Results on 31 March, 2018

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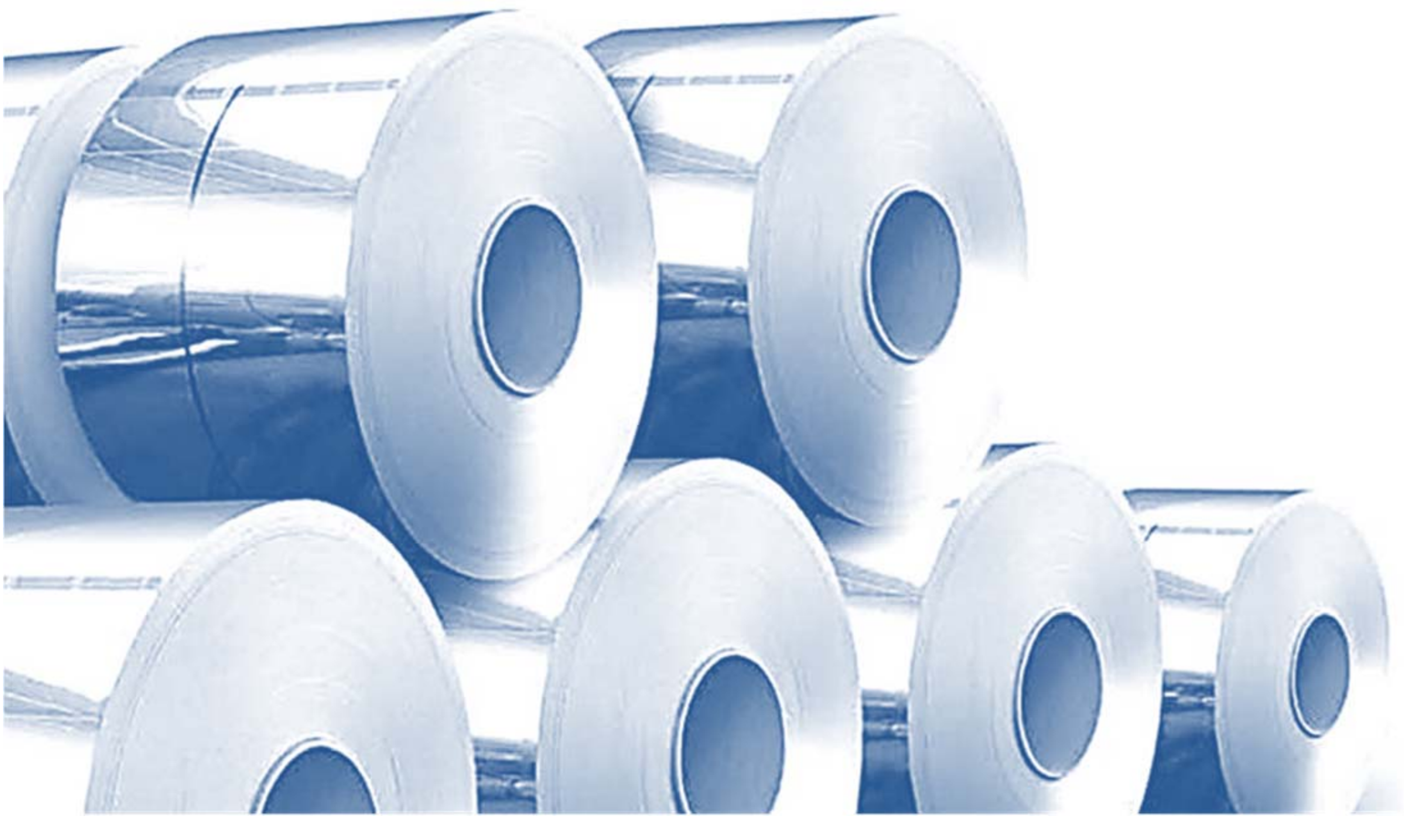

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Telephone conference and live broadcast of the presentation of the results for the First Quarter of 2018

Acerinox will hold the presentation for the results of the first quarter of 2018, in English, today, 27 April, at 10.00 AM (CET), directed by Miguel Ferrandis, Group CFO, accompanied by the Investor Relations team.

To access the presentation via telephone conference, you can use one of the following numbers, 5-10 minutes before the start of the event:

Spain: +34 914142021
UK: +44 2030432440

Followed by the PIN code: 18610600#

The presentation can be followed from the website of Acerinox (www.acerinox.com), in the section of Shareholders and Investors.

The presentation and all the audio-visual material will be available on the Acerinox website.

