



# **I. COMPANY OVERVIEW**



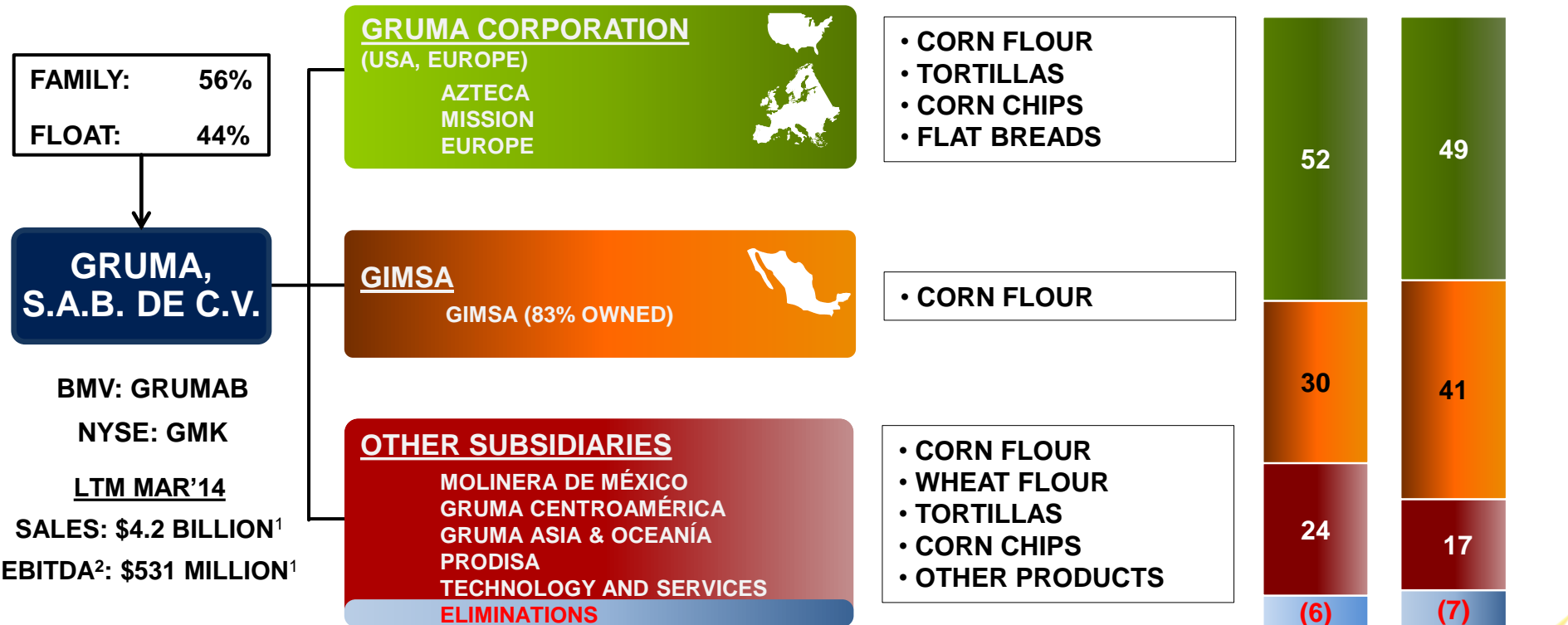
**GRUMA IS THE WORLD'S LARGEST CORN FLOUR AND TORTILLA PRODUCER, WITH OPERATIONS IN THE UNITED STATES, MEXICO, CENTRAL AMERICA, EUROPE, ASIA AND OCEANIA**

**SUBSIDIARIES**

**PRODUCTS**

**% SALES**

**% EBITDA**



<sup>1</sup> CONVENIENCE TRANSLATION AT AN EXCHANGE RATE OF Ps.13.0837/DOLLAR.

<sup>2</sup> EBITDA = OPERATING INCOME + DEPRECIATION AND AMORTIZATION + OTHER NON-CASH ITEMS.





