



PRESS RELEASE

TUBACEX OBTAINED A POSITIVE EBITDA OF 13 MILLION EUROS IN 2010

(Llodio, 28 February 2011).- TUBACEX has recorded a positive EBITDA of 12.77 million euros during the year 2010, according to the information registered at the Spanish Securities Exchange Commission (CNMV).

TUBACEX has closed with a positive consolidated EBITDA and net income for the third consecutive quarter. Consolidated net income has been negative amounting to 6.55 million euros, despite the -25.77 million euros registered at the end of 2009. This has been possible due to the different measures implemented by the company in its general plan to increase competitiveness and reduce costs and to the first signals of recovery in demand. The company has posted these results in a year where consolidated sales have amounted to 361.78 million euros, a 2.6% decrease against the previous year.

As regards 2011, a year during a gradual increase of the market is foreseen, TUBACEX expects to see a progressive recovery in its results. The measures implemented in the Competitiveness Plan, the investments made in the last years for the development of production capabilities in umbilicals (offshore), OCTG (Oil&Gas), tubes for supercritical boilers and for the nuclear sector and the strategic alliance with Vallourec&Mannesmann will be key in achieving this recovery.

This forecast is backed by the increase in oil prices and steel raw materials, for example, nickel, and indicators that point to a recovery in volumes and prices in the global steel sector.

EVOLUTION OF YEAR-END CONSOLIDATED RESULTS

	2010	2009
SALES	361.78	371.47
GROSS OPERATING PROFIT (EBITDA)	12.77	-18.38
OPERATING PROFIT (EBIT)	-5.87	-35.41
NET PROFIT	-6.55	-25.77

Figures in millions of euros