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## Ternium Announces Second Quarter and First Half 2007 Results

Luxembourg, August 2, 2007 – Ternium S.A. (NYSE: TX) today announced its results for the second quarter and six months ended June 30, 2007.

The financial and operational information contained in this press release is based on consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and presented in U.S. dollars and metric tons.

### Summary of Second Quarter 2007 Results

	2Q 2007	2Q 2006		1Q 2007	
Shipments (million tons)	2.6	2.4	6%	2.5	3%
Net Sales (US\$ million)	1,961.1	1,707.7	15%	1,798.3	9%
Operating Income (US\$ million)	450.6	476.7	-5%	415.4	8%
EBITDA* (US\$ million)	580.8	582.2	0%	530.7	9%
EBITDA Margin (% of net sales)	30%	34%		30%	
Net Income (US\$ million)	315.0	289.2	9%	251.6	25%
Equity Holders' Net Income (US\$ million)	236.9	232.6	2%	222.1	7%
Earnings per ADS (US\$)	1.18	1.16	2%	1.11	7%

Net sales increased 15% during the second quarter 2007 compared to net sales in the second quarter 2006 as a result of a 9% increase in revenue per ton and 6% increase in shipments. Prices were higher across most of Ternium's markets and steel demand increased in the South & Central America Region while it decreased in the North America Region.

During the second quarter 2007, operating income was 5% lower than it was in the second quarter 2006. Higher shipments and steel prices were offset by higher raw material, freight and labor costs, as well as higher amortizations mainly as a result of new acquisitions and assessments of useful life. Net income during the second quarter 2007 was 9% higher than that of the second quarter 2006. The decrease in operating income was offset by lower financial and income tax expenses. Equity holders' net income during the second quarter 2007 was 2% higher than that of the second quarter 2006.

\* Second quarter 2007 EBITDA equals operating income of US\$450.6 million plus depreciation and amortization of US\$130.2 million.

## Grupo Imsa

On July 26, 2007, Ternium obtained full ownership of Grupo Imsa S.A.B. de C.V., a leading flat steel manufacturer with operations in Mexico, the United States and Guatemala. The value of the transaction was US\$3.1 billion, including Grupo Imsa's net debt. Ternium will consolidate Grupo Imsa's balance sheet and results of operations in its consolidated financial statements from July 26, 2007 onward.

## Outlook

Sales volume will increase following the consolidation of Grupo Imsa. Excluding this effect, Ternium expects sales volume to decrease slightly in the near term from second quarter 2007 levels. This is due mainly to an expected decrease in production levels resulting from maintenance work carried out in July 2007 at one of Ternium's blast furnaces in the South & Central America Region, as well as from the revamping of one of the Company's hot roll mills in the North America Region that is expected to increase the mill's production capacity.

The aforementioned maintenance work and revamping are expected to increase maintenance costs and related expenses in the near term from second quarter 2007 levels. Labor costs at Sidor also could increase as a result of negotiations currently underway for a new, two-year collective bargaining agreement.

Demand and prices in the North American market have been softening as a result of a slowdown in the construction sector. However, inventory levels are normalizing and Ternium does not expect major changes in the near future. Steel prices in the South & Central America Region should remain relatively stable, although steel prices in the Venezuelan local market could change as a result of Ternium's ongoing negotiations with the Venezuelan Government.

## Analysis of Second Quarter 2007 Results

Net income attributable to the Company's equity holders for the second quarter 2007 was US\$236.9 million, compared with US\$232.6 million in the second quarter 2006. Including minority interest, net income for the second quarter 2007 was US\$315.0 million, compared with US\$289.2 million in the second quarter 2006. Earnings per ADS for the second quarter 2007 were US\$1.18, compared with US\$1.16 in the second quarter 2006.

Net sales for the second quarter 2007 increased 15% to US\$2.0 billion compared with the same period in 2006. This was due mainly to higher prices across most markets and higher shipments in the South & Central America Region, partially offset by lower shipments in the North America Region. Shipments of flat and long products reached 2.6 million tons during the second quarter 2007, an increase of 6% compared to shipment levels in the second quarter 2006. Revenue per ton shipped increased 9% to US\$741 in the second quarter 2007 versus the same quarter in 2006.

