

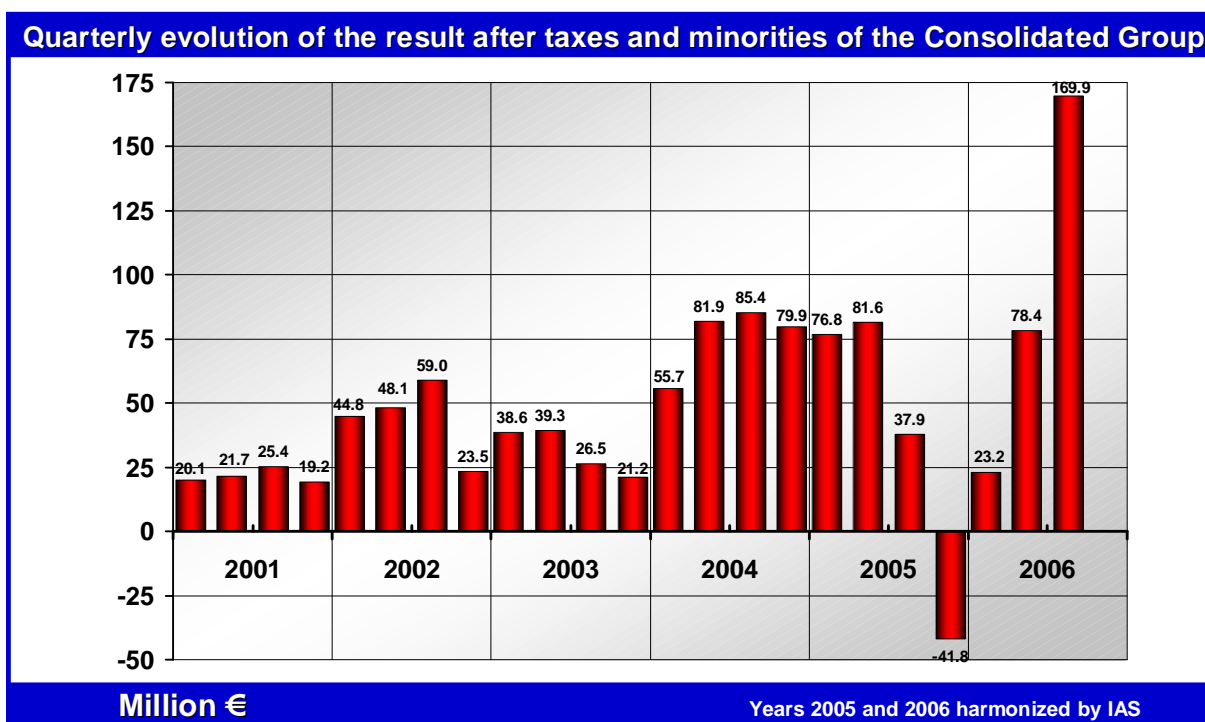


PRESS RELEASE

ACERINOX ACHIEVES ITS BEST QUARTERLY RESULTS

THE 3rd QUARTER NET PROFIT, 170 MILLION EUROS, DOUBLES THE PREVIOUS QUARTERLY RECORD (3rd QUARTER 2004))

ACCUMULATED RESULTS AFTER TAXES AND MINORITIES AT THE END OF SEPTEMBER, 271.4 MILLION EUROS, ARE 76% HIGHER THAN THE RESULTS FOR THE WHOLE YEAR 2005.



The stainless steels demand in the market keeps its strength worldwide.

In Europe, flat products apparent consumption grows by 17.5% in September, but stocks do not show a significant growth, which suggests that present situation could be maintained during the first half of year 2007.

In the United States demand remains strong, showing 13% growth in apparent consumption. The base price levels have been consolidated after rises over 50% from the beginning of the year and alloy surcharges keep on increasing.

In the Far East prices have increased by approximately 80% so far and demand remains healthy.

In this context, ACERINOX Group has increased its melting shop production in the first nine months of the year by 9.1% achieving 1,921,120 Mt. The cold rolling production, 1,188,439Mt, shows 6.1% increase.

ACERINOX, S.A. has produced 753,847 Mt in the Campo de Gibraltar Factory (+1.4%) and goes on working at full capacity. With Net Sales amounting to 1,540.2 million euros (+18.8%), Result After Taxes and Minorities totals 71.2 million euros, which is 24.9% higher than the figure obtained in the same period the year before and it is equivalent to that of the whole year 2005.

NORTH AMERICAN STAINLESS has increased its melting shop production by 11.5% , achieving 642,102 Mt. With Net Sales totalling 1,766.8 million USD, (+13.9%), the Result after Taxes and Minorities amounts to 139 million USD (+11.5%).

