

GROUP SIMEC SA DE CV
Form 6-K
July 29, 2010

**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 July, 2010.

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)

Date: July 28, 2010.

By: /s/ Luis García Limón

Name: Luis García Limón

Title: Chief Executive Officer

PRESS RELEASE

Contact: Sergio Vigil González

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GRUPO SIMEC ANNOUNCES RESULTS OF OPERATIONS FOR THE FIRST SIX MONTHS OF 2010

GUADALAJARA, MEXICO, July 27, 2010- Grupo Simec, S.A.B. de C.V. (AMEX: SIM) (Simec) announced today its results of operations for the sixth-month period ended June 30, 2010.

Comparative first six months 2010 vs. first six months 2009

Net Sales

Net sales increased 38% to Ps. 9,242 million in the first half 2009 compared to Ps. 12,760 million in the same period 2010. Shipments of finished steel products increased 19% from 977 thousand tons in the first half 2009 compared to 1,162 thousand tons in the same period 2010. Total sales outside of Mexico in the first half 2010 increased 90% to Ps. 7,129 million compared to Ps. 3,760 million in the same period 2009, while total Mexican sales increased 3% from Ps. 5,482 million in the first half 2009 to Ps. 5,631 million in the same period 2010. The increase in sales can be explained due to major shipments during the first half 2010 in 19%, compared to the same period of 2009 (185 thousand tons increase). The average price of steel products increased 16% in the first half 2010 compared with the same period of 2009.

Direct Cost of Sales

Direct cost of sales increased 46% from Ps. 7,367 million in the first six months 2009, to Ps. 10,772 million in the same period 2010. Direct cost of sales as a percentage of net sales represented 84% in the first half 2010 compared to 80% in the same period 2009. The cost of sales increased due an increase in the shipments of finished steel products and higher cost in raw material.

Gross Profit

Marginal profit in the first half 2010, increased 6% from Ps. 1,875 million in the first half 2009, to Ps. 1,988 million in the same period 2010. Marginal profit as a percentage of net sales in the first half 2010 was 16% compared to 20% in the same period 2009. The increase in gross profit is due to major shipments of 19% during the first half 2010 compared with the same period of 2009.

Operating Expenses

Operating expenses fell 11% to Ps. 1,008 million in the first six months 2010 compared to Ps. 1,128 million in the same period 2009, and represented 8% and 12% of net sales in the first half 2010 and the same period of 2009 respectively.

Operating Income

Operating income increased 31% from Ps. 747 million for the first six months 2009 compared to Ps. 980 million in the same period 2010. Operating income as a percentage of net sales was 8% in the first half 2010 and 2009, respectively. The increase in operating income is due to major shipments of 19% during the first half 2010 compared with the same period of 2009.

Ebitda

The ebitda of the first six months of 2010, increase 16% or Ps. 209 million compared to 2009, the increase is due a mayor shipments of steel products during the 2010

Comprehensive Financial Cost

Comprehensive financial cost for the first half 2010 represented an expense of Ps. 38 million compared with an expense of Ps. 61 million for the first six months 2009. At the same time we registered an exchange loss of Ps. 41 million in the first half 2010 compared with an exchange loss of Ps. 49 million in the first half 2009.

Other Expenses (Income) net

The company recorded other expense net of Ps. 36 million in the first half 2010 while in 2009 the other expense net was zero in the same period.

Income Taxes

The Company recorded an income tax of Ps. 14 million in the first half 2010 (including the income of Ps. 46 million of deferred taxes) compared to Ps. 161 million in the same period of 2009 (including the provision of Ps. 105 million of deferred taxes).

Net Income

As a result of the foregoing, net income increased 75% from Ps. 526 million in the first half 2009 to Ps. 919 million in the same period 2010. The increase in the net income is due to mayor shipments.

