

1Q16 Results

May, 2016

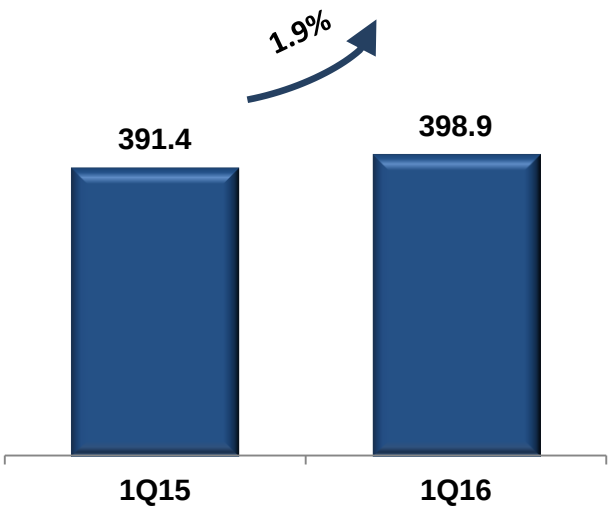
The statements contained in this document related to business prospects, operating and financial results and growth of M. Dias Branco are merely projections and, as such, are based exclusively on the Management expectations concerning the future of the business. These statements depend, substantially, on changes in market conditions, the performance of the Brazilian economy, as well as of the sector and the international markets, and therefore are subject to change without notice.

Main Highlights



Sales Volume, Production Capacity and Utilization

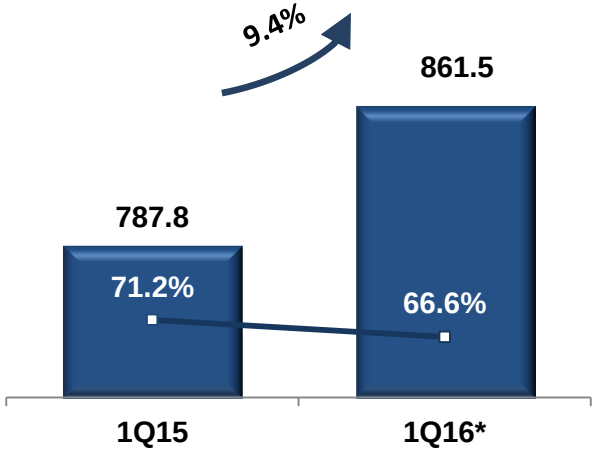
Total Sales Volume
(in '000 Tonnes, net of returns)



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

Item/Period	1Q15	1Q16	Δ
Cookies and Crackers	115.8	112.3	-3.0%
Pasta	80.2	79.5	-0.9%
Wheat Flour and Bran	181.1	187.6	3.6%
Margarine and Shortening	12.9	17.7	37.2%
Other Products	1.4	1.8	28.6%
Total	391.4	398.9	1.9%

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



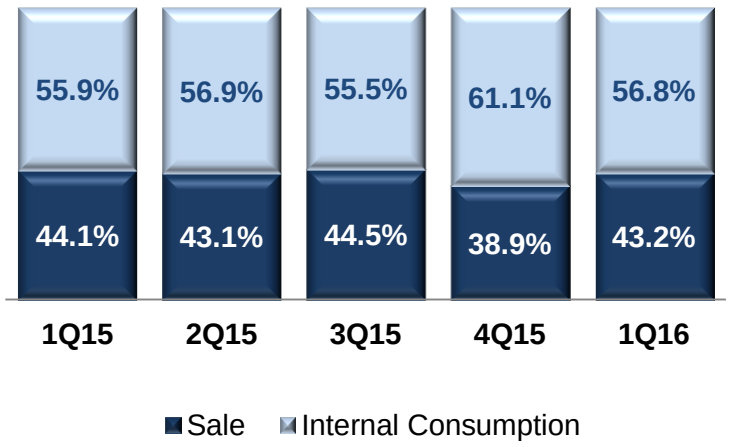
Production Capacity Utilization – Breakdown *(%)*

Item/Period	1Q15	1Q16	Δ
Cookies and Crackers	57.8%	53.7%	-4.1 p.p.
Pasta	66.7%	67.5%	0.8 p.p.
Wheat Flour and Bran	80.8%	72.6%	-8.2 p.p.
Margarine and Shortening	74.0%	73.8%	-0.2 p.p.
Other Products	16.7%	13.2%	-3.5 p.p.
Total	71.2%	66.6%	-4.6 p.p.

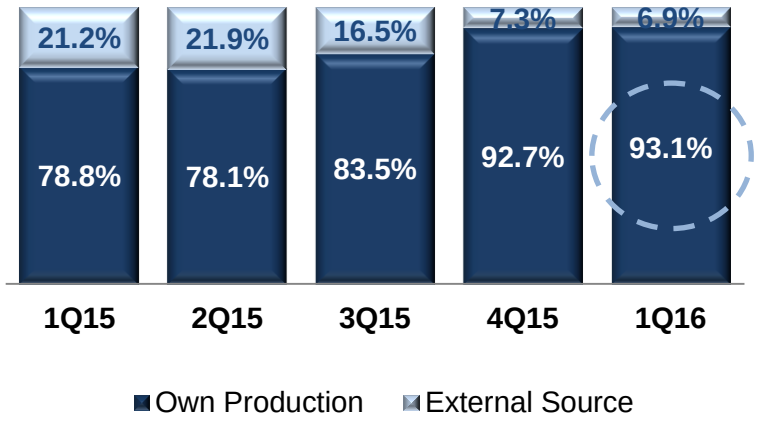
Vertical Integration

Wheat Flour

Production Allocation (%)



