



A French limited liability Company with Management and Supervisory Boards
and capital of 212,154,880 €
Registered Office, 27 avenue du General Leclerc à 92100 Boulogne-Billancourt
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NOTICE OF MEETING

Ordinary & Extraordinary General Meeting

Vallourec's shareholders are invited to the Company's registered office at 27, avenue du général Leclerc, 92100 Boulogne-Billancourt on 26 May 2008 to attend an Ordinary & Extraordinary General Meeting in order to consider the items on the agenda and to decide on the following resolutions. This is the first notice of such Meeting.

As this Meeting will not take place due to an insufficient quorum, notice of such Meeting will be given a second time for the meeting to be held, with the same agenda, at the Palais Brongniart (Grand Auditorium, main entrance), rue Vivienne, 75002 Paris, on Wednesday 4 June 2008 at 5 p.m.

AGENDA

Items within the competence of the Ordinary General Meeting:

1. Approval of the Company financial statements and the management report of the Management Board
2. Approval of the consolidated financial statements
3. Allocation of net income and dividend distribution
4. Approval of the related party transactions
5. Renewal of the term of office of a member of the Supervisory Board, said term of office having expired
6. Ratification of the appointment of a member of the Supervisory Board and renewal of his term of office
7. Appointment of a Censeur
8. Authorization of share buy-back programme

Items within the competence of the Extraordinary General Meeting:

9. delegation to the Management Board of its authority to grant warrants during a tender offer period

10. amendment of articles of association relating to the date of securities holding in order to participate to general meetings
11. amendment of articles of association relating to the ordinary general meeting's powers : suppression of the general meeting's power to authorize issuance of non-convertible debt securities
12. Delegation of authority to be given to the management board to decide upon a capital increase through the issuance of shares 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
13. 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
14. 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
15. Delegation of authority to be given to the management board to grant existing or newly issued shares free of charge 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).
16. delegation to the Management Board of its authority to grant, for free, existing or future shares in favor of the Group's employees and corporate officers or to some of them

PROPOSED RESOLUTIONS

ORDINARY PART

FIRST RESOLUTION *(Approval of the Company financial statements and the management report of the Management Board)*

The General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having heard the reports of the Management Board, the report of the Chairman of the Supervisory Board on internal control, the report of the Supervisory Board and the general report of the Auditors for the financial year ended 31 December 2007, hereby approves the management report of the Management Board and the Company financial statements for the financial year 2007 as presented to it, which show net income of € 533,894,374.14.

SECOND RESOLUTION *(Approval of the consolidated financial statements)*

The General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having heard the reports of the Management Board, the Supervisory Board and the Auditors, approves the consolidated financial statements for the year ended 31 December 2007 as presented to it, which show net income of € 1 024 463 thousand.

THIRD RESOLUTION *(Allocation of net income and dividend distribution)*

The General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, hereby approves the allocation of net income recommended by the Management Board.

In doing so, it resolves to appropriate from the net income for the year an amount of € 10,740 to the legal reserve, this being the amount required to take the legal reserve to its statutory amount, and to appropriate the balance of € 553,883,634.14, increased by the amount of € 29,542,285.86 deducted from retained earnings, to the distribution of a dividend.

Shareholders are reminded that, at its meeting on 6 June 2007, the Management Board had already decided to distribute an interim dividend of € 4 per share. This interim dividend was paid on 4 July 2007.

Accordingly, the balance of € 7 shall be paid to each of the 53,038,720 shares representing the share capital at 31 December 2007, corresponding to a total dividend paid to each share in respect of the financial year 2007 of € 11.

The Meeting stipulates that the Company shall not receive any dividend in respect of any of its own shares that it may hold on the payment date. The corresponding amount shall be appropriated to retained earnings.

Accordingly, the Meeting authorizes the Management Board, if necessary, to amend the final amount of dividends actually distributed and the final amount appropriated to retained earnings.

The dividend will be paid on 18 June 2008.

In accordance with Article 243 bis of the French General Tax Code (*Code général des impôts*), this dividend is eligible, when paid to shareholders who are individuals domiciled for tax purposes in France, for the 40% deduction resulting from the application of Article 158-3 of the French General Tax Code. In accordance with Article 117 quater of the French General Tax Code, shareholders may, however, subject to conditions and instead of income tax at progressive tax rates, opt for deductible withholding tax at the flat rate of 18%; the dividend then no longer qualifies for the 40% deduction. Shareholders are warned that, in both cases, under certain circumstances, the social security deductions in respect of these dividends are deducted at source.

The General Meeting notes that the dividends granted for the preceding three financial years were as follows:

Financial year	Number of shares ⁽¹⁾	Dividend per share (in euros)
2004	9,869,956	3.20
2005	10,600,332	11.20
2006	53,011,870	6.00

⁽¹⁾Shareholders are reminded that the number of shares was multiplied by 5 on 18 July 2006.

FOURTH RESOLUTION (*Approval of the related party transactions*)

The General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having heard the special report of the Auditors on the agreements subject to Article L. 225-86 of the French Code de Commerce, approves the assistance agreements in respect of the Group's acquisition strategy entered into with Banque Rothschild and approved at the Supervisory Board meetings held on 31 July and 18 October 2007.

FIFTH RESOLUTION (*Renewal of the term of office of a member of the Supervisory Board, said term of office having expired*)

The General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, resolves to renew the appointment as a member of the Supervisory Board of Mr Edward G. Krubasik for a term of four (4) years expiring at the end of the Ordinary General Meeting called to approve the financial statements for the year ended 31 December 2011.

