Research Update

Metallus Inc. (NYSE: MTUS)

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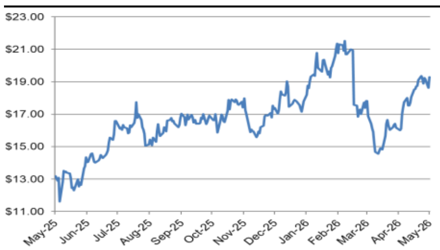
Market Statistics	
Price	$21.39
52-Week Range	$14.19 - $21.74
Daily Vol. (3 Month Avg.)	362,194
Market Cap (M)	$851.3
Enterprise Value (M)	$757.4
Shares Out (M)	41.6
Float (M)	36.1
Institutional Ownership	86.5%
Insider Ownership	2.9%

FINANCIAL SUMMARY	
Equity (M)	$ 692.3
BV/S	$ 16.64
Cash (M)	$ 108.6
Debt (M)	$ -
Debt/Cap	0.0%

Valuation In USD	
Valuation Range	$22.21 - $24.82
2027E Price Target	$ 23.52

FYE: Dec	2025	2026E	2027E
(in $M)			
Rev	$ 1,158.3	$ 1,311.4	$ 1,454.2
Chng%	7%	13%	11%
EBITDA	$ 75.6	$ 98.4	$ 119.0
EPS	$ (0.05)	$ 0.65	$ 1.04
EV/R	0.7x	0.6x	0.5x
EV/EBITDA	10.0x	7.7x	6.4x
P/E	nm	32.9x	20.6x



COMPANY DESCRIPTION

Metallus is the largest domestic producer of seamless mechanical tube products, manufactures alloy steel bars and manufactured components. The Company specializes in the production of a wide size range of special bar quality steel products with an annual melt capacity of approximately 1.2M tons. The Company is headquartered in Canton, Ohio.

MTUS' 2Q26 results improved the forward profile through commercial performance that exceeded management's prior outlook, rather than through manufacturing leverage. Shipments increased 6% q/q versus prior low-single-digit guidance, while $9.3M of sequential price/mix benefit helped lift adj. EBITDA. Demand visibility also improved, with order-book growth accelerating to more than 50% y/y from more than 40% at 1Q and lead times extending into late 4Q26. The next leg of improvement is converting that demand into higher utilization and better fixed-cost absorption - melt utilization increased to 74%, but manufacturing remained a $1.8M sequential EBITDA headwind. In our view, the quarter supports the 2H earnings path, with aerospace and defense mix, industrial backlog, and pricing providing visibility, while operational reliability remains the key variable for further margin improvement.

Quarterly Results – MTUS reported revenue, adj. EBITDA, and adj. EPS of $341.0M, $29.0M, and $0.26, respectively, versus $308.3M, $24.6M, and $0.18 in 1Q26. Revenue increased 11% q/q and 12% y/y, while shipments rose to 174,200 tons, up 6% q/q and 4% y/y. Adj. EBITDA margin improved to 8.5%, although it remained 20 bps below 2Q25 as manufacturing and other costs limited y/y conversion. The improvement was primarily commercial, with $9.3M of price/mix benefit and $1.5M from volume more than offsetting weaker raw-material spread and a $1.8M manufacturing headwind. CFFO improved to $12.8M from a $26.9M outflow in 1Q, driven by profitability and lower inventory.

Volumes and Pricing – A&D remained the higher-value growth driver, reaching record shipments of 20k tons and sales of $60.1M, equivalent to an approximately $240M annualized pace. Management expects to reach at least its $250M revenue run-rate target by year-end as 155mm munitions demand and recently awarded programs ramp. Industrial shipments were modestly lower due to timing, but backlog nearly doubled y/y, led by construction and mining equipment, supporting shipment visibility into 2H26. Auto delivered the largest sequential volume increase, although management attributed much of the change to timing and continues to expect relatively stable vehicle demand. The August increases of $60/ton for bar, $100/ton for carbon tube, and $160/ton for alloy tube apply to spot and other business outside annual agreements, Full realization begins in FY27; contracted-volume discussions remain preliminary.

