

TENARIS SA
Form 6-K
April 18, 2005

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FORM 6 K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

As of April 18, 2005

TENARIS, S.A.

(Translation of Registrant's name into English)

TENARIS, S.A.
46a, Avenue John F. Kennedy
L-1855 Luxembourg
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12G3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

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SIGNATURE

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The attached material is being furnished to the Securities and Exchange Commission pursuant to Rule 13a-16 and Form 6-K under the Securities Exchange Act of 1934, as amended. This report contains Tenaris' notice of Annual General Meeting and Extraordinary General Meeting of Shareholders and the Shareholder Meeting Brochure and Proxy Statement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: April 18, 2005

Tenaris, S.A.

By: /s/ Cecilia Bilesio

Cecilia Bilesio

Corporate Secretary

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April 12, 2005

Dear Tenaris Shareholder,

I am pleased to invite you to attend the Annual General Meeting and Extraordinary General Meeting of Shareholders of Tenaris S.A. Both meetings will be held on Wednesday, May 25, 2005, at 46A, avenue John F. Kennedy L-1855 Luxembourg. The Annual General Meeting of Shareholders will begin promptly at 11:00 a.m., local time, while the Extraordinary General Meeting of Shareholders will be held immediately upon conclusion of the Annual General Meeting of Shareholders.

At the Annual General Meeting of Shareholders, you will hear a report on the Company's business, financial condition and results of operations, and have the chance to meet the Chairman and Chief Executive Officer. Subsequently, the Extraordinary General Meeting of Shareholders will decide on several proposed amendments to Tenaris's articles of association.

Enclosed please find the Notice and Agenda for both meetings and the Shareholder Meeting Brochure and Proxy Statement. These documents, as well as the Company's 2004 annual report (which includes the Company's financial statements for the year ended December 31, 2004 in their consolidated and unconsolidated form together with the director's report and the report of the independent auditor), are available on our website at www.tenaris.com/investors and may also be obtained upon request at 1 800 990 1135 (if you are in the United States) or 781 575 4328 (if you are outside the United States) and are available free of charge at the Company's registered office in Luxembourg.

Even if you only own a few shares, I would like to see them represented at both meetings. You can vote your shares personally or by proxy. If you choose to vote by proxy, you may use the enclosed dedicated proxy form. If you are a holder of ADRs, please see the letter from JP Morgan Chase, the depository bank, for instructions on how to exercise your vote by proxy.

I look forward to welcoming you on May 25, 2005.

Very truly yours

Paolo Rocca
Chairman and Chief Executive Officer

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JPMORGAN CHASE BANK, N.A.

4 New York Plaza, Floor 13

New York, NY 10004

Re: TENARIS S.A.

To: Registered Holders of American Depositary Receipts (ADRs)
for Shares of Common Stock, US\$1 Par Value (Common Stock), of
Tenaris S.A. (the Company):

The Company has announced that its Annual General Meeting of Shareholders will be held on May 25, 2005, at 11:00 a.m., and that an Extraordinary General Meeting will be held immediately after conclusion of the Annual General Meeting. Both meetings will take place at 46A, avenue John F. Kennedy L-1855 Luxembourg. **A copy of the Company s Notice of Annual General Meeting and Extraordinary General Meeting of Shareholders, including the agenda for such meetings, is enclosed.**

The enclosed materials are provided to allow the shares represented by your ADRs to be voted at the meetings. They include the Notice of Annual General Meeting and Extraordinary General Meeting of Shareholders and the Shareholder Meeting Brochure and Proxy Statement. These documents, as well as the Company s 2004 annual report (which includes the Company s financial statements for the year ended December 31, 2004 in their consolidated and unconsolidated form), are available on our website at www.tenaris.com/investors and may also be obtained upon request at 1 800 990 1135 (if you are in the United States) or 781 575 4328 (if you are outside the United States).

Each holder of ADRs as of April 18, 2005 is entitled to instruct JPMorgan Chase Bank, N.A., as Depositary (the Depositary), as to the exercise of the voting rights pertaining to the Company s shares of Common Stock represented by such holder s ADRs. Holders of ADRs as of April 18, 2005 who desire to vote at the Meetings must complete, date and sign a proxy form and return it to JPMorgan Chase Bank, N.A., P.O. Box 43062, Providence, RI 02940-5115, U.S.A. If the Depositary receives properly completed instructions by **3:30 p.m., New York City time, on May 18, 2005**, then it shall vote or cause to be voted the shares underlying such ADRs in the manner prescribed by the instructions. However, if by 3:30 p.m., New York time, on May 18, 2005, the Depositary receives no instructions from the holder of ADRs, or the instructions are not in proper form, then the Depositary shall deem such holder to have instructed the Depositary to **vote the underlying shares of Common Stock of any such ADRs in favor of any proposals or recommendations of the Company**, for which purposes the Depositary shall issue a discretionary proxy to a person appointed by the Company to vote such shares in favor of any proposals or recommendations of the Company (including any recommendation by the Company to vote such shares on any given issue in accordance with the majority shareholder vote on that issue). No instruction shall be deemed given and no discretionary proxy shall be given with respect to any matter as to which the Company informs the Depositary it does not wish such proxy given or if the proposal has, in the discretion of the Depositary, a materially adverse effect on the rights of the holders of ADRs.

Any holder of ADRs is entitled to revoke any instructions which it has previously given to the Depositary by filing with the Depositary a written revocation or duly executed instructions bearing a later date at any time prior to **3:30 p.m., New York time, on May 18, 2005**. No instructions, revocations or revisions thereof shall be accepted by the Depositary after that time.

In order to avoid the possibility of double vote, **the Company s ADR books will be closed for cancellations from April 18, 2005 until May 20, 2005.**

IF YOU WANT YOUR VOTE TO BE COUNTED, THE DEPOSITARY MUST RECEIVE YOUR VOTING INSTRUCTIONS PRIOR TO 3:30 P.M. (NEW YORK CITY TIME) ON MAY 18, 2005.

JPMORGAN CHASE BANK, N.A.

Depositary

April 12, 2005

New York, New York

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**Tenaris S.A.
Société Anonyme Holding
46A, avenue John F. Kennedy
L-1855, Luxembourg
RCS Luxembourg B 85 203**

Notice of the Annual General Meeting and Extraordinary General Meeting of
Shareholders to be held on May 25, 2005

Notice is hereby given to holders of shares of common stock of Tenaris S.A. (the Company) that the Annual General Meeting of Shareholders will be held on May 25, 2005, at 11:00 a.m. (local time), and that an Extraordinary General Meeting will be held immediately after conclusion of the Annual General Meeting. Both meetings will be held at 46A, avenue John F. Kennedy L-1855 Luxembourg. In the Annual General Meeting, shareholders will vote with respect to the items listed below under the heading Annual General Meeting. At the Extraordinary General Meeting, shareholders will vote with respect to the items listed below under the heading Extraordinary General Meeting. The agenda is made of the items listed below.

AGENDA

Annual General Meeting

1. Consideration of the Board of Directors and independent auditor's reports on the consolidated financial statements. Approval of the Company's consolidated financial statements as of, and for the fiscal year ended, December 31, 2004.
2. Consideration of the Board of Directors and independent auditor's reports on the unconsolidated annual accounts. Approval of the Company's unconsolidated annual accounts as of, and for the fiscal year ended, December 31, 2004.
3. Allocation of results and approval of dividend payment.
4. Discharge to the members of the Board of Directors.
5. Election of the Board of Directors' members.
6. Authorization to the Board of Directors to delegate the day-to-day management of the Company's business to one or more of its members.
7. Board of Directors' compensation.
8. Appointment of independent auditors and approval of their fees.

Pursuant to the Company's Articles of Association, resolutions at the Annual General Meeting of Shareholders will be passed by simple majority vote, irrespective of the number of shares present or represented.

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Extraordinary General Meeting

1. Amendment of article 9 of the Articles of Association of the Company by the addition of a sentence confirming that the Board of Directors may appoint a secretary and one or more assistant secretaries to the Board of Directors who need not be a director.
2. Amendment of article 10 of the Articles of Association of the Company by the addition of a provision authorizing the certification of copies or excerpts of the minutes of the meetings of the Board of Directors as well any other document of the Company by the secretary of the board or any assistant secretary.
3. Amendment of article 15 of the Articles of Association of the Company to change the date established for the annual general meeting to be set at the first Wednesday of the month of June at 11:00 hours.
4. Amendment of article 16 of the Articles of Association of the Company to state that the convening of shareholder meetings in case the shares of the Company are listed on a foreign regulated market, the notices shall, in addition, be made in accordance with the publicity requirements of such regulated market.
5. Amendment of article 19 of the Articles of Association of the Company to include a provision authorizing the secretary of the board of directors or any of its assistant secretaries to sign copies or excerpts of the Shareholders Meetings.

Pursuant to the Company's Articles of Association, an extraordinary general meeting of shareholders held to consider proposed amendments to the Company's Articles of Association can only validly meet on the first call if at least half of the share capital is present or represented. If the required quorum is not met, a second meeting may be convened by means of notices published twice, at twenty (20) days interval at least and in any case twenty (20) days before the meeting, in the Mémorial C, Recueil des Sociétés et Associations (Luxembourg Official Gazette) and such other newspapers as provided for in article 19 of the Articles of Association of the Company. The second meeting can validly decide regardless of the quorum present or represented. In each case, resolutions may only be passed by a two-thirds majority of the votes of the shareholders present or represented.

PROCEDURES FOR ATTENDING THE MEETINGS

Holders of bearer shares wishing to attend the meetings must obtain an admission ticket by depositing their certificates representing their common stock, not later than **4:00 p.m. (local time) on May 20, 2005**, at any of the following Company's offices:

Luxembourg: 46A, avenue John F. Kennedy
L-1855 Luxembourg

Argentina: Leandro N. Alem 1067, 15°
(C1001AAF) Buenos Aires
Attn: Horacio de las Carreras and/or Eleonora Cimino

Italy: c/o Dalmine S.p.A.
Piazza Caduti 6 luglio 1944 n. 1 24044
Dalmine (BG)
Attn: Marco Tajana and/or Teresa Gaini

Mexico: c/o Tubos de Acero de México S.A.

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Campos Eliseos 400-17
Col. Chapultepec Polanco
11560 Mexico D.F.
Attn: Félix Todd and/or Luis Armando Leviaguirre

Holders of shares through fungible securities accounts wishing to attend the meetings must present a certificate (issued by the financial institution or professional depositary holding such shares) evidencing such deposit and certifying the number of shares recorded in the relevant account as of May 20, 2005. Such certificate must be filed no later than **4:00 p.m. (local time) on May 20, 2005** with any of the Company's offices indicated above and, in the case of shares held in Mexico, with S.D. Indeval, S.A. de C.V. (Paseo de la Reforma #255, 2o. y 3er. piso Col. Cuauhtémoc, Mexico City).

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Holder of shares as of May 20, 2005 may also vote by proxy. To vote by proxy, holders must file the required certificate and a completed proxy form not later than **4:00 p.m. (local time) on May 20, 2005** with any of the Company's offices indicated above or, in the case of shares held in Mexico, with S.D. Indeval, S.A. de C.V, in Mexico City.

Holders of American Depositary Receipts (the ADRs) as of April 18, 2005 who desire to vote at the Meetings must complete, date and sign a proxy form and return it to JPMorgan Chase Bank, N.A. (the Depository), P.O. Box 43062, Providence, RI 02940-5115, by **3:30 p.m., New York City time, on May 18, 2005**.

The Shareholder Meeting Brochure and Proxy Statement (which contains reports on each item of the agenda for the meetings, and further details on voting procedures) and the forms furnished by the Company in connection with the meetings, may be obtained from any of the Company's offices indicated above, the Depository, Borsa Italiana SpA (Piazza degli Affari 6, 20123, Milan, Italy) and S.D. Indeval S.A. de C.V., as from April 12, 2005, between 10:00 a.m. and 5:00 p.m. (local time).

Copies of the Shareholder Meeting Brochure and Proxy Statement and the forms are also available at www.tenaris.com/investors. Copies of the Companies financial statements and the reports of the auditors as well as the documents referred to in the preceding sentence may also be obtained free of charge at the Company's registered office in Luxembourg.

Cecilia Bilesio
Secretary of the Board of Directors

April 12, 2005
Luxembourg

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TENARIS S.A.
Société Anonyme Holding
46A, avenue John F. Kennedy
L-1855, Luxembourg
RCS Luxembourg B 85 203

SHAREHOLDER MEETING BROCHURE AND PROXY STATEMENT

**Annual General Meeting and Extraordinary General Meeting of
Shareholders to be held on May 25, 2005**

This Shareholder Meeting Brochure and Proxy Statement is furnished by Tenaris, S.A. (the Company) in connection with the Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders to be both held, for the purposes set forth in the accompanying Notice of the Annual General Meeting and Extraordinary General Meeting of Shareholders (the Notice), on May 25, 2005 starting at 11:00 a.m., at 46A, avenue John F. Kennedy L-1855 Luxembourg.

As of March 30, 2005, there were issued and outstanding 1,180,536,830 shares of common stock, US\$1 par value, of the Company (the Common Stock), including shares of Common Stock (the Deposited Shares) deposited with Banque Générale du Luxembourg, as agent for JPMorgan Chase Bank, N.A., as depositary (the Depositary), under the Deposit Agreement, dated as of November 11, 2002 (the Deposit Agreement), among the Company, the Depositary and all holders from time to time of American Depositary Receipts (the ADRs) issued thereunder. The Deposited Shares are represented by American Depositary Shares, which are evidenced by the ADRs (one ADR equals ten Deposited Shares).

Each holder of shares of Common Stock is entitled to one vote per share. Holders of shares that hold shares through fungible securities accounts and wish to attend the Meetings must present a certificate (issued by the financial institution or professional depositary holding such shares) evidencing such deposit and certifying the number of shares recorded in the relevant account on May 20, 2005. Such certificate must be filed no later than 4:00 p.m. (local time) on May 20, 2005, with any of the Company's offices indicated in the Notice, or, in the case of shares held in Mexico, with S.D. Indeval, S.A. de C.V., in Mexico City.

Holders of shares as of May 20, 2005 may also vote by proxy. To vote by proxy, such holders must file the requisite certificate and a completed proxy form not later than 4:00 p.m. (local time), on May 20, 2005, with any of the Company's offices indicated in the Notice, or, in the case of shares held in Mexico, with S.D. Indeval, S.A. de C.V., in Mexico City.

