



PRESS RELEASE

12.5% Increase

TUBACEX ACHIEVES NET PROFITS OF 13.89 MILLION EUROS IN THE FIRST QUARTER

(Llodio, 8 May 2008).- TUBACEX, the world's second largest seamless stainless steel tube manufacturer, obtained consolidated net profits of 13.89 million euros during the first quarter of 2008, according to the information sent by the company to the Spanish National Stock Market Commission (*Comisión Nacional del Mercado de Valores - CNMV*).

This figure represents an increase of 12.5% with regard to the net profits obtained in the same period of 2007, when this figure was 12.35 million euros.

Consolidated sales between January and March amounted to 178.10 million euros, representing an increase of 3.3% over the preceding year, when the figure achieved was 172.34 million euros.

The gross operating profit (EBITDA) to March stood at 27.55 million euros, 4.5% higher than in 2007, while the operating profit (EBIT) grew by 5.3% to reach 23.01 million euros.

TUBACEX places a very positive evaluation on these results, which demonstrate the strength of world demand for seamless stainless steel tubes, driven by current and forecast investments in the entire oil value chain, as well as in the energy and petrochemical sectors. This dynamic market situation, together with the important improvements in productivity, industrial specialisation and competitiveness carried out in all the Group, leads to very positive prospects for financial year 2008 as a whole, when new profits records are expected to be reached.

The Annual General Meeting of Shareholders is to be held in Llodio on 22 May next.

EVOLUTION OF CONSOLIDATED RESULTS: JANUARY-MARCH

	2008	2007	% 2008/2007
SALES	178.10	172.34	+3.3%
GROSS OPERATING PROFIT (EBITDA)	27.55	26.35	+4.5%
OPERATING PROFIT (EBIT)	23.01	21.85	+5.3%
NET PROFIT	13.89	12.35	+12.5%

Figures in millions of euros.