

Giovanni Sardagna
Tenaris
1-888-300-5432
www.tenaris.com

Tenaris, Ternium and Tecpetrol to build and operate power plant in Mexico

Luxembourg, August 19, 2013 - Tenaris S.A. (NYSE, Buenos Aires and Mexico: TS and MTA Italy: TEN), Ternium S.A. (NYSE: TX) and Tecpetrol International S.A. announced today that they have entered into a memorandum of understanding to jointly build and operate a natural gas-fired combined cycle electric power plant in Mexico, which would supply Tenaris's and Ternium's respective Mexican industrial facilities. Together, both companies are one of the largest private energy consumers in Mexico. Tecpetrol is a wholly-owned subsidiary of San Faustín S.A., the controlling shareholder of both Tenaris and Ternium.

The power plant would be built in the Pesquería area of the State of Nuevo León, and would have a power capacity of between 850 and 900 megawatts. The project would be undertaken through a joint venture vehicle named Techgen, S.A. de C.V., which would be owned 30% by Tecpetrol, 22% by Tenaris and 48% by Ternium.

The memorandum of understanding contemplates, among other things, that Techgen would enter into power supply and transportation agreements pursuant to which Tenaris and Ternium would contract 22% and 78%, respectively, of Techgen's power capacity.

The commencement of the project would be subject to execution of definitive documentation and other customary conditions, including receipt of regulatory approvals by Mexico's *Comisión Reguladora de Energía* and *Secretaría de Medio Ambiente y Recursos Naturales* (Mexico's energy and environmental regulatory authorities, respectively) and specific agreements with Mexico's *Comisión Federal de Electricidad* (Mexico's Federal Electricity Commission).

The total investment required for the project is estimated in approximately US\$1 billion, and would be partially financed with debt. The combined cycle electric power plant is expected to be operational in the fourth quarter of 2016.

Paolo Rocca, Tenaris's CEO and Chairman and Ternium's Chairman commented "This project contributes to the long term competitive position of our industrial activities and strengthens Mexico's electricity system. The recently announced Energy Reform would enhance the benefits of this significant investment."



About Tecpetrol

Tecpetrol is a company operating in the energy sector. With over 7,500 employees, Tecpetrol's activities are organized in two main business units: oil and gas exploration and production (E&P), and gas and power transportation and distribution (G&P). The company's E&P division operates in Argentina, Bolivia, Colombia, Ecuador, Mexico, Peru, Venezuela and the United States, and its G&P division operates gas and liquid transmission systems in Argentina, Peru and Mexico. Tecpetrol generates energy for its own production and consumption.

About Ternium

Ternium is a leading steel producer in Latin America, with an annual production capacity of approximately 10.8 million tons of finished steel products. The company manufactures and processes a broad range of value-added steel products for customers active in the construction, automotive, home appliances, capital goods, container, food and energy industries. With production facilities located in Mexico, Argentina, Colombia, the southern United States and Guatemala, Ternium serves markets in the Americas through its integrated manufacturing system and extensive distribution network. In addition, Ternium participates in the control group of Usiminas, a Brazilian steel company. More information about Ternium is available at www.ternium.com.

Tenaris is a leading global supplier of steel tubes and related services for the world's energy industry and certain other industrial applications.