

INTERNACIONAL DE CERAMICA SA DE CV

Form 6-K

August 18, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6 - K

Report of Foreign Private Issuer Pursuant to
Rule 13a - 16 or 15d United Securities Exchange Act of 1934

For the Month of August 2004

CERAMIC INTERNATIONAL, INC.

(Translation of Registrant's Name Into English)

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

(Exact Name of the registrant as specified in its charter)

Calle 41 (Avenida Carlos Pacheco) No. 7200, del Sector 26, C.P. 31060, Chihuahua, Chihuahua, Mexico

Telephone: 011 52 29 11 11

(Address of Principal Executives Offices)

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(Indicate by Check mark whether the registrant files or will file annual reports under cover of 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:)

ITEMS INCLUDED

On August 18, 2004 Internacional de Ceramica, S.A. de C.V. ("The Company") is sending copy of the Second Quarter 2004 Financial information. This information was sent to the Bolsa Mexicana de Valores on July 14th, 2004. A copy of this information is attached to this report as Exhibit A.

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.

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

Jesus
A.
Olivas

Jesus
A.
Olivas

Date: August 18th, 2004.

EXHIBIT A

Second Quarter 2004 Financial information

| BOLSA MEXICANA DE VALORES, S.A. DE C.V. | | | | | |
|---|--|----------------------------|-----------------|----------------------|-----|
| SIFIC / ICS | | | | | |
| STOCK EXCHANGE CODE: CERAMIC | | | QUARTER: 2 2004 | | |
| INTERNACIONAL DE CERAMICA, S.A. DE C.V. | | | | | |
| CONSOLIDATED FINANCIAL STATEMENTS | | | | | |
| AT JUNE 30 2004 AND 2003 | | | | | |
| (Thousands of Pesos) | | | | | |
| CONSOLIDATED | | | | | |
| REF S | CONCEPTS | QUARTER OF PRESENT YEAR | | QUARTER OF LAST YEAR | |
| | | Amount | % | Amount | % |
| 1 | TOTAL ASSETS | 3,904,112 | 100 | 3,484,470 | 100 |
| 2 | CURRENT ASSETS | 1,671,048 | 43 | 1,493,584 | 43 |
| 3 | Cash and Short-Term Investments | 133,591 | 3 | 107,718 | 3 |
| 4 | Accounts and Documents Receivable (Net) | 402,765 | 10 | 358,577 | 10 |

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| | | | | | |
|----|--|-----------|-----|-----------|-----|
| 5 | Other Accounts and Documents Receivable | 37,437 | 1 | 43,600 | 1 |
| 6 | Inventories | 1,063,182 | 27 | 962,699 | 28 |
| 7 | Other current assets | 34,073 | 1 | 20,990 | 1 |
| 8 | LONG-TERM | 8,051 | 0 | 7,960 | 0 |
| 9 | Accounts and Documents Receivable (Net) | 0 | 0 | 0 | 0 |
| 10 | Investments in shares of subsidiaries and non Consolidated | 8,051 | 0 | 7,960 | 0 |
| 11 | Other Investments | 0 | 0 | 0 | 0 |
| 12 | PROPERTY, PLANT AND EQUIPMENT | 2,078,406 | 53 | 1,860,355 | 53 |
| 13 | Property | 1,065,829 | 27 | 954,671 | 27 |
| 14 | Machinery and Industrial | 2,308,006 | 59 | 2,136,998 | 61 |
| 15 | Other equipment | 365,132 | 9 | 286,229 | 8 |
| 16 | Accumulated depreciation | 1,713,698 | 44 | 1,597,896 | 46 |
| 17 | Construction in progress | 53,137 | 1 | 80,353 | 2 |
| 18 | DEFERRED ASSETS (NET) | 0 | 0 | 0 | 0 |
| 19 | OTHER ASSETS | 146,607 | 4 | 122,571 | 4 |
| 20 | TOTAL LIABILITIES | 2,124,794 | 100 | 2,322,833 | 109 |
| 21 | CURRENT LIABILITIES | 990,386 | 47 | 891,562 | 42 |
| 22 | Suppliers | 299,734 | 14 | 318,568 | 15 |
| 23 | Bank loans | 492,942 | 23 | 395,466 | 19 |
| 24 | Stock market loans | 0 | 0 | 0 | 0 |
| 25 | Taxes to be paid | 4,608 | 0 | 5,171 | 0 |
| 26 | Other current liabilities | 193,102 | 9 | 172,357 | 8 |
| 27 | LONG-TERM LIABILITIES | 634,195 | 30 | 1,037,613 | 49 |
| 28 | Bank loans | 634,195 | 30 | 1,037,613 | 49 |
| 29 | Stock market loans | 0 | 0 | 0 | 0 |
| 30 | Other loans | 0 | 0 | 0 | 0 |
| 31 | Deferred loans | 500,213 | 24 | 393,658 | 19 |
| 32 | Other liabilities | 0 | 0 | 0 | 0 |
| 33 | CONSOLIDATED STOCK HOLDERS EQUITY | 1,779,318 | 100 | 1,161,637 | 100 |

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| | | | | | |
|----|---|------------|-----|------------|------|
| 34 | MINORITY INTEREST | 260,883 | 15 | 231,657 | 20 |
| 35 | MAJORITY INTEREST | 1,518,435 | 85 | 929,980 | 80 |
| 36 | Contributed | 2,542,735 | 143 | 2,043,129 | 176 |
| 37 | Paid in Capital Stock (Nominal) | 81,332 | 5 | 48,649 | 4 |
| 38 | Restatement of paid in capital stock | 695,165 | 39 | 694,509 | 60 |
| 39 | Premium on sales of shares | 1,766,238 | 99 | 1,299,971 | 112 |
| 40 | Contributions for future capital increases | 0 | 0 | 0 | 0 |
| 41 | Capital increase (decrease) | -1,024,300 | -58 | -1,113,149 | -96 |
| 42 | Retained Earnings and capital reserve | 321,343 | 18 | 302,560 | 26 |
| 43 | Repurchase fund of shares | 138,008 | 8 | 138,566 | 12 |
| 44 | Excess (shortfall) in restatement of holders equity | -1,520,475 | -85 | -1,564,300 | -135 |
| 45 | Net income for the year | 36,824 | 2 | 10,025 | 1 |

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

QUARTER: 2 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

CONSOLIDATED FINANCIAL STATEMENTS

BREAKDOWN OF MAIN CONCEPTS

(Thousands of Pesos)

CONSOLIDATED

| REF S | CONCEPTS | QUARTER OF PRESENT YEAR | | QUARTER OF LAST YEAR | |
|----------|----------|-------------------------|---|----------------------|---|
| | | Amount | % | Amount | % |

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| | | | | | |
|----|--|---------|-----|-----------|-----|
| 3 | CASH AND SHORT TERM INVESTMENTS | 133,591 | 100 | 107,718 | 100 |
| 46 | Cash | - | 0 | - | 0 |
| 47 | Short term investments | 133,591 | 100 | 107,718 | 100 |
| 18 | DEFERRED ASSETS (NET) | - | 0 | - | 0 |
| 48 | Amortiz3d r redeemed expenses | - | 0 | - | 0 |
| 49 | Goodwill | - | 0 | - | 0 |
| 50 | deferred taxes | - | 0 | - | 0 |
| 51 | others | - | 0 | - | 0 |
| 21 | CURRENT LIABILITIES | 990,386 | 100 | 891,562 | 100 |
| 52 | Foreign currency liabilities | 711,071 | 72 | 595,324 | 67 |
| 53 | Mexican pesos liabilities | 279,315 | 28 | 296,238 | 33 |
| 24 | STOCK MARKETS LOANS | - | 0 | - | 0 |
| 54 | Commercial paper | - | 0 | - | 0 |
| 55 | Current maturities of medium term | - | 0 | - | 0 |
| 56 | Current maturities of bonds | - | 0 | - | 0 |
| 26 | OTHER CURRENT LIABILITIES | 193,102 | 100 | 172,357 | 100 |
| 57 | Other current liabilities with cost | - | 0 | - | 0 |
| 58 | Other current liabilities without cost | 193,102 | 100 | 172,357 | 100 |
| 27 | LONG TERM LIABILITIES | 634,195 | 100 | 1,037,613 | 100 |
| 59 | Foreign currency liabilities | 634,195 | 100 | 1,037,613 | 100 |
| 60 | Mexican pesos liabilities | - | 0 | - | 0 |
| 29 | STOCK MARKET LOANS | - | 0 | - | 0 |
| 61 | Bonds | - | 0 | - | 0 |
| 62 | Medium term notes | - | 0 | - | 0 |
| 30 | OTHER LOANS | - | 0 | - | 0 |
| 63 | Other loans with cost | - | 0 | - | 0 |
| 64 | Other loans without cost | - | 0 | - | 0 |
| 31 | DEFERRED LOANS | 500,213 | 100 | 393,658 | 100 |
| 65 | Negative goodwill | - | 0 | - | 0 |

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| | | | | | |
|----|---|-------------|-----|-------------|-----|
| 66 | Deferred taxes | 500,213 | 100 | 393,658 | 100 |
| 67 | Other | - | 0 | - | 0 |
| 32 | OTHER LIABILITIES | - | 0 | - | 0 |
| 68 | Reserves | - | 0 | - | 0 |
| 69 | Other liabilities | - | 0 | - | 0 |
| 44 | EXCESS (SHORTFALL) IN RESTATEMENT OF STOCK HOLDERS EQUITY | (1,520,475) | 100 | (1,564,300) | 100 |
| 70 | Accumulated income due to monetary position | - | 0 | - | 0 |
| 71 | Income from non monetary position | (1,520,475) | 100 | (1,564,300) | 100 |

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

QUARTER: 2 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

CONSOLIDATED FINANCIAL STATEMENTS

OTHER CONCEPTS

(Thousands of Pesos)

