GRUPO BIMBO

REPORTS
SECOND QUARTER 2018 RESULTS

MEXICO CITY, JULY 24, 2018

"We are pleased with the second quarter and first half results, which show strong sales growth in Mexico and important progress on streamlining our North American operations, while we continue to capitalize on market opportunities and empower our teams to improve productivity."

-Daniel Servitje, Chairman and CEO

"Our strategic priority of delivering sustainable growth and improving profitability is in line with our commitment to deleverage, supported by a solid financial position."

-Diego Gaxiola, CFO

Grupo Bimbo S.A.B. de C.V. ("Grupo Bimbo" or "the Company") (BMV: BIMBO) today reported its results for the three months ended June 30, 2018.[1]

HIGHLIGHTS OF THE QUARTER

- Net sales increased 11.2% on the back of strong volumes in Mexico, acquisitions completed during the last twelve months and, to a lesser extent, FX rate benefit
- Adjusted EBITDA, excluding the non-cash Voluntary Separation Program charge, increased 10%, benefited by Mexico, Latin America and EAA
- Adjusted net majority income increased 25.6%, mainly due to the strong operating performance and a lower effective tax rate
- The total debt/adjusted EBITDA ratio improved to 3.2 times from 3.5 times at December 31, 2017

RECENT DEVELOPMENTS

- BBU successfully completed its Voluntary Separation Program ("VSP"), undertaken to accelerate the Company's strategic objective of lean organizational design, and to better position BBU for profitable and sustainable growth. A US$ 105 million non-cash charge was booked in the period
- Grupo Bimbo completed the acquisition of Mankattan, a leading player in the baking industry in China

FINANCIAL SUMMARY

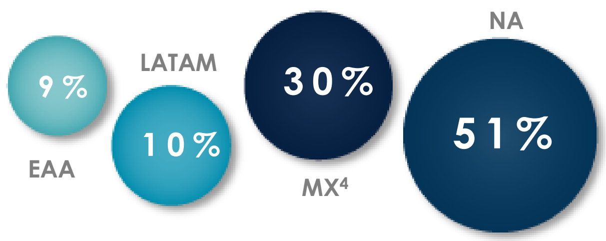
	2Q18	2Q17	% Change
Net Sales	72,417	65,115	11.2
Gross Profit	38,684	35,213	9.9
EBITDA	5,343	6,797	(21.4)
Adj. EBITDA[2]	7,476	6,797	10.0
Net Majority Income	195	1,497	(86.9)
Adj. Net Majority Income[3]	1,880	1,497	25.6

1. Figures included in this document are prepared in accordance with International Financial Reporting Standards (IFRS)
2. Excludes a US$ 105 million charge related to the VSP completed in the U.S.
3. Excludes a US$ 83 million charge related to the VSP completed in the U.S.

NET SALES
(MILLIONS OF MEXICAN PESOS)

	2Q18	2Q17	% Change
Mexico	24,908	22,047	13.0
North America	36,903	34,204	7.9
Latin America	6,954	6,870	1.2
EAA	6,208	3,927	58.1
Consolidated	**72,417**	**65,115**	**11.2**

Consolidated results exclude inter-company transactions.



Second quarter net sales rose 11.2%, primarily on the back of strong volume performance in Mexico, acquisitions completed during the last twelve months, and, to a lesser extent, FX rate benefit.

MEXICO

Net sales in Mexico rose 13% driven by strong volume performance across every channel, mainly the traditional, every brand, notably *Sanissimo*, and every category, in particular sweet baked goods, cookies and snacks. Increased client penetration in the snacks category, good performance of *Suavicremas* and *Pingüinos Cookies and Cream*, among others, as well as new product launches such as *Bites*, contributed to the healthy volume growth.

NORTH AMERICA[5]

Net sales increased 7.9% reflecting exchange rate benefit and a 4% increase in dollar terms. This increase was attributable to a good performance in Canada, particularly the bread category; also, in growth in the U.S. reflected increasing prices, growth in strategic brands and the snacks category, as well as the integration of Bimbo QSR and Bays English Muffins. These factors were partially offset by soft volumes mainly attributable to private label volume declines.

