



# mabe

Cuando tu hogar funciona,  
todo funciona.

CONTROLADORA MABE

1Q19 EARNINGS

PRESENTATION

# DISCLAIMER

## GENERAL INFORMATION

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 all the economies where we operate, 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 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. IFRS became effective January 1<sup>st</sup>, 2019, this new standard affects the way leasing assets and liabilities are reported in the Balance Sheet.

## INDUSTRY & MARKET DATA:

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

## TERMS AND CONDITIONS OF USE:

Viewers or recipients of the information herein that do not agree with the term and conditions of use, should not utilize any information contained herein. Decisions based on information contained herein are the sole responsibility of the person viewing it. In exchange for utilizing the information you agree to indemnify and hold Mabe, its officers, directors, employees, affiliates, agents, licensors and suppliers harmless against any and all claims, losses, liability, costs and expenses (including but not limited to attorneys' fees) arising from the use of the above mentioned information or from any decisions that the viewer makes based on such information.

These terms and conditions and this Site are governed by the federal laws of Mexico applicable therein, excluding any conflict of laws which would lead to the application of any other laws. You hereby irrevocably submitted to the federal courts located in Mexico City for any disputes or matters arising from, connected with, or relating to this information or any related matters.

# HIGHLIGHTS

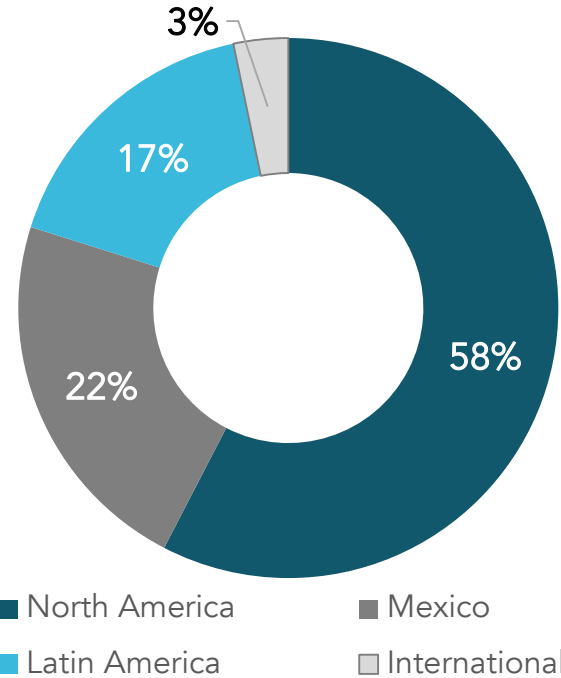
1Q19 sales rose 12% compared to 1Q18.



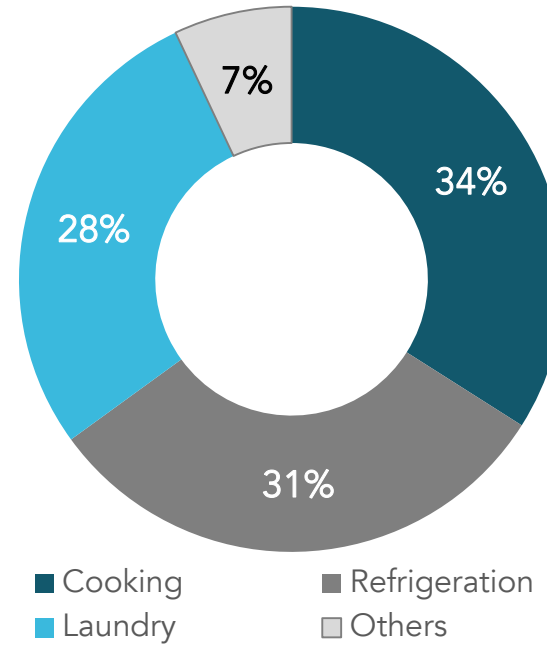
- Strong sales performance in the US, the Andean Region and International.
- EBITDA margin showed recovery quarter-over-quarter.
- Stable volume growth.
- We successfully refinanced our CAD-denominated loan.

