



Becle, S.A.B. de C.V. Reports Third Quarter 2021 Unaudited Financial Results

Mexico City, Mexico, October 28th, 2021 /MIRANDANEWSWIRE/ -- BECLE, S.A.B. de C.V. (“Cuervo”, “Becle” or the “Company”) (BMV: CUERVO) announced its financial results today for the quarter ended September 30th, 2021.

All figures in this release are derived from the Company’s interim consolidated financial statements as of September 30th, 2021, and for the nine-month period ended on the same date, which are prepared in accordance with International Financial Reporting Standards (IFRS).

Third quarter 2021 highlights

- Volume decreased 2.0% to 6,484 million nine-liter cases;
- Net sales decreased 7.9% to P\$9,592 million pesos;
- Gross profit decreased 11.8% to P\$5,075 million pesos. Gross margin was 52.9%, a decrease of 2.4 percentage points year over year;
- EBITDA decreased 35.0% to P\$2,111 million pesos. EBITDA margin was 22.0%, a decrease of 9.2 percentage points year over year;
- Consolidated net income decreased 36.2% to P\$1,330 million pesos. Net margin was 13.8%, a decrease of 6.2 percentage points year over year and;
- Earnings per share (“EPS”) was P\$0.37 pesos.

All abovementioned increases and decreases are in comparison to the corresponding period from last year.

Management commentary

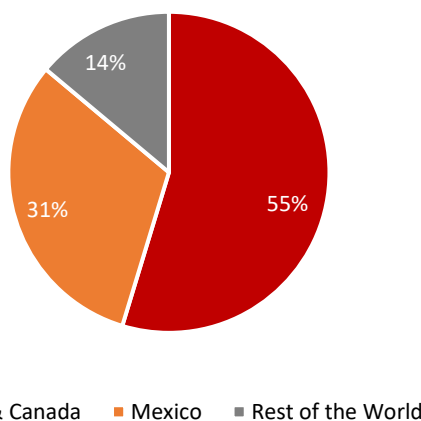
“In the face of what is still a very complex operating environment, particularly regarding industry wide supply chain constraints and challenges, we are encouraged to see very strong underlying demand, recovering consumer mobility and overall better product mix as we continue to focus on premiumization. Our Mexico and RoW results were indicative of a strong and sustained on-premise recovery which led to growth in both volume and revenues. Alternatively, our U.S. & Canada division faced challenging comps versus the same quarter of the previous year coupled with the aforementioned supply chain issues. We remain committed to reinforcing our operating capabilities and innovation strategy to ensure our business’ profitable, long-term growth.”

Third Quarter 2021 results

Volume by region 3Q21 (in 000s nine-liter cases)

Region	3Q21	3Q20	3Q19	YoY % Δ 3Q21/3Q20	2-Yr % Δ 3Q21/3Q19
U.S. & Canada	3,547	4,358	2,882	-18.6%	23.1%
Mexico	2,036	1,653	1,745	23.2%	16.7%
Rest of the World	902	602	623	49.8%	44.8%
Total	6,484	6,614	5,250	-2.0%	23.5%

Volume breakdown by region 3Q21

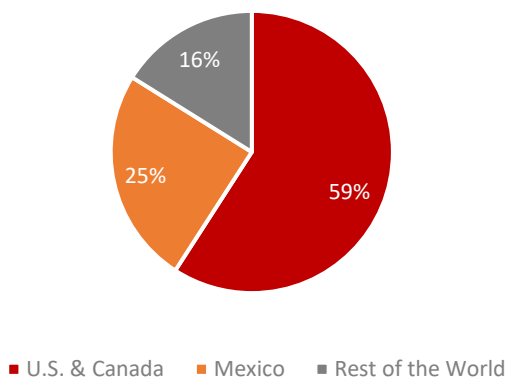


During the third quarter of 2021, total volume decreased 2.0% to 6,484 million nine-liter cases. The Rest of the World (“RoW”) region had a 49.8% year on year volume increase which was mainly driven by the recovery of the on-premise channel in several of the countries in the region and a 23.2% year on year volume increase in Mexico also due to strong on-premise sales and the Premium Tequila category performance. The RoW and Mexico regions increases were partially offset by a 18.6% volume decrease in the U.S. and Canada, which was due to supply chain constrains and the difficult comparison basis from our 3Q20 pandemic-boosted performance.

