

# Investor Presentation



**Tenaris**



## **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.

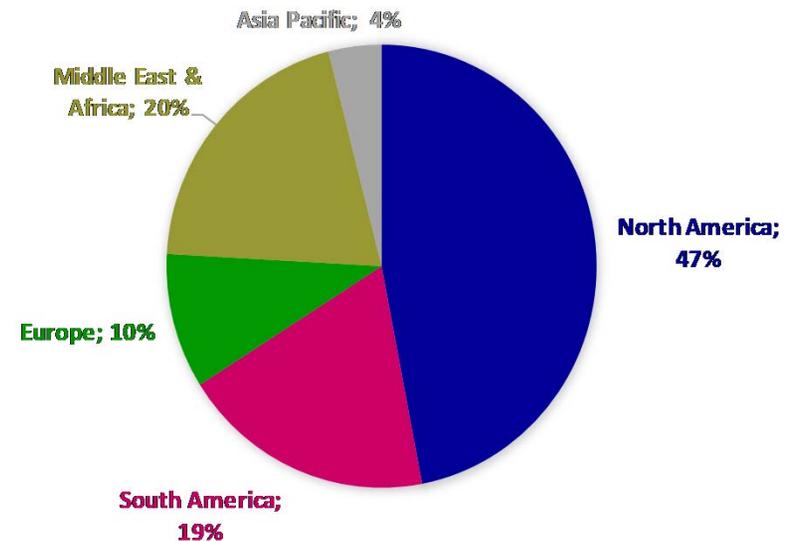
Except where otherwise stated, the data presented herein is based on Tenaris analysis and estimates.

# Global Leader in Steel Pipes for the Energy Industry



- Manufacturing facilities in **18 countries**
- Annual manufacturing capacity of **6.9 million tons of steel pipes**
- **4** Electric steel shops, **13** Seamless rolling mills, **25** Welded tube mills, **53** Heat treatment lines, and **103** Premium threading lines
- R&D centers in **5 countries**
- Service and distribution network in more than **30 countries**
- **21,605 employees** (2017)
- Revenue: **US\$ 7.4 billion** (9M18 Annualized)
- Stock exchange listings: **New York, Italy, Buenos Aires and Mexico**

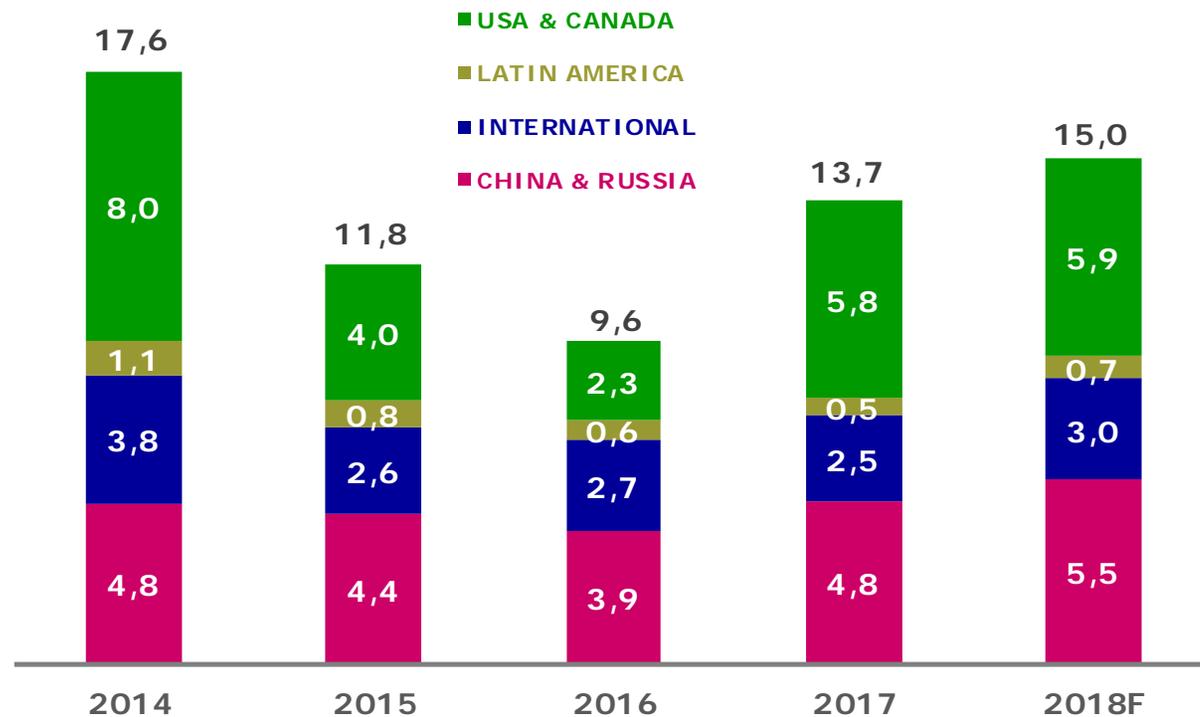
9M 2018 Sales by Region  
(US\$5.6 Bn)



