

GRUPO HERDEZ REPORTS

FOURTH QUARTER AND FULL YEAR 2012 RESULTS

Highlights from the quarter:

- Net sales rose 8.1% with solid performance in Mexico and strong growth in the US
- Operating income and EBITDA increased 14.3% and 12.8%, respectively, mainly driven by extraordinary other income in the period
- Net majority income registered a rise of 11.6%

Mexico City, Mexico, February 21, 2013 – Grupo Herdez, S.A.B. de C.V. (“Grupo Herdez” or the “Company”) (BMV: HERDEZ), today announced its results for the fourth quarter and full year ended December 31, 2012.¹

“We are pleased to have met our performance targets for the year despite the headwinds we faced throughout the year. Results in the fourth quarter underscore the success of our growth strategy in the United States and continued investments in restructuring our core processes as part of our commitment to strategy execution,” said Héctor Hernández-Pons Torres, Chairman and Chief Executive Officer.

It should be noted that the Company began reporting its results under International Financial Reporting Standards on January 1, 2012, with figures for the previous period restated accordingly.

Net Sales

Net Sales	4Q12	4Q11	% Change	2012	2011	% Change
Consolidated	3,154	2,918	8.1	11,220	9,697	15.7
Domestic	2,614	2,460	6.3	8,970	8,174	9.7
International	540	458	18.1	2,251	1,523	47.8

Figures in million pesos

Net sales in the fourth quarter totaled Ps. 3,154 million, an increase of 8.1% over the 2011 figure, reflecting solid performance in Mexico and double digit-growth in the United States. Net sales for the full year rose 15.7% to Ps. 11,220 million.

¹ All financial information contained in this document is prepared in accordance with International Financial Reporting Standards (IFRS), with prior year periods restated accordingly. All figures are expressed in nominal Mexican pesos unless otherwise stated.

In Mexico, net sales rose 6.3% in the quarter to Ps. 2,614 million, primarily reflecting pricing actions implemented throughout the year, while volumes outperformed in pasta, tomato puree, teas and desserts (gelatins). On a cumulative basis, net sales in Mexico rose 9.7%, to Ps. 8,970 million, with mayonnaise, desserts (gelatins) and tuna outperforming. Of particular note were the positive results from new campaigns for the gelatins introduced in 3Q and additional support for teas at the end of the year.

In the United States, net sales rose 18.1% over the year ago quarter to Ps. 540 million, with a cumulative increase of 47.8% to Ps. 2,251 million. These figures mainly reflect the incorporation of Fresherized Foods in the fourth quarter of 2011, organic growth derived from distribution and market share gains, as well as enhanced merchandizing support. For the year, net sales experienced a 47.8% increase when compared to 2011 mainly as a result of the incorporation of Fresherized Foods.

Costs and Expenses

The cost of goods sold (COGS) as a percentage of net sales was nearly unchanged in the quarter at 65.3%. This resulted from the combination of more comparable prices for key raw materials, as well as the revaluation of the Mexican peso which benefited dollar-denominated inputs. On a cumulative basis, COGS comprised 64.7% of net sales, 1.2 percentage points higher than in the previous year mainly due to the effect of a stronger US dollar and higher input prices mainly wheat, tuna and egg yolk.

On the operating side, sales, general and administrative (SG&A) expenses as a proportion of net sales increased 80 basis points to 20.7% in the quarter, primarily reflecting the ongoing investment in restructuring certain processes during the year in the administration, commercial, finance and HR areas, as well as atypically low advertising expenditures in 4Q11, while in 4Q12 they returned to normalized levels. On a cumulative basis, SG&A remained practically unchanged at 20.9% of net sales, with the expansion of the gross margin offset by the aforementioned increase in SG&A.

Other Income/Expenses

Due to IFRS adoption, in the quarter the Company registered a one-time non-cash Ps. 58 million net income derived mainly from the cancellation of excess provisions for certain fixed asset values. On a cumulative basis, other income totaled Ps. 43 million, mainly explained by the fourth quarter gain.

