



PRESENTATION OF THE RESULTS

3rd quarter of 2015



Mr. Jesús Esmoris
TUBACEX CEO

The FY2015 is set in a very challenging environment for companies in TUBACEX sector. Macroeconomic uncertainty generated by a sluggish global growth, continuous drop in raw material prices and, above all, the low price of oil, are contributing

to reduce our customers' investment plans and therefore a fall in demand of around 30% in our sector. However, it is in these challenging times when a management model validity can be tested. Thus, our results presented today must be analyzed in the light of a market where all variables are against us. For this reason we positively value the results we release today as they have been generated in a very negative environment and prove our project is solid and the progress we have made in recent years is paying off.

It is important to take into account that despite the volume drop, the relative weight of Premium Products is on the increase thanks to our exhaustive technical-sales effort which is contributing to increase our market share in these products. Therefore, I have no doubt our market

position will be strengthened once market turbulences pass.

Regarding the fourth quarter we expect a low volume market determined by growing price pressure. As for next year, although no significant recovery is expected, we remain somewhat positive as the reactivation of some major projects is foreseen. In the long term, as the sector fundamentals of growth remain unchanged we are fully committed to our strategic plan. We continue to work towards improving our product position and gaining a larger market share while we remain focused on operational excellence. We are aware these times of challenge are also times of opportunity and all the work we have done in recent years and we are doing now will enable us to come out of this situation stronger.



MARKET ENVIRONMENT

Increasing uncertainty regarding growth sustainability in emerging countries, especially China, have led to several volatile outbursts in recent months which impacted the stock markets, emerging foreign exchange and raw materials, as well as produced an overall correction of risk assets.

These concerns combined with the weakened recovery of advanced economies have led the IMF to reduce its global growth projections from a 3.5% forecast in July to the current 3.1% in its latest report.

Regarding raw materials, performance was very poor over the Q3 with amplified drops already detected since the beginning of the year. The price of **nickel** closed September at 10,105 USD/ton, 32.7% lower than the closing of 2014.

The other two alloys with a significant weight in the Group's supplies for the manufacture of stainless steel, **molybdenum** and **chromium**, have also experienced a fall in prices throughout 2015.

Oil prices have also sustained a sharp drop in Q3 as a result of the weakness in global economic activity along with an offer which was higher than expected due to OPEC, USA and Russia production.

TUBACEX trusts current price levels are not structural and therefore, confirms its full confidence in its commitment to value-added products and solutions for the power generation sector and its good investment prospects for the Oil&Gas sector in the medium and long term.

NICKEL PRICE EVOLUTION

DEC 12 - SEP 15 (US\$/ton)

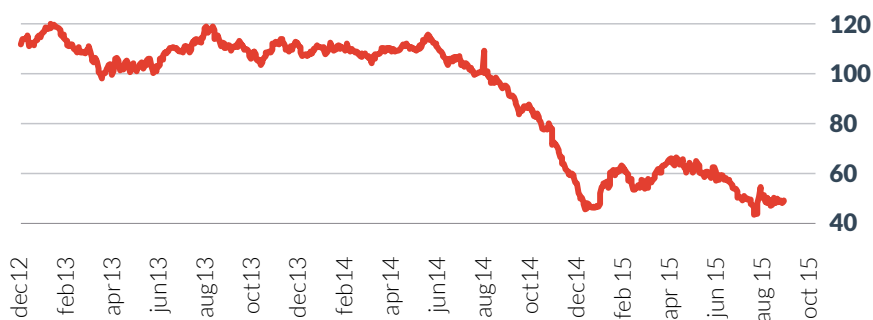
In average price terms, the average price of nickel during Q3 was 10,608 USD/ton, 43.2% lower than its average price in the same quarter in 2014.



BRENT PRICE EVOLUTION

DEC 12 - SEP 15 (US\$/barrel)

Brent price at the close in September amounted to US\$48.4 a barrel, a 22% drop for the quarter and a negative downfall accumulation of 15.6% this year.