**TOWARD YEAR END 2012, GRUMA'S BOARD AND MANAGEMENT BEGAN A PROCESS TO ENHANCE VALUE CREATION, LEVERAGING THE GROWTH IN RECENT YEARS, BY FOCUSING ON:**

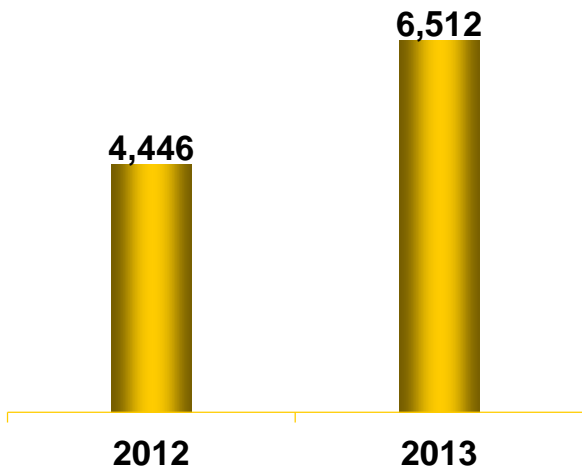
- **EFFECTIVENESS AND BETTER CONTROL OF:**
  - ALLOWANCE PROGRAMS AND TARGETED PRODUCTS
  - RATIONALIZATION OF SKUs AND DISTRIBUTION ROUTES
- **SELECTIVENESS OF CATEGORY EXPANSION**
- **EFFECTIVENESS AND RATIONALIZATION OF MARKETING EXPENSES, ESPECIALLY ADVERTISING**
- **RATIONALIZATION OF ADMINISTRATIVE EXPENSES AT CORPORATE AND OPERATIONAL LEVELS**
- **REDUCTION IN CAPITAL EXPENDITURES BASED ON:**
  - LEVERAGING AVAILABLE INSTALLED CAPACITY IN REGIONS WHERE WE HAVE PRESENCE
  - STRICTER PROFITABILITY CRITERIA FOR EACH INVESTMENT



SINCE THE BEGINNING OF 2013, GRUMA HAS BENEFITED FROM THE INITIATIVES TO IMPROVE PROFITABILITY

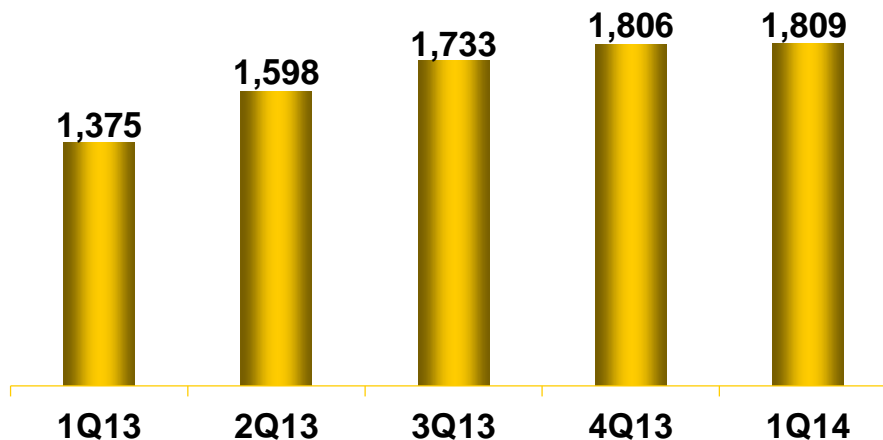
**GRUMA, S.A.B. DE C.V.**  
**EBITDA<sup>1</sup>**  
 (MILLIONS OF PESOS)

**CAGR:**  
 '12 - '13: 46%



EBITDA MG (%)	2012	2013
	8.2	12.0

**GRUMA, S.A.B. DE C.V.**  
**EBITDA<sup>1</sup>**  
 (MILLIONS OF PESOS)



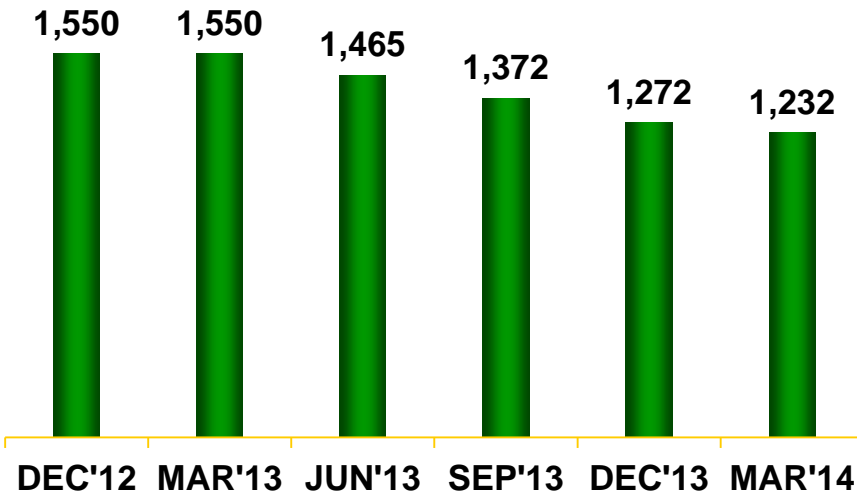
EBITDA MG (%)	1Q13	2Q13	3Q13	4Q13	1Q14
	10.5	11.8	12.6	13.2	13.5

<sup>1</sup> EXCLUDING VENEZUELAN OPERATIONS.

