

JULY 23, 2001

Contact in Mexico City:

Alberto Bercowsky
Investor Relations
Grupo BIMBO, S.A. de C.V.
Tel: (525) 258-7662
abercows@grupobimbo.com

Contacts in New York:

Maria Barona / Melanie Carpenter
i-advize Corporate Communications, Inc.
Tel: (212) 406-3690
grupobimbo@i-advize.com

GRUPO BIMBO reports its financial results for the first half of 2001, with an increase in net sales of 4.1%.

Figures have been prepared in accordance with Generally Accepted Accounting Principles in Mexico and are expressed in millions of constant pesos as of June 30, 2001.

Highlights:

- **Net sales increased 4.1%**
- **Operating margin decreased from 9.4% to 8.8%**
- **Net Margin decreased from 5.0% to 4.1%**
- **U.S. operations showed signs of recovery (EBITDA tripled)**
- **Latin America region losses increased due to the recent integration of *Bimbo do Brazil* as well as the difficult economic environment in Argentina**

Mexico D.F.

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 today its results for the first six-months ended June 30, 2001, which posted an increase in net sales of 4.1% compared to the same period in 2000.

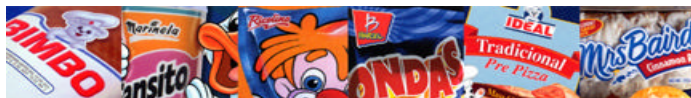
This increase was primarily a result of an improved performance in the three regions in which the Company operates, as well as price increases, which were applied to the main product lines during the period between May and June.

Sales by region are as follows:

	6M00	6M01	CHANGE
MEXICO	Ps. 11,750	Ps. 12,049	2.5%
UNITED STATES	Ps. 2,762	Ps. 2,755	(0.3%)
LATIN AMERICA	Ps. 1,090	Ps. 1,439	32.0%
TOTAL	Ps. 15,602	Ps. 16,243	4.1%

• **Net Sales**

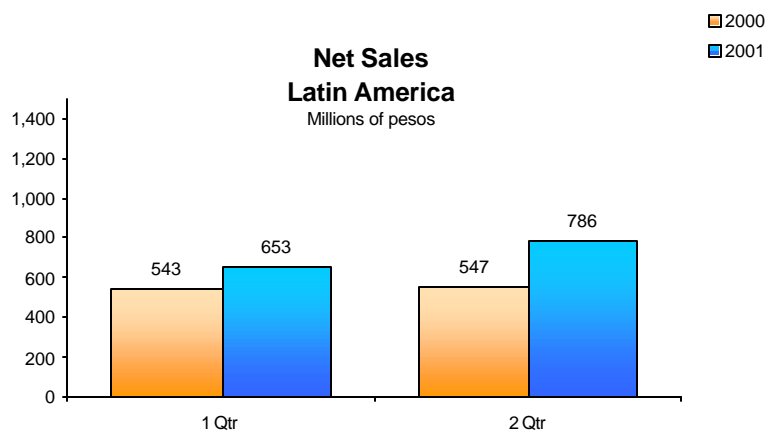
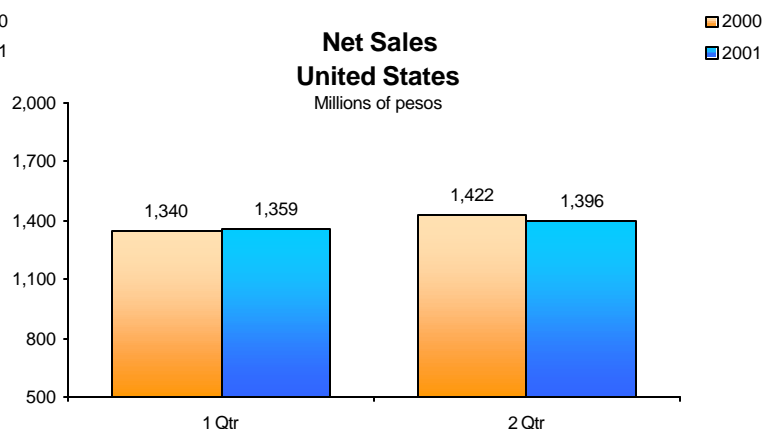
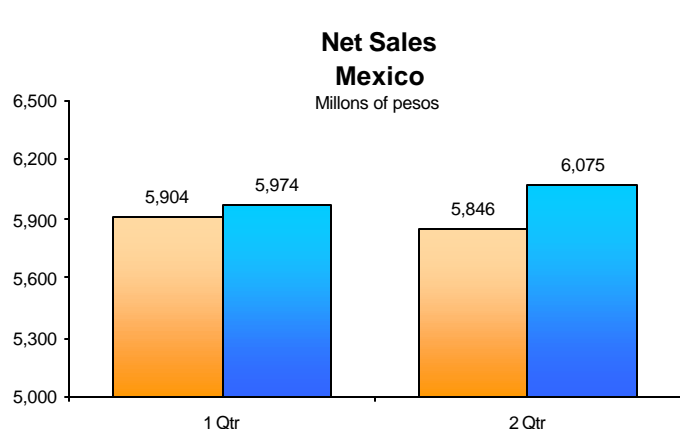
In Mexico, net sales increased 2.5% compared to the first half of 2000 mainly from the favorable performance from the baking and salted snack divisions. The candy and chocolate divisions, however, reacted less favorably to the price increases, which were further affected by a decrease in



