

Investor Day



Paolo Rocca
Chairman and CEO

The Solomon R. Guggenheim Museum
New York City
March 25, 2004

The journey so far



The December 2002 exchange offer marked a particular moment in the long chain of events that make up the evolution of Tenaris ...

- ❖ Beginning 50 years ago with the substitution of imports
- ❖ Continuing with growth through exports
- ❖ Expanding through acquisitions and strategic alliances
- ❖ Complementing products with the provision of services
- ❖ Applying solutions offered by information technology developments
- ❖ Now a truly global company with a brand recognized by customers, suppliers and investors

Solid industrial base



The growth and success of Tenaris has been built around the constant renewal of its production system

- ❖ 3 steel mills with annual capacity of 3.0 million tons
- ❖ 11 rolling mills with annual capacity of 3.5 million tons
- ❖ 13 heat treatment plants with annual capacity of 1.7 million tons
- ❖ 17 production sites in 7 countries employing 11,000 persons
- ❖ Efficient, low-cost operations with 50 years of management know-how



Profitable operations



Million US\$	2000		2001		2002		2003	
Net Sales	2,361		3,174		3,219		3,180	
Seamless	1,992	84%	2,497	79%	2,244	70%	2,376	75%
Welded	209	9%	433	14%	580	18%	351	11%
Energy	59	2%	113	4%	210	7%	333	10%
Other	102	4%	132	4%	185	6%	120	4%
EBITDA ⁽¹⁾	398	17%	644	20%	667	21%	602	19%
Net Income ⁽²⁾	123	5%	136	4%	194	6%	210	7%

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

(2) Net income plus minority interest attributable to shareholdings acquired during the December 2002 exchange offer

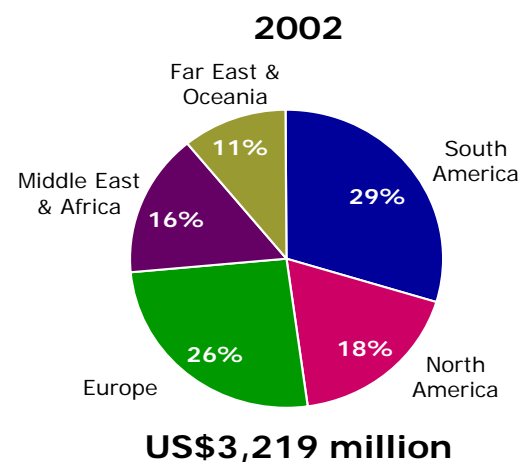
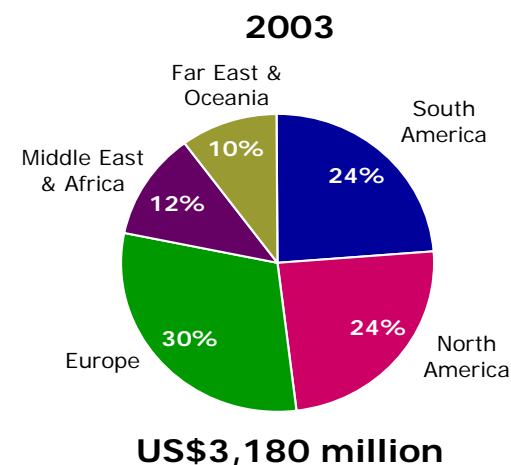
Geographically diversified sales



Sales volume

Thousands of tons	2002	2003
Seamless pipes	2,283	2,278
South America	324	322
North America	401	608
Europe	637	617
Middle East & Africa	528	365
Far East & Oceania	392	366
Welded pipes	585	355
Total sales volume	2,868	2,633

Net Sales



Strong financial position



Indebtedness (Million US\$)

As of December 31, 2003

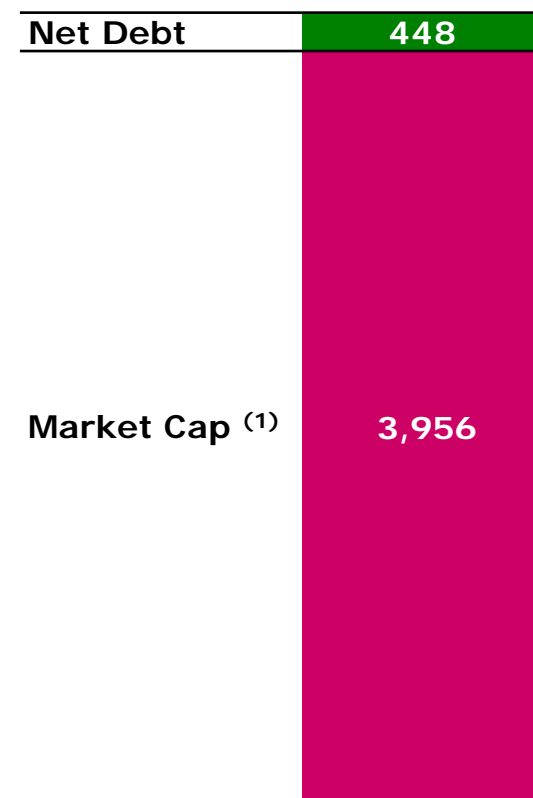
Cash & Cash Equivalents*	386
Financial Debt**	834
Net Debt	448
Net Debt / Equity	24.3%

