



Investor Presentation  
August 2005





## Disclaimer

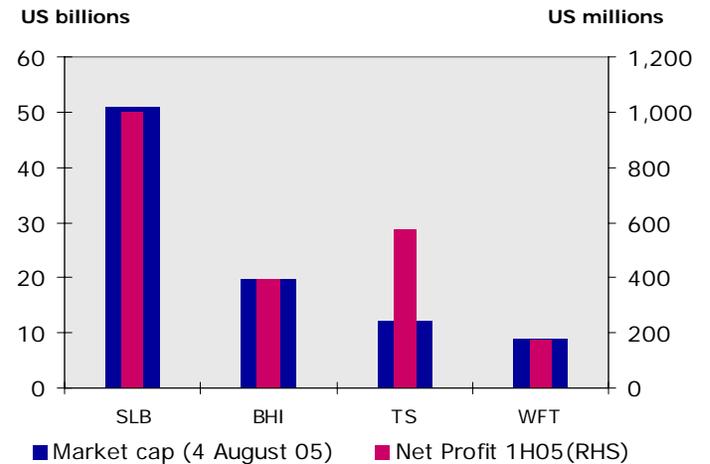
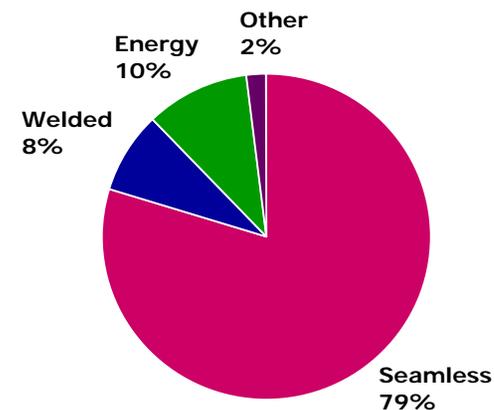
This presentation contains “forward-looking statements.” Forward-looking statements are based on management’s current views and assumptions and involve known and unknown risks that could cause actual results, performance or events to differ materially from those expressed or implied by those statements. These statements include information regarding management strategy, investment plans, development and growth of the seamless 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.

# A key player in the global energy industry



- Leading global supplier of seamless pipes to the oil and gas industry with manufacturing operations worldwide
- Leading supplier of welded pipes for South America's oil and gas infrastructure
- Innovative energy supply business in Italy
- Consolidated annual revenues of USD 4.1 billion in 2004 with 16,500 employees worldwide
- Domiciled in Luxembourg with operating subsidiaries all over the world

Revenues by segment (2004)

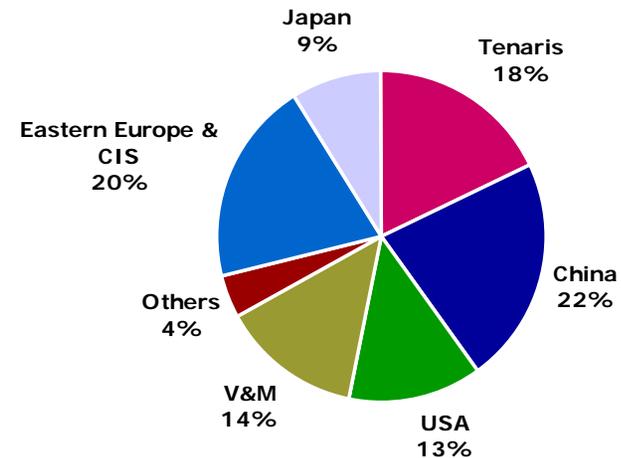


# Leader in OCTG sector

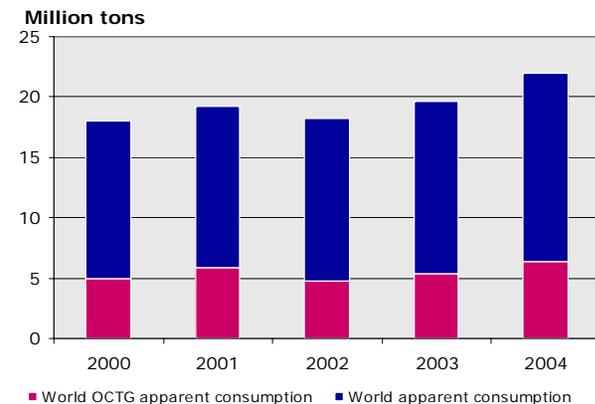


- Leading consolidator in the seamless pipes industry
- Focusing on sales of high-end products direct to end-user customer base
- Comprehensive range of high quality products including premium connections
- Integrating the tubular supply chain from the mill to the well
- Efficient, low-cost operations with 50 years of management know-how

