

mabe



Press Release Q1 2016

The following material is submitted by way of general information regarding Controladora Mabe, S.A. de C.V., “Mabe”, as it stands to date. Said information is presented in a summarized fashion and is not intended to be comprehensive. Nor does it constitute a recommendation for potential investors. This presentation is strictly confidential and shall not be divulged to any other person. No representation or guarantee, either expressed or implied, is intentional, and its exactness, precision or comprehensive information herein presented shall not be emphasized. This presentation may contain declarations that express the expectations of management regarding future events or results in lieu of historic events. These forward-looking declarations imply risk and uncertainty that may cause the real results to differ materially from those forecast, and Mabe cannot ensure that said declarations will prove to be correct. These risks and uncertainties include factors related to the Mexican economy, which in turn may show volatility and may be adversely affected by factors pertaining to other countries, related to the business of retail sales, that by its very nature is cyclical and linked to the highly competitive industry of which Mabe is a part and in which it operates.

COMMENTS ON OUR FINANCIAL STATEMENTS:

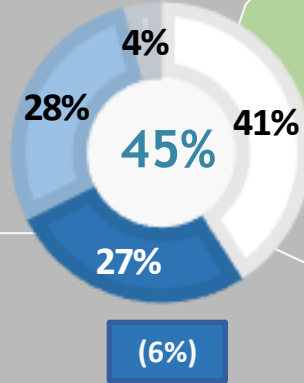
This Press Release contains our unaudited condensed consolidated financial statements as of March 25th, 2016 and March 27th, 2015. Since January 1st, 2010 we have prepared our condensed financial statements in U.S. Dollars, which represent the functional currency applicable to Controladora Mabe. Other periods were translated by using the average foreign exchange rate of the reported period for income statement accounts. Furthermore, since January 1st, 2012, our financial statements are reported in accordance with the International Financial Reporting Standards, referred to as “IFRS”. Before January 1st, 2012 our condensed financial statements were prepared according to the Mexican Financial Reporting Standards, referred to as “MFRS”. MFRS differs in certain significant respects from IFRS and from the generally accepted accounting principles applied in the United States, referred to as “U.S. GAAP”. The latter might be material to the financial information contained herein. We have not prepared a reconciliation of our financial statements and related notes from IFRS to MFRS, MFRS to U.S. GAAP or IFRS to U.S. GAAP and we have not quantified those differences; therefore, we cannot assure that a reconciliation would not identify material quantitative differences. EBITDA is not a measure of financial performance under IFRS and should not be considered as an alternative to net income or operating income as a measure of operating performance or to cash flows from operating activities as a measure of liquidity. You should review EBITDA, along with net income and cash flow from operating activities, investing activities and financing activities, when trying to understand our operating performance.

INDUSTRY & MARKET DATA:

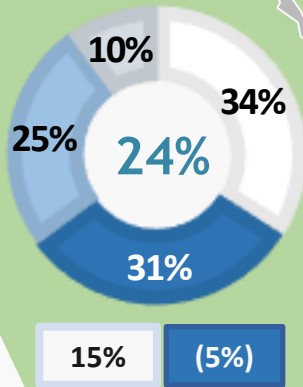
Certain data and other statistical information used throughout this Press Release are based on independent industry publications, government publications, reports by market research firms or other published independent sources. Other data is based on our estimates, which are derived from our review of internal surveys, as well as independent sources. Our estimates for South America and Central America are based exclusively on our beliefs and information we have obtained ourselves and not from independent sources. Although we believe our sources are reliable, we have not independently verified the information and cannot guarantee its accuracy or completeness. All market share information presented in this press release is based on unit sales.

