

GRUPO CASA SABA, S.A.B. DE C.V.

Form 6-K

October 28, 2015

Quarterly Earnings Report
3Q12

Octubre 27, 2015

Financial Highlights:

(All figures are expressed in millions of Mexican pesos. Comparisons are made with the same period of 2014, unless otherwise stated. Figures may vary slightly due to rounding).

- The sales for the third quarter were minimal, and were affected by returns and allowances, consequently both the cost and gross profit were also minimal.
- Operating expenses reached \$94.07 million pesos.
- For the third quarter the EBITDA was \$-73.96 million pesos.
- The administration has been immersed in an intense effort of evaluation to determine their future even if it has significant accounts receivable. In addition, it has received preliminary offers to buy their assets and / or rights and / or part of its operations and / or all or part of its assets; however, none has materialized.
- Agreements have been signed and debts have been settled with most major suppliers.
- This quarter, the bank loan was paid.

Mexico City, Mexico, October 27, 2015. Grupo Casa Saba (SAB) (Saba, GCS, the Company or the Group), distributor of pharmaceutical products as well as health, beauty aids and consumer goods in Mexico, announces its consolidated financial and operating results for the third quarter of 2015.

QUARTERLY EARNINGS

Net sales have been minimal this quarter, having almost a 100% decrease compared to the \$1,168.09 million pesos reported in the same quarter 2014. This decrease is mainly explained by the disincorporation process in the distribution and government division and the sale of the division of pharmacies in the 3Q2014

NET SALES

Net sales for the quarter totaled \$11,023.9 million, a decrease of 11.4% compared to \$12,446.2 million in 3Q2011. This decrement resulted mainly due to the disincorporation of Peru's operations from Casa Saba.

SALES BY DIVISION

DISTRIBUTION DIVISION

PHARMA, HEALTH, BEAUTY AND CONSUMER GOODS

SALES BY DIVISION

The net sales for the third quarter 2015 from our Pharma, Health, Beauty and Consumer Goods division were minimal, consequently there was a decrease of a 100% compared to the same quarter 2014. The share of total sales for this division in the 3Q2014 was 97.26%.

GOVERNMENT PHARMA

In our Government Pharma division, there were no sales in the current quarter, as a result of the divestiture of the distribution division. The share of total sales was 2.74% in the 3Q2015.

RETAIL PHARMACY

Pharmacies division was sold in 2014, thus there were no sales reported in the third quarter of 2015.

The mixture 3Q2015 sales started as follows:

Division	% of Sales
Retail Pharmacy	0.00%
Total Distribution	0.00%
Pharma, Health & Beauty	0.00%
Government Pharma	0.00%
Publications	0,00%
TOTAL	0.00%

GROSS INCOME

In the third quarter of 2015 gross loss was minimal, since both sales and costs were minimal, the 3rd quarter of 2014 the gross profit amounted to \$556.78 pesos The decreased is explained by the divestiture of the distribution division mention previously.

OPERATING INCOME (LOSS)

The operating loss for the quarter was \$-94.38 million pesos, 85.00% lower than the \$-629.09 million pesos reported during 3Q2014. The operating margin stood at 3Q2015 was -71088.01% vs -53.86% for the 3Q2014.

OPERATING INCOME

Quarterly operating income for 3Q2012 was \$292.9 million, a higher amount than the \$270.5 million reported in 3Q2011. This increase in operating income was the result of an operating expenses reduction.

Operating income margin for the 3Q2012 was 2.66%, versus 2.17% in 3Q2011.

OPERATING INCOME PLUS DEPRECIATION AND AMORTIZATION (EBITDA)

EBITDA of 3Q2015 was \$-73.96 million, lower than the \$-605.53 million reported during 3Q14.

EBITDA margin for the third quarter of 2012 was 3.58%.

COMPREHENSIVE COST OF FINANCING (CCF)

The integral cost of financing (CCF) of the Group reached \$7.58 million pesos 91.29% lower than 3Q2014. Such decrease was mainly due to lower interest payments for the settlement of bank debt we had in prior periods.

NET DEBT

At the end of the third quarter of 2015, there was no bank loans to report. The bank loan that the group had, was totally paid with capital coming from the main shareholders of the group.

OTHER EXPENSES (INCOME)

During the third quarter other income were recorded for \$761.56 million pesos. This was mainly due to the sale of various assets in order to settle liabilities to creditors, as well as the cancelation of some accounting estimations and/or provisions due to the current status of the company.

During the 3Q14, it was recorded in other income a total of \$1,807.08 million pesos. This is mainly explained by the income from selling FASA.

It is important to highlight that the amounts stemming from this line, other items, are not normal business operations, so they are not necessarily recurring activities.

TAX PROVISIONS

There was no provision for income taxes in the current quarter.

NET INCOME (LOSS)

In the third quarter of 2015 GCS posted a net income of \$659.59 million pesos, compared to the same quarter 2014 the difference is \$-431.31 million pesos, due mainly to the sale of FASA in the 3Q14.