Comparative second quarter 2010 vs. first quarter 2010

Net Sales

Net sales were similar in the second and first quarter 2010, to Ps. 6,393 million in the first quarter compared to Ps. 6,367 million in the second quarter 2010. Shipments of finished steel products decreased 8% from 604 thousand tons in the first quarter 2010 to 558 thousand tons in the second quarter 2010. Total sales outside of Mexico in the second quarter 2010 increased 11% to Ps. 3,749 million compared to Ps. 3,380 million in the first quarter 2010, while total Mexican sales decrease 13% from Ps. 3,013 million in the first quarter 2010 to Ps. 2,618 million in the second quarter 2010. The increase in sales can be explained due to increase in the average price of sales during the second quarter 2010, compared to the first quarter of 2010, the shipments in the second quarter decrease in 46 thousand tons.

Direct Cost of Sales

Direct cost of sales increased 4% from Ps. 5,269 million in the first quarter 2010 to Ps. 5,503 million in the second quarter 2010. Direct cost of sales as a percentage of net sales represented 86% in the second quarter 2010 compared to 82% in the first quarter period 2010. The average cost of sales by ton in the first half of 2010 increased 13% compared to the first quarter of 2010.

Gross Profit

Marginal profit in the second quarter 2010 decreased 23% to Ps. 1,124 million in the first quarter to Ps. 864 million in the second quarter 2010. Gross profit as a percentage of net sales in the second quarter 2010 was 14% compared to 18% in the first quarter 2010. The decreased in marginal profit is due to increased in price of raw materials.

Operating Expenses

Operating expenses fell 3% from Ps. 512 million in the first quarter 2010 to Ps. 496 million in the second quarter 2010, and represented 8% of net sales in the first and second quarter 2010.

Operating Income

Operating income decreased 40%, to Ps. 368 million in the second quarter 2010 compared to Ps. 612 million in the first quarter 2010. Operating income as a percentage of net sales was 10% in the first quarter 2010 compared to 6% in the second quarter 2010. The decrease in operating income is due to major increase of price of raw materials and decrease in the shipments.

Ebitda

The ebitda in the second quarter,2010 decreased 28% from Ps 870 million in the first quarter to Ps 629 million in the second quarter the felt in the ebitda is due a minor shipments of steel products and increase of cost of sales.

Comprehensive Financial Cost

Comprehensive financial cost for the first quarter 2010 represented an expense of Ps. 24 million compared with an expense of Ps. 14 million for the second quarter 2010. At the same time we registered an exchange loss of Ps. 14 million in the second quarter 2010 compared with an exchange loss of Ps. 27 million in the first quarter 2010.

Other Expenses (Income) net

The company recorded other expense net of Ps. 46 million in the second quarter 2010 compared to other income net of Ps. 10 million in the first quarter 2010.

Income Taxes

Income Taxes recorded an income of Ps. 34 million in the second quarter 2010 (including the income of Ps. 44 million of deferred income taxes) compared to an expense of Ps. 21 million in the first quarter 2010 (including the benefits of Ps. 2 million of deferred income taxes).

Net Income

As a result of the foregoing, net income fell 41% from Ps. 577 million in the first quarter 2010 to Ps. 342 million in the second quarter 2010.

Liquidity and Capital Resources

As of June 30, 2010, Simec s total consolidated debt consisted of U.S. \$302,000 of 8 7/8% medium-term notes (MTN's) due 1998, or Ps. 3.8 million (accrued interest on June 30, 2010 was U.S. \$431,634, or Ps. 5.4 million).

As of December 31, 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 December 31, 2009 was U.S. \$418,176).

Comparative second quarter 2010 vs second quarter 2009

Net Sales

Net sales increased 53% from Ps. 4,161 million in the second quarter 2009 to Ps. 6,367 million in the second quarter 2010. Sales in tons of finished steel increased 18% to 558 thousand tons in the second quarter 2010 compared with 471 thousand tons in the second quarter 2009. The total sales outside of Mexico for the second quarter 2010 increased 144% to Ps. 3,749 million compared with Ps. 1,539 million for the second quarter 2009. Total Mexican sales decreased 2% from Ps. 2,623 million in the second quarter 2009 to Ps. 2,582 million in the second quarter 2010. Prices of finished products sold in the second quarter 2010 increased 29% compared to the second quarter 2009.

