



**First Quarter 2019  
Earnings Conference Call and Webcast  
May 2, 2019**



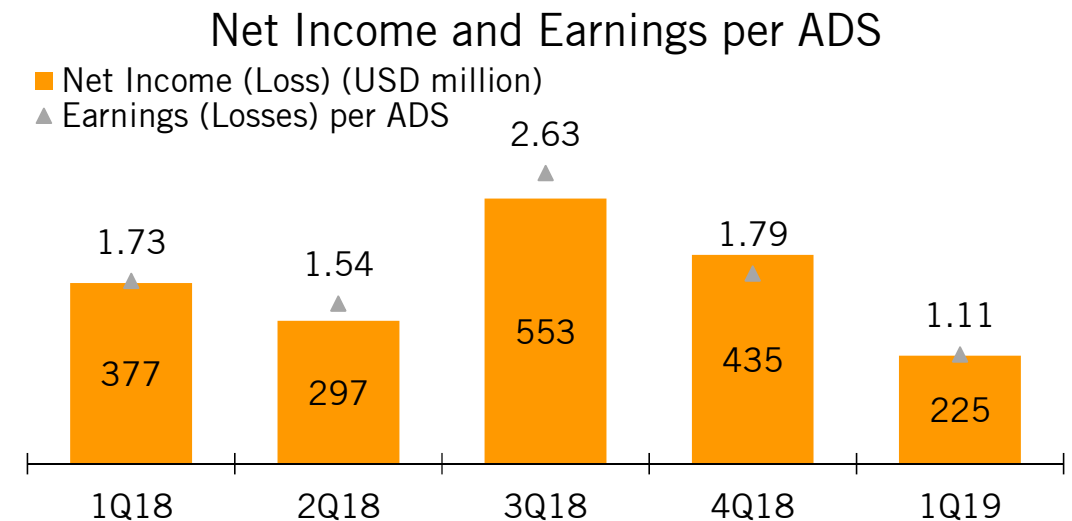