KEY FINANCIAL FIGURES

FINANCIAL FIGURES

(€ M)

	9M 2015 ⁽¹⁾	9M 2014	change %	Q3 2015 ⁽¹⁾	Q3 2014	change %
Sales	414.5	400.0	3.6%	112.0	123.4	-9.2%
EBITDA	41.8	49.0	-14.7%	8.1	14.1	-42.5%
EBITDA margin	10.1%	12.3%		7.3%	11.5%	
EBIT	19.8	33.9	-41.5%	1.9	9.9	-80.8%
EBIT margin	4.8%	8.5%		1.7%	8.0%	
Net Profit	14.1	18.9	-25.7%	0.1	5.2	-97.7%
Net margin	3.4%	4.7%		0.1%	4.2%	

	09/30/2015 ⁽¹⁾	31/12/2014
Working Capital	237.5	202.4
Working Capital / Sales ⁽²⁾	40.3%	37.0%
Equity	321.9	285.1
Equity / Net Financial Debt	140.4%	188.2%
Net Financial Debt	229.3	151.5
NFD/ EBITDA ⁽²⁾	4.0x	2.4x

The FY2015 is set against an extremely complicated market backdrop. The overall drop in raw material prices and in particular crude oil remaining unchanged at a low price, have a very negative impact on TUBACEX business.

Major progress made over the past two years, in particular regarding operational efficiency enhancements, along with our technical and sales positioning in high added-value products have provided the Group with greater capacity to manage

adverse situations. Proof of this is TUBACEX results quarter after quarter are very positive if we take into account the environment where they have been generated.

Accumulated year-to-date (September) sales figure totaled €414.5 million, a 3.6% increase. Despite the significant volume fall throughout the year which was more acute in Q3, the inclusion of both IBF and Prakash contributed to a higher sales figure than that of the same period in 2014; a figure which otherwise would

have dropped by c.25%. On the other hand, EBITDA stood at €41.8 M with a margin of 10.1%, demonstrating the Company's strength and its ability to maintain double figures in spite of an environment as negative as the current one. Finally, Net Profit was €14.7 M with a margin of 3.4%.

Regarding Net Financial Debt, the period closed at €229.3 M, above the figure posted in June mainly as a result of the acquisition disbursement of 67.5% for Prakash Steelage seamless stainless steel

⁽¹⁾ September figures correspond to the new Group realm.

⁽²⁾ Sales figure and pro forma EBITDA including the last 12 months of IBF and Prakash.

tubes division. It is worth mentioning that despite the current negative environment and after acquiring two companies, the company net financial debt is lower than the one we had when our Strategic Plan 2013-2017 started.

The Net Financial Debt over EBITDA ratio at the end of September was 4x, over the target of 3x. It is worth stressing this is a short-term situation as it takes place in a year when a major CAPEX effort was made to acquire two companies and a weakened market background led us to generate a negative Free Cash Flow due to acquisitions. Without acquisitions, our Operational Free Cash Flow would have been positive.

The financial strength of the Group is also worth highlighting. The financial strategy of recent years was oriented to improving the financial position,

reducing cost and extending payment deadlines. The progress made in this area has enabled us to be ready to face debt deadlines in the next 2-3 years, even in the worst scenario.

In terms of working capital management, TUBACEX maintained its strict

working capital control policy during the quarter. The slight upturn in this ratio is only due to TUBACEX India joining the Group realm. This ratio will be reduced as TxPS (TUBACEX Production System) techniques which have been tested in other divisions, are applied to the new company.



