GRUPOMEXICO

Third Quarter 2008 Results

Mexico City, October 28, 2008 - Grupo México, S.A.B. de C.V. ("Grupo México" - BMV: GMEXICOB) reports its results for the third quarter of 2008 ("3Q08").

Grupo México
Financial Highlights in Dollars[1]

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COTIZA EN BOLSA MEXICANA DE VALORES
GMEXICO

- **Consolidated sales** for 3Q08 reached $1.738 billion, compared with $1.865 billion in 3Q07. This decrease is due to lower volumes of copper and zinc, but was mitigated by higher metals prices and sales of molybdenum, sulfuric acid, and silver. The transport division reported a 15.1% sales increase from 3Q07.

- **Operating income** for 3Q08 was $729 million, compared to $996 million in 3Q07.

- The 3Q08 **EBITDA** was $864 million, equal to 49.7% of sales, compared to $1.091 billion for 3Q07. The EBITDA for the transport division reached $90 million, a 6.5% increase over 3Q07, posting a margin of 30.3% on sales.

- **Net consolidated earnings** were $342 million in 3Q08, compared to $499 million in 3Q07, equivalent to $0.045 per share.

- Grupo México's **total consolidated debt** at the close of 3Q08 was $1.882 billion, with a cash and banks balance of $2.701 billion, equivalent to $818 million in net cash after discounting debt.

	Third Quarter		Variance		January - September		Variance	
(Thousand US Dollars)	**2008**	**2007**	**US$000**	**%**	**2008**	**2007**	**US$000**	**%**
Sales	**1,737,633**	**1,865,264**	**(127,631)**	**(6.8)**	**5,231,954**	**5,529,575**	**(297,621)**	**(5.4)**
Cost of Sales	849,067	721,370	127,697	17.7	2,256,563	2,084,719	171,844	8.2
Operating Income	**728,842**	**995,846**	**(267,004)**	**(26.8)**	**2,497,533**	**3,015,398**	**(517,865)**	**(17.2)**
EBITDA	**863,996**	**1,090,545**	**(226,549)**	**(20.8)**	**2,849,217**	**3,260,002**	**(410,785)**	**(12.6)**
Margin EBITDA (%)	49.7%	58.5%			54.5%	59.0%		
Net Income	**342,106**	**498,873**	**(156,767)**	**(31.4)**	**1,246,366**	**1,461,526**	**(215,160)**	**(14.7)**
Earnings per Share US$	0.045	0.065			0.163	0.190		
Investments / Capex	186,274	169,530	16,744	9.9	456,040	425,181	30,859	7.3
Shares Outstanding (000)	7,647,500	7,708,535	(61,035)	(0.8)	7,647,500	7,708,535	(61,035)	(0.8)

*As of October 24, 2008

[1] All figures are presented in U.S. dollars ("US$") legal currency of the United States of America ("USA"), under U.S. GAAP, unless otherwise stated.

Highlights

- **Derivative Instruments.-** The holding Company does not hold any foreign exchange derivatives, or of any other nature. Its subsidiary Southern Copper Corporation ("SCC") signed copper hedge agreements to protect 179,443 tons in 2008. These agreements were mainly zero cost collars with average floor prices of $3.40 per pound. The gain for the 3Q08 was 29.2 million. As of September 30, the mark-to-market valuation is favorable in $33.7 million. SCC does not hold any copper hedges for 2009 or thereafter.

  Minera Mexico signed currency forward derivative contracts to cover a very small portion of its peso needs for its operations in Mexico. These contracts mature in less than 12 months, and as of September 30, are valuated (mark-to-market) at a US$14.8 million loss. This position, which will not have a negative effect as the company's revenues are in dollars, as it is the case in the commodities industry.

  Its subsidiaries ITM and GFM - Ferromex do not hold any foreign exchange derivatives. They hold an interest rate derivative for an US$82.6 million loan, with a positive valuation of US$1.2 million as of September 30th. Approximately 77% of the railroad division's debt is in pesos.

  It is important to mention that GMexico maintains a cash position in dollars of close to $1.750 billion, in addition to its cash position in pesos of $11.1 billion pesos and $183.3 million soles; the positions in pesos and soles will benefit from the interest rates in Mexico and Peru.

  Considering the favorable valuation of the interest rate swaps and the copper hedges, the Company's consolidated position in financial instruments was a favorable net balance of $20.1 million as of September 30, 2008.

- **Asarco LLC[2].-** As a result of the world financial crisis, Grupo México is carefully reevaluating what is the best strategy that will facilitate the recovery and reorganization of Asarco. Considering this new unfavorable economic environment, GMexico will propose a new reorganization plan that will both absorb the impact of the crisis and guarantee full payment of Asarco's liabilities; provided the merits of each and every one of the claims against Asarco have been proven and quantified by the Court.

  GMexico has never been in agreement with Asarco's Independent Board paying creditors greater amounts based on negotiations and estimates without legal grounds. Given the current environment, it is essential for Asarco's reorganization that the Court conduct a detailed review of each and every one of the claims that are actually attributable to Asarco.

- **Stock Repurchase Program.-** Grupo Mexico has repurchased a total of 137,500,000 shares[3] since the beginning of the program. Stocks are repurchased in accordance with the program authorized by the Ordinary General Shareholders' Meeting.