Direct Cost of Sales

Direct cost of sales increased 69% in the second quarter 2010 compared to same period 2009, from Ps. 3,256 million in the second quarter 2009 to Ps. 5,503 million in the second quarter 2010. With respect to sales, in the second quarter 2010, the direct cost of sales represent 86% compared to 78% for the second quarter 2009. The average cost of raw materials used to produce steel products increased 43% in the second quarter 2010 versus the second quarter 2009, primarily as a result of increases in the price of scrap and certain other raw materials.

Gross (Loss) Profit

Marginal profit for the second quarter 2010 decreased 5% to Ps. 864 million compared to Ps. 905 million in the second quarter 2009. The gross profit as a percentage of net sales for the second quarter 2010 was 14% compared to 22% for the second quarter of 2009. The decrease in marginal profit is due to the increase in the cost of raw materials used to produce steel products and increase of shipments.

Operating Expenses

Operating expenses decreased 9% from Ps. 543 million in the second quarter 2009 versus Ps. 496 million in the second quarter 2010. Operating expenses as a percentage of net sales represented 8% during the second quarter 2010 and 13% the second quarter 2009.

Operating (Loss) Income

Operating income was Ps. 368 million in the second quarter 2010 compared to Ps. 362 million in the second quarter 2009. The operating income as a percentage of net sales in the second quarter 2010 was 6% compared to 9% in the second quarter 2009.

Ebitda

The ebitda of the second quarter 2010 was Ps 629 million compared to Ps. 632 million in 2009, the similar ebitda in both periods its due to a mayor shipments of steel products of 2010 in 18%, but the increase in cost o sales was mayor to the price of sales.

Comprehensive Financial Cost

Comprehensive financial cost for the second quarter 2010 represented an expense of Ps. 14 million compared with an expense of Ps. 121 million for the second quarter 2009. At the same time we registered an exchange loss of Ps. 14 million in the second quarter 2010 compared with an exchange loss of Ps. 113 million in the second quarter 2009.

Other Expenses (Income) net

The company recorded other expense net of Ps. 46 million in the second quarter 2010 compared with other expense net of Ps. 2 million for the second quarter 2009.

Income Taxes

Income Taxes for the second quarter 2010 was an income of Ps. 34 million compared to Ps. 154 million of expense for the second quarter 2009.

Net Income (Loss)

As a result of the foregoing, net income was Ps. 342 million in the second quarter 2010 compared to Ps. 86 million for the second quarter 2009.

(million of pesos)	1H 10	1H 09	Year 10 vs '09
Sales	12,760	9,242	38%
Cost of Sales	10,772	7,367	46%
Gross Profit	1,988	1,875	6%
Operating Expenses	1,008	1,128	-11%
Operating Profit	980	747	31%
EBITDA	1,500	1,291	16%
Net Profit	919	526	75%
Sales Outside Mexico	7,129	3,760	90%
Sales in Mexico	5,631	5,482	3%
Total Sales (Tons)	1,162	977	19%

Quarter					
(millones of pesos)	2Q 10	1Q 10	2Q 09	1Q'10vs 2Q'10	2Q'10 vs 2Q '09
Sales	6,367	6,393	4,161	0%	53%
Cost of Sales	5,503	5,269	3,256	4%	69%
Gross Profit	864	1,124	905	-23%	-5%
Operating Expenses	496	512	543	-3%	-9%
Operating Profit	368	612	362	-40%	2%
EBITDA	629	870	632	-28%	0%
Net Profit	342	577	86	-41%	298%
Sales Outside Mexico	3,749	3,380	1,539	11%	144%
Sales in Mexico	2,618	3,013	2,623	-13%	-2%
Total Sales (Tons)	558	604	471	-8%	18%

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Product	Thousand of Tons Jan-Jun 2010	Million of Pesos Jan-Jun 2010	Average Price per Ton Jan-Jun 2010	Thousand of Tons Jan Jun 2009	Million of Pesos Jan- Jun 2009	Average Price per Ton Jan-Jun 2009
Comercial Profiles	542	4,810	8,874	546	4,516	8,271
Special Profiles	620	7,950	12,823	431	4,726	10,965
Total	1,162	12,760	10,981	977	9,242	9,460