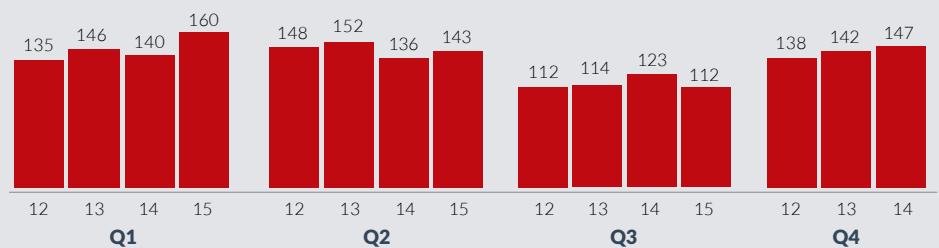
QUARTERLY EVOLUTION

It is worth remembering that Q3 results always include an important seasonal component for TUBACEX as the maintenance downtime at the main facilities takes place in August. In addition to the seasonal factor, this time a progressive deterioration of market conditions has taken place throughout the year, generating a major impact on the results for this quarter.

For comparison purposes, the figures reported in September 2015 reflect TUBACEX current realm, therefore including IBF and Prakash Steelage seamless stainless steel tubes division. In sum, our sales figure amounted to €112 M and EBITDA to €8.1 M.

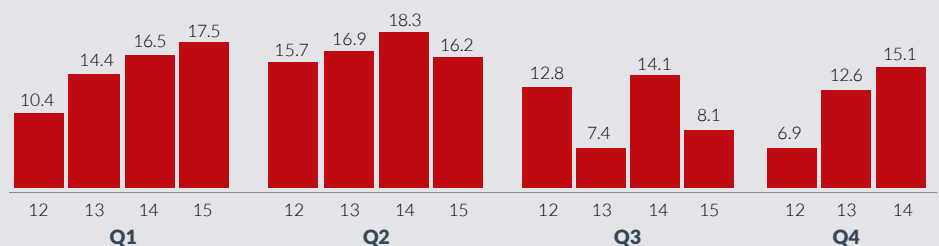
QUARTERLY EVOLUTION OF THE SALES FIGURE

(€ M)



QUARTERLY EVOLUTION OF THE EBITDA

(€ M)





BUSINESS EVOLUTION

The third quarter of this FY maintained the negative market trend already detected since the start of the year. Thus, the market environment deteriorated gradually throughout 2015 as a result of the macro-economic crisis and reduced global growth expectations, leading to an overall drop of about 30% in demand.

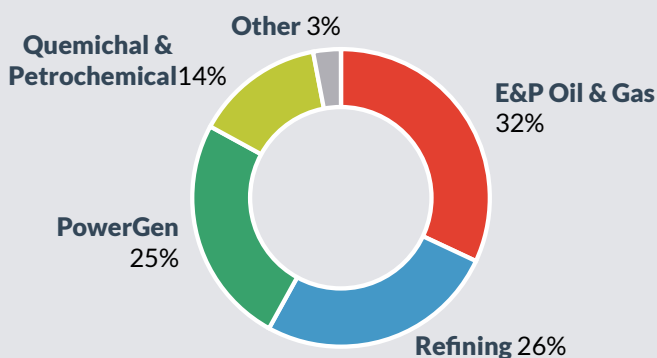
In the **PROJECT MARKET**, the low price of crude oil led to a reduction in investment plans of the energy industry. This situation has had more impact on the **Oil & Gas Exploration and Production** segment, with a plunging demand due to cuts applied to investment plans of oil companies. Nevertheless, we would like to stress that prospects are more optimistic in regard to the gas sector where reactivation of some projects is expected.

On the contrary, the **power generation** segment has maintained a positive performance throughout the year, with major growth in order intake due to the reactivation of projects in China and increased market share of TUBACEX products.

Regarding the **refining** segment, demand started to show a more positive performance thanks to the low price of oil.

In the meantime, the **DISTRIBUTION MARKET** continues to show weak performance due to the combination of three factors: (i) the destocking process of the main clients; (ii) the significant fall in nickel prices; and (iii)

BREAKDOWN OF SALES PROJECTS 9M 2015



the strong competition of producers from low-cost countries in terms of commodity products. Nevertheless, TUBACEX believes the recent establishment of TUBACEX India following the acquisition of Prakash Steelage seamless stainless steel tube division, will enable the recovery of part of the lost market share, especially in Asia, while improving the Group's position in certain products. Moreover, the creation of TUBACEX Service Solutions will enable the development of the global offer concept while extending added value services for this market customers.