Analysis Coverage: We do not currently have analyst coverage from a brokerage firm or from a credit institution.

The 328.5 million shares issued by Grupo Casa Saba are listed on the Mexican Stock Exchange under the symbol SAB.

Grupo Casa Saba was founded in 1892 and is one of the leading distributors of pharmaceutical products, beauty, personal care and consumer goods, general merchandise, publications and other goods in Mexico. With more than 115 years of experience, the Company distributes to the majority of pharmacies, chains, self-service and convenience stores, as well as other specialized national chains. With the acquisition of FASA in October of 2010 the company now has retail pharmacy outlets located in Mexico, Chile and Brazil.

As a precautionary note to investors, except for the historic information contained herein, certain topics discussed in this document constitute forward-looking statements. Such topics imply risks and uncertainties, including the economic conditions in Mexico and those countries in which Grupo Casa Saba operates, directly or indirectly, including the United States of America, Brazil and Chile, as well as variations in the value of the Mexican peso as compared with the currencies of the previously-mentioned countries.

Contacts:
GRUPO CASA SABA
Carlos Mora

IR Communications:
Jesús Martínez Rojas

GRUPO CASA SABA, S.A.B. DE C.V. 'Figures are expressed in thousands Mexican pesos as of September 2015

	Jan-Jun		Jan-Jun	
			Difference	
			Apr-Jun	
			Apr-Jun	
			Difference	
Income Statement				
	2014			
	% of sales			
	2015			
	% of sales			
	\$			
	%			
	2014			
	% of sales			
	2015			
	% of sales			
	\$			
	%			
NET SALES				
	17,113.389			
	100.00%			
	188,803			
	100.00%			
	(16,924,587)			
	(98.90%)			
	1,168,087			
	100.00%			
	133			
	100.00%			
	(1,167,954)			
	(99.99%)			
COST OF SALES				
	13,403,082			
	78.32%			
	(497,120)			
	(263.30%)			
	(13,901,102)			
	(103.71%)			
	611,315			
	52.33%			
	441			
	331.88%			
	(610,875)			
	(99.93%)			
				Gross Profit
	3,709,407			
	21.68%			
	685,923			
	363.30%			
	(3,023,485)			
	(81.51%)			
	556,771			
NET INCOME (LOSS)				

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	47.63%	
	(308)	
	231.88%	
	(557,079)	
	(100.06%)	
OPERATING EXPENSES		
Sales Expenses		
	1,117,731	
	6.53%	
	545,785	
	289.08%	
	(571,946)	
	(51.7%)	
	835,512	
	71.53%	
	37,945	
	28579.78%	
	(797,567)	
	(95.46%)	
Administrative Expenses		
	3,305,834	
	19.32%	
	499,254	
	264.43%	
	(2,806,580)	
	(84.90%)	
	350,349	
	29.99%	
	56,129	
	42276.78%	
	(294,219)	
	(83.98%)	
	4,423,566	Operating Expenses
	25.8%	
	1,045,040	
	553.51%	
	(3,378,526)	
	(76.38%)	
	1,185,860	
	101.52%	
	94,074	
	70856.13%	
	(1,091,787)	
	(92.07%)	
		Operating Income
	(714,158)	
	4.17%	
	(359,117)	
	(190.21%)	
	355,041	
	(49.71%)	
	(629,089)	
	(53.86%)	
	(94,382)	
	71088.01%	

NET INCOME (LOSS)

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	534,707	
	(85.00%)	
COMPREHENSIVE COST OF FINANCING		
Interest Paid		
	449,053	
	2.62%	
	44,944	
	23.80%	
	-404,109	
	(89.99%)	
	102,758	
	8.80%	
	3,010	
	2266.98%	
	-99,748	
	97.07%	
Interest (Earned)		
	(65,545)	
	(0.38%)	
	699	
	0.37	
	66,244	
	101.07%	
	(37,458)	
	(3.21%)	
	237	
	178.69%	
	37,696	
	(100.63%)	
Exchange Loss (Gain)		
	24,874	
	(0.15%)	
	8,268	
	4.38%	
	33,142	
	133.24%	
	21,776	
	1.86%	
	4,336	
	3265.66%	
	(17,440)	
	(80.09%)	
Monetary Position (gain)		
	0	
	0.00%	
	0	
	0.00%	
	0	
	0.00%	
	0	
	0.00%	
	0	
	0.00%	
	0	
	0.00%	
	0	
	0.00%	
	358,635	
	2.10%	
	53,912	
	28.55%	
	(304,723)	
	(84.97%)	
		Comprehensive Cost of Financing

NET INCOME (LOSS)

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87,076
 7.45%
 7,583
 5711.34%
 (-79,493)
 (91.29%)

OTHER EXPENSES (INCOME), net

(1,731,705)
 (10.12%)
 (820,534)
 (434.60%)
 911,171
 (52.62%)
 (1,807,087)
 (154.70%)
 711,559
 535944.97%
 1,095,529
 (60.62%)

