



XXV Santander Iberian Conference

Bernardo Velázquez - CEO

6 February 2019





DISCLAIMER

This document may contain forward-looking information and statements about ACERINOX, S.A., its subsidiaries and/or its management.

These forward-looking statements include financial projections and estimates and their underlying assumptions, and statements regarding the intent, belief or current expectations or forecasts of ACERINOX, S.A. and/or its management, as well as statements regarding future performance, plans, objectives, operations, business, strategy, capital expenditures, results of operations, markets and products. These forward-looking statements or forecasts may also include assumptions regarding future economic and other conditions, such as future nickel or chrome prices and, in general, are subject to risks, uncertainties and variables beyond ACERINOX's control that can adversely affect them.

These forward-looking statements and information do not constitute historical facts and can generally be identified by the use of terms such as "expects", "anticipates", "believes", "plans", "estimates" and similar expressions. ACERINOX, S.A. believes they all are reasonable but are not a guarantee of future performance, prices, results of operations, benefits or dividend payout policies. ACERINOX, S.A. future financial condition, financial ratios, business, results of operations and dividends could differ materially from those expressed or implied in or projected by such forward-looking statements, information and forecasts.

All forward-looking statements included herein are based on information available on the date hereof. Except as required by applicable law, ACERINOX, S.A. does not undertake any obligation to publicly update or revise any forward-looking statements and information, even in the event of new information being published or new events occurring.

Investors, holders of ACERINOX, S.A. securities and shareholders in ACERINOX, S.A. are cautioned not to place undue reliance on the forward-looking statements and information, which speak only as of the date they were made. All subsequent oral or written forward-looking statements or information attributable to ACERINOX, S.A. or any of its members, directors, officers, employees or any persons acting on its behalf are expressly qualified in their entirety by this cautionary statement.

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. None of the Company or any of its affiliates, advisors or representatives shall have any liability whatsoever for any loss arising from any use of this document, or its contents, or otherwise arising in connection with this document. Moreover, this document nor any part of it constitutes a contract, nor may it be used for incorporation into or interpretation of any contract or other type or agreement.

The points contained in this disclaimer must be taken fully into account by all persons or entities obliged to take decisions or to draw up or to publish opinions on securities issued by ACERINOX, S.A., in particular, by the analysts and investors reading this document. All the aforesaid persons are invited to consult the public documentation and information that ACERINOX, S.A. reports to or files with the bodies responsible for supervising the main securities market and, in particular, with the Spanish National Securities Market Commission (CNMV in its Spanish initials).



STAINLESS STEEL MARKET UPDATE



KEY DRIVERS

- Recovery of demand
- Overcapacity
- Trade barriers



HOW DOES ACERINOX FACE THIS SCENARIO?

- Growth strategy
- Cost control
- Global position
- Strong balance sheet
- Investing in efficiency



