

# SHAREHOLDER'S GUIDE 2011



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## INTRODUCTION

# DEAR SHAREHOLDER,

Vallourec now counts more than 100,000 individual shareholders. Being a Vallourec shareholder means supporting our ambition to meet the major energy challenges of the 21st century, and accompany the growth in energy production. Vallourec's teams devote their efforts, on a daily basis, to the Research and Development, production and application of ever more advanced, reliable and efficient tubular solutions. These are mainly intended for the energy markets – from oil and gas exploitation to conventional or nuclear power generation.

The Group's ability to increase its technological lead and use it to improve the service it provides to its customers has earned it a position as a world leader, giving it access to profitable markets and enabling it to create value over the long term. When we invest in major strategic projects such as those currently underway in Brazil, the United States, Germany, China, France and the Middle East, we strive to ensure that our new production facilities form a natural fit with their surroundings on an economic, environmental and social level. This ambition is at the core of Vallourec's strategy.

Our intention is to involve you more closely in the Group's activities and development. It is with this in mind that Vallourec has published a *Shareholders' Guide*, and we have great pleasure in presenting this first edition to you.

The aim of this Guide is twofold: to provide you with an overview of the Group and its activities and practical information to simplify your administrative procedures.

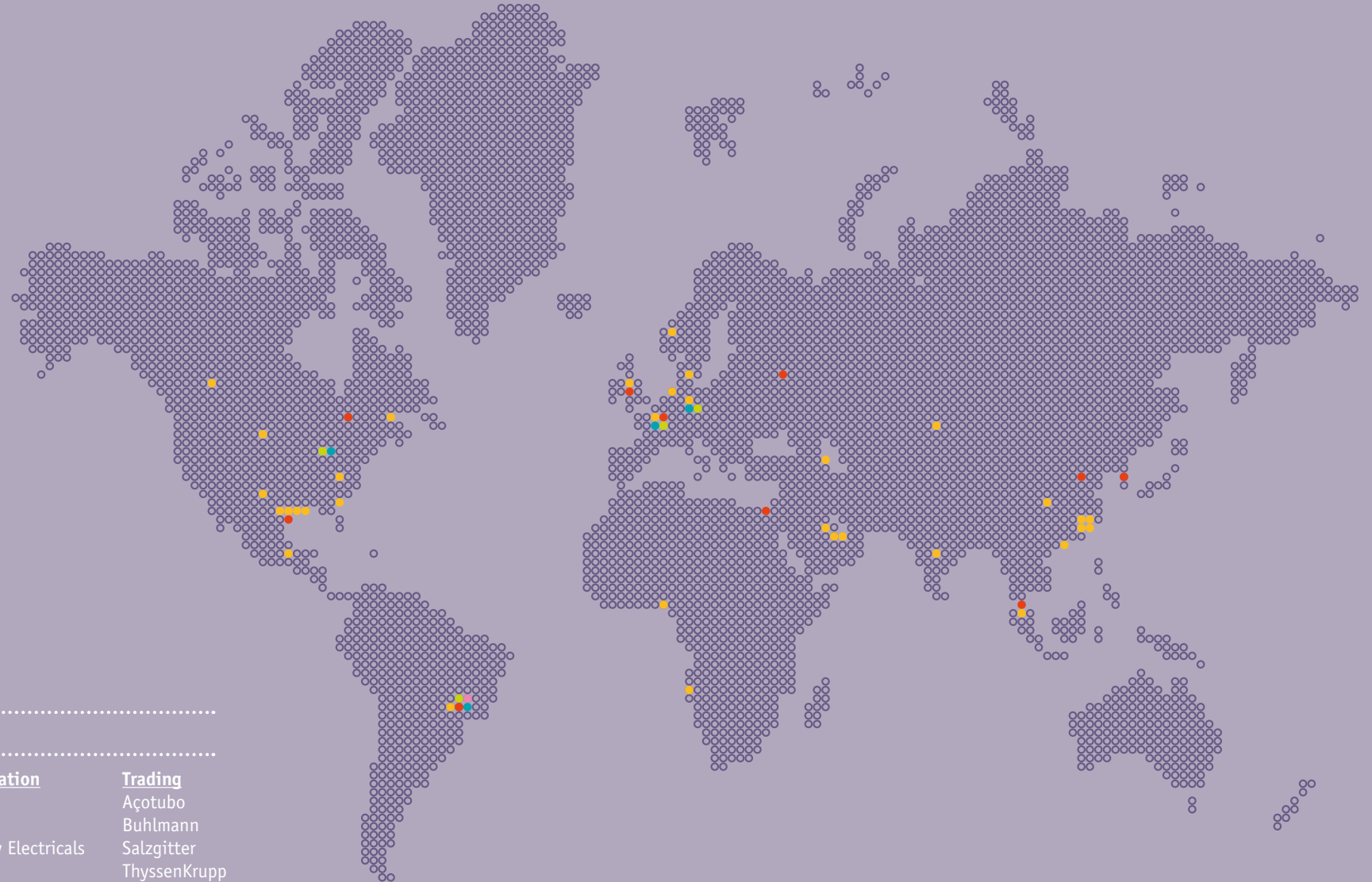
We hope you will find it useful and we thank you for your confidence in the Group.

**Jean-Paul Parayre**  
Chairman of the Supervisory Board

**Philippe Crouzet**  
Chairman of the Management Board

# A KEY PLAYER

Vallourec is the world's leading supplier of premium tubular solutions for applications in extremely complex environments. The Group primarily serves the energy markets, covering a wide range of applications including oil and gas drilling, power plants, refineries and petrochemical complexes. It also has expertise in industrial applications in the mechanical engineering, automotive and construction sectors. Vallourec works closely with customers to develop solutions appropriate to their requirements, through a range of technical products, quality services and local presence.



## MAIN VALLOUREC LOCATIONS

- Finishing units
- Steel mills
- Pipe mills
- Forest and mine
- Sales and service offices

## MAIN CUSTOMERS

### Oil and gas companies

Aramco  
Petrobras  
Sonatrach  
Total

### Oil and gas distributors

Champions Pipe & Supply  
Pipeco Services  
Premier Pipe  
Pyramid Tubular Products

### Power generation

Alstom  
Areva  
Bharat Heavy Electricals  
BHR Group  
Dongfang  
Doosan  
Hitachi Power

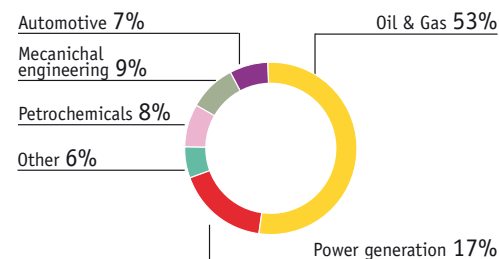
### Trading

Açotubo  
Buhlmann  
Salzgitter  
ThyssenKrupp

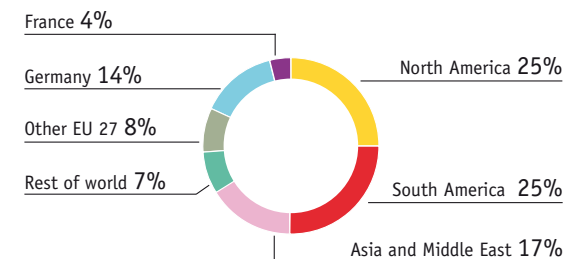
## KEY FIGURES

- More than 50** production facilities in over 20 countries
- 5** R&D centres
- 20,600** employees
- €4,491 million** sales in 2010
- 78%** of sales in the energy sector (oil and gas, power generation and petrochemicals)
- 74%** of sales outside the European Union

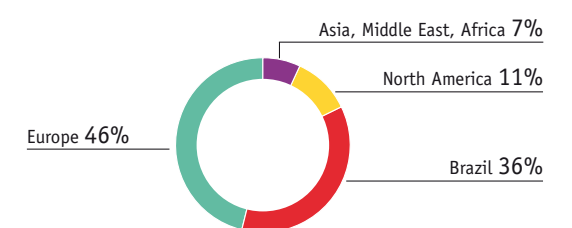
### Sales by business



### Sales by region



### Workforce by region





Vallourec is governed by a dual management structure comprising a Supervisory Board and a Management Board. The Supervisory Board is characterized by the independence and expertise of its members, and its determination to increase its diversity and represent the interests of shareholders more effectively. In 2010, two women with a decidedly international profile were appointed. In 2011, two new members will join the Supervisory Board: Pascale Chargrassé, representing employee shareholders, and Anne-Marie Idrac, who will contribute her knowledge of the industry and the challenges facing international trade.

