

Results for the Second Quarter of 2008

Mexico City, July 28, 2008 - Grupo México, S.A.B. de C.V. ("Grupo México" - BMV: GMEXICOB) reports its results for the second quarter of 2008 ("2Q08"), compared to those for the same period in 2007.

Grupo México Financial Highlights in Dollars¹

- **Consolidated sales** for 2Q08 reached \$1.758 billion, compared with \$2.088 in 2Q07. This decrease is due to lower sales volumes of copper, but was partially mitigated by better metals prices and higher sales of molybdenum, lead, gold, and sulfuric acid. The transport division reported a significant increase in sales at 13.8% compared to 2Q07.
- **Operating income** for 2Q08 was \$847.0 million, compared to \$1.190 billion in 2Q07.
- The 2Q08 **EBITDA** was \$959.6 million, equal to 54.9% of sales, compared to EBITDA of \$1.234 billion in 2Q07. The EBITDA for the transport division reached \$108.2 million, a 23.9% increase over 2Q07, posting an excellent EBITDA margin of 37.1%.
- **Net consolidated earnings** were \$451.7 million in 2Q08, compared to \$524.8 million in 2Q07, equivalent to \$0.06 per share.
- Grupo México's **total consolidated debt** at the close of 2Q08 was \$1.916 billion, with a cash and banks balance of \$2.574 billion, equivalent to \$657.9 million in net cash after discounting debt.

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GMEXICO

| (Thousand US Dollars) | Second Quarter | | Variance | | January - June | | Variance | |
|--------------------------|----------------|-----------|-----------|--------|----------------|-----------|-----------|--------|
| | 2008 | 2007 | US\$000 | % | 2008 | 2007 | US\$000 | % |
| Sales | 1,758,211 | 2,088,871 | (330,660) | (15.8) | 3,494,321 | 3,664,311 | (169,990) | (4.6) |
| Cost of Sales | 732,495 | 744,434 | (11,939) | (1.6) | 1,407,496 | 1,363,349 | 44,147 | 3.2 |
| Operating Income | 847,010 | 1,190,324 | (343,314) | (28.8) | 1,768,691 | 2,019,552 | (250,861) | (12.4) |
| EBITDA | 959,593 | 1,234,379 | (274,786) | (22.3) | 1,984,779 | 2,175,673 | (190,894) | (8.8) |
| Margin EBITDA (%) | 54.6% | 59.1% | | | 56.8% | 59.4% | | |
| Net Income | 451,684 | 524,773 | (73,089) | (13.9) | 904,260 | 962,652 | (58,392) | (6.1) |
| Earnings per Share US\$ | 0.059 | 0.068 | | | 0.117 | 0.125 | | |
| Investments / Capex | 172,113 | 141,799 | 30,314 | 21.4 | 269,766 | 255,651 | 14,115 | 5.5 |
| Shares Outstanding (000) | 7,697,500 | 7,717,821 | (20,321) | (0.3) | 7,697,500 | 7,717,821 | (20,321) | (0.3) |

* At quarter end.

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

- **Southern Copper Corporation (“SCC”) - Expansions.-** Our aggressive \$2.108 billion expansion plan in Peru continues its course; this project will increase the annual copper production by 270,000 tons in 2011, 39% over the current production capacity. Purchase orders and contracts for the acquisition of major mine equipment worth \$627.7 million have been committed to the Tía María project, and the Toquepala and Cuajone expansion projects.
- **Stock Repurchase Program.-** Since the beginning of the stock repurchase program, Grupo Mexico has repurchase a total of 103,000,000 shares². This repurchase was carried out in accordance with the program authorized by the Ordinary General Shareholders’ Meeting.
- **Peru Obtains Investment Grade.-** On July 14, the ratings agency Standard & Poor’s granted investment grade to Peru. Also, the rating agency Fitch granted to Peru an investment grade this past April, and as a result all SCC’s mines and expansion projects are currently located in countries with investment grade.
- **Update on the Asarco LLC Situation³.-** Asarco LLC continues under the protection of Chapter 11. The Board of Directors of Asarco LLC, controlled by its independent members, approved a process to auction Asarco’s assets in order to pay its liabilities with the resulting funds. Grupo Mexico has strongly opposed this procedure. At a recent hearing, the Bankruptcy District Judge responsible for the Chapter 11, extended Asarco’s exclusivity period to file a reorganization plan by November 17, 2008, however, at the same hearing the Judge authorized Grupo Mexico to file a stand alone reorganization plan, as an exception to Asarco’s exclusivity right.

Grupo Mexico proposed a reorganization plan that provides for the full payment of Asarco’s creditors once the legal merits of each of the claims against Asarco are proved and determined before a Court of Law. As of this date, the Court has not determined any asbestos alleged liabilities and on a very limited basis for environmental alleged liabilities.

The hearing date to approve a reorganization plan for Asarco is tentatively set for the last quarter of 2008. Grupo Mexico believes its reorganization plan is the one that should be approved as it proposes full payment of all its liabilities, which is what the creditors are entitled to receive. Furthermore, Grupo Mexico does not agree that Asarco’s Independent Board pay claims based on estimates or specific negotiations without any legal merits.

- **Lawsuit against Americas Mining Corporation (“AMC”).- GMéxico is confident it will receive a favorable resolution on the trail filed against its subsidiary AMC in Brownsville for the sale of the shares of Southern Peru Copper Corporation by Asarco to AMC.**

² From January 1 to July 28, 2008 Grupo México has repurchased 32,347,105 shares for the amount of \$722.6 million pesos.

³ The operations of Asarco in the U.S. ceased to be financially consolidated on August 9, 2005.

- **Minera México (“MM”) Cananea.-** As indicated in April, the Company has offered a severance payment to the workers of Cananea and San Martin in order to establish an efficient and productive relationship for the mutual benefit of the workers and the Company. The decision to offer the severance payment as a means of resolving these labor issues is a consequence of the continuous work stoppages during the past seven years, which has prevented the Company from properly operating these facilities, investing according to their potentials, and creating value to our shareholders as well as new job opportunities.

