Supplementary note to the group financial statements

at 31 December 2011

The directors have noted that notes 10 and 14 to the group financial statements require immaterial, minor amendments and the changes are set out in bold typeface below

10. Tangible fixed assets

Group	*Freehold land and buildings £000*	*Plant and machinery £000*	*Leasehold Buildings £000*	*Assets in course of construction £000*	*Total £000*
Cost or valuation					
At 1 January 2011	70,107	232,602	1,843	5,041	309,593
Additions	70	**311**	4	5,118	**5,503**
Transfers	39	9,328	324	(4,549)	5,142
At 31 December 2011	70,216	**242,241**	2,171	5,610	**320,238**
Depreciation					
At 1 January 2011	8,132	68,522	64	-	76,718
Charge for year	1,556	15,318	92	-	16,966
At 31 December 2011	9,688	83,840	156	-	93,684
Net book value					
At 31 December 2011	60,528	**158,401**	2,015	5,610	**226,554**
At 1 January 2011	61,975	164,080	1,779	5,041	232,875

14. Creditors: amounts falling due within one year

Group	*2011 £000*	*2010 £000*
Short term bank loans (note 16)	16,907	398
Trade creditors	129,739	101,167
Amounts due to group companies	13,548	12,950
Other creditors	**10,720**	10,687
Forward electricity and gas contracts (note 19)	300	1,254
Corporation tax	127	384
Other taxes and social security costs	2,039	2,726
Deferred income (note 18b)	167	3,613
Obligations under finance leases and hire purchase agreements (note 17)	879	1,150
	174,426	134,329

The directors approve the supplementary note to the group financial statements which was approved and signed on its behalf by

X Puig

25 May 2012

4578086

Celsa (UK) Holdings Limited

Report and Financial Statements

31 December 2011

Celsa (UK) Holdings Limited

Directors
F Rubiralta Rubio
R Trias
L Sanz
X Puig

Secretary
X Puig

Auditors
Ernst & Young LLP
The Paragon
Counterslip
Bristol BS1 6BX

Registered Office
Building 58
East Moors Road
Cardiff CF24 5NN

Directors' report

The directors present their report and financial statements for the year ending 31 December 2011

Results and dividends

The group profit for the year, before interest and taxation, amounted to £10,702,000 (2010 – loss of £14,715,000) The directors do not recommend a final dividend (2010 - £nil)

Principal activities and review of the business

The group's principal activity during the year is the manufacture and sale of steel long products

The company's principal activity during the year was as the holding company for Celsa UK group of companies

The group's key financial indicator is turnover was £590,482,000 (2010 – £487,991,000), representing a 21% increase

The company is mainly focused on the domestic market

	2011	*2010*
	£000	*£000*
UK domestic sales	445,418	369,626
Export	145,064	118,365

Capital investment

During 2011 there have been no significant capital investments

Fixed assets

The movements in fixed assets are shown in notes 9 and 10 to the financial statements

Future development

The directors aim to maintain the policies of the company

The company continues to commit resources to the development of new products and processes where this activity is necessary to the evolution of its business and in order to keep it technologically in the forefront of the marketplace

The company is fully committed to develop the Total Quality Management approach across the organisation

Directors' report (Continued)

Going concern

The financial statements have been prepared on a going concern basis In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the company can continue in operational existence for the foreseeable future

On 1 December 2010, the Celsa group (Celsa (UK) Holdings Limited) of which this company is a part, signed a legally binding agreement with its lenders to re-finance its bank facilities On 23 February 2011, the final legal documentation for the re-financing was completed

As a result of the re-financing, the existing facilities (both long term and short term) have been renewed and are committed until December 2013

The directors have assessed the future funding requirements of the Group and the Company and compared them to the level of available borrowing facilities The assessment included a detailed review of financial forecasts and covenants for at least the twelve month period from the date of signing the accounts and a review of cash flow projections Having undertaken this work, the directors are of the opinion that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future Accordingly they continue to adopt the going concern basis in preparing the annual report

Principal risks and uncertainties

The company's exposure to the price of raw materials is important, therefore purchase strategies are monitored regularly as well as selling prices

Foreign currency risk

The company's currency risk is controlled by natural hedge wherever possible and where there is an excess, the company will take out foreign currency contracts accordingly

Interest rate risk

The company's policy is to manage its cost of borrowing using a mix of debt types

Credit risk

The company's policy is to insure its trade debtors and exercise strong credit control procedures

Price risk

The company's products are subject to changing market prices at both selling and purchasing level It manages this risk by striving to be a low cost producer The company enters in to electricity and gas forward contracts in order to reduce exposure to price and exchange rate movements

Liquidity risk

The company aims to mitigate liquidity risk by managing cash generation by its operations, and applying cash collection targets Investment is carefully controlled, with authorisation limits operating at board level and cash payback periods applied as part of the investment appraisal process

Directors' report (Continued)

Directors

The directors who served during the year were as follows

F Rubiralta Rubio
J Puiggali (Resigned 15th January 2012)
F Masip (Resigned 1st February 2012)
R Trias
L Sanz

X Puig (Appointed 1st February 2012)

Directors' qualifying third party indemnity provision

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006 Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information

Environment

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to minimise any harm that might be caused by the groups activities The company operates an Environmental Management System that is certified to ISO14001 which it has now maintained for the sixth year

