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# Investor Presentation



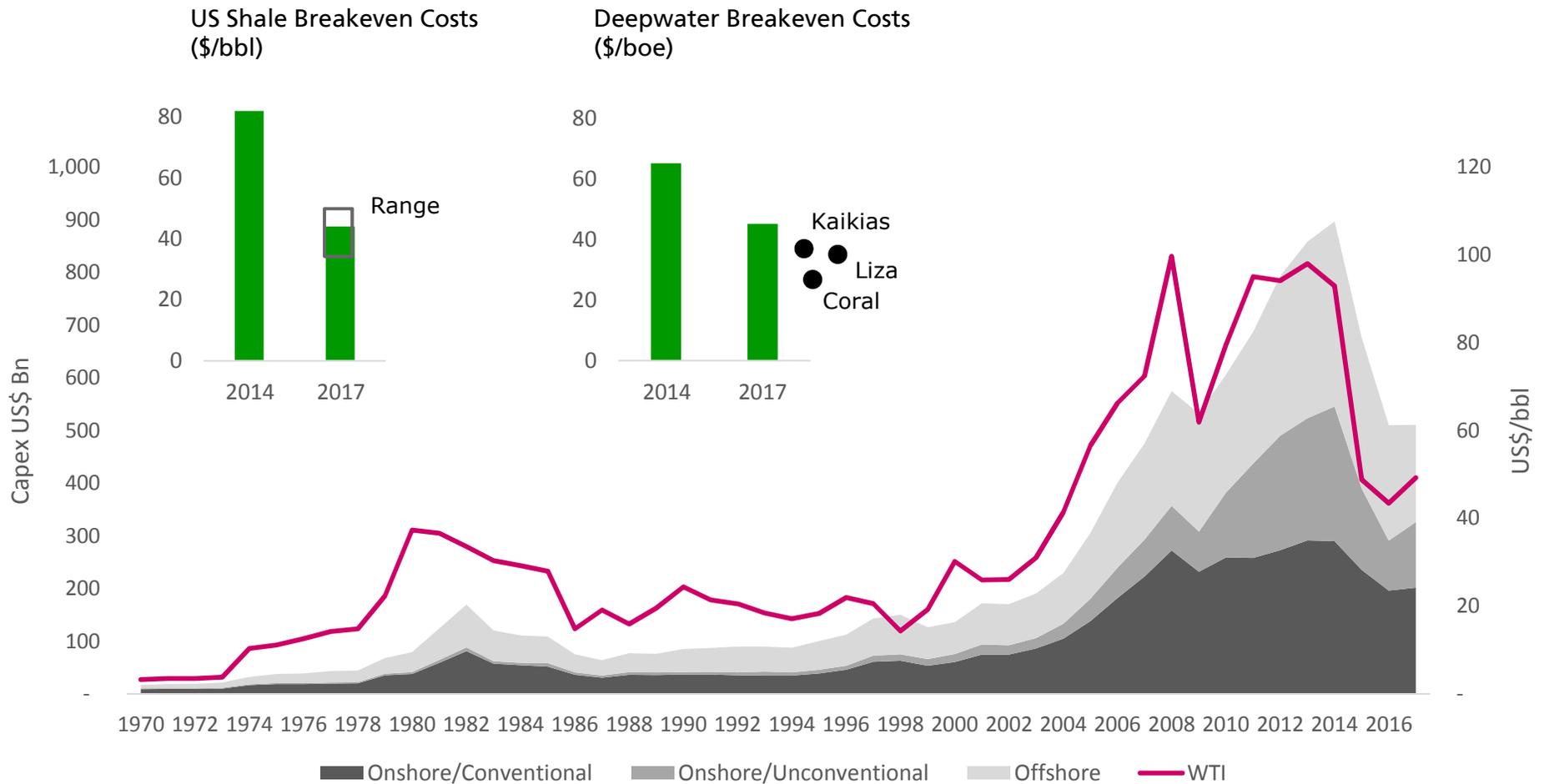


## **Disclaimer**

This presentation contains “forward-looking statements.” Forward-looking statements are based on management’s current views and assumptions and involve known and unknown risks that could cause actual results, performance or events to differ materially from those expressed or implied by those statements. These statements include information regarding management strategy, investment plans, development and growth of the steel pipe and oil and gas industries, trends and other prospective data, including trends regarding the development of raw material costs and the levels of investment in oil and gas drilling worldwide and general economic conditions in the countries where Tenaris operates and sells its products and services. We do not undertake to update any forward-looking statement to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

