

COMPANY PRESENTATION

November / 2017

“FOOD FOR THE WELL-BEING OF SOCIETY AND PEOPLE’S HAPPINESS”

This is the greater purpose that inspires the Company’s mission.

AGENDA

1. Corporate Profile

2. Financial Information

3. Corporate Governance and Capital Market



CORPORATE PROFILE

ENTREPRENEURIAL HISTORY

1953
Industrial-scale Production
Initiated large-scale production of cookies, crackers and pasta at the Fortaleza factory.

60's
Decentralized distribution model
Focused on serving small and medium retail business with a readily available stock.

1978
Launched the Richester brand

1980
Launched the new Fortaleza industrial plant, located in the city of Eusebio (CE).

1992
Early vertical integration
Started the operation of Dias Branco Wheat Mill (Fortaleza/CE), a wheat milling and flour production facility with part of the output produced for internal consumption and part produced for sale on the market. The new facility marked the Company's entry into the wheat, flour and bran market.

2000
Expanded production in the Northeast
Started operations at a new wheat mill and pasta factory in Natal/RN.

2002
Continued vertical integration
Started operations at the vegetable shortening margarine and shortening plant in Fortaleza/CE, with part of the output produced for internal consumption and part produced for sale on the market. The new facility marked the Company's entry into the margarine and vegetable shortening market.

2003
Expansion into South and Southeast markets through acquisitions
Launched a new wheat mil in Salvador/BA. Acquired full ownership of Adria Alimentos do Brasil Ltda, a company based in São Paulo and the owner of the Adria, Basilar, Isabela and Zabet brands. Attained domestic market leadership cookies, crackers and pasta sectors.

2005
Integrated production model

Expanded Salvador (BA) site with a new cookies, crackers and pasta manufacturing facility integrated with the existing wheat mill, successfully achieving reduced logistics costs, vertical integration and product diversification. Commissioned a new manufacturing site called Grande Moinho Tambaú (GMT) comprising a wheat mill and pasta manufacturing facility in Cabedelo (PB), including a distribution center.

2006
Listing
Made an Initial Public Offering on the Novo Mercado segment of BM&FBOVESPA, with shares traded under the ticker "MDIA3".

2008
Building market Leadership
Acquired Indústria de Alimentos Bomgosto Ltda, a company based in Jaboatão dos Guararapes (PE) and the owner of the Vitarella brand.

2011/12
Continued acquisitions
Acquired NPAP Alimentos S/A, a company based in Recife/PE and the owner of the Pilar brand. Acquired Estrela Group companies owning the Estrela, Pelaggio and Salsito brands. The acquisition marked the Company's entry into the cake and snack market.
Acquired Moinho Santa Lúcia, a company based in Aquiraz/CE producing flour, pasta and cookies&crackers under the Predilleto and Bonsabor brands.

2014
Entering new markets
Developed a modern packaged toast factory in Eusébio/ CE and entered the cake mix market.

2015
Continued expansion and vertical Integration
Started operations at the Eusébio/CE packaged toast factory and Rolândia/PR and Eusébio/CE flour mills, enhancing vertical integration in flour sourcing. Started construction of a new wheat mill in Bento Gonçalves/RS.

2016
Restructuring of the sales area
Implementated a model in which the teams sell the Company's entire portfolio (transition from a single-brand to a multi-brand approach).

16.5 K

EMPLOYEES

focused on sustainable result





- **55% production**
- **34% sales and logistics**
- **11% administrative**

33% women
The Board of Directors

COMPETITIVE ADVANTAGES

Portfolio of Higly Recognized Brands

Strategically Located Plants and "state-of-art" technology

Experienced management team and qualified employees

Integrated Distribution Network with National Reach

National and Regional Market Leadership

Sustainability in economic, environmental and social aspects

Financial solidity and strong cash flow generation to support its growth strategy

Vertically Integrated and Efficient Production Process



PRODUCTS PORTFOLIO



MARKET SEGMENTS

- Cookies & Crackers
- Pasta
- Wheat Flour & Bran
- Margarine & Vegetable Shortening
- Cakes & Cake Mix
- Snacks
- Toasts