CONSOLIDATED

| REF S | CONCEPTS | QUARTER OF PRESENT YEAR | QUARTER OF LAST YEAR |
|----------|-----------------------------|----------------------------|-------------------------|
| | | Amount | Amount |
| 72 | WORKING CAPITAL | 680,662 | 602,022 |
| 73 | PENSIONS FUND AND SENIORITY | 0 | 0 |
| 74 | EXECUTIVES (*) | 11 | 11 |

| | | | |
|----|------------------------|-------------|------------|
| 75 | EMPLOYERS (*) | 1,627 | 1,217 |
| 76 | WORKERS (*) | 1,755 | 1,781 |
| 77 | CIRCULATION SHARES (*) | 162,664,124 | 97,298,672 |
| 78 | REPURCHASED SHARES (*) | 0 | 0 |

(*) THIS CONCEPTS SHOULD BE EXPRESSED IN UNITS

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

QUARTER: 2 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

CONSOLIDATED EARNINGS STATEMENT

FROM JANUARY THE 1ST TO JUNE 30th OF 2004 AND 2003

(Thousands of Pesos)

| REF R | CONCEPTS | QUARTER OF PRESENT YEAR | | QUARTER OF LAST YEAR | |
|----------|---|----------------------------|-----|-------------------------|-----|
| | | Amount | % | Amount | % |
| 1 | NET SALES | 1,850,845 | 100 | 1,679,106 | 100 |
| 2 | COST OF SALES | 1,189,475 | 64 | 1,078,451 | 64 |
| 3 | GROSS INCOME | 661,370 | 36 | 600,655 | 36 |
| 4 | OPERATING EXPENSES | 535,198 | 29 | 472,751 | 28 |
| 5 | OPERATING INCOME | 126,172 | 7 | 127,904 | 8 |
| 6 | TOTAL FINANCING COST | 14,698 | 1 | 28,520 | 2 |
| 7 | INCOME AFTER FINANCING COST | 111,474 | 6 | 99,384 | 6 |
| 8 | OTHER FINANCIAL OPERATIONS | 2,332 | 0 | 10,873 | 1 |
| 9 | INCOME BEFORE TAXES AND WORKERS PROFIT SHARING | 109,142 | 6 | 88,511 | 5 |

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| | | | | | |
|----|---|--------|---|--------|---|
| 10 | RESERVE FOR TAXES AND WORKERS PROFIT SHARING | 56,836 | 3 | 67,516 | 4 |
| 11 | NET INCOME AFTER TAXES AND WORKERS SHARING | 52,306 | 3 | 20,995 | 1 |
| 12 | SHARE IN NET INCOME OF SUBSIDIARIES AND NON CONSOLIDATED ASSOCIATES | 0 | 0 | 0 | 0 |
| 13 | CONSOLIDATES NET INCOME | 52,306 | 3 | 20,995 | 1 |
| 14 | INCOME OF DISCONTINUOUS OPERATIONS | 0 | 0 | 0 | 0 |
| 15 | CONSOLIDATED NET INCOME BEFORE EXTRAORDINARY ITEMS | 52,306 | 3 | 20,995 | 1 |
| 16 | EXTRAORDINARY ITEMS NET EXPENSES | 0 | 0 | 0 | 0 |
| 17 | NET EFFECT AT THE BEGINNING OF THE YEAR BY CHANGES IN ACCOUNTING PRINCIPLES | 0 | 0 | 0 | 0 |
| 18 | NET CONSOLIDATES INCOME | 52,306 | 3 | 20,995 | 1 |
| 19 | NET INCOME OF MINORITY INTEREST | 15,482 | 1 | 10,970 | 1 |
| 20 | NET INCOME OF MAJORITY INTEREST | 36,824 | 2 | 10,025 | 1 |

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

QUARTER: 2 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

CONSOLIDATED EARNINGS STATEMENT

BREAKDOWN OF MAIN CONCEPTS

(Thousands of Pesos)

CONSOLIDATED

| REF R | CONCEPTS | QUARTER OF PRESENT YEAR | | QUARTER OF LAST YEAR | |
|----------|---|----------------------------|------|-------------------------|-----|
| | | Amount | % | Amount | % |
| 1 | NET SALES | 1,850,845 | 100 | 1,679,106 | 100 |
| 21 | DOMESTIC | 1,013,427 | 55 | 917,334 | 55 |
| 22 | FOREIGN | 837,422 | 5 | 761,772 | 5 |
| 23 | TRANSLATED INTO DOLLARS (***) | 72,997 | | 66,405 | |
| 6 | TOTAL FINANCING COST | 14,698 | 100 | 28,520 | 100 |
| 24 | INTEREST PAID | 36,227 | 246 | 40,424 | 142 |
| 25 | EXCHANGE LOSSES | 57,885 | 394 | 128,473 | 450 |
| 26 | INTEREST EARNED | 5,307 | 36 | 3,832 | 13 |
| 27 | EXCHANGE PROFITS | 41,947 | 285 | 118,894 | 417 |
| 28 | GAIN DUE TO MONETARY POSITION | -32,160 | -219 | -17,651 | -62 |
| 8 | OTHER FINANCIAL OPERATIONS | 2,332 | 100 | 10,873 | 100 |
| 29 | OTHER NET EXPENSES (INCOME) NET | 2,332 | 100 | 10,873 | 100 |
| 30 | (PROFIT) LOSS ON SALE OF OWN SHARES | 0 | 0 | 0 | 0 |
| 31 | (PROFIT) LOSS ON SALE OF SHORT TERM | 0 | 0 | 0 | 0 |
| 10 | RESERVE FOR TAXES AND WORKERS PROFIT SHARING | 56,836 | 100 | 67,516 | 100 |
| 32 | INCOME TAX | 27,237 | 48 | 31,354 | 46 |
| 33 | DEFERRED INCOME TAX | 28,771 | 51 | 30,915 | 46 |
| 34 | WORKERS PROFIT SHARING | 828 | 1 | 5,247 | 8 |
| 35 | DEFERRED WORKERS PROFIT SHARING | 0 | 0 | 0 | 0 |

(***) THOUSANDS OF DOLLARS

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

QUARTER: 2 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

CONSOLIDATED EARNINGS STATEMENT

OTHER CONCEPTS

(Thousands of Pesos)

CONSOLIDATED

| REF R | CONCEPTS | QUARTER OF PRESENT YEAR | QUARTER OF LAST YEAR |
|----------|---|----------------------------|-------------------------|
| | | Amount | Amount |
| 36 | TOTAL SALES | 1,917,198 | 1,781,464 |
| 37 | NET INCOME OF THE YEAR | 0 | 0 |
| 38 | NET SALES (**) | 3,705,639 | 3,441,404 |
| 39 | OPERATING INCOME (**) | 234,721 | 283,561 |
| 40 | NET INCOME OF MAJORITY I INTEREST (**) | 60,041 | 114,091 |
| | | 95,497 | 137,479 |
| 41 | NET CONSOLIDATED INCOME (**) | | |

(**) THE RESTATED INFORMATION ON THE LAST TWELVE MONTHS SHOULD BE USED

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

QUARTER: 2 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

QUARTERLY CONSOLIDATED EARNINGS STATEMENT

FROM JANUARY THE 1ST TO JUNE 30TH OF 2004 AND 2003

(Thousands of Pesos)

| REF R | CONCEPTS | QUARTER OF PRESENT YEAR | | QUARTER OF LAST YEAR | |
|----------|--|----------------------------|-----|-------------------------|-----|
| | | Amount | % | Amount | % |
| 1 | NET SALES | 976,597 | 100 | 813,574 | 100 |
| 2 | COST OF SALES | 610,822 | 63 | 523,082 | 64 |
| 3 | GROSS INCOME | 365,775 | 37 | 290,492 | 36 |
| 4 | OPERATING EXPENSES | 289,223 | 30 | 237,364 | 29 |
| 5 | OPERATING INCOME | 76,552 | 8 | 53,128 | 7 |
| 6 | TOTAL FINANCING COST | 28,104 | 3 | -10,327 | -1 |
| 7 | INCOME AFTER FINANCING COST | 48,448 | 5 | 63,455 | 8 |
| 8 | OTHER FINANCIAL OPERATIONS | 5,143 | 1 | -531 | 0 |
| 9 | INCOME BEFORE TAXES AND WORKERS PROFIT SHARING | 43,305 | 4 | 63,986 | 8 |
| 10 | RESERVE FOR TAXES AND WORKERS PROFIT SHARING | 29,464 | 3 | 36,733 | 5 |
| 11 | NET INCOME AFTER TAXES AND WORKERS SHARING | 13,841 | 1 | 27,253 | 3 |
| 12 | SHARE IN NET INCOME OF SUBSIDIARIES AND NON CONSOLIDATED ASSOCIATES | 0 | 0 | 0 | 0 |
| 13 | CONSOLIDATES NET INCOME | 13,841 | 1 | 27,253 | 3 |
| 14 | INCOME OF DISCONTINUOUS OPERATIONS | 0 | 0 | 0 | 0 |
| 15 | CONSOLIDATED NET INCOME BEFORE EXTRAORDINARY ITEMS | 13,841 | 1 | 27,253 | 3 |
| 16 | | 0 | 0 | 0 | 0 |

| | | | | | |
|----|---|--------|---|--------|---|
| | EXTRAORDINARY ITEMS NET EXPENSES | | | | |
| 17 | NET EFFECT AT THE BEGINNING OF THE YEAR BY CHANGES IN ACCOUNTING PRINCIPLES | 0 | 0 | 0 | 0 |
| 18 | NET CONSOLIDATES INCOME | 13,841 | 1 | 27,253 | 3 |
| 19 | NET INCOME OF MINORITY INTEREST | 4,950 | 1 | 3,838 | 0 |
| 20 | NET INCOME OF MAJORITY INTEREST | 8,891 | 1 | 23,415 | 3 |

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

QUARTER: 2 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

QUARTERLY CONSOLIDATED EARNINGS STATEMENT

BREAKDOWN OF MAIN CONCEPTS

(Thousands of Pesos)

CONSOLIDATED

| REF R | CONCEPTS | QUARTER OF PRESENT YEAR | | QUARTER OF LAST YEAR | |
|----------|-------------------------------|-------------------------|-----|----------------------|-----|
| | | Amount | % | Amount | % |
| 1 | NET SALES | 976,597 | 100 | 813,574 | 100 |
| 21 | DOMESTIC | 533,727 | 55 | 427,085 | 52 |
| 22 | FOREIGN | 442,870 | 5 | 386,489 | 5 |
| 23 | TRANSLATED INTO DOLLARS (***) | 38,445 | | 34,277 | |
| 6 | TOTAL FINANCING COST | 28,104 | 100 | -10,327 | 100 |