CELSA Manufacturing (UK) Ltd became an EMAS registered business in January 2011 and has continued to maintain its registration to EMAS which is now in its second year Registration to EMAS (Eco-Management and Audit Scheme) is a demonstration that the business takes its environmental responsibilities beyond that of ISO 14001

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person

Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees where appropriate

Directors' report (Continued)

Employee involvement

During the year employees have been regularly briefed on progress on company and departmental goals and targets, productive performance, market conditions, and points for action through the company team briefing procedure

Annual meetings are held between management and employee representatives through the forum of an Employee Consultative Council Matters concerning the company's performance such as production, productivity and quality, trading performance, and capital investment are discussed, together with matters of general interest to employees such as company policies and procedures, health, safety and environmental issues, and welfare matters

Employees are also encouraged to be involved in performance improvement projects through team working and other departmental improvement activities

The company operates a Safety Management System that is certified to OHSAS 18001 which it has now maintained for the third year The full commitment to the Health and Safety policy is a priority for all employees across the company

Re-appointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the company

By order of the Board

X Puig

Secretary

Date 23 April 2012

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Independent auditors' report

to the shareholders of Celsa (UK) Holdings Limited

We have audited the group and parent undertaking financial statements (the "financial statements") of Celsa (UK) Holdings Limited for the year ended 31 December 2011 which comprise the Group Profit and Loss Account, the Group Statement of Historical Cost Profits and Losses, the Group Statement of Total Recognised Gains and Losses the Group and Company Balance Sheets, the Group Statement of Cash Flows and the related notes 1 to 30 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the group's and the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition we read all the financial and non-financial information in the report and financial statements to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the company's affairs as at 31December 2011and of the loss of the group for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Independent auditors' report (Continued)

to the shareholders of Celsa (UK) Holdings Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Ernst & Young LLP

Paul Mapleston (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP (Statutory Auditor)
Bristol
Date 26 April 2012

Group profit and loss account

for the year ended 31 December 2011

	Notes	2011 £000	2010 £000
Turnover			
Turnover Ongoing operations	2	590,482	278,779
Turnover Acquisitions		–	209,212
Group Turnover		590,482	487,991
Change in stocks of finished goods and semi-finished goods		29,032	(9,235)
Materials and consumables		(452,465)	(345,518)
Other external charges		(60,772)	(72,742)
Staff costs	5	(40,620)	(40,848)
Amortisation	9	(2,570)	(2,512)
Depreciation	10	(16,966)	(15,655)
Other operating charges		(35,339)	(16,566)
		(579,700)	(503,076)
Operating profit / (loss)			
Ongoing operations	2	10,782	(18,549)
Acquisitions		–	3,464
Group Operating profit / (loss)	3	10,782	(15,085)
Share of operating profit in associates		168	331
Exceptional Costs	27	(248)	–
Profit on disposal of assets and investments		–	39
Total operating profit / (loss). group and share of associates		10,702	(14,715)
Bank interest receivable		260	369
Other financial income	26	263	184
Interest payable and similar charges	6	(13,380)	(7,174)
		(12,858)	(6,621)
Loss on ordinary activities before taxation and restructuring costs		(2,155)	(21,336)
Amortisation of Restructuring costs		(2,948)	–
Loss on ordinary activities before taxation		(5,103)	(21,336)
Tax on loss on ordinary activities	7	(126)	4,248
Loss on ordinary activities after taxation		(5,229)	(17,088)
Minority interest		(626)	(568)
Loss for the financial year attributable to members of the parent company	22	(5,855)	(17,656)

All results above relate to continuing operations

Celsa (UK) Holdings Limited

Group statement of historical cost profits and losses

for the year ended 31 December 2011

	Note	*2011* *£000*	*2010* *£000*
Reported loss on ordinary activities before taxation		(5,103)	(21,336)
Difference between historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	22	801	793
Historical cost loss on ordinary activities before taxation		(4,302)	(20 543)
Historical cost loss for the year		(4,428)	(16,295)

Group statement of total recognised gains and losses

for the year ended 31 December 2011

	Notes	*2011* *£000*	*2010* *£000*
Reported loss on ordinary activities before taxation			
Group		(5,271)	(21,667)
Associates		168	331
Share of associates surplus on revaluation of property		-	(346)
Exchange losses on retranslation of associate investments		(182)	(205)
Actuarial losses recognised in pension fund		(185)	(102)
Reversal of pre acquisition associate gains and losses		-	953
Total gains and losses recognised since last report		(5 470)	(21,036)

Celsa (UK) Holdings Limited

Group balance sheet

at 31 December 2011

	Notes	*2011* *£000*	*2010* *£000*
Fixed assets			
Intangible fixed assets	9	33,932	35,611
Tangible fixed assets	10	226,554	232,875
Investments in associates	11	5,435	6,166
		265,921	274,652
Current assets			
Stocks	12	97,387	68,355
Debtors	13	127,651	108,600
Cash at bank and in hand		43,887	33,290
		268,925	210,245
Creditors: amounts falling due within one year	14	(174,426)	(134,329)
Net current assets		94,499	75,916
Total assets less current liabilities		360,420	350,568
Creditors. amounts falling due in more than one year	15	(259,773)	(244,230)
Provisions for liabilities			
Other provisions	18	-	(29)
Pension scheme deficit	26	(84)	(150)
		(84)	(179)
Net assets		100,563	106,159
Capital and reserves			
Called up share capital	21,22	130,429	130,429
Revaluation reserve	22	8,554	9,347
Profit and loss account	22	(46,830)	(41,583)
Foreign exchange reserve	22	(387)	(205)
Shareholders' funds		91,766	97,988
Minority interests		8,797	8,171
		100,563	106,159