18 BRANDS



North





Northeast



Midwest



South



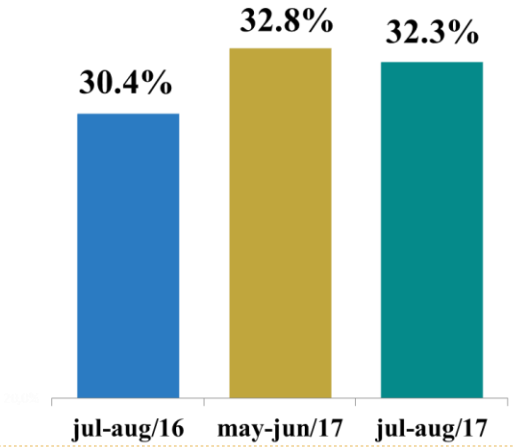
Southeast

M. Dias Branco
Tradição & Qualidade

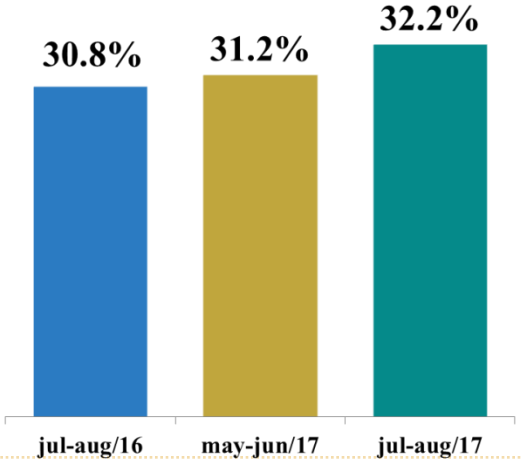
NATIONAL MARKET LEADERSHIP

M. Dias Branco – National Market Share [1]
(in % of volume sold)

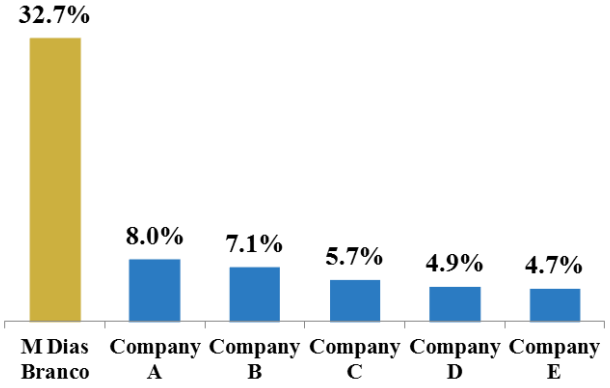
Cookies & Crackers



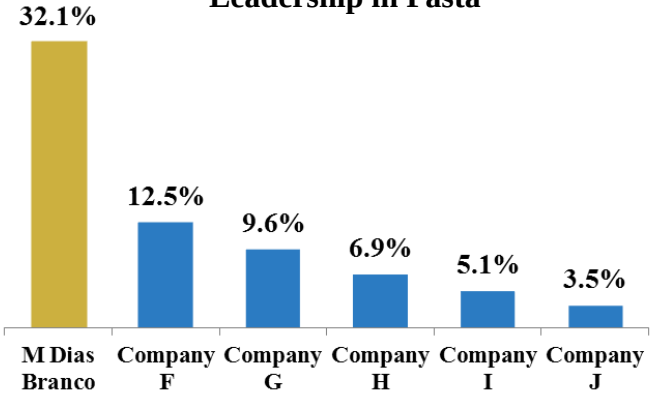
Pasta



***Leadership in Cookies & Crackers[2]**



***Leadership in Pasta [2]**



[1] Until 2016 the market share data considered retail channel and from 2017 considered retail channel plus cash & carry. For comparability purposes, we re-submitting the mai-jun/16 with the current methodology (retail + cash & carry).
[2] Period: jan-aug/17

