

**PROPOSED RESOLUTIONS TO BE SUBMITTED TO THE
ACERINOX, S.A. SHAREHOLDERS' GENERAL MEETING TO BE
HELD IN FIRST CALL ON 26th May 2008
AND IN SECOND CALL ON 27th May 2008**

No. 1 of the Agenda

“Review and approval, if deemed convenient, of 2007 ACERINOX, S.A. and Consolidated Group annual accounts -Balance Sheet, Profit and Loss Account and Annual Report- and the Management Report referred to ACERINOX, S.A. and its Consolidated Group concerning year 2007”.

Concerning no. 1 of the Agenda of the General Meeting, the Board of Directors submits the following proposal of resolution:

“To approve ACERINOX, S.A. and Consolidated Group Annual Accounts –Balance Sheet, Profit and Loss Account and Annual Report- together with the Management Report of the business year closed as of 31st December 2007.

Likewise, to approve the following proposal of application of ACERINOX, S.A. 2007 results made by the Board of Directors:

Profit after taxes:	130,722,344.28 €
Application:	
To Dividends:	89,445,426.45 €
To Voluntary Reserve:	41,276,917.83 €

Considering that the Board of Directors in its meeting of the 13rd December 2007 agreed a first gross dividend of 0.10 € per share and in its meeting of the 25th February 2008, a second gross dividend of 0.10 € per share, being both dividends on account of year 2007, it is proposed a complementary gross dividend of 0.15 € on account of year 2007, which will be paid from 4th July.

No. 2 of the Agenda

“Approval, if deemed convenient, of the management of the Board of Directors during the business year 2007, and also of the two interim dividends on account of year 2007 paid on the 4th January 2008 and the 4th April 2008”.

Concerning no. 2 of the Agenda of the General Meeting, the Board of Directors submits the following proposal of resolution:

“To approve the management by the Board of Directors of ACERINOX, S.A. in the business year 2007, together with the two gross dividends on account of year 2007, which amount to 0.20 € per share, as agreed by the Board of Directors in its meetings of the 13th December 2007 and 25th February 2008 and which were paid on the 4th January 2008 and the 4th April 2008 respectively”.

No. 3 of the Agenda

“Authorization to the Board of Directors for the acquisition of shares directly of the Parent Company or through any of the companies of its Group in accordance with section 75 of the Companies Act in force, fixing the limits and conditions and canceling the authorization granted by the General Meeting held on the 14th June 2007”.

Concerning no. 3 of the Agenda of the General Meeting, the Board of Directors submits the following proposal of resolution:

“To authorize and empower the Board of Directors of ACERINOX, S.A., or the person/s in which the Board may delegate, and the Companies of its Group in order to acquire shares of ACERINOX, S.A., according to section 75 of the Companies Act, for any onerous share and during a period of eighteen months from today, and this limit also applies to transfer them between the above mentioned limits.

The maximum number of own shares which the company can acquire by reason of this authorization, will be that stated by the additional regulation First, 2, according to article 75.2nd of the adapted wording of the Companies Act approved by the Royal Decree 1564/1989 of the 22nd December.

This authorization cancels the one granted to this effect in the General Shareholders Meeting of the 14th June 2007.”

No. 4 of the Agenda

“Proposed refund of contributions to the shareholders on account of the Issue Premium”.

Concerning no. 4 of the Agenda of the General Meeting, the Board of Directors submits the following proposed resolution:

“To approve a refund of contributions to the ACERINOX, S.A. shareholders against the Issue Premium for an amount of 0.10 Euro per share, authorizing the Board of Directors of ACERINOX, S.A. to fix the date of the refund, which will take place before the 31st December 2008 and to fix any other needed condition to that effect”.

No. 5 of the Agenda

“Re-election of KPMG Auditores, S.L. of Accounts Auditors both for ACERINOX, S.A. and its Consolidated Group for 2008”.

Concerning No. 5 of the Agenda of the General Meeting, the Board of Directors submits the following proposed resolution:

To appoint as account auditors to carry out the revision and legal auditing of ACERINOX, S.A. and its Consolidated Group financial statements for year 2008, the company “KPMG Auditores S.L”, empowering ACERINOX Board of Directors to fix the conditions and formalize the corresponding contract.