[2] The operations of Asarco in the U.S. ceased to be financially consolidated on August 9, 2005.
[3] From January 1st to October 24th, 2008 Grupo México has repurchased 117,913,644 shares for the amount of $1,727.9 million pesos.

- **SCC Capital Expenditures.-** The Company is reviewing its investment programs, given the evident need for greater discipline in the markets and also control of unit costs. The Company will continue with its expansion projects at Tía María and Toquepala, which will increase copper production by 220,000 tons per year by 2011 (32% of the current capacity), although there will be stricter budget control and also a review of the terms and conditions negotiated with all suppliers and contractors in order to seek out the necessary savings to face the current market situation.

  The Company will reevaluate the other expansion projects considering the economic outlook and the current commodities prices to avoid further distress in the industry.

Financing

The financing cost for 3Q08 was $40.8 million, 3.1% higher than 3Q07. Interests earned on the investment of available cash reached $22.2 million in 3Q08, which produced a net financing cost of $16.3 million, after capitalizing interest.

Debt Profile

	As of September 30				
	2008			2007	
(US$000)	Gross Debt	Cash & Banks	Net Debt	Gross Debt	Var. Debt
Americas Mining Corporation	-	4,789	(4,789)	-	-
Southern Copper Corporation	1,294,911	1,175,648	119,263	1,523,293	(15.0)
Infraestructura y Transportes México (ITM)	-	128,458	(128,458)	-	-
GFM - Ferromex	587,377	141,650	445,727	451,052	30.2
Grupo México	-	1,250,214	(1,250,214)	-	-
Grupo México (Consolidated)	**1,882,288**	**2,700,759**	**(818,471)**	**1,974,345**	**(4.7)**

The cash position remains deposited in low risk instruments with healthy financial institutions. Loan amortizations for 2009 and 2010 total approximately $82 million per year.

With this debt amount, healthy debt profile, low operating costs, and revenues based in US dollars, GMexico is well positioned to face the financial crisis that has suffocated credit and contributed to the fall in commodity prices.

Mining Division[4]

Metals Market

The average metals prices in 3Q08, compared to 3Q07, performed as follows: copper, zinc, and lead fell 0.4%, 45.1%, and 39.2%, respectively; molybdenum, silver, and gold increased 6.2%, 17.5%, and 27.7%, respectively.

Our expectation, even though the price of copper has experienced a strong downside correction in recent weeks, is that the demand for copper will be sustained as the industrialization and urbanization of China will continue, although at a less accelerated pace. We also believe that the problems of supply constraints in the industry will continue due to lower ore grades, reduced global inventories, disruptions at some mines, delayed and cancelled mining projects, in addition to the shortage of access to financial resources.

Average Metals Prices

		Third Quarter		Var.	January - September		Var.
		2008	2007	%	2008	2007	%
Copper	($cts/Pound)	348.35	349.82	(0.4)	361.64	321.85	12.4
Molybdenum	($dlls/Pound)	33.27	31.33	6.2	33.01	29.19	13.1
Zinc	($cts/Pound)	80.30	146.37	(45.1)	95.46	156.44	(39.0)
Silver	($dlls/Ounce)	14.92	12.70	17.5	16.57	13.11	26.4
Gold	($dlls/Ounce)	869.58	681.12	27.7	897.43	666.21	34.7
Lead	($cts/Pound)	86.74	142.57	(39.2)	107.62	107.44	0.2

Source: Copper, Zinc & Gold - LME; Silver - COMEX; Molybdenum - Metals Week Dealer Oxide

The revenue contributions per metal at the end of 3Q08 where: copper 63.4%, molybdenum 22.1%, silver 4.8%, zinc 3.3%, sulfuric acid 3.3%, gold 0.8%, lead 0.6%, and others 1.7%.

Southern Copper Corporation
Financial Highlights in Dollars

	Third Quarter		Variance		January - September		Variance	
(Thousand US Dollars)	2008	2007	US$000	%	2008	2007	US$000	%
Sales	**1,440,077**	**1,606,414**	**(166,337)**	**(10.4)**	**4,401,079**	**4,791,213**	**(390,134)**	**(8.1)**
Cost of Sales	**645,798**	**560,003**	**85,795**	**15.3**	**1,716,845**	**1,588,982**	**127,863**	**8.0**
Operating Income	**675,946**	**933,593**	**(257,647)**	**(27.6)**	**2,333,073**	**2,866,172**	**(533,099)**	**(18.6)**
EBITDA	**783,669**	**1,011,237**	**(227,568)**	**(22.5)**	**2,605,356**	**3,045,144**	**(439,788)**	**(14.4)**
Margin EBITDA (%)	54.4%	62.9%			59.2%	63.6%		
Investments / Capex	142,613	79,796	62,817	78.7	340,435	273,759	66,675	24.4

Revenues for 3Q08 and for the first nine months of 2008 reached $1.440 billion and $4.401 billion, respectively, compared to $1.606 billion and $4.791 billion for the same periods in 2007. This decrease is mainly the result of lower copper and zinc sales volume, which was partially mitigated by higher prices and greater sales volumes of molybdenum, sulfuric acid, and silver.

