

COMPANY PRESENTATION

March / 2017

M. Dias Branco

“FOOD FOR THE GOOD OF SOCIETY AND PEOPLE’S HAPPINESS”

This is the greater purpose that
Inspires our 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.

COMPETITIVE ADVANTAGES



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.

PRODUCTS PORTFOLIO



MARKET SEGMENTS

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

PORTFOLIO OF HIGHLY RECOGNIZED BRANDS



North

Northeast

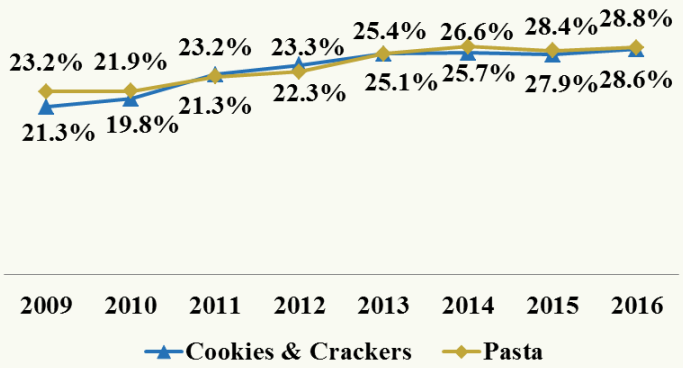
Midwest

Southeast

South

NATIONAL MARKET LEADERSHIP

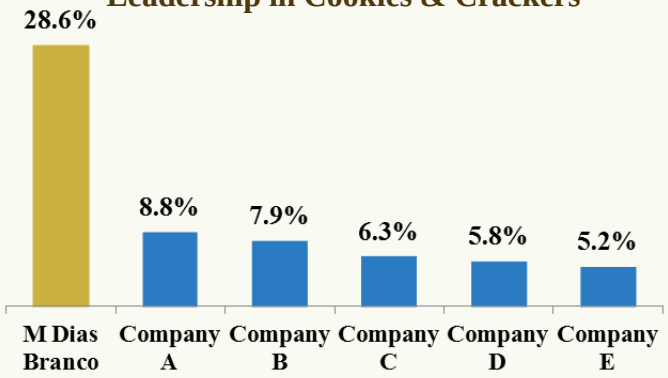
M. Dias Branco – National Market Share [1]
(in % of volume sold)



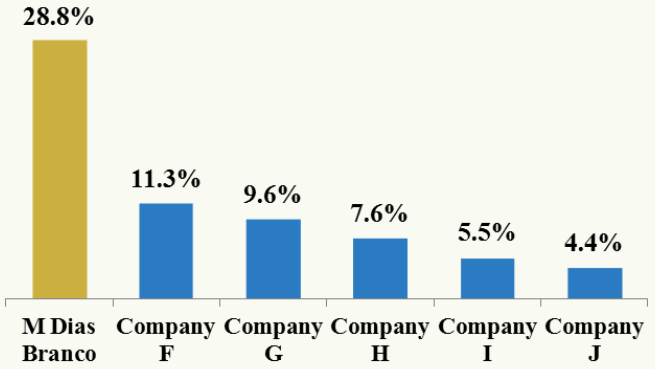
Products	• High quality products; • Diversified product lineup; • Presence across all social classes.
Brands	• Top of mind brands; • Regional multi brand approach; • Main brands: Adria, Basilar, Estrela, Fortaleza, Isabela, Pelaggio, Pilar, Richester, Vitarella and Zabet.
Distribution	• Own and third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

1 National leader in Cookies&Crackers and Pasta Market | Source: AC Nielsen
**Period Jan-Dec2016*

Leadership in Cookies & Crackers



Leadership in Pasta



Note:

1. AC Nielsen Data: 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.

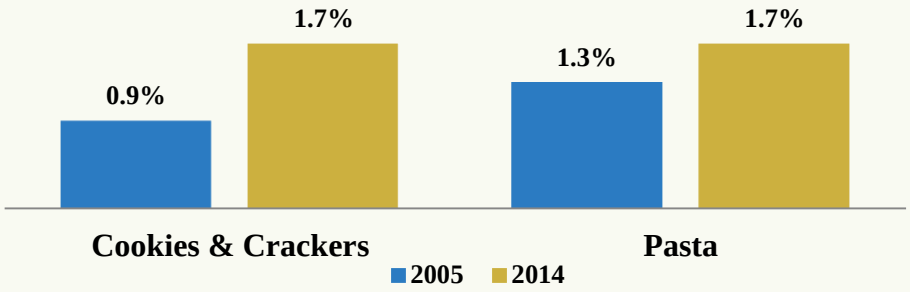
AMONG THE WORLD'S LARGEST

	COOKIES&CRACKERS (Source: Euromonitor)		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%

	PASTA (Source: Euromonitor)		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	Pastificio Selmi SA	Brazil	1.3%
9	Pastificio Rana SpA	Italy	1.3%
10	Alicorp SAA	Peru	1.3%

M. Dias Branco - Global Market Share [2]

(in % of retail value)