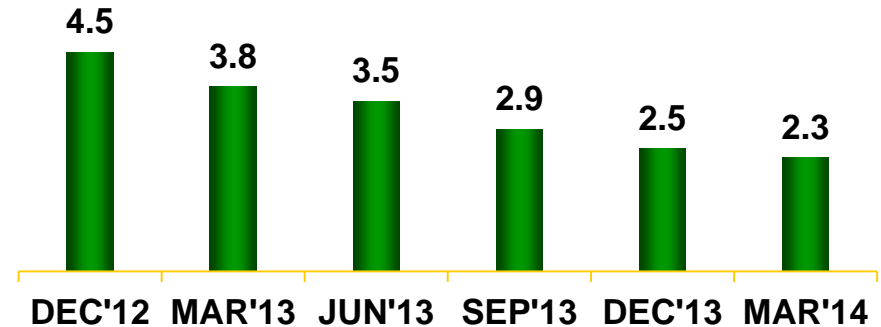


**GRUMA HAS ALSO FOCUSED ON STRENGTHENING ITS FINANCIAL STRUCTURE BY INCREASING ITS FREE CASH GENERATION AND APPLYING IT TO DEBT REDUCTION**

**GRUMA  
CONSOLIDATED  
DEBT  
(MILLIONS OF US\$)**



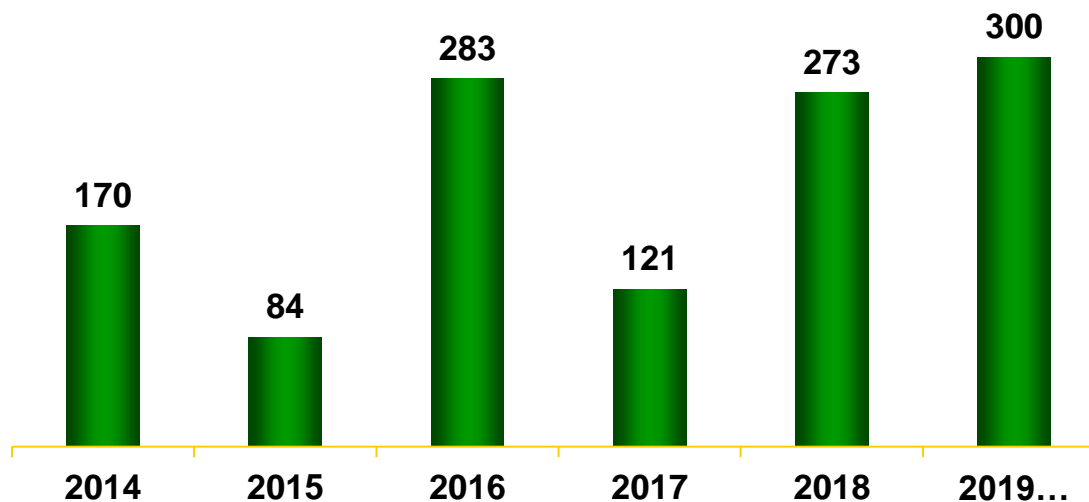
**GRUMA  
CONSOLIDATED  
DEBT/EBITDA<sup>1</sup>  
(TIMES)**



<sup>1</sup> LAST TWELVE-MONTH FIGURES, EXCLUDING VENEZUELAN OPERATIONS.

**83% OF GRUMA'S DEBT IS LONG-TERM**

**SCHEDULE OF DEBT <sup>1</sup> AMORTIZATIONS  
AS OF MARCH 31, 2014  
(MILLIONS OF US\$)**



<sup>1</sup> WEIGHTED AVERAGE INTEREST RATE AS OF MARCH 2014 IS 4.7%; EXCLUDING THE PERPETUAL BOND, IT WOULD BE 3.7%.