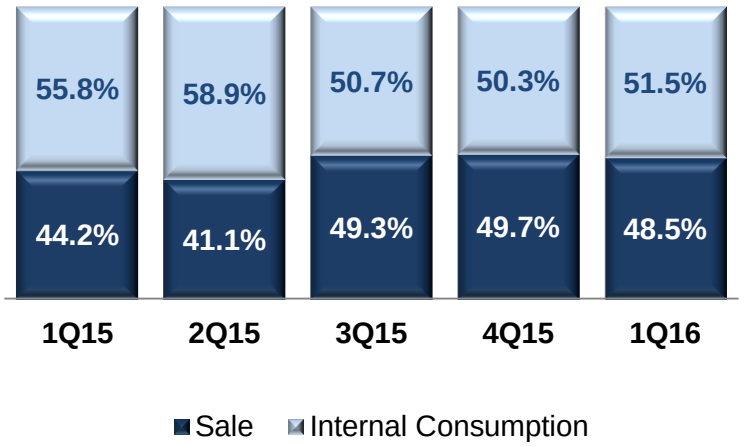
Company's Consumption (%)



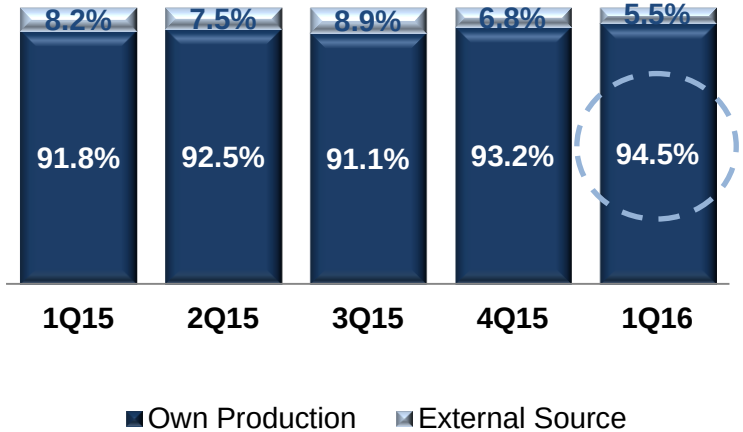
Vertical Integration Index

Vegetable Shortening

Production Allocation (%)



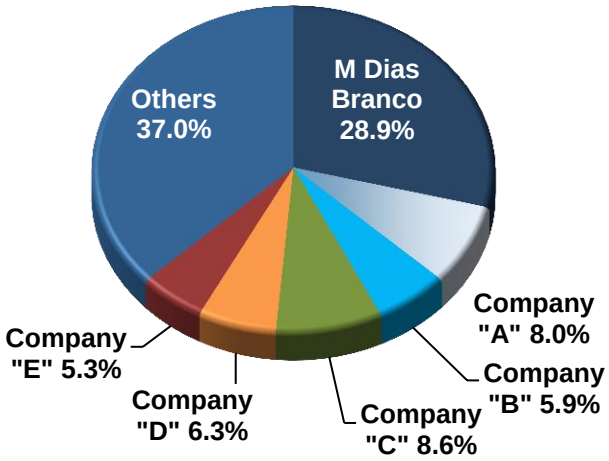
Company's Consumption (%)



Vertical Integration Index

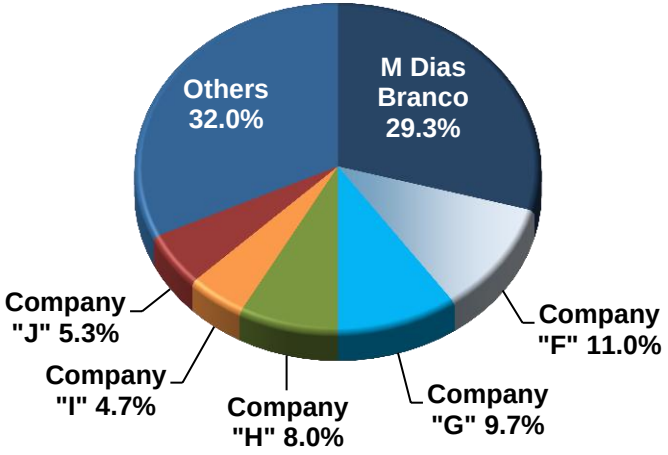
Market Share

Market Share Cookies and Crakers* - Brazil
(in % of volume sold)