[4] *Grupo México's mining division is represented by its subsidiary Southern Copper Corporation ("SCC"), the world's largest publicly traded copper company in terms of mineral reserves that quotes on the New York and Peruvian stock exchanges. SCC stockholders, directly or through subsidiaries, are: Grupo México (75.1%) and other stockholders (24.9%). The company operates mining units, metallurgical plants, and conducts exploration projects in Peru, Mexico, and Chile.*

The cost of sales for 3Q08 was $646 million, 15.3% higher than 3Q07. This $86 million increase was due to a combination of higher production costs, $67 million, (mainly in electricity, fuel oil, tires, and repair materials), a $37 million increase in purchases of copper concentrates from third parties, a $9 million decrease in the profit sharing provision, and other minor variations.

The 3Q08 EBITDA totaled $784 million, equivalent to 54.4% of revenues, compared to an EBITDA of $1.011 billion for 3Q07. For the first nine months of 2008, EBITDA totaled $2.605 billion, equivalent to 59.2% of revenues, compared to an EBITDA of $3.045 billion, equivalent to 63.6% of revenues for the same period in 2007.

Considering the effect of $143 million in capital and exploration expenditures, and the distribution of $504 million in dividends during 3Q08, the net debt[5] totals $36 million as of September 30, 2008. The net stockholders' equity for 3Q08 increased 1.3% to reach $3.896 billion.

Mining Production and Sales

		Third Quarter		Variance		January - September		Variance	
		2008	2007	US$000	%	2008	2007	US$000	%
Copper	(m.t.)								
Production		118,655	136,830	(18,175)	(13.3)	363,767	466,279	(102,512)	(22.0)
Sales		128,948	142,963	(14,015)	(9.8)	366,968	470,795	(103,827)	(22.1)
Molybdenum	(m.t.)								
Production		4,542	4,390	152	3.5	12,363	11,947	416	3.5
Sales		4,566	4,144	422	10.2	12,504	11,913	591	5.0
Zinc	(m.t.)								
Production		26,880	29,306	(2,426)	(8.3)	79,214	95,049	(15,835)	(16.7)
Sales		25,612	26,200	(588)	(2.2)	74,024	87,723	(13,699)	(15.6)
Silver	(kg.)								
Production		94,509	107,368	(12,859)	(12.0)	286,441	379,007	(92,566)	(24.4)
Sales		145,954	151,722	(5,768)	(3.8)	345,634	446,494	(100,860)	(22.6)
Sulfuric Acid	(m.t.)								
Production		354,478	449,972	(95,494)	(21.2)	1,225,398	1,223,069	2,329	0.2
Sales		332,606	392,292	(59,686)	(15.2)	1,097,273	1,100,542	(3,269)	(0.3)
Gold	(kg.)								
Production		113	145	(32)	(22.1)	352	584	(232)	(39.7)
Sales		396	442	(46)	(10.4)	1,020	1,102	(82)	(7.4)
Lead	(m.t.)								
Production		4,989	4,938	51	1.0	15,473	14,289	1,184	8.3
Sales		4,682	4,936	(254)	(5.1)	14,535	14,997	(462)	(3.1)

Total mine production in 3Q08 was 118,655 tons of copper, and 363,767 tons for the first nine months of 2008, compared to a production of 136,830 and 466,279 tons for the same periods in 2007.

Molybdenum production increased 3.5% in 3Q08 with a cumulative increase of 3.5% for the year, reaching 4,542 and 12,363 tons, respectively. This increase is explained by higher ore grades at La Caridad and Cuajone mines.

[5] *Debt less cash, investments in securities, and the adjustment to market value of investments in securities.*

The production of refined zinc for the first nine months of 2008 was 69,260 tons, 7.2% higher than the cumulative for 2007, due to the recovery of the total production capacity at the refinery in San Luis Potosí.

We produce sulfuric acid as a byproduct of our smelters. The increasing demand for this material has created an opportunity to obtain a higher value for our shareholders as production is greater than internal consumption. In 2008, the sales value of sulfuric acid has exceeded sales of silver at our Peruvian operations; thus, becoming the second most significant byproduct.

The Company has exceeded its objectives on ore production in the first nine months of 2008, at the Toquepala and Cuajone open pit mines, and also at the Charcas and Santa Eulalia underground mines.

Projects and Exploration

During 3Q08 our efforts to expand our Peruvian operations continued. When concluded by year end 2011, these projects are expected to increase our annual copper production by 220,000 tons, a 32% increase over the current production capacity.

Investments in the Tía María project continue as planned. As of September 30, SCC had committed $580 million for the purchase of mining equipment. These agreements include $381 million at fixed prices, which will be subject to review to adjust their terms to the current market conditions.

Investments in the Toquepala expansion project continue. The company has committed $87 million for the purchase of mining equipment. Technical and environmental studies are in progress and are expected to conclude in 2009. Engineering and feasibility studies are also being carried out. Agreements have been signed for the Cuajone project to conduct the respective feasibility studies, while the environmental impact studies are also on course.

