



*To nourish, delight  
and serve our world*

*Alimentar, deleitar y servir a nuestro mundo*

*Alimentar, deliciar e servir a nosso mundo*

哺育, 愉悦和服务我们的世界

*Empresa altamente productiva y plenamente humana*

**October 2010**



# Company Overview



## Leading Bakery Company in the World

- Grupo Bimbo is a global manufacturer and distributor of branded packaged food products across 17 countries
- #1 bakery company in the Americas and #2 bakery company in the world

### Key Financial Figures LTM as of 3Q10

Revenues	\$ 9,109
EBITDA	\$ 1,287

- International credit ratings are Baa2/BBB/BBB (Moody's<sup>(1)</sup>/Fitch<sup>(1)</sup>/S&P)

## Best-in-Class Asset Base

- Top-notch distribution and manufacturing capabilities:
  - 99 production facilities
  - 40,000+ distribution routes
    - 1,000+ distribution centers
    - 36,000+ vehicles
    - 1.8 million points of sale

- Grupo Bimbo has 150+ of the best-known consumer brands and 7,000+ products:



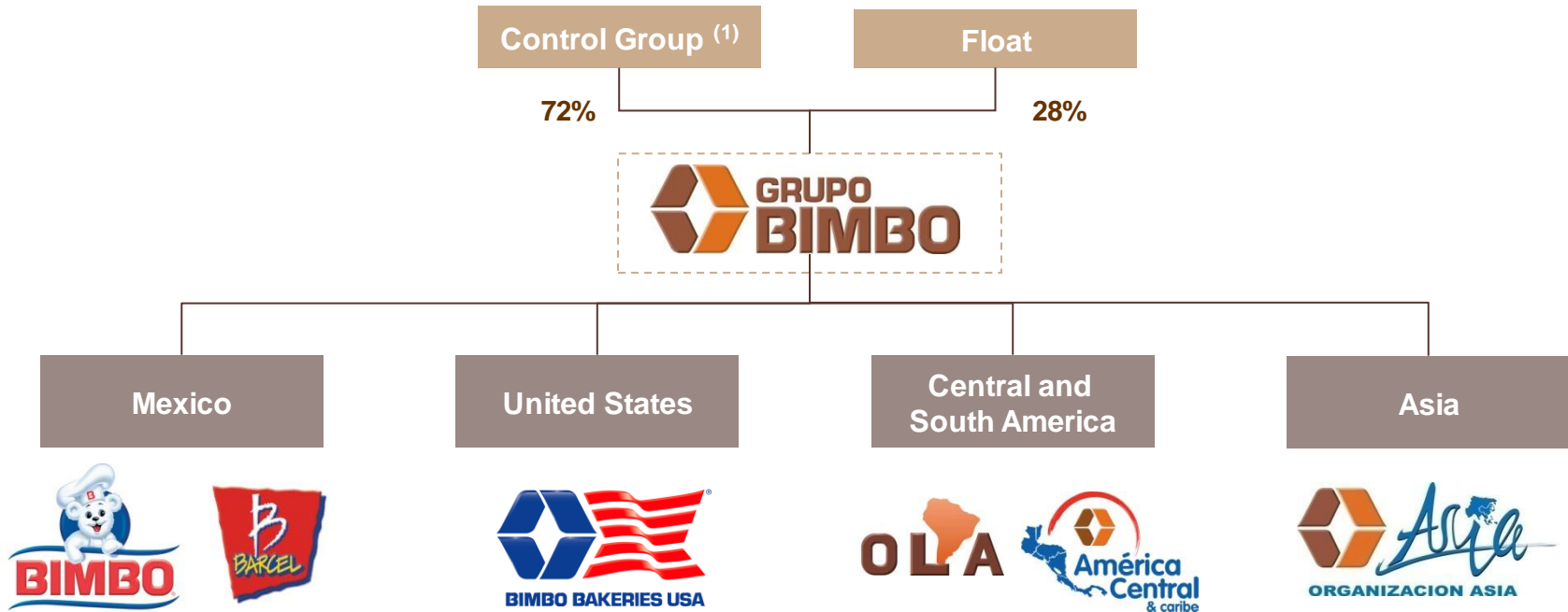
- Categories: Packaged bread, sweet baked goods, muffins, buns, confectionery, salty snacks, wheat tortillas and tostadas

(1) Positive Outlook

# Company Overview (cont'd)



## Company Structure



- Listed in the Mexico Stock Exchange since 1980
- Market capitalization of US\$ 8.8 billion <sup>(2)</sup>
- Shares outstanding: 1,175.8 million, one class (A)
- Index component (Mexico): Prices & Quotations Index (IPC), IPC CompMx, IPC LargeCap, Total Return Index (IRT), IRT CompMx, IRT LargeCap

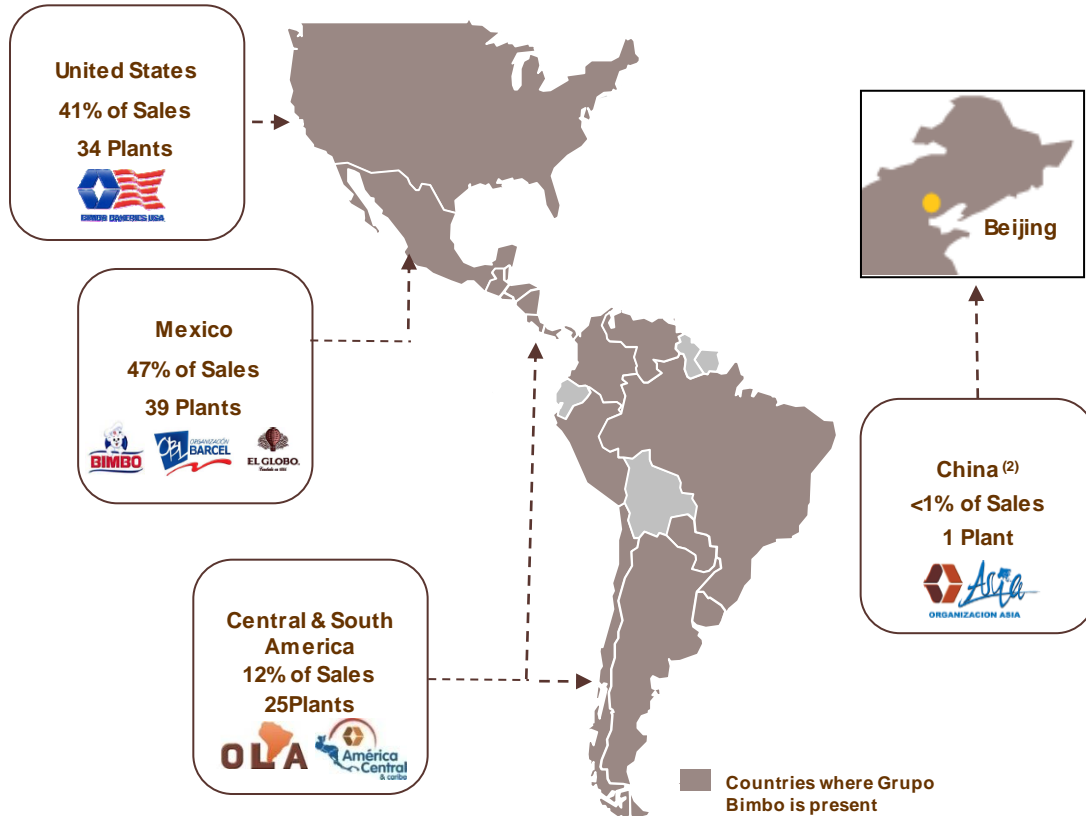
(1) Control Group: Shareholdings of founders, their families and management

(2) As of October 25 2010, converted to US\$ using an exchange rate of 12.36 per US\$

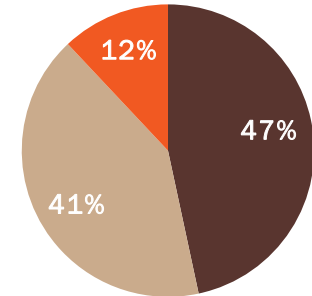
# Company Overview (cont'd)



## Operating Countries

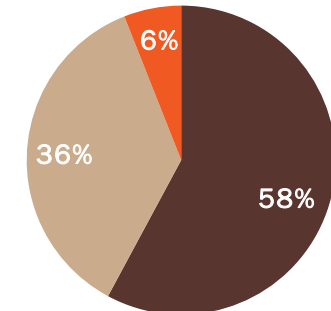


## Revenues LTM '10 US \$9,109 million<sup>(1)</sup>



■ Mexico (2) ■ United States ■ Central & South America

## EBITDA LTM '10 US\$1,287million<sup>(1)</sup>



■ Mexico (2) ■ United States ■ Central & South America

(1) LTM as of 3Q10 Converted to US\$ using the quarterly average exchange rate

(2) Sales of "Organización Asia" Included in Mexico

# Grupo Bimbo's Growth Path

## Key Milestones



Successful growth story through a combination of organic growth, strategic acquisitions and a conservative financial policy

- Grupo Bimbo acquired Weston Foods, Inc., becoming the largest baked goods company in the United States
- Acquisition of George Weston's Western bakery assets

