



October 26, 2000

Grupo BIMBO reports its results for the third quarter and first nine months of 2000, during which net sales and operating income increased by 5.4% and 7.6%, respectively.

Figures have been prepared in accordance with Generally Accepted Accounting Principles in Mexico and are expressed in millions of constant pesos as of September 30, 2000.

Mexico City

Grupo BIMBO S.A. de C.V., ("Grupo BIMBO" or "the Company") (BMV: BIMBOA), the largest food company in Mexico and one of the leaders in Latin America, announced yesterday its results for the third quarter and first nine months ended September 30, 2000.

Nine-Month Highlights:

- **Net Sales increased by 5.4%**
- **Operating Income increased by 7.6%**
- **EBITDA increased 7.9%**
- **Net Margin dropped to 4.4% from 5.4% in 1999 as a result of less favorable Integral Cost of Financing**
- **Strengthening of the Company's financial structure due to a reduction of net debt to only 0.1%**

Operating Results

• **Net Sales**

During the first nine months of 2000, Grupo Bimbo's consolidated revenue increased steadily, growing in-line with the economic conditions in its areas of operation. Net sales increased to Ps. 22,881 million in the first nine months of 2000, an increase of 5.4% over the net sales reported for the same period in 1999. This growth has been continuous, despite the sale of the Agroindustrial Division, during late 1999, which would have contributed an additional 1.2 percentage points to sales, approximately. The following table shows the sales breakdown by region:

	9 MONTHS 1999	9 MONTHS 2000	CHANGE
MEXICO	Ps. 16,322	Ps. 16,927	3.7%
USA	Ps. 3,680	Ps. 4,200	14.1%
LATIN AMERICA	Ps. 1,706	Ps. 1,754	2.8%
TOTAL	Ps. 21,708	Ps. 22,881	5.4%

Contact in Mexico City:

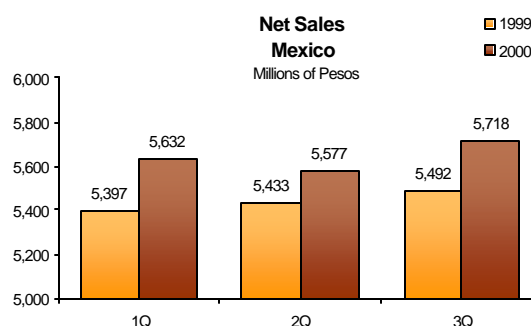
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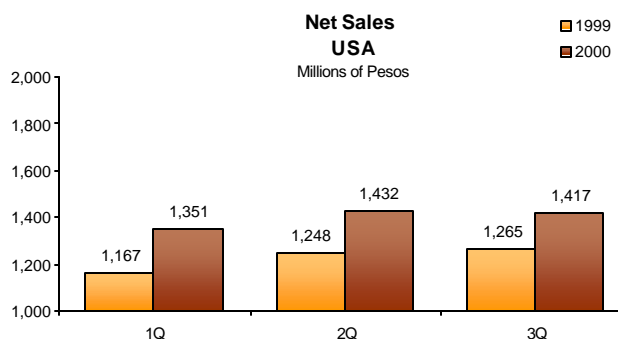
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In Mexico, the Company's most dynamic subsidiaries have been Bimbo, Barcel and Ricolino, mainly because their markets have responded favorably to the new product launches and marketing campaigns implemented to improve their positioning. Marinela's revenue was marginally affected by the seasonality effects of the summer months during which consumption drops as a result of the hot climate and vacation season. Nevertheless, to offset these effects, it is planning to reinforce the launching of its products "energy-up" and "minigalletas" as well as repositioning its Lara brand products through a radical image overhaul.

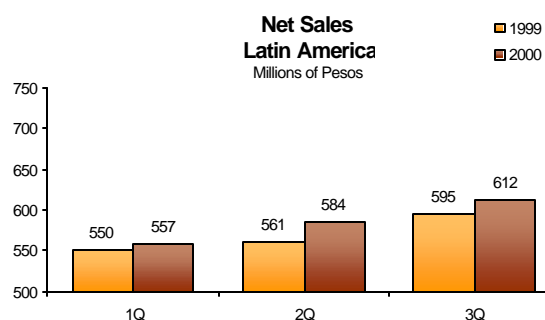
Another important factor that impacted the Mexican operations was the divestment of the agroindustrial business, which would have contributed an additional 1.6 percentage points, bringing sales up 5.3% compared to the same period in 1999.



