

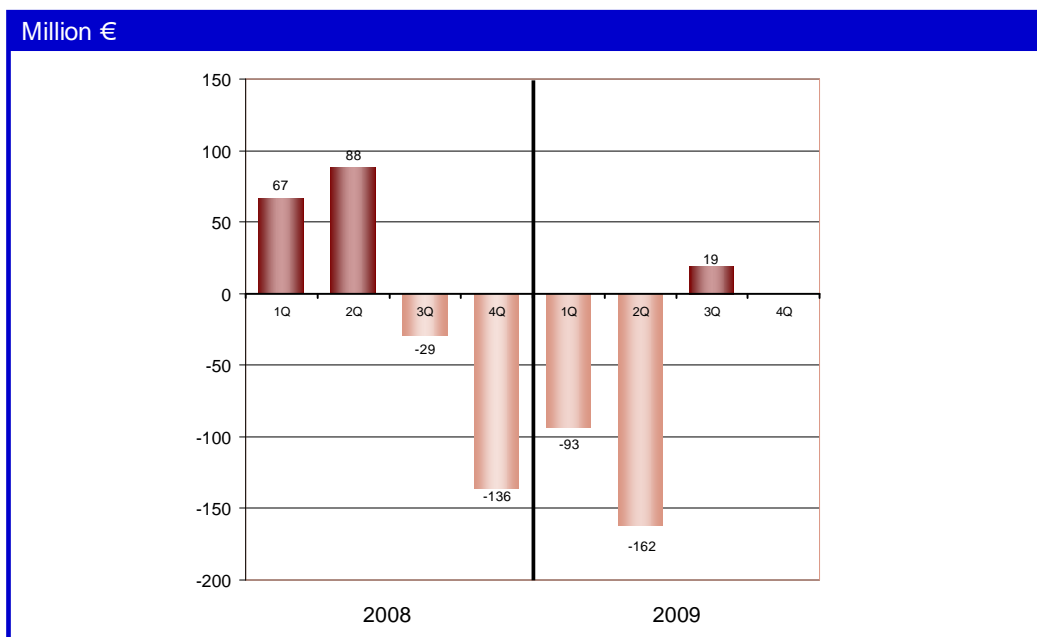


3rd Quarter 2009

ACERINOX GROUP OBTAINS POSITIVE RESULTS IN THE THIRD QUARTER

- This result, 19.4 million euro, means an improvement of 181.4 million euro compared to that of the previous quarter.
- The improvement of the market situation during the third quarter together with the joint effects of the Excellence Plan 2009-2010 and the adjustment plan have determined a change of trend in the Group results
- Despite its improvement, the stainless steel market is still awaiting an environment of steadier growth
- The strategic advantages of the Group global presence are strengthened in a situation of economic uncertainty.
- The extraordinary negative circumstances of the market suffered since the first half of 2008 have been overcome

RESULTS AFTER TAXES AND MINORITIES. ACERINOX GROUP



Raw Materials

Nickel maintains its upward trend started at the end of March, and it has risen in value by 80% from that period. During the last weeks nickel average quote has been 18,500 USD/Mt.

OFFICIAL NICKEL PRICE IN THE L.M.E.

(Years 2008 – 2009 until 22 October)



