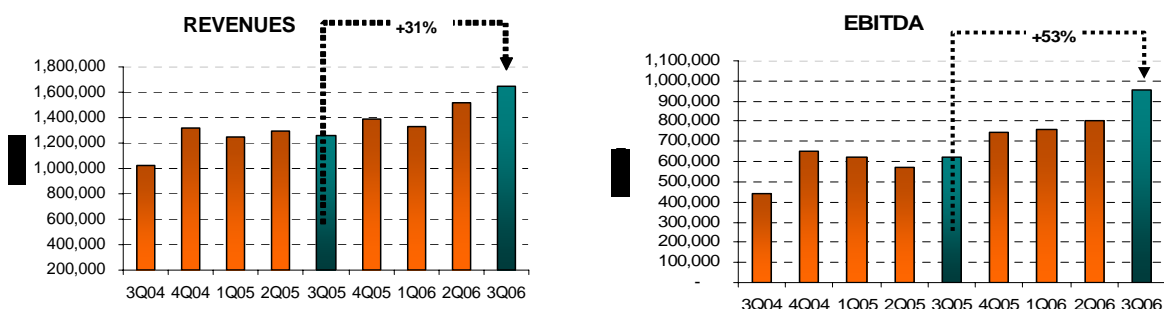


Mexico City, October 27, 2006 - Grupo Mexico, S.A.B. de C.V. (BMV: GMEXICOB) today reports its results corresponding to the third quarter and the nine months ending on September 30, 2006 and 2005.

GRUPO MEXICO

Consolidated information on mining operations in the United States, Asarco (through August 9, 2005); Mexico and Peru in Southern Copper Corporation (SCC); as well as the transport division with Grupo Ferroviario Mexicano, S.A. de C.V. ("GFM") - Ferrocarril Mexicano, S.A. de C.V. ("Ferromex"), Intermodal Mexico and Texas Pacifico. On November 24, 2005, GMexico acquired the railroad subsidiary Ferrosur, S.A. de C.V. through its subsidiary Infraestructura y Transportes Mexico, S.A. de C.V. (ITM). This acquisition is presented under the participation method in these financial statements.



- ❑ **Consolidated sales** in 3Q06 were \$1,647.6 million¹, 31% higher than sales of 3Q05, and 9% higher than those of 2Q06. Accrued consolidated sales to September 30, 2006, stood at \$4,490.9 million, 18% higher than sales of the same period in 2005.
- ❑ These satisfactory **sales results** were obtained despite the lower production due to the illegal work stoppages in the La Caridad and Cananea mines. These stoppages were resolved in late July and the mines will be working to their full capacity in the 4th quarter of 2006.
- ❑ **Cost of sales** was \$665.9 millions, 22% higher than that of the first nine months of the previous year, due to copper mineral purchases by third parties from the Mexico Division. This was done at an extraordinary cost so as not to stop production at the metallurgical complex without affecting supplies to our customers.
- ❑ **EBITDA** in 3Q06 increased by 53% compared to that of 3Q05 and was 20% higher than that of 2Q06, reaching \$956.6 million. EBITDA for the first nine months ending on September 30, 2006, went up 35% compared to 2005.
- ❑ **Consolidated operating profits** in 3Q06 went up \$273.6 million, 47% higher than that recorded for 3Q05. This increase can be partly explained by improved metal prices and resuming the mining operations at Mexican open pit mines, in addition to an on-going cost control process, essential in the commodities sector.
- ❑ **Consolidated net profits in 3Q06** increased by 43% compared with the same period of the previous year, reaching \$392.7 million. For the first nine months in 2006, net profit grew 41% compared to the same period of the previous year, reaching \$1,076.7 million.

¹ All figures are in US dollars (US\$), under U.S. GAAP, unless otherwise indicated.

- **Capital expenditures** accrued to September 30, 2006, stood at \$455 million dollars, mainly used for the final phase of the new smelter in Ilo, Peru, initial construction work for Copper Cathode SX-EW Plant No. 3 and the crusher and transportation system for leachable material at Cananea, Sonora, Mexico. Moreover, Mexico and Peru are executing projects to replace and modernize equipment and facilities in order to increase their efficiency. Furthermore, GFM - Ferromex has acquired and received 15 EMD 4300-hp locomotives and will receive 60 more high-performance locomotives in 4Q06 as part of a 100-locomotive program. Significant investments are also being made in railroad tracks and infrastructure. These investments will enable increased copper production, as well as higher load volumes moved by Ferromex.
- In the **railroad transportation** sector, the load volumes moved by GFM – Ferromex in 3Q06 went up 13.3% compared with the same period in 2005, achieving a 23.7% increase in sales for the same period. For the first nine months, sales reached \$687 million dollars, 25.9% higher than those for 2005.
- **GFM – Ferromex’s** EBITDA for 3Q06 reached \$77.7 million dollars, compared to \$60.2 dollars in 3Q05, representing a 29% increase.
- **Ferrosur’s** sales for 3Q06 were \$59.3 million dollars, compared to \$58.4 in 2Q06. EBITDA stood at \$18.3 million dollars compared to \$16.3 million in the previous quarter. Meanwhile, net profit was \$8.4 million dollars, 110% higher than that of 2Q06 due to better operation efficiency.

