

Memorandum of Understanding



TUBACEX and MIDHANI signs MOU to expand and grow in Indian energy growth Plan

- Both companies have signed a MOU to establish the framework of this potential cooperation.
- This agreement would allow the development of advanced materials for the energy sector to be addressed jointly, as well as the promotion of local manufacturing capacities.
- This alliance would improve the positioning of TUBACEX in India, the region with the highest growth in energy infrastructures in the coming years.
- TUBACEX currently has a production plant, a sales office and a warehouse in India.
- The statement of intent was signed today at the headquarters of MIDHANI in Hyderabad by the CEO of TUBACEX, Jesús Esmorís, and Mr Dinesh Likhi CMD of Mishra Dhatu Nigam Limited (MIDHANI).

Llodio, Thursday, January 17, 2019. TUBACEX and the Indian company, Mishra Dhatu Nigam Limited (MIDHANI), have signed a MOU for development of diverse key projects in the region. This agreement would allow the joint development of advanced materials for the energy sector, contemplating technological alliances and the promotion of local manufacturing capacities.

Both companies are committed to evaluating the operational, technical and economic feasibility of different projects in India, strengthening their presence in a key market with great growth potential in the coming years. More specifically,

the nuclear energy sector in this region is in a state of growth and requires investments in large-scale energy infrastructures over the next decade, requiring local technology.

To respond to this situation, TUBACEX acquired the Indian company Prakash Steelage in 2015 with the aim of improving its proximity to the region by offering competitive products and a more personalized service. Since then, an investment plan aimed at preparing the company on a technological level has been undertaken, with significant effects on the quality of the products and an increase in their productive capacity.

The alliance between TUBACEX and the state-owned company, MIDHANI, specialized in the manufacture of special steels and super-alloys, would enable another step to be taken in moving closer to highly demanding technical projects, which require materials exposed to extreme conditions. The experience of both companies in the manufacture of this type of materials, would allow the development of new technologies and solutions focused on increasing energy efficiency and competitiveness to continue advancing.

Besides, the potential alliance would expand the commercial scope of TUBACEX in the region through the MIDHANI sales platform, reinforcing the work of its sales office, Tubacex India. On the other hand, the Indian company will be able to take advantage of the positioning of TUBACEX in other markets, extending the commercial offer of the Spanish company.

Jesús Esmorís, TUBACEX Group CEO, has positively evaluated that this strategic tieup as an opportunity to boost the positioning of TUBACEX in key multi-annual projects as well as in a target market with huge growth potential. "India has prospects of becoming a world leader in the development of nuclear energy and our commitment is based on our ability to develop advanced materials that respond to the challenges facing the industry in terms of safety, quality and energy efficiency," he said.

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.

www.tubacex.com

About MIDHANI

MIDHANI is a state-owned company specialized in the manufacture of special steels and super-alloys, and it is the only manufacturer of titanium alloys in India. They are high value products for critical market segments, such as space and power generation. In over 30 years of operations, this company has reached a privileged position in the introduction of technologies and products for numerous programs related to the development of the nation.

<http://www.midhani-india.in/>