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by

R Trias Fita
Director
Date 23 April 2012

F Rubiralta Rubio
Director
Date 23 April 2012

L Sanz Villares
Director
Date 23 April 2012

Company balance sheet
at 31 December 2011

	Notes	2011 £000	2010 £000
Fixed assets			
Investments	11	103,635	103,635
Current assets			
Debtors	13	47,374	27,932
Cash at bank and in hand		163	43
		47,537	27,975
Creditors. amounts falling due within one year	14	(21,213)	(1,645)
Net current assets		26,324	26,330
Total assets less current liabilities		129,959	129,965
Creditors: amounts falling due in more than one year	15	–	–
Net assets		129,959	129,965
Capital and reserves			
Called up share capital	21,22	130,429	130,429
Profit and loss account	22	(470)	(464)
Shareholders' funds		129,959	129,965

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by

R Trias Fita
Director
Date 23 April 2012

F Rubiralta Rubio
Director
Date 23 April 2012

L Sanz Villares
Director
Date 23 April 2012

Group statement of cash flows

at 31 December 2011

	Notes	2011 £000	2010 £000
Net cash outflow from operating activities	23a	(4 474)	(22,640)
Dividends from associates		459	385
Returns on investments and servicing of finance			
Interest paid	6	(13,347)	(7,104)
Interest received		260	369
Interest element of finance lease rentals payments		(27)	(57)
		(13,114)	(6,792)
Corporation Tax			
Corporation Tax Received		87	-
		87	-
Capital expenditure and financial investment			
Expenditure on tangible fixed assets		(5,507)	(7,146)
Expenditure on intangible fixed assets		(891)	(2,329)
Net cash balance acquired with subsidiaries		-	6,592
Sale of assets and investments		-	291
		(6,398)	(2,592)
Net cash (outflow) before financing		(23 440)	(31,639)
Financing			
Net movement in financing	23b	34,996	20,851
Repayment of capital element of finance leases and hire purchase contracts	23b	(959)	(1,312)
		34,037	19,539
Increase / (decrease) in cash	23b	10,597	(12,100)

Group statement of cash flows

at 31 December 2011

Reconciliation of net cash flow to movement in net debt

Group	*2011* *£000*	*2010* *£000*
Increase in cash in the year	10,597	(12,100)
Cash used to repay capital element of finance leases and hire purchase payments	959	1,312
Cash inflow from increase in debt	(34,996)	(20,851)
Change in net debt resulting from cash flows	(23,440)	(31,639)
Loans and finance leases acquired with subsidiaries	–	(19,297)
Movement in net debt at 31 December	(23,440)	(50,936)

Notes to the financial statements

at 31 December 2011

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, modified for the revaluation of land and buildings and plant and machinery, and in accordance with applicable accounting standards

Going concern

The financial statements have been prepared on a going concern basis In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the company can continue in operational existence for the foreseeable future

The directors have assessed the future funding requirements of the Group and the Company and compared them to the level of available borrowing facilities under the terms agreed with the lenders on the 1 December 2010 The assessment included a detailed review of financial forecasts and covenants for at least the twelve month period from the date of signing the accounts and a review of cash flow projections Having undertaken this work, the directors are of the opinion that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future Accordingly they continue to adopt the going concern basis in preparing the annual report and accounts

Group financial statements

The group financial statements of Celsa (UK) Holdings Limited and its subsidiaries drawn up to 31 December 2011 No profit and loss account is presented for Celsa (UK) Holdings Limited as permitted by section 408 of the Companies Act 2006

Associates

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises significant influence are treated as associates In the group financial statements, associates are accounted for using the equity method

In the parent company financial statements investments in subsidiaries, joint ventures and associates are accounted for at the lower of cost and net realisable value

Notes to the financial statements

at 31 December 2011

1. Accounting policies (continued)

Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties and group companies and is attributable to the manufacture and sale of steel products

Intangible assets

Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred

Development costs are amortised on a straight line basis over their estimated useful life up to a maximum of 20 years

The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Tangible fixed assets

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life, as follows

Plant and machinery	–	over 3 to 20 years
Leasehold buildings	–	over 10 to 50 years
Freehold buildings	–	over 10 to 50 years
Furniture and fittings	–	over 10 years

Assets in course of construction are not depreciated until the project is completed and the assets are commissioned

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Capitalised interest

Interest occurring on borrowings to finance specific capital projects is capitalised, gross of related tax credits until completion of the project.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate

Financial Instruments

Financial Instruments used by the company are forward utility contracts and foreign currency forward contracts to reduce the exposure to price and exchange rates The group does not apply hedge accounting to any of its financial instruments

Forward Foreign exchange contracts

The company's currency risk is controlled by natural hedge wherever possible and where there is an excess, the company will take out foreign currency contracts accordingly

Notes to the financial statements

at 31 December 2011

1. Accounting policies (continued)

Financial Instruments (continued)

Forward utility contracts

Forward Utility contracts are initially recognised at fair value through the profit and loss on the date on which a contract is entered into and are subsequently remeasured at fair value The contacts are carried as liabilities when the fair value is negative and an asset when fair values are positive The fair value of the utility contracts is determined by reference to market values for similar instruments

