



Press Release

Vallourec inaugurates its new Brazilian plant in the presence of Dilma Rousseff, President of Brazil

Boulogne Billancourt, 1 September 2011 - Vallourec, world leader in premium tubular solutions, today announced the inauguration of its new Brazilian steel and tube plant at a ceremony attended by Dilma Rousseff, President of Brazil and Antonio Anastasia, Governor of the State of Minas Gerais. This major project, launched in 2007, is totally in line with the strategy of international growth, supported by Jean-Paul Parayre, Chairman of the Supervisory Board since 2000. Since this time, Brazil has held a predominant role in the strategy of the Group.

Created under a joint venture agreement with Sumitomo Metals of Japan, Vallourec & Sumitomo Tubos do Brasil (VSB) is 56% owned by Vallourec and 44% owned by Sumitomo Metals and Sumitomo Corporation. The construction of the new plant, which began in 2008, is now complete, and production is in the start-up phase.

VSB is located in Jeceaba, in the state of Minas Gerais, close to Vallourec's other Brazilian entities. It is an integrated plant, producing steel billets and seamless steel tubes, which benefits from direct access to raw materials provided by two Vallourec subsidiaries, one specializing in iron ore extraction, and the other in charcoal production. This unique manufacturing complex has been built on a site of 250 hectares and uses state-of-the-art technology. It will have two blast furnaces and an electric furnace, a premium tube-making facility and heat treatment, threading and finishing lines. It will employ a workforce of 1,600 and will have an annual production capacity of one million metric tonnes of steel (of which 300,000 tonnes for Vallourec's own, non-VSB requirements), and 600,000 metric tonnes of tubes, of which 300,000 tonnes for Vallourec. The plant will boost the Group's tube production capacity by over 10% and will serve international oil and gas markets, notably in West Africa.

Philippe Crouzet, Chairman of the Vallourec Management Board, said: *"Present since 1952 in the state of Minas Gerais via its V & M do BRASIL subsidiary, Vallourec chose to pursue its development here with this new plant, as it benefits locally from the full range of competitive factors, not only in terms of natural resources – iron ore and charcoal – but also in terms of infrastructure and skilled labour. This plant marks a new stage in Vallourec's strategic growth. It will enable the Group to support the ambitions of its international customers, and serve their requirements for premium tubular solutions for oil and gas applications."*

From the outset, the VSB plant has been designed to minimize its environmental impact, both in terms of its carbon footprint and the protection and preservation of flora, fauna and natural resources.

Special efforts have been undertaken to ensure that the new plant integrates harmoniously into the local economic, environmental and social fabric, in line with the Group's existing presence in Brazil over the past six decades.

ABOUT VALLOUREC

Vallourec is a world leader in premium tubular solutions primarily serving the energy markets, as well as other industrial applications.

With over 20,000 employees, integrated manufacturing facilities, advanced R&D, and presence in more than 20 countries, Vallourec offers its customers innovative global solutions to meet the growing energy challenges of the 21st century.

Listed on NYSE Euronext in Paris (ISIN code: FR0000120354, Ticker VK) and eligible for the Deferred Settlement System, Vallourec is included in the following indices: MSCI World Index, Euronext 100 and CAC 40.

In the United States, Vallourec has a sponsored Level 1 American Depository Receipt (ADR) program (ISIN code: US92023R2094, Ticker: VLOWY). The ratio of Vallourec ADR to ordinary shares is 5:1.

www.vallourec.com

CALENDAR 2011

- 5 – 7 October: Investor Day in Brazil
- 9 November: Release of Q3 2011 Results

FOR FURTHER INFORMATION, PLEASE CONTACT

Investor Relations

Etienne BERTRAND

Vallourec

Tel: +33 (0)1 49 09 35 58

E-mail: etienne.bertrand@vallourec.fr

Press

Caroline PHILIPS

Vallourec

Tel: +33 (0)1 41 03 77 50

E-mail: caroline.philips@vallourec.fr

Photos are available upon request: media@vallourec.fr