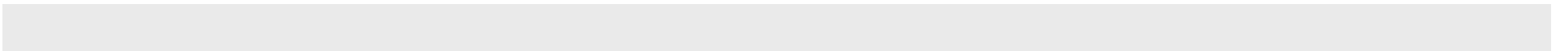


# Investor Presentation



**Tenaris**



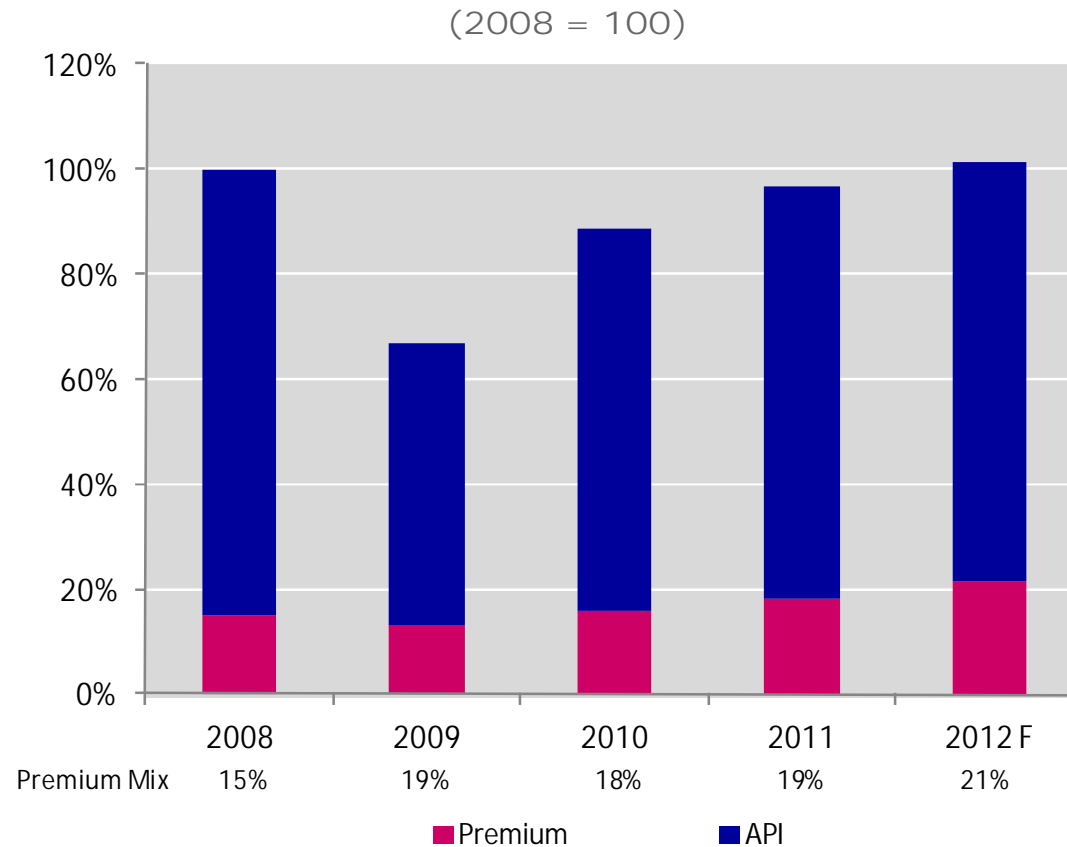


## Disclaimer

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.

