


# *3Q14 Results*

***October, 2014***

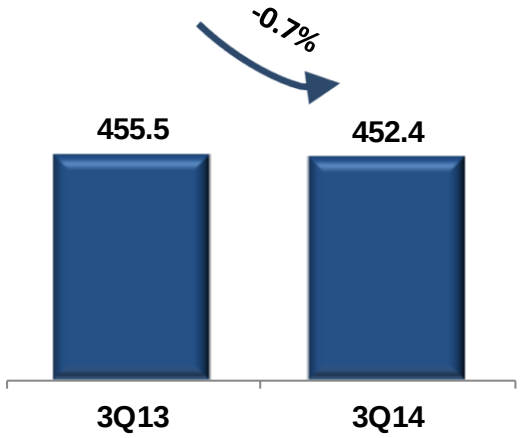
The statements contained in this document related to business prospects are merely tendencies and, as such, are based exclusively on the Management perspectives on the continuity of past and present actions, based on historical facts. These trends do not constitute projections or estimates, and can be altered substantially by changes in market conditions, the performance of the Brazilian economy, as well as of the sector and the international markets.

# Main Highlights



# Sales Volume, Production Capacity and Utilization

## Total Sales Volume
*(in '000 Tonnes, net of returns)*

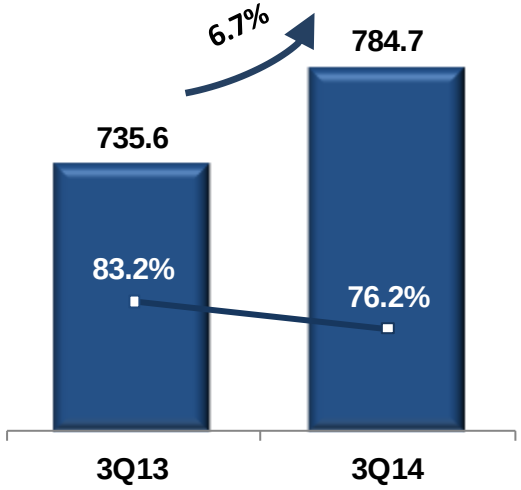



## Sales Volume - Breakdown
*(in '000 Tonnes, net of returns)*

| Item/Period | 3Q13 | 3Q14 | Δ |
|---|---|---|---|
| Cookies and Crackers | 143.8 | 139.4 | -3.1% |
| Pasta | 92.6 | 93.1 | 0.5% |
| Wheat Flour and Bran | 200.3 | 202.9 | 1.3% |
| Margarine and Shortening | 13.6 | 15.8 | 16.2% |
| Cakes and Snacks | 0.8 | 1.2 | 50.0% |
| Total | 455.5 | 452.4 | -0.7% |

Obs: The Volume for the "Other" segment was 4.4 thousand tonnes in 3Q13.

## Production Capacity *('000 Tonnes)* and Production Capacity Utilization *(%)*



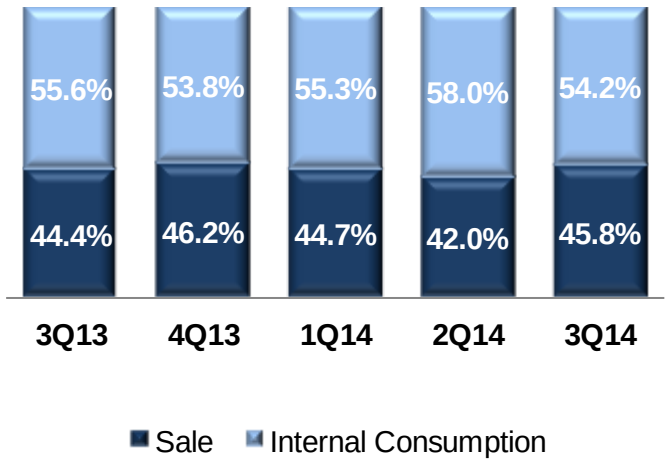

## Production Capacity Utilization – Breakdown *(%)*

| Item/Period | 3Q13 | 3Q14 | Δ |
|---|---|---|---|
| Cookies and Crackers | 77.8% | 66.9% | -10.9 p.p. |
| Pasta | 83.0% | 68.8% | -14.2 p.p. |
| Wheat Flour and Bran | 87.2% | 84.1% | -3.1 p.p. |
| Margarine and Shortening | 74.2% | 73.6% | -0.6 p.p. |
| Cakes and Snacks | 50.0% | 45.8% | -4.2 p.p. |
| Total | 83.2% | 76.2% | -7.0 p.p. |

