Results Presentation 1Q18

M. Dias Branco

Food for the well-being of Society and the people's happiness

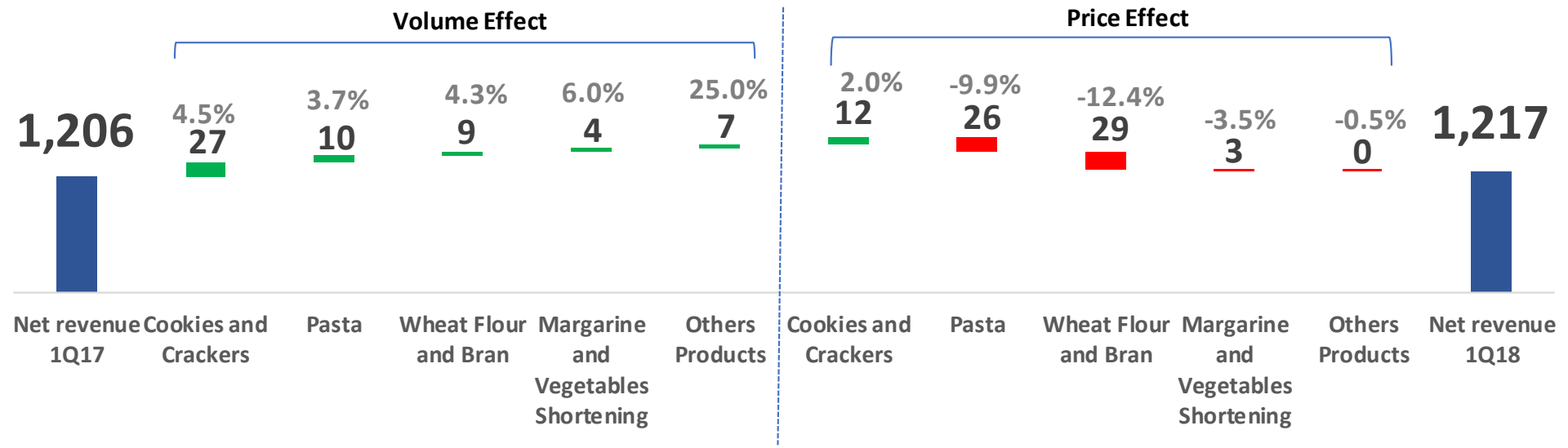


The statements contained in this document related to the management's views on the business of M. Dias Branco are merely trends and, as such, are based exclusively on management's perspective on the continuity of past and present actions, based on facts that have already occurred. These trends do not constitute projections or estimates, and may be substantially altered by changes in market conditions, the performance of the Brazilian economy, the sector and international markets.

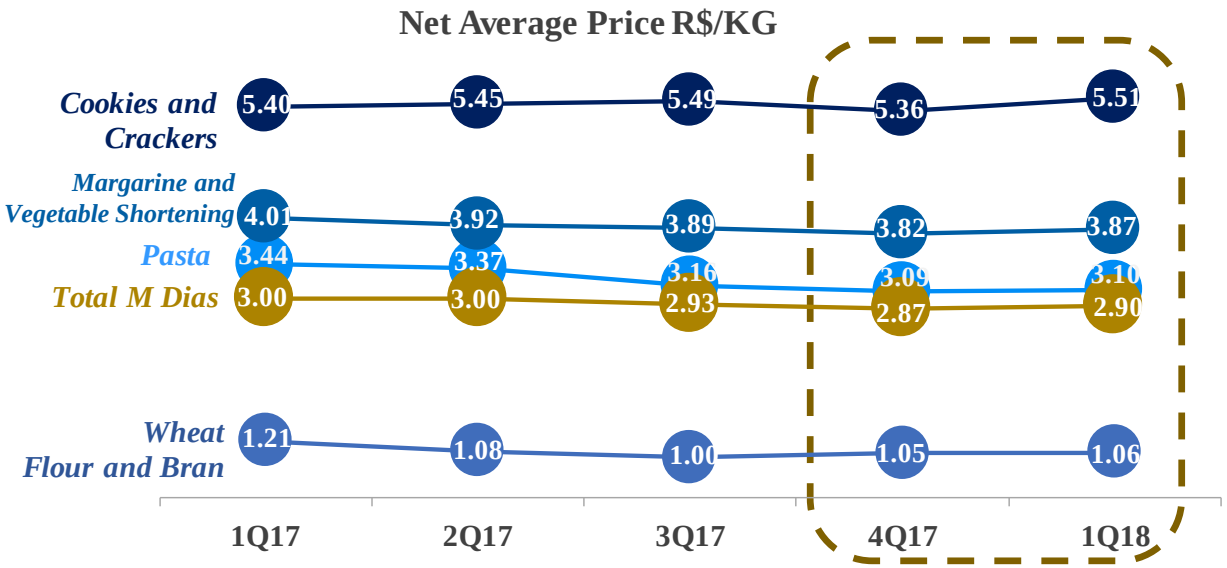
Volume growth in all product lines and decrease of average price