4. Inter-company transactions have been removed from Mexico
5. North America region includes operations in the United States and Canada

LATIN AMERICA[6]

Second quarter net sales increased 1.2%, on the back of strong results in Central America, even with the national disruptions in Nicaragua. Results were also negatively affected by the change in accounting method for the Venezuelan operation implemented on June 1, 2017, as well as by the national truck strike in Brazil and a weak consumption environment in Argentina.

EAA[7]

Sales in the second quarter increased 58.1%, mainly driven by acquisitions completed during the last twelve months, including Bimbo QSR, as well as increased volume and market share gains in the bread category in Iberia. However, organic growth was affected by weak performance of the sweet baked goods category in Iberia and the bagels operation in the U.K.

GROSS PROFIT
(MILLIONS OF MEXICAN PESOS)

	Gross Profit			Gross Margin (%)		
	2Q18	2Q17	% Change	2Q18	2Q17	Chg. pp.
Mexico	14,003	12,227	14.5	56.2	55.5	0.7
North America	19,751	18,646	5.9	53.5	54.5	(1.0)
Latin America	3,281	3,149	4.2	47.2	45.8	1.4
EAA	2,272	1,564	45.3	36.6	39.8	(3.2)
Consolidated	**38,684**	**35,213**	**9.9**	**53.4**	**54.1**	**(0.7)**

Consolidated results exclude inter-company transactions.

Consolidated gross profit increased 9.9%, while the margin contracted 70 basis points to 53.4%. This was due to higher raw material costs, as well as the impact of a different business mix following the incorporation of Bimbo QSR.

6. Latin America region includes operations in Central and South America
7. EAA region includes operations in Europe, Asia and Africa

OPERATING INCOME

(MILLIONS OF MEXICAN PESOS)

	Operating Income			Operating Margin (%)		
	2Q18	2Q17	% Change	2Q18	2Q17	Chg. pp.
Mexico	3,777	3,314	14.0	15.2	15.0	0.2
North America	(213)	2,272	NA	(0.6)	6.6	(7.2)
Latin America	(124)	(398)	(68.8)	(1.8)	(5.8)	4.0
EAA	(456)	(528)	(13.6)	(7.3)	(13.4)	6.1
Consolidated	**2,684**	**4,589**	**(41.5)**	**3.7**	**7.0**	**(3.3)**

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

Operating income decreased 41.5% from the prior year, with a 330 basis point contraction in the margin, mainly due to a US$105 million non-cash charge in the U.S. related to the Voluntary Separation Program completed during the period and, to a much lesser extent, the integration of the bolt-on acquisitions, as well as pressure from commodity and energy inflation in North America.

MEXICO

Operating income increase of 14% in Mexico was primarily attributed to the strong volume performance and lower raw material costs related to a favorable exchange rate. The latter was offset by incremental amortization expenses coming from the acquisition of Bimbo QSR.

NORTH AMERICA

North American operating margin contraction was attributed to the US$105 million non-cash charge arising from the VSP and, to a much lesser extent, the integration of the bolt-on acquisitions and pressure from commodity and energy inflation.

LATIN AMERICA

Even considering the impact of the national truck strike in Brazil and the disruption in logistics in Nicaragua, **Latin American operating margin expanded 400 basis points** mainly on the back of lower distribution and restructuring expenses, driven by stronger market execution and penetration.

EAA

EAA operating margin expanded a notable 610 basis points primarily because of the incorporation of Bimbo QSR, partially offset by higher integration expenses in Iberia and China.

