

Asunción, Paraguay, October 2015

To whom it may concern:

Inverfin SAECA, is a company that commercializes household appliances, motorcycles, furniture and other products such as electronics. Their distribution is carried out through one of the largest network of branches in Paraguay, which has 125 stores throughout the country and over 1,400 employees. The company has an industrial plant in Luque devoted to the assembly of motorcycles.

From May 2014 to October 2015 we developed along with the firm London Consulting Group the project called "SUMATE" in which the Commercial Management, Sales, Collections, Support (Accounting, Auditing, Treasury, Information Technology, Expense Control), Logistics, Inverfin Technical Assistance, Human Resources and Wholesale areas were addressed at the headquarters and branches in the country. After implementing different processes, tools and policies we were able to achieve the following results:

Retail Sales Area

- Increase in sales by **19.2%** local currency (guaranies).
- Decrease in variable expenses by increasing productivity by **8.9%**.
- Increase in the average ticket by **7.4%**.
- Implementation of a record of visitors, contacts and interested prospects.

Commercial Management Area

- Improvement of the gross margin in the retail channel by **0.5%**.
- Savings due to negotiation in the cost of maritime freight by **21.5%**.

Support Area (Back Office)

- Increase in administrative productivity by **12.2%**.

Logistics and Distribution Area

- Savings in financial expense due to a decrease in low turnover inventory by **34.8%**.
- Reduction in outsourcing labor cost by **16.8%**.
- Reduction in the cost of warehouses by **18.4%** due to space optimization.
- Reduction in transportation cost per cubic meter by **26.7%**.

Inverfin Technical Assistance Area (ATI)

- Increase in workshop productivity by **55%**.
- Decrease in outsourced repair costs by **27.4%**.
- Decrease in ATI repair cost by **10.2%**.

Human Resources Area


- Improvement in the amount of days taken to hire employees by **54%**.
- Optimization of time in the area of Payroll Management by reorganizing activities.
- Optimization of time for the Human Resources Managers in order to focus on company's higher priority activities.

Wholesale Area

- Increase in sales to new clients by **3.1%** of the total of wholesale sales.
- Improvement in the mix of products through cross-selling by **19%** of the total number of clients in the wholesale portfolio.

The economic benefits achieved show a return on investment at the end of the project of **6.1 to 1** with an annual projection of **10.8 to 1**. Additionally, I would like to highlight the methodology used by **LONDON** for the development of this project, which has allowed us to have a better synchronization of the operations, strong planning tools and an effective indicator system. **INVERFIN's** personnel is committed to the new work systems which allows us to realize that we have a solid platform to face our organization's growth challenges.

Due to the aforementioned, we hereby highly recommend the services rendered by **LONDON CONSULTING GROUP** and we confirm our complete satisfaction with the results achieved.



Eduard Rempel Warkentin
Presidente