



## 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 '19	Jun '18	Jun '19 <sup>(1)</sup>	Jun '18 <sup>(2)</sup>
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	9,779,759	10,846,554	510,199	546,060
Restricted cash	23,003	85,405	1,200	4,300
Customers, net	7,606,019	7,652,147	396,798	385,240
Income tax recoverable	346,158	450,233	18,059	22,667
Inventories	16,211,606	15,386,952	845,742	774,642
Other current assets	337,118	396,667	17,587	19,970
Derivative financial instruments	161,030	0	8,401	0
<b>Total current assets</b>	<b>34,464,692</b>	<b>34,817,958</b>	<b>1,797,986</b>	<b>1,752,879</b>
<b>NON-CURRENT ASSETS:</b>				
Property, plant and equipment, net	32,612,459	34,426,822	1,701,357	1,733,187
Intangible assets, net	15,658,850	15,623,377	816,905	786,545
Goodwill	13,161,456	14,090,280	686,619	709,363
Deferred income tax	2,246,204	2,665,821	117,182	134,208
Derivative financial instruments	432,000	725,090	22,537	36,504
Investments in associates and joint ventures	97,122	88,522	5,067	4,457
Other non-current assets	124,938	135,767	6,518	6,835
Restricted cash	23,003	47,674	1,200	2,400
<b>Total non-current assets</b>	<b>64,356,032</b>	<b>67,803,352</b>	<b>3,357,385</b>	<b>3,413,499</b>
<b>Total assets</b>	<b>98,820,723</b>	<b>102,621,311</b>	<b>5,155,371</b>	<b>5,166,378</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
<b>CURRENT LIABILITIES:</b>				
Current debt	5,866,728	2,234,371	306,061	112,487
Suppliers	25,775,760	25,112,626	1,344,694	1,263,131
Income tax payable	1,605,144	1,652,160	83,739	83,177
Provisions	105,098	130,220	5,483	6,556
Other current liabilities	37,414	(18,753)	1,952	(945)
<b>Total current liabilities</b>	<b>33,390,145</b>	<b>29,110,624</b>	<b>1,741,928</b>	<b>1,464,405</b>
<b>NON-CURRENT LIABILITIES:</b>				
Non-current debt	41,243,781	48,303,962	2,151,644	2,432,122
Notes payables	1,564,507	292,479	81,619	14,423
Deferred income taxes	3,487,988	3,599,336	181,965	181,205
Employees benefits	1,406,832	1,416,661	73,393	71,321
Provisions	74,657	98,095	3,895	4,939
Income tax payable	509,116	1,263,965	26,560	63,633
Other non-current liabilities	40,949	36,706	2,136	2,990
<b>Total non-current liabilities</b>	<b>48,327,830</b>	<b>55,011,203</b>	<b>2,521,211</b>	<b>2,770,632</b>
<b>Total liabilities</b>	<b>81,717,975</b>	<b>84,121,827</b>	<b>4,263,139</b>	<b>4,235,038</b>
<b>STOCKHOLDERS' EQUITY</b>				
Total controlling interest:	16,544,219	17,837,431	863,094	898,008
Total non-controlling interest:	558,529	662,053	29,138	33,331
<b>Total stockholders' equity</b>	<b>17,102,749</b>	<b>18,499,484</b>	<b>892,232</b>	<b>931,340</b>
<b>Total liabilities and stockholders' equity</b>	<b>98,820,723</b>	<b>102,621,311</b>	<b>5,155,371</b>	<b>5,166,378</b>

(1) Translated into U.S. Dollars, solely for the convenience of the reader, using an exchange rate of Ps. 19.1685 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, 2019.

(2) Translated into U.S. Dollars, solely for the convenience of the reader, using an exchange rate of Ps. 19.8633 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, 2018.



