THE PREMIUM REMAINS JUSTIFIED

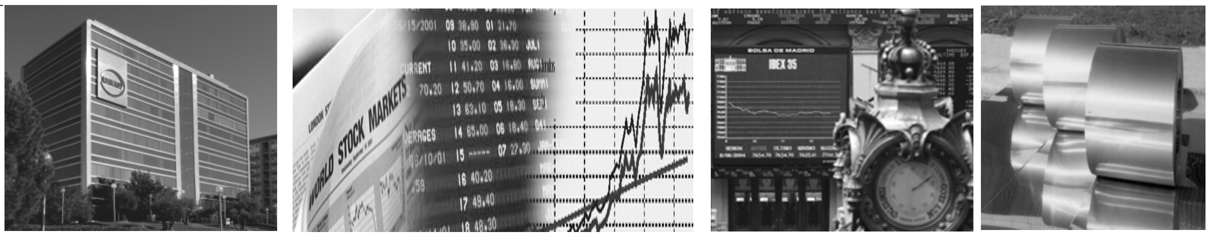
Miguel Ferrandis

CFO of Acerinox Group

Investor and Analyst's Day

London, 8th November 2011

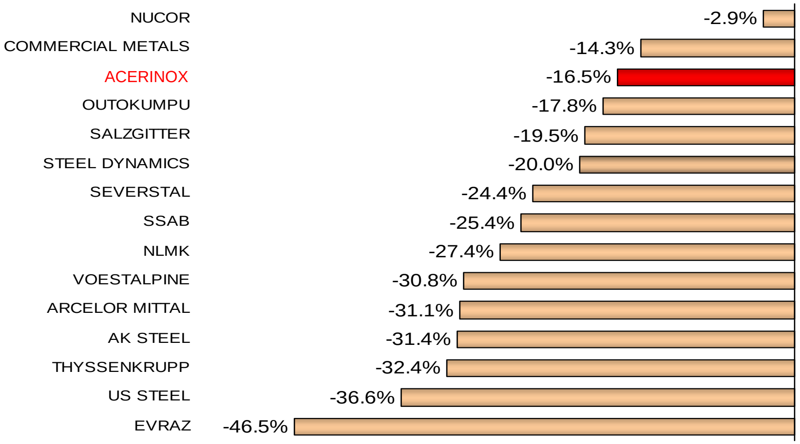
ACERINOX



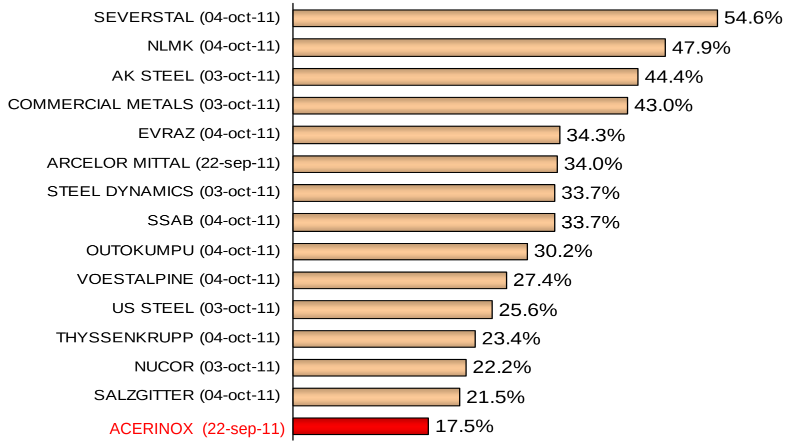
COMPARISON BETWEEN ACERINOX QUOTATION AND STEEL SECTOR

Source: Bloomberg (31-Oct-11) and Goldman Sachs

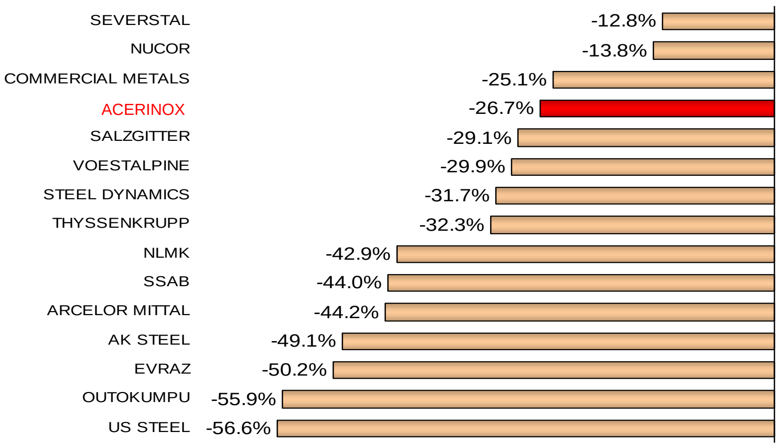
Last 3 months



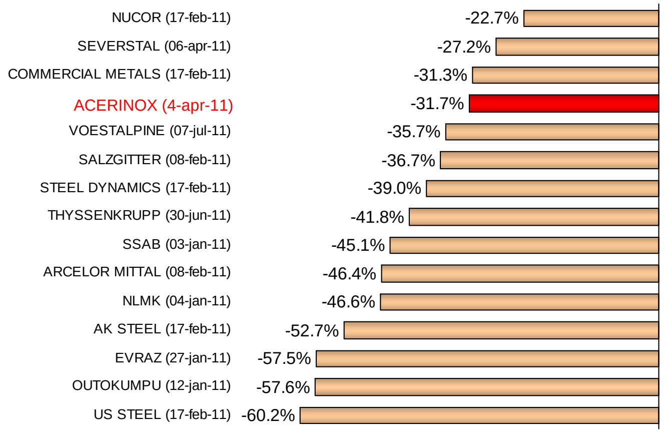
Since 52-week low



Year to 31-Oct-11

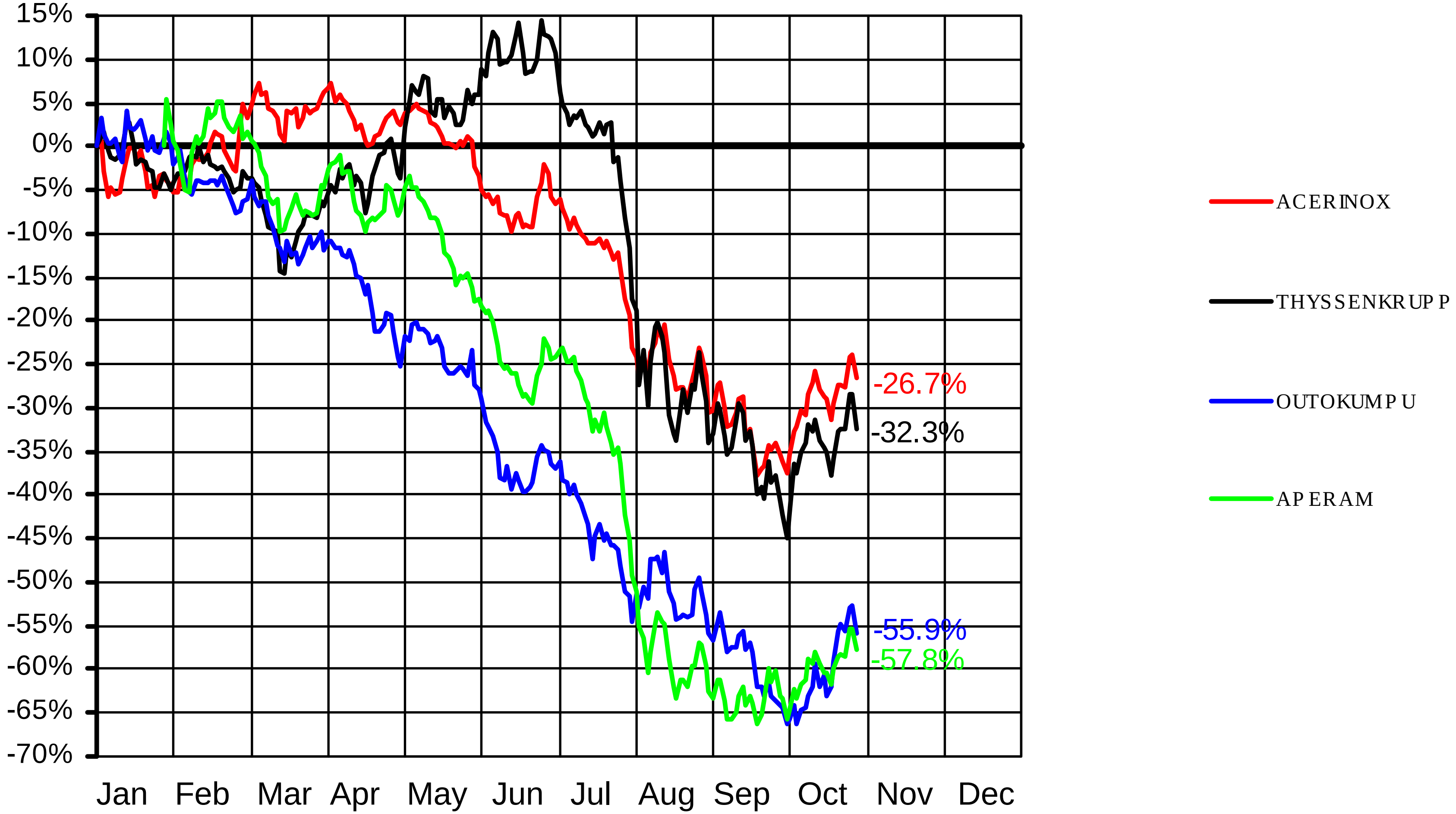


Since 52-week high



EVOLUTION OF THE STOCK EXCHANGE MARKET EUROPEAN PRODUCERS

Daily percentage data, year 2011 (until 31 October)

