

## GRUPO HERDEZ REPORTS THIRD QUARTER 2013 RESULTS

To provide continuity in reporting the Company's performance, the information contained in this document is prepared on a pro forma basis, in accordance with International Financial Reporting Standards (IFRS) applicable until December 31, 2012. It should be noted that starting 2014, all reporting will comply with IFRS applicable since January 1, 2013 as figures will be fully comparable.

### Highlights from the quarter:

- Consolidated net sales rose 9.2%, driven by the incorporation of Nutrisa.
- Operating margin before other expenses was 13.3%, mainly reflecting soft sales performance and thus lower fixed expense absorption.
- Net margin of 5.0% reflects an extraordinary charge at MegaMex, higher net interest expenses and effective tax rate.

**Mexico City, Mexico, October 24, 2013 – Grupo Herdez, S.A.B. de C.V. (“Grupo Herdez” or the “Company”)** (BMV: HERDEZ, OTC: GUZBY), today announced its results for the third quarter ended September 30, 2013.<sup>1</sup>

“The consumption environment deteriorated on a sequential basis in the third quarter of the year. Nevertheless, underlying performance remains solid and the Company's results continue to benefit from the integration of Nutrisa. Our commercial strategy and financial position are solid as we head into the final months of the year, and we are optimistic about economic conditions regaining momentum in the back half of 2014,” said Héctor Hernández-Pons Torres, Chairman and Chief Executive Officer.

### Net Sales

Net sales in the third quarter rose 9.2% over the year ago period to Ps. 3,113 million, driven by the integration of the first full quarter of Nutrisa's results. Cumulative sales for the nine month period grew 9.8%.

Net Sales	3Q13	3Q12	% Change	9M13	9M12	% Change
Consolidated	3,113	2,851	9.2	8,853	8,061	9.8
Domestic	2,516	2,252	11.7	7,160	6,356	12.6
International	596	599	(0.4)	1,693	1,705	(0.7)

Figures in million pesos

<sup>1</sup> All financial information contained in this document is prepared in accordance with International Financial Reporting Standards (IFRS). All figures are expressed in nominal Mexican pesos unless otherwise stated.

In Mexico, net sales grew 11.7% to Ps. 2,516 million, which reflected the integration of Nutrisa. Excluding Nutrisa, net sales would have declined 2.1% when compared with the same period of last year. The deterioration of the consumption environment impacted all businesses in the quarter, most notably the wholesale channel, while sales to retailers remained strong in the quarter and even outpaced industry performance. By category, pasta, gelatins, teas and canned vegetables outperformed. Cumulative net sales in Mexico rose 12.6%; while excluding Nutrisa growth would have been 5.1% when compared to 2012.

In the international front, net sales in the quarter remained nearly unchanged in Mexican pesos from the year ago period, on weak consumption and the impact of a stronger peso. This performance is mainly attributable to MegaMex, as export sales from Mexico rose at a double-digit pace with the recovery of volumes following certain shortages registered in the previous quarter. At MegaMex, the Herdez® brand continued to outperform in the period with ongoing momentum following the launch of Herdez® snacks in the second quarter of the year. On a cumulative basis, net sales in the international segment remained nearly unchanged in Mexican pesos, impacted by a stronger peso (4.2% vs US dollar) over the nine month period.

### Gross Profit

Gross margin expanded 2.1 percentage points in the quarter from the 2012 figure to 38.0%. This reflected mainly the combination of lower raw material costs in Mexico, sequential higher prices for the tuna category and the integration of Nutrisa, whose cost of goods sold as a percentage of net sales is significantly lower than for Grupo Herdez. These factors were able to offset a seasonal higher avocado cost at MegaMex along with a stronger Mexican peso. It is important to note that during the quarter, the Company continued registering an accrual related to the closure of the Mexico mayonnaise plant which will be relocated to the State of Mexico in the coming months. On a cumulative basis, gross margin also expanded 2.1 percentage points, to 37.5%.

