



2006 Results
Fourth Quarter
(Mexico, BMV; GFAMSA)

Monterrey, Mexico as of February 8, 2006. - Grupo Famsa, S.A.B. de C.V. (Mexico, BMV:Gfamsa). Today announces results for the fourth quarter of 2006 (4Q06) compared with fourth quarter 2005 (4Q05), as well as twelve month period comparative figures (2006-2005) (In millions of Mexican Pesos as of December 31, 2006).



CEO's report

Mr. Humberto Garza Valdez, Grupo Famsa CEO, stated. In regards to expansion plans, for the 4Q06, 11 new stores were opened in Mexico, in addition to previous quarter's 23 new stores were opened in Mexico during 2006. Having to do with the United States, we close the year with 9 new stores, which were opened during the second and third quarter of 2006.

	2006	Total
México	23	322
E.E.U.U.	9	24

Aiming to increase our credit sales as percentage of total sales and tenor as well. With this idea in mind, different commercial initiatives took place reflecting a 13.8% credit sales increase for the last 12 months.

Mr. Garza Valdéz added: With the clear idea to improve the liquidity of our stock "Gfamsa", we carry out different initiatives in order to become part of the Mexican Index (Bolsa Mexicana de Valores "IPC"). Driven from the previously mentioned target and with the duty that represents the fact of having a 36% free-floating stock. We are committed to keep working closely with the financial community to properly inform the achieved goals as well as the challenges within our company and industry. As a result of the above mentioned we are please to tell you that during January we receive formal confirmation from The Bolsa Mexicana de Valores stating that Gfamsa will be part of the Mexican Index for the period of February 2007 to January 2008.

SELECTED FINANCIAL DATA

Net Sales

Net Sales for 4Q06 increase by \$395.9 million to reach \$3,738.3 million or an 11.8% increase when compared with 4Q05. This increase is due by a growth in the sales volume as a result of 32 new stores, as well as an increase in same-store-sales of 4.8% and 18.9% from Mexico and the United States respectively.

In a twelve month basis ending December 2006, Net Sales increase \$1,352.2 millions or 12.2% to \$12,393.2 millions when compare to \$11,041.0 million of previous year.

SALES	4Q05	4Q06	2005 Twelve Months	2006 Twelve Months
Net Sales	3,342.3	3,738.3	11,041.0	12,393.2

	Fourth Quarter	
	2005	2006
Number of Stores.....	314	346
Sales Floor Area (square meters).....	357,000	414,845

Same Store Sales (percentage)	Fourth Quarter	Fourth Quarter (Twelve Months)
Mexico	4.8%	4.3%
USA	18.9%	8.2%
Consolidated	5.4%	3.9%

Same-Store-Sales for 4Q06 reflects an increase of \$177.9 million where \$111.4 million pesos correspond to Mexican sales and \$66.5 million pesos were sales from the United States.

Cost of Sales

For the 4Q06 the costs of sales increase by \$234.8 million pesos, or 12.3%, a \$2,144.3 million compared to \$1,909.5 million at 4Q05. The cost of sales as a percentage of sales increases to 57.4% in 4Q06, from a 57.1% at 4Q05.

Gross Margin

Gross Margin for 4Q06 varied to 42.6% compared with 42.9% of 4Q05. On a twelve month basis, Gross Margin increase to 43.5% from 42.8% when comparing 2006 and 2005 respectively.

Operating expenses

During 4Q06 the Operating Expenses increase by \$111.7 million or 10.6%, to \$1,168.7 million for 4Q06 when compared to \$1,057.0 million for 4Q05. This increase reflected greater expenses related with the opening of 32 new stores from the 1st of January 2006 to December 31st 2006, as well as expenses related to 9 new stores to be opened during the first quarter 2007 and 9 new stores for the second quarter of 2007. This operating expenses include \$80.9 million for wages and salaries, \$5.4 million related to rents and re-modeling expenses, \$3.9 million of write-off's (on a consolidated basis the same reserve amount is kept), \$20.9 depreciation and amortization, and \$0.6 million for other expenses, including Bank related expenses. On a twelve months basis, the operating expenses for the 4Q06 were of \$4,156.2 million or a 14.6% higher when compared to 4Q05 when this same expense of \$3,627.0 million.

