

Ternium S.A.
Form 6-K
February 24, 2016

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 2/23/2016

Ternium S.A.

(Translation of Registrant's name into English)

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

L-2227 Luxembourg

(352) 2668-3152

(Address of principal executive offices)

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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):

Not applicable

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

This report contains Ternium S.A.'s consolidated financial statements as of December 31, 2015.

SIGNATURE

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/ Pablo Brizzio

By: /s/ Daniel Novegil

Name: Pablo Brizzio

Name: Daniel Novegil

Title: Chief Financial Officer

Title: Chief Executive Officer

Dated: February 23, 2016

TERNIUM S.A.

Consolidated Financial Statements

as of December 31, 2015 and 2014 and

for the years ended on December 31, 2015, 2014 and 2013

29 Avenue de la Porte-Neuve, 3rd floor

L – 2227

R.C.S. Luxembourg: B 98 668

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2015 and 2014

and for the years ended December 31, 2015, 2014 and 2013

(All amounts in USD thousands)

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TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2015 and 2014

and for the years ended December 31, 2015, 2014 and 2013

(All amounts in USD thousands)

Consolidated Income Statements

	Notes	Year ended December 31,		
		2015	2014	2013
Net sales	5	7,877,449	8,726,057	8,530,012
Cost of sales	6	(6,477,272)	(6,925,169)	(6,600,292)
Gross profit		1,400,177	1,800,888	1,929,720
Selling, general and administrative expenses	7	(770,292)	(816,478)	(843,311)
Other operating income (expenses), net	9	9,454	71,751	23,014
Operating income		639,339	1,056,161	1,109,423
Finance expense	10	(89,489)	(117,866)	(132,113)
Finance income	10	7,981	7,685	9,517
Other financial income (expenses), net	10	(17,922)	40,731	(12,879)
Equity in (losses) earnings of non-consolidated companies	3 & 14	(272,810)	(751,787)	(31,609)
Profit before income tax expense		267,099	234,924	942,339
Income tax expense	11	(207,320)	(339,105)	(349,426)
Profit (Loss) for the year		59,779	(104,181)	592,913
Attributable to:				
Owners of the parent		8,127	(198,751)	455,425
Non-controlling interest		51,652	94,570	137,488
Profit (Loss) for the year		59,779	(104,181)	592,913
Weighted average number of shares outstanding		1,963,076,776	1,963,076,776	1,963,076,776
Basic and diluted (losses) earnings per share for profit attributable to the owners of the parent (expressed in USD per share)		0.00	(0.10)	0.23

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

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2015 and 2014

and for the years ended December 31, 2015, 2014 and 2013

(All amounts in USD thousands)

Consolidated Statements of Comprehensive Income

	Year ended December 31,		
	2015	2014	2013
Profit (Loss) for the year	59,779	(104,181)	592,913
Items that may be reclassified subsequently to profit or loss:			
Currency translation adjustment	(409,767)	(270,773)	(301,943)
Currency translation adjustment from participation in non-consolidated companies	(230,774)	(119,808)	(201,362)
Changes in the fair value of derivatives classified as cash flow hedges and available-for-sale financial instruments	1,277	(3,016)	1,805
Income tax relating to cash flow hedges and available-for-sale financial instruments	(371)	638	(541)
Changes in the fair value of derivatives classified as cash flow hedges from participation in non-consolidated companies	-	154	6,869
Others from participation in non-consolidated companies	(4,140)	(5,642)	6,113
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of post employment benefit obligations	5,277	(27,561)	(7,714)
Income tax relating to remeasurement of post employment benefit obligations	(1,946)	7,711	2,224
Other comprehensive loss for the year, net of tax	(640,444)	(418,297)	(494,549)
Total comprehensive (loss) income for the year	(580,665)	(522,478)	98,364
Attributable to:			
Equity holders of the Company	(457,750)	(495,603)	98,856
Non-controlling interest	(122,915)	(26,875)	(492)
Total comprehensive (loss) income for the year	(580,665)	(522,478)	98,364

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

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2015 and 2014

and for the years ended December 31, 2015, 2014 and 2013

(All amounts in USD thousands)

Consolidated Statements of Financial Position

		Balances as of	
	Notes	December 31, 2015	December 31, 2014
ASSETS			
Non-current assets			
Property, plant and equipment, net	12	4,207,566	4,481,027
Intangible assets, net	13	888,206	948,886
Investments in non-consolidated companies	14	250,412	748,178
Deferred tax assets	20	98,058	115,626
Receivables, net	15	36,147	47,482
Trade receivables, net		-	91
		5,480,389	6,341,290
Current assets			
Receivables	15	89,484	112,229
Derivative financial instruments	22	1,787	4,338
Inventories, net	17	1,579,120	2,134,034
Trade receivables, net	16	511,464	720,214
Other investments	18	237,191	149,995
Cash and cash equivalents	18	151,491	213,303
Non-current assets classified as held for sale		11,667	14,756
		2,582,204	3,348,869
Total Assets		8,062,593	9,690,159
EQUITY			
Capital and reserves attributable to the owners of the parent		4,033,148	4,697,201
Non-controlling interest		769,849	937,502
Total Equity		4,802,997	5,634,703
LIABILITIES			
Non-current liabilities			
Provisions	19	8,142	9,067
Deferred tax liabilities	20	609,514	670,523
Other liabilities	21	320,673	371,900
Trade payables		13,413	11,969

