

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

GROUP SIMEC SA DE CV  
Form 6-K  
October 29, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16  
UNDER THE SECURITIES EXCHANGE ACT OF 1934

COMMISSION FILE NUMBER 1-11176

For the month of \_\_\_\_\_ October \_\_\_\_\_, 2009.

-----  
Group Simec, Inc.

-----  
(Translation of Registrant's Name Into English)

Av. Lazaro Cardenas 601, Colonia la Nogalera,  
Guadalajara, Jalisco, Mexico 44440

-----  
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports  
under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether the registrant is submitting the Form 6-K in  
paper as permitted by Regulation S-T Rule 101(b) (1)

Yes  No

Indicate by check mark whether the registrant is submitting the Form 6-K in  
paper as permitted by Regulation S-T Rule 101(b) (7)

Yes  No

Indicate by check mark whether the registrant by furnishing the information  
contained in this form is also thereby furnishing the information to the  
Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

(If "Yes" is marked, indicate below the file number assigned to the registrant  
in connection with Rule 12g3-2(b): 82-\_\_\_\_\_.)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the  
Company has duly caused this report to be signed on its behalf by the  
undersigned, thereunto duly authorized.

GRUPO SIMEC, S.A.B. de C.V.

-----  
(Registrant)

# Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

Date: October 29, 2009.

By: /s/ Luis Garcia Limon

-----  
Name: Luis Garcia Limon  
Title: Chief Executive Officer

[LOGO] GRUPO  
SIMEC

PRESS RELEASE

Contact:

Sergio Vigil Gonzalez  
Jose Flores Flores  
Grupo Simec, S.A. de C.V.  
Calzada Lazaro Cardenas 601  
44440 Guadalajara, Jalisco, Mexico  
52 55 1165 1025  
52 33 3770 6734

GRUPO SIMEC ANNOUNCES RESULTS OF OPERATIONS FOR THE FIRST NINE MONTHS OF 2009

GUADALAJARA, MEXICO, October 28, 2009- Grupo Simec, S.A.B. de C.V. (AMEX: SIM) ("Simec") announced today its results of operations for the nine-month period ended September 30, 2009.

Nine-Month Period Ended September 30, 2009 compared to Nine-Month Period Ended September 30, 2008

## Net Sales

Net sales decreased 48% to Ps. 14,277 million in the nine-month period ended September 30, 2009 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 2,854 million) compared to Ps. 27,567 million in the same period 2008 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 1,586 million). Shipments of finished steel products decreased 35% to 1,528 thousand tons in the nine-month period ended September 30, 2009 (including the net sales generated by the newly acquired plants of Grupo San of 386 thousand tons) compared to 2,357 thousand tons in the same period 2008 (including the net sales generated by the newly acquired plants of Grupo San of 144 thousand tons). Total sales outside of Mexico in the nine-month period ended September 30, 2009 decreased 69% to Ps. 6,108 million (including the net sales generated by the newly acquired plants of Grupo San of Ps. 9 million) compared with Ps. 19,489 million in the same period 2008, (including the net sales generated by the newly acquired plants of Grupo San of Ps. 97 million) while total Mexican sales increased 1% from Ps. 8,078 million in the nine-month period ended September 30, 2008 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 1,489 million) to Ps. 8,169 millions in the same period 2009 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 2,845 million). The decrease in sales is due to lower shipments during the nine-month period ended September 30, 2009, compared to the same period in 2008 (a 829,000 tons decrease). The average price of steel products decreased 20% in the nine-month period ended September 30, 2009 compared with the same period of 2008.

## Direct Cost of Sales

Direct cost of sales decreased 48% from Ps. 22,469 million in the nine-month period ended September 30, 2008 (including the cost of sales generated by the newly acquired plants of Grupo San of Ps. 970 million) to Ps. 11,610 million in the same period 2009 (including the cost of sales generated by the newly acquired plants of Grupo San of Ps. 1,912 million). Direct cost of sales as a percentage of net sales represented 81% in the nine-month period ended September 30, 2009 compared to 82% in the same period 2008. The average cost of raw

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

materials used to produce steel products decreased 20% in the nine-month period ended September 30, 2009 versus the same period 2008, primarily as a result of decreases in the price of scrap and certain other raw materials.

### Marginal Profit

Marginal profit in the nine-month period ended September 30, 2009 was Ps. 2,667 million (including the marginal profit generated by the newly acquired plants of Grupo San of Ps. 942 million) compared to Ps. 5,098 million in the same period 2008 (including the marginal profit generated by the newly acquired plants of Grupo San of Ps. 616 million). Marginal profit as a percentage of net sales in the nine-month period ended September 30, 2009 was 19% compared to 18% in the same period 2008. The decline in marginal profit is due to lower shipments of 35% during the nine-month period ended September 30, 2009 compared with the same period of 2008.

### Operating Expenses

Operating expenses increased 23% to Ps. 1,665 million in the nine-month period ended September 30, 2009 (including the operating expenses from the newly acquired plants of Grupo San of Ps. 331 million and the amortization of the tangible and intangible assets of Ps. 269 million registered by the acquisition of Grupo San) compared to Ps. 1,358 million in the same period 2008 (including the operating expenses from the newly acquired plants of Grupo San of Ps. 202 million), and represented 12% of net sales in the nine-month period ended September 30, 2009 and 5% of net sales in the same period 2008.

### Operating Income

Operating income decreased 73% to Ps. 1,002 million for the nine-month period ended September 30, 2009 (including the operating income generated by the newly acquired plants of Grupo San of Ps. 342 million) compared to Ps. 3,740 million in the same period 2008 (including the operating income generated by the newly acquired plants of Grupo San of Ps. 414 million). Operating income as a percentage of net sales was 7% in the nine-month period ended September 30, 2009 compared to 14% in the same period 2008. The decline in operating income is due to lower shipments of 35% during the nine-month period ended September 30, 2009 compared with the same period of 2008.

### Comprehensive Financial Cost

Comprehensive financial cost in the nine-month period ended September 30, 2009 represented an expense of Ps. 49 million compared with an expense of Ps. 233 million in the same period 2008. Net interest expense was Ps. 24 million in the nine-month period ended September 30, 2009 compared with a net interest income of Ps. 81 million in the same period 2008. At the same time, we registered an exchange loss of Ps. 25 million in the nine-month period ended September 30, 2009 compared with an exchange loss of Ps. 314 million in the same period 2008, reflecting a 0.3% increase in the value of the peso versus the dollar in the nine-month period ended September 30, 2009 compared to the same period of 2008.

### Other Expenses (Income) net

The company recorded other income net of Ps. 7 million in the nine-month period ended September 30, 2009 compared to other income net of Ps. 53 million in the same period 2008.

### Income Taxes

Income Taxes recorded a provision of Ps. 168 million in the nine-month period

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

ended September 30, 2009 (including the provision of Ps. 15 million of deferred income taxes) compared to Ps. 1,209 million in the same period of 2008 (including the provision of Ps. 771 million of deferred income taxes).

### Net Income

As a result of the foregoing, net income decreased by 66% to Ps. 792 million in the nine-month period ended September 30, 2009 from Ps. 2,351 million in the same period 2008.

### Liquidity and Capital Resources

As of September 30, 2009, Simec's total consolidated debt consisted of U.S. \$302,000 of 8 7/8% medium-term notes ("MTN's") due 1998 (accrued interest on September 30, 2009 was U.S. \$411,654). As of December 31, 2008, Simec's total consolidated debt consisted of U.S. \$952,000; U.S. \$650,000 is a credit bank and U.S. \$302,000 of 8 7/8% medium-term notes ("MTN's") due 1998 (accrued interest on December 31, 2008 was U.S. \$387,882).

### Comparative third quarter 2009 vs second quarter 2009

#### Net Sales

Net sales increased 21% from Ps. 4,161 million for the second quarter 2009 to Ps. 5,035 million for the third quarter 2009. Sales in tons of finished steel increased 17% to 551 thousand tons in the third quarter 2009 compared with 471 thousand tons in the second quarter 2009. The total sales outside of Mexico for the third quarter 2009 increased 53% to Ps. 2,348 million compared with Ps. 1,538 million for the second quarter 2009. Total Mexican sales increased 2% to Ps. 2,687 million in the third quarter 2009 from Ps. 2,623 million in the second quarter 2009. Prices of finished products sold in the third quarter 2009 increased approximately 3% compared to the second quarter 2009.

#### Direct Cost of Sales

Direct cost of sales increased 30% from Ps. 3,256 million in the second quarter 2009 to Ps. 4,243 million for the third quarter 2009. With respect to sales, in the third quarter 2009, the direct cost of sales represents 85% compared to 78% for the second quarter 2009. The average cost of raw materials used to produce steel products increased 12% in the third quarter 2009 versus the second quarter 2009, primarily as a result of increases in the price of scrap and certain other raw materials.

#### Marginal Profit

Marginal profit for the third quarter 2009 decreased 12% to Ps. 792 million compared to Ps. 905 million in the second quarter 2009. The marginal profit as a percentage of net sales for the third quarter 2009 was 16% compared with 22% for the second quarter of 2009. The decline in marginal profit is due to the increase in the cost of raw materials used to produce steel products in the third quarter 2009 versus the second quarter 2009.

#### Operating Expenses

Operating expenses decreased 1% to Ps. 537 million in the third quarter 2009 compared to Ps. 543 million for the second quarter 2009. Operating expenses as a percentage of net sales represented 11% during the third quarter 2009 and 13% during the second quarter 2009.