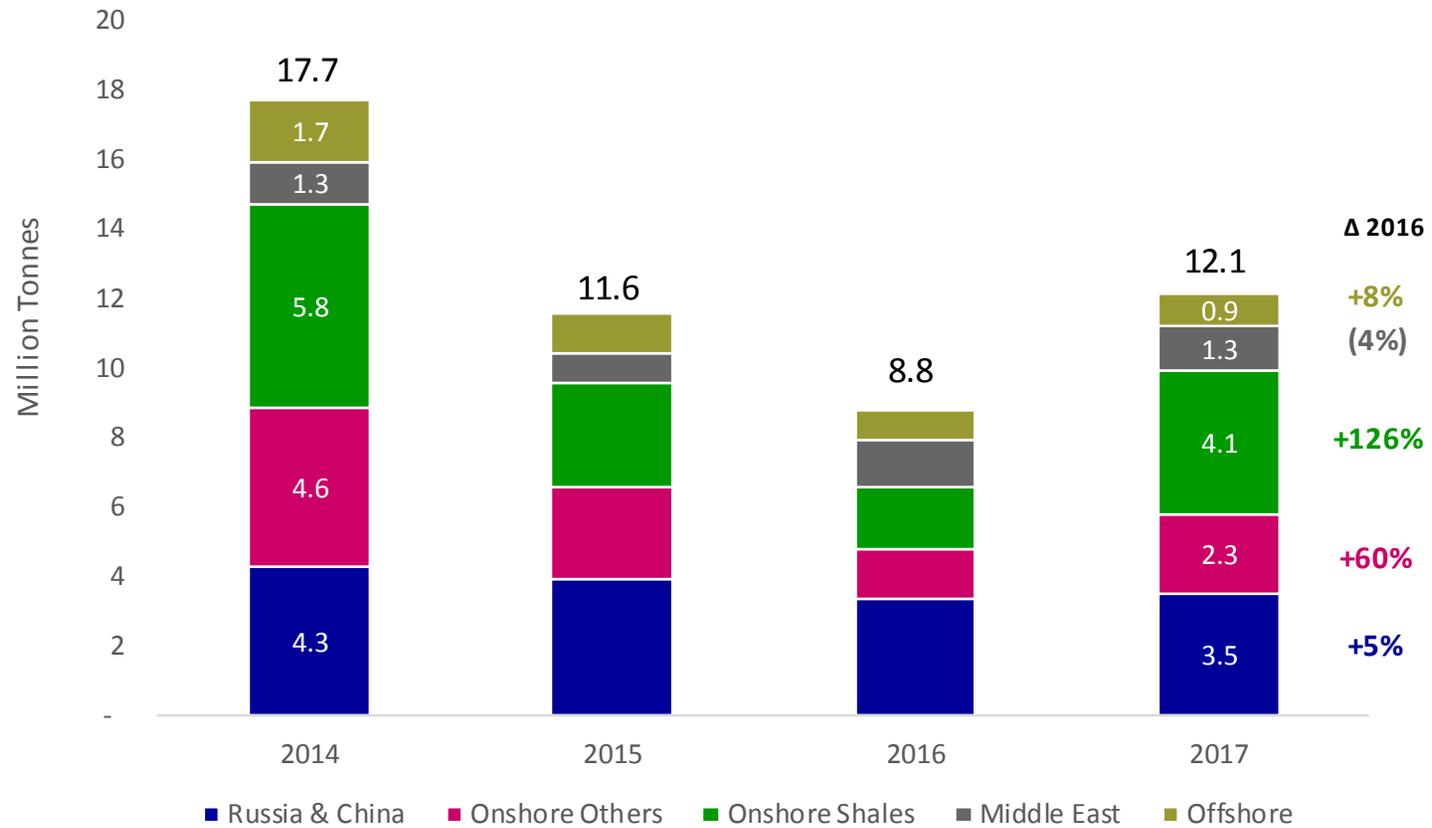
Except where otherwise stated, the data presented herein is based on Tenaris analysis and estimates.