Gains and losses are recognised in the profit and loss account

Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value as follows

Finished goods, semi finished goods and raw materials – weighted average cost basis

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date Translation differences are dealt with in the profit and loss account

Exchange differences arising on the translation of net asset of overseas associated undertakings are taken to reserves Profits and losses of such undertakings are translated into sterling at average rates of exchange during the year

Notes to the financial statements

at 31 December 2011

1. Accounting policies (continued)

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the group, and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Pensions

The group operates a defined contribution scheme Contributions are charged to the profit and loss account as they fall due

Rom Group Limited is a subsidiary of Celsa (UK) Holdings Limited Rom Limited, a subsidiary of Rom Group Limited operates a defined benefit pension scheme as described below

Rom Limited operates a contracted-out funded defined benefit pension scheme for all employees The scheme funds are administered by the trustees and are independent of the company's finances Employees from other companies within the ROM Group participate in the scheme

Pension scheme assets are measured at fair values and liabilities on an actuarial basis using the projected unit method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities The increase in the present value of the liabilities expected to arise from employee service in the period is charged to operating profit

The expected return on the scheme's assets and the increase during the year in the present value of the scheme's liabilities arising from the passage of time are included in other finance income Actuarial gains and losses are recognised in the statement of total recognised gains and losses

Pension schemes' surpluses, to the extent they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet net of the related deferred tax

2. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties and group companies and is attributable to the manufacture and sale of steel products

An analysis of turnover by geographical market is given below

	2011	*2010*
	£000	*£000*
United Kingdom	445,418	369,626
Continental Europe and Eire	145,064	118,365
	590,482	487,991

Notes to the financial statements

at 31 December 2011

3 Operating profit / (loss)

This is stated after charging/(crediting)

	2011 £000	2010 £000
Auditors' remuneration – audit only	237	267
Amortisation of intangible fixed assets and associate goodwill	2,789	2,506
Amortisation of government grants	(106)	(88)
Depreciation of owned fixed assets	16,537	15,275
Depreciation of assets held under finance leases	429	380
Profit on disposal of fixed assets	–	(39)
Research and development costs	110	110
Operating lease rentals – land and buildings	2,292	1,579
– plant and machinery	1,124	516
– other	370	731
Foreign exchange gain	(723)	(2,327)

4. Directors' remuneration

Celsa UK Holdings Ltd has paid the remunerations to all the directors of the Group (Holding and fellow subsidiaries) The amount apportioned for the directors giving service to this company add up to £74,744 (2010 £89,380) The total paid to directors of the Group and its subsidiaries was £590,977 (2010 £795,884) The highest paid direct received £240,209 (2010 £222,000) No payments were made into directors' pension funds by the group

Notes to the financial statements

at 31 December 2011

5. Staff costs

	2011	*2010*
	£000	*£000*
Wages and salaries	36,571	37,030
Social security costs	3,341	3,198
Other pension costs	708	620
	40,620	40,848

The average weekly number of employees during the year was as follows

	No	*No*
Administration	340	351
Manufacture	856	889
	1,196	1,240

6. Interest payable and similar charges

	2011	*2010*
	£000	*£000*
Interest payable on bank loans and overdraft	13,347	7,104
Amortised loan issue costs	–	6
Finance charges payable under finance lease and hire purchase contracts	27	57
Share of associates interest	6	7
	13,380	7,174

Notes to the financial statements

at 31 December 2011

7. Tax

(a) Tax on loss on ordinary activities

The tax charge is made up as follows

	2011 £000	2010 £000
Current tax		
UK corporation tax on the loss for the year	193	350
Adjustments in respect of previous years	(213)	(91)
Share of associates	-	21
Total current tax (note 7 (b))	(20)	280
Deferred tax		
Origination and reversal of timing differences (note 18)	146	(4,576)
Transfer to current tax in respect of pension	-	48
	146	(4,528)
Tax on loss on ordinary activities	126	(4,248)

(b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 26 5% (2010 – 28%) The differences are explained below

	2011 £000	2010 £000
Loss on ordinary activities before taxation	(5,103)	(21,336)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26 5% (2010 – 28%)	(1,355)	(5,974)
Effects of		
Expenses not deductible for tax purposes	545	498
Capital allowance in excess of depreciation	290	(254)
Other timing differences	(86)	(157)
Prior year restatement	(214)	(92)
Relieved tax losses	933	6,274
Non taxable income	(133)	(15)
Current tax for the year (note 7(a))	(20)	280

Notes to the financial statements

at 31 December 2011

7. Tax

(c) Deferred tax

Deferred tax is provided at 25% (2010 – 28%) as follows

	2011	*2010*
	£000	*£000*
Capital allowances in advance of depreciation	21,210	22,551
Unutilised tax losses	(35 075)	(36,411)
Other timing differences	(964)	(1,023)
Provision for deferred tax (note 18)	(14 829)	(14,883)

(d) Factors affecting future tax charges

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014 A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011 and a further reduction to 24% (effective from 1 April 2013) was substantively enacted on 26 March 2012

The Chancellor proposed changes to further reduce the main rate of corporation tax by one per cent per annum to 23 per cent by 1 April 2014 but these changes have not yet been substantively enacted and therefore are not included in the figures above The overall effect of the further reductions from 25 per cent to 23 per cent, if these applied to the deferred tax balance at 31 December 2011, would be to further reduce the deferred tax asset by approximately £1,096k

