Building global leadership together

2011
INTEGRATED
Annual Report

GRUPO BIMBO®

About Grupo Bimbo

Our presence in the World

Today, Grupo Bimbo is a global baking leader with more than 127,000 associates, operating in 19 countries with a broad asset base that includes 156 plants, more than 50,000 distribution routes, and over 2 million points of sale.

Our portfolio has more than 8,000 products and 103 highly prestigious umbrella brands in the baked goods, salted snacks, confectionery, wheat tortillas and packaged food categories, among others. Our strong brand equity is the result of deep consumer understanding and continuous innovation.

Our growth comes from building strong local positions in the markets where we operate, through a combination of organic growth and strategic acquisitions. In the last decade we have accelerated our international expansion and significantly strengthened the production and distribution network, which are critical to local execution.

We believe that long-term value creation requires the responsible use of all our resources; products that support consumer wellness; responsible pro-

curement and production processes that benefit the entire value chain; a commitment to safeguarding the environment and contributing to the communities that support us; and responsible financial policies that deliver stable cash flows, a comfortable amortization schedule, healthy leverage ratios, and diversified sources of funding.

For the first time, we are integrating our financial and social responsibility reporting in one document. This better reflects how we look at our business strategy and operations, incorporating a holistic view of our people, products and planet into the value creation model to ensure healthy and sustainable longterm performance.

Facts and figures*

Year Founded: 1945
Headquarters: Mexico City
Countries: 19
2011 Revenues: Ps.133.7 billion
Brands: More than 100 highly prestigious umbrella brands
Key Categories:
packaged bread, sweet baked goods, muffins, buns, confectionery, salt snaks, wheat tortillas, tostadas.
Associates Worldwide:
More than 127,000
Production Facilities: 156
Distribution Routes:
More than 50,000
Points of Sale: More than 2 million
Ticker Symbol: BMV: BIMBO
Market Cap (31/12/11):
Ps. 133.9 billion
Website: www.grupobimbo.com

(*) As of March 2012, unless otherwise noted.

42 PLANTS

Mexico

Grupo Bimbo

7 PLANTS

Spain and Portugal

United States

China

TODAY

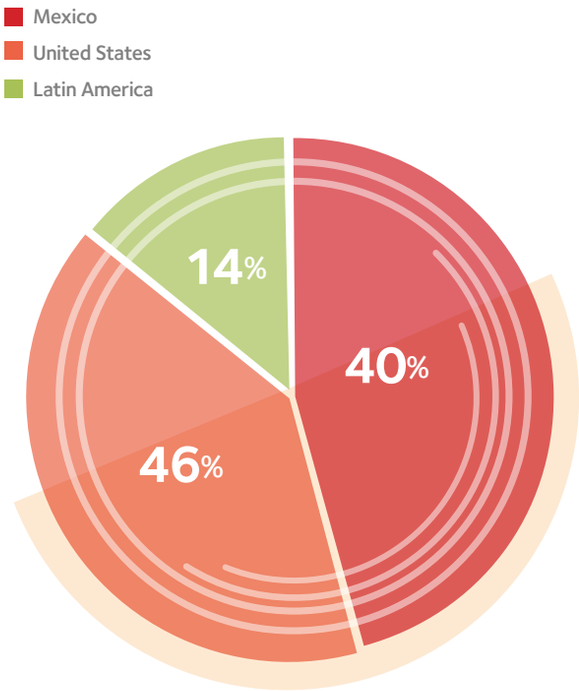
Latin America

Grupo BIMBO
Highlights from the year

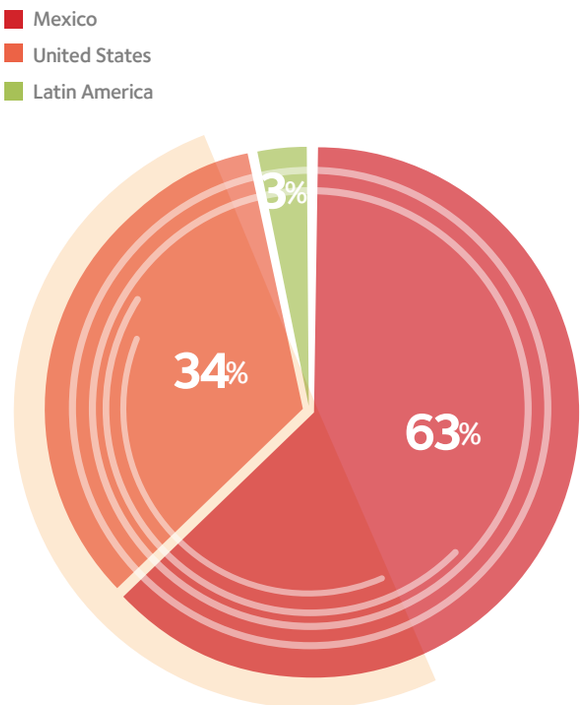
Operational and Financial

- Closed three acquisitions: Sara Lee North American Fresh Bakery; Sara Lee in Spain and Portugal; and Fargo in Argentina
- Generated healthy organic volume growth in Mexico and Latin America
- Issued a US$1.3 billion syndicated loan to refinance other obligations under better conditions and to help fund the Sara Lee acquisition.
- Selected for inclusion in the Mexican Stock Exchange's Sustainability Index
- Consolidated sales rose 14.1% to Ps. 133.7 billion
- Higher raw material costs impacted gross margin that led to a contraction of 1.6 pp, to 51.2%.
- Integration and expansion costs impacted operating and EBITDA margins registering a decrease of 1.4 pp and 1.7 pp to 8.3% and 11.5% respectively.

Net Sales



EBITDA



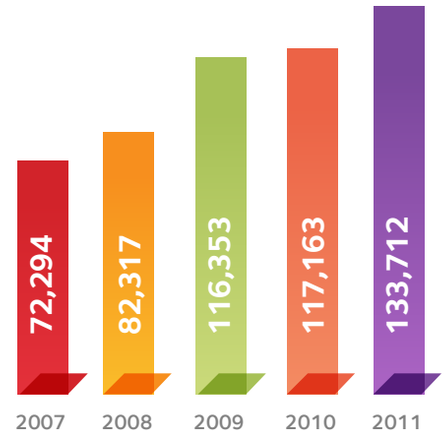
Grupo BIMBO Financial Highlights

FINANCIAL HIGHLIGHTS

	2011	2010	% Variation
Net sales*[1]	133,712	117,163	14.1%
Mexico	64,368	57,870	11.2%
United States	53,810	47,875	12.4%
Latin America	18,568	14,207	30.7%
Iberia	393	N/A	N/A
Operating Income*[1]	11,151	11,412	-2.3.%
Mexico	8,201	8,013	2.3%
United States	3,577	3,757	-4.8%
Latin America	-524	-340	N/A
Iberia	-80	N/A	N/A
Net Income*	5,660	5,544	2.1%
Net Mayority Income*	5,329	5,395	-1.2%
Total Assets*	141,485	99,069	42.8%
Total liabilities*	91,060	54,532	67.0%
Stockholders' equity*	50,425	44,537	13.2%
Book value per share[2]	10.28	9.29	10.6%
Earnings per share[2]	1.13	1.15	-1.7%
Net debt to EBITDA	2.81x	1.93x	--
Net debt / stockholder's equity	0.84x	0.67x	--
ROA	4.0%	5.6%	--
ROE	11.2%	12.4%	--

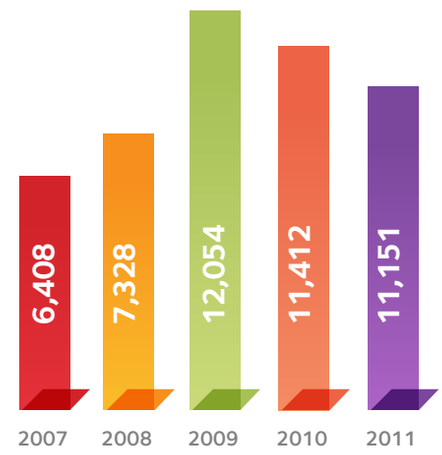
*Figures expressed in millions of nominal pesos.
[1]. Consolidated results exclude inter-company transactions.
[2]. Data in Mexican pesos based on outstanding shares of 4,703,200,000 for 2010 and 2011.

Net Sales



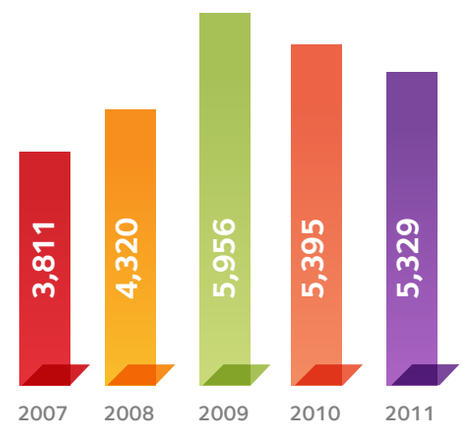
(millions pesos)

5 year operating income



(millions pesos)

Net Majority Income



(millions pesos)

Letter from the Chairman of the Board of Directors

As with every year, I am pleased to inform you of the results of Grupo Bimbo in fiscal year 2011.

This year has been a particularly good one, not just because of our financial results, which were strong despite the worldwide economic situation, but above all because we were able to consolidate various acquisitions that we had been planning for some time, and which brought spectacular growth to this company. Consolidated sales totaled PS 133.712 billion, 14.1% higher than the year before.

EBITDA was PS 15.37 billion and net income was PS 5.33 billion, very similar to that of the previous year.

The acquisitions I am referring to were:
- Fargo in Argentina
- Sara Lee in the United States
- Bimbo Iberia in Spain and Portugal

These acquisitions are a milestone in our history, because each of them required a tremendous effort to carry out, in some cases many years of long and complicated proceedings.

We are particularly happy to have reunited the operations and brands of Bimbo in Spain and Portugal.

"With the acquisition of Sara Lee, we became one of the leader companies in the United States"

With the acquisition of Sara Lee, we became one of the leader companies in the United States, where we have 75 plants (prior to divestiture) although we will close some of them to improve production capacity. We also have concrete plans to create new state-of-the-art plants in other regions, like the one recently commissioned in Topeka, Kansas.

I want to recognize everyone who made these acquisitions possible, because their completion required many hours of work, numerous trips and countless negotiations. I am particularly grateful to the Investment Committee, the Legal and Finance Departments, and the directors of BBU, particularly its President, Gary Prince, and of course, our CEO Daniel Servitje, who has been the prime mover of this significant expansion.

I would also like to comment that this year we began an overhaul of operations at El Globo, modifying both production systems and store designs. These changes have required a considerable investment, but will undoubtedly make operations more efficient and profitable.

"Grupo Bimbo was distinguished among 70 publicly-traded companies in Mexico to be added to the Mexican Stock Exchange's new Sustainable IPC Index".

Also in 2011, Grupo Bimbo was distinguished among 70 publicly-traded companies in Mexico to be added to the Mexican Stock Exchange's new Sustainable IPC Index. Mexico's creation of this new segment of the market gives it a place among countries around the globe that are committed to three areas: environmental care, social responsibility, and Corporate Governance. Grupo Bimbo is one of 23 Mexican companies that has a competitive edge in these areas, with which, besides joining this index, we have earned the Sustainable Company Seal, a token of our commitment to a philosophy that we have adopted since this company was founded.

Also during the year 2011, the Group's stock repurchase fund was used to buy 2,896,400 shares; after selling 2,699,200 shares, our Treasury was left with a position of approximately 197,200 shares as of December 31, 2011.

This board approved the company's management for the fiscal year just ended, as well as the Report of the Board of Directors. The Board's approval was based on the opinion of our auditors, and the Board considers the Group's financial statements to have been prepared in accordance with Mexican Financial Reporting Standards. These accounting policies and criteria were applied consistently and appropriately to the circumstances of the Group, and the financial information faithfully reflects the situation and results of the company.

As in the past, together with this report, we are presenting the following supplemental reports to the Meeting:

- Report of the Audit Committee
- Report of the Corporate Practices Committee
- Report of the Chief Executive Officer
- Report of compliance with tax obligations
- Main accounting and reporting policies and criteria
- Report on the company's financial situation.

As in preceding years, I would like to thank our management for its efforts, all of our associates and our unions for their hard work, and our shareholders, for their support.

Roberto Servitje S.
Chairman of the Board of Directors

Letter from the Chief Executive Officer

For Grupo Bimbo, 2011 was a year of great transformation. We advanced our vision of leadership in the global baking industry with three strategic acquisitions, ongoing investments to enhance the manufacturing and distribution scale, organic growth and continued product innovation.

We also faced challenges in the year which prevented us from achieving our expected results. This included higher average raw material costs, a devaluation of the Mexican peso that impacted US dollar-denominated inputs, and an expected margin dilution resulting from the acquisition of the Sara Lee operations, among others.

In the area of sustainability, we took important steps in 2011 to embed corporate social responsibility into our day-to-day operations across the three continents and 19 countries where we operate, looking at the ethical, environmental, social and economic impact of our business.

With the expanded involvement of our associates and a better understanding of the GRI methodology (Global Reporting Initiative), we aim to provide stakeholders with better quality and more relevant information on our Social Responsibility programs, policies and progress within the context of our corporate reporting.

"In the United States, we completed the acquisition of the Sara Lee North American Fresh Bakery business".

Key milestones in 2011

In the United States, we completed the acquisition of the Sara Lee North American Fresh Bakery business, strengthening our position with a nationwide manufacturing and distribution platform and a highly complementary product portfolio. Our BBU team is now stronger with the addition of our new associates.

I am pleased with the orderly pace of integration. We have a leadership team in place from both organizations, a three year synergy target of US$150 million, and a commitment to invest US$1bn over the next five years to upgrade facilities, build new facilities and enhance the distribution network, making the new BBU the best in the industry.

In Europe, we acquired Sara Lee's Spain & Portugal Fresh Bakery business, positioning us as the leading branded bread company on the Iberian Peninsula and reuniting the Bimbo brand on both sides of the Atlantic. We also completed the acquisition of Fargo in Argentina, the country's largest producer and distributor of bread and bakery products, strengthening our regional profile and growth strategy in Latin America.

As an innovator in the development of whole grain products, Grupo Bimbo was recognized by the Whole Grains Council for the most products bearing their seal and introducing these products across multiple countries. Our efforts to enhance the nutritional profile of our portfolio is part of our broader commitment to consumer – and societal – health.

Our goal of being a high quality, low cost producer requires an efficient supply chain and a supply model that corresponds to our new scale. We are working with our suppliers to ensure alignment of our shared objectives across the entire value chain. In 2011 we launched a joint green procurement program in Mexico.

As part of our environmental stewardship efforts we seek to reduce our carbon footprint. To that end, construction continued at the Piedra Larga wind farm in the State of Oaxaca (Mexico), our joint venture with government, private and financial investors that will provide sufficient renewable energy for almost all our plants in Mexico when it comes on line. In addition, this year we continued to convert and upgrade our delivery fleet to more efficient and low-emission vehicles, and made advances in other environmental efforts such as reducing unit consumption of energy and water and minimizing waste.

Safety remains a key priority, as it places the highest value on our associates. We are transitioning from policies and procedures to the development of a true safety culture.

Our sustainability efforts were recognized this year by two ratings agencies specializing in corporate responsibility, which worked with the Mexican Stock Exchange to identify companies for its new IPC Sustainability Index.

Financial results

Net sales rose 14.1% over 2010, to Ps. 133.7 billion, primarily reflecting higher volumes in Mexico and Latin America, better pricing across every region, and the integration of the three acquisitions.

The rise in raw material costs led to a 1.6 percentage point decline in the gross margin, while lower operating expenses as a percentage of sales helped offset the impact at the operating level, where the margin declined 1.4 percentage points. The net margin contracted by 60 basis points, to 4.0%, as the comprehensive financing cost was lower than in 2010. This was primarily the result of lower interest expense following the restructuring of our debt, as well as an exchange gain.

The balance sheet remains solid and flexible, with a debt profile that aligns maturities and currencies to expected cash flows, and an average financing cost that fell to 4.2% in 2011, from 6.8% in 2010. We remain strongly committed to investment grade rating, and given our track record in orderly cash management, we will continue to favor the reduction of ourleverage ratio, until we reach our goal in the medium-term.

Net Sales

Outlook

We enter 2012 with a very different position in the world's baking industry. While the economic environment remains soft and commodity markets are volatile, our focus is on maintaining our growth and a solid long-term position. We will continue to build on the potential of our markets through the disciplined execution of our strategic priorities:

"We will continue to build on the potential of our markets through the disciplined execution of our strategic priorities"

1. Innovation and deep consumer understanding
2. Creating deep connections with consumers
3. Creating value for customers
4. Building efficiency and scale to achieve a low-cost operation.
5. Responsible financial management
6. Responsible social, environmental and labor practices

Embedded in this strategy are four initiatives to help advance our 2015 goals, which are focused on health, nutrition and wellness; a low-cost supply chain; the leadership and management model; and talent development. These initiatives are global in nature but will be developed locally.

I would like to extend my appreciation to the more than 127,000 associates in the Grupo Bimbo family for their enthusiasm, talent and expertise. Each day, they live up to our mission to nourish, delight and serve our world. Thank you also to our shareholders and extended stakeholder community for the continued confidence in our company.

Sincerely,

Daniel Servitje
Chief Executive Officer

The Ingredients for Growth
Our Strategy

Grupo Bimbo's strategy is built upon a clear vision of where we are headed and how we aim to get there.

Our Mission

To Nourish, Delight and Serve our World

1. A company with trustworthy, leading brands for our consumers
2. Our customers' preferred supplier
3. A forward-looking and innovative company
4. A strong and sound company
5. An extraordinary place to work

Being the largest can certainly be a source of pride, but we are striving to be the best baking company in the world and a leader in the food industry, where our people make the difference every day.

OUR VISION 2015

In the following pages we outline specific components of our strategy and showcase our initiatives in action across our markets.

How does this contributes to achieving our Vision 2015?

- A company with trustworthy leading brands for our consumers
- Forward looking and innovative company

Innovation and Deep Consumer Understanding

We work hard to stay attuned to consumer tastes and preferences, with a highly segmented approach across multiple geographies and demographics.

To capitalize and expand on those insights, and sustain the pace of innovation, we rely on a robust Research & Development platform that includes six innovation and nutrition institutes for product development, located in Mexico (2), the United States (3) and Brazil (1).

game-changers for the industry, including successful launches such as Health-Full® (USA); Crocantissimo (Brazil); and Marinela's Gansito cookies (Mexico). Our innovation culture seeks to achieve strong local positions and generate long-term profitable growth.

Our effort to enhance the nutritional profile of our products was recognized by the Whole Grains Council for having the most number of those bearing their seal and introducing our whole grains products across multiple countries.

We have established a number of priorities for 2015, including reducing sodium, saturated fats and sugar in several core categories, and increasing the fiber content in our bread.

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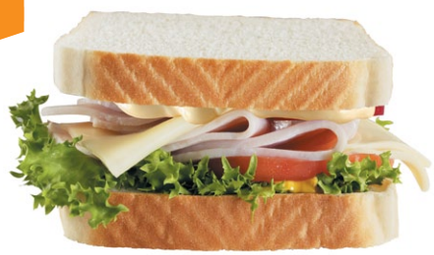
How does this contributes to achieving our Vision 2015?

- A company with trustworthy leading brands for our consumers



Creating Deep Connections With Consumers

Grupo Bimbo has a strong track record of creating, nurturing and managing brands, resulting in an unrivaled international portfolio.

We have products for every meal, every occasion and every consumer group. Multinational brands. Brands adapted to local markets.

We are proud of the extraordinary loyalty and awareness our brands enjoy. Strong brand equity is built on an ability to create a lasting emotional connection with consumers and to consistently deliver on expectations.

Spotlight Case

In 2011 we had the unique opportunity to reunite the Bimbo brand globally with the purchase of Sara Lee's Fresh Bakery on the Iberian peninsula. The business was founded almost 50 years ago in Spain by Jaime Jorba, a cofounder of Bimbo bakery in Mexico City.

Bimbo is an established brand leader in the Iberian market, but there is still significant growth potential for packaged, branded products, as most sales are still in the traditional category. Our integration process will combine local know-how and our brand-building expertise to strengthen and enhance the operation and optimize value creation.

How does this contributes to achieving our Vision 2015?

- Our customers' preferred supplier
- A strong and sound company

Create value for customers and build efficiency & scale

Enhancing the scale and efficiency of our operations will help us serve customers more effectively, thereby strengthening our market leadership and ensuring sustainable long-term growth, while positioning us as a low-cost operator.

We have a world-class manufacturing base and a distribution network that is already among the largest in the Americas in terms of fleet size and points of sale served. Our focus now is to enhance our manufacturing, supply chain and logistics capabilities for 21st century success.

In manufacturing, we will be adding capacity, modernizing production lines and filling in geographic gaps where needed. In procurement, we will work closely with suppliers to decrease volatility, standardize inventory and guarantee supply. In distribution, we will enhance infrastructure and logistics to increase our penetration in underserved areas.

How does this contributes to achieving our Vision 2015?

- A strong and sound company

Responsible Financial Management

Our conservative financial management philosophy is based on a strong commitment to sustainable and profitable growth that does not compromise the soundness of our balance sheet.

Grupo Bimbo's healthy and stable cash flow and our strict practice of reinvestment have allowed us to self-fund many of the acquisitions we have made in the past 10 years and to continue investing in the business while meeting our financial obligations.

In today's context of soft global economic recovery and continued market volaility, Grupo Bimbo's financial management practices have allowed us to access the capital markets at a time when few other issuers could. A top priority today is to deleverage, in line with our commitment of disciplined allocation of financial resources and to investment grade ratings.

Spotlight Case

In 2011 we strengthened our balance sheet following a disciplined allocation of resources and enhanced our financial flexibility through refinancing initiatives, including a US$1.3 billion loan whose proceeds were used to refinance other obligations under better conditions and to help fund the Sara Lee acquisitions. The loan improved the financing cost and further weighted the currency mix of our debt towards US dollars, which improves our natural and economic and accounting hedge.

In early 2012 we further extended average maturities with the issuance of US$800 million of 4.50% notes due 2022 in the United States, and Ps. 5,000 million in 6.5-year 6.83% fixed rate domestic bonds. The confidence investors place in Grupo Bimbo was evidenced by strong demand for these issues, with oversubscribed orderbooks.

How does this contributes to achieving our Vision 2015?

- A forward-looking and innovative company
- A strong and sound company
- An extraordinary place to work

Responsible Social, Environmental and Labor practices

We see no conflict between doing good and doing well, and take pride in our ranking as one of the most respected companies in the world (2011 Reputation Institute).

A key component of our corporate identity is the company-wide Social Responsibility Program, which has four primary areas of focus.

Health

As a food company, we have a special responsibility to provide consumers with healthy options and to improve the nutritional profile of all our products. We adhere to World Health Organization guidelines, and have successfully reduced sodium in our leading brand breads and rolls, particularly in the United States and Mexico. This progress increased the number of such products by 123% from 2010 to 2011.

Environment

We focus on reducing consumption of natural resources on both an absolute and per unit basis. Over the past three years, we have successfully reduced energy consumption by more than 12 million kWh, and water consumption by 150,000 cubic meters. In addition, we have robust recycling programs at all of our plants. Grupo Bimbo was the first company in Latin America to introduce degradable packaging, and we are aggressively converting our delivery fleet to more efficient vehicles.

Society

We support environmental educational and physical activity promotion projects. In 2011, we allocated over 1.5% of our net income to community programs.

Associates

Safety continues being a key priority, with a company-wide campaign now focused on instilling a safety culture and improving performance in this area. Beyond the business implications, our goal is to ensure the well-being of our associates. We promote personal and professional development, and seek to identify talent at all levels of the organization. We foster long-term relationships, and prepare our company for the next generation of leadership.

We encourage you to read [pages XX-XX or SECTION NAMES] for full details on our social responsibility programs, policies and performance.

Leadership Team

Management Committee

Daniel Servitje
Chief Executive Officer, Grupo Bimbo

Joined Grupo Bimbo in 1978; bachelor's degree in business administration from Universidad Iberoamericana, MBA from Stanford University. Member of the Board of Directors of Grupo Financiero Banamex, Coca-Cola Femsa, Mexican Institute for Competitiveness A.C., Walmart Mexico Advisory Board of Suppliers, The Consumer Goods Forum, Latin America Conservation Council (The Nature Conservancy).

Pablo Elizondo
Senior Executive Vice President, Grupo Bimbo.

Joined Grupo Bimbo in 1977; studied chemical engineering. He attended the Advanced Management Program, Harvard Business School.

Javier Augusto Gonzalez Franco
President, Bimbo S.A. de C.V.

Joined Grupo Bimbo in 1977; degree in chemical engineering, MBA from Universidad Diego Portales in Chile, Advanced Management Program, Harvard Business School, and the Breakthrough Program in the IMD. Chairman of CONMEXICO (Consejo Mexicano de la Industria de Productos de Consumo, A.C.) since 2009.

Gary Prince
President, Bimbo Bakeries USA
Joined Grupo Bimbo in 2009; more than 37 years experience in the baking industry. Currently serves on the Board of the Directors of the American Bakers Association and is a Board Member of Students in Free Enterprise, Inc.

Gabino Gomez
President, Organizacion Barcel, S.A. de C.V.
Joined Grupo Bimbo in 1981; bachelor's degree in marketing, master's degree in business administration from the University of Miami. Member of the Executive Board of ConMexico and member of the Food Group.

Miguel Angel Espinoza
President, Organizacion Latinoamerica Sur
Joined Grupo Bimbo in 1981. Degree in industrial engineering from the Universidad Autonoma de Chihuahua and attended the Advanced Management Program from Harvard Business School in 2006.

Guillermo Quiroz
Chief Financial Officer, Grupo Bimbo.
Joined Grupo Bimbo in 1999; degree in actuarial studies, MBA from IPADE Member of the board of directors of Grupo Altex and Fincomún.

Javier Millan
Chief Human Relations Officer, Grupo Bimbo.
Joined Grupo Bimbo in 1977; studied philosophy and business administration. Board member of the Asociacion Mexicana en Direccion de Recursos Humanos. Chairman of Reforestamos Mexico, A.C.

Reynaldo Reyna
Chief Information and Strategy Analysis Officer
Joined Grupo Bimbo in 2001. Studied Industrial and Systems Engineering and obtained a Masters' Degree in Operations Research and Finance from Wharton University.

Board of Directors

Chairman
Daniel Servitje

Alternate Chairman
Roberto Servitje

Secretary
Pedro Pablo Barragan

Alternate Secretary
Luis Miguel Briola

Board Members
Roberto Servitje
i Henry Davis
i Jose Antonio Fernández
i Arturo Fernández
i Ricardo Guajardo
i Agustin Irurita
Luis Jorba
Mauricio Jorba
Fernando Lerdo de Tejada
Nicolas Mariscal
Jose Ignacio Mariscal
Maria Isabel Mata
Raul Obregon
Javier de Pedro
i Ignacio Perez Lizaur
i Alexis E. Rovzar (†)
Lorenzo Sendra
Daniel Servitje

i Independent

Governance Committees

Audit Committee

Chairman
Henry Davis

Agustin Irurita
Alexis E. Rovzar (†)
Arturo Fernandez
Ignacio Perez Lizaur

Secretary
Guillermo Sanchez Arrieta

Corporate Practices Committee

Chairman
Ricardo Guajardo

Henry Davis
Jose Antonio Fernandez

Secretary
Luis Miguel Briola

Evaluation and Results Committee

Chairman
Raul Obregon

Daniel Servitje
Javier De Pedro
Jose Antonio Fernandez
Roberto Servitje

Secretary
Javier Millan

Finance and Planning Committee

Chairman
Jose Ignacio Mariscal

Daniel Servitje
Guillermo Quiroz
Lorenzo Sendra
Mauricio Jorba
Raul Obregon
Ricardo Guajardo

Secretary
Luis F. Sampson

Board Members

Roberto Servitje

Chairman, Grupo Bimbo

Board member of:
Chrysler de Mexico, S.A. de C.V.
Grupo Altex, S.A. de C.V.
Escuela Bancaria y Comercial
Memorial Hermann International Advisory Board (Houston, Texas)
Grupo Aeroportuario del Sureste, S.A.B. de C.V.

Henry Davis

Chairman, Promotora DAC, S.A.
Board member of:
Kansas City Southern
Telefónica Móviles México, S.A. de C.V.
Afianzadora Aserta Insurgentes, S.A.
Comité Técnico de FIBRA 1

Nicolas Mariscal

CEO, Grupo MARHNOS
Board member,
Fundación Mexicana para el Desarrollo Rural, A.C.
Vice Chairman, Urban Land Institute – Mexico

Jose Antonio Fernandez

Chairman and CEO, Fomento Economico Mexicano, S.A.B. de C.V.
Chairman, Coca-Cola FEMSA, S.A.B. de C.V.
Chairman, Fundación FEMSA
Chairman, US-Mexico Foundation
Co-Chairman, Woodrow Wilson Center Mexico Institute
Vice Chairman, Instituto Tecnológico y de Estudios Superiores de Monterrey
Board member of:
Grupo Financiero BBVA Bancomer
Industrias Peñoles, S.A.B. de C.V.
Grupo Televisa
Volaris
Xignux, S.A. de C.V.
Cemex, S.A.B. DE CV.

Maria Isabel Mata
CEO, Fundacion Jose T. Mata
Member of the Administration Board of Tepeyac, A.C.

Luis Jorba
CEO, Frialsa Frigorificos
Chairman, Efform, S.A. de C.V.
Board member of:
Texas Mexico Frozen Food Council
International Association of Refrigerated Warehouses
World Food Logistics Organization
World Group of Warehouses

Raul Obregon
Managing Partner, Alianzas, Estrategia y Gobierno Corporativo, S.C.
Affiliated to Proxy Gobernanza Corporativa, S.C.
Board member of:
Grupo Palacio de Hierro, S.A.B. de C.V.
Invermat, S.A. de C.V.
Comercializadora Círculo CCK, S.A. de C.V.
Altamira Union de Credito S.A de C.V.
Fondo Nacional de Infraestructura, Independent member of the evaluation and financing sub-committee.
Instituto Tecnologico Autonomo de Mexico, Governing Boardmember.
Alternate Board member and audit and corporate governance committee member of:
Industrias Peñoles S.A.B. de C.V.
Grupo Nacional Provincial S.A.B. de C.V.
Grupo Palacio de Hierro S.A. de C.V.

Ricardo Guajardo
Board member of:
Grupo Financiero BBVA Bancomer
Instituto Tecnologico y de Estudios Superiores de Monterrey
Grupo Fomento Economico Mexicano, S.A.B. de C.V.
Coca-Cola FEMSA, S.A.B. de C.V.
Grupo Industrial Alfa
El Puerto de Liverpool
Grupo Aeroportuario del Sureste (ASUR)
Grupo COPPEL
Vice-Chairman, Fondo para la Paz
Chairman, SOLFI

Arturo Manuel Fernandez
Dean, Instituto Tecnológico Autónomo de México (ITAM)
Board member of:
Industrias Peñoles, S.A.B. de C.V.
Grupo Nacional Provincial, S.A.B. de C.V.
Grupo Palacio de Hierro, S.A.B. de C.V.
Valores Mexicanos, Casa de Bolsa, S.A.B. de C.V.
Grupo Financiero BBVA Bancomer
Fomento Economico Mexicano, S.A.B. de C.V.
Fresnillo plc

Agustin Irurita
Board member, Grupo ADO
Member of the national board and executive committee,
Confederacion Patronal de la Republica Mexicana (COPARMEX)
Board member of:
Camara Nacional de Autotransporte de Pasaje y Turismo (lifetime member)
Grupo Comercial Chedraui, S.A. de C.V.
Fincomun Servicios Financieros Comunitarios, S.A. de C.V.
Grupo Financiero Aserta, S.A. de C.V.

Lorenzo Sendra
Chairman, Proarce, S.A. de C.V. and Plasterex, S.A. de C.V.
Board member of:
Fundacion Mexicana para el Desarrollo Rural, A.C.
Financiera Finamigo
Frialsa
Extended Suites, S.A. de C.V.
Financiera Equinoccio, S.A. de C.V.
Fraccionamiento el Santuario en Valle de Bravo

Daniel Servitje
CEO, Grupo Bimbo, S.A.B. de C.V.
Board member of:
Grupo Financiero Banamex, S.A. de C.V.
Coca-Cola Femsa
The Mexican Institute for Competitivness A.C. (IMCO)
Walmart Mexico Advisory Board of Suppliers
The Consumer Goods Forum.
Latin America Conservation Council (The Nature Conservancy).

Alexis Rovzar (†)
Partner of counsel in the Latin American Practice Group of White & Case LLP
Board member of:
Coca-Cola FEMSA, S.A.B. de C.V.
Fomento Económico Mexicano, S.A.B. de C.V.
Grupo ACIR
Grupo COMEX
The Bank of Nova Scotia
Endeavor Mexico, A.C.
Appleseed Mexico, A.C.
Provivah, A.C.
Philharmonic Orchestra of the Americas
Council of the Americas
Procura, A.C.
Qualitas of Life Foundation and other non-profit organizations

Jose Ignacio Mariscal
MARHNOS GROUP Executive President
Executive President, Una Sola Economia del CCE (Consejo Coordinador Empresarial)
VP, Fincomun Servicios Financieros Comunitarios
VP, Fundacion FinComun
Member of the board, executive committee and Chairman's Office, Coparmex
Commissioner of Comite de Desarrollo Humano Coparmex

Member of the Executive Board of Business and Industry Advisory Committee to the OECD (BIAC)
President, Fundación León XIII
Member of the board and executive committee, Comisión Ejecutiva de la Confederación USEM
Member of the Board:
Grupo Financiero Aserta
Grupo Calidra
Arko
Operadora Financiera de Inversiones, S.A. de C.V.
Former President and Member of the Board of Uniapac International
Former President and Vigilance Committee of IMDOSOC

Mauricio Jorba
Board member of:
VIDAX
Promociones Monser, S.A. de C.V.

Javier de Pedro
CFO, MXO Trade SA de CV
Chairman Test Rite de Mexico S.A. de C.V.
Board member of:
Global Biotherapeutics
Industrias Rampe,
MXO Trade S.A. de C.V.
Fundación José T Mata.

Ignacio Pérez Lizaur
Partner, Consultores Perez Lizaur, S.C.
Member of the board :
Principal Financial Group (Mexico City)
Central American Bottling Corporation (Guatemala)
Fundacion Mexicana para el Desarrollo Rural A.C.
Children's Miracle Network and Hospitals (Utah, USA)

Fernando Lerdo de Tejada
Chairman and CEO Asesoria Estrategia Total, S.C.
Board member of:
Consultoria Estrategica Primer Circulo, S.C.,
Get Digital, S.A. de C.V.,
Fundacion Mexicana para el Desarrollo Rural, A.C.,
Club de Golf Chapultepec, S.A.
Accenture (Mexico)
Consultant of:
Walmart
Breskem
MetLife
Exxonmobil
Pfizer

Advisory Board
South American Organization

João Alves de Queiroz
Chairman, Monte Cristalina S.A.
São Paulo, Brazil

Alberto Hoyos
Chairman, Compañía de Galletas Noel S.A.
Medellin, Colombia

Victor Milke
CEO, Corporacion Premium, S.C.
Mexico City

Luis Pagani
Chairman, Grupo Arcor
Buenos Aires, Argentina

Leslie Pierce
General Manager, Alicorp S.A.
Lima, Peru

Lorenzo Sendra
Chairman, Proarce S.A. de C.V.
Mexico City

Eduardo Tarajano
Private Investor
Key Biscayne, Florida

Roberto Servitje
Chairman, Grupo Bimbo

Daniel Servitje
CEO, Grupo Bimbo

Guillermo Quiroz
CFO, Grupo Bimbo

Miguel Angel Espinoza
CEO, Organización Latinoamérica Sur

Corporate Governance Policy

Business ethics and respect for the individual are both essential elements of the philosophy implemented by the Bimbo Group since its founding.

The Bimbo Group adheres to the Code of Best Corporate Practices, an initiative of the Mexican Stock Exchange (BMV, for its initials in Spanish), the objective of which is to establish guidelines for Corporate Governance among companies operating in Mexico, in particular for those traded on the BMV, thereby supporting investor confidence.

As a public company traded on the Mexican Stock Exchange (BMV), traded as "BIMBO," we uphold the standards established in the Code of Best Corporate Practices put forward by the BMV.

Structure and Responsibilities of Governing Entities

The supreme governing body is the shareholders association. The Board of Directors, in the performance of its duties, is supported in turn by four Committees.

The Board of Directors is made up of 18 directors, of whom 7 are independent members. They were designated and approved at the Shareholders Meeting held April 15, 2011. One of the resolutions approved at the meeting was to eliminate the alternates for the members of the Board of Directors, which promotes greater participation and accountability among the directors from this body.

The Auditing Committee and the Corporate Practices Committee are made up entirely by independent directors.

Audit Committee

Comprised solely of Independent Directors, its principal function is to verify that Grupo Bimbo's operations are carried out in accordance with applicable regulations; the committee has the authority to evaluate and supervise management's activities related to compliance with accounting policies and practices, to assess the performance of Grupo Bimbo's external and internal auditors, to investigate violations of internal control and internal auditing policies, and to evaluate policies for risk management, among others.

The Audit Committee also issues opinions on any material changes in the accounting policies, criteria and practices applied in the preparation of Grupo Bimbo's financial statements, as well as on matters concerning the execution of material or unusual transactions.

Corporate Practices Committee

Pursuant to the provisions of the Securities Law, as amended in December 2005, the Board of Directors of Grupo Bimbo established a committee to conduct corporate practices activities. Comprised solely of Independent Directors, this Committee has the authority to issue opinions on related party transactions, the appointment, evaluation and dismissal of the Chief Executive Officer and other senior officers, and on policies for the overall compensation of the Chief Executive Officer and the senior officers of Grupo Bimbo.

Evaluation and Results Committee

Responsible for analyzing and approving the general compensation structure of Grupo Bimbo, as well as the policies and guidelines for compensation and development programs for officers and associates of Grupo Bimbo and its subsidiaries. This committee also has the authority to analyze Grupo Bimbo's financial results and their impact on the general compensation structure of the Group.

Finance and Planning Committee

Responsible for analyzing and submitting for approval to the Board of Directors its evaluation of Grupo Bimbo's long term strategies and its principal investment and financing policies, as well as identifying risks and the evaluating risk management policies.

Roles And Responsibilities of Governing Entities

Board of Directors

- The Board serves as the legal representative of the Company and has the broadest powers to manage the Group's business.
- Its primary roles include defining policies and strategies to improve the efficiency of the company and participating in decisions regarding the effective allocation of shareholder resources. Both these roles seek to protect and increase the equity of the Company and of investors.
- On occasion, the Board reviews and evaluates the management of issues relating to social issues in Mexico and abroad, which can or will have an economic and/or environmental impact.

Characteristics of our Corporate Governance

At the Bimbo Group, the alternate for the Chairman of the Board of Directors is the Chief Executive Officer, as this is a position that cannot be left unrepresented. During the past 5 years, the alternate for the Chairman of the Board of Directors performed such duty on just one occasion.

Information regarding compensation for the Board of Directors can be found in the section titled "Compensation" from the annual report submitted in June 2011 to the Mexican Stock Exchange.

In addition, each of the directors submits a document to the Office of the Secretary of the Company, describing his or her training, experience and prior participation in other governing bodies and boards.

Conflict of Interest

Internally, in order to prevent the occurrence of a conflict between the personal interests of associates and those of the company, and to establish a solution whenever required, all associates have the responsibility to declare any interest, financial or otherwise, that may conflict with his or her performance within the Bimbo Group.

In the case of executives and directors, the "Conflict of Interest" policy establishes they must annually complete a special form in this regard. Breach of this policy may result in termination of employment.

Participation of our Partners and Shareholders in Corporate Governance Decisions

There are several mechanisms that guarantee the participation of Bimbo Group partners and shareholders, so that our Board of Directors can respond to any such concerns. However, to date there have been no such cases.

Once annually, the Shareholders Meeting is held. This is a public event that allows attendance by company shareholders or their representatives. The resolutions made at the Meeting are published on the BMV webpage, and are available to any who might be interested in their content.

There are regulations established in the Articles of Incorporation of the Bimbo Group to ensure timely participation of our partners and shareholders.

LINKS

For more information on our Corporate Governance visit our annual report at:
http://www.grupobimbo.com.mx/relacioninv/uploads/reports/IAEsp.pdf

Roles and Functions of the Board of Directors

The person or group of persons representing 5% or more of the total shares issued by the Bimbo Group shall have the right to file derivative suit against the Directors and the Secretary of the Board of Directors.

The person or group of persons representing 10% or more of the total shares issued by the Bimbo Group shall have the right to:

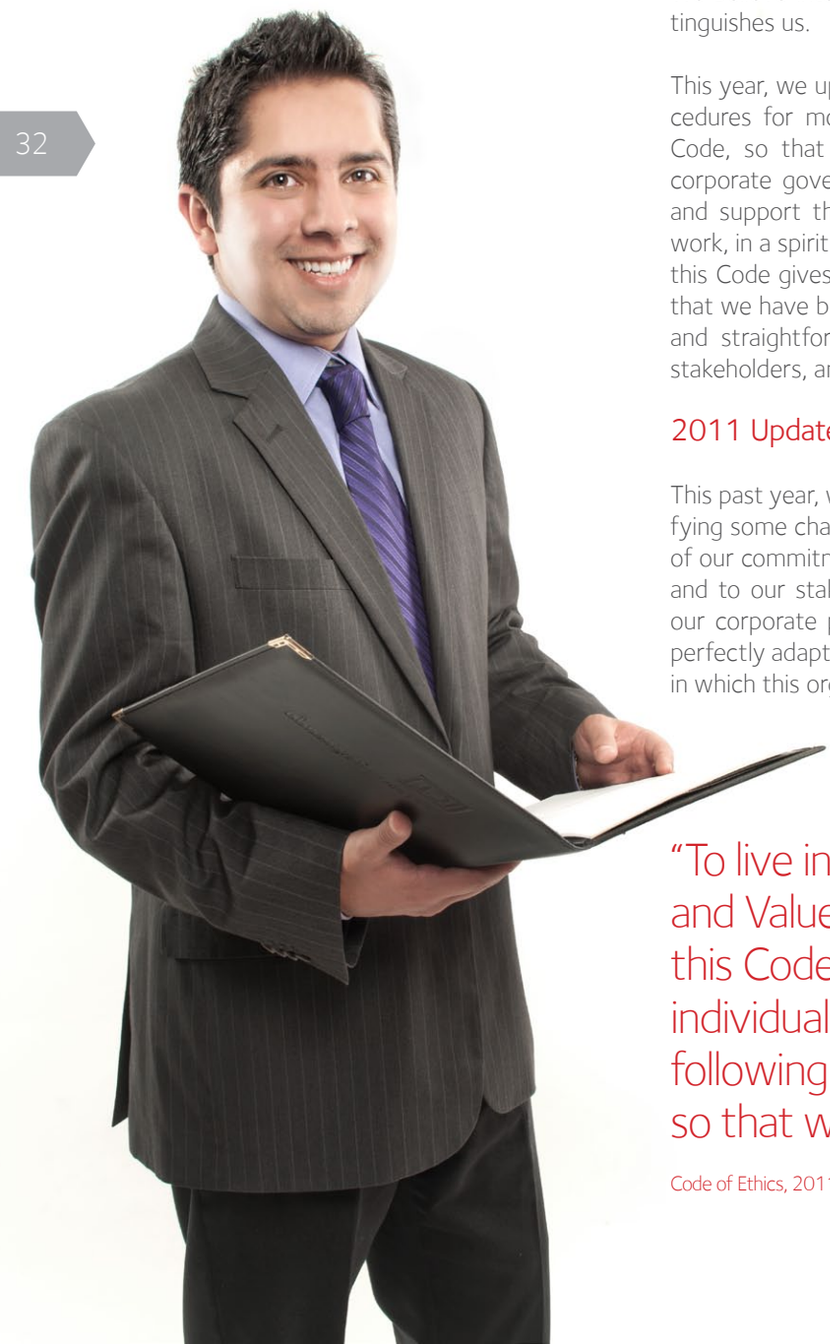
(i) designate one member of the Board of Directors;
(ii) request the convening of a General Shareholders Meeting; and
(iii) to request a one-time, three-calendar day postponement, with no need for reconvening, of any vote on a matter regarding which they do not feel sufficiently informed.