#### Operating Income

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

Operating income decreased 30% from an operating income of Ps. 362 million in the second quarter 2009 to Ps. 255 million of operating income for the third quarter 2009. The operating income as a percentage of net sales in the third quarter 2009 was 5% compared to 9% in the second quarter 2009. The decrease in operating income is due to the increase in the cost of raw materials used to produce steel products in the third quarter 2009 versus the second quarter 2009.

### Comprehensive Financial Income (Cost)

Comprehensive financial income for the third quarter 2009 represented a gain of Ps. 12 million compared with an expense of Ps. 121 million for the second quarter 2009. Net interest expense was Ps. 13 million in the third quarter 2009 compared with Ps. 8 million of net interest expense in the second quarter 2009. At the same time we registered an exchange gain of Ps. 25 million in the third quarter 2009 compared with an exchange loss of Ps. 113 million in the second quarter 2009.

### Other Expenses (Income) net

The company recorded other income net of Ps. 7 million in the third quarter 2009 compared with other expense net of Ps. 1 million for the second quarter 2009.

### Income Taxes

Income Taxes for the third quarter 2009 was an expense of Ps. 7 million compared to Ps. 154 million of expense for the second quarter 2009.

### Net Income

As a result of the foregoing, net income was Ps. 267 million in the third quarter 2009 compared to Ps. 86 million of net income in the second quarter 2009.

### Comparative third quarter 2009 vs third quarter 2008

#### Net Sales

Net sales decreased 52% from Ps. 10,533 million for the third quarter 2008 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 1,073 million) to Ps. 5,035 million for the third quarter 2009 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 955 million). Sales in tons of finished steel decreased 31% to 551 thousand tons in the third quarter 2009 compared with 795 thousand tons in the third quarter 2008. The total sales outside of Mexico for the third quarter 2009 decreased 68% to Ps. 2,348 million compared with Ps. 7,317 million for the third quarter 2008. Total Mexican sales decreased 16% to Ps. 2,687 million in the third quarter 2009 from Ps. 3,216 million in the third quarter 2008. Prices of finished products sold in the third quarter 2009 decreased approximately 31% compared to the third quarter 2008.

#### Direct Cost of Sales

Direct cost of sales decreased 51% from Ps. 8,726 million in the third quarter 2008 (including the cost of sales generated by the newly acquired plants of Grupo San of Ps. 663 million) to Ps. 4,243 million for the third quarter 2009 (including the cost of sales generated by the newly acquired plants of Grupo San of Ps. 671 million). With respect to sales, in the third quarter 2009, the direct cost of sales represents 84% compared to 83% for the third quarter 2008. The average cost of raw materials used to produce steel products decreased 30%

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

in the third quarter 2009 versus the third quarter 2008, primarily as a result of decreases in the price of scrap and certain other raw materials.

### Marginal Profit

Marginal profit for the third quarter 2009 decreased 56% to Ps. 792 million (including the marginal profit generated by the newly acquired plants of Grupo San of Ps. 284 million) compared to Ps. 1,807 million in the third quarter 2008 (including the marginal profit generated by the newly acquired plants of Grupo San of Ps. 410 million). The marginal profit as a percentage of net sales for the third quarter 2009 was 16% compared with 17% for the third quarter 2008. The decline in marginal profit is due to lower shipments of 31% during the third quarter 2009 compared with the third quarter 2008.

### Operating Expenses

Operating expenses decreased 5% to Ps. 537 million in the third quarter 2009 (including the operating expenses from the newly acquired plants of Grupo San of Ps. 109 million and the amortization of the tangible and intangible assets of Ps. 89 million registered by the acquisition of Grupo San) compared to Ps. 564 million for the third quarter 2008 (including the operating expenses from the newly acquired plants of Grupo San of Ps. 149 million). Operating expenses as a percentage of net sales represented 11% during the third quarter 2009 and 5% during the third quarter 2008.

### Operating Income

Operating income decreased 79% from an operating income of Ps. 1,243 million in the third quarter 2008 (including the operating income generated by the newly acquired plants of Grupo San of Ps. 261 million) to Ps. 255 million of operating income for the third quarter 2009 (including the operating loss generated by the newly acquired plants of Grupo San of Ps. 86 million). The operating income as a percentage of net sales in the third quarter 2009 was 5% compared to 12% in the third quarter 2008. The decrease in operating income is due to lower shipments of 31% during the third quarter 2009 compared with the third quarter 2008.

### Comprehensive Financial Income (Cost)

Comprehensive financial income for the third quarter 2009 represented a gain of Ps. 12 million compared with a gain of Ps. 25 million for the third quarter 2008. Net interest expense was Ps. 13 million in the third quarter 2009 compared with Ps. 11 million of net interest expense in the third quarter 2008. At the same time we registered an exchange gain of Ps. 25 million in the third quarter 2009 compared with an exchange gain of Ps. 36 million in the third quarter 2008.

### Other Expenses (Income) net

The company recorded other income net of Ps. 7 million in the third quarter 2009 compared with other income net of Ps. 49 million for the third quarter 2008.

### Income Taxes

Income Taxes for the third quarter 2009 was an expense of Ps. 7 million compared to Ps. 483 million of income for the third quarter 2008.

### Net Income

As a result of the foregoing, net income was Ps. 267 million in the third quarter 2009 compared to Ps. 834 million of net income in the third quarter 2008.

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

Any forward-looking information contained herein is inherently subject to various risks, uncertainties and assumptions which, if incorrect, may cause actual results to vary materially from those anticipated, expected or estimated. The company assumes no obligation to update any forward-looking information contained herein.

### MEXICAN STOCK EXCHANGE SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

### CONSOLIDATED FINANCIAL STATEMENT AT SEPTEMBER 30 OF 2009 AND 2008 (thousands of Mexican pesos)

REF S	CONCEPTS	CURRENT YEAR	
		AMOUNT	%
s01	TOTAL ASSETS	30,629,914	100
s02	CURRENT ASSETS	13,425,170	44
s03	CASH AND SHORT-TERM INVESTMENTS	1,709,796	6
s04	ACCOUNTS AND NOTES RECEIVABLE (NET)	2,523,430	8
s05	OTHER ACCOUNTS AND NOTES RECEIVABLE	584,230	2
s06	INVENTORIES	8,371,833	27
s07	OTHER CURRENT ASSETS	235,881	1
s08	LONG-TERM	0	0
s09	ACCOUNTS AND NOTES RECEIVABLE (NET)	0	0
s10	INVESTMENT IN SHARES OF NON-CONSOLIDATED SUBSIDIARIES AND ASSOCIATES	0	0
s11	OTHER INVESTMENTS	0	0
s12	PROPERTY, PLANT AND EQUIPMENT (NET)	9,931,055	32
s13	LAND AND BUILDINGS	3,732,480	12
s14	MACHINERY AND INDUSTRIAL EQUIPMENT	12,824,310	42
s15	OTHER EQUIPMENT	231,272	1
s16	ACCUMULATED DEPRECIATION	7,378,129	24

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

s17	CONSTRUCTION IN PROGRESS	521,122	2
s18	OTHER INTANGIBLE ASSETS AND DEFERRED ASSETS (NET)	7,151,466	23
s19	OTHER ASSETS	122,223	0
s20	TOTAL LIABILITIES	8,465,596	100
s21	CURRENT LIABILITIES	4,165,860	49
s22	SUPPLIERS	2,020,071	24
s23	BANK LOANS	0	0
s24	STOCK MARKET LOANS	4,078	0
s103	OTHER LOANS WITH COST	0	0
s25	TAXES PAYABLE	230,728	3
s26	OTHER CURRENT LIABILITIES WITHOUT COST	1,910,983	23
s27	LONG-TERM LIABILITIES	0	0
s28	BANK LOANS	0	0
s29	STOCK MARKET LOANS	0	0
s30	OTHER LOANS WITH COST	0	0
s31	DEFERRED LIABILITIES	0	0
s32	OTHER NON-CURRENT LIABILITIES WITHOUT COST	4,299,736	51
s33	CONSOLIDATED STOCKHOLDERS' EQUITY	22,164,318	100
s34	MINORITY INTEREST	2,740,298	12
s35	MAJORITY INTEREST	19,424,020	88
s36	CONTRIBUTED CAPITAL	8,350,900	38
S79	CAPITAL STOCK	4,142,696	19
s39	PREMIUM ON ISSUANCE OF SHARES	4,208,204	19
s40	CONTRIBUTIONS FOR FUTURE CAPITAL INCREASES	0	0
s41	EARNED CAPITAL	11,073,120	50
s42	RETAINED EARNINGS AND CAPITAL RESERVES	10,677,190	48
s44	OTHER ACCUMULATED COMPREHENSIVE RESULT	395,930	2



Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

s80 SHARES REPURCHASED 0 0

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

CONSOLIDATED FINANCIAL STATEMENT  
BREAKDOWN OF MAIN CONCEPTS  
(thousands of Mexican pesos)

REF S	CONCEPTS	CURRENT YEAR	
		AMOUNT	%
s03	CASH AND SHORT-TERM INVESTMENTS	1,709,796	100
s46	CASH	1,546,154	90
s47	SHORT-TERM INVESTMENTS	163,642	10
s07	OTHER CURRENT ASSETS	235,881	100
s81	DERIVATIVE FINANCIAL INSTRUMENTS	0	0
s82	DISCONTINUED OPERATIONS	0	0
s83	OTHER	235,881	100
s18	OTHER INTANGIBLE ASSETS AND DEFERRED ASSETS (NET)	7,151,466	100
s48	DEFERRED EXPENSES	2,950,654	41
s49	GOODWILL	4,166,160	58
s51	OTHER	34,652	0
s19	OTHER ASSETS	122,223	100
s84	INTANGIBLE ASSET FROM LABOR OBLIGATIONS	0	0
s85	DERIVATIVE FINANCIAL INSTRUMENTS	0	0
s50	DEFERRED TAXES	0	0

