



# 1Q18 Earnings Presentation

GRUPO



S.A.B. DE C.V.

# 1Q18

## AGENDA



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## Operational Strategies

# 1. Strategies 1Q18: Initiatives

## I. Operational Front

- a) **Significant increase in the participation of customers belonging to the segments we serve** through the reengineering of the profiling process of target customers
- b) **Important contribution of the canvass channel** by extending our outreach beyond the existing commercial network
- c) **Important adjustments to our collection standards**, with a variable compensation scheme oriented to results
- d) **Larger commercial outreach in the United States** through an incremental participation in digital media and marketing in English

## II. Financial Front

- a) **Strengthening of the credit profile**, with bank deposits as our main source of funding, representing more than the 75% share of the Company's total financing
- b) **Financial structure enhancement**; achieving a **lower level of indebtedness**, due to:
  - Amortization of aprox. Ps.230 million of short-term debt during 1Q18.
  - Monetization of assets: Progress in the purchase-sale negotiations of Ps.300 million.



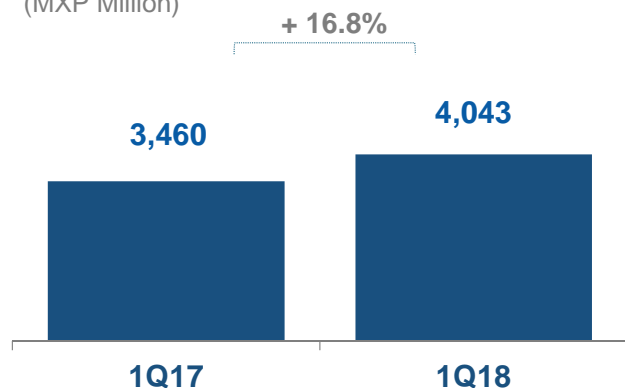
**Famsa Mexico**

## 2. Famsa Mexico

During 1Q18 durable goods fundamental categories recorded a generalized growth, while achieved a higher speed and control in the credit origination process

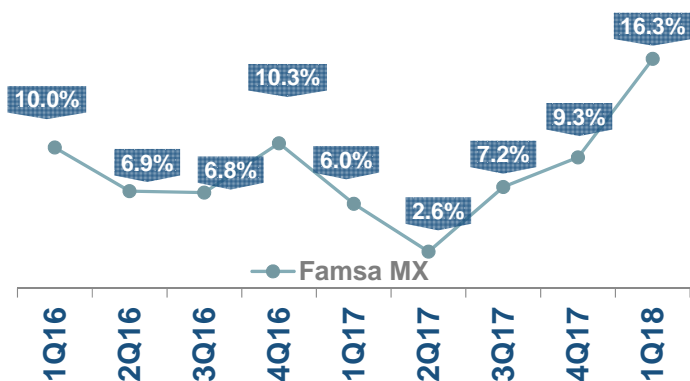
### Net Sales

(MXP Million)

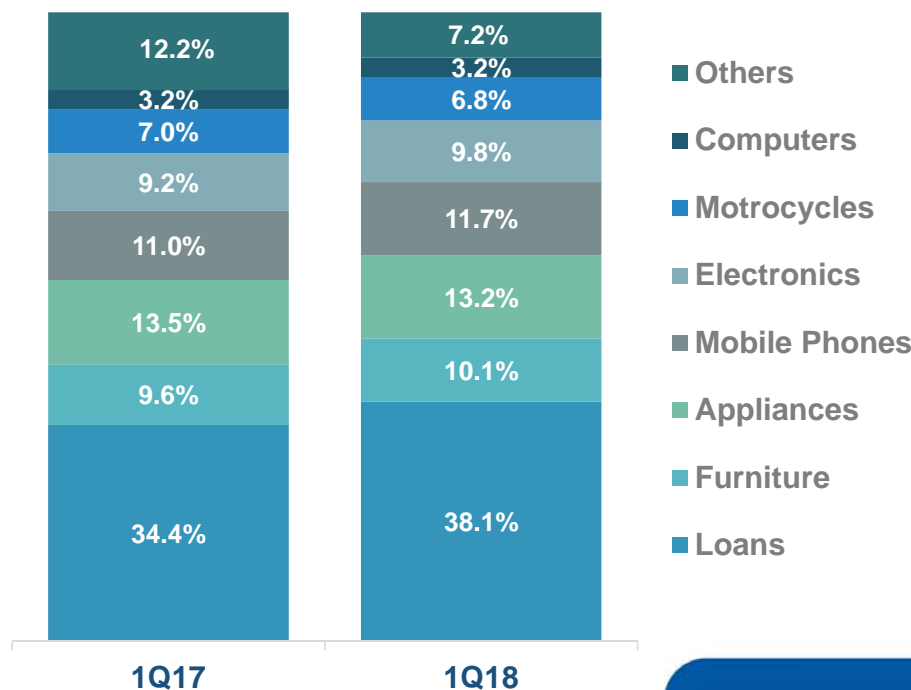


### Same-Store Sales (SSS)

(Annual growth)