World seamless OCTG production  
2004 market share



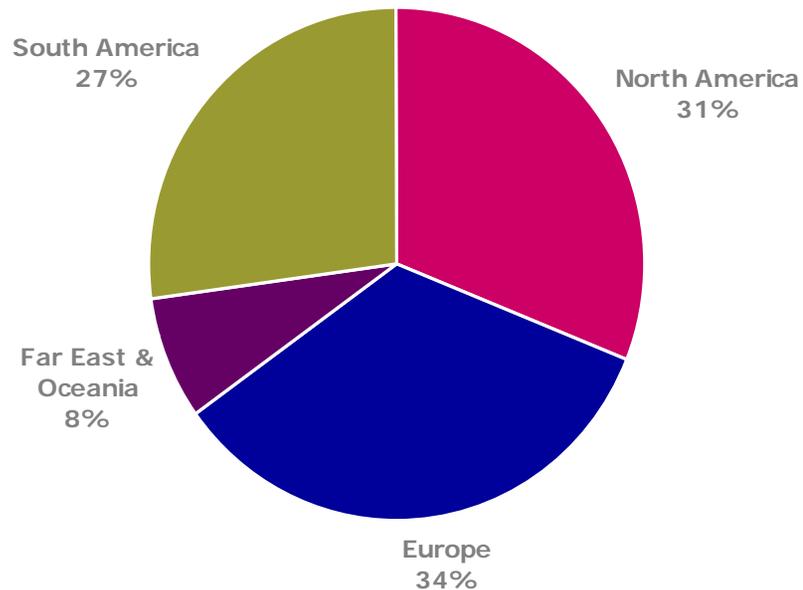
Seamless pipe apparent consumption



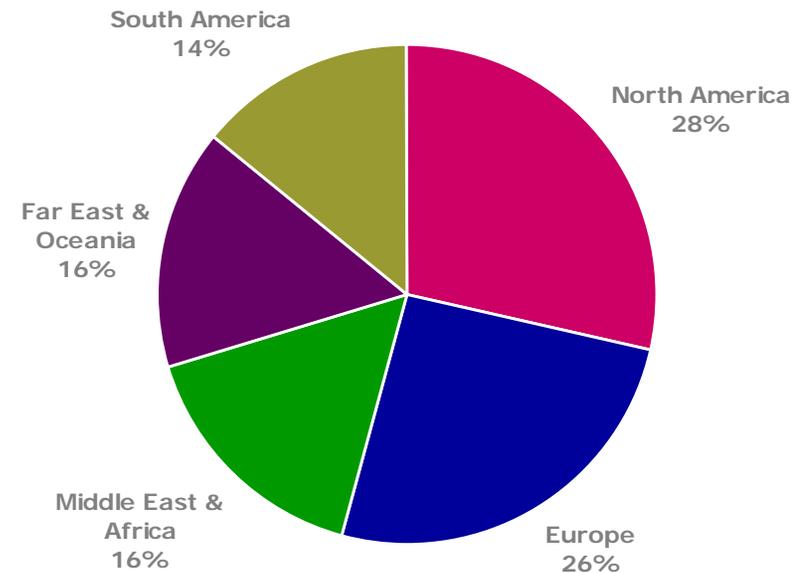
# Core seamless pipe business is global



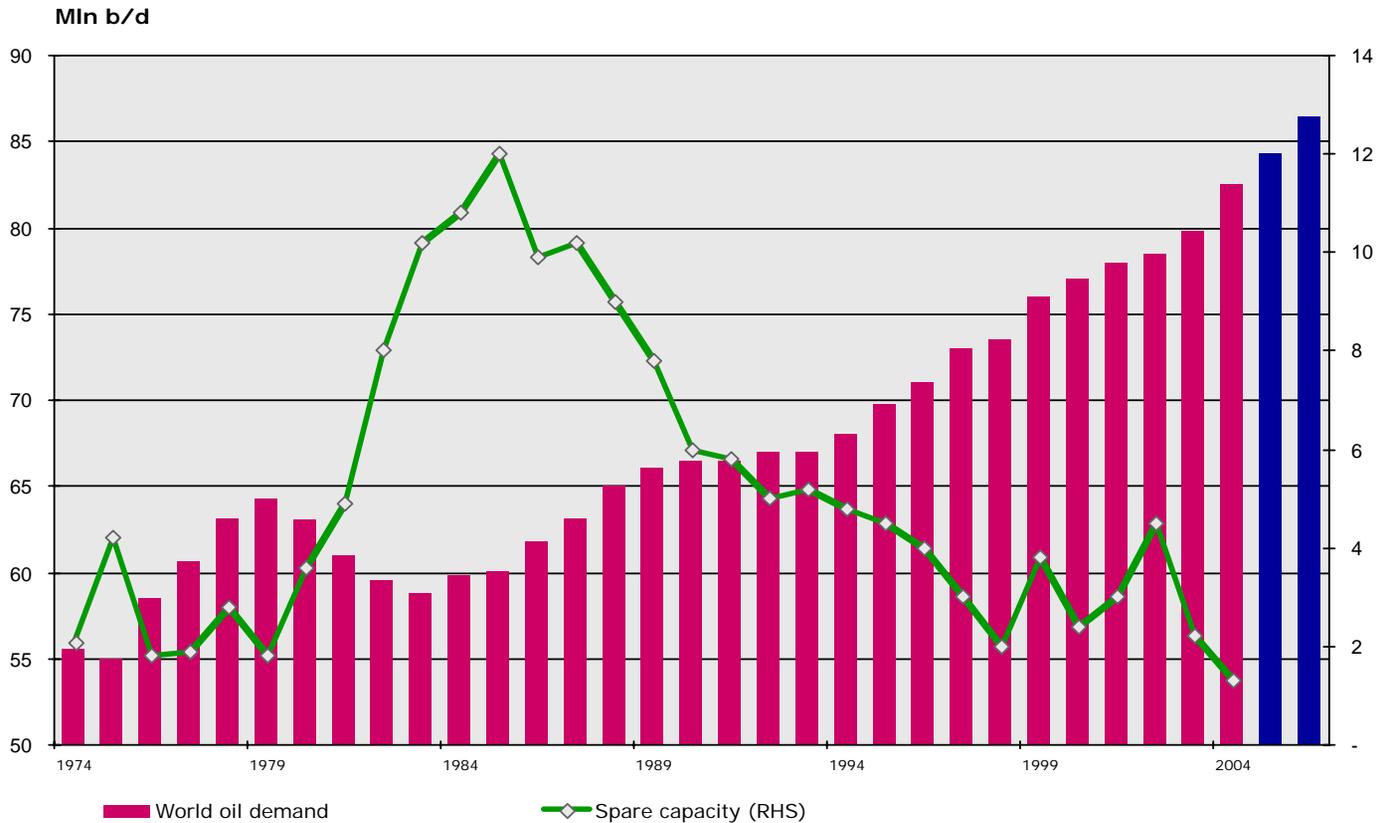
Distribution of production capacity  
(3.3 million tons)



