

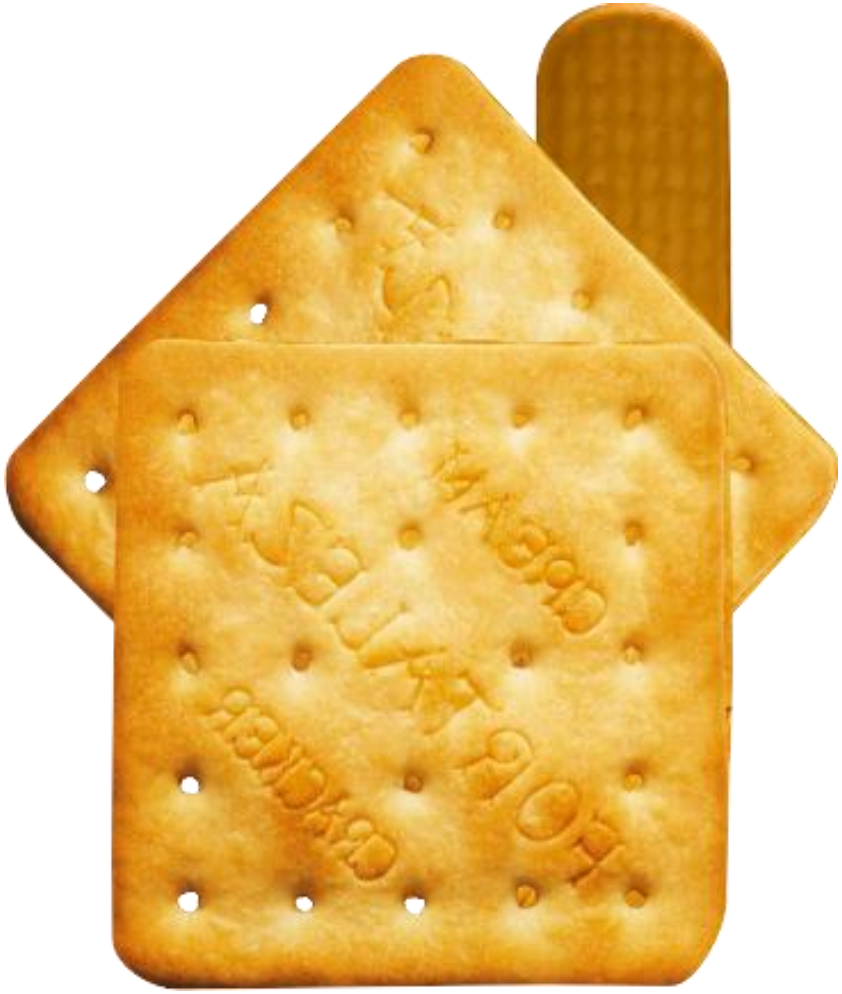
Northeast APIMEC

March, 2016

Summary

1. Corporate Profile
2. Financial Information
3. Future Perspectives
4. Corporate Governance and Capital Market

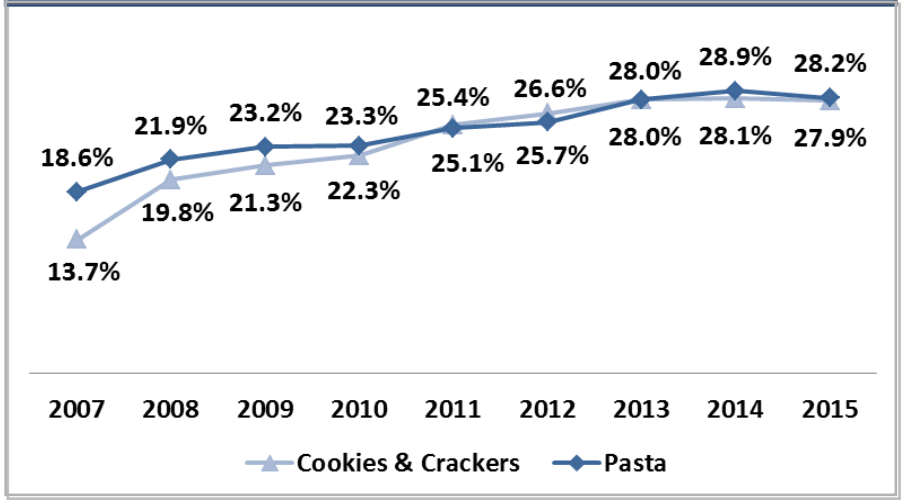
Corporate Profile



National Market Leadership Position …

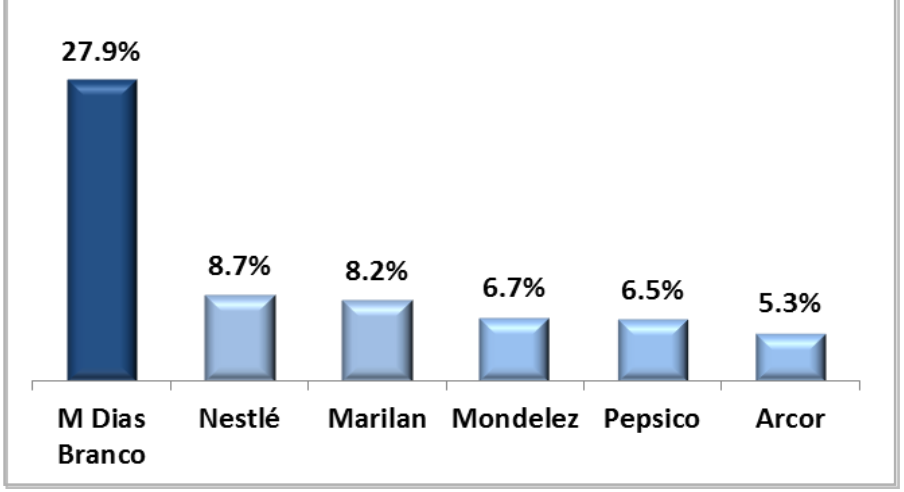
Business Model strengthens M. Dias Branco's competitive position