# OCTG demand has recovered

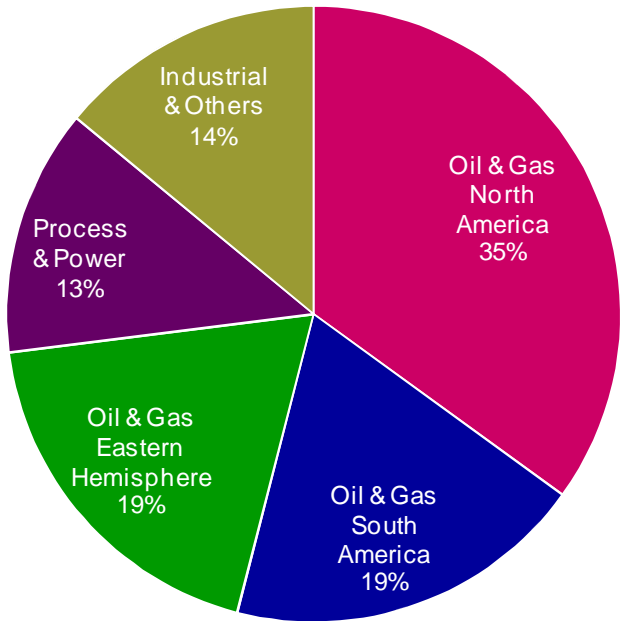


- OCTG demand in 2012 is anticipated to exceed 2008 level
- We expect demand for premium products to grow at a faster pace than for API products

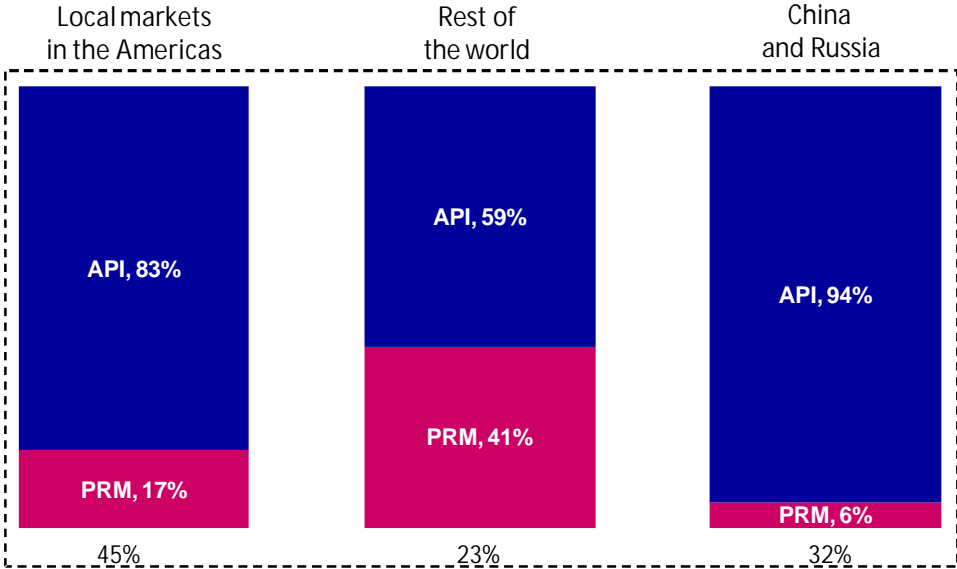
# Leading global player with oil and gas focus



Sales breakdown 2011  
US\$10.0 billion



Worldwide OCTG market



# Industry leadership



Global industrial system and execution excellence

Leading innovation through new products development

Global network, direct contact with end users and rig access

# Global industrial system deployment



**Industrial re-alignment to extend product range, improve efficiency and reduce costs and environmental impact**



- New small diameter rolling mill in Mexico, including heat treatment and premium threading lines, in time and within budget
- Industrial update in Italy, re-focusing product line and improving efficiency
- New tubing line and expansion of heat treatment capacity in USA

# New seamless pipe mill and logistics center in the USA



Main product: seamless OCTG

Annual production capacity: 650 th tons

Time frame: expected to begin operations in 2016

Estimated investment: ~US\$ 1.5 billion

- Shales and deepwater developments are transforming the US and global energy landscapes
- The new seamless mill will support the long term growth prospects for the North American market and position us closer to our customers and technology developments
- The investment will strengthen our competitive position in North America

# Premium connections for shales and thermal wells



TenarisHydril – for all applications supported by global threading and repair shop network, field service engineers and extensive testing and development facilities

## Shales

Operational requirements:

- Bending
- High compression
- Torque
- Fatigue



Wedge 563™



Wedge 521™



Tenaris XP™



Wedge 625™

## Thermal wells

Operational requirements:

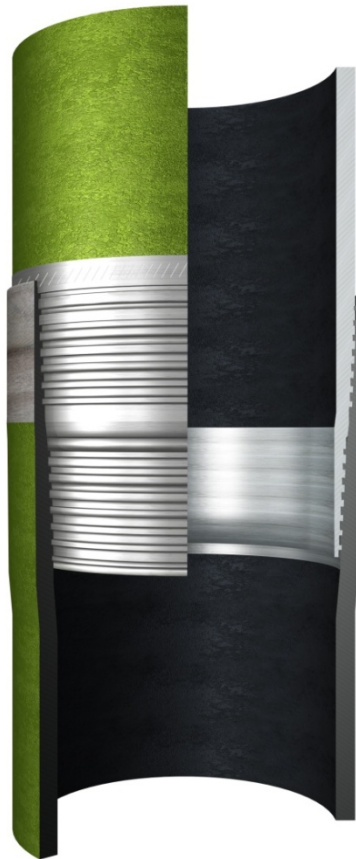
- High temperatures
- Combined torque, compression, and cyclical loading conditions



Blue® Thermal Liner



# Tenaris W625™ specially designed for shales



- The Wedge 625™ is the first connection in the new series 600.
- Providing outstanding tensile and compression efficiency, torque resistance and internal and external sealing capacity, TSH 625 is designed for use in high pressure, deep, horizontal and extended reach wells
- Successfully proven in the field:
  - Currently used in the Eagle Ford Shale for ongoing drilling program
  - The wells are drilled horizontally with a total extension of more than 16 Th ft
  - 5 ½" P110 TSH 625 production casing run from top to bottom of the well

# Premium connections for deepwater and arctic wells



Dopeless® connections to improve operational efficiency and reduce environmental impact of oil and gas drilling operations

Sour service and chrome grades for corrosive environments

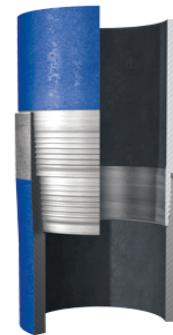
## Deep water

Operational requirements:

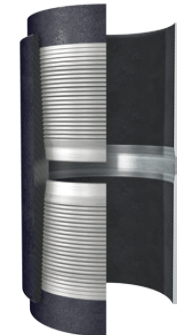
- Collapse pressures
- Tension
- Maximum sealability



Wedge 523™



Blue® Near Flush

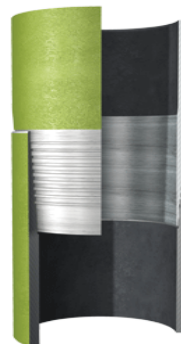


HW™

## Arctic

Operational requirements:

