to INIF No. 4 issued in January 2007) and no longer presented within income tax. Special items mentioned in particular MFRS should now be part of other income and expense and items formerly recognized as extraordinary should be part of non-ordinary items. As a result of adopting this Bulletin, the Company reclassified Ps. 12,085 and Ps. 10,489, for the six-month periods ended June 30, 2007 and 2006, respectively, related to statutory employee profit sharing from Income tax, tax on assets and employee profit sharing to Other expenses – net.

The consolidated financial statements are prepared in conformity with MFRS, which require that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although

management believes the estimates and assumptions used in the preparation of these condensed consolidated financial statements were appropriate in the circumstances, actual results could differ from those estimates and assumptions.

In the opinion of management, all adjustments (including normal recurring accruals) considered necessary for a fair presentation have been included in the accompanying unaudited condensed consolidated financial statements. The unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2006. The results of operations for the interim periods presented are not necessarily indicative of the annual results of operations.

3. Transportation and other equipment

	(Unaudited) June 30, 2007	December 31, 2006
Transportation equipment	Ps. 2,664,403	Ps. 2,661,344
Workshop equipment	35,423	35,332
Furniture and fixtures	58,236	58,328
Computer equipment	124,695	123,025
Fuel equipment	6,016	6,041
Leasehold improvements	180,416	182,374
	3,069,189	3,066,444
Accumulated depreciation	(1,428,724)	(1,293,174)
Subtotal	1,640,465	1,773,270
Other assets	8,960	9,126
Total	1,649,425	1,782,396
Transportation equipment under capital lease	356,303	214,200
Accumulated depreciation	(29,069)	(13,207)
Total	Ps. 1,976,659	Ps. 1,983,389

4. Stockholders' equity

As of June 30, 2007 common stock is represented by 8,298,528 shares with a nominal value of 10 pesos each, comprised of 135,500 Series A shares that represent the minimum fixed capital and 8,163,028 Series B shares representing variable capital (unaudited).

5. Other expenses, net

	(Unaudited) June 30, 2007	(Unaudited) June 30, 2006
Expenses between authorized transportation providers, net	Ps. 11,760	Ps. 16,377
Employee profit sharing	12,085	10,489
Other	5,597	776
	Ps. 29,442	Ps. 27,642

6. Contingencies

The Company currently is not subject to pending legal proceedings, other than routine litigation incidental to its business, against which the Company believes it is adequately insured or which it believes is not material.

7. Business segment data

The Company evaluates the performance of its segments on the basis of operating income. Transactions between segments are recorded as if they were entered into with third parties at market value.

The Company's reportable segments are differentiated by the different services they provide. The segments are managed separately and each segment utilizes its distinct management operating system.

The operations of the Company are classified into two reportable business segments in accordance with MFRS as follows:

Segment	Principal Services
Passenger Transport Services	Transportation services to the general public. Transportation is provided between cities, to government locations, to tourist attractions and for special events.
Personnel Transport Services	Transportation services to employees within the commercial industry as well as the transportation of students for educational purposes.

The eliminations column represents transactions entered into between the Company's segments. The Company's segment data is presented as follows:

June 30, 2007 (Unaudited)	**Passenger Transport Services**	**Personnel Transport Services**	**Eliminations**	**Consolidated**
Operating revenues	Ps. 1,2	Ps. 355,9		Ps. 1,6
Interdivisional revenues	128,273	28,373	Ps. 84,098	240,744
Consolidated revenues	1,121,383	327,594	(84,098)	1,364,879
Operating income	140,757	51,261		192,018
Total assets	3,804,595	907,280	(245,644)	4,466,231
Capital expenditures	123,398	30,046		153,444
Depreciation and amortization	125,540	37,049		162,589
Total liabilities	2,324,988	712,440		3,037,428
June 30, 2006 (Unaudited)				
Operating revenues	Ps. 1,2	Ps. 288,3		Ps. 1,5
Interdivisional revenues	123,900	35,888	Ps. 35,362	195,150
Consolidated revenues	1,111,775	252,417	(35,362)	1,328,830
Operating income	104,438	32,321		136,759
Capital expenditures	165,762	22,880	(15,773)	172,869

Depreciation and amortization	120,768	30,314	151,082

8. Authorization of the issuance of the financial statements

The condensed consolidated financial statements were authorized for issuance on August 10, 2007, by David Rodríguez Benítez, CEO, and Miguel Angel Acosta Rodríguez, CFO.