Market Share – Brazil (in volume sold)

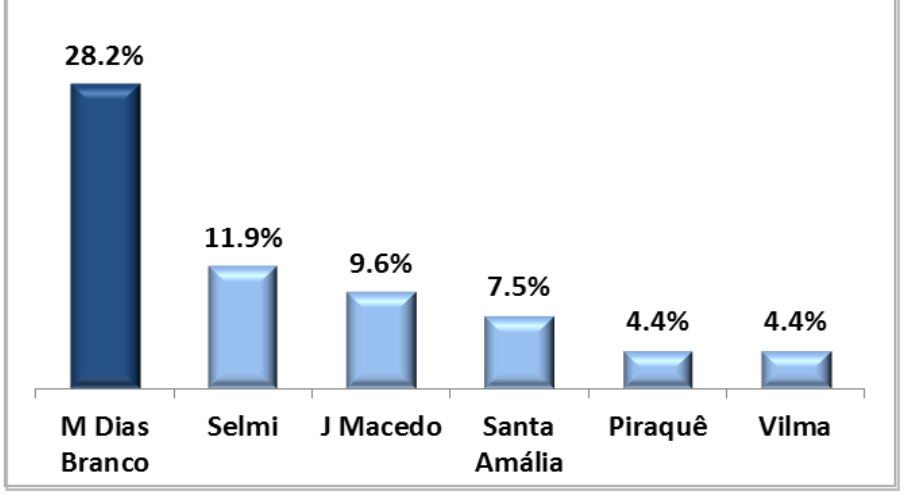


Products	▸ High quality products ▸ Diversified product lineup ▸ Presence across all social classes
Brands	▸ Top of mind brands ▸ Regional multi-brand approach ▸ Main brands: Adria, Basilar, Estrela, Fortaleza, Isabela, Pelaggio, Pilar, Richester, Vitarella and Zabet
Distribution	▸ Own and third party distribution systems ▸ Focused on small and medium retail ▸ National reach

Leadership in Cookies and Crackers …



… and also Pasta



Note:

1 AC Nielsen (5B15). Market Share by volume sold.

2 Data considers the acquisitions of Vitarella in 2008, Pilar and Estrela in 2011 and Moinho Santa Lúcia in 2012

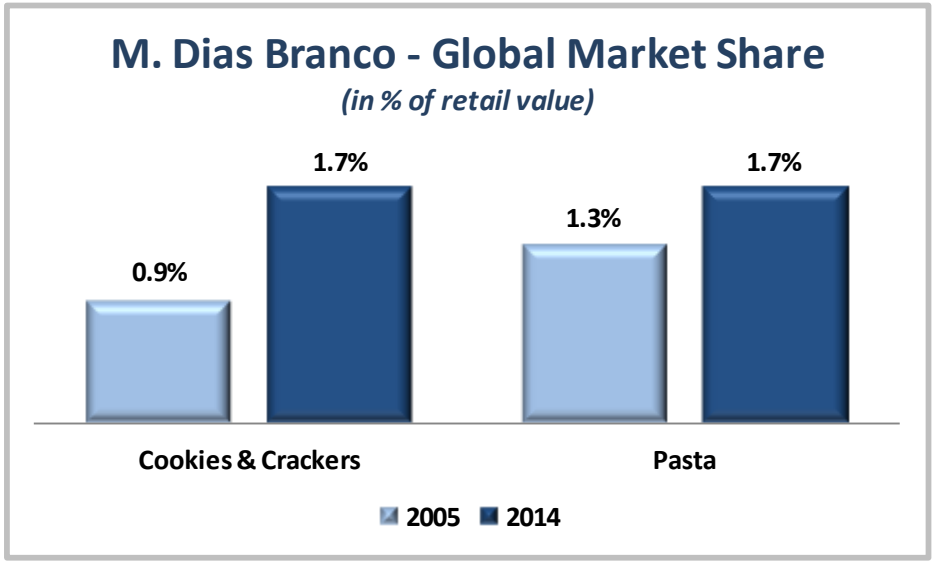
3 Since the 4B13 the statistics of market share include the states of Piauí, Maranhão and Mato Grosso, as well as the entire North region

… and among the world's largest

TOP 7
Cookies & Crackers global market
2nd Sandwich Biscuits ranking

TOP 6
Pasta global market
4th Dried Pasta ranking

Position	Cookies and Crackers Companies	Country - HQ	2014
1	Mondelez International Inc	USA	18.0%
2	Kellogg Co	USA	3.3%
3	Yildiz Holding AS	Turkey	2.8%
4	Campbell Soup Co	USA	2.8%
5	Nestle SA	Switzerland	2.4%
6	PepsiCo Inc	USA	2.2%
7	**M Dias Branco S/A**	**Brazil**	**1.7%**
8	Arcor SAIC	Argentina	1.6%
9	Britannia Industries Ltd	India	1.3%
10	Barilla Holding SpA	Italy	1.1%



