

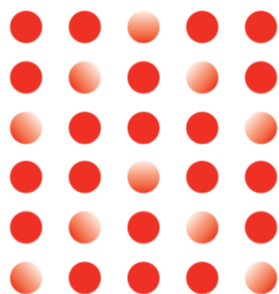
DOCUFORMAS

QUARTERLY REPORT

3Q18



DOCUFORMAS ANNOUNCES THIRD QUARTER 2018 RESULTS



Mexico City, November 14, 2018 – Docuformas S.A.P.I. de C.V. (“Docuformas” or the “Company”), today announced its unaudited consolidated financial results for the (third quarter 2018 “3Q18” and nine-month 2018 “9M18”) periods ended September 30, 2018. All figures are expressed in Mexican pesos (\$) unless otherwise stated, and were prepared in accordance with requirements from the National Banking and Securities Commission (CNBV).

1. THIRD QUARTER 2018 HIGHLIGHTS

- ❖ Total revenues in 3Q18 were \$388 million, 91% more than the \$203 million in 3Q17. For 9M18, total revenues were \$1,028 million versus \$660 million in 9M17, an increase of 56%.
- ❖ Cost of revenues increased \$164 million or 164% 3Q18/3Q17 and \$350 million or 101% 9M18/9M17 mainly due to an overall increase in revenues and higher interest costs, including additional interest expenses from the issuance of the senior notes.
- ❖ Gross profit increased \$21 million or 20% from \$103 million in 3Q17 to \$124 million in 3Q18, and 18 million or 6% 9M18/9M17 while gross margin decreased from 47% to 32% in the same nine-month 18/17 periods because of higher interest expenses.
- ❖ Net income for 9M18 showed a profit of \$172 million compared to the \$112 million in profit same period last year, up by \$60 million or 54%.
- ❖ The total portfolio grew to \$5,914 million as of September 30, 2018, up by \$1,782 million or 43% when compared to the same period 2017, while the real estate portfolio increased \$167 million or 33% to \$681 million.
- ❖ The Company’s total assets at 9M18 grew by 53% to \$6,798 million versus \$4,451 million in 9M17.
- ❖ Total liabilities grew 56% in 9M18/9M17, with total short-term liabilities decreasing by \$568 million, or 29%, year-over-year to \$1,390 million; long-term liabilities increased 153% during the same period to \$4,346 million, improving the Company’s debt maturity profile.
- ❖ The Company improved its financial position, reflected in a 37% increase in Stockholders’ Equity from \$777 million in 9M17 to \$1,062 million in 9M18 despite the negative \$159 million from valuation of derivative financial instruments (Stockholders’ Equity would be \$1,221 million except for this accounting reserve item).

2. FINANCIAL AND OPERATING SUMMARY

Financials Metrics (in millions of pesos)	3Q18	3Q17	Var.%	9M18	9M17	Var.%
Total Revenues	388	203	91%	1,028	660	56%
Cost of Revenues	264	100	164%	698	348	101%
Gross Profit	124	103	20%	330	312	6%
%	32%	51%	-37%	32%	47%	-32%
Operating Expenses	71	48	48%	191	145	32%
Net Income	70	39	79%	172	112	54%
%	18%	19%	-6%	17%	17%	-1%

Operating Metrics (in millions of pesos)	9M18	9M17	Var.%
Total Portfolio	5,914	4,132	43%
<i>Leasing Portfolio</i>	3,908	3,367	16%
<i>Credit & Factoring Portfolio</i>	1,937	647	200%
<i>Services Portfolio</i>	69	118	-42%
NPL	5.3%	5.8%	-9%

Real Estate Portfolio	681	514	33%
Total Portfolio including Real Estate	6,595	4,645	42%

Financial Indicators	9M18	9M17	Var.%
R O A A (annualized)	4.1%	3.6%	14%
R O A E (annualized)	25.0%	20.7%	21%
Financial Debt / Stockholders' Equity	4.1	3.7	11%
Capitalization (Stockholders' Equity/ Total Assets)	15.6%	17.5%	-11%
Stockholder' Equity/ Total Portfolio	18.0%	18.8%	-5%
Leasing Portfolio / Total Portfolio	66.1%	81.5%	-19%
Total Portfolio / Financial Debt	1.4	1.5	-6%
Current Assets/ Current Liabilities	2.5	1.0	149%
Total Financial Debt (in millions of pesos)	4,328	2,844	52%

2.1 CAPITAL INJECTION



- ✓ New investment as previously reported is now complete.
- ✓ Total transaction value of U.S. \$103 million took place in 3Q18 (U.S. \$73 million) and 4Q18 (U.S. \$30 million).
- ✓ Docuformas received U.S. \$27 million in new equity as part of the transaction (U.S. \$76 million was secondary).
- ✓ Mr. Adam Wiaktor will continue as the General Director of Docuformas as well as a member of the Board of Directors.
- ✓ Prior and new Stockholders structure is as follows:

NEW OWNERSHIP STRUCTURE

Shareholder	Prior	New
Adam Peter Jan Wiaktor Rynkiewicz	67.9%	14.5%
Aureos Latin America Fund I and Fondo Aureos Colombia	32.1%	
Fideicomiso Actinver 3279 (Alta Growth Capital Fund)		35.7%
Fideicomiso Deutsche Bank F/1900 (CKD The Abraaj Group)		24.9%
Abraaj Thames B.V. (The Abraaj Group)		24.9%
Total	100%	100%

STATEMENT FROM THE CHIEF EXECUTIVE OFFICER

This was Docuformas' most successful quarter to date, where we were able to take advantage of our highest capitalization levels to grow our portfolio by 43% to Ps. 5.91 billion, and generate 91% greater revenues when compared to last year to reach Ps. 388 million in the third quarter of 2018.

