



Becle, S.A.B. de C.V. Reports Fourth Quarter and Full Year 2018 Unaudited Financial Results

Mexico City, Mexico, February 27, 2019 /BUSINESSWIRE/ -- BECLE, S.A.B. de C.V. ("Cuervo", "BECLE" or the "Company") (BMV: CUERVO) today announced financial results for the quarter ended December 31, 2018.

All figures in this release are derived from the Interim Consolidated Financial Statements of the Company as of December 31, 2018 and for the three-month and twelve-month periods then ended and are prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" of the International Financial Reporting Standard (IFRS), which have been published in the Bolsa Mexicana de Valores (BMV).

Fourth Quarter 2018 Highlights

- Volume increased 13.8% to 7.3 million nine-liter cases;
- Net sales increased 23.1% to P\$10,268 million pesos;
- EBITDA increased 8.1% to P\$2,224 million pesos. EBITDA margin was 21.7% and;
- Consolidated net income decreased 33.7% to P\$1,927 million pesos, resulting in earnings per share of P\$0.54.

Full Year 2018 Highlights

- Volume increased 3.8% to 21.3 million nine-liter cases;
- Net sales increased 8.5% to P\$28,158 million pesos;
- EBITDA decreased 15.3% to P\$6,074 million pesos. EBITDA margin was 21.6% and;
- Consolidated net income decreased 24.9% to P\$3,901 million pesos, resulting in earnings per share of P\$1.09.

All abovementioned increases and decreases have been determined in comparison to the corresponding period in the preceding year.

Management Commentary

Becle finished 2018 with strong volume and net sales growth during the fourth quarter, driven by double-digit growth in the U.S. and Canada and Rest of World (RoW) regions, while Mexico was stable. For the full year 2018, the Company generated a 4% volume growth and an 8% increase for net sales. We continued to see strong depletion trends in the U.S. and Canada for the third consecutive quarter while tightly managing distributor tequila inventories across our geographies. Growth was once again led by our premiumization trend toward super premium tequilas across all regions. Despite cost pressures, fourth quarter net sales and volume grew 23% and 14%, respectively, contributing to grow operating profit and EBITDA. The Company remains well positioned in the global spirits industry, with significant capital and low debt leverage to execute our long-term growth strategy.

Fourth Quarter 2018 Results

During the fourth quarter of 2018, total volume increased 13.8% to 7.3 million nine-liter cases. The year-over-year growth reflected a 22.0% increase in the U.S. and Canada, a 1.5% increase in volumes in Mexico and a 22.4% increase in the RoW region. The consolidated volume growth reflects depletion growth across each geographical region.

Volume by Region 4Q18 (in 000s nine-liter cases)

Region	4Q18	4Q17	(Var.% YoY)	3Q18	(Var.% QoQ)
U.S. and Canada	3,800	3,114	22.0%	2,813	35.1%
Mexico	2,614	2,576	1.5%	1,701	53.7%
<u>RoW</u>	<u>889</u>	<u>726</u>	<u>22.4%</u>	<u>570</u>	<u>55.9%</u>
Total	7,303	6,417	13.8%	5,084	43.6%

Fourth quarter 2018 net sales increased 23.1% to P\$10,268 million pesos compared to the same period in 2017. Net sales in the U.S. and Canada increased 30.6% compared to the same period last year primarily driven by a combination of volume growth and favorable sales mix toward premium spirit brands. In the same period, Mexico net sales increased 2.1% on a pro forma IFRS 15 basis over the prior year period. Net sales of the RoW region increased by 47.9% over the fourth quarter of 2017, reflecting volume growth and favorable sales mix.