Operating Income

Operating income in the quarter was Ps. 499 million, a 14.3% increase from the same period of last year, while the margin expanded 0.8 percentage points to 15.8%. This expansion was largely due to other income registered during the period. On a cumulative basis, operating income totaled Ps. 1,655 million, an increase of 9.4% from 2011, while the margin contracted 80 basis points to 14.8%. The other income registered during the fourth quarter was not sufficient to offset gross margin pressure experienced in the first nine months of the year.

Operating Income	4Q12	4Q11	% Change	2012	2011	% Change
Consolidated	499	437	14.3	1,655	1,512	9.4
Domestic	425	383	11.0	1,349	1,344	0.4
International	74	54	37.7	306	169	81.5

Figures in million pesos

Operating Margin (%)	4Q12	4Q11	pp Chg	2012	2011	pp Chg
Consolidated	15.8	15.0	0.8	14.8	15.6	(0.8)
Domestic	16.3	15.6	0.7	15.0	16.4	(1.4)
International	13.7	11.8	1.9	13.6	11.1	2.5

Comprehensive Result of Financing

The Company registered a Ps. 37 million cost in the quarter, compared to a Ps. 3 million cost recorded in the same period of last year. This mainly reflects the expected reversal of the FX gain registered during 2011 derived from dollar denominated loans between affiliated companies. For the year, the cost totaled Ps. 148 million compared to Ps. 7 million registered in the previous year.

Net Majority Income

Net Majority Income	4Q12	4Q11	% Change	2012	2011	% Change
Consolidated Net Income	335	304	10.1	1,080	1,053	2.6
Minority Interest	91	85	6.3	290	285	1.6
Net Majority Income	244	219	11.6	790	768	2.9
Net Majority Margin (%)	7.7	7.5	0.2 pp	7.0	7.9	(0.9) pp

Figures in million pesos

Net majority income in the quarter and year totaled Ps. 244 million and Ps. 790 million, respectively, 11.6% and 2.9% higher than in the prior year. For the quarter, the 20 basis point improvement in the margin to 7.7% reflected non-recurring gains, while the 90 basis point contraction of the full year margin to 7.0% was primarily due to higher COGS and the aforementioned reversal of foreign exchange gains.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)

EBITDA in the quarter totaled Ps. 546 million, a 12.8% increase over the same period of last year, while the margin expanded 70 basis points to 17.3%. On a cumulative basis, EBITDA rose 11.1% to Ps. 1,849 million, while the margin contracted 70 basis points to 16.5%. The full year figure reflected the contraction of gross and operating margins registered in the first half of the year.

EBITDA	4Q12	4Q11	% Change	2012	2011	% Change
Consolidated	546	484	12.8	1,849	1,664	11.1
Domestic	455	417	9.2	1,476	1,461	1.0
International	90	67	34.9	374	203	83.7

Figures in million pesos

EBITDA Margin (%)	4Q12	4Q11	pp Chg	2012	2011	pp Chg
Consolidated	17.3	16.6	0.7	16.5	17.2	(0.7)
Domestic	17.4	17.0	0.4	16.5	17.9	(1.4)
International	16.7	14.6	2.1	16.6	13.4	3.2

Capital Expenditures

Net capex in the quarter totaled Ps. 147 million, which continued to be mainly allocated to the construction of the new mayonnaise plant in the State of Mexico. For the full year, net capex was Ps. 469 million that, in addition to the mayonnaise plant, was used to transfer marmalades capacity from Mexico City to San Luis Potosí during the course of the year.

Financial Structure

As of December 31, 2012 the Company's cash position and consolidated debt were nearly unchanged on a sequential basis, at Ps. 1.064 billion and Ps. 2.190 billion, respectively, resulting in consolidated net debt of Ps. 1.126 billion.

