

Controladora Mabe

1Q18 Earnings Presentation



Cuando tu hogar funciona,
todo funciona.

mabe

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COMMENTS ON FINANCIAL INFORMATION:

This presentation contains our unaudited financial information. 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.

INDUSTRY & MARKET DATA:

Certain data is based on our estimates, which are derived from our review of internal surveys, as well as independent sources.

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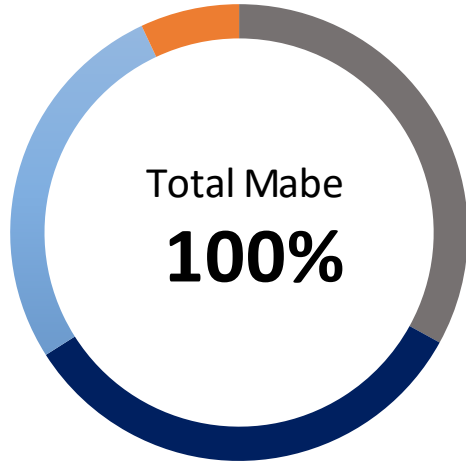
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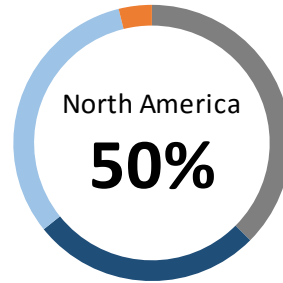
- Stable top-line performance; sales and volume remained virtually unchanged
- EBITDA was negatively impacted by raw material inflation, FX volatility and other events – seen industry-wide
- Solid market share, reflecting our leadership across our regions
- South America continued to show signs of weakness

1Q18 Sales by Core Business and Region



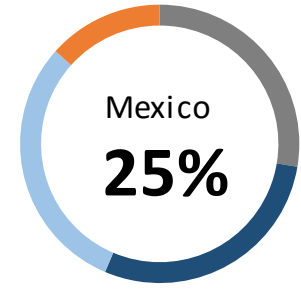
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- 33%
- 27%
- 7%



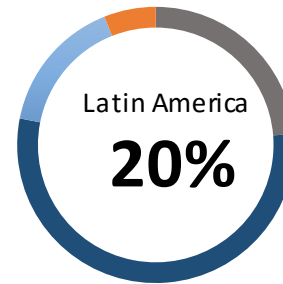
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- 27%
- 32%
- 4%



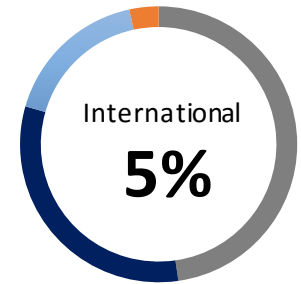
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- 30%
- 13%



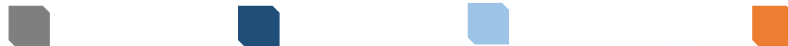
(15%) (19%)

- 24%
- 54%
- 16%
- 6%



(1%)