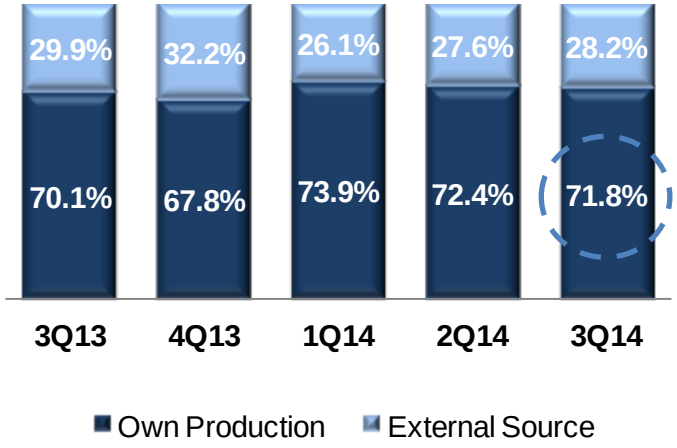
# Vertical Integration

## Wheat Flour

### Production Allocation (%)

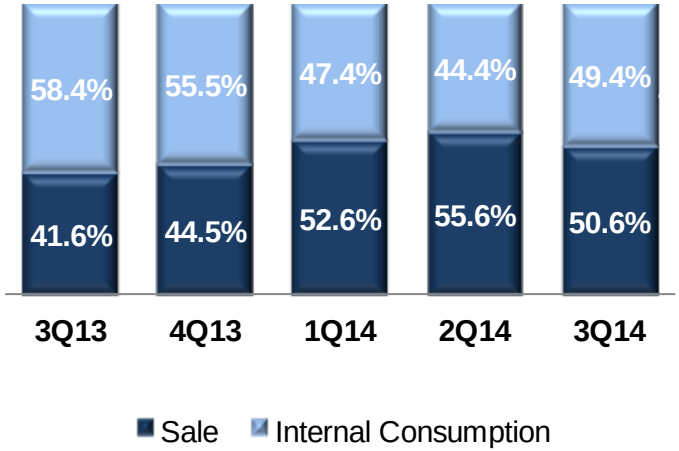



### Company's Consumption (%)

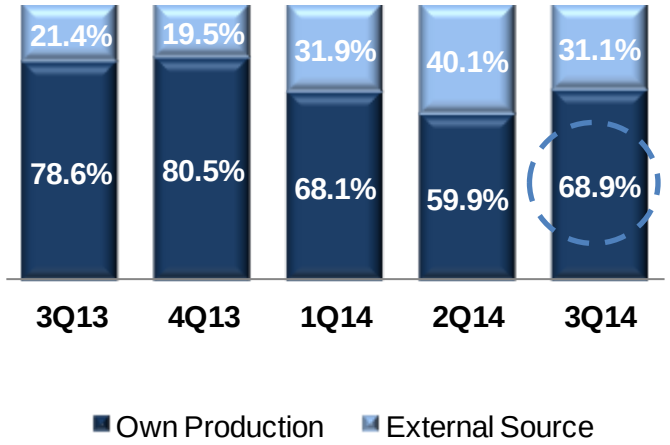



## Vegetable Shortening

### Production Allocation (%)

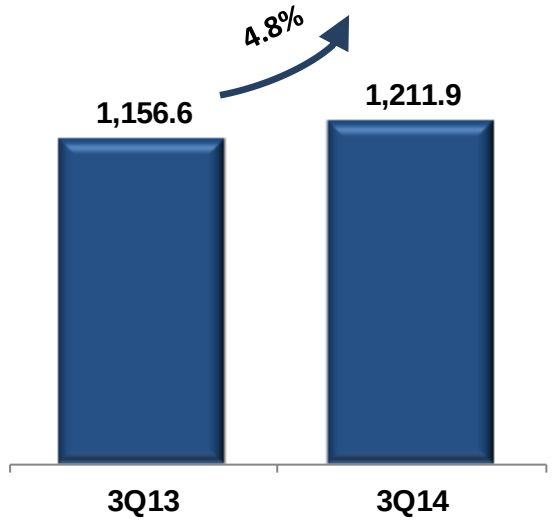



### Company's Consumption (%)



# Net Revenue & Net Average Prices

## Net Revenue
*(R$ million)*

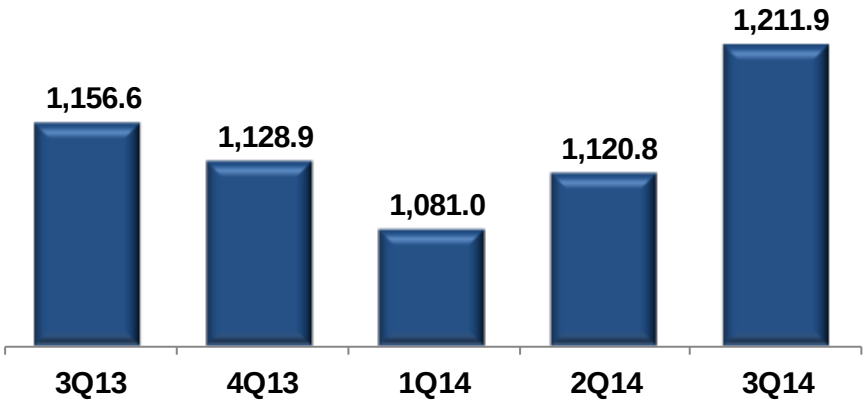



## Net Revenue – Breakdown
*(R$ million)*

| Item/Period | 3Q13 | 3Q14 | Δ |
|---|---|---|---|
| Cookies and Crackers | 633.7 | 641.0 | 1.2% |
| Pasta | 259.0 | 275.4 | 6.3% |
| Wheat Flour and Bran | 203.2 | 229.2 | 12.8% |
| Margarine and Shortening | 46.9 | 53.1 | 13.2% |
| Cakes and Snacks | 9.3 | 13.2 | 41.9% |
| Total | 1,156.6 | 1,211.9 | 4.8% |

Obs: The Net Revenue for the "Other" segment was R$ 4.5 million in 3Q13.

## Net Revenue
*(R$ million)*



