

Ternium S.A.
Form F-3ASR
January 31, 2011

Table of Contents

As filed with the Securities and Exchange Commission on January 31, 2011
Registration No. 333-

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**Form F-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

Ternium S.A.
(Exact name of registrant as specified in its charter)

Grand Duchy of Luxembourg

*(State or other jurisdiction of
incorporation or organization)*

Not Applicable

*(Translation of Registrant's
name into English)*

Not Applicable

*(IRS Employer
Identification Number)*

**46a, Avenue John F. Kennedy 1st floor
L-1855 Luxembourg
Telephone: (352) 26 68 31 52**

(Address and telephone number of registrant's principal executive offices)

**José Luis Malvicino
Ternium International U.S.A. Corporation
2200 West Loop South, 8th Floor,
Houston, TX 77027
Telephone: (713) 767-4400**

(Name, address and telephone number of agent for service)

Please send copies of all communications to:

Cristián J. P. Mitrani
Mitrani, Caballero, Rosso Alba, Francia,
Ojam & Ruiz Moreno Abogados
Alicia Moreau de Justo 400, 3rd Floor
C1107AAH Buenos Aires, Argentina
Telephone: + 54 (11) 4590-8600

Robert S. Risoleo, Esq.
Sullivan & Cromwell LLP
1701 Pennsylvania Avenue N.W.
Washington, D.C. 20006
Telephone: 212-956-7500

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.C. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.C. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Aggregate Offering Price per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Debt Securities	(1)(2)	(1)(2)	(1)(2)	(1)(2)
Debt Warrants	(1)	(1)	(1)	(1)
Ordinary Shares, par value USD1.00 per share(3)	(1)	(1)	(1)	(1)

(1) An indeterminate aggregate initial offering price or number of securities of each identified class is being registered as may from time to time be issued at indeterminate prices. In accordance with Rules 456(b) and

Edgar Filing: Ternium S.A. - Form F-3ASR

457(r) under the Securities Act, the Registrant is deferring payment of the entire registration fee.

- (2) Includes an indeterminate number of debt securities that may be issued upon exercise of warrants registered hereby.
 - (3) The ordinary shares may be represented by American Depositary Shares (ADSs), each representing ten ordinary shares, evidenced by American Depositary Receipts (ADRs), to be issued upon deposit of the ordinary shares being registered hereby, and that have been registered pursuant to a separate registration statement on Form F-6 (File No. 333-130952) filed on January 11, 2006, or will be registered pursuant to a further registration statement on Form F-6.
-

Table of Contents

PROSPECTUS

Ternium S.A.

**RCS Luxembourg
B 98668**

**Debt Securities
Debt Warrants
Ordinary Shares**

American Depositary Shares representing Ordinary Shares

From time to time and subject to our articles of association and applicable law, we may offer, issue and sell debt securities, debt warrants, ordinary shares and American Depositary Shares (ADSs) representing ordinary shares in one or more offerings. This prospectus may also be used by a selling security holder to sell securities from time to time.

This prospectus describes some of the general terms that may apply to these securities and the general manner in which they may be offered. When securities are offered under this prospectus, we will provide a prospectus supplement describing the specific terms of any securities to be offered, and the specific manner in which they may be offered, including the amount and price of the offered securities. The prospectus supplement may also add, update or change information contained in this prospectus. If any securities are to be sold by selling security holders, information concerning the security holders will be included in a supplement or supplements to this prospectus. The prospectus supplement may also incorporate by reference certain of our filings with the Securities and Exchange Commission. This prospectus may not be used unless accompanied by a prospectus supplement or the applicable information is included in our filings with or submissions to the Securities and Exchange Commission. You should carefully read this prospectus and any prospectus supplement, together with any documents incorporated by reference, before you invest in any of our securities.

Our ADSs are listed on the New York Stock Exchange (NYSE) and trade under the ticker symbol TX . Our ordinary shares are listed not for trading but only in connection with the registration of ADSs, which are evidenced by American Depositary Receipts (ADRs). Our headquarters are located at 46a, Avenue John F. Kennedy 2nd floor, L-1855 Luxembourg, and our telephone number is +(352) 26 68 31 52.

We and/or the selling security holders may offer and sell the securities directly to purchasers, through underwriters, dealers or agents, or through any combination of these methods, on a continuous or delayed basis. If securities are sold by selling security holders, we will not receive any proceeds from such sale.