Balance Sheet (Million US\$)

As of December 31, 2003

Current Assets	2,036	Current Liabilities	1,329
Non-Current Assets	2,274	Non-Current Liabilities	1,020
		Deferred Taxes	418
		Minority Interest	120
		Equity	1,841
Total Assets	4,310	Total Liabilities & Equity	4,310

Firm value US\$4,404



(1) Market capitalization as of March 19, 2004

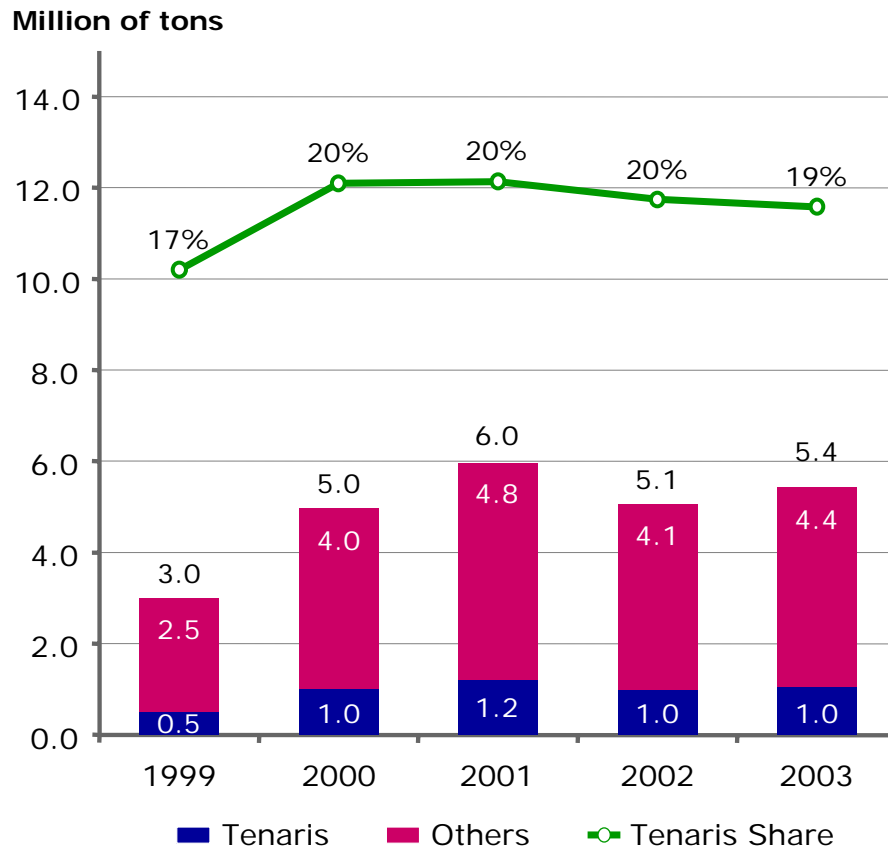
* Includes trust fund

** Does not include liability in respect of BHP litigation



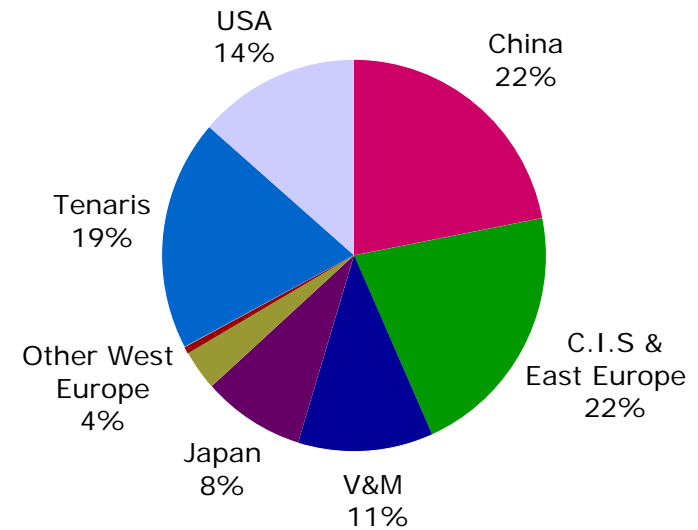
Global leader in seamless OCTG

World apparent consumption of seamless OCTG



World apparent consumption of seamless pipes was around 20 M tons (Tenaris – 2.3 M tons) in 2003

2003 apparent consumption - market share by producers



- ❖ Leading consolidation in the industry
- ❖ Direct sales to customers with pipe management services and just-in-time delivery
- ❖ High quality products supplied with added value

Supplying the major names in the energy sector



Serving global markets with local presence



- Manufacturing Centers
- Customer Service Centers

The challenge following the 2002 exchange offer



... to start a new cycle of growth and global expansion giving form and substance to the newly integrated company

❖ Reorganization completed:

- Corporate structure and governance
- Management structure: business and production units, global centralized functions, area managers and profit centers