Gross Profit	3Q13	3Q12	% Change	9M13	9M12	% Change
Consolidated	1,181	1,023	15.5	3,318	2,857	16.1
Domestic	1,023	827	23.8	2,812	2,310	21.7
International	158	196	(19.3)	506	546	(7.4)

Figures in million pesos

Gross Margin	3Q13	3Q12	pp Chg	9M13	9M12	pp Chg
Consolidated	38.0	35.9	2.1	37.5	35.4	2.1
Domestic	40.7	36.7	4.0	39.3	36.4	2.9
International	26.5	32.7	(6.2)	29.9	32.0	(2.1)

## Operating Expenses

In the quarter, sales, general and administrative (SG&A) expenses as a proportion of net sales grew 4.1 percentage points compared to the same period of 2012. Excluding Nutrisa, the increase would have been of 1.0 percentage point attributable to the budgeted increase in advertising and promotional expenses in support of product launches in Mexico and the United States. It is worth noting that SG&A at Nutrisa as a proportion of net sales during the quarter was significantly affected by the weak consumption environment, along with bad weather conditions, which limited the absorption of fixed SG&A expenses.

## Operating Income

Operating income before other income & expenses totaled Ps. 413 million in the quarter, a 4.9% decrease from the same period of last year. This is explained by the aforementioned increase in SG&A and COGS for MegaMex, which fully offset the expansion of the gross margin in Mexico. On a cumulative basis, operating income before other income & expenses rose 6.4% to Ps. 1,246 million, with 4.8 percentage points of the growth attributable to Nutrisa.

Operating income totaled Ps. 396 million, a decline of 6.4%, resulting in a 12.7% margin when compared to the 14.8% registered in the same period of last year. The contraction in the margin is explained by the aforementioned increases along with a Ps. 17 million extraordinary charge resulting from an earn out accrual at Fresherized Foods, acquired in 2011, derived from actual results significantly exceeding original expectations. On a cumulative basis, operating income rose 5.9% to Ps. 1,224 million; excluding Nutrisa, operating income would have been nearly unchanged from last year.

Operating Income	3Q13	3Q12	% Change	9M13	9M12	% Change
Consolidated	396	423	(6.4)	1,224	1,156	5.9
Domestic	358	338	6.1	1,044	924	12.9
International	38	85	(55.8)	180	231	(22.0)

Figures in million pesos

Operating Margin (%)	3Q13	3Q12	pp Chg	9M13	9M12	pp Chg
Consolidated	12.7	14.8	(2.1)	13.8	14.3	(0.5)
Domestic	14.2	15.0	(0.8)	14.6	14.5	0.1
International	6.3	14.2	(7.9)	10.7	13.6	(2.9)

## Comprehensive Result of Financing

The Company registered a Ps. 75 million cost in the quarter, compared to Ps. 47 million recorded in the same period of last year; this primarily reflected higher net interest payments arising from the bridge loan to finance the Nutrisa acquisition.

### Net Majority Income

Net majority income in the quarter totaled Ps. 157 million, a 19.1% decline from the 2012 period. Net margin was 5.0%, 1.8 percentage points lower than in the previous year mainly due to: i) the incorporation of Nutrisa; ii) soft top line performance that impacted all regions; iii) the extraordinary expense at MegaMex; iv) higher interest payments; and v) a higher effective tax rate. For the first nine months of 2013, net majority income was Ps. 535 million, while the margin was 6.0%.