NET INCOME BEFORE TAXES

658,912
 3.85%
 407,505
 215.84%
 (251,407)
 (38.15%)
 1,090,923
 93.39%
 609,594
 459145.61%
 (481,328)
 44.12%

PROVISIONS FOR:
 Income Tax

75,983
 0.44%
 42,690
 22.61%
 (33,293)
 43.82%
 13
 0.0%
 0
 0.06%
 (13)
 (99.37%)

Asset Tax

0
 0.00%
 0
 0.00%
 0
 0.00%
 0
 0.00%
 0
 0.00%

NET INCOME (LOSS)

1,090,910
 93.39%
 609,594
 459145.55%
 (481,315)
 (44.12%)

Extraordinary Items (Income)

0
 0.00%
 0
 0.00%
 0
 0.00%
 0
 0.00%
 0
 0.00%
 0
 0.00%

Net Income

583,057
 3.41%
 364,815
 193.23%
 (218,242)
 (37.43%)
 1,090,910
 93.39%
 609,594
 459145.55
 (481,315)
 (44.12%)

Depreciation and Amortization

205,931
 1.20%
 62,295
 32.99%
 (143,636)
 (69.75%)
 23,554
 2.02%
 20,418
 15378.49%
 (3,137)
 (13.32%)

Operating Income plus Depreciation and Amortization

(508,277)
 2.9%
 (296,822)
 (157.21)%
 211,495
 (41.60%)
 (605,535)
 (51.84%)
 (73,964)
 55709.52%
 (531,571)
 (87.79%)

Net Income corresponding to Minority Interest

1,970
0.00%
1,970
100.00%
1,067
0
0.00%
(1,067)
(100.00%)

GRUPO CASA SABA, S.A.B. DE C.V. BALANCE SHEET

Figures are expressed in Mexican pesos as of September 2012

ACCOUNT / SUBACCOUNT	QUARTER CURRENT YEAR CLOSE PRIOR YEAR
	AMOUNT AMOUNT
TOTAL ASSETS	2,894,349 5,981,324
CURRENT ASSETS	1,432,234 3,875,170
CASH AND CASH EQUIVALENTS	28,915 145,955
CLIENTS	202,301 1,080,975
CLIENTS (NET)	2,015,716 2,588,300
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(-1,813,415) (1,507,325)
OTHER ACCOUNTS RECEIVABLES (NET)	1,144,802 1,938,800
INVENTORIES	51,190 683,218
OTHER CURRENT ASSETS	5,026 8,222
LONG TERM	1,049,017 1,747,405
INVESTMENTS IN SHARES OF SUBSIDIARIES AND ASSOCIATED COMPANIES	
NET INCOME (LOSS)	

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	1,053,838
	1,536,742
PROPERTY MACHINERY AND EQUIPMENT NET	
	185,249
	488,292
PROPERTY	
	293,189
	446,171
MACHINERY AND EQUIPMENT	
	(483,259)
	(743,800)
OTHER EQUIPMENT	
	26,720
	195,955
ACCUMULATED DEPRECIATION	
	-
	156,263
CONSTRUCTION IN PROGRESS	
	22,486
	29,863
DEFERRED ASSETS (NET)	
	4,234
	9,829
GOODWILL	
	386,378
	180,794
BRANDS	
	21,112
	26,238
RIGHTS AND LICENSING	
	365,266
	154,556
OTHER INTANGIBLE ASSETS	
	15,087
	16,332
OTHER NON CURRENT ASSETS	
	1,312,878
	1,201,624
ADVANCE PAYMENTS	
	43,895
	23,881
DEFERRED CHARGES (NET)	
OTHERS	
	1,268,983
	1,177,743
TOTAL LIABILITIES	
	2,873,965
	5,182,494
CURRENT LIABILITIES	
	344,949
	3,754,604
BANK CREDITS	
	0
	2,487,022
SUPPLIERS	
NET INCOME (LOSS)	

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	344,949
	11,311,565
TAXES PAYABLE	
	0
	504,060
OTHER CURRENT LIABILITIES	
	2,529,016
	3,358,890
EMPLOYEE BENEFITS	
	0
	200,771
OTHER CURRENT LIABILITIES	
	2,529,016
	3,158,119
NON CURRENT LIABILITIES	
	100,283
	8,161,309
BANK CREDITS	
	2,428,733
	8,161,309
OTHER LIABILITIES	
SHAREHOLDERS' EQUITY	
	20,384
	798,830
CONTRIBUTED CAPITAL	
	2,593,872
	2,593,872
CAPITAL STOCK PAID (NOMINAL)	
	767,902
	767,902
CAPITAL STOCK UPDATE	
	956,093
	956,093
PREMIUM OM SOTCK SOLD)	
	859,877
	869,877
CAPITAL INCREASE (DECREASE)	
	(2,573,488)
	(1,795,042)
ACCUMULATED PROFIT AND LEGAL RESERV	
	(4,000,503)
	(3,454,275)
RESERVE FOR STOCK REPURCHASE	
	1,062,200
	1,062,200
PROFIT	
	364,815
	597,033

NET INCOME (LOSS)