



«We can count on a range of solid assets and highly motivated staff to continue to affirm the Group's leadership, even in a more difficult environment.»

Jean-Paul Parayre



Philippe Crouzet

Dear Shareholder,

In 2008, the Group achieved a high quality performance. Our business again proved very robust, driven largely by the need to increase world production capacities for oil, gas and electricity.

In an economic climate characterized by the high volatility of raw material prices, Vallourec managed to maintain a high operating margin thanks to its premium positioning and improved product mix. In addition, strong cash generation has enabled Vallourec to boost its industrial investments and continue upgrading its facilities. By acquiring three American companies specialised in high-end oil products and services, the Group also took advantage of opportunities for external growth while maintaining a sound financial position.

Vallourec is now facing deteriorated market conditions caused by significant destocking, plummeting oil and gas prices and a widespread cautious attitude.

In this context, the Shareholders' Meeting takes on particular importance. More than ever, this will be an opportunity to exchange ideas and discuss Vallourec's current situation and its ability to adapt quickly to a more difficult environment while actively preparing for a new growth phase. This will also be an opportunity for you to meet our new Management Board.

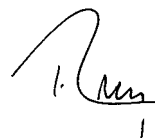
So that you can better exercise your rights as a shareholder, we are sending you today a special "2009 Shareholders' Meeting" supplement summarising the resolutions to be submitted for your approval (page 1 of the special supplement) and describing for you in detail the practical methods for participating in this Meeting (pages 2 and 3 of the special supplement). Should you be unable to attend in person, you will learn how you can be represented or how to cast a postal vote.

Lastly, you may request complete documentation by sending us the form designed for that purpose (page 4 of the special supplement).

Dear Shareholder, the profile of the Group has undergone profound changes in the past few years. Investments and acquisitions aimed at bolstering its high-end positioning in premium products intended for the energy markets have made Vallourec a leader in its market, more resistant to adversity than in the past. We want you to know that the staff of Vallourec is determined to meet the challenges that lie ahead. We are confident in the Group's ability to strengthen its global leadership and so merit your trust.



Jean-Paul Parayre
Chairman of the Supervisory Board



Philippe Crouzet
Chairman of the Management Board

2008 results

In 2008, Vallourec's sales volume was stable, sales increased, EBITDA margin remained high, and net income came close to the record amount recorded in 2007. This fine performance enabled the Group to end the year in an excellent financial position, having paid a substantial dividend, invested largely in its industrial tool, and having made targeted acquisitions in the United States.

Robust business in 2008

Sales increased by 4.8% to € 6,437 million. Oil & Gas (+ 4.9%), Power generation (+16.9%) and Petrochemicals (+10.6%) continued to benefit from favourable market conditions and from Vallourec's good business positions. The other activities, particularly those related to Mechanical engineering, Automotive and Construction businesses, also fared well before starting to suffer from the worldwide economic slowdown at the end of the year.

From a geographical standpoint, the North America portion rose sharply (23.7% of Group sales versus 18.6% in 2007) owing to the dynamism of the Oil & Gas and Petrochemicals businesses, but also to the consolidation of the three US companies acquired in May 2008.

High operating margin

EBITDA reached € 1,694 million, which is an EBITDA/sales ratio of 26.3%. This high margin was attained thanks to further improvement to the product mix and successive price increases made during the year in a context of high volatility in the price of raw materials. Net income Group share amounted to € 967 million, which is comparable to 2007 income (-1.9%).

Sound financial position

Thanks to a healthy cash flow, Vallourec was able to devote € 528 million to capital expenditures and € 541 million euros to acquisitions during the year, while limiting its debt to 10.7% of equity at year-end 2008. The Group has a very sound balance sheet and financing sources enabling it to fund both its capital expenditures and its growth policy.

Management Board

Philippe Crouzet succeeds Pierre Verluca as Vallourec's Chairman of the Management Board and Chief Executive Officer

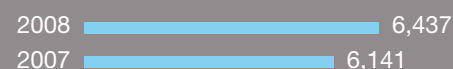
The Vallourec Supervisory Board, chaired by Jean-Paul Parayre, has appointed Philippe Crouzet, as Chairman of the Management Board and Chief Executive Officer effective 1st April 2009. He succeeds Pierre Verluca, who was honoured by the Board for his significant contribution to the growth of Vallourec since taking this position in June 2004.