Operational Improvement – Melt utilization increased to 74% from 72%, but power interruptions, shop-floor execution, and maintenance reliability limited the anticipated cost improvement. Manufacturing was a $1.8M sequential EBITDA headwind rather than the approximately $2M improvement contemplated following 1Q, making reliability and throughput the clearest sources of incremental operating leverage. The bloom reheat furnace was fully commissioned in early July, improving process consistency and downstream flow, while roller-furnace commissioning remains on schedule. Both investments should enhance reliability, throughput, and fixed-cost absorption.

Outlook – Management expects 3Q26 melt utilization to be higher sequentially, with better price/mix in shipments, and adj. EBITDA above both 2Q26 and 3Q25. Manufacturing costs should remain roughly flat as utilization gains are offset by planned maintenance, including downstream work expected to cost a couple million dollars, while the larger annual outage remains scheduled for 4Q. FY26 CapEx remains approximately $70M.

Valuation - Given the volatility in steel prices, we are averaging our FY26 and FY27 adjusted EBITDA estimates to obtain a "normalized" run rate. Using an EV/EBITDA range of 7.5x to 8.5x with a midpoint of 8.00x, we arrive at a valuation range of $22.21 to $24.82 with a price target of $23.52.

Summary

Exhibit 1: Quarterly Results Comparison to Model

	2Q26 Results *(in $M, except EPS)*		
	Reported	Model	Notes
Revenues	**$ 341.0**	**$ 337.6**	Revenue beat on higher volumes and favourable mix
Cost of sales	306.9	302.1	
Gross profit	**34.1**	**35.4**	GPM missed as manufacturing costs offset absorption
GPM	**10.0%**	**10.5%**	
SG&A	23.7	22.5	
Other (inc) exp	(1.4)	(0.2)	
Operating exp	22.3	22.3	
Op Inc - adjusted	**14.8**	**14.4**	
OPM	**4.3%**	**4.3%**	
EBITDA - adjusted	**29.0**	**28.1**	EBITDA margin beat on stronger price/mix
EBITDA margin	**8.5%**	**8.3%**	
Net inc- adjusted	$ 11.1	$ 11.2	
EPS - adjusted	**$ 0.26**	**$ 0.26**	

Source: Company Reports; Stonegate Capital Markets, Inc.

INVESTMENT FACTORS

Metallus is a manufacturer of high-quality specialty steel, manufactured components, and supply chain solutions. The Company has a long history dating back to 1917 and is the largest domestic producer of seamless mechanical tube products. The Company also specializes in producing a wide size range of special bar quality (SBQ) steel products. The Company produces 100% of its steel primarily from recycled scrap metal in electric arc furnace (EAF), with an annual melt capacity of approximately 1.2M tons. Metallus manufactures high-performance carbon and alloy steel products for use in diverse industries such as energy, automotive, oil and gas, among others.

Under CEO, Mr. Michael Williams, the Company is undergoing a significant transformation focused on cost and cash discipline, coupled with improved manufacturing processes. These efforts are expected to drive sustainable growth with expanding margins above historical levels.

Investment Positives

Business transformation is underway

While the Company was undergoing restructuring efforts between 2019 and 2020 to simplify the business and drive profitability, this was under interim CEO, Terry Dunlap. In January 2021, the Company hired a new CEO, Mr. Michael Williams, who refined and jumpstarted the transformation with a focus on cost and cash discipline, coupled with improved manufacturing processes.

All leading to improved operations, expanding margins, and financial performance

Metallus has outlined through-cycle, long-term operation and financial targets that show significant improvements. The Company is targeting a melt utilization rate in the mid 80% (historical average of 61%), 12%+ adjusted EBITDA margins (historical average of 8%), ROCE of 15% to 17% (historical average of 11%), and net leverage of less than 1.0x (historical average of 1.2x).

Strong customer demand

Renewed infrastructure spending, supply chain de-risking, and process automation has led to a surge in demand. The rise in drilling activity has also led to a resurgence in demand in the energy sector. The growing demand for EV vehicles, which are expected to account for 50% of new vehicle sales in the U.S by 2030, will provide an impetus for growth and expansion.

Balance sheet to support growth initiatives

As mentioned, the Company has transformed itself via cost and cash discipline and has strengthened its balance sheet via FCF generation and reduction of its outstanding debt. As of FY25, the Company has a cash balance of $156.7M and total liquidity position of $389.2M, which includes no outstanding borrowings on its asset-based revolver.