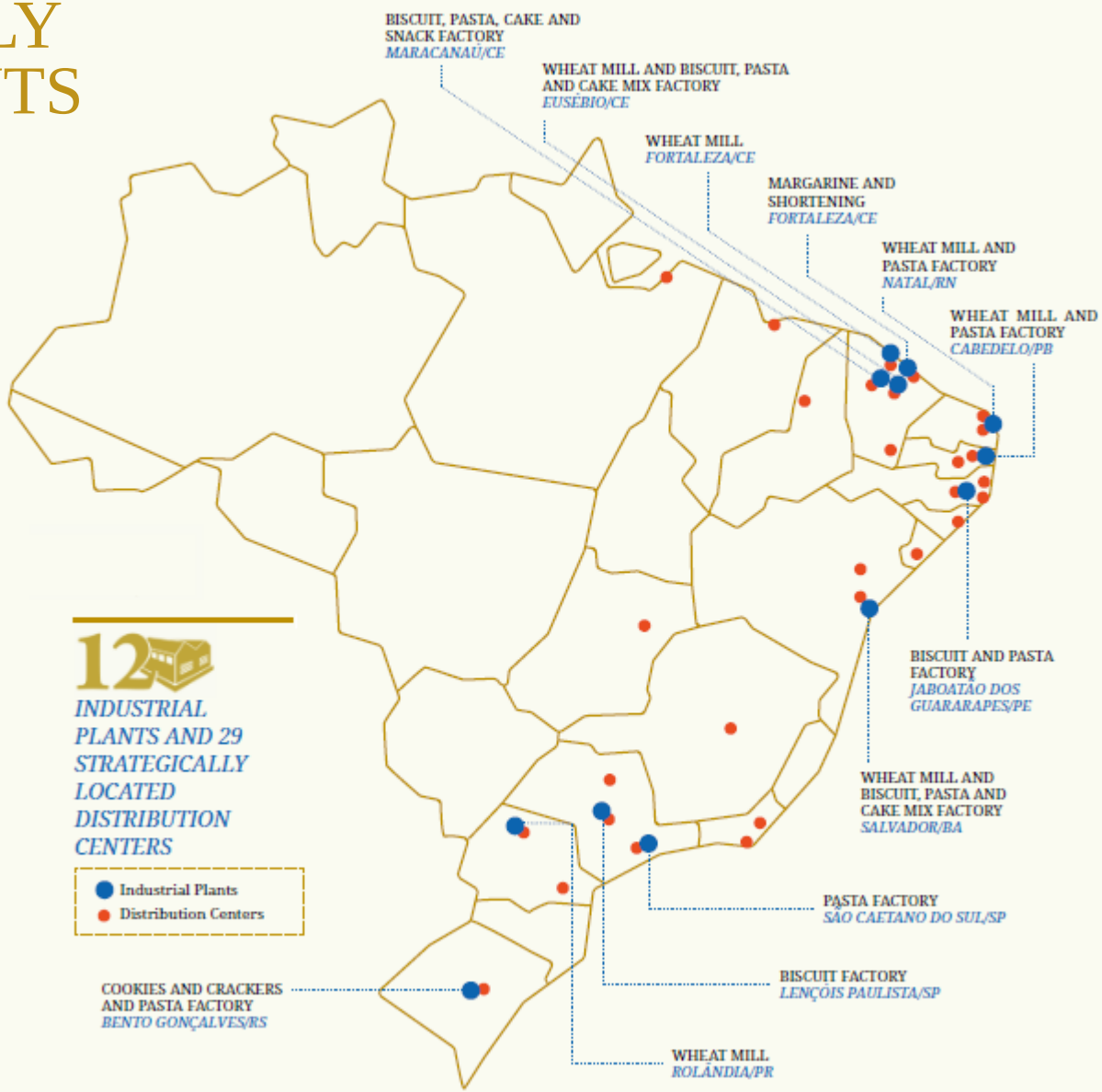


TOP 2nd
Sandwich Biscuits Ranking

TOP 4th
Dried Pasta Ranking

[2] At the global ranking, is the 7th in Cookies&Crackers and the 6th in Pasta.
Source: Euromonitor

