



GENERAL SHAREHOLDERS' MEETING

2019 BUSINESS YEAR

A low-angle photograph of a modern, multi-story office building with a glass facade. The building is blue and white, with the Acerinox logo prominently displayed on one of the upper floors. The logo consists of the word 'ACERINOX' in a stylized font inside a circular emblem. The building is set against a clear sky. In the foreground, there are abstract geometric shapes in shades of blue and grey, creating a layered effect.

CHIEF EXECUTIVE OFFICER'S REPORT

BERNARDO VELÁZQUEZ HERREROS

GENERAL SHAREHOLDERS' MEETING

2019 Business Year

Madrid, 22 October 2020

External factors:

- Trade war between China and the United States
- Slowdown of the main consumer markets
- Excess stainless steel production

GLOBAL ECONOMY

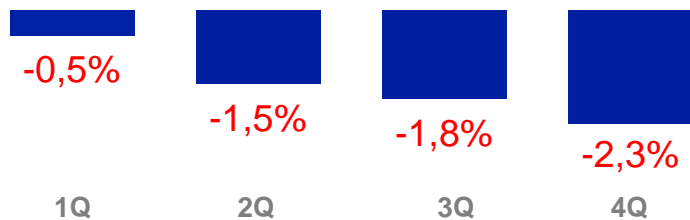
CHIEF EXECUTIVE OFFICER'S REPORT



Steel dispute

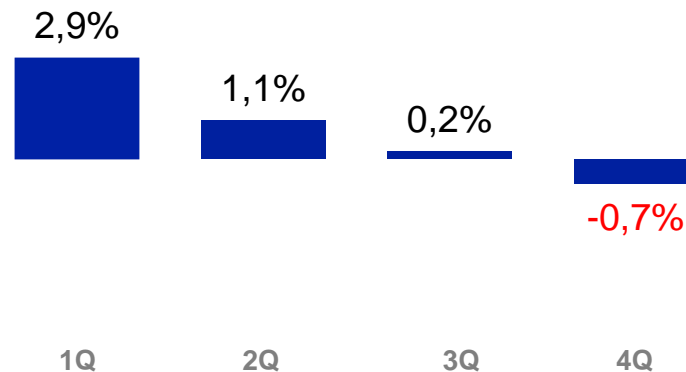
EUROPE

INDUSTRIAL PRODUCTION INDEX



THE UNITED STATES

INDUSTRIAL PRODUCTION INDEX

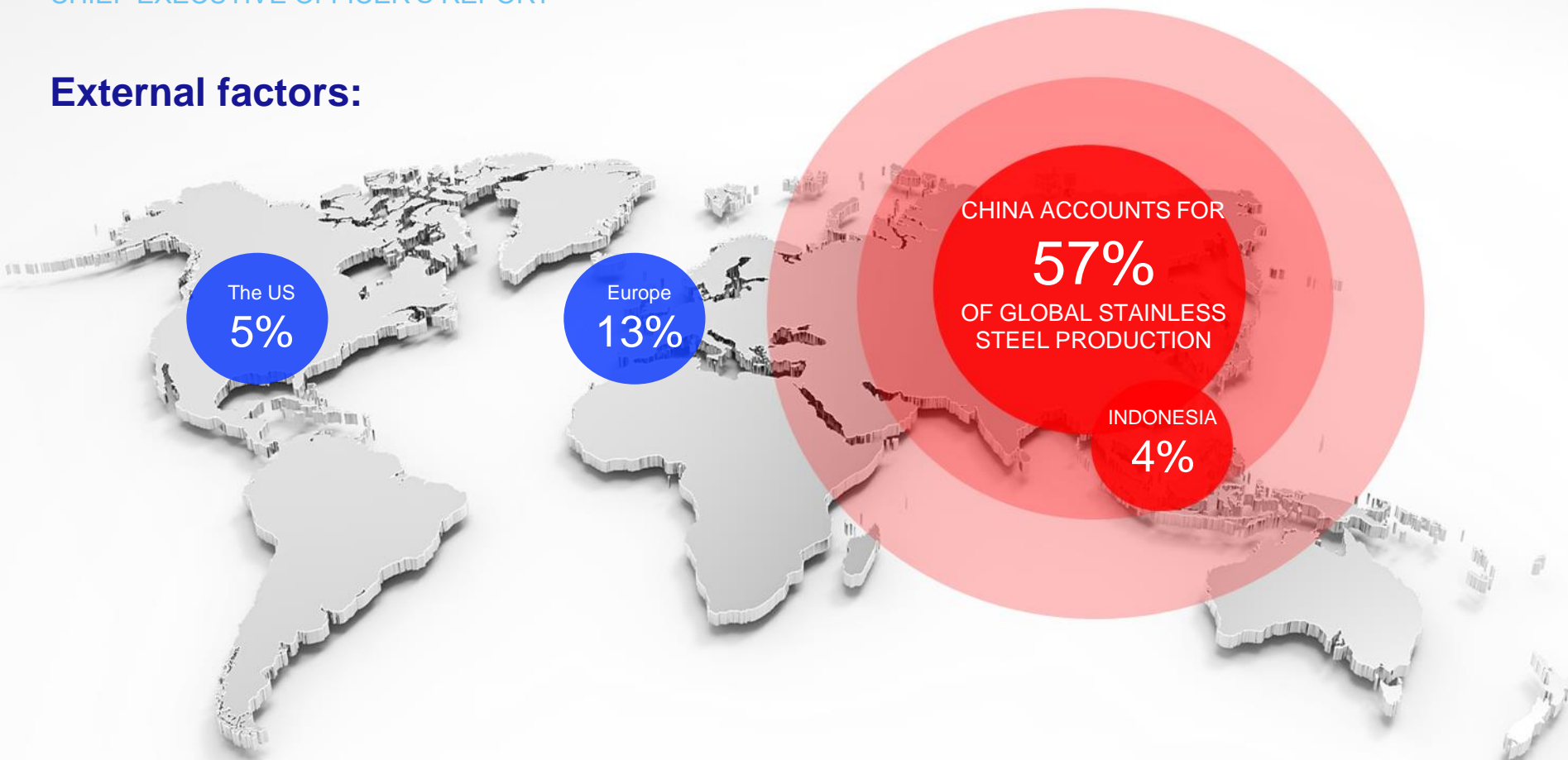


MARKET SHARE IN GLOBAL STAINLESS STEEL PRODUCTION



CHIEF EXECUTIVE OFFICER'S REPORT

External factors:



COMMERCIAL MEASURES IN THE STAINLESS STEEL MARKET

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21 countries

of the 22 countries that
melt or roll have imposed
commercial defence
measures



(1) Anti-Dumping, Subsidy and Safeguarding

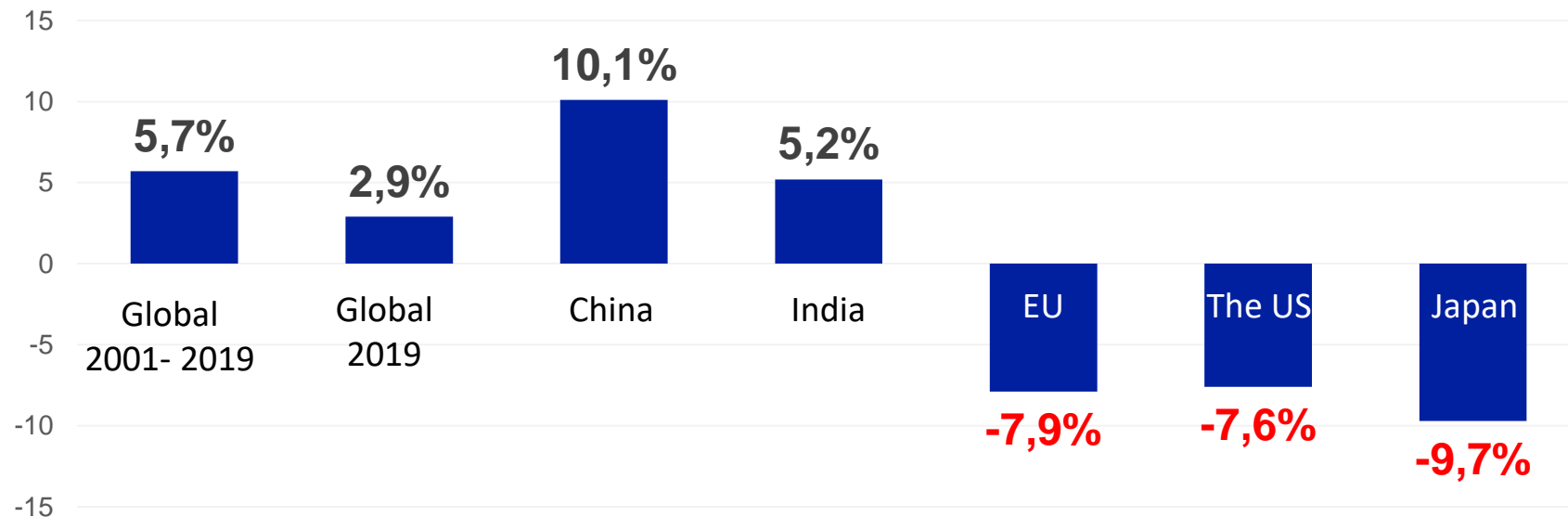
(2) Import Duties, Technical barriers

2019 GROWTH IN STAINLESS STEEL PRODUCTION

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Global stainless steel production



Source: ISSF

2019 ACERINOX PRODUCTION

CHIEF EXECUTIVE OFFICER'S REPORT



Million Mt	1Q	2Q	3Q	4Q	Accumulated
Melting shop	627,920	570,119	542,425	490,734	2,231,199
Hot rolling	531,072	514,302	471,420	434,086	1,950,880
Cold rolling	422,148	441,138	394,748	349,748	1,752,329
Long products (Hot rolling)	65,824	58,312	50,136	45,307	254,629