Net sales by region 3Q21 (in P\$, millions)

Region	3Q21	3Q20	3Q19	YoY % Δ	2-Yr % Δ
				3Q21/3Q20	3Q21/3Q19
U.S. & Canada	5,672	7,523	4,200	-24.6%	35.0%
Mexico	2,375	1,782	1,854	33.3%	28.7%
Rest of the World	1,546	1,108	970	39.5%	59.4%
Total	9,592	10,413	7,024	-7.9%	36.6%

Net sales breakdown by region 3Q21

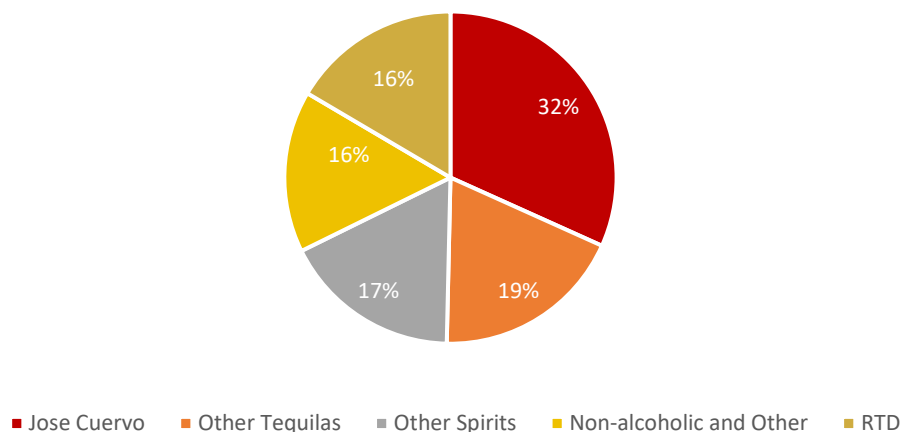


Third quarter 2021 net sales decreased 7.9% year on year to P\$9,592 million pesos. Net sales for the RoW region increased by 39.5% when compared to the third quarter of 2020, primarily due to the continued easing of lockdowns and restrictions. In the same period, net sales in Mexico increased 33.3%, also primarily due to the continued reopening of the on-premise channel and sales of premium tequila brands. U.S. and Canada net sales decreased 24.6% year on year, mainly due to supply chain related issues, the difficult comparison base with COVID-19 pandemic-driven results in the third quarter of 2020 and the appreciation of the Mexican peso.

Volume by category 3Q21 (in 000s nine-liter cases)

Category	3Q21	3Q20	3Q19	YoY % Δ 3Q21/3Q20	2-Yr % Δ 3Q21/3Q19
Jose Cuervo	2,057	2,252	1,753	-8.7%	17.3%
Other Tequilas	1,208	1,128	889	7.1%	35.9%
Other Spirits	1,126	1,046	963	7.6%	16.9%
Non-alcoholic and Other	1,022	673	938	51.9%	9.0%
RTD	1,071	1,515	707	-29.3%	51.5%
Total	6,484	6,614	5,250	-2.0%	23.5%