- Environmental concerns
- Extreme temperatures



Wedge 513™

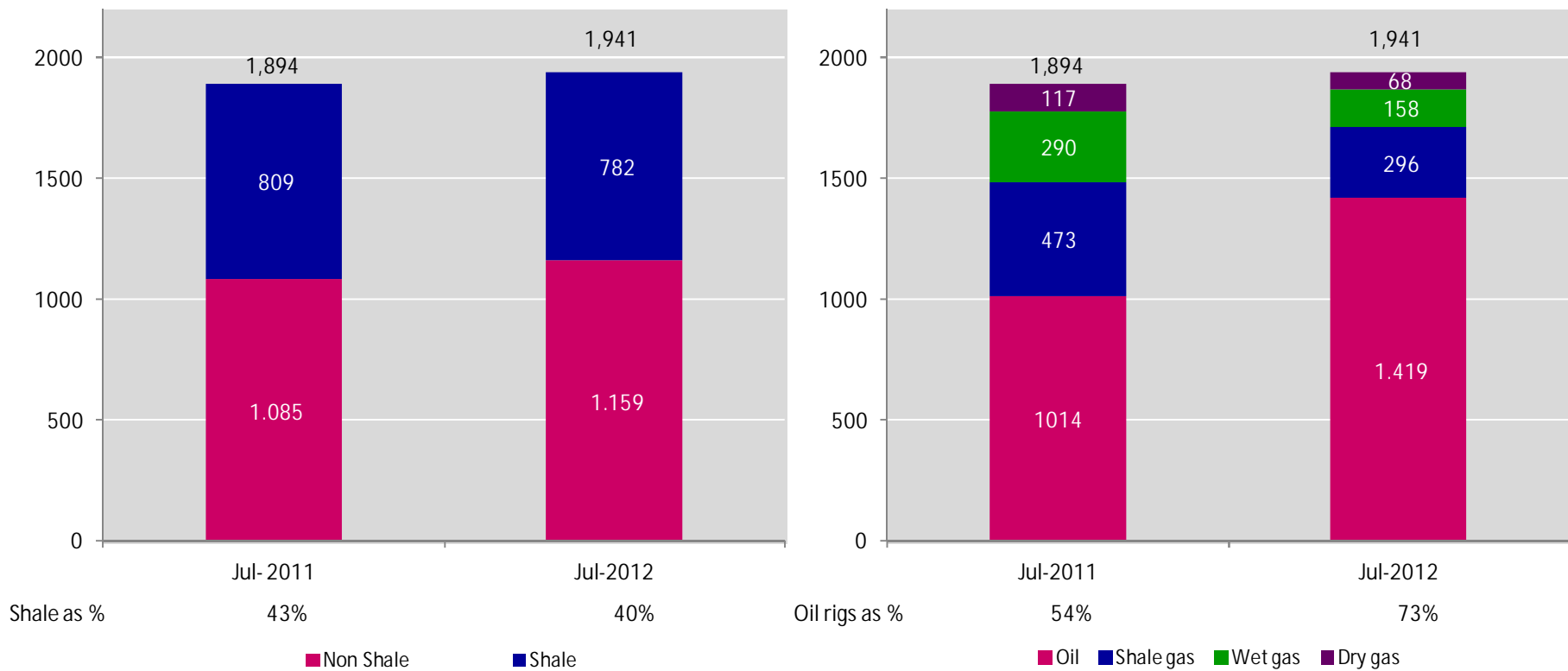


Blue® Dopeless®

# North America: growth concentrated on crude oil

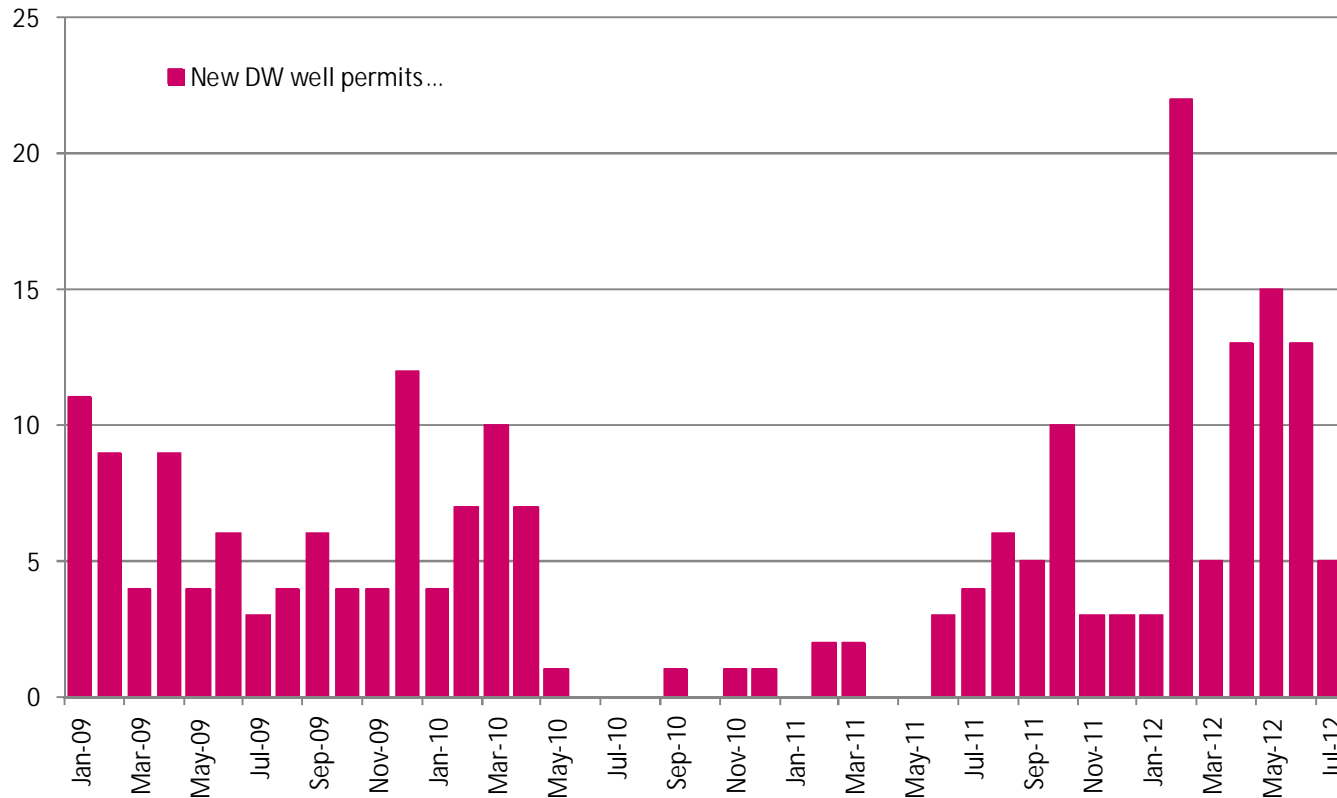


US Rig Count detail\*



