

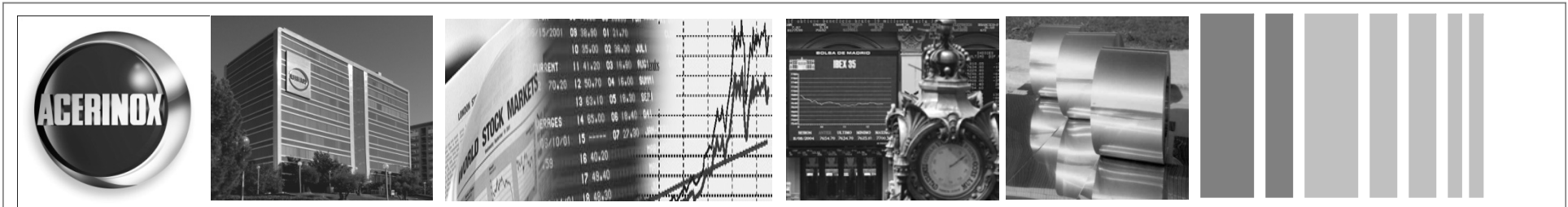
# MARKET OVERVIEW AND QUARTERLY RESULTS

**Bernardo Velázquez**

**CEO of Acerinox Group**

**Investor and Analyst's Day**

**London, 8<sup>th</sup> November 2011**





## SITUATION BEFORE SUMMER

- Moderate but stable consumption
  - Low inventories
- 
- Economic uncertainty
  - Liquidity
  - Raw material prices decreasing



## SITUATION AFTER SUMMER

- Financial instability
- Liquidity is the main driver
- Losing opportunities
- No market reaction



- Unclear economic situation
- Overcapacity in the sector



## MANAGING THE CRISIS: EUROPE

- Consumption down
- Lack of discipline
- Lack of experience
- Weakness
- Low prices



## MANAGING THE CRISIS: USA

- Consumption stable
- Strong supply control
- Discipline
- Good prices



## MANAGING THE CRISIS: ASIA

- Consumption going up
- Strong competition
- Low prices
- Unfair trade rules



## MANAGING THE CRISIS: ACERINOX GROUP

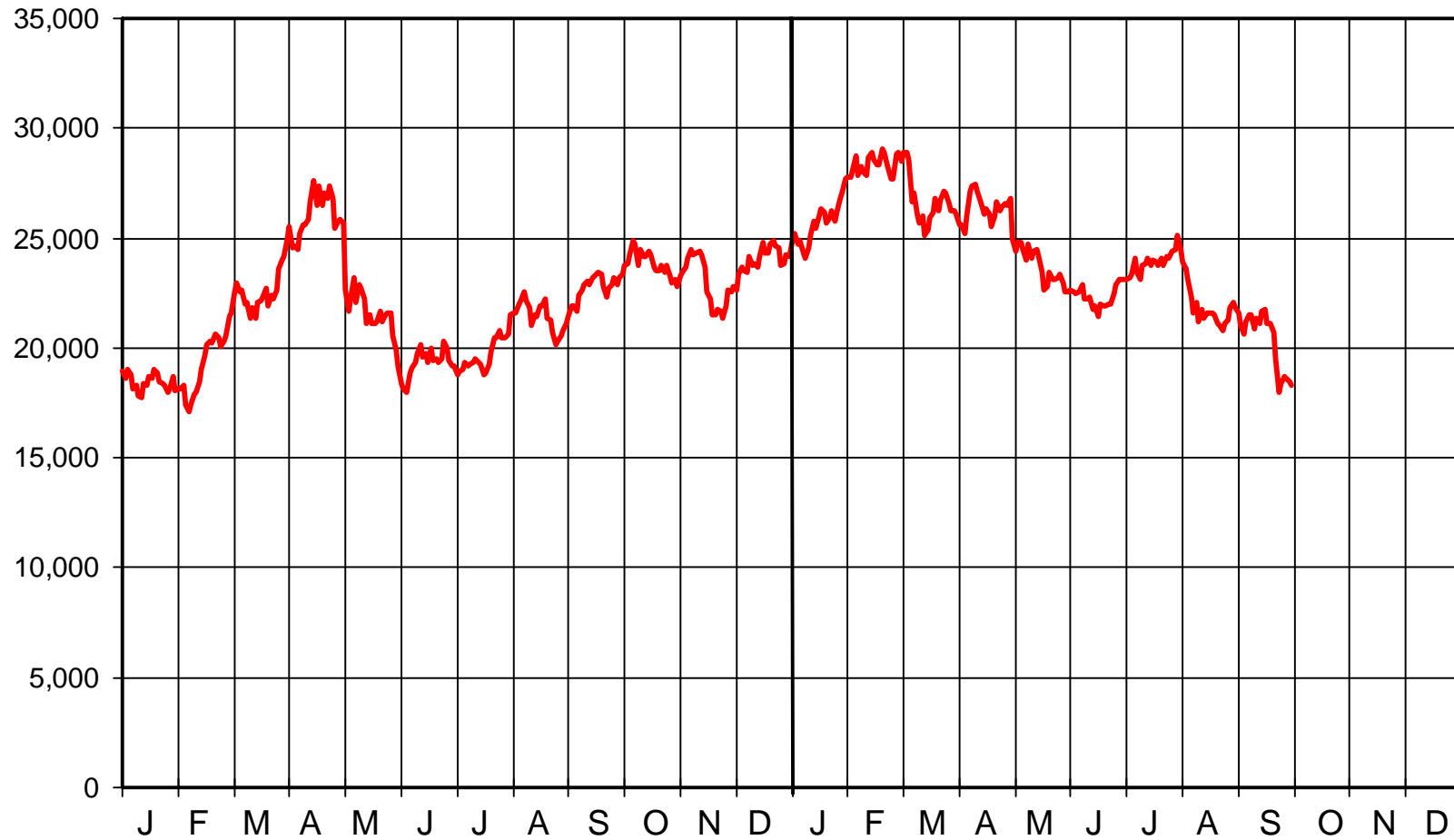
- Healthy balance sheet
- Strong control of inventories
- Reducing production cycle
- Cost control (Excellence Plan and fix cost savings)
- Geographical diversification
- Solid and consistent strategy





