



Press release

Vallourec and Sumitomo strengthen their collaboration in the U.S. and agree to purchase each other's shares

Boulogne-Billancourt, 26 February 2009 - Vallourec, world leader in the production of seamless steel tubes, and Sumitomo, today announce that they have agreed to strengthen their long standing collaboration in the field of premium OCTG connections through the merger in the U.S. of VAM USA (jointly owned by Vallourec 51%, Sumitomo Metal Industries 34% and Sumitomo Corporation 15%) with V&M Atlas Bradford (fully acquired by Vallourec in May 2008) to form VAM USA LLC. To maintain the same level of shareholding in the new company as their prior interest in VAM USA, Sumitomo Metals and Sumitomo Corporation will acquire respectively 34% and 15% of V&M Atlas Bradford on 27 February 2009, date of the merger.

The merger of these two companies will accelerate the integration of Atlas Bradford® and VAM® premium connections product lines, combining R&D capabilities and generating industrial and commercial synergies. The combined entity will employ 500 people in Houston, Texas.

In addition to the above described partnership, Sumitomo Corporation who owns a 19.5% share in Vallourec's U.S. integrated tube mill V&M STAR (80.5% owned by Vallourec) will acquire 19.5% of V&M TCA on 27 February 2009. V&M TCA is a company fully acquired by Vallourec in May 2008 and which specializes in heat treatment operations, in Muskogee, Oklahoma.

As a further gesture of cooperation, Vallourec and Sumitomo Metals have agreed to purchase each other's common shares, for an amount of approximately US\$ 120 million, over a period up to 31 December 2009. This cross shareholding reflects the numerous ties which exist today between the two groups.

Commenting on the agreement, Pierre Verluca, Chairman of Vallourec's Management Board, stated: *"I am extremely happy to be strengthening our collaboration with Sumitomo. Sumitomo has been our partner in the field of VAM® premium connections for the Oil & Gas markets for over 30 years and together, we have become the reference in the market. We will continue to build up our partnership for the long term, particularly through our new premium steel and tube mill currently under construction in Brazil"*.

Sumitomo Metals has been operating a licence to produce VAM[®] connections since 1976, and in 1984, cooperation between the two companies was extended to include R&D development. Sumitomo Metals, Sumitomo Corp. and Vallourec are operating joint venture VAM[®] threading businesses in the U.S., Vietnam and China.

Sumitomo Metals and Sumitomo Corp. are joint venture partners in Vallourec and Sumitomo Tubos do Brasil (VSB), an integrated steel works and premium seamless pipe mill, currently under construction in the State of Minas Gerais, Brazil.

About Vallourec

Vallourec is world leader in the production of seamless steel tubes designed primarily for the Oil & Gas and Power generation sectors, and for other industrial applications.

Vallourec is listed on the Euronext Paris Eurolist (ISIN code: FR0000120354), is eligible for the deferred settlement system and is included in the following indices: MSCI World Index, Euronext 100 and CAC 40. FTSE classification: engineering and machinery.

Calendar 2009

- 13 May: release of Q1 2009 results
- 04 June: Annual General Meeting
- 30 July: release of Q2 2009 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 Relations

Fabrice Baron
DDB Financial
Tel: +33 (0)1 53 32 61 27
E-mail: fabrice.baron@ddbfinancial.fr

www.vallourec.com