

- **Privately held organization owned 100% by the Echavarria family. Founded in 1881.**
- **Multi-business conglomerate ranging from mining, ceramic manufacturing (Sanitary ware, Tiles, Dinner ware, Electrical Insulators) to Kitchen and Bath Specialty Retail and Big Box Home improvement retail.**
- **17 Manufacturing Plants (2 in the United States)**
- **26 Mines in operation**
- **Over 12,500 direct employees throughout South America, United States and China.**
- **Exports to over 30 countries.**

Our company is composed by eight divisions (SBU's)

corona

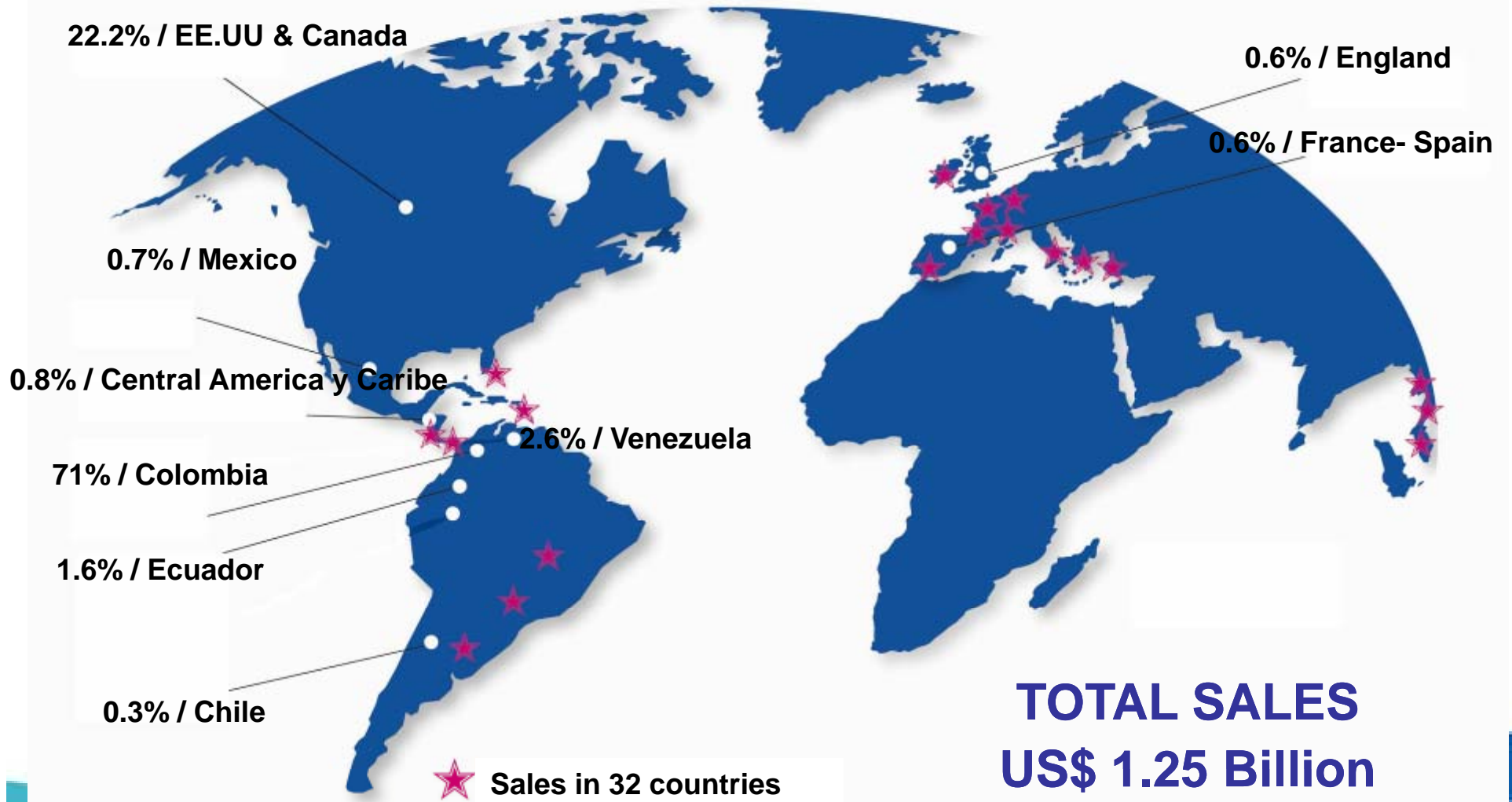
Corona Organization

Sanitary Ware	Colcerámica-PS, Mancesa Inc. y Mansfield
Home Improvement –Big Box	Sodimac
Ceramic Tiles	Colcerámica-RV y Orchid Ceramics
Kitchen & Bath – Specialty Retail	Arcesa
Raw Materials and Adhesives	Sumicol
Faucets	Colcerámica-GF
Dinner Ware	Locería Colombiana
Electrical Insulators	Electroporcelana Gamma

VAJILLAS

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International Footprint 2007



**TOTAL SALES
US\$ 1.25 Billion**



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Company Presentation

Overview
Products & Manufacturing
Product Development
Sourcing strategy
Others

Technical Overview

- With a capacity of 5.0 MM pc/month in 65,000 sqft, LC's plant ranks among largest dinnerware facilities in the world
- LC has an in-house decal plant, with an overall capacity of 140,000 sheets a month; also manufactures screens for total transfer decoration
- All colours and glazes comply with FDA and PROP 65 standards



Technical Overview

- Constant investment in state-of-the-art technology, particularly for decoration: Pad printing (total transfer), high pressure casting, solid colours, wide bands, in-glaze decals, CAD software, etc.



Main Products - Earthenware

- For home use, all types of dinnerware items, including open stock, gift-boxed sets and a variety of special items: oval platters, salad servers and special hollowware items.
- White body allows using transparent glazes.
- Relatively low absorption rate of 7% makes products more resistant than other earthenware (fine earth.)



Main Products - Earthenware

- Full range of decorations available: Decals on different techniques, total transfer, embossments, machine and hand colour banding