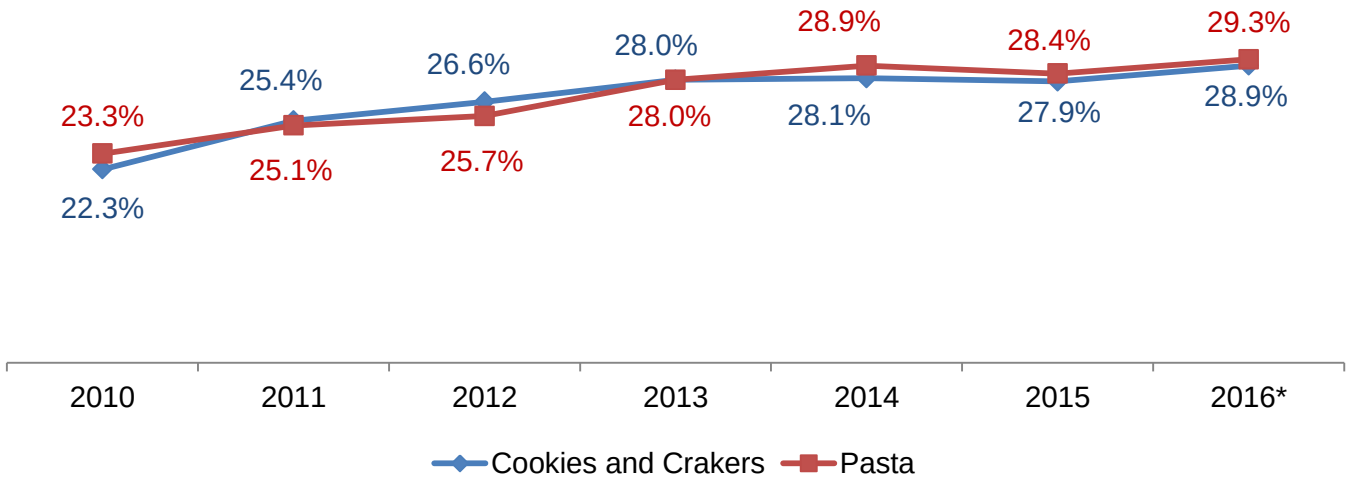
* AC NIELSEN data from Jan/Feb 2016

Market Share Pasta* - Brazil
(in % of volume sold)



* AC NIELSEN data from Jan/Feb 2016

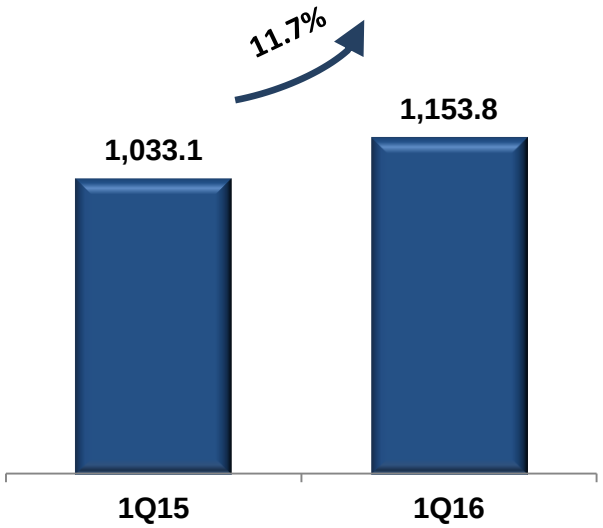
Historical Evolution – Market Share * - Brazil (as % of volumes sold)



* AC NIELSEN data - Period Jan/Feb 2016.
Note: Data considers Pilar and Estrela since 2011 and Moinho Santa Lúcia since 2012.

Net Revenue & Net Average Prices

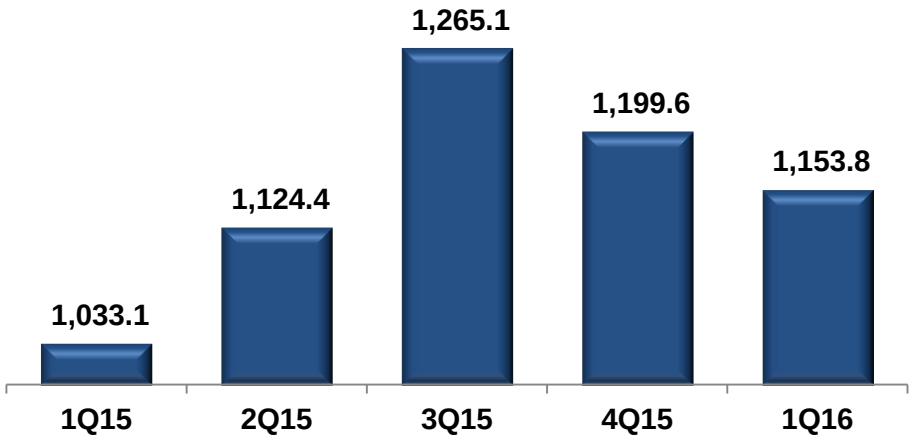
Net Revenue
(R$ million)



Net Revenue – Breakdown
(R$ million)

Item/Period	1Q15	1Q16	Δ
Cookies and Crackers	532.5	578.6	8.7%
Pasta	235.0	264.4	12.5%
Wheat Flour and Bran	208.3	231.4	11.1%
Margarine and Shortening	43.2	61.2	41.7%
Other Products	14.1	18.2	29.1%
Total	1,033.1	1,153.8	11.7%

Net Revenue
(R$ million)

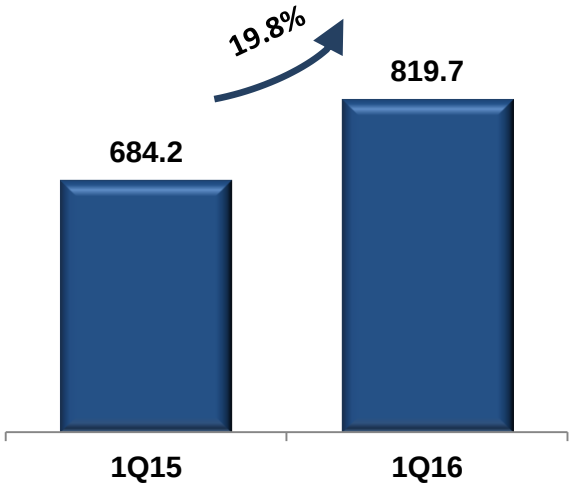


Net Average Prices
(in R$/Kg, net of returns)