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| | | | | | |
|----|--|--------|-----|--------|------|
| 24 | INTEREST PAID | 17,132 | 61 | 20,891 | -202 |
| 25 | EXCHANGE LOSSES | 37,025 | 132 | 36,336 | -352 |
| 26 | INTEREST EARNED | 3,538 | 13 | 1,739 | -17 |
| 27 | EXCHANGE PROFITS | 15,798 | 56 | 64,792 | -627 |
| 28 | GAIN DUE TO MONETARY POSITION | -6,716 | -24 | -1,023 | 10 |
| | | | | | |
| 8 | OTHER FINANCIAL OPERATIONS | 5,143 | 100 | -531 | 100 |
| 29 | OTHER NET EXPENSES (INCOME) NET | 5,143 | 100 | -531 | 100 |
| 30 | (PROFIT) LOSS ON SALE OF OWN SHARES | 0 | 0 | 0 | 0 |
| 31 | (PROFIT) LOSS ON SALE OF SHORT TERM | 0 | 0 | 0 | 0 |
| | | | | | |
| 10 | RESERVE FOR TAXES AND WORKERS PROFIT SHARING | 29,464 | 100 | 36,733 | 100 |
| 32 | INCOME TAX | 14,802 | 50 | 15,791 | 43 |
| 33 | DEFERRED INCOME TAX | 13,833 | 47 | 18,299 | 50 |
| 34 | WORKERS PROFIT SHARING | 829 | 3 | 2,643 | 7 |
| 35 | DEFERRED WORKERS PROFIT SHARING | 0 | 0 | 0 | 0 |

(***) THOUSANDS OF DOLLARS

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

QUARTER: 2 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

CONSOLIDATED FINANCIAL STATEMENT OF CHANGES
FROM JANUARY THE 1ST TO JUNE 30TH OF 2004 AND 2003

(Thousands of Pesos)

| CONSOLIDATED | | | |
|--------------|--|----------------------------|-------------------------|
| REF C | CONCEPTS | QUARTER OF PRESENT YEAR | QUARTER OF LAST YEAR |
| | | Amount | Amount |
| 1 | Consolidated net | 52,306 | 20,995 |
| 2 | + (-) items added to income which do not require using cash | -49,950 | 118,512 |
| 3 | Cash flow from net income of the year | 2,356 | 139,507 |
| 4 | Cash flow from change in working capital | -141,794 | -133,860 |
| 5 | Cash generated (used) in operating activities | -139,438 | 5,647 |
| 6 | Cash flow from external financing | -274,473 | 100,380 |
| 7 | Cash flow from internal financing | 499,659 | -54,378 |
| 8 | Cash flow generated (used) by financing | 225,186 | 46,002 |
| 9 | Cash flow generated (used) by investment activities | -4,830 | -40,339 |
| 10 | Net increase (decrease) in cash and investments | 80,918 | 11,310 |
| 11 | Cash and short term investments at the beginning of the period | 52,673 | 96,408 |
| 12 | Cash and short term investments at the end of the period | 133,591 | 107,718 |

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

QUARTER: 2 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

CONSOLIDATED FINANCIAL STATEMENT OF CHANGES

BREAKDOWN OF MAIN CONCEPTS

(Thousands of Pesos)

| CONSOLIDATED | | | |
|--------------|---|-------------------------|----------------------|
| REF | CONCEPTS | QUARTER OF PRESENT YEAR | QUARTER OF LAST YEAR |
| C | | Amount | Amount |
| 2 | + (-) items added to income which do not require using cash | -49,950 | 118,512 |
| 13 | Depreciation and amortization the period | 99,657 | 87,795 |
| 14 | + (-) net increase (decrease) in pensions fund and seniority premiums | 0 | 0 |
| 15 | + (-) net loss (profit) in money | 0 | 0 |
| 16 | + (-) net loss (profit) in assets and liabilities actualization | 0 | 0 |
| 17 | + (-) other items | -149,607 | 30,717 |
| 4 | Cash flow from change in working capital | -141,794 | -133,860 |
| 18 | + (-) decrease (increase) in account receivables | -55,309 | 8,636 |
| 19 | + (-) decrease (increase) in inventories | -91,221 | -109,358 |
| 20 | + (-) decrease (increase) in other account receivables | -70,090 | -44,606 |
| 21 | + (-) decrease (increase) in suppliers | 26,493 | 4,749 |
| 22 | + (-) decrease (increase) in other liabilities | 48,333 | 6,719 |
| 6 | Cash flow from external financing | -274,473 | 100,380 |
| 23 | + short term bank and stock market | 94,692 | 107,655 |
| 24 | + long term bank and stock market | -369,165 | -7,275 |
| 25 | + dividend received | 0 | 0 |
| 26 | + Other financing | 0 | 0 |
| 27 | -Bank financing amortization | 0 | 0 |
| 28 | -Stock market amortization | 0 | 0 |
| 29 | - Other financing amortization | 0 | 0 |
| 7 | Cash flow from internal financing | 499,659 | -54,378 |

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| | | | |
|--|--|---------|---------|
| 30 | + (-) increase (decrease) in capital | 33,392 | -54,378 |
| 31 | - Dividends paid | 0 | 0 |
| 32 | + Premium on sale of shares | 466,267 | 0 |
| 33 | + Contribution for future capital | 0 | 0 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| 9 | Cash flow generated (Utilized) in investment activities | -4,830 | -40,339 |
| 34 | + (-) decrease (increase) in stock investments of a permanent nature | 0 | 0 |
| 35 | - Acquisitions of property, plant and equipments | -4,830 | -40,339 |
| 36 | - Increase in constructions in process | 0 | 0 |
| 37 | + Sale of other permanent | 0 | 0 |
| 38 | + Sale of tangible fixed assets | 0 | 0 |
| 39 | + (-) Other items | 0 | 0 |

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

QUARTER: 2 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

RATIOS

CONSOLIDATED

CONSOLIDATED

| REF P | CONCEPTS | QUARTER OF PRESENT YEAR | QUARTER OF LAST YEAR |
|----------|---|----------------------------|-------------------------|
| | | Amount | Amount |
| | YIELD | | |
| 1 | Net income to net sales | 2.83% | 1.25% |
| 2 | Net income to stock holders equity (**) | 3.84% | 12.27% |
| 3 | Net income to total assets (**) | 2.51% | 3.95% |
| 4 | Cash dividends to previous year net income | 0.00% | 0.00% |
| 5 | Income due to monetary position to net income | 61.48% | 84.07% |
| | ACTIVITY | | |
| 6 | Net sales to net assets (**) | 0.95 times | 0.99 times |

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| | | | |
|----|--|--------------|------------|
| 7 | Net sales to fixed assets (**) | 1.78 times | 1.85 times |
| 8 | Inventories rotation (**) | 2.27 times | 2.29 times |
| 9 | Accounts receivable in days of sales | 34 days | 33 days |
| 10 | Paid interest to talt liabilities with cost (**) | 6.94% | 6.33% |
| | LEVERAGE | | |
| 11 | Total liabilities to total assets | 54.42% | 66.66% |
| 12 | Total liabilities to stock holders equity | 1.19 times | 2.00 times |
| 13 | Foreign currency liabilities to total liabilities | 63.31% | 70.30% |
| 14 | long term liabilities to fixed assets | 30.51% | 55.77% |
| 15 | Operating income to interest paid | 3.48 times | 3.16 times |
| 16 | Net sales to total liabilities (**) | 1.74 times | 1.48 times |
| | LIQUIDITY | | |
| 17 | Current assets to current liabilities | 1.69 times | 1.68 times |
| 18 | Current assets less inventory to current liabilities | 0.61 times | 0.60 times |
| 19 | Current assets to total liabilities | 0.79 times | 0.64 times |
| 20 | available assets to current liabilities | 13.49% | 12.08% |
| | CASH FLOW | | |
| 21 | Cash flow from net income to net sales | 0.13% | 8.31% |
| 22 | Cash flow from changes in working capital to net sales | -7.66% | -7.97% |
| 23 | Cash generated (used) in operating to interest paid | (3.85) times | 0.14 times |
| 24 | External financing to cash generated (used) in financing | -121.89% | 218.21% |
| 25 | Internal financing to cash generated in financing | 221.89% | -118.21% |
| 26 | To cash generated (used) in investment activities | 100.00% | 100.00% |

(**) IN THESE RATIOS FOR THE DATA TAKE INTO CONSIDERATION THE LAST TWELVE MONTHS

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

QUARTER: 2 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

| DATA PER SHARE | | | |
|--|---|----------------------------|-------------------------|
| CONSOLIDATED FINANCIAL STATEMENT | | | |
| | | | CONSOLIDATED |
| REF S | CONCEPTS | QUARTER OF PRESENT YEAR | QUARTER OF LAST YEAR |
| | | Amount | Amount |
| 1 | Basic profit per ordinary share (**) | 0.36 | 1.17 |
| 2 | Basic profit per preferent share (**) | 0.00 | 0.00 |
| 3 | Diluted profit per ordinary share (**) | 0.00 | 0.00 |
| 4 | Continuous operating profit per common share (**) | 1.45 | 2.92 |
| 5 | Effect of discontinuous operating continuous operating profit per share (**) | 0.00 | 0.00 |
| 6 | Effect of extraordinary profit and loss on continuous operating profit per share (**) | 0.00 | 0.00 |
| 7 | Effect by changes in accounting policies continuous operating profit per share (**) | 0.00 | 0.00 |
| 8 | Carrying value per share | 9.33 | 9.56 |
| 9 | Cash dividend accumulated per share | 0.00 | 0.00 |
| 10 | Dividend in shares per share | 0.00 shares | 0.00 shares |
| 11 | Market price to carrying value | 1.80 times | 1.34 times |
| 12 | Market price to basic profit per ordinary share (**) | 46.83 times | 10.78 times |
| 13 | Market price to basic profit per opreferent share (**) | 0.00 times | 0.00 times |
| (**) TO CALCULATE THE DATA PER SHARE USE THE NET INCOME FOR THE LAST TWELVE MONTHS | | | |

MEXICAN STOCK EXCHANGE

SIFIC / ICS

STOCK EXCHANGE CODE:
CERAMIC

QUARTER: 2 YEAR 2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

NOTES TO FINANCIAL STATEMENTS (1)

CONSOLIDATED

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S23: IN THIS ACCOUNT OF THE ACTUAL YEAR ARE INCLUDED THE CURRENT LIABILITIES WITH COST OF THE COMPANY, EVEN WHEN THESE ARE NOT BANK LOANS.