# OFFICIAL NICKEL PRICE IN THE L.M.E. (Years 2010 – 30 September 2011)

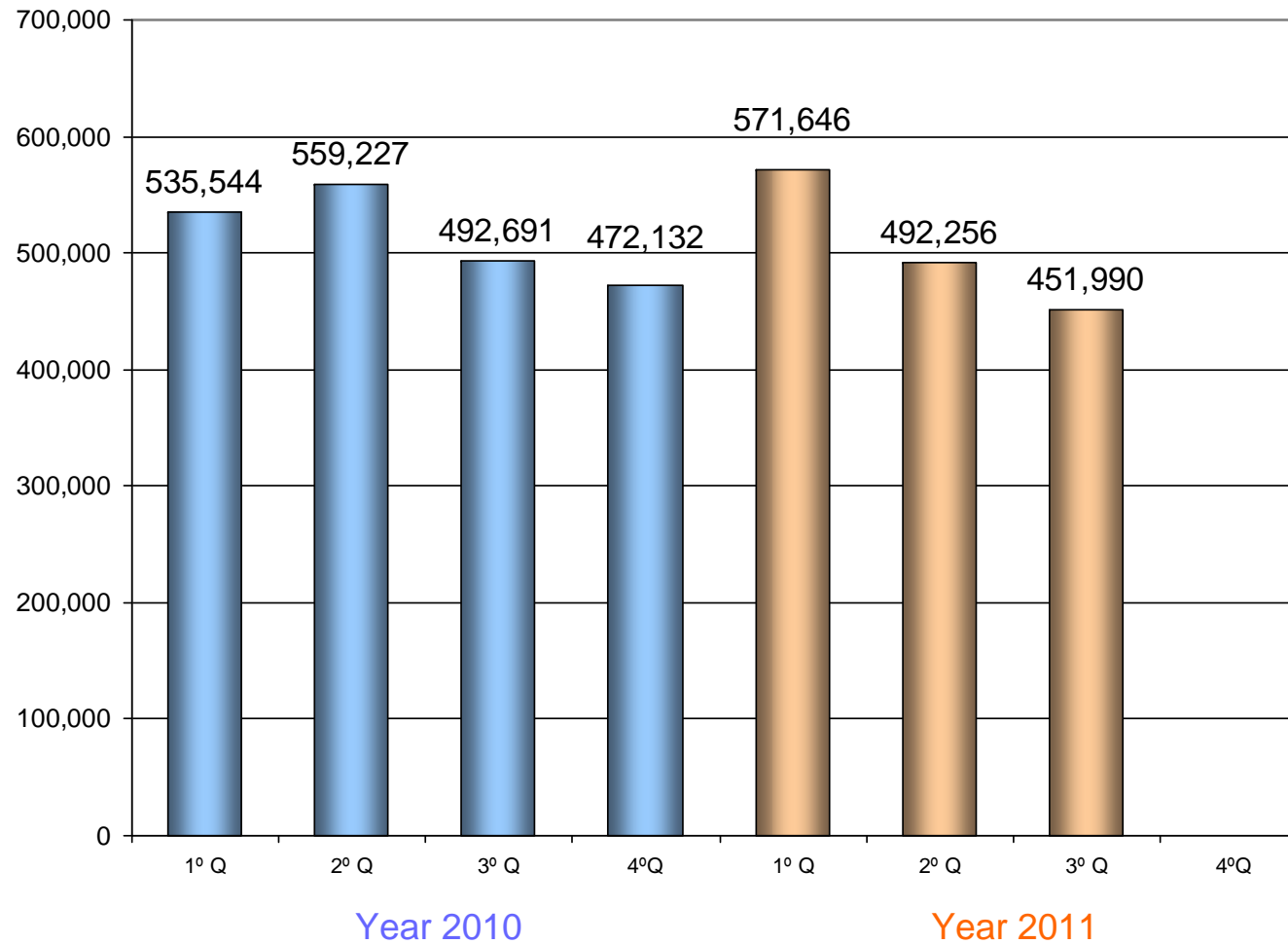
Average price: cash / three months (USD/Mt.)





