



July 25, 2007

2Q07 Earnings Release



Figures appearing in this document are expressed in millions of Mexican pesos using the purchasing power as of June 30, 2007, unless otherwise specified. Figures may vary due to rounding "bp" denotes basis points and "mxp" million of mexican pesos.



Quarterly Results

The results this quarter, April to June 2007 reflect the strategies followed by Grupo Gigante in order to improve its competitiveness. Total sales showed a real increase of 3.7% when compared to 2Q06 and same store sales observed the same behavior increasing 3.2% in real terms. These results derived fundamentally from the operating and commercial strategies adopted in the supermarket business, the improvement in efficiency in our distribution centers, and the positive development in the stores renewal program, as well as the aggressive plan of expansion developed by our electronics, restaurant and office suppliers businesses



Gross margin for the quarter reached 24.0%. A better sales mix in the supermarket business and greater participation of subsidiaries on sales, explain this proportion.



Total expenses during the second quarter 2007 observed a slight increase of 0.5% from 2Q06, even though 74 openings occur in the last 12 months.

As a result operating cash flow (EBITDA) reached 422 mxp, an increase of 21.8% versus the obtained in 2Q06.



GRUPO GIGANTE, S.A.B. DE C.V. Y SUBSIDIARIES SECOND QUARTER 2007 RESULTS

	2Q07	2Q06	Change %
Net Sales	8,246	7,954	3.7
Gross Profit	1,983	1,882	5.3
Operating Income	245	153	60.0
EBITDA	422	347	21.8
Net Comprehensive Financing Cost	75	293	(74.5)
Income Tax Provision	125	50	148.7
Net Income	36	-237	





Sales.- From April to June 2007, total sales showed an increase of 3.7% compared to second quarter 2006, amounted to 8,246 mxp. This result confirms a tendency of growth for fifth consecutive quarter. Also, and for fourth consecutive quarter, Grupo Gigante continues with a positive tendency in same store sales, which shows an increase of 3.2% in 2Q07, above the 0.0% rate reported by ANTAD for the same period. It is worth to consider a favorably season effect in June and to notice that the comparison basis, 2Q06, is particular because of the electoral period and the Football Soccer World Cup.



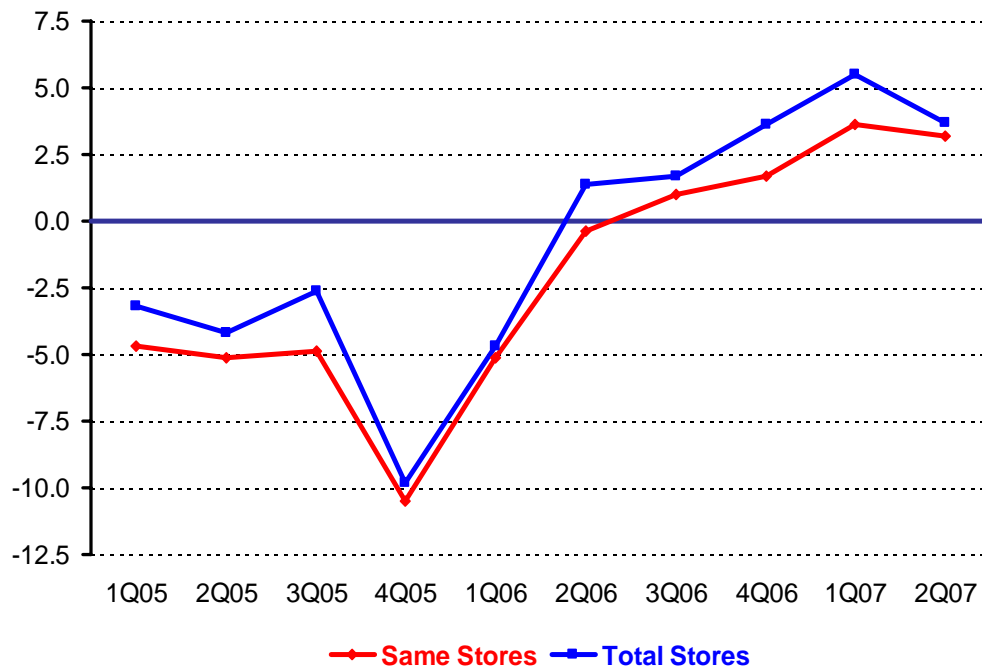
The result in sales observed during this quarter stems, among other things, in the promotions during mother's day, Easter season and 'Mes Gigante' in the supermarket business which had more acceptance than previous campaigns. These promotions were supported by a better operating and administrative execution as well as the increase in centralized distribution, the consolidation of technologic platform SAP and the commercial aggressiveness expressed as low prices. Also, the growth in sales floor in our restaurant businesses and joint ventures, as well as the increase in productivity by sqm in all our business units boosted total sales.



