



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

### STATEMENT OF FINANCIAL POSITION

Information in thousands

	(Thousands of pesos)		(Thousands of U.S. Dollars)	
	Sept '19	Sept '18	Sept '19 <sup>(1)</sup>	Sept '18 <sup>(2)</sup>
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	10,136,271	10,602,631	516,201	563,610
Restricted cash	11,781	50,543	600	2,687
Customers, net	7,303,292	7,292,827	371,928	387,669
Income tax recoverable	330,855	335,623	16,849	17,841
Inventories	16,691,767	14,831,399	850,046	788,401
Other current assets	486,167	456,520	24,759	24,267
Derivative financial instruments	132,399	0	6,743	0
<b>Total current assets</b>	<b>35,092,532</b>	<b>33,569,543</b>	<b>1,787,126</b>	<b>1,784,475</b>
<b>NON-CURRENT ASSETS:</b>				
Property, plant and equipment, net	32,213,395	32,969,228	1,640,502	1,752,564
Intangible assets, net	15,749,489	15,453,053	802,060	821,447
Goodwill	12,987,239	12,940,707	661,389	687,896
Deferred income tax	1,986,840	2,237,794	101,182	118,956
Derivative financial instruments	392,389	101,951	19,983	5,419
Investments in associates and joint ventures	347,878	102,944	17,716	5,472
Other non-current assets	128,227	126,928	6,531	6,747
Restricted cash	23,563	33,862	1,200	1,800
<b>Total non-current assets</b>	<b>63,829,020</b>	<b>63,966,467</b>	<b>3,250,563</b>	<b>3,400,301</b>
<b>Total assets</b>	<b>98,921,552</b>	<b>97,536,010</b>	<b>5,037,689</b>	<b>5,184,776</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
<b>CURRENT LIABILITIES:</b>				
Current debt	6,249,487	652,434	318,262	34,682
Suppliers	25,731,421	24,296,862	1,310,401	1,291,559
Income tax payable	1,662,605	1,889,277	84,670	100,429
Provisions	85,898	188,698	4,374	10,031
Other current liabilities	(24,620)	(7,483)	(1,253)	(399)
<b>Total current liabilities</b>	<b>33,704,791</b>	<b>27,019,788</b>	<b>1,716,454</b>	<b>1,436,302</b>
<b>NON-CURRENT LIABILITIES:</b>				
Non-current debt	41,738,387	45,689,675	2,125,573	2,428,753
Notes payables	1,816,018	248,361	92,483	13,201
Deferred income taxes	3,365,408	3,479,434	171,387	184,958
Employees benefits	1,459,950	1,403,877	74,350	74,627
Provisions	70,620	96,124	3,596	5,110
Income tax payable	513,438	1,276,623	26,147	67,862
Other non-current liabilities	41,000	36,705	2,088	1,956
Derivative financial instruments	0	43,349	0	2,304
<b>Total non-current liabilities</b>	<b>49,004,821</b>	<b>52,274,148</b>	<b>2,495,624</b>	<b>2,778,769</b>
<b>Total liabilities</b>	<b>82,709,612</b>	<b>79,293,936</b>	<b>4,212,078</b>	<b>4,215,071</b>
<b>STOCKHOLDERS' EQUITY</b>				
Total controlling interest:	15,670,282	17,607,232	798,026	935,957
Total non-controlling interest:	541,658	634,842	27,584	33,749
<b>Total stockholders' equity</b>	<b>16,211,940</b>	<b>18,242,074</b>	<b>825,611</b>	<b>969,705</b>
<b>Total liabilities and stockholders' equity</b>	<b>98,921,552</b>	<b>97,536,010</b>	<b>5,037,689</b>	<b>5,184,776</b>

(1) Translated into U.S. Dollars, solely for the convenience of the reader, using an exchange rate of Ps. 19.6363 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, 2019.

(2) 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.