#### COMPOSITION OF THE SUPERVISORY BOARD (AT 1 APRIL 2011)

- **Chairman:** Jean-Paul Parayre, Member of the Supervisory Board of Peugeot, Chairman of the Supervisory Board of Stena Maritime
- **Vice-Chairman:** Patrick Boissier<sup>(1)</sup>, Chairman and Chief Executive Officer of DCNS
- **Members:**
  - Pascale Chargrassé<sup>(2)</sup>, Business Development Manager at Valinox Nucléaire
  - Jean-François Cirelli<sup>(1)</sup>, Vice-Chairman and President of GDF SUEZ
  - Vivienne Cox<sup>(1)</sup>, Director of Rio Tinto, Chairman of Climate Change Capital
  - Michel de Fabiani<sup>(1)</sup>, Director of BP France, Rhodia and Valéo
  - Denis Gautier-Sauvagnac<sup>(1)</sup>, Chairman and Chief Executive Officer of Capitol Europe and Accord Science

- Edward G. Krubasik<sup>(1)</sup>, Vice-Chairman of the Federation of German Industries (BDI)
- Alexandra Schaapveld<sup>(1)</sup>, Member of the Supervisory Board of Casino Holland
- Jean-Claude Verdière<sup>(1)</sup>, Chief Executive Officer, Member of the Management Board of Vallourec until 30 June 2001
- Bolloré, represented by Cédric de Bailliencourt, Chief Financial Officer of Bolloré
- **Censeurs (non-voting members):**
  - Luiz-Olavo Baptista, Lawyer and Professor of International Law
  - François Henrot, Chairman of the investment bank of the Rothschild Group

(1) Independent member under the terms of the AFEP-MEDEF corporate governance code.

(2) The ratification of the provisional appointment of Mrs Pascale Chargrassé and the renewal of her term of office will be submitted to the Ordinary Shareholders' Meeting of 7 June 2011.

#### THREE SPECIALIZED COMMITTEES

Vallourec's Supervisory Board is supported by three specialized committees, which have an advisory role and carry out the preparatory work for its discussions. Their terms of reference are approved by the Board.

##### The Finance and Audit Committee

The Finance and Audit Committee is composed of Jean-Claude Verdière (Chairman), Vivienne Cox, Edward G. Krubasik and Alexandra Schaapveld, all of whom are independent members. It met five times in 2010.

This Committee is responsible for overseeing:

- the preparation process of financial information,
- the effectiveness of the internal control and risk management systems,
- the statutory audit of the statutory and consolidated financial statements,
- the independence and selection of the Statutory Auditors.

It is also informed of changes in the main financial aggregates and reviews the various elements of the Group's financial strategy.

The Supervisory Board or its Chairman may refer to the Finance and Audit Committee any issue requiring the Board's prior approval (transactions affecting the share capital, etc.).

##### The Appointments, Remuneration and Governance Committee

Since 28 March 2011, the Appointments, Remuneration and Governance Committee is composed of Michel de Fabiani (Chairman), Patrick Boissier, Jean-Paul Parayre and Jean-Claude Verdière, *i.e.* three independent members out of a total of four. It met five times in 2010.

Its terms of reference are as follows:

- Appointments: preparation of the procedure used to select members of the Supervisory Board and Management Board and recommendations for the appointment and reappointment of members.
- Remuneration: proposals concerning the amount and allocation of attendance fees, proposals for the remuneration of the Chairman of the Supervisory Board and Committee members, recommendations on the remuneration of Management Board members and on the Group's policy on share subscription and share purchase options and the allocation of performance shares.
- Governance: reviewing the operation of the management bodies and proposals to the Board to improve the functioning of these bodies, regularly reviewing the composition of the Supervisory Board and its committees, preparing the annual assessment of the Supervisory Board, monitoring any potential conflicts of interest and reviewing the independence of Supervisory Board members. In addition, the Committee is informed of the appointment of members of the Executive Committee and of their remuneration and succession arrangements.

##### The Strategy Committee

The Strategy Committee is composed of Edward G. Krubasik (Chairman), Jean-François Cirelli, Vivienne Cox and Jean-Claude Verdière, all of whom are independent members. It met four times in 2010.

This Committee contributes to the Group's deliberations with regard to its overall direction and long-term strategy. Each year, it reviews Vallourec's strategic plan. It also reviews any transaction that could materially alter the Group's business scope or financial structure, as well as major acquisitions, disposals and investments.

#### TWO WOMEN JOIN THE SUPERVISORY BOARD

The Shareholders' Meeting of 7 June 2011 will be asked to vote on the appointment of Anne-Marie Idrac as a member of the Supervisory Board. She will increase the number of independent members to eight and will contribute her knowledge of the industry and the challenges facing international trade. The Shareholders' Meeting will also be asked to ratify the provisional appointment of Pascale Chargrassé as the representative of Vallourec's employee shareholders, who now constitute more than 3% of the Company's shareholders. Their appointment will bring to four the number of women on the Group's Supervisory Board.

## MANAGEMENT TEAM

# AN OPERATIONAL MANAGEMENT TEAM

Vallourec's Management Board is supported by an Executive Committee consisting of operational managers from its main entities worldwide and functional managers. This management team combines both industrial experience and knowledge of the markets in which the Group operates.



**Philippe Crouzet,**  
Chairman of the Management Board



**Jean-Pierre Michel,**  
Member of the Management Board  
and Chief Operating Officer



**Olivier Mallet,**  
Member of the Management Board  
and Chief Financial Officer

## Proximity and responsiveness

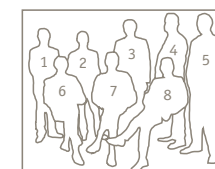
Vallourec's performances are underpinned by a management structure that reflects the Group's international dimension: it focuses on encouraging coordination between its various divisions, in addition to managing change in a constantly evolving economic and geopolitical environment. Involved in the Group's main operational steering committees, Vallourec's Management Board is in direct contact with ongoing projects. Members of Vallourec's senior management participate in the Investments Committee, the CAPTEN+ Steering Committee (performance improvement plan) and its associated safety committee (CAPTEN+ Safe), the Sustainable Development Committee, the Innovation Committee, the Human Resources Management Committee and the Risks Committee.



## CAPTEN+, more than just a cost reduction plan

Driven by Vallourec's management, the initial Cap Ten cost reduction plan finished, at the end of 2010, in a very positive position, with savings ahead of target and a net improvement in results concerning safety. As a continuation of this strategy over the next three years (2011-2013), CAPTEN+ is an extended programme which links together all Vallourec's key projects. The aim of this new plan is to strengthen

the Group's operational efficiency and guarantee that the products and services are of a high quality to ensure the satisfaction of customers. Another of its aims is to ensure the safety of Group employees and reduce the environmental footprint of its industrial activities. The objective is to improve on the success of Cap Ten, by generating cost savings of €300 million by the end of 2013.



### Executive committee\*

In addition to the three Management Board members, the Executive Board is composed of:  
 1. **Alexandre Lyra**, Chief Executive Officer of V & M do Brasil  
 2. **Pierre Frentzel**, Managing Director, Strategic Projects  
 3. **Jean-Yves Le Cuziat**, Managing Director, Energy & Industry Division  
 4. **Philippe Roch**, Chief Performance Officer  
 5. **Didier Hornet**, Managing Director, OCTG Division  
 6. **François Curie**, Corporate Vice President, Human Resources  
 7. **Dirk Bissel**, Managing Director, Drilling Products Division  
 8. **Flavio de Azevedo**, Chairman of V & M do Brasil and VSB.

\* At 1 April 2011.

## *Activities*

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Vallourec's activities focus primarily on the energy markets, for which it designs and manufactures an extensive range of premium tubular solutions. Within the non-energy markets, the Group provides specific solutions in areas such as mechanical engineering, construction and the automotive industry.



Vallourec supplies a wide range of solutions for the oil and gas industry, designing and manufacturing tubular products, as well as providing on-site support services. In particular, the Group enjoys a reputation for expertise in extreme service conditions. In 2010, Vallourec developed new strengths in favourable market conditions.

