



PRESS RELEASE

TUBACEX OBTAINS NET PROFITS OF 37.16 MILLION EUROS TO SEPTEMBER

(Llodio, 12 November 2008).- TUBACEX, the world's second largest seamless stainless steel tube manufacturer, obtained consolidated net profits of 37.16 million euros between January and September 2008, which means a decrease of 11.9% over the figure obtained in the same period in 2007, 42.18 million euros, according to the information sent by the company to the Spanish National Stock Market Commission (*Comisión Nacional del Mercado de Valores - CNMV*).

TUBACEX places a very positive evaluation on these results, achieved in a business environment strongly conditioned by the important drop in the price of raw materials, especially nickel.

The gross operating profit (EBITDA) to September stood at 71.25 million euros, 10.7% lower than in 2007, while the operating profit (EBIT) decreased by 12.7% to 58.89 million euros.

Today, external constraints arising out of the general economic crisis that have an important effect on key factors such as the price of oil, the extreme volatility of raw materials or the very operation of the financial credit markets do not and will not mean any problem in the implementation of the investment plans foreseen by the Group, and there is absolute confidence in their successful implementation and development.

TUBACEX maintains very positive medium- and long-term business prospects, based on a substantial order book (which covers a significant part of 2009), the operational improvements carried out throughout the Group and in important investment projects, already in progress, in the entire oil value chain, as well as in the energy and petrochemical sectors.

The consolidated sales between January and September amounted to 500.26 million euros, representing a decrease of 4.7% compared to the same period in 2007.

EVOLUTION OF CONSOLIDATED RESULTS: JANUARY-SEPTEMBER

| | 2008 | 2007 | % 2008/2007 |
|---------------------------------|--------|--------|-------------|
| SALES | 500.26 | 524.84 | -4.7% |
| GROSS OPERATING PROFIT (EBITDA) | 71.14 | 79.76 | -10.8% |
| OPERATING PROFIT (EBIT) | 58.78 | 67.42 | -12.8% |
| NET PROFIT | 37.16 | 42.18 | -11.9% |

Figures in millions of euros.