

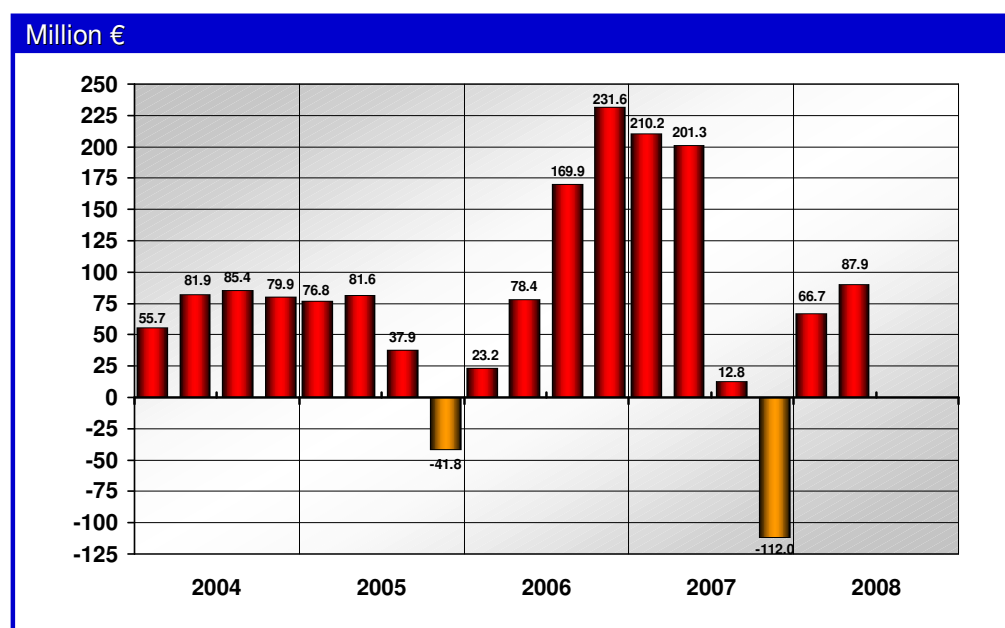


RESULTS 1st SEMESTER 2008

THE HALF-YEARLY RESULTS OF ACERINOX GROUP, 154.6 MILLION EUROS, CONFIRM THE RECOVERY FROM THE END OF YEAR 2007

The results after taxes and minorities of the second quarter, 87.9 million euros, are 31.9% higher than the first quarter figures.

