

GRUPO HERDEZ REPORTS FIRST QUARTER 2015 RESULTS

Highlights from the quarter:

- Consolidated net sales rose 14.4% primarily due to strong results in Mexico core.
- EBIT and EBITDA margins were 16.6% and 18.8%, respectively.
- Consolidated net income increased 37.8% to Ps. 436 million.
- Nutrisa ended the quarter with 433 stores.

Mexico City, Mexico, April 23, 2015 – Grupo Herdez, S.A.B. de C.V. (“Grupo Herdez” or the “Company”) (MSE: HERDEZ, OTC: GUZBY), today announced results for the first quarter ended March 31, 2015. As of March 1, 2015, Grupo Herdez financial statements include Helados Nestlé’s results, which are integrated in the new Frozen division along with those of Nutrisa.

“The first three months of the year showed strong continued momentum, with across the board growth in Mexico core. We continue to be cautiously optimistic about the rest of the year,” said Héctor Hernández-Pons Torres, Chairman and Chief Executive Officer.

Net Sales

Net sales in the first three months of the year rose 14.4% from the year ago period, to Ps. 3,719 million. Approximately 3 percentage points of this growth is attributable to the incorporation of Helados Nestlé as of March 1, 2015.

In Mexico core, net sales grew 16.4%, extending strong performance seen since the second half of last year resulting from the Company’s efforts to boost volume performance, as well as the positive calendar effect. The best performing categories were canned vegetables, jam, mayonnaise, mole, tea and tuna. Export sales declined 8.8% when compared to the same period of last year as a result of sluggish sales at MegaMex as well as inventory adjustments. The 14.8% growth in the Frozen division reflects the incorporation of Helados Nestlé as of March 1, 2015, while sales at Nutrisa continue to be impacted by the product rationalization process begun in April of 2014.

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. Results reflect the incorporation of Helados Nestlé, registered in the Frozen line, as of March 1, 2015.

Net Sales	1Q15	1Q14	% Change
Consolidated	3,719	3,251	14.4
Mexico Core	3,148	2,704	16.4
Frozen	355	310	14.8
Exports	216	237	(8.8)

Figures in million pesos

Gross Profit

Consolidated gross margin in the quarter expanded 3.9 percentage points from the first quarter of last year, to 41.4%. This increase is the result of: i) lower prices for key raw materials such as soybean oil and tomatoes, in combination with the hedging strategy that limited the impact of a stronger US dollar; ii) a better sales mix, particularly in Mexico core and Nutrisa; and iii) lower production costs at the new vegetable plant in Sinaloa.

Gross Profit	1Q15	1Q14	% Change
Consolidated	1,538	1,220	26.1
Mexico Core	1,277	1,006	27.0
Frozen	238	192	24.1
Exports	23	22	6.3

Figures in million pesos

Gross Margin	1Q15	1Q14	pp Chg
Consolidated	41.4	37.5	3.9
Mexico Core	40.6	37.2	3.4
Frozen	67.1	62.0	5.1
Exports	10.6	9.1	1.5

Sales, General and Administrative Expenses (SG&A)

SG&A in the quarter increased 1.1 percentage points as a proportion of net sales, to 25.2%, mainly due to a 10.8 percentage point increase in the Frozen division. This rise resulted from the incorporation of Helados Nestlé, which has a higher distribution cost structure, and the impact of lower sales at Nutrisa that were not able to absorb fixed expenses arising from new stores opened in the last twelve months.

Earnings Before Interest, Taxes, Other Income and Expenses (EBIT Before Other Income and Expenses)

EBIT Before Other Income and Expenses totaled Ps. 602 million in the quarter, 38.3% higher than in the same period of last year, while the margin expanded 2.8 percentage points to 16.2%. This performance is attributable to gross margin expansion in Mexico core.

Other Income and Expenses

In the quarter, the Company registered other income of Ps. 15 million related to rebates associated to distribution agreements.

Earnings Before Interest and Taxes (EBIT)

EBIT in the quarter rose 44.5% to Ps. 617 million, while the margin increased 3.5 percentage points to 16.6%. This expansion is explained by strong performance in Mexico core. At the Frozen division, the 58.6% decrease is explained by lower sales at Nutrisa that were not able to absorb fixed expenses.

EBIT	1Q15	1Q14	% Change
Consolidated	617	427	44.5
Mexico Core	596	389	53.3
Frozen	13	30	(58.6)
Exports	9	8	8.8

Figures in million pesos

EBIT Margin (%)	1Q15	1Q14	pp Chg
Consolidated	16.6	13.1	3.5
Mexico Core	18.9	14.4	4.5
Frozen	3.5	9.8	(6.3)
Exports	4.1	3.5	0.6

Comprehensive Financing Result

The comprehensive financing result in the quarter totaled Ps. 95 million, with net interest expense of Ps. 87 million and an exchange loss of Ps. 8 million.

