BERNSTEIN
SOCIETE GENERALE GROUP

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Global Oil Services

Oil Services: State of the business in 2H25 – The ultimate black & white photo of a past era (that ended in Feb. 2026)


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The ultimate black & white photo of the past era (that ended in Feb. 26). With the final companies in our sample of 48 firms having reported their FY25 earnings in March 2026, we can now publish our bi-annual State of the Business report. As usual, our approach remains both data driven and backward looking, since it aggregates past (Jul-Dec 2025) data. As we might now have entered a totally new era in March 2026, intellectual honesty forces us to admit that this *particular report may rapidly become obsolete!* You may therefore read as the *ultimate black & white photo of a past era.*

Three conclusions from 2H25. 1) Our key conclusion is that *2H25 was essentially a continuation of 1H25 as it showed little to no marked inflection.* **2)** We nonetheless noted a *slight sequential deterioration* in 2H25, which was however sufficient to more than offset the traditional positive seasonality generally observed in the second half of the year. **3)** This mild 2H25 deterioration nonetheless coincided with a gradually improving outlook for 2026-27, as highlighted by SLB, Tenaris and Saipem in their 3Q25 (Oct. 25) and 4Q25 (Jan.-Feb. 26) earnings calls.

En masse. From Oct. 25 to Feb. 26, and for the very first time since 2013, investors started to respond *en masse* to an improving 2026 outlook. As a result, the sector EV/revenue ratio jumped from 1.33x (Oct. 25) to 1.62x (Feb. 26) and is now 1.92x (Apr. 26), i.e. now above its 20-year average of 1.67x. Investors were finally recognising that the prolonged, solid and disciplined upcycle, which had emerged as early as 2H21, was still in play.

A new era since March 2026. We are now entering a new era (=war in Iran + re-use of oil as a political weapon), which may now exhibit *three totally new characteristics*: **1) ST** - a re-correlation of the entire sector with changes in oil price; **2) ST to MT -** a potential rebound in US OFS; **3) MT to LT -** likely structurally higher inflation across supply chains. On the negative side, this may translate into higher volatility (for all Oil Services stocks) and rising risks of cost over-runs (mainly for E&C companies). On the positive side, we view it as additional and structural good news for the entire sector (including E&Cs) as it comes on top of an already very constructive background (= superior financial health + 90% of E&P spending being allocated to maintaining production + renewed need for exploration + new offshore basins with low breakeven prices).

Super-cycle. We are now envisaging a potential 1970s-style super-cycle: War/destruction → high oil/gas prices → increase in US O&G capex (+10% in 2H26-1H27?) → increasing pricing power for Oil Services companies → strengthening of offshore investments (+4-5% CAGR up to 2029-30?) → Middle East reconstruction (+10% CAGR up to 2034?).

Which stocks to favour? This new environment is supportive for stocks directly exposed to the following themes: **1)** production; **2)** short-term durations (business cycles of 6-18 months); **3**) stronger exposure to North America than to the Middle East; and **4)** short-term pricing power. In our view, the Oil Field Services (OFS) companies - rather than Engineering & Construction (E&C) companies - offer the best profile. **We therefore favour SLB, Viridien, Vallourec and Tenaris.**

BERNSTEIN TICKER TABLE

			17 Apr 2026		TTM		Adjusted EPS			Adjusted P/E (x)		
			Closing	Price	Rel.							
Ticker	Rating	Cur	Price	Target	Perf.	Cur	2025A	2026E	2027E	2025A	2026E	2027E
SLB (Schlumberger)	O	USD	52.66	56.10	15.1%	USD	2.93	2.62	2.98	18.0	20.1	17.7
TEN.IM (Tenaris)	O	EUR	24.42	29.00	44.5%	USD	1.83	1.96	1.93	15.7	14.6	14.9
TS (Tenaris)	O	USD	58.61	68.00	52.8%	USD	3.66	3.92	3.86	16.0	14.9	15.2
VK.FP (Vallourec)	O	EUR	23.25	29.00	23.7%	EUR	1.50	1.65	2.15	5.0	7.5	6.3
VIRI.FP (Viridien)	O	EUR	121.70	163.00	121.0%	USD	9.89	6.82	13.23	4.2	4.8	4.2
GTT.FP (GTT)	O	EUR	194.50	193.00	19.1%	EUR	8.90	11.70	9.63	21.9	16.6	20.2
SUBC.NO (Subsea 7)	O	NOK	286.80	240.00	73.7%	USD	0.67	1.63	2.04	5.8	10.5	0.0
TE.FP (Technip)	O	EUR	39.14	46.00	8.5%	EUR	2.28	2.36	2.65	17.2	16.6	14.8
RUI.FP (Rubis)	O	EUR	33.62	38.70	(1.6)%	EUR	3.30	3.34	3.36	7.0	6.6	6.4
SPM.IM (Saipem)	O	EUR	3.87	4.61	84.5%	EUR	0.16	0.20	0.20	24.9	19.0	19.3
FTI	M	USD	70.44	45.00	140.9%	USD	1.83	2.24	2.84	38.4	31.5	24.8
ADNOCDRI.UH (Adnoc Drilling)	O	AED	5.35	6.76	(12.6)%	USD	0.08	0.09	0.09	18.2	16.6	16.5
ADNOCLS.DH (Adnoc Logistics)	O	AED	5.50	6.94	3.3%	USD	0.10	0.11	0.11	14.3	14.3	13.3
SBMO.NA	O	EUR	33.94	46.00	73.4%	USD	3.85	4.50	3.23	10.4	8.9	12.4
SPX			7,126.06									
EDME			1,550.43									

O - Outperform, M - Market-Perform, U - Underperform, NR - Not Rated, CS - Coverage Suspended

TEN.IM, TS, VK.FP, RUI.FP estimate is Reported EPS; TEN.IM, TS valuation is Reported P/E (x); VK.FP, SUBC.NO valuation is Div Yield (%); VIRI.FP, RUI.FP valuation is EV/EBITDA (x); GTT.FP, SUBC.NO, TE.FP, RUI.FP, FTI, ADNOCDRI.UH, ADNOCLS.DH base year is 2024;

Source: Bloomberg, Bernstein estimates and analysis.

INVESTMENT IMPLICATIONS

We remain positive across our entire universe as we expect additional new investors to come to the space. We would nonetheless favour stocks directly exposed to the following themes: **1)** production of energy; **2)** relatively short-term durations (business cycles of 6-18 months); **3)** stronger exposure to North America than to the Middle East; and **4**) short-term pricing power. In our view, the Oil Field Services (OFS) companies - rather than Enginering & Construction (E&C) companies - offer the best profile. **We therefore favour SLB, Viridien, Vallourec and Tenaris.**

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VALUATION COMPS TABLE

Company	Currency	Share Price	Price Target	Rating	EV / Revenue			EV / EBITDA			Dividend Yield		
					2026e	2027e	2028e	2026e	2027e	2028e	2026e	2027e	2028e
SLB	USD	51.92	56.1	Outperform	2.3	2.1	2.0	10.0	8.9	8.6	2.3%	2.4%	2.5%
Adnoc Drilling	AED	5.22	6.76	Outperform	4.9	4.5	4.3	10.9	9.8	9.2	5.0%	5.5%	6.1%
Tenaris	EUR	25.46	29.0	Outperform	2.2	2.0	1.9	9.0	8.3	8.2	3.4%	3.4%	3.4%
TechnipFMC	USD	73.79	45.0	Marketperform	2.9	2.6	2.5	15.1	13.4	12.5	0.3%	0.3%	0.3%
Adnoc L&S	AED	5.35	6.94	Outperform	2.4	2.5	2.4	7.1	8.2	7.9	3.2%	3.3%	3.5%
Technip Energies	EUR	39.12	46.0	Outperform	0.7	0.7	0.6	8.1	8.0	7.1	2.6%	2.4%	2.4%
GTT	EUR	199.90	193.0	Outperform	9.5	9.8	8.6	15.3	16.4	13.6	3.9%	3.6%	4.3%
Subsea7	NOK	311.40	240.0	Outperform	1.3	1.2	1.2	6.0	5.6	5.1	-	-	-
Saipem	EUR	4.13	4.61	Outperform	0.6	0.5	0.5	4.8	4.7	4.6	4.4%	4.4%	4.4%
SBM Offshore	EUR	36.76	32.0	Outperform	1.7	1.8	1.7	6.4	7.6	7.3	2.8%	2.8%	2.8%
Vallourec	EUR	23.14	29.0	Outperform	1.5	1.4	1.2	6.9	6.9	6.9	7.6%	7.6%	7.6%
Rubis	EUR	35.70	38.7	Outperform	0.6	0.7	0.7	6.9	6.3	6.3	6.0%	6.3%	6.6%
Viridien	EUR	123.50	163.0	Outperform	1.7	1.4	1.3	3.8	3.2	2.7	-	-	-

As of 23/03/26
Source: Bernstein analysis & estimates

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DETAILS

RESEARCH REPORTS

27 March 2026: Vallourec: Best idea for 2Q26: Inflection point in North America. PT raised to €29.0 (vs €23.6). We now stand 4%/15%/11% above cons.

25 March 2026: Global Oil Services: Unleashing the wolf. Oil Services market shares in the Middle East. A 1970s-style super-cycle seems likely.

19 March 2026: Tenaris: Operating leverage ahead?

11 March 2026: SLB: Middle East - Deciphering the new, new, environment. All eyes on Friday's US rig count. PT increased to $56.1 (vs $52.3).

09 March 2026: Viridien: A 'few extra pennies'. Risk/reward is improving again. PT lifted to €163 (vs €117).

20 February 2026: Bernstein Energy & Power: Reshaping the Oil Services industry (Part. 4) — The quiet beauty of sleepless nights (2030-35)

19 January 2026: Global Oil Services: Our 2026 outlook in 9 slides

12 January 2026: Global Oil Services: 2026 outlook — 13 themes: Time for investors to "stomp out their cigarettes" and invest in Oil Services again?

02 January 2026: GTT: Letter to the CEO — The Walter Scott syndrome: GTT's (unexpected) secret sauce

11 December 2025: What is the Oil & Gas industry's perspective on the adoption of Cloud and AI?

11 December 2025: SLB: Digital - Time to write a new equity story

28 November 2025: Bernstein Energy & Power: Reshaping the Oil Services Industry - the 2000-50 journey (Part.3: Drill, Baby Drill: 2025-29)

17 October 2025: Bernstein Energy & Power: Reshaping the Oil Services Industry - the 2000-50 journey (Part 2: The Great Disruption: 2015-24)

06 October 2025: Oil Services - State of the Business 1H25: Hope springs eternal... 10 key takeaways

16 September 2025: Rubis: Initiation of coverage. An apocryphal dialogue between Ian Fleming (James Bond) and Nassim Taleb (Black Swan, Antifragile)

29 August 2025: Bernstein Energy & Power: Reshaping the Oil Services Industry - the 2000-50 journey (Part 1: The Golden Age: 2000-14)

23 July 2025: European Oil Services: The Age of Maturity 2025-28 (Part 3). Vallourec: The next pricing power test

22 July 2025: European Oil Services: The Age of Maturity 2025-28 (Part 2). Tenaris - Dr. Freud and the Tube

21 July 2025: European Oil Services: The Age of Maturity...Are we approaching the final stretch? Initiating on Tenaris and Vallourec at Outperform

30 June 2025: The Long View: Decarbonisation (Part 2) - CCUS for beginners (and long-term thinkers)

04 April 2025: Bernstein Energy & Power: Letters from the Middle East (Part 1)

03 February 2025: Long view: Decarbonisation (Part 1): LNG and shipping fuels up to 2060

THE ULTIMATE BLACK AND WHITE PHOTO OF A PAST ERA (WHICH ENDED IN FEB.26)

We now know thanks to Marcel Proust (1871-1922) that time is elastic. This elasticity comes from our experiences an emotions which have the power to either extend or contract the amount of time at our disposal.