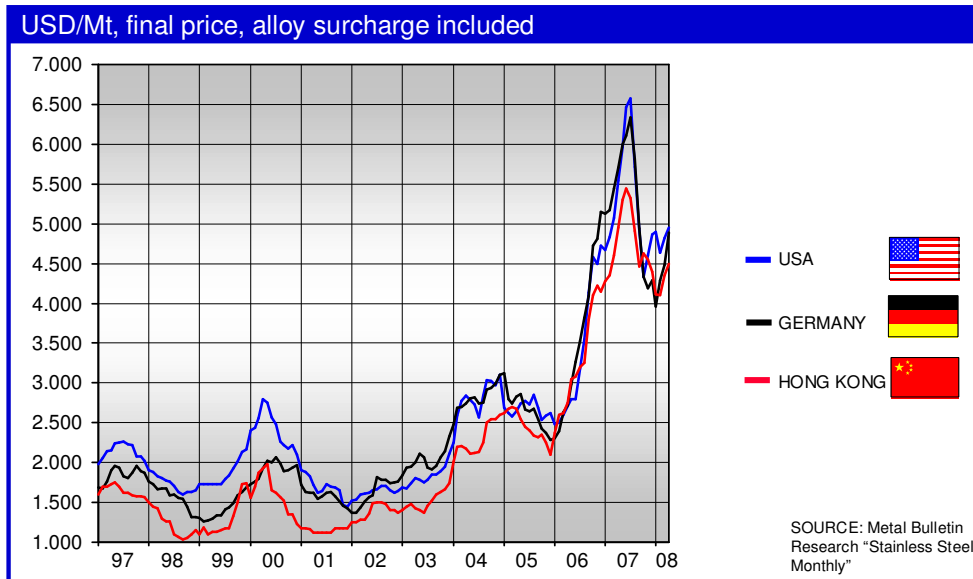
QUARTERLY EVOLUTION OF THE RESULT AFTER TAXES AND MINORITIES
ACERINOX GROUP



Markets

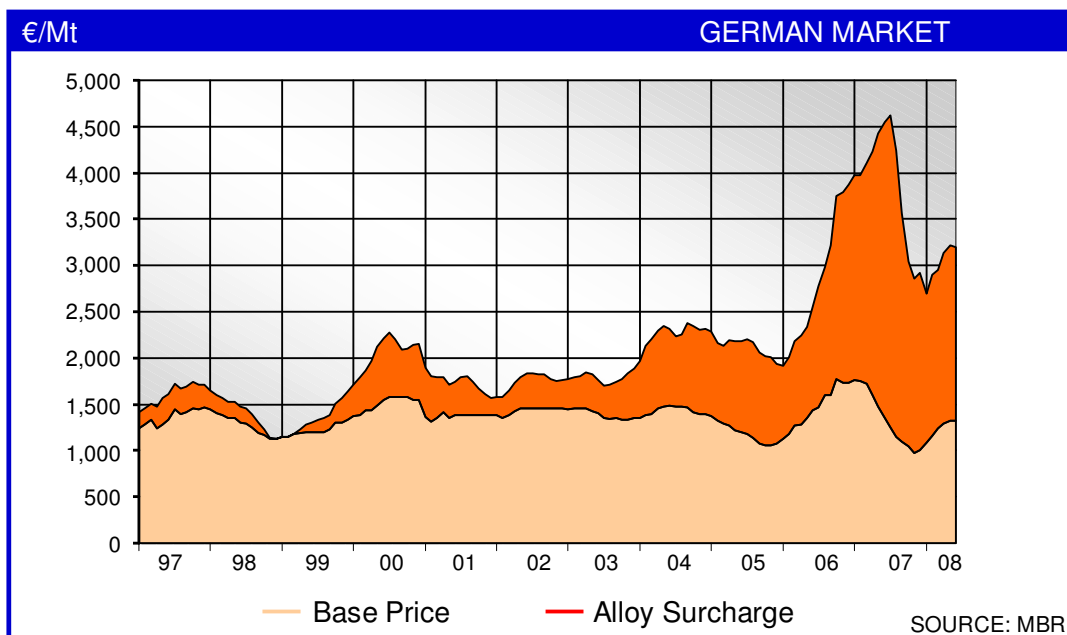
During the first half of 2008 the stainless steel sector has been featured by the demand recovery and the inventories reductions, which has allowed to increase the base prices in all the markets.

STAINLESS STEEL COLD ROLLED SHEET PRICES AISI. 304 2.0 mm (1997 – June 2008)



The flat products apparent consumption in the European market has improved by 6% with regard to the first semester of 2007, which has led to increase base prices by 30% from the low levels reached at the end of year 2007.

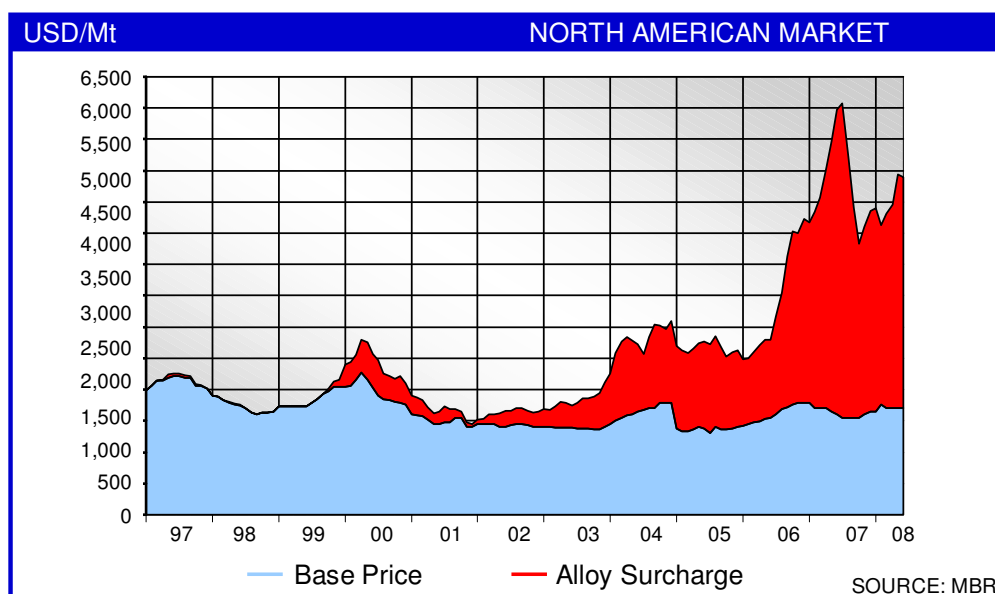
STAINLESS STEEL COLD ROLLED SHEET PRICES AISI. 304 2.0 mm (1997 – June 2008)



The American market apparent consumption has shown a worse behaviour due to the fact that the stockists have kept low levels of inventories. The base prices have increased at a lower rate than in Europe but their behaviour is much more stable.