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

s86	DISCONTINUED OPERATIONS	0	0
s87	OTHER	122,223	100
s21	CURRENT LIABILITIES	4,165,860	100
s52	FOREIGN CURRENCY LIABILITIES	1,991,288	48
s53	MEXICAN PESOS LIABILITIES	2,174,572	52
s26	OTHER CURRENT LIABILITIES WITHOUT COST	1,910,983	100
s88	DERIVATIVE FINANCIAL INSTRUMENTS	262,228	14
s89	INTEREST LIABILITIES	12,357	1
s68	PROVISIONS	0	0
s90	DISCONTINUED OPERATIONS	0	0
s58	OTHER CURRENT LIABILITIES	1,636,398	86
s27	LONG-TERM LIABILITIES	0	0
s59	FOREIGN CURRENCY LIABILITIES	0	0
s60	MEXICAN PESOS LIABILITIES	0	0
s31	DEFERRED LIABILITIES	0	0
s65	NEGATIVE GOODWILL	0	0
s67	OTHER	0	0
s32	OTHER NON CURRENT LIABILITIES WITHOUT COST	4,299,736	100
s66	DEFERRED TAXES	4,218,856	98
s91	OTHER LIABILITIES IN RESPECT OF SOCIAL INSURANCE	32,138	1
s92	DISCONTINUED OPERATIONS	0	0
s69	OTHER LIABILITIES	48,742	1
s79	CAPITAL STOCK	4,142,696	100
s37	CAPITAL STOCK (NOMINAL)	2,420,230	58
s69	RESTATEMENT OF CAPITAL STOCK	1,722,466	42

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

CONSOLIDATED FINANCIAL STATEMENT  
BREAKDOWN OF MAIN CONCEPTS  
(thousands of Mexican pesos)

REF S	CONCEPTS	CURRENT YEAR	
		AMOUNT	%
s42	RETAINED EARNINGS AND CAPITAL RESERVES	10,677,190	100
s93	LEGAL RESERVE	0	0
s43	RESERVE FOR REPURCHASE OF SHARES	200,612	2
s94	OTHER RESERVES	0	0
s95	RETAINED EARNINGS	9,307,346	87
s45	NET INCOME FOR THE YEAR	1,169,232	11
s44	OTHER ACCUMULATED COMPREHENSIVE RESULT	395,930	100
s70	ACCUMULATED MONETARY RESULT	0	0
s71	RESULT FROM HOLDING NON-MONETARY ASSETS	0	0
s96	CUMULATIVE RESULT FROM FOREIGN CURRENCY TRANSLATION	584,734	148
s97	CUMULATIVE RESULT FROM DERIVATIVE FINANCIAL INSTRUMENTS	(188,804)	(48)
s98	CUMULATIVE EFFECT OF DEFERRED INCOME TAXES	0	0
s99	LABOR OBLIGATION ADJUSTMENT	0	0
s100	OTHER	0	0

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

BALANCE SHEETS  
OTHER CONCEPTS  
(thousands of Mexican pesos)

REF S	CONCEPTS	CURRENT YEAR	
		AMOUNT	
S72	WORKING CAPITAL	9,259,310	
S73	PENSIONS FUND AND SENIORITY PREMIUMS	0	
S74	EXECUTIVES (*)	60	
S75	EMPLOYERS (*)	1,638	
S76	WORKERS (*)	2,767	
S77	COMMON SHARES (*)	497,709,214	
S78	REPURCHASED SHARES (*)	0	
S101	RESTRICTED CASH	0	
S102	NET DEBT OF NON CONSOLIDATED COMPANIES	645,704	

(\*) THESE ITEMS SHOULD BE EXPRESSED IN UNITS

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

STATEMENTS OF INCOME  
FROM JANUARY 1 TO SEPTEMBER 30 OF 2009 AND 2008  
(thousands of Mexican pesos)

REF R	CATEGORIES	CURRENT YEAR	
		AMOUNT	%
r01	NET SALES	14,277,276	100
r02	COST OF SALES	11,609,911	81
r03	GROSS PROFIT	2,667,365	19

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

r04	OPERATING EXPENSES	1,665,339	12
r05	OPERATING INCOME	1,002,026	7
r08	OTHER INCOME AND (EXPENSE), NET	7,799	0
r06	COMPREHENSIVE FINANCING RESULT	(49,184)	0
r12	EQUITY IN NET INCOME OF NON-CONSOLIDATED SUBSIDIARIES AND ASSOCIATES	0	0
r48	NON ORDINARY ITEMS	0	0
r09	INCOME BEFORE INCOME TAXES	960,641	7
r10	INCOME TAXES	168,062	1
r11	INCOME (LOSS) BEFORE DISCONTINUED OPERATIONS	792,579	6
r14	DISCONTINUED OPERATIONS	0	0
r18	NET CONSOLIDATED INCOME	792,579	6
r19	NET INCOME OF MINORITY INTEREST	(376,653)	(3)
r20	NET INCOME OF MAJORITY INTEREST	1,169,232	8

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

STATEMENTS OF INCOME  
BREAKDOWN OF MAIN CONCEPTS  
(thousands of Mexican pesos)

REF R	CONCEPTS	CURRENT YEAR	
		AMOUNT	%
r01	NET SALES	14,277,276	100
r21	DOMESTIC	8,168,694	57
r22	FOREIGN	6,108,582	43
r23	TRANSLATED INTO DOLLARS (***)	447,238	
r08	OTHER INCOME AND (EXPENSE), NET	7,799	100

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

r49	OTHER INCOME AND (EXPENSE), NET	7,799	100
r34	EMPLOYEES' PROFIT SHARING EXPENSES	0	0
r35	DEFERRED EMPLOYEES' PROFIT SHARING	0	0
r06	COMPREHENSIVE FINANCING RESULT	(49,184)	100
r24	INTEREST EXPENSE	45,496	(93)
r42	GAIN (LOSS) ON RESTATEMENT OF UDI'S	0	0
r45	OTHER FINANCE COSTS	0	0
r26	INTEREST INCOME	20,955	43
r46	OTHER FINANCIAL PRODUCTS	0	0
r25	FOREIGN EXCHANGE GAIN (LOSS), NET	(24,643)	(50)
r28	RESULT FROM MONETARY POSITION	0	0
r10	INCOME TAXES	168,062	100
r32	INCOME TAX	152,674	91
r33	DEFERRED INCOME TAX	15,388	9

(\*\*\*) THOUSANDS OF DOLLARS

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

STATEMENTS OF INCOME  
OTHER CONCEPTS  
(thousands of Mexican pesos)

REF	CONCEPTS	CURRENT YEAR
R		AMOUNT
r36	TOTAL SALES	14,674,857
r37	TAX RESULT FOR THE YEAR	0

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

r38	NET SALES (**)	21,895,164
r39	OPERATION INCOME (**)	376,924
r40	NET INCOME OF MAJORITY INTEREST (**)	1,224,634
r41	NET CONSOLIDATED INCOME (**)	341,775
r47	OPERATIVE DEPRECIATION AND AMORTIZATION	811,806

(\*\*) RESTATED INFORMATION FOR THE LAST TWELVE MONTHS

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

QUARTERLY STATEMENTS OF INCOME  
FROM JULY 1 TO SEPTEMBER 30 OF 2009 AND 2008  
(thousands of Mexican pesos)

REF R	CATEGORIES	CURRENT YEAR	
		AMOUNT	%
r01	NET SALES	5,035,211	100
r02	COST OF SALES	4,242,839	84
r03	GROSS PROFIT	792,372	16
r04	OPERATING EXPENSES	536,909	11
r05	OPERATING INCOME	255,463	5
r08	OTHER INCOME AND (EXPENSE), NET	7,330	0
r06	COMPREHENSIVE FINANCING RESULT	11,461	0
r12	EQUITY IN NET INCOME OF NON-CONSOLIDATED SUBSIDIARIES AND ASSOCIATES	0	0
r48	NON ORDINARY ITEMS	0	0
r09	INCOME BEFORE INCOME TAXES	274,254	5
r10	INCOME TAXES	7,287	0
r11	INCOME (LOSS) BEFORE DISCONTINUED OPERATIONS	266,967	5
r14	DISCONTINUED OPERATIONS	0	0

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

r18	NET CONSOLIDATED INCOME	266,967	5
r19	NET INCOME OF MINORITY INTEREST	(80,758)	(2)
r20	NET INCOME OF MAJORITY INTEREST	347,725	7

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

QUARTERLY STATEMENTS OF INCOME  
BREAKDOWN OF MAIN CONCEPTS  
(thousands of Mexican pesos)