Net Sales by Region 4Q18 (in MXN\$ millions)

Region	4Q18	4Q17 PF*	4Q17	(Var. % YoY)	(Var. % YoY) PF*	3Q18	(Var. % QoQ)
U.S. and Canada	6,404	4,903	4,903	30.6%	30.6%	3,969	61.4%
Mexico	2,422	2,373	2,461	-1.6%	2.1%	1,613	50.2%
<u>RoW</u>	<u>1,442</u>	<u>975</u>	<u>975</u>	<u>47.9%</u>	<u>47.9%</u>	<u>825</u>	<u>74.7%</u>
Total	10,268	8,251	8,338	23.1%	24.5%	6,407	60.3%

* Pro forma for the IFRS 15 ("Revenue from Contracts with Customers") adoption in the Mexico region, for comparison purposes only.

Volume of Jose Cuervo increased 13.5% compared to the same period in 2017 and represented 33.2% of total volume for the fourth quarter of 2018. The Company's Other Tequila brands represented 17.0% of total volume with volume, increasing 10.4% compared to the prior year period. The Company's Other Spirits brands represented 23.2% of total volume in the period and experienced a 19.5% increase in volume over the fourth quarter of 2017. Volume of Non-alcoholic and Other represented 16.2% of total volume and volume grew 1.5% compared to the prior year period. Volume of ready-to-drink (RTD) represented 10.4% of total volume and grew by 32.4% compared to the prior year period.

Volume by Category 4Q18 (in 000s nine-liter cases)

Category	4Q18	4Q17	(Var.% YoY)	3Q18	(Var.% QoQ)
Jose Cuervo	2,425	2,136	13.5%	1,598	51.7%
Other Tequilas	1,244	1,126	10.4%	814	52.8%
Other Spirits	1,693	1,416	19.5%	956	77.0%
Non-alcoholic and Other	1,180	1,163	1.5%	1,078	9.5%
<u>RTD</u>	<u>761</u>	<u>575</u>	<u>32.4%</u>	<u>638</u>	<u>19.4%</u>
Total	7,303	6,417	13.8%	5,084	43.6%

Net sales of Jose Cuervo increased 22.1% compared the same period in 2017 and represented 35.2% of total net sales for the fourth quarter of 2018. Net sales of the Company's Other Tequila brands increased 21.2% compared to the prior year period and represented 25.8% of total net sales. The Company's Other Spirits brands represented 25.5% of total net sales in the period and reported a 34.7% increase in net sales compared to the fourth quarter last of year. Net sales of Non-alcoholic and Other represented 7.4% of total net sales and decreased 15.6% compared to the prior year period. Net sales of RTDs represented 6.2% of total net sales and reported an increase of 24.3% compared to the prior year period.

Net Sales by Category 4Q18 (in MXN\$ millions)

Category	4Q18	4Q17	(Var.% YoY)	3Q18	(Var.% QoQ)
Jose Cuervo	3,613	2,960	22.1%	2,036	77.5%
Other Tequilas	2,643	2,181	21.2%	1,537	72.0%
Other Spirits	2,612	1,939	34.7%	1,481	76.4%
Non-alcoholic and other	766	908	-15.6%	860	-10.9%
RTD	633	509	24.3%	493	28.5%
<u>Intercompany Adjustment</u>	<u>-</u>	<u>(159)</u>	<u>nm</u>	<u>-</u>	<u>nm</u>
Total	10,268	8,338	23.1%	6,407	60.3%

Gross profit during the fourth quarter of 2018 increased 18.9% over the same period in 2017 to P\$5,791 million pesos. Gross margin was 56.4% for the fourth quarter of 2018 compared to 58.4% for the fourth quarter of 2017. The decline in gross margin was mainly derived from increases in third-party agave supply costs and lower production efficiencies; these effects were due to higher demand of super premium tequila along with the industry-wide sourcing of younger agave plants, affecting our distilling efficiency.

Advertising, marketing and promotion (AMP) expenses increased 38.2% to P\$2,522 million pesos when compared to the fourth quarter of 2017. As a percentage of net sales, AMP increased to 24.6% from 21.9% in the prior year period. This increase reflects the planned timing of AMP spend relative to the prior year period and the accelerated volume growth achieved during the fourth quarter.

