



Société Anonyme à Directoire et Conseil de Surveillance au capital de 197 399 120 €
Siège social : 130 rue de Silly à 92100 Boulogne-Billancourt
552 142 200 Rcs Nanterre
Siret 552 142 200 00765 – Ape 741J

NOTICE OF MEETING

Extraordinary General Meeting

25 February 2005

Vallourec's shareholders are invited to the Company's registered office at 130 rue de Silly, Boulogne-Billancourt 92100 (Hauts-de-Seine), on

FRIDAY, 25 FEBRUARY 2005 at 4.00 P.M.

to attend an **Extraordinary General Meeting**, in order to consider the items on the agenda and to decide on the following resolutions.

AGENDA

1. Delegation to the Executive Board to increase the capital by the issue of ordinary shares or any other securities giving access to the capital of the Company, with maintenance of the shareholders' preferential right of application.
2. Increase in the capital by the issue of shares or any other securities giving access to the capital of the Company reserved for members of a corporate savings plan in application of the provisions of the first paragraph of article L.225-129-6 first section of the French Code de Commerce.
3. Powers.

PROPOSED RESOLUTIONS

FIRST RESOLUTION

(Delegation to the Executive Board to increase the capital by the issue of ordinary shares or any other securities giving access to the capital of the Company, with maintenance of the shareholders' preferential right of application).

The General Meeting, ruling under the conditions of quorum and majority required for Extraordinary General Meetings, having heard the report of the Executive Board and the special report of the Auditors:

1°) decides to delegate to the Executive Board, in application of the provisions of articles L.225-129, L.225-129-2 and L.228-92 of the French Code de Commerce, all the necessary authority to enable it to decide, on one or more

occasions, in the quantity and at the times it sees fit, in France or outside France, to issue in euros or foreign currency or in any other monetary unit established by reference to more than one currency, and with maintenance of the shareholders' preferential application right, shares in the Company as well as any other securities giving access now or in the future, at any time or on a fixed date, to shares in the Company by subscription, conversion, exchange, redemption, presentation of a warrant or in any other way, and particularly by the successive or simultaneous capitalization of all or some reserves, net income or issue, merger or contribution premiums, to be brought about by new and scrip issues of shares or by raising the nominal value of the shares or by using both these procedures at the same time.

The issue of preference shares is explicitly excluded from this delegation.

2°) decides that the maximum nominal amount of any increase in the share capital that may be made now or at any time in the future by virtue of this delegation may not exceed sixty million euros (€ 60,000,000) or the equivalent amount. The nominal amount of any supplementary shares to be issued to preserve, in accordance with the law, the rights of holders of securities giving the right to subscribe to shares in the Company shall be added to this overall amount, where applicable;

3°) further decides that the nominal amount of securities representative of a debt giving access to the capital that may be issued by virtue of the above delegation may not exceed one hundred and fifty million euros (€ 150,000,000) or the equivalent amount in the event of an issue in a foreign currency or a monetary unit established by reference to more than one currency;

4°) decides that the subscription to shares or securities giving access to the capital may be made in cash or by the setting off against debts;

5°) decides that the shareholders may exercise as of right, in the conditions laid down in law, their preferential application right. Furthermore, the Executive Board shall have the power to grant shareholders the right to subscribe to any excess shares, proportionally to the subscription rights they hold and, under all circumstances, within the limit of their demand;

6°) if subscriptions by way of right and, should the need arise, subscriptions for excess shares, have not used up the whole issue of shares or securities as defined above, the Executive Board may use one or more of the following options in the order which it shall determine:

- limit the issue to the value of the subscriptions provided that this value is at least three-quarters of the agreed issue;
- freely distribute all or some of the securities that have not been subscribed by way of right and, if applicable, the excess shares;
- make a public offering on the French and/or international market of all or some of the securities issued that have not been subscribed.

7°) notes that the above delegation:

- automatically entails the waiver, for the benefit of the holders of the securities that may be issued giving access in the future to the shares of the Company, by the shareholders of their preferential right of subscription to the shares to which these securities give them entitlement;
- and, in the event of the issue of independent subscription warrants, includes the explicit renunciation by shareholders of their preferential right of subscription to the shares to which the warrants give them entitlement.

8°) decides that the amounts attributable, or that later may be attributable, to the Company for each of the shares issued in connection with the above delegation shall be at least equal to the nominal value of said shares on the issue date;

9°) decides that the Executive Board shall have all authority, including the option to delegate authority to its Chairman or, with his agreement, to one of its members, under the provisions of the law to implement this delegation, particularly with regard to:

- determining the dates and terms for the issues and the type and form of securities to be created,
- deciding the price and terms of the issues in accordance with the conditions set out above,
- determining the amounts to be issued within the limits indicated above,

- deciding the date, which may be retroactive, on which the securities to be issued will bear dividends,
- determining the conditions under which the shares or other securities issued shall be paid up,
- and, where applicable, determining the conditions for their repurchase on a regulated market, the possibility of suspension of the exercise of the share allocation rights attached to the securities to be issued during a period that may not exceed three months, setting the conditions under which preservation of the rights of holders of securities giving access in the future to the capital of the Company shall be assured, the foregoing in accordance with legal and regulatory requirements.

