



GRUPO HERDEZ REPORTS FOURTH QUARTER AND FULL YEAR 2016 RESULTS

Mexico City, Mexico, February 23, 2017 – Grupo Herdez, S.A.B. de C.V. (“Grupo Herdez” or the “Company”) (MSE: HERDEZ, OTC: GUZBY) today announced results for the fourth quarter and full year ended December 31, 2016.

“Exceptional commercial execution, brand repositioning, channel expansion, and effective pricing strategies enabled us to achieve double-digit sales growth in the year. The above in combination with the Company’s hedging strategy, helped to partially offset gross margin pressure,” said Héctor Hernández-Pons Torres, Chairman and Chief Executive Officer.

Highlights from the year:

- Consolidated net sales rose 11.2% to Ps.18,180 million on solid growth in Mexico core and strong performance in Frozen.
- Consolidated EBIT and EBITDA margins were 13.0% and 15.5%, respectively.
- Consolidated net income was Ps.1,593 million, 23.2% higher than in 2015.

Main Results	4Q16	4Q15	% Change
Net Sales	4,879	4,444	9.8
Gross Profit	2,039	1,758	15.9
EBIT	690	138	401.0
Consolidated Net Income	434	20	2,106.0
EBITDA	799	690	15.8

Figures in million pesos

Márgenes	4Q16	4Q15	Pp Chg
Gross Margin	41.8	39.6	2.2
EBIT Margin	14.1	3.1	11.0
Consolidated Net Mg	8.9	0.4	8.5
EBITDA Margin	16.4	15.5	0.9

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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Acerca de Grupo Herdez

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® and Reynolds®. Grupo Herdez has 15 plants, 20 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>

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