Product	Thousand of Tons Apr-Jun 2010	Million of Pesos Apr-Jun 2010	Average Price per Ton Apr-Jun 2010	Thousand of Tons Jan Mar 2010	Million of Pesos Jan- Mar 2010	Average Price per Ton Jan-Mar 2010	Thousand of Tons Apr-Jun 2009	Million of Pesos Apr-Jun 2009	Average Price per Ton Apr-Jun 2009
Comercial Profiles	250	2,277	9,108	292	2,533	8,674	263	2,103	7,996
Special Profiles	308	4,090	13,279	312	3,860	12,372	208	2,058	9,894
Total	558	6,367	11,410	604	6,393	10,584	471	4,161	8,835

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: 2 YEAR: 2010

CONSOLIDATED FINANCIAL STATEMENT

AT JUNE 30 OF 2010 AND 2009

(thousands of Mexican pesos)

REF S	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		AMOUNT	%	AMOUNT	%
s01	TOTAL ASSETS	27,433,035	100	30,653,915	100
s02	CURRENT ASSETS	13,399,051	49	13,156,456	43
s03	CASH AND SHORT-TERM INVESTMENTS	2,868,445	10	1,296,471	4
s04	ACCOUNTS AND NOTES RECEIVABLE (NET)	3,232,511	12	2,851,415	9
s05	OTHER ACCOUNTS AND NOTES RECEIVABLE	560,912	2	567,661	2
s06	INVENTORIES	6,530,312	24	8,197,742	27
s07	OTHER CURRENT ASSETS	206,871	1	243,167	1
s08	LONG-TERM	0	0	0	0
s09	ACCOUNTS AND NOTES RECEIVABLE (NET)	0	0	0	0
s10	INVESTMENT IN SHARES OF NON-CONSOLIDATED SUBSIDIARIES AND ASSOCIATES	0	0	0	0
s11	OTHER INVESTMENTS	0	0	0	0
s12	PROPERTY, PLANT AND EQUIPMENT (NET)	9,563,054	35	10,006,587	33
s13	LAND AND BULIDINGS	3,724,126	14	3,724,127	12
s14	MACHINERY AND INDUSTRIAL EQUIPMENT	12,982,644	47	12,744,809	42
s15	OTHER EQUIPMENT	232,798	1	231,917	1
s16	ACCUMULATED DEPRECIATION	7,807,070	28	7,174,185	23
s17	CONSTRUCTION IN PROGRESS	430,556	2	479,919	2
s18	OTHER INTANGIBLE ASSETS AND DEFERRED ASSETS (NET)	4,329,433	16	7,368,649	24
s19	OTHER ASSETS	141,497	1	122,223	0
s20	TOTAL LIABILITIES	6,633,206	100	8,912,103	100
s21	CURRENT LIABILITIES	3,840,858	58	4,525,964	51
s22	SUPPLIERS	2,294,030	35	2,501,299	28
s23	BANK LOANS	0	0	30,365	0
s24	STOCK MARKET LOANS	3,822	0	3,987	0
s103	OTHER LOANS WITH COST	586,824	9	508,288	6
s25	TAXES PAYABLE	147,557	2	307,956	3

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s26	OTHER CURRENT LIABILITIES WITHOUT COST	808,625	12	1,174,069	13
s27	LONG-TERM LIABILITIES	0	0	0	0
s28	BANK LOANS	0	0	0	0
s29	STOCK MARKET LOANS	0	0	0	0
s30	OTHER LOANS WITH COST	0	0	0	0
s31	DEFERRED LIABILITIES	0	0	0	0
s32	OTHER NON-CURRENT LIABILITIES WITHOUT COST	2,792,348	42	4,386,139	49
s33	CONSOLIDATED STOCKHOLDERS EQUITY	20,799,829	100	21,741,812	100
s34	MINORITY INTEREST	2,080,577	10	2,760,394	13
s35	MAJORITY INTEREST	18,719,252	90	18,981,418	87
s36	CONTRIBUTED CAPITAL	8,350,900	40	8,350,900	38
s79	CAPITAL STOCK	4,142,696	20	4,142,696	19
s39	PREMIUM ON ISSUANCE OF SHARES	4,208,204	20	4,208,204	19
s40	CONTRIBUTIONS FOR FUTURE CAPITAL INCREASES	0	0	0	0
s41	EARNED CAPITAL	10,368,352	50	10,630,518	49
s42	RETAINED EARNINGS AND CAPITAL RESERVES	10,038,287	48	10,329,465	48
s44	OTHER ACCUMULATED COMPREHENSIVE RESULT	330,065	2	301,053	1
s80	SHARES REPURCHASED	0	0	0	0

