



October 22, 2009

Dear Board Members:

It is very encouraging to note that recent economic indicators point to a global recovery that will surely benefit the national development.

The positive trend in the Company's performance that has characterized this year, continued during the third quarter.

Net sales for the period July to September of this year were \$ 2,017.6 million, 13.8% more than the same period last year, standing out the domestic sales of salsas, marmalades and tomato paste, among other lines.

While sales abroad decreased, we expect this trend to be reversed with the start up of the MegaMex operations during this quarter.

For the first time in eight quarters, cost as a percentage of sales decreased to 64.0% due to the decline in the prices of some inputs, despite the strengthening of the U.S. dollar.

These, coupled with a greater efficiency in overall expenditures resulted in an operating income and EBITDA of \$315.1 and \$340.4 million, representing a 40.1 and 35.6 percent growth, respectively.

Net income for the period totaled \$153.8 million, 53.3 percent higher than the amount obtained during the third quarter of 2008.

Cumulatively, the Group's net sales reached \$ 5,982.6 million, 18.6% more than sales of the first nine months of last year.

As in the quarter, a greater efficiency in the management of costs caused operating income to reach \$871.1 million, 34.8% more than the same period of 2008, while EBITDA also increased 31.5% to reach \$959.6 million.

It is worth noting that cumulative operating income at September 30, 2009 exceeded in eight million the profit obtained over the year 2008.

Throughout this year, the supply chain strategy together with an efficient working-capital management increased the generation of cash, which was allocated to finance investments in fixed assets and to reduce interest-bearing liabilities, among other uses.

The financial situation of the company at the third quarter 2009 remains strong. Bank-debt less cash on hand totaled \$671.6 million, \$125.1 million less than the immediately preceding quarter.

Bank-debt less available cash represented 0.56 times LTM EBITDA, resulting in the lowest leverage ratio since 1991, when the company entered the Mexican Stock Exchange.

Regarding other areas of Grupo Herdez and after having diminished malnutrition in various communities across Oaxaca through the Herdez Nutre support, I am pleased to announce that we have extended the program to the state of Chiapas, initiative which I'm sure will benefit several underprivileged families in that entity.

Sincerely,

Hector Hernandez-Pons Torres.

Chairman and Chief Executive Officer