Investing in our securities involves risks. You should carefully consider the Risk Factors beginning on page 5 of this prospectus, the Risk Factors beginning on page 9 of our annual report on Form 20-F for the fiscal year ended December 31, 2009, filed with the Securities and Exchange Commission on June 30, 2010, or the risk factors included in any subsequent annual report on Form 20-F that we file, as well as the risk factors included in the applicable prospectus supplement.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

TABLE OF CONTENTS

	Page
<u>ABOUT THIS PROSPECTUS</u>	1
<u>AVAILABLE INFORMATION</u>	1
<u>INCORPORATION OF CERTAIN INFORMATION BY REFERENCE</u>	1
<u>FORWARD-LOOKING STATEMENTS</u>	2
<u>TERNIUM S.A.</u>	4
<u>RISK FACTORS</u>	5
<u>USE OF PROCEEDS</u>	7
<u>RATIOS OF EARNINGS TO FIXED CHARGES</u>	7
<u>PRICE HISTORY OF AMERICAN DEPOSITARY SHARES</u>	8
<u>CAPITALIZATION</u>	9
<u>THE SECURITIES</u>	10
<u>LEGAL OWNERSHIP</u>	10
<u>DESCRIPTION OF DEBT SECURITIES</u>	14
<u>DESCRIPTION OF DEBT WARRANTS</u>	26
<u>DESCRIPTION OF ORDINARY SHARES</u>	28
<u>DESCRIPTION OF AMERICAN DEPOSITARY SHARES</u>	33
<u>U.S. TAXATION OF DEBT SECURITIES</u>	41
<u>U.S. TAXATION OF ORDINARY SHARES AND AMERICAN DEPOSITARY SHARES</u>	53
<u>MATERIAL LUXEMBOURG TAX CONSIDERATIONS FOR HOLDERS OF ORDINARY SHARES</u>	58
<u>PLAN OF DISTRIBUTION</u>	61
<u>VALIDITY OF THE SECURITIES</u>	62
<u>EXPERTS</u>	63
<u>ENFORCEMENT OF CIVIL LIABILITIES AGAINST FOREIGN PERSONS</u>	63
<u>EX-4.1</u>	
<u>EX-5.1</u>	
<u>EX-5.2</u>	
<u>EX-8.1</u>	
<u>EX-8.2</u>	
<u>EX-10.1</u>	
<u>EX-12.1</u>	
<u>EX-23.1</u>	

Table of Contents

ABOUT THIS PROSPECTUS

In this prospectus, unless the context otherwise requires or if otherwise indicated, references to the Company, we, us or our refer to Ternium S.A. only and do not include its consolidated subsidiaries and references to Ternium are to Ternium S.A. and its consolidated subsidiaries.

This prospectus is part of a registration statement that we filed with the U.S. Securities and Exchange Commission (the SEC), using a shelf registration process. Under this shelf process, the securities covered by this prospectus may be sold in one or more offerings. Each time we or any selling security holder offers securities under the registration statement, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. Before you invest in any securities offered under this prospectus, you should read this prospectus and the applicable prospectus supplement together with the additional information described under the heading Available Information. The registration statement that contains this prospectus (including the exhibits to the registration statement) contains additional information about us and the securities offered under this prospectus. Statements contained in this prospectus and the applicable prospectus supplement about the provisions or content of any agreement or other document are only summaries. If SEC rules require that any agreement or document be filed as an exhibit to the registration statement, you should refer to that agreement or document for its complete contents. That registration statement can be read at the SEC website or at the SEC offices mentioned under the heading Available Information.

You should rely only on the information contained or incorporated by reference in this prospectus, any related free writing prospectus or the applicable prospectus supplement. We have not authorized anyone else to provide you with additional or different information. This prospectus may only be used to sell securities if it is accompanied by a prospectus supplement or the applicable information is included in our filings or submissions to the SEC. This prospectus may only be used where it is legal to offer and sell these securities. You should not assume that the information contained or incorporated by reference in this prospectus, the applicable prospectus supplement or any other offering material is accurate as of any date other than the dates on the front of those documents.