the number of promotions as well as an adjustment in the number of distribution routes. By adjusting the prices of its main product lines, the Company was able to partially compensate for the lag between pricing and inflation.

U.S. operations continued to perform favorably, mainly as a result of an improved channel and product segmentation, as well as more intense marketing efforts which included: new routes, new promotions, updated product packaging, and a wider distribution of products aimed toward the U.S. Hispanic market. Sales expressed in dollars increased 3.1% compared to the first half of 2000. However, if we calculate these results according to Mexican Accounting Principles for Foreign Operations (*Boletín B-15*), this increase becomes a decrease of 0.3%.

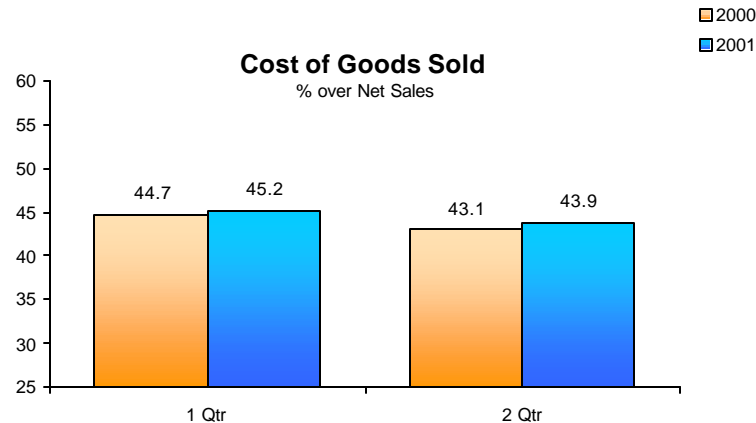
Regarding the significant net sales increase of 32.0% in the Company's Latin American division for the first half of 2001, it was mainly a result of the favorable performance in the recently acquired Brazilian operation. However, the rest of the operations in this region also experienced a very favorable quarter and contributed almost 40% of this increase.





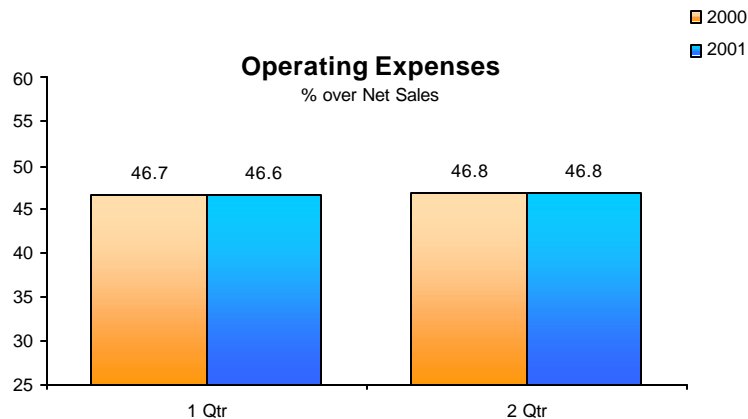
• Cost of Goods Sold

Cost of goods sold expressed as a percentage of net sales increased 0.6 percentage points to 44.5% during the first half of 2001, compared to 43.9% during the same period of the previous year. This increase resulted from higher prices for some raw materials such as flour, sugar, lard and gluten, as well as new and improved packaging, and higher electricity and natural gas costs.



