



GRUPO BIMBO REPORTS 2016 RESULTS

MEXICO CITY, FEBRUARY 23, 2017

Grupo Bimbo, S.A.B. de C.V. (“Grupo Bimbo” or “the Company”) (BMV: BIMBO) today reported its results for the twelve months ended December 31, 2016.¹

“Let’s give our soul, heart and being in everything we do.”
R.I.P. Don Lorenzo Servitje, founder of Grupo Bimbo

2016 HIGHLIGHTS

Net sales rose 15.0% on FX rate benefit in North America², Latin America and Europe, organic growth in Mexico, and the acquisition of Donuts Iberia last July

Adjusted EBITDA³ margin expanded 90 basis points to 11.6%, reflecting operating improvements in Mexico, North America and Europe

The 70 basis point expansion in the gross margin was primarily driven by lower raw material costs in North America, Latin America and Europe

Net majority margin contracted 10 basis points mainly on the back of a higher effective tax rate and non-cash charges

Operating income rose 28.1%, with an 80 basis point expansion in the margin, mainly due to gross margin performance and lower restructuring expenses in the US and Europe

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

² North America region includes operations in the United States and Canada

³ Operating Income plus depreciation, amortization and other non-cash items

Investor Relations

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NET SALES

(MILLIONS OF MEXICAN PESOS)

4Q16	4Q15	% Change	Net Sales	2016	2015	% Change
21,670	19,692	10.0	Mexico	82,386	76,295	8.0
36,965	32,796	12.7	North America	135,219	116,399	16.2
8,020	6,406	25.2	Latin America	29,100	24,272	19.9
3,884	1,926	>100	Europe	11,676	7,560	54.4
68,862	59,519	15.7	Consolidated	252,141	219,186	15.0

Consolidated results exclude inter-company transactions.

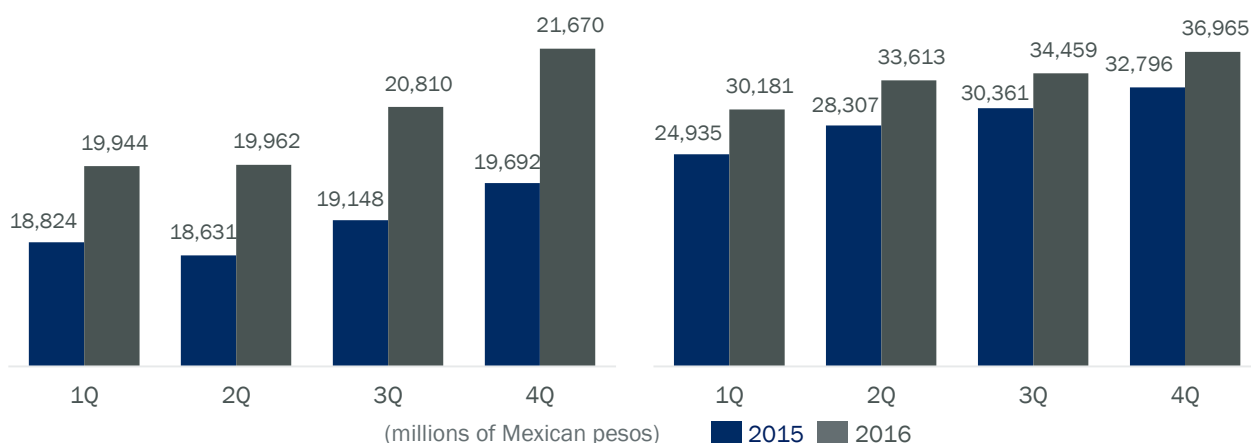
Cumulative net sales rose 15.0% reflecting an FX rate benefit in North America, Latin America and Europe, as well as organic growth in Mexico and the acquisition of Donuts Iberia.

Mexico

Net sales rose 8.0% over 2015, mainly driven by solid volume performance in most categories and every channel. Of particular note, the positive trend and volume recovery in sweet baked goods continued, in part driven by promotional strategy. Higher volumes were also supported by portfolio innovations such as Latte snack cake.