The Mexican Federal and State Governments, together with the Company, have made major efforts to settle disputes and resume operations in the mines. The labor conflict is not based on labor issues, but on personal interests of the union leaders. Nevertheless the Company is confident that goodwill of the workers will resolve the merits of this problem and allow to resume work in the near future.

The Company expects to begin a new and positive labor relationship with workers, as is the case at the other 9 units in Mexico, and with its unions in Peru.

- **Stock Split.-** On April 30, 2008, the Extraordinary General Shareholders’ Meeting agreed to a stock split of three new shares for each of the 2,595,000,000 shares in circulation, for Grupo México stockholders’ equity to hereafter be represented by 7,785,000,000 common Series “B” shares, Class I without expression of face value, fully subscribed and paid. This exchange was carried out on June 30, 2008.
- **Moody’s Upgrades Ratings of Minera Mexico.-** On July 25, 2008, the rating agency Moody’s upgraded the rating of Minera México’s Yankee Bond from Baa3 to Baa2 and maintained the rating of SCC at Baa2.

Financing

As of June 30, 2008, Grupo México's total consolidated debt was \$1.916 billion, with a cash and banks balance of \$2.574 billion, equivalent to \$657.9 million net cash after discounting debt.

Debt Profile

| (US\$000) | As of June 30 | | | | |
|--|------------------|------------------|------------------|------------------|--------------|
| | 2008 | | | 2007 | Var. Debt |
| | Gross Debt | Cash & Banks | Net Debt | Gross Debt | |
| Americas Mining Corporation | - | 11,669 | (11,669) | - | - |
| Southern Copper Corporation | 1,294,850 | 1,150,259 | 144,591 | 1,523,232 | (15.0) |
| Infraestructura y Transportes México (ITM) | - | 132,045 | (132,045) | - | - |
| GFM - Ferromex | 621,764 | 88,182 | 533,582 | 531,814 | 16.9 |
| Grupo México (Holding) | - | 1,192,391 | (1,192,391) | - | - |
| Grupo México (Consolidated) | 1,916,614 | 2,574,546 | (657,932) | 2,055,046 | (6.7) |

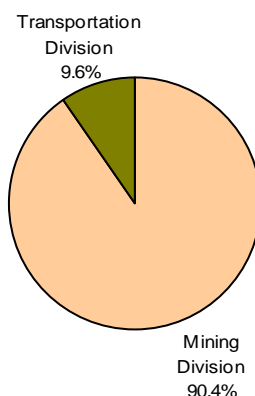
On April 1, 2008, \$150.0 million in Minera México 10-year term Yankee Bonds, were liquidated, leaving a remaining balance of \$56.4 million, maturing in 2028.

The financing cost for 2Q08 was \$38.6 million, 3.4% less than 2Q07. Also, interests earned on the investment of available cash reached \$22.2 million in 2Q08 and the net financing cost was \$14.9 million after capitalizing interest.

Financial Position

The accumulated EBITDA as of June 30 was \$1.984 billion and the Company ended with a cash position of \$2.574 billion. Capital expenditures were \$269.8 million and the Company paid \$460.2 million in dividends at the GMéxico level, reflecting an excellent generation of cash and a solid financial position.

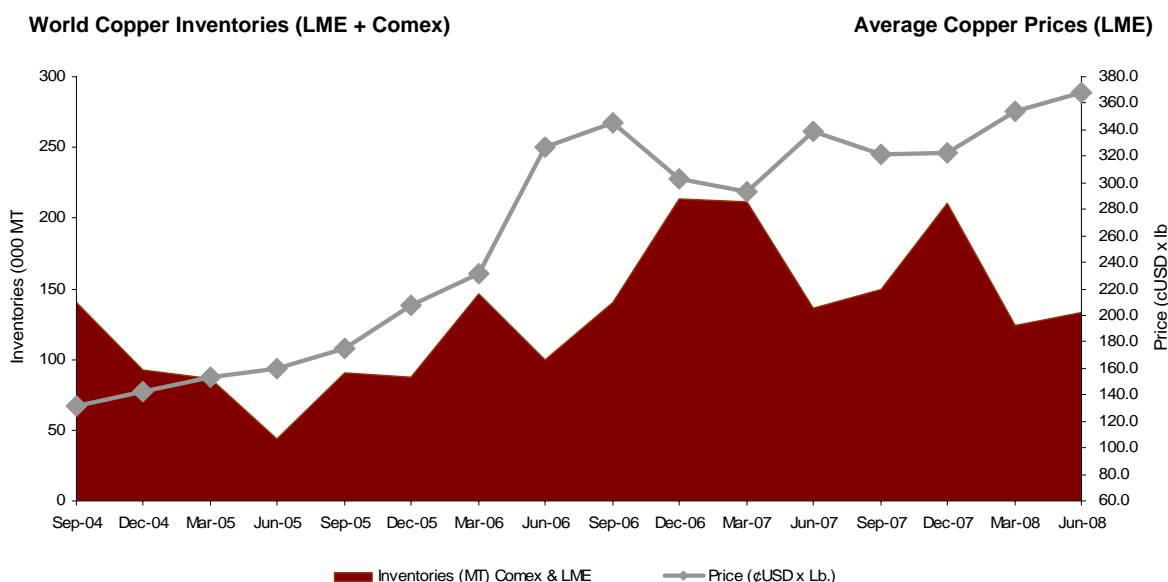
EBITDA 1H08



Mining Division⁴

During the first half of 2008, the prices of copper, molybdenum, and precious metals that GMéxico produces and markets reported a significant increase compared to the same period in 2007, as a result of global demand, particularly from emerging economies. China continues to prosper and is in a position to continue to drive demand at a rhythm great enough to offset the slowdown in the United States. The weakness of the dollar, lower ore grades in the industry, low global inventories, a shortage of sulfuric acid, the risk of stoppages and strikes, and also a strong demand from investment funds, are just some of the factors that supported the continued strength of metal prices.