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

### STATEMENT OF INCOME

Information in thousands	(Thousands of pesos)		(Thousands of pesos)		(Thousands of U.S. Dollars)		(Thousands of U.S. Dollars)	
	II Quarter 19	II Quarter 18	YTD 19	YTD 18	II Quarter 19 <sup>(1)</sup>	II Quarter 18 <sup>(1)</sup>	YTD 19 <sup>(1)</sup>	YTD 18 <sup>(1)</sup>
Revenue	30,776,160	30,754,784	59,921,973	59,865,764	1,609,192	1,586,999	3,125,553	3,138,917
Cost of sales	(22,137,386)	(22,164,668)	(42,938,067)	(43,101,005)	(1,157,476)	(1,143,310)	(2,239,669)	(2,259,409)
<b>Gross profit</b>	<b>8,638,774</b>	<b>8,590,116</b>	<b>16,983,906</b>	<b>16,764,759</b>	<b>451,717</b>	<b>443,689</b>	<b>885,884</b>	<b>879,507</b>
Selling expenses	(5,090,306)	(5,061,284)	(10,004,191)	(9,907,875)	(266,170)	(261,418)	(521,831)	(519,803)
Administrative expenses	(1,258,728)	(1,343,071)	(2,641,773)	(2,730,167)	(65,850)	(69,329)	(137,810)	(143,273)
Other income (expenses), net	63,924	24,283	109,808	108,732	3,349	1,166	5,735	5,674
<b>Operating profit</b>	<b>2,353,664</b>	<b>2,210,043</b>	<b>4,447,750</b>	<b>4,235,449</b>	<b>123,046</b>	<b>114,108</b>	<b>231,978</b>	<b>222,105</b>
Financial Income	71,338	60,627	135,658	150,833	3,733	3,109	7,078	7,909
Financial expenses	(630,310)	(940,623)	(1,237,812)	(1,515,857)	(32,952)	(49,346)	(64,557)	(80,005)
Gain (loss) due to exchange fluctuation, net	(416,110)	675,837	(445,822)	444,849	(21,742)	35,040	(23,286)	23,100
Equity in income (loss) of associates	(658)	(24)	(1,283)	(556)	(34)	(1)	(67)	(30)
<b>Profit before income tax</b>	<b>1,377,924</b>	<b>2,005,859</b>	<b>2,898,491</b>	<b>3,314,718</b>	<b>72,050</b>	<b>102,909</b>	<b>151,146</b>	<b>173,079</b>
Income tax	(608,584)	(84,993)	(1,335,719)	(1,117,747)	(31,935)	(4,135)	(69,755)	(59,080)
<b>Net consolidated profit</b>	<b>769,340</b>	<b>1,920,866</b>	<b>1,562,772</b>	<b>2,196,972</b>	<b>40,115</b>	<b>98,774</b>	<b>81,391</b>	<b>113,999</b>
Profit (loss) attributable to:								
<b>Controlling interest</b>	<b>770,375</b>	<b>1,935,517</b>	<b>1,574,869</b>	<b>2,210,799</b>	<b>40,172</b>	<b>98,387</b>	<b>82,024</b>	<b>113,603</b>
<b>Non-controlling interest</b>	<b>(1,035)</b>	<b>(14,650)</b>	<b>(12,097)</b>	<b>(13,827)</b>	<b>(57)</b>	<b>387</b>	<b>(633)</b>	<b>396</b>