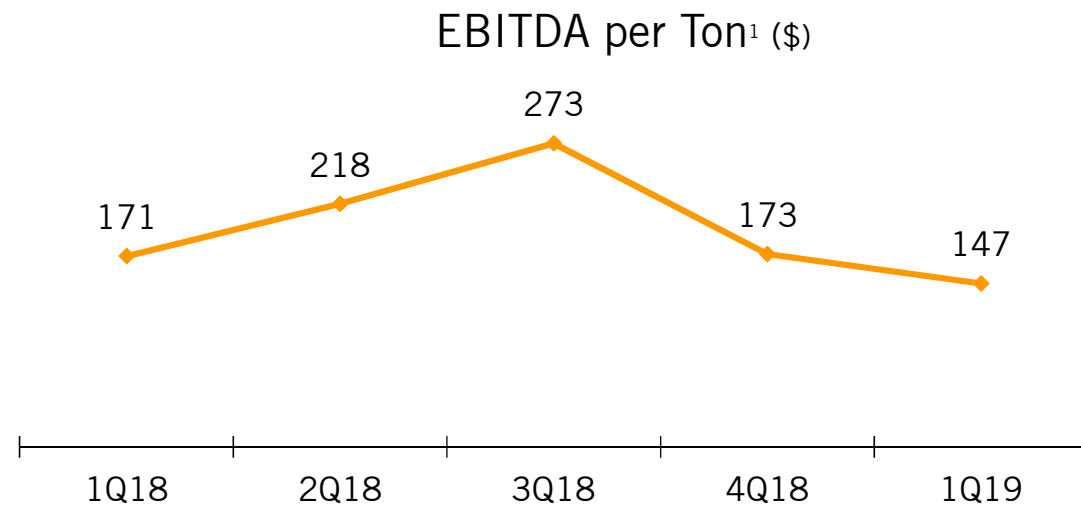
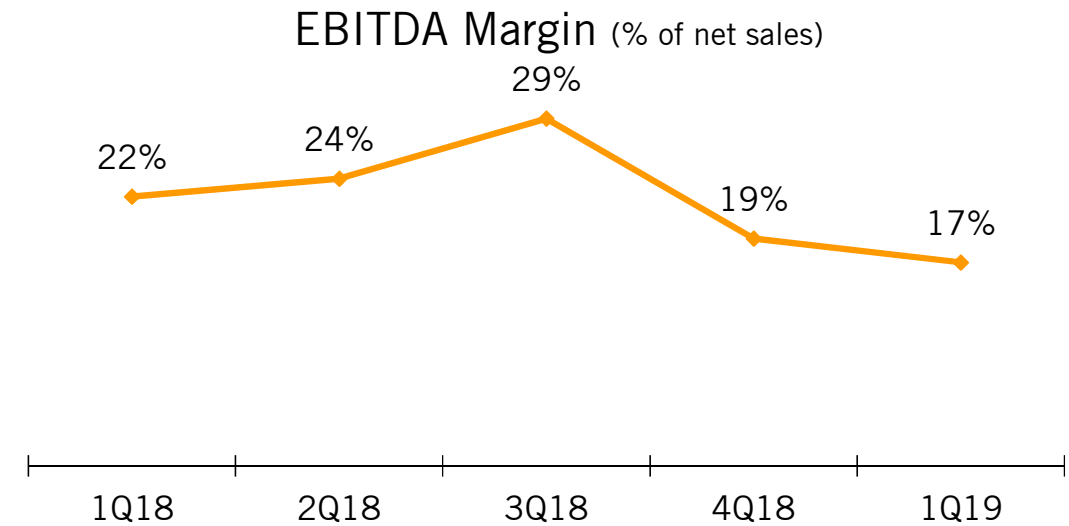
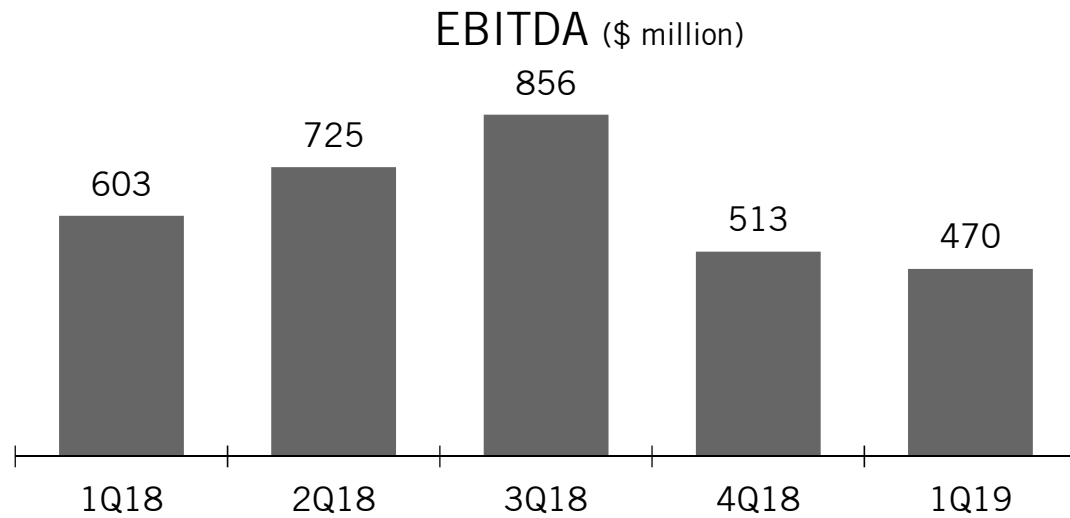
# Forward-Looking Statements