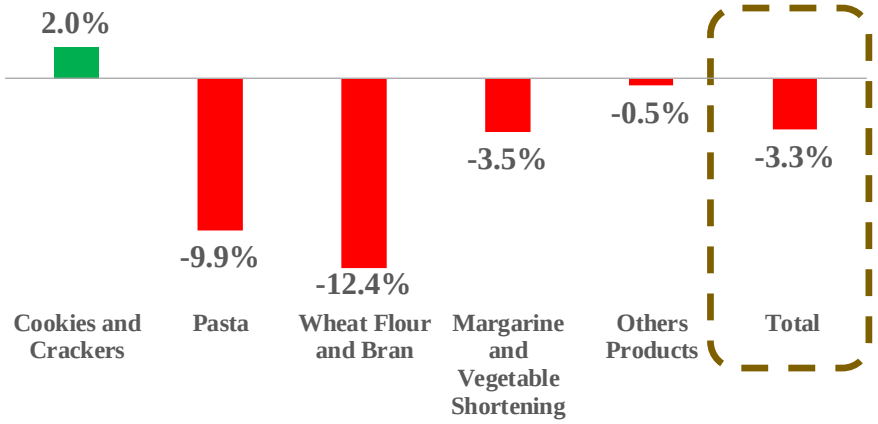
Net Revenue		*Volume*	*Average Price*
+ 0.9% vs. 1Q17	=	*+ 4.5% vs. 1Q17*	*-3,3% vs. 1Q17*

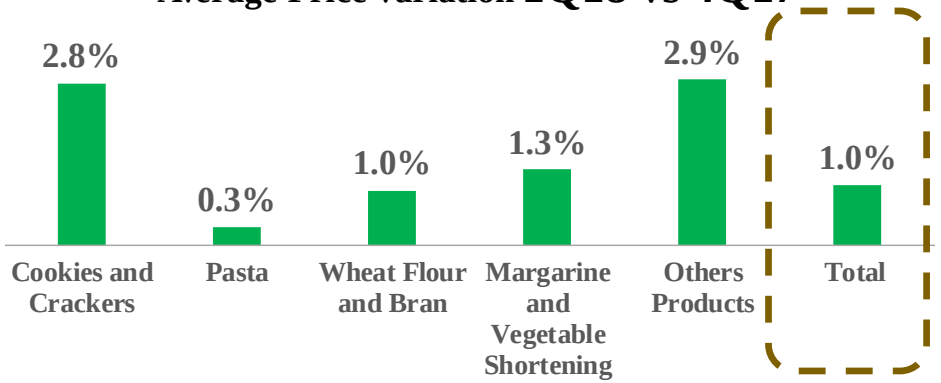
Variation of Net Revenue - 1Q18 VS 1Q17 (R$ Millions and %)



Average prices decreased in 1Q18 vs 1Q17 and increased compared to 4Q17







Volume Growth leveraged by incentives to the sales promoters and marketing investments

- ✓ **Incentive to the sales promoters to gain new extra points of sales in our clients;**

- ✓ **Marketing campaigns with prize promotions to the end consumers**

ADRIA *Promote sell in and sell out*



VITARELLA *National visibility*



Launches consistent with the strategy of growth and introduction of items with higher added value

VITARELLA





Estrela





We maintained the national leadership in pasta, cookies and crackers

Cookies and Crackers
*National Leadership with **32.2%****
*Δ Share Volume: **+0.3 p.p.***
*Δ Share Value: **+0.2 p.p.***



Pasta
*National Leadership with **33.1%****
*Δ Share Volume: **-0.4 p.p.***
*Δ Share Value: **-0.6 p.p.***



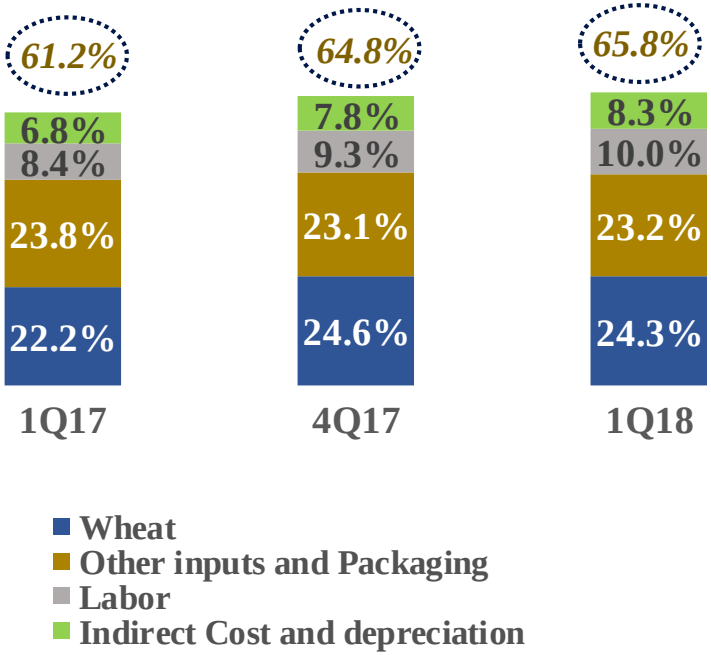
Wheat Flour and Bran
*Northeast Leadership with **28.6%****

* Market Share - Volume according to Ac Nielsen data (jan-feb/18)

