



ALBA: PORTFOLIO AND FIRST QUARTER 2012 RESULTS

- The consolidated net profit amounted to 58.0 M€ in the first quarter of 2012, 69% lower than the same period in the previous year due to the capital gains obtained in 2011. Excluding these capital gains, the net profit would have decreased by 9.5%, mainly because of the lower results from the affiliated companies.
- Net asset value (NAV) stood at 2,759 M€ as at 31 March 2012, equivalent to 47.39 € per share. Alba shares closed at 32.61 € the same date, which implies a 31.2% discount to the NAV per share. In the quarter the NAV and the NAV per share have fallen a 6.0% while the share has increased a 7.9%.

I. MOST SIGNIFICANT TRANSACTIONS

On January 17th, Alba reached an agreement with Mercapital to increase from 62.5% to 75.0% its participation in the share capital of Artá Capital SGEGR, managing company of the venture capital vehicles Deyá Capital, with the goal of strengthening its development as a vehicle to carry out its investments in non-listed companies. The operation also involved some members of the executive team of Artá Capital, who jointly acquired an additional 15.0% stake of the Company to Mercapital, keeping Mercapital the remaining 10.0%.

II. EVOLUTION OF OUR MAIN EQUITY INVESTMENTS

- The first quarter results for **ACS** continues distorted by the full consolidation of Hochtief since 1 June 2011. As a result, consolidated sales and EBITDA have grown by 144.8% and 73.4% respectively. Despite the net profit from continuing operations has fallen by 15.8%, the consolidated net profit for the period increased by 1.3% up to 207 M€ due to the capital gains accounted as a consequence of the partial sale of Clece. It is worth highlighting that the backlog has increased significantly (+145.5%) up to 67,918 M€ due to the contribution of Hochtief to the Construction business. In April, ACS sold its stake of 10.04% in Abertis for 875 M€ and a 3.69% in Iberdrola for 798 M€, reducing its stake in the Company to 14.85%.
- **Acerinox** achieved a net profit of 29 M€ in the first quarter of 2012, with an improvement of the US market compensating for the poor performance of the European market and the pressure on prices in Asia. Despite the steel production was up by 7.1%, achieving the best quarterly production in the last four years, sales were down by 12.9%. EBITDA and net profits for the period were 97 M€ and 29 M€ respectively, 36.1% and 56.7% lower than the first quarter of 2011. However, both values were significantly better than in the last quarter of the past year, which is a sign of the recovery experienced during this quarter.
- **Prosegur** sales have risen a 30.3% up to 838 M€ driven both by a robust organic growth in Latin America (+25.5%) as well as by a substantial inorganic global development (+17.1%). EBITDA and net profits were also up by 15.8% and 2.9% respectively, reaching 98 M€ and 44 M€. Operating margins have deteriorated slightly as a result of the integration of new businesses and the evolution in Europe and Asia.
- **Indra** consolidated sales increased by 8.6% in the quarter, up to 714 M€ (+1% excluding acquisitions), boosted by a growth of 32.6% in international activities (50.2% of the total), offsetting the weak performance in Spain (-8.1%). EBITDA and net profits fell by 10.3% and 35.6%, respectively, due to the restructuring costs incurred during the period and higher financial costs. The new orders and the backlog were up by 20.8% and 14.4% in the quarter, with the current backlog covering 80% of the 2012 sales target.

- **Ebro Foods** sales grew by 24.6% compared to the first quarter of the previous year mainly due to the acquisitions made (ARI, SOS and No Yolks) and the rise in prices in the pasta business. EBITDA improved a 2.4% favored by currency developments and the net profit showed only a minor variation (+0.3%) due to higher financial costs caused by the higher net debt as a consequence of the acquisitions carried out during 2011. However, this net debt has been reduced by 59 M€ during this last quarter.
- **Clínica Baviera** reduced its sales by 2.9% to 24 M€, affected by the weakness in consumption in Spain, although this was partially offset by the growth of the international business. EBITDA and net profits fell by 32.5% and 44.7% due to the high operating leverage of the Company and the costs required for the opening of new clinics.

III. GENERAL SHAREHOLDERS' MEETING CALL

On April 24th, it was published the convocation for the Alba General Shareholders' Meeting, which will be held the 30th of May in Madrid. At the meeting, it will be submitted for approval, among others, the distribution of a dividend based on the 2011 results of 1.00 € gross per share, which, considering the dividend distributed in October, will imply the payment of a supplementary dividend of 0.50 € per share in June.