\* Source: Company analysis based on Baker Hughes rig count.

# North America: offshore deep water activity



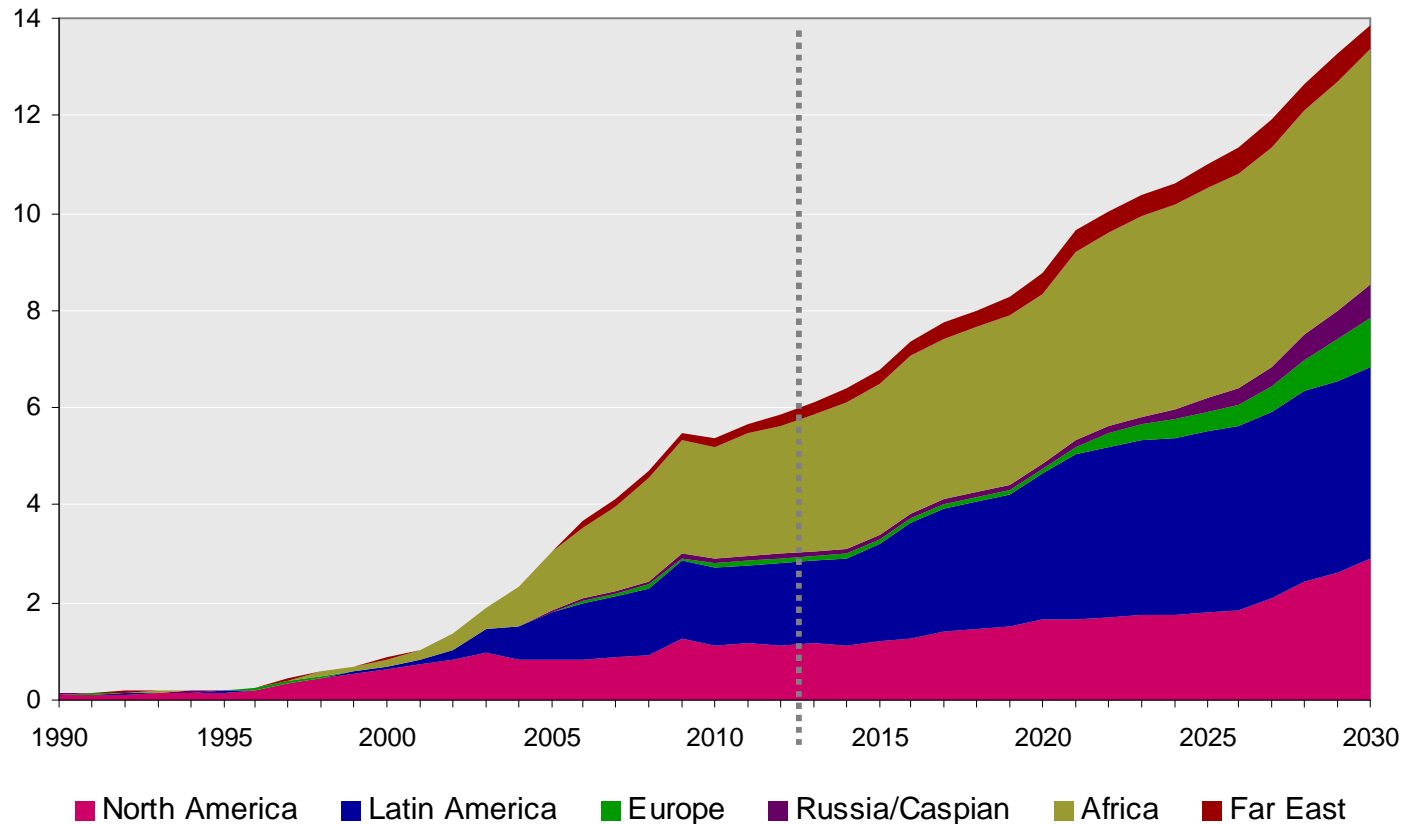
- Number of new deep water well permits approved is recovering
- Increasing demand for large OD, high end steel grades and premium connections

