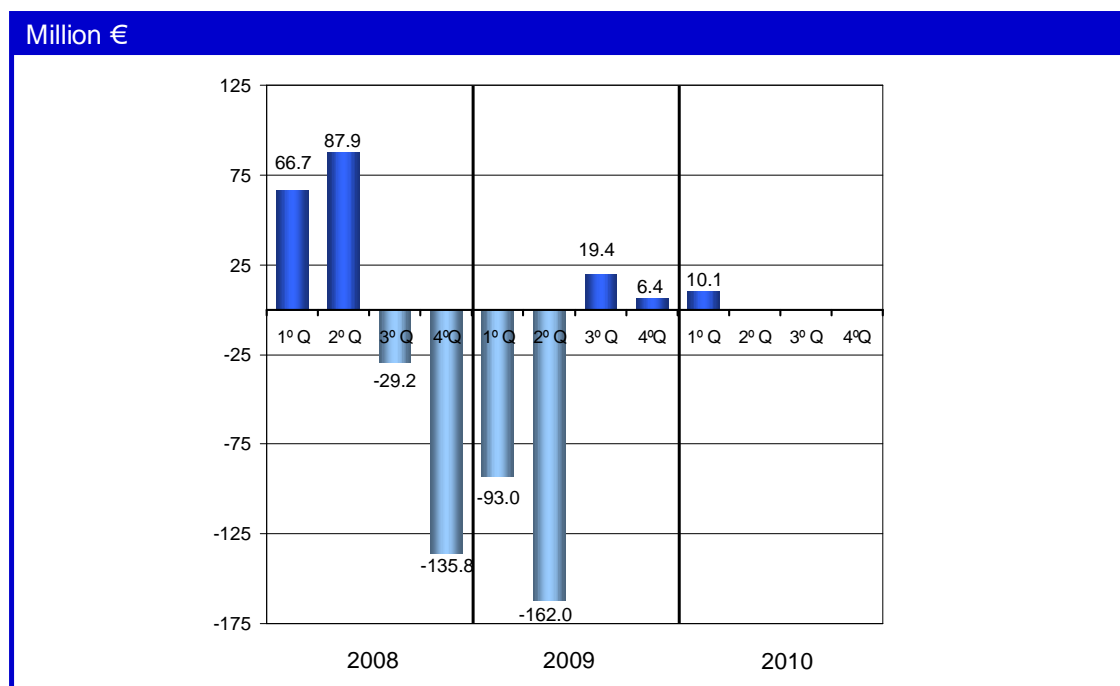




Results 1st quarter 2010

- **ACERINOX GROUP REGISTERS POSITIVE QUARTERLY RESULTS (10.1 MILLION EUROS) FOR THIRD CONSECUTIVE TIME DESPITE THE WORLD ECONOMIC SITUATION. THESE RESULTS IMPROVE IN 103 MILLION EUROS THE FIGURE REGISTERED IN 2009 LIKE PERIOD**
- **GENERATED FREE CASH FLOW IN THE FIRST QUARTER AMOUNTS TO 128.6 MILLION EUROS**
- **PRODUCTIONS AND RESULTS OF THE SECOND QUARTER WILL RETURN TO THE LEVELS PRIOR TO THE CRISIS**