Notably, we achieved this strong growth without sacrificing our portfolio quality and actually improving our NPL ratio year-on-year to 5.3%.

As of September 30, 2018, our assets have grown by nearly 40% when compared to last year and with an improved liability profile. This, combined with enhanced operating leverage, has helped improve our margins in 3Q18.

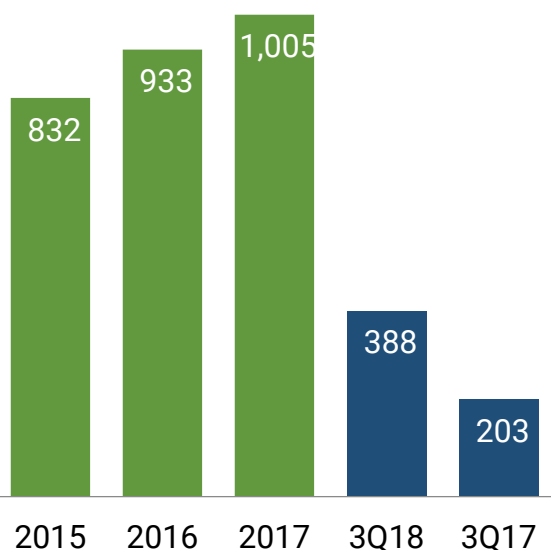
During 3Q18 we expected an important transaction (which has completed in October 2018) for Docuformas in which Alta Growth Capital and 2 Abraaj Group Funds acquired a portion of my stake in the Company, and at the same time, invested US \$27 million new money in Docuformas' capital. This important capital injection by strategic investors better positions Docuformas to achieve new growth targets and milestones.

Adam Wiaktor
Founder & CEO of Docuformas

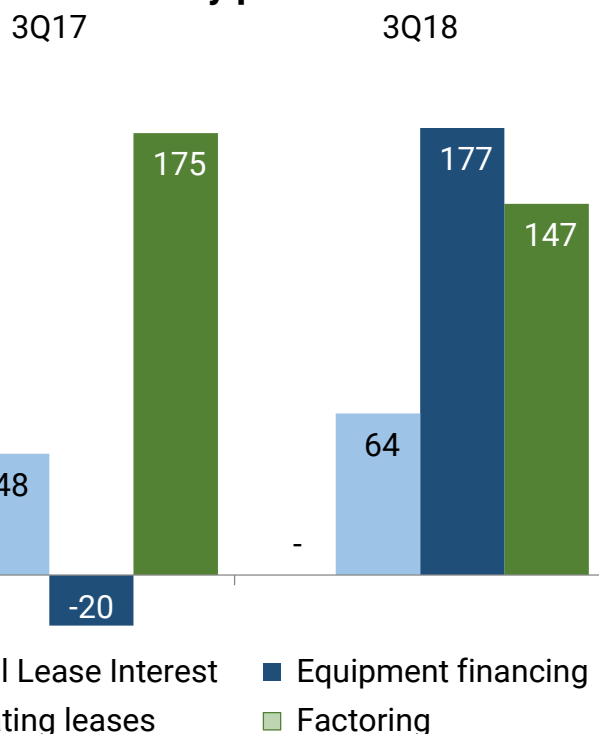
REVIEW OF THE INCOME STATEMENT

*In millions of pesos

Revenue



Revenue by product line



Total Revenues

Total revenues increased 91%, from \$203 million in 3Q17 to \$388 million in 3Q18, mainly due to strong origination in the quarter, indicating overall growth of the Company's portfolio.

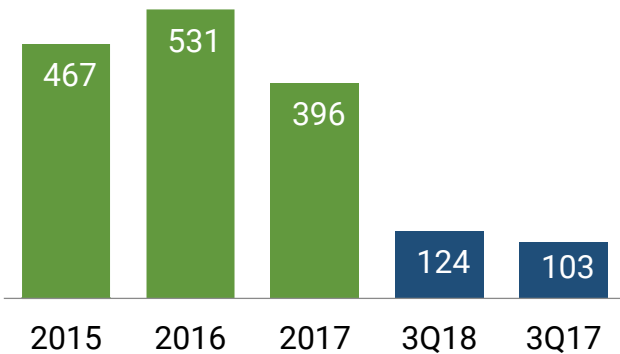
Due to an accounting adjustment in 2017, equipment financing showed a loss of \$20 million; however this business line reported a strong performance in 3Q18 increasing to \$177 million, followed by capital lease interest, up to \$147 million. Operating leases showed a healthy increase of \$16 million or 33% 3Q18/3Q17.

Cost of Revenues

Cost of revenues increased 164% 3Q18 vs 3Q17 (from \$100 million to \$264 million), mainly due to higher interest costs associated with the increase in revenues and the overall increase in financial expenses derived from the issuance of the senior notes and increase in interest rates.