NEW PRODUCTS

ADRIA PLUS LIFE



NEW PRODUCTS

VITARELLA
Treloso Mega



ISABELA
Triwafer



M. Dias Branco
Tradição & Qualidade

NEW PRODUCTS

FINNA FESTA AND COCO





NEW PACKAGES

Previous Packages







New Packages







NEW PACKAGES

Previous Packages





New Packages





MARKETING CAMPAINGS 360 DEGREES

RICHESTER
Animados Zoo



VITARELLA
Treloso



FINNA



Salsitos



AWARDS

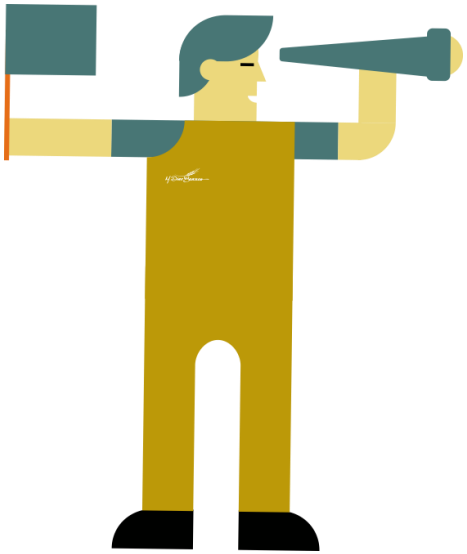
ADRIA

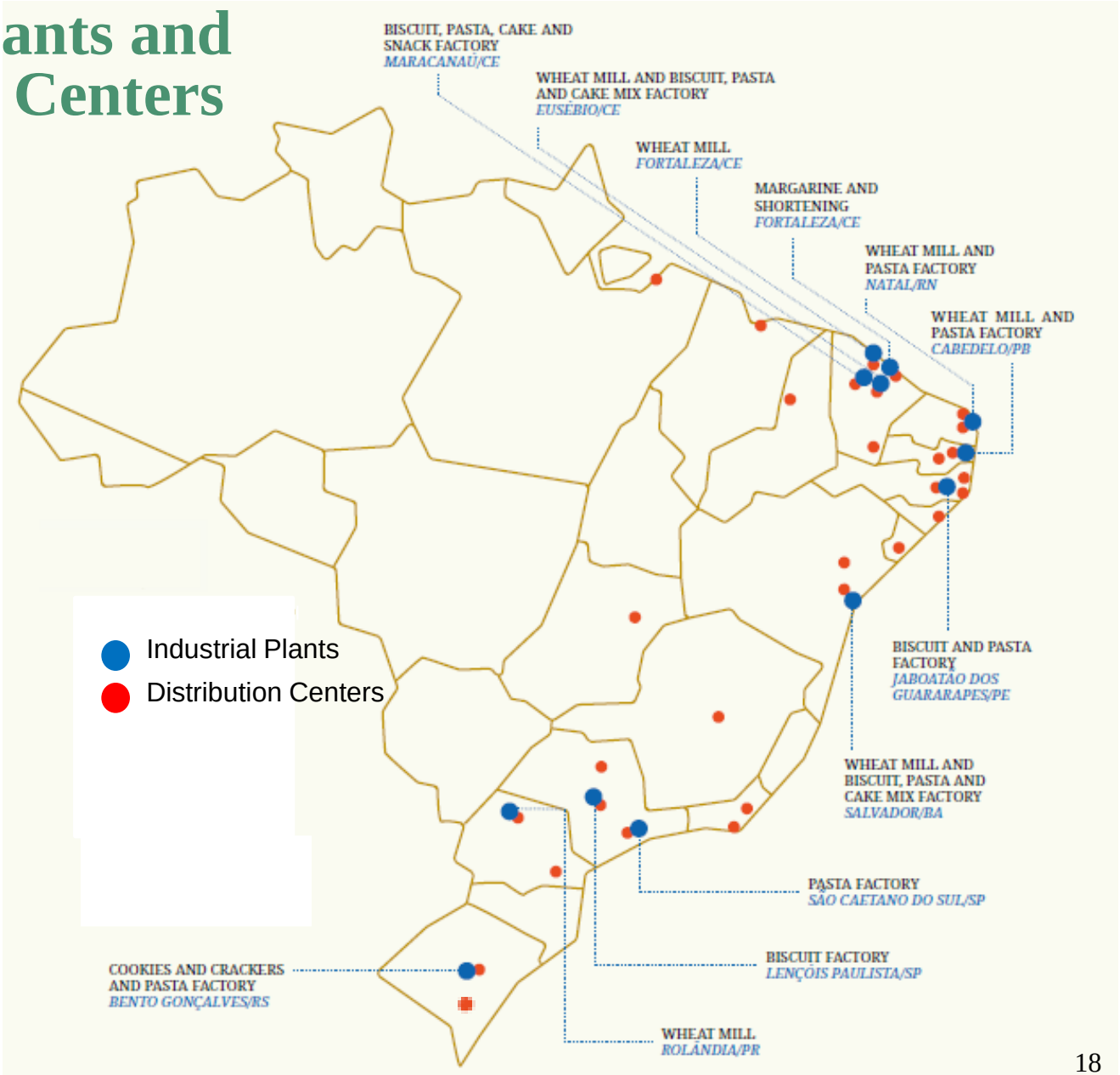


Vitarella



12 Industrial Plants and 30 Distribution Centers





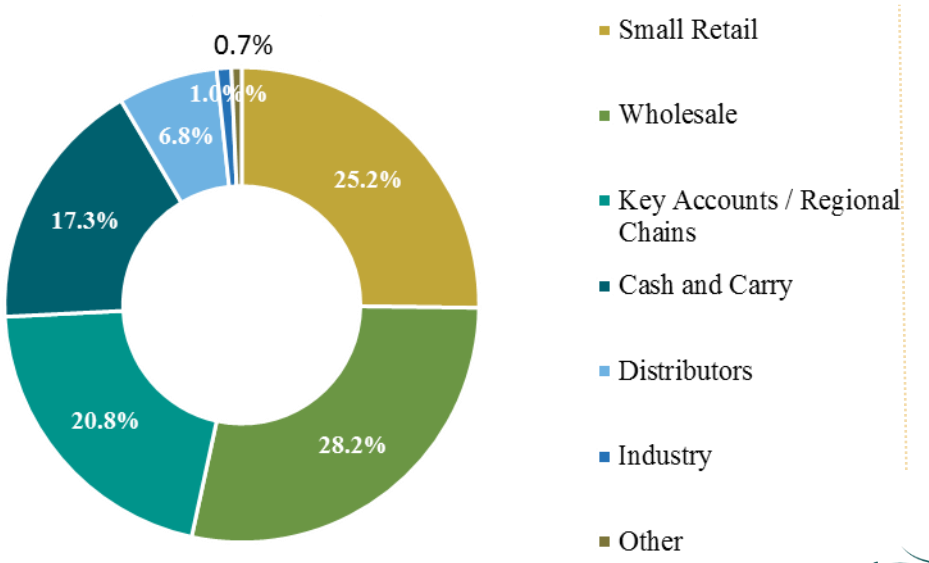
INTEGRATED DISTRIBUTION NETWORK

Own distribution network in key areas and 3rd party distribution in other regions

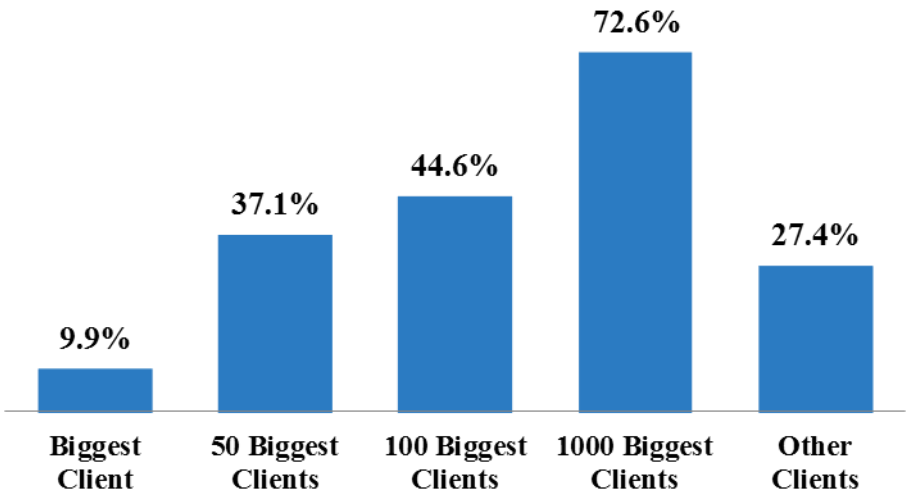
Unique distribution system able to reach consumers with different profiles, including the ones in remote locations in Brazil, via wholesale and direct distribution to small grocery stores

Broad client and consumer base all over Brazil

Low Dependency on Large Supermarket Chains (9M17)



Widespread Customer Base (9M17)