MEXICAN STOCK EXCHANGE

SIFIC / ICS

STOCK EXCHANGE CODE:

CERAMIC
YEAR 2004

QUARTER: 2

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

DIRECTOR REPORT (1)

CONSOLIDATED

ANNEX 1

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INTERCERAMIC SECOND QUARTER 2004 RESULTS

The second quarter of 2004 saw Interceramic posting significant improvements over second quarter results in 2003, and marking gains over a lackluster first quarter of the year as well. Record quarterly sales of US \$84.8 million topped sales of US \$72.2 million in the same quarter of 2003 by 17.5 percent. Larger sales volume and a better mix of products sold, pushed our gross income for the quarter up by 23.3 percent over last year. For the first six months of the year, consolidated sales are up by 10.3 percent to US \$161.3 million compared to US \$146.3 million in the first semester of 2003. We also moved much more product during the second quarter of 2004 than we had in the same period of 2003, increasing by 15.0 percent. In a particularly welcome development, growth in both sales and product volume occurred in each of our major markets of Mexico and the United States.

In Mexico, our sales for the second quarter jumped by 22.3 percent from the second quarter of 2003 to US \$46.3 million from the US \$37.9 million posted last year. The amount of product sold by the Company in Mexico during the second quarter of 2004 increased by 18.3 percent over the second quarter of 2003. For the first six months of 2004, sales in Mexico are up 10.6 percent over the first half of 2003, to US \$88.3 million from US \$79.9 million in 2003, while over the same comparative periods, product volume in Mexico is up by 11.4 from last year.

In the International markets, we hit a record level of sales, and at US \$38.4 million for the second quarter of 2004 we bettered sales for the same period of 2003 by 12.2 percent. The amount of product sold in the International markets

increased as well, up by 9.9 percent over last year. For the six months, International sales of US \$73.0 million are 9.9 percent higher than in the first six months of 2003, and the amount of product sold over the first six months of 2004 in the International markets grew by 7.1 percent over the first semester of 2003.

While our operating expenses have been increasing over past periods in anticipation of substantially improved sales growth, in the second quarter of 2004 Interceramic attained a level of sales that kept well ahead of the ramped up expenditures. As a result, our operating income for the second quarter of 2004 increased by 41.3 percent over the second quarter of 2003, hitting US \$6.6 million compared to US \$4.7 million in the second quarter last year. We also recorded our highest EBITDA since the second quarter of 2002, and at US \$11.1 million it is a 28.5 percent improvement over EBITDA of US \$8.6 million in the second quarter last year.

Looking at the first six-months of 2004, operating income of US \$11.0 million is less than two percent behind operating income of US \$11.1 million recorded in the first six months of 2003. At US \$19.7 million, EBITDA for the first half of 2004 is 4.9 percent higher than our EBITDA of US \$18.8 million in the first six months last year.

In June, we opened our newest "Interceramic Tile and Stone Gallery" store in San Diego, California, the latest effort in our strategy of covering the immense Southern California market with high-margin generating company-owned stores. In Mexico, the second quarter of the year was the first full quarter of consolidated results from our newly-acquired franchise distributors in the Chihuahua and Monterrey markets, which bring considerable sales and margin to our Mexican operations as well. Construction of our new tile plant in Chihuahua is proceeding, and we intend on devoting our efforts over the remainder of the year to capitalizing on the improvements and gains we have made over the past few months to our benefit in forthcoming quarters.

We thank our shareholders and customers for their continued support, and we look forward to our remaining challenges and a strong finish for the year.

Oscar E. Almeida

Chairman of the Board

Victor D. Almeida

Chief Executive Officer

This document contains forward-looking statements within the meaning of the United States Securities Exchange Act of 1934 which reflect the Company's views about future events and financial performance. Actual events and results could differ materially from those stated herein and, accordingly, undue reliance should not be placed upon them. The forward-looking statements speak only of their dates and the Company undertakes no obligation to update or revise any of them.

DISCUSSION ON OTHER ACCOUNTS

1.- Comprehensive Financing Cost.- Comprehensive Financing Cost for the for the second quarter of 2004 was a loss of \$28.1 millions compared to a gain of \$10.3 millions registered during the same period of 2003. This increased loss was mainly due to a increased foreign exchange loss which at \$21.2 million loss in the second quarter of 2004, represents a completely adverse number than the \$28.5 million gain registered during the same period of 2003. This change was generated by the loss of value of the Pesos against the Dollar.

2.- Other Income or Expenses.- Other income or expenses is an account composed by non continuous ordinary transactions, such as, write down of assets, obsolete inventories, waste of raw materials, etc.

Other expenses during the second quarter of 2004 represented a net product of \$5.1 millions, compared to a product of \$0.5 millions registered during the same period of 2003.

3.- Minority Net Income.- This account in the Financial Statements relates to the interest of Dal-Tile Inc in "Recubrimientos Interceramic, S.A. de C.V." and Custom's Inc. interest in "Adhesivos y Boquillas, S. de R.L. de C.V.". Minority net income posted during the second quarter of 2004 was \$8.9 million, compared to \$3.8 million in the same period of 2003, representing an increase of 131.6 percent.

4.- Majority Net Income.- This account in the Financial Statements consists of consolidated net income, less the portion attributable to Dal-Tile's Inc. ownership interest in Recubrimientos Interceramic, S.A. de C.V. and that of Custom's Inc. in "Adhesivos y Boquillas, S. de R.L. de C.V.".

Majority net income for the quarter decreased significantly to an income of \$4.9 million in the second quarter of 2004 from a majority net income of \$23.4 million in same quarter of 2003. The decrease in the majority income was mainly due to the effect of the Integral Cost of Financing.

LIQUIDITY AND CAPITAL RESOURCES

1).- DEBT.- At the end of the second quarter of 2004 net debt for the Company was of US \$86.2 million, mainly composed of the balance due regarding the Syndicated Loan of US \$76.3 million. . At the date the Company has not failed to make any payment of any of the different loans obtained from different banks (see Annex 5). At the date of the report the Company is in compliance with all of its credit agreements.

2).- LIQUIDITY.- The main source of fund for the Company is basically the obtained from the sales of the products that manufacture and in a leaser extent that commercializes. For the year of 2004, of the total sales of the Company, 54.65 percent were denominated in Mexican Pesos, while the remaining 45.35 percent were denominated in US Dollars.

EVOLUTION OF MAIN CONCEPTS IN THE LAST YEARS.

| | | (April - June) | |
|--------------------|-------|----------------|-------|
| | 2002 | 2003 | 2004 |
| Net Sales | 68.4 | 72.2 | 84.8 |
| Cost of Sales | -42.5 | -46.4 | -53 |
| Gross profit | 25.9 | 25.8 | 31.8 |
| Gross margin | 37.8% | 35.7% | 37.5% |
| Operating Expenses | -19.5 | -21.1 | -25.1 |
| Operating Income | 6.4 | 4.7 | 6.6 |
| Operating margin | 9.3% | 6.5% | 7.8% |
| EBITDA | 10.0 | 8.6 | 11.1 |
| EBITDA margin | 14.6% | 12.0% | 13.1% |
| Volume variation * | -4.6% | 7.9% | 15.0% |

* Variation respecting the same period of the previous year..

| | (January - June) | | |
|--------------------|------------------|-------|--------|
| | 2002 | 2003 | 2004 |
| Net Sales | 145.0 | 146.3 | 161.3 |
| Cost of Sales | -89.9 | -94.0 | -103.7 |
| Gross profit | 55.1 | 52.3 | 57.6 |
| Gross margin | 38.0% | 35.8% | 35.7% |
| Operating Expenses | -40.3 | -41.2 | -46.6 |
| Operating Income | 14.8 | 11.1 | 11.0 |
| Operating margin | 10.2% | 7.6% | 6.8% |
| EBITDA | 21.9 | 18.8 | 19.7 |
| EBITDA margin | 15.1% | 12.8% | 12.2% |
| Volume variation * | -2.5% | 4.8% | 9.8% |

* Variation respecting the same period of the previous year..

MEXICAN STOCK EXCHANGE

SIFIC / ICS

STOCK EXCHANGE CODE:

CERAMIC

YEAR 2004

QUARTER: 2

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

FINANCIAL STATEMENTS NOTES (1)

CONSOLIDATED

ANNEX 2

Final Printing

Pursuant to Bulletin B-15 financial statements previously reported have been restated to take into account a common actualization factor determined by weighting the Company's respective sales in Pesos and Dollars, each as effected by inflation and devaluation in the applicable currencies. This factor for the 12 month period from July '03 to June '04 was 8.29% compared to the inflation for the same period of 4.36%.

ACCOUNTING POLICIES AND STANDARDS

The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in Mexico ("Mexican GAAP").

I. Recognition of the effects of inflation.-

The Company recognizes the effects of inflation on financial information as required by Mexican Accounting Principles Bulletin B-10, "Accounting Recognition of the Effects of Inflation on Financial Information".

Certain concepts and procedures required by the application of Bulletin B-10 are explained below:

The Company follows the specific-cost method to restate its inventories.

Imported machinery was restated based on the rate of inflation in the country of origin and the prevailing exchange rate at the balance sheet date. Machinery and equipment of domestic origin was restated based on the Mexican National Consumer Price Index ("NCPI").

Capital stock, paid in capital, stock repurchase reserve, retained earnings, cumulative effect of deferred taxes, effect of translation of foreign subsidiaries, and net income were restated by using a common restatement factor, which was determined based on the weighted average net sales in each currency.