STRATEGICALLY LOCATED PLANTS



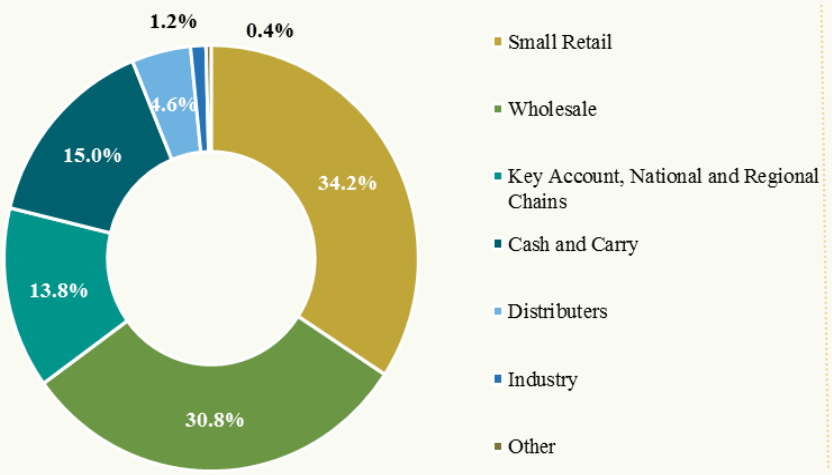
INTEGRATED DISTRIBUTION NETWORK

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

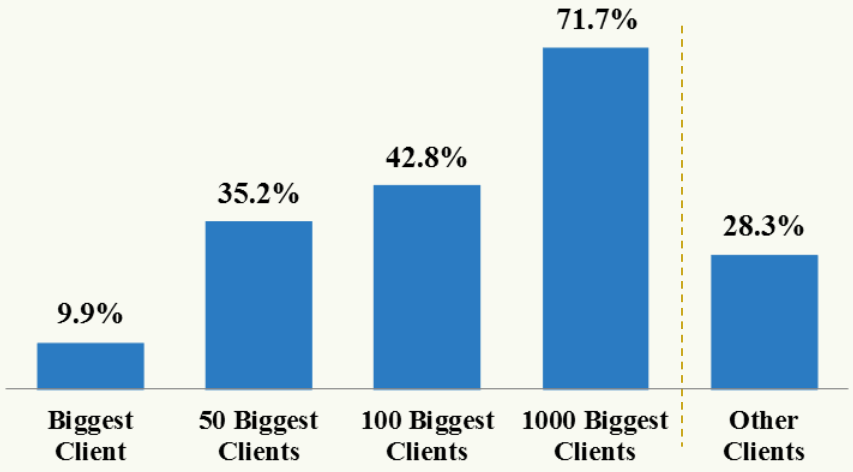
Unique distribution system able to reach consumers with different profiles, including the ones in remote locations in Brazil, via wholesale and direct distribution to small grocery stores

Broad client and consumer base all over Brazil

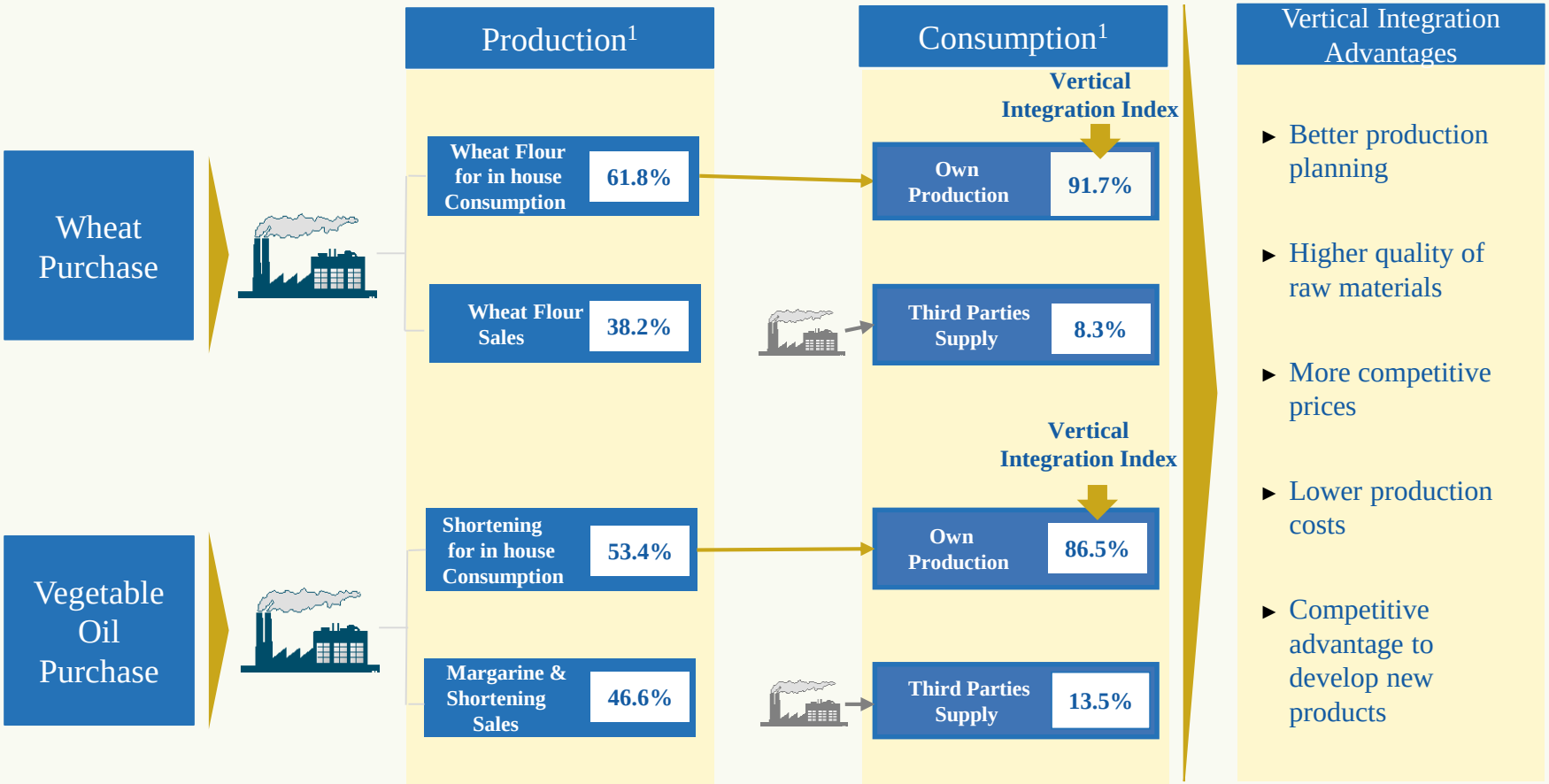
Low Dependency on Large Supermarket Chains (4Q16)