## 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)	
	III Quarter 19	III Quarter 18	YTD 19	YTD 18	III Quarter 19 <sup>(1)</sup>	III Quarter 18 <sup>(1)</sup>	YTD 19 <sup>(1)</sup>	YTD 18 <sup>(1)</sup>
Revenue	31,687,979	30,383,554	91,609,951	90,249,318	1,632,215	1,601,182	4,757,768	4,740,099
Cost of sales	(22,778,872)	(21,815,016)	(65,716,939)	(64,916,021)	(1,173,332)	(1,149,642)	(3,413,001)	(3,409,051)
<b>Gross profit</b>	<b>8,909,107</b>	<b>8,568,538</b>	<b>25,893,013</b>	<b>25,333,298</b>	<b>458,883</b>	<b>451,541</b>	<b>1,344,767</b>	<b>1,331,048</b>
Selling expenses	(5,131,004)	(4,974,443)	(15,135,195)	(14,882,318)	(264,246)	(262,105)	(786,077)	(781,908)
Administrative expenses	(1,395,671)	(1,314,303)	(4,037,444)	(4,044,470)	(71,904)	(69,236)	(209,714)	(212,509)
Other income (expenses), net	41,738	153,048	151,546	261,780	2,156	8,049	7,891	13,723
<b>Operating profit</b>	<b>2,424,170</b>	<b>2,432,841</b>	<b>6,871,920</b>	<b>6,668,290</b>	<b>124,888</b>	<b>128,249</b>	<b>356,867</b>	<b>350,354</b>
Financial Income	73,243	65,133	208,901	215,966	3,773	3,427	10,851	11,336
Financial expenses	(636,188)	(555,097)	(1,874,000)	(2,070,954)	(32,756)	(29,255)	(97,313)	(109,260)
Gain (loss) due to exchange fluctuation, net	67,665	(41,438)	(378,157)	403,411	3,020	(1,923)	(20,265)	21,176
Equity in income (loss) of associates	(447)	16,988	(1,730)	16,433	(23)	904	(90)	874
<b>Profit before income tax</b>	<b>1,928,444</b>	<b>1,918,427</b>	<b>4,826,935</b>	<b>5,233,146</b>	<b>98,903</b>	<b>101,400</b>	<b>250,049</b>	<b>274,479</b>
Income tax	(660,422)	(1,292,734)	(1,996,141)	(2,410,480)	(34,184)	(67,914)	(103,939)	(126,994)
<b>Net consolidated profit</b>	<b>1,268,022</b>	<b>625,693</b>	<b>2,830,793</b>	<b>2,822,665</b>	<b>64,719</b>	<b>33,486</b>	<b>146,111</b>	<b>147,486</b>
Profit (loss) attributable to:								
<b>Controlling interest</b>	<b>1,274,933</b>	<b>614,254</b>	<b>2,849,802</b>	<b>2,825,054</b>	<b>65,080</b>	<b>32,766</b>	<b>147,104</b>	<b>146,370</b>
<b>Non-controlling interest</b>	<b>(6,912)</b>	<b>11,439</b>	<b>(19,009)</b>	<b>(2,388)</b>	<b>(360)</b>	<b>720</b>	<b>(993)</b>	<b>1,116</b>

(1) Translated into U.S. Dollars, solely for the convenience of the reader, using the average exchange rate published by the Mexican Central Bank for payment of obligations denominated in U.S. dollars for each of the months that comprise the quarter.