Growth in the United States continues to be favorable as a result of the following factors: i) a larger presence of the Company's brands and products, supported by a more aggressive advertising strategy; ii) 3 months of additional revenue from Four-S Bakeries, which was acquired during March of 1999; and iii) homologation of the Company's accounting cycles from a 28-day period in 1999 to calendar months in 2000; if we normalize the equivalent time periods, the growth is estimated at 6.9%.



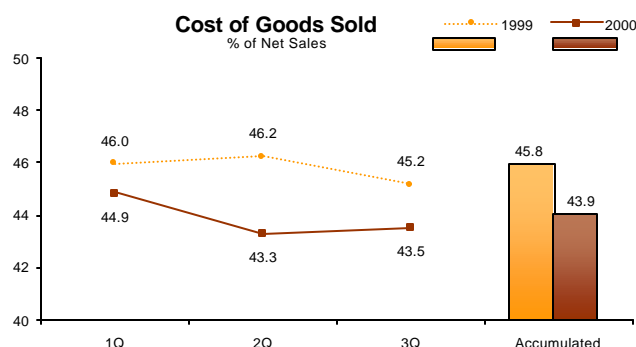
In Central and South America, growth has remained moderate throughout the year, due mainly to a slow recovery of consumption levels in these regions.



As a result, during the first nine months of the year, domestic net sales contributed 74.0% of total revenue and international sales contributed 26.0%, while during the same period in 1999, 75.2% of net sales were domestic and 24.8% were international.

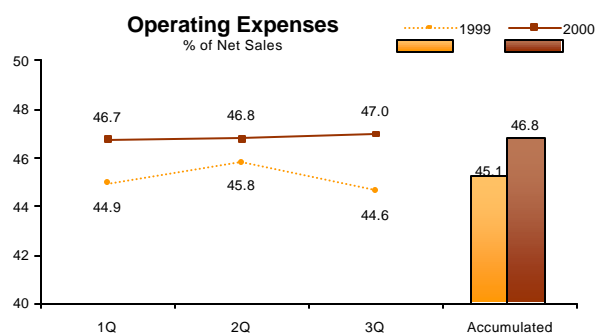
• Cost of Goods Sold

The Company's COGS continued to decline mainly as a result of the drop in raw material prices and the appreciation of the peso, which favors the purchase of raw materials subject to international prices. In terms of percentage of sales, COGS dropped 1.9 percentage points to 43.9% in the first nine months of 2000 compared to 45.8% reported for the same period in 1999, which translated into a gross margin increase to 56.1% from 54.2%, respectively.



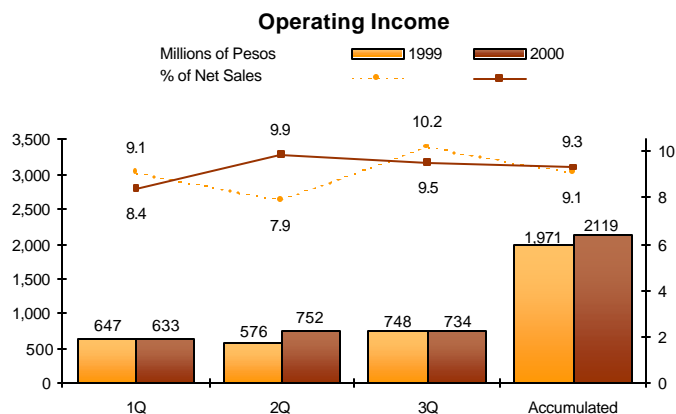
▪ Operating Expenses

During the first nine months, the Company's operating expenses experienced stable results with growth of 1.7 percentage points, reaching 46.8% during 2000 compared to 45.1% during 1999. This was due to increased advertising and promotion costs, as part of the Company's strategy to strengthen product recognition and brand value, expenses relating to the implementation of the Enterprise Resource Planning ("ERP") systems which were initiated a few months ago, as well as consulting costs incurred for several projects.



• Operating Income

Due to the factors previously mentioned, operating income for the nine-month period increased 7.6% to Ps. 2,120 million, from Ps. 1,971 reported for the same period of the previous year. Thus, operating margin increased 0.2 percentage points increasing to 9.3% from 9.1%, respectively.