Gross Profit

*In millions of pesos

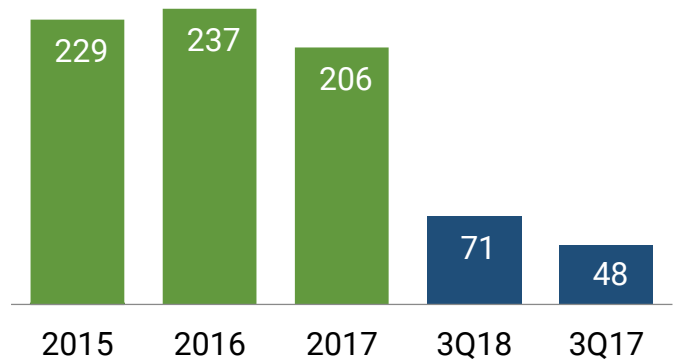


In 3Q18, gross profit was \$124 million, an increase of 20% or \$21 million versus 3Q17; 3Q18 gross margin decreased due to an overall increase in interest rates and the costs associated with the equipment financing business line. Gross margin decreased from 47% to 32% 9M18/9M17 for the same reasons.

Operating Expenses

*In millions of pesos

Operating expenses increased 48% in 3Q18 versus 3Q17, from \$48 million to \$71 million, chiefly due to an increase in selling expenses related to the overall revenue growth in the period. However, OPEX represented only 19% of sales as of 9M18 versus 22% as of 9M17.



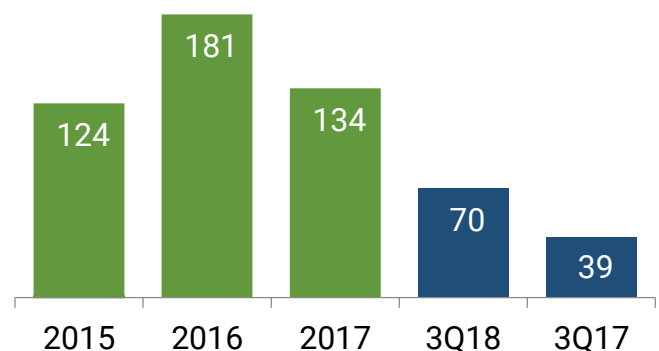
Comprehensive Financing Result

The comprehensive financing result of the Company went from negative \$16 million in 3Q17 to positive \$34 million in 3Q18, driven by FX gains due to the appreciation of the Mexican peso. As of 9M18, this line item represented positive \$75 million.

Net Income

*In millions of pesos

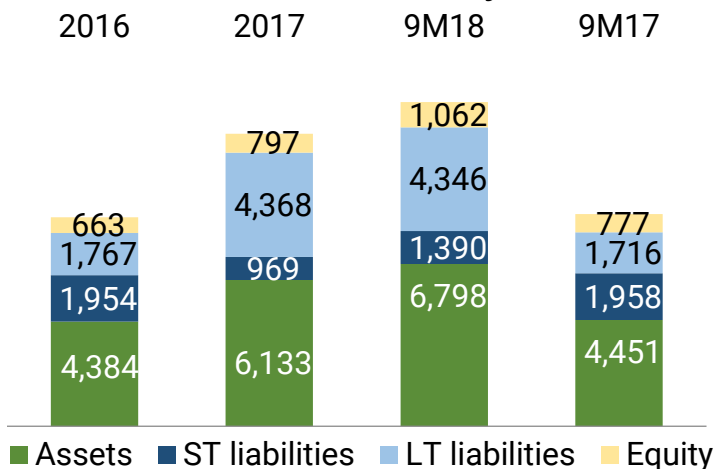
Net income in 3Q18 was \$70 million, almost doubled the \$39 million reported in 3Q17, due to the aforementioned increase in total revenue and an adequate cost-control of the Company. Net margin, in the same period, was 18% versus the reported 19% in 3Q17. For 9M18, net income increased \$60 million to \$172 million and net margin remained stable at 17%.



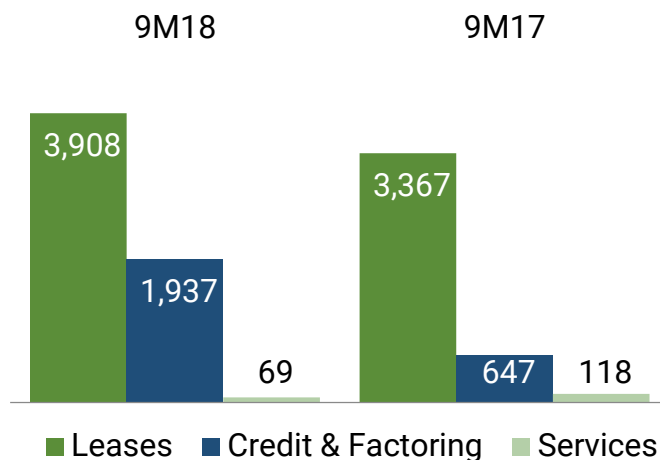
BALANCE SHEET & PORTFOLIO ANALYSIS

*In millions of pesos

Balance sheet analysis



Portfolio by business line



Balance Sheet & Portfolio by Business Line

Total assets as of September 30, 2018 vs same period 2017 increased by \$2,347 million or 53% to \$6,798 million; total liabilities grew 56% to \$2,062 million.

