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CORPORACION DURANGO S.A .DE C.V.

Form 6-K

March 04, 2005

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16
OR 15D-16 OF THE SECURITIES EXCHANGE ACT OF 1934

For the month of March, 2005
Durango Corporation
(f/k/a Grupo Industrial Durango, S.A. de C.V.)

(Translation of registrant's name into English)

Torre Corporativa Durango, Potasio 150, Ciudad Industrial,
Durango, Durango, Mexico

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 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): 82-_____.

INDIVIDUAL FINANCIAL STATEMENTS

CORPORACION DURANGO, S.A. DE C.V.
INDIVIDUAL BALANCE SHEETS
AS OF DECEMBER 31, 2003 AND DECEMBER 31, 2004
(UNAUDITED SUBJECT TO YEAR END AUDIT ADJUSTMENTS)
EXPRESSED IN TERMS OF THE PURCHASING POWER OF MEXICAN PESOS
AS OF DECEMBER 31, 2004
(Stated in thousands of Pesos and Dollars)

	US\$ DLLS.		
	December 31, 2003	December 31, 2004	December 31, 2004

ASSETS
CURRENT ASSETS:

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Cash and cash equivalents	\$ 432	6,983	626
Accounts receivable, net	4,764	8,679	778
Due from related parties	8,126,210	8,848,459	793,619
Taxes recoverable and other assets	72,838	76,384	6,851
Inventories, net	0	4,155	373
Total current assets	8,204,244	8,944,660	802,248
PROPERTY, PLANT AND EQUIPMENT, net	422,393	404,334	36,265
INVESTMENT IN SUBSIDIARIES	7,548,373	6,732,889	603,874
OTHER ASSETS, net	935,903	773,667	69,390
Total assets	\$ 17,110,913	16,855,550	1,511,776

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:

Bank loans and current portion of long-term debt .	8,277,905	106,880	9,586
Interest payable	1,435,833	0	0
Due to related parties	5,271,481	5,527,820	495,791
Trade accounts payable	12,990	7,374	661
Accrued liabilities	158,544	190,140	17,054
Total current liabilities	15,156,753	5,832,214	523,092
LONG-TERM DEBT	44,685	6,066,343	544,091
LIABILITY FOR CAPITALIZATION.....	0	3,158,973	283,329
Total long term liabilities	44,685	9,225,316	827,420
Total liabilities	15,201,438	15,057,530	1,350,512

STOCKHOLDERS' EQUITY:

Total stockholders' equity	1,909,475	1,798,020	161,265
Total liabilities and stockholders' equi	17,110,913	16,855,550	1,511,776

Exchange rate: \$ 11.1495

CORPORACION DURANGO, S.A. DE C.V.
INDIVIDUAL STATEMENT OF CHANGES IN FINANCIAL POSITION
(UNAUDITED SUBJECT TO YEAR END AUDIT ADJUSTMENTS)
EXPRESSED IN TERMS OF THE PURCHASING POWER OF MEXICAN PESOS
AS OF DECEMBER 31, 2004
(Stated in thousands of Pesos and Dollars)

	Full Year 2003	Acum. Dec 2004	* Acum. D US\$ 20
OPERATING ACTIVITIES:			
Net income (loss)	\$ -3,203,217	-159,826	-14,
Add (deduct)- Charges (credits) to income which do not require (generate) resources:			
Depreciation and amortization	13,285	13,314	1,
Amortization of debt issuance cost and other financing costs	87,462	322,761	28,
Loss on sale of property, plant and equipment	-45,605	0	
Loss in subsidiaries	2,318,567	371,861	33,
Deferred income taxes	-256,007	-131,371	-11,
Other.....	311,901	410,876	36,
Total items which do not require cash.....	2,429,603	987,441	88,
Net resources generated from income	-773,614	827,615	74,
Changes in operating assets and liabilities:			
Decrease (Increase) in inventories	0	-4,155	-
Decrease (Increase) in current assets	15,530	-76,384	-6,
Decrease (increase) in account receivables, net	-636,524	-653,326	-58,
(Decrease) increase in accounts payable and			

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accrued liabilities	1,119,488	-548,013	-49,
Resources generated by operating activities	-275,120	-454,263	-40,
FINANCING ACTIVITIES:			
Increase (Decrease) in bank loans and others	141,246	496,593	44,
Increase (Decrease) in capital	0	47	
Net resources generated from financing activities	141,246	496,640	44,
INVESTMENT ACTIVITIES:			
Acquisition of property, plant and equipment.....	117,613	0	
Sale of property, plant and equipment.....	0	0	
Increase in deferred assets	14,655	-35,826	-3,
Net resources applied to investing activities	132,268	-35,826	-3,
INCREASE IN CASH AND CASH EQUIVALENTS	-1,606	6,551	
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD.....	2,038	432	
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	432	6,983	US

* The exchange rate of 11.1495 was used for translation purposes.