STAINLESS STEEL COLD ROLLED SHEET PRICES

AISI. 304 2.0 mm (1997 – June 2008)



The weakness of the nickel in the last weeks and the seasonal factor, mainly in the European markets, have reduced the orders entry and weakened the prices. We expect a recovery of market fundamentals from September, reinforced by the low inventory levels available in the market.

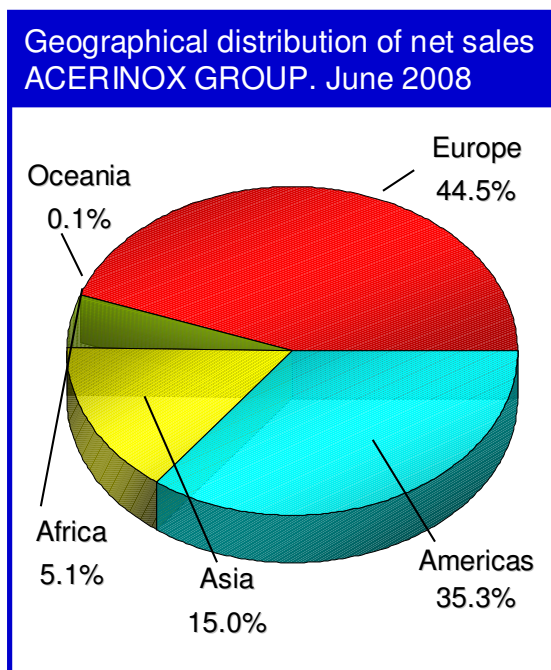
Productions

In this context, Acerinox Group has kept a good production level, although slightly lower to the level achieved in the first semester of the previous year.

Thousand Mt	2008				Accumulated	2007 1 st Half
	1Q	2Q	3Q	4Q		
Melting shop	626.3	605.7			1,232.1	1,314.4
Hot rolling shop	545.0	522.8			1,067.8	1,150.7
Cold rolling shop	388.0	371.4			759.4	788.7
Long product (Hot rolling)	63.0	59.6			122.6	123.8

Results

The half-yearly net sales, 3,159 million euros is 27% lower than the invoiced figure in 2007 like period, but they increase by 22% with regard to the figure of the second half of the previous year. Geographical distribution of Group sales in the 2008 first half shows the competitive advantage of Acerinox as global producer with commercial presence in every area. Europe remains as the main market meaning 44.5% of the Group sales. Spanish market means around 11% of total Group sales.



The EBITDA, 324.9 million euros, is equivalent to 10.3% margin over sales. This margin, although 41% lower than the exceptional one of the first semester of 2007, is higher than the margin of the whole of year 2007, which was 9.5%. A extraordinary expense of 6.7 million euros has been accounted in June due to the attendance bonus to the General Shareholders Meeting.

The quarterly results after taxes and minorities, 87.9 million euros, confirms the recovery which is taking place from the end of 2007 and they are only surpassed by the quarterly results achieved in the period July 2006 – June 2007, as a result of the nickel price “rally” during said period.

CONDENSED PROFIT & LOSS ACCOUNT
ACERINOX CONSOLIDATED GROUP

Million €	1º Q. 08	2º Q. 08	January-June		
			2008	2007	Variation
Net sales	1,566.69	1,591.92	3,158.61	4,313.29	-26.8%
Gross margin	355.65	406.84	762.48	1,197.87	-36.3%
% over sales	22.7%	25.6%	24.1%	27.8%	
EBITDA	137.09	187.86	324.95	755.01	-57.0%
% over sales	8.8%	11.8%	10.3%	17.5%	
EBIT	107.81	156.63	264.44	678.82	-61.0%
% over sales	6.9%	9.8%	8.4%	15.7%	
Result before taxes	101.82	136.64	238.46	644.79	-63.0%
Result after taxes and minorities	66.66	87.92	154.59	411.55	-62.4%
Depreciation	29.39	30.72	60.11	65.37	-8.1%
Net cash flow	96.05	118.64	214.69	476.92	-55.0%

The contribution to the net results is once more led by North American Stainless with 73.1%, followed by Acerinox, S.A. with 14.2% and Columbus with 11.0%.