Position	Pasta Companies	Country - HQ	2014
1	Barilla Holding SpA	Italy	9.4%
2	Grupo Ebro Puleva SA	Spain	4.8%
3	Nestle SA	Switzerland	2.2%
4	De Cecco SpA	Italy	2.0%
5	Makfa OAO	Russia	1.8%
6	**M Dias Branco S/A**	**Brazil**	**1.7%**
7	La Moderna SA	Mexico	1.4%
8	Pastifício Selmi SA	Brazil	1.3%
9	Pastificio Rana SpA	Italy	1.3%
10	Alicorp SAA	Peru	1.3%

Source: Euromonitor
Note: Market Share by retail value

… Other products …

Wheat Flour & Bran

- R$ 887.0 million in sales [1]
- 19.2% of Net Revenue [1]





Margarine & Shortening

- R$ 220.2 million in sales [1]
- 4.8% of Net Revenue [1]









Snacks, Cakes, Cake Mix and Packaged Toast



- R$ 80.4 million in sales [1]
- 1.7% of Net Revenue [1]











Note:
1 2015 data

Vertical Integration …

Vertical integration results in better margins …

Wheat Purchase

Vegetable Oil Purchase





Production [1]		Consumption [1]	
Wheat Flour for in house Consumption	61.1%	Own Production (Vertical Integration Index)	92.7%
Wheat Flour Sales	38.9%	Third Parties Supply	7.3%
Shortening for in house Consumption	50.3%	Own Production (Vertical Integration Index)	93.2%
Margarine & Shortening Sales	49.7%	Third Parties Supply	6.8%





Vertical Integration Advantages

- Better production planning
- Higher quality of raw materials
- More competitive prices
- Lower production costs
- Competitive advantage to develop new products

One of the main competitive advantages of M. Dias Branco is its vertical integration strategy

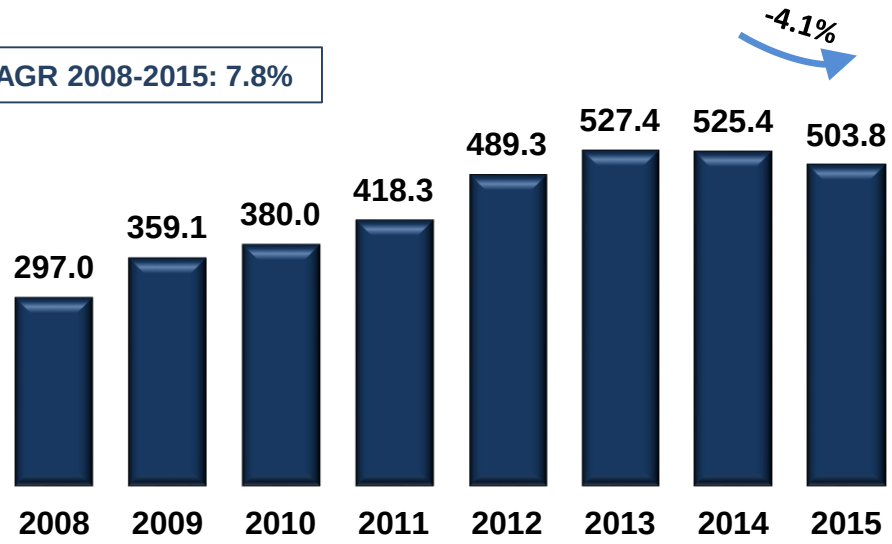
Financial Information



Sales Volume by Product Line

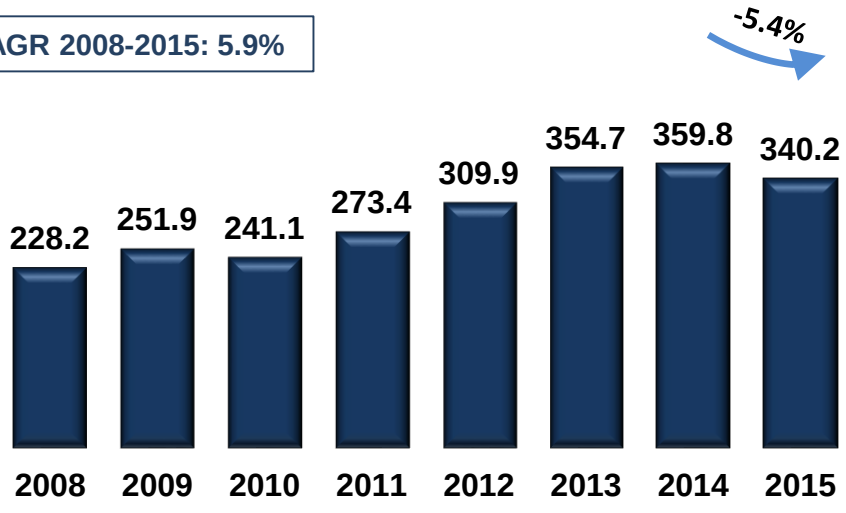
Cookies and Crackers – Sales *('000 tonnes)*

