

Ticker	GCARSOA1
BMV	GCARSO
OTC	GPOVY

Price (March '08)	44.97
Outstanding Shares (000's)	2,326,486

# GRUPO CARSO

## REPORTS FIRST QUARTER 2008 RESULTS

Mexico City, April 25 2008.- Grupo Carso (GCarso) reported today results for the first quarter ended March 31, 2008.

### HIGHLIGHTS

- **Grupo Carso reached quarterly revenues of \$18,000 MM Ps, 5.2% up when compared to 1Q07.**
- **Operating income reached \$2,037 MM Ps during 1Q08, showing a 12.5% decrease y.o.y.**
- **Lower margins observed in its three divisions explained operating income reduction.**
- **On March 13, GCarso's subsidiary, Industrias Nacobre, reached an agreement to sell its Copper and Aluminum division to Mexalit, S.A., Grupo Carso will receive, as part of the deal, a 45% stake in Mexalit's equity. As part of the same transaction, Industrias Nacobre also reached an agreement to sell its Plastics division to Amanco México, S.A. de C.V. These transactions are subject to obtain corresponding approvals.**

### CONSOLIDATED RESULTS

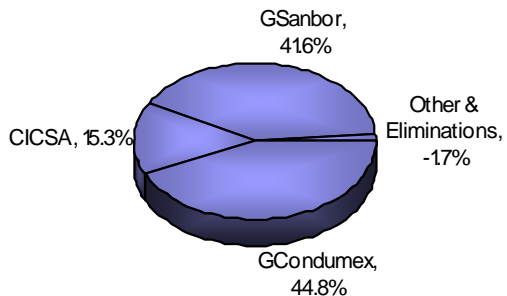
GCARSO			
MM Ps	1Q08	1Q07	1Q08 vs 1Q07
Sales	17,999.9	17,111.0	5.2%
Operating Income	2,036.6	2,326.3	-12.5%
Operating Margin	11.3%	13.6%	-16.8%
EBITDA	2,589.5	2,836.3	-8.7%
Net Income	1,320.6	1,992.0	-33.7%

*This press release contains forward-looking statements that involve inherent risk and uncertainties. We have identified certain important factors that may cause actual results to differ materially from those contained in such forward-looking statements.*

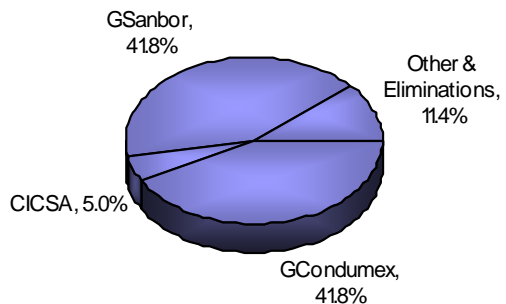
# REVENUES & OPERATING INCOME

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**Revenue Breakdown 1Q08**



**Operating Income Breakdown 1Q08**



# DEBT

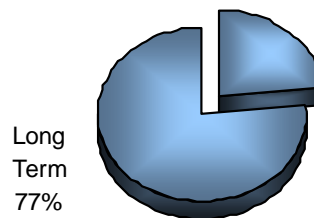
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**By Currency\***



**DEBT**  
\$11,320 MM Ps

**By Term**



\*Includes Forex hedges.

## CASH FLOW (EBITDA) AND INTEREST BEARING DEBT

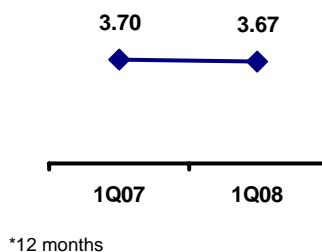
1Q08 EBITDA of \$2,589 MM Ps declined 8.7% versus 1Q07, with an EBITDA margin of 14.4%.

Total debt for 1Q08 was \$11,320 MM Ps, 11.6% lower than that of 1Q07. Net debt stood at \$4,015 MM Ps, a decrease of 15.2% versus 1Q07.



### EBITDA\* / INTEREST EXPENSES\*

EBITDA to interest expenses ratio was 3.67 times in 1Q08, flat when compared to 1Q07.