Despite overall market performance, in terms of invoicing, the highest added value segments maintained their increasingly important weight in the Group sales which contributes to show solid profitability in an environment as negative as the current one. In this regard, IBF Spa consolidation has made a major

contribution to improving our exposure in Premium segments. Furthermore, the diversification process started by TUBACEX will enable us to reduce our focus on oil-related sectors in favor of the other sectors, which is what IBF has also contributed to, with its strong position in the power generation sector.

A similar market environment as in the third quarter is expected for the final quarter.

It is worth highlighting that operational and business improvements carried out in recent years, together with the recently implemented flexibilization and cost reduction plans in force since the end of the year 2014, are enabling the Group to tackle the current situation, maintaining significant operational profitability quarter after quarter. Although the market seems to show

no sign of recovery yet, this capacity to face an adverse situation together with the reactivation of some projects, in particular in the E&P sector, and the market share increase for certain products helps the Company to face

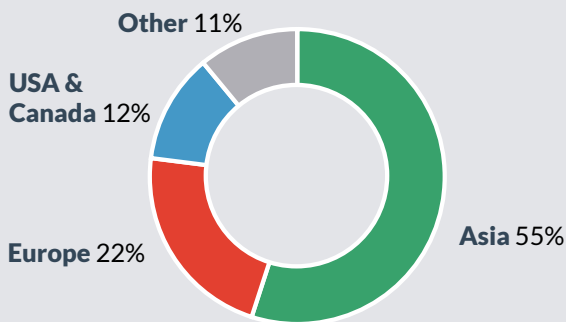
2016 results with somewhat greater optimism.

Tubacex ratifies its trust in the current oil price levels not being structural and foresees an increase

in global investments in the medium term while continuing to be fully committed to its strategic aim of becoming the leading solutions provider for the energy sector.

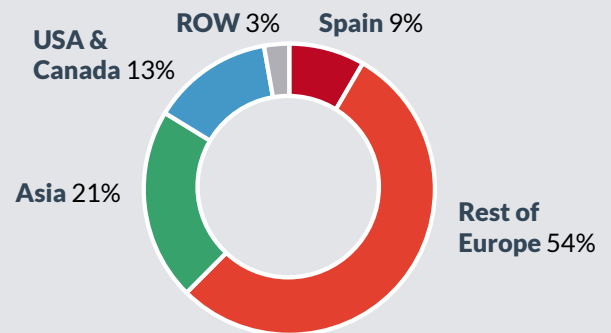
BREAKDOWN OF SALES BY FINAL DESTINATION

9M 2015



GEOGRAPHIC DISTRIBUTION OF SALES

9M 2015



Geographically, over half of the Group revenue figure comes from Europe. However, it should be taken into account that in the Group sales to new facilities in the oil, gas and energy sectors, engineering firms and equipment manufacturers which are customers of the Group are

often European although the final destination of the product may be a different geographical area.

Regarding Sales by final tube destination, Asia is showing a progressive weight increase in the Group sales while the European

market weight is dropping. This greater importance of the Asian market which is already becoming the main TUBACEX market, will gradually increase in the future. This is patent in the recent acquisition of Prakash in India and the strengthening of the Group's sales structure in Asia.





PERIOD HIGHLIGHTS

DIVIDENDS

July 1st, 2015

As of July 1, TUBACEX paid a supplementary dividend of gross €0.0501 per share, which is added to the dividend paid in January of €0.0231 per share. Both figures added represent the total dividend distributed according to the FY2014 amounted to gross €0.0585 per share, representing a pay-out of 40%.

CNFIA

July 16th-18th, 2015

250 people attended the China Nitrogen Fertilizer and Methanol Technology Conference. Among most important Chinese Industry key players, Tubacex attended the conference and was promoted by means of a paper presented at the Conference: "Quality materials production for the Fertilizer Industry". In this way, Tubacex is starting to get a foot in the door of the Chinese Fertilizers market.