CAGR 2008-2015: 7.8%



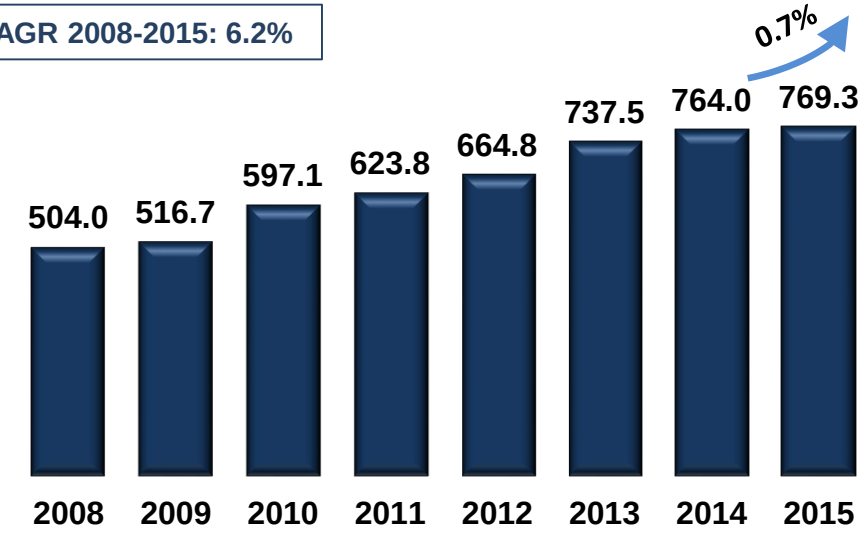
Pasta – Sales *('000 tonnes)*

CAGR 2008-2015: 5.9%



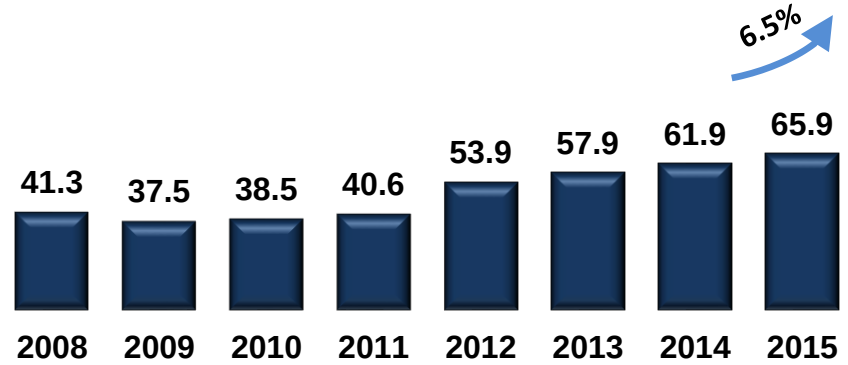
Wheat Flour and Bran – Sales *('000 tonnes)*

CAGR 2008-2015: 6.2%



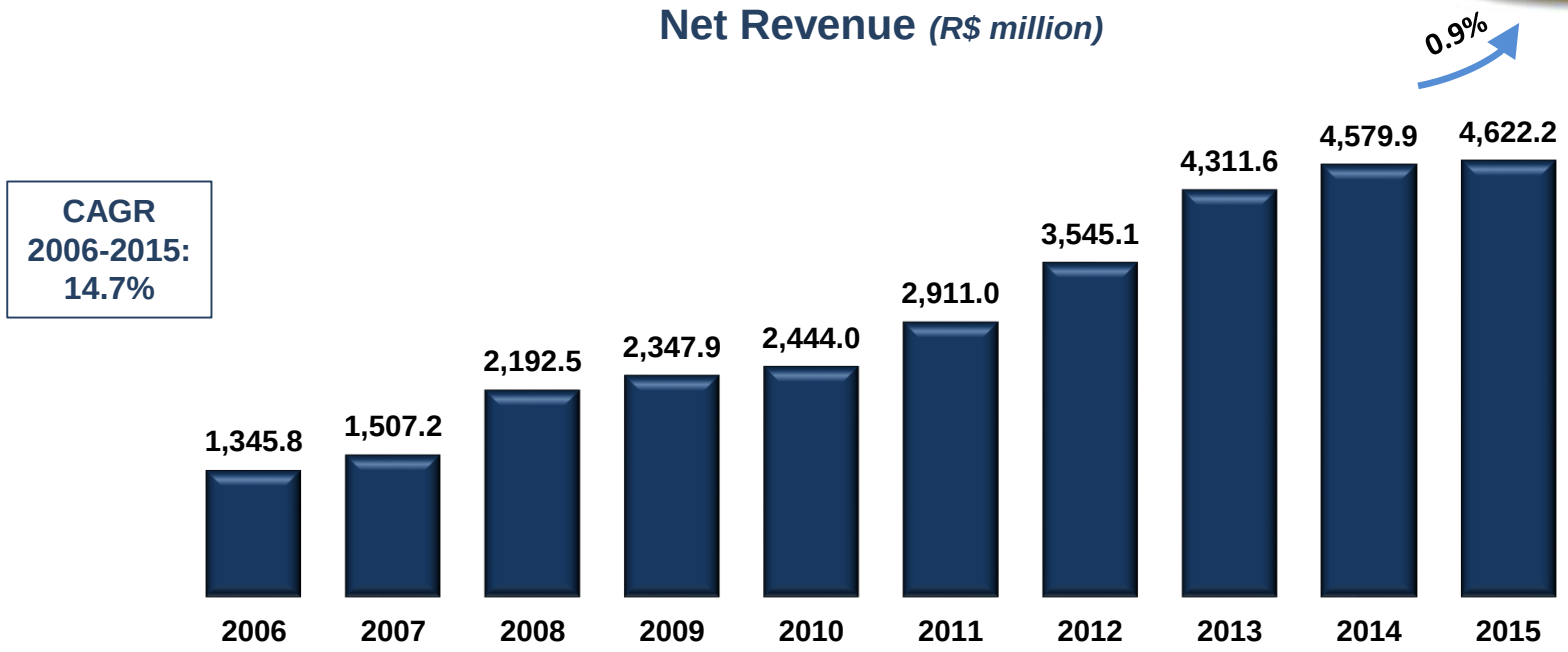
Margarine and Vegetable Shortening – Sales *('000 tonnes)*