# TOTAL SALES 1Q19

TOTAL SALES 1Q19 BY REGION



TOTAL SALES 1Q19 BY SEGMENT



12%

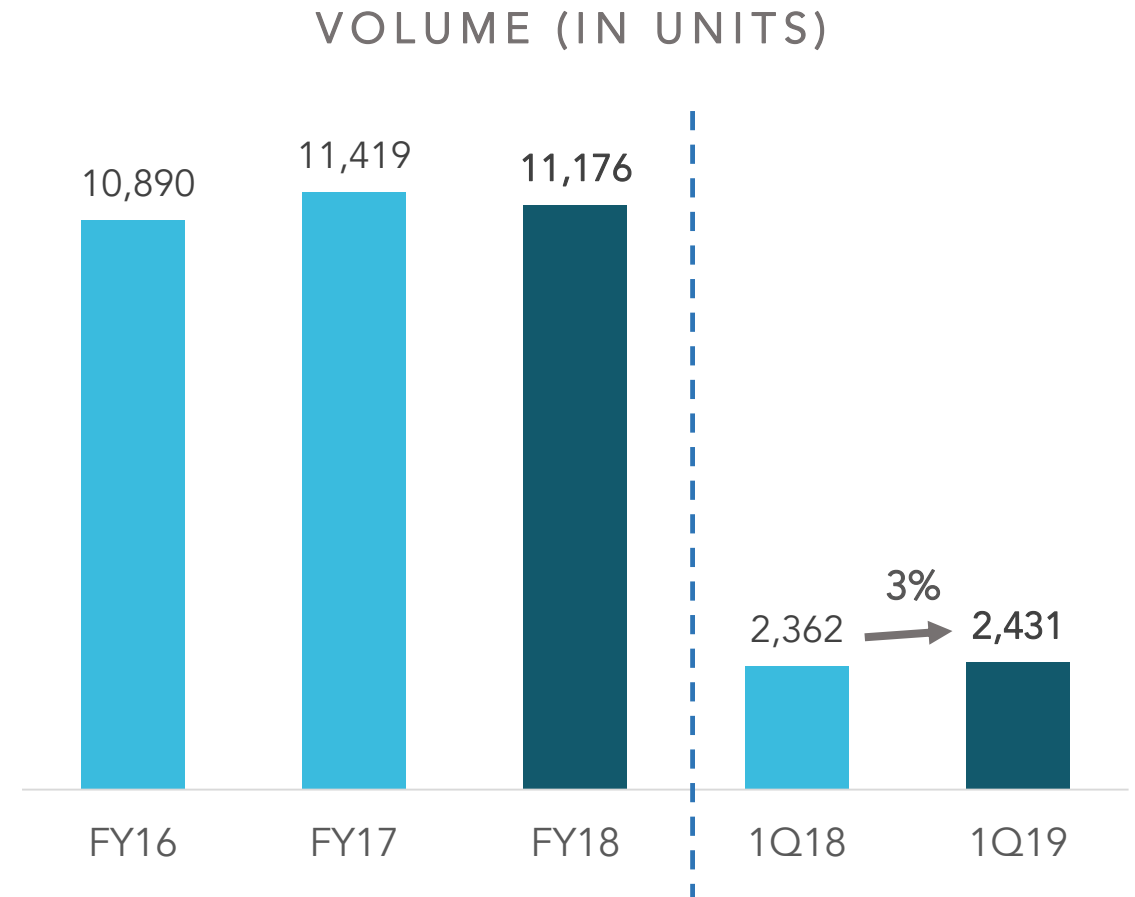
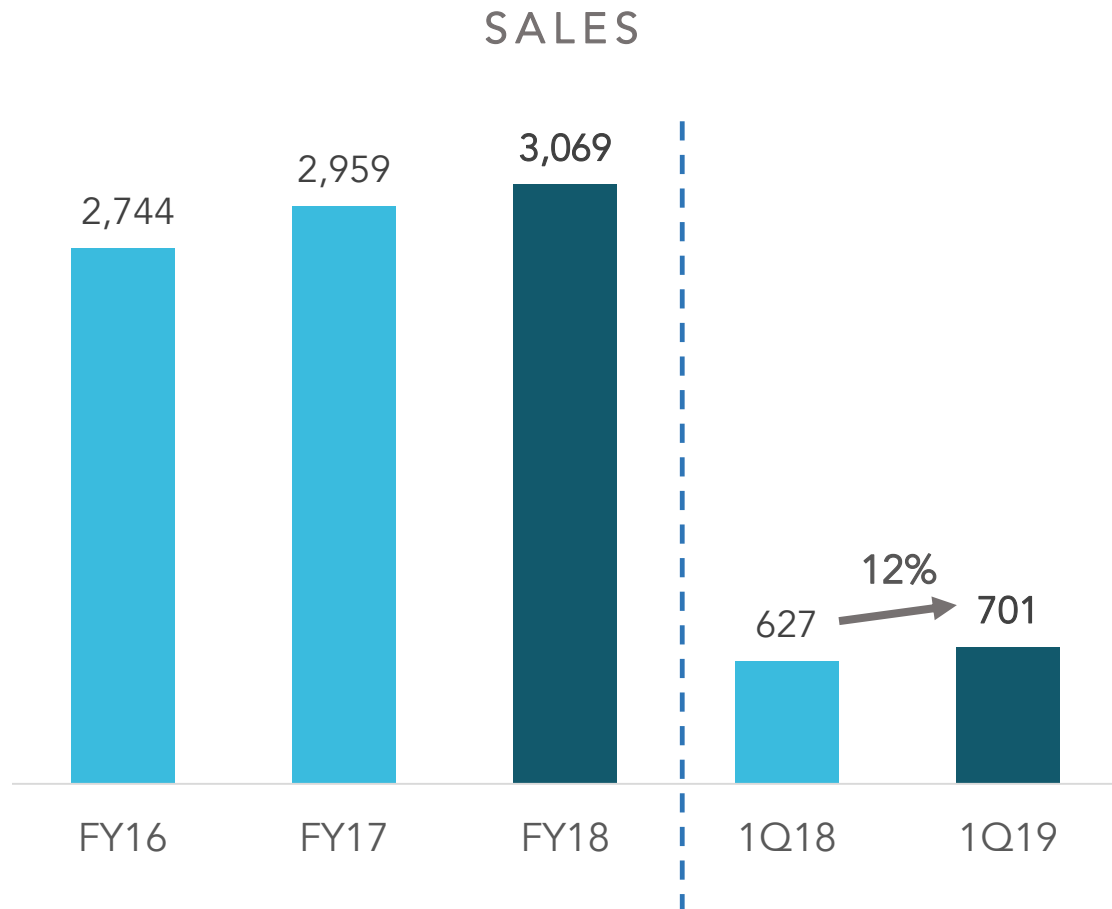
% Δ in USD