This presentation contains certain forward-looking statements and information relating to Ternium S.A. and its subsidiaries (collectively, “Ternium”) that are based on the current beliefs of its management as well as assumptions made by and information currently available to Ternium. Such statements reflect the current views of Ternium with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of Ternium to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic, political conditions in the countries in which Ternium does business or other countries which have an impact on Ternium’s business activities and investments, changes in interest rates, changes in inflation rates, changes in exchange rates, the degree of growth and the number of consumers in the markets in which Ternium operates and sells its products, changes in steel demand and prices, changes in raw material and energy prices or difficulties in acquiring raw materials or energy supply cut-offs, changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or targeted. Ternium does not intend, and does not assume any obligation, to update these forward-looking statements.

# First Quarter 2019 Results

## EBITDA and Net Income



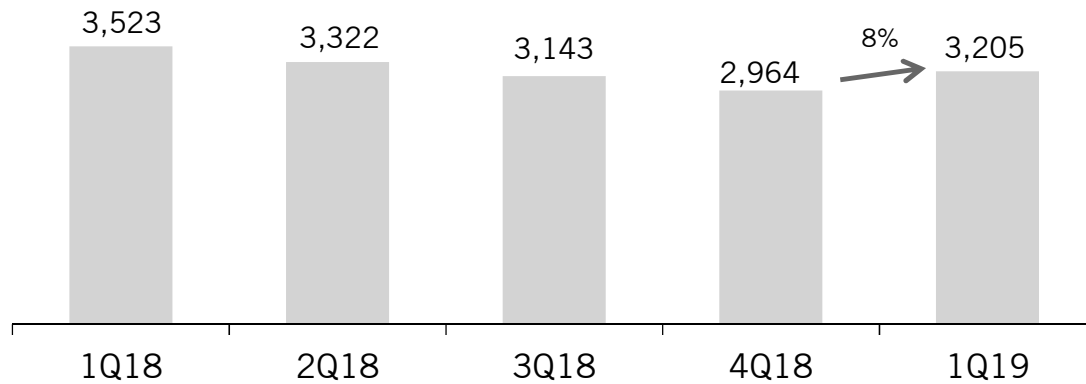
<sup>1</sup> Consolidated EBITDA divided by steel shipments.

