



ALSEA, S.A. DE C.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN FINANCIAL POSITION
DECEMBER 31, 2006 AND 2005
(Thousands of Mexican pesos in purchasing power as of December 31, 2006)

	December 31, 2006	December 31, 2005
Operating Activities		
Net Income	\$ 220,347	\$ 274,883
Add Charges (deduce credits) to income not requiring (providing) funds		
Depreciation and amortization, goodwill	550,707	210,934
Equity in results of associated companies	(1,399)	20,512
Income tax and employees statutory profit sharing	4,658	3,998
Deferred income tax	(130,050)	(59,838)
Funds provided by operations	<u>\$ 644,263</u>	<u>\$ 450,489</u>
Net financing from (investing in) operating activities:		
Clients	\$ 24,004	\$ 8,608
Inventories	(59,623)	56,004
Suppliers	70,252	73,214
Taxes	0	0
Other assets and other liabilities	234,687	(242,687)
Funds (used in) provided by workin capital	<u>\$ 269,320</u>	<u>\$ (104,861)</u>
Funds (used in) provided by operating activities	<u>\$ 913,583</u>	<u>\$ 345,628</u>
Financing activities:		
Increase in capital stock and minority interest, net	\$ 702,752	\$ 21,014
Repurchase of shares	12,872	5,609
Debt and payment loans, net	(320,045)	627,370
Dividend payment	(162,709)	(104,250)
Funds provided (used in) financing activities	<u>\$ 232,870</u>	<u>\$ 549,743</u>
Investing Activities		
Store equipment, leasehold improvements and property, net	(368,453)	(459,776)
Asset write-offs	13,405	24,402
Trademarks, goodwill and pre-operatives, net	(352,787)	(304,881)
Investment in shares of associated companies, net dividend collected	(10,030)	(20,592)
Incorporation effect in subsidiaries	(353,645)	(123,916)
Monetary conversion effect	(4,556)	0
Funds provided by (used in) investing activities	<u>\$ (1,076,066)</u>	<u>\$ (884,763)</u>
Increase (decrease) in cash	<u>\$ 70,387</u>	<u>\$ 10,608</u>
Cash beginnig period	\$ 165,061	\$ 153,162
Cash end of period	<u>\$ 235,448</u>	<u>\$ 163,770</u>

