Mr. Benigno Gil de los Santos
Notary Public Number Six
Monclova, Coahuila, Mexico

IN THE MARGIN

PUBLIC DEED NUMBER (230) TWO HUNDRED AND THIRTY.

It contains: THE NOTARIZATION OF THE GENERAL SPECIAL STOCKHOLDERS' MEETING OF "ALTOS HORNOS DE MÉXICO", S.A. DE C.V., HELD IN THIS CITY OF MONCLOVA, COAHUILA, AT 09:00 (NINE) HOURS OF DECEMBER 12, 2006; UPON REQUEST OF MR. JULIAN CRUZ MARQUEZ ABUNDIS, ACTING AS SPECIAL DELEGATE.

IN THE MIDDLE

PUBLIC DEED NUMBER (230) TWO HUNDRED AND THIRTY.

In the City of Monclova, Notarial District with the same name, State of Coahuila de Zaragoza, on December thirteen, two thousand and six, I, Mr. BENIGNO GIL DE LOS SANTOS, NOTARY PUBLIC NUMBER SIX, acting in the aforementioned District, upon request of the appearing person Mr. JULIAN CRUZ MARQUEZ ABUNDIS, acting as Special Delegate, which legal status he evidences with the documents he presents and which shall be referred to in the relevant Chapter,

HEREBY NOTARIZE:

THE GENERAL SPECIAL STOCKHOLDERS' MEETING OF ALTOS HORNOS DE MÉXICO, S.A. DE C.V., held in this City of Monclova, Coahuila, at 09:00 (nine hours) of December twelve, 2006, where, among other, the following resolutions were taken: I. Discussion and, if any, approval of the full amendment of the Company's bylaws to adjust them to the new provisions of the Stock Market Act. 2. Discussion and, if any, ratification, resignations and/or appointments of the members of the Board of Directors and Company's officials. 3. Discussion and, if any, adoption of appropriate resolutions to comply with the new bylaws relating the creation and making-up of the Audit Committee and the Company Practices Committee.

And for purposes of such Notarization, I, the Notary, HEREBY ATTEST to have before me the Minutes written up at such Meeting typed in (34) thirty-four pages, printed on one side, duly signed, which is presented to me herein by Mr. JULIAN CRUZ MARQUEZ ABUNDIS, acting as Special Delegate, and which I, the NOTARY, notarize as follows:

"ALTOS HORNOS DE MÉXICO, S.A. DE C.V. GENERAL STOCKHOLDERS' MEETING HELD AT 9:00 HOURS ON DECEMBER 12, 2006."

In the City of Monclova, Coahuila, at 9:00 hours of December 12, 2006, the stockholders of ALTOS HORNOS DE MEXICO, S.A. DE C.V.", S.A. DE C.V. ("AHMSA" or the "Company") met personally or through an attorney-at-law at the company's headquarters located at Prolongacion Juarez s/n, Col. La Loma, C.P. 25770 Monclova, Coahuila in order to hold a General Special Stockholders' Meeting to which they were duly and timely convened upon second notice.

Pursuant to paragraph e) clause fifteen of the bylaws in force, the present stockholders appointed Chairman of this meeting Mr. Andres Gonzalez-Saravia Coss and Mr. Juan Carlos Quintana Serur acted as Secretary.

The Chairman of the meeting appointed Mr. Julian Cruz Marquez Abundis and Katy Dahena Martinez Jimenez to jointly count the shares that were present or represented. They agreed to the appointment and counted the shares owned by present and represented stockholders. After the calculation was made, the tellers certified that 194,499,702 (one hundred ninety-four million four hundred ninety-nine thousand seven hundred and two) sole series, common, registered, released and with no face value shares of Altos Hornos de México, S.A. de C.V. were present or represented, which account for 54.34% (fifty-four point thirty-four percent) of the total capital stock subscribed and paid in by the Company, which as of today is composed of 357,872,502 (three hundred fifty seven million eight hundred seventy-two thousand five hundred and two) outstanding shares.

Having examined the count and because pursuant to Article 15, paragraph h) of the bylaws and article 191 of the General Business Corporation Law, the Company's general special stockholders' meeting may, upon second notice, be validly called to order with any number of shares represented, provided such decisions are adopted upon the favorable vote of the number of stockholders that represent al least half (50%) the total capital stock. Consequently, the chairman of the meeting called the general special stockholders' meeting to order upon second notice based on the Deposit Certificate issued by S.D. INDEVAL, S.A., according to paragraph one, Article 280 (two hundred and eighty) section VII of the Stock Market Act, as well as the powers of attorney granted by such stockholders and the admission cards presented therefor; they agree with formalities and requirements set forth by the Company's bylaws and the legal applicable provisions.

The Chairman informed that the second notice duly signed by Mr. Alonso Ancira Elizondo, as Chairman of the Board of Directors, was published in the newspaper El ESTO, page 34 A, in Mexico City and the local newspaper El Tiempo, page 5A, in Monclova, Coahuila, on November 27, 2006, in accordance with article 186 of the General Business Corporation Law and clause fifteen of the bylaws, which he asked to be attached to the file of the minutes of this stockholders' meeting.

Next, the Company's general special stockholders' meeting was declared validly constituted because the required quorum was there, thus resolutions passed thereat upon the favorable vote of the number of stockholders accounting for at least half (50%) of the total capital stock and pursuant to the bylaws would be duly passed and would be valid even for absent or dissident stockholders. For purposes of clarity it is hereby evidenced that because there are 357,872,502 (three hundred fifty-seven million eight hundred seventy-two thousand five hundred two) shares outstanding, the quorum required for the passing of resolutions to be valid is at least the favorable vote of 178,936,251 (one hundred seventy-eight million nine hundred thirty six thousand two hundred and fifty-one) shares.

Then, the general special stockholders' meeting continued and the Secretary read the agenda of this meeting, which is the following:

AGENDA

GENERAL SPECIAL STOCKHOLDERS' MEETING

1.- Discussion and, if any, approval of the full amendment of the Company's bylaws to adjust them to the new provisions of the Stock Market Act.

2. Discussion and, if any, ratification, resignations and/or appointments of the members of the Board of Directors and Company's officials.

3. Discussion and, if any, adoption of appropriate resolutions to comply with the new bylaws relating the creation and making-up of the Audit Committee and the Company Practices Committee.

4. Appointment of special delegates authorized to formalize, notarize and registered with the relevant Public Commerce Registry the various resolutions passed in relation to the above points.

Subsequently, the stockholders dealt with one of the items on the agenda, as follows:

1.- The discussion and, if any, approval of the full amendment of the Company's bylaws to adjust them to the new provisions of the Stock Market Act.

In the discussion of this item on the Agenda, the Chairman of the meeting reminded present or represented stockholders of the new Stock Market Act (hereinafter referred to as the "LMV") that became effective on June 28, 2006, which sets forth the obligation of the Company as a listed stock company ("SAB") to make several adjustments to its bylaws. Article six transitory, paragraph two thereof sets forth that the term for the SAB to adjust its firm name and amend its bylaws shall end on December 26, 2006. He added that the BORDA QUINTANA, S.A. firm along with the Company's Legal Department prepared a new bylaws draft for AHMSA, in order to comply with applicable provisions of the LMV, which includes the literal insertion of the relevant provisions thereof in order that AHMSA's stockholders, top managers and officers will become familiar with its terms, contents and scope. The new bylaws include structural significant changes relating to the making-up, organization and functioning of the corporate governing bodies, which are mandatory and resulted from a deep and detailed analysis of the applicable laws and related provisions. Also, that pursuant to resolution THREE of the Company's Board of Directors' Meeting held on October 24, 2006, regular and alternate members were given the electronic file of the bylaws for review, comments and remarks, The above firm and the Legal Department received the relevant queries from the members, which were timely and duly answered and led to the final draft of the new bylaws was prepared.

He stressed that pursuant to article 22 of the LMV, stock companies whose shares are registered with the National Securities Registry shall add to their firm name the word "Bursatil" (listed) or its abbreviation "B"; hence, as of the date of this meeting, the Company's name as per article one of the new bylaws shall be "ALTOS HORNOS DE MEXICO, S.A.B. DE C.V.".

The full text of the draft of the Company's new bylaws consists of 30 pages that have been made available to the stockholders at the Company's secretariat located at the headquarters thereof, for a 15 (fifteen) day period before the date of this meeting, as provided for in article 49 section I of the LMV. A copy of the full text of the final bylaws draft is attached hereto.

After having discussed the contents of the above document and answered the questions and remarks of the present or represented stockholders, the following resolution was unanimously approved with 194,499,702 (one hundred ninety-four million four hundred ninety-nine thousand seven hundred and two) votes:

ONE: IT IS HEREBY RESOLVED to approve with no reserve and no limit the new bylaws of the Company that as of today will be named "ALTOS HORNOS DE

MEXICO, S.A.B. DE C.V."; the full original text thereof, duly initialized by the Chairman and Secretary of this meeting, is attached hereto and shall be notarized with a public notary to be registered with the relevant Commerce Registry.

2.- Discussion and, if any, ratification, resignations and/or appointments of the members of the Board of Directors and Company's officials.

In dealing with this point, the Chairman of the meeting told present or represented stockholders that in accordance with the Company's new bylaws that have been approved as per the above resolution ONE and in accordance with the applicable provisions of LMV, the Board of Directors shall be composed of no more than 21 members, of which at least 25% shall be independent. An alternate may be appointed for every regular member, provided that the alternate members of independent members will also be independent. Also, the stockholders' meeting at which the members of the Board of Directors are appointed or ratified shall qualify the members' independence. The Board of Directors shall deal with the matters set forth in article Nineteen of the bylaws in force. Finally, it is noted that pursuant to the new bylaws and to article 41 of the LMV, the Examiner no longer exists for listed stock companies and they are not subject to article 92 section V, nor to articles 164, 171, 172 last paragraph, 173, and 176 of the General Business Corporation Law.

The Chairman of the Meeting told the stockholders that the Company received the following resignations: i) on August 10, 2006, the written resignation of Mr. Javier Reyna Rodriguez to the position of regular member; and (ii) on October 30, 2006, the written resignation of Mr. Juan Carlos Carredano Perez to the position of Regular Member. Regarding the position of regular and alternate Examiner occupied by Messrs. Ernesto Blackaller Williamson and Francisco Javier Mena de Alba, they forwarded the Company before the date hereof their relevant resignations for the reasons set forth at the end of the above paragraph.

Next, the Chairman of this meeting proposed the Board of Directors to be as of this date composed of eight (8) regular members and their respective alternates, by ratifying, if any, the persons who already occupied a position and appointing the required members to be composed as hereinbelow described. He also proposed the ratification of the Secretary and Alternate Secretary.

BOARD OF DIRECTORS

Regular Members	Alternate Members
Alonso Ancira Elizondo- Chairman	Not yet appointed
Xavier D. Autrey Maza- Vice-chairman	Not yet appointed
Manuel Ancira Elizondo	Jose Eduardo Ancira Elizondo
Jorge Ancira Elizondo	Not yet appointed
Jorge Ordoñez Cortes	Ernesto Blackaller Williamson
James Pignatelli	Not yet appointed
Sandra Lopez Benavides	Telber Gustafson
Alfonso Lebrija Guiot	Not yet appointed

Juan Carlos Quintana Segur.- Secretary of the Board of Directors (not a member) and Secretary of the Company.- Francisco Jose Perez Ortega.- Alternate Secretary of the Board of Directors (not a member), and Alternate Secretary of the Company.

After having discussed, the present or represented stockholders unanimously approved – with 194,499,702 (one hundred ninety-four million four hundred ninety-nine thousand seven hundred and two) shares accounting for 100 (one hundred) percent of the shares duly present or represented at the meeting – the following resolution.

TWO: IT IS HEREIN RESOLVED to ratify the admission of the following resignations: i) dated August 10, 2006, Mr. Javier Reyna Rodriguez' to the position of regular member; ii) date October 30, 2006, Mr. Juan Carlos Carredano Perez' to the position of regular member; iii) as of this date, Ernesto Blackaller Williamson's to the position of regular examiner (who hereinafter will be appointed alternate member) and Francisco Javier Mena de Albas' to the position of alternate examiner; and iv) dated December 12, 2006, the resignations of Jorge Ordoñez Cortes and Alfonso Lebrija Guiot to their respective position of alternate members (who hereinafter will be appointed regular members). We thank them all for the service they have rendered to the Company during the time they held their jobs, and hereby grant them the broadest release permitted by law in relation to any claim, liability, complaint, charge or proceeding they may have incurred during the performance of their jobs, including payment of any damage or loss caused and the amounts required to reach, if appropriate, a compromise, as well as all the fees of any counsel or advisor hired to look after their interests in the above-mentioned events, provided that they shall be entitled to hire any lawyers or counsel other than that used by the Company if suitable.

THREE.- IT IS HEREBY RESOLVED to ratify the people that were already holding a position including the Secretary and Alternate Secretary who will not be part of the Board of Directors and shall be subject to the LMV's obligations and responsibilities. Proof is given that they will not have the right to speak or vote during the meetings of the Board and shall only perform their appropriate duties. The Alternate Secretary may only act in the event of the Secretary's absence, total permanent disability, removal, resignation or death.

FOUR: IT IS HEREBY RESOLVED to accept as of this date the following appointments: Jorge Ordoñez Cortes and Alfonso Lebrija Guiot as regular members; ii) Jose Eduardo Ancira Elizondo as alternate member for Manuel Ancira Elizondo; iii) Ernesto Blackaller Williamson as alternate member for Jorge Ordoñez Cortes; and iv) Telber Gustafson as alternate member for Sandra Lopez Benavides.

FIVE: IT IS HEREBY RESOLVED that pursuant to Article 26 of the LMV this meeting gives its positive qualification on the independence of the following members, who shall be considered the Company's Independent Members: i) James Pignatelli; ii) Sandra Lopez Benavides; iii) Alfonso Lebrija Guiot; and iv) Telber Gustafson.

SIX: IT IS HEREBY RESOLVED that the Indemnification Resolution referred to in Article Sixteen of the bylaws in force shall be applicable, which reads:

> "The members of the Board of Directors, the Secretary and the Alternate Secretary, as well as the relevant Company's managers, only as a result of their appointment, shall be covered by the Indemnification Agreement referred to in the bylaws (the "Indemnification Resolution"). In this regard and in relation to the performance of their jobs, the Company shall be compelled to irrevocably, unconditionally and absolutely hold them harmless relating to any claim, responsibility, complaint, accusation, proceeding or research brought in the United Mexican States or in any other country in which such persons may be involved in virtue of the performance of their jobs, either acting individually or in their proceedings as a collegiate body. The Indemnification Resolution includes the Company's obligation to pay any damage or loss caused and the amounts needed to reach, if appropriate, a compromise, as well as all counsel and other advisors fees and expenses hired to look after the interests of the members of the Board of Directors, the Secretary, the Alternate Secretary and the relevant members in the aforementioned events. The above-mentioned persons shall be entitled to determine, on account of the company, to hire

counsel and other advisors other than those used by the Company in the relevant case.

The Indemnification Resolution referred to in the bylaws shall not be applicable for acts of evil intent or bad faith or for offenses under the Stock Market Act."

SEVEN: IT IS HEREBY RESOLVED to give proof that in view of the above resolutions the Company's Board of Directors as of this date shall be composed as follows:

BOARD OF DIRECTORS

Regular Members	Alternate Members
Alonso Ancira Elizondo- Chairman	Not yet appointed
Xavier D. Autrey Maza- Vice-chairman	Not yet appointed
Manuel Ancira Elizondo	Jose Eduardo Ancira Elizondo
Jorge Ancira Elizondo	Not yet appointed
Jorge Ordoñez Cortes	Ernesto Blackaller Williamson
James Pignatelli	Not yet appointed
Sandra Lopez Benavides	Telber Gustafson
Alfonso Lebrija Guiot	Not yet appointed

Juan Carlos Quintana Segur.- Secretary of the Board of Directors (not a member) and Secretary of the Company.- Francisco Jose Perez Ortega.- Alternate Secretary of the Board of Directors (not a member), and Alternate Secretary of the Company.

EIGHT: IT IS HEREBY RESOLVED that the individuals referred to in the above resolution do not need to give a surety bond to guarantee the performance of their duties.

3. Discussion and, if any, adoption of appropriate resolutions to comply with the new bylaws relating the creation and making-up of the Audit Committee and the Company Practices Committee.

In relation to the third point on the Agenda, the Chairman of the meeting reiterated the present or represented stockholders that pursuant to the Company's new bylaws that have been approved in resolution ONE above and in accordance with the LMV applicable provisions, the Board of Directors shall have the assistance to perform its duties of one or more committees set up therefor. The committees that will carry out corporate and audit-related activities shall be made up solely of independent members and for at least three members appointed by the Board, upon the proposal of the chairman thereof. The committee for corporate practices shall be made up of at least the majority of the

independent members provided it is disclosed to the public. The committee for corporate practices and the committee for audits shall carry out the activities set forth in Article Twenty-Four of the bylaws in force and each of them shall draft an annual report on their activities to be submitted to the Board of Directors, which shall include at least the aspects referred to in the aforementioned article.

The Chairman of the meeting stresses that at the same time the two new mandatory committees referred to in the above paragraph are created, the Audit Committee and the Evaluation and Compensations Committee created upon resolution of AHMSA's Board of Directors on October 22, 2002 shall cease to exist and to perform any duties or activities; hence, its members shall cease to take part in them. Then, he proposed the present or represented shareholders to set up the new Committee for Corporate Practices and the new Committee for Audits, provided that their members shall be appointed at the first meeting of the Board of Directors held therefor, upon compliance with the applicable provisions of the LMV and the corporate bylaws in force.

After having discussed, the present or represented stockholders unanimously approved – with 194,499,702 (one hundred ninety-four million four hundred ninety-nine thousand seven hundred and two) shares accounting for 100 (one hundred) percent of the shares duly present or represented at the meeting – the following resolution.

NINE: IT IS HEREBY RESOLVED to take note that as of this date the Audit Committee and the Evaluation and Compensations Committee created upon resolution of AHMSA's Board of Directors on October 22, 2002 shall cease to exist and to perform any duties or activities hence, its members shall cease to take part in them.

TEN: IT IS HEREBY RESOLVED to set up as of this ate that the new Committee for Corporate Practices and the Committee for Audits shall carry out the activities provided for in Article Twenty-Four of the bylaws in force and each of them shall draft an annual report on their activities to be submitted to the Board of Directors, which shall include at least the aspects referred to in the aforementioned article. The members of each committee shall be appointed upon the first meeting of the Board of Directors held therefor upon compliance with the applicable provisions of the LMV and the corporate bylaws in force.

ELEVEN: IT IS HEREBY RESOLVED that the Board of Directors shall set in writing the rules for i) the operation and functioning of each of the aforementioned committees, including but not limited to the frequency of the meetings, requirements for the notice of the meetings, quorum, and voting, formalities of

the minutes and any other deemed appropriate or required for the due operation therefor that will not oppose the LMV and the corporate bylaws. The Chairman or the Vice-Chairman of the Board of Directors may attend any committee meetings and will have the right to speak but not to vote at the committees' meetings. Additionally, their members may invite any third party or Company's officers and/or managers who will provide valuable elements or information for the issues dealt with, and will have no right to vote. Also, a minutes secretary will be appointed at the committee meetings, and the Secretary of the Board or the Secretary of the Company or any other third party, including any of the committee members may be appointed as such, as determined by the Board of Directors. If a non-member of the committee is appointed, the Secretary shall not have the right to speak or vote at such meetings and shall only perform the duties of a secretary.

The Committee for Corporate Practices and the Committee for Audits shall meet at least 4 (four) times a year before the meeting of the Board of Directors that will review the Company's quarterly results is held. The other committees, if any, shall meet within the periods determined by the resolution of the Board of Directors setting them up. The opinions, recommendations, and/or criteria put forward by the committees to the Board of Directors shall be adopted for at least the majority of the total number of members making it up.

4. Appointment of special delegates authorized to formalize, notarize and registered with the relevant Public Commerce Registry the various resolutions passed in relation to the above points.

Next, this topic was discussed and the present or represented stockholders unanimously approved – with 194,499,702 (one hundred ninety-four million four hundred ninety-nine thousand seven hundred and two) shares accounting for 100 (one hundred) percent of the shares duly present or represented at the meeting – the following resolution.

TWELVE: IT IS HEREBY RESOLVED that Messrs. Andres Gonzalez-Saravia Coss, Juan Carlos Quintana Serur, Julian Cruz Marquez Abundis, Vanesa Luna Ramos, Katy Dahena Martines Jimenez and Tannia B. Lopez Abud are authorized to act as special delegates, either individually or jointly, to issue the required certified copies from this minutes. Additionally, they are authorized to individually or jointly appear before the notary public they choose to ratify and formalize the public deed, the minutes of this meeting and the resolutions passed thereat, as well as to process the registration of the relevant public deed and file with all

kind of government, judicial and/or administrative authorities the notices, information and notifications deemed required or suitable based on resolutions passed at this meeting including but not limited to those related to the LMV and the General Provisions originating therefrom.

After all the issues on the Agenda of the General Special Stockholders' Meeting of ALTOS HORNOS DE MEXICO, S.A.B. de C.V. called to order upon a second notice and with no other issue to discuss, the Chairman has deemed finished this meeting at 11:30 hours, and given proof that all the stockholders or their representatives were present throughout the meeting, based on the tellers' certification. The list of attendance signed by all the present or represented stockholders, the tellers and the Secretary is attached hereto. The minutes shall be valid with the signature of the Chairman and Secretary of the meeting, pursuant to Article 194 of the General Business Corporation Law.- Andres Gonzalez Saravia Coss.- Chairman of the Meeting.- Signed.- Juan Carlos Quintana Segur.- Secretary of the Meeting.- Signed.-

"ALTOS HORNOS DE MEXICO, S.A. DE C.V.: LIST OF ATTENDANCE GENERAL SPECIAL STOCKHOLDERS' MEETING MONCLOVA COAHUILA, DECEMBER 12, 2006, 9:00 HOURS. T.A. No., Name of stockholder/holder, No. of shares, Represented by, Signature.- 01, Grupo Acerero del Norte, S.A. de C.V., 10,026,337 -Katy Dahena Martinez Jimenez.- Signed.- 02, Grupo Acerero del Norte, S.A. de C.V., 48,473,458.- Katy Dahena Martinez Jimenez.- Signed.- 03, Grupo Acerero del Norte, S.A. de C.V., 74, 189, 907, Julian Cruz Marquez Abundis.- Signed.- 04, Grupo Acerero del Norte, S.A. de C.V., 161,810,000, Julian Cruz Marquez Abundis.- Signed.- Julian C. Marquez Abundis, Teller.- Signed.- Katy D. Martinez Jimenez, Teller.- Signed.- Juan Carlos Quintana Segur.- Secretary of the Meeting.- Signed.-"

"ALTOS HORNOS DE MEXICO, S.A. DE C.V., GENERAL SPECIAL STOCKHOLDERS' MEETING.- MONCLOVA, COAHUILA, DECEMBER 12, 2006, 9:00 HOURS. COUNTING OF VOTES.- The undersigned Julian Cruz Marquez Abundis and Katy Dahena Martinez Jimenez appointed tellers to determine the attendance to the General Special Stockholders' Meeting of ALTOS HORNOS DE MEXICO, S.A. DE C.V., hereby certify that we have examined the original admission cards issued by the Company's Secretary pursuant to the bylaws in force, the applicable legal provisions, Stock Market Law and in accordance with the relevant notice of the meeting. That after having reviewed such documents we found that the stockholders depicted in the list signed by them – which is attached hereto –

are accredited, and thus we certify that the stockholders and stockholders' representatives of 194,499,702 common, registered shares with no face value of the sole series of Altos Hornos de Mexico, S.A. de C.V., which account for 54.34% of the total capital stock subscribed and paid in by the company, which as of today is made up of 357,872,502 shares outstanding, are present. Consequently, we point out that the legal quorum provided for in Article FIFTEEN paragraph h) and Article 191 of the General Business Corporation Law has been present to validly hold the general special stockholders' meeting upon second notice.- Monclova, Coahuila, December 12, 2006.- Teller.- Julian Cruz Marquez Abundis.- Signed.- Teller.- Katy Dahena Martinez Jimenez.- Signed.

ALTOS HORNOS DE MEXICO, S.A. DE C.V., LIST OF ATTENDANCE GENERAL SPECIAL STOCKHOLDERS' MEETING MONCLOVA COAHUILA, DECEMBER 12, 2006, 9:00 HOURS. T.A. No., Name of stockholder/holder, No. of shares, Represented by, Signature.- 01, Grupo Acerero del Norte, S.A. de C.V., 10,026,337 –Katy Dahena Martinez Jimenez.- Signed.- 02, Grupo Acerero del Norte, S.A. de C.V., 48,473,458.- Katy Dahena Martinez Jimenez.- Signed.- 03, Grupo Acerero del Norte, S.A. de C.V., 74, 189, 907, Julian Cruz Marquez Abundis.- Signed.- 04, Grupo Acerero del Norte, S.A. de C.V., 161,810,000, Julian Cruz Marquez Abundis.- Signed.- Julian C. Marquez Abundis, Teller.- Signed.- Katy D. Martinez Jimenez, Teller.- Signed.- Juan Carlos Quintana Segur.- Secretary of the Meeting.- Signed.-"

ALTOS HORNOS DE MÉXICO, S.A.B. DE C.V.

FULL TEXT OF THE NEW CORPORATE BYLAWS

1.- NAME, ADDRESS AND DURATION

ARTICLE ONE. The name of the Company shall be ALTOS HORNOS DE MEXICO, followed by the words "SOCIEDAD ANÓNIMA BURSATIL DE CAPITAL VARIABLE", or its abbreviation, "S.A.B. de C.V." (the Company).

ARTICLE TWO. The Company's corporate domicile shall be the city of Monclova, in the State of Coahuila.

The Company may establish branches or agencies, offices and terminals and specify conventional addresses in any other place in the United Mexican States or abroad.

ARTICLE THREE. The Company's duration shall be indefinite.