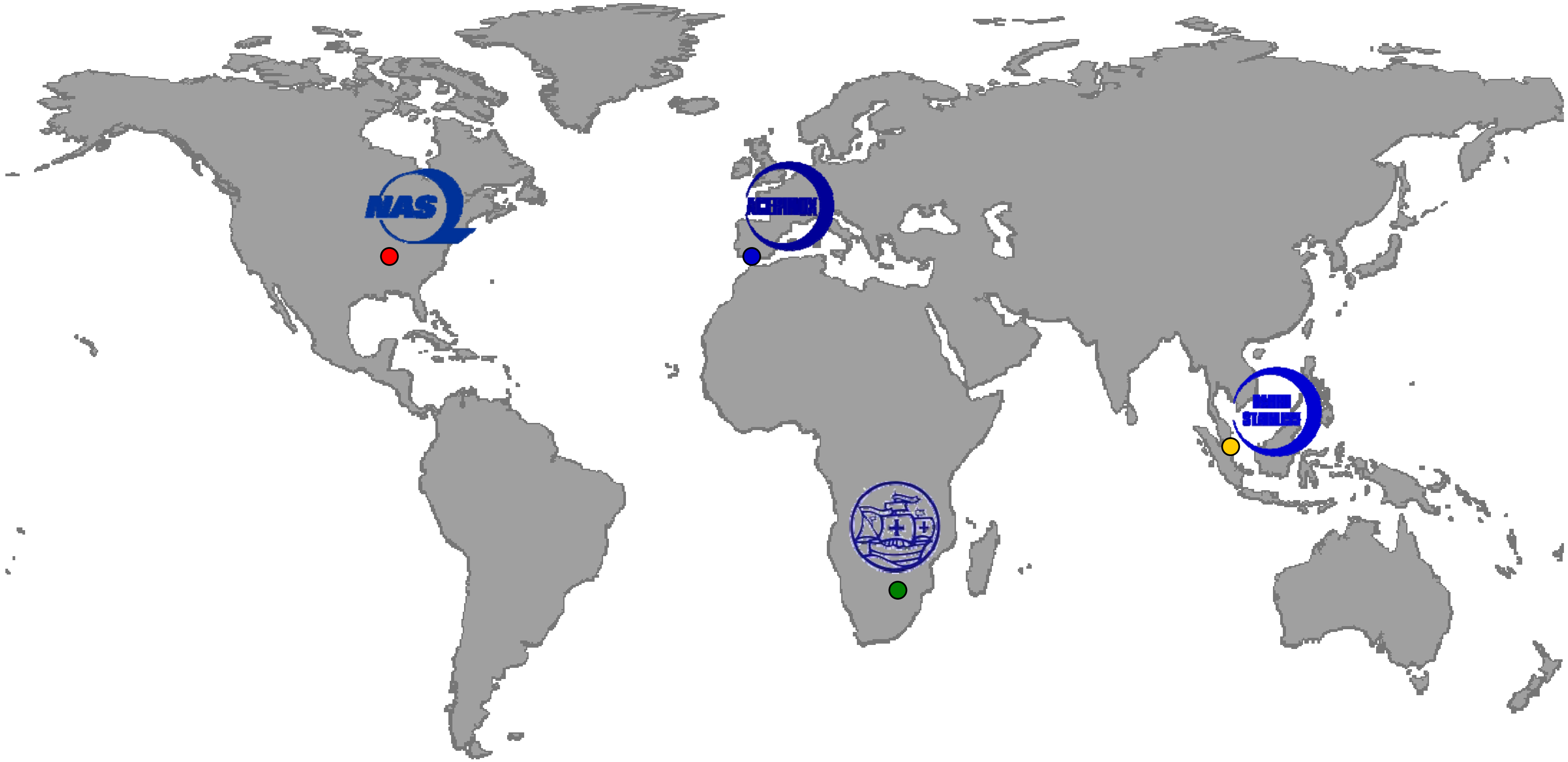


MAIN REASONS FOR A PREMIUM

- Best geographical asset distribution
- Investing and growing in net importer markets
- Best and more efficient plant in the world
- Market leadership in USA
- The only player balanced in Europe
- Flexibility of Columbus
- Consistent strategy
- Core business supported by stable shareholder long term oriented
- Group structural profitability not depending on political support
- Ongoing cost savings
- Wide range of products
- Bahru contributes to improve capacity utilization
- Financial strength