Volume breakdown by category 3Q21

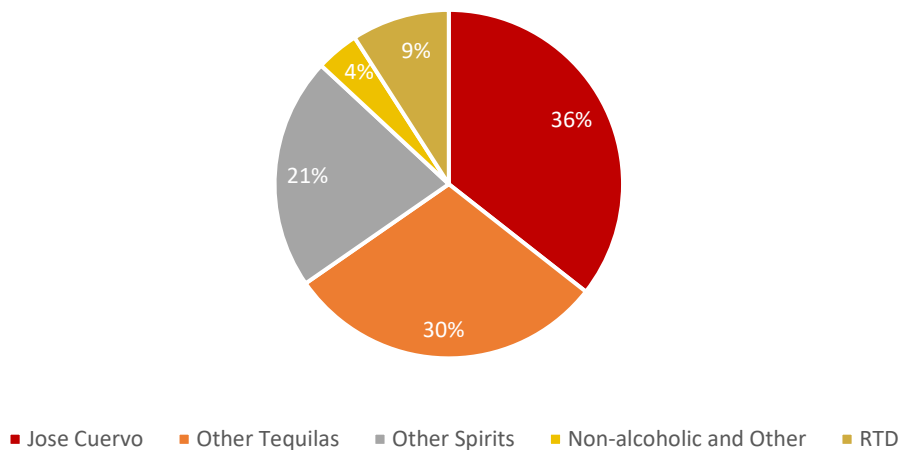


Volume of 'Jose Cuervo' decreased 8.7% compared to the same period in 2020 and represented 31.7% of total volume for the third quarter of 2021. 'Other Tequilas' brands represented 18.6% of total volume, with volume increasing 7.1% compared to the prior year period. 'Other Spirits' brands represented 17.4% of total volume in the period and had a 7.6% increase in volume compared to the third quarter of 2020. Volume of 'Non-alcoholic and Other' represented 15.8% of total volume and increased 51.9% compared to the prior year period. Volume of 'RTD' represented 16.5% of total volume and decreased by 29.3% compared to the same period in the previous year.


Net sales by category 3Q21 (in P\$, millions)

Category	3Q21	3Q20	3Q19	YoY % Δ 3Q21/3Q20	2-Yr % Δ 3Q21/3Q19
Jose Cuervo	3,414	4,141	2,556	-17.6%	33.6%
Other Tequilas	2,855	2,768	1,879	3.1%	51.9%
Other Spirits	2,069	1,928	1,494	7.3%	38.5%
Non-alcoholic and other	383	207	534	85.0%	-28.3%
RTD	872	1,369	561	-36.3%	55.4%
Total	9,592	10,413	7,024	-7.9%	36.6%

Net sales breakdown by category 3Q21



Net sales of 'Jose Cuervo' decreased 17.6% compared to the same period in 2020 and represented 35.6% of total net sales for the third quarter of 2021. Net sales of 'Other Tequilas' brands increased 3.1% compared to the prior year period and represented 29.8% of total net sales. 'Other Spirits' brands represented 21.6% of total net sales in the period and increased 7.3% compared to the third quarter of last year. Net sales of 'Non-alcoholic and Other' represented 4.0% of total net sales and increased 85.0% compared to the prior year period. Net sales of 'RTD' represented 9.1% of total net sales and decreased 36.3% compared to the same period in the previous year.



Gross profit during the third quarter of 2021 decreased 11.8% compared to the same period in 2020 to P\$5,075 million pesos. Gross margin was 52.9% for the third quarter of 2021 compared to 55.3% for the same quarter of 2020. This gross margin decrease was primarily driven by the appreciation of the Mexican pesos against the USD, coupled with an impact in region mix.

Advertising, marketing, and promotion (“AMP”) expenses in the third quarter of 2021 increased 23.2% to P\$1,890 million pesos when compared to the same quarter of 2020. The third quarter 2021 AMP expenses increase indicates the reactivation and phasing of AMP investment opportunities across both our regions and our brands, increasing spend in key categories and markets.

Distribution expenses increased 41.1% to P\$534 million pesos when compared to the third quarter of 2020, driven by increased freight, warehousing and logistics costs arising from the supply chain constraints and challenges.

Selling and administrative (“SG&A”) expenses decreased 2.1% to P\$799 million pesos when compared to the third quarter of 2020, driven by firm cost control management. As a percentage of net sales, SG&A expenses increased to 8.3% from 7.8% in the same period of 2020, driven by a deceleration in sales during Q3.

Operating income during the third quarter of 2021 decreased 37.6% to P\$1,910 million pesos compared to the same period of 2020. Operating margin decreased to 19.9% compared to 29.4% in the same prior year period.