Investment Challenges / Risks

Competitive industry and potential global overcapacity

The steel industry is characterized by intense competition both domestically and internationally. Additionally, the industry has historically been characterized by periods of excess global capacity and supply, which has negatively impacted steel prices. To protect the US steel industry, various tariffs, duties, and quota have been implemented by the US government. Any changes to revise or repeal these protections could lead to increased imports of foreign steel, thereby creating pressure on domestic steel industry.

Raw material price volatility

The Company depends on recycled scrap metal, chrome, nickel, and molybdenum to produce steel. Raw material prices have historically witnessed significant fluctuations with steep increases in raw material prices. Metallus' customer agreements have surcharge pricing provisions that enable them to recover raw material costs increased. However, the Company may face a change in the relationship between market indices and their underlying cost, impacting its revenues, earnings, and cash flows. The Company procures raw materials from third parties to produce its products and may face uncertainty in pricing and procurement.

Customers operate in highly cyclical industries

An increase in the cost of credit, volatility in capital markets, and creditworthiness of its customers and suppliers significantly impact the growth prospects and profitability of Metallus' business. Any changes to the global macroeconomic environment will impact the Company's financial operations.

Loss of key customers

For F25, sales to the ten largest customers accounted for ~50% of Metallus' net sales. The loss of any major customer will likely have an adverse impact on the Company's operations and financial situation.

VALUATION SUMMARY

We use a comparative analysis to frame our valuation. For our comps, we are using steel/metals manufacturers.

Comparative Analysis
Metallus Inc. (NYSE: MTUS)
(all figures in $M except per share information)

						EV/S (2)			EV/EBITDA (2)			P/E (2)			P/TBV
Name	**Ticker**	**Price (1)**	**Sh**	**Mrkt Cap**	**EV**	**TTM**	**2026 E**	**2027 E**	**TTM**	**2026 E**	**2027 E**	**TTM**	**2026 E**	**2027 E**	**MRQ**
Steel Manufacturing															
Cleveland-Cliffs Inc.	CLF	$ 12.31	570.5	$ 7,023.3	$ 14,890.3	0.8x	0.7x	0.7x	28.9x	9.5x	6.7x	nm	nm	24.1x	2.5x
Commercial Metals Company	CMC	$ 72.63	110.6	$ 8,034.6	$ 11,100.0	1.3x	1.2x	1.1x	9.2x	7.8x	7.5x	13.8x	11.3x	10.7x	4.2x
Reliance, Inc.	RS	$ 414.91	51.1	$ 21,183.0	$ 22,952.5	1.5x	1.3x	1.3x	14.8x	12.0x	12.2x	24.2x	18.0x	18.0x	4.9x
Ryerson Holding Corporation	RYZ	$ 26.97	51.9	$ 1,399.7	$ 2,717.2	0.5x	0.4x	0.4x	22.1x	10.1x	7.9x	nm	20.5x	11.4x	1.3x
Steel Dynamics, Inc.	STLD	$ 265.10	#####	$ 37,996.3	$ 41,765.6	2.0x	1.8x	1.8x	15.6x	10.6x	9.6x	24.1x	16.0x	14.1x	4.4x
Worthington Enterprises, Inc.	WOR	$ 59.12	48.9	$ 3,217.0	$ 3,577.9	2.3x	2.2x	2.2x	22.9x	10.5x	9.6x	18.8x	17.2x	14.9x	14.1x
					Average	**1.6x**	**1.4x**	**1.4x**	**18.3x**	**10.1x**	**9.1x**	**20.2x**	**15.6x**	**16.4x**	**6.0x**
					Median	**1.5x**	**1.3x**	**1.3x**	**15.6x**	**10.5x**	**9.6x**	**21.4x**	**16.6x**	**14.9x**	**4.4x**
Metallus Inc.	**MTUS**	**$ 21.56**	**41.6**	**$ 896.9**	**$ 788.3**	**0.6x**	**0.6x**	**0.5x**	**12.6x**	**8.0x**	**6.6x**	**110.9x**	**33.2x**	**20.7x**	**1.3x**

(1) Previous day's closing price
(2) Estimates are from Capital IQ except those for Metallus, which are Stonegate estimates
Source: Company Reports; CapitalIQ; Stonegate Capital Markets

Based on our F26/F27 estimates, MTUS is trading at a 8.0x/6.6x EV/EBITDA multiple compared to median comps at 10.1x/9.1x. For our EV/EBITDA range, we are using a range of 7.5x to 8.5x with a midpoint of 8.00x. We think that the Company will trade closer to comp multiples as it executes on its cost savings initiatives and improve its melt utilization rate.