SIXTH RESOLUTION (*Ratification of the appointment of a member of the Supervisory Board and renewal of his term of office*)

The General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, resolves to ratify the appointment, decided upon by the Supervisory Board on 10 April 2008, of Mr Philippe Crouzet as a member of the Supervisory Board to replace Mr Luiz-Olavo Baptista. Since Mr Philippe Crouzet's term of office expires, like that of his predecessor, at the end of this Meeting, the Meeting also resolves to renew said term of office for a term of four (4) years expiring at the end of the Ordinary General Meeting called to approve the financial statements for the year ended 31 December 2011.

SEVENTH RESOLUTION (*Appointment of a Censeur*)

The General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, resolves to appoint Mr Luiz-Olavo Baptista as Censeur (non-voting consulting director) for a term of four (4) years expiring at the end of the Ordinary General Meeting called to approve the financial statements for the year ended 31 December 2011.

EIGHTH RESOLUTION (*Authorization of share buy-back programme*)

The General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, having heard the reports of the Management Board and Supervisory Board, authorizes the Management Board, in accordance with Articles L. 225-209 et seq. of the French Code de Commerce and the conditions laid down in Articles 241-1 to 241-6 of the General Regulations (*Règlement Général*) of the Autorité des Marchés Financiers and European Regulation no. 2273/2003 of 22 December 2003 implementing EC

Directive 2003/6/EC of 28 January 2003, and with the right of sub-delegation in accordance with the conditions prescribed by law, to purchase the Company's shares, or arrange for them to be purchased, with a view to:

- the implementation of any share purchase option plan of the Company in accordance with the provisions of Articles L. 225-177 et seq. of the French Code de Commerce;
- their allocation or sale to employees under the terms of the Company's profit-sharing arrangements and the implementation of any company savings plan in accordance with the provisions prescribed by law, in particular Articles L. 443-1 et seq. of the French Code du travail;
- the allocation of bonus shares in accordance with the provisions of Articles L. 225-197-1 et seq. of the French Code de Commerce;
- an investment services provider stimulating the market for or liquidity of the shares under the terms of a liquidity contract in accordance with the code of business ethics recognized by the Autorité des Marchés Financiers;
- carrying out purchases, sales or transfers by any means via an investment services provider, in particular in connection with off-market transactions;
- their use by way of exchange, payment or other use in connection with any acquisition, merger or demerger transaction;
- their use in connection with the exercise of rights attached to marketable securities giving access to the Company's capital via the redemption, conversion, exchange or presentation of a warrant or in any other way; or
- the cancellation of all or part of the shares thus repurchased, under the terms of the authorization granted in accordance with the ninth resolution of the Extraordinary General Meeting held on 6 June 2007.

This programme would also aim to enable the Company to operate in any other sector in which it is authorized to operate or would be authorized to operate under existing legislation or regulations. In such circumstances, the Company would inform its shareholders accordingly by means of a press release.

Purchases of the Company's shares may apply to a number of shares such that the number of shares purchased during the duration of the share buy-back programme does not, at any time, exceed 10% of the Company's share capital. Such percentage shall apply to the share capital as adjusted for any transactions that may affect it subsequent to this General Meeting. The terms of the buy-back programme stipulate that the number of shares acquired with a view to being held or subsequently used in connection with a merger, demerger or contribution may not exceed 5% of the Company's share capital and that the number of shares that the Company may hold at any time may not exceed 10% of the Company's share capital on the date concerned.

The purchase, disposal, exchange or transfer of shares may be carried out by the Management Board on one or more occasions, at the times the Board considers appropriate, by any means on the stock exchange or over-the-counter and notably through any intervention on or off the market, public purchase or exchange offer, or the purchase of blocks of shares, including through the use of financial derivatives. The full amount of the repurchase programme may be acquired, ceded, exchanged or transferred by means of blocks of shares.

The maximum purchase price of each share is set at the highest listed price (closing price) since the preceding meeting held on 6 June 2007, increased by 20%.

The maximum amount of funds earmarked for the share buy-back programme is € 1 billion.

The General Meeting invests all power in the Management Board, in the event of a change in the nominal value of the Company's shares, a capital increase by means of the capitalization of reserves, the attribution of bonus shares, a stock split or reverse stock split, the distribution of reserves or any other assets, the redemption of capital, or any other transaction affecting the Company's shareholders' equity, to adjust the aforementioned purchase price in order to take account of the impact of such transactions on the value of the Company's shares.

The General Meeting invests all power in the Management Board, with the right of sub-delegation in accordance with the conditions prescribed by law, to decide on and implement this authorization, to specify, if necessary, the terms and procedures for carrying out the buy-back programme, and, in particular, to place any stock exchange orders, conclude any agreements, notably concerning the keeping of registers of purchases and sales of shares, make any declarations to the Autorité des Marchés Financiers or any other body, carry out all formalities and, generally, do all that is necessary.

The Management Board is expressly authorized to delegate to its Chairman, with the latter having the option to sub-delegate to a person of his choice, the execution of decisions taken by the Management Board in connection with this authorization.

This authorization is granted for a period of eighteen months from today.

It renders ineffective, as from today, the unused portion, if any, of the authorization given by the Ordinary General Meeting of 6 June 2007.