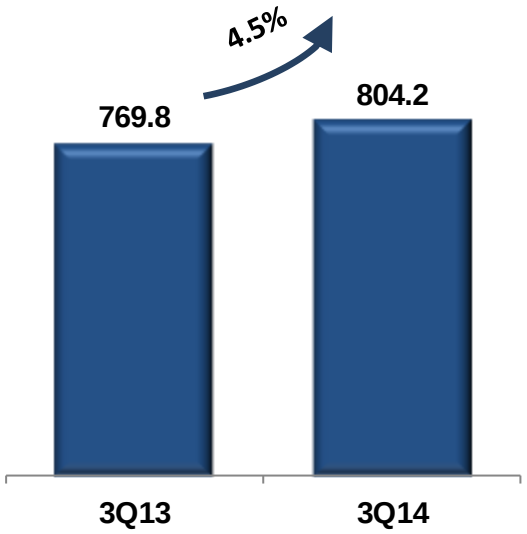

## Net Average Prices
*(in R$/Kg, net of returns)*

| Item/Period | 3Q13 | 3Q14 | Δ |
|---|---|---|---|
| Cookies and Crackers | 4.41 | 4.60 | 4.3% |
| Pasta | 2.80 | 2.96 | 5.7% |
| Wheat Flour and Bran | 1.01 | 1.13 | 11.9% |
| Margarine and Shortening | 3.45 | 3.36 | -2.6% |
| Cakes and Snacks | 11.63 | 11,00 | -5.4% |
| Total | 2.54 | 2.68 | 5.5% |

Obs: The Net Average Price for the "Other" segment was 1.02 R$/Kg in 3Q13.

# Cogs & Operational Expenses

## Cogs
*(R$ million)*



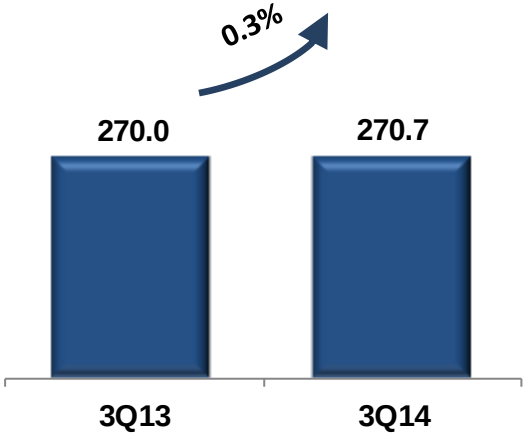

## Cogs *(R$ million)*

| Item/Period | 3Q13 | 3Q14 | Δ |
|---|---|---|---|
| Cogs | 769.8 | 804.2 | 4.5% |
| Raw Material | 533.3 | 537.3 | 0.8% |
| Other | 236.5 | 266.9 | 12.9% |

## Cogs *(R$/Kg)*

| Item/Period | 3Q13 | 3Q14 | Δ |
|---|---|---|---|
| Cogs/Kg | 1.69 | 1.78 | 5.2% |
| Raw Material/Kg | 1.17 | 1.19 | 1.4% |
| Other/Kg | 0.52 | 0.59 | 13.6% |