### Sales by product mix



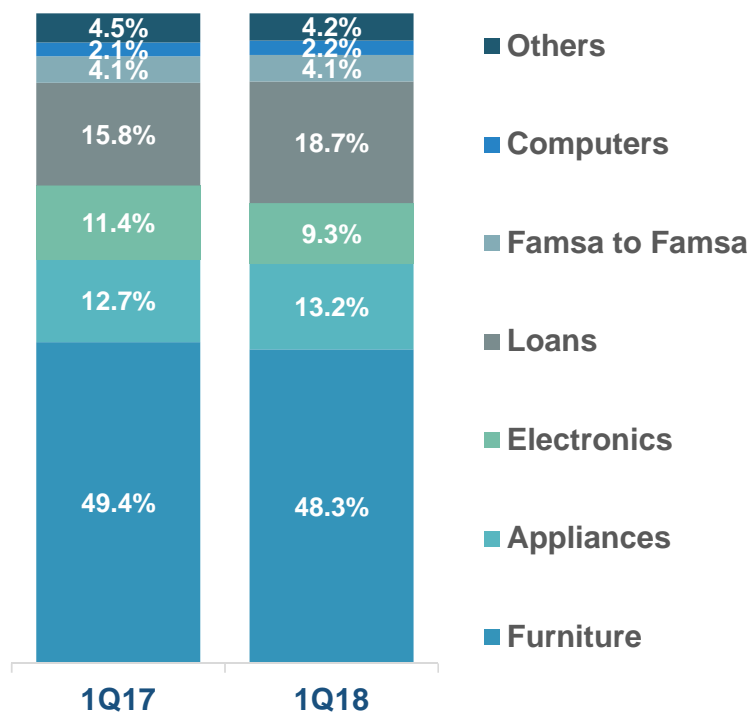


**Famsa USA**

### 3. Famsa USA

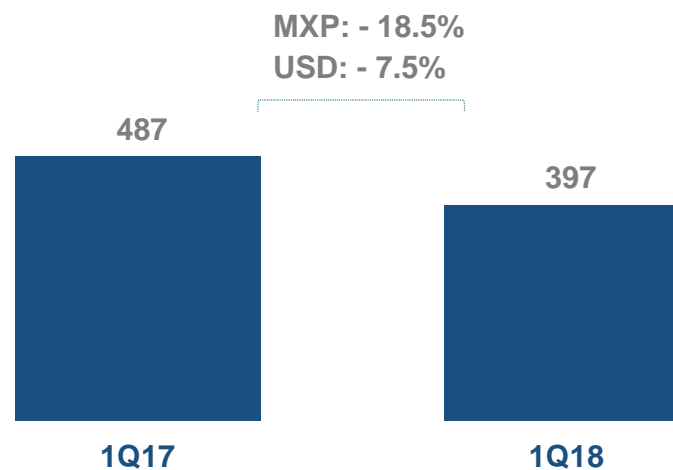
Famsa USA continued the improvement of its commercial front through advertising campaigns directed in English and a greater participation in digital media

#### Sales by product mix



#### Net Sales

(MXP Million)



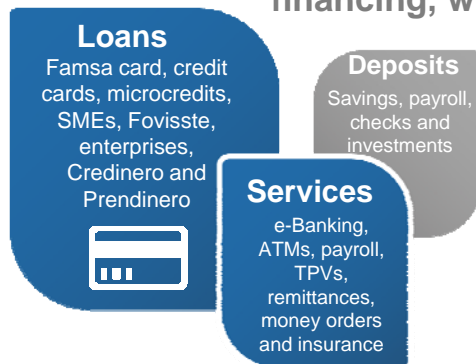




**Banco Famsa**

## 4. Banco Famsa

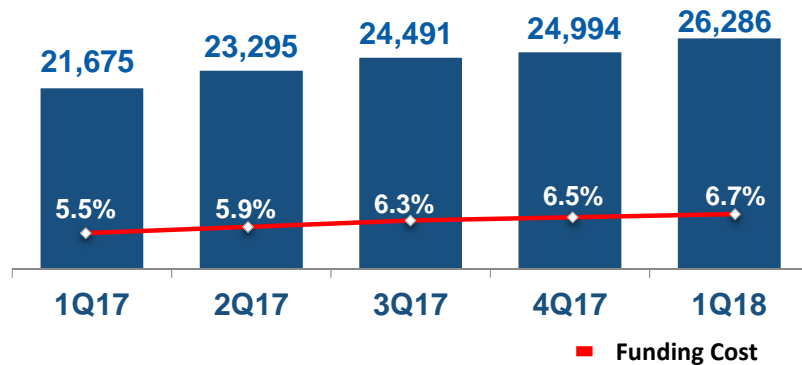
Bank deposits as of March 31, 2018 accounted for a participation above 75% of the Company's total financing, which amounted to Ps.26,286 million