* * * * * *

EXHIBIT I – UNAUDITED RESULTS AS OF AND FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2006 AND 2007

The summary consolidated financial data set forth below has been derived from our unaudited condensed consolidated interim financial statements as of June 30, 2007 and for the six-month periods ended June 30, 2007 and 2006. In the opinion of management, the financial data set forth below includes all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of our consolidated financial condition and results of operations as of the dates and for the periods specified. Results for the six months are not, however, necessarily indicative of results to be expected for the full year. The unaudited financial information set forth in this Exhibit I should be read in conjunction with our audited consolidated financial statements for the years ended December 31, 2006, 2005 and 2004 and as of December 31, 2006 and 2005, which are included elsewhere in this offering circular. Financial information set forth in this Exhibit I is presented in constant pesos as of June 30, 2007, and is therefore not directly comparable to the financial information presented elsewhere in this offering circular, which, unless otherwise stated, is presented in constant pesos as of December 31, 2006.

The information contained in this Exhibit I does not contain all of the information and disclosures normally included in interim financial statements prepared in accordance with Mexican Financial Reporting Standards.

The following table sets forth for the periods indicated unaudited operating revenues for each of our segments, consolidated operating expenses and operating income for each of our segments (each expressed as a percentage of total operating revenues), as well as our integral financing cost, other expenses, net, equity in earnings of associated companies, income and asset tax (benefit) and employee profit-sharing and consolidated net income.

	Period ended on June 30,					
	2007	2007		2006		
	(in thousands of U.S. dollars) (1)	(in thousands of constant pesos as of June 30, 2007)	(percentage of operating revenues)	(in thousands of constant pesos as of June 30, 2007)	(percentage of operating revenues)	
Operating revenues:						
Passenger transport services (2)	U.S.$ 102,899	Ps. 1,110,292	81.4%	Ps. 1,076,413	81.0%	
Personnel transport services (3)	23,595	254,587	18.6%	252,417	19.0%	
Total operating revenues	126,494	1,364,879	100.0%	1,328,830	100.0%	
Operating expenses:						
Transportation costs	49,924	538,690		568,994		
Fuel costs	19,015	205,178		205,040		
Selling, general and administrative expenses	24,690	266,404		266,954		
Depreciation and amortization	15,068	162,589		151,083		
Total operating expenses	108,697	1,172,861	85.9%	1,192,071	89.7%	
Operating income (4):						
Passenger transport services (2)	13,045	140,757		104,439		
Personnel transport services (3)	4,751	51,260		32,320		
Total operating income	17,797	192,018	14.1%	136,759	10.3%	
Other expenses, net (5)	2,729	29,442		27,642		
Integral financing cost:						
Interest expense	14,279	154,068		133,293		
Interest income	(150)	(1,621)		(2,120)		
Foreign exchange loss, net	110	1,186		347		
Gain from monetary position	(2,528)	(27,274)		(21,876)		
	11,711	126,359		109,644		
Equity in earnings of associated companies	(117)	(1,261)		2,485		
Income and asset tax expense	(1,985)	(21,421)		(14,523)		
Consolidated net income	U.S.$ 5,225	Ps. 56,377		Ps. 16,481		

(1) Amounts stated in U.S. dollars as of and for the six months ended June 30, 2007 have been translated at a rate of Ps.10.7901 = U.S.$1.00, which is the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on June 29, 2007.

(2) The passenger transport services segment includes domestic bus transportation services, package delivery services and intercity charter services.
(3) The personnel transport services segment includes industrial personnel and education transportation services and intracity charter services.
(4) Operating revenues and operating income are presented for each of our segments: passenger transport services (including package delivery services) and personnel transport services.
(5) In accordance with Mexican Financial Reporting Standards as required by NIF B-3, *Statement of Income*, beginning on January 1, 2007, employee profit sharing is presented in other expenses, net. For comparability purposes the 2006 financial information in the table above also reflects employee profit sharing in other expenses, net.

	As of June 30, 2007		As of December 31, 2006
	(in thousands of U.S. dollars) (1)	(in thousands of constant pesos as of June 30, 2007)	
Balance Sheet Data			
Cash and cash equivalents	U.S.$ 11,374	Ps. 122,721	Ps. 95,455
Total current assets	38,130	411,425	356,447
Fixed and other assets	216,343	2,334,365	2,347,022
Investments in shares	26,216	282,878	290,467
Goodwill and intangible assets	133,230	1,437,563	1,437,563
Total assets	413,919	4,466,231	4,431,499
Short-term debt (2)	11,195	120,800	162,601
Current portion of long-term debt	17,591	189,813	249,431
Long-term debt (3)	206,088	2,223,710	2,083,445
Total debt	234,874	2,534,323	2,495,477
Other liabilities (4)	46,324	499,837	553,216
Total liabilities	281,198	3,034,160	3,048,693
Capital stock	8,197	88,446	88,446
Retained earnings	147,523	1,591,793	1,539,298
Other capital accounts	(22,999)	(248,168)	(244,938)
Total stockholders' equity	U.S.$ 132,721	Ps. 1,432,071	Ps. 1,382,806