# EVOLUTION OF ACERINOX GROUP PRODUCTIONS

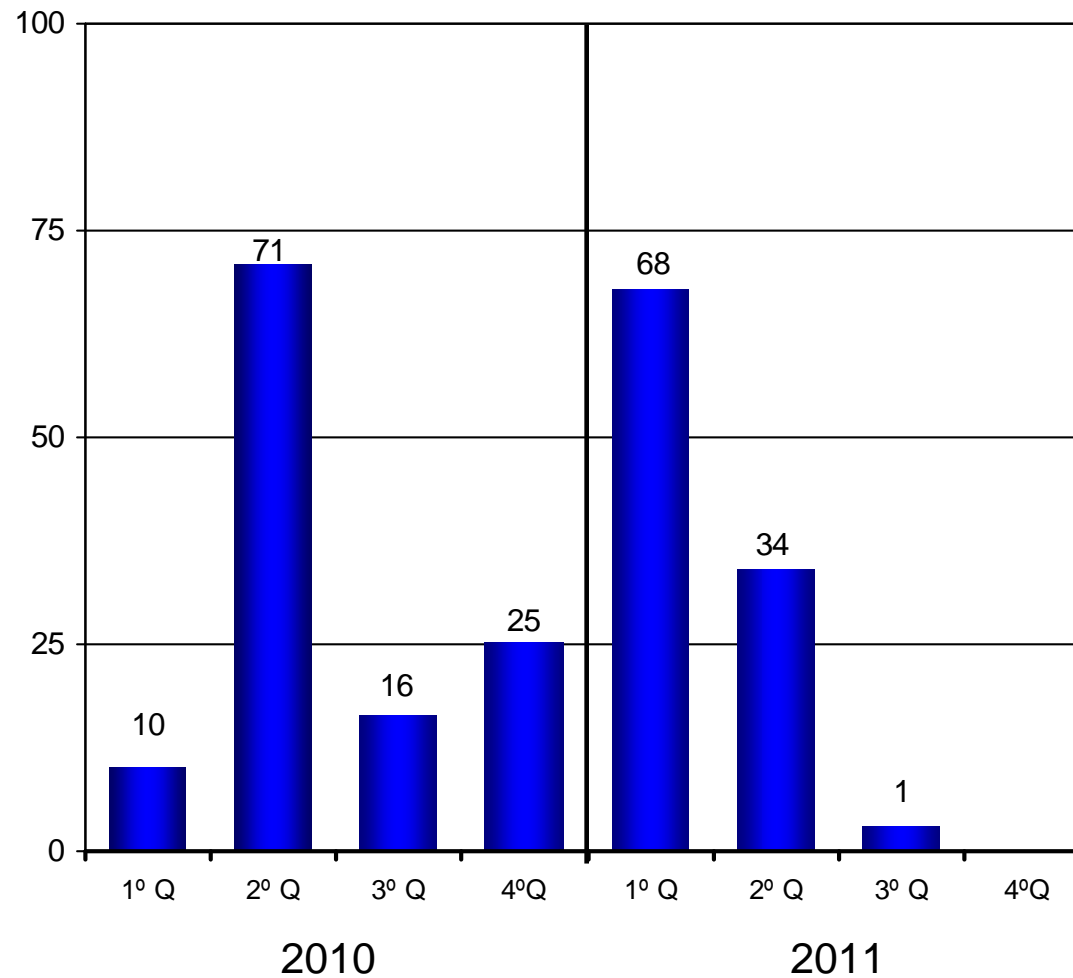
Melting Shop (Mt.)





# RESULTS AFTER TAXES AND MINORITIES

Million euros



**Thank you very much**