Selling and administrative (SG&A) expenses decreased 1.7% to P\$744 million pesos when compared to the fourth quarter of 2017. As a percentage of net sales, SG&A decreased to 7.2% from 9.1% in the prior year period.

Operating profit during the fourth quarter of 2018 increased 6.4% to P\$2,062 million pesos compared to the same period last year. Operating margin decreased to 20.1% as compared to 23.2% in the prior year period, primarily reflecting higher third-party agave supply costs and increased AMP.

EBITDA in the fourth quarter of 2018 increased 8.1% to P\$2,224 million pesos compared to the fourth quarter of 2017. EBITDA margin was 21.7% for the fourth quarter of 2018.

Net financial results had a favorable impact of P\$350 million pesos during the fourth quarter, primarily as a result of the appreciation of the U.S. dollar versus the Mexican peso on the Company's net cash balance, which is primarily held in US dollars.

Consolidated net income in the fourth quarter of 2018 was P\$1,927 million pesos, compared to P\$2,905 million pesos in the prior year period. Net margin was 18.8% for the fourth quarter of 2018. Earnings per share were P\$0.54 in the fourth quarter of 2018, compared to P\$0.81 in the prior year period.

Full Year 2018 Results

During the full year of 2018, total volume growth was 3.8% to 21.3 million nine-liter cases, reflecting a 1.4% increase in the U.S. and Canada, 6.1% increase in sales volumes in Mexico and a 9.8% increase in the RoW region.

Volume by Region for Full Year 2018 (in 000s nine-liter cases)

Region	2018	2017	(Var.% YoY)
U.S. and Canada	12,016	11,844	1.4%
Mexico	6,746	6,355	6.1%
<u>RoW</u>	<u>2,518</u>	<u>2,292</u>	<u>9.8%</u>
Total	21,279	20,491	3.8%

Net sales during the full year 2018 increased 8.5% to P\$28,158 million pesos compared to the same period in 2017, driven by volume growth and higher average net selling prices per case, primarily reflecting the favorable sales mix toward premium spirits brands. Net sales in U.S. and Canada increased 6.2% versus the same period last year, driven by both volume growth and favorable sales mix. Mexico net sales increased by 12.6% on a pro forma IFRS 15 basis over the prior year period as a result of volume growth and higher average net selling prices per case as a result of favorable sales mix and price increases. Net sales of the RoW region increased by 21.4% over the full year of 2017, also reflecting volume growth and a higher sales mix of premium spirits brands.

Net Sales by Region for Full Year 2018 (in MXN\$ millions)

Region	2018	2017 PF*	2017	(Var.% YoY)	(Var.% YoY) PF*
U.S. and Canada	18,018	16,974	16,974	6.2%	6.2%
Mexico	6,258	5,558	5,785	8.2%	12.6%
<u>RoW</u>	<u>3,882</u>	<u>3,199</u>	<u>3,199</u>	<u>21.4%</u>	<u>21.4%</u>
Total	28,158	25,731	25,958	8.5%	9.4%

* Pro forma for the IFRS 15 (“Revenue from Contracts with Customers”) adoption in the Mexico region, for comparison purposes only.

Volume of Jose Cuervo was consistent with the prior year and represented 31.4% of total volume for the full year of 2018. The Company’s Other Tequila brands represented 15.4% of total volume and increasing 6.3% compared to the prior year. The Company’s Other Spirits brands represented 19.9% of total volume in the period and increased 13.1% over the full year of 2017. Volume of Non-alcoholic and Other represented 20.1% of total volume, with consistent growth compared to the prior year. Volume of ready-to-drink (RTDs) represented 13.2% of total volume and increased by 5.1% compared to the prior year period.

