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Provisions of agreements subject to Article L. 233-11 of the Commercial Code

VALLOUREC

(Euronext Paris)

By letter dated February 27, 2009, the *Autorité des marchés financiers* has been informed that Vallourec S.A. and Sumitomo Metal Industries, Ltd (1). have entered into a cross-shareholding agreement on February 27, 2009 (the “**Agreement**”).

Pursuant to the Agreement, each party undertakes to purchase shares of the other party for a total amount of USD 120 millions, before December 31, 2009 and the Agreement provides for preferential conditions of sale under the form of a preemption right as follows:

- The party wishing to sell any of the shares it has acquired pursuant to the Agreement to one or more identified third parties, must notify the other party of the proposed sale in order to offer to such party the right to purchase the shares (or to arrange for the purchase of the shares by a third party).
- The preemption notice must include, the identity of the person to which such sale would be made, the number of shares to be sold, the purchase price and the anticipated timing of the proposed sale.
- The party entitled to the preemption right will have 5 business days starting from the notification in order to exercise its right to purchase or arrange to purchase the shares by a third party at the price and terms and conditions set forth in the preemption notice.
- The preemption right is not applicable (i) to sales of shares to the public in connection with an underwritten offering or through a broker, dealer or market maker, (ii) if the party who would be entitled to the preemption right has not fulfilled its obligation to purchase shares pursuant to the Agreement, or is subject to a bankruptcy event, or if there is a material adverse effect on its business or financial situation, or has been affected by a change of control approved by its management body (and by the supervisory board in the case of Vallourec), (iii) to sales made by one party to wholly-owned subsidiaries ;

- If the party entitled to the preemption right does not exercise such right, the other party will be able to proceed with the proposed sale within 30 days after the expiration of the exercise period and under the same price and terms and conditions set forth in the preemption notice. The party having sold the shares will have to notify the other party of the number of shares sold, the purchase price and the date of the sale.

The Agreement is entered into for a 7-year period and will automatically be renewed for additional one year terms unless either party gives the other party written notice, at least 60 days prior to the expiration of the current term, that it wishes to terminate the Agreement.

(1) Head office is in Tokyo 104-6111, Triton square Office Tower Y, 8-11 Harumi, 1- Chrome, Chuo-ku, Japon.