AVAILABLE INFORMATION

We are subject to the information requirements of the U.S. Securities Exchange Act of 1934, as amended (the Exchange Act), applicable to a foreign private issuer and, accordingly, file or furnish reports, including annual reports on Form 20-F, reports on Form 6-K, and other information with the SEC. You may read and copy any documents filed by us at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our filings with the SEC are also available to the public through the SEC's internet site at <http://www.sec.gov> and through the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

We have filed with the SEC a registration statement on Form F-3 relating to the securities covered by this prospectus. This prospectus is a part of the registration statement and does not contain all of the information in the registration statement. Whenever a reference is made in this prospectus to a contract or other document of ours, please be aware that the reference is only a summary and that you should refer to the exhibits that are a part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC's public reference room in Washington, D.C., as well as through the SEC's internet site.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

Edgar Filing: Ternium S.A. - Form F-3ASR

The SEC's rules allow us to incorporate by reference information into this prospectus. This means that we can disclose important information to you by referring you to another document. Any information referred to in this way is considered part of this prospectus from the date we file that document. Any reports filed by us with the SEC after the date of this prospectus will be incorporated by reference into this prospectus and will automatically update and, where applicable, supersede any information contained in this prospectus or incorporated by reference in this prospectus (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules).

Table of Contents

We also incorporate by reference into this prospectus the following documents or information filed or furnished, as appropriate, by us with the SEC:

- (1) Registration Statement on Form 8-A dated January 27, 2006 filed on January 27, 2006;
- (2) Annual Report on Form 20-F for the fiscal year ended December 31, 2009, filed on June 30, 2010 (the Annual Report);
- (3) Report on Form 6-K, dated January 31, 2011;
- (4) Any future annual reports on Form 20-F filed with the SEC after the date of this prospectus and prior to the termination of any offering of the securities offered by this prospectus (including any supplement hereto); and
- (5) Our reports on Form 6-K furnished to the SEC after the date of this prospectus only to the extent that the reports expressly state that we incorporate them by reference in this prospectus.

We will provide without charge to each person, including any beneficial owner, to whom this prospectus is delivered, upon his or her written or oral request, a copy of any or all documents referred to above which have been or may be incorporated by reference into this prospectus. You may request a copy of these documents by writing or telephoning us at our registered office at the following address:

Ternium S.A.

46a, Avenue John F. Kennedy 2nd Floor
L-1855 Luxembourg
Attention: Alicia Alvarez
Telephone: (352) 26 68 31 52

We maintain an internet site at www.ternium.com. Information contained in or otherwise accessible through this website is not a part of this prospectus. All references in this prospectus to this internet site are inactive textual references to these URLs, or uniform resource locators and are for informational reference only. We assume no responsibility for the information contained on this web site.

FORWARD-LOOKING STATEMENTS

This prospectus, the accompanying prospectus supplement and the documents incorporated in this prospectus by reference contain statements which may constitute forward-looking statements within the meaning of and subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are not based on historical facts but instead represent only our belief regarding future events, many of which, by their nature, are inherently uncertain and outside our control.

We use words such as aim , will likely result , will continue , contemplate , seek to , future , objective , goal pursue , anticipate , estimate , expect , project , intend , plan , believe and words and terms of similar substance forward-looking statements, but they are not the only way we identify such statements. All forward-looking statements are management s present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. In addition to the risks related to our business discussed under Item 3.D. Key Information Risk Factors of our Annual Report incorporated in this prospectus by reference, other factors could cause actual results to differ materially from those described in the forward-looking statements. These factors include, but are not limited to:

the impact of the global economic crisis;

uncertainties about the behaviour of steel consumers in the markets in which Ternium operates and sells its products;

changes in the pricing environments in the countries in which Ternium operates;

Table of Contents

the impact in the markets in which Ternium operates of existing and new competitors, including competitors that offer less expensive products and services, desirable or innovative products, or have extensive resources or better financing, and whose presence may affect Ternium's customer mix, revenues and profitability;

increases in the prices of raw materials, other inputs or energy or difficulties in acquiring raw materials or other inputs or energy supply cut-offs;

the policies of, and the economic, political and social conditions in, the countries in which Ternium operates or other countries which have an impact on Ternium's business activities or investments;

inflation or deflation and foreign exchange rates in the countries in which Ternium operates;

volatility in interest rates;

the performance of the financial markets globally and in the countries in which Ternium operates;

changes in domestic and foreign laws, regulations and taxes;

regional or general changes in asset valuations;

Ternium's ability to successfully implement its business strategy or to grow through acquisitions, greenfield projects, joint ventures and other investments; and

other factors or trends affecting the flat and long steel industry generally and Ternium's financial condition in particular.