The gain or loss on net monetary position represents the effects of inflation, as measured by the NCPI, on the Company's monetary assets and liabilities. During inflationary periods, losses are incurred by holding monetary assets, whereas gains are realized by holding monetary liabilities. The net monetary effect is included in the consolidated statements of income as part of the "comprehensive financing cost."

The deficit from restatement of stockholders' equity consists principally of the initial cumulative monetary position result and the cumulative deficit from holding non-monetary assets. The (loss) gain from holding non-monetary assets represents the amount by which the (decrease) increase in the specific value of assets was (lower) higher than the rate of inflation.

II. Cash equivalents.-

Cash equivalents are shown at cost plus accrued interest through the balance sheet date. The stated value approximates fair value.

All highly liquid investments with a maturity of three months or less at the time of purchase are considered cash equivalents and are carried at cost which approximates their fair market value.

III. Inventories and Cost of Sales.-

Inventories are recorded initially at acquisition or production cost and then restated to reflect replacement cost, which is not in excess of market value. Cost of sales represents the estimated replacement cost at the time sales were realized, expressed in constant pesos at the end of the year.

IV. Investment in shares of affiliated companies.-

Investments in companies in which the Company has an ownership interest of between 10% and 50% and for which the Company exercises significant influence, are accounted for using the equity method. Investments in companies in which the Company has an ownership interest of less than 10% are recorded at cost and restated for changes in the NCPI.

V. Property, plant and equipment.-

Through December 31, 1996, the values of property, plant and equipment were determined by an independent appraiser registered with the National Banking and Securities Commission ("NBSC").

Effective January 1, 1997, Bulletin B-10 eliminated the use of appraisals to present property, plant and equipment in the financial statements, and currently is restated as follows:

The appraised value of imported machinery as of December 31, 1996, as well as the cost of subsequent additions to such machinery, were restated based on the rate of inflation in the respective country of origin and then translated using the prevailing exchange rate at the balance sheet date (specific inflation factors).

The appraised value of land, buildings and other fixed assets of domestic origin at December 31, 1996, and the cost of subsequent additions to such assets were restated based on the NCPI.

Depreciation is computed on the restated values, using the straight-line method based on the estimated useful lives of the assets as determined periodically by management based on technical studies.

VI. Exchange differences.-

Transactions in foreign currency are recorded at the exchange rate at the time of the transactions. Exchange differences are determined from the date of the transactions to the time of settlement or valuation at the balance sheet date and are charged or credited to income.

VII. Labor obligations.-

Under Mexican labor law, employees are entitled to a compensation payment ("seniority premium") upon death, dismissal or at retirement after 15 or more years of service. Seniority premium costs are recognized periodically during the years of service rendered by employees, based on actuarial computations made by an independent actuary, using the projected unit credit method and financial assumptions, net of inflation, as required by Mexican Accounting Principles Bulletin D-3 ("Labor Obligations"). Termination payments are charged to income in the year in which the decision to dismiss an employee is made.

VIII. Income taxes and employee profit sharing.-

Effective January 1, 2000, the Company adopted the requirements of the Mexican Accounting Bulletin D-4, "Accounting for Income Tax, Asset Tax and Employee Profit Sharing." Bulletin D-4 requires the recognition of deferred taxes on all temporary differences in balance sheet accounts for financial and tax reporting purposes, using enacted income tax rates. Through December 31, 1999, deferred taxes were recognized only on temporary differences that were considered to be non-recurring and that had a known turnaround period.

As established in Bulletin D-4, the cumulative effect of deferred taxes, at the beginning of 2000, was applied to stockholders' equity, without restating the financial statements of prior years.

The Company periodically evaluates the possibility of recovering deferred tax assets and if necessary, adjusts the related valuation reserve.

Employee profit sharing is a statutory obligation payable to employees that is determined in accordance with the provisions of both Mexican labor and income tax law.

In conformity with Bulletin D-4, deferred employee profit sharing is recognized only on temporary differences determined in the reconciliation of current year net income for financial and tax reporting purposes, provided there is no indication that the related liability or asset will not be realized in the future.

Current year employee profit sharing is charged to results of operations and represents a current liability due and payable in a period of less than one year.

Asset tax, which is a minimum income tax is payable based on the average value of most assets net of certain liabilities. Since income tax may be credited against asset tax, the latter is actually payable only to the extent that it exceeds current year income tax.

Current year income tax is charged to results of operations and represents the tax liability due and payable in less than one year.

IX. Long-lived assets.-

The Company periodically evaluates potential impairment loss relating to long-lived assets by assessing whether the unamortized carrying amount can be recovered over the remaining life of the assets through undiscounted future expected cash flows generated by the assets. If the sum of the expected future undiscounted cash flows is less than the carrying value of the assets, a loss is recognized for the difference between the carrying value of the assets and the expected future undiscounted cash flows. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Effective January 1, 2004 the Company will be required to adopt Bulletin C-15 for Mexican GAAP which modifies the method in which companies must measure potential impairment losses relating to long-lived assets. Under the provisions of the bulletin an impairment loss of long-lived assets will be required to be recognized when the carrying value of assets, measured at the cash generating unit level, exceeds the recoverable value. A cash generating unit (joint venture, subsidiary, production line, division or segment) is the minimum identifiable grouping of assets that generate cash flows that are independent of other groups of assets. The recoverable value is defined as the greater of the value in use (present value of the estimated future net cash flows using an appropriate discount rate) or an estimated net selling price between interested parties, which is reasonable and verifiable. Impairment losses may be reversed in future periods when the recoverable value exceeds the carrying value of the related assets and it can clearly be justified and demonstrated that the change is permanent and verifiable. The Company has evaluated the effect of this new rule standard, and it is not expected any change.

X. Revenue recognition.-

The Company recognizes revenue when goods are shipped and invoiced. Revenue from retail operations is recognized, generally, at the point of sale. Returns and allowances are estimated and accrued based on historical results.

XI. Net income per unit.-

Net income per unit is determined on the basis of the average weighted number of units issued and outstanding. The Company's units are each comprised of two common shares that are traded together as one unit. A "UB" unit is comprised of two Series "B" Shares and a "ULD" unit is comprised of one Series "L" Share and one Series "D" Share.

XII. Comprehensive income.-

Mexican Accounting Bulletin B-4, "Comprehensive Income," became effective January 1, 2001. Bulletin B-4 establishes the rules with respect to reporting and presenting comprehensive income and the component elements of such income. Bulletin B-4 has no effect on net income or stockholders' equity. Comprehensive income consists of net income or loss for the year plus those items that are reflected directly in stockholders' equity and that do not constitute capital contributions, reductions or distributions such as deficit from restatement of stockholders' equity, effect of translation of foreign subsidiaries and deferred taxes allocated to equity.

GENERAL.-

On October 19th 1999 a merge agreement was approved by the Shareholders in which Ceramica Industrial Maquinada, S.A. de C.V. merged into Internacional de Ceramica, S.A. de C.V., which was a 100% subsidiary of Internacional de Ceramica, S.A. de C.V.

On April, 9th, 2002 a merge agreement was approved by the Shareholders in which Procesadora de Materiales Cerro Grande, S.A. de C.V. and Interacabados de Noroeste, S.A. de C.V. merged into Internacional de Ceramica, S.A. de C.V.. The merged companies were a 100% subsidiary of Internacional de Ceramica, S.A. de C.V.

| BOLSA MEXICANA DE VALORES, S.A. DE C.V. | | | | | | |
|---|---|--------------------------------|-------------|-----------------------------------|----------------|---------|
| SIFIC / ICS | | | | | | |
| STOCK EXCHANGE CODE: CERAMIC | | | | QUARTER: 2 2004 | | |
| INTERNACIONAL DE CERAMICA, S.A. DE C.V. | | | | | | |
| RELATIONS OF SHARES INVESTMENTS | | | | | | |
| ANNEX 3 | | | | | CONSOLIDATED | |
| | | | | | Final Printing | |
| COMPANY NAME | MAIN ACTIVITY | NUMBER OF SHARES | OWNERSHIP % | TOTAL AMOUNT (Thousands of Pesos) | | |
| | | | | Acquisition Cost | Present Value | |
| SUBSIDIARIES | | | | | | |
| 1 | ADHESIVOS Y BOQUILLAS INTERCERAMIC | PRODUCTOS PARA INSTALAR LOSETA | 3 | 51.00 | 168 | 34,523 |
| 2 | INTERCERAMIC, INC. | PRODUCCION Y VENTA DE LOSETA | 4,000 | 100.00 | 2,423 | 392,721 |
| 3 | INTERCERAMIC TRADING, CO. | SERVICIOS ADMINISTRATIVOS | 10,000 | 100.00 | 3 | 953 |
| 4 | RECUBRIMIENTOS INTERCERAMIC, S.A. DE C.V. | PRODUCCION Y VENTA DE LOSETA | 20,114,738 | 50.01 | 1 | 227,711 |
| 5 | DISTRIBUCION INTERCERAMIC | COMERCIALIZACION DE LOSETA | 50,000 | 100.00 | 1 | -25,226 |