## **II. MAIN SUBSIDIARIES**

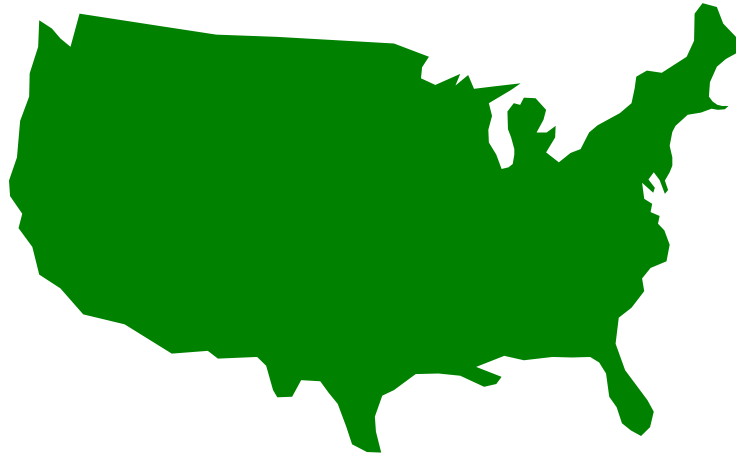




**GRUMA CORPORATION**



**GRUMA CORPORATION IS THE LARGEST SUBSIDIARY, RESPONSIBLE FOR OPERATIONS IN THE UNITED STATES AND EUROPE**



**NET SALES LTM MAR'14: US\$2.2 BILLION**

**GRUMA CORPORATION**

**CORN MILLING OPERATIONS**

**48% VOLUME**

- 6 MILLS IN THE U.S.
- 3 MILLS IN EUROPE
  - ITALY
  - UKRAINE
  - TURKEY
- **INSTALLED CAPACITY: 1.2 MILLION METRIC TONS/YEAR**
  - TORTILLA CORN FLOUR
  - CHIP CORN FLOUR
  - GRITS

