



PRESS RELEASE

TUBACEX RECORDS €5M EBITDA AND OBTAINS POSITIVE RESULTS IN THE SECOND QUARTER OF THE YEAR

(Llodio, 30 July 2010).- TUBACEX, the world's second largest seamless stainless steel tube manufacturer, continues the recovery of results started in the first quarter of 2010 registering from April to June a positive gross operating profit (EBITDA) of 4.96 million euros, according to the information sent to the Spanish Securities and Exchange Commission (CNMV). The company has obtained the first positive consolidated EBITDA after four consecutive negative quarters. Accumulated EBITDA of the first half amounts to a positive figure of 0.54 million euros.

Sales from January to June have amounted to 173.11 million euros, while sales of the second quarter exceeded those of the first quarter of 2010 by 38.7%.

The increase in the volume of activity in the first half of the year coupled with the intense internal action plans to enhance competitiveness, which have been implemented in all areas of the Group, are influencing this progressive improvement of results.

The operating profit (EBIT) has been positive by 0.18 million euros, contrasting with losses of 9.25 million euros in the first quarter. Moreover, net benefit of the second quarter has also been positive, reaching 0.43 million euros, contrasting with losses of 9.31 million euros in the first quarter of the same year. Therefore, net result in the first half is -8.89 million euros, compared to -9.68 million euros recorded in the first half of 2009.

Order intake has been 10% higher than during the first quarter of the year. In half-year terms, growth has been 40% over the results of the first half of 2009. This trend supports the expectations of gradual improvement in the results for the year as TUBACEX foresaw for 2010.

The consolidation of demand levels registered during the first part of the year, the entry of TUBACEX in the market for high added value products - especially OCTG tubes and boilers under the strategic alliance with Vallourec & Mannesmann - the recent deployment of a plant for umbilical tubes (offshore) manufacturing in Austria and the continuous strengthening of the company's competitive position are determining factors in achieving this goal.

EVOLUTION OF CONSOLIDATED RESULTS FROM JANUARY TO JUNE

	Q 2 2010 (Apr-Jun)	Q 1 2010 (Jan-Mar)	1 Half 2010 (Jan-Jun)	1 Half 2009 (Jan-Jun)
Sales	100.59	72.52	173.11	239.31
Gross operating profit (EBITDA)	4.96	-4.42	0.54	3.24
Operating profit (EBIT)	0.18	-9.25	-9.07	-6.40
Net profit	0.43	-9.31	-8.89	-9.68

Figures in millions of euros.