EXTRAORDINARY PART

NINTH RESOLUTION (*Delegation to the Management Board of its authority to grant warrants during a tender offer period*)

The Extraordinary Shareholders' meeting, acting in accordance with the quorum and majority criteria applicable to Ordinary General Meetings after having acknowledged the Management Boards' report and the auditors' special report in accordance with articles L233-32, II and L233-33 of the French Commercial Code:

1. delegates its power to the Management Board, on one or more occasions, to issue, during the period of a tender offer for the Company's securities, warrants with preferential rights to subscribe for shares of the Company, and to grant, for no consideration, such warrants to all eligible shareholders of the Company, prior to the expiration of the tender offer period;
2. sets the maximum nominal value of the share capital increase resulting from the exercise of these warrants as 212,154,880 euros, it being specified that this maximum is set independently from any other maximum with regard to issuances of shares or securities giving access to the share capital of the Company authorized either by this General Meeting or any other previous General Meeting; if applicable this maximum will be increased in proportion with any subsequent share capital increase achieved before the decision to issue warrants;
3. determines that the maximum number of warrants to be issued will not exceed the number of shares composing the share capital at the time of the issue;
4. determines that the Management Board shall set forth, on the basis of a report prepared by a bank unconnected with the company, whose appointment would have been approved by the majority of the independent members of the Supervisory Board, the circumstances and the reasons why it has determined that the tender offer is not in the interest of the shareholders and that the issuance of such warrants justified, as well as the criteria and process used to establish the methods of determination of the warrants' price of exercise;
5. determines that warrants issued in accordance with the present delegation will not be exercisable and will become null and void if, at the end of settlement-delivery related to any tender offer (subsequent to re-opening, if any) an initiator holds a number of shares representing at least 90% of the company voting rights at that date;
6. determines that the Management Board will have all powers to implement this delegation, in particular to:
 - (a) determine the criteria in accordance with which warrants would be granted, in particular, the shareholder record date;
 - (b) determine the number of warrants to grant per share;
 - (c) determine the conditions of exercise of these warrants, as well as any other terms of these warrants, in particular the period of exercise, their price of exercise or the method of its determination, the transferability and/or the assignability of the warrants;
 - (d) if necessary, declare or acknowledge the nullity and voidness, or on the contrary the exercisable quality of the warrants;
 - (e) determine the date of accession to the rights in the shares created by exercise of the warrants;
 - (f) acknowledge the completion of increases share capital stemming from the exercise of warrants and amend accordingly the articles of association;
 - (g) if necessary, adjust in order to protect, in the event of the issuance of warrants, the rights of holders of securities giving access to the share capital or of beneficiaries of options to subscribe for or purchase shares;
 - (h) generally, enter into all agreements to ensure the successful completion of any contemplated issuances, and take all measures and perform all formalities necessary to issue, list and administer the securities issued pursuant to this delegation;

7. determines that the present delegation is granted for a period expiring at the end of the tender offer period for the Company's securities that is made during the 18 months from the date of the present meeting;
8. determines that, in the event of nullity and voidness of the warrants, this delegation will be deemed unused and will keep in consequences all its effects;
9. acknowledges that the present delegation entails shareholders to waive their preferred right to subscribe for the Company's shares which the issued warrants, pursuant to the present delegation, could give rise to.

TENTH RESOLUTION *(Amendment of articles of association relating to the date of securities holding in order to participate to general meetings)*

The Shareholders' meeting, acting in accordance with the quorum and majority criteria applicable to Ordinary General Meetings after having acknowledged the Management Boards' report, decides to amend article 12.3 of the articles of association related to participation to general meetings, by replacing the 2nd paragraph by the following sentence:

« Any shareholder is entitled to participate to meetings in accordance with applicable law ».

ELEVENTH RESOLUTION *(Amendment of articles of association relating to the ordinary general meeting's powers: suppression of the general meeting's power to authorize issuance of non-convertible debt securities)*

The Shareholders' meeting, acting in accordance with the quorum and majority criteria applicable to Ordinary General Meetings after having acknowledged the Management Boards' report, decides to amend article 13.2 of the articles of association related to the ordinary general meetings' powers, by deleting the second-to-last paragraph that follows:

« It authorizes any borrowings through non-convertible or non-callable bonds or through warrants, and the making of any particular guarantee conferred to them ».

TWELFTH RESOLUTION *(Delegation of authority to be given to the management board to decide upon a capital increase through the issuance of shares 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).*

The general shareholders' meeting, having satisfied the quorum and majority conditions required for an extraordinary general shareholders' meeting, and having considered the report prepared by the management board and the statutory auditors' special report, in accordance with the provisions of Articles L.225-129-6 and L.225-138-1 of the Commercial Code on the one hand and the provisions of Articles L.3332-1 et seq. of the New Labor Code on the other hand:

1. delegates to the management board, with the authority to sub-delegate as permitted by applicable law and subject to the prior approval of the Supervisory Board in accordance with Article 9.3 of the Company's by-laws, its authority to conduct a capital increase, in one or several transactions, for a maximum nominal amount of €6,300,000, increased if needed by the nominal amount of shares to be issued in the event of a new financial transaction, in order to preserve the rights of holders of securities granting access to the capital, through an issuance of shares or securities granting access to the capital reserved for participants in one or several company savings plans (or other plans where Articles L.332-18 to L.3332-24 of the New Labor Code would allow the reservation of a capital increase to participants therein under similar conditions) implemented, in application of Article L.3344-1 of the Labor Code, within a company or group of companies, in France or abroad, comprised within the scope of consolidation of the company's financial statements pursuant to Article L.233-16 of the Commercial Code; it being specified that (i) the maximum nominal amount of the capital increases likely to be conducted immediately or in the future under this delegation will be applied to the global maximum limit provided for in paragraph 3 of the first resolution adopted by the extraordinary general shareholders' meeting of June 6, 2007 or, if applicable, to the global maximum limit provided for in a similar resolution that could eventually supercede the previous resolution during the period of validity of this delegation and that (ii) any use of the eleventh, twelfth and thirteenth resolutions submitted to this meeting will reduce the maximum amount of €6,300,000 mentioned above;
2. sets at twenty-six months from the date hereof the period of validity of the delegation of issuance that is the object hereof;

