



## NEWS

ASARCO Incorporated  
180 Maiden Lane  
New York, N.Y. 10038-4991

**FOR IMMEDIATE RELEASE**

### **ASARCO TO CONSOLIDATE CORPORATE FUNCTIONS IN ARIZONA**

**NEW YORK, N.Y., July 25, 2000** --ASARCO Incorporated announced today that it will consolidate all corporate functions in Arizona by the end of the year. The company has transferred many of its corporate functions from New York to Arizona in recent months, following acquisition of the company by Grupo Mexico S.A. de C.V. last November.

According to Xavier Garcia de Quevedo, president and chief operating officer of Asarco, "It has become increasingly apparent, as we have transferred functions to the West, that there are significant efficiencies and improvements in communications that can be made by a complete transfer of the Asarco corporate offices close to its major copper operations as well as close to its sister operations in Mexico."

Relocated to a new corporate headquarters in Phoenix will be the office of the president and other executive functions as well as the following departments, some of which are now located in Tucson: Treasurer, Legal, Human Resources, Government Relations, Sales, Traffic, and Auditing. Remaining in Tucson will be: Controllers, Information Systems, Purchasing, Payroll, Geology and Exploration, Mine Planning, Environmental, Projects and Accounts Payable departments.

Asarco soon will announce location of its Phoenix headquarters building.

Garcia said that many employees now in New York will be offered positions in Arizona. Those who choose not to relocate may be eligible for early retirement or other compensation when they are terminated at the time of the move.

Asarco is the wholly-owned United States mining and metals subsidiary of Grupo Mexico S.A. de C.V. Grupo Mexico is a major international natural resources and transportation company with significant mining operations, through subsidiaries, in Mexico, the United States and Peru. Grupo Mexico ranks as the world's third largest copper producer, fourth largest producer of silver and fifth largest producer of zinc. Group Mexico ranks as the world's second largest company in terms of known copper ore reserves. Its railroad subsidiary, Grupo Ferroviario, which is 74% owned and operated by Grupo Mexico (Union Pacific 26%) is the largest railway system in Mexico and services 71% of Mexico's geographical and almost 90% of Mexico's industrial and commercial area. Grupo Mexico will continue to have a presence in New York for investor relations purposes.

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