GRUPO HERDEZ REPORTS SECOND QUARTER 2011 RESULTS

Highlights from the quarter:

- Net sales rose 16.3%, driven by double-digit growth in Mexico and the US
- Operating and EBITDA margins expanded by 40 basis points each, reflecting the combination of higher input prices and the appreciation of the Mexican peso
- Net majority margin declined 90 basis points mainly due to higher financing costs

Mexico City, Mexico, July 21, 2011 – Grupo Herdez, S.A.B. de C.V. ("Grupo Herdez" or the "Company") (BMV: HERDEZ, OTC: GUZBY), today announced its results for the second quarter ended June 30, 2011.[1]

"Volume performance and better pricing, combined with strong growth in the US, indicates that the recovery is taking hold and our client-focused commercial strategy is on track," said Héctor Hernández-Pons Torres, Chairman and Chief Executive Officer.

Net Sales

Net sales in the second quarter totaled Ps. 2,296 million, an increase of 16.3% over the 2010 figure. This is the result of double-digit growth both in Mexico and internationally. On a cumulative basis, net sales rose 7.9% to Ps. 4,432 million due to growth of 3.7% and 38.4% in Mexico and internationally, respectively.

Net Sales	2Q11	2Q10	% Change	6M11	6M10	% Change
Consolidated	2,296	1,975	16.3	4,432	4,109	7.9
Domestic	1,950	1,723	13.1	3,753	3,618	3.7
International	347	252	37.6	679	491	38.4

Figures in millions of pesos

In Mexico, net sales increased 13.1% in the quarter to Ps. 1,950 million. This was attributable mainly to: i) the positive effect of Easter sales registered in the second quarter of 2011 while in 2010 the holiday fell in the first quarter; ii) higher average prices following the pricing actions implemented during the first half of 2011; and iii) steady volume performance across the portfolio. On a cumulative basis, domestic net sales increased 3.7% to Ps. 3,753 million.

[1] All financial information contained in this document is prepared in accordance with Mexican Financial Reporting Standards (NIF). All figures are expressed in nominal Mexican pesos unless otherwise stated.

In the United States, net sales rose 37.6% and 38.4% in the quarter and first six months respectively, primarily reflecting the incorporation of Don Miguel as well as strong performance in the salsa and tortilla categories in the modern channel. These factors more than offset the negative effect of the devaluation of the US dollar, resulting in lower sales when converting to pesos.

Costs and Expenses

The cost of goods sold in the quarter remained stable when compared to last year, representing 62.0% of net sales. This reflects the impact of higher input costs that were offset by the appreciation of the Mexican peso as well as cost reduction initiatives across the board. In the first half of the year, cost of goods sold rose 1.4 percentage points as a percentage of net sales, to 62.4%, due to the expected impact of higher prices of key inputs.

On the operating side, sales, general and administrative expenses rose 14.6% but decreased as a percentage of net sales by 30 basis points to 20.9%. Similarly, for the first six months of the year, expenses rose 6.9% but declined 20 basis points as a percentage of net sales. The above is mainly explained by expense control initiatives.

Operating Income

Operating income in the second quarter of the year totaled Ps. 394 million, 19.3% higher when compared to 2010, while the margin improved by 40 basis points to 17.2%. This is explained by the aforementioned top line increase and stable cost of goods sold as a proportion of net sales. On a cumulative basis, operating income grew 0.6%, while the margin declined 1.2 percentage points to 16.8%. This expected decline reflects the significant increase in raw material costs when compared to last year's prices, which have been partially offset by pricing actions and cost and expenses control initiatives.

Operating Income	2Q11	2Q10	% Change	6M11	6M10	% Change
Consolidated	394	330	19.3	744	740	0.6
Domestic	349	293	18.9	662	670	(1.1)
International	45	37	22.7	82	71	16.4

Figures in millions of pesos

Operating Margin (%)	2Q11	2Q10	PP Chg	6M11	6M10	PP Chg
Consolidated	17.2	16.7	0.4	16.8	18.0	(1.2)
Domestic	17.9	17.0	0.9	17.6	18.5	(0.9)
International	13.0	14.6	(1.6)	12.1	14.4	(2.3)

Comprehensive Result of Financing

The comprehensive cost of financing totaled Ps. 25 million for the quarter, 51.5% higher than in the same period of last year, while the six month figure rose 15.9% to Ps. 55 million. In both cases the increase is explained by higher net interest expense reflecting a higher average debt position when compared to last year, which was partially offset by an FX gain.

