

Acquisition



The Spanish manufacturer is committed to the Asian market

TUBACEX completes the acquisition of the Indian company Prakash

- **Following the recent acquisitions, TUBACEX has become the leading global manufacturer of seamless stainless steel tubes.**
- **This acquisition fits perfectly into the company's Strategic Plan, which is currently in its growth phase (2015 and 2016)**
- **TUBACEX Prakash has 250 employees and a turnover of 25 million Euros.**

Llodio, 27th July 2015. TUBACEX has completed the acquisition of 68% of the seamless stainless steel tubes division of the Indian company Prakash Steelage. With this operation, announced in February, the Spanish company also maintains a purchase option on the remaining 32%.

This division, which is located close to Mumbai, employees 250 people with a turnover of 25 million Euros. Prakash is a well reputed company founded over 30 years ago,

This acquisition, which takes place months after the integration of IBF in the Group, responds to the company's Strategic Plan focused on growth. Prakash's integration in the group allows to strengthen TUBACEX's position within the Asian market and recover its market share in certain standard products.

As a result of the recent acquisitions, TUBACEX has become the worldwide leading manufacturer of seamless stainless steel tubes and has industrial platforms in Europe, America and Asia.



For Jesús Esmorís, CEO of TUBACEX, this operation strengthens the Group's global presence in key markets. "Since we announced the acquisition last February, we have been working on an integration plan for Prakash within the Group's structure, which has allowed us to expand our experience and market knowledge", stated Esmorís. "We have also worked on an industrial plan that considers capital expenditure that will contribute to a significant increase of the quality of the TUBACEX Prakash products, as well as the growth of its portfolio", he said.

Furthermore, Ajay Sambrani, Director of TUBACEX Asia and member of the Management Committee of the Group has valued this purchase positively, since it strengthens the presence of the Group in key markets such as Oil & Gas, Power Generation and Petrochemical industries, among others. In addition to reinforcing its presence in Asia, TUBACEX extends its client portfolio in the North American, South-East Asian, African, Middle Eastern and European markets. "This acquisition implies the establishment of a closer relationship with a key market in terms of growth, with an operational structure in this continent that allows us to offer more competitive products, while providing a more personalized service", said Sambrani.

Currently, 52% of TUBACEX's sales are addressed to the Asian market, where the Spanish company has progressively increased its commercial and operational presence, committing to a growing market.

About TUBACEX

TUBACEX is a multinational group with its headquarters in Alava and a global leader in the manufacture of stainless steel and high-alloyed seamless tubes. It has production plants in Spain, Austria, China, Italy, the United States and India with service centers in Brazil, France, and Houston, as well as subsidiaries and sales offices in fourteen countries.

The main sectors demanding the tubes manufactured by TUBACEX are the oil and gas, petrochemical and power generation industries, which account for over 90% of the Group's sales. With sales over 700 million Euros, 95% of the Group's business takes place out of Spain.

It has a workforce of over 2,500 people from twenty different nationalities and spread throughout fifteen countries.

TUBACEX has been listed on the Spanish Stock Market since 1970 and is quoted on the IBEX SMALL CAPS Index.

www.tubacex.com

For further information:

TUBACEX

Nagore Larrea

Communication Manager

E-mail: nlarrea@tubacex.es