No. 6 of the Agenda

“Appointment and Re-election of Board Directors”

The Board of Directors, with the favourable consent of the Appointment and Retributions Committee, submits the following resolution proposal concerning No. 6 of the Agenda of the General Meeting:

- 1) *To appoint Mrs. Amparo Moraleda Martínez, Spanish national, of age, as Board Director of ACERINOX, S.A for a four-year-period. This appointment was made in accordance with the Company Bylaws. Mrs. Moraleda Martínez is appointed as independent Board Director.*
- 2) *To appoint Mr. Braulio Medel Cámara, Spanish national, of age, as Board Director of ACERINOX, S.A for a four-year-period. This appointment was made in accordance with the Company Bylaws. Mr. Medel Cámara is appointed as independent Board Director.*
- 3) *To appoint Mr. Junya Hayakawa, Japanese national, of age, as Board Director of ACERINOX, S.A for a four-year-period. This appointment was made in accordance with the Company Bylaws. Mr. Hayakawa is appointed as Domanial Board Director.*
- 4) *To re-elect Mr. Oscar Fanjul Martin, who should have had to resign due to the expiry of the period for which he was appointed, as ACERINOX, S.A. Board Director for a four-year period in accordance with the Company Bylaws. Mr. Fanjul Martin is appointed as Domanial Board Director.*
- 5) *To re-elect Mr. Juan March de la Lastra, who should have had to resign due to the expiry of the period for which he was appointed, as ACERINOX, S.A. Board Director for a four-year period in accordance with the Company Bylaws. Mr. March de la Lastra is appointed as Domanial Board Director.*
- 6) *To re-elect Mr. José Ramón Guerediaga Mendiola, who should have had to resign due to the expiry of the period for which he was appointed, as ACERINOX, S.A. Board Director for a four-year period in accordance with the Company Bylaws. Mr. Guerediaga Mendiola is appointed as independent Board Director.*

No. 7 of the Agenda

“Explaining report for the General Shareholders Meeting about the items included in 116B Article of the Securities Market Law”.

Concerning No. 7 of the Agenda of the General Meeting, the Board of Directors submits the following proposed resolution:

EXPLAINING REPORT OF THE ITEMS INCLUDED
IN No. 116-B ARTICLE OF THE SECURITIES MARKET LAW

ACERINOX, S.A. Board of Directors in its meeting held on the 25th February 2008 has resolved to present to the next General Shareholders Meeting an explaining report regarding certain contents of the Management report of the company of year 2007, included according to No. 116-B Article of the Securities Market Law, which has been included in 6/2007 Law.

A) Capital structure

ACERINOX, S.A. share capital amounts to 64,875,000 euros and it consists of:

- 259,500,000 ordinary shares of a face value of 0.25 euros per share.

B) Restrictions to the transfer of shares

There are no restrictions to the transfer of shares which make up the share capital.

C) Significant stakes in the share capital

- | | |
|-------------------------------|-------------------------------------|
| - Corporación Financiera Alba | 23.240% (Alba Participaciones S.A.) |
| - Nisshin Steel Co. Ltd | 11.093% |
| - Omega Capital | 12.290% (Feynman Capital, S.L) |
| - Casa Grande Cartagena, S.L. | 05.970% |

D) Restrictions to the voting right

Whatever is the number of shares, it will be able a number of votes higher than 10% of those which can be taken in the General Shareholders Meeting (No. 15 of the Company Articles of Association).

E) Corporate Agreements

They do not exist.

F) Rules applicable to appointments and modifications of the Society Articles of Association.

The Board Directors are appointed by the General Shareholders Meeting or by the Board of Directors (cooptation case, with the requirement of being ratified in the next General Shareholders Meeting) according to the Corporations Law and the Company

Articles of Association. The proposals for appointments are presented to the Board of Directors by the Appointments and Retributions Commission.

No.21 Article of the Board of Directors Bylaws states that “the Board Directors must offer their position to the Board of Directors and formalize, if deemed convenient, the corresponding resignation, when they are involved in any of the assumptions of conflict of interests or legal prohibition or because they are unable to hold their position with due dedication”.

So as to modify the articles of association it is necessary by reason of the Company Articles of Association a quorum made up by the shareholders joined in the General Meeting in first call, who represent the fifty per cent of the paid out share capital and in second call the twenty five per cent of the paid-out share capital. When there are shareholders representing less than fifty per cent of the capital with right to vote, the writing agreement only will be able to be taken validly with the favourable vote from the 2/3 of the present capital or represented capital in the General Shareholders Meeting.

G) Powers of the Board of Directors

There are notarial empowerments of the articles of association powers of the Board of Directors, with the exception of those which cannot be delegated in favour of the Society Chairman, Mr. José María Aguirre González and the Chief Executive Officer, Mr. Rafael Naranjo Olmedo. The Board Director – General Secretary, Mr. David Herrero García, has been also delegated representation powers.

Without prejudice to it, it is pointed out that the Board of Directors, through the convenient agreements validly taken by the shareholders in the General Shareholders Meeting, held on the 14th June 2007, is authorised to acquire up to 5% of the own shares according to No. 75 Article of the Corporations Law.

H) Significant Agreements

None

I) Agreements between the Society and the Management or employees with compensation in certain positions

There are members of the Management of the Society which top managerial contracts, I view of their responsibility fields, include the compensation right in case of ending the work relationship by unilateral decision from the Society.

