



GENERAL SHAREHOLDERS' MEETING

BUSINESS YEAR 2015

CHAIRMAN'S REPORT



Global economy



The Spanish economy

Business year results



First Quarter 2016



Significant events worth highlighting



Responsibility and sustainability



Research & Development



Corporate governance



Acerinox share



Agreements



The path forward



CEO'S REPORT





Acerinox Headquarters



2015

Lower growth expectations in the US

Risk of the European Union, Greece

Slower growth in China

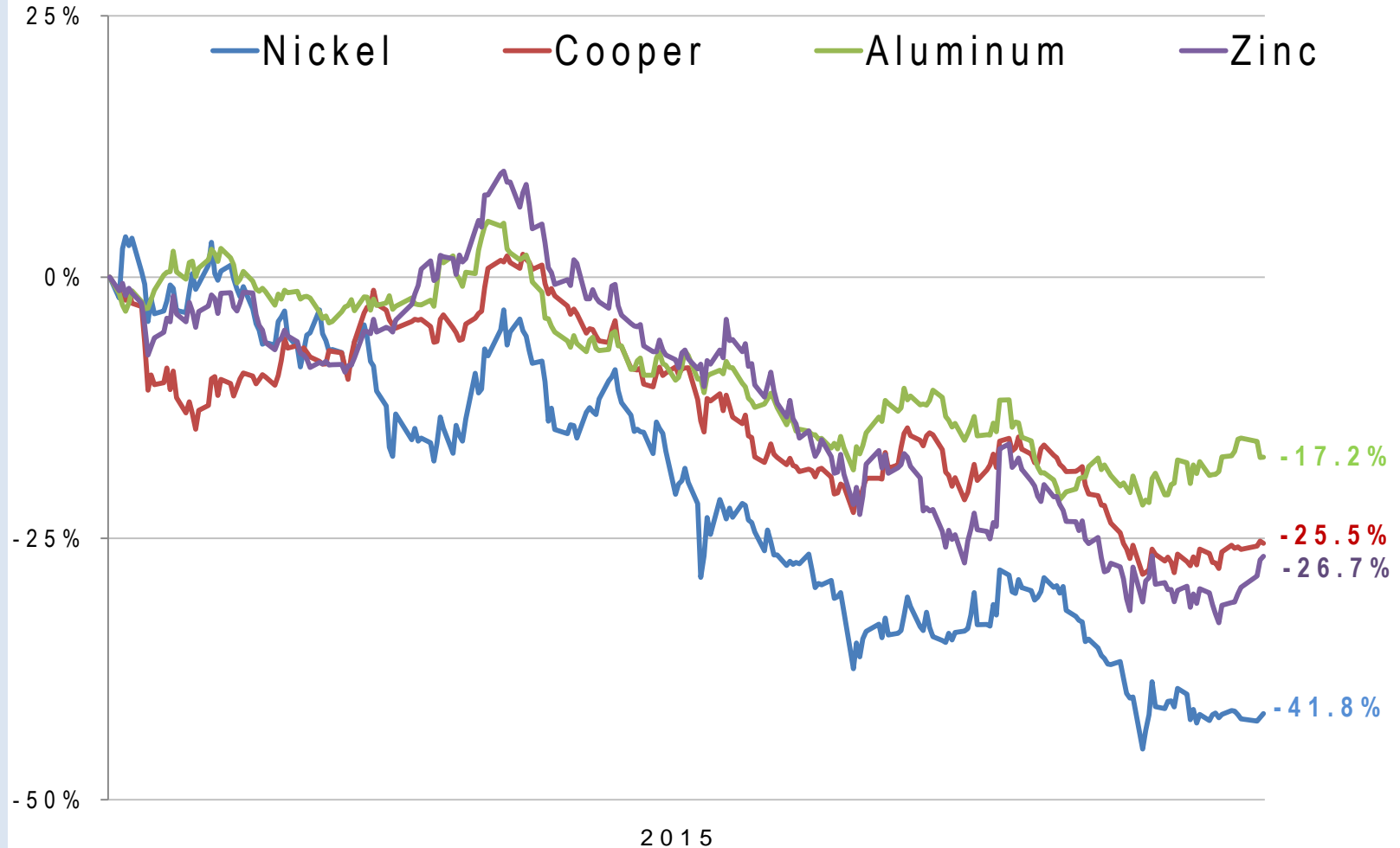
Raw material crisis

Political tensions, conflicts, refugees ...

RAW MATERIAL CRISIS

Official raw material prices in the L.M.E. Year 2015

Daily percentage data(US\$/Mt, cash)