Widespread Customer Base (4Q16)



VERTICAL INTEGRATION



Note:
1 4Q16 Data.

PEOPLE MANAGEMENT PRACTICES



Developing employees to support the business strategy.

Contributing to a **favorable working environment** and consistent with our **values**.

Strengthening employee **engagement** and **cultural alignment**.

Career Map – Competitive Remuneration – Career Oportunities

Corporate University – Management Performance – Quality of Life Program

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
- Inputs

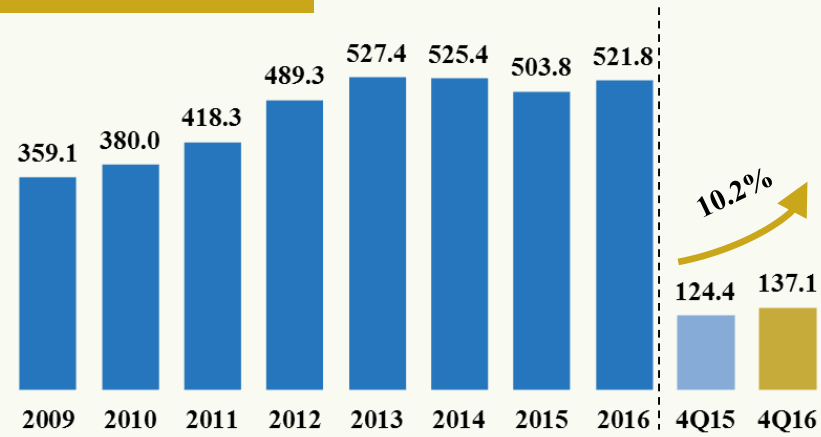
In line with its sustainable growth strategy, the Company expects to expand its business in a responsible manner, considering present and future generations.

FINANCIAL INFORMATION

SALES VOLUME BY PRODUCT LINE

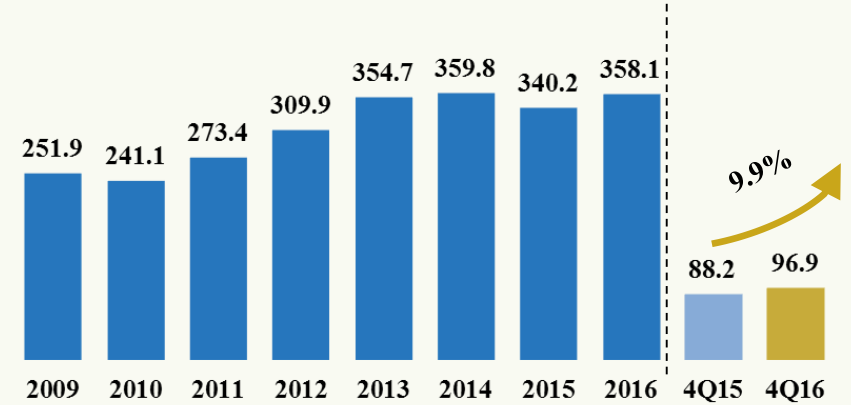
Cookies and Crackers – Sales *('000 tonnes)*