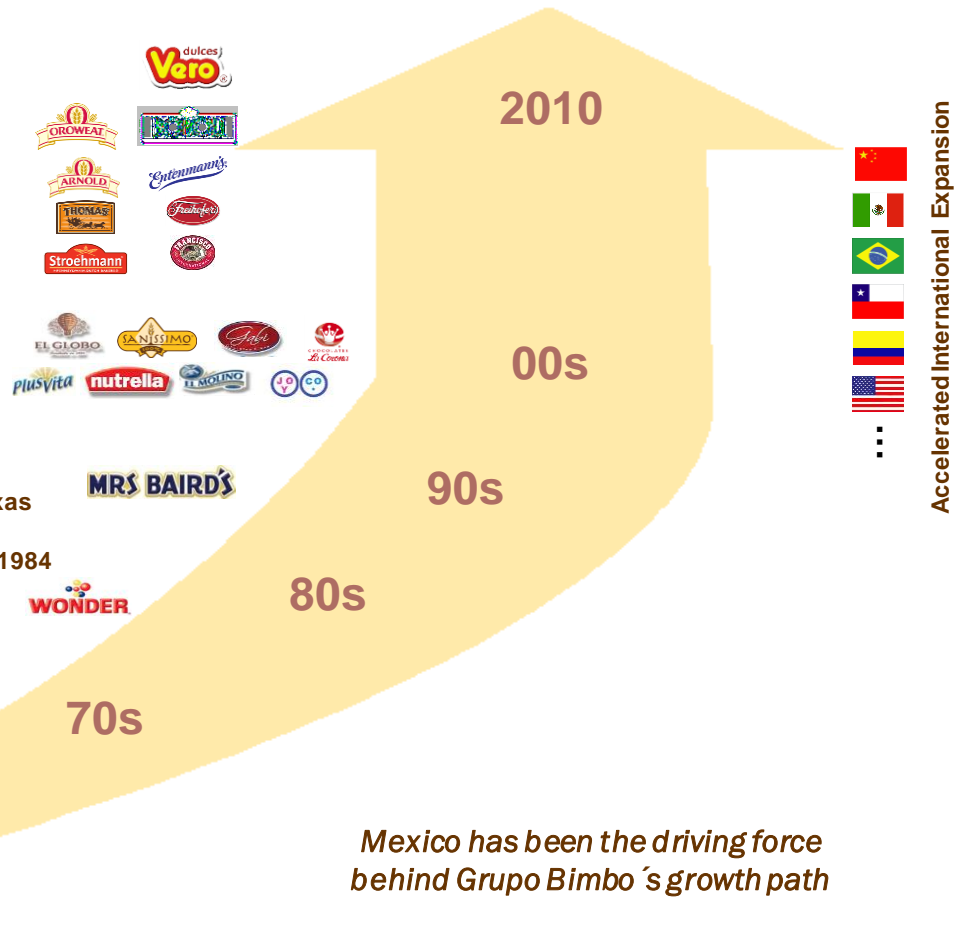
■ Acquisition of

■ Acquires Mrs. Baird's Bakeries, market leader in Texas

- Entered the United States market in 1984
- Wonder brand acquisition in Mexico

- Barcel starts
- Ricolino starts

■ Marinela starts



1 plant  
10 distribution trucks  
2 product-portfolio

Mexico has been the driving force behind Grupo Bimbo's growth path

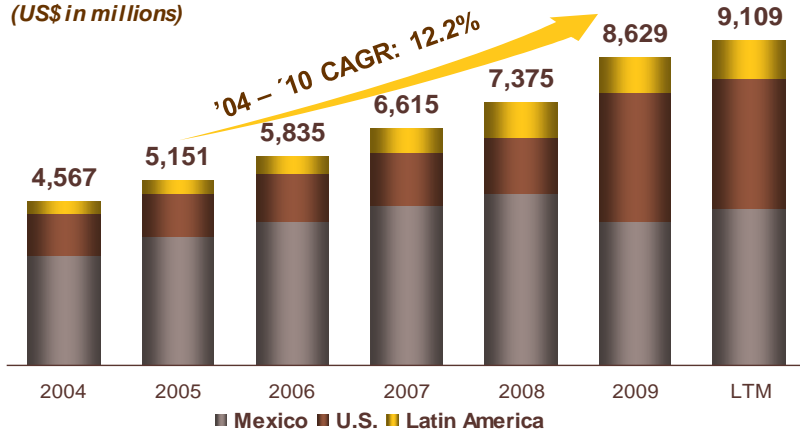
# Grupo Bimbo's Growth Path



## Recent Growth Story

### Revenue Growth (1)

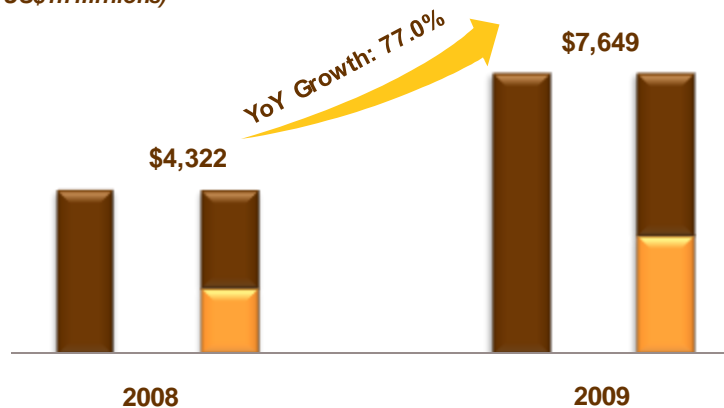
(US\$ in millions)



- Top-line growth at least twice GDP
- Aggressive new product launches to meet consumer demand
- Search for growth by category and regions in which we compete

### Balance Sheet's Growth (2)

(US\$ in millions)



	2004	2010
Countries	14	17
Distribution Routes	28,300	40,000
Associates	72,500	105,000
Plants	73	99

(1) Figures converted to US\$ using: year end exchange rate for '04-'07 and average year exchange rate for '08-'10

(2) Figures converted to US\$ using September 30th, 2010 exchange rate

# Grupo Bimbo's Strategy



*An innovative, high performance organization*

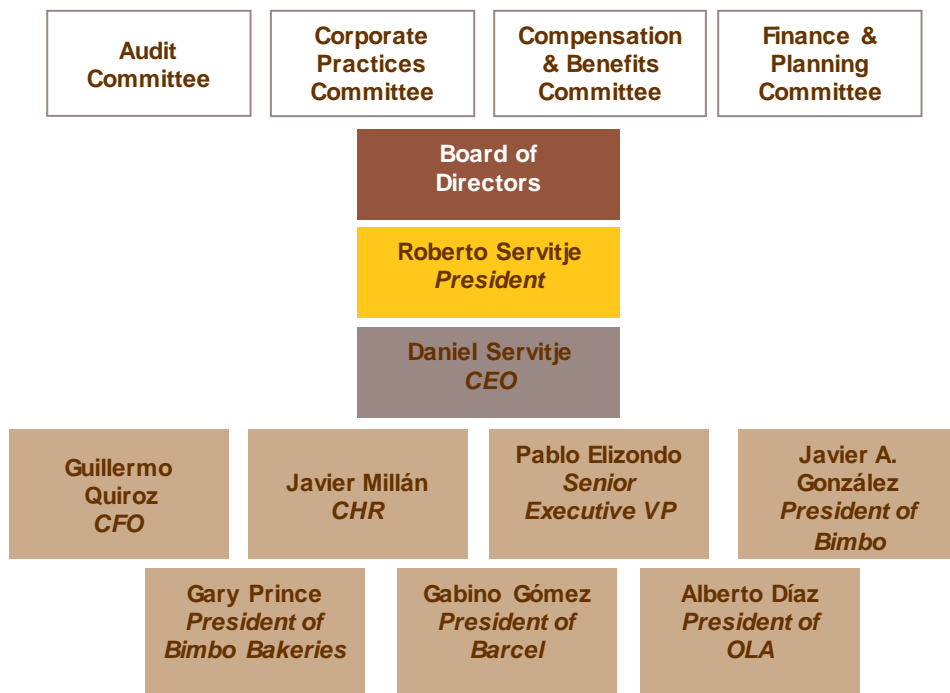
# Investment Highlights



- ✓ Experienced Management Team and Strong Corporate Governance
- ✓ One of the Leading Baked Goods Company in the World and Leader in the Americas
- ✓ Very Attractive and Non-Cyclical Industry
- ✓ Deep Consumer Understanding
- ✓ Strong Brand Equity & Diverse Product Portfolio
- ✓ Exceptional Distribution Network
- ✓ Strong Corporate Identity
- ✓ Strong Financial Performance & Responsible Financial Management
- ✓ Grupo Bimbo acquires Sara Lee North American Fresh Bakery



# Experienced Management Team and Strong Corporate Governance



Audit Committee

Corporate Practices Committee

Compensation & Benefits Committee

Finance & Planning Committee

Board of Directors

Roberto Servitje  
President

Daniel Servitje  
CEO

Guillermo Quiroz  
CFO

Javier Millán  
CHR

Pablo Elizondo  
Senior Executive VP

Javier A. González  
President of Bimbo

Gary Prince  
President of Bimbo Bakeries

Gabino Gómez  
President of Barcel

Alberto Díaz  
President of OLA

## Corporate Citizenship

- **Socially Responsible Company**   **EMPRESA SOCIALMENTE RESPONSABLE**
- Committed to a substantive, strategic Corporate Social Responsibility (CSR) Program
- Award-winning Corporate Citizenship pioneer in Mexico
- Has formal arrangement with WHO Global Strategy on Diet, Physical Activity & Health

## Corporate Governance

- Corporate Governance aligned with stakeholders' interest
- 35% of board members are independent
- 4 Corporate committees:
  - Audit Committee (4 independent members)
  - Corporate Practices Committee (3 independent members)
  - Compensation & Benefits Committee (6 members, 1 independent)
  - Finance & Planning Committee (7 members, 1 independent)