Results for the First Quarter of 2018

- The EBITDA has risen to 118 million euros, a figure similar to that of the previous quarter and 39% lower than in the first quarter of 2017, which was boosted by the recovery of raw materials
- The profits after taxes and minority interests have totalled 58 million euros compared to 98 million euros in the first quarter of 2017
- The Group's net sales, totalling 1,254 million euros, slightly increased by 0.1% compared with the same period of the previous year, and 12% higher with respect to the previous quarter
- Melting production, totalling 668,076 tonnes, increased by 0.1% in comparison with the same period of the previous year. Cold rolling production, standing at 461,565 tonnes, has increased by 5.3% with respect to the first quarter of 2017
- Investments amounting to 33 million euros have been approved
- The Board of Directors has proposed to the General Shareholders' Meeting a dividend of 0.45 euros per share, to be made effective by means of a single cash payment in July, and the renovation of five board members
- The results in the second quarter will improve, boosted by the satisfactory situation of the American market

Quarterly evolution of the EBITDA

Millions of euros (% of sales)

Stainless Steel Market

The final demand for stainless steel has continued to perform well in all markets, in line with the good performance of the world economy, although the fundamentals are different in each one.

The **American market** has displayed a good performance in the first quarter in terms of both consumption and prices, boosted by the news on the tariff measures.

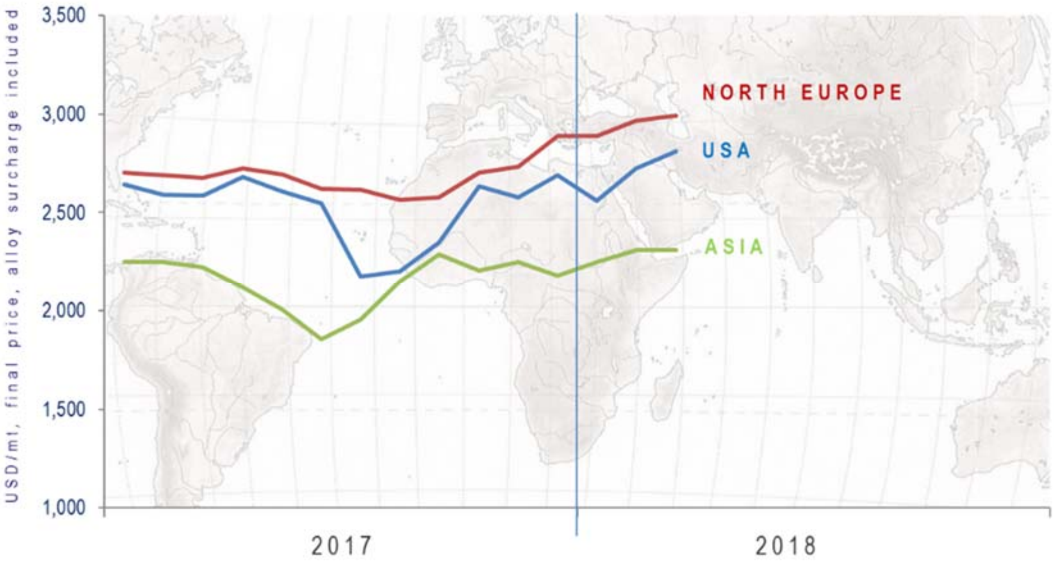
This increased consumption and activity in all sectors has meant that stocks have been reduced to 2.6 months, below the average of recent years.

Imports have fallen by 15%, chiefly due to the implementation of Section 232, which proposes a 25% tariff on imports of melting products.

As a result, prices have evolved upwards during the first quarter.

The prices were affected in January by the sharp decline in the alloy surcharge as a result of the decline in ferrochrome prices. This effect was corrected in February and March as a result of the rise in the price of nickel and the base price.

Prices of stainless steel coil | 2.0mm cold-rolled AISI 304
2017 – March 2018



Source: Platts

Final demand in the European market has continued to evolve satisfactorily. However, the price differential with Asia, the strength of the Euro and the announcement of protectionist measures in the United States have made it a very attractive market for imports, which have already achieved a 28% degree of penetration.

The increased imports are placing a great deal of pressure on prices. In a note issued on 26 March, the European Commission announced the beginning of a safeguard investigation related to steel imports to prevent the diversion of imports from the United States to Europe.

Stocks in Europe are also at low levels, according to our estimates. In March they stood at 52 days, when the average is 57 days.

The **Asian markets**, especially China, have performed well in the main stainless steel consumer sectors. However, the strong competition in the region has kept prices in Asia well below the rest of the markets.