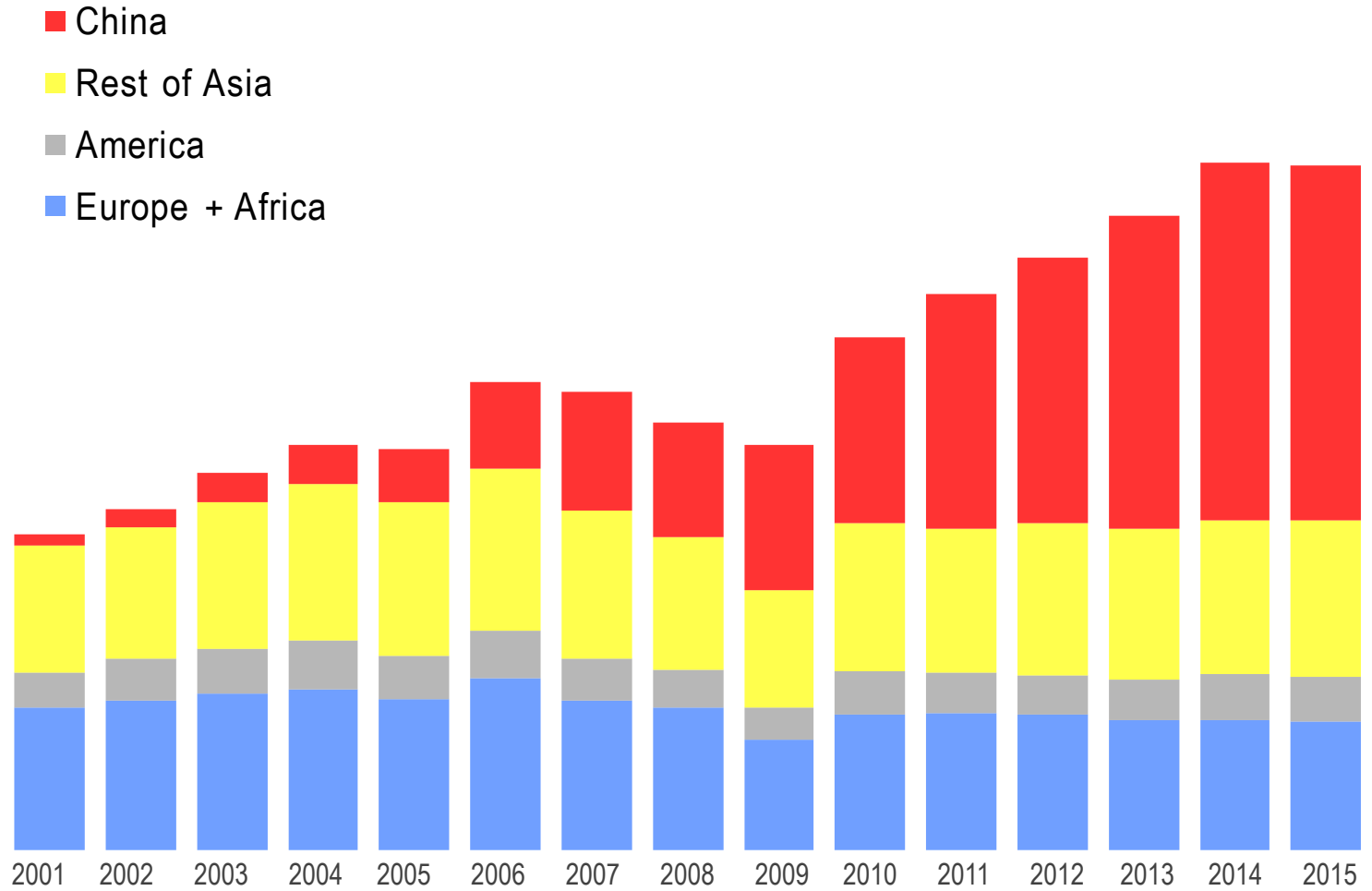
RECOVERY OF ACTIVITY



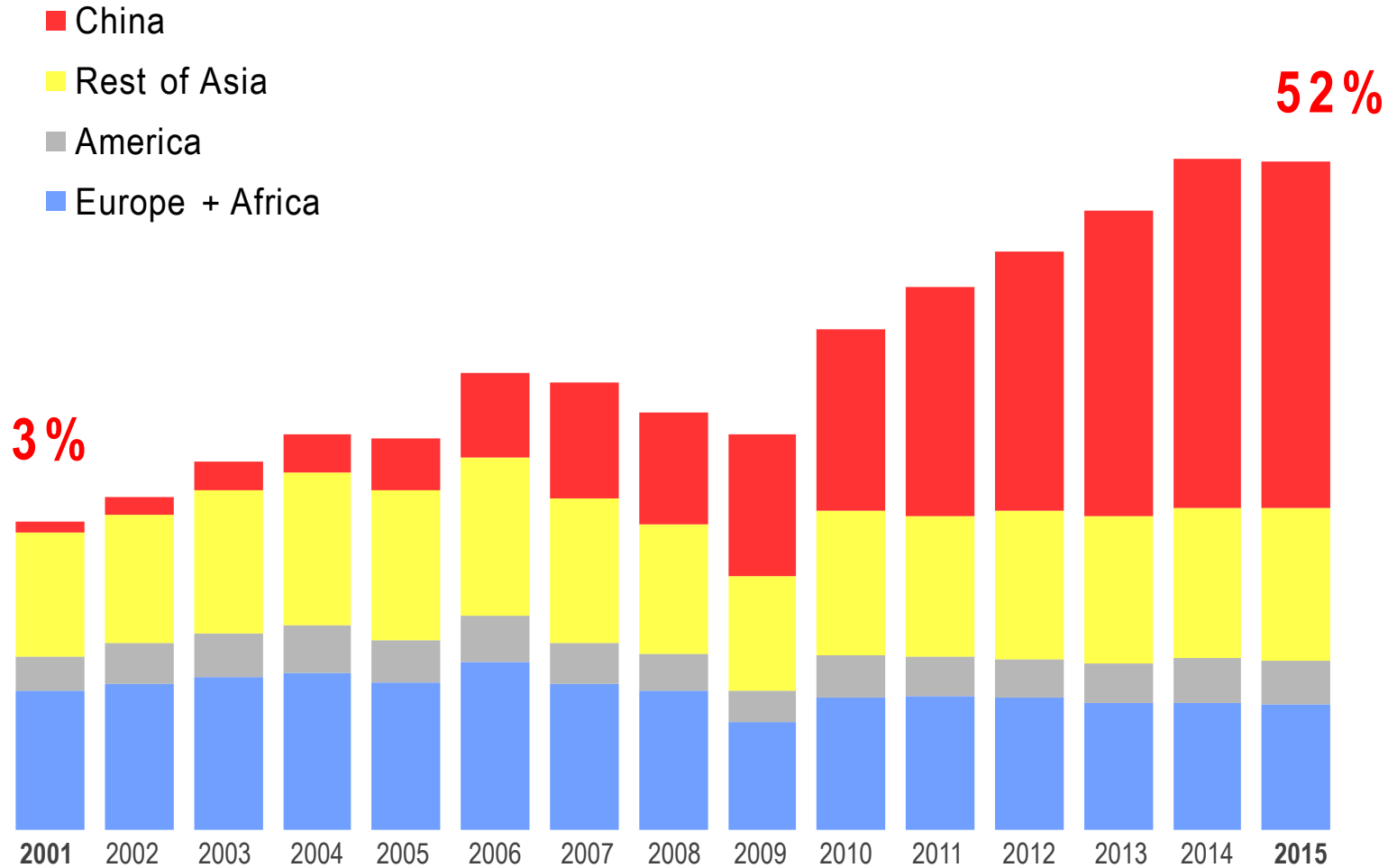
Runway



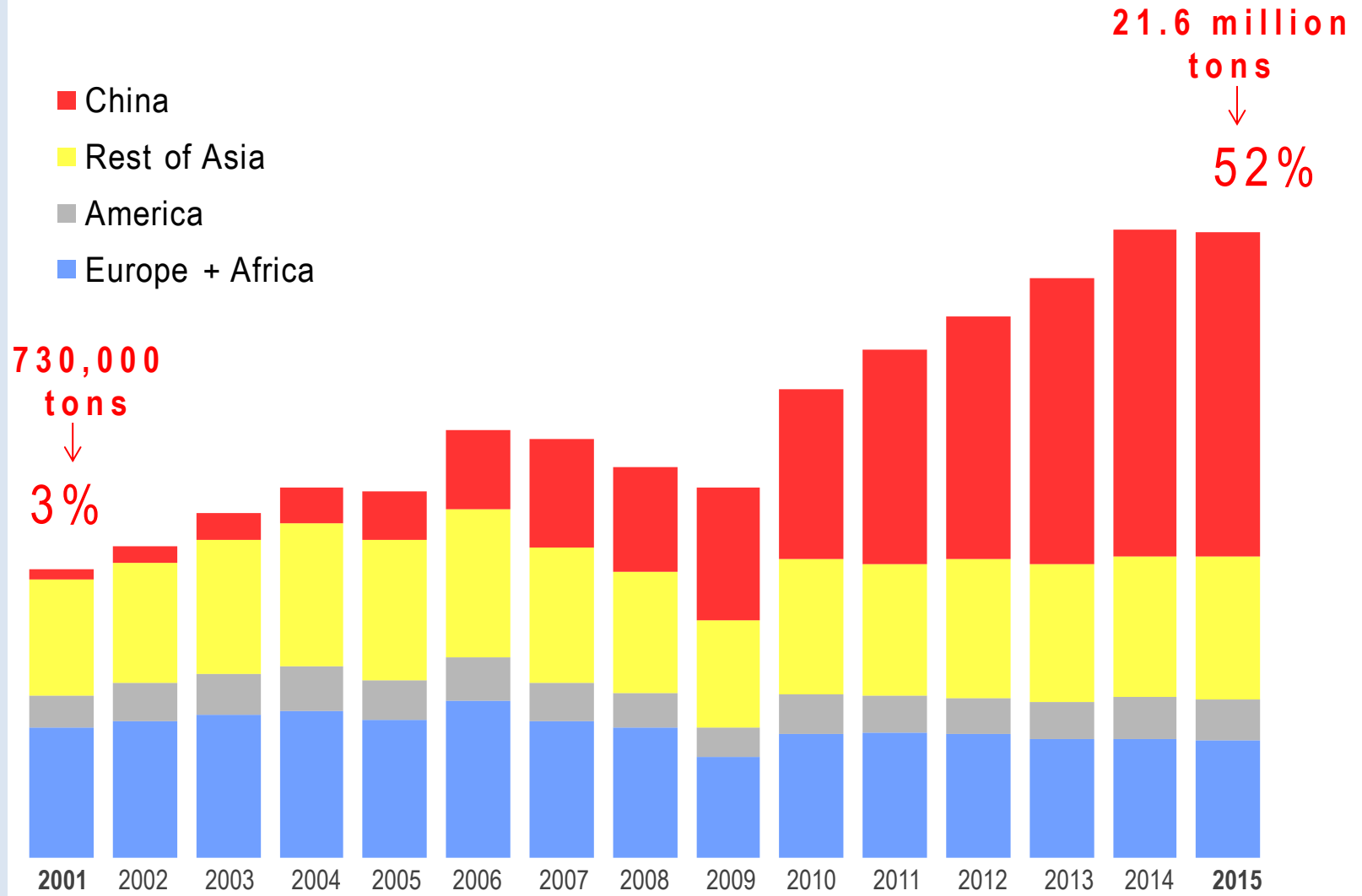
STAINLESS STEEL WORLD PRODUCTION



STAINLESS STEEL WORLD PRODUCTION



STAINLESS STEEL WORLD PRODUCTION





© Reuters/Y. Herman

Demonstration in Brussels against China as a market economy



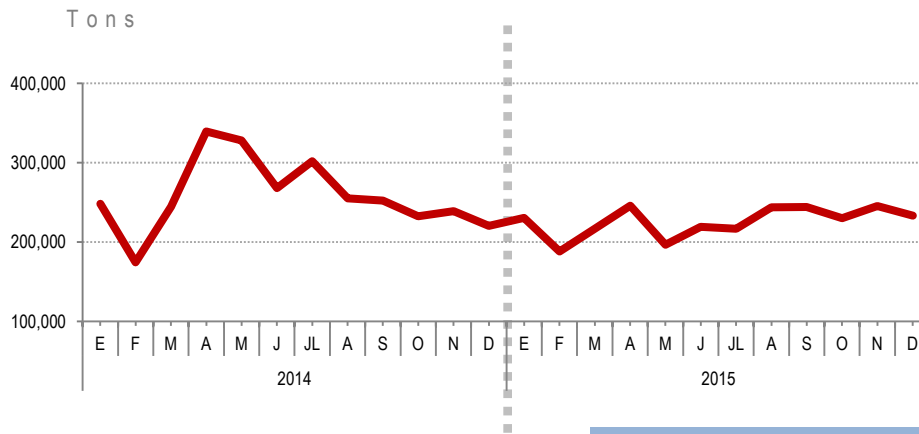
Factory of Acerinox Europa



Factory of North American Stainless



TOTAL EXPORTS



**Exports decreases
13%**

DEMAND IN CHINA

CONSTRUCTION +1%

Source: NBS



Source: CAAM



**AUTO
PROD: +3%**

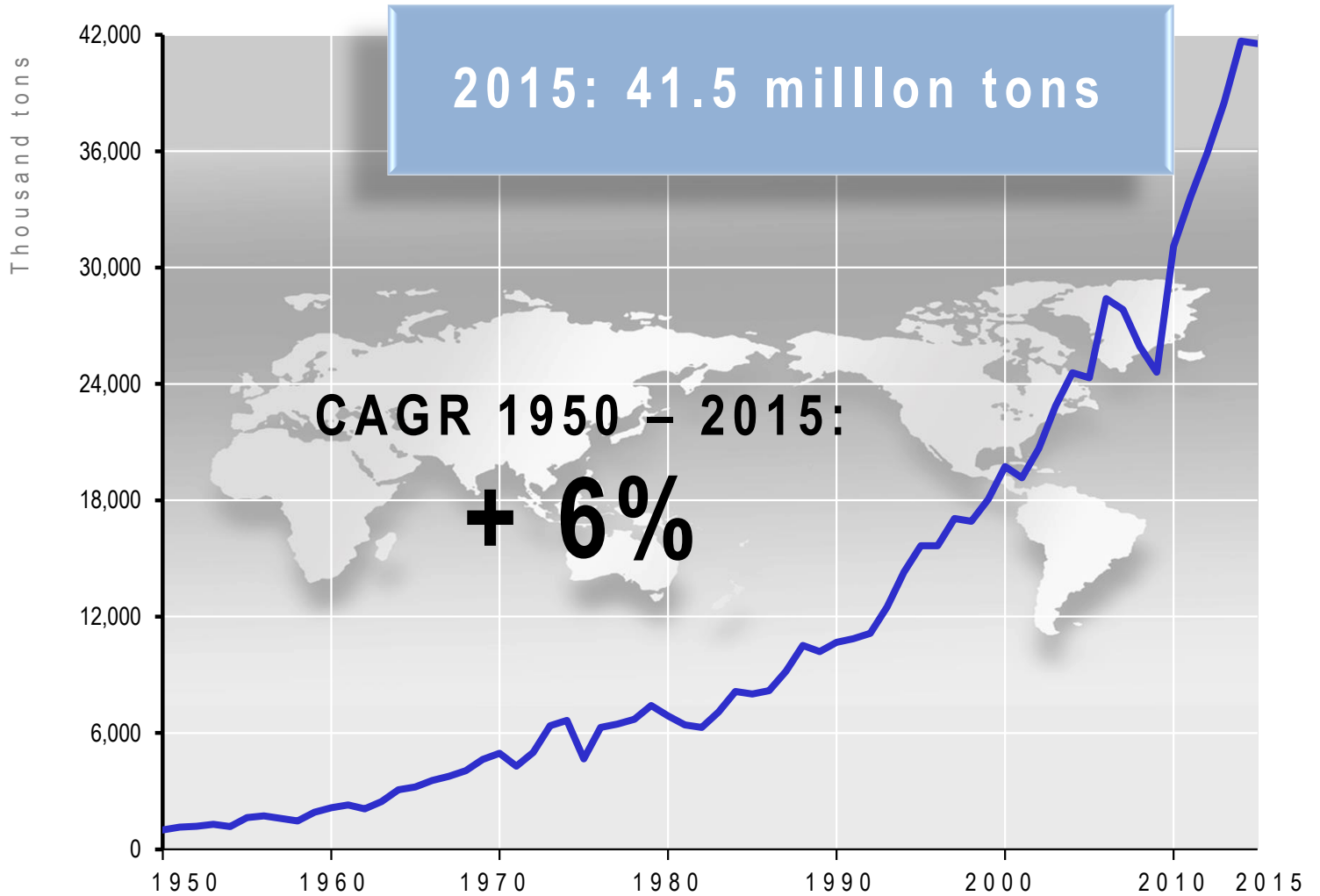