Each holder of ADRs as of April 18, 2005 is entitled to instruct JPMorgan Chase Bank, N.A., as Depositary (the Depositary), as to the exercise of the voting rights pertaining to the Company's shares of Common Stock represented by such holder's ADRs. Holders of ADRs as of April 18, 2005 who desire to vote at the Meetings must complete, date and sign a proxy form and return it to JPMorgan Chase Bank, N.A., P.O. Box 43062, Providence, RI 02940-5115, U.S.A. If the Depositary receives properly completed instructions by **3:30 p.m., New York City time, on May 18, 2005**, then it shall vote or cause to be voted the shares underlying such ADRs in the manner prescribed by the instructions. However, if by **3:30 p.m., New York time, on May 18, 2005**, the Depositary receives no instructions from the holder of ADRs, or the instructions are not in proper form, then the Depositary shall deem such holder to have instructed the Depositary to vote the underlying shares of Common Stock of any such ADRs in favor of any

proposals or recommendations of the Company, for which purposes the Depositary shall issue a discretionary proxy to a person appointed by the Company to vote such shares in favor of any proposals or recommendations of the Company (including any recommendation by the Company to vote such shares on any given issue in accordance with the majority shareholder vote on that issue). No instruction shall be deemed given and no discretionary proxy shall be given with respect to any matter as to which the Company informs the Depositary it does not wish such proxy given or if the proposal has, in the discretion of the Depositary, a materially adverse effect on the rights of the holders of ADRs. Any holder of ADRs is entitled to revoke any instructions which it has previously given to the Depositary by filing with the Depositary a written revocation or duly executed instructions bearing a later date at any time prior to **3:30 p.m., New York time, on May 18, 2005**. No instructions, revocations or revisions thereof shall be accepted by the Depositary after that time. In order to avoid the possibility of double vote, the Company's ADR books will be closed for cancellations from April 18, 2005 until May 20, 2005.

Due to regulatory differences and market practices in each country where the Company's shares are listed, the holders of shares traded on the Argentine and Italian stock exchanges who have requested admission to the meetings, or who have issued a voting proxy, must have their shares blocked for trading until the date of the meetings, while holders of shares traded in the Mexican stock exchange and holders of ADRs traded in the New York stock exchange need not have their

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shares or ADRs, as the case may be, blocked for trading. However, the votes of holders of shares traded in the Mexican stock exchange who sell their shares between May 20, 2005 and May 24, 2005, shall be disregarded.

The meetings will appoint a chairperson *pro tempore* to preside over them. The chairperson *pro tempore* will have broad authority to conduct the meetings in an orderly and timely manner and to establish rules for shareholders who wish to address the meetings; the chairperson may exercise broad discretion in recognizing shareholders who wish to speak and in determining the extent of discussion on each item of the agenda.

Pursuant to the Company's Articles of Association, resolutions at the Annual General Meeting of Shareholders will be passed by majority vote, irrespective of the number of shares present or represented. Extraordinary general meeting of shareholders held to consider proposed amendments to the Company's Articles of Association can only validly meet on the first call if at least half of the share capital is present or represented. If the required quorum is not met, a second meeting may be convened by means of notices published twice, at twenty (20) days interval at least and in any case twenty (20) days before the meeting, in the *Mémorial C, Recueil des Sociétés et Associations* (Luxembourg Official Gazette). The second meeting can validly decide regardless of the quorum present or represented. In each case, resolutions may only be passed by a two-thirds majority of the votes of the shareholders present or represented.

The meetings are called to address and vote on the following agenda:

ANNUAL GENERAL MEETING

1. CONSIDERATION OF THE BOARD OF DIRECTORS AND INDEPENDENT AUDITOR'S REPORTS ON THE CONSOLIDATED FINANCIAL STATEMENTS. APPROVAL OF THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS AS OF, AND FOR THE FISCAL YEAR ENDED, DECEMBER 31, 2004.

The Board of Directors recommends a vote FOR approval of the Company's consolidated financial statements for the fiscal year ended December 31, 2004, and having considered the reports from each of the Board of Directors and the independent auditor on such consolidated financial statements. The consolidated balance sheet of the Company and its subsidiaries at December 31, 2004 and the related consolidated statement of income, consolidated statement of changes in shareholders' equity, consolidated cash flow statement and notes to the consolidated financial statements, the independent auditors' report on such consolidated financial statements and management's discussion and analysis on the Company's results of operations and financial condition are included in the Company's annual report 2004, a copy of which is available on our website at www.tenaris.com/investors and may also be obtained upon request at 1 800 990 1135 (if you are in the United States) or 781 575 4328 (if you are outside the United States).

2. CONSIDERATION OF THE BOARD OF DIRECTORS AND INDEPENDENT AUDITOR'S REPORTS ON THE UNCONSOLIDATED ANNUAL ACCOUNTS. APPROVAL OF THE COMPANY'S UNCONSOLIDATED ANNUAL ACCOUNTS AS OF, AND FOR THE FISCAL YEAR ENDED, DECEMBER 31, 2004.

The Board of Directors recommends a vote FOR approval of the Company's unconsolidated annual accounts as of, and for the fiscal year ended, December 31, 2004, and having considered the report from each of the Board of Directors and the independent auditor on such unconsolidated annual accounts. These documents are included in the Company's annual report, a copy of which is available on our website at www.tenaris.com/investors and may also be obtained upon request at 1 800 990 1135 (if you are in the United States) or 781 575 4328 (if you are outside the United States).

3. ALLOCATION OF RESULTS AND APPROVAL OF DIVIDEND PAYMENT.

The Board of Directors recommends a vote FOR approval of a cash dividend payable in U.S. dollars on June 13, 2005 in the amount of US\$0.169 per share of Common Stock currently issued and outstanding and US\$1.69 per ADR currently issued and outstanding. Of the aggregate amount of US\$199,510,724.27 to be distributed as dividends, US\$36,446,396.27 shall be paid from profits of the year ended December 31, 2004, US\$162,982,327.00 shall be paid from retained earnings and US\$82,001.00, from the Company's other distributable reserve account. The balance of the fiscal year's profits of US\$337,030,371.73 will be allocated to the Company's retained earnings account.

Upon approval of this resolution, the Board of Directors shall determine, in its discretion, the terms and conditions of the dividend payment, including the applicable record date.

4. DISCHARGE TO THE MEMBERS OF DIRECTORS.

In accordance with applicable Luxembourg law and regulations, it is proposed that, upon approval of the Company's accounts for the year ended December 31, 2004, the members of Board of Directors be discharged of any responsibilities in connection with the management of the Company's affairs during such year.

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5. ELECTION OF THE BOARD OF DIRECTORS MEMBERS.

The Company's Articles of Association provide for the annual election by the holders of Common Stock of a Board of Directors of not less than five and not more than fifteen members. Members of the Board of Directors have a term of office of one year, but may be reappointed.

Under applicable U.S. laws and regulations, effective on July 15, 2005, the Company is required to have an audit committee comprised solely of directors who are independent.

The present Board of Directors of the Company consists of nine Directors. Until his death on March 11, 2005, Mr. Lucio Bastianini served as member of our board of directors. Two members of the Board of Directors (Messrs. Jaime Serra Puche and Amadeo Vázquez) qualify as independent members under the Company's Articles of Association.

It is proposed (1) that the current eight members of the Board of Directors be re-elected, and (2) that Mr. Mr. Roberto Monti be also appointed as member of the Board of Directors.

Set forth below is summary biographical information of each of the candidates:

1) **Mr. Roberto Bonatti.** Mr. Bonatti is president of San Faustín, president of Techint S.A. and Tecpetrol and a director of III-Industrial Investments Inc, Siderca and Siderar. Mr. Bonatti is an Italian citizen.

2) **Mr. Carlos Manuel Franck.** Mr. Franck is president of Santa María and a director of Tecpetrol and Siderar. Mr. Franck is an Argentine citizen.

3) **Mr. Bruno Marchettini.** Mr. Marchettini is Director and Member of the Supervisory Board of San Faustín and Director of Siderar. Mr. Marchettini is an Italian citizen.

4) **Mr. Roberto Monti*.** Mr. Monti is a non-executive chairman of Trefoil Ltd., member of the board of directors of Petrobras Energia S.A., Transocean Inc. and of Wood Group. Served as Executive Vice President of Repsol YPF and was Chairman and Chief Executive Officer of YPF S.A. prior to its acquisition by Repsol. He was also President of Dowell, a subsidiary of Schlumberger and President of Schlumberger Logging and Production Service Division for Eastern Hemisphere and Latin América. Mr. Monti is an Argentine citizen.

5) **Mr. Gianfelice Mario Rocca.** Mr. Rocca is chairman of the board of directors of San Faustín, director of III-Industrial Investments Inc, director of Dalmine, director of Tamsa, president of the Humanitas Group and president of the board of directors of Techint-Compagnie Tecnica Internazionale S.p.A., Techint S.A. de C.V. In addition, he sits at the board of directors or executive committees of several companies, including Sirti S.p.A., Riunione Adriatica di Sicurtà, Zucchi Vincenzo S.p.A., and Cam Finanziara S.p.A. Mr. Rocca is an Italian citizen.

6) **Mr. Paolo Rocca.** Mr. Rocca is chairman of our board of directors and our chief executive officer. He is also director and Vice-president of San Faustín, director of III-Industrial Investments Inc, president of the board of directors of Siderar and member of the board of directors of Amazonia and Tamsa. He was first employed with the Techint group in 1985 as assistant to the chairman of the board of directors of Techint Financing Corporation. In 1986, he became a member of the board of directors and, in 1990, executive vice president of Siderca. Mr. Rocca is an Italian citizen.

7) **Mr. Jaime Serra Puche*.** Mr. Serra Puche is chairman of SAI Consulting, and a director of The Mexico Fund, Inc, Grupo Modelo, Vitro and Chiquita Brands International. Mr. Serra Puche served as Mexico's Undersecretary of

Revenue, Secretary of Trade, and Secretary of Finance. He led the negotiation and implementation of NAFTA. Mr. Serra Puche is a Mexican citizen

8) **Mr. Amadeo Vázquez y Vazquez***. Mr. Vázquez y Vázquez is president of Telecom Argentina, director Gas Natural Ban, S.A. and vice president of the Fundación Mediterránea. Mr. Vázquez y Vázquez served as Counsel of the Buenos Aires Stock Exchange and director of BBVA Banco Francés S.A. Mr. Vázquez y Vázquez is an Argentine citizen.

9) **Mr. Guillermo F. Vogel**. Mr. Vogel is vice chairman of Tamsa, vice chairman of the American Iron & Steel Institute and chairman of the North American Steel Council. In addition, Mr. Vogel is chairman of Grupo Collado, vicechairman of Estilo y Vanidad and a director of Amazonia, Instituto Latinoamericano del Fierro y el Acero, HSBC-Mexico. Mr. Vogel is a Mexican citizen.

* Independent directors

Each elected director will hold office until the next annual meeting of shareholders. Under the current Company's Articles of Association, such meeting is required to be held on May 24, 2006. We note, however, that the Extraordinary Meeting of Shareholders will consider an amendment to the Company's Articles of Association whereby it is proposed that the Company's annual meetings of shareholders be held on the first Wednesday of June of each year.

The Board of Directors of the Company met seven times during 2004. On January 31, 2003, the Board of Directors created an Audit Committee pursuant to Article 11 of the Articles of Association. As permitted under applicable laws and regulations, the Board of Directors does not have any executive, nominating or compensation committee, or any committees exercising similar functions.

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6. AUTHORIZATION TO THE BOARD OF DIRECTORS TO DELEGATE THE DAY-TO-DAY MANAGEMENT OF THE BUSINESS TO ONE OR MORE OF ITS MEMBERS.

In order to provide for the necessary flexibility in the management of the Company's affairs, it is proposed that the management of the Company's day-to-day business be delegated to Mr. Paolo Rocca, Chairman of the Board of Directors and Chief Executive Officer of the Company.

7. BOARD OF DIRECTORS' COMPENSATION

It is proposed that each of the Board of Directors' members in office each receive an amount of US\$50,000 as compensation for their services during the fiscal year 2005. It is further proposed that the Chairman of the Company's Audit Committee receive an additional fee of US\$60,000 and that the other Directors who are members of such Committee receive an additional fee of US\$50,000.

8. APPOINTMENT OF INDEPENDENT AUDITORS AND APPROVAL OF THEIR FEES

Based on the recommendation from the Company's Audit Committee, the Board of Directors of the Company recommends a vote FOR the reappointment of Price Waterhouse & Co. S.R.L., member firm of PricewaterhouseCoopers as the Company's independent auditors for the fiscal year ending December 31, 2005.

In addition, the Board of Directors recommends a vote FOR approval of an amount up to US\$3,244,531 payable to the independent auditors as fees for audit and audit related services to be rendered during the fiscal year ending December 31, 2005. Such fees cover the audit of the Company's consolidated financial statements and annual accounts, the audit of the Company's internal controls over financial reporting as mandated by the Sarbanes-Oxley Act of 2002, and other audit-related services.

EXTRAORDINARY GENERAL MEETING

1. AMENDMENT OF ARTICLE 9 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY BY THE ADDITION OF A SENTENCE CONFIRMING THAT THE BOARD OF DIRECTORS MAY APPOINT A SECRETARY AND ONE OR MORE ASSISTANT SECRETARIES TO THE BOARD OF DIRECTORS WHO NEED NOT BE A DIRECTOR.

Although the Board of Directors has the inherent power to appoint a secretary and one or more assistant secretaries, such authority is not specifically provided in the articles of incorporation. In order to facilitate recognition of the role of such secretaries in all jurisdictions in which the company engages in business, it is proposed to confirm the power of the Board of Directors to appoint one or more assistant secretaries and to determine their responsibilities, powers and authorities.

Article 9 of the Articles of Association, as amended, would read as follows:

Article 9. Procedure. The board of directors shall elect a chairman from among its members and, if considered appropriate, one or several vice-chairmen and shall determine the period of their office, not exceeding their appointment as director.

The board of directors shall meet as often as required by the interests of the Company and at least four (4) times per year, upon notice by the chairman or by two (2) directors, either at the registered office or at any other place

indicated in the notice, under the chairmanship of the chairman or, if the latter is prevented from attending, under the chairmanship of the (any) vice-chairman or of the director chosen among his colleagues.

The board of directors may deliberate and act validly only if a majority of its members in office are present in person or by proxy.

Board of directors meetings can be validly held by means of telephonic conference call, video conference or any other means genuinely allowing for the participation, interaction and intercommunication of the attending directors.

Any director who is prevented or absent may give a proxy in writing, telegram or facsimile, to one of his colleagues on the board to represent him at the meetings of the board and to vote in his place and stead.

All decisions shall be taken by a majority of votes of those present or represented; in case of a tie the chairman has a casting vote.

Written decisions, signed by all the directors, are proper and valid as though they had been taken at a meeting of the board of directors duly convened and held. Such a decision can be documented by several separate instruments having the same tenor, each signed by one or more directors.

