

First Half of 2008 Performance Roadshow

Warsaw, September 2008

Automotive Market Performance

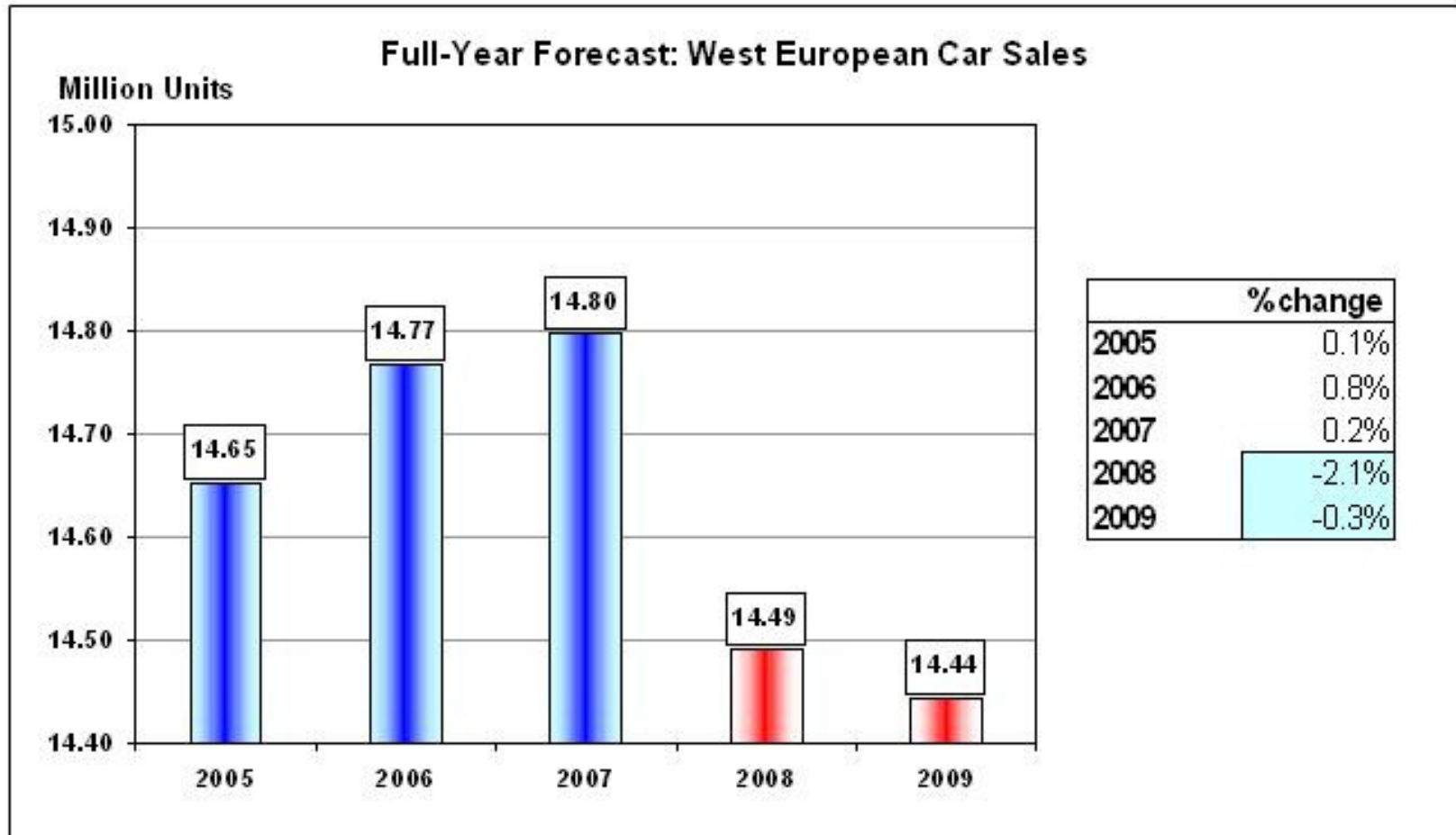


	Sales (units)					
	Jun 2008	Jun 2007	Percent change	Year-to-date 2008	Year-to-date 2007	Percent change
WESTERN EUROPE	1 311 521	1 437 711	-8,8%	7 722 935	7 943 185.00	-2,8%
AUSTRIA	30 352	31 324	-3,1%	164 307	165 121	-0,5%
BELGIUM	50 689	49 977	1,4%	330 697	308 509	7,2%
DENMARK	15.574	15 193	2,5%	81 411	78 813	3,3%
FINLAND	12 132	11 780	3,0%	87 942	77 407	13,6%
FRANCE	219 856	216 476	1,6%	1 128 998	1 080 609.00	4,5%
GERMANY	304 036	301 108	1,0%	1 633 169	1 576 999	3,6%
GREECE	26 745	28 322	-5,6%	158 591	159 472	-0,6%
IRELAND	7 907	15 321	-48,4%	124 779	153 099	-18,5%
ITALY	184 275	230 580	-20,1%	1 268 486	1 431 363	-11,4%
LUXEMBOURG	4 482	4 623	-3,0%	29 478	29 263	0,7%
NETHERLANDS	48 563	52 505	-7,5%	300 926	293 954	2,4%
NORWAY	9 670	11 083	-12,7%	61 565	65 686	-6,3%
PORTUGAL	20 979	23 034	-8,9%	114 274	107 606	6,2%
SPAIN	114 958	16 216	-30,8%	702 363	851 888	-17,6%
SWEDEN	23 959	26 462	-9,5%	139 511	152 049	-8,2%
SWITZERLAND	28 154	30 844	-8,7%	148 938	144 048	3,4%
UK	209 190	222 863	-6,1%	1 247 499	1 267 299	-1,6%

*Around 3% decline, especially in last two months of the period.
USA (not ACE market): 10% fall.*

Source: JD Power

Automotive Market Performance - Forecast -



After July sales (-3.2% YTD), 2008 and 2009 expectations downgraded to -5.4 and -2.6% respectively.

