



## **BACHOCO's RECENT ACQUISITIONS DISCLOSURE**

Celaya, Guanajuato, Mexico, July 18, 2017.

Industrias Bachoco S.A.B. de C.V. ("Bachoco" or "the Company") (NYSE: IBA; BMV: Bachoco), Mexico's leading producer and processor of poultry and other food products, announced today the close of the acquisition processes of "La Perla" a Pet Food company located in the Mexican state of Queretaro and "Albertville Quality Foods (AQF)" a further processing company located in Alabama, USA.

"La Perla" transaction is valued in approximately \$440 million pesos. These assets have the capacity to produce over 65,000 tons a year of dry pet food and comprise a facility for producing Pet Food Treats. The deal was closed through its subsidiary Campi Alimentos S.A. de C.V.

"Albertville Quality Foods (AQF)" transaction is valued in approximately \$140 million dollars. AQF produces and sells value added further processed products, with sales of around \$270 million USD a year. The deal was closed through OK Foods subsidiary located in Arkansas and Oklahoma.

### **Rodolfo Ramos, Bachoco's Chief Executive Officer, stated:**

"These acquisitions are in line with our inorganic growth strategy. In Mexico, it will allow us to diversify our sales mix while increasing significantly our Pet Food capacity. In the U.S it will allow us to keep entering into further processed products segment while continuing to diversify from the commodity market.

We will look to integrate these two operations, as soon as possible, into our normal operations and capture the opportunities we have identified."

### **COMPANY DESCRIPTION**

Industrias Bachoco is the leader in the Mexican poultry industry, and one of the largest poultry producers globally. The Company was founded in 1952, and became a public Company in 1997, via a public offering of shares on the Mexican and The New York Stock Exchange. Bachoco is a vertically integrated Company headquartered in Celaya, Guanajuato located in Central Mexico. Its main business lines are: chicken, eggs, balanced feed, swine, and other products. Bachoco owns and manages more than a thousand facilities, organized in nine productive complexes and 64 distribution centers in Mexico, and a productive complex in the United States. Currently the Company employs more than 25,000 people. The Company is rated **AAA (MEX)**, the highest rating awarded by Fitch Mexico, S.A. de C.V., and **HR AAA** which signals that the Company and the offering both have the highest credit quality by HR Ratings de Mexico S.A. de C.V.

### **DISCLAIMER**

The document contains certain information that could be considered forward looking statements concerning anticipated future events and performance of the Company. The statements reflect management's current beliefs based on information currently available and are not guarantees of future performance and are based on our estimates and assumptions that are subject to risks and uncertainties, including those described in our Annual Information Form, which could cause our actual results to differ materially from the forward-looking statements contained in this document. Those risks and uncertainties include risks associated with ownership in the poultry industry, competition for investments within the poultry industry, shareholder liability, governmental regulation, and environmental matters. As a result, there can be no assurance that actual results will be consistent with these forward-looking statements. Except as required by applicable law Industrias Bachoco, S.A.B. de C.V. undertakes no obligation to publicly update or revise any forward-looking statement.