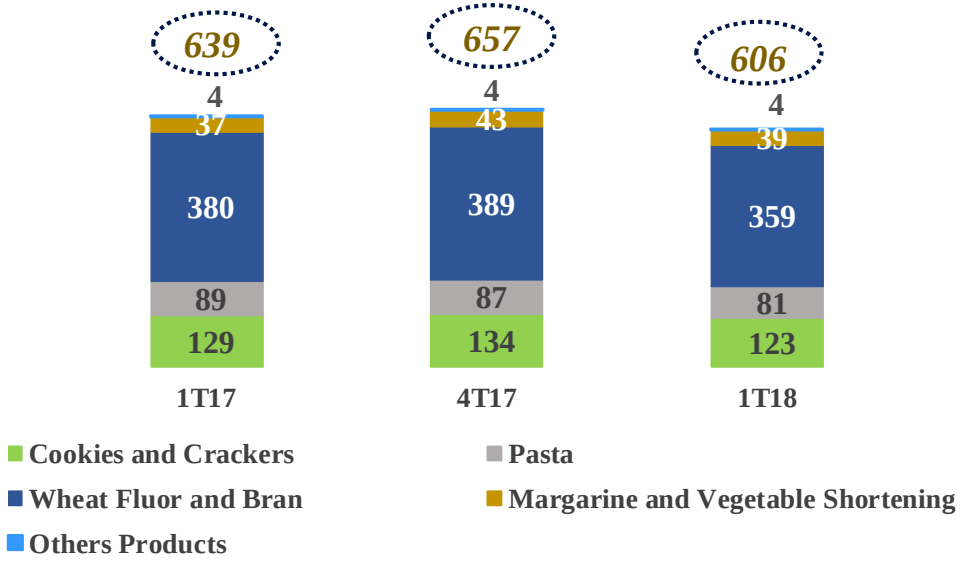
Note: The variations presented reffers to the periods nov-dec/17 vs. jan-feb/18

COGS negatively impacted by decrease in the volumes produced, increase in the price of wheat and BRL devaluation

Cost of Goods Sold
(% Net Revenue)



Volume Produced*('000 tonnes)*

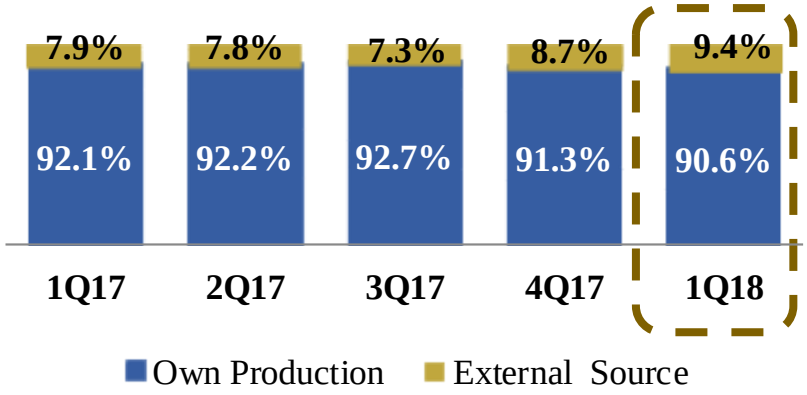


Growth of Vertical Integration Index of Shortening

Vertical Integration Index

1Q18 = 90.6%
1Q17 = 92.1%

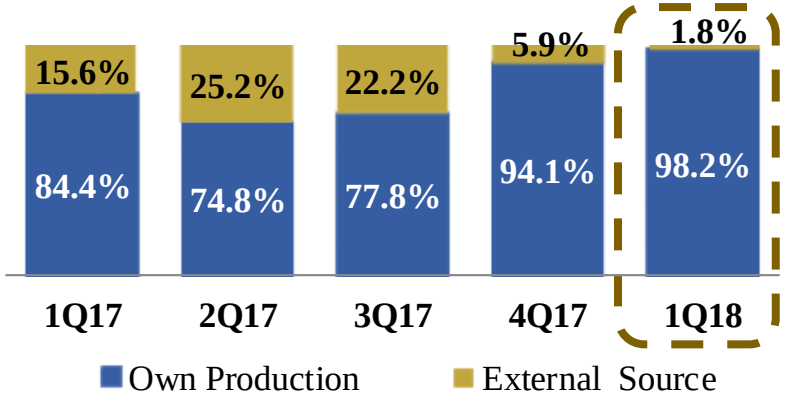
Wheat Flour | Company Consumption (%)