Equity Investment in Associates

In the quarter, equity investment in associates totaled Ps. 118 million, 21.0% higher than the year ago figure, mainly due to one-time charges registered in 2014 related to the integration of Don Miguel.

Equity Investment in Associates	1Q15	1Q14	% Change
Equity Investment in Associates	118	97	21.0
MegaMex	108	85	26.7
Others	9	12	(20.8)

Consolidated Net Income

Consolidated net income totaled Ps. 436 million in the quarter, 37.8% higher than in the same period of last year. Net margin expanded 2.0 percentage points to 11.7%. These increases are mainly the result of solid top line growth, gross margin expansion and the increase in the equity investment in associates.

Majority Net Income

Majority net income for the quarter totaled Ps. 224 million, an increase of 29.4% when compared to the first quarter of last year, while the margin increased 70 basis points to 6.0%.

Net Income	1Q15	1Q14	% Change
Net Consolidated Income	436	316	37.8
Net Consolidated Margin (%)	11.7	9.7	2.0 pp
Minority Interest	212	143	47.9
Net Majority Income	224	173	29.4
Net Majority Margin (%)	6.0	5.3	0.7 pp

Figures in million pesos

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

EBITDA in the first quarter rose 38.9% to Ps. 698 million, with a 3.4 percentage point expansion in the margin to 18.8%. This margin increase is mainly explained by strong operating results in Mexico as well as higher depreciation and amortization in the Frozen division.

EBITDA	1Q15	1Q14	% Change
Consolidated	698	502	38.9
Mexico Core	649	445	45.9
Frozen	34	41	(17.8)
Exports	15	16	(9.2)

Figures in million pesos

EBITDA Margin (%)	1Q15	1Q14	pp Chg
Consolidated	18.8	15.4	3.4
Mexico Core	20.6	16.5	4.1
Frozen	9.5	13.3	(3.8)
Exports	6.8	6.9	(0.1)

Capital Expenditures (CAPEX)

Net CAPEX in the quarter was Ps. 527 million, among which Ps. 431 million was related to the acquisition of the assets of Helados Nestlé. The remainder was allocated to the ongoing expansion of the Distribution Center in Sinaloa, México.

Nutrisa Stores

As of March 31, 2015, Nutrisa total stores were 433.



Financial Structure

At March 31, 2015, the Company's cash position totaled Ps. 1,752 million. Debt was Ps. 6,176 million, which considers the Ps. 958 million bank loan to finance the Helados Nestlé acquisition and the amortization of Ps. 600 million of the local bond HERDEZ 10.

Leverage ratios remain healthy at 1.7x net debt to consolidated EBITDA and 0.34x net debt to consolidated stockholder's equity.

Recent Events

On March 2, 2015, Grupo Herdez announced the closing of the agreement with Nestlé México, S.A. de C.V. to acquire Nestlé's ice cream business in Mexico.

1Q15 Earnings Conference Call Information

Date: Friday, April 24th, 2015

Time: 12:00 p.m. E.T. / 11:00 a.m. C.T.

To participate, please dial:

- Toll Free US and Canada: +1 (888) 395-3227
- Toll International: +1 (719) 325-2448
- Conference ID#: 9203283

To Access on the internet, follow the link available at: www.inversionistasgrupoherdez.com or go directly to: <http://public.viavid.com/index.php?id=113708>

- If you are unable to participate live, a replay of the conference call will be available from April 24th, 2015 until May 5th, 2015. To access the replay, please dial domestic US and Canada +1 (877) 870-5176, or from other countries +1 (858) 384-5517; conference ID: 9203283.

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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 Herdez GoGo Squeeze®, Kikkoman®, Ocean Spray®, Reynolds® and Truvía®. Grupo Herdez has 15 plants, 9 distribution centers, 7 tuna vessels, 433 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 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.