Ferrosur was acquired by ITF, an ITM subsidiary, in order to be able to offer our users seamless service that covers a large part of Mexican territory. On the other hand, given the economy of scale that depicts railroad service, important synergies will be obtained to provide our customers with a more competitive service.

Grupo Mexico Financial Highlights

(Thousand Dollars in US GAAP)	3Q 2006	3Q 2005	Variance		9 Months Ended		Variance	
			US\$000	%	Sep 2006	Sep 2005	US\$000	%
Sales	1,647,634	1,257,447	390,187	31.0	4,490,933	3,802,164	688,769	18.1
Cost of Sales	665,999	543,798	122,201	22.5	1,873,262	1,811,390	61,872	3.4
Operating Income	862,400	588,744	273,656	46.5	2,259,848	1,601,510	658,338	41.1
EBITDA	956,602	625,484	331,118	52.9	2,517,198	1,858,991	658,207	35.4
Margin EBITDA (%)	58.1%	49.7%			56.1%	48.9%		
Net Income (Loss)	392,686	275,620	117,066	42.5	1,076,755	765,110	311,645	40.7
Investments / Capex	169,813	178,491	(8,678)	(4.9)	454,982	442,325	12,657	2.9

Important Events

- **Acquisition of Ferrosur.** - On June 22, 2006, the CFC plenary session ruled not to authorize Ferrosur's consolidation with ITM. In the third quarter, an appeal for reconsideration was filed since it was deemed that the CFC had mistaken reading on the market in question. We expect this to be resolved in our favor by December 31, 2006, in view of the benefits the operations have brought to railroad and truck transportation users, who have begun to rely on having a competitive option for transporting their products and merchandise.
- **Resuming Operations at the Sonora Mines.** – On July 27, 2006, Mexicana de Cobre received the La Caridad concentrator mine facilities after an illegal stoppage that lasted almost four months. According to the ruling issued by the Federal Conciliation and Arbitration Board, the company terminated the labor contract celebrated with Section 298 of the Mining Union (SNTMMSRM). Personnel recruitment began in August and mining operations were started up. By the end of the third quarter, La Caridad mine was working at 70% of its capacity.

Likewise, after an illegal six-week work stoppage, work resumed at the Cananea mining complex. Operations have returned to normal and are running at full capacity.

- **Restoration Work at the San Luis Potosi Zinc Refinery Completed.** In October, repairs were completed and the plant is running normally and at full capacity. Last January, the refinery shut down operations after an electrical fire in the transformers that was caused by severe fluctuations in the supply of electrical energy.
- **Copper Production Development Plans.** - Southern Copper Corporation (SCC) will build a new SX-EW plant No. 3, which use a solvent extraction process to produce copper cathode at the Cananea mine. This plant will have a capacity of 33,000 metric tons a year. A contract was signed with Bechtel International, Inc. for basic engineering and it shows a 64% advance to September 30th. Work is expected to be concluded in December 2006. Likewise, a crushing and conveying project for leachable mineral via conveyor belts is being developed for the Cananea mine. It will have a capacity of 15 million metric tons a year. The crusher has been acquired and a transportation system that will not only permit higher production volumes, but also lower production unit costs is still being analyzed.

Furthermore, the possibility of expanding the Cananea concentrator plant to an additional capacity of 35,000 tons a year to start operations in 2009 is under technical-economic evaluation. At the same time, a smelting plant for molybdenum concentrates to produce 4,000 tons a year of molybdenum content. Likewise, the company is in the process of evaluating an expansion to the Ilo

smelter, going from 1.2 million to 1.8 million tons of concentrates, as well as an expansion to the Ilo refinery from 280,000 to 360,000 tons.

Exploration studies have been concluded for the Tia Maria copper deposit in Arequipa, located in southern Peru. Estimates have been requested for performing the pre-feasibility study, in hopes of beginning in 4Q06. Meanwhile, in May 2006, pre-feasibility studies have begun for the copper and molybdenum project at Los Chancas, located in southern Peru. Additionally, pre-feasibility studies are underway at the El Arco copper and gold project located in the state of Baja California, Mexico.

Likewise, it should be stressed that, as part of its expansion strategy aimed at maximizing the company's value in addition to the expansion of the mines themselves, SCC continuously studies and analyzes the possibility of acquisitions or strategic alliances. However, there are no transactions worth mentioning at this time.

- **Buyback Share Program.** - Under its buyback share program, as of October 25, 2006, GMexico has acquired 17,265,300 shares for a total of \$531.8 million pesos, in compliance with the program authorized by the Ordinary General Stockholder's Meeting, capping it at \$2,240 million pesos.
- **Notice to Shareholders of the Payment of Dividends** - According to the resolutions adopted at the ordinary general assembly held on April 28, 2006, and based on the financial results the corporation obtained in the third quarter of 2006, the Board of Directors authorized, at its meeting of October 27, 2006, a dividend of \$0.56 m.n. (zero pesos and fifty-six cents) per share outstanding, to be paid effective November 6, 2006.
- **GMexico announced the Stock Split of its Subsidiary Southern Copper Corporation (SCC) Stock** – On August 3, 2006, announced that the Board of Directors Executive Committee authorized a stock split at the rate of two new shares for each of the 147'230,425 shares outstanding, thus resulting in 294'460,850 outstanding shares. The record date for the split was September 15, 2006, while the shares were distributed on October 2, 2006.