## Operational Expenses
*(R$ million)*




## Operational Expenses *(R$ million)*

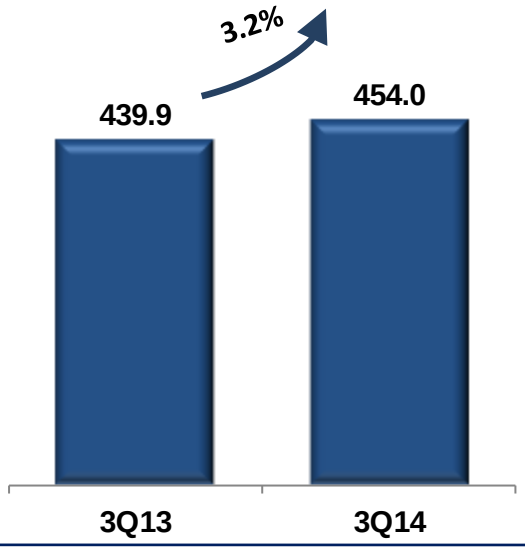
| Item/Period | 3Q13 | 3Q14 | Δ |
|---|---|---|---|
| Operational Expenses | 270.0 | 270.7 | 0.3% |
| Sales Expenses | 215.9 | 218.4 | 1.2% |
| Other | 54.1 | 52.3 | -3.3% |

## Operational Expenses *(R$/Kg)*

| Item/Period | 3Q13 | 3Q14 | Δ |
|---|---|---|---|
| Operational Expenses/Kg | 0.59 | 0.60 | 0.9% |
| Sales Expenses/Kg | 0.47 | 0.48 | 1.9% |
| Other/Kg | 0.12 | 0.12 | -2.7% |

# Gross Profit & Gross Margin

## Gross Profit* *(R$ million)*



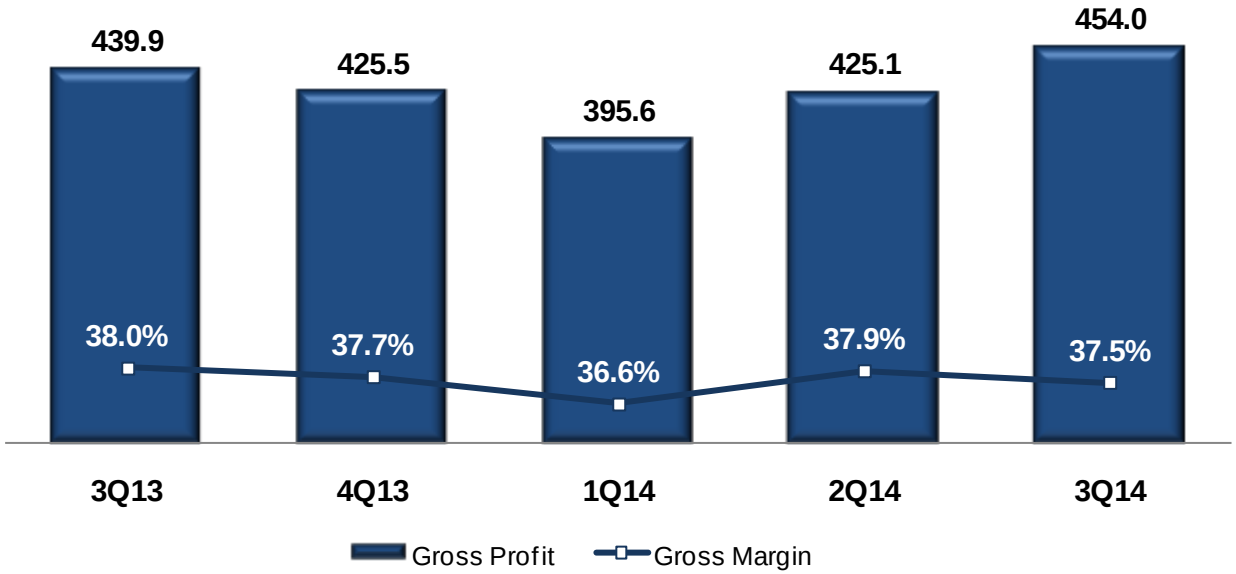

## Gross Profit* *(R$ million)* & Gross Margin *(%)*

| Item/Period | 3Q13 | 3Q14 | Δ |
|---|---|---|---|
| Gross Profit* | 439.9 | 454.0 | 3.2% |
| Gross Margin | 38.0% | 37.5% | -0.5 p.p. |

| Item/Period | 2Q14 | 3Q14 | Δ |
|---|---|---|---|
| Gross Profit* | 425.1 | 454.0 | 6.8% |
| Gross Margin | 37.9% | 37.5% | -0.4 p.p. |

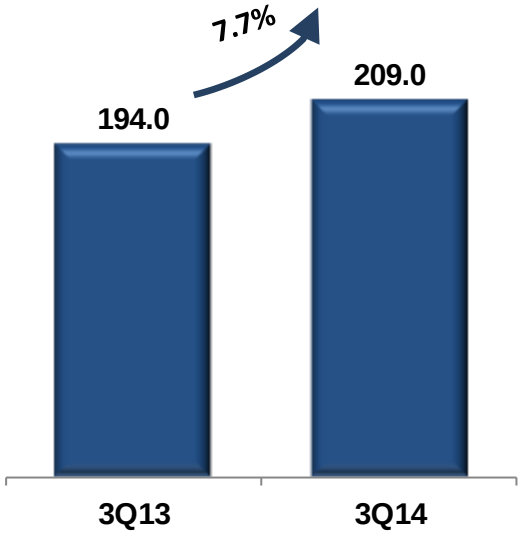
*Gross profit includes subsidies for state investments totaling R$ 46,3 million in 3Q14, R$ 44.8 million in 2Q14 and R$ 53,1 million in 3Q13.