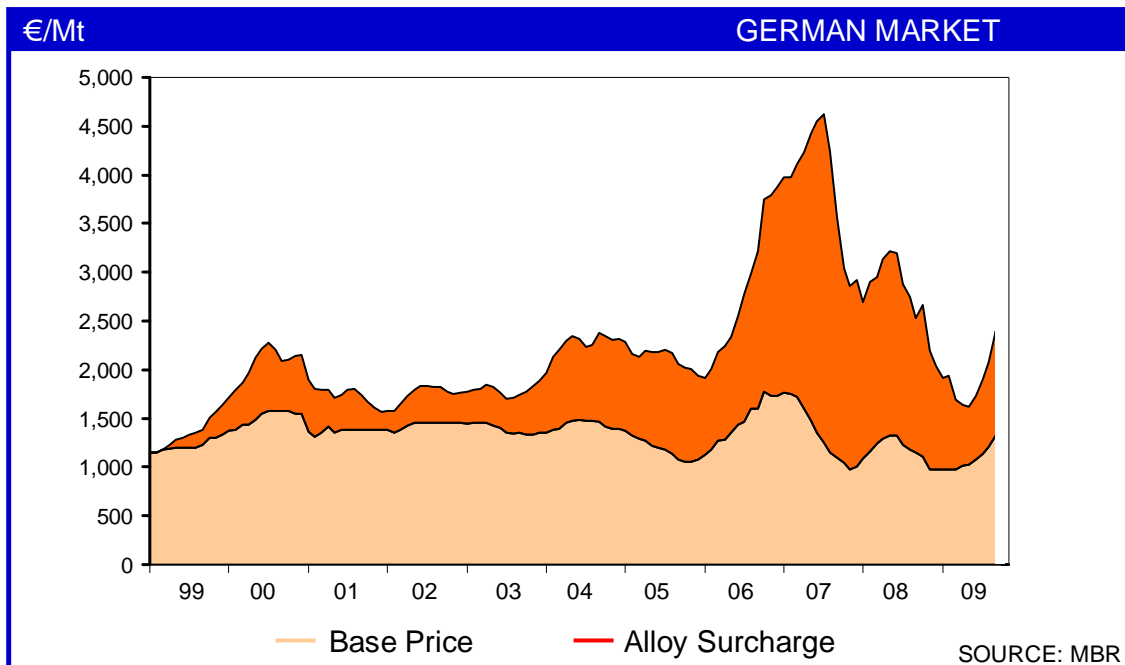
Markets

During the third quarter the stainless steel market has confirmed the end of the stock reduction process worldwide, in producers and distributors. A minor process of re-stocking has already begun during the quarter.

Base prices have increased in all markets, although the volatility of nickel prices involves that the expectations of changes in the alloy surcharges determines to a great extent the stockists' behaviour in the short term.

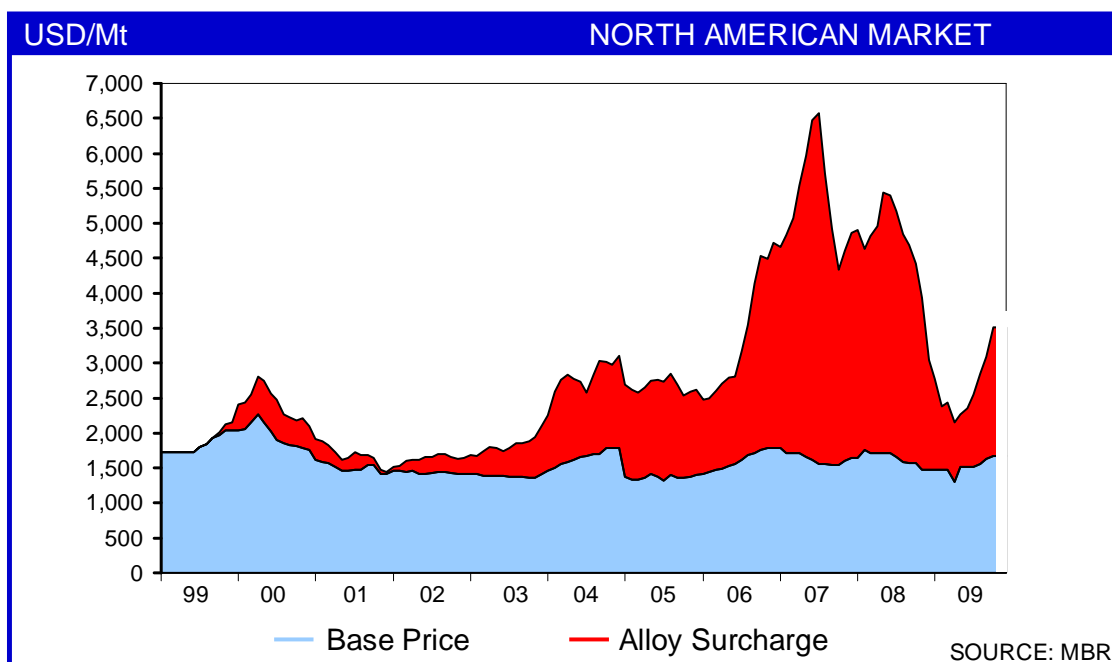
- Europe

STAINLESS STEEL COLD ROLLED SHEET PRICES
 AISI. 304 2.0 mm (1999 – September 2009)