The person or group of persons representing 20% or more of the total shares issued by the Bimbo Group shall have the right to judicially oppose the resolutions of the Shareholders.

Source: Taken from the Articles of Incorporation of Grupo Bimbo SAB de CV.

Ethics management and policy

The Code of Ethics is a formal statement of the values, ideals and conduct that we share at Grupo Bimbo, and which we consider to be the foundation for our daily operations, as we work together to make this organization an example for others.



We believe integrity is the highest value that distinguishes us.

This year, we updated our Code of Ethics and procedures for monitoring any deviations from that Code, so that associates, organizations and the corporate governance of this Group comply with and support these principles in their day-to-day work, in a spirit of honesty and integrity. Following this Code gives us the confidence and satisfaction that we have behaved in a professional, loyal, clear and straightforward way toward our coworkers, stakeholders, and the company itself.

2011 Updates to the Code of Ethics

This past year, we worked on expanding and specifying some chapters of our Code of Ethics, as part of our commitment to excellence in our operations and to our stakeholders. The goal is to optimize our corporate practices and ensure that they are perfectly adapted to the needs of the environment in which this organization operates.

"To live in accordance with our Principles and Values, and therefore, to comply with this Code, it is indispensable that we are individuals of high moral quality, and that following the Code comes naturally to us, so that we can preach by example".

Code of Ethics, 2011

Update to the Code of Ethics

The Code of Ethics updated in 2011 contains the following changes:

- More precise, specific and strict statements about respect and on preventing discrimination, corruption and bribery, and associate safety.
- Inclusion of the issues of environmental care and preservation in the chapters on Associates, Suppliers and Society.
- A deeper relationship with our Suppliers*
- A section on policies applicable to breaches of the Code, which include changes in the procedure for monitoring and following up on code violations.

***Note:** for more information on this topic, see the section entitled "Commitment to our External Value Chain: Suppliers" in the "Committed to our Society" section of this report.

Dissemination of the Code

The new Code of Ethics was launched in October 2011. Toward the end of the year, we began to distribute the new document to be signed by all administrative and management level personnel. It will be distributed to all of the Group's organizations in 2012.

The document can also be accessed on our webpage and on the Group's intranet (Bimbo Plaza).

Like the previous Code of Ethics, to facilitate its day-to-day application, we have a tutorial available with Bimbo Online University, which is in the process of being updated. The new version of the tutorial will be available in the first quarter of 2012.

Compliance with the Code of Ethics

In 2011, we opened a hotline for associates and suppliers so that they can confidentially notify us of any possible breaches of our Code of Ethics. The system is already in operation in Mexico, Asia, Latin America, and the United States. At Bimbo Iberia, where it began to be introduced late last year, it will also be fully implemented by the end of 2012.

Every three months, the Board of Directors Audit Committee receives a report on the process of investigating, monitoring and reaching decisions on breaches of the Code.

LINKS

Link to the webpage where the 2011 updated Code of ethics can be found:
http://www.grupobimbo.com.mx/es/grupo-bimbo/codigo-de-etica.html

Economic Performance

Management's Discussion and Analysis of Results

Unless otherwise stated, all figures herein are expressed in millions of nominal Mexican pesos and are prepared in accordance with Mexican Financial Reporting Standards.

Overview

Grupo Bimbo's results in 2011 reflected solid sales growth, higher raw material costs, and expenses related to the Company's distribution network and the integration of new acquisitions. Net sales rose 14.1% to Ps. 133,712, while operating income declined 2.3% to Ps. 11,151, with a 1.4 percentage point contraction in the margin to 8.3%, and net majority income fell 1.2% to Ps. 5,329. Net majority margin was 4.0%, a decline of 60 basis points from the previous year.

Factors Affecting Performance

The key factors and trends that impacted the Company's operating and financial performance in 2011 included:

- A slow recovery in the consumption environment prevailed all year, and the Company was able to increase quarterly sequential sales volume growth; in the United States, however, total volumes were still lower on a comparative basis.

- We were able to introduce price increases across our markets for certain of our product lines to help offset the increased cost of raw materials.

- On average, the price of inputs used in the manufacture of our products was higher in 2011 compared to 2010; this was further compounded by higher fuel and energy costs, as well as a devaluation of the Mexican peso against the US dollar in the latter months of the year.

- We continued to invest in the expansion and penetration of our US and Latin American markets, with expenses allocated to the manufacturing base, client and route development and distribution logistics. Operating results reflect the impact of these investments.

- On December 5, we completed the acquisition of Bimbo Iberia for an all-cash purchase price of €115 million. On November 6, we completed the acquisition of Earthgrains, Sara Lee Corporation's North American fresh bakery business from Sara Lee Corporation, for an enterprise value of US$749 million, and on September 19, we completed our acquisition of Fargo in Argentina. While these acquisitions contributed to top line results, they diluted operating profitability in the case of the acquisitions made in the United States and Spain and Portugal.

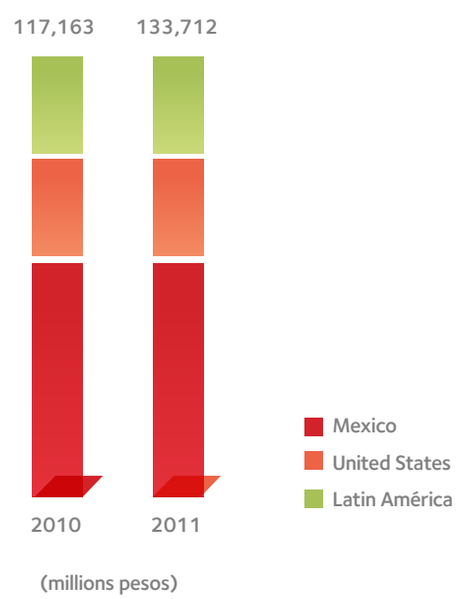
- In 2011, for the first time, we consolidated the results of independent distributors (IOs) in the United States who act as legal entities. Consolidation was not required prior to 2011 as the impact was deemed immaterial. The consolidation is reflected across the entire P&L except in net majority income, as the IO effect is offset in the non-controlling interest line.

Net Sales

Consolidated net sales totaled Ps. 133,712 in 2011, a 14.1% increase over 2010, primarily as a result of better pricing in all regions and higher sales volumes in Mexico and Latin America, as well as the aforementioned acquisitions. By region, net sales increased as detailed below:

- **In Mexico,** sales rose 11.2% to Ps. 64,368, reflecting volume growth in multiple categories and pricing initiatives taken over the course of the year.
- **In the United States,** net sales rose 12.4% to Ps. 53,810 as a result of the Sara Lee acquisition, the consolidation of IOs and organic performance that was driven by pricing initiatives over the course of the year and to a lesser extend favorable FX rates in the final months of the period, which helped offset the decline in sales volume from the depressed consumer environment. Certain brands, such as Bimbo and Marinela, reported an increase in year over year sales volumes.
- **In Latin America,** net sales rose 30.7% to Ps. 18,568 primarily as a result of stronger volumes and higher average prices across the region, reflecting our increased market penetration mainly in Brazil, as well as the effect of the Fargo acquisition.
- **In Iberia,** consolidated net sales included 28 days of results, or Ps. 393.

Net Sales

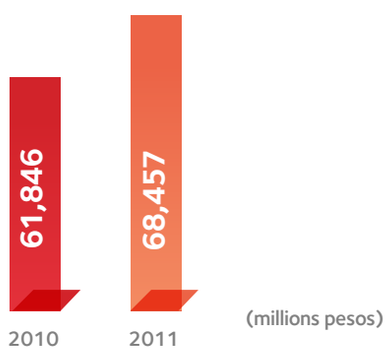


Gross Profit

Consolidated gross profit in the year totaled Ps. 68,457, a 10.7% rise over 2010, while gross margin contracted 1.6 percentage points to 51.2%. This performance is primarily the result of an increase in commodity prices in all regions, and expenses associated with the construction and opening of new production plants in the United States and Brazil.

- **In Mexico,** the gross margin declined 2.8 percentage points to 53.2% reflecting commodity costs and to a lesser extent, the impact of the peso devaluation in the fourth quarter.
- **In the United States,** the margin improved by 0.4 percentage point to 49.9%, reflecting pricing initiatives that helped offset higher average commodity costs and expenses associated with the construction and opening of a new production plant.
- **In Latin America,** the gross margin declined 1.5 percentage points to 39.0% primarily due to higher commodity costs and the construction and opening of a new production plant in Brazil.

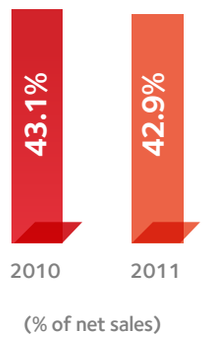
Gross Profit



Operating Expenses

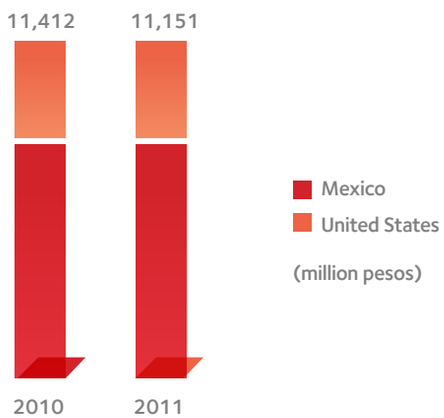
Operating expenses totaled Ps. 57,306, a 13.6% increase over 2010. However, the ratio of these expenses to net sales declined 20 basis points to 42.9% as a result of achieving greater cost efficiencies across all the regions, which offset the investments related to the expansion of the distribution network in the United States and Latin America, the impact of inflation on costs such as fuel in the United States, and the integration of the Sara Lee operations in the United States and Spain, which have higher expense structures.

Operating Expenses



Operating Income

Operating Income



On a consolidated basis, operating income declined 2.3% from the 2010 level to Ps. 11,151, with a 1.4 percentage point contraction in the margin to 8.3%.

- **In Mexico**, operating income totaled Ps. 8,201, a rise of 2.3% over 2010. Operational efficiencies, mainly in distribution, as well as volume gains that helped absorb fixed costs, partially offset gross margin pressure, resulting in a 1.1 percentage point contraction in the operating margin to 12.7%.

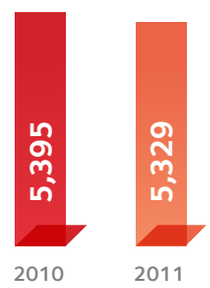
- **Operating income in the United States** declined 4.8% to Ps. 3,577, with a 1.2 percentage point decrease in the margin to 6.6%. This was due to the expansion of our distribution network, the impact of inflation on fuel costs and the integration of the Sara Lee operation.

- **In Latin America,** gross margin pressure, higher distribution expenses associated with the creation of new routes and distribution centers, pre-operating expenses associated with the construction and opening of a new production plant in Brazil as part of our growth strategy in the region led to a Ps. 524 operating loss in the year, compared to a Ps. 340 loss in 2010. The operating margin contracted by 0.4 percentage points to -2.8%.

Net Majority Income

Net majority income fell 1.2% to Ps. 5,329, while the margin contracted 60 basis points to 4.0%. This result is explained by pressure on gross profit, operating performance, a goodwill impairment charge in Brazil resulting from longer than expected ROI timeframes for certain investments, and the increase in the effective tax rate, all of which were partially offset by the benefit of lower financing costs.

Net Majority Income



(million pesos)

Comprehensive Financing Result

Comprehensive financing resulted in a Ps. 1,291 cost in 2011, compared to Ps. 2,623 in 2010. This decrease is attributable to: i) lower interest expense following the refinancing of the Company's debt and conversion to nearly all dollar-denominated debt, resulting in an average 4.2% financing cost in 2011 compared to 6.7% in 2010; and ii) an exchange gain of Ps. 651 million, compared to a Ps. 94 million exchange loss on the previous year, mainly as a result of the dollar-denominated cash holdings used to acquire the Sara Lee operation in the United States.

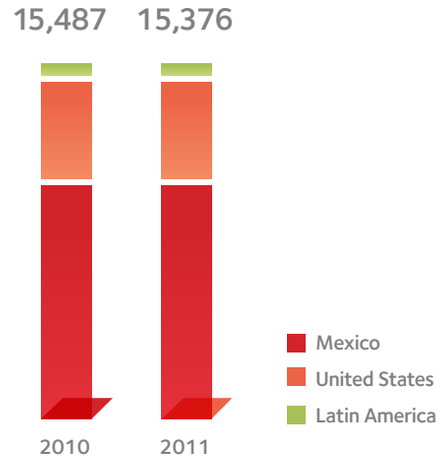
Taxes

The effective income tax rate for 2011 was 35.2%, compared to 29.9% in 2010. This was due to a deferred tax benefit registered in 2010.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA totaled Ps. 15,376, a decrease of 0.7% compared to 2010. EBITDA margin was 11.5%, or 1.7 percentage points lower than in 2010.

EBITDA



(million pesos)

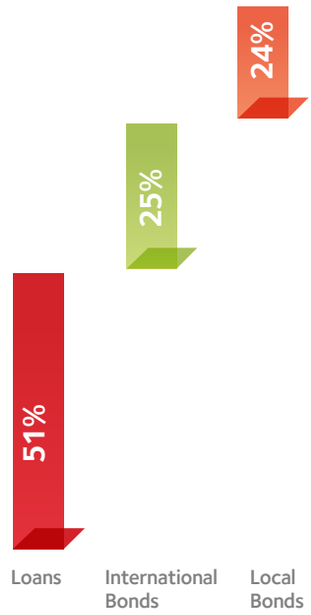
Financial Structure

As of December 31, 2011, the Company's cash position totaled Ps. 3.9 billion, compared to 3.3 billion in 2010.

Total debt at December 31, 2011 was Ps. 46.2 billion, compared to Ps. 33.2 billion in the year ago period. The 2011 figure includes: i) the debt secured to fund the Sara Lee acquisitions in the United States and Spain, and ii) the depreciation effect of the Mexican peso.

Long-term debt at year-end 2011 comprised 91% of the total; 90% of the debt was denominated in US dollars, and the average maturity was 4.5 years

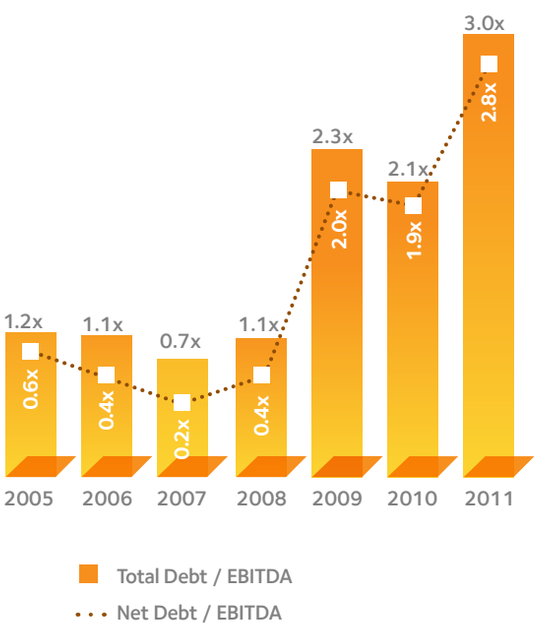
Debt Structure



90% of debt is USD denominated (5% MXN, 5% EUR)

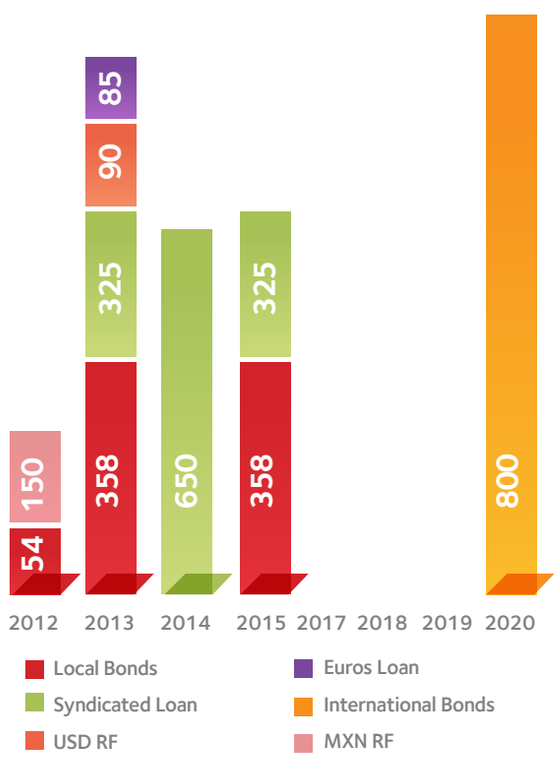
* Does not include subsidiaries debt (USD $91 mm)
F/X December´11 : 13.9787

Leverage



Amortization Schedule
(US$ millions)

Average Life: 4.5 years
Total Debt: US$3,194 mm*
Av. Financing Cost: 3.6%



* Does not include subsidiaries debt (USD $91 mm)
F/X December´11 : 13.9787

Responsible Social and Environmental Performance

Every day we seek to add value to the lives of our associates, society and the environment, which is why Social Responsibility is a core area of concern for Grupo Bimbo.

The key factors that have made us world leaders in the bakery industry are our people and our values; values that we have maintained and strengthened since this company was founded.

CONTENTS:

Integrating Social Responsibility into everyday life at Grupo Bimbo

1. Our Social Responsibility strategy

At Grupo Bimbo, we consider Corporate Social Responsibility to be a guide for our day-to-day actions, and therefore an essential component of our economic, social and environmental results.

Our Social Responsibility will enable us to be more sustainable over the long term and to be a more solid company, with sustainable development integrated into all of our plans and actions. This is why the company's Social Responsibility (SR) strategy has been developed at the highest level of management.

At Grupo Bimbo, we consider...

the concept of Social Responsibility as...
... the responsibility we assume as a company for the impact we generate, and which is inherent to our operations. We are committed to ensuring that our development is sustainable, in collaboration with the communities with which we interact; and behaving in a manner consistent with the Bimbo philosophy and Code of Ethics.

the concept of Sustainability as...
... the end purpose of our Social Responsibility. We want to be a more solid company that integrates economic, social and environmental considerations into our day-to-day decisions, to participate in the sustainable development of the planet". We are responsible so that we can be sustainable".

the concept of Sustainable Development as...
... the effort to "make environmental protection compatible with economic growth without compromising the ability of future generations to satisfy our own needs". We want to promote a more sustainable development that incorporates the health and well-being of society.

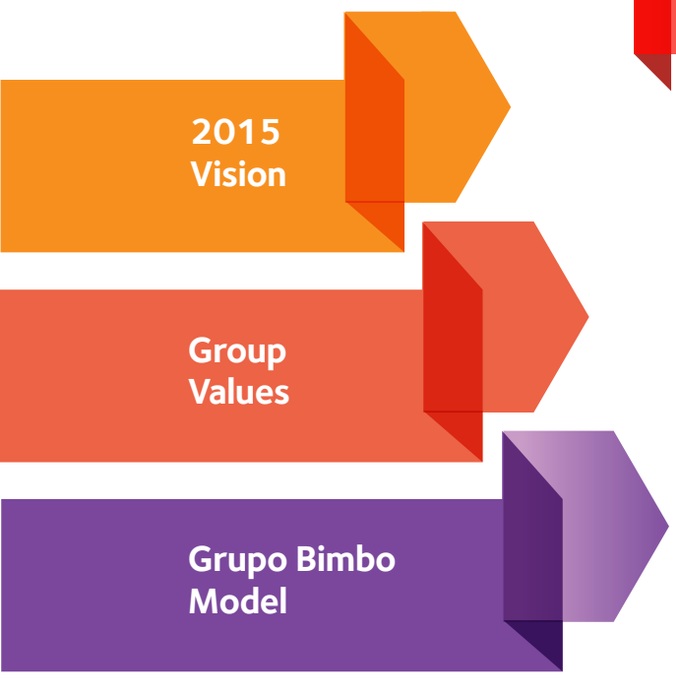
***Note:** Definition of the concept of "Sustainable Development" approved in the Conference organized by the United Nations Program for the Environment (UNPE) in Rio de Janeiro in 1992.

Today, Social Responsibility is the driving force of the strategy and functioning of our company; as described in the Grupo Bimbo Model.

This strategy has been gaining strength in recent years, first as part of the objectives set forth in Grupo Bimbo's 2015 Vision; second, in the stated values of this company; and third, as part of the Grupo Bimbo Model – the general management system of our organization.

Today, Social Responsibility is the driving force of our group strategy and guides our company in our day to day as part of our Grupo Bimbo Model.

Grupo Bimbo's 2015 Vision of Social Responsibility



"In 2015, we confirm our leadership in Social Responsibility and implement the model in all of our operations, strengthening Grupo Bimbo´s competitive advantage and responding to our stakeholders".

Grupo Bimbo Model

"The main objective of the Grupo Bimbo Model is to standardize criteria for action at every level and position throughout the company and throughout the world, to grow steadily using sustainable resources".

"Our Strategy reflects the passion and work of all the people on Grupo Bimbo's team toward offering the highest quality products to our clients and customers, in order to continue to deserve the trust they place in us. This process, which we effectively carry out every day, is what enables us to continue growing and working for a more sustainable world".

Grupo Bimbo's commitment as our social responsibility platform

- Education
- Health and Safety
- Gender Equity
- Inclusive Company.

Committed to our Associates

Committed to our Community

- Clients
- Suppliers
- Non Profit Organizations
- Volunteering
- Disasters
- School visits to plants

Commited to...

- Reduced environmental footprint
  - Reduced carbon footprint
  - Reduced water footprint
  - Waste management
- Environmental conservation

Committed to the Environment

Committed to your Health

- Responsible advertising and marketing to children
- Development of sustainable products
- Promotion of physical activity
- Nutritional information for consumers
- Strategic alliances

As in previous reports, our Social Responsibility strategy is implemented through model that integrates the four pillars of "commitment" that reflect Grupo Bimbo's commitments to its stakeholders.

Presentation of the results of the Social Responsibility strategy

According to the methodology defined by the Global Reporting Initiative (GRI), its principles, parameters, and indicator protocols, this year, we prepared the report based on the directives of the GRI G3.1 Guidelines published in March 2011, as well as the Food Processing industry supplement.

Information about the scope of the Responsible Social and Environmental Performance section, including GRI reporting parameters and the complete process of defining materiality based on G3.1 Guidelines can be found in Attachment.

GRI INDEX INDICATORS

GRI Performance Category	2011	2010
Economic Indicators	6	3
Environmental Indicators	13	11
Labor Practice Indicators	10	9
Human Rights Indicators	1	2
Society Indicators	2	1
Responsible Purchasing	1	NR
Product Responsibility	8	3
Total reported indicators	41	29

For the second year, we earned a GRI application grade of B, the official letter for which is presented at the end of this report.

In this report, we are including new indicators on economic results, responsible procurement, labor practices and the environment, which we integrated into each pillar of our "Commitments". We also focused on full compliance with the GRI reporting principles, both in terms of contents–materiality and completeness of indicators and information–and quality–precision, comparability, reliability and clarity.

In addition, this year, we created a webpage designed especially for online presentation of the 2011 Integrated Annual Report. We also facilitated access to the information for stakeholders, reduce the consumption of inputs formally involved in printing the report, and made it a priority to use new technologies.

2. Grupo Bimbo and Sustainable development

The scope of our Social Responsibility strategy was defined based on the needs of our stakeholders and the pursuit of the wellbeing of the community

Based on the challenges and opportunities found in the spheres of Corporate Governance and Ethics, as well as current economic, social and environmental trends, we found that our Social Responsibility strategy can also help us to mitigate the negative impact of our production and distribution activities. This enables us to enhance the performance of all of our organizations and contribute to a more sustainable development.

Integration of risk management in the area of Social Responsibility

Given the challenges of the social responsibility context, Grupo Bimbo has a policy of conducting its operations in a controlled and environmentally friendly manner, taking into account the integrity of natural systems, which include land, water, air and biodiversity.

To coordinate these efforts, we have a Corporate Risk Committee, which meets regularly, and a Corporate Risk Manager. The primary task of this Committee is keeping track of and reporting on extraordinary events that may affect the functioning of Grupo Bimbo.

Risk Management is a system that incorporates procedures, practices and technologies that can help us to identify hazards, estimate contingency reserves, develop mitigation systems and put them into practice as preventive measures.

The objectives of Risk Management include having a corporate view of the risks Grupo Bimbo assumes in the course of its business, identifying and monitoring the risks to which it is exposed. It must also coordinate efforts to manage, mitigate or deal with risks and promote an understanding and management of risk at every level of the Company.

3. Grupo Bimbo's primary commitments to society

In 2011, we ratified our adherence to national and international initiatives in the area of Corporate Social Responsibility.

The most important of these initiatives were the following:

- In the area of nutrition, quality and food safety, we signed international initiatives such as that proposed by the Whole Grains Council (WGC); the PLEDGE Agreement recommended by the International Food and Beverage Alliance (ISBN); the British Retail Consortium (BRC) and the Global Capital Safety Initiative (GFSI).

- With regard to global initiatives in the environment and responsible procurement, we maintain certification from the Forest Stewardship Council (FSC), and the sustainable palm oil initiative of the Roundtable on Sustainable Palm Oil (RSPO), both initiatives coordinated in Mexico by Reforestamos México, Grupo Bimbo's association. We also sponsor and promote our associates' participation in Limpiemos Nuestro México, a campaign created by Fundación Azteca.

Awards received in 2011

In this period, we received various awards and distinctions from local and international institutions for our performance in the areas of business, environment, responsible communication, nutrition and corporate citizenship.

See details in appendix or in www.grupobimbo.com

Associations

The list of the associations to which we belonged in 2011 can be found at the end of this report, in the attachement entitled "Additional Social and Environmental Data".

See details in appendix or in www.grupobimbo.com

Grupo Bimbo in the new Mexican Sustainable Index

Grupo Bimbo included in the Sustainable Index, recently launched by the Mexican Stock Exchange

• One of the most important events of 2011 for our company–in social responsibility terms–was obtaining the Sustainable Company Seal from the Mexican Stock Exchange, and therefore, the addition of Grupo Bimbo to the Sustainability Index.

• Becoming one of the 23 Mexican companies that make up that index is a reflection of our performance and commitment to society and to the future of our planet, which we have assumed since our foundation in 1945.

4. Our stakeholders

Grupo Bimbo we are constantly improving our process for consulting and engaging with the organizations and people who represent our stakeholders.

With a vision of the person as the central value of business culture and the guidelines of the USEM, the company's top management defined its eight closest groups of stakeholders.

For Grupo Bimbo, stakeholders are groups that affect or are affected by our actions. We must accept our responsibility and, to the extent possible, meet the expectations of our stakeholders and promote their development.

We want to encourage a relationship of mutual benefit with each of these. Toward this end, we developed the principles of our relationship with them in a series of channels of communication in which we have invested an increasing amount of resources.

PRINCIPALS OF RELATIONSHIP AND POINTS OF CONTACT WITH OUR STAKEHOLDERS

Stakeholders	Principles of relationship with Grupo Bimbo	Points of Contact
Associates	Guarantee to respect their dignity and individuality and facilitate a climate that encourages their well-being and advancement.	Intranet, e-mails, hotline, poster stands in every plant, office and sales center.
Partners and Shareholders	Provide a reasonable return on investment in a sustained manner.	Annual Shareholders Meeting, extraordinary meetings, annual report, financial reports.
Suppliers	Maintain cordial relations, encourage their development and pay them for their products and services under the terms of their contracts.	Annual suppliers forum, evaluation, meetings and follow-up.
Customers	Provide exemplary service and support their growth and development through the value of our brands.	Forums, website, direct communication with customers, Grupo Bimbo complaints and suggestion hotline.
Consumers	Guarantee healthy food in a variety of products, through continuous improvement.	Website, social media, market studies, Grupo Bimbo complaints and suggestions hotline
Government	Abide by the laws of all the countries where we operate, promote a close and respectful relationship with authorities, collaborate on projects and initiatives to benefit the community.	Forums and meetings.
Non-profit Organizations	Promote a strengthening of universal ethical values and support economic and social growth in the communities where we operate.	Forums, alliances and volunteer projects, project coordination.
Future Generations	Recognize future trends in consumption and society to prevent and act in advance of their needs.	Plant visits, participation in universities and media, forums for discussion

2011 Survey of Stakeholders

By means of surveys conducted among more than 350 individuals and/or representatives of national and international organizations, we obtained information regarding the four pillars of our "Commitments" and our economic performance. This inquiry enabled us to discover how important the social responsibility issues we pursue during the year are to our stakeholders.

The graph shows the results of the survey regarding Social Responsibility issues. It enables us to determine which issues are more important for each stakeholder and on which page(s) of the Social Responsibility Performance section of this report information on this aspect can be found.

OUR STAKEHOLDERS' MAIN INTERESTS ON SOCIAL RESPONSIBLE PERFORMANCE OF GRUPO BIMBO

	Associates	Partners and Shareholders	Suppliers	Clients	Consumers*	Government*	Non-Profit Organizations	Future Generations	Page Numbers in 2011 report
Economic Performance	●	◆	●	◆	◆	●	●	●	
Ethics and transparency	●	◆	●	●	◆	◆	◆	●	
Consumer health and safety	●	◆	◆	◆	◆	◆	◆	◆	
Healthy lifestyle	◆	◆	●	◆	◆	◆	◆	●	
Energy and Emissions	●	◆	◆	◆	◆	◆	◆	◆	
Water	◆	◆	●	●	◆	◆	◆	◆	
Environmental Conservation	●	◆	●	◆	●	●	◆	●	
Integral Waste Management	●	◆	◆	●	●	◆	◆	●	
Work Training	◆	◆	●	●	●	●	◆	●	
Health and safety	◆	◆	●	●	●	◆	●	◆	
Strenghtening the value chain	●	◆	◆	●	●	◆	●	●	
Social education, nutrition and reforestation campaigns	◆	◆	●	●	◆	●	◆	◆	

Note: by consulting with our stakeholders, we were able to identify 12 issues (left column of the chart) most frequently mentioned by our stakeholders, based on average of 30 Social Responsibility issues presented to them. The chart also shows the primary or secondary importance to our stakeholders for each of the 12 selected SR issues.
*For the "Government" and "Consumers," we obtained information from secondary sources (internal interviews and market studies, etc.).

◆ Primary Importance ● Secondary Importance

Feedback on our 2010 Social Responsibility Report and improvements in 2011 Report

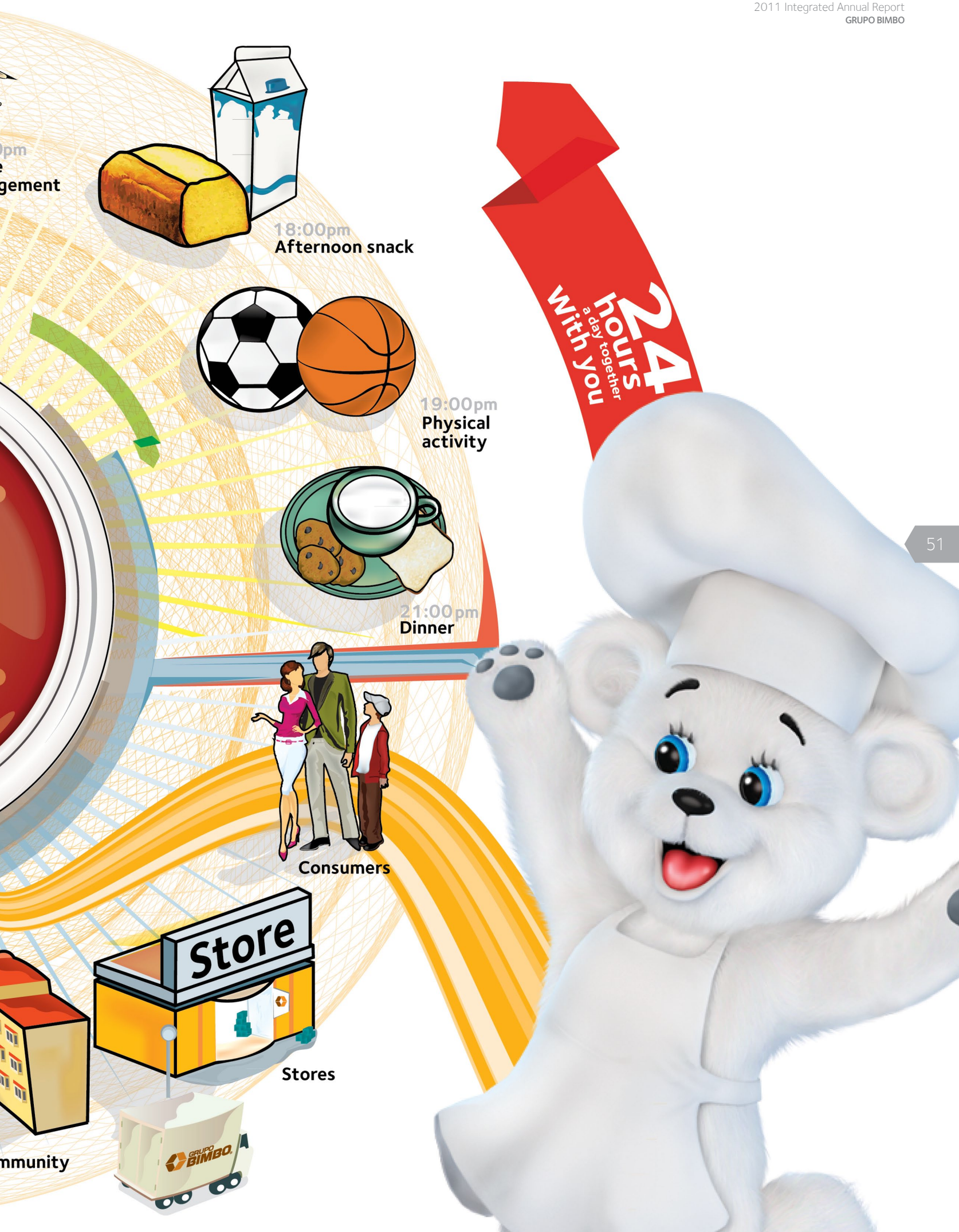
The study also allowed us to obtain feedback regarding the content of our Social Responsibility/Sustainability Report for 2010. Below, we have incorporated the changes made in the 2011 Integrated Annual Report into our responses, to better meet their expectations.

Presentation of comparative graphs and tables in the document	8.6	In the Social Responsibility section of the Integrated Annual Report for 2011, we placed special attention on improving the design of the report-to make it easier to read and understand-and its comparability- through graphs.
Length of the Annual Report	8.6	The 2011 Integrated Annual Report will be published in electronic formats and on our website with complementary information, presented in a more easily readable format.
Clear, precise and orderly information	9.3	As in preceding years, presentation about the Group´s SR strategy is presented according to four "Commitment" pillars, offering a clear perspective on the actions and commitments we assume toward each of our.
Presentation of future commitments regarding economic, social and environmental performance by the Group	9.0	We include more information on the actions to be taken in coming years and all chapters of the Report.
Appropriate presentation of the Social Responsibility strategy of Grupo Bimbo	9.0	"This year, we more precisely present the process of creating and strengthening the Social Responsibility strategy in the chapter entitled "Integration of Social Responsibility in day today activities al Grupo Bimbo" "Additionally, we include an initial section in each "Commitment" pillar, showing the progress of the SR strategy in three sections: Highlights of 2011 and Future challenges. "The Report also includes a message about the contributions at Grupo Bimbo makes to growth and SR in a 24-hour period, both for its.

Note: This graph shows the average rating that Grupo Bimbo stakeholders assigned the 2010 Social Responsibility/Sustainability Report, based on a survey conducted at the end of 2011. The rating scale was 1 to 10, 10 being the highest.

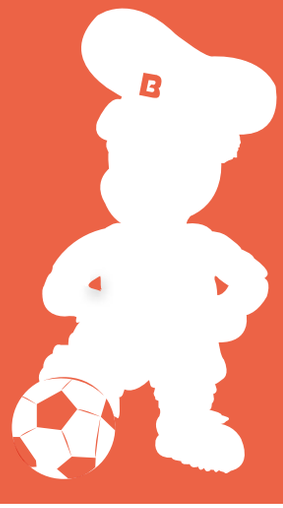
We can use the results of the survey to fine-tune the form and content of the Social Responsibility Performance section. Specifically, we enriched the process of defining the most important GRI indicators to report in this document, as described in the section entitled "Complete process of defining materiality" of the Attachment"Scope of the Responsible Social and Environmental Performance" section.


13:00pm
Meal
16:00
Waste
Manag
11:00am
Lunch
GRUPO BIMBO
07:00am
Breakfast
Farmers
Suppliers
Associates
School
24 hours
a day sharing with the World


24 hours a day together with you
18:00pm
Afternoon snack
19:00pm
Physical activity
21:00pm
Dinner
Consumers
Store
Stores
GRUPO BIMBO

01 Grupo BIMBO Committed to your Health

Development of 170 products with enhanced nutritional profile.



FUTURE CHALLENGES

- **Accelerate innovation** to offer a wider range of healthy products to our customers.
- **Bring about positive social change** through our products, communication and brands.
- **Ensure the ongoing competence of our consumers**, while we continue to invest in the quality and safety of our products.
- **Develop new alliances with academic institutions**, public and private organizations and nonprofit groups to significantly impact programs to promote healthy lifestyles.

ACHIEVEMENTS OF 2011

- **Development** of the standardized innovation process.
- **100% compliance with our Pledge** (responsible communication to children under twelve yerars old)
- **Improvement of more than 700 Grupo Bimbo products:**
  - **Reduction in nutrients** that have a negative impact on public health–total fats, saturated fats, sugar and sodium–in 569 products.
  - **Incorporation of 42 new-product** with whole grains and the seal of the Whole Grains Council.
  - **Development of almost 160 products** with enhanced nutritional profile.
- **Creation** of a Global Food Safety Standard for Grupo Bimbo.
- **Promotion of healthy lifestyles** (correct eating and physical activity) for more than one million people.

CONTENTS:

1. Our innovation process

Throughout the day, Grupo Bimbo's products bring special moments of enjoyment for consumers, which inspires us to demand more of ourselves as a company and to work to continually improve our brands.

The biggest challenge for our Research and Development area and Marketing area in 2011 was to develop an innovation process to make products with higher added value in the various markets where we are present. We want to innovate by improving the nutritional profile of our products, so we must evaluate their impact on consumer health and safety.

The system is made up of six measurable processes, which are in turn included in the Grupo Bimbo Model. This innovation process will be applied to all our organizations starting in 2012. We are readying a system that can analyze a product's lifecycle and adjust processes to be able to precisely track this indicator.

We develop an innovation process to make products with higher added value in the various markets where we are present.

2. Improved nutritional profiles

Since 2008, we have been reformulating and innovating products as part of Grupo Bimbo's commitment to people's health. Today, consumers are focused increasingly on the issues of health and wellness, and this poses a challenge to us as we go about selling our products. We are therefore committed to working for an improvement, particularly in products aimed at children, and to meet standards higher than current regulations require.

The strategy we have introduced–in keeping with recommendations of national and international institutions like the World Health Organization (WHO)--is to improve the nutritional profile of our brands. We do this in two ways:

- Reduction of sugar, saturated fats and sodium in our products.
- Addition or inclusion of whole grains, fiber, and certain vitamins and minerals.

This year, with Grupo Bimbo's six innovation centers and the commitment of our Operations and our Research area, we have improved the nutritional profile of more than 700 products. This represents 8.75% of the more than 8000 products we sell.

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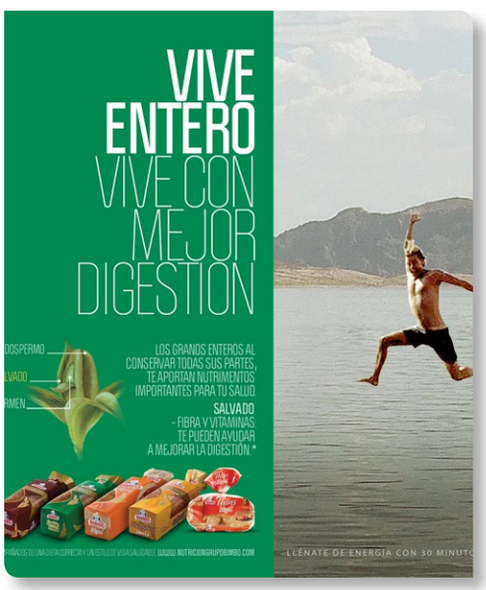


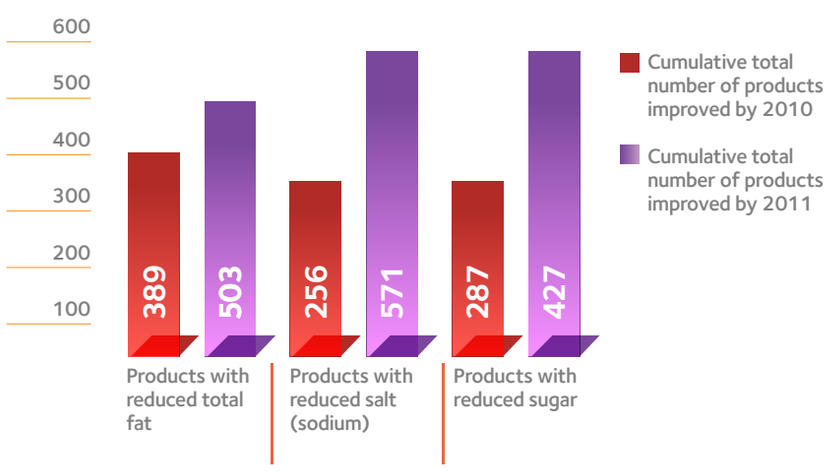
Reduced salt, sugar and fats

In keeping with our goal of reducing these nutrients, in this past year, we made the following progress:

- A substantial reduction in salt (sodium) in our leading brand breads and buns, particularly in the United States and Mexico. This progress increased the number of reduced products in sodium by 123% from 2010 to 2011.
- In Mexico, we have reduced sodium content in our breads by 25%, which brings us half of the way to our goal of reducing 30% of sodium content in all our products by 2015.
- We eliminated the sugar content of 140 products in 2011, with a total of 427 reformulated products reached by 2011. This makes sugar the ingredient with the greatest reduction in consumption volume in this period, a total of 9,970 metric tons.
- In comparison to 2010, we have 29% more products with reductions on total fats. An average of 26% saturated fats content were reduced in our leading salted snacks..