EBITDA

EBITDA Increase by \$70.4 million, or 15.6%, to \$523.2 million for the 4Q06 from \$452.8 million during the same period of 2005. At a twelve-month basis for 4Q06, EBITDA increase to \$1,513.6 million or 13.5% when compared with 4Q05 where EBITDA was \$1,334.1 million.

EBITDA	4Q05	4Q06	2005 Twelve Months	2006 Twelve Months
EBITDA	452.8	523.2	1,334.1	1,513.4
Margin	13.5%	14.0%	12.1%	12.2%

Net Comprehensive Financing Cost

The net comprehensive financing cost diminishes by \$19.2 million or (12.1%) to \$139.7 million for the 4Q06 compared to \$158.9 million by 4Q05. Under a twelve-month basis, for the 4Q06 the Net Comprehensive Financing Cost was of \$544.4 million or (3.7%) compared to 4Q05 in when this expense added \$565.5 million. During the 4Q06, a diminishment in net comprehensive financing cost for \$30.3 million was experienced. This reduction is due to payment of short-term debt from collected proceeds at IPO.

Net Comprehensive Cost	4Q05	4Q06	2005 Twelve Months	2006 Twelve Months
Financial Expenses	148.3	118.0	554.3	491.0
Financial Income	(6.4)	(9.6)	(22.6)	(31.9)
Exchange (Gain) Loss, Net	7.5	5.0	17.0	11.1
(Gain) Loss on monetary position	9.5	26.3	16.7	74.2
Net Comprehensive Financing Cost	158.9	139.7	565.4	544.4

Income Tax Expenses

The income tax expenses diminished by \$17.9 million to \$29.1 million during 4Q06 from \$47.0 million representing a 38.1% diminish during the same period of 2005. At a twelve-month basis for 2006 income tax related expenses were \$181.2 million or a 5.0% diminishment when compared to \$190.7 million for the same period 2005.

Net Income

During 4Q06, Grupo Famsa generated a Net Income of \$264.0 million compared with a net income of \$181.1 million for 4Q05 or a 45.7% increase for that period. On a twelve month period, Net Income increase by 89.3% to \$525.7 million for the fourth quarter 2006 when compared to \$277.7 million during the same period 2005.

Net Income	4Q05	4Q06	2005 Twelve Months	2006 Twelve Months
Net Income (Before effect of adoption of new accounting pronouncements)	181.1	264.0	277.7	525.7

Accounts Receivable

During 4Q06 accounts receivable, increased by \$1,104.6 million to \$7,580.5 million or 17.1% when compared to 4Q05 of \$6,475.9 million. This was mainly as a response of the increase at out installment sales, and tenor of them. It is important to notice that we have kept the same reserve amounts for write-off's with represents for Mexico 2.3% from our installment sales and 5.3% at the US and 2.8% on a consolidated basis.

Inventories

Inventories for 4Q06 were \$2,255.0 million or \$291.0 million or 14.8% higher when compared to 4Q05 of \$1,964.0 million. This increase at Inventories was due to higher sales volume and greater exhibition floors from new stores during the period.

Suppliers

During 4Q06, accounts payable reflect a \$18.3 million diminishment in order to reach \$1,932.6 million when compared to \$1,950.9 million at 4Q05 or an decrease of 0.9%.

Net Debt

Net debt for the Company for 4Q06 diminish \$387.3 million to \$3,590.1 million when compared to 4Q05 from \$3,977.4 million. This diminishment derivatives from our IPO.

Stockholders Equity

Due the IPO, an as of retained earnings form the Company by December 31, 2006 the Stockholders Equity report an increase of \$1,971.6 million to \$5,776.4 million when compared to \$3,804.8 million at 4Q05.

Segmented Selected Information (twelve months period).