Financing

GMexico's total debt to September 30, 2006, stood at \$2,097.0 million; with a cash and bank balance of \$1,742.1 million, which equals a net debt of \$354.9 million.

Debt Profile

(US\$000)	12/31/05	As of September 30, 2006		
	Gross Debt	Gross Debt	Cash & Banks	Net Debt
Grupo Mexico (GM)	-	-	26,160	(26,160)
Infraestructura y Transportes Mexico (ITM)	-	543	48,438	(47,895)
Americas Mining Corporation	101,090	88,590	525,853	(437,263)
Southern Copper Corporation	1,172,065	1,554,453	918,099	636,354
GFM - Ferromex	448,692	453,445	223,521	229,924
Grupo Mexico (Consolidated)	1,721,847	2,097,031	1,742,071	354,960

The financial cost for 3Q06 was \$35.9 million, 27.3% lower compared to the \$49.4 million for 3Q05. The total of the accrued financial cost to September 30, 2006, was \$99.6 millions, 29.8% lower than the same quarter in 2005, due to a significant reduction in the group's liabilities, as well as better interest rate terms. As to interest from cash investments, earnings of \$22.1 in 3Q06 and \$57.4 million accumulated to September 30, 2006.

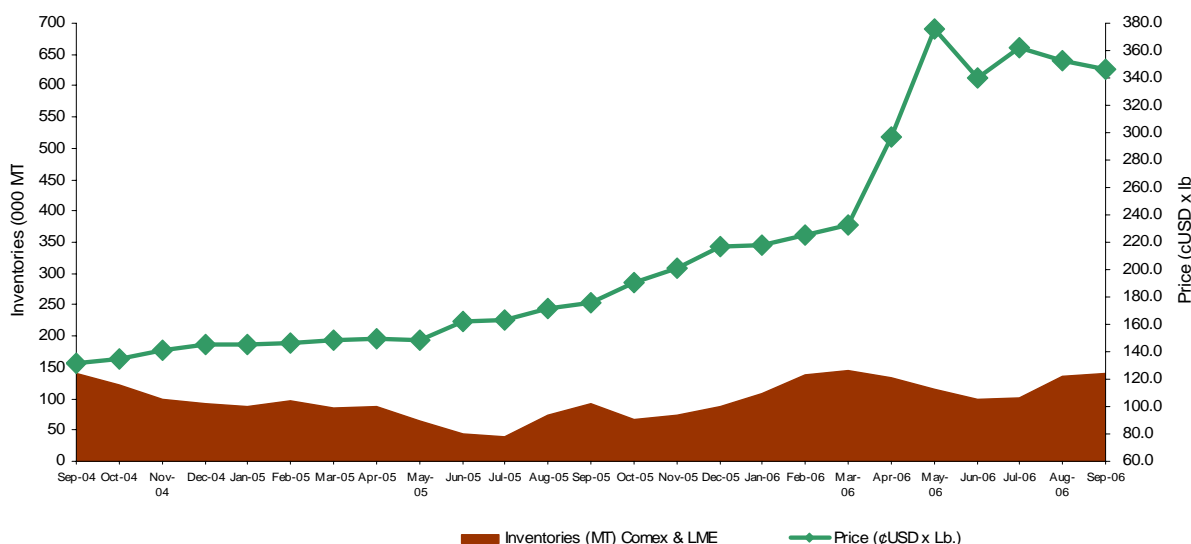
Ferrosur's debt to September 30, 2006, was \$180.6 million with a cash and bank balance of \$27.9 million, which equals a net debt of \$152.7 million. Ferrosur's debt, which was denominated in US dollars in December 2005, was changed into Mexican pesos in January 2006 at favorable exchange rates and interest rates. It does not consolidate in the Group since it is under the above-mentioned participation method.

MINING DIVISION

Metals Market

World Inventories (LME + Comex)

Average Copper Prices (Comex)



During the third quarter of 2006, the manifest demand for basic metals continued, particularly in the world’s leading economies. Limited inventories worldwide, lower mineral grades and a strong demand by investment funds are the reasons for the steep rise in metal prices in this quarter.

The average price of copper rose 108.1% compared to 3Q05. Zinc increased 159.4% and silver, 64.8%. Gold went up 41.4% and molybdenum, our main by-product, went down 13.7% compared to 3Q05.

Metals Price Average	Copper (\$cts/lb)	Zinc (\$cts/lb)	Silver (\$dlls/Oz)	Gold (\$dlls/Oz)	Molybdenum (\$dlls/lb)
3Q 2006	353.91	152.56	11.65	621.50	25.94
2Q 2006	337.45	149.33	12.22	627.40	24.22
1Q 2006	225.25	101.70	9.70	553.98	22.25
Average 2006	305.54	134.53	11.19	600.96	24.14
Average 2005	168.23	62.68	7.32	444.89	31.05
Average 3Q 2005	170.07	58.82	7.07	439.49	30.06
Var 3Q06 vs 3Q05	108.1%	159.4%	64.8%	41.4%	-13.7%

METAL PRODUCTION

SOUTHERN COPPER CO.		3Q 2006	3Q 2005	% Var.	Yr. 2006	Yr. 2005	% Var.
COPPER	(M.T.)	141,284	178,171	(20.7)	426,070	508,611	(16.2)
SILVER	(KG.)	124,084	141,212	(12.1)	363,308	426,131	(14.7)
GOLD	(KG.)	185	264	(29.9)	595	766	(22.3)
MOLYBDENUM	(M.T.)	2,303	3,841	(40.0)	8,100	11,455	(29.3)
ZINC	(M.T.)	36,786	36,989	(0.5)	103,162	108,778	(5.2)
LEAD	(M.T.)	4,908	4,863	0.9	14,037	14,577	(3.7)