CAGR 2008-2015: 6.9%

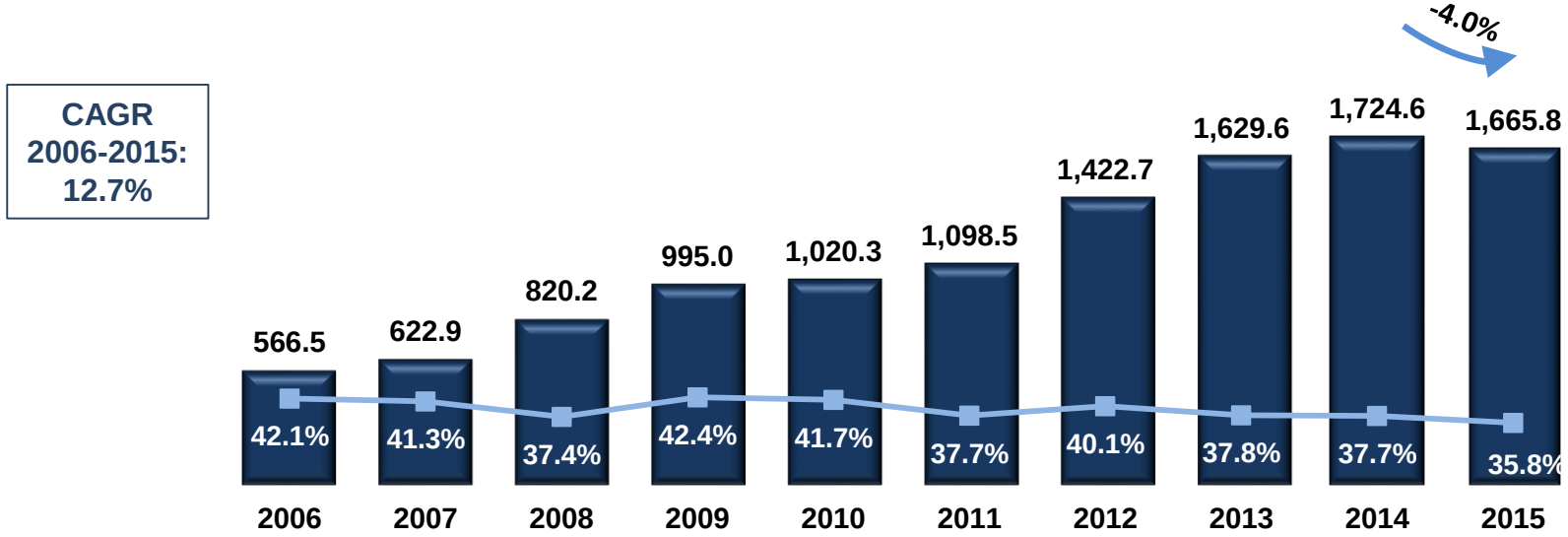


Net Revenue and Gross Profit

Net Revenue *(R$ million)*

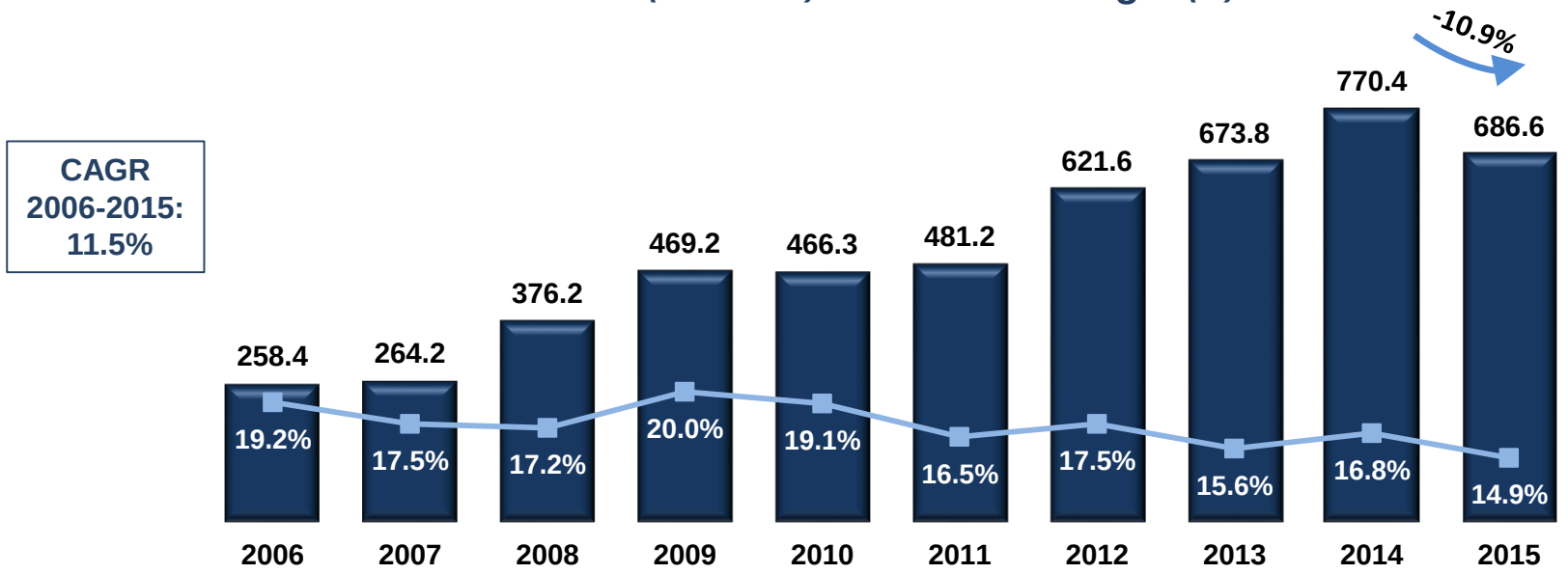


Gross Profit* *(R$ million)* & Gross Margin *(%)*