ARTICLE FOUR. The Company's purpose shall be to: 1.- Carry out all activities directly or indirectly related to the iron and steel industry, whether primary, derivative or related, including but not limited to: The preparation, raw materials

and materials that are indispensable to the iron and steel industry and the resulting byproducts. The production, manufacturing, finishing, distribution and marketing of primary, semi-finished and finished iron and steel products and/or items, machinery, tools or accessories totally or partially manufactured with iron or steel. 2.- Purchase, sell, lease and manufacture all kinds of implements and equipment necessary to carry out its corporate purpose as well as the maintenance and deposit thereof. 3.- Manufacture, prepare, produce, distribute, represent, purchase and sell, import, export, and store all types of metal and mineral products and materials, especially those made out of iron and steel, as well as chemical products and all other products related to the iron and steel industry. 4.- Conduct preliminary studies, exploration, survey and exploitation activities of mining deposits under concessions granted to third parties, whether directly or jointly with other companies. 5.- Execute and formalize joint venture and work agreements with Mexican or foreign, private, state and state-owned companies. 6.- Acquire, install and operate refineries and treatment and smelting plants, as well as refining processes for all kinds of metals and minerals, and their manufacture or industrialization upon prior authorization, if required. 7.- Manufacture all kinds of implements and smelting, processing and maquila equipment for any other type of industries or businesses. 8.- Purchase, sell, lease, sublease, acquire, transfer, assign, exploit, operate, manage and, in general, make business transactions involving any kind of properties or businesses including land exploitation; acquire, possess, transfer, assign, manage and, in general, negotiate with all types of authorities in order to obtain licenses, permits, authorizations, franchises and rights of way; distribute, import, export and/or sell all kinds of materials. 9.- Encourage the establishment of all kinds of civil or commerce societies, associations, mining companies --whether industrial, commercial, or service—or of any other kind, whether in Mexico or abroad and participate in their equity; acquire, negotiate, profit from and dispose of any equity securities, partnership interests or participate in any other form in existing companies; carry out all kinds of transactions involving both real estate and personal property, and in all kinds of currencies, securities and titles and carry out all acts and enter into civil or commercial agreements related thereto or intervene as the associating or associated partner of companies or businesses of any kind. 10.- Act as agent, representative, commissions agent, distributor or principal of individuals or companies whether Mexican or foreign; take all types of companies, businesses and other establishments related to the Company's

business purpose under lease, bail, commission, intermediation and association agreements or any other means provided by law. 11.- Purchase, sell, own and manage real and personal property, whether urban or suburban and carry out, supervise or enter into contracts whether, on its own or on behalf of third parties, of all types of constructions, buildings, real estate complexes, industrial or residential developments, buildings or office facilities, commercial, industrial, sports or tourist establishments or housing developments. 12.- Acquire in property, lease or sublease all kinds of real and personal property as well as real or personal title deemed necessary or convenient to carry out the Company's business purpose or to carry out the transactions of the commercial or civil associations or institutions where the Company has equity interests or participation. 13.- Establish, organize or acquire all kinds of companies and commercial or industrial businesses and, in general, participate in all acts and agreements allowed by law, being able to grant all kinds of guarantees or certifications that are necessary to carry out such transactions. 14.- Enter into all kinds of lease agreements whether as lessor or lessee. 15.- Render general services, both technical and administrative, whether in Mexico or abroad; receive from other companies, entities or individuals, all kinds of services, and, in general, render all kinds of services to individuals, companies or corporations in general, which are related to the Company's business purpose, and include but are not limited to legal, administrative, financial, treasury, audit, marketing, trading, preparation of general balance sheets and budgets, preparation of programs and manuals, analyses of operating results, assessment of productivity data and potential financing, preparation of fund availability-related studies. 16.- Sign, accept, trade and issue all kinds of credit instruments whether acting on its own account or on behalf of third companies, associations or institutions where the Company may have equity interests as well as obligations or credit instruments against other companies or individuals with whom the Company has business relations and receive guarantees, subscribe and grant bonds and guarantee all type of credit transactions whether in Mexico or abroad. 17.- Acquire, lease, sublease and, in any other way permitted by law, trade with the real estate, machinery, vehicles and tools necessary or convenient for the Company's business purposes. 18.- Apply for, request, record, dispose of, grant or acquire licenses and in general, negotiate, in any form permitted by law, with trade marks, trade names, commercial notices, patents, processes, improvements, drawings and industrial models, secrets, copyrights, technical

assistance, technology, as well as exercise --through all ways permitted by law-- all options, preferences and rights it may acquire thereon whether in Mexico or abroad. 19.- Obtain or grant loans or credits, accept, draw against and issue all kinds of credit instruments, civil or commercial documents, whether guaranteed or not. 20.- Execute or enter into all kinds of acts, and agreements and carry out all transactions whether civil, commercial or industrial in nature, directly related to the Company's business purpose and carry out all activities that shall be useful or convenient to the good order and better development of the Company's purposes. 21.- Make arrangements for and obtain concessions and permits granted by the Secretariat of Communications and Transportation to build, exploit, manage and operate airports. 23.- Invest in the international market to place domestic and foreign goods. 24.- Carry out survey, development, exploitation and benefit activities either on its own or on behalf of third parties, in connection with all kinds of minerals or substances, in dumps, beds, bullion, or deposits, whether through concessions acquired based on a claim, transfer of title, lease, bid or any other means provided for in the Mining Law and its Regulations, and to exploit and benefit tailings, scum, and slag dump of the sites already mentioned. 25.- Pursuant to the permits granted thereon by competent authorities and according to applicable legislation, generate, transform and transmit electric power and provide capacity and electric power to third parties in exchange for a consideration, as well as import electric power. 26.- Distribute, carry, store and market natural gas and all the activities related to such distribution and other industrial or commercial fuels that may be legally carried, stored, distributed and marketed within the United Mexican States and/or abroad in accordance with the Natural Gas Regulation and any other applicable legal code including design, maintain and operate gas pipes.

II. NATIONALITY

ARTICLE FIVE. The Company is of Mexican nationality. All foreigners who at present or in the future acquire an interest or stake in the Company shall, by this simple fact, bind before the Ministry of Foreign Affairs to consider themselves Mexican, with regard to the former and the latter, and, therefore, not to request the protection of their government under pain, in the event of this condition being breached, of losing said interest or stake to the Mexican Nation.

IV. CAPITAL STOCK, CAPITAL INCREASES AND REDUCTIONS

ARTICLE SIX. The Company's capital stock is variable, with the fixed, non-withdrawable, minimum capital being $250.000,000.00 (TWO HUNDRED AND

FIFTY MILLION MEXICAN PESOS) and is represented by common, registered, no-par value shares, fully subscribed and paid in. The variable portion of the capital stock shall not exceed ten times the amount of the fixed minimum non-withdrawable portion and shall be represented by registered, no-par value shares. The shares shall be of one kind only and shall confer their holders equal rights and obligations, provided that the Company may authorize the issuance of shares other than common shares upon the authorization of the National Banking and Securities Commission, so long as the shares with limited or restricted vote or with no voting right, including shares set forth in Articles 112 and 113 of the General Business Corporation Law, do not exceed 25 percent of the total capital stock paid in that the National Banking and Securities Commission considers allocated among investors, on the date of the public bid, in accordance with general provisions issued therefor.

Shares with no voting right shall not be considered to determine the quorum at stockholders' meetings, and shares with limited or restricted vote shall only be considered to validly hold stockholders' meetings at which holders thereof are convened to assess their voting right.

Shares issued to increase the capital shall be designated by a consecutive number followed by the year, unless otherwise agreed upon during a Shareholders' Meeting. Under no circumstance shall the companies owned, or whose shares or partnership interests are mostly owned by the Company invest directly or indirectly in the shares of the Company or of any other company holding a major portion of the Company's shares.

TREASURY SHARES

ARTICLE SEVEN. The Company's capital shall be increased as agreed upon during a General Regular or Special Shareholders' Meeting, as applicable, according to the rules contained in this Article. Increases to the minimum fixed capital shall be decreed only by resolution of the Special Stockholders' Meeting and the resulting amendment to the bylaws.

The Company may increase the capital and issue unsubscribed shares to be kept at the Treasury to be subsequently subscribed by the public pursuant to Article 53 of the Stock Market Act, provided the following rules are stuck to:

I. The general special stockholders' meeting approves the maximum amount of capital increase and the conditions under which the relevant shares are issued.

II. Shares issued are subscribed though a public bid upon prior registration in the National Securities Registry, pursuant to the Stock Market Act and any other general provisions arising therefrom.

III. The amount of the capital subscribed and paid in is announced when the authorized capital represented by issued and unsubscribed shares is published.

IV. The preemptive subscription right referred to in Article 132 of the General Business Corporation Law shall not be applicable for capital increase through public bid.

Increases to the variable portion shall be made only upon resolution of a General Regular Stockholders' Meeting having the corresponding minutes registered with a notary public, with no need to amend the Company's by-laws or register the relevant public document in the Public Registry of Commerce. No increase shall be decreed if the shares previously issued are not fully paid in. When adopting the relevant resolutions, the governing terms and basis shall be established during the Stockholders' Meeting where the increase is decided on, or during any Stockholders' Meeting that shall be held subsequently.

Capital increases shall be made through the capitalization of reserves, retained earnings or surplus or through payment in cash or in kind. In the case of increases through the capitalization of reserves, retained earnings or surplus, all holders of shares subscribed and paid that are outstanding at the time of such increase shall be entitled to obtain their proportional part of the new shares to be issued as a consequence of such capitalization.

Regarding increases involving payments in cash or in kind, the shareholders or the holders of shares subscribed and paid that are outstanding at the time such increase is decided, shall have preference to subscribe the new shares to be issued or placed in circulation during a fifteen-day term, as of the date the pertinent notice is published in the official gazette of their domicile and in one of the widely-circulating newspapers in the Company's corporate domicile, or calculated as of the Meeting date, provided all of the shares in which the capital stock is divided into were represented.

If, upon expiration of the term during which the shareholders should have exercised the preference right granted hereby, there are still unsubscribed shares, the shares shall be offered for subscription and payment under the same conditions and terms as those fixed during the Shareholders' Meeting where the capital increase was decided on, or according to those terms as the Board of Directors may decide, if any, at a price that may not be lower than that at which

they had been offered for subscription and payment to the Company shareholders.

Any capital increase shall be recorded in the Book of capital changes the Company shall keep for this purpose.

ARTICLE EIGHT. Reductions to the fixed portion of the capital stock shall be made upon the resolution of a Special Stockholders' Meeting and the corresponding amendment to the Company's bylaws, in order to comply with Article 9 of the General Business Corporation Law. The variable portion reductions shall be made according to a resolution of a General Regular Stockholders' Meeting, with the only formality that the corresponding minutes be registered with a notary public, with no need of registering the relevant public document in the Public Registry of Commerce. Capital stock reductions shall be made to absorb losses, reimburse the shareholders or release them from unrealized payments. Capital stock reductions shall be made upon a resolution of the relevant stockholders' meeting, through a raffle before a notary public or a commerce notary public, or through the reimbursement to all shareholders so that, after the corresponding capital reduction, they represent the same share percentages. If this were not possible, then the percentage of shares that most resembles the one they formerly held. Such capital stock reductions shall be made through a reimbursement, without the need to cancel shares, since the shares are issued as no-par value shares.

ARTICLE NINE. Because the Company is a publicly traded stock company pursuant to Article 50 of the Stock Market Act, shareholders holding the variable portion of the capital stock shall not have the right to withdrawal referred to in Article 220 of the General Business Corporation Law.

VI.- ACQUISITION BY THE COMPANY OF ITS OWN SHARES

ARTICLE TEN.- The Company shall be entitled to acquire shares representing its capital stock or credit instruments representing such shares, and the prohibition set forth in paragraph one of Article 134 of the General Business Corporation Law shall not be applicable, provided that:

I. They are acquired in a domestic stock market.

II. They are acquired or d in the stock market at market price, except for public offerings or auctions authorized by the National Banking and Securities Commission.

III. They are acquired and charged to its equity, and in this case, the Company may hold them as its own with no need to reduce the capital

stock or charge to the capital stock and in this case they shall be converted into unsubscribed shares kept at the Treasury with no need of a meeting resolution.

In any case, the amount of the subscribed and paid in capital shall be announced when the authorized capital represented by issued and unsubscribed shares is published.

IV. The general regular stockholders meeting expressly determines for each fiscal year the maximum amount of funds to be earmarked to the purchase of shares of its own or credit instruments that account for such shares, only with the restriction that the sum of the funds earmarked therefor may not exceed the total amount of the Company's net profit, including withheld profit.

V. The Company is current with the payment of obligations arising out of debt instruments registered with the National Securities Registry.

VI. The acquisition and disposal of shares or credit instruments representing such shares may not entail percentages higher than those referred to in Article 54 of the Stock Market Act or the failure to meet the requirements to be maintained in the list of the stock exchange where such securities are traded.

The Company's own shares and the credit instruments representing such shares owned by the company or, if any, issued and unsubscribed shares kept at the Treasury may be distributed among investors with no need of a resolution from the stockholders' meeting or a resolution from the Board of Directors. For purposes of this paragraph, the preemptive right provided for in Article 132 of the General Business Corporation Law shall not be applicable.

As long as the Company's shares of its own capital remain at the Company, they may neither be represented nor voted at stockholders' meeting, nor corporate or economic rights be asserted whatsoever.

VII.-DEREGISTRATION FROM THE NATIONAL SECURITIES REGISTRY; PUBLIC OFFERING.

ARTICLE ELEVEN. Shares may be deregistered from the National Securities Registry in any of the following events, provided interests of investors are safeguarded and the requirements provided for in this article are met:

I. Mandatory. If in the opinion of the National Banking and Securities Commission the Company has committed serious or repeated breaches of

the Stock Market Act or if the securities do not meet the requirements to be maintained in the list of the Mexican Stock Exchange; in this case, the Company shall be forced upon the request of the National Banking and Securities Commission to make a public offering within one hundred and eighty (180) calendar days as of the day on which the request becomes effective, in accordance with Articles 96, 97, 98, Section I and II, and 101, paragraph one of the Stock Market Act, as well as the following rules:

a) The offering shall be addressed solely to shareholders or holders of credit instruments representing the Company's shares, which are not part at the time of the request of the National Banking and Securities Commission of the group of individuals who control the Company.

b) The offering shall be made at least at the price which is higher between the trade value and the book value of the shares or credit instruments representing such shares, in this case, pursuant to the last quarterly report filed with the National Banking and Securities Commission and the Mexican Stock Market before the offering started, adjusted when such value has been amended pursuant to criteria applicable to the determination of significant information. In this case, the latest financial information available to the Company shall be considered and a certification of the Company's top manager authorized therefor relating the determination of the book value shall be submitted.

In the event the Company has more than one share series listed, the average referred to in the above paragraph shall be realized for every series intended to be cancelled, and the highest average shall be taken as trade value for the public offering of all the series.

c) The Company shall deposit the funds required to purchase at the same offering price the securities of investors who have not attended the offering in a trust fund for at least six months as of the date of cancellation.

The individual or group of individuals that control the Company at the time the National Banking and Securities Commission makes the request set forth in paragraph one of this section, shall be subsidiarily liable along with the Company of the compliance with this section.

The National Banking and Securities Commission may order an assessment by an independent expert on account of the Company, in order to

determine the offering price if is deems it essential for the protection of the public's interests.

After shares representing its stock capital or credit instruments representing it are deregistered from the National Securities Registry, the Company may not allocate new securities among investors until after one year following the relevant cancellation.

II. Voluntary: When requested by the Company upon resolution of its general special stockholders' meeting and the favorable vote of the holders of shares with or without voting right accounting for ninety-five 95% percent of the capital stock.

Upon the above resolution of the meeting, the Company shall make a public offering as per section I hereof.

III. Debt Instruments: Regarding debt instruments, when the Company evidences before the National Banking and Securities Commission it is current wit the payment of its obligations arising out of the securities or, if any, the resolution of the holders' meeting determining deregistration.

When a public offering is made pursuant to this article, the Company's Board of Directors shall publicly disclose its opinion about the offering price, in compliance with the article 101 of the Stock Market Act.

The National Banking Commission may authorize to use a base other than the one set forth in this article to determine the offering price based on the Company's financial situation and perspective, upon the approval of the Board of Directors and the opinion of the Committee for Corporate Practices stating the reasons for fixing another price, backed by a report from an independent expert.

Shareholders controlling the Company shall not be compelled to make the public offering referred to herein, as well as if the consent of all the shareholders to deregister securities from the National Securities Registry is proven.

VIII.- SHARE AMORTIZATION

ARTICLE TWELVE.- Only shares fully subscribed and paid shall be amortized. Share acquisition for amortization purposes shall be made from the stock exchange according to the terms and conditions established by a Stockholders' Meeting or the Board of Directors. Amortized equity securities shall be extinguished.

ARTICLE THIRTEEN. Shares shall be represented by securities or provisional certificates which meet the requirements established in Article 125 of the General

Business Corporation Law; they may cover one or more shares, shall be consecutively numbered, and shall be signed by two board members and bear numbered coupons to be detached and delivered upon payment of dividends and interests, as the case may be.

If one or more securities or provisional certificates should get lost, destroyed or stolen, the owner shall be entitled to request that new ones be issued, subject to the applicable provisions of the General Credit Instruments and Operations Law. The interested party shall bear all expenses incurred in connection with the issuance of the new certificate.

ARTICLE FOURTEEN. According to Article 128 and 129 of the General Business Corporation Law, the Company shall keep a stock ledger. The Company shall consider the individual whose name is recorded in the ledger as the lawful holder of the shares. The stock ledger shall be kept closed from the third day prior to each Stockholders' Meeting through the day following the meeting and no registration whatsoever shall be made therein during this term.

The aforementioned stock ledger shall be kept in custody to be updated by the S.D. INDEVAL, S.A. de C.V. ("INDEVAL" or any other securities deposit institution determined by shareholders), because INDEVAL is a service provider of the Company and shall render the service set forth in Articles 128 and 129 of the General Business Corporation Law. Consequently, since securities are deposited with the INDEVAL, the number, characteristics, data and any other feature of the securities is not required to be recorded in the Company's stock ledger.

X.- STOCKHOLDERS' MEETINGS

ARTICLE FIFTEEN.- The Shareholders' Meetings, as the Company's top regulating body, shall be as follows:

A) Regular, Special and Extraordinary in nature.

REGULAR meetings shall be held whenever the shareholders deal with matters under Article 181 of the General Business Corporation Law, and issues included in the agenda provided they should not be dealt with during special meetings.

SPECIAL meetings shall deal with matters under Article 182 of the General Business Corporation Law.

EXTRAORDINARY meetings shall be called by any category of shareholders to deal with any matter that solely relates to that category of shareholders.

Besides as provided for in the General Business Corporation Law, the general regular stockholders' meeting shall be held to approve transactions the Company or the corporations it controls intend to carry out within a fiscal year, provided

they account for 20 percent or more of the Company's consolidated assets, based on the figures for the close of the previous quarter, regardless if they are simultaneously or successively carried out, but which may be considered as one transaction because of their characteristics. Shareholders owning shares with voting rights or even shares with limited or restricted voting rights may vote.

B) Meetings shall be held always at the Company's headquarters, at least once a year within the four first months following the end of the Company's fiscal year and in all other instances as the Board of Directors may call one such meeting.

C) Regular meetings shall be called by the Board of Directors through its chairman, vice-chairman or secretary.

Shareholders who hold shares with voting rights, including limited or restricted voting rights, representing at least ten percent (10%) of the Company's capital stock may request in writing to the chairman or vice-chairman of the Board of Directors or the chairman of the Committee for Corporate Practices or the Committee for Audits to call for a General Stockholders' Meeting pursuant to Article one hundred eighty-four (184) of the General Business Corporation Law to deal with the issues included in their request; the percentage set forth in such article shall not be applicable.

Meetings may also be called for upon the request of the holder of one share in accordance with Article 185 of the General Business Corporation Law.

D) The notice shall be published in the newspaper with the broadest circulation in the state where the Company's main place of business is located, as well as in one of the newspapers with the broadest circulation in Mexico City, at least fifteen days in advance of the date on which the Meeting should be held, and shall include the following data: the agenda, the time, place and date of the meeting.

If all the shares are represented, publication of such notice shall not be required.

E) The Company's shareholders shall have the following rights, without prejudice to the provisions of any other laws:

I. To have available at the Company's offices the information and documents related to each of the items included in the agenda of the relevant stockholders' meeting, on a free basis, and at least fifteen calendar days in advance of the date of the meeting.

II. Avoid dealing with general or equivalent issues at the general stockholders' meeting.

III. Be represented at the stockholders' meeting by individuals who prove their legal status with powers of attorney forms prepared by the Company and made available through the stock market intermediaries or at the Company at least fifteen calendar days in advance of the date of the meeting.

The above forms shall at least meet the following requirements:

a) Specify in a conspicuous manner the name of the Company as well as the agenda.
b) Leave a blank for the instructions to be given by the grantor for the exercise of the power of attorney.

The secretary of the Board shall ensure compliance with this section and inform the meeting thereof, which shall be evidenced in the relevant minutes. Shareholders shall not be represented by the Company's managers, directors or examiners.

F) The Chairman and Secretary of the Board, or any other individuals appointed as such by shareholders, shall hold such positions. Before the meeting is called to order, the person presiding over it shall appoint one or more tellers to count the attendees, the number of shares present or represented and the number of votes they are entitled to cast.

G) The equity securities or any certificates of deposit that shall be issued by domestic or foreign credit institutions, brokerage houses or securities deposit institutions, shall be deposited at a site to be disclosed in the notice and, if no such designation should exist, with the Board of Directors' Secretary, with sufficient time in advance as shall be stated in such notice.

The admission card shall be issued upon delivery of the shares, and shall include the shareholder's name and the number of votes he is entitled to. The Company shall only recognize as shareholders the individuals whose names are recorded in the stock ledger the Company keeps therefor.

H) For the meeting to be legal and its resolutions valid, provisions under Articles 189, 190, and 191 of the General Business Corporation Law.

I) Each share shall represent one vote and voting shall be made on the show of hands, unless there is a majority agreement regarding any other form of voting.

J) Shareholders holding shares with voting right, including limited or restricted voting right, who individually or jointly hold ten percent of the Company's capital stock shall be entitled to:

I. Appoint and revoke at a general stockholders' meeting a member of the Board of Directors. Such appointment may only be revoked by the other shareholders when the appointment of the other members is also revoked; in this case, individuals replaced may not be appointed as such within the next twelve months following the date of revocation.

II. Request the adjournment only for once, for three calendar days and with no need of a new notice, of the voting at any stockholders' meeting on an issue they do not feel sufficiently informed of. Such right may only be asserted once for the same issue.

K) The Company's stockholders shall assert their voting rights in accordance with Article 196 of the General Business Corporation Law. In this regard, it shall be assumed, except otherwise proven, that a shareholder has an interest opposite to the Company or the corporations it controls in a given transaction if he holds the Company's control and votes in favor or against the carrying out of transactions resulting in his obtaining benefits and excluding other shareholders or such company or the corporations it controls.

L) Resolutions legally taken by the meeting shall be final for all the shareholders, even those absent or dissident, except the right to vote against of the holders of shares with voting right, including limited or restricted voting right, who individually or jointly hold twenty percent or more of the capital stock, and who may legally oppose the resolutions at general meetings at which they have the right to vote, and the percentage set forth in Article 201 of the General Business Corporation Law shall not be applicable, provided that they satisfy the requirements of Articles 201 and 202 of the General Business Corporation Law.

M) The minutes of the meetings shall be signed by the Chairman and the Secretary. The documents presented at the meeting and the attendance list signed by those present and certified by the Tellers shall be attached thereto.

XI.- MANAGEMENT AND SURVEILLANCE COMMITTEES

ARTICLE SIXTEEN. The Company's management shall be entrusted to a Board of Directors and a Director General.

The Board of Directors shall be composed by up to twenty-one (21) members, out of which at least twenty-five percent (25%) shall be independent members. An alternate member may be appointed for every regular member, provided that alternates of independent members shall be independent, too.

Independent members and, if any, their relevant alternates, shall be chosen in view of their experience, capacity and professional prestige, and considering the

fact that their characteristics will allow them to perform their duties with no conflicts of interests and not subject to personal, equity or economic interests.

The stockholders' meeting at which the members of the Board of Directors are appointed or ratified, or if any, the meeting at which such appointments or ratifications are informed, shall qualify the members' independence.

Independent members who while in office cease to be independent, shall inform the Board of Directors thereof no later than at the next meeting of the Board.

The Board of Directors shall appoint a secretary who will not be part of such body, and shall be subject to the obligations and responsibilities provided for in the Stock Market Act. Additionally, the Board of Directors may appoint an alternate secretary who will only act in the event of death, total permanent disability, resignation and/or removal of the secretary and who shall be subject to the obligations and responsibilities set forth by the Stock Market Act.

Prior to entering into any transaction or series of transactions relating to an affiliate, which is or are made in the Company's regular course of business, the Board of Directors shall review and approve the terms of such transaction or series of related transactions. Members who have a direct economic interest in any transaction shall refrain from voting with respect thereto. Provisions under this article shall be amended exclusively upon the shareholders' vote, where (i) most outstanding shares are represented and (ii) a majority of all outstanding shares other than those held by Grupo Acerero del Norte, S. A. de C. V. and its affiliates are represented. The terms of any transaction entered into by the Company and its affiliates shall not be less favorable (as regards the essential terms of such transactions) than those of a transaction entered into with an individual not related to the Company under normal market conditions. The Company shall not lend money, grant credit or guarantee its affiliates' obligations other than loans granted in connection with sales transactions carried out in the Company's regular course of business, provided that, however, such prohibition was not applicable to transactions made between the Company and its subsidiaries.

Within a reasonable term after the end of each quarter, the Board of Directors shall analyze and, if applicable, approve, during a board meeting, the terms of all transactions carried out during such quarter between the Company and its affiliates. During each such meetings, the Board of Directors shall consider the necessary measures to assure that such transactions are and continue to be entered into under no less favorable commercial terms (with respect to the

essential terms of such transactions) the Company might obtain in a transaction entered into with an individual not related to the Company under normal market conditions.

Indemnification Resolution

The members of the Board of Directors, the Secretary and the Alternate Secretary, as well as the relevant Company's managers, only as a result of their appointment, shall be covered by the Indemnification Agreement referred to in the bylaws (the "Indemnification Resolution"). In this regard and in relation to the performance of their jobs, the Company shall be compelled to irrevocably, unconditionally and absolutely hold them harmless relating to any claim, responsibility, complaint, accusation, proceeding or research brought in the United Mexican States or in any other country in which such persons may be involved in virtue of the performance of their jobs, either acting individually or in their proceedings as a collegiate body. The Indemnification Resolution includes the Company's obligation to pay any damage or loss caused and the amounts needed to reach, if appropriate, a compromise, as well as all counsel and other advisors fees and expenses hired to look after the interests of the members of the Board of Directors, the Secretary, the Alternate Secretary and the relevant members in the aforementioned events. The above-mentioned persons shall be entitled to determine, on account of the company, to hire counsel and other advisors other than those used by the Company in the relevant case.

The Indemnification Resolution referred to in the bylaws shall not be applicable for acts of evil intent or bad faith or for offenses under the Stock Market Act.

ARTICLE SEVENTEEN. Board members and their alternates shall be appointed by a simple majority of the attending shareholders' votes. If any, members shall be appointed taking into account the right granted to minorities by Article 50, Section I of the Stock Market Act, and Article 144 of the General Business Corporation Law.

ARTICLE EIGHTEEN. Board members shall be re-elected and shall hold office during one year, as of their appointment date.

The members shall continue to hold office – even though the term for which they were appointed is over or they have resigned to their job – up to thirty calendar days if the substitute has not been appointed or if he does not take office, and shall not be subject to Article 154 of the General Business Corporation Law.

The Board of Directors shall be able to appoint temporary members, with no participation of the stockholders' meeting, if any of the events in the above paragraph or in Article 155 of the General Business Corporation Law occurs. The

Company´s stockholders' meeting shall ratify such appointments or appoint alternate members at the next meeting, without prejudice to Article 50, Section I of the Stock Market Act.

ARTICLE NINETEEN. The Board of Directors shall meet whenever: i) the Chairman or Vice-Chairman of the Board of Directors; ii) any two regular members; iii) at least 25% of the total number of members; or iv) the Chairman of the Committee for Corporation Practices and the Committee for Audit referred to in Article 27 if the Stock Market Act deems it necessary. The following rules and guidelines shall be applicable for the notice and holding of meetings of the Board of Directors:

a) The request shall be made by any of the above persons by a simple notice in writing addressed and delivered to the Chairman, the Vice-Chairman or the Secretary of the Board of Directors asking for the issuance of a notice of a meeting specifying the items to be included in the agenda the "Request for Notice of the Meeting").

b) The Request for Notice of the Meeting shall be delivered by private courier with acknowledgment of receipt or by fax or e-mail with proof of transmission, to the addresses, or fax, or e-mail that the Chairman, the Vice-Chairman or the Secretary of the Board of Directors have registered with the Company's Secretariat. If the Request for Notice of the Meeting is sent by fax or e-mail, a copy shall have to be sent as well by private courier with acknowledgment of receipt. The Request for Notice of the Meeting shall be deemed received no later than the second business day following the date on which it is delivered to the private courier service for immediate delivery.

c) Within 2 (two) business days following the date on which the Request for Notice of the Meeting is deemed to have been delivered, the Chairman or the Secretary shall convene all the regular and alternate members to a meeting of the Board of Directors with the following period in advance: i) at least 5 (five) business days in advance of the scheduled date if thee meeting is going to be held in Mexico City, Mexico City; ii) at least 6 (six) business days in advance of the scheduled date is it is to be held in any other place in the United Mexican States including the City of Monclova, Coahuila; iii) at least 7 (seven) business days in advance of the scheduled date if the meeting is to be held in any city outside the United Mexican States. The notice shall specify clearly and completely the address, time, place and date on which the meeting of the Board of Directors shall be held as well as the agenda.

d) The formal notice signed by the Company's President, Vice-President or Secretary (the "Notice") shall be sent in writing by private courier with acknowledgment of receipt or by fax or e-mail with proof of transmission, to the addresses, or fax, or e-mail that each of the members of the Board of Directors has registered with the Company's Secretariat. If the Request for Notice of the Meeting is sent by fax or e-mail, a copy shall have to be sent as well by private courier with acknowledgment of receipt to the address registered with the Company's Secretariat.

e) In the event of a long absence (more than 3 months), resignation, total permanent disability or death, the Chairman of the Board of Administration (and regardless of being able to do it through the Chairman) the Request for Notice of the Meeting shall be prepared through the Alternate Secretary who shall be empowered to issue the Notice of the meeting of the Board of Directors pursuant to the above paragraphs. In these cases, the Request for Notice of the Meeting shall be delivered to the Alternate Secretary at the address or fax or e-mail registered with the Company's Secretariat.

f) For purposes of any notification, mail or notice to be received by the regular or alternate members from the Company, including but not limited to notices of the meetings of the Board of Directors under these rules, each regular and alternate member of Altos Hornos de Mexico, S.A. de C.V. shall notify in writing individually within 15 (fifteen) calendar days following their appointment and at the Company's Secretariat their complete address (street, outer number, inner number, district, zip code, state and country), fax number and/or e-mail at which they will receive mail, provided that the regular and alternate members may register up to two addresses, and in this case thy will be entitled to receive the notification, mail or notice simultaneously at both addresses.