	Net Sales (million US\$)			Shipments (thousand tons)			Revenue / ton (US\$/ton)		
	2Q 2007	2Q 2006	Dif.	2Q 2007	2Q 2006	Dif.	2Q 2007	2Q 2006	Dif.
South & Central America	960.6	775.3	24%	1,251.5	1,161.9	8%	768	667	15%
North America	486.7	520.4	-6%	598.0	656.2	-9%	814	793	3%
Europe & other	74.5	8.0	835%	111.0	15.9	598%	671	501	34%
<b>Total flat products</b>	<b>1,521.8</b>	<b>1,303.6</b>	<b>17%</b>	<b>1,960.4</b>	<b>1,834.1</b>	<b>7%</b>	<b>776</b>	<b>711</b>	<b>9%</b>
South & Central America	198.6	130.8	52%	320.1	237.3	35%	621	551	13%
North America	182.6	211.9	-14%	286.4	341.5	-16%	638	620	3%
<b>Total long products</b>	<b>381.3</b>	<b>342.7</b>	<b>11%</b>	<b>606.5</b>	<b>578.8</b>	<b>5%</b>	<b>629</b>	<b>592</b>	<b>6%</b>
<b>Total flat and long products</b>	<b>1,903.1</b>	<b>1,646.3</b>	<b>16%</b>	<b>2,567.0</b>	<b>2,412.9</b>	<b>6%</b>	<b>741</b>	<b>682</b>	<b>9%</b>
Other products <sup>(1)</sup>	57.9	61.4	-6%						
<b>Total Net Sales</b>	<b>1,961.1</b>	<b>1,707.7</b>	<b>15%</b>						

<sup>(1)</sup> Includes iron ore and pig iron.

Sales of flat products during the second quarter 2007 totaled US\$1.5 billion, an increase of 17% compared with the same quarter in 2006. This was the result of higher prices across most markets and higher shipments in the South & Central America Region, partially offset by lower shipments in the North America Region. Shipments of flat products totaled 2.0 million tons in the second quarter 2007, an increase of 7% compared with the same period in 2006. Revenue per ton shipped increased 9% to US\$776 in the second quarter 2007 compared with the same period in 2006.

Sales of long products were US\$381.3 million during the second quarter 2007, an increase of 11% compared to the same period in 2006, due to higher prices across most markets and higher shipments in the South & Central America Region, partially offset by lower shipments in the North America Region. Shipments totaled 607,000 tons in the second quarter 2007, representing a 5% increase versus the same quarter in 2006. Revenue per ton shipped increased 6% to US\$629 in the second quarter 2007 over the second quarter 2006, despite the fact that revenue per ton was lower year-over-year in certain North American markets that had experienced exceptionally tight supply/demand conditions during the second quarter 2006.

Sales of other products totaled US\$57.9 million during the second quarter 2007, compared to US\$61.4 million in the same period in 2006.

Flat and long product sales in the South & Central America Region were US\$1.2 billion during the second quarter 2007, an increase of 28% versus the same period in 2006. This increase was due to higher volumes and revenue per ton. Shipments in the region totaled 1.6 million tons during the second quarter 2007, or 12% higher than in the second quarter 2006, due to an increase in the demand. Revenue per ton shipped in the region increased 14% to US\$738 in the second quarter 2007 over the same quarter in 2006, mainly due to higher prices and a higher value added mix of sales.

Sales of flat and long products in the North America Region were US\$669.3 million in the second quarter 2007, a decrease of 9% versus the same period in 2006, mainly due to lower shipments, partially offset by slightly higher prices. Shipments in the region totaled 884,000 tons during the second quarter 2007, or 11% lower than the same period in 2006. Revenue per ton shipped in the region increased 3%

to US\$757 in the second quarter 2007 over the same quarter in 2006, despite the fact that revenue per ton was lower year-over-year in certain long product markets that had experienced exceptionally tight supply/demand conditions during the second quarter 2006.

Cost of sales totaled US\$1.3 billion in the second quarter 2007, or 67% of net sales, compared to US\$1.1 billion, or 63% of net sales, in the second quarter 2006. The higher year-over-year cost of sales was due mainly to an increase in shipments volume and a higher value added mix of sales, higher raw material and labor costs and higher amortizations mainly as a result of new acquisitions and assessments of useful life.