Metal Markets



The average metals prices performed as follows in 2Q08, compared to 2Q07: the price of copper increased 10.5%; molybdenum increased 7.7%; lead grew 6.0%; zinc fell 42.3%; silver increased 28.9%; and gold increased 34.3%.

Average Metals Prices

| | | Second Quarter | | Var. % | January - June | | Var. % |
|------------|---------------|----------------|--------|--------|----------------|--------|--------|
| | | 2008 | 2007 | | 2008 | 2007 | |
| Copper | (\$cts/Pound) | 382.96 | 346.61 | 10.5 | 368.29 | 307.86 | 19.6 |
| Molybdenum | (\$dls/Pound) | 32.76 | 30.41 | 7.7 | 32.89 | 28.11 | 17.0 |
| Zinc | (\$cts/Pound) | 95.86 | 166.18 | (42.3) | 103.04 | 161.47 | (36.2) |
| Silver | (\$dls/Ounce) | 17.17 | 13.32 | 28.9 | 17.39 | 13.31 | 30.7 |
| Gold | (\$dls/Ounce) | 895.95 | 667.24 | 34.3 | 911.36 | 658.75 | 38.3 |
| Lead | (\$cts/Pound) | 104.64 | 98.70 | 6.0 | 118.06 | 89.87 | 31.4 |

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

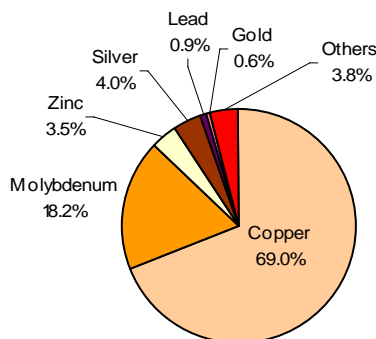
⁴ Grupo México's mining division is represented by its subsidiary Southern Copper Corporation ("SCC"), the world's largest publicly traded copper company in terms of mineral reserves that quotes on the New York and Peruvian stock exchanges. SCC stockholders, directly or through subsidiaries, are: Grupo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

Southern Copper Corporation Financial Highlights in Dollars

| (Thousand US Dollars) | Second Quarter | | Variance | | January - June | | Variance | |
|-------------------------|----------------|-----------|-----------|--------|----------------|-----------|-----------|--------|
| | 2008 | 2007 | US\$000 | % | 2008 | 2007 | US\$000 | % |
| Sales | 1,461,796 | 1,826,462 | (364,666) | (20.0) | 2,961,002 | 3,184,799 | (223,797) | (7.0) |
| Cost of Sales | 550,458 | 562,334 | (11,876) | (2.1) | 1,071,047 | 1,028,979 | 42,068 | 4.1 |
| Operating Income | 792,417 | 1,145,202 | (352,785) | (30.8) | 1,657,127 | 1,932,579 | (275,452) | (14.3) |
| EBITDA | 877,275 | 1,179,166 | (301,891) | (25.6) | 1,822,608 | 2,040,123 | (217,515) | (10.7) |
| Margin EBITDA (%) | 60.0% | 64.6% | | | 61.6% | 64.1% | | |
| Investments / Capex | 139,872 | 102,515 | 37,357 | 36.4 | 197,822 | 193,963 | 3,859 | 2.0 |

Revenues for 2Q08 and the first half of 2008 reached \$1.461 billion and \$2.961 billion, respectively, compared to \$1.826 billion and \$3.184 billion in 2Q07 and the first half of 2007, respectively. This decrease is principally the result of lower volumes of copper sold and lower volumes of some by-products, effect that was partially mitigated by better prices on the principal metals SCC produces and greater sales volumes of molybdenum and sulfuric acid sold.

The contribution by metal to 2Q08 revenues was as follows:



The cost of sales for 2Q08 was \$550.5 million, 2.1% lower than 2Q07. This \$11.9 million decrease in the cost of sales for 2Q08 was due to a combination of higher production costs, \$10.3 million, principally in electricity, fuel oil, tire and repair materials costs, \$11.4 million increase in purchases of ore from third parties, and also a lower provision of \$32.9 million which was budgeted for profit sharing.

The 2Q08 EBITDA totaled \$877.3 million, equivalent to 60.0% of revenues, compared to an EBITDA of \$1.179 billion, equivalent to 64.6% of revenues for 2Q07.

After considering the effect of the \$139.9 million capital and exploration expenditures, and the distribution of dividends amounting to \$500.6 million during 2Q08, the net debt⁵ totaled (\$47.0) million as of June 30, 2008. Also, the net stockholders' equity for 2Q08 increased 1.2% to reach \$4.050 billion.

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

Mining Production and Sales

| | First Quarter | | Variance | | January - June | | Variance | |
|-------------------|---------------|---------|----------|--------|----------------|---------|----------|--------|
| | 2008 | 2007 | US\$000 | % | 2008 | 2007 | US\$000 | % |
| Copper (m.t.) | | | | | | | | |
| Production | 117,250 | 158,177 | (40,927) | (25.9) | 245,112 | 329,450 | (84,338) | (25.6) |
| Sales | 115,187 | 161,594 | (46,407) | (28.7) | 238,021 | 327,833 | (89,812) | (27.4) |
| Molybdenum (m.t.) | | | | | | | | |
| Production | 3,897 | 3,878 | 19 | 0.5 | 7,821 | 7,558 | 263 | 3.5 |
| Sales | 3,909 | 4,144 | (235) | (5.7) | 7,938 | 7,769 | 169 | 2.2 |
| Zinc (m.t.) | | | | | | | | |
| Production | 27,566 | 33,382 | (5,816) | (17.4) | 52,334 | 65,743 | (13,409) | (20.4) |
| Sales | 24,606 | 31,778 | (7,172) | (22.6) | 48,412 | 61,521 | (13,109) | (21.3) |
| Silver (kg.) | | | | | | | | |
| Production | 95,842 | 131,511 | (35,669) | (27.1) | 191,932 | 271,638 | (79,706) | (29.3) |
| Sales | 106,712 | 158,104 | (51,392) | (32.5) | 199,681 | 294,772 | (95,091) | (32.3) |
| Gold (kg.) | | | | | | | | |
| Production | 112 | 204 | (92) | (45.1) | 239 | 439 | (200) | (45.6) |
| Sales | 318 | 369 | (51) | (13.8) | 624 | 660 | (36) | (5.5) |
| Lead (m.t.) | | | | | | | | |
| Production | 5,319 | 4,875 | 444 | 9.1 | 10,484 | 9,351 | 1,133 | 12.1 |
| Sales | 4,713 | 5,037 | (324) | (6.4) | 9,853 | 10,062 | (209) | (2.1) |