CORPORACION DURANGO, S.A. DE C.V.
INDIVIDUAL STATEMENTS OF INCOME
(UNAUDITED SUBJECT TO YEAR END AUDIT ADJUSTMENTS)
EXPRESSED IN TERMS OF THE PURCHASING POWER OF MEXICAN PESOS
AS OF DECEMBER 31, 2004

	Thousands of Pesos			Thousands of Dollar	
	4Q	4Q		4Q	4Q
	2003	2004	Var	2003	2004
Gain (Loss) in subsidiaries	-\$2,217,386	-235,021	-89%	-187,702	-21,
Selling and Administrative expenses	3,467	1,381	-60%	293	
Operating income	-2,220,853	-236,402	-89%	-187,995	-21,
FINANCIAL EXPENSE:					
Interest expense	342,639	52,427	-85%	28,987	4,
Interest income	-311,403	-313,092	1%	-26,345	-28,
Exchange (gain) loss, net	153,421	-164,594	N/A	12,979	-14,
Gain on monetary position	-100,262	-111,831	12%	-8,482	-10,
Total financial expense	84,395	-537,090	N/A	7,139	-48,
OTHER INCOME (EXPENSES):					
Other income (expense), net	104,588	-403,492	N/A	8,848	-36,
Total other income (expense)	104,588	-403,492	N/A	8,848	-36,
Income (loss) before income and asset t	-2,200,660	-102,804	-95%	-186,286	-9,
Provisions for income and asset taxes ...	-70,829	-76,738	8%	-5,992	-6,
Provision for deferred income taxes	-226,453	-41,997	-81%	-19,158	-3,
Net income after taxes	-1,903,378	15,931	-101%	-161,136	1,
Special items	0	-608,044	0	0	-54,53
Net income	-\$1,903,378	623,975	N/A	-161,136	55,

CORPORACION DURANGO, S.A. DE C.V.
INDIVIDUAL STATEMENTS OF INCOME
(UNAUDITED SUBJECT TO YEAR END AUDIT ADJUSTMENTS)
EXPRESSED IN TERMS OF THE PURCHASING POWER OF MEXICAN PESOS

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AS OF DECEMBER 31, 2004

	Thousands of Pesos			Thousands of Dollars	
	Ac 2003	Ac 2004	Var	Ac 2003	Ac 2004
Gain (Loss) in subsidiaries	\$-2,318,567	-371,861	-84%	-196,488	-33,
Selling and Administrative expenses	5,526	7,797	41%	472	
Operating income	-2,324,093	-379,658	-84%	-196,960	-33,
FINANCIAL EXPENSE:					
Interest expense	1,288,566	1,670,924	30%	110,684	143,
Interest income	-1,080,953	-1,220,681	13%	-92,842	-105,
Exchange (gain) loss, net	555,101	-52,724	N/A	46,629	-5,
Gain on monetary position	-214,702	-274,495	28%	-18,264	-24,
Total financial expense	548,012	123,024	-78%	46,207	7,
OTHER INCOME (EXPENSES):					
Other income (expense), net	-571,831	-396,559	-31%	-49,422	-35,
Total other income (expense)	-571,831	-396,559	-31%	-49,422	-35,
Income (loss) before income and asset t	-3,443,936	-899,241	-74%	-292,589	-77,
Provisions for income and asset taxes ...	15,288	0	-100%	1,481	
Provision for deferred income taxes	-256,007	-131,371	-49%	-21,947	-11,
Net income after taxes	-3,203,217	-767,870	-76%	-272,123	-65,
Special items	0	-608,044	0	0	-54,
Net income	\$-3,203,217	-159,826	-95%	-272,123	-10,

CORPORACION DURANGO, S.A. DE C.V.
 NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS
 (UNAUDITED SUBJECT TO YEAR END AUDIT ADJUSTMENTS)
 EXPRESSED IN TERMS OF THE PURCHASING POWER OF MEXICAN PESOS
 AS OF DECEMBER 31, 2004

Note 1 - The above balance sheet, income statement and cash flow statement are unaudited and have been prepared in accordance with Mexican GAAP. Notes to the financial financials will be prepared and included in the audited annual financial statements.