## Highlights

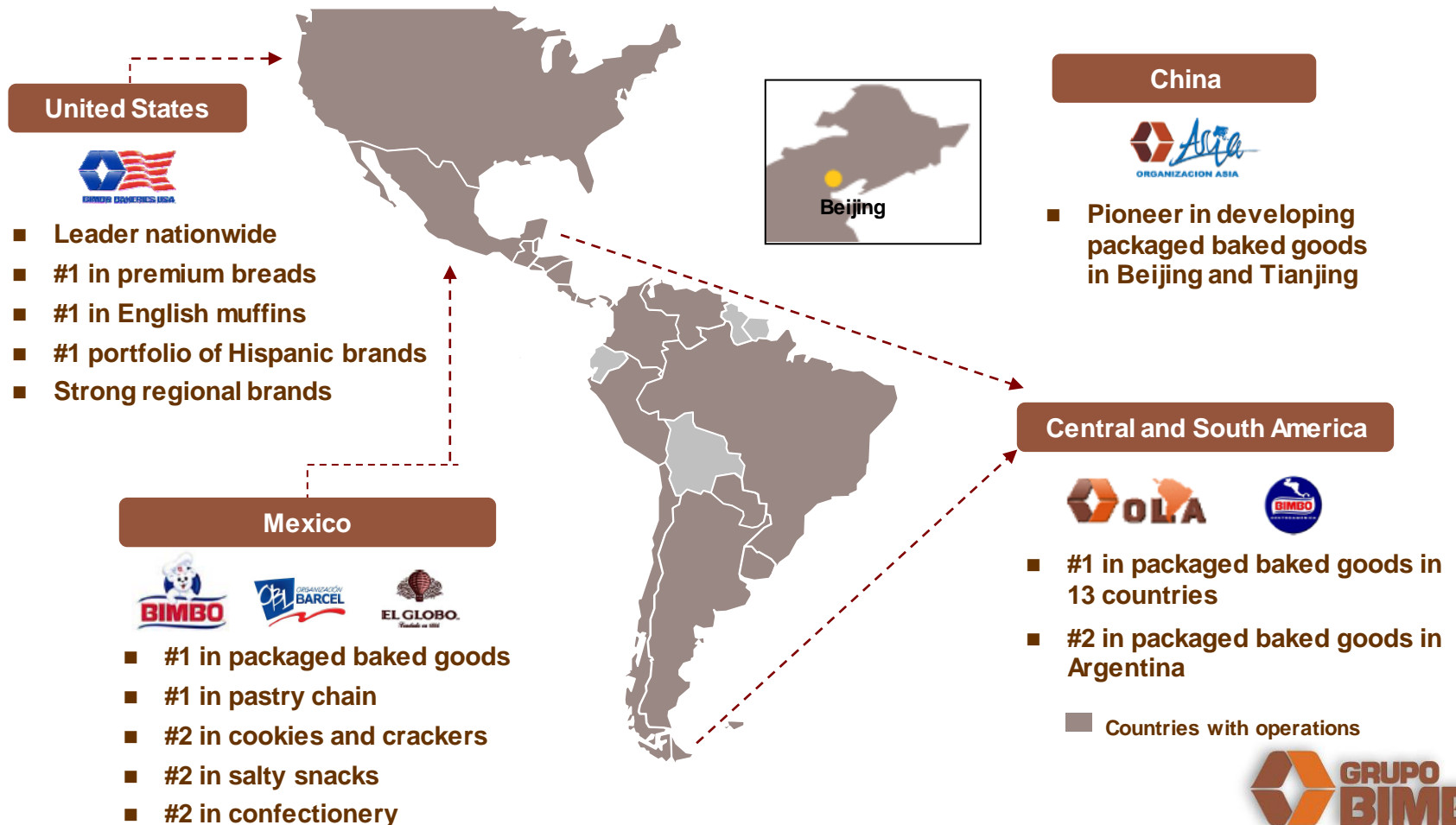
- Created a unique and strong corporate culture
- Positioned the Company as market leader in the products and countries where present
- Successfully completed and integrated more than 32 acquisitions over the past nine years
- Developed innovative ideas and best practices in manufacturing
- Proven track record of stability and sustainable growth

# One of the Leading Baking Goods Company in the World and Leader in the Americas



## Leading presence in dynamic markets with strong growth potential

- Packaged baked goods market development driven by growing population and new consumer trends
- Additional consolidation
- Market share expansion through innovation



# Very Attractive and Non-Cyclical Industry



## Attractive Industry Fundamentals

- Resilience to economic downturns
- Non-discretionary consumer products
- High consumption frequency

## Competitive Dynamics

- Highly fragmented industry with many small scale producers
- Short shelf life of product makes industry local
- Major large scale players account for <12% of global market share
- Global players are Grupo Bimbo, Kraft Foods, Yamazaki and Kellogg Company<sup>(1)</sup>

## Key Competitive Drivers

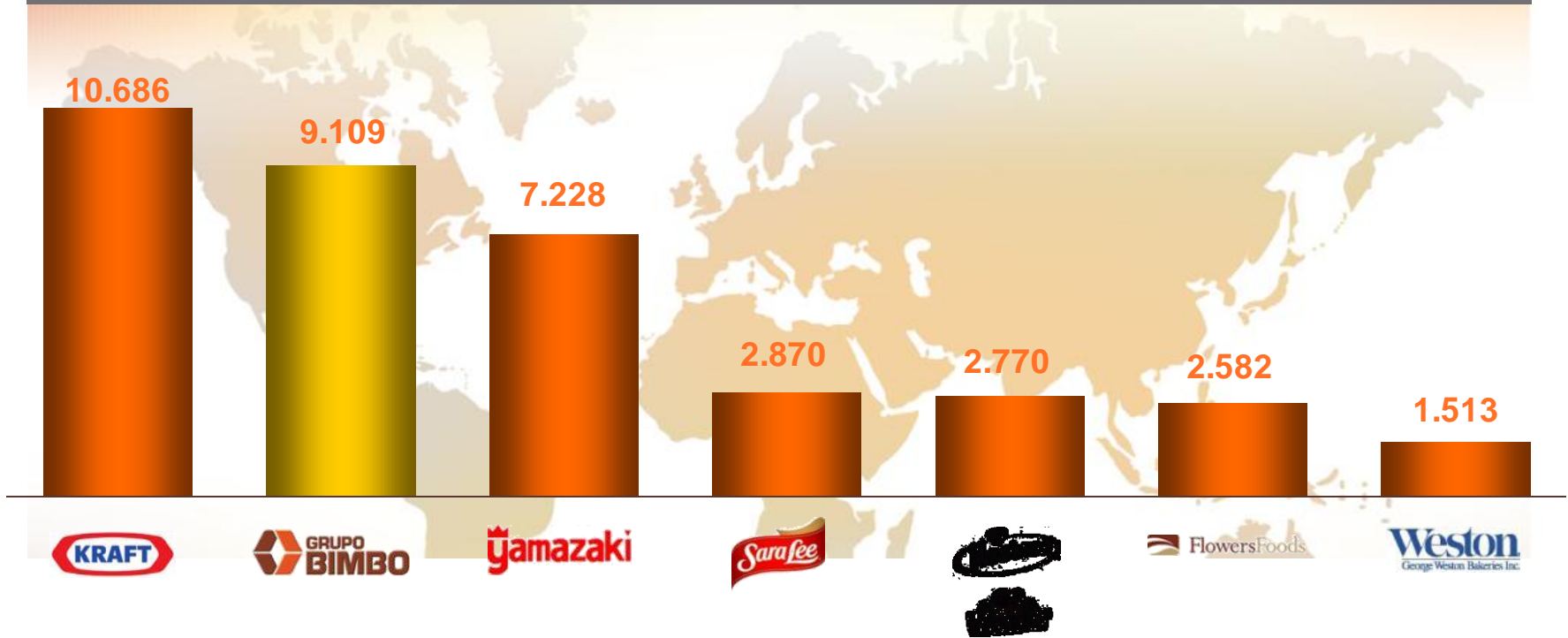
- Scale and diversification
- Strong franchise and brand equity
- Product quality
- Innovation capabilities
- Distribution

(1) IBISWorld Industry Report – 14 January 2010: Global Bakery Product Manufacturing

# Major Global Bakery Product Manufacturers



LTM Bakery Revenues



**Grupo Bimbo is the #2 bakery company in the world, based on total revenues**

Figures for LTM 3Q 2010

Kraft's biscuit business represents approximately 23% of total revenues, LTM figures as of September 30, 2010

Bimbo LTM figures as of September 30, 2010.

Yamazaki excludes revenues from retail and confectionary segments, LTM figures as of June 30, 2010

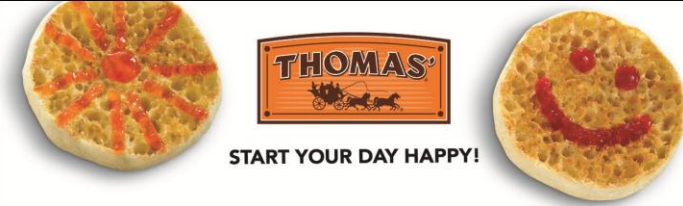
Sara Lee includes North American Fresh Bakery and International Bakery, LTM figures as of October 2, 2010

IBC LTM figures as of December 13, 2008 (not audited)

Flowers Foods LTM figures as of July 17, 2010

Weston Foods segment refers to the fresh and frozen baking company located in Canada and frozen baking and biscuit manufacturing in the U.S., LTM figures as of June 19, 2010

# Deep Consumer Understanding



- Strategies attuned to consumer taste and needs
- Strong R&D platform focusing on Deep Consumer Understanding
- Products for each social and economic strata
- Six innovation and nutrition institutes for new and better product development

Mexico	United States	Brazil
Mexico City	Fort Worth, TX	Sao Paulo
Lerma	Greenwich, CT	
	Bay Shore, NY	

- Recent successful product launches:
  - ✓ Sandwich Thins, from Oroweat brand (United States)
  - ✓ Vitta Natural, from Nutrella brand (Brazil)
  - ✓ Hotkis, from Bimbo brand (Mexico)



*Some products launched across Grupo Bimbo's history have defined the industry's course*

# Strong Brand Equity with Diverse Product Portfolio



- Extraordinary customer awareness of our brands
- Strong track record of creating, nurturing and managing successful brands
- Well balanced brand portfolio in a wide array of products
- Brands for every meal, every occasion and every consumer group
- Create an emotional bond for every consumer occasion

Innovation supported by highly recognized brands is one of Grupo Bimbo's key strengths

# Exceptional Distribution Network



Não é possível exibir esta imagem no momento.