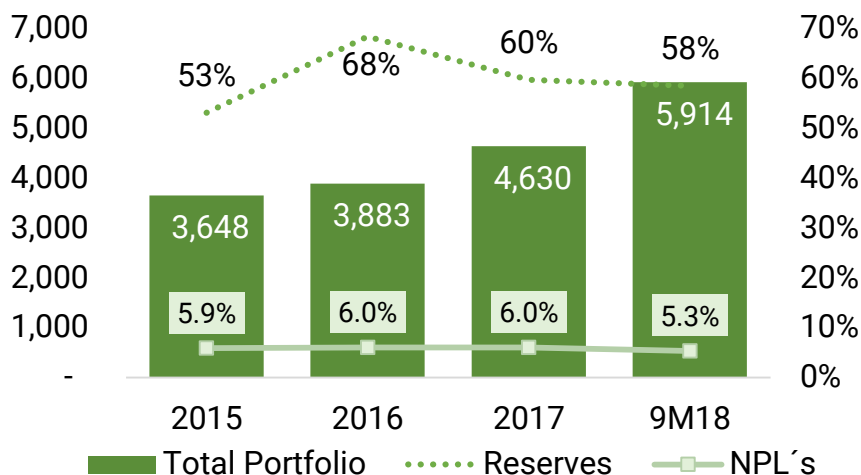
Long-term liabilities increased \$2,630 million from September 30, 2017, mainly due to the debt from the senior notes. In terms of tenors, short-term liabilities decreased \$568 million from 9M17 to 9M18, following the prepayment of most of the Company's existing debt using part of the proceeds from the senior notes' issuance.

As of 9M18, the total portfolio grew 43% year-over-year to \$5,914 million, indicating stronger origination aided by the use of proceeds from the senior notes issue.

Non-Performing Leases

*In millions of pesos

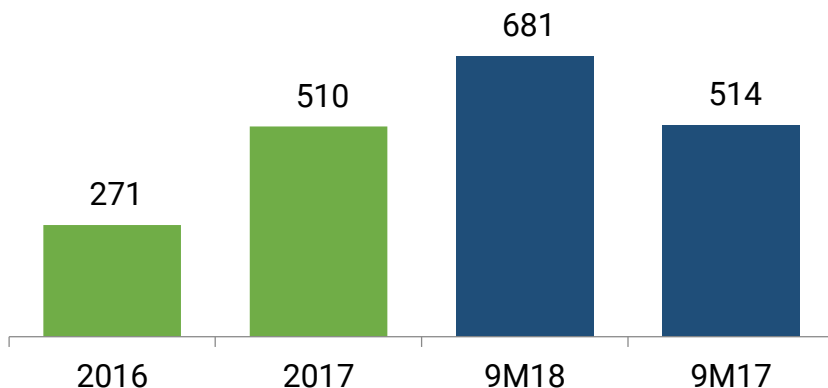
Non-performing loans (NPLs) as of September 30, 2018 stood at \$313 million or 5.3% of the total portfolio, lower than the 6.0% year end 2017; the reserve for losses stood at \$183 million, or 58% of the NPL amount.



*In millions of pesos

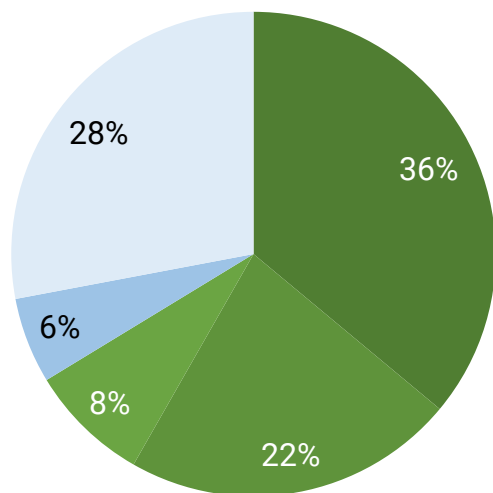
Real Estate Assets

As of September 30, 2018, the real estate assets totaled \$681 million, compared to \$514 million on September 30, 2017, an increase of \$167 million, or 33%, owing to a continued investment in the asset class.

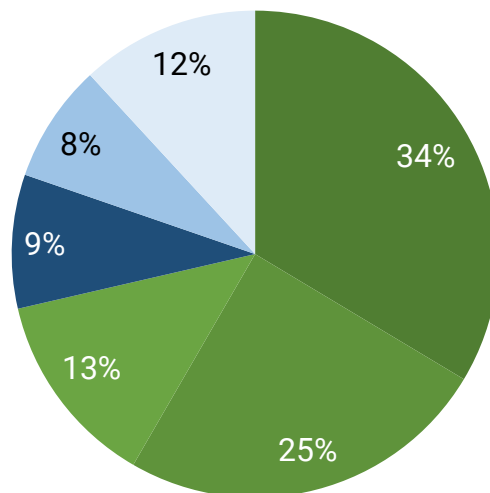


PORTFOLIO BY REGION AND INDUSTRY

- Industrials
- Service
- Health Care
- Materials
- Information Technology
- Others



- Mexico City
- Mexico State
- Nuevo Leon
- Queretaro
- Others



The majority of Docuformas' clients are located in Mexico's metropolitan area, which includes Mexico City and the State of Mexico, and most are from the industrial, service and health care industries.