	As of June 30,		
Financial Data and Ratios	**2007**	**2007**	**2006**
	(in thousands of U.S. dollars)	(in thousands of constant pesos as of June 30, 2007, except ratios and per share data)	
EBITDA (5)	U.S. $32,865	Ps. 354,607	Ps. 287,841
Debt to EBITDA ratio (6)	3.95	3.95	3.86
Capital expenditures	U.S. $1,051	Ps. 11,341	Ps. 172,869

	As of June 30,	
Operating Data	**2007**	**2006**
Total bus km (thousands)	143,970	141,406
Total vehicle fleet	2,273	2,126
Passenger transport bus fleet	1,134	1,097
Personnel transport bus fleet	1,066	961
Package delivery vehicle fleet	73	68
Km per bus (thousands) (7)	65	69
Cost per km (8)	Ps. 8.15	Ps. 8.43
Revenue per km (9)	Ps. 9.48	Ps. 9.40
Yield (total revenue per vehicle) (thousands) (10)	Ps. 600	Ps. 625

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(1) Amounts stated in U.S. dollars as of and for the six months ended June 30, 2007 have been translated at a rate of Ps.10.7901 = U.S.$1.00, which is the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on June 29, 2007.

(2) Consists of bank loans.

(3) Consists of bank loans and notes payable.

(4) Consists of accounts payable, accrued expenses, employee retirement obligations and deferred taxes.

(5) Earnings before interest, taxes and depreciation and amortization ("EBITDA") is not a financial measure computed under Mexican Financial Reporting Standards. EBITDA derived from our Mexican Financial Reporting Standards financial information means consolidated net income excluding (i) depreciation and amortization, (ii) integral financing cost (which is comprised of net interest expense, foreign exchange gain or loss and monetary position gain or loss), (iii) other expenses, net, (iv) income and asset tax expense (benefit) and additional employee compensation that is equivalent to statutory employee profit-sharing compensation or "PTU", and (v) equity in earnings of associated companies.

We believe that EBITDA can be useful to facilitate comparisons of operating performance between periods and with other companies because it excludes the effect of (i) depreciation and amortization, which represents a non-cash charge to earnings, (ii) certain financing costs, which are significantly affected by external factors, including interest rates, foreign currency exchange rates, and inflation rates, which have little or no bearing on our operating performance, (iii) income and asset tax expense (benefit), and (iv) employee compensation amounts equivalent to PTU. EBITDA is also a useful basis of comparing our results with those of other companies because it presents operating results on a basis unaffected by capital structure. You should review EBITDA, along with consolidated net income and resources generated from (used in) operating activities, investing activities and financing activities, when trying to understand our operating performance. While EBITDA may provide a useful basis for comparison, our computation of EBITDA is not

necessarily comparable to EBITDA as reported by other companies, as each is calculated in its own way and must be read in conjunction with the explanations that accompany it. While EBITDA is a relevant measure of operating performance, it does not represent resources generated from (used in) operating activities in accordance with Mexican Financial Reporting Standards and should not be considered as an alternative to net income, determined in accordance with Mexican Financial Reporting Standards, as an indication of our financial performance, or to resources generated from operating activities, determined in accordance with Mexican Financial Reporting Standards, as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs.

EBITDA has certain material limitations as follows: (i) it does not include interest expense, which, because we have borrowed money to finance some of our acquisitions, is a necessary and ongoing part of our costs and assisted us in generating revenue; and (ii) it does not include depreciation, which, because we must utilize property and equipment in order to generate revenues in our operations, is a necessary and ongoing part of our costs. Therefore, any measure that excludes any or all of interest expense and depreciation has material limitations. For a reconciliation of EBITDA to Mexican Financial Reporting Standards, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—EBITDA Reconciliation."

(6) Represents total debt divided by EBITDA.
(7) Represents our total bus kilometers divided by our bus fleet (excluding package delivery vehicles) at year end.
(8) Represents our total operating expenses divided by total bus kilometers.
(9) Represents our total operating revenues divided by total bus kilometers.
(10) Represents our total operating revenues divided by our total number of vehicles at year end.

Overview

During 2007 we are focusing on increasing our operating margins through (i) route yield management in the most profitable markets from those explored during 2006, (ii) various cost cutting initiatives, and (iii) increasing personnel service contracts with profitable customers.