# First Quarter 2019 Results

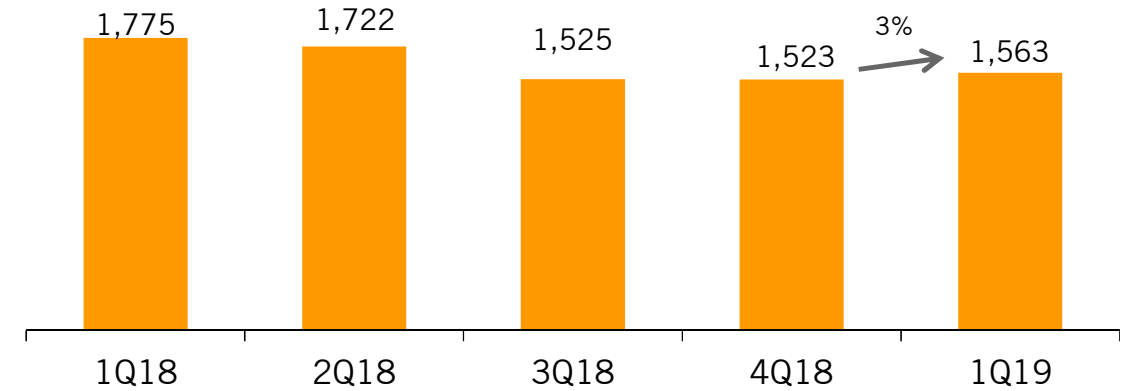
## Steel Shipments



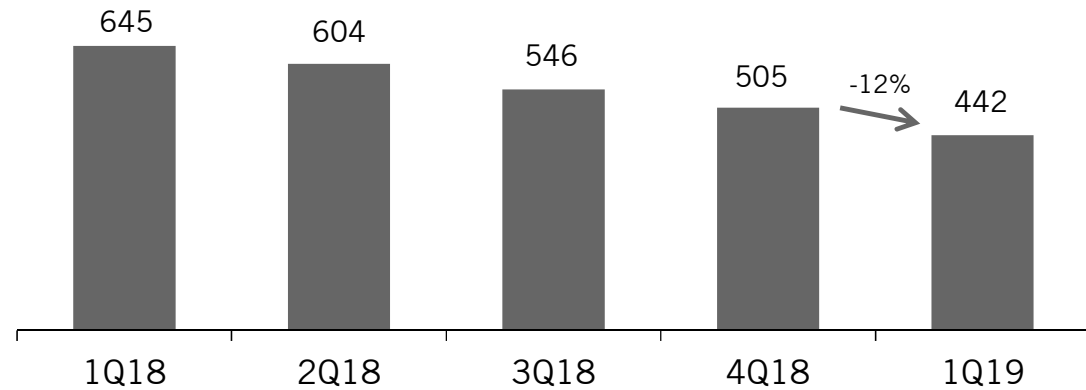
Total Shipments (thousand tons)