No. 8 of the Agenda

“Share capital reduction through own shares redemption, excluding the opposition right of creditors and the subsequent modification of Art.5 of the Company Articles of Association”

Concerning No. 8 of the Agenda of the General Meeting, the Board of Directors submits the following resolution proposal:

“To reduce the company share capital in 1,300,483.75 euros through redemption of 5,201,935 own shares in treasury stock, which have been previously acquired according to the authorization of the General Shareholders Meeting held on the 14th June 2007, within the limits appearing in 75 Art. And following and additional provision of N° 2 section of the Companies Act.

The share capital reduction is carried out with charge to the Voluntary Reserve, canceling in the corresponding amount, the unavailable reserve referred in the 79.3 Art. of the Companies Act and proceeding to carry out an endowment of a reserve for the redeemed capital for an amount of 1,300,483.75 euros (amount which equals the face value of the redeemed shares), of which it will only be possible to make use of with the same requirements needed for the share capital reduction, complying with n°3 of No. 167 Article of the Companies Act. Consequently, according to said rule, the Society creditors will not have any opposition right regarding No. 166 right of the Companies Act concerning the agreed capital reduction.

The aim of this share capital reduction through own shares redemption is to increase the value of the Society shareholders stakes.

This share capital reduction through own shares redemption will be carried out in the maximum term of six months from the approval of this agreement.

The share capital reduction does not involve the return of contributions due to the fact that the Company is the owner of the redeemed shares.

Consequently, No. 5 Art. of the Company Articles of Association will remain as follows:

No. 5 Article. Share Capital

“The Share Capital is set for an amount of 63,575,000 euros and is represented by 254,300,000 ordinary shares with a face value of 0.25 euros per share, correlatively numbered from ONE to TWO HUNDRED FIFTY FOUR MILLION THREE HUNDRED THOUSAND, inclusive.

The shares are completely subscribed and paid out. “

To empower the Board of Directors so that, in the term of six months from the approval of this agreement, it can determine those extremes, which have not been clearly fixed in this agreement or become a consequence of it and to approve agreements, carry out and give the public or private documents which will be necessary or convenient for the completion of this agreement, including, by way of statement, the publishing of the announcements which are legally required and the fulfillment of the proper requirements and communications so as to exclude from the securities quotation the redeemed shares. These powers can be delegated by the Board of Directors to any other person which the Board of Directors empowers to this effect”.

No. 9 of the Agenda

“Modification of No. 15 Article of the Company Articles of Association. Constitution of the presiding table. Discussions. Taking resolutions. (Removal of the vote limit for one shareholder)”.

Concerning No. 5 of the Agenda of the General Meeting, the Board of Directors submits the following resolution proposal:

No.15 Article Constitution of the presiding table. Discussions. Taking resolutions.

The Board of Directors Chairman, or in his absence, the Vice-Chairman, will chair the General Shareholders Meetings. The Secretary of the Board will act as the Secretary of the General Shareholders Meeting.

If the above mentioned persons are not present, the persons appointed by the attendees to the General meeting will act as Chairman and Secretary.

The Chairman will lead the discussions allowing by strict order all the shareholders to speak, first those who have requested it by writing and afterwards, those who have done it orally.

The vote for the proposals of the agenda items of any kind of General Shareholders Meeting will be able to be delegated by the shareholders through the post, e-mail or any other means of communication, provided that the identity of the subject who exerts his voting right is duly guaranteed.

Each of the items of the Agenda will be subject to voting separately. The agreements will be approved by majority of the present shares or represented shares in the General Shareholders meeting. Each share gives the right to one vote”.

No. 10 of the Agenda

“Authorization to the Board of Director to increase the social capital up to the amount of 32,437,000 euros, according to Art. 153.1.b) of the Reviewed Text of the Companies Act, with the power to exclude the preference subscription right according to N°. 159.2 of the same Law.

Concerning No. 5 of the Agenda of the General Meeting, the Board of Directors submits the following resolution proposal:

“To empower the Board of Directors, as widely as necessary, according to No. 153.1.b Article of the Companies Act, to increase the share capital once or several times up to a maximum amount of 32,437,500 euros (equivalent to half the share capital in the moment of holding the current General Shareholding Meeting) and at any time, in a five-year term from the date of this General Meeting, through the issuance of new shares with or without premium with or without vote, allowing the new shares exchange

value to be issued in money contributions, being able to fix the terms and conditions of the capital increase and the shares characteristics, and also to offer freely the new unsubscribed shares within the term or preference subscription periods, to establish that, in case of incomplete subscription, the capital will be increased only in the amount of the carried out subscriptions and to give a new wording to the Articles of Association related to the share capital.

