

Ternium S.A.
Form 6-K
May 07, 2015

FORM 6 - K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer
Pursuant to Rule 13a - 16 or 15d - 16 of
the Securities Exchange Act of 1934

As of May 7, 2015

Ternium S.A.

(Translation of Registrant's name into English)

Ternium S.A.
29, Avenue de la Porte-Neuve

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3rd Floor

L-2227 Luxembourg

(Address of principal executive offices)

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

Form 20-F Form 40-F

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):

1

The attached material is being furnished to the Securities and Exchange Commission ("Commission") pursuant to Rule 13a-16 and Form 6-K under the Securities Exchange Act of 1934, as amended.

On May 6, 2015, among other resolutions adopted at the annual general meeting of shareholders of Ternium S.A. ("Ternium"), the shareholders approved the consolidated financial statements as of and for the year ended December 31, 2014.

Attached hereto as Exhibits 99.1 and 99.2 are Ternium's consolidated financial statements as of and for the year ended December 31, 2014, and the supplement "Subsequent Information", which were submitted to the annual general meeting of shareholders.

For more information on the resolutions adopted at Ternium's annual general meeting of shareholders, please refer to Ternium's press release, which has been furnished to the Commission under Form 6-K on May 6, 2015.

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

Ternium S.A.

By: /s/ Arturo Sporleder
Arturo Sporleder

Corporate Secretary

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Dated: May 7, 2015

Exhibit 99.1 Consolidated Financial Statements as of December 31, 2014 and 2013 and for the years ended on
December 31, 2014, 2013 and 2012
Exhibit 99.2 Subsequent Information

2

TERNIUM S.A.

Consolidated Financial Statements

as of December 31, 2014 and 2013 and

for the years ended on December 31, 2014, 2013 and 2012

29 Avenue de la Porte-Neuve, 3rd floor

L – 2227

R.C.S. Luxembourg: B 98 668

INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS

	Page
Report of Independent Registered Public Accounting Firm	1
Consolidated Income Statements for the years ended December 31, 2014, 2013 and 2012	3
Consolidated Statements of Comprehensive Income for the years ended December 31, 2014, 2013 and 2012	4
Consolidated Statements of Financial Position as of December 31, 2014 and 2013	5
Consolidated Statements of Changes in Equity for the years ended December 31, 2014, 2013 and 2012	6
Consolidated Statements of Cash Flows for the years ended December 31, 2014, 2013 and 2012	9
Index to the Notes to the Consolidated Financial Statements	10

Audit report

To the Shareholders of

Ternium S.A.

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Ternium S.A. and its subsidiaries, which comprise the consolidated statements of financial position as at 31 December 2014, and the consolidated income statements, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé"

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including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the “Réviseur d’entreprises agréé” considers internal control relevant to the entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements give a true and fair view of the consolidated financial position of Ternium S.A. and its subsidiaries as of 31 December 2014, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 18 February 2015

/s/ Mervyn R. Martins

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

(All amounts in USD thousands)

Consolidated Income Statements

	Notes	2014	Year ended December 31, 2013	2012
Net sales	5	8,726,057	8,530,012	8,608,054
Cost of sales	6	(6,925,169)	(6,600,292)	(6,866,379)
Gross profit		1,800,888	1,929,720	1,741,675
Selling, general and administrative expenses	7	(816,478)	(843,311)	(809,181)
Other operating income (expenses), net	9	71,751	23,014	(11,881)
Operating income		1,056,161	1,109,423	920,613
Finance expense	10	(117,866)	(132,113)	(150,302)
Finance income	10	5,715	(2,358)	11,400
Other financial income (expenses), net	10	42,701	(1,004)	17,270
Equity in (losses) earnings of non-consolidated companies	3 & 14	(34,218)	(31,609)	(346,833)
Profit before income tax expense		952,493	942,339	452,148
Income tax expense	11	(363,708)	(349,426)	(261,227)
Profit for the year		588,785	592,913	190,921
Attributable to:				
Owners of the parent		452,404	455,425	142,043
Non-controlling interest		136,381	137,488	48,878
Profit for the year		588,785	592,913	190,921
Weighted average number of shares outstanding		1,963,076,776	1,963,076,776	1,963,076,776

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10

The accompanying notes are an integral part of these consolidated financial statements.

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

(All amounts in USD thousands)

Consolidated Statements of Comprehensive Income

The accompanying notes are an integral part of these consolidated financial statements.