Prices for iron ore supplies to the Argentine and Venezuelan operations were higher during the second quarter 2007 than they were in the same period in 2006. Second quarter scrap and zinc prices also increased year-over-year.

Natural gas and electricity costs were higher in Mexico and Venezuela during the second quarter 2007 compared to the same period in 2006. Labor costs in Mexico, Argentina and Venezuela increased year-over-year during the second quarter 2007.

Selling, general and administrative (SG&A) expenses in the second quarter 2007 were US\$198.3 million, or 10% of net sales, compared with US\$155.1 million, or 9% of net sales, in the second quarter 2006. The increase in SG&A was due mainly to higher freight expenses related to a higher level of shipments and a year-over-year increase in labor costs in Mexico, Argentina and Venezuela.

Operating income in the second quarter 2007 was US\$450.6 million, or 23% of net sales, compared with US\$476.7 million, or 28% of net sales, in the second quarter 2006.

EBITDA<sup>1</sup> in the second quarter 2007 was US\$580.8 million, or 30% of net sales, compared with US\$582.2 million, or 34% of net sales, in the second quarter 2006. Equity holders' EBITDA in the second quarter 2007 was 65% of EBITDA.

Net financial expenses totaled US\$86.9 million in the second quarter 2007, compared with US\$108.2 million in the same period in 2006. This reduction was mainly due to a US\$17.8 million decrease in net interest expense, which was primarily associated with a reduction in net debt, and a US\$4.6 million decrease in the excess cash distribution related to Sidor's participation accounts.

Sidor's excess cash distribution related to the participation account was US\$173.0 million in the second quarter 2007 compared with US\$184.4 million in the second quarter 2006. The recognition of payments to minority shareholders of Sidor resulted in expenses for Ternium of US\$69.7 million in the second quarter 2007, compared with expenses of US\$74.2 million in the same period in 2006.

Income tax expense for the second quarter 2007 was US\$48.3 million, or 13% of income before income tax and minority interest, compared with US\$80.2 million, or 22% of income before income tax and minority interest, in the second quarter 2006. The lower expense in the second quarter 2007 was mainly related to a lower gain at the North America Region.

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<sup>1</sup> EBITDA equals operating income of US\$450.6 million plus depreciation and amortization of US\$130.2 million.

Income attributable to minority interest for the second quarter 2007 was US\$78.0 million, compared with US\$56.6 million in the second quarter 2006. The year-over-year increase was due mainly to higher income attributable to minority interest in Sidor, partially offset by a reduction in minority interest in Siderar on account of Ternium's acquisition of an additional 4.85% stake in Siderar in December 2006.

## Cash Flow and Liquidity

Net cash provided by operating activities in the second quarter 2007 was US\$366.8 million. Capital expenditures in the second quarter 2007 were US\$94.6 million, compared to US\$96.3 million in the second quarter 2006. Investments during the second quarter 2007 were made mainly for the upgrading of the hot strip mill in Mexico, the construction of new coking facilities in Argentina and the construction of a new ladle furnace in Venezuela. Net cash used in financing activities during the second quarter 2007 was US\$516.2 million, of which US\$396.1 million were net reductions in borrowings, US\$100.2 million was Ternium's annual dividend payment and US\$19.9 million was Siderar's annual dividend payment to minority shareholders.

Ternium's net cash position (cash and cash equivalents and other current investments less borrowings) increased by US\$139.3 million during the second quarter 2007 to US\$163.5 million as of June 30, 2007, compared to net debt of US\$413.7 million as of December 31, 2006. Total financial debt was US\$567.3 million as of June 30, 2007, compared to US\$1.1 billion as of December 31, 2006.

To finance the Grupo Imsa transaction consummated on July 26, 2007, partially refinance existing debt and pay associated taxes and expenses, Ternium and certain of its Mexican subsidiaries (including Grupo Imsa) are or will become parties to syndicated term loan facilities in the aggregate principal amount of up to US\$3.8 billion.

## Analysis of First Half 2007 Results

Net income attributable to the Company's equity holders for the first half ended June 30, 2007 was US\$459.1 million, compared with US\$397.6 million for the first half ended June 30, 2006. Including minority interest, net income for the first half 2007 was US\$566.6 million, compared with US\$483.7 million for the first half 2006. Earnings per ADS were US\$2.29 in the first half 2007.