The Board also appointed Jean-Pierre Michel as Chief Operating Officer effective 25 February 2009.

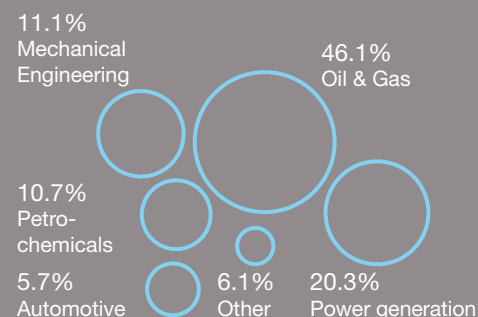
With the arrival in 2008 of Olivier Mallet, who took over Finance, Legal and External Communication, the Vallourec Management Board is now composed of Philippe Crouzet, Chairman and Chief Executive Officer, Jean-Pierre Michel, Chief Operating Officer, and Olivier Mallet, Chief Financial Officer.

Key figures

Sales (in € million)

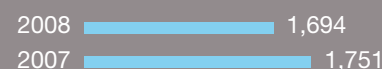


Sales breakdown by market



Energy (Oil & Gas and Power generation) accounts for 66.4% of sales.

EBITDA (in € million)



Net income, Group share (in € million)

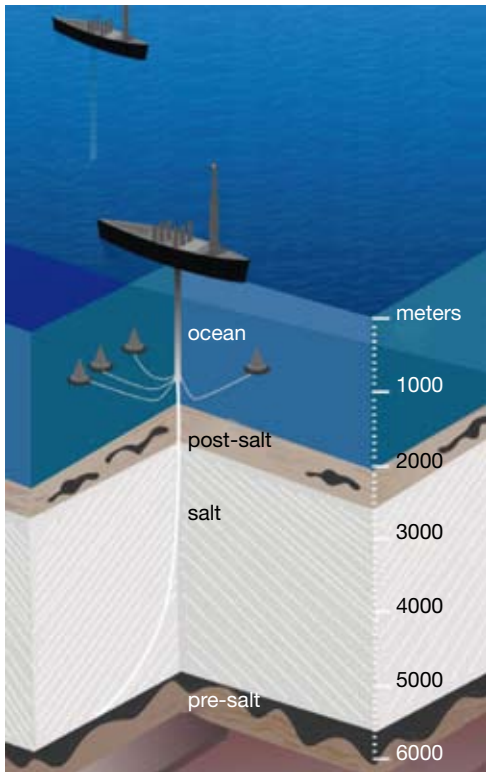


Philippe Crouzet:

Born in 1956, Philippe Crouzet spent most of his career with Saint-Gobain, which he joined in 1986, where he had been Senior Vice President in charge of the Building Distribution Sector after holding various positions: Former Counsel (Maître des requêtes) to the Conseil d'Etat, he is a graduate of the Ecole Nationale d'Administration.

Philippe Crouzet was a member of the Vallourec Supervisory Board from April 2008 until taking over as Vallourec's Chairman of the Management Board and Chief Executive Officer on 1st April 2009.

News



Source: Petrobras

Brazil: Vallourec and Petrobras collaborate to develop Tupi

The Tupi oil field, located off the Brazilian coast, is the second largest discovery in the past twenty years with estimated reserves of between 5 and 8 billion barrels, compared with Brazil's proven reserves, which are estimated at 12.2 billion barrels.

Petrobras, the Brazilian national oil company, will need special tubes to search for oil and gas buried beneath 2,000 meters of water and more than 2,000 meters of salt. In this environment there is an increased risk of crushing the tubes. In addition, there are the usual problems of pressure, temperature and corrosion related to deep offshore drilling.

Vallourec is especially active in Brazil, where it has an industrial complex in the State of Minas Gerais that employs more than 5,000 people. With Sumitomo it started the construction of new pipe mill with a total capacity of 600,000 tons (300,000 tons for Vallourec). It is also recognised worldwide for its expertise in tubes and joints designed for deep offshore, corrosive or deviated wells. In view of a pilot production phase planned for 2010, Vallourec, in collaboration with Petrobras, has put together an international R&D staff involving some fifty people in order to develop innovative solutions for these extreme conditions.