- For investors, the experiences and emotions ignited by the war in Iran have in fact reduced the amount of time at their disposal (and therefore increased their workloads). On top of analysing both potential investments and other investors' potential decisions, they now need to consider asset destruction, as well as a totally unpredictable geopolitical environment.
- For the industry, the experience and emotions ignited by the war are likely to extend the duration of the oil services cycle while profoundly transforming its characteristics: likely rebound in North America + re-correlation with oil price + structural inflation + re-building of the region + possible long-term shifts toward more secure geographies (North America, Offshore).

EXHIBIT 2: **The Oil Services sector up to February 2026. The (somewhat nostalgic) metaphor of an ultimate black & white photo seems appropriate.**

EXHIBIT 3: **The Oil Services sector since March 2026. Following James Akins' April 1973 article in Foreign Affairs, the 'wolf' is a metaphor of high oil price/oil as a political weapon. Will this new environment trgger a 1970-liked super cycle for oil prices?**

Source: Emirati Times, Bernstein analysis.

METHODOLOGY

We examined a universe of 48 listed oil service companies using historical financial data collected from Bloomberg since December 2000. To make the results comparable across the universe, we standardize and calendarize all the reported figures on a quarterly basis, using the definitions in Exhibit 4. To achieve this, we apply three adjustments to the original database:

1. **Semi-annual reporting:** for companies reporting on a semi-annual basis, we split reported figures evenly across quarters to approximate quarterly performance.

2. **Non-calendar fiscal years:** for companies with non-calendar fiscal years, we reclassify the reported figures to align them with the standard calendar quarters.

3. **Group-level aggregation:** we divided the 48 companies into two baskets: **1) 'US' oil service companies**, i.e. companies with the majority of revenues derived from the US market, and **2) 'International' oil service companies** (companies with a more diversified or international footprint).

With this standardized database, we analysed the financial performance over the last 12 months (LTM) and on a quarterly basis, of the industry, as well as comparing the US and International baskets. Exhibit 2 shows the 48 oil services companies included in the report.

EXHIBIT 4: **Standardised financial metrics**

Metric	Description
Revenues	Revenues are the aggregated company's revenues for the period.
COGS	COGS is calculated as the difference between gross profit and revenues.
Opex	OPEX is calculated as the difference between EBITDA and gross profit. It includes SG&A, R&D, and other operating income and expense
EBITDA	EBITDA is calculated as the group's reported revenues less opex.
EBIT	EBIT is calculated as EBITDA less the D&A and Impairment losses / other items.
NOPAT	NOPAT is calculated as EBIT*(1-t), where we assume a normalized tax rate of 20%.
Non-Operating	Non-operating items include income and expenses that are not from a company's core business.
Non-recurring items	Non-recurring items include extraordinary gains or losses before tax.
Net Income	Net income is calculated after non-recurring items and minority interest.
Other Non-Cash adjustments	Other non-cash adjustments include non-cash transactions incurred during the reporting period.
Free cash flow (FCF)	Free cash flow is calculated as cash flow from operations minus capex.
Capex	Capex includes the purchases of tangible and intangible assets.
Other investing activities	Other investing activities include acquisitions, divestitures, and other investing activities.
Other financing activities	Other financing activities include financing activities other than change in net borrowings, shares issued, buybacks, and dividends paid
Short-term debt	Short-term debt includes bank overdrafts, short-term borrowings, and short-term leases.
Long-term debt	Long-term debt includes long-term borrowings, and long-term leases.
Enterprise value (EV)	Enterprise value is calculated as market cap plus net debt.
Invested capital	Invested capital is the sum of total debt and total equity.
Standarized consensus rating	Max-min standardization of the bloomberg consensus rating.

Source: Bloomberg, Bernstein analysis

EXHIBIT 5: **Oil services companies in the report (reported data)**

No.	Ticker	Name	Classification	Market Cap (US$bn)
1	**SLB US Equity**	**Schlumberger**	**International**	**67.5**
2	**ADNOCDRI UH Equity**	**ADNOC Drilling**	**International**	**22.6**
3	**TEN IM Equity**	**Tenaris SA**	**International**	**20.9**
4	**FTI US Equity**	**TechnipFMC**	**International**	**20.3**
5	**TE FP Equity**	**Technip Energies**	**International**	**7.0**
6	002353 CH Equity	Yantai Jereh Oilfield Services	International	10.9
7	2883 HK Equity	China Oilfield Services Ltd	International	7.8
8	**GTT FP Equity**	**Gaztransport Et Technigaz SA**	**International**	**7.3**
9	**SUBC NO Equity**	**Subsea 7**	**International**	**6.3**
10	**SPM IM Equity**	**Saipem**	**International**	**6.0**
11	600968 CH Equity	CNOOC Energy Technology & Serv	International	5.7
12	NE US Equity	Noble Corp PLC	International	4.8
13	WOR AU Equity	Worley Ltd	International	4.4
14	600871 CH Equity	Sinopec Oilfield Service Corp	International	5.0
15	**SBMO NA Equity**	**SBM Offshore**	**International**	**5.2**
16	**VK FP Equity**	**Vallourec**	**International**	**4.7**
17	002423 CH Equity	COFCO Capital Holdings Co Ltd	International	4.0
18	VAL US Equity	Valaris Ltd	International	3.7
19	600583 CH Equity	Offshore Oil Engineering Co Lt	International	3.7
20	RIG US Equity	Transocean Ltd	International	4.7
21	TDW US Equity	Tidewater Inc	International	2.8
22	600339 CH Equity	China Petroleum Engineering Co	International	2.8
23	DLG MK Equity	Dialog Group Bhd	International	2.4
24	OII US Equity	Oceaneering International Inc	International	2.7
25	YNS MK Equity	Yinson Holdings BHD	International	1.7
26	GISS QD Equity	Gulf International Services QS	International	1.4
27	AKSO NO Equity	Aker Solutions ASA	International	1.6
28	TGS NO Equity	TGS ASA	International	1.8
29	XPRO US Equity	Expro Group Holdings NV	International	1.7
30	603619 CH Equity	ZhongMan Petroleum and Natural	International	1.6
31	688377 CH Equity	Nanjing Develop Advanced Manuf	International	1.1
32	**VIRI FP Equity**	**Viridien**	**International**	**1.0**
33	VTDRF US Equity	Vantage Drilling International	International	0.1
34	BKR US Equity	Baker Hughes Co	US	49.3
35	HAL US Equity	Halliburton Co	US	27.5
36	NOV US Equity	NOV Inc	US	6.4
37	WFRD US Equity	Weatherford International PLC	US	6.4
38	AROC US Equity	Archrock Inc	US	4.5
39	WHD US Equity	Cactus Inc	US	4.1
40	USAC US Equity	USA Compression Partners LP	US	3.1
41	SES CN Equity	Secure Waste Infrastructure Co	US	2.6
42	PTEN US Equity	Patterson-UTI Energy Inc	US	2.6
43	HP US Equity	Helmerich & Payne Inc	US	3.0
44	LBRT US Equity	Liberty Energy Inc	US	3.2
45	RES US Equity	RPC Inc	US	1.3
46	002108 CH Equity	Cangzhou Mingzhu Plastic Co Lt	US	1.2
47	NBR US Equity	Nabors Industries Ltd	US	0.9
48	PUMP US Equity	ProPetro Holding Corp	US	1.0

Source: Bloomberg, Bernstein analysis & estimates

STATE OF THE BUSINESS 2H25 (1): THE OIL SERVICES INDUSTRY IS IN A SUPER STRONG FINANCIAL SITUATION

The oil services industry ended 2H25 in a position of strength. Years of restructuring and disciplined capital allocation have translated into stronger balance sheets and healthier cash generation, leaving the sector in a better position than in past cycles.

Exhibit 6 shows that the industry as a whole has a CFO-to-revenue ratio of 15% (vs an average historical 2000-25 ratio of 13%), a net-debt-to-assets ratio of 14% (vs 15%), an ROIC of 9% (vs 7%), and a yield of 6% (vs 3%). The industry's EV/revenue ratio of 1.4x at the end of 2025 (vs an average 1.62x over the past 20 years) is far from irrationally exuberant. In other words, and despite a very supportive macro backdrop over the past three years, investors have been much slower to return to the sector than we expected two years ago.

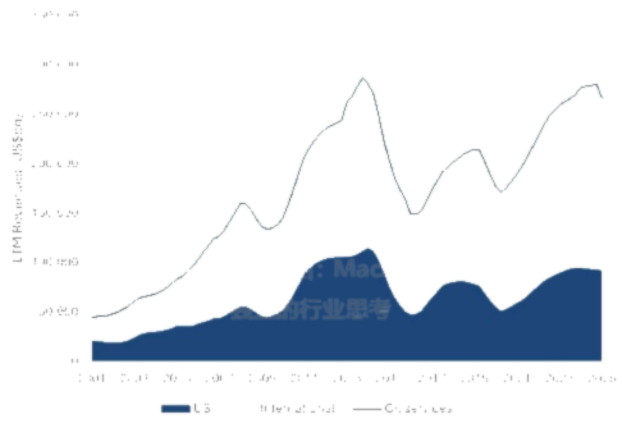
Somewhat surprisingly, the metrics of US and international oil services companies are now converging (revenue growth, EBITDA margin, CFO to revenue, ROIC). However, while the financial strength of the US oil services companies has deteriorated over the past 12 months, with a net debt-to-asset ratio reaching 20% vs 17%, the financial strength of the international oil services companies has continued to improve, reaching 11% vs 17%.

EXHIBIT 6: **The oil services industry has never been as financially strong as it was at the end of 2025. We expect continued strength in the coming quarters/years.**

	Oil Services		US		International	
	Last 12 months	Historical*	Last 12 months	Historical*	Last 12 months	Historical
Revenue 5Y CAGR	**7%**	7%	**9%**	7%	**8%**	7%
EBITDA margin	**15%**	16%	**17%**	17%	**14%**	15%
CFO / Revenue	**15%**	13%	**14%**	14%	**16%**	14%
Capex / Revenue	**6%**	7%	**7%**	9%	**5%**	7%
CFO / Debt	**45%**	37%	**41%**	40%	**51%**	38%
Net debt / Assets	**14%**	15%	**20%**	17%	**11%**	17%
Return on invested capital (ROIC)	**9%**	7%	**10%**	7%	**10%**	9%
Return on assets (ROA)	**4%**	4%	**5%**	4%	**4%**	4%
Return on equity (ROE)	**10%**	8%	**11%**	7%	**10%**	9%
Dividend yield	**3%**	2%	**3%**	1%	**3%**	2%
Buyback yield	**3%**	1%	**2%**	1%	**4%**	1%
Total yield	**6%**	3%	**5%**	3%	**7%**	3%
Price to book	**1.9x**	1.7x	**2.1x**	1.6x	**1.9x**	1.7x
Enterprise value / Revenue	**1.4x**	1.6x	**1.4x**	1.6x	**1.4x**	1.7x
Sensitivity* to oil	**0.42**	0.42	**0.69**	0.64	**0.31**	0.32

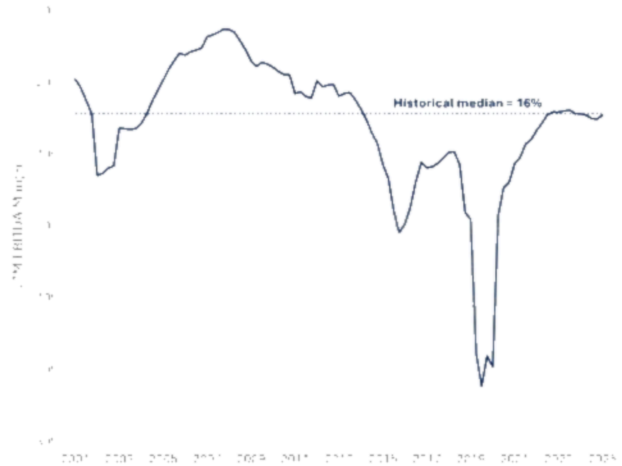
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 7: **2H25 industry revenue was c.$267bn (US: $92bn; International: $175bn). This is slightly down versus 1H25 ($278bn).**