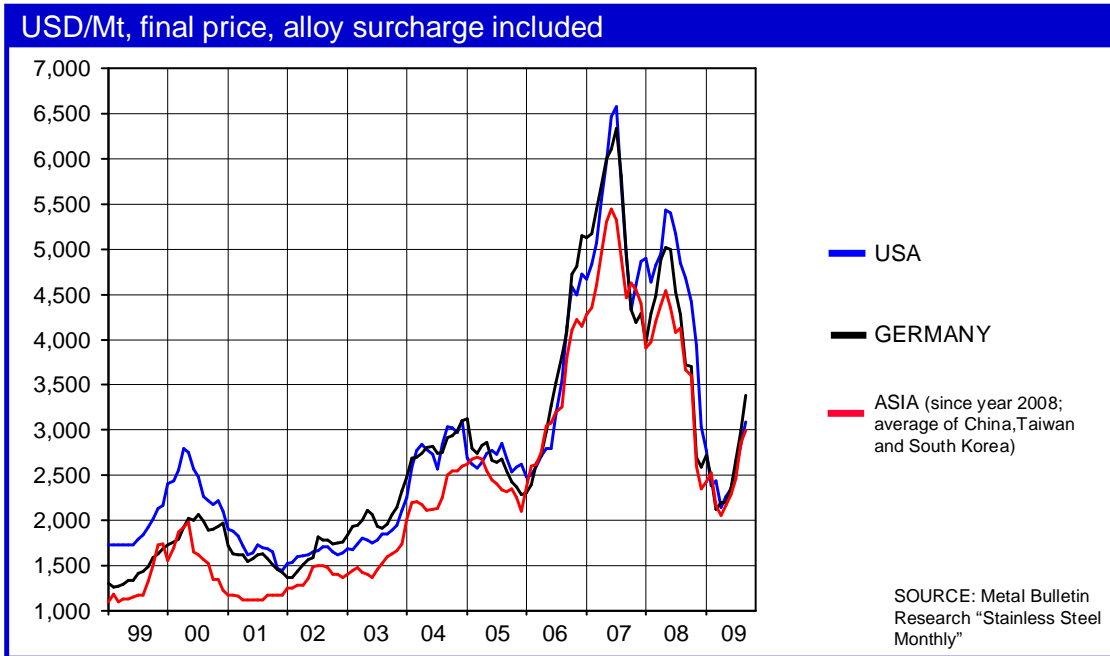
- America

STAINLESS STEEL COLD ROLLED SHEET PRICES
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- Asia

STAINLESS STEEL COLD ROLLED SHEET PRICES AISI. 304 2.0 mm (1999 – September 2009)