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

### STATEMENT OF CASH FLOW

Information in thousands

	(Thousands of pesos)		(Thousands of pesos)		(Thousands of U.S. Dollars)		(Thousands of U.S. Dollars)	
	II Quarter 19	II Quarter 18	YTD 19	YTD 18	II Quarter 19 <sup>(1)</sup>	II Quarter 18 <sup>(1)</sup>	YTD 19 <sup>(1)</sup>	YTD 18 <sup>(1)</sup>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>								
Profit before income tax	1,377,924	2,005,859	2,898,491	3,314,718	72,050	102,909	151,146	173,079
Depreciation and amortization	1,048,067	1,021,795	2,128,619	2,006,116	54,798	52,775	111,018	105,251
Impairment of fixed assets and intangible assets	22,849	18,192	42,756	52,299	1,194	947	2,230	2,770
Costs associated with seniority premiums and pension plans	41,784	46,232	86,307	84,637	2,185	2,401	4,501	4,448
Gain on sale of property, plant and equipment	(17,347)	(14,007)	(26,111)	(13,521)	(906)	(763)	(1,360)	(737)
Financial cost, net	560,386	870,470	1,091,664	1,343,140	29,295	45,748	56,937	70,949
Foreign exchange, net	416,110	(675,837)	445,822	(444,849)	21,742	(35,040)	23,286	(23,100)
(Increase) Decrease in customers and other accounts receivable	(43,109)	327,654	(201,842)	321,901	(3,556)	12,684	(11,959)	13,172
(Increase) decrease in inventories	(1,491,625)	(292,800)	(2,241,627)	(927,075)	(77,960)	(15,931)	(117,011)	(49,883)
Increase (decrease) in suppliers and other accounts payable	1,393,305	1,133,423	240,900	(1,183,665)	70,559	42,603	10,385	(77,246)
Income tax paid	(1,974,921)	(2,037,307)	(2,374,691)	(2,184,551)	(103,689)	(109,442)	(124,497)	(117,328)
Other operating expenses	(151,792)	(203,357)	(215,921)	(241,970)	(8,038)	(10,796)	(11,369)	(12,820)
<b>Cash flows from operating activities</b>	<b>1,181,631</b>	<b>2,200,317</b>	<b>1,874,367</b>	<b>2,127,180</b>	<b>57,674</b>	<b>88,095</b>	<b>93,307</b>	<b>88,555</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>								
Business acquisitions, net of cash acquired	3,397	7,214	3,524	6,973	176	350	180	339
Interest received	32,454	26,757	72,755	93,307	1,697	1,313	3,792	4,853
Acquisition of intangible assets	(34,821)	(12,056)	(43,983)	(26,770)	(1,779)	(621)	(2,231)	(1,401)
Acquisition of property, plant and equipment	(572,024)	(750,382)	(1,064,488)	(1,248,127)	(29,873)	(38,681)	(55,511)	(65,248)
Sale of property, plant and equipment	17,347	14,007	26,111	13,521	906	763	1,360	737
Restricted cash and other assets.	(1)	(1)	39,998	(1)	(1)	(1)	2,079	(1)
<b>Cash flows from investing activities</b>	<b>(553,648)</b>	<b>(714,461)</b>	<b>(966,083)</b>	<b>(1,161,097)</b>	<b>(28,874)</b>	<b>(36,877)</b>	<b>(50,331)</b>	<b>(60,721)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>								
Proceeds from loans and debt	0	(14,022)	120,032	9,324,162	0	(741)	6,261	499,831
Payments of loans and debt	(148,814)	(9,093,624)	(159,629)	(9,113,097)	(7,729)	(495,640)	(8,326)	(496,676)
Financial leases	(123,333)	0	(248,489)	0	(6,449)	0	(12,961)	0
Derivative financial instruments	(323,371)	(78,680)	(324,052)	(78,680)	(16,894)	(3,902)	(16,929)	(3,902)
Interest paid	(636,887)	(868,872)	(1,273,252)	(1,596,763)	(33,367)	(46,208)	(66,484)	(85,173)
Dividends paid to owners	0	0	(1,155,582)	(1,398,420)	0	0	(60,034)	(74,963)
<b>Cash flows from financing activities</b>	<b>(1,232,405)</b>	<b>(10,055,198)</b>	<b>(3,040,972)</b>	<b>(2,862,798)</b>	<b>(64,439)</b>	<b>(546,491)</b>	<b>(158,473)</b>	<b>(160,883)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(604,422)</b>	<b>(8,569,342)</b>	<b>(2,132,688)</b>	<b>(1,896,715)</b>	<b>(35,639)</b>	<b>(495,273)</b>	<b>(115,497)</b>	<b>(133,049)</b>
Exchange gains (losses) in cash and cash equivalents	(69,725)	264,532	(300,877)	(63,802)	6,156	(2,650)	4,947	30,171
Cash and cash equivalents at the beginning of the period	10,453,907	19,151,363	12,213,324	12,807,070	539,437	1,043,984	620,504	648,939
<b>Cash and cash equivalents at the end of the period</b>	<b>9,779,760</b>	<b>10,846,553</b>	<b>9,779,759</b>	<b>10,846,553</b>	<b>509,954</b>	<b>546,061</b>	<b>509,954</b>	<b>546,061</b>

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