



**GRUPOMEXICO**

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## **NEWS RELEASE**

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### **GRUPO MÉXICO SELLS ASARCO'S SPECIALTY CHEMICALS DIVISION FOR \$503 MILLION**

**Mexico City – December 13, 1999** - Grupo México, S.A. de C.V. announced earlier today that it has entered into a definitive agreement to sell the specialty chemicals division of its recently-acquired subsidiary, ASARCO Incorporated, which is held through Enthone-OMI, Inc. and certain other related companies, for \$503 million to Cookson Group plc.

The sale reflects Grupo México's ongoing commitment to rapidly reduce debt incurred to finance the recent acquisition of ASARCO. The net proceeds will be applied to pay down the existing \$817 million of acquisition debt leaving only \$314 million. Furthermore, Grupo México intends to continue to significantly reduce the remaining acquisition debt by, among other things, commencing a divestiture process of Asarco's aggregates division, American Limestone Company, Inc., that could get Grupo México close to an additional \$250 million and thus leaving only \$64 million.

As an industry leader, Enthone-OMI is a worldwide supplier of proprietary chemicals used to produce functional and decorative coatings on metals and plastics for the electronics and metal finishing industries.

Enthone's worldwide operations include 14 manufacturing sites, 6 research facilities and 19 major sales and distribution centers across three continents. The division's 1998 sales were approximately \$351 million.

Grupo México 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 in Peru. The company has also developed one of the largest copper ore reserve positions in the industry. In addition, Grupo México owns 74% and operates in partnership with Union Pacific (26%), the largest and most profitable railroad in Mexico.

**NOTE:** Statements in this press release include "forward-looking statements" that express expectations of future events or results. All statements based on future expectations rather than on historical facts are forward-looking statements that involve a number of risks and uncertainties, and the company cannot give assurance that such statements will prove to be correct.

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