# Global OCTG Demand Recovering



[Mill Tn]



# Worldwide Operations





# Differentiated Products

Full range of high quality products (seamless and welded pipes, premium connections, large OD OCTG and connectors, line pipe, mechanical pipe, accessories, sucker rods and coiled tubing for use in all types of oil and gas drilling, well completion and transportation activities.

Extensive range of Rig Direct® technical and supply chain services.

Global reach, financial strength and reliability to support customers through complex projects.



**Wedge Series**



**BlueDock® Connector**



**TenarisXP® Series**



**Dopeless® technology**



**BlueCoil® technology**



**DemandSync™ PipeTracer™ technology**



**Rig Direct® Academy**

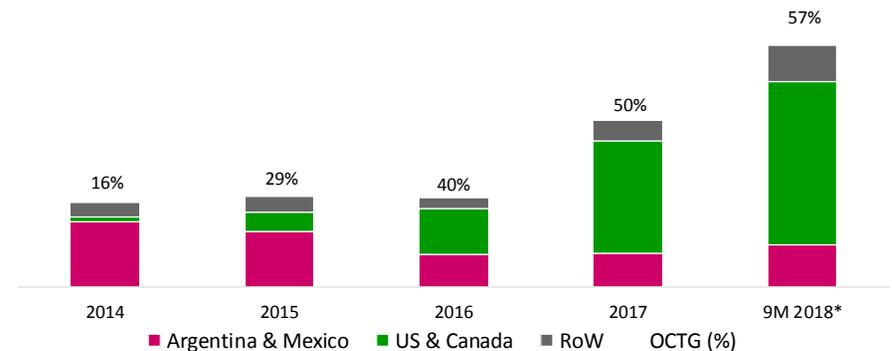
# Innovative Services. Rig Direct®



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

- Active in **30 countries** around the world
- **40 service** and distribution facilities
- **20+ years of experience** in Rig Direct®
- **USA:** extensive adoption in Permian, Eagle Ford and Haynesville; extending to other regions
- **Canada:** widespread adoption facilitating market share gains
- **Latam:** fully established in Mexico and Argentina now in Colombia and Ecuador
- **EH:** fully established in North Sea, Romania, Thailand and Indonesia, expanding in Caspian and UAE

Rig Direct® OCTG Shipments



\* 9M 2018 annualized



# International Positioning



Middle East

Tenaris maintains strong position as a supplier to the major Middle East NOCs with the project management, technology and financial strength to support complex regional gas projects



LNG Projects

Growing global demand for gas is creating the conditions for LNG expansions and developments (eg Australia and Mozambique)



Offshore Recovery

Competitive offshore projects (eg Liza) are being sanctioned and pointing to a gradual recovery in offshore demand