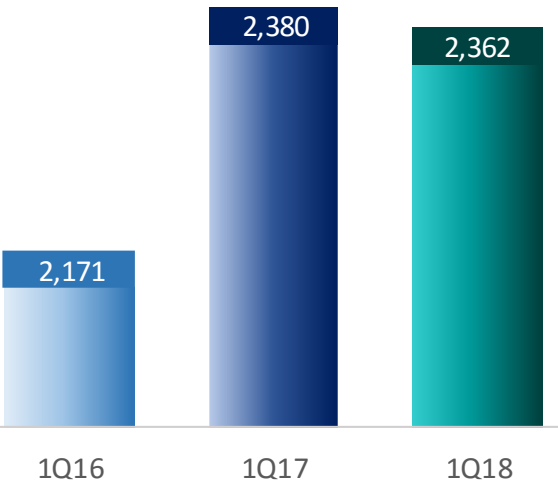
- 48%
- 32%
- 17%
- 3%



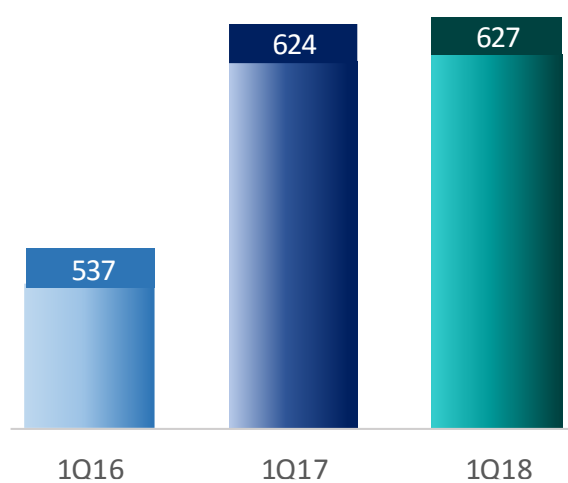
% Δ in LC

% Δ in USD

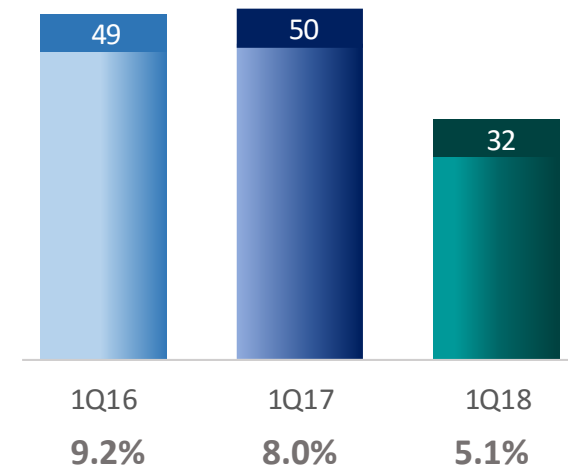
Volume



Sales



EBITDA



Margin

Figures in US\$MM, unless otherwise noted



Units 1Q

2018	2017	Δ vs 2017
2,362	2,380	(0.8%)



Sales 1Q

2018	2017	Δ vs 2017
627	624	0.4 %



EBITDA 1Q

2018	2017	Δ vs 2017
32	50	(35.8%)



EBITDA MARGIN 1Q

2018	2017	Δ vs 2017
5.1%	8.0%	(2.9%)



CapEx 1Q

2018	2017	Δ vs 2017
32	34	(4.9%)



Net Debt 1Q

2018	2017	Δ vs 2017
858	790	8.5 %



Net Leverage 1Q

2018	2017	Δ vs 2017
3.86	2.80	1.06x



Net Interest Coverage 1Q

2018	2017	Δ vs 2017
2.85	4.17	(1.32x)