# Industry Adapting to Lower Oil Prices



Source: Bloomberg ; Rystad ; IHS

# OCTG Demand Recovering

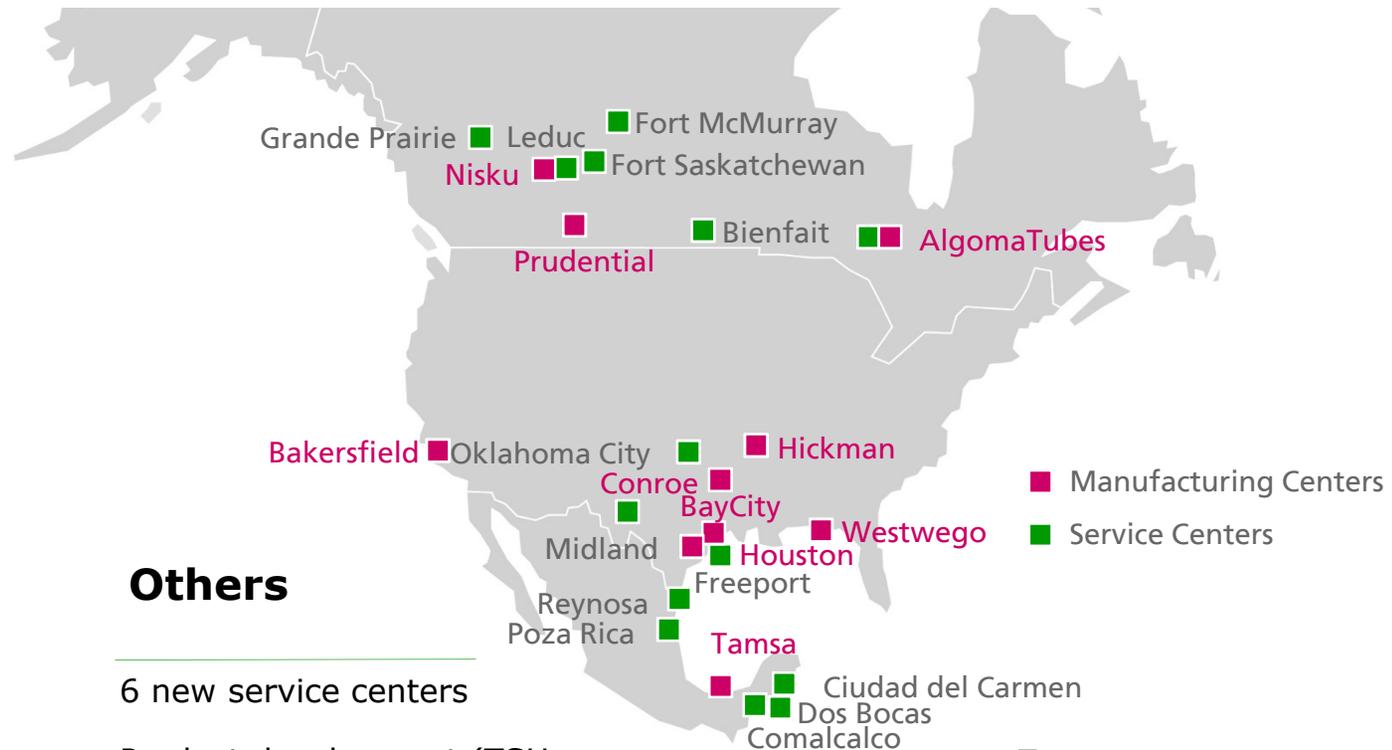


Source: TS estimates

# Strengthening Rig Direct™ in North America



Expanded North American footprint



## Bay City

- State of the art manufacturing center
- Shorter, more efficient and flexible supply chain
- Lead time & inventory reduction

