

## The Lehendakari visits TUBACEX



An example of Industry 4.0

## The President of the Basque Country visits TUBACEX's leading-edge plant

- The Lehendakari, or Basque President, was accompanied by the Regional Minister for Economic Development and Competitiveness; the Regional Minister for Education, Language Policy and Culture; and the Deputy Ministers for Industry and Vocational Training and the Director for Industrial Development.
- The Amurrio OCTG plant is the group's most cutting-edge facility in the Basque Country and worldwide, thanks to its automated process for manufacturing tubes for the extraction and production of oil and gas in extreme conditions.
- The Lehendakari had the chance to learn about the evolution of the dual training program implemented by TUBACEX in close collaboration with the Basque Government.
- TUBACEX representatives have confirmed their commitment to the Basque Country and the need to invest in people through training programs that are adapted to the company's specific needs, thus providing value and differentiation.

**Llodio, November 14, 2016.** The President of the Basque Country, Iñigo Urkullu, jointly with Minister for Economic Development and Competitiveness, Arantxa Tapia; Minister for Education, Language Policy and Culture, Cristina Uriarte, and other members of the Basque Government visited TUBACEX's OCTG plant in Amurrio (Spain) this morning. This is the Group's most groundbreaking facility in the Basque Country. It is devoted to manufacturing tubes for

the extraction and production of oil and gas in extreme conditions, an area in which the company holds a global leading position.

The visit was hosted by Álvaro Videgain and Jesús Esmorís, Chairman and CEO of TUBACEX, respectively. Other members of the TUBACEX team have shown the authorities the manufacturing process of one of the company's highest value-added products. The increase in the share of this type of products has enabled TUBACEX to face a market situation characterized by the reduction in capital expenditure in the oil market, while maintaining a sustainable pace of activity.

The Amurrio OCTG plant, inaugurated in 2014, is a clear example of Industry 4.0, and features automated production and a highly-qualified human team as the strategic elements for the transformation and improvement of industrial competitiveness.

“During the past three years, we have invested over 50 million Euros to improve competitiveness at our plants. This affects our production model and our people, with flexible professionals and advanced training”, said Jesús Esmorís. “We have achieved a continuous manufacturing process at this plant thanks to our commitment to professionals in the area of preventative maintenance and equipment with an excellent process control”, added Esmorís.

During the visit, the President of the Basque Country and other members of the Government have learned about the evolution of TUBACEX's dual training, a pilot training program specialized in electromechanical maintenance that includes one year of international experience in other TUBACEX Group plants in USA, Italy, Austria or India.

In a market that continues to be extremely unfavorable, TUBACEX has placed value on the transformation of the company and its strategic vision to minimize the impact of one of the worst crises in the sector. The company shared their

competitiveness enhancement plans for the Llodio and Amurrio plants with the authorities.

This implies an ambitious investment plan focused on strategic product developments, enhanced industrial processes and improved efficiency of the facilities, as well as occupational safety and employee training, among other initiatives. These are all key issues in Tubacex's transformation to become a global supplier for tubular solutions.

### **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 tubular products (tubes and accessories). It also offers a wide range of services from the design of tailored solutions to installation and maintenance operations.

It has production plants in Spain, Austria, Italy, the United States, India and Thailand and worldwide service centers and sales offices in 38 countries.

The main demand segments for the tubes manufactured by TUBACEX are the oil and gas, petrochemical, chemical and power generation industries.

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

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