



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

STATEMENT OF FINANCIAL POSITION

Information in thousands

	(Thousands of pesos)		Var.		(Thousands of U.S. Dollars)		Var.	
	Sept '18	Sept '17	(\$)	(%)	Sept '18 (1)	Sept '17 (2)	(\$)	(%)
ASSETS								
CURRENT ASSETS:								
Cash and cash equivalents	10,602,631	10,098,380	504,251	5.0	563,610	554,920	8,690	1.6
Restricted cash	50,543	149,219	(98,676)	(66.1)	2,687	8,200	(5,513)	(67.2)
Customers, net	4,940,506	6,201,437	(1,260,931)	(20.3)	262,625	340,778	(78,153)	(22.9)
Income tax recoverable	335,623	826,823	(491,200)	(59.4)	17,841	45,435	(27,594)	(60.7)
Inventories	14,831,399	14,583,982	247,417	1.7	788,401	801,410	(13,009)	(1.6)
Other current assets	2,808,838	3,168,138	(359,300)	(11.3)	149,311	174,096	(24,785)	(14.2)
Total current assets	33,569,540	35,027,979	(1,458,439)	(4.2)	1,784,475	1,924,839	(140,364)	(7.3)
NON-CURRENT ASSETS:								
Property, plant and equipment, net	32,969,228	32,807,778	161,450	0.5	1,752,564	1,802,833	(50,269)	(2.8)
Intangible assets, net	15,453,053	14,516,197	936,856	6.5	821,447	797,685	23,762	3.0
Goodwill	12,940,707	12,946,049	(5,342)	0.0	687,896	711,403	(23,507)	(3.3)
Deferred income tax	2,237,794	2,100,858	136,936	6.5	118,956	115,445	3,511	3.0
Investments in associates and joint ventures	102,944	89,253	13,691	15.3	5,472	4,905	567	11.6
Other non-current assets	262,740	141,838	120,902	85.2	13,967	7,793	6,174	79.2
Total non-current assets	63,966,466	62,601,973	1,364,493	2.2	3,400,302	3,440,064	(39,762)	(1.2)
Total assets	97,536,006	97,629,952	(93,946)	(0.1)	5,184,777	5,364,903	(180,126)	(3.4)
LIABILITIES AND STOCKHOLDERS' EQUITY								
CURRENT LIABILITIES:								
Current debt	652,434	2,470,052	(1,817,618)	(73.6)	34,682	135,733	(101,051)	(74.4)
Notes payables	81,829	65,091	16,738	25.7	4,350	3,577	773	21.6
Suppliers	18,247,835	18,220,841	26,994	0.1	970,010	1,001,261	(31,251)	(3.1)
Income tax payable	1,889,277	1,739,837	149,440	8.6	100,429	95,606	4,823	5.0
Provisions	188,698	181,787	6,911	3.8	10,031	9,990	41	0.4
Other current liabilities	5,545,504	5,044,442	501,062	9.9	294,786	277,199	17,587	6.3
Total current liabilities	26,605,577	27,722,050	(1,116,473)	(4.0)	1,414,288	1,523,366	(109,078)	(7.2)
NON-CURRENT LIABILITIES:								
Non-current debt	45,688,039	44,108,759	1,579,280	3.6	2,428,665	2,423,838	4,827	0.2
Notes payables	249,998	314,423	(64,425)	(20.5)	13,288	17,278	(3,990)	(23.1)
Deferred income taxes	3,473,798	4,113,576	(639,778)	(15.6)	184,659	226,047	(41,388)	(18.3)
Employees benefits	1,403,877	1,190,334	213,543	17.9	74,627	65,411	9,216	14.1
Provisions	96,124	153,733	(57,609)	(37.5)	5,110	8,447	(3,337)	(39.5)
Income tax payable	1,276,623	2,120,911	(844,288)	(39.8)	67,862	116,547	(48,685)	(41.8)
Other non-current liabilities	499,896	467,828	32,068	6.9	26,573	25,708	865	3.4
Total non-current liabilities	52,688,355	52,469,564	218,791	0.4	2,800,784	2,883,276	(82,492)	(2.9)
Total liabilities	79,293,932	80,191,614	(897,682)	(1.1)	4,215,072	4,406,642	(191,570)	(4.3)
STOCKHOLDERS' EQUITY								
Capital stock	27,081	27,081	0	0.0	0	0	0	0.0
Share premium	666,988	666,988	0	0.0	0	0	0	0.0
Contributed capital								
Contributed capital	694,069	694,069	0	0.0	0	0	0	0.0
Earned surplus	17,548,006	16,744,269	803,737	4.8	969,704	958,261	11,443	1.2
Total stockholders' equity	18,242,075	17,438,338	803,737	4.6	969,704	958,261	11,443	1.2
Total controlling interest:	17,607,232	16,828,274	778,958	4.6	935,958	924,737	11,221	1.2
Total non-controlling interest:	634,842	610,064	24,778	4.1	33,747	33,524	223	0.7
Total stockholders' equity	18,242,074	17,438,338	803,736	4.6	969,705	958,260	11,445	1.2
Total liabilities and stockholders' equity	97,536,006	97,629,952	(93,946)	(0.1)	5,184,777	5,364,903	(180,126)	(3.4)