## FINANCIAL RESULTS

	1Q08	1Q07	1Q08 vs 1Q07
Interest Expenses	1,244.8	1,119.9	11.2%
Interest Income	567.6	882.2	-35.7%
Interest (net)	(677.2)	(237.7)	184.9%
Forex Results	(403.2)	197.9	N.A.
REPOMO	0.0	49.4	N.A.
UDI's Results	0.0	0.0	N.A.
Other Financial Expenses	0.9	0.5	98.5%
<b>IFR</b>	<b>(1,079.5)</b>	<b>10.1</b>	N.A.
Other Financial Op.	601.6	(12.1)	N.A.
Special Accounts	0.0	0.0	N.A.
Earnings from non consolidated companies	262.4	235.1	11.6%
Minority Interest	205.8	333.3	-38.3%
<b>IFR + Other Financial Op.</b>	<b>(477.9)</b>	<b>(2.0)</b>	N.A.

## MANUFACTURING RELATED



### Contribution to Consolidated Results



Grupo Condumex posted quarterly revenues of \$8,056 MM Ps, 10.2% higher versus 1Q07. Higher revenue from Telecom, Automotive, Construction and Energy divisions resulted in sales growth, despite of lower income from the mining division. Operating income reached \$852 MM Ps, a 15.5% decrease against 1Q07. Operating and EBITDA margins declined 322 bps and 341 bps respectively y.o.y., affected by lower volumes and lower zinc prices in the mining division and tougher competition in other divisions.

### Grupo Condumex

MM Ps.	1st Quarter				
	2008	%	2007	%	CHG
Sales	8,056.3	100.0%	7,309.2	100.0%	10.2%
Op. Income	851.6	10.6%	1,008.1	13.8%	-15.5%
EBITDA	1,104.1	13.7%	1,251.2	17.1%	-11.8%
Net Income	346.1	4.3%	588.3	8.0%	-41.2%

Condumex's divisions posted higher volumes for telecom copper cable, fiber optic cable, harnesses and construction related product lines, while volumes declined for automotive cable and energy cable. On the mining division, milling and Zinc volumes increased during the period, while gold, silver, lead and copper volumes declined y.o.y. In addition, zinc prices declined importantly during the period.

Works for the Real de Asientos mining unit continued during the quarter; it is expected to start operations during 2Q08. Also during the period, Grupo Condumex started installation works in a new mining unit, mainly focused in gold mineral production.

### Volume Growth

		VAR % 2008 VS 2007
TELECOM	Copper cable	29.7%
	Fiber Optics	271.1%
AUTOMOTIVE	Harnesses	26.3%
	Copper cable	-6.3%

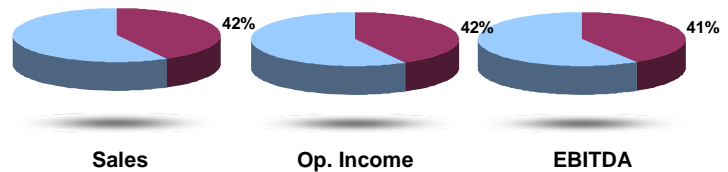
		VAR % 2008 VS 2007
CONSTRUCTION & ENERGY	Energy Cable	-11.5%
	Transformers & Turnkey Projects	9.4%
	Metals	2.4%
	Copper Division	1.9%
	Aluminum Division	9.6%
	Plastic Division	29.7%

		VAR % 2008 VS 2007
MINING	Milling	11.6%
	Gold	-21.0%
	Silver	-17.4%
	Lead	-25.9%
	Zinc	4.8%
	Copper	-33.5%

## RETAIL



### Contribution to Consolidated Results



Grupo Sanborns posted quarterly revenues of \$7,490 MM Ps, during 1Q08, 6.5% higher against 1Q07. Operating income reached \$851 MM Ps, declining 15.2% against last year. Weak consumption was observed for a second consecutive quarter. Current market conditions led this sector to higher promotional activity, affecting operating results during the period.

#### Grupo Sanborns

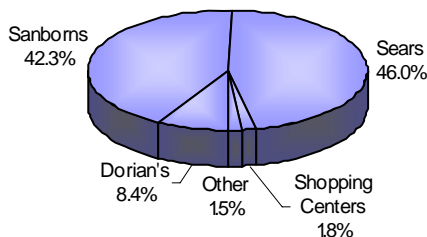
MM Ps	1st Quarter				
	2008	%	2007	%	CHG
Sales	7,490.0	100.0%	7,033.5	100.0%	6.5%
Op. Income	851.2	11.4%	1,003.3	14.3%	-15.2%
EBITDA	1,057.0	14.1%	1,191.8	16.9%	-11.3%
Net Income	362.8	4.8%	571.2	8.1%	-36.5%

Combined quarterly revenues for the Sanborns Stores, Sanborns Café and Music store formats grew 3% versus 1Q07, while SSS declined 2.1% in the same period. Combined operating and EBITDA margins reached 11.0% and 13.9% respectively. During the quarter, two Sanborns stores were opened, taking the total number to 159 Sanborns stores, 31 Sanborns Café and 79 music stores by the end of 1Q08.