In cumulative terms, the growth in total sales and same store sales were 4.6% and 3.4% respectively, when compared to the first semester of 2006.



Sales
Real variation (%) vs. same quarter last year





Gross Profit.- Gross profit from April to June 2007 observed an increase of 5.3% compared to the same period previous year, totalizing 1,983 mxp, which represents 24.0% on sales. In cumulative terms, gross profit grew 9.3% reaching 3,969 mxp .



The improvement in this item is due, in part, to a better negotiations with suppliers which allowed us to reduce our cost of sales in the supermarket business, as well as a greater participation on sales of Toks, Office Depot and Radio Shack, also impelled gross profit.



Operating Expenses.- Operating expenses at the end of the second quarter totalized \$1,737 mxp representing 21.1% on total sales, and a slight increase of 0.5% when compared to 2Q06. During the semester, operating expenses showed an increase of 1.1%, this low increase is due to a strict control on expenses during the year.

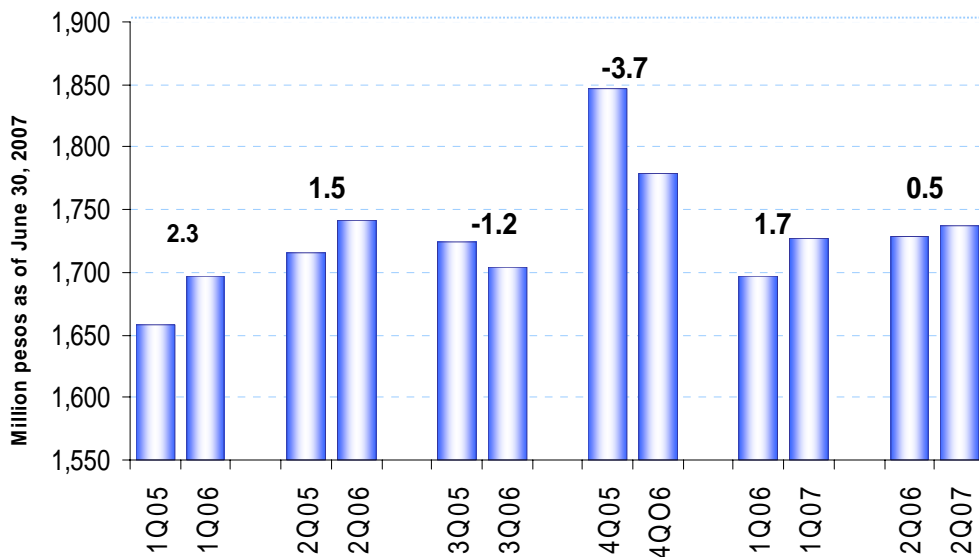


It is worth noting that the Group's subsidiaries expansion plan (74 openings in the last 12 months), generated operating costs reflected in the Company's expense. However, as in 1Q07, such increase in total expenses is below the increase in sales observed, allowing to improve operating results.



Also, it is important to emphasize that the efficiency controlling expenses during the year, has been achieved without diminishing the quality of services offered to the clients in our stores.

