



## Press release

March 2016  
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# Vallourec reaches agreements for a new credit facility of €450 million and an extended credit facility of \$80 million and enlarges the syndicate of banks for its intended rights issue

**Boulogne-Billancourt (France), 30 March 2016** – Vallourec, world leader in premium tubular solutions, announced today that it reached an agreement for an additional revolving credit facility for an amount of €450 million, maturing in February 2020. This facility is subject to a covenant to maintain a gearing ratio of a maximum of 75%, similar to Vallourec's other bank facilities.

The new €450 million credit facility granted to Vallourec SA will become available subject to the closing of Vallourec's contemplated rights issue and a total capital increase (including the rights issue and mandatory convertible bonds reserved for Nippon Steel & Sumitomo Metals Corp and Bpifrance) in an amount approximately equal to the €1 billion previously announced, as well as other customary conditions. The credit facility will be available for general financing purposes of the Group.

Assuming the satisfaction of the conditions to availability of the new facilities, the total committed credit facilities available to Vallourec SA and Vallourec Tubes will increase to €2,240 million from €1,790 million previously.

This agreement was reached with a syndicate of five international core banks: Banco Santander, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale Corporate & Investment Banking, underlining their confidence and support to the Group.

In addition, Vallourec has reached an agreement to extend by three years its existing bilateral revolving credit facility with J.P. Morgan for its US subsidiary Vallourec Star, LP in an amount of \$80 million. This facility will become available subject in particular to the same conditions as the Vallourec SA facility relating to the capital increase.

With respect to the intended rights issue, Vallourec announces the appointment of Banco Santander, BNP Paribas, Crédit Agricole Corporate and Investment Bank, J.P. Morgan and Natixis which will join Goldman Sachs International and Société Générale Corporate & Investment Banking as Joint Global Coordinators and Joint Bookrunners. Nomura will also act as Joint Bookrunner for this offering.

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## 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 in 2015, integrated manufacturing facilities, advanced R&D and a presence in more than 20 countries, Vallourec offers its customers innovative global solutions to meet the energy challenges of the 21<sup>st</sup> century.

Listed on Euronext in Paris (ISIN code: FR0000120354, Ticker VK) and eligible for the Deferred Settlement System (SRD), Vallourec is included in the following indices: SBF 120 and Next 150.

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

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