



GRUPO BIMBO REPORTS FIRST HALF 2017 RESULTS

MEXICO CITY, JULY 25, 2017

Grupo Bimbo, S.A.B. de C.V. (“Grupo Bimbo” or “the Company”) (BMV: BIMBO) today reported its results for the six months ended June 30, 2017.¹

HIGHLIGHTS IN THE PERIOD

Net sales increased 11.1%, primarily reflecting FX rate benefit, organic growth in Mexico and Iberia, and the acquisitions of Donuts Iberia, Groupe Adghal in Morocco and Ready Roti in India

Gross profit rose 10.8%, while the margin declined a slight 10 basis points, mainly driven by FX impact on raw material costs in Mexico

Adjusted EBITDA² margin contracted 100 basis points mainly on the back of the aforementioned impact and higher integration and restructuring expenses in several regions

Net majority margin contracted 90 basis points, as a result of the abovementioned expenses, coupled with a higher financing cost and a higher effective tax rate

The Company acquired the majority stake of Ready Roti, the baking leader in New Delhi and its surrounding areas, with annual sales of US\$48 million

Grupo Bimbo signed an agreement to acquire East Balt Bakeries, a global leader within the foodservice industry, with annual sales of approximately US\$420 million

The Company changed the accounting method for Bimbo Venezuela’s results; accordingly, starting June 1st, this operation is valued using the Fair Value approach. Grupo Bimbo will continue with its operation in this country

1. Figures included in this document are prepared in accordance with International Financial Reporting Standards (IFRS)

2. Operating Income plus depreciation, amortization and other non-cash items

Investor Relations

<http://www.grupobimbo.com/ri/>

Tania Dib
tania.dib@grupobimbo.com

Estefanía Poucel
estefania.poucel@grupobimbo.com
(5255) 5268 6830

NET SALES

(MILLIONS OF MEXICAN PESOS)

2Q17	2Q16	% Change	Net Sales	6M17	6M16	% Change
22,047	19,732	11.7	Mexico	44,130	39,507	11.7
34,204	33,613	1.8	North America	68,206	63,794	6.9
6,870	6,863	0.1	Latin America	14,573	13,352	9.1
3,927	2,346	67.4	EAA	8,145	4,538	79.5
65,115	61,040	6.7	Consolidated	131,195	118,115	11.1

Consolidated results exclude inter-company transactions.

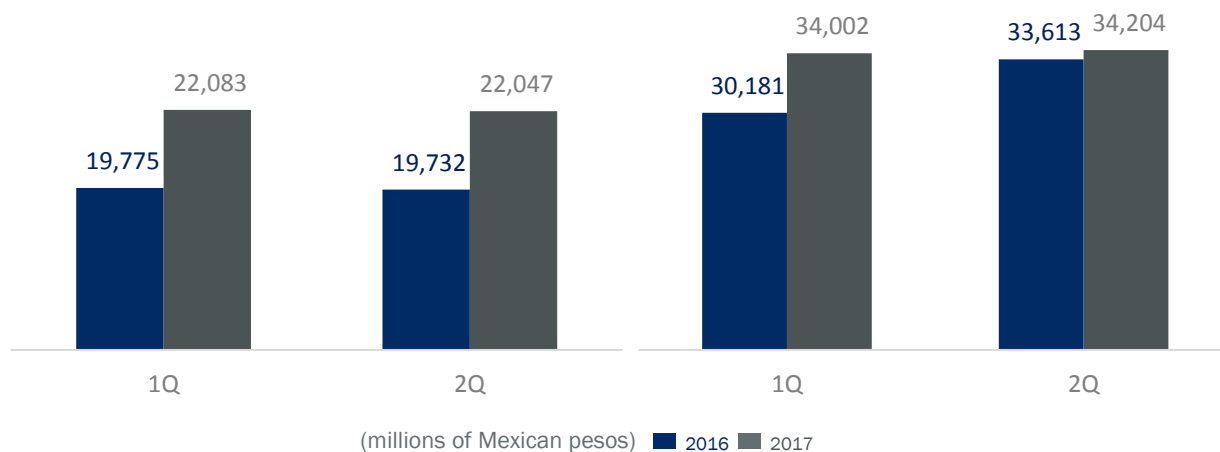
Consolidated net sales rose 11.1% reflecting FX rate benefit, organic growth in Mexico and Iberia, and the acquisitions of Donuts Iberia, Groupe Adghal in Morocco, and Ready Roti in India.