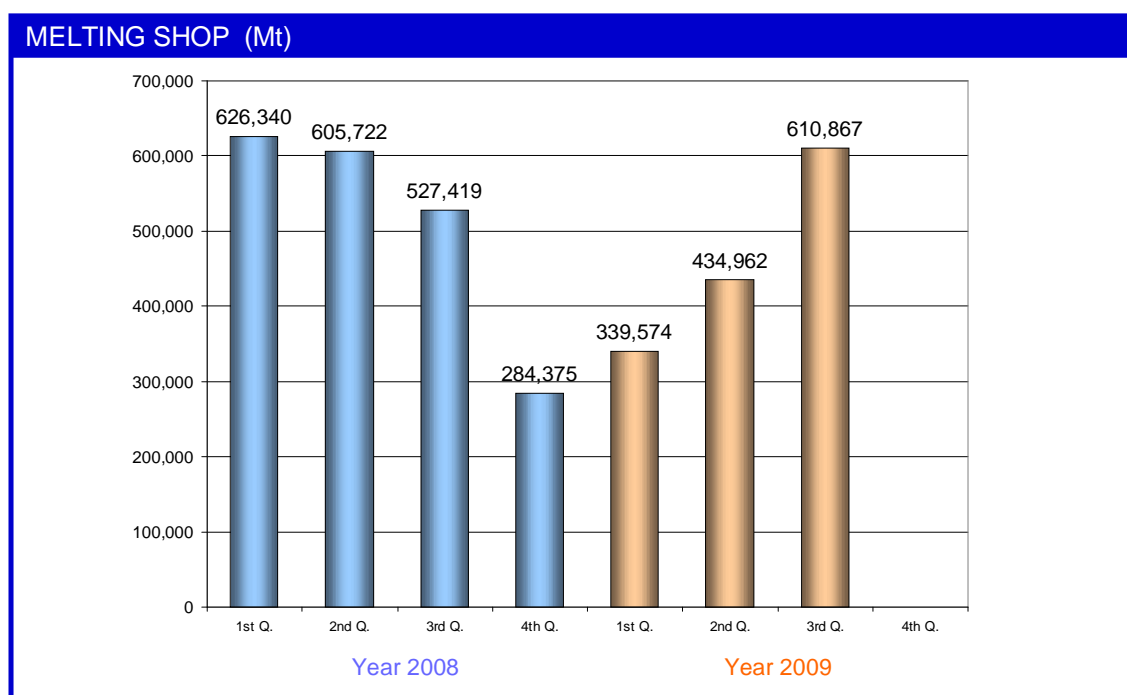


Productions

The quarterly melting production of Acerinox Group amounts to 610,867 Mt, which means a 40% improvement with regard to the output of the previous quarter. It keeps an increasing evolution since the fourth quarter 2008. The yearly accumulated figure is still 21.3% lower than the output of the same period of 2008, although the distance is being cut down.

Thousand Mt	2009				Accumulated	2008 Jan - Sep
	1Q	2Q	3Q	4Q		
Melting shop	339.6	435.0	610.9		1,385.4	1,759.5
Hot rolling shop	296.1	382.3	546.4		1,224.7	1,548.4
Cold rolling shop	217.5	208.2	351.5		777.2	1,098.5
Long product (Hot rolling)	31.0	33.3	39.9		104.2	168.8

EVOLUTION OF ACERINOX GROUP PRODUCTIONS



Results

Acerinox Group quarterly results show the improvement of the market conditions, the strengthening of the price increases led by Acerinox and particularly the efficiency of the cost adjustment plan carried out in the last 12 months, and also the Excellence Plan 2009-2010, which is showing highly positive results.

Profit and Loss Account of Acerinox Consolidated Group

Million €	1 st Q. 09	2 nd Q. 09	3 rd Q.09	January-September		
				2009	2008	Variation
Net sales	617.00	674.94	918.45	2,210.39	4,281.02	-48.4%
Gross margin	70.35	-37.14	261.96	295.17	976.50	-69.8%
<i>% over sales</i>	11.4%	-5.5%	28.5%	13.4%	22.8%	
EBITDA (*)	-97.97	-184.19	62.29	-219.87	383.16	-157.4%
<i>% over sales</i>	-15.9%	-27.3%	6.8%	-9.9%	9.0%	
Gross operating result	-97.97	-209.88	62.29	-245.56	331.07	-174.2%
<i>% over sales</i>	-15.9%	-31.1%	6.8%	-11.1%	7.7%	
EBIT	-128.24	-240.83	30.71	-338.36	239.74	-241.1%
<i>% over sales</i>	-20.8%	-35.7%	3.3%	-15.3%	5.6%	
Result before taxes	-141.22	-247.83	25.68	-363.37	194.78	-286.6%
Result after taxes and minorities	-92.98	-161.99	19.36	-235.61	125.38	-287.9%
Depreciation	29.19	30.78	31.57	91.55	89.76	2.0%
Net cash flow	-63.79	-131.21	50.93	-144.06	215.14	-167.0%