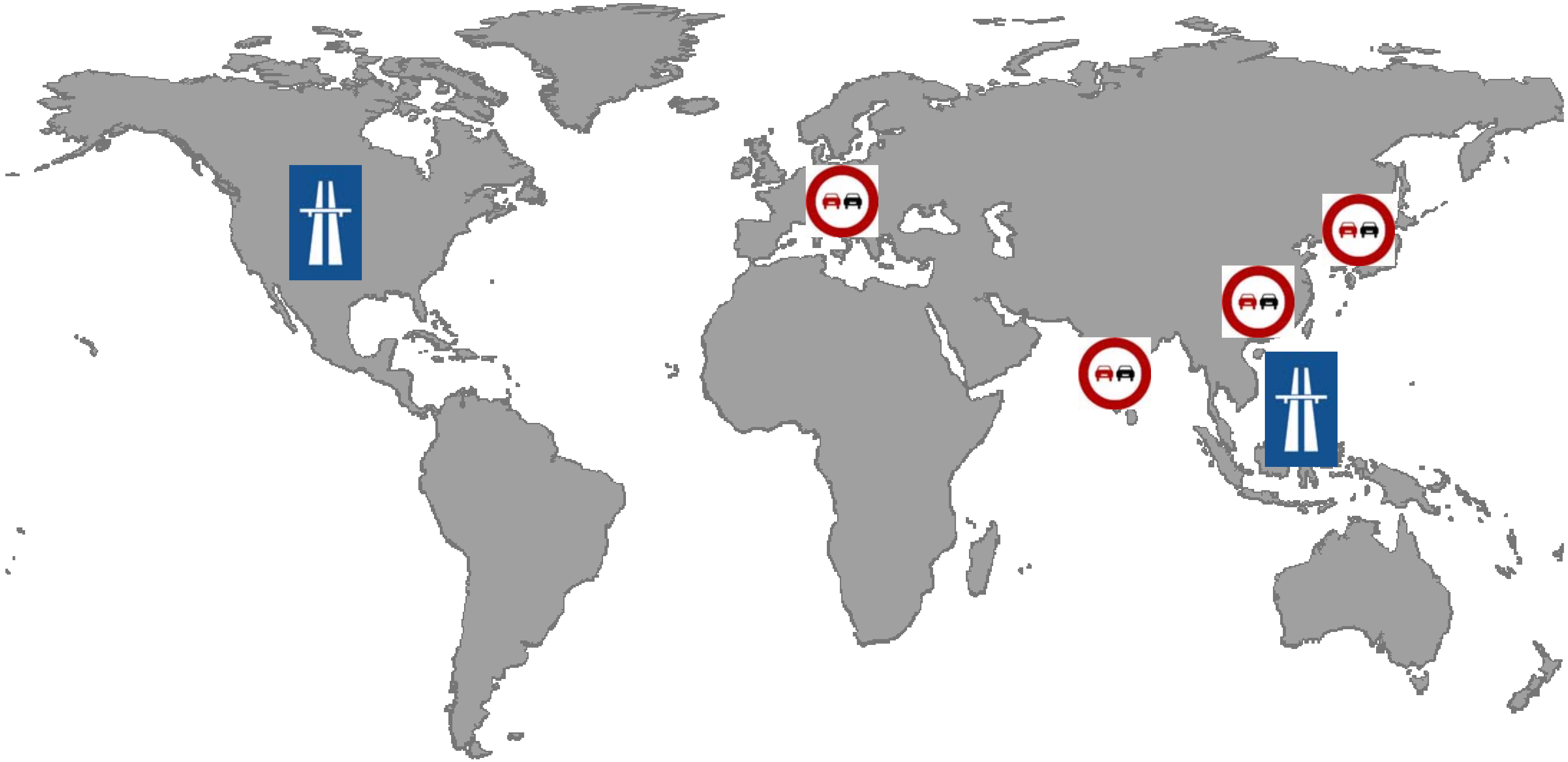
BEST GEOGRAPHICAL ASSET DISTRIBUTION

Manufacturing facilities



- Acerinox, S.A. (Campo de Gibraltar, Spain)
- North American Stainless, NAS (Kentucky, USA)
- Columbus Stainless (Middleburg, South Africa)
- Bahru Stainless (Johor Bahru, Malaysia)

INVESTING AND GROWING IN NET IMPORTER MARKET



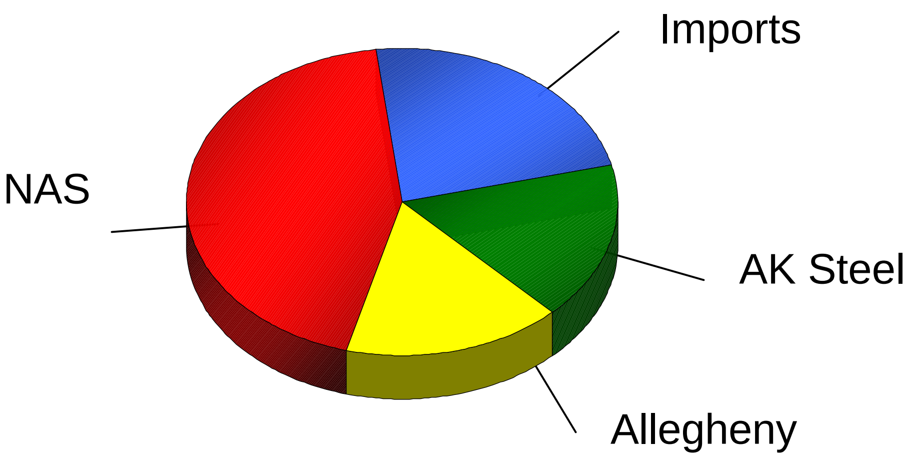
BEST AND MOST EFFICIENT PLANT IN THE WORLD

North American Stainles (Kentucky, USA)

MARKET LEADERSHIP IN USA

Dominant market share