Item/Period	1Q15	1Q16	Δ
Cookies and Crackers	4.60	5.15	12.0%
Pasta	2.93	3.33	13.7%
Wheat Flour and Bran	1.15	1.23	7.0%
Margarine and Shortening	3.35	3.46	3.3%
Other Products	10.07	10.11	0.4%
Total	2.64	2.89	9.5%

Cogs & Operational Expenses

Cogs
(R$ million)



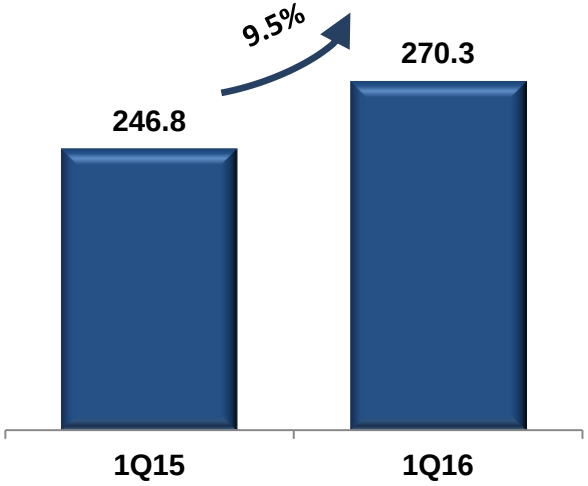
Cogs *(R$ million)*

Item/Period	1Q15	1Q16	Δ	4Q15	Δ
Cogs	684.2	819.7	19.8%	871.4	-5.9%
Raw Material	432.6	540.3	24.9%	590.3	-8.5%
Other	251.6	279.4	11.0%	281.1	-0.6%

Cogs *(R$/Kg)*

Item/Period	1Q15	1Q16	Δ	4Q15	Δ
Cogs/Kg	1.75	2.05	17.6%	2.02	1.8%
Raw Material/Kg	1.11	1.35	22.5%	1.37	-1.0%
Other/Kg	0.64	0.70	9.0%	0.65	7.5%

Operational Expenses
(R$ million)



Operational Expenses *(R$ million)*

Item/Period	1Q15	1Q16	Δ	4Q15	Δ
Operational Expenses	246.8	281.9	14.2%	286.4	-1.6%
Sales Expenses	202.8	217.1	7.1%	224.4	-3.3%
Other	44.0	64.8	47.3%	62.0	4.5%
Non-Recurring Expenses	-	11.6	-	12.6	-7.9%
Operational Expenses*	246.8	270.3	9.5%	273.8	-1.3%

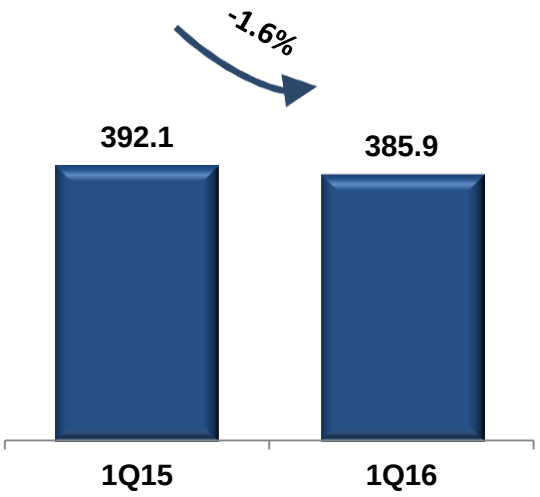
Operational Expenses *(R$/Kg)*

Item/Period	1Q15	1Q16	Δ	4Q15	Δ
Operational Expenses/Kg	0.63	0.71	12.1%	0.66	6.5%
Sales Expenses/Kg	0.52	0.54	5.0%	0.52	4.7%
Other/Kg	0.11	0.16	44.5%	0.14	13.1%
Operational Expenses*	0.63	0.68	7.5%	0.63	6.8%

*Operational Expenses value, in 1Q16, **without** the non-recurring expenses.