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| | | | | | | |
|---|--|----------------------------|-----------|--------|-------|---------|
| 6 | INTERACABADOS DE OCCIDENTE | COMERCIALIZACION DE LOSETA | 50,000 | 100.00 | 1 | -9,331 |
| 7 | MATERIALES EN PROCESO | SERVICIOS ADMINISTRATIVOS | 1,249,999 | 100.00 | 1 | 401 |
| 8 | INTERCERAMIC DE OCCIDENTE | SERVICIOS ADMINISTRATIVOS | 50,000 | 100.00 | 1 | 249 |
| 9 | OPERADORA INTERCERAMIC | SERVICIOS ADMINISTRATIVOS | 50,000 | 100.00 | 1 | 807 |
| 10 | SERVICIOS ADMINISTRATIVOS INTERCERAMIC, S.A. DE C.V. | SERVICIOS ADMINISTRATIVOS | 50,000 | 100.00 | 1 | 10 |
| 11 | INTERACABADOS DEL CENTRO | SERVICIOS ADMINISTRATIVOS | 50,000 | 100.00 | 1 | -298 |
| 12 | HOLDING DE FRANQUICIAS INTERCERAMIC | TENEDORA DE ACCIONES | 50,000 | 100.00 | 1 | 115,139 |
| | | | | | 2,603 | 737,659 |
| TOTAL INVESTMENT IN SUBSIDIARIES ASSOCIATED | | | | | | |
| | | | | | | |
| 1 | CASINO DE CHIHUAHUA | ACCIONES | 2 | 1.00 | 175 | 1 |
| 2 | MAYO Y ASOCIADOS | ACCIONES | 5,000 | 30.00 | 1 | 5 |
| 3 | CAMPESTRE SAN FRANCISCO | ACCIONES | 4 | 0.40 | 49 | 20 |
| 4 | PROMOTORA DE HOSPITALES MEXICANOS | ACCIONES | 4,031,903 | 5.70 | 1 | 5,116 |
| 5 | PROM. DE INFRAESTRUCT. DE MEXICO | ACCIONES | 5,253 | 5.50 | 1 | 838 |
| 6 | ELECTRONIC PUBLISHING | ACCIONES | 1,815 | 11.84 | 1,000 | 1,990 |
| 8 | FIDEICOMISO SACRAMENTO | ACCIONES | 1 | 0.00 | 0 | 81 |
| | | | | | 1,227 | 8,051 |
| TOTAL INVESTMENT IN SUBSIDIARIES | | | | | | |
| OTHER PERMANENT INVESTMENT | | | | | | |
| TOTAL | | | | | | 745,710 |

STOCK EXCHANGE CODE: CERAMIC

| | |
|---|------------------------------|
| | MEXICAN STOCK EXCHANGE |
| INTERNACIONAL DE CERAMICA, S.A. DE C.V. | ANNEX 5 |
| | CREDITS BREAKDOWN |
| | (Thousands of Pesos) |

| Credit Type Institution | Amorti- zation Date | Rate of Interest | Denominated in Pesos | | Amortization of Credits in Foreign Currency With National Entities | | | | | | Amortization of Credits in Foreign Currency | | | |
|-------------------------------|---------------------------|------------------------|-------------------------|---------------------------|---|--------------------|---------------------|---------------------|---------------------|---------------------|--|-----------------|---------------------|---------|
| | | | Until 1 Year | More than 1 Year | Current Year | Until 1 Year | Until 2 Years | Until 3 Years | Until 4 Years | Until 5 Years | Current Year | Until 1 Year | Until 2 Years | |
| BANKS WITH WARRANTY | | | | | | | | | | | | | | |
| SINDICADO | 7/31/2007 | 3.47% | 0 | 0 | | | | | | | | 105,993 | 144,063 | 216,000 |
| BANCOMER - L. REVOLVENTE | 9/23/2004 | 3.07% | 0 | 0 | | | | | | | | 80,709 | | |
| BANORTE | 7/30/2004 | 3.47% | 0 | 0 | | | | | | | | 57,786 | | |
| BANAMEX - L. REVOLVENTE | 7/20/2004 | 3.01% | 0 | 0 | | | | | | | | 69,219 | | |
| SCOTIABANK | 7/20/2004 | 3.46% | 0 | 0 | | | | | | | | 34,615 | | |
| CAPITAL LEASE - PRENDARIO | 10/25/2007 | 7.35% | | | | | | | | | | 150 | 123 | |
| OTHER FINANCIAL ENTITIES | | | | | | | | | | | | | | |
| ORACLE | 7/1/2004 | 5.00% | 0 | 0 | | | | | | | | 284 | | |
| TOTAL BANKS | | | 0 | | | | | | | | | 348,756 | 144,186 | 216,000 |

| Credit Type Institution | Amorti- zation Date | Rate of Interest | Denominated in Pesos | | Amortization of Credits in Foreign Currency With National Entities | | | | | | Amortization of Credits in Foreign Currency | | | |
|-------------------------------|---------------------------|------------------------|-------------------------|---------------------------|---|--------------------|---------------------|---------------------|---------------------|---------------------|--|-----------------|---------------------|--|
| | | | Until 1 Year | More than 1 Year | Current Year | Until 1 Year | Until 2 Years | Until 3 Years | Until 4 Years | Until 5 Years | Current Year | Until 1 Year | Until 2 Years | |
| SUPPLIERS | | | | | | | | | | | | | | |
| FERRO MEXICANA | | | 0 | 0 | | | | | | | | | 15,507 | |
| ABRASIVOS | | | 0 | 0 | | | | | | | | | 14,134 | |

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| | | | | | | | | | | | | | |
|------------------------------|--|--|---------|---|--|--|--|--|--|--|--|--|---------|
| PORCELANICOS (PAME) | | | | | | | | | | | | | |
| ORACLE DE MEXICO | | | 0 | 0 | | | | | | | | | 12,573 |
| KOHLER CO. | | | 0 | 0 | | | | | | | | | 8,309 |
| IMPORTACION PROFESIONAL DE A | | | 0 | 0 | | | | | | | | | 3,965 |
| ESMALTES Y COLORANTES COVER | | | 0 | 0 | | | | | | | | | 3,487 |
| GRES LUNA SA | | | 0 | 0 | | | | | | | | | 3,219 |
| ESMACER | | | 0 | 0 | | | | | | | | | 3,164 |
| MANCHESTER QUIMICA MEXICANA | | | 0 | 0 | | | | | | | | | 2,203 |
| DERIVADOS METALORGANICOS | | | 0 | 0 | | | | | | | | | 1,975 |
| EMPAQUES DE CARTON TITAN | | | 6,005 | 0 | | | | | | | | | |
| EDITORIAL TELEVISAS SA DE CV | | | 1,150 | 0 | | | | | | | | | |
| MONDIMEX INDUSTRIAL | | | 991 | 0 | | | | | | | | | |
| RODAMIENTOS Y REPRESENT INDU | | | 937 | 0 | | | | | | | | | |
| CERAMIKON | | | 927 | 0 | | | | | | | | | |
| MATERIAS PRIMAS MINERALES DE | | | 691 | 0 | | | | | | | | | |
| TECNICA ELECTRICA DEL PARRAL | | | 688 | 0 | | | | | | | | | |
| REGIO COLOIDES SA DE CV | | | 665 | 0 | | | | | | | | | |
| QUIMICA ATSA SA DE CV | | | 658 | 0 | | | | | | | | | |
| AMPARAN ALVIDRES ROGELIO | | | 621 | 0 | | | | | | | | | |
| OTROS | | | 115,945 | 0 | | | | | | | | | 101,920 |
| TOTAL SUPPLIERS | | | 129,278 | | | | | | | | | | 170,456 |

| Credit Type Institution | Amortization Date | Rate of Interest | Denominated in Pesos | | Amortization of Credits in Foreign Currency With National Entities | | | | | Amortization of Credits in Foreign Currency | | |
|-------------------------|-------------------|------------------|----------------------|------------------|--|---------|---------|---------|---------|---|--------------|--------------|
| | | | Until 1 Year | More than 1 Year | Current Year | Until 1 | Until 2 | Until 3 | Until 4 | Until 5 | Current Year | Until 1 Year |

| | | | | 1 Year | | Year | Years | Years | Years | Years | | | |
|------------------------------|--|--|---------|-----------|---|------|-------|-------|-------|-------|---------|---------|-----|
| OTHER CURRENT LIABILITIES | | | | | | | | | | | | | |
| AND OTHER CREDITS | | | 145,429 | 0 | | | | | | | | 47,673 | |
| TOTAL OTHER | | | 145,429 | 0 | | | | | | | | 47,673 | |
| GRAND TOTAL | | | 274,707 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 348,756 | 362,315 | 216 |

* ALL CREDITS ARE DENOMINATED IN DOLLARS.

* THE EXCHANGE RATE BETWEEN THE MEXICAN PESO AND THE AMERICAN DOLLAR AT THE TIME THE INFORMATION WAS PRESENTED: \$1 USD = \$11.525 MXP.

| BOLSA MEXICANA DE VALORES, S.A. DE C.V. | | | | | |
|---|----------------------------|--------------------------|----------------------------|--------------------------|-----------------------------------|
| SIFIC / ICS | | | | | |
| STOCK EXCHANGE CODE: CERAMIC | | | QUARTER: 2 2004 | | |
| INTERNACIONAL DE CERAMICA, S.A. DE C.V. | | | | | |
| TRADE BALANCE AND MONETARY POSITION IN FOREIGN EXCHANGE | | | | | |
| (Thousands of Pesos) | | | | | |
| ANNEX 6 | | | | | |
| CONSOLIDATED | | | | | |
| FOREIGN CURRENCY POSITION | DOLLARS | | OTHER CURRENCIES | | TOTAL THOUSANDS OF PESOS |
| | THOUSANDS OF DOLLARS | THOUSANDS OF PESOS | THOUSANDS OF DOLLARS | THOUSANDS OF PESOS | |
| TOTAL ASSETS | 133,948 | 1,543,756 | 0 | 0 | 1,543,756 |
| LIABILITIES POSITION | 116,726 | 1,345,266 | 0 | 0 | 1,345,266 |
| SHORT TERM LIABILITIES POSITION | 61,698 | 711,071 | 0 | 0 | 711,071 |

| | | | | | |
|---|--------|---------|---|---|---------|
| LONG TERM LIABILITIES POSITION | 55,028 | 634,195 | 0 | 0 | 634,195 |
| NET BALANCE | 17,222 | 198,490 | 0 | 0 | 198,490 |
| CURRENT RATE BETWEEN THE MEXICAN PESO AND THE US DOLLAR AT THE TIME THIS INFORMATION WAS PRESENTED: \$1 USD = 11.525 MXP. | | | | | |

| BOLSA MEXICANA DE VALORES, S.A. DE C.V. | | | | | |
|---|-----------------|----------------------|---------------------------------------|-------------------|---------------------------|
| SIFIC / ICS | | | | | |
| STOCK EXCHANGE CODE: CERAMIC | | | QUARTER: 2 2004 | | |
| INTERNACIONAL DE CERAMICA, S.A. DE C.V. | | | | | |
| INTEGRATION AND INCOME CALCULATION BY MONETARY POSITION | | | | | |
| (Thousands of Pesos) | | | | | |
| ANNEX 7 | | | | | |
| | | | | CONSOLIDATED | |
| MONTH | MONETARY ASSETS | MONETARY LIABILITIES | (ASSET) LIABILITIES MONETARY POSITION | MONTHLY INFLATION | MONTHLY (PROFIT) AND LOSS |
| JANUARY | 1,413,173 | 3,628,071 | 2,214,898 | 0.36 | 7,946 |
| FEBRUARY | 1,330,157 | 3,077,636 | 1,747,479 | 0.60 | 10,471 |
| MARCH | 1,368,061 | 3,094,596 | 1,726,535 | 0.41 | 7,028 |
| APRIL | 1,881,803 | 3,278,838 | 1,397,035 | 0.22 | 3,088 |
| MAY | 1,901,954 | 3,027,538 | 1,125,584 | 0.00 | 28 |
| JUNE | 1,903,762 | 3,336,366 | 1,432,604 | 0.25 | 3,599 |

| | | | | | |
|----------------|--|--|--|--|--------|
| JULY | | | | | |
| AUGUST | | | | | |
| SEPTEMBER | | | | | |
| OCTOBER | | | | | |
| NOVEMBER | | | | | |
| DECEMBER | | | | | |
| ACTUALIZATION | | | | | |
| CAPITALIZATION | | | | | |
| FOREIGN CORP: | | | | | |
| OTHER | | | | | |
| TOTAL | | | | | 32,160 |