Distribution of sales volume (2004)  
(2.7 million tons)



# Growing oil demand not matched by additional supply capacity



Source: EIA, BP Statistical review of World Energy and Spears estimates

# Constraints to supply growth



## Point to multi-year period of higher investment in all parts of the industry

- Since 1985 production has exceeded the discovery of new reserves every year
- Decline rates for older reservoirs are accelerating
- Long lead-time required to develop new reservoirs
- New exploration areas present issues of risk and access
- Downstream infrastructure also needs investment

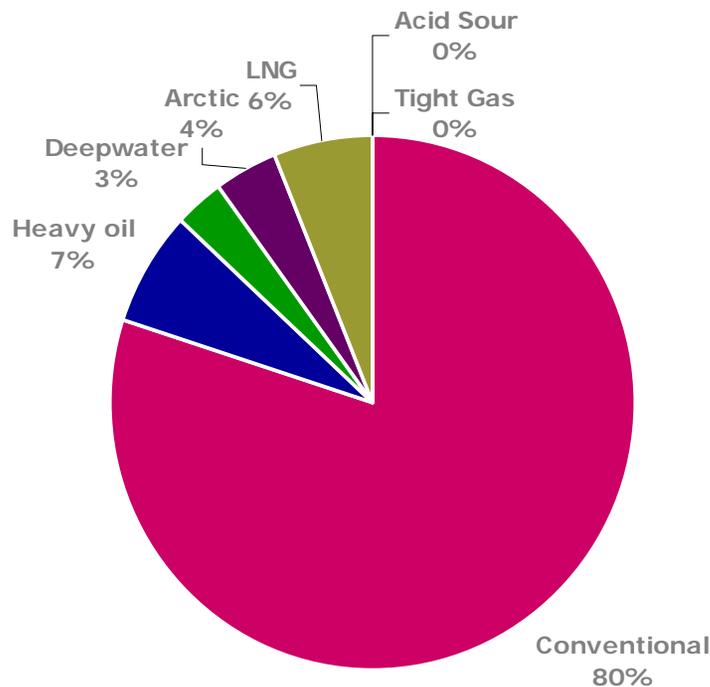


# Production will increasingly be in difficult operating environments

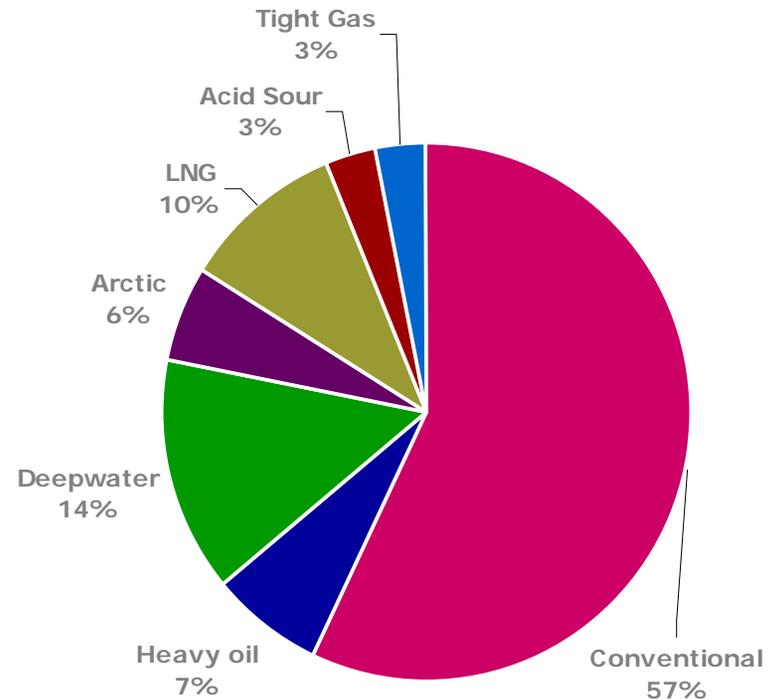


Production trend towards non-conventional sources

2003 Oil & Gas production



2010 Oil & Gas production



Source: ExxonMobil

# Responding to the needs of the industry



## And enhancing competitive differentiation

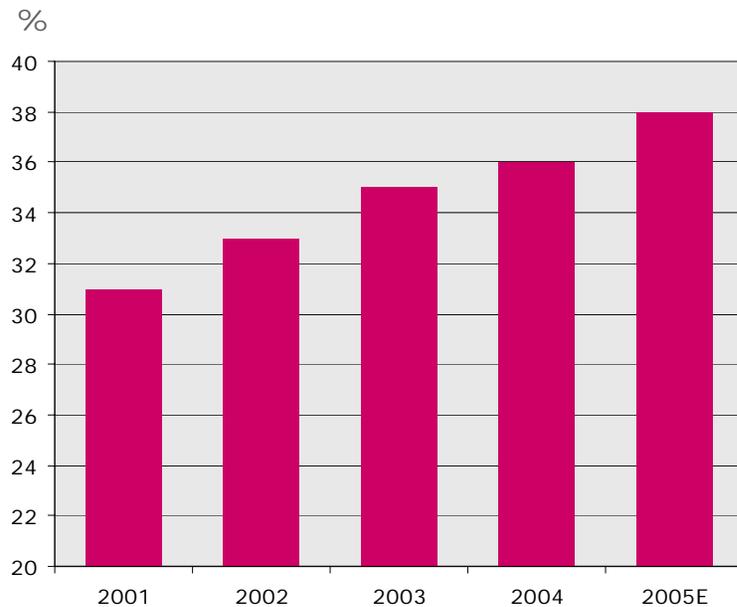