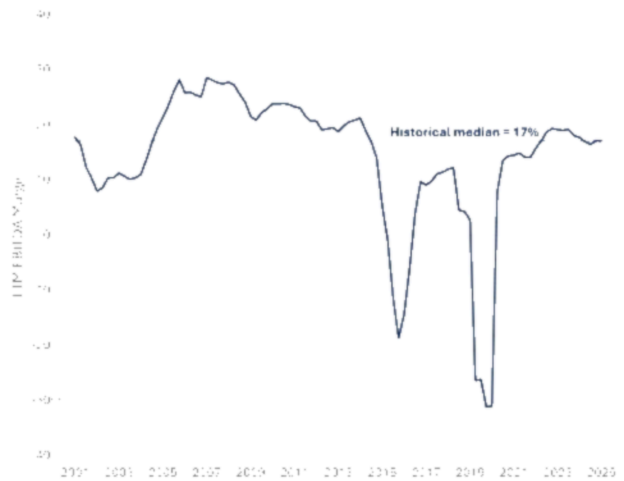
Source: Bloomberg, Bernstein analysis

EXHIBIT 8: **The 2H25 industry EBITDA margin stood at c.15%, similar to 1H25. This is below the historical median margin of c.16%.**



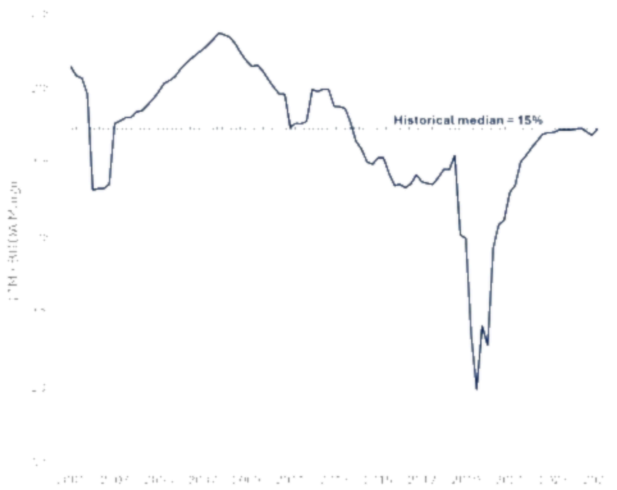
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 9: **The US EBITDA margin stood at c.17% in 2H25, slightly above 1H25 (16%), mainly due to seasonality. This is in line with the historical median margin of c.17%.**



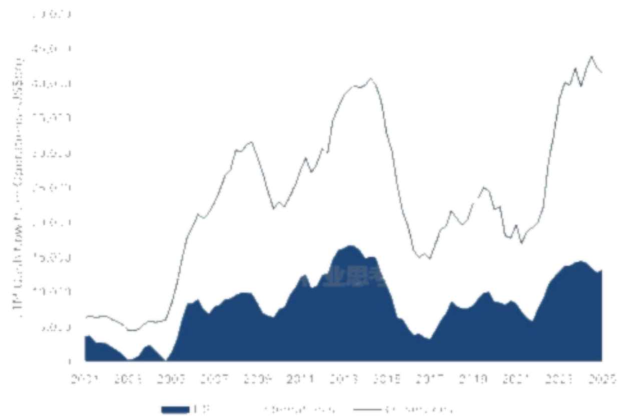
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 10: **The 2H25 International EBITDA margin stood at c.15%, higher than 1H25 (14%) which reflects a mix of seasonality and increasing pricing power. This is below the historical median margin of c.17%.**



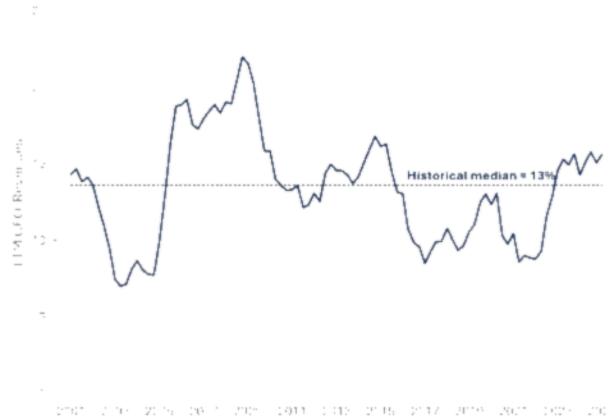
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 11: **The 2H25 industry's CFO was c.$42bn (US: $14bn; International $28bn), marginally below 1H25 ($43bn).This is above the previous peak of $40bn (1Q15).**



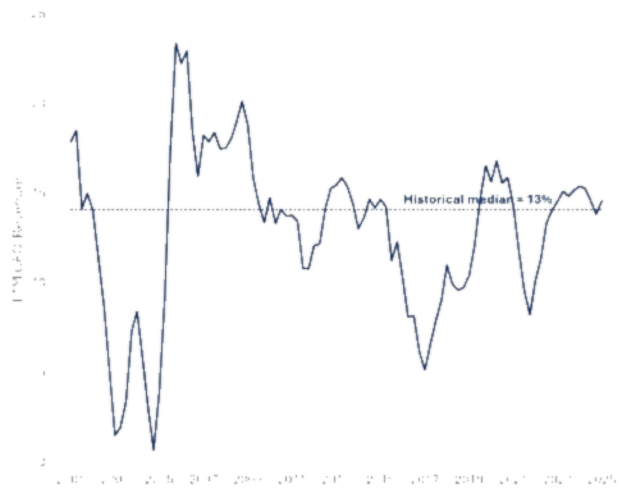
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 12: **The 2H25 industry CFO-to-revenue ratio stood at c.16%, unchanged versus 1H25. This is above its historical median of c.14%.**



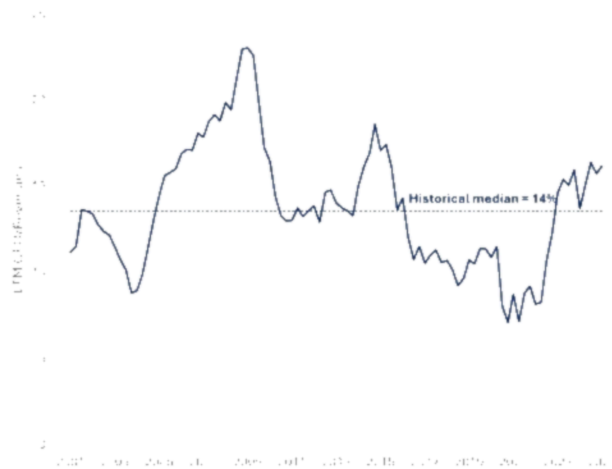
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 13: **The 2H25 US CFO-to-revenue ratio stands at c.15%, a level similar to 1H25. This is above the historical median of c.14%.**



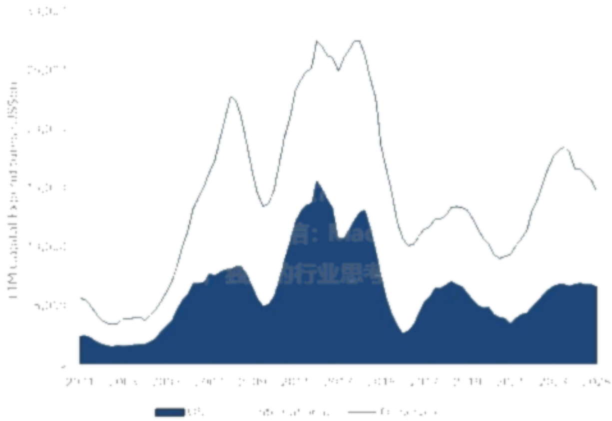
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 14: **The 2H25 International CFO-to-revenue ratio stood at c.16%, in line with 1H25. This is above the historical median of c.14%.**



Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 15: **The 2H25 industry capex declined to c.$14bn (US: c.$6.0bn; International: c.$8.0bn), in line with its long-term average of c.$14.0bn. This reflects continued discipline across the industry.**

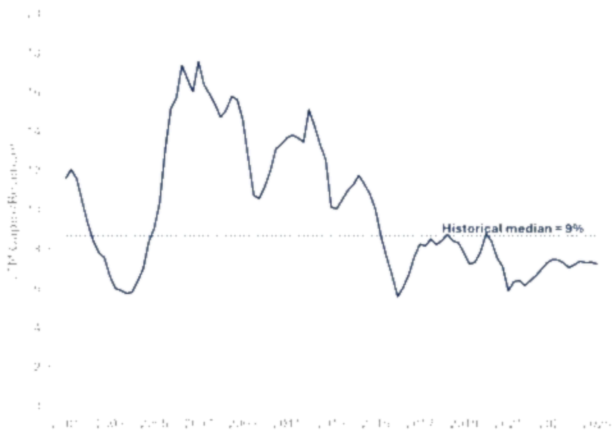


Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 16: **The industry's capex-to-revenue ratio stood at c.6% in 2H25, below its historical median of c.7.3%. Until now we were not expecting any re-acceleration in investment before 2032-33. Will the war now force oil services companies to increase capex sooner than previously expected?**

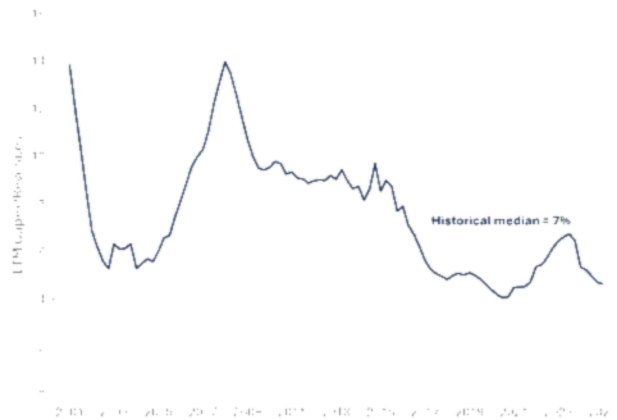
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 17: **The 2H25 US capex-to-revenue ratio stood at c.7%, in line with 1H25. This is below the historical median of c.9%.**