Southern Copper Corporation & Subsidiaries Financial Highlights

	3Q 2006	3Q 2005	Variance		9 Months Ended		Variance		
	(Thousand Dollars in US GAAP)				US\$000	%	Sep 2006	Sep 2005	US\$000
Copper Sold (MT)	144,662	168,550	(23,888)	(14.2)	445,415	503,087	(57,672)	(11.5)	
Sales	1,412,240	1,030,193	382,047	37.1	3,810,279	2,923,087	887,192	30.4	
Cost of Sales	514,913	389,354	125,559	32.2	1,452,854	1,202,872	249,982	20.8	
Operating Income	804,462	545,822	258,640	47.4	2,086,146	1,454,683	631,463	43.4	
EBITDA	877,384	626,254	251,130	40.1	2,296,782	1,656,446	640,336	38.7	
Margin EBITDA (%)	62.1%	60.8%			60.3%	56.7%			
Net Income	521,583	369,410	152,173	41.2	1,382,438	979,702	402,736	41.1	
Investments / Capex	145,695	143,435	2,260	1.6	376,415	341,209	35,206	10.3	

Total sales in 3Q06 were \$1,412.2 million, attaining a 37.1% increase compared to the same period in 2005. For the nine-month period ended on September 30, 2006, sales stood at \$3,810.3 million, 30.4% higher than the same period in 2005.

The cost of sales for 3Q06 was \$514.9 million, 32.2% higher than that of 3Q05. This was mainly due to the fact that in 3Q06, \$111.2 million dollars of concentrates were purchased from a third party for the La Caridad smelter, as well as increases in tax and profit provisions for personnel and the higher costs of energy for mining industry consumption.

In 3Q06, EBITDA rose 40.1%, going from \$626.2 million to \$877.3 million. EBITDA's margin reached 62.1% in 3Q06, compared to 60.8% in 3Q05 with an accrued EBITDA margin of 60.3% for the first nine months. Accrued EBITDA was recorded at \$2,296.7 million.

Copper production dropped 20.7% to stand at 141,284 tons of copper in the third quarter of 2006, compared to the same period in 2005. This decrease is due to a 32,609-ton drop in Mexican mines, which were affected by illegal work stoppages at the Sonora mines and a slight decline in production at Peruvian mines, which produced 4,278 tons less than the third quarter of 2005.

During 3Q06, molybdenum production went down 1,538 tons, 40.0% compared to the same period in 2005. This decrease was the result of a drop of 632 tons at Peruvian mines due to lower ore grade at Toquepala and Cuajone, as well as 906 tons less at the La Caridad mine in Mexico.

Zinc production was 36,786 tons in 3Q06, compared to 36,989 tons in the same period in 2005. In January 2006, there was a failure in the electrical and control system at the zinc electrolytic refinery in San Luis Potosi, temporarily suspending operations. As of October, the plant's production had been restored 100%.

Consolidated operating profit was \$804.4 million in 3Q06, 47.4% higher than that of the same period in the previous year. For the nine months ended on September 30, 2006, this stood at \$2,086.1 million, 43.4% higher than that of the same period in 2005.

Net profit in 3Q06 was \$521.5 million, \$152.1 million up from 3Q05. This improvement in the company's profits was partly due to higher metal prices and reestablishing and normalizing operations at the Mexican open pit mines. During the third quarter, operations at the Cananea and La Caridad mines in Sonora have returned to normal, for which better production and results are expected for the fourth quarter of the year.

On August 25th 2006, Southern Copper Corporation distributed \$296 million in cash dividends to its stockholders. This comes to \$2.0 dollars per share before the stock split and corresponds to the second quarter of 2006.

The company sold its copper production for the third quarter of 2006 in advance at an average price of \$3.44 per pound of copper against an actual market price of \$3.54 per pound of copper for the third quarter. The company has sold 30% of its production for the fourth quarter of the year at an average price of \$3.57 per pound, which will allow us to have a higher and stable cash flow for the rest of the year.

Southern Copper Corporation (SCC) is one of the largest integrated copper producers worldwide, holds the second largest copper reserves of any listed company in the world, and is listed in the New York and Peruvian stock markets. SCC stockholders, either directly or through subsidiaries, are the following: Grupo Mexico (75.1%) and other common stockholders (24.9%). It operates mining units and metallurgical facilities in Mexico and Peru, and conducts exploration activities in Mexico, Peru and Chile.

RAILROAD DIVISION

Infraestructura y Transportes México (ITM) Financial Highlights

(Thousand Dollars in US GAAP)	3Q 2006	3Q 2005	Variance		9 Months Ended		Variance	
			US\$000	%	Sep 2006	Sep 2005	US\$000	%
Load Volume (MilionTons/Km)	11,843	8,964	2,879	32.1	34,593	25,804	8,789	34.1
Sales	296,873	192,169	104,704	54.5	866,802	548,181	318,621	58.1
Cost of Sales	190,551	121,981	68,570	56.2	544,688	334,797	209,891	62.7
Operating Income	70,687	41,075	29,612	72.1	205,346	130,530	74,816	57.3
EBITDA	96,783	61,098	35,685	58.4	281,860	191,830	90,030	46.9
Margin EBITDA (%)	32.6%	31.8%			32.5%	35.0%		
Net Income	39,109	17,641	21,468	121.7	101,379	58,215	43,164	74.1
Investments / Capex	33,249	31,390	1,859	5.9	124,890	69,847	55,043	78.8

Note: Proforma numbers which consolidate the results of Ferrosur.