- Investing in global industrial structure to increase capacity in high value products, reduce costs and secure raw material supply
- Increasing investment in R&D to develop new products
- Investing in finishing facilities and service yards worldwide to provide local supply chain management in complex operating environments



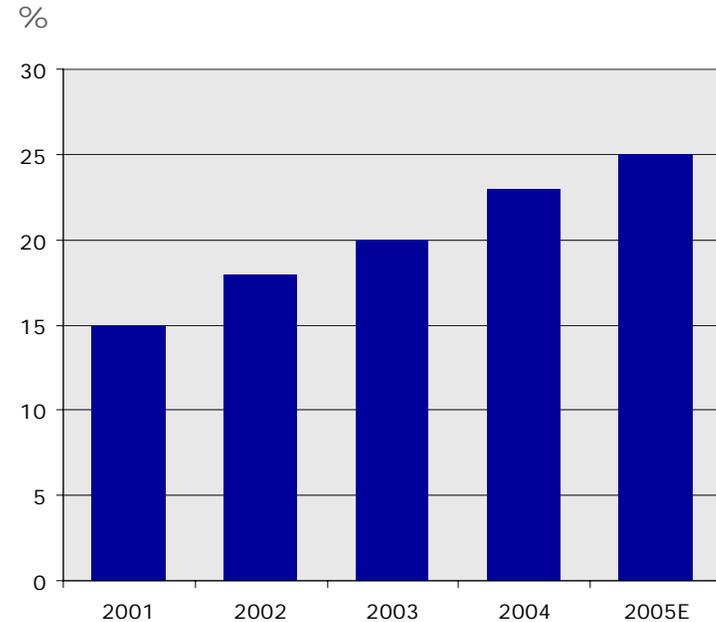
# Adding value to our sales and winning customer loyalty



High-end tubes (% of total sold)



Tubes with value added service (% of total sold)



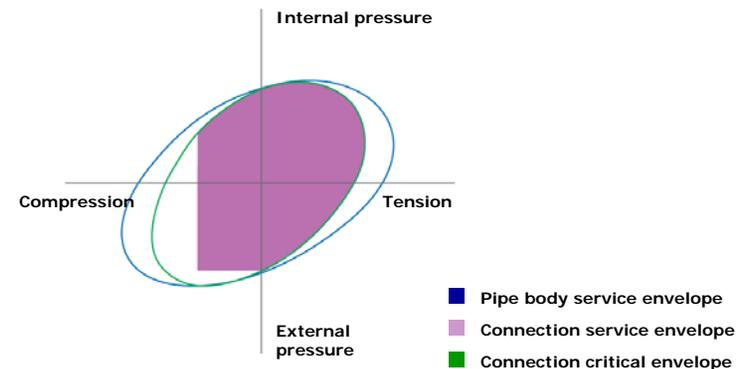
# Setting new industry standards in premium connections



- Statoil's Snøhvit project in the Barents Sea is the first field worldwide where all casing and tubing will be dope-free
- TenarisBlue® Dopeless™ is increasingly seen as the thread and coupled connection of choice for its environmental and operational benefits
- TenarisBlue® Near Flush offers similar benefits for operations requiring semi-flush, integral connections
- TenarisBlue® SAGD specially designed for use with slotted liners in SAGD operations
- Sales of premium connections have increased 50% in 2 years to 450,000 t/y