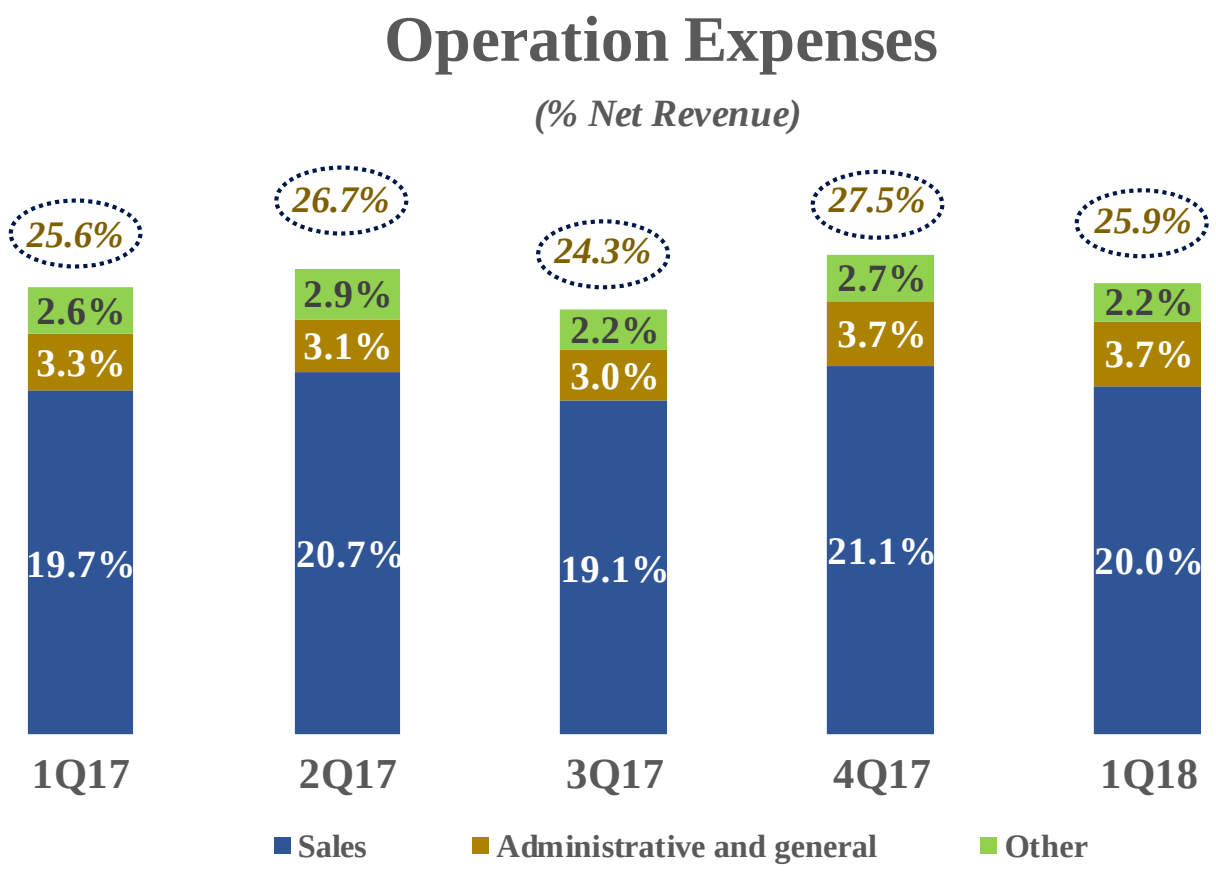
Vertical Integration Index

1Q18 = 98.2%
1Q17 = 84.4%

Shortening | Company Consumption (%)



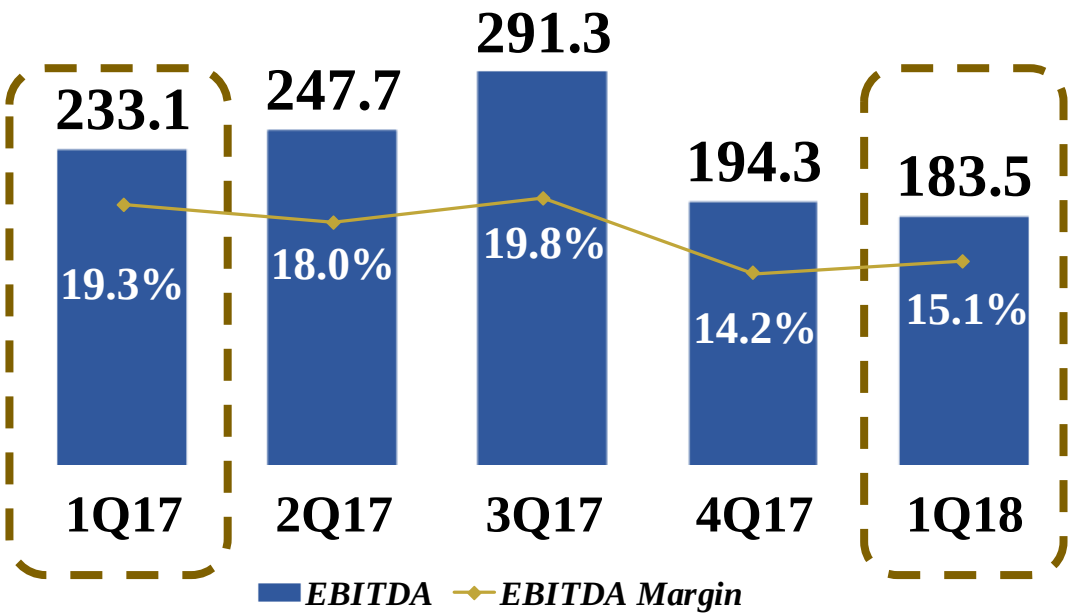
Decrease in Operating Expenses (% Net Revenue) versus 4Q17