- Grupo Bimbo services 1.8 million points of sale daily or every other day
- 1,000+ distribution centers
- 40,000+ routes
- 36,000+ fleet
- Relentless strengthening the reach and efficiency of our distribution network
- High distribution expertise for each channel segment

	Mexico	United States	Central & South America
Distribution model	100% company owned	~50% Independent	~50% Independent
Client base structure	~70% Mom & Pop	~50% supermarket	~50% supermarket

*Through more than 60 years Grupo Bimbo has developed a successful distribution model attuned to each channel segment*

# Strong Corporate Identity



- Grupo Bimbo ranks among the 20 most respected companies in the world <sup>(1)</sup>
- Its reputation is built on a strong corporate identity and brand equity
- Key component of Grupo Bimbo's corporate identity is its company-wide Social Responsibility Program

## Corporate Social Responsibility (CSR) Program & Sustainability

- Effective sustainability efforts are cross-functional & successfully executed across all brands



Commitment to the consumers' health (e.g. elimination of trans fat acids, smaller serving sizes, addition of functional ingredients)



Commitment to the environment (e.g. introduction of biodegradable packaging and hybrid delivery vehicles)



Commitment to our society (e.g. environmental & conservation projects and microfinance opportunities)



Commitment to our Associates  
"Safety is our main priority"

- CSR translates as a competitive advantage
- Grupo Bimbo understands that there is no conflict between doing well (financial impact) and doing good (social & environmental impact)

(1) In the 2009 survey of the Reputation Institute ranking of the world's largest companies in terms of reputation, Grupo Bimbo placed 17th – standing out as a company with an excellent reputation for the 4th consecutive year. For additional details: <http://www.reputationinstitute.com>



# Committed to your Health



## Aligned to the WHO<sup>(1)</sup> Global Strategy on Diet Physical Activity and Health

### REFORMULATION & INNOVATION

- Since 2010, 100% of our products are trans fat free
- 1,300 out of 7,000 products have been reformulated
- Since 2006, products reduced on:
  - sugar , +590
  - salt, +1,200
  - total fats, +330
- Since 2006, developments
  - products “mini”
  - products with less than 100 calories
  - functional and fortified products



### NUTRITIONAL INFORMATION

- Since 2009, all of our products have front labels with nutritional information

### RESPONSIBLE MARKETING AND ADVERTISEMENT

- Since January 1<sup>st</sup> 2009, Grupo Bimbo signed the PABI code<sup>(2)</sup>, governed by CONAR

### PROMOTE HEALTHIER LIFESTYLES AND GREATER PHYSICAL ACTIVITY

- We have promote healthy diets and lifestyles through our advertisements, packages, and sponsoring activities

### PARTNERSHIPS AND RESEARCH

- In 2008 we opened 6 innovation and nutrition institutes (2 in Mexico, 3 in US and 1 in Brazil)

(1) World Health Organization (WHO)

(2) PABI code basic principles: promote healthy diets and lifestyles; not encourage over-consumption; not encourage the consumption of food over another; don't create a sense of urgency to acquire products; ensure that the promotions encourage the promotion of healthy lifestyles and don't deceive children with benefits from the consumption of our products

# Committed to the Environment



## In 2009

- Electricity
  - -6.4% Mexico
  - -4.5% US
  - -5.0% OLA
- Thermal Energy
  - -9.1% Mexico
  - -5.8% US



## During 2009

- -9.0% emissions
- Increased 5.4% the efficiency per mile of our vehicles



## During 2009

- Reused 44% of treated water
- -16% of water consumption



## • In 2009

- Mexico
  - -9.0% of waste
  - recycled the 84% of the solid waste
- US
  - -33% of waste

- Since 2010 all of our packages in Mexico are biodegradable <sup>(1)</sup>

(1) Degradation process went from 100-400 years to 3-5 years



# Financials

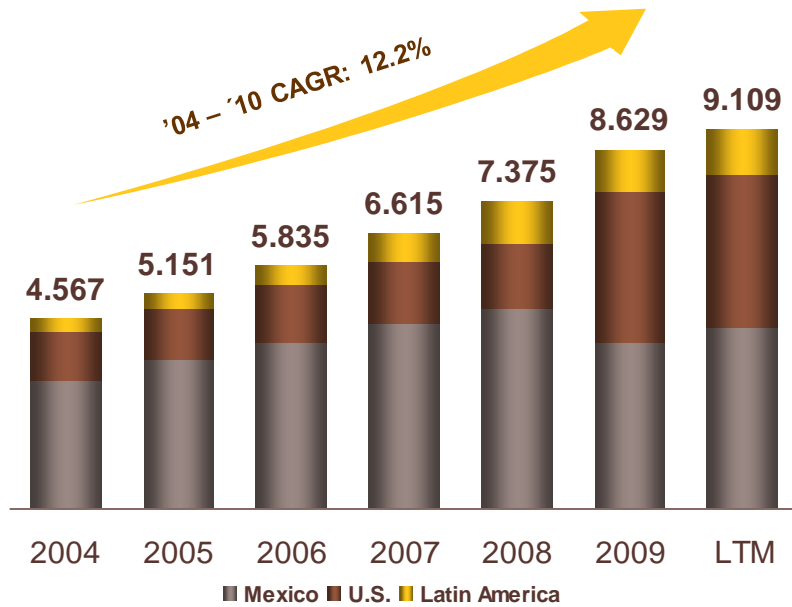


# Strong Financial Performance...



## Revenue Growth (1)

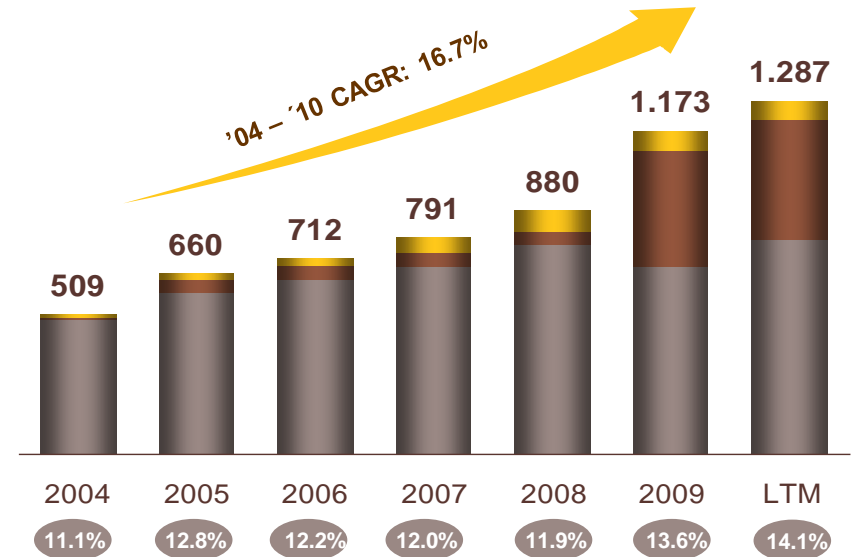
(US\$ in millions)



## EBITDA Growth (1)

(US\$ in millions)

● EBITDA Margin



**Strong and stable cash flow generation**

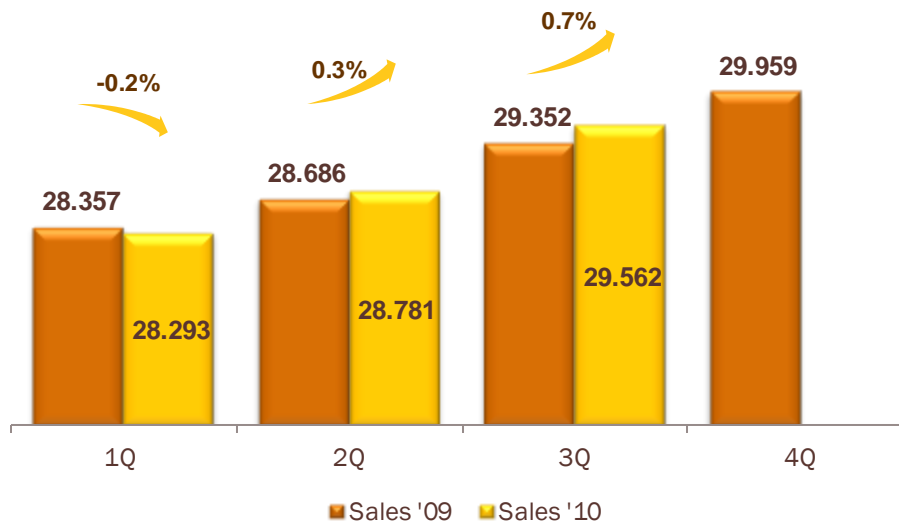
(1) Figures converted to US\$ using: year end exchange rate for '04 - '07 and average year exchange rate for '08 - '10

# GB - Quarterly Highlights



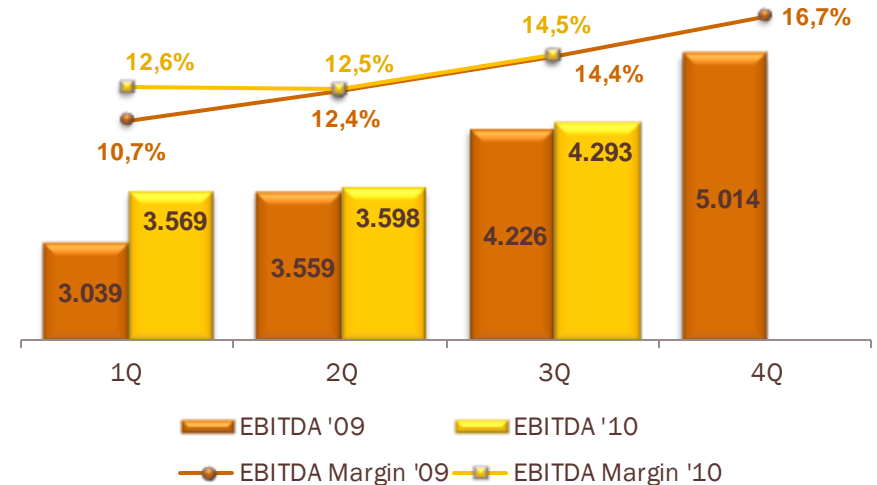
## Revenue Growth (GB)

(MXN\$ in millions)



## EBITDA Growth (GB)

(MXN\$ in millions)