**A MARKET-ORIENTED DYNAMIC**

Global demand for oil and gas increased sharply in 2010, reflecting impressive economic growth in non-OECD countries. Oil prices rose significantly compared with 2009, reaching an average price over the year of USD 79 per barrel (WTI). Against this backdrop of economic recovery, global investment in exploration and production activities increased by 10% in 2010, particularly in the United States (+20%), Asia (+19%) and Latin America (+10%).

In the United States, the number of drilling rigs increased by 42% in 2010, with 1,700 rigs in service at the end of the year. Horizontal drilling

for shale oil and gas increased by 66% over the course of the year, accounting for more than 50% of all wells. This growth in drilling activities is likely to continue in 2011, albeit at a more modest pace, as a result of continued expansion in non-conventional drilling techniques, generating strong demand for premium OCTG products. In the aftermath of the Macondo accident, offshore drilling in the Gulf of Mexico was very limited, due to the moratorium imposed until October 2010. Activity is likely to remain weak for some time to come.

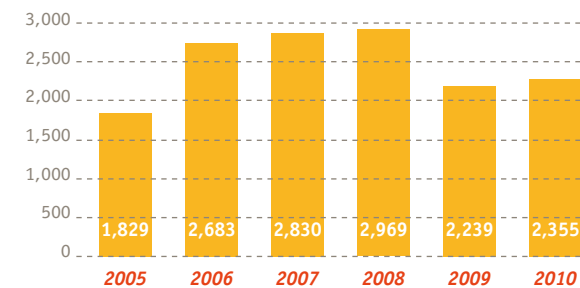
The oil and gas sector in the rest of the world remained dynamic. There were 1,118 drilling rigs in operation at the end of December 2010, a year-on-year increase of 9%. Offshore platforms

accounted for 303 of the aforementioned total, with many additional rigs in the North Sea (United Kingdom), the Gulf of Guinea (Angola and Nigeria) and off the coasts of Brazil and Indonesia. Deep-water operations are set for long-term growth, particularly in Brazil, where production is now beginning in the pre-salt fields.

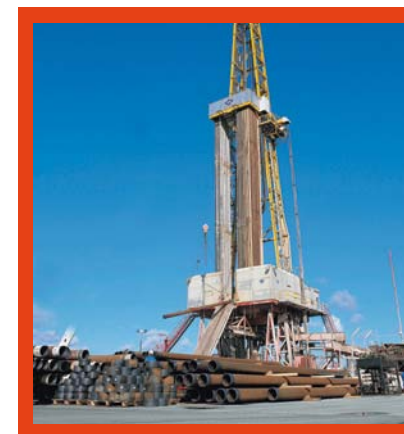
53%

Share of Vallourec's sales accounted for by oil and gas in 2010.

Sales in the Oil & Gas business (in € million)



Oil & Gas sales were driven by strong activity in all regions where the Group operates, increasing by 5% in 2010 compared with 2009.



**THE NEW DEAL IN THE UNITED STATES**

The increased activity in the United States is largely due to the development of horizontal drilling in shale gas plays. Nearly 60% of rigs in service are now engaged in this type of drilling, compared with 25% at the end of 2007. Access to shale gas deposits has prompted the United States to revise its estimated gas reserves upwards from 30 years to nearly 100 years. In February 2010, Vallourec decided to build a new plant in Youngstown (Ohio), which will manufacture small-diameter pipes to satisfy these specific requirements. The recent start of oil and condensate production in shale plays was another highlight of the year, giving reason to believe that the current high level of drilling activity will be sustained in the coming years.



## KEY FEATURES OF VALLOUREC'S OIL & GAS BUSINESS

### Products

- Oil country tubular goods (OCTG): casing and tubing
- Drill string tubes and accessories: drill pipes, heavyweight drill pipes and drill collars
- Standard and premium pipe connections (especially VAM® premium connections) and accessories
- Subsea line pipes for conveying hydrocarbons from the well-head to the surface (risers) or to the coast (flowlines)

### Services

- Custom product design and development
- Production and integration of accessories
- Supply chain management
- Site services (preparation, inspection and repairs), in particular via a worldwide network of 170 licensed VAM® dealers
- Training for oil operators' engineering personnel and advice on using the Group's products

## A BROADER OFFER AND AN ENHANCED LOCAL NETWORK

In this favourable context, Vallourec pursued its growth strategy by consolidating its local presence close to the Group's customers and in dynamic markets, and by extending its offer. Vallourec announced the construction of a new high-end pipe mill in Youngstown (Ohio, United States), to satisfy increased demand for small-diameter tubular goods for non-conventional drilling, in addition to the acquisition of Serimax, the world leader in offshore welding solutions, which enhances the Group's offer in the area of subsea line pipes.

Furthermore, Vallourec's acquisition of a 19.5% stake in Tianda Oil Pipe, a Chinese seamless tube manufacturer, will enable the Group to tap into the growth in the Chinese oil and gas market. Under the terms of a cooperative agreement, VAM Changzhou, a Vallourec Group company, will provide a local premium threading service for tubes produced by Tianda Oil Pipe for the Chinese premium OCTG market, which offers considerable growth potential.

In 2010, the Group continued to develop its on-site services network, providing customers all over the world with training, consulting and field support services from centres based in Scotland,

the United States, Mexico, Singapore, China, Angola, Nigeria and the Middle East.

## A SUSTAINED R&D EFFORT

Vallourec continued to place high importance on Research and Development in order to enhance the Group's ability to provide innovative solutions for even the most complex applications. Vallourec opened a unique pilot research centre specializing in tube rolling processes in Germany, extended its research centre in Brazil, and successfully launched two new VAM® premium connections which meet the requirements of the most extreme conditions.

## ACTIVITY LEVELS RECOVER IN ALL REGIONS

In the Oil & Gas market, Vallourec reported sales of €2,355 million in 2010, representing a year-on-year increase of 5%. Oil & Gas was Vallourec's largest market, accounting for 53% of the Group's consolidated sales.

In the United States, sales recovered strongly, driven by drilling activity, particularly in shale plays. Vallourec's offer of finished products, which includes premium connections and tubes, was well received by customers.

In the rest of the world, the Group saw a high level of activity in 2010, especially in Europe, Africa, the Middle East and Brazil. National oil companies began issuing tenders again, and

€2,355  
million

Sales in the Oil & Gas market  
in 2010.

large consignments of offshore line pipes were delivered for projects in the Middle East. Market conditions are likely to remain favourable in 2011, with international calls for tenders remaining at a high level for OCTG casing and tubing products as well as line pipes, with a high proportion of premium products.



## SERIMAX – AN EXCELLENT SKILL FIT

Serimax leads the market for the design and production of integrated welding solutions for subsea line pipes.

This international group, which is based in France and has a workforce of 800, operates welding shops in France, the United States, the United Kingdom and Malaysia.

The acquisition of Serimax in April 2010 has significantly enhanced Vallourec's range of solutions, especially for deep-water offshore applications. Combining the two groups' expertise in tube manufacturing and welding makes it possible to optimise subsea line pipe-laying processes and provide customers with integrated solutions that deliver genuine added value.



Vallourec is a key partner of next-generation coal-fired and nuclear power plant operators. The Group also designs tubular solutions for the construction and maintenance of chemical and petrochemical facilities.

**PETROCHEMICALS**

**Good business in the Middle East**

Buoyed by a recovery in capital expenditure for major projects, the petrochemical market steadily improved throughout 2010. The Middle East proved particularly dynamic in the upstream and downstream oil sectors and in projects to build seawater desalination facilities. Activity levels also improved in North America, Europe and the Asia-Pacific region. This encouraging trend is expected to continue in 2011, and several large projects are underway in the Middle East, South-East Asia and North America.

Following the sharp drop in activity during the second half of 2009, Vallourec sales in the

petrochemicals market rose steadily throughout 2010, ending the year at €357 million. Among the projects delivered in 2010 were the Rumaila Oil Field in Iraq and the Steam Amal project in Oman.