As soon as regular or alternate members receive the notice, they shall have access to the information needed to make decisions according to the agenda contained in the notice. This will not be applicable for strategic matters that require confidentiality. The Board of Directors shall hold meetings at least four times during the fiscal year.

The Company's external auditor may call for meetings of the Board of Directors as a guest and will have the right to speak but not to vote, and shall not be present in regard to issues on the agenda with which he has a conflict of interest or which may compromise his independence.

The Board of Directors' meetings shall be legally called to order with most members present and its resolutions shall be valid through majority vote of the attending members.

The individuals appointed as Chairman and Secretary by the meeting shall act as such; otherwise, the individuals appointed by the attending board members shall act as Chairman and Secretary. In the event of a tie, the Chairman shall not have a casting vote.

The Board meetings' minutes shall be signed by the Chairman and the Secretary and recorded on the Board of Director's Minute Book.

Board members shall appoint, from amongst their members, a Special Delegate to carry out all concrete actions agreed to during the Board meetings and, in the absence of an express appointment, the representation shall fall upon the Chairman or the Secretary of the Board.

Written Resolutions of the Board of Directors. The Board of Directors may validly and formally take resolutions outside of a meeting of the Board, provided they are taken unanimously by the votes of all the regular or alternate members of such Board and they are confirmed in writing. In any case, a file will be created that will include documents delivered to members and a copy of the confirmation in writing of resolutions taken. The text of such confirmations shall be transcribed in the relevant Minute Book.

The Board of Directors shall deal with the following issues:

I. To establish general strategies to manage the Company's business and the corporations it controls.

II. To look after the management and administration of the Company and the corporations it controls, considering the significance of the latter in the Company's financial, administrative and legal situation, as well as the performance of the relevant managers.

III.- To approve upon the opinion of the competent committee:

a) The policies and guidelines for the use and enjoyment of the property included in the Company's equity and corporations it controls, by related persons.

b) The transactions, each individually, of related persons, intended to be carried out by the Company or the corporations it controls.

The transactions hereinbelow specified shall not require the approval of the Board of Directors, provided they abide by the policies and guidelines approved by the Board approves in that regard:

1. Transactions the amount of which is not significant for the Company or the corporations it controls.

2. Transactions carried out between the Company and the corporations it controls or on which they have a considerable influence, or between any of them, provided:

i) They pertain to the business regular or customary activity.

ii) They are considered made at market prices or supported by assessments made by specialist external agents.

3) Transactions made with employees, provided they are carried out under the same conditions as with any customer or as a result of the general work benefits.

c) Transactions performed either simultaneously or successively, which may be considered to be one transaction and that are intended to be carried out by the Company or the corporations it controls within the fiscal year, if they are extraordinary or not recurrent, or its amount accounts for, based on the relevant figures at the end of the immediately previous quarter in any of the following events:

1. The acquisition or alienation of property with a value equal to or higher than five percent of the Company's consolidated assets.

2. The granting of guarantees or the taking up of liabilities for a total amount equal to or higher than five percent of the Company's consolidated assets.

Investments in debt securities or bank instruments are excluded, provided they are realized pursuant to the policies approved by the Board.

d) The appointment, election and, if any, removal of the Company's director general and his comprehensive pay, as well as the policies for the appointment and comprehensive pay of the other top managers.

e) Policies for the granting of simple loans, loans or any other type of credits or guarantees to related persons.

f) Exemptions for a member, top manager or person with supervisory authority to take business opportunities for him or for third parties that belong to the Company or to the corporations it controls, or over which it has a significant influence. Exemption of transactions with an amount lower than the one referred to in paragraph c) of this section may be delegated to a Company's Committee in charge of audits or corporate practices.

g) Internal control and internal audit guidelines of the Company and the corporations it controls.

h) The Company's accounting policies.

i) The Company's financial statements.

j) The hiring of the firm that will render external audit services and if any, related additional or complementary services for the Company.

IV. To submit to the general stockholders' meeting held as a result of the end of the fiscal year:

a) The annual report prepared by the chairman of the committee for corporate practices and the committee for audits referred to in Article 43 of the Stock Market Act.

b) The report rendered by the director general referred to in Article 172 of the General Business Corporation Law, excluding paragraph b) thereof, which shall be prepared pursuant to Article 17244 section XI of the Stock Market Act, accompanied with the audit of the external auditor.

c) The Board of Directors' opinion on the contents of the director general's report referred to in the above paragraph.

d) The report referred to in Article 172, paragraph b) of the General Business Corporation Law containing the major accounting and information policies and criteria followed in the preparation of the financial information.

e) The report on the operations and activities on which it took part as provided for in the Stock Market Act.

V. To follow up the major risks which the Company and the corporations it controls are exposed to, which have bee identified as per the information submitted by the committees, the director general and the firm that renders external audit services, as well as accounting, internal control, and internal audit systems, recording, filing or information thereof, which may be performed through the committee in charge of audit duties.

VI. To approve the information and communication policies with shareholders and the market, as well as board members and top managers.

VII. To determine the appropriate actions to correct any irregularities it is aware of and implement the appropriate corrective measures.

VIII. To establish the terms and conditions to which the director general shall be subject during the performance of his act of ownership powers.

IX. To order the director general to disclose to the public any significant events it is aware of.

X. Any other set forth in the Stock Market Act or provided for in the bylaws.

The Board of Directors shall be responsible for looking after the compliance with the resolutions of stockholders' meetings, even through the committee with audit duties referred to in this Act.

ARTICLE TWENTY.- In the performance of the duties conferred upon them by the Stock Market Act and these corporate bylaws, the members of the Board of Directors shall act in good faith and for the best interest of the Company and corporations it controls, and for that purpose, they may:

I. Ask the Company or the corporations it controls for information reasonably required to make decisions.

In this regard, they may set guidelines on the manner to make such requests and, if any, the scope of requests for information by board members, upon the opinion of the committee with audit duties.

II. Require top managers and any other individuals, including external auditors, who may provide input for decision-making to be present at the meetings of the Board.

III. Adjourn the meetings of the Board of Directors if a member has not been convened or the notice has not been given on time, or because he did not receive the information delivered to the other members. Such adjournment shall be up to three calendar days and the meeting may be held with no need of a new notice, provided the deficiency has been corrected.

IV. Discuss and vote, and request only members and the secretary of the Board of Directors to be present.

ARTICLE TWENTY-ONE.- Additionally, the Board of Directors shall have the broadest powers to accomplish the Company's business purpose and to conduct and manage the Company.

The Board shall have, including but not limited to, the following powers and authority:

A) GENERAL POWER OF ATTORNEY FOR LAWSUITS AND COLLECTIONS, with all general and special powers requiring a special power or clause in accordance with the law, under the first paragraph of Article 2554 of the Federal Civil Code and every and each of the codes of the states of Mexico and Mexico City. The following powers are included but not limited to: I.- To file and dismiss all types of civil, criminal, labor, judicial, and administrative proceedings before all kinds of authorities, including municipal, state or federal authorities, even the *amparo* proceeding.- II.- To compromise.- III.- To submit to arbitration, arbitrators or amicable

compounders.- IV.- To answer and submit interrogatories.- V.- To take exception to judges.- VI.- To assign property.- VII.- To receive payments.- VIII.- To file criminal denunciations and complaints and abandon them, as permitted by the law.- IX.- To assist the Public Prosecutor, demanding restitution and granting pardon.

B) The aforementioned power of attorney shall be exercised before individuals or companies and all kinds of federal, state or municipal administrative, and judicial authorities, Conciliation and Arbitration Boards and before the Labor authorities.

C) General power of attorney for acts of administration pursuant to paragraph 2 of said article 2554 of the Federal Civil Code and every and each of the codes of the states of Mexico and Mexico City.

D) Power of attorney for labor-related acts, with express authority to answer and submit interrogatories, according to Article 786 of the Federal Labor Law, with powers to manage labor relations and conciliate in accordance with Articles 11 and 876, Sections 1 and 6 of the aforementioned Law, as well as to appear in trial in accordance with section 1, 2 , and 3 of Article 692 and 878 of such law.

E) General power of attorney for acts of ownership and dispose of the Company's assets, or its real or personal rights pursuant to paragraph 3 of Article 2554 of the Federal Civil Code and every and each of the codes of the states of Mexico and Mexico City, with the special powers mentioned in Sections one, two and five of Article 2587 of such Code.

F) Power to grant, execute, accept, guarantee, endorse and in general manage credit instruments pursuant to Article 9 of the General Credit Instruments and Operations Law and also to endorse and guarantee third party transactions.

G) Power to appoint the Company's director general, managers, assistant managers, factors or employees; to remove them from office and determine their faculties, guarantees, labor terms and compensations.-

H) Power to grant and revoke general and special powers of attorney.

I) To open and cancel bank accounts in the name of the Company and to make deposits to and draw against them and appoint the individuals authorized to draw against such accounts.

J) Power to draft the Company's Labor Regulations.

K) Power to convene General Regular and Special Stockholders' Meetings and execute its decisions.

L) In general, to carry out any acts and transactions deemed necessary or pertinent to attain the Company's objectives, except for those expressly reserved by Law or these by-laws to the Stockholders' Meeting

ARTICLE TWENTY-TWO.- The Board of Directors shall be assisted in its duties by one or more committees set up thereto. The committees developing activities related to corporate practices and audits shall be made up solely of independent members and for at least three members appointed by the board, upon the proposal of the chairman of such body. The committee for corporate practices shall be made up of at least the majority of independent members, provided it is publicly disclosed.

If for any reason the minimum members of the committee for audits is absent and the Board of Directors has not appointed provisional members in accordance with Article 24 of the Stock Market Act, any stockholder may ask the chairman of such board to call for a general stockholders' meeting within three calendar days, in order that the appointment is made at such meeting. If notice is not given in the aforementioned period, any shareholder may turn to the judicial authority in the Company's domicile for the notice to be given. In the event the meeting were not held or if held, no appointment were made, the judicial authority of the Company's domicile, upon request and proposal of any shareholder, shall appoint the relevant members, who will act until the stockholders' meeting makes the final appointment.

The Board of Administration's alternate independent members may individually be members of any committee. Also, it is established that each member of the committees may have an alternate, provided that the regular member or the alternate thereof may indistinctly attend the meeting of the committee or committees they are part of.

If the decisions of the Board of Directors do not agree with the opinions furnished by the relevant committee, such committee shall instruct the director general to disclose it to public investors through the stock market where the Company's shares or credit instruments representing them are listed.

ARTICLE TWENTY-THREE.- The Board of Directors shall be in charge of the surveillance of the management, direction and execution of the Company and the corporations it controls – taking into account the significance of the latter in the Company's financial, administrative and legal situation – through the committees

it may set up to carry out corporate practices and audit activities, as well as through the firm conducting the Company's external audit, each one in the relevant field, pursuant to the Stock Market Act.

At the time the committee or committees are set up, the Board of Directors shall establish in writing the rules for the functioning and operation thereof, including but not limited to the frequency of the meetings, requirements for the notice of the meetings, quorum, and voting, formalities of the minutes and any other deemed appropriate or required for the due operation therefor or that will not oppose the Stock Market Act and these bylaws. The Chairman or the Vice-Chairman of the Board of Directors may attend any committee meetings and will have the right to speak but not to vote. Additionally, their members may invite any third party or Company's officers and/or managers who will provide valuable elements or information for the issues dealt with, and will have no right to vote. Also, a minutes secretary will be appointed at the committee meetings, and the Secretary of the Board or the Secretary of the Company or any other third party, including any of the committee members may be appointed as such, as determined by the Board of Directors. If a non-member of the committee is appointed, the Secretary shall not have the right to speak or vote at such meetings and shall only perform the duties of a secretary.

The Committee for Corporate Practices and the Committee for Audits shall meet at least 4 (four) times a year before the meeting of the Board of Directors that will review the Company's quarterly results is held. The other committees, if any, shall meet within the periods determined by the resolution of the Board of Directors setting them up.

The opinions, recommendations, and/or criteria put forward by the committees to the Board of Directors shall be adopted for at least the majority of the total number of members making it up.

The Company shall not be subject to Article 91, Section V of the General Business Corporation Law nor Articles 164 to 171, 172, last paragraph, 173 and 176 of such Law shall be applicable thereto.

ARTICLE TWENTY-FOUR.- The Company shall have at least the following committees, which shall develop the following activities:

I. Committee for corporate practices:

a) Give an opinion to the Board of Directors on the issues of its business under the Stock Market Act.

b) Request the opinion of independent experts as it deems appropriate, for the due performance of their duties or as required by the Stock Market Law or general provisions.

c) To call for stockholders' meetings and cause the appropriate issues to be included in the agenda.

d) Support the Board of Directors in the preparation of reports referred to in Article 28, Section IV, paragraphs d) and e) of the Stock Market Act.

e) Any others set forth in the Stock Market Act or provided for in the Company´s bylaws.

II. Committee for audits:

a) Give an opinion to the Board of Directors on the issues of its business under the Stock Market Act.

b) Evaluate the performance of the corporation rendering external audit services as well as analyze the audit report, opinions or any other reports issued by the external auditor. Therefore, the committee may require the presence of such auditor as it may deem convenient, without prejudice to its meeting with the latter at least once a year.

c) Discuss the Company's financial statements with persons responsible for its preparation and review, and based on that, either recommend or not the approval thereof to the Board of Directors.

d) Inform the Board of Directors of the situation of the internal control and internal audit system of the Company or the corporations it controls, including any irregularities it may identify.

e) Issue the opinion referred to in Article 28, Section IV, paragraph c) of the Stock Market Act and submit it to the consideration of the Board of Directors for its subsequent presentation to the Stockholders' Meeting, supported by the audit of the external auditor, among other.

f) Support the Board of Directors in the preparation of the reports referred to in Article 28, Section IV, paragraphs d) and e) of the Stock Market Act.

g) See to it that operations referred to in Articles 28, Section III, 47 of the Stock Market Act are carried out in accordance therewith, as well as with the policies arising therefrom.

h) Ask for the opinion of independent experts as they may deem convenient, for due performance of its operations or when required pursuant to the Stock Market Act of general provisions.

i) Request from top managers and any other employees of the Company or the corporations it controls, reports on the preparation of financial information and any other type of information it may deem necessary for the performance of its duties.

j) Investigate possible failures it is aware of in the compliance with the operations, guidelines, operating policies, internal control and internal audit system, and accounting records, either from the Company or the corporations it controls. Therefore, it will conduct an examination of the documents, records and any other proving evidence to the extent and scope required to perform such surveillance.

k) Receive remarks from shareholders, board members, top managers, employees, and in general any third party on the issues referred to in the above paragraph, as well as carry out actions that in its opinion are adequate in relation to such remarks.

l) Ask for meetings with top managers as well as the delivery of any information related to the internal control and internal audit of the Company or corporations it controls.

m) Inform the Board of Directors of any significant irregularities identified as a result of the performance of their duties and, if any, corrective actions taken up, or propose any actions to be implemented.

n) Call for stockholders' meetings and ask for the insertion in the agenda of the issues it deems relevant.

0) See to it that the director general complies with the resolutions of the stockholders' meetings or of the Company's Board of Directors, as per the instructions issued by the Meeting or the Board of Directors.

p) See to it that the internal mechanisms and controls enabling to verify that the acts and operations of the Company and the corporations it controls are abided by the applicable regulations, as well as implement methodologies enabling to review compliance with the above.

q) Any other set forth by the Stock Market Act or provided for in the Company's bylaws.

Chairmen of the committees performing corporate practice duties shall be appointed and/or removed from their jobs solely by the general stockholders' meeting. Such chairmen may not preside over the Board of Directors and shall be selected in view of their experience, recognized capacity and professional prestige. Additionally, they shall prepare an annual report on the activities of

such bodies and submit it to the Board of Directors. Such report shall include the following aspects:

I. Regarding corporate practices:

a) Remarks about the performance of top managers.

b) Operations with related parties during the fiscal year of the report with the detailed characteristics of the significant operations.

c) Pay or compensation packages for the Board of Directors and other top managers.

d) Exceptions granted by the Board of Directors to board members, top managers or persons with supervisory authority.

Regarding audits:

a) The status of the internal control and internal audit system of the Company and the corporations it controls and, if any, an outline of its deficiencies and deviations, as well as any other aspect requiring improvement, taking into account the opinions, reports, communications and external audit, as well as reports furnished by independent experts who have rendered services during the period of the report.

b) The communication and follow-up of preventive and corrective measures implemented based on the results of investigations related to the failure to comply with operating and accounting entry guidelines and policies, either of the Company or the corporations it controls.

c) The evaluation of the performance of the firm rendering external audit services, as well as the external auditor in charge.

d) The description and assessment of the additional or complementary services, if any, rendered by the firm conducting the external audit, as well as those provided by independent experts.

e) The main results of the reviews to the financial statements of the Company or the corporations it controls.

f) The description and effects of modifications to accounting policies approved during the period of the report.

g) Measures taken up in view of the remarks they deem relevant put forward by shareholders, board members, top managers, employees and, in general, any third party related to accounting, internal controls and topics related to internal or external audits, or arising out of a denunciation of irregularities in the administration.

h) Follow-up of resolutions of the Stockholders' Meetings and the Board of Directors.

For the drafting of the reports referred to in this article and the related opinions, the Committee for Corporate Practices and the Committee for Audits shall listen to top managers; in the event of a discrepancy of opinion with the latter, they shall include such differences in the aforementioned reports and opinions.

XII.- BUSINESS MANAGEMENT, ADMINISTRATION AND EXECUTION

ARTICLE TWENTY-FIVE.- The duties of management, administration and execution of the business of the Company and the corporations it controls shall be the liability of the director general, and shall be subject to the strategies, policies and guidelines approved by the Board of Directors.

For the compliance of his duties, the director general shall have the broadest powers to represent the Company and the corporations it represents in acts of administrations and lawsuits and collections, including special powers that require special clause according to the law. For acts of ownership, he shall be subject to the terms and conditions determined by the Board of Directors.

The director general shall:

I. Submit to the approval of the Board of Directors the business strategies of the Company and the corporations it controls.

II. Comply with the resolutions of the stockholders' meetings and the Board of Directors, pursuant to the instructions issued by the meeting or the aforementioned Board of Directors.

III. Propose the guidelines of the internal control and internal audit system of the Company and the corporations it controls to the committee performing audit duties, as well as to follow the guidelines approved therefor by the Board of Directors.

IV. Execute the Company's relevant information together with the relevant managers in charge of the preparation thereof within their authority.

V. Disclose the relevant information and events to be publicly disclosed in accordance with the Stock Market Act.

VI. Comply with the provisions on the entering into operations to acquire and place the Company's shares.

VII. Carry out by himself or through an empowered delegate within his authority, by order of the Board of Directors, the suitable corrective responsibility actions.

VIII. Verify that capital contributions by shareholders are made.

IX. Comply with the legal and statutory requirements set forth in regards to the dividends paid to shareholders.

X. Ensure that the Company's accounting, posting, filing or information systems are maintained.

XI. Prepare and submit to the Board of Directors the report referred to in Article 172 of the General Business Corporation Law, excluding paragraph b) of such law.

XII. Set internal mechanisms and controls that allow verifying that the acts and operations of the Company and the corporations it controls have been abided by the applicable regulation, and follow up the outcome of such internal mechanisms and control and take any necessary measures.

XIII. Carry out the responsibility actions referred to in the Stock Market Act against related persons or third parties who have allegedly hurt the Company or the corporations it controls or on which it has a significant influence, excluding if such damage is not significant as determined by the Company's Board of Directors and in the opinion of the committee in charge of audit duties.

XIV. Any other set forth in the Stock Market act or provided for in these Company's bylaws in accordance with the duties assigned by this law.

In order to carry out his duties or activities, the director general shall be assisted by top managers appointed therefor and by any employee of the Company or the corporations it controls.

The director general and any other top manager heading the financial and legal areas or their equivalents shall be bound to execute reports relating financial statements and financial, administrative, economic and legal information referred to in Article 104 of the Stock Market Act.

XIII. SURETY OF MEMBERS OF THE BOARD OF DIRECTORS AND MANAGERS

ARTICLE TWENTY-SIX. The relevant stockholders' meeting shall be able to freely set the obligation for members of the Board, managers, officers, the director general, top managers, members of the committees and any other person it deems appropriate, to secure their actions through cash deposit of the amount it deems applicable or to grant a bond for the same amount.

The above deposit shall not be reimbursed nor the bond cancelled until the accounts corresponding to the year in which they held office are approved.

XIV.- FISCAL YEAR, FINANCIAL STATEMENTS, RESERVES AND LIMITED LIABILITY.

ARTICLE TWENTY-SEVEN.- The Company's fiscal years shall comprise the period from January one to December thirty-one of each year.

ARTICLE TWENTY-EIGHT.- All information contained in the statements referred to under Article 172 of the General Business Corporation Law shall be prepared as of yearend and completed over a four-month period following the closing of each fiscal year for further submission to the shareholders with the anticipation set forth under Article 173 of the aforementioned Law. Management shall file a report on the Company's performance during that year, as well as the accounting and disclosure policies and criteria, followed by management and, if any, on the main projects underway.

The Company shall duly and timely provide to the National Banking and Securities Commission, the Mexican Stock Market and public investors, the financial, economic, accounting, administrative and legal information referred to in the Stock Market Law, including but not limited to progressive, quarterly, annual and any other reports set forth in Article 104 and 105 for the Stock Market Law.

ARTICLE TWENTY-NINE After deducting overhead comprising payment of board members' fees, income obtained after deducting the necessary amortization, depreciation and write-off amounts, as well as income taxes and other legal deductions, shall be applied as follows: a) Five percent to create the legal reserve fund until the reserve equals 20% of outstanding capital stock; b) The amounts that shareholders deem necessary to create one or more special reserves, including the special reserve to establish the fund for the temporary acquisition of the Company's own shares pursuant to the Stock Market Law, and the regulations, circulars or decrees in effect on the date the special reserve for the temporary acquisition of shares is established; c) The remaining amount shall be applied as agreed to by the shareholders. Any remaining amounts susceptible of being distributed shall be taken to the retained earnings account. Distribution of earnings shall be made only once the financial statements evidencing such earnings have been approved during a Stockholders' Meeting.

ARTICLE THIRTY. The individuals who started the Company shall not reserve any special participation in the Company's earnings.

ARTICLE THIRTY-ONE. The shareholders shall be responsible only for the payment of their shares and shall not be liable for any losses.

XV. DISSOLUTION AND LIQUIDATION

ARTICLE THIRTY-TWO. The Company shall be dissolved if any of the instances provided for under Article 229 of the General Business Corporation Law should occur.

ARTICLE THIRTY-THREE. The Company's liquidation process shall adhere to provisions under Chapter Eleven of the General Business Corporation Law.

ARTICLE THIRTY-FOUR. During the Company's liquidation, the liquidator(s) shall have the same powers and obligations as the Board of Directors and shall continue to have all representation powers vested on them during the Company's normal life.

ARTICLE THIRTY-FIVE. Board members shall continue in their positions for as long as the appointment of the Company liquidator(s) is not recorded in the Public Registry of Commerce and such liquidator(s) has(have) not assumed his//their functions, yet unable to start any new operations, once the dissolution has been agreed to or a legal cause therefor is evidenced.

ARTICLE THIRTY-SIX. If the Company cancels for any cause the registration of the shares representing its capital stock or credit instruments representing them in the National Securities Registry, it shall cease to have a public company nature and shall not be a listed stock company and shall be subject by operation of the law and with no other formality to the system provided for in the General Business Corporation Law.

In this case, and as soon as possible, a General Special Stockholders' Meeting modifying the Company's bylaws shall be held, provided for that while this happens and with no other formality, the Company shall be abided by the General Business Corporation Law.

ARTICLE THIRTY-SEVEN. Chapters and headings shown in these bylaws are exclusively for writing and clarity purposes and therefore shall have no effects on the validity, contents and scope of the articles they comprise".

Now therefore, in consideration of the above, the parties agree to the following:

C L A U S E S

ONE.- Mr. JULIAN CRUZ MARQUEZ ABUNDIS, acting as Special Delegate appointed therefor, concludes the notarization by means of this public instrument, the MINUTES OF THE GENERAL SPECIAL STOCKHOLDERS' MEETING of "ALTOS HORNOS DE MÉXICO", S.A. DE C.V., held in this City of Monclova, Coahuila, at 09:00 (nine hours) on December 12, 2006.

TWO.- Consequently, the resolutions taken by the General Regular Stockholders' Meeting are hereby formalized, which are the following:

ONE.- IT IS HEREBY RESOLVED to approve with no reserve or limit the new bylaws of the Company that as of today shall be named "ALTOS HORNOS DE MEXICO, S.A. DE C.V., the original full text of which duly initialized by the Chairman and Secretary of this meeting is attached hereto, and the bylaws are amended as follows:

1.- NAME, ADDRESS AND DURATION

ARTICLE ONE. The name of the Company shall be ALTOS HORNOS DE MEXICO, followed by the words "SOCIEDAD ANÓNIMA BURSATIL DE CAPITAL VARIABLE", or its abbreviation, "S.A.B. de C.V." (the Company).

ARTICLE TWO. The Company's corporate domicile shall be the city of Monclova, in the State of Coahuila.

The Company may establish branches or agencies, offices and terminals and specify conventional addresses in any other place in the United Mexican States or abroad.

ARTICLE THREE. The Company's duration shall be indefinite.

ARTICLE FOUR. The Company's purpose shall be to: 1.- Carry out all activities directly or indirectly related to the iron and steel industry, whether primary, derivative or related, including but not limited to: The preparation, raw materials and materials that are indispensable to the iron and steel industry and the resulting byproducts. The production, manufacturing, finishing, distribution and marketing of primary, semi-finished and finished iron and steel products and/or items, machinery, tools or accessories totally or partially manufactured with iron or steel. 2.- Purchase, sell, lease and manufacture all kinds of implements and equipment necessary to carry out its corporate purpose as well as the maintenance and deposit thereof. 3.- Manufacture, prepare, produce, distribute, represent, purchase and sell, import, export, and store all types of metal and mineral products and materials, especially those made out of iron and steel, as well as chemical products and all other products related to the iron and steel industry. 4.- Conduct preliminary studies, exploration, survey and exploitation activities of mining deposits under concessions granted to third parties, whether directly or jointly with other companies. 5.- Execute and formalize joint venture and work agreements with Mexican or foreign, private, state and state-owned companies. 6.- Acquire, install and operate refineries and treatment and smelting plants, as well as refining processes for all kinds of metals and minerals,

and their manufacture or industrialization upon prior authorization, if required. 7.- Manufacture all kinds of implements and smelting, processing and maquila equipment for any other type of industries or businesses. 8.- Purchase, sell, lease, sublease, acquire, transfer, assign, exploit, operate, manage and, in general, make business transactions involving any kind of properties or businesses including land exploitation; acquire, possess, transfer, assign, manage and, in general, negotiate with all types of authorities in order to obtain licenses, permits, authorizations, franchises and rights of way; distribute, import, export and/or sell all kinds of materials. 9.- Encourage the establishment of all kinds of civil or commerce societies, associations, mining companies --whether industrial, commercial, or service—or of any other kind, whether in Mexico or abroad and participate in their equity; acquire, negotiate, profit from and dispose of any equity securities, partnership interests or participate in any other form in existing companies; carry out all kinds of transactions involving both real estate and personal property, and in all kinds of currencies, securities and titles and carry out all acts and enter into civil or commercial agreements related thereto or intervene as the associating or associated partner of companies or businesses of any kind. 10.- Act as agent, representative, commissions agent, distributor or principal of individuals or companies whether Mexican or foreign; take all types of companies, businesses and other establishments related to the Company's business purpose under lease, bail, commission, intermediation and association agreements or any other means provided by law. 11.- Purchase, sell, own and manage real and personal property, whether urban or suburban and carry out, supervise or enter into contracts whether, on its own or on behalf of third parties, of all types of constructions, buildings, real estate complexes, industrial or residential developments, buildings or office facilities, commercial, industrial, sports or tourist establishments or housing developments. 12.- Acquire in property, lease or sublease all kinds of real and personal property as well as real or personal title deemed necessary or convenient to carry out the Company's business purpose or to carry out the transactions of the commercial or civil associations or institutions where the Company has equity interests or participation. 13.- Establish, organize or acquire all kinds of companies and commercial or industrial businesses and, in general, participate in all acts and agreements allowed by law, being able to grant all kinds of guarantees or certifications that are necessary to carry out such transactions. 14.- Enter into all kinds of lease agreements whether as lessor or lessee. 15.- Render general

services, both technical and administrative, whether in Mexico or abroad; receive from other companies, entities or individuals, all kinds of services, and, in general, render all kinds of services to individuals, companies or corporations in general, which are related to the Company's business purpose, and include but are not limited to legal, administrative, financial, treasury, audit, marketing, trading, preparation of general balance sheets and budgets, preparation of programs and manuals, analyses of operating results, assessment of productivity data and potential financing, preparation of fund availability-related studies. 16.- Sign, accept, trade and issue all kinds of credit instruments whether acting on its own account or on behalf of third companies, associations or institutions where the Company may have equity interests as well as obligations or credit instruments against other companies or individuals with whom the Company has business relations and receive guarantees, subscribe and grant bonds and guarantee all type of credit transactions whether in Mexico or abroad. 17.- Acquire, lease, sublease and, in any other way permitted by law, trade with the real estate, machinery, vehicles and tools necessary or convenient for the Company's business purposes. 18.- Apply for, request, record, dispose of, grant or acquire licenses and in general, negotiate, in any form permitted by law, with trade marks, trade names, commercial notices, patents, processes, improvements, drawings and industrial models, secrets, copyrights, technical assistance, technology, as well as exercise --through all ways permitted by law-- all options, preferences and rights it may acquire thereon whether in Mexico or abroad. 19.- Obtain or grant loans or credits, accept, draw against and issue all kinds of credit instruments, civil or commercial documents, whether guaranteed or not. 20.- Execute or enter into all kinds of acts, and agreements and carry out all transactions whether civil, commercial or industrial in nature, directly related to the Company's business purpose and carry out all activities that shall be useful or convenient to the good order and better development of the Company's purposes. 21.- Make arrangements for and obtain concessions and permits granted by the Secretariat of Communications and Transportation to build, exploit, manage and operate airports. 23.- Invest in the international market to place domestic and foreign goods. 24.- Carry out survey, development, exploitation and benefit activities either on its own or on behalf of third parties, in connection with all kinds of minerals or substances, in dumps, beds, bullion, or deposits, whether through concessions acquired based on a claim, transfer of title, lease, bid or any other means provided for in the Mining

Law and its Regulations, and to exploit and benefit tailings, scum, and slag dump of the sites already mentioned. 25.- Pursuant to the permits granted thereon by competent authorities and according to applicable legislation, generate, transform and transmit electric power and provide capacity and electric power to third parties in exchange for a consideration, as well as import electric power. 26.- Distribute, carry, store and market natural gas and all the activities related to such distribution and other industrial or commercial fuels that may be legally carried, stored, distributed and marketed within the United Mexican States and/or abroad in accordance with the Natural Gas Regulation and any other applicable legal code including design, maintain and operate gas pipes.