VERTICAL INTEGRATION

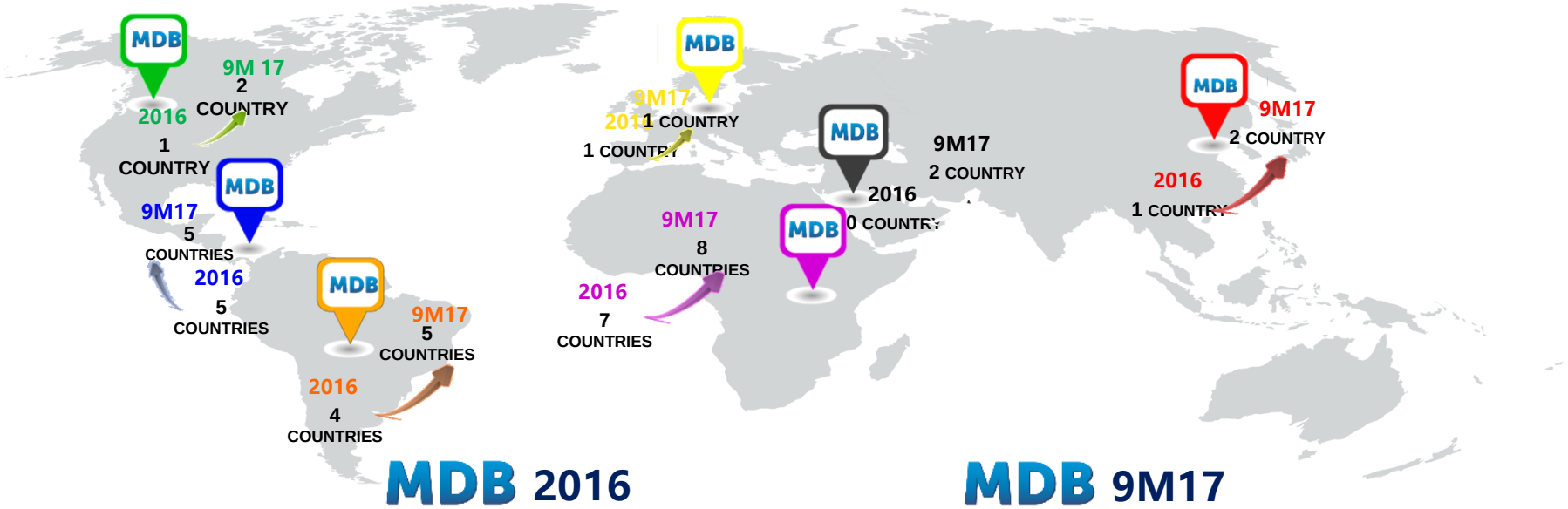


77.8% of the vegetal fat we consume is own.



92.7% of the wheat flour we consume comes from our 6 mills.

R$ 25.1 MM Exported to 25 Countries in 9M17



MDB 2016

- South America
- Central America
- North America
- Asia
- Africa

MDB 9M17

- South America
- Central America
- North America
- Asia
- Africa
- Europe
- Middle East
  - Yemen, Palestine, Kuwait, United Arab Emirates, Oman, Jordan, Qatar, Iraq, Syria, Lebanon, Israel

STRATEGIC GROWTH GOALS



Expanding Market Share leadership.



Organic Growth



New acquisitions.



Operations in new food segments.



Vertical integration expansion.



Maintain the current dividend policy.



Continuous search for more operational efficiency and costs control.

SUSTAINABILITY

Work groups for each strategic theme, with monthly meetings to monitor the actions and report to the Sustainability Committee.
Disclosure Annual Sustainability Report based on Global Reporting Initiative methodology.



WORKING GROUPS TOPICS

- Nutrition and Healthiness
- Packaging
- Waste
- Water - Effluents | Energy - Emissions
- Social Investment and Communities
- Transparency and Dialogue
- Raw Material

In line with its sustainable growth strategy, the Company expects to expand its business in a responsible manner, considering present and future generations.

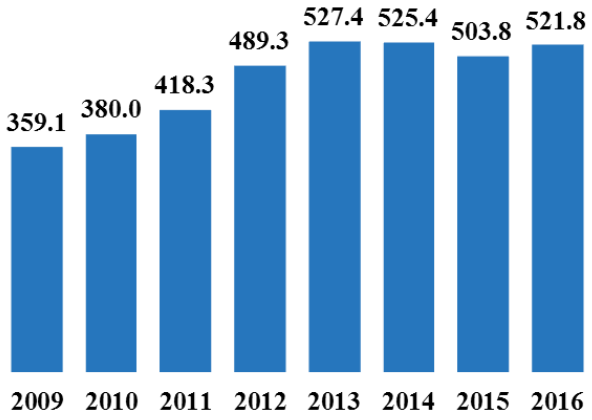


FINANCIAL INFORMATION

SALES VOLUME BY PRODUCT LINE

Cookies and Crackers – Sales ('000 tonnes)

CAGR 2009-2016: 5.5%

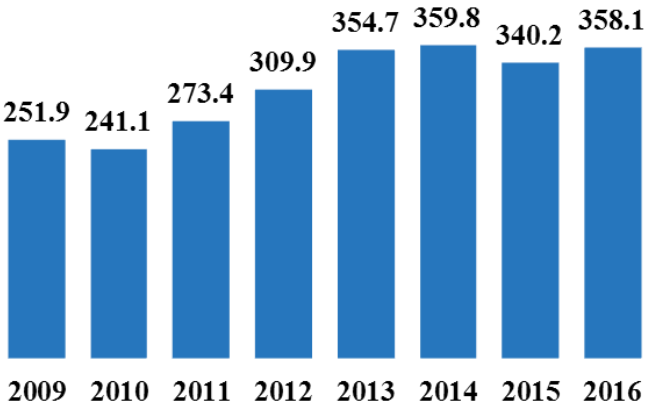


+2.2%
9M16 vs. 9M17



Pasta – Sales ('000 tonnes)

CAGR 2009-2016: 5.2%

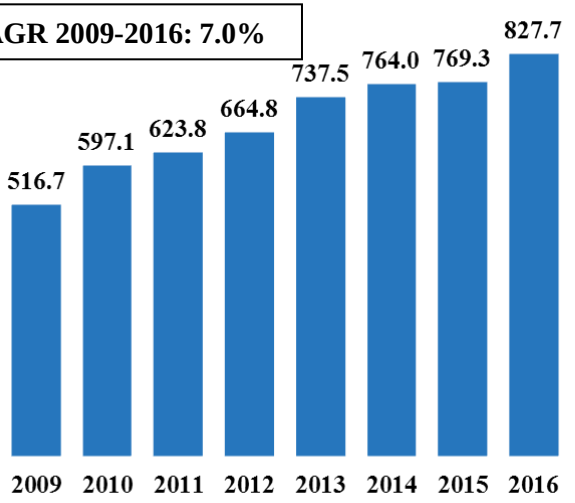


+1.3%
9M16 vs. 9M17



Wheat Flour and Bran – Sales ('000 tonnes)

CAGR 2009-2016: 7.0%

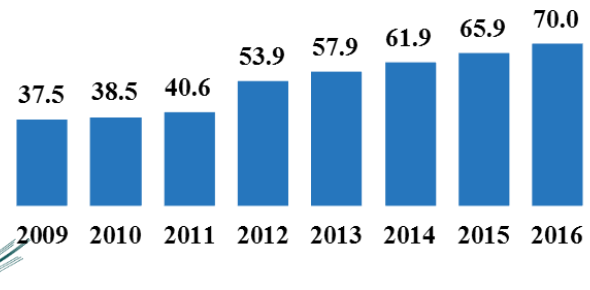


+3.0%
9M16 vs. 9M17



Margarine and Vegetable Shortening – Sales ('000 tonnes)