Volume by Category for Full Year 2018 (in 000s nine-liter cases)

Category	2018	2017	(Var.% YoY)
Jose Cuervo	6,692	6,713	-0.3%
Other Tequilas	3,268	3,074	6.3%
Other Spirits	4,236	3,746	13.1%
Non-alcoholic and Other	4,274	4,287	-0.3%
<u>RTD</u>	<u>2,808</u>	<u>2,671</u>	<u>5.1%</u>
Total	21,279	20,491	3.8%

Net sales of Jose Cuervo represented 34.1% of total net sales for the full year of 2018 and reported an increase in net sales of 1.0% compared to 2017. The Company’s Other Tequila brands represented 23.3% of total net sales and increased net sales 11.1% compared to the prior year. The Company’s Other Spirits brands represented 23.4% of total net sales in the period and reported a 26.9% increase in net sales compared to the full year of 2017. Net sales of Non-alcoholic and Other represented 11.0% of total net sales with net sales decreasing 7.3% compared to the prior year. Net sales of ready-to-drink (RTDs) represented 8.2% of total net sales and reported an increase of 6.2% compared to the prior year.

Net Sales by Category for Full Year 2018 (in MXN\$ millions)

Category	2018	2017	(Var. % YoY)
Jose Cuervo	9,592	9,500	1.0%
Other Tequilas	6,573	5,915	11.1%
Other Spirits	6,582	5,185	26.9%
Non-alcoholic and Other	3,105	3,350	-7.3%
RTD	2,302	2,168	6.2%
<u>Intercompany adjustment</u>	-	<u>(159)</u>	<u>nm</u>
Total	28,154	25,958	8.5%

Gross profit during the full year of 2018 increased 0.4% over the same period in 2017 to P\$16,183 million pesos. Gross margin was 57.5% for the full year of 2018 compared to 62.1% for the full year of 2017. Gross margin was negatively impacted primarily by increases in third-party agave supply costs and lower production efficiencies; reflecting the impact of higher demand of super premium tequila along with the industry-wide sourcing of younger agave plants, affecting our distilling efficiency.

AMP expenses increased 16.6% to P\$6,580 million pesos compared to the full year of 2017. As a percentage of net sales, AMP increased to 23.4% from 21.7% in the prior year period, in line with the company's investment strategy.

SG&A expenses increased 5.2% to P\$2,759 million pesos when compared to the full year of 2017. As a percentage of net sales, SG&A expenses were consistent with the prior year, decreasing to 9.8% from 10.1% in 2017.

During the full year of 2018, operating profit decreased 17.7% to P\$5,543 million pesos compared to the prior year. Operating margin decreased to 19.7% as compared to 25.9% in the prior year period. The decrease in operating margin reflects lower gross margin and higher AMP and SG&A expenses.

EBITDA in the full year of 2018 decreased by 15.3% to P\$6,074 million pesos compared to P\$7,171 million pesos during the full year of 2017.

Net financial results were unfavorable P\$387 million pesos during the full year 2018, primarily as a result of foreign currency fluctuations during the year and the related impact on the Company's net cash balance, which is primarily held in US Dollars.

Consolidated net income in the full year of 2018 was P\$3,901 million pesos, a 24.9% decrease compared to the prior year period. Net margin was 13.9% for the full year. Earnings per share were P\$1.09 compared to P\$1.48 in 2017.

Balance Sheet and Cash Flow

As of December 31, 2018, net cash was P\$2,235 million pesos, reflecting cash and equivalents of P\$12,028 million pesos relative to long term debt of P\$9,793 million pesos.

During the full year 2018, cash flow from operating activities was P\$371 million pesos negative, and the Company invested P\$827 million pesos in capital expenditures. Cash used in financing activities was P\$2,469 million pesos for the year.

IFRS 15: Revenue from Contracts with Customers

Effective January 1, 2018, the Company adopted IFRS 15 “Revenue from Contracts with Customers” on a “modified prospective approach”. IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers.