Ratios & Historical Trading Multiples
Metallus Inc. (NYSE: MTUS)

						5YR Frwd AVG Multiples			7YR Frwd AVG Multiples			10YR Frwd AVG Multiples		
Name	**Ticker**	**D/C (%)**	**D/E (%)**	**Debt / EBITDA**	**EBITDA Margin 7yr Avg (%)**	**EV/S**	**EV/EBITDA**	**P/E**	**EV/S**	**EV/EBITDA**	**P/E**	**EV/S**	**EV/EBITDA**	**P/E**
Cleveland-Cliffs Inc.	CLF	57.0	132.7	10.3x	11.8	0.6x	7.2x	15.2x	0.8x	7.5x	14.3x	1.1x	7.3x	11.7x
Commercial Metals Company	CMC	44.4	80.0	2.8x	12.0	0.8x	5.9x	9.9x	0.8x	6.0x	10.0x	0.7x	6.2x	10.8x
Reliance, Inc.	RS	21.2	26.9	1.2x	12.4	1.1x	9.3x	14.0x	1.0x	9.3x	14.1x	1.0x	8.9x	13.7x
Ryerson Holding Corporation	RYZ	50.9	103.9	7.6x	5.3	0.4x	7.7x	16.0x	0.3x	7.6x	18.3x	0.4x	7.2x	14.8x
Steel Dynamics, Inc.	STLD	31.9	46.9	1.6x	17.0	1.1x	6.8x	10.0x	1.0x	6.7x	10.3x	1.0x	6.6x	10.5x
Worthington Enterprises, Inc.	WOR	25.8	34.7	2.3x	9.4	1.5x	9.1x	13.8x	1.4x	9.5x	13.0x	1.2x	9.7x	13.1x
	Average	**38.6**	**70.9**	**4.3x**	**12.5**	**0.9x**	**7.7x**	**13.1x**	**0.9x**	**7.8x**	**13.4x**	**0.9x**	**7.6x**	**12.4x**
	Median	**38.2**	**63.5**	**2.6x**	**12.0**	**0.9x**	**7.4x**	**13.9x**	**0.9x**	**7.6x**	**13.6x**	**1.0x**	**7.2x**	**12.4x**
Metallus Inc.	MTUS	2.1	2.1	0.2x	7.5	**0.4x**	**4.1x**	**12.5x**	**0.4x**	**5.1x**	**12.3x**	**0.5x**	**8.3x**	**21.7x**

Source: Capital IQ

Given the volatility in steel prices, we are averaging our FY26 and FY27 adjusted EBITDA estimates to obtain a "normalized" run rate. Using an EV/EBITDA range of 7.5x to 8.5x with a midpoint of 8.00x, we arrive at a valuation range of $22.21 to $24.82 with a price target of $23.52.

We see the following important catalysts for the stock in F26 and beyond:
- Improvement in Melt Utilization Rate …….. F26+
- Improvement in margins ………...…………………………………………..………………… F26+
- Continued cost savings from strategic initiatives………...……………………………..…… F26+
- Expansion of the Aerospace and Defense segment……………………………………… F26+

INCOME STATEMENT

Metallus Inc. (NYSE: MTUS)
Consolidated Statements of Income (in $Ms, except per share amounts)
Fiscal Year: December