EBITDA in the third quarter of 2021 decreased 35.0% to P\$2,111 million pesos compared to the third quarter of 2020. EBITDA margin was 22.0% for the third quarter of 2021 versus 31.2% for the third quarter of 2020.

The net financial result was negative P\$112 million pesos during the third quarter of 2021 compared to negative P\$247 million pesos in the same period of 2020. This loss was mainly derived from the appreciation of the Mexican peso against the U.S. dollar when compared to the third quarter of 2020.

Consolidated net income in the third quarter of 2021 decreased 36.2% to P\$1,330 million pesos, compared to P\$2,083 million pesos in 2020. Net margin was 13.8% for the third quarter of 2021, compared to 20.0% for the same quarter of 2020. EPS was P\$0.37 pesos in the third quarter of 2021.



Financial position and cash flow

As of September 30, 2021, cash and cash equivalents were P\$6,968 million pesos, and total financial debt was P\$13,288 million pesos. During the first nine months of 2021, the Company generated net cash from operating activities of P\$3,008 million pesos and used P\$4,560 million pesos in net investing activities. Net cash generated from financing activities was P\$891 million pesos for the period ended on September 30, 2021.

Capital allocation and dividend payment

As announced in the Company's capital allocation program during the annual general ordinary shareholders meeting held on April 27, 2021, a cash dividend payment was made on August 5, 2021, in the amount of P\$0.43039 pesos for each outstanding share of Becele's capital stock.

Liability management exercise

On September 30, 2021, the Company announced that it priced its offering of U.S.\$800 million aggregate principal amount of 2.500% Senior Unsecured Notes due 2031. The Company will use the proceeds of such new notes to (i) refinance existing indebtedness (including the repayment of a short-term bank loan), (ii) purchase from Morgan Stanley & Co. LLC ("Morgan Stanley") the tendered 3.750% Senior Notes due 2025, and (iii) general corporate purposes. The 2.500% Senior Unsecured Notes due 2031 were rated BBB (S&P) / BBB+ (Fitch).

On October 8, 2021, the Company announced that U.S.\$346,288,000 aggregate principal amount, or approximately 69.26% (the "Tendered Notes"), of its outstanding 3.750% Senior Notes due 2025 (the "Notes") were validly tendered and not withdrawn by 5:00 p.m., New York City time, on October 8, 2021 (the "Consent Payment and Withdrawal Deadline") in accordance with the previously announced cash tender offer (the "Offer"), commenced by Morgan Stanley. Payment for the Tendered Notes took place on October 12, 2021. In addition, the Tendered Notes represented consents sufficient to affect all of the proposed amendments to the indenture governing the Notes as set forth in the Offer to Purchase and the sixth supplemental indenture was executed on October 12, 2021.

Furthermore, on October 26, 2021, the Company announced that U.S.\$351,000 aggregate principal amount (the "Additional Tendered Notes") of Notes were validly tendered after the Consent Payment and Withdrawal Deadline and on or prior to 11:59 p.m., New York City time, on October 25, 2021 (the "Offer Expiration Time") pursuant to the terms of the Offer. The Additional Tendered Notes, together with the Tendered Notes previously purchased by Morgan Stanley pursuant to the Offer, represent an aggregate principal amount of U.S.\$346,639,000, or approximately 69.33% of the original outstanding principal amount of the Notes. Payment for the Additional Tendered Notes took place on October 27, 2021.

The Offer was made upon the terms and subject to the conditions contained in an offer to purchase and consent solicitation statement dated September 27, 2021 (the "Offer to Purchase").

With this liability management exercise, the Company extended its debt maturity profile from 3.1 years to 9.5 years.