By their nature, certain disclosures relating to these and other risks are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses that may affect our financial condition and results of operations could differ materially from those that have been estimated. You should not place undue reliance on the forward-looking statements, which speak only as of the date they are made. Except as required by law, we are not under any obligation, and expressly disclaim any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

Table of Contents

TERNIUM S.A.

We are a public limited liability company (*société anonyme*) organized under the laws of the Grand-Duchy of Luxembourg on December 22, 2003. Our registered office is located at 46a, Avenue John F. Kennedy, 2nd Floor, L-1855, Luxembourg, telephone (352) 26 68 31 52. Our agent for U.S. federal securities law purposes is Ternium International U.S.A. Corporation, located at 2200 West Loop South, 8th Floor, Houston, TX 77027, United States.

Ternium is a leading steel producer in Latin America, manufacturing and processing a wide range of flat and long steel products for customers active in the construction, home appliances, capital goods, container, food, energy and automotive industries. Ternium believes that it is a competitive steel producer due to its proximity to customers and high-quality raw material sources, state-of-the-art and flexible production facilities and downstream integration into value-added steel products.

Ternium produces and distributes mainly finished and semi-finished flat and long steel products which are sold either directly to steel processors or to end-users, after different value-adding processes. Flat steel products include slabs (steel in its basic, semi-finished state), hot-rolled coils and sheets, cold-rolled coils and sheets, tin plate, hot dipped galvanized and electrogalvanized sheets and pre-painted sheets. Long steel products include billets (steel in its basic, semi-finished state), wire rod and bars.

Ternium has steel production facilities, service centers and distribution centers, in North, Central and South America and iron ore mining operations in North America. Ternium primarily sells its flat and long steel products in the regional markets of the Americas where it can leverage its strategically located manufacturing facilities to provide specialized products and delivery services to its clients and reduce freight costs. We believe that Ternium is the leading supplier of flat steel products in Mexico, the leading supplier of flat steel products in Argentina, and a competitive player in the international steel market for flat and long steel products. Through its network of commercial offices in several countries in Latin America, the United States and Spain, Ternium maintains an international presence that allows it to reach customers outside its local markets, achieve improved effectiveness in the supply of its products and in the procurement of semi-finished steel, and maintain a fluid commercial relationship with its customers by providing continuous services and assistance.

Table of Contents

RISK FACTORS

We have set forth risk factors in our Annual Report, which is incorporated by reference in this prospectus. Prospective investors should carefully consider all of the risks factors set forth therein. Prospective investors in ADSs should particularly consider the risk factors included in our Annual Report under the caption Risk Factors Risks Relating to our ADSs . We have also set forth below certain additional risk factors that relate specifically to debt securities or shares we may offer using this prospectus. We may include further risk factors in future reports on Form 6-K incorporated in this prospectus by reference, or in any prospectus supplement. You should carefully consider all these risk factors in addition to the other information presented or incorporated by reference in this prospectus before deciding to invest in our securities.

Risks Relating to our Debt Securities

There may not be a liquid trading market for our debt securities, which could limit your ability to sell your debt securities in the future.

If a liquid market for our debt securities does not develop, the price of our debt securities and the ability of a holder of our debt securities to resell such debt securities may be limited. Even if a secondary market for our debt securities develops, it may not provide significant liquidity and we expect transaction costs would be high.

Creditors of our subsidiaries will have priority over the holders of our debt securities in claims to assets of our subsidiaries.

The debt securities will be obligations of the Company. We conduct all of our operations and hold substantially all of our assets through our subsidiaries. Claims of creditors of our subsidiaries, including trade creditors and bank and other lenders, will have priority over the holders of our debt securities in claims to assets of our subsidiaries. In addition, our ability to meet our obligations, including obligations under the debt securities, will depend, in significant part, on our receipt of cash dividends, advances and other payments from our subsidiaries.

Judgments of Luxembourg courts enforcing our obligations under the debt securities would be payable only in a currency of legal tender in Luxembourg.