Latin America

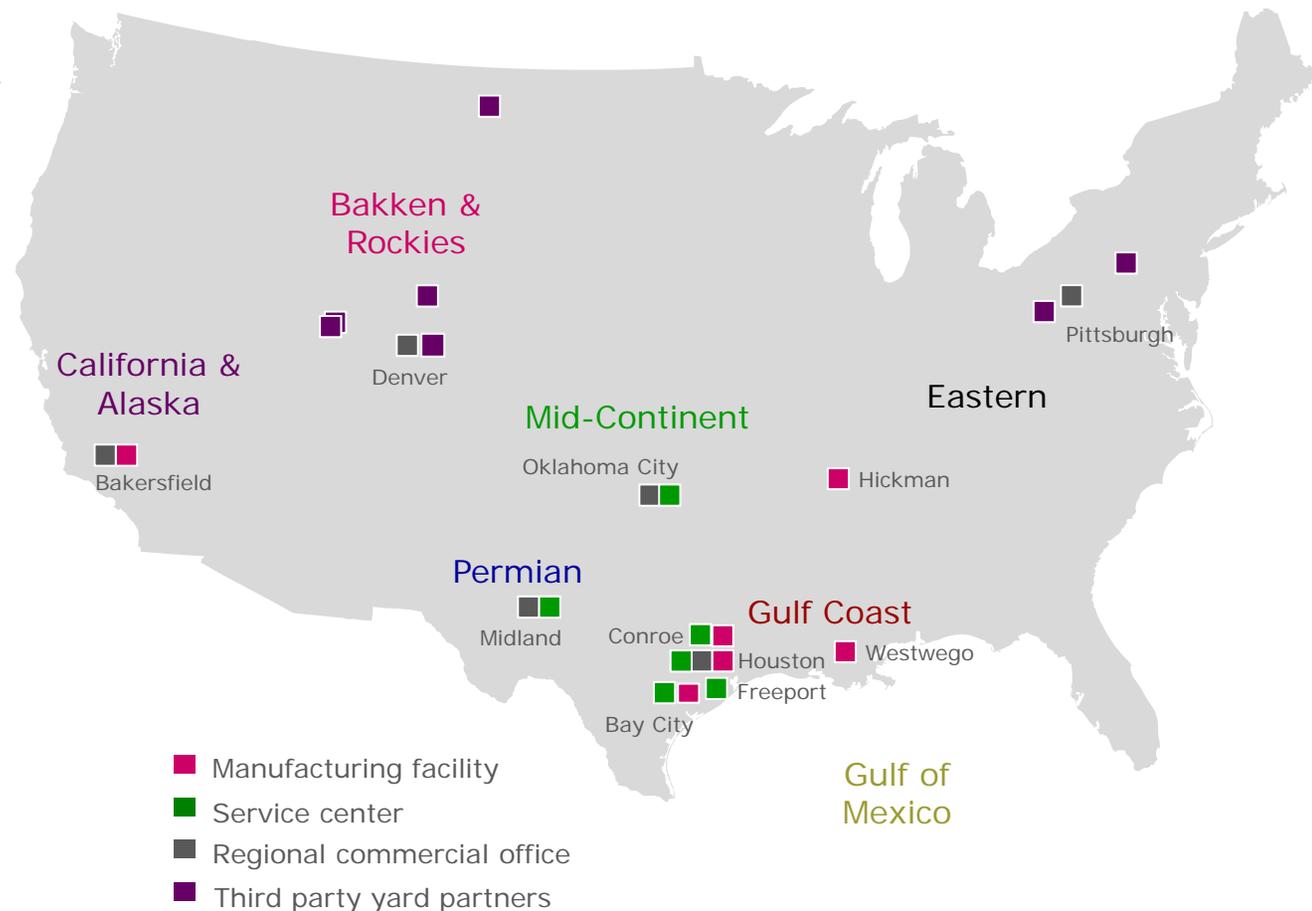
Energy reform/opening in Mexico and Brazil, and the Vaca Muerta shale development in Argentina are attracting private investment activity



