

TENARIS SA
Form 6-K
April 03, 2012

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 3, 2012

TENARIS, S.A.
(Translation of Registrant's name into English)

TENARIS, S.A.
29 avenue de la Porte-Neuve
3rd Floor
L-2227 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-__.

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 of Shareholders and an Extraordinary General Meeting of Shareholders and the Shareholder Meeting Brochure and Proxy Statement and the Company's 2011 annual report (which includes the Company's consolidated financial statements for the years ended December 31, 2011, 2010 and 2009 and the Company's annual accounts as at December 31, 2011, together with the independent auditors' reports and the Board of Directors' management report and certification).

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 3, 2012

Tenaris, S.A.

By: /s/ Cecilia Bilesio
Cecilia Bilesio
Corporate Secretary

Dear Tenaris Shareholder and ADR Holder,

I am pleased to invite you to attend the Annual General Meeting of Shareholders and an Extraordinary General Meeting of Shareholders of Tenaris S.A. (the “Company”), both to be held on Wednesday May 2, 2012, at 29, avenue de la Porte-Neuve, 3rd Floor, L-2227 Luxembourg. The Annual General Meeting of Shareholders will begin at 11:00 a.m. (Luxembourg time) and the Extraordinary General Meeting of Shareholders will be held immediately after the adjournment 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 operation and will be able to vote on various matters, including the approval of the Company’s financial statements, the election of the members of the board of directors and the appointment of the independent auditors. Subsequently, the Extraordinary General Meeting will resolve on the renewal of the authorized unissued share capital of the Company and related waivers and authorizations, as well as on certain proposed amendments to the Company’s articles of association, including, among others, amendments to address certain provisions in the Luxembourg Law of May 24, 2011, on the exercise of certain shareholders rights in general meetings of listed companies.

The convening notice of the meetings (including the agendas for both meetings), the Shareholder Meeting Brochure and Proxy Statement (which includes further details on voting procedures and contains reports on each item of the agendas for the Meetings and draft resolutions proposed to be adopted at the Meetings), the Company’s 2011 annual report (containing the Company’s consolidated financial statements as of and for the year ended December 31, 2011, and the Company’s annual accounts as at December 31, 2011, together with the independent auditors’ reports and the consolidated management report and certifications) and the forms required to be submitted to the Company for purposes of participating and/or voting at one or both Meetings may be obtained free of charge from the Company’s website at www.tenaris.com/investors, at the Company’s registered office in Luxembourg, or upon request (by calling +352 26-47-89-78, +1-800-555-2470, or +1-267-468-0786 or sending an electronic message to the following electronic address: investors@tenaris.com).

Even if you only own a few shares or ADRs, I hope that you will exercise your right to vote or instruct voting at both meetings. If you are a holder of shares on April 18, 2012 at 24:00 (midnight), Central European Time, you can attend and/or vote, personally or by proxy, at one or both meetings. If you are a holder of ADRs, please see the letter from The Bank of New York Mellon, the depositary bank, or contact your broker/custodian, for instructions on how to exercise the voting rights in respect of the shares underlying your ADRs.

Please note the requirements you must satisfy to attend and/or vote your shares at the meetings.

Yours sincerely,

Paolo Rocca
Chairman and Chief Executive Officer

March 30, 2012

Re: TENARIS S.A.

To: Registered Holders of American Depositary Receipts (“ADRs”) representing ordinary shares, US\$1 par value each (the “Shares”), of Tenaris S.A. (the “Company”):

The Company has announced that its Annual General Meeting of Shareholders and an Extraordinary General Meeting of Shareholders (the “Meetings”) will be held on May 2, 2012. The Annual General Meeting of Shareholders will begin at 11:00 a.m. (Luxembourg time) and the Extraordinary General Meeting of Shareholders will be held immediately after the adjournment of the Annual General Meeting of Shareholders. Both Meetings will take place at 29, avenue de la Porte-Neuve, 3rd Floor, L-2227 Luxembourg. A copy of the convening notice of the Meetings, including the agendas for both Meetings, is enclosed.