Net sales for the first half 2007 increased 16% to US\$3.8 billion, compared with the same period in 2006, mainly due to higher demand and prices in the South & Central America Region. Shipments of flat and long products reached 5.1 million tons during the first half 2007, an increase of 9% compared to shipment levels in the first half 2006. Revenue per ton shipped increased 7% to US\$721 in the first half 2007 versus the same period in 2006.

	Net Sales (million US\$)			Shipments (thousand tons)			Revenue / ton (US\$/ton)		
	6M 2007	6M 2006	Dif.	6M 2007	6M 2006	Dif.	6M 2007	6M 2006	Dif.
South & Central America	1,782.4	1,467.8	21%	2,363.3	2,207.2	7%	754	665	13%
North America	1,009.2	1,011.4	0%	1,296.4	1,298.6	0%	779	779	0%
Europe & other	123.1	22.5	447%	193.7	42.5	356%	636	530	20%
<b>Total flat products</b>	<b>2,914.8</b>	<b>2,501.8</b>	<b>17%</b>	<b>3,853.3</b>	<b>3,548.3</b>	<b>9%</b>	<b>756</b>	<b>705</b>	<b>7%</b>
South & Central America	363.5	252.3	44%	612.9	474.7	29%	593	531	12%
North America	375.5	373.3	1%	599.7	638.0	-6%	626	585	7%
<b>Total long products</b>	<b>739.0</b>	<b>625.6</b>	<b>18%</b>	<b>1,212.6</b>	<b>1,112.6</b>	<b>9%</b>	<b>609</b>	<b>562</b>	<b>8%</b>
<b>Total flat and long products</b>	<b>3,653.8</b>	<b>3,127.3</b>	<b>17%</b>	<b>5,065.9</b>	<b>4,660.9</b>	<b>9%</b>	<b>721</b>	<b>671</b>	<b>7%</b>
Other products <sup>(1)</sup>	105.6	111.3	-5%						
<b>Total Net Sales</b>	<b>3,759.4</b>	<b>3,238.7</b>	<b>16%</b>						

<sup>(1)</sup> Includes iron ore and pig iron.

Sales of flat products during the first half 2007 totaled US\$2.9 billion, an increase of 16% compared with the same period in 2006. This was the result mainly of higher demand and prices in the South & Central America Region. Shipments totaled 3.9 million tons in the first half 2007, an increase of 9% compared with the same period in 2006. Revenue per ton shipped increased 7% to US\$756 in the first half 2007 compared with the same period in 2006.

Sales of long products were US\$739.0 million during the first half 2007, an increase of 18% compared to the same period in 2006. This was due to higher prices across most markets and higher shipments in the South & Central America Region, partially offset by lower shipments in the North America Region. Shipments totaled 1.2 million tons in the first half 2007, representing a 9% increase versus the same period in 2006. Revenue per ton shipped increased 8% to US\$609 in the first half 2007 over the first half 2006.

Sales of other products totaled US\$105.6 million during the first half 2007 compared to US\$111.3 million during the same period in 2006.

Flat and long product sales in the South & Central America Region were US\$2.1 billion during the first half 2007, an increase of 25% versus the same period in 2006. This increase was due to higher volumes and revenue per ton. Shipments in the region totaled 3.0 million tons during the first half 2007, or 11% higher than in the first half 2006, due to an increase in demand. Revenue per ton shipped in the region increased 12% to US\$721 in the first half 2007 over the same period in 2006, mainly due to higher prices and a higher value added mix of sales.

Sales of flat and long products in the North America Region totaled US\$1.4 billion in the first half 2007, a level similar to that achieved during the same period in 2006. This was due mainly to lower volumes offset by higher prices. Shipments in the region totaled 1.9 million tons during the first half 2007, or 2% lower than during the same period in 2006. Revenue per ton shipped in the region increased 2% to US\$730 in the first half 2007 over the same period in 2006.