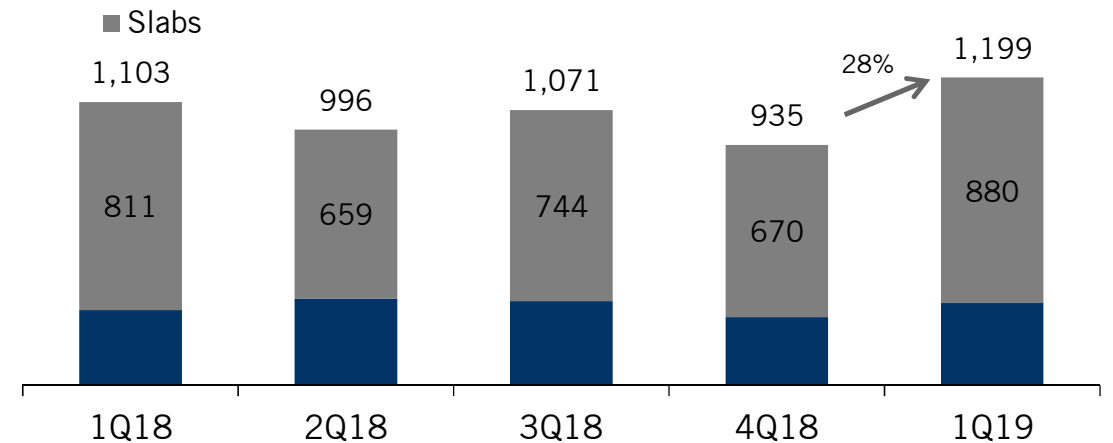
Mexico



Southern Region



Other Markets

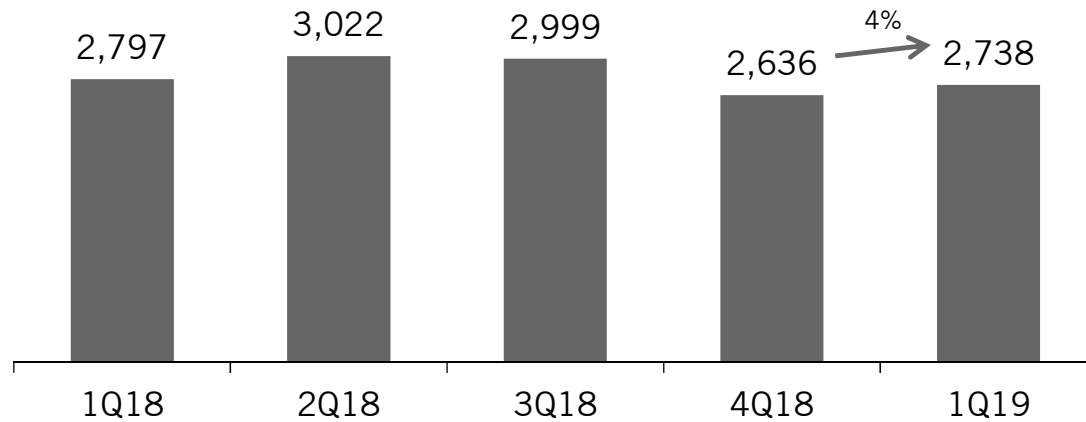


# First Quarter 2019 Results

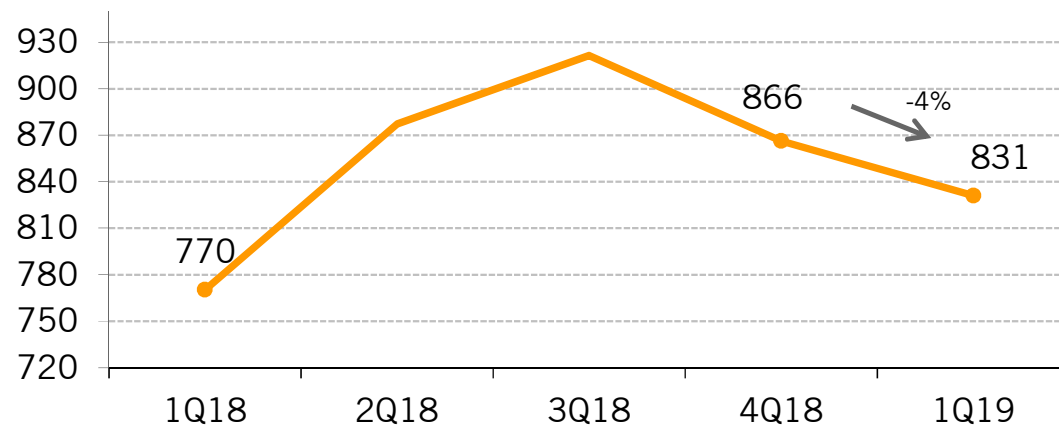
## Consolidated Net Sales and Steel Shipments



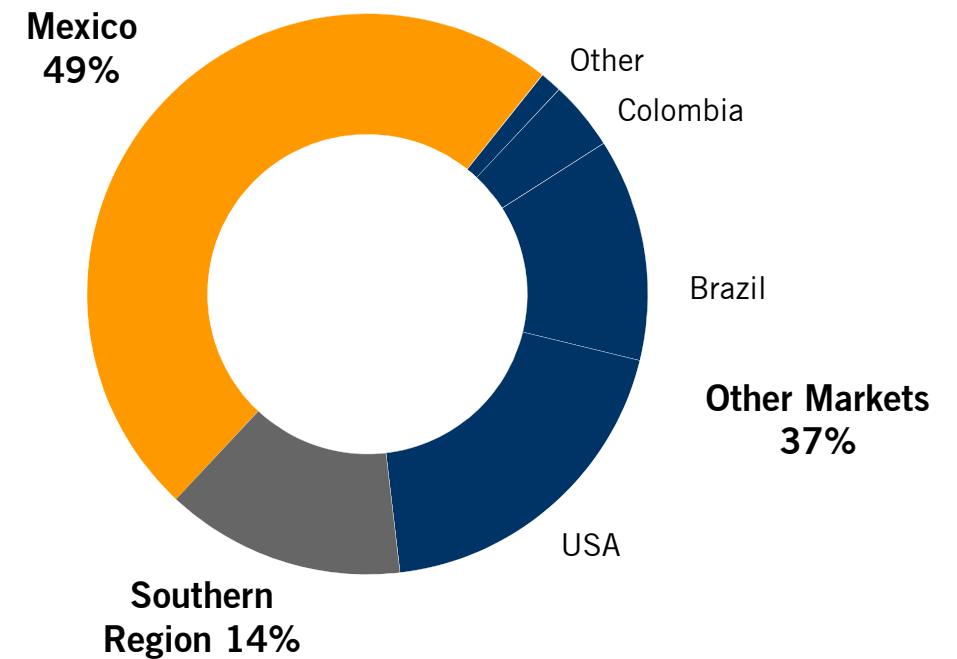
Net Sales (\$ million)



Revenue per Ton (\$/ton)