Transport Division[6]
Financial Highlights in Dollars

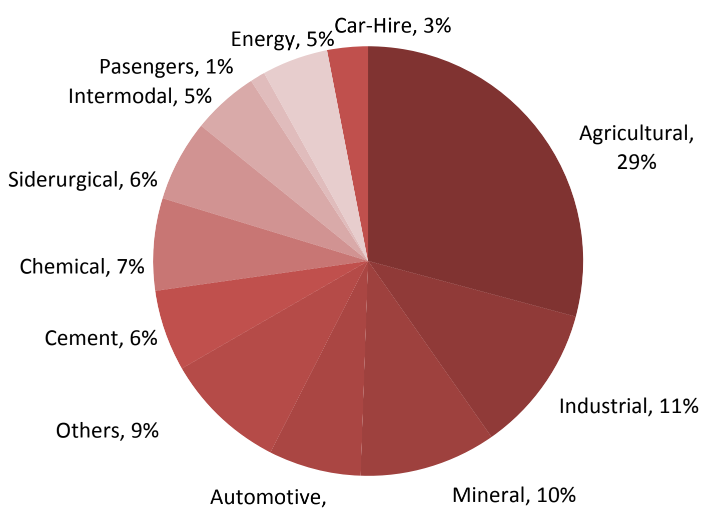
Infraestructura y Transportes México

	Third Quarter		Variance		January - September		Variance	
(Thousand US Dollars)	2008	2007	US$000	%	2008	2007	US$000	%
Load Volume (MillionTons/Km)	10,715	10,530	185	1.8	30,669	30,450	219	0.7
Sales	**298,083**	**259,075**	**39,008**	**15.1**	**827,424**	**736,748**	**90,676**	**12.3**
Cost of Sales	**195,472**	**163,315**	**32,157**	**19.7**	**523,115**	**475,804**	**47,311**	**9.9**
Operating Income	**65,634**	**65,075**	**559**	**0.9**	**199,545**	**170,501**	**29,044**	**17.0**
EBITDA	**90,437**	**84,889**	**5,548**	**6.5**	**281,881**	**233,718**	**48,163**	**20.6**
Margin EBITDA (%)	30.3%	32.8%			34.1%	31.7%		
Investments / Capex	43,661	89,734	(46,073)	(51.3)	115,605	151,422	(35,817)	(23.7)

Note: ITM does not consolidate Ferrosur due to the resolution of the Mexican Federal Competition Commission

Transport Division revenues increased 15.1% to reach $298 million for 3Q08, compared to revenues of $259 million in 3Q07, as a result of a greater average distance traveled and the mix of better traffic, tariffs, and the exchange rate. During 3Q08, the volume transported increased 1.8%, moving 10.715 billion tons-kilometer, compared to 10.530 billion net tons-kilometer in 3Q07.

The contribution to 3Q08 revenues, by segment, is as follows:



[6] *Grupo México's transportation division is represented by the subsidiary Infraestructura y Transportes México, S.A. de C.V. ("ITM"). Its main subsidiaries are Grupo Ferroviario Mexicano, S.A. de C.V. ("GFM"), Ferrocarril Mexicano, S.A. de C.V. ("Ferromex") and Ferrosur, S.A. de C.V. ("Ferrosur"). Ferromex is the largest railroad company in Mexico and has the widest coverage. Ferromex has a network of 8,111 kilometers of tracks that covers approximately 71% of the Mexican territory. Ferromex lines connect to five border points with the United States, and also connect to four ports in the Pacific Coast and two in the Gulf of Mexico. Ferromex is controlled by Grupo México 55.5%, Union Pacific 26% and Grupo Carso-Sinca Inbursa 18.5%. On November 24, 2005 Grupo México incorporated, through Infraestructura y Transportes Ferroviarios, S.A. de C.V. ("ITF") the railroad subsidiary Ferrosur, this acquisition is reported on the consolidated financial statements of ITM and Grupo Mexico under the participation method in these financial statements. Ferrosur is the railroad company with tracks coverage in the South of Mexico. Ferrosur has a network of 1,813 kilometers of track covering the Central and Southeastern part of the country, serving mainly the states of Tlaxcala, Puebla, Veracruz and Oaxaca, and has access to the ports of Veracruz and Coatzacoalcos in the Gulf of Mexico. Ferrosur is controlled by Grupo México with 74.99% and Grupo Carso-Sinca Inbursa with 25.01%. Grupo México also owns Intermodal México, S.A. de C.V.*

The cost of sales in 3Q08 was $196 million, 19.7% higher than in 3Q07. This increase is primarily explained by the 14.8% increase in diesel price from $0.4514 per liter to $0.5182. Despite this significant increase in price, reduced consumption due to improvements in operations and the favorable effect of the new locomotives resulted in a reduction of diesel consumption per ton-kilometer, causing an unfavorable impact of only $6 million in costs. Car hire reported an increase of 8.9%, from $19 million in 3Q07 to $21 million in 3Q08, due to greater use of cars owned by other railroads.

Operating income for 3Q08 was $66 million, 0.9% higher than 3Q07.

The EBITDA for 3Q08 was $90 million, 6.5% higher than 3Q07, reaching an EBITDA margin of 30.3%.

Capital expenditures made in 3Q08 were 51.3% lower than those of 3Q07, as no new locomotives have been purchased in 2008. Investments totaling $44 million were spent, mainly for the modification and replacement of various tracks, and the acquisition of track machinery, which have increased train speed, improved operating safety, and produced savings in diesel consumption.

Ferrosur's 3Q08 revenues totaled $70 million, 13.4% higher than the $62 million posted for 3Q07, as a result of new businesses and a better exchange rate. The EBITDA for 3Q08 was $17 million compared to $20 million for 3Q07. Net earnings totaled $5 million for 3Q08, 35.6% lower than that reached in 3Q07. Ferrosur's debt as of September 30, 2008 was $180 million, which, considering the cash and banks balance of $73 million, represents a net debt of $107 million.