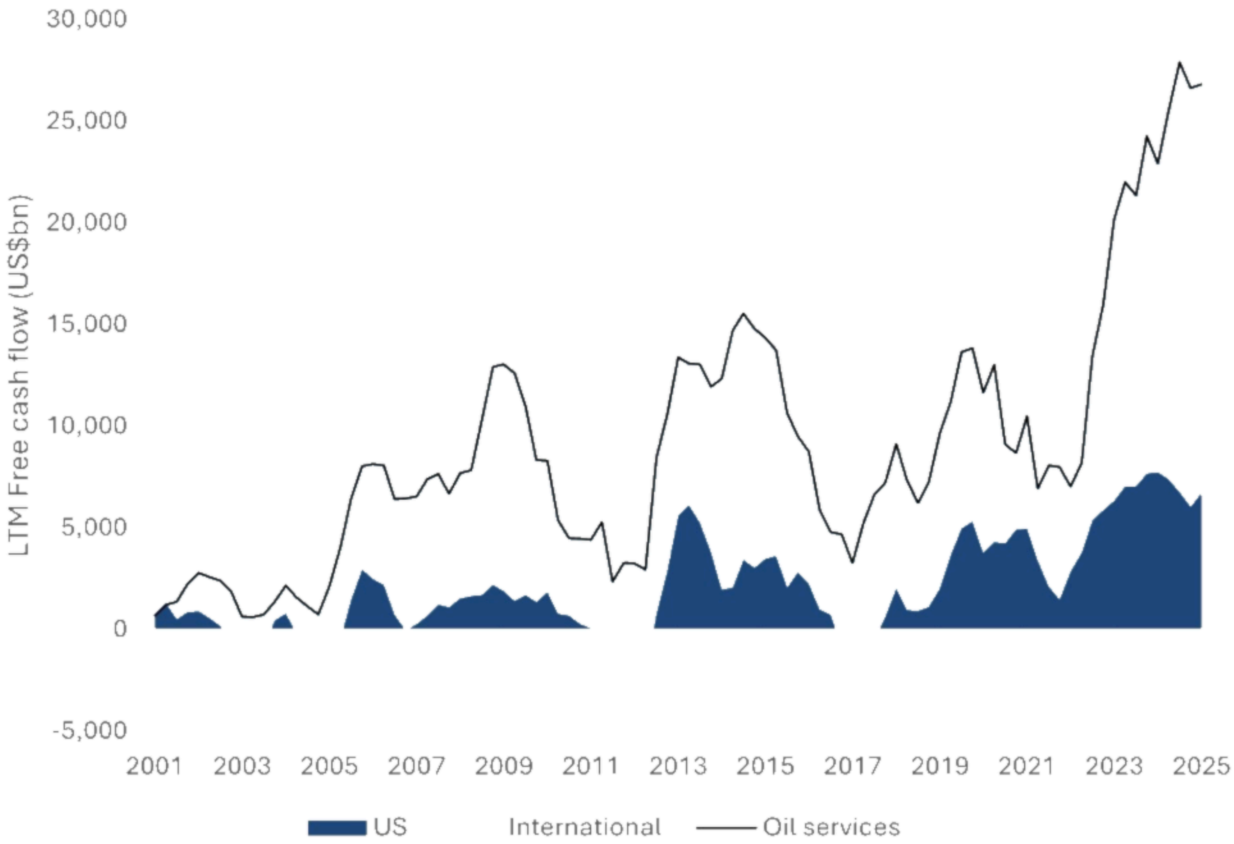
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 18: **The 2H25 international capex-to-revenue ratio stood at c.5%, in line with 1H25. This is below the historical median of c.7%.**



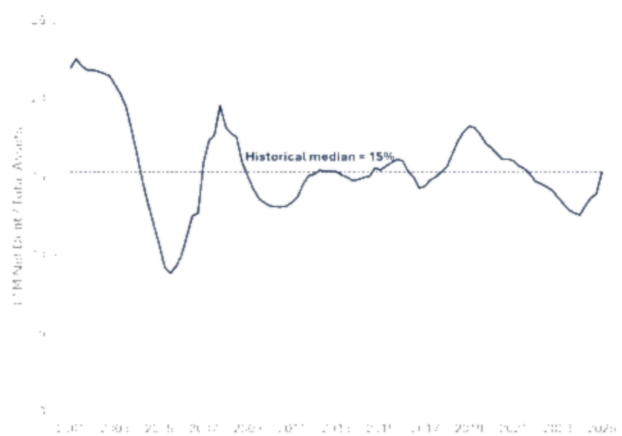
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 19: **2H25 industry FCF was c.$27bn (US: $6.7bn; International: $20.1bn). This is above the previous 2015 peak ($15.5bn).**



Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 20: **The industry net debt-to-asset ratio stood at c.15% in 2H25, showing a mild deterioration versus 1H25. This is in line with the historical median of c.15%. The sector's financial health is at its strongest level in 20 years.**

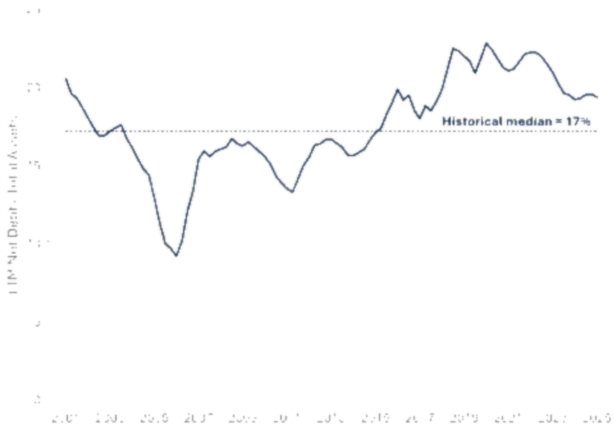


Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 21: **The 2H25 industry CFO-to-debt ratio stood at c.44%, a slight deterioration versus 1H25 (47%). This is nonetheless well above the historical median of c.38%.**

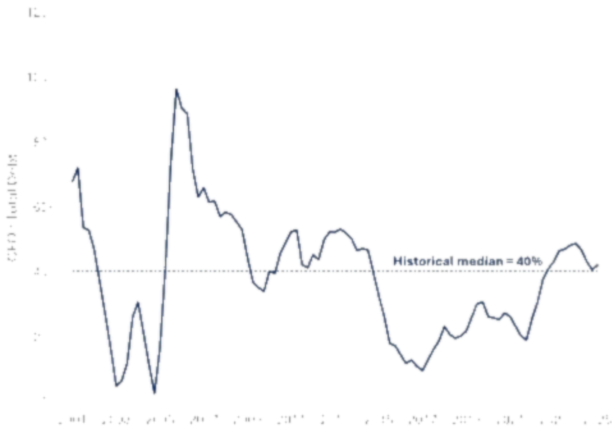
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 22: **The 2H25 US net debt-to-assets ratio stood at c.19%, a marginal deleveraging versus 1H25 (20%). While this is above the historical median of c.17%, US oil services are nonetheless deleveraging.**



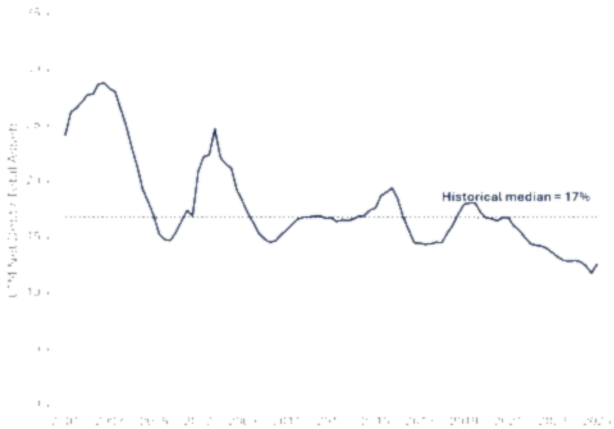
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 23: **The 2H25 US CFO-to-debt ratio stood at c.42%, a marginal releveraging versus 1H25 (44%). This is above its historical median of c.40%.**



Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 24: **The 2H25 international net debt-to-asset ratio stood at c.12%, a level similar to 1H25. This is below the historical median of c.17%.**

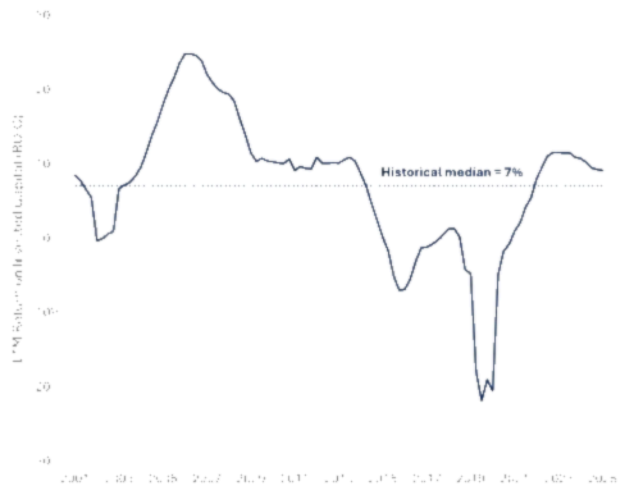


Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 25: **The 2H25 international CFO-to-debt ratio stood at c.49%. This is above its historical median of c.38%.**

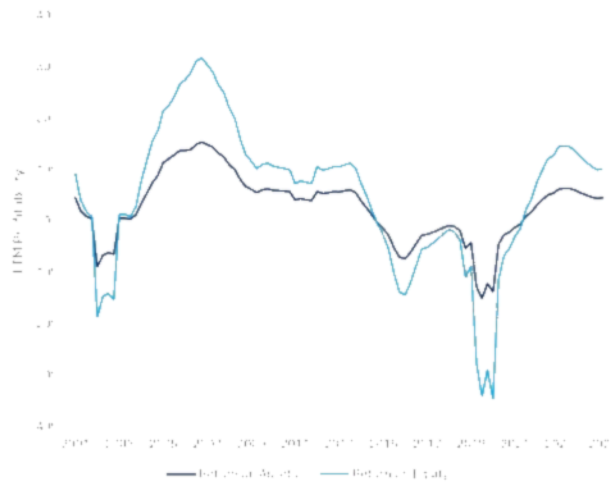
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 26: **The 2H25 industry ROIC stood at c.9% in 2H25, marking a marginal deterioration vs 1H25 (10%). This is above the historical median of c.7%.**



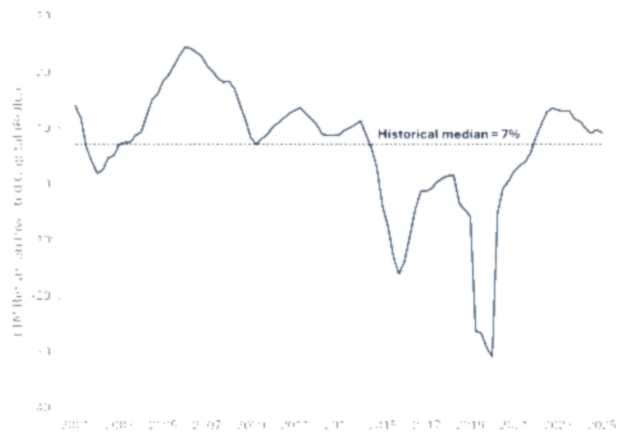
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 27: **The 2H25 industry ROE reached c.10%, a marginal deterioration versus 1H25 (11%). ROA remains stable at 5%.**



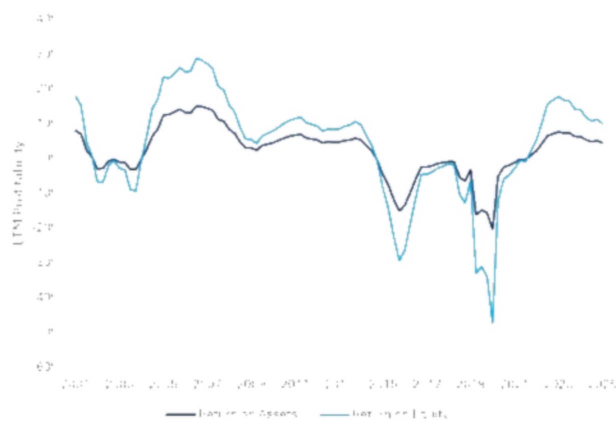
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 28: **US ROIC stood at c.9% in 2H25, a similar level to 1H25. This is above the historical median of c.7%.**



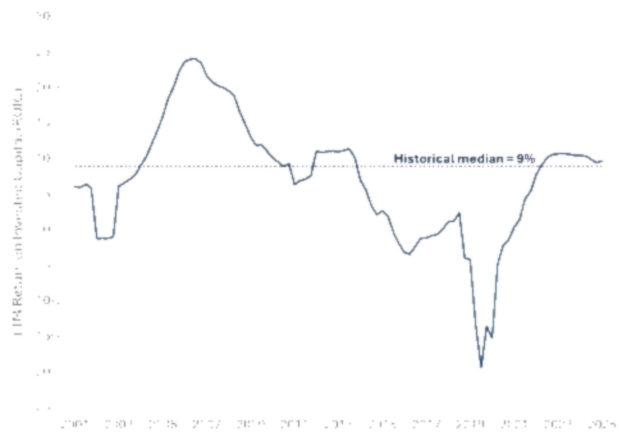
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 29: **The 2H25 US ROE stood at c.11% (ROA: 4%).**