KEY DRIVERS: RECOVERY OF DEMAND

ISSF FORECASTS

MACRO INDICATORS

% 2017
% 2018e
% 2019e

WORLD

Stainless Steel Demand **+5.3** **+6.3** **+5.0**

Industrial Production **+3.6** **+3.4** **+2.9**

AMERICAS

SS **+5.2** **+3.4** **+3.6**

NAFTA

IPI **+1.9** **+3.5** **+2.9**

EUROPE/AFRICA

SS **+3.1** **+2.3** **+1.7**

UE28

IPI **+3.2** **+2.0** **+1.5**

ASIA excl. China

SS **+3.1** **+3.2** **+5.3**

ASIA excl. China

IPI **+4.2** **+2.6** **+2.9**

CHINA

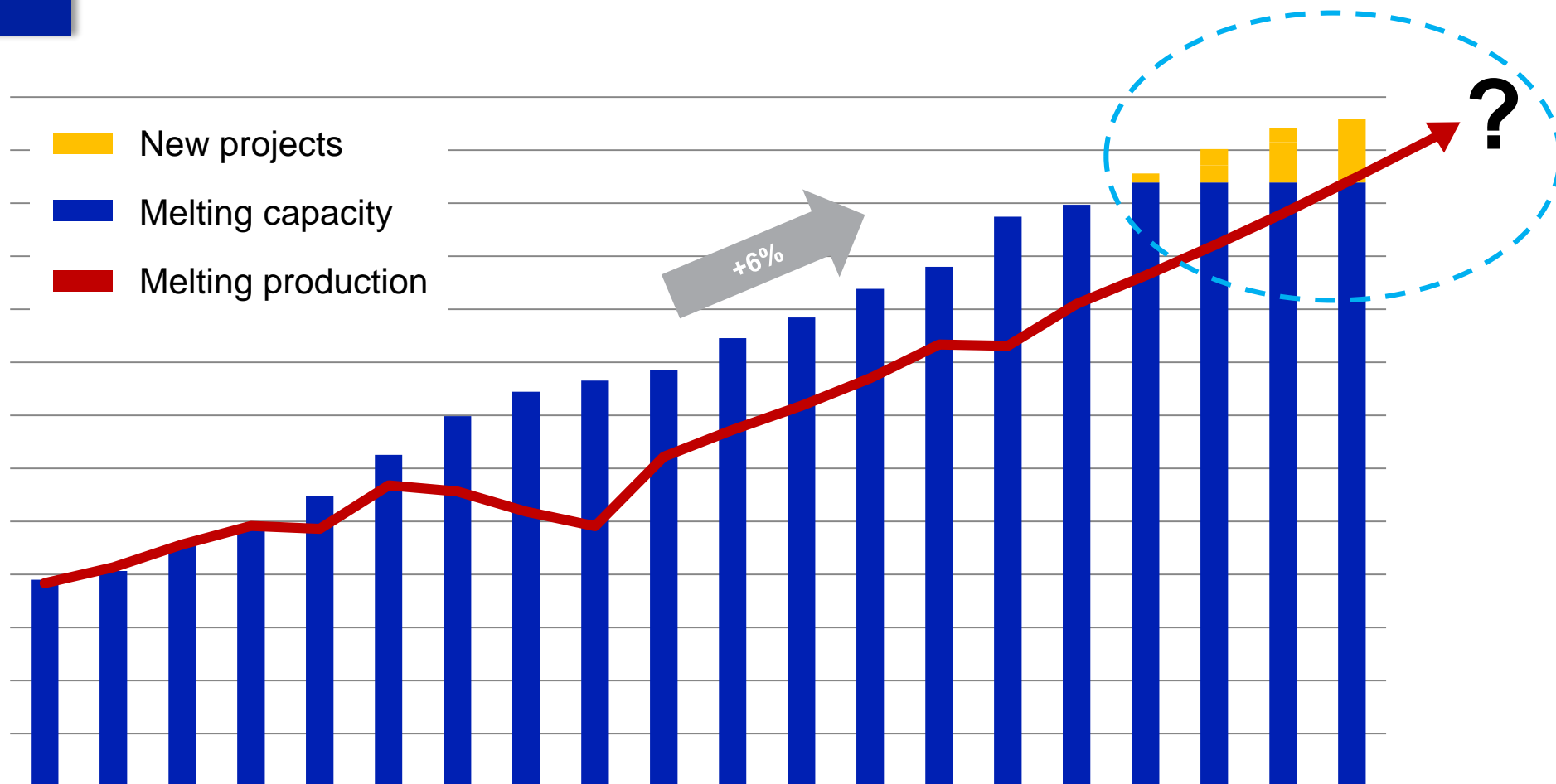
SS **+7.8** **+9.9** **+6.4**

CHINA

IPI **+6.5** **+6.3** **+5.1**



KEY DRIVERS: OVERCAPACITY



ALL ABOUT CHINA

Source: Acerinox



KEY DRIVERS: TRADE BARRIERS





KEY DRIVERS: TRADE BARRIERS

Investigating country	Type ²	Status of investigation	Investigated product ¹	Investigated country	In force since ⁴
Brazil	AD	Concluded	Cold rolled flat laminates	China , Finland, Germany, South Korea, Taiwan, Vietnam	04-oct-13
Canada	Safeguard	Concluded	All steel products	USA	25-oct-18
China	AD	Ongoing	Slab, billett and hot-rolled coil	EU, Japan, South Korea, Indonesia	
China	Safeguard	Concluded	all stainless steel products	USA	
EU	AD	Concluded	Cold-rolled flat products	China , Taiwan	27-ago-15
EU	Safeguard	Privisional measure ⁵	All steel products	All ⁶	19-jul-18
India	Safeguard	Ongoing	All steel products	USA	17-dic-18
India	AD	Concluded	Hot rolled flat products of 304 series	EU, South Africa, Taiwan, China , USA	11-oct-11
India	AD	Concluded	Hot rolled flat products of 304 series	China, Malaysia, South Korea	09-may-15
India	AD	Concluded	Cold rolled flat products of 400 series	EU, South Korea, USA	14-nov-11
India	AD	Concluded	Cold-rolled flat products	China , South Korea, EU, South Africa, Taiwan, Thailand, USA	27-mar-09
India	CVD	Concluded	Hot-rolled and cold-rolled flat products	China	04-jul-17
Malaysia	AD	Concluded	Hot-rolled coils	China, Indonesia	14-feb-15
Malaysia	AD	Concluded	Cold-rolled stainless steel	China , South Korea, Taiwan, Thailand	12-oct-17
Mexico	Safeguard	Concluded	Flat-rolled stainless steel	USA	05-jun-18
South Korea	AD	Concluded	Stainless steel plate	Japan	21-abr-11
Taiwan, China	AD	Review	Hot-rolled and cold-rolled flat products	China , South Korea	16-ene-14
Thailand	AD	Concluded	Cold-rolled flat products	Taiwan, China , Japan, South Korea	13-mar-03