## Others

- 6 new service centers
- Product development (TSH Wedge XP™)
- PipeTracer™ digital pipe by pipe tracking system

## Investment

- \$1.8 Bn Bay City
- \$0.1 Bn Service Centers

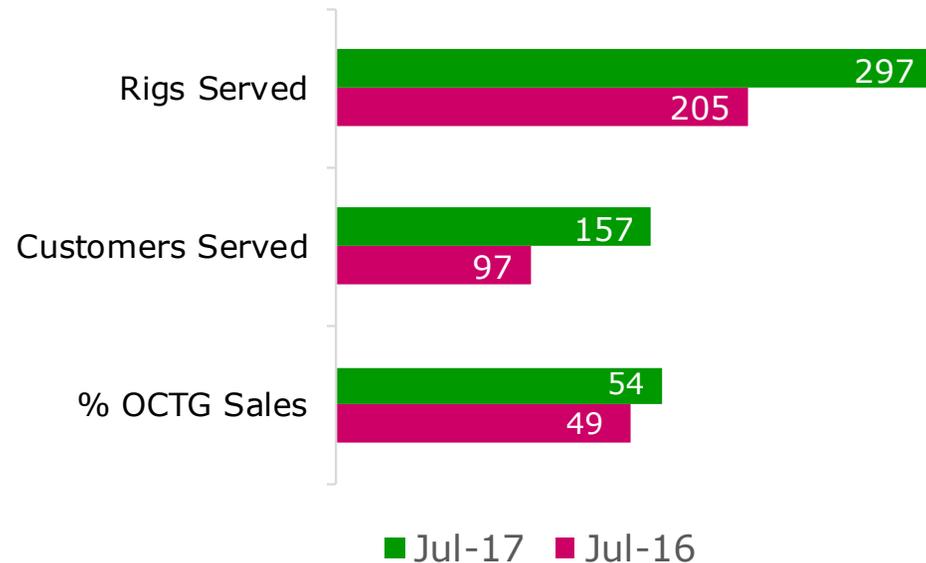
# Rig Direct™ Global Deployment



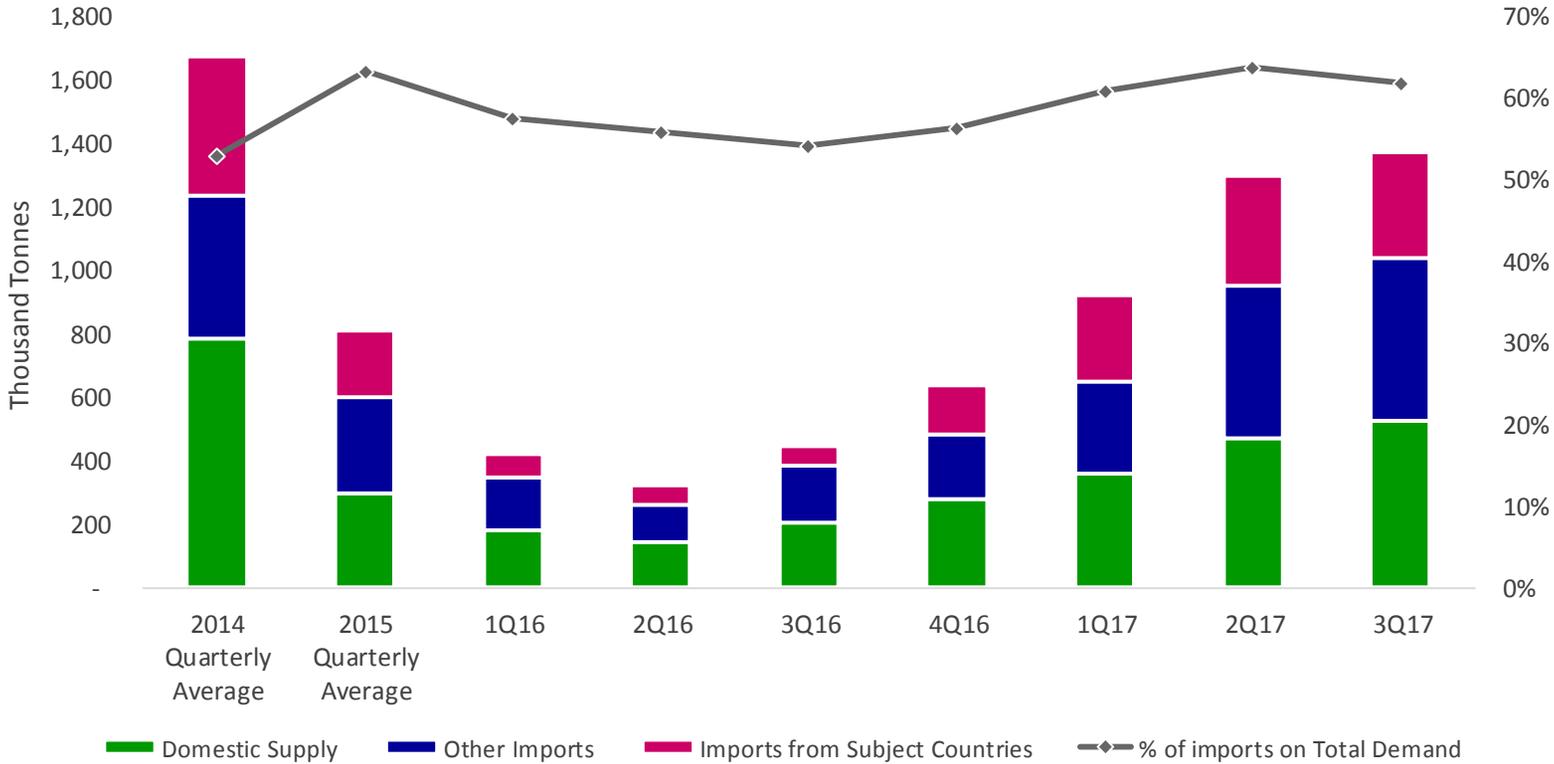
Integrated service solution that addresses costs, quality, operational efficiency and sustainability

- USA: extensive adoption in Permian, Eagle Ford and Haynesville; extending to other regions
- Canada: widespread adoption facilitating market share gains
- Latam: established in Mexico and Argentina for 20 years, now in Colombia and Ecuador
- EH: fully established in North Sea, Romania and Chevron Thailand, expanding in Indonesia, Caspian and UAE