• Operating Expenses

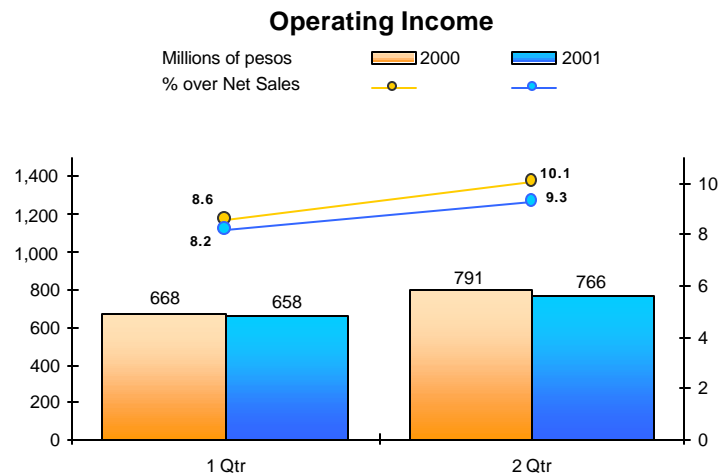
Operating expenses for the six-month period of 2001, expressed as a percentage of net sales, reached 46.7%, remaining nearly flat compared to the same period of 2000. This was accomplished by decreasing the number of distribution routes and lowering marketing expenses, which in turn compensated for the increased expenses related to the implementation of the ERP systems.





• Operating Income

Mainly as a result of cost increases, operating income declined 2.4% to Ps. 1,424 million for the first half of 2001, from Ps. 1,460 million for the same period in 2000. Bimbo's operating margin for the first six months of 2001 declined by 0.6 percentage points, to 8.8% from 9.4%, reported for the first six months of 2000.



• EBITDA

As a result of these factors, the Company's cash flow generation capacity (EBITDA) for the first half of 2001 increased to Ps. 2,063 million, Ps. 10 million higher than the figure reported for the same period of 2000. However, expressed as a percentage of sales, EBITDA decreased 0.5 percentage points during the second quarter of 2001 to 13.2% over sales. For the first six months, EBITDA decreased 0.5 percentage points to 12.7% over sales.

• Integral Cost of Financing

The Company's Integral Cost of Financing for the first half of 2001 experienced unfavorable results compared to the same period of the previous year as costs increased to Ps. 151 million from a Ps. 15 million gain. The main factor that led to this result was an increase in exchange losses due to the appreciation of the peso versus the dollar and a decrease in results from monetary position.

• Majority Net Income

The combination of the factors mentioned in this report led the Company to experience a decline in net majority income in the amount of Ps. 114 million, or 14.6%, to Ps. 667 million in the first half of



2001 from Ps. 782 million during the first half of 2000. Net margin levels declined 0.9 percentage points to 4.1% during the first half of 2001 from 5.0% reported for the first half of 2000.

- **Financial Structure**

Finally, the Company's financial structure continued to strengthen as a result of its cash generation. Thus, the Company's indebtedness level, measured as net debt to equity, decreased to 2.4% in June 2001, from 4.2% in June 2000.

- **Recent Events**

On June 19, 2001, Grupo Bimbo announced its intention to undertake an Offer for the Repurchase of up to 200,000,000 nominative Series A Grupo Bimbo common shares at no face value, with an option to repurchase up to 100,000,000 additional shares. These shares will be acquired at a price of Ps. 17.25 (seventeen pesos 25/100).

This transaction was approved by the CNBV on July 11, 2001, thus establishing the following key dates:

Offer Period:	From July 13, 2001 to August 10, 2001
Registration Date:	August 13, 2001
Payment Date:	August 15, 2001

Additional information regarding the Share Repurchase Offer for Grupo Bimbo's shares could be accessed in the prospectus found in the Mexican Stock Exchange Website (www.bmv.com.mx) under the section entitled "Inscripción y Prospectos".

