RESULTS RELEASE
NINE MONTHS 2025

OCT 2025

TUBACEX GROUP

MAIN **CONSIDERATIONS**

- Tubacex closes the first nine months of the year with **sales of €525.9M** and an **EBITDA of €84.6M**.
- The **EBITDA margin** reaches **16.1%**, driven by the licensing agreement with ADNOC for the use of its connection in non-CRA applications, a **key strategic milestone** that positions Sentinel Prime as the preferred premium connection for carbon OCTG tubing in Abu Dhabi.
- The 2025 fiscal year is unfolding in an environment marked by **overall market weakness**, impacting sales volumes across all business segments, particularly in the most commoditized, lower value-added areas.
- A favorable sales mix and **strong positioning in premium products** allow the company to maintain an **EBITDA margin above the 15% strategic target**. Achieving this in such a weak market confirms the company's solid strategic positioning.
- Despite the challenging market conditions, the **order backlog stands at €1,266M**, with a significant share of high value-added, high-margin products.
- The **OCTG CRA** supply **contract with ADNOC is exceeding the initial volume expectations for 2025**, and this positive outlook remains for 2026. This acceleration has generated a combined effect of €115M on the Group's working capital, with a corresponding impact on the net financial debt figure.
- The **safeguard measures for the steel sector recently announced by the European Union** are expected to have a positive effect, although they remain a proposal whose details and implementation timeline are yet to be defined.
- **The activity, production, and sales volumes expected for the fourth quarter** will progressively include the positive impact of the **OCTG CRA supply contract for ADNOC,** which already represents a highly significant production volume for the year.
- Given the instability of the market, the company is reassessing all scenarios for fiscal year **2026,** implementing all necessary measures to **secure current margins and recover activity volumes across all business lines.**

9M 2025 IN FIGURES

SALES
€525.9M

EBITDA
€84.6 M

EBITDA Margin
16.1%

NFD / EBITDA
3.5x

NET PROFIT
€16.7M

2025: YEAR OF STRONG PROFITABILITY AND DEBT REDUCTION WITH POSITIVE OUTLOOK FOR 2026

MAIN **FINANCIAL FIGURES**

(€M)	9M 2024	9M 2025	% Var.	Q3 2024	Q3 2025	% Var.
Sales	569.1	525.9	-7.6%	171.1	164.4	-3.9%
EBITDA	78.1	84.6	8.4%	28.0	23.7	-15%
EBITDA Margin	13.7%	16.1%		16.4%	14.4%	
EBIT	45.8	50.4	10.2%	18.3	13.1	-28.7%
EBIT Margin	8.0%	9.6%		10.7%	8.0%	
Earnings Before Taxes	18.2	26.9	48.4%	8.9	6.6	-25.7%
Margin	3.2%	5.1%		5.2%	4.0%	
Net Profit	14.2	16.7	17.5%	7.7	1.1	-85.7%
Net Margin	2.5%	3.2%		4.5%	0.7%	

				Estimate ex-ADNOC		
	Dec. 24	Sept. 25	Var. (€M)	Dec. 24	Sept. 25	Var. (€M)
Working Capital	310.2	431.0	+120.8	310.2	316.0	+5.8
Working Capital / Sales	40.4%	59.5%		40.4%	43.6%	
Net Financial Debt	255.0	399.3	+144.2			
Net Financial Debt/ EBITDA	2.4x	3.5x				
Structural Net Financial Debt[1]	-55.2	-31.7	+23.5			

(1) Net Financial Debt – Working Capital

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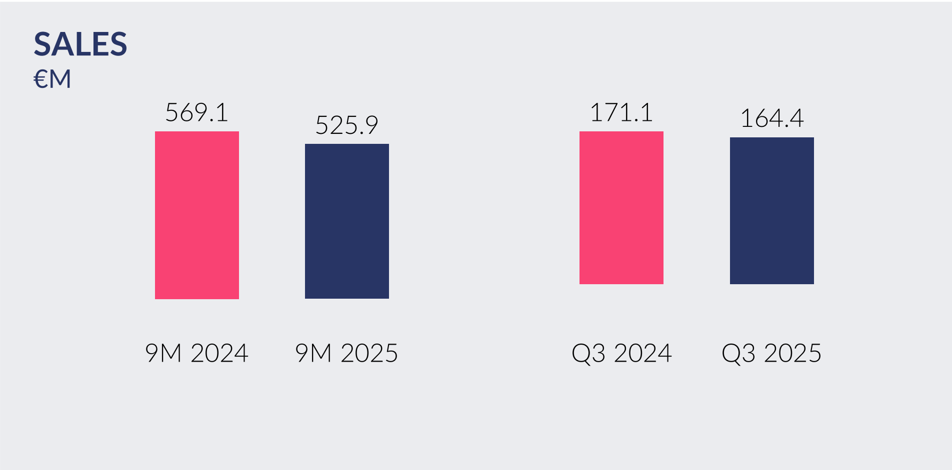
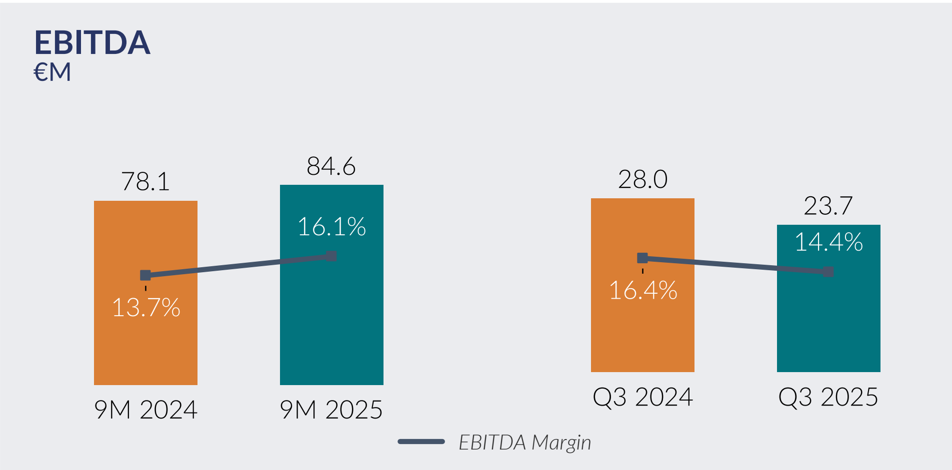
MAIN FIGURES FROM THE **INCOME STATEMENT**