- Ineffective safeguarding measures
- Increase in stocks
- Pressure on prices



GLOBAL ECONOMY

CHIEF EXECUTIVE OFFICER'S REPORT



WE ARE LEADERS IN THE US MARKET



50%

*Of our sales
are in the US*

35%

*Market share
in the US*

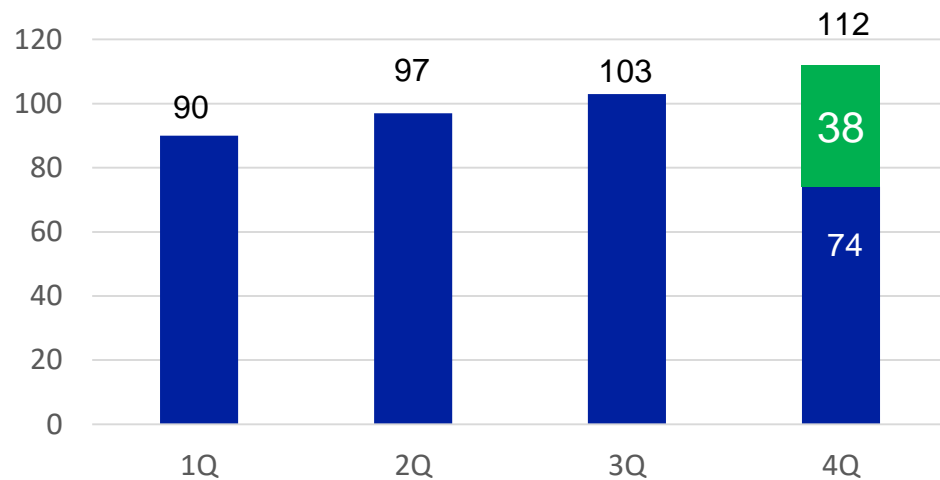
**Section 232
25% duty**

2019 ACERINOX RESULTS

CHIEF EXECUTIVE OFFICER'S REPORT



Million euros



€ **364** million
EBITDA

€ **38** million
Acerinox Europa Lay-off
Provision

2019 ACERINOX RESULTS

CHIEF EXECUTIVE OFFICER'S REPORT



TURNOVER

€ **4,754** million

The second highest turnover in the last

10 years

€ **359** million

CASH FLOW
GENERATION

€ **57** million

Reduction of debt

€ **0.50**/Share

Shareholder remuneration

EBITDA

€ **364** million

24%

Lower than 2018 EBITDA

€ **-60** million

Net loss

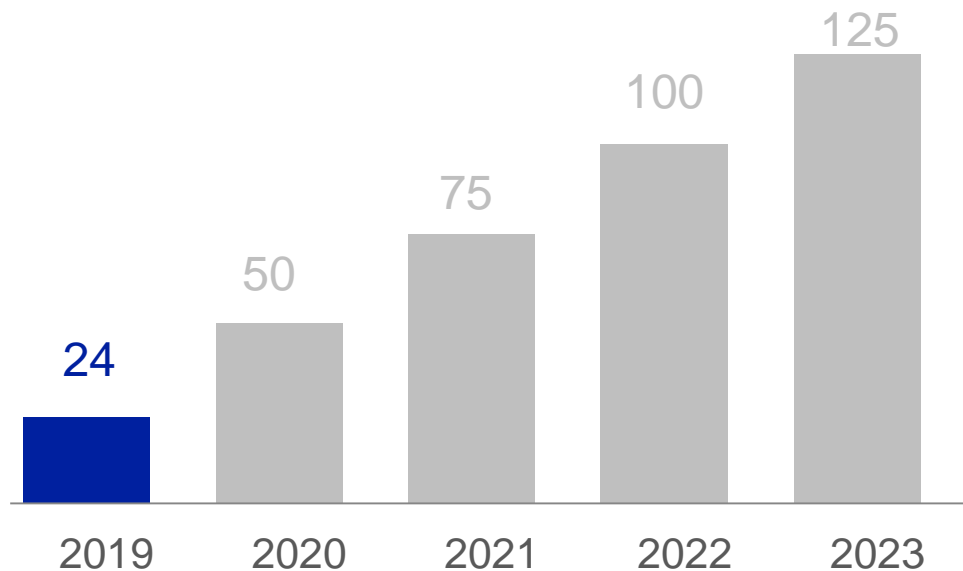


EXCELLENCE 360° (2019 – 2023)