The transportation division is represented by Infraestructura y Transportes Mexico (ITM) which main subsidiary is Grupo Ferroviario Mexicano (GFM)-Ferromex's, in addition to Intermodal Mexico and Texas Pacifico. On November 24, 2005, ITM acquired the railroad subsidiary Ferrosur, S.A. de C.V. (Ferrosur) through its Infraestructura y Transportes Ferroviarios, S.A. de C.V. (ITF) subsidiary. Ferrosur's results, are consolidated only for purposes of these pro-forma statements for the Railroad Division, came to \$8.4 million dollars in net profit for 3Q06 and \$18.1 million in the consolidated figures at September 30, 2006.

The average exchange rate for the first nine months of 2006 was \$10.9055, compared to \$10.9575 for the same period in 2005, showing an improvement of 0.48%.

Revenues from services rose 54.5%, from \$192.2 million in 3Q05 compared to \$296.8 million in 3Q06, resulting from a 32.1% increase in the net ton/km transported, moving from 8,964 million in 3Q05 to 11,843 million in 3Q06, in addition to changes made in combination of revenues by core segments.

The cost of sales in 3Q06 increased 56.2% compared to 3Q05, going from \$121.9 million to \$190.5 million. The main causes of this increase consist of the increase in tons/km and higher labor costs, as well as a 5.4% hike in diesel prices. Accumulated operating costs to September 30, 2006, stood at \$544.6 million, 62.7% higher than the \$334.8 million spent in 2005.

Operating profit for 3Q06 came to \$70.6 million, 72.1% higher than that of 3Q05, despite a significant increase in the price of diesel, the most important raw material for railroad operations.

EBITDA for 3Q06 rose 58.4%, going from \$61.1 million in 3Q05 to \$96.8 million. EBITDA's margin for 3Q06 was 32.6%.

Accrued net profit to September 30, 2006, was \$101.4 million, 74.1% higher than that of the same period in 2005. This was mainly due to increased volumes and the inclusion of Ferrosur in the pro-forma statements.

According to Accounting Principle SFASB 141, it is necessary to have final authorization from the Federal Antitrust Commission before consolidating the companies. In view of this and as long as said authorization is pending, investment in Ferrosur will be presented as valued under the participation method in Grupo Mexico's consolidated financial statements.

The transportation division is represented by the subsidiary Infraestructura y Transportes México (ITM), the main subsidiaries of which are Ferrocarril Mexicano and Ferrosur. Ferromex is the largest railroad company in Mexico and has the widest coverage. It has a network of 8,500 kilometers of tracks, covering 71% of Mexico's territory. Ferromex's lines connect with the United States at five points along the border, as well as at four ports on the Pacific Ocean and two in the Gulf of Mexico. Ferromex is controlled by Grupo Mexico with 55.5%, Union Pacific with 26% and Grupo Carso with 18.5%. Ferrosur is the railroad company that serves southern Mexico. It has a network of 2,029 kilometers of tracks, covering the central and southeastern parts of the country. It serves the states of Veracruz, Tabasco, Chiapas, Oaxaca and Puebla in particular and has access to ports in Veracruz and Coatzacoalcos in the Gulf of Mexico. Ferrosur is controlled by Grupo Mexico with 75% and Grupo Carso with 25%.

GRUPO MEXICO
CONSOLIDATED FINANCIAL STATEMENTS (US GAAP)

(Figures in thousands of US Dollars)