Q1 '16 Sales by Region

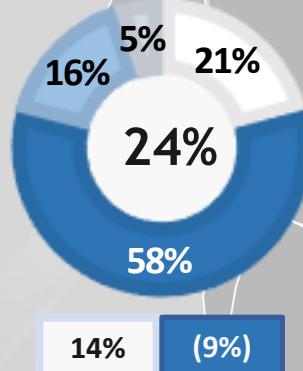
North America



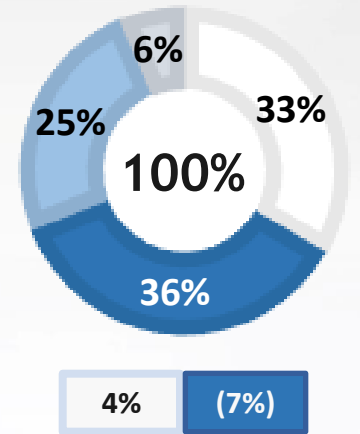
Mexico



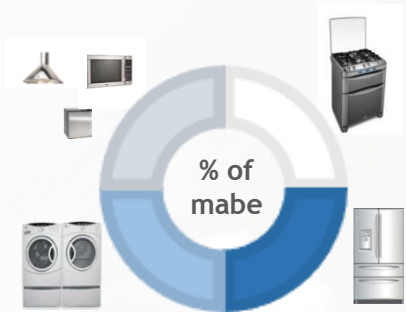
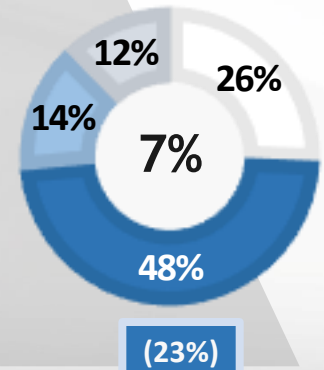
Latin America