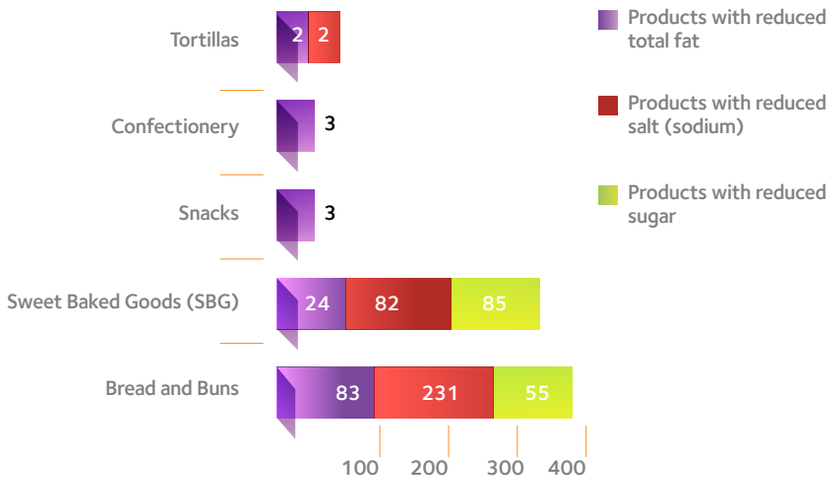
Starting in 2012, we will be working on reducing the amount of nutrients with a negative impact on health in the leading products of each category. We will thus be able to improve more of our consumer's favorite products and eliminate a larger volume of total fat, saturated fat, sodium and sugars.

Cumulative total number of products improved by year



Note: Data correspond to the organizations listed in the "coverage" column of the FP6 indicator found in the table of GRI Content in the Appendixes to this report.

Number of products improved in 2011

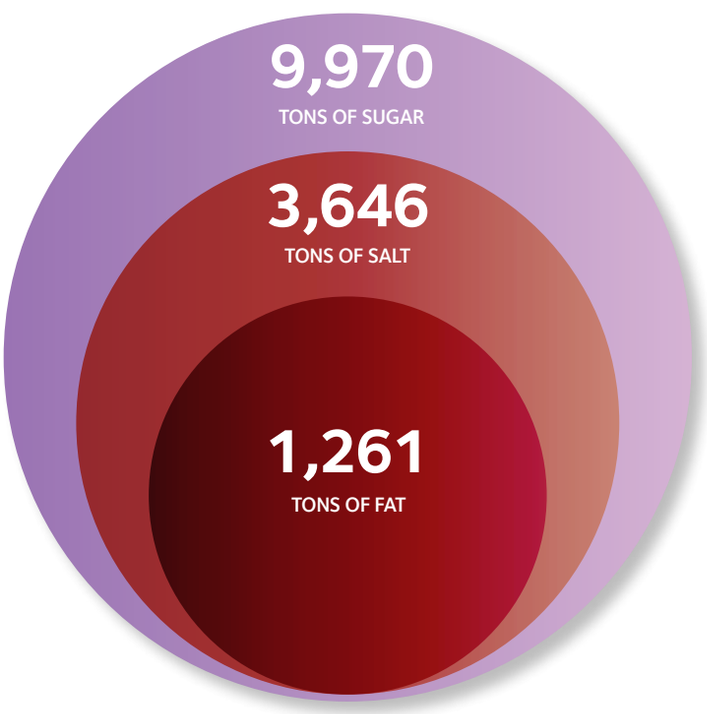


Note: Data correspond to the organizations listed in the "coverage" column of the FP6 indicator found in the table of GRI Content in the Appendixes to this report.

SAVED VOLUME IN RAW MATERIALS

	Saved volume in raw materials (tons)	% saved volume in total purchases of Grupo Bimbo
Number of Tons eliminated fats per year	1,261	0.80%
Number of Tons of eliminated sodium per year	3,646	19.43%
Number of Tons of eliminated sugar per year	9,970	5.58%

Note: Data correspond to the organizations listed in the "coverage" column of the FP6 indicator found in the table of GRI Content in the Appendixes to this report.



Addition of healthy nutrients and ingredients

The strategy of improving the nutritional profile of our brands includes integrating whole grains, fibers, vitamins, minerals and functional ingredients. In 2011, we developed an indicator that would numerically define and classify each of our products into four categories: healthy, better, good, and indulgent.

81 products in the healthy and better categories

What category does it belong to?

To categorize a product, the indicator takes into account the following elements:

BASE POINTS
Points are added to the indicator according to the content of nutrients to be reduced or added.

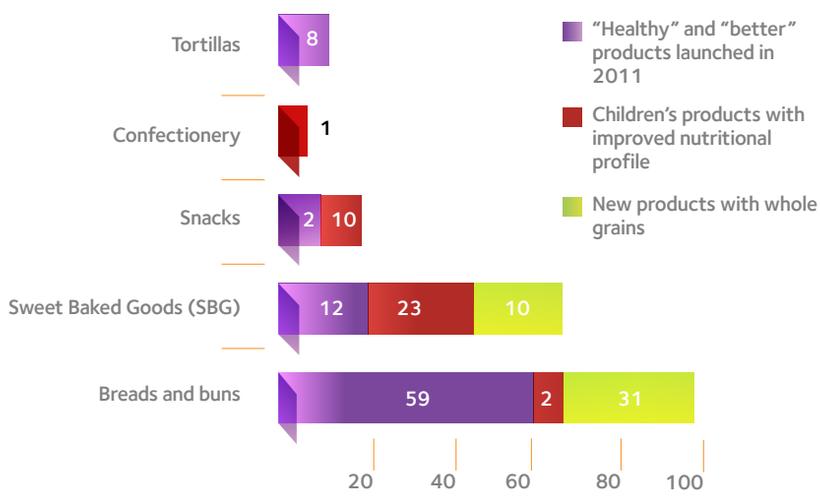
DISQUALIFYING ELEMENTS
The product cannot earn more points if it exceeds certain levels of fat, saturated fats, sodium and sugar

ADDITIONAL POINTS
If the product has no disqualifying elements, it can earn points for content of beneficial nutrients

CATEGORIES
- Healthy
- Better
- Good
- Indulgent

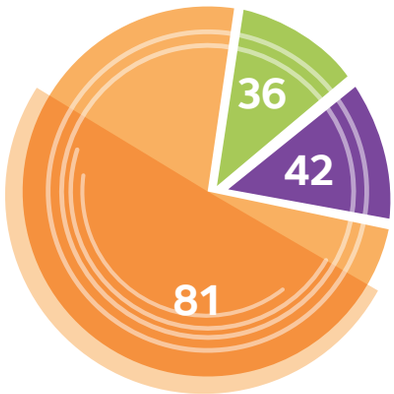
During this period, we worked on innovating and improving 81 products in the healthy and better categories, and focused on improving the point score of the good and indulgent categories.

Number of products improved per category in 2011



Note: Data correspond to the organizations listed in the "coverage" column of the FP7 indicator found in the table of GRI Content in the Appendixes to this report.

Number of products improved with healthy nutrients in 2011



- "Healthy" and "better" products launched in 2011
- Children's products with improved nutritional profile
- New products with whole grains

Note: Data correspond to the organizations listed in the "coverage" column of the FP7 indicator found in the table of GRI Content in the Appendixes to this report.

In order to offer better products for children, in 2011 we developed 36 new products, 23 of which are in the Sweet Baked Goods (SBG) category. In other words, cookies, snacks, cakes and pastries.

We also continue to develop products with whole grains, 42 of which earned the seal of the Whole Grains Council (WGC).

Our goal is to launch two products in the better and healthy categories in each brand/region every year, and improve profiles in the good and indulgent categories.

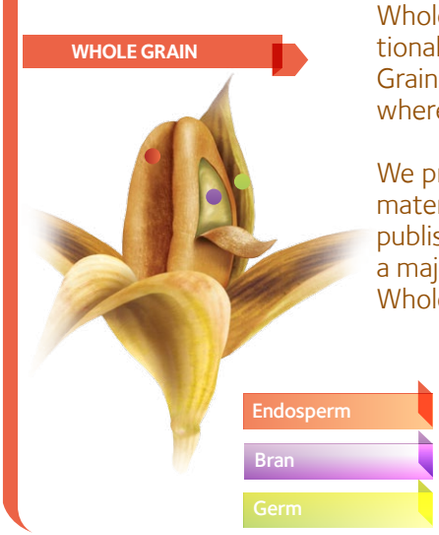
In 2011 we developed **36** new products for children

Best Practice

Whole grains:
product innovation and publicity campaign

The 2011, in the interest of informing consumers about the benefits of whole grains and national and international recommendations about their intake, we developed a 360° communication campaign about Bimbo's products containing Whole Grains in Mexico, as a pilot project that can be expanded to the international level in coming years. All the products that have the authorized Whole Grains seal on their label are forwarded to the Grupo Bimbo Nutrition website, where there is a special section devoted to this topic.

We produced television commercials, label information, point of purchase materials, more than 45 infomercials in newspapers and magazines, edited and published a book called "Whole Grains and their Role in Health," and organized a major conference by Cynthia Harriman, Director of Nutrition Strategies at the Whole Grains Council, and attended by health professionals.



3. Responsible communications and nutritional labeling

Our internal policy on communications imposes the strictest regulatory standards on consumer communications in the countries where we make and sell our products.

In 2011, we continued to meet the commitments we assume as members of the International Food and Beverage Alliance (IFBA) with the Grupo Bimbo Pledge, which promises to ensure that advertising aimed at children under 12 meets the highest international standards in terms of socially responsible marketing. This year, the consulting firm Accenture evaluated Grupo Bimbo's advertising for products aimed at this vulnerable segment of the population, and found that 100% of our communications meet international standards. The process is part of the self-regulatory principles adopted by members of the IFBI, and lends credibility to the commitment we have taken.

LINKS

*For a list of the six commitments of the Grupo Bimbo Pledge, visit our website at:
http://www.nutriciongrupobimbo.com/publicidad-y-marketing-responsable.html

Best Practice

School portfolio in Mexico

For the purpose of complying with Mexican laws and regulations about public health and childhood obesity, since 2010 we have been following new measures and requirements issued by the Federal Ministry of Health and Federal Ministry of Education, regarding products that are sold in elementary schools. We developed the technological innovations needed to produce a portfolio products that meet the profiles for phase 2 (2011-2012 school year) following the phase 1 portfolio developed in 2010. The phase 2 portfolio requires reducing caloric content to 130 cal per portion in cookies, cakes, snacks, and confectionery; and certain percentages of sodium, fats and sugars. Our school portfolio includes 26 products chosen from among the most popular recipes from Bimbo, Marinela, Barcel and Ricolino, like Gansitos and Takis.

Product labeling policies and standards

We are convinced that informing consumers of the primary nutrients in our products is a crucial channel for promoting changes in their lifestyle. Nutritional labeling and information plays an important role in essential communication about the nutritional value and composition of our products.

Our labeling meets a group-wide policy of including clear information on nutritional content and ingredients and warning legends about the presence of the main categories of allergen, and clear information on nutritional ingredients and contents.

In addition to basic nutritional information, we continue to incorporate simple and understandable information on the front label of our products in the form of Guideline Daily Amounts (GDA). This labeling system, which is now been introduced into 602 product types in all regions, provides a simple presentation of the caloric content on the front of the labels. Our goal is to include GDAs in 100% of our products worldwide by the end of 2012.

Best Practice

Grupo Bimbo labeling policy

We are committed to intensifying efforts to offer our customers clear and accessible information to help them to make healthier decisions that are easy to comprehend and absorb at the time they purchase or consume the food product.

- All of our product labeling incorporates at least nutritional information content on nutrients considered most important for public health.
- We comply fully with all product labeling laws and regulations in each country where we sell our brands.
- All of our products include an easy to read and straightforward front label (GDAs).
- We promote engaging in some form of physical activity for at least 30 minutes a day on all of our packages.
- When there is not enough room on the package label for this information, we inform our customers about nutritional content through other communication channels, like our Grupo Bimbo Nutrition webpage, etc.

4. Product quality assurance

The process of improving nutritional profiles is complemented by a series of actions in food processing safety and product quality. These have always been highly important issues for the company.

Because of our participation in the British Retail Consortium (BRC), 62 of our plants are certified according to an international standard for production process safety called the Hazard Analysis and Control of Critical Points (HACCP). Another 66 plants already meet the pre-requisite programs (PRP), which are the recommended requirements to prepare for HACCP.

In 2010, we launched the Global Food Safety Initiative (GFSI).

In an effort to continually improve and standardize good food safety practices in the Group, in 2010, we launched the Global Food Safety Initiative (GFSI). This initiative has succeeded in developing a global food safety standard for the entire Grupo Bimbo.

Best Practice

The Food Safety Initiative

The goal of the Food Safety Initiative is to identify the leading risks in the area of food safety in all of the Group's organizations. Based on this process, we identified the four most important issues throughout the company with regard to quality improvement, labeling, and the lack of a global food safety.

The most notable result of this was the creation of the Grupo Bimbo Global Food Safety Standard (EGSA, by its initials in Spanish). The slogan of this standard is "Food Safety, every day and in every package".

In 2012, we plan to work with each organization to begin introducing the standard.

A combination of factors made this initiative a success: a good mix of people that represented all the organizations of Grupo Bimbo (different ages, levels of experience and knowledge), strong leadership by two experienced executives from the areas of operations and food safety, and the unconditional support of our VPs.

5. Promoting healthy lifestyles

To promote healthy lifestyles, we have forged alliances and developed tools that allow us to accompany our customers 24 hours a day, promoting healthy habits, proper diet, and daily physical activity with tangible benefits. Through our website and social networks, users–whether consumers or members of society at large–can access our platforms and find general information about diet, well-being, and caring for their health.

Furthermore, because of our firm conviction that a healthy lifestyle can be achieved through proper diet and regular physical activity–both of them synonymous with wellness–we have developed alliances, events and courses for our customers, associates and the communities where we operate.

Nutri-notes[1] online and our **nutrition webpage in Spanish**[2] and **English**[3] offer a variety of health tips, information on balanced diets, exercise and nutritional profiles of our products.

We also have the Web **con M de Mamá**[4], a communication platform focused on mothers of children between zero and 12 years of age, with a variety of children's nutrition topics, recipes for kids, tips for handling the nutrition challenges mothers face, etc.

We have several different accounts, like **@BimboMx**, with more than 3000 followers; **@RapiditasBimbo** in Argentina with almost 1000; **@BimboVenezuela** with 3000 followers; and **@Pan_Bimbo** in Spain and Portugal, offering recipes and healthy tips in 140 characters or less.

@Nutrition Grupo Bimbo
More than 6,000 followers on Facebook benefited from our advice and online nutritionist services who answers questions about health and wellness

VISIT THE WEBSITE

www.nutrinotasbimbo.com [1]
www.nutriciongrupobimbo.com [2]
www.bimbobakeriesusa.com/nutrition [3]
www.conmdemama.com [4]

Promotion of healthy lifestyles

In 2011, we sponsored and supported efforts to encourage physical activity for more than 1 million people and sports enthusiasts, and have encouraged healthy lifestyles for more than 880,000 people in the Americas and Asia.

BBU

- **10** running events.
- **2** Reseach Alliances
- **1** Healthy life style promotion event
- **2** sports event.

Mexico

- **63** running events, **3** thratlons and **2** ironman events
- **21** sponsored sports events.

Asia

- **2** running events

OLAC

- **5** running events
- **5** sponsored running events.

OLAS

- **21** running events
- **4** sponsored sports events
- **1** reseach alliance.

Promotion of physical activity

- In 2011, we sponsored 115 races around the globe, in which more than 600,000 runners took part. Among these were international events like the Beijing International Marathon or the North Face Race in the United States, as well as races for causes like the battle against diabetes, various races for health, and others.
- We supported 13 sports causes–primarily soccer teams, events and tournaments but also baseball, track and field and bicycling–involving more than 400,000 sports enthusiasts.

Promoting healthy lifestyles in our communities

- We organized more than 1000 events, workshops, programs, parent conferences and school fairs to promote physical activity, nutrition and healthy eating. We succeeded in encouraging healthy lifestyles among more than 17,000 adults and 190,000 children.
- We have strong alliances to support nutrition research with three organizations: the American Baker's Association and the American Health Association, both in the United States; the Argentine Nutrition Society; and the Whole Grains Council, an international organization.
- We developed and presented a book entitled "Whole Grains and their Role in Health," as well as materials and programs for better nutrition in order to support groups with special needs, like mothers of gluten-intolerant newborns, persons with diabetes, and others.
- In Mexico, Grupo Bimbo organized "Cascarita Bimbo", a soccer event with almost 16,000 partipants which lasted 4 months long. Also, we organized the tournament "Futbolito Bimbo Atlas" where 3480 kids between 9 y 12 years old, enjoyed playing

Definetely, we commit to your wellness, so that you can commit with your health!

Promoting healthy lifestyles in our company

- At Grupo Bimbo, we organize a number of events, like soccer and volleyball tournaments and nutritional consultations for our associates in Mexico and Central America. We also continued training and auditing dining facilities at 37 plants in Mexico in order to make sure they are healthy lunchrooms, improving the menus and quality of the food offered.
- Two programs carried out in our corporate offices at BBU in the United States are outstanding examples: Well Being, which encourages our associates to adopt healthy lifestyles; and Tobacco Cessation, which tries to make all the facilities smoke-free workplaces.

02 Grupo BIMBO Committed to the Environment

Grupo Bimbo guidelines, continually improve environmental management and the use of new technologies.

FUTURE CHALLENGES

Strengthening environmental awareness throughout the value chain by strictly complying with environmental laws and standards and internal Grupo Bimbo guidelines, continually improve environmental management and the use of new technologies.

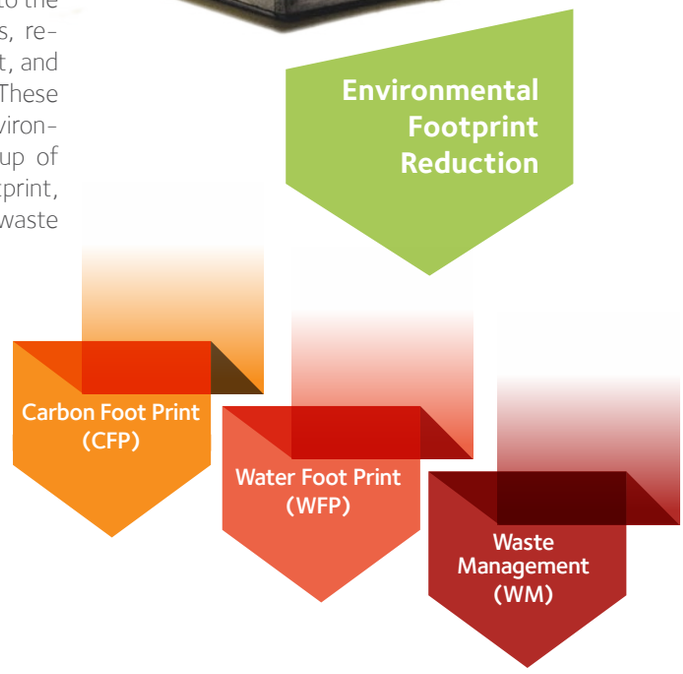
2011 ACHIEVEMENTS

- **Strengthening sustainability strategy:** carbon footprint, water footprint and waste management.
- **Between 2009 and 2011**, we reduced our carbon footprint by 6.2%, equivalent to a reduction of more than 82,00 metric tons of CO_2e.
- **Between 2009 and 2011**, we reduced our water footprint by 3.92%, equivalent to a reduction of more than 150,000 m³ of water.
- **Integral waste management in 2011:** we recycled 71% of waste in our organizations in Mexico, OLAS and OLAC.
- **Standardization of guidelines** for all operations within the group.

CONTENTS:

1. Managing our environmental performance

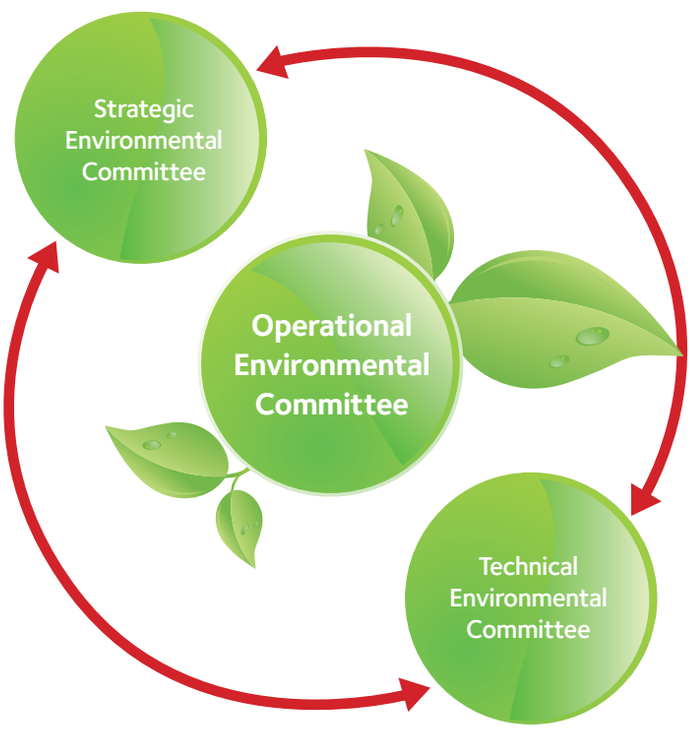
In 2011, we once again addressed the five lines of action expressed in our program "Committed to the Environment: "energy savings, water savings, reducing emissions, integral waste management, and environmental communication and culture. These five lines evolved into the "Reducing our Environmental Footprint" program, which is made up of three lines of action: reducing our carbon footprint, reducing our water footprint, and integral waste management.



"Reducing our Environmental Footprint" program, which is made up of three lines of action: reducing our carbon footprint, reducing our water footprint, and integral waste management.

New organizational structure

With this new structure, we had to change the way we address environmental issues. Therefore, in 2011 we created the following committees–at different levels of the company–to guarantee effective and concise attention to these topics, and to comply with the respective policies of Grupo Bimbo, which are applied to all of our plants and sell centers around the world:



Strategic Environmental Committee.

This committee is in charge of establishing goals for Grupo Bimbo, defining environmental guidelines, keeping track of progress towards these goals and seeking areas of opportunity that can have the most impact on reducing our environmental footprint. It is led by the Chief Operating Officer of Grupo Bimbo.

Technical Environmental Committee.

This committee is responsible for proposing and defining strategies for each area and organization to tackle their environment projects, selecting members of the Operational Environmental Committee, following up on project implementation, setting goals, and introducing new technologies and methodologies for calculating indicators.

Operational Environmental Committee.

This committee works toward environmental actions throughout the value chain, selecting members from our plants, following up on activities and keeping track of goals.

Advances in environmental management system implementation

The new committees will strengthen our environmental management and will put into practice the commitment expressed in the Grupo Bimbo Environment Policy. The purpose of this policy is to promote environmental awareness in all of our workplaces by:

- Focusing efforts–through sustainability–between business, society and the environment.
- Identifying and applying improvement plans to reduce the environmental impact inherent in our operations.
- Complying with local laws and international conventions on the environment.
- Auditing environmental improvement plans.
- Measuring the environmental footprint of our work centers.

Grupo Bimbo's environmental management system, called "Our Path," comprises five levels that ensure perfect functioning of environmental management in our organizations.

In Mexico and the United States, our plants have been developed to comply with the five levels.

They therefore set an example of good practices in the area of investment, training and technology in Central America, Asian and Latin American Organizations.

We will redouble our efforts so that new acquisitions and the rest of the value chain can align their performance with "Our Path". We are confident our committees' leadership in the transmission of knowledge between the organizations of this Group will foster awareness, the good practices and the use of increasingly efficient technologies.

At Grupo Bimbo, our goal is to remain at the forefront in the identification, validation and use of new environmentally friendly technologies, their dissemination throughout the value chain. Each of our organizations must work to establish, maintain and improve its management system in keeping with the 2015 Environmental Vision of Grupo Bimbo:

"In 2015, we are the **model to follow**, and have achieved worldwide recognition in the area of Environment. We set **economic and social goals** with an awareness of and commitment to reducing our environmental footprint, creating a **competitive advantage** for Grupo Bimbo".

Best Practice

Our tool for measuring
environmental indicators

Since the beginning of our environmental management efforts, we at Grupo Bimbo have detected the need to understand and precisely measure information about the environmental sustainable performance of each of our organizations so we can determine our global impact. In response, a tool was developed at Bimbo Bakeries USA called the Bimbo Environmental Sustainability Tool (BEST) with an approximate investment of $400,000 US dollars, and which was considered a good practice to replicate.

BEST is a tool that processes environmental data from our daily operations to detect and measure any type of waste (water, energy, product, or additional cost) in any of our production processes. Additionally, once steps have been taken to reduce or eliminate these wastes, BEST allows us to monitor the real economic and environmental impact on each process. Access to BEST is very simple, because the platform resides on the Internet and can provide information according to the needs of each user. The tool generates monthly and quarterly executive performance reports.

Environmental communication and culture

At Grupo Bimbo, environmental care must be a collective commitment, so we seek to apply the best practices to our operations. We also want to make sure that the practices that work for us be shared with and replicated by our associates. In 2011, we kept our people informed of the best practices in this field and held a number of activities to encourage them to replicate them at home and with their family and friends. Some of these activities were:

1) An internal communication campaign promoting international environmental care and awareness celebrations. We sent messages on World Water Day in all the organizations of Mexico, South and Central America.

2) An internal communication campaign promoting the Group's best practices in environmental care, to stimulate the commitment and action of our associates. One of these actions was promoting Mexico in the "Centinelas del Tiempo" contest, organized by Reforestamos México.

We kept our people informed of the best practices in this field and held a number of activities to encourage them to replicate them.

3) An Environmental Week, where visitors had the chance to acquire various clean technologies at preferential prices to help them reduce their use of energy and water, attend talks on waste separation and recycling, conservation and care of green areas. Associates from the organizations in Mexico, South and Central America and took part in the environmental week. Each action was focused on encouraging environmental awareness so that we can all live on a better planet.

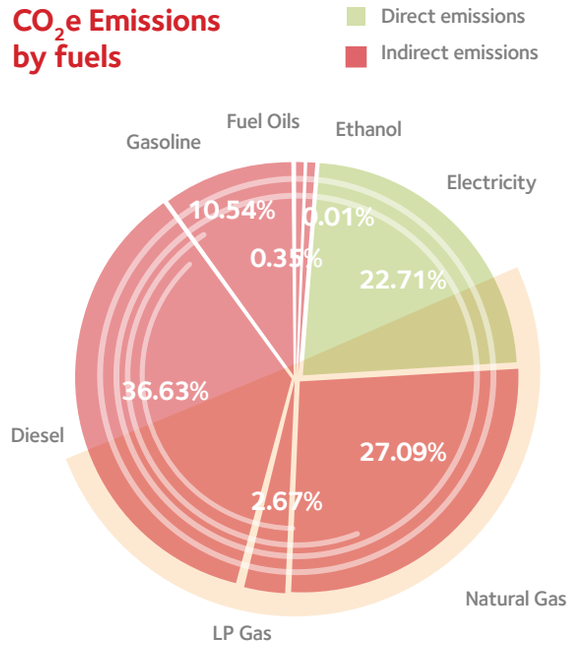
2. Reducing our carbon footprint

Most of the activities we carry out as an organization involve the consumption of energy that translates into atmospheric emissions of greenhouse gases, primarily carbon dioxide (CO_2). This is known as our carbon footprint. In 2011, our productive plants issued 52.9% of the total emissions registered for this organization, both from the use of direct energy (natural gas, LP gas, diesel, gasoline and fuel oil) and indirect energy (electricity).

Our primary and secondary distribution systems have a significant impact on the calculation of our carbon footprint, because they account for 47.1% of total emissions we report.Unlike many other companies in the food industry, we have maintained our commitment to managing the process of distribution of our products to daily guarantee its quality and freshness at the point of sale. For this reason, we must monitor and manage energy consumption processes through teams of experts specialized in managing and optimizing each of these processes.

Our index of CO_2 generation per metric ton produced has remained practically unchanged since we began measuring in 2010. For the first time, we are presenting an index of CO_2 generation per kilometer traveled. These indexes allow us to evaluate the impact of efficiency improvements in production and logistics processes on our carbon footprint.

CO_2e Emissions by fuels



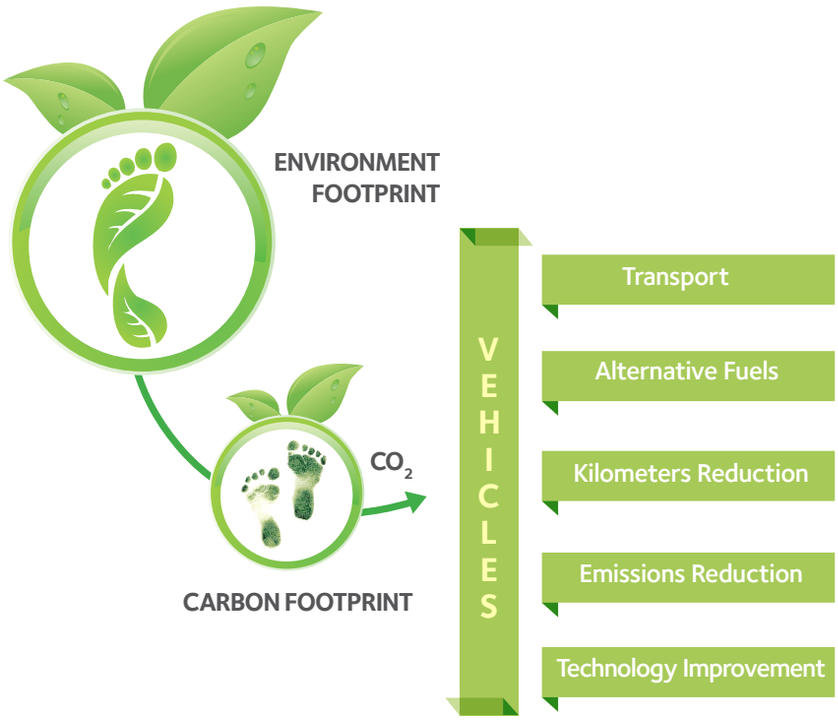
Note: Data correspond to the organizations described in the "Coverage" column of indicator EN16, in the GRI Content table found in the Appendixes to this report.

More information about emissions can be found in the Attachment "Additional Social and Environmental Data" of this report.

Best Practice

Our commitment to renewable energy generation: The "Piedra Larga" Wind Farm

In order to migrate from the use of nonrenewable sources of energy to renewable sources, and under a strategic alliance by the government, private enterprise and banks, Grupo Bimbo continued building a wind farm located in Unión Hidalgo in the state of Oaxaca. The complex will include 45 windmills generating 2 MW each, and will provide enough energy to the group to cover electrical demand for most of its productive plants in Mexico. The park will be the largest for any food company in the world, and it will support Grupo Bimbo in reducing our environmental impact, while reducing the impact of electricity cost volatility. This is an unprecedented effort in the use of renewable, clean and virtually inexhaustible energy. Grupo Bimbo expects to open the wind farm in 2012, and together with the supplier, plans to complement the project with community actions that will help develop and improve opportunities in the region.



Substantial improvements in the efficiency of our vehicle fleet

In 2011, we focused efforts on improving the logistical model used to control, manage and optimize fuel consumption in our fleet of distribution and transportation vehicles. We recognize that our success as a company has been achieved in part thanks to a fleet of more than 40,000 vehicles (80% delivery trucks) which travel 50,000 routes a day delivering our products to more than 2 million points of sale in all the countries where we operate. The challenge of managing the commercial fleet of this size is a daunting one, but we have decided to face it by applying the five initiatives from the carbon footprint line of action.

In Mexico, since 2003 we have been improving at a higher pace the management of our vehicular fleet with more efficient transportation. Improvements in the logistics of our operations and driver training has helped us to optimize fuel use in our vehicles, yielding more than the year before. Today, Mexico sets the standard to replicate throughout the organization because of its positive results, particularly:

- Addition of new vehicles to the "Diesel Engine Self-Regulation Program". We have succeeded in reducing emissions by 40% more than what is required under Mexican laws.
- Driver training, which has improved the yield of our vehicles by 2%.
- Our participation in the "Clean Transport Program" in Mexico has helped us achieve fuel savings of 4.8%.

The fruit of these efforts can be seen in our primary transportation, where we report the highest fuel use efficiency in our Bimbo, Barcel and El Globo operations: from 4.81 km/liter in 2010 to 4.93 km/liter in 2011 in México

Best Practice

Clean transport program and recognition

Since 2010, in Mexico we have participated in the "Clean Transport" program to improve our vehicles. In 2011, we worked to install catalytic converters, more robust tires and an automatic tire inflating system in 50 of the companies tractor trailers. These improvements, endorsed by the Ministry of Environment in Natural Resources (SEMARNAT) have reduced our CO_2 emissions by 2,360 metric tons, equivalent to fuel savings of 4.8%.

We plan to replicate these good practices throughout all the organizations of the Group. We have proven that their implementation and control, and specific technologies in our vehicular fleet, have contributed significantly to reducing fuel consumption and related emissions.

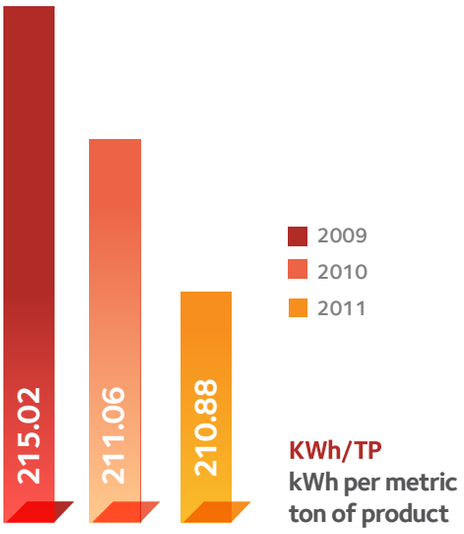
In December 2011, in Mexico, we announced the gradual phasing out of our LP gas and gasoline trucks to be replaced by diesel engine vehicles. The change involves the purchase of 1166 vehicles of this kind, reducing our fuel consumption by a further 2.5%. This is another way we are reducing our carbon footprint.

Finally, in 2012 we will be focusing closely on consolidating operations of the vehicular fleet in United States due to our recent acquisition of Sara Lee, which substantially increased the number of vehicles we operate. We are aware that we have to redouble our efforts to continue optimizing our distribution network.

Reduction of electric and thermal energy consumption

In 2011, we reduced power consumption of electricity and gas in both plants and sales centers. Compared to the year 2009, we achieve reductions of 1.93% and 4.65% by 2011, respectively. This improvement in our energy efficiency has been attained by replicating good practices. Among these were the heightened awareness and training of our associates, the development of strict maintenance routines, introduction of equipment that improve process efficiency and service supply in the processes that consume the most electrical and thermal energy.

Electric Energy Consumption



A 1.93% reduction compared to the base year 2009, equivalent to the reduction of 12,295,625.27 kWh.

ELECTRIC ENERGY CONSUMPTION

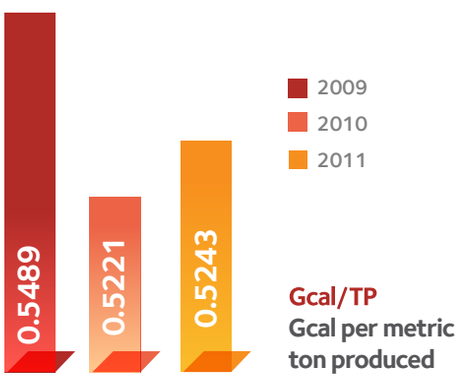
Region	Management and awareness	Control and analysis	Maintenance	Good practices	Process efficiency	Service efficiency
Asia	✓	✓		✓	✓	✓
BBU	✓	✓	✓			
Mexico	✓	✓	✓	✓	✓	✓
OLAC		✓		✓	✓	✓
OLAS	✓	✓	✓	✓	✓	✓
% Progress of actions	79%	81%	92%	85%	81%	76%

Note: Table prepared based on record of more than 150 actions being implemented in various organizations of Grupo Bimbo for electric energy consumption reduction. Overall progress is more than 70% in the different types of activities being developed in each Grupo Bimbo organization.

The milestones of 2011 in reducing electrical energy consumption are:

- Replicating more than 70 good practices in all our organizations, regarding efficiency of processes like compressed air equipment, air conditioning and refrigeration or the functioning of motors and production equipment and services like lighting.
- The progressive shift to high-efficiency engines, which will allow us to attain efficiency of between 84% and 92%.

Thermal Energy Consumption



A 4.65% reduction compared to the base year 2009, equivalent to the reduction of 75,857.89 Gcal.

THERMAL ENERGY CONSUMPTION

Region	Tracking and training	Control	Good practices	Process efficiency	Maintenance
Asia	✓	✓	✓	✓	
BBU		✓	✓		✓
Mexico	✓	✓	✓	✓	✓
OLAS	✓	✓	✓	✓	✓
% Progress of actions	73%	86%	92%	85%	93%

Note: Table prepared based on record of more than 150 actions being implemented in various organizations of Grupo Bimbo for thermal energy consumption reduction. Overall progress is more than 70% in the different types of activities being developed in each Grupo Bimbo organization.

Our biggest achievements in 2011 in the reduction of thermal energy were:

- Installation of high-efficiency burners and electric carburetion equipment, and insulation on ovens and boilers.
- Support for the maintenance area in 25 specific measures for controlling equipment calibration, which maximizes combustion and optimizes performance.
- Control of ignition and extinction of equipment and optimization of steam circuits to avoid leakage and loss of heat.

Best Practice

Distribution and Sales centers

At the same time, in our distribution and sales centers in Mexico, we were able to optimize consumption of electrical energy and LP gas through the following actions:

- Installation of energy-saving and acrylic lamps to improve warehouse lighting: 84% complete
- Installation of movement sensors to control lights: 54% complete
- Purchase and installation of 123 solar heaters to replace the use of LP gas: 50% complete

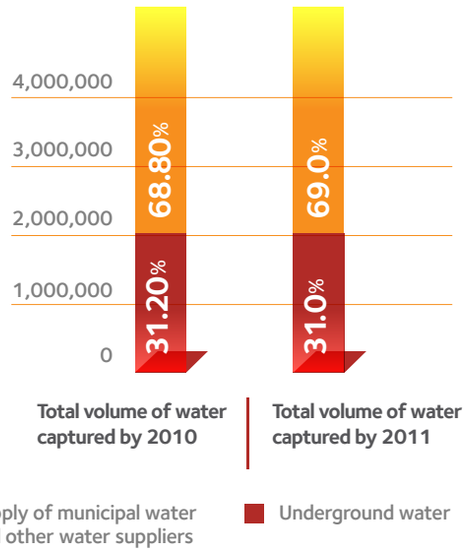
Our new Topeka sustainable plant

The new Grupo Bimbo plant in Topeka, Kansas, in the United States, was built according to principles of sustainability, and in 2011 it began operations with a series of sustainable technologies and good practices in production processes, lighting and plant services:

- For electrical and thermal energy consumption, which are managed through an energy management software, the following improvements were introduced:
  - Because the building is oriented north-south, it maximizes the use of sunlight for lighting. It has latest technology induction lights and motion sensors that turn on only the lights that are needed, and detect the amount of natural light present at every moment to regulate artificial light and adjust it to the circumstances.
  - In production processes, frequency controllers were installed on all the engines, including the mixers, to make them more efficient, and a direct spark ignition (DSI) system was installed in the ovens. This reduces the consumption of gas and improves product quality. The plant also has heat recovery systems that can save around 2.8 million m^3 of gas per day, equivalent to 1,445 metric tons of CO_2 emissions per year.
- To make more efficient use of natural resources, the plant recycles the water from the mixers in the production process, and has waterless urinals, paperless hand dryers in the restrooms, and ecological gardening.

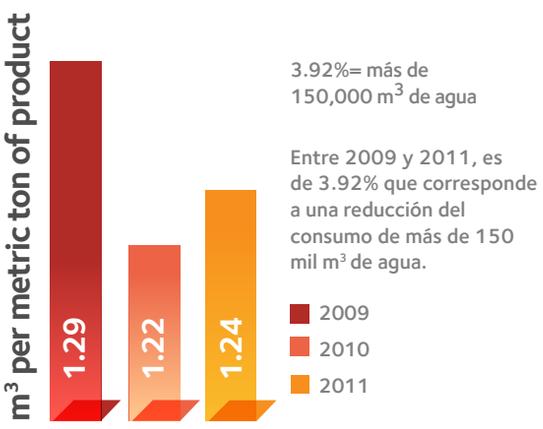
3. Reducing our water footprint

Total volume of water captured per source



Note: These data correspond to the organizations described in the "Coverage" column of indicator EN8, in the GRI Content table found in the Appendixes to this report.

Water consumption



Note: These data correspond to the organizations described in the "Coverage" column of indicator EN8, in the GRI Content table found in the Appendixes to this report.

At Grupo Bimbo, we work to minimize our consumption of natural resources. One of our core commitments is the efficient use and management of water. Our various organizations made a collective effort to more precisely measure our water consumption. In 2011, we consumed a little more than 3.8 million m³ of water in our operations throughout the world.

We were particularly successful with the practice of rainwater capture and irrigation, which has been replicated in various plants and sales centers of Grupo Bimbo in Mexico: Chihuahua, Monterrey, Veracruz, San Luis Potosí and Yucatán. We also introduce increasingly strict controls over water consumption in our productive processes and our sales centers, especially for washing delivery trucks and other vehicles. The amount of water we consume for every metric ton of product delivered has improved since 2009, and by 2011, we had reduced water consumption by 150,000 m³. These indicators reflect the progress made toward standardizing the metrics we use in our operations.

We have also introduced a resource balancing methodology to continued protecting and reducing water consumption. We recorded more than 60 actions, most of which are good practices to avoid water waste: pressurized water, dry and semi-dry cleaning, development of cleaning kits, introduction of routines and equipment that can avoid the use of deep cleaning, and others.