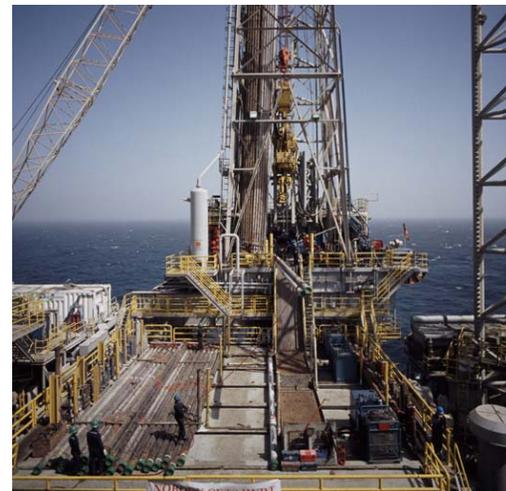
Performance envelope TenarisBlue® Near Flush



# At the forefront of industry developments



- Caspian (Karachaganak, Kashagan, Tengizchevroil)
- Gas production for LNG and regional grids (Qatar, Egypt, Nigeria, Australia)
- Saudi Aramco expanding production
- West African deepwater
- Norwegian offshore
- Mexico – rig count has doubled in last three years
- Venezuela heavy oil
- Canadian oil sands



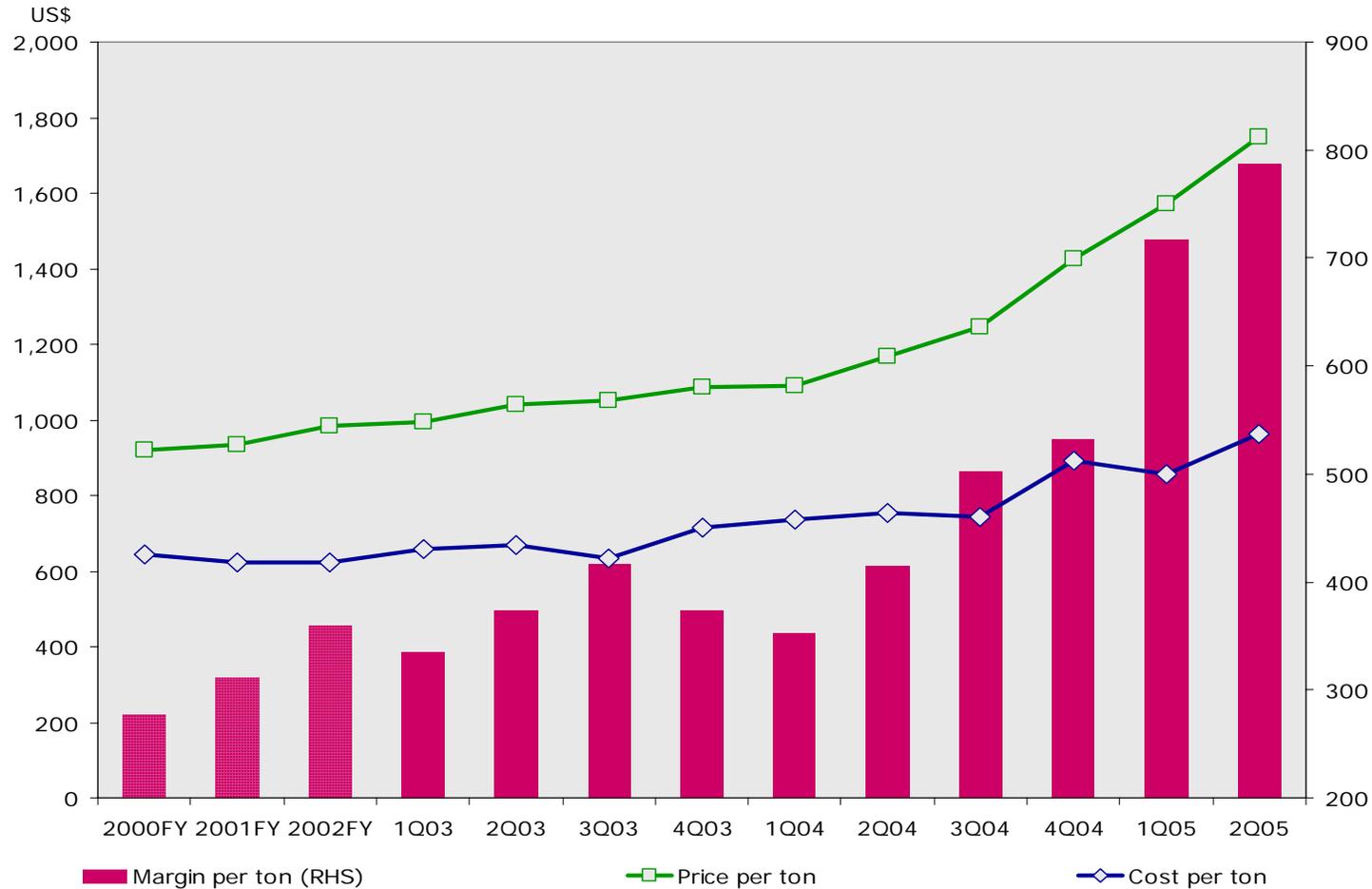
# Investing to reduce costs and expand industrial structure