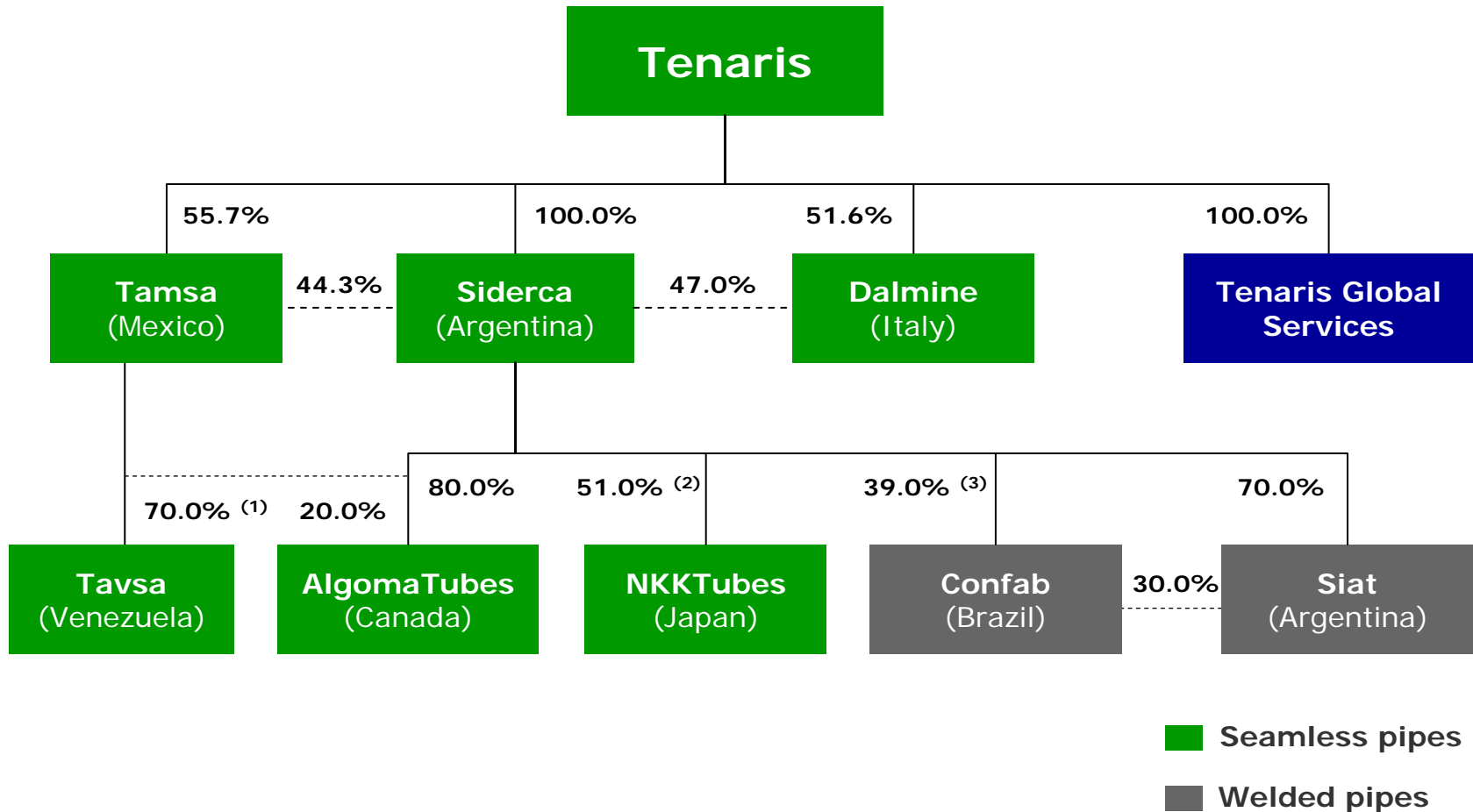
❖ Business strategy focused on:

- Developing high value products
- Redefining the supply chain by providing services to reduce risks, lead times and costs
- Strategic alliances and acquisitions

Completion of the exchange offer



The December 2002 exchange offer and subsequent delistings aligned the interests of shareholders and integrated Tenaris as a global company



(1) Tavsá's remaining shares currently belong to the Venezuelan Government.

(2) NKKTubes' remaining shares currently belong to JFE Holdings, Inc.

(3) Confab's remaining shares are currently traded publicly. Siderca holds 99.2% percent of Confab's shares with voting rights.

Corporate governance



Our strategy relies on the confidence of customers, suppliers, investors and employees in our management and financial position

- ❖ Shares listed on the NYSE and in the countries of our most important operations
- ❖ Articles of association conform with standard practices in countries of listing
- ❖ Financial statements prepared in US\$ according to IFRS
- ❖ Single class of shares with equal voting and dividend rights
- ❖ Board of directors including independent members
- ❖ Audit committee with majority of independent members
- ❖ Formal compliance procedures





Business units

Focused on four principal market segments each with distinct requirements

- ❖ Understanding our customers needs
- ❖ Developing new products and services
- ❖ Identifying opportunities to add value in the supply chain
- ❖ Building brand value
- ❖ Reinforcing the local manufacturer advantage through local business units