RESULTS AFTER TAXES AND MINORITIES. ACERINOX GROUP



Markets

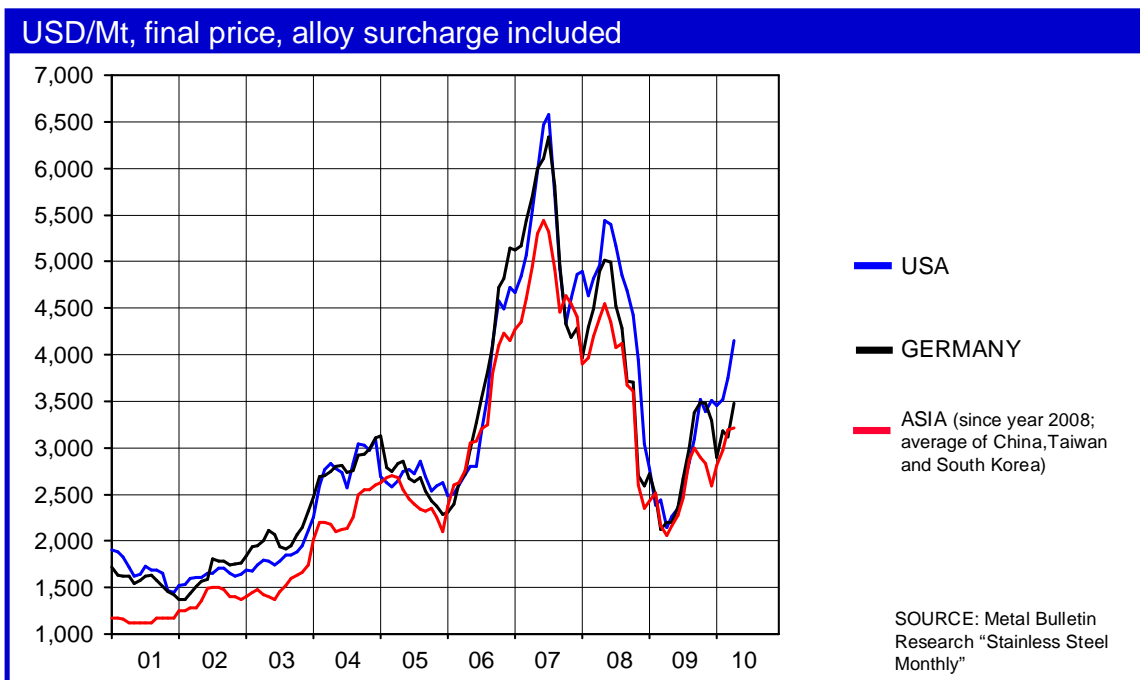
During the first quarter 2010 the stainless steel market has been featured by a progressive recovery of demand. The first signs of this recovery were seen in the United States, followed by Europe and finally, once the Chinese New Year has started, the demand in the Asian market is also reacting.

The demand improvement is mainly taking place in the end customer sector so that inventories in the whole of the supply chain get back to normal.

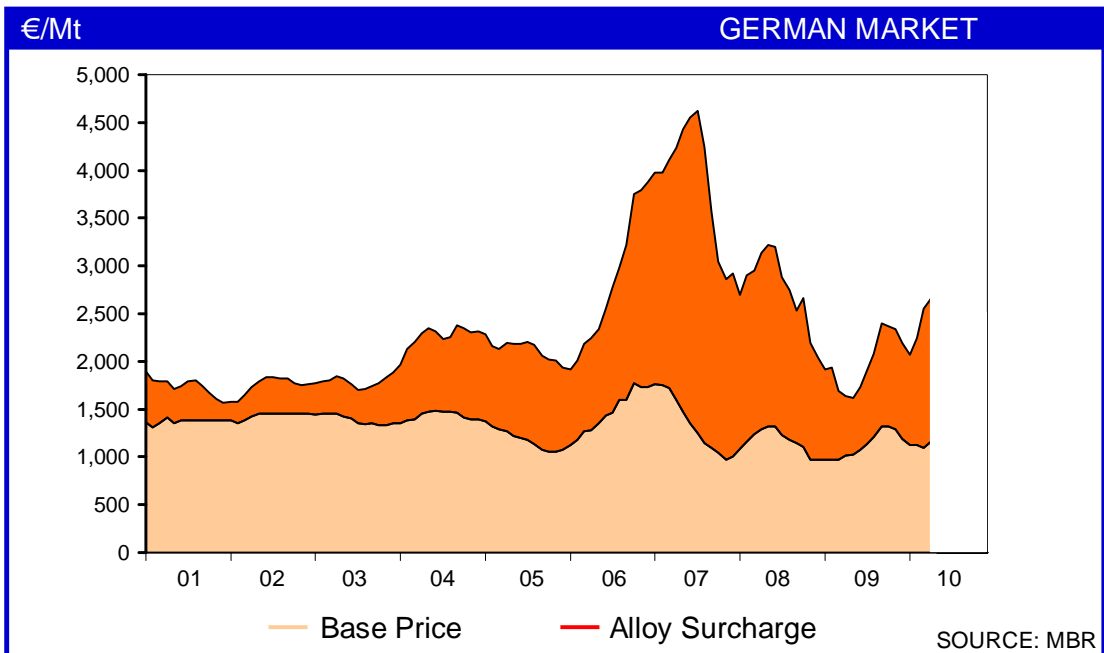
The demand in the distribution sector has also improved but the inventories level is still below average, thus we expect demand to keep sustained in the next months.