Pro forma capitalization table

	As of September 30, 2021			
	Actual		As Adjusted ⁽¹⁾	
	(U.S. \$)	(Ps.)	(U.S. \$)	(Ps.)
Cash and cash equivalents	343,162	6,968,248	599,709	12,177,695
Debt:				
Bank loan	150,053	3,046,982	-	-
Short-term senior notes	7,135	144,892	1,683	34,167
Long-term senior notes	497,200	10,096,149	950,561 ⁽²⁾	19,302,098
Lease liabilities	104,603	2,124,065	104,603	2,124,065
Total debt	758,992	15,412,089	1,056,847	21,460,330
Stockholders' equity:	2,788,822	56,629,818	2,788,822	56,629,818
Total capitalization	3,547,814	72,041,907	3,845,669	78,090,148

(1) Assuming gross proceeds of U.S. \$791 million from the Senior Unsecured Notes due 2031 and that 69.33% of the Senior Notes due 2025 were tendered in the Tender Offer, before fees and other expenses.

(2) Represents the U.S. \$ 800 million from the Senior Unsecured Notes due 2031 offering plus U.S. \$ 150.5 million in Senior Notes due 2025, that 69.33% of the Senior Notes due 2025 were tendered in the Tender Offer.

IFRS 9; IFRIC 16: Net investment hedge disclosures

Financial instruments to hedge net investments in foreign operations

Beginning January 1st, 2020, the Company designated its US\$500 million senior notes as a hedging instrument for its net investment in Sunrise Spirits Holdings, Inc., which is a sub-holding entity of the U.S. operations, with the objective of mitigating the exchange rate risk arising between the functional currency of these operations and the functional currency of the holding company that has such investment.

The Company formally designated and documented the hedging relationship, setting the objectives, risk-hedging strategy, identification of the hedging instrument, hedged item, nature of the risk to be hedged, and effectiveness assessment methodology. Since the exchange rate hedging relationship is clear, the method the Company used to assess the effectiveness consisted of a qualitative effectiveness test by comparing the critical terms between the hedging instruments and the hedged items.



Accounting policy

Net investment hedge in a foreign operation

The Company applies hedge accounting to the foreign exchange risk resulting from its investments in foreign operations because of changes in exchange rates arising between the functional currency of that operation and the functional currency of the holding company, regardless of whether the investment is held directly or through a sub-holder. The change in exchange rates is recognized in Other Comprehensive Income as part of the translation effect when the foreign operation is consolidated.

To this end, the Company designates the debt denominated in foreign currency as hedging instruments; therefore, the exchange effects arising from such debt are recognized in Other Comprehensive Income, in the translation effects line, to the extent that the hedge is effective. When the hedge is not effective, exchange rate differences are recognized in foreign exchange gain or loss in the consolidated income statement.

Conference call

The Company plans to host a conference call for investors at 9:00 a.m. Mexico City Time (10:00 a.m. E.T.) on, Friday, October 29th, 2021, to discuss the Company's third quarter 2021 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://78449.themediaframe.com/dataconf/productusers/becl/mediaframe/46998/indexl.html> or www.becle.com.mx.

Third Quarter 2021 Unaudited Financial Results Conference Call and Webcast Details

Date:	Friday, October 29 th , 2021	
Time:	9:00 a.m. Mexico City Time (10:00 a.m. E.T.)	
Participants:	Juan Domingo Beckmann (CEO) Fernando Suárez (CFO)	
Dial-in:	Mexico Toll-free	01 800 522 0034
	U.S. Toll-free	1-877-407-0792
	Toll/International	1-201-689-8263
Conference ID:	13724131	

Webcast:

<https://78449.themediaframe.com/dataconf/productusers/becl/mediaframe/46998/indexl.html> or www.becle.com.mx.

*Those joining via webcast will be unable to participate in the 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 delivering on key consumer preferences and tendencies.

Becele's portfolio strength is based on 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®, Boodles® and Proper No. Twelve®, as well as a relentless focus on innovation that over the years has created renowned brands such as 1800®, Maestro Dobel®, Centenario®, Kraken®, Jose Cuervo® Margaritas and B:oost®. 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 gain (loss).

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 an alternative 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 Comisión 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 such forward-looking statements, whether as a result of new information, future developments or other related events.

