

> Long standing business relationships with China and expertise of more than 100 years.

> Vallourec has progressively moved from its historical position as an exporter of goods to China to that of a Chinese producer. Over the past 14 years, Vallourec has significantly increased its industrial presence in China.

> Today: 8 manufacturing and service facilities, 500 people, high value-added products, mainly dedicated to power generation and oil & gas applications.

> China accounted for about 6% of the Group's revenues in 2010.

For more than 100 years, Mannesmann, then Vallourec & Mannesmann Tubes, has been supplying China with large quantities of increasingly sophisticated tubes and pipes primarily serving the power generation and oil & gas markets as well as petrochemical, mechanical and structural applications.

On the power generation market, Vallourec is a recognized and experienced expert of solutions for nuclear and conventional (supercritical and ultra supercritical) power plants. As an example, the Group delivered its first premium tubular solutions for the supercritical plant project of Qin Bei in 1995. In oil & gas, Vallourec offers a wide range of premium tubular solutions as drill pipes, OCTG, risers, line-pipes and offshore structures, delivering products to the most demanding and critical fields in China such as Tarim basin (deep wells with critically geological conditions), Sichuan basin (extreme drilling conditions wells with high content of H₂S and geological difficulties) as well as Bohai and Nanhai Seas (performance products for drilling deep water wells and complex extended reach wells).

Key dates of Vallourec history in China

- 1904** first tube delivered to the water network of Shanghai city by Mannesmann
- 1954** first contract for boiler tubes and pipes
- 1997** first plant in Changzhou (Changzhou Valinox Great Wall Welded Tube)
- 2006** creation of V & M Changzhou (finishing facility, power generation)
- 2007** creation of VAM Changzhou (threading facility, oil & gas)
- 2010** decision to extend V & M Changzhou capacity
- 2010** acquisition of 19.5% of Tianda Oil Pipe, a Chinese pipe manufacturer for Oil & Gas applications
- 2010** new investment project of Valinox Nucléaire in Nansha: facility of steam generator tubes dedicated to the Chinese nuclear power industry
- 2011** first stone laid of Valinox Nucléaire in Nansha

Chinese market

China represents approximately one third of the global seamless pipes consumption.

Main customers

- **Power generation:** Huaneng, Datang, Huadian, Guodian, CPI, HEC, SEC, DEC, DFHM, Qinghuandao, Dalian
- **Oil & gas:** CNPC, Sinopec, CNOOC, Chevron, Roc Oil.

Local partnerships

- Cooperation agreement with Tianda Oil Pipe (TOP) to thread their pipes at VAM Changzhou
- Xi'an Baotimet Valinox Tubes Co. Ltd, joint venture with Baoti, the Chinese specialist of titanium products
- Longstanding commitment to the Changzhou area

Vallourec main locations and partnerships in China