WE ARE INCLUDING THE MONETARY ASSETS AND THE LIABILITIES FROM OUR SUBSIDIARY LOCATED AT GARLAND, TX. TO REFLECT THE EFFECT FOR THE CONSOLIDATED MONETARY POSITION ACCORDING TO THE BULLETIN B-15.

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

2004

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

BONDS AND MEDIUM TERM NOTES LISTING IN STOCK MARKET

(Thousands of Pesos)

ANNEX 8

| BOLSA MEXICANA DE VALORES, S.A. DE C.V. | | | |
|---|---|--------------------------|--------------------|
| SIFIC / ICS | | | |
| STOCK EXCHANGE CODE: CERAMIC | | QUARTER: 2 2004 | |
| INTERNACIONAL DE CERAMICA, S.A. DE C.V. | | | |
| DATA PER SHARE | | | |
| CONSOLIDATED FINANCIAL STATEMENT | | | |
| CONSOLIDATED | | | |
| PLANT OR CENTER | ECONOMIC ACTIVITY | PLANT CAPACITY (1) | UTILIZATION (%) |
| INTERNACIONAL DE CERAMICA, S.A. DE C.V. | PRODUCCION DE LOSETA CERAMICA ESMALTADA | 11,300,000 | 100.00 |
| PLANTA AZULEJOS INTERCERAMIC | PRODUCCION DE LOSETA CERAMICA ESMALTADA | 3,600,000 | 100.00 |
| RECUBRIMIENTOS INTERCERAMIC, S.A. DE C.V. | PRODUCCION DE LOSETA CERAMICA ESMALTADA | 6,000,000 | 100.00 |
| ADHESIVOS Y BOQUILLAS, S. DE R.L. DE C.V. | PRODUCCION DE ADHESIVO Y BOQUILLAS PARA INSTALACI | 67,200 | 85.00 |
| INTERCERAMIC, INC. | PRODUCCION DE LOSETA CERAMICA ESMALTADA | 3,100,000 | 100.00 |
| ADHESIVOS Y BOQUILLAS, S. DE R.L. DE C.V. | PRODUCCION DE ADHESIVO Y BOQUILLAS PARA INSTALACI | 90,000 | 55.00 |
| (1) THE INSTALLED CAPACITY IS EXPRESSED IN SQ. METERS PER YEAR. | | | |
| THE INSTALLED CAPACITY FOR ADHESIVOS Y BOQUILLAS AND ADHESIVOS Y BOQUILLAS SUR ARE EXPRESSED IN TONS. FOR | | | |
| THE REST OF THE SUBSIDIARIES, IT IS EXPRESSED IN SQ. METERS. | | | |

| BOLSA MEXICANA DE VALORES, S.A. DE C.V. | | | | | |
|---|-------------------------------|-------------------|------------------------|-------------|---------------------|
| SIFIC / ICS | | | | | |
| STOCK EXCHANGE CODE: CERAMIC | | | QUARTER: 2 2004 | | |
| INTERNACIONAL DE CERAMICA, S.A. DE C.V. | | | | | |
| MAIN RAW MATERIALS | | | | | |
| (Thousands of Pesos) | | | | | |
| ANNEX 10 | | | | | |
| CONSOLIDATED | | | | | |
| DOMESTIC | MAIN SUPPLIERS | FOREIGN | MAIN SUPPLIERS | DOM. SUBST. | COST PRODUCTION (%) |
| CLAY | PROCESADORA DE MATERIALES CER | | | | 7.52 |
| FRITS | ESMALTES Y COLRANTES COVER | FRITS | COLOROBIA | S | 2.26 |
| | ESMACER | | ESMALGLASS | S | |
| COLORS | CERDEC | COLORS | ESMACER | S | 11.00 |
| | ESMALTES Y COLORANTES COVER | | | | |
| | FERROMEXICANA | | | | |
| | ESMACER | | | | |
| CORINDONES | IMPORTACIONES PROFESIONALES | | | | 0.75 |
| | PROINT | | | | |
| OXIDES | DE MATEO Y CIA | OXIDES | MINERA AUTLAN | S | 0.12 |
| | IMPORTACIONES PROFESIONALES | | | | |
| | MINERA AUTLAN | | | | |
| CERAMIC MATERIALS | DERIVADOS METALORGANICOS | CERAMIC MATERIALS | ALCOA INTERAMERICANA | S | 3.25 |
| | MOLINOS DEL NORTE | | KENTUCKY AND TENNESSEE | S | |
| | MAT PRIMAS MINERALES DE AHUAZ | | FELDASPAR ORP | S | |
| | MINERA NYCO | | | | |

| | | | | | |
|--------------------------|-----------------------------|-------------------|----------------------|---|------|
| | MATERIAS PRIMAS DE LAMPAZOS | | | | |
| PACKING | EMPAQUES DE CARTON TITAN | PACKING | CARLSON SYSTEMS | S | 5.34 |
| | | | DIAGRAPH | S | |
| | | | STONE CONTAINER | S | |
| | | | PACKAGING ENTERPRISE | S | |
| TRIPOLIFOSPHIT OF SODIUM | CATALIZADORA INDUSTRIAL | | | | 0.02 |
| GUM | QUIMICA AMTEX | | | | 2.26 |
| CHEMICAL PRODUCTS | | CHEMICAL PRODUCTS | MARDUPOL | S | 0.02 |

BOLSA MEXICANA DE VALORES, S.A. DE C.V.

SIFIC / ICS

STOCK EXCHANGE CODE: CERAMIC

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

QUARTER: 2 2004

SELLS DISTRIBUTION BY PRODUCT

ANNEX 11

CONSOLIDATED

DOMESTIC SALES

Final Printing

| MAIN PRODUCTS | TOTAL PRODUCTION | | NET SALES | | MARKET SHARE (%) | MAIN | |
|---------------------|------------------|---------|-----------|---------|------------------|--------------|---------------------|
| | VOLUME | AMOUNT | VOLUME | AMOUNT | | TRADEMARKS | COSTUMERS |
| LOSETA CERAMICA ESM | 10,807 | 970,539 | 9,006 | 808,792 | 19.00 | INTERCERAMIC | DISTRIBUCION INTERC |
| OTROS | | | | 204,635 | | | GRUPO COMERCIAL INT |
| | | | | | | | |

| | | | | | | | |
|-------|--|---------|--|-----------|--|--|------------------------|
| | | | | | | | INTERACABADOS DE OC |
| | | | | | | | MAT ARQ Y DECORATIV |
| | | | | | | | CERAMICA DEL BAJIO |
| | | | | | | | SI S.A DE C.V. |
| | | | | | | | INTERAMBIENTES CERA |
| | | | | | | | PISOS Y BAÑOS, S.A. |
| | | | | | | | PISOS Y RECUB CERAM |
| | | | | | | | PROCERVER, S.A. DE |
| TOTAL | | 970,539 | | 1,013,427 | | | |

| BOLSA MEXICANA DE VALORES, S.A. DE C.V. | | | | | | | |
|---|------------------|--------|-----------|-----------------|-------------|--------------|-------------------|
| SIFIC / ICS | | | | | | | |
| STOCK EXCHANGE CODE: CERAMIC | | | | | | | |
| INTERNACIONAL DE CERAMICA, S.A. DE C.V. | | | | QUARTER: 2 2004 | | | |
| SELLS DISTRIBUTION BY PRODUCT | | | | | | | |
| ANNEX 11 | | | | CONSOLIDATED | | | |
| FOREIGN SELLS | | | | | | | |
| MAIN PRODUCTS | TOTAL PRODUCTION | | NET SALES | | DESTINATION | MAIN | |
| | VOLUME | AMOUNT | VOLUME | AMOUNT | | TRADEMARKS | COSTUMERS |
| LOSETA CERAMICA ESM | | | 5,286 | 656,415 | U.S.A. | INTERCERAMIC | INTERCERAMIC INC. |
| OTROS | | | | 181,003 | CANADA | A.OLEN | DALTILE |
| | | | | | | DALTILE | |

| | | | | | | | |
|-------|--|--|--|---------|--|--|--|
| TOTAL | | | | 837,418 | | | |
|-------|--|--|--|---------|--|--|--|

NOTES

* ACCORDING TO ESTIMATES MADE BY THE COMPANY FOR DOMESTIC MARKET, THE MARKET SHARE IS HIGHER THAN 19%.