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The Board of Directors may appoint a secretary and one or more assistant secretaries and determine their responsibilities, powers and authorities. These secretaries and assistant secretaries need not be members of the Board of Directors.

The Board of Directors believes that the proposed amendment to the Articles of Association is in the best interests of the Company and its stockholders and accordingly recommends a vote FOR this proposal.

2.- AMENDMENT OF ARTICLE 10 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY BY THE ADDITION OF A PROVISION AUTHORISING THE CERTIFICATION OF COPIES OR EXCERPTS OF THE MINUTES OF THE MEETINGS OF THE BOARD OF DIRECTORS AS WELL AS ANY OTHER DOCUMENT OF THE COMPANY BY THE SECRETARY OF THE BOARD.

Considering the Company's reporting obligations to the different markets where its securities are listed and to the securities authorities to which it is subject and in order to facilitate the role of the secretary and assistant secretaries in such markets, it is proposed to allow the secretary or assistant secretary to certify copies of the minutes of the board of directors' meetings, or excerpts thereof, as well as any other document of the Company.

Article 10 of the Articles of Association, as amended, would read as follows:

Article 10. Minutes of the Board. The proceedings of the board of directors shall be set forth in minutes signed by the chairman of the meeting and the secretary, or by the majority of persons present at the meeting. The proxies shall be annexed thereto.

Copies of these minutes, or excerpts thereof, as well as any other document of the Company, shall be certified by two (2) directors or by the secretary of the board of directors or by any assistant secretary.

The Board of Directors believes that the proposed amendment to the Articles of Association is in the best interests of the Company and its stockholders and accordingly recommends a vote FOR this proposal.

3. AMENDMENT OF ARTICLE 15 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY TO CHANGE THE DATE ESTABLISHED FOR THE ANNUAL GENERAL MEETING TO BE SET AT THE FIRST WEDNESDAY OF THE MONTH OF JUNE AT 11:00 HOURS.

Considering that the Company is listed in four different markets and in order to afford the Company's shareholders of all four markets additional time to adequately review and consider the documents distributed for the annual meeting of shareholders, it is proposed to move the date established in the articles of association for this meeting, to the first Wednesday of June starting in 2006.

Article 15, as amended, would read as follows:

Article 15. Date and Place. The annual general meeting shall meet each year ipso jure in the city of Luxembourg at the place indicated in the notices for meeting on the first Wednesday of June at 11.00 a.m. If said day is a legal or banking holiday, the meeting shall be held on the following business day.

The general meetings, including the annual general meeting, may be held in a foreign country whenever there occur circumstances of force majeure as determined by the board of directors in its discretion. In such event, the terms and conditions necessary to provide proper deliberations and publications will continue to be those provided for by the laws of Luxembourg.

The Board of Directors believes that the proposed amendment to the Articles of Association is in the best interests of the Company and its stockholders and accordingly recommends a vote FOR this proposal.

4. AMENDMENT OF ARTICLE 16 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY TO ALLOW THE CONVENING OF SHAREHOLDER MEETINGS IN CASE THE SHARES OF THE COMPANY ARE LISTED ON A FOREIGN REGULATED MARKET, THE NOTICES SHALL, IN ADDITION, BE MADE IN ACCORDANCE WITH THE PUBLICITY REQUIREMENTS OF SUCH REGULATED MARKET.

In order to afford more flexibility to the Company in connection with the publicity of meetings of shareholders outside Luxembourg in the countries where the Company's shares are listed, it is proposed that the Company may have the alternative (subject to applicable regulations) to either (i) publish the notice to convene the shareholders meeting in a leading newspaper having general circulation in the country of such listing or (ii) follow the market practices for the publicity of convening of meetings of shareholders in the country of such listing.

Article 16, as amended, would read as follows:

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Article 16. Notices of Meeting. The board of directors shall convene all general meetings.

The notices for any ordinary or extraordinary general meeting shall contain the agenda, the hour and the place of the meeting and shall be made by notices published twice (2) at least at ten (10) days interval and ten (10) days before the meeting in the Mémorial C, Recueil des Sociétés et Associations (Luxembourg Official Gazette) and in a leading newspaper having general circulation in Luxembourg. In case the shares of the Company are listed on a foreign regulated market, the notices shall, in addition, (subject to applicable regulations) either (i) be published once in a leading newspaper having general circulation in the country of such listing at the same time as the first publication in Luxembourg or (ii) follow the market practices in such country regarding publicity of the convening of a general meeting of shareholders.

The Board of Directors believes that the proposed amendment to the Articles of Association is in the best interests of the Company and its stockholders and accordingly recommends a vote FOR this proposal.

5. AMENDMENT OF ARTICLE 19 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY TO INCLUDE A PROVISION AUTHORIZING THE SECRETARY OF THE BOARD OF DIRECTORS TO SIGN COPIES OR EXCERPTS OF THE SHAREHOLDERS MEETINGS.

Considering the Company's reporting obligations to the different markets where its securities are listed and to the securities authorities to which it is subject, it is proposed to authorize the secretary of the board of directors to certify copies of the minutes of the shareholders' meetings, or excerpts thereof, as well as any other document of the Company.

Article 19 of the Articles of Association, as amended, would read as follows:

Article 19. Vote and Minutes. Resolutions at ordinary general meetings will be passed by majority vote, irrespective of the number of shares present or represented.

Extraordinary general meetings shall not validly deliberate on proposed amendments to the Articles of Association unless at least half of the share capital is present or represented. Resolutions as to amendments of the Articles of Association shall be voted if approved by a two-thirds majority of votes of the shareholders present or represented.

If the required presence quorum is not met, a second meeting may be convened by means of notices published twice, at twenty (20) days interval at least and twenty (20) days before the meeting in the Mémorial, Recueil des Sociétés et Associations, two newspapers having general circulation in Luxembourg and, in case the shares of the Company are listed on a foreign regulated market, the notices shall in addition be published once in a leading newspaper having general circulation in the country of such listing at the same time as the first publication in Luxembourg. The second meeting shall validly deliberate regardless of the quorum present or represented. Resolutions, in order to be adopted, must be carried by a two thirds majority of the votes of the shareholders present or represented.

The nationality of the Company may be changed and the commitments of its shareholders may be increased only with the unanimous consent of all the shareholders and bondholders, if any.

Minutes of the general meetings shall be signed by the members of the board of the meeting. Copies or excerpts of the minutes to be produced in court or elsewhere shall be signed by two (2) directors or by the secretary of the board of directors or by any assistant secretary.

The Board of Directors believes that the proposed amendment to the Articles of Association is in the best interests of the Company and its stockholders and accordingly recommends a vote FOR this proposal.

Under the current Company's Articles of Association, the next Annual General Meeting of Shareholders is required to be held on May 24, 2006. If the Extraordinary Meeting of Shareholders approves the amendment to the Company's Articles of Association described in Item 2 of the agenda for the Extraordinary Meeting of Shareholders, the next Annual General Meeting of Shareholders will be held on June 7, 2006. A holder of shares who intends to present a proposal at the next Annual General Meeting must submit the proposal in writing to the Company at any of the offices indicated in the Notice not later than 4:00 P.M. (local time) on March 31, 2006, in order for such proposal to be considered for inclusion on the agenda for the 2006 annual general meeting of shareholders.

Price Waterhouse & Co. S.R.L., member firm of PricewaterhouseCoopers, are the Company's independent auditors. A representative of the independent auditors will be present at the Meetings to respond to questions.

Cecilia Bilesio

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Secretary of the Board of Directors

TENARIS PROXY CARD

AGENDA

Annual General Meeting

1. Consideration of the Board of Directors and independent auditor's reports on the consolidated financial statements. Approval of the Company's consolidated financial statements as of, and for the fiscal year ended, December 31, 2004.
2. Consideration of the Board of Directors and independent auditor's reports on the unconsolidated annual accounts. Approval of the Company's unconsolidated annual accounts as of, and for the fiscal year ended, December 31, 2004.
3. Allocation of results and approval of dividend payment.
4. Discharge to the members of the Board of Directors.
5. Election of the Board of Directors members.
6. Authorization to the Board of Directors to delegate the day-to-day management of the Company's business to one or more of its members.
7. Board of Directors compensation.
8. Appointment of independent auditors and approval of their fees.

Extraordinary General Meeting

1. Amendment of article 9 of the Articles of Association of the Company by the addition of a sentence confirming that the Board of Directors may appoint a secretary and one or more assistant secretaries to the Board of Directors who need not be a director.
2. Amendment of article 10 of the Articles of Association of the Company by the addition of a provision authorizing the certification of copies or excerpts of the minutes of the meetings of the Board of Directors as well as any other document of the Company by the secretary of the board or any assistant secretary.
3. Amendment of article 15 of the Articles of Association of the Company to change the date established for the annual general meeting to be set at the first Wednesday of the month of June at 11:00 hours.
4. Amendment of article 16 of the Articles of Association of the Company to state that the convening of shareholder meetings in case the shares of the Company are listed on a foreign regulated market, the notices shall, in addition, be made in accordance with the publicity requirements of such regulated market.
5. Amendment of article 19 of the Articles of Association of the Company to include a provision authorizing the secretary of the board of directors or any of its assistant secretaries to sign copies or excerpts of the Shareholders Meetings.

[TNRIS TENARIS, S.A.] [FILE NAME: TNRIS2.ELX] [VERSION (6)] [04/01/05 (03/28/05)]

DETACH HERE

TNRIS2

TENARIS, S.A.
JPMorgan Chase Bank, N.A., Depository
P.O. Box 43062, Providence, RI 02940-5115

The undersigned, a registered holder of American Depositary Receipt(s) representing Shares of Tenaris, S.A., of record April 18, 2005, hereby requests and authorizes JPMorgan Chase Bank, N.A., the Depository, through its Nominee or Nominees, to vote or execute a proxy to vote the underlying Ordinary Shares of the Company represented by such American Depositary Shares, on the Resolutions at the Annual General Meeting and Extraordinary General Meeting of Shareholders of Tenaris, S.A. to be held at 46A, avenue J.F. Kennedy L-1855 Luxembourg, on Wednesday, May 25, 2005, at 11:00 a.m., or at any adjournment thereof.

These instructions, when properly signed and dated, will be voted in the manner directed herein. If you mark the box to indicate that you wish to give a discretionary proxy to a person designated by the Company, the underlying Ordinary Shares represented by your American Depositary Receipt(s) will be voted by such person in his or her discretion. If these instructions are properly signed and dated, but no direction is made, the underlying Ordinary Shares represented by such ADR(s) will be voted by the Depository FOR the Resolutions at the Meetings.

NOTE: If no instructions are received, or if they are improperly received, by the Depository from any holder of ADRs by 3:30 p.m., New York time, on May 18, 2005, then the Depository shall deem such holder to have instructed the Depository to vote the underlying ordinary shares in favor of any proposals or recommendations of the Company, for which purposes the Depository, shall issue a proxy to a person appointed by the Company to vote such shares in favor of any proposals or recommendations of the Company.

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In order to have the aforesaid shares voted, this Voting Instruction Card must be received by the Depository before 3:30 p.m., May 18, 2005.

PLEASE VOTE, DATE AND SIGN ON REVERSE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE.

Please sign this Voting Instruction Card exactly as your name(s) appear(s) on the books of the Depository. Joint owners should each sign personally. Trustees and other fiduciaries should indicate the capacity in which they sign, and where more than one name appears, a majority must sign. If a corporation, this signature should be that of an authorized officer who should state his or her title.

HAS YOUR ADDRESS CHANGED?

DO YOU HAVE ANY COMMENTS?

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**TO THE REGISTERED HOLDERS OF AMERICAN DEPOSITARY RECEIPTS (ADRs) REPRESENTING
ORDINARY SHARES OF TENARIS, S.A.**

JPMorgan Chase Bank, N.A. (the Depository) has received advice that the Annual General Meeting and an Extraordinary General Meeting of Shareholders (the Meetings) of Tenaris, S.A. (the Company) will be held at 46A, avenue J.F. Kennedy L-1855 Luxembourg, on Wednesday, May 25, 2005, at 11:00 a.m., for the purposes set forth in the enclosed Notice of Meetings.

If you are desirous of having the Depository, through its Nominee or Nominees, vote or execute a proxy to vote the Ordinary Shares represented by your American Depositary Receipt(s) for or against or to abstain from voting on the Resolutions, or any of them, to be proposed at the Meetings, kindly execute and forward to the Depository, the attached Voting Instruction Card. The enclosed postage paid envelope is provided for this purpose. The Voting Instruction Card should be executed in such a manner as to show clearly whether you desire the Nominee or the Nominees of the Depository to vote for or against or to abstain from voting on the Resolutions, or any of them, as the case may be. You may include instructions to give a discretionary proxy to a person designated by the Company. The Voting Instruction Card MUST be forwarded in sufficient time to reach the Depository before 3:30 p.m., May 18, 2005. Only the registered holders of record at the close of business on April 18, 2005, will be entitled to execute the attached Voting Instruction Card.

NOTE: If no instructions are received, or if they are improperly received, by the Depository from any holder of ADRs by 3:30 p.m., New York time, on May 18, 2005, then the Depository shall deem such holder to have instructed the Depository to vote the underlying ordinary shares in favor of any proposals or recommendations of the Company, for which purposes the Depository, shall issue a proxy to a person appointed by the Company to vote such shares in favor of any proposals or recommendations of the Company.

JPMorgan Chase Bank, N.A., Depository

Dated: April 12, 2005

[TNRIS TENARIS, S.A.] [FILE NAME: TNRIS1.ELX] [VERSION (3)] [03/30/05 (03/28/05)]

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TNRIS1

TNRIS

PLEASE MARK
X VOTES AS IN
THIS EXAMPLE

TENARIS, S.A.

PLEASE REFER TO THE REVERSE OF THIS CARD FOR THE RESOLUTIONS TO BE VOTED AT THE MEETINGS.

Mark box at immediate right if you wish to give a discretionary proxy to a person designated by the Company. PLEASE NOTE: Marking this box voids any other instructions indicated hereon.

Mark this box at right if an address change or comment has been noted on the reverse of this card.

Annual General Meeting of Shareholders

	FOR	AGAINST	ABSTAIN		FOR	AGAINST	ABSTAIN
Resolution 1				Resolution 5			
Resolution 2				Resolution 6			
Resolution 3				Resolution 7			
Resolution 4				Resolution 8			

Extraordinary General Meeting of Shareholders

	FOR	AGAINST	ABSTAIN		FOR	AGAINST	ABSTAIN
Resolution 1				Resolution 5			
Resolution 2				Resolution 6			
Resolution 3							
Resolution 4							

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Annual Report 2004

Cautionary statement.