CAGR 2009-2016: 9.3%



+19.0%
9M16 vs. 9M17

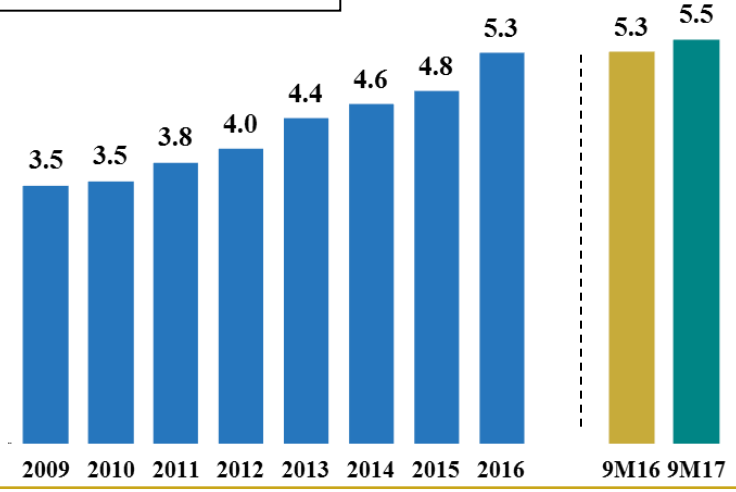


NET AVERAGE PRICE

Cookies and Crackers – Net Average Price *(R$/Kg)*

CAGR 2009-2016: 6.1%

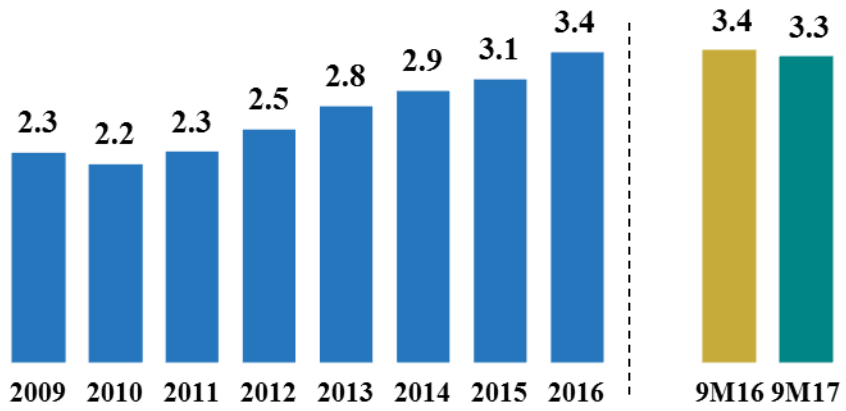
+3.2%
9M16 vs. 9M17



Pasta – Sales - Net Average Price *(R$/Kg)*

CAGR 2009-2016: 5.8%

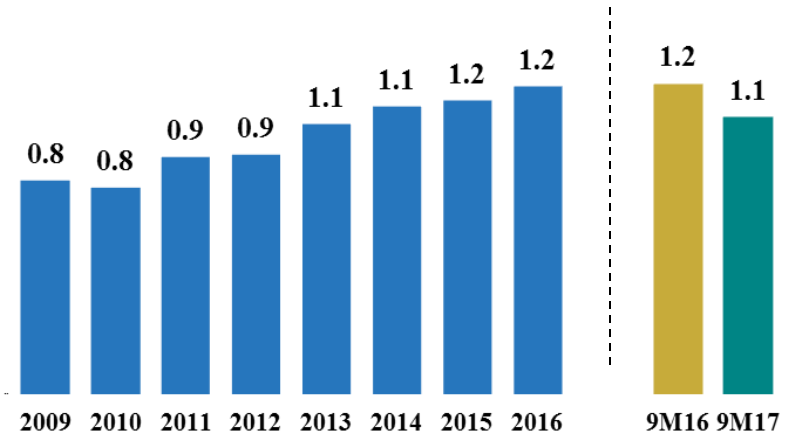
-2.1%
9M16 vs. 9M17



Wheat Flour and Bran – Net Average Price *(R$/Kg)*

CAGR 2009-2016: 5.4%

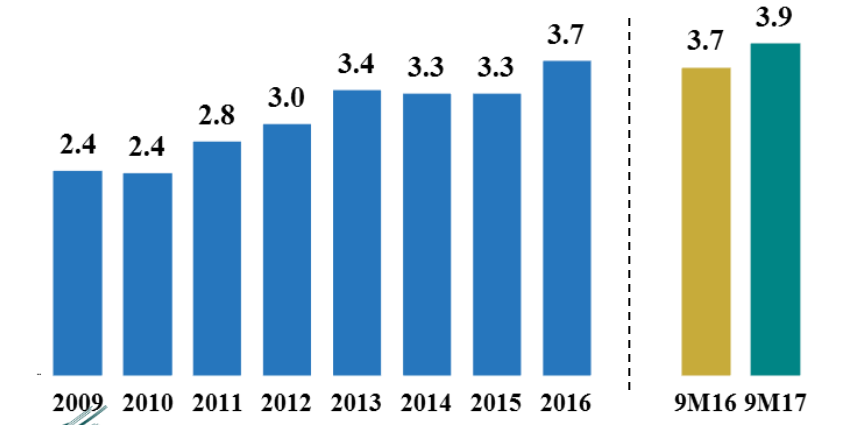
-10.7%
9M16 vs. 9M17



Margarine and Vegetable Shortening – Net Average Price (R$/Kg)

