

A REPORT BY THE DIRECTORS OF ACERINOX, S.A. PURSUANT TO ARTICLES 286 AND 296 OF THE CAPITAL COMPANIES ACT ON THE PROPOSED CAPITAL INCREASE FULLY FUNDED THROUGH RESERVES, INCLUDED IN ITEM FOUR ON THE AGENDA OF THE GENERAL SHAREHOLDERS' MEETING, AT FIRST CALL, FOR THE 9th JUNE 2014 AND, AT SECOND CALL, FOR THE 10th JUNE 2014

1 WORDING OF ITEM FOUR ON THE AGENDA:

Capital Increase charged to voluntary reserves, by issuing new ordinary shares with a par value of 0.25 euro cents per share, of the same class and series as those currently in circulation (to implement a “flexible dividend”).

2 PURPOSE AND RATIONALE FOR THE PROPOSAL

2.1 Purpose of the Capital Increase

The proposed Capital Increase seeks to provide shareholders with a more flexible remuneration mechanism, which allows them to choose between continuing to receive a fixed amount in cash or receive free additional shares from the Company.

It involves rewarding shareholders, as other major Spanish listed companies have been doing, with a “flexible dividend”. This method, which has the consequent dilutive effect for shareholders that opt to receive cash (by selling, as explained below, their rights to free allotment), is particularly interesting in the current context of the increasing tax burden applicable to savings income.

The increase is designed in a very flexible way, so that it could just be used to replace the traditional final dividend.

2.2 Structure of the Capital Increase and shareholder options

The proposal to offer Company shareholders the option to receive, Acerinox shares, if they so decide, or an equivalent cash amount (“**Option**”), has been structured through a Capital Increase charged to the reserves account, provided for in the article 303.1 of Capital Companies Act called “other reserves” (“**Capital Increase**”), which is submitted for approval at the Ordinary General Shareholders’ Meeting under item four on the agenda.

The total number of shares to be issued in the Capital Increase will depend on the actual number of shares issued on each of the dates on which, if any, the Board of Directors (with express authority for substitution).

The date on which the execution of the Capital Increase are expected to begin will be within two months from the date of the Ordinary General Shareholders’ Meeting announced for the 9th and 10th of June 2014 in first and second call respectively (a very similar date, therefore, to that in which Acerinox has traditionally been distributing the supplementary dividend). It is also projected that the Amount of the Executed Option is a maximum of 115,715,779.65 euros under the terms and conditions described below.

On the date on which the Board of Directors (with express authority for substitution) decides to carry out the Execution of the Capital Increase:

- (a) The Company's shareholders will receive a free allotment right for each Acerinox share they hold at that time. These rights are tradable and can therefore be transmitted under the same conditions as shares from the Madrid and Barcelona Stock Exchange for a period of at least 15 calendar days, after which the rights are automatically converted into new Company shares, which will be allocated to those who, at that time, hold free allotment rights. The actual number of shares to be issued in one Execution and therefore the number of necessary rights needed to receive a new share will depend on the Listed Price of an Acerinox share, taken at the time of the Execution, in accordance with the procedure described in this report ("**Listed Price**"). In any event, as explained below, the total number of shares to be issued in each Execution shall be such that the reference market value of those shares, calculated on the basis of the Listed Price, shall, under no circumstances, exceed the Amount of the Executed Option (as defined below) set for this Execution (As in the case of the first Execution, it shall not exceed 115,715,779.65 euros.
- (b) Acerinox, or organization that form part of the Acerinox Group, shall make an irrevocable commitment before holders of free allotment rights to acquire such rights at a fixed price for that Execution ("**Purchase Agreement**"). This fixed price will be calculated prior to the opening of the trading period for free allotment rights and based on the Listed Price (so that the price per right will be determined by dividing the Listed Price by the number of rights needed to receive one new share). The Company therefore guarantees that all shareholders can monetize their rights, allowing them to receive cash.

Therefore, during each Execution, Acerinox shareholders will have the option, at their free choice, to:

- (a) Not transmit their free allotment rights. In this case, at the end of each trading period, the shareholder will receive the number of new shares that are fully paid-up.
- (b) Transmit all or part of their free allotment rights to Acerinox in accordance with the Purchase Agreement at a guaranteed fixed price for the Execution. The shareholder would therefore opt to monetize his rights and receive the Executed Option instead of shares.
- (c) Transmit all or part of their free allotment rights to the market. In this case, the shareholder would opt to monetize his rights without a guaranteed fixed price, but the consideration for the rights would depend on the market conditions in general and particularly the Listed Price of such rights.

