

TERNIUM S.A.

**CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS AS OF MARCH 31, 2007
AND FOR THE THREE-MONTH PERIODS
ENDED MARCH 31, 2007 AND 2006**

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Report of Independent Registered Public Accounting Firm

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

We have reviewed the accompanying consolidated condensed balance sheet of Ternium S.A. and its subsidiaries as of March 31, 2007, and the related consolidated condensed statements of income and of changes in shareholders' equity for each of the three-month periods ended March 31, 2007 and 2006 and the consolidated condensed statements of cash flows for the three-month periods ended March 31, 2007 and 2006. These interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated condensed interim financial statements for them to be in conformity with International Financial Reporting Standards.

We previously audited in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet as of December 31, 2006, and the related consolidated statements of income, of changes in shareholders' equity and of cash flows for the year then ended (not presented herein), and in our report dated February 27, 2007 we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet information as of December 31, 2006, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived

Buenos Aires, Argentina

May 3, 2007

PRICE WATERHOUSE & CO. S.R.L.

by



(Partner)

Marcelo D. Pfaff

TERNIUM S.A.
Consolidated condensed interim financial statements as of March 31, 2007
and for the three-month periods ended March 31, 2007 and 2006
(All amounts in USD thousands)

CONSOLIDATED CONDENSED INTERIM INCOME STATEMENTS

	<u>Notes</u>	<u>Three-month period</u> <u>ended March 31,</u>	
		<u>2007</u>	<u>2006</u>
		(Unaudited)	
Net sales	3	1,798,293	1,530,999
Cost of sales	3 & 4	(1,223,890)	(989,657)
Gross profit	3	574,403	541,342
Selling, general and administrative expenses	3 & 5	(164,548)	(151,017)
Other operating income, net	3	5,561	2,199
Operating income	3	415,416	392,524
Interest expense		(16,948)	(34,314)
Interest income		10,817	12,153
Other financial expenses, net	6	(76,122)	(101,369)
Equity in losses of associated companies		(1,003)	(1,828)
Income before income tax expense		332,160	267,166
Income tax expense		(80,532)	(72,653)
Net income for the period		251,628	194,513
Attributable to:			
Equity holders of the Company		222,133	165,043
Minority interest		29,495	29,470
		251,628	194,513
Weighted average number of shares outstanding		2,004,743,442	1,729,329,115
Basic earnings per share for profit attributable to the equity holders of the Company (expressed in USD per share)		0.11	0.10
Diluted earnings per share for profit attributable to the equity holders of the Company (expressed in USD per share)		0.11	0.09

The accompanying notes are an integral part of these consolidated condensed interim financial statements. These consolidated condensed interim financial statements should be read in conjunction with our audited Consolidated Financial Statements and notes for the fiscal year ended December 31, 2006.

TERNIUM S.A.
Consolidated condensed interim financial statements as of March 31, 2007
and for the three-month periods ended March 31, 2007 and 2006
(All amounts in USD thousands)

CONSOLIDATED CONDENSED BALANCE SHEETS

	Notes	March 31, 2007 (Unaudited)	December 31, 2006
ASSETS			
Non-current assets			
Property, plant and equipment, net	7	5,351,398	5,420,683
Intangible assets, net	8	547,814	551,587
Investments in associated companies		15,277	16,285
Other investments, net		13,464	13,387
Deferred tax assets		35,044	36,439
Receivables, net		93,039	78,903
		6,056,036	6,117,284
Current assets			
Receivables		163,953	175,818
Derivative financial instruments		9,803	7,852
Inventories, net		1,181,399	1,241,325
Trade receivables, net		640,385	577,866
Cash and cash equivalents		983,690	2,979,230
		5,964	643,352
Non-current assets classified as held for sale			7,042
Total assets		9,041,230	8,770,539
EQUITY			
Capital and reserves attributable to the company's equity holders			
		3,938,739	3,757,558
Minority interest		1,747,641	1,729,583
Total equity		5,686,380	5,487,141
LIABILITIES			
Non-current liabilities			
Provisions		64,815	60,543
Deferred income tax		962,727	985,155
Tax liabilities		1,168	-
Other liabilities		289,954	274,566
Trade payables		7,152	7,229
Borrowings		399,722	548,401
		1,725,538	1,875,894
Current liabilities			
Current tax liabilities		177,169	103,195
Other liabilities		205,389	158,374
Trade payables		686,952	621,754
Derivative financial instruments		10	15,487
Borrowings		559,792	1,629,312
		508,694	1,407,504
Total liabilities		3,354,850	3,283,398
Total equity and liabilities		9,041,230	8,770,539