Nevertheless, there are sectors, like investments in capital goods and projects, where the recovery signs have not been noticed yet.

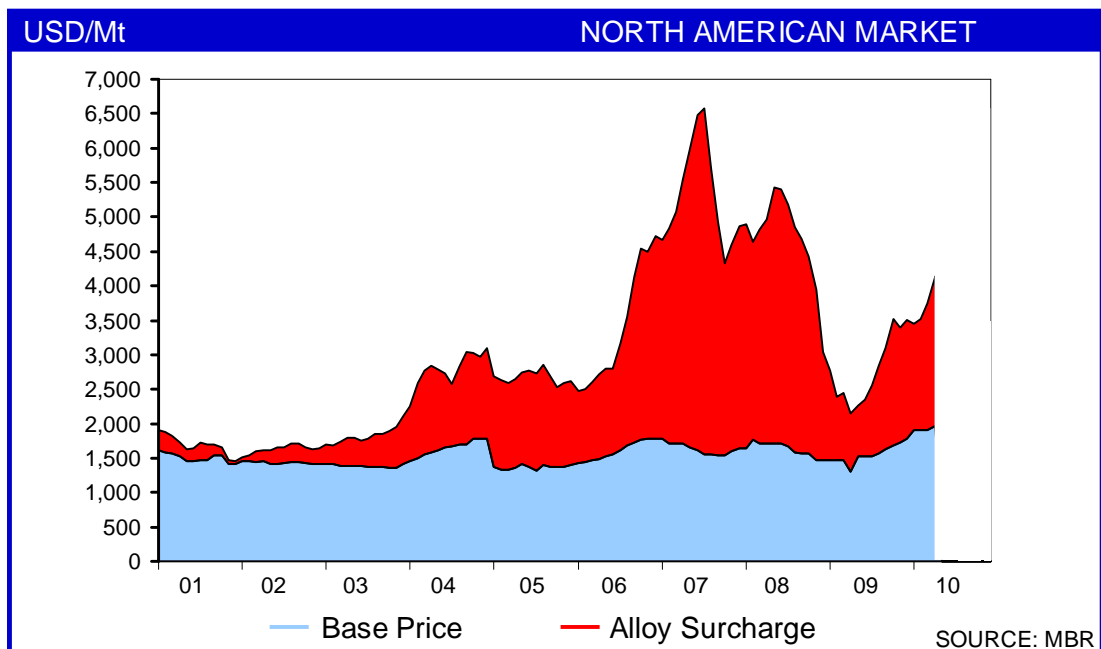
STAINLESS STEEL COLD ROLLED SHEET PRICES AISI. 304 2.0 mm (2001 – April 2010)



STAINLESS STEEL COLD ROLLED SHEET PRICES
AISI. 304 2.0 mm (2001 – April 2010)



STAINLESS STEEL COLD ROLLED SHEET PRICES
AISI. 304 2.0 mm (2001 – April 2010)



Prices are rising in all the markets since the beginning of the year, following the raw materials prices increase. Likewise, the higher demand is allowing further increases of prices in Asia, and of the base prices in the United States and to a lower extent in Europe, where the improvement is expected to take place in the second quarter.