3. decides that the issuance price of new shares or securities granting access to the capital shall be determined in accordance with the provisions of Articles L.3332-18 and L.3332-23 of the New Labor Code and will be equal to at least 80% of the Reference Price (as such term is defined below); however, the shareholders' meeting expressly authorizes the management board to reduce or cancel the discount mentioned above (within the legal and regulatory limits) if it considers it to be advisable, notably in order to take into account, among other things, any legal, accounting, tax and labor regimes that may apply locally; for the purposes of this paragraph, the Reference Price refers to the average opening price of the company's shares listed on the Eurolist by Euronext Paris by NYSE Euronext during the twenty trading sessions prior to the date of the decision setting the opening date of subscription for participants in a company savings plan;
4. authorizes the management board to grant, free of charge, to the beneficiaries indicated above, in addition to the shares and securities granting access to the capital to be subscribed for in cash, shares and securities granting access to the capital, whether or not of the same type as those to be subscribed for in cash, as a substitute for all or part of the discount on the Reference Price and/or of the employer contribution, it being understood that the advantages resulting from this grant may not exceed the legal and regulatory limits that apply under Articles L.3332-21 and L.3332-11 of the New Labor Code, it being specified that the maximum amount of the capital increases that may be result immediately or in the future from the issuance of shares or securities granting access to the capital attributed in this way will be applied to the maximum limits set forth in paragraph 1 above;
5. decides to cancel, in favor of the beneficiaries indicated above, the preferential subscription right of the shareholders to the shares and securities granting access to the capital, the issuance of which is the object of this delegation, such shareholders also relinquishing, in the event of the free distribution to the above-mentioned beneficiaries of shares or securities granting access to the capital, of all rights to such shares and securities granting access to the capital, including to the part of the reserves, profits or premiums included in the capital, as a result of the free distribution of such securities carried out under this resolution;
6. authorizes the management board, in accordance with the conditions of this delegation, to proceed with the sale of shares to participants in one of the company's savings plans as provided for in Article L.3332-24 of the New Labor Code, it being specified that the number of shares sold with a discount in favor of the participants in one or several of the company's savings plans mentioned in this resolution will be applied to the maximum limit provided for in paragraph 1 above;
7. decides that the management board will have full authority to implement this delegation, with the power to sub-delegate as permitted by law, subject to the limits and under the conditions specified above, in particular to:
 - determine the amount of the issuances that will be carried under this authorization and to establish in particular the issuance price, date, time periods, terms and conditions of the subscription, the payment, the delivery and eligibility for dividends of the securities (even retroactive), the rules of reduction that apply in the event of an over-subscription, as well as the other terms and conditions of the issuance, within the legal and regulatory limits in force;
 - establish in accordance with the legal conditions the list of companies in which the beneficiaries indicated above may subscribe for shares or securities granting access to capital issued in this manner and benefit, if applicable from the freely distributed shares or securities granting access to the share capital;
 - decide that the subscriptions may be carried out directly by the beneficiaries, who participate in one of the company's savings plans, or by the intermediary of a company mutual fund (FCPE) or other structures or entities permitted under the applicable legal and regulatory provisions;
 - determine the terms, notably of seniority, which must be met by the beneficiaries of the capital increases;
 - establish the opening and closing dates of the subscription;
 - determine, in the event of a free distribution of shares or securities granting access to the capital, the nature, characteristics and number of shares or securities granting access to the capital to be issued, the number to be granted to each beneficiary, and to set the dates, terms, methods and conditions of the distribution of the shares or securities granting access to the capital within the limits of the laws and regulations in force and notably choose either to completely or partially substitute the allocation of these shares or securities granting access to the capital to the discounts on the Reference Price provided for above, or to apply the value of these shares and securities to the total amount of the employer contribution, or to combine the two possibilities;

- in the event of the issuance of new shares, to apply, if needed, to the reserves, profits or share premiums, the sums necessary to pay up said shares, acknowledge the completion of the reserved capital increases in application of this authorization, modify the by-laws accordingly and generally perform all necessary acts and formalities;
 - acknowledge the completion of each capital increase up to the amount of the shares which will actually be subscribed;
 - apply, if it considers doing so to be appropriate, the costs of the capital increase to the corresponding amount of share premiums and deduct from such amount, the sum needed to increase the amount of the legal reserves to one-tenth of the new capital resulting from these capital increases;
 - enter into any agreements, carry out, directly or indirectly by a representative, all transactions and terms, including the performance of all formalities following the capital increases and the corresponding modification of the by-laws accordingly; and
 - generally, to enter into any agreement, in particular to ensure the underwriting of the contemplated issuances, to take all measures and carry out all formalities necessary for the issuance, listing and financial servicing of the securities issued pursuant to this delegation and the exercise of the rights attached thereto or that result from the increases of capital conducted.
8. decides that this delegation cancels effective as of the date hereof any unused portion of any prior delegation given to the management board for the purpose of increasing the Company's share capital through the issuance of shares reserved for participants in company savings plans, with the cancellation of the preferential subscription right in their favor.

THIRTEENTH RESOLUTION *(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)*

The general shareholders' meeting, having satisfied the quorum and majority conditions required for an extraordinary general shareholders' meeting, and having considered the report prepared by the management board and the statutory auditors' special report, in accordance with the provisions of Article L.225-138 of the Commercial Code:

1. delegates to the management board, with the authority to sub-delegate as permitted by applicable law and subject to the prior approval of the Supervisory Board in accordance with Article 9.3 of the Company's by-laws, its authority to conduct a capital increase, in one or several transactions, for a maximum nominal amount of €6,300,000, through the issuance of new shares reserved for the category of individuals comprising employees and assimilated beneficiaries under the definition of Article L.3332-2 of the New Labor Code of the companies of the Vallourec Group whose registered office is situated outside of France and who will invest through company mutual funds, the Vallourec Group consisting of the company and French or foreign companies comprised within the scope of consolidation of the company's financial statements in accordance with Article L.233-16 of the French Commercial Code, it being specified that (i) the maximum nominal amount of any capital increase conducted under this delegation will be applied to the global maximum amount provided for in paragraph 3 of the first resolution adopted by the extraordinary general shareholders' meeting of June 6, 2007 or, if applicable, to the global maximum limit provided for in a similar resolution that could eventually supercede the previous resolution during the period of validity of this delegation and that (ii) any use of the eleventh, twelfth and thirteenth resolutions submitted to this meeting will reduce the maximum limit of €6,300,000 mentioned above;
2. sets at eighteen months from the date hereof the period of validity of the delegation of issuance that is the object of this delegation;
3. decides that this delegation cannot be used other than in connection with an offer to employees (and assimilated beneficiaries) giving rise in addition to the use of the delegation conferred pursuant to the eleventh resolution submitted to this general meeting and provided (i) that employees and assimilated beneficiaries benefiting directly or through a company mutual fund (*FCPE*) of a capital increase conducted under this resolution be subject to an unavailability period equal at least to the one that applies to capital increases and/or sales of shares under the eleventh resolution and (ii) that the subscription of employees and assimilated beneficiaries (including any potential leverage effect) be limited to 75% of their gross annual salary ;

4. decides that the issuance price of the new shares to be issued under this delegation shall be determined by the management board on the basis of the Company's share price on Eurolist by Euronext Paris by NYSE Euronext; this price will be equal to the average opening price of the company's shares listed on the Eurolist by Euronext Paris by NYSE Euronext during the twenty trading sessions prior to the date of the decision setting the opening date of subscription to the capital increase and/or to the corresponding share offering conducted under the eleventh resolution submitted to this meeting discounted by 20% ;
5. decides to cancel, in favor of the above-mentioned category of beneficiaries, the preferential subscription right of the shareholders to the shares that might be issued pursuant to this delegation ;
6. decides that the management board will have all powers, with authority of sub-delegation under the conditions provided for by the law, to make use on one or more occasions of this delegation within the limits and under the conditions specified above, in order to, in particular :
 - determine the amount of the issuances that will be carried out under this authorization and to establish in particular the issuance price, date, time periods, terms and conditions of the subscription, the payment, the delivery and eligibility for dividends of the securities (even retroactive), as well as the other terms and conditions of the issuance, within the legal and regulatory limits in force;
 - establish the list of the beneficiary/ies of the cancellation of the preferential subscription right within the category defined above, as well as the number of shares to be subscribed by each of them;
 - determine the conditions, in particular those relating to seniority, which should be satisfied by the beneficiaries of capital increases;
 - set the dates for the opening and closing of the subscription periods;
 - acknowledge the completion of the share capital increase, make the corresponding modification to the by-laws, carry out, directly or through a representative, all transactions and formalities relating to the capital increases;
 - enter into any agreements, carry out, directly or indirectly by a representative, all transactions and terms, including the performance of all formalities following the capital increases and the corresponding modification of the by-laws;
 - apply, if it considers doing so to be appropriate, the costs of the capital increase to the corresponding amount of share premiums and deduct from such amount, the sum needed to increase the amount of the legal reserves to one-tenth of the new capital resulting from these capital increases; and
 - generally, to enter into any agreement, in particular to ensure the underwriting of the contemplated issuances, to take all measures and carry out all formalities necessary for the issuance, listing and financial service of the securities issued pursuant to this delegation and the exercise of the rights attached thereto or that result from the increases of capital conducted.

FOURTEENTH RESOLUTION (*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*).

The general shareholders' meeting, having satisfied the quorum and majority conditions required for an extraordinary general shareholders' meeting, and having considered the report prepared by the management board and the statutory auditors' special report, in accordance with the provisions of Article L.225-138 of the Commercial Code:

1. acknowledges the fact that in certain countries, legal or tax-related difficulties or uncertainties may complicate or undermine the implementation of employee share ownership formulas directly or through the intermediary of a mutual fund (the eligible beneficiaries of the Vallourec Group companies whose registered offices are located in one of these countries referred to hereafter as "Foreign Employees," the Vallourec Group consisting of the company and the French or foreign companies comprised within the scope of consolidation of the company's financial statements under article L.233-16 of the Commercial Code) and of the fact that the implementation for the benefit of certain Foreign Employees of alternatives to the formulas offered to French residents who are

participants in one of the company's savings plans implemented by one of the Vallourec Group companies may be needed;