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

(All amounts in USD thousands)

Consolidated Statements of Financial Position

	Notes	Balances as of	
		December 31, 2014	December 31, 2013
ASSETS			
Non-current assets			
Property, plant and equipment, net	12	4,481,027	4,708,895
Intangible assets, net	13	948,886	961,504
Investments in non-consolidated companies	14	1,396,560	1,375,165
Derivative financial instruments	22	-	1,535
Deferred tax assets	20	31,626	24,902
Receivables, net	15	47,482	79,407
Trade receivables, net	16	91	1,754
		6,905,672	7,153,162
Current assets			
Receivables	15	112,229	112,388
Derivative financial instruments	22	4,338	-
Inventories, net	17	2,134,034	1,941,130
Trade receivables, net	16	720,214	671,453
Other investments	18	149,995	169,503
Cash and cash equivalents	18	213,303	307,218
		3,334,113	3,201,692
Non-current assets classified as held for sale		14,756	17,770
		3,348,869	3,219,462
Total Assets		10,254,541	10,372,624
EQUITY			
Capital and reserves attributable to the owners of the parent		5,284,959	5,340,035
Non-controlling interest		973,523	998,009
Total Equity		6,258,482	6,338,044
LIABILITIES			
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Non-current liabilities

Provisions	19	9,067		13,984	
Deferred tax liabilities	20	611,126		605,883	
Other liabilities	21	371,900		345,431	
Trade payables		11,969		15,243	
Borrowings	23	900,611	1,904,673	1,204,880	2,185,421

Current liabilities

Current income tax liabilities		51,083		92,009	
Other liabilities	21	210,206		203,326	
Trade payables		564,513		755,880	
Derivative financial instruments	22	1,376		-	
Borrowings	23	1,264,208	2,091,386	797,944	1,849,159

Total Liabilities

3,996,059 4,034,580

Total Equity and Liabilities**10,254,541 10,372,624**

The accompanying notes are an integral part of these consolidated financial statements.

Page 5 of 74

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

(All amounts in USD thousands)

Consolidated Statements of Changes in Equity

(1) Shareholders' equity determined in accordance with accounting principles generally accepted in Luxembourg is disclosed in Note 24 (iii).

(2) The Company has an authorized share capital of a single class of 3.5 billion shares having a nominal value of USD 1.00 per share. As of December 31, 2014, there were 2,004,743,442 shares issued. All issued shares are fully paid.

(3) Include legal reserve under Luxembourg law for USD 200.5 million, undistributable reserves under Luxembourg law for USD 1.4 billion, hedge accounting reserve, net of tax effect, for USD (0.4) million and reserves related to the acquisition of non-controlling interest in subsidiaries according to IAS 27 for USD (58.9) million.

(4) Represents the difference between book value of non-monetary contributions received from shareholders under Luxembourg GAAP and IFRS.

(5) Represents USD 0.075 per share (USD 0.75 per ADS). Related to the dividends distributed on May 7, 2014, and as 41,666,666 shares are held as treasury shares by one of Ternium's subsidiaries, the dividends attributable to these treasury shares amounting to USD 3.1 million were included in equity as less dividend paid.

Dividends may be paid by Ternium to the extent distributable retained earnings calculated in accordance with Luxembourg law and regulations exist. Therefore, retained earnings included in these consolidated financial statements may not be wholly distributable. See Note 24 (iii). The accompanying notes are an integral part of these consolidated financial statements.

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

(All amounts in USD thousands)

Consolidated Statements of Changes in Equity

- (1) Shareholders' equity determined in accordance with accounting principles generally accepted in Luxembourg is disclosed in Note 24 (iii).
- (2) The Company has an authorized share capital of a single class of 3.5 billion shares having a nominal value of USD 1.00 per share. As of December 31, 2013, there were 2,004,743,442 shares issued. All issued shares are fully paid.
- (3) Include legal reserve under Luxembourg law for USD 200.5 million, undistributable reserves under Luxembourg law for USD 1.4 billion, hedge accounting reserve, net of tax effect, for USD 1.1 million and reserves related to the acquisition of non-controlling interest in subsidiaries according to IAS 27 for USD (58.9) million.
- (4) Represents the difference between book value of non-monetary contributions received from shareholders under Luxembourg GAAP and IFRS.
- (5) Corresponds to the acquisition of the non-controlling interest held by Siderúrgica de Caldas S.A.S., a subsidiary of Ternium S.A., in Procesadora de Materiales Industriales S.A. in April 2013.
- (6) Represents USD 0.065 per share (USD 0.65 per ADS). Related to the dividends distributed on May 10, 2013, and as 41,666,666 shares are held as treasury shares by one of Ternium's subsidiaries, the dividends attributable to these treasury shares amounting to USD 2.7 million were included in equity as less dividend paid.