Gross Profit & Gross Margin

Gross Profit* *(R$ million)*



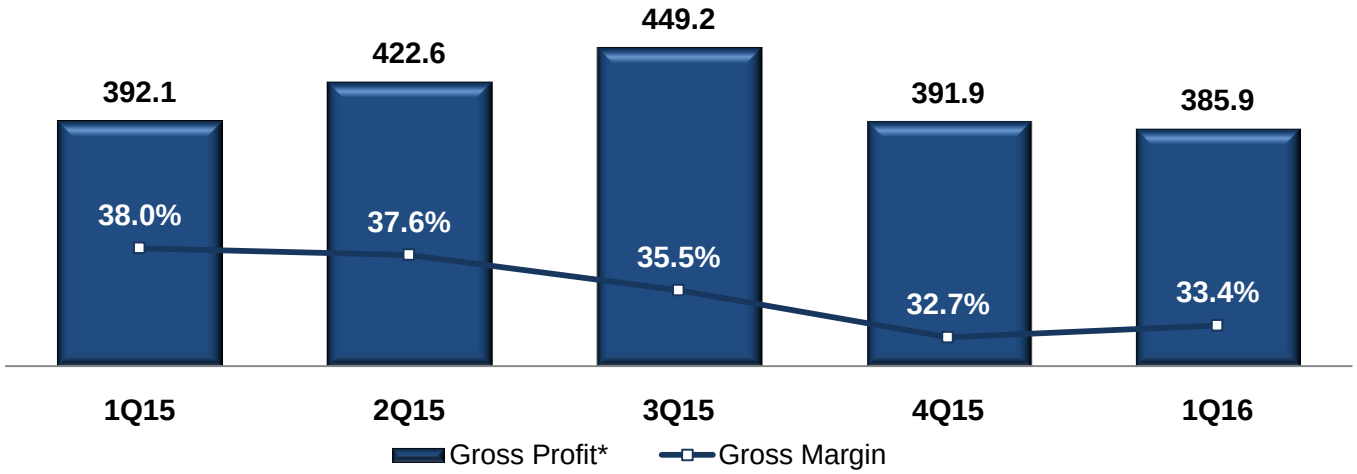
Gross Profit* *(R$ million)* & Gross Margin *(%)*

Item/Period	1Q15	1Q16	Δ
Gross Profit*	392.1	385.9	-1.6%
Gross Margin	38.0%	33.4%	-4.6 p.p.

Item/Period	4Q15	1Q16	Δ
Gross Profit*	391.9	385.9	-1.5%
Gross Margin	32.7%	33.4%	0.7 p.p.

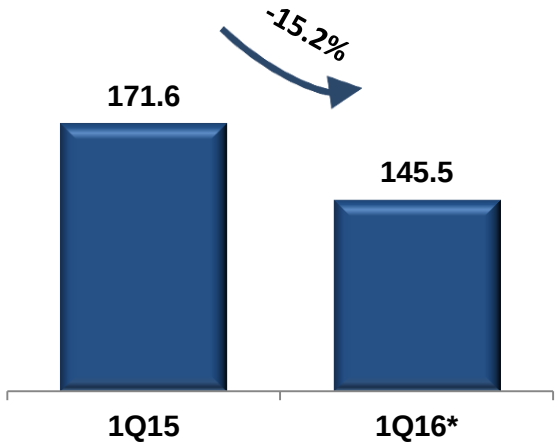
*Gross profit includes subsidies for state investments totaling R$ 51.8 million in 1Q16, R$ 43.2 million in 1Q15 and R$ 63.7 million in 4Q15.

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



EBITDA & EBITDA Margin

EBITDA
(R$ million)



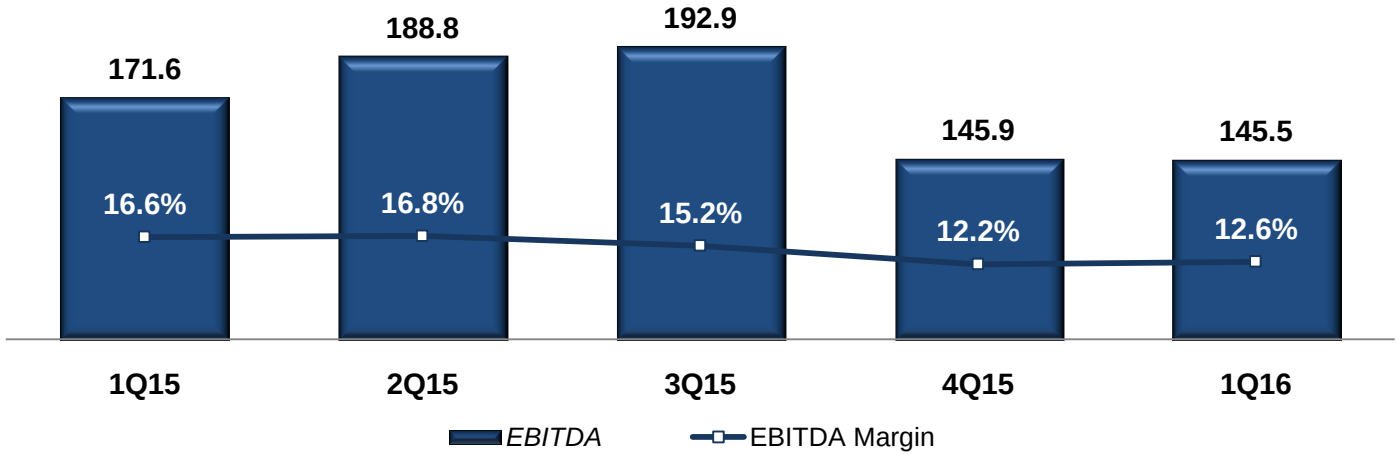
EBITDA *(R$ million)* & EBITDA Margin *(%)*

Item/Period	1Q15	1Q16	Δ
EBITDA	171.6	133.9	-22.0%
EBITDA Margin	16.6%	11.6%	-5.0 p.p.
Non-Recurring Expenses	-	11.6	-
Adjusted EBITDA*	171.6	145.5	-15.2%
Adjusted EBITDA Margin *	16.6%	12.6%	-4.0 p.p.

Item/Period	4Q15	4Q16	Δ
EBITDA	133.3	133.9	0.5%
Margem EBITDA	11.1%	11.6%	0.5 p.p.
Non-Recurring Expenses	12.6	11.6	-7.9%
Adjusted EBITDA*	145.9	145.5	-0.3%
Adjusted EBITDA Margin *	12.2%	12.6%	0.4 p.p.