EBITDA
(MILLIONS OF MEXICAN PESOS)

	EBITDA			EBITDA Margin (%)		
	2Q18	2Q17	% Change	2Q18	2Q17	Chg. pp.
Mexico	4,429	3,821	15.9	17.8	17.3	0.5
North America	1,081	3,418	(68.4)	2.9	10.0	(7.1)
Latin America	178	(89)	NA	2.6	(1.3)	3.9
EAA	(45)	(283)	(84.2)	(0.7)	(7.2)	6.5
Consolidated	**5,343**	**6,797**	**(21.4)**	**7.4**	**10.4**	**(3.0)**

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

EBTIDA declined 21.4%, with a margin contraction of 300 basis points to 7.4%, due to the non-cash charge for the VSP in the U.S.

ADJUSTED EBITDA
(MILLIONS OF MEXICAN PESOS)

	Adj. EBITDA			Adj. EBITDA Margin (%)		
	2Q18	2Q17	% Change	2Q18	2Q17	Chg. pp.
Mexico	4,429	3,821	15.9	17.8	17.3	0.5
North America	3,214	3,418	(6.0)	8.7	10.0	(1.3)
Latin America	178	(89)	NA	2.6	(1.3)	3.9
EAA	(45)	(283)	(84.2)	(0.7)	(7.2)	6.5
Consolidated	**7,476**	**6,797**	**10.0**	**10.3**	**10.4**	**(0.1)**

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

Adj. EBITDA, which excludes the VSP non-cash charge, increased 10%, while the margin slightly contracted 10 basis points.

COMPREHENSIVE FINANCIAL RESULT
(MILLIONS OF MEXICAN PESOS)

Comprehensive Financial Result totaled Ps. 1,825 million in the period, compared to Ps. 1,485 million in the last year, an increase of Ps. 340 million, which mainly reflects a higher indebtness level due to the acquisitions completed in the last twelve months and a slightly higher interest rate due to the currency mix. These effects were partially offset by an exchange rate gain.

NET MAJORITY INCOME
(MILLIONS OF MEXICAN PESOS)

	Net Majority Income			Net Majority Margin (%)		
	2Q18	2Q17	% Change	2Q18	2Q17	Chg. pp.
Consolidated	195	1,497	(86.9)	0.3	2.3	(2.0)

	Adj. Net Majority Income			Adj. Net Majority Margin (%)		
	2Q18	2Q17	% Change	2Q18	2Q17	Chg. pp.
Consolidated	1,880	1,497	25.6	2.6	2.3	0.3

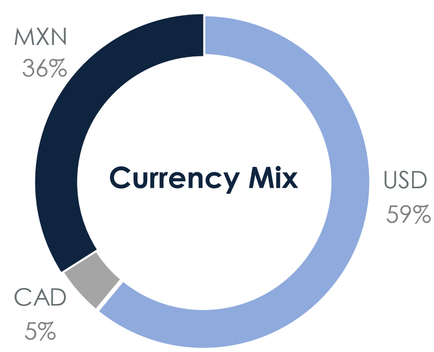
Net majority income decreased 86.9%, with a 200 basis point contraction in the net margin to 0.3%, attributable to the abovementioned impact from the VSP and higher financing costs. Excluding this effect, **adjusted net majority income increased 25.6%** and the margin expanded 30 basis points to 2.6% due to the strong operating performance and a lower effective tax rate.

FINANCIAL STRUCTURE

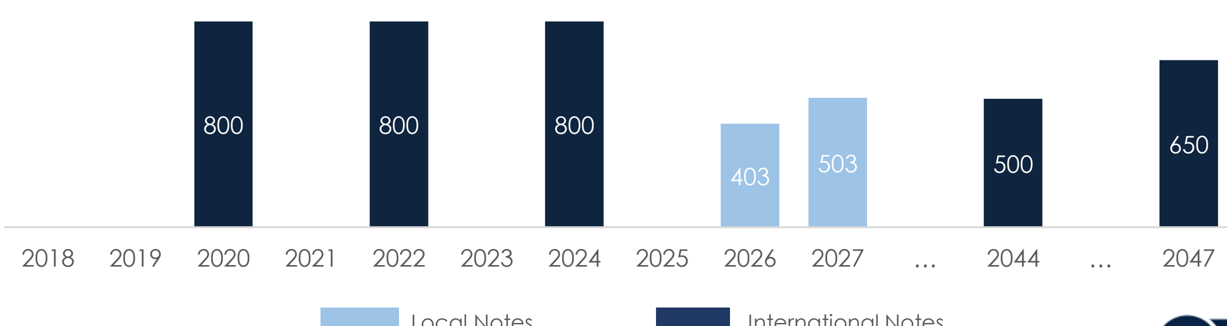
Total debt as of June 30, 2018 was Ps. 92.7 billion, compared to Ps. 94.3 billion on December 31, 2017. The 1.6% decrease was primarily due to the prepayment of US $123 million outstanding from the revolver credit facility.