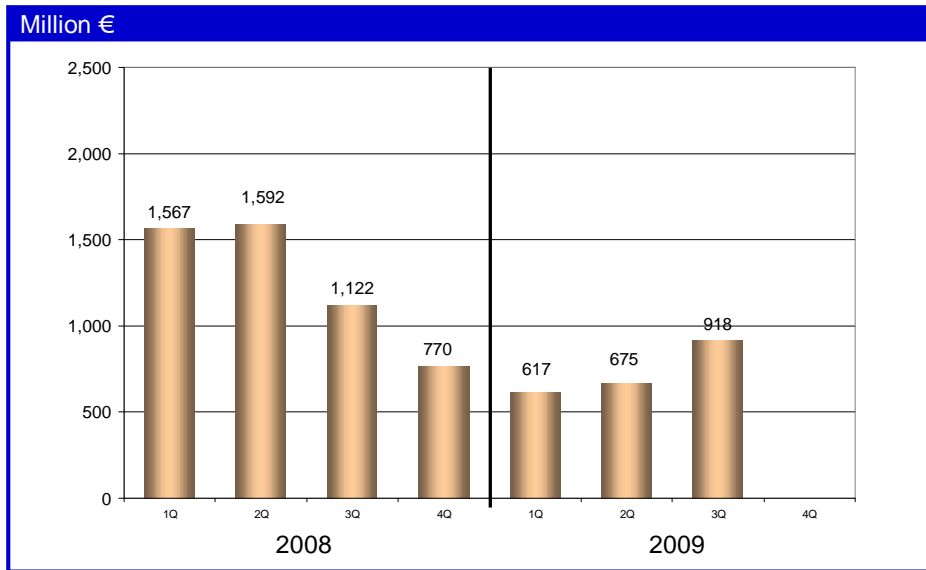
(*) EBITDA is defined as the operating result excluding depreciation and provisions

The EBITDA achieved in the quarter, 62.3 million euro, shows the strength of the Group even in situations of economic uncertainty. Should the world economic recession expand even further than forecasted, the inventories normalisation and the cost reduction in the Group, allow us to expect positives EBITDA from now on.

The improvement of the market situation and the reduction of our production costs makes no inventory provision to net realizable value to be necessary.

Anyhow, the current improvement of the market situation does not allow to offset the plunge of the first half of the year.

EVOLUTION OF ACERINOX GROUP NET SALES



Acerinox Group is the only worldwide producer with production facilities in three continents, which will become four once Bahru Stainless (Malaysia) gets onto stream on 2011. Then Acerinox Group will have factories located in different continents.

Acerinox global positioning allow us to optimize our presence in the markets with a better relative behaviour.

The sales rate in the Asian market has improved to 19%.

GEOGRAPHICAL DISTRIBUTION OF ACERINOX GROUP NET SALES

September 2009

	Sep-09	Year 2008
AFRICA	5.1%	5.8%
AMERICAS	36.0%	36.4%
ASIA	18.9%	13.6%
EUROPE	40.0%	44.1%
OCEANIA	0.1%	0.1%
TOTAL	100.0%	100.0%

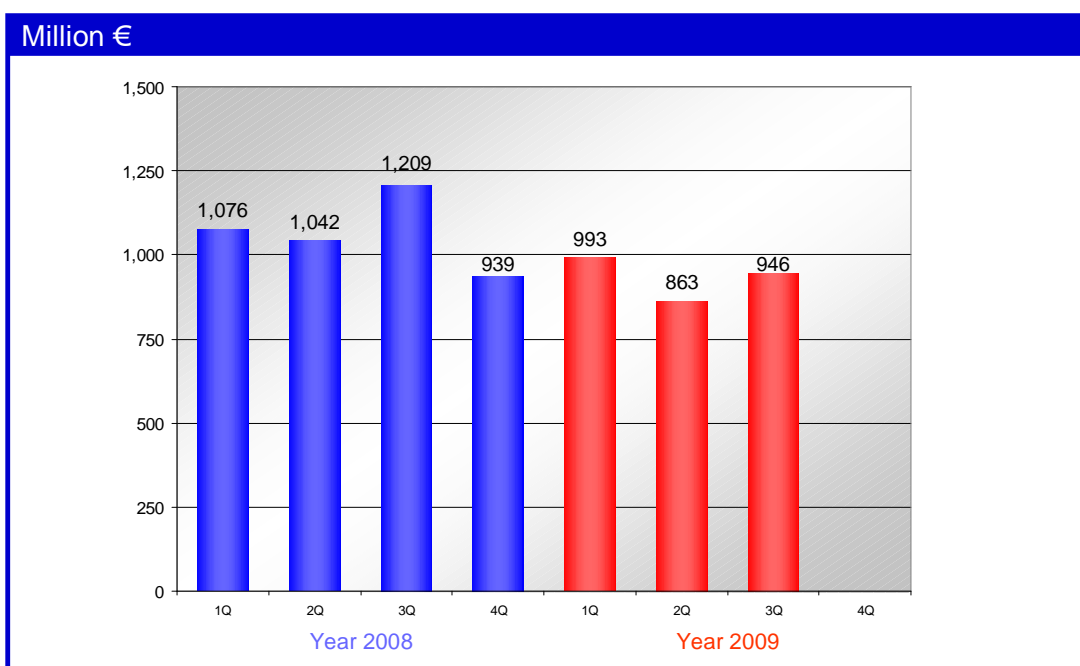
Condensed Balance Sheet of Acerinox Consolidated Group