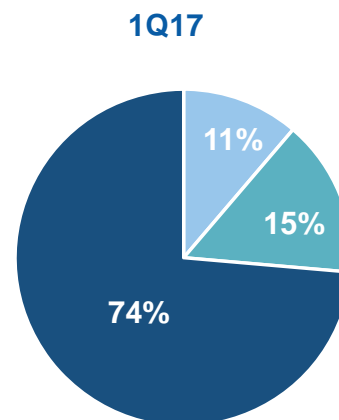
### Bank Deposits

(MXP Million)

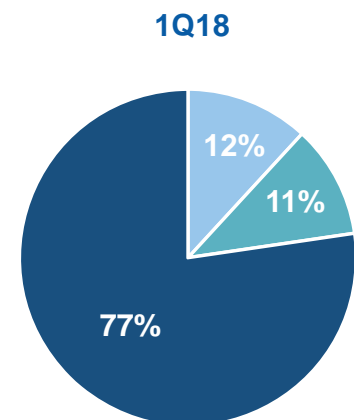
+ 21.3%



### Bank Deposits Mix



- Demand Deposits
- Opnl Availability
- Time Deposits



- Demand Deposits
- Opnl Availability
- Time Deposits

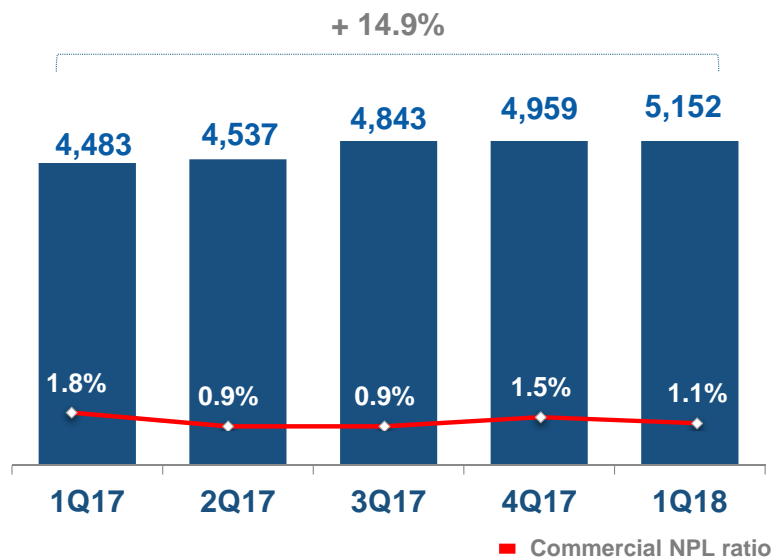


## 4. Banco Famsa

We estimate to double our SMEs credit origination towards 2019 with an incremental contribution from our canvassing channel

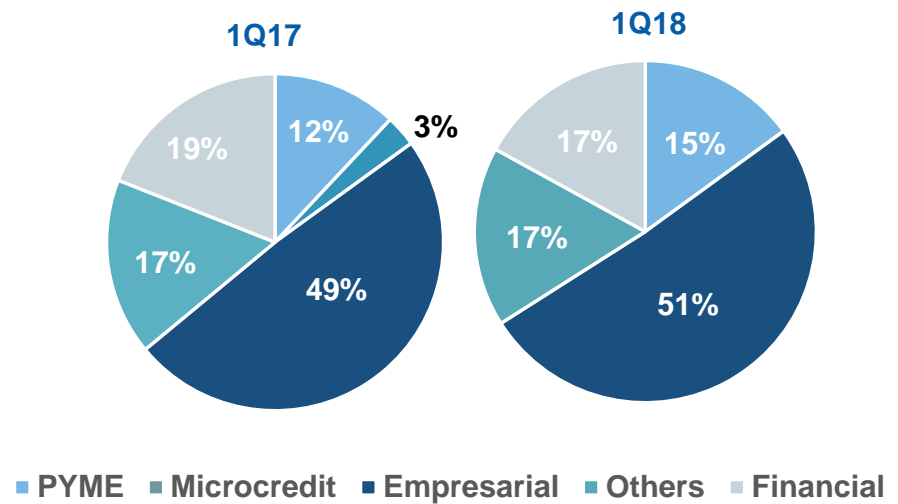
### Portfolio of Loans\*

(MXP Million)