CAGR 2009-2016: 5.5%



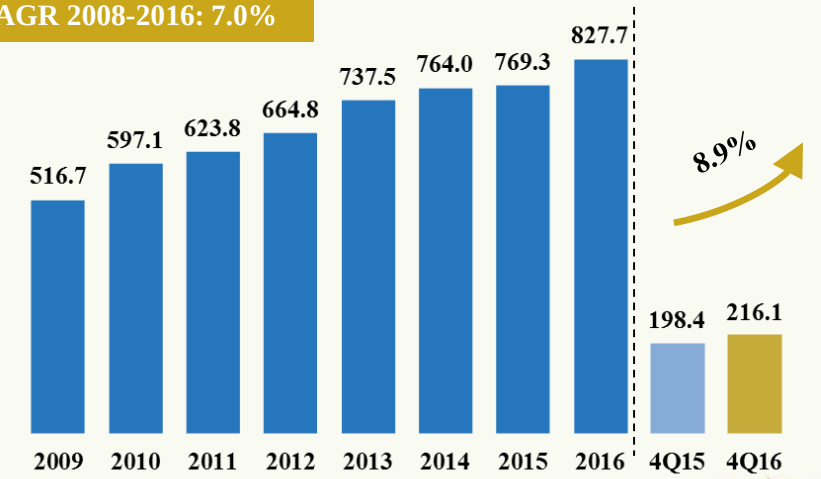
Pasta – Sales *('000 tonnes)*

CAGR 2009-2016: 5.2%



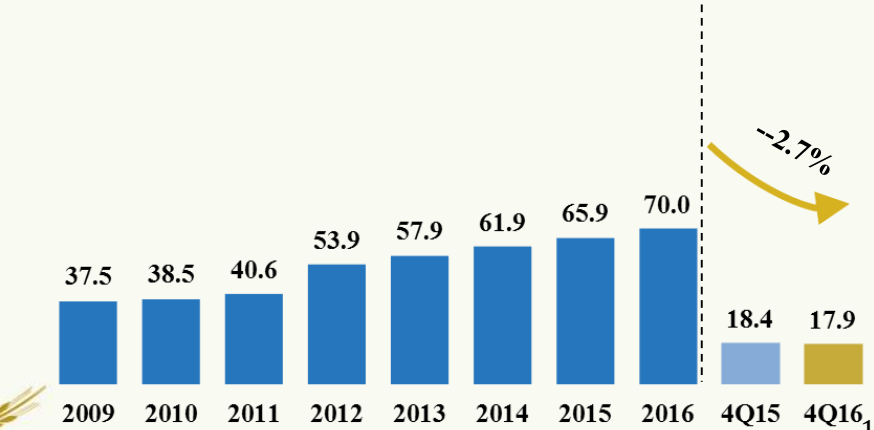
Wheat Flour and Bran – Sales *('000 tonnes)*