**TORTILLA OPERATIONS**

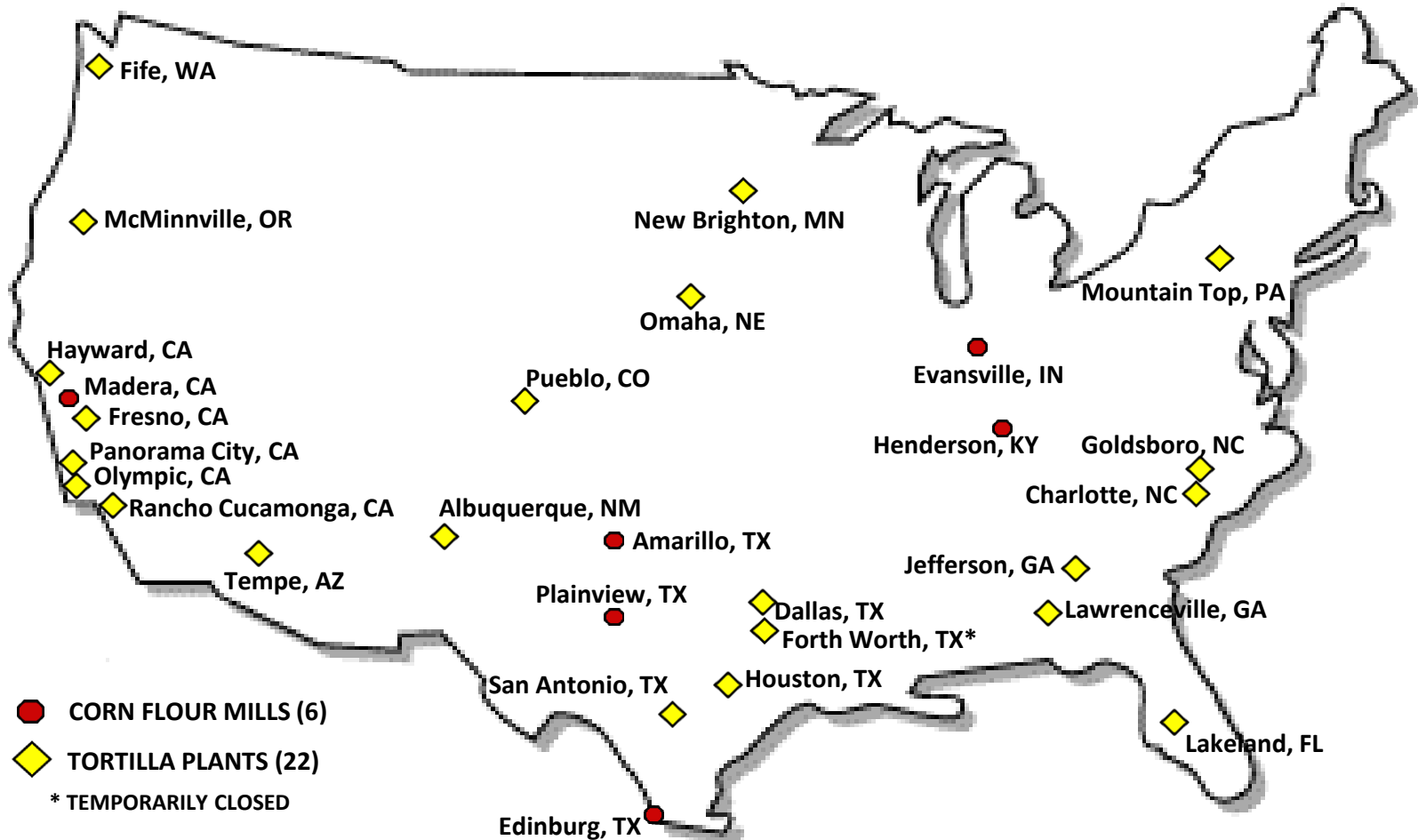
**52% VOLUME**

- 22 PLANTS IN THE U.S.
- 6 PLANTS IN EUROPE
  - ENGLAND (2)
  - THE NETHERLANDS (2)
  - RUSSIA
  - SPAIN
- **INSTALLED CAPACITY: 1.3 MILLION METRIC TONS/YEAR**
  - CORN FLOUR TORTILLAS
  - WHEAT FLOUR TORTILLAS
  - CORN CHIPS
  - FLAT BREADS
  - OTHER RELATED PRODUCTS





## GRUMA CORPORATION HAS A BROAD PRESENCE IN THE UNITED STATES THROUGH STRATEGICALLY LOCATED PLANTS



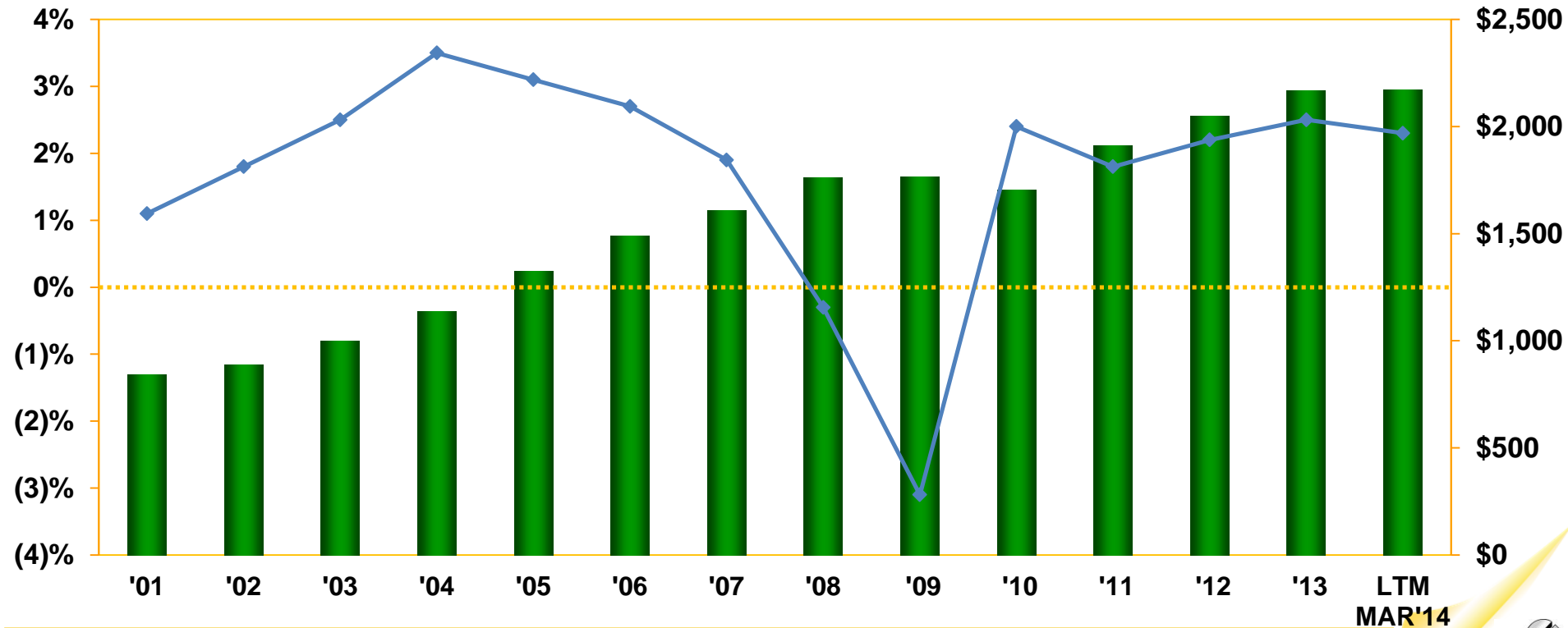


# GRUMA CORPORATION'S NET SALES HAVE GROWN DESPITE DIFFICULT ECONOMIC CONDITIONS

U.S. GDP GROWTH RATE<sup>1</sup> —◆—

GRUMA CORPORATION NET SALES<sup>2</sup> (MILLIONS OF US\$)

**CAGR:**  
'01 – LTM MAR'14: 8%



<sup>1</sup> SOURCE: BUREAU OF ECONOMIC ANALYSIS.

