



GRUPO HERDEZ REPORTS THIRD QUARTER 2016 RESULTS

Mexico City, Mexico, October 20, 2016 – Grupo Herdez, S.A.B. de C.V. (“Grupo Herdez” or the “Company”) (MSE: HERDEZ, OTC: GUZBY) today announced results for the third quarter ended September 30, 2016.

“We are pleased to report continued sales growth in Mexico and solid performance in our Frozen division, with healthier margins thanks to excellent commercial execution,” said Héctor Hernández-Pons Torres, Chairman and Chief Executive Officer

Highlights from the quarter:

- Consolidated net sales rose 7.0% primarily driven by solid growth in Mexico core and strong performance in the Frozen division.
- EBIT and EBITDA margins were 13.9% and 16.6%, respectively, reflecting an expected sequential improvement.
- CAPEX in the quarter totaled Ps. 128 million

Main results	3Q16	3Q15	% Change
Net Sales	4,543	4,248	7.0
Gross Profit	1,840	1,769	4.0
EBIT	633	679	6.8
Consolidated Net Income	426	432	1.6
EBITDA	753	787	4.4

Figures in million pesos

Margins	3Q16	3Q15	pp Chg
Gross Margin	40.5	41.6	(1.1)
EBIT Margin	13.9	16.0	(2.1)
Consolidated Net Mg	9.4	10.2	(0.8)
EBITDA Margin	16.6	18.5	(1.9)

The information contained in this document is prepared in accordance with International Financial Reporting Standards (IFRS) and expressed in nominal Mexican pesos unless otherwise stated. Grupo Herdez consolidates 100% of the Frozen division, Herdez Del Fuerte, Barilla Mexico and McCormick de Mexico in its financial statements. The proportional stake of Herdez Del Fuerte in MegaMex is registered in Equity Investment in Associates.

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About Grupo Herdez

Grupo Herdez is the leading producer of shelf-stable foods and one of the main players in the ice cream category in Mexico, as well as one of the leaders in the Mexican food category in the United States. The Company participates in a wide range of categories including burritos, canned vegetables, frozen yogurt, guacamole, home style salsas, honey, ice cream, jam, ketchup, mayonnaise, mole, mustard, organic foods, pasta, spices, tea, tomato puree, and tuna fish, among others. These products are commercialized through an exceptional portfolio of brands, which include Aires de Campo®, Barilla®, Búfalo®, Chi-Chi's®, Del Fuerte®, Don Miguel®, Doña María®, Embasa®, Helados Nestlé®, Herdez®, La Victoria®, McCormick®, Nutrisa®, Wholly Guacamole® and Yemina®. Additionally, the Company has distribution agreements in Mexico for Kikkoman®, Ocean Spray®, Reynolds® and Truvia®. Grupo Herdez has 15 plants, 12 distribution centers, 8 tuna vessels, 493 Nutrisa stores and a workforce of more than 8,500 associates. The Company was founded in 1914 and has been listed in the Mexican Stock Exchange since 1991 and in the OTC market since 1997. For more information, visit <http://www.grupoherdez.com.mx>

Forward-Looking Statement

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