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



# EBITDA & EBITDA Margin

**EBITDA**
***(R$ million)***

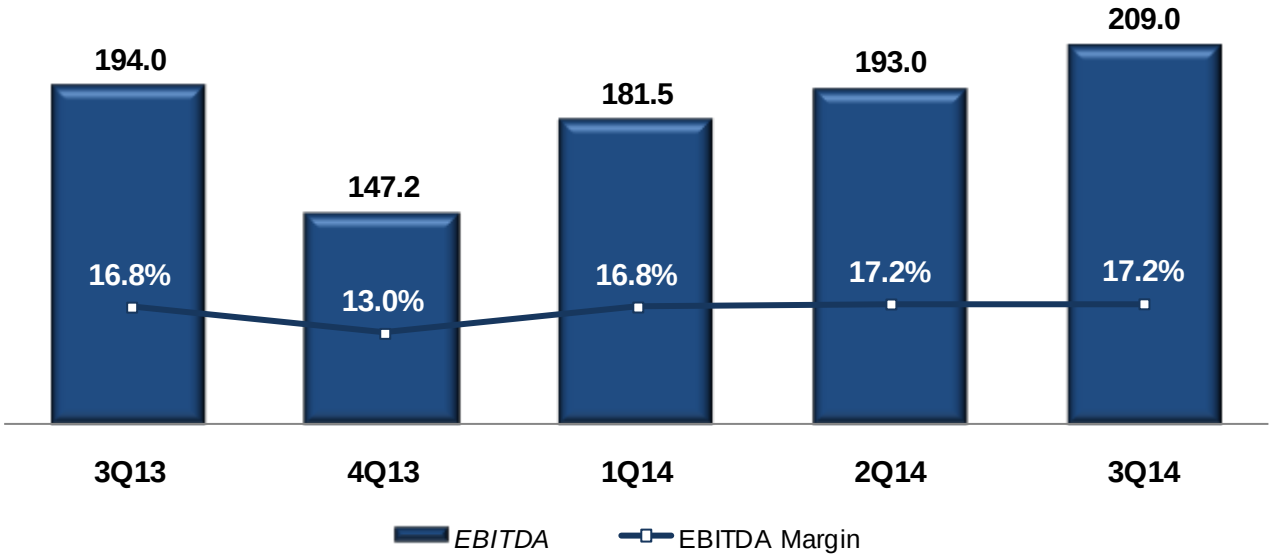



## EBITDA *(R$ million)* & EBITDA Margin *(%)*

| Item/Period | 3Q13 | 3Q14 | Δ |
|---|---|---|---|
| *EBITDA* | 194.0 | 209.0 | 7.7% |
| EBITDA Margin | 16.8% | 17.2% | 0.4 p.p. |

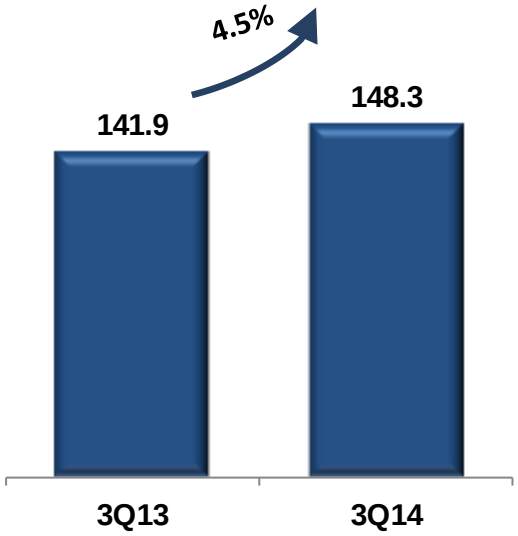
| Item/Period | 2Q14 | 3Q14 | Δ |
|---|---|---|---|
| *EBITDA* | 193.0 | 209.0 | 8.3% |
| EBITDA Margin | 17.2% | 17.2% | 0.0 p.p. |