II. NATIONALITY

ARTICLE FIVE. The Company is of Mexican nationality. All foreigners who at present or in the future acquire an interest or stake in the Company shall, by this simple fact, bind before the Ministry of Foreign Affairs to consider themselves Mexican, with regard to the former and the latter, and, therefore, not to request the protection of their government under pain, in the event of this condition being breached, of losing said interest or stake to the Mexican Nation.

IV. CAPITAL STOCK, CAPITAL INCREASES AND REDUCTIONS

ARTICLE SIX. The Company's capital stock is variable, with the fixed, non-withdrawable, minimum capital being $250.000,000.00 (TWO HUNDRED AND FIFTY MILLION MEXICAN PESOS) and is represented by common, registered, no-par value shares, fully subscribed and paid in. The variable portion of the capital stock shall not exceed ten times the amount of the fixed minimum non-withdrawable portion and shall be represented by registered, no-par value shares. The shares shall be of one kind only and shall confer their holders equal rights and obligations, provided that the Company may authorize the issuance of shares other than common shares upon the authorization of the National Banking and Securities Commission, so long as the shares with limited or restricted vote or with no voting right, including shares set forth in Articles 112 and 113 of the General Business Corporation Law, do not exceed 25 percent of the total capital stock paid in that the National Banking and Securities Commission considers allocated among investors, on the date of the public bid, in accordance with general provisions issued therefor.

Shares with no voting right shall not be considered to determine the quorum at stockholders' meetings, and shares with limited or restricted vote shall only be

considered to validly hold stockholders' meetings at which holders thereof are convened to assess their voting right.

Shares issued to increase the capital shall be designated by a consecutive number followed by the year, unless otherwise agreed upon during a Shareholders' Meeting. Under no circumstance shall the companies owned, or whose shares or partnership interests are mostly owned by the Company invest directly or indirectly in the shares of the Company or of any other company holding a major portion of the Company's shares.

TREASURY SHARES

ARTICLE SEVEN. The Company's capital shall be increased as agreed upon during a General Regular or Special Shareholders' Meeting, as applicable, according to the rules contained in this Article. Increases to the minimum fixed capital shall be decreed only by resolution of the Special Stockholders' Meeting and the resulting amendment to the bylaws.

The Company may increase the capital and issue unsubscribed shares to be kept at the Treasury to be subsequently subscribed by the public pursuant to Article 53 of the Stock Market Act, provided the following rules are stuck to:

I. The general special stockholders' meeting approves the maximum amount of capital increase and the conditions under which the relevant shares are issued.

II. Shares issued are subscribed though a public bid upon prior registration in the National Securities Registry, pursuant to the Stock Market Act and any other general provisions arising therefrom.

III. The amount of the capital subscribed and paid in is announced when the authorized capital represented by issued and unsubscribed shares is published.

IV. The preemptive subscription right referred to in Article 132 of the General Business Corporation Law shall not be applicable for capital increase through public bid.

Increases to the variable portion shall be made only upon resolution of a General Regular Stockholders' Meeting having the corresponding minutes registered with a notary public, with no need to amend the Company's by-laws or register the relevant public document in the Public Registry of Commerce. No increase shall be decreed if the shares previously issued are not fully paid in. When adopting the relevant resolutions, the governing terms and basis shall be established during the Stockholders' Meeting where the increase is decided on, or during any Stockholders' Meeting that shall be held subsequently.

Capital increases shall be made through the capitalization of reserves, retained earnings or surplus or through payment in cash or in kind. In the case of increases through the capitalization of reserves, retained earnings or surplus, all holders of shares subscribed and paid that are outstanding at the time of such increase shall be entitled to obtain their proportional part of the new shares to be issued as a consequence of such capitalization.

Regarding increases involving payments in cash or in kind, the shareholders or the holders of shares subscribed and paid that are outstanding at the time such increase is decided, shall have preference to subscribe the new shares to be issued or placed in circulation during a fifteen-day term, as of the date the pertinent notice is published in the official gazette of their domicile and in one of the widely-circulating newspapers in the Company's corporate domicile, or calculated as of the Meeting date, provided all of the shares in which the capital stock is divided into were represented.

If, upon expiration of the term during which the shareholders should have exercised the preference right granted hereby, there are still unsubscribed shares, the shares shall be offered for subscription and payment under the same conditions and terms as those fixed during the Shareholders' Meeting where the capital increase was decided on, or according to those terms as the Board of Directors may decide, if any, at a price that may not be lower than that at which they had been offered for subscription and payment to the Company shareholders.

Any capital increase shall be recorded in the Book of capital changes the Company shall keep for this purpose.

ARTICLE EIGHT. Reductions to the fixed portion of the capital stock shall be made upon the resolution of a Special Stockholders' Meeting and the corresponding amendment to the Company's bylaws, in order to comply with Article 9 of the General Business Corporation Law. The variable portion reductions shall be made according to a resolution of a General Regular Stockholders' Meeting, with the only formality that the corresponding minutes be registered with a notary public, with no need of registering the relevant public document in the Public Registry of Commerce. Capital stock reductions shall be made to absorb losses, reimburse the shareholders or release them from unrealized payments. Capital stock reductions shall be made upon a resolution of the relevant stockholders' meeting, through a raffle before a notary public or a commerce notary public, or through the reimbursement to all shareholders so

that, after the corresponding capital reduction, they represent the same share percentages. If this were not possible, then the percentage of shares that most resembles the one they formerly held. Such capital stock reductions shall be made through a reimbursement, without the need to cancel shares, since the shares are issued as no-par value shares.

ARTICLE NINE. Because the Company is a publicly traded stock company pursuant to Article 50 of the Stock Market Act, shareholders holding the variable portion of the capital stock shall not have the right to withdrawal referred to in Article 220 of the General Business Corporation Law.

VI.- ACQUISITION BY THE COMPANY OF ITS OWN SHARES

ARTICLE TEN.- The Company shall be entitled to acquire shares representing its capital stock or credit instruments representing such shares, and the prohibition set forth in paragraph one of Article 134 of the General Business Corporation Law shall not be applicable, provided that:

I. They are acquired in a domestic stock market.

II. They are acquired or d in the stock market at market price, except for public offerings or auctions authorized by the National Banking and Securities Commission.

III. They are acquired and charged to its equity, and in this case, the Company may hold them as its own with no need to reduce the capital stock or charge to the capital stock and in this case they shall be converted into unsubscribed shares kept at the Treasury with no need of a meeting resolution.

In any case, the amount of the subscribed and paid in capital shall be announced when the authorized capital represented by issued and unsubscribed shares is published.

IV. The general regular stockholders meeting expressly determines for each fiscal year the maximum amount of funds to be earmarked to the purchase of shares of its own or credit instruments that account for such shares, only with the restriction that the sum of the funds earmarked therefor may not exceed the total amount of the Company's net profit, including withheld profit.

V. The Company is current with the payment of obligations arising out of debt instruments registered with the National Securities Registry.

VI. The acquisition and disposal of shares or credit instruments representing such shares may not entail percentages higher than

those referred to in Article 54 of the Stock Market Act or the failure to meet the requirements to be maintained in the list of the stock exchange where such securities are traded.

The Company's own shares and the credit instruments representing such shares owned by the company or, if any, issued and unsubscribed shares kept at the Treasury may be distributed among investors with no need of a resolution from the stockholders' meeting or a resolution from the Board of Directors. For purposes of this paragraph, the preemptive right provided for in Article 132 of the General Business Corporation Law shall not be applicable.

As long as the Company's shares of its own capital remain at the Company, they may neither be represented nor voted at stockholders' meeting, nor corporate or economic rights be asserted whatsoever.

VII.-DEREGISTRATION FROM THE NATIONAL SECURITIES REGISTRY; PUBLIC OFFERING.

ARTICLE ELEVEN. Shares may be deregistered from the National Securities Registry in any of the following events, provided interests of investors are safeguarded and the requirements provided for in this article are met:

I. Mandatory. If in the opinion of the National Banking and Securities Commission the Company has committed serious or repeated breaches of the Stock Market Act or if the securities do not meet the requirements to be maintained in the list of the Mexican Stock Exchange; in this case, the Company shall be forced upon the request of the National Banking and Securities Commission to make a public offering within one hundred and eighty (180) calendar days as of the day on which the request becomes effective, in accordance with Articles 96, 97, 98, Section I and II, and 101, paragraph one of the Stock Market Act, as well as the following rules:

a) The offering shall be addressed solely to shareholders or holders of credit instruments representing the Company's shares, which are not part at the time of the request of the National Banking and Securities Commission of the group of individuals who control the Company.

b) The offering shall be made at least at the price which is higher between the trade value and the book value of the shares or credit instruments representing such shares, in this case, pursuant to the last quarterly report filed with the National Banking and Securities

Commission and the Mexican Stock Market before the offering started, adjusted when such value has been amended pursuant to criteria applicable to the determination of significant information. In this case, the latest financial information available to the Company shall be considered and a certification of the Company's top manager authorized therefor relating the determination of the book value shall be submitted.

In the event the Company has more than one share series listed, the average referred to in the above paragraph shall be realized for every series intended to be cancelled, and the highest average shall be taken as trade value for the public offering of all the series.

c) The Company shall deposit the funds required to purchase at the same offering price the securities of investors who have not attended the offering in a trust fund for at least six months as of the date of cancellation.

The individual or group of individuals that control the Company at the time the National Banking and Securities Commission makes the request set forth in paragraph one of this section, shall be subsidiarily liable along with the Company of the compliance with this section.

The National Banking and Securities Commission may order an assessment by an independent expert on account of the Company, in order to determine the offering price if is deems it essential for the protection of the public's interests.

After shares representing its stock capital or credit instruments representing it are deregistered from the National Securities Registry, the Company may not allocate new securities among investors until after one year following the relevant cancellation.

II. Voluntary: When requested by the Company upon resolution of its general special stockholders' meeting and the favorable vote of the holders of shares with or without voting right accounting for ninety-five 95% percent of the capital stock.

Upon the above resolution of the meeting, the Company shall make a public offering as per section I hereof.

III. Debt Instruments: Regarding debt instruments, when the Company evidences before the National Banking and Securities Commission it

is current wit the payment of its obligations arising out of the securities or, if any, the resolution of the holders' meeting determining deregistration.

When a public offering is made pursuant to this article, the Company's Board of Directors shall publicly disclose its opinion about the offering price, in compliance with the article 101 of the Stock Market Act.

The National Banking Commission may authorize to use a base other than the one set forth in this article to determine the offering price based on the Company's financial situation and perspective, upon the approval of the Board of Directors and the opinion of the Committee for Corporate Practices stating the reasons for fixing another price, backed by a report from an independent expert.

Shareholders controlling the Company shall not be compelled to make the public offering referred to herein, as well as if the consent of all the shareholders to deregister securities from the National Securities Registry is proven.

VIII.- SHARE AMORTIZATION

ARTICLE TWELVE.- Only shares fully subscribed and paid shall be amortized. Share acquisition for amortization purposes shall be made from the stock exchange according to the terms and conditions established by a Stockholders' Meeting or the Board of Directors. Amortized equity securities shall be extinguished.

ARTICLE THIRTEEN. Shares shall be represented by securities or provisional certificates which meet the requirements established in Article 125 of the General Business Corporation Law; they may cover one or more shares, shall be consecutively numbered, and shall be signed by two board members and bear numbered coupons to be detached and delivered upon payment of dividends and interests, as the case may be.

If one or more securities or provisional certificates should get lost, destroyed or stolen, the owner shall be entitled to request that new ones be issued, subject to the applicable provisions of the General Credit Instruments and Operations Law. The interested party shall bear all expenses incurred in connection with the issuance of the new certificate.

ARTICLE FOURTEEN. According to Article 128 and 129 of the General Business Corporation Law, the Company shall keep a stock ledger. The Company shall consider the individual whose name is recorded in the ledger as the lawful holder of the shares. The stock ledger shall be kept closed from the third day prior to

each Stockholders' Meeting through the day following the meeting and no registration whatsoever shall be made therein during this term.

The aforementioned stock ledger shall be kept in custody to be updated by the S.D. INDEVAL, S.A. de C.V. ("INDEVAL" or any other securities deposit institution determined by shareholders), because INDEVAL is a service provider of the Company and shall render the service set forth in Articles 128 and 129 of the General Business Corporation Law. Consequently, since securities are deposited with the INDEVAL, the number, characteristics, data and any other feature of the securities is not required to be recorded in the Company's stock ledger.

X.- STOCKHOLDERS' MEETINGS

ARTICLE FIFTEEN.- The Shareholders' Meetings, as the Company's top regulating body, shall be as follows:

D) Regular, Special and Extraordinary in nature.

REGULAR meetings shall be held whenever the shareholders deal with matters under Article 181 of the General Business Corporation Law, and issues included in the agenda provided they should not be dealt with during special meetings.

SPECIAL meetings shall deal with matters under Article 182 of the General Business Corporation Law.

EXTRAORDINARY meetings shall be called by any category of shareholders to deal with any matter that solely relates to that category of shareholders.

Besides as provided for in the General Business Corporation Law, the general regular stockholders' meeting shall be held to approve transactions the Company or the corporations it controls intend to carry out within a fiscal year, provided they account for 20 percent or more of the Company's consolidated assets, based on the figures for the close of the previous quarter, regardless if they are simultaneously or successively carried out, but which may be considered as one transaction because of their characteristics. Shareholders owning shares with voting rights or even shares with limited or restricted voting rights may vote.

E) Meetings shall be held always at the Company's headquarters, at least once a year within the four first months following the end of the Company's fiscal year and in all other instances as the Board of Directors may call one such meeting.

F) Regular meetings shall be called by the Board of Directors through its chairman, vice-chairman or secretary.

Shareholders who hold shares with voting rights, including limited or restricted voting rights, representing at least ten percent (10%) of the Company's capital stock may request in writing to the chairman or vice-chairman of the Board of

Directors or the chairman of the Committee for Corporate Practices or the Committee for Audits to call for a General Stockholders' Meeting pursuant to Article one hundred eighty-four (184) of the General Business Corporation Law to deal with the issues included in their request; the percentage set forth in such article shall not be applicable.

Meetings may also be called for upon the request of the holder of one share in accordance with Article 185 of the General Business Corporation Law.

D) The notice shall be published in the newspaper with the broadest circulation in the state where the Company's main place of business is located, as well as in one of the newspapers with the broadest circulation in Mexico City, at least fifteen days in advance of the date on which the Meeting should be held, and shall include the following data: the agenda, the time, place and date of the meeting.

If all the shares are represented, publication of such notice shall not be required.

E) The Company's shareholders shall have the following rights, without prejudice to the provisions of any other laws:

I. To have available at the Company's offices the information and documents related to each of the items included in the agenda of the relevant stockholders' meeting, on a free basis, and at least fifteen calendar days in advance of the date of the meeting.

II. Avoid to deal with general or equivalent issues at the general stockholders' meeting.

III. Be represented at the stockholders' meeting by individuals who prove their legal status with powers of attorney forms prepared by the Company and made available through the stock market intermediaries or at the Company at least fifteen calendar days in advance of the date of the meeting.

The above forms shall at least meet the following requirements:

a) Specify in a conspicuous manner the name of the Company as well as the agenda.

b) Leave a blank for the instructions to be given by the grantor for the exercise of the power of attorney.

The secretary of the Board shall ensure compliance with this section and inform the meeting thereof, which shall be evidenced in the relevant minutes. Shareholders shall not be represented by the Company's managers, directors or examiners.

F) The Chairman and Secretary of the Board, or any other individuals appointed as such by shareholders, shall hold such positions. Before the meeting is called to order, the person presiding over it shall appoint one or more tellers to count the attendees, the number of shares present or represented and the number of votes they are entitled to cast.

G) The equity securities or any certificates of deposit that shall be issued by domestic or foreign credit institutions, brokerage houses or securities deposit institutions, shall be deposited at a site to be disclosed in the notice and, if no such designation should exist, with the Board of Directors' Secretary, with sufficient time in advance as shall be stated in such notice.

The admission card shall be issued upon delivery of the shares, and shall include the shareholder's name and the number of votes he is entitled to. The Company shall only recognize as shareholders the individuals whose names are recorded in the stock ledger the Company keeps therefor.

H) For the meeting to be legal and its resolutions valid, provisions under Articles 189, 190, and 191 of the General Business Corporation Law.

I) Each share shall represent one vote and voting shall be made on the show of hands, unless there is a majority agreement regarding any other form of voting.

J) Shareholders holding shares with voting right, including limited or restricted voting right, who individually or jointly hold ten percent of the Company's capital stock shall be entitled to:

I. Appoint and revoke at a general stockholders' meeting a member of the Board of Directors. Such appointment may only be revoked by the other shareholders when the appointment of the other members is also revoked; in this case, individuals replaced may not be appointed as such within the next twelve months following the date of revocation.

II. Request the adjournment only for once, for three calendar days and with no need of a new notice, of the voting at any stockholders' meeting on an issue they do not feel sufficiently informed of. Such right may only be asserted once for the same issue.

K) The Company's stockholders shall assert their voting rights in accordance with Article 196 of the General Business Corporation Law. In this regard, it shall be assumed, except otherwise proven, that a shareholder has an interest opposite to the Company or the corporations it controls in a given transaction if he holds the Company's control and votes in favor or against the carrying out of transactions

resulting in his obtaining benefits and excluding other shareholders or such company or the corporations it controls.

L) Resolutions legally taken by the meeting shall be final for all the shareholders, even those absent or dissident, except the right to vote against of the holders of shares with voting right, including limited or restricted voting right, who individually or jointly hold twenty percent or more of the capital stock, and who may legally oppose the resolutions at general meetings at which they have the right to vote, and the percentage set forth in Article 201 of the General Business Corporation Law shall not be applicable, provided that they satisfy the requirements of Articles 201 and 202 of the General Business Corporation Law.

M) The minutes of the meetings shall be signed by the Chairman and the Secretary. The documents presented at the meeting and the attendance list signed by those present and certified by the Tellers shall be attached thereto.

XI.- MANAGEMENT AND SURVEILLANCE COMMITTEES

ARTICLE SIXTEEN. The Company's management shall be entrusted to a Board of Directors and a Director General.

The Board of Directors shall be composed by up to twenty-one (21) members, out of which at least twenty-five percent (25%) shall be independent members. An alternate member may be appointed for every regular member, provided that alternates of independent members shall be independent, too.

Independent members and, if any, their relevant alternates, shall be chosen in view of their experience, capacity and professional prestige, and considering the fact that their characteristics will allow them to perform their duties with no conflicts of interests and not subject to personal, equity or economic interests.

The stockholders' meeting at which the members of the Board of Directors are appointed or ratified, or if any, the meeting at which such appointments or ratifications are informed, shall qualify the members' independence.

Independent members who while in office cease to be independent, shall inform the Board of Directors thereof no later than at the next meeting of the Board.

The Board of Directors shall appoint a secretary who will not be part of such body, and shall be subject to the obligations and responsibilities provided for in the Stock Market Act. Additionally, the Board of Directors may appoint an alternate secretary who will only act in the event of death, total permanent disability, resignation and/or removal of the secretary and who shall be subject to the obligations and responsibilities set forth by the Stock Market Act.

Prior to entering into any transaction or series of transactions relating to an affiliate, which is or are made in the Company's regular course of business, the Board of Directors shall review and approve the terms of such transaction or series of related transactions. Members who have a direct economic interest in any transaction shall refrain from voting with respect thereto. Provisions under this article shall be amended exclusively upon the shareholders' vote, where (i) most outstanding shares are represented and (ii) a majority of all outstanding shares other than those held by Grupo Acerero del Norte, S. A. de C. V. and its affiliates are represented. The terms of any transaction entered into by the Company and its affiliates shall not be less favorable (as regards the essential terms of such transactions) than those of a transaction entered into with an individual not related to the Company under normal market conditions. The Company shall not lend money, grant credit or guarantee its affiliates' obligations other than loans granted in connection with sales transactions carried out in the Company's regular course of business, provided that, however, such prohibition was not applicable to transactions made between the Company and its subsidiaries.

Within a reasonable term after the end of each quarter, the Board of Directors shall analyze and, if applicable, approve, during a board meeting, the terms of all transactions carried out during such quarter between the Company and its affiliates. During each such meetings, the Board of Directors shall consider the necessary measures to assure that such transactions are and continue to be entered into under no less favorable commercial terms (with respect to the essential terms of such transactions) the Company might obtain in a transaction entered into with an individual not related to the Company under normal market conditions.

Indemnification Resolution

The members of the Board of Directors, the Secretary and the Alternate Secretary, as well as the relevant Company's managers, only as a result of their appointment, shall be covered by the Indemnification Agreement referred to in the bylaws (the "Indemnification Resolution"). In this regard and in relation to the performance of their jobs, the Company shall be compelled to irrevocably, unconditionally and absolutely hold them harmless relating to any claim, responsibility, complaint, accusation, proceeding or research brought in the United Mexican States or in any other country in which such persons may be involved in virtue of the performance of their jobs, either acting individually or in their proceedings as a collegiate body. The

Indemnification Resolution includes the Company's obligation to pay any damage or loss caused and the amounts needed to reach, if appropriate, a compromise, as well as all counsel and other advisors fees and expenses hired to look after the interests of the members of the Board of Directors, the Secretary, the Alternate Secretary and the relevant members in the aforementioned events. The above-mentioned persons shall be entitled to determine, on account of the company, to hire counsel and other advisors other than those used by the Company in the relevant case.

The Indemnification Resolution referred to in the bylaws shall not be applicable for acts of evil intent or bad faith or for offenses under the Stock Market Act.

ARTICLE SEVENTEEN. Board members and their alternates shall be appointed by a simple majority of the attending shareholders' votes. If any, members shall be appointed taking into account the right granted to minorities by Article 50, Section I of the Stock Market Act, and Article 144 of the General Business Corporation Law.

ARTICLE EIGHTEEN. Board members shall be re-elected and shall hold office during one year, as of their appointment date.

The members shall continue to hold office – even though the term for which they were appointed is over or they have resigned to their job – up to thirty calendar days if the substitute has not been appointed or if he does not take office, and shall not be subject to Article 154 of the General Business Corporation Law.

The Board of Directors shall be able to appoint temporary members, with no participation of the stockholders' meeting, if any of the events in the above paragraph or in Article 155 of the General Business Corporation Law occurs. The Company´s stockholders' meeting shall ratify such appointments or appoint alternate members at the next meeting, without prejudice to Article 50, Section I of the Stock Market Act.

ARTICLE NINETEEN. The Board of Directors shall meet whenever: i) the Chairman or Vice-Chairman of the Board of Directors; ii) any two regular members; iii) at least 25% of the total number of members; or iv) the Chairman of the Committee for Corporation Practices and the Committee for Audit referred to in Article 27 if the Stock Market Act deems it necessary. The following rules and guidelines shall be applicable for the notice and holding of meetings of the Board of Directors:

a) The request shall be made by any of the above persons by a simple notice in writing addressed and delivered to the Chairman, the Vice-Chairman or the Secretary of the Board of Directors asking for the issuance of a notice of a

meeting specifying the items to be included in the agenda the "Request for Notice of the Meeting").

b) The Request for Notice of the Meeting shall be delivered by private courier with acknowledgment of receipt or by fax or e-mail with proof of transmission, to the addresses, or fax, or e-mail that the Chairman, the Vice-Chairman or the Secretary of the Board of Directors have registered with the Company's Secretariat. If the Request for Notice of the Meeting is sent by fax or e-mail, a copy shall have to be sent as well by private courier with acknowledgment of receipt. The Request for Notice of the Meeting shall be deemed received no later than the second business day following the date on which it is delivered to the private courier service for immediate delivery.

c) Within 2 (two) business days following the date on which the Request for Notice of the Meeting is deemed to have been delivered, the Chairman or the Secretary shall convene all the regular and alternate members to a meeting of the Board of Directors with the following period in advance: i) at least 5 (five) business days in advance of the scheduled date if thee meeting is going to be held in Mexico City, Mexico City; ii) at least 6 (six) business days in advance of the scheduled date is it is to be held in any other place in the United Mexican States including the City of Monclova, Coahuila; iii) at least 7 (seven) business days in advance of the scheduled date if the meeting is to be held in any city outside the United Mexican States. The notice shall specify clearly and completely the address, time, place and date on which the meeting of the Board of Directors shall be held as well as the agenda.

d) The formal notice signed by the Company's President, Vice-President or Secretary (the "Notice") shall be sent in writing by private courier with acknowledgment of receipt or by fax or e-mail with proof of transmission, to the addresses, or fax, or e-mail that each of the members of the Board of Directors has registered with the Company's Secretariat. If the Request for Notice of the Meeting is sent by fax or e-mail, a copy shall have to be sent as well by private courier with acknowledgment of receipt to the address registered with the Company's Secretariat.

e) In the event of a long absence (more than 3 months), resignation, total permanent disability or death, the Chairman of the Board of Administration (and regardless of being able to do it through the Chairman) the Request for Notice of the Meeting shall be prepared through the Alternate Secretary who shall be empowered to issue the Notice of the meeting of the Board of Directors pursuant

to the above paragraphs. In these cases, the Request for Notice of the Meeting shall be delivered to the Alternate Secretary at the address or fax or e-mail registered with the Company's Secretariat.

f) For purposes of any notification, mail or notice to be received by the regular or alternate members from the Company, including but not limited to notices of the meetings of the Board of Directors under these rules, each regular and alternate member of Altos Hornos de Mexico, S.A. de C.V. shall notify in writing individually within 15 (fifteen) calendar days following their appointment and at the Company's Secretariat their complete address (street, outer number, inner number, district, zip code, state and country), fax number and/or e-mail at which they will receive mail, provided that the regular and alternate members may register up to two addresses, and in this case thy will be entitled to receive the notification, mail or notice simultaneously at both addresses.

As soon as regular or alternate members receive the notice, they shall have access to the information needed to make decisions according to the agenda contained in the notice. This will not be applicable for strategic matters that require confidentiality. The Board of Directors shall hold meetings at least four times during the fiscal year.

The Company's external auditor may call for meetings of the Board of Directors as a guest and will have the right to speak but not to vote, and shall not be present in regard to issues on the agenda with which he has a conflict of interest or which may compromise his independence.