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Consolidated Income Statements

	Third quarter ended September 30 th , 2021			Third quarter ended September 30 th , 2020		Year over year variance	
	(U.S. \$) ⁽¹⁾	(Pesos)	% of net sales	(Pesos)	% of net sales	\$	%
(Figures in millions, except per share amounts)							
Net sales	472	9,592		10,413		(821)	(7.9)
Cost of goods sold	222	4,517	47.1	4,657	44.7	(140)	(3.0)
Gross profit	250	5,075	52.9	5,756	55.3	(681)	(11.8)
Advertising, marketing and promotion	93	1,890	19.7	1,534	14.7	356	23.2
Distribution	26	534	5.6	379	3.6	155	41.1
Selling and administrative	39	799	8.3	815	7.8	(16)	(2.1)
Other (income), net	(3)	(58)	-0.6	(35)	-0.3	(23)	65.7
Operating income	94	1,910	19.9	3,063	29.4	(1,153)	(37.6)
Financing results	6	112	1.2	247	2.4	(135)	(54.7)
Income before income taxes	89	1,798	18.7	2,816	27.0	(1,018)	(36.2)
Income taxes	23	468	4.9	732	7.0	(264)	(36.1)
Consolidated net income	66	1,330	13.8	2,084	20.0	(754)	(36.2)
Non-controlling interest	0	7	0.1	1	0.0	6	600.0
Controlling interest	65	1,323	13.8	2,083	20.0	(760)	(36.5)
Depreciation and amortization	10	201	2.1	186	1.8	15	8.1
EBITDA	104	2,111	22.0	3,249	31.2	(1,138)	(35.0)
Earnings per share	0.02	0.37		0.58		(0.21)	(36.5)
Shares (in millions) used in calculation of earnings per share	3,591	3,591		3,591			

(1) U.S. dollars translated at 20.31 Mexican pesos solely for the convenience of the reader.

Consolidated Income Statements

	Nine months ended September 30 th , 2021			Nine months ended September 30 th , 2020		Year over year variance	
	(U.S. \$) ⁽¹⁾	(Pesos)	% of net sales	(Pesos)	% of net sales	\$	%
(Figures in millions, except per share amounts)							
Net sales	1,295	26,291		24,307		1,984	8.2
Cost of goods sold	606	12,302	46.8	11,245	46.3	1,057	9.4
Gross profit	689	13,989	53.2	13,062	53.7	927	7.1
Advertising, marketing, and promotion	259	5,269	20.0	4,151	17.1	1,118	26.9
Distribution	67	1,360	5.2	854	3.5	506	59.3
Selling and administrative	117	2,372	9.0	2,372	9.8	0	0.0
Other (income), net	(2)	(37)	-0.1	(67)	-0.3	30	(44.8)
Operating income	247	5,025	19.1	5,752	23.7	(727)	(12.6)
Financing results	17	352	1.3	32	0.1	320	1000.0
Profit before income taxes	230	4,673	17.8	5,720	23.5	(1,047)	(18.3)
Income taxes	60	1,215	4.6	1,487	6.1	(272)	(18.3)
Consolidated net income	170	3,458	13.2	4,233	17.4	(775)	(18.3)
Non-controlling interest	1	17	0.1	3	0.0	14	466.7
Controlling net income	169	3,441	13.1	4,230	17.4	(789)	(18.7)
Depreciation and amortization	29	598	2.3	540	2.1	58	10.7
EBITDA	277	5,623	21.4	6,292	25.9	(669)	(10.6)
EBITDA- pro forma (2)	196	5,996	22.8	6,292	25.9	(296)	(4.7)
Consol. net income- pro forma (2)	121	3,734	14.2	4,233	17.4	254	11.8
Earnings per share	0.05	0.96		1.18		(0.22)	(18.3)
Earnings per share- pro forma (2)	0.03	1.04		1.18		(0.14)	(11.8)
Shares (in millions) used in calculation of earnings per share	3,591	3,591		3,591			

(1) U.S. dollars translated at 20.31 Mexican pesos solely for the convenience of the reader.

(2) Pro forma includes an AMP accrual of P\$373 million pesos related to the Eire Born Spirits ("EBS") transaction closing in April 2021.