**MEXICAN STOCK EXCHANGE
SIFIC / ICS**

STOCK EXCHANGE CODE: SIMEC

QUARTER: 2 YEAR: 2010

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

CONSOLIDATED FINANCIAL STATEMENT**BREAKDOWN OF MAIN CONCEPTS**

(thousands of Mexican pesos)

REF S	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		AMOUNT	%	AMOUNT	%
s03	CASH AND SHORT-TERM INVESTMENTS	2,868,445	100	1,296,471	100
s46	CASH	2,003,547	70	1,011,824	78
s47	SHORT-TERM INVESTMENTS	864,898	30	284,647	22
s07	OTHER CURRENT ASSETS	206,871	100	243,167	100
s81	DERIVATIVE FINANCIAL INSTRUMENTS	0	0	0	0
s82	DISCONTINUED OPERATIONS	0	0	0	0
s83	OTHER	206,871	100	243,167	100
s18	OTHER INTANGIBLE ASSETS AND DEFERRED ASSETS (NET)	4,329,433	100	7,368,649	100
s48	DEFERRED EXPENSES	2,520,375	58	3,153,149	43
s49	GOODWILL	1,798,293	42	4,166,160	57
s51	OTHER	10,765	0	49,340	1
s19	OTHER ASSETS	141,497	100	122,223	100
s84	INTANGIBLE ASSET FROM LABOR OBLIGATIONS	0	0	0	0
s85	DERIVATIVE FINANCIAL INSTRUMENTS	0	0	0	0
s50	DEFERRED TAXES	0	0	0	0
s86	DISCONTINUED OPERATIONS	0	0	0	0
s87	OTHER	141,497	100	122,223	100
s21	CURRENT LIABILITIES	3,840,858	100	4,525,964	100
s52	FOREIGN CURRENCY LIABILITIES	2,502,693	65	1,962,229	43
s53	MEXICAN PESOS LIABILITIES	1,338,165	35	2,563,735	57
s26	OTHER CURRENT LIABILITIES WITHOUT COST	808,625	100	1,174,069	100
s88	DERIVATIVE FINANCIAL INSTRUMENTS	169,894	21	331,580	28
s89	INTEREST LIABILITIES	5,463	1	5,340	0
s68	PROVISIONS	0	0	0	0
s90	DISCONTINUED OPERATIONS	0	0	0	0

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s58	OTHER CURRENT LIABILITIES	633,268	78	837,149	71
s27 LONG-TERM LIABILITIES					
s59	FOREIGN CURRENCY LIABILITIES	0	0	0	0
s60	MEXICAN PESOS LIABILITIES	0	0	0	0
s31 DEFERRED LIABILITIES					
s65	NEGATIVE GOODWILL	0	0	0	0
s67	OTHER	0	0	0	0
s32 OTHER NON CURRENT LIABILITIES WITHOUT COST					
s66	DEFERRED TAXES	2,705,881	97	4,305,403	98
s91	OTHER LIABILITIES IN RESPECT OF SOCIAL INSURANCE	32,955	1	32,316	1
s92	DISCONTINUED OPERATIONS	0	0	0	0
s69	OTHER LIABILITIES	53,512	2	48,420	1
s79 CAPITAL STOCK					
s37	CAPITAL STOCK (NOMINAL)	2,420,230	58	2,420,230	58
s69	RESTATEMENT OF CAPITAL STOCK	1,722,466	42	1,722,466	42

**MEXICAN STOCK EXCHANGE
SIFIC / ICS**

STOCK EXCHANGE CODE: SIMEC

QUARTER: 2 YEAR: 2010

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

CONSOLIDATED FINANCIAL STATEMENT**BREAKDOWN OF MAIN CONCEPTS**

(thousands of Mexican pesos)