In accordance with the requirements of FRS 19, no provision is made for deferred tax on gains recognised on revaluing land and buildings to its market value Such tax would become payable only if the property were sold without it being possible to claim rollover relief The total amount not provided for is £1,757,000 (2010 – £1,907,000) At present, it is not envisaged that any tax will become payable in the foreseeable future

8. Loss attributable to members of the parent company

The loss after tax and dividends dealt with in the financial statements of the parent company is £6,000 (2010 – loss of £4 000)

The group is exempt from publishing the profit and loss account for the parent company

Notes to the financial statements

at 31 December 2011

9 Intangible fixed assets

Group

	Product development & licence costs	*Goodwill*	*Total*
	£000	*£000*	*£000*
Cost			
At 1 January 2011	4,354	35,464	39,818
Additions	891	-	891
At 31 December 2011	5,245	35,464	40,709
Amortisation			
At 1 January 2011	1,691	2,516	4,207
Charged in year	797	1,773	2,570
At 31 December 2011	2,488	4,289	6,777
Net book value			
At 31 December 2011	2,757	31,175	33,932
At 1 January 2011	2,663	32,948	35,611

Product development costs are being written off in equal annual instalments over the estimated economic life of 5 years

Goodwill relates to the acquisition of an increased shareholding in BRC Limited, Rom Group Limited and Express Reinforcements Limited

Goodwill is being amortised over the directors' estimate of its useful economic life of twenty years

Product development amortisation will begin on the commencement of the sale of the relevant products

Notes to the financial statements

at 31 December 2011

10. Tangible fixed assets

Group	*Freehold land and buildings £000*	*Plant and machinery £000*	*Leasehold Buildings £000*	*Assets in course of construction £000*	*Total £000*
Cost or valuation					
At 1 January 2011	70,107	232,602	1,843	5,041	309,593
Additions	70	331	4	5,118	5,523
Transfers	39	9,328	324	(4,549)	5,142
At 31 December 2011	70,216	242,261	2,171	5,610	320,258
Depreciation					
At 1 January 2011	8,132	68,522	64	-	76,718
Charge for year	1,556	15,318	92	-	16,966
At 31 December 2011	9,688	83,840	156	-	93,684
Net book value					
At 31 December 2011	60,528	158,421	2,015	5,610	226,574
At 1 January 2011	61,975	164,080	1,779	5,041	232,875

On the historical cost basis, plant, machinery, land and buildings would have been included as follows

	2011 £000	*2010 £000*
Cost		
At 31 December	299,244	290,402
Cumulative depreciation based on cost		
At 31 December	83,128	66,874

The net book value of tangible fixed assets above includes £5,677,000 (2010 – £6,043,000) in respect of capitalised finance costs

The net book value of plant and machinery and assets in the course of construction above includes £5,008,000 (2010 – £5,378,000) in respect of assets held under finance leases and hire purchase contracts

Plant, machinery and buildings were independently revalued on the basis of open market value by Aris Real Wetheralls (MRICS) and American Appraisal (UK) Ltd (MRICS) respectively in June 2003, which was the date of the last full valuation An amount of £19,008,000 is included above in respect of these revaluations The directors have not updated the valuation because they are not aware of any material change in value

As part of the transfers, £4,726,000 refers to 'rolls' The company has changed accounting criteria and have reclassified them from stores items previously included in stocks to tangible fixed assets, as they have an economic life greater than one year

Notes to the financial statements

at 31 December 2011

11. Investments

Group	*2011*	*2010*
	£000	*£000*
Cost at 1 January & 31 December		
Associates (a)	5,435	6,166

(a) Associates

	Share of net tangible assets	*Goodwill*	*Total*
	£000	*£000*	*£000*
At 1 January 2011	2,044	4,122	6,166
Share of total recognised gains and losses retained by the associate	129	-	129
Exchange loss on retranslation of investments	(67)	(115)	(182)
Dividends paid to Celsa (UK) Holdings Limited	(459)	-	(459)
Amortisation of goodwill	-	(219)	(219)
At 31 December 2011	1,647	3,788	5,435

Goodwill is being amortised over the directors' estimate of its useful economic life of twenty years

Notes to the financial statements

at 31 December 2011

11. Investments (continued)

(b) Other fixed asset investments

Company	*2011*	*2010*
	£000	*£000*
Cost		
At 1 January & 31 December	103,635	103,635

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

Name of company	*Holdings*	*Proportion of voting rights and shares held*	*Nature of business*
Subsidiary undertakings			
Celsa Steel (UK) Limited	Ordinary shares	100%	Sales of steel products
Celsa Manufacturing (UK) Limited	Ordinary shares	100%	Manufacture and re-rolling of steel products
Celsa (Wales) Limited	Ordinary shares	100%	Owner of freehold property
Celsa Steel Service (UK) Limited	Ordinary shares	100%	Holding company
Subsidiaries of Celsa Steel Service (UK) Limited			
BRC Ltd	Ordinary shares	71 3%	Manufacture of steel products
Express Reinforcements Ltd	Ordinary shares	71 3%	Manufacture of steel products
Rom Group Ltd	Ordinary shares	71 3%	Manufacture of steel products
Associates			
BRC McMahon Limited*	Ordinary shares	35 7%	Manufacture of steel products