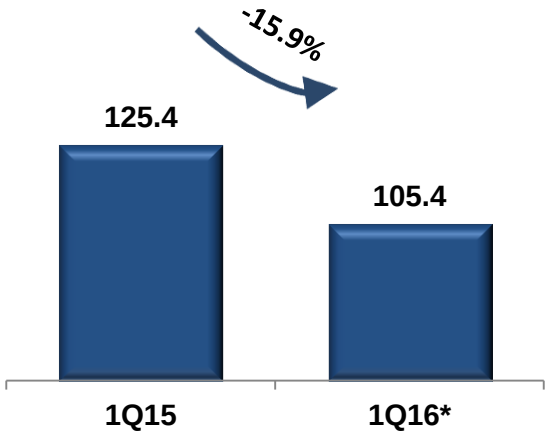
*EBITDA value, in 1Q16, **without** the non-recurring expenses.

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



Net Profit & Net Margin

Net Profit *(R$ million)*



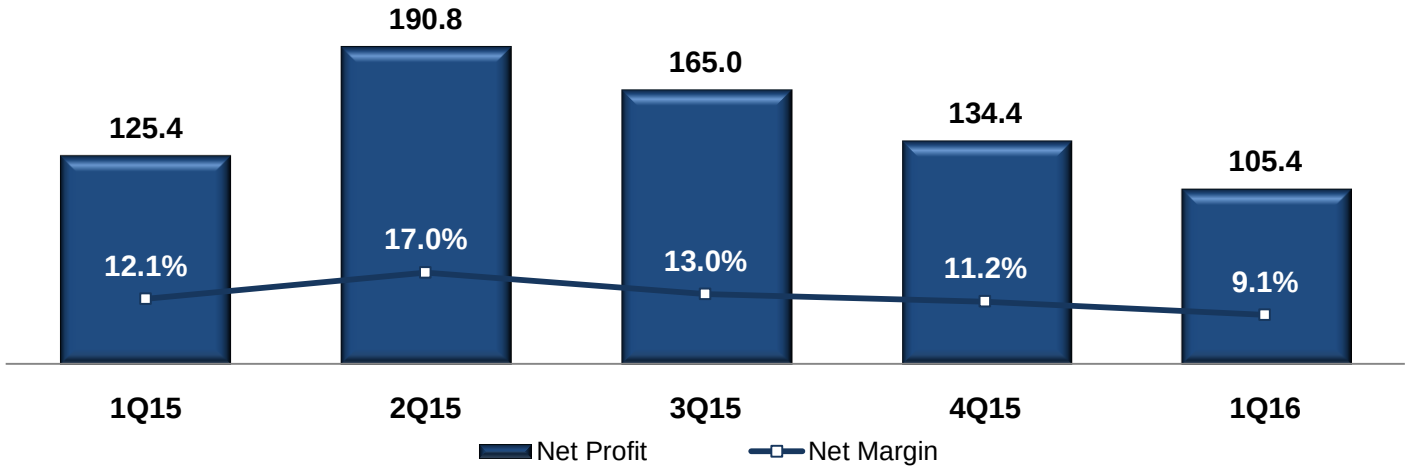
Net Profit *(R$ million)* & Net Margin *(%)*

Item/Period	1Q15	1Q16	Δ
Net Profit	125.4	94.6	-24.6%
Net Margin	12.1%	8.2%	-3.9 p.p.
Non-Recurring Expenses	-	11.6	-
Adjusted Net Profit*	125.4	105.4	-15.9%
Adjusted Net Margin*	12.1%	9.1%	-3.0 p.p.

Item/Period	4Q15	1Q16	Δ
Net Profit	122.7	94.6	-22.9%
Net Margin	10.2%	8.2%	-2.0 p.p.
Non-Recurring Expenses	12.6	11.6	-7.9%
Adjusted Net Profit*	134.4	105.4	-21.6%
Adjusted Net Margin*	11.2%	9.1%	-2.1 p.p.

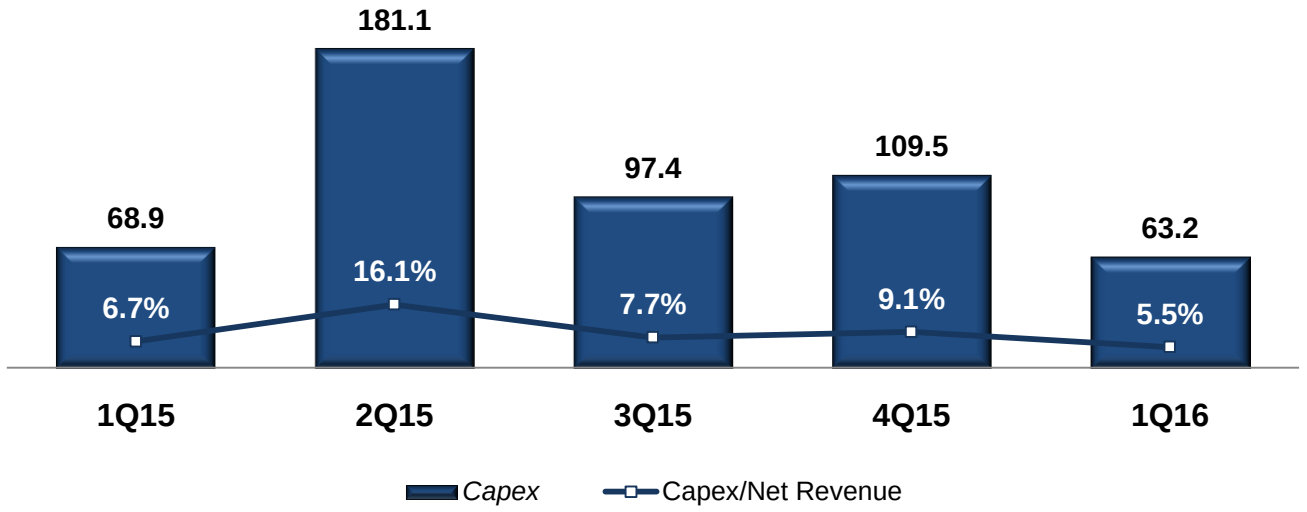
*Net Profit value, in 1Q16, **without** non-recurring expenses, **net of taxes.**