TOTAL SALES 1Q19 BY REGION & SEGMENT

SEGMENT	NORTH AMERICA	MEXICO	LATIN AMERICA	INTERNATIONAL
Cooking	37%	31%	26%	38%
Refrigeration	28%	26%	47%	31%
Laundry	32%	28%	16%	17%
Others	3%	15%	11%	14%
<b>Total Sales Change vs 1Q18</b>	<b>29%</b>	<b>(2%)</b>	<b>(13%)</b>	<b>9%</b>

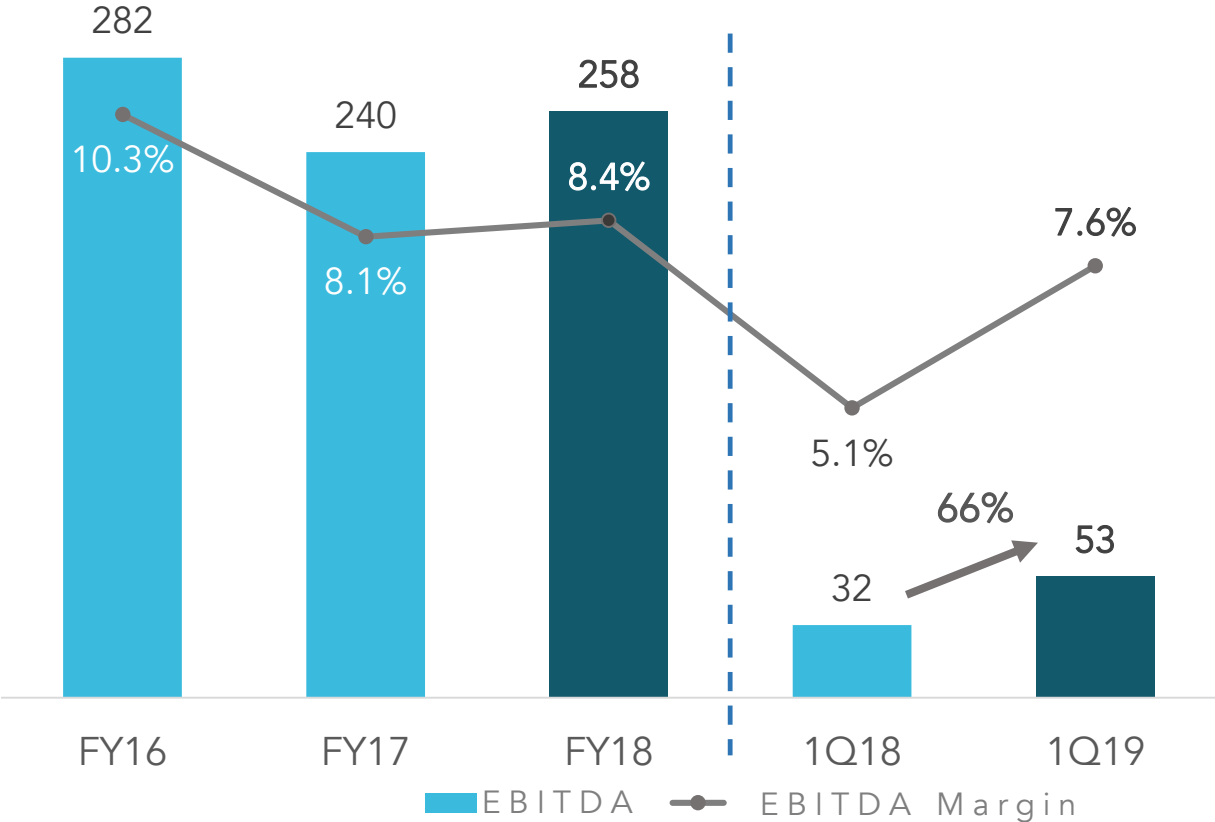
4 Figures in US\$MM, unless otherwise noted