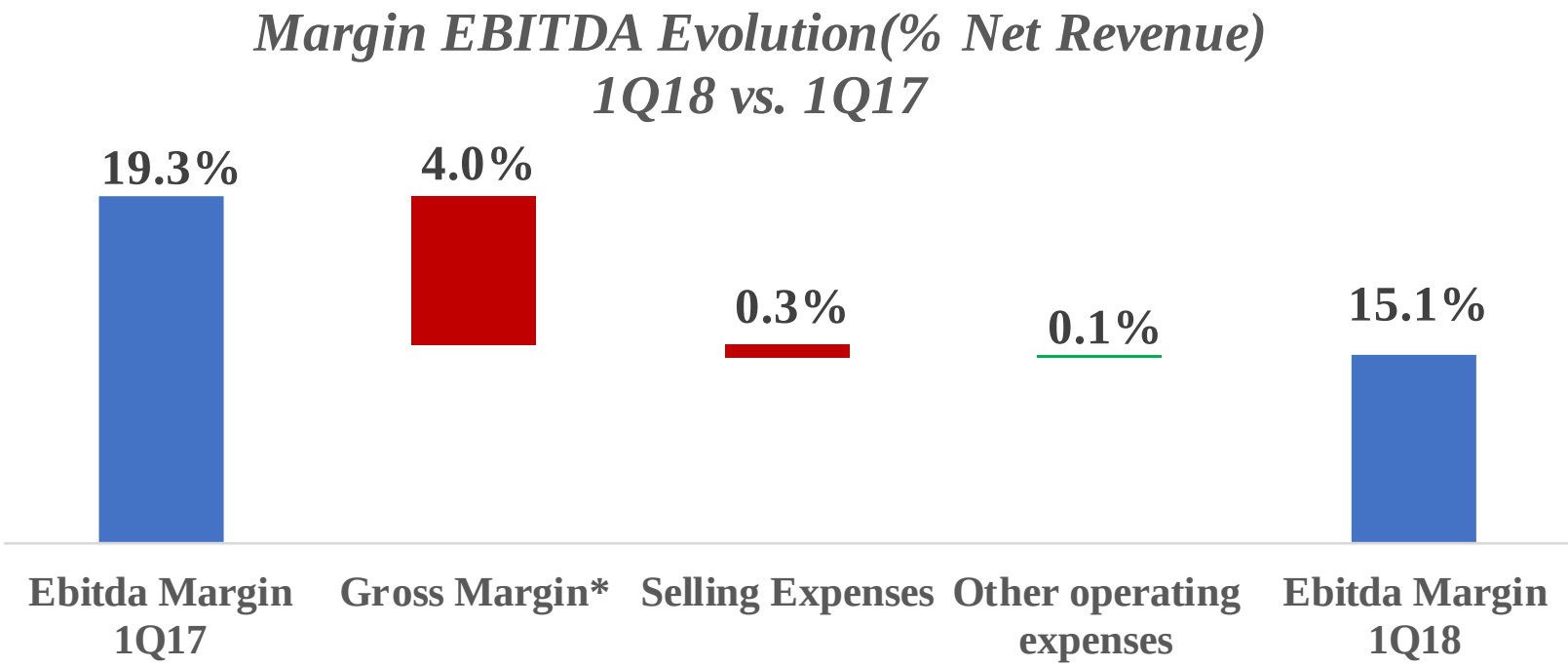
** Selling Expenses contain: Salaries and benefits, freight and other expenses with marketing, sales force and logistics.*

EBITDA (R$ Million) and EBITDA Margin (% Net Revenue)

-21.3%
1Q18 vs. 1Q17



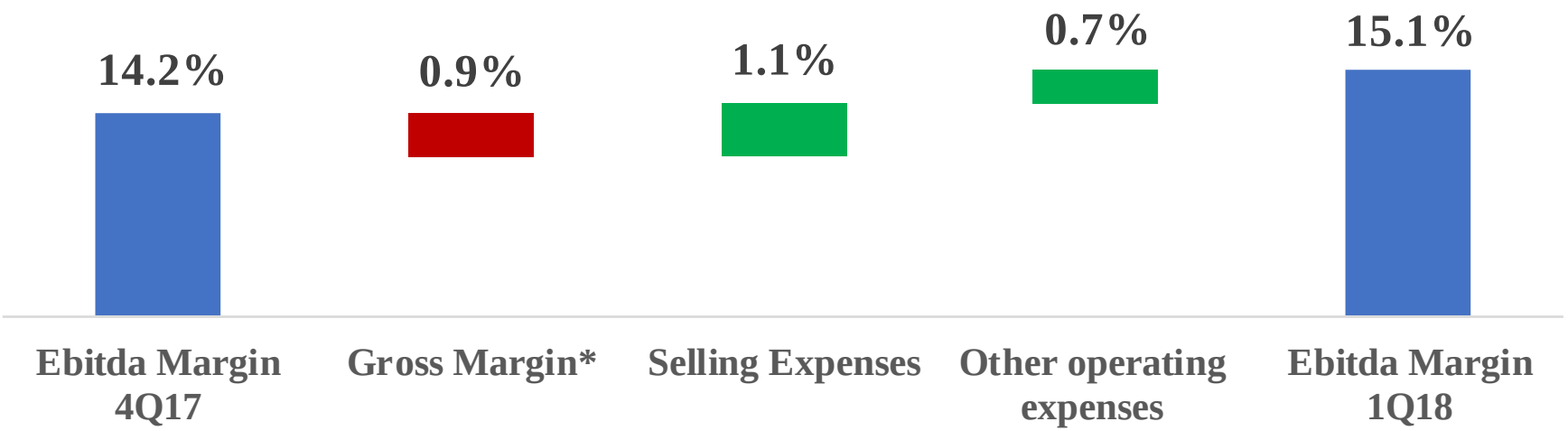
EBITDA Margin impacted by lower dilution of fixed costs and increase in the price of wheat



*Note: % Gross Margin without consider the depreciation of Cost of Good Sales in the Net Revenue.
**Note: Refer to the administrative expenses, management fees, taxes and othes operation expenses.

