

GRUPO GIGANTE REPORTS THIRD QUARTER 2011 RESULTS

México, D.F., October 27 2011. Grupo Gigante, S.A.B. de C.V. (hereinafter, “Grupo Gigante”, or the “Company”) reported its third quarter results.

Grupo Gigante is a controlling company that has been operating in Mexico for the last 48 years. It control companies that participate in specialized sectors of commerce, including restaurants and real estate and they have a presence in all 32 states of the Mexican Republic, as well as in some countries in Central and South America.

The numbers in this report have been prepared in accordance with the applicable Financial Reporting Standards [Normas de Información Financiera] (NIF); and therefore, are expressed in par value.

For more details regarding the results and the financial status of Grupo Gigante, we suggest reviewing the financial information reported to the BMV under ticker code **Gigante***.

RESULTS FOR 3Q11

Total sales during the 3Q11 reached \$3,445 Million MXP, representing a 15.4% increase with respect to 3Q10; the **same-store sales** increased by 0.5%, totaling \$2,896 Million MXP.

Cost of sales totaled \$ 2,235 Million MXP during the third quarter of the year, which represented a 15.6% increase compared with 3Q10. The sales percentages increased by 0.1 percentage points when comparing both years.

During the July-September period of 2011, the **gross revenue** increased by 15.1% with respect to the 3Q10; therefore, at the close of the period, the amount of \$1,210 Million MXP was recorded. The gross margin in the 3Q11 was 35.1% resulting in 0.1 percentage points less than the figure registered for the same period in 2010.

Operating Expenses during the 3Q11 totaled \$945 Million MXP, which represents a 24.4% increase compared to those recorded in 3Q10. In terms of the sales percentage, it represented 27.4%, equivalent to 2 percentage points more than the amount registered for the same period in 2010.

Operating Flows defined as operating revenue plus depreciation and amortization during 3Q11 summed \$376 Million MXP, which is 3.0% more than the figure registered in the 3Q10.

*Million MXP: millions of Mexico pesos
US dollars: currency of the US*

The **integral financing results** for 3Q11 were favorable by \$114.8 Million MXP, compared to the favorable result of \$14.2 Million MXP reported in the 3Q10. Profits were generated by an economic variation in the rate of exchange, which caused an exchange profit over the financial investments in US dollars.

The **Consolidated Net Revenue** for 3Q11 increased to \$289.4 Million MXP. This heading shows a 19.7% increase with respect to the same period the previous year. This was principally the result of the favorable effect of the integral financing results.

RESULTS AS OF SEPTEMBER 2011

In cumulative terms, the **total sales** and **same-store sales** increased by 18.0% and 1.3%, respectively, when compared to the same period the previous year; so at the end of September 2011, the total sales reached \$9,652 Million MXP and the same-store sales reached \$8,013 Million MXP.

Grupo Gigante is making continuous efforts to generate growth in same-store sales; in terms of increasing the total sales, it is important to note that Grupo Gigante opened 119 units in the last 12 months.

At the close of September, the **cost of sales** was \$6,136 Million MXP, 17.6% more than the figure recorded in 2010. The increase may be explained by the contribution in the costs of sales of the units opened during the last twelve months. In terms of the ratio between the costs of sales – total sales, a 0.2 percentage point reduction from 63.8% to 63.6% was recorded.

Accumulative to September, **gross profits** totaled \$3,516 Million MXP, an amount 18.6% more than the figure recorded during the same period in 2010 as the sales margin, which represented 36.4% or 0.2 percentage points more than the margin determined for the same period in 2010. The increase is principally attributed to the increase in the sales of equivalent units and to the contribution to new units.

In cumulative terms, the **operating expenses** totaled \$2,721 Million MXP, which is 22% more than \$2,226 Million MXP recorded for the same period in 2010; as a percentage of sales in 2011 accounted for 28.2%, while the previous year was 27.2%. The increase of this section was also generated by implementing the strategy to expand floor sales with 119 openings during the last twelve months.

Operating Flows defined as operating revenue plus depreciation and amortization at the close of the September period totaled \$1,130 Million MXP and resulted in 10.9% more than the figure recorded for the same period the previous year.

In the cumulative period to September 2011, the **integral financing results** recorded a favorable amount of \$45.6 Million MXP. When comparing the cumulative earnings to September 2011 with the same period the previous year, an 11% reduction is recorded. This may be explained by the performance of the interest rate and exchange rate during the year so far.

The **net consolidated profit** as of September 2011 totaled \$637 Million MXP, which amount is 2.4% more than the figure earned for the same period in 2010. The reason for this increase is a better operating result obtained this year.

