



PRESS RELEASE

TUBACEX OBTAINS AN EBITDA OF 17.78 MILLION EUROS IN THE FIRST HALF OF THE YEAR

Tubacex to invest €25 m in its Llodio and Amurrio plants

(Llodio, 2 August 2011).- TUBACEX has recorded a consolidated EBITDA (Earnings Before Interests, Taxes, Depreciation and Amortization) of 17.78 million euros during the first half of the year 2011, compared to 0.54 million euros recorded during the same period of 2010, according to the information registered at the Spanish Securities Exchange Commission (CNMV).

The company's consolidated net profit rose to 1.84 million euros between January and June, which sharply contrasts with losses amounting to 9.31 million euros recorded in the first semester of 2010.

Consolidated sales of the first half have reached 252.61 million euros, which is a figure 45.9% higher than the 173.11 million euros recorded for the same period in 2010.

Order intake during this first half has grown by 23% compared to 2010. TUBACEX's new products for the oil, gas and energy industries have played an increasingly important role in this increase. In this sense, during the recent months there has been a considerable growth in the order intake for oil and gas extraction tubes and for the umbilical tubes plant in Austria for offshore applications.

Given the positive market perspectives for the production of high-alloy oil and gas tubes, TUBACEX's Board of Directors has approved a capital expenditure of 25 million euros, to increase the company's manufacturing capacity of this type of products in its Llodio and Amurrio facilities.

TUBACEX foresees an improvement of results in the following months, for which it will be essential to develop the company's Competitiveness Plan, the investments in high value-added products and the strategic alliance with Vallourec & Mannesmann.

EVOLUTION OF CONSOLIDATED RESULTS FROM JANUARY TO SEPTEMBER

	1 Half 2011	1 Half 2010	% 2011/2010
SALES	252.61	173.11	+45.9%
GROSS OPERATING PROFIT (EBITDA)	17.78	0.54	n.m.
OPERATING PROFIT (EBIT)	6.74	-9.25	n.a.
NET PROFIT	1.84	-9.31	n.a.

Figures in millions of euros. n.a.: not applicable. n.m.: not meaningful.