DOCUFORMAS' CUSTOMERS DETAIL

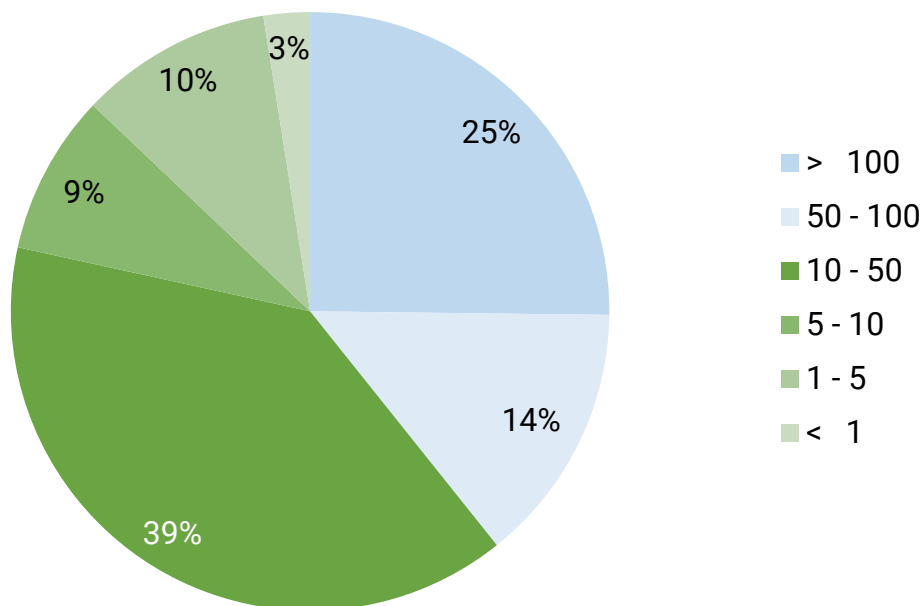
New industry classification following global standards

- As of 3Q18, Docuformas has incorporated the Global Industry Classification Standard (GICS*) to classify its existing customer portfolio. As such, a more detailed industry analysis of our portfolio is presented below:

Sector	\$	%	Industry Group	\$	%
Industrials	1,987	34%	Capital Goods	684	12%
			Commercial & Professional Services	467	8%
			Transportation	836	14%
Consumer Discretionary	1,463	25%	Automobiles & Components	127	2%
			Consumer Durables & Apparel	443	7%
			Consumer Services	392	7%
			Media	177	3%
			Retailing	324	5%
Health Care	772	13%	Health Care Equipment & Services	759	13%
			Pharmaceuticals, Biotechnology & Life Sciences	13	0%
Materials	526	9%	Materials	526	9%
Information Technology	465	8%	Software & Services	417	7%
			Technology Hardware & Equipment	47	1%
			Semiconductors & Semiconductor Equipment	1	0%
Others	701	12%	Telecommunication Services	294	5%
			Food, Beverage & Tobacco	184	3%
			Real Estate	95	2%
			Diversified Financials	48	1%
			Food & Staples Retailing	47	1%
			Insurance	25	0%
			Energy	6	0%
			Utilities	1	0%
			Banks	1	0%
			Household & Personal Products	0	0%
Total	5,914	100%		5,914	100%

*for further information: <https://www.msci.com/gics>

Portfolio distribution by ticket size

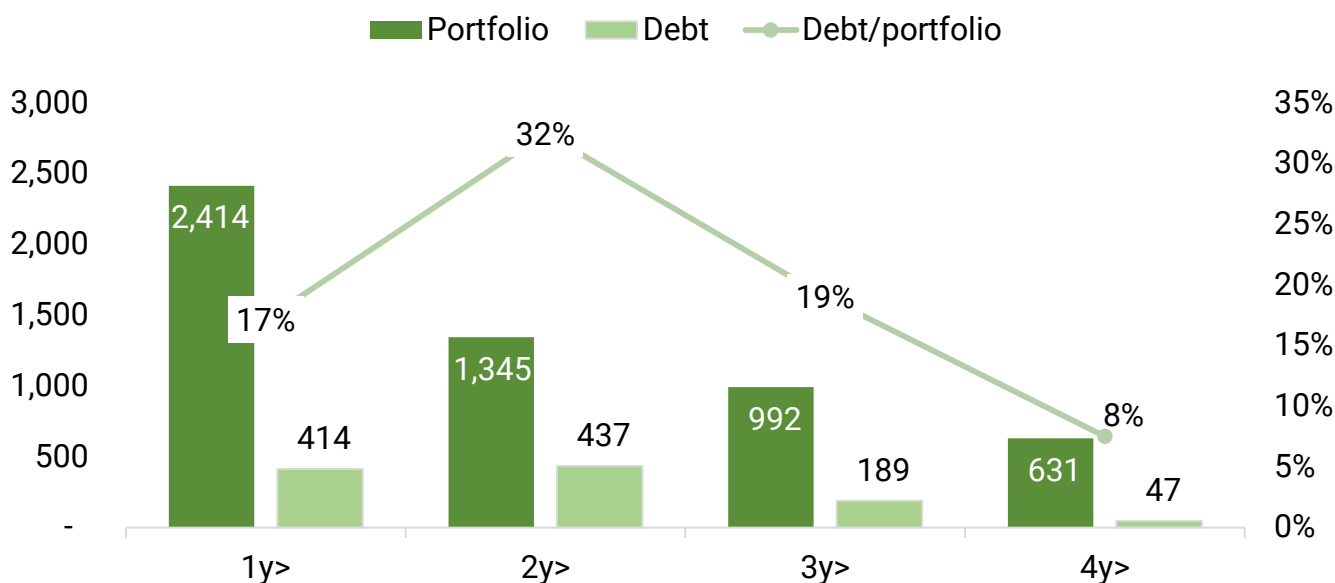


Docuformas operates under strict policies in order to achieve its top priority of maintaining the quality of its portfolio. It is important to mention that 98% of its customers represents transaction sizes below \$50 million, thereby maintaining a low level of concentration by client.