Mexico

Net sales rose 11.7% over the first half of 2016, primarily driven by volume growth across most categories and channels, with outperformance in the sweet baked goods, salty snacks, confectionery and *tostadas* categories, as well as in the convenience channel. A slight price increase on certain categories, in line with inflation, also supported sales growth in the period. In addition to increased client penetration, new launches such as *Barcel Snaps* popcorn contributed to growth.

North America³

Net sales grew 6.9% due to the exchange rate benefit, along with growth in the branded business, notably the strategic brands, and market share in the US, with outperformance in the Little Bites brand in the US and the *tortillas* and bagels categories in Canada. Nonetheless, continued pressure in the non-branded and frozen businesses as well as in the premium category put pressure on volumes, leading to a 1% sales decrease in dollar terms.



3. North America region includes operations in the United States and Canada

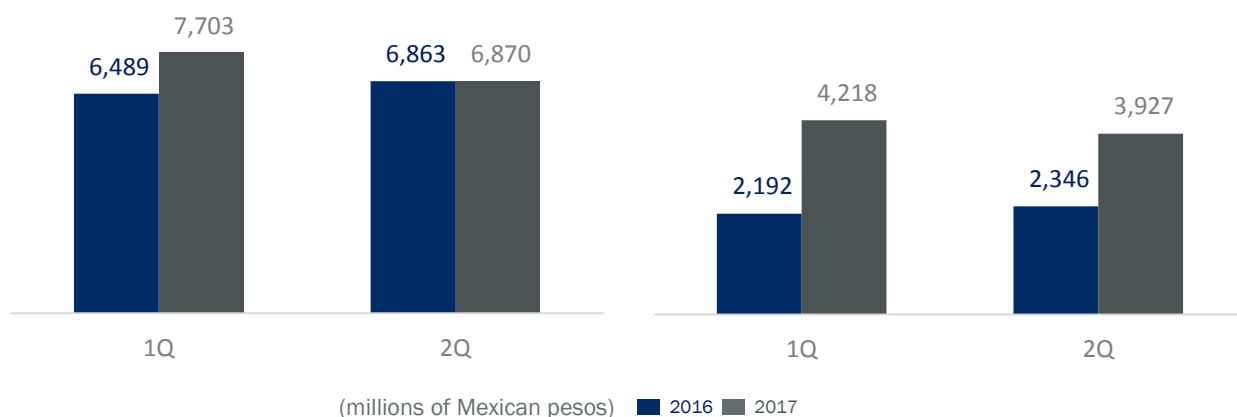
Latin America

Net sales growth of 9.1% in the period mainly reflected an FX rate benefit, as volumes were lower in Argentina due to economic pressure, which offset gains in the *Latin Centro* division. Organic growth was driven by product innovation such as *Artesano* in Brazil, the tortillas category in Chile and enhanced distribution efficiencies throughout the region.

EAA (Europe, Asia & Africa)

The 79.5% improvement in net sales in the region was largely driven by the integration of Donuts Iberia, Ready Roti in India, and Groupe Adghal in Morocco, FX rate benefit, organic growth in Iberia, and China sales and volume double-digit growth during the second quarter.

Organic growth was supported by good performance of the bread category, market share growth in Spain and Portugal, and new product launches such as the introduction of *Little Adventures* buns and sweet baked goods in the U.K. This was offset by a weak performance in the sweet baked goods category mainly as a result of higher temperatures in Spain.



