

## **GRUPO BIMBO TO ACQUIRE CANADA BREAD**

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Mexico City, February 12, 2014 – Grupo Bimbo, S.A.B. de C.V. ("Grupo Bimbo" or "the Company") (BMV: BIMBO) today announced it has agreed to acquire all of the common shares of Canada Bread Company, Limited ("Canada Bread"), a Canadian publicly traded company listed on the Toronto Stock Exchange (TSX: CBY), for an aggregate price of CAN\$1,830<sup>1</sup> million.

Canada Bread is one of the leading manufacturers and marketers of bakery products, including sliced bread, buns, bagels, English muffins and tortillas in Canada, frozen bread in North America, and specialty bakery goods in the United Kingdom.

This acquisition advances Grupo Bimbo's global growth strategy with the entry to the attractive Canadian market through the acquisition of a baking company whose portfolio of premium brands includes Dempster's®, POM®, Villaggio®, Ben's®, BON MATIN® and McGAVIN'S®. Canada Bread enjoys strong relationships with key retailers and leading foodservice accounts in Canada and holds strong market positions in all bread categories. Canada Bread employs approximately 5,400 associates and operates 25 bakeries in Canada, the United States, and the UK, as well as Canada's largest direct store delivery network for fresh bakery that reaches over 41,000 points of sale.

The acquired business generates annual sales of CAN\$1,439<sup>2</sup> million and EBITDA of CAN\$185<sup>2</sup> million.

"Canada Bread brings a remarkable portfolio of market leading brands that complement our global business, as well as a track record of highly profitable performance. This demonstrates strong operational know-how and a commitment of quality to their customers and consumers. These values and their institutional expertise will remain firmly in place, and we look forward to welcoming Canada Bread's associates to the Grupo Bimbo family. Canada Bread will benefit from our focus, expertise and resources and we will endeavor to create new opportunities for Canada Bread's people, customers and business partners", said Daniel Servitje, Chairman of the Board and Chief Executive Officer of Grupo Bimbo.

<sup>1</sup> CAN\$72 per each of the 25,416,812 outstanding shares

<sup>2</sup> Figures after Grupo Bimbo's assessment of the earnings capacity of the business that was used for valuation purposes

The transaction will be carried out by way of a court-approved plan of arrangement, a structure commonly used in Canada to acquire publicly traded companies, and will require the approval of at least two thirds of the votes cast by Canada Bread's shareholders. The Board of Directors of Canada Bread recommended that shareholders approve the transaction and Maple Leaf Foods Inc. ("Maple Leaf"), the owner of approximately 90% of the common shares of Canada Bread, has agreed to vote in favor of the transaction. The transaction is conditional upon receipt of customary regulatory approvals.

To fund the transaction, Grupo Bimbo will utilize cash holdings and financing available under existing long-term committed credit facilities. The acquisition preserves the Company's financial flexibility and healthy credit profile, with a post acquisition *pro forma* total debt to EBITDA ratio between 2.9 and 3.1 times.

The transaction has been approved by the Boards of Directors of Grupo Bimbo, Canada Bread and Maple Leaf and is expected to close during the second quarter of 2014, once regulatory approvals are obtained.

Atlas Advisors is acting as financial advisor to Grupo Bimbo in connection with this transaction. Torys LLP is serving as legal counsel and Deloitte is acting as diligence advisor.

### **Conference Call**

Grupo Bimbo will hold a conference call to discuss the Canada Bread acquisition today at 11:00am (New York and Toronto) / 10:00am (Mexico City). A presentation and call can be accessed via webcast at <http://grupobimbo.com/ir/> or by dialing +1(877) 317-6776 (from within the US) / +1(412) 317-6776 (from outside the US), passcode: Grupo Bimbo. A replay of this call will be available from February 12 until February 25, 2014. To access the replay dial: +1(877) 344-7529 (from within the US) / +(412) 317-0088 (from outside the US), passcode: 10041127.

### **About Grupo Bimbo**

Grupo Bimbo is one of the largest baking companies in the world in terms of production and sales volume. As the market leader in the Americas, Grupo Bimbo has 144 plants and more than 1,600 distribution centers strategically located in 19 countries throughout the Americas, Europe and Asia. Its main product lines include 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 most extensive direct distribution networks in the world, with more than 52,000 routes and more than 126,000 employees. Grupo Bimbo's shares have traded on the Mexican Stock Exchange since 1980 under the ticker symbol BIMBO.

### **About Canada Bread**

Canada Bread is a leading manufacturer and marketer of value-added flour based products, including fresh bread, rolls, bagels and frozen partially baked or par-baked breads and bagels. Canada Bread is 90% owned by Maple Leaf Foods and its common shares are listed on the Toronto Stock Exchange under the ticker symbol CBY.

### **About Maple Leaf**

Maple Leaf Foods Inc. is a leading food processing company, headquartered in Toronto, Canada. The Company employs approximately 19,500 people at its operations across Canada and in the United States, the United Kingdom, and Asia.

### **Forward-Looking Statements**

This announcement contains certain statements regarding the expected financial and operating performance of Grupo Bimbo, S.A.B. de C.V., following the acquisition of Canada Bread, which are based on current financial information, operating levels, and market conditions of the Company and Canada Bread, 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: failure to realize anticipated results, including revenue growth, anticipated cost savings or operating efficiencies following the

acquisition, 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.

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