Ticket Size (\$ Million)	N° Clients	%
> 100	9	25%
50 - 100	12	14%
10 - 50	102	39%
5 - 10	75	9%
1 - 5	261	10%
< 1	424	3%
TOTAL	883	100%

PORTFOLIO AND FINANCIAL DEBT RUN-OFF

*In millions of pesos

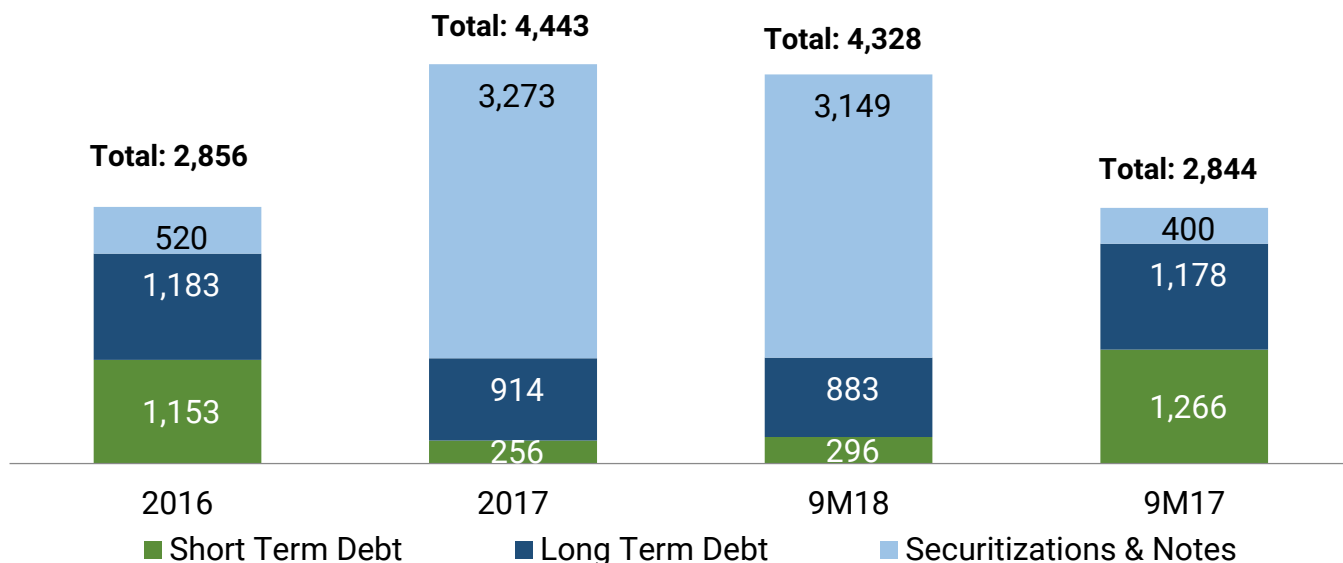


Total Docuformas portfolio run-off in the next 4 years is \$5,382 million, which compares favorably to the Company's total financial debt amortization, which amounts to \$1,087 million. Consequently, the portfolio composition and the debt amortization show adequate coverage.

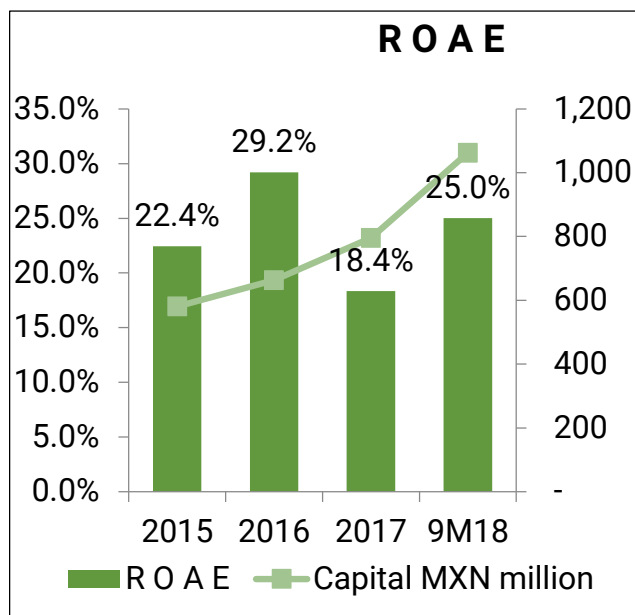
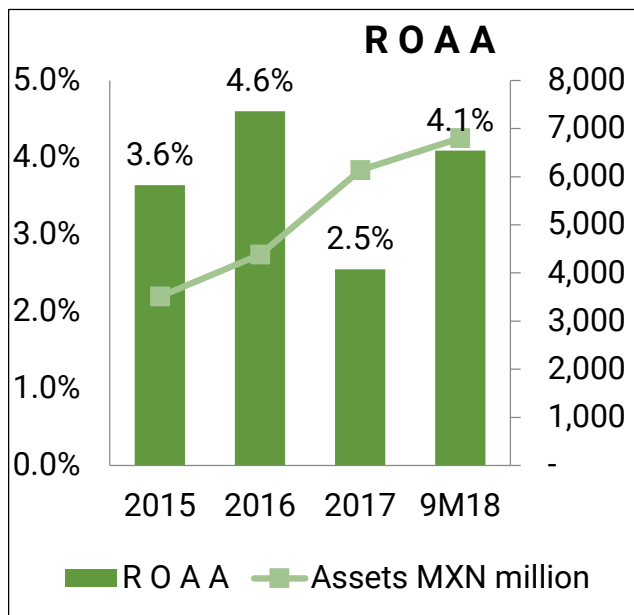
With the issuance of the bond, financial debt amortizations for 4 years were reduced significantly, one of the key reasons behind the issuance of the notes.