SALES

- **Sales figure 7.6% lower than in the same period of 2024.**
- **General market weakness:**
  - *Affecting activity volumes, especially in lower value-added products.*
- **Nickel price:**
  - *Downward trend in nickel prices, with a cumulative decrease of 0.3% during the period and an average price 10.9% lower than in 9M 2024.*
- **USD/€ exchange rate**:
  - *Continued depreciation of the USD throughout 2025, with a cumulative decline of over 14% for the year.*
  - *This effect impacts the sales figure at a time when the Group's business strategy is strongly positioned in dollar-denominated markets, such as the Middle East and the USA.*

EBITDA

- **EBITDA increases by 8.4%** compared to the first nine months of 2024, maintaining a **margin above the 15% strategic target.**
- The strong order backlog, with a significant share of high value-added products, will allow the **company to continue meeting this strategic objective in the coming quarters.**

OUTLOOK

- **The activity, production, and sales volumes** expected for the fourth quarter will progressively include the **positive impact of the OCTG CRA supply contract for ADNOC.**
- **Financial deleveraging** expected in the last quarter of the year.
- **Very positive outlook for profitability and financial deleveraging in 2026**, while remaining attentive to the evolution of the global macroeconomic environment.

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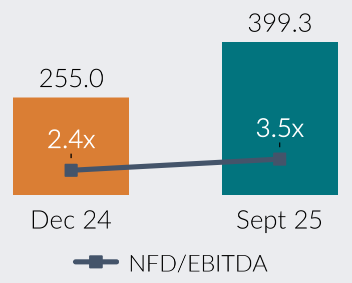
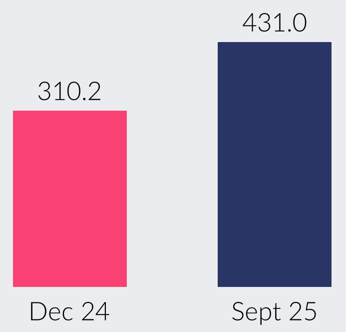
MAIN FIGURES FROM THE BALANCE SHEET: **NET FINANCIAL DEBT**

Net Financial Debt
€M



Working Capital Evolution
€M



Cash impacts

- Capex 9M 2025: **€47M**
  - This Capex includes the investment in the Abu Dhabi plant, which secures a **differentiated competitive position for Tubacex in the Middle East.**
- **Dividend of €25M approved and fully paid off.**

Working Capital

- Make-to-order manufacturing strategy (link between net financial debt and working capital).
- The **ADNOC order is exceeding the initially expected volumes for 2025**, leading to a rebound in working capital.
- The **combined impact** of the **ADNOC contract** manufacturing across all production units involved **amounts to €115 million in working capital.**
- Billings and collections expected in the last quarter of the year will enable a reduction in leverage.

Financial strength	**Cash of €124.8M & liquidity of €179.9M**	**Solvency**	**Equity to Total Assets 34%**