Total mine production in 2Q08 was 117,250 tons of copper, representing a decrease of 40,927 compared to 2Q07. This is mainly attributable to the labor stoppage at Cananea, and also to lower ore grades at the Cuajone, Toquepala, and La Caridad mines.

Production at our copper smelters increased 7,149 tons, to reach 127,744 tons of copper in 2Q08, compared to 120,595 tons in 2Q07. This 5.9% increase is the result of our smelter in Ilo, Peru operating at full capacity. The production of refined copper increased 3,211 tons to 119,492 tons in 2Q08, compared to 116,280 tons in 1Q08.

Molybdenum production continues to rise. Molybdenum production increased in 2Q08 from 3,878 tons in 2Q07 to 3,897 tons in 2Q08. This increase is due principally to better recovery at the La Caridad and Cuajone mines. Zinc production was 27,566 tons in 2Q08. The production of refined zinc in 2Q08 was 24,510 tons, 27.8% higher than 2Q07, due to the recovery of the total production capacity at the refinery in San Luis Potosí.

As of June 30, 2008, SCC entered into various copper coverage contracts to protect 87,950 tons for the period June-December 2008. These contracts were mainly zero cost collars with average floor prices of \$3.40 and average ceiling prices of \$4.23 dollars per pound of copper.

Projects and Exploration

SCC continued its efforts during 2Q08 on the plan to invest \$2.100 billion in the Peruvian operations. When concluded by year end 2011, these projects are expected to increase annual copper production by 270,000 tons, an increase of 39% over the current production capacity.

Investment in the Tía María project continues according to plan. As of June 30, 2008, SCC had committed \$540.0 million in purchase orders and contracts for the acquisition of mine equipment. These agreements include \$389.0 million at fixed prices to avoid cost escalation.

Investments in the Toquepala and Cuajone expansion projects also continue. For the Toquepala project the Company committed \$56.1 million for the purchase of mining equipment. Technical and environmental studies have been initiated, and are expected to be concluded in 2009. Engineering and feasibility studies are being carried out in parallel. For the Cuajone project, agreements have been signed for \$31.6 million to purchase equipment. The environmental impact studies are also on course.

Regarding the Los Chancas project, pending the satisfactory resolution of various issues and the procurement of government approval, SCC plans to invest \$1.200 billion in the copper-molybdenum production property in Apurimac, situated in southern Peru. This investment will be in addition to the \$2.100 billion already announced for the other Peruvian projects. Los Chancas is expected to increase copper production by 80,000 tons per year by 2013. The bidding process for feasibility studies is expected to begin by the end of third quarter 2008.

In addition to our investments in Peru, the group is planning to develop the following projects in Mexico: "El Arco", located in the state of Baja California Norte, and Angangueo, a polymetallic and precious metals deposit in the state of Michoacan. A feasibility study has been initiated for the "El Arco" project, and is expected to be completed by the end of the year. The Company is currently estimating an investment of \$1.8 billion to produce 190,000 tons of copper.

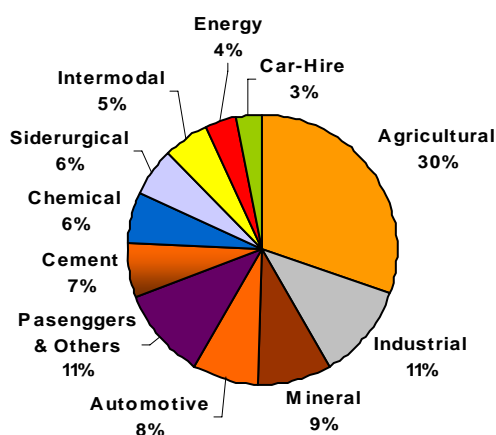
Transport Division⁶ Financial Highlights in Dollars

Infraestructura y Transportes México

| (Thousand US Dollars) | Second Quarter | | Variance | | January - June | | Variance | |
|------------------------------|----------------|----------------|---------------|-------------|----------------|----------------|---------------|-------------|
| | 2008 | 2007 | US\$000 | % | 2008 | 2007 | US\$000 | % |
| Load Volume (MillionTons/Km) | 10,790 | 10,746 | 44 | 0.4 | 19,954 | 19,921 | 33 | 0.2 |
| Sales | 291,382 | 255,980 | 35,402 | 13.8 | 529,341 | 477,673 | 51,668 | 10.8 |
| Cost of Sales | 179,042 | 160,258 | 18,784 | 11.7 | 327,643 | 312,489 | 15,154 | 4.8 |
| Operating Income | 76,804 | 64,876 | 11,928 | 18.4 | 133,911 | 105,426 | 28,485 | 27.0 |
| EBITDA | 108,197 | 87,319 | 20,878 | 23.9 | 191,444 | 148,829 | 42,615 | 28.6 |
| Margin EBITDA (%) | 37.1% | 34.1% | | | 36.2% | 31.2% | | |
| Investments / Capex | 32,241 | 39,284 | (7,043) | (17.9) | 71,944 | 61,688 | 10,256 | 16.6 |

Transport Division revenues increased 13.8% to reach \$291.4 million for 2Q08 compared to revenues of \$256.0 million in 2Q07. During 2Q08, volume transported increased 0.4% to move 10.790 billion net tons-kilometer compared to 10.745 billion net tons-kilometer in 2Q07, positively influencing the average distance of travel, the mix of traffic, and better exchange rate.

