

September Results



TUBACEX shows resilience in the results in spite of the strong fall in demand

- TUBACEX has registered sales of €414.5 M up to September 2015.
- The EBITDA stands at €41.8 M, with a margin of 10.1%.
- Net Profit amounts to €14.1 M with a margin of 3.4%.

Llodio, 10 November 2015. TUBACEX, the world leader in the manufacture of seamless stainless steel tubes and high alloys, is resisting the market situation with turnover of €414.5 M in the first nine months of the year. In spite of the 30% fall in demand, its sales figure has increased by 3.6% on the same period last year thanks to the incorporation of new companies.

The company, with its headquarters in Llodio (Alava), has suffered a fall in volume throughout the year, particularly in the third quarter due to the constant fall in the price of raw materials, especially the low oil prices.

The highest added value segments have maintained an upward evolution with **greater exposure in Premium segments**, in line with the company's strategic objectives. In this respect, the **company's diversification strategy** must also be highlighted, reducing its dependence on oil-related sectors.

Net financial debt amounted to a ratio over EBITDA of 4 times, above its strategic objective of 3 times. It is a temporary situation derived from an unfavorable market environment in a year in which an important effort has been made in Capex to acquire two companies. In this respect, the company presents a sound financial position which enables it to face the debt maturities for the next 2-3 years, even in the most pessimistic scenarios.

"In spite of the fall in volume, we have strengthened our position in Premium products thanks to intense technical-commercial effort. The operational and business improvements carried out in recent years and the flexibility and cost reduction plans implemented since the end of 2014 can be added to this. These measures are enabling the Group to manage the current situation maintaining significant operational profitability quarter after quarter", declared Jesús Esmorís, CEO of the TUBACEX Group. "It is worth highlighting the Group's financial management, which has enabled us to improve our financial positioning, reduce costs and extend the debt maturity time frames", continued Esmorís.

The TUBACEX Group foresees a fourth quarter with a low volume, marked by the growing pressure in prices, and a 2016 in which the reactivation of some key projects is expected, particularly in the E&P sector and an increase in the market share of certain products.

About TUBACEX

TUBACEX is a multinational group with its headquarters in Alava and a global leader in the manufacture of stainless steel and high-alloyed seamless tubes. It has production plants in Spain, Austria, China, Italy, the United States and India with service centers in Brazil, France, and Houston, as well as subsidiaries and sales offices in fourteen countries.

The main sectors demanding the tubes manufactured by TUBACEX are the oil and gas, petrochemical and power generation industries, which account for over 90% of the Group's sales. With standardized sales of above 700 million Euros, over 95% of the Group's sales is outside Spain.

It has a workforce of over 2,300 people from twenty different nationalities and spread throughout fifteen countries.

TUBACEX has been listed on the Spanish Stock Market since 1970 and is part of the IBEX SMALL CAPS Index.

www.tubacex.com

For further information:
TUBACEX
Nagore Larrea
Communication Manager
E-mail: nlarrea@tubacex.es