WATER CONSUMPTION REDUCTION

	Awareness	Control	Maintenance	Good practices	Process practices	Service efficiency	Recycling
BBU	✓	✓					
China	✓	✓		✓	✓	✓	
Mexico	✓	✓	✓	✓	✓	✓	✓
OLAC		✓	✓		✓	✓	
OLAS		✓	✓	✓	✓	✓	✓
% Progress of actions	74%	86%	84%	82%	68%	69%	86%

Note: Note: Table prepared based on record of more than 60 actions being implemented in various Organizations of Grupo Bimbo for water consumption reduction. Overall progress is more than 65% in the different types of activities being developed in each Grupo Bimbo organization.

Best Practice

Good practices for water

consumption reduction in production plants

One of the primary improvements we are working on replicating in our organizations is the installation of machine rooms without cooling towers. This practice was originated at the Bimbo Santa Maria plant in Mexico, to cool equipment through air compressors instead of chemicals. The installation of these refrigeration compressors has saved us more than 10% on the water consumed monthly in the plant, and has reduced our use of electrical energy, maintenance costs and the use of chemical products.

Sales centers actions to reduce water consumption

In our Mexican distribution and sales agencies, we were able to optimize water savings and water reclamation through the following actions:

- We used water reclamation technologies in 46 washing arches, saving 4430 m³ of water per year for every 100 vehicles that are cleaned in each arch.
- Treatment of wastewater using absorption wells: 75% complete
- Installation of water recyclers: 74% complete
- Rainwater capture systems: 65% complete
- Installation of ecological urinals: 62% complete
- Installation of pedal controlled sinks and showers: 49% complete
- Installation of water fountains: 46% complete

Our progress in water treatment and reuse

The wastewater generated by our productive processes are sent to treatment plants in order to ensure that the quality of the wastewater we discharge is above the regulatory requirements of each country. These treatment plan separate out solids in organic material and process the water using physicochemical and biological techniques.

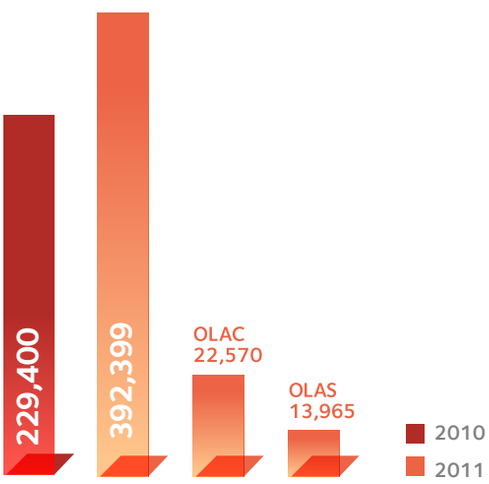
Today, we have 44 wastewater treatment plants in Mexico, Central America, South America and Asia. In the United States, we have no treatment plants of our own, but we have signed contracts with external suppliers who treat the water discharged from our operations. Thus, besides promoting the reuse of water in irrigation and washing vehicles, we formed alliances with local suppliers that can have a positive impact on the zones where we are present.

Last year, in some plants in Central America, we invested in building wastewater treatment plants to guarantee the standardization of wastewater management in keeping with the company's policies.

Today, we reuse treated wastewater for watering and washing vehicles. This represents a little over 17% of the water consumed in our organizations in Mexico and an average of 7% in the organizations of OLAC and OLAS. In order to improve the operation, treatment costs and reuse of water, we continue to develop new technologies like advanced oxidation treatment. As a result of these actions, this past year we reused 71% more wastewater than the year before, and have been able to report the amount of water reused by OLAC and OLAS.

We promote the reuse of water in irrigation and washing vehicles

Reused / recycled water volume in m³



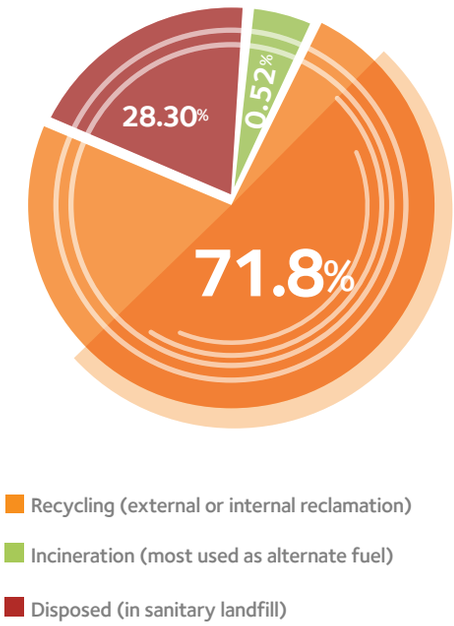
Note: Data correspond to the organizations described in the "Coverage" column of indicator EN10, in the GRI Content table found in the Appendixes to this report.

4. Integral waste management

To offer more competitive products to the market, we are continually seeking out new ways to optimize our supply raw materials. In our production plants, we use 97.40% of the raw materials we acquire to make our products and to put 60% for packaging. This represents more than 2 million metric tons of materials consumed in 2011.

With the goal of reducing, reusing and recycling all of the materials we discard in our productive process, we have developed a registry system under which we were able to report more than 71% of waste recycled in 2011, compared to 84% in previous years. This is a statistical effect, because we expanded the scope of our indicator this year to include not only Mexico but also the organizations in OLAC and OLAS. We worked on improving systems to quantify the generation of solid waste and to be able to more precisely measure them for next year's report. Hazardous waste accounts for less than 1% of the total solid waste generated by Grupo Bimbo. In 2011, as of 2010, there were no significant spills or leaks of any chemical substance, oil or fuel.

Generated waste and disposal in 2011



Note: These data correspond to the organizations described in the "Coverage" column of indicator EN22, in the GRI Content table found in the Appendixes to this report.

Plant recycling and waste control

Our methodology for optimizing the recycling process begins with a classification of all the waste generated within a facility. The purpose is to take advantage of materials that were discarded and may still be used to make other products. To do so, we need to identify the waste by type, characteristics and quantity. Later, with this information we determine whether is possible to reuse and recycle them, and we find suppliers to help us do this.

We replicate good practices and measures to encourage greater recycling, reevaluation and reduction of waste generation. We improved waste separation by 88% and promoted projects to reduce their generation and encouraged increased recycling or upcycling.

IMPROVEMENTS ON WASTE CONTROL

Region	Good practice	Awareness	Control and analysis	Separation	Recycling	Impact reduction	Upcycling
Asia	✓		✓	✓	✓		✓
BBU				✓	✓		
Mexico	✓	✓	✓	✓	✓	✓	✓
OLAC					✓		
OLAS	✓	✓	✓	✓	✓	✓	✓
% Progress of actions	78%	77%	78%	88%	69%	85%	61%

Note: Table prepared based on record of more than 40 actions being implemented in various organizations of Grupo Bimbo. Overall progress is more than 60% in the different types of activities being developed in each Grupo Bimbo organization.

Sales centers recycling efforts

In 2011, we began a pilot project to collect waste from 10 Grupo Bimbo sales centers in Mexico City metropolitan area through joint development with a vendor. We succeeded in increasing the volume of recycled waste by 38%, equivalent to 12 metric tons.

5. Sustainable packaging

Besides continuing to develop technology to make degradable packages, at Grupo Bimbo we have focused on optimizing the material using our packaging. Throughout the year, we worked on minimizing the amount of plastic we use, reducing the thickness and dimensions of our packaging, while continuing to ensure the quality and safety of our products.

Also last year, as part of our work with the Strategic Alliance and Innovation Networks created in conjunction with The National Council for Science and Technology (CONACYT), our Research and Development area and suppliers of packaging to Grupo Bimbo, we began to identify, validate and develop new technologies. These technologies will, in the short term, further reduce the weight of material used in our packaging. We will thus be able to maintain and/or improve the quality and safety of these products.

At Grupo Bimbo, we intend to remain at the forefront in the identification, validation and use of new environmentally friendly technologies, not just in packaging but across the entire value chain.

In 2011, by optimizing packing materials we avoided the consumption of close to 100 metric tons of plastic, equivalent to avoiding the emission of around 155 metric tons of greenhouse gases.

With the commitment of promoting responsible management of solid waste in Mexico, we joined the Business Commitment for Integral Waste Management (SUSTENTA).

Through this Network, we have the mission of disseminating scientific information to reduce the impact of municipal solid waste on the environment, taking advantage of all the useful components of waste and promoting their correct management.

During the year, we formed alliances with some municipalities like Durango, where we designed and introduced a system for source separation, selective collection and upcycling of waste. In Queretaro, we begin evaluating and restructuring selective collection for the Separemos la Basura program. SUSTENTA Also has an international presence in the meeting of the Global Alliance for Sustainable Recycling in São Paulo, Brazil, and the Latin American Waste Congress in Quito, Ecuador.

The new alliance: Terracycle®

In 2011, we allied with Terracycle® to provide a positive solution to the waste created when our packages are discarded, while contributing to projects with social and environmental causes. Under this plan, Bimbo Bread packages will be collected by brigades in which consumers can take part and, for every four packages they send, one Mexican peso will be donated to a non-governmental organizations. Furthermore, the collected Bimbo Bread packages can be used to make different products for daily use. With these actions, we expect Bimbo Bread packages to be collected by our customers and associates, helping to minimize their environmental impact.

The collected Bimbo Bread packages can be used to make different products for daily use.

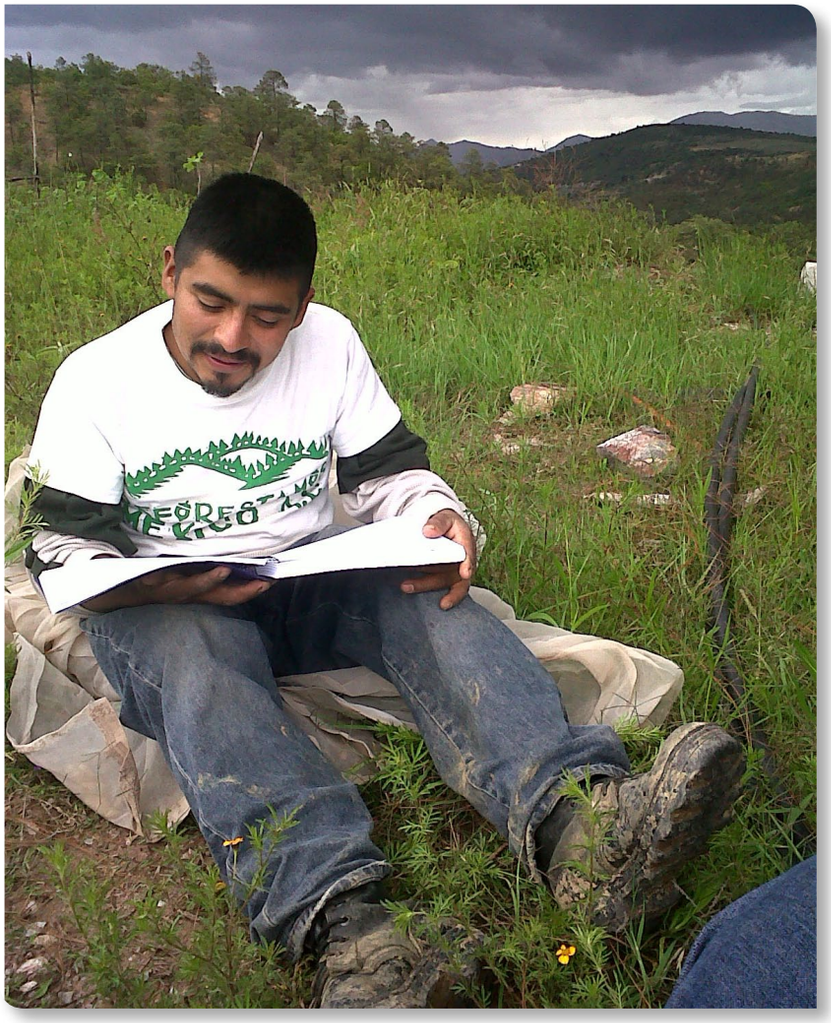
6. Environmental conservation and improvement

In order to ensure the supply of sustainable and high-quality forest products and services, through Reforestamos México, Grupo Bimbo works to increase the productivity and profitability of community-owned forestry companies.

In 2011, we supported, through Reforestamos México, a group of 41 forestry companies in 59 communities in the states of Chihuahua, Durango, Oaxaca, Jalisco, Puebla, Michoacán and Quintana Roo. Through the support, we have helped increase the area of sustainable forests and woodlands by 49% over the previous year.

The other projects we supported in 2011 to favor rural development and environmental preservation are described in the section "Our commitment to the community" in the chapter entitled "Committed to Our Community".

We achieve an additional **121,615** Ha. of land under sustainable forest management between 2010 and 2011.



REFORESTAMOS MEXICO

Indicator	2011	2010
Ha. under sustainable forest management	368,172	246,557
Number of communities	59	112
Number of volunteers	5,524	4,576
Number of companies involved	41	65

03 Grupo Bimbo Committed to Our Community

Supported almost 300 non-profit organizations

FUTURE CHALLENGES

With our external value chain

- **Complete the introduction** of the External Business Partners Model in Mexico and prepare to expand it globally, adapting it to the legislation in effect in each country.
- **Conduct audits of our suppliers,** including compliance with the new standards.
- **Expand the impact** of classes for small businesses in Mexico.

With the community

- **Introduce the "Good Neighbor"** program to improve quality of life in the communities where we operate.
- **Encourage volunteer involvement** by our associates and allocate donations to programs that can have the most impact.

HIGHLIGHTS OF 2011

With our external value chain

- **Updated purchasing standards** and developed External Business Partners Model in Mexico.
- **Helped supply 15% of financing** needed by our suppliers under program with Nacional Financiera (NAFIN).

With the community

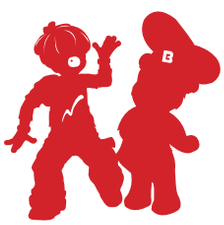
- **Supported almost 300 non-profit organizations** in their work toward environment, promotion of phyisical activities and education.
- **Participation of almost 47,000 associates,** their families and the communities where Grupo Bimbo operates, through volunteer activities in environmental and social programs in Mexico and Brazil.

CONTENTS:

1. Commitment to our external value chain: suppliers

Our relationship with our suppliers are crucial to our ability to daily offer consumers throughout the world quality products at competitive prices. We want to improve the way we work together to limit risks and take advantage of areas of opportunity, because today's world requires innovation and efficiency in supply chain processes.

We contribute to the development of the countries where we operate by encouraging the interest of small and mid-sized companies to acquire training and integrate fair business practices. We need to ensure that our suppliers–which also include major and multinational firms–respect and maintain these practices and promote the development of their own supply chain.



Best Practice

Why sustainability is so important in managing our supply chain

These adjustments to our policies and procedures are necessary because of global trends in the food industry and the worldwide growth of Grupo Bimbo, recognizing the effects of climate change and ongoing growth of the world's population, particularly the following aspects:

- Mitigating the impact of uncertainty in food commodity markets and volatile prices on products like wheat, oil, and others, and promoting more efficient agriculture and a stronger supply chain.
- Making better and more efficient use of natural resources like land, water, fuel, etc., in our supply chain in order to ensure productivity and sustainability of the raw materials needed to produce food.
- Small and midsize businesses are an important group, so it is important we involve ourselves in their training, encouraging them to adopt fair trade practices and offer dignified work under responsible labor practices.

Source: Analysis of Food Industry Studies Between 2005 and 2011 (see "Our Process for Defining Materiality" in the Attachments to this report).

Formal integration of sustainability into purchasing management documents

In 2011, the corporate procurement area began updating its rules and developing a Green Purchasing Program. These documents incorporate the principle social responsibility, to encourage sustainable management in our supply chain.

Additionally, the internal Code of Ethics and the new Code of Conduct for suppliers will guide the relationship with our supply chain.

Starting in 2012, sustainability guidelines will be adjusted to become progressively mandatory for each of the countries where we operate. We are already working with suppliers that have developed good practices voluntarily and by their own initiative. Proof of our progress can be seen in the pilot project "External Business Partners Model," in Mexico described in the case study presented below.

At Grupo Bimbo, we purchase products of local origin in order to promote the development of each country in the regions where we operate. The other factors that influence purchasing decisions are competitive price, on-time and sufficient delivery, quality and innovation.

We will open a new Suppliers Website in 2012, which will serve as a platform for management and communication with this group of stakeholders, providing up-to-date information in Spanish and English.

Grupo Bimbo internal Code of Ethics with suppliers

Ensures that our relationships with suppliers are based on the following principles:

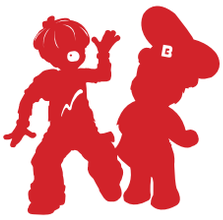
- **Business dealings:** honest and above-board negotiations that are respectful, fair, and based on trust and mutual esteem
- Comprehensive review of bids based on price, added value, quality and service
- **Conditions:** clear agreements on payment conditions and transparent processes.

Code of Conduct for our suppliers

Sets forth the standards that will be required of suppliers in the following areas:

- Human rights
- Legal compliance
- Community development
- Respect for the individual
- Working conditions
- Development and values
- Fair compensation
- Health and safety
- Environmental preservation
- Child labor

In 2012, the Code will be published on our Suppliers Webpage



Best Practice

Pilot project in Mexico

Sustainable supply chain management

The External Business Partners Model

In 2011, in order to introduce our up-to-date standards and Code of Conducts, we developed the External Business Partners Model, a pilot project intended to forge a closer relationship of added value and mutual benefit with our suppliers. The model is based on a "partnership" relationship, which motivates us to work together with a common to innovate in fundamental areas like sustainability, food safety, development, new technology and recognition. This model was presented last year in the Annual Suppliers Forum in Mexico. In 2012, we will deploy it on a global level.

Supplier audits

We have an auditing program under which we certify the suppliers of our inputs (ingredients and packaging) to ensure that they have financial, operating and food safety systems in place, as well as good manufacturing practices that guarantee the quality of those ingredients. With the introduction of our External Business Partners Model, we have been working on sustainability issues, like the "Program of Environmental Leadership for Competitiveness) of the Mexican Federal Environmental Protection Agency (PROFEPA).

Supplier recognition

In last years National Suppliers' Meeting, we gave awards to two companies for their outstanding development: Aarhuskarlshamn México, S.A. de C.V. and Beta San Miguel, S.A. de C.V. In evaluating these companies, we looked at their innovation, service, commercial relationship and results of our audit. In 2012, we added an additional category of sustainability to the award criteria.

Green Purchasing Program

In an effort to begin "buying green" to guarantee that the raw materials we use come from sustainable sources and companies that are respectful of the environment, society and the laws of the countries where we operate, in 2011 we developed purchasing practices on two certified inputs:

• Certified palm oil

Our suppliers of palm oil around the globe have pledged to ensure that 100% of the raw material they supply to us is sustainable by the year 2015. This includes product certification by the Roundtable on Sustainable Palm Oil (RSPO), an international seal of approval indicating that the product comes from sustainable sources, in order to generate a network that avoids indiscriminate deforestation and promotes care for forest wildlife.

• Certified wood

In Mexico, we began a program to support suppliers backed by the international organization Forest Stewardship Council (FSC). Today, 100% of the wood we buy in Mexico is guaranteed by the Ministry of the Environment and Natural Resources (SEMARNAT). We have a goal of ensuring that by 2015, 100% of the wood we use is endorsed by the FSC, and thus be able to battle illegal woodcutting and imports.

Our suppliers of palm oil around the globe have pledged to ensure that 100% of the raw material they supply to us is sustainable by the year 2015.

Programs to support our suppliers

Grupo Bimbo is part of Red AC. This alliance, made up by a group of Mexican companies committed to the country's development, created the Monterrey Center for Competitiveness (CCM) so that small and mid-sized businesses that are part of our value chain can become more competitive.

Through this center, we have participated in the development of business workshops providing ongoing training and, since 2009, in a program called "from entrepreneur to entrepreneur" where members of the business community can share experiences, connect with other companies and do business together. This program, involving 30 of our suppliers, provides degree programs totaling 648 hours of training given to 260 participants from 85 organizations, with more than 30 instructors and 19 visits to the plants of the presenting companies.

Testimony

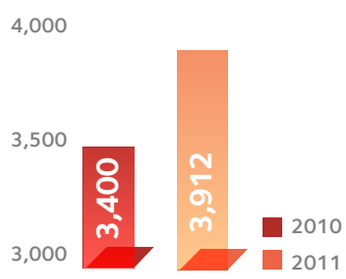
Testimonial by a Grupo Bimbo supplier on the CCM "Entrepreneur to Entrepreneur" program

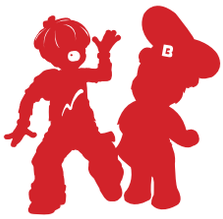
"The experience we had was truly satisfying. They helped us to visualize where we want to go with our business and to take it from a family-owned operation to a more formal establishment. Fortunately, with hard work and with their diagnosis, we have become aware of the details we want to change as well as our strengths... we are very happy with the work done and the results obtained".

Noé Arellano Ortega, Manager, Guantes Arellano

Under a program named "Cadenas Productivas" of Nacional Financiera (NAFIN), we once again gave our regional suppliers access to a source of funding with lower bank fees. This helps them improve liquidity, strengthens their relationships with banks and helps them build a credit history.

Growth in NAFIN program financing to suppliers (In millions of pesos)





Best Practice

Committed to strengthening
goat milk producers in Mexico

Mexico is Latin America's leading producer of goat milk. Goat farming is an activity that sustains more than 400,000 families from poor communities in central, western and northern Mexico. For this reason, at Coronado–leading producer of dulce de leche and cajeta–we are committed to supporting the sustainability of our main source of supply since 2006, and 2011 was one of our most successful years. We have opened four collection centers that enabled us to collect 30,000,000 liters of goat milk per year from more than 45,000 goats. This system supports more than 1,500 dairy farmers and their families in central and northern Mexico, improving their quality of life and social roots in rural areas of our Mexico.

In alliance with federal, state and local governments and universities like the Universidad Autónoma Agraria Antonio Narro, we have focused on promoting investment in productive projects and research to improve the yield of dairy farmers. We helped them obtain financial support and consultancy, as well as increasingly sustainable technological packages, to introduce more productive breeds like Saanen, Alpine, and Toggenburg, improving their facilities and giving them the capacity to respect the livestock's gestation and lactation cycles and to optimize feed resources. This resulted in more productive and profitable operations for low-income producers.

Another project we promoted is a trust fund created by Grupo Bimbo together with FIRA to help 300 producers in central and northern Mexico by investing in productive processes. Through these strategies, more goat milk producers had an opportunity to improve the quality of life for their families, producing more and better milk.

2. Commitment to our external value chain: Customers

Our customers are important allies, with whom we have developed increasingly strong and long-term relationships. We have worked with many of them for years, some of them even since we began operating in 1945. Under our Social Responsibility strategy, we have consistently worked to help develop customers who are small and mid-sized businesses. Through an ongoing training and consultancy, we help traditional stores to modernize their technology and become more productive. This year, we focused on developing new alliances to train and strengthen the development of small businesses (customers of Grupo Bimbo) in 2012 and beyond.

- We formed an alliance with the Mexico City Chamber of Small Services and Tourism Businesses (CANACOPE) to integrate our best customers into a training program in the capital city, which will help them obtain computer equipment financed by the small and mid-sized business fund (Fondo PYME).

67 small store owners received training at Mexican technological universities

- Grupo Bimbo also supports a program called Mi-Tienda, together with the organization FUNDES and financed by the Mexican Ministry of Economy, which trained 38 customers in this period.
- Through our alliance with the Center for Business Development of Small Grocery Stores (CEDEPEC), 67 small store owners received training at Mexican technological universities. In 2012, we intend to train 1000 customers, which will increase our presence in various cities of Mexico.
- Our support for the ProEmpleoProductivo Foundation has for several years provided training and mentoring to people who want to start up or grow their own business. Some of these people have been owners of Grupo Bimbo retail stores.

In 2012, we will increase our work into these initiatives and will undertake a store segmentation project through our alliance with the Mexican Consumer Products Industry Council (CONMEXICO).

Best Practice

Entrepreneurial Training
through ProEmpleo Productivo

Grupo Bimbo supports the ProEmpleo Productivo Foundation in a program it has developed to train micro-sized businesses and individuals who want to lead a more dignified and productive life since 2010. The program has three parts: Entrepreneur Workshop, professional training and professional consultancy services through a business incubator and business development Center.

The Entrepreneur Workshop consists of 80 hours of in-person training to help participants start up or improve their micro-sized businesses in the short-term. The course material is divided into the following areas: human development, administration and marketing, accounting and finance, and sales and customer service. Additionally, the ProEmpleo Productivo program offers professional consultancy.

Since this program was founded, we have trained 5,600 entrepreneurs in Mexico City, which have been able to improve more than 1,400 companies. It also trained 357 owners and associates of Grupo Bimbo retail stores in various regions of Mexico, helping them to maintain and build their businesses.

3. Commitment to the community

Since our origins, we have worked alongside the non-profit sector to improve education, protect the environment, encourage physical activity and health, and promote the economic and social development of rural zones and communities surrounding our operations.

Donations

Our policy is that each of our organizations best understands the reality of the countries and regions where it operates.

The Institutional Relations area is responsible for keeping track of and managing the company's relationship with all of the NGOs the company wishes to support.

This year we have been able to impact possitively, the lives of more than 2.2 million people, half of whom were children and youth.

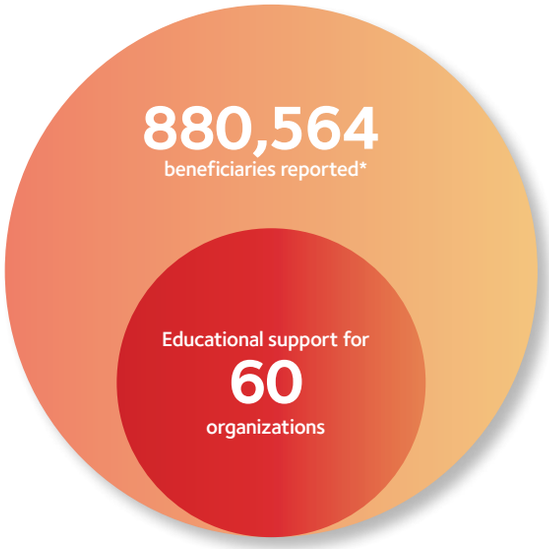
We have created the Grupo Bimbo Mexico Fund for Natural Disasters, to support associates affected by some natural disaster. This year there have been no significant events of this type in the communities where we operate, so we supported a relatively small number of disaster victims compared to previous years.

In 2011, we supported almost 300 non-profit organizations, educational, and business organizations, among others–through economic and in kind contributions equivalent to more than 1.5% of our net profits, in communities and countries where we operate.

Education

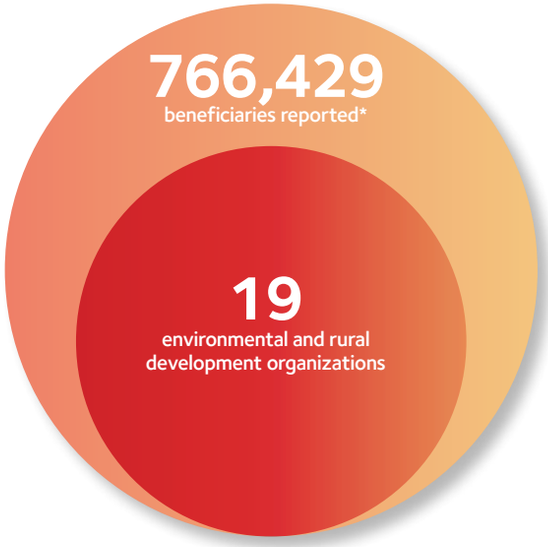
Because of our commitment to social inclusion, we work to promote access to education for vulnerable groups. We want to raise awareness about human rights in our communities, and promote leadership, entrepreneurship and socioeconomic development for those who need it most.

- As in every year, we welcomed children and young people in Mexico, OLAC and OLAS to our plants. Last year, more than 676,000 children got a look at day-to-day operations in our company. During their visit, kids take an imaginary trip in a space ship while they learn about nutrition, proper diet and food hygiene.
- By supporting the organization Instituto Educativo A.C., which promotes comprehensive education with a strong emphasis on values, Grupo Bimbo continues to contribute to the education of 367 children whose families have entrusted the institution with their education.



***Note:** The number of "Beneficiaries Reported" corresponds to 32 organizations in the category of "Education" (of the 60 organizations that Grupo Bimbo reports supporting in 2011) that provided a report, as of January 2012, on the impact of the projects they were able to develop through Grupo Bimbo's contributions in 2011.

- Through the association Entrepreneurs for Education, in Mexico and Colombia we took part in a program called 21st Century Leaders, which seeks to improve the quality of administration for educational institutions. The program began in Cali and Medellin with 32 school directors taking part, whose institutions account for 10% of enrolled students in Cali and 7% in Medellin. Our contribution to this program was through volunteer efforts.
- In Mexico, we collaborated with SIFE México AC, which is part of SIFE Worldwide. This organization works with university students to create sustainable productive projects that can assist needy communities. This year, Grupo Bimbo sponsored the National SIFE Competition in Mexico, involving 16 universities and 600 students.



***Note:** The number of "Beneficiaries Reported" corresponds to 17 organizations in the category of "Health" (of the 30 organizations that Grupo Bimbo reports supporting in 2011) that provided a report, as of January 2012, on the impact of the projects they were able to develop through Grupo Bimbo's contributions in 2011.

Environment and rural development

We help encourage volunteer efforts and want to build up our communities' capacity to respond to disaster or emergency situations. Through a number of initiatives, we promoted social, economic and infrastructure development in indigenous communities and rural zones.

- Through Fideicomiso ProVivah, A.C., Fundación ProMixteca A.C. and Fundación CIE A.C. we helped build homes for poor families, to schools, library and a shelter, helping these people to preserve their culture and their communities. We also provided support to the San Luis Innovation and Technology Transfer Park at the InstitutoTecnológico de Monterrey campus in San Luis, Mexico, directly affecting more than 3,800 people.
- Through the Mexican Foundation for Rural Development, we enabled rural communities to improve their quality of life and work through productive projects, technical training, organization and basic social education. This year, our donation was used to strengthen institutions. Grupo Bimbo's contribution to this foundation was part of a commitment made by a group of businessmen 48 years ago to increase the productivity of Mexican farms. Since then, we have benefited more than 500,000 low-income rural families.

The impact of these programs is described in the "environmental conservation"section of the chapter entitled "Committed to the Environment".

- In 2011, the work of Reforestamos México focused on the Forest Intervention Model, which operates through three programs with the goal of "ensuring that Mexico has the forest it needs for its development". Through a program called "Better Forests, Better People," projects like "Community Wardens" were created.

We promoted other programs by Reforestamos México, whose purpose is to improve the productivity and profitability of farm cooperatives and communities in forest regions so that they can responsibly manage their woodlands. The impact of these programs is described in the "environmental conservation"section of the chapter entitled "Committed to the Environment".

Community Wardens

Until recently, vandalism and crime in the municipality of Zitacuaro, Michoacan (Mexico), together with the lack of a sanitary landfill where waste could be separated and recycled made it impossible for the citizens of this town to live peacefully and healthily. Three organizations–Reforestamos Mexico, A.C, Biocenosis, A.C. and Mujeres Campesinas Trabajando por un Mejor Futuro from the Rincon de Curungueo community–came together to address this problem through a program called "Community Wardens".

Today, Community Wardens is a group of 21 young people (9 men and 12 women) who have been educated in crucial environmental issues for their community. The group is responsible for separating waste, producing compost from the organic waste and building plant nurseries using PET bottles. These young people help preserve the future of their municipality by offering citizens of Zitacuaro the solution to the problem of solid waste, and giving themselves a way out of the cycle of violence around them.

The leader of the Community Wardens is Jesus Arriaga, a young man committed to his community who has been participating as a leader of the Reforestamos Mexico, A.C. initiative since 2010, protecting forests and people in his community. Jesus is aware of the changes that the Wardens have brought to Zitacuaro and is proud to see that the mothers and children of the community have joined in the project to separate waste and build a stronger relationship with the youth of the area.

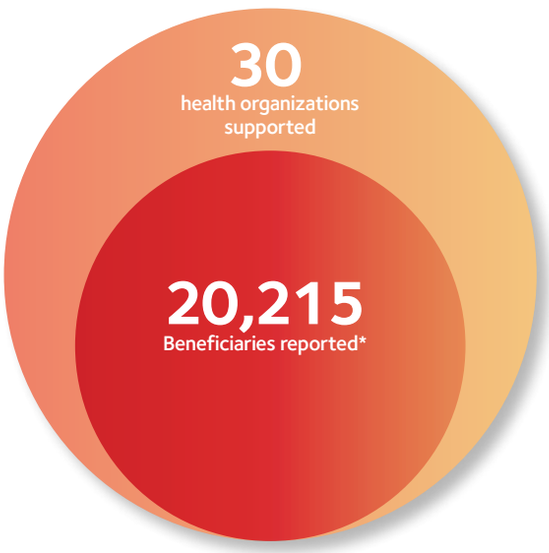
Jesus hopes that the group of young people he works with will continue growing in 2012 and that the nursery will be able to produce fruit trees and decorative plants. He also wants clients to join in the project to improve and expand the PET and organic waste collection center, but above all, his dream is to contribute to peace and harmony throughout the Zitacuaro community.

Health and physical activity

During the past year, we worked to battle childhood malnutrition and eating disorders in young people, and in the war on cancer, AIDS, addictions and other 21st-century illnesses, offering support to disabled people and promoting sports in our society.

- In Mexico and OLAS, we supported the Fundación Ibero Meneses, Comer y Crecer A.C., the Corporación Red de Alimentos and the Instituto Nacional de Rehabilitación Adriana Rebaza Flores all of whom worked to encourage proper diet (building healthy dining rooms, providing free breakfasts and lunches for kids, and setting up food banks), benefiting more than 13,000 individuals.
- In 2012, we will introduce a "Good Neighbor" program to bring Grupo Bimbo even closer to the community and the authorities of the areas where our plants are located. We will focus our support on three primary aspects: promoting physical activity, caring for the environment, and safety.

In the "Promoting healthy lifestyles" section of the chapter "Committed to your Health," we describe the organizations and actions we supported in order to encourage a healthy lifestyle and physical activity to benefit thousands of consumers, communities and associates.



***Note:** The number of "Beneficiaries Reported" corresponds to 14 organizations in the category of "Environment and Rural Development" (of the 19 organizations that Grupo Bimbo reports supporting in 2011) that provided a report, as of January 2012, on the impact of the projects they were able to develop through Grupo Bimbo's contributions in 2011.

The solidarity of our associates in serving society allows us to participate more actively and directly in the communities where we operate.

Volunteer work by our associates and the community

Volunteer actions complement the economic support our organizations make in the form of donations. The solidarity of our associates in serving society allows us to participate more actively and directly in the communities where we operate.

- Mexico faces daunting challenges in waste management, where high volumes of trash generated each day pose complex problems. Aware of the situation, and as part of our commitment to the environment, our company participated and economically supported, for the second year in a row in the nationwide campaign "Let's Clean Up Mexico" organized by Fundación Azteca. Grupo Bimbo invited people from all the cities where we have a presence to join in the Bimbo volunteer brigade, where associates, families and friends all worked to clean up public areas. Between 2010 and 2011, we went from 30,084 to 46,667 participants.

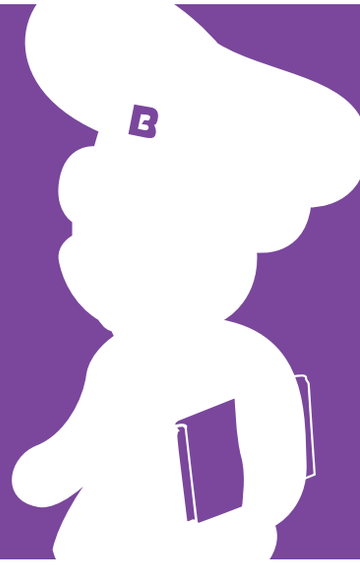
- During 2011 donation campaign by Organización Barcel in Mexico, in which 5,457 associates participated, raising a total of 1,200,553 mexican pesos, which was matched one-for-one by the company. Furthermore, around 400 volunteer workers visited seven foundations to support various activities in nutrition, promoting healthy lifestyles, infrastructure improvement and education. We have a highly detailed annual volunteer plan that has been successful in building support in the community through both union and non-union associates.
- In Brazil, 250 Grupo Bimbo associates volunteered during environmental week events in Rio de Janeiro and Belo Horizonte.

We remain independent and do not support any political ideology or group, nor do we make any contributions, although we are in favor of civic participation in private or professional associations.

Volunteer actions complement the economic support our organizations make in the form of donations.

04 Grupo BIMBO Committed to our Associates

We seek to live under our company values.



FUTURE CHALLENGES

- **To successfully apply** the Bimbo Health and Safety Model
- **To encourage the development of talent** and the reconciliation of work and family life, through education and health programs for administrative and operating associates and their families.
- **To ensure that leaders are concerned** about their associates and develop a close relationship and involvement with them. We want everyone in this Group to identify with the values and objectives of Bimbo.

ACHIEVEMENTS OF 2011

- **Successful integration** of the more than 18,000 associates from BBU and Bimbo Iberia, and Fargo.
- **The Bimbo Health and Safety Model** was introduced to 100% of our plants and 50% of our sales centers.
- **Increase in the number of training hours,** more than 2.4 million during the year, and access to more than 600 courses through the online Bimbo Virtual University platform.
- **Training of 9%** of our associates in human rights issues.

CONTENTS:

1. Managing our people

At Grupo Bimbo, we want to ensure that every associate is respected and finds room in our company to develop both personally and professionally. The treatment of our associates is based on our Golden Rule (Respect, Fairness, Trust and Care) and is governed by our internal Code of Ethics, our Manual of Philosophy and Policies, as well as the Grupo Bimbo Model–a document that sets out this company's management system.

Based on these principles, our Personnel Department, in collaboration with all our organizations, sets goals and objectives for Grupo Bimbo's performance in the area of labor practices, including respect for universal human rights.

Our policy on Human Relations guides our associates day-to-day

This policy stipulates that we "pay special attention to our personnel at all times in the labor relationship, not just to foster a healthy workplace environment and active participation, but to promote–to the extent possible–the comprehensive advancement of each of our associates and their integration as associates through their participation in this company's operations, profits and equity".

The treatment of our associates is based on our Golden Rule: Respect, Fairness, Trust and Care.

The policy is made up of eight directives:

- **Exercise of Leadership,** which encourages management level associates to administer their work team and their labor relationship with each of their members.
- **Teamwork,** which encourages initiative, responsibility, collaboration, decision-making, integration, and mutual recognition among the team's members.
- **Communication and Recognition,** which fosters a climate of confidence, enthusiasm and interest in quality through open communication and culture of recognition.

The other guidelines include **Personnel Selection, Compensation, Labor Relations, Health and Safety,** and **Personal Advancement,** which are detailed in the following sections of this chapter.

Human Rights

To encourage equality in the workplace, we urge our associates to develop their talents and apply it to taking on greater responsibilities. We therefore promote the participation of our associates and respect their diversity, and we reject any kind of discrimination.

For more information, our 2011 updated Code of ethics, in its "Associates" section describes in detail several principles related to Human Rights: *www.grupobimbo.com.mx/es/grupo-bimbo/codigo-de-etica.html*

In tandem, we repudiate any form of forced labor, through the following guidelines:

- We protect the health and physical safety of our associates through all means necessary.
- We offer compensation competitive with the market average, placing special attention on newly hired operating personnel.
- Our leaders are responsible for promoting a climate of communication, trust and collaboration in their Work Team.
- Each of our workplaces should be distinguished by its healthy workplace environment. That is why we encourage open communication and respect between all members and levels, both unionized and non-unionized.

Continuous improvement

In order to encourage the comprehensive development of our associates and to better respond to the needs of a constantly growing company, in 2011 we updated the management system called "Our People". In 2012, our challenge will be continuing to enact the standards in all the countries where we are present.

2. Our associates in the process of international integration

Since our founding, we have pursued the firm goal of growing organically in sales volume and product portfolio; and non-organically in the number of regions where we operate.

This strategy gives us the position of a leading company–with a long-term view toward feeding millions of people in three continents–and enables us to employ more than 124,000 workers. In the year 2011, our work force increased by 17.18%, which brought the daunting challenge of incorporating more than 18,000 new associates into the group's philosophy. Because of the success of this process of integrating in new organizations, we are able to combine the abilities of each associate into a single work team.

Satisfying integrations of new acquisitions

In 2011, our growth was fueled mainly by the integrations of Sara Lee (United States), Bimbo Iberia (Spain and Portugal) and Fargo (Argentina). We are confident that these companies will give us access to a fresh vision in the countries where they are present. The strategy of international growth will strengthen our presence in those regions, as we continue to fortify our position with renowned and prestigious brands.

Furthermore, the experience and know-how of these new associates represents a whole new influx of talent to this company.

The integration with Weston in January 2009 involved a process of continuous listening, to find synergies and mutual benefits. We established key issues to pursue. For example, updating our values and corporate philosophy, which we did together, joining forces in both of these companies and through executive committee meetings that encouraged broad-based participation.

With the acquisition of Sara Lee, our United States operations will be four times larger than they were just four years ago. The combination of the two businesses will provide better service and a broader product portfolio to our consumers. This synergy will also offer consumers value, freshness and the highest quality products.

Grupo Bimbo has a long-term vision of establishing a relationship of trust with its many stakeholders. This was evident in its investment of 1 billion dollars over the next five years to transform our plants in the United States. We are working to make these plants more modern, with self-managing processes and national and international quality standards (Topeka Model Plant).

Our associates

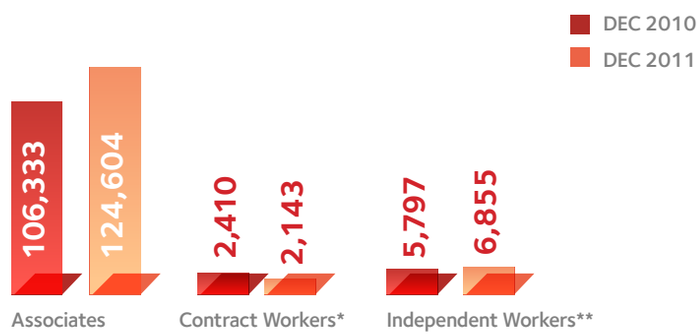
As of December 2011, we had a workforce of 124,604 associates on the payroll, close to 40% of which lived outside of Mexico, our country of origin. Women made up 16.1% of the workforce and, for the first time, we are reporting figures on workers under part-time contracts–interns and part-time associates in the United States–that are equivalent to 2.2% of our payroll.

If we take into account independent workers (sales outsourcing) and subcontractors (non-sales outsourcing), meaning the external sales force of the BBU and OLAS organizations, a total of 133,602 people work for Grupo Bimbo.

In the regions where our largest operations are located–those with more than 25,000 workers (Mexico and the United States)–we encourage payment of 2.2 times the minimum wage stipulated by law in Mexico in 2.1 times in United States. Wage schedules for both of these countries are completely gender-neutral.