Main effects in the Company’s consolidated financial statements as a result of the IFRS 15 adoption, correspond to the reclassification for specific payments made to clients, from operating expenses to a net presentation in revenues within the Company’s consolidated income statement.

This earnings release includes supplemental information for comparable basis, with recast amounts with the IFRS 15 adoption effects, and were derived from unaudited financial statements included in the quarterly and full year financial released for the year ended December 31, 2017.

Conference Call

The Company plans to host a conference call for investors at 9:00 a.m. Mexico City Time (10:00 a.m. US Eastern Time) today, Wednesday, February 27, 2019, to discuss the Company's fourth quarter and full year 2018 unaudited financial results. Interested parties may also listen to a simultaneous webcast of the conference call by logging onto the Company's website at <https://engage.vevent.com/rt/beclesadecvao~2653216> or www.becle.com.mx.

Fourth Quarter 2018 Unaudited Financial Results Conference Call and Webcast Details:

Date:	Wednesday, February 27, 2019	
Time:	9:00 a.m. Mexico City Time (10:00 a.m. EST)	
Participants:	Juan Domingo Beckmann (CEO) Fernando Suárez (CFO)	
Dial-In:	Mexico Toll-free	01 800 9269157
	U.S. Toll-free	1-(855) 493-3490
	Toll/International	1-(720) 405-2153
Conference ID:	2653216	

Webcast: <https://engage.vevent.com/rt/beclesadecvao~2653216> or www.becle.com.mx

*Those participating via the webcast will be unable to participate in live Q&A

About Becele

Becele is a globally renowned company in the spirits industry and the world's largest producer of tequila. Its extraordinary portfolio of over 30 spirits brands, some of them owned, some of them agency brands distributed only in Mexico, has been developed throughout the years to participate in key categories with high growth potential, serving the world's most important alcoholic beverage markets and attending key consumer preferences and tendencies. The portfolio strength of Becele is based in the profound legacy of its iconic internally developed brands such as Jose Cuervo®, combined with complementary acquisitions such as Three Olives®, Hangar 1®, Stranahan's®, Bushmills®, Pendleton® and Boodles®, as well as a relentless focus on innovation that during the years has created renowned brands such as 1800®, Maestro Dobel®, Centenario®, Kraken®, Jose Cuervo® Margaritas and B:oost®, among others. Some of Becele's brands are sold and distributed in more than 85 countries.

EBITDA

EBITDA is a measure used in the Company's financial analysis that is not recognized under IFRS but is calculated from amounts that derive from the Company's Financial Statements. We calculate EBITDA as net income plus depreciation and amortization, income tax expense, and interest expense, less interest income, plus foreign exchange loss (gain).

EBITDA is not an IFRS measure of liquidity or performance, nor is EBITDA a recognized financial measure under IFRS. We believe that EBITDA can be useful to facilitate comparisons of operating performance between periods on a combined basis, but these metrics may be calculated differently by other issuers. EBITDA should not be construed as alternatives to (i) net income as an indicator of the Company's operating performance or (ii) cash flow from operating activities as a measure of the Company's liquidity.

Disclaimer

This press release contains certain forward-looking statements which are based on Becele's current expectations and observations. Actual results obtained may vary significantly from these estimates. The information related to future performance contained in this press release should be read jointly with the risks included in the "Risk Factors" section of the Annual Report filed with the Comision Nacional Bancaria y de Valores (Mexican National Banking and Securities Commission). This information, as well as future statements made by Becele or by any of its legal representatives, either in writing or verbally, may vary significantly from the actual results obtained. These forward-looking statements speak only as of the date on which they are made, and no assurance can be made as to the actual results obtained. Becele undertakes no obligation and does not intend to update or review any of such forward-looking statements, whether as a result of new information, future developments and other related events.