- High production capacity: 4.0 M earthenware items per month (2.2 M plates, 1.8 M cups and special hollowware)



Main Products - Porcelain (Vitrified)



- For foodservice, complete lines of white and decorated products
- For home use, gourmet line
- Actualite, Americana and PRANA bodies, are differentiated options to suit restaurants and hotels
- High-quality, iso-pRESSED, single fired plates and hollowware
- High chipping and thermal shock resistance
- Wide array of shapes, plates up to 12"
- High-pressure casting for special items
- High production capacity: 1.5 M porcelain items per month (1 M plates, 0.5 M hollowware)
- Decorated products: hand painted underglaze, decal decorated inglaze

Product Development



- Shapes design and development
 - Experienced modellers
 - In-house mould manufacturing
 - CAD expertise
- Decoration design and development
 - Experienced graphic designers
 - Trained technicians in colours and glazes formulation
 - In-house decal and total transfer screens manufacturing
 - Photoshop, visualizer and EPS Layout expertise
- Samples and communications
 - DHL 3-day delivery for samples and materials

Environmental Issues

- Environmental management system already implemented, based on ISO 14001 norms
- 4 Environmental Management Plans being implemented:
 - Solid Waste: Specific actions for different types of products
 - Dust Control: All sorts of equipment to prevent dust dispersion, such as filters, cyclones, washers
 - Dangerous Substances: All materials properly documented with toxicological information, use and disposal perfectly documented
 - Noise Control: All workers trained in preventive protection, noise sources duly enclosed
- All programs monitored by in-house Occupational Safety and Medical departments

BASC certification

- Business Anti-Smuggling Coalition (BASC) is a joint effort of Colombia's main exporters and US Customs that guarantees total absence of drugs or other contraband
- Control procedures designed to closely follow all steps of exports to the US and other destinations
- Special warehouse for all exports, highly specialized personnel
- Container loading in presence of specialized police
- Filming and photographing of all containers during loading and closing, material travels with container
- Constant monitoring of containers on way to port and during warehousing and loading onto ship