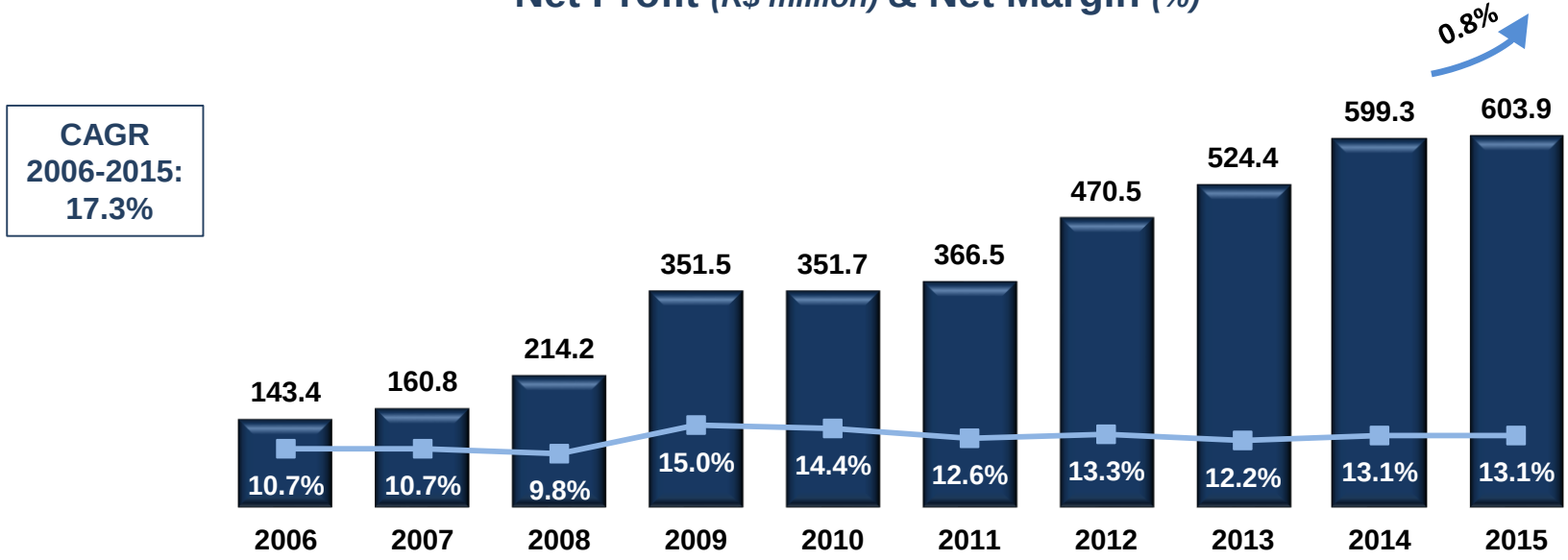


EBITDA and Net Profit

EBITDA *(R$ million)* & EBITDA Margin *(%)*

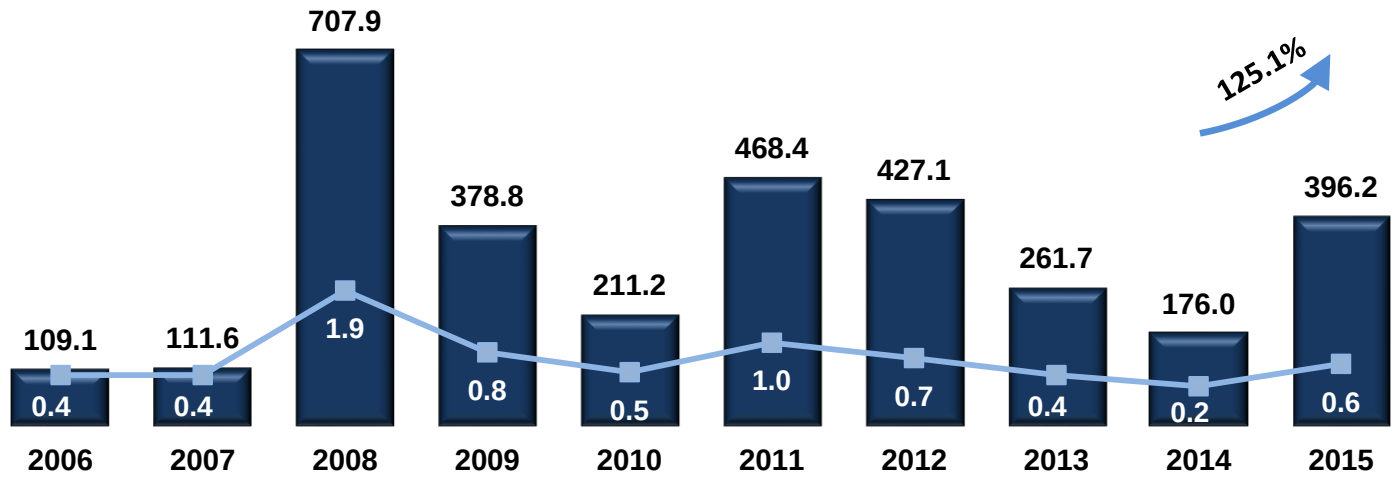


Net Profit *(R$ million)* & Net Margin *(%)*



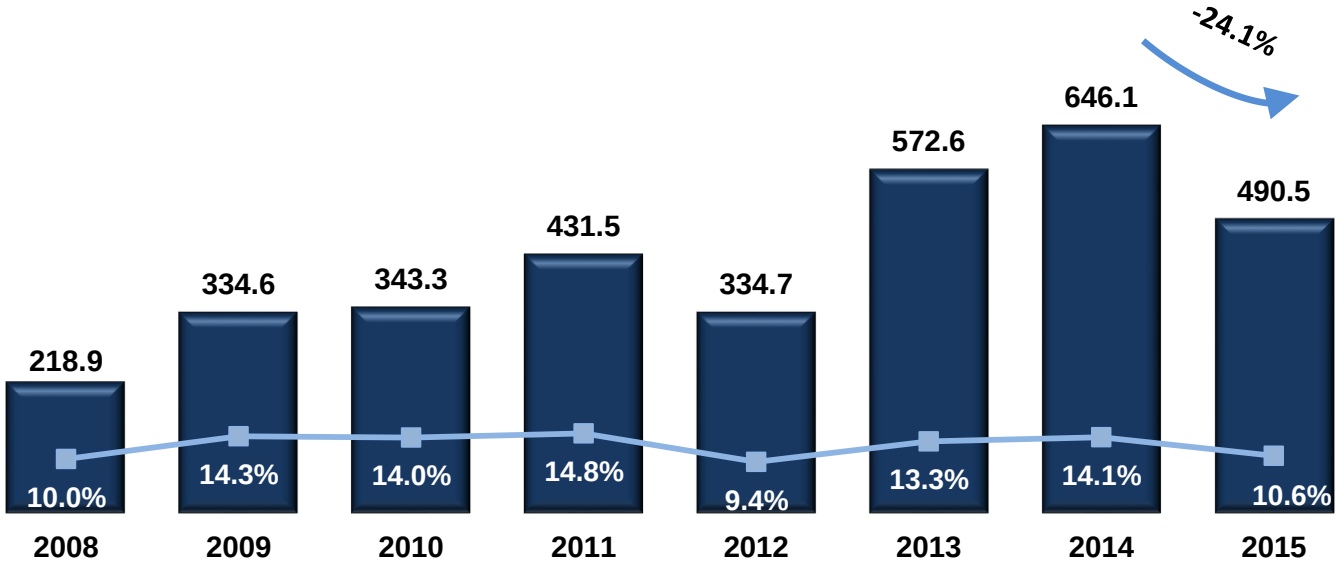