# SALES AND VOLUME



# EBITDA

For purposes of this slide, EBITDA does not consider IFRS 16, which affects the way leasing assets and liabilities are reported in the Balance Sheet.



# RESULTS OVERVIEW

CONCEPT	1Q19	1Q18	Δ VS 2018
Sales	701	627	12%
EBITDA	53	32	66%
EBITDA Margin	7.6%	5.1%	250 bp
EBITDAR	54	37	47%
EBITDAR Margin	7.7%	5.9%	186 bp
CapEx	29	32	(8%)
Net Debt	712	858	(17%)
Net Leverage	2.74x	3.86x	(1.12x)
Net Interest Coverage	4.37x	2.85x	1.52x

# IFRS 16

Income Statement	w/o IFRS 1Q19	IFRS 16 Changes	w IFRS 1Q19 Proforma
Sales	700.5	-	700.5
COGS	577.2	4.7	581.9
SG&A	105.9	(5.6)	100.4
D&A	29.5	4.7	34.2
Operating profit	17.4		18.3
EBITDA	53.3		54.3
Financing cost	14.0	0.9	15.0
Net profit	2.1	-	2.1

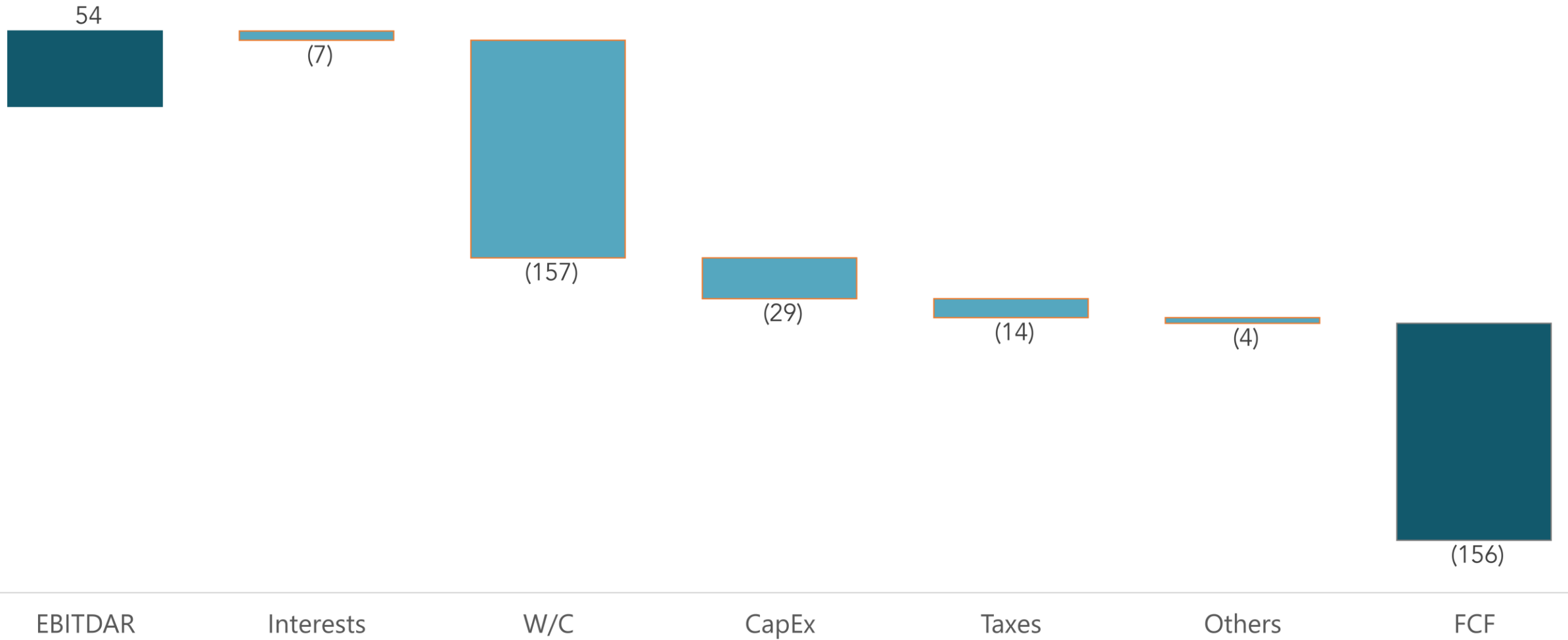
Balance Sheet			
LT Asset Leases	-	83.1	83.1
<b>Total Assets</b>	<b>2,468.6</b>		<b>2,551.6</b>
ST Liability Leases	-	14.2	14.2
<b>Current Liabilities</b>	<b>1,247.9</b>		<b>1,262.0</b>
LT Liability Leases	-	68.9	68.9
<b>Total Liabilities</b>	<b>1,937.2</b>		<b>2,020.3</b>

Covenants Calculations			
Net Debt + Leases	711.7	83.1	794.8
Interests LTM	59.4	4.4	63.9
EBITDA LTM	260.0	20.5	280.4
<b>Net debt / EBITDA</b>	<b>2.74x</b>		<b>2.83x</b>
<b>EBITDA / Interests</b>	<b>4.37x</b>		<b>4.39x</b>



