



PRESS RELEASE

ACERINOX GROUP ACHIEVES THE SECOND BEST QUARTERLY RESULT IN ITS HISTORY

SUMMON OF THE GENERAL SHAREHOLDERS MEETING

REPLACEMENTS IN THE BOARD OF DIRECTORS

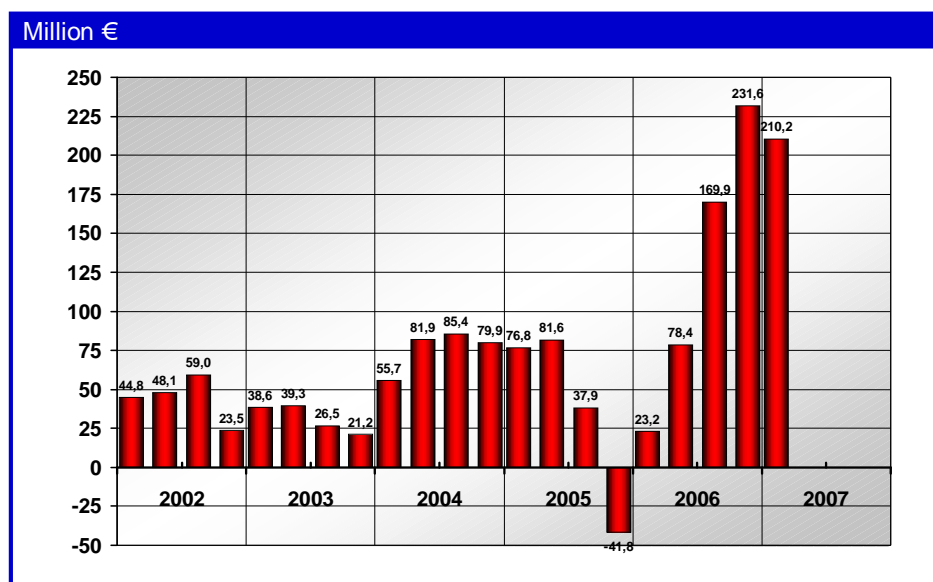
In the first quarter 2007 the stainless steel market has been characterized by a strong and sustained demand in all the markets. The Nickel price has increased more than 50% in this first quarter and currently it is 3 times higher than it was in April 2006. Consequently, the alloy surcharges have dramatically increased. The resulting high prices have created a certain pressure in the base prices. Even in the Far East, where the alloy surcharge is not applied, the prices have significantly increased. The euro appreciation continues affecting the competitiveness of the European producers and it is attracting the imports from third countries.

ACERINOX Group productions are higher than the outputs achieved in the first quarter 2006. The Melting Shop production, 659,828 Mt, is 11.1% higher and the cold rolling mill output, 389,135 Mt, has increased by 4.7%. Long finished products output, 56,809 Mt, is 8.5% higher than the production of the first quarter 2006.

Thousand €	CONSOLIDATED GROUP		
	January-March 2007	January-March 2006	% over 2006
NET SALES	2,143,579.47	1,165,683.51	+83.9
RESULT BEFORE TAXES	331,314.85	35,218.79	+840.7
DEPRECIATION	32,655.26	33,250.23	-1.8
GROSS CASH-FLOW	363,970.11	68,469.02	+431.6
RESULT AFTER TAXES AND MINORITIES	210,216.27	23,163.34	+807.5
NET CASH-FLOW	242,871.53	56,413.57	+330.5

Net Sales during the first quarter, 2,144 million euros, is 84% higher than the invoiced figure achieved in the same period the year before. Result before taxes, 331 million euros, is 9.4 times the figure obtained in the first quarter 2006. Result after taxes and minorities, 210.2 million euros is 9.1 times the result achieved during the same period the previous year.

QUARTERLY EVOLUTION OF THE RESULT AFTER TAXES AND MINORITIES. ACERINOX GROUP



North American Stainless stands out once more for its contributions to the result after taxes and minorities with 35.4% of the total result of the Group, followed by ACERINOX, S.A. with 30%.