ITM contested the resolution of the Mexican Federal Competition Commission *(Comisión Federal de Competencia: "CFC")*, denying the concentration of Ferrosur by filing an action for annulment *(juicio de nulidad)* with the Federal Court for Fiscal and Administrative Justice. The ruling of the court remains pending.

Grupo México is a holding company whose main activity is mining, and is one of the world largest integrated copper producers. The Company's transportation division operates Mexico's largest railroad. It has operations in Mexico, Peru, the United States of America and Chile and has 18,823 employees. Grupo México consolidates the mining operations of Southern Copper Corporation ("SCC") in Mexico and Peru, and the transportation division with Infraestructura y Transportes México, S.A. de C.V. ("ITM"), Grupo Ferroviario Mexicano, S.A. de C.V. ("GFM"), Ferrocarril Mexicano, S.A. de C.V. ("Ferromex"), Intermodal México, S.A. de C.V. and Texas Pacifico, LP, Inc. On November 24, 2005 Grupo México incorporated Ferrosur, S.A. de C.V. ("Ferrosur") subsidiary through its subsidiary ITM), this acquisition is presented under the participation method in these financial results. Asarco operations in the United States were deconsolidated as of August 9, 2005. This report includes forward-looking statements. In addition to the risk and uncertainties noted in the report, there are certain factors that could cause results to differ materially from those anticipated by some of the statements made. Many of these risks and uncertainties are related to factors beyond the reasonable control of Grupo México or that can not be accurately estimated, such as future market conditions, metals prices, the behavior of other market stakeholders and the actions of government regulators. Grupo Mexico does not assume any obligation whatsoever regarding the publication of a review to these projections to reflect events or circumstances occurring after the date of this report.

GRUPO MEXICO, S.A.B. DE C.V.
CONSOLIDATED FINANCIAL STATEMENTS (US GAAP)

(Thousands of US Dollars)	Quarters			Accumulated		
STATEMENT OF EARNINGS	**Q3-08**	**Q3-07**	**Variance**	**2008**	**2007**	**Variance**
Net Sales	**1,737,633**	**1,865,264**	**(127,631)**	**5,231,954**	**5,529,575**	**(297,621)**
Cost of Sales	849,067	721,370	127,697	2,256,563	2,084,719	171,844
Gross Profit	888,566	1,143,894	(255,328)	2,975,391	3,444,856	(469,465)
Gross Margin	51%	61%		57%	62%	
Administrative expenses	52,419	47,705	4,714	163,649	135,089	28,560
EBITDA	**863,996**	**1,090,545**	**(226,549)**	**2,849,217**	**3,260,002**	**(410,785)**
Depreciation and Amortization	107,305	100,343	6,962	314,209	294,369	19,840
Operating Income	**728,842**	**995,846**	**(267,004)**	**2,497,533**	**3,015,398**	**(517,865)**
Operating Margin	42%	53%		48%	55%	
Interest expense	40,800	43,519	(2,719)	124,482	126,967	(2,485)
Interest capitalized	(2,305)	(3,703)	1,398	(4,834)	(10,146)	5,312
Interest income	(22,215)	(35,994)	13,779	(75,284)	(100,488)	25,204
Other expense, net	(14,228)	4,283	(18,511)	(24,775)	42,188	(66,963)
Earnings before Tax	**726,790**	**987,741**	**(260,951)**	**2,477,944**	**2,956,877**	**(478,933)**
Taxes	262,835	314,978	(52,143)	797,025	976,603	(179,578)
Participation of partner	(6,430)	(9,267)	2,837	(23,266)	(19,634)	(3,632)
Minority Interest	128,279	183,157	(54,878)	457,819	538,382	(80,563)
Net Earnings	**342,106**	**498,873**	**(156,767)**	**1,246,366**	**1,461,526**	**(215,160)**
BALANCE SHEET						