ASSETS			
Million €	Sep 09	2008	Variation
Non-current assets	2,046.46	1,844.84	10.9%
Current assets	1,742.45	1,881.89	-7.4%
- Inventories	1,119.84	1,388.38	-19.3%
- Debtors	475.22	373.37	27.3%
<i>Trade debtors</i>	409.57	294.60	39.0%
<i>Other debtors</i>	65.65	78.77	-16.7%
- Cash and other current asset	147.39	120.14	22.7%
TOTAL ASSETS	3,788.91	3,726.73	1.7%
LIABILITIES			
Million €	Sep 09	2008	Variation
Equity	1,757.24	2,020.55	-13.0%
Non-current liabilities	927.71	912.35	1.7%
- Interest-bearing loans and borrowin	621.60	615.76	0.9%
- Other non-current liabilities	306.11	296.59	3.2%
Current liabilities	1,103.97	793.84	39.1%
- Interest-bearing loans and borrowin	451.86	402.76	12.2%
- Trade creditors	405.61	245.08	65.5%
- Other current liabilities	246.50	146.00	68.8%
TOTAL EQUITY AND LIABILI	3,788.91	3,726.73	1.7%

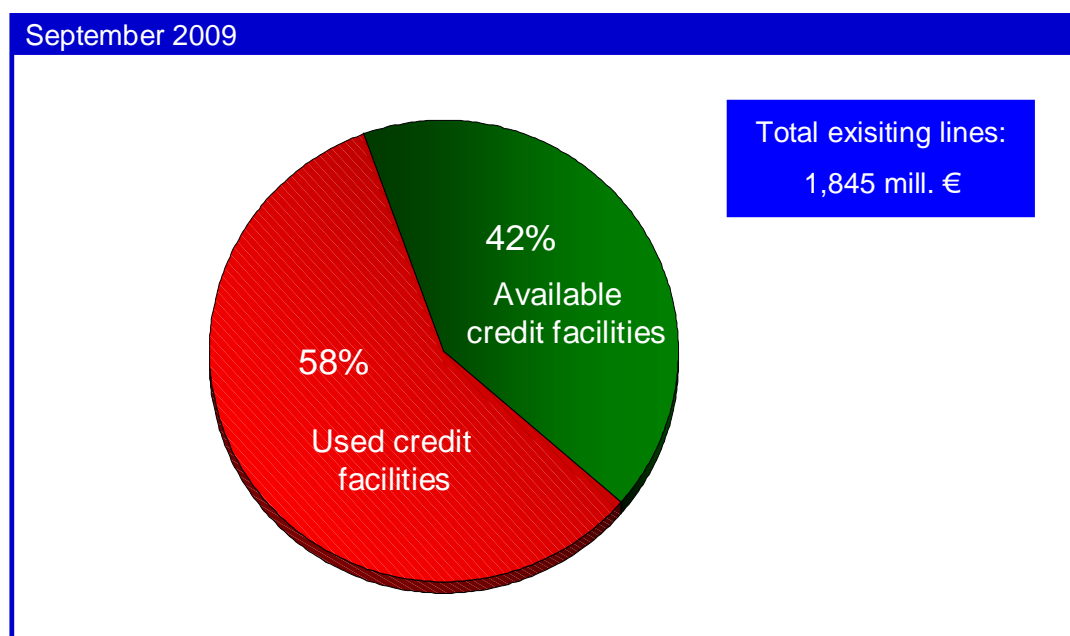
The balance sheet as of 30th September 2009 compared to that of the end of year 2008 shows the process of inventories reduction and the higher activity of the market according to the debtors and creditors accounts. Yet the working capital has been reduced in 314 million euro.