Thailand	AD	Concluded	Hot-rolled flat products	South Korea	08-ago-13
Thailand	AD	Concluded	Cold-rolled flat products	China	10-dic-13
Turkey	AD	Terminated	Cold-rolled flat products	China , Taiwan	
Turkey	Safeguard	Concluded	Stainless steel flat products	All ⁶	17-oct-18
USA	CVD	Concluded	Stainless steel plate in coils	South Africa	11-may-99
USA	AD	Concluded	Stainless steel plate in coils	Belgium, South Africa, Taiwan, China	21-may-99
USA	CVD	Concluded	Stainless steel sheet and strip in coils	South Korea	06-ago-99
USA	AD	Concluded	Stainless steel sheet and strip in coils	Japan, South Korea, Taiwan, China	27-jul-99
USA	CVD	Concluded	Stainless steel sheet and strip in coils	China	24-mar-17
USA	AD	Concluded	Stainless steel sheet and strip in coils	China	24-mar-17
USA	Safeguard	Concluded	All steel products	All ⁷	23-mar-18
Vietnam	AD	Concluded	Cold-rolled stainless steel coil and sheet	China, Indonesia , Malaysia, Taiwan	20-jul-18

Data: CRU, Global Antidumping Database (GAD). Notes: 1) HS headings 7219 - 7220; 2) AD = anti-dumping duty, CVD = countervailing duty; 3) denominated in US\$; 4) trade defence measures generally expire after five years unless they are extended in a review investigation; 5) takes a form of tariff rate quota: tariff-free quota based on the average of 2015-2017 imports level by product group, any additional materials subjected to 25% tariff; 6) except developing nations that account for less than 3% of total EU imports, countries who currently attract a higher rate anti-dumping or countervailing duty and members of the EEA outside of the EU; 6) EU might be exempted; 7) Canada, Mexico and EU exempt until 1 June 2018, Australia, Argentina, South Korea and Brazil exempt with quota.



ACERINOX STRATEGY: GROWTH

OPTIMIZING CAPACITY UTILIZATION

MELTING PRODUCTION 2017 SECOND BEST YEAR

INCREASE 2017/2009: +39%

INCREASE 2017/2009: +62%

2009 2010 2011 2012 2013 2014 2015 2016 2017

COLD ROLLING PRODUCTION 2017 BEST YEAR



ACERINOX STRATEGY: COST CONTROL

2017-2018 EXCELLENCE PLAN V

Target : 50 million EUR

5 chapters: Operations, Working Capital, Personnel, Commercial and Supply Chain

Performance to June 2018: 57% (29 million EUR)

Reduction of inventories (mt)