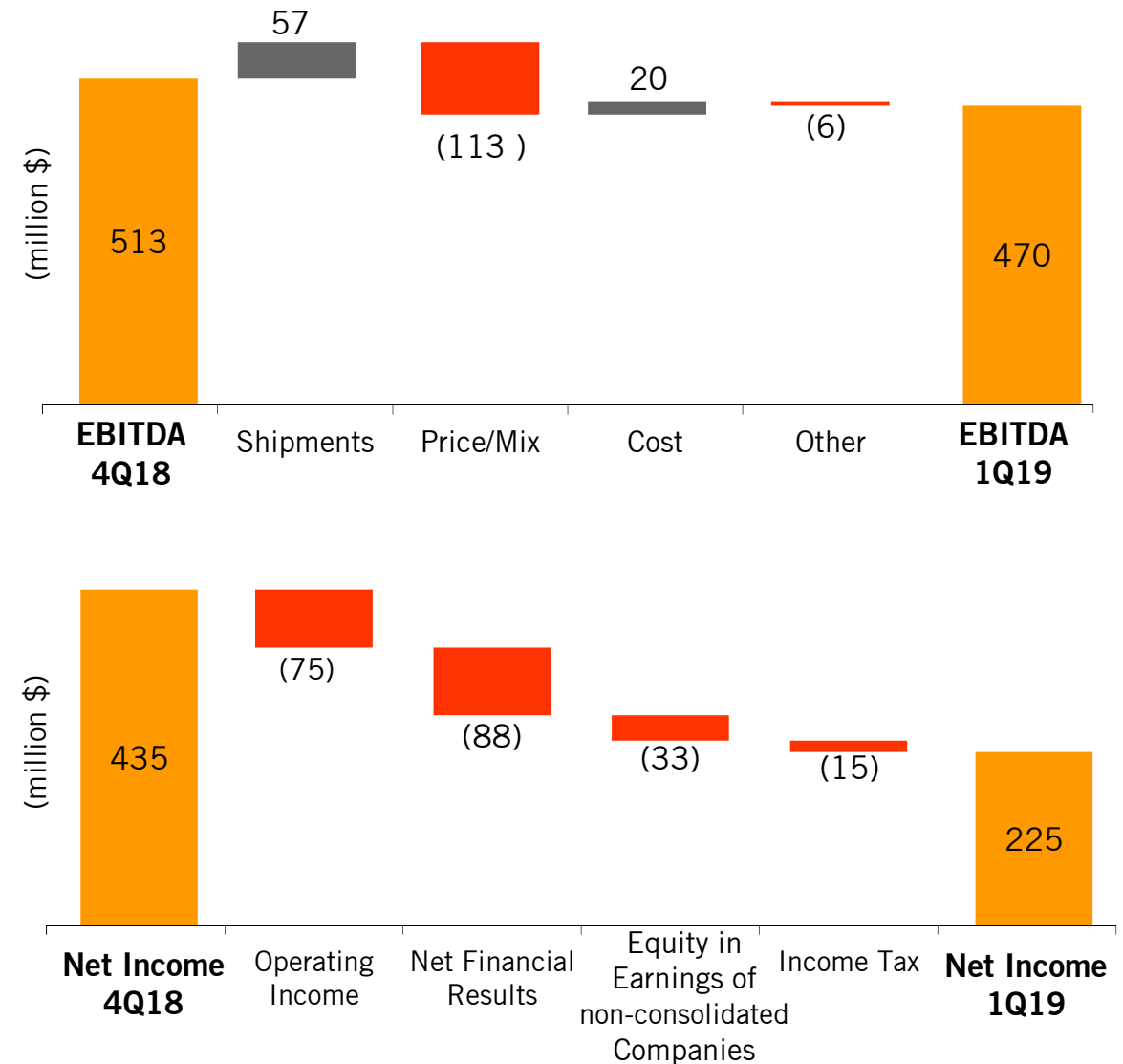
Steel Shipments 1Q19



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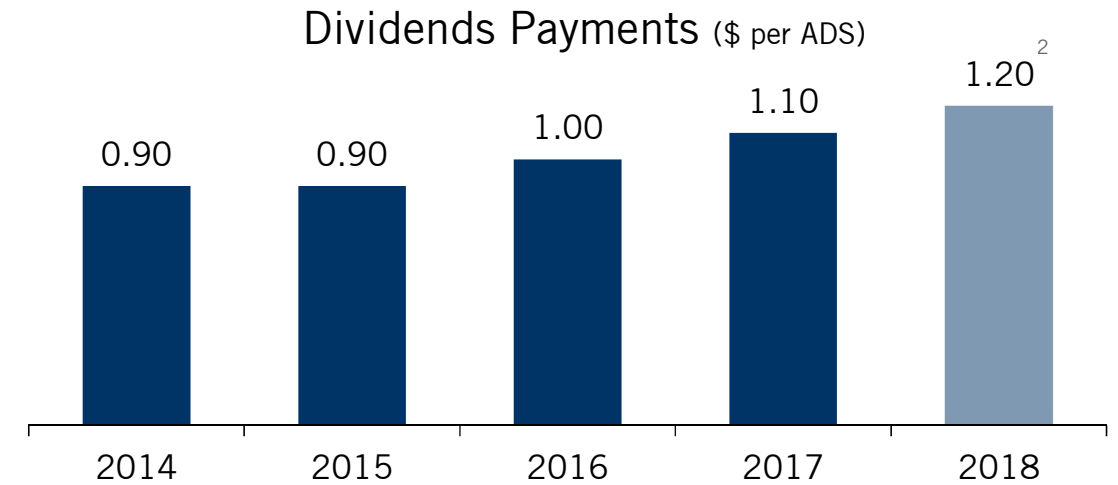
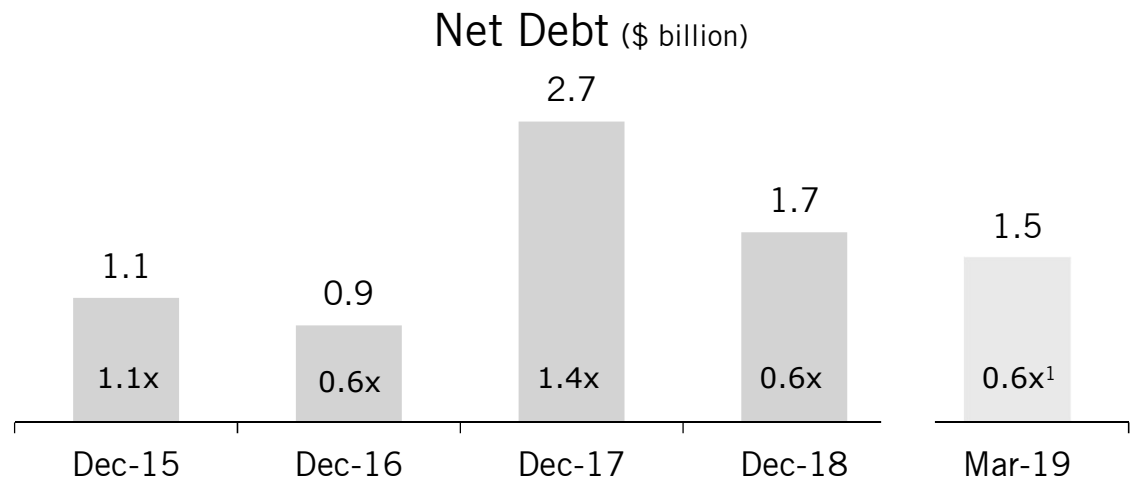
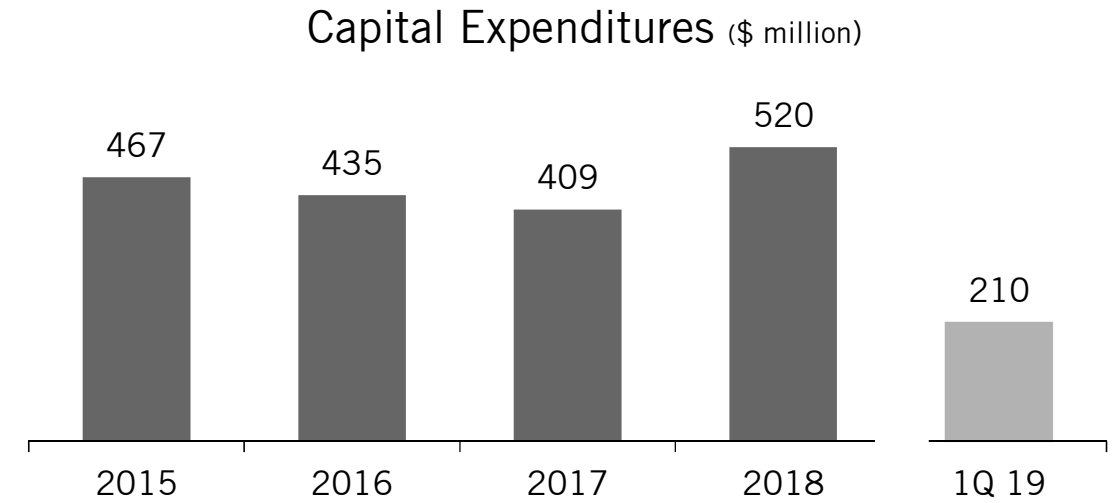
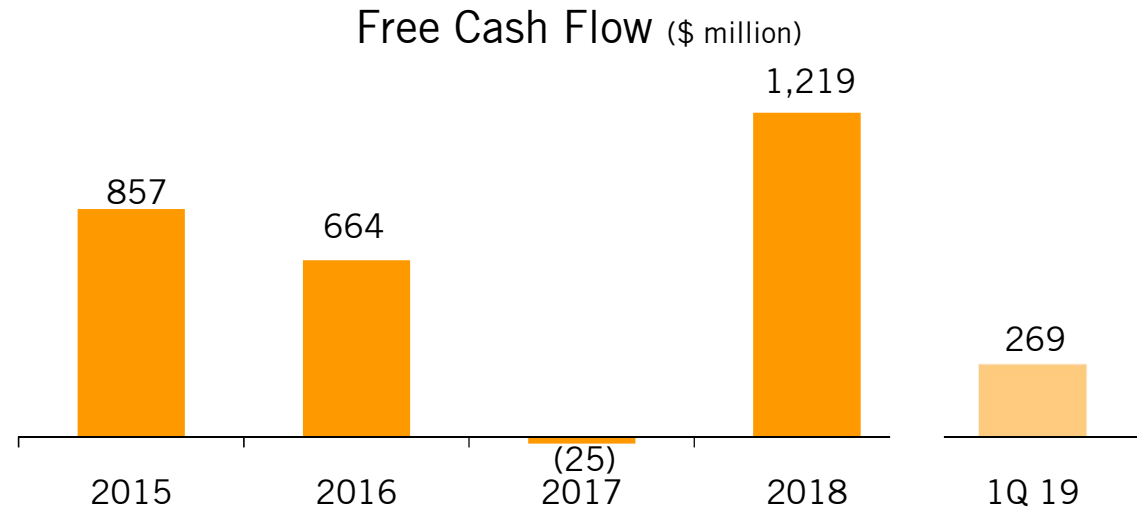
## EBITDA and Net Results

- Higher shipments in Mexico and Other Markets
- Lower shipments in Argentina
- Weaker pricing environment at Ternium's main steel markets in 1Q19
- Higher FX losses and lower derivative contract results
- Lower inflation adjustment gains at Ternium's Argentine subsidiary
- Lower earnings from Usiminas
- Higher effective tax rate: non-recurrent \$104 million tax gain in 4Q (asset revaluation for tax purposes in Argentina)



# First Quarter 2019 Results

## Consolidated Free Cash Flow, Net Financial Debt and Dividends



<sup>1</sup> Net Debt/EBITDA Ratio (last 12 months EBITDA)

<sup>2</sup> Proposed by the Board of Directors on February 19th, 2019.



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