Some of the statements contained in this Annual Report are forward-looking statements . Forward-looking statements are based on management s current (February 2005) 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 risks include, but are not limited to, risks arising from uncertainties as to future oil and gas prices and their impact on the investment programs by oil and gas companies.

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Company profile

Tenaris is the leading manufacturer of seamless steel pipes for the world's oil and gas industry. We also produce seamless steel pipes for boilers, heat exchangers, hydraulic cylinders, automotive, structural and other industrial applications and are the leading regional supplier of welded steel pipes for oil and gas pipelines in South America. Our customers include most of the world's major oil and gas companies as well as a large number of engineering and industrial companies.

Domiciled in Luxembourg, we have manufacturing facilities in Argentina, Brazil, Canada, Italy, Japan, Mexico, Romania and Venezuela and specialized R&D and proprietary global service and distribution networks. Our annual manufacturing capacity is 3.3 million tons of seamless and 850 thousand tons of welded pipes. With this infrastructure and our 16,500 employees, we focus on providing end-user customers a service that integrates manufacturing, procurement, distribution and on-time delivery of high quality products throughout the world.

We aim for long-term sustainable growth to reward our shareholders and to give opportunities for our employees. And since we recognize that much of our success results from the contribution of our local communities, we work hard to help them share in the opportunities that such success makes possible and to minimize the environmental impact of our activities on them.

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Leading indicators

	2004	2003	2002
Sales Volumes (thousands of metric tons)			
Seamless pipes	2,646	2,278	2,283
Welded pipes	316	355	585
Total steel pipes	2,963	2,633	2,868

Production Volumes (thousands of metric tons)

Seamless pipes	2,631	2,275	2,194
Welded pipes	366	346	561
Total steel pipes	2,997	2,621	2,755

Financial Indicators (millions of USD)

Net sales	4,136	3,180	3,219
Operating income	814	288	472
EBITDA ⁽¹⁾	899	602	667
Net Income before income tax and minority interest	1,025	286	444
Net income	785	210	94
Free cash flow ⁽²⁾	-85	113	313
Capex	183	163	148

Balance Sheet (millions of USD)

Total assets	5,662	4,310	4,081
Total financial debt	1,259	834	716
Net financial debt	948	586	411
Total liabilities	3,001	2,348	2,201
Shareholders' equity including minority interest	2,661	1,961	1,881

Per share / ADS data: (USD per share / per ADS)

Number of shares outstanding ⁽³⁾ (thousands of shares)	1,180,537	1,180,288	1,160,701
Earnings per share	0.66	0.18	0.17 ⁽⁴⁾

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Earnings per ADS	6.65	1.78	1.67 ⁽⁴⁾
Dividends per share	0.11	0.10	
Dividends per ADS	1.14	0.99	
ADS Stock price at year-end	48.90	33.32	19.22
Number of employees	16,447	14,391	13,841

-
- (1) Defined as operating income plus depreciation and amortization charges taken before non-recurring losses and provisions relating to the litigation settled in 2003 with a consortium led by BHP Billiton Petroleum Ltd., and non-recurring gains derived from the Fintecna arbitration award.
- (2) Defined as net cash from operations (USD98 million, USD276 million, USD461 million in 2004, 2003 and 2002, respectively) less capital expenditures and investment in intangible assets (USD183 million, USD163 million and USD148 million in 2004, 2003 and 2002, respectively).
- (3) As of December 31.
- (4) See note 9 (ii) of the consolidated financial statements.
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Chairman's letter

Dear Shareholders,

Tenaris acquired a new dimension in 2004. Net sales exceeded USD 4 billion and EBITDA, excluding one-time gains, rose to the level of USD 900 million. Demand for our products and services has grown and several of our facilities established new production records during the year. Acquisitions in Romania and Venezuela have expanded our industrial structure and strengthened our global reach.

Global economic growth is driving higher global energy consumption. Consistently high oil prices are indicative of the constraints that have built up in the global energy production infrastructure which is affected by limited spare production capacity, declining rates of production from mature fields and the long lead times and extensive capital outlays required to develop major new production areas. High natural gas prices are also encouraging investment in developing reserves for major LNG projects. This points to a sustained multi-year period of higher investment levels as the oil and gas majors seek to replenish declining reserves, the Middle East national oil companies reestablish spare production capacity and the national oil companies from oilimporting countries seek to gain access to foreign reserves.

Much of this investment activity will take place in operating environments where the advanced product technology and integrated supply chain management services that Tenaris offers on a global scale are of particular value to our customers. We are developing new products designed to address, inter alia, the environmental challenges of operating in the Arctic region, the complex requirements of deepwater operations and the specific needs of the steam injection process used in the Canadian oil sands. By increasing our investment in research and development of these and other products designed for use in the most demanding fields, we are responding to the needs of the industry and reinforcing our competitive advantage. We also continue to extend our global network of service centers, supported by our increasingly integrated information technology platform, which allows us to serve our customers more effectively and overcome the logistical challenges of operating in remote and challenging areas.

Tenaris is well placed to grow further and enhance its competitive positioning in this favorable market environment. We continue to invest in the mills that make up our integrated global manufacturing network, not only to improve our cost competitiveness but also to increase the capacity of our industrial system to deliver the high value products that are increasingly demanded by our customers. During the year, we added new heat treatment capacity in Canada, Mexico and Italy and new premium joint threading capacity in Argentina and Nigeria. More recently, we inaugurated a new facility in Veracruz to meet growing demand from the NAFTA automotive market for machined tubular components.

In July, we completed the acquisition of Silcotub in Romania. We now have a mill in Eastern Europe ready to serve the local energy market and complement the activities of our Italian mill in providing high quality products for the European industrial and automotive sector. Silcotub adds valuable production capacity and human resources to our industrial system and marks a further step in the consolidation process through which Tenaris has grown into a global company.

In July, we also completed the acquisition of a controlling participation in an iron oxide reduction facility in Venezuela. This acquisition enhances the cost-competitiveness of our industrial operations by providing access to a secure source of low-cost, high quality raw material and further integrating our operations. In November, in consideration of the energy supply balance and outlook in Italy, we launched a project to install a new gas-fired power generation plant to secure energy at a more competitive cost for our mill in Italy, which will be built over the next two years.

Throughout the year, we faced continuous increases in our costs, but we were able to preserve and expand our margins thanks to the high quality of our products and services. Our earnings per share rose 269% to USD 0.665 per share (USD 6.65 per ADS). In addition to the strong growth shown in our operating results, our earnings benefited from our equity participation in Sidor, the Venezuelan steel manufacturer, which has been transformed into one of Latin America's most competitive steel companies. They also benefited from the result of the arbitration award relating to the recovery of losses incurred in respect of the litigation brought against our Italian subsidiary Dalmine, which we settled in 2003. We are proposing to pay a dividend in June of USD 0.169 per share (USD 1.69 per ADS), an increase of 48% over that paid last year.

It has been a challenging year for our employees. They have responded extraordinarily well to the increased workload of a very demanding market. I want to thank all of them for their efforts and also express my thanks to our customers, suppliers and shareholders for their continuous support and trust in Tenaris.

February 23, 2005

Paolo Rocca

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Business review

Market background and outlook

In 2004, a number of factors, including higher energy demand growth, declining production rates from developed reserves and persistently high oil and gas prices, led the oil and gas majors, the national oil companies and other oil and gas producers to increase their investment in exploration and production. Rig count levels have risen during the year with strong increases seen in North and South America, and, in the second half of the year, in the Middle East. The same factors are likely to persist throughout 2005, which should result in further increases in global exploration and production activity. In particular, activity is expected to increase in the Middle East, Canada, Venezuela, West African deepwater, the Caspian and the development of gas reserves associated with major LNG projects.

We estimate that global apparent consumption of seamless OCTG (oil country tubular goods) grew some 17% compared to 2003, and will grow further in 2005. Demand for other seamless products also increased contributing to an overall estimated increase in apparent consumption of seamless pipe products worldwide of some 12% in 2004 over 2003.

As a result of this strong market demand, selling prices for our seamless pipe products increased significantly over the course of the year and we were able to offset the effect of substantially higher raw material costs on our margins. Average selling prices and many of our raw material costs are expected to increase further in 2005.

Demand for our welded pipe products, which depend to a substantial extent on specific projects, particularly those for the construction of oil and gas pipelines in the regional market of our two welded pipe mills in South America, can vary significantly from year to year. Projects to extend the gas pipeline infrastructure in Brazil and to construct an oil pipeline to pipe oil from reserves in Rio de Janeiro state to refineries in Sao Paulo state were suspended in the second half of 2003, abruptly affecting demand for our products. In the second half of 2004, gas pipeline infrastructure project activity resumed in Brazil. In Argentina, after two years with no significant pipeline investment activity, projects to expand the capacity of the existing gas pipeline infrastructure are expected to commence during 2005. We currently have significant orders for a number of projects in Brazil, including a bauxite slurry pipeline project, which should result in substantially higher sales of welded pipes in 2005.

Assuming no major change in current conditions, we expect to register a significant increase in net sales for the second consecutive year and to maintain or further improve our current level of operating margins.

Summary of results

Our results reflect strong market demand and growth in our seamless pipe business, where we are the leading suppliers of seamless pipe products to the global energy industry. Net sales of our seamless pipes, which accounted for 79% of our total net sales, rose 37% and we were able to increase our seamless pipe selling prices sufficiently to offset the impact of higher raw material costs. In addition, we recorded a strong equity income gain from our investment in Sidor, the Venezuelan steel producer, where we have recently increased our participation. We also recorded a one-time operating income gain of USD 123 million following the conclusion of an arbitration award, pursuant to which Fintecna, an Italian state-owned company, is required to compensate us for losses incurred in respect of litigation settled in 2003 with a consortium led by BHP Billiton Petroleum Ltd.

Excluding both the one-time gain recorded in 2004 in respect of the arbitration award and the related loss we recorded in 2003 in respect of the litigation settlement, operating income in 2004 rose 72% to USD 691 million, or 17% of net sales, compared to USD 402 million, or 13% of net sales, in 2003. On the same basis, operating income plus depreciation and amortization in 2004 rose 49% to USD 899 million, or 22% of net sales, compared to USD

602 million, or 19% of net sales, in 2003.

Free cash flow (net cash provided by operations less capital expenditures) during the year was a negative USD 85 million. Cash flow from operations was affected by a substantial increase in the cost of our seamless pipe inventories reflecting increases in raw material costs and an increase in business activity.

Capital expenditures in 2004 rose to USD 183 million, compared to USD 163 million in 2003, and is expected to increase significantly in 2005 due to our project to build a power generation facility at our mill in Italy, an acceleration of investment in finishing facilities to add capacity in high value products and investments in Silcotub which was acquired in 2004.

Net financial debt, excluding investments of USD 120 million in trust funds originally established in 2001 to support our Argentine operations, increased by USD 362 million to USD 948 million during 2004. The increase was used primarily to fund acquisitions Silcotub, a seamless pipe mill in Romania and Matesi, an iron oxide reduction plant in Venezuela were acquired during the year , payment of dividends and the investment in working capital.

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Oilfield Services

We supply a comprehensive range of high quality seamless casing and tubing, premium connections and accessories for use in the most demanding oil and gas drilling and well completion activities. Using our unique network of manufacturing, customer service and R&D facilities, we focus on reducing costs for our customers through integrated supply chain management and developing industry-leading products.

Our new premium connection, TenarisBlue® and its Dopeless™ version, sets new standards in safe and environmentally friendly design by combining the highest level of sealability with a dope-free option. Industry acceptance of this breakthrough technology continues to grow. In April, we were awarded a multi-million dollar contract to provide TenarisBlue® Dopeless™ pipes and services to Statoil's Snøhvit project in the Barents Sea, which is being developed under some of the most stringent environmental regulations in the world.

We provided TenarisBlue® Dopeless™ connections and auxiliary services to ConocoPhillips in its Stavanger yard in Norway, and to a number of major oil companies for use in their drilling programs. Shell, ExxonMobil, Saudi Aramco, Total, Petrobras, Husky, Talisman, Hocol, RepsolYPF and Pluspetrol are now using TenarisBlue® connections on projects in the North Sea, Middle East, Latin America, Canada, Russia and other countries around the world.

Our alliance with Sandvik, a world-leading producer of stainless and high-alloy steels, enables us to serve customers with an extended array of products suitable for very demanding projects, such as the Dolphin liquefied natural gas project in Qatar, the Tengiz oil production plant in Kazakhstan and offshore Libya.

As the value of our supply chain services gains increasing customer recognition, we provided total tubular coordination services for ConocoPhillips operations in Norway and supply chain services to other major customers, including Statoil, KerrMcGee in China and Shell and ExxonMobil in Nigeria. In Colombia and Ecuador, we opened new bases to assist Hocol, RepsolYPF and Encana and other customers in the region.

Through worldwide customer alliances, such as those established with ChevronTexaco and Agip, we are providing products and services to up and coming projects such as Kashagan, Karachaganak, TengizChevroil and ChevronTexaco's Block 14 in Angola. We recently concluded an agreement with Austria's OMV for its operations in Austria, Albania, Pakistan, Tunisia, Yemen, Australia and New Zealand.

We took significant steps during the year to enhance our industrial capacity and expand our geographic coverage. In July, we acquired control of Silcotub in Romania, improving our ability to serve customers in areas such as the Caspian Sea, Eastern Europe and the CIS, and, towards the end of the year, we completed a threading facility in Nigeria, which adds substantial local content to the products we offer in the country as well as adding flexibility to respond to changing requirements at short notice.

Pipeline Services

We supply an extensive range of tailor-made seamless pipes, complete with coatings and accessories for use in every operating environment – onshore, offshore and deepwater. Our focus is on the deepwater and ultra deepwater markets where we are a major player in the Gulf of Mexico, West Africa, United Kingdom and Scandinavia.

In 2004, we consolidated our sales and expanded our portfolio of offerings, which now includes flowlines, steel catenary risers, top tension risers, coating, bends, and other related products. This has had a strong effect in our key market areas, where we have been awarded important projects. These include Total's offshore Angola projects, Dalia and Rosa Lirio; ChevronTexaco's Lobito Tombocco, offshore Angola; Marathon's Alvehim project in Norway,

ConocoPhillips's Saturn in United Kingdom and GulfTerra's Constitution in the Gulf of Mexico.

Activity in shallow water operations in the North Sea region was depressed during the year. However, several fields have been passed from the majors to independent operators, so in the coming years, we can expect more activity with their participation. The most significant projects were Statoil's Snøhvit and Ormen Lange developments. The huge Ormen Lange gas field is one of the most difficult offshore projects ever constructed. Winds and waves are stronger here than anywhere in the world at equivalent depths and the seabed is rocky and jagged, which challenged our technology team to create a pipe durable enough to withstand the extreme conditions. For Snøhvit we supplied a package of pipe for flowlines and risers, bends, and internal blasting service. Line pipe specification for the project was very demanding, because of DNV maritime rules. The pipe also had to possess extraordinary plastic deformation ability and pass rigorous Statoil requirements, which included impact testing at -30 C degrees to ensure performance in the Arctic environment.

