

**PROPOSAL FOR AGREEMENT ON THE  
FIRST POINT OF THE AGENDA**

***"1.- Study and approval, if appropriate, of the Annual Accounts, comprising the balance sheets, profit and loss accounts, management report and Corporate Governance Report of the year ended on 31 December, 2011"***

**FIRST**.- A) Approval of the individual and consolidated Annual Accounts for the fiscal year 2011, comprised of the Balance Sheet, Profit and Loss Account and the company's Report in accordance with arts. 257,260, 524 and 525 of the Corporations Act.

B) Approval of the Management Report drawn up pursuant to art. 262 and 526 of the Corporations Act, thus complying with the review and report conducted during the Audit of accounts by the Company KPMG Auditores, S.L., on these Annual Accounts and Management Report, according to the provisions of art. 263.1 of the same Act, by virtue of which the Board of Directors is expressly exempted of any liability that might arise from their work during the year 2011 and that is reflected in the documentation previously sanctioned, notwithstanding the provisions of art. 237 of the aforementioned Corporations Act.

C) Approval of the Corporate Governance Report of "TUBACEX Consolidated Group" regarding the year 2011.

D) Determination of the economic results of the year 2011 which represents, according to the respective operating accounts, individual and consolidated, included in the Audit Report, an individual result amounting of 3,384 thousand euros and a consolidated result of 3,143 thousand euros.

E) Leave express record that the aforementioned Annual Accounts, Management Report, Corporate Governance Report and the Auditors' Audit Report have also been drawn up on a consolidated basis, having been presented before the General Meeting which in turn has approved them as provided in arts. 171.1 and 203.1 of Legislative Royal Decree 1,564/89 of December 22, by Arts. 44 and following in the Commercial Code and under the provisions of the Royal Decree 1,815/91 of December 20, inasmuch the Company is immersed in the circumstances foreseen in art. 4 of Act 24/1,988 of July 28, art. 42 of the Code of Commerce and the arts. 1 to 5 of Royal Decree 1,815/91 on the following significant entities within the group:

**CORPORATE NAME**

- 1.- Tubacex Tubos Inoxidables, S.A.
- 2.- Tubacex Taylor Accesorios, S.A.
- 3.- Comercial de Tubos y Accesorios Especiales, S.A.
- 4.- Tubos Mecánicos, S.A.
- 5.- Aceria de Alava, S.A.

**TAX Id No.**

- A-01140227
- A-01006741
- A-48061824
- A-08034689
- A-01010958

6.- Tubacex America Holding Corporation  
7.- Sber Gmbh(Austria)  
8.- Métaux Inox. Services, S.A.S.

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ATU-41013808  
441171 147 RCS VAT-41

Also in regards to the documentation above, as specified in this agreement, it is stated by their signature, that they have observed and complied with the provisions of art. 253 of the Corporations Act, of arts. 47 and 44.8 of the Commercial Code and art. 330 of the Regulations of the Chamber of Trade and Industry, as well as both Audit reports, individual and consolidated, dated on 23 February, 2012.