Contingencies, commitments and restrictions to the distribution of profits are disclosed in Note 10.

The accompanying notes are an integral part of these consolidated condensed interim financial statements. These consolidated condensed interim financial statements should be read in conjunction with our audited Consolidated Financial Statements and notes for the fiscal year ended December 31, 2006.

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(All amounts in USD thousands)

CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Attributable to the Company's equity holders (1)					Retained earnings	Total	Minority interest	Total Equity
	Capital stock	Initial public offering expenses	Revaluation and other reserves	Capital stock issue discount (2)	Currency translation adjustment				
Balance at January 1, 2007	2,004,744	(23,295)	2,047,199	(2,324,866)	(121,608)	2,175,384	3,757,558	1,729,583	5,487,141
Currency translation adjustment					(40,952)		(40,952)	(11,283)	(52,235)
Net income for the period						222,133	222,133	29,495	251,628
Total recognized income for the period	2,004,744	(23,295)	2,047,199	(2,324,866)	(162,560)	2,397,517	3,938,739	1,747,795	5,686,534
Dividends paid in cash and other distributions by subsidiary companies								(154)	(154)
Balance at March 31, 2007	2,004,744	(23,295)	2,047,199	(2,324,866)	(162,560)	2,397,517	3,938,739	1,747,641	5,686,380
Balance at January 1, 2006	1,396,552	(5,456)	1,462,137	(2,298,048)	(92,691)	1,379,960	1,842,454	1,733,465	3,575,919
Currency translation adjustment					(42,139)		(42,139)	(14,988)	(57,127)
Net income for the period						165,043	165,043	29,470	194,513
Total recognized income for the period					(42,139)	165,043	122,904	14,482	137,386
Contributions from shareholders	33,801		43,100	(26,818)			50,083	(46,998)	3,085
Conversion of Subordinated Convertible Loans	302,962		302,962				605,924		605,924
Initial Public Offering	271,429	(17,839)	271,429				525,019		525,019
Balance at March 31, 2006	2,004,744	(23,295)	2,079,628	(2,324,866)	(134,830)	1,545,003	3,146,384	1,700,949	4,847,333

(1) Shareholders' equity determined in accordance with accounting principles generally accepted in Luxembourg is disclosed in Note 10 (ii).

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

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 condensed interim financial statements may not be wholly distributable. See Note 10 (ii).

The accompanying notes are an integral part of these consolidated condensed interim financial statements. These consolidated condensed interim financial statements should be read in conjunction with our audited Consolidated Financial Statements and notes for the fiscal year ended December 31, 2006.

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CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENTS

	Notes	Three-month period ended March, 31	
		2007	2006
(Unaudited)			
Cash flows from operating activities			
Net income for the period		251,628	194,513
Adjustments for:			
Depreciation and amortization	7 & 8	115,259	106,300
Income tax accruals less payments		57,976	10,948
Derecognition of property, plant and equipment	7	-	1,619
Equity in losses of associated companies		1,003	1,828
Interest accruals less payments		(4,735)	(15,893)
Changes in provisions		(3,316)	11,420
Changes in working capital		110,349	(12,581)
Others		2,129	(1,107)
Net cash provided by operating activities		530,293	297,047
Cash flows from investing activities			
Capital expenditures	7 & 8	(102,385)	(89,998)
Acquisition of business		-	(55,183)
Proceeds from the sale of property, plant and equipment		5,174	528
Net cash used in investing activities		(97,211)	(144,653)
Cash flows from financing activities			
Net proceeds from Initial Public Offering		-	525,019
Contributions from shareholders		-	3,085
Proceeds from borrowings		120,141	11,381
Repayments of borrowings		(212,527)	(553,452)
Net cash used in financing activities		(92,386)	(13,967)
Increase in cash and cash equivalents		340,696	138,427
Movement in cash and cash equivalents			
At January 1, (1)		633,002	754,980
Effect of exchange rate changes		(380)	(813)
Increase in cash and cash equivalents		340,696	138,427
Cash and cash equivalents at March 31, (1)		973,318	892,594
Non-cash transactions			
Conversion of debt instruments into shares		-	605,925