*Incorporated in the Republic of Ireland

Notes to the financial statements

at 31 December 2011

12. Stocks

Group

	2011	*2010*
	£000	*£000*
Raw material and consumables	22,592	24,228
Finished goods & semi finished goods	74,795	44,127
	97,387	68,355

13. Debtors

Group

	2011	*2010*
	£000	*£000*
Trade debtors	102,261	80,413
Amounts due from group companies	3,599	4,660
Prepayments and accrued income	3,584	8,305
Deferred tax (note 18a)	14,829	14,883
VAT recoverable	3,378	339
	127,651	108,600

Company

	2011	*2010*
	£000	*£000*
Amounts due from group companies	47,371	27,932
Deferred tax	3	–
	47,374	27,932

Amounts falling due after more than one year included above are

Group

	2011	*2010*
	£000	*£000*
Deferred tax (note 18a)	3	–

Company – £nil (2010 – £nil)

Notes to the financial statements

at 31 December 2011

14. Creditors: amounts falling due within one year

Group

	2011	2010
	£000	£000
Short term bank loans (note 16)	16,907	398
Trade creditors	129,739	101,167
Amounts due to group companies	13,548	12,950
Other creditors	9,717	10,687
Forward electricity and gas contracts (note 19)	300	1,254
Corporation tax	127	384
Other taxes and social security costs	2,039	2,726
Deferred income (note 18b)	167	3,613
Obligations under finance leases and hire purchase agreements (note 17)	879	1,150
	174,426	134,329

Company

	2011	2010
	£000	£000
Amounts due to group companies	20,911	1,387
Other creditors	283	248
Other taxes and social security costs	19	10
	21,213	1,645

Notes to the financial statements

at 31 December 2011

15. Creditors: amounts falling due after more than one year

Group

	2011	*2010*
	£000	*£000*
Trade creditors	2,575	4,517
Long term loans (note 16)	235,301	216,814
Obligations under finance leases and hire purchase agreements (note 17)	1,604	2,292
Deferred income (note 18b)	3,082	3,111
Amounts due to group companies	16,820	17,225
Forward electricity and gas contracts (note 19)	–	271
Other creditors	391	–
	259,773	244,230

Company

	2011	*2010*
	£000	*£000*
Amounts due to group companies	–	–

16. Loans

Group

	2011	*2010*
	£000	*£000*
Amounts falling due		
In less than five years	253,726	211,048
In more than five years	5,946	7,980
	259,672	219,028
Less issue costs	(7,464)	(1,816)
	252,208	217,212
Less included in creditors amounts falling due within one year (note 14)	(16,907)	(398)
	235,301	216,814

The above loans represent the following

Handelsbanken and HSBC loans are repayable by instalments up to 15 years Interest is charged at market spread above LIBOR per annum The loans are secured on the freehold interest of certain of the land and buildings held by the company

KFW loan facility is repayable by instalments over a 10 year period Interest is charged at market spread above LIBOR per annum The loan is secured on the plant and machinery representing the new Melt Shop at Tremorfa

The Bank of America loan is a three year working capital facility up to £130 million secured by a fixed charge on the trade debtors and a floating charge against part of the finished goods stocks of the company and interest is payable at a spread above LIBOR per annum

Notes to the financial statements
at 31 December 2011

16. Loans (continued)

The company has a working capital facility up to £17,000,000 secured by a charge against scrap and steel billet stock of the company and various other secured facilities and interest is payable at a spread above LIBOR per annum

The Banesto loan is secured against the section mill furnace, that is still being built, and interest is charged at market spread above EURIBOR per annum

17. Obligations under finance leases and hire purchase contracts

The maturity of these amounts is as follows

	2011	*2010*
	£000	*£000*
Amounts payable		
Within one year	879	1,150
In two to five years	1,799	2,629
	2,678	3,779
Finance charges allocated to future periods	(195)	(337)
	2,483	3,442

	2011	*2010*
	£000	*£000*
Disclosed as follows		
Creditors amounts falling due within one year (note 14)	879	1,150
Creditors amounts falling due after more than one year (note 15)	1,604	2,292
	2,483	3,442

18. Provisions for liabilities

Group

(a) Deferred tax asset

The movement in deferred taxation during the current year is as follows

	2011	*2010*
	£000	*£000*
At 1 January	(14,883)	(7,538)
Acquisition of subsidiary undertakings	–	(2,769)
Deferred tax charged in profit and loss account (note 7(a))	146	(4,576)
Prior Year Adjustment	(92)	–
At 31 December (note 7(c)/note 13)	(14,829)	(14,883)

Celsa (UK) Holdings Limited

Notes to the financial statements

at 31 December 2011

18. Provisions for liabilities (continued)

(b) Deferred income

Government grants

	2011 £000	2010 £000
At 1 January	3,204	2 098
Acquired with subsidiaries	-	1,194
Released in year	(106)	(88)
Additions	151	-
At 31 December	3,249	3,204

(c) Other provisions

	2011 £000	2010 £000
Acquired with subsidiaries	29	1,113
Utilised in year	(29)	(1 084)
At 31 December	-	29

19. Financial liabilities fair value through the profit and loss

Group

	2011 £000	2010 £000
Utility forward contracts at fair value through the profit and loss (note 14,15)	300	1 525
	300	1,525

Electricity and Gas forward contracts were entered into in 2008 through to the first quarter of 2012 All the above amounts are held for trading All gains and losses are taken to the profit and loss through cost of sales