CAGR 2009-2016: 6.3%

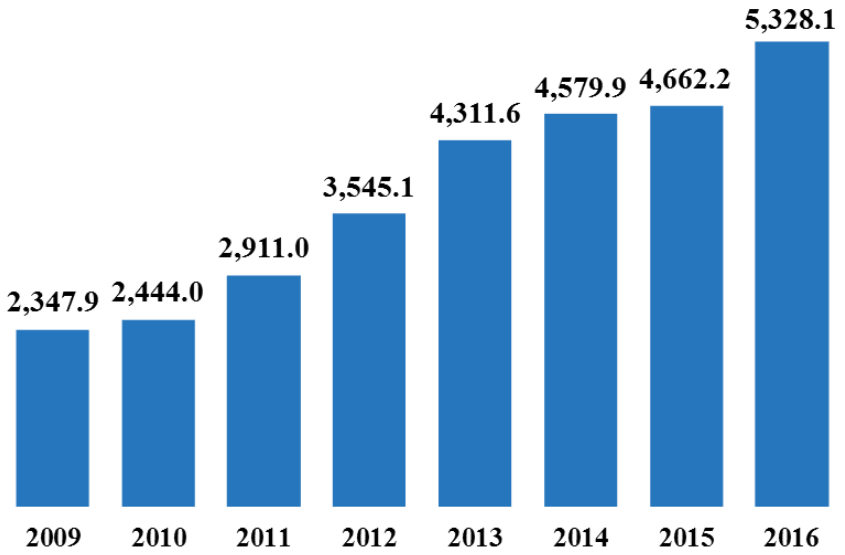
+7.9%
9M16 vs. 9M17



NET REVENUE AND GROSS PROFIT

CAGR 2009-2016: 12.4%

Net Revenue *(R$ million)*

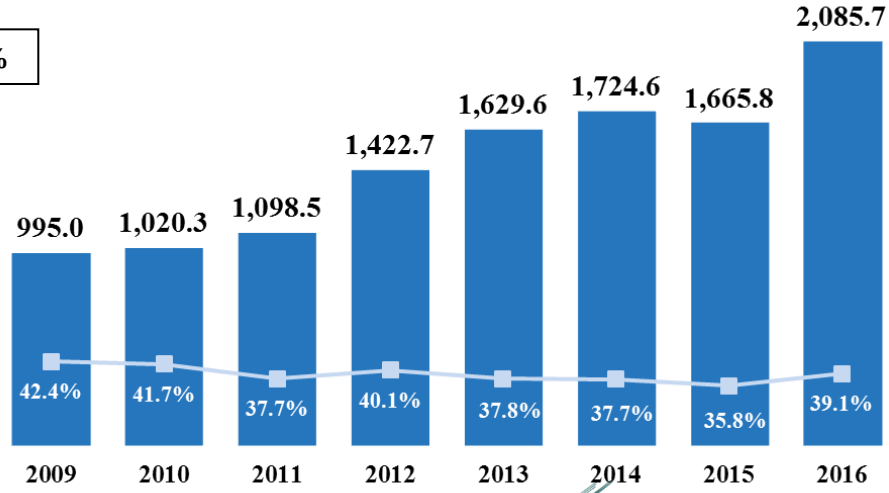


Net Revenue
+3.2%
9M16 vs. 9M17



CAGR 2009-2016: 11.2%

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



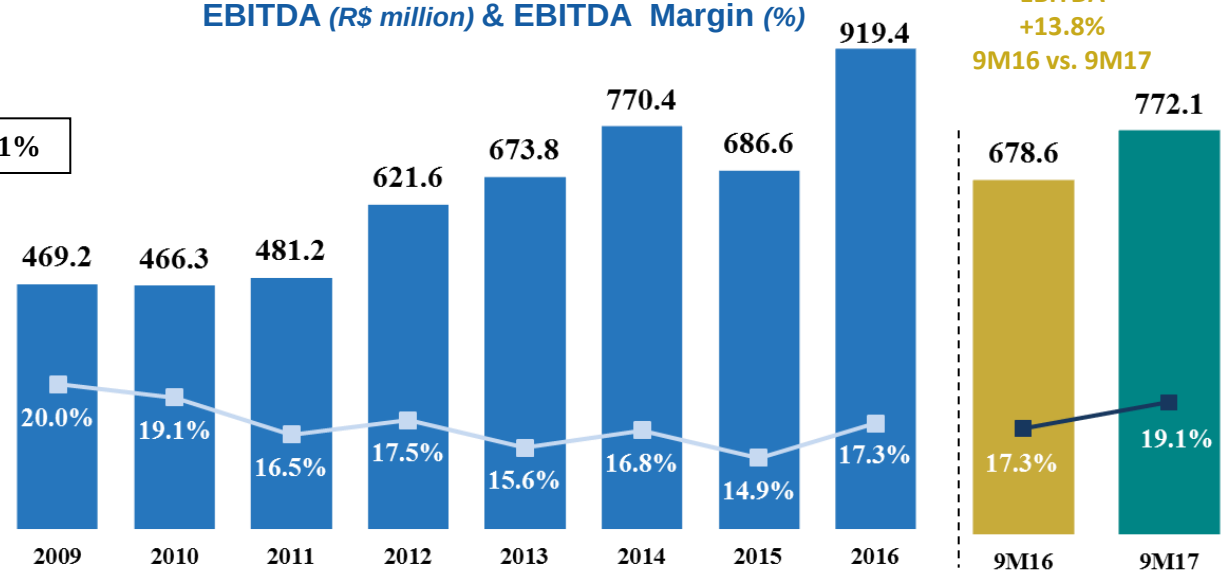
Gross Profit
+12.9%
9M16 vs. 9M17



EBITDA AND NET PROFIT

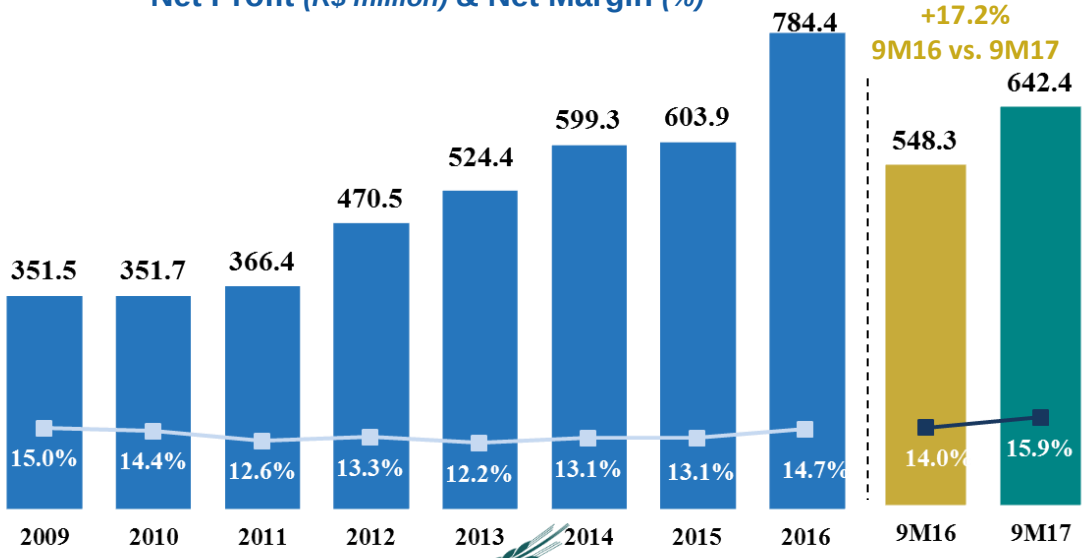
EBITDA *(R$ million)* & EBITDA Margin *(%)*