**Oilfield
Services**



**Pipeline
Services**



**Process & Power
Plant Services**



**Industrial &
Automotive Services**

Supply chain management services and technology



- ❖ Product specification, flexible order processing, specialized industrial procurement (Exiros), strict quality control, efficient inventory management and global on-site service
- ❖ Seamless integration of supply chain activities for on-time delivery and installation
- ❖ Development of innovative products to improve performance and safety in critical environments
- ❖ Applying IT to enable closer integration with customer operations and real time visibility in management control



A year of progress and consolidation



❖ Strategic alliances

- Sandvik - exclusive distribution of high specialty OCTG products
- Socotherm – joint marketing and development of coating solutions
- Tianjin – pipe threading and oilfield accessories ventures under study
- Silcotub – letter of intent for possible controlling interest in Romanian mill

❖ Strengthening of operations

- Purchase of Argentine power plant
- Advance purchase of natural gas in Argentina
- Purchase of AlgomaTubes mill
- Implementation of post-exchange synergies

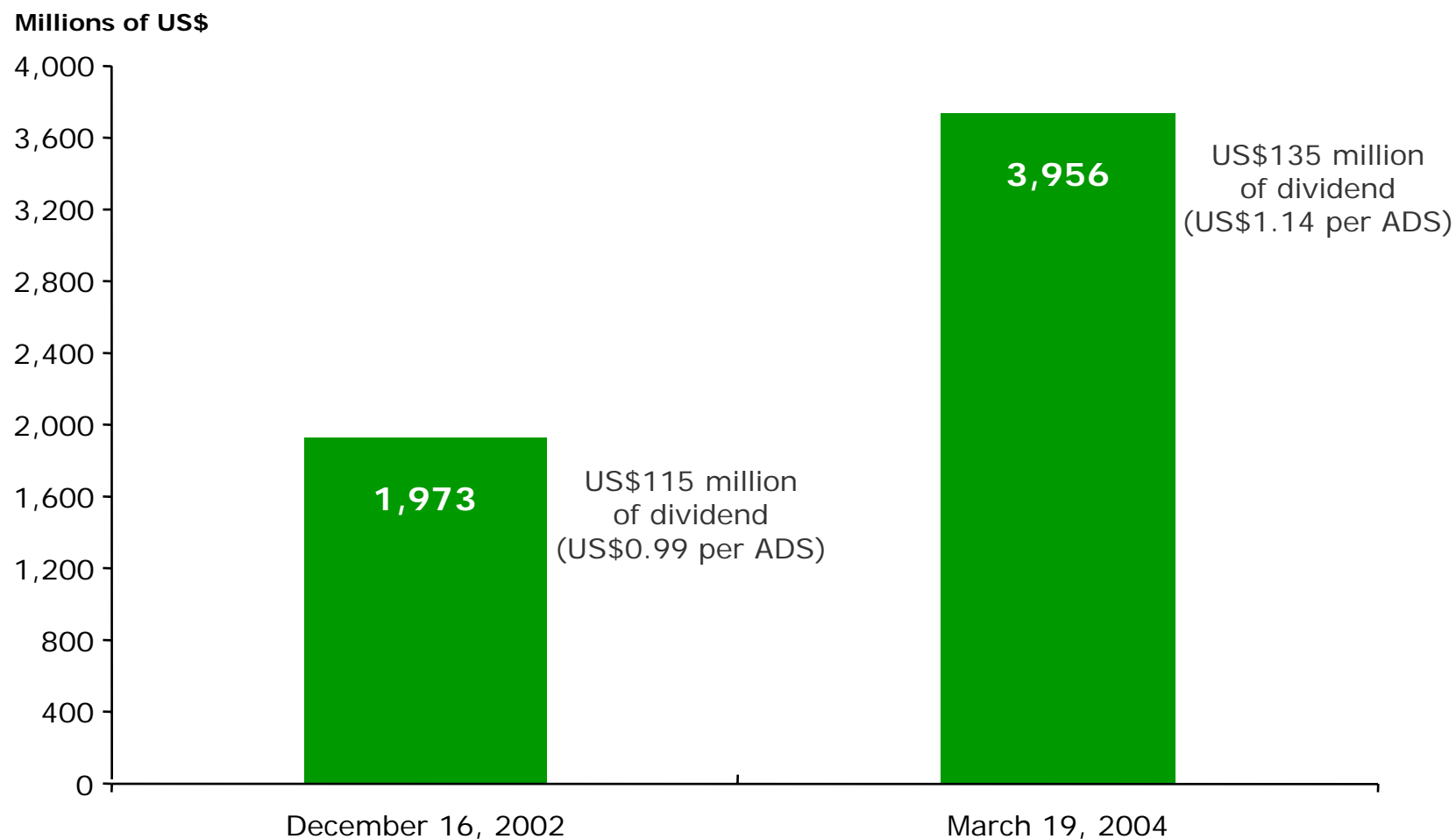
❖ Resolution of contingencies

- Sidor debt restructuring
- BHP lawsuit

Creating value for shareholders



Increase in the market cap since Tenaris started trading



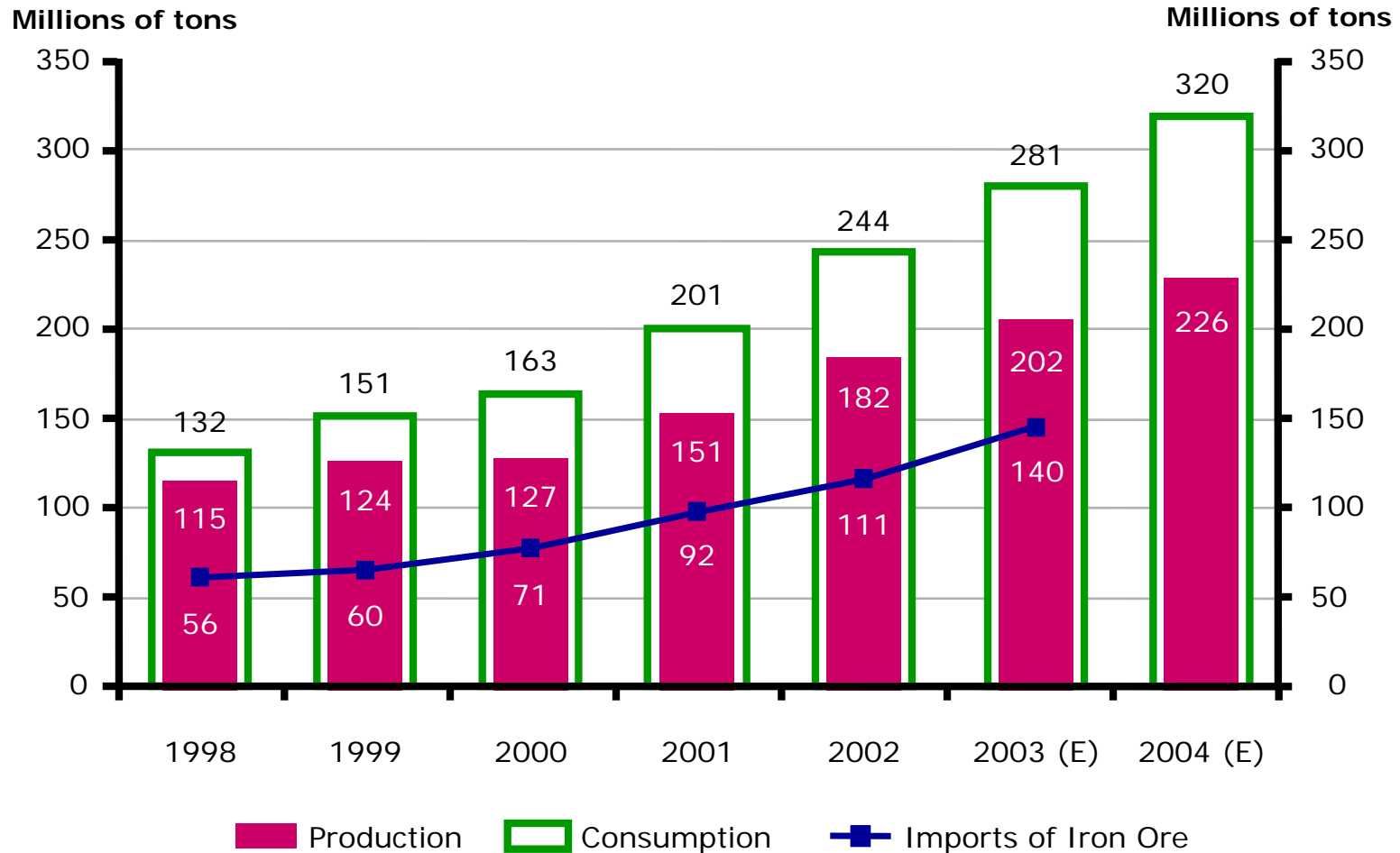


China's growth affects raw material costs but also offers opportunities

China's growth in steel demand



Production and consumption of steel and import of iron ore



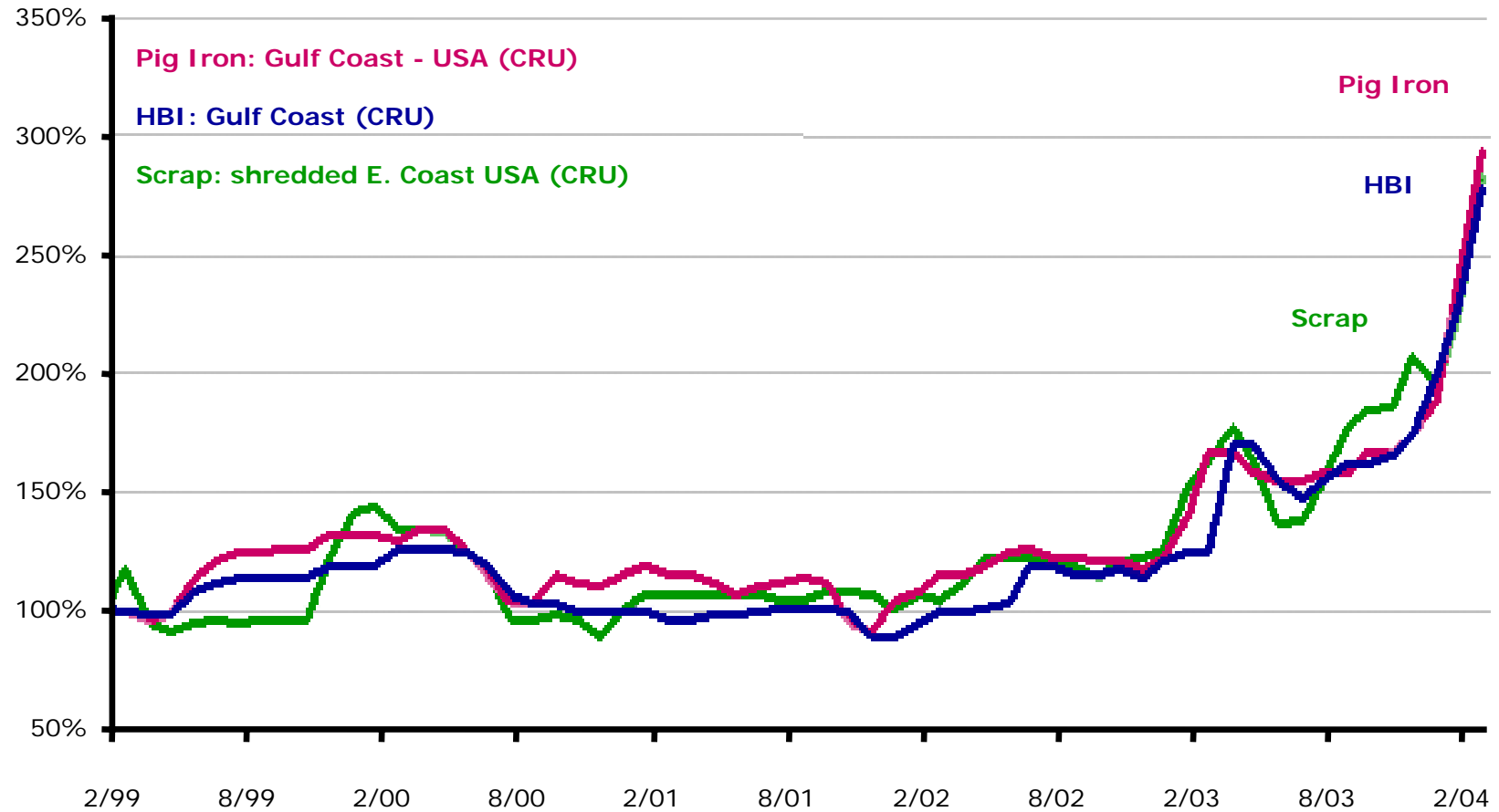
Raw material prices increase



Historic Evolution...

1/99 = 100%

North America



Source: CRU / MBR (Metal Bulletin Research)