Units in Operation. During the third quarter of 2011, a total of 19 units were opened: 11 Office Depot stores, 6 Super Precio stores, 1 Toks restaurant and 1 Panda Express restaurant; however, we closed 5 Super Precio stores, 1 Office Depot store and 1 Home Store.

By the inclusion of these openings and closings, the total number of units in operation at the close of the third quarter was 786 with a total number of 435,704 m² of sales floor and 20,606 seats.

Capital Investments. The Company invested \$1,390 Million MXP, according to its annual program, which includes all joint venture investments by its subsidiary.

Relevant Events. During the third quarter, Grupo Gigante did not have any relevant events to inform to the public.

Grupo Gigante once again reiterates its commitment to timely inform the public about the relevant events according to the regulatory provisions through the electronic means made available for issuers of the National Banking and Securities Commission and the Mexican Stock Exchange.

FINANCIAL SITUATION

The Company did not execute significant transactions that were not registered in the balance sheet.

Current Assets

Cash Equivalents and Investment in Securities. At the close of the third quarter of 2011, the amount of these securities was \$2,285, which figure is less than 33.3% than the amount recorded at the close of third quarter 2010. The reduction is principally due to the dividend payments to shareholders as well as the investments in real-estate projects and others carried out during the last 12 months.

Inventories. At the close of 3Q11, inventories totaled \$1,865 Million MXP, which represents an increase of 18.4% compared to the same period in 2010. The increase was generated by the inventory that was required to open 119 stores during the last 12 months.

Clients and Receivables. The increase is partially due to the contribution of the business acquired by a subsidiary of Grupo Gigante during the last quarter 2010.

Properties, Plant and Equipment. The increase of 8.4% is due to adaptations and office furniture acquired to open the new business units as well as the real-estate investments for the development of new projects and the acquisition of land.

Other Current Assets. The decrease of 36.9% is due to the reductions of the permanent investments for negotiation purposes, which have been reduced by the capital investments during this period.

Current Liabilities

Suppliers. At the close of 3Q11, \$1,235 Million MXP were registered under this heading. This figure is 13.6% more than the amount recorded for the same period in 2010. This may largely be explained by the increase of 119 units during the last twelve months.

Bank Credits. At the close of 3Q11, the corresponding current long-term bank credit was recorded in the amount of \$16 Million MXP. During the same period the previous year, the revolving credit was recorded as \$50 Million MXP.

Long Term Liabilities

Labor Obligations. At the close of 3Q11, the balance of the account was \$41 Million MXP, 32.8% more than 2010. The variation is due to the adjustment of the estimate of the liabilities from Labor Obligations, which is calculated annually by an independent actuary based on the projected unit credit method.

L.P. Bank Credit. In June 2010, the Company contracted two bank credits with a 10 year mortgage. These credits were used to finance parts of the new real-estate developments.

Financial Ratios

Total liabilities to total assets. At the close of 3Q11, this proportion equaled 0.20 times vs. the figure obtained in 2010 of 0.19 times.

Total liabilities to net worth. At the close of 3Q11, this ratio was equivalent to 0.25 times vs. the figure obtained in 2010 of 0.24 times.

Current assets to current liabilities. At the close of 3Q11, this proportion equaled 2.34 times vs. the figure obtained in 2010 of 2.79 times.

Current assets minus inventories to current liabilities. Upon concluding the 3Q11, this entry equaled 1.53 times vs. the figure obtained in 2010 of 2.04 times.

Current assets to total liabilities. At the close of 3Q11, this ratio was equivalent to 1.19 times vs. the figure obtained in 2010 of 1.40 times.

SOURCES OF LIQUIDITY AND CAPITAL RESOURCES

In addition to generating a cash flow per operation, the subsidiaries of the Group have taken out revolving credits and letters of credit with the Group in order to cover the working capital needs.

Letters of credit: At the close of the third quarter 2011, the subsidiaries had letters of credit in US dollars available to them. However, only 11.9% of the total availability was used.

Revolving Credits and Simple Credits: At the close of the third quarter 2011, the subsidiaries had lines of credit in pesos and US dollars available to them. However, only 61.4% and 2.1% of the total availability, respectively, was used.

Policies Governing the Treasury

Each month, bank conciliations are carried out and reviewed by an area other than the one that generated the movements.

Investments are made prior analysis of the cash surplus and purchase and sale conditions as well as maturities thereof, as well as the authorization of the finance departments or areas according to the policies and procedures established. Investment operations are recorded once the funds have been transferred to the selected financial institution; in other words, during the corresponding period. Any interests accrued from the investments are recorded during the period in which they accrue and reviewed against the account statements through bank conciliations.