**POWER GENERATION**

**Addressing the needs of emerging markets**

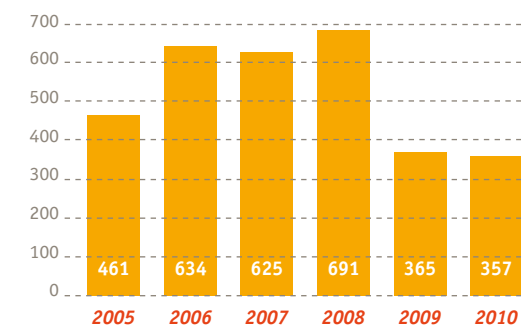
Notwithstanding the sound long-term fundamentals, underpinned by growing demand from emerging economies (in particular China and India) and the need to replace obsolete power plants in OECD countries, the market for tubes for power plants was faced with two contrasting situations.

Conventional power generation equipment requirements in Europe and the United States

remained limited, due to a decrease in the number of projects. In the growth economies of the Asia-Pacific region, on the other hand, where demand for electricity is booming, projects to build coal-fired power plants were reactivated, particularly in China and India. There is fierce competition in these markets, which now represent more than half of the global market. In parallel, there is also strong demand for tubes for nuclear power plants. For energy independence reasons, many countries have taken an interest in this method of generating electricity in recent years.

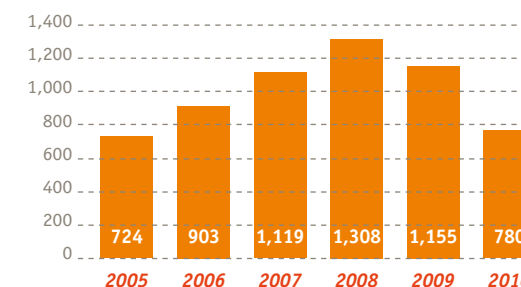
In power generation, Vallourec achieved sales of €780 million in 2010, compared with €1,155 million in 2009 (-32%), reflecting a significant fall in orders for conventional power plants, combined with a less favourable trend in terms of the price/mix effect. In contrast, growth in activity for the nuclear power industry accelerated significantly in 2010, particularly in France and China. New steam generator tube production facilities began operating in January 2011, in order to satisfy strong demand in this sector.

*Sales in the Petrochemicals business (in € million)*



*Sales increased in each quarter of 2010, driven by very dynamic market conditions, particularly in the Middle East. Full-year sales were very similar to those achieved in 2009.*

*Sales in the Power Generation business (in € million)*



*The decrease in sales in 2010 was a consequence of the sharp fall in new orders for conventional power plants in 2009, combined with a less favourable trend in terms of the price/mix effect due to competition in Asian markets.*

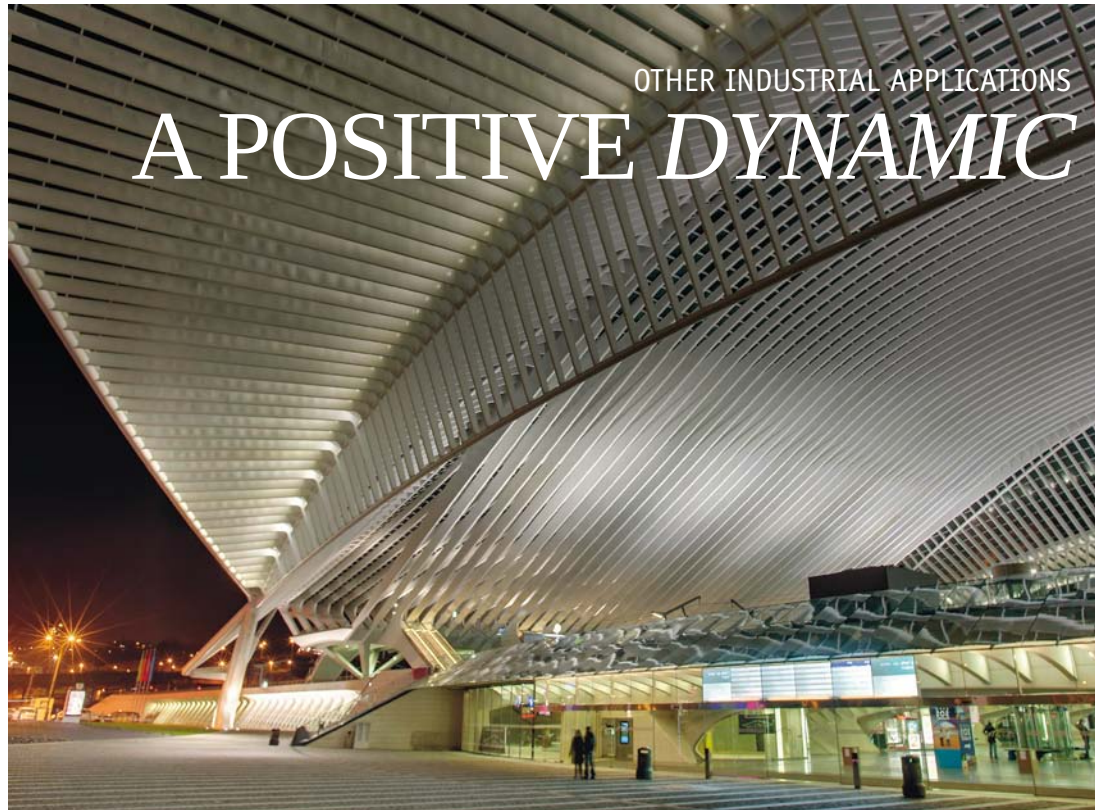
**KEY FEATURES OF VALLOUREC'S OTHER ENERGY MARKETS**

**Main products**

- Petrochemicals: line pipes, furnace tubes, heat exchanger tubes, elbows and fittings
- Power generation: screen panels, condensers, headers, steam pipes, steam generators, heaters and superheaters

**Main applications**

- Petrochemicals: refineries, gas processing installations, floating production, storage and offloading units (FPSO), seawater desalination facilities
- Power generation: conventional coal- or gas-fired power plants, nuclear power plants



As well as serving the energy markets, Vallourec provides solutions for various industries, in particular in the mechanical engineering, automotive and construction sectors. These solutions address highly specific requirements and offer genuine growth potential.

**3,000**  
tonnes

*The safe working load of Liebherr's gigantic new LR 13000 crane, which is built using Vallourec premium structural tubes.*

**A WIDE VARIETY OF APPLICATIONS**

Vallourec is the leader in tubular solutions for various mechanical engineering applications, such as lifting machinery. In this extremely diversified market, distributors play a key role, identifying end users' requirements and pooling orders from multiple customers that often require only small quantities.

The Group's activities in the automotive sector are mainly concentrated in Brazil, where the market is booming.

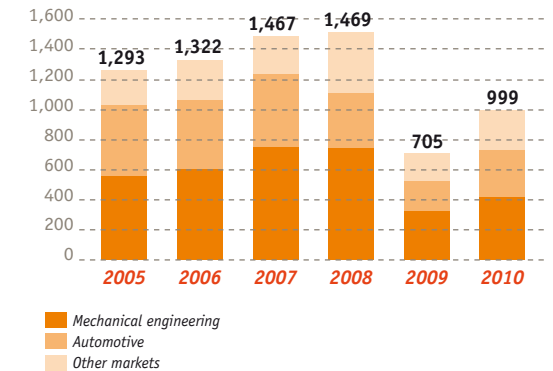
Vallourec also designs structural tubes used in the construction industry. These MSH hot-rolled structural hollow sections are renowned for their

mechanical properties, which make it possible to create structures featuring large spans. They are an ideal choice for innovative architectural projects. For example, almost 2,500 tonnes of MSH sections were used to build the outer arcs of the protective awnings over the new Liège-Guillemins station (Belgium).

**BRIGHTER OUTLOOK**

These market segments benefited from a recovery in global industrial output, which rose by 8% in 2010 after declining by 9% in 2009. In Europe, production of industrial goods for export was higher than forecast, especially in Germany and the Northern European countries. Industrial activity in Brazil picked up sharply, resulting in growth in the Group's automotive, mechanical engineering and construction businesses. These positive trends are set to continue in 2011. Vallourec achieved non-energy sales of €1 billion in 2010, up 42% on the 2009 figure: +28% for mechanical engineering applications, +61% for the automotive industry, and +45% for construction and other markets.