GROSS PROFIT

(MILLIONS OF MEXICAN PESOS)

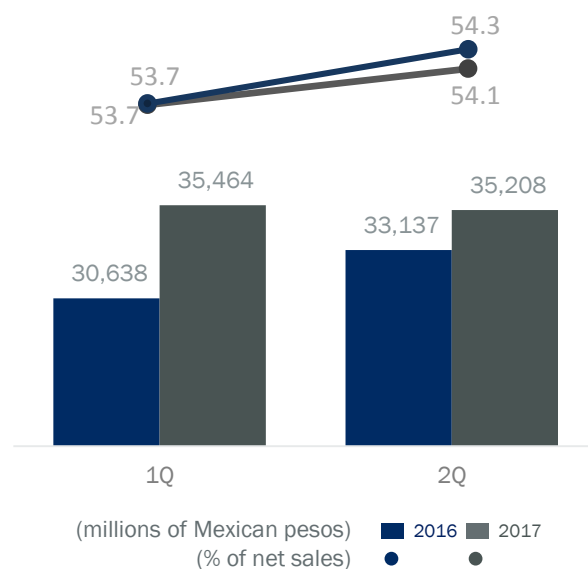
2Q17	2Q16	% Change	Gross Profit	6M17	6M16	% Change
12,223	11,269	8.5	Mexico	24,420	22,546	8.3
18,646	18,066	3.2	North America	36,897	33,773	9.3
3,148	3,056	3.0	Latin America	6,713	6,075	10.5
1,564	1,020	53.4	EAA	3,420	1,929	77.3
35,208	33,137	6.3	Consolidated	70,673	63,775	10.8

2Q17	2Q16	Change pp	Gross Margin (%)	6M17	6M16	Change pp
55.4	57.1	(1.7)	Mexico	55.3	57.1	(1.8)
54.5	53.7	0.8	North America	54.1	52.9	1.2
45.8	44.5	1.3	Latin America	46.1	45.5	0.6
39.8	43.5	(3.7)	EAA	42.0	42.5	(0.5)
54.1	54.3	(0.2)	Consolidated	53.9	54.0	(0.1)

Consolidated results exclude inter-company transactions.

Consolidated gross profit for the first half increased 10.8%, while the margin contracted a slight 10 basis points, to 53.9%, due to the impact of a stronger US dollar on raw material costs in Mexico, which are expected to continue for the rest of the year, and higher labor and indirect costs in EAA and Canada, which offset lower raw material costs in the US, as well as in the other regions.

EAA contraction of 370 basis points during the second quarter was driven by higher raw material costs, on the back of a different product mix, coupled with higher labor and indirect costs.



PROFIT BEFORE OTHER INCOME AND EXPENSES

(MILLIONS OF MEXICAN PESOS)

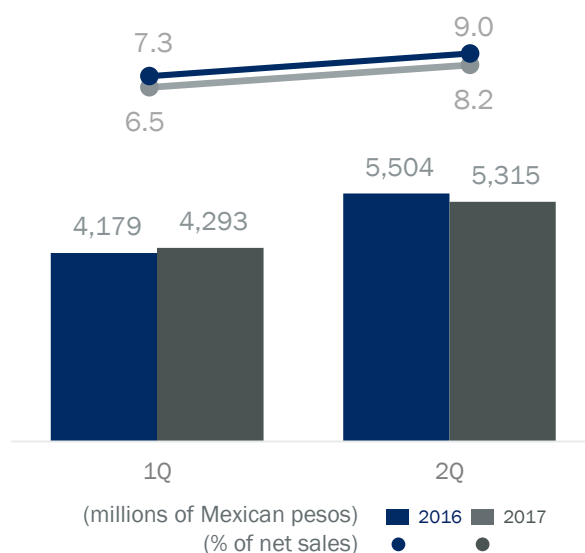
2Q17	2Q16	% Change	Profit Before Other Income & Expenses	6M17	6M16	% Change
3,166	2,984	6.1	Mexico	5,822	5,656	2.9
2,564	2,536	1.1	North America	4,380	3,918	11.8
(146)	(205)	(28.6)	Latin America	(242)	(181)	34.1
(264)	(28)	>100	EAA	(324)	(130)	>100
5,315	5,504	(3.4)	Consolidated	9,608	9,683	(0.8)