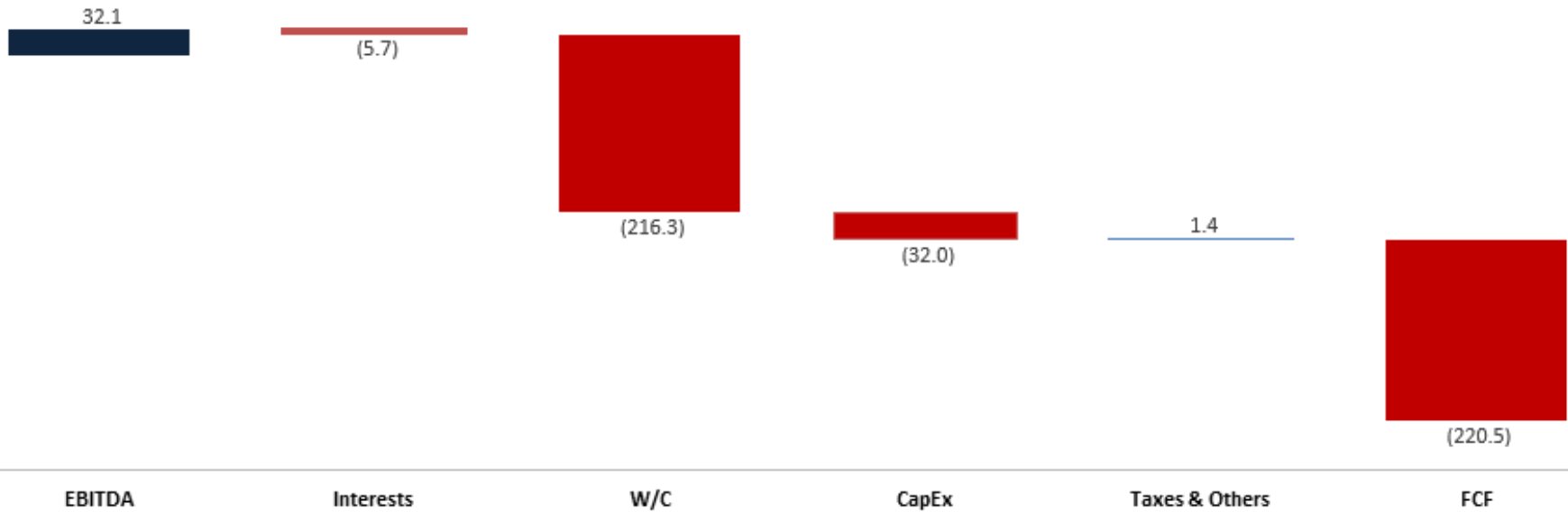
Debt

- 1Q18 was shorter in A/R (collections), due to Easter affecting all LatAm countries
- Seasonal working capital changes

EBITDA

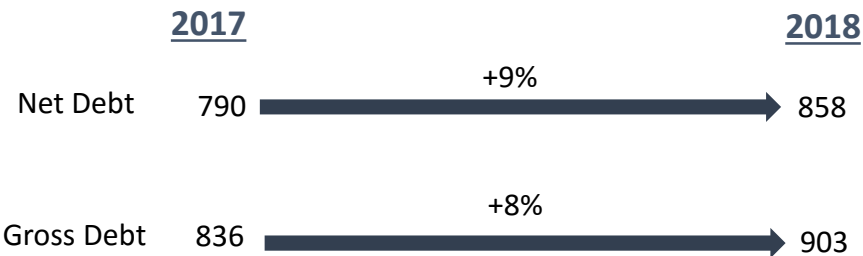
- Shortfall in 1Q18 EBITDA compared to 1Q17
 - SG&A adjustments in Argentina
 - Kraken warranties
 - Raw material inflation
- One timers in 3Q and 4Q affected LTM EBITDA
- For the past 12 months Sales/EBITDA have been negatively impacted in Dominican Republic, Argentina and the Andean region
- Others: FX volatility and adverse macro environment in South America

- Working capital re-balance
- US\$30MM reduction in CapEx
- Price increases in Mexico and CEAM
- Reduce fixed expenses
- Dividend payment for 1Q and 2Q have been canceled, dividends for 2H18 are subject to results

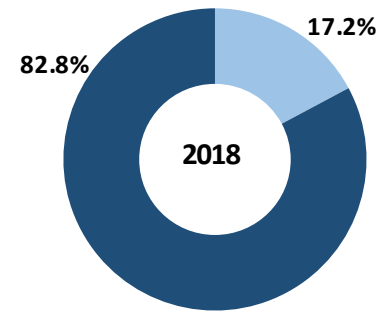
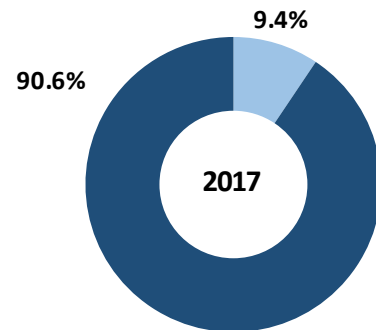


