

Vallourec inaugurates new plant in China for the manufacturing of nuclear power plant tubes

Guangzhou, China and Boulogne-Billancourt, 6 June 2013 - Vallourec, world leader in premium tubular solutions, today announces the inauguration of its plant dedicated to the manufacturing of tubes for steam generators located in Nansha, a district of Guangzhou, in southeastern China. This new plant of Valinox Nucléaire, a Vallourec subsidiary specializing in the production of tubes for nuclear power plants, represents an investment of €55 million and will eventually employ 200 people. The commissioning of the plant is planned for the third quarter of 2013, enabling Vallourec to accompany the large rise in the number of Chinese nuclear power plants, whose capacity is expected to increase from 15 GW in 2013 to 58 GW in operation in 2020, with an additional 25 GW under construction at that date.

In the presence of Ding Hongdu, permanent member of PCC's committee for Guangzhou city and Bernard Bigot, General Administrator of the French Atomic Energy Commission (CEA), Philippe Crouzet, Chairman of the Vallourec Management Board, said at the inauguration ceremony: *"After having invested in new factories in China in order to serve the premium local markets for oil and gas and conventional power generation, we are pleased to be continuing our expansion here in the area of nuclear energy. Indeed, with this new facility, we will be able to locally support the extensive development program of Chinese nuclear power. Vallourec is proud to serve this ambition with its technological expertise in the area of tubes for steam generators suited to the latest generation of nuclear power plants."*

Complementing the 2011 extension of Valinox Nucléaire's French plant in Montbard, the new Nansha facility will make it possible to increase Vallourec's annual production capacity of steam generator tubes by 2,000 km per year. Thanks to the investments made in France and China, the Group's total capacity for steam generator tube production will increase by a factor of four over a period of five years to reach a level of almost 7,000 km per year.

Vallourec already supplies with steam generator tubes 80% of Chinese nuclear power plants (plants in operation or to be commissioned). The Group is therefore in an ideal position to meet the needs of its major Chinese customers and to continue accompanying construction and renovation programs underway in several regions of the world, including in South Korea, where the Group recently won two contracts, as well as in France within the framework of the program to renovate EDF's nuclear facilities.

World leader in steam generator tubes designed for nuclear power plants, Valinox Nucléaire is a wholly-owned subsidiary of Vallourec.

Inside a steam generator the nickel alloy tubes made by Valinox Nucléaire enable thermal exchange between the pressurized water of the primary circuit from the reactor and the steam from the secondary circuit which will feed the turbine.



About Vallourec

Vallourec is a world leader in premium tubular solutions primarily serving energy markets and other industrial applications.

With over 23,000 employees, integrated manufacturing facilities, advanced R&D and a presence in over 20 countries, Vallourec provides customers with comprehensive, innovative solutions designed to respond to the challenges of the 21st century.

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

In the United States, Vallourec has established a sponsored Level 1 American Depositary Receipt (ADR) program (ISIN code: US92023R2094, Ticker: VLOWY). Parity between Vallourec's ADR and ordinary share is 5 for 1.

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