Net Majority Income	3Q13	3Q12	% Change	9M13	9M12	% Change
Consolidated Net Income	220	271	(18.9)	722	745	(3.1)
Minority Interest	63	78	(18.4)	188	199	(5.7)
Net Majority Income	157	194	(19.1)	535	546	(2.1)
Net Majority Margin (%)	5.0	6.8	(1.8) pp	6.0	6.8	(0.8) pp

Figures in million pesos

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

EBITDA in the quarter fell 3.3% to Ps. 458 million, with a 1.9 percentage point decline in the margin to 14.7%. On a cumulative basis, EBITDA rose 6.1% to Ps. 1,384 million, with a 60 basis point contraction in the margin to 15.6%. Excluding the extraordinary expense at MegaMex, EBITDA margin for the quarter and first nine months of the year would have been 15.3% and 15.8%, respectively.

EBITDA	3Q13	3Q12	% Change	9M13	9M12	% Change
Consolidated	458	474	(3.3)	1,384	1,304	6.1
Domestic	403	372	8.5	1,153	1,021	13.0
International	55	103	(46.1)	231	283	(18.5)

Figures in million pesos

EBITDA Margin (%)	3Q13	3Q12	pp Chg	9M13	9M12	pp Chg
Consolidated	14.7	16.6	(1.9)	15.6	16.2	(0.6)
Domestic	16.0	16.5	(0.5)	16.1	16.1	0.0
International	9.3	17.2	(7.9)	13.6	16.6	(3.0)

### Capital Expenditures

Net capex in the quarter totaled Ps. 184 million, which was largely allocated to the continued construction of the new mayonnaise plant in the State of Mexico, the increased capacity in pasta, and the opening of 14 Nutrisa stores. On a cumulative basis, capital expenditures totaled Ps. 542 million.

### Financial Structure

At September 30, 2013 the Company's cash position remained solid at Ps. 1,175 million. Consolidated debt was unchanged from the previous quarter at Ps. 5,140 million. Leverage ratios remain healthy at 2.06 times net debt-to-EBITDA and 0.69 times net debt-to-stockholder's equity, compared to 2.04x and 0.72x respectively registered at June 30, 2013. This reflected the incorporation of the bridge loan and only 140 days of Nutrisa's EBITDA.

### Recent Events

- On July 30, 2013 Grupo Herdez announced the termination of its Market Maker Services Agreement established with Acciones y Valores Banamex, Casa de Bolsa.
- On August 28, 2013 Grupo Herdez announced an ADR ratio change from the previous ratio of 1 ADS representing 25 ordinary shares, to the current ratio of 1:4.

### 3Q13 Earnings Conference Call Information

Date: Friday, October 25, 2013

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

To participate, please dial:

Toll Free US and Canada: +1 (888) 572-7025

Toll International: +1 (719) 325-2464

Conference ID#: 7061168

Or to access on the internet click here: <http://public.viavid.com/index.php?id=106180>

If you are unable to participate live, a replay of the conference call will be available through November 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#: 7061168.

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### About Grupo Herdez

Grupo Herdez is a leading producer of shelf-stable foods and frozen yogurt 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, coffee, guacamole, frozen yogurt, homemade salsas, honey, ketchup, 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, Nutrisa, Wholly Guacamole and Yemina. In addition, the Company has distribution agreements for the Herdez GoGo Squeeze, Kikkoman, Ocean Spray, Reynolds and Truvia products in Mexico. Grupo Herdez has 14 plants, 9 distribution centers, 7 tuna vessels and a workforce of more than 9,000 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 [www.grupoherdez.com.mx](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 affiliates 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 or any of their respective officers, employees or agents, have no responsibility or liability for such differences in the Information. In particular, but without prejudice to the generality of the foregoing, no warranty is given as to the achievement or success of any future variation of such Information or other written or oral Information. This Information has been delivered only for informative purposes. The issue of this Information shall not be taken as any form of commitment on the part of Grupo Herdez to proceed with any transaction.