- U.S. market share ~ 40%



- Dominant share allows for price leadership in the North American Market
- Close to most important stainless steel consumption areas in U.S. and great access to transport: (i) by barge (waterfront access to the Ohio river); (ii) by highway; and (iii) by rail

THE ONLY PLAYER BALANCED IN EUROPE

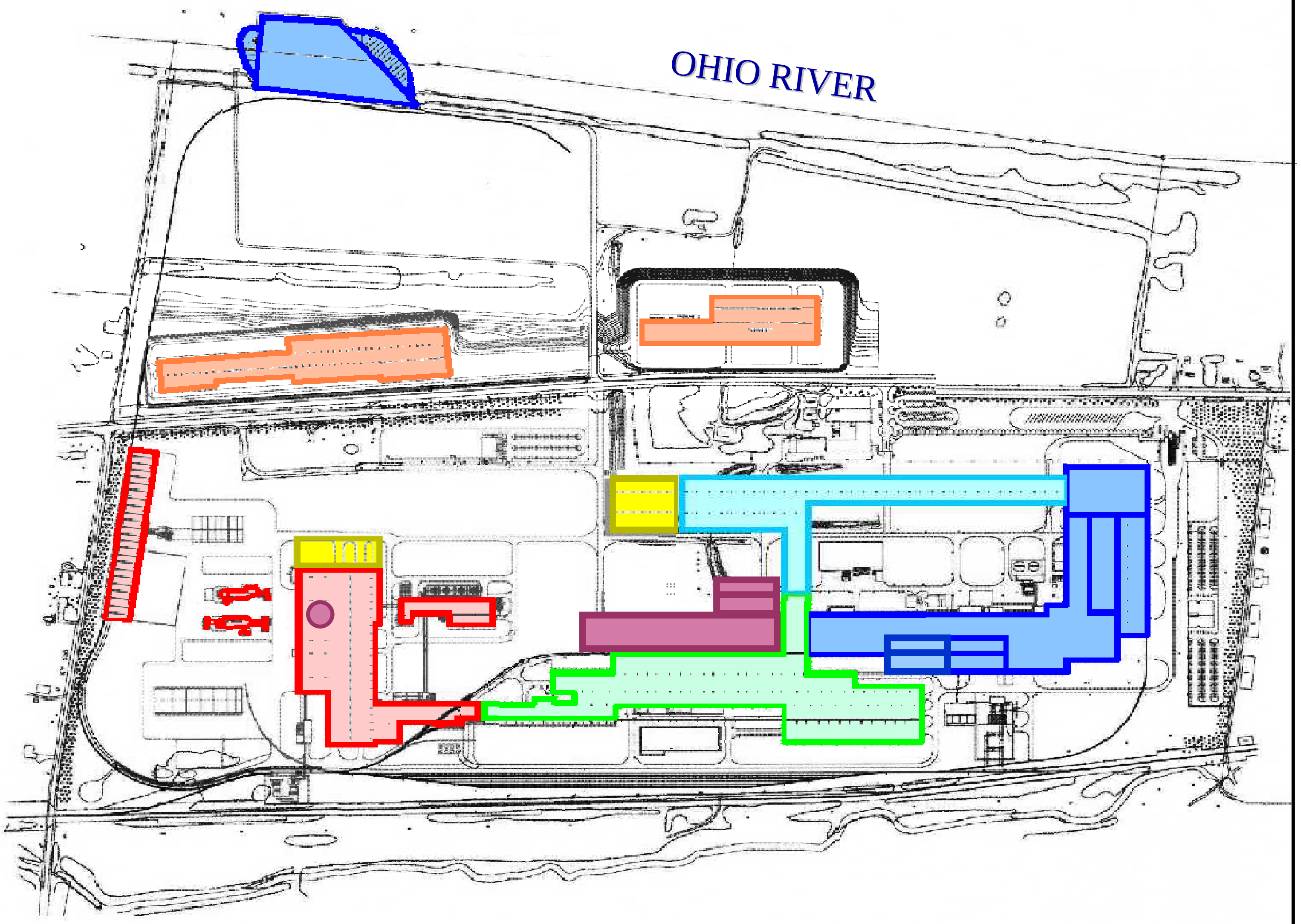
- Acerinox Europa 2010 production:
  - Melting Shop 682,498 Mt.
  - Hot Rolling Shop 562,967 Mt.
  - Cold Rolling Shop 437,601 Mt.
- European market share of around 15%