The contribution to 2Q08 revenues by segment is shown below:



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.

In 2Q08 the cost of sales was \$179.0 million, 11.7% higher than in 2Q07. This increase is primarily explained by the following: the price of diesel increased 8.9% from \$0.4482 per liter to \$0.4880. Despite this significant increase in price, reduced consumption due to improvements in operations and the favorable effect of the new locomotives produced a reduction in the consumption of diesel per ton-kilometer, resulting in a benefit reducing costs of \$1.3 million. Car hire reported an increase of 20.9%, from \$16.3 million in 2Q07 to \$19.7 million in 2Q08, due to greater use of cars owned by third party railroad companies.

2Q08 operating income was \$76.8 million, 18.4% higher than 2Q07.

The EBITDA for 2Q08 was \$108.2 million, 23.9% higher than 2Q07, and reaching an excellent EBITDA margin of 37.1%.

Capital expenditures made in 2Q08 were 17.9% lower than 2Q07. Investments were made totaling \$32.2 million, mainly for the modification and replacement of various tracks, and also for the acquisition of track machinery, which has increased train speed, improved operating safety, and produced savings in diesel consumption.

Ferrosur's 2Q08 revenues totaled \$69.2 million, 12.5% higher than the \$61.5 million posted for 2Q07. The EBITDA for 2Q08 was \$21.4 million, compared to \$15.7 million for 2Q07. Net earnings totaled \$11.9 million for 2Q08, 252.4% higher than 2Q07. Ferrosur's debt as of June 30, 2008 was \$189.6 million, considering the balance in cash and banks balance of \$68.5 million, represents a net debt of \$121.1 million.

ITM contested the resolution of the Mexican Federal Competition Commission (*Comisión Federal de Competencia* ("CFC")), denying the concentration of Ferrosur by filing 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 19,287 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. & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS (US GAAP)

| (Thousands of US Dollars) | Quarters | | | Accumulated | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| | Q2-08 | Q2-07 | Variance | 2008 | 2007 | Variance |
| STATEMENT OF EARNINGS | | | | | | |
| Net Sales | 1,758,211 | 2,088,871 | (330,660) | 3,494,321 | 3,664,311 | (169,990) |
| Cost of Sales | 732,495 | 744,434 | (11,939) | 1,407,496 | 1,363,349 | 44,147 |
| Gross Profit | 1,025,716 | 1,344,437 | (318,721) | 2,086,825 | 2,300,962 | (214,137) |
| Gross Margin | 58% | 64% | | 60% | 63% | |
| Administrative expenses | 73,674 | 51,748 | 21,926 | 111,230 | 87,384 | 23,846 |
| EBITDA | 959,593 | 1,234,378 | (274,785) | 1,984,779 | 2,175,673 | (190,894) |
| Depreciation and Amortization | 105,032 | 102,365 | 2,667 | 206,904 | 194,026 | 12,878 |
| Operating Income | 847,010 | 1,190,324 | (343,314) | 1,768,691 | 2,019,552 | (250,861) |
| Operating Margin | 48% | 57% | | 51% | 55% | |
| Interest expense | 38,591 | 39,948 | (1,357) | 82,319 | 87,306 | (4,987) |
| Interest capitalized | (1,441) | (1,477) | 36 | (2,529) | (6,443) | 3,914 |
| Interest income | (22,234) | (28,579) | 6,345 | (53,069) | (68,351) | 15,282 |
| Other expense, net | (7,551) | 58,311 | (65,862) | (9,184) | 37,905 | (47,089) |
| Earnings before Tax | 839,645 | 1,122,121 | (282,476) | 1,751,154 | 1,969,135 | (217,981) |
| Taxes | 233,833 | 400,795 | (166,962) | 534,189 | 661,625 | (127,436) |
| Participation of partner | (14,858) | (3,984) | (10,874) | (16,835) | (10,367) | (6,468) |
| Minority Interest | 168,986 | 200,537 | (31,551) | 329,540 | 355,225 | (25,685) |
| Net Earnings | 451,684 | 524,773 | (73,089) | 904,260 | 962,652 | (58,392) |
| BALANCE SHEET | | | | | | |
| Cash and cash equivalents | 2,574,546 | 2,001,277 | 573,269 | 2,574,546 | 2,001,277 | 573,269 |
