



**First Quarter 2020
Earnings Conference Call and Webcast
April 29, 2020**



Forward-Looking Statements

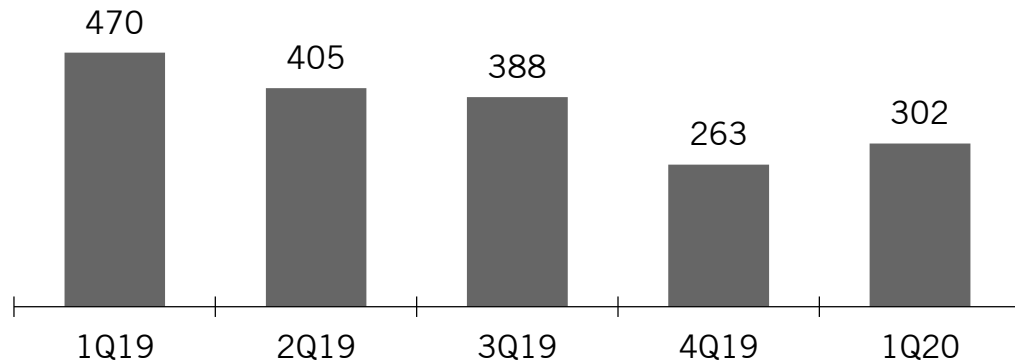


This presentation contains certain forward-looking statements and information relating to Ternium S.A. and its subsidiaries (collectively, “Ternium”) that are based on the current beliefs of its management as well as assumptions made by and information currently available to Ternium. Such statements 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.

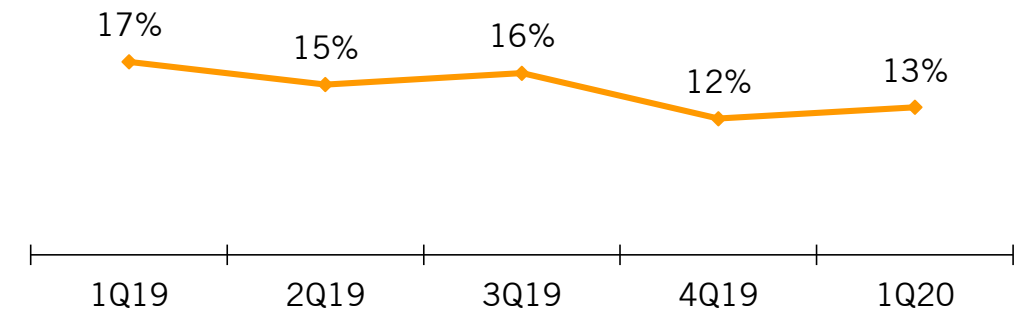
First Quarter 2020 Results

EBITDA and Net Income

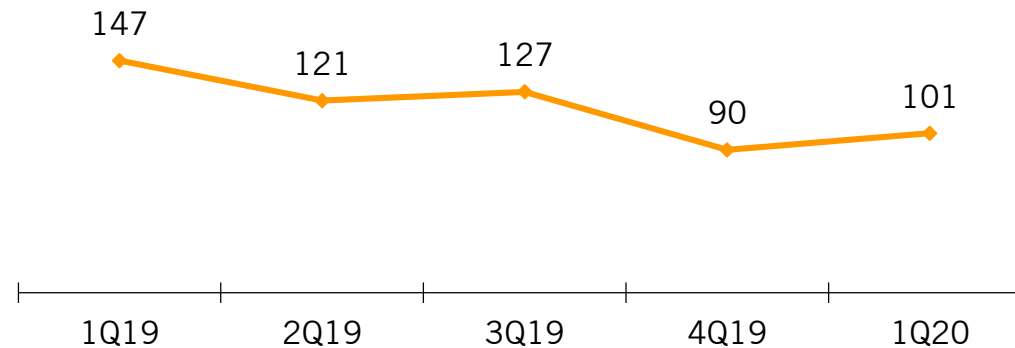
EBITDA (\$ million)



EBITDA Margin (% of net sales)