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Statement of comprehensive income

	Fourth quarter ended December 31, 2018			Fourth quarter ended December 31, 2017		Year over year variance	
	(U.S. \$) ⁽¹⁾	(Pesos)	% of net sales	(Pesos)	% of net sales	\$	%
(Figures in millions, except per share amounts)							
Net sales	518	10,268		8,338		1,930	23.2
Cost of goods	226	4,477	43.6	3,469	41.6	1,008	29.1
Gross profit	292	5,791	56.4	4,869	58.4	922	18.9
Advertising, marketing and promotion	127	2,522	24.6	1,825	21.9	697	38.2
Distribution	22	432	4.2	302	3.6	130	43.2
Selling and administrative	38	744	7.2	757	9.1	(13)	(1.7)
Other (income) expenses, net	2	31	0.3	48	0.6	(17)	(34.7)
Operating profit	104	2,062	20.1	1,937	23.2	125	6.4
Financial results, net	(18)	(350)	-3.4	(660)	-7.9	310	(46.9)
Equity method	0	9	0.1	2	0.0	7	NM
Profit before tax	121	2,402	23.4	2,595	31.1	(193)	(7.4)
Total income taxes	24	475	4.6	(310)	-3.7	785	(253.3)
Consolidated net income	97	1,927	18.8	2,905	34.8	(978)	(33.7)
Non-controlling interest	0	8	0.1	3	0.0	NM	NM
Net income to equity holders of the company	97	1,919	18.7	2,902	34.8	(983)	(33.9)
				-		-	
Depreciation and amortization	8	162		121			
EBITDA	112	2,224	21.7	2,058	24.7	166	8.1
Earnings per share	0.03	0.54		0.81			
Shares (in millions) used in calculation of earnings per share	3,585	3,585		3,596			

(1) U.S. dollars translated at 19.834 Mexican pesos solely for the convenience of the reader

Statement of comprehensive income

	Twelve months ended December 31, 2018			Twelve months ended December 31, 2017		Year over year variance	
	(U.S. \$) ⁽¹⁾	(Pesos)	% of net sales	(Pesos)	% of net sales	\$	%
(Figures in millions, except per share amounts)							
Net sales	1,464	28,158		25,958		2,200	8.5
Cost of goods	623	11,975	42.5	9,837	37.9	2,138	21.7
Gross profit	842	16,183	57.5	16,121	62.1	62	0.4
Advertising, marketing and promotion	342	6,580	23.4	5,644	21.7	936	16.6
Distribution	65	1,242	4.4	918	3.5	324	35.3
Selling and administrative	143	2,759	9.8	2,623	10.1	136	5.2
Other (expenses) income, net	3	60	0.2	201	0.8	(142)	(70.4)
Operating profit	288	5,543	19.7	6,736	25.9	(1,193)	(17.7)
Financial results, net	20	387	1.4	773	3.0	(386)	(49.9)
Equity Method	0	9	0.0	8	0.0	2	25.6
Profit before tax	268	5,146	18.3	5,955	22.9	(809)	(13.6)
Total income taxes	65	1,246	4.4	758	2.9	488	64.4
Consolidated net income	203	3,901	13.9	5,197	20.0	(1,297)	(24.9)
Non-controlling interest	0	8	0.0	4	0.0	NM	NM
Net income to equity holders of the company	202	3,893	13.8	5,193	20.0	(1,300)	(25.0)
Depreciation and amortization	28	531	-	435	-		
EBITDA	316	6,074	21.6	7,171	27.6	(1,097)	(15.3)
Earnings per share	0.06	1.09		1.48			
Shares (in millions) used in calculation of earnings per share	3,585	3,585		3,509			

(1) U.S. dollars translated at 19.229 Mexican pesos solely for the convenience of the reader