CAGR 2009-2016: 10.1%



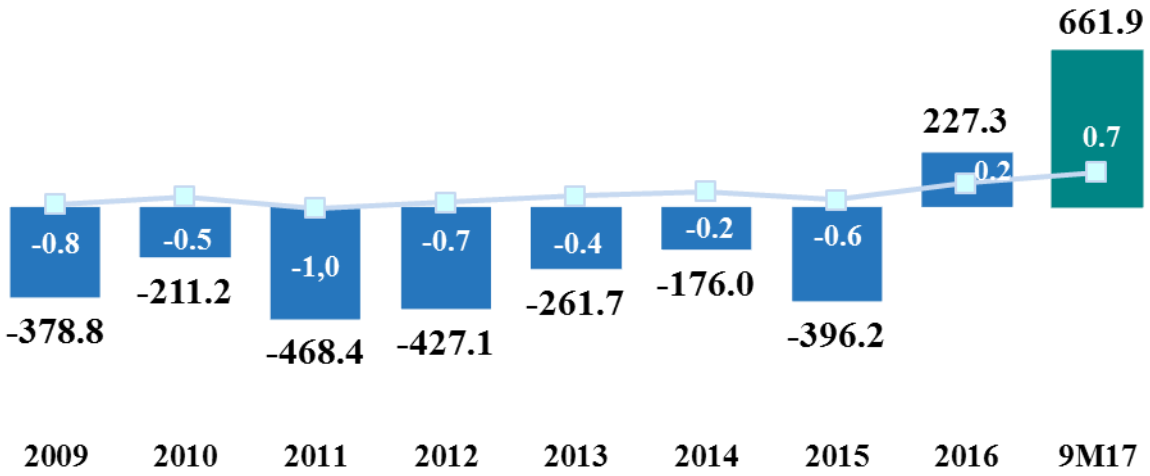
Net Profit *(R$ million)* & Net Margin *(%)*

CAGR 2009-2016: 12.2%



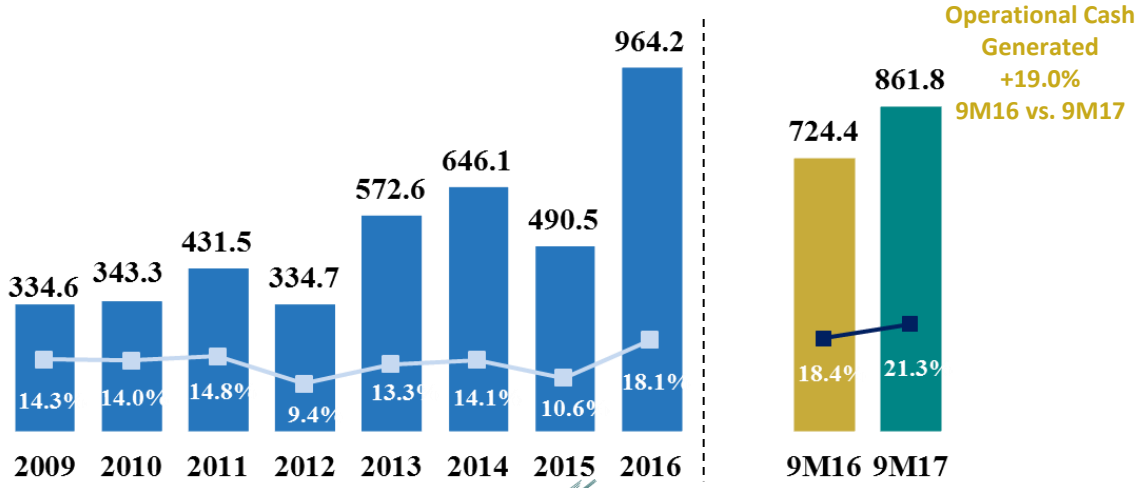
NET DEBT AND OPERATIONAL CASH

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



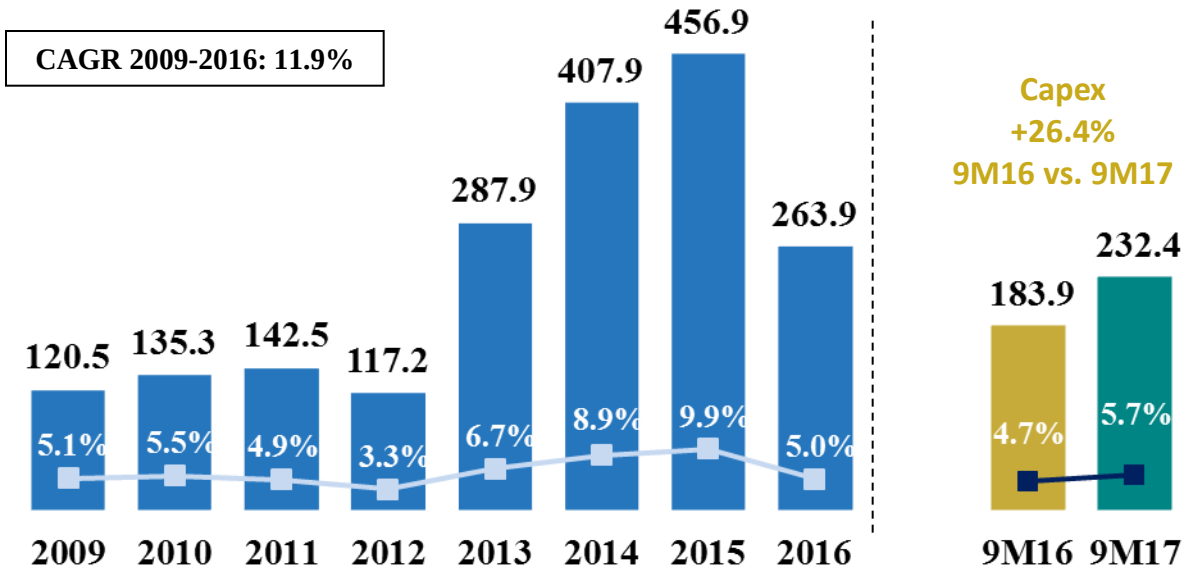
Operational Cash Generated *(R$ million)* and Operational Cash/Net Revenue *(%)*