<sup>2</sup> FIGURES UNDER US GAAP FROM 2001- 2009, AND UNDER IFRS SINCE 2010.

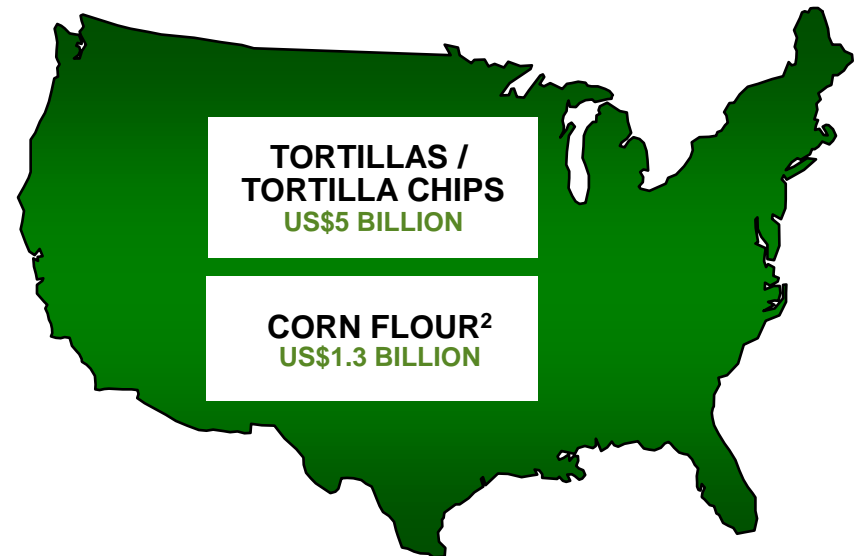


## THERE IS GROWTH POTENTIAL FOR THE U.S. TORTILLA AND CORN FLOUR INDUSTRIES

### GROWTH DRIVERS

- **HISPANIC POPULATION<sup>1</sup>**
  - 16% OF TOTAL U.S. POPULATION
  - HISPANIC POPULATION INCREASED 43% BETWEEN 2000 AND 2010, ACCOUNTING FOR MORE THAN 50% OF TOTAL U.S. POPULATION GROWTH
- **POPULARITY OF MEXICAN FOOD**
  - NON-HISPANICS ACCOUNT FOR THE MAJORITY OF MEXICAN FOODSERVICE PURCHASES
  - THE NUMBER OF MEXICAN FOOD RESTAURANTS CONTINUES TO GROW
  - MORE RESTAURANTS ARE INCLUDING ITEMS WITH TORTILLAS AND CHIPS IN THEIR MENUS
- **CONSUMPTION OF TORTILLAS IN NON-MEXICAN DISHES (WRAPS)**
- **WRAPS, BURRITOS, QUESADILLAS, ETC. BECOMING MAINSTREAM FOODS**

### ESTIMATED U.S. TORTILLA AND CORN FLOUR MARKETS



<sup>1</sup> UNITED STATES CENSUS BUREAU.

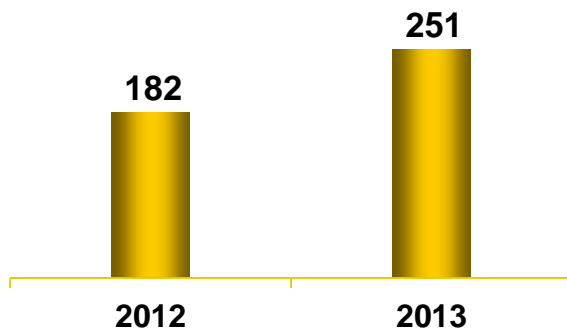
<sup>2</sup> INCLUDES TRADITIONAL METHOD.