In the Gulf of Mexico, activity was relatively slow and was driven mainly by the Independents. However, we remain involved throughout this region, including the deepest project—the export line for the Constitution field located at water depths of 8,000 feet. Tenaris won the contract in May and is now delivering the flowlines and steel catenary riser pipe and

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bends. We also supplied flowlines and risers for the Triton/Goldfinger project, a tie back to Dominion & Pioneer's Devil's Tower, and for the K2 project, which ties back to the Marco Polo field located 160 miles south of New Orleans.

Process & Power Plant Services

We provide comprehensive material planning and supply chain management services and on-time delivery of quality products to enable customers in the process and power plant industry meet the demanding needs of major refinery, petrochemical and power plant contracts.

Activity in the power generation sector was strong throughout 2004 led by China, where rapid economic growth and soaring domestic energy consumption is creating demand for new and upgraded power generation plants, LNG terminals and oil refineries. The trend is expected to continue well into 2005.

In process plant, the largest capital expenditures in the year were in the LNG industry. Having successfully concluded the Idku LNG project in Egypt, we are making preparations for new assignments in 2005. The plant was designed and constructed by Bechtel International and included two trains, or gas liquefaction processes. Tenaris supplied the pipes, fittings and flanges for the first train and the pipes for the second train. Through collaboration with the engineers and careful planning of the supply chain, we were able to meet all critical deadlines. LNG is a strategic market for Tenaris, so it was important to establish ourselves as a reliable supplier.

New projects in other of our downstream segments were hit by delays in investment decisions, possibly caused by uncertainty about the high oil and steel prices and concern about the impact on the return of those investments. The year also was characterized by a tight material supply situation due to the dramatic change in global demand for seamless tubular products. This environment made us take the opportunity to re-design the work process with our strategic customers. Extensive material planning in the early phases of projects helps to assure them of continued material availability. Currently, we are working to ensure our loyal customer base a fair allocation of the limited tonnage available. New ordering mechanisms are being developed that should result in greater leadtime and price reliability.

Industrial & Automotive Services

We provide a wide variety of seamless pipe products for industrial applications with a focus on segments such as automotive, hydraulic cylinders, construction machinery and architectural structures where we can add value with our specialist product development and supply chain management expertise. Sales are concentrated in Europe, particularly Italy where our mill has traditionally served this market, North America, where our sales have been growing from a low base, and Japan.

Our main market in Europe underwent a challenging year with continuing Euro appreciation, strong increases in the cost of raw materials and increased competition from low-cost producers in countries entering the European Union and other Eastern European countries. In this context, we concentrated on maintaining a reliable supply of pipes to our customers and authorized distributors under our strategy of adding value in the supply chain and securing customer loyalty. The acquisition in July of Silcotub, the Romanian seamless small-diameter pipe mill which has cold drawing facilities, will help us to maintain our market position at a time when many of our customers are establishing operations in Eastern European countries with lower labor costs. The most significant area of growth during the year has been in sales of cold-drawn tubes for mechanical parts and hydraulic cylinders used in earth moving equipment. The automotive industry remained weak throughout 2004, particularly in the European market. Nevertheless, our presence in this sector increased, especially in products using high quality seamless tubes, such as transmission components, drive shafts, and axles.

Our leadership position in the airbag market was further consolidated following the opening of our new component center in Mexico. The facility will manufacture airbag inflator vessels and automotive half-shaft components from seamless pipes. We also plan to manufacture tubular components for automotive stabilizer bars and CV joint cages at the plant. With these new products, we are promoting the use of tubular products instead of steel bars for greater user security and comfort and reduced fuel costs. Initial production capacity is 14.4 million pieces, which is expected to double in 2005.

Supplying the sophisticated tubular components our customers need requires advanced skills in designing and engineering. We are working with well-known international research centers to add to our capabilities in this area.

Argentina, Canada, Mexico and Venezuela

Argentina, Canada, Mexico and Venezuela, which are significant producers of oil and gas and where we are the sole local producers of seamless pipes, are important markets for Tenaris. We have developed strong ties with our customers based on supply chain management and just-in-time delivery services, which help to reinforce the local producer advantage.

In Argentina, investment in oil drilling activity remained strong during 2004, in spite of increased taxes on oil exports. New investment in gas wells, however, remained weak as a result of low gas prices. New oil and gas wells drilled during the year increased 4% over 2003, but still remained some 12% lower than the level recorded in 2001. After several years of

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recession, industrial activity, which grew by 11% during the year, continued the recovery seen in 2003 and contributed to an increase in sales of our seamless pipes of 16%.

In Canada, the average rig count levels remained similar to the previous year but demand for seamless OCTG rose, due to the greater depth of wells being drilled. Throughout the year, 159 additional wells were drilled that were deeper than 3,050 meters, and the market demanded more products with premium connections to accommodate the requirements. With technological improvements and higher oil prices making the recovery of oil from bitumen reserves increasingly attractive, there is considerable interest in exploiting Canada's extensive oil sands reserves and Tenaris is well placed to take advantage of the growing SAGD market.

In February, we completed the purchase of the AlgomaTubes mill in Sault Ste. Marie, Ontario, and in July we invested in expanding the capacity of the heat treatment facilities to enhance pipe uniformity and strength. We also signed an agreement with QIT - Fer et Titane, Inc, to supply a limited quantity of round steel billets from its facilities in Sorel-Tracy, Quebec, which will help us to improve logistics during the winter season and increase production.

In Mexico, sales of seamless pipes reached record levels, increasing by 30% over the previous year, reflecting the strong growth in Pemex's exploration and production spending over the past few years as well as increased activity in the industrial sector. Pemex continues to focus on its goal of increasing oil production to 4 million barrels a day and to increase gas production. Our just-in-time supply agreement with Pemex, which is our largest single customer, serves as a model for the industry.

In Venezuela, conditions following the general strike in 2003, which severely affected drilling activity, have improved significantly and sales of seamless pipes increased 50% in 2004 over the previous year in line with the increase in the average rig count. As one of the world's largest oil producers with plans to increase output, Venezuela continues to be a key market for us. It will also be an important source of raw materials following the acquisition, together with Sidor, of an industrial facility located near our Tavsá mill in Ciudad Guayana for the production of pre-reduced hot briquetted iron, or HBI. This acquisition provides us a secure source of high-quality, low-cost raw materials for our seamless pipe operations.

Welded

The demand for our welded pipe products in regional markets started the year at very low levels following the suspension of large oil and gas pipeline infrastructure projects in Brazil in the second half of 2003 and the continuation of economic conditions in Argentina which have not encouraged investment in projects to expand the gas pipeline infrastructure in spite of energy shortages in the peak winter. Demand in Brazil picked up in the second half of the year when we completed deliveries for the Rio-Campinas gas pipeline and new project activity started to resume. In export markets, high freight costs eroded our competitive advantage but we completed deliveries to projects in Africa, North America and the Caribbean as well as to Shell's Na Kika project in the Gulf of Mexico.

Indications for 2005 are for a better year. Demand is expected to increase in Brazil due to the launch of projects to extend the gas pipeline infrastructure. These projects include: Cacimbas-Vitória, Manati Onshore, Catu-Carmópolis Pilar, Coari-Manaus. Additionally, we have won an order from CVRD to supply pipes for a bauxite slurry pipeline. In Argentina, there are plans to expand the existing gas pipeline infrastructure system by building loops in the northern and southern systems following strong growth in energy demand.

Energy

Dalmine Energie, our Italian energy supply business, provides energy and energy services to customers in the Italian industrial, commercial and public sectors. The company offers tailor-made packages that combine electricity, natural

gas and energy services and other related products, such as energy hedging and risk management, on-site maintenance services and energy optimization advisory.

Started in 2000 shortly after the partial deregulation of the Italian energy business, Dalmine Energie has steadily increased sales and now has more than 1,000 customers purchasing 3 TWh of electricity and 650 million cubic meters of natural gas on a yearly basis.

As a leading energy supplier to the Italian industrial and commercial markets, Dalmine Energie has established successful partnerships with multinational companies like Coca Cola, Mc Donald's, Bayer, Finmeccanica and Brembo, as well as many trade associations representing the bulk of the Italian energy-intensive industrial base. The basis for all these relationships is a commitment to be the single point of reference for all the energy needs of its customers.

Following the initial development of the core electricity and natural gas supply activities, much of the recent expansion has been focused on growing a portfolio of services that meets the needs of our customers. Examples of this strategy are the development of the energy appliances and networks maintenance service and the operation and maintenance of on-site power and cogeneration plants.

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Dalmine Energie has been preparing itself for the launch on January 1, 2005 of the European Union Greenhouse Gas Emission Trading Scheme (EU ETS), the carbon dioxide emissions trading plan designed to help the EU meet its Kyoto commitments on climate change. In addition to meeting our own compliance standards, we are also advising clients on how to successfully adapt to the post-Kyoto world of emission trading and CO2 targets compliance.

Communities and environment review

Tenaris's history is deeply entwined with that of the communities where it has its roots. As a long-term industrial project, the essential framework governing its relations with its communities was established many years ago. It departs from the deeply-held conviction of our founding family that the continuing strength of the Company depends on an active participation that links its own development to that of its suppliers, customers, employees, and the communities in which it resides.

This framework encompasses continuous commitments to promoting health and safety among employees, to minimizing the impact of operations on the environment, to maintaining transparent relations with suppliers, customers, employees and local communities, and to working with local authorities and non-governmental organizations to promote education and foster self-reliance.

This year we celebrated the 50th year of our operations in Campana and the occasion marked an excellent opportunity to showcase this industrial-based business philosophy to our community and the wider population in Argentina.

As a global company with a strong local focus, we employ a workforce of tremendous diversity. This requires strong integration of global and local functions, a high capacity to adapt to local conditions and a clear commitment of the Company's values. Respect for cultural, gender and language differences is a guiding principle for relations among employees at all levels of the Company. This rich cultural diversity is represented in the varied nationalities of our 16,500 employees. The Company extends the benefits of its multicultural diversity to local communities through cultural programs, including art exhibits, seminars and other initiatives.

Tenaris is committed to improving the quality of life for those who live in the areas surrounding our plants. Working with local institutions, both public and private, to identify priorities and articulate actions, we help to build and equip schools, finance scholarships that reward academic excellence, sponsor cultural, sports and leisure events, improve local sanitation systems and promote employment.

In Veracruz, we focused efforts on a campaign to prevent cervical-uterine cancer and breast cancer, the leading causes of death in Mexico's female population. The state of Veracruz has the fourth highest mortality rate for these diseases, and the numbers are growing. Tamsa A.C. launched a one-of-a-kind program in the industrial sector that goes beyond the obligatory national health services that are available to factory workers called "Health to the Beat of La Bamba" to evoke the melody and dance characteristics of Veracruz. In addition to diagnosis and the timely implementation of preventive measures, the program has helped to generate a new self-awareness in the women who have participated.

In Campana, we enhanced our traditional investment in education, which directly benefits almost two thousand young people annually through grants, internships and courses on computer technology and English, upgrading school facilities and teacher training, by starting a program called Sembrar, whose purpose is to facilitate the transition from school to work for recent graduates. Over the past year, fifty young people demonstrated responsibility and commitment to their studies and took first steps to overcoming poverty and hardship. After completing a four-month complementary training course offered in the plant's training halls, students can elect to take a scholarship program for university or professional-level diplomas, or to continue their technical training at the plant in electro-mechanics, mechanics or industrial process management. We also invested in the San José Municipal Hospital, where we sponsored the startup of a data system especially designed for hospital management and various other initiatives.

In Italy, the Fondazione Dalmine underwrote and organized the planning and creation of an exhibit entitled "Dalmine; from the company to the City." Held in the Teatro Sociale di Bergamo, the exhibit was visited by more than 21,000 people in a little over a month. The historic archives and library remain open to the public and can be viewed on the Foundation's website, which receives an average of 1,000 hits a month. Together with the Comune di Bergamo, we are a founding partner of the Associazione per la Galleria d'Arte Moderna e Contemporanea di Bergamo (GAMEC), which supports innovation in national and international arts research, a basic element for the community's social, economic and cultural development. In 2004, the Association sponsored five major exhibitions of works by 20th century artists, which received a combined total of 40,000 visitors. We also co-sponsored the Pedala Dalmine bicycling event with the Comune di Dalmine which attracted more than 2,000 cyclists. Proceeds from the event were donated to the association Polisportiva Handicappati Bergamasca that supports programs for physically challenged individuals.

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Health, safety and environment

Following the introduction of our common Health, Safety and Environment (HSE) Policy in 2003, we started to develop the actions required for the implementation of an integrated HSE management system. The management system is based on the principles of sustainable development and follows the guidelines of international norms such as ISO 14000 and OSHA 18000, applying eco-efficiency and integral safety concepts in the whole system, from the product design and industrial investment up to the operational and logistic planning and execution. A system manual and level two General Procedures suitable for application in our different facility locations each one with different context and legislation have been put in place and a general chronogram for implementing the project has been established.

As part of our safety program, we work constantly to improve its safety performance concentrating on two levels. On one, we upgrade the physical conditions of the workplace by continuously investing in new technologies, infrastructure and maintenance. On another, we work on attitudes and behavior relative to safety. We do this through innovative programs that reward safe behavior and by holding weekly meetings with managers, safety staff and workers at each of our plants to discuss accidents and share ideas for improving safety. For the fourth consecutive year, safety indicators have improved and our lost-time accident incident rate declined by 22% over the level of 2003.

For the continuous improvement of our environmental performance, we constantly review our operations and those of our sub-contractors to maximize the efficiency in the use of energy and material resources, the recycling both at our own facilities and by third parties of by-products, and the minimization in the generation of waste, emissions and effluents.

We also participate in programs, collaborating with local institutions in the communities where we operate, in order to contribute to the development of conditions that enhance social inclusiveness. Tenaris is involved in activities related to global environmental issues, like climate change or persistent organic pollutants abatement among others mainly through active participation in local and international organizations, such as the International Iron & Steel Institute Environmental Committee, the Consejo Empresario Argentino para el Desarrollo Sostenible (local branch of the World Business Council for Sustainable Development) and others.

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Snøhvit Meeting the environmental challenge of the Arctic

Snøhvit is the first offshore development in the Barents Sea and the world's northernmost liquefied natural gas project. New technology has allowed Statoil to develop this rich reserve of natural gas located 140 km off the coast of Hammerfest in traditional fishing grounds within the Arctic circle.