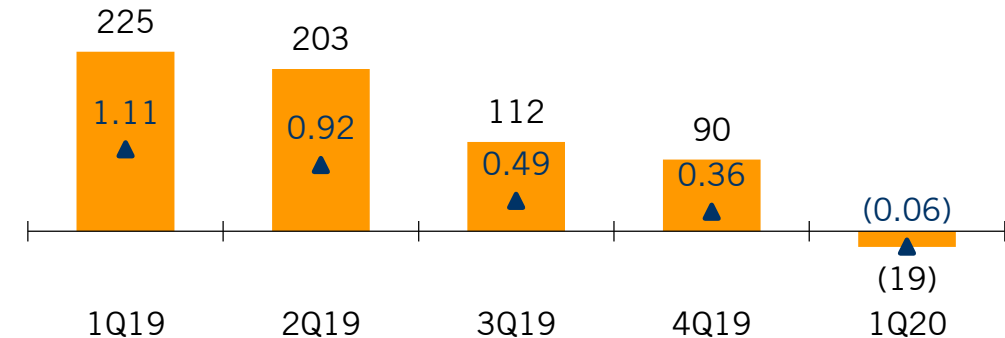


EBITDA per Ton¹ (\$)



Net Income and Earnings per ADS

■ Net Income (Loss) (\$ million)
▲ Earnings (Losses) per ADS



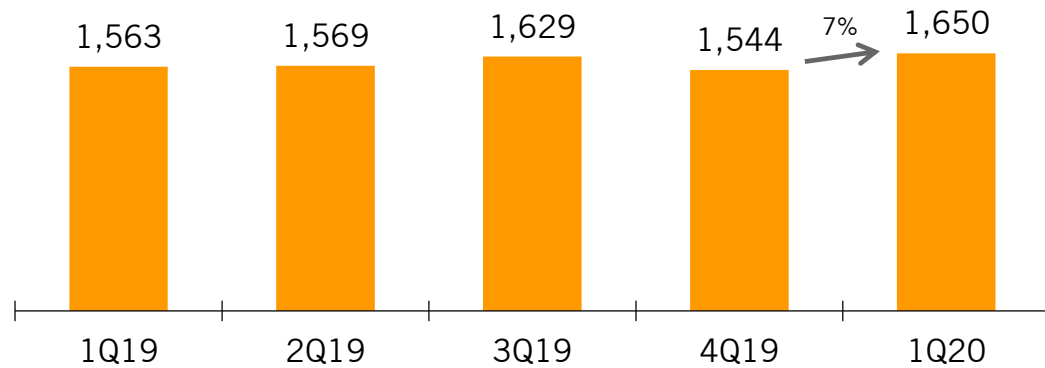
¹ Consolidated EBITDA divided by steel shipments.