Dividends may be paid by Ternium to the extent distributable retained earnings calculated in accordance with Luxembourg law and regulations exist. Therefore, retained earnings included in these consolidated financial statements may not be wholly distributable. See Note 24 (iii). The accompanying notes are an integral part of these consolidated financial statements.

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

(All amounts in USD thousands)

Consolidated Statements of Changes in Equity

- (1) Shareholders' equity determined in accordance with accounting principles generally accepted in Luxembourg is disclosed in Note 24 (iii).
- (2) The Company has an authorized share capital of a single class of 3.5 billion shares having a nominal value of USD 1.00 per share. As of December 31, 2012, there were 2,004,743,442 shares issued. All issued shares are fully paid.
- (3) Include legal reserve under Luxembourg law for USD 200.5 million, undistributable reserves under Luxembourg law for USD 1.4 billion, hedge accounting reserve, net of tax effect, for USD 1.2 million and reserves related to the acquisition of non-controlling interest in subsidiaries according to IAS 27 for USD (58.5) million.
- (4) Represents the difference between book value of non-monetary contributions received from shareholders under Luxembourg GAAP and IFRS.
- (5) Represents USD 0.075 per share (USD 0.75 per ADS). Related to the dividends distributed on May 2, 2012, and as 41,666,666 shares are held as treasury shares by one of Ternium's subsidiaries, the dividends attributable to these treasury shares amounting to USD 3.1 million were included in equity as less dividend paid.
- (6) Corresponds to the contribution made by Nippon Steel Corporation in Tenigal, S.R.L. de C.V.

Dividends may be paid by Ternium to the extent distributable retained earnings calculated in accordance with Luxembourg law and regulations exist. Therefore, retained earnings included in these consolidated financial statements may not be wholly distributable. See Note 24 (iii). The accompanying notes are an integral part of these consolidated financial statements.

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

(All amounts in USD thousands)

Consolidated Statements of Cash Flows

	Notes	2014	Year ended December 31, 2013	2012
Cash flows from operating activities				
Profit for the year		588,785	592,913	190,921
Adjustments for:				
Depreciation and amortization	12 & 13	414,797	377,133	370,855
Income tax accruals less payments	26 (b)	(14,926)	(24,177)	41,030
Equity in losses (earnings) of non-consolidated companies	3 & 14	34,218	31,609	346,833
Interest accruals less payments	26 (b)	5,162	(16,869)	816
Changes in provisions	19	92	7,330	5,754
Changes in working capital (1)	26 (b)	(550,980)	114,611	23,533
Net foreign exchange results and others		28,696	9,624	75,350
Net cash provided by operating activities		505,844	1,092,174	1,055,092
Cash flows from investing activities				
Capital expenditures	12 & 13	(443,463)	(883,317)	(1,022,592)
Acquisition of business/stake - Purchase consideration Usiminas	3 & 14	(249,032)	-	(2,243,610)
Decrease (Increase) in other investments	18	18,258	(1,802)	127,875
Proceeds from the sale of property, plant and equipment		1,473	2,133	2,143
Proceeds from Sidor financial asset		-	-	136,719
Dividends received from non-consolidated companies	14	-	207	4,718
Investments in non-consolidated companies - Techgen	14	(3,010)	-	-
Net cash used in investing activities		(675,774)	(882,779)	(2,994,747)
Cash flows from financing activities				
Dividends paid in cash to company's shareholders		(147,231)	(127,600)	(147,231)
		(33,632)	(66,704)	(15,902)