Tenaris is helping Statoil to satisfy the stringent environmental requirements set by the Norwegian authorities and to overcome the complex technical and operational challenges of the Snøhvit project by providing a combination of tubular technologies TenarisBlue® Dopeless premium connections with carbon casing and 13 Cr and 25 Cr tubing. Snøhvit will be the first field worldwide where all casing and tubing is dope-free and for the first time dope-free connections were qualified for use on 25 Cr duplex steel. Statoil has highlighted that, in addition to its clear environmental benefits, the use of the TenarisBlue® Dopeless technology at Snøhvit should result in safer and more efficient operations. By eliminating the need for thread compounds, the technology simplifies rig operation preparation and reduces the number of handling operations offshore. Tenaris continues to work with Statoil to identify ways in which tubular technology can help meet the challenges of operating in one of the world's most fragile environments.

Deepwater Technology for the offshore frontier

The constant search for new oil and gas reserves has led to an increasing focus on deepwater activity developments which occur at a minimum of 1,500 feet particularly in areas such as the Gulf of Mexico, offshore Brazil and offshore West Africa. The exploitation of these reserves has been facilitated by the development of new technology.

Tenaris is at the forefront of developing pipes with the metallurgical and other properties required for the risers and flowlines used in the most demanding of deepwater and ultra-deepwater projects. For steel catenary and top tension risers, Tenaris applies sophisticated heat treatment processes, highly calibrated chemical compositions and precision welding techniques to achieve the optimum balance between fatigue-resistance, flexibility and weight. As a result of this technological expertise and a readiness to develop new solutions, Tenaris has been the tubular supplier of choice for ground-breaking deepwater projects such as Thunder Horse, Nakika, Bonga and Erha. With our extensive welding database and dedicated research facilities and our integrated manufacturing operation including advanced double jointing facilities, we will continue to develop the tubular technologies that help meet the challenges of operating in the most complex deepwater environments.

Alberta oil sands Managing the tubular supply chain

Alberta's oil sands contain the world's second largest known oil reserve. An estimated 1.7 to 2.5 trillion barrels of oil resources, of which 177 billion are considered recoverable, are trapped in a complex mixture of sand, water and clay. The development of steam assisted gravity drainage (SAGD) technology is facilitating the development of this extensive reserve by enabling oil sands to be extracted in-situ.

Tenaris is helping Suncor to successfully develop its Firebag oil sands projects by providing various tubular associated supply chain management services in addition to supplying high quality pipes and premium connections manufactured at Canada's only seamless pipe mill. By integrating the supply of tubular products with the special service of pipe slotting and seaming required for SAGD operations, transportation and material handling coordination on a just-in-time delivery basis and pipe running, Tenaris has managed to achieve significant cost savings for Suncor's operations. As SAGD operations are repetitive, the onus is on suppliers like Tenaris to add value through reducing costs in the supply chain as well as through better products. With our global R&D network and our AlgomaTubes pipe manufacturing facilities in Sault Ste. Marie, we continue to work to develop specialized products for thermal in-situ operations and to optimize the tubular supply chain for our customers in their SAGD operations.

Campana 50 years of industrial development

September 16, 2004 marked the 50th anniversary of the startup of operations at the Siderca seamless pipe mill in Campana, Argentina. The story of these 50 years reflects a continuous process of industrial development that embraces the employees, suppliers and community which sustain it.

Originally established to supply the domestic market, the Siderca mill is now one of the world's most efficient and technologically advanced seamless pipe mills. Along the way, ever more qualified employment has been created, the quality of life in the community has gradually but steadily improved, the technology and skills required to make the most of individual talent and common progress have been incorporated and a network of small and medium enterprises have been

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integrated into the supply chain. Today in Campana, engineers are developing innovative products, which are changing operating practices all over the world. More than 75% of employees own their own homes and 90% of their children complete secondary education. More than 1,500 suppliers have the opportunity to expand their businesses and acquire the technology and know-how to allow them to compete in international markets. Tenaris continues to share the values that have sustained this industrial development and to invest in its operations worldwide to secure long-term growth and sustainable development.

Corporate governance

Tenaris has one class of shares, with each share having equal rights including the entitlement to one vote at our shareholders' meetings. Our articles of association provide that the annual ordinary shareholders' meeting, which approves the annual financial statements and appoints the board of directors, shall occur each year on the fourth Wednesday during the month of May.

Board of directors

Management of the Company is vested in a board of directors. Our articles of association provide for a board of directors consisting of at least three and at most fifteen directors. The board of directors is required to meet as often as required by the interests of Tenaris and at least four times per year. A majority of the members of the board constitutes a quorum, and resolutions may be adopted by the vote of a majority of the directors present. In the case of a tie, the chairman is entitled to cast the deciding vote. Directors are elected at the annual ordinary shareholders' meeting to serve one-year renewable terms, as decided by the shareholders. The board of directors met seven times for the 2004 fiscal period. The annual shareholders' meeting held on May 26, 2004 approved the appointment of nine directors, two of whom are independent directors.

Audit committee

Tenaris audit committee in 2004 was composed of three members, two of whom were independent directors. The independent members of the audit committee are not eligible to participate in any incentive compensation plan for employees of the Company or any of its subsidiaries. The audit committee has the duty to: (I) assist the board of directors in fulfilling its oversight responsibilities relating to the integrity of the financial statements of the Company, the Company's system of internal controls and the independence and performance of the Company's independent auditors; (II) review material transactions between the Company and its subsidiaries with related parties to determine whether their terms are consistent with market conditions or are otherwise fair to the Company and its subsidiaries and (III) perform the other duties entrusted to it by the board of directors, particularly as regards relations with the independent auditor. The audit committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it shall have direct access to the independent auditors as well as anyone in the Company and, subject to applicable laws, its subsidiaries. The audit committee has to report to the board of directors on its activities and the adequacy of the internal control system at least every six months, at the time the annual and semi-annual accounts are approved. For the 2004 fiscal year, the audit committee met four times and on each occasion presented its report to the board of directors.

Auditors

The annual accounts are audited by independent auditors, appointed by the annual ordinary shareholders' meeting. The ordinary shareholders' meeting shall determine their number and the term of their office, which shall not exceed one year. They may be reappointed and dismissed at any time. Price Waterhouse & Co. S.R.L. served as our auditors during the 2004 fiscal year and are proposed for reappointment. As part of their duties, they report directly to the audit committee.

Compensation

The compensation of the directors is determined at the annual ordinary shareholders meeting. The aggregate compensation of the directors and executive officers earned during 2004 amounted to USD 9.8 million.

Corporate governance standards

Our corporate governance practices are governed by Luxembourg law (particularly the law of August 10th 1915 on commercial companies) and our Articles of Association. As a Luxembourg company listed on the New York Stock Exchange (the NYSE), the Bolsa Mexicana de Valores, S.A. de C.V. (the Mexican Stock Exchange), the Bolsa de Comercio de Buenos Aires (the Buenos Aires Stock Exchange) and the Borsa Italiana S.p.A. (the Italian Stock Exchange), we are not required to comply with all of the corporate governance listing standards of these exchanges. We, however, believe that our corporate governance practices meet or exceed, in all material respects, the corporate governance standards that are generally required for controlled companies by all of the exchanges on which our securities trade.

The following is a summary of the significant ways that our corporate governance practices differ from the corporate governance standards required for controlled companies by the exchanges on which its shares trade. Our corporate governance practices may differ in non-material ways from the standards required by these exchanges that are not detailed here.

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Non-management directors' meetings

Under NYSE standards, non-management directors must meet at regularly scheduled executive sessions without management present and, if such group includes directors who are not independent, a meeting should be scheduled once per year including only independent directors. Neither Luxembourg law nor our Articles of Association require the holding of such meetings and we do not have a set policy for these meetings. Our Articles of Association provide, however, that the board shall meet as often as required by the interests of the Company and at least four times a year.

In addition, NYSE-listed companies are required to provide a method for interested parties to communicate directly with the non-management directors as a group. While we do not have such a method, we have set up a compliance line for investors and other interested parties to communicate their concerns directly to our independent directors.

Audit committee

Under NYSE standards, listed US companies are required to have an audit committee composed of independent directors that satisfies the requirements of Rule 10A-3 promulgated under the Securities and Exchange Act of 1934. Foreign private issuers, such as Tenaris, must comply with this requirement by July 31, 2005. Our Articles of Association currently require us to have an audit committee composed of three members, two of which must be independent (as defined in the Articles of Association) and our audit committee complies with such requirements. We intend to have an audit committee entirely composed of independent directors (as defined by the SEC's rules) on or before the July 31, 2005 deadline.

Under NYSE standards, all audit committee members of listed US companies are required to be financially literate or must acquire such financial knowledge within a reasonable period and at least one of its members shall have experience in accounting or financial administration. In addition, if a member of the audit committee is simultaneously a member of the audit committee of more than three public companies, and the listed company does not limit the number of audit committees on which its members may serve, then in each case the board must determine whether the simultaneous service would prevent such member from effectively serving on the listed company's audit committee and shall publicly disclose its decision. No comparable provisions on audit committee membership exist under Luxembourg law or our Articles of Association.

Standards for evaluating director independence

Under the NYSE standards, the board is required, on a case by case basis, to express an opinion with regard to the independence or lack of independence of each individual director. Neither Luxembourg law nor our Articles of Association requires the board to express such an opinion. In addition, the definition of "independent" under the rules of the exchanges on which our securities are listed differ in some non-material respects from the definition contained in our Articles of Association.

Audit committee responsibilities

Pursuant to our Articles of Association, the audit committee shall assist the board of directors in fulfilling its oversight responsibilities relating to the integrity of the Company's financial statements, the Company's system of internal controls and the independence and performance of the Company's internal and independent auditors. The audit committee is required to review material transactions (as defined by the Articles of Association) between us or our subsidiaries with related parties and also perform the other duties entrusted to it by the board.

The NYSE requires certain matters to be set forth in the audit committee charter of US listed companies. Our audit committee charter provides for many of the responsibilities that are expected from such bodies under the NYSE

standard; however, due to our equity structure and holding company nature, the charter does not contain all such responsibilities, including provisions related to setting hiring policies for employees or former employees of independent auditors, discussion of risk assessment and risk management policies, and an annual performance evaluation of the audit committee.

The Mexican Stock Exchange requires the audit committee of listed companies to review and provide advice to the board of directors on certain matters, including transactions that involve the purchase or sale of 10% or more of the listed company's assets, the grant of guarantees involving liability for more than 30% of the value of the listed company's assets, and any transaction with a value of more than 1% of the listed company's assets. Our audit committee does not serve in this capacity.

Shareholder voting on equity compensation plans

Under NYSE standards, shareholders must be given the opportunity to vote on equity-compensation plans and material revisions thereto, except for employment inducement awards, certain grants, plans and amendments in the context of mergers and acquisitions, and certain specific types of plans. We do not currently offer equity-based compensation to our directors, executive officers or employees, and therefore do not have a policy on this matter.

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Disclosure of corporate governance guidelines

NYSE-listed companies must adopt and disclose corporate governance guidelines. Neither Luxembourg law nor our Articles of Association require the adoption or disclosure of corporate governance guidelines. Our board of directors follows corporate governance guidelines consistent with our equity structure and holding company nature, but we have not codified them and therefore do not disclose them on our website.

Code of business conduct and ethics

Under NYSE standards, listed companies must adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly disclose any waivers of the code for directors or executive officers. Neither Luxembourg law nor our Articles of Association require the adoption or disclosure of such a code of conduct. We, however, have adopted a code of conduct that applies to all directors, officers and employees that is posted on our website and which complies with the NYSE's requirements, except that it does not require the disclosure of waivers of the code for directors and officers.

Chief executive officer certification

A chief executive officer of a US company listed on the NYSE must annually certify that he or she is not aware of any violation by the company of NYSE corporate governance standards. In accordance with NYSE rules applicable to foreign private issuers, our chief executive officer is not required to provide the NYSE with this annual compliance certification. However, in accordance with NYSE rules applicable to all listed companies, our chief executive officer must promptly notify the NYSE in writing after any of our executive officers becomes aware of any material noncompliance with any applicable provision of the NYSE's corporate governance standards. In addition, after July 31, 2005 we must submit an executed written affirmation annually and an interim written affirmation each time a change occurs to the board or the audit committee.

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Board of directors

Chairman and Chief Executive Officer	Paolo Rocca
Vice-President Finance	Guillermo Vogel
	Lucio Bastianini (+)
	Roberto Bonatti
	Carlos Franck
	Bruno Marchettini
	Gianfelice Mario Rocca
	Jaime Serra Puche (*)
	Amadeo Vázquez y Vázquez (*)

Secretary Cecilia Bilesio

(+) Mr. Bastianini passed away on March 1., 2005

(*) Independent Members of the Audit Committee

Executive officers

Chief Executive Officer Paolo Rocca	Industrial Coordination Director Sergio Tosato
Chief Operating Officer Alberto Valsecchi	Planning Director Alberto Iperti
Chief Financial Officer Carlos Condorelli	European Area Manager Vincenzo Crapanzano
Commercial Director Germán Curá	Southern Cone Area Manager Guillermo Noriega
Supply Chain Director Alejandro Lammertyn	Mexican Area Manager Sergio de la Maza
Human Resources Director Marco Radnic	Managing Director, Japanese Operations Marcelo Ramos
Technology Director Carlos San Martín	Managing Director, Welded Pipe Operations Ricardo Soler
Information Technology Director Giancarlo Miglio	Procurement Director Renato Catallini

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**CONSOLIDATED
FINANCIAL STATEMENTS**

**As of December 31, 2004 and 2003
and for the years ended December 31, 2004, 2003 and 2002**

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Operating and financial review

This review of Tenaris' s results of operations and financial condition is based on, and should be read in conjunction with, the audited consolidated financial statements of Tenaris and the related notes included elsewhere in this annual report. It compares Tenaris' s results on a consolidated basis for the fiscal year ended December 31, 2004 with its results for the fiscal year ended December 31, 2003. Tenaris prepares its consolidated financial statements in conformity with International Financial Reporting Standards (IFRS), which differ in certain significant respects from US GAAP and other national accounting standards.

Results of operations

The following table sets forth, for the periods indicated, selected financial data from our consolidated income statement and expresses our operating and other costs and expenses as a percentage of net sales.