Leverage ratios remain healthy, with net debt to consolidated stockholders' equity at 0.21 times and net debt to consolidated EBITDA at 0.61 times.

Adoption of IFRS

The Company began reporting its results under International Financial Reporting Standards (IFRS) on January 1, 2012, with figures for the previous period restated accordingly. The only impact to the P&L is the reclassification of profit sharing expenses above the operating line, to each line item, whereas previously they were aggregated as one item ("other expenses"), below the operating line.

4Q12 Earnings Conference Call Information

Date: Friday, February 22nd, 2013

Time: 12:00 pm E.T. / 11:00 am C.T.

To participate, please dial:

Toll Free US and Canada: +1 (888) 438-5535

Toll International: +1 (719) 325-2393

The webcast can be accessed through the following link:

<http://public.viavid.com/player/index.php?id=103357>

Conference ID#: 4136342

If you are unable to participate live, a replay of the conference call will be available through March 8, 2013. To access the replay, please dial domestic US and Canada +1 (877) 870-5176, or from other countries +1 (858) 384-5517, conference ID#: 4136342.

Annual Shareholder's Meeting

The Board of Directors of Grupo Herdez approved today to convene an Ordinary Shareholders' Meeting to be held on April 25, 2013 in Mexico City, where, among other matters, a proposal will be presented to approve a cash dividend payment for an approximate amount of \$367 million pesos, equivalent to \$0.85 pesos per share, and corresponding to 2012 results.

For additional information:

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About Grupo Herdez

Grupo Herdez is a leading producer of shelf-stable foods in Mexico, and a leader in the Mexican food category in the United States. The Company participates in a wide range of categories including *burritos*, catsup, coffee, guacamole, homemade sauces, honey, marmalade, mayonnaise, mini tacos, mole, mustard, pasta, spices, tea, tomato puree, tuna vegetables and organic foods, among others. These products are commercialized through an exceptional portfolio of brands, including Aires de Campo, Barilla, Chi-Chi's, Del Fuerte, Don Miguel, Doña María, Embasa, Herdez, La Victoria, McCormick, Wholly Guacamole and Yemina. Grupo Herdez has 13 plants, 8 distribution centers, 7 tuna vessels and a workforce of more than 6,000 employees. The Company has been listed in the Mexican Stock Exchange since 1991. For more information, visit www.grupoherdez.com.mx

FINANCIAL STATEMENT	Fourth Quarter					As of December 31				
	2012	%	2011	%	% Chg	2012	%	2011	%	% Chg
Net Sales	3,154	100.0	2,918	100.0	8.1	11,220	100.0	9,697	100.0	15.7
Domestic	2,614	82.9	2,460	84.3	6.3	8,970	79.9	8,174	84.3	9.7
International	540	17.1	458	15.7	18.1	2,251	20.1	1,523	15.7	47.8
Cost of Goods Sold	2,060	65.3	1,903	65.2	8.2	7,264	64.7	6,153	63.5	18.1
Gross Profit	1,095	34.7	1,015	34.8	7.9	3,957	35.3	3,544	36.5	11.6
Operating Expenses	653	20.7	581	19.9	12.5	2,344	20.9	2,017	20.8	16.2
Income Before Other Expenses (Income)	441	14.0	434	14.9	1.7	1,612	14.4	1,527	15.8	5.6
Other Expenses (Income)	-58	(1.8)	-3	(0.1)		-43	(0.4)	15	0.2	
Operating Income	499	15.8	437	15.0	14.3	1,655	14.8	1,512	15.6	9.4
Domestic	425	13.5	383	13.1	11.0	1,349	12.0	1,344	13.9	0.4
International	74	2.3	54	1.8	37.7	306	2.7	169	1.7	81.5
Comprehensive Financing Result	37	1.2	3	0.1		148	1.3	7	0.1	
Interest Earned and Paid, Net	30	0.9	24	0.8	22.5	113	1.0	86	0.9	31.6
Exchange Gain (Loss)	8	0.2	-21	(0.7)	135.6	34	0.3	-80	(0.8)	143.2
Others Gain (Loss)	0	0.0	0	0.0		0	0.0	0	0.0	
Income From Unconsolidated Affiliates	3	0.1	6	0.2	(50.1)	24	0.2	30	0.3	(21.1)
Income Before Income Taxes	465	14.7	439	15.1	5.8	1,531	13.6	1,536	15.8	(0.3)
Income Tax Provision	130	4.1	134	4.6	(3.3)	451	4.0	480	5.0	(6.0)
Income Before Discontinued Operations	335	10.6	305	10.4	9.8	1,080	9.6	1,056	10.9	2.3
Discontinued Operations	0	0.0	1	0.0	(100.0)	0	0.0	3	0.0	(100.0)
Consolidated Net income	335	10.6	304	10.4	10.1	1,080	9.6	1,053	10.9	2.6
Minority Interest	91	2.9	85	2.9	6.3	290	2.6	285	2.9	1.6
Net Majority Income	244	7.7	219	7.5	11.6	790	7.0	768	7.9	2.9
EBITDA	546	17.3	484	16.6	12.8	1,849	16.5	1,664	17.2	11.1
Domestic	455	14.4	417	14.3	9.2	1,476	13.2	1,461	15.1	1.0
International	90	2.9	67	2.3	34.9	374	3.3	203	2.1	83.7