Contribution to the result after taxes and minorities. June 2008

Acerinox, S.A.	14.2%
NAS, Inc.	73.1%
Columbus Pty. Ltd.	11.0%
Roldán, S.A. and Inoxfil, S.A.	-0.5%
Trading Companies	2.2%
TOTAL	100%

The better behaviour of the market during the first semester of 2008 is reflected in the reduction of the inventories amount in 109 million euros and in the increase of the number of customers.

The Group financial debt amounts to 1,042 million euros, equivalent to gearing of 47.4%.

The financial strength of the Group is proved by maintaining comfortable leverage levels, which allow us to undertake high investments as those we are carrying out during the year 2008, and also, the acquisition of 2% of the share capital for its redemption, which was recently approved by the General Shareholders Meeting.

Condensed balance Sheet of Acerinox Consolidated Group

ASSETS

Million €	Jun-08	Dic-07	Variation
Non-current assets	1,568.86	1,561.98	0.4%
Current assets	2,908.45	2,884.33	0.8%
- Inventories	1,746.06	1,855.82	-5.9%
- Debtors	1,022.45	830.89	23.1%
- Cash and other current assets	139.94	197.62	-29.2%
TOTAL ASSETS	4,477.30	4,446.31	0.7%

LIABILITIES

Million €	Jun-08	Dic-07	variation
Equity	2,199.72	2,307.60	-4.7%
Non-current liabilities	656.15	678.14	-3.2%
- Interest-bearing loans and borrowings	401.74	404.66	-0.7%
- Other non-current liabilities	254.40	273.48	-7.0%
Current liabilities	1,621.43	1,460.57	11.0%
- Interest-bearing loans and borrowings	769.82	685.23	12.3%
- Trade creditors	493.63	490.20	0.7%
- Other current liabilities	357.98	285.14	25.5%
TOTAL EQUITY AND LIABILITIES	4,477.30	4,446.31	0.7%

Investments

- [Campo de Gibraltar Factory](#)

The investments program approved a year ago (16th Phase) for an amount of 49.9 million euros, is at an advance stage of implementation.

The recently approved investments plan (17th Phase) for the next two years has already been started. The development of these investments will require adjustments in some production lines, which will be carried out in the biennial halts planned for the second half of the year.

- [Kentucky Factory](#)

The construction works of No. 2 AOD converter for the melting shop are well under way, and its start-up is scheduled for the end of the third quarter.

In the cold rolling mill, the annealing and pickling line (No.4 AP line) will come onto stream at the end of the current year. No. 5 Sendzimir cold rolling mill will come into operation at the end of 2009, according to schedule.

- [Middelburg Factory](#)

The start-up of No. 4 Sendzimir cold rolling mill is planned for the first quarter of year 2009.

- [Johor Bahru Factory](#)

Bahru Stainless Society has been already incorporated, having obtained the "Manufacturing License" from the Malaysian Industry Ministry. Likewise, the awarding of the main equipment for the first investments phase are already taking place. The works for preparing the land are under way.