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



# Net Profit & Net Margin

## Net Profit *(R$ million)*

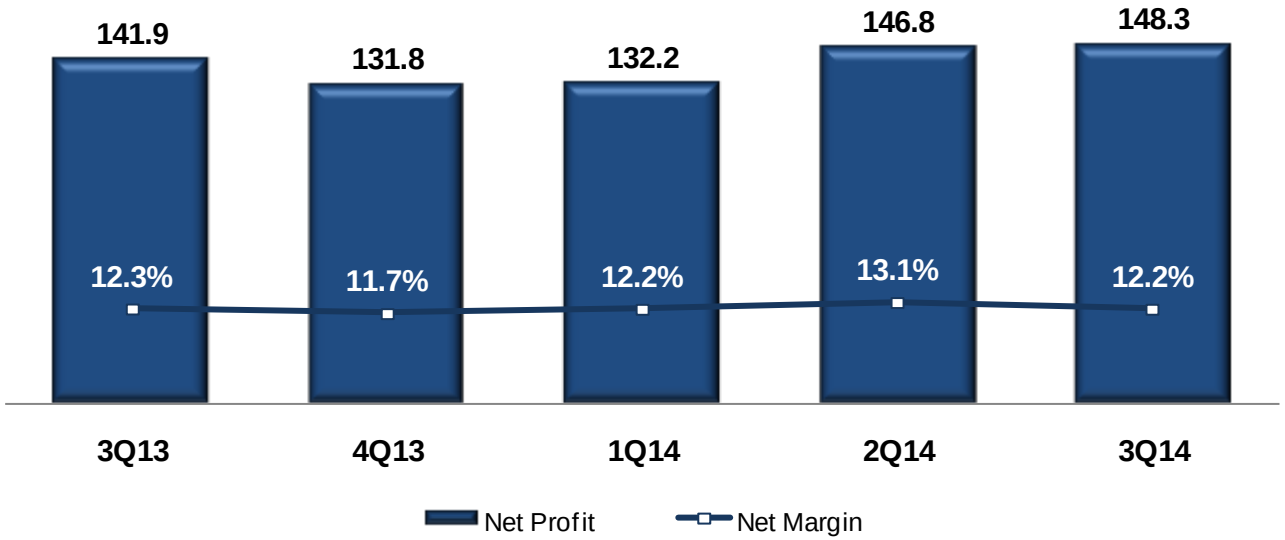



## Net Profit *(R$ million)* & Net Margin *(%)*

| Item/Period | 3Q13 | 3Q14 | Δ |
|---|---|---|---|
| Net Profit | 141.9 | 148.3 | 4.5% |
| Net Margin | 12.3% | 12.2% | -0.1 p.p. |

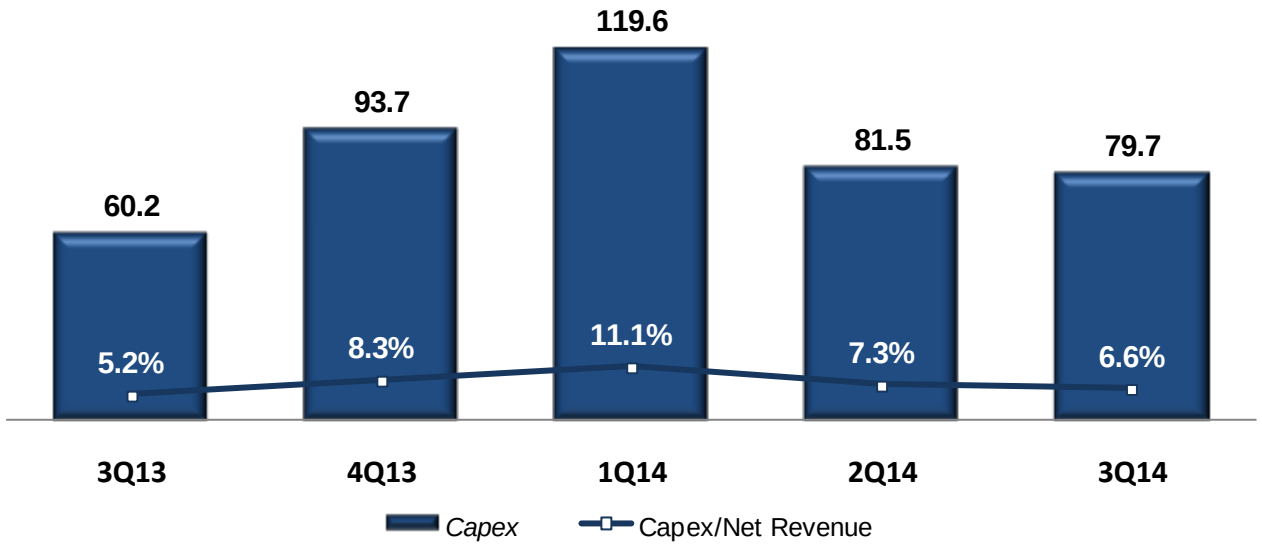
| Item/Period | 2Q14 | 3Q14 | Δ |
|---|---|---|---|
| Net Profit | 146.8 | 148.3 | 1.0% |
| Net Margin | 13.1% | 12.2% | -0.9 p.p. |