| Marketable securities | 97,515 | 340,000 | (242,485) | 97,515 | 340,000 | (242,485) |
| Notes and Accounts receivable | 685,707 | 753,251 | (67,544) | 685,707 | 753,251 | (67,544) |
| Inventories | 518,731 | 508,028 | 10,703 | 518,731 | 508,028 | 10,703 |
| Prepaid and others current assets | 249,877 | 290,175 | (40,298) | 249,877 | 290,175 | (40,298) |
| Total Current Assets | 4,126,376 | 3,892,731 | 233,645 | 4,126,376 | 3,892,731 | 233,645 |
| Property, net | 4,971,051 | 4,678,700 | 292,351 | 4,971,051 | 4,678,700 | 292,351 |
| Leachable material, net | 186,770 | 248,791 | (62,021) | 186,770 | 248,791 | (62,021) |
| Other Long term Assets | 553,024 | 398,297 | 154,727 | 553,024 | 398,297 | 154,727 |
| Total Assets | 9,837,221 | 9,218,519 | 618,702 | 9,837,221 | 9,218,519 | 618,702 |
| Liabilities and Investments | | | | | | |
| Current portion of long-term debt | 170,402 | 224,241 | (53,839) | 170,402 | 224,241 | (53,839) |
| Accumulated Liabilities | 875,751 | 830,463 | 45,288 | 875,751 | 830,463 | 45,288 |
| Current Liabilities | 1,046,153 | 1,054,704 | (8,551) | 1,046,153 | 1,054,704 | (8,551) |
| Long-term Debt | 1,746,213 | 1,830,805 | (84,592) | 1,746,213 | 1,830,805 | (84,592) |
| Other non-current Liabilities | 361,700 | 419,197 | (57,497) | 361,700 | 419,197 | (57,497) |
| Minority Interest | 1,565,834 | 1,424,992 | 140,842 | 1,565,834 | 1,424,992 | 140,842 |
| Total Liabilities | 4,719,900 | 4,729,698 | (9,798) | 4,719,900 | 4,729,698 | (9,798) |
| Stockholders Equity | | | | | | |
| Other equity accounts | 65,845 | 39,027 | 26,818 | 65,845 | 39,027 | 26,818 |
| Retaining Earnings | 3,051,030 | 2,449,348 | 601,682 | 3,051,030 | 2,449,348 | 601,682 |
| Total Stockholders' equity | 5,117,321 | 4,488,821 | 628,500 | 5,117,321 | 4,488,821 | 628,500 |
| Total Liabilities and Stockholders' Equity | 9,837,221 | 9,218,519 | 618,702 | 9,837,221 | 9,218,519 | 618,702 |
| CASH FLOW | | | | | | |
| Net Income | 451,684 | 524,773 | (73,089) | 904,260 | 962,652 | (58,392) |
| Depreciation and Amortization | 105,032 | 102,365 | 2,667 | 206,904 | 194,026 | 12,878 |
| Deferred Income Taxes | 21,880 | 48,618 | (26,738) | (23,891) | 47,294 | (71,185) |
| Capitalized leachable material | - | (19,568) | 19,568 | (2,246) | (40,029) | 37,783 |
| Minority Interest | 168,987 | 200,537 | (31,550) | 329,540 | 355,225 | (25,685) |
| Operating assets and liabilities | (201,245) | (229,767) | 28,522 | (312,756) | (412,428) | 99,672 |
| Other Net | (51,147) | (26,941) | (24,206) | (59,947) | (45,276) | (14,671) |
| Net cash provide by operating activities | 495,191 | 600,017 | (104,826) | 1,041,864 | 1,061,464 | (19,600) |
| Add property & equipment | (163,117) | (121,507) | (41,610) | (252,713) | (228,941) | (23,772) |
| Operating cash flow | 332,074 | 478,510 | (146,436) | 789,151 | 832,523 | (43,372) |
| Debt incurred | - | - | - | - | 1,865 | (1,865) |
| Debt amortization | (177,266) | (24,342) | (152,924) | (189,186) | (29,494) | (159,692) |
| Purchase of marketable securities | 14,504 | 100,000 | (85,496) | 20,388 | (50,000) | 70,388 |
| Dividends paid | (384,556) | (335,332) | (49,224) | (699,732) | (672,302) | (27,430) |
| Capital Reimbursement | (27,539) | (24,305) | (3,234) | (27,539) | (24,305) | (3,234) |
| Net cash used in financing activities | (574,857) | (283,979) | (290,878) | (896,069) | (774,236) | (121,833) |
| Effect of exchange rate changes on cash | 4,202 | (10,540) | 14,742 | 16,606 | 2,606 | 14,000 |
| Increase in cash & cash equivalent | (238,581) | 183,991 | (422,572) | (90,312) | 60,893 | (151,205) |
| Cash & cash equivalents at begin yr. | 2,813,127 | 1,817,286 | 995,841 | 2,664,858 | 1,940,384 | 724,474 |
| Cash & cash equivalents at yr. end | 2,574,546 | 2,001,277 | 573,269 | 2,574,546 | 2,001,277 | 573,269 |