IV. PORTFOLIO

Alba's portfolio on the 31st of March, 2012 was as follows:

	%	Book value	
<u>Listed holdings</u>	<u>Stake</u>	<u>Million €</u>	<u>Web Site</u>
ACS	18.3	1,006.5	www.grupoacs.com
Acerinox	24.2	715.0	www.acerinox.es
Indra	11.3	292.4	www.indra.es
Prosegur	10.0	174.1	www.prosegur.es
Ebro Foods	8.1	181.1	www.ebrofoods.es
Clínica Baviera	20.0	37.5	www.clinicabaviera.com
Antevenio	20.5	3.5	www.antevenio.com
Total book value		2,410.1	
Total market value (31-03-12)		2,336.1	
Unrealised capital gains/(losses)		(74.0)	
<u>Unlisted holdings</u>		206.9	

Main stakes in unlisted holdings are shown below:

<u>Company</u>	<u>Note</u>	<u>% Stake</u>	<u>Web Site</u>
Mecalux	(1)(2)	14.2	www.mecalux.es
Pepe Jeans	(1)	12.3	www.pepejeans.com
Panasa	(1)	26.8	www.berlys.es
Ros Roca	(1)	19.0	www.rosroca.com
Flex	(1)	19.8	www.flex.es
Ocibar	(1)	21.7	www.portadriano.com

Notes

(1) Through Deyá Capital S.C.R.

(2) Includes a 5.23% direct stake by Alba.

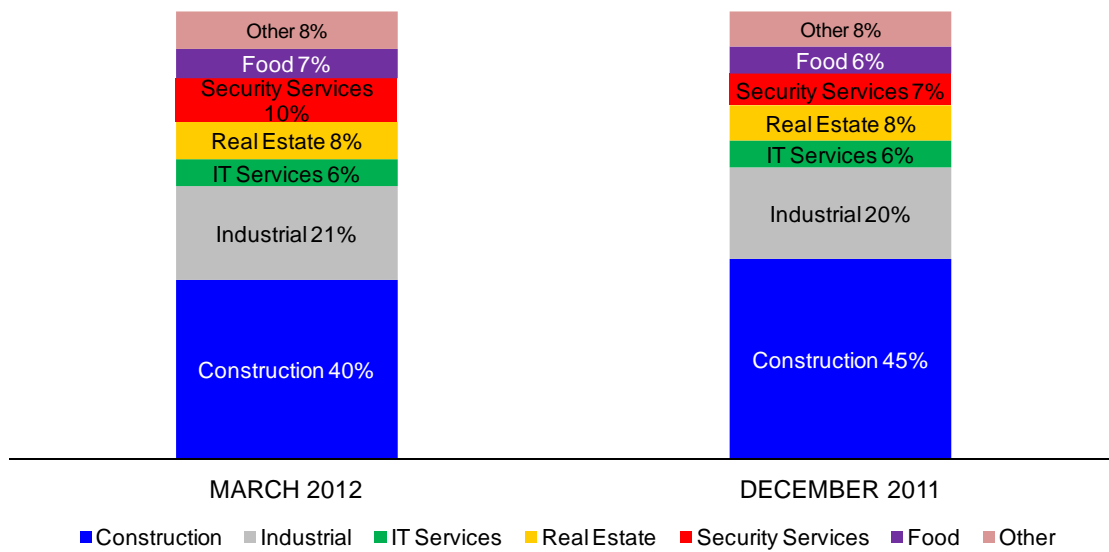
V. NET ASSET VALUE

The most representative figure for a company like Alba is its Net Asset Value. Calculated according to internal methods consistent with those usually applied by equity analysts, on the 31st of March 2012 Alba's net asset value was estimated at 2,759.3 M€ or 47.39 € per share, after subtracting the treasury shares.

	<u>Million euros</u>
Listed holdings	2,336.1
Unlisted holdings and Real Estate	436.1
Net financial debt	(156.0)
Other short-term and long-term assets and liabilities	143.1
Net asset value	2,759.3
Million shares (minus Treasury Stock)	58.23
Net asset value / share	47.39 €

The NAV per share decreased 6.0% in the first quarter of the year due to the negative performance of the stock markets during the period.

VI. BREAKDOWN OF NET ASSET VALUE BY SECTOR⁽¹⁾ (GAV)



The stake in ACS is included in the Construction sector, which represents 40% of the total. Given ACS's broad diversification, in order to provide a clearer picture of the distribution of Alba's portfolio by sector, this percentage has been broken down as follows⁽²⁾:

Industrial Services	18%
Construction	6%
Environment	4%
Others	12%
	40%

¹ Assets' value at market prices

² Breakdown reflects each sector's contribution to the estimated net profit 2012 of ACS

VII. RESULTS

The consolidated net profit of Alba in the first quarter of 2012 amounted to 58.0 M€ compared with the 187.3 M€ obtained the same period in the previous fiscal year, which represents a 69.0% reduction. This fall is mainly due to the results obtained at the beginning of February during the previous year from the sale of a 5% stake in ACS, which generated 187.5 M€ in pre-tax capital gains, included in the item *Results from current assets*. Excluding these capital gains and the taxes associated, Alba's net profit would have decreased a 9.5% compared to the same period of 2011.

The Profit per share reached 1.00 € in the period, as opposed to 3.19 € in the first quarter of 2011.

Net profits from associates consolidated by the equity method rose to 56.7 M€, 13.4% down from the previous year. This reduction is due to the lower results achieved by these companies.