EBITDA Margin growth compared to 4Q17

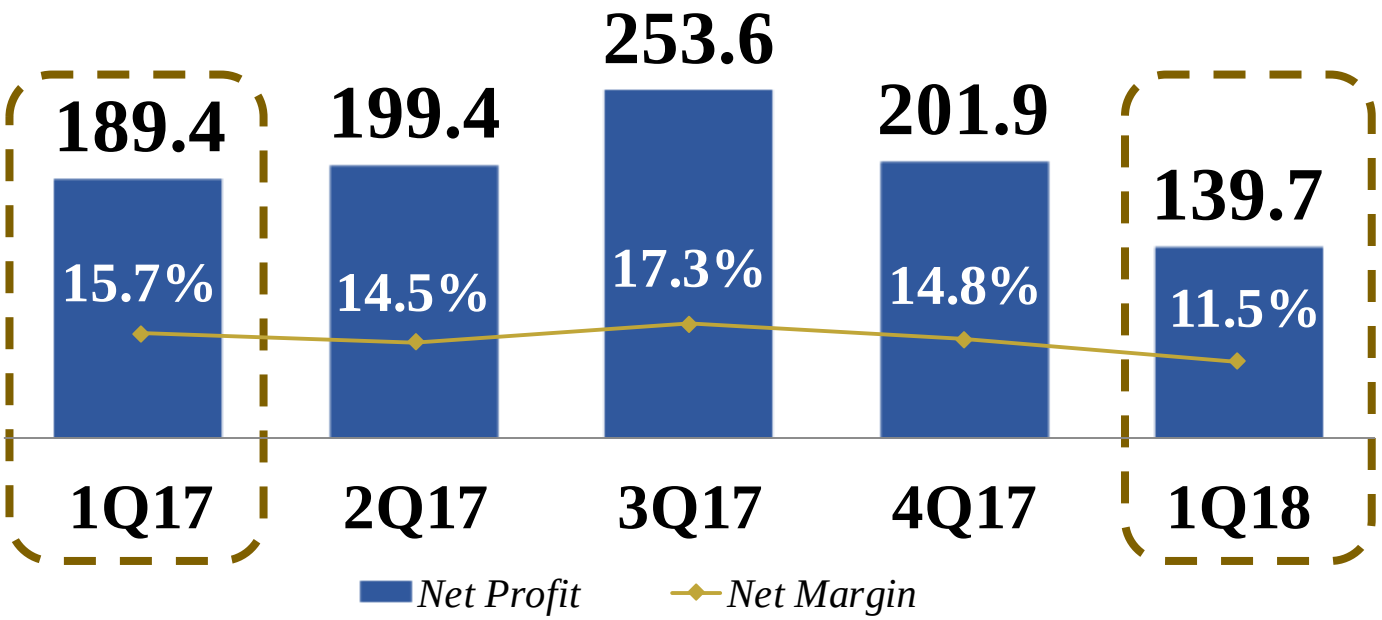
Margin EBITDA Evolution(% Net Revenue) 1Q18 vs. 4Q17



*Note: % Gross Margin without consider the depreciation of Cost of Good Sales in the Net Revenue.
**Note: Refer to the administrative expenses, management fees, taxes and other operating expenses.

Net Profit(R$ Million) e Net Margin(% Net Revenue)

-26.2%
1Q18 vs. 1Q17



We invested R$ 67.1 millions in infrastructure

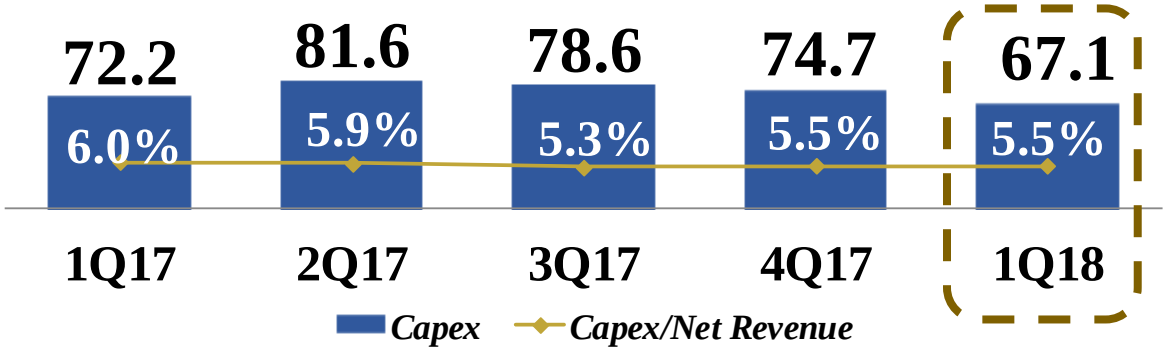
- **Construction in progress of the Wheat Mill in Bento Gonçalves (RS)**
- **Expansion of storage capacity of the distribution center in the Maracanaú unit (CE)**