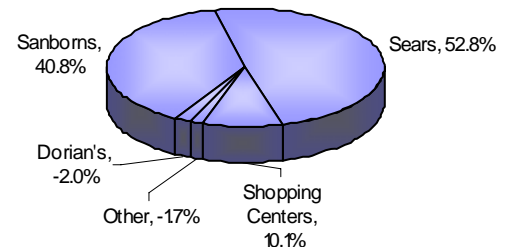
Sears quarterly sales increased 11.2% versus last year, while SSS in the period increased 8.8%. During the quarter Sears posted operating and EBITDA margins of 14.3% and 16.5% respectively. By the end of the quarter, Sears operated 59 units.

During the quarter, Dorian's posted revenues 5.8% lower when compared to 1Q07. EBITDA margin reached 1.2%. As of March 31, Dorian's operated 53 stores under its different formats.

#### Revenue Breakdown 1Q08



#### Operating Income Breakdown 1Q08



# CARSO INFRAESTRUCTURA Y CONSTRUCCIÓN

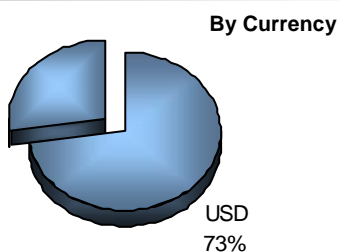
## HIGHLIGHTS

- CICS A posted quarterly sales of \$2,755 MM Ps, 2.7% lower against last year.
- Operating income reached \$103 MM Ps, a 51.4% decline versus 1Q07.
- Operating results were mainly affected by the Manufacture and Services for the Oil & Chemical Industries sector.
- CICS A reported a backlog of \$13,361 MM Ps, by the end of 1Q08.

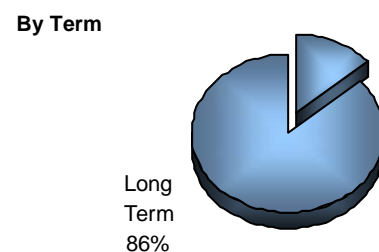
## CONSOLIDATED RESULTS

CICS A			
MM Ps	1Q08	1Q07	1Q08 vs 1Q07
Sales	2,755.0	2,830.1	-2.7%
Operating Income	102.5	210.9	-51.4%
Operating Margin	3.7%	7.5%	-50.0%
EBITDA	181.1	276.0	-34.4%
Net Income	106.3	127.4	-16.5%

## DEBT

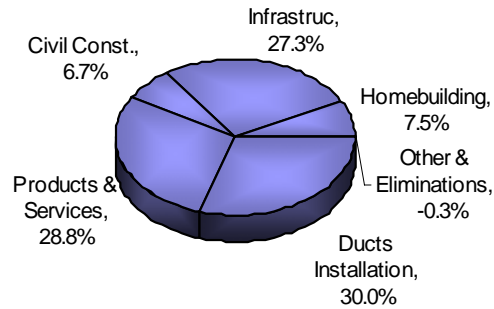


DEBT  
\$1,176 MM Ps



## REVENUE BREAKDOWN

**Revenue Breakdown 1Q08**



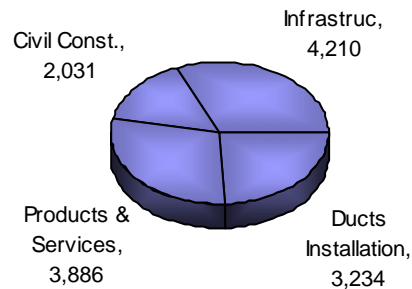
## CASH FLOW (EBITDA) AND INTEREST BEARING DEBT

As of December 2007 CICSA showed a net cash position of \$6 MM Ps, as its total debt reached \$1,176 MM Ps and cash and equivalents totaled \$1,182 MM Ps.