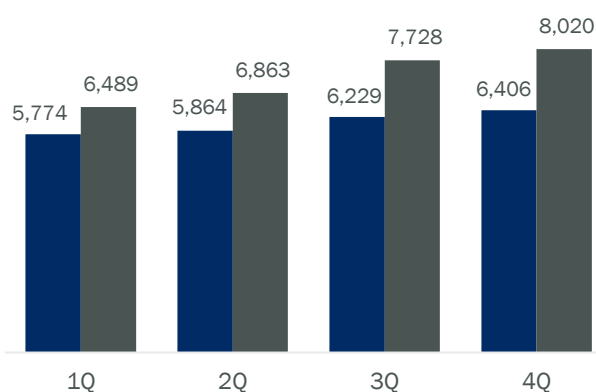
North America

Net sales in peso terms grew 16.2%, primarily reflecting the exchange rate benefit, while dollar-denominated sales declined 1.1% and volumes remained unchanged. Performance in the frozen, snacks and sweet baked goods categories, as well as growth in strategic brands, helped offset the overall challenges in bread consumption. Artisanal products performed well in Canada, as did bread alternatives such as bagels, english muffins and tortillas.



Latin America

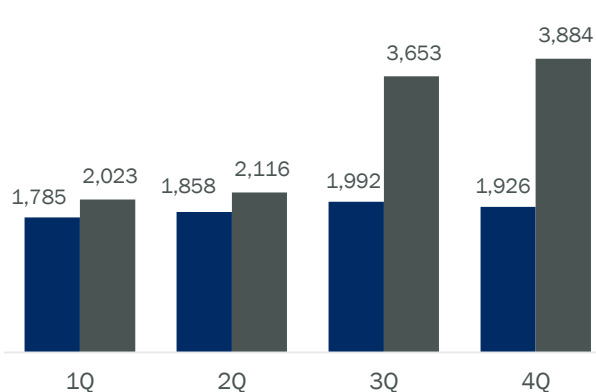
The 19.9% rise in net sales was primarily due to the revaluation of almost all currencies versus the Mexican peso, as well as solid volume progress in most countries, notably Peru, Chile and the *Latin Centro* division, reflecting more efficient routes and broader distribution. However, Brazil and Argentina faced a difficult economic environment that put pressure on consumption and volumes.



(millions of Mexican pesos)

Europe

Net sales rose a strong 54.4% during the year, mainly as a result of the Donuts Iberia acquisition, FX rate benefit, and healthy sequential volume growth in Iberia, in part due to good performance in the traditional channel, the Oroweat and The Rustik Bakery bread brands, as well as snack brands.



■ 2015 ■ 2016

GROSS PROFIT

(MILLIONS OF MEXICAN PESOS)

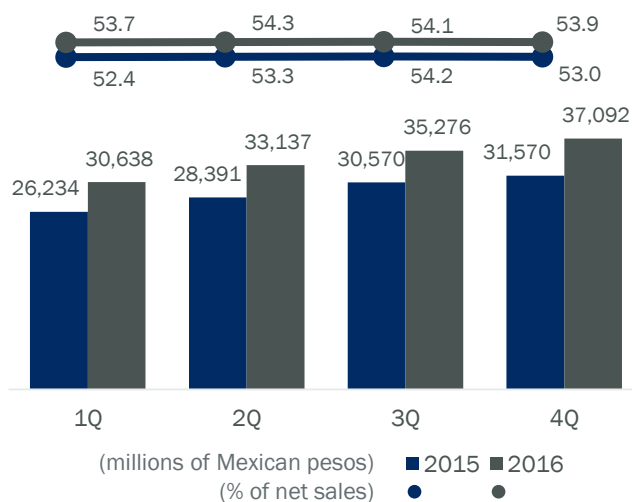
4Q16	4Q15	% Change	Gross Profit	2016	2015	% Change
12,235	11,209	9.1	Mexico	46,776	43,915	6.5
19,830	16,868	17.6	North America	72,025	59,757	20.5
3,569	2,897	23.2	Latin America	13,264	10,948	21.2
1,772	798	>100	Europe	5,229	3,180	64.4
37,092	31,570	17.5	Consolidated	136,143	116,765	16.6