FLEXIBILITY OF COLUMBUS

- Advantages in raw materials
- Wide product range
- Strong local market
- Versatility in exports

CONSISTENT STRATEGY: ORGANIC GROWTH (I)

NAS general layout



1993-95
Cold Rolling shop,
No.1 & 2 SZ
No.1 & 2 AP.
Barge docking

1998-00
Hot Rolling shop

2002
Melting shop

2003
Long Products Shop

2004
Cold Rolling shop expansion: No.3 SZ & AP

2006
Cold rolling shop expansion: No.4 SZ
Melting shop expansion: No.2 EAF

2007-2008
Cold Rolling expansion: No.5 SZ, No.4 AP
Melting shop expansion: No.2 AOD

CONSISTENT STRATEGY: ORGANIC GROWTH (II)

Investments in NAS (historical value)

Year of start up	INVESTMENTS	Million US$
1991 - 1992	Land Acquisitions	50
1993	Nº1 SZ Cold rolling mill, Nº1 and Nº2 AP lines	240
1995	Nº2 SZ Cold rolling mill, barge docking installations and miscellaneous	70
1998	Hot rolling mill and miscellaneous	290
2000	Plate shop, Skin Pass mill and miscellaneous	38
2002	Melting shop	260
2003	Long products facility	153
2004	Nº3 SZ Cold rolling mill and nº3 AP line	130
2005	Continuous Casting for billets	30
2002 - 2006	Services Centres in USA and Canada	29
2006	Nº4 SZ Cold rolling mill and Nº2 EAF	93
2008	Nº5 SZ Cold rolling mill, Nº 4 AP line and Nº2 AOD	320

1,703 Million USD

CONSISTENT STRATEGY: ORGANIC GROWTH (III)

Bahru Stainless: The great challenge

- March 2008: Acerinox decides to build a new stainless production plant in Malaysia. Total investment 1,500 million USD
- March 2009: Foundation stone laying ceremony
- July 2010: Acerinox approves Investment Phase II, 310 million USD
- December 2010: First coil processed
- September 2011: ZM1 erected
- November 2011: Start up of the AP1

CORE BUSINESS SUPPORTED BY STABLE SHAREHOLDER LONG TERM ORIENTED

31-Dec-2010

- **Corporación Financiera ALBA – 24.2%**
  Listed on the Spanish Stock Exchange, it belongs to Grupo March, one of Spain's leading business and financial groups, which also includes Banca March. Shareholder since 2001
- **Nisshin Steel – 15.3%**
  Nisshin Steel was incorporated in April 1959 with the merger of Nihon Teppan and Nichia Steel. Nisshin evolved into an integrated steel manufacturer and a specialist in the coated steel sheet and stainless steel sheet markets. Co-founder and shareholder since 1970
- **Omega Capital – 11.8%**
  Investment vehicle owned by Mrs. Koplowitz, one of Spain's most relevant financial investors. Shareholder since 1998
- **Casa Grande de Cartagena – 5.0%**
  Investment vehicle owned by the Del Pino family, major shareholders of Ferrovial Group. Shareholder since 2006
- **Industrial Development Corporation of South Africa ("IDC") – 3.1%**
  IDC is a self-financing, state-owned national development finance institution that provides financing to entrepreneurs and businesses engaged in competitive industries. IDC was co-founder and shareholder of Columbus before the acquisition by Acerinox. Shareholder since 2002

GROUP STRUCTURAL PROFITABILITY NOT DEPENDING ON POLITICAL SUPPORT

- Profits of certain players are mainly driven by overprotection with:
  - Duties
  - Subsidies
  - Politics
  - Lack of environmental regulatory

- SHALL IT LAST FOR EVER?

ONGOING COST SAVING

1. Excellence Plan: Ability to compare / set up benchmarks between factories

   Target Phase I+ Phase II: 187 million €

2. Workforce is 10%-35% lower than competitors even though our higher production and extensive commercial network

Acerinox(*)

Outokumpu(*)

Aperam(*)

Thyssen(*)

(*) Thousand employess according to 2010 annual report

ACERINOX

WIDE RANGE OF PRODUCTS

- Flat and long products
- Special types:
  - Ferritics
  - Duplex
  - 200 Series
  - 3CR12
  - ...
- Finishes:
  - BA
  - 2B
  - No. 4 polish
  - Scotchbrite
  - Rolled on
  - No. 1 finish
  - ...