The Board of Directors' meetings shall be legally called to order with most members present and its resolutions shall be valid through majority vote of the attending members.

The individuals appointed as Chairman and Secretary by the meeting shall act as such; otherwise, the individuals appointed by the attending board members shall act as Chairman and Secretary. In the event of a tie, the Chairman shall not have a casting vote.

The Board meetings' minutes shall be signed by the Chairman and the Secretary and recorded on the Board of Director's Minute Book.

Board members shall appoint, from amongst their members, a Special Delegate to carry out all concrete actions agreed to during the Board meetings and, in the absence of an express appointment, the representation shall fall upon the Chairman or the Secretary of the Board.

Written Resolutions of the Board of Directors. The Board of Directors may validly and formally take resolutions outside of a meeting of the Board, provided they are taken unanimously by the votes of all the regular or alternate members of such Board and they are confirmed in writing. In any case, a file will be created that will include documents delivered to members and a copy of the confirmation in writing of resolutions taken. The text of such confirmations shall be transcribed in the relevant Minute Book.

The Board of Directors shall deal with the following issues:

I. To establish general strategies to manage the Company's business and the corporations it controls.

II. To look after the management and administration of the Company and the corporations it controls, considering the significance of the latter in the Company's financial, administrative and legal situation, as well as the performance of the relevant managers.

III.- To approve upon the opinion of the competent committee:

a) The policies and guidelines for the use and enjoyment of the property included in the Company's equity and corporations it controls, by related persons.

b) The transactions, each individually, of related persons, intended to be carried out by the Company or the corporations it controls.

The transactions hereinbelow specified shall not require the approval of the Board of Directors, provided they abide by the policies and guidelines approved by the Board approves in that regard:

1. Transactions the amount of which is not significant for the Company or the corporations it controls.

2. Transactions carried out between the Company and the corporations it controls or on which they have a considerable influence, or between any of them, provided:

i) They pertain to the business regular or customary activity.

ii) They are considered made at market prices or supported by assessments made by specialist external agents.

3) Transactions made with employees, provided they are carried out under the same conditions as with any customer or as a result of the general work benefits.

c) Transactions performed either simultaneously or successively, which may be considered to be one transaction and that are intended to be carried out by the Company or the corporations it controls within the fiscal year, if they are extraordinary or not recurrent, or its amount accounts for, based on the relevant

figures at the end of the immediately previous quarter in any of the following events:

1. The acquisition or alienation of property with a value equal to or higher than five percent of the Company's consolidated assets.

2. The granting of guarantees or the taking up of liabilities for a total amount equal to or higher than five percent of the Company's consolidated assets.

Investments in debt securities or bank instruments are excluded, provided they are realized pursuant to the policies approved by the Board.

d) The appointment, election and, if any, removal of the Company's director general and his comprehensive pay, as well as the policies for the appointment and comprehensive pay of the other top managers.

e) Policies for the granting of simple loans, loans or any other type of credits or guarantees to related persons.

f) Exemptions for a member, top manager or person with supervisory authority to take business opportunities for him or for third parties that belong to the Company or to the corporations it controls, or over which it has a significant influence. Exemption of transactions with an amount lower than the one referred to in paragraph c) of this section may be delegated to a Company's Committee in charge of audits or corporate practices.

g) Internal control and internal audit guidelines of the Company and the corporations it controls.

h) The Company's accounting policies.

i) The Company's financial statements.

j) The hiring of the firm that will render external audit services and if any, related additional or complementary services for the Company.

IV. To submit to the general stockholders' meeting held as a result of the end of the fiscal year:

a) The annual report prepared by the chairman of the committee for corporate practices and the committee for audits referred to in Article 43 of the Stock Market Act.

b) The report rendered by the director general referred to in Article 172 of the General Business Corporation Law, excluding paragraph b) thereof, which shall be prepared pursuant to Article 17244 section XI of the Stock Market Act, accompanied with the audit of the external auditor.

c) The Board of Directors' opinion on the contents of the director general's report referred to in the above paragraph.

d) The report referred to in Article 172, paragraph b) of the General Business Corporation Law containing the major accounting and information policies and criteria followed in the preparation of the financial information.

e) The report on the operations and activities on which it took part as provided for in the Stock Market Act.

V. To follow up the major risks which the Company and the corporations it controls are exposed to, which have bee identified as per the information submitted by the committees, the director general and the firm that renders external audit services, as well as accounting, internal control, and internal audit systems, recording, filing or information thereof, which may be performed through the committee in charge of audit duties.

VI. To approve the information and communication policies with shareholders and the market, as well as board members and top managers.

VII. To determine the appropriate actions to correct any irregularities it is aware of and implement the appropriate corrective measures.

VIII. To establish the terms and conditions to which the director general shall be subject during the performance of his act of ownership powers.

IX. To order the director general to disclose to the public any significant events it is aware of.

X. Any other set forth in the Stock Market Act or provided for in the bylaws.

The Board of Directors shall be responsible for looking after the compliance with the resolutions of stockholders' meetings, even through the committee with audit duties referred to in this Act.

ARTICLE TWENTY.- In the performance of the duties conferred upon them by the Stock Market Act and these corporate bylaws, the members of the Board of Directors shall act in good faith and for the best interest of the Company and corporations it controls, and for that purpose, they may:

I. Ask the Company or the corporations it controls for information reasonably required to make decisions.

In this regard, they may set guidelines on the manner to make such requests and, if any, the scope of requests for information by board members, upon the opinion of the committee with audit duties.

II. Require top managers and any other individuals, including external auditors, who may provide input for decision-making to be present at the meetings of the Board.

III. Adjourn the meetings of the Board of Directors if a member has not been convened or the notice has not been given on time, or because he did not receive the information delivered to the other members. Such adjournment shall be up to three calendar days and the meeting may be held with no need of a new notice, provided the deficiency has been corrected.

IV. Discuss and vote, and request only members and the secretary of the Board of Directors to be present.

ARTICLE TWENTY-ONE.- Additionally, the Board of Directors shall have the broadest powers to accomplish the Company's business purpose and to conduct and manage the Company.

The Board shall have, including but not limited to, the following powers and authority:

M) GENERAL POWER OF ATTORNEY FOR LAWSUITS AND COLLECTIONS, with all general and special powers requiring a special power or clause in accordance with the law, under the first paragraph of Article 2554 of the Federal Civil Code and every and each of the codes of the states of Mexico and Mexico City. The following powers are included but not limited to: I.- To file and dismiss all types of civil, criminal, labor, judicial, and administrative proceedings before all kinds of authorities, including municipal, state or federal authorities, even the *amparo* proceeding.- II.- To compromise.- III.- To submit to arbitration, arbitrators or amicable compounders.- IV.- To answer and submit interrogatories.- V.- To take exception to judges.- VI.- To assign property.- VII.- To receive payments.- VIII.- To file criminal denunciations and complaints and abandon them, as permitted by the law.- IX.- To assist the Public Prosecutor, demanding restitution and granting pardon.

N) The aforementioned power of attorney shall be exercised before individuals or companies and all kinds of federal, state or municipal administrative, and judicial authorities, Conciliation and Arbitration Boards and before the Labor authorities.

O) General power of attorney for acts of administration pursuant to paragraph 2 of said article 2554 of the Federal Civil Code and every and each of the codes of the states of Mexico and Mexico City.

P) Power of attorney for labor-related acts, with express authority to answer and submit interrogatories, according to Article 786 of the Federal Labor Law, with powers to manage labor relations and conciliate in accordance

with Articles 11 and 876, Sections 1 and 6 of the aforementioned Law, as well as to appear in trial in accordance with section 1, 2 , and 3 of Article 692 and 878 of such law.

Q) General power of attorney for acts of ownership and dispose of the Company's assets, or its real or personal rights pursuant to paragraph 3 of Article 2554 of the Federal Civil Code and every and each of the codes of the states of Mexico and Mexico City, with the special powers mentioned in Sections one, two and five of Article 2587 of such Code.

R) Power to grant, execute, accept, guarantee, endorse and in general manage credit instruments pursuant to Article 9 of the General Credit Instruments and Operations Law and also to endorse and guarantee third party transactions.

S) Power to appoint the Company's director general, managers, assistant managers, factors or employees; to remove them from office and determine their faculties, guarantees, labor terms and compensations.-

T) Power to grant and revoke general and special powers of attorney.

U) To open and cancel bank accounts in the name of the Company and to make deposits to and draw against them and appoint the individuals authorized to draw against such accounts.

V) Power to draft the Company's Labor Regulations.

W) Power to convene General Regular and Special Stockholders' Meetings and execute its decisions.

X) In general, to carry out any acts and transactions deemed necessary or pertinent to attain the Company's objectives, except for those expressly reserved by Law or these by-laws to the Stockholders' Meeting.

ARTICLE TWENTY-TWO.- The Board of Directors shall be assisted in its duties by one or more committees set up thereto. The committees developing activities related to corporate practices and audits shall be made up solely of independent members and for at least three members appointed by the board, upon the proposal of the chairman of such body. The committee for corporate practices shall be made up of at least the majority of independent members, provided it is publicly disclosed.

If for any reason the minimum members of the committee for audits is absent and the Board of Directors has not appointed provisional members in accordance with Article 24 of the Stock Market Act, any stockholder may ask the chairman of such board to call for a general stockholders' meeting within three calendar days,

in order that the appointment is made at such meeting. If notice is not given in the aforementioned period, any shareholder may turn to the judicial authority in the Company's domicile for the notice to be given. In the event the meeting were not held or if held, no appointment were made, the judicial authority of the Company's domicile, upon request and proposal of any shareholder, shall appoint the relevant members, who will act until the stockholders' meeting makes the final appointment.

The Board of Administration's alternate independent members may individually be members of any committee. Also, it is established that each member of the committees may have an alternate, provided that the regular member or the alternate thereof may indistinctly attend the meeting of the committee or committees they are part of.

If the decisions of the Board of Directors do not agree with the opinions furnished by the relevant committee, such committee shall instruct the director general to disclose it to public investors through the stock market where the Company's shares or credit instruments representing them are listed.

ARTICLE TWENTY-THREE.- The Board of Directors shall be in charge of the surveillance of the management, direction and execution of the Company and the corporations it controls – taking into account the significance of the latter in the Company's financial, administrative and legal situation – through the committees it may set up to carry out corporate practices and audit activities, as well as through the firm conducting the Company's external audit, each one in the relevant field, pursuant to the Stock Market Act.

At the time the committee or committees are set up, the Board of Directors shall establish in writing the rules for the functioning and operation thereof, including but not limited to the frequency of the meetings, requirements for the notice of the meetings, quorum, and voting, formalities of the minutes and any other deemed appropriate or required for the due operation therefor or that will not oppose the Stock Market Act and these bylaws. The Chairman or the Vice-Chairman of the Board of Directors may attend any committee meetings and will have the right to speak but not to vote. Additionally, their members may invite any third party or Company's officers and/or managers who will provide valuable elements or information for the issues dealt with, and will have no right to vote. Also, a minutes secretary will be appointed at the committee meetings, and the Secretary of the Board or the Secretary of the Company or any other third party, including any of the committee members may be appointed as such, as

determined by the Board of Directors. If a non-member of the committee is appointed, the Secretary shall not have the right to speak or vote at such meetings and shall only perform the duties of a secretary.

The Committee for Corporate Practices and the Committee for Audits shall meet at least 4 (four) times a year before the meeting of the Board of Directors that will review the Company's quarterly results is held. The other committees, if any, shall meet within the periods determined by the resolution of the Board of Directors setting them up.

The opinions, recommendations, and/or criteria put forward by the committees to the Board of Directors shall be adopted for at least the majority of the total number of members making it up.

The Company shall not be subject to Article 91, Section V of the General Business Corporation Law nor Articles 164 to 171, 172, last paragraph, 173 and 176 of such Law shall be applicable thereto.

ARTICLE TWENTY-FOUR.- The Company shall have at least the following committees, which shall develop the following activities:

I. Committee for corporate practices:

a) Give an opinion to the Board of Directors on the issues of its business under the Stock Market Act.

b) Request the opinion of independent experts as it deems appropriate, for the due performance of their duties or as required by the Stock Market Law or general provisions.

c) To call for stockholders' meetings and cause the appropriate issues to be included in the agenda.

d) Support the Board of Directors in the preparation of reports referred to in Article 28, Section IV, paragraphs d) and e) of the Stock Market Act.

e) Any others set forth in the Stock Market Act or provided for in the Company´s bylaws.

II. Committee for audits:

a) Give an opinion to the Board of Directors on the issues of its business under the Stock Market Act.

b) Evaluate the performance of the corporation rendering external audit services as well as analyze the audit report, opinions or any other reports issued by the external auditor. Therefore, the committee may require the presence of such auditor as it may deem convenient, without prejudice to its meeting with the latter at least once a year.

c) Discuss the Company's financial statements with persons responsible for its preparation and review, and based on that, either recommend or not the approval thereof to the Board of Directors.

d) Inform the Board of Directors of the situation of the internal control and internal audit system of the Company or the corporations it controls, including any irregularities it may identify.

e) Issue the opinion referred to in Article 28, Section IV, paragraph c) of the Stock Market Act and submit it to the consideration of the Board of Directors for its subsequent presentation to the Stockholders' Meeting, supported by the audit of the external auditor, among other.

f) Support the Board of Directors in the preparation of the reports referred to in Article 28, Section IV, paragraphs d) and e) of the Stock Market Act.

g) See to it that operations referred to in Articles 28, Section III, 47 of the Stock Market Act are carried out in accordance therewith, as well as with the policies arising therefrom.

h) Ask for the opinion of independent experts as they may deem convenient, for due performance of its operations or when required pursuant to the Stock Market Act of general provisions.

i) Request from top managers and any other employees of the Company or the corporations it controls, reports on the preparation of financial information and any other type of information it may deem necessary for the performance of its duties.

j) Investigate possible failures it is aware of in the compliance with the operations, guidelines, operating policies, internal control and internal audit system, and accounting records, either from the Company or the corporations it controls. Therefore, it will conduct an examination of the documents, records and any other proving evidence to the extent and scope required to perform such surveillance.

k) Receive remarks from shareholders, board members, top managers, employees, and in general any third party on the issues referred to in the above paragraph, as well as carry out actions that in its opinion are adequate in relation to such remarks.

l) Ask for meetings with top managers as well as the delivery of any information related to the internal control and internal audit of the Company or corporations it controls.

m) Inform the Board of Directors of any significant irregularities identified as a result of the performance of their duties and, if any, corrective actions taken up, or propose any actions to be implemented.

n) Call for stockholders' meetings and ask for the insertion in the agenda of the issues it deems relevant.

0) See to it that the director general complies with the resolutions of the stockholders' meetings or of the Company's Board of Directors, as per the instructions issued by the Meeting or the Board of Directors.

p) See to it that the internal mechanisms and controls enabling to verify that the acts and operations of the Company and the corporations it controls are abided by the applicable regulations, as well as implement methodologies enabling to review compliance with the above.

q) Any other set forth by the Stock Market Act or provided for in the Company's bylaws.

Chairmen of the committees performing corporate practice duties shall be appointed and/or removed from their jobs solely by the general stockholders' meeting. Such chairmen may not preside over the Board of Directors and shall be selected in view of their experience, recognized capacity and professional prestige. Additionally, they shall prepare an annual report on the activities of such bodies and submit it to the Board of Directors. Such report shall include the following aspects:

I. Regarding corporate practices:

a) Remarks about the performance of top managers.

b) Operations with related parties during the fiscal year of the report with the detailed characteristics of the significant operations.

c) Pay or compensation packages for the Board of Directors and other top managers.

d) Exceptions granted by the Board of Directors to board members, top managers or persons with supervisory authority.

Regarding audits:

a) The status of the internal control and internal audit system of the Company and the corporations it controls and, if any, an outline of its deficiencies and deviations, as well as any other aspect requiring improvement, taking into account the opinions, reports, communications and external audit, as well as reports furnished by independent experts who have rendered services during the period of the report.

b) The communication and follow-up of preventive and corrective measures implemented based on the results of investigations related to the failure to comply with operating and accounting entry guidelines and policies, either of the Company or the corporations it controls.

c) The evaluation of the performance of the firm rendering external audit services, as well as the external auditor in charge.

d) The description and assessment of the additional or complementary services, if any, rendered by the firm conducting the external audit, as well as those provided by independent experts.

e) The main results of the reviews to the financial statements of the Company or the corporations it controls.

f) The description and effects of modifications to accounting policies approved during the period of the report.

g) Measures taken up in view of the remarks they deem relevant put forward by shareholders, board members, top managers, employees and, in general, any third party related to accounting, internal controls and topics related to internal or external audits, or arising out of a denunciation of irregularities in the administration.

h) Follow-up of resolutions of the Stockholders' Meetings and the Board of Directors.

For the drafting of the reports referred to in this article and the related opinions, the Committee for Corporate Practices and the Committee for Audits shall listen to top managers; in the event of a discrepancy of opinion with the latter, they shall include such differences in the aforementioned reports and opinions.

XII.- BUSINESS MANAGEMENT, ADMINISTRATION AND EXECUTION

ARTICLE TWENTY-FIVE.- The duties of management, administration and execution of the business of the Company and the corporations it controls shall be the liability of the director general, and shall be subject to the strategies, policies and guidelines approved by the Board of Directors.

For the compliance of his duties, the director general shall have the broadest powers to represent the Company and the corporations it represents in acts of administrations and lawsuits and collections, including special powers that require special clause according to the law. For acts of ownership, he shall be subject to the terms and conditions determined by the Board of Directors.

The director general shall:

I. Submit to the approval of the Board of Directors the business strategies of the Company and the corporations it controls.

II. Comply with the resolutions of the stockholders' meetings and the Board of Directors, pursuant to the instructions issued by the meeting or the aforementioned Board of Directors.

III. Propose the guidelines of the internal control and internal audit system of the Company and the corporations it controls to the committee performing audit duties, as well as to follow the guidelines approved therefor by the Board of Directors.

IV. Execute the Company's relevant information together with the relevant managers in charge of the preparation thereof within their authority.

V. Disclose the relevant information and events to be publicly disclosed in accordance with the Stock Market Act.

VI. Comply with the provisions on the entering into operations to acquire and place the Company's shares.

VII. Carry out by himself or through an empowered delegate within his authority, by order of the Board of Directors, the suitable corrective responsibility actions.

VIII. Verify that capital contributions by shareholders are made.

IX. Comply with the legal and statutory requirements set forth in regards to the dividends paid to shareholders.

X. Ensure that the Company's accounting, posting, filing or information systems are maintained.

XI. Prepare and submit to the Board of Directors the report referred to in Article 172 of the General Business Corporation Law, excluding paragraph b) of such law.

XII. Set internal mechanisms and controls that allow verifying that the acts and operations of the Company and the corporations it controls have been abided by the applicable regulation, and follow up the outcome of such internal mechanisms and control and take any necessary measures.

XIII. Carry out the responsibility actions referred to in the Stock Market Act against related persons or third parties who have allegedly hurt the Company or the corporations it controls or on which it has a significant influence, excluding if such damage is not significant as determined by the Company's Board of Directors and in the opinion of the committee in charge of audit duties.

XIV. Any other set forth in the Stock Market act or provided for in these Company's bylaws in accordance with the duties assigned by this law.

In order to carry out his duties or activities, the director general shall be assisted by top managers appointed therefor and by any employee of the Company or the corporations it controls.

The director general and any other top manager heading the financial and legal areas or their equivalents shall be bound to execute reports relating financial statements and financial, administrative, economic and legal information referred to in Article 104 of the Stock Market Act.

XIII. SURETY OF MEMBERS OF THE BOARD OF DIRECTORS AND MANAGERS

ARTICLE TWENTY-SIX. The relevant stockholders' meeting shall be able to freely set the obligation for members of the Board, managers, officers, the director general, top managers, members of the committees and any other person it deems appropriate, to secure their actions through cash deposit of the amount it deems applicable or to grant a bond for the same amount.

The above deposit shall not be reimbursed nor the bond cancelled until the accounts corresponding to the year in which they held office are approved.

XIV.- FISCAL YEAR, FINANCIAL STATEMENTS, RESERVES AND LIMITED LIABILITY.

ARTICLE TWENTY-SEVEN.- The Company's fiscal years shall comprise the period from January one to December thirty-one of each year.

ARTICLE TWENTY-EIGHT.- All information contained in the statements referred to under Article 172 of the General Business Corporation Law shall be prepared as of yearend and completed over a four-month period following the closing of each fiscal year for further submission to the shareholders with the anticipation set forth under Article 173 of the aforementioned Law. Management shall file a report on the Company's performance during that year, as well as the accounting and disclosure policies and criteria, followed by management and, if any, on the main projects underway.

The Company shall duly and timely provide to the National Banking and Securities Commission, the Mexican Stock Market and public investors, the financial, economic, accounting, administrative and legal information referred to in the Stock Market Law, including but not limited to progressive, quarterly, annual and any other reports set forth in Article 104 and 105 for the Stock Market Law.

ARTICLE TWENTY-NINE After deducting overhead comprising payment of board members' fees, income obtained after deducting the necessary amortization, depreciation and write-off amounts, as well as income taxes and other legal

deductions, shall be applied as follows: a) Five percent to create the legal reserve fund until the reserve equals 20% of outstanding capital stock; b) The amounts that shareholders deem necessary to create one or more special reserves, including the special reserve to establish the fund for the temporary acquisition of the Company's own shares pursuant to the Stock Market Law, and the regulations, circulars or decrees in effect on the date the special reserve for the temporary acquisition of shares is established; c) The remaining amount shall be applied as agreed to by the shareholders. Any remaining amounts susceptible of being distributed shall be taken to the retained earnings account. Distribution of earnings shall be made only once the financial statements evidencing such earnings have been approved during a Stockholders' Meeting.

ARTICLE THIRTY. The individuals who started the Company shall not reserve any special participation in the Company's earnings.

ARTICLE THIRTY-ONE. The shareholders shall be responsible only for the payment of their shares and shall not be liable for any losses.

XV. DISSOLUTION AND LIQUIDATION

ARTICLE THIRTY-TWO. The Company shall be dissolved if any of the instances provided for under Article 229 of the General Business Corporation Law should occur.

ARTICLE THIRTY-THREE. The Company's liquidation process shall adhere to provisions under Chapter Eleven of the General Business Corporation Law.

ARTICLE THIRTY-FOUR. During the Company's liquidation, the liquidator(s) shall have the same powers and obligations as the Board of Directors and shall continue to have all representation powers vested on them during the Company's normal life.

ARTICLE THIRTY-FIVE. Board members shall continue in their positions for as long as the appointment of the Company liquidator(s) is not recorded in the Public Registry of Commerce and such liquidator(s) has(have) not assumed his//their functions, yet unable to start any new operations, once the dissolution has been agreed to or a legal cause therefor is evidenced.

XVI. GENERAL PROVISIONS.

ARTICLE THIRTY-SIX. If the Company cancels for any cause the registration of the shares representing its capital stock or credit instruments representing them in the National Securities Registry, it shall cease to have a public company nature and shall not be a listed stock company and shall be subject by operation

of the law and with no other formality to the system provided for in the General Business Corporation Law.

In this case, and as soon as possible, a General Special Stockholders' Meeting modifying the Company's bylaws shall be held, provided for that while this happens and with no other formality, the Company shall be abided by the General Business Corporation Law.

ARTICLE THIRTY-SEVEN. Chapters and headings shown in these bylaws are exclusively for writing and clarity purposes and therefore shall have no effects on the validity, contents and scope of the articles they comprise".

TWO: IT IS HEREBY RESOLVED, to ratify the acceptance of the following resignations: i) dated August 10, 2006, Mr. Javier Reyna Rodriguez' to the position of regular member; ii) date October 30, 2006, Mr. Juan Carlos Carredano Perez' to the position of regular member; iii) as of this date, Ernesto Blackaller Williamson's to the position of regular examiner (who hereinafter will be appointed alternate member) and Francisco Javier Mena de Albas' to the position of alternate examiner; and iv) dated December 12, 2006, the resignations of Jorge Ordoñez Cortes and Alfonso Lebrija Guiot to their respective position of alternate members (who hereinafter will be appointed regular members). We thank them all for the service they have rendered to the Company during the time they held their jobs, and hereby grant them the broadest release permitted by law in relation to any claim, liability, complaint, charge or proceeding they may have incurred during the performance of their jobs, including payment of any damage or loss caused and the amounts required to reach, if appropriate, a compromise, as well as all the fees of any counsel or advisor hired to look after their interests in the above-mentioned events, provided that they shall be entitled to hire any lawyers or counsel other than that used by the Company if suitable.

THREE.- IT IS HEREBY RESOLVED to ratify the people that were already holding a position including the Secretary and Alternate Secretary who will not be part of the Board of Directors and shall be subject to the LMV's obligations and responsibilities. Proof is given that they will not have the right to speak or vote during the meetings of the Board and shall only perform their appropriate duties. The Alternate Secretary may only act in the event of the Secretary's absence, total permanent disability, removal, resignation or death.

FOUR: IT IS HEREBY RESOLVED to accept as of this date the following appointments: Jorge Ordoñez Cortes and Alfonso Lebrija Guiot as regular members; ii) Jose Eduardo Ancira Elizondo as alternate member for Manuel

Ancira Elizondo; iii) Ernesto Blackaller Williamson as alternate member for Jorge Ordoñez Cortes; and iv) Telber Gustafson as alternate member for Sandra Lopez Benavides.

FIVE: IT IS HEREBY RESOLVED that pursuant to Article 26 of the LMV this meeting gives its positive qualification on the independence of the following members, who shall be considered the Company's Independent Members: i) James Pignatelli; ii) Sandra Lopez Benavides; iii) Alfonso Lebrija Guiot; and iv) Telber Gustafson.

SIX: IT IS HEREBY RESOLVED that the Indemnification Resolution referred to in Article Sixteen of the bylaws in force shall be applicable, which reads:

> "The members of the Board of Directors, the Secretary and the Alternate Secretary, as well as the relevant Company's managers, only as a result of their appointment, shall be covered by the Indemnification Agreement referred to in the bylaws (the "Indemnification Resolution"). In this regard and in relation to the performance of their jobs, the Company shall be compelled to irrevocably, unconditionally and absolutely hold them harmless relating to any claim, responsibility, complaint, accusation, proceeding or research brought in the United Mexican States or in any other country in which such persons may be involved in virtue of the performance of their jobs, either acting individually or in their proceedings as a collegiate body. The Indemnification Resolution includes the Company's obligation to pay any damage or loss caused and the amounts needed to reach, if appropriate, a compromise, as well as all counsel and other advisors fees and expenses hired to look after the interests of the members of the Board of Directors, the Secretary, the Alternate Secretary and the relevant members in the aforementioned events. The above-mentioned persons shall be entitled to determine, on account of the company, to hire counsel and other advisors other than those used by the Company in the relevant case.
>
> The Indemnification Resolution referred to in the bylaws shall not be applicable for acts of evil intent or bad faith or for offenses under the Stock Market Act."

SEVEN: IT IS HEREBY RESOLVED to give proof that in view of the above resolutions the Company's Board of Directors as of this date shall be composed as follows:

BOARD OF DIRECTORS

Regular Members	Alternate Members
Alonso Ancira Elizondo- Chairman	Not yet appointed
Xavier D. Autrey Maza- Vice-chairman	Not yet appointed
Manuel Ancira Elizondo	Jose Eduardo Ancira Elizondo
Jorge Ancira Elizondo	Not yet appointed
Jorge Ordoñez Cortes	Ernesto Blackaller Williamson
James Pignatelli	Not yet appointed
Sandra Lopez Benavides	Telber Gustafson
Alfonso Lebrija Guiot	Not yet appointed

Juan Carlos Quintana Segur.- Secretary of the Board of Directors (not a member) and Secretary of the Company.- Francisco Jose Perez Ortega.- Alternate Secretary of the Board of Directors (not a member), and Alternate Secretary of the Company.

EIGHT: IT IS HEREBY RESOLVED that the individuals referred to in the above resolution do not need to give a surety bond to guarantee the performance of their duties.

NINE: IT IS HEREBY RESOLVED to take note that as of this date the Audit Committee and the Evaluation and Compensations Committee created upon resolution of AHMSA's Board of Directors on October 22, 2002 shall cease to exist and to perform any duties or activities hence, its members shall cease to take part in them.

TEN: IT IS HEREBY RESOLVED to set up as of this ate that the new Committee for Corporate Practices and the Committee for Audits shall carry out the activities provided for in Article Twenty-Four of the bylaws in force and each of them shall draft an annual report on their activities to be submitted to the Board of Directors, which shall include at least the aspects referred to in the aforementioned article. The members of each committee shall be appointed upon the first meeting of the Board of Directors held therefor upon compliance with the applicable provisions of the LMV and the corporate bylaws in force.