If proceedings were brought in Luxembourg seeking to enforce in Luxembourg our obligations in respect of debt securities, we would be required to discharge our obligations in Luxembourg in a currency of legal tender in Luxembourg. Under Luxembourg law, an obligation denominated in a currency which is not of legal tender in Luxembourg will be enforceable in a currency of legal tender in Luxembourg. As a result, the amount paid by us in a currency of legal tender in Luxembourg may not be readily convertible into the amount of U.S. dollars that we are obligated to pay under the indenture for our debt securities. However, any exchange losses incurred by the holders of our debt securities should be recoverable under Luxembourg law.

Luxembourg insolvency laws may adversely affect a recovery by the holders of the debt securities.

Under Luxembourg law, if we were declared bankrupt, our obligations under the debt securities:

would be enforceable in a currency which is of legal tender in Luxembourg;

would be subject to the outcome of, and priorities recognized in, the relevant proceedings;

would be satisfied at the time claims of all our unsecured creditors are satisfied if the relevant debt securities are unsecured; and

would cease to accrue interest.

Certain Luxembourg corporate law provisions do not apply to our debt securities.

As permitted by Luxembourg corporate law with respect to debt securities issued by a Luxembourg company under a law other than Luxembourg law, the debt securities will not be subject to the provisions of articles 86 to 94-8 of the Luxembourg law of 10th August 1915 on commercial companies, as amended (the Luxembourg Companies

Table of Contents

Law) regarding bondholders' rights. Accordingly, holders of our debt securities would not benefit from such provisions.

Risks Relating to our Shares

In deciding whether to purchase, hold or sell shares, you may not have access to as much information about us as you would in the case of a U.S. company.

There may be less publicly available information about us than is regularly published by or about U.S. issuers. Also, Luxembourg corporate and securities regulations governing Luxembourg companies may not be as extensive as those in effect in the United States, and Luxembourg law and regulations in respect of corporate governance matters might not be as protective of minority shareholders as state corporation laws in the United States. Furthermore, IFRS, the accounting standards in accordance with which we prepare our consolidated financial statements, differ in certain material aspects from U.S. GAAP.

Holders of shares in the United States may not be able to exercise preemptive rights in certain cases.

Pursuant to Luxembourg corporate law, existing shareholders of the Company are generally entitled to preemptive subscription rights in the event of capital increases and issues of shares against cash contributions. Under the Company's articles of association, the board of directors has been authorized to waive, limit or suppress such preemptive subscription rights until July 15, 2015. The Company may, however, issue shares without preemptive rights only in connection with any issuance of shares for, within, in conjunction with or related to an initial public offering of the Company's shares on one or more regulated markets (in one or more instances), or if the newly-issued shares are issued for consideration other than cash, or are issued to directors, officers, agents or employees of the Company, its direct or indirect subsidiaries or its affiliates, or are issued upon conversion of convertible bonds or other instruments convertible into shares (provided, however, that the preemptive subscription rights of the then existing shareholders will apply in connection with any issuance of convertible bonds or other instruments convertible into shares). We intend to evaluate, at the time of any rights offering, the costs and potential liabilities associated with the exercise by holders of shares of the preemptive rights for shares, and any other factors we consider appropriate at the time, and then to make a decision as to whether to register additional shares.

It may be difficult to enforce judgments against us in U.S. courts.

The Company is a corporation organized under the laws of Luxembourg, and most of its assets are located outside the United States. Furthermore, most of the Company's directors and officers named in our annual report reside outside the United States. As a result, investors may not be able to effect service of process within the United States upon us or our directors or officers or to enforce against us or them in U.S. courts judgments predicated upon the civil liability provisions of U.S. federal securities law. Likewise, it may be difficult for a U.S. investor to bring an original action in a Luxembourg court predicated upon the civil liability provisions of the U.S. federal securities laws against the Company, directors and officers. There is also uncertainty with regard to the enforceability of original actions in courts outside the United States of civil liabilities predicated upon the civil liability provisions of U.S. federal securities laws. Furthermore, the enforceability in courts outside the United States of judgments entered by U.S. courts predicated upon the civil liability provisions of U.S. federal securities law will be subject to compliance with procedural requirements under applicable local law, including the condition that the judgment does not violate the public policy of the applicable jurisdiction.