(1) Translated into U.S. Dollars, solely for the convenience of the reader, using an exchange rate of Ps. 18.8120 per U.S. Dollar, the exchange rate published by the Mexican Central Bank for payment of obligations denominated in U.S. dollars on September 30, 2018.

(2) Translated into U.S. Dollars, solely for the convenience of the reader, using an exchange rate of Ps. 18.1979 per U.S. Dollar, the exchange rate published by the Mexican Central Bank for payment of obligations denominated in U.S. dollars on September 30, 2017.



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

STATEMENT OF INCOME

Information in thousands

	(Thousands of pesos)				(Thousands of U.S. Dollars)			
	III Quarter 18	III Quarter 17	Var. (\$)	Var. (%)	III Quarter 18 (1)	III Quarter 17(2)	Var. (\$)	Var. (%)
Revenue	30,383,554	28,658,206	1,725,348	6.0	1,601,182	1,608,068	(6,886)	(0.4)
Cost of sales	(21,815,016)	(20,695,299)	(1,119,717)	5.4	(1,149,642)	(1,161,254)	11,612	(1.0)
Gross profit	8,568,538	7,962,907	605,631	7.6	451,540	446,814	4,726	1.1
Selling expenses	(4,974,443)	(4,653,978)	(320,465)	6.9	(262,105)	(261,136)	(969)	0.4
Administrative expenses	(1,314,303)	(1,272,425)	(41,878)	3.3	(69,236)	(71,392)	2,156	(3.0)
Other income (expenses), net	153,048	192,170	(39,122)	(20.4)	8,049	10,791	(2,742)	(25.4)
Operating profit	2,432,840	2,228,674	204,166	9.2	128,248	125,077	3,171	2.5
Comprehensive financial expenses, net	(531,400)	(888,586)	357,186	(40.2)	(27,752)	(49,820)	22,068	(44.3)
Equity in income (loss) of associates	16,988	9,258	7,730	83.5	904	519	385	74.2
Profit before income tax	1,918,428	1,349,346	569,082	42.2	101,400	75,776	25,624	33.8
Income tax	(1,292,734)	(330,002)	(962,732)	291.7	(67,914)	(18,513)	(49,401)	266.8
Net consolidated profit	625,694	1,019,344	(393,650)	(38.6)	33,486	57,263	(23,777)	(41.5)
Profit (loss) attributable to:								
Controlling interest	614,255	1,006,523	(392,268)	(39.0)	32,883	56,543	(23,660)	(41.8)
Non-controlling interest	11,439	12,821	(1,382)	(10.8)	603	720	(117)	(16.3)