4Q16	4Q15	Change pp	Gross Margin (%)	2016	2015	Change pp
56.5	56.9	(0.4)	Mexico	56.8	57.6	(0.8)
53.6	51.4	2.2	North America	53.3	51.3	2.0
44.5	45.2	(0.7)	Latin America	45.6	45.1	0.5
45.6	41.4	4.2	Europe	44.8	42.1	2.7
53.9	53.0	0.9	Consolidated	54.0	53.3	0.7

Consolidated results exclude inter-company transactions.

Lower raw material costs in North America, Latin America and Europe helped drive the 16.6% increase in the consolidated gross profit, and the 70 basis point margin expansion, to 54.0%.

In Mexico, the effect of a stronger US dollar on raw material costs put pressure on the margin, in both the quarter and year, notwithstanding underlying efficiency improvements and cost control initiatives. In Latin America, the fourth quarter margin contraction reflected soft volume performance in some markets and higher indirect costs arising from the inflationary environment.



PROFIT BEFORE OTHER INCOME AND EXPENSES

(MILLIONS OF MEXICAN PESOS)

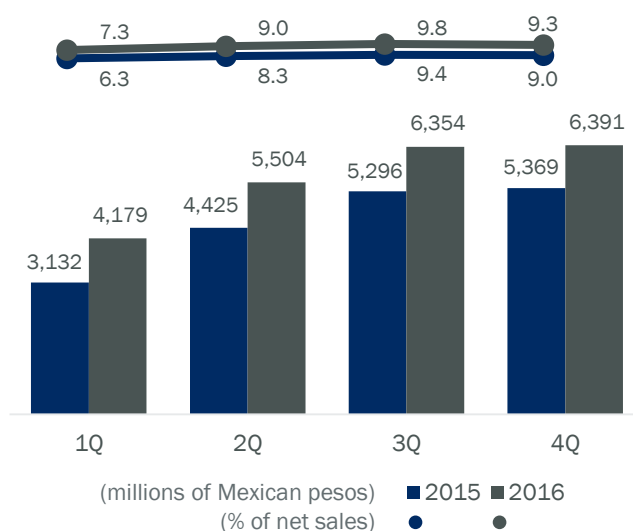
4Q16	4Q15	% Change	Profit before other inc. & exp.	2016	2015	% Change
3,654	3,192	14.5	Mexico	12,488	11,471	8.9
2,433	2,018	20.6	North America	9,029	6,681	35.2
(94)	113	NA	Latin America	(108)	41	NA
197	(49)	NA	Europe	173	(161)	NA
6,391	5,369	19.0	Consolidated	22,428	18,222	23.1

4Q16	4Q15	Change pp	Margin before other Inc. & exp. (%)	2016	2015	Change pp
16.9	16.2	0.7	Mexico	15.2	15.0	0.2
6.6	6.2	0.4	North America	6.7	5.7	1.0
(1.2)	1.8	(3.0)	Latin America	(0.4)	0.2	(0.6)
5.1	(2.5)	7.6	Europe	1.5	(2.1)	3.6
9.3	9.0	0.3	Consolidated	8.9	8.3	0.6

Consolidated results exclude inter-company transactions.

Profit before other income and expenses increased 23.1% in the period, with a 60 basis point expansion in the margin to 8.9%. This reflected the positive benefit coming from supply chain efficiencies and cost control initiatives on marketing and distribution expenses in Mexico, as well as lower distribution expenses in North America and Europe.

The abovementioned was offset by higher administrative expenses and increased marketing to drive growth in strategic brands in North America and higher general expenses in Latin America, in part due to the opening of the Cordoba plant in Argentina.