OFFICIAL NICKEL PRICE IN THE L.M.E. (Years 2009 – 26 April 2010)



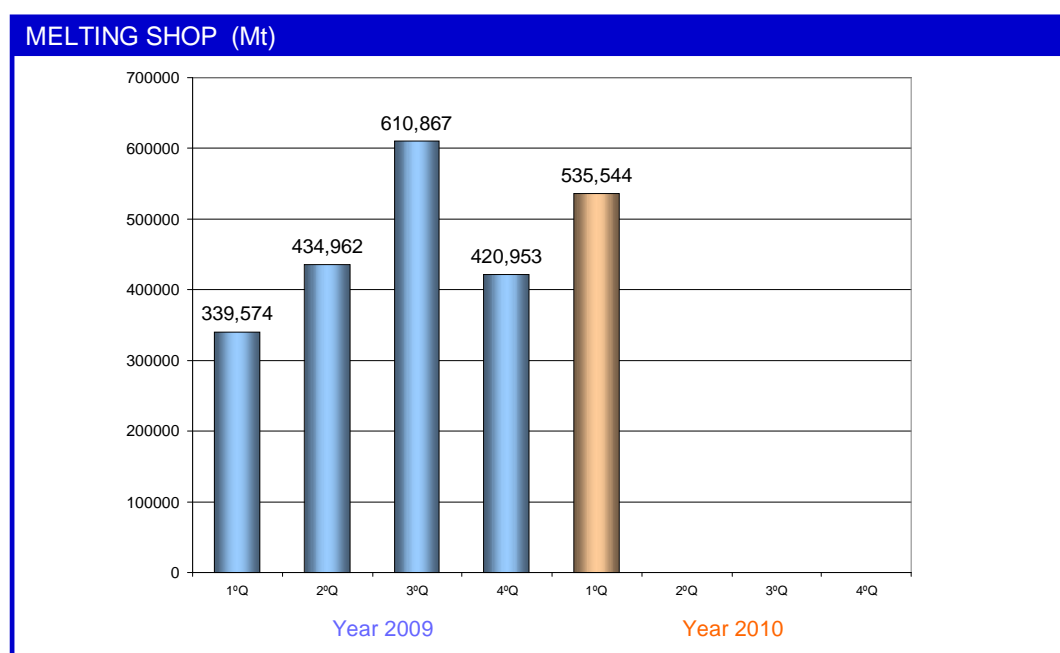
Productions

Thousand Mt	2010				Accumulated	2009	2009
	1Q	2Q	3Q	4Q		4Q	1Q
Melting shop	535.5				535.5	421.0	339.6
Hot rolling shop	461.6				461.6	403.5	296.1
Cold rolling shop	319.3				319.3	294.1	217.5
Long product (Hot rolling)	44.1				44.1	36.9	31.0

As a result of the demand improvement and the higher order entries, the factories have been increasing their productions, particularly from March.

In Campo de Gibraltar factory it has been decided not to renew the Labour Adjustment Temporal Plan, foreseeing productions close to the full capacity.

EVOLUTION OF ACERINOX GROUP PRODUCTIONS



According to the current order book we can work at full capacity until the month of July.

Results

The quarterly net sales, 999.4 million euros, is the highest one since the third quarter 2008.

GEOGRAPHICAL DISTRIBUTION OF ACERINOX GROUP NET SALES

March 2010		
	March 2010	Year 2009
AFRICA	5.1%	5.4%
AMERICA	43.7%	35.8%
ASIA	8.7%	17.7%
EUROPA	42.0%	40.8%
OCEANIA	0.5%	0.3%
TOTAL	100.0%	100.0%

The North American market improvement is to be highlighted, which has significantly affected the sales in this period.