2. delegates to the management board, with the authority to sub-delegate as permitted by applicable law and subject to the prior approval of the Supervisory Board in accordance with Article 9.3 of the Company's by-laws, its authority to conduct a capital increase, in one or several transactions, for a maximum nominal amount of €6,300,000, through the issuance of new shares reserved for the category of persons comprising the credit institutions intervening on the company's request for the purposes of offering to all or part of the Foreign Employees alternatives (whether including a shareholding component or not) to the structured share offering proposed to French residents participating in one of the savings plans set up by one of the Vallourec Group companies, and any entities controlled by these institutions within the meaning of article L.233-3 of the Commercial Code, it being specified that (i) the maximum nominal amount of any capital increase conducted under this delegation will be applied to the global maximum amount provided for in paragraph 3 of the first resolution adopted by the extraordinary general shareholders' meeting of June 6, 2007 or, if applicable, to the global maximum limit provided for in a similar resolution that could eventually supercede the previous resolution during the period of validity of this delegation and that (ii) any use of the eleventh, twelfth and thirteenth resolutions submitted to this meeting will reduce the maximum limit of €6,300,000 mentioned above;
3. sets at eighteen months from the date hereof the period of validity of the delegation of issuance that is the object of this delegation;
4. decides that this delegation cannot be used other than in connection with an offer to employees (and assimilated beneficiaries) giving rise in addition to the use of the delegation conferred pursuant to the eleventh resolution and/or the twelfth resolution submitted to this meeting and only for the purposes described in paragraph 1 of this resolution;
5. decides that the issuance price of the new shares to be issued under this delegation shall be determined by the management board on the basis of the Company's share price on Eurolist by Euronext Paris by NYSE Euronext; this price will be equal to the average opening price of the company's shares listed on the Eurolist by Euronext Paris by NYSE Euronext during the twenty trading sessions prior to the date of the decision setting the opening date of subscription to the capital increase and/or to the corresponding share offering conducted under the eleventh resolution submitted to this meeting discounted by 20% ;
6. decides to cancel, in favor of the above-mentioned category of beneficiaries, the preferential subscription right of the shareholders to the shares that might be issued pursuant to this delegation ;
7. decides that the management board will have all authority, with the ability to sub-delegate under the conditions provided for by law, to use this delegation once or several times, within the limits and subject to the conditions specified above, particularly in order to:
 - determine the amount of the issuances that will be carried under this authorization and to establish in particular the issuance price, date, time periods, terms and conditions of the subscription, the payment, the delivery and eligibility for dividends of the securities (even retroactive), as well as the other terms and conditions of the issuance, within the legal and regulatory limits in force;
 - establish the list of the beneficiary/ies of the cancellation of the preferential subscription right within the category defined above, as well as the number of shares to be subscribed by each of them;
 - set the dates for the opening and closing of the subscription periods;
 - acknowledge the completion of the share capital increase, make the corresponding modification to the by-laws, carry out, directly or through a representative, all transactions and formalities relating to the capital increases;
 - enter into any agreements, carry out, directly or indirectly by a representative, all transactions and terms, including the performance of all formalities following the capital increases and the corresponding modification of the by-laws accordingly;
 - apply, if it considers doing so to be appropriate, the costs of the capital increase to the corresponding amount of share premiums and deduct from such amount, the sum needed to increase amount of the legal reserves to one-tenth of the new capital resulting from these capital increases; and

- generally, to enter into any agreement, in particular to ensure the underwriting of the contemplated issuances, to take all measures and carry out all formalities necessary for the issuance, listing and financial service of the securities issued pursuant to this delegation and the exercise of the rights attached thereto or that result from the increases of capital conducted.

FIFTEENTH RESOLUTION (*Delegation of authority to be given to the management board to grant existing or newly issued shares free of charge 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)*)

The general shareholders' meeting, having satisfied the quorum and majority conditions required for an extraordinary general shareholders' meeting, and having considered the report prepared by the management board and the statutory auditors' special report, in accordance with the provisions of Article L.225-197-1 et. seq. of the Commercial Code:

1. authorizes the management board, pursuant to Articles L. 225-197-1 et seq. of the Commercial Code, and subject to the Supervisory Board's prior approval, to grant, free of charge, existing or future shares on one or several occasions, (excluding preferred shares), in favor of beneficiaries, who it will chose from the employees of the company or its related companies or groupings in accordance with the provisions of Article L.225-197-2 of the above-mentioned Code and the executive officers of the company or companies or groupings who satisfy the conditions set forth in Article L.225-197-1, II of the above-mentioned Code, according to the conditions defined below, it being specified that the beneficiaries must not be French tax residents on the date of the grant;
2. decides that the existing or future shares to be granted pursuant to this authorization may not represent more than 0.3% of the share capital on the date of the management board's decision, as increased by the number of shares granted in connection with the adjustments intended to preserve the beneficiaries' rights in the event of a transaction relating to the company's share capital; it being specified that the maximum nominal amount of the capital increases that may be conducted immediately or in the future under this delegation will be applied to the global maximum limit provided for in paragraph 3 of the first resolution adopted by the extraordinary general shareholders' meeting of June 6, 2007 or, if applicable, to the global maximum limit provided for in a similar resolution that could eventually supercede the previous resolution during the period of validity of this delegation;
3. decides that the granting of the these shares to their beneficiaries will become final, at the end of a minimum acquisition period of four years, subject to any exceptions set forth in the Code of commerce, and that the beneficiaries will not be subject to any mandatory holding period, it being understood that the granting of such shares to their beneficiaries will become final prior to the expiration of the above-mentioned acquisition period in the event of invalidity of the beneficiary corresponding to classification in the second or third category provided in Article L.341-4 of the Social Security Code.
4. decides that this delegation of authority may only be used for the purposes of an offer to employees (and assimilated beneficiaries) implemented under the delegations conferred pursuant to the eleventh or twelfth resolutions submitted to this meeting, for the granting of shares free of charge to persons having participated in this offer;
5. grants all powers to the management board to implement this authorization and, in particular, to:
 - determine whether the shares granted free of charge are existing or future shares;
 - determine the identity of the beneficiaries, or of the category or categories of beneficiaries of the shares among the staff members and corporate officers of the company or the above-mentioned companies or groupings, and the number of shares granted to each of them;
 - set the conditions and, if applicable, the criteria for granting shares, in particular, the minimum acquisition period applicable to each beneficiary, in accordance with the conditions mentioned above, provided that with regards the shares granted free of charge to the corporate officers, the Supervisory Board shall either (a) decide that the shares granted free of charge may not be sold by the beneficiaries before the expiration of their term of office, or (b) set the number of shares granted free of charge that they must hold in registered form until the expiration of their term of office;
 - provide the ability to temporarily suspend the right to receive shares;