2Q17	2Q16	Change pp	Margin Before Other Income & Expenses (%)	6M17	6M16	Change pp
14.4	15.1	(0.7)	Mexico	13.2	14.3	(1.1)
7.5	7.5	0.0	North America	6.4	6.1	0.3
(2.1)	(3.0)	0.9	Latin America	(1.7)	(1.4)	(0.3)
(6.7)	(1.2)	(5.5)	EAA	(4.0)	(2.9)	(1.1)
8.2	9.0	(0.8)	Consolidated	7.3	8.2	(0.9)

Consolidated results exclude inter-company transactions.

Profit before other income & expenses declined 0.8% in the period, while the margin contracted by 90 basis points. This was due to a combination of the following factors: i) higher administration expenses in the US and EAA; and ii) higher distribution expenses in Canada, Latin America and EAA, on the back of route restructuring efforts in some countries and two instances of labor stoppages in Canada.

These factors were somewhat offset by overall efficiencies in the United States and Mexico reflecting initiatives such as the zero base budgeting and the closure of two facilities in the US during the first quarter.



OPERATING INCOME

(MILLIONS OF MEXICAN PESOS)

2Q17	2Q16	% Change	Operating Income	6M17	6M16	% Change
3,298	3,021	9.2	Mexico	6,141	5,722	7.3
2,272	2,063	10.2	North America	3,678	3,226	14.0
(398)	(334)	19.3	Latin America	(641)	(391)	63.9
(528)	(71)	>100	EAA	(889)	(214)	>100
4,589	4,853	(5.4)	Consolidated	8,175	8,738	(6.4)

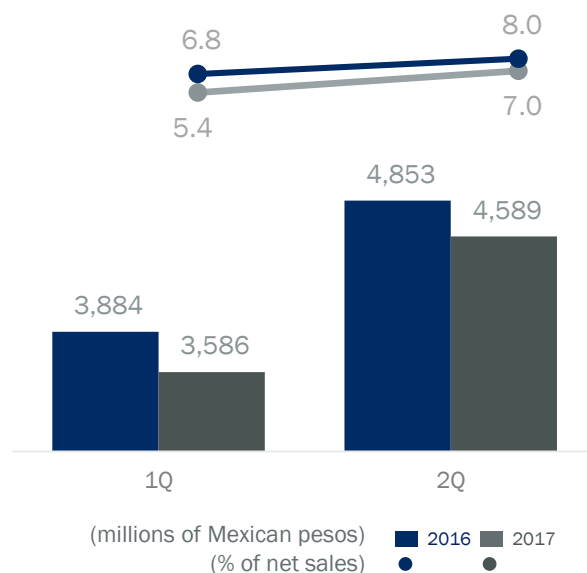
2Q17	2Q16	Change pp	Operating Margin (%)	6M17	6M16	Change pp
15.0	15.3	(0.3)	Mexico	13.9	14.5	(0.6)
6.6	6.1	0.5	North America	5.4	5.1	0.3
(5.8)	(4.9)	(0.9)	Latin America	(4.4)	(2.9)	(1.5)
(13.4)	(3.0)	(10.4)	EAA	(10.9)	(4.7)	(6.2)
7.0	8.0	(1.0)	Consolidated	6.2	7.4	(1.2)

Regional results do not reflect inter-company royalties and consolidated results exclude inter-company transactions.