- ✓ Volumes gradually recovering
- ✓ Delivered value to consumers
- ✗ Price pressure in the US
- ✗ Impact of FX rates
- ✗ Consumption is still being pressured by the economic environment

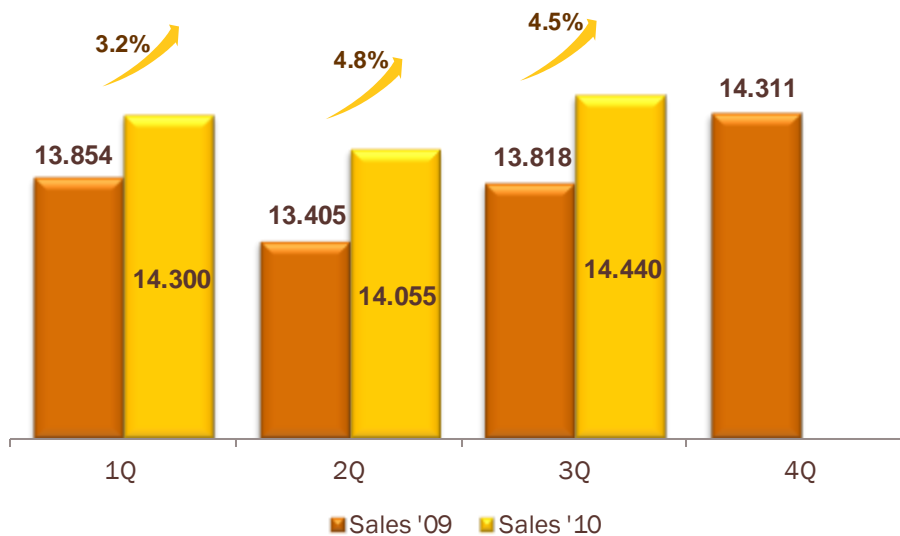
- ✓ Lower expenses
- ✗ Impact of FX rates
- ✗ Lower prices in the U.S. operations
- ✗ Higher advertising & promotional expenses
- ✗ Higher distribution cost (increase in fuel prices)
- ✗ New routes

# Mexico – Quarterly Highlights



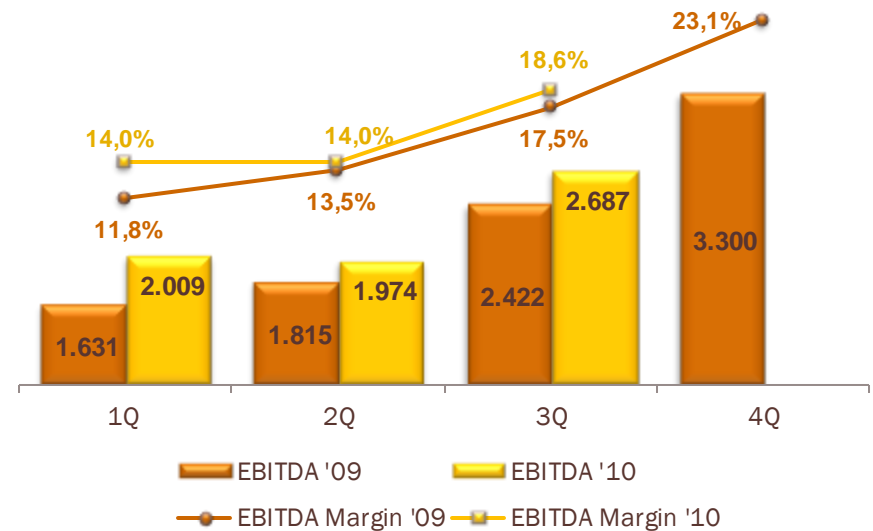
## Revenue Growth (Mexico)

(MXN\$ in millions)



## EBITDA Growth (Mexico)

(MXN\$ in millions)



- ✓ Volume growth across the portfolio
- ✓ Strongest categories: snacks and sweet baked goods
- ✓ Modern channels outperformed

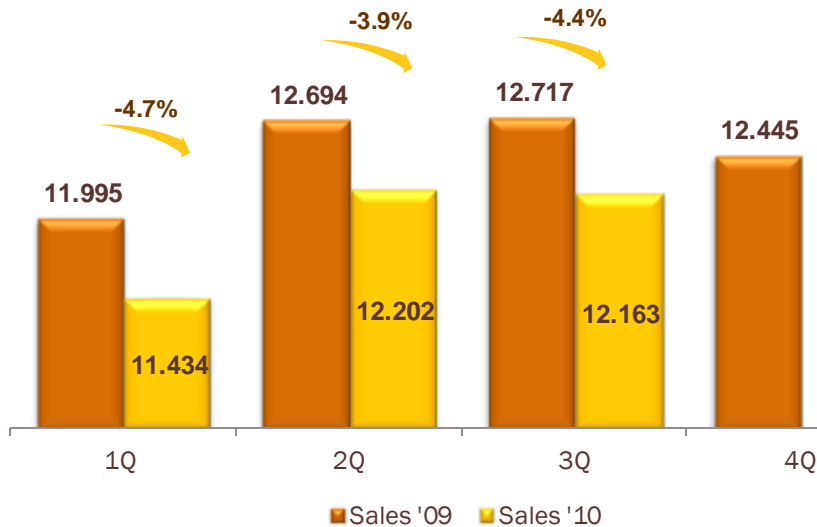
- ✓ Costs and expenses control
- ✓ Lower commodity costs
- ✓ Favorable exchange rate
- ✗ Higher advertising and promotional expenses

# USA - Quarterly Highlights



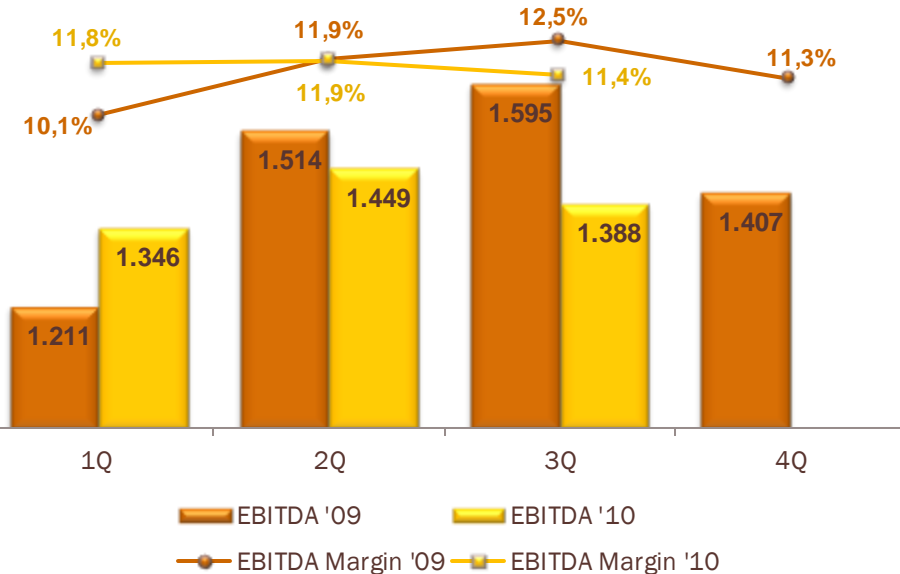
## Revenue Growth (USA)

(MXN\$ in millions)



## EBITDA Growth (USA)

(MXN\$ in millions)



- ✓ Stronger volumes across the country
- ✗ Lower average prices
- ✗ Decrease of 1.5% in dollar terms
- ✗ Currency translation effect
- ✗ Decrease in consumer confidence

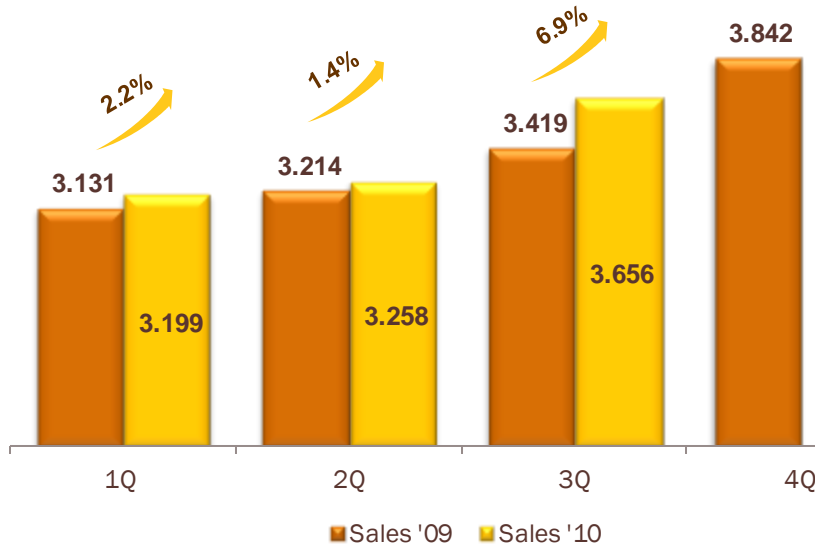
- ✓ Decline of expenses as a percentage of sales
- ✗ Lower prices
- ✗ Slight commodity pressure
- ✗ Impact of currency translation
- ✗ Higher marketing and promotion expenses
- ✗ Distribution expansion

# OLA - Quarterly Highlights



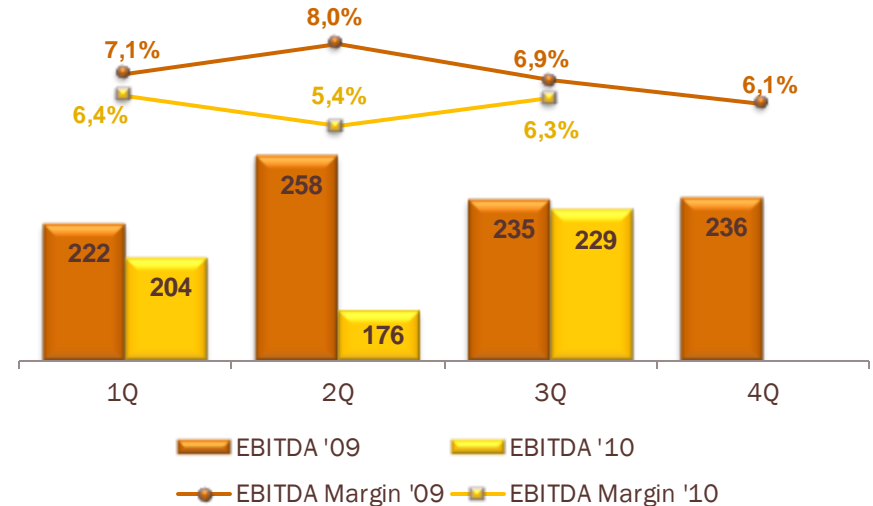
## Revenue Growth (OLA)

