

PAYMENT OF DIVIDEND FOR THE FISCAL YEAR 2009

Vallourec has proposed a dividend for the fiscal year 2009 of € 3.50 per share, subject to approval by the Shareholders' Meeting on May 31, 2010. To receive the dividend, shareholders must own their shares on **4 June 2010**, the “**record date**”.

1. Option to receive dividend payment in shares¹ or in cash

Shareholders may choose to receive dividend **payment in shares¹ or in cash**:

- Option for payment in cash only,
- or
- Option for payment in shares; shareholders may:
 - obtain the next higher whole number of shares by paying, on the date that he or she exercises the option, the difference in cash; or
 - receive the next lower whole number of shares supplemented by a payment of the balance in cash.

Each shareholder will receive a demand of instruction from their custodian broker to be returned, signed and completed within the “option period” **from 7 to 22 June 2010 inclusive**.

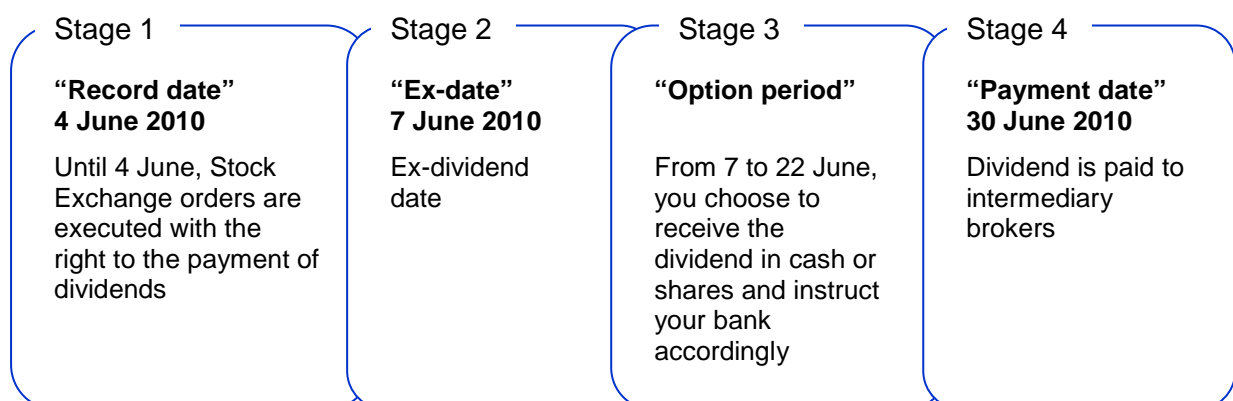
If no instruction is received within the “option period”, the dividend will be paid in cash.

2. Payment of dividend

The dividend will be paid to intermediary brokers on **30 June 2010**, the “**payment date**”. Each shareholder will receive the dividend according to the choice made within one to several days, depending on the time taken by the custodian broker to transfer funds.

Shares issued in payment will be **listed** from **30 June 2010**.

3. Explanatory diagram



¹ The new shares, in the event of the exercise of this option, will be issued at a price equal to 90% of the average of the opening listing price of the share on Euronext Paris during the twenty days prior to the date of the Shareholders' Meeting, reduced by the net amount of the dividend and rounded to the next highest euro cent.