2.3 Total Amount of the Option

The market value of the paid-up shares issued through the Capital Increase, calculated on the basis of the current Listed Price, will be equal to the amount of the Executed Option. (As defined below)

The Amount of the Executed Option will be a maximum of 115,715,779.65 euros. (The figure of 115,715,779.65 euros is the result of multiplying 0.45 euros by the number of number of outstanding shares (257,146,177 shares), 0.45 euros is the amount that Acerinox has distributed to the shareholders in the last years. By this system, the Board of Directors intends to maintain the remuneration to the shareholders in a similar level to that of the previous years by turning to the so called "flexible dividends").

3 MAIN TERMS AND CONDITIONS OF THE CAPITAL INCREASE

The terms and conditions of the Capital Increase are described below.

3.1 Amount of the Capital Increase, number of shares to be issued and number of free allotment rights needed to receive one new share

The number of shares to be issued in each Execution will be determined by dividing the Amount of the Executed Option by the Company's share value taken at the time said Execution is carried out (i.e. the Listed Price). The number calculated will be rounded to the nearest whole number of shares and a whole conversion ratio of rights to shares. Additionally, and to these same effects, Acerinox, or a group Company that holds Acerinox shares, or any of its reference shareholders (if they so wish), or any of the members of the Acerinox Board of Directors, will waive their free allotment rights in accordance with what is stated in paragraph 3.2 below.

Once the number of shares to be issued in the Execution is determined, the amount of Capital Increase will be the amount resulted by multiplying said number of new shares by the par value of Acerinox shares (0.25 euros per share). The capital increase will be carried out, therefore, at par value and without issue premium.

Specifically, at the moment that it is decided to carry out the Execution, the Board of Directors (with express authority for substitution), will determine the number of shares to be issued and, therefore, the amount of Capital Increase that will be executed at that moment and the number of free allotment rights necessary to receive a new share, by applying the following formula (rounded down to the nearest whole number):

$$NAN = NTAcc / N^{\circ} \text{ rights}$$

where

NAN = Number of new shares to be issued;

NTAcc = Number of Acerinox's shares in circulation on the date that the Board of Directors or the delegated body agrees to carry out an Execution;

N° rights = Number of free allotment rights needed to receive a new share in the Execution in question, which will be determined by applying the following formula, rounded up to the nearest whole number:

$$N^{\circ} \text{ rights} = NTAcc / N^{\circ} \text{ Provisional Shares}$$

where,

N° Provisional Shares = Amount of the Option Executed / PreCot.

For these purposes, "**Listed Price**" will be the arithmetic mean of the average weighted price of the Company shares in the Madrid and Barcelona Stock Exchanges in the 5 trading days prior to the agreement of the Board of Directors or the delegated body to carry out the Execution, rounded to the nearest thousandth of a euro (amount referred to as "**Listed Price**" in this report).

3.2 Free allotment rights

In the Execution, each Acerinox share in circulation will give its holder a free allotment right.

The number of free allotment rights needed to receive a new share in the Execution will automatically be determined depending on the current difference between the number of new shares issued in the Execution and the number of shares in circulation at that time of the Capital Increase, calculated in agreement with the formula established in the previous Section 3.1.

In cases where the number of free allotment rights necessary for the allocation of a share, multiplied by the new shares, result in a number lower than the number of shares in circulation at the time, Acerinox, or a Company within the group that holds Acerinox shares, or any of its reference shareholders, if they so wish, or any of the Board of Directors, will resign a number of freely allotted shares equal to the difference between both figures so that the number of new shares is a whole number and not a fraction.

The free allotment rights will be assigned to the Acerinox shareholders who appear certified as such in the accounting registries of the *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear)* at 23:59 hours on the day that the announcement of Execution of the Capital Increase is published in the Official Gazette of the Commercial Register (*Boletín Oficial del Registro Mercantil*). It will be possible to negotiate the free allotment rights during the term determined by the Board of Directors (with the express power of substitution), with a minimum of fifteen (15) calendar days.

3.3 Purchase Agreement for free allotment rights

As stated previously, at the time of Execution, Acerinox or a Company within its Group will make a Purchase Agreement, making an irrevocable commitment to acquire the free allotment rights corresponding to the Execution in question, so that the Company's shareholders will have the guaranteed possibility of selling their rights to Acerinox, or an organization within the Acerinox Group, receiving all or part of the Option in cash, as they choose.