CONTRIBUTION TO THE RESULT AFTER TAXES AND MINORITIES OF THE CONSOLIDATED GROUP	
Acerinox, S.A.	30%
Roldan, S.A. + Inoxfil, S.A.	5%
Nas, Inc.	35.4%
Columbus Stainless, Pty. Ltd.	13%
Domestic Trading Companies	4.1%
Overseas Trading Companies	12.5%

BOARD OF DIRECTORS

ACERINOX, S.A. Board of Directors, in its meeting held today, has resolved to summon the General Shareholders Meeting, which will be held on the 14th June.

Mr. Muñoz Cava, Chairman and Chief Executive Officer, who has run the Company so successfully since its establishment 37 years ago, will end his mandate as Board Director in this General Shareholders Meeting.

Due to the fact that he will 7Inext July, he will not stand for the re-election, and the Board of Directors will appoint him Honorary Chairman, as an acknowledgment of his decisive role in the development, growth and consolidation of the company as a world leader in the stainless steel sector.

He leaves the company in its best moment, with investments in Spain, United States and South Africa, which will allow it to achieve a production of 3.5 million Mt in year 2009.

To replace him, the Board of Directors will appoint Mr. José María Aguirre González as non executive Chairman. The Board of Directors has appointed Mr. Rafael Naranjo Olmedo as Chief Executive Officer, who at present is Board Director and Managing Director of the company. From the General Shareholders Meeting he will hold his new position.

Likewise, the Board of Directors will propose to the General Shareholders Meeting the appointment of the following persons as Board Directors:

*Mr. Yokio Nariyoshi, NISSHIN STEEL Managing Executive Officer
Mr. Fernando Mayans Altaba, representing CORPORACIÓN FINANCIERA ALBA
Mr. Clemente Cebrián Ara, representing CASA GRANDE DE CARTAGENA*

PAYMENT TO SHAREHOLDERS

Lastly, ACERINOX, S.A. Board of Directors has resolved to propose to the General Shareholders Meeting a complementary dividend of 0.15 euros per share, which is 25% higher than the dividend paid in the previous year and an issue premium refund of 0.10 euros, which will be effective in the last quarter of the year. Consequently, the total payment of year 2007 will be 0.45 euros, which is 32.4% higher to that of 2006.

Madrid, 7th May 2007

CONDENSED BALANCE SHEET
ACERINOX CONSOLIDATED GROUP

ASSETS	January - March			LIABILITIES	January - March		
	2007	2006	Variation		2007	2006	Variation
Million €				Million €			
Non-current assets	1,604.82	1,704.32	-5.8%	Equity	2,469.12	2,067.39	19.4%
Current assets	3,959.58	2,218.86	78.5%	Non-current liabilities	489.58	498.52	-1.8%
- Inventories	2,159.46	1,217.17	77.4%	- Interest-bearing loans and borrowings	178.20	249.93	-28.7%
- Trade and other receivables	1,643.34	846.26	94.2%	- Other non-current liabilities	311.38	248.59	25.3%
- Cash and other current assets	156.78	155.43	0.9%	Current liabilities	2,605.71	1,357.27	92.0%
				- Interest-bearing loans and borrowings	1,421.20	780.94	82.0%
				- Other current liabilities	1,184.51	576.33	105.5%
TOTAL ASSETS	5,564.40	3,923.18	41.8%	TOTAL EQUITY AND LIABILITIES	5,564.40	3,923.18	41.8%

CONDENSED PROFIT & LOSS ACCOUNT
ACERINOX CONSOLIDATED GROUP

Million €	January - March		
	2007	2006	Variation
Net sales	2,143.58	1,165.68	83.9%
Gross margin	606.84	251.71	141.1%
<i>% over sales</i>	28.3%	21.6%	
EBITDA	381.64	31.23	1121.9%
<i>% over sales</i>	17.8%	2.7%	
EBIT	343.56	40.85	741.1%
<i>% over sales</i>	16.0%	3.5%	
Result before taxes	331.31	35.22	840.7%
Result after taxes and minorities	210.22	23.16	807.5%
Depreciation	32.66	33.25	-1.8%
Net Cash Flow	242.87	56.41	330.5%