ELEVEN: IT IS HEREBY RESOLVED that the Board of Directors shall set in writing the rules for i) the operation and functioning of each of the aforementioned committees, including but not limited to the frequency of the meetings, requirements for the notice of the meetings, quorum, and voting, formalities of the minutes and any other deemed appropriate or required for the due operation therefor that will not oppose the LMV and the corporate bylaws. The Chairman or the Vice-Chairman of the Board of Directors may attend any committee meetings and will have the right to speak but not to vote at the

committees' meetings. Additionally, their members may invite any third party or Company's officers and/or managers who will provide valuable elements or information for the issues dealt with, and will have no right to vote. Also, a minutes secretary will be appointed at the committee meetings, and the Secretary of the Board or the Secretary of the Company or any other third party, including any of the committee members may be appointed as such, as determined by the Board of Directors. If a non-member of the committee is appointed, the Secretary shall not have the right to speak or vote at such meetings and shall only perform the duties of a secretary.

The Committee for Corporate Practices and the Committee for Audits shall meet at least 4 (four) times a year before the meeting of the Board of Directors that will review the Company's quarterly results is held. The other committees, if any, shall meet within the periods determined by the resolution of the Board of Directors setting them up. The opinions, recommendations, and/or criteria put forward by the committees to the Board of Directors shall be adopted for at least the majority of the total number of members making it up.

LEGAL STATUS

OF MR. JULIAN CRUZ MARQUEZ ABUNDIS,

AS DELEGATE

Mr. JULIAN MARQUEZ ABUNDIS evidences his legal status as Delegate with the General Special Stockholders' Minutes herein notarized.

LEGAL EXISTENCE AND SUBSISTENCE OF "ALTOS HORNOS DE MÉXICO", S.A. DE C.V.-

In order to evidence the legal existence of its principal "ALTOS HORNOS DE MÉXICO" S.A. DE C.V. Mr. JULIAN MARQUEZ ABUNDIS herein shows me, and I the Notary attest to have before me:

a).- First transcript of deed number five, executed in this City of Monclova, Coahuila, on January 21, 1992, with Notary Public Number Four in this Notarial District, and registered with the Public Property and Commerce Registry in this Judicial District under item 3897, folio 24 back, book 54-3rd, commerce section, on January 13, 1998, the public deed of which contains the notarization of the minutes of the meeting of the Board of Directors of "ALTOS HORNOS DE MEXICO", Sociedad Anonima de Capital Variable, held at 16 hours on January (7) seven, (1992) one thousand nine hundred ninety-two, of which I copy the following relevant part: "IN THE CITY OF MONCLOVA, STATE OF COAHUILA, AT SIXTEEN HOURS ON JANUARY 7,

1992, THE MEMBERS OF THE BOARD OF DIRECTORS OF "ALTOS HORNOS DE MÉXICO", S. A. DE C. V., GATHERED AT THE MEETING ROOM OF THE DIRECTOR GENERAL'S OFFICE WITH THE PURPOSE OF HOLDING A REGULAR MEETING, which was presided over by Mr. Xavier D. Autrey Maza, acting as Chairman of the Board of Directors of Altos Hornos de México, S. A. de C. V. with Mr. Alonso Ancira Elizondo acting as Secretary. The Chairman appointed Messrs. Raúl Quintanilla Ochoa, and José Alejandro Casas González, as Tellers. Upon acceptance of their appointment, they carried out their function, and verified that all members of the Board of Directors of Altos Hornos de México, S. A. de C. V. were present, as evidenced in the Attendance Role attached hereto for that purpose as an integral part thereof. Once the tellers finished their computation, the Chairman declared the meeting formally installed, provided the quorum required by the Company's By-Laws was complete. Consequently, the Chairman declared it was appropriate to resolve the issues contained in the Agenda. Subsequently, the Chairman read the following Agenda, which was unanimously approved. – AGENDA – I. Granting of Powers of Attorney ... III – Appointment of Special Delegates ... I. – In the transaction of the first point of the Agenda, the Chairman told those present that in order to have the Company's new administrative and organizational structure implemented, it is necessary to grant new powers of attorney to various officers, so that they are duly empowered to oversee the correct functioning of the Company.- After widely discussing the Chairman's proposal, the Board Members unanimously adopted the following: – RESOLUTION NUMBER ONE – The Board Members hereby decide on appointing the persons mentioned below as the Company's legal proxies:- 1.1 Granting of powers in favor of Messrs. ADOLFO I. AUTREY MAZA, CARLOS F. AUTREY MAZA, SERGIO M. AUTREY MAZA, XAVIER D. AUTREY MAZA, ALONSO ANCIRA ELIZONDO, MANUEL ANCIRA ELIZONDO, GUILLERMO ANCIRA ELIZONDO, JORGE ALBERTO ANCIRA ELIZONDO.– FIRST – General power of attorney for Lawsuits and Collections with all general and even special faculties requiring a special power or clause in accordance with the law, under the first paragraph of Article 2554 of the Civil Code in force for Mexico City and its correlative articles in the states of Mexico. The following powers are included but not limited to: I.- To file and dismiss all types of civil, criminal, labor, judicial, and administrative

proceedings before all kinds of authorities, including municipal, state or federal authorities, even the *amparo* proceeding.- II.- To compromise.- III.- To submit to arbitration, arbitrators or amicable compounders.- IV.- To answer and submit interrogatories.- V.- To take exception to judges.- VI.- To assign property.- VII.- To receive payments.- VIII.- To file criminal denunciations and complaints and abandon them, as permitted by the law.- IX.- To assist the Public Prosecutor, demanding restitution and granting pardon- SECOND.- The aforementioned power of attorney shall be exercised before individuals or companies and all kinds of federal, state or municipal administrative, and judicial authorities, Conciliation and Arbitration Boards and before the Labor authorities. THREE.- General power of attorney for acts of administration pursuant to paragraph 2 of said article 2554 of the Civil Code for Mexico City and its correlative of the states of Mexico. FOUR.- Power of attorney for labor-related acts, with express authority to answer and submit interrogatories, according to Article 786 of the Federal Labor Law, with powers to manage labor relations and conciliate in accordance with Article 11 and 876, Sections 1 and 6 of the aforementioned Law, as well as to appear in trial in accordance with section 1, 2 , and 3 of Article 692 and 878 of such law. FIVE.- General power of attorney for acts of ownership and dispose of the Company's assets, or its real or personal rights pursuant to paragraph 3 of Article 2554 of the Civil Code for Mexico City and its correlative of the states of Mexico.- SIX.- Power to grant, execute, accept, guarantee, endorse and in general manage credit instruments pursuant to Article 9 of the General Credit Instruments and Operations Law. SEVEN.- Power to grant and revoke general and special powers of attorney.- 1.1.1.- Faculties specified in clauses One, Two, Three, Four and Seven shall be exercised by proxies individually and powers set forth in clauses Five and Six shall be exercised jointly by proxies, namely, one of the proxies with last name Autrey Maza, with any other proxy with last name Ancira Elizondo... III.- In the transaction of the third item of the Agenda, the members of the Board unanimously took the following: RESOLUTION NUMBER THREE.- Mr. Xavier D. Autrey Maza, is hereby authorized to notarize with the Notary Public he may elect the powers of attorney and appointments mentioned in each of the above paragraphs and granted on behalf of the Board of Directors of Altos Hornos de México, S. A. de C. V. Since there was no other issue to

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deal with, the meeting was adjourned. Once these minutes were read, and after the Chairman, the Secretary and the Tellers ratified it and signed it, all parties present and willing to do so, also signed it".(Illegible signatures")..."

LEGAL EXISTENCE OF

ALTOS HORNOS DE MÉXICO, S. A. DE C. V.

Mr. JORGE ALBERTO ANCIRA ELIZONDO states that its principal, ALTOS HORNOS DE MÉXICO, S. A. DE C. V. has legal status and capacity for this act and in order to evidence the legal existence of its principal, he herein presents to me and I certify to have before me:

First notarized copy of official public document number (121) one hundred and twenty-one passed in this City before the undersigned Notary Public, on July eight of the year one thousand nine hundred and ninety-nine and recorded in the Public Registry of Property and Commerce for this Judicial District of Monclova, Coahuila, under number 2673, book 40-A-3, Commerce Section, on July fourteen (14) of the year one thousand nine hundred and ninety-nine, containing the UPDATED BY-LAWS OF THE COMPANY "ALTOS HORNOS DE MÉXICO", S.A. DE C. V., based on the document prepared by the Company's Legal Department, the relevant portion of which I copy as follows: "... appeared Mr. ALEJANDRO GONZÁLEZ ROCCO, and requested that the text and contents of a document that has been prepared and approved by its principal's Legal Department, following a series of amendments that have been made both to the shareholders' equity and the By-Laws' general terms, since its legal establishment and registration in the Public Registry of Property, which document was passed based on the following: BACKGROUND:--I. Public official document number twenty-six thousand two hundred and seven (26,207), passed before Notary Public Number Forty-Nine (49) in and for Mexico City in Mexico City, Mr. MANUEL ANDRADE, on July six (6) of the year one thousand nine hundred and forty-two (1942), contains the Articles of Incorporation and the By-Laws of ALTOS HORNOS DE MÉXICO, Sociedad Anónima, with legal address in the city of Monclova in the State of Coahuila, whose corporate purpose is the production, manufacture and transformation of iron and steel; with a duration of ninety-nine years as of the date of registration of its articles of incorporation in the Public Registry, and shareholders' equity of $22,310,000.00 (TWENTY-TWO MILLION THREE HUNDRED AND TEN THOUSAND MEXICAN PESOS), represented by 44,620 (forty-four thousand six hundred and twenty) registered shares with a nominal value of

$500.00 (five hundred) Mexican pesos each, divided into: PREFERRED shares, comprising eleven thousand six hundred and forty (11,640) shares, numbered one through eleven thousand six hundred and forty and COMMON shares, comprising thirty-two thousand nine hundred and eighty (32,980) shares, numbered one through thirty-two thousand nine hundred and eighty. The document referred to was recorded in the Public Registry of Property of the City and District of Monclova, in the State of Coahuila, under number 785, folios 40 and subsequent of book 25, of the Commerce Section. The By-Laws of ALTOS HORNOS DE MÉXICO, Sociedad Anónima de Capital Variable have undergone various amendments, which have been evidenced in the following documents: A) Official public document number 7810 passed in Mexico City on February 15, 1944, before the Notary Public appointed to Notary Public Number One in and for Mexico City, and recorded in the Public Registry of Property and Commerce under number 8444, folios 11 back and the following folios, of book 28, whereby the minutes of the General Special Stockholders' Meeting held on February 7, 1944 were notarized, which minutes contains, among others, the resolution to increase the Company's capital stock to the amount of $40,000,000.00 and to amend Articles 7, 8, 9, 17 and 29 of its By-Laws. B) Official public document number 7914, passed in Mexico City before the same Notary Public on May 26, 1944 and, recorded in the Public Registry of Property and Commerce of this City under number 874, folios 49 back and the following folios of book 29, whereby the minutes of the General Special Stockholders' Meeting held on May 23, 1944 were notarized, which minutes contain the amendments to Articles 15, 18, 21 and 28 of the Company's By-Laws, and the addition of Section II to Article 9. C) Official public document number 8647 passed in Mexico City before the same Notary Public on January 15, 1946, and recorded in the Public Registry of Property and Commerce of this city under number 974, folios 2 reverse and the following folios of book 33, whereby the minutes of the General Special Stockholders' Meeting held on August 18, 1945 were notarized, which minutes contain the amendments to Articles 9, 15, 16, 17, 19, 20, 21, 22 and 29 of the Company's By-Laws. D) Official public document number 138, passed in Mexico City before Notary Public number Seventy-eight in and for Mexico City, on October 27, 1947, and recorded in the Public Registry of Property and Commerce of this city under number 1002, folios 15 and following folios of book 34, whereby the minutes of the General Special Stockholders' Meeting held on May 31, 1947 were notarized, which minutes contains, among others, the resolution to

increase the Company's capital stock to the amount of $70,000,000.00 and the amendments to Articles 7, 10, 15, 16, 17, 18, 19, 21, 22 and 29 of its By-Laws. E) Official public document number 12308, passed in Mexico City on June 24, 1952, before Notary Public number Fourteen in and for Mexico City, and recorded in the Public Registry of Property and Commerce of this city under number 2152, folios 173 obverse of book 49, whereby the minutes of the General Special Stockholders' Meeting held on June 21, 1952 were notarized, which minutes contain the amendments to Articles 7, 15, 16, 18, 22, 23, 29, 37 and 43 of its By-Laws and the repealing of Articles 9, 10 and 12 thereof. F) Official public document number 15434, passed in Mexico City before Notary Public number Forty-seven in and for Mexico City, on March 26, 1956, and recorded in the Public Registry of Property and Commerce of this city under number 4385, folios 112 of book 59, whereby the minutes of the General Special Stockholders' Meeting held on March 3, 1956 were notarized, which minutes contain the resolution to increase the Company's capital stock to the amount of $175,000,000.00 and the amendments to Articles 7 and 29 of its By-Laws. G) Official public document number 949, passed in Mexico City on April 21, 1958, before Notary Public number Seventy-eight in and for Mexico City, and recorded in the Public Registry of Property and Commerce of this City under number 4937, folios 161 of book 66, whereby the minutes of the General Special Stockholders' Meeting held on March 22, 1958 were notarized, which minutes contain the amendments to Article 7 of its By-Laws. H) Official public document number 17542, passed in Mexico City on February 16, 1960, before Notary Public number Sixty-six in and for Mexico City, and recorded in the Public Registry of Property and Commerce of this city under number 6744, folios 468 of book 77, whereby the minutes of the General Special Stockholders' Meeting held on January 9, 1959 were notarized, which minutes contain the resolution to increase the Company's capital stock to $300,000,000.00 and the amendment to Article 7 of its By-Laws. I) Official public document number 15827, passed in Mexico City on January 9, 1962, before Notary Public number Forty-seven in and for Mexico City, and recorded in the Public Registry of Property and Commerce of this city under number 8053, folios 190 of book 92 and under number 8099, folios 136 of book 93, whereby the minutes of the General Special Stockholders' Meeting held on December 29, 1961 were notarized, which minutes contain the resolution to increase the Company's capital stock to $472,000,000.00 and the amendment to Articles 6, 7, 8, 14, 15, 17, 18, 19, 20, 21, 22, 23, 29, 35 and 36 of its By-Laws; the

repealing of Articles 13, 16 and 38 thereof; the merger of the Company, which prevailed as the merging company, with LA CONSOLIDADA, S. A., as the merged company, which merger would become effective provided no opposition existed or because such opposition had been overcome within a six-month term following the date when the relevant resolutions arrived at during the meetings of the merged companies' shareholders were last recorded. Lastly, provided the merger became effective, the Company increased its capital stock to $500,000,000.00 and amended Articles 7 and 8 of its By-Laws. J) Official public document number 15938, passed in Mexico City on December 15, 1962, before the same Notary Public mentioned in the previous point, evidencing compliance with the terms and conditions to which the merger referred to in the above paragraph was subject, whereby the merger ultimately became effective. K) Official public document number 16124, passed in Mexico City on April 12, 1965, before the same Notary Public mentioned in the previous point, and recorded in the Public Registry of Property and Commerce of this city under number 10036, folios 77 of book 116, whereby the minutes of the General Special Stockholders' Meeting held on April 3, 1965 were notarized, which minutes contain the resolution to increase the Company's capital stock to $600,000,000.00 and the amendments to Articles 7 and 8 of its By-Laws. L) Official public document number 16189, passed in Mexico City on May 16, 1966, before the same Notary Public mentioned in the previous point, and recorded in the Public Registry of Property and Commerce of this city under number 10803, folios 182 of book 125, whereby the minutes of the General Special Stockholders' Meeting held on April 21, 1966 were notarized, which minutes contain the resolution to change the Company's business purpose; the amendments to Article 6 of its By-Laws; the merger of the Company, which prevailed as the merging company, with MEXICANA DE COQUE Y DERIVADOS, SOCIEDAD ANÓNIMA DE CAPITAL VARIABLE, as the merged company, which merger would become effective provided no opposition existed or because such opposition had been overcome within a six-month term following the date when the pertinent resolutions arrived at during the meetings of the merged companies' shareholders were last recorded. M) Official public document number 108, passed in this City of Monclova, Coahuila, on May 29, 1967, before the same Notary Public Number One, Eloy Romo García, and recorded in the Public Registry of Property and Commerce of this city under number 11657, folios 224 of book 136, whereby the minutes of the General Special Stockholders' Meeting held on April 1, 1967 were

notarized, which minutes contain the resolution to increase the Company's capital stock to $800,000,000.00, and the amendments to Articles 7 and 8 of its By-Laws. N) Official public document number 14361, passed in Mexico City on January 29, 1971, Notary Public Number Ninety-six, and recorded in the Public Registry of Property and Commerce of this city under number 14287, folios 41 of book 173, whereby the minutes of the General Special Stockholders' Meeting held on January 9, 1971 were notarized, which minutes contain the resolution to amend Articles 15, 17, 20 and 21 of its By-Laws. Ñ) Official public document number 79, passed in this City of Monclova, Coahuila on June 30, 1973, before Notary Public Number One, and recorded in the Public Registry of Property and Commerce of this city under number 88, folios 200, of book 11, whereby the minutes of the General Special Stockholders' Meeting held on April 18, 1973 were notarized, which minutes contain the resolution to increase the Company's capital stock to $1,600,000,000.00 and the amendments to Articles 7, 8, 9, 10, 11 and 12 of its By-Laws. O) Official public document number 144, passed in this City of Monclova, Coahuila on June 27, 1975, before the same Notary Public mentioned in the previous paragraph, and recorded in the Public Registry of Property and Commerce of this city under number 11, folios 33, of book 1, whereby the minutes of the General Special Stockholders' Meeting held on April 26, 1975 were notarized, which minutes contain the resolution to increase the Company's capital stock to $2,300,000,000.00 and the amendments to Articles 7, 8, 10, 11 and 12 of its By-Laws. P) Official public document number 283, passed in this City of Monclova, Coahuila on November 4, 1976, before the same Notary Public mentioned in the previous paragraph, and recorded in the Public Registry of Property and Commerce of this city under number 214, folios 22 reverse, of book 4-3, whereby the minutes of the General Special Stockholders' Meeting held on August 13, 1976 were notarized, which minutes contain the resolution to increase the Company's capital stock to $3,500,000,000.00 and the amendments to Articles 7, 8, 0, 11, 12, 15, 21 and 32 of its By-Laws. Q) Official public document number 254, dated October 24, 1977, recorded in the Public Registry of Property and Commerce of this city under number 7, folios 103, whereby the minutes of the General Special Stockholders' Meeting held on June 10, 1977 were notarized, which minutes contain the amendments to Articles 7, 8, 10 and 12 of its By-Laws. R) Official public document number 55, passed in this City of Monclova, Coahuila on May 7, 1979, before Notary Public Number One, and recorded under number 527, folios 153, of book 9-3, Second Section, whereby the minutes of the

General Special Stockholders' Meeting held on February 23, 1979 were notarized, which minutes contain the resolution to increase the Company's capital stock to $6,500,000,000.00 and the amendments to Articles 7, 8, 10 and 12 of its By-Laws. S) Official public document number 120, passed in this City of Monclova, Coahuila on September 6, 1979, before the same Notary Public mentioned in the previous paragraph, and recorded in the Public Registry of Property and Commerce of this city under number 580, folios 120, of book 10-3, Second section, whereby the minutes of the General Special Stockholders' Meeting held on August 2, 1979 were notarized, which minutes contain the resolution to increase the Company's capital stock to $7,500,000,000.00 and the amendments to Articles 7, 8 and 10 of its By-Laws. T) Official public document number 119, passed in this City of Monclova, Coahuila on October 7, 1980, before the same Notary Public mentioned in the previous paragraph, and recorded under number 238, folios 35, of book 12-3 of the Second Commerce Section, whereby the minutes of the General Special Stockholders' Meeting held on July 24, 1980 were notarized, which minutes contain the resolution to increase the Company's capital stock to $11,425,000,000.00 and the amendments to Articles 7, 8, 10 and 15 of its By-Laws. U) Official public document number 181, passed in this City of Monclova, Coahuila on May 4, 1985, before Notary Public Number 2, and recorded under number 1590, folios 270, of book 24-3, of the Second Commerce Section, whereby the minutes of the General Special Stockholders' Meeting held on December 22, 1984 were notarized, whereby Articles 7 and 8 of its By-Laws were amended. V) Official public document number 137, passed in this City of Monclova, Coahuila on May 7, 1986, before the same Notary Public mentioned in the previous paragraph, and recorded in the Public Registry of Property and Commerce of this City under number 1678, folios 83, of book 26-3, of the Second Commerce Section, on June 20, 1986, whereby the minutes of the General Special Stockholders' Meeting held on December 16, 1985 were notarized, which minutes contain the resolution to increase the Company's capital stock to $39,934,250.000.00 –old Mexican pesos, equivalent to $39,934,250.00 current Mexican pesos- and the relevant amendments to Articles 7, 10 and 35 of its By-Laws. W) Notarized copy of official public document number (108) one hundred and eight, dated May 25, 1987, passed before Notary Public number 2, Mr. Rafael Treviño Garza, in due exercise of his activities in this Notarial District, and recorded in the Public Registry of Property and Commerce of the Monclova Notarial District under

number 1843, folios 171, of book 29-3, Second Commerce Section, on August nineteen of the year one thousand nine hundred and eighty-seven, whereby the minutes of the General Special Stockholders' Meeting held on December 16, 1986 were notarized, which minutes contain the resolution to CHANGE the Company from a FIXED CAPITAL CORPORATION into a VARIABLE CAPITAL CORPORATION, and set its minimum fixed non-withdrawable capital to $39,934,250.000.00 – THIRTY-NINE BILLION NINE HUNDRED THIRTY-FOUR MILLION TWO HUNDRED AND FIFTY THOUSAND old Mexican pesos, equivalent to $39,934,250.00 THIRTY-NINE MILLION NINE HUNDRED THIRTY-FOUR THOUSAND TWO HUNDRED AND FIFTY current Mexican pesos- with the variable portion being unlimited, and the pertinent amendments to Articles 1, 7, 8, 9, 10 and 32 of its By-Laws. X) Official public document number 802, passed in this City of Monclova, Coahuila on October 13, 1988, before Notary Public number Three, and recorded under number 2119, folios 236, of book 33-3 of the Commerce Section, whereby the minutes of the General Special Stockholders' Meeting held on August 17, 1987 were notarized, which minutes contain the resolution to amend Article 15 of its By-Laws. Y) Official public document number 245, passed in this City of Monclova, Coahuila on November 24, 1988, before Notary Public Number Two, and recorded under number 1047, folios 165, of book 18-A-3, whereby the minutes of the General Special Stockholders' Meeting held on December 19, 1987 were notarized, which minutes contain the resolution to increase the Company's capital stock to $100.000,000,000.00 (One hundred billion old Mexican pesos 00/100, equivalent to $100,000,000.00, one hundred million current Mexican pesos 00/100) and the pertinent amendments to Articles 7 and 8 of its By-Laws. Z) Official public document number (323) three hundred and twenty-three, passed on April 30, 1991, before Notary Public number 4, Mr. Bernardo Molina Duque, in due exercise of his activities in this Notarial District, and recorded in the Public Registry of Property and Commerce in and for this Judicial District, under number 2497, folios 213 of book 40-3, of the Commerce Section, on May 24, 1991, whereby the minutes of the General Special Stockholders' Meeting held on April 30, 1991 were notarized, which minutes contain the resolution to PRIVATIZE the company, through disincorporation from the public sector; INCREASE its capital stock to $1,178,902,131,900.00 (ONE TRILLION, ONE HUNDRED SEVENTY-EIGHT BILLION NINE HUNDRED TWO MILLION ONE HUNDRED THIRTY-ONE THOUSAND AND NINE HUNDRED old Mexican pesos, equivalent to $1,178,902,131.90 (ONE BILLION, ONE HUNDRED SEVENTY-EIGHT

MILLION NINE HUNDRED TWO THOUSAND AND ONE HUNDRED THIRTY-ONE current Mexican pesos); SPIN OFF the Company into five different economic and legal entities, with ALTOS HORNOS DE MÉXICO, S.A. DE C.V. prevailing as the divided company and, consequently, REDUCE its capital stock. AA) Notarized copy of official public document number (179) one hundred and seventy-nine, passed on June 16, 1992 before Notary Public number 4 in and for this District, Mr. Bernardo Molina Duque, in due exercise of his activities in this Notarial District, and recorded in the Public Registry of Property and Commerce of this city, under number 2672, book 44-3, of the Commerce Section, on July 2, 1993, whereby the minutes of the Ordinary and General Special Stockholders' Meetings held on April 29, 1992 at 12:00 hours were notarized, which minutes contain the resolution to re-express the capital stock amount of the Company, based on the spin-off of ALTOS HORNOS DE MÉXICO, S.A. DE C.V., which prevailed as the surviving company, becoming effective as of April 30, 1991. During this meeting, it was resolved to reduce the Company's capital stock by $51,690,368,097.00 accordingly. Therefore, as of April 30, 1991, the Company's capital stock, remains at $1,127,211,763,803.00 old Mexican pesos, equivalent to $1,127,211,763.80 current Mexican pesos. The capital stock is represented by 11,789,021,319 registered, common, no par-value shares, of which 2,000,000,000 registered, common, no par-value shares correspond to the fixed portion and 9,789,021,319 registered, common, no par-value shares correspond to the variable portion. Also, the parties agreed to comprehensively REVISE the Company's By-Laws.- BB) Official public document number 160 passed on June 2, 1993 before Notary Public number Four in and for this District, Mr. Bernardo Molina Duque, in due exercise of his activities in this Notarial District, and recorded in the Public Registry of Property and Commerce under number 2819, folios 120 of book 47-3, of the Commerce Section, on August 5, 1993, whereby the minutes of the General Special Stockholders' Meeting held on April 29, 1993 were notarized, which minutes contain the resolution to restructure the Company's capital stock to match the current value of the Mexican peso, pursuant to the monetary policy effective as of January 1, 1993, and amend Article sixth of the By-Laws accordingly.- CC) Official public document number 206 passed in this city on August 3, 1993, and recorded in the Public Registry of Property and Commerce under number 2831, folios 161 of book 47-3, of the Commerce Section, on September 30, 1993, whereby the minutes of the General Special Stockholders' Meeting held on June 17, 1993 were notarized, which

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minutes contain the resolution to restructure the number of shares representing the Company's capital stock according to the new monetary unit.- DD) Official public document number 49 passed on February 25, 1994 before Notary Public number Four in and for this District, Mr. Bernardo Molina Duque, in due exercise of his activities in this Notarial District, and recorded in the Public Registry of Property and Commerce under number 2913, of book 49-3, of the Commerce Section, on February 28, 1994, whereby the minutes of the General Special Stockholders' Meeting held on February 16, 1994 were notarized, which minutes contain the resolution to comprehensively REVISE the Company's By-Laws in order to restructure the Company's the capital stock to comply with the requirements set forth by the National Securities Commission.- EE) Official public document number 114 passed in Monclova, Coahuila, on May 6, 1994 before the same Notary Public mentioned in the preceding point, whereby the company reduced the fixed portion of its capital stock to $189,160,815.00 and amend Article sixth of its By-Laws accordingly.- FF) Official public document number 99 passed before Notary Public number 22 in and for this Notarial District, on September 29, 1994, and recorded in the Public Registry of Property and Commerce under number 2211, of book 37-A-B, of the Commerce Section, on October 3, 1994, whereby the minutes of the General Special Stockholders' Meeting held on September 13, 1994 were notarized, which minutes contain the resolution to amend Articles fourth, sixth and eighth of its By-Laws.- GG) Official public document number 163 passed on December 6, 1994 before Notary Public number 22, in due exercise of his activities in and for this Notarial District, and recorded in the Public Registry of Property and Commerce under number 3007, of book 50-3, of the Commerce Section, on January 17, 1995, whereby the minutes of the General Special Stockholders' Meeting held on December 6, 1944, were notarized, which minutes contain the resolution to amend Article sixteenth of its By-Laws.- HH) Official public document number 26, passed on April 23, 1996 before the undersigned Notary Public, recorded in the Public Registry of Property and Commerce of this Judicial District, under number 3413, folios 51 reverse, of book 52-3, of the Commerce Section, on October 18, 1996, whereby the minutes of the General Special Stockholders' Meeting held on December 18, 1995 were notarized, which minutes contain the resolution to merge ALTOS HORNOS DE MÉXICO, S. A. DE C. V., which prevailed as the merging entity, and ENERGÍA DEL NORTE, S. A. DE C. V., as the merged entity, which disappeared; to increase the fixed portion of the Company's capital stock to $250,000,000.00, and to amend