(MXN\$ in millions)



## EBITDA Growth (OLA)

(MXN\$ in millions)



- ✓ Higher volumes, new product launches
- ✓ 12,000 + new customer
- ✓ Strong performance in Brazil, Colombia and Chile
- ✓ Expanded distribution network

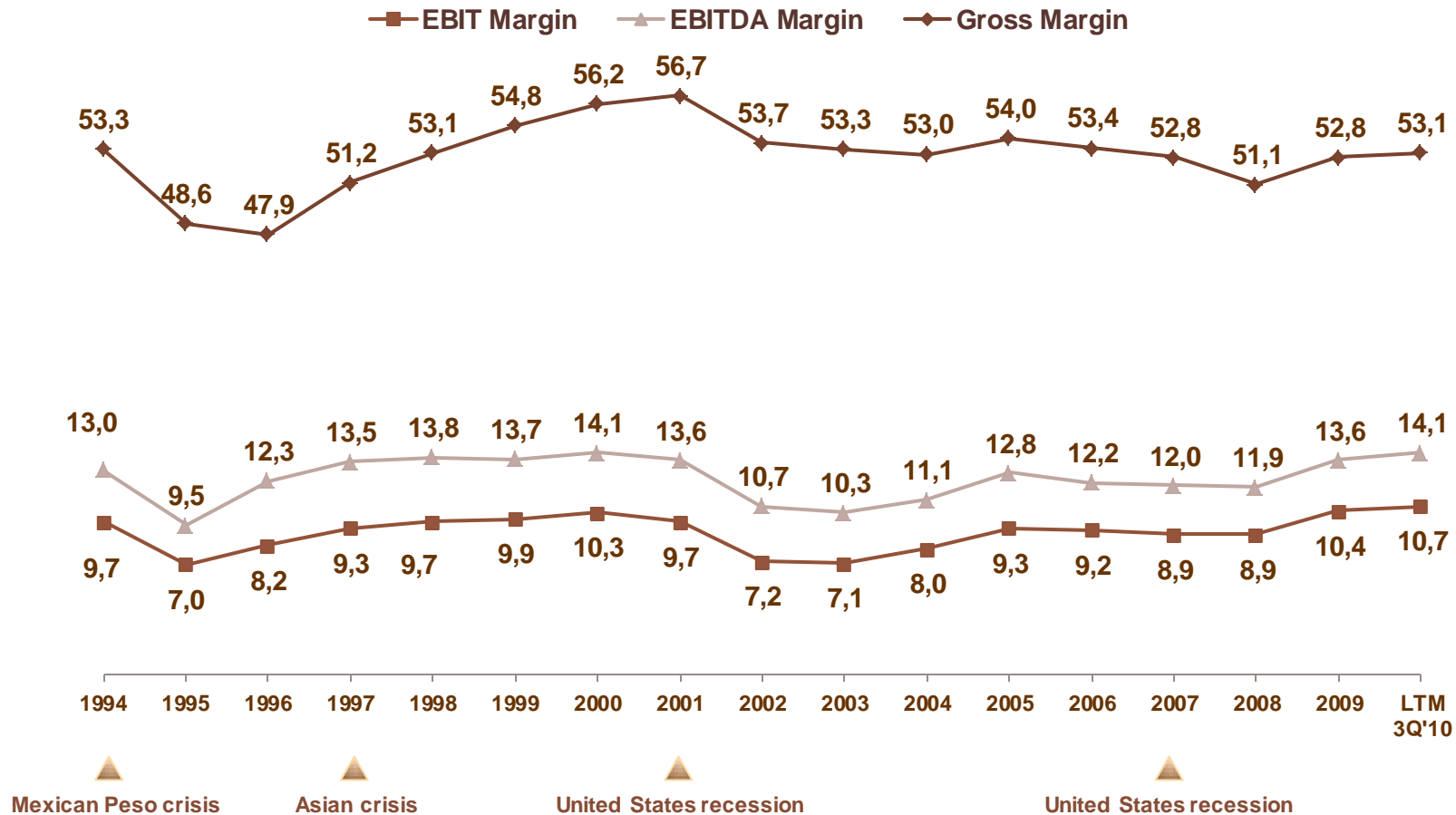
- ✓ Favorable exchange rate
- ✓ Favorable prices on raw material
- ✗ Distribution expansion
- ✗ Higher marketing and promotional expenses
- ✗ New routes



# Strong Performance in a Very Attractive and Non-Cyclical Industry



*Best-in-Class Execution + Resilient Industry = Financial Stability Over Time*



# ... and Responsible Financial Management



## Highlights

- ✓ Achieve rapid deleveraging – a top priority -
  - Prepaid US\$ 400 million during the last 12 months
  - Prepaid US\$ 800 million of 2012 obligations using proceeds of the recently concluded senior notes offering
- ✓
  - Target Debt/EBITDA < 2x

Strict management of working capital and disciplined Capex policy

- ✓
  - 1x depreciation

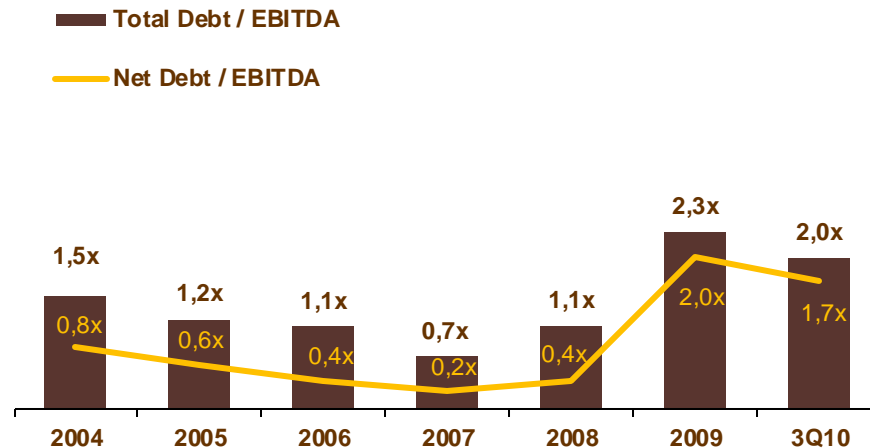
- ✓ Conservative dividend policy

Responsible risk policy

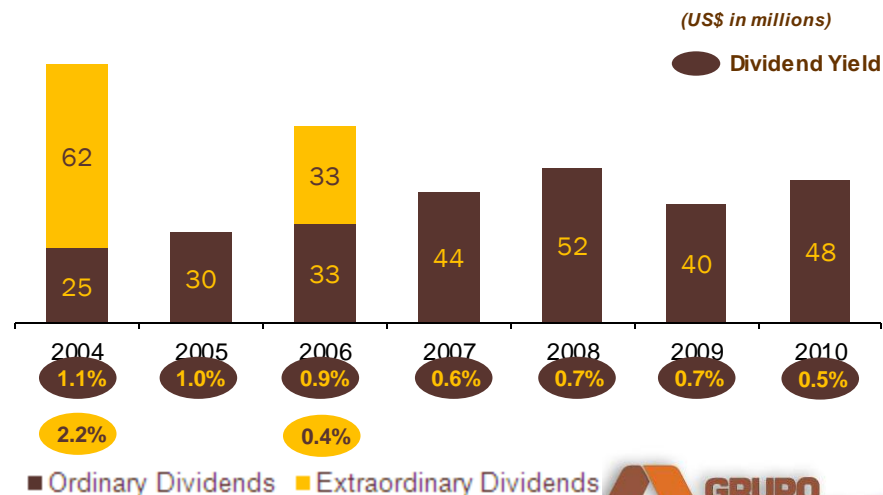
- ✓
  - Mitigate exposure to raw material cost fluctuation
  - Conservative approach towards F/X and interest rate fluctuations
  - Use of derivatives only as risk management instruments

Strong commitment to Investment Grade ratings

## Leverage



## Dividends



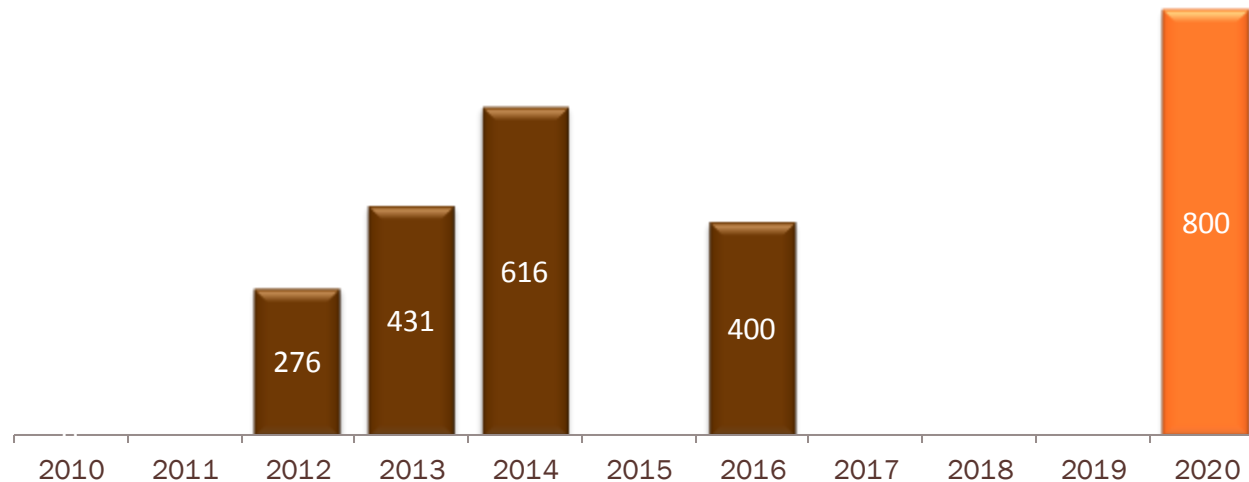
(1) 2008 Pro-forma with Weston Foods Inc. acquisition