**GRUMA CORPORATION'S RESULTS ARE REFLECTING THE COMPANY'S EFFORTS TO ENHANCE VALUE CREATION**

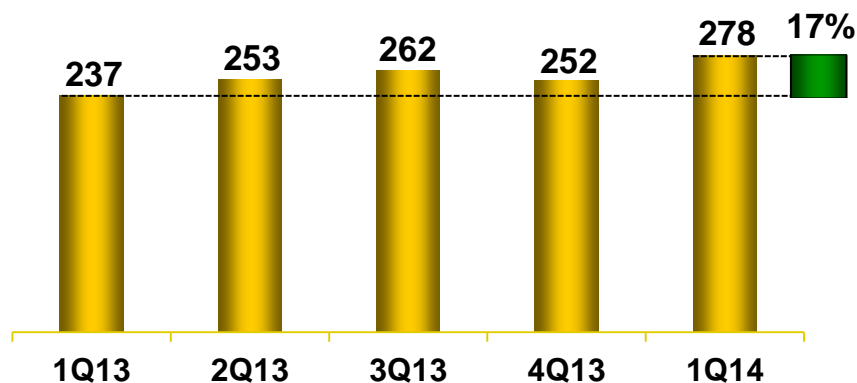
**GRUMA CORPORATION  
EBITDA  
(MILLIONS OF US\$)**

**CAGR:  
'12 – '13: 38%**



<b>EBITDA MG (%)</b>	<b>8.9</b>	<b>11.6</b>
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**GRUMA CORPORATION  
EBITDA<sup>1</sup>  
(MILLIONS OF US\$)**



<b>EBITDA MG (%)</b>	<b>11.1</b>	<b>11.3</b>	<b>11.9</b>	<b>12.0</b>	<b>12.9</b>
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<sup>1</sup> ANNUALIZED FIGURES.







# GIMSA





## GIMSA IS GRUMA'S SECOND LARGEST SUBSIDIARY AND THE LEADER OF THE CORN FLOUR INDUSTRY IN MEXICO



### GIMSA

- NET SALES LTM MAR'14: **US\$1.2 BILLION<sup>1</sup>**
- 19 CORN FLOUR PRODUCTION PLANTS, ONE WHEAT FLOUR PLANT AND ONE OF SEVERAL OTHER PRODUCTS, WITH TOTAL ANNUAL CAPACITY OF 3 MILLION METRIC TONS
- GIMSA'S MARKET SHARE WITHIN THE CORN FLOUR INDUSTRY IS APPROXIMATELY 70%

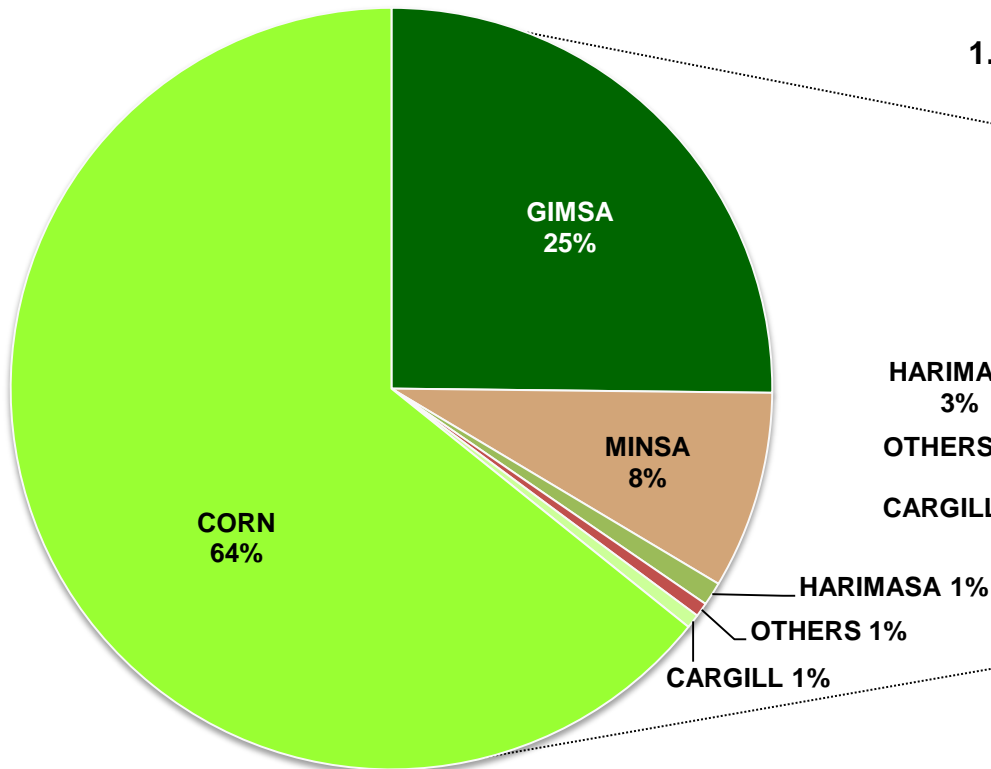
<sup>1</sup> CONVENIENCE TRANSLATION AT AN EXCHANGE RATE OF Ps.13.0837/DOLLAR.