The Purchase Agreement will be effective and can be accepted, within the period of negotiation of free allotment rights, during the period determined for the Execution by the Board of Directors (with the express power of substitution). To this end, Acerinox is authorized to acquire such free allotment rights, with the maximum limit of the total number of rights issued, in compliance at all times with the legal restrictions that currently apply. The object of the Purchase Agreement entered into by the Company is limited exclusively to the Acerinox shareholders who hold shares at the time that the free allotment rights are allocated, and solely in relation to the free allotment rights that are originally assigned to them at the time, with it not being possible to exercise the Purchase Agreement with respect to the free allotment rights that may be acquired on the market.

Under the Purchase Agreement, the purchase price will be fixed and will be calculated before the beginning of the period for negotiating corresponding free allotment rights, in accordance with the following formula (in which the definitions established in the previous Section 3.1 will be applied), rounded to the nearest thousandth of a euro ("**Purchase Price**"):

Purchase Price = PreCot/Nº rights

The definitive Purchase Price, calculated as such, will be made public when the Execution is agreed.

It is expected Acerinox refuses any new shares corresponding to the free allotment rights that the Company has acquired in applying the Purchase Agreement. In such a case, an incomplete allocation of the part of the Capital Increase that is the object of the current Execution will be produced, increasing the capital stock exclusively by the amount corresponding to the free allotment rights which have not been waived.

3.4 Rights for new shares

New shares issued at the Execution will be ordinary shares of twenty-five (0.25) euro cents, each of par value, of the same class and series as those that are in circulation at the time, represented by means of a book entry system, with an accounting registry assigned to the *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear)* and its participating bodies.

New shares will give their holders the same economic and political rights as the Acerinox ordinary shares in circulation at the time, from the date on which the part of the Capital Increase that is the object of the Execution is declared to be subscribed and disbursed. New shares will be released and issued as fully paid-up shares.

3.5 Balance sheet and reserve charged to results in Capital Increase

The balance sheet that act as base for the Capital Increase corresponds to the Financial Year ending 31st December 2013, audited by *KPMG Auditores, S.L.* and submitted to the General Shareholders' Meeting under the first point on its agenda.

The Capital Increase will be entirely charged to the voluntary reserves account provided for in the article 303.1 of Law of Capital Companies called "other reserves", which on 31st December 2013, amounted to 701,398,000 euros.

3.6 Fiscal regime

The fiscal regime applicable to shareholders in Spain will be as follows:

Shares issued as a result of each Execution of the Capital Increase will be considered as paid-up shares and, therefore, do not constitute income with regard to Personal Income Tax, Corporation Tax or Non-Resident Income Tax, whether the shareholder operates from a permanent domicile in Spain or not.

The acquisition value for future transfers, for new shares received from the Capital Increase, and for shares from preceding transfers, will distribute the total cost between the number of bonds, whether they be old or paid-up. The age of these paid-up shares will correspond to that of preceding shares.

For shareholders who choose to sell their free allotment rights to Acerinox under the Purchase Agreement, the same regime that is applicable to the amount obtained would be applicable to the cash dividends and, therefore, subject to the same retention and the same progressive or deduction regime in terms of double taxation under Personal Income Tax and Corporation Tax.

For shareholders who sold their free allotment rights on the market, the amount obtained by the fiscal regime will be as follows:

3.6.1 In the case of being subject to Personal Income Tax or Income Tax for Non-Residents without a permanent address, the amount obtained would follow the same regime established for pre-emptive subscription rights. Consequently, the amount obtained would reduce the value of acquisition of the shares in fiscal terms from which the transferred rights derived (Article 37.1.a of Law 35/2006 of 28 November on Personal Income Tax) and if the amount obtained were superior to the value of acquisition of these shares, the difference would be deemed as capital gains for the transferring party during the tax period in which the transfer took place.

3.6.2 In the case of being subject to Corporation tax or Income Tax for Non-Residents with a permanent address in Spain (insofar as they have completed a full financial year), it would be paid according to applicable accountancy regulations.