\*Gross Balance  
Source: Banco Famsa

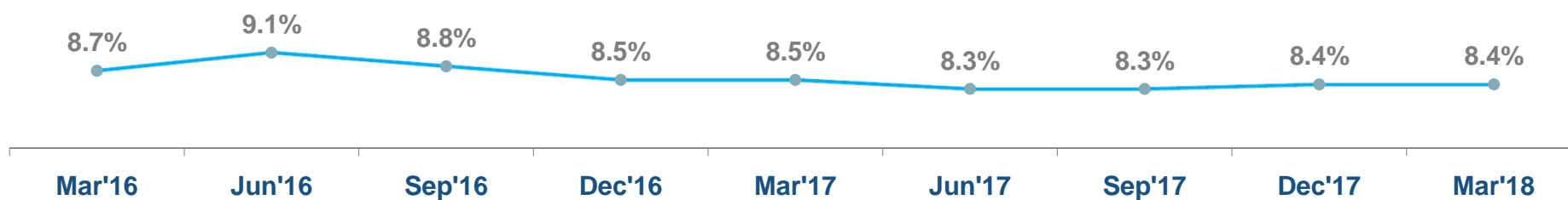
### Portfolio of Loans Mix



## 4. Banco Famsa

The Non-Performing Loans ratio (NPL) ended at 8.4%, decreasing 10 bps. vs 1Q17, given the strengthening of our credit base

### Non-performing Loans Ratio (NPL)\*\*



\*\*Includes credits discounted by payroll  
Source: Banco Famsa





## Consolidated Results

## 5. Consolidated Results – Net Sales

Net Sales increased by 12.2% year over year in 1Q18

### Net Sales by country

(MXP Million)

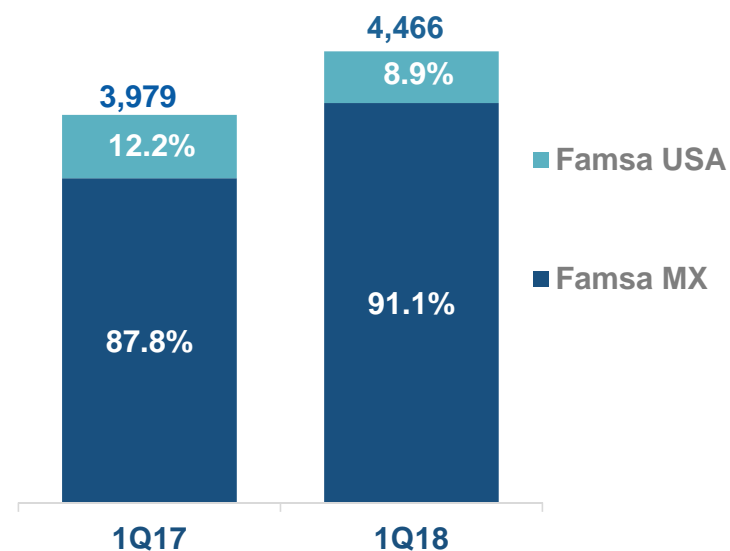
+ 12.2%

### Same Store Sales (SSS)

	1Q17	1Q18
<b>Total</b>	+2.3%	+13.8%
<b>Famsa Mexico</b>	+6.0%	+16.3%
<b>Famsa USA*</b>	(24.1%)	(1.9%)