First Quarter 2020 Results

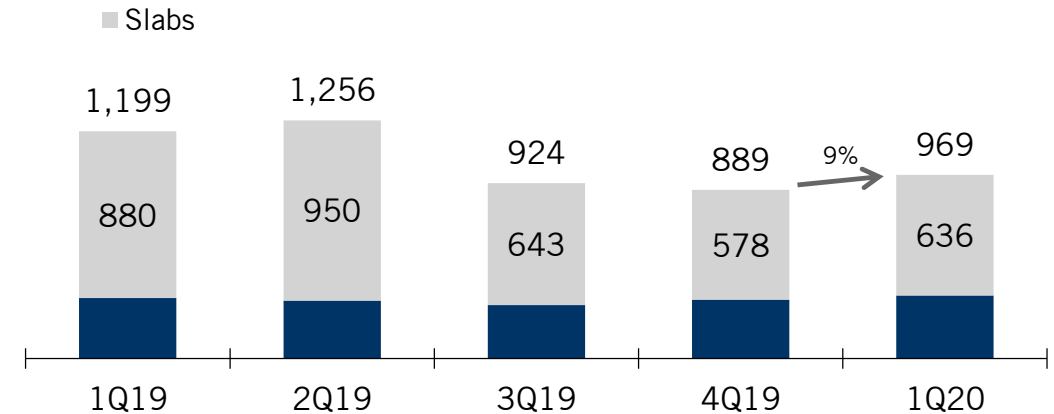
Steel Shipments



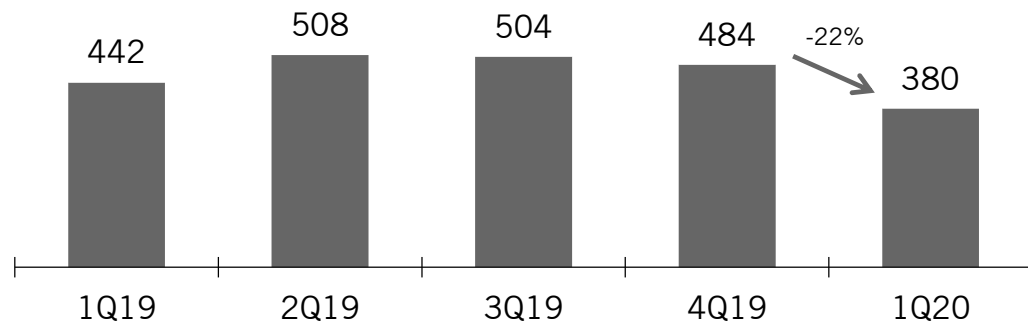
Mexico



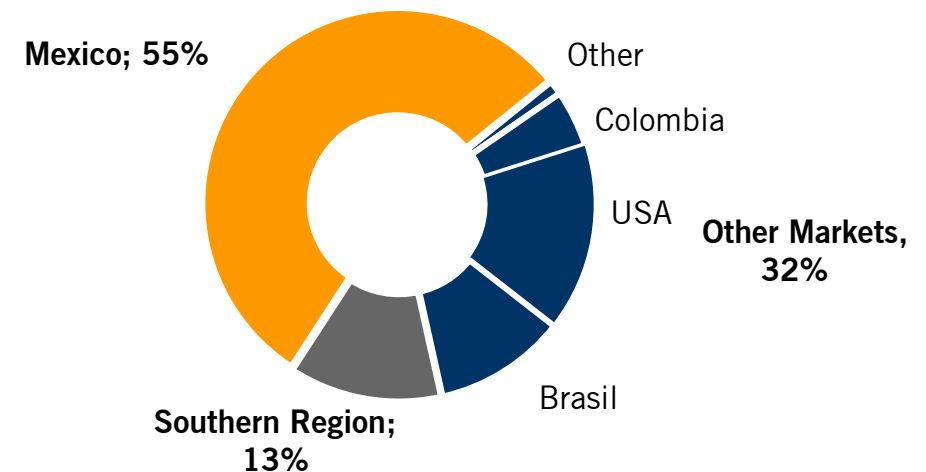
Other Markets



Southern Region



Steel Shipments 1Q20