Likewise, the Board of Directors is empowered to exclude, partially or fully, the preference subscription rights in the terms of No. 159.2 Article of the Companies Act. In any case, should the Board of Directors decide to eliminate the preference subscription right concerning any of all the referred capital increases, will issue, while taking the corresponding agreement of the capital increase, a report informing in detail about the particular reasons of social interest to justify said measure, which will be subject to the account auditor study, which appear in No. 159.2 Article of the Companies Act. Said reports will be at the shareholders disposal and will be communicated in the first General Shareholders Meeting held after this issuance agreement.

The delegation involves the power to carry out all the necessary proceedings so that the new shares subject to the increase or the share capital increases will be admitted to listing in the securities markets where ACERINOX shares are being quoted, according to the planned proceedings of each of said stock exchanges.

The Board of Directors is also empowered to delegate in favour of any person the powers given according to this agreement, if they can be delegated.

[No. 11 of the Agenda](#)

“Modification of the General Shareholders Meetings Bylaws, No.3 Art (Kinds of General Meetings and competences) and No.7 Art. (Representation) and report on the modification of the Board of Directors Bylaws.”

The Board of Directors states, regarding the eleventh item of the General Shareholders Meeting agenda the following agreement proposal:

“Art. No.3 – KINDS OF GENERAL MEETINGS AND COMPETENCES

The General Meetings can be ordinary or extraordinary.

3.1. Ordinary General Meeting

The Ordinary General Meeting must be necessarily held within the six months after the closing of the fiscal year in order to:

- a) Approve, if deemed convenient, the corporate management.*
- b) Approve, if necessary, the previous year accounts.*
- c) Resolve on the application of the Year results*

The Ordinary General Meeting will have the power to treat and agree on any other matter included in the Agenda.

3.2. Extraordinary General Meeting

Any other General Meeting, which is not included in the previous section, will be considered Extraordinary.

3.3. Any operation involving a structural modification of the Society must be submitted for the approval of the General Shareholders Meeting, particularly the following operations:

- a) The acquisition or alienation of any essential operative assets, when it involves an effective modification of the corporate object.
- b) Operations, which effect will be equivalent to the Society liquidation.

“Art. No.7 REPRESENTATION”

Any Shareholder with attendance right will be able to be represented in the General Meeting. The representation must be presented by written or by means of distance communication complying with the requirements of the Law for the exertion of the distance vote and with special nature for each General Meeting.

Assuming that some shareholders have given their representation to the same financial middleman, who act on behalf of them, at the request of this representative, the vote division will be allowed so as to comply with the instructions given by each of the represented shareholders.

No. 12 of the Agenda

“RETRIBUTION TO THE BOARD OF DIRECTORS”

Concerning No. 8 of the Agenda of the General Meeting, the Board of Directors submits the following proposed resolution:

According to No. 23 Article of the Companies Act, to set a fixed monthly retribution (14 payments) of 4.112,54 euros for each member of the Board of Directors and 1.762,52 euros as expenses for their attendance to the Meetings and Committees.

The retributions established here for the Board of Directors and Committees, will be yearly updated according to the C.P.I, unless there is a new agreement of the General Shareholders meeting and will be valid for five years.

No. 13 of the Agenda

“Authorization to the Board of Director for the execution and development of the resolutions taken in the General Shareholders Meeting”.

Concerning No. 8 of the Agenda of the General Meeting, the Board of Directors submits the following proposed resolution:

To empower the Board of Directors of ACERINOX, S.A. to construe, correct, apply, complement, develop and carry out the resolutions of the General Meeting, with the ability to substitute others in such powers and to delegate their execution and registration, empowering either Mr. José M^a Aguirre Gonzalez, Mr. Rafael Naranjo Olmedo, Mr. David Herrero Garcia and Mr. Alvaro Muñoz Lopez, so that any of them may appear before a Notary Public and convert the agreements into public deeds. The power to correct includes the ability to make as many amendments, modifications and additions as deemed necessary or convenient following any objection or comment by

the regulatory bodies of the Stock Exchange, Companies Registry, or any other competent public authority.

No. 14 of the Agenda

“Appointment of the scrutineers to approve the Minutes of the General Meeting”.

The Board of Directors submits the following proposed resolution:

“Appoint Mr. López de la Parte by majority to approve the minutes of the General Shareholders Meeting of ACERINOX,S.A. and Mr.Alfredo Robledano Cascón by minority.”

ACERINOX, S.A. DIRECTORS' REPORT ACCORDING TO SECTIONS 144 AND 164 OF THE SPANISH COMPANIES ACT IN EFFECT CONCERNING THE PROPOSED RESOLUTION UNDER NO. 8 OF THE AGENDA OF THE ACERINOX, S.A. GENERAL SHAREHOLDERS' MEETING TO BE HELD IN FIRST CALL ON 26TH MAY 2008 AND IN SECOND CALL ON 27TH MAY 2008.