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026E	Q1 E Mar-27	Q2 E Jun-27	Q3 E Sep-27	Q4 E Dec-27	FY 2027E
Revenues																				
Net Sales	$ 830.7	$ 1,282.9	$ 1,329.9	$ 1,362.4	$ 1,084.0	$ 280.5	$ 304.6	$ 305.9	$ 267.3	$ 1,158.3	$ 308.3	$ 341.0	$ 348.7	$ 313.4	$ 1,311.4	$ 354.2	$ 373.5	$ 388.3	$ 338.2	$ 1,454.2
Total revenues	**830.7**	**1,282.9**	**1,329.9**	**1,362.4**	**1,084.0**	**280.5**	**304.6**	**305.9**	**267.3**	**1,158.3**	**308.3**	**341.0**	**348.7**	**313.4**	**1,311.4**	**354.2**	**373.5**	**388.3**	**338.2**	**1,454.2**
Cost of revenues																				
Cost of sales	815.1	1,062.9	1,203.2	1,175.9	986.3	258.6	272.4	270.9	261.3	1,063.2	283.2	306.9	310.0	288.4	1,188.4	318.1	332.8	343.0	307.0	1,301.0
Total cost of revenues	815.1	1,062.9	1,203.2	1,175.9	986.3	258.6	272.4	270.9	261.3	1,063.2	283.2	306.9	310.0	288.4	1,188.4	318.1	332.8	343.0	307.0	1,301.0
Gross (loss) profit	**15.6**	**220.0**	**126.7**	**186.5**	**97.7**	**21.9**	**32.2**	**35.0**	**6.0**	**95.1**	**25.1**	**34.1**	**38.7**	**25.1**	**123.0**	**36.1**	**40.7**	**45.2**	**31.1**	**153.2**
Operating expenses																				
SG&A	76.7	77.2	73.8	84.6	87.7	24.3	22.9	24.5	22.3	94.0	22.2	23.7	23.5	23.0	92.4	23.3	24.0	23.6	23.1	93.9
Restructuring charges	3.1	6.7	0.8	-	-	-	-	2.7	-	2.7	-	-	-	-	-	-	-	-	-	-
Loss on sale of consolidated subsidiary	-	1.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss (gain) on sale or disposal of assets, ne	(2.4)	1.3	1.9	(2.5)	0.6	(1.5)	-	0.2	-	(1.3)	0.2	-	-	-	0.2	-	-	-	-	-
Impairment charges	-	10.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on extinguishment of debt	0.9	-	43.1	11.1	9.4	-	3.6	-	-	3.6	-	-	-	-	-	-	-	-	-	-
Other (income) expense, net	(14.2)	(59.5)	(90.6)	3.7	5.0	(2.3)	(1.6)	(1.9)	4.9	(0.9)	(4.9)	(1.4)	(0.2)	(0.2)	(6.7)	0.2	0.2	0.2	0.2	0.6
Total operating expenses	64.1	37.4	29.0	96.9	102.7	20.5	24.9	25.5	27.2	98.1	17.5	22.3	23.3	22.8	85.9	23.4	24.2	23.7	23.3	94.5
Income (loss) from operations	**(48.5)**	**182.6**	**97.7**	**89.6**	**(5.0)**	**1.4**	**7.3**	**9.5**	**(21.2)**	**(3.0)**	**7.6**	**11.8**	**15.4**	**2.3**	**37.1**	**12.7**	**16.6**	**21.5**	**7.9**	**58.7**
Inc (loss) from operations - adjusted (1)	**(28.6)**	**184.3**	**113.9**	**112.7**	**23.6**	**4.0**	**12.4**	**14.7**	**(12.4)**	**18.7**	**10.6**	**14.8**	**16.0**	**2.9**	**44.3**	**13.3**	**17.8**	**22.8**	**9.1**	**63.0**