(1) In addition, the Company has restricted cash for USD 10,372 and USD 10,350 at March 31, 2007 and December 31, 2006, respectively.

The accompanying notes are an integral part of these consolidated condensed interim financial statements. These consolidated condensed interim financial statements should be read in conjunction with our audited Consolidated Financial Statements and notes for the fiscal year ended December 31, 2006.

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TERNIUM S.A.
Notes to the Consolidated Condensed Interim Financial Statements (Contd.)

1 General information and basis of presentation

Ternium S.A. (the “Company” or “Ternium”), a Luxembourg Corporation (Société Anonyme), was incorporated on December 22, 2003 under the name of Zoompart Holding S.A. to hold investments in flat and long steel manufacturing and distributing companies. The extraordinary shareholders’ meeting held on August 18, 2005, changed the corporate name to Ternium S.A.

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”). As from February 1, 2006, the Company’s shares are listed in the New York Stock Exchange.

The name and percentage of ownership of subsidiaries that have been included in consolidation in these Consolidated Condensed Interim Financial Statement is disclosed in Note 2 to the audited Consolidated Financial Statement for the year ended December 31, 2006.

These Consolidated Condensed Interim Financial Statements have been prepared in accordance with IAS 34, “Interim Financial Reporting”. These Consolidated Condensed Interim Financial Statements should be read in conjunction with the audited Consolidated Financial Statements for the year ended December 31, 2006, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

Certain comparative amounts have been reclassified to conform to changes in presentation in the current period.

The preparation of consolidated condensed interim financial statements requires management to make estimates and assumptions that might affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the balance sheet dates, and also the reported amounts of revenues and expenses for the reported periods. Actual results may differ from these estimates.

Material intercompany transactions and balances have been eliminated in consolidation. However, the fact that the functional currency of the Company’s subsidiaries differ, results in the generation of foreign exchange gains (losses) that are included in the consolidated condensed interim income statement under “Other financial expenses, net”.

These Consolidated Condensed Interim Financial Statements were approved by the Board of Directors of Ternium on May 3, 2007.

2 Accounting policies

The accounting policies used in the preparation of these Consolidated Condensed Interim Financial Statements are consistent with those used in the audited Consolidated Financial Statements for the year ended December 31, 2006.

Recently issued accounting pronouncements were applied by the Company as from their respective dates.

During 2007, Ternium launched an incentive retention program (the “Program”) applicable to certain senior officers and employees of the Company, who will be granted a number of Units throughout the duration of the Program. The value of each of these Units will be based on Ternium’s shareholders’ equity (excluding minority interest). Also, the beneficiaries of the Program will be entitled to receive cash amounts based on (i) the amount of dividend payments made by Ternium to its shareholders, and (ii) the number of Units held by each beneficiary to the Program. Units vest ratably over a period of four years beginning January 1, 2007 and will be redeemed by the Company ten years after grant date. As of March 31, 2007, the outstanding liability corresponding to the Program amounts to USD 2.1 million.

TERNIUM S.A.
Notes to the Consolidated Condensed Interim Financial Statements (Contd.)

3 Segment information

Primary reporting format – business segments

Business segments: for management purposes, the Company is organized on a worldwide basis into the following segments: flat steel products, long steel products and others.

The flat steel products segment comprises the manufacturing and marketing of hot rolled coils and sheets, cold rolled coils and sheets, tin plate, welded pipes, hot dipped galvanized and electrogalvanized sheets, pre-painted sheets and other tailor-made products to serve its customers' requirements.