Profit and Loss Account of Acerinox Consolidated Group

Million €	January-March		
	2010	2009	Variation
Net sales	999,39	617,00	62,0%
Gross margin	262,56	70,35	273,2%
<i>% over sales</i>	26,3%	11,4%	
EBITDA (*)	61,03	-97,97	----
<i>% over sales</i>	6,1%	-15,9%	
Gross operating result	61,03	-97,97	----
<i>% over sales</i>	6,1%	-15,9%	
EBIT	25,59	-128,24	----
<i>% over sales</i>	2,6%	-20,8%	
Result before taxes	16,01	-141,22	----
Result after taxes	10,11	-92,98	----
and minorities			
Depreciation	35,36	29,19	21,1%
Net cash flow	45,47	-63,79	----

(*) EBITDA is defined as the operating result excluding depreciation and provisions

The margins have been recovered and it makes us feel optimistic towards the second quarter of the year. We have obtained an EBITDA of 61 million euros (-98 million euros in the first quarter 2009) and results after taxes and minorities have totaled 10.1 million euros (-93 million euros in the first quarter 2009).

Condensed Balance of Acerinox Consolidated Group

ASSETS

Million €	Mar-10	2009	Variation
Non-current assets	2,091.77	2,002.06	4.5%
Current assets	1,849.54	1,615.72	14.5%
- Inventories	1,137.34	1,154.45	-1.5%
- Debtors	532.88	371.19	43.6%
<i>Trade debtors</i>	<i>456.54</i>	<i>304.17</i>	<i>50.1%</i>
<i>Other debtors</i>	<i>76.35</i>	<i>67.01</i>	<i>13.9%</i>
- Cash and other current assets	179.32	90.09	99.1%
TOTAL ASSETS	3,941.31	3,617.79	8.9%

LIABILITIES

Million €	Mar-10	2009	Variation
Equity	1,852.82	1,752.52	5.7%
Non-current liabilities	833.05	800.07	4.1%
- Interest-bearing loans and borrowings	564.76	543.18	4.0%
- Other non-current liabilities	268.29	256.89	4.4%
Current liabilities	1,255.44	1,065.19	17.9%
- Interest-bearing loans and borrowings	546.19	604.63	-9.7%
- Trade creditors	500.46	306.15	63.5%
- Other current liabilities	208.79	154.42	35.2%
TOTAL EQUITY AND LIABILITIES	3,941.31	3,617.79	8.9%