Financing requests are approved by the authorized attorneys-in-fact and directors and, as the case may be, by the Financing and Planning Committee and/or the Board of Directors, according to the policies and procedures that have been established.

Once the credit is obtained, the loan is recorded in the books, according to the agreements that have been executed. Periodically, interests and payments are recorded, pursuant to the transfers made to financial institutions and are periodically conciliated with the supporting documentation. Compliance with the provisions of the credit agreements is frequently reviewed.

The administration is not authorized to contract financial derivatives. The Finance and Planning Committee is the department in charge of analyzing and, as the case may be, contracting these financial derivatives.

Currency in which the cash is kept and temporary investments

The Company has invested cash and cash equivalents in Mexican pesos and US dollars both in checking accounts as well as in investments in securities, classified as investments for negotiation purposes and available for sale.

Cash and cash equivalents continue to be invested according to the policies established in the strategic plan approved by the Board of Administration and pursuant to the guidelines of the Finance and Planning Committee.

Significant Tax Liabilities or Indebtedness

At the close of 3Q11, the Company is up-to-date with its tax liabilities.

The internal control of the Company focuses on safeguarding the assets, complying with the policies and procedures established, detecting and preventing fraud and generating reliable financial information.

GENERAL INFORMATION

Grupo Gigante, S.A.B. DE C.V.
BMV Ticker Code: Gigante*
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Grupo Gigante, S.A.B. de C.V. and Subsidiaries

Consolidated Balance Sheets
As of September 30, 2011 and 2010

(In Millions of Mexican Pesos)

| Concept | 2011 | 2010 |
|-------------------------------------|---------------|---------------|
| Total Assets | 22,956 | 22,087 |
| Current Assets | 5,395 | 5,894 |
| Investment in Shares | 213 | 213 |
| Property and Equipment - Net | 16,767 | 15,467 |
| Goodwill and Deferred Charges - Net | 581 | 513 |
| Other Assets | 0 | 0 |
| Total Liabilities | 4,522 | 4,203 |
| Current Liabilities | 2,310 | 2,116 |
| Deferred Taxes | 1,620 | 1,528 |
| Employee Benefits | 41 | 31 |
| Long - Term Bank Loans | 551 | 528 |
| Stockholders' Equity | 18,434 | 17,884 |

Grupo Gigante, S.A.B. de C.V. and Subsidiaries

Consolidated Statements of Income
 From January 1 to September 30, 2011 and 2010
 (In Millions of Mexican Pesos)

| Concept | 2011 | 2010 |
|--|--------------|--------------|
| Revenue | 9,652 | 8,179 |
| Cost of Sales | 6,136 | 5,216 |
| Gross Revenue | 3,516 | 2,963 |
| Operating Expenses | 2,721 | 2,226 |
| Operating Income | 795 | 737 |
| Other Income and (Expenses) - Net | -21 | -12 |
| Net Comprehensive Financing | 46 | 51 |
| Non - ordinary items | 0 | 0 |
| Income from Continuing Operations before Income Taxes | 819 | 777 |
| Expensive Taxes | 182 | 148 |
| Income from Continuing Operations | 637 | 629 |
| Discontinued Operations | 0 | -7 |
| Consolidated Net Income | 637 | 622 |
| Net Income of Majority Stockholders | -2 | -11 |
| Net Income of Minority Stockholders | 639 | 633 |

Grupo Gigante, S.A.B. de C.V. and Subsidiaries

Consolidated Statements of Income
 From July 1 to September 30, 2011 and 2010
 (In Millions of Mexican Pesos)

| Concepto | 2011 | 2010 |
|--|--------------|--------------|
| Revenue | 3,445 | 2,984 |
| Cost of Sales | 2,235 | 1,933 |
| Gross Revenue | 1,210 | 1,051 |
| Operating Expenses | 945 | 760 |
| Operating Income | 265 | 291 |
| Other Income and (Expenses) - Net | -1 | 2 |
| Net Comprehensive Financing | 115 | 14 |
| Non - ordinary items | 0 | 0 |
| Income from Continuing Operations before Income Taxes | 379 | 307 |
| Expensive Taxes | 89 | 67 |
| Income from Continuing Operations | 289 | 240 |
| Discontinued Operations | 0 | 1 |
| Consolidated Net Income | 289 | 241 |
| Net Income of Majority Stockholders | -3 | -2 |
| Net Income of Minority Stockholders | 292 | 243 |