CHIEF EXECUTIVE OFFICER'S REPORT



Million euros



€ **125** million

Recurring annual
savings at year-
end

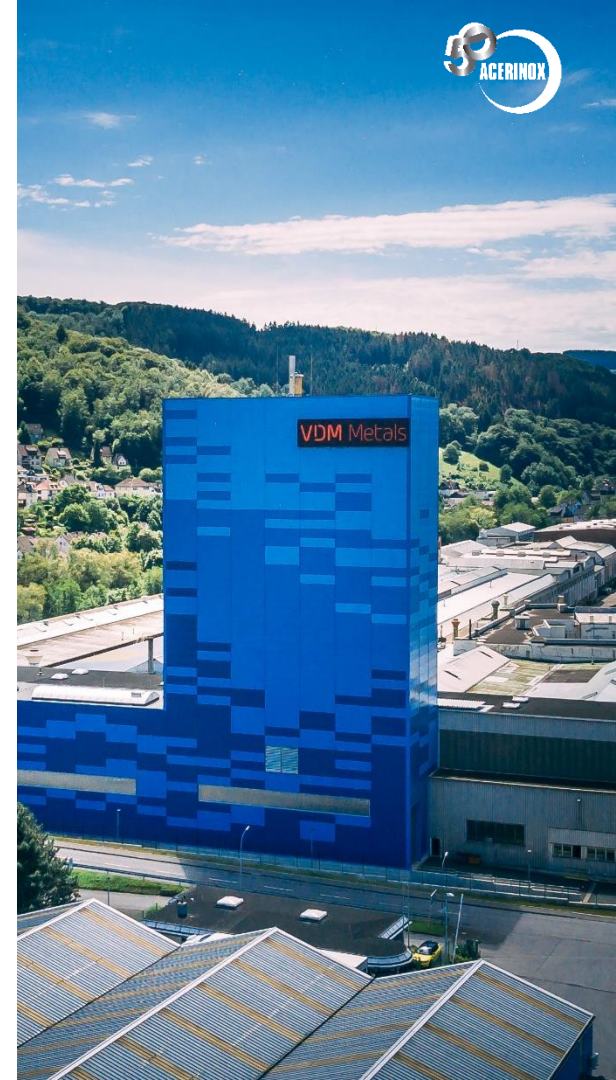
ACQUISITION OF VDM

CHIEF EXECUTIVE OFFICER'S REPORT

VDM Metals

A company of ACERINOX

- World leader in high performance alloys
- The most advanced research in the sector
- Best reputation among its customers
- Supplements Acerinox's traditional market

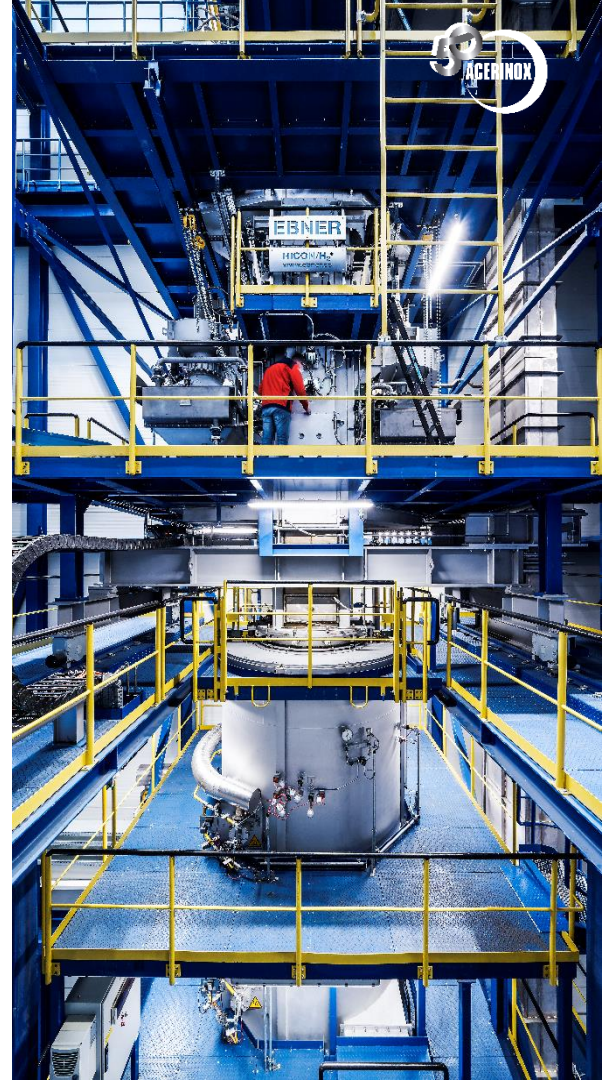


ACQUISITION OF VDM

CHIEF EXECUTIVE OFFICER'S REPORT

VDM Metals
A company of ACERINOX

- Widest range of High Performance Alloys
- Leader in R&D&I and patents
- Solutions for sectors such as:
 - ★ Chemical and pharmaceutical
 - ★ Aerospace
 - ★ Energy and automotive
 - ★ Electronics and 3D printing
 - ★ Green hydrogen