United States: A new step in the integration of V & M Atlas Bradford

In February 2009, Vallourec announced the merger in the United States of VAM USA and V & M Atlas Bradford to form VAM USA LLC, a company with 500 employees based in Houston (Texas), which is 51%-held by Vallourec and 49%-held by Sumitomo. By extending the historic cooperation between Vallourec and Sumitomo in terms of premium OCTG connections (Oil Country Tubular Goods), this merger will help to accelerate the integration of Atlas Bradford® joints into the VAM® family of premium connections while combining the R&D capacities of both companies and fostering industrial and commercial synergies.

As a further gesture of their enhanced cooperation, Vallourec and Sumitomo Metal Industries have decided to exchange, by 31 December 2009, interests in their respective capitals to the amount of USD 120 million.

France / United States: investments in nuclear

Vallourec decided in March 2009 to invest € 80 million to boost its capacity to produce tubes for the nuclear power industry. These investments involve three Vallourec production sites: the Valinox Nucléaire in France and Valtimet in France and the United States.

Increasing electricity demand and the need to reduce CO₂ emissions have caused a renewal of interest in nuclear energy. The construction of new nuclear power plants around the world combined with an extension in the life cycle of existing plants thus offers promising prospects for Vallourec, a world leader in this sector.



Shareholder information

Earnings per share and dividends (in €)



■ Earnings per share
■ Dividend
■ Exceptional distribution

(1) Proposed dividend
(2) Excluding exceptional distribution, which accounts for 23.1% of net income, Group share

Dividend

It was decided to submit for the approval of the Shareholders' Meeting of 4 June 2009 payment of an ordinary dividend of €6 per share in respect of 2008, corresponding to a payout ratio of 33.2% of net income, Group share.

Between 11 June and 26 June 2009, shareholders can choose between payment in full of the dividend in cash or in shares. Payment is scheduled for 7 July 2009.

The dividend in 4 steps:

1 - 10 June 2009
"Record date"

Until 10 June Stock exchange orders are executed with the right to the payment of dividends

2 - 11 June 2009
"Ex- Date"

Ex dividend date

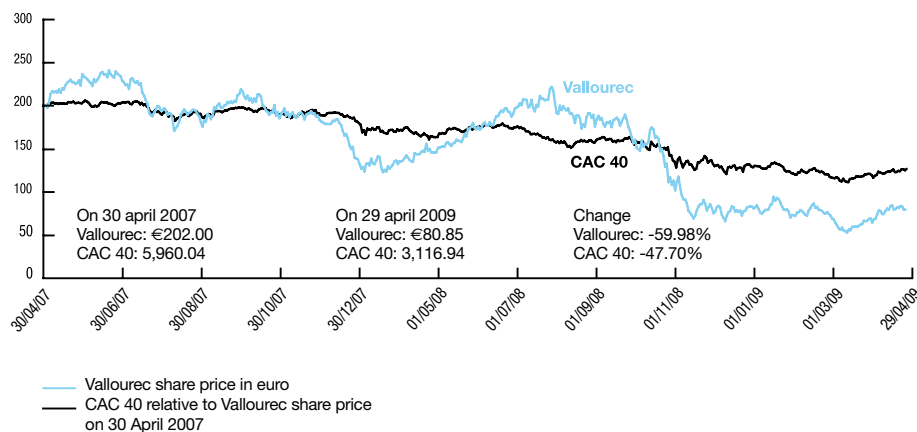
3 - 11 to 26 June 2009
"Option period"

From 11 to 26 June, you choose to receive the dividend in cash or shares and instruct your bank accordingly

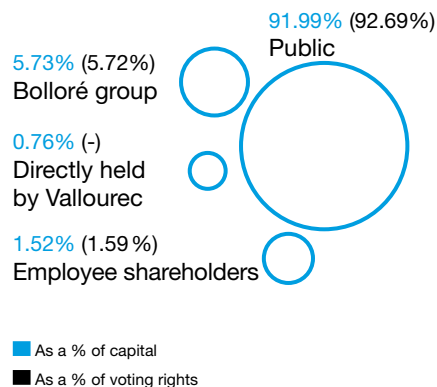
4 - 7 July 2009
"Payment date"