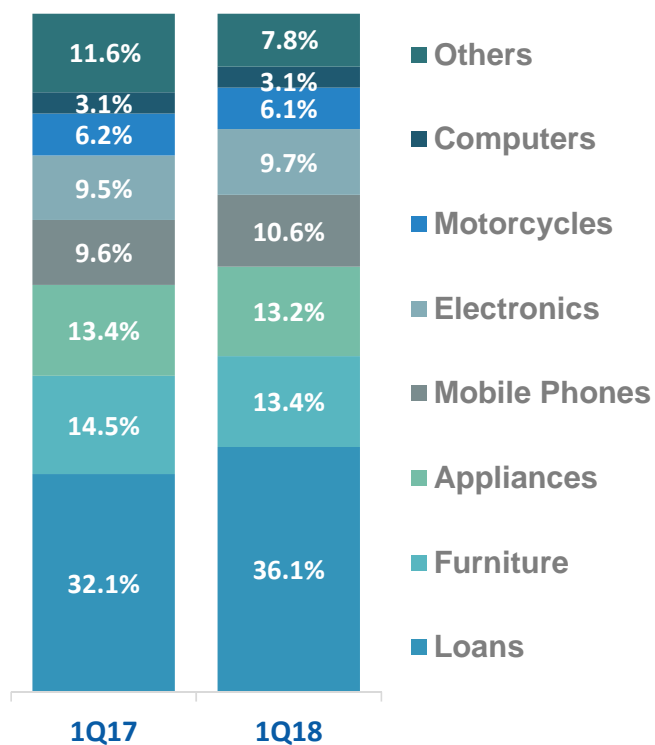
\*Excluding exchange rate effect

\*Mexican Pesos

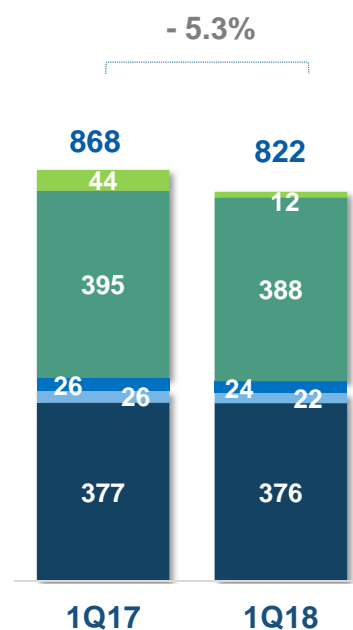


## 5. Consolidated Results – Net Sales

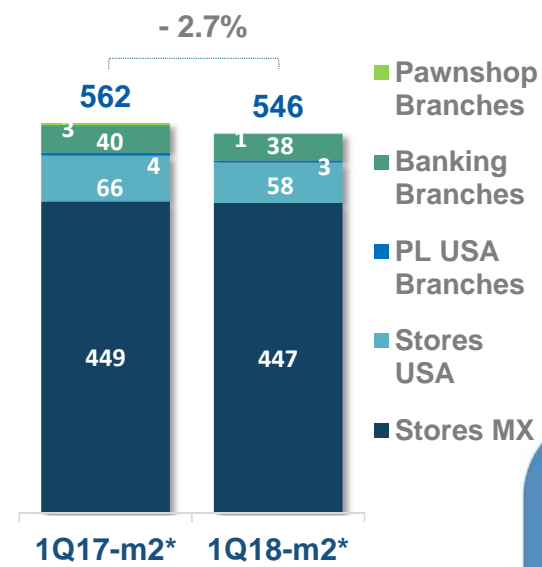
Net Sales by product mix



Business-units



Retail-area

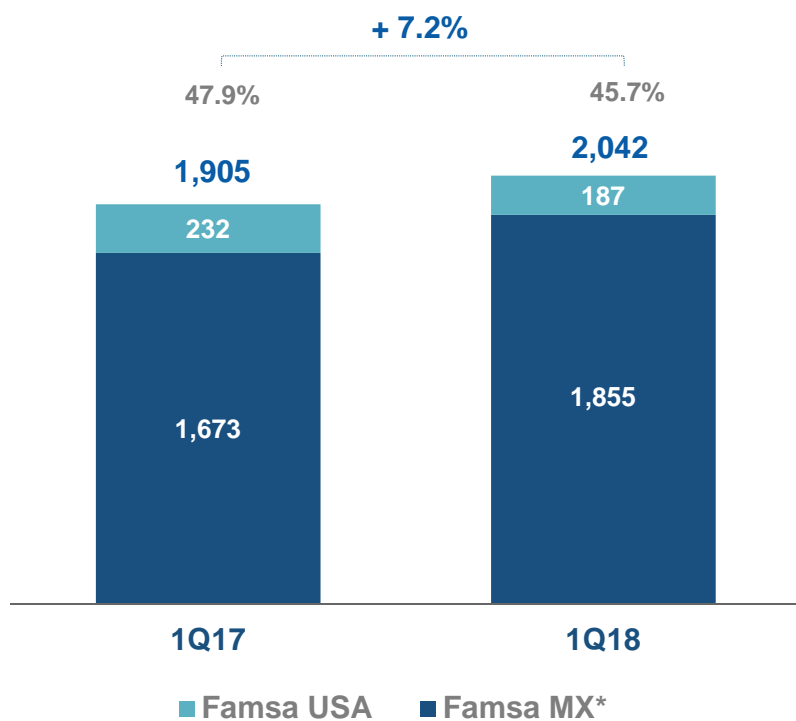


\*m² in thousands.

## 5. Consolidated Results

### Gross Profit

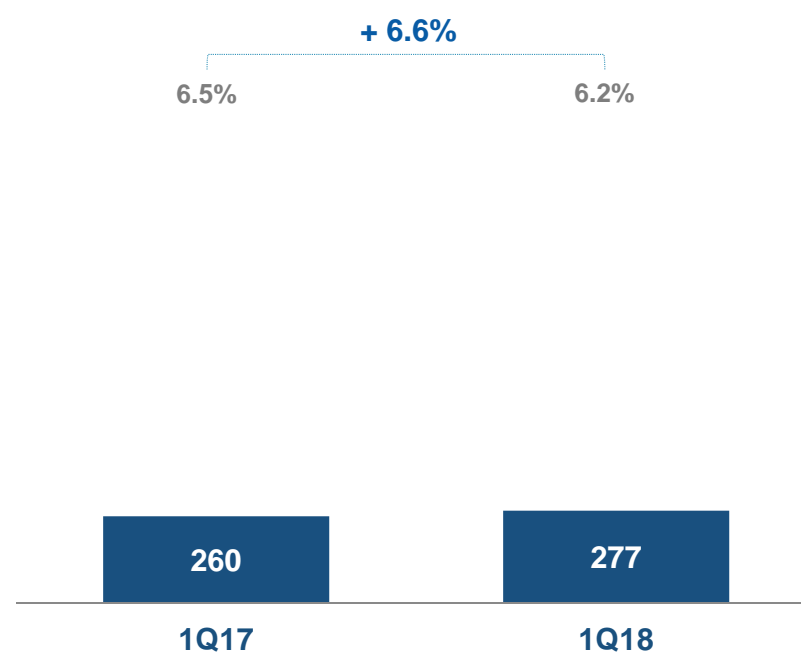
(MXP Million)