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



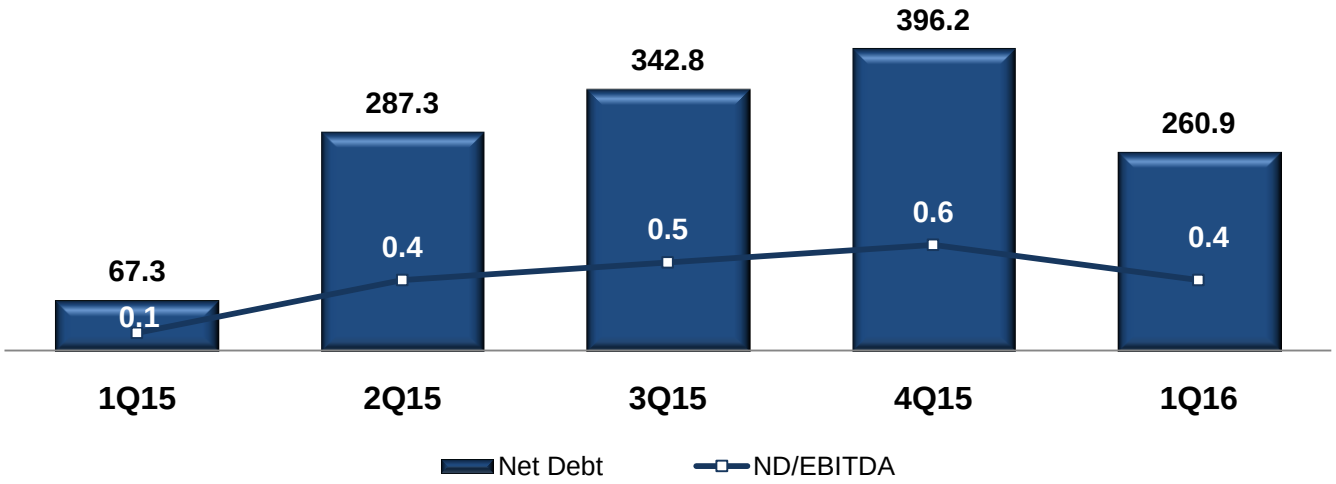
Capex & Net Debt

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



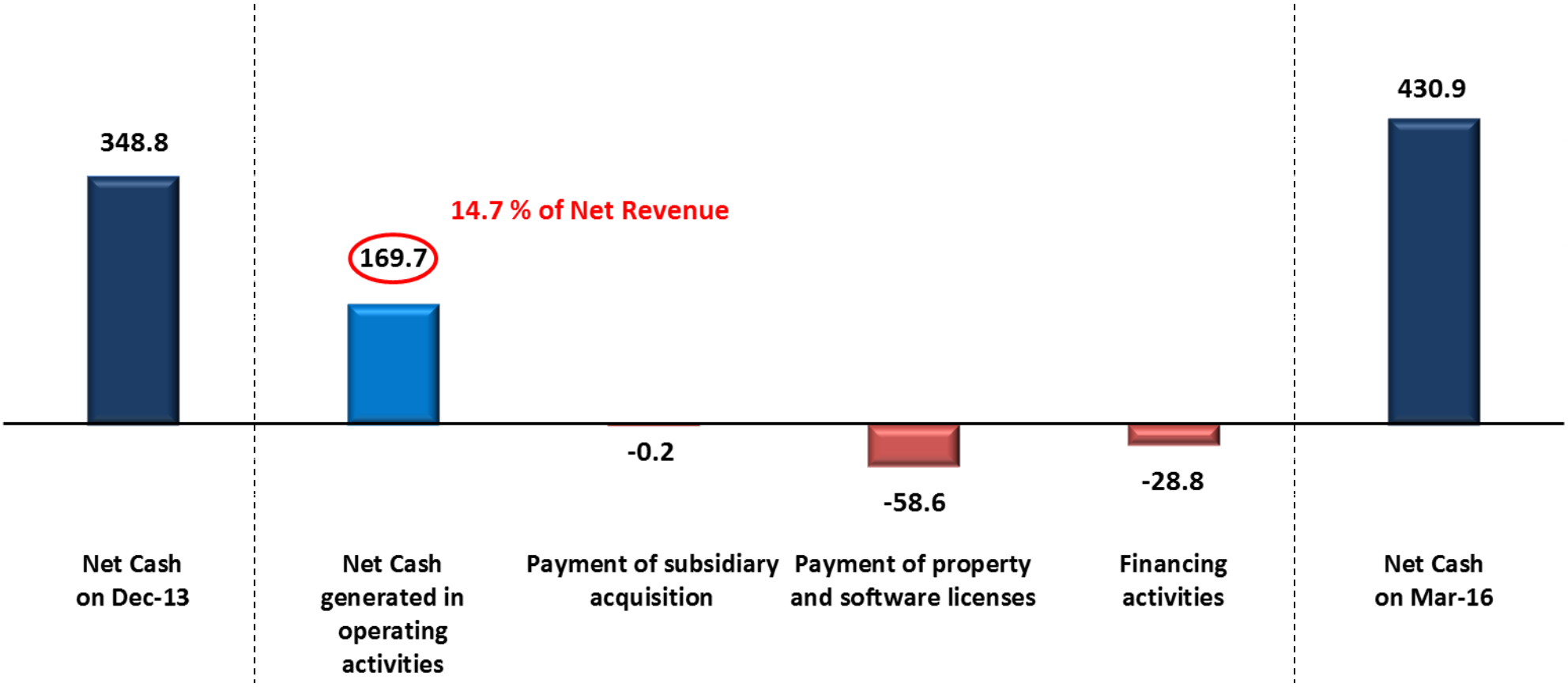
* Capex value does not include acquisitions.