3.7 Delegation of powers and execution of the Capital Increase

It is proposed that the Board of Directors (with the express power of substitution) is delegated the power to determine the date on which the agreement of Capital Increase adopted by the General Shareholders' Meeting must take effect, as well as to set the conditions of the Capital Increase when not set by the General Shareholders' Meeting, all within the period of one year and under the terms set out in Article 297.1.a) of the Capital Companies Act. Despite the previous point, in the event that the Board of Directors (with the express power of substitution) did not consider the total or partial execution of the Capital Increase by which the Option is implemented to be appropriate, they can put forward the possibility of partially revoking it to the Acerinox General Shareholders' Meeting, within the indicated time frame, not being forced to implement it in such a case.

On the date on which the Board of Directors or its delegated body decides to implement the Option totally or partially, invoking an Execution and setting all of its definitive terms that have not been set by the General Shareholders' Meeting, the Company will make these terms public. In particular, before the period of free allotment, the Company will make a document containing information about the number and nature of the shares and the reasons for the Execution publicly available, in agreement with Articles 26.1.e) and 41.1.d) of the Royal Decree 1310/2005 of 4 November, which is partially developed by Law 24/1988 of 28th July regarding the Stock Market.

Once the negotiation periods for the free allotment rights of each Execution have been finalized:

- (a) The new shares will be assigned to those holding free allotment rights in the correct proportions.
- (b) The period for negotiating free allotment rights will be declared as closed and formalization of the application shall begin at book value for the voluntary reserves account in an amount of the Capital Increase agreed to be executed on the date of Execution, that part being paid for with the aforementioned application.

Finally, the Board of Directors (with the express power of substitution) will adopt the corresponding agreements to modify the Articles of Association to reflect the new share capital resulting from the Execution and request admission to trade on the Madrid and Barcelona Stock Exchanges for the Execution of new shares.

3.8 Admission to trade for the new shares

For the new shares issued, Acerinox will request admission to trade on the Madrid and Barcelona Stock Exchanges, via the Spanish Electronic Stock Exchange Platform (*Sistema de Interconexión Bursátil (Mercado Continuo)*), and will undertake all processes and actions necessary for the admission to trade with respect to the new shares issued.

4 AGREEMENT PROPOSAL SUBMITTED TO THE GENERAL SHAREHOLDERS' MEETING

The complete text of the Capital Increase proposal put to the Ordinary GENERAL SHAREHOLDERS' MEETING under the fourth point on the agenda is as follows:

1 Increase in share capital charged to reserves

It is agreed that the share capital shall be increased by the amount resulting from the multiplication of (a) the par value of twenty-five (0.25) euro cents per share in Acerinox, S.A. ("Acerinox" or the "Company") by (b) the number of new Acerinox shares resulting from the application of the

formula that appears in the following Section 2 ("New Shares"), however, the sum of the reference market value of New Shares may not exceed a total 115,715,779.65 euros (the "**Capital Increase**").

The Capital Increase is created by means of issuing and putting into circulation New Shares, that will be ordinary shares each with a par value of twenty-five (0.25) euro cents, of the same type and series as those currently in circulation, represented by means of a book entry system.

Capital Increase will be entirely charged to the voluntary reserves account provided for in the article 303.1 of Capital Companies Act called "other reserves", which, on 31st December 2013, amounted to 701,398,000 euros.

The New Shares are issued at their par value of twenty-five (0.25) euro cents, without premium on issue, and will be freely allotted to the Company shareholders.

The Capital Increase may be executed by the Board of Directors (with the express power of substitution) in accordance with Section 10 below, exclusively at its discretion and without having to be resubmitted to the General Shareholders' Meeting. The date on which the Capital Increase is likely to take place will be, within two months following the date of the current General Shareholders' Meeting corresponding to the Financial Year 2013.

In accordance with Article 311 of the Capital Companies Act, the possibility of incomplete allotment of the Capital Increase is anticipated.

2 New Shares to be issued

The number of new shares to be issued in each Execution will be the result of the application of the following formula, rounded down to the nearest whole number:

$$\text{NAN} = \text{NTAcc} / \text{N}^{\circ} \text{ rights}$$

where

NAN = Number of new shares to be issued;

NTAcc = Number of Acerinox's shares in circulation on the date that the Board of Directors or the delegated body agrees to carry out an Execution;

N° rights = Number of free allotment rights needed to receive a new share in the Execution in question, which will be determined by applying the following formula, rounded up to the nearest whole number:

$$\text{N}^{\circ} \text{ rights} = \text{NTAcc} / \text{N}^{\circ} \text{ Provisional Shares}$$

where,

N° provisional shares = Amount of the Option Executed / Listed Price.