\*Includes other segments and intercompanies

### Financial expenses<sup>(1)</sup>

(MXP Million)



(1) Financial expenses = Interest paid

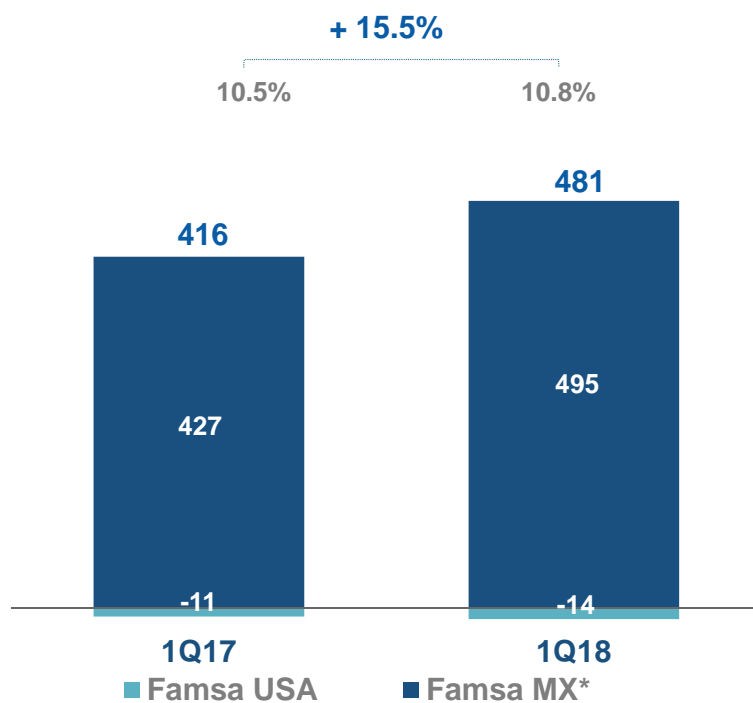




## 5. Consolidated Results

### EBITDA

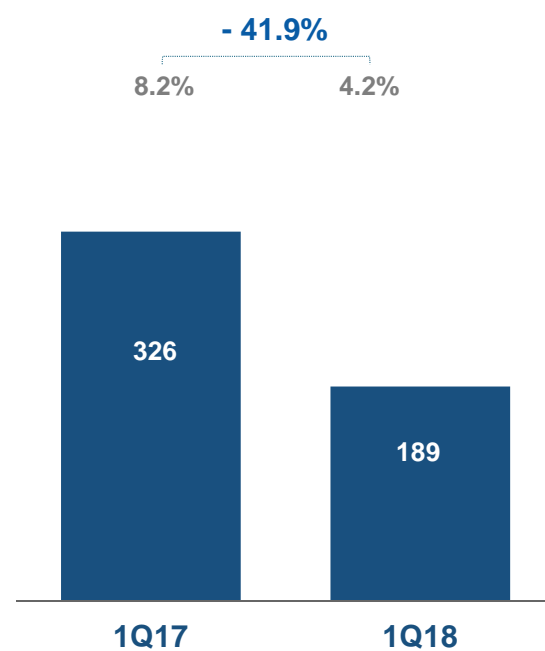
(MXP Million)



\*Includes other segments and intercompanies

### Net Income

(MXP Million)





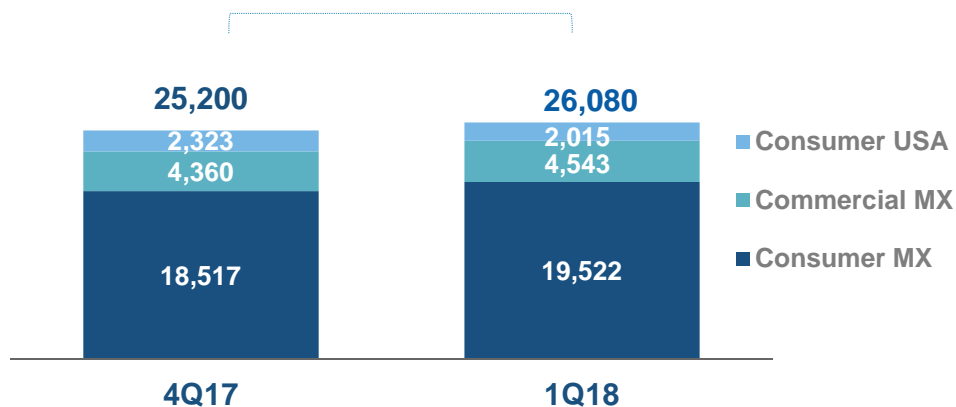
## Financial Position Items

## 6. Financial Position Items

### Trade receivables

(MXP Million)