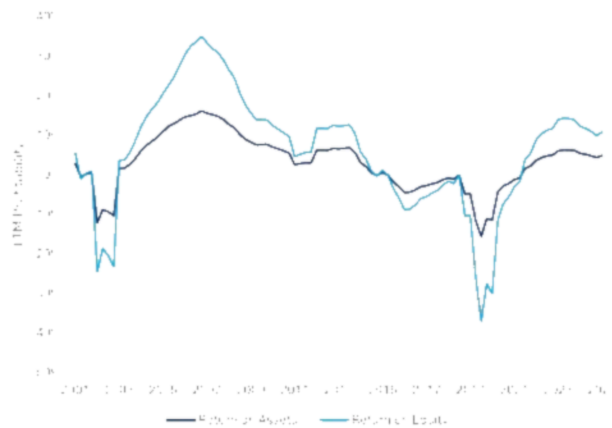
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 30: **The 2H25 international ROIC stood at c.10%. This is above the historical median of c.9%.**



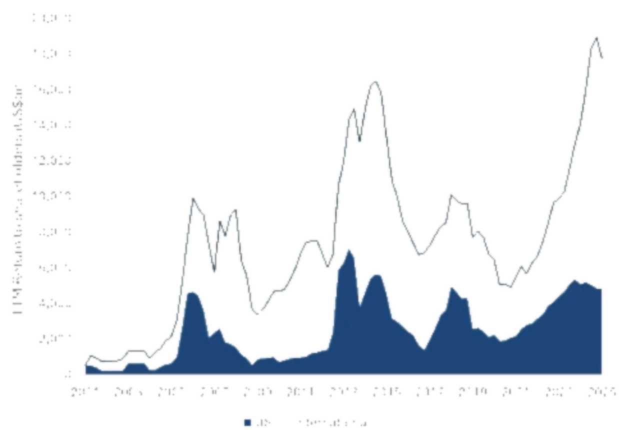
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 31: **The 2H25 international ROE reached 11% (ROA: 5%).**



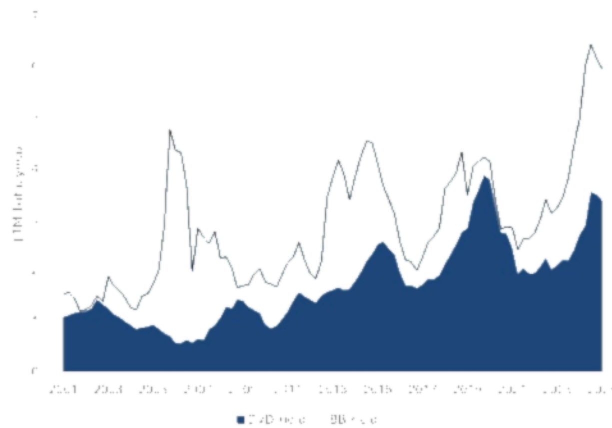
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 32: **Shareholder returns: c.$17bn (vs $19bn in 1H25) has been returned to shareholders over the past 12 months. This is ABOVE the previous peak of 2015 ($16bn).**



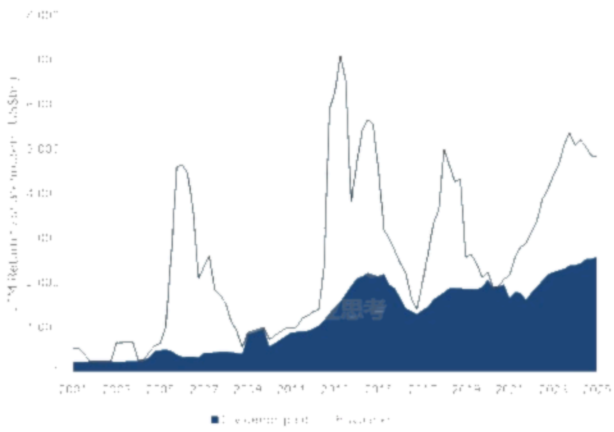
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 33: **This level of returns leads to a c.6% yield (dividend: 3%; buybacks: 3%).**



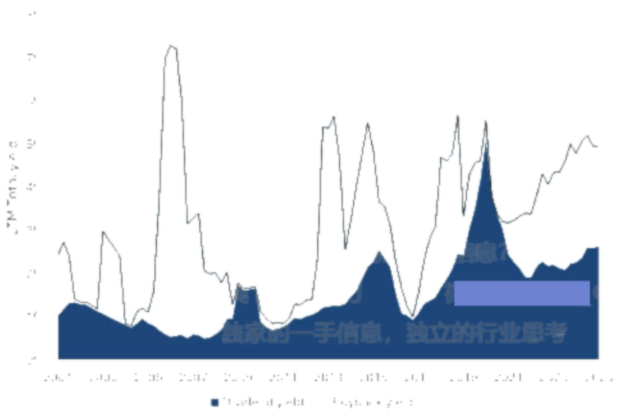
Bloomberg, Bernstein analysis

EXHIBIT 34: **US shareholder returns: c.$5bn has been returned to shareholders. This is BELOW the previous peak of 2014 ($7bn).**



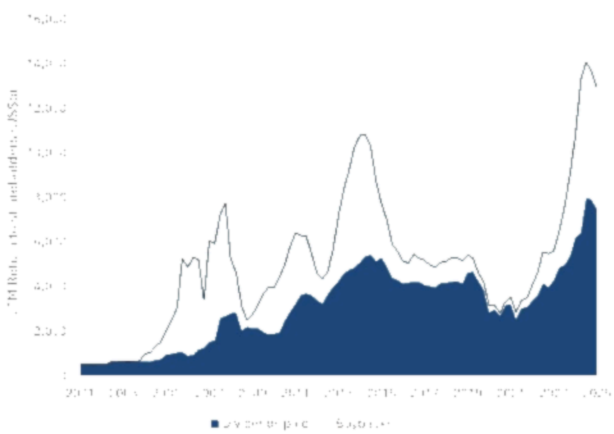
Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 35: **US shareholder yield reached c.5% in 2H25 – dividend (c.2%) and buybacks (c.3%).**



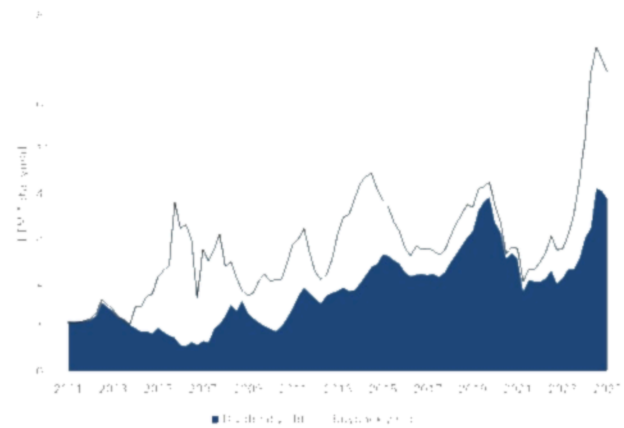
Source: Bloomberg, Bernstein anaylsis & estimates

EXHIBIT 36: **International shareholder returns: c.$13bn has been returned over the last twelve months. This is ABOVE the previous peak of 2015 ($10bn).**



Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 37: **International shareholder yield was c.7% in 2H25 - dividend (c.4%) and buybacks (c.3%).**



Source: Bloomberg, Bernstein analysis & estimates

STATE OF THE BUSINESS 2H25 (2): THE GAP BETWEEN INTERNATIONAL AND US OIL SERVICES COMPANIES CONTINUES TO WIDEN

The 2H25 results highlighted a widening gap between US and international oil services companies. The revenues of US oil service companies contracted by c.-2.8% in 1H25 and margins narrowed by c.255bp, driving a c.15.7% decline in EBITDA, compared to 1H24. In contrast, international oil services companies delivered revenue growth of c.3.8% and recorded less acute margin compression of c.150bp, with EBITDA falling c.6.3% compared to 1H24. Together, these results confirm the resilience of internationally exposed firms relative to those with US exposure, amid a softness in the global oil market.

EXHIBIT 38: **2H25 results**

2H25 Results	Oil services	US	International
Revenues	**63,223**	**22,219**	**41,004**
COGS	(50,893)	(17,340)	(33,552)
Gross Profit	**12,330**	**4,879**	**7,451**
Gross profit margin	*19.5%*	*22.0%*	*18.2%*
OPEX	(1,318)	(1,001)	(317)
EBITDA	**11,012**	**3,878**	**7,134**
EBITDA margin	*17.4%*	*17.5%*	*17.4%*
D&A	(4,171)	(1,831)	(2,339)
EBIT	**6,842**	**2,047**	**4,794**
EBIT margin	*10.8%*	*9.2%*	*11.7%*
Non-Operating	1,115	453	662
Non-recurring items	1,423	765	658
Pretax Income Adjusted	**7,149**	**2,359**	**4,790**
Tax	(1,252)	(721)	(531)
Net Income before minority	5,897	1,638	4,259
Minority Interest	84	26	58
Net Income	**5,980**	**1,663**	**4,317**
Net income margin	*9.5%*	*7.5%*	*10.5%*

Source: Bernstein analysis & estimates

EXHIBIT 39: **Total industry revenues decreased c.8.6% yoy to $133bn. Higher opex compressed margins by c.86bp to c.15.5%.**

Oil services	2H24	2H25	(YoY) Change
Revenues	**145,597**	**133,062**	**(8.6%)**
COGS	(118,822)	(107,262)	
Gross Profit	**26,775**	**25,800**	**(3.6%)**
Gross profit margin	*18.4%*	*19.4%*	100 bp
OPEX	(5,454)	(5,167)	
EBITDA	**21,321**	**20,633**	**(3.2%)**
EBITDA margin	*14.6%*	*15.5%*	86 bp
D&A	(7,391)	(7,468)	
EBIT	**13,930**	**13,165**	**(5.5%)**
EBIT margin	*9.6%*	*9.9%*	33 bp
Non-Operating	1,355	2,247	
Non-recurring items	1,643	3,762	
Pretax Income Adjusted	**14,218**	**14,680**	**3.2%**
Tax	(4,394)	(5,790)	
Net Income before minority	9,824	8,889	
Minority Interest	197	276	
Net Income	**10,022**	**9,165**	**(8.5%)**
Net income margin	*6.9%*	*6.9%*	0 bp

Source: Bernstein analysis & estimates

EXHIBIT 40: **US companies' revenue decreased c.3.3% yoy to c.$45.7bn. EBITDA margins expanded 130bps to c.17.4% compared with c.16.1% in 2H24.**

US	2H24	2H25	(YoY) Change
Revenues	**47,313**	**45,730**	**(3.3%)**
COGS	(37,444)	(36,017)	
Gross Profit	**9,869**	**9,713**	**(1.6%)**
Gross profit margin	*20.9%*	*21.2%*	38 bp
OPEX	(2,263)	(1,769)	
EBITDA	**7,606**	**7,944**	**4.4%**
EBITDA margin	*16.1%*	*17.4%*	130 bp
D&A	(3,486)	(3,557)	
EBIT	**4,120**	**4,387**	**6.5%**
EBIT margin	*8.7%*	*9.6%*	89 bp
Non-Operating	561	944	
Non-recurring items	910	962	
Pretax Income Adjusted	**4,468**	**4,406**	**(1.4%)**
Tax	(1,560)	(1,684)	
Net Income before minority	2,908	2,721	
Minority Interest	116	82	
Net Income	**3,025**	**2,803**	**(7.3%)**
Net income margin	*6.4%*	*6.1%*	(26 bp)