To these purposes:

The "**Amount of the Executed Option**" refers to the maximum reference market value corresponding to the Capital Increase which the Board of Directors (with express powers of substitution) executes on a determined Execution date and will be at most 115,715,779.65 euros. (The figure of 115,715,779.65 euros is the result of multiplying 0.45 euros by the number of outstanding shares (257,146,177 shares), and 0.45 euros is the amount that Acerinox has distributed to the shareholders in the last years. By this system, the Board of Directors intends to maintain the

remuneration to the shareholders in a similar level to that of the previous years by turning to the so called “flexible dividends”).

The term “**PreCot**” refers to the arithmetic mean of the weighted average prices of the share of the Company on the Spanish Stock Exchanges on the five (5) trading sessions prior to each of the dates of Execution of the Capital Increase, rounded to the nearest thousandth of a euro and, in the case of half of one thousandth of a euro, rounded up to the nearest thousandth of a euro.

3 Free allotment rights

Every share of the Company in circulation shall be granted a free allotment right. The number of free allotment rights needed to receive a new share will be determined automatically according to the ratio between the number of new shares and the number of shares currently in circulation (NTAcc). In particular, shareholders will have the right to receive one new share for every certain number of free allotment rights, as determined in accordance with the provisions of paragraph 2 above (Nº rights), to which they are entitled.

In the event that the number of free allotment rights required for the assignment of a share (No. rights) multiplied by the new shares (NAN) results in a number less than the number of outstanding shares (NTAcc), Acerinox, or any of its major shareholders if they so wish, or one of the members of the Board of Directors of Acerinox, will waive a number of free allotment rights equal to the difference between both numbers, for the sole purpose that the number of New Shares is a whole number and not a fraction.

Free allotment rights will be assigned to the Acerinox shareholders who are certified as such on the official registers of the *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear)* at 23:59 on the day of publication of the announcement of Execution of the Capital Increase in the Official Gazette of the Commercial Register. During the trading period of the free allotment rights, free allotment rights can be bought on the market sufficiently, and in the proportion necessary, to subscribe to new shares. Free allotment rights can be traded on the market during the term determined by the Board of Directors (with express powers of substitution) with a minimum of fifteen calendar days from the publication of the announcement of the execution of the Capital Increase.

4 Irrevocable commitment to purchase free allotment rights

For the execution of the Capital Increase the Company or, with its guarantee, an organization that forms part of its Group, will assume an irrevocable commitment to purchase the free allotment rights at the price indicated below (the “**Purchase Agreement**”). The Purchase Agreement will be valid and may be accepted during the term, within the trading period of the rights, which is determined by the Board of Directors (with express powers of substitution). To this end, it agrees to authorize the Company, or the corresponding Company within its Group, to purchase such free allotment rights (as well as the shares that correspond to the same), with a maximum limit of the total number of rights issued, in compliance at all times with the legal restrictions that currently apply.

The object of the Purchase Agreement entered into by the Company is limited exclusively to the Acerinox shareholders who hold shares at the time that the free allotment rights are allocated, and solely in relation to the free allotment rights that are originally assigned to them at the time, with it not being possible to exercise the Purchase Agreement with respect to the free allotment rights that may be acquired on the market.

The acquisition of free allotment rights by Acerinox under the Purchase Agreement for the Execution will take place through a charge to the distributable reserves account called "Other Reserves". The "Purchase Price" of each free allocation right will be equal to the result of the following formula, rounded to the nearest thousandth of a euro and, in the case of half of one thousandth of a euro, rounded up the nearest thousandth of a euro:

Purchase price = Listed Price / N° rights

5 Balance sheet for the operation and reserve to which the increase is charged

The balance sheet that serves as a basis for the operation is that corresponding to 31st December 2013, duly audited and approved by the Ordinary General Shareholders' Meeting.

As indicated, the Capital Increase will be entirely carried out with a charge to the voluntary reserves account provided for in the article 303.1 of the Capital Corporate Act called "other reserves", which, on 31st December 2013, amounted to 701,398,000 euros

6 Representation of New Shares

The shares issued will be represented through book entries, whose official register is assigned to the *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear)* and its participating bodies.

7 Rights of the New Shares

The New Shares grant their holders the same voting and financial rights as the ordinary shares in Acerinox currently in circulation on the date that the Capital Increase is declared subscribed and paid-up.