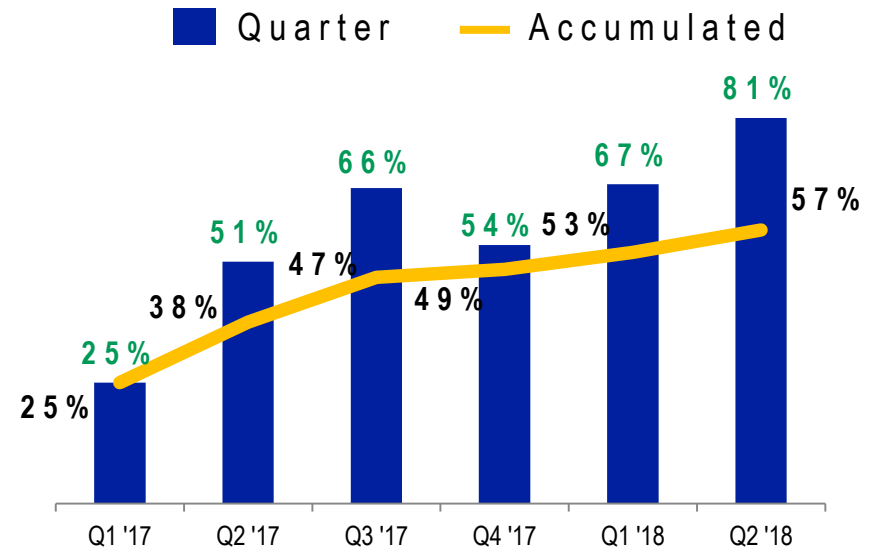
Efficiency

Reliability

Service center optimization

Productivity

PERFORMANCE % over the target





ACERINOX STRATEGY: GLOBAL POSITION



- Warehouses (26)
- Sales offices (35)
- Service centres (18)



Sales agents (15 in 26 countries)

Factories (6)