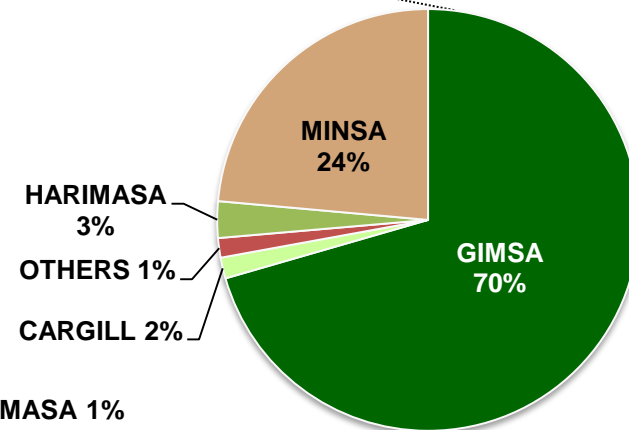


**CORN FLOUR IS ONLY USED TO PRODUCE 36% OF THE TORTILLAS IN MEXICO, THUS THERE IS A GREAT POTENTIAL FOR GROWTH**

**TORTILLA MARKET IN MEXICO**  
4.7 MILLION METRIC TONS OF CORN FLOUR<sup>1</sup>



**CORN FLOUR MARKET IN MEXICO**  
1.7 MILLION METRIC TONS OF CORN FLOUR<sup>1</sup>



<sup>1</sup> ONE CORN FLOUR METRIC TON = 1.8 TORTILLA METRIC TONS.



**AS IN ALL GRUMA SUBSIDIARIES, GIMSA HAS BEEN IMPLEMENTING INITIATIVES TO IMPROVE PROFITABILITY...**

- **PRIORITIZE MARGINS RATHER THAN TEMPORARY VOLUME EXPANSION**
- **RATIONALIZATION OF MARKETING SPENDING AND FOCUS ON CATEGORY EXPANSION**
- **REDUCTION OF ADMINISTRATIVE EXPENSES**
- **HIGHLY SELECTIVE CAPITAL EXPENDITURES**

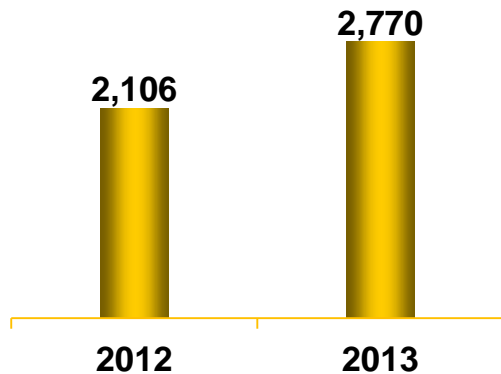


...WHICH HAVE LED TO SIGNIFICANTLY BETTER RESULTS

**GIMSA  
EBITDA  
(MILLIONS OF PESOS)**

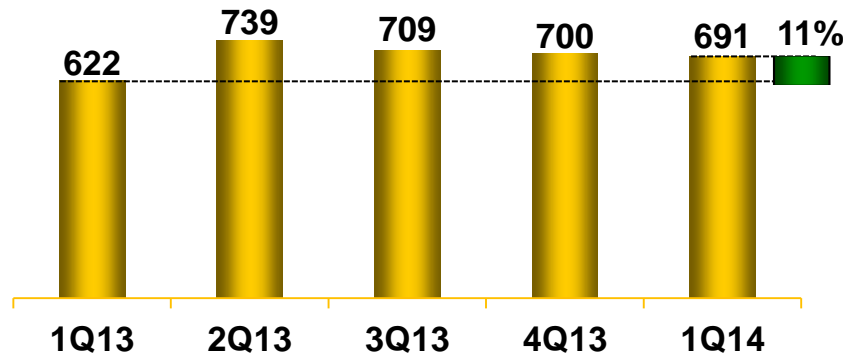
**CAGR**

'12 – '13: 32%



EBITDA MG (%)	2012	2013
	12.0	16.9

**GIMSA  
EBITDA  
(MILLIONS OF PESOS)**



EBITDA MG (%)	1Q13	2Q13	3Q13	4Q13	1Q14
	15.7	17.7	17.0	16.9	18.4

**AS IN GRUMA CORPORATION AND GIMSA, ALL OF GRUMA'S  
SUBSIDIARIES HAVE BEEN IMPLEMENTING INITIATIVES TO  
ENHANCE VALUE CREATION. WE HAVE SEEN, AND CONTINUE TO  
EXPECT, STRONGER EBITDA GENERATION ACROSS THE COMPANY**



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