Income Statement	Quarters			Accumulated		
	Q3-06	Q3-05	Variance	2006	2005	Variance
Net Sales	1,647,634	1,257,447	390,187	4,490,933	3,802,164	688,769
Cost of Sales	665,999	543,798	122,201	1,873,262	1,811,390	61,872
Gross Profit	981,635	713,649	267,986	2,617,671	1,990,774	626,897
Gross Margin	60%	57%		58%	52%	
Administrative expenses	34,497	31,129	3,368	108,028	117,430	(9,402)
EBITDA	956,602	625,484	331,118	2,517,198	1,858,991	658,207
Depreciation and Amortization	84,738	93,776	(9,038)	249,795	271,834	(22,039)
Operating Income	862,400	588,744	273,656	2,259,848	1,601,510	658,338
Operating Margin	52%	47%		50%	42%	
Financial Cost	35,910	49,408	(13,498)	99,646	141,939	(42,293)
Earned Interest	(22,147)	(17,825)	(4,322)	(57,419)	(38,054)	(19,365)
Others Net Income	(9,464)	57,036	(66,500)	(7,555)	14,353	(21,908)
Earnings before Tax	858,101	500,125	357,976	2,225,176	1,483,272	741,904
Taxes	321,967	121,048	200,919	760,302	445,666	314,636
Minority Interest	143,448	103,457	39,991	388,119	272,496	115,623
Profit before Extraordinary loss	392,686	275,620	117,066	1,076,755	765,110	311,645
Extraordinary loss	-	-	-	-	-	-
Profit before Special Item	392,686	275,620	117,066	1,076,755	765,110	311,645
Special Item	-	-	-	-	-	-
Net Profit	392,686	275,620	117,066	1,076,755	765,110	311,645
Balance Sheet						
Cash and Marketable Securities	1,742,071	995,594	746,477	1,742,071	995,594	746,477
Notes and Accounts receivable	623,317	454,951	168,366	623,317	454,951	168,366
Inventories	500,358	399,091	101,267	500,358	399,091	101,267
Prepaid expenses and others	167,170	102,001	65,169	167,170	102,001	65,169
Total Current Assets	3,032,916	1,951,637	1,081,279	3,032,916	1,951,637	1,081,279
Property, Plant and Equipment Net	4,620,287	4,572,220	48,067	4,620,287	4,572,220	48,067
Other Long term Assets	431,761	138,420	293,341	431,761	138,420	293,341
Total Assets	8,084,964	6,662,277	1,422,687	8,084,964	6,662,277	1,422,687
Liabilities and Investments						
Short Term Bank Debt	105,373	25,598	79,775	105,373	25,598	79,775
Accumulated Liabilities	771,562	754,760	16,802	771,562	754,760	16,802
Current Liabilities	876,935	780,358	96,577	876,935	780,358	96,577
Long Term Debt	1,886,332	1,644,434	241,898	1,886,332	1,644,434	241,898
Other Long Term Liabilities	391,417	407,327	(15,910)	391,417	407,327	(15,910)
Minority Interest	1,236,206	940,497	295,709	1,236,206	940,497	295,709
Total Liabilities	4,390,890	3,772,616	618,274	4,390,890	3,772,616	618,274
Stockholders Equity						
Other equity accounts	2,000,446	2,007,288	(6,842)	2,000,446	2,007,288	(6,842)
Retained Earnings	73,503	(24,744)	98,247	73,503	(24,744)	98,247
Total Stockholders' equity	3,694,074	2,889,661	804,413	3,694,074	2,889,661	804,413
Total liabilities and stockholders' equity	8,084,964	6,662,277	1,422,687	8,084,964	6,662,277	1,422,687
Cash Flow						
Net Income for the year	392,686	275,620	117,066	1,076,755	765,110	311,645
Capitalized of P&L , due to merger of GMM	-	-	-	-	-	-
Depreciation and Amortization	84,738	93,777	(9,039)	249,795	271,834	(22,039)
Deferred Income Taxes & employee profit sharing	3,818	(50,951)	54,769	697	(28,392)	29,089
Special item	-	-	-	-	-	-
Others Net	153,422	130,252	23,170	384,747	282,952	101,795
Trade Receivable	2,526	5,256	(2,730)	(141,597)	93,962	(235,559)
Other accounts receivable	(74,347)	(81,180)	6,833	(76,797)	(100,011)	23,214
Inventories	(23,990)	9,161	(33,151)	(80,838)	(17,370)	(63,468)
Other Assets	(34,998)	39,883	(74,881)	5,558	34,009	(28,451)
Accounts payable & accrued liabilities	128,731	107,373	21,358	(181,925)	(32,607)	(149,318)
Net cash provide by operating activities	632,586	529,191	103,395	1,236,395	1,269,487	(33,092)
Add property & equipment less retirements	(172,054)	(184,840)	12,786	(457,223)	(446,062)	(11,161)
Net cash used in investing activities	(172,054)	(184,840)	12,786	(457,223)	(446,062)	(11,161)
Financing	24,373	800,000	(775,627)	452,570	970,000	(517,430)
Amortization	(31,252)	(685,302)	654,050	(71,789)	(1,449,086)	1,377,297
Increase of capital	-	-	-	-	-	-
Dividends paid	(212,258)	(98,925)	(113,333)	(720,563)	(298,015)	(422,548)
Capital Reimbursement	-	-	-	-	-	-
Net cash used in financing activities	(219,137)	15,773	(234,910)	(339,782)	(777,101)	437,319
Effect of exchange rate changes on cash	(30,266)	(6,292)	(23,974)	37,834	(24,280)	62,114
Net increase(decrease) cash & marketable secur.	211,129	353,832	(142,703)	477,224	22,044	455,180
Cash & Marketable securities at begin yr.	1,530,942	641,762	889,180	1,264,847	973,550	291,297
Cash & Marketable securities at yr. end	1,742,071	995,594	746,477	1,742,071	995,594	746,477

SOUTHERN COPPER CORPORATION
CONSOLIDATED FINANCIAL STATEMENTS (US GAAP)

(Figures in thousands of US Dollars)