**HOUSEHOLD
APPLIANCES
-2%**

Source: NBS



WORLD PRODUCTION: EVOLUTION



Source: ISSF and Acerinox





Ship propellers and nozzles

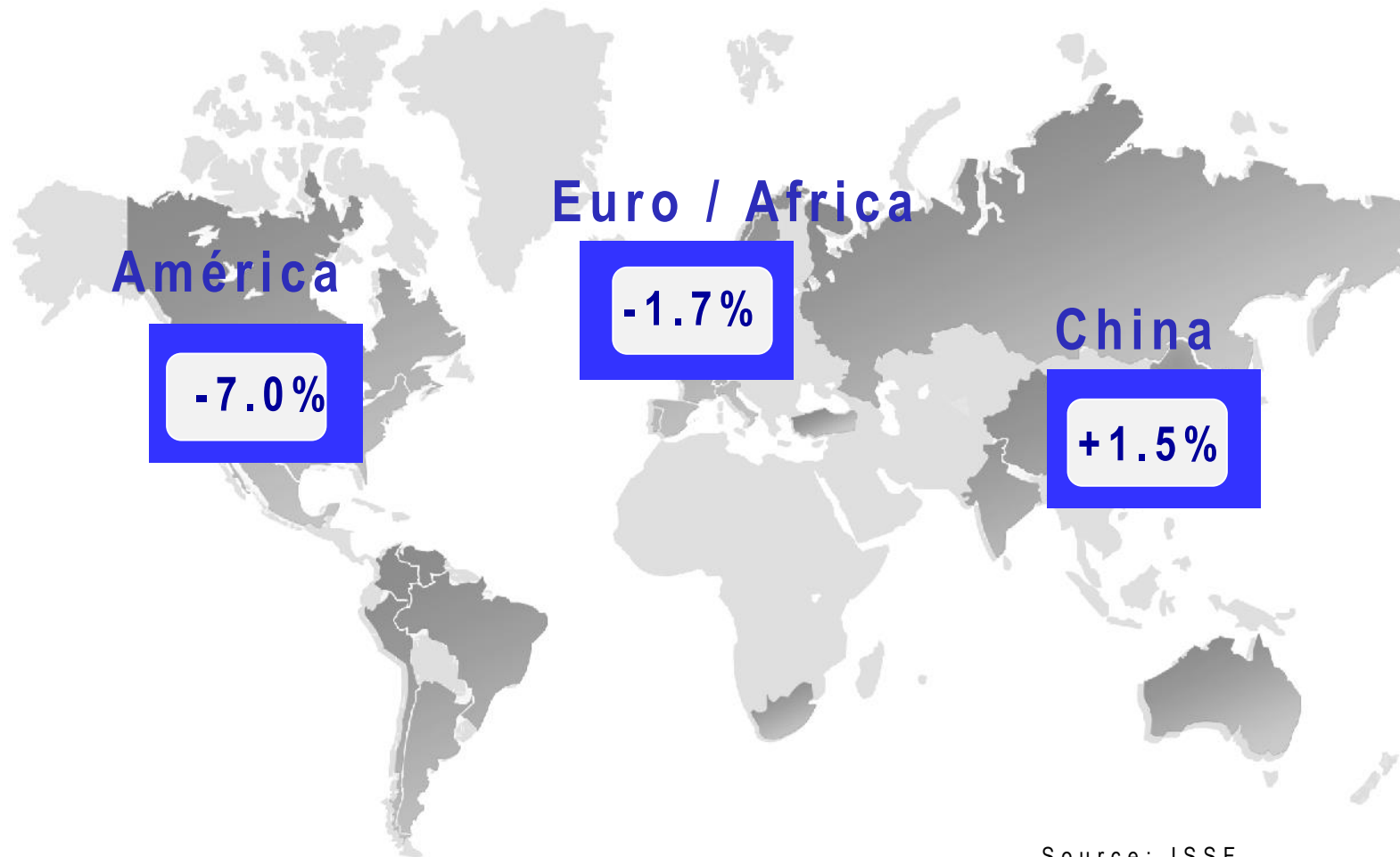


Worker at the Bahru Stainless factory



APPARENT CONSUMPTION

% 2015 – 2014



Source: ISSF

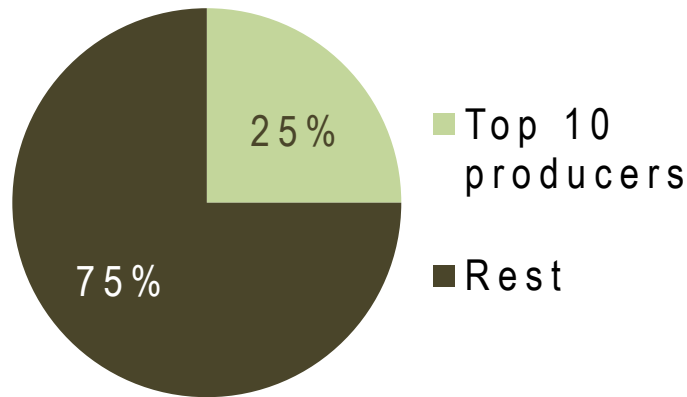
ACERINOX PRODUCTION

		Year 2015				Accumulated	Year 2014	Variation
		Q1	Q2	Q3	Q4		Jan-Dec	2015 / 2014
Melting Shop	Thousand Mt	601	611	562	546	2,320	2,325	-0.2%
Hot Rolling		524	536	498	481	2,039	2,049	-0.5%
Cold Rolling		395	430	393	390	1,609	1,556	3.4%
Long Product (Hot Rolled)		57	61	51	48	216	242	-10.6%