No. Eighth of the Agenda.-

“Reduction of the share capital through the redemption of own shares, excluding the opposition rights of the creditors and the subsequent modification of 5th Article of the Articles of Association .”

JUSTIFICATION OF THE PROPOSAL

“Section 74 onwards of the Companies Act allow the Spanish public limited companies to hold directly or indirectly through its subsidiaries its own shares in portfolio subject to fulfilment of the requisites therein.

The General Shareholders' Meeting held on 14th June 2007 authorised the Board of Directors to purchase ACERINOX, S.A. own shares in the market.

The Board of Directors considers, and so has informed the Market, that the most advantageous decision for the shareholders is to redeem ACERINOX, S.A. own shares in portfolio increasing thereby the selling value per share of the remaining shares and the profit per share.

Now therefore the Board proposes to the General Shareholders' Meeting the following resolution:

PROPOSED RESOLUTION:

“To reduce the company share capital in 1,300,000 euros through redemption of 5,200,000 own shares in treasury stock, which have been previously acquired according to the authorization of the General Shareholders Meeting held on the 14th June 2007, within the limits appearing in 75 Art. And following and paragraph 2 of additional provision of N° 1 of the Companies Act.

The share capital reduction is carried out with charge to the Voluntary Reserve, cancelling in the corresponding amount, the unavailable reserve referred in the 79.3 Art. of the Companies Act and proceeding to carry out an endowment of a reserve for the paid off capital for an amount of 1,300,000 euros (amount which equals the face value of the redeemed shares), of which it will only be possible to make use of with the same requirements needed for the share capital reduction, complying with n°.3 Art 167 of the Companies Act. Consequently, according to said rule, the Society creditors will not have any opposition right regarding No. 166 right of the Companies Act concerning the agreed capital reduction.

The aim of this share capital reduction through own shares redemption is to increase the value of the Society shareholders stakes.

This share capital reduction through own shares redemption will be carried out in the maximum term of six months from the approval of this agreement.

The share capital reduction does not involve the return of contributions due to the fact that the Company is the owner of the redeemed shares.

Consequently, No. 5 Art. of the Company Articles of Association will remain as follows:

No. 5 Article. Share Capital

“The Share Capital is set for an amount of 63,575,000 euros and is represented by 254,300,000 ordinary shares with a face value of 0.25 euros per share, correlatively numbered from ONE to TWO HUNDRED FIFTY FOUR MILLION THREE HUNDRED THOUSAND, inclusive.

The shares are completely subscribed and paid out. “

To empower the Board of Directors so that, in the term of six months from the approval of this agreement, it can determine those extremes, which have not been clearly fixed in this agreement or become a consequence of it and to approve agreements, carry out and give the public or private documents which will be necessary or convenient for the completion of this agreement, including, by way of statement, the publishing of the announcements which are legally required and the fulfilment of the proper requirements and communications so as to exclude from the securities quotation the redeemed shares. These powers can be delegated by the Board of Directors to any other person which the Board of Directors empowers to this effect”.

Madrid, 22nd April 2008

ACERINOX, S.A. DIRECTORS' REPORT ACCORDING TO SECTION 144 OF THE SPANISH COMPANIES ACT IN EFFECT CONCERNING THE PROPOSED RESOLUTION UNDER NO. 9 OF THE AGENDA OF THE ACERINOX, S.A. GENERAL SHAREHOLDERS' MEETING TO BE HELD IN FIRST CALL ON 26TH MAY 2008 AND IN SECOND CALL ON 27TH MAY 2008.

No. Ninth of the Agenda.-

“Modification of No. 15 Article of the Company Articles of Association. Constitution of the presiding table. Discussions. Taking resolutions.”

JUSTIFICATION OF THE PROPOSAL

On May 22, 2006 the Board of the Spanish Securities Market Commission approved the Single Text with existing corporate governance recommendations (Unified Good Governance Code). The first Recommendation of the Code suggests that the Articles of Association do not contain limitations of the voting rights nor other anti-take over bid measures. The full text of the recommendation reads as follows:

“That the Articles of Association of the listed companies do not limit the maximum number of votes cast by the same shareholder, nor they contain other restrictions to hinder the take over of the company by means of the acquisition of its shares in the Market”.

In line with the above mentioned Recommendation, the Board of Directors of ACERINOX, S.A. hereby proposes to its shareholders the removal of the limitation of the voting rights under Article 14 of our Articles of Association according to which: “no shareholder regardless the number of shares that he may have as the real holder can cast a number of votes above 10% of the total share capital with voting right existing in each moment and this even if the owned shares exceed said 10%”.

We believe that the removal of the limitation of the maximum number of votes will be beneficial for the social interest and favourably perceived by the market.

The present limitation of the voting rights which removal we propose to the General Shareholders' Meeting was unanimously approved in the General Shareholders' Meeting of June 21, 1994.