- USD60m in Matesi reduces exposure to high scrap prices and gives access to competitive Venezuelan iron ore and natural gas
- USD140m in Dalmine power plant will reduce energy cost and secure supply
- USD42m (+USD32m debt) in Silcotub adds capacity and presence in Eastern Europe
- USD10m in Veracruz auto-components facility to serve growing demand for high value products
- USD48m (+USD22m debt) in Donasid to secure steel supply and reduce costs in European operations



# Seamless pipe margins are growing



# Operating results growing



Millions of US\$	2001	2002	2003	2004	1H 2005
<b>Net Sales</b>	<b>3,174</b>	<b>3,219</b>	<b>3,180</b>	<b>4,136</b>	<b>3,197</b>
Seamless	2,496	2,244	2,376	3,273	2,413
Welded	433	580	351	348	416
Energy	113	210	333	418	256
Others	132	185	120	97	112
<b>EBITDA <sup>1</sup></b>	<b>644</b>	<b>667</b>	<b>602</b>	<b>899</b>	<b>1,000</b>
EBITDA margin	20%	21%	19%	22%	31%
<b>Net income <sup>2</sup></b>	<b>136</b>	<b>194</b>	<b>210</b>	<b>785</b>	<b>578</b>
Net income margin	4%	6%	7%	19%	18%

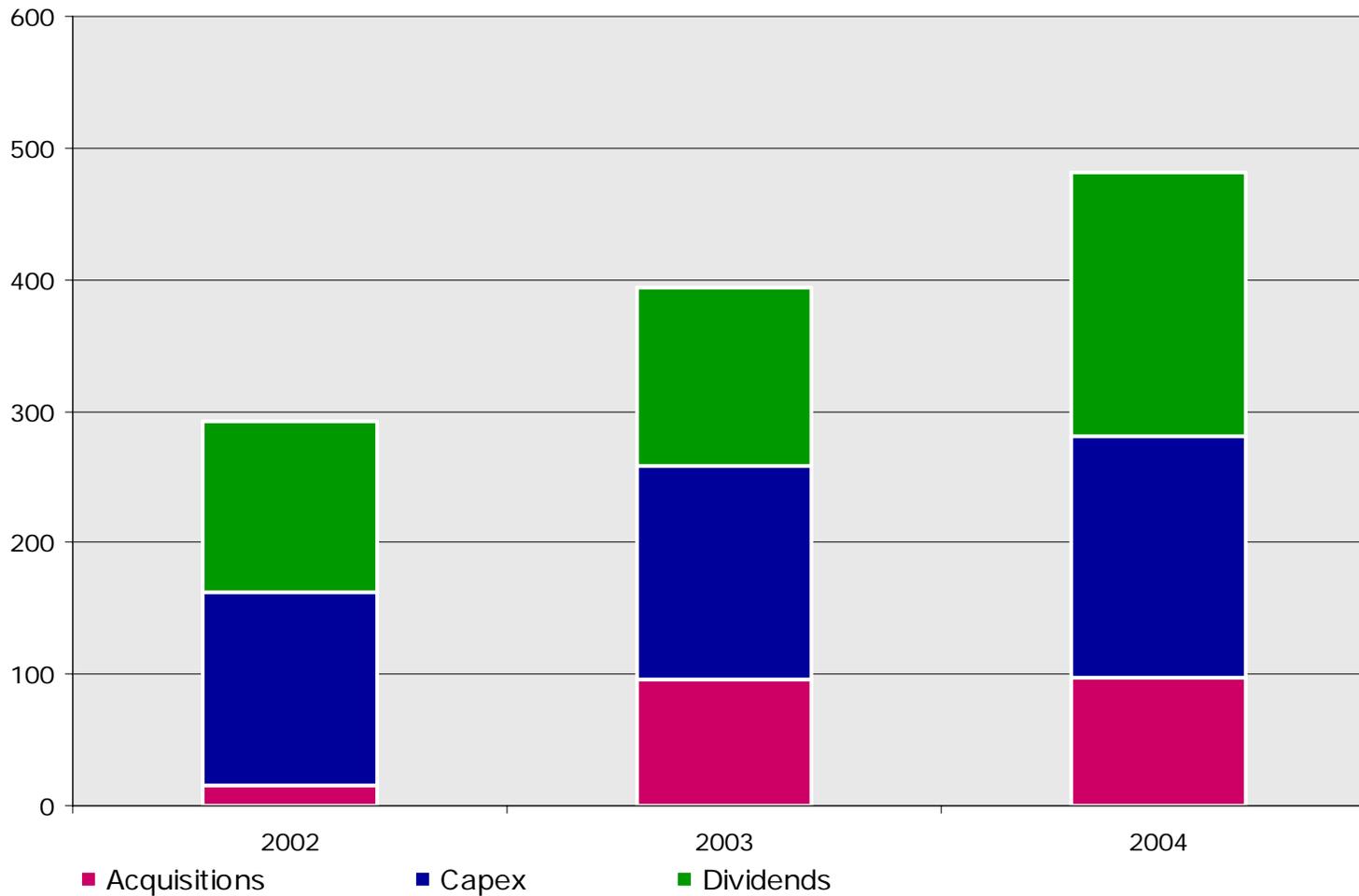
(1) EBITDA = Operating income plus depreciation and amortization taken before non-recurring losses and provisions relating to BHP Billiton lawsuit and non-recurring gains relating to Fintecna arbitration award