REF R	CONCEPTS	CURRENT YEAR	
		AMOUNT	%
rt01	NET SALES	5,035,211	100
rt21	DOMESTIC	2,686,776	53
rt22	FOREIGN	2,348,435	47
rt23	TRANSLATED INTO DOLLARS (***)	177,944	
rt08	OTHER INCOME AND (EXPENSE), NET	7,330	100
rt49	OTHER INCOME AND (EXPENSE), NET	7,330	100
rt34	EMPLOYEES' PROFIT SHARING EXPENSES	0	0
rt35	DEFERRED EMPLOYEES' PROFIT SHARING	0	0
rt06	COMPREHENSIVE FINANCING RESULT	11,461	100
rt24	INTEREST EXPENSE	15,874	139
rt42	GAIN (LOSS) ON RESTATEMENT OF UDI'S	0	0
rt45	OTHER FINANCE COSTS	0	0
rt26	INTEREST INCOME	2,873	25
rt46	OTHER FINANCIAL PRODUCTS	0	0
rt25	FOREIGN EXCHANGE GAIN (LOSS), NET	24,462	213



Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

rt28	RESULT FROM MONETARY POSITION	0	0
rt10	INCOME TAXES	7,287	100
rt32	INCOME TAX	96,684	1,327
rt33	DEFERRED INCOME TAX	(89,397)	(1,227)

(\*\*\*) THOUSANDS OF DOLLARS

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

QUARTERLY STATEMENTS OF INCOME  
OTHER CONCEPTS  
(thousands of Mexican pesos)

REF RT	CONCEPTS	CURRENT YEAR AMOUNT	PREVIOUS AMOUNT
rt47	OPERATIVE DEPRECIATION AND AMORTIZATION	267,057	163,93

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

STATE OF CASH FLOW (INDIRECT METHOD)  
FROM JANUARY 1 TO SEPTEMBER 30 OF 2009 AND 2008  
(thousands of pesos)

REF C	CONCEPTS	CURRENT YEAR AMOUNT
----------	----------	------------------------

ACTIVITIES OF OPERATION

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

e01	INCOME (LOSS) BEFORE INCOME TAXES	960,641
e02	+ (-) ITEMS NOT REQUIRING CASH	0
e03	+ (-) ITEMS RELATED TO INVESTING ACTIVITIES	788,894
e04	+ (-) ITEMS RELATED TO FINANCING ACTIVITIES	45,496
e05	CASH FLOW BEFORE INCOME TAX	1,795,031
e06	CASH FLOW PROVIDED OR USED IN OPERATION	(474,173)
e07	CASH FLOW PROVIDED OF OPERATING ACTIVITIES	1,320,858
	INVESTMENT ACTIVITIES	
e08	NET CASH FLOW FROM INVESTING ACTIVITIES	(144,649)
e09	CASH FLOW AFTER INVESTING ACTIVITIES	1,176,209
	FINANCING ACTIVITIES	
e10	NET CASH FROM FINANCING ACTIVITIES	(43,154)
e11	NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	1,133,055
e12	TRANSLATION DIFFERENCES IN CASH AND CASH EQUIVALENTS	0
e13	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	576,741
e14	CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	1,709,796

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

STATE OF CASH FLOW (INDIRECT METHOD)  
BREAKDOWN OF MAIN CONCEPTS  
(thousands of pesos)

REF C	CONCEPTS	CURRENT YEAR AMOUNT
e02	+ (-) ITEMS NOT REQUIRING CASH	0
e15	+ ESTIMATES FOR THE PERIOD	0
e16	+ PROVISIONS FOR THE PERIOD	0

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

e17	+ (-) OTHER UNREALIZED ITEMS	0
-----		
e03	+ (-) ITEMS RELATED TO INVESTING ACTIVITIES	788,894
e18	+ DEPRECIATION AND AMORTIZATION FOR THE PERIOD	811,806
e19	(-) + GAIN OR LOSS ON SALE PROPERTY, PLANT AND EQUIPMENT	0
e20	+ IMPAIRMENT LOSS	0
e21	(-) + EQUITY IN RESULTS OF ASSOCIATES AND JOINT VENTURES	0
e22	(-) DIVIDENDS RECEIVED	0
e23	(-) INTEREST INCOME	(20,955)
e24	(-) + OTHER ITEMS	(1,957)
-----		
e04	+ (-) ITEMS RELATED TO FINANCING ACTIVITIES	45,496
e25	+ ACCRUED INTEREST	45,496
e26	+ (-) OTHER ITEMS	0
-----		
e06	CASH FLOW PROVIDED OR USED IN OPERATION	(474,173)
e27	+ (-) DECREASE (INCREASE) IN ACCOUNTS RECEIVABLE	332,042
e28	+ (-) DECREASE (INCREASE) IN INVENTORIES	478,073
e29	+ (-) DECREASE (INCREASE) IN OTHER ACCOUNT RECEIVABLES	(142,571)
e30	+ (-) INCREASE DECREASE IN SUPPLIERS	(1,379,700)
e31	+ (-) INCREASE DECREASE IN OTHER LIABILITIES	687,200
e32	+ (-) INCOME TAXES PAID OR RETURNED	(449,217)
-----		
e08	NET CASH FLOW FROM INVESTING ACTIVITIES	(144,649)
e33	(-) PERMANENT INVESTMENT IN SHARES	0
e34	+ DISPOSITION OF PERMANENT INVESTMENT IN SHARES	0
e35	(-) INVESTMENT IN PROPERTY PLANT AND EQUIPMENT	(165,604)
e36	+ SALE OF PROPERTY PLANT AND EQUIPMENT	0
e37	(-) INVESTMENT IN INTANGIBLE ASSETS	0
e38	+ DISPOSITION OF INTANGIBLE ASSETS	0
e39	+ OTHER PERMANENT INVESTMENTS	0
-----		

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

e40	+ DISPOSITION OF OTHER PERMANENT INVESTMENTS	0
e41	+ DIVIDEND RECEIVED	0
e42	+ INTEREST RECEIVED	20,955
e43	+ (-) DECREASE (INCREASE) ADVANCES AND LOANS TO THIRD PARTS	0
e44	+ (-) OTHER ITEMS	0
e10	NET CASH FROM FINANCING ACTIVITIES	(43,154)
e45	+ BANK FINANCING	0
e46	+ STOCK MARKET FINANCING	0
e47	+ OTHER FINANCING	0
e48	(-) BANK FINANCING AMORTIZATION	(8,777)
e49	(-) STOCK MARKET FINANCING AMORTIZATION	0
e50	(-) OTHER FINANCING AMORTIZATION	0
e51	+ (-) INCREASE (DECREASE ) IN CAPITAL STOCK	0
e52	(-) DIVIDENDS PAID	0
e53	+ PREMIUM ON ISSUANCE OF SHARES	0
e54	+ CONTRIBUTIONS FOR FUTURE CAPITAL INCREASES	0
e55	(-) INTEREST EXPENSE	(21,270)
e56	(-) REPURCHASE OF SHARES	0
e57	+ (-) OTHER ITEMS	(13,107)

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

DATE PER SHARE  
CONSOLIDATED

REF	CATEGORIES	QUARTER OF PRESENT FINANCIAL YEAR
D		
d01	BASIC PROFIT PER ORDINARY SHARE (**)	\$ 0.52

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

d02	BASIC PROFIT PER PREFERRED SHARE (**)	\$ 0.00
d03	DILUTED PROFIT PER ORDINARY SHARE (**)	\$ 0.00
d04	EARNINGS (LOSS) BEFORE DISCONTINUED OPERATIONS PER COMMON SHARE (**)	\$ 0.52
d05	DISCONTINUED OPERATIONS EFFECT ON EARNING (LOSS) PER SHARE (**)	\$ 0.00
d08	CARRYING VALUE PER SHARE	\$39.03
d09	CASH DIVIDEND ACCUMULATED PER SHARE	\$ 0.00
d10	DIVIDEND IN SHARES PER SHARE	0.00 shares
d11	MARKET PRICE TO CARRYING VALUE	0.92 times
d12	MARKET PRICE TO BASIC PROFIT PER ORDINARY SHARE	52.13 times
d13	MARKET PRICE TO BASIC PROFIT PER PREFERENT SHARE (**)	0.00 times

(\*\*) TO CALCULATE THE DATE PER SHARE USE THE NET INCOME FOR THE LAST TWELVE MONTHS.

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

RATIOS  
CONSOLIDATED

REF P	CATEGORIES	QUARTER OF PRESENT FINANCIAL YEAR
YIELD		
p01	NET INCOME TO NET SALES	5.55%
p02	NET INCOME TO STOCKHOLDERS' EQUITY (**)	1.54%
p03	NET INCOME TO TOTAL ASSETS (**)	1.12%
p04	CASH DIVIDENDS TO PREVIOUS YEAR NET INCOME	0.00%
p05	INCOME DUE TO MONETARY POSITION TO NET INCOME	0.00%
ACTIVITY		
p06	NET SALES TO NET ASSETS (**)	0.71 times

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

p07	NET SALES TO FIXED ASSETS (**)	2.20 times
p08	INVENTORIES TURNOVER (**)	1.39 times
p09	ACCOUNTS RECEIVABLE IN DAYS OF SALES	41 days
p10	PAID INTEREST TO TOTAL LIABILITIES WITH COST (**)	7.00%

LEVERAGE

p11	TOTAL LIABILITIES TO TOTAL ASSETS	27.64%
p12	TOTAL LIABILITIES TO STOCKHOLDERS' EQUITY	0.38 times
p13	FOREIGN CURRENCY LIABILITIES TO TOTAL LIABILITIES	23.52%
p14	LONG-TERM LIABILITIES TO FIXED ASSETS	0.00%
p15	OPERATING INCOME TO INTEREST PAID	22.02 times
p16	NET SALES TO TOTAL LIABILITIES (**)	2.59 times