Cost of sales totaled US\$2.5 billion in the first half 2007, or 67% of net sales, compared to US\$2.1 billion, or 64% of net sales, in the first half 2006. The higher year-over-year cost of sales was due mainly to an increase in shipments volume and a higher value added mix of sales, higher raw material and labor costs and higher amortizations mainly as a result of new acquisitions and assessments of useful life.

Prices for iron ore supplies to the Argentine and Venezuelan operations were higher during the first half 2007 than they were in the same period in 2006. Scrap and zinc prices also increased year-over-year.

Natural gas and electricity costs were stable in Mexico during the first half 2007 compared to the same period in 2006, while they increased year-over-year in Venezuela. Labor costs in Mexico, Argentina and Venezuela increased during the first half 2007 versus the comparable period the prior year.

SG&A expenses in the first half 2007 were US\$362.8 million, or 10% of net sales, compared with US\$306.1 million, or 10% of net sales, in the first half 2006. The increase in the SG&A dollar figure was due mainly to higher freight expenses related to the higher level of shipments and the year-over-year increase in labor costs in Mexico, Argentina and Venezuela.

Operating income in the first half 2007 was US\$866.0 million, or 23% of net sales, compared with US\$869.2 million, or 27% of net sales, in the first half 2006.

EBITDA<sup>2</sup> in the first half 2007 was US\$1.1 billion, or 30% of net sales, compared to US\$1.1 billion, or 33% of net sales, in the first half 2006. Equity holders' EBITDA in the first half 2007 was 66% of EBITDA.

Net financial expenses totaled US\$169.2 million in the first half 2007, compared with US\$231.7 million in the same period in 2006. This reduction was due mainly to a US\$33.9 million decrease in net interest expense, which was primarily associated with a reduction in net debt, and a gain of US\$19.7 million associated with changes in the fair value of some derivative instruments entered into by Ternium related to energy prices and interest rates fluctuations.

Sidor's excess cash distribution related to the participation account was US\$398.2 million in the first half 2007, compared with US\$391.2 million in the first half 2006. The recognition of payments to minority shareholders of Sidor resulted in expenses for Ternium of US\$160.4 million in the first half 2007, compared with expenses of US\$157.5 million in the same period in 2006.

Income tax expense for the first half 2007 was US\$128.9 million, or 19% of income before income tax and minority interest, compared with US\$152.8 million, or 24% of income before income tax and minority interest, in the first half 2006.

Income attributable to minority interest for the first half 2007 was US\$107.5 million, compared with US\$86.1 million in the first half 2006. The year-over-year increase was due mainly to higher income attributable to minority interest in Sidor, partially offset by a reduction in minority interest in Siderar on account of Ternium's acquisition of an additional 4.85% stake in Siderar in December 2006.

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<sup>2</sup> EBITDA equals operating income of US\$866.0 million plus depreciation and amortization of US\$245.5 million.

## Forward Looking Statements

Some of the statements contained in this press release are “forward-looking statements”. Forward-looking statements are based on management’s current views and assumptions and involve known and unknown risks that could cause actual results, performance or events to differ materially from those expressed or implied by those statements. These risks include but are not limited to risks arising from uncertainties as to gross domestic product, related market demand, global production capacity, tariffs, cyclicalities in the industries that purchase steel products and other factors beyond Ternium’s control.

## About Ternium

Ternium is one of the leading steel companies in the Americas, offering a wide range of flat and long steel products. Ternium has operating locations in Mexico, Argentina and Venezuela that provide it with a strong position from which to serve its core markets. In addition, Ternium reaches the global markets through its own distribution network. More information about Ternium is available at [www.ternium.com](http://www.ternium.com).