SIGNATURE

22

Dividends paid in cash to non-controlling interests			
Contributions from non-controlling shareholders in consolidated subsidiaries	-	-	41,650
Acquisition of non-controlling interest	-	(929)	-
Proceeds from borrowings	1,038,820	1,863,868	1,284,659
Repayments of borrowings	(773,396)	(2,134,711)	(814,976)
Net cash provided by (used in) financing activities	84,561	(466,076)	348,200
Decrease in cash and cash equivalents	(85,369)	(256,681)	(1,591,454)
Movement in cash and cash equivalents			
At January 1,	307,218	560,307	2,158,044
Effect of exchange rate changes	(8,546)	(8,635)	(6,283)
Initial cash of Peña Colorada and Exiros	-	12,227	-
Decrease in cash and cash equivalents	(85,369)	(256,681)	(1,591,454)
Cash and cash equivalents at December 31, (2)	213,303	307,218	560,307

(1) The working capital is impacted by non-cash movement of USD (149.9) million as of December 31, 2014 (USD (157.7) million and USD (53.7) million as of December 31, 2013 and 2012, respectively) due to the variations in the exchange rates used by subsidiaries with functional currencies different from the US dollar.

(2) It includes restricted cash of USD 93, USD 869 and USD 941 as of December 31, 2014, 2013 and 2012, respectively. In addition, the Company had other investments with a maturity of more than three months for USD 149,995, USD 169,503 and USD 160,750 as of December 31, 2014, 2013 and 2012, respectively.

The accompanying notes are an integral part of these consolidated financial statements.

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

INDEX TO THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	Page
1General information	11
2Basis of presentation	12
3Acquisition of business – Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS	16
4Accounting policies	18
5Segment information	38
6Cost of sales	41
7Selling, general and administrative expenses	42
8Labor costs (included in cost of sales and selling, general and administrative expenses)	42
9Other operating income (expenses), net	42
10Other financial income (expenses), net	43
11Income tax expense	43
12Property, plant and equipment, net	45
13Intangible assets, net	46
14Investments in non-consolidated companies	47
15Receivables, net - non-current and current	49
16Trade receivables, net – non-current and current	50
17Inventories, net	50
18Cash, cash equivalents and other investments	51
19Allowances and provisions – non-current and current	51
20Deferred income tax	52
21Other liabilities – non-current and current	54
22Derivative financial instruments	56
23Borrowings	58
24Contingencies, commitments and restrictions on the distribution of profits	60
25Related party transactions	64
26Other required disclosures	65
27Recently issued accounting pronouncements	66
28Financial risk management	67
29Subsequent events	74

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

Notes to the Consolidated Financial Statements

1. GENERAL INFORMATION

Ternium S.A. (the “Company” or “Ternium”), was incorporated on December 22, 2003 to hold investments in flat and long steel manufacturing and distributing companies. The Company has an authorized share capital of a single class of 3.5 billion shares having a nominal value of USD 1.00 per share. As of December 31, 2014, there were 2,004,743,442 shares issued. All issued shares are fully paid.

Following a corporate reorganization carried out during fiscal year 2005, in January 2006 the Company successfully completed its registration process with the United States Securities and Exchange Commission (“SEC”). Ternium’s ADSs began trading on the New York Stock Exchange under the symbol “TX” on February 1, 2006. The Company’s initial public offering was settled on February 6, 2006.

The Company was initially established as a public limited liability company (société anonyme) under Luxembourg’s 1929 holding company regime. Until termination of such regime on December 31, 2010, holding companies incorporated under the 1929 regime (including the Company) were exempt from Luxembourg corporate and withholding tax over dividends distributed to shareholders.

On January 1, 2011, the Company became an ordinary public limited liability company (société anonyme) and, effective as from that date, the Company is subject to all applicable Luxembourg taxes (including, among others, corporate income tax on its worldwide income) and its dividend distributions will generally be subject to Luxembourg withholding tax. However, dividends received by the Company from subsidiaries in high income tax jurisdictions, as defined under Luxembourg law, will continue to be exempt from corporate income tax in Luxembourg under Luxembourg’s participation exemption.

As part of the Company’s corporate reorganization in connection with the termination of Luxembourg’s 1929 holding company regime, on December 6, 2010, the Company contributed its equity holdings in all its subsidiaries and all its financial assets to its Luxembourg wholly-owned subsidiary Ternium Investments S.à.r.l., or Ternium Investments, in exchange for newly issued corporate units of Ternium Investments. As the assets contributed were recorded at their historical carrying amount in accordance with Luxembourg GAAP, the Company’s December 2010 contribution of such assets to Ternium Investments resulted in a non-taxable revaluation of the accounting value of the Company’s assets under Luxembourg GAAP. The amount of the December 2010 revaluation was equal to the difference between the historical carrying amounts of the assets contributed and the value at which such assets were contributed and

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amounted to USD 4.0 billion. However, for the purpose of these consolidated financial statements, the assets contributed by Ternium to its wholly-owned subsidiary Ternium Investments were recorded based on their historical carrying amounts in accordance with IFRS, with no impact on the financial statements.

