



GRUPOMEXICO

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**GRUPO MEXICO SELLS
AGGREGATES DIVISION TO CSR AMERICA**

NEW YORK, N.Y., May 30, 2000 -- Grupo Mexico S.A. de C.V. and CSR America announced today that CSR has agreed to purchase Grupo's aggregates division, American Limestone Company, for \$211 million dollars plus cash balance and three-month adjusted working capital as of June 30th. The purchase is expected to be completed by the end of June.

American Limestone Company produces construction aggregates, ready-mixed concrete and agricultural limestone, selling its products in Tennessee, Virginia, Kentucky, North Carolina and South Carolina.

CSR America is one of the largest construction materials companies in North America. Prior to the purchase, the company has 238 sites in 29 states across the nation. CSR is the nation's largest producer of concrete pipe and concrete block, the nation's third largest producer of polyethylene pipes and one of the largest producers of pre-mixed concrete and quarry products in the United States. CSR America is part of the CSR Ltd. building materials group which has operations in Australia, the United States, Asia and New Zealand and is the world leader in production of concrete pipe.

Grupo Mexico acquired American Limestone Company, a division of ASARCO Incorporated, when it purchased Asarco late in 1999. The American Limestone sale is the second divestiture by Grupo of non-core assets to fulfill its objective to rapidly reduce new debt in the amount of \$817 million incurred to finance the acquisition of Asarco. Early this year Grupo completed the sale of Asarco's specialty chemicals division, Enthone-OMI, Inc. for \$512 million to the Cookson Group plc. Together, the sales will reduce the incurred debt to slightly less than \$100 million. Grupo Mexico expects the resulting balance to be entirely eliminated by July of this year through the sale of other non-core assets and investments.

With these debt reductions, Grupo Mexico's indebtedness will be near the same levels prior to the acquisition of Asarco.

Grupo Mexico is a diversified mining company that ranks as the world's third largest copper producer, fourth largest silver producer and fifth largest zinc producer. The company's mining operations include mining, smelting and refining in Mexico, the United States and Peru. The company has one of the largest copper ore reserve positions in the industry. Grupo Mexico also owns 74% and operates in partnership with Union Pacific (26%), the largest and most profitable railroad in Mexico.

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