REF S	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		AMOUNT	%	AMOUNT	%
s42	RETAINED EARNINGS AND CAPITAL RESERVES	10,038,287	100	10,329,465	100
s93	LEGAL RESERVE	0	0	0	0
s43	RESERVE FOR REPURCHASE OF SHARES	200,612	2	200,612	2
s94	OTHER RESERVES	0	0	0	0
s95	RETAINED EARNINGS	8,875,093	88	9,307,346	90
s45	NET INCOME FOR THE YEAR	962,582	10	821,507	8
OTHER ACCUMULATED COMPREHENSIVE RESULT					
s44	OTHER ACCUMULATED COMPREHENSIVE RESULT	330,065	100	301,053	100
s70	ACCUMULATED MONETARY RESULT	0	0	0	0
s71	RESULT FROM HOLDING NON-MONETARY ASSETS	0	0	0	0
s96	CUMULATIVE RESULT FROM FOREIGN CURRENCY				
	TRANSLATION	448,991	136	539,791	179
s97	CUMULATIVE RESULT FROM DERIVATIVE FINANCIAL				
	INSTRUMENTS	(118,926)	(36)	(238,738)	(79)
s98	CUMULATIVE EFFECT OF DEFERRED INCOME TAXES	0	0	0	0
s99	LABOR OBLIGATION ADJUSTMENT	0	0	0	0
s100	OTHER	0	0	0	0

**MEXICAN STOCK EXCHANGE
SIFIC / ICS**STOCK EXCHANGE CODE: **SIMEC**
GRUPO SIMEC, S.A.B. DE C.V.QUARTER: 2 YEAR: **2010****BALANCE SHEETS**

OTHER CONCEPTS

(thousands of Mexican pesos)

REF S	CONCEPTS	CURRENT YEAR	PREVIOUS YEAR
		AMOUNT	AMOUNT
s72	WORKING CAPITAL	9,558,193	8,630,492
s73	PENSIONS FUND AND SENIORITY PREMIUMS	0	0
s74	EXECUTIVES (*)	56	60
s75	EMPLOYERS (*)	1,421	1,640
s76	WORKERS (*)	3,048	2,569
s77	COMMON SHARES (*)	497,709,214	497,709,214
s78	REPURCHASED SHARES (*)	0	0
s101	RESTRICTED CASH	0	0
s102	NET DEBT OF NON CONSOLIDATED COMPANIES	586,824	508,288

(*) 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: 2 YEAR: 2010

STATEMENTS OF INCOME

FROM JANUARY 1 TO JUNE 30 OF 2010 AND 2009

(thousands of Mexican pesos)

REF R	CATEGORIES	CURRENT YEAR		PREVIOUS YEAR	
		AMOUNT	%	AMOUNT	%
r01	NET SALES	12,759,896	100	9,242,065	100
r02	COST OF SALES	10,772,164	84	7,367,072	80
r03	GROSS PROFIT	1,987,732	16	1,874,993	20
r04	OPERATING EXPENSES	1,007,880	8	1,128,430	12
r05	OPERATING INCOME	979,852	8	746,563	8
r08	OTHER INCOME AND (EXPENSE), NET	(35,911)	0	469	0
r06	COMPREHENSIVE FINANCING RESULT	(38,311)	0	(60,645)	0
r12	EQUITY IN NET INCOME OF NON-CONSOLIDATED SUBSIDIARIES AND ASSOCIATES	0	0	0	0
r48	NON ORDINARY ITEMS	0	0	0	0
r09	INCOME BEFORE INCOME TAXES	905,630	7	686,387	7
r10	INCOME TAXES	(13,556)	0	160,775	2
r11	INCOME (LOSS) BEFORE DISCONTINUED OPERATIONS	919,186	7	525,612	6
r14	DISCONTINUED OPERATIONS	0	0	0	0
r18	NET CONSOLIDATED INCOME	919,186	7	525,612	6
r19	NET INCOME OF MINORITY INTEREST	(43,396)	0	(295,895)	(3)
r20	NET INCOME OF MAJORITY INTEREST	962,582	8	821,507	9