In fact, TUBACEX has started to receive orders from this country: Tubacex will supply piping materials for the Saipem Urea Technology based Wulan Project, one of the biggest Plant ever built worldwide.



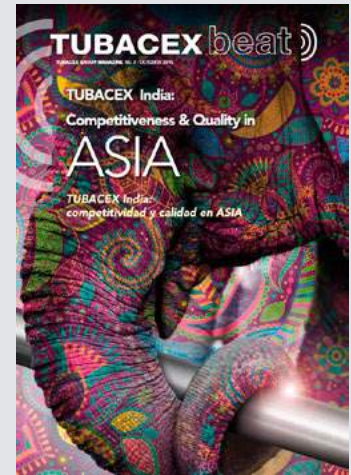
STRATEGIC PLAN REVIEW

July 29th, 2015

As the 2015 Q3 results were posted, TUBACEX held an Analyst Day in Madrid where progress made in relation to the Strategic Plan presented in 2013 was detailed and the launching of the third phase of this plan oriented to consolidation was announced.

TUBACEX BEAT October 2015

The third issue of TUBACEX Group magazine, dedicated to TUBACEX India is out now and available on the corporate website.



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SALES REINFORCEMENT OF TUBACEX ASIA 2015 3Q

Through the third quarter the sales reinforcement of TUBACEX in Asia was completed through the recruitment of a first-class salesforce. With the new organization in Asia and sales offices in Dubai, Mumbai, Shanghai and Singapore, TUBACEX will gain market share in this region which is becoming one of the fastest growing and most important markets for the Group.





TUBACEX ON THE STOCK MARKET

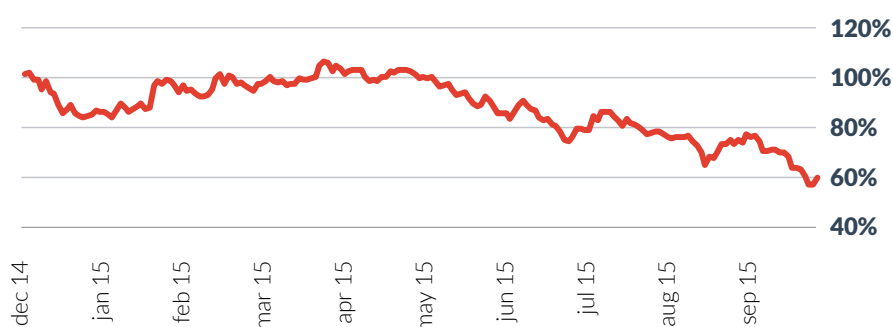
EVOLUTION OF TUBACEX SHARE

JAN 15 - SEP 15

TUBACEX's listing, like other companies in the sector, has been severely affected by the fall in oil prices during recent months.

Until September close TUBACEX shares sustained an accumulated yearly drop of 39.2% with a market capitalization of €250.7 M on the same date.

Regarding liquidity, the growing trend with 139.4 million shares trading in the year to date is maintained, which is 9% higher than it was on the same date in 2014 and implies the rotation of 105% of the floating capital.



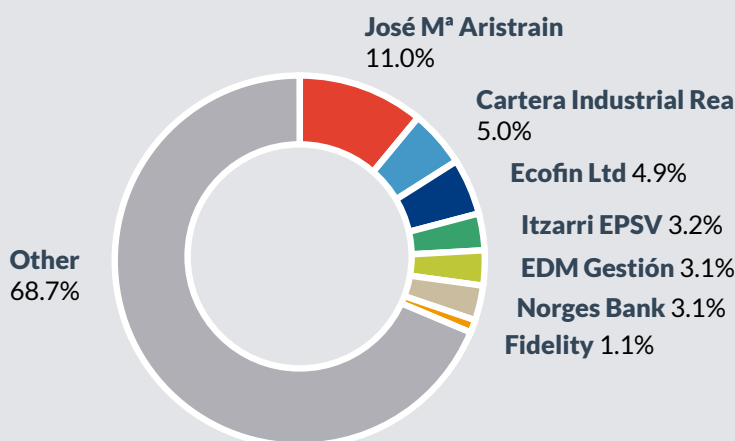
TUBACEX SHAREHOLDING

10.31.2015

Since the previous results were posted, only one change was made to the company shareholding.