CAGR 2009-2016: 16.3%



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

CORPORATE GOVERNANCE AND CAPITAL MARKET

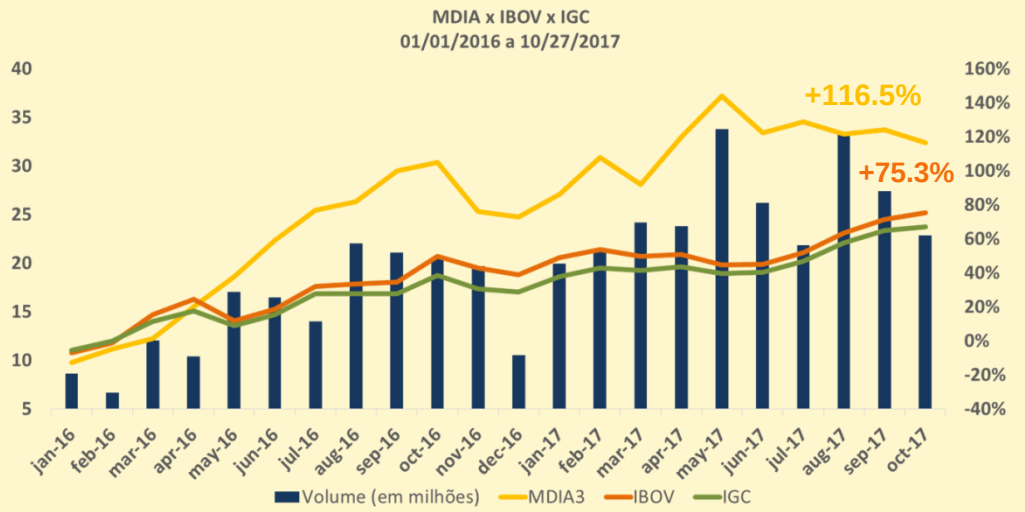


CORPORATE GOVERNANCE AND CAPITAL MARKET

Corporate Governance

- M. Dias Branco at BM&FBovespa since October 18th, 2006 (Ticker - MDIA3)
- Control Block: 75%
  Free Float: 25%
- Free Float[1]:
  25.5% - Brazilian investors
  74.5%- Foreign investors
- Board of Directors: 6 members
  (3 independent members)
- Audit Committee: 3 members
  (all independent members)
- Only common shares (339 million)

Capital Market

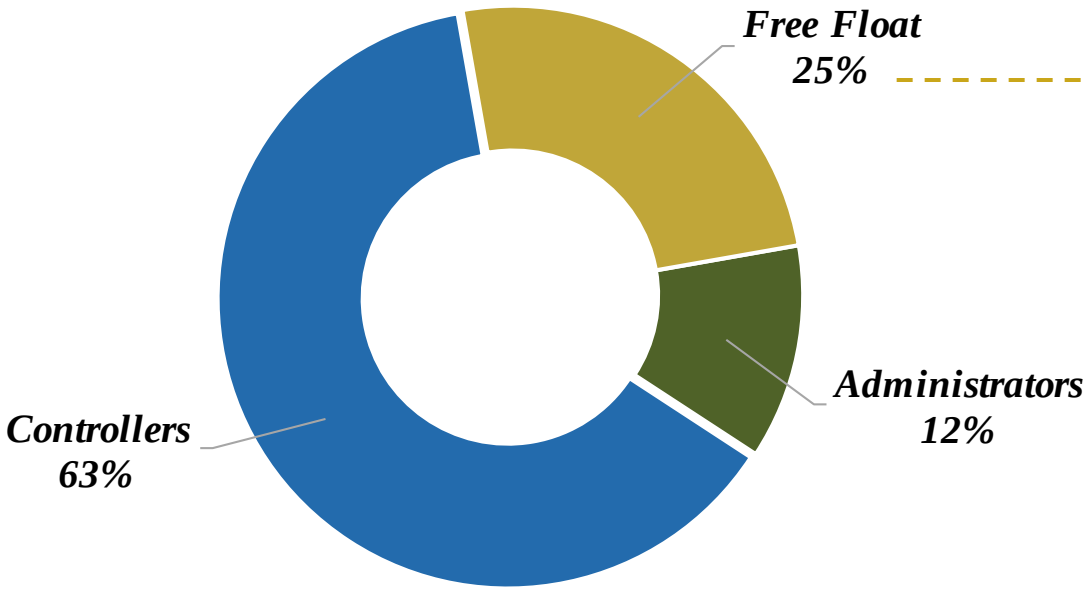


BM&FBOVESPA Indices

Índice de Ações com Tag Along Diferenciado ITAG
Índice Brasil Amplo BM&FBOVESPA IBRA
Índice de Ações com Governança Corporativa Diferenciada Novo Mercado IGC-NM
Índice do Setor Industrial INDX
ESG RATING
Índice de Ações com Governança Corporativa Diferenciada IGC
MidLarge Cap MLCX
Índice de Consumo ICON
Índice Brasil IBRX
FTSE4Good
Índice de Governança Corporativa Trade IGCT

[1] October 27, 2017data.

CORPORATE GOVERNANCE AND CAPITAL MARKET





* Position as of 10/27/2017.

THANKS!

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