Operating income declined 6.4% from the prior year, with a 120 basis point contraction in the margin to 6.2%, due to the aforementioned decrease in profit before other income and expenses, as well as to higher expected integration and restructuring expenses in:

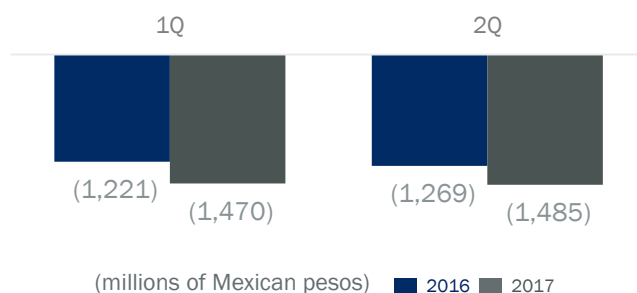
- EAA, due to the integration of Donuts Iberia and, to a lesser extent, the closure of a plant in Morocco;
- in Latin America, due to transformation and restructuring efforts mainly in Argentina, Chile and Brazil; and
- in the US, reflecting transformation initiatives, such as two upcoming plant closures.

Furthermore, a Ps. 54 million charge was registered on the other income and expenses line because, effective in June 1st, the Company changed the accounting method for Bimbo Venezuela's results; accordingly, this operation is now valued using the Fair Value approach. Grupo Bimbo will continue with its operations in the country.



COMPREHENSIVE FINANCIAL RESULT

Financing cost resulted in a Ps. 2,955 million cost in the period, compared to Ps. 2,489 million in the first half of last year, an increase of Ps. 466 million that reflects a higher loss from the net monetary asset position in Venezuela and the incremental interest expense related to the change in the Mexican peso/US dollar FX rate, which increased the Mexican peso value of US dollar-denominated interest expenses.



NET MAJORITY INCOME

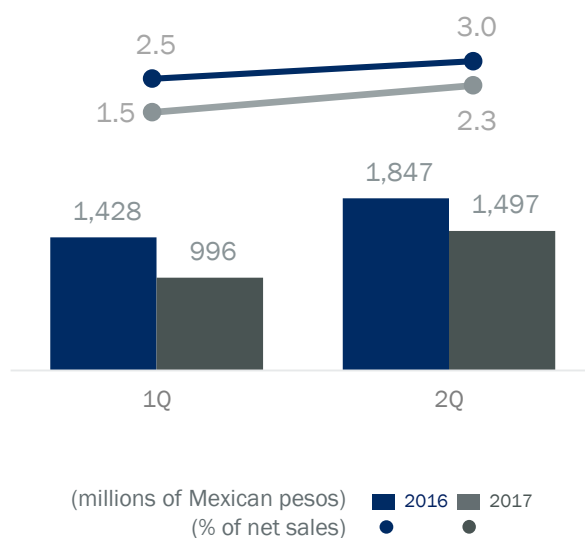
(MILLIONS OF MEXICAN PESOS)

2Q17	2Q16	% Change	Net Majority Income	6M17	6M16	% Change
1,497	1,847	(19.0)	Consolidated	2,493	3,275	(23.9)

2Q17	2Q16	Change pp	Net Majority Margin(%)	6M17	6M16	Change pp
2.3	3.0	(0.7)	Consolidated	1.9	2.8	(0.9)

Net majority income declined 23.9%, with a 90 basis point contraction in the margin to 1.9%, attributable to the aforementioned increase in expenses and financing cost, as well as a higher effective tax rate of 44.5%, which compares with 41.2% registered in the same period of last year. This increase primarily reflected: i) the effect of no longer carrying deferred income tax benefit in some countries; ii) having better earnings in the US, naturally subject to a higher tax rate; and iii) a higher taxable base due to inflationary gains in Mexico.

Cumulative earnings per share totaled Ps. 0.53, compared to Ps. 0.70 in the prior year.