LIQUIDITY

p17	CURRENT ASSETS TO CURRENT LIABILITIES	3.22 times
p18	CURRENT ASSETS LESS INVENTORY TO CURRENT LIABILITIES	1.21 times
p19	CURRENT ASSETS TO TOTAL LIABILITIES	1.59 times
p20	AVAILABLE ASSETS TO CURRENT LIABILITIES	41.04%

(\*\*) IN THESE RATIOS FOR THE DATA TAKE INTO CONSIDERATION THE LAST TWELVE MONTHS

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

DIRECTOR REPORT

CONSOLIDATED

Nine-Month Period Ended September 30, 2009 compared to Nine-Month Period Ended September 30, 2008

Net Sales

Net sales decreased 48% to Ps. 14,277 million in the nine-month period ended September 30, 2009 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 2,854 million) compared to Ps. 27,567 million in the same period 2008 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 1,586 million). Shipments of finished steel products

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

decreased 35% to 1,528 thousand tons in the nine-month period ended September 30, 2009 (including the net sales generated by the newly acquired plants of Grupo San of 386 thousand tons) compared to 2,357 thousand tons in the same period 2008 (including the net sales generated by the newly acquired plants of Grupo San of 144 thousand tons). Total sales outside of Mexico in the nine-month period ended September 30, 2009 decreased 69% to Ps. 6,108 million (including the net sales generated by the newly acquired plants of Grupo San of Ps. 9 million) compared with Ps. 19,489 million in the same period 2008, (including the net sales generated by the newly acquired plants of Grupo San of Ps. 97 million) while total Mexican sales increased 1% from Ps. 8,078 million in the nine-month period ended September 30, 2008 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 1,489 million) to Ps. 8,169 millions in the same period 2009 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 2,845 million). The decrease in sales is due to lower shipments during the nine-month period ended September 30, 2009, compared to the same period in 2008 (a 829,000 tons decrease). The average price of steel products decreased 20% in the nine-month period ended September 30, 2009 compared with the same period of 2008.

### Direct Cost of Sales

Direct cost of sales decreased 48% from Ps. 22,469 million in the nine-month period ended September 30, 2008 (including the cost of sales generated by the newly acquired plants of Grupo San of Ps. 970 million) to Ps. 11,610 million in the same period 2009 (including the cost of sales generated by the newly acquired plants of Grupo San of Ps. 1,912 million). Direct cost of sales as a percentage of net sales represented 81% in the nine-month period ended September 30, 2009 compared to 82% in the same period 2008. The average cost of raw materials used to produce steel products decreased 20% in the nine-month period ended September 30, 2009 versus the same period 2008, primarily as a result of decreases in the price of scrap and certain other raw materials.

### Marginal Profit

Marginal profit in the nine-month period ended September 30, 2009 was Ps. 2,667 million (including the marginal profit generated by the newly acquired plants of Grupo San of Ps. 942 million) compared to Ps. 5,098 million in the same period 2008 (including the marginal profit generated by the newly acquired plants of Grupo San of Ps. 616 million). Marginal profit as a percentage of net sales in the nine-month period ended September 30, 2009 was 19% compared to 18% in the same period 2008. The decline in marginal profit is due to lower shipments of 35% during the nine-month period ended September 30, 2009 compared with the same period of 2008.

### Operating Expenses

Operating expenses increased 23% to Ps. 1,665 million in the nine-month period ended September 30, 2009 (including the operating expenses from the newly acquired plants of Grupo San of Ps. 331 million and the amortization of the tangible and intangible assets of Ps. 269 million registered by the acquisition of Grupo San) compared to Ps. 1,358 million in the same period 2008 (including the operating expenses from the newly acquired plants of Grupo San of Ps. 202 million), and represented 12% of net sales in the nine-month period ended September 30, 2009 and 5% of net sales in the same period 2008.

### Operating Income

Operating income decreased 73% to Ps. 1,002 million for the nine-month period ended September 30, 2009 (including the operating income generated by the newly acquired plants of Grupo San of Ps. 342 million) compared to Ps. 3,740 million

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

in the same period 2008 (including the operating income generated by the newly acquired plants of Grupo San of Ps. 414 million). Operating income as a percentage of net sales was 7% in the nine-month period ended September 30, 2009 compared to 14% in the same period 2008. The decline in operating income is due to lower shipments of 35% during the nine-month period ended September 30, 2009 compared with the same period of 2008.

### Comprehensive Financial Cost

Comprehensive financial cost in the nine-month period ended September 30, 2009 represented an expense of Ps. 49 million compared with an expense of Ps. 233 million in the same period 2008. Net interest expense was Ps. 24 million in the nine-month period ended September 30, 2009 compared with a net interest income of Ps. 81 million in the same period 2008. At the same time, we registered an exchange loss of Ps. 25 million in the nine-month period ended September 30, 2009 compared with an exchange loss of Ps. 314 million in the same period 2008, reflecting a 0.3% increase in the value of the peso versus the dollar in the nine-month period ended September 30, 2009 compared to the same period of 2008.

### Other Expenses (Income) net

The company recorded other income net of Ps. 7 million in the nine-month period ended September 30, 2009 compared to other income net of Ps. 53 million in the same period 2008.

### Income Taxes

Income Taxes recorded a provision of Ps. 168 million in the nine-month period ended September 30, 2009 (including the provision of Ps. 15 million of deferred income taxes) compared to Ps. 1,209 million in the same period of 2008 (including the provision of Ps. 771 million of deferred income taxes).

### Net Income

As a result of the foregoing, net income decreased by 66% to Ps. 792 million in the nine-month period ended September 30, 2009 from Ps. 2,351 million in the same period 2008.

### Liquidity and Capital Resources

As of September 30, 2009, Simec's total consolidated debt consisted of U.S. \$302,000 of 8 7/8% medium-term notes ("MTN's") due 1998 (accrued interest on September 30, 2009 was U.S. \$411,654). As of December 31, 2008, Simec's total consolidated debt consisted of U.S. \$952,000; U.S. \$650,000 is a credit bank and U.S. \$302,000 of 8 7/8% medium-term notes ("MTN's") due 1998 (accrued interest on December 31, 2008 was U.S. \$387,882).

### Comparative third quarter 2009 vs second quarter 2009

#### Net Sales

Net sales increased 21% from Ps. 4,161 million for the second quarter 2009 to Ps. 5,035 million for the third quarter 2009. Sales in tons of finished steel increased 17% to 551 thousand tons in the third quarter 2009 compared with 471 thousand tons in the second quarter 2009. The total sales outside of Mexico for the third quarter 2009 increased 53% to Ps. 2,348 million compared with Ps. 1,538 million for the second quarter 2009. Total Mexican sales increased 2% to Ps. 2,687 million in the third quarter 2009 from Ps. 2,623 million in the second quarter 2009. Prices of finished products sold in the third quarter 2009 increased approximately 3% compared to the second quarter 2009.



## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

### Direct Cost of Sales

Direct cost of sales increased 30% from Ps. 3,256 million in the second quarter 2009 to Ps. 4,243 million for the third quarter 2009. With respect to sales, in the third quarter 2009, the direct cost of sales represents 85% compared to 78% for the second quarter 2009. The average cost of raw materials used to produce steel products increased 12% in the third quarter 2009 versus the second quarter 2009, primarily as a result of increases in the price of scrap and certain other raw materials.

### Marginal Profit

Marginal profit for the third quarter 2009 decreased 12% to Ps. 792 million compared to Ps. 905 million in the second quarter 2009. The marginal profit as a percentage of net sales for the third quarter 2009 was 16% compared with 22% for the second quarter of 2009. The decline in marginal profit is due to the increase in the cost of raw materials used to produce steel products in the third quarter 2009 versus the second quarter 2009.

### Operating Expenses

Operating expenses decreased 1% to Ps. 537 million in the third quarter 2009 compared to Ps. 543 million for the second quarter 2009. Operating expenses as a percentage of net sales represented 11% during the third quarter 2009 and 13% during the second quarter 2009.

### Operating Income

Operating income decreased 30% from an operating income of Ps. 362 million in the second quarter 2009 to Ps. 255 million of operating income for the third quarter 2009. The operating income as a percentage of net sales in the third quarter 2009 was 5% compared to 9% in the second quarter 2009. The decrease in operating income is due to the increase in the cost of raw materials used to produce steel products in the third quarter 2009 versus the second quarter 2009.

### Comprehensive Financial Income (Cost)

Comprehensive financial income for the third quarter 2009 represented a gain of Ps. 12 million compared with an expense of Ps. 121 million for the second quarter 2009. Net interest expense was Ps. 13 million in the third quarter 2009 compared with Ps. 8 million of net interest expense in the second quarter 2009. At the same time we registered an exchange gain of Ps. 25 million in the third quarter 2009 compared with an exchange loss of Ps. 113 million in the second quarter 2009.

### Other Expenses (Income) net

The company recorded other income net of Ps. 7 million in the third quarter 2009 compared with other expense net of Ps. 1 million for the second quarter 2009.

### Income Taxes

Income Taxes for the third quarter 2009 was an expense of Ps. 7 million compared to Ps. 154 million of expense for the second quarter 2009.

### Net Income

As a result of the foregoing, net income was Ps. 267 million in the third quarter 2009 compared to Ps. 86 million of net income in the second quarter 2009.

