



GRUPO LALA CONCLUDES NEGOTIATIONS WITH VIGOR IN BRAZIL

Torreon Coahuila, August 1st, 2017, Grupo Lala, S.A.B. de C.V. (BMV "Lala") informs that it has concluded the negotiation process aimed to complete the acquisition of the Brazilian dairy company Vigor Alimentos S.A., including its shareholding in Itambé Alimentos, S.A. The acquisition project will be submitted for approval to the Board of Directors of LALA at a meeting called for that purpose on Thursday, August 3rd, 2017.

Founded in 1917, Vigor is a leading company in the Brazilian dairy market focused on value added products and innovation. It has more than 7,600 employees, 11 milk collection centers, 14 production plants, 31 distribution centers and 67,000 points of sale in Brazil. In addition, it has a wide portfolio of dairy products, including yogurt, cheese and other dairy products, marketed under the *Vigor*[®], *Danubio*[®], *Faixa Azul*[®], *Serrabella*[®] *Leco*[®] and *Amelia*[®] brands, among others.

Itambé Alimentos S.A. is a Brazilian dairy company with more than 66 years of experience in the market. It has a complete portfolio of dairy products, mainly: powdered milk, condensed milk, milk caramel, yogurt, dairy products and UHT milk, under the *Itambé*[®] brand.

This transaction is subject to certain common **conditions, including the approval of Grupo Lala's** Board of Directors and Shareholders Meeting (for which a corporate restructuring statement will be disclosed), governmental authorizations, shareholder agreements and other inherent contractual conditions. LALA will obtain financing and possible additional capitalizations as part of the financial package for these acquisitions. LALA will timely inform whether the transaction is completed.

In case this acquisition is approved by the Board of Directors of LALA, a conference call with investors has been convened for August 4th, 2017. Both the recording and any other material used during the call will be available on LALA's website: <http://www.grupolala.com/Investor>

About LALA

Grupo LALA is a Mexican company focused on healthy and nutritious foods, has a history of more than 65 years of experience in the production, innovation and marketing of milk and dairy products under the highest quality standards. The Company operates 22 production plants and 160 distribution centers in Mexico, United States and Central America, supported by more than 34,000 employees. Grupo LALA's fleet of approximately 7,000 vehicles distributes its more than 600 products to nearly 500,000 points of sale. LALA's portfolio is led by its two main brands: LALA[®] and Nutri Leche[®].

For more information visit: www.grupolala.com

Disclaimer

This press release contains certain forward-looking statements that reflect the current vision or expectations of Lala and its management with respect to its performance, business and future events. Lala uses words like "believe", "anticipate", "plan", "expect", "intend", "target", "estimate", "predict", "forecast", "guidelines" and other similar expressions to identify forecasts or projections, but it is not the only way it refers to them. These statements are subject to certain risks, unforeseen and assumptions. Lala warns that a significant number of factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in this press release. Lala is not subject to any obligation and expressly disclaims any intention or obligation to update or modify any forecast or projection that could result from new information, future events or any other cause.

For more information:

Mariana Rojo

Investor Relations
Tel.: +52 (55) 9177- 5900
investor.relations@grupolala.com