Rig Direct™ Evolution



# US OCTG Imports



# Well Positioned in Growth Areas



## Short term



E. Mediterranean Gas

Deliveries to fast track deepwater pipeline developments (eg Zohr) will boost results from Q4



Vaca Muerta Shale

Investments in world-class Vaca Muerta shale are being confirmed and sales in Argentina are recovering

## Medium term



Offshore Recovery

New offshore projects are starting to be sanctioned and a gradual recovery should take place



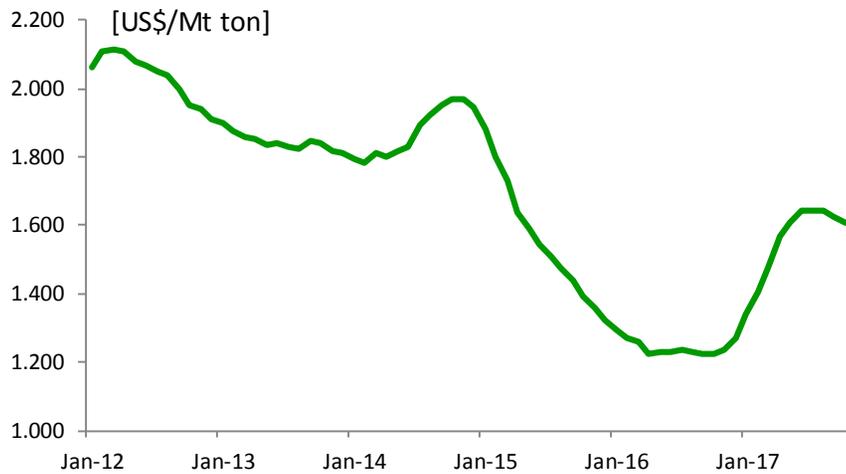
Mex. Energy Reform

Recent discoveries by Talos and ENI will encourage energy reform process: as investments are implemented demand should gradually recover