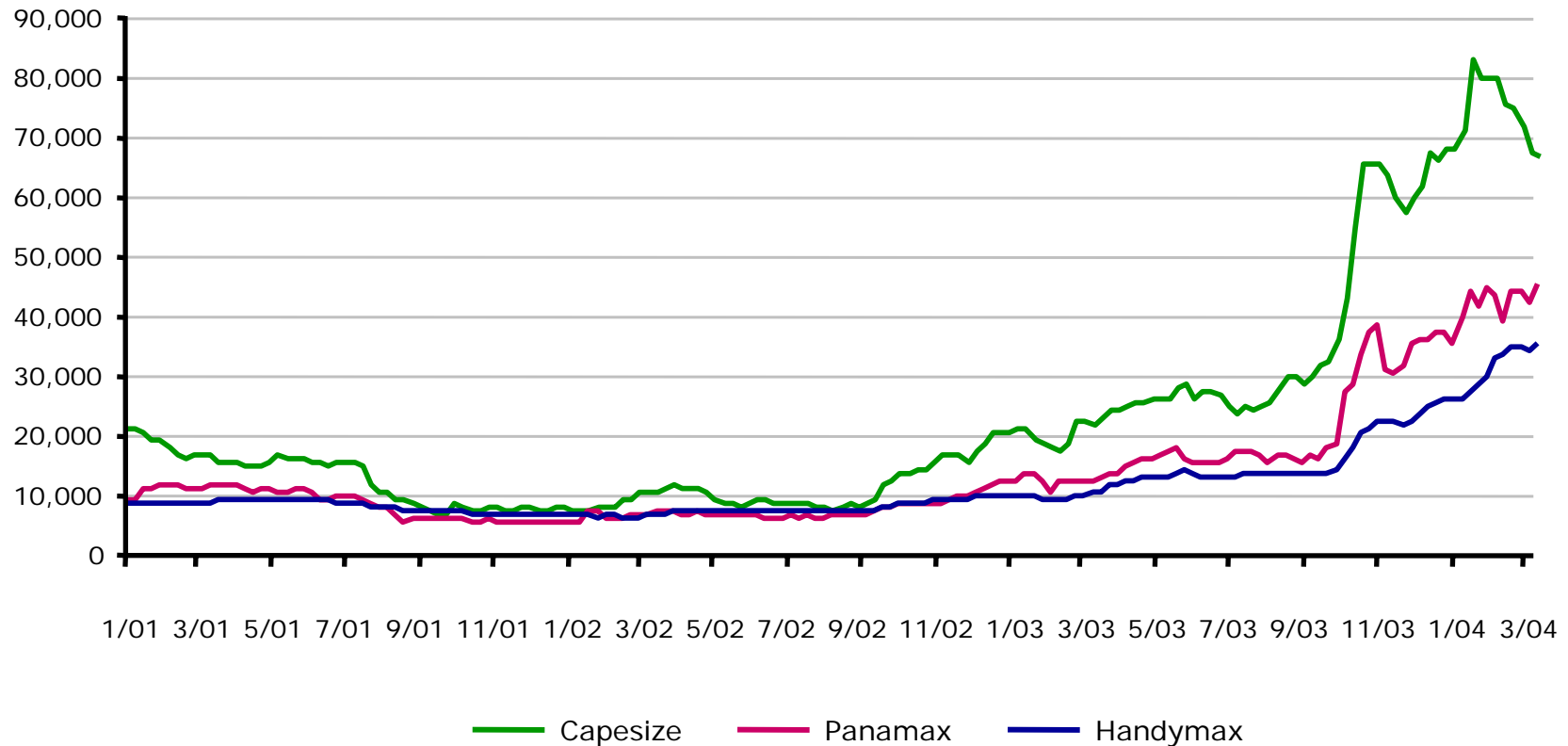
As do freight market prices



Historic Evolution...

Bulkcarrier Spot Earnings

US\$/Day



NOTE: Tubular and flat steel products are most commonly exported in Handymax vessels (35~55kDWT), while iron ore and coal are commonly imported in Panamax (55~80kDWT) or Capesize vessels (+80kDWT).