FINANCIAL STATEMENT	First Quarter					
	2015	%	2014	%	% Chg	
Net Sales	3,719	100.0	3,251	100.0	14.4	
Mexico Core	3,148	100.0	2,704	100.0	16.4	
Frozen	355	100.0	310	100.0	14.8	
Exports	216	100.0	237	100.0	(8.8)	
Cost of Goods Sold	2,181	58.6	2,032	62.5	7.3	
Mexico Core	1,870	59.4	1,698	62.8	10.1	
Frozen	117	32.9	118	38.0	(0.5)	
Exports	194	89.4	216	90.9	(10.4)	
Gross Profit	1,538	41.4	1,220	37.5	26.1	
Mexico Core	1,277	40.6	1,006	37.2	27.0	
Frozen	238	67.1	192	62.0	24.1	
Exports	23	10.6	22	9.1	6.3	
Operating Expenses	936	25.2	784	24.1	19.4	
Mexico Core	695	22.1	606	22.4	14.7	
Frozen	228	64.1	165	53.3	37.9	
Exports	14	6.5	13	5.6	4.8	
EBIT before Other Income and Expenses	602	16.2	435	13.4	38.3	
Mexico Core	583	18.5	400	14.8	45.5	
Frozen	11	3.0	27	8.7	(60.4)	
Exports	9	4.1	8	3.5	8.8	
Other Income/Expenses, Net	-15	(0.4)	8	0.3	N.A.	
EBIT	617	16.6	427	13.1	44.5	
Mexico Core	596	18.9	389	14.4	53.3	
Frozen	13	3.5	30	9.8	(58.6)	
Exports	9	4.1	8	3.5	8.8	
Comprehensive Financing Result	95	2.6	94	2.9	1.0	
Interest Earned and Paid, Net	87	2.3	86	2.7	1.0	
Exchange Loss (Gain)	8	0.2	8	0.3	-	
Others Loss (Gain)	0	0.0	0	0.0	-	
Equity Investment in Associates	118	3.2	97	3.0	21.0	
MegaMex	108	2.9	85	2.6	26.7	
Others	9	0.2	12	0.4	(20.8)	
Income Before Income Taxes	639	17.2	430	13.2	48.7	
Income Tax Provision	204	5.5	114	3.5	78.9	
Income Before Discontinued Operations	436	11.7	316	9.7	37.8	
Discontinued Operations	0	0.0	0	0.0	-	
Consolidated Net income	436	11.7	316	9.7	37.8	
Minority Interest	212	5.7	143	4.4	47.9	
Majority Net Income	224	6.0	173	5.3	29.4	
EBITDA	698	18.8	502	15.4	38.9	
Mexico Core	649	20.6	445	16.5	45.9	
Frozen	34	9.5	41	13.3	(17.8)	
Exports	15	6.8	16	6.9	(9.2)	

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	Mar 31		Dec 31		Change	
	2015	%	2014	%	\$	%
TOTAL ASSETS	24,170	100.0	21,559	100.0	2,611	12.1
Domestic	22,850	94.5	20,134	83.3	2,716	13.5
USA	1,320	5.5	1,425	5.9	-105	(7.4)
Current Assets	6,338	26.2	5,711	26.5	627	11.0
Cash and Equivalents	1,752	7.3	1,314	6.1	438	33.4
Accounts Receivable	1,562	6.5	1,426	6.6	136	9.5
Other Accounts Receivable	131	0.5	697	3.2	-566	(81.2)
Inventories	2,136	8.8	2,180	10.1	-44	(2.0)
Other Current Assets	757	3.1	95	0.4	662	NA
Non-Current Assets	17,832	73.8	15,848	73.5	1,984	12.5
Property, Plant and Equipment, Net	4,695	19.4	4,114	19.1	581	14.1
Investment In Subsidiaries	5,462	22.6	4,826	22.4	636	13.2
Intangible Assets	7,244	30.0	6,613	30.7	630	9.5
Other Assets	432	1.8	294	1.4	137	46.6
TOTAL LIABILITIES	10,474	43.3	8,623	40.0	1,852	21.5
Domestic	10,442	43.2	8,020	37.2	2,422	30.2
USA	33	0.1	603	2.8	-571	(94.6)
Current Liabilities	2,557	10.6	2,330	10.8	227	9.8
Accounts Payable	1,174	4.9	1,020	4.7	154	15.1
Short-Term Debt	563	2.3	800	3.7	-237	(29.6)
Other Short-Term Liabilities	820	3.4	510	2.4	310	60.8
Long-Term Liabilities	7,918	32.8	6,293	29.2	1,624	25.8
Long-Term Debt	5,612	23.2	4,200	19.5	1,412	33.6
Other Liabilities	1,117	4.6	992	4.6	125	12.6
Other Long-Term Liabilities w/o Cost	1,188	4.9	1,101	5.1	87	7.9
TOTAL STOCKHOLDERS' EQUITY	13,695	56.7	12,936	60.0	759	5.9
Minority Stockholder's Equity	7,107	29.4	6,801	31.5	306	4.5
Majority Stockholder's Equity	6,589	27.3	6,135	28.5	454	7.4

Figures expressed in millions of Mexican pesos