ADJUSTED EBITDA

(OPERATING INCOME PLUS DEPRECIATION, AMORTIZATION AND OTHER NON-CASH ITEMS)

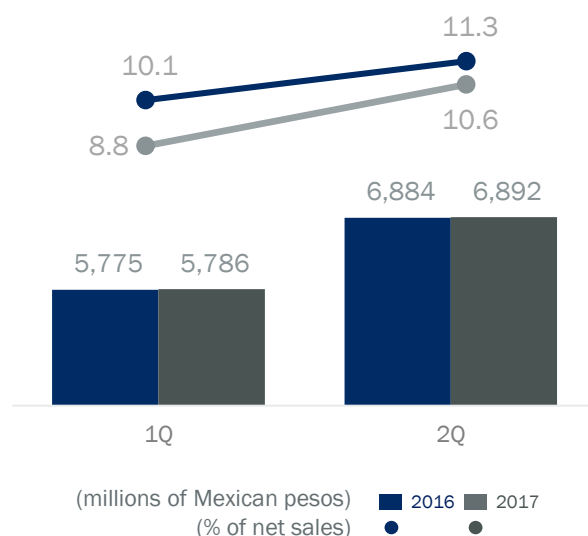
(MILLIONS OF MEXICAN PESOS)

2Q17	2Q16	% Change	Adj. EBITDA	6M17	6M16	% Change
3,815	3,504	8.9	Mexico	7,158	6,663	7.4
3,418	3,284	4.1	North America	6,044	5,557	8.8
(9)	(89)	(90.3)	Latin America	78	98	(20.3)
(278)	13	NA	EAA	(497)	(49)	>100
6,892	6,884	0.1	Consolidated	12,678	12,659	0.2

2Q17	2Q16	Change pp	Adj. EBITDA Margin (%)	6M17	6M16	Change pp
17.3	17.8	(0.5)	Mexico	16.2	16.9	(0.7)
10.0	9.8	0.2	North America	8.9	8.7	0.2
(0.1)	(1.3)	1.2	Latin America	0.5	0.7	(0.2)
(7.1)	0.5	(7.6)	EAA	(6.1)	(1.1)	(5.0)
10.6	11.3	(0.7)	Consolidated	9.7	10.7	(1.0)

Regional results do not reflect inter-company royalties and consolidated results exclude inter-company transactions.

Adjusted EBITDA increased 0.2%, while the margin contracted 100 basis points due to the abovementioned increase in expenses in most regions and the impact of a higher US dollar on costs in Mexico.



FINANCIAL STRUCTURE

Total debt as of June 30, 2017 was Ps. 72.9 billion, compared to Ps. 82.5 billion as of December 31, 2016. The 12% decrease was primarily due a 13% depreciation of the US dollar that reduced the Mexican peso value of US dollar-denominated debt, coupled with a 60 million Euros debt prepayment.

Average debt maturity was 7.8 years with an average cost of 4.7%. Long-term debt comprised 97% of the total; 62% of the debt was denominated in US dollars, 24% in Canadian dollars, 11% in Mexican pesos and 3% in euros.

The total debt to adjusted EBITDA ratio was 2.5 times compared to 2.8 times at December 31, 2016. The net debt to adjusted EBITDA ratio was 2.3 times.

CONFERENCE CALL INFORMATION

DIAL-IN

A conference call will be held on Wednesday, July 26, 2017 at 9:00 am Eastern (8:00 am Central).

To access the call, please dial:

Domestic US +1 (844) 839 2191

International +1 (412) 317 2519

Conference ID: GRUPO BIMBO.

WEBCAST

A webcast for this call can also be accessed at Grupo Bimbo's website:

www.grupobimbo.com/ri/

REPLAY

A replay will be available until August 2, 2017.

You can access the replay through Grupo Bimbo's website www.grupobimbo.com/ri/ or by dialing:

Domestic US +1 (877) 344 7529

International +1 (412) 317 0088

Canada +1 (855) 669 9658

Conference ID: 10108703

ABOUT GRUPO BIMBO

Grupo Bimbo is the largest baking Company in the world, in terms of volume and sales. Grupo Bimbo has 175 plants and approximately 1,700 sales centers strategically located in 24 countries throughout the Americas, Europe, Asia and Africa. Its main product lines include fresh and frozen sliced bread, buns, cookies, snack cakes, English muffins, bagels, pre-packaged foods, tortillas, salted snacks and confectionery products, among others.