## Consolidated income statement

US\$ million	2Q 2007	2Q 2006	Dif.	1H 2007	1H 2006	Dif.
Net sales	1,961.1	1,707.7	253.4	3,759.4	3,238.7	520.7
Cost of sales	(1,308.7)	(1,075.7)	(233.0)	(2,532.6)	(2,065.4)	(467.3)
Gross profit	652.3	632.0	20.4	1,226.7	1,173.3	53.4
Selling, general and administrative expenses	(198.3)	(155.1)	(43.2)	(362.8)	(306.1)	(56.7)
Other operating (expenses)/income, net	(3.4)	(0.2)	(3.2)	2.1	2.0	0.2
Operating income	450.6	476.7	(26.1)	866.0	869.2	(3.2)
Interest expense	(12.9)	(29.7)	16.8	(29.9)	(64.0)	34.2
Interest income	14.0	13.0	1.0	24.8	25.1	(0.3)
Other financial expenses, net	(88.1)	(91.5)	3.5	(164.2)	(192.9)	28.7
Equity in (losses)/earnings of associated companies	(0.4)	0.9	(1.3)	(1.4)	(0.9)	(0.5)
Income before income tax expense	363.3	369.4	(6.1)	695.5	636.6	58.9
Income tax expense	(48.3)	(80.2)	31.8	(128.9)	(152.8)	24.0
Net income for the period	315.0	289.2	25.8	566.6	483.7	82.9
Attributable to:						
Equity holders of the Company	236.9	232.6	4.3	459.1	397.6	61.4
Minority interest	78.0	56.6	21.4	107.5	86.1	21.4
	315.0	289.2	25.8	566.6	483.7	82.9

## Consolidated balance sheet

US\$ million	June 30, 2007	December 31, 2006
Property, plant and equipment, net	5,361.9	5,420.7
Intangible assets, net	560.0	551.6
Investments in associated companies	49.8	16.3
Other investments, net	13.6	13.4
Deferred tax assets	34.5	36.4
Receivables, net	66.5	78.9
Total non-current assets	6,086.2	6,117.3
Receivables	152.2	175.8
Derivative financial instruments	1.4	7.9
Inventories, net	1,215.9	1,241.3
Trade receivables, net	729.3	577.9
Cash and cash equivalents	730.8	643.4
Total current assets	2,829.6	2,646.2
Non-current assets classified as held for sale	7.2	7.0
Total assets	8,923.0	8,770.5
Shareholders' equity	4,123.6	3,757.6
Minority interest in subsidiaries	1,815.3	1,729.6
Minority interest & shareholders' equity	5,938.9	5,487.1
Provisions	65.5	60.5
Deferred income tax	952.2	985.2
Other liabilities	308.2	274.6
Trade payables	7.1	7.2
Borrowings	199.5	548.4
Total non-current liabilities	1,532.5	1,875.9
Current tax liabilities	122.7	103.2
Other liabilities	190.3	158.4
Trade payables	770.6	621.8
Derivative financial instruments	0.2	15.5
Borrowings	367.8	508.7
Total current liabilities	1,451.6	1,407.5
Total liabilities	2,984.1	3,283.4
Total liabilities, minority interest & shareholders' equity	8,923.0	8,770.5

## Consolidated cash flow statement

US\$ million	2Q 2007	2Q 2006	Dif.	1H 2007	1H 2006	Dif.
Net income for the period	315.0	289.2	25.8	566.6	483.7	82.9
Adjustments for:						
Depreciation and amortization	130.2	105.5	24.7	245.5	211.8	33.7
Income tax accruals less payments	(91.6)	(7.4)	(84.2)	(33.6)	3.5	(37.1)
Equity in losses of associated companies	0.4	(0.9)	1.3	1.4	0.9	0.5
Interest accruals less payments	2.9	17.8	(14.9)	(1.8)	1.9	(3.7)
Changes in provisions	(2.9)	13.6	(16.4)	(6.2)	25.0	(31.2)
Changes in working capital	(3.4)	(71.4)	68.1	107.0	(84.0)	191.0
Others	16.2	9.5	6.7	18.3	10.0	8.3
<b>Net cash provided by operating activities</b>	<b>366.8</b>	<b>355.8</b>	<b>11.1</b>	<b>897.1</b>	<b>652.8</b>	<b>244.3</b>
Capital expenditures	(94.6)	(96.3)	1.6	(197.0)	(186.3)	(10.8)
Change in trust funds	-	5.2	(5.2)	-	5.2	(5.2)
Acquisition of business (1)	(0.1)	(47.9)	47.7	(0.1)	(103.1)	102.9
Proceeds from sale of property, plant & equipment	1.2	0.0	1.2	6.4	0.6	5.9
<b>Net cash used in investing activities</b>	<b>(93.5)</b>	<b>(138.9)</b>	<b>45.4</b>	<b>(190.7)</b>	<b>(283.6)</b>	<b>92.8</b>
Dividends paid in cash and other distributions to company's equity shareholders	(100.2)	-	(100.2)	(100.2)	-	(100.2)
Dividends paid in cash and other distributions to minority shareholders	(19.9)	(27.2)	7.3	(19.9)	(27.2)	7.3
Net proceeds from Initial Public Offering	-	-	-	-	525.0	(525.0)
Contributions from shareholders	-	-	-	-	3.1	(3.1)
Proceeds from borrowings	72.1	25.2	47.0	192.3	36.5	155.7
Repayment of borrowings	(468.2)	(201.4)	(266.8)	(680.7)	(754.8)	74.1
<b>Net cash used in financing activities</b>	<b>(516.2)</b>	<b>(203.4)</b>	<b>(312.8)</b>	<b>(608.6)</b>	<b>(217.4)</b>	<b>(391.2)</b>
<b>Increase in cash and cash equivalents</b>	<b>(242.9)</b>	<b>13.4</b>	<b>(256.3)</b>	<b>97.8</b>	<b>151.9</b>	<b>(54.0)</b>