## PRO FORMA FINANCIAL INFORMATION

FINANCIAL STATEMENT	Third Quarter					As of September 30				
	2013	%	2012	%	% Chg	2013	%	2012	%	% Chg
Net Sales	3,113	100.0	2,851	100.0	9.2	8,853	100.0	8,061	100.0	9.8
Domestic	2,516	100.0	2,252	100.0	11.7	7,160	100.0	6,356	100.0	12.6
International	596	100.0	599	100.0	(0.4)	1,693	100.0	1,705	100.0	(0.7)
Cost of Goods Sold	1,931	62.0	1,828	64.1	5.6	5,535	62.5	5,204	64.6	6.4
Gross Profit	1,181	38.0	1,023	35.9	15.5	3,318	37.5	2,857	35.4	16.1
Domestic	1,023	40.7	827	36.7	23.8	2,812	39.3	2,310	36.4	21.7
International	158	26.5	196	32.7	(19.3)	506	29.9	546	32.0	(7.4)
Operating Expenses	768	24.7	589	20.6	30.5	2,072	23.4	1,685	20.9	22.9
Income Before Other Expenses (Income)	413	13.3	434	15.2	(4.9)	1,246	14.1	1,171	14.5	6.4
Other Expenses (Income)	17	0.6	11	0.4	50.7	21	0.2	16	0.2	38.1
Operating Income	396	12.7	423	14.8	(6.4)	1,224	13.8	1,156	14.3	5.9
Domestic	358	14.2	338	15.0	6.1	1,044	14.6	924	14.5	12.9
International	38	6.3	85	14.2	(55.8)	180	10.7	231	13.6	(22.0)
Comprehensive Financing Result	75	2.4	47	1.6	60.2	150	1.7	110	1.4	36.0
Interest Earned and Paid, Net	75	2.4	26	0.9	182.0	171	1.9	84	1.0	104.7
Exchange Gain (Loss)	0	0.0	20	0.7	(97.6)	-21	(0.2)	27	0.3	(177.3)
Others Gain (Loss)	0	0.0	0	0.0		0	0.0	0	0.0	
Income From Unconsolidated Affiliates	11	0.3	5	0.2	100.6	23	0.3	21	0.3	11.4
Income Before Income Taxes	332	10.7	381	13.4	(13.0)	1,098	12.4	1,066	13.2	2.9
Income Tax Provision	111	3.6	110	3.9	1.4	375	4.2	321	4.0	16.8
Income Before Discontinued Operations	220	7.1	271	9.5	(18.9)	722	8.2	745	9.2	(3.1)
Discontinued Operations	0	0.0	0	0.0		0	0.0	0	0.0	
Consolidated Net income	220	7.1	271	9.5	(18.9)	722	8.2	745	9.2	(3.1)
Minority Interest	63	2.0	78	2.7	(18.4)	188	2.1	199	2.5	(5.7)
Net Majority Income	157	5.0	194	6.8	(19.1)	535	6.0	546	6.8	(2.1)
EBITDA	458	14.7	474	16.6	(3.3)	1,384	15.6	1,304	16.2	6.1
Domestic	403	16.0	372	16.5	8.5	1,153	16.1	1,021	16.1	13.0
International	55	9.3	103	17.2	(46.1)	231	13.6	283	16.6	(18.5)

Figures expressed in millions of Mexican pesos

The proportions of COGS, Gross Profit, Operating Income and EBITDA of the segments are calculated accordingly

