



PRESS AND INVESTOR ANNOUNCEMENT

Q3 2026 results

FY 2026 Adj. EBITDA guidance narrowed to €260m - €270m and Critical Minerals US grant to add €26m in EBITDA in Q4 2026, resulting in a new guidance of €286m - €296m

- **Outlook 2026:** Full-year adjusted EBITDA guidance narrowed to €260m-€270m, excluding the Critical Minerals US grant under Section 45X, compared with the previous range of €250m-€270m
- **Critical Minerals US grant under Section 45X:** expected to contribute approximately €26m to Q4 2026 adjusted EBITDA, bringing FY 2026 adjusted EBITDA to €286m-€296m. Cash flow impact expected in H1 2027
- **Adjusted EBITDA:** Q3 2026 adjusted EBITDA at €68m, up 10% year on year (Q3 2025: €62m); 9M 2026 adjusted EBITDA at €192m, up 10% year on year (9M 2025: €174m)
- **Leverage:** Net leverage reduced to x2.16 as of September 2026 (September 2025: x2.59), continuing Befesa's deleveraging trajectory
- **Credit rating:** S&P upgraded Befesa to BB+ in September 2026, reflecting its strengthening financial profile and sustained deleveraging

Luxembourg, 28 October 2026 -Befesa S.A. ("*Befesa*"), the leading provider of hazardous waste recycling services enabling the circular economy within the steel and aluminium industries, today announced that the company is eligible for Critical Minerals US grant under Section 45X of the Inflation Reduction Act. Befesa has delivered resilient financial results for the third quarter and first nine months of 2026, supported by a stronger zinc price environment and the continued recovery of the secondary aluminium business despite mixed steel market conditions and the timing of maintenance shutdowns.

Outlook

Befesa has narrowed its full-year 2026 adjusted EBITDA guidance to €260m-€270m, from the previous range of €250m-€270m, excluding the Critical Minerals US grant under Section 45X. Earnings momentum is expected to strengthen in Q4, supported by improving volumes and the continued recovery of the secondary aluminium business, partially offset by inflation and cost increases. The Critical Mineral US grant is expected to contribute approximately €26m to adjusted EBITDA in Q4 2026, bringing FY 2026 adjusted EBITDA to €286m-€296m.

The claim for the Critical Minerals US grant was filed with the US Internal Revenue Service in October 2026 under Section 45X of the Inflation Reduction Act. The grant relates to critical minerals produced at Befesa's Mooresboro zinc refining plant. The current estimate is \$29m, equivalent to approximately €26m at a \$/€ exchange rate of 1.12, with the final amount to be calculated based on FY 2026 figures. The grant will be recognised as a reduction in operating costs under IAS 20, resulting in a corresponding positive contribution to adjusted EBITDA. The final amount and timing of collection remain subject to IRS review.

Operating cash flow FY 2026 guidance remains for single-digit growth, as no cash inflow from the Critical Minerals US grant under Section 45X is expected in FY 2026, as the first collection is expected in H1 2027. Net leverage is expected to be around x1.8 including the 45X grant, while EPS is expected above €2.9, subject to the final accounting assessment.

Operational highlights

In 9M 2026, **total revenue** increased by 1% year on year to €901m (9M 2025: €892m). **Adjusted EBITDA** rose by 10% to €192m (9M 2025: €174m). In Q3 2026, adjusted EBITDA increased by 10% to €68m (Q3 2025: €62m), with the adjusted EBITDA margin slightly up at 22% (Q3 2025: 21%). Higher zinc prices and the recovery in secondary aluminium metal margins drove the improvement. These factors more than offset lower volumes associated with maintenance shutdowns, mixed steel market conditions, higher energy costs, general inflation and unfavourable foreign exchange movements.

In the **Steel Dust segment**, 9M 2026 revenue was broadly stable at €591m (9M 2025: €594m), while adjusted EBITDA increased by 2% to €158m (9M 2025: €154m). The adjusted EBITDA margin improved to 27% (9M 2025: 26%). Steel dust throughput was broadly stable at 891 kt, down 0.5% year on year, despite maintenance shutdowns. Higher zinc prices supported earnings, partially offset by lower WOX sales, higher energy costs, general inflation and unfavourable foreign exchange movements.

The **Aluminium business** continued to recover. EBITDA increased by 52% to €34m in 9M 2026 (9M 2025: €23m), supported by significantly improved secondary aluminium metal margins, higher prices in salt slags and lower operating costs. Salt slags and SPL treated volumes were 304 kt, down 3% year on year, while secondary aluminium alloy production was 111 kt, down 6%, reflecting maintenance shutdowns during the period. The secondary aluminium industry continued to face tight conditions due to a shortage of aluminium scrap in Europe. Higher aluminium production is expected to support salt slags volumes in Q4.

Operating cash flow increased by 12% year on year to €128m in 9M 2026. Higher EBITDA and lower taxes paid were partly offset by a higher working capital outflow. Cash on hand at the end of September was €126m and net debt stood at €564m, down 8% year on year. **Net leverage** declined to x2.16 from x2.59 in September 2025.

In September 2026, S&P upgraded Befesa's credit rating to BB+, reflecting its strong operating performance, continued strengthening of its financial profile and sustained deleveraging.

Earnings per share increased by 12% year on year to €1.70 in 9M 2026, compared with €1.52 in 9M 2025.

Asier Zarraonandia, CEO of Befesa, said: "We have narrowed our full-year adjusted EBITDA guidance to €260m-€270m, reflecting our expectation of a stronger fourth quarter driven by improving volumes, the continued recovery in secondary aluminium, the zinc price environment and ongoing operating cost efficiencies. Furthermore, the Critical Minerals US grant under Section 45X is expected to contribute approximately €26m to Q4 EBITDA, bringing full-year adjusted EBITDA to €286m-€296m. The Critical Minerals grant validates the strategic importance of our decision to expand in the US, which strengthened Befesa's position in a key growth market and created a platform for long-term value creation."

Growth initiatives

In Germany, construction of the Bernburg expansion was completed in September 2026. Cold and hot commissioning have been finalised, and ramp-up is ongoing in Q4.

Key figures

in €m	9M 2025	9M 2026	Change	Q3 2025	Q3 2026	Change
Revenue	891.9	901.1	+1.0%	290.3	311.6	+7.4%
Adj. EBITDA	173.8	191.8	+10.4%	61.7	67.8	+9.9%
Net profit	60.7	68.1	+12.0%	20.7	23.0	+11.3%
EPS (€)	1.52	1.70	+12.0%	0.52	0.58	+11.3%
Operating cash flow	114.9	128.2	+11.5%	50.5	57.3	+13.5%
Net debt	610.0	563.7	-7.6%	610.0	563.7	-7.6%
Net leverage	x2.59	x2.16		x2.59	x2.16	

Webcast

Befesa will host a webcast on its Q3 2026 results at 9.00 CET on 29 October 2026. Further details, a replay and other events are available on Befesa's website: www.befesa.com.

Financial calendar

The financial calendar is available in the Investor Relations / Investor's Agenda section of Befesa's website. For more information, please visit www.befesa.com.

About Befesa

Befesa is a leading player in the circular economy, providing environmental, regulated services to the steel and aluminium industries with facilities located in Germany, Spain, Sweden, France, Turkey, South Korea, China and the US. Through its two business units, Steel Dust and Aluminium Salt Slags recycling services, Befesa manages and recycles around 1.9 million tonnes of residues annually, producing around 1.7 million tonnes of new materials that are reintroduced into the market, reducing the consumption of natural resources. Further information is available at www.befesa.com.

Investor Relations

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