PROPOSED RESOLUTION:

No.15 Article Constitution of the presiding table. Discussions. Taking resolutions.

The Board of Directors Chairman, or in his absence, the Vice-Chairman, will chair the General Shareholders Meetings. The Secretary of the Board will act as the Secretary of the General Shareholders Meeting.

If the above mentioned persons are not present, the persons appointed by the attendees to the General meeting will act as Chairman and Secretary.

The Chairman will lead the discussions allowing by strict order all the shareholders to speak, first those who have requested it in writing and afterwards those who have done so orally.

The vote for the proposals of the agenda items of any kind of General Shareholders Meeting will be able to be delegated by the shareholders through the post, e-mail or any other means of communication, provided that the identity of the subject who exerts his voting right is duly guaranteed.

Each of the items of the Agenda will be subject to voting separately. The agreements will be approved by majority of the present shares or represented shares in the General Shareholders meeting. Each share gives the right to one vote”.

Notwithstanding the provision made in the above paragraph no shareholder regardless the number of shares that he may have as the real holder can cast a number of votes above the 10% of the total share capital with voting right existing in each moment and this even if the owned shares exceed said 10%. The same limitation will be applied to the number of votes that can be cast, weather jointly or separately, by two or more shareholding companies belonging to the same group of companies. And such group is to be understood as that in which the circumstances are met provided in the art. 4 of the present Securities Market Law (Law 24/1988 of July 28). To the purpose of the calculation of the above limit the shares in regard of which the shareholder acts as simple representative will not be accounted, notwithstanding the consequent application to said shares of the above mentioned 10% limit. The limit above referred will operate in regard to all the matters which becomes subject of voting in General Shareholders Meeting but it will not prevent that the shares on which it is applied be reckoned as attending capital with voting right to the effect of the calculation of the required quorum for the constitution and resolutions to be taken in General Shareholders Meetings.

For the modification of the provisions made in the above paragraph the favourable vote of seventy five percent of the share capital of the company with voting right will be required. In the voting of said modification the limitation provided in the previous paragraph will not be applied.

The Chairman of the General Shareholders Meeting will not have a deciding vote.

Madrid, 22nd April 2008

ACERINOX, S.A. DIRECTORS' REPORT ACCORDING TO SECTIONS 144, 153.1 B), AND 159.2 OF THE SPANISH COMPANIES ACT IN EFFECT CONCERNING THE PROPOSED RESOLUTION UNDER NO. 10 OF THE AGENDA OF THE ACERINOX, S.A. GENERAL SHAREHOLDERS' MEETING TO BE HELD IN FIRST CALL ON 26TH MAY 2008 AND IN SECOND CALL ON 27TH MAY 2008.

ITEM No.Tenth of the AGENDA.- Authorization to the Board to increase the social capital up to the amount of 32,437,500 euros, according to Art. 153.1.b of the Reviewed Text of the Companies Act, with the power to exclude the preference subscription right according to 159.2 Article of the same Law.

I. Delegation in the Directors. Section 153.1b)

According to section 153.1 b) of the Companies Act, the General Shareholders' Meeting may with the same requisites of the amendment of the Articles of Association delegate in the Board of Directors the power to agree to a capital increase in one or more acts and up to a certain amount, in the amount and moment that the Board may decide without prior consultation with the General Shareholders' Meeting. Said capital increases may not under any circumstance be higher than half of the total share capital of ACERINOX at the time when the authorization was granted and shall be carried out within a maximum period of five years following the date of the resolution of the General Meeting.

JUSTIFICATION OF THE PROPOSAL

This proposal is made to the General Shareholders' Meeting because of the need to provide the Board of Directors with a flexible instrument authorized by the regulation in effect so that at any time without the need to call and hold a General Shareholders' Meeting permits to obtain capital resources within the limits, terms and conditions decided by the General Meeting.

As it is not possible to foresee which are going to be the capital needs of the Company in the future the delegation authorized by section 153.1 b) of the Companies Act is used giving the Board of Directors the flexibility required to see to the needs of the company under each circumstance.

With this aim the delegation to the Board of Directors is proposed, so that they may agree to a capital increase in one or more acts through the issuance of new shares with or without voting rights at the moment and in the amount deemed fit without prior consultation with the General Shareholders' Meeting. The above mentioned increases may not be higher than half of the total share capital of ACERINOX at the time of the General Meeting which approves the resolution, and must be carried out by cash contributions within the five years following the date of the General Meeting.

The proposed resolution includes the delegation to the Board of Directors so that the new shares are admitted in the stock exchange where the ACERINOX shares are listed with a power to delegate in any person the powers delegated by the General Meeting.