The long steel products segment comprises the manufacturing and marketing of billets (steel in its basic, semifinished state), wire rod and bars.

The other products segment includes products other than flat and long steel, mainly pig iron and pellets.

	Flat steel products	Long steel products	Other	Total
	(Unaudited)			
Three-month period ended March 31, 2007				
Net sales	1,392,938	357,737	47,618	1,798,293
Cost of sales	(941,703)	(249,290)	(32,897)	(1,223,890)
Gross profit	<u>451,235</u>	<u>108,447</u>	<u>14,721</u>	<u>574,403</u>
Selling, general and administrative expenses	(129,361)	(30,526)	(4,661)	(164,548)
Other operating income, net	3,826	903	832	5,561
Operating income	<u>325,700</u>	<u>78,824</u>	<u>10,892</u>	<u>415,416</u>
Depreciation - PP&E	90,990	15,644	3,318	109,952
	Flat steel products	Long steel products	Other	Total
	(Unaudited)			
Three-month period ended March 31, 2006				
Net sales	1,198,472	282,578	49,949	1,530,999
Cost of sales	(758,349)	(206,038)	(25,270)	(989,657)
Gross profit	<u>440,123</u>	<u>76,540</u>	<u>24,679</u>	<u>541,342</u>
Selling, general and administrative expenses	(119,962)	(25,843)	(5,212)	(151,017)
Other operating (expenses) income, net	(776)	213	2,762	2,199
Operating income	<u>319,385</u>	<u>50,910</u>	<u>22,229</u>	<u>392,524</u>
Depreciation - PP&E	85,191	13,740	2,722	101,653

TERNIUM S.A.
Notes to the Consolidated Condensed Interim Financial Statements (Contd.)

3 Segment information (continued)

Secondary reporting format - geographical segments

The secondary reporting format is based on a geographical location. Ternium sells its products to three main geographical areas: South and Central America, North America, and Europe and others. The North American segment comprises principally United States, Canada and Mexico. The South and Central American segment comprises principally Argentina, Brazil, Colombia, Venezuela and Ecuador.

	South and Central America	North America	Europe and others	Total
	(Unaudited)			
Three-month period ended March 31, 2007				
Net sales	1,011,159	733,236	53,898	1,798,293
Depreciation – PP&E	75,445	34,480	27	109,952
Three-month period ended March 31, 2006				
Net sales	829,466	676,247	25,286	1,530,999
Depreciation – PP&E	68,445	33,201	7	101,653

4 Cost of sales

	Three-month period ended March 31,	
	2007	2006
	(Unaudited)	
Inventories at the beginning of the year	1,241,325	1,000,119
Acquisition of business	-	8,180
Plus: Charges for the period		
Raw materials and consumables used and other movements	772,759	697,105
Services and fees	43,195	35,312
Labor cost	131,678	120,462
Depreciation of property, plant and equipment	106,701	97,849
Amortization of intangible assets	3,687	3,348
Maintenance expenses	95,987	67,745
Office expenses	1,719	1,513
Freight and transportation	6,451	5,666
Insurance	2,462	2,641
Provision for obsolescence	(4,424)	9,390
Recovery from sales of scrap and by-products	(20,498)	(13,846)
Others	24,247	15,807
Less: Inventories at the end of the period	(1,181,399)	(1,061,634)
Cost of sales	1,223,890	989,657

TERNIUM S.A.
Notes to the Consolidated Condensed Interim Financial Statements (Contd.)