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

Comparative third quarter 2009 vs third quarter 2008

### Net Sales

Net sales decreased 52% from Ps. 10,533 million for the third quarter 2008 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 1,073 million) to Ps. 5,035 million for the third quarter 2009 (including the net sales generated by the newly acquired plants of Grupo San of Ps. 955 million). Sales in tons of finished steel decreased 31% to 551 thousand tons in the third quarter 2009 compared with 795 thousand tons in the third quarter 2008. The total sales outside of Mexico for the third quarter 2009 decreased 68% to Ps. 2,348 million compared with Ps. 7,317 million for the third quarter 2008. Total Mexican sales decreased 16% to Ps. 2,687 million in the third quarter 2009 from Ps. 3,216 million in the third quarter 2008. Prices of finished products sold in the third quarter 2009 decreased approximately 31% compared to the third quarter 2008.

### Direct Cost of Sales

Direct cost of sales decreased 51% from Ps. 8,726 million in the third quarter 2008 (including the cost of sales generated by the newly acquired plants of Grupo San of Ps. 663 million) to Ps. 4,243 million for the third quarter 2009 (including the cost of sales generated by the newly acquired plants of Grupo San of Ps. 671 million). With respect to sales, in the third quarter 2009, the direct cost of sales represents 84% compared to 83% for the third quarter 2008. The average cost of raw materials used to produce steel products decreased 30% in the third quarter 2009 versus the third quarter 2008, primarily as a result of decreases in the price of scrap and certain other raw materials.

### Marginal Profit

Marginal profit for the third quarter 2009 decreased 56% to Ps. 792 million (including the marginal profit generated by the newly acquired plants of Grupo San of Ps. 284 million) compared to Ps. 1,807 million in the third quarter 2008 (including the marginal profit generated by the newly acquired plants of Grupo San of Ps. 410 million). The marginal profit as a percentage of net sales for the third quarter 2009 was 16% compared with 17% for the third quarter 2008. The decline in marginal profit is due to lower shipments of 31% during the third quarter 2009 compared with the third quarter 2008.

### Operating Expenses

Operating expenses decreased 5% to Ps. 537 million in the third quarter 2009 (including the operating expenses from the newly acquired plants of Grupo San of Ps. 109 million and the amortization of the tangible and intangible assets of Ps. 89 million registered by the acquisition of Grupo San) compared to Ps. 564 million for the third quarter 2008 (including the operating expenses from the newly acquired plants of Grupo San of Ps. 149 million). Operating expenses as a percentage of net sales represented 11% during the third quarter 2009 and 5% during the third quarter 2008.

### Operating Income

Operating income decreased 79% from an operating income of Ps. 1,243 million in the third quarter 2008 (including the operating income generated by the newly acquired plants of Grupo San of Ps. 261 million) to Ps. 255 million of operating income for the third quarter 2009 (including the operating loss generated by the newly acquired plants of Grupo San of Ps. 86 million). The operating income as a percentage of net sales in the third quarter 2009 was 5% compared to 12% in the third quarter 2008. The decrease in operating income is due to lower shipments

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

of 31% during the third quarter 2009 compared with the third quarter 2008.

### Comprehensive Financial Income (Cost)

Comprehensive financial income for the third quarter 2009 represented a gain of Ps. 12 million compared with a gain of Ps. 25 million for the third quarter 2008. Net interest expense was Ps. 13 million in the third quarter 2009 compared with Ps. 11 million of net interest expense in the third quarter 2008. At the same time we registered an

exchange gain of Ps. 25 million in the third quarter 2009 compared with an exchange gain of Ps. 36 million in the third quarter 2008.

### Other Expenses (Income) net

The company recorded other income net of Ps. 7 million in the third quarter 2009 compared with other income net of Ps. 49 million for the third quarter 2008.

### Income Taxes

Income Taxes for the third quarter 2009 was an expense of Ps. 7 million compared to Ps. 483 million of income for the third quarter 2008.

### Net Income

As a result of the foregoing, net income was Ps. 267 million in the third quarter 2009 compared to Ps. 834 million of net income in the third quarter 2008.

Any forward-looking information contained herein is inherently subject to various risks, uncertainties and assumptions which, if incorrect, may cause actual results to vary materially from those anticipated, expected or estimated. The company assumes no obligation to update any forward-looking information contained herein.

### MEXICAN STOCK EXCHANGE SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

### FINANCIAL STATEMENT NOTES CONSOLIDATED

(1) Operations preparation bases and summary of significant accounting policies:

Grupo Simec, S.A. de C.V. and its Subsidiaries ("the Company") are subsidiaries of Industrias CH, S.A. de C.V. ("ICH"), and their main activities consist of the manufacturing and sale of steel products primarily destined for the construction sector of Mexico and other countries.

Significant accounting policies and practices followed by the Companies which affect the principal captions of the financial statements are described below:

a. Financial statement presentation - Below is a summary of the most significant accounting policies and practices used in the preparation of the consolidated financial statements, in conformity with Mexican Financial Reporting Standards (MFRS), which include Bulletins and Circulars issued by the Accounting

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

Principles Commission (CPC) of the Mexican Institute of Public Accountants (IMCP) which have not been amended, replaced or abrogated by MFRS issued by the Mexican Financial Reporting Standards Research and Development Board (Consejo Mexicano para la Investigacion y Desarrollo de Normas de Informacion Financiera, A.C. (CINIF)).

b. Principles of Consolidation - As part of the financial debt restructuring agreement into during 1997, Compania Siderurgica de Guadalajara, S.A. de C.V. ("CSG") assumed all of the debt of the Company in return for an equity interest in its subsidiaries. As a result of the above, the Company is the principal shareholder of CSG, and CSG is the principal shareholder of the other subsidiaries that Grupo Simec, S.A. de C.V. ("Simec") controlled before the restructuring.

The main subsidiaries of CSG are the following:

- o Simec International, S.A. de C.V.
- o Industrias del Acero y del Alambre, S.A. de C.V.
- o Pacific Steel Inc.
- o SimRep Corporation and PAV Republic and Subsidiaries
- o Corporacion Aceros DM, S.A. de C.V. and Subsidiaries

All significant intercompany balances and transactions have been eliminated in consolidation.

c. Cash and cash equivalents - The Company considers short-term investments with original maturities not greater than three months to be cash equivalent. Cash equivalents include temporary investments and Mexican Government Treasury Bonds, and are stated at market value, which approximates cost plus earned interest. Any increase in market value is credited to operations for the period.

d. Inventories - Domestic subsidiaries' inventories are recorded initially at average cost under the direct costing system. Foreign subsidiaries' inventories are valued on a last-in, first-out (LIFO). For translation effects into MFRS the inventories have been adjusted from LIFO to average cost under the direct costing system.

Billet finished goods and work in process, raw materials and materials, supplies and rollers - At the average cost.

The Company presents as non-current inventories the rollers and spare parts, which according to historical data and production trends will not be used within a one-year period.

e. Derivative financial instruments-- During 2009, 2008 and 2007 the Company used derivative financial instruments for hedging risks associated with natural gas prices for which it conducted studies on historical consumption, future requirement and commitments acquired, thus diminishing its exposure to risks other than its normal operating risks.

To mitigate the risks associated with changes in natural gas prices occurring naturally as a result of the supply and demand on international markets, the Company uses natural gas cash-flow exchange contracts or natural gas swaps to offset fluctuations in the price of natural gas, whereby the Company receives a floating price and pays a fixed price. Fluctuations in natural gas prices from volumes consumed are recognized as part of the Company's operating cost.

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

The fair value of these assets or liabilities is restated at the end of each month based on the new estimate. The Company periodically evaluates the changes in cash flows of the derivative instrument to analyze if the swaps are highly effective for mitigating the exposure to natural gas price fluctuations. A hedge instrument is considered to be highly effective when changes in its fair value or cash flows of the primary position are compensated on a regular or cumulatively basis, by changes in fair value or cash flows of the hedging instrument in a range between 80% and 125%. In 2009, 2008 and 2007 the fair value of derivatives that did not qualify for hedge accounting was adjusted through Statement of Income. For the derivatives that qualified for hedge accounting their fair value was adjusted through the Stockholders' equity in the caption Fair value of derivative financial instruments until such time as the related item the derivative hedges is recognized in income. At that time, the fair value included in Stockholders' equity is also recognized in income. The Company is using derivative financial instruments for hedging risks associated with natural gas prices and conducted studies on historical consumption, future requirements and commitments; thus it avoided exposure to risks other than the normal operating risks. Management of the Company examines its financial risks by continually analyzing price, credit and liquidity risks.

f. Property, plant and equipment - Property, plant and equipment of domestic origin are restated by using factors derived from The National Consumer Price Index ("NCPI") from the date of their acquisition, and imported machinery and equipment are restated by applying devaluation and inflation factors of the country of origin, until December 31, 2007. Depreciation recorded in the consolidated statement of income (loss) is computed based upon the estimated useful life and the restated cost of each asset. In addition, Financial expense incurred during the construction period is capitalized as construction in progress. The estimated useful lives of assets as of September 30, 2009 are as follows:

	Years
	-----
Buildings.....	15 to 50
Machinery and equipment .....	10 to 40
Buildings and improvements (Republic).....	10 to 25
Land improvements (Republic).....	5 to 25
Machinery and equipment (Republic).....	5 to 20

g. Other assets - Organization and pre-operating expenses are capitalized and their amortization is calculated by the straight-line method over a period of 20 years.

h. Seniority premiums and severance payments - According to Federal Labor Law, employees are entitled to seniority premiums after fifteen years or more of services. These premiums are recognized as expenses in the

years in which the services are rendered, using actuarial calculations based on the projected unit credit method, and since 1996 by applying real interest and salary increases.