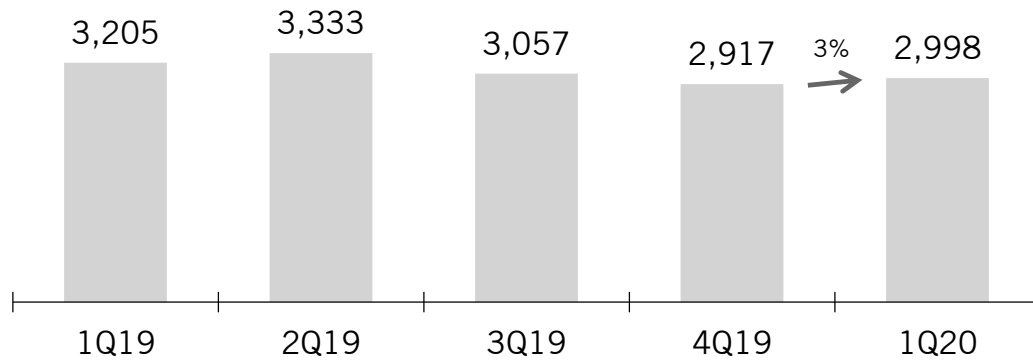


First Quarter 2020 Results

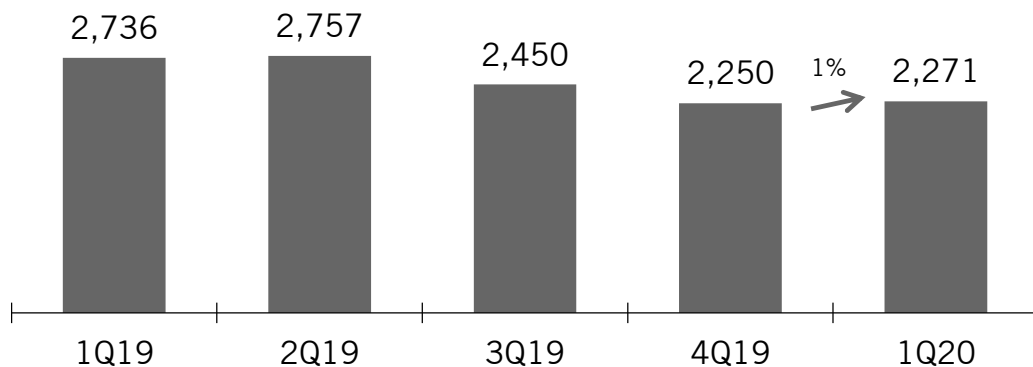
Total Shipments and Revenue per Ton



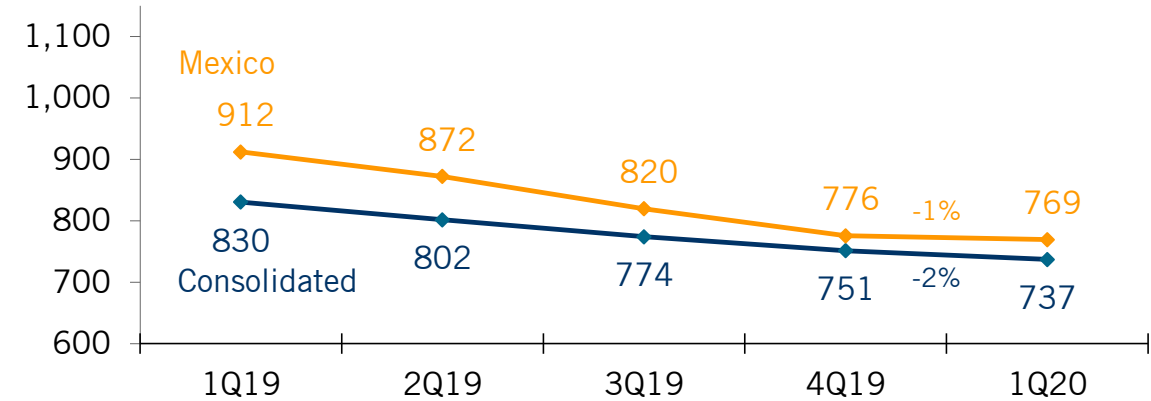
Total Shipments (thousand tons)



Net Sales (\$ million)



Revenue per Ton (\$/ton)