# Deepwater drilling: strong growth ahead



Deepwater outlook: millions of oil equivalent barrels per day

Deepwater: Water depths of 2,500 feet or more



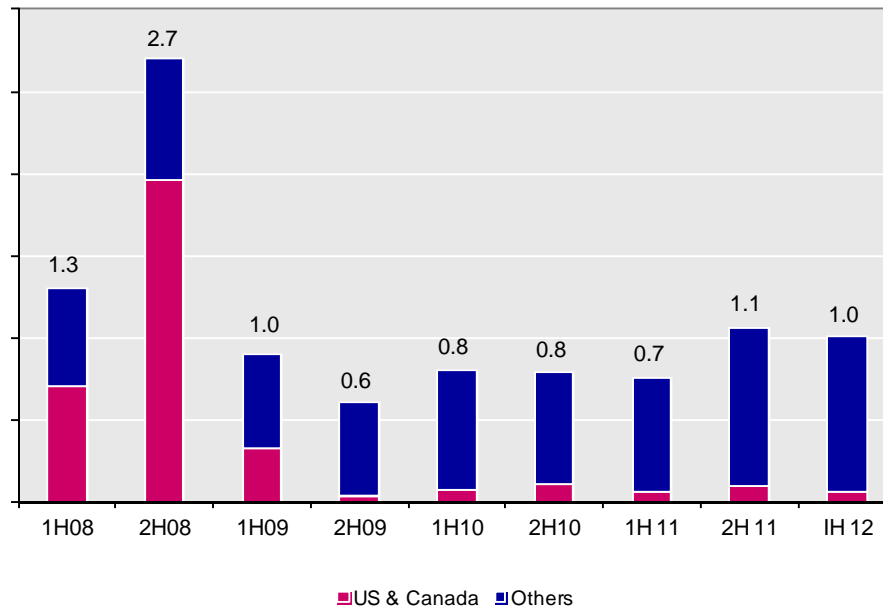
- Deepwater production is expected to almost triple by 2030
- Higher standards will increase scope for differentiation

Source: Exxon

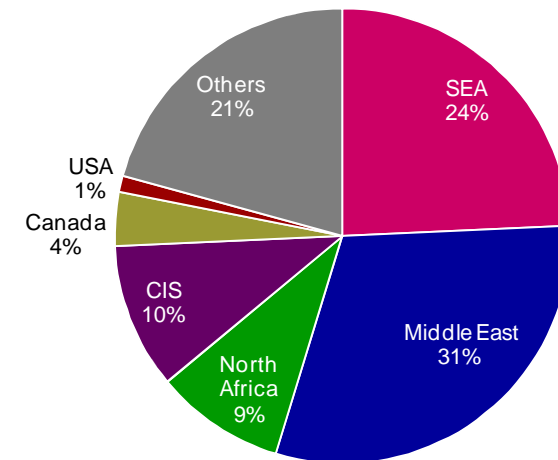
# Competitive environment



China OCTG Exports (Mill Tn)