As of September 30th, Fidelity International Ltd. reported a stock of 1.13% to the Spanish Securities Exchange Commission.

Therefore, as stated in the CNMV, the shareholder structure of Tubacex at October 31 is the following:





FINANCIAL FIGURES

CONSOLIDATED BALANCE SHEET

(€ M)

	09/30/2015	12/31/2014	change %
Intangible assets	77.4	36.9	109.9%
Tangible assets	247.4	198.7	24.5%
Financial assets	58.8	51.7	13.9%
Non-current assets	383.7	287.3	33.6%
Inventories	224.7	209.0	7.5%
Receivables	88.9	67.8	31.2%
Other account receivables	15.1	25.8	-41.5%
Other current assets	1.4	1.3	12.9%
Derivative financial instruments	0.6	0.6	0.0%
Cash and equivalents	125.5	108.6	15.6%
Current assets	456.2	413.0	10.5%
TOTAL ASSETS	839.9	700.3	19.9%
Equity. Group Share	292.9	282.2	3.8%
Minority interests	29.0	2.9	n.m.
Equity	321.9	285.1	12.9%
Interest-bearing debt	184.0	120.7	52.4%
Derivative financial instruments	0.7	0.5	27.1%
Provisions and other	54.1	42.0	28.9%
Non-current liabilities	238.8	163.3	46.3%
Interest-bearing debt	170.8	139.4	22.6%
Derivative financial instruments	0.9	1.1	-18.3%
Trade and other payables	76.1	74.3	2.3%
Other current liabilities	31.4	37.1	-15.3%
Current liabilities	279.2	251.9	10.8%
TOTAL EQUITY AND LIABILITIES	839.9	700.3	19.9%

* n.m.: not meaningful

CONSOLIDATED P&L

(€ M)

	9M 2015	9M 2014	change %	Q3 2015	Q3 2014	change %
Sales	414.5	400.0	3.6%	112.0	123.4	-9.2%
EBITDA	41.8	49.0	-14.7%	8.1	14.1	-42.5%
Depreciation	(22.0)	(15.1)	45.5%	(6.2)	(4.2)	47.3%
EBIT	19.8	33.9	-41.5%	1.9	9.9	-80.8%
Financial Result	(8.0)	(9.1)	-12.1%	(2.1)	(2.8)	-27.0%
Exchange differences	-	0.4	n.m.	(1.6)	0.2	n.m.
Profit Before Taxes	11.8	25.2	-53.0%	(1.7)	7.3	n.m.
Income taxes	1.7	(6.4)	n.m.	1.7	(2.3)	n.m.
Consolidated Net Income	13.5	18.8	-28.2%	(0.0)	5.1	n.m.
Minority interests	0.6	0.1	n.m.	0.2	0.2	-2.4%
Net Income. Group Share	14.1	18.9	-25.7%	0.1	5.2	-97.7%

* n.m.: not meaningful

MAIN FINANCIAL RATIOS

	9M 2015	2014	% change
NFD / EBITDA ⁽¹⁾	4.0x	2.4x	71%
NFD / Equity	71.2%	53.1%	34%
EBITDA Margin	10.1%	11.7%	-14%
EBIT Margin	4.8%	8.0%	-40%
RoE ⁽¹⁾	6.3%	8.4%	-24%
ROCE ⁽¹⁾	4.4%	10.0%	-56%
Interest coverage	2.5x	3.8x	-35%
Net working capital / sales ⁽¹⁾	40.3%	37.0%	9%

⁽¹⁾ Pro forma figures including 12 months of IBF and Prakash.