Overheads remain in line with those from the same period in the previous year.

Corporate Income Taxes fell to 0,9 M€ from 65.6 M€, due to this included the fiscal impact from the capital gains previously mentioned.

RESULTS

	Million euros	
	31/03/2012	31/03/2011
Net profits from associates consolidated by the equity method	56.7	65.5
Rental income	3.7	3.9
Results from current assets	0.0	188.8
Commissions and Financial Income	7.2	6.7
Sum	67.6	264.9
Overheads	(3.9)	(4.2)
Financial expenses	(4.5)	(6.7)
Depreciation	(0.3)	(0.2)
Corporate income tax	(0.9)	(65.6)
Minority shareholders	0.0	(0.9)
Sum	(9.6)	(77.6)
Net profit	58.0	187.3
EPS (€)	1.00	3.19

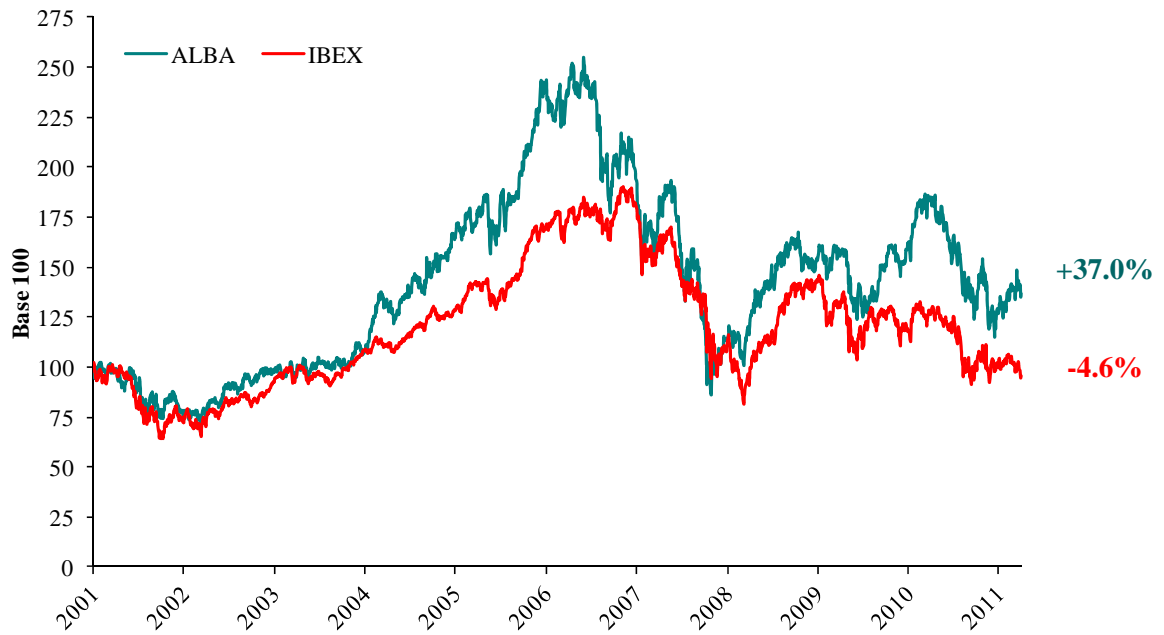
BALANCE SHEETS ⁽¹⁾

<u>Assets</u>	Million euros		<u>Liabilities</u>	Million euros	
	31/03/2012	31/12/2011		31/03/2012	31/12/2011
<i>Real Estate Investments</i>	213.4	213.3	<i>Share capital (2)</i>	58.3	58.3
<i>Fixed assets</i>	11.3	11.3	<i>Reserves and treasury stock</i>	2,717.7	2,397.8
<i>Investments in Associates</i>	2,410.1	2,439.8	<i>Profits for the year</i>	58.0	406.2
<i>Available for sale securities l.t.</i>	206.9	206.9	<i>Minority interests</i>	0.4	0.7
<i>Other financial investments and other assets</i>	146.1	145.9	Shareholders equity	2,834.4	2,863.0
Non-current assets	2,987.8	3,017.2	<i>Provisions</i>	2.1	2.8
<i>Financial investments</i>	-	1.8	<i>Other non-current liabilities</i>	40.6	40.7
<i>Debtors and other assets</i>	59.1	120.4	<i>Financial debt</i>	156.0	219.4
Total assets	3,046.9	3,139.4	<i>Current liabilities</i>	13.8	13.5
			Total liabilities and shareholders equity	3,046.9	3,139.4

(1) Year 2012 unaudited

(2) The share capital at 31/03/12 is composed of 58,300,000 shares with a nominal value of 1 € each

VIII. STOCK MARKET PERFORMANCE



- In the first quarter of 2012, Alba's share price increased a 7.9% from €0.23 to €2.61, favorably improving the performance of the IBEX 35 which, in the same period, fell a 6.5% to 8,008 points.

(14th of May 2012)

www.corporacionalba.es