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



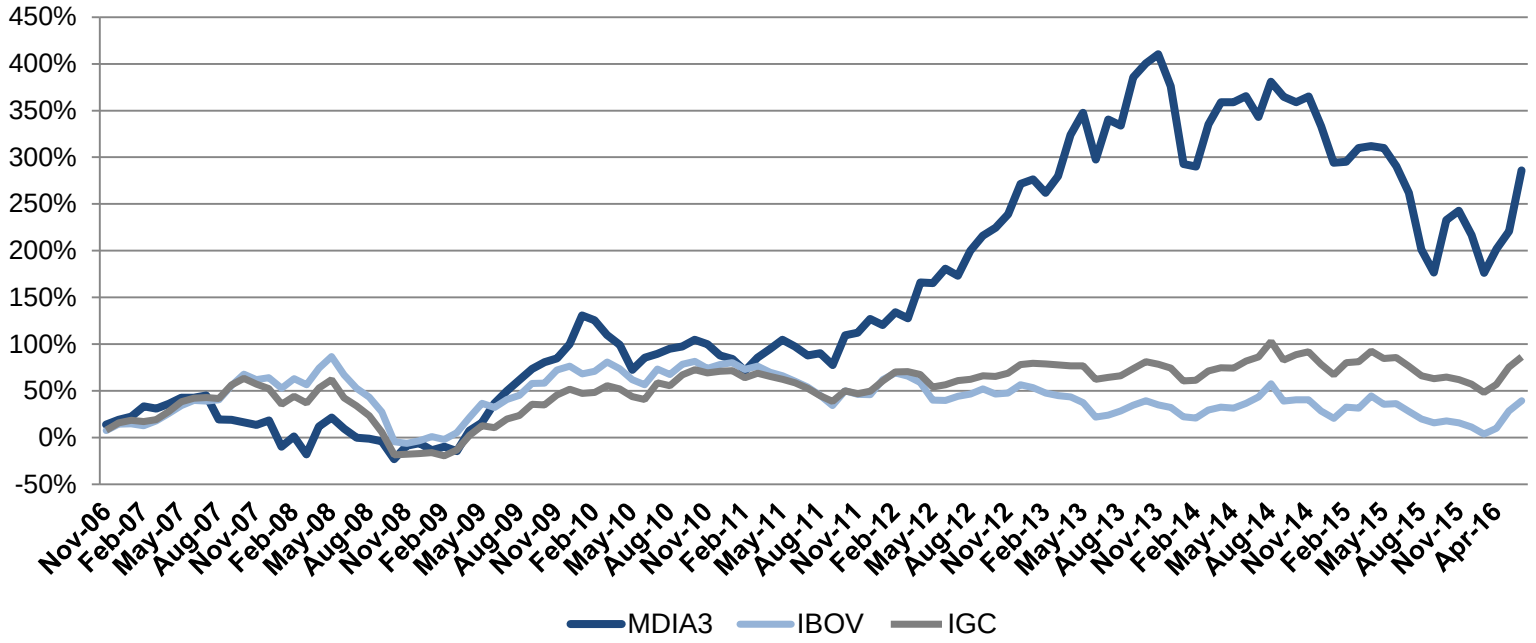
Cash Flow

Cash Flow Evolution – 1Q16 *(R$ million)*



Capital Market

MDIA3 X IBOVESPA X IGC
(from 10/18/06 to 04/29/16)



Price Evolution, Liquidity and Stock Performance	1Q16	1Q15
MDIA3		
Stock price (R$)*	67.37	86.11
Average Daily Trading Volume (R$ Million)	9.3	12.3
Performance		
MDIA3	1.31%	-5.37%
Ibovespa	15.47%	2.29%
IGC	11.63%	1.46%

*Closing stock price at the end of the period

Average Daily Trading Volume:

1Q15 – R$ 12.3 MM

2Q15 – R$ 11.0 MM

3Q15 – R$ 10.2 MM

4Q15 – R$ 10.8 MM

1Q16 – R$ 9.3 MM

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THANKS!

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