5 Selling, general and administrative expenses

	Three-month period ended March 31,	
	2007	2006
	(Unaudited)	
Services and fees	11,237	14,454
Labor cost	39,713	33,996
Depreciation of property plant and equipment	3,251	3,804
Amortization of intangible assets	1,620	1,299
Maintenance expenses	3,584	3,791
Taxes	15,547	12,563
Office expenses	5,975	7,205
Freight and transportation	80,104	66,833
Insurance	268	401
Provision for impairment of trade receivables	(2,155)	380
Others	5,404	6,291
Selling, general and administrative expenses	164,548	151,017

6 Other financial expenses, net

	Three-month period ended March 31,	
	2007	2006
	(Unaudited)	
Net foreign exchange transaction gains and change in fair value of derivative instruments	18,904	(5,496)
Debt issue costs	(1,063)	(9,030)
Loss from Participation Account	(90,701)	(83,305)
Others	(3,262)	(3,538)
Other financial expenses, net	(76,122)	(101,369)

7 Property, plant and equipment, net

	Three-month period ended March 31,	
	2007	2006
	(Unaudited)	
At the beginning of the year	5,420,683	5,463,871
Currency translation differences	(47,820)	(64,426)
Transfers	-	(9,633)
Additions	92,403	86,430
Disposals	(3,916)	(2,394)
Derecognition	-	(1,619)
Increase due to business acquisition	-	47,825
Depreciation charge	(109,952)	(101,653)
At the end of the period	5,351,398	5,418,401

TERNIUM S.A.
Notes to the Consolidated Condensed Interim Financial Statements (Contd.)

8 Intangible assets, net

	Three-month period ended March 31,	
	2007	2006
	(Unaudited)	
At the beginning of the year	551,587	552,882
Currency translation differences	(8,448)	(3,985)
Additions	9,982	3,568
Amortization charge	(5,307)	(4,647)
At the end of the period	547,814	547,818

9 Distribution of dividends

On February 27, 2007, the Board of Directors proposed a dividend distribution of US\$0.05 per share (US\$0.50 per ADS), or approximately US\$100.2 million in the aggregate, which is subject to shareholder approval at the Company's annual general shareholders' meeting to be held on June 6, 2007. If the annual dividend is approved at the annual general shareholders' meeting, the payment date is expected to be on June 12, 2007.

10 Contingencies, commitments and restrictions on the distribution of profits

This note should be read in conjunction with Note 28 to the Company's audited Consolidated Financial Statements for the year ended December 31, 2006. Significant changes or events since the date of the annual report are as follows:

(i) Consorcio Siderurgia Amazonia Ltd .- PDVSA-Gas C.A. claim

In June 2004, the arbitration proceedings brought by Sidor against PDVSA Gas, C.A. (on the basis that PDVSA Gas had charged Sidor higher than agreed-upon prices in its supplies of gas against the application of the most favored client clause) were resolved in Sidor's favor. Accordingly, in its financial statements at December 31, 2004, Sidor reversed the USD41.4 million provision it had recorded at December 31, 2003. In July 2004, PDVSA Gas, C.A. filed an appeal with the Venezuelan courts seeking to void the arbitral award. Sidor believes that applicable Venezuelan law does not allow the courts to void an arbitral award under the circumstances and that the likelihood of loss thereunder is remote. Accordingly, Sidor did not record any liabilities in connection with the appeal. At March 31, 2007, Sidor's potential exposure under this litigation amounted to USD 134.7 million.

(ii) Restrictions on the distribution of profits

Under the credit agreements entered into to finance the acquisition of Hylsamex, the Company and its affiliates have some restrictions to the payment of dividends in excess of certain amounts, among other limitations (see Note 3e) to the audited Consolidated Financial Statements for the year ended December 31, 2006).

Under Luxembourg law, at least 5% of net income per year calculated in accordance with Luxembourg law and regulations must be allocated to a reserve until such reserve equals 10% of the share capital. At March 31, 2007, this reserve reached the above-mentioned threshold.

Ternium may pay dividends to the extent that it has distributable retained earnings and distributable reserves calculated in accordance with Luxembourg law and regulations. Therefore, retained earnings included in the consolidated financial statements may not be wholly distributable.

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Notes to the Consolidated Condensed Interim Financial Statements (Contd.)