- acknowledge the final granting dates and the dates from which the shares may be freely sold, taking into account applicable legal restrictions;
 - register the shares granted free of charge on an account in registered form in the name of their holder, mentioning that they are unavailable and the period for which they are unavailable, and to release the shares in any circumstances in which the applicable regulations allow for such a release;
 - make, if applicable, any adjustments in the number of shares granted free of charge that may be required in order to preserve the rights of beneficiaries, taking into account the impact of any transaction on the company's capital, in particular in the event of the modification of the nominal value of the share, a capital increase by capitalization of reserves, a grant of free shares, the issuance of new capital securities with preferential subscription rights reserved for the shareholders, a split or reverse split of securities, a distribution of reserves, issuance premiums or of any other assets, an amortization of capital, a modification of the profit distribution through the issuance of preferred shares, or any other transaction affecting shareholders' equity. It is specified that the shares granted pursuant to these adjustments will be deemed to have been granted on the same day as the initially granted shares;
 - in the event of the issuance of new shares, to draw, if needed, from reserves, profits or premiums, the sums needed to pay up such shares, acknowledge the completion of share capital increases pursuant to this authorization, make the corresponding amendments to the by-laws, and generally perform all necessary acts and formalities;
6. acknowledges that, in the event of the granting of new shares free of charge, this authorization will entail, as and when such shares are finally granted, a capital increase by capitalization of reserves, profits or premiums in favor of the beneficiaries of such shares and the corresponding waiver by the shareholders, in favor of the beneficiaries of such shares, of their preferential subscription rights to such shares;
 7. acknowledges the fact that, in the event that the management board uses this authorization, it shall inform the general shareholders' meeting each year of the transactions carried out pursuant to the provisions of Articles L. 225-197-1 through L. 225-197-3 of the Commercial Code, in accordance with the conditions provided for by Article L. 225-197-4 of such Code;
 8. acknowledges that this authorization has an object different from the authorization set out in the ninth resolution of the extraordinary general shareholders' meeting of June 7, 2005, as well as from the authorization set out in the fifteenth resolution submitted to this meeting, that, as a result, the adoption of this resolution will have no effect on these two authorizations and that, subject to their adoption, the fourteenth and fifteenth resolutions submitted to this meeting will coexist until the expiration or replacement of either of them;
 9. decides that this authorization is granted for a twenty-six-month period from the date hereof.

SIXTEENTH RESOLUTION (*Delegation to the Management Board of its authority to grant, for free, existing or future shares in favor of the Group's employees and corporate officers or to some of them*)

The Extraordinary Shareholders' meeting, acting in accordance with the quorum and majority criteria applicable to Ordinary General Meetings, after having acknowledged the Management Boards' report and the auditors' special report in accordance with articles L225-197-1 et seq of the French commercial code:

1. authorizes the Management Board, pursuant to the provisions of Articles L225-197-1 et seq. of the French Commercial Code, subject to the prior authorization of the Supervisory Board, to grant, for free, on one or more occasions, existing or future shares, in favor of such beneficiaries it may determine among the staff of the Company or companies or groupings related to under the conditions provided for in Article L122-197-2 of said Code, and corporate officers of the Company or companies or groupings related to it referred to in Article L225-197-1, II, under the conditions defined below;
2. determines that the existing or future shares to be granted pursuant to this authorization may not represent more than 1% of the share capital on the day decision of the Management Board, as increased by the number of shares granted according to the adjustment designed to protect beneficiaries' rights in the event of transaction on the share capital; it being specified that the maximum nominal amount of capital increases that may be carried out immediately or in the future pursuant to this delegation will be deducted from an amount of the global cap provided for in paragraph 3 of the first resolution passed by the Extraordinary General meeting dated 6 June 2007, or, if necessary, from an amount of a global cap pursuant to a resolution of the same kind which would replace the said resolution during the period of validity of this delegation;

3. determines that (i) the grant of such shares to their beneficiaries will be definitive at the end of a period of two years from the Management Board decision, except if the beneficiary becomes invalid according to the second of third category, as provided by Article L341-1 of the French Security Code, in which case the definitive grant of shares will occur immediately; and (ii) mandatory holding of shares by beneficiaries will last two years from the day of definitive grant of such shares, except if the beneficiary becomes invalid according to category mentioned above, in which case shares may be sold immediately without restrictions;
4. determines as an exception to the rule set by point 3 hereinabove:
 - 4.1 on the one hand, (i) the grant of shares to beneficiaries that are not French tax residents will be definitive at the end of an acquisition period of four years, except if the beneficiary becomes invalid according to the second of third category, as provided by Article L341-1 of the French Security Code, in which case the definitive grant of shares will occur immediately, and (ii) non-French tax resident beneficiaries of the company's shares will not be subject to any mandatory holding period of the company's shares, which instead will be assignable immediately after their definitive grant;
 - 4.2 on the other hand, concerning the shares granted for no consideration to members of the Management Board, the Supervisory Board shall: either (i) determine that shares granted for no consideration should not be assigned by them before the end of their term, or (ii) fix the amount of shares granted for no consideration that they should hold in registered form until the end of their term;
5. grants all powers to the Management Board to implement this authorization and, in particular:
 - (a) determine if the shares granted for no consideration are shares to be issued or already existing;
 - (b) determine the identity of the beneficiaries, or of the categories of beneficiaries of the shares among the staff members and corporate officers of the Company of the aforementioned companies of groupings, and the number of shares granted to each of them;
 - (c) set the criteria for granted shares, and in particular performance criteria that shall include at minimum a consolidated EBITDA / consolidated revenues ratio;
 - (d) provide the possibility to provisionally suspend the rights to be granted shares for free;
 - (e) acknowledge the definitive date on which the shares are granted and the dates from which the shares may be freely sold, subject to applicable law restrictions;
 - (f) register the shares granted for free on an account in registered form in the name of their holder, noting that they are unavailable and the period for which they are unavailable, and to release the holder from such unavailability of the shares in any case in which the applicable regulations allow such release;
 - (g) make, if applicable, any adjustments in the number of shares granted for no consideration that would be required to ensure the protection of the rights of beneficiaries of shares granted for no consideration but not yet definitively acquired, in particular in the event of the modification of the par value of the shares, capital increase by capitalization of reserves, grant of free shares, issuance of new capital securities with preferred subscription rights for the shareholders, stock split, distribution of reserves or issuance premiums or any other assets, reduction of capital, amendment in the profit distribution due to the issuance of preferred shares or any other transaction affecting shareholders' equity; it being specified that the shares granted pursuant to these adjustments will be deemed to have been granted on the same day as the shares initially granted;
 - (h) in the event of the issuance of new shares, withdraw, as applicable, from reserves, profits or issuance premiums, the sum necessary to pay such shares, acknowledge the completion of share capital increases pursuant to this authorization, amend the articles of association subsequently, and generally take all necessary measures and formalities;
6. acknowledges that, in the event of the grant of new shares for no consideration, this authorization will result in the waiver by shareholders, in favor of beneficiaries, of their preferred subscription rights to such shares;
7. acknowledges the fact that, in the event that the Management Board uses this authorization, it shall inform the Ordinary Shareholders' Meeting each year of the transaction carried out pursuant to the provisions of Articles L. 225-197-1 through L. 225-197-3 of the French Commercial Code, under the conditions provided for by Article L. 225-197-4 of said Code;