OPERATING INCOME

(MILLIONS OF MEXICAN PESOS)

4Q16	4Q15	% Change	Operating Income	2016	2015	% Change
3,918	3,008	30.3	Mexico	12,949	10,866	19.2
1,506	1,356	11.0	North America	7,161	5,024	42.5
(1,952)	(882)	>100	Latin America	(2,453)	(1,311)	87.2
39	(274)	NA	Europe	(159)	(601)	(73.5)
3,509	2,812	24.8	Consolidated	18,083	14,121	28.1

4Q16	4Q15	Change pp	Operating Margin (%)	2016	2015	Change pp
18.1	15.3	2.8	Mexico	15.7	14.2	1.5
4.1	4.1	0.0	North America	5.3	4.3	1.0
(24.3)	(13.8)	(10.5)	Latin America	(8.4)	(5.4)	(3.0)
1.0	(14.2)	15.2	Europe	(1.4)	(7.9)	6.5
5.1	4.7	0.4	Consolidated	7.2	6.4	0.8

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

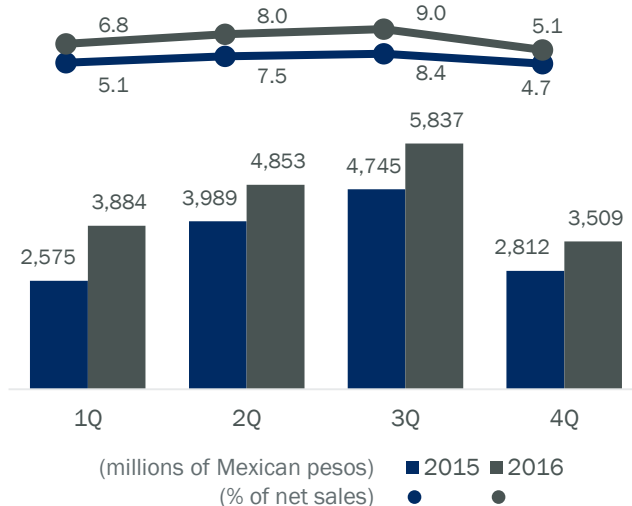
Operating income rose 28.1% over the prior year, with an 80 basis point expansion in the margin to 7.2%, mainly reflecting the abovementioned gross margin benefit, lower restructuring expenses in the US and Europe, and lower “other expenses” in Mexico, North America and Europe.

These factors were partially offset by:

- i) Higher integration and restructuring expenses in:
- Canada and the frozen business, related to the ERP migration and investments in manufacturing efficiency;
 - Argentina, primarily arising from the abovementioned new plant and the frozen business acquisition; and
 - Europe, following the Donuts Iberia acquisition.

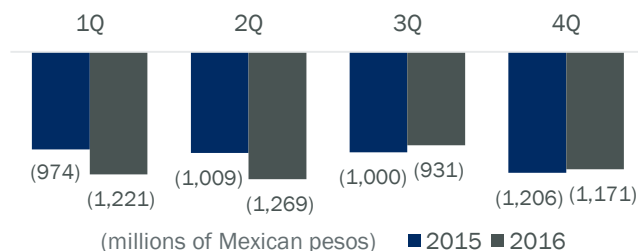
ii) The following non-cash charges:

- around Ps. 1.7 billion in Latin America due to certain brand impairments, goodwill, fiscal provisions and the disposal of assets, among others; and
- a net Ps. 473 million (US\$21 million) charge for multi-employer pension plans (“MEPPs”) liabilities in North America, which included the actual or expected restructuring of three plans, partially offset by the impact of higher discount rates.



COMPREHENSIVE FINANCIAL RESULT

Comprehensive financing resulted in a Ps. 4,591 million cost in the period, compared to Ps. 4,190 million in 2015, Ps. 401 million higher. This increase is the reflection of the incremental interest expense related to the change in the Mexican peso/US dollar FX rate. It should be noted that because of the Company's strict and effective hedging policy, no significant FX loss was recorded in the period.