20 Financial instruments

Financial risk management objectives and policies

The Group and Company's activities expose it to a variety of financial risks mainly Credit risk, market risk (interest rate risk, foreign currency risk and price risk) and liquidity risk

(a) Credit risk

The group and the company has policies in place to ensure that sales of products are made to customers with an appropriate credit history Moreover the group has insured most of its outstanding trade receivable balances

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet

Notes to the financial statements

at 31 December 2011

20. Financial instruments (continued)

Financial risk management objectives and policies (continued)

(b) Market risk

Interest rate risk

The Group and company's interest rate risk arises mainly from short and long terms borrowings The company's policy is to manage its cost of borrowing using a mix of debt types across a number of different facilities, including loans, overdrafts, finance leases, factoring arrangements, bills of exchange cash and short term deposits The amounts related to the above are all included in notes to these accounts

Foreign currency risk

The Group operates in the United Kingdom and is exposed to foreign exchange risk on sales and purchases, primarily the Euro

The company's currency risk is controlled by natural hedge wherever possible and where there is an excess, the company will take out foreign currency contracts accordingly

Price risk

The company's products are subject to changing market prices at both selling and purchasing level It manages this risk by striving to be a low cost producer The company enters in to electricity and gas forward contracts in order to reduce exposure to price and exchange rate movements Please refer to note 19 for further details

(c) Liquidity risk

The company aims to mitigate liquidity risk by managing cash generation by its operations, and applying cash collection targets, and cash-flow projections

Maturity Analysis

The maturity dates of the loans within the group are disclosed in note 16 to these accounts

Celsa (UK) Holdings Limited

Notes to the financial statements

at 31 December 2011

20. Financial instruments (continued)

Fair value of financial assets and financial liabilities

The fair values together with the carrying amounts shown on the balance sheet are as follows

Group

	Carrying amount 31 December 2011 £000	*Fair value 31 December 2011 £000*	*Carrying amount 31 December 2010 £000*	*Fair Value 31 December 2010 £000*
Financial liabilities				
Electricity and gas forward contracts	(300)	(300)	(1,525)	(1,525)
Foreign exchange forward contracts	-	-	-	-
Trade and other payables	(181,991)	(181,991)	(153,380)	(153 380)
Bank loans	(252,208)	(252 208)	(217,212)	(217 212)
Finance leases and hire purchase agreements	(2 483)	(2 483)	(3 442)	(3,442)
Financial assets				
Debtors	127 651	127,651	108,600	108,600
Cash at bank and in hand	43,887	43 887	33,290	33,290

The fair value of the financial assets and liabilities have been determined with reference to market prices where these are available

Capital management

Investment is carefully controlled, with authorisation limits operating at board level and cash payback periods applied as part of the investment appraisal process

21. Issued share capital

Allotted called up and fully paid	*2011 No*	*2010 No*	*2011 £000*	*2010 £000*
Ordinary shares of £1 each	130,429 000	130,429 000	130,429	130 429

Notes to the financial statements
at 31 December 2011

22. Reconciliation of shareholders' funds and movements on reserves
Group

	Share capital	*Revaluation reserve*	*Foreign exch reserve*	*Profit and loss account*	*Total*
	£000	*£000*	*£000*	*£000*	*£000*
At 1 January 2010	103,750	10,486	–	(25,571)	88,665
Loss for the year	–	–	–	(17,656)	(17,656)
Pension reserve movements	–	–	–	(102)	(102)
Issue of share capital	26,679	–	–	–	26,679
Transfer in respect of depreciation on revalued assets	–	(793)	–	793	–
Loss on retranslation of investments	–	–	(205)	–	(205)
Share of associates	–	(346)	–	953	607
At 1 January 2011	130,429	9,347	(205)	(41,583)	97,988
Loss for the year	–	–	–	(5,855)	(5,855)
Pension reserve movements	–	–	–	(185)	(185)
Transfer in respect of depreciation on revalued assets	–	(793)	–	793	–
Loss on retranslation of investments	–	–	(182)	–	(182)
At 31 December 2011	130,429	8,554	(387)	(46,830)	91,766

Company

	Share capital	*Profit and loss account*	*Total*
	£000	*£000*	*£000*
At 1 January 2011	130,429	(464)	129,965
Loss for the year	–	(6)	(6)
At 31 December 2011	130,429	(470)	129,959

Notes to the financial statements

at 31 December 2011

23. Notes to the statement of cash flows

(a) Reconciliation of operating profit / (loss) to net cash inflow from operating activities

	2011	*2010*
	£000	*£000*
Operating profit / (loss)	10,782	(15,085)
Exceptional costs	(3,196)	-
Depreciation calculated on cost of tangible fixed assets	16,966	15,655
Depreciation calculated on cost of intangible fixed assets	2,789	2,512
Difference between pension charge and contributions	(76)	18
(Increase)/decrease in stocks	(33,758)	9,179
(Increase)/decrease in operating debtors and prepayments	(19,105)	25,553
(Increase)/decrease in operating creditors and accruals	21,060	(59,388)
(Increase)/decrease in provisions	64	(1,084)
Net cash outflow from operating activities	(4,474)	(22,640)