CAGR 2008-2016: 7.0%



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

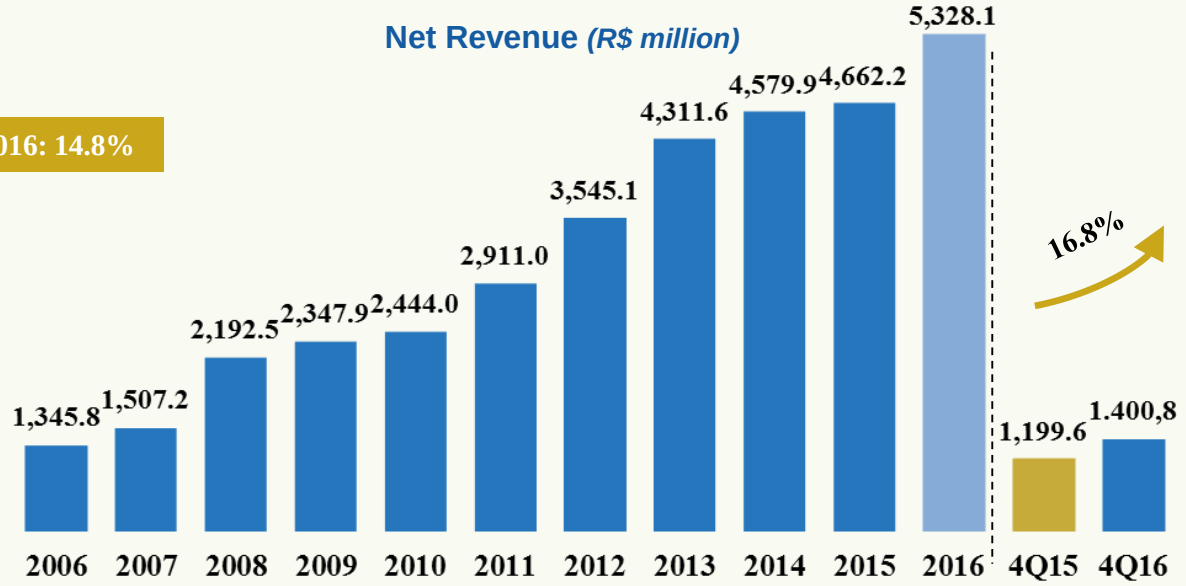
CAGR 2009-2016: 9.3%



NET REVENUE AND GROSS PROFIT

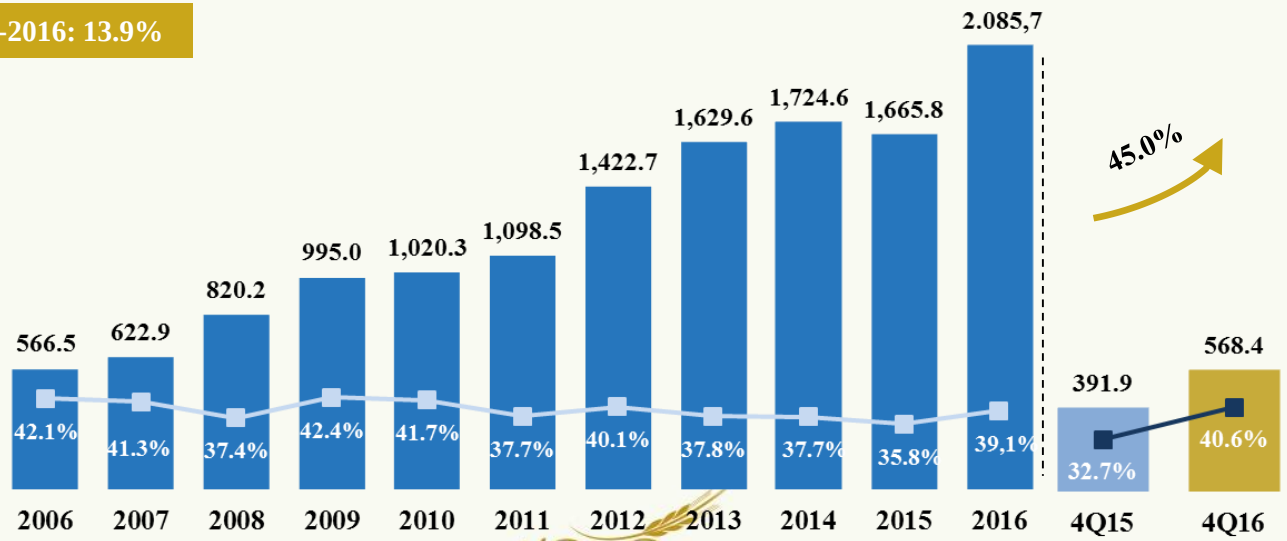
Net Revenue *(R$ million)*

CAGR 2006-2016: 14.8%



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