Total Expenses
Real variation (%) vs. same quarter last year





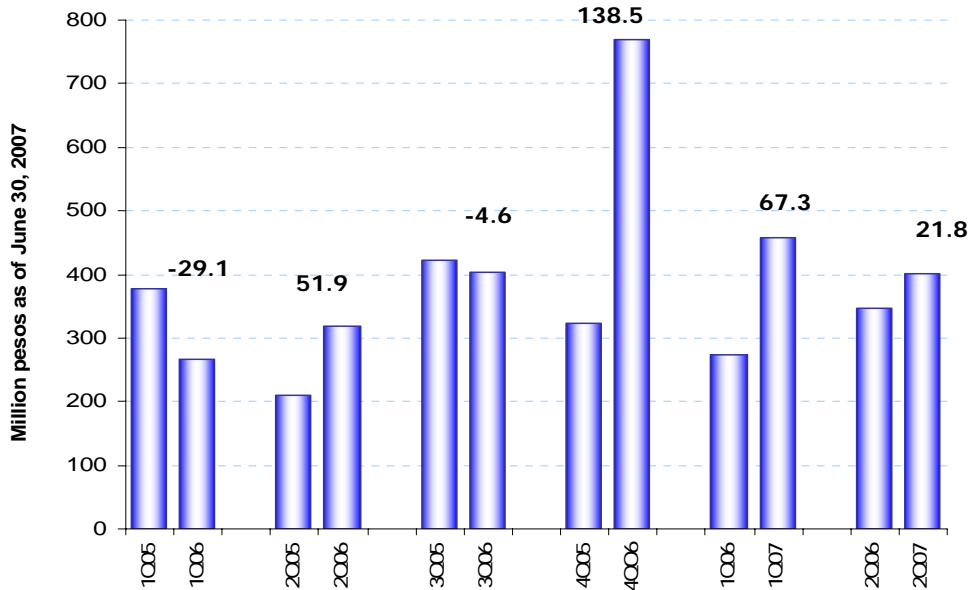
Operating Income .- During the second quarter of the year, operating income increase 60.0% when compared to 2Q06 totalizing 245 mpx. As a percentage on sales, it is operating margin, was of 3.0%, which implies an increase of 110 bp when compared to 1.9% of the previous year. In cumulative terms, operating income was of 504 mpx or 3.1% on total sales, which compares favorably to the \$206 mdp obtained in 2Q06.



Operating Cash flow.- The Company's operating cash flow amounted 422 mpx in 2Q07, 21.8% above the 347 mpx observed in 2Q06. As a percentage on sales, this figure represents 5.1%, an increase of 70 bp versus 4.4% in 2Q06. As of June 2007, operating cash flow for the semester was of 881 mpx 41.9% greater than the observed in the first six months of 2006.



Operating Cash Flow (EBITDA)
Real variation (%) same quarter last year



Comprehensive Financial Cost.- The Comprehensive financial cost (CFC) for the first semester of 2007 totalized 184 mpx, a decrease of 48.4% when compared to the same period of 2006. This is mainly due to the debt of \$260 million dollar, which produced an exchange loss in 2Q06 and an exchange gain from January to June 2007. Finally, in 2006 the mark to market of the derivative financial instrument contracted to reduce exchange risk in the payment of debt notes and was not favorable, registered in results.





Net Income.- This quarter net income amounted 36 mxp, which represent 0.4% of total sales, which compares favorably to the net loss of 237 mdp registered in 2Q06. In cumulative terms net income totalized 122 mxp, a net margin of 0.7%.

Relevant Events.- As a part of the innovation program in our supermarket format, in April 17, 2007, '**Programa Gana**' was released in Guadalajara, Jalisco. This is the first customer loyalty program in Mexico and is directed to provide individualized services and products, attending particular needs of our clients, as no one else does in the sector.

Installed Capacity.- As of June 30, the number of stores was 655, totalizing 1,117,041 sqm sales floor and 13,397 seats. During this quarter, 19 stores were opened: three Super Precio, nine Radio Shack, six Office Depot and one Toks. Additionally and due to our purpose to increase profitability, we closed three Super Precio stores.