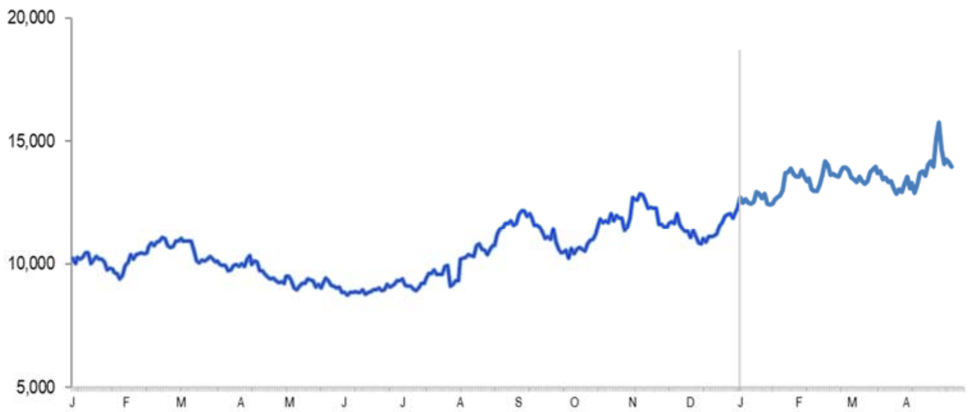
The high levels of production, coinciding with lower activity due to the Chinese New Year, has led to increases in inventories in the first quarter.

Raw materials and alloy surcharges

The correction experienced by nickel last November, together with the 15% fall in the price of ferrochrome for the quarter, led to a sharp drop in the alloy surcharge in January, mainly in the United States. This effect was corrected in February and March as a result of the subsequent evolution of the price of nickel.

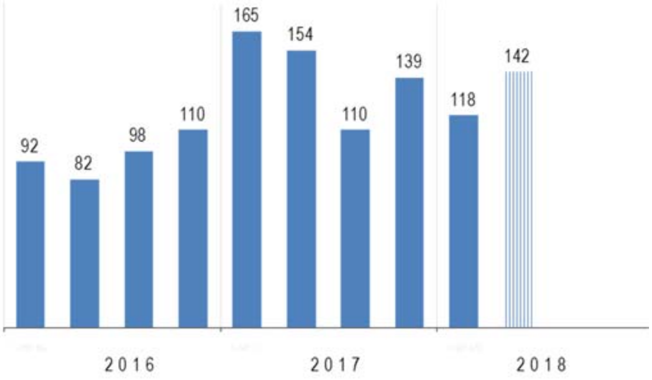
Official price of nickel on the LME

Average daily price for cash/three months (USD/t). Years 2017 - 26 April, 2018



Average quarterly price of ferrochrome

US¢ / Lb. Cr



Source: Metal Bulletin

The recent rise of the price of nickel and ferrochrome will be reflected in the alloy surcharges of the second quarter.

Production

The Acerinox Group's melting production in the first quarter of 2018 has totalled 668,076 tonnes, a figure 0.1% higher than that for the same period of the previous year.

Quarterly melting production

Thousands of t

Hot rolling flat production, totalling 577,470 tonnes, has decreased by 2.5% with respect to the January-March period of 2017.

Meanwhile, cold rolling production, totalling 461,565 tonnes, has increased by 5.3% compared with the first quarter of the previous year, as a result of the increase in production at Bahru.

Acerinox Production

Thousands of t

		2018					2016	Variation (%)
		Q1	Q2	Q3	Q4	Accumulated	Jan-Mar	
Melting shop	Thousand t	668.1	---	---	---	668.1	667.5	0.1%
Hot rolling shop		577.5	---	---	---	577.5	592.5	-2.5%
Cold rolling shop		461.6	---	---	---	461.6	438.3	5.3%
Long product (Hot rolling)		64.6	---	---	---	64.6	58.5	10.5%

Long products are progressing very favourably, chiefly in Europe, where the Group's production has totalled 64,602 tonnes, 10.5% more than in the first quarter of 2017.

Results

Net sales, totalling 1,254 million euros, has increased by 0.1% compared with the same period of the previous year.