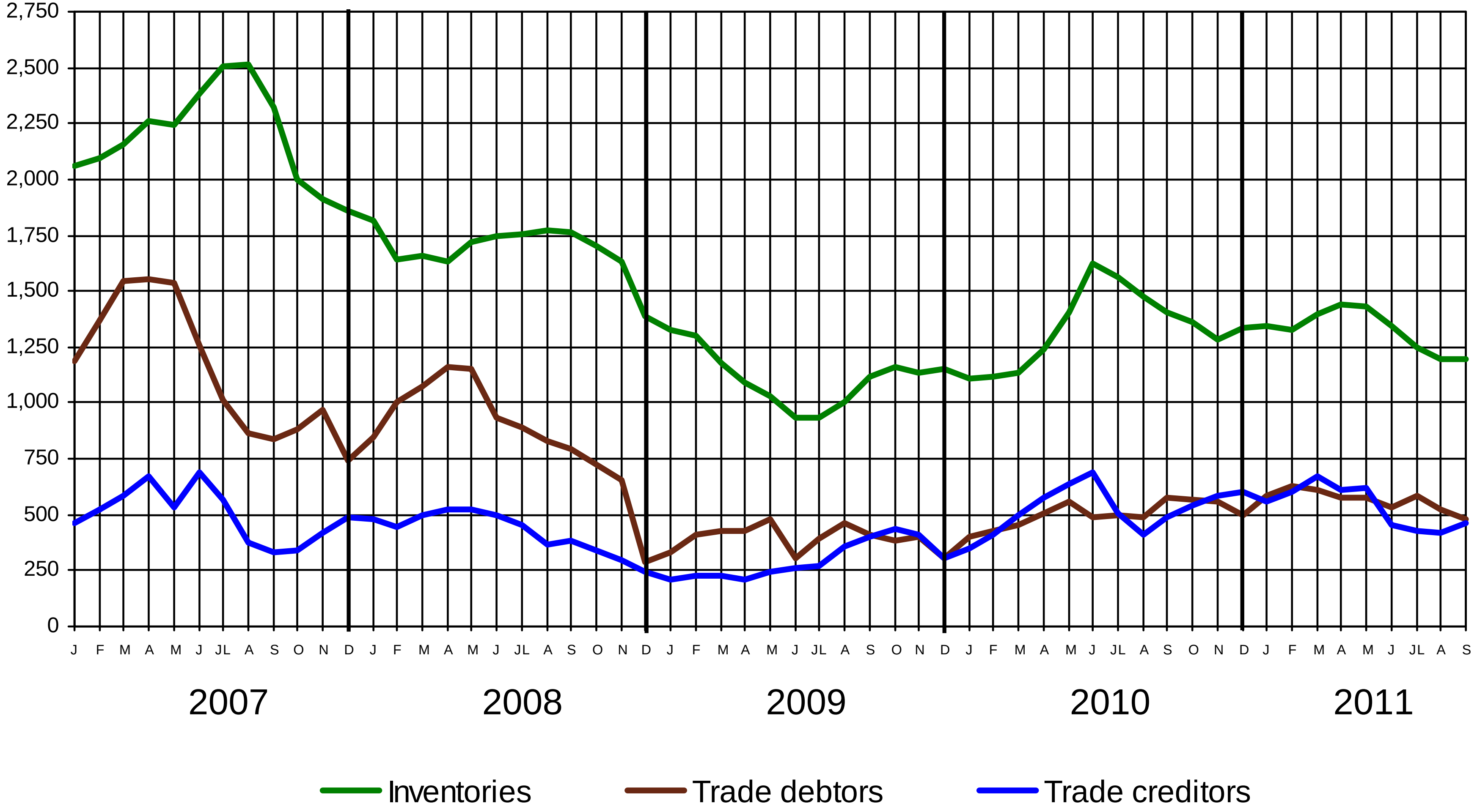
BAHRU CONTRIBUTES TO IMPROVE CAPACITY UTILIZATION…

… when others shut down capacity

Capacity	Melting	Hot rolling	Cold rolling
ACERINOX	1,100,000 mt/year	900,000 mt/year	670,000 mt/year
NAS	1,400,000 mt/year	1,200,000 mt/year	850,000 mt/year
	1,000,000 mt/year	1,000,000 mt/year	545,000 mt/year
BAHRU STAINLESS	1,000,000 mt/year	1,000,000 mt/year	600,000 mt/year
ACERINOX GROUP	**4,500,000 mt/year**	**4,100,000 mt/year**	**2,665,000 mt/year**