Interest expense	(12.2)	(5.9)	(0.6)	7.1	9.6	1.5	1.3	1.4	0.7	4.9	0.4	0.1	0.5	0.5	1.6	0.5	0.4	0.4	0.4	1.7
Total other income (expense):	(12.2)	(5.9)	(0.6)	7.1	9.6	1.5	1.3	1.4	0.7	4.9	0.4	0.1	0.5	0.5	1.6	0.5	0.4	0.4	0.4	1.7
Pre-tax income (loss)	**(60.7)**	**176.7**	**97.1**	**96.7**	**4.6**	**2.9**	**8.6**	**10.9**	**(20.5)**	**1.9**	**8.0**	**11.9**	**15.9**	**2.8**	**38.6**	**13.2**	**17.0**	**21.9**	**8.2**	**60.4**
Provision for taxes (benefit)	1.2	5.7	32.0	27.0	3.3	1.6	4.9	2.8	(6.2)	3.1	2.6	3.0	4.2	0.7	10.6	3.6	4.6	5.9	2.2	16.3
Net income (loss)	**$ (61.9)**	**$ 171.0**	**$ 65.1**	**$ 69.7**	**$ 1.3**	**$ 1.3**	**$ 3.7**	**$ 8.1**	**$ (14.3)**	**$ (1.2)**	**$ 5.4**	**$ 8.9**	**$ 11.7**	**$ 2.1**	**$ 28.1**	**$ 9.6**	**$ 12.4**	**$ 16.0**	**$ 6.0**	**$ 44.1**
Wtd EPS (loss)	**$ (1.38)**	**$ 3.18**	**$ 1.30**	**$ 1.48**	**$ 0.03**	**$ 0.03**	**$ 0.09**	**$ 0.19**	**$ (0.34)**	**$ (0.05)**	**$ 0.13**	**$ 0.21**	**$ 0.28**	**$ 0.05**	**$ 0.65**	**$ 0.23**	**$ 0.29**	**$ 0.38**	**$ 0.14**	**$ 1.04**
Net income (loss) - adjusted (1)	**(42.0)**	**172.7**	**94.2**	**89.7**	**25.6**	**3.2**	**8.5**	**12.0**	**(7.7)**	**15.3**	**7.7**	**11.1**	**12.3**	**2.7**	**33.8**	**10.2**	**13.7**	**17.3**	**7.3**	**48.4**
Wtd EPS (loss) - adjusted (1)	**$ (0.93)**	**$ 3.21**	**$ 1.87**	**$ 1.91**	**$ 0.57**	**$ 0.07**	**$ 0.20**	**$ 0.28**	**$ (0.18)**	**$ 0.37**	**$ 0.18**	**$ 0.26**	**$ 0.29**	**$ 0.06**	**$ 0.79**	**$ 0.24**	**$ 0.32**	**$ 0.41**	**$ 0.17**	**$ 1.14**
Basic shares outstanding	45.0	45.9	45.9	43.8	43.2	42.1	42.0	41.8	41.7	41.9	41.7	41.6	41.5	41.4	41.6	41.4	41.4	41.4	41.4	41.4
Diluted shares outstanding	45.0	55.0	51.5	47.9	44.3	43.0	43.3	43.0	41.7	43.0	43.2	43.1	42.2	42.1	43.2	42.4	42.4	42.4	42.4	42.4
EBITDA (1) (2)	21.5	245.7	156.0	146.5	49.7	15.1	21.7	23.8	(6.4)	54.8	21.6	26.1	28.9	15.8	92.4	26.7	30.6	35.5	21.9	114.7
EBITDA - adjusted (1)	38.0	245.9	172.2	168.9	77.7	17.7	26.5	29.0	2.4	75.6	24.6	29.0	29.5	16.4	98.4	27.3	31.8	36.8	23.1	119.0
Margin Analysis																				
Gross margin	1.9%	17.1%	9.5%	13.7%	9.0%	7.8%	10.6%	11.4%	2.2%	8.2%	8.1%	10.0%	11.1%	8.0%	9.4%	10.2%	10.9%	11.7%	9.2%	10.5%
Operating margin	-5.8%	14.2%	7.3%	6.6%	-0.5%	0.5%	2.4%	3.1%	-7.9%	-0.3%	2.5%	3.5%	4.4%	0.7%	2.8%	3.6%	4.4%	5.5%	2.3%	4.0%