The strength of the Group balance is proven by the fact that its investment plan is kept without increasing its debt.

NET FINANCIAL DEBT. CONSOLIDATED GROUP

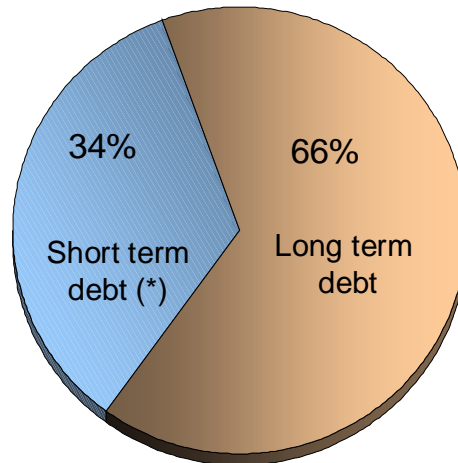


CURRENT CREDIT LINES IN ACERINOX GROUP



DISCLOSURE OF THE SHORT AND LONG TERM DEBT WITH FINANCIAL INSTITUTIONS

September 2009



(*) Treasury has been deducted of the short term debt

Condensed cash flows of Acerinox Consolidated Group

	Jan-Sep 09	Jan-Sep 08	Year 2008
Result before taxes	-363.4	194.8	-16.7
Adjustments for:	0.2	113.8	239.2
Depreciation and amortisation	91.5	89.8	121.9
Changes in provisions	-125.2	-41.3	34.6
Other adjustments in the result	33.9	65.3	82.7
Changes in working capital	601.9	-79.9	452.9
Changes in operating working capital (1)	314.1	-71.1	677.9
Others	287.8	-8.9	-225.0
Other cash-flow from operating activities	-7.4	-146.0	-179.4
Income tax	27.1	-89.6	-102.6
Financial expenses	-34.5	-56.4	-76.8
NET CASH-FLOW FROM OPERATING ACTIVITIES	231.3	82.6	496.0
Payments for investments on fixed assets	-175.3	-214.6	-328.7
Others	1.8	6.5	0.7
NET CASH-FLOW FROM INVESTING ACTIVITIES	-173.5	-208.1	-328.0
Acquisition of treasury shares	-3.3	-97.2	-127.5
Dividends payed to shareholders and minorities	-87.3	-89.7	-114.7
Changes in net debt	41.5	271.5	-22.3
Changes in bank debt	54.9	246.2	-71.4
Conversion differences	-13.4	25.2	49.1
Attributable to minority interests	38.2	0.0	0.0
Others	1.0	0.1	1.1
NET CASH-FLOW FROM FINANCING ACTIVITIES	-9.8	84.7	-263.4
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	48.1	-40.8	-95.4
Opening cash and cash equivalents	79.7	167.3	167.3
Effect of the exchange rate fluctuations on cash held	-0.6	0.7	7.8
CLOSING CASH AND CASH EQUIVALENTS	127.1	127.2	79.7

(1) Inventories + trade debtors - trade creditors

The net cash-flow from operating activities amounts to 231.3 million euro that is almost triple than the figure achieved last year.

Staff

As of 30h September the number of employees totals 7,345. In the last twelve months the staff has been reduced in 540 people. This reduction has been partially offset by the addition of 203 employees from the stockist Yick Hoe Metal in Malaysia.

Bahru Stainless

The construction of the new factory in Malaysia, Bahru Stainless, progresses on schedule. All the production lines have been already contracted and are under way. We expect that the cutting lines will come onto stream by the end of the first quarter 2010 and the cold rolling mill to start operating a year after.