Social Commitment

- The Corona Organization and its shareholders are nationally renowned as models in the fields of business and philanthropy
- LC has a total commitment to the town of Caldas (pop. 65,000), where it has been for more than 120 years the most important employer
- Some of the social programs implemented that favor both the workforce and the town:
 - Education programs: Complete sponsorship of three schools at different levels
 - Housing programs: 85% of current workers are homeowners through special fund
 - Health Assistance: Permanent contributions to “Hospital de Caldas”, particularly to its children’s clinic
 - Promotion of Entrepreneurship: Development programs for micro- and family companies
 - Ceramic Cooperative (Cocercal): Sponsorship of small company to manufacture ceramic figurines
 - Saving Schemes: Employee fund with credit lines for all workers and low interest rates
 - Sports: Constant support to local teams

Benefits of sourcing dinnerware from CORONA:

- Full compliance with labour and social international requirements
- ISO 9001 certification since December 1999
- Exports from Colombia to European Union, USA and Canada enjoy 0% duties and no quotas
- High frequency transport
- Pricing stability
- Full compliance with FDA and PROP 65 standards

Benefits of sourcing dinnerware from CORONA:

- The CORONA Group is vertically integrated:
 - Mining and raw materials (Sumicol)
 - Glazes (Sumicol)
 - Decal factory (Vajillas Corona)
 - Production Dinnerware (Vajillas Corona)
 - Distribution (CDI Logistics)
 - Ports (Cartagena´s port, El Bosque port)
 - Forwarder company

Benefits of sourcing dinnerware from CORONA:

- The CORONA Group facilities around the World:
 - Mexico
 - Venezuela
 - Ecuador
 - Peru
 - USA
 - Mansfield (Ohio)
 - Orchid Ceramics (Texas)
 - Corona Hotelware Corporation (Florida)
 - China
 - Colombia
 - All CORONA Group factories are in Colombia

Benefits of sourcing dinnerware from CORONA:

- Core competencies and expertise:
 - Decals
 - Up to 8 colors
 - Reactive decals
 - All of our decals are inglaze
 - Embossed finish
 - Capable of producing almost all embossed finishes.

Why CORONA's China:

- Why is our product needed:
 - There's a requirement in the market in where to serve and present the food.
- How does our product fulfill that need:
 - Our product fulfill that need with the following attributes:
 - Service
 - Quality
 - Availability
 - Durability
 - Custom product
 - Stock in Miami on basic items or in Colombia
 - Short response time on white product from the factory
 - Minimum 90 days of inventory on basic items at the factory which allows us to ship any shortage in a timely manner.

Why CORONA's China:

- It fulfill all the foodservice requirements such us:
 - Stacking
 - Space efficient design
 - Microwave and dishwasher safe
 - Conventional Oven proof 200 F/392F
 - Wide range
 - Scratch resistance
 - Chipping resistance
 - Resistance to temperature changes 392 F / 77F
 - Easy to clean for maximum hygiene
 - Replacement service
 - Minimum risk in the event of breakage
 - Design solutions for corporate image
- Note: We tailor your customer's china with their own design or logo to add a personal touch to the table top. These designs are exclusive of each customer and we will filed it at the factory for any reorder.

Benefits of CORONA's China:

- To whom should you present our product for acceptance:
 - To the chef
 - To the F and B person.
 - Purchasing director
 - Interior design manager (if any decoration is taking place)
 - General Manager
- What is the advantage our line has over the competition:
 - Our china is very competitive because of its price point on both whiteware and decorated china.
 - Pricing stability
 - Proximity of the factory (3 days from Factory to Miami's port)
 - Our product enjoy 0% duty and no quotas to the US and Canada.

Benefits CORONA's China:

- To complement the actualite line, we are launching a new cappuccino cup to fulfill the existent need of coffee drinkers.
 - We are launching the new line called PRANA. This line has the following attributes:
 - Quality
 - Durability
 - Aesthetics and design.
 - Image
 - Product weight is lighter
 - Body colour is whiter
 - Shape
 - Colour
 - Pricing
 - Distribution
 - Flexibility in manufacturing.

Benefits of CORONA's China:

Continue.....

- All the above attributes are oriented to react to the following market trends in the table top such as:
 - Change of food and dining as entertainment.
 - Change in manufacturing techniques.
 - The change in eating habits and the growth of foreign cuisine.
 - An increased awareness and focus on the table top.
 - Increased awareness of food presentation.
 - The change in the ways of distribution.
 - Increased power of the chefs in the decision making process.
 - The globalization of the business.

- What is the lead time on custom special orders:
 - From 6 to 8 weeks.