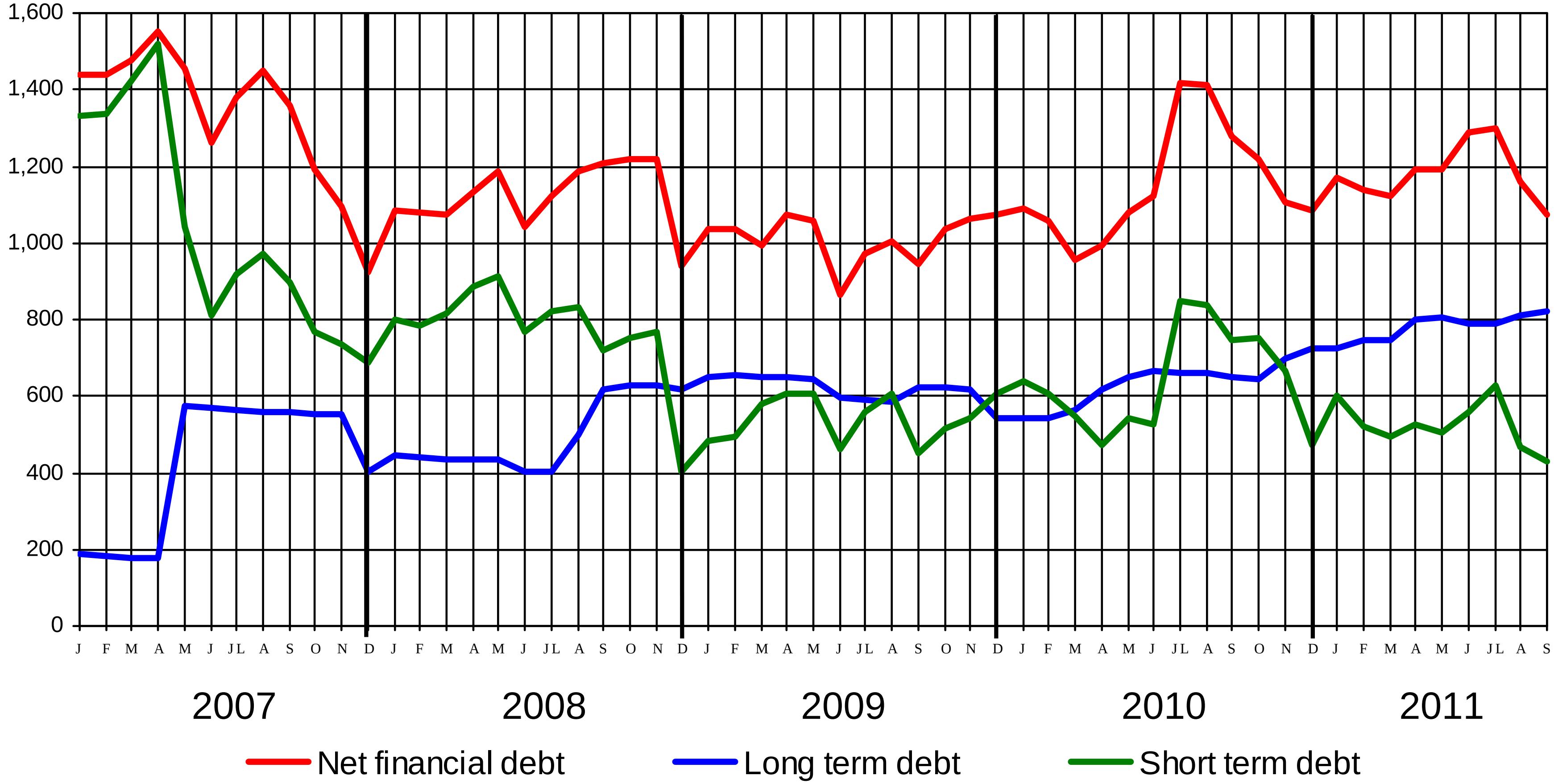
FINANCIAL STRENGTH

Working capital evolution (million euros)