China OCTG Exports IH 2012



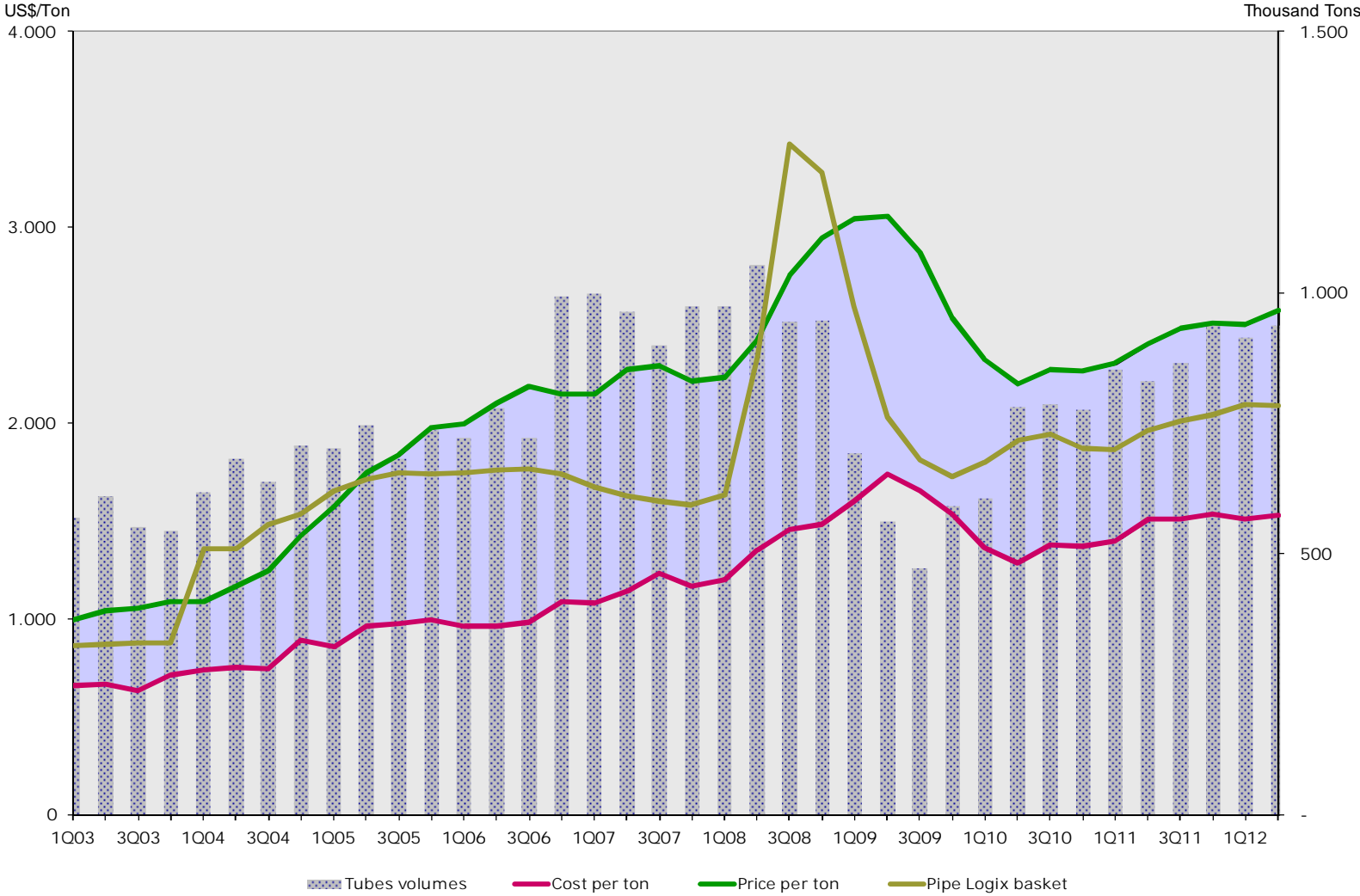
- Trade actions have constrained Chinese OCTG exports
- Capacity increases worldwide, mainly by producers of standard products