Consolidated Statements of Financial Position

(Figures in millions)	September 30 th , 2021	December 31 st , 2020
(U.S. \$) ⁽¹⁾	(Pesos)	(Pesos)
Assets		
Cash and cash equivalents	343	6,968
Trade receivables	378	7,671
Related parties	1	26
Recoverable income tax	62	1,258
Other recoverable taxes and other receivables	50	1,025
Inventories	595	12,073
Financial Instruments at fair value through profit and loss	-	-
Biological assets	63	1,272
Prepayments	57	1,166
Total current assets	1,549	31,459
Inventories	315	6,403
Biological assets	262	5,327
Investments in associates	9	187
Property, plant and equipment	552	11,215
Intangible assets	1,010	20,518
Goodwill	344	6,978
Right-of-use assets	104	2,108
Deferred income tax	100	2,039
Employee benefits	10	213
Other assets	3	62
Total non-current assets	2,711	55,050
Total assets	4,260	86,509
Liabilities		
Bank loan	150	3,047
Senior notes	7	145
Trade payables	178	3,614
Related parties	2	45
Lease liabilities	14	279
Other accounts payable	192	3,902
Total current liabilities	543	11,032
Senior notes	497	10,096
Lease liabilities	91	1,845
Environmental reserve	7	136
Other liabilities	26	531
Deferred income taxes	307	6,239
Total non-current liabilities	928	18,847
Total liabilities	1,471	29,879
Stockholders' equity		
Stockholders' equity attributable to controlling interest	2,784	56,534
Non-controlling interest	5	96
Total stockholders' equity	2,789	54,745
Total liabilities and stockholders' equity	4,260	86,509

(1) U.S. dollars translated at 20.31 Mexican pesos solely for the convenience of the reader.

Consolidated Statements of Cash Flow

(Figures in millions)	(U.S. \$) ⁽¹⁾	Nine months ended September 30 th , 2021 (Pesos)	Nine months ended September 30 th , 2020 (Pesos)
Operating activities:			
Income before income taxes	230	4,673	5,720
Adjustment from items not implying cash flows			
Depreciation and amortization	29	598	540
Loss on sale of property, plant, and equipment	-	7	60
Non-cash items	9	189	195
Interest income	(2)	(45)	(124)
Unrealized foreign exchange profit	(5)	(108)	(966)
Interest expense	15	311	319
Equity method	(1)	(25)	-
Subtotal	276	5,600	5,744
(Increase) decrease in:			
Trade receivables	76	1,535	2,589
Related parties	(5)	(93)	(193)
Other recoverable taxes and other receivables	7	135	(610)
Inventories	(65)	(1,320)	(3,183)
Biological assets	(76)	(1,534)	(1,340)
Prepayments	(7)	(148)	(375)
Other assets	11	228	167
Increase (decrease) in:			
Trade payables	27	548	1,003
Other accounts payables	(44)	(902)	(574)
Employee benefits	1	25	32
Income taxes paid or recoverable	(52)	(1,066)	(1,274)
Net cash from operating activities	148	3,008	1,987
Investment Activities:			
Property, plant and equipment	(70)	(1,418)	(2,597)
Intangible assets	(149)	(3,018)	(31)
Investment in associates	(8)	(169)	(1,616)
Interest income	2	45	124
Net cash flows used in investment activities	(225)	(4,560)	(4,120)
Financing activities:			
Dividends paid	(76)	(1,546)	(544)
Repurchase of shares	-	-	115
Bank loan	153	3,107	-
Principal lease payment	(20)	(408)	(302)
Interest paid	(13)	(262)	(285)
Net cash flows used in financing activities	44	891	(1,016)
Net decrease of cash and cash equivalents	(33)	(661)	(3,149)
Cash and cash equivalents at beginning of year:			
At beginning of the period	377	7,646	9,628
Cash proceeds from acquisition	-	-	15
Effects of exchange rate changes on cash and cash equivalents	(1)	(17)	1,285
Cash and cash equivalents at end of period	343	6,968	7,779

(1) U.S. dollars translated at 20.31 Mexican pesos solely for the convenience of the reader.