Total Mabe



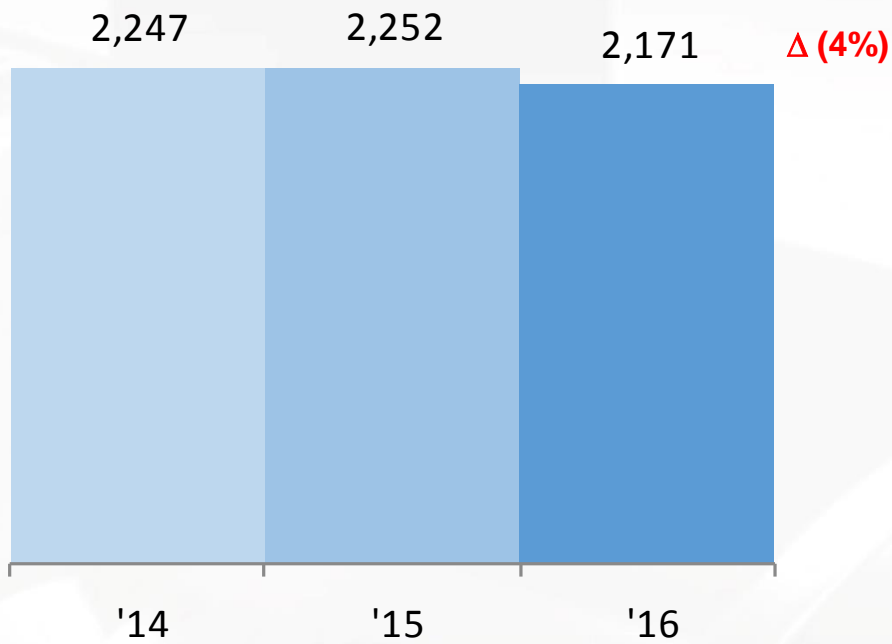
Mabe International



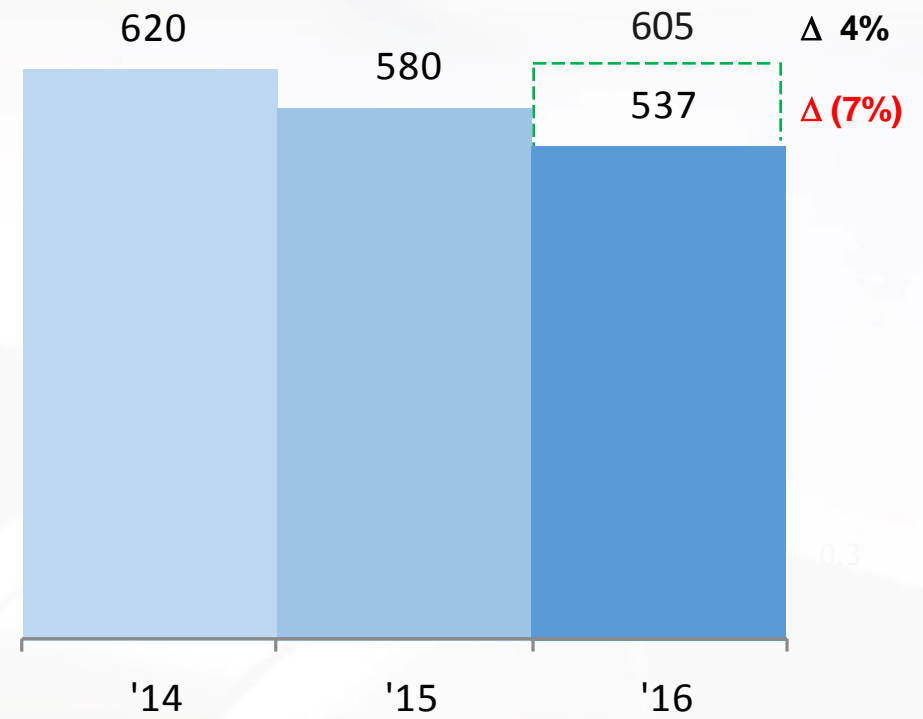
% ▲ Sales in LC

% ▲ in USD

Volume (k units)



Sales (M \$USD)