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Article sixth of its By-Laws. II) Official public document number 120 passed before the undersigned Notary Public, on July 19, 1997, and recorded in the Public Registry of Commerce of this Judicial District, under number 3728, of book 53-3, of the Commerce Section, on August 6, 1997, whereby the minutes of the General Special Stockholders' Meeting held on July 10, 1997, were notarized, which minutes contain the resolution to amend Article sixth of its By-Laws, in order to abolish the legal restriction regarding the participation of foreign investors and also to eliminate the "new Mexican pesos" denomination from the fixed minimum capital, in order for it to remain only as "Mexican pesos". JJ) Official public document number 186 passed before the undersigned Notary Public, on November 1, 1997, and recorded in the Public Registry of Property and Commerce of this City, under number 3841, of book 52-3, of the Commerce Section, on November 19, 1997, whereby the minutes of the General Special Stockholders' Meeting held on October 31, 1997, were notarized, which document contains, among others, the resolution to merge "ALTOS HORNOS DE MÉXICO", S. A. DE C. V., which prevailed as the merging entity, with "CARBÓN Y MINERALES COAHUILA", S. A. DE C. V. as the merged entity, leaving the Company's capital stock and shareholding structure unchanged. KK) Official public document number 81 passed before the undersigned Notary Public, on April 22, 1998, and recorded in the Public Registry of Commerce of this Judicial District, under number 4030, of book 54-3, of the Commerce Section, on April 24, 1998, whereby the minutes of the General Special Stockholders' Meeting held on April 22, 1998, were notarized, which minutes contain the resolution to amend Article sixth of its By-Laws, in order to clarify the terms contained therein, yet without changing the essence thereof originally approved. LL) Official public document number 43363 passed in Mexico City, Notary Public Number One in and for Mexico City, on May 21, 1999, and recorded in the Public Registry of Commerce of this Judicial District, under number 2854, of book 40-A-3, of the Commerce Section, on June 14, 1999, whereby the Company's business purpose was extended, and Article fourth of its By-Laws amended accordingly. The person appearing before me continues to represent that, as a result of a thorough comparative analysis of the original By-Laws and the amendments made thereto during the General Special Stockholders' Meetings, which have been duly notarized, the wording of the Company's By-Laws will be updated as follows: BY-LAWS - ARTICLE ONE. The name of the Company is "ALTOS HORNOS DE

MEXICO", followed by the words "SOCIEDAD ANÓNIMA DE CAPITAL VARIABLE", or its abbreviation, "S.A. de C.V.".- ARTICLE TWO. The Company's corporate domicile shall be the city of Monclova, in the State of Coahuila.- The Company may establish branches or agencies, offices and terminals and appoint conventional addresses in any other place either throughout Mexico or abroad.- ARTICLE THREE. The Company's duration shall be 99 (ninety-nine) years as of April 29, 1992. - ARTICLE FOUR.- The Company's purpose shall be to: 1.- Carry out all activities directly or indirectly related to the iron and steel industry, whether primary, derivative or related, including, but not limited to: the preparation, raw materials and materials that are indispensable to the iron and steel industry and the resulting byproducts; the production, manufacturing, finishing, distribution and marketing of primary, semi-finished and finished iron and steel products and/or items, machinery, tools or accessories totally or partially manufactured with iron or steel.- 2.- Purchase, sell, lease and manufacture all kinds of implements and equipment necessary to carry out its business object as well as the maintenance and deposit thereof.- 3.- Manufacture, prepare, produce, distribute, represent, purchase and sell, import, export, and keep at warehouses all types of metal and mineral products and materials, especially those made out of iron and steel, as well as chemical products and all other products related to the iron and steel industry.- 4.- Conduct preliminary studies, exploration, prospection and exploitation activities of mining deposits under concessions granted to third parties, whether directly or jointly with other companies.- 5.- Execute and formalize joint venture and work agreements with Mexican or foreign, state and state-owned private companies.- 6.- Acquire, install and operate refineries and treatment and smelting plants, as well as refining processes for all kinds of metals and minerals, and their manufacture or industrialization upon prior authorization, if required.- 7.- Manufacture all kinds of implements and smelting, processing and maquila equipment for any other type of industries or businesses.- 8.- Purchase, sell, lease, sublease, acquire, transfer, assign, exploit, operate, manage and, in general, make business transactions involving any kind of properties or businesses including land exploitation; acquire, possess, transfer, assign, manage and, in general, negotiate with all types of authorities in order to obtain licenses, permits, authorizations, franchises and rights of way; distribute, import, export and/or sell all kinds of materials.- 9.- Encourage the establishment of all kinds of civil or commerce societies, associations, mining companies --whether

industrial, commercial, or service—or of any other kind, whether in Mexico or abroad and participate in their equity; acquire, negotiate, profit from and dispose of any equity securities, partnership interests or participate in any other form in existing companies; carry out all kinds of transactions involving both real estate and personal property, and in all kinds of currencies, securities and titles and carry out all acts and enter into civil or commercial agreements related thereto or intervene as the associating or associated partner of companies or businesses of any kind.- 10.- Act as agent, representative, commissions agent, distributor or principal of individuals or companies whether Mexican or foreign; take all types of companies, businesses and other establishments related to the Company's business purpose under lease, bail, commission, intermediation and association agreements or any other means provided by law.- 11.- Purchase, sell, own and manage real and personal property, whether urban or suburban and carry out, supervise or enter into contracts whether, on its own or on behalf of third parties, of all types of constructions, buildings, real estate complexes, industrial or residential developments, buildings or office facilities, commercial, industrial, sports or tourist establishments or housing developments.- 12.- Acquire in property, lease or sublease all kinds of real and personal property as well as real or personal title deemed necessary or convenient to carry out the Company's business purpose or to carry out the transactions of the commercial or civil associations or institutions where the Company has equity interests or participation.- 13.- Set up, organize or acquire all kinds of companies and commercial or industrial businesses and, in general, participate in all acts and agreements allowed by law, being able to grant all kinds of guarantees or certifications that are necessary to carry out such transactions. 14.- Enter into all kinds of lease agreements whether as lessor or lessee. 15.- Render general services, both technical and administrative, whether in Mexico or abroad; receive from other companies, entities or individuals, all kinds of services, and, in general, render all kinds of services to individuals, companies or corporations in general, which are related to the Company's business purpose, and include, but are not limited to legal, administrative, financial, treasury, audit, marketing, trading, preparation of general balance sheets and budgets, preparation of programs and manuals, analyses of operating results, assessment of productivity data and potential financing, preparation of fund availability-related studies. 16.- Sign, accept, trade and issue all kinds of credit instruments whether acting on its own account or on behalf of third companies, associations or institutions where

the Company may have equity interests as well as obligations or credit instruments against other companies or individuals with whom the Company has business relations and receive guarantees, subscribe and grant bonds and guarantee all type of credit transactions whether in Mexico or abroad. 17.- Acquire, lease, sublease and, in any other way, permitted by law, trade with the real estate, machinery, vehicles and tools necessary or convenient for the Company's business purposes. 18.- Apply for, request, record, dispose of, grant or acquire licenses and in general, negotiate, in any form permitted by law, with trade marks, trade names, commercial notices, patents, processes, improvements, drawings and industrial models, secrets, copyrights, technical assistance, technology, as well as exercise --through all ways permitted by law-- all options, preferences and rights it may acquire thereon whether in Mexico or abroad. 19.- Obtain or grant loans or credits, accept, draw against and issue all kinds of credit instruments, civil or commercial documents, whether guaranteed or not. 20.- Execute or enter into all kinds of acts, and agreements and carry out all transactions whether civil, commercial or industrial in nature, directly related to the Company's business purpose and carry out all activities that shall be useful or convenient to the good order and better development of the Company's purposes. 21.- Make arrangements for and obtain concessions and permits granted by the Secretariat of Communications and Transportation to build, exploit, manage and operate airports. 22.- Purchase, sell, lease, sublease and manage all kinds of vehicles, machinery, equipment and tools in general. 23.- Carry out business transactions in general. 24.- Invest in international markets to place domestic and foreign products. 25.- Carry out prospection, development, exploitation and benefit activities either on its on or on behalf of third parties, in connection with all kinds of minerals or substances, in dumps, beds, bullion, or deposits, whether through concessions acquired based on a claim, transfer of title, lease, bid or any other means provided for in the Mining Law and its Regulations, and to exploit and benefit tailings, scum, and slag dump of the sites already mentioned. 26.- Pursuant to the relative permits granted by the competent authorities and in conformity with the applicable legislation, carry out activities aiming to the generation, transformation and transmission of electric power and provide third parties with capacity and electric power in exchange for compensation. - ARTICLE FIVE. The Company is of Mexican nationality. All foreigners who at present or in the future acquire an interest or

stake in the Company shall, by this simple fact, bind before the Ministry of Foreign Affairs to consider themselves Mexican, with regard to the former and the latter, and, therefore, not to request the protection of their government under pain, in the event of this condition being breached, of losing said interest or stake to the Mexican Nation. - ARTICLE SIX-. The Company's capital stock is variable, with the fixed, non-withdrawable, minimum capital being $250.000,000.00 (TWO HUNDRED AND FIFTY MILLION MEXICAN PESOS), and is represented by common, registered, no-par value shares, fully subscribed and paid. The variable portion of the capital stock shall not exceed ten times the amount of the fixed minimum non-withdrawable portion and shall be represented by registered, no-par value shares. The shares shall be of one kind only and shall confer their holders equal rights and obligations. ... ARTICLE FIFTEEN. The Stockholders' Meetings, as the Company's top regulating body, shall be:

A) Regular, Special and Extraordinary in nature. REGULAR meetings shall be held whenever the shareholders deal with matters under Article 181 of the General Business Corporation Law, and issues included in the agenda provided they should not be dealt with during a SPECIAL meeting, which shall deal with matters under Article 182 of the General Business Corporation Law.- B) Meetings shall be held always at the Company's headquarters, at least once a year within the four first months following the end of the Company's fiscal year and in all other instances as the Board of Directors may call one such meeting.- C).- Regular meetings shall be convened by the Board of Directors or Board members, except as provided for under Articles one hundred and sixty-eight, one hundred and eighty-four and one hundred and eighty-five of the General Business Corporation Law. D) The notice shall be published in the newspaper with the broadest circulation in the state where the Company's main place of business is located, as well as in one of the newspapers with the broadest circulation in Mexico City, at least fifteen days in advance of the date on which the Meeting should be held, and shall include the following data: the agenda, the time, place and date of the meeting. If all the shares are represented, publication of such notice shall not be required.... H).- For the meeting to be legal and its resolutions valid, provisions under Articles 189, 190, and 191 of the General Business Corporation Law.- I).- Each share shall represent one vote and voting shall be made on the show of hands, unless there is a majority agreement regarding any other form of voting... ...ARTICLE SIXTEEN.- The Company's management shall be entrusted to a Board of Directors to be made up by the number of regular and

deputy members as shall be appointed during the relevant Stockholders' Meeting... - ARTICLE SEVENTEEN.- The Board members and their deputies shall be appointed by a simple majority of the attending shareholders' votes. Deputy members shall substitute for any regular board members' absences...- ARTICLE NINETEEN.- The Board of Directors shall meet whenever it deems necessary upon convocation sent by the Chairman, the Secretary or, if appropriate, the Examiner, either by mail, telegraph, telex or fax, at least 48 hours in advance of the date scheduled for the meeting. For the Board of directors' meetings to be legal, most members must be present and its resolutions shall be valid through majority vote of the attending members... ...ARTICLE TWENTY.- The Board of Directors shall have the broadest powers to accomplish the Company's business purpose and to conduct and manage the Company. The Board shall have, including but not limited to, the following powers and faculties.- A) GENERAL POWER OF ATTORNEY FOR LAWSUITS AND COLLECTIONS with all general and even special faculties requiring a special power or clause in accordance with the law, under the first paragraph of Article 2554 of the Civil Code in force for Mexico City and its correlative articles in the states of Mexico. The following powers are included but not limited to: I.- To file and dismiss all types of civil, criminal, labor, judicial, and administrative proceedings before all kinds of authorities, including municipal, state or federal authorities, even the *amparo* proceeding.- II.- To compromise.- III.- To submit to arbitration, arbitrators or amicable compounders.- IV.- To answer and submit interrogatories.- V.- To take exception to judges.- VI.- To assign property.- VII.- To receive payments.- VIII.- To file criminal denunciations and complaints and abandon them, as permitted by the law.- IX.- To assist the Public Prosecutor, demanding restitution and granting pardon.- B).- The functions mentioned above shall be exercised before any individuals and before all kinds of administrative and judiciary authorities, as well as municipal, and local and federal authorities, before Conciliation and Arbitration Boards, whether local or federal and before the Labor authorities.- C).- General power of attorney for acts of administration, pursuant to provisions under the second paragraph of Article two thousand five hundred and fifty-four of the Civil Code for Mexico City in effect and the correlative provisions contained in the Civil Codes for the States of Mexico. - D).- Power to deal with labor matters - to expressly articulate and acquit positions pursuant to Article seven hundred and eighty-six of the Federal Labor Law, and powers to manage labor relations and settle disputes pursuant to Articles eleven and eight hundred and seventy-six,

Sections first and sixth of the Federal Labor Law, as well as to appear in court pursuant to Sections First, Second and Third of Articles six hundred and ninety-two and eight hundred and seventy-eight of this Law. E).- General power to carry out acts of administration and dispose of the Company's assets, or its real or personal rights pursuant to Article two thousand five hundred and fifty-four of the Civil Code in effect for Mexico City and the correlative provisions contained in the Civil Codes for the States of Mexico, with the special powers mentioned in Sections I, II and V of Article two thousand five hundred and eighty-seven of the Civil Code.- F) Power to grant, execute, accept, guarantee, indorse and in general manage credit instruments pursuant to Article Nine of the General Law of Credit Instruments and Transactions and also to endorse and guarantee third party transactions. - G) Power to appoint the Company's general director, managers, assistant managers, factors or employees; to remove them from office and determine their faculties, guarantees, labor terms and compensations.- H) Power to grant and revoke general and special powers of attorney.- I) Power to open and cancel bank accounts in the name of the Company and to make deposits to and draw against them and appoint the individuals authorized to draw against such accounts. - J) Power to draft the Company's Labor Regulations. - K) Power to convoke Ordinary and General Special Stockholders' Meetings and execute its decisions. - L) In general, to carry out any acts and transactions deemed necessary or pertinent to attain the Company's objectives, except for those expressly reserved by Law or these By-Laws to the Stockholders' Meeting..."""".- MM).- First notarial copy of public deed number sixty-three dated April eleven, two thousand six, passed before Mr. Gerardo Alberto Valdes Calderon, Notary Public number 13, acting in this Judicial District, which contains the NOTARIZATION OF THE GENERAL REGULAR STOCKHOLDERS' MEETING OF THE COMPANY ALTOS HORNOS DE MEXICO, S.A. HELD AT EIGHT HOURS ON APRIL ELEVEN, TWO THOUSAND SIX, UPON REQUEST OF MR. JULIAN CRUZ MARQUEZ ABUNDIS, acting as Special Delegate, which has been registered with the Public Property Registry in this City, with mercantile folio number 122*3 dated May 31, two thousand six, of which I transcribe the relevant portion as follows:- "...ALTOS HORNOS DE MEXICO, S.A. DE C.V.- MINUTES OF THE GENERAL REGULAR STOCKHOLDERS' MEETING HELD AT 8:00 HOURS OF APRIL 11, 2000.- In the City of Monclova, Coahuila, at 8:00 hours of April 11, 2006, the stockholders of ALTOS HORNOS DE MÉXICO, S.A. DE C.V. (the "Company") met personally or through proxy at the headquarters of the Company, located at

Prolongacion Juarez s/n, Col. La Loma, C.P., with the purpose of holding a General Regular Stockholders' Meeting of which they were duly and timely notified.-

In accordance with Clause Fifteen, paragraph E), of the bylaws in force, shareholders present appointed Mr. Andres Gonzalez Saravia-Coss Chairman of this Meeting, and Mr. Juan Carlos Quintana Segur acted as Secretary. The Chairman of the Meeting appointed Mr. Julian Cruz Marquez Abundis and Katy Dahena Martinez Jimenez to jointly count shares present or represented, and they consented to the appointment and counted shares owned by shareholders present or represented. After the counting, the Tellers certified that the holders of 225,215,444 (two hundred twenty-five million two hundred fifteen thousand four hundred forty-four) common, registered, released and no face value shares – sole series – of Altos Hornos de México, S.A. de C.V., which account for 62.93% (sixty-two point ninety three percent) of the total capital stock subscribed and paid in by the Company, which as of today is make up of 356,872,502 (three hundred fifty-seven million eight hundred seventy-two thousand five hundred and two) shares outstanding. The presence of the Company's Regular Examiner, Mr. Ernesto Blackaller W. is hereby certified.- After the computation was verified, the Chairman of the Meeting called the meeting to order and said it was validly held because the quorum required was present, as per the certificate of deposit issued by S.D. INDEVAL, S.A. pursuant to the first paragraph of Article 78 (seventy-eight) of the Stock Market Law, as well as the fact that the powers of attorney provided by such shareholders and the admission cards they presented satisfied formalities and requirements set forth therefore by the Company's bylaws and applicable legal provisions. The Chairman informed that the respective notice duly signed by Mr. Alonso Ancira Elizondo as Chairman of the board of Administration was published in the newspaper El ESTO, page 18, in Mexico City and the local newspaper Zocalo, page 6/A in Monclova, Coahuila, on Sunday March 26, 2006, in accordance with article 186 of the General Business Corporation Law and clause fifteen of the bylaws, which he asked to be attached to the file of the minutes of this stockholders' meeting. - Next, the Company's general regular stockholders' meeting was declared validly constituted because the required quorum was present, thus resolutions passed thereat upon the majority votes present and pursuant to the bylaws shall be duly adopted and be valid even for absent or dissident shareholders. For purposes of clarity it is hereby evidenced that because there are 225,215,444 (two hundred

twenty-five million two hundred fifteen thousand four hundred forty-four) shares present, the quorum required for the passing of resolutions to be valid is at least the favorable vote of 114,859,880 (one hundred fourteen million eight hundred fifty-nine thousand eight hundred and eighty) shares.- Then, the general regular stockholders' meeting was developed and the Secretary read the agenda of this meeting, which is the following:- AGENDA.- GENERAL REGULAR STOCKHOLDERS' MEETING.- 1.- Discussion, approval or modification of the Board of Directors' report referred to in Article 172 of the General Business Corporation Law for the fiscal year ended on December 31, 2005, taking into account the Examiner's report and, if any, passing of the respective resolutions.- 2.- Discussion and, if any, approval and ratification of the actions of the Board of Directors and the Company's officers for the fiscal year under study.- 3. Discussion and, if any, ratification, resignations and/or appointments of the members of the Board of Directors and the Company's officers and examiners.- 4.- Determination and, if any, ratification of the pay for the Members of the Board of Directors and the Company's Examiners for the fiscal year under study.- 5.- Report on the different legal processes of the company and its subsidiaries. Current situation, ratification of resolutions and, if any, passing of resolutions and the relevant strategies.- 6.- Appointment of Special Delegates authorized to formalize, notarize and register in the relevant Public Commerce Registry various resolutions passed in relation to the above issues.- Next, the shareholders dealt with each of the issues on the agenda as follows:- 1.- Discussion, approval or modification of the Board of Directors' report referred to in Article 172 of the General Business Corporation Law for the fiscal year ended on December 31, 2005, taking into account the Examiner's report and, if any, passing of the respective resolutions.- In the discussion of this item on the Agenda, the Chairman gave the floor to Mr. Ariel Martinez, the Company's controller, who submitted the report previously drafted by Management on the course of the Company's business during the fiscal year January 1st – December 31, 2005 in accordance with Article 172 of the General Business Corporations Law, which includes the following:- a) A statement showing the Company's consolidated financial situation for the fiscal year under study.- b) A statement showing the Company's consolidated results for the fiscal year under study.- c) Consolidated financial bylaws (sic) (including a statement showing the financial situation, profit and loss statement, changes in the financial situation and the items making up the corporate equity and report on the main accounting policies and criteria), the

audit report of the auditors on the fiscal year under study, and the notes required to complement or clarify the submitted information.- d) A copy of the report of the regular Examiner, Mr. Ernesto Blackaller Williamson for the fiscal year that ended on December 31, 2005, which evidences that the accounting and information criteria and policies the Company uses and managers take into account in the drafting of the information submitted to this meeting are truthful, sufficient and reasonable, pursuant to the generally accepted accounting principles.- It is hereby certified that the former documents have been available to the shareholders at the corporate secretariat at the Company's headquarters for 15 (fifteen) days before the date of this meeting, as provided for in Article 173 of the General Business Corporation Law. A copy of each of the above documents will be attached to this minutes and will become and integral part hereof. The shareholders unanimously approved with the votes of all the shares duly present or represented at the Meeting the following resolutions on the approval of results for the fiscal year that ended on December 31, 2005.- IT IS HEREBY RESOLVED, as per the report submitted by the Company's Examiner, to accept and approve in any and all its parts the report submitted by the Board of Directors on the Company's course of business and operations for the fiscal year January 1st – December 31, 2005.- TWO.- IT IS HEREBY RESOLVED to approve the Company's audited financial statements, including the balance sheet, profit and loss statement and statement of changes in the financial situation, and the items making up the corporate equity, in the terms they were submitted to the Meeting, taking into account the report of the Company's Examiner on the truthfulness, sufficiency and reasonableness of the information submitted by the Board of Directors to the Stockholders' Meeting for the aforementioned fiscal year.- FOUR: IT IS HEREBY RESOLVED that the results of the Company's financial statements for the fiscal year ended on December 31st, 2005 will be applied to the Company's accrued results account.- 2.- Discussion and, if any, approval and ratification of the actions of the Board of Directors and the Company's officers for the fiscal year under study.- In dealing with this item, the Chairman of the Board proposed present or represented shareholders to approve and confirm the acts performed by each of the members of the Company's Board of Directors, Secretary and officers for the fiscal year under study, and thanked them for the valuable services they have rendered to the Company while in office and released them from any liability they would have incurred, and at the same time granted them release according to the law.- After having discussed on this

matter, the shareholders unanimously approved with votes of shares duly present or represented at the Meeting the following resolution:- FIVE: IT IS HEREBY RESOLVED to approve and verify with no reserve or limit all the resolutions and/or agreements and/or acts of all the members of the Board of Directors, both individually or jointly as a collegiate body, including resolutions, and/or agreements, and/or acts as members of any of the intermediate committees of the Board of Directors, as well as the Company's Secretary, Alternate Secretary and officers of the Board of Directors for the fiscal year January 1st – December 31, 2005, and even up to the date of this Meeting, and at this very moment the Company irrevocably, unconditionally and absolutely grants them the broadest release allowed by law in relation to any claim, liability, complaint, accusation or proceeding they may have been involved in during their office, including payment of any damage or loss caused and the amounts required to reach, if suitable, a settlement, as well as all the fees and expenses of legal counsel and other advisors hired to look after their interests in the above-mentioned events, in the understanding that the above individuals shall be empowered to determine the hiring of lawyers and advisors other than those used by the Company, if appropriate.- 3.- Discussion and, if any, ratification, resignations and/or appointments of the members of the Company's Board of Directors and officers and examiners.- In discussing this item, the Chairman of the Meeting reminded the present or represented shareholders that the Company's Board of Directors, officers and examiners were constituted in accordance with the respective resolutions duly adopted by shareholders at the regular meeting held on April 6, 200.- The Chairman of the meeting told the Company's shareholders that on October 18, 2005 the Company received the written resignation of Mr. Raul Quintanilla Ochoa as Alternate Secretary of the Company's Board of Directors. Also, he stressed that the Stockholders' Meeting held on October 25, 2005 admitted such resignation and at the same time appointed as of this date Mr. Francisco Jose Perez Ortega to the vacant position, and proposed this stockholders' meeting to ratify and formalize the above resignation and subsequent appointment. After having discussed, the stockholders unanimously approved with the votes of shares duly present or represented at the meeting the following resolutions:- SIX: IT IS HEREBY RESOLVED to admit the resignation of Mr. Raul Quintanilla Ochoa – with retroactive effect as of October 18, 2005 – to the position of Alternate Secretary of the Board of Directors (who is not a member) and the Company and thanked

him for his valuable services rendered to the Company for the time he was in office and herein grants him the broadest release allowed by law in relation to any claim, liability, complaint, accusation or proceeding they may have been involved in during his office, including payment of any damage or loss caused and the amounts required to reach, if suitable, a settlement, as well as all the fees and expenses of legal counsel and other advisors hired to look after his interests in the above-mentioned events, in the understanding that he will be empowered to determine the hiring of lawyers and advisors other than those used by the Company, if appropriate.- SEVEN: IT IS HEREBY RESOLVED to admit – with retroactive effect as of October 18, 2005 – the appointment of Mr. Francisco Jose Perez Ortega to the position of Alternate Secretary of the Board of Directors (who is not a member) and the Company's Alternate Secretary as conferred upon resolution of the Board of Directors on the aforementioned date. Proof is given that he will not have the right to speak or vote during the meetings of the Board and shall only perform his appropriate duties; he may only act in the event of the absence, total permanent disability, removal, resignation or death of Mr. Juan Carlos Quintana Segur.- EIGHT: IT IS HEREBY RESOLVED to ratify the appointment of all the other regular or alternate members of the Board; of the Secretary of the Board of Directors who is not a member thereof and the Regular and Alternate Examiner which were approved at the regular stockholders' meeting held on April 6,2004.- NINE: IT IS HEREBY RESOLVED in regards to the new appointment as well as all the individuals who have been ratified, to unconditionally and irrevocable grant them as of this moment the broadest release allowed by law.- TEN: IT IS HEREBY RESOLVED to give proof that as of this date the Company's Board of Directors, Secretary and Examiners shall be the following:- BOARD OF DIRECTORS.- Regular Members.- Alonso Ancira Elizondo.- Chairman.- Xavier D. Autrey Maza- Vice-Chairman.- Manuel Ancira Elizondo.- Jim Pignatelli.- Jorge Ancira Elizondo.- Juan Carlos Carredano Pérez.- Javier Reyna Rodriguez.- Sandra Lopez Benavides.- Alternate Members.- Jose Eduardo Ancira Elizondo.- Telber Gustafson.- Jorge Ordoñez Cortes.- Alfonso Lebrija Guiot.- Who may indistinctly replace any of Messrs. Ancira Elizondo and Reyna Rodriguez.- Who may indistinctly replace any of Messrs. Autrey Maza, Pignatelli, Carredano Perez and Mrs. Lopez Benavides.- Juan Carlos Quintana Segur.- Secretary of the Board of Directors (who is not a member) and the Company's Secretary.- Francisco Jose Perez Ortega, Alternate Secretary of the Board of Directors (who is not a member) and the Company's Alternate