SELECTED FINANCIAL DATA

(All amounts in USD thousands)

Year ended December 31	2004	%	2003	%	2002	%
Net sales	4,136,063	100.0%	3,179,652	100.0%	3,219,384	100.0%
Cost of sales	-2,776,936	-67.1%	-2,207,827	-69.4%	-2,169,228	-67.4%
Gross profit	1,359,127	32.9%	971,825	30.6%	1,050,156	32.6%
Selling, general and administrative expenses	-672,449	-16.3%	-566,835	-17.8%	-567,515	-17.6%
Other operating income and expenses	126,840	3.1%	-116,800	-3.7%	-10,764	-0.3%
Operating income	813,518	19.7%	288,190	9.1%	471,877	14.7%
Financial income (expenses), net	5,802	0.1%	-29,420	-0.9%	-20,597	-0.6%
Income before equity in earnings (losses) of associated companies, income tax and minority interest	819,320	19.8%	258,770	8.1%	451,280	14.0%
Equity in earnings (losses) of associated companies	206,037	5.0%	27,585	0.9%	-6,802	-0.2%
Income before income tax and minority interest	1,025,357	24.8%	286,355	9.0%	444,478	13.8%
Income tax	-220,376	-5.3%	-63,918	-2.0%	-207,771	-6.5%
Net income before minority interest	804,981	19.5%	222,437	7.0%	236,707	7.4%
Minority interest	-20,278	-0.5%	-12,129	-0.4%	-142,403	-4.4%
Net income	784,703	19.0%	210,308	6.6%	94,304	2.9%

Numbers in tables may not add due to rounding.

Sales volumes

The following table shows our sales volumes of seamless and welded pipe products.

(metric tons)

Sales volume	2004	2003	Increase/(Decrease)
North America	757,000	608,000	25%
Europe	679,000	617,000	10%
Middle East & Africa	421,000	365,000	15%
Far East & Oceania	412,000	366,000	13%
South America	377,000	322,000	17%
Total seamless pipes	2,646,000	2,278,000	16%
Welded pipes	316,000	355,000	(11%)
Total steel pipes	2,963,000	2,633,000	13%

Seamless pipes

Seamless pipes sales volume increased by 16% to 2,646,000 tons in 2004 from 2,278,000 tons in 2003. Sales volume in 2004 includes 71,000 tons produced at Silcotub, the Romanian seamless pipe mill that we acquired in July 2004, most of which were sold in Europe. Demand for our seamless pipe products increased in all regions led by higher demand from oil and gas customers and is expected to remain strong in 2005.

In North America, demand for our seamless steel pipe products increased due to higher exploration and production expenditure by Pemex, higher sales in Canada (related to an increased use of seamless pipes in oil and gas drilling activity resulting from the greater average depth of wells drilled), and higher sales to the NAFTA industrial and automotive market.

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In Europe, the increase in sales was primarily due to the incorporation of sales of Silcotub's products in the second half of the year, but also as a result of increased sales to oil and gas customers in the North Sea and Scandinavia, and in certain industrial segments such as automotive, hydraulic cylinders and construction machinery. Overall demand was affected, however, by slow growth in industrial activity and competition from low-cost producers in Eastern Europe.

In the Middle East and Africa, demand increased due to the development of gas projects in Egypt and higher oil and gas production activity in the Middle East. Activity is expected to continue to increase in this region as Saudi Arabia increases its production capacity and deepwater projects in West Africa begin production.

In the Far East and Oceania, demand increased due to stronger activity from the industrial sector in Japan and Korea and increased oil and gas drilling activity in Indonesia. Sales in China, our largest market in this region, remained stable.

In South America, demand increased due to higher sales in Venezuela, following the general strike which affected demand in 2003, and higher drilling and industrial activity in Argentina.

Welded pipes

Sales volume of welded pipes decreased by 11% to 316,000 tons in 2004 from 355,000 tons in 2003. This decrease reflects substantially lower sales in the local Brazilian market following continuing delays in implementing pipeline projects in the Brazilian market, which persisted throughout the first half, partially offset by higher sales to projects in the non-regional markets of Africa and North America. In the second half of 2003, incoming orders from pipeline construction projects in Brazil were effectively halted following delays in granting a requisite environmental permit for a gas pipeline and deliveries to the affected project were not resumed until the second half of 2004. Since then, orders for other pipeline projects in Brazil have also resumed.

Energy

Sales of electric energy in Italy remained stable at 3 TWh in 2004 as in 2003 and sales of natural gas increased by 30% to 652 million scm in 2004 from 503 million scm in 2003. The increase in sales of natural gas reflects the continuing expansion of the customer base and these sales are expected to continue to increase in 2005.

Net sales

The following table shows our net sales by business segment for the periods indicated:

(US\$ million)

Net sales	2004	2003	Increase/(Decrease)
Seamless pipes	3,273.3	2,388.2	37%
Welded pipes	348.1	350.7	(1%)
Energy	417.9	333.2	25%
Others	96.8	107.5	(10%)
Total	4,136.1	3,179.7	30%

The following table indicates the distribution of our net sales by business segment for the periods indicated.

Percentage of net sales

Net sales	2004	2003
Seamless pipes	79%	75%
Welded pipes	8%	11%
Energy	10%	10%
Others	2%	3%
Total	100%	100%

Net sales in 2004 were 30% higher than in 2003, which primarily reflects strong growth in our seamless pipes business, and, to a lesser extent, continuing growth and the effect of currency appreciation on net sales at our energy business. Net sales in 2005 are expected to show a significant increase for a second consecutive year.

Net sales of seamless pipes rose by 37%, reflecting strong market demand for our products and the incorporation of Silcotub in the second half of the year. Average selling prices for seamless pipes increased by 18% in 2004 compared to 2003, as strong market demand facilitated price increases, which were sufficient to compensate substantially higher raw material costs.

Net sales of welded pipes, which included USD 68 million in sales of metal structures made by our Brazilian welded pipe subsidiary in 2004 and USD 63 million of such sales in 2003, declined 1% as higher selling prices reflecting higher steel costs did not offset the reduction in sales volume.

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Net sales of electricity and natural gas to third parties by Dalmine Energie increased by 25% reflecting the continued expansion of the business and the higher value of the Euro against the US dollar. Net sales of other goods and services, which in 2003 included USD 49 million of sales of products whose sales have been discontinued, decreased 10%. Excluding such discontinued sales, net sales of other goods and services increased by 65% due primarily to the addition of sales to third parties of pre-reduced iron produced at our recently acquired Venezuelan HBI plant and increased sales of sucker rods used in oil extraction.

Cost of sales

The following table shows our cost of sales, expressed as a percentage of net sales, by business segment for the periods indicated:

Cost of sales	2004	2003
Seamless pipes	63%	64%
Welded pipes	72%	78%
Energy	95%	95%
Others	56%	79%
Total	67%	69%

The decrease in cost of sales, expressed as a percentage of net sales, resulted primarily from an improvement in the gross margin recorded on the sales of seamless pipes and higher sales of seamless pipes as a proportion of total sales.

Cost of sales for seamless pipe products, expressed as a percentage of net sales, declined from 64% to 63% as higher prices and volume-related efficiencies offset substantial increases in raw material costs.

Cost of sales for welded pipe products, expressed as a percentage of net sales, decreased to 72% from 78% due to a higher gross margin on the sale of welded pipes, the effect of which was partially compensated by higher logistics costs recorded in selling, general and administrative expenses, and the non-recurrence in 2004 of operating losses on the sales of metal structures included in this segment in 2003.

Cost of sales for energy products, expressed as a percentage of net sales, remained stable.

Cost of sales for other products, expressed as a percentage of net sales, decreased primarily due to the discontinuation of sales of low-margin, non-pipe steel products produced by third parties.

Selling, general and administrative expenses

Selling, general and administrative expenses, or SG&A, declined, as a percentage of net sales, to 16.3% in 2004, compared to 17.8% of net sales during 2003, but rose in absolute terms to USD 672.4 million from USD 566.8 million. SG&A rose in absolute terms due to higher commission, freights and other selling expenses and higher labor costs included in SG&A. Commission, freights and other selling expenses rose due to higher seamless pipe sales volumes, a higher proportion of exports in welded pipe sales volumes, and higher freight costs.

Other operating income and expenses

We recorded a gain of USD 126.8 million in 2004, compared to a loss of USD 116.8 million in 2003. The result in 2004 included a gain of USD 123.0 million recorded following the conclusion of an arbitration award, pursuant to which Fintecna, an Italian state-owned company, is required to compensate us for losses incurred in respect of litigation settled in 2003 with a consortium led by BHP Billiton Petroleum Ltd. In 2003, we recorded a loss of USD

114.2 million in respect of the litigation settlement. The pipes that gave rise to the litigation were manufactured and supplied by Dalmine S.p.A., an Italian subsidiary of Tenaris, prior to its becoming our subsidiary and Fintecna is the successor to the entity that sold Dalmine to Tenaris.

Net financial income and expenses

Net financial income totaled USD 5.8 million in 2004, compared to net financial expenses of USD 29.4 million in 2003. Net interest expenses increased to USD 32.7 million compared to USD 16.7 million in 2003, reflecting a higher net debt position and rising interest rates. However, Tenaris recorded a gain of USD 33.1 million on the fair value of its derivatives and net foreign exchange translations in 2004, compared to a loss of USD 16.2 million in 2003. This gain was due primarily to the impact of the devaluation of the US dollar against the other currencies to which we have a net foreign exchange exposure and currency hedging.

Equity in earnings of associated companies

Our share in the results of associated companies generated a gain of USD 206.0 million in 2004, compared to a gain of USD 27.6 million in 2003. This gain results predominately from our investment, held through Ylopa Serviços de

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Consultadoria Lda. (Ylopa) and Consorcio Siderurgia Amazonia Ltd. (Amazonia), in Sidor, whose results have benefited from strong global demand and prices for steel products. The gain on this investment included (I) an ordinary gain of USD 73.0 million, (II) a non-recurring gain of USD 51.9 million, following the reversal of an impairment provision recorded on our investment in Amazonia in 2003, and (III) a non-recurring gain of USD83.1 million recorded in respect of Ylopa's conversion of its convertible loan with Amazonia into equity, increasing our participation in Amazonia to 21.2% from 14.5% and our indirect participation in Sidor to 12.6% from 8.7%, and which reflects the difference between the value of the shares subsequently acquired pursuant to the conversion and the value of the loan that was converted.

Income tax

We recorded an income tax provision of USD 220.4 million during 2004, compared to USD 63.9 million in 2003. Excluding the effect of non-recurring factors, such as an adjustment on net deferred tax assets and liabilities following the reduction in the corporate income tax rate in Mexico that came into force this year, income tax provisions represented approximately 36% of income before income tax, equity in earnings of associated companies and minority interest. This compares with an equivalent rate of 40% in the previous year.

Minority interest

Minority interest showed a loss of USD 20.3 million in 2004 compared to a loss of USD 12.1 million in 2003. The subsidiaries of Tenaris in which there are significant minority interests include:

Confab Industrial S.A. (Confab), a Brazilian welded pipe manufacturer in which minority interests hold 61% of the total shares,

NKKTubes, a Japanese seamless pipe manufacturer in which minority interests hold 49% of the shares,

Tubos de Acero de Venezuela S.A., a Venezuelan seamless pipe manufacturer in which minority interests hold 30% of the shares, and

Matesi, a Venezuelan producer of pre-reduced hot briquetted iron, in which minority interests hold 49.8% of the shares.

The increased loss for minority interest in 2004 is due primarily to better results at Confab, whose results in 2003 were affected by a sharp decline in sales in the second half and losses on its sales of metallic structures, and NKKTubes, whose results reflected improved operating margins on its sales of seamless pipes.

Net income

Tenaris recorded net income of USD 784.7 million in 2004 compared to USD 210.3 million in 2003. Net income in 2004 included a one-time gain of USD 123.0 million recorded in respect of the Fintecna arbitration award and non-recurring income of USD 135.0 million in respect of our indirect equity investment in Sidor. Net income in 2003 included a loss, net of deferred income taxes, of USD 74.6 million incurred in relation to the litigation settled with the consortium led by BHP Billiton Petroleum Ltd. Excluding these gains and losses, net income in 2004 rose 85% to USD 526.7 million, compared to USD 284.9 million in 2003. In addition to higher operating income, higher equity earnings from our investment in Sidor and net financial income gains on foreign translation adjustments contributed to the improvement in net income.

Liquidity and capital resources

Our financing strategy is to maintain adequate financial resources and access to additional liquidity. During 2004, cash flows from operations and short-term borrowings were the principal sources of funding.

We believe that funds from operations and our access to external borrowing will be sufficient to satisfy our working capital needs and to service our debt in the foreseeable future. We also believe that our liquidity and capital resources give us adequate flexibility to manage our planned capital spending programs and to address shortterm changes in business conditions.

We have a conservative approach to the management of our liquidity, which consists of cash and cash equivalents, which include highly liquid short-term investments and funds allocated to the trust. We manage our liquidity using funds from operations and funds borrowed under commercial lending arrangements. We primarily used these funds to finance our working capital and capital expenditure requirements, to make acquisitions and to distribute dividends to our shareholders.

We hold money market investments and variable-rate or fixed-rate securities from investment grade issuers. In addition to cash and cash equivalents, we hold other current investments totaling USD 119.7 million, which are primarily financial resources placed in trust funds. The trusts were established in 2001 with three-year terms solely to ensure that the financial needs for the normal development of the operations of some Argentine subsidiaries were met. As from January 1, 2005 the financial resources placed in these trusts have been contributed to two wholly-owned subsidiaries (Inversiones Berna S.A. and Inversiones Lucerna S.A.).

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We concentrate our cash in major financial centers (mainly New York and London). We hold our cash and cash equivalents primarily in US dollars, and limit our holdings of other currencies to the minimum required to fund our cash operating needs. As of December 31, 2004 US dollar denominated liquid assets represented 51.2% of total liquid financial assets. In addition, 19.8% of total liquid financial assets were held in Euros (EUR) to fund payment of a EUR denominated obligation which fell due in January 2005. Liquid financial assets as a whole (excluding current investments) were 5.5% of total assets compared to 5.8% at the end of 2003. For further information on our liquidity, please see note 18 to the consolidated financial statements included elsewhere in this annual report.

Historical cash flows

The following table shows our summary cash flows for the last three years:

Thousands of U.S. dollars	For the year ended December 31,		
	2004	2003	2002
Net cash provided by operating activities	98,288	275,636	461,436
Net cash used in investing activities	(199,896)	(252,245)	(180,606)
Net cash provided by (used in) financing activities	165,010	(83,182)	(184,376)
Increase (decrease) in cash and cash equivalents	63,402	(59,791)	96,454
Effect of exchange rate changes	343	3,089	(5,732)
Cash and cash equivalents at the beginning of period	247,834	304,536	213,814
Cash and cash equivalents at the end of period	311,579	247,834	304,536

Operating activities

Net cash provided by operations during 2004 was USD 98.3 million compared to USD 275.6 million in 2003. Cash flow from operations was affected by a substantial increase in working capital of USD 621.2 million, reflecting:

an increase in inventories of USD 411.0 million, mainly due to substantial increases in raw material costs and an increase in business activity,

a net increase in trade receivables less customer advances and trade payables of USD 82.8 million, reflecting higher quarterly net sales,

and the payment of the first and second installments of the liability towards the consortium led by BHP Billiton Petroleum Ltd. (USD 116.9 million). A third and final installment on this liability of GBP 30.4 million (approximately USD 62.0 million) is due to be paid in December 2005 but we expect to receive the payment due from Fintecna of EUR 92.6 million (approximately USD 126.1 million) following the arbitration award prior to such payment.