Source: Bernstein analysis & estimates

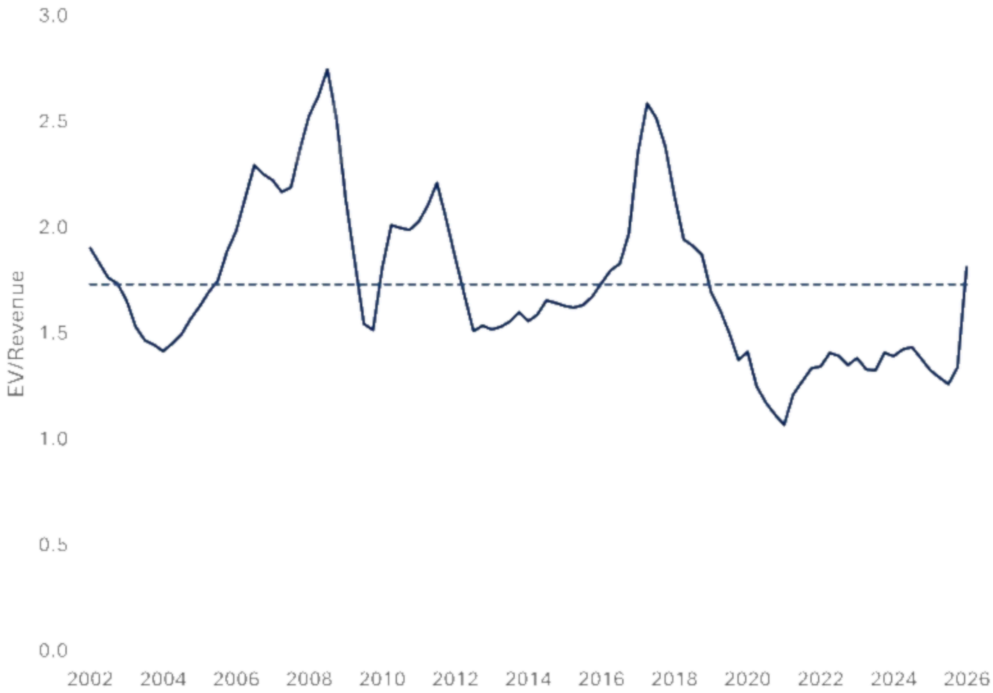
EXHIBIT 41: **International companies' revenue decreased c.11.1% yoy to c.$87bn, while EBITDA decreased c.7.5% yoy, resulting in 58bps of margin improvement (c.14.5% vs c.14% in 1H24)**

International	2H24	2H25	(YoY) Change
Revenues	**98,284**	**87,332**	**(11.1%)**
COGS	(81,377)	(71,245)	
Gross Profit	**16,906**	**16,087**	**(4.8%)**
Gross profit margin	*17.2%*	*18.4%*	122 bp
OPEX	(3,191)	(3,398)	
EBITDA	**13,715**	**12,689**	**(7.5%)**
EBITDA margin	*14.0%*	*14.5%*	58 bp
D&A	(3,905)	(3,911)	
EBIT	**9,811**	**8,778**	**(10.5%)**
EBIT margin	*10.0%*	*10.1%*	7 bp
Non-Operating	794	1,303	
Non-recurring items	734	2,800	
Pretax Income Adjusted	**9,750**	**10,274**	**5.4%**
Tax	(2,834)	(4,106)	
Net Income before minority	6,916	6,168	
Minority Interest	81	193	
Net Income	**6,997**	**6,362**	**(9.1%)**
Net income margin	*7.1%*	*7.3%*	17 bp

Source: Bernstein analysis & estimates

STATE OF THE BUSINESS 2H25 (3): VALUATION DOES NOT SHOW 'IRRATIONAL EXUBERANCE'

We present below our preferred valuation approach, which is EV/revenue as, despite its shortcomings for a cyclical industry, it appears as more reliable. Exhibit 41 shows that the industry EV/revenue of 1.89x has recently rebounded above its historical average of 1.67x. While this possibly suggests a potential rise in ST volatility, we are not concerned for the MT due to an anticipated acceleration in orders/revenue and EBITDA.

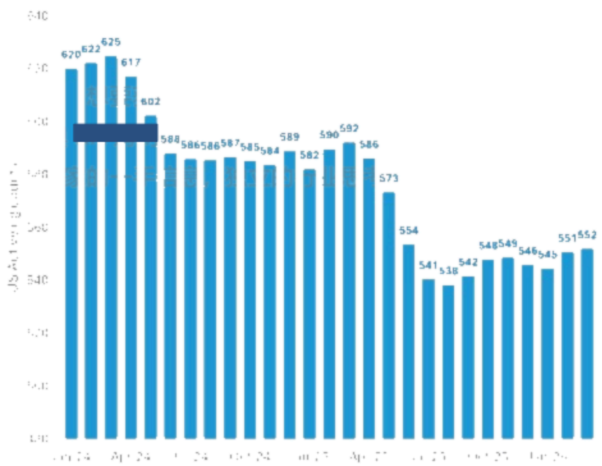


Source: Bernstein analysis & estimates

SIGNALS FROM THE GROUND: OIL PRODUCTION, RIG COUNT, DUCS

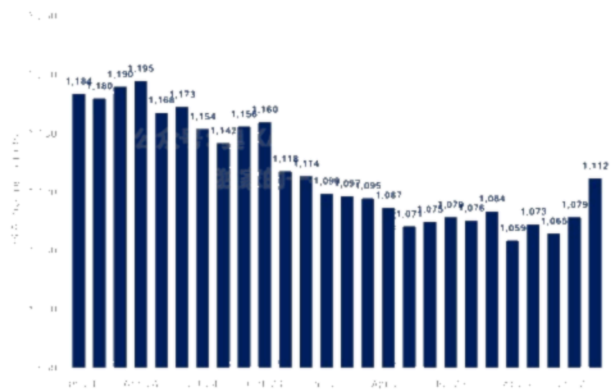
In the US, the recent 1Q26 Dallas FED survey data points towards a recovery in the US activity, with indexes for business activity, utilization, and margins all improving. We also noticed an increase in expectations for E&P and oil service companies' capex and outlook, pointing to an improvement in activity into 2Q26. At the same time, international activity has proven steadier, and even started to accelerate. As of February 2026, rig counts stood at 1,112, compared with 1,065 at the end of 2025.

EXHIBIT 43: **US active rig count**



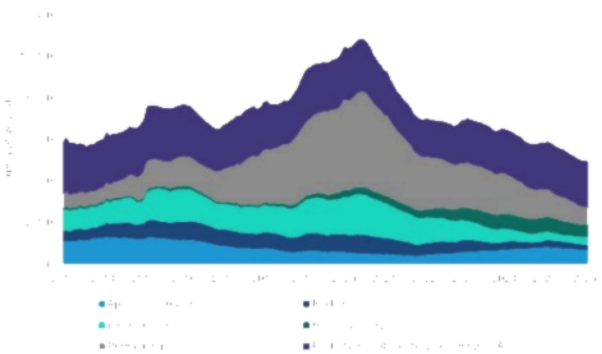
Source: Baker Hughes, Bernstein analysis

EXHIBIT 44: **International rig count**



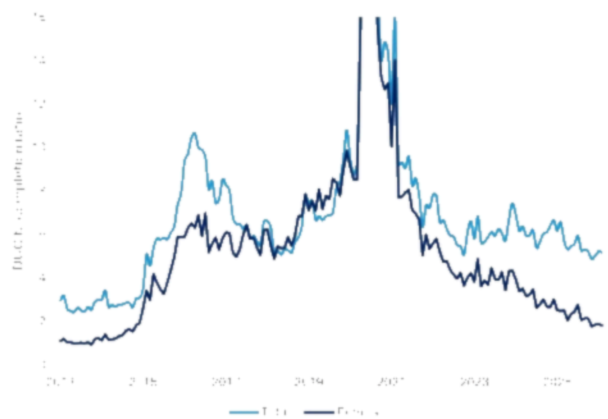
Source: Baker Hughes, Bernstein analysis

EXHIBIT 45: **DUCs (c.5,000) have not been at such a low level in the past 13 years. DUCs are decreasing because fewer wells are being drilled, while more are being completed. This may be an early indicator of an impending recovery in North America.**



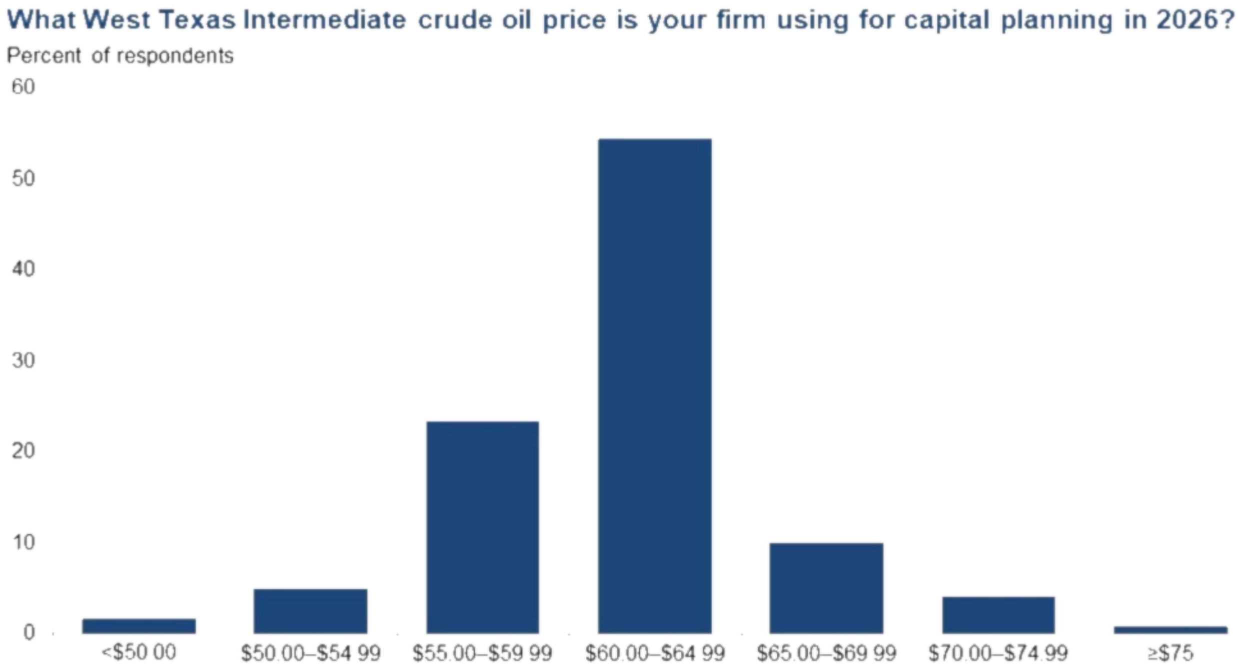
Source: EIA, Bernstein analysis

EXHIBIT 46: **The DUC-to-completion ratio. This is the ratio of the number of DUCs (c.5,000) to the number of wells completed in one month (c.1,000). Hence, a ratio of c.5.0x. Most interesting is the ratio of the highly profitable/low breakeven price of Permian, which now stands below 2, a level not seen in ten years**