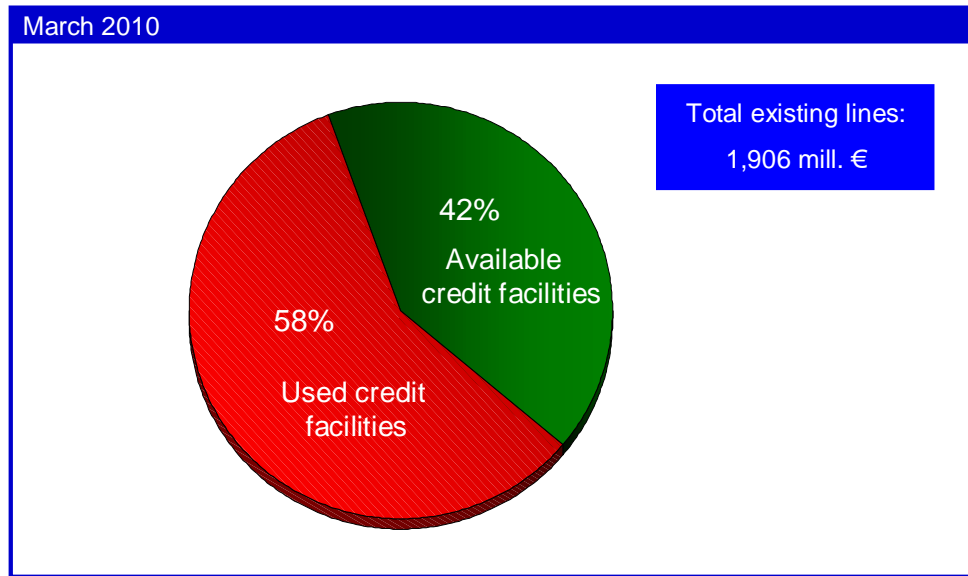
CONDENSED CASH-FLOW STATEMENT
CONSOLIDATED GROUP

	March 10	Year 2009	March 09
Result before taxes	16.0	-348.6	-141.2
Adjustments for:	47.2	46.6	-83.0
Depreciation and amortisation	35.4	125.1	29.2
Changes in provisions	-5.7	-118.9	-126.6
Other adjustments in the result	17.5	40.5	14.5
Changes in working capital	108.2	497.6	262.3
Changes in operating working capital (1)	59.1	285.4	51.7
Others	49.1	212.1	210.6
Other cash-flow from operating activities	-8.6	-7.0	15.9
Income tax	0.7	37.2	29.2
Financial expenses	-9.4	-44.2	-13.4
NET CASH-FLOW FROM OPERATING ACTIVITIES	162.7	188.6	53.9
Payments for investments on fixed assets	-33.2	-230.4	-102.5
Others	-0.9	1.9	0.1
NET CASH-FLOW FROM INVESTING ACTIVITIES	-34.1	-228.4	-102.4
NET CASH-FLOW GENERATED	128.6	-39.8	-48.5
Acquisition of treasury shares	0.0	-3.3	-3.3
Dividends payed to shareholders and minorities	0.0	-112.2	-25.0
Changes in net debt	-50.3	108.9	198.2
Changes in bank debt	-36.9	129.3	208.1
Conversion differences	-13.4	-20.4	-10.0
Attributable to minority interests	0.0	38.2	28.0
Others	0.1	1.9	0.1
NET CASH-FLOW FROM FINANCING ACTIVITIES	-50.1	33.5	198.0
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	78.5	-6.3	149.5
Opening cash and cash equivalents	73.3	79.7	79.7
Effect of the exchange rate fluctuations on cash held	4.2	0.0	4.3
CLOSING CASH AND CASH EQUIVALENTS	156.0	73.3	233.5

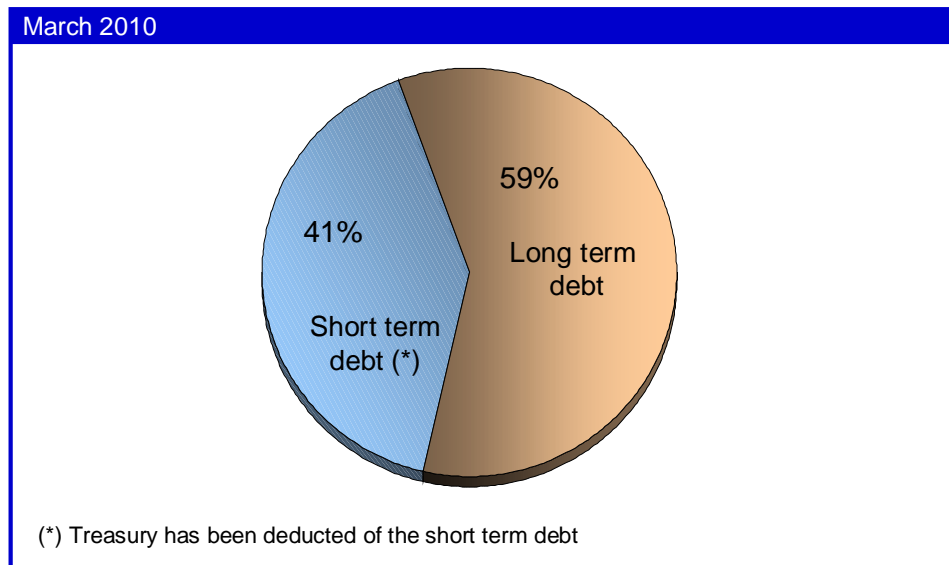
(1) Inventories + trade debtors - trade creditors

Despite the activity increase, during the first quarter the free cash flow has amounted to 128.6 million euros.

CURRENT CREDIT LINES IN ACERINOX GROUP



DISCLOSURE OF THE SHORT AND LONG TERM DEBT WITH FINANCIAL INSTITUTIONS



Net debt has been reduced to 955 million euros, nevertheless, the Group credit lines have increased to 1,906 million euros.