Figures expressed in millions of Mexican pesos

BALANCE SHEET	2012		2011		Change	
		%		%	\$	%
TOTAL ASSETS	9,857	100.0	9,503	100.0	354	3.7
Domestic	7,670	77.8	7,289	73.9	381	5.2
International	2,187	22.2	2,214	22.5	-27	(1.2)
Current Assets	5,121	52.0	4,945	52.0	175	3.5
Cash and Equivalents	1,064	10.8	1,155	12.2	-91	(7.8)
Accounts Receivable	1,033	10.5	936	9.9	96	10.3
Other Accounts Receivable	1,541	15.6	1,598	16.8	-57	(3.6)
Inventories	1,348	13.7	1,096	11.5	252	23.0
Other Current Assets	135	1.4	161	1.7	-26	(16.0)
Non-Current Assets	4,736	48.0	4,558	48.0	178	3.9
Property, Plant and Equipment, Net	2,427	24.6	2,158	22.7	269	12.5
Investment In Subsidiaries	151	1.5	123	1.3	28	22.6
Intangible Assets	1,992	20.2	2,099	22.1	-106	(5.1)
Other Assets	166	1.7	179	1.9	-13	(7.1)
TOTAL LIABILITIES	4,504	45.7	4,758	50.1	-254	(5.3)
Domestic	3,282	33.3	3,253	34.2	29	0.9
International	1,222	12.4	1,504	15.8	-282	(18.8)
Current Liabilities	1,068	10.8	1,233	13.0	-165	(13.4)
Accounts Payable	774	7.8	843	8.9	-69	(8.2)
Short-Term Debt	0	0.0	4	0.0	-4	(100.0)
Other Short-Term Liabilities	294	3.0	386	4.1	-91	(23.7)
Long-Term Liabilities	3,436	34.9	3,525	37.1	-89	(2.5)
Long-Term Debt	2,190	22.2	2,219	23.4	-30	(1.3)
Other Liabilities	482	4.9	509	5.4	-27	(5.3)
Other Long-Term Liabilities w/o Cost	764	7.8	796	8.4	-32	(4.0)
TOTAL STOCKHOLDERS' EQUITY	5,353	54.3	4,745	49.9	608	12.8
Minority Stockholder's Equity	1,195	12.1	1,063	11.2	132	12.4
Majority Stockholder's Equity	4,158	42.2	3,682	38.7	476	12.9

Figures expressed in millions of Mexican pesos