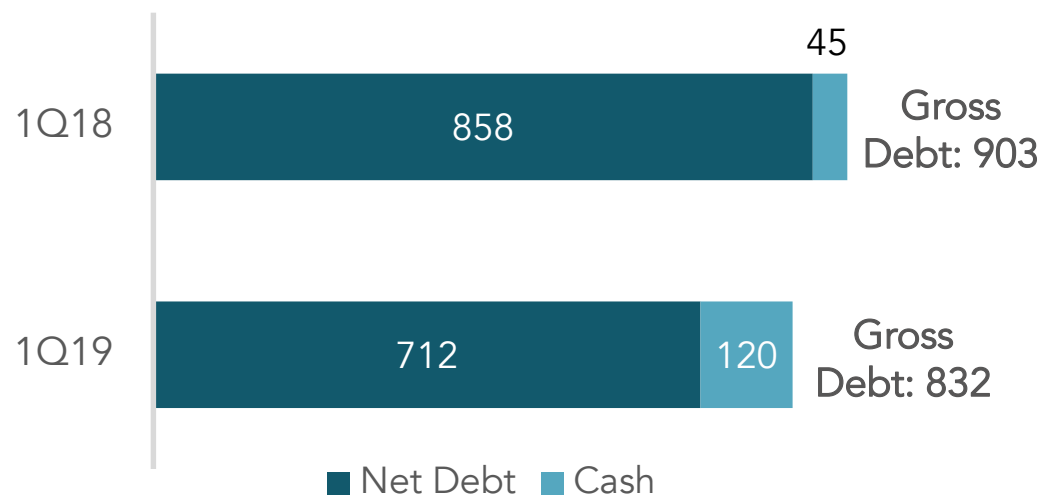


# 1Q19 FREE CASH FLOW



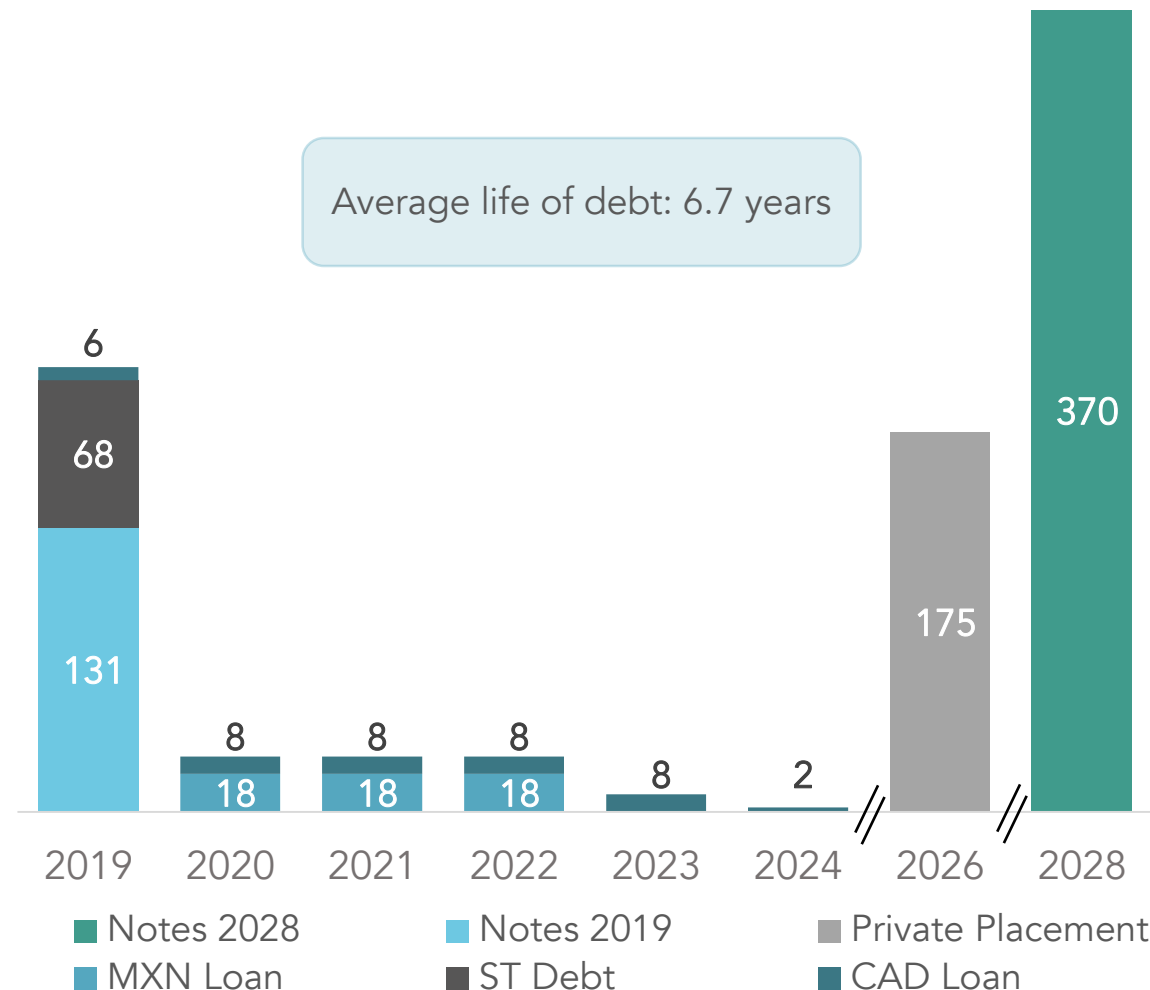
# DEBT PROFILE

## DEBT



- During March we successfully refinanced our CAD-denominated loan. We lowered the interest rate to a fixed 4.17%.

## MATURITIES



# FINAL REMARKS

- Strong US demand for GE Appliances products.
- We expect South America to deliver mixed results; Mexico will start to pick up by 2Q19.
- We are analyzing alternatives to refinance the US\$131MM that will mature by the end of the year.
- During 2Q19 we will be launching the GE Café brand in Canada.

# CONTACT

## DANIELA GARZA

Corporate Finance Manager  
Phone: +52 55 9178 8100 ext. 3757  
E-mail: [daniela.garza@mabe.com.mx](mailto:daniela.garza@mabe.com.mx)

## LAURA ALVIZO

Treasury & Investors Relations Jr. Manager  
Phone: +52 55 9178 8268  
E-mail: [laura.alvizo@mabe.com.mx](mailto:laura.alvizo@mabe.com.mx)

Av. Paseo de las Palmas 100, Lomas - Virreyes,  
Lomas de Chapultepec, 11000  
Ciudad de México, CDMX