Table of Contents**USE OF PROCEEDS**

Unless we indicate otherwise in the applicable prospectus supplement, we intend to use the net proceeds from any sales by us of the securities offered under this prospectus and the accompanying prospectus supplement to provide additional funds for general corporate purposes. We may set forth additional information on the use of net proceeds from the sale of securities we or selling security holders offer under this prospectus in the prospectus supplement relating to a specific offering.

RATIOS OF EARNINGS TO FIXED CHARGES

The following table sets out Ternium's ratios of earnings to fixed charges for each of the five years ended December 31, 2009, 2008, 2007, 2006 and 2005 and for the nine month period ended September 30, 2010, calculated in accordance with International Financial Reporting Standards and IFRIC interpretations as issued by the International Accounting Standards Board and adopted by the European Union, or IFRS. IFRS differ in certain significant respects from generally accepted accounting principles in the United States, commonly referred to as U.S. GAAP.

	Nine Month Period Ended September 30, 2010	2009	Year Ended December 31,			
		2008	2007	2006	2005	
Ratios in accordance with IFRS	18.54	4.85	6.90	5.64	8.01	7.91

For purposes of computing the ratios of earnings to fixed charges, earnings have been calculated by adding income before equity in earnings of associated companies and income tax, fixed charges, amortization of capitalized interest and distributed income of equity investees and subtracting interest capitalized, and preference security dividend requirements of consolidated subsidiaries. Fixed charges consist of adding interest expense, amortized premiums related to indebtedness and an appropriate portion of rentals representative of the interest factor within rental expense.

Table of Contents**PRICE HISTORY OF AMERICAN DEPOSITARY SHARES**

The Company's ADSs are listed on the NYSE under the symbol "TX". Trading on the NYSE began on February 1, 2006. As of December 6, 2010 a total of 2,004,743,442 shares were registered in the Company's shareholder register.

As of January 28, 2011, a total of 27,364,319 ADSs were outstanding under Ternium's ADS program. On January 28, 2011, the closing sales price for the ADSs on the NYSE was USD 38.30 per ADS.

New York Stock Exchange

Each ADS represents ten shares of the Company's stock. The Bank of New York Mellon acts as the Company's depository for issuing ADRs evidencing the ADSs. The following tables sets forth, for the periods indicated, the high and low daily quoted closing prices for the Company's shares, in the form of ADSs, traded on the NYSE.

Full Financial Years Since Listing	Price in USD per ADS	
	High	Low
2007	40.18	22.97
2008	44.34	4.58
2009	35.10	5.67
2010	43.07	28.76

Full Financial Quarters in 2009	Price in USD per ADS	
	High	Low
First quarter	10.98	5.67
Second quarter	18.38	6.95
Third quarter	27.32	17.00
Fourth quarter	35.10	23.29

Full Financial Quarters in 2010	Price in USD per ADS	
	High	Low
First quarter	40.75	28.75
Second quarter	42.44	29.36
Third quarter	37.94	30.87
Fourth quarter	43.07	32.55

Price in USD per ADS

Last Six Months	High	Low
August 2010	35.84	30.87
September 2010	35.29	31.53
October 2010	35.85	32.55
November 2010	36.93	33.67
December 2010	43.07	35.60
January 1 to January 28, 2010	43.26	38.30

Source: Bloomberg.

Table of Contents**CAPITALIZATION**

The following table sets forth Ternium's consolidated capitalization as of September 30, 2010. This table was prepared in accordance with IFRS. You should read this table in conjunction with the financial statements and other financial information included and incorporated by reference in this prospectus that were prepared in accordance with IFRS.

	As of September 30, 2010
	Thousands of U.S. dollars
Borrowings:	
Current borrowings(1)	509,674
Bank borrowings	514,256
Less: debt issue costs	(4,852)
Non-current borrowings	1,420,618
Bank borrowings	1,424,436
Less: debt issue costs	(3,818)
Total borrowings	1,930,292
Equity:	
Capital and reserves attributable to Ternium's equity holders	5,784,299
Non-controlling interest	1,108,031
Total equity	6,892,330
Total capitalization including non-controlling interest	8,822,622

(1) In January 2011, Ternium Mexico made a scheduled repayment of USD249 million under its outstanding credit agreement.

Table of Contents

THE SECURITIES