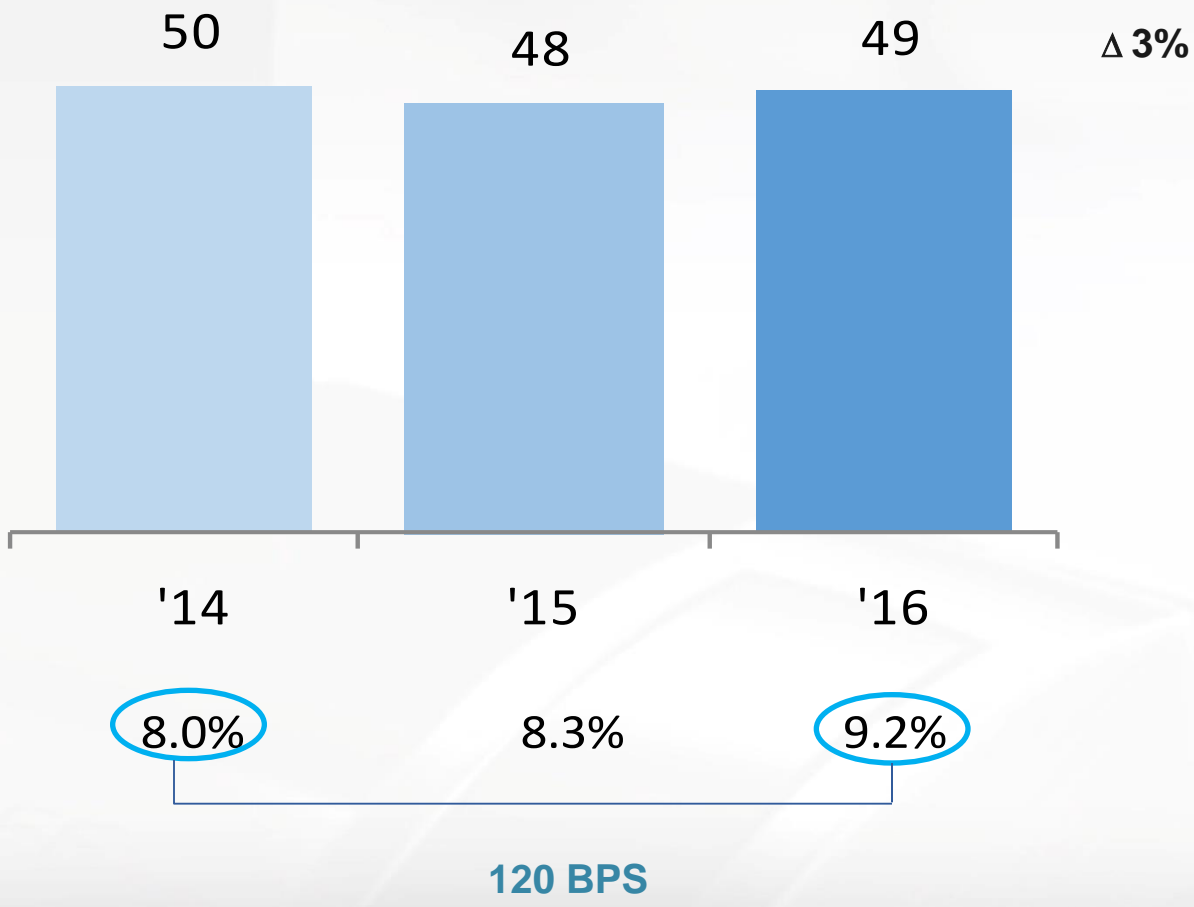


Q1 2016 Results

M \$USD

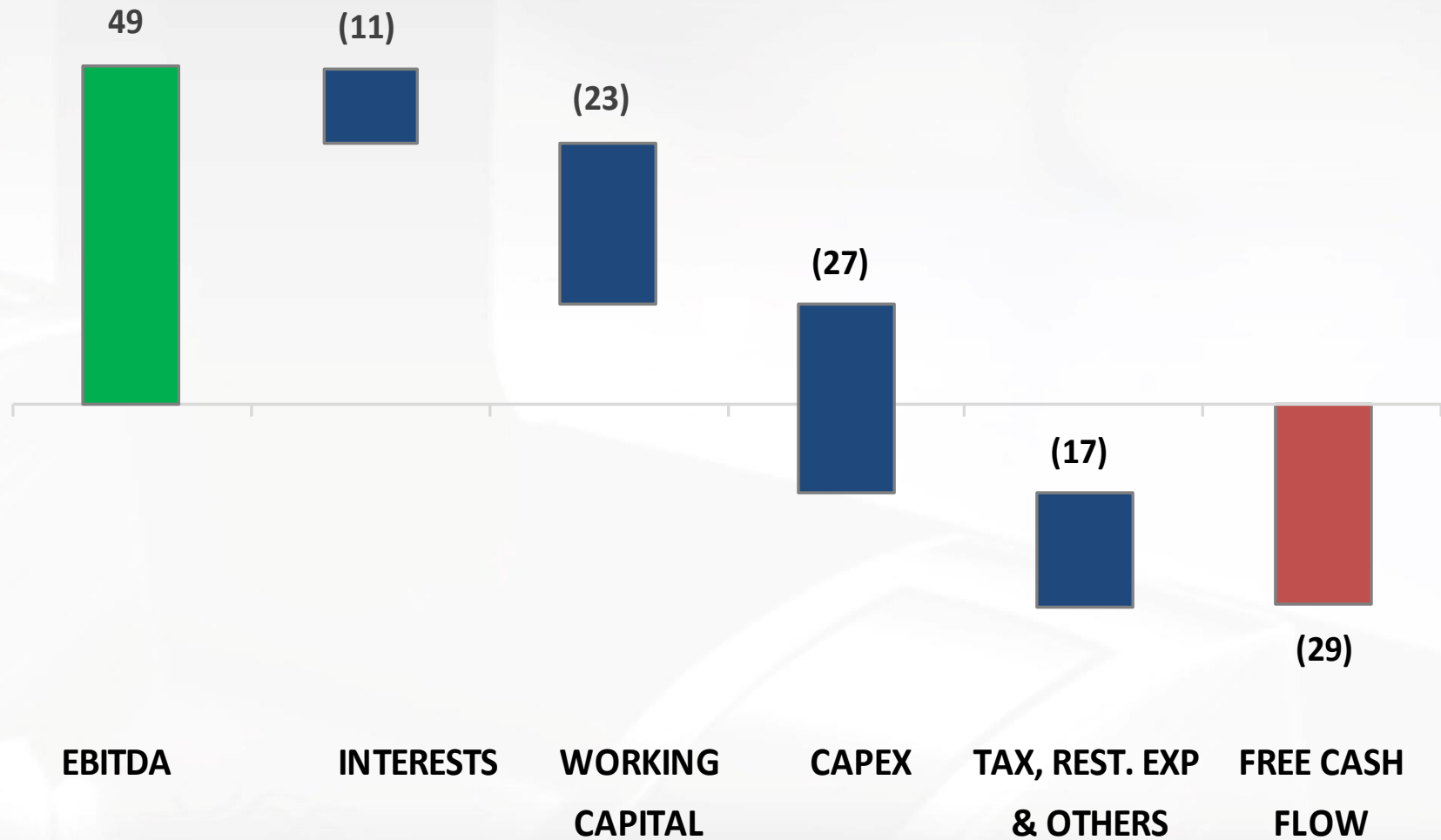
	Q1 2016	Q1 2015	Δ vs 2015
Sales	537	580	(7)%
EBITDA	49	48	3%
EBITDA Margin	9.2%	8.3%	88bp
CAPEX	27	20	38%
Net Debt	762	853	(11)%
Net Leverage	2.57x	3.09x	(0.52x)
Net Interest Coverage	4.40x	4.13x	0.27x

EBITDA
(M \$USD)