Average debt maturity was 11.1 years with an average cost of 6.0%. Long-term debt comprised 98% of the total; 59% of the debt was denominated in US dollars, 36% in Mexican pesos and 5% in Canadian dollars.

The total debt to adjusted EBITDA ratio, excluding the VSP charge and with pro forma Bimbo QSR EBITDA, was 3.2 times compared to 3.5 times as of December 31, 2017, while the net debt to adjusted EBITDA ratio was 2.9 times compared to 3.2 times as of December 31, 2017.



AMORTIZATION PROFILE[8]
(MILLIONS OF DOLLARS)



8. Does not include debt at the subsidiary level of US$232 million

RECENT DEVELOPMENTS

- **Bimbo Bakeries USA, Inc. ("BBU"), a subsidiary of Grupo Bimbo, successfully completed its Voluntary Separation Program** ("VSP"), undertaken to accelerate the Company's strategic objective of lean organizational design. The VSP better positions BBU for profitable and sustainable growth by enhancing operational and administrative efficiencies.

  "This effort represents an important part of our transformation to drive growth, improve productivity and enhance profitability. The completion of this program will help increase cash flow and improve profitability, as it has a payback of less than two years. Furthermore, a leaner, stronger and less complex organizational structure allows us to respond to new opportunities with greater agility. We extend our gratitude to all those who have been part of the BBU family and continue to progress in our Purpose of Building a Sustainable, Highly Productive and Deeply Humane Company" said Fred Penny, BBU President.

  This program, along with other initiatives, resulted in a net headcount reduction of around 600 positions at BBU. As a result, Grupo Bimbo took a non-cash charge of US$105 million in the second quarter. This one-time charge mainly reflected associate severance and benefits-related costs that will immediately benefit the Company starting in the third quarter and in the long term.

- **Grupo Bimbo completed the acquisition of Mankattan** Group ("Mankattan"), a key player in the baking industry in China, after satisfying customary closing conditions, including the receipt of regulatory approvals.

  "We are delighted to welcome Mankattan's 1,900 associates to the Grupo Bimbo family. They have built a sizeable customer base in key urban markets and a business that complements and enhances our current product portfolio, distribution network and manufacturing facilities. Not only does the addition of Mankattan strengthen our presence in the country, it also provides us with a platform to grow the market for branded, packaged baked goods as well as the foodservice channel in China. This is a vital growth market for us and an acquisition that bolsters our global profile," said Daniel Servitje, Chairman and CEO of Grupo Bimbo.

- **Grupo Bimbo priced US$500 million Perpetual Subordinated Notes** offering at par to yield 5.95%. The Company used the proceeds from this offering for the refinancing of existing indebtedness and the financing of acquisitions and capital expenditures and other general corporate purposes.

  "This is a new instrument for Grupo Bimbo making it the first hybrid bond issued by a Mexican consumer Company, aligned with our financial policies. As it supports to preserve a healthy financial position, enhances the strength, stability and flexibility of our capital structure, reinforces our commitment to deleverage and maintain our investment grade rating and bolsters liquidity. Moreover, our market leadership coupled with our diversified revenue base, geographic presence, category and distribution channels, largely contributed to attract the attention of more than 200 international investors, evidencing our growing international profile and commitment to expand our stakeholder base," said Diego Gaxiola, CFO of Grupo Bimbo. The transaction was rated Ba1/BB+/BB+ by Moody's, S&P and Fitch.

