

ACERINOX, S.A.

Increase in share capital charged to reserves

In accordance with Article 503 of the Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010, of 2nd July (the “**Corporate Enterprises Act**”), it is announced that the General Shareholders’ Meeting of Acerinox, S.A. (“**Acerinox**” or the “**Company**”) held on 10th June 2014 approved a capital increase with charge to the reserve account to which Article 303.1 of the Corporate Enterprises Act refers, found on the Company’s balance sheet under the account called “other reserves”. This capital increase is for a maximum reference market value of 115,715,779.65 euros (the “**Capital Increase**”), through the issuing of ordinary shares to be freely allotted to shareholders, to be executed within the year following the date of said General Meeting (the “**Agreement**”), delegating the execution of the Capital Increase to the Board of Directors (with express powers of substitution) within the scope of Article 297.1 a) of the Corporate Enterprises Act.

On 10th June 2014, the Board of Directors, making use of the powers delegated by the General Shareholders’ Meeting held on the same day, agreed to carry out the execution of the Capital Increase and to jointly and indistinctly delegate powers to the full extent of the law to the Chairman of the Board of Directors and the Managing Director, so that either could set the conditions for the Capital Increase regarding anything not contemplated in the Board of the Directors’ agreement at the General Shareholders’ Meeting, as well the power to sign as many documents as needed or deemed relevant for these purposes.

The terms and conditions regarding the execution of the Capital Increase, which have been completed through decisions of the Company’s Managing Director on 18th June 2014, are outlined below:

- 1. Maximum amount of Capital Increase and maximum number of shares to be issued.** The maximum reference market value of the Capital Increase shall be 115,715,779.65 euro. As a result, the share capital shall be increased by a maximum nominal amount of 2,216,777.25 euro, through the issuing and putting into circulation of a maximum of 8,867,109 ordinary shares with a nominal value of 0.25 each, of the same type and series as the Company’s shares currently in circulation. The new shares are issued at par, without share premium, so that the issue rate corresponds to their nominal value.

The new shares shall 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.

- 2. Consideration and balance serving as basis.** The Capital Increase is carried out entirely from the reserve account to which Article 303.1 of the Corporate Enterprise Act refers, which on the Company’s balance sheet is found under the account called “other reserves”, whose amount on 31st December 2013 totalled 701,398,000 euro.

The balance serving as the basis for the Capital Increase is that corresponding to 31st December 2013, which falls within the six months immediately preceding the Agreement. Said balance has been verified by KPMG Auditores, S.L., the auditor of Acerinox’s accounts, and approved by Acerinox’s Ordinary General Shareholders’ Meeting on 10th June 2014.

- 3. Political and economic rights.** The holders of the new shares shall be entitled to the same political and economic rights as the Acerinox shares currently in circulation, starting from the date on which the execution of the Capital Increase is declared to be allotted and disbursed.
- 4. Free allotment rights.** The Acerinox shareholders who appear legitimately as such in the accounting records of the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) at 11:59 p.m. on the day the present announcement is

published shall enjoy free allotment rights for the new shares, in the proportion of one new share for every 29 free allotment rights. One free allotment right shall correspond to each old Acerinox share.

5. **Negotiation period for the free allotment rights.** The free allotment rights shall be transferable under the same conditions as the shares from which they derive and shall be negotiable on the Madrid and Barcelona Stock Exchanges and on the Spanish Stock Exchange Interconnection System (Continuous Market) for a period of 15 calendar days, which will begin on the trading day following the publication of this announcement (the “**Negotiation Period**”). This period may not be extended. During this same period, shareholders may request the allotment of the shares that correspond to them through the bodies participating in Iberclear, as well as request a signed copy of the subscription form with the content required by Article 309 of the Corporate Enterprises Act.
6. **Purchase agreement for the free allotment rights.** Acerinox has assumed an irrevocable purchase agreement for the free allotment rights received by Acerinox shareholders (the “**Purchase Agreement**”). Only free allotment rights received by shareholders who appear legitimately as such in the accounting records of the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) at 11:59 p.m. on the day the present announcement is published shall be able to be transferred. Acerinox shall not purchase any rights acquired in the secondary market, which is in no way included in the Purchase Agreement. The Purchase Agreement shall be valid and may be accepted during the first 9 calendar days of the Negotiation Period.
7. **Depository shares.** Once the Negotiation Period for the free allotment rights has ended, the new shares that could not be allotted for reasons not attributable to Acerinox shall be kept in deposit and available to those accredited as the legitimate holders of these allotment rights. Once three years have passed since the end of the Negotiation Period, the shares that still have not been allotted may be sold, in accordance with the provisions of Article 117 of the Corporate Enterprises Act, for the account and risk of the parties concerned. The net amount of the aforementioned sale shall be deposited in the Bank of Spain or in the National Trust Bank for withdrawal by the parties concerned.
8. **Incomplete allotment.** The Agreement has expressly provided for the possibility of incomplete allotment. As Acerinox is planning to give up all the free allotment rights acquired as a result of the Purchase Agreement, the capital shall be increased by the corresponding amount. The final amount of Capital Increase shall be determined at the end of the Negotiation Period.
9. **Disbursement.** As mentioned, the disbursement shall take place in its entirety with charge to the reserve account referred to in Article 303.1 of the Corporate Enterprises Act, which on the Company's balance sheet is found under the account called “other reserves”. It shall be considered to have taken place after the Negotiation Period has ended, when the application of the balance of said reserve account is formalised for accounting purposes in the final amount of the execution of the Capital Increase.
10. **Charges and commissions.** The Capital Increase is carried out free of any charges and commissions in terms of the new shares being issued. Acerinox shall bear the costs of issuing, subscription, putting into circulation, admission to trading and other costs related to the execution of Capital Increase.

Notwithstanding the above, the Company's shareholders must bear in mind that the entities participating in the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear) where their shares may be deposited may establish, in accordance with current legislation, which commissions and charges are applicable for any administrative costs derived from the maintenance of the value in their accounting records, which they can freely determine. Likewise, the aforementioned participating entities may establish, in accordance with current legislation, which commissions and charges are applicable for the

processing of the purchase and sale orders for free allotment rights, which they may freely determine.

- 11. Admission to trading.** Acerinox shall request the admission to trading for the new shares that are issued as a result of the execution of the Capital Increase, which are issued on the Madrid and Barcelona Stock Exchanges, through the Spanish Stock Exchange Interconnection System (Continuous Market).
- 12. Information document.** In accordance with the provisions of the applicable legislation, on 10th June 2014 Acerinox made an information document available to the public, which contains the available information on the number and nature of the shares, and the reasons and details of the offer to which this execution of Capital Increase refers. In turn, this information has been supplemented by means of a second document published on 18th June 2014. Both documents have been communicated as relevant facts to the Spanish National Stock Exchange Commission and are available to the public on Acerinox's company website (www.acerinox.es) and on the National Stock Exchange Commission's website (www.cnmv.es).

The present announcement is also available on the company's website (www.acerinox.es).

Madrid, 18th June 2014

Mr Álvaro Muñoz López

Secretary of the Board of Directors of Acerinox S.A.