



ACERINOX, S.A.

PRESS RELEASE

ACERINOX GROUP, the second stainless steel producer in the world, has reached the following record productions in year 2006:

	Metric Tons	Variation over 2005
Melting Shop	2,588,278	+15.0%
Hot Rolled flat products	2,248,841	+11.7%
Cold Rolled products	1,595,054	+8.5%
Long products	251,926	+28.0%

An investment program of 437 million euros for years 2007-2008 has been undertaken.

Through this program, which will be completed by the end 2008, production capacity will increase as follows:

- * 3.5 million Mt/year in the melting shop.
- * 3 million Mt/year of flat products, out of which cold rolling will account for around 2 million Mt.
- * 400,000 Mt/year of long products.

More than a half of the investment amount will be allocated to the US factory, where the following equipments have already been contracted: a second AOD converter, the fifth cold rolling ZM mill and an annealing and pickling line of 1,126,000 Mt capacity, which will be the biggest in the world. Besides, new finishing equipments for long products are being contracted. After all these investments, NAS will strengthen its leadership as the most complete stainless steel mill worldwide.

Our South African subsidiary, COLUMBUS STAINLESS, has just contracted a fourth ZM cold rolling mill, which will increase its annual cold rolling production in 100,000 Mt. This will be another outstanding step to balance the production capacities of this competitive plant, which melting capacity already amounts to 1 million Mt.

In April the Campo de Gibraltar factory will carry out important improvements in the hot coil annealing and pickling line, which will allow to increase production capacity by 10% and will involve a substantial reduction of acid consumption. It will also start on a total modernization and enlargement of N°3 annealing and pickling line, which will rise its capacity by 20%. Other important investments will be carried out so as to save energy and to reduce CO2 emissions through the installation of oxygas burners for the melting shop and the most modern regenerative burners in the thermic treatment lines, a boiler which will use the hot rolling mill exit fumes, etc. Water consumption, and consequently hydric effluents, will be reduced and an underwater discharge outlet will be built. In addition, several investments will be devoted to health and safety at work, and technological updating will be carried out yearly. With all these investments, the factory will be even more balanced and much more competitive.

In the year of its 50th anniversary ROLDAN S.A. is carrying out a whole transformation of the hot rolling mills, which will allow to process billets of 2,400 kg. These improvements will result in outstanding productivity increases, remarkable energy savings and cost reductions. A new pickling line will be constructed.

Our commercial network will be further expanded with new warehouses in Warsaw, Oporto and Seville.

Madrid, 8th February 2007