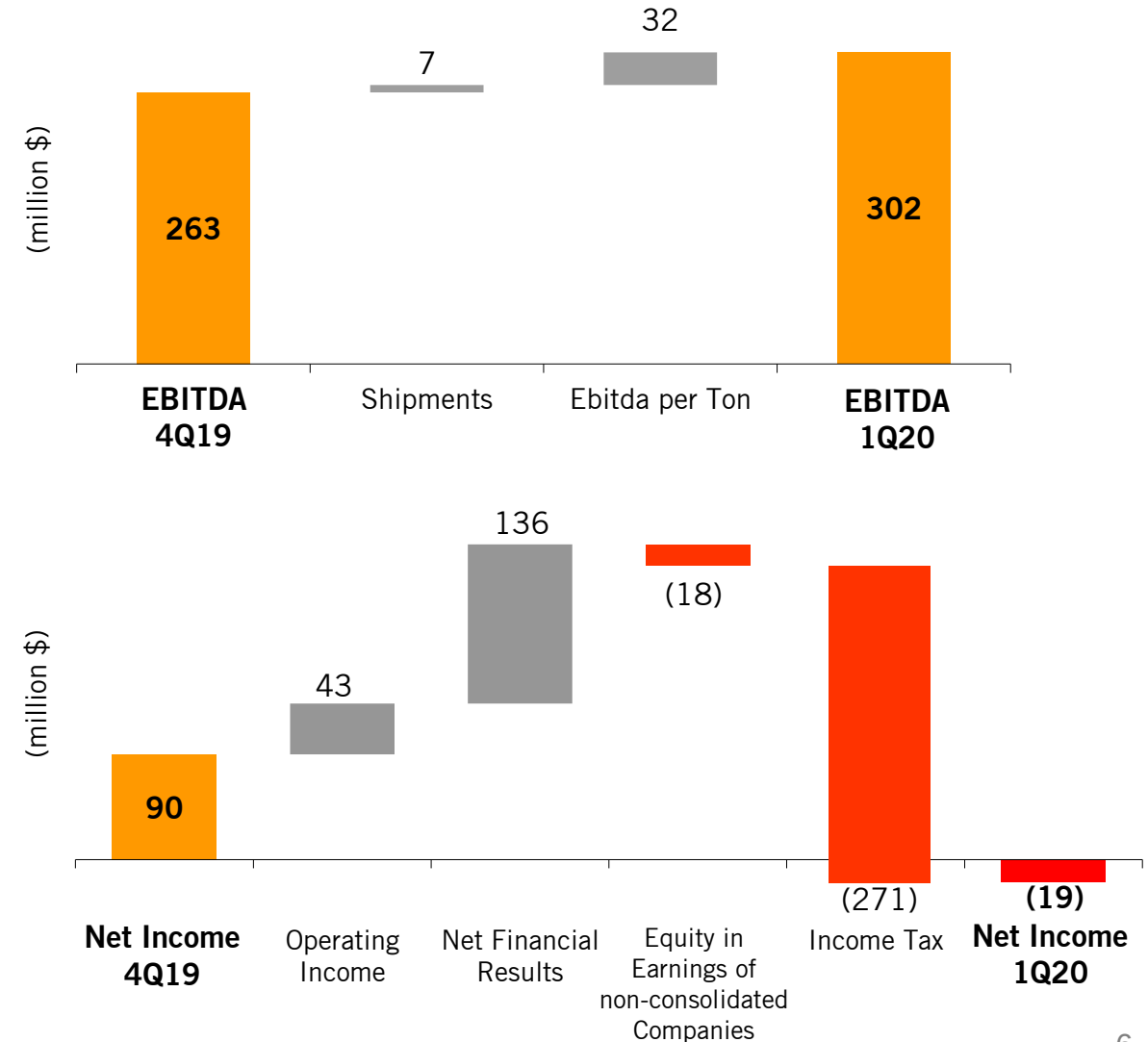
Steel prices in Mexico

- Weaker industrial contract realized prices mostly offset by sequentially higher steel prices in the spot market in the 1Q20
- Downturn in spot steel prices since the end of March 2020.
- Revenue per ton in Mexico to decrease sequentially in 2Q20.

First Quarter 2020 Results

EBITDA and Net Results

- Higher EBITDA per ton in the 1Q20, on a decrease of cost per ton due to lower raw material and energy costs, partially offset by lower revenue per ton.
- Higher shipment volumes, mainly in Mexico.
- Better foreign exchange results, mainly due to the depreciation of the Mexican peso and the Brazilian real.
- Net income affected by non-cash impact of \$189 million deferred tax loss as a result of a 20% depreciation of the Mexican peso.