Secretary.- Examiners .- Regular and Alternate Examiner.- Ernesto Blackaller Williamson, Francisco Javier Mena de Alba.- 4.- Determination and, if any, ratification of the pay for the Members of the Board of Directors and the Company's Examiners for the fiscal year under study.- In regard with item four on the Agenda, the Chairman reminded that in accordance with AHMSA's bylaws, the members of the Board of Directors and examiners are entitled to receive a consideration for the performance of their jobs and proposed to ratify payment thereof made as of March 18, 2005 (the last date on which they have been approved by the stockholders' meeting) including payments made as of this date.- After having discussed, the stockholders unanimously approved with the votes of shares duly present or represented at the meeting the following resolution.- ELEVEN: IT IS HEREBY RESOLVED to ratify payment of the considerations made to the members of the Board and examiners as of March 18, 2005, and up to the date of this meeting by the following round-off gross totals: a) 7,230,000.00 pesos (seven million two hundred thirty thousand Mexican pesos and no cents) to regular members; b) 110,000.00 pesos (one hundred ten thousand Mexican pesos and no cents) to alternate members; c) 325,000.00 pesos (three hundred twenty five thousand Mexican pesos and no cents) to the Secretary (who is not a member); and d) 1,320,000.00 pesos (one million three hundred twenty thousand Mexican pesos and no cents) to Examiners. Such amounts have been paid during the aforementioned period. 5.- Report on the different legal processes of the company and its subsidiaries. Current situation, ratification of resolutions and, if any, passing of resolutions and the relevant strategies.- In the transaction of this item of the Agenda, the Chairman of the Meeting said that the suspension of payments proceeding filed by AHMSA and some of its subsidiaries continues to progress on a regular basis in its various procedural stages, in accordance with the applicable laws, under the supervision of the firm Guerra Gonzalez y Asociados, S.C. The written report issued by Guerra Gonzalez y Asociados, S.C. on February 22, 2006 with an updated report of the most significant procedural actions of the suspension of payments procedure of AHMSA and its subsidiaries was read, which is attached hereto. It was pointed out that the lifting of the suspension of payments of CERRO DEL MERCADO and subsequently of MICARE are highly beneficial for the Company and its subsidiaries and this has sent a positive message to the financial community, shareholders and general creditors because they are important steps in the overall process to settle the debt of AHMSA and its subsidiaries, whose

negotiations are progressing simultaneously. The Chairman asked the Meeting to ratify and/or approve the agreements, resolutions and acts made, taken and carried out by the Company, members of the Board, officers and/or counselors thereof under the legal proceeding of suspension of payments and authorize to continue with it strictly abided by the applicable legal provisions.- With regards to the restructuring process of the Company's financial liabilities, the Chairman informed the Stockholders' Meeting that meetings are being held with creditors aimed at finding feasible strategies and alternatives. During the first quarter of 2005, negotiations were stagnated since the financial expectations of creditors were not really realistic and were far from the Company's offer. Early in 2006, talks and negotiations with creditors were resumed, mainly with certain bond holders headed by firms with offices in New York, which claim to hold a considerable percentage of the Company's debt. It was pointed out that AHMSA's debt value has recently increased in international markets, which is an encouraging signal of creditors' true interest in and expectations on the ordered restructuring of the liabilities of the Company and its subsidiaries. The Company – through its Board members, officers and advisors – will continue to analyze and develop proposals that will provide a significant value and benefits to the shareholders.- The Chairman asked the Meeting to ratify and/or approve the agreements, resolutions and acts made, taken and carried out by the Company, its members, officers and/or advisers under the financial liabilities restructuring process, and authorize to continue therewith.- Also, the Chairman of the Meeting orally submitted a summary on the current status of the various criminal processes followed in Mexico and abroad against certain members of the Board of Directors, and pointed out that during the fiscal year 2005 and thanks to the successful effort by the Company's counsel and lawyers, such processes have concluded with positive results for the individuals involved and for the Company as well, since the processes brought had been finally concluded, except the process against Telber Gustafson, alternate member, which continues and is expected to be cancelled as soon as possible in the same manner.- The Chairman of the Meeting reminded the stockholders present or represented that since April 30, 1999 and upon resolution of the regular and special stockholders' meeting held on such date, the Company approved to adopt an "Indemnification Resolution" applicable to the members of the Board of Directors and other officers. Such Resolution has been ratified by the stockholders meetings held on November 7, 2002; April 28, 2003; and March 18, 2005, as well as various

meetings of the Company's Board of Directors, mainly those held on July 27, 1999; September 23, 1999; February 22, 2000; October 21, 2003; October 19, 2004; February 10, 2005; April 21, 2005; July 27, 2005; and October 25, 2005 where the "Indemnification Resolution" has been referred to and its full text has been transcribed to the minutes in several occasions. - He pointed out that as a result of the legal actions and persecution against the Company, mainly criminal charges brought by tax authorities – of which this Meeting is aware – the Company has been forced to incur considerable expenses and costs relating the legal strategy to defend its Board members and officers, in compliance with the "Indemnification Resolution". Although such expenses continued to be made through fiscal year 2005, they were significantly reduced compared to prior fiscal years. Next, the Chairman of the Board asked the stockholders to ratify and approve the contents, scope and effects of the "Indemnification Resolution", as well as to approve all the expenses and costs incurred between March 1st, 2005 and February 28, 2006, in accordance with the detailed list attached hereto.- It is stressed that the Chairman of the meeting answered any and all the questions raised on this issue.- After having discussed, the stockholders unanimously approved with votes of the shares duly present or represented at the meeting the following resolutions:- TWELVE: IT IS HEREBY RESOLVED to take note of and approve the report issued by the Chairman of the Meeting, with stress on the written report dated February 22, 2006, by the firm Guerra Gonzalez y Asociados, S.C., which is attached hereto relating the general status and progress of the suspension of payments proceeding filed by AHMSA and some of its subsidiaries, and both the Chairman and Vice-Chairman of the Board of Directors are authorized to give the firm Guerra Gonzalez y Asociados, S.C. and any other legal advisors instructions and/or agree on the recommendations for the due development of the process and protection of the interests of the Company and its subsidiaries in accordance with and strictly under the applicable legal provisions, approving and ratifying with no reserve or limit the agreements, resolutions and acts made, taken and carried out by the Company, its Board members, officers and/or advisors under the legal suspension of payments process and authorize them to continue therewith.- THIRTEEN: IT IS HEREBY RESOLVED to take note of the report submitted on the financial restructuring processes by ratifying in all its terms and with no reserve and limit the contents and scope of the agreements reached, authorizing both Messrs. Alonso Ancira Elizondo and Xavier D. Autrey Maza to directly or through officers and advisors

determine to carry out all the appropriate acts required to continue searching for alternatives within the financial restructuring process and, if any, find feasible alternatives strictly abided by the applicable legal provisions, always taking into account the best interest of the Company and its shareholders, approving and ratifying with no reserve or limit the agreements, resolutions and acts made, taken and carried out by the Company, its Board members, officers and/or advisors under the financial liabilities restructuring process, authorizing them to continue therewith.- FOURTEEN: IT IS HEREBY RESOLVED to take note and approve with no reserve or limit the report submitted on the current status of legal processes brought against the members of the Board of Directors of the Company and its subsidiaries and agree to go on with the strategies approved for the care and follow-up of such criminal processes with special stress on the protection of the interests of the Company and the persons involved, always strictly abided by the applicable legal provisions and for the reasons given to the Board of Directors authorize that in due time and when the procedural and legal situation of the Company so allows, they are duly indemnified through the granting of the benefits, bonds, incentives and aids determined and resolved by the Board of Directors, including but not limited to the payment of damage, loss and moral damage.- FIFTEEN: IT IS HEREBY RESOLVED to take note of the report submitted on the "Indemnification Resolution" and ratify its contents, effect and scope in all its terms, and incorporate it here by reference, as well as to approve all the expenses and costs incurred between March 1st, 2005 and February 28, 2006, in accordance with the detailed list attached hereto.- 6.- Appointment of Special Delegates authorized to formalize, notarize and register in the relevant Public Commerce Registry various resolutions passed in relation to the above issues.- A discussion started on this topic and after a brief deliberation, the stockholders present or represented unanimously approved the following resolution.- SIXTEEN: IT IS HEREBY RESOLVED that Messrs. Andres Gonzalez-Saravia Coss, Juan Carlos Quintana Segur, Julian Cruz Marquez Abundis and Tannia B. Lopez Abud are authorized as special delegates to individually or jointly issue any required certified copies hereof. Additionally, they are authorized to jointly or separately appear before the notary public they choose to ratify and formalize into a public deed the minutes of this Meeting and resolutions taken thereat, as well as to arrange, if any, the registration of the relevant public deed with the relevant Public Commerce Registry and file with all kinds of government, judicial and/or administrative authorities the necessary and

appropriate notices, information and notifications deemed based on resolutions passed at this Meeting, including but not limited to the National Banking and Securities Commission ("CNBV") and the Bolsa Mexicana de Valores ("BMV") of a summary of resolutions in accordance with the General Provisions Applicable to Securities Issuers.- Once the transaction, discussion and resolution of all the issues on the Agenda of the General Regular Stockholders' Meeting of ALTOS HORNOS DE MEXICO, S.A. DE C.V. were over, and with no other issue to transact, the Chairman finished this Meeting at 9:15 hours and gave proof that all the stockholders or their representatives were present throughout the meeting, based on the tellers' certification. The list of attendance signed by all the stockholders present or represented, the tellers and the Secretary is attached hereto. For the minutes to be valid it has to be signed by the Chairman and the Secretary of the Meeting and the regular Examiner.- After having discussed, the shareholders unanimously approved with the votes of shares duly present or represented at the meetings the following resolutions in accordance with Article 194 of the General Business Corporation Law.- Andrés González Saravia Coss.- Chairman of the Meeting.- Juan Carlos Quintana Serur.- Secretary of the Meeting.- Ernesto Blackaller.- Regular Examiner."".- ALTOS HORNOS DE MEXICO, S.A. DE C.V.- LIST OF ATTENDANCE.- GENERAL REGULAR STOCKHOLDERS' MEETING.- MONCLOVA, COAHUILA, APRIL 11, 2006. 8:00 HOURS.-T.A. No.- Name of the Shareholder/ Holder.- No. of shares, Represented by.- Signature.- 01.- Grupo Acerero del Norte, S.A. de C.V., 10,026,337 –... signed.- 02.- Grupo Acerero del Norte, S.A. de C.V.- 10,026,337.- signed.- 03.- Grupo Acerero del Norte, S.A. de C.V..- 10,026,337.- signed.- 04.- Grupo Acerero del Norte, S.A. de C.V., 10,026,337, signed.- 05.- Testamentary succession of María Luisa García viuda de Pérez.- 1.320.- Signed.- 06.- Rosa Carmen Carranza Rodríguez.- 592.- signed.- 07.- Marie Theresa Trabold Serur.- 366,000.- signed.- 08.- Banca Santander Serfin, S.A.- 1,594,206.- Did not attend.- 09.- Adolfo Iñigo AUTREY Maza.- 89,500.- Signed.- 10- Scotia Inverlat Casa de Bolsa, S.A. de C.V.- 171,160.- Did not attend.- 11.- Susana Calderón de García Zuazua.- 85,715.- Did not attend.- Juan Carlos Quintana Serur.- 10,000.- Signed.- 13.- Lorenza Emilia Autrey Maza.- 152,000.- Signed.- 14.- María Teresa Holshneider de AUTREY.- 4,239,855.- Signed.- 15.- Sergio Miguel Ángel AUTREY Maza.- 156,835.- Signed.- 16 Gabriela Autrey Maza.-79,850.- Signed.- 17.- Patricia Adriana Díaz Aldrete.- 1,286,835.- Signed.- 18.- Alonso Ancira Elizondo.- 3,443,061.- Signed.- 19.- Carmen Martha Elizondo de Ancira.- 947,592.-

Signed.- 20.- Marie Theresa Trabold Serur.- 447,864.- Signed.- 21.- Jorge Ancira Elizondo.- 1,140.- Signed.- 22.- Banco Nacional de México, S.A.- 19,463,298.- Signed.- Julián C. Marquez Abundis.- Teller.- Katy D. Martínez Jiménez.- Teller.- Juan Carlos Quintana Serur.- Secretary of the Meeting.- "".- After having inserted the above, they agree to the following.- C L A U S E S.- ONE.-Upon request of Mr. JULIAN CRUZ MARQUEZ ABUNDIS, acting as Special Delegate, the General Regular Stockholders' Meeting of the company named "ALTOS HORNOS DE MÉXICO", SOCIEDAD ANÓNIMA DE CAPITAL VARIABLE, held at 8:00 hours on April eleven of two thousand and six is notarized, and the contents of this minutes is fully ratified, inserted in the body of this public deed.- TWO.- Consequently, resolutions taken by the aforementioned Meeting are notarized, including the following:- 1.- IT IS HEREBY RESOLVED, in regard of the report submitted by the Company's Examiner, to fully admit and approve the report submitted by the Board of Directors on the course of the Company's business and operations during the fiscal year January 1st through December 31st, 2005.- It is hereby resolved to approved the Company's audited financial statements including the balance, profit and loss statement and statement of changes in the financial situation, and the items making up the corporate equity, in the terms they were submitted to the Meeting, taking into account the report of the Company's Examiner for the fiscal year January 1st through December 31st, 2005.- 3.- IT IS HEREBY RESOLVED to approve the Company's Examiner's report on the truthfulness, sufficiency and reasonableness of the information submitted by the Board of Directors to the Stockholders' Meeting for the aforementioned fiscal year.- 4.- IT IS HEREBY RESOLVED that the results of the Company's financial statements for the fiscal year ended on December 31st, 2005 will be applied to the Company's accrued results account.- 5.- IT IS HEREBY RESOLVED to approve and verify with no reserve or limit all the resolutions and/or agreements and/or acts of all the members of the Board of Directors, both individually or jointly as a collegiate body, including resolutions, and/or agreements, and/or acts as members of any of the intermediate committees of the Board of Directors, as well as the Company's Secretary, Alternate Secretary and officers of the Board of Directors for the fiscal year January 1st – December 31, 2005, and even up to the date of this Meeting, and at this very moment the Company irrevocably, unconditionally and absolutely grants them the broadest release allowed by law in relation to any claim, liability, complaint, accusation or proceeding they may have been involved in during their office, including payment

of any damage or loss caused and the amounts required to reach, if suitable, a settlement, as well as all the fees and expenses of legal counsel and other advisors hired to look after their interests in the above-mentioned events, in the understanding that the above individuals shall be empowered to determine the hiring of lawyers and advisors other than those used by the Company, if appropriate.- 6.- IT IS HEREBY RESOLVED to admit the resignation of Mr. Raul Quintanilla Ochoa – with retroactive effect as of October 18, 2005 – to the position of Alternate Secretary of the Board of Directors (who is not a member) and the Company and thanked him for his valuable services rendered to the Company for the time he was in office and herein grants him the broadest release allowed by law in relation to any claim, liability, complaint, accusation or proceeding they may have been involved in during his office, including payment of any damage or loss caused and the amounts required to reach, if suitable, a settlement, as well as all the fees and expenses of legal counsel and other advisors hired to look after his interests in the above-mentioned events, in the understanding that he will be empowered to determine the hiring of lawyers and advisors other than those used by the Company, if appropriate.- 7.- IT IS HEREBY RESOLVED to admit – with retroactive effect as of October 18, 2005 – the appointment of Mr. Francisco Jose Perez Ortega to the position of Alternate Secretary of the Board of Directors (who is not a member) and the Company's Alternate Secretary as conferred upon resolution of the Board of Directors on the aforementioned date. Proof is given that he will not have the right to speak or vote during the meetings of the Board and shall only perform his appropriate duties; he may only act in the event of the absence, total permanent disability, removal, resignation or death of Mr. Juan Carlos Quintana Segur.- 8.- IT IS HEREBY RESOLVED to ratify the appointment of all the other regular or alternate members of the Board; of the Secretary of the Board of Directors who is not a member thereof and the Regular and Alternate Examiner which were approved at the regular stockholders' meeting held on April 6,2004.- 9.- IT IS HEREBY RESOLVED in regards to the new appointment as well as all the individuals who have been ratified, to unconditionally and irrevocable grant them as of this moment the broadest release allowed by law.- 10.- IT IS HEREBY RESOLVED to give proof that as of this date the Company's Board of Directors, Secretary and Examiners shall be the following:- BOARD OF DIRECTORS.- Regular Members.- Alonso Ancira Elizondo.- Chairman.- Xavier D. Autrey Maza- Vice-Chairman.- Manuel Ancira Elizondo.- Jim Pignatelli.- Jorge Ancira Elizondo.- Juan Carlos

Carredano Pérez.- Javier Reyna Rodriguez.- Sandra Lopez Benavides.- Alternate Members.- Jose Eduardo Ancira Elizondo.- Telber Gustafson.- Jorge Ordoñez Cortes.- Alfonso Lebrija Guiot.- Who may indistinctly replace any of Messrs. Ancira Elizondo and Reyna Rodriguez.- Who may indistinctly replace any of Messrs. Autrey Maza, Pignatelli, Carredano Perez and Mrs. Lopez Benavides.- Juan Carlos Quintana Segur.- Secretary of the Board of Directors (who is not a member) and the Company's Secretary.- Francisco Jose Perez Ortega, Alternate Secretary of the Board of Directors (who is not a member) and the Company's Alternate Secretary.- 11.- IT IS HEREBY RESOLVED to ratify payment of the considerations made to the members of the Board and examiners as of March 18, 2005, and up to the date of this meeting by the following round-off gross totals: a) 7,230,000.00 pesos (seven million two hundred thirty thousand Mexican pesos and no cents) to regular members; b) 110,000.00 pesos (one hundred ten thousand Mexican pesos and no cents) to alternate members; c) 325,000.00 pesos (three hundred twenty five thousand Mexican pesos and no cents) to the Secretary (who is not a member); and d) 1,320,000.00 pesos (one million three hundred twenty thousand Mexican pesos and no cents) to Examiners. Such amounts have been paid during the aforementioned period. 12; IT IS HEREBY RESOLVED to take note of and approve the report issued by the Chairman of the Meeting, with stress on the written report dated February 22, 2006, by the firm Guerra Gonzalez y Asociados, S.C., which is attached hereto relating the general status and progress of the suspension of payments proceeding filed by AHMSA and some of its subsidiaries, and both the Chairman and Vice-Chairman of the Board of Directors are authorized to give the firm Guerra Gonzalez y Asociados, S.C. and any other legal advisors instructions and/or agree on the recommendations for the due development of the process and protection of the interests of the Company and its subsidiaries in accordance with and strictly under the applicable legal provisions, approving and ratifying with no reserve or limit the agreements, resolutions and acts made, taken and carried out by the Company, its Board members, officers and/or advisors under the legal suspension of payments process and authorize them to continue therewith.- 13.- IT IS HEREBY RESOLVED to take note of the report submitted on the financial restructuring processes by ratifying in all its terms and with no reserve and limit the contents and scope of the agreements reached, authorizing both Messrs. Alonso Ancira Elizondo and Xavier D. Autrey Maza to directly or through officers and advisors determine to carry out all the appropriate acts required to continue

searching for alternatives within the financial restructuring process and, if any, find feasible alternatives strictly abided by the applicable legal provisions, always taking into account the best interest of the Company and its shareholders, approving and ratifying with no reserve or limit the agreements, resolutions and acts made, taken and carried out by the Company, its Board members, officers and/or advisors under the financial liabilities restructuring process, authorizing them to continue therewith.- 14.- IT IS HEREBY RESOLVED to take note and approve with no reserve or limit the report submitted on the current status of legal processes brought against the members of the Board of Directors of the Company and its subsidiaries and agree to go on with the strategies approved for the care and follow-up of such criminal processes with special stress on the protection of the interests of the Company and the persons involved, always strictly abided by the applicable legal provisions and for the reasons given to the Board of Directors authorize that in due time and when the procedural and legal situation of the Company so allows, they are duly indemnified through the granting of the benefits, bonds, incentives and aids determined and resolved by the Board of Directors, including but not limited to the payment of damage, loss and moral damage.- 15: IT IS HEREBY RESOLVED to take note of the report submitted on the "Indemnification Resolution" and ratify its contents, effect and scope in all its terms, and incorporate it here by reference, as well as to approve all the expenses and costs incurred between March 1st, 2005 and February 28, 2006, in accordance with the detailed list attached hereto.- 16: IT IS HEREBY RESOLVED that Messrs. Andrés González-Saravia Coss, Juan Carlos Quintana Segur, Julián Cruz Márquez Abundis and Tannia B. López Abud are authorized as special delegates to individually or jointly issue any required certified copies hereof. Additionally, they are authorized to jointly or separately appear before the notary public they choose to ratify and formalize into a public deed the minutes of this Meeting and resolutions taken thereat, as well as to arrange, if any, the registration of the relevant public deed with the relevant Public Commerce Registry and file with all kinds of government, judicial and/or administrative authorities the necessary and appropriate notices, information and notifications deemed based on resolutions passed at this Meeting, including but not limited to the National Banking and Securities Commission ("CNBV") and the Bolsa Mexicana de Valores ("BMV") of a summary of resolutions in accordance with the General Provisions Applicable to Securities Issuers..."".

PERSONAL DATA

Mr. JULIAN CRUZ MARQUEZ ABUNDIS states to be Mexican, of age, married, born in Saltillo, Coahuila, on May 3, 1958, with address at Calle Managua numero 903-B, Colonia Guadalupe in this City of Monclova, Coahuila, a lawyer, current with the payment of the income tax, which was not evidenced, with Federal Taxpayer Register MAAJ5805032C4; who identifies himself with his voting card with Voter Code MRABJL58050305H200, issued by the Federal Electoral Institute, with his photograph.

NOTARIAL CERTIFICATION

In virtue of the above I, the undersigned Notary, HEREBY ATTEST AND CERTIFY:

I.- The truthfulness of the statements herein.

II.- The statements and inserted texts truly match their originals, where they were taken from and to which I refer, and I attach to the Appendix of my Official Book a certified copy of the documents deemed appropriate with the number and reference of this deed.

III.-. That the minutes of the General Special Stockholders' Meeting of "ALTOS HORNOS DE MÉXICO", S.A. DE C.V., held in this City of Monclova, Coahuila, at 09:00 (nine hours) of December twelve, two thousand six was notarized.

IV.- That I personally know the appearing person, and consider him with legal status to execute contracts and validly become bind, and I am not aware of anything to the contrary.

V.- In order to comply with paragraph eight, Article 27 of the Federal Tax Code, I hereby attest that although I asked the special delegate of the notarized meeting for the Federal Taxpayers' Registration Code and the Tax Identification Certificate of each of the company's stockholders, he did not furnish them to me. Therefore, I will notify as provided for in paragraph three of Rule 2.3.12 of the Miscellaneous Resolution for 2006.

VIII.- That I have read this instrument to the appearing person and explained to him its value and legal effects; he agreed with it and for due proof thereof, he signed along with the undersigned Notary, this 13th day of December, 2006.-.- I HEREBY ATTEST.-

GRANTOR.- "ALTOS HORNOS DE MÉXICO" S.A. DE C.V., REPRESENTED HEREIN BY: MR. JULIAN CRUZ MARQUEZ ABUNDIS, ACTING AS SPECIAL

DELEGATE- (Signed).- PASSED BEFORE ME.- MR. BENIGNO GIL DE LOS SANTOS.- NOTARY PUBLIC NUMBER 6.- GIS520401JJ8.- (Signed and the Notary's authorizing seal).-

I hereby certify that on December 18 of this year, the undersigned Notary "notified the Ministry of the Treasury and Public Credit of the failure to present the Code of the Federal Taxpayers' Registration, the Tax Identification Certificate, the certificate of the Tax Registry issued by the SAT (Tax Administration Service) of the stockholders of GRUPO ACERO DEL NORTE, S.A. DE C.V., through the electronic program of Informative Return of Public Notaries "DECLARANOT", referred to in paragraph 8, Article 27 of the Federal Tax Code, and paragraph 3, rule 2.3.12 of the Miscellaneous Tax Resolution for 2006, a copy of which I attached to the appendix of this official record with the relevant number.- MR. BENIGNO GIL DE LOS SANTOS. NOTARY PUBLIC NUMBER 6. GIS520401JJ8. (The notary's signature and seal).

FINAL AUTHORIZATION

Pursuant to Article (37) thirty-seven of the Notary's Law in force in the state, I FINALLY AUTHORIZE this deed on the date of its signature and because it is not subject to taxes, in Monclova, Coahuila, this 18th day of December, 2006.- I HEREBY ATTEST. MR. BENIGNO GIL DE LOS SANTOS.- NOTARY PUBLIC NUMBER 6.- GISB520501JJ8.- MR. BENIGNO GIL DE LOS SANTOS. NOTARY PUBLIC No. 6.- GISB520501JJ8. (Notary's signature and authorizing seal).-

THIS IS THE FIRST TRUE AND CORRECT TRANSCRIPT OF ITS ORIGINAL IN MY OFFICIAL BOOK OF THIS YEAR TWO THOUSAND AND SIX WITH NUMBER (230) TWO HUNDRED AND THIRTY, COMPOSED OF (54) FIFTY-FOUR PAGES DULY MATCHED PURSUANT TO THE LAW. IT IS ISSUED FOR THE USE OF THE COMPANY "ALTOS HORNOS DE MÉXICO", S.A. DE C.V..- IT IS AUTHORIZED IN THIS CITY OF MONCLOVA, COAHUILA, THIS 18th DAY OF DECEMBER, 2006.- I HEREBY ATTEST.-

(Signed)

MR. BENIGNO GIL DE LOS SANTOS
NOTARY PUBLIC NUMBER 6
GISB520401JJ8

I HEREBY CERTIFY:
That the copy of this document has been compared and truly matches its original, which I examined. It is composed of (54) fifty-four pages on both sides and (01) appendix, duly sealed and matched. I HEREBY ATTEST.
Monclova, Coahuila, October 27, 2008
PASSED BEFORE ME:
(Signed)
MR. ROBERTO MONCADA MENDOZA
NOTARY PUBLIC NUMBER TWENTY AND OF
THE FEDERAL REAL ESTATE
MOMR-460601-1P0

Mr. Benigno Gil de los Santos, Notary Public Number (6) Six in and for the Notarial District of Monclova, State of Coahuila de Zaragoza

HEREBY CERTIFIES

That this copy truly matches its original, which I examined and is composed of 55 pages on both sides only , and ___ on one side; this Certification is issued upon request of the interested party and in accordance with Article 9, Section II of the Notary's Law in force in the State.

Monclova, Coahuila, January 16, 2006.

MR. BENIGNO GIL DE LOS SANTOS

NOTARY PUBLIC NUMBER (6)

THE UNDERSIGNED MR. BENIGNO GIL DE LOS SANTOS, NOTARY PUBLIC NUMBER (6) SIX IN AND FOR THIS NOTARIAL DISTRICT OF MONCLOVA, STATE OF COAHUILA DE ZARAGOZA, HEREBY CERTIFIES: That the above copy composed of 55 pages on 2 side(s) identified with my authorizing seal and flourish truly matches its original, which I examined and with which I compared it, and I HEREBY CERTIFY this in accordance with the various articles of the Notary's Law in force in the State I HEREBY ATTEST.
Monclova, Coahuila, November 25, 2008.

MR. BENIGNO GIL DE LOS SANTOS
Notary Public Number 6

I HEREBY CERTIFY:
That the copy of this document has been compared and truly matches its original, which I examined. It is composed of (54) fifty-four pages on both sides and (01) appendix, duly sealed and matched. I HEREBY ATTEST.
Monclova, Coahuila, July 8, 2009
PASSED BEFORE ME:
(Signed)
MR. ROBERTO MONCADA MENDOZA
NOTARY PUBLIC NUMBER TWENTY AND OF
THE FEDERAL REAL ESTATE
MOMR-460601-1P0

COAHUILA
DE
ZARAGOZA

EXECUTIVE POWER
PUBLIC REGISTRY

GOVERNMENT SECRETARIAT
PUBLIC REGISTRY
OFFICE OF MONCLOVA, COAHUILA

REGISTRATION VOUCHER

THE ACT DESCRIBED HEREIN WAS REGISTERED IN THE ELECTRONIC MERCANTILE FOLIO No. 122 * 3

Internal Control Priority Date

3 * DECEMBER / 20 / 2006

Registration Background:
ITEM 75, FOLIO 40 BACK, BOOK 25, COMMERCE,
DATE 07/29/1942.

Name
ALTOS HORNOS DE MÉXICO, S.A.B. DE C.V.

Posting to:

Folio ID	Act	Description	Date of Registration	Registry
122	*3*	*M2* *Special Meeting 1*	01- 15- 2007	1

Characters of Registration Authenticity: (Illegible)

Registration rights

Date DECEMBER 20, 2006

Amount $3,037.00 Payment voucher No. : 176127486

Subsidy $.00

THE OFFICE SECRETARY

(Signed)

MS. LIDIETH VILLARREAL FLORES

THE DIRECTOR REGISTER

(Signed)

MR. SERGIO CARRILLO CAMPOS

COMMERCE REGISTER

(Signed)

MR. OSCAR ALAN IBARRA CARRILLO

I HEREBY CERTIFY:
That the copy of this document has been compared and truly matches its original, which I examined. It is composed of (54) fifty-four pages on both sides and (01) appendix, duly sealed and matched. I HEREBY ATTEST.
Monclova, Coahuila, May 26, 2009

PASSED BEFORE ME:
(Signed)
MR. ROBERTO MONCADA MENDOZA
NOTARY PUBLIC NUMBER TWENTY AND OF
THE FEDERAL REAL ESTATE
MOMR-460601-1P0

(On every page, seals reading: MR. ROBERTO MONCADA MENDOZA. NOTARY PUBLIC No. 20. JUDICIAL DISTRICT OF MONCLOVA. STATE OF COAHUILA DE ZARAGOZA;
MR. BENIGNO GIL DE LOS SANTOS, NOTARY PUBLIC No. 6, DISTRICT OF MONCLOVA, State of Coahuila de Zaragoza;
Stamps reading: MATCHED).

I, María de los Ángeles Pérez Cue, expert translator approved by the Superior Court of Justice in and for Mexico City, hereby certify that to the best of my knowledge and belief the above is a true translation of its original in Spanish.

Mexico City, July 2, 2010.

Ma. de los Angeles Pérez Cue