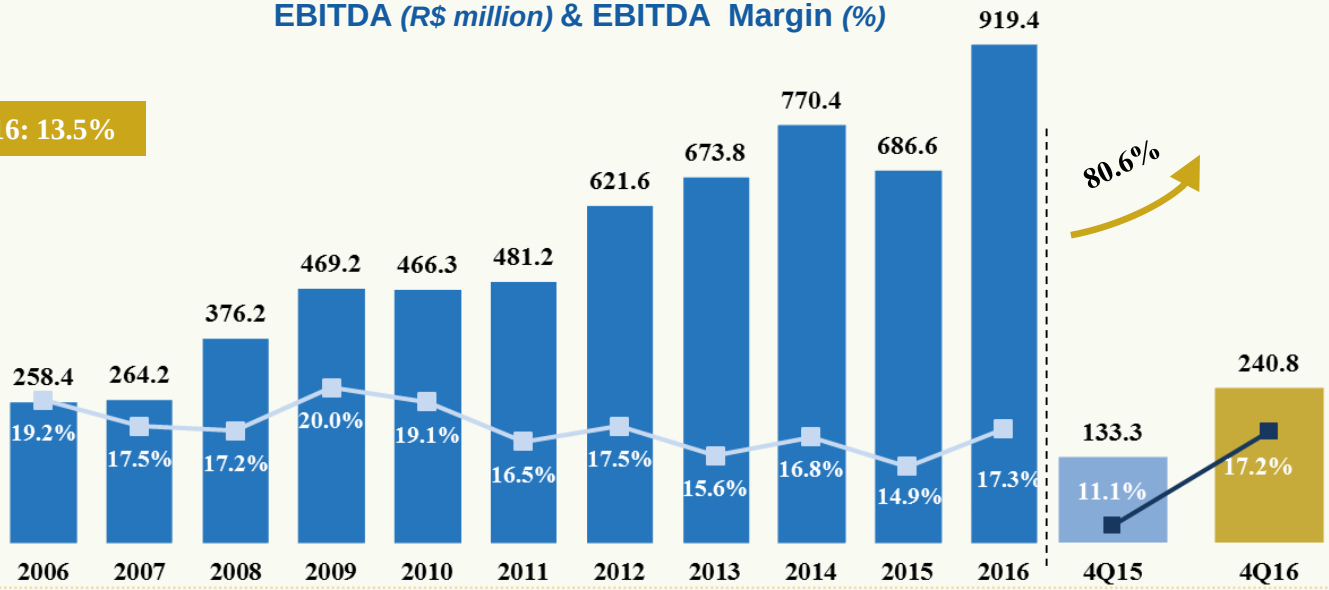
CAGR 2006-2016: 13.9%



EBITDA AND NET PROFIT

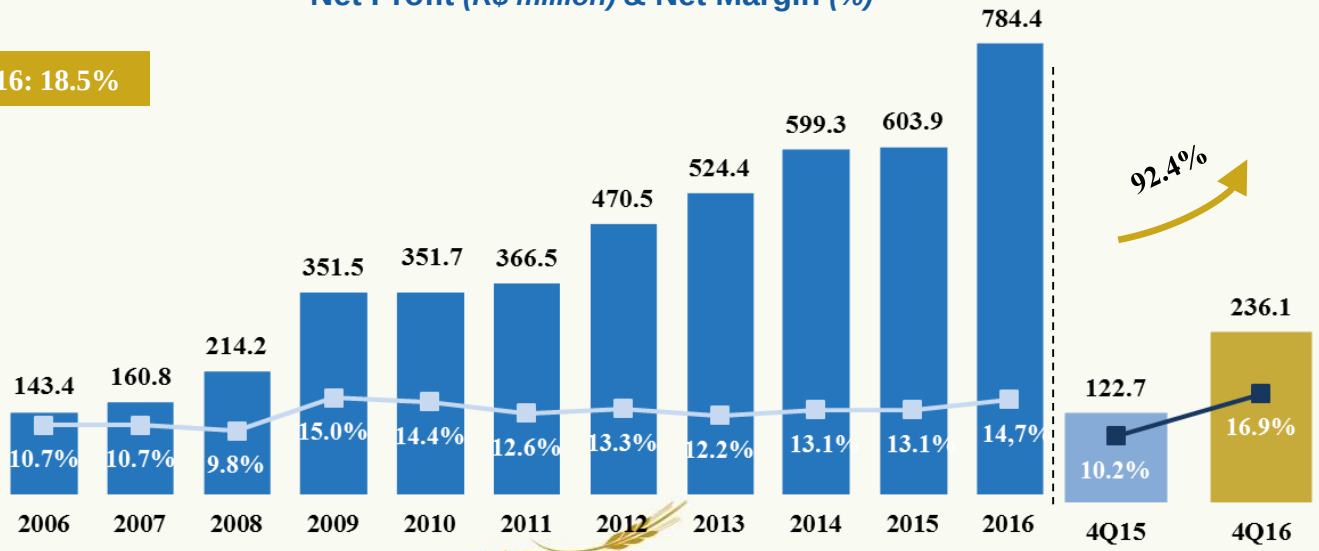
EBITDA *(R$ million)* & EBITDA Margin *(%)*

CAGR 2006-2016: 13.5%



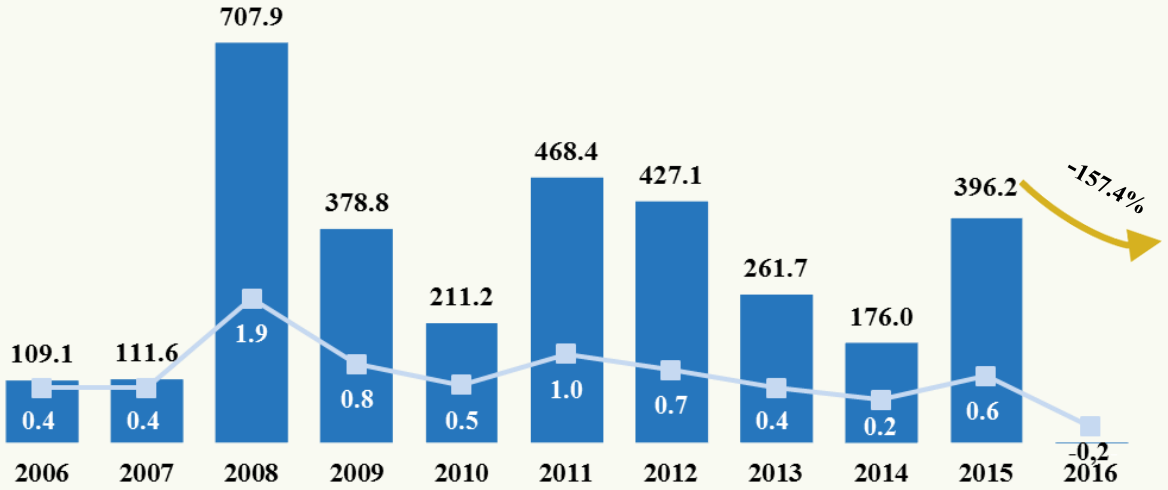
Net Profit *(R$ million)* & Net Margin *(%)*