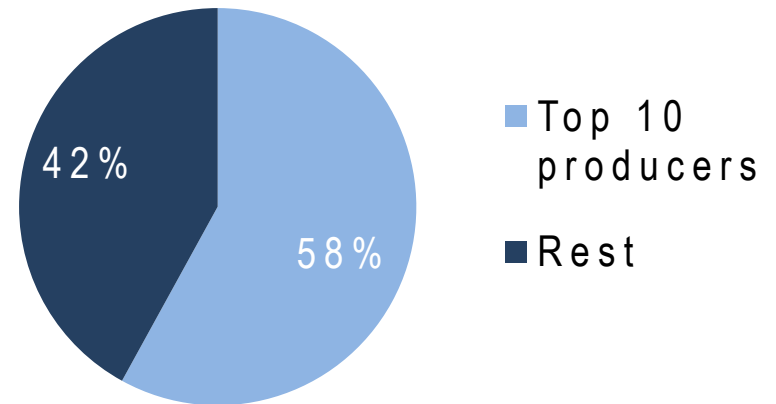
STEELMAKERS CONCENTRATION

CARBON STEEL



First producer: 5.7%

STAINLESS STEEL



Acerinox: 5.8%

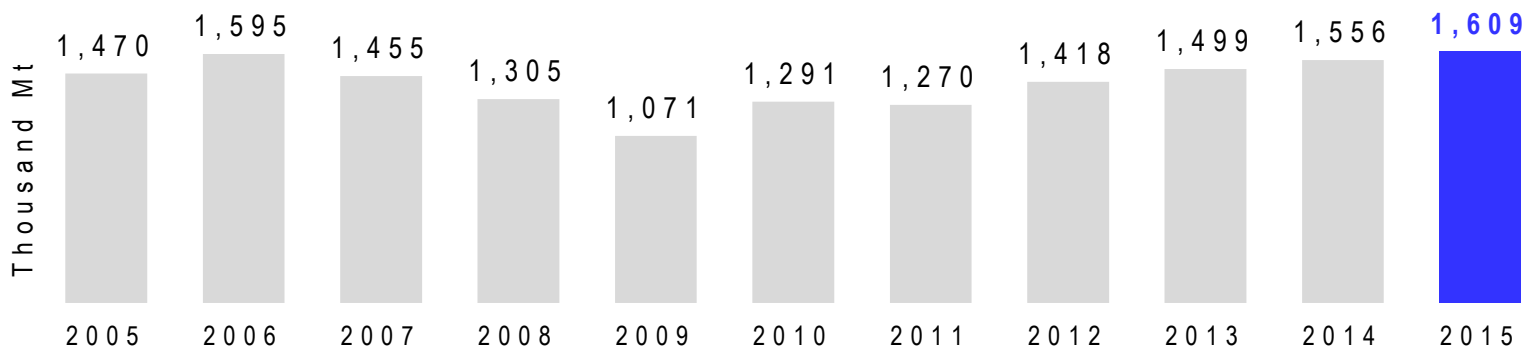
Source: World Steel, Platts, SMR, ISSF and Acerinox



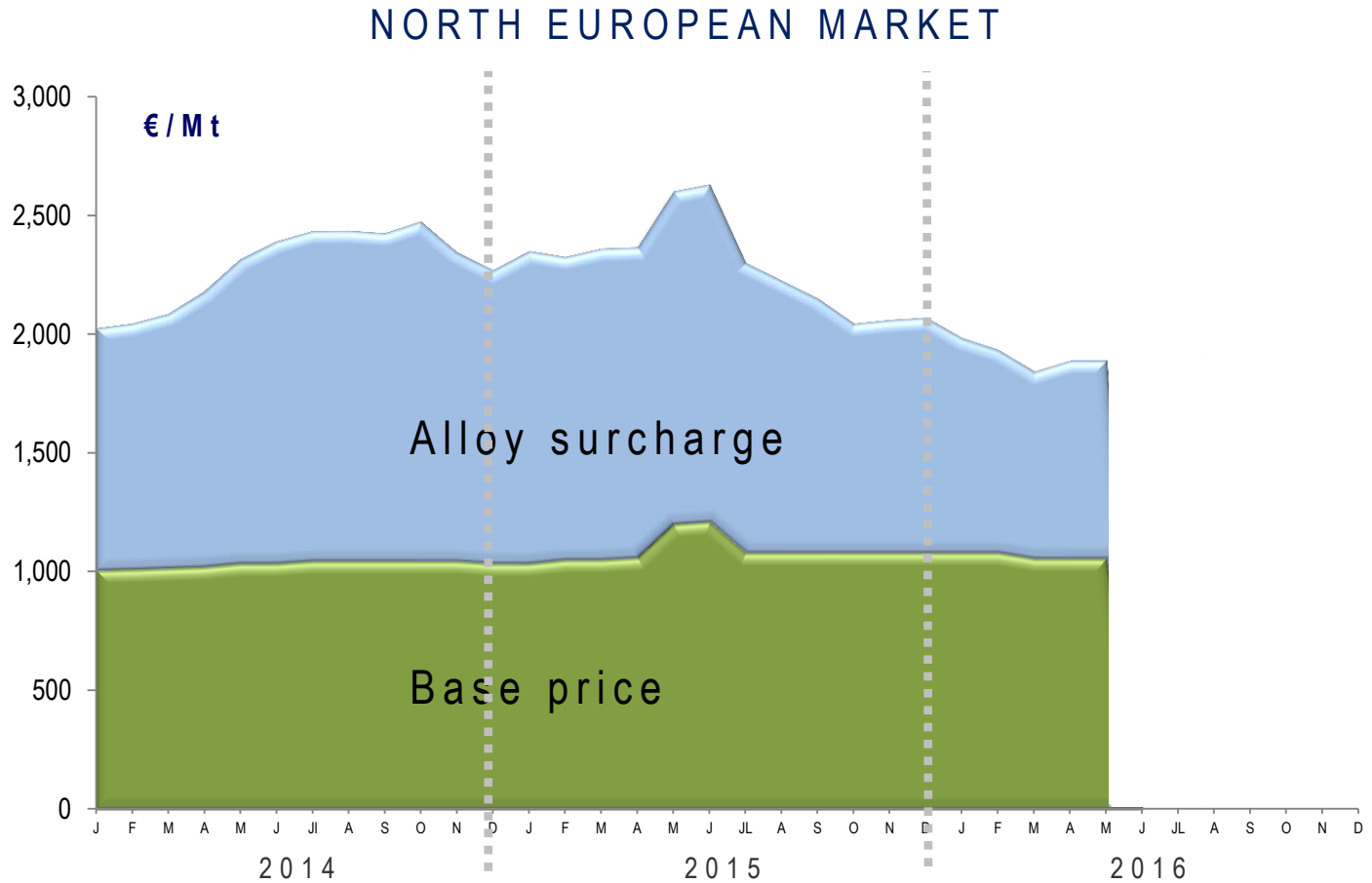
ACERINOX PRODUCTION

	Thousand Mt	Year 2015				Accumulated	Year 2014	Variation
		Q1	Q2	Q3	Q4		Jan-Dec	2015 / 2014
Melting Shop		601	611	562	546	2,320	2,325	-0.2%
Hot Rolling		524	536	498	481	2,039	2,049	-0.5%
Cold Rolling		395	430	393	390	1,609	1,556	3.4%
Long Product (Hot Rolled)		57	61	51	48	216	242	-10.6%

Cold rolling production record



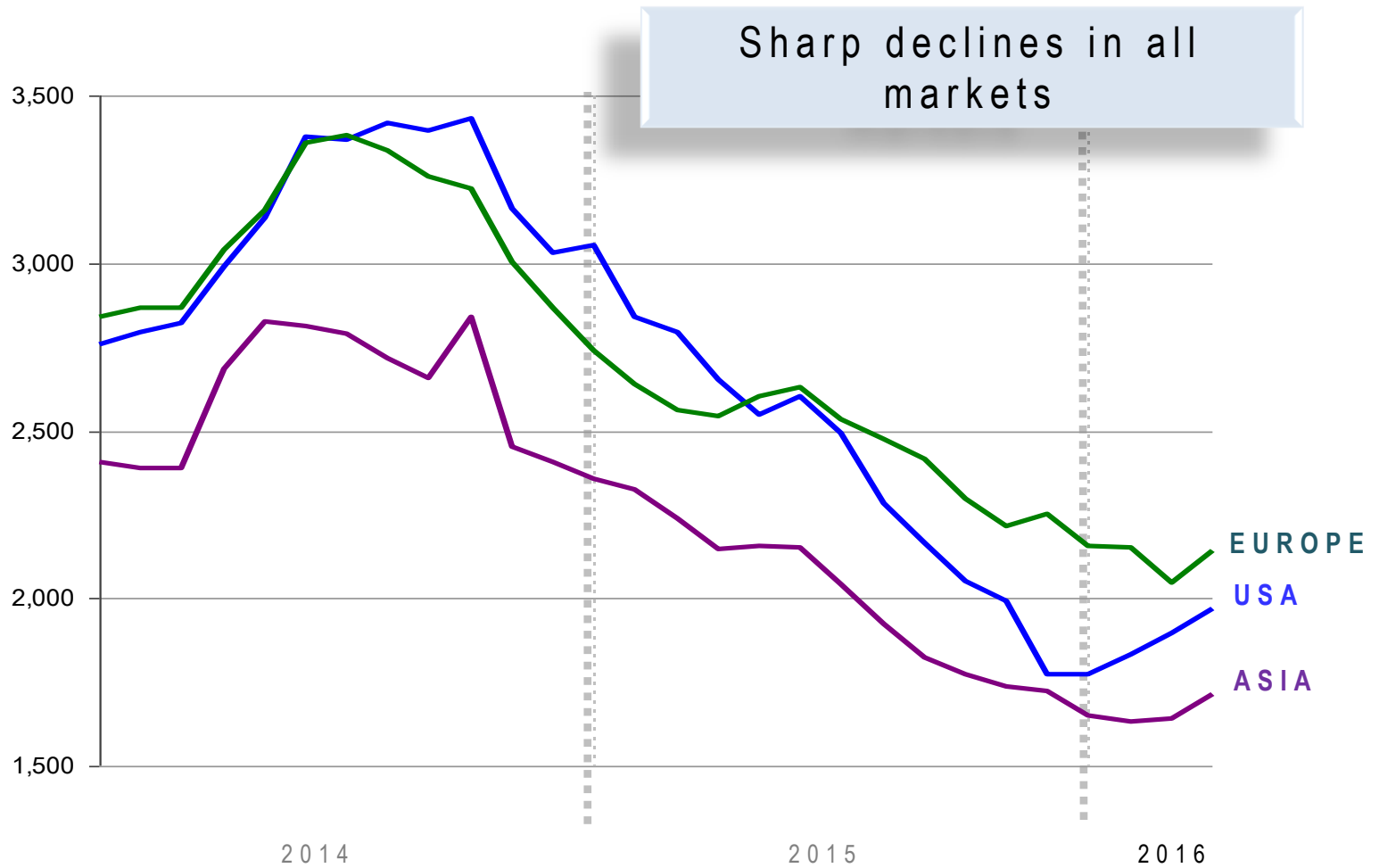
STAINLESS STEEL COLD ROLLED SHEET PRICES AISI 304 2.0 mm