## BACKLOG

**Backlog\*  
\$13,361 MM Ps**



\* As of March 31, 2008. \$8,977 MM Ps to be executed during 2008, \$4,384 during 2009.

## FINANCIAL RESULTS

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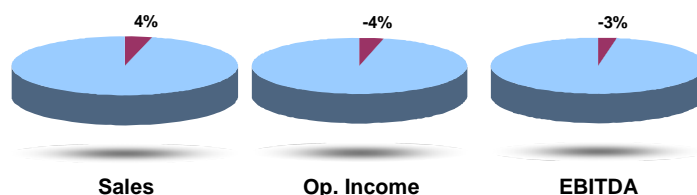
	1Q08	1Q07	1Q08 vs 1Q07
Interest Expenses	22.1	20.7	6.8%
Interest Income	22.7	44.9	-49.4%
Interest (net)	0.6	24.2	-97.4%
Forex Results	2.1	10.7	-80.7%
REPOMO	0.0	(49.8)	N.A.
<b>IFR</b>	<b>2.7</b>	<b>(14.9)</b>	N.A.
Other Financial Op.	1.6	(23.2)	N.A.
<b>IFR + Other Financial Op.</b>	<b>4.3</b>	<b>(38.1)</b>	N.A.

## INFRASTRUCTURE & CONSTRUCTION RELATED

Manufacture and Services for the Oil & Chemical Industries



### Contribution to Consolidated Results



### Manufacture and Services for the Oil & Chemical Industries

MM Ps.	1st Quarter					
	2008	%	2007	%	CHG	
Sales	792.5	100.0%	1,131.8	100.0%	-30.0%	
Op. Income	-88.5	-11.2%	153.8	13.6%	N.A.	
EBITDA	-78.1	-9.9%	163.2	14.4%	N.A.	
Net Income	-83.7	-10.6%	60.9	5.4%	N.A.	

Quarterly sales for this sector reached \$793 MM Ps, 30.0% lower against 1Q07. During the quarter this sector posted an operating loss of \$88 MM Ps compared to an operating income of \$153 MM Ps reported a year ago. EBITDA of (\$78) MM Ps, compared to \$163 MM Ps shown during 1Q07.

Operating loss is mainly explained by extraordinary expenses and higher than expected costs related to a housing platform that is expected to be delivered during 1H08.

During the quarter, this sector obtained new projects with several clients for an approximated total value of \$80 MM Ps; projects include: high and low pressure equipment and heat exchangers for clients located in Colombia, Venezuela, Guatemala, United States and Mexico.

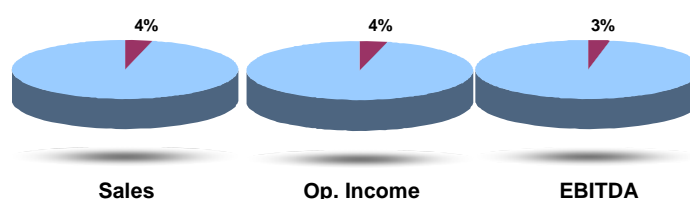
Existing projects such as the ethylene oxide plant in Morelos Petrochemical Complex, at Coatzacoalcos, Veracruz, heat exchangers for the Laguna Verde nuclear power plant, several leaned structures, and the Sinan-So oil platform under construction at Pueblo Viejo, Veracruz, are making progress on time and budget. Finally, at the Pueblo Viejo yard, works to increase capacity to manufacture equipment for the domestic and export markets continued.

## INFRASTRUCTURE & CONSTRUCTION RELATED

### Infrastructure Projects

## Constructora de Infraestructura Latinoamericana (CILSA)

### Contribution to Consolidated Results



### Infrastructure

MM Ps.	2008	%	1st Quarter		CHG
			2007	%	
Sales	750.8	100.0%	832.7	100.0%	-9.8%
Op. Income	75.3	10.0%	11.2	1.3%	569.6%
EBITDA	79.5	10.6%	12.4	1.5%	543.3%
Net Income	63.7	8.5%	-1.2	-0.1%	N.A.