II. Exclusion of the pre-emption rights. Section 159.2

According to section 159.2 of the Companies Act, listed companies whose General Shareholders' Meeting has delegated to the Board of Directors the capacity to agree to capital increases in accordance with the above mentioned section 153.1 b), may also delegate the right to exclude the pre-emption rights concerning the authorized share issuances if the social interest so requires. However the right to exclude the pre-emption rights shall be included in the General Shareholders' Meeting call and a Report from the Board of Directors on the proposal must be made available to the shareholders.

JUSTIFICATION OF THE PROPOSAL

The delegation of the power to agree to capital increases included in the proposed resolution to which this Report refers, includes also in accordance with section 159.2 of the mentioned act the delegation to the Board of Directors of the right to totally or partially exclude the pre-emption rights of the shareholders and the holders of convertible debentures if the social interest so requires.

The Board of Directors believes that this proposal widens considerably their capacity to act compared to the simple delegation to increase the share capital under section 153.1 b) of the Companies Act, and it is justified by the need of flexible and fast action needed in the present financial markets. On the other hand the exclusion of the pre-emption rights has a lower distorting effect in the negotiation of the shares at their issuance, which is shorter than that in which there is a pre-emption right.

In any case it is hereby stated that the total or partial exclusion of the pre-emption rights is only a power that the General Shareholders' Meeting grants to the Board of Directors whose exercise will need an agreement of the Board of Directors in light of the circumstances and always in accordance with the legal requirements.

Should the Board of Directors decide to exclude the pre-emption rights concerning a specific capital increase under the authorization of the General Shareholders' Meeting, they will prepare a Report on the reasons of social interest justifying the resolution and also the Report of the Auditors under section 159.2 of the Companies Act shall be prepared. Those two Reports will be made available to the shareholders and delivered to the first General Shareholders' Meeting following the capital increase, in accordance with the above mentioned section.

III. RESOLUTION PROPOSED TO THE GENERAL MEETING

The full text of the proposal is the following:

“To empower the Board of Directors, as widely as necessary, according to No. 153.1.b Article of the Companies Act, to increase the share capital once or several times up to a maximum amount of 32,437,500 euros (equivalent to half the share capital in the moment of holding the current General Shareholding Meeting) and at any time, in a five-year term from the date of this General Meeting, through the issuance of new

*shares with or without premium with or without vote, allowing the new shares exchange value to be issued in money contributions, being able to fix the terms and conditions of the capital increase and the shares characteristics, and also to offer freely the new unsubscribed shares within the term or preference subscription periods, to establish that, in case of incomplete subscription, the capital will be increased only in the amount of the carried out subscriptions and to give a new wording to the article **from the Articles of Association** related to the share capital.*

Likewise, the Board of Directors is empowered to exclude, partially or fully, the preference subscription rights in the terms of No. 159.2 Article of the Companies Act. In any case, should the Board of Directors decide to eliminated the preference subscription right concerning any of all the referred capital increases, will issue, while taking the corresponding agreement of the capital increase, a report informing in detail about the particular reasons of social interest to justify said measure, which will be subject to the account auditor study, which appear in No. 159.2 Article of the Companies Act. Said reports will be at the shareholders disposal and will be communicated in the first General Shareholders Meeting held after this issuance agreement.

The delegation involves the power to carry out all the necessary proceedings so that the new shares subject to the increase or the share capital increases will be admitted to listing in the securities markets where ACERINOX shares are being quoted, according to the planned proceedings of each of said stock exchanges.

The Board of Directors is also empowered to delegate in favour of any person the powers given according to this agreement, if they can be delegated.”

Madrid, 22nd April 2008

ACERINOX, S.A. DIRECTORS' REPORT ACCORDING TO SECTIONS 144, 153.1 B), AND 159.2 OF THE SPANISH COMPANIES ACT IN EFFECT CONCERNING THE PROPOSED RESOLUTION UNDER NO. 10 OF THE AGENDA OF THE ACERINOX, S.A. GENERAL SHAREHOLDERS' MEETING TO BE HELD IN FIRST CALL ON 26TH MAY 2008 AND IN SECOND CALL ON 27TH MAY 2008.

ITEM No.Tenth of the AGENDA.- Authorization to the Board to increase the social capital up to the amount of 32,437,500 euros, according to Art. 153.1.b of the Reviewed Text of the Companies Act, with the power to exclude the preference subscription right according to 159.2 Article of the same Law.

I. Delegation in the Directors. Section 153.1b)

According to section 153.1 b) of the Companies Act, the General Shareholders' Meeting may with the same requisites of the amendment of the Articles of Association delegate in the Board of Directors the power to agree to a capital increase in one or more acts and up to a certain amount, in the amount and moment that the Board may decide without prior consultation with the General Shareholders' Meeting. Said capital increases may not under any circumstance be higher than half of the total share capital of ACERINOX at the time when the authorization was granted and shall be carried out within a maximum period of five years following the date of the resolution of the General Meeting.