SIGNIFICANT DELEVERAGING EXPECTED IN THE SECOND HALF OF THE YEAR WITH THE START OF INVOICING FOR MAJOR ORDERS

WE REITERATE THE TARGET OF OUR STRATEGIC PLAN 2027 NFD/EBITDA < 2x

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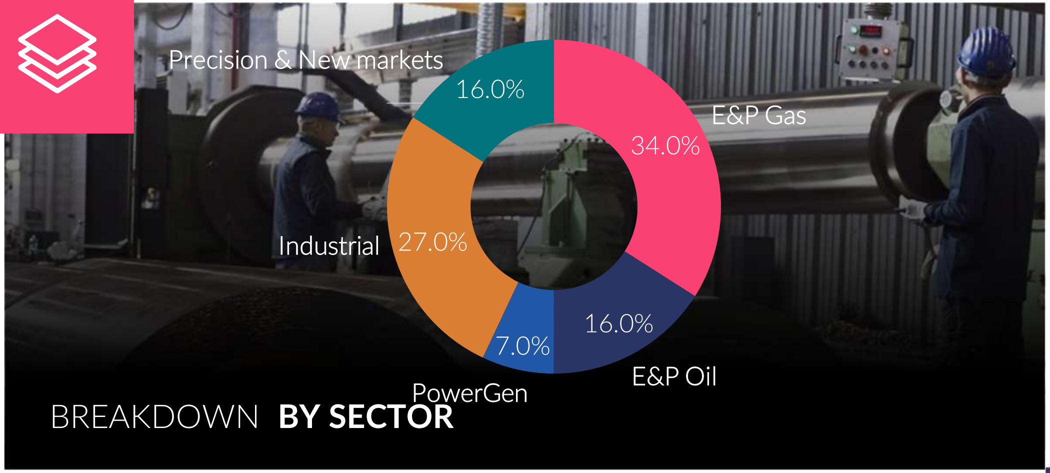
REVENUES BREAKDOWN



PREMIUM PRODUCTS

- Strong positioning with **strategic customers**, together with the strategy of signing **long-term agreements**, is allowing the company to maintain a high order backlog in high value-added products and **profitability levels above the strategic target.**

ORDER INTAKE

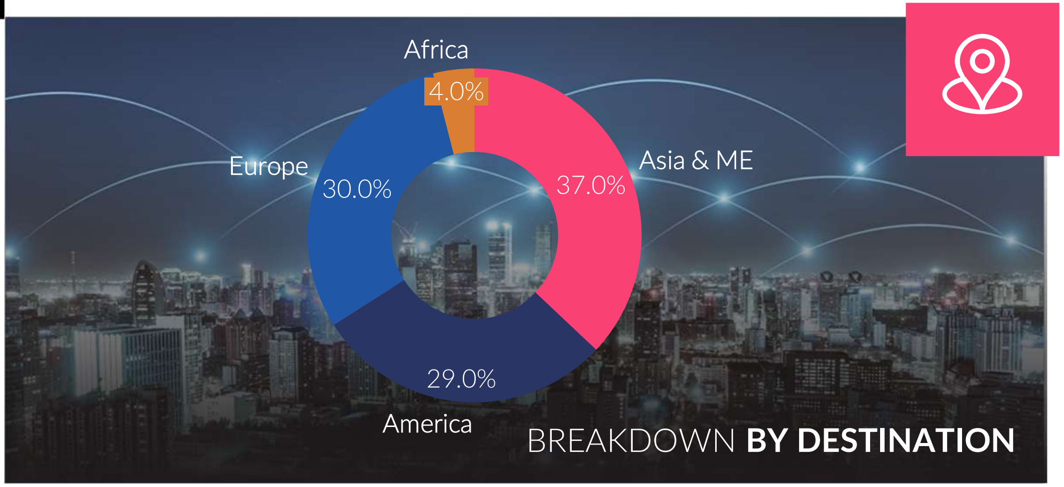
- **General market weakness and a consequent slowdown in order intake** due to global **macroeconomic uncertainty.**
- This slowdown is particularly evident in more **commoditized products**, which had already shown greater weakness throughout last year.
- Despite this, several **significant high value-added projects are currently under quotation.**

SECTOR DIVERSIFICATION

- Diversified sales mix by sector with the right positioning to take advantage of both **current and future low-emission energy sources**, as well as the so-called **transition energies** (gas and nuclear).
- The strategy of diversification into different sectors has proven successful in reducing the **Group's cyclicality.**

UPSTREAM GAS IN ASIA AND THE MIDDLE EAST

- The Group's sales maintain significant weight in the **Gas Upstream sector and the Asian and Middle East regions**, in line with the strategic objectives.



BACKLOG EVOLUTION

ROBUST SITUATION OF THE BACKLOG

Book-to-bill ratio

TOTAL BACKLOG INCLUDING
ADNOC'S CONTRACT

€1,266M

ROLLING 9M 2025 = 0.5x

- The order backlog has decreased compared to the end of 2024 due to the overall macroeconomic uncertainty causing general market weakness, as well as the progress in the execution of the ADNOC order.
- The backlog remains concentrated in high value-added projects.
- The quality of the order backlog and the product mix support the expectation of maintaining **high profitability levels** in the coming quarters.