Dividend is paid

Share performance from April 30 2007 to April 29 2009



Capital breakdown at 31 March 2009



Number of shares: 53,788,716
Voting rights: 53,438,648

Vallourec share

- Listed on the Euronext Paris Eurolist (section A)
- Part of the deferred settlement section (SRD)
- ISIN code: FR0000120354
- Indices: CAC 40, Euronext 100, MSCI World Index
- FTSE classification: engineering and machinery
- Market capitalisation €4.35 billion on 29 April 2009

Shareholder calendar

- 13 May 2009: release of 2009 Q1 results
- 4 June 2009: Shareholders' Meeting
- 30 July 2009: release of 2009 Q2 and H1 results
- 24 September 2009: Investor Day

Contact

Shareholder Relations
27, avenue du Général Leclerc
92100 Boulogne-Billancourt
Tél.: +33 (0) 49 09 39 76
Email: actionnaires@vallourec.fr

Full information is available on the Group website at: www.vallourec.com

Resolutions

Agenda

Items within the competence of the Ordinary Shareholders' Meeting

- Approval of the annual financial statements for fiscal year 2008
- Approval of the consolidated financial statements for fiscal year 2008
- Allocation of the net income for fiscal year 2008 and determination of the dividend
- Option of receiving the dividend by delivery of shares
- Approval of the transactions covered by the articles L. 225-86 *et seq.* of the French Commercial Code
- Approval of regulated commitments referred to in article L. 225-90-1 of the French Commercial Code concerning Mr. Philippe Crouzet
- Ratification of appointments (*cooptations*) of members of the Supervisory Board
- Authorization to provide to the Management Board in order to trade on the Company's shares

Items within the competence of the Extraordinary Shareholders' Meeting

- Delegation of authority to the Management Board to issue, with preferential subscription rights, shares and/or securities giving rights to the share capital
- Delegation of authority to the Management Board to issue, without preferential subscription rights, shares and/or securities giving access to the share capital
- Authorization granted to the Management Board, in the event of an issue of shares or securities without preferential subscription rights, to set the issue price under the conditions defined by the Shareholders and up to a maximum of 10% of the share capital
- Delegation to the Management Board of authority to increase the number of securities to be issued in the event of a capital increase with or without preferential subscription rights
- Delegation of authority to be given to the Management Board to issue shares or securities giving access to the capital of the Company without preferred subscription rights as payment for contributions in-kind relating to capital securities or securities giving access to the capital of the Company

- Delegation of authority to the Management Board to increase in one or more times the capital by way of incorporation of premiums, reserves or profits
- Delegation of authority to the Management Board in order to issue securities that entitle to an allotment of debt instruments, without increase of the Company's share capital
- Delegation of authority to be given to the Management Board to decide upon the issuance of shares and/or securities granting access to the share capital reserved for participants in savings plans, with the cancellation of the preferential subscription right in their favor
- Delegation of authority to be given to the Management Board of authority to proceed with capital increases reserved for employees of foreign companies of the Vallourec Group (and to the assimilated beneficiaries) outside of a company savings plan, with the cancellation of the preferential subscription right of the shareholders
- Delegation of authority to be given to the Management Board of the authority to proceed with capital increases reserved for credit institutions as part of a transaction reserved for employees, with a cancellation of the shareholders' preferential subscription rights
- Delegation of authority to be given to the Management Board to grant existing or newly issued shares in favor of the Group's employees that are not French residents (and assimilated beneficiaries), or certain of them, as part of the implementation of an offering reserved for employees (and assimilated beneficiaries)
- Delegation of authority to the Management Board to grant stock options
- Authorization to be granted to the Management Board to reduce the share capital through the cancellation of treasury shares

Shareholders' Meeting, Thursday 4 June at 5 :00 p.m.
in the Grand Auditorium of the Palais Brongniart,
place de la Bourse (entrance rue Vivienne), Paris.

Exercise your voting right

All shareholders, regardless of the number of shares they hold, are entitled to attend and vote at the Shareholders' Meeting.