Financial debt mix (STD-LTD)

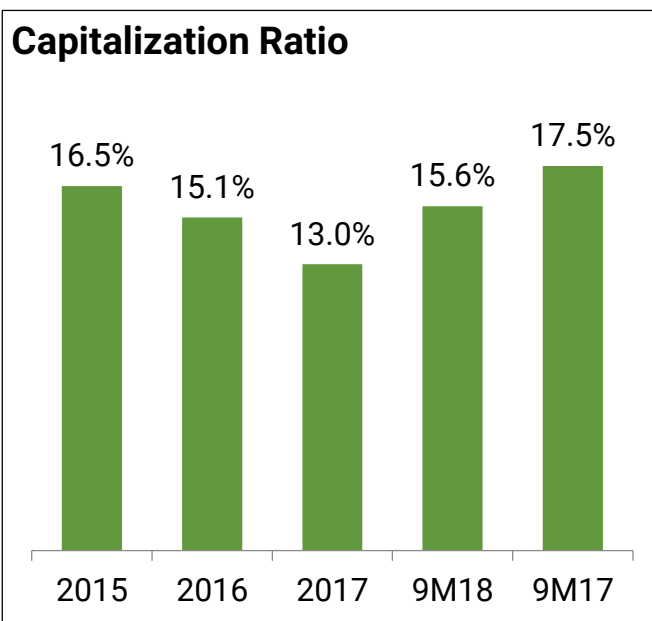
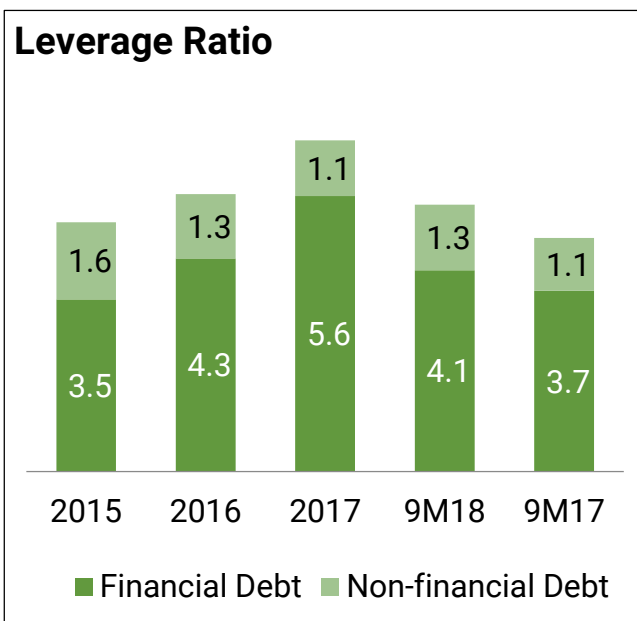
*In millions of pesos



FINANCIAL INDICATORS



In 9M18, annualized Return on Average Assets and Return on Average Equity are 4.1% and 25.0%, respectively, an improvement compared to FY 2017 and inline with previous years.



The capitalization ratio was 15.6% in 9M18, better than the 13.0% reported in FY 2017, which is an adequate capitalization ratio for the Company.

The leverage ratio as of 9M18 was 4.1 for financial debt plus 1.3 for non-financial debt. Total leverage increased year-over-year (from 4.8 to 5.4) largely due to the senior notes issuance, but with a much better long-term debt to short-term-debt profile.

3Q18 CONFERENCE CALL

DATE	TIME
Thursday, November 15, 2018	11:30 am ET 10:30 am Mexico Time

Presented by:

Mr. Adam Wiaktor, Chief Executive Officer

Mr. Hector Esquivel, Chief Financial Officer

Mr. Eduardo Limon, Investor Relations Officer

Mr. Ramon Barreda, Investor Relations Manager

A Q&A session will follow the presentation.

To access the conference call, please dial:

1-877-830-2576 (U.S. participants)

1-785-424-1726 (International participants)

Conference ID: 3628

A replay of this call will be available on
November 15, 2018 at 3:30 pm ET for 7 days.