For more quantitative data on this topic, review Attachment "Additional social and environmental data" at the end of this report.

Associates and subcontracted workers in Grupo Bimbo



Note: Data includes information on the total associates of Grupo Bimbo, S.A.B. de C.V. as of December 2011, including the new companies acquired in 2011. It is the only indicator with this coverage in our 2011 GRI Report.
* Independent workers (outsourced sales workers)
** Contrated workers (outsourced workers that don't belong to sales area)

PERCENTAGE OF DIFFERENCE BETWEEN INITIAL STANDARD WAGE* AND LOCAL MINIMUM WAGE

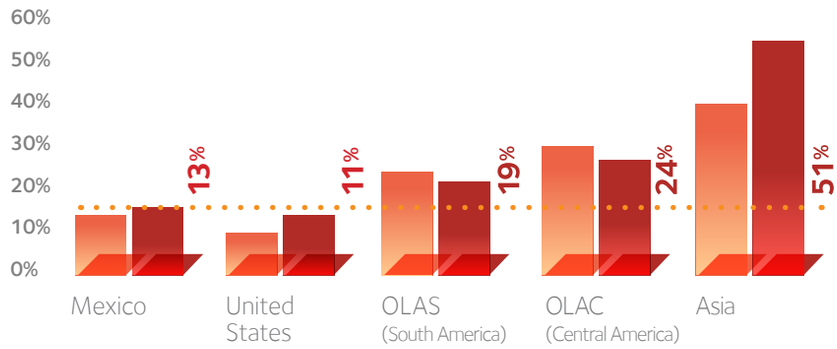
	2011	2010
Mexico	2.2	between 2.1 and 2.5
United States	2.1	Not reported

*The initial standard wage at Grupo Bimbo is the average base wage for the operating salary in each country.
Note: Changes in 2011 or due to an increased amount of information available and more precise calculations. Mexico and the United States are defined as the countries with the most significant operations, totaling more than 25,000 associates.
These data correspond to the organizations described in the "Coverage" column of indicator EC5 found in the GRI Content table in the Attachments to this report.

Associate retention

This past year, average associate turnover was 14.26%, which represents a challenge that we attack with a localized labor plan. These actions are adjusted to the needs of each organization to more quickly reach their objectives, and are tracked on a quarterly basis. The labor plan allows us to address different areas of opportunity, to ensure that our associates are committed, satisfied and proud to belong to and stay with our company.

% associate non-retention* by region and global



At Grupo Bimbo, we refer to personnel turnover as "non-retention", intending this change of language to bring about a change in attitude toward "we are interested in personnel retention, because we considered healthy for both the company and for the individual".

Note:: Data correspond to the organizations described in the "Coverage" column of indicator LA2 found in the GRI Content table in the Attachments to this report

DEC 2010
DEC 2011
% non-retention at global level in 2011

Best Practice

Improvements for associate retention

Some significant examples of the improvements under way at our company are: In Mexico, Barcel prepared a Supervisor Training Plan, which teaches bosses the importance of recognizing their associates, and we planned a 2012 Retention Project to attract and hold onto the best talent. At El Globo, we analyzed the problem of associate non- retention, and created certain posts to cover specific needs, like "host" or "hostess".

In Asia, we raised salaries for our associates to ensure that we could compete with other companies in the same industry, and we worked on reinforcing team communication.

At OLAC, we are working on retention of associates in the sales area and integrating newcomers to the company through a team of leaders.

Finally, we also increased salaries for our workers at OLAS to improve their quality of life.

We recruit new associates and are especially committed to youth. For this reason, 64.8% of the associates that made up Grupo Bimbo in 2011 were under 30 years of age. We work to standardize hiring processes and guarantee certain conditions to all of our associates regardless of where their contract has been signed. Thanks to these guarantees, we are proud to state that approximately 70% of our associates remain with the company after their first year of work.

For more quantitative data on this topic, review Attachment "Additional social and environmental data" at the end of this report.

"At Grupo Bimbo, we are one big family, and that's how we treat each other. There is no better place to work".

Dea Dickerson,
Coordinator of Materials at the Meridian plant in Massachusetts, United States.

"There aren't many companies that treat you like a person, not a work machine. It's great to work for one that does, like Barcel".

YolandaVázquez Ballesteros,
Office Assistant, Barcel, Mexico.

Testimonials

"Every change brings uncertainty, and questions that are answered along the way. The transition from Productos Roma to Bimbo was no exception. We learned something new every day and we shared the work with people from other regions. Step by step, I grew to understand the policies and committed to their philosophy. Looking back, I think it was an excellent change, because it enabled me to develop skills that go beyond the workplace to my personal, family and social life. The company has also made a huge effort to create the best workplace environment. I am sure that Bimbo will continue to contribute to my growth and I am very excited to accompany it in all of its medium and long-term projects".

Sandra Edelmira Martinez,
Accounting Supervisor at the Itagüí plant in Colombia, OLAC.

Testimonials

"My experiences with integrating the Guadalupe brand into Grupo Bimbo's operations have really enriched me. Today, we are a multidisciplinary team made up of different areas, each specializing in its particular work. Learning firsthand about other people's processes and jobs makes the gears work better together, and help us attain results faster and more safely. For all of us, from day one, we made it a priority to improve the quality of Guadalupe products, while guaranteeing food safety. On a personal level, I met a lot of people with a great deal of experience that taught me some important lessons. I was worried that some of my former workmates would lose their job, but everybody was given an equal possibility of joining in the company's philosophy".

Ervin Bulla Moreno, Plant Chief in Itagüí, Colombia, OLAC

Labor Relations

Our Code of Ethics states that our associates have the right to be represented and to belong to local labor organizations. In 2011, compared to 2010, we were able to more precisely calculate the number of workers employed under some collective bargaining agreement: 75.6% in Mexico and 69.5% around the world--although these numbers remain very similar to those of 2010.

In order to minimize the impact that organizational changes can have on our associates and to ensure open dialogue, we try to notify them of any change in accordance with the laws of each of the countries where we operate.

According to our Associate Relations Policy: "Each of our workplaces must distinguish itself as a healthy workplace. In other words, our people must identify with the company's mission, goals, principles and values. We must promote a relationship of open communication and full respect among all members of levels, both unionized and non-unionized. In companies where associates belong to a union, we will recognize its legitimacy and treat it with the respect and consideration it deserves as such".

Our fundamental commitment is that wherever some labor relationship exists, its independence must be respected, provided it represents the legitimate interests of the workers. We intend to ensure that all our relations are based on collaboration and mutual benefit. Any interaction with labor organizations must be in strict accordance with the legal provisions of the community where the company operates.

Code of Ethics (2011 version), Associates section.

PERCENTAGE ASSOCIATES UNDER COLLECTIVE BARGAINING

	% associates under collective bargaining 2010	% associates under collective bargaining 2011
Total Mexico	76%	75.60%
Total World	70.80%	69.50%

Notes: The marginal difference from one year to the next is due to the fact that in 2011, the indicator was calculated based only on payroll associates, excluding contract workers, in order to have a more precise figure.
Data corresponds to the organizations described in the "Coverage" column of indicator LA4 found in the GRI content table in the Attachments of this report.

3. Health and safety

Our culture of safety has grown stronger. This process has required a tremendous effort to analyze facilities and processes, along with consistent enforcement of workplace standards. One of our principles is to consider spending on safety as an investment. We have made great progress in this area, although the indicator still do not fully reveal it, because it is a process that is constantly maturing.

The Health and Safety Model created in 2009 is intended to eliminate workplace accidents and create a culture of workplace health and safety in this company. The Model integrates the best safety practices defined by the Occupational Safety and Health Administration (OSHA) through strong leadership in the processes and actions that ensure we go beyond the legal requirements. The pillars of structure and personnel were also very important for getting the word out about workplace safety and making sure the Model is enforced.

This year, we were able to introduce the Model to more than half of our organizations. We conducted 17 internal audits of plants in Mexico, OLAS and OLAC, primarily to check that the four basic elements of the system are being applied, and the data presented are transparent.

Health and Safety Model

Responsibilities

Chief Executive Officer and Division Director make up The Health and Safety Steering Committee

Regional Directors and Managers make up the Corporate Committees and Subcommittees

Plant and Sales Centers Managers make up Health and Safety Committees and Subcommittees

Subcommittees Leaders come from Multidisciplinary Teams

Meeting System

The basic objective of our committees is to ensure the responsibilities are carried out in the area of health and safety throughout the company. The model works according to a scheme of teamwork and constant communication that incorporates the members of every organization. This year, once again, 100% of our associates–both in our production plants and our distribution and sales centers–are represented by some committee. At the same time, 2.3% of all production plant and distribution center workers participate in some subcommittee, representing a total of 2,453 associates and all the organizations of the Group, not including the last three acquisitions.

Despite stricter management, we regret to report twelve deaths in the Bimbo family last year, four of whom died in a robbery, and a rise in the accident and disability index. In contrast to 2010, this year we included all deaths relating to robberies, collisions and accidents (both on the highway and in our facilities). For the first time, we also report the accident rate among our subcontractors where we only had one slight accident in the whole organization.

For more quantitative data on this topic, review Attachment" Additional social and environmental data" at the end of this report.

"The physical safety of our associates comes before operating efficiency or company results".

Daniel Servitje,
CEO of Grupo Bimbo.

"Safety is always on our minds. Concentrating on going home in one piece has a very positive effect on all of us".

Keith Pacheco,
Key Account Executive, Rehoboth, Massachusetts, United States.

"I want to invite you all to reflect on how important it is to follow health and safety policies, and to avoid unsafe conduct. Each of us has responsibility to preserve our physical safety and that of our coworkers".

Daniel Servitje,
end of year message to associates of Grupo Bimbo.

We are committed to investing in and redoubling safety efforts

This year we carried out the following actions in order to improve the safety of our workers throughout the world:

- In our organizations in Mexico, OLAC and OLAS, we provided specific safety courses in manual activities and safe handling of light machinery.
- In Mexico and the United States, we introduce risk analysis methodologies in our production plants. We were thus able to avoid accidents through research and development of solutions to eliminate the root cause.
- We began a process of making the steering committees of each organization accountable for health and safety. Each direct superior is responsible for preparing a Serious or Fatal Accident Report when such events occur, which is shared with all the departments and, in particular, with the regional director in charge of that office. This document ensures that all levels of the organization are aware of accidents and can avoid a repetition.
- We updated our institutional courses to help raise awareness in the area of safety. We developed a pilot seminar on health and safety that promotes responsibility and personal care by each worker, regardless of their function in the company. Every management level associate at OLAC, OLAS, Mexico and corporate headquarters took the first three Health and Safety Modules with Virtual University (VU).

In 2012, we will encourage accountability processes in every organization and at the central level. We will also create a Corporate Risk and Change Committee, which will have the strategic function of prevention. We also plan to introduce the Health and Safety Model in 100% of the commercial areas of the organization and continue with the Safety Audits Program.

Testimonials

"The most important thing is to take care of yourself so you can take care of others, leave your outside problems at the door when you come to work. If you come in with problems, get them off your chest with someone so you can focus on your work and have your EYES ON THE JOB. Get support from your friends, your bosses, and your family"

.David Aquino Gil, Safety Teacher at Barcel, 21 years working accident-free at Grupo Bimbo, Mexico.

"I follow the safety rules. I'm always looking for things that might pose a risk, so I can correct any details. I've always got my mind on the task, I always take care of myself and think about what I'm doing, because I know that at home, they're expecting me to come home in one piece".

Flavio Molina Jardon Barcel, Maintenance Mechanic, 10 years working accident-free at Grupo Bimbo, Mexico

*A level equivalent to, but slightly above, that of supervisor.

Risk prevention for our associates and their families

In order to reduce accidents and improve risk prevention–which affects our associates and their families-in 2011, we carried out four different programs in the areas of training, counseling, emergencies and treatment of illness. We even carried out programs with the community as in the case of Bimbo Organization in Mexico.

In 2012, to promote healthy lifestyles in our company, we will introduce a body mass index measurement program for all our associates. We will continue planning Health Weeks and talks on the prevention of serious illness in all of the Group's organizations.

ACTIONS

Education/ Training	Advice/ Counseling	Risk Control/ Prevention	Treatment
• In Mexico, we held 42 "Welcome to Safety" events with 630 attendees. • In Mexico, OLAC and OLAS, we gave Health and Safety Model training to 7,353 supervisors. • At OLAC, we trained 1,116 associates in Industrial Safety and Occupational Health.	• In Mexico, we offered therapy assistants and carried out two campaigns involving personnel and family members in safety issues. • At OLAS, we introduced the Associate Assistance Program (EAP). "Coffee with Neighbors" where financial education, rational use of natural resources and basic healthcare were discussed. We also held value promotion campaigns (for example, fighting drug abuse).	• In Mexico, OLAC and OLAS we provided training on fire prevention, evacuation and fire fighting, as well as hazardous materials handling. The American Heart Association trained doctors for our team. • The Mexico region and its neighbors took part in first-aid drills and training and emergency brigades. • "A Break for Health" program in Barcel, Chile and Venezuela. • At OLAS, in Venezuela, economic support for associates whose homes were damaged or destroyed and their families. In Argentina, basic safety training for external companies.	• In Mexico, we offered PREVENIMSS and PLUS 40 treatment to more than 500 associates, including breast cancer and cervical-uterine cancer screening. Training on healthy dining rooms. • In Mexico, OLAC and OLAS conducted flu and human papilloma virus vaccine campaigns. • In OLAC, we provided rehabilitation and physical therapy sessions to associates with muscular-skeletal disorders.

4. Talent management, education and development

Our leaders and talent development

Our success at integrating new operations is largely the result of our common practice of hiring local people to hold management positions. In other words, we try to keep the directors from the place of origin. In our Group, 90% of the 138 top-level managers–from the second level and above–are local associates.

For the purpose of standardizing leadership in the top ranks of our management, in 2011 our steering committee worked to define a profile for Grupo Bimbo's VPs of Tomorrow. We believe it is fundamental that our leaders have an international knowledge of the market and the needs of our consumers, with a global business vision that shares the company's values. Together with this effort, we have also defined the abilities and skills that will be evaluated in the Talent Identification process for selecting and promoting our personnel. The core of these processes is found in our Model of 9 Organizational Skills such as Functional Dominion, Results Oriented, Leadership of Change, Learns About and Adopts Best Practices, Strategic Orientation of Business Vision, Intercultural Sensitivity, Humanistic Leadership, Lives and Promotes Our Values, Focus on Clients (Internal and External).

In our Group, 90% of the 138 top-level managers–from the second level and above–are local associates.

Testimonials

"One of the things that strikes me the most about Grupo Bimbo is its philosophy of being a company based on service and the value of the individual. It can be summed up in a couple of sentences that seem simple but, on a day-to-day basis, are always a challenge to put into practice:

"The company is here to serve people, not people to serve the company". "The company is an instrument of service for society, that provides quality goods and services to meet its needs".

I am proud to have worked at Grupo Bimbo for 31 years, and at every step of the way I have always sought to make this marvelous mission of service to our clients, consumers and associates a reality. Because every company is made up of people, there are always mistakes, distractions and inconsistencies, but I've always found that our leaders have the determination, the strength and the actions necessary to get the company backon track.I feel highly privileged and blessed to have had the opportunity to work in building a great company like Grupo Bimbo. Thanks for letting me put in my "grain of wheat!"

Testimony of José Francisco Chavez Garcia Malo, Manager of Development in the Personnel Department, Corporativo Bimbo (retired)

Training

Training is a fundamental tool for strengthening the talents of our associates, because it allows us to continually update our knowledge. The strategy of the Personnel Development area is to raise performance standards and facilitate professional and personal growth in knowledge, abilities and attitudes.

In the year 2011, we substantially increased the number of training hours given: more than 2.4 million hours, equivalent to an average of 26.4 hours per year per associate. We were able to compile these data because of a strategy that promotes:

- Closer records on training hours
- Improvements at Virtual University (VU)
- Inclusion of information regarding training in organizational reports.

For more quantitative data on this topic, review Attachment "Additional social and environmental data" at the end of this report.

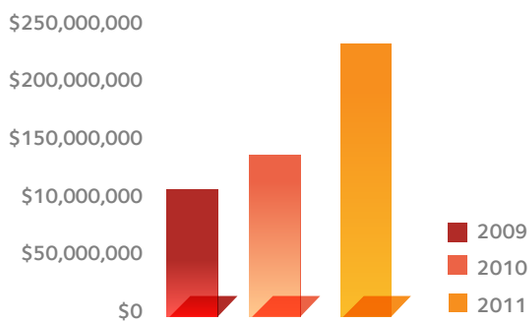
At the same time, to promote a culture of self-training, we improved the online platform for our associates, which we call Virtual University (VU). In 2011, the most notable facts about this platform were:

- More than 600 courses available. Substantial increase in the number of courses completed: from 7,741 courses in 2010 to 37,396 courses completed in 2011.
- Creation and launch of a virtual degree in Accountancy at Grupo Bimbo, endorsed by the College of Accountants.
- Opening and launch of Bimbo Virtual University in the United States for Barcel USA; with an initial 261 courses in the system and 76 users.

Since 2011, the number of virtual courses taken and completed by our associates grew by more than 380%. Our Virtual University offered 323 tutorials, both on internal processes and software.

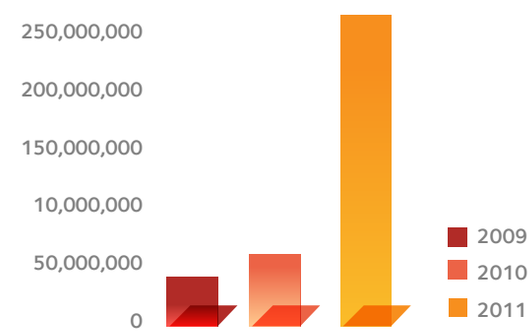
Through this platform, our associates also have access to 284 additional courses: 173 in Spanish, 20 Portuguese and 90 in English.

Total training investment



Note: Data correspond to the organizations described in the "Coverage" column of indicator LA10 found in the GRI Content table in the Attachments to this report

Total training hours



Note: Data correspond to the organizations described in the "Coverage" column of indicator LA10 found in the GRI Content table in the Attachments to this report

"We're all different–we have different perspectives, ideas and strengths–and that's what enables us to complement each other and work as a group".

Holly Kesse,
Production Executive, Oconomowoc, Wisconsin, United States

Human rights awareness

One of the most important courses we offer, with regard to human rights, is our Personal Advancement Course (CUSUPE). This course invites the student to reflect on his or her role in society. In 2011, the number of man-hours of training rose by more than 140,000 over the previous year. The course was given to operating and administrative personnel as well as managers and directors. In some organizations of the United States and Asia, courses were given on preventing sexual harassment and other humans rights related issues.

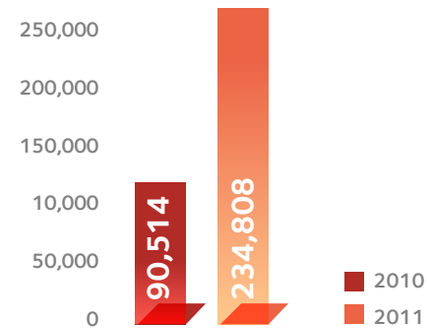
All in all, 9% of our workers receive training in issues relating to human rights. We make an effort to promote this type of event in the companies that we acquire, taking into account the cultural adaptations that are required.

For more quantitative data on this topic, review Attachment "Additional social and environmental data" at the end of this report.

Inclusive company

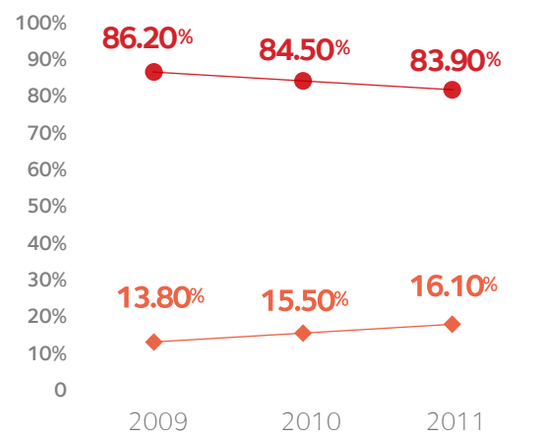
The equality between men and women–and equal treatment of all our associates–is reflected in the slow but steady increase in the number of women in our company. Between 2009 and 2011, the average percentage of women working in our organization around the world rose by 2.3%.

Total hours devoted to training in human rights policies and procedures



Note: These data correspond to the organizations described in the "Coverage" column of indicator HR3 found in the GRI Content table in the Attachments to this report

Percentage of women and men associates in Grupo Bimbo



Note: Data correspond to the organizations described in the "Coverage" column of indicator LA1 found in the GRI Content table in the Attachments to this report

Average base wage of operating personnel by gender (In Mexican pesos)

Note: Data correspond to the organizations described in the "Coverage" column of indicator LA1 found in the GRI Content table in the Attachments to this report

We also made sure that there was no gender discrimination whatsoever in our operating personnel, in our wages, or in our wage schedules. In this organization, men and women receive equal pay for equal work.

As part of the actions taken to improve the diversity of our work force, we promoted the hiring of people with disabilities and created tutorials to facilitate this process. At present, 150 people with disabilities work in this company, primarily at OLAS, OLAC and Mexico.

TOTAL OF DISABLED ASSOCIATES BY GENDER IN 2011

	Women	Men
% of associates under 30 years of age	5	48
% of associates between 30 and 50 years of age	24	56
% of associates more than 50 years of age	5	12
Total disabled associates	34	116

Note: These data correspond to the organizations described in the "Coverage" column og indicator LA13 found in the GRI Content Table in the Attachments to this report.

Best Practice

"Many Perspectives" Program

Since the year 2000, in Brazil we have been working to meet federal laws on social inclusion, through a program of accessibility and professional, personal, social and family advancement for all the members of the organization, which seeks to welcome people with different capacities to the Grupo Bimbo family.

The first phase of the project was to find jobs, according to the abilities and skills of these associates, and to hold monthly and weekly sessions as part of an awareness raising plan at all levels. In the second phase, we created the group called "Many Perspectives" that encouraged associates to share points of view and learn to accept differences. Later, the Group carried out a number of programs based on awareness of ethics, dignity and differences, where associates family members were also invited to join in.

The primary results of this initiative have been personal development, inclusion and increasing productivity, respect and appreciation of other coworkers throughout the organization. In 2012, this program is expected to grow with the integration of more perspectives and experiences. The final goal is to ensure that at Grupo Bimbo we know how to understand and work with differently-abled people, respecting our differences and valuing our common points.

5. Balancing work and family

We believe it is essential that our associates attain a balance between their professional and personal lives. This led us to develop a number of activities and initiatives in 2011, including:

- The launch of health and safety risk prevention programs, which are presented in the "Health and Safety" section of this chapter.
- Volunteer activities by our associates and their families, which are presented in the chapter entitled "Committed to our Society".
- The development of Financial Education Campaigns and programs to promote savings and the responsible use of credit.

Equity savings Program

Through an alliance with the Mexican Association of Pension Fund Managers (AMAFORE), we developed a campaign to communicate the benefits of retirement savings and make associates aware of its importance as part of their personal and family equity. The savings are the fruit of their work in this company and the contributions of Grupo Bimbo itself. The publicity program, which included posters in our facilities and banners hung in the dining areas, lasted five weeks and will be expanded and strengthened in 2012.

"Since this organization was founded, we have worked to distinguish ourselves by our respect for the individual and treatment that is consistent with their dignity. This was the basis for our policy of inclusion. Since our origins, inclusion was given such importance that it became an essential part of our philosophy".

Roberto Servitje

"Working with our consumers, suppliers and coworkers is what makes me glad to come to work every day".

Luis Miguel Saenz,
Regional Sales Director, Bimbo/Marinela México

FINComún Program

The FINComún Program is being strengthened in all our organizations in Mexico, in order to raise awareness about financial topics and to promote savings and help our associates to obtain credit when needed.

Over the course of the year, we carried out a number of campaigns (like the "Financial Awareness Marathon") and installed consulting modules in our plants and sales centers. We thus promoted savings at competitive and preferred rates for associates of Grupo Bimbo, depending on the amount and term of their investments. As of December, these programs had helped at least 217 associates, who invested more than Ps. 45 million pesos.

To launch a payroll loan program called Credi-Nómina we visited 52,695 associates from 293 workplaces during working hours. At Organización Barcel, as of December 2011, 251 associates had requested loans totaling 7,798,800 pesos.

Ps. 7,798,800
pesos in loans requested by 251 associates.

Furthermore, at Organización Bimbo México, we carried out complementary actions aimed at strengthening household economies, like our 15 financial education workshops (with more than 400 participants) and a Financial Awareness Week (120 attendees).

Audit Committee's Letter

Mexico City, March 27, 2012

To the Board Of Directors
of Grupo Bimbo, S.A.B. de C.V.

In my capacity as chairman of the Audit Committee (the "Committee") of Grupo Bimbo, S.A.B. de C.V. (the "Company"), and in accordance with point e), section II of Article 42 of the Securities Market Act, I hereby present you the opinion of the Committee regarding the content of the report of the Chief Executive Officer regarding the financial situation and results of operation of the Company for the year ended December 31, 2011.

In the opinion of the Committee, the accounting and information policies and criteria followed by the Company and used to prepare the consolidated financial information are appropriate and sufficient, and in accordance with Mexican Financial Reporting Standards. Therefore, the consolidated financial information presented by the Chief Executive Officer reasonably reflects the financial situation and results of the Company as of December 31, 2011.

Sincerely,

Henry Davis Signoret
Chairman of the Audit Committee
of Grupo Bimbo, S.A.B. de C.V.

Audit Committee Report

Mexico City, March 27, 2012

To the Board of Directors
of Grupo Bimbo, S.A.B. de C.V.

Dear Sirs,

In conformity with the provisions of the Securities Market Act, the Corporate Charter of the Company and the Regulations of the Audit Committee, I hereby present to you the report of the activities carried out by the Audit Committee during the year ended December 31, 2011. In carrying out our work, we abided by the recommendations established in the Code of Best Corporate Practices.

The Committee met in plenary sessions five times during the year, and according to its work plan, carried out the activities described below:

Internal Controls

With the assistance of both Internal and External Auditors, we verified that Management had established general guidelines for internal control, as well as the necessary procedures for their application and enforcement. In addition, we followed up on the remarks and observations made by the external and internal auditors in performance of their duties.

The members of Management responsible for such matters presented us with the plans of action corresponding to the observations resulting from the internal audits, so our contact with them was frequent and their responses satisfactory.

Code of Ethics

With the support of the Internal Audit Department and other areas of the Company, we verified compliance by the employees of the Company with the Code of Ethics, which was revised and updated this year.

We were promptly informed by Management of progress toward the introduction of a hotline for Group Associates, which will begin operating in the second half of this year.

External audit

The external audit firm remains the same as in previous years and is the same firm for all countries in which the company operates.

The fees corresponding to these services were agreed to during initial negotiations, and were thus approved by the company, including all additional fees resulting from the growth of the Group and other permitted services. We are certain that payment of such fees does not interfere with the firm's independence from the company.

Together with the external auditors, we analyzed their approach, work program and areas of interaction with Grupo Bimbo's Internal Audit department.

We maintained direct and ongoing communication with the external auditors as necessary during the meetings of this Committee, and they kept us regularly informed of the progress of their work and any observations they had; we took note of their comments on the quarterly and annual financial statements. We were promptly informed of their conclusions and reports on the annual financial statements.

We conducted the evaluation of the services of the external auditing firm for the year 2011 and were promptly informed of the preliminary financial statements.

Internal audit

We reviewed and approved the annual work plan and activities budget.

In each of this Committee's meetings, we received and approved regular reports on the progress of the approved work plan.

We followed up on the comments and suggestions made, and verified that Management resolved any deviations from the established internal controls, and we therefore consider the status of that system to be reasonably correct.

We verified the existence and effectiveness of an annual training plan for personnel of the area.

Financial information and accounting policies

We reviewed the quarterly and annual financial statements of the Company together with the parties responsible for their preparation, recommended their approval by the Board of Directors, and authorized their publication. Throughout the process we took into account the opinions and remarks of the external auditors

To arrive at an opinion on the financial statements, we verified, with the support of the internal and external auditors, that the accounting policies and standards and the information used by Management in the preparation of the financial statements was appropriate and sufficient and had been applied in a manner consistent with the prior year except for those changes approved for the year in the Financial Information Standards applicable in Mexico. As a result, the information presented by Management reasonably reflects the financial position, results of operations, changes in stockholders' equity and cash flows of the Company.

We approved the adoption of the new accounting procedures and standards that took effect in 2011 and were issued by the organization responsible for accounting standards in Mexico.

Compliance with regulatory standards and laws; contingencies

With the support of the internal and external auditors, we confirmed the existence and reliability of the controls established by the Company to assure compliance with the various legal provisions to which it is subject, and assured that these were appropriately disclosed in the financial information.

We regularly reviewed the Company's various tax, legal and labor contingencies and confirmed that appropriate procedures were in place to identify and address them in an appropriate manner.

The Risk Committee created by the Company's Management informed us of the risks the group faces and we verified that they were being taken into account in the work plans of the Internal Auditors.

Compliance with other obligations

We met with Management executives and officers as considered necessary to remain abreast of the progress of the Company and any material or unusual activities and events.

We obtained information about significant matters that could involve a possible breach of operating policies, the internal control system and policies on accounting records, and we were also informed of corrective measures taken in each case, and found them satisfactory.

We did not find it necessary to request the support or opinion of independent experts, because the issues raised in each meeting were duly supported by the information on hand, and the conclusions reached were satisfactory to Committee members.

In my capacity as Chairman of the Audit Committee, I submitted a quarterly report to the Board of Directors on the activities conducted within the Committee.

The work that we conducted was duly documented in minutes of each meeting, which were reviewed and approved at the time by the Committee members.

Sincerely,

Henry Davis Signoret

Chairman of the Audit Committee of Grupo Bimbo, S.A.B. de C.V.

Corporate Practices Committee Report

March 12, 2012

Roberto Servitje
Chairman of the Board of Directors
Grupo Bimbo, S.A.B. de C.V.
Prolong. Paseo de la Reforma No. 1000
Colonia Peña Blanca Santa Fe
Deleg. Álvaro Obregón
01210 México, D.F.

In re: Report on the Activities of the Corporate Practices Committee

Dear Roberto,

This letter serves to inform you that the Corporate Practices Committee (the "Committee") of Grupo Bimbo, S.A.B. de C.V. ("Bimbo") met on 2 occasions during the 2011 fiscal year pursuant to the provisions of the corporate charter and the Securities Market Act.

In these meetings, the Committee reviewed a variety of issues within its purview, some of the most important of which were:

1. Approval of Reports and Certification of Compliance by the various organizations within Bimbo for fiscal year 2011.
2. Review of the report by the Company's external auditors and the VP of Internal Audit for audits conducted in 2011, which were duly adopted by the Committee.
3. Review and recommendation for approval by the Board of each and every related party transaction requiring approval by the Board of Directors, including purchase of Alto Tango.
4. Review and recommendation for approval by the Board of the policies for the designation, evaluation and compensation of the Chief Executive Officer as well as the members Bimbo's Executive Committee in 2010.
5. Proposal to combine the company's Corporate Practices Committee with its Audit Committee, and recommendation for approval by the Board and by the Shareholders' Meeting.

The Committee received the necessary information from the directors and officers of Bimbo, who made themselves available for interviews with the Committee. These meetings were documented in minutes and accompanied by supporting materials prepared by management.

Please do not hesitate to contact me if you have any questions or comments in connection with the above.

Sincerely,

Ricardo Guajardo
Chairman of the Corporate Practices Committee

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

Consolidated Financial Statements

For the Years Ended December 31, 2011 and 2010,
and Independent Auditors' Report Dated March 26, 2012

Independent Auditors' Report

To the Board of Directors and Stockholders
of Grupo Bimbo, S. A. B. de C. V.

We have audited the accompanying consolidated balance sheets of Grupo Bimbo, S. A. B. de C. V. and Subsidiaries (the "Company") as of December 31, 2011 and 2010, and the related consolidated statements of income, changes in stockholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Mexico. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and that they are prepared in accordance with Mexican Financial Reporting Standards. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the financial reporting standards used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Grupo Bimbo, S. A. B. de C. V. and Subsidiaries as of December 31, 2011 and 2010, and the results of their operations, changes in their stockholders' equity and their cash flows for the years then ended in conformity with Mexican Financial Reporting Standards.

The accompanying consolidated financial statements have been translated into English for the convenience of users.

Galaz, Yamazaki, Ruiz Urquiza, S. C.
Member of Deloitte Touche Tohmatsu Limited

C. P. C. Jorge Alamillo Sotomayor

March 26, 2012

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

Consolidated Balance Sheets

As of December 31, 2011 and 2010
(In millions of Mexican pesos)

		2011		2010
Assets				
Current assets:				
Cash and cash equivalents	$	3,966	$	3,325
Accounts and notes receivable– net		17,298		13,118
Inventories– net		4,980		3,132
Prepaid expenses		766		457
Derivative financial instruments		18		145
Guarantee deposits for derivative financial instruments		470		35
Assets available for sale		703		–
Total current assets		28,201		20,212
Notes receivable from independent operators		1,589		2,140
Property, plant and equipment– net		43,639		32,028
Investment in shares of associated companies and other permanent investments		1,803		1,553
Derivative financial instruments		417		393
Deferred income taxes		4,340		1,539
Intangible assets– net		26,577		19,435
Goodwill		31,070		20,269
Other assets– net		3,849		1,500
Total	$	141,485	$	99,069
Liabilities and stockholders' equity				
Current liabilities:				
Current portion of long–term debt	$	4,042	$	1,624
Trade accounts payable		9,090		5,954
Other accounts payable and accrued liabilities		11,073		6,302
Due to related parties		904		802
Income taxes		719		624
Statutory employee profit sharing		756		709
Derivative financial instruments		222		–
Total current liabilities		26,806		16,015
Long–term debt		42,161		31,586
Derivative financial instruments		1,961		231
Employee labor obligations and workers' compensation		15,655		4,621
Deferred statutory employee profit sharing		182		249
Deferred income taxes		997		622
Other liabilities		3,298		1,208
Total liabilities		91,060		54,532
Stockholders' equity:				
Capital stock		8,006		8,006
Reserve for repurchase of shares		754		759
Retained earnings		40,187		35,505
Accumulated translation effects of foreign subsidiaries		(228)		(541)
Net variation in unrealized loss of cash flow hedges		(354)		(19)
Controlling stockholders' equity		48,365		43,710
Noncontrolling interest in consolidated subsidiaries		2,060		827
Total stockholders' equity		50,425		44,537
Total	$	141,485	$	99,069

See accompanying notes to consolidated financial statements.

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

Consolidated Statements of Income

For the years ended December 31, 2011 and 2010
(In millions of Mexican pesos, except basic earnings per common share)

		2011		2010
Net sales	$	133,712	$	117,163
Cost of sales		65,255		55,317
Gross profit		68,457		61,846
General expenses:				
Distribution and selling		47,465		42,914
Administrative		9,841		7,520
		57,306		50,434
Income after general expenses		11,151		11,412
Other expenses, net		1,175		969
Net comprehensive financing cost:				
Interest expense, net		2,065		2,574
Exchange (gain) loss, net		(651)		94
Monetary position gain		(123)		(45)
		1,291		2,623
Equity in income of associated companies		51		87
Income before income taxes		8,736		7,907
Income tax expense		3,076		2,363
Consolidated net income for the year	$	5,660	$	5,544
Net income of controlling stockholders	$	5,329	$	5,395
Net income of noncontrolling stockholders	$	331	$	149
Basic earnings per common share	$	1.13	$	1.15
Weighted average number of shares outstanding (000's)		4,703,200		4,703,200

See accompanying notes to consolidated financial statements.

2011 Integrated Annual Report
GRUPO BIMBO

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

Consolidated Statements of Changes in Stockholders' Equity

For the years ended December 31, 2011 and 2010
(In millions of Mexican pesos)

	Capital stock	Reserve for repurchase of shares	Retained earnings	Accumulated translation effects of foreign subsidiaries	Net variation in unrealized loss of cash flow hedges	Controlling stockholders' equity	Noncontrolling interest in consolidated subsidiaries	Total stockholders' equity
Balances, January 1, 2010	$ 8,006	$ 759	$ 30,698	$ 675	$ (34)	$ 40,104	$ 853	$ 40,957
Dividends declared	–	–	(588)	–	–	(588)	(126)	(714)
Balances before comprehensive income	8,006	759	30,110	675	(34)	39,516	727	40,243
Consolidated net income for the year	–	–	5,395	–	–	5,395	149	5,544
Net variation in unrealized loss of cash flow hedges	–	–	–	–	15	15	–	15
Translation effects of foreign subsidiaries	–	–	–	(1,216)	–	(1,216)	(49)	(1,265)
Comprehensive income	–	–	5,395	(1,216)	15	4,194	100	4,294
Balances, December 31, 2010	8,006	759	35,505	(541)	(19)	43,710	827	44,537
Consolidation effect of variable interest entities	–	–	–	–	–	–	974	974
Dividends declared	–	–	(647)	–	–	(647)	(126)	(773)
Repurchase of shares	–	(5)	–	–	–	(5)	–	(5)
Balances before comprehensive income	8,006	754	34,858	(541)	(19)	43,058	1,675	44,733
Consolidated net income for the year	–	–	5,329	–	–	5,329	331	5,660
Net variation in unrealized loss of cash flow hedges	–	–	–	–	(335)	(335)	–	(335)
Translation effects of foreign subsidiaries	–	–	–	313	–	313	54	367
Comprehensive income	–	–	5,329	313	(335)	5,307	385	5,692
Balances, December 31, 2011	$ 8,006	$ 754	$ 40,187	$ (228)	$ (354)	$ 48,365	$ 2,060	$ 50,425

See accompanying notes to consolidated financial statements.

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

Consolidated Statements of Cash Flows

For the years ended December 31, 2011 and 2010
(In millions of Mexican pesos)

		2011		2010
Operating activities:				
Income before income taxes	$	8,736	$	7,907
Items related to investing activities:				
Depreciation and amortization		4,225		4,075
Loss on sale of property, plant and equipment		72		175
Equity in income of associated companies		(51)		(87)
Impairment of long–lived assets		332		19
Items related to financing activities:				
Interest expense		2,497		3,131
Interest income		(432)		(557)
Changes in assets and liabilities:				
Accounts and notes receivable		837		(1,195)
Inventories		(880)		(183)
Prepaid expenses		(220)		4
Trade accounts payable		1,605		914
Other accounts payable and accrued liabilities		(1,562)		540
Due to related parties		98		564
Income tax		(3,097)		(4,415)
Derivative financial instruments		1,576		(143)
Statutory employee profit sharing		(20)		31
Employee labor obligations and workers' compensation		1,022		178
Net cash flows from operating activities		14,738		10,958
Investing activities:				
Acquisition of property, plant and equipment		(6,357)		(4,091)
Proceeds from sale of property, plant and equipment		681		116
Acquisition of trademarks and other assets		(8)		–
Dividends received		23		16
Investments in shares of associated companies		(222)		(3)
Interest collected		341		460
Business acquisition, net of cash received		(13,793)		(2,012)
Net cash flows used in investing activities		(19,335)		(5,514)
Cash (to be obtained from) excess to apply to financing activities		(4,597)		5,444
Financing activities:				
Proceeds from long–term debt		21,125		11,625
Payment of long–term debt		(12,904)		(14,826)
Interest paid		(2,371)		(2,675)
Payments of interest rate swaps		(1,347)		(853)
Interest rate swaps collected		1,373		417
Repurchase of shares		(5)		–
Dividends paid		(773)		(714)
Net cash flows from (used in) financing activities		5,098		(7,026)
Adjustments to cash flows due to exchange rate fluctuations and inflationary effects		140		(74)
Net increase (decrease) in cash and cash equivalents		641		(1,656)
Cash and cash equivalents at the beginning of the year		3,325		4,981
Cash and cash equivalents at the end of the year	$	3,966	$	3,325

See accompanying notes to consolidated financial statements.

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

Notes to Consolidated Financial Statements

For the years ended December 31, 2011 and 2010
(In millions of Mexican pesos)

1. The Company

Grupo Bimbo, S. A. B. de C. V. and subsidiaries ("Grupo Bimbo" or the "Company") are engaged in the manufacture, distribution and sale of bread, cookies, cakes, candies, chocolates, snacks, tortillas and processed foods.

The Company operates in the following geographical areas: Mexico, the United States of America ("USA"), Central and South America ("OLA"), Europe and China. Due to its minimal significance, the financial information of China is aggregated with Mexico in the disclosures that follow. During 2011, the Company acquired various businesses in Spain and Portugal referred to as Iberia ("Iberia"), in Argentina referred to as Fargo ("Fargo") and in USA referred to as Sara Lee ("Sara Lee"). See Note 2 for further detail.

2. Basis of presentation

Explanation for translation into English – The accompanying consolidated financial statements have been translated from Spanish into English for use outside of Mexico. These consolidated financial statements are presented on the basis of Mexican Financial Reporting Standards ("MFRS"), with individual standards referred to as *Normas de Información Financiera* ("NIF"). Certain accounting practices applied by the Company that conform with MFRS may not conform with accounting principles generally accepted in the country of use.

Monetary unit of the financial statements – The consolidated financial statements and notes as of December 31, 2011 and 2010 and for the years then ended include balances and transactions denominated in Mexican pesos of different purchasing power.

Consolidation of financial statements – At December 31, 2011 and 2010, the consolidated financial statements include those of Grupo Bimbo, S. A. B. de C. V. and its subsidiaries, of which some of the more significant are shown below:

Subsidiary	Ownership Percentage	Country	Principal Business
Bimbo, S. A. de C. V. ("Bimbo")	97	Mexico	Bakery
Bimbo Bakeries USA, Inc. ("BBU")	100	USA	Bakery
Barcel, S. A. de C. V. ("Barcel")	97	Mexico	Candies and snacks
Bimbo do Brasil, Ltda.	100	Brazil	Bakery
Iberia	100	Spain and Portugal	Bakery

All significant intercompany balances and transactions have been eliminated in these consolidated financial statements.

During 2011 and 2010, net sales of Bimbo and Barcel in Mexico represented approximately 44% and 47%, respectively, of consolidated net sales. Net sales of BBU in the USA during 2011 and 2010 represented 39% and 40%, respectively, of consolidated net sales.

Business acquisitions – During 2011 and 2010, the Company acquired the following businesses:

Company	Country	Acquisition cost	Date
2011:			
Fargo	Argentina	$ 1,608	September 19
Sara Lee	USA	10,203	November 6
Iberia	Spain and Portugal	2,120	December 5
		$ 13,931	

Fargo –

On September 19, 2011, the Company completed the acquisition of Fargo, after receiving the appropriate permits and authorizations. The acquisition was paid for through the exercise of a purchase option to acquire the 70% stake in Fargo owned by Madera, L. L. C. (the Company already owned 30% of Fargo). Accordingly, as of December 31, 2011, the Company holds 100% of the voting equity of Fargo.