PARTIALLY CONSOLIDATED FINANCIAL STATEMENTS

CORPORACION DURANGO AND REPORTING GUARANTOR GROUP
 PARTIALLY CONSOLIDATED CONDENSED BALANCE SHEETS
 AS OF DECEMBER 31, 2003 AND DECEMBER 31, 2004
 (UNAUDITED SUBJECT TO YEAR END AUDIT ADJUSTMENTS)
 EXPRESSED IN TERMS OF THE PURCHASING POWER OF MEXICAN PESOS
 AS OF DECEMBER 31, 2004
 (Stated in thousands of Pesos and Dollars)

US\$ DLLS.
 December 31, December 31, December 31,
 2003 2004 2004

ASSETS

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CURRENT ASSETS:			
Cash and cash equivalents	\$ 560,633	766,917	68,785
Accounts receivable, net	1,290,508	1,389,292	124,606
Taxes recoverable and other assets	109,147	89,744	8,049
Inventories, net	792,835	705,913	63,313
Prepaid expenses	5,114	1,852	166
Total current assets	2,758,237	2,953,718	264,919
PROPERTY, PLANT AND EQUIPMENT, net	8,206,347	7,992,020	716,805
INVESTMENT IN SUBSIDIARIES	4,329,196	3,910,255	350,711
OTHER ASSETS, net	492,340	285,217	25,581
Total assets	\$ 15,786,120	15,141,210	1,358,017

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:			
Bank loans and current portion of long-term debt .	8,327,590	146,524	13,142
Interest payable	1,442,033	2,363	212
Trade accounts payable	475,129	338,409	30,352
Notes payable	42,234	36,966	3,315
Accrued liabilities	1,757,429	2,081,076	186,652
Employee profit-sharing	1,800	582	52
Total current liabilities	12,046,215	2,605,920	233,725
LONG-TERM DEBT	244,179	6,221,765	558,031
LIABILITY FOR CAPITALIZATION.....	0	3,158,973	283,329
LONG-TERM NOTES PAYABLE	49,259	46,842	4,201
DEFERRED TAXES.....	1,283,221	980,171	87,912
LIABILITY FOR EMPLOYEE BENEFITS.....	205,207	301,601	27,051
Total long term liabilities	1,781,866	10,709,352	960,523
Total liabilities	13,828,081	13,315,272	1,194,248
STOCKHOLDERS' EQUITY:			
Majority interest	1,928,723	1,798,020	161,265
Minority interest	29,316	27,918	2,504
Total stockholders' equity	1,958,039	1,825,938	163,769
Total liabilities and stockholders' equi	15,786,120	15,141,210	1,358,017

Exchange rate: \$ 11.1495

CORPORACION DURANGO AND REPORTING GUARANTOR GROUP
PARTIALLY CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN FINANCIAL POSITION
(UNAUDITED SUBJECT TO YEAR END AUDIT ADJUSTMENTS)
EXPRESSED IN TERMS OF THE PURCHASING POWER OF MEXICAN PESOS
AS OF DECEMBER 31, 2004
(Stated in thousands of Pesos and Dollars)

	Full Year 2003	Acum. Dec 2004	Acum. D US\$ 20
OPERATING ACTIVITIES:			
Net income (loss)	\$ -1,004,638	-52,193	-4,
Add (deduct)- Charges (credits) to income which do not require (generate) resources:			
Depreciation and amortization	263,344	269,210	24,
Amortization of debt issuance cost and other financing costs	89,834	322,761	28,
Loss on sale of property, plant and equipment	1,764	14,303	1,
Impairment of long-lived assets	513,134	0	
Deferred income taxes	-510,113	-267,078	-23,
Other.....	-271,671	-186,979	-16,

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Total items which do not require cash.....	86,292	152,217	13,
Net resources generated from income	-918,346	100,024	8,
Changes in operating assets and liabilities:			
Decrease (Increase) in inventories	9,657	86,922	7,
Decrease (Increase) in current assets	-72,178	22,665	2,
Decrease (increase) in account receivables, net	117,062	77,601	6,
(Decrease) increase in accounts payable and accrued liabilities	1,850,736	-830,113	-74,
Resources generated by continued operating	986,931	-542,901	-48,
Assets and liabilities discontinued	29,578	0	
Resources generated by operating activities	1,016,509	-542,901	-48,
FINANCING ACTIVITIES:			
Increase (Decrease) in bank loans and others	161,353	923,381	82,
Increase (Decrease) in capital	0	47	
Net resources generated from financing activities	161,353	923,428	82,
INVESTMENT ACTIVITIES:			
Acquisition of property, plant and equipment.....	-78,891	-129,731	-11,
Sale of property, plant and equipment.....	77,055	13,443	1,
Revenues from sale of discontinued operations	-790,307	0	
Increase in deferred assets	13,004	-57,955	-5,
Net resources applied to investing activities	-779,139	-174,243	-15,
INCREASE IN CASH AND CASH EQUIVALENTS	398,723	206,284	18,
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD.....	161,910	560,633	50,
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	560,633	766,917	US 68,

* The exchange rate of 11.1495 was used for translation purposes.