Source : Platts
Source: Platts



STAINLESS STEEL COLD ROLLED SHEET PRICES AISI 304 2.0 mm



USD/t, final price, including alloy surcharge

Source : Platts



NICKEL PRICE IN THE LME

Twenty months of downward tendency

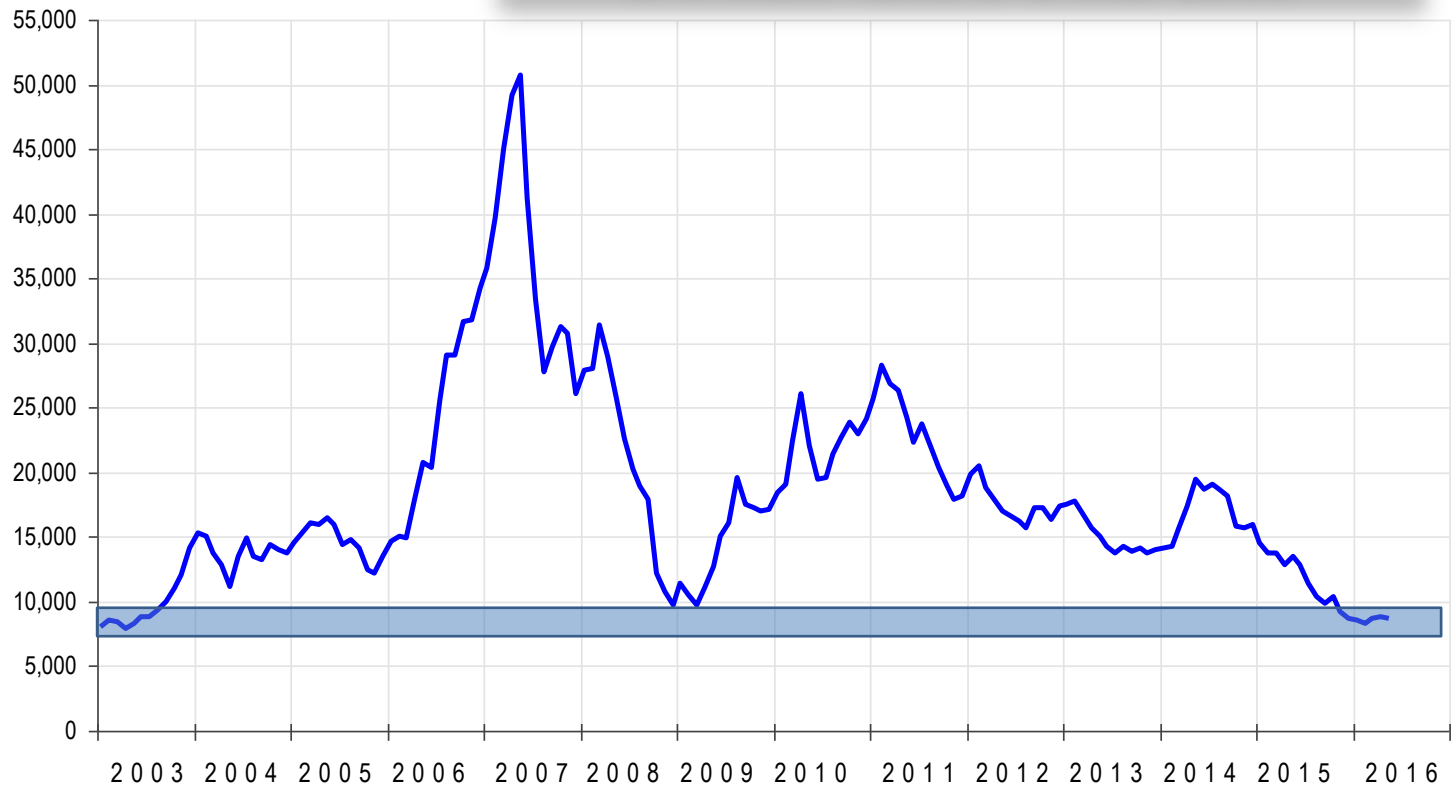


Average price: cash / three months (USD/Mt. Ni)



NICKEL PRICE IN THE LME

Minimum levels since 2003



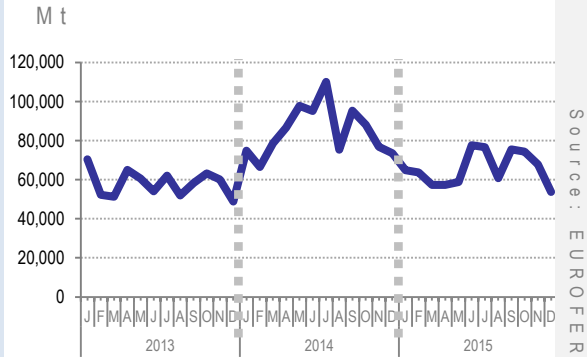
Monthly average prices (USD/Mt. Ni.)



