

Sigma Alimentos, S.A. de C.V. and Subsidiaries

STATEMENT OF FINANCIAL POSITION



Information in thousands

	(Thousands of pesos)		(Thousands of U.S. Dollars)	
	Jun '17	Jun '16	Jun '17 ⁽¹⁾	Jun '16 ⁽²⁾
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	10,466,550	8,592,637	584,812	454,365
Restricted cash	107,374	236,381	5,999	12,499
Customers, net	5,482,393	6,345,562	306,325	335,543
Income tax recoverable	697,277	638,250	38,960	33,750
Inventories	14,545,328	13,279,598	812,711	702,204
Other current assets	3,522,588	2,649,373	196,822	140,095
Total current assets	34,821,510	31,741,801	1,945,629	1,678,457
NON-CURRENT ASSETS:				
Property, plant and equipment, net	31,286,851	29,070,568	1,748,132	1,537,206
Intangible assets, net	14,069,822	14,921,080	786,142	789,003
Goodwill	10,040,651	10,664,631	561,015	563,929
Deferred income tax	1,985,167	2,772,123	110,920	146,586
Investments in associates and joint ventures	872,457	1,032,713	48,748	54,608
Other non-current assets	108,122	168,084	6,040	8,889
Total non-current assets	58,363,069	58,629,199	3,260,998	3,100,222
Total assets	93,184,580	90,371,000	5,206,627	4,778,678
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Current debt	435,235	656,202	24,318	34,699
Notes payables	26,674	11,344	1,490	600
Suppliers	18,568,983	16,599,411	1,037,530	877,751
Income tax payable	1,497,891	814,576	83,694	43,074
Provisions	198,163	161,076	11,072	8,517
Other current liabilities	4,585,745	5,200,777	256,226	275,008
Total current liabilities	25,312,691	23,443,385	1,414,330	1,239,649
NON-CURRENT LIABILITIES:				
Non-current debt	44,120,990	43,901,697	2,465,232	2,321,453
Notes payables	336,173	524,266	18,783	27,722
Deferred income taxes	3,857,485	4,189,286	215,534	221,523
Employees benefits	1,132,982	1,089,252	63,305	57,598
Provisions	149,522	467,632	8,353	24,729
Income tax payable	2,094,624	1,420,748	117,036	75,127
Other non-current liabilities	447,396	438,708	24,998	23,198
Total pasivo a largo plazo	52,139,172	52,031,590	2,913,241	2,751,350
Total liabilities	77,451,864	75,474,975	4,327,572	3,990,999
STOCKHOLDERS' EQUITY				
Total controlling interest:	15,164,014	14,325,174	847,279	757,493
Total non-controlling interest:	568,702	570,851	31,776	30,186
Total stockholders' equity	15,732,716	14,896,025	879,055	787,679
Total liabilities and stockholders' equity	93,184,580	90,371,000	5,206,627	4,778,677

(1) Translated into U.S. Dollars, solely for the convenience of the reader, using an exchange rate of Ps. 17.8973 per U.S. Dollar, the exchange rate published by the Mexican Central Bank for payment of obligations denominated in U.S. dollars on June 30, 2017.

(2) Translated into U.S. Dollars, solely for the convenience of the reader, using an exchange rate of Ps. 18.9113 per U.S. Dollar, the exchange rate published by the Mexican Central Bank for payment of obligations denominated in U.S. dollars on June 30, 2016.

Sigma Alimentos, S.A. de C.V. and Subsidiaries



STATEMENT OF INCOME

Information in thousands

	(Thousands of pesos)		(Thousands of U.S. Dollars)	
	II Quarter 17	II Quarter 16	II Quarter 17 ⁽¹⁾	II Quarter 16 ⁽²⁾
Revenue	27,940,331	26,088,872	1,503,484	1,444,704
Cost of sales	(20,194,717)	(18,214,673)	(1,086,738)	(1,008,579)
Gross profit	7,745,614	7,874,199	416,746	436,125
Selling expenses	(4,459,118)	(4,383,142)	(239,843)	(242,834)
Administrative expenses	(1,145,562)	(1,218,892)	(61,516)	(67,528)
Other income (expenses), net	17,893	(287,075)	985	(15,520)
Operating profit	2,158,828	1,985,090	116,373	110,242
Comprehensive financial expenses, net	(2,185,272)	(1,039,485)	(117,157)	(57,039)
Equity in income (loss) of associates	5,775	9,342	312	522
Profit before income tax	(20,669)	954,946	(472)	53,726
Income tax	(549,841)	143,982	(29,671)	7,446
Net consolidated profit	(570,510)	1,098,929	(30,143)	61,172
Profit (loss) attributable to:				
Controlling interest	(577,590)	1,096,145	(30,530)	61,012
Non-controlling interest	7,079	2,783	387	160

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STATEMENT OF CASH FLOW

Information in thousands

	(Thousands of pesos)		(Thousands of U.S. Dollars)	
	II Quarter 17	II Quarter 16	II Quarter 17 ⁽¹⁾	II Quarter 16 ⁽²⁾
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before income tax	(20,669)	954,946	(472)	53,726
Depreciation and amortization	915,300	833,873	49,246	46,161
Gain on sale of property, plant and equipment	(16,683)	(1,788)	(901)	(104)
Interest income	527,633	600,313	28,354	33,005
Foreign exchange, net	1,663,448	435,660	89,118	23,854
(Increase) Decrease in customers and other accounts receivable	(1,153,330)	(301,879)	(61,214)	(19,628)
(Increase) decrease in inventories	(658,127)	(182,527)	(35,318)	(10,216)
Increase (decrease) in suppliers and other accounts payable	(26,347)	1,197,254	3,888	55,547
Income tax paid	(407,827)	170,052	(22,122)	9,057
Other operating expenses	(133,370)	106,907	(7,251)	5,417
Cash flows from operating activities	690,028	3,812,812	43,329	196,819
CASH FLOW FROM INVESTING ACTIVITIES				
Business acquisitions, net of cash acquired	(0)	0	(0)	0
Dividends received from associates	22,686	0	1,252	0
Interest received	43,917	15,956	2,360	882
Acquisition of intangible assets	(32,351)	(14,238)	(1,764)	(772)
Acquisition of property, plant and equipment	(906,217)	(993,220)	(48,780)	(54,664)
Sale of property, plant and equipment	16,683	1,788	901	104
Cash flows from investing activities	(855,282)	(989,715)	(46,032)	(54,449)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from loans and debt	89,822	17,544,152	4,951	972,388
Payments of loans and debt	0	(18,326,180)	0	(1,014,660)
Interest paid	(692,447)	(605,420)	(37,237)	(33,668)
Dividends paid to owners	0	(1,713,081)	0	(96,654)
Cash flows from investing activities	(602,625)	(3,100,530)	(32,286)	(172,593)
Net increase (decrease) in cash and cash equivalents	(767,879)	(277,433)	(34,988)	(30,223)
Exchange gains (losses) in cash and cash equivalents	(222,838)	638,954	10,669	11,837
Cash and cash equivalents at the beginning of the period	11,457,267	8,231,115	609,131	472,751
Cash and cash equivalents at the end of the period	10,466,550	8,592,637	584,812	454,365

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