# Responsible and Proactive Financial Management (September 2010)



## Debt Structure and Maturity Profile (September 30, 2010)

Average Life: 5.5 yrs



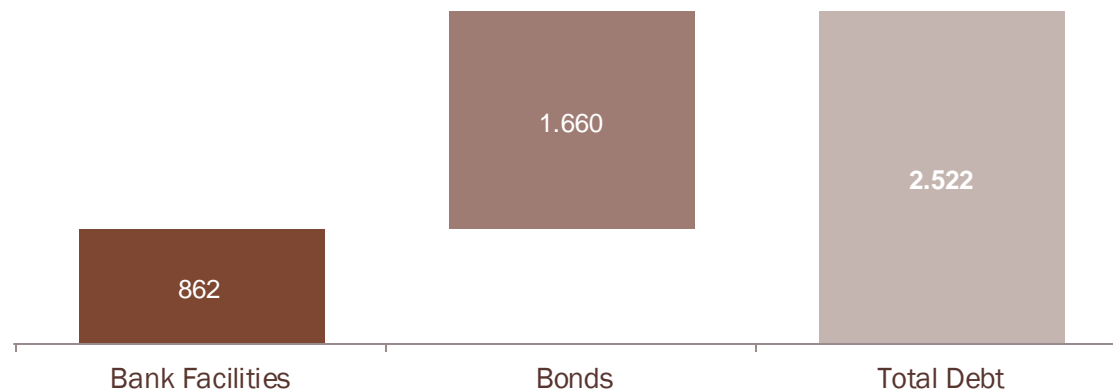
### Financial flexibility is highly valued

- Aligned debt structure and maturity profile to free cash flow generation
- Current undrawn committed medium-term facilities for US \$750 million
- Low reliance on external financing

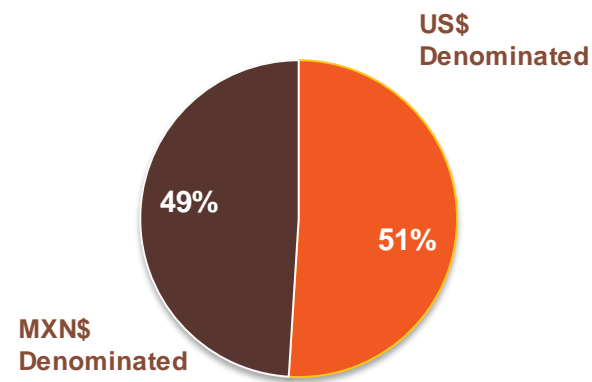
# Financial Summary (September 2010)

## Debt Structure

(US\$ millions)



Instrument	Amount (US\$ millions)	Currency	Average Life
Bank Facilities	862	MXN – USD	2.5 years
Bonds	1,660	MXN – USD	7.0 years





## *Sara Lee North American Fresh Bakery Acquisition*

*To nourish, delight  
and serve our world*

*Alimentar, deleitar y servir a nuestro mundo*

*Alimentar, deliciar e servir a nosso mundo*

哺育, 愉悦和服务我们的世界

*Empresa altamente productiva y plenamente humana*

**November 9, 2010**



# Transaction Overview



- **Grupo Bimbo acquires:**
  - **North American Fresh Bakery Division of Sara Lee Corporation (“Sara Lee NAFB”)**
  - **Royalty-free perpetual license to the Sara Lee® brand in fresh bakery category and select geographies**
  
- **Purchase price: enterprise value of US\$959 million**
  
- **Identified synergies of US\$150 – US\$200 million by 2013**
  - **Sales & distribution, manufacturing, purchasing, selling & marketing and overhead rationalization**
  
- **Implied transaction multiples <sup>(a)</sup>**
  - **FV/LTM Revenues: 0.5x**
  - **FV/LTM EBITDA: 8.9x**
  - **FV/Synergized EBITDA: 3.7x <sup>(b)</sup>**
  
- **Expected closing: first half of 2011**

a) LTM as of October 2, 2010

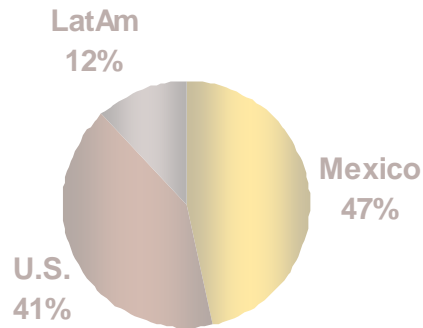
b) Assuming US\$150 million synergies

# Grupo Bimbo's *Pro Forma* Mix

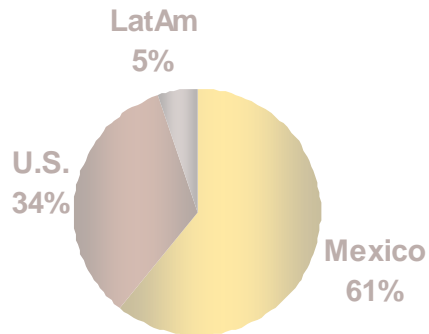


## Current Mix

LTM Q3 2010 Net Sales: US\$9.1 billion

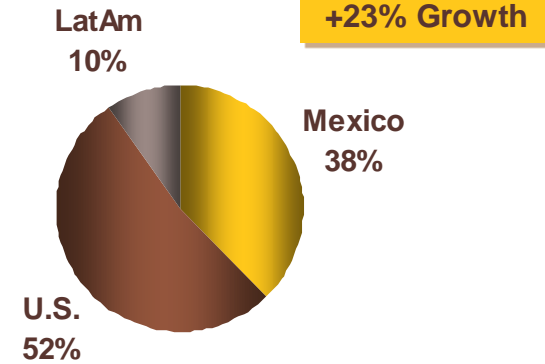


LTM Q3 2010 EBITDA: US\$1.3 billion

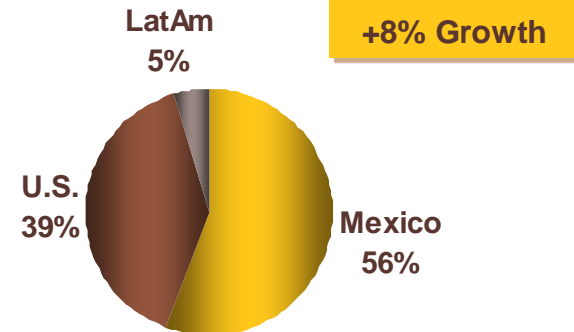


## *Pro Forma* Mix

LTM Q3 2010 Net Sales: US\$11.1 billion



LTM Q3 2010 EBITDA: US\$1.4 billion



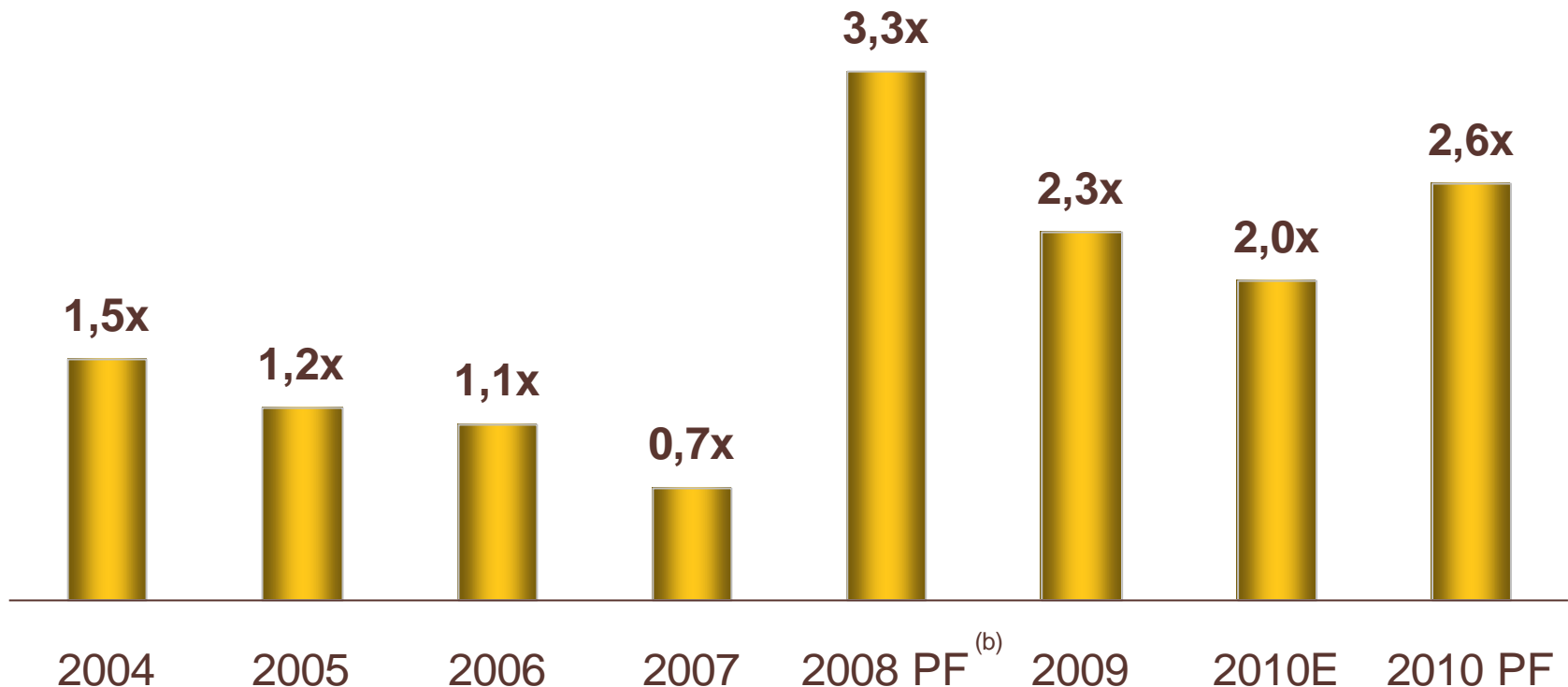
Grupo Bimbo LTM as of Q310 Converted to US\$ using a 365-day average exchange rate of \$12.80  
Sara Lee NAFB LTM as of October 2, 2010