EUROPEAN UNION



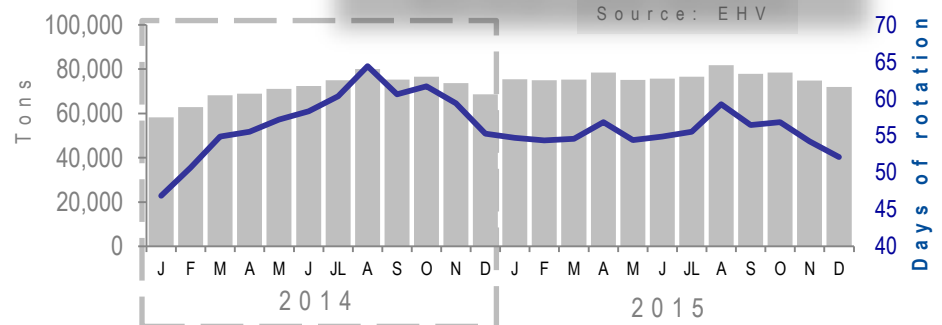
COLD ROLLED IMPORTS



COLD ROLLED INVENTORIES

Reference: Germany

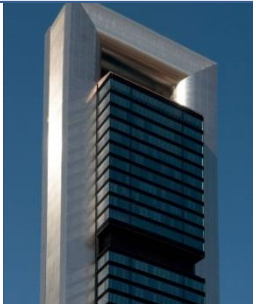
Normalized levels



**Exports have fallen
by 23%**

RECOVERY IN EUROPEAN DEMAND

CONSTRUCTION +2%



Source: EUROFER

Source: Acerinox



AUTO PRODUCTION +7%



**HOUSEHOLD
APPLIANCES
+ 4%**

Source: EUROFER





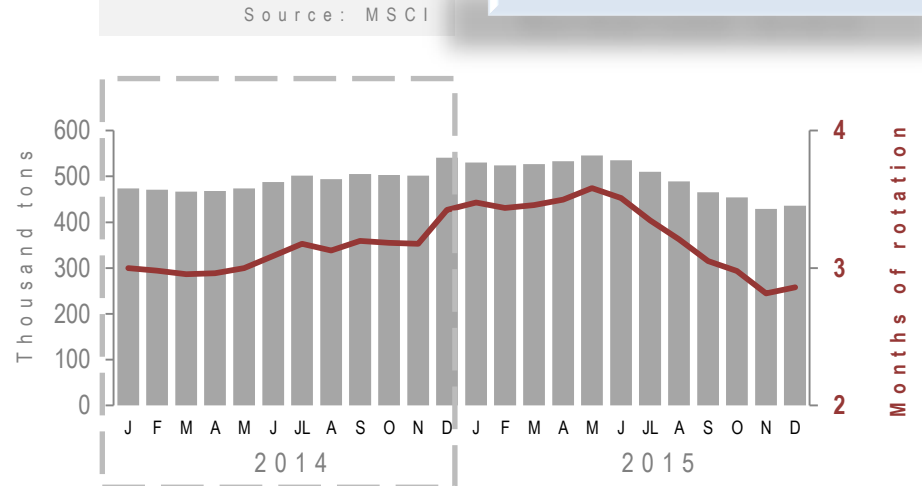
COLD ROLLED IMPORTS



Strong increase in 2014

INVENTORIES AT DISTRIBUTORS

Normalized levels



REAL DEMAND GROWTH



CONSTRUCTION +11%



Source: Warbs auto

AUTO PRODUCTION +3%



Source: AHAM

HOUSEHOLD APPLIANCES +8%



OVERCAPACITY: CHINA

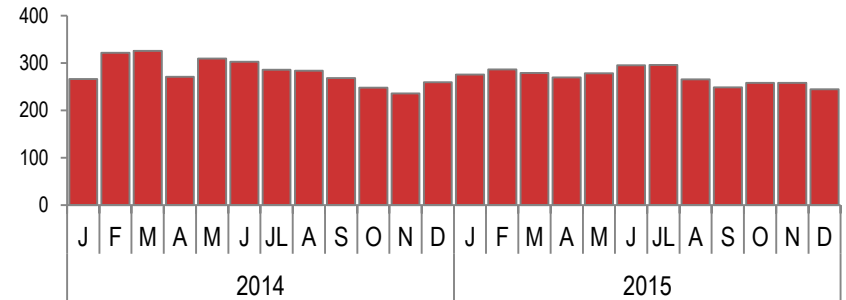
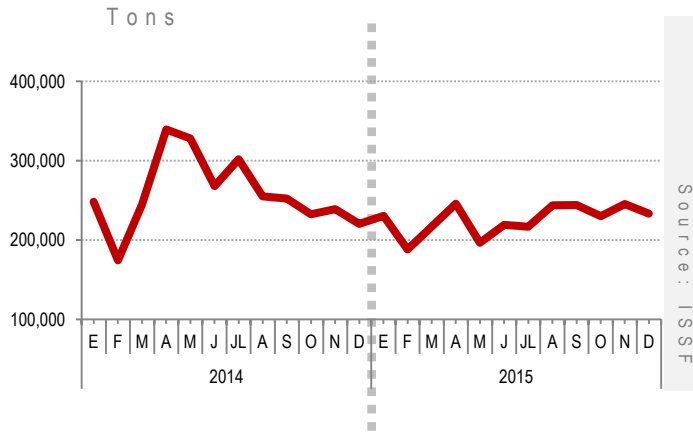


INVENTORIES IN WUXI AND FOSHAN

Thousand tons

Source: 51 bxx

TOTAL EXPORTS



DEMAND IN CHINA

CONSTRUCTION +1%

Source: NBS



Source: CAAM



AUTO
PROD +3%



Source: NBS

HOUSEHOLD
APPLIANCES
-2%



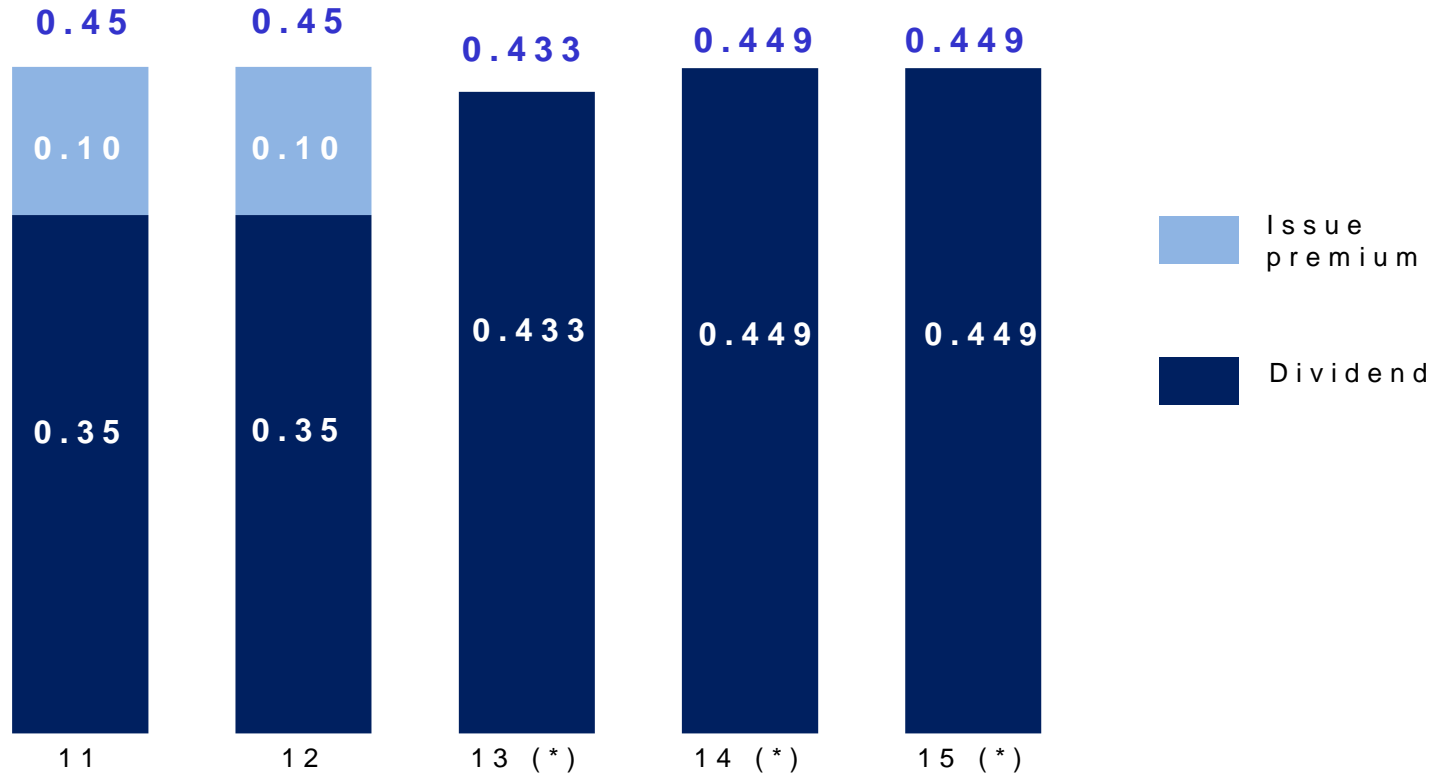
MAIN FINANCIAL FIGURES OF ACERINOX

	2015	2014	Variation
Net sales	4,221	4,380	-3.6%
EBITDA	286	454	-37.0%
Result after taxes and minorities	43	136	-68.5%
Net financial debt	711	616	15.4%
Net financial debt / EBITDA	2.48	1.36	83.2%
Net financial debt / Equity	35%	33%	5.9%

Source: Platts



RETURN TO SHAREHOLDERS



(*) *Scrip dividend:*

2013	57%	new shares
2014	51%	new shares
2015	59%	new shares



INVESTMENTS

	2015	2014
Acerinox, S.A.	1	1
Acerinox Europa	30	16
NAS	32	9
Columbus	6	6
Bahru Stainless	23	39
Roldán and Inoxfil	1	1
Spanish Trading Companies	0	0
Overseas Trading Companies	0	1
Total	94	74

Million euros

Investments in NAS and Acerinox Europa



Source: Platts

Main guidelines

- ✓ Belief on the product
- ✓ Organic growth
- ✓ Postpone investments at Bahru Stainless waiting for new opportunities

Strategic plan



NAS Bright Anneal and ZM lines investments

- 116 million euros
- Goals:
 - enter into the BA market in the United States
 - Increase NAS capacity utilization
- Main applications: household appliances, cutlery, trucks, fireplaces, etc



ACERINOX EUROPA AP and ZM lines investment

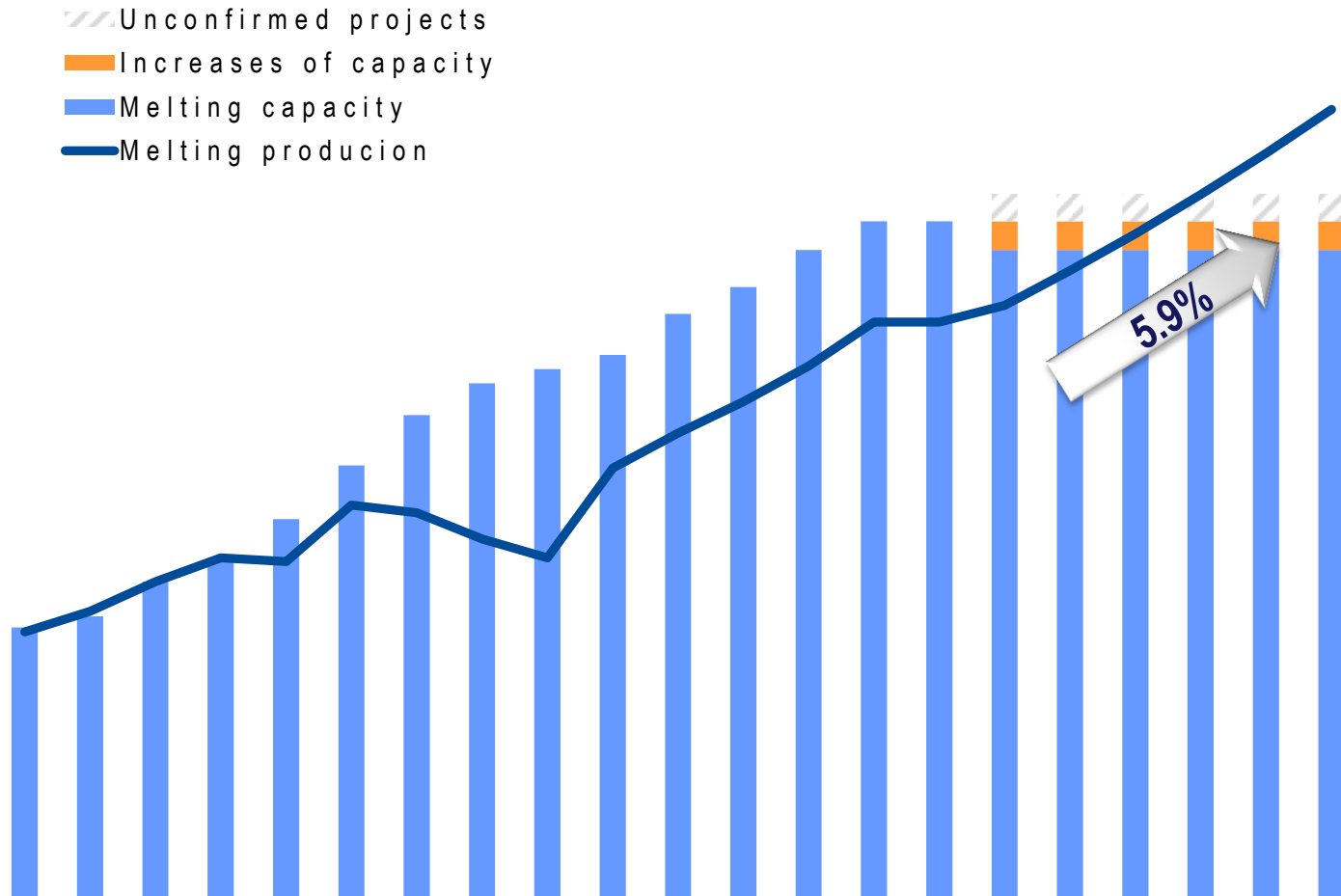
- 140 million euros
- Goals:
 - higher value-added products
 - increase sells to direct client
 - improve capacity utilization
 - cost savings and reduction of emissions