- **Modernization of silos of the Wheat Mill in Cabedelo (PB)**

Capex (R$ Million e % Net Revenue) – without acquisition

-7,1%
1Q18 vs. 1Q17



Evolution of HR management and social-environmental pratices



- ***Launch of Oracle Human Capital Management* (HCM) software**

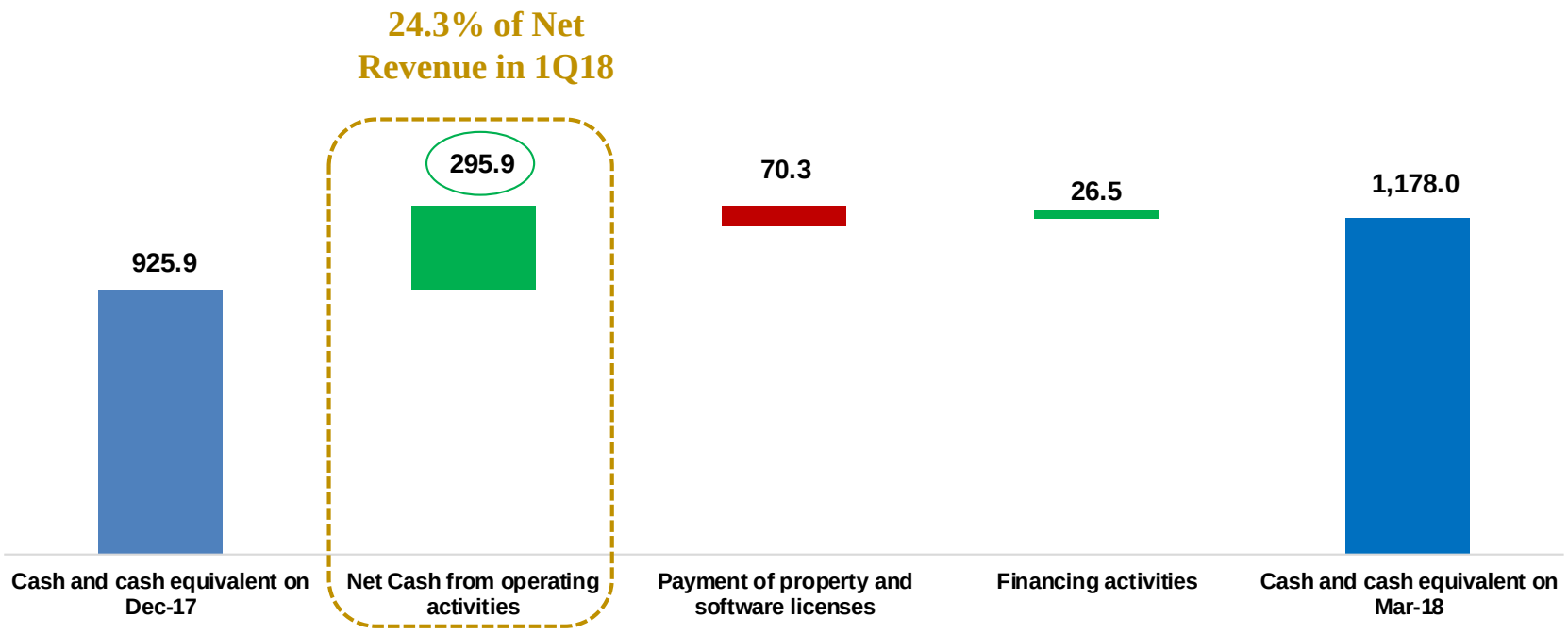
- **Inventory of Greenhouse Gas Emissions for 12 industrial units**