Grupo Bimbo produces over 13,000 products and has one of the largest direct distribution networks in the world, with more than 2.9 million points of sale, around 56,000 routes and more than 133,000 associates.

Its shares trade on the Mexican Stock Exchange (BMV) under the ticker symbol BIMBO, and in the over-the-counter market in the United States with a Level 1 ADR, under the ticker symbol BMBOY.

Note on Forward-Looking Statements

This announcement contains certain statements regarding the expected financial and operating performance of Grupo Bimbo, S.A.B. de C.V., which are based on current financial information, operating levels, and market conditions, as well as on estimations of the Board of Directors of the Company related to possible future events. The results of the Company may differ in regards with those expressed on these statements, due to different factors that are beyond the Company's control, such as: adjustments in price levels, variations in the costs of its raw materials, changes in laws and regulations, or economic or political conditions not foreseen in the countries where the Company operates. Therefore, the Company is not responsible for such differences in the information and suggests that readers review such statements prudently. Moreover, the Company will not undertake any obligation to publicly release any revisions to the statements due to variations of such factors after the date of this press release.

INCOME STATEMENT (MILLIONS OF MEXICAN PESOS)	2016				2017			
	2Q	%	Acumm.	%	2Q	%	Acumm.	%
NET SALES	61,040	100.0	118,115	100.0	65,115	100.0	131,195	100.0
MEXICO	19,732	32.3	39,507	33.4	22,047	33.9	44,130	33.6
NORTH AMERICA	33,613	55.1	63,794	54.0	34,204	52.5	68,206	52.0
EAA	2,346	3.8	4,538	3.8	3,927	6.0	8,145	6.2
LATIN AMERICA	6,863	11.2	13,352	11.3	6,870	10.6	14,573	11.1
COST OF GOODS SOLD	27,903	45.7	54,340	46.0	29,906	45.9	60,522	46.1
GROSS PROFIT	33,137	54.3	63,775	54.0	35,208	54.1	70,673	53.9
MEXICO	11,269	57.1	22,546	57.1	12,223	55.4	24,420	55.3
NORTH AMERICA	18,066	53.7	33,773	52.9	18,646	54.5	36,897	54.1
EAA	1,020	43.5	1,929	42.5	1,564	39.8	3,420	42.0
LATIN AMERICA	3,056	44.5	6,075	45.5	3,148	45.8	6,713	46.1
OPERATING EXPENSES	27,633	45.3	54,093	45.8	29,893	45.9	61,065	46.5
PROFIT (LOSS) BEFORE OTHER INCOME AND (EXPENSES)	5,504	9.0	9,683	8.2	5,315	8.2	9,608	7.3
MEXICO	2,984	15.1	5,656	14.3	3,166	14.4	5,822	13.2
NORTH AMERICA	2,536	7.5	3,918	6.1	2,564	7.5	4,380	6.4
EAA	(28)	(1.2)	(130)	(2.9)	(264)	(6.7)	(324)	(4.0)
LATIN AMERICA	(205)	(3.0)	(181)	(1.4)	(146)	(2.1)	(242)	(1.7)
OTHER INCOME AND EXPENSES	(651)	(1.1)	(945)	(0.8)	(726)	(1.1)	(1,433)	(1.1)
OPERATING PROFIT	4,853	8.0	8,738	7.4	4,589	7.0	8,175	6.2
MEXICO	3,021	15.3	5,722	14.5	3,298	15.0	6,141	13.9
NORTH AMERICA	2,063	6.1	3,226	5.1	2,272	6.6	3,678	5.4
EAA	(71)	(3.0)	(214)	(4.7)	(528)	(13.4)	(889)	(10.9)
LATIN AMERICA	(334)	(4.9)	(391)	(2.9)	(398)	(5.8)	(641)	(4.4)
COMPREHENSIVE FINANCIAL RESULT	(1,269)	(2.1)	(2,489)	(2.1)	(1,485)	(2.3)	(2,955)	(2.3)
INTERESTS PAID (NET)	(1,274)	(2.1)	(2,535)	(2.1)	(1,246)	(1.9)	(2,615)	(2.0)
EXCHANGE GAIN (LOSS)	(68)	(0.1)	(144)	(0.1)	(192)	(0.3)	(261)	(0.2)
MONETARY (GAIN) LOSS	73	0.1	190	0.2	(46)	(0.1)	(79)	(0.1)
EQUITY IN RESULTS OF ASSOCIATED COMPANIES	39	0.1	45	0.0	65	0.1	127	0.1
EXTRAORDINARY CHARGES	0	0.0	0	0.0	0	0.0	0	0.0
INCOME BEFORE TAXES	3,623	5.9	6,293	5.3	3,170	4.9	5,347	4.1
INCOME TAXES	1,562	2.6	2,591	2.2	1,446	2.2	2,381	1.8
PROFIT BEFORE DISCONTINUED OPERATIONS	2,062	3.4	3,702	3.1	1,724	2.6	2,966	2.3
NET MINORITY INCOME	214	0.4	426	0.4	227	0.3	473	0.4
NET MAJORITY INCOME	1,847	3.0	3,275	2.8	1,497	2.3	2,493	1.9
ADJUSTED EBITDA	6,884	11.3	12,659	10.7	6,892	10.6	12,678	9.7
MEXICO	3,504	17.8	6,663	16.9	3,815	17.3	7,158	16.2
NORTH AMERICA	3,284	9.8	5,557	8.7	3,418	10.0	6,044	8.9
EAA	13	0.5	(49)	(1.1)	(278)	(7.1)	(497)	(6.1)
LATIN AMERICA	(89)	(1.3)	98	0.7	(9)	(0.1)	78	0.5