Cash and cash equivalents	2,700,759	2,196,905	503,854	2,700,759	2,196,905	503,854
Marketable securities	107,997	320,000	(212,003)	107,997	320,000	(212,003)
Notes and Accounts receivable	533,058	795,291	(262,233)	533,058	795,291	(262,233)
Inventories	521,788	499,086	22,702	521,788	499,086	22,702
Prepaid and others current assets	277,317	323,270	(45,953)	277,317	323,270	(45,953)
Total Current Assets	**4,140,919**	**4,134,552**	**6,367**	**4,140,919**	**4,134,552**	**6,367**
Property, net	4,973,610	4,732,960	240,650	4,973,610	4,732,960	240,650
Leachable material, net	168,032	239,888	(71,856)	168,032	239,888	(71,856)
Other Long term Assets	533,965	409,396	124,569	533,965	409,396	124,569
Total Assets	**9,816,526**	**9,516,796**	**299,730**	**9,816,526**	**9,516,796**	**299,730**
Liabilities and Investments						
Current portion of long-term debt	164,109	221,335	(57,226)	164,109	221,335	(57,226)
Accumulated Liabilities	837,843	941,027	(103,184)	837,843	941,027	(103,184)
Current Liabilities	**1,001,952**	**1,162,362**	**(160,410)**	**1,001,952**	**1,162,362**	**(160,410)**
Long-term Debt	1,718,179	1,753,011	(34,832)	1,718,179	1,753,011	(34,832)
Other non-current Liabilities	524,494	396,010	128,484	524,494	396,010	128,484
Minority Interest	1,518,570	1,492,960	25,610	1,518,570	1,492,960	25,610
Total Liabilities	**4,763,195**	**4,804,343**	**(41,148)**	**4,763,195**	**4,804,343**	**(41,148)**
Stockholders Equity	2,000,446	2,000,446	-	2,000,446	2,000,446	-
Other equity accounts	(25,989)	429	(26,418)	(25,989)	429	(26,418)
Retaining Earnings	3,078,874	2,711,578	367,296	3,078,874	2,711,578	367,296
Total Stockholders' equity	**5,053,331**	**4,712,453**	**340,878**	**5,053,331**	**4,712,453**	**340,878**
Total Liabilities and Stockholders' Equity	**9,816,526**	**9,516,796**	**299,730**	**9,816,526**	**9,516,796**	**299,730**
CASH FLOW						
Net Income	**342,106**	**498,873**	**(156,767)**	**1,246,366**	**1,461,526**	**(215,160)**
Depreciation and Amortization	107,305	100,343	6,962	314,209	294,369	19,840
Deferred Income Taxes	(7,323)	(6,430)	(893)	(27,706)	51,709	(79,415)
Capitalized leachable material	-	(5,874)	5,874	(2,246)	(45,903)	43,657
Minority Interest	128,279	183,157	(54,878)	457,819	538,382	(80,563)
Operating assets and liabilities	239,286	(3,252)	242,538	(84,150)	(464,619)	380,469
Other Net	(57,728)	(8,017)	(49,711)	(110,503)	(15,200)	(95,303)
Net cash provide by operating activities	**751,925**	**758,800**	**(6,875)**	**1,793,789**	**1,820,264**	**(26,475)**
Add property & equipment	(177,823)	(173,560)	(4,263)	(430,536)	(402,501)	(28,035)
Operating cash flow	**574,102**	**585,240**	**(11,138)**	**1,363,253**	**1,417,763**	**(54,510)**
Debt incurred	-	29,250	(29,250)	-	31,115	(31,115)
Debt amortization	(11,964)	(102,778)	90,814	(201,150)	(132,272)	(68,878)
Purchase of marketable securities	(10,483)	20,000	(30,483)	9,905	(30,000)	39,905
Dividends paid	(440,128)	(353,672)	(86,456)	(1,139,860)	(1,025,974)	(113,886)
Capital Reimbursement	-	-	-	(27,539)	(24,305)	(3,234)
Net cash used in financing activities	**(462,575)**	**(407,200)**	**(55,375)**	**(1,358,644)**	**(1,181,436)**	**(177,208)**
Effect of exchance rate changes on cash	14,686	17,588	(2,902)	31,292	20,194	11,098
Increase in cash & cash equivalent	**126,213**	**195,628**	**(69,415)**	**35,901**	**256,521**	**(220,620)**
Cash & cash equivalents at begin yr.	**2,574,546**	**2,001,277**	**573,269**	**2,664,858**	**1,940,384**	**724,474**
Cash & cash equivalents at yr. end	**2,700,759**	**2,196,905**	**503,854**	**2,700,759**	**2,196,905**	**503,854**