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

1. GENERAL INFORMATION (continued)

Following the completion of the corporate reorganization, and upon its conversion into an ordinary Luxembourg holding company, the Company voluntarily recorded a special reserve exclusively for tax-basis purposes. As of December 31, 2014 and 2013, this special tax reserve amounted to USD 7.3 billion and USD 7.5 billion, respectively. The Company expects that, as a result of its corporate reorganization, its current overall tax burden will not increase, as all or substantially all of its dividend income will come from high income tax jurisdictions. In addition, the Company expects that dividend distributions for the foreseeable future will be imputed to the special reserve and therefore should be exempt from Luxembourg withholding tax under current Luxembourg law.

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) issued and effective or issued and early adopted as at the time of preparing these statements (February 2015), as issued by the International Accounting Standards Board, and adopted by the European Union ("EU"). These consolidated financial statements are presented in thousands of United States dollars ("USD"), except otherwise indicated.

Elimination of all material intercompany transactions and balances between the Company and their respective subsidiaries has been made in consolidation.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

Certain comparative amounts have been reclassified to conform to changes in presentation in the current period. These reclassifications do not have a material effect on the Company's consolidated financial statements.

These consolidated financial statements have been approved for issue by the Board of Directors on February 18, 2015.

SIGNATURE

Detailed below are the companies whose financial statements have been consolidated and accounted for interest in these consolidated financial statements.

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

2. BASIS OF PRESENTATION (continued)

Company	Country of Organization	Main activity	Percentage of ownership at December 31,		
			2014	2013	2012
Ternium S.A.	Luxembourg	Holding	100.00%	100.00%	100.00%
Ternium Investments S.à.r.l.	Luxembourg	Holding	100.00%	100.00%	100.00%
Ternium Solutions A.G. (1)	Switzerland	Services	100.00%	100.00%	100.00%
Ternium Brasil S.A. (1)	Brazil	Holding	100.00%	100.00%	100.00%
Ternium Investments Switzerland AG (1)	Switzerland	Holding	100.00%	100.00%	100.00%
Ternium Internacional España S.L.U. (1)	Spain	Marketing of steel products	100.00%	100.00%	100.00%
Siderúrgica do Norte Fluminense S.A. (2)	Brazil	Manufacturing and selling of steel products	-	100.00%	100.00%
Consortio Siderurgia Amazonia S.L. (3)	Spain	Holding	-	94.38%	94.38%
Secor - Servicios Corporativos S.A. (4)	Venezuela	Holding	-	-	94.53%
Siderar S.A.I.C. (5)	Argentina	Manufacturing and selling of flat steel products	60.94%	60.94%	60.94%
Impeco S.A. (6)	Argentina	Manufacturing of pipe products	60.97%	60.97%	60.97%
Prosid Investments S.C.A. (6)	Uruguay	Holding	60.94%	60.94%	60.94%
Ternium Mexico S.A. de C.V. (7)	Mexico	Holding	88.72%	88.72%	88.72%
Hylsa S.A. de C.V. (8)	Mexico	Manufacturing and selling of steel products	88.72%	88.72%	88.72%
Las Encinas S.A. de C.V. (8)	Mexico	Exploration, exploitation and pelletizing of iron ore	88.72%	88.72%	88.72%
Ferropak Comercial S.A. de C.V. (8)	Mexico	Scrap services company	88.72%	88.72%	88.72%
Ferropak Servicios S.A. de C.V. (8)	Mexico	Services	88.72%	88.72%	88.72%
Galvacer America Inc (8)	USA	Distributing company	88.72%	88.72%	88.72%
Galvamet America Corp (8)	USA	Manufacturing and selling of insulated panel products	88.72%	88.72%	88.72%
	USA		88.72%	88.72%	88.72%