Condensed profit and loss account

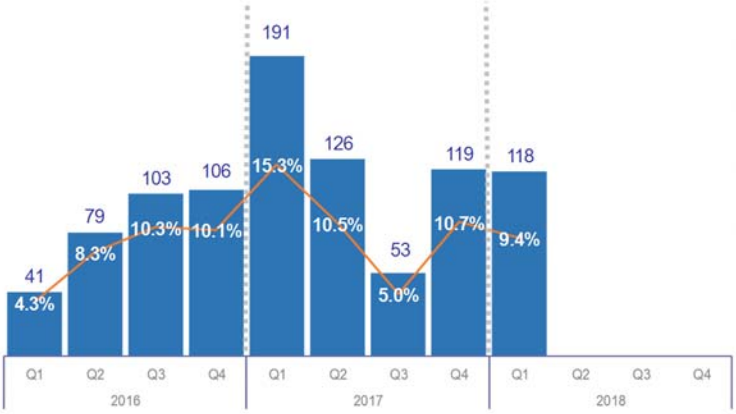
Millions of euros

	January- March		
	2018	2017	Variation
Net sales	**1,253.73**	**1,252.48**	**0.1%**
Gross operating result / EBITDA	117.51	191.24	-38.6%
% over sales	9.4%	15.3%	
EBIT	**75.93**	**146.12**	**-48.0%**
% over sales	6.1%	11.7%	
Result before taxes	76.50	140.80	-45.7%
Result after taxes and minorities	**57.91**	**97.95**	**-40.9%**
Depreciation	40.90	45.28	-9.7%
Net cash flow	98.81	143.24	-31.0%

The EBITDA generated in the quarter, 118 million euros, was similar to that of the previous quarter, but 39% lower than in the same period of the previous year, when it was boosted by the sharp increases in raw materials. It is important to highlight the upward trend during the quarter, constituting a good starting point for the coming months.

Quarterly evolution of the EBITDA

Millions of euros (% of sales)



The main expenditure items have been kept under control. Thus, both personnel and operating costs have fallen by 2% and depreciation & amortization has dropped by 10%, while the net financial result has been positive.

In short, we have obtained a pre-tax result totalling 76 million euros, which, although it is a figure 46% lower than in the previous year, represents a 5% improvement on the fourth quarter of 2017.

The profits after taxes and minority interests total 58 million euros, boosted by the fall in taxation in the United States.

Condensed balance sheet

Millions of euros

ASSETS	Mar 18	2017	Variation
Non-current assets	**2,088.76**	**2,147.62**	**-2.7%**
Current assets	**2,387.43**	**2,256.39**	**5.8%**
- Inventories	993.68	990.48	0.3%
- Debtors	764.94	613.20	24.7%
Trade debtors	*693.19*	*552.06*	*25.6%*
Other debtors	*71.75*	*61.14*	*17.4%*
- Cash	610.59	620.54	-1.6%
- Other current assets	18.22	32.17	-43.4%
TOTAL ASSETS	**4,476.19**	**4,404.01**	**1.6%**

LIABILITIES	Mar 18	2017	Variation
Equity	**1,966.63**	**1,970.30**	**-0.2%**
Non-current liabilities	**1,206.44**	**1,149.38**	**5.0%**
- Interest-bearing loans and borrowings	998.44	936.68	6.6%
- Other non-current liabilities	208.00	212.70	-2.2%
Current liabilities	**1,303.12**	**1,284.34**	**1.5%**
- Interest-bearing loans and borrowings	278.85	293.08	-4.9%
- Trade creditors	895.09	856.71	4.5%
- Other current liabilities	129.18	134.55	-4.0%
TOTAL EQUITY AND LIABILITIES	**4,476.19**	**4,404.01**	**1.6%**

The working operating capital, 792 million euros, increased by 106 million euros, mainly due to the higher trade receivables resulting from more net sales in March.

Millions of Euros	March 2018	December 2017
Inventories	994	990
Trade receivables	693	552
Trade payables	895	857
Working Capital	**792**	**686**

Higher requirements of working capital have determined the generation of the quarter's cash flow. The operating cash flow was -12 million euros, while free cash flow, after investments, was -46 million euros. This situation will level off in the second quarter.

Condensed cash flow statement

Millions of euros

	Jan - Mar 2018	Jan - Dec 2017	Jan - Mar 2017
EBITDA	**118**	**489**	**191**
Changes in working capital	-103	1	-101
Income tax	-22	-82	-5
Financial expenses	-4	-28	-6
Others	0	-13	-3
OPERATING CASH FLOW	**-12**	**366**	**77**
Payments for investments on fixed assets	-34	-185	-53
FREE CASH FLOW	**-46**	**181**	**24**
Dividends and treasury shares	-1	-124	0
CASH FLOW AFTER DIVIDENDS	**-47**	**57**	**24**
Conversion differences	-11	-46	-5
Variation in net financial debt	**-57** ↑	**11** ↓	**19** ↓

The Group's net financial debt as of 31 March stood at 667 million euros, compared with 609 million euros on 31 December 2017. This rise is chiefly due to the above-mentioned increase in trade receivables and the depreciation of the dollar.