The enclosed dedicated proxy card is provided to allow you to give voting instructions in respect of the Shares underlying your ADRs. The convening notice of the Meetings (including the agendas for both Meetings), the Shareholder Meeting Brochure and Proxy Statement (including further details on voting procedures and contains reports on each item of the agendas for the Meetings and draft resolutions proposed to be adopted at the Meetings), the Company’s 2011 annual report (containing the Company’s consolidated financial statements as of and for the year ended December 31, 2011, and the Company’s annual accounts as at December 31, 2011, together with the independent auditors’ reports and the consolidated management report and certifications) may be obtained free of charge from the Company’s website at www.tenaris.com/investors, at the Company’s registered office in Luxembourg, or upon request (by calling +352 26-47-89-78, +1-800-555-2470, or +1-267-468-0786 or sending an electronic message to the following electronic address: investors@tenaris.com).

Each holder of ADRs as of April 18, 2012 (the “ADR Holders’ Record Date”) is entitled to instruct The Bank of New York Mellon, as Depositary (the “Depositary”), as to the exercise of the voting rights in respect of the Shares underlying such holder’s ADRs. Only those ADR holders of record as of the ADR Holders’ Record Date will be entitled to provide the Depositary with voting instructions.

Any eligible holder of ADRs who wishes to give voting instructions in respect of the Shares underlying its ADRs must follow the instructions and meet the deadlines set forth in the enclosed dedicated proxy card. If the Depositary receives proper instructions (i) in the case of any holder giving instructions through a written proxy card, by 5:00 p.m., New York City time, on April 26, 2012, and (ii) in the case of any holder using internet or telephone voting by 11:59 p.m., New York City time, on April 25, 2012, then the Depositary shall vote, or cause to be voted, the Shares underlying such holder’s ADRs in the manner prescribed by the instructions. However, if by the above referred deadlines, the Depositary receives no instructions from the holder of ADRs, or the instructions received by the Depositary are not in proper form, then the Depositary shall deem such holder to have instructed the Depositary to vote the Shares underlying its ADRs in favor of any proposals or recommendations of the Company (including any recommendation by the Company to vote such underlying Shares on any given issue in accordance with the majority shareholder vote on that issue) and, for these purposes, the Depositary shall issue a proxy to a person appointed by the Company to vote the Shares underlying such holder’s ADRs in favor of any such proposals or recommendations. No instruction shall be deemed given, and no proxy shall be given, with respect to any matter as to which the Company informs the Depositary that (i) it does not wish such proxy given, (ii) it has knowledge that substantial opposition exists with respect to the action to be taken at the Meeting, or (iii) the matter materially and adversely affects the rights of the holders of ADRs.

Any holder of ADRs entitled to provide the Depositary with voting instructions in respect of the Shares underlying its ADRs, is also entitled to revoke any instructions previously given to the Depositary by filing with the Depositary a

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written revocation or submitting new instructions on a later date at any time prior to the above referred deadlines. No instructions, revocations or revisions thereof shall be accepted by the Depositary after such deadlines.

REMEMBER: THE DEPOSITARY MUST RECEIVE YOUR VOTING INSTRUCTIONS (I) IN THE CASE OF ANY HOLDER GIVING INSTRUCTIONS THROUGH A WRITTEN PROXY CARD, BY 5:00 P.M., NEW YORK CITY TIME, ON APRIL 26, 2012, AND (II) IN THE CASE OF ANY HOLDER USING INTERNET OR TELEPHONE VOTING BY 11:59 P.M., NEW YORK CITY TIME, ON APRIL 25, 2012.

THE BANK OF NEW YORK MELLON

Depositary

March 30, 2012

New York, New York

Tenaris S.A.
Société Anonyme
29, avenue de la Porte-Neuve, 3rd Floor,
L-2227 Luxembourg
RCS Luxembourg B 85 203

Shareholder Meeting Brochure and Proxy Statement

Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders to be held on May 2, 2012

This Shareholder Meeting Brochure and Proxy Statement is furnished by Tenaris S.A. (the “Company”) in connection with the Annual General Meeting of Shareholders of the Company and an Extraordinary General Meeting of Shareholders of the Company (the “Meetings”) to be held on May 2, 2012, at 29, avenue de la Porte-Neuve, 3rd Floor, L-2227 Luxembourg, for the purposes set forth in the convening notice of the Meetings (the “Notice”). The Annual General Meeting of Shareholders will begin at 11:00 a.m. (Luxembourg time) and the Extraordinary General Meeting of Shareholders will be held immediately after the adjournment of the Annual General Meeting of Shareholders.