Operatin margin - adjusted	-3.4%	14.4%	8.6%	8.3%	2.2%	1.4%	4.1%	4.8%	-4.6%	1.6%	3.4%	4.3%	4.6%	0.9%	3.4%	3.8%	4.8%	5.9%	2.7%	4.3%
EBITDA margin	2.6%	19.2%	11.7%	10.8%	4.6%	5.4%	7.1%	7.8%	-2.4%	4.7%	7.0%	7.7%	8.3%	5.0%	7.0%	7.5%	8.2%	9.2%	6.5%	7.9%
EBITDA - adjusted margin	4.6%	19.2%	12.9%	12.4%	7.2%	6.3%	8.7%	9.5%	0.9%	6.5%	8.0%	8.5%	8.5%	5.2%	7.5%	7.7%	8.5%	9.5%	6.8%	8.2%
Pre-tax margin	-7.3%	13.8%	7.3%	7.1%	0.4%	1.0%	2.8%	3.6%	-7.7%	0.2%	2.6%	3.5%	4.6%	0.9%	2.9%	3.7%	4.6%	5.7%	2.4%	4.2%
Net income margin	-7.5%	13.3%	4.9%	5.1%	0.1%	0.5%	1.2%	2.6%	-5.3%	-0.1%	1.8%	2.6%	3.4%	0.7%	2.1%	2.7%	3.3%	4.1%	1.8%	3.0%
Adjusted net income margin	-5.1%	13.5%	7.1%	6.6%	2.4%	1.1%	2.8%	3.9%	-2.9%	1.3%	2.5%	3.3%	3.5%	0.8%	2.6%	2.9%	3.7%	4.4%	2.2%	3.3%
Tax rate	-2.0%	3.2%	33.0%	27.9%	71.7%	55.2%	57.0%	25.7%	30.2%	163.2%	32.5%	25.2%	26.5%	26.5%	27.3%	27.0%	27.0%	27.0%	27.0%	27.0%
Growth Rate Analysis Y/Y																				
Total revenues	-31.3%	54.4%	3.7%	2.4%	-20.4%	-12.8%	3.4%	34.6%	11.1%	6.9%	9.9%	12.0%	14.0%	17.3%	13.2%	14.9%	9.5%	11.4%	7.9%	10.9%
Total cost of revenues	-31.3%	30.4%	13.2%	-2.3%	-16.1%	-4.6%	0.7%	25.9%	13.8%	7.8%	9.5%	12.7%	14.4%	10.4%	11.8%	12.3%	8.4%	10.7%	6.5%	9.5%
Operating income	56.1%	476.5%	-46.5%	-8.3%	-105.6%	-94.9%	97.3%	200.0%	19.7%	40.0%	442.9%	61.6%	62.1%	110.7%	1335.9%	67.5%	40.4%	39.8%	245.5%	58.3%
Operating income - adjusted	25.3%	744.4%	-38.2%	-1.1%	-79.1%	-86.7%	90.8%	296.0%	-129.6%	-20.8%	165.0%	19.4%	8.9%	123.2%	136.8%	25.7%	20.4%	42.4%	216.9%	42.4%
EBITDA	158.3%	1042.8%	-36.5%	-6.1%	-66.1%	-62.8%	26.9%	480.5%	47.1%	10.3%	43.0%	20.3%	21.4%	346.5%	68.6%	23.7%	17.1%	23.0%	38.6%	24.2%
EBITDA - adjusted	17.3%	547.1%	-30.0%	-1.9%	-54.0%	-59.2%	33.2%	375.4%	-71.1%	-2.7%	39.0%	9.4%	1.7%	582.3%	30.1%	11.1%	9.7%	24.7%	41.1%	21.0%
Pre-tax income	51.9%	391.1%	-45.0%	-0.4%	-95.2%	-90.3%	41.0%	253.5%	16.0%	-58.7%	175.9%	38.4%	46.2%	113.6%	1932.9%	64.8%	42.9%	37.7%	195.4%	56.3%
EPS	44.0%	331.4%	-59.1%	13.5%	-98.1%	-94.2%	-17.0%	242.4%	31.4%	-275.0%	313.9%	141.7%	47.3%	114.2%	1455.9%	81.4%	41.7%	36.1%	191.3%	60.0%
EPS - adjusted	11.2%	444.4%	-42.0%	2.3%	-70.3%	-86.8%	31.8%	391.2%	-122.2%	-35.5%	139.8%	32.0%	4.5%	134.1%	116.1%	35.1%	25.1%	39.6%	172.2%	44.4%
Share count - fully diluted	0.4%	22.2%	-6.4%	-7.0%	-7.4%	-8.1%	-7.1%	-0.2%	-1.7%	-3.0%	0.3%	-0.5%	-1.9%	1.0%	0.5%	-1.7%	-1.6%	0.5%	0.7%	-1.8%