(2) Net income plus minority interest attributable to shareholdings acquired during the December 2002 exchange offer which marked the listing of Tenaris as a public company

# Reinvesting cash flow in growth and dividends



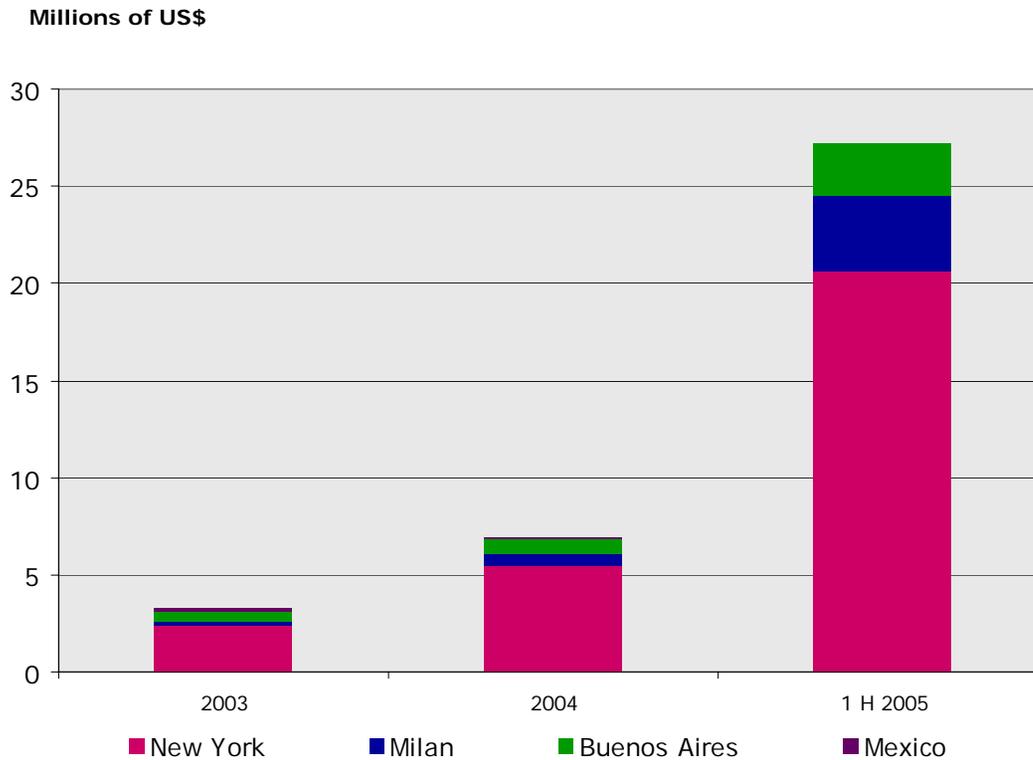
Million US\$



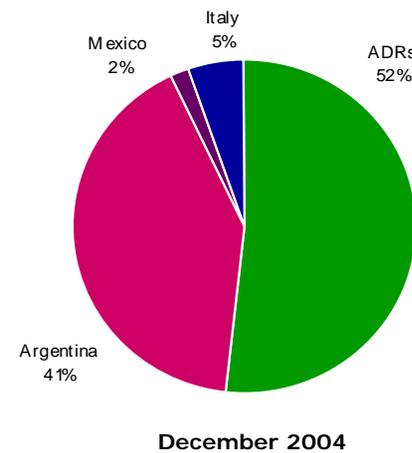
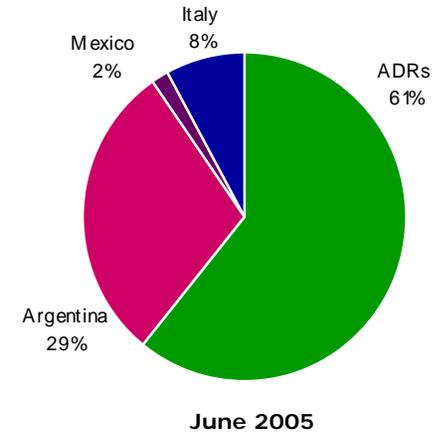
# Liquidity of shares increasing



Average daily trading



Shares by market



# Summary



- Global leader in a consolidated industry segment with substantial barriers to entry
- Well positioned to benefit from extended energy cycle and industry developments
- Consolidating competitive position by investing in R&D and industrial structure
- Operating results and prospects transformed





*Tubular Technologies. Innovative Services.*

# Balance sheet is strong



## Indebtedness (Million US\$)

As of June 30, 2005

Cash & Cash Equivalents	451
Financial Debt	1,165
<b>Net Debt</b>	<b>714</b>
<b>Net Debt / Equity</b>	<b>24.1%</b>

## Balance Sheet (Million US\$)

As of June 30, 2005

Current Assets	3,368	Current Liabilities	1,759
Non-Current Assets	2,828	Non-Current Liabilities	1,255
		Deferred Taxes	362
		Minority Interest	218
		Equity	2,963
<b>Total Assets</b>	<b>6,196</b>	<b>Total Liabilities &amp; Equity</b>	<b>6,196</b>