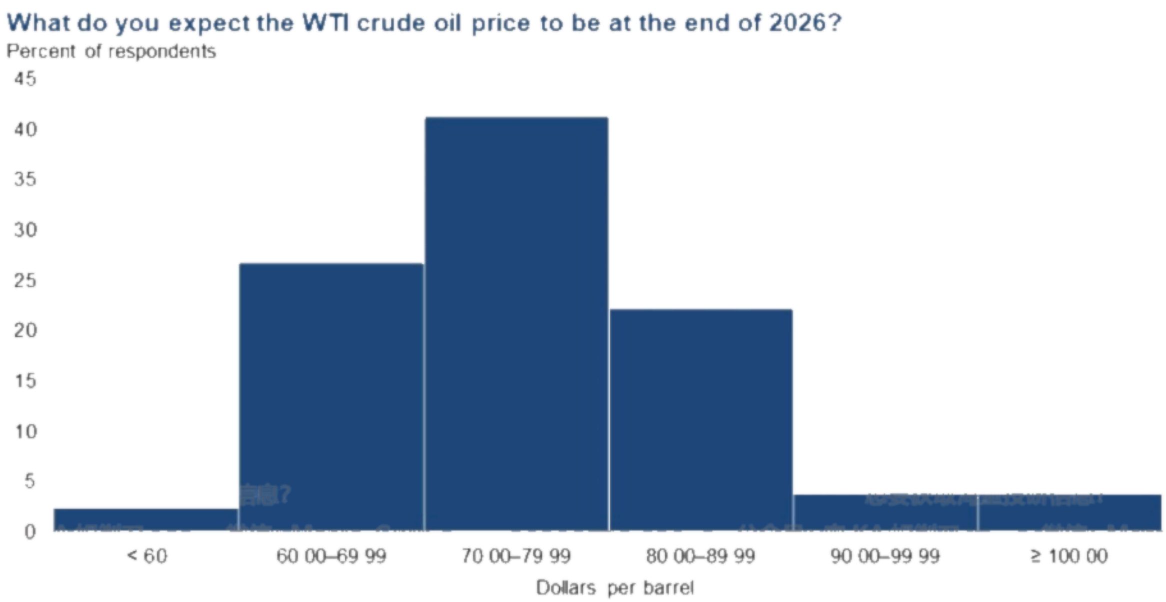
Source: EIA, Bernstein analysis & estimates

EXHIBIT 47: **The majority of E&P companies are factoring a $60-64.99 WTI for capital planning. Oil price is now at c.$100. Having already bottomed out in July 2025, is the US rig count about to accelerate? Is it about to be increasingly followed by investors and to become a key driver of short-term performance?**



Source: FED

EXHIBIT 48: **Companies now expect WTI to be around $70-80 per barrel by the end of 2026**



Source: FED

SIGNALS FROM THE DALLAS FED SURVEY

For forward-looking signals on US oil activity, we use the Dallas Fed Energy Survey. This survey is conducted quarterly and gathers responses from 200 E&P and oil & gas service companies operating in the Eleventh Federal Reserve District (Texas, Northern Louisiana, Southern New Mexico).

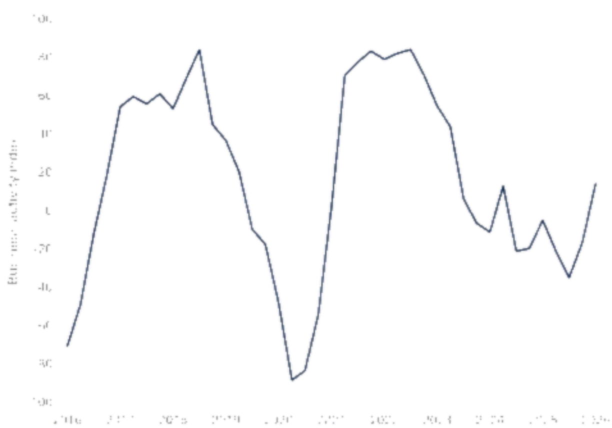
For the survey, companies are asked how they see a range of metrics, such as business activity, input costs, and capex intentions, compared with the previous quarter and the previous year. The responses are then summarized into diffusion indexes, which are calculated as the percentage of firms reporting an increase minus the percentage reporting a decrease. A positive index indicates expansion relative to the prior period, whereas a negative index signals contractions.

EXHIBIT 49: **The 1Q26 Energy Dallas FED survey is reporting a marked improvement versus both 4Q25 and the past 8 quarters.**

Indicator	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26
Level of business activity	-11	13	-21	-20	-5	-21	-35	-16	14
Utilization of equipment	-11	9	-20	-24	-5	-19	-23	-28	12
Input costs	71	67	50	51	55	42	48	45	50
Prices received for services	13	11	7	-12	7	-14	-29	-30	0
Operating margin	-36	-16	-31	-23	-21	-38	-45	-34	-14
E&P Capital Expenditures	2	1	7	8	16	6	-11	-10	12
E&P Next year Capital Expenditures	26	10	18	19	16	1	-16	-17	29
E&P Outlook	14	15	-9	8	1	-6	-27	-26	28
OFS Capital Expenditures	19	27	7	0	13	-16	-12	-11	21
OFS Outlook	2	11	-20	0	-3	-13	-33	-34	24

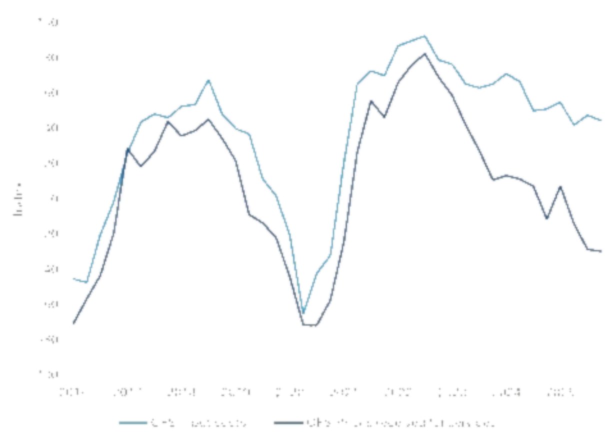
Source: FED, Bernstein analysis

EXHIBIT 50: **The OFS business activity index proved to be a good leading indicator in 2016 (ahead of the short-lived US 2017 recovery) and in 2020-21 (ahead of the 2021-22 US recovery)**



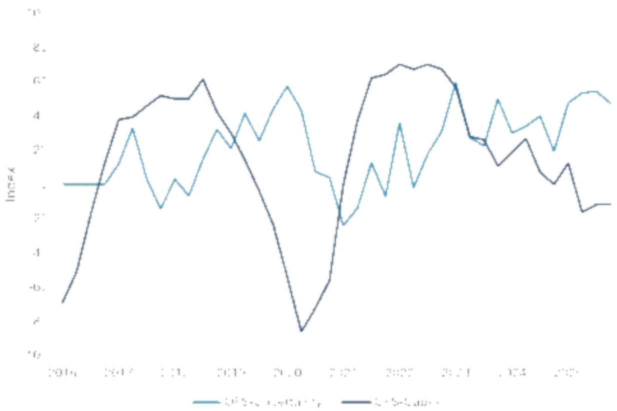
Source: FED, Bernstein analysis

EXHIBIT 51: **The input cost index increased from 42 in 2Q25 to 48 in 3Q25. At the same time, the prices received for services index reporting decreased from -14 to -29, signalling further operating margin deterioration.**



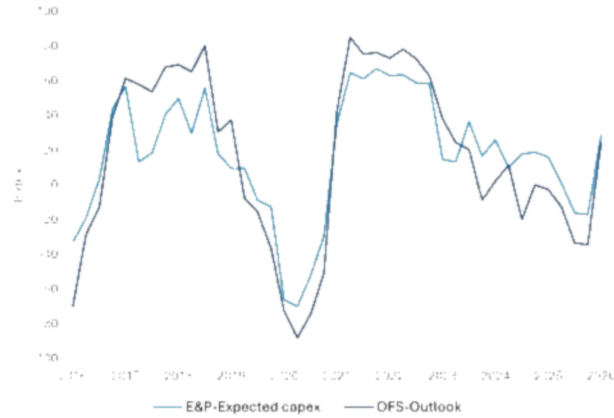
Source: FED, Bernstein analysis

EXHIBIT 52: **The higher OFS-uncertainty index pointed to a sequential increase in uncertainty, impacting capex intentions.**



Source: FED, Bernstein analysis

EXHIBIT 53: **The OFS activity index also proved to be a good leading indicator in 2016 (ahead of the short-lived US 2017 recovery) and in 2020-21 (ahead of the 2021-22 US recovery)**



Source: FED, Bernstein analysis

APPENDIX - FINANCIAL FORECASTS

EXHIBIT 54: Oil services income statement

Period of analysis	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Revenues	**64,366**	**60,595**	**64,494**	**64,331**	**70,187**	**63,787**	**67,766**	**68,213**	**77,384**	**64,878**	**68,553**	**69,839**	**63,223**
COGS	51,975	48,687	51,585	51,912	57,126	51,436	53,984	54,785	64,037	52,379	55,252	56,370	50,893
Gross Profit	**12,391**	**11,908**	**12,909**	**12,419**	**13,061**	**12,351**	**13,782**	**13,428**	**13,347**	**12,499**	**13,301**	**13,469**	**12,330**
OPEX	2,527	2,091	2,399	2,160	2,354	1,616	2,408	3,740	1,714	2,130	3,049	3,848	1,318
EBITDA	**9,864**	**9,817**	**10,510**	**10,259**	**10,707**	**10,735**	**11,373**	**9,688**	**11,633**	**10,368**	**10,251**	**9,621**	**11,012**
D&A	-2,876	2,598	-2,668	2,605	3,165	3,115	2,977	3,018	4,372	3,571	3,517	3,298	4,171
EBIT	**6,988**	**7,219**	**7,842**	**7,653**	**7,542**	**7,620**	**8,397**	**6,669**	**7,261**	**6,798**	**6,735**	**6,323**	**6,842**
Non Operating	1,274	532	701	955	913	259	401	851	505	824	581	1,132	1,115
Pretax Income	**5,714**	**6,688**	**7,141**	**6,698**	**6,629**	**7,362**	**7,996**	**5,819**	**6,756**	**5,974**	**6,154**	**5,191**	**5,727**
Non recurring items	435	204	474	249	1,045	72	30	1,939	295	494	1,364	2,339	1,422
Pretax Income Adjusted	**6,149**	**6,483**	**7,615**	**6,947**	**7,674**	**7,434**	**7,966**	**7,757**	**6,461**	**6,468**	**7,518**	**7,531**	**7,149**
Tax	2,138	1,582	2,416	2,052	143	2,055	2,455	3,877	517	2,441	3,387	4,538	1,252
Net income before minority	4,011	4,901	5,200	4,895	7,531	5,379	5,510	3,880	5,944	4,027	4,131	2,993	5,897
Minority Interest	164	100	165	150	202	292	245	217	19	234	216	192	84
Net Income	**4,175**	**5,001**	**5,365**	**5,045**	**7,733**	**5,671**	**5,755**	**4,097**	**5,925**	**4,261**	**4,347**	**3,185**	**5,980**

Source: Bernstein analysis & estimates

EXHIBIT 55: Oil services cash flow statement

Period of analysis	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
EBITDA	**9,864**	**9,817**	**10,510**	**10,259**	**10,707**	**10,735**	**11,373**	**9,688**	**11,633**	**10,368**	**10,251**	**9,621**	**11,012**
Other Non Cash adjustments	2,740	1,817	526	93	4,706	2,923	472	4,086	1,763	1,203	2,688	2,958	375
Income tax paid	-391	-854	-1,246	-703	-1,281	-939	-1,362	-1,769	-1,264	-1,357	-1,526	-1,146	-1,315
Change in Wk	-52	-5,403	-617	-44	3,113	-2,743	-765	-396	2,459	-1,144	-735	-994	3,479
Cash flow from operations	**12,161**	**1,742**	**9,174**	**9,606**	**17,321**	**4,131**	**8,774**	**12,108**	**14,591**	**6,664**	**10,678**	**10,439**	**13,852**
Capex	**5,091**	**3,314**	**3,883**	**4,381**	**6,107**	**3,854**	**4,134**	**3,968**	**4,709**	**3,824**	**3,632**	**3,573**	**3,784**
Free cash flow	**7,070**	**-1,571**	**5,290**	**5,224**	**11,214**	**277**	**4,640**	**8,140**	**9,882**	**2,840**	**7,047**	**6,866**	**10,068**
Capex	5,091	3,314	3,883	4,381	6,107	3,854	4,134	3,968	4,709	3,824	3,632	3,573	3,784
Other investing activities	79	2,206	1,809	1,832	444	194	1,590	3,398	656	2,919	299	321	1,257
Cash flow from investing	**-5,170**	**-5,520**	**-5,692**	**-6,213**	**-6,550**	**-3,660**	**-5,725**	**-7,366**	**-4,053**	**-6,743**	**-3,333**	**-3,894**	**-5,041**
Net borrowings	-2,788	904	2,035	-569	-1,929	556	35	91	116	2,610	-1,438	-2,195	-1,563
Shares issued	429	518	97	126	147	263	1,010	636	521	60	34	1,337	234
Buybacks	940	741	1,000	726	1,024	1,257	2,385	1,952	1,682	3,647	1,343	1,401	1,324
Dividends paid	1,385	1,077	2,426	1,292	1,745	1,702	2,568	1,751	2,605	1,921	4,243	1,703	2,202
Other financing activities	49	410	1,015	1,540	1,989	1,702	982	1,883	4,589	424	278	1,131	1,610
Cash flow from financing	**-4,733**	**15**	**-2,309**	**-921**	**-6,540**	**-3,842**	**-2,926**	**-1,092**	**-8,237**	**-3,321**	**-7,269**	**-5,094**	**-6,464**
FX impact	347	213	33	42	314	558	48	120	451	16	144	146	40
Net change in cash	**1,911**	**-4,076**	**1,205**	**2,429**	**3,917**	**-3,929**	**75**	**3,531**	**2,752**	**-3,385**	**-68**	**1,305**	**2,387**