Outlook

The improvement of the demand experienced during this quarter will tend to slow down towards the end of the year. We notice a trend in the stainless steel supplying chain of lowering their debt and inventories affecting the market. A reduction of our order book may be therefore expected although we also hope to keep a positive result.

In 2010 we expect an increase of the demand between 6% to 10% and therefore a recovery of the market conditions.

Consequently, we expect a price improvement in the first quarter.

Figures by company

<i>Thousand Mt</i>	MELTING PRODUCTION					
	1st Q. 09	2nd Q. 09	3rd Q. 09	4th Q. 09	Year 2009	% over 2008
Acerinox, S.A.	121.4	113.6	178.2		413.2	-40.1%
NAS	130.4	161.0	245.0		536.5	-11.0%
Columbus	87.7	160.3	187.6		435.7	-5.8%
Acerinox Group	339.6	435.0	610.9		1,385.4	-21.3%

<i>Million €</i>	NET SALES					
	1st Q. 09	2nd Q. 09	3rd Q. 09	4th Q. 09	Year 2009	% over 2008
Acerinox Group	617.0	674.9	918.5		2,210.4	-48.4%
Acerinox, S.A.	223.5	187.8	309.8		721.2	-56.5%
NAS (million USD)	264.6	313.1	554.7		1,132.4	-50.7%
Columbus	122.7	183.8	245.8		552.3	-42.6%

<i>Million €</i>	PROFIT AFTER TAXES AND MINORITIES					
	1st Q. 09	2nd Q. 09	3rd Q. 09	4th Q. 09	Year 2009	% over 2008
Acerinox Group	-93.0	-162.0	19.4		-235.6	-287.9%
Acerinox, S.A.	-27.0	-47.3	14.0		-60.3	-381.1%
NAS (million USD)	-40.5	-28.7	6.0		-63.3	-132.1%
Columbus	-13.6	-32.2	-0.3		-46.0	-286.5%

Main economic and financial magnitudes

CONSOLIDATED GROUP	Year 2009				Accumulated	Year 2008
	1 st Q.	2 nd Q.	3 rd Q.	4 th Q.		Jan - Sep
Production (Mt.)						
- Melting shop	339,574	434,962	610,867		1,385,403	1,759,481
- Hot rolling shop	296,109	382,267	546,360		1,224,735	1,548,420
- Cold rolling shop	217,503	208,153	351,532		777,188	1,098,548
- Long product (hot rolling)	30,954	33,286	39,928		104,169	168,826
Net sales (million €)						
Group	617.00	674.94	918.45		2,210.39	4,281.02
- Acerinox, S.A.	223.52	187.84	309.82		721.18	1,656.43
- NAS (million USD)	264.63	313.07	554.65		1,132.35	2,295.97
- Columbus	122.71	183.76	245.83		552.30	961.75
EBITDA (*) (million €)	-97.97	-184.19	62.29		-219.87	383.16
- % over sales	-15.9%	-27.3%	6.8%		-9.9%	9.0%
EBIT (million €)	-128.24	-240.83	30.71		-338.36	239.74
- % over sales	-20.8%	-35.7%	3.3%		-15.3%	5.6%
Result before taxes and minorities (million €)	-141.22	-247.83	25.68		-363.37	194.78
Result after taxes and minorities (million €)	-92.98	-161.99	19.36		-235.61	125.38
Depreciation (million €)	29.19	30.78	31.57		91.55	89.76
Net cash flow (million €)	-63.79	-131.21	50.93		-144.06	215.14
Number of employees	7,327	7,358	7,345		7,345	7,682
Net financial debt (million €)	993.14	863.31	946.30		946.30	1,208.95
Debt to equity (%)	47.9%	49.2%	53.9%		53.9%	54.0%
Number of shares (million)	254.30	254.30	249.30		249.30	254.30
Return to shareholders (per share)	0.10	0.10	0.15		0.35	0.35
Return to shareholders (million €)	24.97	24.93	37.40		87.30	89.35
Daily average shares traded (nº of shares, million)	1.14	1.18	0.82		1.08	1.91
Result after taxes and minorities per share	-0.37	-0.64	0.08		-0.95	0.49
Net cash flow per share	-0.25	-0.52	0.20		-0.58	0.85

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