(b) Analysis of net debt

	At 1 January 2011	*Cash flow*	*Acquistions (exc Cash & overdraft)*	*Other movements*	*At 31 December 2011*
	£000	*£000*	*£000*	*£000*	*£000*
Cash at bank and in hand	33,290	10,597	–	–	43,887
Cash	33,290	10,597	–	–	43,887
Short term loans	(398)	(16,509)	–	–	(16,907)
Long term loans	(216,814)	(18,487)	–	–	(235,301)
Finance lease/ HP contracts	(3,442)	959	–	–	(2,483)
	(187,364)	(23,440)	–	–	(210,804)

Notes to the financial statements

at 31 December 2011

24. Events since the balance sheet date

No significant matters are to be disclosed since the year end till the date of signing the accounts

25. Capital commitments

At 31 December 2011, the company had capital commitments of £209,000 (2010 – £1,317,000)

26. Pensions

The group operates several defined contribution pension schemes The assets of these schemes are held separately from those of the group in an independently administered fund

The group has a controlling stake in Rom Group Limited Rom Limited, a subsidiary of Rom Group Limited operates a defined benefit pension scheme

The details of the scheme are given below

A full actuarial review was carried out as at 30 November 2008 and updated to 31 December 2011 by a qualified independent actuary The major assumptions used by the actuary were

	At 31 December 2011	At 31 December 2010
Inflation (RPI)	3%	3 3%
Inflation (CPI)	2 3%	N/A
Rate of increase in salaries	3 8%	4%
Discount rate for liabilities	5 4%	5 7%
Pension increases in deferment subject to LPI increases	2 3%	3 3%
Pension increases in payment subject to LPI increases	2 8%	3 1%

Celsa (UK) Holdings Limited

Notes to the financial statements

at 31 December 2011

26. Pensions (continued)

Rom Limited invests in an independent Pensions Managed Fund The allocation of assets in the fund and the expected long term rates of return were

	Long-term rate of return		Value	
	31 December 2011	31 December 2010	31 December 2011	31 December 2010
	%	%	£'000	£ 000
Equities	6 25	7 5	14,404	15 399
Gilts	2 50	-	1,115	-
Bonds	4 60	5 5	5,062	6 019
Property and cash	3 50	1 5	59	66
			20,640	21 484
Present value of scheme liabilities			(20,753)	(21,692)
Deficit in the scheme			(113)	(208)
Related deferred tax asset			29	58

The adoption of FRS 17 has the following impact on the group's net assets and profit and loss reserve at 31 December 2011 and 31 December 2010

	2011	2010
	£'000	£'000
Net assets excluding pension scheme liability	100,649	106 309
Defined benefit pension scheme liability	(84)	(150)
Net assets including pension scheme liability	100,565	106,159
Profit and loss account reserve excluding pension scheme liability	(46,746)	(41,433)
Pension reserve	(84)	(150)
Profit and loss account reserve	(46,830)	(41,583)

Notes to the financial statements

at 31 December 2011

26. Pensions (continued)

The following amounts have been recognised in the financial statements in the year to 31 December 2011 and 31 December 2010 under the requirements of FRS 17

	2011	2010
	£'000	£'000
Operating Profit		
Current service cost	489	384
Total operating charge	489	384

	2011	2010
	£'000	£'000
Taken to Statement of Total Recognised Gains and Losses		
Actual return less expected return on pension scheme assets	(244)	(142)
Actuarial losses in Statement of Total Recognised Gains and Losses	(244)	(142)

	2011	2010
	£'000	£'000
Movement in deficit during the year		
Deficit in scheme at beginning of the year	(208)	(232)
Movement in year		
Current service cost	(489)	(384)
Contributions	565	366
Other financial income	263	184
Actuarial loss	(244)	(142)
Deficit in scheme at end of the year	(113)	(208)

Celsa (UK) Holdings Limited

Notes to the financial statements

at 31 December 2011

26. Pensions (continued)

	2011	2010	2009	2008	2007
Details of experience gains and losses					
Actual return less expected return on pension scheme assets					
Amount (£'000)	**(2,281)**	1 008	1,835	(4,465)	567
As a percentage of scheme assets	**(11.1)%**	4 7%	9 3%	(26 3)%	2 8%
Experience gains and losses arising on the pension scheme liabilities					
Amount (£'000)	**2,037**	(834)	517	74	(35)
As a percentage of the present value of scheme liabilities	**9 8%**	(3 8)%	2 6%	0 4%	(0 2)%
Defined benefit obligation	**(20,753)**	(21,692)	(19,909)	(16,935)	(18,770)
Scheme assets	**20,640**	21,484	19 677	16,992	20,158
(Deficit)/surplus	**(113)**	(208)	(232)	57	1,338

27. Exceptional Costs

	2011 *£000*	*2010* *£000*
Reorganisation & restructuring costs	248	-

Notes to the financial statements

at 31 December 2011

28. Other financial commitments

At 31 December 2011 the group had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 2011 £000	*Plant and machinery 2011 £000*	*Land and buildings 2010 £000*	*Plant and machinery 2010 £000*
Operating leases which expire				
Within one year	162	64	315	182
Between two and five years	249	652	308	860
In five years or more	936	-	1,099	188
	1,347	716	1,722	1,230

29. Related party transactions

The company has taken the exemption available in FRS 8 (Related Parties) to not disclose transactions with other companies that are wholly owned by the same group of companies

30. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking is Catalunya Steel SL, which is a company incorporated in Spain

The smallest and largest group in which the results of the company are consolidated is that headed by Celsa (UK) Holdings Limited, whose financial statements are available from Building 58, East Moors Road, Cardiff CF24 5NN