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



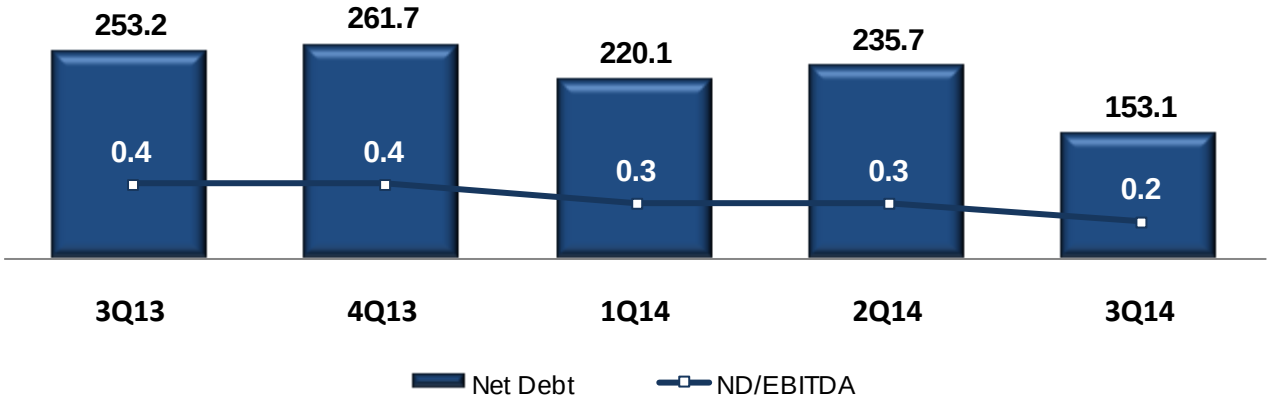
# Capex & Net Debt

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



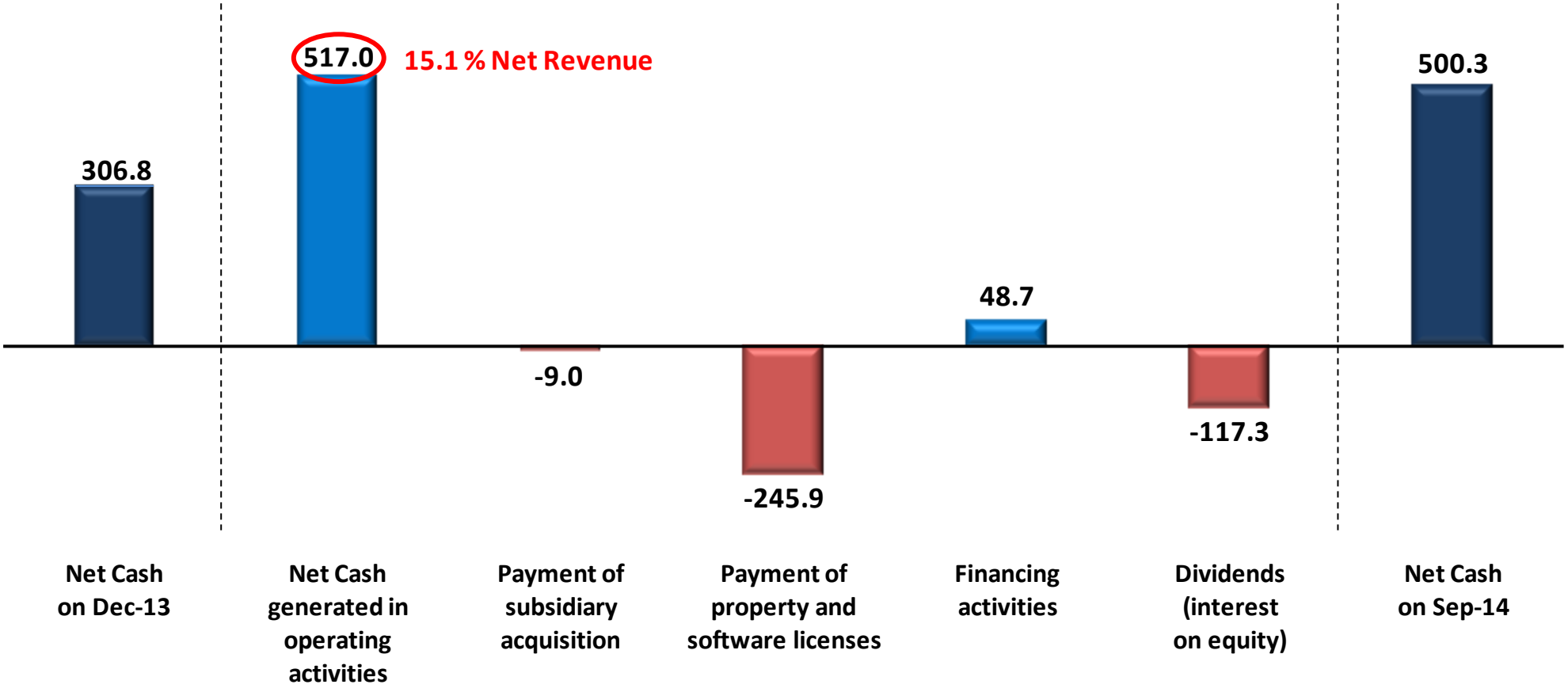

* Capex value does not include acquisitions.