Fargo is the largest producer and distributor of bread and bakery products in Argentina, with annual sales of approximately US$150 million. With five plants and over 1,500 employees, the company sells its products under the brands of FARGO®, LACTAL® and ALL NATURAL®, among others, through wholesale channels and retail and institutional customers. A divestiture of a minor portion of the business was required by the Argentinian authorities as a condition precedent to obtaining control of Fargo. This divestiture took place on the same day as the purchase of Fargo.

Accounting for the Acquisition of Fargo

The acquisition was recorded in conformity with NIF B–7, *Business Acquisitions*. The following table summarizes the recognized amounts of identifiable assets and assumed liabilities at September 19, 2011, converted into Mexican pesos at the exchange rate applicable at such date. The Company is in process of finalizing these fair value estimates, which it expects to take place over the 12 months following the acquisition date. Accordingly, the valuation of the identifiable assets and assumed liabilities included in the table below is preliminary and represents management's best estimate of the fair value of the net assets acquired as of such date.

Consideration transferred		$ 1,608
Amounts recognized for identifiable assets and assumed liabilities –		
Cash and cash equivalents	13	
Accounts receivable	309	
Inventories	83	
Property, plant and equipment	824	
Identified intangible assets	1,011	
Other assets	8	
Total identifiable assets		2,248
Goodwill		432
Total acquired assets		2,680
Current liabilities	486	
Long–term liabilities	586	
Total assumed liabilities		1,072
Acquired assets, net		$ 1,608

Sara Lee USA –

On November 9, 2010, the Company announced an agreement to acquire the fresh bakery business of Sara Lee Corporation in the USA ("North American Fresh Bakery") for a preliminary acquisition cost of US$959 million. The closing of the transaction was subject to the resolution of regulatory approvals. On October 21, 2011, the State Department of Justice ("DOJ") concluded its analysis of Grupo Bimbo's proposal to acquire the fresh bakery of Sara Lee Corporation. As part of the regulatory approval conditions, the Company agreed to divest certain brands, property, plant and equipment and routes, including Sara Lee ® and Earthgrains ® brands in the state of California and some minor brands in the Harrisburg / Scranton region in Pennsylvania and in metropolitan areas in the Cities of Kansas, Oklahoma and Omaha. The divestitures are presented as assets available for sale in the accompanying consolidated balance sheet. The Company estimates the divestitures to conclude during 2012. The revenue attributable to these divestitures amounted approximately to US$155 million of the total sales of Sara Lee of approximately US$2 billion for the full year ended December 31, 2011.

The acquisition was consummated on November 6, 2011. The final purchase price was negotiated at US$709 million, which was subsequently adjusted for certain items to US$748.7 million, equivalent to $10,203, which reflects both the net assets acquired as well as the divestitures agreed upon with the DOJ. The acquisition agreement includes the use of the license of the brand Sara Lee®, free of royalties, for its use in bakery products in America, Asia, Africa and Eastern and Central Europe, as well as a list of regional brands with high recognition in their respective local markets.

Accounting for the Acquisition of Sara Lee

The acquisition was recorded in conformity with NIF B–7. The following table summarizes the recognized amounts of identifiable assets and assumed liabilities at November 6, 2011, converted into Mexican pesos at the exchange rate applicable at such date. The Company is in process of finalizing these fair value estimates, which it expects to take place over the 12 months following the acquisition date. Accordingly, the valuation of the identifiable assets and assumed liabilities included in the table below is preliminary and represents management's best estimate of the fair value of the net assets acquired as of such date.

Consideration transferred		$ 10,203
Amounts recognized for identifiable assets and assumed liabilities –		
Cash and cash equivalents	41	
Accounts receivable	1,722	
Inventories	603	
Deferred tax	2,850	
Property, plant and equipment	5,574	
Identified intangible assets	4,558	
Other assets	149	
Total identifiable assets		15,497
Goodwill		8,451
Total assets acquired		23,948
Current liabilities	3,482	
Long–term liabilities	10,263	
Total assumed liabilities		13,745
Acquired assets, net		$ 10,203

Sara Lee participates in several Multi–Employer Pension Plans ("MEPPs") that provide defined benefits to certain employees of the Company covered by collective bargaining agreements. As part of the acquisition, the Company has determined that it is probable that it will withdraw from the MEPP and thus recognized a withdrawal liability, at the present value of the obligation, as part of the acquisition accounting of Sara Lee. The amount included in the table above related to long–term liabilities includes $7,353 million, representing management's best estimate of the withdrawal liability. However, as of the date of the accompanying consolidated financial statements, management has not received final calculations with respect to the valuation of such liability, for which reason it may be subject to change during the 12 months following the acquisition date.

Iberia –

On October 10, 2011, the Company announced an agreement to acquire the fresh bakery business of Sara Lee Corporation in Spain and Portugal for an acquisition price of €115 million. The acquisition was consummated on December 5, 2011.

The operation includes, among others, the Bimbo®, Silhouette®, Martinez® and Eagle® brands, which enjoy wide recognition and market leadership in the categories of bread, cakes and snacks; also, it includes seven plants and over 800 distribution routes.

This acquisition positions Grupo Bimbo as the leading branded bread company on the Iberian Peninsula and provides the Company with entry to the European market through an established bakery business.

Accounting for the Acquisition of Iberia

The acquisition was recorded in conformity with NIF B–7. The following table summarizes the recognized amounts of identifiable assets and assumed liabilities at December 5, 2011, converted into Mexican pesos at the exchange rate applicable at such date. The Company is in process of finalizing these fair value estimates, which it expects to take place over the 12 months following the acquisition date. Accordingly, the valuation of the identifiable assets and assumed liabilities included in the table below is preliminary and represents management's best estimate of the fair value of the net assets acquired as of such date.

Consideration transferred		$ 2,120
Amounts recognized for identifiable assets and assumed liabilities –		
Cash and cash equivalents	84	
Accounts receivable	1,392	
Inventories	167	
Property, plant and equipment	945	
Identified intangible assets	792	
Deferred tax	616	
Other assets	196	
Total acquired assets		4,192
Current liabilities	1,827	
Long–term liabilities	245	
Total assumed liabilities		2,072
Acquired assets, net		$ 2,120

Sources of financing –

For all of these acquisitions, the Company obtained financing in the amount of US$1,300 million. A portion of the proceeds obtained from this financing were used to partially pay for the acquisition of Sara Lee and Iberia. Additionally, the Company entered into two long–term committed revolving credit facilities of EUR$65 million and US$90 million, used to partially pay for the acquisitions. The remaining proceeds from these financings were used to refinance existing Company debt (see Note 11, long–term debt).

Consolidated figures –

The following table presents condensed information of Sara Lee, Iberia and Fargo as of December 31, 2011, and for the 55–day, 26–day and 103–day periods, respectively, that they have been included in the consolidated financial statements of the Company, compared to Grupo Bimbo's condensed consolidated information (including the operations of these acquisitions since their acquisition date). Since the acquisitions were made on dates close to the end of the year, the proportion of their operations included in the accompanying consolidated statement of income, as shown below, are not representative of what they are expected to contribute in future annual periods:

	Consolidated for the year ended December 31, 2011	Sara Lee November 6 to December 31, 2011	Iberia December 5 to 31, 2011	Fargo September 19 to December 31, 2011
Net sales	$ 133,712	$ 4,074	$ 392	$ 722
Income (loss) after general expenses	$ 11,151	$ (105)	$ (79)	$ 35
Net income of controlling stockholders	$ 5,329	$ (133)	$ (67)	$ 17
Depreciation and amortization	$ 4,225	$ 131	$ 9	$ 7
Income (loss) after general expenses, plus depreciation, amortization and other ("EBITDA")	$ 15,376	$ 26	$ (70)	$ 42

	As of December 31, 2011			
	Consolidated	Sara Lee	Iberia	Fargo
Total assets	$ 141,485	$ 27,360	$ 4,265	$ 957
Total liabilities	$ 91,060	$ 16,523	$ 3,034	$ 579

The revenues and net loss that the acquired entities would have contributed to consolidated figures as if these entities were acquired on January 1, 2011, would have been $38,224 and $(390), respectively.

The goodwill generated in 2011 resulting from these acquisitions amounted to $8,883, mainly generated from expected synergies in Argentina and the USA, where the Company already operated, and achievement of efficiencies in Iberia.

During 2011, the Company incurred in $373 fees and expenses related to these acquisitions, classified as operating expenses.

As management is in the process of obtaining final information and analyzing circumstances that existed as of the acquisition dates of the business combinations completed in 2011, at December 31, 2011, the initial values of the net assets acquired are considered preliminary. However, these values were assigned based on management's best estimate considering the facts and circumstances and information available as of the issuance of the accompanying consolidated financial statements. Such estimates continue to be subject of review until the Company has obtained all the elements for final valuations, which it expects to complete within one year following the acquisition date of each entity. Additional facts and circumstances that existed as of December 31, 2011 and that are identified subsequent to the issuance of these consolidated financial statements, including purchase price adjustments, could change the estimates included herein. Management of the Company engaged independent specialists to assist with the identification of intangible assets, as well as to determine the useful lives and fair values of acquired assets and assumed liabilities, considering the valuation rules permitted by MFRS.

Company	Country	Acquisition cost	Date
2010:			
Various businesses	Mexico and China	$ 2,012	Various

Various businesses

On December 2, 2010, Grupo Bimbo acquired the main operating assets of the business called "Dulces Vero". The acquisition of these assets strengthens the position of the Company in the confectionery market in Mexico through its subsidiary Barcel and supports the Company's strategy to reach all socio–demographic segments. In 2010, the Company also acquired a business in China which is focused on package bread, pastries, cookies, sweet bread and ready–to–eat food, which expands its product portfolio in that country.

Translation of financial statements of foreign subsidiaries – To consolidate the financial statements of foreign subsidiaries (located principally in the USA and other Latin American countries, which represent 53% and 52% of consolidated net sales in 2011 and 2010, respectively, and 65% and 64% of consolidated total assets in 2011 and 2010, respectively), the accounting policies of the foreign entities are converted to MFRS using the currency in which transactions are recorded, except when the foreign entity operates in an inflationary environment for which the financial information of such entities is converted to MFRS using their restated (inflated) values. The financial statements are subsequently translated to Mexican pesos considering the following methodologies:

- Foreign operations that operate in a non–inflationary environment whose functional currency is the same as the currency in which transactions are recorded translate their financial statements using the following exchange rates: 1) the closing exchange rate in effect at the balance sheet date for assets and liabilities; 2) historical exchange rates for stockholders' equity and 3) the rate on the date of accrual of revenues, costs and expenses. In 2011 and 2010, translation effects are recorded in stockholders' equity.

- Foreign operations that operate in an inflationary environment whose functional currency is the same as the currency in which transactions are recorded first restate their financial statements in currency of purchasing power as of the date of the balance sheet, using the price index of their country for the functional currency, and subsequently translate those amounts to Mexican pesos using the closing exchange rate in effect at the balance sheet date for all items. Translation effects are recorded in stockholders' equity.

The activity in the accumulated translation effect caption within stockholders' equity and on the related income tax effects for the years ended December 31, 2011 and 2010 are as follows:

	2011		
	Amount	Income taxes	Net amount
Beginning balance of the effect of translation	$ (801)	$ 260	$ (541)
Translation effect for the period	5,822	(1,746)	4,076
Translation effect for hedge of net investment	(5,375)	1,612	(3,763)
Ending balance	$ (354)	$ 126	$ (228)

	2010		
	Amount	Income taxes	Net amount
Beginning balance of the effect of translation	$ 937	$ (262)	$ 675
Translation effect for the period	(3,214)	965	(2,249)
Translation effect for hedge of net investment	1,476	(443)	1,033
Ending balance	$ (801)	$ 260	$ (541)

The Company's functional currency is the Mexican peso. Since the Company has investments in foreign subsidiaries whose functional currencies are other than the Mexican peso, the Company is exposed to foreign currency translation risk. In addition, the Company has monetary assets and liabilities denominated in foreign currencies, mainly in US dollars; therefore, the Company is also exposed to foreign exchange risks arising from transactions entered into over the normal course of business.

The Company hedges its exposure to foreign currency translation risk for its net investment in foreign operations by designating one or more loans denominated in currencies other than the Company's functional currency as well as certain effects of derivative instruments as exchange rate hedges, as permitted by the hedge accounting model for net investments in foreign subsidiaries.

As of December 31, 2011 and 2010, the amounts of instruments that have been entered into as economic hedges for net investments in foreign operations are US$3,010 and US$1,290 million, respectively, and EUR$324 and EUR$232 million, respectively.

The Company's risk management policy regarding exchange rate risks consists of hedging expected cash flows, principally those associated with future purchases of raw materials. Those future purchases of raw materials meet the requirements to be considered exposures associated with "highly probable" forecasted transactions for purposes of hedge accounting. When the future purchase is made, the Company adjusts the amount of the non–financial item that was hedged.

Comprehensive income – Comprehensive income presented in the accompanying consolidated statements of changes in stockholders' equity represents the changes in stockholders' equity during the year for items that are not distributions or movements of contributed capital and includes consolidated net income for the year plus other items that represent a gain or loss for the same period, which, in conformity with MFRS, are recorded directly in stockholders' equity without affecting the results of operations. The items of other comprehensive income consist of the unrealized effects of derivative instruments and the translation and restatement effects of foreign subsidiaries in 2011 and 2010. When assets and liabilities included in other comprehensive income are realized, those amounts are reclassified to income, except for the translation effect of the net investments.

Classification of costs and expenses – Costs and expenses presented in the consolidated statements of income were classified according to their function because this is the practice of the sector to which the Company belongs.

Income after general expenses – Income after general expenses is the result of subtracting cost of sales and general expenses from net sales. While NIF B–3, *Statement of Income*, does not require inclusion of this line item in the consolidated statements of income, it has been included for a better understanding of the Company's economic and financial performance.

Reclassifications – Certain amounts in the consolidated financial statements as of and for the year ended December 31, 2010 have been reclassified to conform to the presentation of the 2011 consolidated financial statements, mainly as a result of the adoption of new NIF's on January 1, 2011. Additionally, a reclassification from other assets to goodwill of $385 was recognized, resulting from adjustments determined during the measurement period of acquisitions that took place in 2010.

3. Summary of significant accounting policies

The accompanying consolidated financial statements have been prepared in conformity with MFRS, which require that management make certain estimates and use certain assumptions that affect the amounts reported in the financial statements and their related disclosures; however, actual results may differ from such estimates. The Company's management, upon applying professional judgment, considers that the estimates made and assumptions used were adequate under the circumstances. The significant accounting policies of the Company are as follows:

a. Accounting changes –

Beginning January 1, 2011, the Company adopted the following new NIFs:

NIF B–5, *Financial Segment Information* – This standard establishes a management approach to identifying and disclosing segment information, requiring the separate disclosure of interest income, interest expense and liabilities as well as information on products, services, geographical areas and main customers and suppliers. This differs from Bulletin B–5, which also considered a management approach but required segment disclosures to be classified by economic segments, geographical areas or homogeneous groups of customers.

NIF C–4, *Inventories* – This standard eliminates direct costing as a permitted method of costing and eliminates the last–in first–out method as a technique for the measurement of cost. The standard also amended inventory valuation to be the lower of cost or market where market value is represented by net realizable value. The standard also requires disclosure of reductions to inventory and impairment losses recognized as a cost of the period.

NIF C–5, *Advance Payments and Other Assets* – This standard establishes that a basic feature of advance payments is the fact that they do not transfer the risks and rewards of the ownership of goods and services to the Company. The standard requires that advance payments be impaired when they lose their ability to generate future economic benefits and how they should be presented in the balance sheet, as current or long–term assets.

NIF C–6, *Property, Plant and Equipment* – The standard includes guidance with respect to the treatment of non–monetary exchanges with economic substance. The standard includes the basis for determining the residual value of a component, that being the amount that could be obtained currently from the disposal of the asset. The standard eliminates the requirement to record, at an appraised value, property, plant and equipment which was acquired at no cost or at a minimal cost that does not adequately represent the economic significance of the asset. The standard also establishes the obligation to separately depreciate significant components of an item of property, plant and equipment (adoption of which, for this requirement specifically, will be on January 1, 2012). Finally, the standard establishes a requirement to continue depreciating a component when it is not in use, except when depreciation methods are based on usage.

NIF C–18, *Obligations Associated with the Retirement of Property, Plant and Equipment* – This standard establishes specific guidance for the initial and subsequent recognition of provisions related to obligations associated with the retirement of components of property, plant and equipment.

Improvements to Mexican Financial Reporting Standards 2011.– The main improvements that generate accounting changes are as follows:

NIF B–1, *Accounting Changes and Correction of Errors*, requires that, if an accounting change is made or an error is corrected, a retroactively adjusted balance sheet be presented as of the beginning of the earliest period for which financial information is compared to that of the current period.

Bulletin C–3, *Accounts Receivable*, includes criteria for the recognition of interest income and does not allow recognition of interest income on receivables whose collection is doubtful.

Bulletin D–5, *Leases*, establishes that the discount rate to be used by the lessee to determine the present value of an asset should be the interest rate implicit in the lease agreement, provided determination is practical; otherwise, the incremental borrowing rate should be used. Both the lessor and the lessee should disclose complete information on their leasing transactions. It also requires that

the gain or loss from the sale of an asset under a sale and leaseback transaction in which the subsequent lease is a finance lease be deferred and amortized over the term of the agreement; if the subsequent lease is an operating lease, the gain or loss from the sale should be recognized in current earnings at the time of sale, when the transaction is stated at fair value.

Bulletin C–10, *Derivative Financial Instruments and Hedging Transactions.–*

Improvements generating accounting changes in Bulletin C–10, Derivative Financial Instruments and Hedging Transactions:

The improvement to this standard establishes specific criteria in order to exclude certain components of a derivative financial instrument from the determination of hedge effectiveness.

The standard also requires that for valuation of options and currency forwards, certain components be excluded for purposes of determining effectiveness, thus resulting in the following recognition, presentation and related disclosure requirements:

a) *Valuation of derivative financial instruments such as an option or a combination of options:* changes in fair value attributable to changes in the intrinsic value of the options may be separated from changes attributable to their extrinsic value; only the change attributable to the option's intrinsic value, and not the extrinsic component, may be designated as effective hedging; and

b) *Valuation of currency exchange forwards*: separation of the change in fair value attributable to differences between interest rates of the currencies to be exchanged from the change in fair value attributable to changes in the spot prices of the currencies involved is permitted; the effect attributable to the component that was excluded from the cash flow hedge may be recognized directly in current earnings. Hedge accounting is limited when a transaction is carried out with related parties who have different functional currencies. The standard requires that when a hedged position is a portion of a portfolio of financial assets or liabilities, the effect of the hedged risk relating to variances in the interest rate of the portion of such portfolio be presented as a supplement of the primary position, in a separate line item.

It also states that contribution or margin accounts received, associated with transactions for trading or hedging with derivative financial instruments, be presented as a financial liability separately from the financial instruments line item when cash or marketable securities are received; additionally, only their fair value should be disclosed if securities in deposit or qualifying financial warranties are received that will not become the property of the entity. The standard also states that a proportion of the total amount of the hedging instrument, such as a percentage of its notional amount, may be designated as hedging instrument in a hedging relationship. However, a hedging relationship cannot be designated for only a portion of the term in which the instrument intended to be used as hedge is in effect.

Improvements not generating accounting changes in Bulletins C–2, *Financial Instruments* and C–10, *Derivative Financial Instruments* and *Hedging Transactions*:

Bulletin C–2, *Financial Instruments*, eliminates net presentation of effects of derivatives and their hedged items.

Bulletin C–10, *Derivative Financial Instruments and Hedging Transactions*, requires that when only a portion of a position subject to risk is hedged, any effects of unhedged risks of the primary position should be recognized in accordance with the valuation method related to such primary position.

The adoption of these new standards and improvements had no material effect on the consolidated financial statements as of December 31, 2011.

b. Recognition of the effects of inflation – The cumulative inflation in Mexico for the three fiscal years preceding 2011 and 2010 was less than 26%, therefore, the economic environment is considered non–inflationary in both years under MFRS. Effective January 1, 2008, the Company discontinued recognition of the effects of inflation in its financial statements, except for those foreign entities operating in inflationary economic environments; however, assets, liabilities and stockholders' equity as of December 31, 2011 and 2010, include the restatement effects recognized through December 31, 2007 for all entities.

The cumulative inflation in most countries where the Company operates other than Mexico for the three years preceding 2011 and 2010 is also lower than 26% and accordingly qualify as non–inflationary; however, there are countries in which the Company operates whose economic environments qualify as inflationary, for which the cumulative inflation rates of the three preceding years were as follows and for which inflationary effects were recognized in 2011 and 2010:

	2011	2010
Argentina	28%	26%
Costa Rica	26%	31%
Venezuela	108%	100%

The cumulative inflation for the three preceding fiscal years for those foreign entities operating in inflationary economic environments and which recognized the effects of inflation only in 2010 were as follows:

	2010
Nicaragua	34%

Through December 31, 2007 for all entities and from January 1, 2008, only for those foreign entities operating in inflationary economic environments, recognition of the effects of inflation resulted mainly in inflationary gains or losses on nonmonetary and monetary items. These effects are principally presented in the consolidated financial statements under the following line item:

– ***Monetary position result –*** Monetary position result, which represents the erosion of purchasing power of monetary items caused by inflation, is calculated by applying National Consumer Price Index (NCPI) factors to monthly net monetary position. Gains result from maintaining a net monetary liability position.

c. ***Cash and cash equivalents –*** Cash and cash equivalents consist mainly of bank deposits in checking accounts and readily available daily investments of cash surpluses, maturing within three months as of their acquisition date with minimal risk of value fluctuation. Cash is stated at nominal value and cash equivalents are stated at fair value. Fluctuations in carrying value are recognized in comprehensive financing cost as they accrue. Cash equivalents are primarily represented by investments in sovereign debt with daily maturities.

d. ***Inventories and cost of sales –*** Inventories are stated at the lower of average cost or market value for those entities operating in non–inflationary economic environments. For those foreign entities operating in inflationary economic environments, inventories are stated at average cost which is similar to their replacement value at year end, without exceeding net realizable value, and cost of sales is stated at the latest production cost, which is similar to replacement cost at the time goods are sold.

e. ***Property, plant and equipment –*** Property, plant and equipment are recorded at acquisition cost for those entities operating in non–inflationary economic environments. Balances from acquisitions made through December 31, 2007 for all entities were restated for the effects of inflation by applying factors derived from the NCPI through that date. Subsidiaries operating in an inflationary environment continue to restate their balances by applying the NCPI. During 2011 and 2010, depreciation rates are calculated using the straight–line method based on the useful lives of the related assets, as follows:

Buildings	5
Manufacturing equipment	8, 10 and 35
Vehicles	10 and 25
Office furniture and fixtures	10
Computers	30

f. ***Investment in shares of associated companies and other permanent investments –*** Permanent investments in entities where significant influence exists are initially recognized based on the net fair value of the entities' identifiable assets and liabilities as of the date of acquisition. Such value is subsequently adjusted for the portion related both to comprehensive income (loss) of the associated company and the distribution of earnings or capital reimbursements thereof. When the fair value of the consideration paid is greater than the value of the investment in the associated company, the difference represents goodwill, which is presented as part of the same investment. When the fair value of the consideration paid is less than the value of the investment, the latter is adjusted to the fair value of the consideration paid. If impairment indicators are present, investment in shares of associated companies is subject to impairment testing.

Permanent investments made by the Company in entities where it has no control, joint control, or significant influence, are initially recorded at acquisition cost, and any dividends received are recognized in current earnings, except when they are taken from earnings of periods prior to the acquisition, in which case they are deducted from the permanent investment.

g. ***Impairment of long–lived assets in use –*** The Company reviews the carrying amounts of long–lived assets in use when an impairment indicator suggests that such amounts might not be recoverable, considering the greater of the present value of future net cash flows or the net sales price upon disposal. Impairment is recorded when the carrying amounts exceed the greater of the amounts mentioned above. Impairment indicators considered for these purposes are, among others, operating losses or negative cash flows in the period if they are combined with a history or projection of losses, depreciation and amortization charged to results, which in percentage terms in relation to revenues are substantially higher than that of previous years, obsolescence, reduction in the demand for the Company's products, competition and other legal and economic factors. For the year ended December 31, 2011, an impairment loss on goodwill of $268 was recorded in Brazil and an impairment loss on certain trademarks of $64 was recorded in the USA. Goodwill impairment was originated by historical negative results and performance of Brazilian operations which were reflected in the future discounted cash flows. Impairment of trademarks was originated by a reduction in the forecast of sales of such brands. In 2010, an impairment loss of $19 on certain trademarks was also recognized in USA.

h. ***Financial risk management policy –*** The daily activities carried out by the Company expose it to a number of inherent risks of different variables of a financial nature, as well as variations in the price of certain materials traded in formal international markets. For such reason, the Company uses derivative financial instruments to mitigate the potential impact of fluctuations in such variables and prices on its financial results. The Company believes that these instruments provide flexibility that allows greater stability of income and better visibility and certainty with regard to costs and expenses to which it will be exposed in the future.

The design and implementation of the strategy of derivative financial instruments is formally supervised by two committees: 1) the Financial Risk Committee, responsible for risk management of interest and exchange rates and 2) the Subcommittee of Risk Commodity Markets that supervises commodity risk. Both committees continuously report their activities to the Corporate Business Risk Committee, who is responsible for issuing general guidelines for the risk management strategy of the Company and for establishing limits and restrictions on the operations they can perform. The Corporate Business Risk Committee in turn reports the risk positions of the Company to the Audit and Executive Committees of the Board of Directors.

The Company's policy is to enter into derivative financial instruments only for hedging purposes. Therefore, entering into a contract of a derivative financial instrument must necessarily be associated with a primary position that represents a specific risk. Consequently, the notional amounts of one or all derivative financial instruments contracted to hedge a specific risk will be consistent with the amounts of the primary positions that represent the risk position.

The Company does not enter into transactions for which the objective is to benefit from premium income. If the Company decides to undertake a hedging strategy where options are combined, the net payment of associated premiums represents an expenditure for the Company.

i. ***Derivative financial instruments –*** The Company states all derivatives at fair value in the balance sheet, regardless of the purpose for holding them. Fair value is determined using prices quoted on recognized markets. If such instruments are not traded, fair value is determined by applying recognized valuation techniques.

Changes in the fair value of derivative instruments designated as hedges are recognized as follows: (1) for fair value hedges, both the derivative instrument and the hedged item are stated at fair value and changes are recognized in current earnings: (2) for cash flow hedges, changes in the effective portion are temporarily recognized as a component of other comprehensive income and then reclassified to current earnings when affected by the hedged item; the ineffective portion is immediately recognized in current earnings; (3) for hedges of an investment in a foreign subsidiary, the effective portion is recognized as a component of other comprehensive income as part of the accumulated translation effect; the ineffective portion of the gain or loss on the hedging instrument is recognized in current earnings, if it is a derivative financial instrument. If not, it is recognized as a component of other comprehensive income until the investment is sold or transferred.

To manage its exposure to interest rate and foreign currency fluctuations, the Company principally uses interest rate swaps and foreign currency forward contracts, as well as futures to fix the purchase price of raw materials. The Company formally documents all hedging relationships at the beginning of the transaction, including their objectives and risk management strategies to carry out derivative transactions. Derivative trading is performed only with institutions of recognized solvency, and limits have been established for each institution.

The hedging derivative instruments are recorded as assets or liabilities without offsetting them against the hedged items.

j. ***Goodwill –*** Goodwill represents the excess of acquisition cost over the fair value of the net assets acquired at the date of the acquisition of subsidiaries and associated companies. For those acquisitions preceding December 31, 2007, goodwill was restated for the effects of inflation using the NCPI of the respective country. For subsidiaries operating in inflationary economic environments, goodwill continues to be restated using the applicable inflation rate. Goodwill is not amortized and, at least once a year, is subject to impairment tests. The Company records the corresponding goodwill in the noncontrolling interest in consolidated subsidiaries.

k. ***Intangible assets –*** These are primarily comprised of trademarks, rights of use and customer relationships and are recorded at acquisition cost and were restated through December 31, 2007 using the inflation rate of each country. For subsidiaries operating in inflationary economic environments, intangible assets continues to be restated using the applicable inflation rate. They are derived mainly from the acquisition of the business in the USA, Iberia and certain trademarks in South America. Trademarks and rights of use are not amortized; however, the carrying values are subject to impairment tests at least annually. Customer relationships have an estimated useful life of 18 years and are amortized on a straight–line basis based on such useful life. For the years ended December 31, 2011 and 2010, the amortization recorded for intangible assets with finite lives was $263 and $258, respectively.

l. ***Provisions –*** Provisions are recognized when there is a present obligation as the result of a past event that is probable to result in the use of economic resources and that can be reliably estimated.

m. ***Direct employee benefits –*** Direct employee benefits are calculated based on the services rendered by employees, considering their current salaries. The liability is recognized as it accrues. These benefits include mainly accrued statutory employee profit sharing ("PTU"), compensated absences, such as vacation and vacation premiums, and incentives and are presented in other accounts payable and accrued liabilities.

n. ***Employee benefits from termination, retirement and other –*** The liability for seniority premiums, pensions and termination benefits is recorded as accrued and is calculated by independent actuaries based on the projected unit credit method using nominal interest rates.

Other employee benefits relate to medical expenses for eligible employees in the USA incurred after retirement. Such liability is determined using the Company's historical data according to actuarial calculations.

o. ***Multi–Employer Pension Plans ("MEPPs") –*** Sara Lee employees participate in several MEPPs that provide defined benefits to certain employees covered by collective bargaining agreements. Such plans are usually administered by a board of trustees composed of the management of the participating companies and labor representatives, as mentioned in Note 2. Annual contributions to such plans are recorded in the results of the year and no additional accounting is required. As part of the acquisition of Sara Lee, the Company has decided to withdraw from the MEPPs and thus recognized a withdrawal liability as a present obligation and as part of the accounting for the acquisition.

p. ***Variable interest entities ("VIE") –*** BBU and Sara Lee (a subsidiary of BBU) consolidate VIEs of which they are the primary beneficiary since January 2011 or the date of the acquisition of Sara Lee. Legal entities with which BBU and Sara Lee become involved are assessed to determine whether such entities are VIEs and, if so, whether or not BBU and Sara Lee are the primary beneficiary. In general, BBU and Sara Lee determine whether they are the primary beneficiary of a VIE through a qualitative analysis of risk, which identifies which variable interest holder absorbs the majority of the financial risk or rewards and variability of the VIE. In performing this analysis, BBU and Sara Lee consider all relevant facts and circumstances, including: the design and activities of the VIE, terms of VIE contracts, identification of other variable interest holders, its explicit arrangements and its implicit variable interests.

q. ***Statutory employee profit sharing –*** PTU is recorded in the results of the year in which it is incurred and presented in other expenses in the accompanying consolidated statements of income. Deferred PTU arising from Mexican subsidiaries is derived from temporary differences resulting from comparing the accounting and tax basis of assets and liabilities.

r. ***Income taxes–*** Income taxes ("ISR") of each country and the Business Flat Tax ("IETU") in Mexico, if higher than ISR, are recorded in the results of the year in which they are incurred. To recognize deferred income taxes, based on its financial projections, the Company determines whether it expects to incur ISR or IETU and accordingly recognizes deferred taxes based on the tax it expects to pay. Deferred taxes are calculated by applying the corresponding tax rate to the applicable temporary differences resulting from comparing the accounting and tax bases of assets and liabilities and including, if any, future benefits from tax loss carryforwards and certain tax credits. Deferred tax assets are recorded only when there is a high probability of recovery.

s. ***Foreign currency transactions –*** Foreign currency transactions are recorded at the applicable exchange rate in effect at the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into Mexican pesos at the applicable exchange rate in effect at the balance sheet date. Exchange fluctuations are recorded as a component of results of the period, except for those transactions that have been designated as a hedge of a foreign investment.

t. ***Revenue recognition –*** Revenues are recognized in the period in which the risks and rewards of the products are transferred to the customers who purchased them, which generally occurs when these products are delivered to the customer. The Company deducts certain discounts and promotional expenses from sales.

u. ***Earnings per share –*** Basic earnings per share are calculated by dividing net income attributable to the controlling interest by the weighted average number of shares outstanding during the year.

4. Accounts and notes receivable

	2011	2010
Customers and agencies	$ 12,010	$ 7,249
Allowance for doubtful accounts	(628)	(310)
	11,382	6,939
Notes receivable	801	601
Income, value–added and other recoverable taxes	4,330	4,021
Sundry debtors	785	338
Sanalp 2005, S. L., related party	–	1,092
Madera, L. L. C., related party	–	127
	$ 17,298	$ 13,118

5. Inventories

	2011	2010
Finished products	$ 1,721	$ 1,095
Orders in–process	157	94
Raw materials, containers and wrapping	2,832	1,735
Other	11	47
Allowance for slow–moving inventories	(23)	(1)
	4,698	2,970
Raw materials in–transit	282	162
	$ 4,980	$ 3,132

6. Variable interest entities

BBU and Sara Lee enter into franchise agreements with independent third party contractors ("Independent Operators") representing distribution rights to sell and distribute the Company's products via direct–store–delivery to retail outlets in defined sales territories. BBU and Sara Lee do not hold equity interests in any of the Independent Operator entities. Independent Operators generally finance the purchase of distribution rights through note agreements with a financial institution which, in the aggregate, are partially guaranteed by Sara Lee or financed by BBU. In addition, BBU and Sara Lee maintain explicit and implicit commitments to maintain the function of routes to ensure product delivery to customers. BBU and Sara Lee determined that all Independent Operators which are separate legal entities are variable interest entities of which they are the primary beneficiary, primarily as a result of Sara Lee's debt guarantee, BBU financing and other route maintenance obligations.

Assets and liabilities of Independent Operators included in the accompanying consolidated financial statements are as follows:

		2011
Inventories – finished goods	$	22
Property – trucks		676
Intangible distribution rights		2,140
Total assets	$	2,838
Current maturities of long–term debt:		
Obligations under capital leases	$	205
Independent Operator loans		95
Long–term debt:		
Obligations under capital leases		318
Independent Operator loans		593
Due to related companies		653
Total liabilities	$	1,864
Non–controlling interest	$	974

Financing provided by BBU to the Independent Operators is eliminated in the accompanying consolidated financial statements.

The effect of consolidation of the Independent Operators on the statement of income is zero, as all transactions are eliminated upon consolidation against noncontrolling interest.

Lease obligations are secured by the vehicles subject to lease and do not represent additional claims on the Company's general assets. The Company's maximum exposure for losses associated with the Independent Operators is limited to $688 of long–term debt of the Independent Operators as of December 31, 2011.

Payments required on long–term debt during the years ending December 31, 2012 through 2016 are $102, $108, $110, $107 and $93, respectively.

Also, the Company has sold certain equipment and distribution rights in the USA to former employees and certain third parties, which are also independent operators, but are not considered VIEs, as they are individuals and not legal entities, and are thus not consolidated. These rights, totaling $1,589 are presented in the accompanying consolidated balance sheets as long–term notes receivable from independent operators.

BBU finances 90% of the distribution rights sold to certain Independent Operators. The notes bear an annual interest rate ranging from 9.75% to 10.75% and are payable in 120 monthly installments.

7. Property, plant and equipment

Reconciliation of beginning and ending carrying values in 2011 and 2010 is as follows:

	Balance as of December 31, 2010	Additions	Additions from business acquisitions	Translation effect	Retirements	Revaluation for inflation	Balance as of December 31, 2011
Investment:							
Building	$ 11,221	$ 726	$ (141)	$ 822	$ (267)	$ 131	$ 12,492
Industrial machinery and equipment	29,488	2,973	5,952	2,321	(1,285)	263	39,712
Vehicles	8,430	641	854	465	(310)	54	10,134
Office furniture	638	43	1,864	22	(41)	1	2,527
Office equipment	2,044	337	(1,526)	189	(94)	6	956
Total investments	51,821	4,720	7,003	3,819	(1,997)	455	65,821
Depreciation:							
Building	(3,062)	(453)	–	(299)	65	(79)	(3,828)
Industrial machinery and equipment	(16,340)	(2,296)	–	(1,164)	738	(136)	(19,198)
Vehicles	(3,850)	(245)	–	(160)	46	(5)	(4,214)
Office furniture	(1,621)	(712)	–	(279)	345	(46)	(2,313)
Office equipment	(425)	(128)	–	(22)	142	–	(433)
Total accumulated depreciation	(25,298)	(3,834)	–	(1,924)	1,336	(266)	(29,986)
	26,523	886	7,003	1,895	(661)	189	35,835
Land	3,550	260	410	226	(56)	34	4,424
Projects–in–progress	1,955	1,377	261	–	(36)	(6)	3,551
Assets available for sale	–	–	(171)	–	–	–	(171)
Net investment	$ 32,028	$ 2,523	$ 7,503	$ 2,121	$ (753)	$ 217	$ 43,639

	Balance as of December 31, 2009	Additions	Additions from business acquisitions	Translation effect	Retirements	Revaluation for inflation	Balance as of December 31, 2010
Investment:							
Building	$ 11,271	$ 273	$ 256	$ (480)	$ (199)	$ 100	$ 11,221
Industrial machinery and equipment	28,915	2,089	2	(879)	(817)	178	29,488
Vehicles	8,070	754	6	(141)	(295)	36	8,430
Office furniture	593	218	–	(13)	(161)	1	638
Office equipment	1,815	335	5	(82)	(35)	6	2,044
Total investments	50,664	3,669	269	(1,595)	(1,507)	321	51,821
Depreciation:							
Building	(1,776)	(2,025)	–	85	690	(36)	(3,062)
Industrial machinery and equipment	(14,724)	(1,843)	–	529	(178)	(124)	(16,340)
Vehicles	(3,483)	(232)	–	68	(198)	(5)	(3,850)
Office furniture	(1,417)	(621)	–	93	349	(25)	(1,621)
Office equipment	(389)	(120)	–	17	68	(1)	(425)
Total accumulated depreciation	(21,789)	(4,841)	–	792	731	(191)	(25,298)
	28,875	(1,172)	269	(803)	(776)	130	26,523
Land	2,717	967	–	(143)	(4)	13	3,550
Projects–in–progress	1,171	998	–	(34)	(180)	–	1,955
Assets available for sale	–	–	–	–	–	–	–
Net investment	$ 32,763	$ 793	$ 269	$ (980)	$ (960)	$ 143	$ 32,028

8. Investment in shares of associated companies and other permanent investments

At December 31, 2011 and 2010, the investment in shares of associated companies and other permanent investments are as follows:

Associated companies	% of ownership	2011	2010
Beta San Miguel, S. A. de C. V.	8	$ 447	$ 378
Mundo Dulce, S. A. de C. V.	50	304	291
Fábrica de Galletas La Moderna, S. A. de C. V.	50	267	255
Grupo La Moderna, S. A. de C. V.	3	156	156
Congelación y Almacenaje del Centro, S. A. de C. V.	15	88	83
Fin Común, S. A. de C. V.	30	74	79
Productos Rich, S. A. de C. V.	18	95	78
Grupo Altex, S. A. de C. V.	11	67	70
Ovoplus, S. A. de C. V.	25	51	52
Innovación en Alimentos, S. A. de C. V.	50	27	28
Pierre, L. L. C.	30	14	14
Blue Label de México, S. A. de C. V.	40	210	–
Other	Various	3	69
		$ 1,803	$ 1,553

For new acquisitions, fair value of the net assets acquired and any resulting goodwill is determined within twelve months following the date of acquisition.

9. Intangible assets

The following is an analysis of the balance of intangible assets by geographical area:

	2011	2010
Mexico	$ 8,995	$ 2,016
United States of America	15,019	16,412
Iberia	792	–
OLA	1,771	1,007
	$ 26,577	$ 19,435

At December 31, 2011 and 2010, the breakdown of intangible assets is as follows:

	Average life	2011	2010
Trademarks	Undefined	$ 21,000	$ 15,779
Rights of use	Undefined	40	36
		21,040	15,815
Customer relationships	18 years	5,981	3,833
Licensing agreements and software	8 and 2 years	358	247
Non–compete agreements	5 years	25	18
Other		36	23
		6,400	4,121
Accumulated amortization		(863)	(501)
		5,537	3,620
		$ 26,577	$ 19,435

During 2011 and 2010, the changes in trademarks were as follows:

	2011	2010
Balance as of January 1	$ 15,779	$ 15,533
Acquisitions	4,730	1,001
Impairment	(64)	(19)
Adjustments due to variations in exchange rates	1,087	(736)
Assets available for sale	(532)	–
Balance as of December 31	$ 21,000	$ 15,779

The amortization of the year is under the line item of administrative expenses in the consolidated statements of income.

During 2011, there was a sale of trademarks of $4,725 from the USA entity to the Mexico entities.