Net Majority Income

Net majority income in the second quarter totaled Ps. 185 million, 5.4% higher than in the year ago period, while the margin declined 90 basis points to 8.0%. For the first six months, income fell 12.8% to Ps. 340 million with a 1.8 percentage point contraction in the margin.

Net Majority Income	2Q11	2Q10	% Change	6M11	6M10	% Change
Consolidated Net Income	261	234	11.7	478	523	(8.6)
Minority Interest	76	58	30.5	138	133	3.7
Net Majority Income	185	175	5.4	340	390	(12.8)
Net Majority Margin (%)	8.0	8.9	(0.9) pp	7.7	9.5	(1.8) pp

Figures in millions of pesos

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

EBITDA in the quarter totaled Ps. 427 million, a rise of 18.5% when compared to the same period of last year. The margin was 18.6%, 40 basis points higher than in 2010. On a cumulative basis, EBITDA totaled Ps. 812 million, 1.7% higher than in the year ago period, while the margin declined 1.1 percentage points to 18.3%.

EBITDA	2Q11	2Q10	% Change	6M11	6M10	% Change
Consolidated	427	360	18.5	812	799	1.7
Domestic	374	321	16.6	715	724	(1.3)
International	53	39	33.8	98	75	30.8

Figures in millions of pesos

EBITDA Margin (%)	2Q11	2Q10	PP Chg	6M11	6M10	PP Chg
Consolidated	18.6	18.2	0.4	18.3	19.4	(1.1)
Domestic	19.2	18.6	0.6	19.0	20.0	(1.0)
International	15.2	15.6	(0.4)	14.4	15.2	(0.8)

Capital Expenditures

Net capex in the second quarter totaled Ps. 31 million, half of which was allocated to maintenance, and the remainder to completion of construction of the distribution center located in the State of Mexico, where operations started up during the quarter.

Financial Structure
As of June 30, 2011 the Company's cash position was Ps. 1,106 million, 16.4% lower than in March 2011. This mainly reflects dividend payments of Ps. 467 million made during the second quarter of the year.

Consolidated net debt[2] totaled Ps. 701 million, 44.6% higher than in March 2011. Leverage ratios remain healthy, with net debt to stockholders' equity at 0.17 times and net debt to EBITDA at 0.40 times, compared to the 0.11 times and 0.28 times, respectively, registered in March 2011.

Recent Events

- On May 20, 2011, the Company inaugurated the "Mexico Distribution Center" in the State of Mexico. The investment in this distribution center totaled Ps. 650 million for Herdez Del Fuerte and reaffirmed the Company's commitment to continuous improvement, growth and value creation, while strengthening the Herdez Del Fuerte leadership position in the processed food and beverages market in Mexico and the U.S.

- On May 31, Grupo Herdez announced that the Barilla plant located in San Luis Potosi was certified FSSC 22000 (Food Safety Certification System), the maximum food safety certification worldwide and the first such certification in Latin America.

- On July 18, 2011, the Company announced that through its associated company Herdez Del Fuerte, it purchased the tuna vessel "Conquista", with capture capacity of more than 4,000 tons per year. With this acquisition, Grupo Herdez will supply more than 90% of this raw material with its own fleet thus improving the costs related to this product line. The purchase price corresponding to Herdez Del Fuerte totaled US$7.5 million and was paid in cash.

- Today, the Company announced that its associated company MegaMex Foods LLC entered into a definitive agreement to acquire Fresherized Foods, Inc., the word leader in processed avocado and guacamole, based in Texas. This transaction is subject to customary closing conditions and is expected to close in the third quarter of 2011.

[2] Consolidated debt excludes loans from holding companies to its associates.