BALANCE SHEET	Sep 30		Jun 30		Change	
	2013	%	2013	%	\$	%
<b>TOTAL ASSETS</b>	<b>13,584</b>	<b>100.0</b>	<b>13,291</b>	<b>100.0</b>	<b>292</b>	<b>2.2</b>
Domestic	11,196	82.4	11,101	81.7	95	0.9
International	2,388	17.6	2,191	16.1	197	9.0
Current Assets	5,563	41.0	5,418	40.8	145	2.7
Cash and Equivalents	1,175	8.7	1,169	8.8	6	0.5
Accounts Receivable	915	6.7	1,030	7.7	-114	(11.1)
Other Accounts Receivable	1,591	11.7	1,532	11.5	60	3.9
Inventories	1,742	12.8	1,559	11.7	183	11.7
Other Current Assets	139	1.0	128	1.0	11	8.8
Non-Current Assets	8,020	59.0	7,874	59.2	147	1.9
Property, Plant and Equipment, Net	3,146	23.2	3,017	22.7	129	4.3
Investment In Subsidiaries	134	1.0	144	1.1	-10	(6.7)
Intangible Assets	4,455	32.8	4,453	33.5	2	0.0
Other Assets	285	2.1	260	2.0	25	9.6
<b>TOTAL LIABILITIES</b>	<b>7,849</b>	<b>57.8</b>	<b>7,782</b>	<b>58.5</b>	<b>68</b>	<b>0.9</b>
Domestic	6,694	49.3	6,651	50.0	43	0.7
International	1,155	8.5	1,131	8.5	24	2.1
Current Liabilities	1,661	12.2	1,631	12.3	29	1.8
Accounts Payable	886	6.5	889	6.7	-4	(0.4)
Short-Term Debt	350	2.6	350	2.6	0	0.0
Other Short-Term Liabilities	425	3.1	392	2.9	33	8.5
Long-Term Liabilities	6,189	45.6	6,150	46.3	38	0.6
Long-Term Debt	4,790	35.3	4,790	36.0	0	0.0
Other Liabilities	486	3.6	483	3.6	3	0.7
Other Long-Term Liabilities w/o Cost	912	6.7	877	6.6	35	4.0
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>5,734</b>	<b>42.2</b>	<b>5,510</b>	<b>41.5</b>	<b>225</b>	<b>4.1</b>
Minority Stockholder's Equity	1,397	10.3	1,332	10.0	65	4.9
Majority Stockholder's Equity	4,338	31.9	4,178	31.4	160	3.8

Figures expressed in millions of Mexican pesos

## CURRENT IFRS COMPLIANT FINANCIAL INFORMATION

FINANCIAL STATEMENT	Third Quarter					As of September 30				
	2013	%	2012	%	% Chg	2013	%	2012	%	% Chg
Net Sales	3,283	100.0	2,995	100.0	9.6	9,400	100.0	8,549	100.0	10.0
Domestic	3,057	100.0	2,816	100.0	8.5	8,800	100.0	7,999	100.0	10.0
International	227	100.0	179	100.0	26.4	600	100.0	550	100.0	9.2
Cost of Goods Sold	2,079	63.3	2,019	67.4	3.0	6,037	64.2	5,754	67.3	4.9
Gross Profit	1,205	36.7	976	32.6	23.4	3,363	35.8	2,795	32.7	20.3
Domestic	1,170	38.3	957	34.0	22.3	3,294	37.4	2,739	34.2	20.3
International	34	15.1	19	10.8	76.3	69	11.5	56	10.2	23.2
Operating Expenses	767	23.4	580	19.4	32.2	2,075	22.1	1,675	19.6	23.9
Income Before Other Expenses (Income)	437	13.3	396	13.2	10.3	1,288	13.7	1,120	13.1	14.9
Other Expenses (Income)	-1	(0.0)	0	(0.0)	(123.4)	-9	(0.1)	-7	(0.1)	(32.9)
Operating Income	438	13.3	397	13.2	10.5	1,297	13.8	1,127	13.2	15.0
Domestic	426	13.9	391	13.9	8.9	1,272	14.5	1,106	13.8	15.0
International	12	5.5	6	3.1	123.7	25	4.1	21	3.9	17.1
Comprehensive Financing Result	75	2.3	60	2.0	25.1	165	1.8	147	1.7	12.4
Interest Earned and Paid, Net	82	2.5	36	1.2	127.5	194	2.1	114	1.3	69.6
Exchange Gain (Loss)	-6	(0.2)	24	0.8	(126.7)	-29	(0.3)	33	0.4	(188.5)
Others Gain (Loss)	0	0.0	0	0.0		0	0.0	0	0.0	
Income From Unconsolidated Affiliates	45	1.4	130	4.3	(65.6)	223	2.4	315	3.7	(29.3)
Income Before Income Taxes	408	12.4	467	15.6	(12.6)	1,355	14.4	1,296	15.2	4.5
Income Tax Provision	121	3.7	106	3.5	13.5	383	4.1	302	3.5	26.7
Income Before Discontinued Operations	287	8.7	360	12.0	(20.3)	972	10.3	994	11.6	(2.2)
Discontinued Operations	0	0.0	0	0.0		0	0.0	0	0.0	
Consolidated Net income	287	8.7	360	12.0	(20.3)	972	10.3	994	11.6	(2.2)
Minority Interest	130	4.0	167	5.6	(21.8)	437	4.7	448	5.2	(2.4)
Net Majority Income	157	4.8	194	6.5	(19.1)	535	5.7	546	6.4	(2.1)
EBITDA	506	15.4	454	15.2	11.4	1,468	15.6	1,289	15.1	13.9
Domestic	487	15.9	444	15.8	9.5	1,426	16.2	1,255	15.7	13.6
International	19	8.5	10	5.4	98.1	42	7.0	34	6.2	25.0