To contact CACEIS:
By mail:
CACEIS CORPORATE TRUST
Service des Assemblées
(Shareholders' Meetings
Department)
92862 Issy les Moulineaux
Cedex 09
By phone:
00 33 (0)1 57 78 32 32
By fax:
00 33 (0)1 49 08 05 82

To vote at the 4 June 2009 Shareholders' Meeting, you must

- hold Vallourec registered or bearer shares on 31 May 2009, midnight Paris time.
- send your voting documents to Caceis Corporate Trust on Friday, 29 May no later than midnight (deadline for receipt of the documents by Caceis).

What do you need to do?

Step 1: Indicate how you wish to vote

Option 1: Voting in person by attending the Meeting.

Tick box A of the single form and return it as soon as possible so that you can be sure to receive your admission card in time (to find out where to return your form, refer to step 4).

Option 2: Casting a postal vote.

Tick box B of the form, and then the box "I am casting a postal vote" and follow the voting instructions

Option 3: Appointing the Chairman of the Meeting to exercise a proxy vote on your behalf.

Tick box B of the form, and then the box "I am appointing the Chairman of the Meeting to exercise a proxy vote on my behalf."

Option 4: Appointing another Vallourec shareholder or your spouse to exercise a proxy vote.

Tick box B of the form, and then the box "I am appointing __ to exercise a proxy vote" and fill in the coordinates of your representative at the Meeting.

Detailed instructions for filling out the single form can be downloaded from the Vallourec website: "http://www.vallourec.uk/actionnaires/assemblees_generales.asp."

The single form will be sent by mail to all registered shareholders with no request on their part. Holders of bearer shares must apply to Caceis before 28 May.

Step 2: Check that your contact details are correct

Step 3: Date and sign the form, regardless of your choice

Step 4: Return your form (regardless of your choice under Step 1)

If you are the holder of bearer shares:

You must send the form to your bank or financial intermediary, who will send it to Caceis with proof of participation.

If you are a registered shareholder: Send the form directly to Caceis by mail or by fax. In any case, Caceis must receive the form no later than 29 May at midnight. No form received after that date will be included in the voting at the Meeting.

However, if you are the holder of bearer shares and your valid form has not arrived by 29 May at midnight, you may ask your bank or financial intermediary for proof of participation and attend the Annual General Meeting to vote in person.

Please note that:

Once recorded by the Caceis staff, your vote cannot be changed.

Your securities are free for trading. You may sell all or part of your shares even if you have already voted or applied for an admission card.

Vallourec will take into account your exact position as of 31 May 2009 at midnight (The institution holding your account is required to inform Vallourec of this.).

Complete your form

STEP 1: INDICATE HOW YOU WISH TO VOTE

Tick box **A** if you wish to vote in person by attending the Meeting
 Tick box **B** if you cannot attend the Meeting and wish to cast a postal vote or if you wish to appoint a representative, and follow instructions **B1** through **B3**.

STEP 2:

Check that your contact details are correct and make any necessary changes.

IMPORTANT : avant d'annoncer votre choix, veuillez prendre connaissance des instructions situées au verso / Before selecting please see instructions on reverse side

A QUELLE QUE SOIT L'OPTION CHOISIE, DATER ET SIGNER AU BAS DU FORMULAIRE / WHICHEVER OPTION IS USED, DATE AND SIGN AT THE BOTTOM OF THE FORM

B Je désire assister à cette assemblée et demande une carte d'admission / I wish to attend the shareholder's meeting and request an admission card - date and sign at the bottom of the form.
 J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes / I prefer to use the postal voting form or the proxy form as specified below

ASSEMBLEE GENERALE MIXTE
 du 4 juin 2009 à 17 heures,
 au Palais Brongniart à Paris (75002)
 grand Auditorium - entrée principale rue Vivienne
ORDINARY AND EXTRAORDINARY GENERAL MEETING
 of 4 June 2009 at 5 p.m.
 at Palais Brongniart in Paris (75002)
 grand Auditorium - main entrance rue Vivienne

CADRE RESERVE / For Company's use only

Identifiant / Account: _____

Nombre d'actions / Number of shares: _____

Nombre de voix / Number of voting rights: _____

Non/No: _____

Oui/Yes: _____

Non/No: _____

Oui/Yes: _____

2 JE VOTE PAR CORRESPONDANCE // I VOTE BY POST
CF. Art. 207 du Code de Commerce // See section 20

Je vote OUI sur les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directeur ou le Gérant, à l'exception de ceux que j'ai signalés en mentionnant comme tels la case correspondante et pour lesquels je vote NON ou je m'abstiens.
 I vote YES on all the draft resolutions approved by the Board of Directors EXCEPT those indicated by a checked box - tick this & for which I vote no or I abstain.