Net Debt and Operational Cash

Net Debt *(R$ million)* & Net Debt/EBITDA *(unit)*



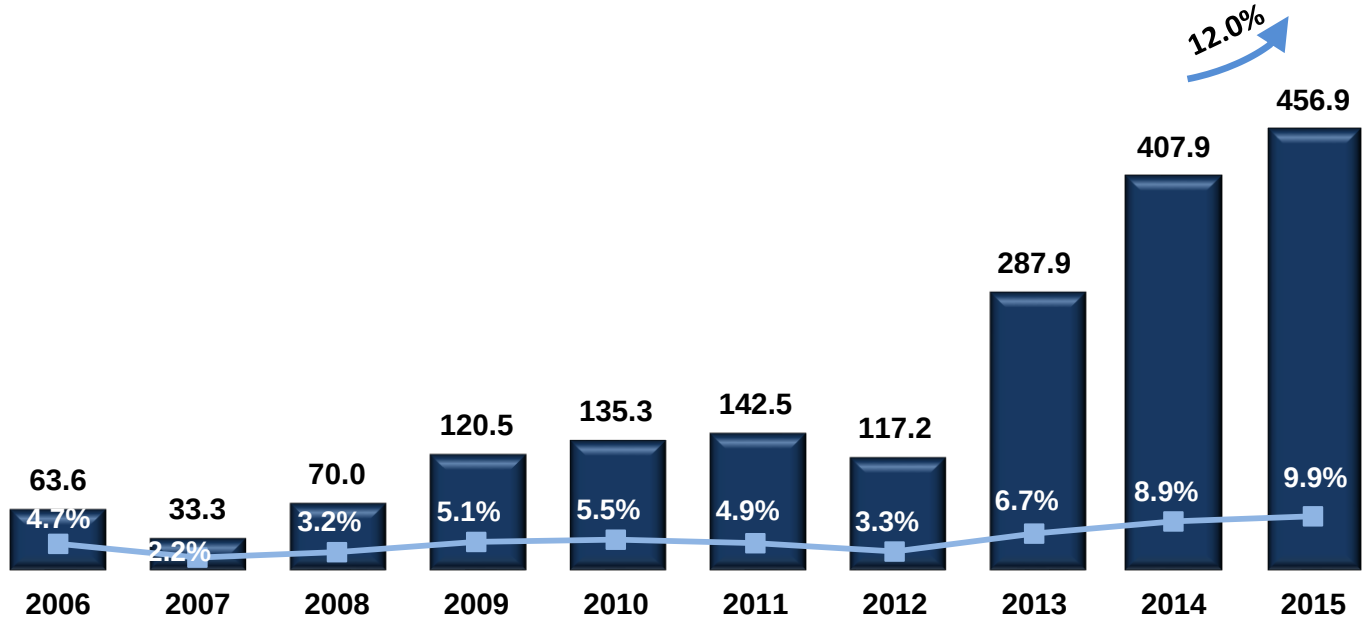
Operational Cash Generated *(R$ million)* and Operational Cash/Net Revenue *(%)*