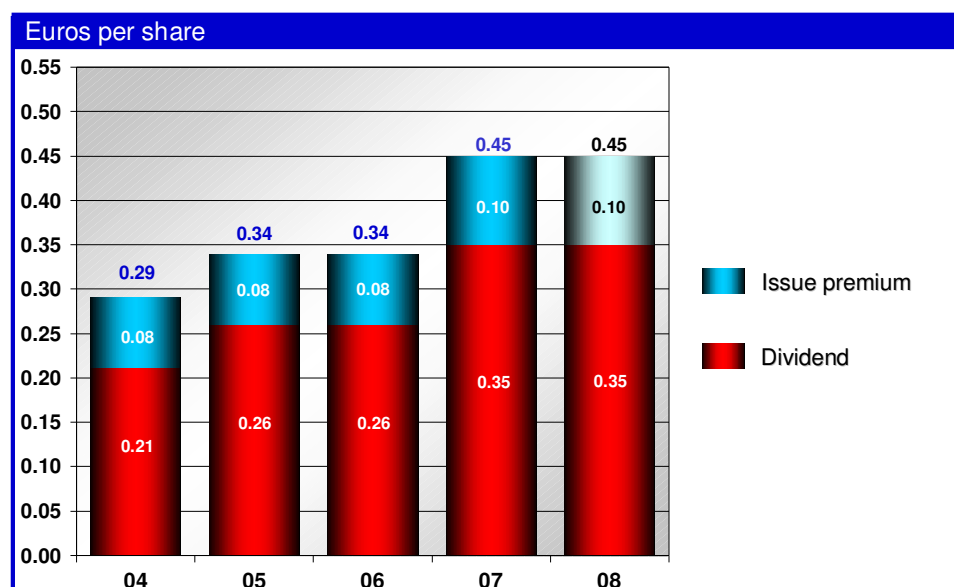
Payment to the Shareholder

ACERINOX, S.A. Board of Directors in its meeting held today, has agreed to refund an issue premium for an amount of 0.10 euros per share, identical to that paid in October 2007, which will be effective on the 3rd October.

On the 4th July a complementary dividend of 0.15 euros per share on account of year 2007 was paid, as it was agreed in the General Shareholders Meeting.

The total payments to the shareholders in year 2008 will amount to 0.45 euros per share.

RETURN TO SHAREHOLDERS



Data by Companies

<i>Thousand Mt</i>	MELTING PRODUCTION					
	1st Q. 08	2nd Q. 08	3rd Q. 08	4th Q. 08	Year 2008	% over 2007
Acerinox, S.A.	235.7	237.7			473.4	-5.0%
NAS	229.3	204.3			433.6	-1.4%
Columbus	161.3	163.8			325.1	-13.7%
Acerinox Group	626.3	605.7			1,232.1	-6.3%

<i>Million €</i>	NET SALES					
	1st Q. 08	2nd Q. 08	3rd Q. 08	4th Q. 08	Year 2008	% over 2007
Acerinox Group	1,566.7	1,591.9			3,158.6	-26.8%
Acerinox, S.A.	609.2	646.6			1,255.8	-20.7%
NAS (million USD)	801.3	864.6			1,665.9	-15.3%
Columbus	343.9	329.0			672.9	-35.4%

<i>Million €</i>	PROFIT AFTER TAXES AND MINORITIES					
	1st Q. 08	2nd Q. 08	3rd Q. 08	4th Q. 08	Year 2008	% over 2007
Acerinox Group	66.7	87.9			154.6	-62.4%
Acerinox, S.A.	4.3	23.0			27.3	-83.1%
NAS (million USD)	66.9	90.7			157.6	-26.1%
Columbus	10.3	12.1			22.4	-69.0%

Relevant finance and economic data

CONSOLIDATED GROUP	Year 2008				Full Year	Year 2007
	1st Q.	2nd Q.	3rd Q.	4th Q.		1st Half
Production (Mt.)						
- Melting shop	626,340	605,722			1,232,062	1,314,379
- Hot rolling shop	544,982	522,838			1,067,820	1,150,708
- Cold rolling shop	387,994	371,417			759,411	788,735
- Long product (hot rolling)	63,034	59,609			122,643	123,814
Net sales (million €)						
Group	1,566.69	1,591.92			3,158.61	4,313.29
- Acerinox, S.A.	609.19	646.63			1,255.82	1,582.92
- NAS (million USD)	801.26	864.59			1,665.85	1,967.60
- Columbus	343.85	329.05			672.90	1,040.94
EBITDA (million €)	137.09	187.86			324.95	755.01
- % over sales	8.8%	11.8%			10.3%	17.5%
EBIT (million €)	107.81	156.63			264.44	678.82
- % over sales	6.9%	9.8%			8.4%	15.7%
Result before taxes and minorities (million €)	101.82	136.64			238.46	644.79
Result after taxes and minorities (million €)	66.66	87.92			154.59	411.55
Depreciation (million €)	29.39	30.72			60.11	65.37
Net cash flow (million €)	96.05	118.64			214.69	476.92
Number of employees	7,512	7,650			7,650	7,372
Net financial debt (million €)	1,076.48	1,042.25			1,042.25	1,261.87
Debt to equity (%)	48.9%	47.4%			47.4%	48.5%
Number of shares (million)	259.50	259.50			259.50	259.50
Return to shareholders (per share)	0.10	0.10			0.20	0.20
Return to shareholders (million €)	25.87	25.43			51.30	51.90
Daily average shares traded (nº of shares, million)	2.13	1.82			1.97	2.83
Result after taxes and minorities per share	0.26	0.34			0.60	1.59
Net cash flow per share	0.37	0.46			0.83	1.84