10 Contingencies, commitments and restrictions on the distribution of profits (continued)

Shareholders' equity under Luxembourg law and regulations comprises the following captions:

	At March 31, 2007
	(Unaudited)
Share capital	2,004,744
Legal reserve	200,474
Distributable reserves	402,149
Non distributable reserves	1,414,122
Accumulated profit at January 1, 2007	499,842
Profit for the period	60,401
Total shareholders' equity under Luxembourg GAAP	4,581,732

11 Related party transactions

The Company is controlled by San Faustin N.V., a Netherlands Antilles corporation, which has 70.52% of the Company's voting rights, either directly or indirectly. The ultimate controlling entity of the Company is Rocca & Partners, a British Virgin Islands corporation.

The following transactions were carried out with related parties:

	Three-month period	
	Ended March, 31	
	2007	2006
	(Unaudited)	
(i) Transactions		
(a) Sales of goods and services		
Sales of goods to associated parties	27	2,671
Sales of goods to other related parties	24,677	21,572
Sales of services and others to associated parties	829	508
Sales of services and others to other related parties	2,854	-
	28,387	24,751
(b) Purchases of goods and services		
Purchases of goods from associated parties	20,101	14,390
Purchases of goods from other related parties	11,373	9,675
Purchases of services and others from associated parties	5,688	-
Purchases of services and others from other related parties	57,843	23,202
	95,005	47,267
(c) Financial results		
Income with associated parties	1,161	-
Expenses with other related parties	(12)	(147)
	1,149	(147)

TERNIUM S.A.
Notes to the Consolidated Condensed Interim Financial Statements (Contd.)

11 Related party transactions (continued)

	At March 31, 2007	At December 31, 2006
	(Unaudited)	
(ii) Period-end balances		
(a) Arising from sales/purchases of goods/services		
Receivables from associated parties	68,355	67,558
Receivables from other related parties	38,424	48,533
Payables to associated parties	(13,035)	(5,588)
Payables to other related parties	(48,874)	(48,032)
	44,870	62,471
b) Other investments		
Time deposit	11,356	11,249
(c) Financial debt		
Borrowings with other related parties	(2,161)	(2,161)

12 Subsequent event: Grupo Imsa S.A.B. de C.V. (“Grupo Imsa”)

On April 30, 2007 Ternium announced that it has entered into a definitive agreement under which it expects to obtain control of Grupo Imsa for a total consideration of approximately US\$1.7 billion.

Under the agreement, Ternium, or any of its subsidiaries, will make a tender offer in accordance with applicable Mexican law for all of the issued and outstanding share capital of Grupo Imsa at a price of US\$6.40 per share. Concurrently with the consummation of the tender offer, Grupo Imsa’s majority shareholders, owning approximately 90.4% of Grupo Imsa’s issued and outstanding share capital, will have their shares redeemed in cash at the same price per share. Ternium will finance the transactions primarily through debt, for which bank commitments have been secured.

The transaction is subject to Mexican and U.S. antitrust clearances, approval by the Mexican securities regulator, and other customary conditions. It is expected to close in the third quarter of 2007.

Grupo Imsa is a steel manufacturer with operations in Mexico, the United States and Guatemala. It has an annual production capacity of 2.2 million tons of hot rolled coils, 1.8 million tons of cold rolled products and 1.7 million tons of galvanized products. In addition, Grupo Imsa produces panels and other steel products.

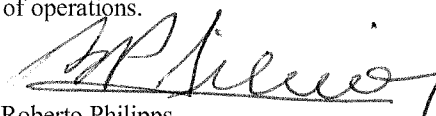
13 Recent accounting pronouncements

(i) International Accounting Standard 23 (revised 2007), “Borrowing Costs”

In March 2007, the International Accounting Standards Board issued International Accounting Standard 23 (revised 2007), “Borrowing Costs” (the “Standard”). The Standard provides that borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset, while all other borrowing costs shall be recognized as an expense.

The Standard supersedes IAS 23 (revised 1993) and is applicable for annual periods beginning on or after 1 January 2009. Earlier application is permitted. If an entity applies the Standard from a date before 1 January 2009, it shall disclose that fact.

The Company's management has not assessed the potential impact that the application of the Standard may have on the Company's financial condition or results of operations.



Roberto Philipps

Chief Financial Officer