	Quarters			Accumulated		
	Q3-06	Q3-05	Variance	2006	2005	Variance
Income Statement						
Net Sales	1,412,240	1,030,193	382,047	3,810,279	2,923,087	887,192
Cost of Sales	514,913	389,354	125,559	1,452,854	1,202,872	249,982
Gross Profit	897,327	640,839	256,488	2,357,425	1,720,215	637,210
Gross Margin	64%	62%		62%	59%	
Administrative expenses	25,163	20,199	4,964	72,492	59,203	13,289
EBITDA	877,384	626,254	251,130	2,296,782	1,656,446	640,336
Depreciation and Amortization	67,702	74,818	(7,116)	198,787	206,329	(7,542)
Operating Income	804,462	545,822	258,640	2,086,146	1,454,683	631,463
Operating Margin	57%	53%		55%	50%	
Financial Cost	24,198	32,928	(8,730)	63,701	73,915	(10,214)
Earned Interest	(10,847)	(5,051)	(5,796)	(34,455)	(13,541)	(20,915)
Others Net Income	(5,220)	(5,614)	394	(11,849)	4,565	(16,414)
Earnings before Tax	796,331	523,559	272,772	2,068,749	1,389,743	679,006
Taxes	271,945	152,573	119,372	679,681	405,444	274,237
Profit before Extraordinary loss	524,386	370,986	153,400	1,389,068	984,299	404,769
Minority Interest	2,803	1,576	1,227	6,630	4,598	2,032
Profit before Special Item	521,583	369,410	152,173	1,382,438	979,701	402,737
Special Item	-	-	-	-	-	-
Net Profit	521,583	369,410	152,173	1,382,438	979,701	402,737
Balance Sheet						
Cash and Marketable Securities	918,099	766,870	151,229	918,099	766,870	151,229
Notes and Accounts receivable	478,294	329,791	148,503	478,294	329,791	148,503
Inventories	480,473	384,155	96,318	480,473	384,155	96,318
Prepaid expenses and others	126,405	91,981	34,424	126,405	91,981	34,424
Total Current Assets	2,003,271	1,572,797	430,474	2,003,271	1,572,797	430,474
Property, Plant and Equipment Net	3,827,231	3,788,934	38,297	3,827,231	3,788,934	38,297
Other Long term Assets	43,219	35,175	8,044	43,219	35,175	8,044
Total Assets	5,873,721	5,396,906	476,815	5,873,721	5,396,906	476,815
Liabilities and Investments						
Short Term Bank Debt	10,000	10,000	-	10,000	10,000	-
Accumulated Liabilities	599,433	478,331	121,102	599,433	478,331	121,102
Current Liabilities	609,433	488,331	121,102	609,433	488,331	121,102
Long Term Debt	1,527,793	1,215,249	312,544	1,527,793	1,215,249	312,544
Other Long Term Liabilities	307,826	393,772	(85,946)	307,826	393,772	(85,946)
Minority Interest	13,207	11,634	1,573	13,207	11,634	1,573
Total Liabilities	2,458,259	2,108,986	349,273	2,458,259	2,108,986	349,273
Stockholders Equity						
Retained Earnings	2,737,393	2,464,530	272,863	2,737,393	2,464,530	272,863
Other equity accounts	(96,985)	(52,252)	(44,733)	(96,985)	(52,252)	(44,733)
Total Stockholders' equity	3,415,462	3,187,920	227,542	3,415,462	3,187,920	227,542
Total liabilities and stockholders' equity	5,873,721	5,296,906	576,815	5,873,721	5,296,906	576,815
Cash Flow						
Net Income for the year	521,583	369,410	152,173	1,382,438	979,702	402,736
Depreciation and Amortization	67,702	74,818	(7,116)	198,787	206,329	(7,542)
Deferred Income Taxes & employee profit sharing	1,105	(51,653)	52,758	17,340	(18,217)	35,557
Others Net	645	3,607	(2,962)	(5,092)	24,219	(29,311)
Accounts receivable	(12,453)	(85,814)	73,361	(147,686)	46,061	(193,747)
Inventories	25,852	(53,915)	79,767	31,356	(87,455)	118,811
Other Assets	(19,132)	(15,620)	(3,512)	(84,628)	(31,778)	(52,850)
Accounts payable & accrued liabilities	(4,149)	245,993	(250,142)	(240,843)	(42,108)	(198,735)
Net cash provide by operating activities	581,153	486,826	94,327	1,151,672	1,076,753	74,919
Add property & equipment less retirements	(145,695)	(146,554)	859	(376,415)	(344,329)	(32,086)
Net cash used in investing activities	(145,695)	(146,554)	859	(376,415)	(344,329)	(32,086)
Financing	361	793,646	(793,285)	389,553	993,646	(604,093)
Amortization	-	-	-	-	-	-
Escrow deposits on long-term loans	(2,315)	(680,080)	677,765	(23,825)	(1,098,685)	1,074,860
Dividends paid	(294,458)	(153,556)	(140,902)	(1,104,212)	(603,599)	(500,613)
Other	-	-	-	-	-	-
Net cash used in financing activities	(305,687)	(38,008)	(267,679)	(757,743)	(681,339)	(76,404)
Effect of exchange rate changes on cash	(12,622)	(6,560)	(6,062)	24,582	5,078	19,504
Net increase(decrease) cash & marketable secur.	117,149	295,704	(178,555)	42,096	56,163	(14,067)
Cash & Marketable securities at begin yr.	800,950	471,166	329,784	876,003	710,707	165,296
Cash & Marketable securities at yr. end	918,099	766,870	151,229	918,099	766,870	151,229

INFRAESTRUCTURA Y TRANSPORTES MEXICO SA DE CV Y SUBSIDIARIAS
PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS WITH FERROSUR (US GAAP)