Source: Bernstein analysis & estimates

EXHIBIT 56: US oil services income statement

Period of analysis	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Revenues	**21,287**	**21,200**	**21,962**	**22,821**	**23,649**	**23,479**	**24,016**	**23,668**	**23,645**	**22,676**	**23,488**	**23,511**	**22,219**
COGS	16,394	16,399	16,935	17,779	18,517	18,380	18,534	18,610	18,834	17,990	18,717	18,677	17,340
Gross Profit	**4,892**	**4,802**	**5,027**	**5,043**	**5,132**	**5,099**	**5,482**	**5,058**	**4,811**	**4,686**	**4,771**	**4,834**	**4,879**
OPEX	668	737	859	677	635	729	709	1,634	629	1,150	597	768	1,001
EBITDA	**4,224**	**4,064**	**4,168**	**4,366**	**4,497**	**4,371**	**4,773**	**3,424**	**4,181**	**3,536**	**4,174**	**4,066**	**3,878**
D&A	-1,402	-1,379	-1,391	-1,495	-1,634	-1,616	-1,625	-1,759	-1,727	-1,664	-1,772	-1,726	-1,831
EBIT	**2,822**	**2,685**	**2,798**	**2,871**	**2,863**	**2,755**	**3,148**	**1,665**	**2,455**	**1,872**	**2,402**	**2,340**	**2,047**
Non Operating	793	90	390	313	627	46	371	338	223	386	355	490	453
Pretax Income	**2,029**	**2,775**	**2,408**	**2,558**	**2,236**	**2,709**	**2,778**	**1,327**	**2,231**	**1,486**	**2,047**	**1,850**	**1,594**
Non recurring items	379	402	146	68	343	128	95	1,143	233	295	51	196	765
Pretax Income Adjusted	**2,408**	**2,373**	**2,554**	**2,626**	**2,579**	**2,838**	**2,682**	**2,470**	**1,999**	**1,781**	**2,098**	**2,047**	**2,359**
Tax	972	288	785	824	397	951	744	1,728	168	833	762	963	721
Net income before minority	1,436	2,085	1,769	1,803	2,182	1,887	1,938	741	2,167	948	1,336	1,084	1,638
Minority Interest	35	39	40	49	55	61	48	62	55	53	72	56	26
Net Income	**1,472**	**2,124**	**1,809**	**1,851**	**2,236**	**1,947**	**1,986**	**803**	**2,222**	**1,001**	**1,408**	**1,140**	**1,663**

Source: Bernstein analysis & estimates

EXHIBIT 57: **US oil services cash flow statement**

Period of analysis	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
EBITDA	**4,224**	**4,064**	**4,188**	**4,366**	**4,497**	**4,371**	**4,773**	**3,424**	**4,181**	**3,536**	**4,174**	**4,066**	**3,878**
Other Non-Cash adjustments	492	444	200	328	13	862	735	1,579	28	534	708	99	216
Income tax paid	-240	-504	-590	-393	-306	-289	-485	-579	-519	-513	-649	-542	-627
Change in WK	391	1,465	29	349	486	707	92	670	1,178	225	83	384	1,879
Cash flow from operations	**3,883**	**1,652**	**3,428**	**3,296**	**4,661**	**2,513**	**3,462**	**3,755**	**4,868**	**2,263**	**2,733**	**3,040**	**5,346**
Capex	**-1,453**	**-1,540**	**-1,640**	**-1,750**	**-1,772**	**-1,703**	**-1,640**	**-1,594**	**-1,920**	**-1,799**	**-1,537**	**-1,606**	**-1,730**
Free cash flow	**2,430**	**112**	**1,788**	**1,546**	**2,889**	**810**	**1,822**	**2,161**	**2,948**	**465**	**1,197**	**1,435**	**3,616**
Capex	1,453	1,540	1,640	1,750	1,772	1,703	1,643	1,594	1,920	1,799	1,537	1,605	1,730
Other investing activities	-751	-477	-102	234	125	635	135	942	344	2,062	-178	77	647
Cash flow from investing	**-2,204**	**-2,017**	**-1,742**	**-1,984**	**-1,897**	**-1,067**	**-1,505**	**-2,535**	**-1,576**	**-3,860**	**-1,714**	**-1,682**	**-1,083**
Net borrowings	-252	-42	279	-1,149	-72	-199	-1,172	66	1,664	634	328	-1,112	260
Shares issued	229	170	3	7	136	223	1,000	256	105	0	22	750	108
Buybacks	-503	-381	-595	-420	-273	-592	-988	-616	-485	-686	-723	-415	-425
Dividends paid	-503	-548	-601	-547	-556	-586	-637	-620	-564	-622	-734	-624	-610
Other financing activities	236	1	607	1,407	525	1,005	30	1,693	2,578	235	64	350	1,232
Cash flow from financing	**-1,265**	**-800**	**-1,524**	**-701**	**-1,791**	**-2,150**	**-1,827**	**779**	**-1,858**	**-908**	**-1,171**	**-1,755**	**-1,900**
FX impact	-77	-125	-57	-71	-114	-519	-53	-37	327	54	44	-22	-3
Net change in cash	**337**	**-1,291**	**105**	**540**	**860**	**-1,233**	**77**	**1,962**	**1,762**	**-2,452**	**-108**	**-418**	**2,360**

Source: Bloomberg, Bernstein analysis & estimates

EXHIBIT 58: **International oil services income statement**

Period of analysis	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Revenues	**43,080**	**39,395**	**42,532**	**41,510**	**46,538**	**40,308**	**43,750**	**44,544**	**53,739**	**42,202**	**45,065**	**46,328**	**41,004**
COGS	35,581	32,288	34,650	34,134	38,609	33,056	35,450	36,175	45,203	34,389	36,535	37,693	33,552
Gross Profit	**7,499**	**7,107**	**7,882**	**7,376**	**7,929**	**7,252**	**8,300**	**8,370**	**8,537**	**7,813**	**8,530**	**8,635**	**7,451**
OPEX	1,859	1,354	1,560	1,483	1,719	888	1,699	2,106	1,085	980	2,452	3,080	317
EBITDA	**5,640**	**5,753**	**6,322**	**5,893**	**6,210**	**6,364**	**6,600**	**6,263**	**7,452**	**6,833**	**6,078**	**5,555**	**7,134**
D&A	1,473	1,219	1,277	1,110	1,531	1,499	1,352	1,258	2,646	1,907	1,745	1,572	2,339
EBIT	**4,167**	**4,534**	**5,044**	**4,782**	**4,679**	**4,865**	**5,248**	**5,005**	**4,806**	**4,926**	**4,333**	**3,983**	**4,794**
Non Operating	482	621	311	643	287	213	30	513	281	438	226	642	662
Pretax Income	**3,685**	**3,913**	**4,733**	**4,140**	**4,392**	**4,652**	**5,218**	**4,492**	**4,525**	**4,488**	**4,107**	**3,342**	**4,133**
Non-recurring items	57	197	329	181	703	-57	65	798	-62	199	1,312	2,142	658
Pretax Income Adjusted	**3,742**	**4,110**	**5,062**	**4,320**	**5,095**	**4,596**	**5,283**	**5,288**	**4,462**	**4,687**	**5,420**	**5,484**	**4,790**
Tax	1,166	1,294	-1,631	-1,228	254	-1,103	-1,712	-2,149	-685	1,608	-2,625	-3,575	531
Net income before minority	2,575	2,816	3,431	3,092	5,349	3,492	3,572	3,139	3,777	3,079	2,795	1,909	4,259
Minority Interest	128	61	126	101	148	221	197	155	74	182	145	136	58
Net Income	**2,704**	**2,877**	**3,556**	**3,193**	**5,497**	**3,724**	**3,769**	**3,294**	**3,703**	**3,260**	**2,939**	**2,045**	**4,317**

Source: Bernstein analysis & estimates

EXHIBIT 59: **International oil services cash flow statement**

Period of analysis	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
EBITDA	**5,640**	**5,753**	**6,322**	**5,893**	**6,210**	**6,364**	**6,600**	**6,263**	**7,452**	**6,833**	**6,078**	**5,555**	**7,134**
Other Non-Cash adjustments	3,232	1,373	726	421	4,719	2,060	263	2,507	1,735	669	3,399	3,057	159
Income tax paid	-151	351	-656	310	895	-649	877	630	-745	844	377	604	388
Change in WK	443	3,938	646	305	2,623	2,036	673	274	1,281	919	652	609	1,600
Cash flow from operations	**8,278**	**90**	**5,746**	**6,309**	**12,658**	**1,618**	**5,313**	**8,354**	**9,723**	**4,400**	**7,945**	**7,399**	**8,506**
Capex	**-3,638**	**-1,774**	**-2,243**	**-2,630**	**-4,334**	**-2,151**	**-2,495**	**-2,374**	**-2,789**	**-2,025**	**-2,095**	**-1,968**	**-2,054**
Free cash flow	**4,640**	**-1,683**	**3,502**	**3,678**	**8,325**	**-533**	**2,818**	**5,980**	**6,933**	**2,375**	**5,850**	**5,430**	**6,452**
Capex	3,638	1,774	-2,243	-2,630	-4,334	-2,151	-2,495	-2,374	2,789	2,025	-2,095	-1,968	-2,054
Other investing activities	672	1,829	1,707	1,598	319	442	1,725	2,456	312	857	477	244	1,903
Cash flow from investing	**-2,966**	**-3,603**	**-3,951**	**-4,229**	**-4,653**	**-2,593**	**-4,220**	**-4,830**	**-2,477**	**-2,883**	**-1,618**	**-2,212**	**-3,958**
Net borrowings	2,535	946	1,756	580	1,656	755	1,207	25	1,549	1,976	1,767	1,083	1,323
Shares issued	200	348	97	119	11	40	10	388	417	60	12	586	127
Buybacks	-438	-368	-405	-307	251	-665	-1,397	-1,336	1,197	2,961	-620	-863	909
Dividends paid	-882	-578	-1,875	-746	-1,189	-1,176	-1,931	-1,131	-2,040	-1,799	-3,509	-1,080	-1,551
Other financing activities	187	409	408	133	1,464	696	1,012	190	2,011	169	214	761	377
Cash flow from financing	**-3,468**	**815**	**-785**	**-220**	**-4,749**	**-1,682**	**-1,100**	**-1,872**	**-6,379**	**-2,412**	**-6,098**	**-3,339**	**-4,565**
FX impact	-270	-88	90	29	200	-38	5	-62	124	-38	-188	-124	44
Net change in cash	**1,574**	**-2,785**	**1,100**	**1,889**	**3,057**	**-2,695**	**-1**	**1,569**	**990**	**-933**	**41**	**1,724**	**27**

Source: Bloomberg, Bernstein analysis & estimates