

Ternium S.A.  
Form 6-K  
February 27, 2008

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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 2/26/2008

Ternium S.A.  
(Translation of Registrant's name into English)

Ternium S.A.  
46a, Avenue John F. Kennedy  
L-1855 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):  
Not applicable

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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, 2007.

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/ Roberto Philipps  
Name: Roberto Philipps  
Title: Chief Financial Officer

By: /s/ Daniel Novegil  
Name: Daniel Novegil  
Title: Chief Executive Officer

Dated: February 26, 2008

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TERNIUM S.A.

CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2007 and 2006 and  
for the years ended December 31, 2007, 2006 and 2005

46a, Avenue John F. Kennedy, 2nd floor  
L – 1855  
R.C.S. Luxembourg : B 98 668

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TERNIUM S.A.

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Consolidated Financial Statements

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of  
Ternium S.A.

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, of cash flows and of changes in shareholders' equity present fairly, in all material respects, the financial position of Ternium S.A. and its subsidiaries at December 31, 2007 and 2006, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2007 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Buenos Aires, Argentina

February 26, 2008

PRICE WATERHOUSE & CO. S.R.L.

by (Partner)  
Marcelo D. Pfaff

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TERNIUM S.A.  
 Consolidated financial statements  
 as of December 31, 2007 and 2006 and  
 for the years ended December 31, 2007, 2006 and 2005  
 (All amounts in USD thousands)

## CONSOLIDATED INCOME STATEMENTS

	Notes	Year ended December 31,		
		2007	2006	2005
Continuing operations				
Net sales	30	8,184,381	6,565,582	4,449,771
Cost of sales	6 & 30	(5,796,040)	(4,296,979)	(2,486,974)
Gross profit		2,388,341	2,268,603	1,962,797
Selling, general and administrative expenses	7	(825,807)	(624,784)	(504,687)
Other operating income (expenses), net	9	23,874	(7,250)	(65,949)
Operating income		1,586,408	1,636,569	1,392,161
Interest expense	30 & 31	(142,137)	(112,918)	(81,608)
Interest income	30	66,878	52,554	32,324
Other financial expenses, net	10 & 30	(351,096)	(322,417)	(261,452)
Excess of fair value of net assets acquired over cost	3	-	-	188,356
Equity in (losses) earnings of associated companies	14	(7,065)	4,534	21,524
Income before income tax expense		1,152,988	1,258,322	1,291,305
Income tax expense	11	(162,640)	(262,356)	(218,492)
Income from continuing operations		990,348	995,966	1,072,813
Discontinued operations				
Income from discontinued operations	29	10,818	-	-
Net income for the year		1,001,166	995,966	1,072,813
Attributable to:				
Equity holders of the Company	28	784,490	795,424	704,406
Minority interest		216,676	200,542	368,407
		1,001,166	995,966	1,072,813
	28	2,004,743,442	1,936,833,060	1,209,476,609

Weighted average number of shares outstanding			
Basic earnings per share for profit attributable to the equity holders of the Company (expressed in USD per share)	0.39	0.41	0.58
Diluted earnings per share for profit attributable to the equity holders of the Company (expressed in USD per share)	0.39	0.41	0.54

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

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TERNIUM S.A.  
 Consolidated financial statements  
 as of December 31, 2007 and 2006 and  
 for the years ended December 31, 2007, 2006 and 2005  
 (All amounts in USD thousands)

## CONSOLIDATED BALANCE SHEETS

	Notes	December 31, 2007	December 31, 2006		
<b>ASSETS</b>					
Non-current assets					
Property, plant and equipment, net	12	6,858,779	5,420,683		
Intangible assets, net	13	1,452,230	551,587		
Investments in associated companies	14	44,042	16,285		
Other investments, net	15 & 30	14,815	13,387		
Deferred tax assets	23	31,793	36,439		
Receivables, net	16 & 30	217,638	8,619,297	78,903	6,117,284
Current assets					
Receivables	17 & 30	426,038	175,818		
Derivative financial instruments	25	577	7,852		
Inventories, net	18	1,913,051	1,241,325		
Trade receivables, net	19 & 30	847,827	577,866		
Other investments	20	65,337	-		
Cash and cash equivalents	20	1,126,041	4,378,871	643,352	2,646,213
Non-current assets classified as held for sale	29		769,142	7,042	
			5,148,013	2,653,255	
<b>Total assets</b>			<b>13,767,310</b>	<b>8,770,539</b>	
<b>EQUITY</b>					
Capital and reserves attributable to the company's equity holders			4,452,680	3,757,558	
Minority interest			1,914,210	1,729,583	
<b>Total equity</b>			<b>6,366,890</b>	<b>5,487,141</b>	
<b>LIABILITIES</b>					
Non-current liabilities					
Provisions	21	57,345	60,543		
Deferred income tax	23	1,337,039	985,155		
Other liabilities	24	336,500	274,566		
Trade payables	30	6,690	7,229		
Borrowings	26	3,677,497	5,415,071	548,401	1,875,894

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