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Borrowings	23	607,237	1,558,979	900,611	1,964,070
Current liabilities					
Current income tax liabilities		41,064		51,083	
Other liabilities	21	156,654		210,206	
Trade payables		568,478		564,513	
Derivative financial instruments	22	20,635		1,376	
Borrowings	23	913,786	1,700,617	1,264,208	2,091,386
Total Liabilities			3,259,596		4,055,456
Total Equity and Liabilities			8,062,593		9,690,159

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

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2015 and 2014

and for the years ended December 31, 2015, 2014 and 2013

(All amounts in USD thousands)

Consolidated Statements of Changes in Equity

	Attributable to the owners of the parent (1)						Total	Non-controlling interest	Total Equity	
	Capital stock (2)	Treasury shares (2)	Initial public offering expenses (3)	Reserves (3)	Capital stock issue discount (4)	Currency translation adjustment (5)				Retained earnings
Balance at January 1, 2015	2,004,743	(150,000)	(23,295)	1,475,619	(2,324,866)	(1,836,057)	5,551,057	4,697,201	937,502	5,634,703
Profit for the period							8,127	8,127	51,652	59,779
Other comprehensive income (loss) for the year										
Currency translation adjustment						(464,278)	(464,278)	(464,278)	(176,263)	(640,541)
Remeasurement of post employment benefit obligations				1,535			1,535	1,535	1,796	3,331
Cash flow hedges and others, net of tax				714			714	714	192	906
Others				(3,848)			(3,848)	(3,848)	(292)	(4,140)
Total comprehensive loss for the year	-	-	-	(1,599)	-	(464,278)	8,127	(457,750)	(122,915)	(580,665)
Dividends paid in cash (5)							(176,677)	(176,677)	-	(176,677)
Dividends paid in cash to non-controlling interest							-	-	(32,743)	(32,743)
							-	-	30,870	30,870

Contributions from non-controlling shareholders in consolidated subsidiaries (6)				
Sale of participation in subsidiary companies (7)		-		1,509
Acquisition of non-controlling interest (8)	(29,626)	(29,626)	(44,374)	(7)
Balance at December 31, 2015	2,004,743	(150,000)	(23,295)	1,444,394
	(2,324,866)	(2,300,335)	5,382,507	4,033,148
			769,849	4,802,997

(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, 2015, there were 2,004,743,442 shares issued. All issued shares are fully paid. Also, as of December 31, 2015, the Company held 41,666,666 shares as treasury shares.

(3) Include mainly 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 for USD (88.5) million.

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

(5) Represents USD 0.090 per share (USD 0.90 per ADS). Related to the dividends distributed on May 6, 2015, and as 41,666,666 shares are held as treasury shares by Ternium, the dividends attributable to these treasury shares amounting to USD 3.7 million were included in equity as less dividend paid.

(6) Corresponds to the contribution made by Nippon Steel Corporation in connection with its participation in Tenigal, S.R.L. de C.V..

(7) Corresponds to the sale of the participation in Ferrasa Panamá S.A. See note 2.b.

(8) Corresponds to the acquisition on the non-controlling interest in Ferrasa S.A.S. See note 2.b.

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, 2015 and 2014

and for the years ended December 31, 2015, 2014 and 2013

(All amounts in USD thousands)

Consolidated Statements of Changes in Equity

	Attributable to the owners of the parent (1)						Total	Non-controlling interest	Total Equity	
	Capital stock (2)	Treasury shares (2)	Initial public offering expenses (3)	Reserves (3)	Capital stock issue discount (4)	Currency translation adjustment (5)				Retained earnings
Balance at January 1, 2014	2,004,743	(150,000)	(23,295)	1,499,976	(2,324,866)	(1,563,562)	5,897,039	5,340,035	998,009	6,338,044
Loss for the year							(198,751)	(198,751)	94,570	(104,181)
Other comprehensive income (loss) for the year										
Currency translation adjustment							(272,495)	(272,495)	(118,086)	(390,581)
Remeasurement of post employment benefit obligations				(17,871)				(17,871)	(1,979)	(19,850)
Cash flow hedges, net of tax				(1,327)				(1,327)	(897)	(2,224)
Others				(5,159)				(5,159)	(483)	(5,642)
Total comprehensive loss for the year	-	-	-	(24,357)	-	(272,495)	(198,751)	(495,603)	(26,875)	(522,478)
Dividends paid in cash (5)				-			(147,231)	(147,231)	-	(147,231)
Dividends paid in cash to non-controlling interest								-	(33,632)	(33,632)

**Balance at
December 31,
2014**

2,004,743(150,000) (23,295)1,475,619(2,324,866) (1,836,057)5,551,0574,697,201

937,502 5,63

(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. Also, as of December 31, 2014, the Company held 41,666,666 shares as treasury shares.