CONFERENCE CALL INFORMATION

DIAL-IN

A conference call will be held on Wednesday, July 25, 2018 at 11:00 am Eastern (10:00 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/en/investors/

REPLAY

A replay will be available until August 1, 2018. You can access the replay through Grupo Bimbo's website www.grupobimbo.com/en/investors/ or by dialing:
U.S. +1 (877) 344 7529
International +1 (412) 317 0088
Canada +1 (855) 669 9658
Conference ID: 10121713

ABOUT GRUPO BIMBO

Grupo Bimbo is the largest baking Company in the world and a relevant participant in snacks. Grupo Bimbo has 202 plants and more than 1,800 sales centers strategically located in 32 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 3.1 million points of sale, around 59,000 routes and more than 141,000 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.

INVESTOR RELATIONS CONTACT

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CONSOLIDATED BALANCE SHEET

BALANCE SHEET (MILLIONS OF MEXICAN PESOS)	2017 Dec.	2018 June	Change %
TOTAL ASSETS	**259,249**	**266,343**	**2.7%**
CURRENT ASSETS	**42,490**	**46,333**	**9.0%**
Cash and Equivalents	7,216	8,076	11.9%
Accounts and Notes Receivables, Net	19,875	26,548	33.6%
Inventories	8,368	9,114	8.9%
Other Current Assets	7,031	2,596	(63.1%)
Property, Machinery and Equipment, Net	82,972	84,802	2.2%
Intangible Assets and Deferred Charges, Net and Investment in Shares of Associated Companies	122,384	125,689	2.7%
Other Assets	11,403	9,519	(16.5%)
TOTAL LIABILITIES	**182,226**	**182,423**	**0.1%**
CURRENT LIABILITIES	**48,655**	**49,860**	**2.5%**
Trade Accounts Payable	19,750	18,333	(7.2%)
Short-term Debt	2,766	2,256	(18.5%)
Other Current Liabilities	26,139	29,271	12.0%
Long-term Debt	91,546	90,476	(1.2%)
Other Long-term Non Financial Liabilities	42,025	42,087	0.1%
STOCKHOLDER'S EQUITY	**77,023**	**83,921**	**9.0%**
Minority Stockholder's Equity	4,257	4,345	2.1%
Majority Stockholder's Equity	72,766	79,575	9.4%

CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT (MILLIONS OF MEXICAN PESOS)	2Q17	2Q18	Change %
Net Sales	65,115	72,417	11.2%
Cost of Goods Sold	29,901	33,733	12.8%
GROSS PROFIT	**35,213**	**38,684**	**9.9%**
General Expenses	29,893	32,650	9.2%
Other (Expenses) Income, Net	(731)	(3,350)	>100
OPERATING PROFIT	**4,589**	**2,684**	**(41.5%)**
Integral Cost Of Financing	(1,485)	(1,825)	22.9%
Interest Paid (Net)	(1,246)	(2,056)	65.0%
Exchange Rate (Loss) Gain	(193)	231	(>100)
Monetary (Loss) Gain	(46)	-	(>100)
Equity in Results of Associated Companies	65	69	5.1%
INCOME BEFORE TAXES	**3,170**	**928**	**(70.7%)**
Income Taxes	1,446	467	(67.7%)
PROFIT BEFORE DISCONTINUED OPERATIONS	**1,724**	**461**	**(73.2%)**
Net Minority Income	227	266	17.2%
NET MAJORITY INCOME	**1,497**	**195**	**(86.9%)**
ADJUSTED NET MAJORITY INCOME	**1,497**	**1,880**	**25.6%**
EBITDA	**6,797**	**5,343**	**(21.4%)**
ADJUSTED EBITDA	**6,797**	**7,476**	**10.0%**