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

| (Thousands of US Dollars) | Quarters | | | Accumulated | | |
|--|------------------|------------------|------------------|--------------------|--------------------|------------------|
| | Q2-08 | Q2-07 | Variance | 2008 | 2007 | Variance |
| STATEMENT OF EARNINGS | | | | | | |
| Net Sales | 1,461,796 | 1,826,462 | (364,666) | 2,961,001 | 3,184,799 | (223,798) |
| Cost of Sales | 550,462 | 562,335 | (11,873) | 1,071,052 | 1,028,979 | 42,073 |
| Exploration | 8,995 | 8,552 | 443 | 17,051 | 14,970 | 2,081 |
| Gross Profit | 902,339 | 1,255,575 | (353,236) | 1,872,898 | 2,140,850 | (267,952) |
| Gross Margin | 62% | 69% | | 63% | 67% | |
| Administrative expenses | 26,726 | 25,907 | 819 | 51,381 | 49,706 | 1,675 |
| EBITDA | 877,275 | 1,179,166 | (301,891) | 1,822,609 | 2,040,124 | (217,515) |
| Depreciation and Amortization | 83,200 | 84,465 | (1,265) | 164,396 | 158,564 | 5,832 |
| Operating Income | 792,413 | 1,145,203 | (352,790) | 1,657,121 | 1,932,580 | (275,459) |
| Operating Margin | 54% | 63% | | 56% | 61% | |
| Interest expense | 27,487 | 30,983 | (3,496) | 56,415 | 60,789 | (4,374) |
| Interest capitalized | (1,441) | (1,477) | 36 | (2,529) | (6,443) | 3,914 |
| Interest income | (12,181) | (18,076) | 5,895 | (29,596) | (40,004) | 10,408 |
| Other expense (income), net | (1,662) | 50,502 | (52,164) | (1,092) | 51,020 | (52,112) |
| Earnings before Tax | 780,210 | 1,083,271 | (303,061) | 1,633,923 | 1,867,218 | (233,295) |
| Taxes | 228,892 | 354,416 | (125,524) | 514,914 | 585,090 | (70,176) |
| Minority Interest | 2,851 | 2,893 | (42) | 5,559 | 4,484 | 1,075 |
| Net Earnings | 548,467 | 725,962 | (177,495) | 1,113,450 | 1,277,644 | (164,194) |
| BALANCE SHEET | | | | | | |
| Cash and cash equivalents | 1,150,260 | 1,013,614 | 136,646 | 1,150,260 | 1,013,614 | 136,646 |
| Marketable securities | 97,515 | 340,000 | (242,485) | 97,515 | 340,000 | (242,485) |
| Notes and Accounts receivable | 482,986 | 559,209 | (76,223) | 482,986 | 559,209 | (76,223) |
| Inventories | 491,577 | 482,940 | 8,637 | 491,577 | 482,940 | 8,637 |
| Prepaid and others current assets | 209,212 | 169,746 | 39,466 | 209,212 | 169,746 | 39,466 |
| Total Current Assets | 2,431,550 | 2,565,509 | (133,959) | 2,431,550 | 2,565,509 | (133,959) |
| Property, net | 3,716,758 | 3,666,651 | 50,107 | 3,716,758 | 3,666,651 | 50,107 |
| Leachable material, net | 186,770 | 248,791 | (62,021) | 186,770 | 248,791 | (62,021) |
| Other Long term Assets | 70,059 | 48,393 | 21,666 | 70,059 | 48,393 | 21,666 |
| Total Assets | 6,405,137 | 6,529,344 | (124,207) | 6,405,137 | 6,529,344 | (124,207) |
| Liabilities and Investments | | | | | | |
| Current portion of long-term debt | 10,000 | 160,025 | (150,025) | 10,000 | 160,025 | (150,025) |
| Accumulated Liabilities | 550,468 | 637,600 | (87,132) | 550,468 | 637,600 | (87,132) |
| Current Liabilities | 560,468 | 797,625 | (237,157) | 560,468 | 797,625 | (237,157) |
| Long-term Debt | 1,284,850 | 1,363,207 | (78,357) | 1,284,850 | 1,363,207 | (78,357) |
| Other non-current Liabilities | 493,916 | 379,667 | 114,249 | 493,916 | 379,667 | 114,249 |
| Minority Interest | 15,780 | 15,196 | 584 | 15,780 | 15,196 | 584 |
| Total Liabilities | 2,355,014 | 2,555,695 | (200,681) | 2,355,014 | 2,555,695 | (200,681) |
| Stockholders Equity | | | | | | |
| Other equity accounts | (210,174) | (121,716) | (88,458) | (210,174) | (121,716) | (88,458) |
| Retaining Earnings | 3,394,750 | 3,318,914 | 75,836 | 3,394,750 | 3,318,914 | 75,836 |
| Total Stockholders' equity | 4,050,123 | 3,973,649 | 76,474 | 4,050,123 | 3,973,649 | 76,474 |
| Total Liabilities and Stockholders' Equity | 6,405,137 | 6,529,344 | (124,207) | 6,405,137 | 6,529,344 | (124,207) |
| CASH FLOW | | | | | | |
| Net Income | 548,467 | 725,962 | (177,495) | 1,113,450 | 1,277,644 | (164,194) |
| Depreciation and Amortization | 83,199 | 84,465 | (1,266) | 164,396 | 158,564 | 5,832 |
| Deferred Income Taxes | 23,322 | 39,228 | (15,906) | (14,730) | 58,340 | (73,070) |
| Capitalized leachable material | - | (19,568) | 19,568 | (2,246) | (40,029) | 37,783 |
| Minority Interest | 2,853 | 2,893 | (40) | 5,559 | 4,484 | 1,075 |
| Operating assets and liabilities | (273,575) | (235,412) | (38,163) | (385,750) | (287,304) | (98,446) |
| Other Net | 20,500 | 3,291 | 17,209 | 25,143 | (10,618) | 35,761 |
| Net cash provide by operating activities | 404,766 | 600,859 | (196,093) | 905,822 | 1,161,081 | (255,259) |
| Add property & equipment | (130,876) | (82,223) | (48,653) | (180,770) | (167,253) | (13,517) |
| Operating cash flow | 273,890 | 518,636 | (244,746) | 725,052 | 993,828 | (268,776) |
| Debt incurred | 60 | 60 | - | 121 | 121 | - |
| Debt amortization | (155,025) | (5,000) | (150,025) | (155,025) | (5,000) | (150,025) |
| Dividends paid | (504,168) | (443,195) | (60,973) | (919,630) | (945,538) | 25,908 |
| Purchase of marketable securities | - | - | - | - | (100,000) | 100,000 |
| Other | 20,933 | 47,006 | (26,073) | 27,587 | 36,552 | (8,965) |
| Net cash used in financing activities | (638,200) | (401,129) | (237,071) | (1,046,947) | (1,013,865) | (33,082) |
| Effect of exchange rate changes on cash | 41,789 | 7,257 | 34,532 | 62,883 | 10,873 | 52,010 |
| Net increase (decrease) cash & cash eq. | (322,521) | 124,764 | (447,285) | (259,012) | (9,164) | (249,848) |
| Cash & cash equivalents at begin yr. | 1,472,781 | 888,850 | 583,931 | 1,409,272 | 1,022,778 | 386,494 |
| Cash & cash equivalents at yr. end | 1,150,260 | 1,013,614 | 136,646 | 1,150,260 | 1,013,614 | 136,646 |

**INFRAESTRUCTURA Y TRANSPORTES MEXICO SA DE CV & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS (US GAAP)**

(Thousands of US Dollars)