Factory of Bahru Stainless

CAPACITY vs PRODUCTION

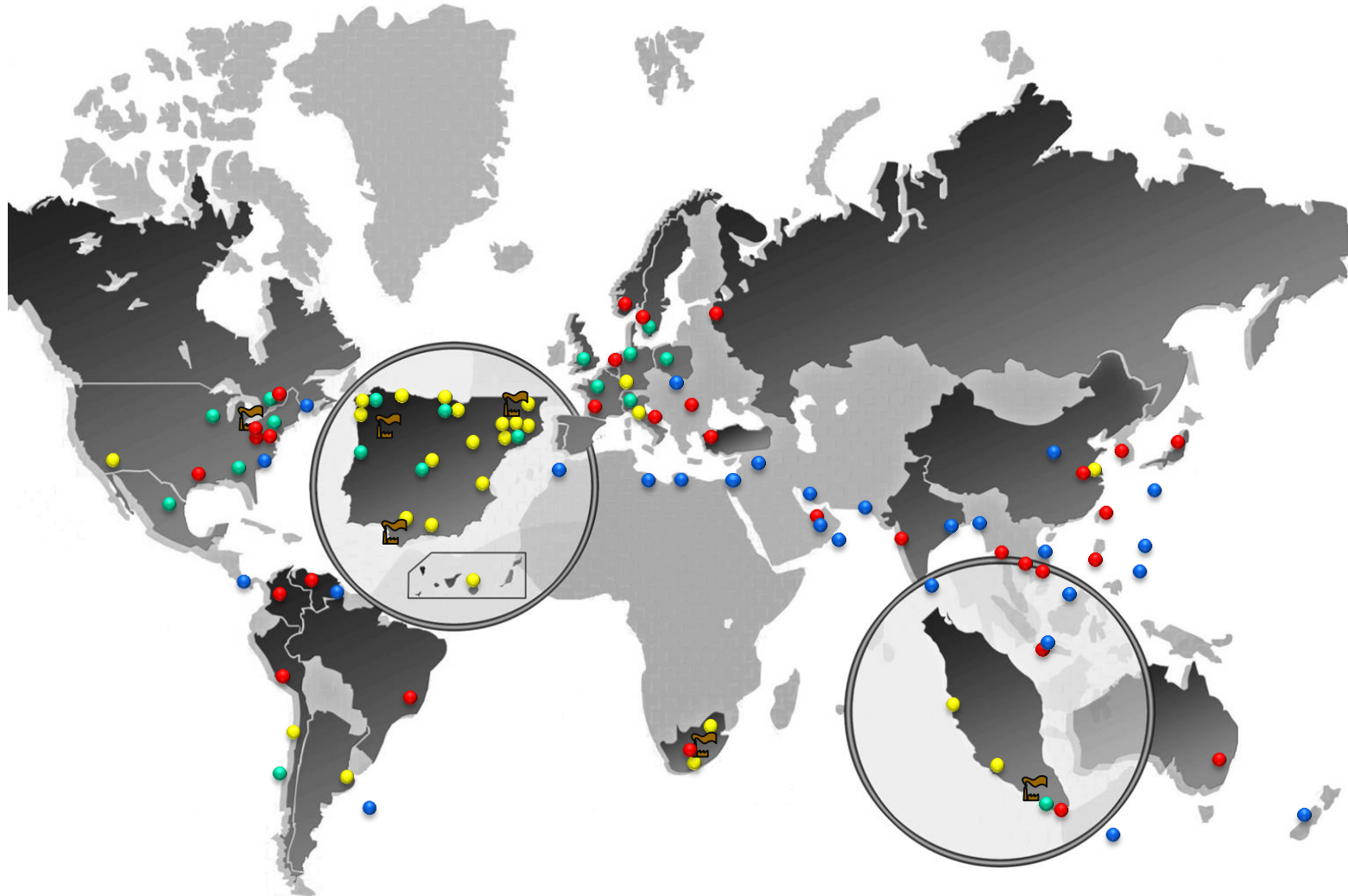


Source : Acerinox

Source: Platts



COMMERCIAL NETWORK



Services Centres 18
Warehouses 26

Offices 31
Agents 33
Factories 6



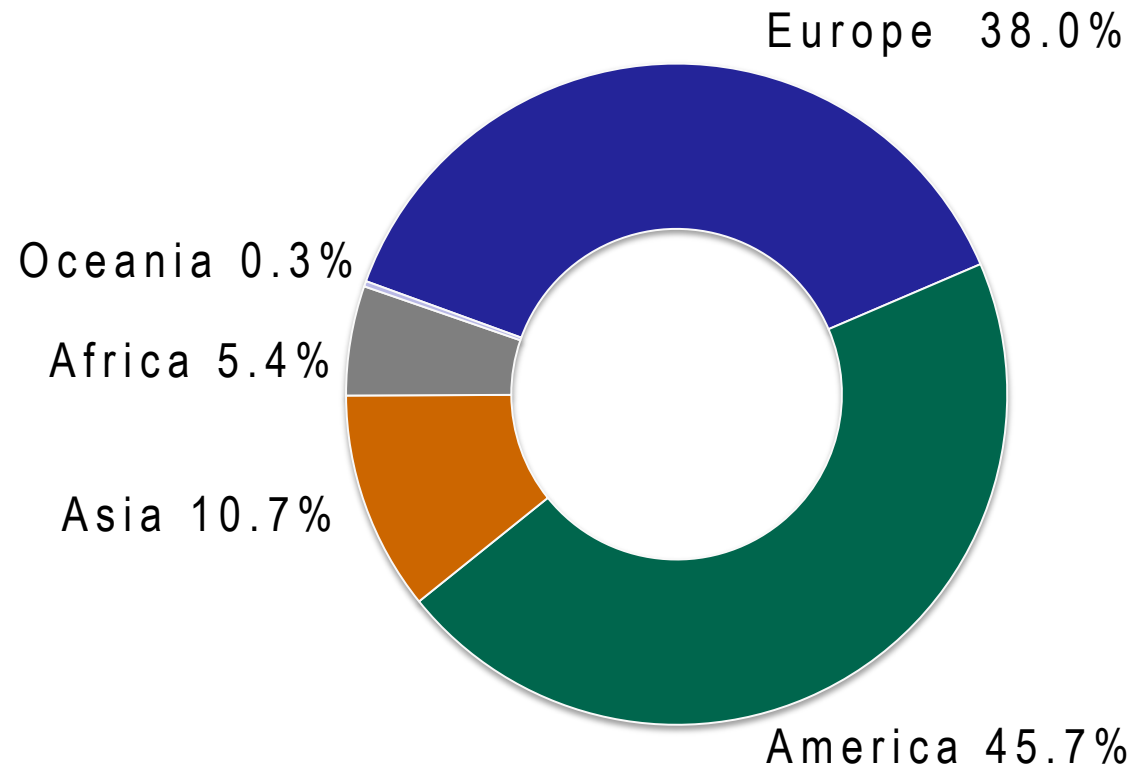


Factory of Bahru Stainless



Factory of Columbus Stainless

GEOGRAPHICAL DISTRIBUTION OF ACERINOX NET SALES



Spanish multinational
Sales in more than 80 countries
Spain accounts for 9% of the total sales



Fixed cost savings

Excellence Plan IV: 2015-2016

Target: **67 million euros**

Includes **Bahru Stainless**

Result 1st year: 55% (37 million euros)