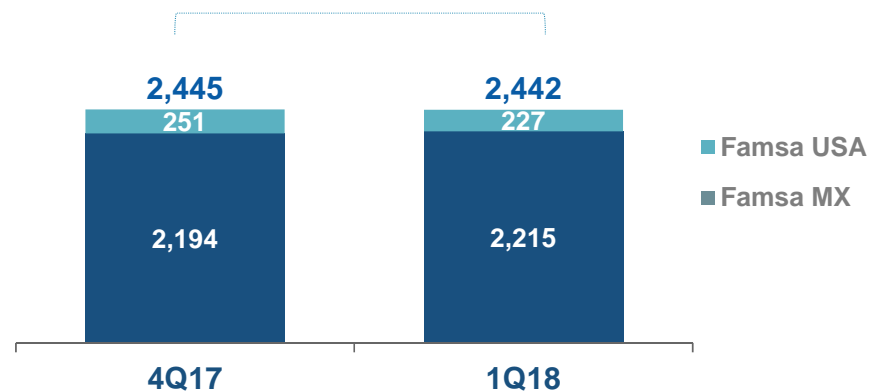
+ 3.5%



### Inventories

(MXP Million)

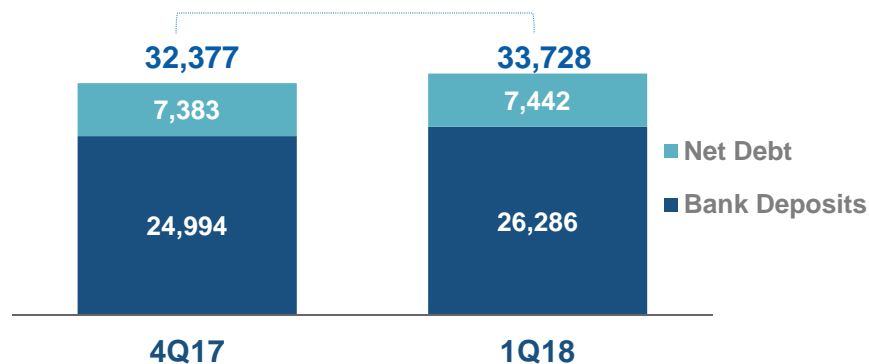
- 0.1%



### Net debt & bank deposits

(MXP Million)

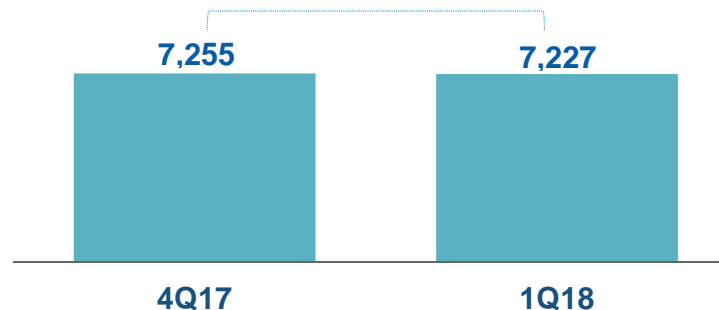
+ 4.2%



### Stockholders' equity

(MXP Million)

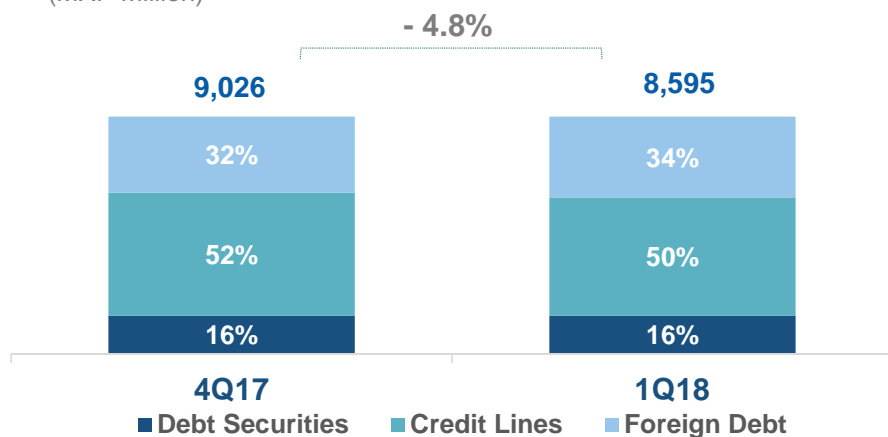
- 0.4%



## 6. Financial Position Items: Debt Structure

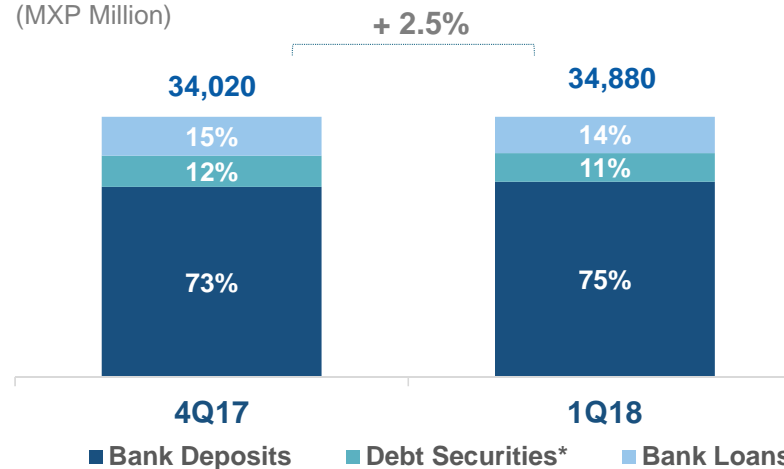
### Debt Profile

(MXP Million)