* THE PRODUCTION OF THE OTHER NON TILE PRODUCTS ARE NOT SHOWED BECAUSE THOSE PRODUCTS ARE JUST FOR

COMMERCIALIZATION AND NON PRODUCED BY THE COMPANY.

| | | | | | | | |
|---|--|--|--|--|--|--|--|
| BOLSA MEXICANA DE VALORES, S.A. DE C.V. | | | | | | | |
| SIFIC / ICS | | | | | | | |

STOCK EXCHANGE CODE: CERAMIC QUARTER: 2 2004

| | | | | | | | |
|---|--|--|--|--|--|--|--|
| INTERNACIONAL DE CERAMICA, S.A. DE C.V. | | | | | | | |
|---|--|--|--|--|--|--|--|

INTEGRATION OF THE PAID SOCIAL CAPITAL STOCK

CHARACTERISTICS OF THE SHARES

ANNEX 12 - A

CONSOLIDATED

| SERIES | NOMINAL VALUE | VALID COUPON | NUMBER OF SHARES | | | | CAPITAL STOCK | |
|--------|---------------|--------------|------------------|------------------|---------|--------------|----------------------|----------|
| | | | FIXED PORTION | VARIABLE PORTION | MEXICAN | SUBSCRIPTION | (Thousands of Pesos) | |
| | | | | | | | FIXED | VARIABLE |
| B | | | 16,000,000 | 146,664,124 | | 96,906,632 | 8,000 | 73,332 |
| L | | | | | | 32,878,746 | | |
| D | | | | | | 32,878,746 | | |
| TOTAL | | | 16,000,000 | 146,664,124 | - | 162,664,124 | 8,000 | 73,332 |

TOTAL NUMBER OF SHARES REPRESENTING THE PAID IN CAPITAL STOCK ON THE DATE OF THE INFORMATION

162,664,124

SHARES PROPORTION BY:

| | | | | | | | | |
|---------|--|--|--|--|--|--|--|--|
| CPO'S: | | | | | | | | |
| UNITS: | | | | | | | | |
| ADRS's: | | | | | | | | |
| GDRS's: | | | | | | | | |
| ADS's: | | | | | | | | |
| GDS's: | | | | | | | | |

REPURCHASE OWN SHARES

| | SERIES | NUMBER OF SHARES | MARKET VALUE OF THE SHARES | |
|--|--------|------------------|----------------------------|------------|
| | | | AT REPURCHASE VALUE | AT QUARTER |

SHARES PROPORTION BY:

2 SHARES SERIES B FOR EACH UNIT UB. ONE SHARE SERIES L AND ONE SHARE SERIES D FOR EACH UNIT ULD.

5 LIMITED VOTING UNITS REPRESENTS ONE ADS.

ACCORDING TO THE FIXED POSITION OF THE TOTAL NUMBER OF SHARES, AND THE FIXED CAPITAL STOCK, THIS AMOUNT

CAN BE INDISTINTLY OF ANY SERIES, B, L OR D.

MEXICAN STOCK EXCHANGE

SIFIC / ICS

STOCK EXCHANGE CODE:

CERAMIC
YEAR 2004

QUARTER: 2

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

MAIN PROJECTS OF THE COMPANY

CONSOLIDATED

Final Printing

As a result of the US\$43.7 million of net proceed resulting from the Rights Offering of stock completed on March 2004, a new state of the art production facility is under construction, to be located in the city of Chihuahua, Mexico.

At the end of the second quarter of 2004 the percentage of advance of the project was of 6.54 percent.

MEXICAN STOCK EXCHANGE

SIFIC / ICS

STOCK EXCHANGE CODE:

CERAMIC

2004

QUARTER: 2 YEAR

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

CONVERSION OF FOREIGN EXCHANGE TRANSACTIONS

AND FINANCIAL STATEMENTS

CONSOLIDATED

ANNEX 14

Final Printing

Pursuant to Bulletin B-15 financial statements previously reported have been restated to take into account a common actualization factor determined by weighting the Company's respective sales in Pesos and Dollars, each as effected by inflation and devaluation in the applicable currencies. This factor for the 12 month period from July '03 to June '04 was 8.29% compared to the inflation for the same period of 4.36%.

MEXICAN STOCK EXCHANGE

SIFIC / ICS

STOCK EXCHANGE CODE:

CERAMIC

2004

QUARTER: 2 YEAR

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

INFORMATION ON THE ISSUER

LEGAL NAME: Internacional de Cerámica, S.A. de C.V.

ADDRESS: Av. Carlos Pacheco #7200

Sector 26

C.P. 31060

CITY & STATE: Chihuahua, Chih.

Phone Number: (52-614) 429-1111

Fax: (52-614) 429-1166

E-MAIL: investor@interceramic.com

FISCAL INFORMATION ON THE ISSUER

LEGAL NAME: Internacional de Cerámica, S.A. de C.V.

ADDRESS: Av. Carlos Pacheco #7200

Sector 26

C.P. 31060

CITY & STATE: Chihuahua, Chih.

RESPONSIBLE FOR PAYMENT

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NAME: Lic. Jesus Olivas Corral
ADDRESS: Av. Carlos Pacheco #7200
Sector 26
C.P. 31060
CITY & STATE: Chihuahua, Chih.
Phone Number: (52-614) 429-1261
Fax: (52-614) 429-1166
E-MAIL: jolivas@interceramic.com

PRINCIPAL OFFICERS

TITLE BMV: Chairman of the Board of Directors
TITLE: Chairman of the Board of Directors
NAME: Don Oscar Almeida Chabre
ADDRESS: Av. Carlos Pacheco #7200
Sector 26
C.P. 31060
CITY & STATE: Chihuahua, Chih.
Phone Number: (52-614) 429-1127
Fax: (52-614) 429-1166
E-MAIL: investor@interceramic.com

TITLE BMV: President and Vice Chairman of the Board

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TITLE: President and Vice Chairman of the Board
NAME: Lic. Victor Almeida Garcia
ADDRESS: Av. Carlos Pacheco #7200
Sector 26
C.P. 31060
CITY & STATE: Chihuahua, Chih.
Phone Number: (52-614) 429-1127
Fax: (52-614) 429-1166
E-MAIL: investor@interceramic.com

TITLE BMV: Chief Financial Officer
TITLE: Chief Financial Officer
NAME: Lic. Jesus Olivas Corral
ADDRESS: Av. Carlos Pacheco #7200
Sector 26
C.P. 31060
CITY & STATE: Chihuahua, Chih.
Phone Number: (52-614) 429-1261
Fax: (52-614) 429-1166
E-MAIL: jolivas@interceramic.com

TITLE BMV: Responsible for reporting quarterly information
TITLE: Chief Financial Officer

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NAME: Lic. Jesus Olivas Corral
ADDRESS: Av. Carlos Pacheco #7200
Sector 26
C.P. 31060
CITY & STATE: Chihuahua, Chih.
Phone Number: (52-614) 429-1261
Fax: (52-614) 429-1166
E-MAIL: jolivas@interceramic.com

TITLE BMV: Second responsible for reporting quarterly information
TITLE: Investor Relations
NAME: Lic. Luis Fernando Cano B.
ADDRESS: Av. Carlos Pacheco #7200
Sector 26
C.P. 31060
CITY & STATE: Chihuahua, Chih.
Phone Number: (52-614) 429-1264
Fax: (52-614) 429-1166
E-MAIL: lfcano@interceramic.com

TITLE BMV: Responsible of legal department
TITLE: Chief Financial Officer
NAME: Lic. Jesus Olivas Corral

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ADDRESS: Av. Carlos Pacheco #7200
Sector 26
C.P. 31060

CITY & STATE: Chihuahua, Chih.

Phone Number: (52-614) 429-1261

Fax: (52-614) 429-1166

E-MAIL: jolivas@interceramic.com

TITLE BMV: Secretary of the Board of Directors

TITLE: Secretary of the Board of Directors

NAME: Lic. Norma Almeida de Champion

ADDRESS: Av. Carlos Pacheco #7200
Sector 26
C.P. 31060

CITY & STATE: Chihuahua, Chih.

Phone Number: (52-614) 429-1261

Fax: (52-614) 429-1166

E-MAIL: investor@interceramic.com

TITLE BMV: Responsible of information to investors

TITLE: Chief Financial Officer

NAME: Lic. Jesus Olivas Corral

ADDRESS: Av. Carlos Pacheco #7200

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Sector 26

C.P. 31060

CITY & STATE: Chihuahua, Chih.

Phone Number: (52-614) 429-1261

Fax: (52-614) 429-1166

E-MAIL: jolivas@interceramic.com

TITLE BMV: Registered person for sending information via EMISNET

TITLE: Chief Financial Officer

NAME: Lic. Jesus Olivas Corral

ADDRESS: Av. Carlos Pacheco #7200

Sector 26

C.P. 31060

CITY & STATE: Chihuahua, Chih.

Phone Number: (52-614) 429-1261

Fax: (52-614) 429-1166

E-MAIL: jolivas@interceramic.com

TITLE BMV: Registered person for sending relevant releases via EMISNET

TITLE: Chief Financial Officer

NAME: Lic. Jesus Olivas Corral

ADDRESS: Av. Carlos Pacheco #7200

Sector 26

C.P. 31060

CITY & STATE: Chihuahua, Chih.
Phone Number: (52-614) 429-1261
Fax: (52-614) 429-1166
E-MAIL: jolivas@interceramic.com

MEXICAN STOCK EXCHANGE

SIFIC / ICS

STOCK EXCHANGE CODE:

CERAMIC
2 YEAR 2004

QUARTER:

INTERNACIONAL DE CERAMICA, S.A. DE C.V.

AUDITED

CONSOLIDATED

Final Printing

DECLARATION FROM THE COMPANY OFFICIAL RESPONSIBLE FOR THE INFORMATION

I hereby swear that the financial information here in supplied to this stock exchange, corresponding to the period from **1 OF JANUARY TO 30 OF JUNE OF 2004 AND 2003** is that obtained from our authorized accounting registers and is result of the application of the accounting principles and norms accepted and stated by the Mexican Institute of Public Accountants and in the provisions of the Mexican National Bank and Stock Commission (Comision Nacional Bancaria y de Valores).

The accounting principles used by this company and the processing of the data for the period to which the said information refers were applied using the same bases as for the similar of the previous year.

LIC.VICTOR ALMEIDA GARCIA

CHIEF EXECUTIVE OFFICER

LIC. JESUS OLIVAS CORRAL

CHIEF FINANCIAL OFFICER

CHIHUAHUA, CHIH. AT AUGUST 14, 2004