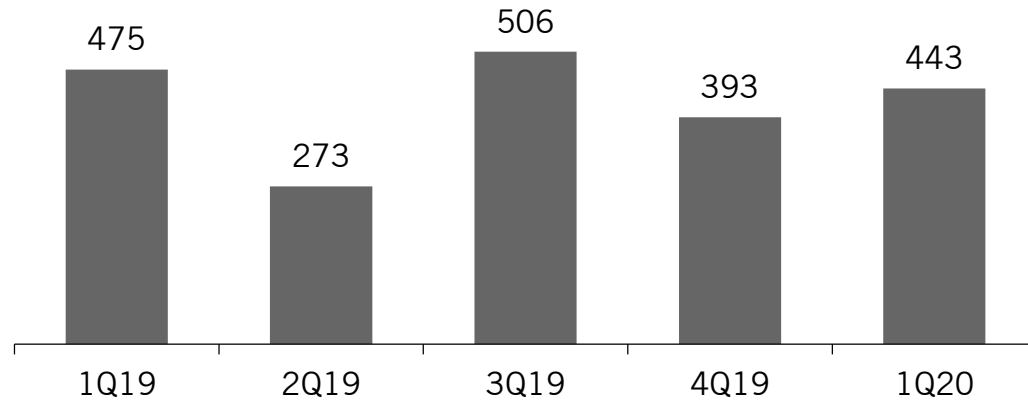


First Quarter 2020 Results

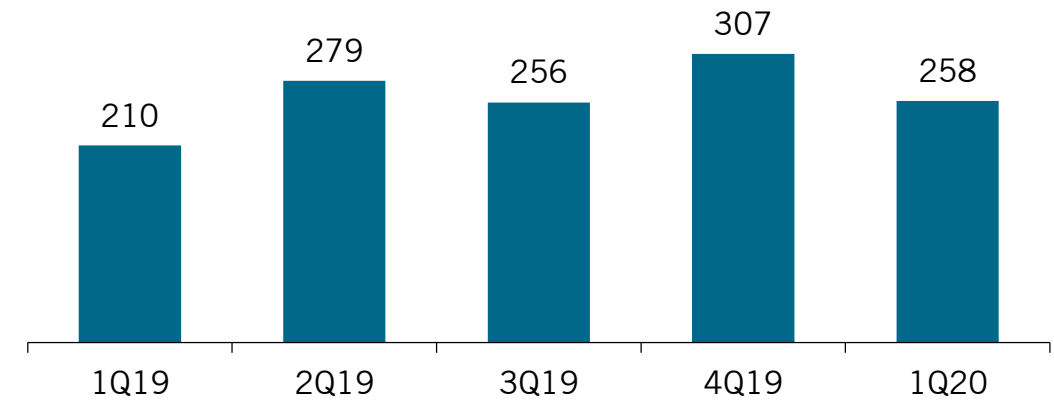
Consolidated Free Cash Flow, Net Financial Debt and Dividends



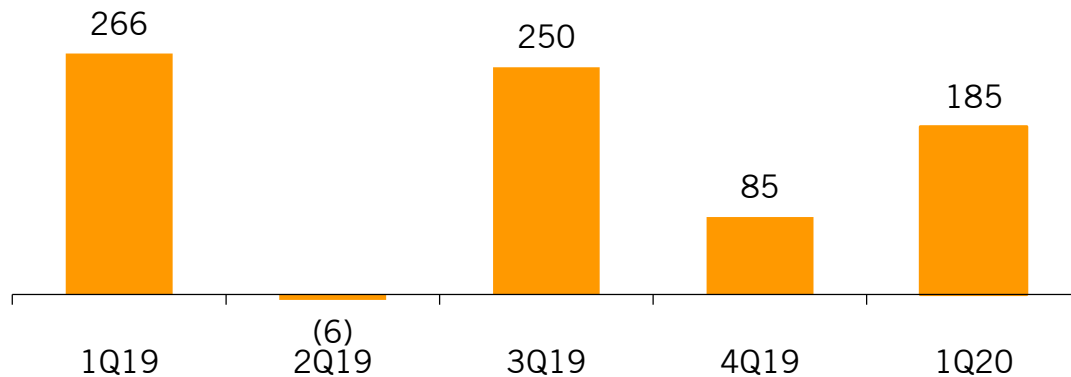
Cash from Operations (\$ million)



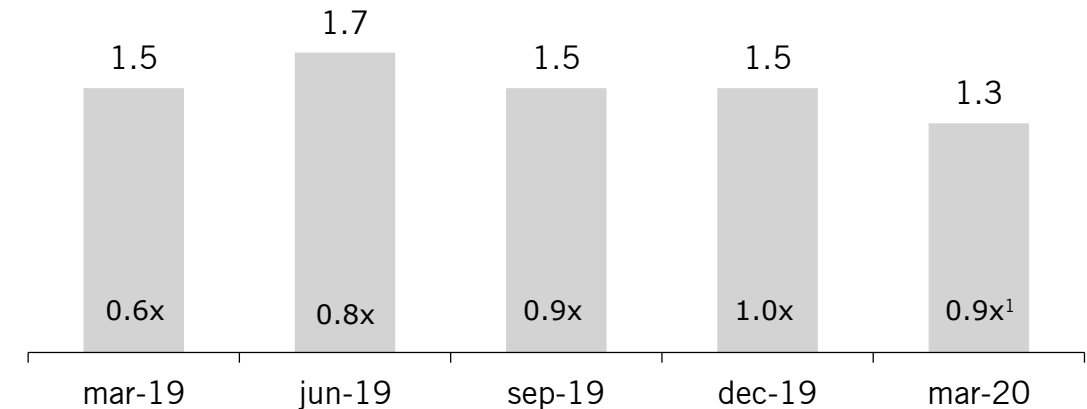
Capital Expenditures (\$ million)



Free Cash Flow (\$ million)



Net Debt (\$ billion)



¹ Net Debt/EBITDA Ratio (last 12 months EBITDA)



www.ternium.com