MAJORITY NET INCOME

(MILLIONS OF MEXICAN PESOS)

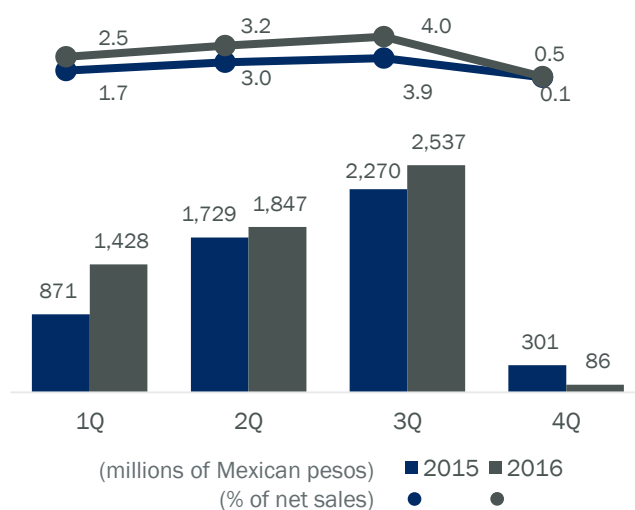
4Q16	4Q15	% Change	Majority Net Income	2016	2015	% Change
86	301	(71.4)	Consolidated	5,899	5,172	14.1

4Q16	4Q15	Change pp	Net Majority Margin (%)	2016	2015	Change pp
0.1	0.5	(0.4)	Consolidated	2.3	2.4	(0.1)

Net majority income rose 14.1%, while the margin declined a slight 10 basis points to 2.3%; this was due to the aforementioned non-cash charges and a higher effective tax rate of 50.3% compared to 40.7% in the prior year. This increase was mainly a result of:

- i) the cancellation of deferred income taxes due to accumulated losses in Brazil and no longer carrying deferred income tax benefit in some countries;
- ii) better earnings in the US, naturally subject to a higher rate;
- iii) a higher taxable base due to inflationary gains related to the financial debt; and
- iv) the partial deductibility of certain fringe benefits in Mexico.

Earnings per share for the period totaled Ps. 1.25, compared to Ps. 1.10 in the prior year.



ADJUSTED EBITDA

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

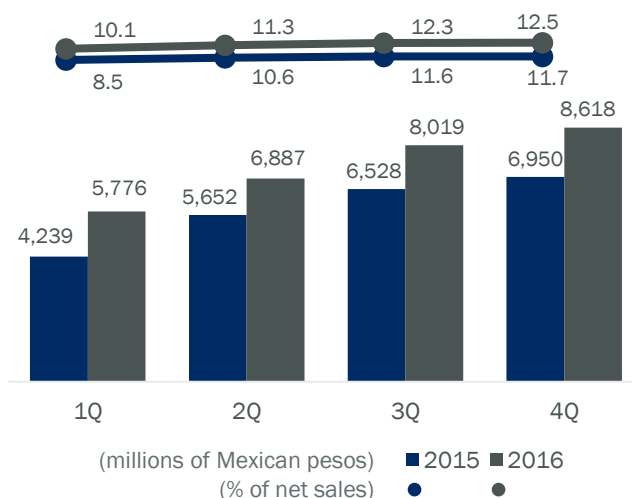
(MILLIONS OF MEXICAN PESOS)

4Q16	4Q15	% Change	Adjusted EBITDA	2016	2015	% Change
4,857	4,136	17.4	Mexico	15,386	13,394	14.9
3,521	3,090	13.9	North America	12,735	9,639	32.1
(28)	292	NA	Latin America	279	519	(46.2)
269	(166)	NA	Europe	312	(334)	NA
8,618	6,950	24.0	Consolidated	29,297	23,369	25.4

4Q16	4Q15	Change pp	Adj. EBITDA Margin (%)	2016	2015	Change pp
22.4	21.0	1.4	Mexico	18.7	17.6	1.1
9.5	9.4	0.1	North America	9.4	8.3	1.1
(0.4)	4.6	(5.0)	Latin America	1.0	2.1	(1.1)
6.9	(8.6)	15.5	Europe	2.7	(4.4)	7.1
12.5	11.7	0.8	Consolidated	11.6	10.7	0.9

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

Adjusted EBITDA increased 25.4%, while the margin improved by 90 basis points to 11.6%. This was primarily due to good operating performance in most regions, including a swing to profitability in Europe and underlying sales growth and cost control initiatives in Mexico.