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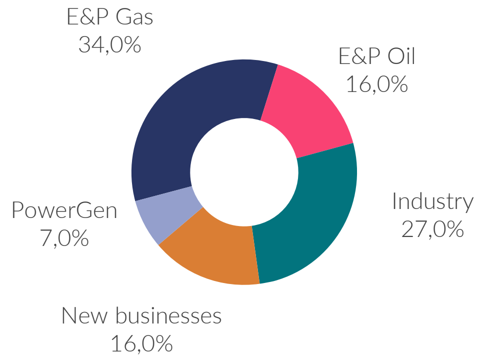
ROBUST BACKLOG

Some significant projects and end users:

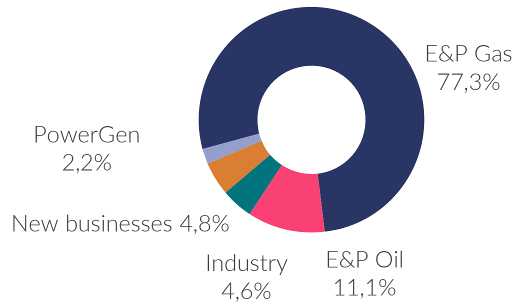
- Upstream OCTG:
  - Petrobras: OCTG CRA solutions (casing, tubing, and connections) as well as logistics services, maintenance, and technical support.
  - ADNOC: Major order of $1 billion for gas extraction.
- Subsea:
  - Awardings for MFX (Petrobras), Oceannering (BP – Tiber Project) and Navitas Petroleum (Sea Lion Project)
- Nuclear
  - Orders for Heankley Point (EDF)
- Indutrial / Gas
  - Several orders for BP Tangguh
- Low Carbon:
  - Order for the first carbon capture project in a bioenergy plant in Brazil (OCTG CRA and Sentinel Prime).
  - Fertilizer order for Casale
- New businesses: U.S. market share leaders in the space exploration industry.

BOOK-TO-BILL	0.5x (LTM)	CURRENT BACKLOG	€1,266M[1]

Sales breakdown (9M 2025):



Backlog breakdown:



THE CURRENT BACKLOG AND ITS MIX REPRESENT THE BEST POSSIBLE DEFENSE OF PROFITABILITY IN A MACROECONOMIC ENVIRONMENT MARKED BY UNCERTAINTY

1) Including the mega order from ADNOC for gas extraction

COMMERCIAL REMARKS **(I) E&P OIL&GAS (i)**

UPSTREAM

- OCTG
  - Brazil:
    - Delivering **Búzios** and **Sépia-Atapu** orders for Petrobras and starting to use Tubacex's proprietary **Sentinel connection in the Brazilian market.**
    - Additional project quotations for the coming quarters.
  - Abu Dhabi:
    - **Threading lines are now fully operational.**.
    - In June, the facility obtained the API 5CRA certification for the cold rolling process: producing tubes and threading connections with the Sentinel joint.
    - **ADNOC has already installed multiple wells with the Sentinel Prime connection, with volumes increasing faster than initially expected.**.
    - The **licensing agreement** for the use of **Sentinel Prime** with ADNOC positions this connection as the **premium solution for carbon OCTG pipes in the UAE**, with progressive deployment expected over the coming months and in upcoming tenders.
  - Positive outlook in the CRA (Corrosion Resistant Alloys) sector, with quotations increasing in **Iraq, Kuwait, the Caspian Sea, Oman, and Qatar.**
- Drilling
  - **Middle East: order intake increased vs. Q2**; strategic rental orders from SLB, Baker Hughes, and Weatherford reinforce growth outlook into early 2026.
  - **Asia: market remains competitive**; stronger customer engagement and growing onshore activity, mainly in China.
  - **Norway: stable performance with slight growth** and medium-term expansion potential tied to Norway-based global customers.
  - **North America** (US & Canada): **weak market** and capital discipline keeping order intake low, but rental business improving with new customers; pricing pressure persists in Canada.
  - **Guyana: record-high revenue in Q3 and further growth expected in Q4**, supported by Surinam demand and new 2026 tender with TFMC.

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COMMERCIAL REMARKS **(I) E&P OIL&GAS (ii)**

- SURF
  - **Global Subsea/SURF spending** (equipment, installation, and services) is estimated **to grow around 10% through 2027.**
  - **Brazil: strong expansion expected** in pre-salt project demand, with spending up 18% year-on-year.
  - Emerging regions: discoveries in **Guyana and Namibia** continue to attract investment and subsea infrastructure development.
  - Europe **/ Norway**: Reactivation of subsea activity, with a record 45 exploration wells led by major operators.
  - Commercial activity: **inquiry levels** remain steady and **above expectations**.
  - Order book: **12-month visibility** maintained in the **umbilicals segment.**
  - **Outlook: sustained subsea market growth expected**, supported by strong activity in Brazil and renewed offshore investment globally.

- Offshore
  - The **offshore industry** is going through a **growth phase** driven by new large “greenfield” projects, deepwater expansion, and the recovery of exploration spending.
  - Offshore spending is expected to increase, led by projects in the **Middle East, Brazil, the United Kingdom, and Norway.**
  - **Ultra-deepwater drilling** is one of the most dynamic areas: operators are seeking new reserves in deeper zones, and technological improvements (better control, lower cost per depth unit, improved pressure management) are allowing these operations to expand their scope.
  - However, there are **challenges**: geopolitics remains a major risk factor, with sanctions, uncertainty in some markets (MENA, Africa, Russia), and supply chain bottlenecks that may delay projects.
  - Outlook: p**ositive medium-term outlook**, supported by higher offshore spending and the start-up of new projects, despite persistent external risks.

COMMERCIAL REMARKS **(II) INDUSTRIAL & POWERGEN**

INDUSTRIAL

- **Market remains low** specially on CAPEX across all regions.
- **Project decisions have been delayed**, kept on hold and in some cases re budgeted due to current geo-political issues.
- **Some pick up on heater business on OPEX** side with decisions within Q4.