Segment Net Sales (In Mexican million Pesos as of December 31, 2006)			Fourth Quarter Twelve Months Period	
			2005	2006
Retailing Operations Mexico			9,769.5	10,514.6
Retailing Operations USA			1,223.7	1,761.1
Other Businesses			991.6	1,061.4
Total segment net sales			11,984.8	13,337.1
Intersegment Operations			(943.7)	(943.8)
Total Consolidated Net Sales			11,041.1	12,393.3

Segment Net Sales (Percentage)			Fourth Quarter Twelve Month Period	
			2005	2006
Retailing Operations Mexico			88.5%	84.8%
Retailing Operations USA			11.1%	14.2%
Other Businesses			9.0%	8.6%
Total segment net sales			108.6%	107.6%
Inter-segment Operations			(8.6%)	(7.6%)
Total Consolidated Net Sales			100.0%	100.0%

EBITDA (In Mexican million Pesos as of December 31, 2006)			Fourth Quarter Twelve Month Period	
			2005	2006
Retailing Operations Mexico			1,152.6	1,253.8
Retailing Operations USA			42.2	99.8
Other Businesses			38.6	43.1
Total segment net sales			1,233.4	1,396.7
Inter-segment Operations			100.6	117.0
Total Consolidated Net Sales			1,334.0	1,513.7

Exhibit II**GRUPO FAMSA, S.A. DE C.V. AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEET AT DECEMBER 31, 2006 WHIT COMPARATIVE FIGURES FOR 2005**
Thousands of Mexican Pesos (Ps) of December 31, 2006 Purchasing Power

	<u>2006</u>		<u>2005</u>	
<u>Assets</u>				
Cash and temporary investments	\$	521,832 3.8%	\$	254,735 2.2%
Trade accounts receivable		7,580,547 55.4%		6,475,942 55.7%
Taxes recoverable		403,548 2.9%		318,856 2.7%
Other accounts receivable		533,499 3.9%		385,483 3.3%
Inventories		<u>2,254,998 16.5%</u>		<u>1,964,002 16.9%</u>
Total current assets		11,294,424 82.5%		9,399,018 80.8%
PROPERTY, LEASEHOLD IMPROVEMENTS AND FURNITURE AND EQUIPMENT		1,825,140 13.3%		1,715,189 14.7%
GOODWILL		232,358 1.7%		232,358 2.0%
DEFERRED CHARGES		256,724 1.9%		233,734 2.0%
OTHER ASSETS		84,121 0.6%		53,716 0.5%
Total assets	\$	<u>13,692,767 100.0%</u>	\$	<u>11,634,015 100.0%</u>

	<u>2006</u>		<u>2005</u>			
<u>Liabilities and Stockholders' Equity</u>						
CURRENT LIABILITIES:						
Short-term debt	\$	791,373	5.8%	\$	812,407	7.0%
Suppliers		1,932,632	14.1%		1,950,866	16.8%
Deferred value added tax		551,549	4.0%		478,519	4.1%
Accounts payable and accrued expenses		342,263	2.5%		290,416	2.5%
Income tax and asset tax payable		38,338	0.3%		8,982	0.1%
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Total current liabilities		3,656,155	26.7%		3,541,190	30.4%
LONG-TERM LIABILITIES:						
Long-term debt		3,320,552	24.3%		3,419,747	29.4%
Deferred income tax		814,142	5.9%		791,544	6.8%
Dismissal indemnities and seniority premiums		125,555	0.9%		76,781	0.7%
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Total long-term liabilities		4,260,249	31.1%		4,288,072	36.9%
		<hr/>			<hr/>	
Total liabilities		7,916,404	57.8%		7,829,262	67.3%
STOCKHOLDERS' EQUITY						
Capital stock		2,168,709	15.8%		2,040,644	17.5%
Premium on issuance of capital stock		1,981,057	14.5%		542,354	4.7%
Retained earnings		2,836,076	20.7%		2,558,375	22.0%
Net income		525,678	3.8%		277,700	2.4%
Deficit on restatement of capital		(1,746,186)	-12.8%		(1,624,806)	-14.0%
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Total majority interest		5,765,334	42.1%		3,794,267	32.6%
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Minority interest		11,029	0.1%		10,486	0.1%
		<hr/>			<hr/>	
Total stockholders' equity		5,776,363	42.2%		3,804,753	32.7%
		<hr/>			<hr/>	
Total liabilities and stockholders' equity	\$	13,692,767	100.0%	\$	11,634,015	100.0%