Stores Opening

Branch	City	Radio Shack	SuperPrecio	Toks	Office Depot	Total
Av. Central	Estado de México				1	1
Lomas Plaza	Cd. de México				1	1
La Cúspide	Área Metropolitana	1				1
Rayón	Área Metropolitana		1			1
Angelópolis Puebla	Puebla	1				1
Tlaxcala - Soriana	Puebla	1				1
Chilpancingo	Chilpancingo de los Bravo				1	1
Ixtapaluca	Área Metropolitana				1	1
El Parian Aguascalientes	Aguascalientes	1				1
Virgencitas	Área Metropolitana		1			1
Puebla Centro	Puebla	1				1
Las Animas Puebla	Puebla	1				1
Plaza Pozuelos	Guanajuato	1				1
Plaza Dorada	Puebla	1				1
Xalapa	Jalapa				1	1
Rosarito	Playas de Rosarito				1	1
Cuicláhuac	Área Metropolitana			1		1
Guanajuato Centro	Irapuato	1				1
Ceballos	Área Metropolitana		1			1
		9	3	1	6	19





As of June 30, 2007 the number of stores and sales floor area by format were as follows:

Installed Capacity of Grupo Gigante



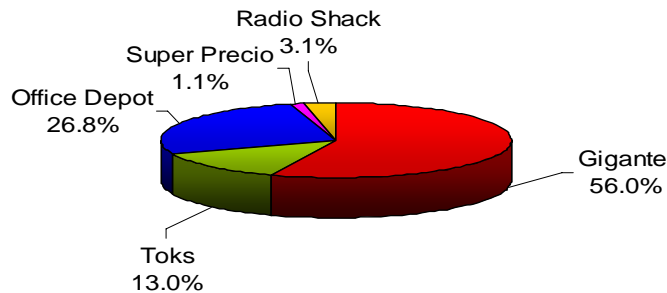
	1Q07	Closings	Openings	2Q07	Sqm Sales Floor	Chg % Sales Floor
*	96	0	0	96	539,631	0.0%
	51	0	0	51	193,758	0.0%
	59	0	0	59	130,554	0.0%
	79	3	3	79	19,038	0.1%
Autoservicio	285	3	3	285	882,981	0.0%
	63	0	1	64	13,397**	1.7%
	139	0	6	145	214,966	3.3%
	152	0	9	161	19,093	3.9%
Total	639	3	19	655	1,117,041	0.7%

* Gigante includes Gigante USA

** Number of seats

Additions to the Net Property, Plants and Equipment.- Complying our expansion program and improving the equipment, during the second quarter of 2007, the investment in fixed assets totalized 569 mxp. These resources were applied to openings and stores remodeling, as well as logistics and technology systems.

Participation of the Subsidiaries in the CAPEX





Main Financial Ratios

Financial Ratios	2Q07	2Q06
Inventory days	5.9 times	6.2 times
Accounts Payable Days	2.4 days	3.0 days
Income per share* (last 12 months)	\$0.80	\$0.09
EBITDA per share* (last 12 months)	\$0.89	\$0.63
Gross Margin	24.0%	23.7%
Operating Margin	3.0%	1.9%
Net Margin	0.4%	-3.0%
Interest bearing Liabilities to Stockholder's Equity	0.22	0.24
Total Liabilities to Stockholder's Equity	0.73 times	0.74 times
*Shares Outstanding	986,299,865	982,461,577



Sincerely
Ángel Losada Moreno
CEO



GRUPO GIGANTE, S. A. DE C. V. AND SUBSIDIARIAS
INCOME STATEMENT
MARCH 31 TO JUNE 36 2007/2006



Second quarter 2006/2005

Thousands of Pesos as of June 30 2007



ITEMS	2Q07	2Q06
Net Sales	8,245,631	7,954,401
Cost of Sales	6,263,088	6,072,138
Gross Profit	1,982,543	1,882,263
Operating Expenses	1,560,212	1,535,429
Depreciation and Amortization	177,231	193,683
Operating Income	245,100	153,151
Comprehensive Financial Cost	74,749	292,701
Interest Paid	71,197	89,029
Exchange Loss (Gain) Net	(42,521)	74,729
Interest Earned	5,847	7,458
Monetary Position	21,427	18,336
Other Financial Expenses	44,367	130,596
Other Financial Products	13,874	12,531
Loss (gain)	-	-
Equity in Earnings of Unconsolidated Subsidiaries	-	-
Net Income Before Taxes	159,393	(186,887)
Provisions for Taxes and Profit Sharing due	124,804	50,185
Net Income before discontinued Operations	34,589	(237,072)
Discontinued Operations	-	-
Net consolidated income	34,589	(237,072)
Net income of minority interest	(1,372)	304
Net income of majority interest	35,961	(237,376)