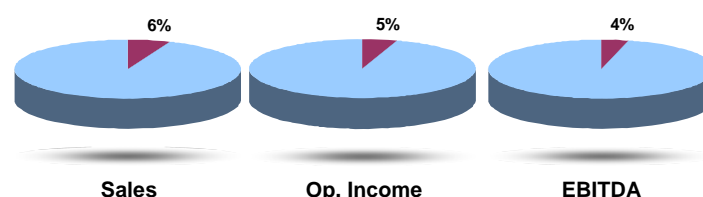
This sector reached quarterly revenue of \$751 MM Ps, a 9.8% decrease y.o.y. Operating income of \$75 MM Ps increased 569.6%, while EBITDA reached 80 MM Ps, growing 543.3% versus 1Q07.

During 1Q08, this sector continued working on the construction of the Mexico City's North Bypass Highway. With respect to this project, the junction Sanctorum-Calpulalpan was recently delivered, to reach 41 Km completed. Additionally, in Panama, the construction of the Bajo de Mina hydroelectric plant and the engineering study for the Baitún hydroelectric plant continued. Also during the period, CILSA started maintenance of the deep drainage central under, an emergency program implemented by the Distrito Federal government. Finally, CILSA continued supporting CFE on the Grijalva river contingency, with the construction of a drainage gallery at El Caído.

### Ducts Installation



### Contribution to Consolidated Results



### Ducts Installation

MM Ps.	2008	%	1st Quarter		CHG
			2007	%	
Sales	827.5	100.0%	695.8	100.0%	18.9%
Op. Income	42.7	5.2%	14.8	2.1%	189.4%
EBITDA	58.1	7.0%	32.4	4.7%	79.3%
Net Income	29.7	3.6%	-6.1	-0.9%	N.A.

During 1Q08, Ducts Installation Sector posted quarterly sales of \$828 MM Ps, an 18.9% increase versus 1Q07. Operating income of \$43 MM Ps grew 189.4%, while EBITDA increased 79.3%, to reach \$58 MM Ps. By the end of the quarter foreign revenues posted increases, while domestic sales dropped.

During 1Q08, this sector was awarded projects to do engineering and construction of radio basis, telephone copper and fiber optic networks in Mexico, Central America and Dominican Republic, for an approximated total amount of \$112.4 MM USD, to be executed during 2008. Additionally, new contracts were signed in South America to build fiber optic connections, for an approximated value of 19.4 MM USD.

According to its strategy to participate in water and gas ducts related projects, on February, CICSA acquired an 80% stake of Constructora Izcoátl, S.A. de C.V., a company with experience in the construction of gas ducts. It will allow this sector to bid for future projects of this kind.

Also, during 1Q08 this sector started construction of the Conejos – Médanos water duct, in Ciudad Juárez, Mexico. Finally, during the period CICSA's Ducts Installation division started operations in Dominican Republic.

## INFRASTRUCTURE & CONSTRUCTION RELATED

### Civil Construction



### Contribution to Consolidated Results



### Civil Construction

MM Ps.	2008	%	1st Quarter		CHG
			2007	%	
Sales	185.6	100.0%	276.8	100.0%	-32.9%
Op. Income	4.1	2.2%	13.3	4.8%	-69.0%
EBITDA	4.2	2.3%	13.4	4.8%	-68.6%
Net Income	2.6	1.4%	12.7	4.6%	-79.3%

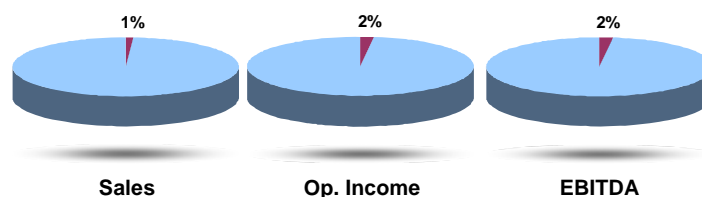
This sector posted quarterly revenues of \$186 MM Ps, 32.9% lower when compared to 1Q07. Operating income reached \$4 MM Ps, a 69.0% drop against 1Q07.

Weak operating results, are explained by the fact the most important projects for this division are on its early stages. It is estimated that as project execution of contracts such as Corporativo Polanco, Ciudad Azteca stopping place and Ciudad Jardín shopping center advance, operating results will improve significantly for 2Q08.