As of 31 March, Acerinox has lines of credit amounting to 2,043 million euros, 37% of which are available.

Investments

At the end of March, the new AP-5 annealing and pickling line at Acerinox Europa started up in a trial phase, with the most advanced technological systems available and a level of competitiveness which will generate new quality standards. With the above, Acerinox will manufacture a product with greater added value, quality and reliability and reduce its costs and environmental impact.

This new equipment will also provide final customers with thinner gauges, with 1,500 mm widths, thus expanding their range of products.

The tests performed have exceeded our expectations in terms of the quality of the product and the efficiency of the process.

Last summer, the SL-9 longitudinal cutting line was launched, while the beginning of March saw the commencement of cold rolling on the new ZM-7 line and now the 140-million-euro investment is complete, with the start-up of the annealing and pickling line.

The installation of this equipment forms part of the Acerinox Strategic Plan for 2016-2020, which prioritizes rapid-return investments (five years in the case of the new AP-5 line) as well as operational excellence, with the maximum use of its financial capacity and strength.

Within this framework, two investments for Acerinox Europa and Columbus were approved at the meeting of the Board of Directors held on 25 April. In both cases it is a ladle furnace which will improve the melting making process, as well as the operating costs and quality, while reducing the environmental impact.

The investment totals 12 million euros at Columbus and 21 million euros at Acerinox Europa, as the latter entails more civil work.

In keeping with the Group’s policy, the payback on these investments is less than 5 years.

General Shareholders' Meeting

The General Shareholders' Meeting of Acerinox S.A. will be held on 10 May, 2018. It will take place at Paseo de la Castellana 33 (the Mutua Madrileña building), Madrid. The agenda and the proposed agreements are published on the Acerinox website (www.acerinox.com) and the CNMV.

Among other matters, the renovation of five board members will be proposed, together with the distribution of a dividend of 0.45 euros per share, to be made effective by means of a single cash payment in July.

Outlook

The second quarter will reflect the high demand existing in all the markets, encouraged by the rises in nickel and ferrochrome prices.

The prices in the European market will depend on the differential with the Asian market and the effects of the protectionism in the United States.

However, Acerinox will benefit from the strength of the United States, its main market, where there have already been three price increases.

Main economic-financial figures

CONSOLIDATED GROUP	Year 2018 Q1	Q2	Q3	Q4	Accumulated	2017 Jan-Mar
Production (Thousand mt)						
Melting shop	668.1				**668.1**	667.5
Hot rolling shop	577.5				**577.5**	592.5
Cold rolling shop	461.6				**461.6**	438.3
Long product (hot rolling)	64.6				**64.6**	58.5
Net sales (million €)	1,253.73				**1,253.73**	1,252.48
Gross operating result / EBITDA (million €)	117.51				**117.51**	191.24
% over sales	9.4%				**9.4%**	15.3%
EBIT (million €)	75.93				**75.93**	146.12
% over sales	6.1%				**6.1%**	11.7%
Result before taxes and minorities (million €)	76.50				**76.50**	140.80
Result after taxes and minorities (million €)	57.91				**57.91**	97.95
Depreciation (million €)	40.90				**40.90**	45.28
Net cash flow (million €)	98.81				**98.81**	143.24
Number of empoyees	6,692				**6,692**	6,616
Net financial debt (million €)	666.70				**666.70**	600.55
Debt to equity (%)	33.9%				**33.9%**	26.8%
Number of shares (million)	276.07				**276.07**	276.07
Return to shareholders (per share)	---				**---**	---
Daily average shares traded (nº of shares, million)	1.22				**1.22**	1.54
Result after taxes and minorities per share	0.21				**0.21**	0.35
Net cash flow per share	0.36				**0.36**	0.52

Alternative Performance Measures (definitions of terms used)

Saving relating to the Excellence Plan: estimated saving on efficiency on the basis of this study defined in each Plan

Operating Working Capital: Inventories + Trade receivables – Trade payables

Net Cash Flow: Results after taxes and minority interest + depreciation and amortization

Net Financial Debt: Debt with banks + bond issuance - cash

Net Financial Debt / EBITDA: Net Financial Debt / annualized EBITDA

EBIT: Operating income

EBITDA: Operating income + depreciation and amortization + variation of current provisions

Debt Ratio: Net Financial Debt / Equity

Net financial result: Financial income – financial expenses ± exchange rate variations

ROCE: Operating income / (Equity + Net financial debt)

ROE: Results after taxes and minority interest / Equity

ICR (interest coverage ratio): EBIT/Net financial result