10. Goodwill

The following is an analysis of the balance of goodwill by geographical area:

	2011	2010
Mexico	$ 1,258	$ 1,258
United States of America	28,112	17,304
OLA	1,700	1,707
	$ 31,070	$ 20,269

During 2011 and 2010, the changes in goodwill were as follows:

	2011	2010
Balance as of January 1	$ 20,269	$ 20,394
Acquisitions	8,883	902
Impairment	(268)	–
Adjustments due to variations in exchange rates	2,186	(1,027)
Balance as of December 31	$ 31,070	$ 20,269

11. Long–term debt

	2011	2010
International bonds – On June 30, 2010, the Company issued a bond under US Securities and Exchange Commission Rule 144 A Regulation S for US$800 million maturing on June 30, 2020. Such bond pays a fixed interest rate of 4.875% with semiannual payments. The proceeds from this issuance were used to the refinance Company debt, extending the average term of such debt.	$ 11,183	$ 9,886
Local bonds – In addition to the local bonds issued in 2002, during 2009 the Company issued local bonds to refinance short–term liabilities contracted early in 2009 to finance BFI acquisition. As of December 31, 2011, such bonds are as follows:		
Bimbo 09 – Issued June 15, 2009, maturing in June 2014, with interest at the 28–day TIIE plus 1.55%.	5,000	5,000
Bimbo 09–2– Issued June 15, 2009, maturing in June 2016, with a fixed interest rate of 10.60%.	2,000	2,000
Bimbo 09U – Issued June 15, 2009 in the amount of 706,302,200 UDIs, maturing in June 2016, with a fixed interest rate of 6.05%. The UDI value at December 31, 2011 and 2010 was $4.6913 and $4.5263 Mexican pesos per UDI, respectively.	3,313	3,197
Bimbo 02–2 – Issued in May 17, 2002, maturing in May 2012, with a fixed interest rate of 10.15%.	750	750
Bank loan – On January 15, 2009, the Company entered into a long–term bank loan in the amount of the equivalent of US$1,700 million, in which BBVA Bancomer, S. A. Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer, as lead agent and a syndicate bank. The loan consists of two tranches, the first maturing in January 2012 (Tranche A) and the second with semiannual maturities from July 2012 to January 2014 (Tranche B). During July 2010, the Company used the proceeds from the issuance of the International Bond, to settle Tranche A in full and during April 2011, used the proceeds from the new syndicated bank loan to settle Tranche B in full.	–	10,736
Syndicated bank loan – On April 26, 2011, the Company entered into a long–term bank loan in the amount of the equivalent of US$1,300 million, in which Bank of America, N. A., as lead administrative agent, and a bank syndicate, comprised of ten institutions as of the date of these financial statements, participate. This bank loan would be amortized on a semiannual basis from October 2014 to April 20, 2016. The Company pays interest at London Interbank Offered Rate ("LIBOR") plus 1.10%. The proceeds obtained from this financing were used to refinance existing obligations of the Company and to partially pay for the acquisition of Sara Lee. In January 2012, the Company prepaid US$1,102 million with the proceeds of the issuance of debt obtained during 2012.	18,172	–

	2011	2010
Syndicated Revolving Multi–currency Credit Facility – On April 26, 2010, the Company entered into a long–term syndicated revolving multi–currency credit facility with six financial institutions up to the amount of the equivalent of US$750 million. During December 2011, the Company entered into an agreement to amend the terms and conditions of this credit facility with ten financial institutions, increasing the credit facility up to the amount of US$1,500 million and establishing a new maturity date on December 27, 2016. The debt incurs interest at LIBOR plus 1.25% for withdrawals in US dollars and TIIE rate plus 1.00% for withdrawals in pesos. As of December 31, 2011, the balance of this line–of–credit is US$90 million, which bears interest at LIBOR plus 1.00%. The proceeds obtained from this financing were used to partially pay for the acquisition of Sara Lee. On February 2012, the Company fully paid this credit with the proceeds of the issuance of debt obtained during 2012.	1,258	–
Euro Credit Facility – On October 24, 2011, the Company entered into a long–term committed revolving credit facility with an European Bank in the amount of EUR$65 million, which currently bears interest at the European Interbank Offered rate ("EURIBOR") plus 1.00%. The Euro Revolving Credit Facility matures on July 17, 2014. The proceeds obtained from this financing were used to partially pay for the acquisition of Iberia.	1,178	–
Peso Revolving Credit Facility – On October 24, 2010, the Company entered into a committed revolving credit facility with a Mexican Bank in the amount of $5,200 million, which currently bears interest at the Mexican Interbank Equilibrium rate ("TIIE") plus 2.50%. The Peso Revolving Credit Facility matures on April 27, 2012. On February 2012, the Company fully paid this credit with own resources.	2,100	–
Dollar Revolving Credit Facility – On June 30, 2011, BBU revised its unsecured revolving line of credit contracted with an American Bank. The revised line of credit agreement provides for borrowings of up to US$40 million and has a maturity date on November 30, 2013. Interest payments are due monthly on the outstanding balance calculated per annum at LIBOR plus 0.90%. In addition, the Company pays an unused commitment fee of 0.20% per annum on the average daily unused portion of the available credit. As of December 31, 2011, the Company had no outstanding balance under the line of credit. There are no financial debt covenants associated with this revolving line of credit.	–	–
Other – Certain subsidiaries have entered into other direct loans to meet their working capital needs, maturing from 2011 to 2013, at various interest rates.	1,249	1,641
	46,203	33,210
Less – Current portion of long–term debt	(4,042)	(1,624)
Long–term debt	$ 42,161	$ 31,586

At December 31, 2011, long–term debt matures as follows:

Year		Amount
2014	$	10,721
2015		9,133
2016		11,115
Thereafter		11,192
	$	42,161

The committed dual–currency revolving credit facility, local bonds, international bond and new syndicate bank loan are guaranteed by the principal subsidiaries of Grupo Bimbo. At December 31, 2011 and 2010, the Company has complied with all the obligations, including financial ratios established in the loan agreements.

As mentioned in Note 22, the Company entered into new loans in 2012 that modify the average life and the interest cost of the debt.

12. Derivative financial instruments

As of December 31, derivative financial instruments are comprised as follows:

		2011		2010
Assets:				
Current –				
Forwards	$	1	$	6
Future contracts:				
Fair value of wheat and soybean oil		11		131
Fair value of natural gas and diesel		6		8
Total current assets	$	18	$	145
Long–term swaps	$	417	$	393
Liabilities:				
Current –				
Swaps	$	(62)	$	–
Forwards		(1)		–
Future contracts:				
Fair value of wheat and soybean oil		(62)		–
Fair value of natural gas and diesel		(97)		–
Total current liabilities	$	(222)	$	–
Swaps	$	(1,961)	$	(230)
Forwards (wheat)		–		(1)
Total long–term liabilities	$	(1,961)	$	(231)

	2011	2010
Stockholders' equity:		
Total value of financial instruments designated as cash flow hedges, net of accrued interest	$ (450)	$ (11)
Closed contracts for unused futures	(52)	(8)
	(502)	(19)
Deferred income taxes, net	148	–
Cumulative other comprehensive income	$ (354)	$ (19)

Interest rate hedges (Swaps) – The Company entered into interest rate swaps to modify its debt profile in Mexico. The derivatives were designated as cash flow hedges and since their inception were assumed to be 100% effective.

As of December 31, 2011, the operating characteristics and the fair value of the above hedging instruments were as follows:

Amounts as of December 31, 2011					
Date of Commencement	Maturity	Notional amount	Interest rate Paid	Interest rate Collected	Fair value
A) Swaps that convert the long–term debt from US dollars to euros and modify the interest rate from a rate based on US dollars to a rate based on euros:					
October 20, 2011	June 17, 2013	50.0 (**)	3.52% (Euros)	3.43% (US dollars)	$ 45
B) Swaps that modify the Bimbo 09U local bond currency and interest rate:					
June 10, 2009	June 6, 2016	$1,000	10.54% (Mexican pesos)	6.05% (UDI)	126
June 24, 2009	June 6, 2016	$2,000	10.60% (Mexican pesos)	6.05% (UDI)	246
Total long–term assets (swaps)					$ 417
C) Swaps that fix the rate of the long–term credit line in US dollars:					
May 29, 2009	January 13, 2012	25 (*)	1.66% (Fixed)	0.30% (LIBOR)	$ (1)
May 29, 2009	January 13, 2012	100 (*)	1.63% (Fixed)	0.30% (LIBOR)	(1)
D) Swaps that convert the Bimbo 02–2 local bonds from Mexican pesos to US dollars and modify their interest rates from Mexican pesos fixed to US dollars fixed:					
September 15, 2010	May 3, 2012	58.6 (*)	5.70% (US dollars)	10.15% (Mexican pesos)	(60)
Total current liabilities (swaps)					$ (62)

Amounts as of December 31, 2011					
Date of Commencement	Maturity	Notional amount	Interest rate Paid	Interest rate Collected	Fair value
E) Swaps that fix the rate of the long-term bank loan in US dollars:					
May 27, 2009	January 15, 2014	150 (*)	2.33% (US dollars)	0.30% (LIBOR)	(49)
F) Swaps that modify the Bimbo 09 local bond currency and interest rate:					
February 24, 2011	June 9, 2014	$1,000	8.00% (Fixed)	6.35% (TIIE+1.55%)	(28)
February 24, 2011	June 9, 2014	$1,000	7.94% (Fixed)	6.35% (TIIE+1.55%)	(27)
February 28, 2011	June 9, 2014	$1,000	8.03% (Fixed)	6.35% (TIIE+1.55%)	(28)
June 26, 2009	June 9, 2014	$2,000	7.43% (Fixed)	4.80% (TIIE)	(101)
G) Swaps that convert debt the Bimbo 09-2 local bonds from Mexican pesos to US dollars and modify their interest rates:					
February 11, 2011	June 9, 2014	166.0 (*)	5.06% (US dollars)	8.98% (Mexican pesos)	(339)
February 17, 2011	June 6, 2016	83.1 (*)	6.47% (US dollars)	10.54% (Mexican pesos)	(198)
February 17, 2011	June 6, 2016	166.3 (*)	6.53% (US dollars)	10.00% (Mexican pesos)	(397)
April 27, 2011	June 9, 2014	86.6 (*)	3.73% (US dollars)	7.94% (Mexican pesos)	(203)
April 25, 2011	June 9, 2014	86.2 (*)	3.83% (US dollars)	8.03% (Mexican pesos)	(198)
April 28, 2011	June 9, 2014	86.7 (*)	3.78% (US dollars)	8.00% (Mexican pesos)	(205)
September 13, 2010	June 6, 2016	155.3 (*)	6.35% (US dollars)	10.60% (Mexican pesos)	(188)
Total long-term liabilities (swaps)					$ (1,961)

(*) Amounts in millions of US dollars
(**) Amounts in millions of euros

A) For the purpose of financing the acquisition of Iberia, on October 20, 2011, the Company entered into a cross currency swap that converts US$64.8 million of the Syndicated Bank Loan into EUR$50 million. Under this instrument, the Company receives a fixed rate of 3.43% US dollars and pays a fixed rate of 3.52% euros.

B) In connection with the issuance of the Bimbo 09U local bonds, between June 10 and 24, 2009, the Company entered into two foreign currency swaps for $1,000 and $2,000 that together hedge the entire Bimbo 09U issue and convert the debt from 6.05% UDIs to Mexican pesos at fixed rates of 10.54% and 10.60%, respectively.

C) and E) To hedge the interest rate risk on the US dollar portion of Tranche A of the Bank Loan, between May 27 and 29, 2009, the Company entered into three swaps that originally totaled US$300 million and fix the one-month LIBOR to an average rate of 1.63% and 1.66%. On August 25, 2011 the Company prepaid US$175 million of Tranche A of the Bank Loan, so the remaining balance of the hedging instrument of US$125 million was assigned to hedge the Tranche B Bank Loan. Additionally, to hedge the interest rate risk on the US dollar portion of Tranche B of the Bank Loan, on May 27, 2009, the Company entered into a swap for US$150 million that fixes the one-month LIBOR rate at 2.33%.

Tranche B of the Bank Loan was prepaid and the swaps were assigned to the New Syndicated Bank Loan issued in April 2011.

D) and G) In connection with the issuance of the Bimbo 02–2 and the Bimbo 09–2 local bonds, in September 2010 the Company entered into a foreign currency swap and an interest rate swap for $750, equivalent to US$58.6 million, and $2,000, equivalent to US$155.3 million, respectively, which convert the debt from Mexican pesos to US dollars and modify the related interest rates. The applicable exchange rates were $12.79 and $12.88 Mexican pesos per US dollar, and the interest rates to be paid are 5.70% and 6.35%, respectively.

F) To hedge the interest rate risk on the issuance of the Bimbo 09 local bonds, on June 26, 2009 the Company entered into an interest rate swap for $2,000 that converts the variable rate to a fixed rate of 7.43%, effective July 13, 2009. Additionally, on February 24, 2011, the Company entered into two instruments for $1,000 that fix the variable TIIE plus 1.55% rate to 8.00% and 7.94%. On February 28, 2011, the Company entered into another instrument for $1,000 that fixes the variable TIIE plus 1.55% rate to 8.03%.

G) In order to convert the fixed portion of the Bimbo 09 Revolving Certificates from Mexican pesos to US dollars, on February 11, 2011, the Company entered into foreign currency and interest rate swaps for $2,000, equivalent to US$166 million, fixing the exchange rate at $12.05 Mexican pesos per US dollar and the interest rate at 5.06%. Additionally, between April 25 and 28, 2011, the Company entered into three instruments, each one for $1,000, with fixed exchange rates of $11.53, $11.55 and $11.60 Mexican pesos per US dollar and fixed interest rates of 3.78%, 3.73% and 3.83%, respectively.

In order to convert the aforementioned instruments from Mexican pesos to US dollars, on February 17, 2011, the Company entered into two foreign currency and interest rate swaps, one for $1,000, equivalent to US$83.1 million and the second for $2,000, equivalent to US$166.3 million, respectively. The exchange rates applicable to these instruments were $12.03 Mexican pesos per US dollar and interest was fixed at 6.47% and 6.53%, respectively.

During April 2011, the Company prepaid the long–term bank loan in Mexican pesos, consequently the two related swaps with a notional amount of $1,500 were cancelled.

As of December 31, 2010, the operating characteristics and the fair value of the above hedging instruments were as follows:

Amounts as of December 31, 2010					
Date of Commencement	Maturity	Notional amount	Interest rate Paid	Interest rate Collected	Fair Value
Swaps that convert the Bimbo 02–2 and Bimbo 09–2 local bonds from Mexican pesos to US dollars and modifies their interest rates from Mexican pesos fixed to US dollars fixed:					
September 15, 2010	May 3, 2012	58.6 (*)	5.70% (US dollars)	10.15% (Mexican pesos)	38
September 13, 2010	June 6, 2016	155.3 (*)	6.35% (US dollars)	10.60% (Mexican pesos)	105
Swaps that modify the Bimbo 09U local bond currency and interest rate:					
June 10, 2009	June 6, 2016	$1,000	10.54% (Mexican pesos)	6.05% (UDI)	85
June 24, 2009	June 6, 2016	$2,000	10.60% (Mexican pesos)	6.05% (UDI)	165
Total long–term assets (swaps)					$ 393

Amounts as of December 31, 2010					
Date of Commencement	Maturity	Notional amount	Interest rate Paid	Interest rate Collected	Fair Value
Swaps that modify the Bimbo 09 local bond currency and interest rate:					
June 26, 2009	June 9, 2014	$2,000	7.43% (Fixed)	4.87% (TIIE)	(87)
Swaps that fix the rate of the long-term bank loan in US dollars:					
May 27, 2009	January 15, 2014	150 (*)	2.33% (US dollars)	0.26% (LIBOR)	(59)
May 29, 2009	January 13, 2012	25 (*)	1.66% (Fixed)	0.26% (LIBOR)	(3)
May 29, 2009	January 13, 2012	100 (*)	1.63% (Fixed)	0.26% (LIBOR)	(12)
Swaps that fix the rate of the long-term bank loan in Mexican pesos:					
June 5, 2009	January 13, 2012	$1,500	6.51% (Fixed)	4.87% (TIIE)	(23)
June 5, 2009	January 15, 2014	$1,500	7.01% (Fixed)	4.87% (TIIE)	(46)
Total long-term liabilities (swaps)					$ (230)

(*) Amounts in millions of US dollars

Cross currency "Forwards" – As of December 31, 2011 and 2010, the Company had entered into forwards to hedge the cash flows of operating and financial liabilities denominated in foreign currency. These instruments cover a notional amount of EUR$20 and EUR$25.3 million as of December 31, 2011 and 2010, respectively, and fix the exchange rate for the purchase of foreign currency at an average of $18.1345 and $16.3261 Mexican pesos per euro, respectively. The fair value of these instruments is $1 and $6 at December 31, 2011 and 2010, respectively.

Additionally, at December 31, 2010, the Company had entered into forwards to hedge the cash flows of operating and financial liabilities denominated in foreign currency. These instruments cover a notional amount of US$10 million that fix the exchange rate for the purchase of foreign currency at an average of $13.8363 Mexican pesos per US dollar. The fair value of these instruments is $(1).

Cash flow hedges related to purchases of wheat, natural gas prices and other commodities – The Company enters into wheat, natural gas and other commodities futures contracts to minimize the risk of variation in international prices of both consumables. Wheat, which is the primary component of flour and is the main input used by the Company, together with natural gas are used in the manufacture of its products. The transactions are carried out in recognized commodity markets, and through their formal documentation are designated as cash flow hedges of forecasted transactions.

The other comprehensive income at December 31, 2011 and 2010 includes closed contracts that have not been transferred to cost of sales due to the fact that the wheat under these contracts has not been used for flour consumption.

As of December 31, 2011 and 2010, the contracted futures and their main characteristics were:

Amounts as of December 31, 2011					
Date of commencement	Position	Contracts Number	Contracts Maturity	Region	Fair value
Futures contracts to fix the purchase price of wheat and soybean oil:					
September through December 2011	Long	879	March through September 2012	USA	$ 8
Various (soybean oil)	Long	335	March through May 2012	USA	3
Total current assets					$ 11
June through December 2011	Long	3,474	March through December 2012	Mexico	$ (60)
July through November 2011	Long	133	March through September 2012	OLA	(2)
Total current liabilities					$ (62)
Futures contracts to fix the purchase price of natural gas and diesel:					
Various (Diesel)	Long	1,004	Various	USA	$ 3
Various (Gasoline)	Long	469	Various	USA	3
Total current assets					$ 6
Various (Natural gas)	Long	524	Various	Mexico	$ (65)
Various (Natural gas)	Long	215	Various	USA	(32)
Total current liabilities					$ (97)

Amounts as of December 31, 2010					
Date of commencement	Position	Contracts Number	Contracts Maturity	Region	Fair value
Futures contracts to fix the purchase price of wheat and soybean oil:					
November 2010	Long	1,132	March 2011	Mexico	$ 48
November 2010	Long	1,160	March 2011	USA	75
November 2010	Long	14	March 2011	OLA	1
Various (soybean oil)	Long	138	March and May 2011	USA	7
Total current assets					$ 131
Futures contracts to fix the purchase price of natural gas:					
August through December 2010	Long	524	Between June 2011 and December 2012	Mexico	$ 8
August through October 2010	Long	315	Between March and December 2011	USA	–
Total current assets					$ 8

Hedges of currency "Forwards" for purchase of wheat – During 2011, the Company entered into exchange rate call options, which were designated as hedges of possible exchange rate fluctuations of the US dollar, the foreign currency in which the majority of purchases of wheat flour are made.

As of December 31, 2011 there are no hedges of currency forwards for purchase of wheat and the forward contracts entered into in 2010 covered purchases from January through April 2011.

Amounts as of December 31, 2010					
Date of Commencement	Maturity	Amount in US dollars	Contracted exchange rate	Amount	Fair value
October through November 2010	Between January and April 2010	60,000,000	Between $12.3217 and $12.6117 (Mexican pesos)	$ 745	$ (1)

Embedded derivative instruments – At December 31, 2011 and 2010, the Company does not have any contracts with embedded derivatives.

13. Long–term employee benefits

Long–term net projected liabilities of employee and welfare benefits plans, by geographical area, are as follows:

	2011	2010
Net projected liability in Mexico:		
Retirement	$ 1,390	$ 1,008
Termination	191	113
	1,581	1,121
Net projected liability in USA and OLA:		
Retirement USA	4,099	2,216
Termination OLA	370	200
Workers' compensation in USA	2,252	1,084
MEPP in USA	7,353	–
	14,074	3,500
Total net liability	$ 15,655	$ 4,621

a. *Mexico –*

The Company has a defined benefit pension and seniority premium plan; it also has termination benefits obligations. The Company makes discretionary contributions. During 2011 and 2010, the Company has not contributed to the plans.

Seniority premiums consist of a one–time payment of 12 days for each year worked based on the final salary, not exceeding double the minimum wage established by law for all its personnel, as stipulated in the respective employment contracts. Such benefits vest for employees with 15 or more years of service.

Employment termination benefits primarily include the estimate for settlement payments equivalent to three months of salary per year of service worked, which are paid to all employees that are involuntarily terminated.

The related liability and annual benefits costs are calculated by an independent actuary in conformity with the bases defined in the plans, using the projected unit credit method.

The following table presents the amounts recognized for the pension, seniority and termination premium plans, as well as the status of the fund shown in the balance sheet at December 31, 2011 and 2010:

		2011		2010
Vested benefit obligation	$	629	$	579
Defined benefit obligation		6,828		6,154
Less– Plan assets (funds in trust)		4,648		4,561
Underfunded status		2,180		1,593
Items to be amortized:				
Actuarial loss		(650)		(550)
Transition asset		6		13
Past service costs and changes to the plan		45		65
Total items to be amortized		(599)		(472)
Net projected liability	$	1,581	$	1,121

Net period costs are as follows:

		2011		2010
Cost of services for the year	$	376	$	346
Amortization of transition asset		(6)		(6)
Amortization of past services and changes to the plan		(22)		(21)
Actuarial loss (gain)		52		(54)
Cost of financing for the year		464		443
Less – yield on fund assets		(390)		(373)
Net cost of the period	$	474	$	335

The nominal rates used in the actuarial calculations are:

	2011	2010
Discount of projected benefit obligation at present value	7.64%	7.64%
Wage increases	4.54%	4.54%
Yield on plan assets	8.67%	8.67%

The unamortized amounts of retirement obligations for the transition asset are applied to results over a period of five years and of past services and actuarial (gains) and losses are applied to results over the remaining labor life of employees expected to receive plan benefits.

Changes in present value of the defined benefit obligation:

		2011		2010
Present value of the defined benefit obligation as of January 1	$	6,154	$	5,504
Service cost		376		346
Interest cost		464		443
Actuarial loss on the obligation		66		52
Services paid for plan modifications		6		–
Benefits paid		(238)		(191)
Present value of the defined benefit obligation as of December 31	$	6,828	$	6,154

Changes in fair value of plan assets:

		2011		2010
Plan assets at fair value as of January 1	$	4,561	$	4,360
Expected yield		390		373
Actuarial (loss) gain		(91)		4
Benefits paid		(212)		(176)
Plan assets at fair value as of December 31	$	4,648	$	4,561

Categories of plan assets:

	Expected yield	Actual yield
Equity instruments	10.0%	(4.3)%
Debt instruments	6.75%	8.69%

Amounts of the current and previous four years:

	2011	2010	2009	2008	2007
Defined benefit obligation	6,828	6,154	5,504	5,069	4,810
Less– Fair value of plan assets	4,648	4,561	4,360	3,753	4,256
Underfunded status	2,180	1,593	1,144	1,316	554
Actuarial loss (gain) on the defined benefit obligation	66	52	(111)	(248)	(27)
Actuarial (loss) gain on plan assets	(91)	4	240	(723)	(72)

b. USA – The Company has established a defined benefit pension plan that covers eligible employees. Effective January 1, 2009, the benefits of the plan were frozen. The Company makes discretionary contributions. During 2011 and 2010, the Company made contributions to such plan of $537 and $471, respectively.

The following table sets forth the amounts recognized for the pension plan and the status of the fund in the consolidated balance sheets, as well as the liability for workers' compensation, as of December 31, 2011 and 2010:

	2011	2010
Vested benefit obligation	$ 3,708	$ 3,052
Defined benefit obligation	$ 16,173	$ 7,546
Less– Plan assets	10,854	4,286
Unfunded status	5,319	3,260
Items to be amortized:		
Actuarial loss	(1,229)	(1,058)
Past service costs and plan modifications	9	14
Total items to be amortized	(1,220)	(1,044)
Net projected liability	$ 4,099	$ 2,216

Net pension cost includes the following components:

	2011	2010
Cost of services for the year	$ 126	$ 132
Financing cost of the year	414	392
Less– Return on plan assets	(339)	(287)
Amortization of past services and plan modifications	34	16
Net cost of the period	$ 235	$ 253

The nominal interest rates used in the actuarial calculations are:

	2011	2010
Weighted average discount rates	4.30% – 4.60%	5.85%
Rates of increase in compensation levels	3.75%	3.75%
Expected long–term rate of return on plan assets	7.25%	7.50%

Changes in present value of the defined benefit obligation:

	2011	2010
Present value of the defined benefit obligation as of January 1	$ 7,546	$ 7,528
Cost of services for the year	126	132
Financing cost	414	392
Actuarial loss on the obligation	617	346
Past services for plan modifications	9	(5)
Business acquisition	7,169	–
Changes in exchange rates	811	(405)
Benefits paid	(519)	(442)
Present value of the defined benefit obligation as of December 31	$ 16,173	$ 7,546

Changes in fair value of plan assets:

	2011	2010
Plan assets at fair value as of January 1	$ 4,286	$ 4,183
Expected yield	339	287
Actuarial gain	360	1
Company contributions	529	471
Business acquisition	5,287	–
Changes in exchange rates	572	(214)
Benefits paid	(519)	(442)
Plan assets at fair value as of December 31	$ 10,854	$ 4,286

Categories of plan assets:

	Expected yield	Actual (withhold) yield
Equity instruments	10.0%	(3.69%)
Debt instruments	3.0%	33.40%

Amounts of the current and previous four years:

	2011	2010	2009	2008	2007
Defined benefit obligations	16,173	7,546	7,528	2,248	1,631
Less– Fair value of plan assets	10,854	4,286	4,183	1,154	1,254
Underfunded status	5,319	3,260	3,345	1,094	377
Actuarial loss (gain) on defined benefit obligation	617	346	(46)	570	–
Actuarial gain (loss) on plan assets	360	1	(490)	(189)	10

Postretirement welfare benefit plans USA

The Company maintains a postretirement welfare benefit plan that covers certain eligible employees' postretirement medical expenses. As of December 31, 2011 and 2010, these liabilities were $3,048 and $1,402 respectively, of which the following amounts are classified as long–term:

	2011	2010
Welfare benefit plans	$ 2,252	$ 1,084

Multi–Employer Pension Plans

The MEPP withdrawal liability generated form the acquisition of Sara Lee, as mentioned in Note 2, is $7,353, which is considered a provisional amount and is subject to changes during the twelve months subsequent from the acquisition date once the Company obtains all information relevant to the value of the liability.

c. ***OLA –*** The Company has liabilities for termination benefits in accordance with the local legislation of each country. The related liability and annual cost of the benefits is calculated by an independent actuary using the projected unit credit method. As of December 31, 2011 and 2010, the recorded liabilities are $370 and $200, respectively.

14. Stockholders' equity

a. At December 31, 2011, stockholders' equity consists of the following:

	Number of shares	Historical value	Restatement / translation effect	Total
Fixed capital–				
Series "A"	4,703,200,000	$ 1,902	$ 6,104	$ 8,006
Reserve for repurchase of shares		595	159	754
Retained earnings		26,984	7,874	34,858
Net income		5,329	–	5,329
Accumulated translation effect of foreign subsidiaries		–	(228)	(228)
Net variation in unrealized loss of cash flow hedges		(354)	–	(354)
Noncontrolling interest in consolidated subsidiaries		1,926	134	2,060
Total stockholders' equity		$ 36,382	$ 14,043	$ 50,425

b. Effective April 29, 2011, as a result of a four–to–one stock split, Grupo Bimbo's shareholders authorized an increase in common shares from 1,175,800,000 to 4,703,200,000. Weighted average number of shares outstanding, basic earnings per common share and dividends per share are presented in the consolidated statements of income or within this note as if the stock split had occurred at the beginning of the first comparable period presented.

Capital stock is fully subscribed and paid–in and represents fixed capital. Variable capital cannot exceed 10 times the amount of minimum fixed capital without right of withdrawal and must be represented by Series "B", ordinary, nominative, no–par shares and/or limited voting, nominative, no–par shares of the Series to be named when they are issued. Limited voting shares cannot represent more than 25% of non–voting capital stock.

c. Dividends declared in 2011 and 2010 were:

Approved at the stockholders' meeting on:	Mexican pesos per share	Total value at
April 28, 2011	$ 0.137	$ 647
April 15, 2010	$ 0.125	$ 588

During 2011 and 2010, the dividends paid to non–controlling shareholders were $126 in both years.

d. Retained earnings include the statutory legal reserve. Mexican General Corporate Law requires that at least 5% of net income of the year be transferred to the legal reserve until the reserve equals 20% of capital stock at par value (historical Mexican pesos). The legal reserve may be capitalized but may not be distributed unless the entity is dissolved. The legal reserve must be replenished if it is reduced for any reason. At December 31, 2011 and 2010, the legal reserve, in historical Mexican pesos, was $500.

e. Stockholders' equity, except restated paid–in capital and tax retained earnings, will be subject to income taxes payable by the Company at the rate in effect upon distribution. Any tax paid on such distribution may be credited against annual and estimated income taxes of the year in which the tax on dividends is paid and the following two fiscal years.

f. At a stockholders' meeting held on August 19, 2010, the merger of the nearly wholly–owned subsidiary Tecebim, S. A. de C. V. with the Company was approved.

g. The balances in the stockholders' equity tax accounts at December 31 are:

	2011	2010
Paid–in capital	$ 25,406	$ 24,473
Net after–tax income	22,377	18,253
Total	$ 47,783	$ 42,726

15. Foreign currency balances and transactions

a. At December 31, 2011 and 2010, the foreign currency monetary position in the equivalent of millions of US dollars, for the Mexican entities only, is as follows:

	2011	2010
Current assets	112	77
Liabilities–		
Short–term	(31)	(53)
Long–term	(2,274)	(1,076)
Total liabilities	(2,305)	(1,129)
Liability position, net	(2,193)	(1,052)
Mexican pesos equivalent	$ (30,655)	$ (13,000)

b. As mentioned in Note 21, the Company has significant operations in the USA, OLA and Iberia.

c. The transactions in millions of US dollars, for the Mexican entities only, after elimination of the transactions between consolidated subsidiaries, were as follows:

	2011	2010
Export sales	–	6
Import purchases of raw materials	105	87
Purchases of fixed assets from foreign countries	35	21

d. The exchange rates in effect at the dates of the consolidated balance sheets and of issuance of the accompanying consolidated financial statements were as follows:

	December 31, 2011	December 31, 2010	March 26, 2012
Mexican pesos per one US dollar	$ 13.9787	$ 12.3571	$ 12.8035

16. Transactions and balances with related parties

a. Transactions with related parties, carried out in the ordinary course of business, were as follows:

	2011	2010
Interest income	$ 68	$ 77
Purchases of:		
Raw materials	$ 5,279	$ 4,705
Finished products	$ 1,173	$ 1,099
Supplies, uniforms and other	$ 983	$ 467

b. The net balances due to related parties are:

	2011	2010
Beta San Miguel, S. A. de C. V.	$ 361	$ 295
Efform, S. A. de C. V.	28	27
Fábrica de Galletas La Moderna, S. A. de C. V.	42	21
Frexport, S. A. de C. V.	87	80
Grupo Altex, S. A. de C. V.	229	159
Industrial Molinera Montserrat, S. A. de C. V.	11	20
Makymat, S. A. de C. V.	6	6
Mundo Dulce, S.A. de C.V.	75	64
Ovoplus del Centro, S. A. de C. V.	9	48
Pan–Glo de México, S. de R. L. de C. V.	1	4
Paniplus, S. A. de C. V.	21	24
Proarce, S. A. de C. V.	26	35
Uniformes y Equipo Industrial, S. A. de C. V.	8	19
	$ 904	$ 802

c. Employee benefits granted to Company key management were as follows:

	2011	2010
Short and long–term direct benefits	$ 328	$ 305
Cash payments for purchase of shares	80	45
Severance benefits	449	408

17. Tax environment

Income taxes in Mexico –

The Company's Mexican operations are subject to income tax ("ISR") and the Business Flat Tax ("IETU").

ISR – The ISR rate is 30% for 2010 through 2012; it will be 29% for 2013 and 28% for 2014. Mexican entities are subject to ISR and IETU on an individual basis.

IETU – Revenues, as well as deductions and certain tax credits, are determined based on cash flows of each fiscal year. Beginning in 2010, the IETU rate was 17.5%. The Asset Tax ("IMPAC") Law was repealed upon enactment of the IETU Law; however, under certain circumstances, IMPAC paid in the ten years prior to the year in which ISR is paid may be recovered, according to the terms of the law.

Income tax expense is the larger of ISR and IETU.

Based on its financial projections, the Company determined that some of its Mexican subsidiaries will pay ISR while others will pay IETU. Accordingly, the Company has recognized deferred income taxes under both tax regimes. In its other subsidiaries that are subject to alternative tax regimes, based on financial projections, the Company principally expects to pay regular income tax only, and will recognize deferred income tax. The Company presented consolidated deferred taxes based on deferred taxes calculated at each subsidiary and does not net such amounts, given that they are due and payable in differing jurisdictions.

Other countries –

The foreign subsidiaries calculate income taxes on their individual results, in accordance with the regulations of each country. The subsidiaries in the USA and Iberia have authorization to file a consolidated income tax return.

The tax rates applicable in other countries where the Company mainly operates and the period in which tax losses may be applied, are as follows:

	Statutory income tax rate (%)		Period of expiration of tax loss carryforwards
	2011	2010	
Argentina	35.0	35.0	5 (a)
Austria	25.0	25.0	(b)
Brazil	34.0	34.0	(c)
Colombia	33.0	33.0	(d)
Costa Rica	30.0	30.0	3 (e)
Chile	(f) 20.0	(f) 17.0	(g)
China	25.0	25.0	5
El Salvador	25.0	25.0	(h)
Spain	30.0	30.0	15 (i)
USA	(j) 35.0	(j) 35.0	20
Guatemala	(k) 31.0	(k) 31.0	(h)
Netherlands	(l) 25.0	(l) 25.0	9 (m)
Honduras	(n) 25.0	(n) 25.0	3 (o)
Hungary	(p) 19.0	(p) 19.0	(g)
Luxembourg	(q) 21.0	(q) 21.0	(g)
Nicaragua	30.0	30.0	3
Panama	25.0	27.5	5 (r)
Paraguay	10.0	10.0	(h)
Peru	30.0	30.0	(s)
Portugal	(t) 25.0	(t) 25.0	(u)
Czech Republic	19.0	19.0	(v)
Uruguay	25.0	25.0	5
Venezuela	34.0	34.0	(w)

(a) Tax losses from sale of shares or other equity investments may only be offset against income of the same nature. The same applies for the losses on derivatives. Foreign source tax losses may only be amortized with income from foreign sources.

(b) Losses generated after 1990 may be applied indefinitely but may only be offset each year up to an amount equal to 75% of the net taxable profit for the year.

(c) Tax losses may be applied indefinitely, but may only be offset each year up to an amount equivalent to 30% of the net taxable profit for the year.

(d) Tax losses generated in 2003, 2004, 2005 and 2006 may be amortized within the following eight years, but only up to 25% of the income tax of each year. Beginning 2007, tax losses may be amortized without limitation with respect to value or period.

(e) Losses can only be applied as deductible expenses for industrial or agricultural companies.

(f) Income tax rate was 20% in 2011 and will be 18.5% in 2012 and in 2013, will return to 17%.

(g) No expiration date.

(h) Operating losses are not amortizable.

(i) In 2011, a decree was issued to establish a time limit for utilization of losses in subsequent years, which stipulates that for the years 2011, 2012 and 2013, companies with sales / billings between EUR$20 and EUR$60 million may only deduct up to 75% of losses against taxable income and exceeding EUR$60 million will only be able to deduct up to 50% of taxable income. If these limitations are met by the entity, the losses will have a maturity of 18 years.

(j) A state tax should be added to this percentage, which varies in each state of the US. The weighted average combined statutory rate for 2011 and 2010 was 39.1% and 39.6%, respectively.

(k) The general tax rate is 5% but the tax base is calculated as follows: Total gross revenues less non– taxable revenues. The optional tax rate is 31% but the tax basis is different: Net income plus nondeductible expenses, less non–taxable revenues and other deductions.

(l) The rate is 20% for taxable income that is less than or equal to EUR$200 thousand; for net income in excess of EUR$200 thousand, the rate was 25.5% for 2010 and 25% by 2011.

(m) For losses incurred in 2010 and 2011, the entity can elect to extend the amortization period for up to three years (instead of one year) for a maximum of EUR$10 million per year. If this option is elected, the amortization of losses in subsequent years will be limited to six years (instead of nine). This option expires in 2012.

(n) In the case of a taxable income greater than 1 million Lempiras, an additional 10% must be paid as temporary solidarity tax.

(o) Amortization on by individual persons can only be taken by those individuals engaged in farming, agriculture, manufacturing, mining and tourism. Such individuals may only amortize up to 50% of the net taxable profit of each year.

(p) In 2010, a special tax treatment existed, which was divided into two separate periods during the year. A preferential rate of 10% applies to a tax base of 500,000,000 HUF; amounts in excess incur 19%. In order to apply this preferential rate, certain criteria need to be met during the first half of the year; such criteria do not need to be met during the second half of the year in order to apply the preferential rate. In addition, as part of the transition and implementation of this preferential rate, entities must determine a portion of net income to which the rate can be applied, which is determined by dividing the tax base into two parts, a ratio of 181:364 for the first half of the year and one from 184:364 for the second half of the year. For 2011, the only criteria that must be met in order to apply the preferential rate is the generation of a taxable income base of up to 500,000,000 HUF.

(q) In addition to income tax, entities must pay an additional contribution to the unemployment fund of 5% for 2011 and 4% for 2010 and a local tax of 6.75% (Luxembourg Capital).

(r) Can only amortize 20% in each year and such amortization of losses cannot exceed 50% of taxable income. If losses are not applied, they cannot be further used.

(s) There are two alternatives allowed for tax loss amortization: 1) four years or 2) unlimited amortization up to 50% of the net taxable profit of each year. Once made, an election may not be changed, until the accumulated losses of previous years are applied.

(t) The rate is 12.5% for the first EUR12,500 of taxable income. Additionally, entities must pay a local tax of 1.5% on average (depending on the geographical location) on taxable income and a state tax of 2.5% on the excess of EUR$2 million over taxable income.

(u) Losses generated through 2009 are allowed to be amortized over the following six years and those generated in 2010 and 2011 are allowed to be amortized in the following four years, without any limitation. In case of a substantial change in the business purpose of the entity or a change in its equity greater than 50%, the entity may lose its right to amortize outstanding loss carryforwards, unless permission is obtained from the tax authorities.

(v) Tax losses generated since 2004 may be amortized in the following five years. Tax losses prior to 2004 may be amortized in the following seven years.

(w) Based on their nature the amortization period can change: 1) Operating losses over the following three years, 2) Losses from the adjustment for inflation tax, one year; 3) Overseas, which can only be amortized against earnings from abroad, over the following three years and 4) Losses from jurisdictions with preferential tax regulations only applied to profits in such jurisdictions, over the following three years.

Operations in Argentina, Colombia, Guatemala and Nicaragua are subject to minimum payments of income tax.

Operations in Brazil and Venezuela are subject to profit sharing payments according to certain rules based on accounting income. During 2011 and 2010, there were no profit sharing payments in those countries.

Detail of provisions, effective rate and deferred effects –

a. Consolidated taxes on income are as follows:

		2011		2010
Income tax:				
Current	$	2,760	$	2,308
Deferred		248		27
		3,008		2,335
IETU:				
Current	$	18	$	1
Deferred		50		27
		68		28
	$	3,076	$	2,363

b. The reconciliation of the statutory and effective ISR rates expressed as a percentage of income before taxes on income for the years ended December 31, 2011 and 2010 is:

	% 2011	% 2010
Statutory rate in Mexico	30.0	30.0
Inflationary effects in the monetary balance sheet accounts for Mexican subsidiaries	4.9	6.3
Nondeductible expenses, nontaxable revenues and other	0.8	0.1
Difference in tax rates and currency of subsidiaries in different tax jurisdictions	2.4	2.2
Inflationary tax effect of fixed assets for Mexican subsidiaries	(0.9)	(1.2)
IETU	0.8	0.3
Reversal of allowance of deferred taxes	(2.8)	(7.8)
Effective rate	35.2	29.9

c. The main items originating a deferred ISR asset are:

		2011		2010
Advances from customers	$	–	$	(3)
Allowance for doubtful accounts		(219)		(109)
Inventories		31		9
Property, plant and equipment		3,970		2,358
Intangible assets		5,186		3,812
Other reserves		(5,565)		(3,254)
Provision of MEPPs		(2,868)		–
Current and deferred PTU		(259)		(287)
Tax loss carryforwards		(4,131)		(3,502)
Valuation allowance of tax loss carryforwards		554		173
Changes in exchange rate		(126)		(260)
Other items		(171)		(59)
Deferred IETU		255		205
Total asset, net	$	(3,343)	$	(917)

The net deferred income tax asset and liability has not been offset in the accompanying consolidated balance sheets as they result from different taxable entities and tax authorities. Gross amounts are as follows:

		2011		2010
Deferred income tax asset	$	(4,340)	$	(1,539)
Deferred income tax liability		997		622
Total asset, net	$	(3,343)	$	(917)

d. Certain tax losses will not be recoverable before their expiration date. Consequently, the Company has recognized a valuation allowance for a portion of such losses.

e. Tax loss carryforwards for which the deferred income tax asset has been recorded may be recovered subject to certain conditions. Tax losses generated in countries and expiration dates are:

Years		Amount
2012	$	17
2013		102
2014		186
2015		121
2016		170
2017 and thereafter		12,607
		13,203
Tax losses included in the valuation allowance		(1,824)
Total	$	11,379

18. Other expenses, net

a. Other expenses are comprised as follows:

		2011		2010
PTU	$	664	$	653
Tax incentives		(79)		(47)
Loss on sale of fixed assets		72		175
Impairment		332		19
Other		186		169
	$	1,175	$	969

b. PTU is comprised as follows:

		2011		2010
Current	$	731	$	694
Deferred		(67)		(41)
	$	664	$	653

19. Commitments

Guarantees and/or guarantors

a. Grupo Bimbo, S. A. B. de C. V. and certain subsidiary companies have guaranteed bonded issued letters of credit to guarantee certain commercial obligations and contingent risk related to workers´ compensation of certain subsidiaries. The value of such letters of credit at December 31, 2011 and 2010 are US$214.1 and US$98.2 million, respectively.

b. The Company has guaranteed certain contingent obligations of associated companies for the amount of US$1.2 million at December 31, 2011.

c. Iberia entered into a contract with third parties which principally consist of purchase obligations for certain products at a preferential price. The future economic benefit of these purchases has been identified as an intangible asset in the acquisition of Iberia, valued at $162. This contract matures in 2015 and can be cancelled only if notification is provided three years in advance. Iberia is also obligated to pay 75% of severance cost to terminated employees of the third parties. The approximate cost of severance is $133.

Lease commitments –

a. The Company has long–term commitments under operating leases, principally for the facilities used to produce, distribute and sell its products. These commitments vary from three to 14 years, with a renewal option of between one and five years. Certain leases require the Company to pay all related expenses, such as taxes, maintenance and insurance for the term of the contracts. Rental expense was $1,333 in 2011 and $1,209 in 2010. The total amount of lease commitments is as follows:

Year		Amount
2012	$	2,013
2013		1,530
2014		1,207
2015		907
2016		688
2017 and thereafter		1,378
Total	$	7,723

20. Contingencies

Certain contingencies exist, of varying nature, that have arisen in the normal course of business of the Company, for which management has evaluated the likelihood of loss as remote, probable or possible. Based on such evaluation, for those contingencies for which the Company believes it is probable it will be required to use future resources to settle its obligation, the Company has accrued the following amounts:

Type		Amount
Labor–related	$	334
Tax		289
Total	$	623

Those contingencies for which management does not believe it is probable that it will be required to use future resources to settle its obligations and that are not expected to have a material adverse effect are not accrued until other information becomes available to support the recognition of a liability.

The Company has paid guarantee deposits of $351 million and pledged certain assets in Brazil amounting to an additional $18 million as a guarantee of tax litigation contingencies that are included in long–term other assets.