Source: Clarksons Research

Strategic raw material costs



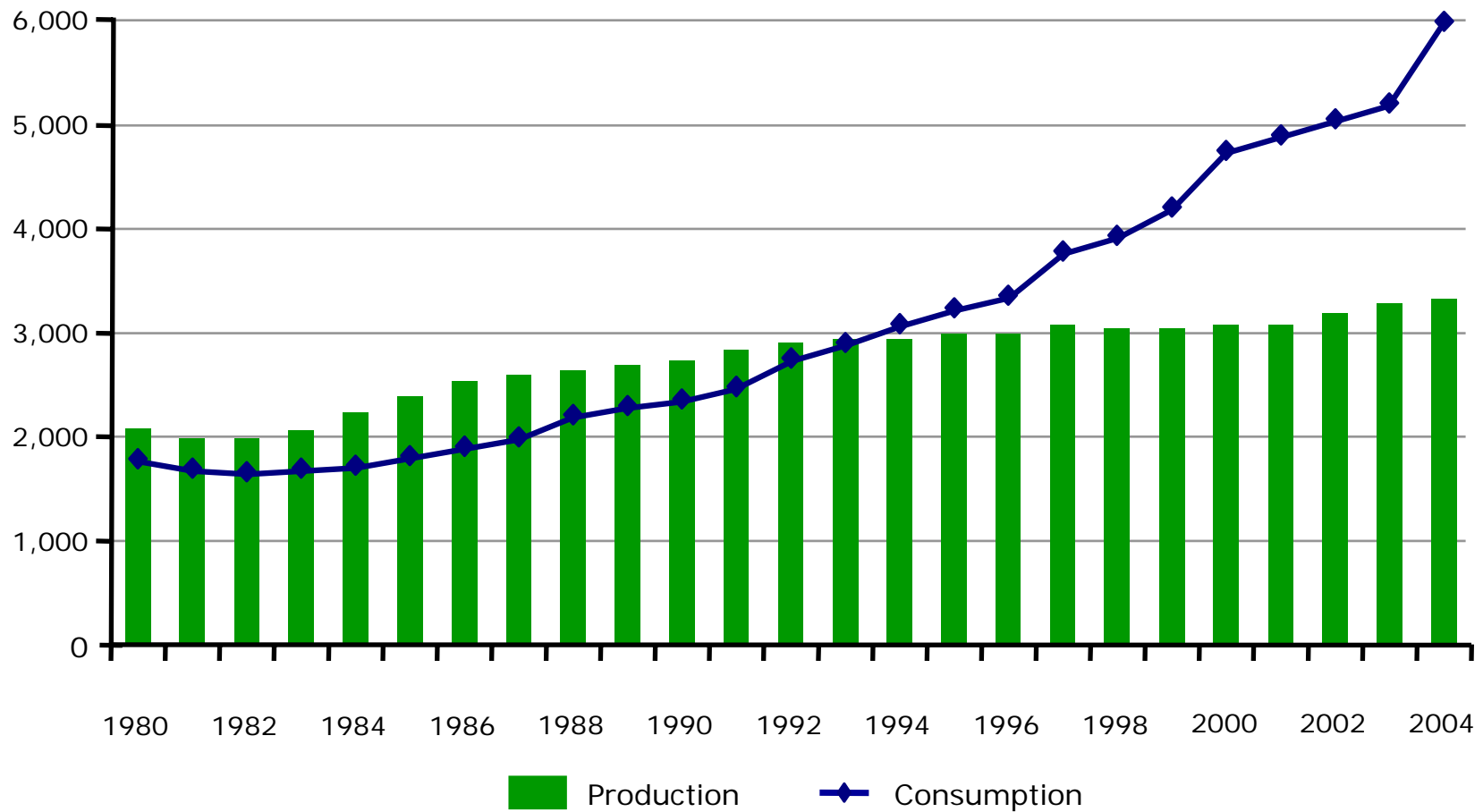
July 2003 = 100	July 2003	December 2003	January 2004	February 2004
Europe				
Scrap	100	138	161	162
Pig Iron	100	119	149	173
North America				
Scrap	100	126	145	185
Pig Iron	100	121	152	188
HBI	100	130	147	180
Fe Alloys				
FeMo	100	146	155	156