(3) Include mainly 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 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 Ternium, 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, 2015 and 2014

and for the years ended December 31, 2015, 2014 and 2013

(All amounts in USD thousands)

Consolidated Statements of Changes in Equity

	Attributable to the owners of the parent (1)						Total	Non-controlling interest	Total Equity	
	Capital stock (2)	Treasury shares (2)	Initial public offering expenses (3)	Reserves (3)	Capital stock issue discount (4)	Currency translation adjustment (5)				Retained earnings
Balance at January 1, 2013	2,004,743	(150,000)	(23,295)	1,493,201	(2,324,866)	(1,199,814)	5,569,214	5,369,183	1,065,730	6,434,913
Profit for the year							455,425	455,425	137,488	592,913
Other comprehensive income (loss) for the year										
Currency translation adjustment						(363,748)	(363,748)	(363,748)	(139,557)	(503,305)
Remeasurement of post employment benefit obligations				(5,126)			(5,126)	(5,126)	(364)	(5,490)
Cash flow hedges and others, net of tax				6,813			6,813	6,813	1,317	8,130
Others				5,492			5,492	5,492	624	6,116
Total comprehensive income for the year	-	-	-	7,179	-	(363,748)	455,425	98,856	(492)	98,364
Acquisition of non-controlling interest (5)				(404)			(404)	(404)	(525)	(929)
Dividends paid in cash (6)							(127,600)	(127,600)	-	(127,600)
Dividends paid in cash to							-	-	(66,704)	(66,704)

non-controlling
interest

**Balance at
December 31,
2013**

2,004,743 (150,000) (23,295) 1,499,976 (2,324,866) (1,563,562) 5,897,039 5,340,035 998,009 6,333

(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. Also, as of December 31, 2013, the Company held 41,666,666 shares as treasury shares.

(3) Include mainly 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 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 Ternium, 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, 2015 and 2014

and for the years ended December 31, 2015, 2014 and 2013

(All amounts in USD thousands)

Consolidated Statements of Cash Flows

	Notes	2015	Year ended December 31, 2014	2013
Cash flows from operating activities				
Profit (Loss) for the year		59,779	(104,181)	592,913
Adjustments for:				
Depreciation and amortization	12 & 13	433,788	414,797	377,133
Income tax accruals less payments	26 (b)	(23,932)	(39,529)	(24,177)
Equity in losses of non-consolidated companies	3 & 14	272,810	751,787	31,609
Interest accruals less payments	26 (b)	5,496	5,162	(16,869)
Results on the sale of participation in subsidiary companies	2 (c)	1,739	-	-
Changes in provisions	19	3,180	92	7,330
Changes in working capital (1)	26 (b)	509,144	(550,980)	114,611
Net foreign exchange results and others		61,487	28,696	9,624
Net cash provided by operating activities		1,323,491	505,844	1,092,174
Cash flows from investing activities				
Capital expenditures	12 & 13	(466,643)	(443,463)	(883,317)
Acquisition of business/stake - Purchase consideration Usiminas	3 & 14	-	(249,032)	-
(Increase) Decrease in other investments	18	(85,946)	18,258	(1,802)
Proceeds from the sale of property, plant and equipment		1,217	1,473	2,133
Sale of participation in subsidiary company, net of cash disposed	2 (c)	(673)	-	-
Loans granted to non-consolidated companies - Techgen	14	(10,416)	-	-
Dividends received from non-consolidated companies		-	-	207
Investments in non-consolidated companies - Techgen	14	(9,600)	(3,010)	-
Net cash used in investing activities		(572,061)	(675,774)	(882,779)
Cash flows from financing activities				
		(176,677)	(147,231)	(127,600)

Dividends paid in cash to company's shareholders			
Dividends paid in cash to non-controlling interests	(32,743)	(33,632)	(66,704)
Contributions from non-controlling shareholders in consolidated subsidiaries	30,870	-	-
Acquisition of non-controlling interest	2 (c) (74,000)	-	(929)
Proceeds from borrowings	822,663	1,038,820	1,863,868
Repayments of borrowings	(1,379,747)	(773,396)	(2,134,711)
Net cash (used in) provided by financing activities	(809,634)	84,561	(466,076)
Decrease in cash and cash equivalents	(58,204)	(85,369)	(256,681)
Movement in cash and cash equivalents			
At January 1,	213,303	307,218	560,307
Effect of exchange rate changes	(3,608)	(8,546)	(8,635)
Initial cash of Peña Colorada and Exiros	-	-	12,227
Decrease in cash and cash equivalents	(58,204)	(85,369)	(256,681)
Cash and cash equivalents at December 31, (2)	151,491	213,303	307,218

(1) The working capital is impacted by non-cash movement of USD (210.6) million as of December 31, 2015 (USD (149.9) million and USD (157.7) million as of December 31, 2014 and 2013, 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 88, USD 93 and USD 869 as of December 31, 2015, 2014 and 2013, respectively. In addition, the Company had other investments with a maturity of more than three months for USD 237,191, USD 149,995 and USD 169,503 as of December 31, 2015, 2014 and 2013, respectively.

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

TERNIUM S.A.

Consolidated Financial Statements as of December 31, 2015 and 2014

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