FINANCIAL STRUCTURE

Total debt at December 31, 2016 was Ps. 82.5 billion, compared to Ps. 67.8 billion at December 31, 2015. The 22% increase was primarily due to a 20% US dollar revaluation that increased the Mexican peso value of US dollar-denominated debt.

Average debt maturity was 8.3 years with an average cost of 4.5%. Long-term debt comprised 97% of the total; 63% of the debt was denominated in US dollars, 23% in Canadian dollars, 10% in Mexican pesos and 4% in Euros.

Notwithstanding the FX rate impact, leverage ratios improved in the year; total debt to adjusted EBITDA was 2.8 times compared to 2.9 times at December 31, 2015, and net debt to adjusted EBITDA was 2.6 times.

CONFERENCE CALL INFORMATION

DIAL-IN

A conference call will be held on Friday, February 24, 2017 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

REPLAY

A replay will be available until March 3, 2017. You can access the replay through Grupo Bimbo's website www.grupobimbo.com/ir/ or by dialing:

Domestic US +1 (877) 344 7529

International +1 (412) 317 0088

Conference ID: 10099327

WEBCAST

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

www.grupobimbo.com/ir/

ABOUT GRUPO BIMBO

Grupo Bimbo is the largest baking company in the world, in terms of volume and sales. Grupo Bimbo has 171 plants and approximately 1,700 sales centers strategically located in 22 countries throughout the Americas, Europe and Asia. 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 10,000 products and has one of the largest direct distribution networks in the world, with more than 2.7 million points of sale, over 55,000 routes and more than 130,000 associates. Grupo Bimbo's shares have traded on the Mexican Stock Exchange since 1980 under the ticker symbol BIMBO.

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)	2015				2016			
	4Q	%	ACUM	%	4Q	%	ACUM	%
NET SALES	59,519	100.0	219,186	100.0	68,862	100.0	252,141	100.0
MEXICO	19,692	33.1	76,295	34.8	21,670	31.5	82,386	32.7
NORTH AMERICA	32,796	55.1	116,399	53.1	36,965	53.7	135,219	53.6
EUROPE	1,926	3.2	7,560	3.4	3,884	5.6	11,676	4.6
LATIN AMERICA	6,406	10.8	24,272	11.1	8,020	11.6	29,100	11.5
COST OF GOODS SOLD	27,949	47.0	102,421	46.7	31,770	46.1	115,998	46.0
GROSS PROFIT	31,570	53.0	116,765	53.3	37,092	53.9	136,143	54.0
MEXICO	11,209	56.9	43,915	57.6	12,235	56.5	46,776	56.8
NORTH AMERICA	16,868	51.4	59,757	51.3	19,830	53.6	72,025	53.3
EUROPE	798	41.4	3,180	42.1	1,772	45.6	5,229	44.8
LATIN AMERICA	2,897	45.2	10,948	45.1	3,569	44.5	13,264	45.6
OPERATING EXPENSES	26,201	44.0	98,543	45.0	30,701	44.6	113,715	45.1
PROFIT (LOSS) BEFORE OTHER INCOME AND (EXPENSES)	5,369	9.0	18,222	8.3	6,391	9.3	22,428	8.9
MEXICO	3,192	16.2	11,471	15.0	3,654	16.9	12,488	15.2
NORTH AMERICA	2,018	6.2	6,681	5.7	2,433	6.6	9,029	6.7
EUROPE	(49)	(2.5)	(161)	(2.1)	197	5.1	173	1.5
LATIN AMERICA	113	1.8	41	0.2	(94)	(1.2)	(108)	(0.4)
OTHER INCOME AND EXPENSES	(2,557)	(4.3)	(4,101)	(1.9)	(2,882)	(4.2)	(4,344)	(1.7)
OPERATING PROFIT	2,812	4.7	14,121	6.4	3,509	5.1	18,083	7.2
MEXICO	2,589	13.1	10,920	14.3	3,918	18.1	12,949	15.7
NORTH AMERICA	1,356	4.1	5,024	4.3	1,506	4.1	7,161	5.3
EUROPE	(274)	(14.2)	(601)	(7.9)	39	1.0	(159)	(1.4)
LATIN AMERICA	(881)	(13.8)	(1,310)	(5.4)	(1,952)	(24.3)	(2,453)	(8.4)
COMPREHENSIVE FINANCIAL RESULT	(1,206)	(2.0)	(4,190)	(1.9)	(1,171)	(1.7)	(4,591)	(1.8)
INTERESTS PAID (NET)	(1,177)	(2.0)	(4,364)	(2.0)	(1,501)	(2.2)	(5,237)	(2.1)
EXCHANGE GAIN (LOSS)	(103)	(0.2)	(18)	(0.0)	8	0.0	(5)	(0.0)
MONETARY (GAIN) LOSS	74	0.1	192	0.1	322	0.5	651	0.3
EQUITY IN RESULTS OF ASSOCIATED COMPANIES	58	0.1	47	0.0	13	0.0	121	0.0
EXTRAORDINARY CHARGES	0	0.0	0	0.0	0	0.0	0	0.0
INCOME BEFORE TAXES	1,664	2.8	9,978	4.6	2,351	3.4	13,614	5.4
INCOME TAXES	1,102	1.9	4,063	1.9	2,055	3.0	6,845	2.7
PROFIT BEFORE DISCONTINUED OPERATIONS	563	0.9	5,915	2.7	296	0.4	6,768	2.7
NET MINORITY INCOME	261	0.4	744	0.3	210	0.3	870	0.3
NET MAJORITY INCOME	301	0.5	5,172	2.4	86	0.1	5,899	2.3
ADJUSTED EBITDA	6,889	11.6	23,369	10.7	8,617	12.5	29,297	11.6
MEXICO	3,694	18.8	13,431	17.6	4,857	22.4	15,386	18.7
NORTH AMERICA	3,061	9.3	9,665	8.3	3,521	9.5	12,735	9.4
EUROPE	(166)	(8.6)	(334)	(4.4)	269	6.9	312	2.7
LATIN AMERICA	292	4.6	519	2.1	(28)	(0.4)	279	1.0