FINANCIAL STRENGTH

ASSETS

Million €	2015	2014	Variation
Non-current assets	2,317.53	2,270.43	2.1%
Current assets	1,808.14	2,159.12	-16.3%
- Inventories	824.93	851.70	-3.1%
- Debtors	478.85	475.19	0.8%
<i>Trade debtors</i>	439.54	443.56	-0.9%
<i>Other debtors</i>	39.31	31.62	24.3%
- Cash	479.95	738.37	-35.0%
- Other current assets	24.41	93.87	-74.0%
TOTAL ASSETS	4,125.67	4,429.55	-6.9%

LIABILITIES

Million €	2015	2014	Variation
Equity	2,023.30	1,856.13	9.0%
Non-current liabilities	995.59	1,279.66	-22.2%
- Interest-bearing loans and borrowings	741.16	1,020.01	-27.3%
- Other non-current liabilities	254.43	259.66	-2.0%
Current liabilities	1,106.77	1,293.76	-14.5%
- Interest-bearing loans and borrowings	449.54	334.08	34.6%
- Trade creditors	566.28	841.07	-32.7%
- Other current liabilities	90.96	118.61	-23.3%
TOTAL EQUITY AND LIABILITIES	4,125.67	4,429.55	-6.9%

Net Financial Debt: 711 million euros

Debt / EBITDA: 2.48x

Gearing: 35%

Financial expenses reduction: 11 million euros



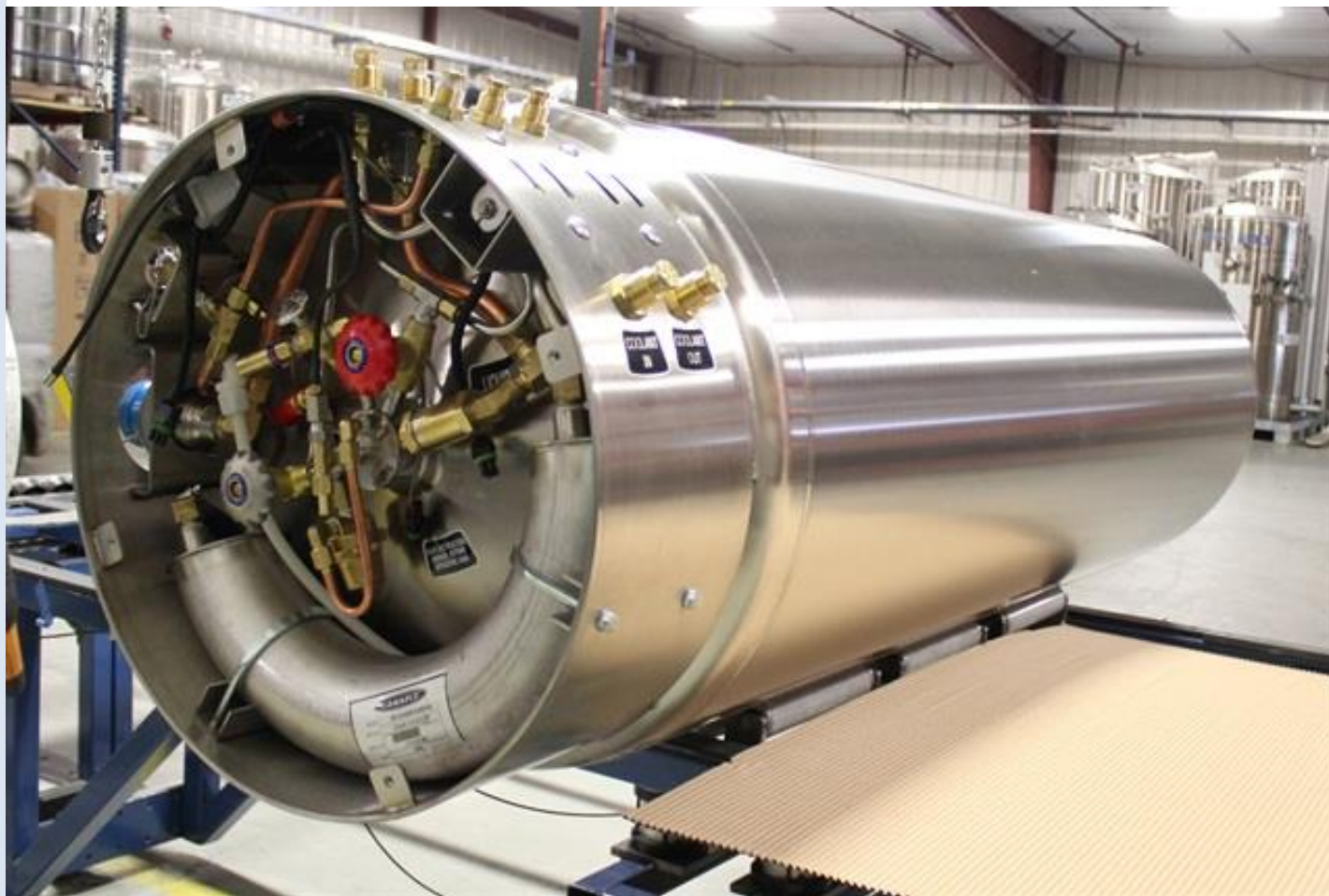


Investment: 16.5 million euros





Fishing boat with stainless steel interior equipment



Propulsion systems for liquefied natural gas



Stainless steel chimneys at the Bahru Stainless factory



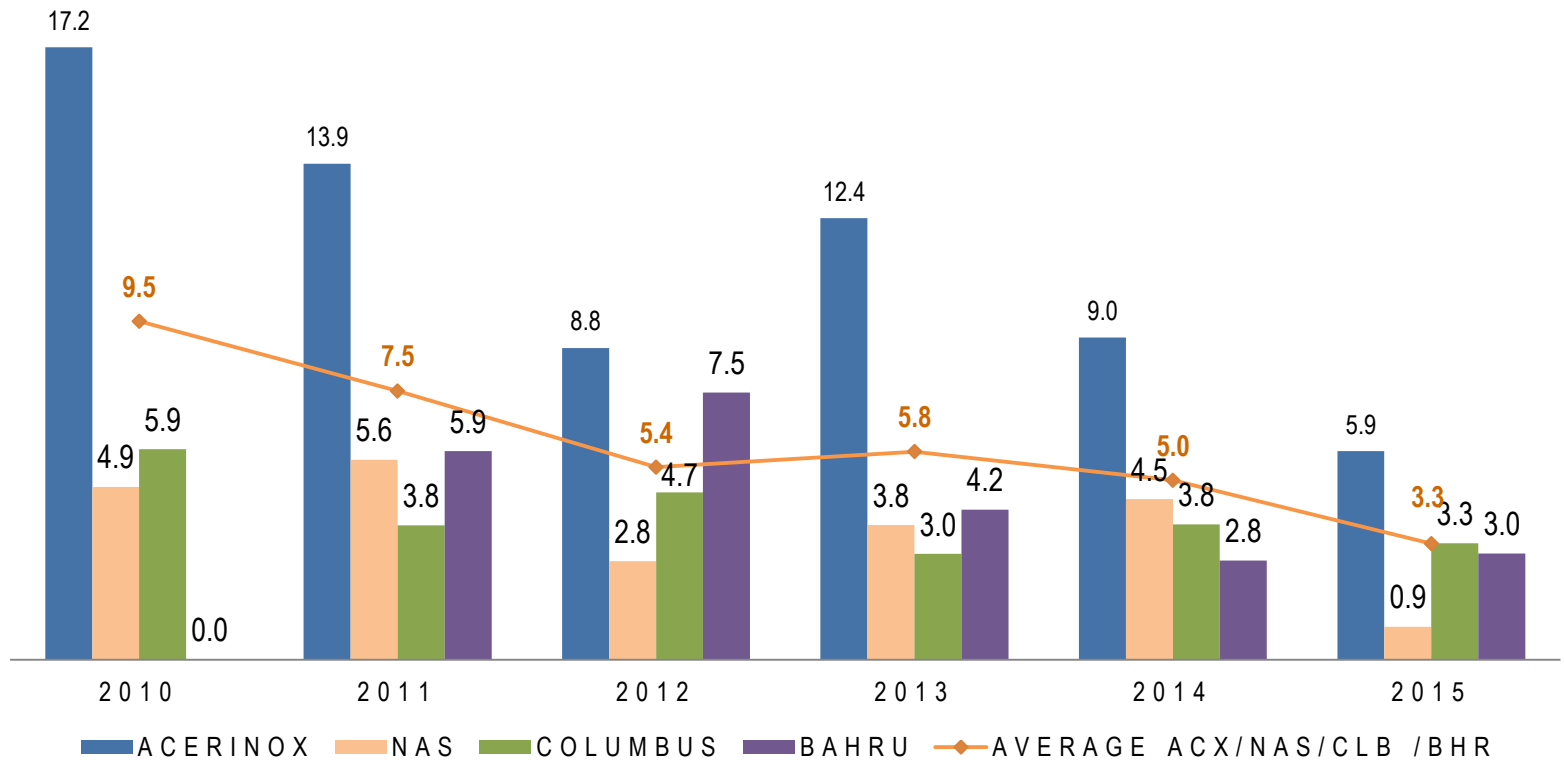


Workers at the Columbus Stainless factory



ACERINOX ACCIDENT RATE EVOLUTION

NAS, ISSF Safety Award 2016



• *Accident rate = total no. injuries and illnesses * 200,000 / no. worked hours*



OTHER AWARDS

Global Reporting Initiative G-4



Advanced Level, United Nations Global Compact

NAS, ISSF Safety Award 2016



GENERAL SHAREHOLDERS' MEETING



BUSINESS YEAR 2015