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30

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Transamerica E. & I. Trading Corp. (8)		Scrap services company			
Técnica Industrial S.A. de C.V. (8)	Mexico	Services	88.72%	88.72%	88.72%
Corporativo Grupo Imsa S.A. de C.V. (8)	Mexico	Services	88.72%	88.72%	88.72%
Acedor, S.A. de C.V. (8)	Mexico	Holding	88.72%	88.72%	88.72%
Ternium Gas México S.A. de C.V. (9)	Mexico	Financial Services	88.72%	88.72%	88.72%
Ecore Holding S. de R.L. de C.V. (10)	Mexico	Holding	-	88.72%	88.72%
Treasury Services S.A. de C.V. (10)	Mexico	Financial Services	-	88.72%	88.72%
APM, S.A. de C.V. (10)	Mexico	Manufacturing and selling of steel products	-	88.72%	88.72%
Acerus S.A. de C.V. (10)	Mexico	Manufacturing and selling of steel products	-	88.72%	88.72%
Neotec L.L.C. (11)	USA	Holding	-	88.72%	88.72%
Imsa Monclova S.A. de C.V. (12)	Mexico	Services	-	-	88.72%
Ternium Internacional Guatemala S.A. (13)	Guatemala	Selling of steel products	99.98%	99.98%	99.98%
Ternium USA Inc. (14)	USA	Manufacturing and selling of steel products	100.00%	100.00%	88.72%
Consortio Minero Benito Juarez Peña Colorada S.A. de C.V. (15)	Mexico	Exploration, exploitation and pelletizing of iron ore	44.36%	44.36%	-
Peña Colorada Servicios S.A. de C.V. (15)	Mexico	Services	44.36%	44.36%	-
Exiros B.V. (15)	Netherlands	Procurement and trading services	50.00%	50.00%	-
Servicios Integrales Nova de Monterrey S.A. de C.V. (16)	Mexico	Medical and Social Services	66.09%	66.09%	66.09%

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2014 and 2013

and for the years ended December 31, 2014, 2013 and 2012

2. BASIS OF PRESENTATION (continued)

Company	Country of Organization	Main activity	Percentage of ownership at December 31,		
			2014	2013	2012
Ternium Internacional Nicaragua S.A.	Nicaragua	Manufacturing and selling of steel products	99.38%	99.38%	99.38%
Ternium Internacional Honduras S.A. de C.V.	Honduras	Manufacturing and selling of steel products	99.18%	99.18%	99.18%
Ternium Internacional El Salvador S.A. de C.V.	El Salvador	Manufacturing and selling of steel products	99.91%	99.91%	99.91%
Ternium Internacional Costa Rica S.A.	Costa Rica	Manufacturing and selling of steel products	99.98%	99.98%	99.98%
Ferrasa S.A.S. (17)	Colombia	Manufacturing and selling of steel products	54.00%	54.00%	54.00%
Perfilamos del Cauca S.A.S. (17)	Colombia	Manufacturing and selling of steel products	54.00%	54.00%	54.00%
Siderúrgica de Caldas S.A.S. (17)	Colombia	Manufacturing and selling of steel products	54.00%	54.00%	54.00%
Procesadora de Materiales Industriales S.A. (17)	Colombia	Scrap services company	54.00%	54.00%	32.40%
Figuraciones S.A.S. (18)	Colombia	Manufacturing and selling of steel products	-	54.00%	54.00%
Tenigal S. de R.L. de C.V. (19)	Mexico	Manufacturing and selling of steel products	51.00%	51.00%	51.00%
Ternium Internacional S.A. (20)	Uruguay	Holding and marketing of steel products	100.00%	100.00%	100.00%
Ternium Procurement S.A. (20)	Uruguay	Procurement services	100.00%	100.00%	100.00%
Ternium International Inc. (20)	Panama	Marketing of steel products	100.00%	100.00%	100.00%
	Uruguay	Financial Services	100.00%	100.00%	100.00%

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32

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Ternium Treasury Services S.A. (20)					
Ternium International Ecuador S.A. (21)	Ecuador	Marketing of steel products	100.00%	100.00%	100.00%
Ternium International USA Corporation (21)	USA	Marketing of steel products	100.00%	100.00%	100.00%
Ternium Internacional de Colombia S.A.S. (21)	Colombia	Marketing of steel products	100.00%	100.00%	100.00%
Ternium Internationaal B.V. (22)	Netherlands	Marketing of steel products	100.00%	100.00%	100.00%
Ternium Engineering & Services S.A. (23)	Uruguay	Engineering and other services	100.00%	100.00%	100.00%
Ternium Ingeni					