2Q11 Earnings Conference Call Information

Date:	Friday, July 22, 2011
Time:	12:00 p.m. ET/ 11:00 a.m. CT
Dial-in:	+1 (706) 679 3873
Call ID:	81371945

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INCOME STATEMENT	Second Quarter					Six months as of June 30				
	2011	%	2010	%	% Chg	2011	%	2010	%	% Chg
Net Sales	2,296	100.0	1,975	100.0	16.3	4,432	100.0	4,109	100.0	7.9
Cost of Goods Sold	1,423	62.0	1,227	62.1	16.0	2,767	62.4	2,507	61.0	10.3
Gross Profit	874	38.0	749	37.9	16.7	1,665	37.6	1,602	39.0	4.0
Operating Expenses	480	20.9	419	21.2	14.6	921	20.8	861	21.0	6.9
Operating Income	394	17.2	330	16.7	19.3	744	16.8	740	18.0	0.6
Other expenses (Income)	6	0.3	-4	(0.2)	NC	15	0.3	-5	(0.1)	NC
Comprehensive Financing Result	-25	(1.1)	-16	(0.8)	51.5	-55	(1.2)	-47	(1.2)	15.9
Income from unconsolidated affiliates	7	0.3	5	0.3	41.0	15	0.3	13	0.3	21.2
Income before income taxes	370	16.1	323	16.3	14.6	690	15.6	710	17.3	(2.9)
Income tax provision	108	4.7	87	4.4	23.5	209	4.7	182	4.4	15.3
Income before discontinued ops.	262	11.4	236	11.9	11.3	480	10.8	529	12.9	(9.2)
Discontinued Operations	-1	(0.1)	-2	(0.1)	(34.3)	-2	(0.0)	-6	(0.1)	(66.5)
Consolidated Net income	261	11.4	234	11.8	11.7	478	10.8	523	12.7	(8.6)
Minority Interest	76	3.3	58	3.0	30.5	138	3.1	133	3.2	3.7
Net Majority Income	185	8.0	175	8.9	5.4	340	7.7	390	9.5	(12.8)
						0	0.0	0	0.0	0.0
EBITDA	427	18.6	360	18.2	18.5	812	18.3	799	19.4	1.7

Figures expressed in millions of nominal Mexican pesos
NC: Not comparable

BALANCE SHEET	2011	%	2010	%	Change	
					$	%
TOTAL ASSETS	**7,387**	**100.0**	**6,038**	**100.0**	**1,348**	**22.3**
Current Assets	3,957	53.6	3,266	54.1	691	21.2
Cash and Equivalents	1,106	15.0	752	12.4	354	47.1
Accounts Receivable	703	9.5	590	9.8	113	19.1
Other Accounts Receivable	1,051	14.2	889	14.7	162	18.2
Inventories	1,005	13.6	981	16.2	24	2.5
Other Current Assets	93	1.3	54	0.0	0	0.0
Property, Plant and Equipment, Net	1,813	24.6	1,663	27.5	151	9.1
Investment In Subsidiaries	100	1.3	96	1.6	4	4.0
Intangible Assets	1,493	20.2	1,005	16.6	488	48.6
Other Assets	23	0.3	9	0.2	14	153.7
TOTAL LIABILITIES	**3,156**	**42.7**	**2,465**	**40.8**	**690**	**28.0**
Current Liabilities	773	10.5	1,575	26.1	-802	(50.9)
Accounts Payable	538	7.3	526	8.7	12	2.3
Short-Term Debt	4	0.1	705	11.7	-701	(99.4)
Other Short-Term Liabilities	231	3.1	344	5.7	-113	(32.9)
Long-Term Liabilities	2,074	28.1	731	12.1	1,343	183.6
Long-Term Debt	1,802	24.4	606	10.0	1,196	197.2
Other Liabilities	272	3.7	125	2.1	147	117.7
Other Long-Term Liabilities w/o Cost	308	4.2	159	2.6	149	94.0
Minority Stockholder's Equity	922	12.5	748	12.4	175	23.4
Majority Stockholder's Equity	3,308	44.8	2,825	46.8	483	17.1
TOTAL STOCKHOLDERS' EQUITY	**4,231**	**57.3**	**3,573**	**59.2**	**658**	**18.4**

Figures expressed in millions of nominal Mexican pesos
NA: Not applicable

Company Description

Grupo Herdez is a leading producer of shelf-stable foods and beverages in Mexico, and a leader in the Mexican food category in the United States.

The Company is engaged in the production, distribution and sale of a broad range of categories including catsup, homemade sauces, honey, marmalade, mayonnaise, mole, mustard, pasta, spices, tea, tomato puree, tuna and vegetables, among others. These are sold through an exceptional portfolio of brands, including Chi-Chi's, Del Fuerte, Doña María, Embasa, Herdez, La Victoria, McCormick and Yemina. Grupo Herdez has 11 plants, 8 distribution centers and more than 6,500 employees.