**Non-energy sales (in € million)**



**KEY FEATURES OF VALLOUREC'S NON-ENERGY BUSINESS**

**Products**

- Mechanical engineering: tubes in standard and special grades, in standard and custom dimensions, cold-rolled rings and worked components (e.g. machined, sand-blasted or ground parts)
- Automotive industry: suspension and transmission parts, structural and passive safety components, shock absorbers, bearings, axles and forged shafts
- Construction and other markets: structural tubes, MSH hot-rolled structural hollow sections, micro-piles (Tecnipile®) and the Preon tubular roofing system

**Applications**

- Mechanical engineering: cranes, hydraulic cylinders, axles, mining equipment and agricultural machinery
- Automotive industry: all types of vehicles
- Construction and other markets: bridges, stadiums, hangars, factories, airports, stations, high-rise buildings, etc.

## Vallourec and you

Vallourec places great importance on the quality of its relationship with stakeholders. It is therefore providing you with practical information to make you aware of your rights as a shareholder and simplify your administrative procedures.



FINANCE

# A SOLID PERFORMANCE IN 2010

Thanks to a significant upturn in activity and ongoing cost-reduction measures, the operating margin for 2010 exceeded 20%. At the same time, the Group strengthened its international presence via strategic acquisitions and capital expenditure whilst retaining its sound financial base.

## SIGNIFICANT UPTURN IN ACTIVITY

At €4,491 million, Vallourec's sales were slightly higher than in 2009 (€4,465 million). The year was characterized by a spectacular recovery in volumes (+25.6%), which was, however, adversely affected by a negative price/mix effect (-26.6%), due to the full effect of price reductions in 2009 and lower sales in the Power generation sector. EBITDA reached €925 million in 2010, which corresponds to an EBITDA/sales ratio of 20.6%, compared to 22% in 2009. This level of margin was achieved thanks to the continuing improvement in the Group's productivity which, combined with the increase in volumes, partially offset the price/mix effect and the impact of operating costs associated with the commissioning of the new Vallourec & Sumitomo Tubos do Brasil (VSB) rolling mill in Brazil.

Net income, Group share totalled €453 million in 2010 compared to €518 million in 2009. Earnings per share amounted to €3.6 in 2010 and a dividend of €1.30 per share will be recommended to the next Shareholders' Meeting.

## CONTINUING CAPITAL INVESTMENT PROGRAMME

Vallourec's investments in property, plant and equipment totalled €873 million in 2010: in addition to the €407 million expenditure on the new Vallourec & Sumitomo Tubos do Brasil (VSB) plant in Brazil, its strategic investments included the construction of a new tube mill in the United

States, the expansion of V & M Changzhou in China and the increase, in France, of production capacity for tubes for nuclear power plants. The Group's financial investments totalled €161 million, including €145 million for the acquisition of Serimax.

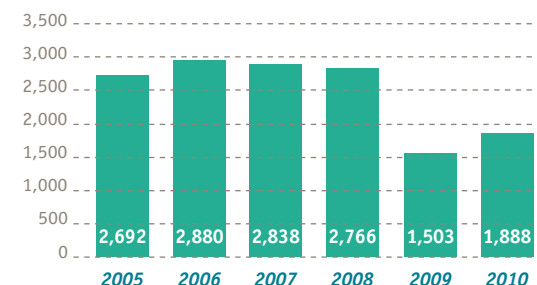
## FINANCIAL STRENGTH

Despite the significant level of investment in 2010, Vallourec's net debt totalled only €381 million at 31 December 2010, *i.e.* less than 8% of its equity. In addition, a new €1 billion five-year credit facility was signed in February 2011. This enabled the Group to partially refinance its borrowings whilst increasing its financial flexibility and extending the maturity of its resources.

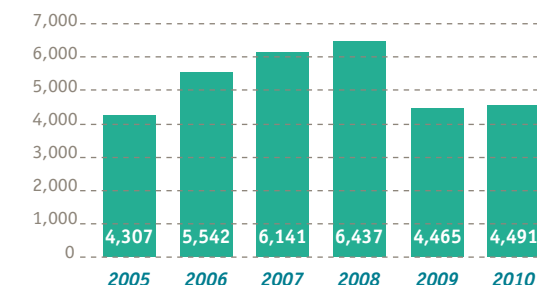
## POSITIVE BUSINESS INDICATORS

Vallourec believes that in 2011 most of its markets will benefit from a favourable environment. During the first half of the year, the Group is expected to operate at a similar level to that of the second half of 2010.

Sales volume (in thousand tonnes)



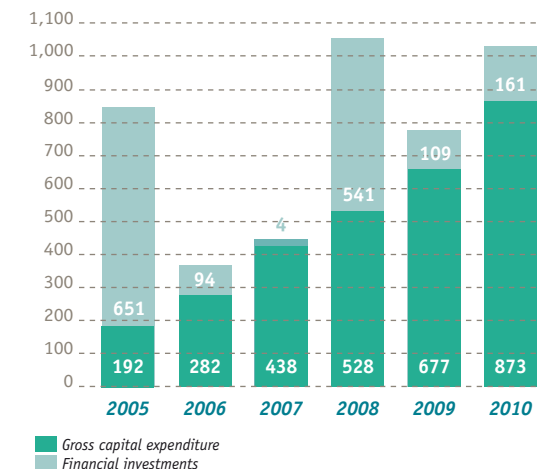
Sales (in € million)



EBITDA (in € million)



Industrial and financial investments (in € million)



Key figures (in € million)	2010	2009
Sales	4,491.3	4,464.5
EBITDA	924.8	980.6
Operating profit	682.4	786.3
Net income, Group share	409.6	517.7
Earnings per share (in euros)	3.6	4.7
Equity	4,823.6	4,102.0
Net debt	380.6	-406.7
Gross capital expenditure	872.6	676.5
Financial investments	161.1	108.7

VALLOUREC'S SHARE PRICE

# A RISING SHARE PRICE

Vallourec's share price performance is one of the best on the Paris Stock Exchange: it has trebled since its low point in March 2009 and increased thirteen-fold in the space of ten years. Recently, the Group has launched several initiatives designed to increase shareholder loyalty and broaden its shareholder base, including the option to receive dividends in shares, the stock split and the launch of the ADR programme in the United States.

## STOCK SPLIT

Due to the doubling of the share price in the space of one year, a 2:1 stock split was carried out on 9 July 2010. As a result, each shareholder received two new shares in exchange for each existing share, which made the transaction neutral in terms of value. The advantages of this transaction were that it increased the share's liquidity and made it more accessible to individual shareholders, due to the lower price. Shareholders should remember that a 5:1 stock split had already been carried out in 2006.

## ADR PROGRAMME IN THE UNITED STATES

In October 2010, Vallourec implemented a sponsored Level 1 American Depositary Receipt (ADR) programme in the United States. An ADR is a US dollar-denominated security representing shares in a non-US company, which allows American investors to indirectly hold shares and to trade them on securities markets in the United States. This new initiative demonstrates the Group's intention to broaden its circle of investors by enabling a larger number of US-based investors to participate in its future expansion. Vallourec's ADRs may be traded on the US over-the-counter (OTC) market. The ratio of Vallourec ADR to ordinary shares is 5:1.

## DIVIDEND

Wishing to maintain, as last year, a pay-out ratio slightly higher than the 33% average, which is the Group's target over the long term, Vallourec has decided to ask the Shareholders' Meeting of 7 June 2011 to approve the payment of a dividend of €1.30 per share in respect of the financial year 2010, which represents a pay-out ratio of 37.3%. The dividend in respect of 2009 was €1.75, corresponding to a pay-out ratio of 38.6%.

For the third consecutive year, shareholders will be able to choose, during the period from 16 to 28 June 2011 inclusive, to receive payment of the dividend in cash or in shares, with a discount of 10% on the price of the new shares. The payment of the dividend in cash and the delivery of the new shares will take place on 7 July 2011.