# While Generating Value To Shareholders, Transaction Maintains Grupo Bimbo's Strength And Flexibility



## Grupo Bimbo Leverage Ratio Evolution (a)

Total Debt/EBITDA



a) Assuming the acquisition is funded with a combination of cash on hand and debt for US\$700 million

b) Pro-forma for Weston Foods, Inc. acquisition



# Sara Lee Fresh Bakery: An Attractive Acquisition



- ☑ **Advances BBU's Strategic Objectives**
  - **Scale: a leading U.S. baked-goods player**
  - **Complementary Brand Portfolio**
  - **Complementary Geographic Footprint**
    - **Combination provides nationwide manufacturing and distribution**
    - **Significant cross-selling opportunity given limited product overlap geographically**

# Bimbo Bakeries USA (BBU)



## Business Overview

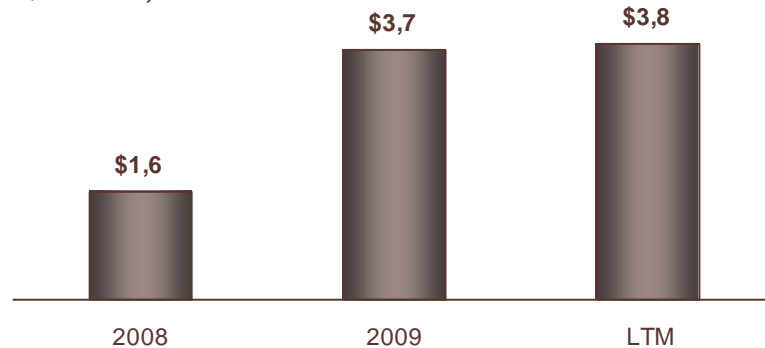
- 34 Bakeries
- 8,500 routes
- 15,000 associates

## Brand Portfolio



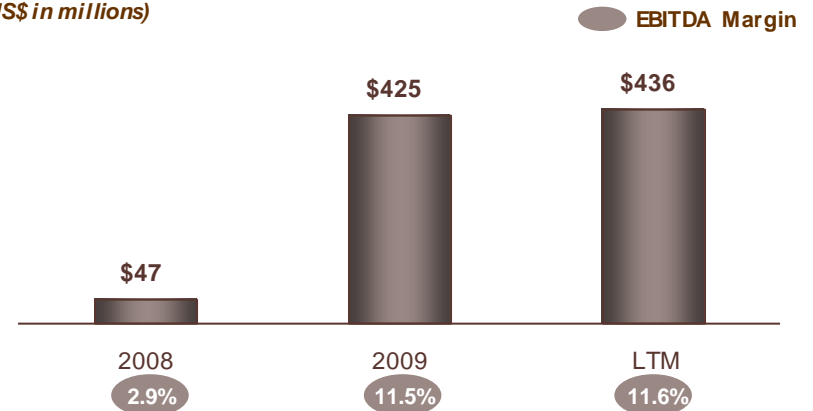
## Net Revenues

(US\$ in billions)



## EBITDA

(US\$ in millions)



# Sara Lee NAFB



## Business Overview

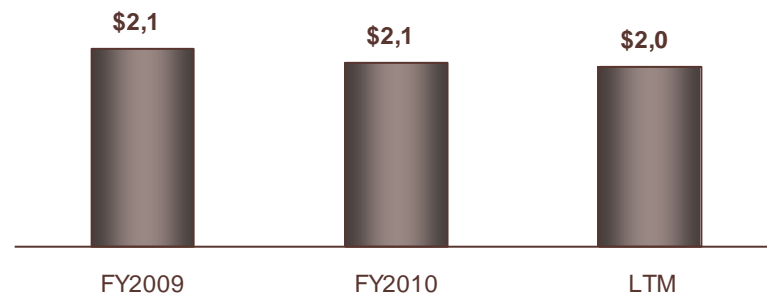
- 41 Bakeries
- 4,700 Routes
- 13,200 employees

## Brand Portfolio



## Net Revenues

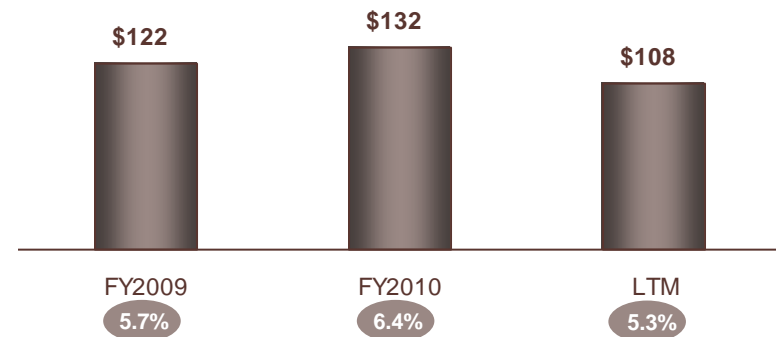
(US\$ in billions)



## EBITDA

(US\$ in millions)

● EBITDA Margin



Figures include the additional businesses acquired and reflect certain internal adjustments

# BBU / Sara Lee NAFB Combination




















## Business Combination

US\$			Pro Forma
LTM Net Revenues (US\$ BN)	\$3.8bn	\$2.0bn	\$5.8bn
LTM Adjusted EBITDA (US\$ MM)	\$436	\$108	\$544
<i>Margin (%)</i>	11.6%	5.3%	9.4%
Routes	8,500	4,700	13,200
Associates	15,000	13,200	28,200



# Transaction Further Enhances BBU's Portfolio With Well-Recognized Brands

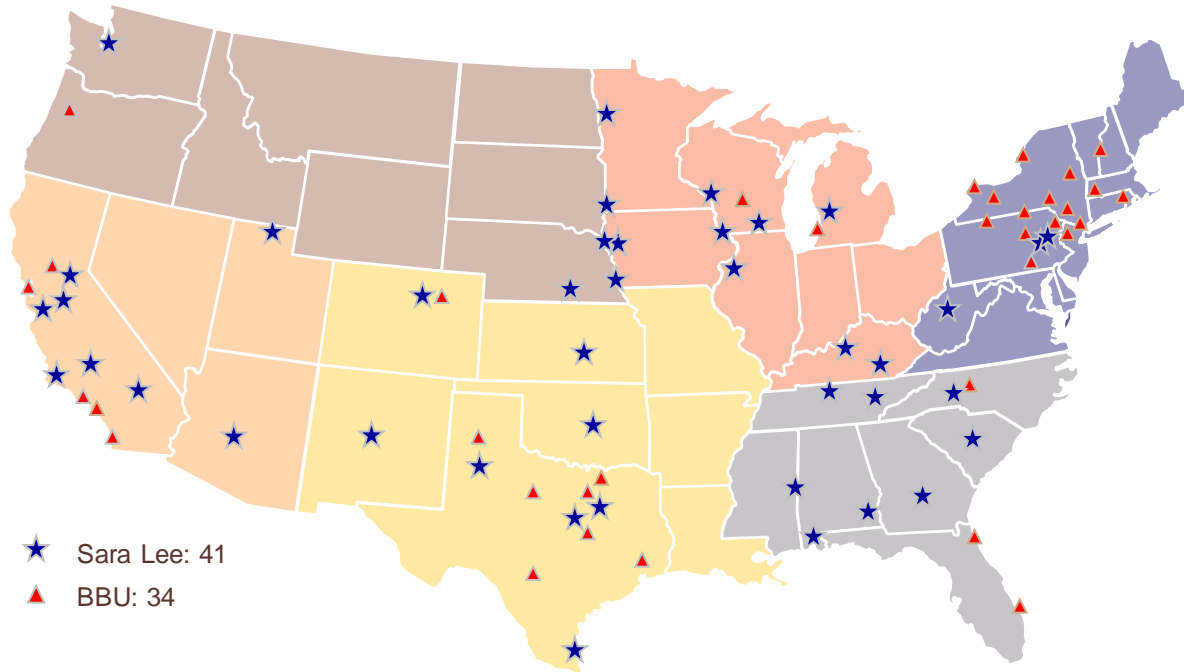


	 
Super Premium/ Variety	  
Premium Sandwich/ White	
Regional/ Mass	       
Specialty	   
Ethnic Hispanic	  

# Complementary Footprint Allowing For Value-Creation



## National Footprint



## Value Creation Opportunity

- Sales & Distribution - Depot and distribution optimization
- Manufacturing - Potential for plant restructuring
- Purchasing - Savings through scale
- Overhead Rationalization

# Grupo Bimbo's And BBU's Focus Will Remain On Execution



- **Orderly integration**
- **Technology systems to drive growth and productivity**
- **Volume growth**
  - **Innovation - meet consumer demands**
  - **Focus on Core products**
  - **Fill in the white space**
- **Customer Alignment**
- **Investment to lower costs and drive efficiency across combined Company**
- **Leadership Talent in Both Organizations**



During this presentation, we have made statements about the Company's future plans and prospects that constitute forward-looking statements.

Actual results may differ materially from those indicated by these forward-looking statements as a result of various factors and undue reliance should not be placed on these forward-looking statements. We cannot ensure that actual results will not be materially different from those expressed or implied by these forward-looking statements.

In addition, any forward-looking statements represent our estimates only as of today and should not be relied upon as representing our estimates as of any subsequent date. While we may elect to update forward-looking statements at some point in the future, we specifically disclaim any obligation to do so, even if our estimates change.