JUSTIFICATION OF THE PROPOSAL

This proposal is made to the General Shareholders' Meeting because of the need to provide the Board of Directors with a flexible instrument authorized by the regulation in effect so that at any time without the need to call and hold a General Shareholders' Meeting permits to obtain capital resources within the limits, terms and conditions decided by the General Meeting.

As it is not possible to foresee which are going to be the capital needs of the Company in the future the delegation authorized by section 153.1 b) of the Companies Act is used giving the Board of Directors the flexibility required to see to the needs of the company under each circumstance.

With this aim the delegation to the Board of Directors is proposed, so that they may agree to a capital increase in one or more acts through the issuance of new shares with or without voting rights at the moment and in the amount deemed fit without prior consultation with the General Shareholders' Meeting. The above mentioned increases may not be higher than half of the total share capital of ACERINOX at the time of the General Meeting which approves the resolution, and must be carried out by cash contributions within the five years following the date of the General Meeting.

The proposed resolution includes the delegation to the Board of Directors so that the new shares are admitted in the stock exchange where the ACERINOX shares are listed with a power to delegate in any person the powers delegated by the General Meeting.

II. Exclusion of the pre-emption rights. Section 159.2

According to section 159.2 of the Companies Act, listed companies whose General Shareholders' Meeting has delegated to the Board of Directors the capacity to agree to capital increases in accordance with the above mentioned section 153.1 b), may also delegate the right to exclude the pre-emption rights concerning the authorized share issuances if the social interest so requires. However the right to exclude the pre-emption rights shall be included in the General Shareholders' Meeting call and a Report from the Board of Directors on the proposal must be made available to the shareholders.

JUSTIFICATION OF THE PROPOSAL

The delegation of the power to agree to capital increases included in the proposed resolution to which this Report refers, includes also in accordance with section 159.2 of the mentioned act the delegation to the Board of Directors of the right to totally or partially exclude the pre-emption rights of the shareholders and the holders of convertible debentures if the social interest so requires.

The Board of Directors believes that this proposal widens considerably their capacity to act compared to the simple delegation to increase the share capital under section 153.1 b) of the Companies Act, and it is justified by the need of flexible and fast action needed in the present financial markets. On the other hand the exclusion of the pre-emption rights has a lower distorting effect in the negotiation of the shares at their issuance, which is shorter than that in which there is a pre-emption right.

In any case it is hereby stated that the total or partial exclusion of the pre-emption rights is only a power that the General Shareholders' Meeting grants to the Board of Directors whose exercise will need an agreement of the Board of Directors in light of the circumstances and always in accordance with the legal requirements.

Should the Board of Directors decide to exclude the pre-emption rights concerning a specific capital increase under the authorization of the General Shareholders' Meeting, they will prepare a Report on the reasons of social interest justifying the resolution and also the Report of the Auditors under section 159.2 of the Companies Act shall be prepared. Those two Reports will be made available to the shareholders and delivered to the first General Shareholders' Meeting following the capital increase, in accordance with the above mentioned section.

III. RESOLUTION PROPOSED TO THE GENERAL MEETING

The full text of the proposal is the following:

“To empower the Board of Directors, as widely as necessary, according to No. 153.1.b Article of the Companies Act, to increase the share capital once or several times up to a maximum amount of 32,437,500 euros (equivalent to half the share capital in the moment of holding the current General Shareholding Meeting) and at any time, in a five-year term from the date of this General Meeting, through the issuance of new

*shares with or without premium with or without vote, allowing the new shares exchange value to be issued in money contributions, being able to fix the terms and conditions of the capital increase and the shares characteristics, and also to offer freely the new unsubscribed shares within the term or preference subscription periods, to establish that, in case of incomplete subscription, the capital will be increased only in the amount of the carried out subscriptions and to give a new wording to the article **from the Articles of Association** related to the share capital.*

Likewise, the Board of Directors is empowered to exclude, partially or fully, the preference subscription rights in the terms of No. 159.2 Article of the Companies Act. In any case, should the Board of Directors decide to eliminated the preference subscription right concerning any of all the referred capital increases, will issue, while taking the corresponding agreement of the capital increase, a report informing in detail about the particular reasons of social interest to justify said measure, which will be subject to the account auditor study, which appear in No. 159.2 Article of the Companies Act. Said reports will be at the shareholders disposal and will be communicated in the first General Shareholders Meeting held after this issuance agreement.

The delegation involves the power to carry out all the necessary proceedings so that the new shares subject to the increase or the share capital increases will be admitted to listing in the securities markets where ACERINOX shares are being quoted, according to the planned proceedings of each of said stock exchanges.

The Board of Directors is also empowered to delegate in favour of any person the powers given according to this agreement, if they can be delegated.”

Madrid, 22nd April 2008