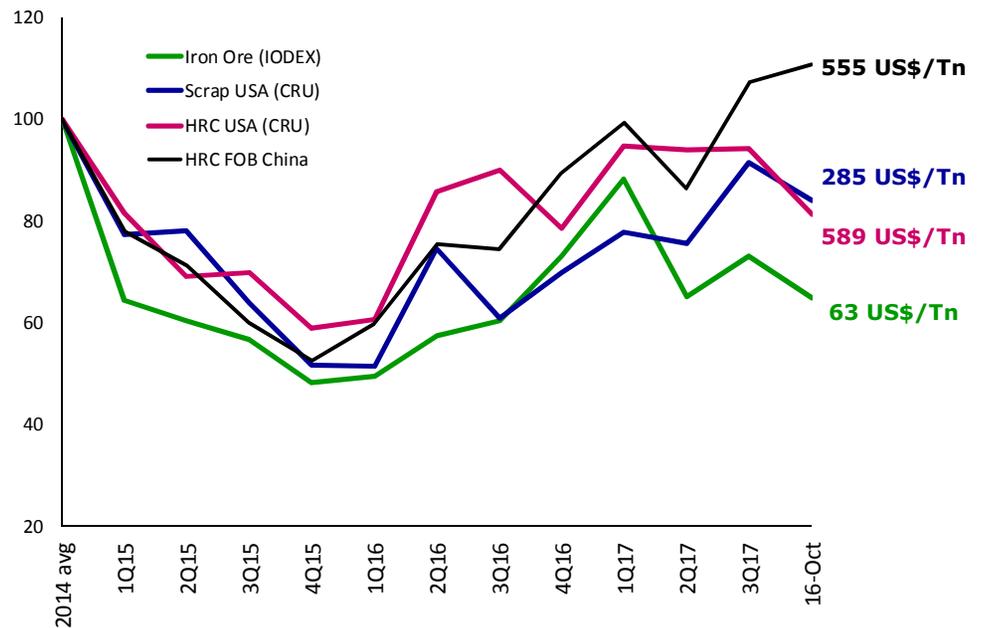
# Costs and Price evolution



**Pipe Logix**



**Input costs**



# Financial Performance



Millions of US\$ (except ratios and per ADS amounts)

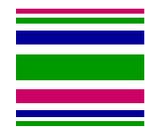
	2012	2013	2014	2015	2016	9M 2017
Net Sales	10,648	10,424	10,141	6,903	4,294	3,700
EBITDA	2,856	2,780	2,696	1,219	598	624
EBITDA Adjusted	2,856	2,780	2,696	1,396	672	651
EBITDA Adjusted margin	27%	27%	27%	20%	16%	18%
Net income (loss) of owners of the parent	1,699	1,551	1,159	(80)	55	385
Earnings per ADS	2.88	2.63	1.96	(0.14)	0.09	0.65
Cash flow from operations	1,856	2,377	2,044	2,215	864	(9)
Capital expenditures	790	753	1,089	1,132	787	437
Free cash flow	1,066	1,624	955	1,083	77	(446)
Net financial position	(271)	911	1,257	1,849	1,441	974
Dividend	508	508	531	531	484	153

\* EBITDA adjusted excludes restructuring expenses

# Closing Remarks



- Market is adapting to lower oil and gas prices: North American shales will remain a key driver in coming years
- Tenaris is uniquely positioned to take advantage in all regions and segments where growth is taking place
- Rig Direct™ is being adopted in many parts of the world as its benefits for the efficiency, capital discipline and time to market of the oil and gas industry are demonstrated in the field
- Tenaris is leveraging its strengths in product technology, supply chain efficiency and global service delivery
- Tenaris maintains a solid balance sheet and good financial performance giving it the flexibility to take advantage of market opportunities



# Tenaris

*Tubular Technologies. Innovative Services.*