8 Request for admission to trading

For the new shares issued, it is agreed that Acerinox will request admission to trade on the Madrid and Barcelona Stock Exchanges, via the Spanish Electronic Stock Exchange Platform (*Sistema de Interconexión Bursátil (Mercado Continuo)*), and will undertake all processes and actions necessary and present the necessary documents to the competent bodies for the admission to trading of the new shares issued in the Execution as a result of the agreed Capital Increase, expressly stating the compliance of Acerinox to the standards that exist now or may be required in the future with regard to the Stock Exchange and, especially, with regard to trading on, retention of and exclusion from the Stock market listings.

9 Execution of the increase

Within the period of one year from the date of this agreement, the Board of Directors (with express powers of substitution), may decide on the date on which the present Capital Increase is to be executed and set the conditions of this in all matters not provided for in this present agreement. Notwithstanding the foregoing, in the event that the Board of Directors (with express powers of substitution) does not consider the total or partial execution of the Capital Increase to be appropriate, it will not execute it, informing the following General Shareholders' Meeting thereof. In particular, the Board will analyse and shall take into account the conditions of the market, the Company itself or those conditions which arise from any fact or event with social or economic significance, and where, in its view, these or other elements give reason to decide against any of the Executions of the Capital Increase, it is able to refrain from doing so. Furthermore, the Capital Increase will be without value or effect if, within the period of a year designated by the General Shareholders' Meeting for its execution, the Board of Directors does not execute the powers which have been delegated to it.

At the end of the trading period of the free allotment rights:

(i) The new shares will be allocated to those who, in accordance with the official register of *Iberclear* and its participating bodies, are the holders of free allotment rights in the proportion resulting from paragraph 3 above.

(ii) The Board of Directors (with express powers of substitution) shall declare the free allotment rights trading period to be closed and proceed to formalize for accounting purposes the implementation of the voluntary reserves to the extent of the Capital Increase, leaving it disbursed with the said application.

To the same extent, once the period of free allotment rights trading has ended, the Board of Directors (with express powers of substitution) will adopt the corresponding modification agreements of Articles of Association in order to reflect the new amount of share capital and the resulting number of new shares from each Execution and application for admission to trading of the new shares on the Spanish Stock Exchanges.

10 Delegation for the execution

It is agreed to delegate the power to the Board of Directors, in accordance with the article 297.1.a of Corporation Act, to set the date on which the present Capital Increase is to be executed and set the conditions of the Capital Increase in all matters not provided for in this present agreement. In particular, and by way of example only, the following powers are delegated to the Board of Directors, with express powers of substitution:

- (i) To set the dates of Execution on which the agreement thus adopted to increase the share capital must be carried out in any event, within a period of one year from its approval.
- (ii) To set the exact amount of the Capital Increase, the number of new shares, the Amount of the Executed Option and free allotment rights needed for the allocation of new shares, applying the rules established by the Board and may, where appropriate, waive (on one or several occasions), free allotment rights to subscribe to new shares for the sole purpose of ensuring the number of new shares is a whole number and not a fraction.
- (iii) To appoint the Company or companies that assume the function of an agent entity and/or financial advisor in connection with the Execution, and to underwrite all the contracts and documents which become necessary to that effects.
- (iv) To set the duration of the trading period of free allotment rights.
- (v) To set the period during which the Purchase Agreement will be in force, as well as to fulfil the Purchase Agreement, paying the corresponding amounts to those who have accepted said commitment.
- (vi) To Declare as closed and executed the Capital Increase.
- (vii) To draft new wording for Article 5 of the Articles of Association of Acerinox, relating to share capital, in order for it agree to the result of the Execution of the Capital Increase.
- (viii) To give up the new shares which correspond to the free allotment rights of which the Company is holder at the end of the trading period of those said rights.
- (ix) To carry out all of the necessary arrangements in order for the new shares which are the object of the Capital Increase to be recorded in the official register of *Iberclear* and admitted to trading on the Spanish Stock Exchanges.

- (x) To carry out all actions that may be necessary or desirable in order to execute and formalize the Capital Increase before whichever bodies and organizations, public or private, Spanish or foreign, including those of statement, supplement or correction of defects or omissions which might prevent or hinder the full effectiveness of those previous agreements

The Board of Directors is hereby expressly authorized for which, in turn, it may delegate, under the provisions established by Article 249.2 of the Capital Companies Act, the powers referred to in this agreement.

Madrid, April, 23rd 2014