**MEXICAN STOCK EXCHANGE
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QUARTER: 2 YEAR: 2010

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

REF R	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		AMOUNT	%	AMOUNT	%
r01	NET SALES	12,759,896	100	9,242,065	100
r21	DOMESTIC	5,630,508	44	5,481,918	59
r22	FOREIGN	7,129,388	56	3,760,147	41
r23	TRANSLATED INTO DOLLARS (***)	565,855	4	269,294	3
r08	OTHER INCOME AND (EXPENSE), NET	(35,911)	100	469	100
r49	OTHER INCOME AND (EXPENSE), NET	(35,911)	100	469	100
r34	EMPLOYEES PROFIT SHARING EXPENSES	0	0	0	0
r35	DEFERRED EMPLOYEES PROFIT SHARING	0	0	0	0
r06	COMPREHENSIVE FINANCING RESULT	(38,311)	100	(60,645)	100
r24	INTEREST EXPENSE	6,096	(16)	29,622	(49)
r42	GAIN (LOSS) ON RESTATEMENT OF UDI S	0	0	0	0
r45	OTHER FINANCE COSTS	0	0	0	0
r26	INTEREST INCOME	8,531	22	18,082	30
r46	OTHER FINANCIAL PRODUCTS	0	0	0	0
r25	FOREIGN EXCHANGE GAIN (LOSS), NET	(40,746)	(106)	(49,105)	(81)
r28	RESULT FROM MONETARY POSITION	0	0	0	0
r10	INCOME TAXES	(13,556)	100	160,775	100
r32	INCOME TAX	32,391	239	55,990	35
r33	DEFERRED INCOME TAX	(45,947)	(339)	104,785	65

(***) THOUSANDS OF DOLLARS

**MEXICAN STOCK EXCHANGE
SIFIC / ICS**

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

QUARTER: 2 YEAR: 2010

STATEMENTS OF INCOME

OTHER CONCEPTS

(thousands of Mexican pesos)

REF R	CONCEPTS	CURRENT YEAR	PREVIOUS YEAR
		AMOUNT	AMOUNT
r36	TOTAL SALES	13,292,195	9,496,823
r37	TAX RESULT FOR THE YEAR	0	0
r38	NET SALES (**)	22,749,360	27,392,625
r39	OPERATION INCOME (**)	(552,918)	1,364,719
r40	NET INCOME OF MAJORITY INTEREST (**)	(781,538)	1,492,787
r41	NET CONSOLIDATED INCOME (**)	(181,863)	908,987
r47	OPERATIVE DEPRECIATION AND AMORTIZATION	1,022,759	544,749

(**) 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: 2 YEAR: 2010

QUARTERLY STATEMENTS OF INCOME
FROM APRIL 1 TO JUNE 30 OF 2010 AND 2009
(thousands of Mexican pesos)

REF R	CATEGORIES	CURRENT YEAR		PREVIOUS YEAR	
		AMOUNT	%	AMOUNT	%
r01	NET SALES	6,366,902	100	4,161,424	100
r02	COST OF SALES	5,503,367	86	3,256,342	78
r03	GROSS PROFIT	863,535	14	905,082	22
r04	OPERATING EXPENSES	495,799	8	543,148	13
r05	OPERATING INCOME	367,736	6	361,934	9
r08	OTHER INCOME AND (EXPENSE), NET	(46,140)	0	(1,383)	0
r06	COMPREHENSIVE FINANCING RESULT	(13,965)	0	(120,570)	(3)
r12	EQUITY IN NET INCOME OF NON-CONSOLIDATED SUBSIDIARIES AND ASSOCIATES	0	0	0	0
r48	NON ORDINARY ITEMS	0	0	0	0
r09	INCOME BEFORE INCOME TAXES	307,631	5	239,981	6
r10	INCOME TAXES	(34,090)	0	154,041	4
r11	INCOME (LOSS) BEFORE DISCONTINUED OPERATIONS	341,721	5	85,940	2
r14	DISCONTINUED OPERATIONS	0	0	0	0
r18	NET CONSOLIDATED INCOME	341,721	5	85,940	2
r19	NET INCOME OF MINORITY INTEREST	(50,805)	0	(190,672)	(5)
r20	NET INCOME OF MAJORITY INTEREST	392,526	6	276,612	7