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

BALANCE SHEET (MILLIONS OF MEXICAN PESOS)	2015	2016	
	DEC	DEC	%
TOTAL ASSETS	199,633	245,165	22.8
CURRENT ASSETS	32,131	40,710	26.7
Cash and equivalents	3,825	6,814	78.1
Accounts and notes receivables, net	19,036	24,058	26.4
Inventories	5,509	7,428	34.8
Other current assets	3,761	2,410	(35.9)
Property, machinery and equipment, net	58,073	74,584	28.4
Intangible Assets and Deferred Charges, net and Investment in Shares of Associated Companies	94,427	115,837	22.7
Other Assets	15,001	14,034	(6.4)
TOTAL LIABILITIES	137,774	170,090	23.5
CURRENT LIABILITIES	43,038	44,944	4.4
Trade Accounts Payable	13,547	17,505	29.2
Short-term Debt	8,282	2,150	(74.0)
Other Current Liabilities	21,209	25,290	19.2
Long-term Debt	59,479	80,351	35.1
Other Long-term Non Financial Liabilities	35,257	44,795	27.1
Stockholder's Equity	61,858	75,075	21.4
Minority Stockholder's Equity	2,904	3,646	25.6
Majority Stockholder's Equity	58,955	71,430	21.2

CASH FLOW STATEMENT INDIRECT METHOD	2015	2016
	DEC	DEC
NET INCOME	5,915	6,768
Net cash flow from operating activities	17,744	24,380
Net cash flow from investing activities	(10,381)	(17,575)
Net cash flow from financing activities	(6,317)	(4,376)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS, BEFORE EXCHANGE RATE	1,046	2,429
Effect of exchange rate variations on cash and cash equivalents	208	560
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	1,254	2,989
Cash and cash equivalents at the beginning of the period	2,571	3,825
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3,825	6,814