| | Quarters | | | Accumulated | | |
|---|------------------|------------------|----------------|------------------|------------------|-----------------|
| | Q2-08 | Q2-07 | Variance | 2008 | 2007 | Variance |
| STATEMENT OF EARNINGS | | | | | | |
| Net Sales | 291,382 | 255,980 | 35,402 | 529,341 | 477,673 | 51,668 |
| Cost of Sales | 179,042 | 160,258 | 18,784 | 327,643 | 312,489 | 15,154 |
| Gross Profit | 112,340 | 95,722 | 16,618 | 201,698 | 165,184 | 36,514 |
| Gross Margin | 39% | 37% | | 38% | 35% | |
| Administrative expenses | 13,712 | 12,778 | 934 | 25,297 | 24,217 | 1,080 |
| EBITDA | 108,197 | 87,319 | 20,878 | 191,444 | 148,829 | 42,615 |
| Depreciation and Amortization | 21,824 | 18,068 | 3,756 | 42,490 | 35,541 | 6,949 |
| Operating Income | 76,804 | 64,876 | 11,928 | 133,911 | 105,426 | 28,485 |
| Operating Margin | 26% | 25% | | 25% | 22% | |
| Interest expense | 10,463 | 11,996 | (1,533) | 23,300 | 23,765 | (465) |
| Interest income | (3,568) | (2,953) | (615) | (7,266) | (6,166) | (1,100) |
| Other Income, net | (9,569) | (4,375) | (5,194) | (15,043) | (7,862) | (7,181) |
| Earnings before Tax | 79,478 | 60,208 | 19,270 | 132,920 | 95,689 | 37,231 |
| Taxes | 21,743 | 19,454 | 2,289 | 37,367 | 27,584 | 9,783 |
| Minority Interest | 15,113 | 10,379 | 4,734 | 24,696 | 17,251 | 7,445 |
| Profit before Extraordinary loss | 42,622 | 30,375 | 12,247 | 70,857 | 50,854 | 20,003 |
| Participation in Subsidiary not consolidated and Associated | (14,852) | (3,849) | (11,003) | (16,828) | (10,331) | (6,497) |
| Net Earnings | 57,474 | 34,224 | 23,250 | 87,685 | 61,185 | 26,500 |
| BALANCE SHEET | | | | | | |
| Cash and cash equivalents | 220,227 | 170,900 | 49,327 | 220,227 | 170,900 | 49,327 |
| Notes and Accounts receivable | 159,991 | 163,748 | (3,757) | 159,991 | 163,748 | (3,757) |
| Inventories | 26,547 | 24,655 | 1,892 | 26,547 | 24,655 | 1,892 |
| Prepaid and others current assets | 77,513 | 62,082 | 15,431 | 77,513 | 62,082 | 15,431 |
| Total Current Assets | 484,278 | 421,385 | 62,893 | 484,278 | 421,385 | 62,893 |
| Property, Plant and Equipment Net | 1,251,627 | 1,009,077 | 242,550 | 1,251,627 | 1,009,077 | 242,550 |
| Other Long term Assets | 436,214 | 367,281 | 68,933 | 436,214 | 367,281 | 68,933 |
| Total Assets | 2,172,119 | 1,797,743 | 374,376 | 2,172,119 | 1,797,743 | 374,376 |
| Liabilities and Investments | | | | | | |
| Current portion of long-term debt | 160,402 | 64,216 | 96,186 | 160,402 | 64,216 | 96,186 |
| Accumulated Liabilities | 108,342 | 114,125 | (5,783) | 108,342 | 114,125 | (5,783) |
| Current Liabilities | 268,744 | 178,341 | 90,403 | 268,744 | 178,341 | 90,403 |
| Long-term Debt | 461,362 | 467,598 | (6,236) | 461,362 | 467,598 | (6,236) |
| Other non-current Liabilities | (7,121) | (2,424) | (4,697) | (7,121) | (2,424) | (4,697) |
| Other Liabilities | 5,042 | 4,141 | 901 | 5,042 | 4,141 | 901 |
| Minority Interest | 234,516 | 183,966 | 50,550 | 234,516 | 183,966 | 50,550 |
| Total Liabilities | 962,543 | 831,622 | 130,921 | 962,543 | 831,622 | 130,921 |
| Stockholders Equity | | | | | | |
| Other equity accounts | 4,710 | (62,851) | 67,561 | 4,710 | (62,851) | 67,561 |
| Retaining Earnings | 825,626 | 649,732 | 175,894 | 825,626 | 649,732 | 175,894 |
| Total Stockholders' equity | 1,209,576 | 966,121 | 243,455 | 1,209,576 | 966,121 | 243,455 |
| Total Liabilities and Stockholders' Equity | 2,172,119 | 1,797,743 | 374,376 | 2,172,119 | 1,797,743 | 374,376 |
| CASH FLOW | | | | | | |
| Net Income | 57,474 | 34,224 | 23,250 | 87,685 | 61,185 | 26,500 |
| Depreciation and Amortization | 21,824 | 18,068 | 3,756 | 42,490 | 35,541 | 6,949 |
| Deferred Income Taxes | (1,442) | (4,621) | 3,179 | (9,160) | (11,046) | 1,886 |
| Minority Interest | 15,113 | 10,379 | 4,734 | 24,696 | 17,251 | 7,445 |
| Operating assets and liabilities | (22,466) | (13,314) | (9,152) | (44,374) | (50,142) | 5,768 |
| Other Net | (11,794) | (3,225) | (8,569) | (5,730) | (7,068) | 1,338 |
| Net cash provide by operating activities | 58,709 | 41,511 | 17,198 | 95,607 | 45,721 | 49,886 |
| Add property & equipment | (32,241) | (39,284) | 7,043 | (71,944) | (61,688) | (10,256) |
| Operating cash flow | 26,468 | 2,227 | 24,241 | 23,663 | (15,967) | 39,630 |
| Debt incurred | - | - | - | - | 1,865 | (1,865) |
| Debt amortization | (9,741) | (6,842) | (2,899) | (21,661) | (11,994) | (9,667) |
| Dividends paid | (13,415) | (12,321) | (1,094) | (13,415) | (12,321) | (1,094) |
| Net cash used in financing activities | (23,156) | (19,163) | (3,993) | (35,076) | (22,450) | (12,626) |
| Effect of exchange rate changes on cash | 6,236 | 3,332 | 2,904 | 8,798 | 59 | 8,739 |
| Net increase (decrease) cash & cash eq. | 9,548 | (13,604) | 23,152 | (2,615) | (38,358) | 35,743 |
| Cash & cash equivalents at begin yr. | 210,679 | 184,504 | 26,175 | 222,842 | 209,258 | 13,584 |
| Cash & cash equivalents at yr. end | 220,227 | 170,900 | 49,327 | 220,227 | 170,900 | 49,327 |