The gearing has been reduced to 51.5% from the 61.3% registered at the end of year 2009.

Refund to the shareholder

According to the announcement made on the 18th December 2009, ACERINOX Board of Directors held on that date, resolved to propose to the next General Shareholders Meeting to keep 2010 retribution, 0.45 euros per share

Thus, if the Ordinary General Shareholders Meeting approves de refund of 0.35 euros per share and an issue premium refund of 0.10 euros per share to be paid in October 2010, the total retribution to the shareholders in the year will total 0.45 euros per share, which is the same amount paid in years 2007, 2008 and 2009 for the same concepts.

Outlook

The quantitative and qualitative improvement of demand allows us to work at high occupation levels in the second quarter, when we will achieve results levels similar to those previous to the crisis.

We expect to have enough visibility to allow us to confirm this good trend in the publication of results of the second quarter, which will take place on the 27th July and also in the Investors' Day in Kentucky factory, which will be held on the 16th September.

Data by companies

<i>Thousand Mt</i>	MELTING PRODUCTION					
	1st Q. 10	2nd Q. 10	3rd Q. 10	4th Q. 10	Year 2010	% over 2009
Acerinox, S.A.	172.9				172.9	42.4%
NAS	228.8				228.8	75.4%
Columbus	133.9				133.9	52.6%
Acerinox Group	535.5	0.0	0.0	0.0	535.5	57.7%

<i>Million €</i>	NET SALES					
	1st Q. 10	2nd Q. 10	3rd Q. 10	4th Q. 10	Year 2010	% over 2009
Acerinox Group	999.4				999.4	62.0%
Acerinox, S.A.	302.1				302.1	35.2%
NAS (million USD)	591.2				591.2	123.4%
Columbus	201.2				201.2	64.0%

<i>Million €</i>	PROFIT AFTER TAXES AND MINORITIES					
	1st Q. 10	2nd Q. 10	3rd Q. 10	4th Q. 10	Year 2010	% over 2009
Acerinox Group	10.1				10.1	----
Acerinox, S.A.	10.8				10.8	----
NAS (million USD)	26.7				26.7	----
Columbus	-0.1				-0.1	99.0%

Main economic-financial magnitudes

CONSOLIDATED GROUP	Year 2010				Accumulated	Year 2009
	1 st Q.	2 nd Q.	3 rd Q.	4 th Q.		Jan - Mar
Production (Mt.)						
- Melting shop	535,544				535,544	339,574
- Hot rolling shop	461,645				461,645	296,109
- Cold rolling shop	319,345				319,345	217,503
- Long product (hot rolling)	44,095				44,095	30,954
Net sales (million €)						
Group	999.39				999.39	617.00
- Acerinox, S.A.	302.15				302.15	223.52
- NAS (million USD)	591.20				591.20	264.63
- Columbus	201.19				201.19	122.71
EBITDA (*) (million €)	61.03				61.03	-97.97
- % over sales	6.1%				6.1%	-15.9%
EBIT (million €)	25.59				25.59	-128.24
- % over sales	2.6%				2.6%	-20.8%
Result before taxes and minorities (million €)	16.01				16.01	-141.22
Result after taxes and minorities (million €)	10.11				10.11	-92.98
Depreciation (million €)	35.36				35.36	29.19
Net cash flow (million €)	45.47				45.47	-63.79
Number of employees	7,347				7,347	7,327
Net financial debt (million €)	954.97				954.97	993.14
Debt to equity (%)	51.5%				51.5%	47.9%
Number of shares (million)	249.30				249.30	254.30
Return to shareholders (per share)	0.00				0.00	0.10
Return to shareholders (million €)	0.00				0.00	24.97
Daily average shares traded (nº of shares, million)	1.31				1.31	1.14
Result after taxes and minorities per share	0.04				0.04	-0.37
Net cash flow per share	0.18				0.18	-0.25

(*) EBITDA is defined as the operating result excluding depreciation and provisions