(1) Adjusted numbers exclude 1x items as defined by MTUS
(2) EBITDA defined as GAAP opinc + D&A

Source: Company Reports, Stonegate Capital Markets estimates

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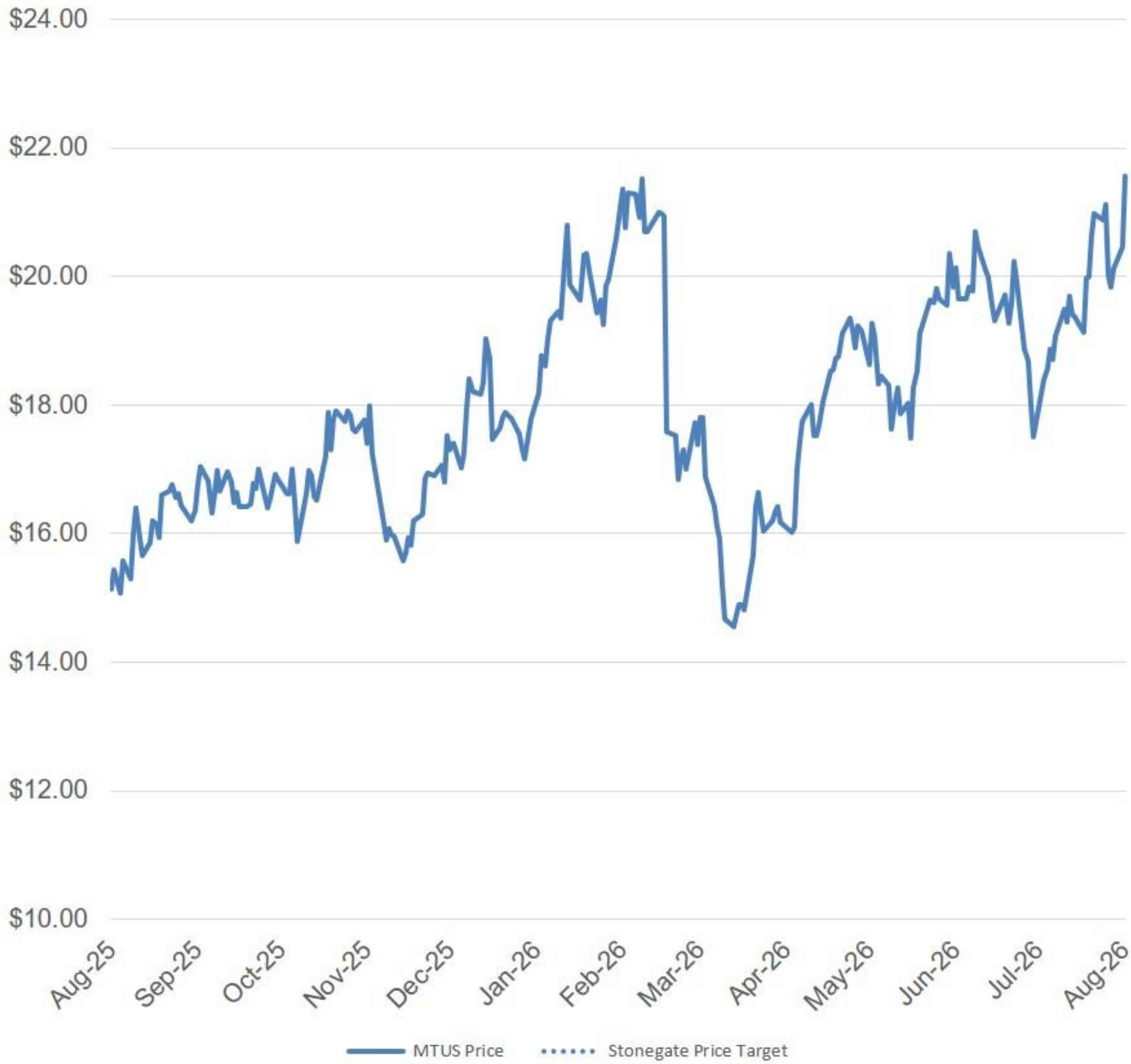
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