Figures in US\$MM, unless otherwise noted

Debt Profile

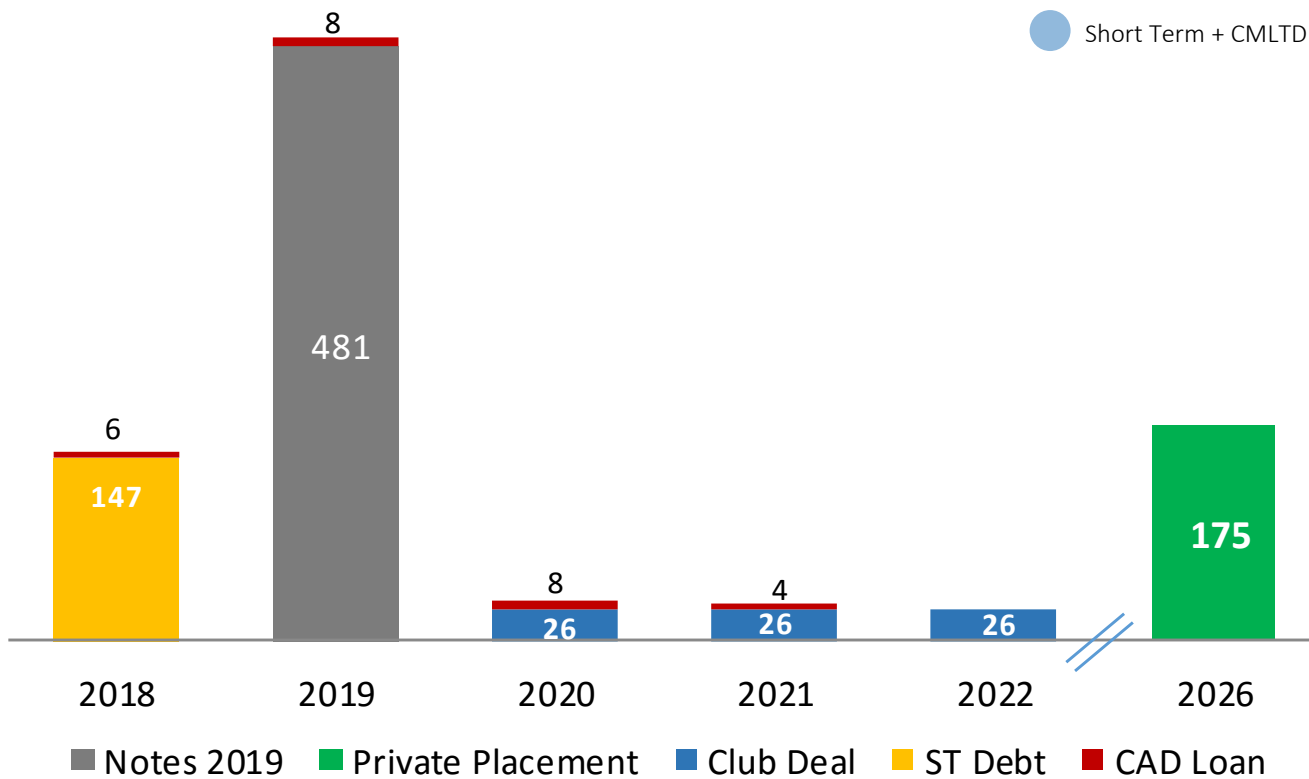


Under IFRS 2018 Debt = 858 M USD (at Present Value)



Short Term + CMLTD

Long Term



Total Maturities	
2018	153
2019	489
2020	34
2021	30
2022	26
2026	175

Figures in US\$MM, unless otherwise noted



- Strong US momentum – incremental demand for products in the US
- Sourcing efficiencies
- Additional business with Haier is starting to materialize. We are fulfilling demand for narrow products in LatAm
- Challenging environment in South America