Furthermore, the Executive Board or, by delegation, its Chairman, may where applicable allocate amounts against the issue premium or premiums, in particular the costs incurred in making such issues, and, generally, take any useful measures and conclude any agreements to achieve the issues envisaged as well as the listing and financial service of the securities, and record any capital increase resulting from any issue realized by virtue of this delegation and modify the by-laws accordingly. In the event of the issue of debt securities, the Executive Board shall have all authority, including the option to delegate authority to its Chairman or, with his agreement, to one of its members, notably to decide on any subordination of the debt securities, set their interest rate and term, the fixed or variable redemption price and any premium, the amortization method as a function of market conditions, and the conditions under which the securities shall give a right to the Company's shares;

10°) decides that this delegation immediately nullifies the previous delegation relating to the immediate or future issue of Company shares with maintenance of the preferential application right resulting from adoption of the first resolution by the Ordinary and Extraordinary General Meeting of shareholders of 11 June 2003.

11°) decides that this delegation shall be valid for a period of twenty-six (26) months from the date of this General Meeting.

SECOND RESOLUTION

(Increase in the capital by the issue of shares or any other securities giving access to the capital of the Company reserved for members of a corporate savings plan in application of the provisions of the first paragraph of article L.225-129-6 first section of the French Code de Commerce).

The General Meeting, ruling under the conditions of quorum and majority required for Extraordinary General Meetings, having heard the report of the Executive Board and the special report of the Auditors, decides, in application of the provisions of articles L.225-129-6 and L.225-138-1 of the French Code de Commerce and of articles L.443-1 et seq. of the French Code du Travail, to increase the share capital by a maximum nominal amount of three million euros (€ 3,000,000) by the issue of shares with a nominal value of € 20 each reserved for members of a corporate savings plan of the Company and of companies connected to it under the conditions laid down by the current legislation and who, further, comply with the conditions liable to be stipulated by the Executive Board.

The application price of the shares may neither exceed the average of the rates quoted at the twenty stock exchange sessions preceding the date of the decision of the Executive Board fixing the opening date of the application nor be more than 20% below this average.

The shares must be fully paid-up on application.

This decision implies the explicit waiver by the shareholders of their preferential right of application in favor of the said beneficiaries.

The General Meeting invests all powers in the Executive Board for the implementation, within an eighteen-month period from the date of this General Meeting, of this decision to increase the capital within the limits and subject to the conditions laid down above, specifically to the following effect:

- to determine the companies or groupings whose employees may apply for the shares issued in application of this decision;
- to set, as the case may be, the length-of-service conditions to be fulfilled by the beneficiaries of new shares;
- to set the issue price in compliance with the above terms and conditions;

- to determine whether the applications are to be made through a collective investment fund or directly;
- to decide on the duration of the application period, the date on which the new shares will bear dividends and, more generally, all the terms and conditions applicable to the issue;
- to record the finalization of the capital increase up to the extent of the amount of shares effectively applied for;
- to proceed with the formalities connected therewith and to amend the by-laws accordingly;
- to charge the costs of the capital increase to the amount of the related premium and to deduct from said amount the sums required to bring the legal reserve to one-tenth of the new capital;
- and, generally, to take all measures to finalize the capital increase, under the conditions laid down by legislation and regulations.

THIRD RESOLUTION

(Powers)

The General Meeting, ruling under the conditions of quorum and majority required for Ordinary General Meetings, confers all powers on the bearer of the original, a copy or an extract of the minutes recording its deliberations, with a view to performance of all the necessary formalities required by the law or regulations in force.

All shareholders, irrespective of the number of shares they hold, have the right to attend this Meeting. Upon application to the registered office, an admission card will be sent to any shareholder wishing to attend.

In accordance with current legislation, shareholders who cannot attend this Meeting will be able 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. Forms for proxy and postal votes can be obtained from the registered office.

In order to have the right to attend this Meeting, or to be represented by their spouse or another shareholder, or to use a postal vote, holders of registered shares must have been registered as such with the Company at least three days before the date set for this Meeting.

Holders of bearer shares must, at least three days before the date set for this Meeting, lodge their shares in a blocked account with a bank, credit institution, stockbroker or any ministerial official authorized to issue a certificate of immobilization. The certificate must, where applicable, be attached to the request for an admission card or to the proxy or postal vote form.

In accordance with the requirements of articles 128 and 130 of the decree of 23 March 1967, shareholders (either individually or as a group) accounting for at least 0.601% of the capital, have a ten-day period from the date of this notice in which to send to the registered office, by recorded delivery letter, drafts of resolutions they would like to see included on the agenda for this Meeting. In such cases, shareholders must prove their status under the same conditions as for attendance at the Meeting.

Provided the agenda is not modified as a result of the receipt of resolution proposals, the present Notice of Meeting becomes an Invitation to Attend.

THE EXECUTIVE BOARD