**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)	
	III Quarter 19	III Quarter 18	YTD 19	YTD 18	III Quarter 19 <sup>(1)</sup>	III 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	1,928,443	1,918,427	4,826,934	5,233,146	98,903	101,401	250,049	274,479
Depreciation and amortization	1,069,896	971,664	3,198,515	2,977,780	55,107	51,198	166,125	156,449
Impairment of fixed assets and intangible assets	30,951	7,464	73,707	59,763	1,593	399	3,823	3,169
Costs associated with seniority premiums and pension plans	42,853	36,227	129,159	120,864	2,208	1,909	6,710	6,357
Gain on sale of property, plant and equipment	(14,438)	11,255	(40,549)	(2,266)	(752)	588	(2,111)	(149)
Financial cost, net	569,536	490,624	1,661,200	1,833,765	29,322	25,862	86,259	96,811
Foreign exchange, net	(67,665)	41,438	378,157	(403,411)	(3,020)	1,923	20,265	(21,176)
(Increase) Decrease in customers and other accounts receivable	255,754	249,667	53,911	571,569	9,530	12,592	(2,429)	25,764
(Increase) decrease in inventories	(558,491)	(97,824)	(2,800,118)	(1,024,899)	(28,694)	(4,941)	(145,705)	(54,825)
Increase (decrease) in suppliers and other accounts payable	186,014	145,325	399,284	(1,038,340)	4,750	11,166	13,753	(69,283)
Income tax paid	(483,809)	(571,952)	(2,858,499)	(2,756,504)	(24,889)	(30,095)	(149,385)	(147,424)
Other operating expenses	20,205	(186,095)	(168,084)	(428,066)	967	(9,823)	(25,505)	(30,288)
<b>Cash flows from operating activities</b>	<b>2,979,249</b>	<b>3,016,220</b>	<b>4,853,617</b>	<b>5,143,401</b>	<b>145,025</b>	<b>162,179</b>	<b>221,849</b>	<b>239,884</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>								
Business acquisitions, net of cash acquired	(254,167)	(10,749)	(250,643)	(3,776)	(12,976)	(555)	(12,797)	(216)
Interest received	37,956	49,387	110,710	142,694	1,955	(572)	5,747	7,484
Acquisition of intangible assets	(92,862)	(101,952)	(136,845)	(128,722)	(4,786)	(6,153)	(7,017)	(7,696)
Acquisition of property, plant and equipment	(736,919)	(674,916)	(1,801,408)	(1,923,043)	(37,935)	(34,756)	(76,612)	(99,861)
Sale of property, plant and equipment	14,438	(11,255)	40,549	2,266	752	(588)	2,111	149
Restricted cash and other assets.	11,267	41,525	51,267	41,525	590	2,197	2,670	2,197
<b>Cash flows from investing activities</b>	<b>(1,020,287)</b>	<b>(707,960)</b>	<b>(1,986,370)</b>	<b>(1,869,056)</b>	<b>(52,400)</b>	<b>(40,427)</b>	<b>(85,898)</b>	<b>(97,943)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>								
Proceeds from loans and debt	0	0	120,032	214,681	0	0	6,261	11,277
Payments of loans and debt	(27,588)	(1,774,815)	(187,217)	(1,778,431)	(1,391)	(92,944)	(9,723)	(93,422)
Financial leases	(147,384)	0	(395,873)	0	(7,589)	0	(20,648)	0
Derivative financial instruments	85,830	2,350	(238,222)	(76,330)	4,489	123	(12,440)	(3,779)
Interest paid	(284,012)	(333,241)	(1,557,264)	(1,930,004)	(14,501)	(17,494)	(80,985)	(102,667)
Dividends paid to owners	(1,186,836)	0	(2,342,418)	(1,398,420)	(60,522)	0	(120,556)	(74,963)
<b>Cash flows from financing activities</b>	<b>(1,559,990)</b>	<b>(2,105,706)</b>	<b>(4,600,962)</b>	<b>(4,968,504)</b>	<b>(79,514)</b>	<b>(110,315)</b>	<b>(238,091)</b>	<b>(263,554)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>398,972</b>	<b>202,554</b>	<b>(1,733,715)</b>	<b>(1,694,159)</b>	<b>13,111</b>	<b>11,437</b>	<b>(102,140)</b>	<b>(121,613)</b>
Exchange gains (losses) in cash and cash equivalents	(42,460)	(446,477)	(343,338)	(510,280)	(7,109)	6,113	(2,163)	36,284
Cash and cash equivalents at the beginning of the period	9,779,759	10,846,554	12,213,324	12,807,070	510,199	546,060	620,504	648,939
<b>Cash and cash equivalents at the end of the period</b>	<b>10,136,271</b>	<b>10,602,631</b>	<b>10,136,271</b>	<b>10,602,631</b>	<b>516,201</b>	<b>563,610</b>	<b>516,201</b>	<b>563,610</b>

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