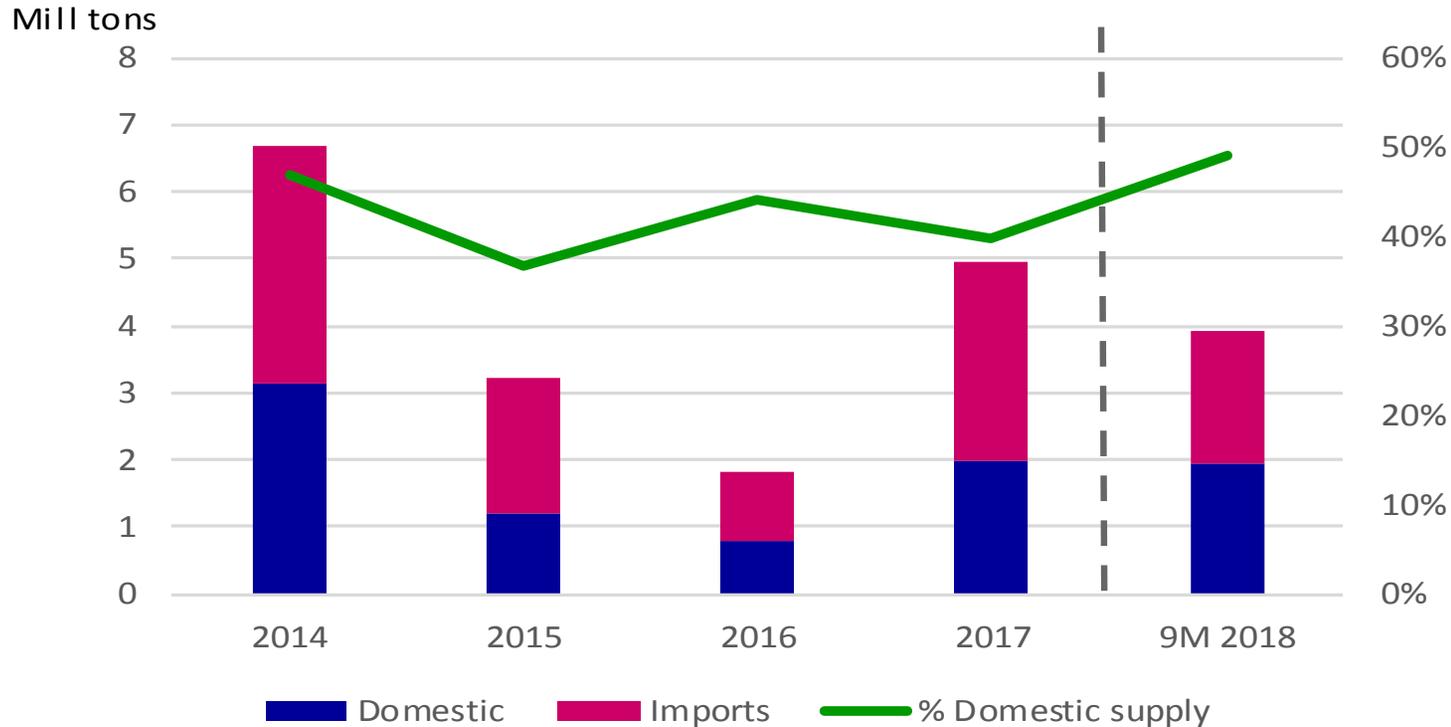
# US Regional Focus

## Tenaris's presence in the US aligned with major oil and gas basins

- State of the art manufacturing center
- Shorter, more efficient and flexible supply chain
- Lead time & inventory reduction
- Product development (TSH Wedge XP™)
- PipeTracer™ digital pipe by pipe tracking system