<sup>(1)</sup> Corresponds to the purchase of Impeco and other assets from Acindar in 1Q 2006 and to the purchase of Worthington Industries' 50% equity interest in Acerex in 2Q 2006.

Shipments					
Thousand tons	2Q 2007	2Q 2006	1Q 2007	1H 2007	1H 2006
South & Central America	1,251.5	1,161.9	1,111.8	2,363.3	2,207.2
North America	598.0	656.2	698.4	1,296.4	1,298.6
Europe & other	111.0	15.9	82.7	193.7	42.5
<b>Total flat products</b>	<b>1,960.4</b>	<b>1,834.1</b>	<b>1,892.9</b>	<b>3,853.3</b>	<b>3,548.3</b>
South & Central America	320.1	237.3	292.8	612.9	474.7
North America	286.4	341.5	313.3	599.7	638.0
<b>Total long products</b>	<b>606.5</b>	<b>578.8</b>	<b>606.1</b>	<b>1,212.6</b>	<b>1,112.6</b>
<b>Total flat and long products</b>	<b>2,567.0</b>	<b>2,412.9</b>	<b>2,498.9</b>	<b>5,065.9</b>	<b>4,660.9</b>
Revenue / ton					
US\$/ton	2Q 2007	2Q 2006	1Q 2007	1H 2007	1H 2006
South & Central America	768	667	739	754	665
North America	814	793	748	778	779
Europe & other	671	501	589	636	530
<b>Total flat products</b>	<b>776</b>	<b>711</b>	<b>736</b>	<b>756</b>	<b>705</b>
South & Central America	621	551	563	593	531
North America	638	620	616	626	585
<b>Total long products</b>	<b>629</b>	<b>592</b>	<b>590</b>	<b>609</b>	<b>562</b>
<b>Total flat and long products</b>	<b>741</b>	<b>682</b>	<b>701</b>	<b>721</b>	<b>671</b>
Net Sales					
US\$ million	2Q 2007	2Q 2006	1Q 2007	1H 2007	1H 2006
South & Central America	960.6	775.3	821.8	1,782.4	1,467.8
North America	486.7	520.4	522.5	1,009.2	1,011.4
Europe & other	74.5	8.0	48.7	123.1	22.5
<b>Total flat products</b>	<b>1,521.8</b>	<b>1,303.6</b>	<b>1,392.9</b>	<b>2,914.8</b>	<b>2,501.8</b>
South & Central America	198.6	130.8	164.9	363.5	252.3
North America	182.6	211.9	192.9	375.5	373.3
<b>Total long products</b>	<b>381.3</b>	<b>342.7</b>	<b>357.7</b>	<b>739.0</b>	<b>625.6</b>
<b>Total flat and long products</b>	<b>1,903.1</b>	<b>1,646.3</b>	<b>1,750.7</b>	<b>3,653.8</b>	<b>3,127.3</b>
Other products <sup>(1)</sup>	57.9	61.4	47.6	105.6	111.3
<b>Total net sales</b>	<b>1,961.1</b>	<b>1,707.7</b>	<b>1,798.3</b>	<b>3,759.4</b>	<b>3,238.7</b>

(1) Includes iron ore and pig iron.