



PRESS RELEASE

Backlog stands at precrisis levels

TUBACEX OBTAINS AN EBITDA OF 23.70 MILLION EUROS BETWEEN JANUARY AND SEPTEMBER

(Llodio, 8 November 2011).- TUBACEX has recorded a consolidated EBITDA (Earnings Before Interests, Taxes, Depreciation and Amortization) of 23.70 million euros during the first nine months of the year 2011. This figure is nearly four times higher than the one achieved during the same period of 2010, according to the information registered at the Spanish Securities Exchange Commission (CNMV).

Consolidated net profit rose to 2.61 million euros during these first nine months of the year, which sharply contrasts with losses amounting to 8.22 million euros recorded in the same period of 2010.

Consolidated sales of the period have reached 364.57 million euros, comparing to 264.58 million euros in 2010. More than a 95% of these revenues are generated outside Spain.

Current order backlog ensures deliveries until the end of the first quarter of 2012, which constitutes the longest volume in the last three years. The recovery in the traditional markets and the sales of new products for oil and gas production are positively influencing this situation.

Given this, and following the main lines of the Strategic Plan of the Group, TUBACEX's Board of Directors recently approved a capital expenditure of 25 million euros to increase the company's manufacturing capacity of high-alloy oil and gas tubes in its Llodio and Amurrio facilities.

Strong cash flow generation during the third quarter has reduced consolidated net debt by 17 million euros.

In spite of the uncertainties regarding the global economy, TUBACEX foresees an improvement of results during the following months, based on the positive perspectives in demand for seamless stainless steel tubes, the strategic Alliance with Vallourec&Mannesmann and competitiveness improvements in all of the Group's facilities.

EVOLUTION OF CONSOLIDATED RESULTS FROM JANUARY TO SEPTEMBER

	2011	2010	%2011/2010
SALES	364.57	264.58	+37.8%
GROSS OPERATING PROFIT (EBITDA)	23.70	6.25	+279.4%
OPERATING PROFIT (EBIT)	8.47	-7.14	n.a.
NET PROFIT	2.61	-8.22	n.a.

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