# Operating and financial results



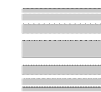
| Millions of US\$ (except ratios and per ADS amounts) | 2008   | 2009  | 2010  | 2011  | IH 2012 |
|--|--------|-------|-------|-------|---------|
| Net Sales  | 11.988 | 8.149 | 7.712 | 9.972 | 5.419   |
| Tubes  | 10.010 | 6.671 | 6.676 | 8.481 | 4.706   |
| Projects   | 1.271  | 986   | 429   | 724   | 328     |
| Others   | 707    | 492   | 606   | 767   | 385     |
| Operating income                                     | 3.126  | 1.814 | 1.574 | 1.895 | 1.187   |
| EBITDA   | 4.044  | 2.318 | 2.013 | 2.449 | 1.463   |
| EBITDA margin  | 34%    | 28%   | 26%   | 25%   | 27%     |
| Net income (to equity holders)                       | 2.125  | 1.162 | 1.127 | 1.331 | 905     |
| Earnings per ADS                                     | 3,60   | 1,97  | 1,91  | 2,26  | 1,53    |
| Cash flow from operations                            | 1.465  | 3.064 | 871   | 1.283 | 1.019   |
| Net debt / (cash)                                    | 1.392  | (676) | (276) | (324) | 540     |
| Net debt / EBITDA                                    | 0,34   | -     | -     | -     | 0,18    |

# Margin of Tubes segment



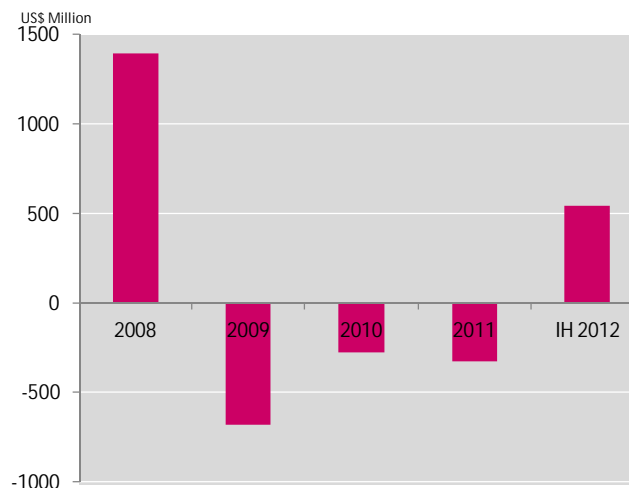


# Well placed in a changing and competitive world

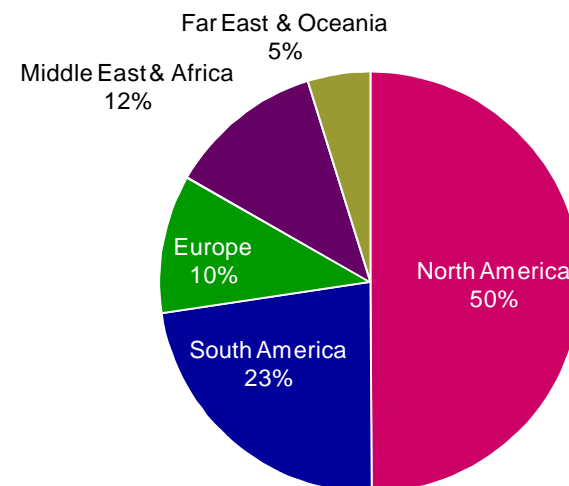


- Global deployment, industrial excellence and execution capabilities
- Leader in supplying solutions for the growing market in complex tubular applications
- Expanding local presence and service in major markets worldwide
- Highly trained and diverse human resources base
- Financial strength: good cash flow and higher margins than competitors

Net Debt evolution



Sales by geographic region (IH 2012)





*Tubular Technologies. Innovative Services.*