

AHMSA PRESENTS 2009 FIRST QUARTER RESULTS

- **Results show the world economic recession impact**
- **Adjustment program decreases the negative effects**
- **The Board decides to close Cerro de Mercado mine**

Monclova, Coahuila, April 28, 2009.- Altos Hornos de México and Subsidiaries S.A.B. de C.V. ("AHMSA" or the "Company"), presented today its 2009 First Quarter Results to the Bolsa Mexicana de Valores (Mexican Stock Exchange), period in which the EBITDA was US\$55 million (Ps. 783 million), 71.2% inferior to the same period of last year.

The accumulated income of the Company prior to the financing integral result (operative income) was Ps. 144 million in comparison to the Ps. one thousand 417 million from the First Quarter of 2008. In the same way the net income during the First Quarter of 2009 decreased 84.6% in comparison with the same period of the last year, when it reached Ps. 136 million versus the Ps. 885 million from 2008.

The figures presented during the First Quarter Board Meeting showed that the income by sales had a 37.6% decrease in dollar terms, with 572 thousand 845 metric tons of steel commercialized, representing a 27.95% fall in products volume.

Although the steam coal deliveries to the Comisión Federal de Electricidad were lightly inferior to the First Quarter of 2008 and income was slightest since the current formula for setting coal prices doesn't reflect properly the changes in the Peso/Dollar parity.

In October 2008, after visualizing the drastic contraction in the demand of steel that was foreseeing as a result of the financial crisis, AHMSA adopted an adjustment program in order to safeguard its cash flows and to redefine the rate of production in accordance with the markets behavior.

The program included the suspension of almost the entirety Fénix Project, the postponement of non-priority investments, a reduction of the operative rate and the advance of maintenance programs originally scheduled for the second half of 2009.

The anticipation of actions and the careful financial management sustained by the Company – along with other operative issues- reinforced the capacity of AHMSA and its subsidiaries to face crisis situations, making possible to obtain profit margins and to keep until now its labor force without changes.

Despite and because of the negative situation prevailing in the steel industry, the Board decided to suspend in the next days the activities in the Cerro de Mercado Unit, located in the State of Durango that with 420 employees and workers it produces iron ore used in the AHMSA steelworks in Monclova.

The Chairman of the Board, Alonso Ancira, stated that one of the main factors in the reaction capacity of AHMSA in front of the market drastic changes, like today's, is his flexibility in costs and the control over its own raw materials.

He said that the First Quarter results reflect the world-wide level recession, in which a decrease of at least 50% in the operation levels has placed the whole steel industry in a situation more serious than the one of other sectors like the automotive industry.

"In our case -Alonso Ancira referred- we are operating to a 65% of our capacity and with prices 50% lower to the normal ones, representing a relation of operation/prices placed in a level of 33% in comparison with the previous year".

The Chairman of the Board made a recognition to the personnel of the companies, “that have adopted the emergency measures with great will and flexibility, allowing to adapt us quickly to new work schemes and to maintain margins still in the complex current situation”.

During the Board was informed that the greater effort of the company has been aimed to maintain the labor force and the final application of the understanding established with AHMSA creditors is in standby, because of the uncertainty in the financial markets and the general industrial condition, with the confidence that a positive change in the conditions could result in a prompt arrangement.

The following tables show the main results for the First Quarters of the years 2008 and 2009:

January-March 2009/2008			Variation	
Concept	Jan-Mar 2009	Jan-Mar 2008		
Operative Income (millon of pesos)	144	1,417	-1,273	-89.8%
Net Income (Loss) (millon of pesos)	136	885	-749	-84.6%
EBITDA (US\$ million)	54.7	189.8	-135.1	-71.2%
Sales (US\$ million)	436	698	-262	-37.6%
Metric Tons of Steel Sold (Thousand Metric Tons)	573	795	-222	-27.9%