GRUPO MEXICO WILL CONCLUDE CHAPTER 11 PROCESS OF ITS SUBSIDIARY ASARCO BY SETTLING ASARCO'S LIABILITIES AND CLAIMS IN FULL

MEXICO CITY. AUGUST 17, 2009 – GRUPO MEXICO, S.A.B. DE C.V. ("GRUPO MÉXICO" – BMV: GMÉXICOB) THROUGH ITS SUBSIDIARY AMERICAS MINING CORPORATION FILED A REORGANIZATION PLAN WITH THE BANKRUPTCY COURT OF CORPUS CHRISTI, WHICH IS LEADING THE CHAPTER 11 PROCEEDINGS OF ITS SUBSIDIARY ASARCO, PROVIDING FOR FULL PAYMENT OF PRINCIPAL PLUS ACCRUED INTEREST, MEANING A 100% CASH PAYMENT TO CREDITORS. WITH THIS NEW PLAN GRUPO MEXICO REAFFIRMS ITS INITIAL INTENTIONS AT THE START OF THE CHAPTER 11 PROCESS, TO PAY ALL ITS SUBSIDIARY'S LIABILITIES ONCE THESE HAD BEEN DEFINED. CONSEQUENTLY, AMC WILL PAY US $2.4829 BILLION, OF WHICH US $2.2029 BILLION WILL BE PAID ON THE EFFECTIVE DATE OF THE PLAN PLUS A ONE-YEAR PROMISSORY NOTE FOR US $280.0 MILLION FOR THE ASBESTOS CREDITORS.

THIS NEW PLAN FORMULATED BY GRUPO MEXICO IS CONVINCING AS IT PROVIDES FOR FULL CASH PAYMENT OF ASARCO'S LIABILITIES AND CONTINGENCIES AND THEREFORE, AS JUDGE SCHMIDT HAD MENTIONED ON VARIOUS OCCASIONS IN COURT, ASARCO BECOMES A SOLVENT COMPANY AND WILL COME OUT OF THE CHAPTER 11 PROCESS, CONSEQUENTLY GRUPO MÉXICO IS CONFIDENT IT WILL SUCCESSFULLY RECOVER THE COMPANY. FURTHERMORE, GRUPO MÉXICO, THROUGH ITS SUBSIDIARY AMC, REAFFIRMED TO JUDGE SCHMIDT THAT IT WILL CONTINUE WITH THE CURRENT ASARCO COLLECTIVE BARGAINING AGREEMENT APPROVED BY THE SAME JUDGE LAST YEAR. ON COMPLETING ASARCO'S CHAPTER 11 PROCESS, AMC WILL BE RELEASED FROM ANY LIABILITY OR CONTINGENCY RELATED TO THE BROWNSVILLE LITIGATION, CANCELING THE SURETY FOR 30% OF THE SHARES IN SOUTHERN COPPER CORPORATION (SCC), WHICH WAS ESTABLISHED TO FILE ITS APPEAL. AMC WILL ALSO RECEIVE TAX BENEFITS OF APPROXIMATELY US $800.0 MILLION, WILL MAINTAIN THE RIGHT TO FILE SUIT AGAINST STERLITE FOR ITS BREACH OF CONTRACT ON THE SALE OF ASSETS FOR US $2.600 BILLION SIGNED LAST YEAR, PLUS LOSSES AND DAMAGES.

BASED ON GRUPO MÉXICO'S NEW PLAN, ONCE THE CHAPTER 11 PROCESS CONCLUDES, ASARCO WILL BE RELEASED FROM ANY ENVIRONMENTAL OR ASBESTOS LIABILITY.
ON RECOVERING ITS SUBSIDIARY, GRUPO MEXICO WILL OPERATE AMARILLO, HAYDEN, RAY, SILVER BELL AND MISSION ASARCO AND WILL INCORPORATE 200,000 TONS PER ANNUM INTO ITS GLOBAL COPPER PRODUCTION TO REACH A CAPACITY OF 870,000 AND RESERVES OF 78 MILLION TONS TO BE THE WORLD'S LEADING COMPANY IN RESERVES AND THIRD LARGEST COPPER PRODUCER IN THE WORLD, WITH AN AVERAGE COST OF PRODUCTION OF 72¢ PER POUND OF COPPER, STANDING AS ONE OF THE MOST COMPETITIVE COMPANIES IN THE FIRST DISTRICT OF GLOBAL COSTS.

THE FINANCIAL STRUCTURE OF GRUPO MEXICO WILL REMAIN STRONG AFTER CLOSING THIS TRANSACTION, WITH AN ANNUAL EBITDA OF US $4.160 BILLION AT THE CURRENT PRICES OF COPPER, WITH A TOTAL DEBT OF US $3.858 BILLION AND CASH OF US $1.450 BILLION, AND ADDITIONALLY, WITH THE INCLUSION OF ASARCO, GRUPO MEXICO WILL OBTAIN SIGNIFICANT SYNERGIES OF APPROXIMATELY US $200.0 MILLION.

This report contains certain forward-looking statements that are subject to risks and uncertainties to actual results that may be significantly different from those expressed. Many of these risks and uncertainties are related to risk factors that Grupo Mexico can not control or estimate precisely, such as future market conditions, metal prices, behavior of other market participants and actions of government regulators, also described in detail in the annual report of the Company. Grupo Mexico does not assume any obligation to publish a review of this forward-looking information to reflect events or circumstances that occur after the date of this report.