ACQUISITION OF VDM

CHIEF EXECUTIVE OFFICER'S REPORT

VDM Metals

A company of ACERINOX

7

Production
plants

€ **852** million

Sales*

€ **97** million

EBITDA*

*2018-2019 business year



SUSTAINABLE PRODUCT

CHIEF EXECUTIVE OFFICER'S REPORT



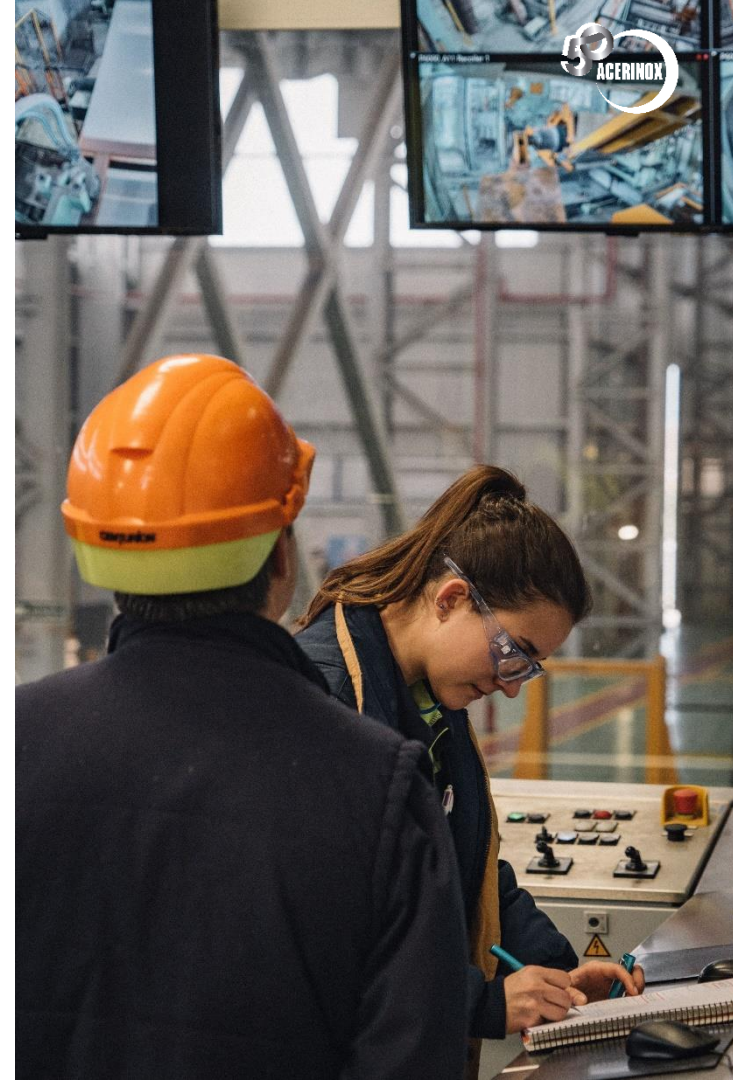
- Extraordinary and durable product
- Long life cycle and infinitely recyclable
- Low maintenance
- Committed to the Circular Economy
- Committed to reducing emissions and decarbonisation



SUSTAINABLE INDUSTRY

CHIEF EXECUTIVE OFFICER'S REPORT

- Quality and stable employment
- Fair pay
- Professional training and development
- Low accident rate
- Talent attraction
- Partnerships with universities and vocational training centres



COST OF ENERGY

CHIEF EXECUTIVE OFFICER'S REPORT



“We need a competitive energy price in Spain that will allow us to compete on equal terms with at least our neighbouring countries