FREE CASH FLOW Q1'16

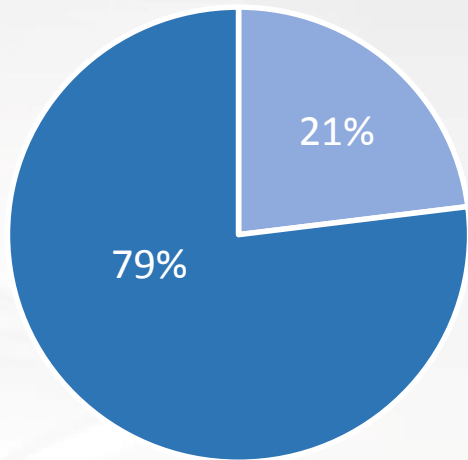
M \$USD



Debt Profile at Fixed Value

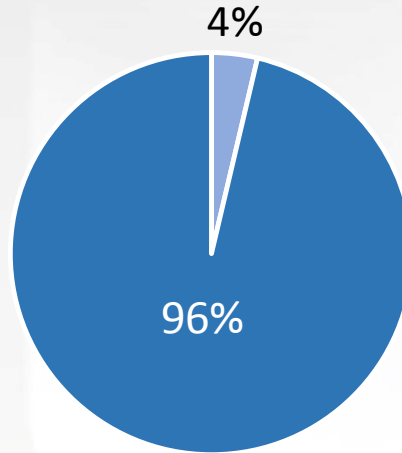
M \$USD

Q1 2015



920

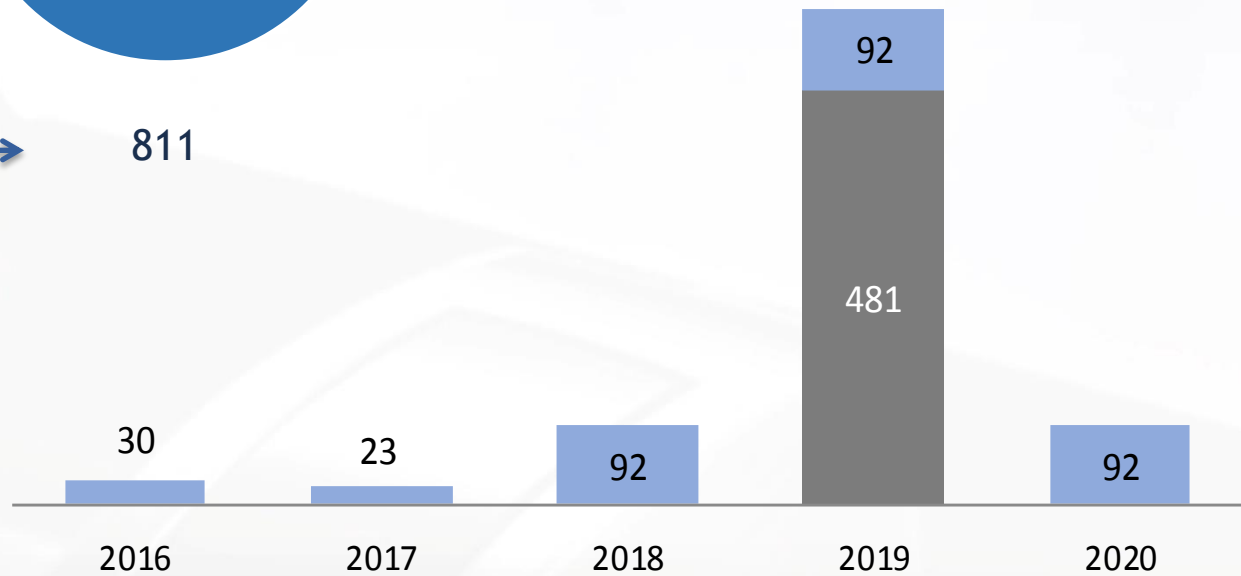
Q1 2016



811

(12%)

■ Short Term ■ Long Term



■ Notes 2019 ■ Club Deal & Short Term

- The transaction has been approved by most of the competition authorities including US
- Committee on Foreign Investment in the United States (CFIUS) looked over the deal
- An approach between Mabe & Haier took place a few weeks ago
- We believe the transaction will be closed in mid 2016

- Solid top line performance in local currencies- Total Mabe 4%
- The best profit margin for Q1 of the last 3 years, despite FX volatility
- Cash flow generation better than last year
- Healthy interest & debt ratios
- Manufacturing footprint strategy according to plan
 - ✓ Costa Rica's production already transferred to Mexico and Colombia
 - ✓ Queretaro's plant to be closed in Q2 2016