

## Conversion of NSSMC's Mandatory Convertible Bonds

**Boulogne-Billancourt (France), 20 June 2016** – Vallourec, world leader in premium tubular solutions, announces that mandatory convertible bonds (the “Bonds”) subscribed by Nippon Steel & Sumitomo Metal Corporation (NSSMC) will be converted into new shares today, following the definitive clearance from the Brazilian Competition Authorities.

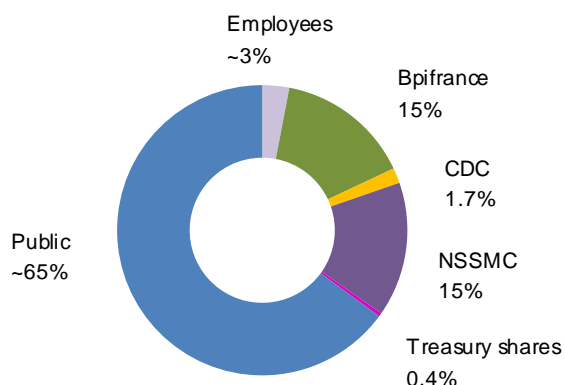
This is the last operation on Vallourec's capital as part of the c. €1 billion equity raise dedicated to financing the Group's transformation plan : Bpifrance Participations S.A. (Bpifrance) bonds were all converted into new shares as announced in the company's press release of 3 May 2016.

The conversion of the Bonds subscribed by NSSMC will result in the creation of 61,565,565 new shares. Following this conversion, Vallourec's capital will stand at €889,276,098, divided into 444,638,049 shares.

On 20 June 2016, Bpifrance and NSSMC will each hold 15% of Vallourec's share capital. Subject to certain exceptions, they will be both subject to a standstill at 15% in voting rights for a period of 15 years.

Commenting on this new step, Philippe Crouzet, Chairman of the Management Board, said:  
*« With Bpifrance and NSSMC each holding 15% of its capital, Vallourec has a consolidated shareholder base. The support of our two strategic shareholders will enable us to continue implementing our transformation plan to improve Vallourec's competitiveness and sustainably develop its position as a world leader in premium tubular solutions in the coming years. »*

### Shareholding structure as at 20 June 2016



### About Vallourec

Vallourec is a world leader in premium tubular solutions for the energy markets and for demanding industrial applications such as oil & gas wells in harsh environments, new generation power plants, challenging architectural projects, and high-performance mechanical equipment. Vallourec's pioneering spirit and cutting-edge R&D open new technological frontiers. Operating in more than 20 countries, its 20,000 dedicated and passionate people work hand-in-hand with their customers to offer more than just tubes: they deliver innovative, safe, competitive and smart tubular solutions, to make every project possible.

Listed on Euronext in Paris (ISIN code: FR0000120354, Ticker VK) and eligible for the Deferred Settlement System (SRD), Vallourec is included in the following indices: SBF 120 and Next 150.

In the United States, Vallourec has established a sponsored Level 1 American Depositary Receipt (ADR) program (ISIN code: US92023R2094, Ticker: VLOWY). Parity between ADR and a Vallourec ordinary share has been set at 5:1.

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