



UPDATE ON THE ACQUISITION OF THE COMPANY IN BRAZIL

Mexico City, on September 21st, 2017. Following the press release published on August 3rd, 2017 regarding the acquisition of the Brazilian dairy company Vigor Alimentos, S.A. (“Vigor”), which includes its shareholding in Itambé Alimentos, S.A. (“Itambé”), Grupo Lala, S.A.B. de C.V. (BMV “LALA”) reports that the Cooperativa Central dos Produtores Rurais de Minas Gerais Ltda (“CCPR”), which owns 50% of the capital stock of Itambé, announced its intention to exercise its right of first refusal to acquire 50% of the remaining shares of Itambé, belonging to Vigor.

The process for the closure of the Vigor acquisition continues. At the same time, Lala continues to negotiate with Arla Foods International A/S to acquire 8% of Vigor’s shares, thereby increasing its stake to 99.9%.

In the event that CCPR satisfactorily completes the acquisition of the 50% of Itambé’s shares, the new scope of the transaction would be the acquisition of up to 100% of Vigor’s shares, for a net implied value of R\$ 4,325 million; considering estimated net sales for 2017 of R\$ 2,407 million and an estimated EBITDA of R\$ 200 million.

As mentioned in our previous statement, Lala’s interest is in the value added dairy segment, where Vigor has widely recognized brands, with a strong presence in the fast-growing segments.

We continue to follow closely the evolution of certain legal aspects that involve third parties related to this transaction.

About LALA

Grupo LALA, (BMV: LALA), 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: www.grupolala.com

Limitation of Responsibility: This press release contains certain forward-looking statements about the Company’s results and outlook. However, actual results may vary materially from these estimates. The information on future events contained in this press release should be read together with a summary of these risks, which are included in the Annual Report. That information, as well as future reports issued by the Company or any of its representatives, whether verbally or in writing, may vary materially from actual results. These projections and estimates, which were prepared with reference to a specific date, should not be considered as fact. The Company has no obligation whatsoever to update or revise any of these projections and estimates, whether as a result of new information, future events, or other associated events.

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