Any other payments to which employees may be entitled in case of separation, disability or death, are charged to operations in the period in which they become payable.

i. Pension plan - Until 1995, the Company provided pension benefits for all personnel with a minimum of 10 years of service and 35 years of age. The Company had established an irrevocable trust for its contributions, which were based on actuarial calculations. In December 1995, the board of directors of the Company,

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

in agreement with the trade union, discontinued these benefits and related contributions to the trust fund. This decision was made because of the new Mexican pension fund system, Administradoras de Fondos para el Retiro, which establishes similar benefits for the employees. The balance of the trust fund will be applied to the retirement benefits of qualifying employees until the fund is exhausted due to the irrevocable status of the fund.

The Company does not have any contractual obligation regarding the payment of pensions of retirements.

j. Income taxes - In 1999, the Mexican Institute of Public Accountants issued Bulletin D-4, "Accounting for Income and Asset Taxes and Employee Profit Sharing", which is effective for all fiscal years beginning January 1, 2000. Bulletin D-4 establishes financial accounting and reporting standards for the effects of asset tax, income tax and employee profit sharing that result from enterprise activities during the current and preceding years.

The Company and its subsidiaries are included in the consolidated tax returns of the company's parent.

k. Foreign currency transactions and exchange differences - All transactions in foreign currency are recorded at the exchange rates prevailing on the date of their execution or liquidation. Foreign currency denominated assets and liabilities are translated at the exchange rates prevailing at the balance sheet date. Any exchange differences incurred with regard to assets or liabilities denominated in foreign currency are charged to operations of the period and are included in financial income (expense) in the accompanying consolidated statements of income (loss).

For consolidation purposes, the financial statements of the foreign subsidiaries, were translated into pesos in conformity with Mexican accounting Bulletin MFRS B-15, Transactions in Foreign Currency.

The first step in the process of conversion of financial information of the operations is the determination of the functional currency, which is in first instance the currency of primary the economic surroundings of the foreign operation; nevertheless, despite the previous thing, the functional currency can differ from the premises or registry, in the measurement that this one does not represent the currency that fundamentally affects the cash flow of the operations abroad. The financial statements of the foreign subsidiaries were turned to Mexican pesos with the following procedure:

- Applying the prevailing exchange rate at the consolidated balance date for monetary assets and liabilities.
- Applying the prevailing historical exchange rate for nonmonetary assets and liabilities and for stockholders' equity accounts.
- Applying the prevailing the historical exchange rate at the consolidated balance sheet date for revenues and expenses during the reporting period.
- The resulting effect of translation, the process of consolidation and to apply the participation method, is recorded in stockholders' equity under the accumulated effect by conversion forming part of the Comprehensive Income.

l. Geographic concentration of credit risk - The Company sells its products primarily to distributors for the construction industry with no specific geographic concentration. Additionally, no single customer accounted for a significant amount of the Company's sales, and there were no significant accounts receivable from a single customer or affiliate at September 30, 2009

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

sales to five customers accounted for approximately 34% of the Republic's sales. The Company performs evaluations of its customers' credit histories and establishes allowance for doubtful accounts based upon the credit risk of specific customers and historical trends.

m. Other income (expenses) - Other income (expenses) shown in the consolidated statements of operations primarily includes other financial operations.

### (2) Financial Debt:

As of September 30, 2009, Simec's total consolidated debt consisted of U.S. \$302,000 of 8 7/8% medium-term notes ("MTN's") due 1998 (accrued interest on September 30, 2009 was U.S. \$411,654). As of December 31, 2008, Simec's total consolidated debt consisted of U.S. \$952,000; U.S. \$650,000 is a credit bank and U.S. \$302,000 of 8 7/8% medium-term notes ("MTN's") due 1998 (accrued interest on December 31, 2008 was U.S. \$387,882).

### (3) Commitments and contingent liabilities:

a. Pacific Steel, Inc. (a wholly-owned subsidiary located in the U.S.A.) has been named in various claims and suits relating to the generation, storage, transport, disposal and cleanup of materials classified as hazardous waste. The Company has accrued approximately Ps. 7,761 (U.S. \$574,680) at September 30, 2009, (included in accrued liabilities) relating to these actions; the reduction of this reserve from previous levels reflects clean-up activities undertaken by Simec. Management believes the ultimate liability with respect to this matter will not exceed the amounts that have been accrued.

b. The Company is subject to various other legal proceeding and claims, which have arisen, in the ordinary course of its business. It is the opinion of management that their ultimate resolution will not have a material adverse effect on the Company's consolidated financial position or consolidated results of operations.

### MEXICAN STOCK EXCHANGE SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

### RELATIONS OF SHARES INVESTMENTS

COMPANY NAME	MAIN ACTIVITIES
SUBSIDIARIES	
Cia Siderurgica de Guadalajara	Production and sales of steel products
Simec International	Production and sales of steel products
Arrendadora Simec	Production and sales of steel products
Undershaft	Sub-Holding

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

Pacific Steel	Scrap purchase
Cia. Siderurgica del Pacifico	Rent of land
Coordinadora de Servicios Siderurgicos de Calidad	Administrative services
Comercializadora Simec	Sales of steel products
Industrias del Acero y del Alambre	Sales of steel products
Procesadora Mexicali	Scrap purchase
Servicios Simec	Administrative services
Sistemas de Transporte de Baja California	Freight services
Operadora de Metales	Administrative services
Operadora de Servicios Siderurgicos de Tlaxcala	Administrative services
Administradora de Servicios Siderurgicos de Tlaxcala	Administrative services
Operadora de Servicios de la Industria Siderurgica	Administrative services
SimRep	Sub-Holding
Republic Engineered Products	Production and sales of steel products
CSG Comercial	Sales of steel products
Comercializadora de Aceros de Tlaxcala	Sales of steel products
Siderurgica de Baja California	Sales of steel products
Corporacion Aceros DM	Sub-Holding
Productos Siderurgicos de Tlaxcala	Sales of steel products
Comercializadora MSAN	Sales of steel products
Comercializadora Aceros DM	Sales of steel products
Promotora de Aceros San Luis	Sales of steel products
Arrendadora Norte de Matamoros	Land
Procesadora Industrial	Administrative services
Acero Transporte San	Freight services
Simec International 2	Production and sales of steel products
Simec International 3	Production and sales of steel products
Simec International 4	Production and sales of steel products
Simec International 5	Production and sales of steel products
Simec Acero	Sales of steel products
Simec USA	Sales of steel products



Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

Pacific Projects

Administrative services

TOTAL INVESTMENT IN SUBSIDIARIES

ASSOCIATEDS

TOTAL INVESTMENT IN ASSOCIATEDS

OTHER PERMANENT INVESTMENTS

TOTAL

NOTES

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

CREDITS BREAK DOWN  
(THOUSANDS OF MEXICAN PESOS)

CONS

Denominated in Pesos (Thousands of Pesos)

Credit Type / Institution	Amortization Date	Rate of Interest	Time Interval				
			Current Year	Until 1 Year	Until 2 Years	Until 3 Years	Until 4 Years

BANKS

With Warranty			0	0	0	0	0
GE CAPITAL	20/05/2010	LIBOR+ 0.25	0	0	0	0	0
TOTAL BANKS			0	0	0	0	0

LISTED IN THE  
STOCK EXCHANGE

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

UNSECURED DEBT

Medium Term Notes	15/12/1998	9.33	0	0	0	0	0
-------------------	------------	------	---	---	---	---	---

TOTAL STOCK EXCHANGE

0	0	0	0	0
---	---	---	---	---

SUPPLIERS

Various	593,290	0	0	0	0
---------	---------	---	---	---	---

TOTAL SUPPLIERS

593,290	0	0	0	0
---------	---	---	---	---

OTHER LOANS WITH COST

TOTAL	0	0	0	0	0
-------	---	---	---	---	---

OTHER CURRENT LIABILITIES WITHOUT COST

Various	0	1,350,554	0	0	0
---------	---	-----------	---	---	---

TOTAL	0	1,350,554	0	0	0
-------	---	-----------	---	---	---

TOTAL	593,290	1,350,554	0	0	0
-------	---------	-----------	---	---	---

Denominated in Foreign Currency (Thousands of Pe

Credit Type / Institution	Amortization Date	Rate of Interest	Time Interval				
---------------------------	-------------------	------------------	---------------	--	--	--	--

Current Year	Until 1 Year	Until 2 Years	Until 3 Years	Until 4 Years
--------------	--------------	---------------	---------------	---------------

BANKS

With Warranty	0	0	0	0	0
---------------	---	---	---	---	---

LIBOR+

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

GE CAPITAL	20/05/2010	0.25	0	0	0	0	0
-----							
TOTAL BANKS			0	0	0	0	0
-----							
LISTED IN THE STOCK EXCHANGE							
-----							
UNSECURED DEBT							
-----							
Medium Term Notes	15/12/1998	9.33	4,078	0	0	0	0
-----							
TOTAL STOCK EXCHANGE			4,078	0	0	0	0
-----							
SUPPLIERS							
-----							
Various			1,426,781	0	0	0	0
-----							
TOTAL SUPPLIERS			1,426,781	0	0	0	0
-----							
OTHER LOANS WITH COST							
-----							
TOTAL			0	0	0	0	0
-----							
OTHER CURRENT LIABILITIES WITHOUT COST							
-----							
Various			0	560,429	0	0	0
-----							
TOTAL			0	560,429	0	0	0
-----							
TOTAL			1,430,859	560,429	0	0	0
-----							

NOTES: The exchange rate of the peso to the U.S. Dollar at September 30, 2009 was Ps. 13.5042

MEXICAN STOCK EXCHANGE

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

MONETARY FOREIGN CURRENCY POSITION  
(Thousands of Mexican Pesos)

FOREIGN CURRENCY POSITION	DOLLARS		OTHER CURR
	THOUSANDS OF DOLLARS	THOUSANDS OF PESOS	THOUSANDS OF DOLLARS
TOTAL ASSETS	213,374	2,881,453	1
LIABILITIES POSITION	146,738	1,981,570	719
SHORT TERM LIABILITIES POSITION	146,738	1,981,570	719
LONG TERM LIABILITIES POSITION	0	0	0
NET BALANCE	66,636	899,883	(718)

NOTES

THE EXCHANGE RATE OF THE PESO TO THE U.S. DOLLAR AT SEPTEMBER 30, 2009 WAS PS. 13.5042

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

DEBT INSTRUMENTS

CONSOLIDATED

FINANCIAL LIMITED BASED IN ISSUED DEED AND/OR TITLE

MEDIUM TERM NOTES

- A) Current assets to current liabilities must be 1.0 times or more.
- B) Total liabilities to total assets do not be more than 0.60.
- C) Operating income plus items added to income which do not require using cash must be 2.0 times or more.

## Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

This notes was offered in the international market.

### ACTUAL SITUATION OF FINANCIAL LIMITED

#### MEDIUM TERM NOTES

- A) Accomplished the actual situation is 3.22 times.
- B) Accomplished the actual situation is 0.28
- C) Accomplished the actual situation is 39.87

As of September 30, 2009, the remaining balance of the MTNs not exchanged amounts to Ps. 4,078 (\$302,000 dollars).

C.P. Jose Flores Flores  
Chief Financial Officer

### BONDS AND/OR MEDIUM TERM NOTES CERTIFICATE

#### MEXICAN STOCK EXCHANGE SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

#### PLANTS, COMMERCE CENTERS OR DISTRIBUTION CENTERS

PLANT OR CENTER	ECONOMIC ACTIVITY	PLANT CA
GUADALAJARA MINI MILL	PRODUCTION AND SALES OF STEEL PRODUCTS	48
MEXICALI MINI MILL	PRODUCTION AND SALES OF STEEL PRODUCTS	25
INDUSTRIAS DEL ACERO Y DEL ALAMBRE	SALE OF STEEL PRODUCTS	
APIZACO AND CHOLULA PLANTS	PRODUCTION AND SALES OF STEEL PRODUCTS	46
CANTON CASTER FACILITY	PRODUCTION OF BILLET	1,3
LORAIN CASTER FACILITY	PRODUCTION OF BILLET	1,1
LORAIN HOT-ROLLING MILL	PRODUCTION AND SALES OF STEEL PRODUCTS	84
LACKAWANNA HOT-ROLLING MILL	PRODUCTION AND SALES OF STEEL PRODUCTS	60
MASSILLON COLD-FINISH FACILITY	PRODUCTION AND SALES OF STEEL PRODUCTS	12
GARY COLD-FINISH FACILITY	PRODUCTION AND SALES OF STEEL PRODUCTS	70
ONTARIO COLD-FINISH FACILITY	PRODUCTION AND SALES OF STEEL PRODUCTS	60
SAN LUIS POTOSI COLD-FINISH FACILITY	PRODUCTION AND SALES OF STEEL PRODUCTS	60

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

MAIN RAW MATERIALS

DOMESTIC	MAIN SUPPLIERS	FOREIGN	MAIN SUPPLIERS	DOMESTIC SUBSTITUTION
PLANTS IN USA		SCRAP	VARIOUS	NO
SCRAP	VARIOUS	PLANTS IN MEXICO		
FERROALLOYS	VARIOUS	PLANTS IN MEXICO		YES
PLANTS IN USA		FERROALLOYS	VARIOUS	NO
ELECTRODES	VARIOUS	PLANTS IN MEXICO	VARIOUS	YES
PLANTS IN USA		ELECTRODES	VARIOUS	NO

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

SELLS DISTRIBUTION BY PRODUCT

CONSOLIDATED

DOMESTIC SALES

MAIN PRODUCTS	NET SALES		MAIN DESTINATION	
	VOLUME	AMOUNT	TRADEMARKS	CUSTOMERS
COMMERCIAL PROFILES	741	5,868,080		
SPECIAL PROFILES	268	2,300,614		
T O T A L		8,168,694		

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

FOREIGN SALES	6,108,582
-----	
TOTAL	14,277,276
-----	

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

SELLS DISTRIBUTION BY PRODUCT

CONSOLIDATED

FOREIGN SALES

MAIN PRODUCTS	NET SALES		MAIN	
	VOLUME	AMOUNT	TRADEMARKS	CUSTOMERS
-----				
EXPORTS				
COMMERCIAL PROFILES	86	405,951		
SPECIAL PROFILES	38	382,126		
-----				
FOREIGN SUBSIDIARIES				
SPECIAL PROFILES	433	5,320,505		
-----				
T O T A L		6,108,582		
-----				

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

CONSTRUCTION IN PROGRESS

CONSOLIDATED

THE PROJECTS IN PROGRESS AT SEPTEMBER 30, 2009, ARE:

PROJECTS IN PROGRESS	TOTAL INVESTMENT
PROJECTS IN REPUBLIC	237,566
PROJECTS IN MEXICALI	165,067
PROJECTS IN TLAXCALA	80,090
PROJECTS IN GUADALAJARA	17,268
PROJECTS IN SAN LUIS POTOSI	21,131

Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

TOTAL INVESTMENT AT  
SEPTEMBER 30, 2009

521,122  
=====

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

TRANSACTIONS IN FOREIGN CURRENCY AND CONVERSION OF FINANCIAL STATEMENTS OF  
FOREIGN OPERATIONS INFORMATION RELATED TO BULLETIN B-15

CONSOLIDATED

Foreign currency transactions and exchange differences - All transactions in foreign currency are recorded at the exchange rates prevailing on the date of their execution or liquidation. Foreign currency denominated assets and liabilities are translated at the exchange rates prevailing at the balance sheet date. Any exchange differences incurred with regard to assets or liabilities denominated in foreign currency are charged to operations of the period and are included in financial income (expense) in the accompanying consolidated statements of income (loss).

For consolidation purposes, the financial statements of the foreign subsidiaries, were translated into pesos in conformity with Mexican accounting Bulletin MFRS B-15, Transactions in Foreign Currency.

The first step in the process of conversion of financial information of the operations is the determination of the functional currency, which is in first instance the currency of primary the economic surroundings of the foreign operation; nevertheless, despite the previous thing, the functional currency can differ from the premises or registry, in the measurement that this one does not represent the currency that fundamentally affects the cash flow of the operations abroad. The financial statements of the foreign subsidiaries were turned to Mexican pesos with the following procedure:

- Applying the prevailing exchange rate at the consolidated balance date for assets and liabilities.
- Applying the prevailing historical exchange rate for stockholders' equity accounts.
- Applying the prevailing the historical exchange rate at the consolidated balance sheet date for revenues and expenses during the reporting period.
- The resulting effect of translation, the process of consolidation and to apply the participation method, is recorded in stockholders' equity under the accumulated effect by conversion forming part of the Comprehensive Income.

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

TOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009



Edgar Filing: GROUP SIMEC SA DE CV - Form 6-K

CONSOLIDATED

INTEGRATION OF THE PAID SOCIAL CAPITAL STOCK  
CHARACTERISTICS OF THE SHARES

SERIES	NOMINAL VALUE	VALID COUPON	NUMBER OF SHARES			CAPITAL STOCK (Thousands of Pesos)		
			FIXED PORTION	VARIABLE PORTION	MEXICAN	FREE SUBSCRIPTION	FIXED	VARIABLE
B			90,850,050	406,859,164	0	497,709,214	441,786	1,978,444
TOTAL			90,850,050	406,859,164	0	497,709,214	441,786	1,978,444

TOTAL NUMBER OF SHARES REPRESENTING THE PAID-IN CAPITAL STOCK ON THE DATE OF  
SENDING THE INFORMATION: 497,709,214

MEXICAN STOCK EXCHANGE  
SIFIC / ICS

STOCK EXCHANGE CODE: SIMEC  
GRUPO SIMEC, S.A.B. DE C.V.

QUARTER: 3 YEAR: 2009

CONSOLIDATED

DECLARATION OF THE COMPANY OFFICIALS RESPONSIBLE FOR THE  
INFORMATION CONTAINED IN THIS REPORT.

LUIS GARCIA LIMON AND JOSE FLORES FLORES CERTIFY THAT BASED ON OUR KNOWLEDGE,  
THIS REPORT DOES NOT CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT OR OMIT TO  
STATE A MATERIAL FACT NECESSARY TO MAKE THE STATEMENTS MADE HEREIN, IN LIGHT OF  
THE CIRCUMSTANCES UNDER WHICH SUCH STATEMENTS WERE MADE, NOT MISLEADING WITH  
RESPECT TO THE PERIOD COVERED BY THIS THIRD QUARTER REPORT.

ING LUIS GARCIA LIMON  
CHIEF EXECUTIVE OFFICER

C.P. JOSE FLORES FLORES  
CHIEF FINANCIAL OFFICER

GUADALAJARA, JAL, AT OCTOBER 29 OF 2009.