Figures expressed in millions of Mexican pesos

The proportions of COGS, Gross Profit, Operating Income and EBITDA of the segments are calculated accordingly

BALANCE SHEET	Sep 30		%	Jun 30		Change	
	2013			2013		\$	%
<b>TOTAL ASSETS</b>	<b>17,813</b>	<b>100.0</b>		<b>17,485</b>	<b>100.0</b>	<b>328</b>	<b>1.9</b>
Domestic	16,641	93.4		16,378	91.9	263	1.6
International	1,172	6.6		1,107	6.2	65	5.9
Current Assets	5,867	32.9		5,716	32.7	151	2.6
Cash and Equivalents	1,356	7.6		1,265	7.2	92	7.2
Accounts Receivable	1,535	8.6		1,830	10.5	-294	(16.1)
Other Accounts Receivable	607	3.4		554	3.2	53	9.5
Inventories	2,224	12.5		1,930	11.0	294	15.3
Other Current Assets	144	0.8		137	0.8	7	4.9
Non-Current Assets	11,946	67.1		11,769	67.3	177	1.5
Property, Plant and Equipment, Net	4,030	22.6		3,914	22.4	115	2.9
Investment In Subsidiaries	2,900	16.3		2,882	16.5	18	0.6
Intangible Assets	4,613	25.9		4,603	26.3	10	0.2
Other Assets	404	2.3		370	2.1	34	9.1
<b>TOTAL LIABILITIES</b>	<b>8,522</b>	<b>47.8</b>		<b>8,482</b>	<b>48.5</b>	<b>39</b>	<b>0.5</b>
Domestic	8,474	47.6		8,446	48.3	28	0.3
International	48	0.3		37	0.2	11	30.6
Current Liabilities	1,962	11.0		1,935	11.1	28	1.4
Accounts Payable	1,091	6.1		1,072	6.1	18	1.7
Short-Term Debt	350	2.0		350	2.0	0	0.0
Other Short-Term Liabilities	522	2.9		512	2.9	9	1.8
Long-Term Liabilities	6,559	36.8		6,548	37.4	12	0.2
Long-Term Debt	4,790	26.9		4,790	27.4	0	0.0
Other Liabilities	973	5.5		966	5.5	7	0.7
Other Long-Term Liabilities w/o Cost	796	4.5		791	4.5	5	0.6
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>9,291</b>	<b>52.2</b>		<b>9,003</b>	<b>51.5</b>	<b>289</b>	<b>3.2</b>
Minority Stockholder's Equity	4,954	27.8		4,825	27.6	129	2.7
Majority Stockholder's Equity	4,338	24.4		4,178	23.9	160	3.8

Figures expressed in millions of Mexican pesos