ACERINOX STRATEGY: STRONG BALANCE SHEET

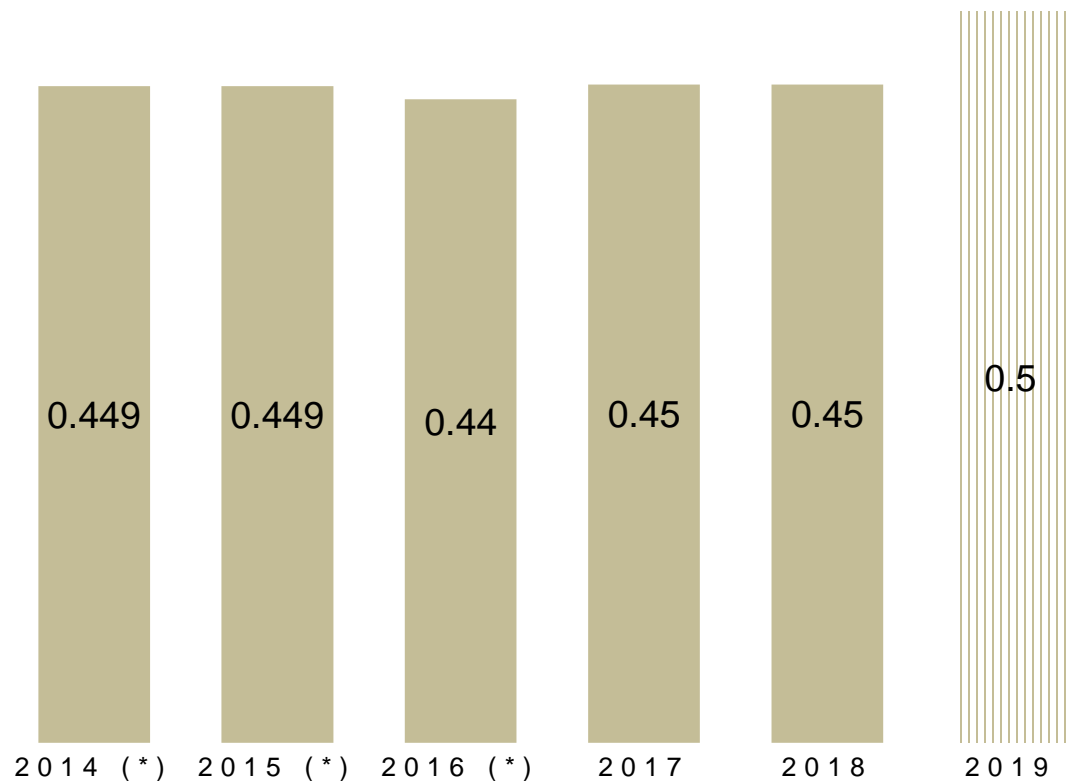
✓ Improving return to shareholders

✓ Maintaining CAPEX

✓ Reducing Debt



ACERINOX STRATEGY: RETURN TO SHAREHOLDERS

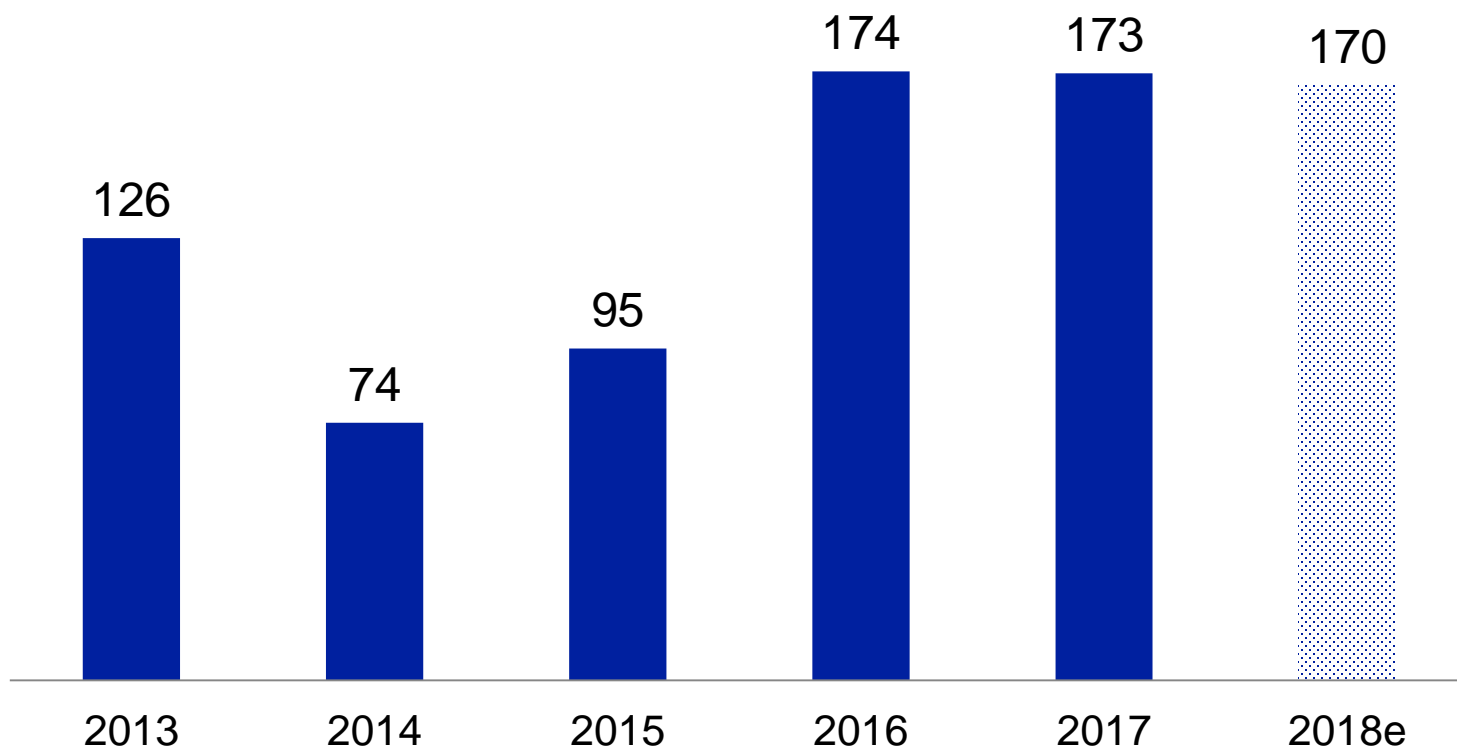


- Increase dividend 11%
- Share buyback program of 2%

(*) Scrp dividend



ACERINOX STRATEGY: CAPEX





ACERINOX STRATEGY: INVESTING IN EFFICIENCY





CONCLUSIONS

Stainless steel is an excellent material

Investments make the difference

Strong demand

Competitiveness

Acerinox: "GLOCAL" player in the industry

Strong balance sheet

**CLEAR STRATEGY
FOR FURTHER IMPROVEMENTS**



XXV SANTANDER IBERIAN CONFERENCE

A world map is centered in the background, rendered in a dark blue color. Numerous location pins are scattered across the map, each featuring the ACERINOX logo. A semi-transparent dark grey horizontal band is overlaid across the middle of the map, serving as a background for the text.

THANK YOU

Q&A