- **Labor's accident rate decreased by 21.1% compared to 1Q17**

- **The relative water consumption decreased by 4.3% compared to 1Q17**

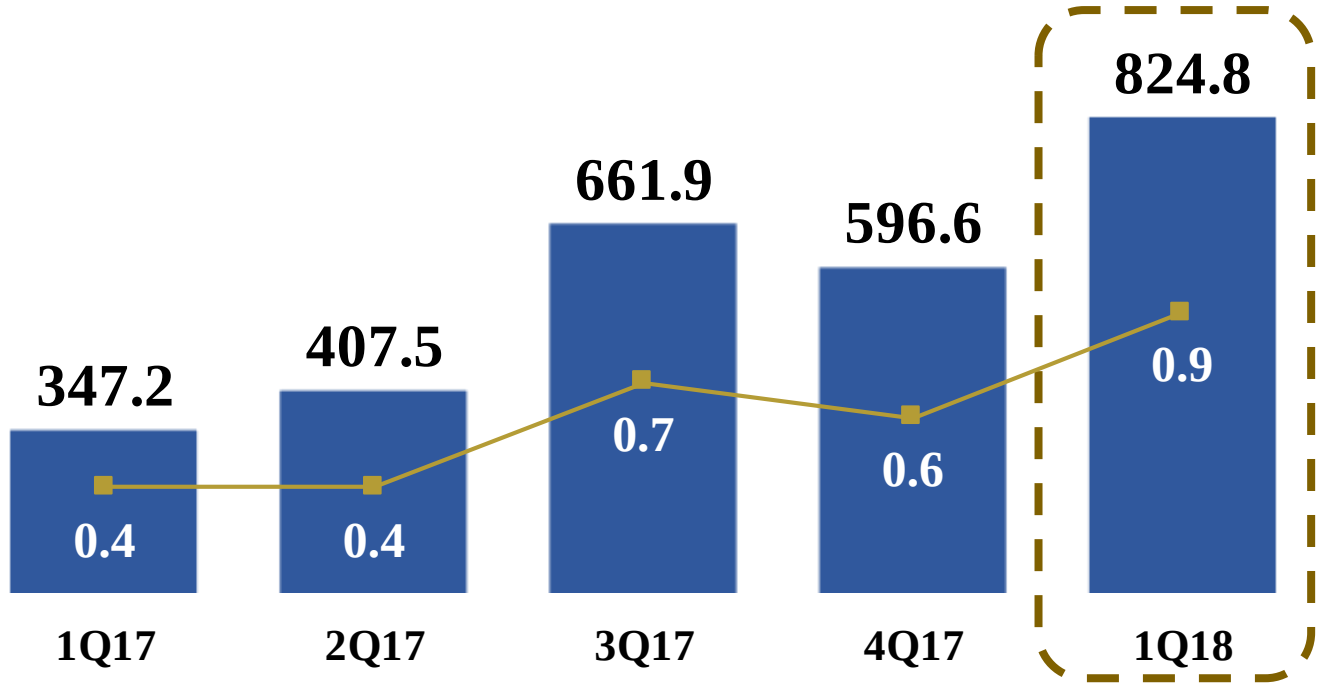


Strong cash generation in 1Q18

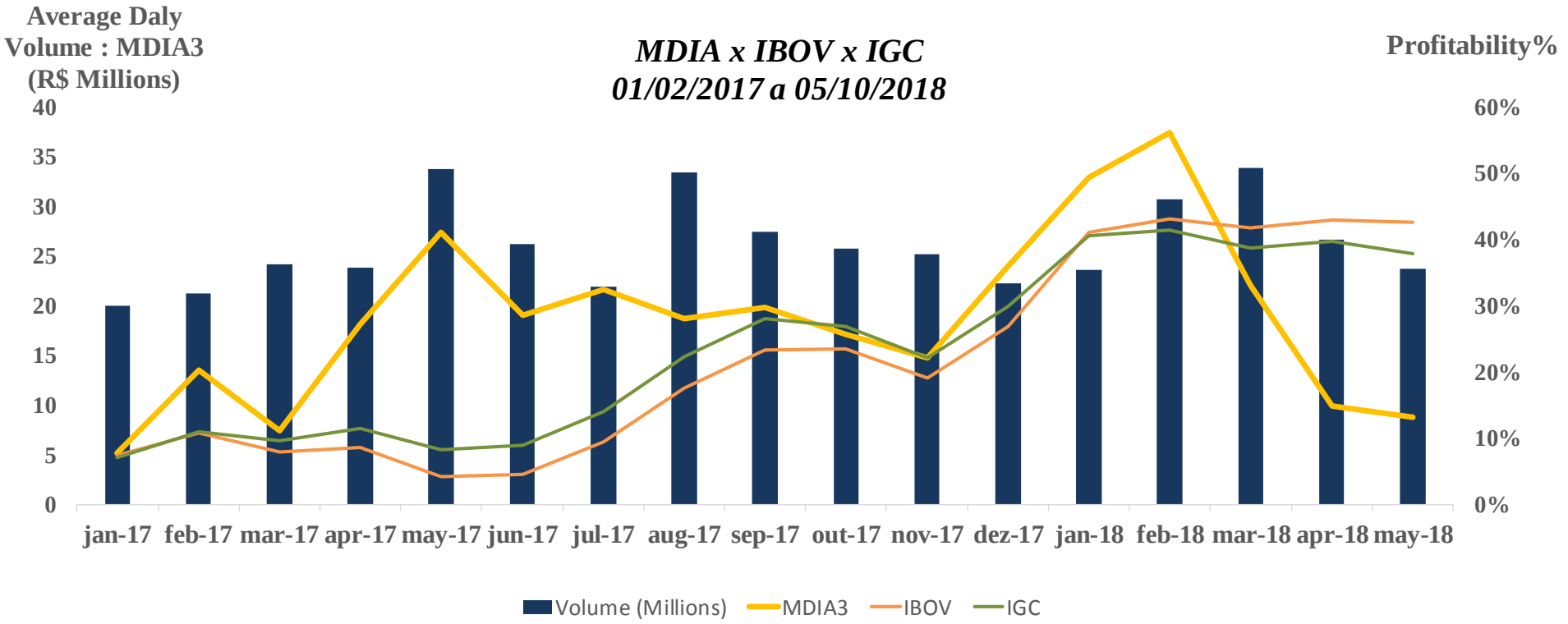


1Q17 = R$ 203.3 million
4Q17 = R$ 9.0 million

We ended 1Q18 with net cash position (cash greater than debt) of R$ 824.8 million



Capital Market



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