In accordance with Mexican Financial Reporting Standards as required by NIF B-3, *Statement of Income*, beginning on January 1, 2007, employee profit sharing is presented in other expenses. For comparability purposes the 2006 financial information in the table above also reflects employee profit sharing in other expenses. Employee profit sharing is calculated on the basis of 10% of a company's taxable income. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Simplified Tax Regime Applicable to the Mexican Bus Transportation Industry."

Operating Revenues

Total operating revenues increased by 2.7% from Ps.1,328.8 million in the six months ended June 30, 2006 to Ps.1,364.9 million in the corresponding period in 2007, primarily due to an increase in operating volume of approximately 1.8% resulting from an increase in the number of contracts served by our personnel transport segment in Monterrey, Saltillo, Torreón and Reynosa, which was partially offset by a decrease of 0.2% in operating volume in the passenger segment due to our route yield management initiatives. Of our total operating revenues in the six months ended June 30, 2007, 81.4% was attributable to passenger transport services (including 5.3% related to package delivery services) and 18.6% was attributable to personnel transport services.

Operating Expenses

Total operating expenses decreased by 1.6% from Ps.1,192.1 million in the six months ended June 30, 2006 to Ps.1,172.9 million in the corresponding period in 2007, primarily due to a decrease in transportation costs in connection with our route management and cost cutting initiatives.

Transportation costs decreased by 5.3% from Ps.569.0 million in the six months ended June 30, 2006 to Ps.538.7 million in the same period in 2007, primarily due to a reduction in salaries in the passenger transport segment and the conversion of bus operating leases into capital leases.

Fuel costs increased by 0.07% from Ps.205.0 million in the six months ended June 30, 2006 to Ps.205.2 million in the corresponding period in 2007, primarily due to the increase in operating volume

discussed above, which was partially offset by a decrease in costs associated with our route management initiatives in the passenger transportation segment.

Selling, general and administrative expenses decreased by 0.21% from Ps.267.0 million in the six months ended June 30, 2006 to Ps.266.4 million in the corresponding period in 2007, primarily due to a decrease in general administrative expenses in the passenger division related to our cost cutting initiatives, partially offset by a slight increase in sales and publicity expenses associated with the marketing of our brands in new markets.

Depreciation and amortization expenses increased by 7.6% from Ps.151.1 million in the six months ended June 30, 2006 to Ps.162.6 million in the corresponding period in 2007, primarily due to an increase in our fleet size by 147 units, primarily in the personnel transportation division.

Operating Income

Total operating income increased by 40.4% from Ps.136.8 million in the six months ended June 30, 2006 to Ps.192.0 million in the corresponding period in 2007. Operating income as a percentage of operating revenues increased from 10.3% in the six months ended June 30, 2006 to 14.1% in the corresponding period in 2007, primarily due to an increase in revenue per kilometer, together with a decrease in cost per kilometer.

Integral Financing Cost

Our integral financing cost increased by 15.2% from Ps.109.6 million in the six months ended June 30, 2006 to Ps.126.4 million in the corresponding period in 2007, primarily due to an increase in total debt related to the acquisition of 116 new buses.

Other Expenses, Net

Other expenses, net, increased by 6.5% from Ps.27.6 million in the six months ended June 30, 2006 to Ps.29.4 million in the corresponding period in 2007, primarily due to an increase in employee profit sharing expense. The inclusion of employee profit sharing expense as part of other expenses, net commenced in the first quarter of 2007. For comparative purposes, in accordance with NIF B-3, *Statement of Income*, we recorded employee profit sharing expense as an income and asset tax (benefit) expense in our June 30, 2006 consolidated income statement.

Income and Asset Tax Benefit

We recorded an income and asset tax benefit of Ps.(21.4) million in the six months ended June 30, 2007, compared to a benefit of Ps.(14.5) million in the corresponding period in 2006. For the six months ended June 30, 2007 this was primarily due to a deferred tax benefit of Ps.(27.5) million that offset an asset tax expense of Ps.6.1 million. We did not pay income taxes in the six months ended June 30, 2006 or 2007, although we paid asset taxes of Ps.6.0 million in the six months ended June 30, 2006 and Ps.6.1 million in the six months ended June 30, 2007.

Consolidated Net Income

As a result of the changes described above, our consolidated net income increased by 241.8% from Ps.16.5 million in the six months ended June 30, 2006 to Ps.56.4 million in the corresponding period in 2007.