### Housing



### Contribution to Consolidated Results



### Homebuilding

MM Ps.	2008	%	1st Quarter		CHG
			2007	%	
Sales	206.6	100.0%	193.9	100.0%	6.6%
Op. Income	38.1	18.4%	41.8	21.5%	-8.9%
EBITDA	41.5	20.1%	44.4	22.9%	-6.5%
Net Income	17.3	8.4%	35.3	18.2%	-50.9%

During 1Q08, this sector reported revenues, operating income and EBITDA of \$207 MM Ps, \$38 MM Ps and \$42 MM Ps, respectively; while sales, operating income and EBITDA during 1Q07 were \$194 MM Ps, \$42 MM Ps and \$44 MM Ps, respectively. 2007 figures are included only for comparison purposes, as Urvitec was incorporated to CICSA as of November 2007

During 1Q08 new projects started in Nuevo Laredo, Matamoros, Río Bravo, Reynosa, Tamaulipas and Coacalco, State of Mexico. This projects will add 3,600 houses to the 2,400 houses, that are already part of its backlog.

FINANCIAL SUMMARY						MM USD		
MM Ps	1Q08		1Q07		CHG	1Q08	1Q07	CHG
<b>CARSO</b>								
Revenues	17,999.9	100.0%	17,111.0	100.0%	5.2%	1,682.8	1,485.3	13.3%
Op. Income	2,036.6	11.3%	2,326.3	13.6%	-12.5%	190.4	201.9	-5.7%
EBITDA	2,589.5	14.4%	2,836.3	16.6%	-8.7%	242.1	246.2	-1.7%
Financial results	-477.9	-2.7%	-2.0	0.0%	N.A.	-44.7	-0.2	25985.8%
Net income	1,320.6	7.3%	1,992.0	11.6%	-33.7%	123.5	172.9	-28.6%
Cash & equivalents	7,304.7		8,062.8		-9.4%	682.9	699.9	-2.4%
Total Assets	83,758.2		87,715.6		-4.5%	7,830.6	7,614.0	2.8%
Total Debt	11,319.8		12,799.4		-11.6%	1,058.3	1,111.0	-4.7%
% Ps. Denominated	100%		92%		8.7%			
% Long Term	77%		82%		-5.7%			
Net debt	4,015.1		4,736.6		-15.2%	375.4	411.2	-8.7%
Stockholders equity	50,234.2		49,421.1		1.6%	4,696.5	4,289.9	9.5%
Shares Outstanding (000)	2,326,486		2,336,729		-0.4%			
<b>GRUPO CONDUMEX</b>								
Sales	8,056.3	100.0%	7,309.2	100.0%	10.2%	753.2	634.5	18.7%
Op. Income	851.6	10.6%	1,008.1	13.8%	-15.5%	79.6	87.5	-9.0%
EBITDA	1,104.1	13.7%	1,251.2	17.1%	-11.8%	103.2	108.6	-5.0%
Net Income	346.1	4.3%	588.3	8.0%	-41.2%	32.4	51.1	-36.6%
<b>GRUPO SANBORNS</b>								
Sales	7,490.0	100.0%	7,033.5	100.0%	6.5%	700.2	610.5	14.7%
Op. Income	851.2	11.4%	1,003.3	14.3%	-15.2%	79.6	87.1	-8.6%
EBITDA	1,057.0	14.1%	1,191.8	16.9%	-11.3%	98.8	103.5	-4.5%
Net Income	362.8	4.8%	571.2	8.1%	-36.5%	33.9	49.6	-31.6%
<b>CICSA</b>								
Revenues	2,755.0	100.0%	2,830.1	100.0%	-2.7%	257.6	245.7	4.8%
Op. Income	102.5	3.7%	210.9	7.5%	-51.4%	9.6	18.3	-47.6%
EBITDA	181.1	6.6%	276.0	9.8%	-34.4%	16.9	24.0	-29.3%
Financial results	4.3	0.2%	-38.1	-1.3%	-111.2%	0.4	-3.3	-112.1%
Net income	106.3	3.9%	127.4	4.5%	-16.5%	9.9	11.1	-10.1%
Cash & equivalents	1,182.0		2,579.6		-54.2%	110.5	223.9	-50.7%
Total Assets	13,438.1		11,890.5		13.0%	1,256.3	1,032.1	21.7%
Total Debt	1,176.4		944.0		24.6%	110.0	81.9	34.2%
% Ps. Denominated	27%		0%		N.A.			
% Long Term	86%		96%		-10.1%			
Net debt	(5.5)		(1,635.7)		-99.7%	-0.5	-142.0	-99.6%
Stockholders equity	8,424.0		7,719.9		9.1%	787.6	670.1	17.5%
Shares Outstanding (000)	2,589,862		2,384,349		8.6%			

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