Statement of financial position

(Figures in millions)	(U.S. \$) ⁽¹⁾	December 31, 2018 (Pesos)	December 31, 2017 (Pesos)
Assets			
Cash and cash equivalents	626	12,028	19,996
Accounts receivable, net	442	8,508	7,260
Inventories, net	434	8,353	7,419
Other current assets	121	2,321	1,923
Total current assets	1,623	31,210	36,598
Non-current inventories	357	6,859	3,878
Property, plant and equipment, net	286	5,506	5,280
Deferred tax Asset	81	1,549	944
Intangible assets and trademarks, net	783	15,049	11,365
Goodwill	310	5,968	6,274
Other assets	34	646	593
Total long-term assets	1,850	35,578	28,335
Total assets	3,473	66,788	64,933
Liabilities & stockholders' equity			
Current installment of notes payable to Banks	3	48	48
Trade accounts payable	133	2,566	2,106
Accruals	122	2,348	2,087
Other liabilities	6	113	862
Total current liabilities	264	5,075	5,103
Long term debt, excluding current interest payable	507	9,745	9,781
Environmental reserve	6	121	125
Other long-term liabilities	16	314	119
Deferred income taxes	181	3,472	2,820
Total long-term liabilities	710	13,652	12,844
Total liabilities	974	18,728	17,947
Total controlling interest	2,496	47,994	46,931
Non-controlling interest	3	67	54
Total stockholders' equity	2,499	48,061	46,985
Total liabilities and stockholders' equity	3,473	66,788	64,933

(1) U.S. dollars translated at 19.229 Mexican pesos solely for the convenience of the reader

Statement of cash flows

(Figures in millions)	(U.S. \$) ⁽¹⁾	Twelve months ended December 31, 2018 (Pesos)	Twelve months ended December 31, 2017 (Pesos)
Operating activities			
Income before income taxes	268	5,146	5,955
Items relating to investing activities:			
Depreciation and amortization	28	531	435
Loss on sale of property, plant and equipment	3	57	4
Equity investment in associate	0	9	8
Net financial income or loss	0	0	0
Items relating to financing activities:			
Interest income	(11)	(215)	(110)
Interest expense	22	432	485
Subtotal	310	5,960	6,778
Changes in:			
Accounts receivable	(65)	(1,248)	(716)
Related parties	8	158	5
Other receivables	(30)	(569)	354
Inventories	(199)	(3,823)	(2,103)
Guaranteed deposits	(1)	(15)	0
Prepayments	3	65	4
Trade accounts payable	24	460	(356)
Other assets	18	353	(183)
Other liabilities	(41)	(796)	543
Accruals	24	457	244
Income taxes paid	(62)	(1,199)	(1,677)
Employee statutory profit	(0)	(5)	(2)
Changes in direct employee benefits	(9)	(170)	(8)
	(329)	(6,331)	(3,895)
Net cash provided by operating activities	(19)	(371)	2,882
Investing activities			
Investment in property, plant and equipment, net	(43)	(827)	(1,066)
Investment in intangible assets, net	(174)	(3,354)	17
Business acquisition, net of cash received	(11)	(218)	(190)
Investment in associate	(12)	(231)	(31)
Other stockholders' movements	(7)	(133)	1
Interest collected	11	215	110
Proceeds from sale of property, plant and equipment	0	8	4
Cash surplus to be applied in investing activities	(236)	(4,540)	(1,155)
Financing activities			
Dividends paid	(95)	(1,819)	(2,600)
Repurchase of shares	(12)	(231)	(1,948)
Cash inflow from increase in capital stock	0	0	1,722
Share premium	0	0	16,275
Non-Controlling Interest	1	13	0
Interest paid	(22)	(432)	(380)
Net cash provided by financing activities	(128)	(2,469)	13,069
Net increase in cash and cash equivalents	(384)	(7,380)	14,797
Impacts due to the fx rate on cash	(31)	(601)	67
Cash from business M&A	0	3	3
Cash and cash equivalents:			
At beginning of the period	1,040	19,996	5,128
At end of period	626	12,028	19,996

(1) U.S. dollars translated at 19.229 Mexican pesos solely for the convenience of the reader