CAGR 2008-2015: 12.2%



Capex and Acquisitions

Capex* *(R$ million)* & Capex*/Net Revenue *(%)*



* Capex value does not include acquisitions.

Acquisitions Track Record

Company	Acquisition Year	Region	Products
Adria	2003	South and Southeast	Cookies, Crackers and Pasta
Vitarella	2008	Northeast	Cookies, Crackers and Pasta
Pilar	2011	Northeast	Cookies, Crackers and Pasta
Estrela	2011	Northeast	Cookies, Crackers, Pasta, Cakes and Snacks
Moinho Santa Lúcia	2012	Northeast	Cookies, Crackers and Pasta

Future Perspectives



What we see ahead …



- **Expanding Market Share leadership in cookies, crackers and pasta;**
- **Expanding Market Share in wheat flour, margarine, shortening, snacks, cakes, cake mix and toasts;**
- **New acquisitions;**
- **Operations in new food segments;**
- **Conclusion of vertical integration process of flour;**
- **Broadening revenues that come from new products and exports;**
- **Continuous search for more operational efficiency …**

Corporate Governance and Capital Market



Corporate Governance and Capital Market

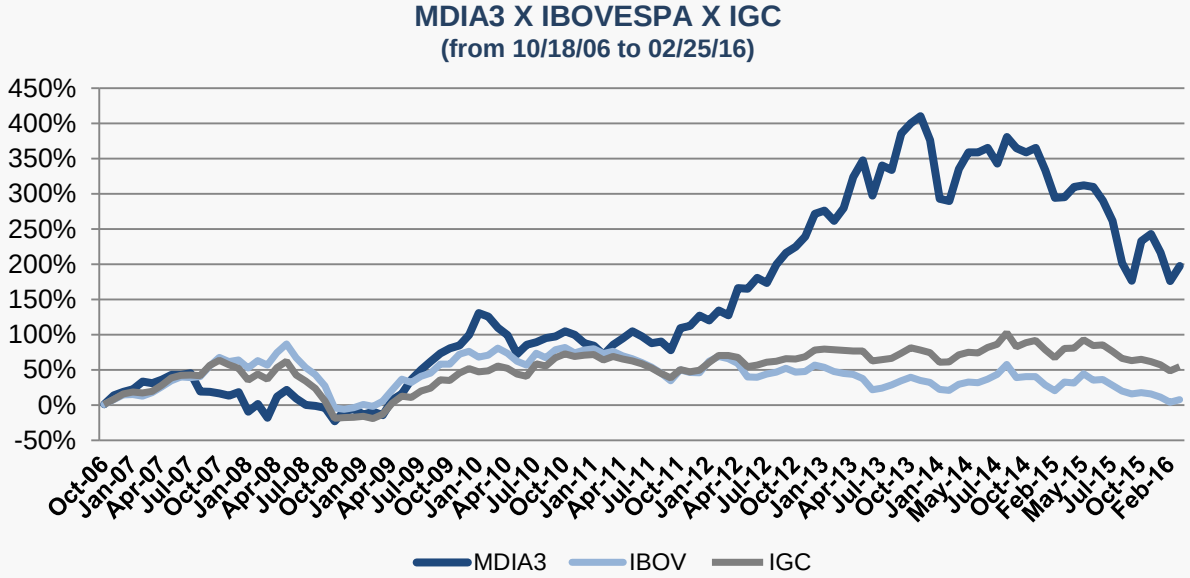
Listed in Novo Mercado with an improving liquidity …

Corporate Governance

- ✓ M. Dias Branco at BM&FBovespa since October 18th, 2006 (Ticker - MDIA3)
- ✓ Control Block: 75.0%
Free Float : 25.0%
- ✓ Free Float*:
21.7% - Brazilian investors
78.3% - Foreign investors
- ✓ Board of Directors: 5 members
(2 independent members)
- ✓ Audit Committee: 3 members
(all independent members)
- ✓ Only common shares (113 million)

*March 03, 2016 data

Capital Market



BM&FBOVESPA Indices

Índice de Ações com Tag Along Diferenciado **ITAG**

Índice de Ações com Governança Corporativa Diferenciada Novo Mercado **IGC-NM**

Índice Brasil Amplo BM&FBOVESPA **IBRA**

Índice do Setor Industrial **INDX**

Índice de Ações com Governança Corporativa Diferenciada **IGC**

MidLarge Cap **MLCX**

Índice de Consumo **ICON**

Índice Brasil **IBRX**

Índice de Governança Corporativa Trade **IGCT**

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THANKS!

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