CORPORACION DURANGO AND REPORTING GUARANTOR GROUP
PARTIALLY CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(UNAUDITED SUBJECT TO YEAR END AUDIT ADJUSTMENTS)
EXPRESSED IN TERMS OF THE PURCHASING POWER OF MEXICAN PESOS
AS OF DECEMBER 31, 2004

	Thousands of Pesos			Thousands of Dollars	
	4Q 2003	4Q 2004	Var	4Q 2003	4Q 2004
NET SALES	\$ 1,115,784	1,244,686	12%	94,395	111,
COST OF SALES	890,458	1,003,497	13%	75,332	90,
Gross profit.....	225,326	241,189	7%	19,063	21,
Selling and Administrative expenses	143,559	134,290	-6%	12,145	12,
Operating income	81,767	106,899	31%	6,918	9,
FINANCIAL EXPENSE:					
Interest expense	236,901	60,275	-75%	20,042	5,
Interest income	-9,024	-28,659	218%	-763	-2,
Exchange (gain) loss, net	235,350	-228,074	N/A	19,911	-20,
Gain on monetary position	-159,296	-194,165	22%	-13,476	-17,
Total financial expense	303,931	-390,623	N/A	25,714	-35,
OTHER INCOME (EXPENSES):					
Other income (expense), net	-402,010	-443,207	10%	-34,010	-39,
Total other income (expense)	-402,010	-443,207	10%	-34,010	-39,
Income (loss) before income and asset t	-624,174	54,315	N/A	-52,806	4,
Provisions for income and asset taxes ...	-85,558	-91,073	6%	-7,238	-8,
Provision for deferred income taxes	-452,923	-157,718	-65%	-38,317	-14,

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Net income after taxes	-85,693	303,106	N/A	-7,251	27,
Special items	0	-608,044	0	0	-54,53
Impairment	513,134	0	N/A	43,411	
Discontinued operations	450	0	-100%	38	
Net income before minority interest.....\$	-599,277	911,150	N/A	-50,700	81,
Minority interest.....	-12,762	766	N/A	-1,081	
Majority net income.....\$	-586,515	910,384	N/A	-49,619	81,

CORPORACION DURANGO AND REPORTING GUARANTOR GROUP
PARTIALLY CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(UNAUDITED SUBJECT TO YEAR END AUDIT ADJUSTMENTS)
EXPRESSED IN TERMS OF THE PURCHASING POWER OF MEXICAN PESOS
AS OF DECEMBER 31, 2004

	Thousands of Pesos			Thousands of Dollars	
	Ac	Ac		Ac	Ac
	2003	2004	Var	2003	2004
NET SALES	\$ 4,381,578	4,653,848	6%	376,829	403,
COST OF SALES	3,509,004	3,733,532	6%	301,814	323,
Gross profit.....	872,574	920,316	5%	75,015	79,
Selling and Administrative expenses	504,766	506,082	0%	43,382	43,
Operating income	367,808	414,234	13%	31,633	35,
FINANCIAL EXPENSE:					
Interest expense	1,170,037	1,538,894	32%	100,746	132,
Interest income	-53,592	-73,355	37%	-4,601	-6,
Exchange (gain) loss, net	850,167	-72,653	N/A	71,408	-7,
Gain on monetary position	-382,109	-526,559	38%	-32,478	-46,
Total financial expense	1,584,503	866,327	-45%	135,075	71,
OTHER INCOME (EXPENSES):					
Other income (expense), net	-100,649	-467,417	364%	-9,274	-41,
Total other income (expense)	-100,649	-467,417	364%	-9,274	-41,
Income (loss) before income and asset t	-1,317,34	-919,510	-30%	-112,716	-77,
Provisions for income and asset taxes ...	34,522	7,805	-77%	2,987	
Provision for deferred income taxes	-510,113	-267,078	-48%	-43,492	-23,
Net income after taxes	-841,753	-660,237	-22%	-72,211	-54,
Special items	0	-608,044	0	0	-54,
Impairment	513,134	0	-100%	43,411	
Discontinued operations	-350,249	0	-100%	-30,057	
Net income before minority interest.....\$	-1,004,638	-52,193	-95%	-85,565	
Minority interest.....	-7,391	-2,005	-73%	-623	
Majority net income.....\$	-997,247	-50,188	-95%	-84,942	

CORPORACION DURANGO AND REPORTING GUARANTOR GROUP
NOTES TO THE PARTIALLY CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED SUBJECT TO YEAR END AUDIT ADJUSTMENTS)
EXPRESSED IN TERMS OF THE PURCHASING POWER OF MEXICAN PESOS
AS OF DECEMBER 31, 2004

Note 1 - The above balance sheet, income statement and cash flow statement are unaudited and have been prepared in accordance with Mexican GAAP. Notes

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to the financial financials will be prepared and included in the audited annual financial statements.

SIGNATURES

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. CORPORACION DURANGO, S.A. DE C.V.

Date: March 4, 2005

By /s/ Mayela Rincon de Velasco

Name: Mayela Rincon de Velasco
Title: Chief Financial Officer