Company Consolid. Performance (1)



	<i>First Half of 2008</i>	<i>%</i>	<i>First Half of 2007</i>	<i>%</i>
<i>Sales of products</i>	48 210	95.4%	44 480	95.6 %
<i>Sales of goods and materials</i>	2 310	4.6%	2 038	4.4%
<i>Total sales revenues</i>	50 520	100%	46 518	100%

9% increase of sales in value includes:

- Two months of sales in Feramo
- Higher value of sales of raw materials

Company Consolid. Performance (2)



	<i>First Half of 2008</i>	<i>%</i>	<i>First Half of 2007</i>	<i>%</i>
<i>Sales of nodular iron castings</i>	25 401	52.7%	24 081	54.1 %
<i>Sales of grey iron castings</i>	2 978	6.2%	--	0%
<i>Sales of aluminium castings</i>	19 831	41.1%	20 399	45.9 %
<i>Total sales of products</i>	48 210	100%	44 480	100%

Decrease of around 2% in number of units following the fall of 3% in European market.

Decrease allocated in Nodular Iron (Spain) and mostly focussed on 1 customer.

Profit Drivers at Fuchosa & EBCC



- Increase of purchasing **price of raw materials** surcharged in 100% to customers but reflecting in relatively lower margins
- Important impact of **strengthening zloty** transferring margins from operating to net profit level
- Other significant increases of other raw materials, energy and payrolls in a great deal compensated with **selling price agreements** reached with customers in the first half of this year
- **Efficiency improvement** plans in place to additionally decrease operating costs

Impact of Feramo

- Only **two months** of performance within the ACE Group since acquisition
- Operating result: 3 Mio€ of sales with no significant results
- On Net Profit level: **Negative goodwill** of 1.5 Mio€ (positive financial result) supporting management statement on fair value of the company and showing potential of the business

At the time of the takeover Feramo had no price transfer mechanisms with the customers, in place. Like in the whole Europe, the company experienced sharp increase of raw material prices specially in second quarter.

Therefore 100 initial days of activity in the company was mainly focused on intensive commercial effort to achieve surcharge agreements with customers.

The process was completed with full success!!!

ACE Consolidated Performance (1)



	<i>First Half of 2008</i>	<i>First Half of 2007</i>	<i>Change in %</i>
<i>Revenues from Sales</i>	50 520	46 518	8.6%
Gross Profit	12 265	12 643	-3.0%
Operating Profit	5 061	6 186	-18.2%
Net Profit	6 479	4 553	42.3%

	<i>2007</i>	<i>Proforma 2006</i>	<i>Change in %</i>
<i>Revenues from Sales</i>	85 859	79 172	8.4%
Gross Profit	23 197	21 192	9.5%
Operating Profit	10 431	10 260	1.7%
Net Profit	8 694	6 912	25.8%

ACE Consolidated Performance (2)



- Second quarter was in line with the first one in terms of sales and operating profit, but much better in terms of Net Profit.

Main reasons were:

- recovery of currency losses in operating level thanks to hedging policy of the company;
- negative goodwill of Feramo

	<i>First Quarter of 2008</i>
<i>Revenues from Sales</i>	22 893
Gross Profit	5 573
Operating Profit	2 402
Net Profit	1 807

- Net profit increased in 2007 by **26%** as regards 2006
- Net profit increased by **42%** in first half of 2008 as regards same period of 2007

Peer companies' performance



ACE IS ON TOP OF FINANCIAL PERFORMANCE BUT ON BOTTOM OF MARKET VALUATION

(Figures as of May 2008):

- **ACE margin of EBITDA 17% and Net Profit 10% on sales**, while average in Europe were 12% and 7%, respectively
- **ACE consolidated multiples P/E = 6.7 and EV / EBITDA = 4.3**, while average in Europe were 10 and 7.4, respectively
- After good 1H results, distance between ACE and peer companies is even higher

Outlook 2008



Main driver of the Year end results will be volume, highly depending on European automotive market performance:

- **SALES:** Due to a general decrease of the market our prospects show a slight decline in customer orders for the following months with some potential impact on ACE's operations:
 - Delay of SOP in some new projects
 - Reduction of sales volume in units
 - Decrease of profitable machining margin
- **COSTS:** Management does not anticipate further increases beyond the experienced at this date.
- **OPERATING versus NET PROFIT margin:** Its configuration is highly depending of the currency exchange rate evolution.
- Even so, with the inclusion of Feramo we can keep our initial expectations published in the guidelines for 2008:

GROWTH OF SALES 7-10% NET PROFIT INCREASE OF 10-15%

Near Future Plans



- **FERAMO GROWTH:** 2-3 years Investment programme to start after the company stabilization period. Capex of around 9 Mio€ allowing to increase volume from 15k to 42k tones and triple revenues from sales in 4-5 years
- **EBCC GROWTH:** Front calipers and iron machining projects to be started in 2009
- **New iron products** – to utilise a new capacity at Feramo a number of new iron projects is currently under negotiations with customers. Fuchosa will transfer nodular iron technology to Feramo and will support the company at R&D level
- Share premium distribution and buy-back programme in place
- **Group reorganization** – focused more on operating companies. The goal is to optimise production processes and to increase operating profitability