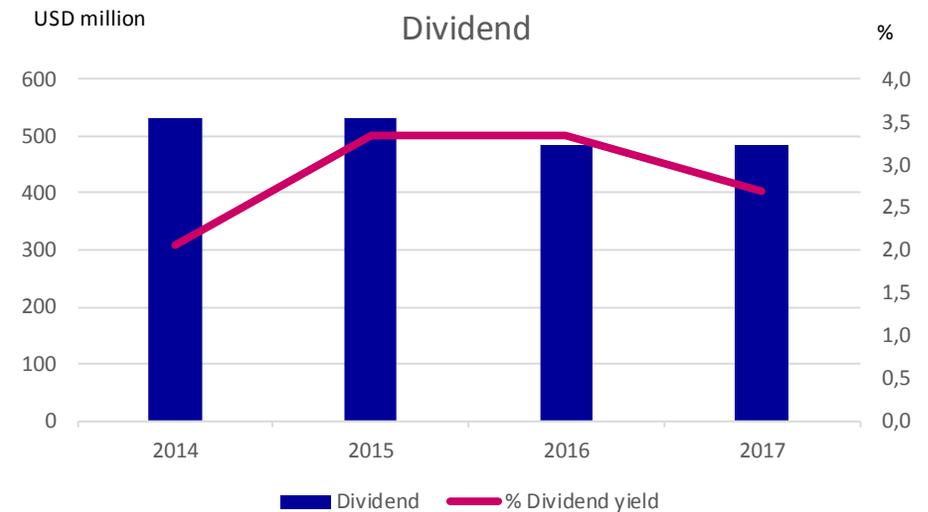
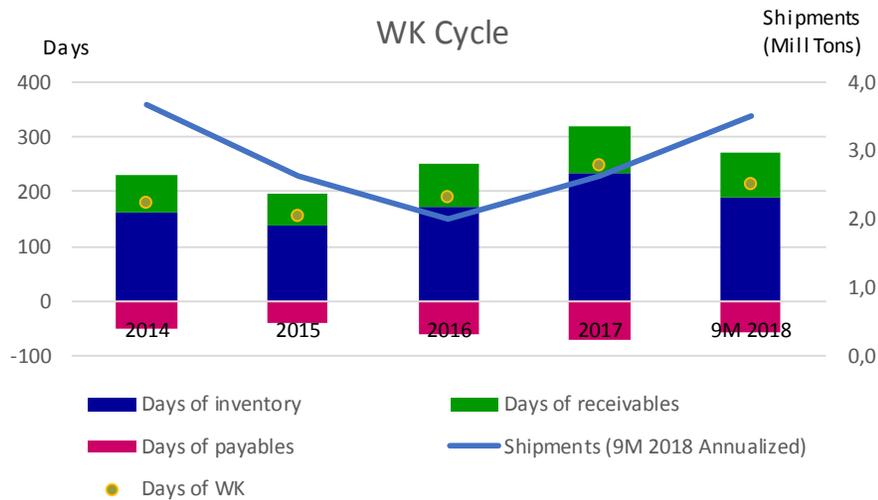
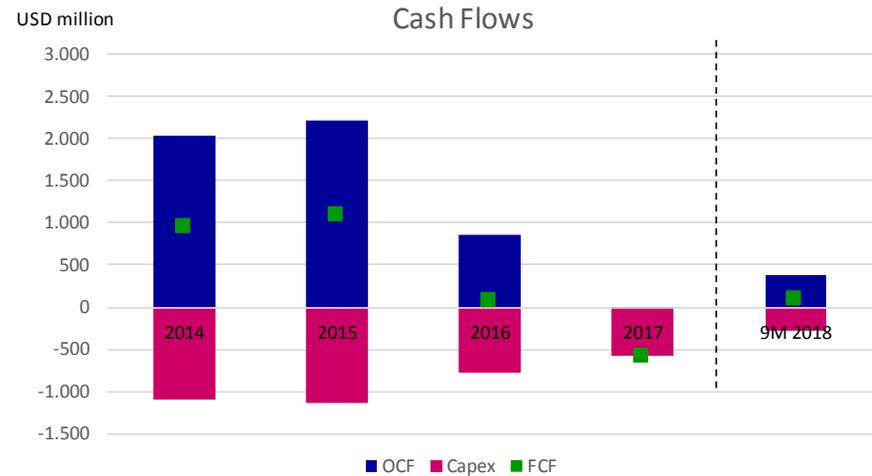
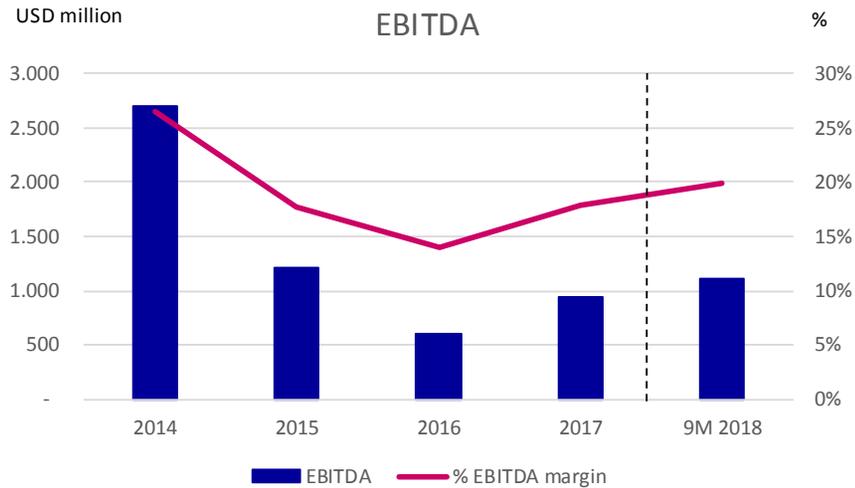


# US OCTG Market Dynamics



- Ramping up Bay City to support domestic production.
- Restart of Conroe provides additional finishing capacity for Bay City production.
- Increasing production at Hickman.

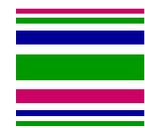
# Financials Support the Upcycle



# Closing Remarks



- Oil and gas drilling recovery gradually spreading to most regions: North American shales will remain a key driver in coming years
- Tenaris is increasing US production at Bay City and its other US mills and is strongly positioned to take advantage in all regions and segments where growth is taking place
- The Rig Direct<sup>®</sup> service model continues to grow around 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 has a solid balance sheet and its good financial performance gives it the flexibility to take advantage of market opportunities



# Tenaris

*Tubular Technologies. Innovative Services.*