POWERGEN

- **Nuclear:**
  - Nuclear activity is mainly focused on **maintenance projects in Europe**, primarily with **EDF**, under a *"fast-track"* Supply Agreement.
  - Ongoing negotiations **for future EDF plants** in the UK and France, as well as with **Westinghouse in Poland.**
  - Tubacex is **actively positioning itself in SMRs,** with long-term value proposals aimed at becoming a strategic supplier, although negotiations are being delayed as designers adjust the budgets for the first units (FOAK).
- **Conventional:**
  - Several refurbishment projects for **biomass plants** in Northern Europe.
  - Expected to enter negotiations for new projects in India in Q4.
  - Strong demand continues for new **USC** power plants in **India and China**.

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COMMERCIAL REMARKS **(III) LOW CARBON**

LOW CARBON

- Carbon Capture, Utilization, and Storage (CCUS)
  - Global CCUS capacity reached 50 Mt/year, projected to rise to 430 Mt/year by 2030.
    - Northern Lights (Norway) stored its first CO_2 volumes, setting a scalable model for Europe.
    - In the UK, a CO_2 injection well test successfully completed 15 injection cycles and 11 offshore refills, totaling 3,500+ tonnes of CO_2 injected — the first CO_2 injection well in the region.
    - In the US, major tech companies are reshaping the carbon market by promoting permanent removal strategies (bio-oil injection, mineralization) over traditional offsets.
  - Tubacex **CRA OCTG solutions and the Sentinel Premium** connection have a **strong track record in CCUS**, having already supplied four projects and currently participating in several tenders in North America, the UK, and Asia.
- Ammonia & Fertilizers
  - Continued margin pressure in Europe due to high energy and carbon costs, while local production gains traction in emerging regions; Asia remains highly competitive.
  - New Melamine and Urea order in China, along with progress in technology industrialization and first direct maintenance orders confirming the strength of the bundled offer.
- Tubacoat
  - Tubacoat is **consolidating market share** in CCR (Continuous Catalytic Regenerator) applications, with consecutive orders from refiners in Europe and Asia.
  - Participated in the Latin American Refining Technology Conference (LARTC) Conference in Brazil, receiving interest from several refiners in the region, reinforcing its positioning in South America and developing new fouling application opportunities.
- Hydrogen & Electrolyzers
  - The green hydrogen sector is **progressing more slowly than expected**, with project delays and reduced investment momentum.
  - Despite this, the **IEA forecasts low-emission hydrogen production to reach 37 Mt/year by 2030**.
  - Tubacex Low Carbon Solutions remains well positioned**, supporting the energy transition with advanced material expertise** for process industries.

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COMMERCIAL REMARKS (IV) NEW BUSINESESS

NEW BUSINESESS

- Aerospace & Defense
  - **Solid order intake from recurring clients.**
  - Active collaboration with leading OEMs on new **qualification programmes** and **material developments**.
  - Growth expected in Q4–Q1 in **special technologies and coatings**, and market diversification across the Americas, Europe, and **Asia** (notably India).
  - **Favorable long-term outlook** supported by increasing defense budgets and strong global market growth (A&D projected to double in value by 2034).
- Hydraulic & Instrumentation (H&I)
  - **Market Overview:**
    - The global H&I market remains weak due to oversupply and slow industrial recovery, especially in Europe, Middle East and Africa (EMEA).
    - Asia-Pacific (APAC) shows greater potential, driven by India, LNG, and energy projects.
    - Demand remains soft in commodity tubing, with stability coming from nuclear, aerospace, and LNG/offshore segments.
  - **Tubacex Development**:
    - In the US (Salem & Durant), capabilities expanded for hydrogen-related applications.
    - Strategic positioning in Abu Dhabi, India, and the US enhances access to LNG, hydrogen, and clean-energy projects.
  - **Outlook:**
    - Demand expected to bottom out in Q4 2025, followed by a gradual recovery through 2026.
    - Medium-term upside supported by LNG expansion, ADNOC execution, and nuclear buildouts.

MAIN **ESG** KPIs

	Indicator	Ud.	2019*	9M 2025	Goal 2030
ENERGY & CLIMATE	Energy Intensity[1]	Mwh/ GAV	2.85	1.24	2.13
	Scope 1 y 2 Emissions intensity[2]	Ton CO_2/ GAV	0.70	0.19	0.28
	% Renewable Energy	% total energy	0%	34.7%	40%
CIRCULAR ECONOMY	Waste recycled	% total generated	60.5%	82.1%	95%
SUPPLAY CHAIN	% suppliers evaluated on ESG factors	%	0%	87.7%	99%
DIVERSITY	Gender pay Gap	Ratio	11.5%	11.5%	10.1%
PROFFESIONAL DEVELOPMENT	Training delivery per employee	Hours /FTE	13.7	9.9	15
HEALTH & SAFETY	Lost Time Injury Frequency Rate [LTIFR] Evolution	2019 Basis	100	32.4	25
	Severity Rate Evolution	2019 Basis	100	34.4	25