SOUTHERN COPPER CORPORATION & SUBSIDARIES
CONSOLIDATED FINANCIAL STATEMENTS (US GAAP)

(Thousands of US Dollars)	Quarters			Accumulated		
STATEMENT OF EARNINGS	**Q3-08**	**Q3-07**	**Variance**	**2008**	**2007**	**Variance**
Net Sales	**1,440,077**	**1,606,413**	**(166,336)**	**4,401,079**	**4,791,213**	**(390,134)**
Cost of Sales	645,792	560,169	85,623	1,716,846	1,588,793	128,053
Exploration	8,455	7,356	1,099	25,503	22,681	2,822
Gross Profit	785,830	1,038,888	(253,058)	2,658,730	3,179,739	(521,009)
Gross Margin	55%	65%		60%	66%	
Administrative expenses	25,938	23,570	2,368	77,319	73,277	4,042
EBITDA	**783,669**	**1,011,237**	**(227,568)**	**2,605,356**	**3,045,144**	**(439,788)**
Depreciation and Amortization	83,943	81,538	2,405	248,338	240,102	8,236
Operating Income	**675,949**	**933,780**	**(257,831)**	**2,333,073**	**2,866,360**	**(533,287)**
Operating Margin	47%	58%		53%	60%	
Interest expense	28,115	31,181	(3,066)	84,530	91,969	(7,439)
Interest capitalized	(2,305)	(3,703)	1,398	(4,834)	(10,146)	5,312
Interest income	(9,764)	(23,528)	13,764	(39,359)	(63,532)	24,173
Other expense (income), net	(10,155)	2,720	(12,875)	(11,245)	53,741	(64,986)
Earnings before Tax	**670,058**	**927,110**	**(257,052)**	**2,303,981**	**2,794,328**	**(490,347)**
Taxes	249,700	296,109	(46,409)	764,614	881,199	(116,585)
Minority Interest	2,556	3,156	(600)	8,115	7,640	475
Net Earnings	**417,802**	**627,845**	**(210,043)**	**1,531,252**	**1,905,489**	**(374,237)**
BALANCE SHEET						
Cash and cash equivalents	1,175,648	1,195,208	(19,560)	1,175,648	1,195,208	(19,560)
Marketable securities	83,038	320,000	(236,962)	83,038	320,000	(236,962)
Notes and Accounts receivable	386,196	649,047	(262,851)	386,196	649,047	(262,851)
Inventories	492,521	462,708	29,813	492,521	462,708	29,813
Prepaid and others current assets	212,697	145,821	66,876	212,697	145,821	66,876
Total Current Assets	**2,350,100**	**2,772,784**	**(422,684)**	**2,350,100**	**2,772,784**	**(422,684)**
Property, net	3,759,345	3,681,891	77,454	3,759,345	3,681,891	77,454
Leachable material, net	168,032	239,888	(71,856)	168,032	239,888	(71,856)
Other Long term Assets	69,233	54,703	14,530	69,233	54,703	14,530
Total Assets	**6,346,710**	**6,749,266**	**(402,556)**	**6,346,710**	**6,749,266**	**(402,556)**
Liabilities and Investments						
Current portion of long-term debt	10,000	160,025	(150,025)	10,000	160,025	(150,025)
Accumulated Liabilities	633,330	689,666	(56,336)	633,330	689,666	(56,336)
Current Liabilities	**643,330**	**849,691**	**(206,361)**	**643,330**	**849,691**	**(206,361)**
Long-term Debt	1,284,911	1,363,268	(78,357)	1,284,911	1,363,268	(78,357)
Other non-current Liabilities	506,241	389,974	116,267	506,241	389,974	116,267
Minority Interest	15,786	16,363	(577)	15,786	16,363	(577)
Total Liabilities	**2,450,268**	**2,619,296**	**(169,028)**	**2,450,268**	**2,619,296**	**(169,028)**
Stockholders Equity	876,998	778,044	98,954	876,998	778,044	98,954
Other equity accounts	(289,564)	(123,400)	(166,164)	(289,564)	(123,400)	(166,164)
Retaining Earnings	3,309,008	3,475,326	(166,318)	3,309,008	3,475,326	(166,318)
Total Stockholders' equity	**3,896,442**	**4,129,970**	**(233,528)**	**3,896,442**	**4,129,970**	**(233,528)**
Total Liabilities and Stockholders' Equity	**6,346,710**	**6,749,266**	**(402,556)**	**6,346,710**	**6,749,266**	**(402,556)**
CASH FLOW						
Net Income	**417,802**	**627,845**	**(210,043)**	**1,531,252**	**1,905,489**	**(374,237)**
Depreciation and Amortization	83,943	81,538	2,405	248,338	240,101	8,237
Deferred Income Taxes	(427)	(3,416)	2,989	(11,648)	65,769	(77,417)
Capitalized leachable material	-	(5,874)	5,874	(2,246)	(45,903)	43,657
Minority Interest	2,556	3,156	(600)	8,115	7,640	475
Operating assets and liabilities	257,459	36,461	220,998	(109,081)	(302,685)	193,604
Other Net	(7,704)	(14,181)	6,477	1,246	12,677	(11,431)
Net cash provide by operating activities	**753,629**	**725,529**	**28,100**	**1,665,976**	**1,883,088**	**(217,112)**
Add property & equipment	(134,162)	(83,826)	(50,336)	(314,931)	(251,079)	(63,852)
Operating cash flow	**619,467**	**641,703**	**(22,236)**	**1,351,045**	**1,632,009**	**(280,964)**
Debt incurred	-	-	-	-	-	-
Debt amortization	61	61	-	(154,843)	(4,818)	(150,025)
Dividends paid	(503,468)	(471,232)	(32,236)	(1,416,362)	(1,413,688)	(2,674)
Purchase of marketable securities	14,478	20,000	(5,522)	34,865	(40,000)	74,865
Other	(73,801)	(1,424)	(72,377)	(79,864)	(4,432)	(75,432)
Net cash used in financing activities	**(562,730)**	**(452,595)**	**(110,135)**	**(1,616,204)**	**(1,462,938)**	**(153,266)**
Effect of exchance rate changes on cash	(31,348)	(7,514)	(23,834)	31,535	3,359	28,176
Net increase (decrease) cash & cash eq.	**25,389**	**181,594**	**(156,205)**	**(233,624)**	**172,430**	**(406,054)**
Cash & cash equivalents at begin yr.	**1,150,259**	**1,013,614**	**136,645**	**1,409,272**	**1,022,778**	**386,494**
Cash & cash equivalents at yr. end	**1,175,648**	**1,195,208**	**(19,560)**	**1,175,648**	**1,195,208**	**(19,560)**

INFRAESTRUCTURA Y TRANSPORTES MEXICO SA DE CV Y SUBSIDIARIAS
CONSOLIDATED FINANCIAL STATEMENTS (US GAAP)