C.P. Abelardo García Lozano
Chief Financial Officer

GRUPO FAMSA, S.A. DE C.V. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
FROM JANUARY 1ST TO DECEMBER 31, 2006 AND 2005

Thousands of Mexican Pesos (Ps) of December 31, 2006 Purchasing Power

	<u>2006</u>	<u>2005</u>
<u>Operating</u>		
Net income	\$ 525,678	\$ 277,700
Items not affecting resources:		
Depreciation and amortization	280,804	238,085
Amortization of goodwill	0	0
Allowance for doubtful accounts	276,255	229,852
Deferred income tax	64,853	152,974
Dismissal indemnities and seniority premiums	29,364	71,171
	<u>1,176,954</u>	<u>969,782</u>
Changes in working capital other than financing:		
Trade accounts receivable	(1,380,860)	(861,308)
Inventories	(408,739)	(321,571)
Suppliers	(18,234)	84,774
Other, net	(154,712)	(154,876)
	<u>(1,962,545)</u>	<u>(1,252,981)</u>
Resources used in operating activities	<u>(785,591)</u>	<u>(283,199)</u>
<u>Financing</u>		
Bank loans and long-term debt, net	(120,229)	572,189
Capital stock	128,065	0
Premium on issuance of capital stock	1,438,703	0
Minority interest, net	543	(47)
Resources provided by financing activities	<u>1,447,082</u>	<u>572,142</u>
<u>Investing</u>		
Property, leasehold improvements and furniture and equipment, net	<u>(394,394)</u>	<u>(332,186)</u>
Increase (decrease) in cash and temporary investments	267,097	(43,243)
Cash and temporary investments at beginning of year	<u>254,735</u>	<u>297,978</u>
Cash and temporary investments at end of year	<u>\$ 521,832</u>	<u>\$ 254,735</u>

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Chief Financial Officer

Exhibit IV**GRUPO FAMSA, S.A. DE C.V. AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF INCOME**
FROM JANUARY 1ST TO DECEMBER 31, 2006 AND 2005**Thousands of Mexican Pesos (Ps) of December 31, 2006 Purchasing Power**

	<u>2006</u>		<u>2005</u>	
Net sales	\$ 12,393,248	100.0%	\$ 11,041,030	100.0%
Cost of sales	<u>(7,004,216)</u>	<u>-56.5%</u>	<u>(6,318,046)</u>	<u>-57.2%</u>
Gross margin	5,389,032	43.5%	4,722,984	42.8%
Operating expenses	<u>(4,156,196)</u>	<u>-33.5%</u>	<u>(3,627,012)</u>	<u>-32.9%</u>
Operating income	1,232,836	9.9%	1,095,972	9.9%
Comprehensive financing expense, net	<u>(544,434)</u>	<u>-4.4%</u>	<u>(565,496)</u>	<u>-5.1%</u>
	688,402	5.6%	530,476	4.8%
Other income, net	18,624	0.2%	935	0.0%
Amortization of goodwill	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>
Income before provisions	<u>707,026</u>	<u>5.7%</u>	<u>531,411</u>	<u>4.8%</u>
Income tax	(179,268)	-1.4%	(188,652)	-1.7%
Employees' profit sharing	<u>(1,907)</u>	<u>-0.0%</u>	<u>(2,067)</u>	<u>-0.0%</u>
	(181,175)	-1.5%	(190,719)	-1.7%
Income before effect of adoption of new accounting pronouncement	<u>525,851</u>	<u>4.2%</u>	<u>340,692</u>	<u>3.1%</u>
Effect of adoption of new accounting pronouncement	0	0.0%	(63,039)	-0.6%
Consolidated net income	<u>525,851</u>	<u>4.2%</u>	<u>277,653</u>	<u>2.5%</u>
Net income corresponding to minority interest	<u>(173)</u>	<u>-0.0%</u>	<u>47</u>	<u>0.0%</u>
Net income corresponding to majority interest	<u>\$ 525,678</u>	<u>4.2%</u>	<u>\$ 277,700</u>	<u>2.5%</u>

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