Return on net operating investment (RNOI) showed favorable results, mainly due to the increase in sales and the operating income as well as the decrease in net operating investment as illustrated in the following table:

	9 MONTHS 1999	9 MONTHS 2000	CHANGE
¹ SALES (S)	Ps. 28,944	Ps. 30,507	5.4 %
¹ OPERATING INCOME (OI)	Ps. 2,627	Ps. 2,826	7.6 %
² NET OPERATING INVESTMENT (NOI)	Ps. 18,517	Ps. 15,823	(14.5 %)
OPERATING MARGIN (OI/S)	9.1 %	9.3 %	2.2 %
TURNOVER (S/NOI)	1.56x	1.93x	23.7 %
RNOI (OI/NOI)	14.2 %	17.9 %	26.1 %

¹ Figures accumulated and annualized ending in September

² Annual Average

• Operating Income plus Depreciation and Amortization

Operating income plus depreciation and amortization (EBITDA) for the first nine months of the year remained in-line with last year's figures, confirming the Company's solid ability to generate cash flow.

• Integral Cost of Financing

Regarding the Company's integral cost of financing, the factors that have affected this include: i) a fluctuating economic environment, particularly regarding the peso-dollar exchange rate; ii) a substantially lower net debt level, which reduces net interest paid, iii) the significant reduction in the Company's monetary position derived from the reduction of net debt, and iv) the Company's asset dollar position, resulting from higher liquidity. The combination of these factors resulted in a cost of Ps. 112 million in 2000, versus a gain of Ps. 296 million in 1999.

• Majority Net Income

The combination of all of the previously-mentioned factors caused the Company's majority net income to decrease 1.0 percentage point over sales to 4.4% compared to 5.4% in 1999.

• Financial Structure

During the third quarter, the Company's financial structure continued to strengthen as a result of its significant cash flow since debt levels, measured as net debt to shareholders equity, decreased to 0.1% in September 2000

compared to 19.9% during September 1999.

As of September 30, 2000, the Company's debt level reached Ps. 4,073 million of which 95% was dollar-denominated with an average maturity of 2.3 years.

- **Investments and Financing Sources (CAPEX)**

During 1999, Grupo BIMBO made important capital expenditures in its domestic and international operations, from the installation of new plants as well as the acquisition of existing ones. These investments have been primarily financed with internal resources from operations, as well as long-term dollar-denominated financing, as needed. Likewise, to date this year, the Company has made investments in the amount of US\$ 80 million towards the maintenance of productive plants, the expansion and construction of production lines and the implementation of its ERP (Enterprise Resource Planning), an integrated business administrative system.

- **Recent Events**

On March 13, 2000, Grupo BIMBO and Oracle de México announced a business partnership to develop an information project, which will allow the Company to meet the increasingly competitive commercial and technological environment. In addition, it will position the Company to enter the e-commerce business. Simultaneously the Company will implement a software package called ERP, which is expected to improve the efficiency and the process integration of Grupo BIMBO's administrative and operations departments.

On April 13, 2000, Mr. Fernando Sotomayor was named Project Leader of Grupo BIMBO's Internet Division. He will be responsible for launching the Company's e-commerce strategy.

On May 25, 2000, Grupo BIMBO opened a new plant in the city of Tijuana, Baja California. This plant is expected to complement supply in the northeast region of Mexico and Southern California in the U.S.

On May 30, 2000, the Company announced a series of changes in its organizational structure. Mr. Mauricio Jorba, current Vice President, will be responsible for all of the baking operations in Mexico. Mr. Rafael Vélez will head operations in Latin America and Mr. Pablo Elizondo will head the Company's headquarters located in Mexico City.

Company Description

Grupo BIMBO is one of the three largest baking companies in the world in terms of production and sales volumes. A leader in Mexico and Latin America, Grupo BIMBO has 77 plants and distributors strategically located in 16 countries throughout the Americas and Europe with over 61,000 employees and over 800 products. Grupo BIMBO's shares are traded on the Mexican Stock Exchange since 1980 under the ticker BIMBOA.

Forward-Looking Statements

This earnings release contains certain forward-looking statements concerning Grupo Bimbo's operations, economic performance and financial condition. These forward-looking statements are based on currently available competitive, financial and economic data as well as management's views and assumptions regarding future events. The Company's results may differ materially from those suggested in the forward-looking statements for a variety of reasons, including: pricing, cost of raw materials, changes in laws and regulations or economic or political conditions in any of the countries in which the Company operates. Consequently, the Company wishes to caution all readers not to place undue reliance on any forward-looking statements.