21. Information by geographical area

The following is the principal data by geographical area in which the Company operates for the years ended December 31, 2011 and 2010:

	2011					
	Mexico	USA	OLA	Iberia	Consolidation eliminations	Total
Net sales	$ 64,368	$ 53,810	$ 18,568	$ 393	$ (3,427)	$ 133,712
Income (loss) after general expenses	$ 8,201	$ 3,577	$ (524)	$ (80)	$ (23)	$ 11,151
Net income (loss) of controlling stockholders	$ 4,634	$ 2,630	$ (1,235)	$ (68)	$ (632)	$ 5,329
Depreciation, amortization and other	$ 1,608	$ 1,609	$ 1,000	$ 8	$ –	$ 4,225
Income (loss) after general expenses, plus depreciation, amortization and other ("EBITDA")	$ 9,809	$ 5,186	$ 476	$ (72)	$ (23)	$ 15,376
Interest collected	$ 164	$ 264	$ 25	$ 2	$ (23)	$ 432
Interest paid	$ 2,004	$ 159	$ 348	$ 11	$ (25)	$ 2,497
Total assets	$ 46,085	$ 77,761	$ 21,028	$ 4,101	$ (7,490)	$ 141,485
Total liabilities	$ 63,568	$ 25,339	$ 6,370	$ 2,030	$ (6,247)	$ 91,060

	2010				
	Mexico	USA	OLA	Consolidation eliminations	Total
Net sales	$ 57,870	$ 47,875	$ 14,207	$ (2,789)	$ 117,163
Income (loss) after general expenses	$ 8,013	$ 3,757	$ (340)	$ (18)	$ 11,412
Net income (loss) of controlling stockholders	$ 3,518	$ 2,576	$ (531)	$ (168)	$ 5,395
Depreciation, amortization and other	$ 1,615	$ 1,458	$ 1,002	$ –	$ 4,075
Income after general expenses, plus depreciation, amortization and other ("EBITDA")	$ 9,628	$ 5,215	$ 662	$ (18)	$ 15,487
Interest collected	$ 265	$ 276	$ 17	$ (1)	$ 557
Interest paid	$ 2,860	$ 74	$ 199	$ (2)	$ 3,131
Total assets	$ 36,121	$ 49,380	$ 16,045	$ (2,477)	$ 99,069
Total liabilities	$ 44,080	$ 8,295	$ 5,679	$ (3,522)	$ 54,532

As of December 31, 2011, net sales of its principal client represented 14% of the consolidated net sales.

22. Events subsequent to the date of the financial statements

a. On January 18, 2012, the Company issued US$800 million aggregate principal amount of 4.50% notes due 2022, at an issue price of 99.19%, to yield 4.602%. The notes constitute senior unsecured obligations of Grupo Bimbo and are unconditionally guaranteed by certain of Grupo Bimbo's subsidiaries, Bimbo, S. A. de C. V., Barcel, S. A. de C. V., Bimbo Bakeries USA, Inc., Bimbo Foods, Inc. and Earthgrains Bakery Group, Inc. Grupo Bimbo used the proceeds from this financing to refinance existing debt and for general corporate purposes.

The notes were offered in the USA to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and outside the USA pursuant to Regulation S under the Securities Act.

b. On February 8, 2012, the Company announced the successful completion of a Ps. 5,000 million *Certificados Bursátiles* (domestic bond) issuance in the local debt market with a 6.5–year tenor and a fixed interest rate of 6.83%. The proceeds obtained from this financing were used to prepay US$300 million of the Syndicated Bank Loan issued in April 2011.

23. Effects of adopting International Financial Reporting Standards

Pursuant to the General Provisions Applicable to Securities Issuers and Other Participants in the Securities Market (*Disposiciones de Carácter General Aplicables a las Emisoras de Valores y a Otros Participantes del Mercado de Valores*) issued in January 2010 by the CNBV, beginning with the year ending December 31, 2012, Mexican companies with securities listed on a Mexican securities exchange, including Grupo Bimbo, are required to prepare and present financial information in accordance with International Reporting Standards ("IFRS"). Certain additional information regarding adoption of IFRS is provided below:

As the consolidated financial statements for the year ending December 31, 2012 will be the first annual financial statements prepared in accordance with IFRS, the Company´s date of transition to IFRS will be January 1, 2011. Accordingly, the consolidated financial information for the year ended December 31, 2011 will be part of the period covered by the first IFRS annual financial statements and as of January 1, 2011, the Company will adopt IFRS 1, *First–time Adoption of International Financial Reporting Standards*. In accordance with IFRS 1, the Company will apply the mandatory exceptions and certain of the optional exemptions from full retrospective application of IFRS as described below.

The Company will apply the relevant mandatory exceptions to the retroactive application of IFRS as follows:

- Estimates – Estimates under IFRS at the transition date will be consistent with estimates made as of such date under MFRS, unless there is evidence that those estimates were made in error.

- Hedge Accounting – The Company will claim hedge accounting for its derivative financial instruments from the date of transition only if the hedge relationship meets the entire hedge accounting criteria required under IFRS.

- Non–Controlling Interests – The Company will prospectively apply the guidance with respect to certain recognition and presentation requirements related to non–controlling interests from its date of transition.

The Company has elected the following optional exemptions to retrospective application of IFRS as follows:

- Business Combinations – Business combinations that occurred before the date of transition have not been restated to reflect the measurement or recognition criteria required by IFRS.

- Deemed Cost – The Company plans to elect the option to measure certain items of property, plant and equipment at their historical cost, indexed for inflation under MFRS as "deemed cost" under IFRS as of its date of transition.

- Employee Benefits – The Company is electing to recognize all cumulative unrecognized actuarial gains and losses as of its date of transition.

- Cumulative Translation Differences – The Company is electing to set the previously accumulated cumulative translation balance recognized within stockholders' equity to zero at its transition date.

– Borrowing Costs – Capitalization of borrowing costs on qualifying assets prior to the date of transition have not been retrospectively restated to reflect the capitalization requirements of IFRS. Capitalization of borrowing costs on qualifying assets under IFRS requirements will be applied prospectively beginning on the date of transition.

Below is a summary of the main differences the Company has identified in its transition from MFRS to IFRS as of the date of these consolidated financial statements, as well as an estimate of their most significant effects as of the date of transition to IFRS of January 1, 2011:

Effects of inflation – According to IFRS, inflationary effects are recognized in the financial statements when the economy of the currency in which the Company's transactions are recorded is considered hyperinflationary. The Mexican economy ceased to be hyperinflationary in 1999 and, as a result, the inflationary effects recognized by the Company through December 31, 2007 under MFRS were reversed, representing a decrease in retained earnings of approximately $770 million, as of the date of transition. In addition, the reversal of inflation on equity items of $3,779 was recognized within retained earnings, but did not affect total stockholders' equity given that it is a reclassification of items within stockholders' equity. The impact of the reversal of inflation on the statement of income for 2011 is not significant.

Employee benefits – According to IFRS, liabilities for severance payment are not recognized unless the Company is able to provide evidence of its commitment to end the working relationship with the employee or has made the employee an offer to encourage voluntary retirement. Therefore, the liability recognized under MFRS was eliminated, together with the related unrecognized items pending amortization, with a net effect that increased the liability by $50. In addition, IFRS does not allow recognition of deferred PTU assets or liabilities. Accordingly, the PTU liability of $249 was eliminated. The impact of these differences in the statement of income for 2011 represents an increase in income for the period, determined under MFRS.

Segregation of property, plant and equipment into components – IFRS requires the identification and separation of property, plant and equipment as a result of segregation of components of buildings in all subsidiaries and a the review of the useful lives of fixed assets in some countries, that will increase accumulated depreciation decreasing retained earnings in the same amount. The impact of this difference is in process, but no material effect is expected on the consolidated financial statements.

Deferred taxes – The deferred tax effects of the aforementioned adjustments will result in an increase in retained earnings as of the date of transition. The impact of this difference is in process, but no material effect is expected on the consolidated financial statements.

Other differences in presentation and disclosures in the financial statements – IFRS disclosure requirements are, generally, more comprehensive than those of MFRS. This may result in a greater number of disclosures regarding accounting policies, significant judgments and estimates, financial instruments and risk management, among others. In addition, differences may exist in presentation of financial information. For example, IFRS require a single–statement or double–statement presentation of net income and comprehensive income; MFRS permits the presentation of comprehensive income solely within the statement of changes in equity. Other presentation differences may exist with respect to classification of amounts in the income statement or cash flow statement.

The information contained in this Note has been prepared in accordance with the standards and interpretations issued and in effect, or issued and adopted in advance of the date of preparation of these consolidated financial statements. Standards and interpretations that will be applicable as of December 31, 2012, including those that may be applied optionally, are not known with certainty at the time of preparation of the consolidated financial statements as of December 31, 2011 and 2010. In addition, the accounting policies selected by the Company could be modified as a consequence of changes in the economic environment or industry trends that occur after the issuance of these consolidated financial statements. The information contained in this Note is not intended to comply with IFRS, as only a group of financial statements that includes the statements of financial position, comprehensive income, changes in stockholders' equity and cash flows, along with comparative information and explanatory notes, can provide an appropriate presentation of the financial position of the Company, the result of its operations and its cash flows in accordance with IFRS.

24. Financial statement issuance authorization

On March 26, 2012, the issuance of the accompanying consolidated financial statements was authorized by Lic. Daniel Servitje Montull, Chief Executive Officer, and the Board of Directors of the Company. Consequently, they do not reflect events occurred after that date. These consolidated financial statements are subject to stockholders' approval at the General Stockholders' meeting, where they may be modified, based on provisions set forth by Mexican General Corporate Law.

Scope of GRI Report

1. Parameters of this report

The Social Responsibility Performance section of this 2011 Integrated Annual Report, comments on the economic, social and environmental management and performance of Grupo Bimbo, S.A.B. de C.V. during the period between January 1 and December 31, 2011.

This is the fifth report we have published on social responsibility, in keeping with our commitment of reporting annually on these aspects. We applied the methodology developed by the Global Reporting Initiative (GRI) based on the GRI G3 .1 Guide published in March 2011, as well as the Food Processing Industry Supplement.

The previous report, corresponding to fiscal year 2010, was prepared in compliance with GRI G3 Guide indicators.

Significant changes in the size, structure and ownership of the organization

In 2011, the largest structural change was the completed integration of BBU in the United States and Dulces Vero in Mexico. We also announced the acquisition of three new organizations: Sara Lee in the United States, Fargo in Argentina and Bimbo Iberia in Spain and Portugal. These significant changes in the size and structure of our company pose various challenges in access to information, standardization of goals and targets and integration of management processes and systems. However, for this report we have made an attempt to avoid affecting the coverage of the information, and are thus able to faithfully reflect the real situation of our company during the year 2011.

Information coverage

The coverage of this report was determined based on Grupo Bimbo's interest in being a transparent company and accepting its growing responsibility to have a positive economic, social and environmental impact on society. We include productive and distribution operations in which the Group has a legal and moral responsibility. These details are presented in the initial part of the report.

Remarks on company strategy, risks and opportunities — 1

Presents proposals and choices facing Grupo Bimbo including, in many cases, the three new organizations: Bimbo Iberia, Sara Lee and Fargo, integrated in 2011.

Management focus — 2

Presents management system, challenges and achievements of Grupo Bimbo, including, in many cases, the three new organizations integrated in 2011.

Data in indicators — 3

All the data of the organizations in which Grupo Bimbo had a legal and ethical responsibility at the close of 2010, including Dulces Vero and BBU, which were integrated to Grupo Bimbo during the year 2010.

Coverage of management strategy and focus

With regard to the goals, strategies and management of each of the "Commitments" pillars that make up the Social Responsibility strategy of Grupo Bimbo, and when the focus is global in nature, the information will include the three organizations acquired in 2011.

In other cases, we report on the scope of these perspectives, with a regional or organizational.

Coverage of performance indicators

This year we have worked hard to improve the content and include data on the new organizations acquired in 2010.

The indicators include the performance of all the organizations that made up Grupo Bimbo as of December 31, 2010, except for the GRI indicator referring to the number of associates (LA1), which also includes information on the three organizations acquired in 2011.

In the GRI content table, we include a column on coverage, specifying the entities included in the calculation for each performance indicator.

Finally, note that the coverage is limited to indicators that are appropriate for coverage given the company's activity and those on which the organization has information, policies or development strategies.

About the calculation of indicators

In 2011, we made a special effort to integrate information systems, better systematize the compilation of data, and improve accountability in all of the operations of Grupo Bimbo, particularly the performance of the Group's distribution and sales centers.

Many of our measurement techniques were made more precise and reliable than in preceding years, a circumstance that is noted at the foot of the graph or table in question, as follows:

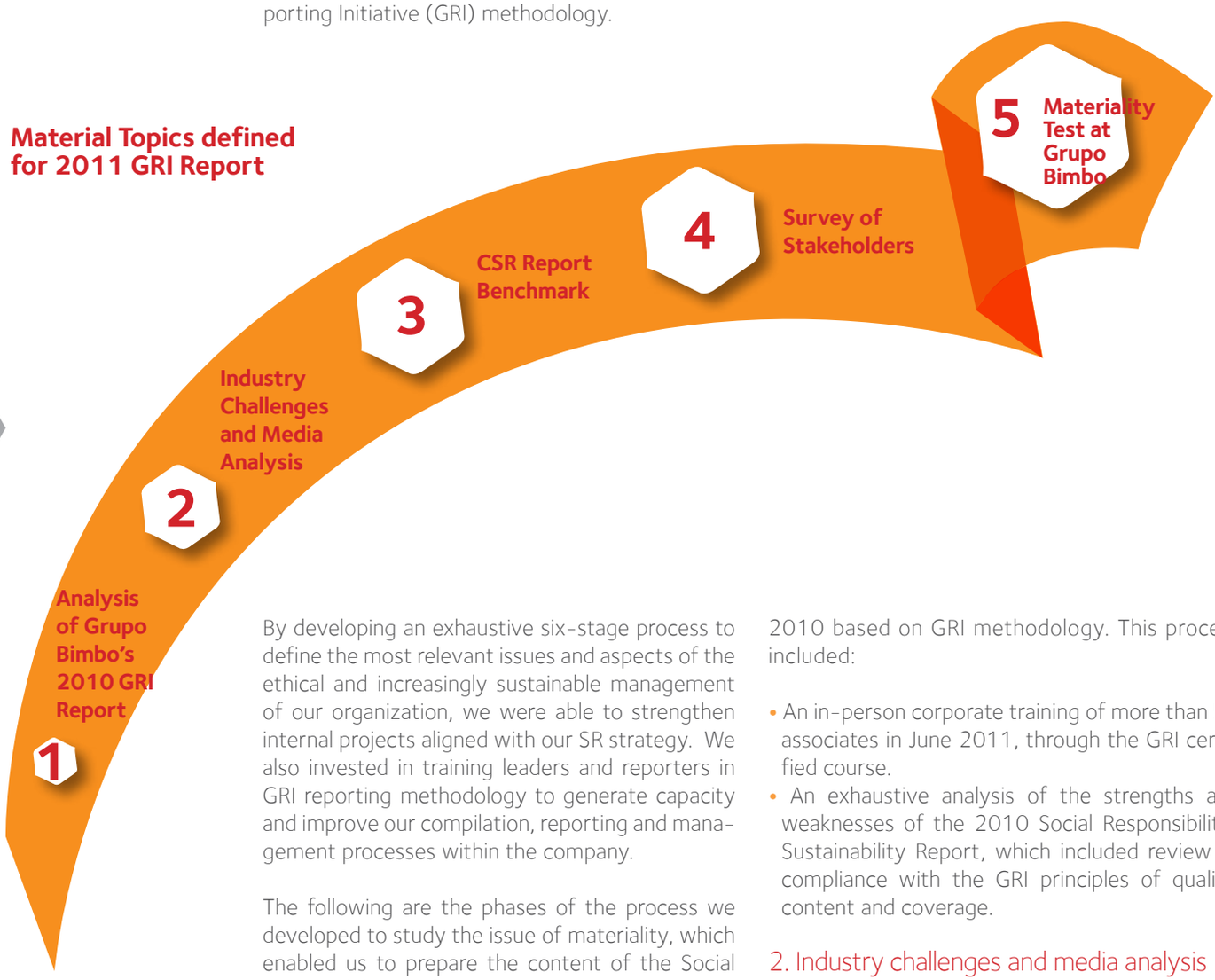
- Where data on the company's performance in 2011 differ from those published in the 2010 Social Responsibility/Sustainability Report, this is the result of some change in the method of calculation from 2010 to 2011.
- Indicates some bases for calculating the indicators according to GRI protocols and/or different international standards of calculation.

Fact checking and indicators

This report has not been externally fact checked. However we assigned a workgroup within the internal auditing area to specialize in GRI methodology. The purpose of this group is to exhaustively verify the documentation and data used to calculate the indicators presented in this document. These efforts are intended to ensure the traceability, precision and international comparability of information, as well as to guarantee the progressive development of systematic compilation processes.

2. Complete process for defining materiality

We have a goal of improving the quality of each report we publish on the status of our Social Responsibility strategy, and therefore, on our impact as a Group in a context of sustainable development. To this end, this year we more precisely applied the materiality principle of the Global Reporting Initiative (GRI) methodology.



By developing an exhaustive six-stage process to define the most relevant issues and aspects of the ethical and increasingly sustainable management of our organization, we were able to strengthen internal projects aligned with our SR strategy. We also invested in training leaders and reporters in GRI reporting methodology to generate capacity and improve our compilation, reporting and management processes within the company.

The following are the phases of the process we developed to study the issue of materiality, which enabled us to prepare the content of the Social Responsibility Performance section:

1. Review of Grupo Bimbo's 2010 GRI Report

We analyzed the lessons learned in preparing the first Social Responsibility/Sustainability Report for 2010 based on GRI methodology. This process included:

- An in-person corporate training of more than 50 associates in June 2011, through the GRI certified course.
- An exhaustive analysis of the strengths and weaknesses of the 2010 Social Responsibility/Sustainability Report, which included review of compliance with the GRI principles of quality, content and coverage.

2. Industry challenges and media analysis

- Review of more than 140 articles published in the news media regarding the industry and Grupo Bimbo during the year in question.
- Review of 10 food industry studies regarding the challenges presented by sustainability in this industry.

FOOD INDUSTRY STUDIES REVIEWED

Source	Title	Date	Scope
Government Office for Science (London)	The Future of Food and Farming: Challenges and choices for global sustainability	2011	International
Organization for Economic Cooperation and Development	Rising Food Prices: Causes and Consequences	2008	International
Global Reporting Initiative	Food and Beverages Industry Report	2008	International
FoodProcessing.com, News & Trends Editor	State of the Food Industry 2011: End of Recession Changes Everything ... or Nothing	2010	United States
Global Agri-Food Forum 2011	Presentations from Forum	2011	Mexico
Ministry of Farming, Livestock, Rural Development, Fishing and Food (SAGARPA)	Challenges and Opportunities to Mexico's Agri-food system in the next 20 years	2010	Mexico
AlimentosArgentinos	Product analysis: Bakery products	2011	Argentina
Spanish Federation of Food and Beverage industries (FIAB) & PricewaterhouseCoopers	Sustainability study of food and beverage industry	2011	Spain
Federación Española de Industrias de la Alimentación y Bebidas (FIAB) & PricewaterhouseCoopers	Estudio de sustentabilidad en la industria de alimentación y bebidas	2011	España

3. Sustainability report benchmarks

We compared eight national and international sustainability reports from food industry companies, including the structure of their information, the material subjects and aspects covered, as well as good practices in copywriting, presentation and graphs.

4. Survey of stakeholders

This past year, we also sought out more thorough feedback from our stakeholders regarding SR issues and the 2010 Social Responsibility/Sustainability Report to encourage closer dialogue with those groups regarding the issues involved in our Social Responsibility effort. The results of the survey and our responses are found in the section entitled "Our Stakeholders" in the Social Responsibility Performance section of this report.

5. Tests of materiality with the leaders of each of our "Commitment" pillars

We conducted a systematic test of materiality based on a quantitative tool to prioritize the importance of the material issues of each "Commitment" pillar of the Group's Social Responsibility strategy. The involvement of the leaders of each pillar was a determining factor in the comprehensiveness of the results we obtained.

6. Materiality study finalized with defined topics for 2011 GRI Report

Application of the complete materiality process enabled us to more precisely select the indicators that are most relevant for our stakeholders and the company, taking into account trends in the field of sustainability and challenges in the industry.

The twelve issues relating to the sustainability of our company that were found to be the most important for presenting and managing at Grupo Bimbo, guide the emphasis and sequence of the subjects dealt with in each of the "Commitment" sections of this report.

Additional Social and Environmental data

Environmental Data

DIRECT AND INDIRECT EMISSIONS BY ENERGY SOURCE

	CO_2 emissions in 2010	% of CO_2 e emissions vs. Total 2010	CO_2 e emissions in 2011	% of CO_2e emissions vs. Total 2011
Direct emissions				
Natural Gas	336,211.00	27.17%	341,495.00	27.09%
LP Gas	30,855.00	2.49%	33,681.00	2.67%
Diesel	448,506.00	36.24%	461,781.00	36.63%
Gasoline	128,302.00	10.37%	132,840.00	10.54%
Fuel Oil	5,841.00	0.47%	4,451.00	0.35%
Ethanol	501.00	0.04%	170.00	0.01%
Total Direct energy	950,216.00	974,418.00	950,216.00	974,418.00
Indirect emissions				
Electricity	287,430.00	23.22%	286,376.00	22.71%
Total emissions (metric tons of CO_2e)	1,237,646.00		1,260,794.00	

Notes: The table presents information for the years 2010 and 2011 regarding generation of equivalent carbon dioxide (CO_2e) emissions by energy source. These data corresponds to the organizations described in the "Coverage" column of Indicator EN 16, in the GRI Content table found in the Appendixes to this report.

To calculate CO_2e emissions from the use of fossil fuels, we used emission factors from the guide prepared by the Greenhouse Gas Protocol Initiative (GHG Protocol) and the Mexican Greenhouse Gas Protocol (GHG Mexico). To prepare this report, we used the following methodologies: GHG Protocol: a corporate Accounting and Reporting Standard; and the GHG Mexico Program.

DIRECT AND INDIRECT EMISSIONS BY ENERGY SOURCE

	2010			2011		
	Total energy consumption	Unit	% Energy consumption	Total energy consumption	Unit	% Energy consumption
Non-renewable direct energy						
Natural Gas	1,506,676	Gcal	41.86%	1,455,960	Gcal	40%
LP Gas	123,000	Gcal	3.42%	126,996	Gcal	4%
Diesel	1,482,723	Gcal	41.19%	1,524,308	Gcal	42%
Gasoline	461,811	Gcal	12.83%	473,925	Gcal	13%
Fuel oil	23,395	Gcal	0.65%	17,827	Gcal	0.5%
Renewable direct energy						
Ethanol vehicles	1,724	Gcal	0.05%	586	Gcal	0.02%
Total Direct Energy	3,599,329	Gcal		3,599,602		
Indirect energy*						
Electricity consumption	627,920,313	kWh		630,880,908	kWh	
Total indirect energy	627,920,313	kWh		630,880,908	kWh	

Notes: The figure presents information for the years 2010 and 2011 regarding consumption of direct and indirect energy by source of energy. These data correspond to the organizations described in the "Coverage" column of indicator EN3 and EN4, in the GRI Content figure found in the Appendixes to this report. Electricity is generated by hydrocarbon carburetion.

*Generation of solar energy is marginal and was thus not counted or this year's indicators.

ENERGY AND EMISSIONS INDEXES

	2009	2010	2011
Consumption of kWh of electricity per metric ton	215.02	211.06	210.88
Consumption of Gcal of Natural Gas by metric ton	0.5504	0.5221	0.5243
Generation of CO_2e emissions per metric ton produced		0.225	0.2232
Generation of CO_2e emissions per kilometer traveled			0.0005

Notes: The figure presents information for the years 2009 to 2011. The data correspond to the organizations described in the "Coverage" column of indicator EN5 and EN18, in the GRI Content figure found in the Appendixes to this report.

Social Data

List of Associations

MEXICO
Bimbo and Barcel
Cámara Nacional de la Industria de Transformación
Consejo Mexicano de Comercio Exterior del Occidente
Sustenta (Compromiso Empresarial para el Manejo Integral de Residuos Sólidos A.C)
Consejo Mexicano de la Industria de Productos de Consumo, A.C.
Cámara Nacional de la Industria Panificadora y Similares de México
Asociación Internacional de la Publicidad Capítulo México
Cámara Nacional de la Industria de la Transformación
Cámara Nacional del Maíz Industrializado
Asociación Mexicana de la Industria de Galletas y Pastas, A. C.
Consejo Nacional Agropecuario
Centro Empresarial Jalisco y México
Consejo Mexicano de la Industria de Productos de Consumo A.C.
Cámara Nacional de la Industria de Transformación, Toluca
Consejo Mexicano de Hombres de Negocios, A.C.
Consejo Coordinador Empresarial
Unión Social de Empresarios de México, A.C.
Confederación Patronal de la República Mexicana
México SOS
Consejo de la Comunicación
Impulsa, México

ARGENTINA
Cámara Empresaria del Parque Industrial Pilar
Cámara de Comercio Argentina Mexicana
Cámara Industriales de Productos Alimenticios
Asoc. Distribuidores de Golosinas y Af

CHILE
Cámara de Integración Chileno - Mexicana
Unión Social De Empresarios
Chile Alimentos
Asociacion De Industriales Area Norte De Santiago –Quilicura

COLOMBIA
Asociación Nacional de Empresarios de Colombia
Instituto Colombiano de Normas Técnicas
Cámara Colombo Mexicana de Comercio e Industria

ASOOCCIDENTE
Cámara de Comercio de Bogotá
Superintendencia de Sociedades

BBU
Grain Foods Foundation.

COSTA RICA
Cámara de Industrias de Costa Rica
Cámara de Industria y Comercio Costa Rica-Mexico
Cámara Costarricense de la Industria Alimentaria
Cámara de Exportadores de Costa Rica

EL SALVADOR
Cámara de Comercio e Industria de El Salvador
Asociación Salvadoreña de Industriales

GUATEMALA
Cámara de Comercio de Guatemala
Cámara de Comercio e Industria Guatemalteco-Mexicana
Cámara de Comercio Guatemalteco-Americana
Cámara de Industria de Guatemala
Asociación Guatemalteca de Exportadores
Asociación de Gerentes de Guatemala
Asociación de Gerentes de Recursos Humanos de Guatemala

HONDURAS
Cámara de Comercio e Industrias de Cortés
Cámara de Comercio Hondureño Americana

PANAMA
Cámara de Comercio e Industrias de Cortés

PERU
Asociación Peruana de Recursos Humanos
Cámara de Comercio de Lima
Cámara de Comercio Peruana-Mexicana
GSI LogisticsGroup Perú
Asociación Nacional de Anunciantes

ASSOCIATES BY TYPE AND REGION: PAYROLL, CONTRACT AND INDEPENDENT

	December 2010						December 2011					
	Associates		Contract workers*		Independent workers**		Associates		Contract workers*		Independent workers**	
	Total	%	Total	%	Total	%	Total	%	Total	%	Total	% del Total
Mexico	73,670	69%	296	12%	NA		75,196	60%	252	12%	NA	
United States	14,762	14%	252	10%	4,370	75%	26,712	21%	285	13%	4,750	69%
OLAC (Central America and Colombia)	5,897	6%	619	26%	NA		6,290	5%	692	32%	NA	31%
OLAS (Latin America Sur)	10,591	10%	1,150	48%	1,427	25%	12,993	10%	815	38%	2,105	
Asia	1,413	1%	93	4%	NA		1,411	1%	99	5%	NA	
Iberia	NA		NA		NA		2,002	2%	0	0%	ND	
Total – associates in Grupo Bimbo payroll and subcontracted workers	106,333		2,410		5,797		124,604		2,143		6,855	
Total Global	114,540						133,602					

Note: This figure includes information on the total associates of Grupo Bimbo, S.A.B. de C.V. as of December 2011, including the new companies acquired in 2011. It is the only indicator with this coverage in our 2011 Sustainability Report.
*Contract workers (non-sales contract employees).
**Independent workers (sales contract employees).

NEW HIRES AND NON-RETENTION OF NEW HIRES BY AGE, GENDER AND REGION

	New associates	New associates who leave their job within one year	% of associates who leave in less than a year
Mexico	11,786	3,727	24%
Men	8,987	2,715	23%
Women	2,799	1,012	27%
United States	875	118	12%
Men	636	85	12%
Women	239	33	12%
OLAC	3,049	828	21%
Men	2,441	683	22%
Women	608	145	19%
OLAS	1,662	445	21%
Men	1,286	408	24%
Women	376	37	9%
Asia	401	237	37%
Men	163	119	42%
Women	238	118	33%
Total Global	17,773	5,355	30.1%
Percentage of associates less than 30 years of age	11,518	3,594	31.2%
Percentage of associates 30-50 years old	6,022	1,720	28.6%
Percentage associates above 50 years of age	233	41	17.6%

Note: These data correspond to the organizations described in the "Coverage" column of indicator LA2 found In the GRI Content figure in the Appendixes to this report.

ACCIDENT RATE, DAYS LOST, AND FATALITIES

	Incident Rate (IR)* 2010	Incident Rate (IR)* 2011		Lost Days Rate (LDR)**		Fatalities	
	Grupo Bimbo	Grupo Bimbo	Contractors	2010	2011	2010	2011
Mexico	2.20%	2.70%	0.001%	84%	98%		5
United States	1.90%	2.00%	0.000%	130%	158%		1
OLA (Latin America)	3.10%	2.20%	0.000%	37%	78%		1
OCAC (Central America and Colombia)	2.50%	3.40%	0.000%	33%	462%		5
Asia	1.40%	1.30%	0.000%	16%	22%		
Global Total	2.22%	2.32%	0.000%	60%	163%	3	12

*Incident Rate (IR): calculated as follows: total number of accidents divided into total hours worked, for every 200,000 working hours. This rate reflects the incidence of both fatal and nonfatal accidents that occurred on the job or as a result of it.
** Lost Days Rate (LDR): calculated as follows: total number of workdays lost in proportion to total hours works for every 200,000 working hours. This rate reflects the amount of time not worked (hence, "lost days") because the worker or workers could not do their usual job as a result of a professional or workplace accident or illness.
Note: This data correspond to the organizations described in the "Coverage" column of indicator LA7 found in the GRI Content table in the Attachments of this report.

TRAINING STATISTICS

	Investment in training	Total training hours	Average training hours per associate
Total 2009	$ 87,298,000	203,533	20
Total 2010	$ 115,006,000	340,126	30
Total 2011	$ 208,093,013	2,403,358	26.4

TRAINING STATISTICS 2011

	Total Development Hours	Percentage total training hours	Average hours per employees
Administrative and operating employees	$ 1,741,911.00	72.4%	21.5
Supervisors	$ 550,911.00	22.9%	64.3
Executives and Directors	$ 111,316.00	4.6%	81.1
Global total for all employment levels	$2,403,358.20	100%	26.4

Note: "Total training hours" in 2011 include: technical training, induction and additional education (including human rights courses such as CUSUPE). In earlier years, it was included only conventional training.
Data correspond to the organizations described in the "Coverage" column of indicator LA10 found in the GRI Content table in the Attachments to this report.

HUMAN RIGHTS RELATED TRAINING ON POLICIES AND PROCEDURES

	2010	2011
CUSUPE Courses (Personnel advancement) by level		
Administrative and operating personnel		216,912
Supervisors		14,448
Executives and Directors		696
Total Global for all employment levels		232,056
Additional courses, not associated with level:		
Training on sexual harassment (BBU)		2,752
Global total hours devoted to training in policies and procedures regarding human rights aspects	90,514	234,808
Percentage associates trained in human rights policies and		9.0%

Note: These data correspond to the organizations described in the "Coverage" column of indicator HR3 found in the GRI Content figure in the Appendixes to this report

GRI Index

GRI INDICATOR AND DESCRIPTION OF STANDARD DISCLOSURE

GRI	Description	Reporting level	Page
STRATEGY AND ANALYSIS			
1.1	Statement from the most senior decision-maker of the organization.	Fully	12-15, 44
1.2	Description of key impacts, risks, and opportunities.	Fully	12-15, 44
ORGANIZATIONAL PROFILE			
2.1	Name of the organization.	Fully	2, 134
2.2	Primary brands, products, and/or services.	Fully	3
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Partially	3-5
2.4	Location of organization's headquarters.	Fully	3
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	2-5
2.6	Nature of ownership and legal form.	Fully	134
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Partially	2
2.8	Scale of the reporting organization.	Fully	2, 3, 35
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	3, 6, 8, 12-15,19, 34, 35, 43, 108, 134
2.10	Awards received in the reporting period.	Fully	45
REPORT PARAMETERS			
Report Profile			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	134
3.2	Date of most recent previous report (if any).	Fully	134
3.3	Reporting cycle (annual, biennial, etc.)	Fully	134
3.4	Contact point for questions regarding the report or its contents.	Fully	154
Report scope and boundary			
3.5	Process for defining report content.	Fully	136, 137
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	134
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	134
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	35, 134
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	Fully	72, 135
3.10	Effect of any re-statements of information provided in earlier reports, and reasons for re-statement.	Fully	35, 135
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	35, 43, 134

GRI	Description	Reporting level	Page
GRI Content Index			
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	144-153
Assurance			
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	135
GOVERNANCE, COMMITMENTS, AND ENGAGEMENT			
Governance			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	29
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	26
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Fully	24, 29
4.4	Mechanisms for shareholders and associates to provide recommendations or direction to the highest governance body.	Partially	28, 47
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives.	Fully	29, 30
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Partially	30
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	Fully	28-29
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	17, 28, 32, 33, 41, 107
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance.	Partially	29, 30
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Partially	29
Commitments to external initiatives			
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Partially	44, 114, 116-118
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	65, 66, 72, 84, 85, 97-103
4.13	Memberships in associations (such as industry associations) and/or national/ international advOLACy organizations	Fully	45, 140
Stakeholder engagement			
4.14	List of stakeholder groups engaged by the organization.	Fully	46-47
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	46-47

GRI	Description	Reporting level	Page
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	46-47
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Fully	48
SOURCING			
FP1	Percentage of purchased volume from suppliers compliant with company's sourcing policy.	ND	90
FP2	Percentage of purchased volume verified in accordance with credible, internationally recognized responsible production standards.	Partially	91
ECONOMIC PERFORMANCE INDICATORS			
Aspect: Economic Performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, associate compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	7, 103
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	ND	-
EC3	Coverage of the organization's defined benefit plan obligations.	ND	-
EC4	Significant financial assistance received from government.	NA	-
Aspect: Market Presence			
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Fully	109
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Partially	92
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	119
Aspect: Indirect economic impacts			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Partially	99, 102, 103
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Partially	92, 94, 102, 103
ENVIRONMENTAL PERFORMANCE INDICATORS			
Aspect: Materials			
EN1	Materials used by weight or volume.	Fully	81
EN2	Percentage of materials used that are recycled input materials.	ND	-
Aspect: Energy			
EN3	Direct energy consumption by primary energy source.	Fully	73, 139
EN4	Indirect energy consumption by primary source.	Fully	73, 139
EN5	Energy saved due to conservation and efficiency improvements.	Fully	74-16, 139

GRI	Description	Reporting level	Page
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	ND	-
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	ND	-
Aspect: Water			
EN8	Total water withdrawal by source.	Fully	78
EN9	Water sources significantly affected by withdrawal of water.	NA	-
EN10	Percentage and total volume of water recycled and reused.	ND	80
Aspect: Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	NA	-
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	NA	-
EN13	Habitats protected or restored.	Fully	85
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	ND	-
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	NA	-
Aspect: Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	73, 138
EN17	Other relevant indirect greenhouse gas emissions by weight.	ND	-
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	73, 139
EN19	Emissions of ozone-depleting substances by weight.	ND	-
EN20	NO, SO, and other significant air emissions by type and weight.	ND	-
EN21	Total water discharge by quality and destination.	Fully	80
EN22	Total weight of waste by type and disposal method.	Partially	81
EN23	Total number and volume of significant spills.	Fully	81
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	NA	-
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	NA	-
Aspect: Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Partially	83

GRI	Description	Reporting level	Page
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	ND	-
Aspect: Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	NA	-
Aspect: Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	ND	-
Aspect: Overall			
EN30	Total environmental protection expenditures and investments by type.	ND	-
LABOR PRACTICES AND DECENT WORK PERFORMANCE INDICATORS			
Aspect: Employment			
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Fully	122, 141
LA2	Total number and rate of new associate hires and associate turnover by age group, gender, and region.	Fully	110, 142
LA3	Benefits provided to full-time employees that are not provided to temporary or parttime employees, by significant locations of operation.	ND	-
LA15	Return to work and retention rates after parental leave, by gender.	ND	-
Aspect: Labor/Management relations			
LA4	Percentage of associates covered by collective bargaining agreements.	Fully	112, 113
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Partially	113
FP3	Percentage of working time lost due to industrial disputes, strikes and/or lock-outs.	ND	-
Aspect: Occupational health and safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Fully	115
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Partially	142
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Partially	118
LA9	Health and safety topics covered in formal agreements with trade unions.	ND	-
Aspect: Training and Education			
LA10	Average hours of training per year per associate by gender, and by associate category.	Fully	120, 121, 143

GRI	Description	Reporting level	Page
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	ND	-
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	ND	-
Aspect: Diversity and equal opportunity			
LA13	Composition of governance bodies and breakdown of associates per associate category according to gender, age group, minority group membership, and other indicators of diversity.	Partially	28, 119, 123
Aspect: Equal remuneration for women and men			
LA14	Ratio of basic salary and remuneration of women to men by associate category, by significant locations of operation.	Fully	123
HUMAN RIGHTS PERFORMANCE INDICATORS			
Aspect: Investment and procurement practices			
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	ND	-
HR2	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	ND	-
HR3	Total hours of associate training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of associates trained.	Fully	122, 143
Aspect: Non-discrimination			
HR4	Total number of incidents of discrimination and corrective actions taken.	NA	-
Aspect: Freedom of association and collective bargaining			
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	NA	-
Aspect: Child labor			
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	NA	-
Aspect: Forced and compulsory labor			
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	NA	-
Aspect: Security practices			
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	ND	-
Aspect: Indigenous rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	NA	-
Aspect: Assessment			
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	ND	-

GRI	Description	Reporting level	Page
Aspect: Remediation			
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	ND	-
SOCIETY PERFORMANCE INDICATORS			
Aspect: Local Communities			
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Partially	97, 103
FP4	Nature, scope and effectiveness of any programs and practices (in-kind contributions, volunteer initiatives, knowledge transfer, partnerships and product development) that promote healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need.	Fully	64
SO9	Operations with significant potential or actual negative impacts on local communities.	NA	-
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	NA	-
Aspect: Corruption			
SO2	Percentage and total number of business units analyzed for risks related to corruption.	ND	-
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	ND	-
SO4	Actions taken in response to incidents of corruption.	ND	-
Aspect: Public Policy			
SO5	Public policy positions and participation in public policy development and lobbying.	ND	94
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	96
Aspect: Anti-competitive behavior			
SO7	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	NA	-
Aspect: Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	NA	-
PRODUCT RESPONSIBILITY PERFORMANCE INDICATORS			
Aspect: Customer health and safety			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Partially	54
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	NA	-
FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.	Partially	62

GRI	Description	Reporting level	Page
FP6	Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and sugars.	Partially	55-58
FP7	Percentage of total sales volume of consumer products, by product category sold, that contain increased fiber, vitamins, minerals, phytochemicals or functional food additives.	Partially	55, 58, 59
Aspect: Product and service labeling			
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	61
FP8	Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements.	Fully	61
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	NA	-
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	ND	-
Aspect: Marketing Communications			
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	60
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	NA	-
Aspect: Customer Privacy			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	NA	-
Aspect: Compliance			
PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.	NA	-
ANIMAL WELFARE			
Aspect: Breeding and genetics			
FP9	Percentage and total of animals raised and/or processed, by species and breed type.	NA	-
Aspect: Animal husbandry			
FP10	Policies and practices, by species and breed type, related to physical alterations and the use of anaesthetic.	NA	-
FP11	Percentage and total of animals raised and/or processed, by species and breed type, per housing type.	NA	-
FP12	Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type.	NA	-
Aspect: Transportation, handling and slaughter			
FP13	Number of incidents of non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals.	NA	-

MANAGEMENT APPROACH

GRI	Description	Reporting level	Page
DMA SC			
Aspects	Protecting natural resources.	Fully.	88, 89
	Minimizing toxicity.	Fully.	89
	Fair trade.	Fully.	89
	Fair compensation for labor.	Fully.	89
	Traceability.	Fully.	89, 90
	Genetically modified organisms.	Fully.	90
	Animal welfare.	Fully.	90
	Biofuels.	Fully.	89, 90
DMA EC			
Aspects	Economic performance.	Fully.	21, 32-34
	Market presence.	Fully.	3-5
	Indirect economic impacts.	Fully.	87, 92, 93
DMA EN			
Aspects	Materials.	Fully.	69-72
	Energy.	Fully.	69-72
	Water.	Fully.	69-72
	Biodiversity.	Fully.	85
	Emissions, effluents and waste.	Fully.	69-72
	Products and services.	Fully.	83, 84
	Compliance.	Fully.	71
	Transport.	Fully.	69-72
	Overall.	Fully.	69-72
DMA LA			
Aspects	Employment.	Fully.	105-108
	Labor/Management relations.	Fully.	106, 107, 112, 113
	Occupational health and safety.	Fully.	105-107, 114-118
	Training and Education.	Fully.	105, 106, 119, 120
	Diversity and equal opportunity.	Fully.	105, 106, 122, 123
	Equal remuneration for women and men.	Fully.	105, 106, 122, 123
DMA HR			
Aspects	Investment and procurement practices.	Fully.	32, 33, 88
	Non-discrimination.	Fully.	32, 33, 107
	Freedom of association and collective bargaining.	Fully.	32, 33, 107
	Child labor.	Fully.	32, 33, 107
	Prevention of forced and compulsory labor.	Fully.	32, 33, 107
	Security practices.	Fully.	32, 33, 107
	Indigenous rights.	Fully.	32, 33, 99
	Assessment.	Fully.	32, 33, 107
	Remediation	Fully.	32, 33, 107

GRI	Remediation.	Fully.	Page
DMA SO			
Aspects	Local Communities.	Fully.	87, 96
	Healthy and affordable food.	Fully.	53, 55-58, 96
	Corruption.	Fully.	32, 33, 107
	Public Policy.	Fully.	32, 33, 96
	Anti-competitive behavior.	Fully.	32, 33
	Compliance.	Fully.	32, 33
DMA PR			
Aspects	Customer health and safety.	Fully.	53-55
	Product and service labeling.	Fully.	53-55
	Marketing Communications.	Fully.	53, 60-63
	Customer Privacy.	Partially.	32
	Compliance.	Fully.	32, 60-63
DMA AW			
Aspects	Breeding and genetics.	Fully.	NA
	Animal husbandry.	Fully.	NA
	Transportation, handling and slaughter.	Fully.	NA

Statement
GRI Application Level Check

GRI hereby states that **Grupo Bimbo S.A.B** has presented its report "2011 Integrated Annual Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, April 10th 2012

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: *Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on April 5th 2012. GRI explicitly excludes the statement being applied to any later changes to such material.*

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