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 70 plants and distributors strategically located in 16 countries throughout the Americas and Europe with over 64,000 employees and over 750 products. Grupo BIMBO's shares are traded on the Mexican Stock Exchange since 1980 under the ticker symbol 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 JUNE 30th, 2001)	2000						2001					
	1 QTR	%	2 QTR	%	ACCUMULATED	%	1 QTR	%	2 QTR	%	ACCUMULATED	%
NET SALES	7,787	100.0	7,815	100.0	15,602	100.0	7,986	100.0	8,256	100.0	16,243	100.0
MEXICO	5,904	75.8	5,846	74.8	11,750	75.3	5,974	74.8	6,075	73.6	12,049	74.2
UNITED STATES	1,340	17.2	1,422	18.2	2,762	17.7	1,359	17.0	1,396	16.9	2,755	17.0
LATIN AMERICA	543	7.0	547	7.0	1,090	7.0	653	8.2	786	9.5	1,439	8.9
COST OF GOODS SOLD	3,483	44.7	3,369	43.1	6,851	43.9	3,610	45.2	3,624	43.9	7,233	44.5
GROSS PROFIT	4,305	55.3	4,446	56.9	8,751	56.1	4,377	54.8	4,632	56.1	9,009	55.5
OPERATING EXPENSES	3,636	46.7	3,655	46.8	7,291	46.7	3,719	46.6	3,866	46.8	7,585	46.7
OPERATING INCOME	668	8.6	791	10.1	1,460	9.4	658	8.2	766	9.3	1,424	8.8
MEXICO	733	9.4	822	10.5	1,555	10.0	697	8.7	796	9.6	1,494	9.2
UNITED STATES	(43)	(0.6)	(5)	(0.1)	(48)	(0.3)	(15)	(0.2)	16	0.2	0	0.0
LATIN AMERICA	(22)	(0.3)	(26)	(0.3)	(48)	(0.3)	(24)	(0.3)	(46)	(0.6)	(70)	(0.4)
INTEGRAL COST OF FINANCING	36	0.5	(52)	(0.7)	(15)	(0.1)	61	0.8	90	1.1	151	0.9
INTEREST PAID (NET)	51	0.6	43	0.6	94	0.6	(2)	(0.0)	(17)	(0.2)	(19)	(0.1)
EXCHANGE (GAIN) LOSS	12	0.2	(107)	(1.4)	(95)	(0.6)	55	0.7	103	1.3	159	1.0
MONETARY (GAIN) LOSS	(26)	(0.3)	12	0.2	(14)	(0.1)	8	0.1	3	0.0	11	0.1
OTHER FINANCIAL OPERATIONS	15	0.2	(0)	(0.0)	15	0.1	14	0.2	41	0.5	55	0.3
PROVISION FOR TAXES AND PROFIT SHARING	275	3.5	411	5.3	686	4.4	261	3.3	293	3.6	554	3.4
EQUITY IN RESULTS OF ASSOCIATED COMPANIES	9	0.1	6	0.1	16	0.1	0	0.0	9	0.1	9	0.1
MINORITY INTEREST	8	0.1	(0)	(0.0)	8	0.1	3	0.0	2	0.0	5	0.0
MAJORITY NET INCOME	342	4.4	440	5.6	782	5.0	319	4.0	348	4.2	667	4.1
EBITDA	967	12.4	1,086	13.9	2,053	13.2	974	12.2	1,089	13.2	2,063	12.7
MEXICO	948	12.2	1,033	13.2	1,981	12.7	938	11.7	1,038	12.6	1,976	12.2
UNITED STATES	(5)	(0.1)	30	0.4	25	0.2	21	0.3	55	0.7	76	0.5
LATIN AMERICA	25	0.3	22	0.3	47	0.3	15	0.2	(4)	(0.0)	11	0.1

CONSOLIDATED BALANCE SHEET (MILLIONS OF CONSTANT MEXICAN PESOS AS JUNE 30th, 2001)	2000	2001	Δ%
TOTAL ASSETS	24,307	24,005	(1.2)
MEXICO	17,613	16,915	(4.0)
UNITED STATES	4,469	4,058	(9.2)
LATIN AMERICA	2,224	3,032	36.3
CURRENT ASSETS	6,844	6,727	(1.7)
PROPERTY, PLANT AND EQUIPMENT (NET)	13,472	13,578	0.8
TOTAL LIABILITIES	9,631	8,052	(16.4)
SHORT-TERM BANK LOANS	981	1,464	49.2
LONG-TERM BANK LOANS	3,635	2,092	(42.4)
STOCKHOLDERS' EQUITY	14,676	15,954	8.7

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION (MILLIONS OF CONSTANT MEXICAN PESOS AS JUNE 30th, 2001)	2000	2001
CONSOLIDATED NET INCOME	790	672
+ (-) ITEMS NOT REQUIRING CASH	1,054	806
NET RESOURCES OBTAINED FROM RESULTS	1,844	1,478
WORKING CAPITAL FLOW	(245)	(889)
NET RESOURCES GENERATED BY OPERATIONS	1,599	589
EXTERNAL FINANCING	(129)	(549)
INTERNAL FINANCING	(219)	(241)
TOTAL SOURCES OF CASH	(348)	(789)
INVESTMENTS	196	(1,047)
NET INCREASE (DECREASE) IN CASH AND MARKETABLE SECURITIES	1,447	(1,247)
CASH AND MARKETABLE SECURITIES AT THE BEGINNING OF THE YEAR	2,556	4,417
CASH AND MARKETABLE SECURITIES AT THE END OF THE YEAR	4,003	3,169