*2020 and 2021 are not considered as representative years due to Covid-19 and strike in some sites
1. Group companies intensities weight by energy use
2. Group companies intensities weight by emissions
GAV: Gross Added Value (€k)

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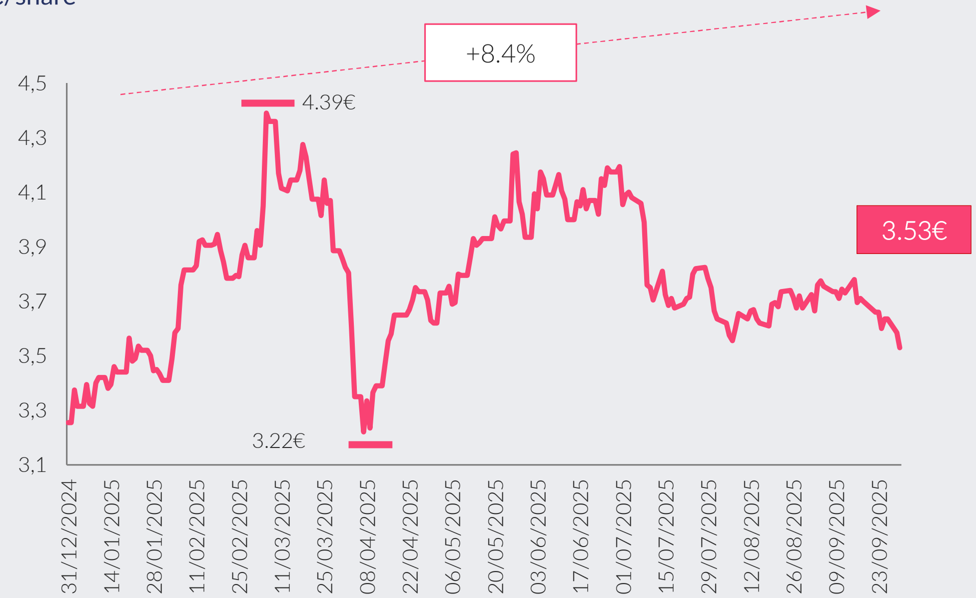
STOCK INFORMATION

GROWTH POTENTIAL

Stock Evolution

€/share



SIGNIFICANT **GROWTH POTENTIAL** ACCORDING TO MARKET CONSENSUS

Key Data	
# shares outsanding	126,549,251
€/share (09.30.25)	3.53€
Market Cap. (€M)	€446.7M
% evolution	+8.4%
Maximun	4.39€ (March. 6)
Minimum	3.22€ (April 7)
Average Target Price[1]	5.02€
Potencial Upside[2]	47.6%

Source: Bolsas y Mercados

1) Average target Price on 30th October according to Market consensus
2) With respect to the market close on 30th October

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2025

POSITIVE YEAR IN A CHALLENGING ENVIRONMENT

MACROECONOMIC UNCERTAINTY
Caution is necessary given the global economic environment.

ABU DHABI
ADNOC contract exceeding the initially planned volumes.

SENTINEL PRIME®
Licensing agreement with ADNOC for its use in carbon materials within the country.

BACKLOG
Order backlog maintained at high levels, with a high share of premium products.

PROFITABILITY
A year of strong profitability and deleveraging despite global macroeconomic uncertainty..

2026
Positive outlook for profitability and deleveraging in 2026.

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STRATEGIC PLAN 2027

NT2: NEW TUBACEX NEXT TRANSITION

DRIVING SUSTAINABLE VALUE AND ENTERING INTO A NEW PHASE OF VALUE CREATION FOR OUR SHAREHOLDERS

REASONS TO INVEST IN TUBACEX

- A **world leader** in unique advanced industrial solutions for energy and mobility.
- With a **fully integrated production model** to capture the long-term growth offered by the macrotrends that are driving both sectors.
- **Global presence with long-term agreements** with strategic partners.
- Showing a proven **solid track record of transformation**, adaptation to the market ahead of trends and goal achievement.
- Endorsed by **solid results and a strong backlog.**
- Committed to **human progress** through strong sustainability objectives.

NT2 2027 TARGETS

TO REDUCE OIL & GAS EXPOSURE TO 1/3 OF THE BUSINESS

MARKET LEADERS IN LOW CARBON BUSINESS

TO BE A POINT OF REFERENCE IN SUSTAINABILITY

REVENUE
€1,200-1,400M
Including potential investment in inorganic growth (M&A)

EBITDA
>€200M
Including potential investment in inorganic growth (M&A)

NFD / EBITDA
<2X
Including potential investment in inorganic growth (M&A)

SHAREHOLDERS' REMUNERATION
30-40% PAY-OUT

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APPENDIX

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CONSOLIDATED INCOME STATEMENT
DETAIL