## DATES TO REMEMBER

### Dividend payment

- 15 June 2011: record date
- 16 June 2011: ex-dividend date
- 16-28 June 2011: option period
- 7 July 2011: payment of dividend

### Financial releases

- 12 May 2011: 2011 Q1 results
- 27 July 2011: 2011 Q2 results
- 9 November 2011: 2011 Q3 results

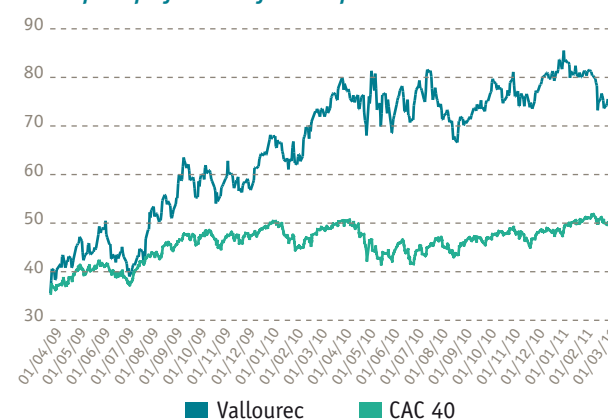
## Investor and shareholder meetings

- 7 June 2011: Shareholders' Meeting
- 20 June 2011: meeting of shareholders in Lille
- 29-30 September 2011: Investor Day in Brazil

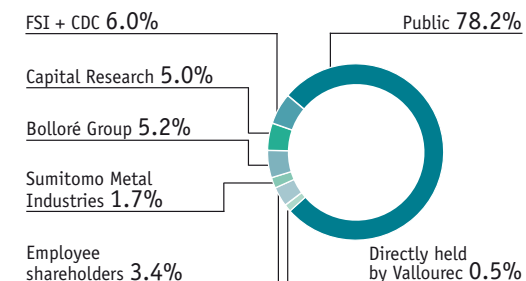
## FACTSHEET

- Listed on the Euronext Paris Eurolist (section A)
- Part of the deferred settlement section (SRD)
- ISIN code (share): FR0000120354 (ticker: VK)
- ISIN code (ADR): US92023R2094 (ticker: VLOWY)
- Indices: CAC 40, Euronext 100, MSCI World Index
- FTSE classification: engineering and machinery
- Market capitalization: €9.3 billion at 31 March 2011

## Share price performance from 1 April 2009 to 31 March 2011

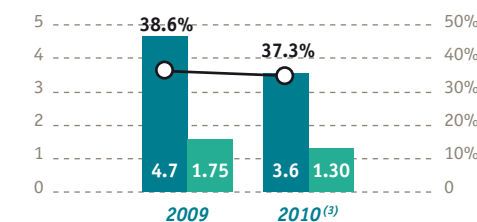


## Breakdown of share ownership (at 31 March 2011)



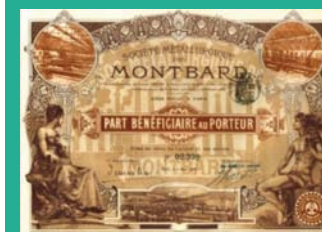
Number of shares: 117,944,082

## Earnings per share and dividend (in euros) <sup>(1)</sup>



■ Earnings per share <sup>(1)</sup>  
■ Dividend per share <sup>(1)</sup>  
■ Distribution rate <sup>(2)</sup>

(1) The amount of the dividend paid in respect of the financial year 2009 has been recalculated to take into account the 2:1 stock split on 9 July 2010.  
(2) The calculation of the distribution rate is based on the number of shares as at 31 December.  
(3) Proposed dividend submitted for approval to the Shareholders' Meeting to be held on 7 June 2011.



## 1899: LISTING OF SOCIÉTÉ MÉTALLURGIQUE DE MONTBARD ON THE PARIS STOCK EXCHANGE

Société française des Corps Creux, which was incorporated in 1896 and located in Montbard in Burgundy, is one of the companies at the origin of the Vallourec Group. Renamed Société métallurgique de Montbard and listed on the Paris Stock Exchange in 1899, it makes Vallourec one of the oldest groups to be listed on the Paris Stock Exchange.

## SHARE OWNERSHIP

# HOW TO BECOME A SHAREHOLDER

To buy Vallourec shares, you must hold a share account and use the services of an intermediary authorized by the NYSE Euronext Paris Stock Exchange (credit institutions, brokers and on-line brokers). Procedures.

## WHAT YOU NEED TO KNOW BEFORE PLACING AN ORDER

### "Bearer" shares and "registered" shares

Shareholders may hold Vallourec shares in two different ways: as "bearer" shares or as "registered" shares.

### Bearer shares

Your shares are registered with your financial intermediary who alone knows your identity. However, the Company may obtain a list of its bearer shareholders at a particular point in time by filing a request with Euroclear France under the identifiable bearer share system (titre au porteur identifiable – TPI).

### Registered shares

Your shares are registered with Vallourec. The issuer can identify holders of registered shares. There are two ways in which shareholders may hold registered shares:

- Fully registered shares: your shares are registered directly and solely in Vallourec's accounts, which enables us to provide you with a personalized service. In practice, your shares are held in a share account opened with CACEIS Corporate Trust, which manages Vallourec's shareholding service.
- Managed registered shares: your portfolio of shares is held by your financial intermediary, which is responsible for managing it. Your shares are however registered in Vallourec's accounts, which enables us to identify you and make direct contact with you.

## HOW TO PLACE AN ORDER

### The main stock exchange orders

- The "limit order" may not be executed above a given price in the case of a purchase or below a given price in the case of a sale. It may therefore be partially executed.
- The "market-to-limit order" is executed at the best available price when it reaches the market.
- The "market order" does not comprise any indication as to price. It has priority over all other types of orders.

### Mandatory information

Stock exchange orders are required to include the following information:

- The ISIN code (Vallourec: FR0000120354)
- The direction of the transaction: purchase or sale
- The number of shares
- The validity period (when the validity period is not specified, the order is valid until the end of the calendar month unless cancelled early)
- The payment terms (immediate or deferred settlement)
- Your share account details
- The price terms (limit order, market-to-limit order or market order).

### The cost of orders

The cost of a stock exchange order depends on your financial intermediary and comprises: bank commission; the financial intermediary's commission (brokerage fees); VAT on commission at the current rate of 19.6%.

### Custody fees

If you hold bearer shares, custody fees may be invoiced to you annually by your financial intermediary. If you hold registered shares, you are exempt from safe custody fees.

### The contract note

Following execution of your order, your financial intermediary will send you a contract note setting out the execution conditions.

## THE BENEFITS OF REGISTERED SHARES

Holding fully or managed registered shares offers the following advantages:

### Guaranteed personalized information

Prior to Shareholders' Meetings, we will send the following directly to your home:

- the notice of meeting;
- a postal voting form;
- an admission card request form.

Our letters to shareholders will also be sent to you automatically by post (unless you indicate otherwise). You will have access to a telephone helpline at CACEIS Corporate Trust, which manages the Vallourec shareholding service.

### Preferential access to Shareholders' Meetings

Holders of registered shares receive directly from Vallourec an invitation to Shareholders' Meetings and are not required to request a certificate of holding.

### The specific benefits of fully registered shares

- Exemption from custody fees.
- Free day-to-day management of your shares, *i.e.*:
  - conversion of your shares into bearer shares, security transfers;
  - transfers, gifts and inheritance;
  - securities transactions (capital increases, scrip issues, etc.);
  - the payment of dividends.

### How to convert your shares to registered shares

If you own bearer shares and wish to convert them into registered shares, all you need do is contact CACEIS Corporate Trust to ask for a form for conversion to registered shares.

- Should you wish your shares to be held as managed registered shares, you need not transfer your shares or change your bank: your financial intermediary will submit a request for registration to CACEIS Corporate Trust, and will continue to manage your share account. Shares held in a French personal equity plan (Plan d'épargne en actions – PEA) may be held as managed registered shares.
- Should you wish your shares to be held as fully registered shares, all you need do is fill in and sign a share transfer request form and send it to your financial intermediary.

*NB: in the case of a PEA, there is a specific procedure to convert fully registered shares and shareholders should consult CACEIS.*

## YOUR RIGHTS AS A SHAREHOLDER

- **The right to dividends:** the dividend is the portion of the Company's net profit distributed to the shareholders.
- **The right to information:** the Company provides shareholders with regular information on its financial position and all important developments that may cause the share price to fluctuate.
- **The right to vote:** each share carries the right to one vote, which the shareholder may exercise to vote on the resolutions put forward to Shareholders' Meetings.
- **Double voting rights:** shares which can be shown to have been registered for four years in the name of the same shareholder have a voting right that is double that granted to other shares.
- **The right to participate in transactions involving the Company's capital:** shareholders benefit from a preferential right to subscribe for shares or to be allocated shares in the event of transactions involving the Company's capital (unless such rights are withdrawn by a decision taken at a Shareholders' Meeting).