8. acknowledges that this authorization, from the date hereof, cancels, up to its unused portion, if any, any prior delegation to the Management Board to grant, for free, existing or future shares in favor of the group's employees and corporate officers or to some of them under the terms of the ninth resolution of the Extraordinary General Meeting of June, 7th 2005;
9. acknowledges that this delegation has a purpose different from the one set by resolution fifteenth submitted to this General Meeting, therefore the adoption of this resolution shall have no effect upon this delegation, and subject to their adoption, resolutions fifteenth and sixteenth submitted to the present General Meeting will coexist until lapse or replacement of one of them;
10. sets the term of validity of the authorization that is the subject of this resolution at thirty-eight months from the date of this Meeting.

All shareholders, irrespective of the number of shares they hold, have the right to attend this Meeting. Upon application to the Company's registered office or to CACEIS Corporate Trust - Service Assemblées – 14 rue Rouget de Lisle - 92862 Issy Les Moulineaux cedex 09 (Phone : 33(0)1 57 78 32 32 fax: 33 (0)1 49 08 05 82), an admission card shall be sent to any shareholder wishing to attend.

In accordance with article R 225 – 85 of the French code de commerce, the right to participate in this meeting is subject to the shares being recorded in accounts in the name of the shareholder or of an intermediary registered on the shareholder's behalf, either in the registered security accounts kept by the Company or in the bearer security accounts kept by the authorized intermediary, by midnight, Paris time, on the third business day preceding the Meeting.

The registration or recording of the shares in bearer security accounts kept by an authorized intermediary must be shown by a certificate of holding issued by said intermediary and attached to the postal voting form or proxy form or request for an admission card drawn up in the name of the shareholder or on behalf of the shareholder represented by the registered intermediary. A certificate shall also be sent to any shareholder wishing to attend the meeting in person who has not received an admission card by midnight, Paris time, on the third business day preceding the Meeting.

In accordance with current legislation, shareholders who cannot attend this Meeting may choose either to nominate another shareholder or their spouse as proxy, or to return a proxy form without indicating a representative, or to vote by post. A single form for voting by post or proxy may be requested at least six days before the Meeting from the Company's registered office or from CACEIS Corporate Trust - Service Assemblées – 14 rue Rouget de Lisle - 92862 Issy Les Moulineaux cedex 09 (fax: 33 (0)1 49 08 05 82). The form shall be sent automatically, by post, to all shareholders whose shares are registered in a fully registered account or in a managed registered account: such shareholders do not need to make a specific request to receive the form.

This single form, together with the certificate of holding, must be sent in such a way that the relevant departments at CACEIS Corporate Trust receive it no later than midnight, Paris time, three days before the holding of the Meeting.

When a shareholder has voted by post, sent in a proxy or requested an admission card, he may no longer choose any other method of participation in the Meeting.

A shareholder who has completed one of the above formalities may nevertheless transfer all or part of his shares. However, if the transfer takes place before midnight, Paris time, on the third business day preceding the Meeting, the Company shall invalidate or amend the distance vote, proxy, admission card or certificate of holding accordingly. To this end, the authorized intermediary and account holder shall notify the Company or its representative of the transfer and send it the necessary information. No transfer or other transaction carried out after midnight, Paris time, on the third day preceding the Meeting, regardless of the means used, shall be notified by the authorized intermediary or taken into consideration by the Company, notwithstanding any agreement to the contrary.

Shareholders may obtain the documents covered by articles R.225-83 and R.225-88 of French Code de commerce upon request from CACEIS Corporate Trust. These documents shall also be made available to shareholders at the Company's registered office.

Requests for inclusion of draft resolutions on the agenda by shareholders that meet the conditions laid down in articles R.225-71 and R225-73 of French Code de commerce, representing at least 0.584% of the Company's capital either individually or as a group, must be sent to the Company's registered office, together with a brief summary of the reasons for the request, by letter sent by recorded delivery with advice of receipt, no later than twenty-five days before the General Meeting is to be held. Such requests must be accompanied by a certificate of registration. In order for the General Meeting to consider the draft resolutions filed by the shareholders in accordance with the above-mentioned conditions, the shareholders making the request must send an additional certificate showing that the shares were recorded in the same accounts at midnight, Paris time, on the third day preceding the Meeting.

This notice shall qualify as an invitation to attend provided that there are no requests for inclusion of draft resolutions on the agenda.

THE MANAGEMENT BOARD