BALANCE SHEET (MILLIONS OF MEXICAN PESOS)	2016	2017	
	DEC	JUNE	%
TOTAL ASSETS	245,165	218,778	(10.8)
CURRENT ASSETS	40,710	36,440	(10.5)
Cash and equivalents	6,814	5,629	(17.4)
Accounts and notes receivables, net	24,058	21,989	(8.6)
Inventories	7,428	7,071	(4.8)
Other current assets	2,410	1,750	(27.4)
Property, machinery and equipment, net	74,584	69,683	(6.6)
Intangible Assets and Deferred Charges, net and Investment in Shares of Associated Companies	115,837	103,201	(10.9)
Other Assets	14,034	9,454	(32.6)
TOTAL LIABILITIES	170,090	152,426	(10.4)
CURRENT LIABILITIES	44,516	41,633	(6.5)
Trade Accounts Payable	17,505	14,801	(15.4)
Short-term Debt	2,150	2,454	14.1
Other Current Liabilities	24,861	24,378	(1.9)
Long-term Debt	80,351	70,488	(12.3)
Other Long-term Non Financial Liabilities	45,223	40,305	(10.9)
Stockholder's Equity	75,075	66,352	(11.6)
Minority Stockholder's Equity	3,646	3,323	(8.9)
Majority Stockholder's Equity	71,430	63,029	(11.8)

CASH FLOW STATEMENT INDIRECT METHOD	2016	2017
	JUNE	JUNE
NET INCOME	3,702	2,966
Net cash flow from operating activities	9,404	10,758
Net cash flow from investing activities	(4,569)	(7,106)
Net cash flow from financing activities	(4,412)	(3,984)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS, BEFORE EXCHANGE RATE	422	(332)
Effect of exchange rate variations on cash and cash equivalents	688	(853)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	1,110	(1,185)
Cash and cash equivalents at the beginning of the period	3,825	6,814
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4,935	5,629