China's growth in oil consumption



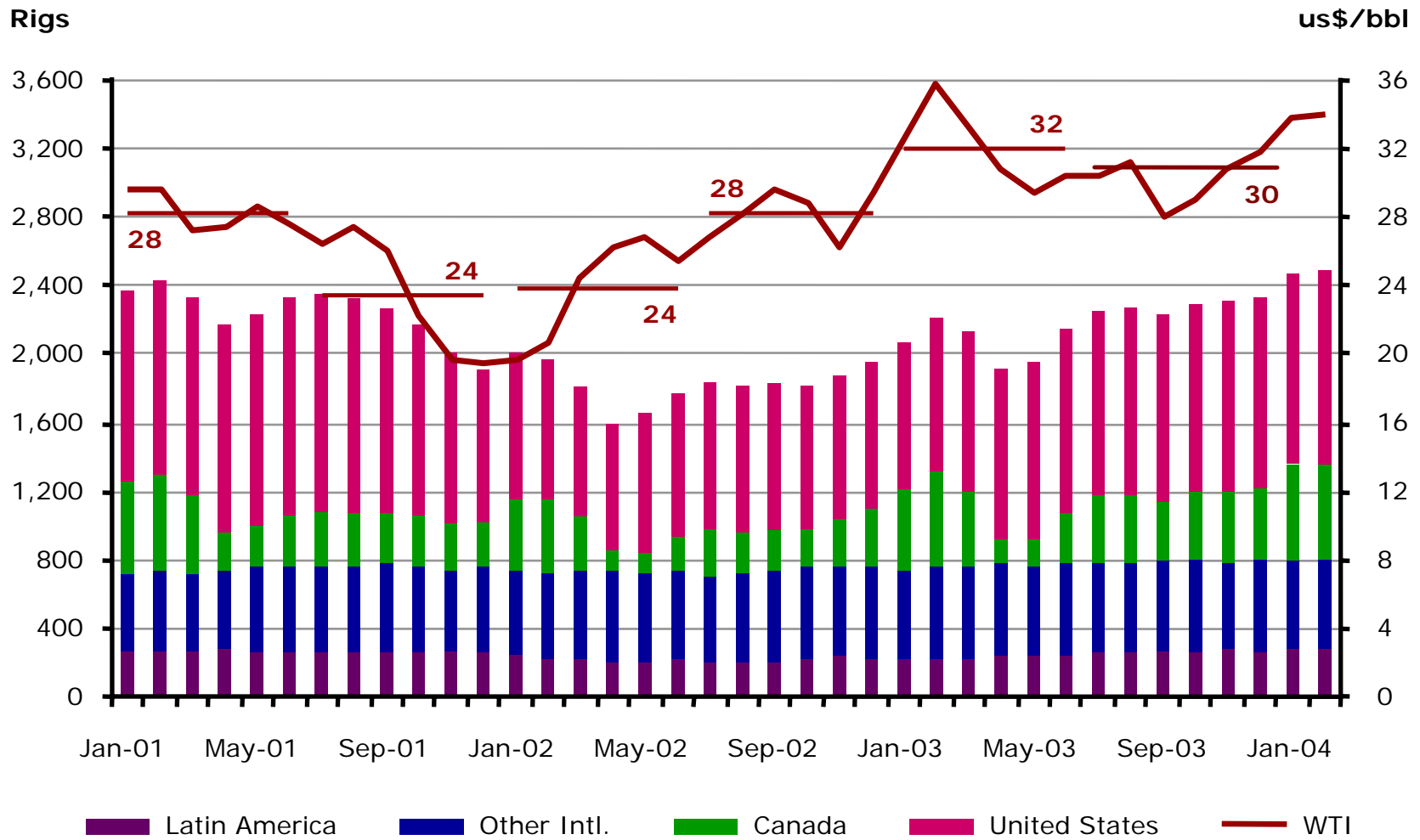
Chinese petroleum production and consumption

Mill. barrels per day



Source: EIA, Raymond James estimates.

Increased energy demand helps support oil price & rig count



Source: Baker & Hughes

Main E&P spending growth forecast outside USA/Canada



	2002 A	2003 E		2004 E	
(Billion US\$)			Δ VS. 02		Δ VS. 03
USA	32.0	33.1	3.4%	33.3	0.6%
Canada	12.1	15.5	28.1%	15.6	1.0%
Outside USA/Canada	88.2	94.0	6.6%	100.0	6.4%
Worldwide	132.3	142.6	6.6%	148.9	4.4%



Tubular Technologies. Innovative Services.