(€M)	9M 2024	9M 2025	% var.	Q3 2024	Q3 2025	% var.
Sales	569.1	525.9	-7.6%	171.1	164.4	-3.9%
Change in inventories	38.2	25.6	-33.1%	7.2	(1.6)	-122.6%
Other income	10.2	31.4	207.6%	2.9	4.8	64.0%
Cost of materials	(264.9)	(222.2)	-16.1%	(77.6)	(61.9)	-20.3%
Personnel expenses	(117.1)	(131.2)	12.0%	(35.2)	(36.6)	3.9%
Other operating costs	(157.4)	(144.8)	-8.0%	(40.3)	(45.4)	12.7%
EBITDA	**78.1**	**84.6**	**8.4%**	**28.0**	**23.7**	**-15.5%**
EBITDA Margin	13.7%	16.1%		16.4%	14.4%	
Depreciation & Amortization	(32.3)	(34.2)	5.9%	(9.7)	(10.6)	9.5%
EBIT	**45.8**	**50.4**	**10.2%**	**18.3**	**13.1**	**-28.7%**
EBIT Margin	8.0%	9.6%		10.7%	8.0%	
Financial Results and FX	(27.6)	(23.5)	-14.9%	(9.4)	(6.4)	-31.4%
Profit Before Taxes and Min	**18.2**	**26.9**	**48.4%**	**8.9**	**6.6**	**-25.7%**
Margin	3.2%	5.1%		5.2%	4.0%	
Net Profit	**14.2**	**16.7**	**17.5%**	**7.7**	**1.1**	**-85.7%**
Net Margin	2.5%	3.2%		4.5%	0.7%	

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CONSOLIDATED BALANCE SHEET
DETAIL

(€M)	12/31/24	09/30/25	%var.
Intangible assets	117.7	111.1	-5.7%
Tangible assests	343.8	337.1	-2.0%
Financial assets	98.0	122.9	25.5%
Non-current assets	**559.5**	**571.1**	**2.1%**
Inventories	423.2	453.0	7.0%
Receivables	76.6	121.3	58.3%
Other account receivables	31.6	34.4	9.0%
Other current assets	1.8	5.5	196.7%
Derivative financial instruments	3.7	3.2	-12.5%
Cash & equivalents	236.4	124.8	-47.2%
Current assets	**773.2**	**742.1**	**-4.0%**
TOTAL ASSETS	1,332.7	1,313.2	-1.5%

(€M)	12/31/24	09/30/25	%var.
Equity, Group Share	378.0	351.0	-7.2%
Minority interests	104.1	99.8	-4.2%
Equity	**482.2**	**450.8**	**-6.5%**
Interest-bearing debt	168.4	235.5	39.8%
Provisions and others	75.5	101.7	34.6%
Non-current liabilities	**244.0**	**337.1**	**38.2%**
Interest-bearing debt	323.0	288.6	-10.6%
Derivative financial instruments	2.4	2.1	-13.2%
Trade and other payables	189.6	143.3	-24.4%
Other current liabilities	91.6	91.3	-0.4%
Current liabilities	**606.6**	**525.3**	**-13.4%**
TOTAL EQUITY & LIABILITIES	1,332.7	1,313.2	-1.5%

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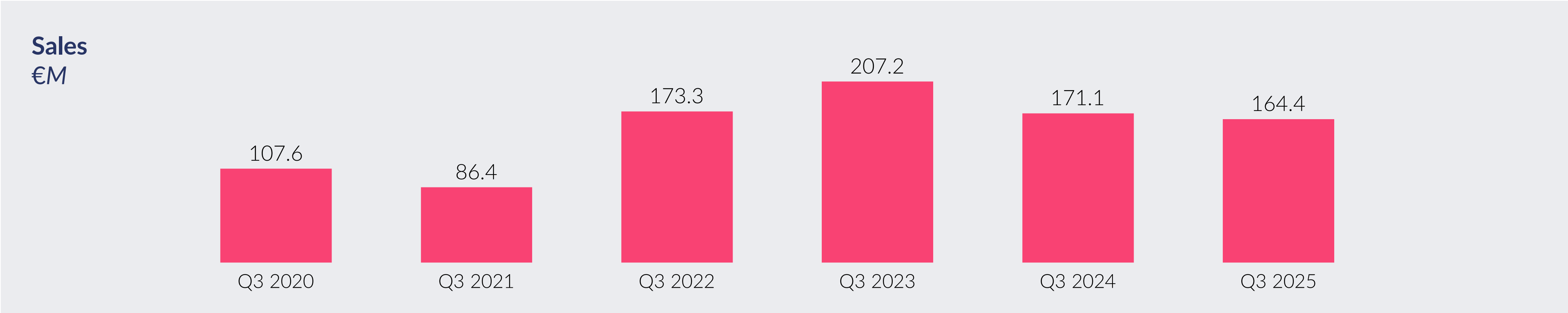
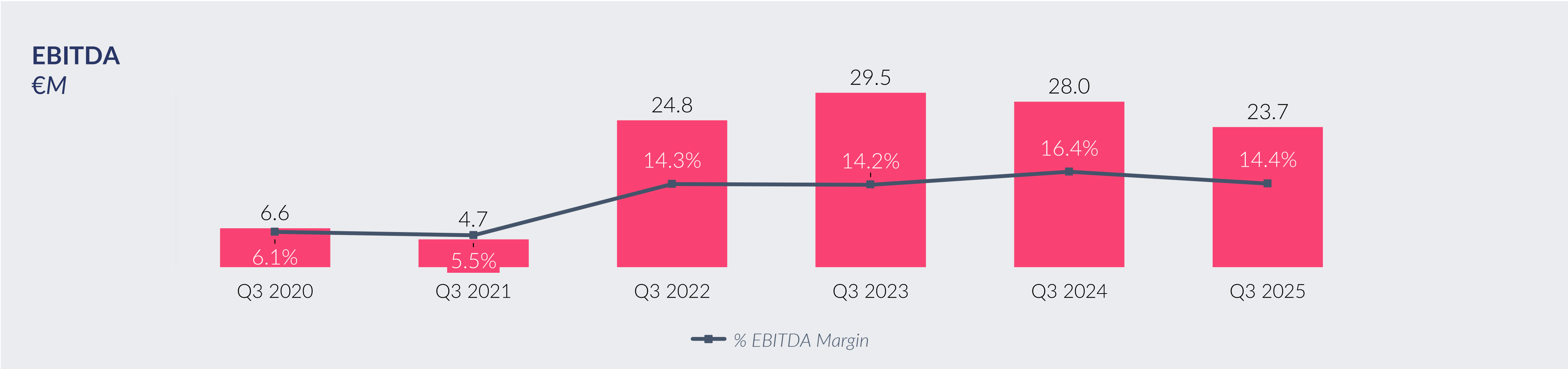
HISTORICAL QUARTERLY EVOLUTION: **SALES & EBITDA**