Investing activities

Net cash used in investing activities in 2004 was USD 199.9 million, compared to USD 252.2 million in 2003. The main differences were as follows:

in 2004 we received dividends of USD 48.6 million on our indirect investments in Sidor, whereas in 2003 we made an indirect investment in Sidor in the form of a convertible loan of USD 31.1 million,

in 2004 USD 20.4 million held in trust funds was released upon the expiry of their term,

in 2004 we spent USD 183.3 million in capital expenditure compared to USD 162.6 million in 2003,

in 2004 we spent USD 97.6 million in acquisitions, including the acquisitions of controlling interests in a seamless steel pipe mill in Romania and a hot briquetted iron plant in Venezuela, compared to USD 65.3 million in 2003. Our capital expenditure is expected to increase significantly in 2005 due to a project to build a power generation facility at our mill in Italy, an acceleration of investment in finishing facilities to add capacity in high value products, and investments in Silcotub which was acquired in 2004.

Net cash provided by financing activities was USD 165.0 million in 2004, compared to net cash used in financing activities in 2003 of USD 83.2 million. The variation reflects a higher increase in borrowings (USD 300.1 million in 2004 compared to USD 45.9 million in 2003) which in turn reflects lower net cash from operations and an increase in our cash and cash equivalents of USD 63.4 million.

Principal sources of funding

Funding policies

Our policy is to maintain a high degree of flexibility in operating and investment activities by maintaining adequate liquidity levels and ensuring our access to readily available sources of financing. We base our financing decisions, including the election of type, currency, rate and term of the facility, on prevailing market conditions and the intended use of proceeds.

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Financial liabilities

Total financial debt increased by USD 425.7 million to USD 1,259.3 million from USD 833.7 million at December 31, 2003 due to an increase in borrowings, the consolidation of debt and other non-current financial liabilities acquired in investment activities and the effect of currency translation adjustments.

Our financial liabilities consist of bank loans, overdrafts, debentures and financial leases. These facilities are mainly denominated in US dollars and Euros. As of December 31, 2004 US dollar-denominated financial liabilities and Eurodenominated financial liabilities represented 42% and 36%, respectively, of total financial liabilities; in addition, a substantial proportion of our financial liabilities denominated in other currencies are swapped to the US dollar. For further information about our financial liabilities, please see note 19 to our consolidated financial statements.

The following table shows our financial liabilities as of the end of each of the last two years:

	2004	2003
Bank borrowings	903,224	572,705
Bank overdrafts	4,255	9,804
Debentures and other loans	341,701	236,437
Finance lease liabilities	10,162	14,705
Total borrowings	1,259,342	833,651

The nominal average interest rates shown below were calculated using the rates set for each instrument in its corresponding currency and weighted using the dollar-equivalent outstanding principal amount of said instruments.

	2004	2003
Bank borrowings	3.89%	2.94%
Debentures and other loans	3.48%	2.69%
Finance lease liabilities	2.99%	1.94%

The maturity of our financial liabilities is as follows:

	1 year or less	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	Over 5 years	Total
At December 31, 2004							
Financial lease	2,531	1,632	1,300	1,059	794	2,846	10,162
Other borrowings	836,060	183,460	116,543	51,660	25,158	36,299	1,249,180
Total borrowings	838,591	185,092	117,843	52,719	25,952	39,145	1,259,342

Tenaris's current debt to total debt ratio increased to 0.67 as of December 31, 2004 compared to 0.55 as of December 31, 2003. We plan to extend the average maturity of our debt during 2005.

Principal borrowings

Significant borrowings obtained in previous years include a USD 150.0 million three-year syndicated loan obtained by Tamsa in 2003 and maturing in December 2006. The most significant financial covenants under the Tamsa loan agreement are the maintenance of minimum levels of working capital, the commitment not to incur in additional indebtedness above agreed limits or pledges on certain assets and compliance with debt service ratios calculated on Tamsa's financial statements.

Borrowings include loans for an outstanding principal value of USD 201.2 million secured over certain of the properties of Dalmine and Confab. Only one of these loans has covenants, the most significant of which relate to maintenance of limited total indebtedness and compliance with debt service ratios.

In January 2005, Dalmine repaid USD 65.4 million corresponding to a 7-year Euro-denominated bullet bond recorded under current bank borrowings.

At December 31, 2004 we were in compliance with all of our financial covenants. We believe that current covenants allow us a high degree of operational and financial flexibility and do not impair our ability to obtain additional financing at competitive rates.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Tenaris S.A.

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, of cash flows and of changes in shareholders' equity present fairly, in all material respects, the financial position of Tenaris S.A. and its subsidiaries at December 31, 2004 and 2003, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2004 in conformity with International Financial Reporting Standards. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

International Financial Reporting Standards vary in certain significant respects from accounting principles generally accepted in the United States of America. Information relating to the nature and effect of such differences is presented in Note 34 to the consolidated financial statements.

Price Waterhouse & Co. S.R.L.
by

Daniel A. López Lado
(Partner)

Buenos Aires, Argentina
February 23, 2005 except as to

Notes 34 and 35 which is as of March 28, 2005

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Consolidated income statement

(all amounts in USD thousands, unless otherwise stated)	Notes	Year ended December 31,		
		2004	2003	2002
Net sales	1	4,136,063	3,179,652	3,219,384
Cost of sales	2	(2,776,936)	(2,207,827)	(2,169,228)
Gross profit		1,359,127	971,825	1,050,156
Selling, general and administrative expenses	3	(672,449)	(566,835)	(567,515)
Other operating income	5 (i)	152,591	8,859	18,003
Other operating expenses	5 (ii)	(25,751)	(125,659)	(28,767)
Operating income		813,518	288,190	471,877
Financial income (expenses), net	6	5,802	(29,420)	(20,597)
Income before equity in earnings (losses) of associated companies, income tax and minority interest		819,320	258,770	451,280
Equity in earnings (losses) of associated companies	7	206,037	27,585	(6,802)
Income before income tax and minority interest		1,025,357	286,355	444,478
Income tax	8	(220,376)	(63,918)	(207,771)
Net income before minority interest		804,981	222,437	236,707
Minority interest (1)	27	(20,278)	(12,129)	(42,881)
Net income before other minority interest		784,703	210,308	193,826
Other minority interest (2)	27			(99,522)
Net income		784,703	210,308	94,304
Weighted average number of ordinary shares in issue (thousands)	9	1,180,507	1,167,230	732,936
Basic and diluted earnings per share (USD per share)	9	0.66	0.18	0.13

-
- Minority interest represents the participation of minority shareholders of those consolidated subsidiaries not included in the exchange transaction completed on December 13, 2002 (including Confab Industrial S.A., NKKTubes K.K. and Tubos de Acero de Venezuela S.A., as well as the participation at December 31, 2002, of minority shareholders of Siderca S.A.I.C., Dalmine S.p.A. and Tubos de Acero de México S.A. that did not exchange their participation).
 - Other minority interest represents the participation of minority shareholders attributable to the exchanged shares, since January 1, 2002 until the date of the 2002 exchange offer. See note 28 (a).

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents**CONSOLIDATED BALANCE SHEET**

(all amounts in USD thousands)	Notes	At December 31, 2004		At December 31, 2003	
ASSETS					
Non-current assets					
Property, plant and equipment, net	10	2,164,601		1,960,314	
Intangible assets, net	11	49,211		54,037	
Investments in associated companies	12	99,451		45,814	
Other investments	13	24,395		23,155	
Deferred tax assets	20	161,173		130,812	
Receivables	14	151,365	2,650,196	59,521	2,273,653
Current assets					
Inventories	15	1,269,470		831,879	
Receivables and prepayments	16	374,446		165,134	
Trade receivables	17	936,931		652,782	
Other investments	18 (i)	119,666		138,266	
Cash and cash equivalents	18 (ii)	311,579	3,012,092	247,834	2,035,895
Total assets			5,662,288		4,309,548
EQUITY AND LIABILITIES					
Shareholders Equity			2,495,924		1,841,280
Minority interest	27		165,271		119,984
Non-current liabilities					
Borrowings	19	420,751		374,779	
Deferred tax liabilities	20	371,975		418,333	
Other liabilities	21 (i)	172,442		191,540	
Provisions	22 (ii)	31,776		23,333	
Trade payables		4,303	1,001,247	11,622	1,019,607
Current liabilities					
Borrowings	19	838,591		458,872	
Current tax liabilities		222,735		108,071	
Other liabilities	21(ii)	176,393		207,594	
Provisions	23(ii)	42,636		39,624	
Customers advances		127,399		54,721	
Trade payables		592,092	1,999,846	459,795	1,328,677
Total liabilities			3,001,093		2,348,284
Total equity and liabilities			5,662,288		4,309,548

Contingencies, commitments and restrictions on the distribution of profits are disclosed in Note 25.

The accompanying notes are an integral part of these consolidated financial statements.

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Consolidated statement of changes in shareholders' equity (all amounts in USD thousands)

Statutory balances according to Luxembourg Law									Total at December		
Share Capital	Legal Reserves	Share Premium	Other		Retained Earnings	Total	Currency Adjustments to IFRS	Currency translation adjustments	Retained Earnings	2004	2003
			Distributable Reserve								
1,180,288	118,029	609,269	96,555	201,480	2,205,621	(634,759)	(34,194)	304,612	1,841,280	1,694,054	
								4,174	4,174	309	
249	25	464	82		820				820	51,611	
			(96,555)	(38,498)	(135,053)				(135,053)	(115,002)	
				373,477	373,477	(373,477)		784,703	784,703	210,308	
1,180,537	118,054	609,733	82	536,459	2,444,865	(1,008,236)	(30,020)	1,089,315	2,495,924	1,841,280	

The Distributable Reserve and Retained Earnings calculated according to Luxembourg Law are disclosed in Note 25 (vi)

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents**CONSOLIDATED CASH FLOW STATEMENT**

(all amounts in USD thousands)	Notes	Year ended December 31,		
		2004	2003	2002
Cash flows from operating activities				
Net income		784,703	210,308	94,304
Depreciation and amortization	10 & 11	208,119	199,799	176,315
Provision for BHP proceeding	5 (ii) & 25 (i)		114,182	18,923
Fintecna arbitration award	25 (i)	(126,126)		
Income tax accruals less payments	31 (ii)	44,659	(138,570)	174,478
Equity in (earnings) losses of associated companies	7	(206,037)	(27,585)	6,802
Interest accruals less payments, net	31 (iii)	16,973	(3,032)	4,780
Net provisions	22 & 23	11,455	(13)	(27,473)
Power plant impairment	25 (v) (i)	11,705		
Result from disposition of investment in associated companies	5 (i)		(1,018)	
Minority interest	27	20,278	12,129	142,403
Change in working capital	31 (i)	(621,187)	(107,156)	(100,842)
Currency translation adjustment and others		(46,254)	16,592	(28,254)
Net cash provided by operating activities		98,288	275,636	461,436
Cash flows from investing activities				
Capital expenditures	10 & 11	(183,312)	(162,624)	(147,577)
Acquisitions of subsidiaries and associates, net of cash provided by business acquisitions		(97,595)	(65,283)	(15,107)
Cost of disposition of property, plant and equipment and intangible assets	10 & 11	12,054	5,965	14,427
Proceeds from sales of investments in associated companies			1,124	
Convertible loan to associated companies			(31,128)	
Dividends and distributions received from associated companies		48,598		
Acquisitions of minority interest			(299)	
Changes in trust fund		20,359		(32,349)
Net cash used in investing activities		(199,896)	(252,245)	(180,606)
Cash flows from financing activities				
Dividends paid in cash		(135,053)	(115,002)	(39,290)
Dividends paid to minority interest in subsidiaries	27	(31)	(14,064)	(41,484)
Proceeds from borrowings		676,862	590,490	425,268
Repayments of borrowings		(376,768)	(544,606)	(528,870)

Net cash provided by (used in) financing activities	165,010	(83,182)	(184,376)
Increase / (Decrease) in cash and cash equivalents	63,402	(59,791)	96,454
Movement in cash and cash equivalents			
At beginning of the year	247,834	304,536	213,814
Effect of exchange rate changes	343	3,089	(5,732)
Increase / (Decrease) in cash and cash equivalents	63,402	(59,791)	96,454
At December 31,	311,579	247,834	304,536
Non-cash financing activity			
Fair value adjustment of minority interest acquired		(925)	
Common stock issued in acquisition of minority interest	820	51,611	796,418
Conversion of debt to equity in subsidiaries	13,072		
The accompanying notes are an integral part of these consolidated financial statements.			

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Accounting policies

The following is a summary of the main accounting policies followed in the preparation of these consolidated financial statements:

A Business of the Company and basis of presentation Tenaris S.A. (the Company or Tenaris), a Luxembourg corporation (société anonyme holding), was incorporated on December 17, 2001, to hold investments in steel pipe manufacturing and distributing companies, as explained in Note 28. The Company holds, either directly or indirectly, controlling interests in various subsidiaries. A list of these holdings is included in Note 32.

At December 31, 2004, 2003 and 2002, the financial statements of Tenaris and its subsidiaries have been consolidated. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB. The Company has applied IFRS 3 for all business combinations that occurs after March 31, 2004. The consolidated financial statements are presented in thousands of U.S. dollars (USD).

Certain comparative amounts have been reclassified to conform to changes in presentation in the current year.

The preparation of consolidated financial statements requires management to make estimates and assumptions that might affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet dates, and the reported amounts of revenues and expenses during the reporting periods. Actual results may differ from these estimates.

These consolidated financial statements were approved by Tenaris 's Board of Directors on February 23, 2005.

B Group accounting

(1) Subsidiary companies

The consolidated financial statements include the financial statements of Tenaris 's subsidiary companies. Subsidiary companies are entities in which Tenaris has an interest of more than 50% of the voting rights or otherwise has the power to exercise control over their operations. Subsidiaries are consolidated from the date on which control is transferred to the Company and are no longer consolidated from the date that the Company ceases to have control. The purchase method of accounting is used to account for the acquisition of subsidiaries.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group 's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

Material intercompany transactions and balances between Tenaris 's subsidiaries have been eliminated in consolidation. However, the fact that the measurement currency of some subsidiaries is their respective local currency, generates some financial gains (losses) arising from intercompany transactions, that are included in the consolidated income statement under Financial