To access the replay, please dial:

1-844-488-7474 (U.S. participants)

1-862-902-0129 (International participants)

Passcode: 12511022

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Further information:

- Bloomberg ticker: DOCUFO
- LEI: 549300HM88E943FM9K17
- BMV ticker: DOCUFOR

ABOUT DOCUFORMAS

Docuformas S.A.P.I. de C.V. has grown to be the second largest independent leasing company in Mexico in the last 21 years. The company specializes in offering financing solutions to rapidly-growing and underserved small and medium-sized enterprises (SMEs) for the acquisition of productive assets and equipment to support growth. Docuformas provides reliable and competitive funding sources through its six main business lines: capital leasing, operating leases, transportation services, factoring, cash financing and equipment financing.

DISCLAIMER

This document may contain certain forward-looking statements. These statements are non-historical facts, and they are based on the current vision of the Management of Docuformas S.A.P.I. De C.V. for future economic circumstances, the conditions of the industry, the performance of the Company and its financial results. The terms "anticipated", "believe", "estimate", "expect", "plan" and other similar terms related to the Company, are solely intended to identify estimates or predictions. The statements relating to the implementation of the main operational and financial strategies and plans of investment of equity, the direction of future operations and the factors or trends that affect the financial condition, the liquidity or the operating results of the Company are examples of such statements. Such statements reflect the current expectations of the management and are subject to various risks and uncertainties. There is no guarantee that the expected events, trends or results will occur. The statements are based on several suppositions and factors, including economic general conditions and market conditions, industry conditions and various factors of operation. Any change in such suppositions or factors may cause the actual results to differ from expectations.

Key components of Docuformas' Income Statement and Balance Sheet

Total revenues

- **Interest on capital leases** → includes interest earned on capital lease payments and portfolio sales
- **Equipment financing** → equipment financed under installment plan, includes both the interest and the principal.
- **Operating leases** → includes (i) the rental revenue from ICI's lease of real estate property, (ii) rental income associated with the operating lease business of ARG and (iii) the fees for certain maintenance and insurance services.
- **Factoring** → interest from factoring

Costs

- **Interest Expense** → includes the funding costs for the assets leased under all of our capital, operating leases and transportation services (renting) and other related services.
- **Equipment financing expense** → which include the costs of equipment that is purchased as part of our equipment financing business.
- **Depreciation of assets under operating leases** → depreciation of the Real Estate asset being rented by ICI and the depreciation of all the operating lease equipment leased by ARG as part of its renting business.

Balance sheet (assets)

- **Accounts receivable** → the net investment in leases.
- **Other assets** → Mostly security deposits.
- **Property-furniture and equipment - net** → includes the properties from the Real Estate business derived from ICI and other equipment of the Company.

Balance sheet (liabilities)

- **Current portion of long-term debt** → includes only the principal payment during 1 year of the long - term financial debt.
- **Sundry creditors** → VAT provision and other items
- **Long - term debt** → includes only the principal payment over 1 year of the financial debt.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

As of September 30, 2018

*In millions of pesos

	3Q 2018	3Q 2017	9M 2018	9M 2017
REVENUES				
Interest on capital leases	147	175	431	395
Equipment financing	177	(20)	403	91
Operating leases	64	48	194	173
Factoring	0	0	0	1
Total income	388	203	1,028	660
COSTS				
Interest expense	133	74	387	215
Equipment financing	109	(3)	255	48
Depreciation of assets under operating leases	22	29	56	85
Total costs	264	100	698	348
GROSS INCOME	124	103	330	312
Selling expenses	24	7	62	24
Administrative expenses	30	27	87	86
Allowance for loan losses	17	14	42	35
Operating expenses	71	48	191	145
OPERATING INCOME	53	55	139	167
Other (income) expenses, net	0	0	0	(1)
Interest income	(8)	0	(20)	(2)
Interest expenses	14	15	38	41
Net exchange loss (profit)	(152)	0	(127)	(7)
Valuation of derivative financial instruments	112	1	34	10
Comprehensive financing result	(34)	16	(75)	42
INCOME BEFORE INCOME TAXES	87	39	214	125
Income taxes	17	0	42	13
NET INCOME	70	39	172	112

BALANCE SHEET

As of September 30, 2018

*In millions of pesos

	9M18	9M17
ASSETS		
Current Assets		
Cash and cash equivalents	578	183
Accounts receivable	2,423	1,392
Allowance for loan losses	183	166
Taxes due from	159	88
Sundry debtors	41	40
Related parties due from	5	22
Other assets	39	56
Inventory	11	0
Total current assets	3,439	1,947
Non-current assets		
Property-furniture and equipment - net	989	837
Long-term receivable	2,035	1,446
Other assets	170	47
Derivative financial instruments	0	9
Goodwill	165	165
Total non-current assets	3,359	2,504
Total assets	6,798	4,451
LIABILITIES		
Current liabilities		
Current portion of long-term debt	296	1,266
Accounts payable	144	143
Sundry creditors	878	314
Due to related parties	30	195
Income taxes and other taxes payable	42	40
Total current liabilities	1,390	1,958
Non-current liabilities		
Long-term debt	4,032	1,578
Deferred income tax	133	138
Derivative financial instruments	181	0
Total non-current liabilities	4,346	1,716
Total liabilities	5,736	3,674
STOCKHOLDERS' EQUITY & RESERVES		
Capital stock	855	281
Retained earnings	194	382
Valuation of derivative financial instruments	-159	0
Current year net income	172	114
Total Stockholders' equity and reserves	1,062	777
Total liabilities and stockholders' equity and reserves	6,798	4,451