CONSOLIDATED INCOME STATEMENT (MILLIONS OF CONSTANT MEXICAN PESOS AS SEPTEMBER 30 th , 2000)	1999					2000				
	1 Q	2 Q	3 Q	ACCUMULATED	%	1 Q	2 Q	3 Q	ACCUMULATED	%
NET SALES	7,114	7,241	7,353	21,708	100.0	7,541	7,592	7,748	22,881	100.0
MEXICO	5,397	5,433	5,492	16,322	75.2	5,632	5,577	5,718	16,927	74.0
UNITED STATES	1,167	1,248	1,265	3,680	17.0	1,351	1,432	1,417	4,200	18.4
LATIN AMERICA	550	561	595	1,706	7.9	557	584	612	1,754	7.7
COST OF GOODS SOLD	3,270	3,348	3,321	9,939	45.8	3,383	3,287	3,374	10,043	43.9
GROSS PROFIT	3,844	3,893	4,032	11,768	54.2	4,158	4,306	4,374	12,838	56.1
OPERATING EXPENSES	3,197	3,318	3,283	9,798	45.1	3,525	3,553	3,640	10,718	46.8
OPERATING INCOME	647	576	748	1,971	9.1	633	752	734	2,119	9.3
MEXICO	658	550	765	1,973	12.1	700	784	753	2,237	13.2
UNITED STATES	7	60	21	87	2.4	(43)	(5)	1	(47)	(1.1)
LATIN AMERICA	(18)	(34)	(37)	(89)	(5.2)	(24)	(27)	(19)	(70)	(4.0)
INTEGRAL COST OF FINANCING	(182)	(55)	(59)	(296)	(1.4)	36	(49)	125	112	0.5
INTEREST PAID (NET)	94	(66)	119	147	0.7	49	23	(22)	49	0.2
EXCHANGE (GAIN) LOSS	(71)	99	(100)	(73)	(0.3)	12	(83)	147	76	0.3
MONETARY (GAIN) LOSS	(205)	(88)	(78)	(371)	(1.7)	(25)	11	0	(13)	(0.1)
OTHER FINANCIAL OPERATIONS	174	65	5	245	1.1	16	1	63	80	0.4
PROVISION FOR TAXES AND PROFIT SHARING	321	215	292	828	3.8	263	392	269	924	4.0
EQUITY IN RESULTS OF ASSOCIATED COMPANIES	7	6	5	18	0.1	9	6	11	26	0.1
MINORITY INTEREST	17	(8)	27	36	0.2	8	(0)	10	17	0.1
MAJORITY NET INCOME	323	365	488	1,176	5.4	319	415	278	1,012	4.4
EBITDA	932	903	965	2,800	12.9	927	1,041	1,045	3,013	13.2
MEXICO	854	784	926	2,564	15.7	904	985	972	2,861	16.9
UNITED STATES	53	113	43	209	5.7	6	45	51	102	2.4
LATIN AMERICA	26	6	(4)	27	1.6	17	11	22	50	2.8

CONSOLIDATED BALANCE SHEET (MILLIONS OF CONSTANT MEXICAN PESOS AS SEPTEMBER 30 th , 2000)	1999	2000	Δ%
TOTAL ASSETS	24,192	23,746	(1.8)
MEXICO	16,282	16,929	4.0
UNITED STATES	5,194	4,498	(13.4)
LATIN AMERICA	2,716	2,319	(14.6)
CURRENT ASSETS	5,390	6,895	27.9
PROPERTY, PLANT AND EQUIPMENT (NET)	14,722	13,096	(11.0)
TOTAL LIABILITIES	8,740	9,399	7.5
SHORT-TERM BANK LOANS	441	1,274	188.7
LONG-TERM BANK LOANS	4,348	2,799	(35.6)
STOCKHOLDERS' EQUITY	15,452	14,347	(7.2)

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION (MILLIONS OF CONSTANT MEXICAN PESOS AS SEPTEMBER 30 th , 2000)	1999	2000
CONSOLIDATED NET INCOME	1,212	1,029
+ (-) ITEMS NOT REQUIRING CASH	680	1,321
NET RESOURCES OBTAINED FROM RESULTS	1,892	2,350
WORKING CAPITAL FLOW	(234)	(156)
NET RESOURCES GENERATED BY OPERATIONS	1,658	2,195
EXTERNAL FINANCING	(860)	(625)
INTERNAL FINANCING	1,199	(213)
TOTAL SOURCES OF CASH	339	838
INVESTMENTS	(1,037)	207
NET INCREASE (DECREASE) IN CASH AND MARKETABLE SECURITIES	961	1,563
CASH AND MARKETABLE SECURITIES AT THE BEGINNING OF THE YEAR	854	2,495
CASH AND MARKETABLE SECURITIES AT THE END OF THE YEAR	1,814	4,058



INVESTOR RELATIONS

The earnings release you have received is from Grupo Bimbo, S.A. de C.V., Mexico's leading baking company with operations in over 16 countries throughout the Americas and Europe.

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