(Figures in thousands of US Dollars)	Quarters			Accumulated		
	Q3-06	Q3-05	Variance	2006	2005	Variance
Income Statement						
Net Sales	296,873	192,169	104,704	866,802	548,181	318,621
Cost of Sales	190,551	121,981	68,570	544,688	334,797	209,891
Gross Profit	106,322	70,188	36,134	322,114	213,384	108,730
Gross Margin	36%	37%		37%	39%	
Administrative expenses	12,604	11,485	1,119	47,478	31,970	15,508
EBITDA	96,782	61,098	35,684	281,860	191,830	90,030
Depreciation and Amortization	23,031	17,628	5,403	69,291	50,884	18,407
Operating Income	70,687	41,075	29,612	205,346	130,530	74,816
Operating Margin	0	0		0	0	
Financial Cost	14,071	12,405	1,666	41,646	37,797	3,849
Earned Interest	(4,466)	(2,812)	(1,654)	(11,946)	(7,126)	(4,820)
Others Net Income	(3,065)	(2,395)	(670)	(7,224)	(10,416)	3,192
Earnings before Tax	64,147	33,877	30,270	182,869	110,275	72,594
Taxes	14,462	9,015	5,447	52,157	33,077	19,080
Minority Interest	10,576	6,212	4,364	28,941	19,457	9,484
Profit before Extraordinary loss	39,109	18,650	20,459	101,771	57,741	44,030
Extraordinary gain	-	1,009	(1,009)	392	(474)	866
Profit before Special Item	39,109	17,641	21,468	101,379	58,215	43,164
Special Item	-	-	-	-	-	-
Net Profit	39,109	17,641	21,468	101,379	58,215	43,164
Balance Sheet						
Cash and Marketable Securities	299,894	151,635	148,259	299,894	151,635	148,259
Notes and Accounts receivable	129,764	88,252	41,512	129,764	88,252	41,512
Inventories	26,488	14,491	11,997	26,488	14,491	11,997
Prepaid expenses and others	58,337	57,138	1,199	58,337	57,138	1,199
Total Current Assets	514,483	311,516	202,967	514,483	311,516	202,967
Property, Plant and Equipment Net	1,214,390	791,008	423,382	1,214,390	791,008	423,382
Other Long term Assets	89,235	22,567	66,668	89,235	22,567	66,668
Total Assets	1,818,108	1,125,091	693,017	1,818,108	1,125,091	693,017
Liabilities and Investments						
Short Term Bank Debt	97,877	15,269	82,608	97,877	15,269	82,608
Accumulated Liabilities	164,660	98,591	66,069	164,660	98,591	66,069
Current Liabilities	262,537	113,860	148,677	262,537	113,860	148,677
Long Term Debt	536,743	429,272	107,471	536,743	429,272	107,471
Other Long Term Liabilities	11,309	(1,035)	12,344	11,309	(1,035)	12,344
Other Liabilities	3,998	2,395	1,603	3,998	2,395	1,603
Minority Interest	162,832	136,439	26,393	162,832	136,439	26,393
Total Liabilities	977,419	680,931	296,488	977,419	680,931	296,488
Stockholders Equity						
Other equity accounts	89,290	68,809	20,481	89,290	68,809	20,481
Retained Earnings	202,757	(64,469)	267,226	202,757	(64,469)	267,226
	548,642	439,820	108,822	548,642	439,820	108,822
Total Stockholders' equity	840,689	444,160	396,529	840,689	444,160	396,529
Total liabilities and stockholders' equity	1,818,108	1,125,091	693,017	1,818,108	1,125,091	693,017
Cash Flow						
Net Income for the year	39,109	17,641	21,468	101,379	58,215	43,164
Depreciation and Amortization	23,031	17,628	5,403	69,291	50,884	18,407
Deferred Income Taxes & employee profit sharing	(6,819)	(355)	(6,464)	(20,256)	(8,447)	(11,809)
Others Net	11,231	6,734	4,497	29,201	16,349	12,852
Trade Receivable	(4,934)	14,654	(19,588)	(18,017)	3,413	(21,430)
Other accounts receivable	(34,375)	(1,119)	(33,256)	13,911	23,098	(9,187)
Inventories	(6,092)	472	(6,564)	603	3,396	(2,793)
Accounts payable & accrued liabilities	113,499	2,104	111,395	35,427	44,320	(8,893)
Net cash provide by operating activities	134,650	57,759	76,891	211,539	191,228	20,311
Add property & equipment less retirements	(33,249)	(31,390)	(1,859)	(124,890)	(69,847)	(55,043)
Net cash used in investing activities	(33,249)	(31,390)	(1,859)	(124,890)	(69,847)	(55,043)
Financing	788	-	788	381,850	-	381,850
Amortization	(7,497)	(5,152)	(2,345)	(334,858)	(51,184)	(283,674)
Dividends paid	-	-	-	(10,224)	(24,099)	13,875
Capital reimbursement paid	50	-	50	1,140	-	1,140
Net cash used in financing activities	(6,659)	(5,152)	(1,507)	37,908	(75,283)	113,191
Effect of exchange rate changes on cash	(35,578)	(3,206)	(32,372)	(7,499)	(28,020)	20,521
Net increase(decrease) cash & marketable secur.	59,164	18,011	41,153	117,058	18,078	98,980
Cash & Marketable securities at begin yr.	240,730	133,624	107,106	182,836	133,557	49,279
Cash & Marketable securities at yr. end	299,894	151,635	148,259	299,894	151,635	148,259