## Firm value US\$ 9,954

Net debt	714
Market Cap <sup>(1)</sup>	9,240

(1) Market capitalization as of June 30, 2005

# Solid financial indicators



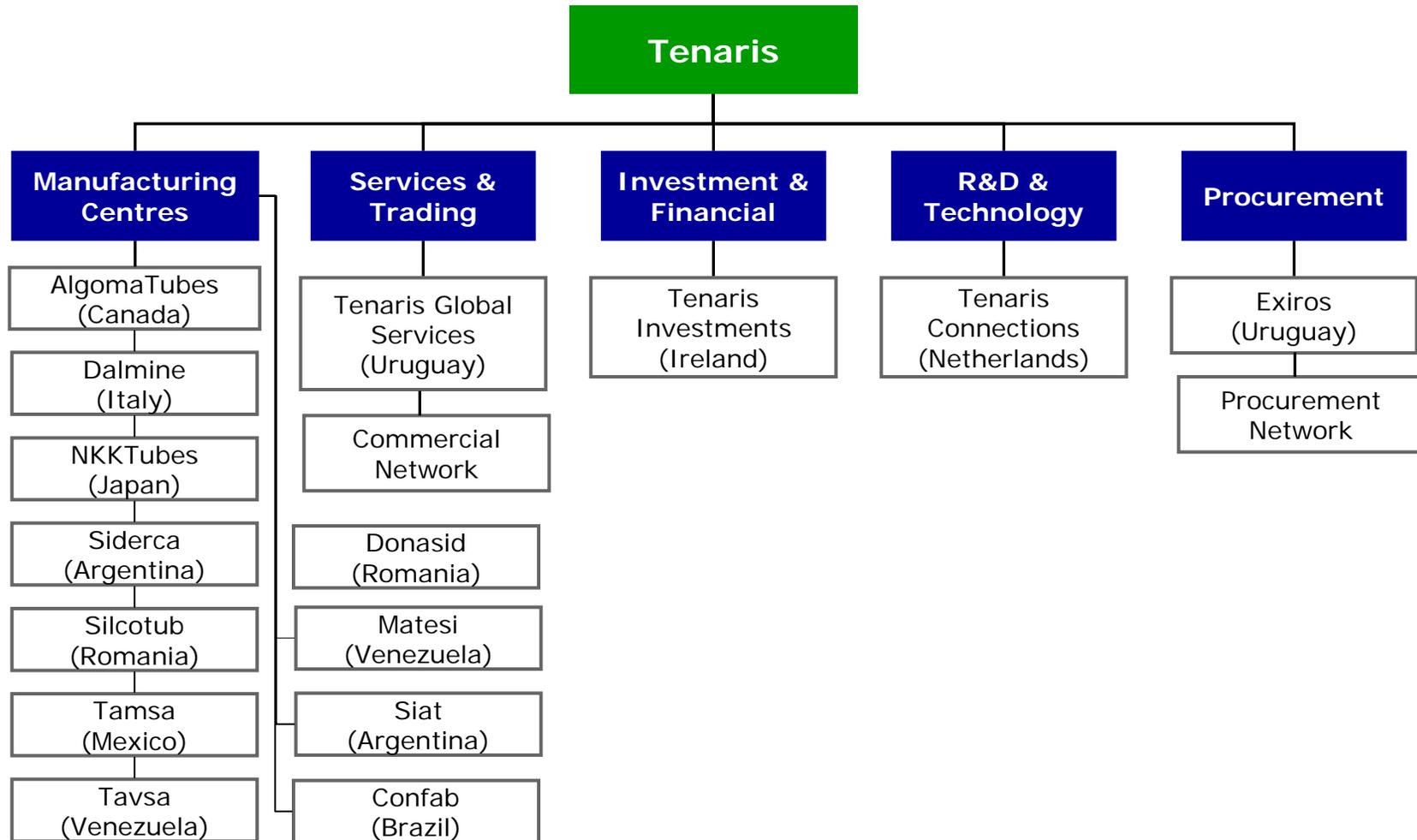
	FY 2003		FY 2004		1H 2005	
	Million US\$	%	Million US\$	%	Million US\$	%
EBITDA <sup>(1)</sup>	602	19%	899	22%	1.000	31%
Shareholders Equity	1.841		2.496		2.963	
Market Capitalization <sup>(2)</sup>	3.891		5.795		9.240	
<b>Firm Value (FV) <sup>(3)</sup></b>	<b>4.339</b>		<b>6.841</b>		<b>9.954</b>	
FV/EBITDA	7,2		7,4			
Interest Coverage (EBITDA/Interest)	18,2		19,2			
Net Debt/EBITDA	0,7		0,9			
Dividend	135		200			
Dividend/Market Capitalization	3,1%		3,5%			
ROE	11,9%		36,2%			

(1) EBITDA = Operating income plus depreciation and amortization taken before losses and provisions relating to BHP lawsuit and Fintecna award

(2) As of December 31, 2004 and 2003 and as of June 30, 2005 for 1H 2005 results

(3) Firm value = market capitalization plus net debt

# Corporate organization



# Positioned to serve the needs of demanding markets worldwide