CAGR 2006-2016: 18.5%



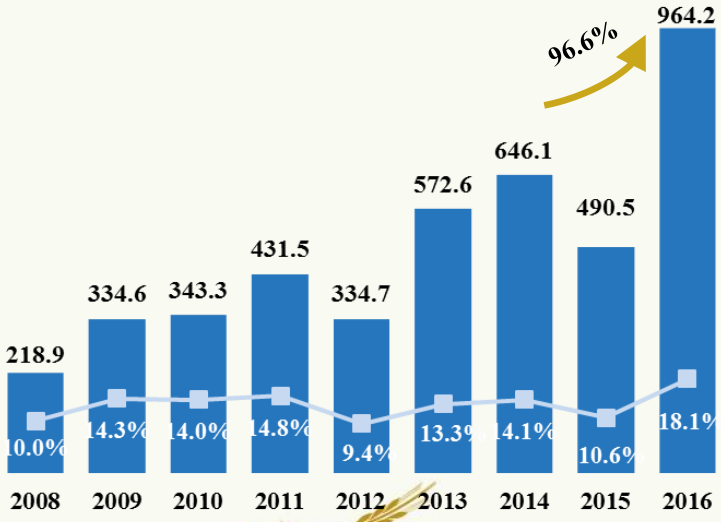
NET DEBT AND OPERATIONAL CASH

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



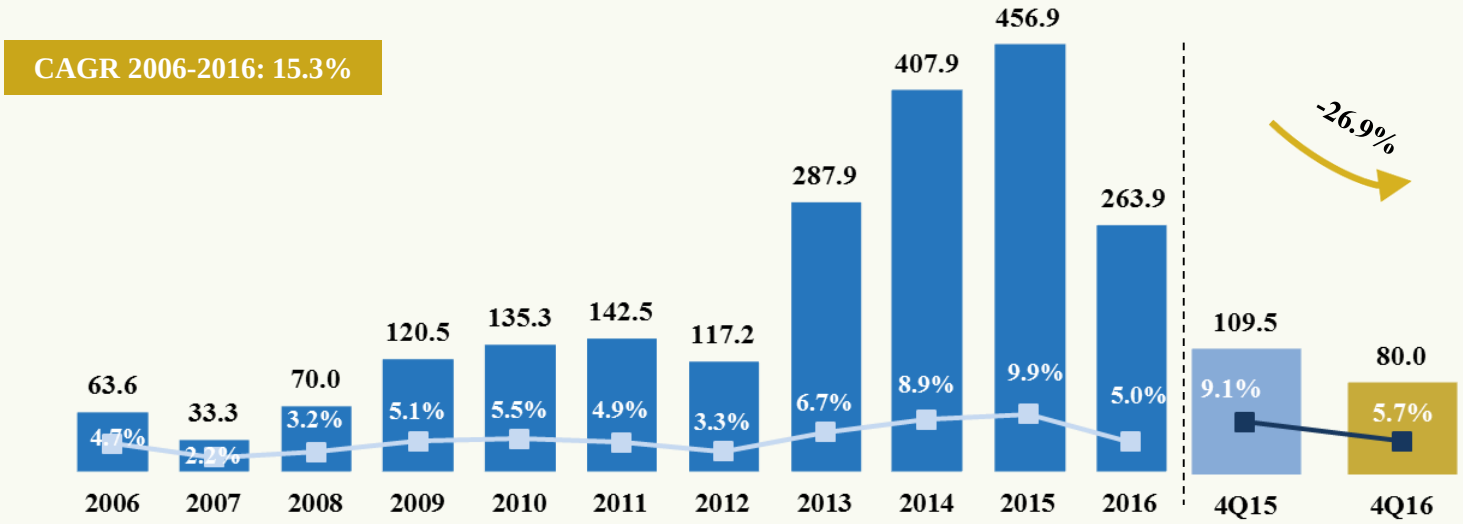
Operational Cash Generated *(R$ million)* and Operational Cash/Net Revenue *(%)*

CAGR 2008-2016: 20.4%



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

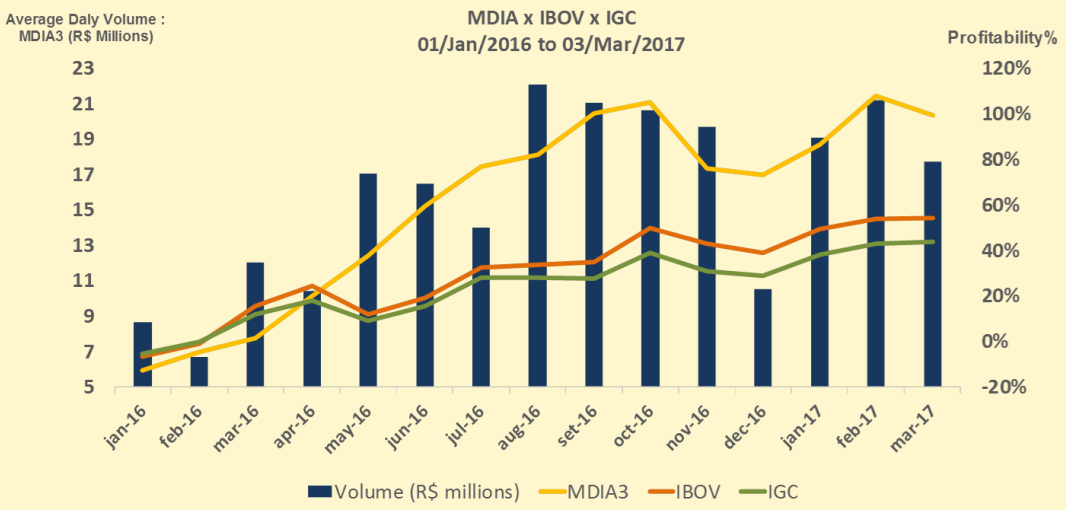
CORPORATE GOVERNANCE AND CAPITAL MARKET

CORPORATE GOVERNANCE AND CAPITAL MARKET

Corporate Governance

- M. Dias Branco at BM&FBovespa since October 18th, 2006 (Ticker - MDIA3)
- Control Block: 75.0%
  Free Float : 25.0%
- Free Float[1]:
  21.4% - Brazilian investors
  78.6% - Foreign investors
- Board of Directors: 5 members
  (2 independent members)
- Audit Committee: 3 members
  (all independent members)
- Only common shares (113 million)

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
MidLarge Cap MLCX
Índice de Ações com Governança Corporativa Diferenciada IGC
Índice de Governança Corporativa Trade IGCT
Índice de Consumo ICON
Índice Brasil IBRX

[1] October 04, 2016 data.

THANKS!

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