(Thousands of US Dollars)	Quarters			Accumulated		
STATEMENT OF EARNINGS	**Q3-08**	**Q3-07**	**Variance**	**2008**	**2007**	**Variance**
Net Sales	**298,083**	**259,075**	**39,008**	**827,424**	**736,748**	**90,676**
Cost of Sales	195,472	163,315	32,157	523,115	475,804	47,311
Gross Profit	102,611	95,760	6,851	304,309	260,944	43,365
Gross Margin	34%	37%		37%	35%	
Administrative expenses	14,224	11,988	2,236	39,521	36,205	3,316
EBITDA	**90,437**	**84,889**	**5,548**	**281,881**	**233,718**	**48,163**
Depreciation and Amortization	22,753	18,697	4,056	65,243	54,238	11,005
Operating Income	**65,634**	**65,075**	**559**	**199,545**	**170,501**	**29,044**
Operating Margin	22%	25%		24%	23%	
Interest expense	11,365	11,908	(543)	36,028	35,673	355
Interest income	(4,543)	(3,087)	(1,456)	(11,809)	(9,253)	(2,556)
Other Income, net	(1,978)	(1,117)	(861)	(18,384)	(8,979)	(9,405)
Earnings before Tax	**60,790**	**57,371**	**3,419**	**193,710**	**153,060**	**40,650**
Taxes	15,075	9,932	5,143	52,442	37,516	14,926
Minority Interest	11,441	12,283	(842)	36,137	29,534	6,603
Profit before Extraordinary loss	**34,274**	**35,156**	**(882)**	**105,131**	**86,010**	**19,121**
Participation in Subsidiary not consolidated and Associated	(6,429)	(9,263)	2,834	(23,257)	(19,594)	(3,663)
Net Earnings	**40,703**	**44,419**	**(3,716)**	**128,388**	**105,604**	**22,784**
BALANCE SHEET						
Cash and cash equivalents	270,108	119,251	150,857	270,108	119,251	150,857
Notes and Accounts receivable	137,891	140,869	(2,978)	137,891	140,869	(2,978)
Inventories	28,568	35,907	(7,339)	28,568	35,907	(7,339)
Prepaid and others current assets	65,715	61,735	3,980	65,715	61,735	3,980
Total Current Assets	**502,282**	**357,762**	**144,520**	**502,282**	**357,762**	**144,520**
Property, Plant and Equipment Net	1,211,063	1,049,340	161,723	1,211,063	1,049,340	161,723
Other Long term Assets	409,959	371,397	38,562	409,959	371,397	38,562
Total Assets	**2,123,304**	**1,778,499**	**344,805**	**2,123,304**	**1,778,499**	**344,805**
Liabilities and Investments						
Current portion of long-term debt	154,109	61,310	92,799	154,109	61,310	92,799
Accumulated Liabilities	132,685	135,059	(2,374)	132,685	135,059	(2,374)
Current Liabilities	**286,794**	**196,369**	**90,425**	**286,794**	**196,369**	**90,425**
Long-term Debt	433,268	389,742	43,526	433,268	389,742	43,526
Other non-current Liabilities	(17,773)	(5,680)	(12,093)	(17,773)	(5,680)	(12,093)
Other Liabilities	4,953	4,159	794	4,953	4,159	794
Minority Interest	232,349	194,158	38,191	232,349	194,158	38,191
Total Liabilities	**939,591**	**778,748**	**160,843**	**939,591**	**778,748**	**160,843**
Stockholders Equity	379,240	379,240	-	379,240	379,240	-
Other equity accounts	(61,856)	(73,640)	11,784	(61,856)	(73,640)	11,784
Retaining Earnings	866,329	694,151	172,178	866,329	694,151	172,178
Total Stockholders' equity	**1,183,713**	**999,751**	**183,962**	**1,183,713**	**999,751**	**183,962**
Total Liabilities and Stockholders' Equity	**2,123,304**	**1,778,499**	**344,805**	**2,123,304**	**1,778,499**	**344,805**

CASH FLOW						
Net Income	**40,703**	**44,419**	**(3,716)**	**128,388**	**105,604**	**22,784**
Depreciation and Amortization	22,753	18,697	4,056	65,243	54,238	11,005
Deferred Income Taxes	(11,368)	(3,273)	(8,095)	(20,528)	(14,319)	(6,209)
Minority Interest	11,441	12,283	(842)	36,137	29,534	6,603
Operating assets and liabilities	57,955	30,835	27,120	13,581	(19,307)	32,888
Other Net	(7,136)	12,138	(19,274)	(12,866)	5,070	(17,936)
Net cash provide by operating activities	**114,348**	**115,099**	**(751)**	**209,955**	**160,820**	**49,135**
Add property & equipment	(43,661)	(89,734)	46,073	(115,605)	(151,422)	35,817
Operating cash flow	**70,687**	**25,365**	**45,322**	**94,350**	**9,398**	**84,952**
Debt incurred	-	29,250	(29,250)	-	31,115	(31,115)
Debt amortization	(11,964)	(103,296)	91,332	(33,625)	(115,290)	81,665
Dividends paid	-	-	-	(13,415)	(12,321)	(1,094)
Net cash used in financing activities	**(11,964)**	**(74,046)**	**62,082**	**(47,040)**	**(96,496)**	**49,456**
Effect of exchance rate changes on cash	(8,842)	(2,968)	(5,874)	(44)	(2,909)	2,865
Net increase (decrease) cash & cash eq.	**49,881**	**(51,649)**	**101,530**	**47,266**	**(90,007)**	**137,273**
Cash & cash equivalents at begin yr.	**220,227**	**170,900**	**49,327**	**222,842**	**209,258**	**13,584**
Cash & cash equivalents at yr. end	**270,108**	**119,251**	**150,857**	**270,108**	**119,251**	**150,857**