



## GRUPO HERDEZ REPORTS SECOND QUARTER 2018 RESULTS

Mexico City, Mexico, July 26, 2018 – Grupo Herdez, S.A.B. de C.V. (“Grupo Herdez” or the “Company”) (MSE: HERDEZ) today announced results for the second quarter ending June 30, 2018.

"Our strength in commercial execution allowed us to lever a strong June month which drove our performance in the second quarter," said Héctor Hernández-Pons Torres, chairman and chief executive officer at Grupo Herdez. "The adjustments made in the past years in anticipation of today's market uncertainties continue to strengthen our leadership position," he added.

### Highlights for the quarter:

- Consolidated net sales increased by 7.0 percent to MXN 5,217 million due to volume growth in Preserves and Exports divisions.
- Consolidated EBIT and EBITDA margins expanded 80 and 50 basis points to 14.9 and 17.4 percent, respectively.
- Consolidated net income totaled MXN 665 million, 54.0 percent higher than the same quarter in 2017, with margin growth of 3.9 percentage points to 12.8 percent.

Quarter Results	2Q18	Margin (%)	2Q17	Margin (%)	% Change
Net Sales	5,217	100.0	4,876	100.0	7.0
Gross Profit	2,117	40.6	1,934	39.7	9.5
EBIT	775	14.9	687	14.1	12.9
Consolidated Net income	665	12.8	432	8.9	54.0
EBITDA	909	17.4	823	16.9	10.4

Figures expressed in millions of Mexican pesos

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The information contained in this document is prepared in accordance with International Financial Reporting Standards (IFRS) and expressed in Mexican pesos unless otherwise stated.

Grupo Herdez consolidates 100 percent of its Frozen division, Herdez Del Fuerte -Mexico-, 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



### **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, ketchup, marmalade, 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 Frank's, French's, Kikkoman, Ocean Spray and Reynolds. Grupo Herdez has 15 manufacturing facilities, 22 distribution centers, 7 tuna vessels, 477 Nutrisa stores and a workforce of more than 9,400 associates. The Company was founded in 1914 and has been listed on the Mexican Stock Exchange since 1991. For more information, visit <http://www.grupoherdez.com.mx>

### **Forward-Looking Statement**

The information herein contained ("Information") has been prepared by Grupo Herdez, S.A.B. de C.V., its associates, subsidiaries and/or affiliated companies ("Grupo Herdez") and may contain forward-looking statements that reflects Grupo Herdez current expectations and views which could differ materially due to different factors, risks and uncertainties. Therefore, Grupo Herdez and/or its respective officers, employees or agents, assume no responsibility or liability for any discrepancy in the Information. In particular, but without prejudice to the generality of the foregoing, no warranty is given as to the accuracy of the statements or the future variation of the Information or any other written or oral Information issued by Grupo Herdez. The Information has been delivered for informative purposes only. The issuance of this Information shall not be taken as any form of commitment on the part of Grupo Herdez to proceed with any transaction.