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



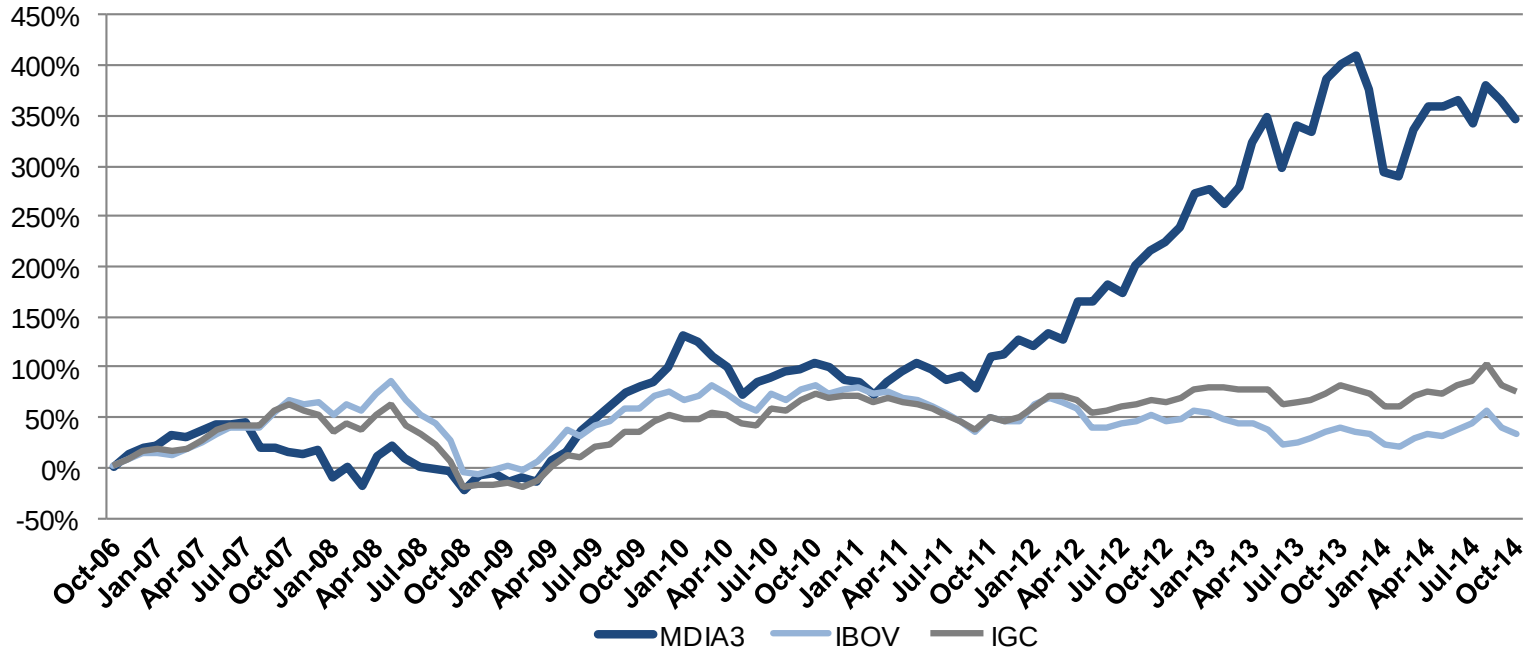
# Cash Flow

## Cash Flow Evolution – 9M14 *(R$ million)*



# Capital Market

## MDIA3 X IBOVESPA X IGC
**(from 10/18/06 to 10/24/14)**




| Price Evolution, Liquidity and Stock Performance | 3Q14 | 3Q13 |
|---|---|---|
| **MDIA3** | | |
| Stock price (R$)* | 97.62 | 102.00 |
| Average Daily Trading Volume (R$ Million) | 10.9 | 13.7 |
| **Performance** | | |
| MDIA3 | -0.10% | 22.16% |
| Ibovespa | 1.78% | 10.29% |
| IGC | 0.53% | 6.86% |

*Closing stock price at the end of the period

**Average Daily Trading Volume:**

**3Q13 – R$ 13.7 MM**

**4Q13 – R$ 13.5 MM**

**1Q14 – R$ 11.9 MM**

**2Q14 – R$ 11.1 MM**

**3Q14 – R$ 10.9 MM**

# THANKS!

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