



Press Release

Vallourec reinforces its presence on the Chinese oil & gas market by acquiring 19.5% of Tianda Oil Pipe

Boulogne-Billancourt, 15 September 2010 - Vallourec, world leader in premium tubular solutions, announces today that it has reached an agreement to acquire 19.5% of Tianda Oil Pipe Company Limited (TOP), a Chinese seamless pipe manufacturer listed on the Hong Kong stock exchange, through a reserved capital increase. The transaction will amount to approximately US \$100 million and is expected to be finalized early 2011.

TOP manufactures OCTG (oil country tubular goods) for the oil and gas sector since 1993, and has started in January 2010 a new state of the art PQF[®] seamless rolling mill with annual capacity of 500kt. TOP is part of Anhui Tianda Enterprise Co., Limited, based in the Anhui province.

China represents the second largest market in the world for OCTG after the United States. It has been growing strongly over the recent years. Premium OCTG needs are expected to increase on the Chinese market due to new exploration and development projects in harsher environments, requiring more advanced drilling techniques and well designs.

By acquiring an interest in TOP, Vallourec will increase and improve its presence on the Chinese OCTG market. Specifically, as part of a cooperation agreement with TOP, VAM Changzhou, a Vallourec company, will thread TOP pipes locally to serve the domestic Chinese premium OCTG market.

Philippe Crouzet, Chairman of Vallourec's Management Board stated: *"This participation in Tianda Oil Pipe is a step forward in our strategy aiming at reinforcing our offer to the Chinese market. Bringing together Tianda's newly installed tube mill with Vallourec OCTG sales footprint and advanced technology will allow both Vallourec and TOP to improve their respective competitiveness and take advantage of the rapid development of the Chinese market."*

This transaction is subject to the approval of TOP's shareholders and to the final regulatory approvals by Chinese and Hong Kong authorities.

About Vallourec

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

With 18 600 employees, integrated manufacturing facilities, advanced R&D and a 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 the NYSE Euronext in Paris (ISIN code: FR0000120354) and eligible for the Deferred Settlement System, Vallourec is included in the following indices: MSCI World Index, Euronext 100 and CAC 40.

About Tianda Oil Pipe

Anhui Tianda Oil Pipe Company Limited ("TOP") is a seamless pipe manufacturer based in the Anhui province. TOP is part of Anhui Tianda Enterprise (Group) Co., Limited ("Tianda Group"), a privately-owned company incorporated in mainland China. TOP's shareholding consists of 34.7% shares listed in Hong-Kong (stock ticker: 0839), while the remaining 65.3% are owned, directly or indirectly, by the Tianda Group.

TOP has recently installed a state-of-the-art PQF[®] seamless rolling mill of 500kt annual capacity. It is conveniently located 2.5 hours away from Changzhou, by the Yangtze river, and connected to the railway network allowing efficient logistics.

TOP holds up-to-date API and ISO certification and is a qualified supplier of CNPC, Sinopec and CNOOC.

Vallourec main operations and partnerships in China



Calendar 2010

- 24 September: Investor Day in New York
- 9 November : Release of 2010 third-quarter results

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