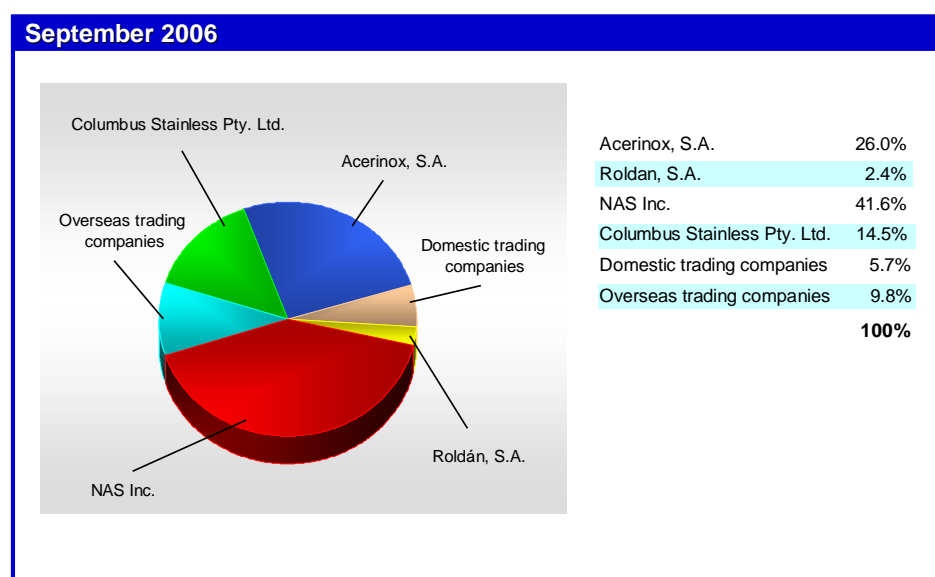
COLUMBUS STAINLESS shows an excellent evolution. The melting shop production of Middelburg factory totals 525,171 Mt, which means 19% increase. Cold Rolling Mill production amounts to 278,860 Mt, which is 15% higher. Net Sales, 918 million euros, increase by 26%. Accumulated Result after Taxes and Minorities totals 50.4 million euros, which is 94% higher than the figure obtained in the same period the year before.

Million €	CONSOLIDATED GROUP		
	Jan-Sep 2006	Jan-Sep 2005	% over 2005
NET SALES	3,929.13	3,257.95	+20.6
RESULT BEFORE TAXES	434.98	313.28	+38.8
DEPRECIATION	99.09	82.54	+20.0
GROSS CASH-FLOW	534.07	395.83	+34.9
RESULT AFTER TAXES AND MINORITIES	271.38	196.24	+38.3
NET CASH-FLOW	370.47	278.78	+32.9

At the end of September the Consolidated Group Net Result improves by 38.3% if compared to the figure obtained the first nine months of the year before and is 76% higher than the figure for the whole 2005.

The joint contribution of industrial and trading companies to the Group Results after Taxes and Minorities as on 30th September is the following:

CONTRIBUTION TO THE RESULT AFTER TAXES AND MINORITIES



The largest contribution to these results comes from NAS with 41.6%, followed by 26% from ACERINOX, S.A. It must be highlighted the progress shown by COLUMBUS STAINLESS, which contributes 14.5% of ACERINOX Group Total Net Profit.

ACERINOX, S.A. Board of Directors, in the Meeting held today, has resolved to pay out a first Interim Dividend on account of Year 2006 on the 4th January 2007 of 0.10 euros per share, 42.86% higher than the dividend paid out on the 4th January 2006.

MAIN FIGURES OF THE ACERINOX GROUP

Million €	January - September			3 rd Quarter		
	2006	2005	Variation	2006	2005	Variation
Net sales	3,929.13	3,257.95	20.6%	1,492.46	930.94	60.3%
EBITDA	519.56	420.31	23.6%	322.81	90.21	257.8%
<i>EBITDA margin</i>	13.2%	12.9%		21.6%	9.7%	
EBIT	457.15	328.61	39.1%	287.74	60.56	375.1%
<i>EBIT margin</i>	11.6%	10.1%		19.3%	6.5%	
Result before taxes	434.98	313.28	38.8%	275.24	59.11	365.6%
Result after taxes and minorities	271.38	196.24	38.3%	169.85	37.93	347.8%
Depreciation	99.09	82.54	20.0%	32.06	27.51	16.6%
Net Cash Flow	370.47	278.78	32.9%	201.92	65.44	208.6%
Net financial debt	1,117.84	1,131.14	-1.2%			
Equity	2,122.72	2,092.05	1.5%			
Gearing (%)	52.7	54.1	-2.6%			

7th November 2006