

Acerinox improves its quarterly results

- In the second quarter Acerinox has recorded profits after taxes and minority interests of 80 million euros, 52% up on the second quarter of 2017 and 38% up on the previous quarter. The EBITDA, 151 million euros, is 20% higher than in the second quarter of the previous year and 28% higher than in the first quarter of 2018
- The profit for the first half of the year, 138 million euros, is still 8% lower than the first half of 2017; however, it is 66% higher than in the previous six months. The EBITDA, at 268 million euros, is 15% lower than the same period last year and 56% higher than in the second half of 2017
- Net sales for the first half of the year, totalling 2,588 million euros, have increased by 6% compared with the same period the previous year
- Melting production, at 1,307,308 tonnes, has increased by 3% compared to the first half of 2017
- Net financial debt, 537 million euros, has decreased by 72 million euros with respect to December 2017
- The operating cash flow for the Group over the first half has increased to 131 million euros
- In July, Acerinox distributed a cash dividend of 0.45 euros per share
- Excellence Plan V for 2017-2018 is performing well and 57% of its targets have already been met in the first eighteen months, which we value at 29 million euros
- Despite the complex situation in international markets, the strength of the American market points towards a third quarter in line with the second quarter

During the second quarter of the year, Acerinox recorded profits of 80 million euros, 52% higher than in the same period of the previous year and 38% higher than the last quarter. Its Ebitda increased by 20%, compared to the same quarter of 2017, to 151 million euros.

Acerinox closed its second best half-year in the last decade with profits after taxes and minority interests of 138 million euros, being surpassed only during the exceptional first half-year of 2017. This result is also 56% better than the second quarter of 2017.

Growth was also reflected in the turnover figure, 2,588 million euros in the first-half, which exceeded what was registered in the first six months of 2017 by 6% due to the 8.8% increase in sales of physical units.

Production in the Acerinox Group's different plants increased in all workshops with 3% increases in melting production, 0.9% in hot rolling and 6.6% in cold rolling. The case of North American Stainless (NAS), the Acerinox Group plant in the United States, is particularly significant, reaching monthly production records in all of its workshops.

Acerinox's net financial debt of 537 million euros decreased during the first half of the year by 72 million euros.

The Chairman of Acerinox, Rafael Miranda, wished to highlight that “despite the complexity of international markets and tensions regarding tariffs, Acerinox’s global position allows it to take advantage of opportunities where they arise, in this case in the United States, our main market”.

Bernardo Velázquez, Chief Executive Officer of Acerinox, emphasised that “we are optimistic about the evolution of demand. This situation, together with the positive progress of the American market, allows us to expect a good third quarter, in line with the second, with which cumulative figures for the year would be above those of the same period of the previous year”.

Investing at the right time

The investments included in the 2016-2020 Strategic Plan, which resulted in new state-of-the-art equipment at the North American Stainless (United States), Acerinox Europa (Spain) and Columbus Stainless (South Africa) factories, are responding in a very satisfactory way.

The start-up of a BA bright annealing line at NAS has occurred at the best possible time and it is increasing its production faster than expected.

At Acerinox Europa, the new AP-5 annealing and pickling line became operational in March. Its having a swift progression with a quality above expectations.





Aerial view of the new AP-5 annealing and pickling line at the Acerinox Europa factory

Excellence Plan V includes objectives amounting to 29 million euros

After the first eighteen months of its implementation, 57% of the objectives of Excellence Plan V 2017-2018 which the company is currently working on have been achieved, a level of compliance, valued at 29 million euros.

The Group is already working on Excellence Plan VI to consolidate the advances achieved with the previous plans and to explore new areas for improvement.

The results of the four Excellence Plans implemented until now are as follows:

- Excellence Plan I 2009-2010: 97 million euros
- Excellence Plan II 2011-2012: 53 million euros
- Excellence Plan III 2013-2014: 53 million euros
- Excellence Plan IV 2015-2016: 50 million euros

Acerinox has paid its shareholders a dividend of 0.45 euros per share

The Ordinary General Shareholders' Meeting held on 10 May 2018 approved the distribution of a dividend of 0.45 euros/share in cash. The payment was made on 5 July.