GRUPO GIGANTE, S. A. DE C. V. AND SUBSIDIARIAS

INCOME STATEMENT

2Q Accumulated Figures 2007/2006

Thousands of Pesos as of June 30, 2006

ITEMS	2,007	2,006
Net Sales	16,326,295	15,611,974
Cost of Sales	12,357,795	11,979,674
Gross Profit	3,968,500	3,632,300
Operating Expenses	3,087,812	3,011,444
Depreciation and Amortization	376,242	415,072
Operating Income	504,446	205,784
Comprehensive Financial Cost	183,658	355,717
Interest Paid	150,877	176,138
Exchange Loss (Gain) Net	590	74,288
Interest Earned	11,213	13,115
Monetary Position	(59,613)	(50,858)
Other Financial Expenses	116,551	180,814
Other Financial Products	13,534	11,550
Loss (gain)	-	-
Equity in Earnings of Unconsolidated Subsidiaries	-	-
Net Income Before Taxes	287,177	(286,132)
Provisions for Taxes and Profit Sharing due	163,612	75,752
Net Income before discontinued Operations	123,565	(361,884)
Discontinued Operations	-	-
Net consolidated income	123,565	(361,884)
Net income of minority interest	1,498	1,459
Net income of majority interest	122,067	(363,343)

GIGANTE**Bodega
GIGANTE****Super
GIGANTE****GIGANTE
USA****SuperPrecio**
El Super del Ahorro**ToKs****Office
DEPOT****RadioShack**

BALANCE SHEET
Accumulated to the Second Quarter 2007 / 2006
Thousands of pesos as of June 30, 2007



ITEMS	2007	2006
Total assets	23,615,270	22,853,784
Current assets	6,219,732	5,771,250
Cash and temporary investments	627,252	420,672
Trade accounts receivable (net)	252,804	299,295
Other accounts receivable (net)	950,301	817,184
Inventories	4,210,328	3,975,937
Other current assets	179,047	258,162
Long term	228,803	213,138
Accounts receivable (net)	-	-
Investment in equity shares and unconsolidated subsidiaries	-	-
Other Investments	228,803	213,138
Property, plant and equipment(net)	16,322,206	15,970,386
Property	17,188,964	16,546,862
Machinery and industrial equipment	-	-
Other equipment	6,274,679	8,057,848
Accumulated depreciation	7,298,752	8,805,277
Bulding in process	157,315	170,953
Deferred assets	672,156	694,176
Other assets	172,373	204,834

BALANCE SHEET
Accumulated to the Second Quarter 2007 / 2006
Thousands of pesos as of June 30, 2006



ITEMS	2007	2006
Total Liabilities	9,995,189	9,730,511
Current Liabilities	5,776,691	5,320,852
Accounts Payable	4,139,547	4,005,823
Bank Debt	52,808	7,080
Debt securities	-	-
Other Credits	24,900	3,641
Accrued taxes	376,688	63,129
Other current liabilities	1,182,748	1,241,179
LONG-TERM LIABILITIES	2,927,188	3,114,015
Bank debt	102,002	57,190
Debt securities	2,825,186	3,056,825
Other debts	-	-
Deferred liabilities	-	-
Other long-term liabilities	1,291,310	1,295,644
Shareholder's equity	13,620,081	13,123,273
Minority stockholder's equity	108,972	102,422
Majority stockholder's equity	13,511,109	13,020,851
Paid in capital	9,973,954	9,899,991
Capital stock	2,606,540	2,606,063
Premium on stock sold	7,367,414	7,293,928
Reserve on restatement on stockholder's equity	-	-
Capital increase(decrease)	3,537,155	3,120,860
Cumulative results and equity reserve	17,223,699	16,490,616
Other cumulative results	(13,803,014)	(13,421,127)
Reserve for shares repurchase	116,470	51,371



Web Pages

www.gigante.com.mx
www.grupogigante.com.mx
www.officedepot.com.mx
www.toks.com.mx
www.radioshack.com.mx



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