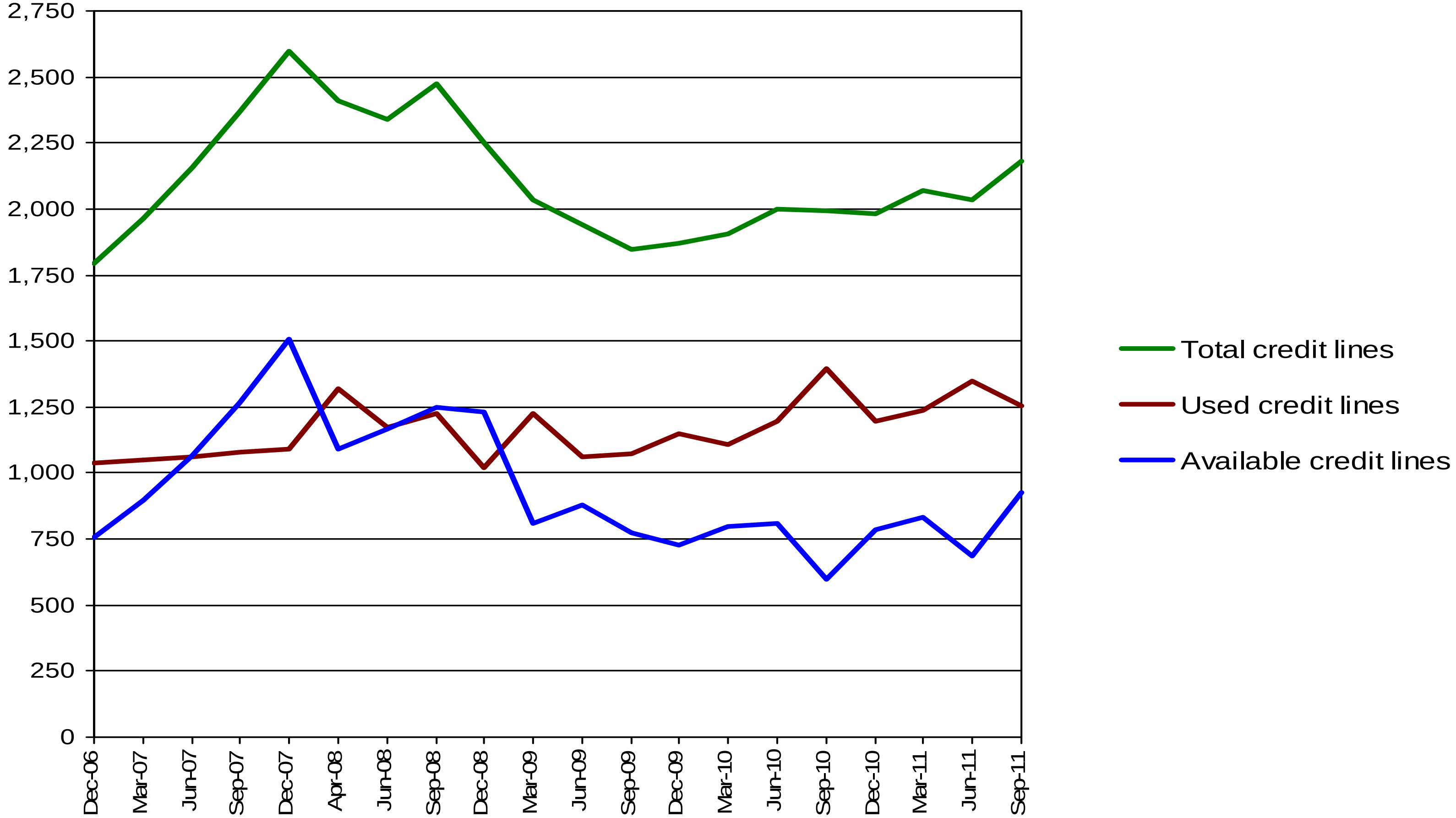
FINANCIAL STRENGTH

Net financial debt evolution (million euros)



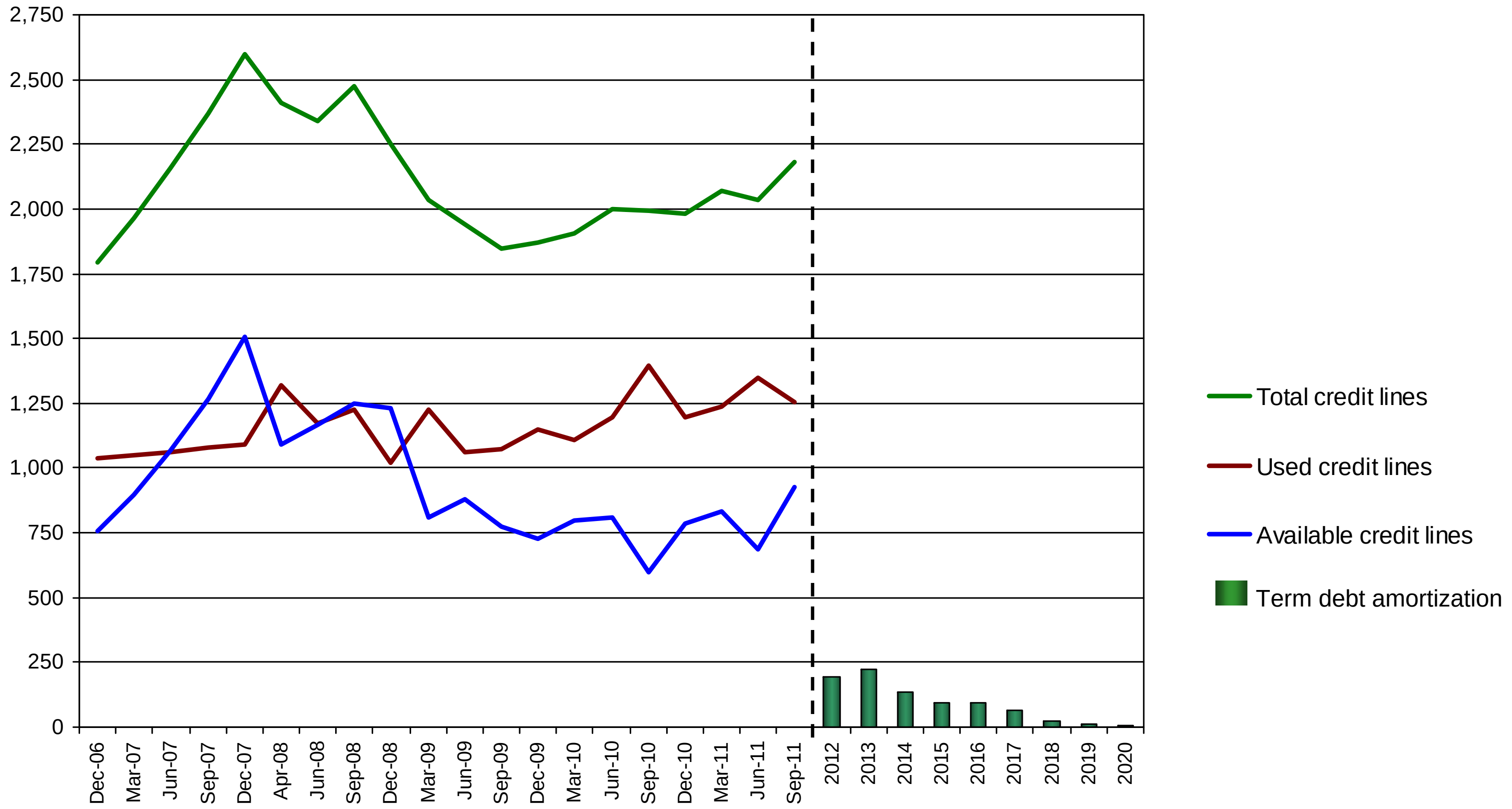
FINANCIAL STRENGTH

Credit lines evolution (million euros)



FINANCIAL STRENGTH

Credit lines evolution and future term debt amortization (million euros)



FINANCIAL STRENGTH

- Net financial debt: 1,075 million €
- Gearing ratio: 57.8%
- Cost of debt: below 4%
- Even though the financial crisis:
  - Years 2010 – 2011: Credit lines increase in 400 million euros
  - Years 2010 – 2011: Long term debt increase in 300 million euros

Thank you very much