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ALTERNATIVE PERFOMANCE MEASURES – **APM I**

Tubacex presents its results in accordance with the generally accepted accounting principles (IFRS). Furthermore, this report provides other non-IFRS financial measures, called Alternative Performance Measures (APM), which are used by management to assess the Company's performance. The definition, reconciliation and explanation of the main Alternative Performance Measures used in this report are set out below:

EBIT (Earnings Before Interests and Taxes)	Tubacex presents the calculation of EBIT in its Income Statement as the operating profit before interest and taxes.
EBITDA (Earnings Before Interests, Taxes, Depreciations and Amortizations):	Tubacex presents the calculation of EBITDA in its Income Statement as the difference between the net turnover and the operating costs excluding the provision for the amortization of fixed assets, impairment of non-current assets and results from the disposal of non-current assets EBITDA = EBIT + Amortization + Provisions EBITDA provides an analysis of the Group's operating profit before the payment of interest and taxes and it is generally used as an assessment metric by analysts, investors, rating agencies and other types of shareholders. It also provides an initial approximation to the cash generated by operating activities. Indeed, Tubacex uses EBITDA as a starting point for the calculation of the cash flow.
EBITDA MARGIN	Tubacex presents the calculation of the EBITDA margin as the ratio between the EBITDA and the sales figure. The EBITDA margin provides information on the Company's profitability in terms of its operating processes.
EBIT MARGIN	Tubacex presents the calculation of the EBIT margin as the ratio between the EBIT and the sales figure.
NET MARGIN	Tubacex presents the calculation of the Net margin as the ratio between the Net Profit and the sales figure.
PROFIT BEFORE TAXES MARGIN	Tubacex presents the calculation of the Profit before tax margin as the ratio between the Profit before tax and the sales figure.

ALTERNATIVE PERFOMANCE MEASURES – **APM II**

NET FINANCIAL DEBT	Tubacex presents the calculation of Net Financial Debt as the difference between the gross financial debt and the cash and cash equivalents balance along with the balance for temporary financial investments on the assets side of the Balance Sheet. For this calculation, Gross Financial Debt is understood to be the sum of short-term and long-term debt with credit institutions and the bonds and other securities in the liabilities on the Balance Sheet. Net Financial Debt provides an initial approximation to the Company's debt position and its solvency and liquidity, by relating cash and cash equivalents to debt on the liability side. Based on Net Financial Debt, commonly used metrics are calculated, such as the Net Financial Debt /EBITDA debt ratio, an indicator that is widely used in the capital markets to compare different companies that is calculated by dividing the Net Financial Debt by the EBITDA.
WORKING CAPITAL	Tubacex presents the calculation of Working Capital as the sum of the Inventories and Customers entries on the Balance Sheet less the trade creditors entry.
WORKING CAPITAL OVER SALES	Tubacex presents the calculation of Working Capital over sales as the ratio between the working capital and the sales figure.
STRUCTURAL NET FINANCIAL DEBT	Tubacex presents the calculation of Structural Net Financial Debt as the difference between Net Financial Debt less Working Capital. It provides a view of the Company's structural debt as the Working Capital is sold given that the manufacturing strategy is mainly to order.
LIQUIDITY	Tubacex presents the calculation of the liquidity position as the sum of the Cash and Equivalents balance in the Balance Sheet and the authorized but undrawn credit lines and loans.
CASH GENERATION	Tubacex presents the calculation of cash generation as the reduction of Net Financial Debt between one period and the next.
BOOK-TO-BILL	Tubacex calculates the Book-to-Bill ratio as the relationship between order intake for the period and invoicing for the same period. The result of this ratio provides information on the strength of demand.

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