Sur les projets de résolutions non agréés par le Conseil d'Administration ou le Directeur ou le Gérant, je vote en cochant comme tels la case correspondante à mon choix.
 On the draft resolutions not approved by the Board of Directors, I vote my vote by shading the box of my choice - tick this &

1	2	3	4	5	6	7	8	9	Oui/Yes	Non/No
10	11	12	13	14	15	16	17	18	A	F
19	20	21	22	23	24	25	26	27	B	G
28	29	30	31	32	33	34	35	36	C	H
37	38	39	40	41	42	43	44	45	D	J
									E	K

1 JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE
CF. Art. 207 du Code de Commerce // See section 20
 JE HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE MEETING

3 JE DONNE POUVOIR A : (tick in complete) / I HEREBY APPOINT (tick in complete)

Nom, Prénoms, Adresse de l'actionnaire (for the shareholder's information) / Nom, Prénoms, Adresse de l'actionnaire (for the shareholder's information)
 (Surname, first name, address of the shareholder if this information is already completed, please write and attach if necessary) / (Surnames, first name, address of the shareholder if this information is already completed, please write and attach if necessary)

STEP 3: WHATEVER YOU DECIDE TO DO, DO NOT FORGET TO SIGN AND DATE THE FORM HERE.

STEP 4: RETURN THIS FORM BEFORE THE RETURN DEADLINE.

à retourner le 29/05/2009

B2 TO CAST A POSTAL VOTE: tick here.

- To vote YES on a resolution, leave blank the box next to the resolution number concerned.
- To vote NO on a resolution or to abstain, black out the box next to the resolution number concerned.

Don't forget to tick box **B** above.

B1 TO APPOINT THE CHAIRMAN TO EXERCISE A PROXY VOTE ON YOUR BEHALF: tick here.

Don't forget to tick box **B** above.

B3 TO APPOINT ANOTHER VALLOUREC SHAREHOLDER OR YOUR SPOUSE TO REPRESENT YOU AT THE MEETING:

Tick here and indicate the name and contact details of your representative. The owner of the shares must date and sign this form. If the shares are jointly owned, each joint owner must sign the form.

Don't forget to tick box **B** above.

Ordinary & Extraordinary Shareholders' Meeting of 4 June 2009

Request for documents and information

(Covered by Articles R. 225-83 and R. 225-88 of the French Code de Commerce)

VALLOUREC

A French limited liability Company with Management and Supervisory Boards and capital of € 215,154,864
Registered office: 27 Avenue du Général Leclerc – 92100 Boulogne-Billancourt
552 142 200 RCS Nanterre
Siret 552 142 200 00773 APE 7010Z

ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING 4 JUNE 2009

I, the undersigned:

Surname and first name:

Home address:

E-mail and phone number:

Owner of: registered shares and/or bearer shares recorded in registered accounts in bank/authorized intermediary (named):

If I am a bearer shareholder, I attach the certificate of holding of the authorized intermediary.

Having read the documents attached to this form concerning the above-mentioned Meeting and covered by Articles R. 225-81 and R. 225-83 of the French Code de Commerce,

I request the said company to send me, free of charge, following the publication of the official notice and before the Meeting, the documents and information covered by Article R. 225-88 of the French Code de Commerce.

Signed, on

When completed, this form should be returned directly to the Company's registered office.

Signature:

NB: From the invitation and until the fifth day inclusive before the Meeting, in accordance with Article R. 225-88 of the French Code de Commerce, registered shareholders may make a single request for the Company to send documents and information referred to above and covered by Articles R. 225-81 and R. 225-83 of the French Code de Commerce for each subsequent Shareholders' Meeting. This option is also available to bearer shareholders provided that they send with their request the certificate of holding of the authorized intermediary.