**MEXICAN STOCK EXCHANGE
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QUARTER: 2 YEAR: 2010

QUARTERLY STATEMENTS OF INCOME

BREAKDOWN OF MAIN CONCEPTS

(thousands of Mexican pesos)

REF R	CONCEPTS	CURRENT YEAR		PREVIOUS YEAR	
		AMOUNT	%	AMOUNT	%
rt01	NET SALES	6,366,902	100	4,161,424	100
rt21	DOMESTIC	2,617,696	41	2,622,826	63
rt22	FOREIGN	3,749,206	59	1,538,598	37
rt23	TRANSLATED INTO DOLLARS (***)	297,383	5	115,784	3
rt08	OTHER INCOME AND (EXPENSE), NET	(46,140)	100	(1,383)	100
rt49	OTHER INCOME AND (EXPENSE), NET	(46,140)	100	(1,383)	100
rt34	EMPLOYEES PROFIT SHARING EXPENSES	0	0	0	0
rt35	DEFERRED EMPLOYEES PROFIT SHARING	0	0	0	0
rt06	COMPREHENSIVE FINANCING RESULT	(13,965)	100	(120,570)	100
rt24	INTEREST EXPENSE	6,096	(44)	16,144	(13)
rt42	GAIN (LOSS) ON RESTATEMENT OF UDI S	0	0	0	0
rt45	OTHER FINANCE COSTS	0	0	0	0
rt26	INTEREST INCOME	5,951	(43)	8,287	(7)
rt46	OTHER FINANCIAL PRODUCTS	0	0	0	0
rt25	FOREIGN EXCHANGE GAIN (LOSS), NET	(13,820)	99	(112,713)	93
rt28	RESULT FROM MONETARY POSITION	0	0	0	0
rt10	INCOME TAXES	(34,090)	100	154,041	100
rt32	INCOME TAX	10,160	(30)	216,099	140
rt33	DEFERRED INCOME TAX	(44,250)	130	(62,058)	(40)

(***) THOUSANDS OF DOLLARS

**MEXICAN STOCK EXCHANGE
SIFIC / ICS**

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

QUARTER: 2 YEAR: 2010

QUARTERLY STATEMENTS OF INCOME

OTHER CONCEPTS

(thousands of Mexican pesos)

REF RT	CONCEPTS	CURRENT YEAR	PREVIOUS YEAR
		AMOUNT	AMOUNT
rt47	OPERATIVE DEPRECIATION AND AMORTIZATION	261,142	269,832

**MEXICAN STOCK EXCHANGE
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QUARTER: 2 YEAR: 2010

STATE OF CASH FLOW DIRECT METHOD)
FROM JANUARY 1 TO JUNE 30 OF 2010 AND 2009
(thousands of pesos)

REF C	CONCEPTS	CURRENT YEAR	PREVIOUS YEAR
		AMOUNT	AMOUNT
	ACTIVITIES OF OPERATION		
e01	INCOME (LOSS) BEFORE INCOME TAXES	905,630	686,387
e02	+ (-) ITEMS NOT REQUIRING CASH	0	0
e03	+ (-) ITEMS RELATED TO INVESTING ACTIVITIES	510,910	515,781
e04	+ (-) ITEMS RELATED TO FINANCING ACTIVITIES	6,096	29,622
e05	CASH FLOW BEFORE INCOME TAX	1,422,636	1,231,790
e06	CASH FLOW PROVIDED OR USED IN OPERATION	(189,578)	(427,593)
e07	CASH FLOW PROVIDED OF OPERATING ACTIVITIES	1,233,058	804,197
	INVESTMENT ACTIVITIES		
e08	NET CASH FLOW FROM INVESTING ACTIVITIES	(156,141)	(100,506)
e09	CASH FLOW AFTER INVESTING ACTIVITIES	1,076,917	703,691
	FINANCING ACTIVITIES		
e10	NET CASH FROM FINANCING ACTIVITIES	(156,808)	15,395