### Funding Sources

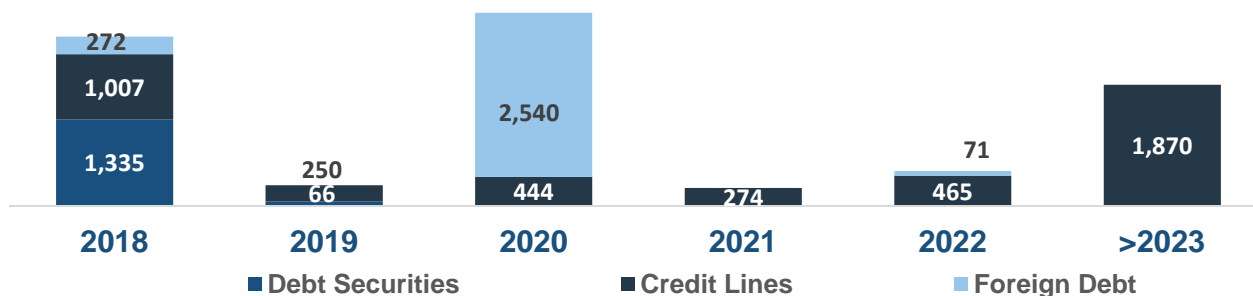
(MXP Million)



\* Includes local notes and foreign senior notes.

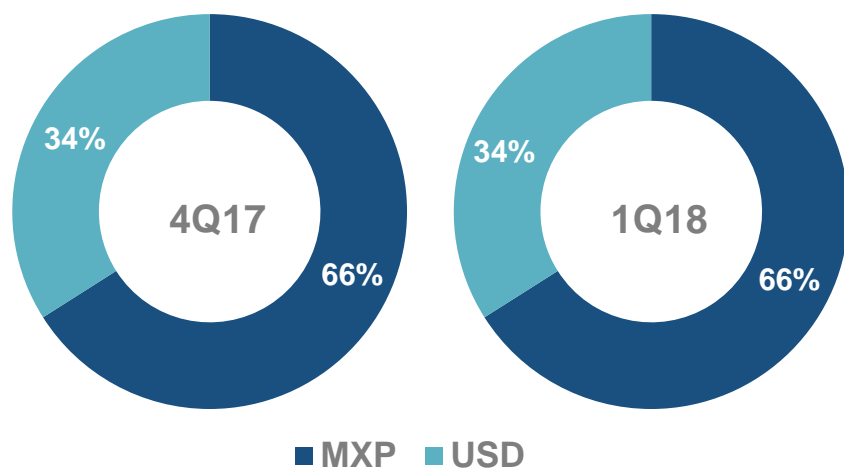
### Debt Maturity Schedule

(MXP Million)

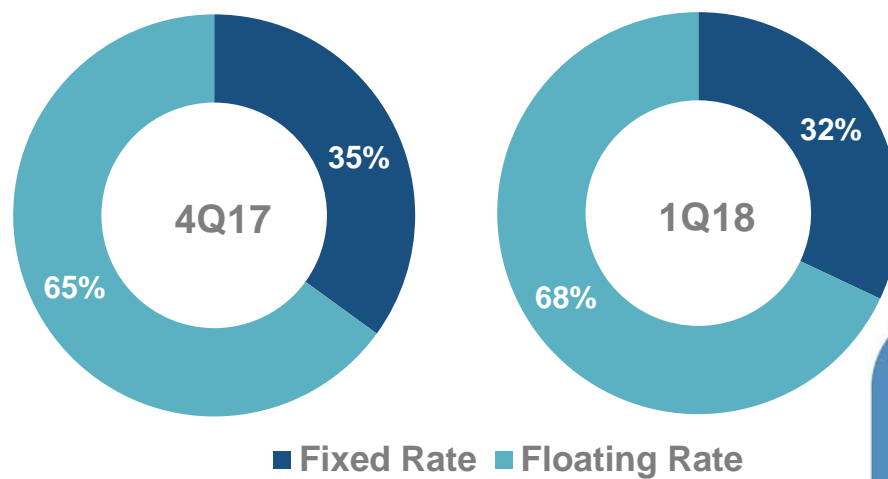


## 6. Financial Position Items: Debt Structure

Debt Profile: By Currency



Debt Profile: By Interest Rate



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