SUMMARY TABLE

Characteristics of the different methods of holding Vallourec shares

	REGISTERED SHARES		BEARER SHARES
	Fully registered	Managed registered	
<b>Share account holder</b>	CACEIS Corporate Trust is responsible for holding your shares on behalf of Vallourec	Your financial intermediary is responsible for managing your share account and sends CACEIS Corporate Trust the information needed for registration	Your financial intermediary
<b>Custody and management fees</b>	No custody fees or fees for day-to-day operations	Management fees are set by your financial intermediary and may be higher than for bearer shares	Management fees are set by your financial intermediary
<b>Notification of Shareholders' Meetings</b>	All the documents you need to take part in Shareholders' Meetings will be sent to you automatically		You must complete the required formalities with your financial intermediary
<b>Admission to Shareholders' Meetings</b>	On presentation of your admission card or identity document. You do not need to request a certificate of holding		On presentation of your admission card or certificate of holding
<b>Voting rights</b>	Double voting rights after 4 years		One vote per share
<b>Purchases / Sales</b>	You must send your orders to CACEIS Corporate Trust. Only the following orders are accepted: market-to-limit orders, market orders and limit orders	You must send your orders to your financial intermediary	
<b>Dividend payment</b>	Direct payment on ex-dividend date (in cash or in shares)	Payment (in cash or in shares) by your financial intermediary and in accordance with its terms and conditions	
<b>Tax treatment of dividends</b>	You will receive a unique tax form (Imprimé Fiscal Unique – IFU) from CACEIS Corporate Trust on which to declare the dividends received in respect of your Vallourec shares	Your financial intermediary will send you a tax form which will include the amount of dividends received during the financial year	
<b>Capital gains</b>	The IFU that you receive includes only the proceeds of sales of Vallourec shares sold during the year. It is your responsibility to calculate the capital gains	The IFU that you receive comprises all disposals made during the year. Some financial intermediaries take care of the accounting treatment of capital gains (a charge is usually made for this service)	
<b>Vallourec letter to shareholders</b>	Sent automatically		Sent upon request

TAXATION

# DEVELOPMENTS IN 2011

Your shareholdings do not have to be entered on your tax return: only dividends and capital gains are taken into account in the calculation of your income tax liability. Details are given below, for information only and subject to any recent amendments to the tax legislation, of the tax implications of share ownership.

**NB:** The following information has been prepared for individual taxpayers who are domiciled for tax purposes in France. It constitutes a summary only of the tax regulations applicable as at 1 January 2011, is provided for guidance only and Vallourec accepts no responsibility for its accuracy. You are advised to contact your financial advisor for comprehensive information concerning the tax provisions applicable to your personal situation.

TAXATION OF DIVIDENDS

The 2011 French Loi de finance withdrew the 50% tax credit on dividend income as from 2010 onwards, including dividends received in respect of shares held in French personal equity plans (Plan d'épargne en actions – PEA). Although the PEA regime exempts holders from paying income tax on capital gains, it does not exempt them from the 12.3% social security contributions due at the year end. Shareholdings that are not in a PEA are subject to the mandatory deduction at source of the 12.3% social security contributions. Dividends are then subject to the progressive income tax scale or the 19% flat-rate withholding tax which exempts the balance from tax (at the taxpayer's option).

to capital gains realized on or after 1 January 2011, regardless of their amount. Capital gains realized on shares not held in a PEA are subject to social security contributions when the shares are sold. The rate of these contributions was 12.1% in the case of gains realized in 2010 but has been increased to 12.3% for gains realized on or after 1 January 2011. These capital gains are subject to income tax at the rate of 19%. Regardless of the amount of the sale proceeds, taxpayers may deduct realized capital losses from gains of the same type realized in the following ten years.

TAX REGIME APPLICABLE TO FRENCH PERSONAL EQUITY PLANS (PLAN D'ÉPARGNE EN ACTIONS – PEA)

Vallourec's shares are a qualifying investment under the French personal equity plan (Plan d'épargne en actions – PEA) legislation, which provides tax benefits on condition that no withdrawals are made for a minimum of five years. The maximum amount that may be paid into a PEA is capped at €132,000 (or double this amount for a married couple or couple in a civil partnership). If they are reinvested in the PEA, dividends received and realized capital gains are not subject to income tax.

TAXATION OF CAPITAL GAINS

In 2010, gains on disposals of shares were only subject to income tax to the extent that the annual sales proceeds exceeded the €25,830 threshold per tax household. The 2011 French Loi de finance also amended the taxation of capital gains on marketable securities: as from 1 January 2011, capital gains are taxable as from the first euro. The tax rate is 19% and applies

## THE SHAREHOLDERS' MEETING

# AN IDEAL OPPORTUNITY TO EXCHANGE VIEWS

The Shareholders' Meeting is held at least once a year. All shareholders, irrespective of the number of shares they hold, are entitled to attend and vote at the Meeting. Details are given below of the procedures for attending and voting at Meetings.

## THE MAIN PRINCIPLES OF THE SHAREHOLDERS' MEETING

The Shareholders' Meeting may be an Ordinary Meeting, an Extraordinary Meeting or a combined Ordinary and Extraordinary Meeting. The purpose of the Ordinary Shareholders' Meeting is to approve the financial statements for the financial year, decide on the allocation of the net profit and vote on appointments to the Company's management and supervisory bodies. The Extraordinary Shareholders' Meeting is authorized to amend the Company's by-laws (corporate purpose, name, transactions in the Company's capital, etc.).

The validity of the Meeting's deliberations depends on the presence (or representation) of shareholders owning a minimum percentage of the share capital – the quorum – which is between one quarter (Extraordinary Shareholders' Meeting) and one-fifth (Ordinary Shareholders' Meeting or Extraordinary Shareholders' Meeting the second time it is convened) of the shares with voting rights.

## HOW TO PARTICIPATE

All shareholders, irrespective of the number of shares they hold, are entitled to participate in the Shareholders' Meeting.

You may either vote in person by participating in the Meeting, or vote by post or appoint the Chairman of the Shareholders' Meeting to exercise

a proxy vote on your behalf or appoint another individual or legal entity as your proxy.

- If you hold registered shares, you will receive the voting form directly. You must fill in the form, indicating how you wish to vote, sign and date it and return it to CACEIS Corporate Trust.
- If you hold bearer shares, you will have to ask for a voting form from the financial intermediary responsible for managing your share account. Once you have indicated how you want to vote and signed and dated your form, you can return it to your financial intermediary, who will forward it to CACEIS Corporate Trust, together with a "certificate of holding" (which is evidence of your shareholding in Vallourec).

## General provisions

Shareholders will only be allowed to participate in the Meeting, vote by post or be represented at the Meeting if they can prove that they are shareholders by the registration of their shares in their name or in the name of the intermediary registered on their behalf, on the third business day preceding the Meeting at 00:00, Paris time: – either in the registered share accounts kept by the Company; or – in the bearer share accounts kept by the authorized intermediary.

The registration or recording of the shares in bearer security accounts kept by an authorized intermediary must be shown by a certificate of holding. This certificate of holding must be attached to the single voting form drawn up in the name of the shareholder by the financial intermediary.

A certificate shall also be sent to any shareholder wishing to attend the Meeting in person who has not received an admission card at 00:00, 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 person of their choice as proxy, or to vote by post.

A single form for voting by post or proxy must be requested at least six days before the Shareholders' Meeting from CACEIS Corporate Trust – Service Assemblées Générales. The form is sent automatically, by post, to all shareholders whose shares are registered in a fully registered account or in a managed registered account.

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 00:00, Paris time, three days before the holding of the Meeting.

## YOUR SHARES ARE FREE FOR TRADING

Once a shareholder has voted by post, sent in a proxy or requested an admission card or certificate of holding, he can no longer choose any other method of participation in the Meeting. Any shareholder who has completed one of the

above formalities may nevertheless transfer all or part of his shares at any time.

However, if the transfer takes place before 00:00, Paris time, on the third business day preceding the Meeting, the Company shall invalidate or amend the absentee 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 00:00, 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.