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

STATEMENT OF CASH FLOW

Information in thousands

	(Thousands of pesos)		Var.		(Thousands of U.S. Dollars)		Var.	
	III Quarter 18	III Quarter 17	(\$)	(%)	III Quarter 18 (1)	III Quarter 17(2)	(\$)	(%)
CASH FLOW FROM OPERATING ACTIVITIES								
Profit before income tax	1,918,427	1,349,347	569,080	42.2	101,401	75,776	25,625	33.8
Depreciation and amortization	971,664	941,515	30,149	3.2	51,198	52,830	(1,632)	(3.1)
Gain on sale of property, plant and equipment	11,255	2,673	8,582	321.1	588	151	437	289.4
Interest income	490,624	499,258	(8,634)	(1.7)	25,862	28,015	(2,153)	(7.7)
Foreign exchange, net	41,438	395,182	(353,744)	(89.5)	1,923	22,134	(20,211)	(91.3)
(Increase) Decrease in customers and other accounts receivable	175,202	(6,309)	181,511	(2,877.0)	8,720	(102)	8,822	(8,649.0)
(Increase) decrease in inventories	(97,824)	560,856	(658,680)	(117.4)	(4,941)	31,466	(36,407)	(115.7)
Increase (decrease) in suppliers and other accounts payable	211,671	(1,174,275)	1,385,946	(118.0)	11,439	(65,361)	76,800	(117.5)
Income tax paid	(571,952)	(323,513)	(248,439)	76.8	(30,095)	(18,161)	(11,934)	65.7
Other operating expenses	1,112,992	(182,808)	1,295,800	(708.8)	58,070	(10,229)	68,299	(667.7)
Cash flows from operating activities	4,263,497	2,061,926	2,201,571	106.8	224,165	116,519	107,646	92.4
CASH FLOW FROM INVESTING ACTIVITIES								
Business acquisitions, net of cash acquired	(10,749)	(1,566,588)	1,555,839	(99.3)	(555)	(87,980)	87,425	(99.4)
Interest received	34,071	38,771	(4,700)	(12.1)	1,791	2,176	(385)	(17.7)
Acquisition of intangible assets	(57,468)	(7,899)	(49,569)	627.5	(3,020)	(444)	(2,576)	580.2
Acquisition of property, plant and equipment	(719,400)	(600,278)	(119,122)	19.8	(37,888)	(33,673)	(4,215)	12.5
Sale of property, plant and equipment	(11,255)	(2,673)	(8,582)	321.1	(588)	(151)	(437)	289.4
Restricted cash and other assets.	(1,188,086)	0	(1,188,086)	0.0	(62,029)	0	(62,029)	0.0
Cash flows from investing activities	(1,952,887)	(2,138,667)	185,780	(8.7)	(102,290)	(120,072)	17,782	(14.8)
CASH FLOW FROM FINANCING ACTIVITIES								
Proceeds from loans and debt	0	19,329	(19,329)	(100.0)	0	1,078	(1,078)	(100.0)
Payments of loans and debt	(1,774,815)	(206,769)	(1,568,046)	758.4	(92,943)	(11,612)	(81,331)	700.4
Interest paid	(333,241)	(265,705)	(67,536)	25.4	(17,494)	(14,910)	(2,584)	17.3
Dividends paid to owners	0	0	0	0.0	0	0	0	0.0
Cash flows from investing activities	(2,108,056)	(453,145)	(1,654,911)	365.2	(110,437)	(25,444)	(84,993)	334.0
Net increase (decrease) in cash and cash equivalents	202,554	(529,886)	732,440	(138.2)	11,438	(28,997)	40,435	(139.4)
Exchange gains (losses) in cash and cash equivalents	(446,477)	161,716	(608,193)	(376.1)	6,112	(895)	7,007	(782.9)
Cash and cash equivalents at the beginning of the period	10,846,554	10,466,550	380,004	3.6	546,060	584,812	(38,752)	(6.6)
Cash and cash equivalents at the end of the period	10,602,631	10,098,380	504,251	5.0	563,610	554,920	8,690	1.6

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