Results by Segment

Passenger Transport Services for the Six- Month Period Ended June 30, 2007 Compared to the Six-Month Period Ended June 30, 2006

Operating revenues from passenger transport services increased by 3.2% from Ps.1,076.4 million in the six months ended June 30, 2006 to Ps.1,110.3 million in the corresponding period in 2007, primarily as a consequence of a slight decrease in operating volume and our route yield management initiative, resulting in an increase of 3.2% in revenue per kilometer.

Operating income from passenger transport services increased by 34.9% from Ps.104.4 million in the six months ended June 30, 2006 to Ps.140.8 million in the corresponding period in 2007, primarily due to an increase in our revenue per kilometer and a decrease in transportation costs and general administrative expenses.

Personnel Transport Services for the Six-Month Period Ended June 30, 2007 Compared to the Six-Month Period Ended June 30, 2006

Operating revenues from personnel transport services increased by 0.9% from Ps.252.4 million in the six months ended June 30, 2006 to Ps.254.6 million in the corresponding period in 2007, primarily due to an increase in operating volume of approximately 6.1%, particularly in cities outside of Monterrey which on average, due to market conditions, have lower rates in terms of revenue per kilometer.

Operating income from personnel transport services increased by 58.6% from Ps.32.3 million in the six months ended June 30, 2006 to Ps.51.3 million in the corresponding period in 2007, primarily due to an increase in operating volume in cities with a lower average cost per kilometer and a decrease in general administrative expenses related to our cost reduction initiative and the conversion of operating leases to financial leases.

Capital Expenditures and Investments

In the six months ended June 30, 2007, our capital expenditures totaled approximately Ps.11.3 million and primarily consisted of investments in computer equipment and in buses purchased for the personnel transportation segment. During the six months ended June 30, 2007, we entered into operating leases in the amount of Ps.142.1 million.

Indebtedness and Capital Lease Obligations

As of June 30, 2007, our total consolidated indebtedness outstanding amounted to Ps.2,534.3 million (including Ps. 307.1 million in transportation equipment capital leases), of which Ps.2,223.7 million was long-term debt, Ps.189.8 million was the current portion of long-term debt and Ps. 120.8 million was short-term debt.

As of December 31, 2006, our total consolidated indebtedness outstanding amounted to Ps.2,495.4 million (including Ps.306.3 million in transportation equipment capital leases), of which Ps.2,083.4 million was long-term debt, Ps.249.4 million was the current portion of long-term debt and Ps.162.6 million was short-term debt.

As of June 30, 2007, our consolidated net cash position was Ps.122.7 million, compared with a consolidated net cash position of Ps.95.5 million as of December 31, 2006.

We have no off-balance sheet debt or other off-balance sheet financing arrangements.

EBITDA Reconciliation for the Six-Month Periods Ended June 30, 2007 and June 30, 2006

The table below provides a reconciliation of net income to EBITDA computed from our Mexican Financial Reporting Standards financial information.

	Period ended on June 30,					
	2007		2007		2006	
	(in thousands of U.S. dollars) (1)		(in thousands of constant pesos as of June 30, 2007)			
Net income	U.S.$	5,225	Ps.	56,377	Ps.	16,481
Depreciation and amortization		15,068		162,589		151,082
Integral financing cost		11,711		126,359		109,644
Other expenses, net		2,729		29,442		27,642
Income and asset tax expense		(1,985)		(21,421)		(14,523)
Equity in earnings of associated companies		117		1,261		(2,485)
EBITDA (2)	U.S.$	32,865	Ps.	354,607	Ps.	287,841

(1) Amounts stated in U.S. dollars as of and for the period ended on June 30, 2006 have been translated at a rate of Ps.11.2865 = U.S.$1.00, which is the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on June 30, 2006.

(2) Earnings before interest, depreciation and amortization ("EBITDA") is not a financial measure computed under Mexican Financial Reporting Standards. EBITDA derived from our Mexican Financial Reporting Standards financial information means consolidated net income excluding (i) depreciation and amortization, (ii) integral financing cost (which is comprised of net interest expense, foreign exchange gain or loss and monetary position gain or loss), (iii) other expenses, net, (iv) income and asset tax expense (benefit) and employee profit-sharing compensation or "PTU", and (v) equity in earnings of associated companies.

We believe that EBITDA can be useful to facilitate comparisons of operating performance between periods and with other companies because it excludes the effect of (i) depreciation and amortization, which represents a non-cash charge to earnings, (ii) certain financing costs, which are significantly affected by external factors, including interest rates, foreign currency exchange rates, and inflation rates, which have little or no bearing on our operating performance, (iii) income and asset tax expense (benefit), and (iv) PTU.

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