
FIRST-QUARTER 2010 RESULTS

RESULTS OF OPERATIONS

1Q10 vs. 1Q09

Sales volume remained mainly flat at 470 thousand metric tons during 1Q10 relative to 1Q09, when volume was inflated as customers built up their inventories in anticipation of price increases implemented in 2Q09.

Net sales increased 19% to Ps.2,936 million due mainly to price increases implemented during 2009, especially in 4Q.

Cost of sales as a percentage of net sales increased to 73.5 from 70.0%. In absolute terms, cost of sales increased 25% to Ps.2,159 million due to higher cost of corn in connection with the elimination of government support to the tortilla industry; this support was replaced by price increases in corn flour.

Selling, general, and administrative expenses (SG&A) as a percentage of net sales increased to 16.8% from 16.3% and, in absolute terms, increased 23% mainly from higher selling expenses resulting from promotion and advertising related to the 2010 FIFA World Cup, and to a lesser extent, higher freight tariffs.

Operating income as a percentage of net sales decreased to 9.7% from 13.7%, and in absolute terms, operating income decreased 16% to Ps.285 million due primarily to the aforementioned higher cost of corn and higher SG&A.

Comprehensive financing income, net, was Ps.8 million, versus a cost of Ps.47 million in 1Q10, due mainly to higher cash balances.

Income taxes totaled Ps.98 million, 25% higher than in the same period of 2009, resulting from higher pre-tax income. In addition, the statutory rate for income tax increased from 28% in 2009 to 30% in 2010 generating additional taxes.

Majority net income decreased 5% to Ps.187 million. Majority net income as a percentage of net sales decreased to 6.4% from 8.0%.

FINANCIAL POSITION

March 2010 vs. December 2009

Balance-Sheet Highlights

Total assets decreased 1% to Ps.9,759 million as a result of lower corn inventories which were partially offset by higher cash balances.

Total liabilities decreased 10% to Ps.2,601 million due mainly to lower debt and lower trade accounts payable in connection with corn procurement.

Stockholders' equity increased 3% to Ps.7,157 million.

Operational and Profitability Ratios

Operational Ratios	1Q10	4Q09	1Q09
Accounts receivable outstanding (days to sales)	29	29	33
Inventory turnover (days to cost of sales)	70	96	97
Net working capital turnover (days to sales)	60	69	94
Asset turnover (total assets to sales)	0.8	0.9	1.0
Profitability Ratios (%)			
ROA	8.5	8.6	8.9
ROE	12.4	12.4	12.8
ROIC	9.7	10.4	12.5

ACCOUNTING PROCEDURES

The consolidated figures have been prepared in accordance with accounting principles generally accepted in Mexico.

Starting January 1, 2008, the Financial Reporting Standard B-10 (FRS B-10) became effective. FRS B-10 defines the economic environments that operate on an entity, which can be:

- inflationary – when the accumulated inflation of three prior years is equal or superior to 26%, or
- noninflationary – when the accumulated inflation of three prior years is less than 26%.

Based on the foregoing, as GIMSA operates in a noninflationary environment, the effects of inflation are not recognized from January 1, 2008.

ABOUT GIMSA

Founded in 1949, Grupo Industrial Maseca, S.A.B. de C.V. ("GIMSA"), is the world's largest producer of corn flour. GIMSA is engaged principally in the production, distribution, and sale of corn flour in Mexico under the MASECA® brand name. GIMSA's corn flour is used mainly in the preparation of tortillas and other related products.

This report may contain certain forward-looking statements and information relating to Grupo Industrial Maseca, S.A.B. de C.V., that are based on the beliefs of its management as well as assumptions made by and information then available to GIMSA. Such statements reflect the views of GIMSA with respect to future events and are subject to certain risks, uncertainties, and assumptions. Many factors could cause the actual results, performance, or achievements of GIMSA to be materially different from historical results or any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. Such factors include, among others, changes in economic, political, social, governmental, business, or other factors globally or in Mexico, as well as world and domestic corn prices. If one or more of these risks or uncertainties materializes, or underlying assumptions are proven incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected, or targeted. GIMSA does not intend, and undertakes no obligation, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

GRUPO INDUSTRIAL MASECA, S.A.B. DE C.V., AND SUBSIDIARIES

(MILLIONS OF PESOS)

FINANCIAL HIGHLIGHTS

INCOME STATEMENT SUMMARY	QUARTERS				
	1Q10	1Q09	VAR (%)	4Q09	VAR (%)
SALES VOLUME (METRIC TONS IN THOUSANDS)	470	472	(0)	469	0
CORN FLOUR	435	439	(1)	435	(0)
OTHERS	35	33	5	34	2
NET SALES	2,936	2,458	19	2,786	5
GROSS PROFIT	778	737	6	788	(1)
GROSS MARGIN (%)	26.5%	30.0%		28.3%	
OPERATING INCOME	285	337	(16)	315	(10)
OPERATING MARGIN (%)	9.7%	13.7%		11.3%	
OTHER (INCOME) EXPENSE	3	10		(6)	
COMPREHENSIVE FINANCING COST (INCOME)	(8)	47		(30)	
INTEREST EXPENSE	22	9		32	
INTEREST INCOME	(29)	29		(58)	
FOREIGN EXCHANGE LOSS (GAIN)	(1)	9		(4)	
TAXES	98	79	25	96	2
NET INCOME	191	201	(5)	255	(25)
MAJORITY NET INCOME	187	197	(5)	254	(26)
EARNINGS PER SHARE ¹	0.20	0.21	(5)	0.28	(26)
DEPRECIATION AND AMORTIZATION	79	74		73	
EBITDA ²	364	411	(12)	389	(6)
CAPITAL EXPENDITURES	14	5		92	

BALANCE SHEET SUMMARY	Mar-10	Mar-09	VAR (%)	Dec-09	VAR (%)
CASH AND CASH EQUIVALENTS	972	177	447	994	(2)
TRADE ACCOUNTS RECEIVABLE	943	894	6	895	5
OTHER ACCOUNTS RECEIVABLE	1,578	1,970	(20)	1,250	26
INVENTORIES	1,681	1,859	(10)	2,130	(21)
CURRENT ASSETS	5,269	4,984	6	5,324	(1)
PROPERTY, PLANT, AND EQUIPMENT, NET	4,237	4,287	(1)	4,294	(1)
TOTAL ASSETS	9,759	9,561	2	9,860	(1)
SHORT-TERM DEBT	14	0	100	165	(92)
CURRENT LIABILITIES	1,254	1,170	7	1,506	(17)
LONG-TERM DEBT	416	0	100	418	(1)
TOTAL LIABILITIES	2,601	2,269	15	2,894	(10)
STOCKHOLDERS' EQUITY	7,157	7,291	(2)	6,966	3
MAJORITY STOCKHOLDERS' EQUITY	6,848	6,981	(2)	6,661	3
CURRENT ASSETS/CURRENT LIABILITIES	4.20	4.26		3.54	
TOTAL LIABILITIES/STOCKHOLDERS' EQUITY	0.36	0.31		0.42	
BOOK VALUE PER SHARE ¹	7.46	7.60		7.25	

¹ Based on 918,405,000 shares outstanding as of March 2010, March 2009, and December 2009.

² EBITDA = operating income + depreciation and amortization affecting operating income.