**NB:** To gain entrance to the Meeting, you will be required to produce the following documents:

- proof of identity;
- an admission card – details for obtaining an admission card are provided above;
- failing that, a certificate of holding provided by your financial intermediary 3 days ahead of the date of the Shareholders' Meeting.



HOW TO OBTAIN INFORMATION

# A TEAM DEDICATED TO SHAREHOLDERS

The Investor Relations and Financial Communications team is available to respond to your questions and provide regular and transparent information relating to the Group.

## A DEDICATED SPACE ON THE WEBSITE

The section of the Vallourec website ([www.vallourec.com](http://www.vallourec.com)) dedicated to shareholders, which can be accessed via the "Finance" heading, enables you to obtain, in real time, information about Vallourec's share price and

## SHAREHOLDER CONTACT



### Investor Relations and Financial Communication Department

Étienne Bertrand, Rebecca Le Rouzic,  
Quy Nguyen-Ngoc  
27, avenue du Général Leclerc,  
92100 Boulogne-Billancourt  
Telephone: +33 (0)1 49 09 39 76  
Fax: +33 (0)1 49 09 36 94  
E-mail: [actionnaires@vallourec.fr](mailto:actionnaires@vallourec.fr)

### CACEIS Corporate Trust

Acts as custodian and provides share transfer and management services  
Telephone: +33 (0)1 57 78 34 44  
Fax: +33 (0)1 49 08 05 80

the documents prepared for the Shareholders' Meeting. You can also download the Group's publications and there are links enabling you to access the Group's press releases, presentations and news.

## INFORMATION MEETINGS

Vallourec has chosen to meet regularly with its shareholders via information meetings held in major towns throughout France. Details of these meetings will be provided on the shareholder section of the website ([www.vallourec.com](http://www.vallourec.com)).

## PUBLICATIONS

This year, by producing a *Shareholders' Guide*, together with an annual report which we have called *The Essentials* and the letter to shareholders published in May, our aim is to better meet your needs with information documents tailored to your specific requirements. These documents, as well as the Sustainable Development Report and Registration Document, can be downloaded from the Vallourec website ([www.vallourec.com](http://www.vallourec.com)). You can also ask for these documents to be sent by post by clicking on the "Order copies of our recent reports" link under the "Shareholder corner" heading or by calling us direct on +33 (0)1 49 09 39 76. In addition, financial notices are published (in French) in the economic and financial press when our annual and half-year results are released.

# GLOSSARY

## AMF (*Autorité des Marchés Financiers* – French securities regulator)

The AMF is the French securities regulator. It governs and oversees the conduct and professional ethics of the financial markets and protects the interests of shareholders.

## Balance sheet

A balance sheet is a snapshot of the company's financial position at the end of the financial year. It shows the company's sources of funds (assets) and applications of funds (liabilities).

## CAC 40

The benchmark French stock market index. The index includes the 40 leading equities on the NYSE Euronext Paris selected using various criteria such as capitalization, liquidity and sector diversification. Vallourec has been included in the CAC 40 index since December 2006.

## Capital employed

Financial resources used by a company to develop its business. It is the sum of its equity, non-controlling interests and net debt.

## Capital expenditure (CAPEX)

Investments in plant, machinery and equipment (non-current assets) to be used in the company's business. Capital expenditure is capitalized in the balance sheet and depreciated over the expected useful life of the assets.

## Deferred Settlement Service (SRD)

A service available for the most heavily traded stocks through which settlement for orders or delivery of shares is deferred until the last trading day of the month. Vallourec shares are eligible for this service.

## Dividend

The part of the company's net profit distributed to the shareholders. In the case of Vallourec,

since 2008 shareholders have been able to choose whether to receive payment of the dividend in cash or in shares.

## EBITDA (*Earnings Before Interest, Taxes, Depreciation and Amortization*)

EBITDA is the key indicator of operating profitability used by Vallourec. Also known as operating profit before depreciation and amortization, EBITDA is operating revenue less total operating costs before depreciation and amortization.

As a ratio of sales, it represents the company's operating margin.

## Equity

The part of the company's capital belonging to its shareholders. It includes the value of issued shares, consolidated reserves and net profit for the financial year, after payment of the dividend (retained earnings).

## Free float

The part of a company's capital freely tradable on the stock markets without contractual restrictions linking this part and the company concerned. The higher the free float, the greater the liquidity of the shares.

## Gearing ratio

The gearing ratio is calculated by dividing net debt by equity.

## Goodwill

Goodwill is the difference between the purchase (acquisition) price of a company and its net value after revaluation.

## Income statement

The income statement summarises all transactions during the financial year, with or without monetary compensation. Transactions with a positive result represent revenue and those with a negative result represent expenses.

## Liquidity

The liquidity of a listed company is the ratio of the volume of its shares traded during a given

## GLOSSARY (CONTINUATION)

period over the total number of shares of the Company in issue. It therefore shows the ease with which a shareholder can buy or sell the company's shares.

### Market capitalization

A company's market value, equal, at any time, to the quoted share price multiplied by the number of shares in issue.

### Net cash flow from operating activities

Net cash flow from operating activities represents the cash flow generated by the company's day-to-day activities. It differs from cash flow from operating activities since it is calculated after changes in the working capital requirement. It can be regarded as a source of funding for the company.

### Net debt

Net debt is financial debt less short-term investments, cash and cash equivalents.

### Net income, Group share

Net income, Group share corresponds to the net profit (see below), after deducting the non-controlling shareholders' share of the profit. It can be distributed to the shareholders in the form of dividends or transferred to reserves to increase the company's equity.

### Net profit

The profit or loss made by the company. Net profit is the residual part of EDITDA (as defined above), after the company has depreciated its equipment, paid its creditors (interest charges on its borrowings) and the State (tax).

### Non-controlling interests

Non-controlling interests represent the share attributable to non-controlling shareholders in the equity and net profit of consolidated subsidiaries.

### NYSE Euronext Paris

The firm which organizes, manages and develops the securities market, and acts as market regulator (financial transactions, monitoring of companies listed on the stock market) with the delegated authority of the AMF. It is the main market on which Vallourec's shares are listed.

### Ordinary Shareholders' Meeting / Extraordinary Shareholders' Meeting

The Supervisory Board calls a Shareholders' Meeting once a year for ordinary management decisions: approval of the financial statements, election of Board members, etc. An Extraordinary Shareholders' Meeting is called to amend the by-laws or approve decisions affecting the company's share capital.

### Quorum

Minimum number of shares with voting rights required to be present or represented for a Shareholders' Meeting to be validly constituted. It varies depending on the nature of the Shareholders' Meeting (Ordinary or Extraordinary) and the convening of the Meeting (first or second time the Meeting is convened).

### Registration Document

The Registration Document contains all legal, financial and accounting information concerning a company for a given financial year.

### Sales

Consolidated sales of all the Group's subsidiaries recognized over a given period.

### Sales volume

Sales volume corresponds to the volume in metric tonnes of hot-rolled tubes produced by Vallourec's rolling mills and delivered to customers.

### Share

Tradable security representing a portion of the company's capital. The owner of a share, the shareholder, is a part-owner of the company and enjoys certain rights.

### Voting rights

Voting rights are rights attached to shares, which allow shareholders to vote on the resolutions presented at the Ordinary Shareholders' Meeting.

### Yield

The yield of a share (or dividend yield) is calculated by the comparison between the last dividend paid by the company and the share price.

*Design and editing: Vallourec (External Communications and Investor relations), DDB Financial, Tagaro DDB.*

*Graphic Design: Marie-Louise.*

*Photos credits: Corbis, Getty, Jean-Michel Meigné, René Pelzer, Photothèque Vallourec, Philippe Stroppa, V & M do Brasil / Thiago Fernandes, Philippe Zamora.*

*Computer graphics: Fabrice Mathé.*

*Printed by: Gutenberg Inside Networks, on Arctic Volume White paper, produced from sustainably managed forests.*



**Registered Office:**

27, avenue du Général Leclerc  
92100 Boulogne-Billancourt (France)  
552 142 200 RCS Nanterre

**Tel.:** +33 (0)1 49 09 39 76

**Fax:** +33 (0)1 49 09 36 94

**Internet:** [www.vallourec.com](http://www.vallourec.com)

French limited liability company (*société anonyme*)  
with Management and Supervisory Boards  
and issued capital of €235,888,164