The Meetings have been convened by the Notice, which contains the agendas for both Meetings and the procedures for attending the Meetings. The Notice has been published in Luxembourg and in the markets where the shares of the Company, or other securities representing shares of the Company, are listed. A copy of the Notice may be obtained free of charge from the Company’s website at www.tenaris.com/investors, at the Company’s registered office in Luxembourg, or upon request (by calling +352 26-47-89-78, +1-800-555-2470, or +1-267-468-0786 or sending an electronic message to the following electronic address: investors@tenaris.com).

As of the date hereof, there are issued and outstanding 1,180,536,830 ordinary shares, US\$1 par value each, of the Company (the “Shares”), including the Shares (the “Deposited Shares”) deposited with various agents for THE BANK OF NEW YORK MELLON, as depositary (the “Depositary”), under the Amended and Restated Deposit Agreement, dated as of March 12, 2008 (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 two Deposited Shares). Each Share entitles the holder thereof to one vote at general meetings of shareholders of the Company.

In accordance with the Luxembourg Law of January 11, 2008, on transparency obligations for issuers of securities (the “Transparency Law”), each shareholder of the Company must notify the Company and the Luxembourg Commission de Surveillance du Secteur Financier (CSSF) on an ongoing basis whenever the proportion of the Company’s voting rights held or controlled by such shareholder (or shareholders acting in concert) reaches, exceeds or falls below any of the following thresholds: 5%, 10%, 15%, 20%, 25%, 33 1/3%, 50% and 66 2/3%. Any such notification shall be made as indicated in the Company’s website at www.tenaris.com/investors and in accordance with CSSF regulations. Failure to make such notification will cause the suspension of the exercise of voting rights relating to the Shares exceeding the proportion that should have been notified.

Holders of Shares: procedures for attending and voting at one or both Meetings

In accordance with the Luxembourg Law of May 24, 2011, on the exercise of certain rights of shareholders in general meetings of listed companies (the “Shareholders’ Rights Law”), the right to attend, speak and vote at one or both Meetings is restricted to those shareholders who are holders of Shares on April 18, 2012 at 24:00 (midnight), Central European Time (the “Shareholders’ Record Time”).

A shareholder will only be entitled to attend and/or to vote (personally or by proxy) at one or both Meetings in respect of those Shares which such shareholder duly evidences to hold at the Shareholders' Record Time. Any changes to a shareholder's holding of Shares after the Shareholders' Record Time shall be disregarded for purposes of determining the right of such shareholder to attend and/or to vote (personally or by proxy) at the Meetings.

To attend and vote (personally or by proxy) at one or both Meetings, shareholders must complete and return to the Company:

- i. the Intention to Participate Form, if you wish to attend one or both Meetings; and/or
-

- ii. the AGM/EGM Proxy Form, if you wish to vote by proxy at one or both Meetings.

A shareholder wishing to attend one or both Meetings must complete and return to the Company the Intention to Participate Form on or before the Shareholder's Record Time. A shareholder who has timely submitted the Intention to Participate Form, may elect either to (i) attend one or both Meetings and vote in person (in which case the shareholder is not required to submit the AGM/EGM Proxy Form), or (ii) be represented at one or both Meetings and vote by proxy, in which case the shareholder must also submit the AGM/EGM Proxy Form as soon as possible and in any event on or before April 24, 2012 at 24:00 (Midnight), Central European Time.

A shareholder wishing to vote by proxy at one or both Meetings may also only complete and return to the Company the AGM/EGM Proxy Form in which case the shareholder must submit the AGM/EGM Proxy Form on or before the Shareholder's Record Time.

The Shareholders' Rights Law provides that any shareholder wishing to attend and/or vote (personally or by proxy) at one or both Meetings is required to provide reasonably satisfactory evidence to the Company (prior to the Meetings) as to the number of shares of the Company held by such shareholder on the Shareholders' Record Time. Such evidence of shareholding must include at least: shareholder's name, shareholder's registered office/address, shareholder status, number of shares held by the shareholder on the Shareholders' Record Time, the stock exchange on which the shareholder's shares trade and signature of the relevant shareholder's bank or stockbroker (the "Evidence"). Shareholders need to contact their bank or stockbroker with respect to the provision of such Evidence and completion of the applicable certificate. The certificate that constitutes the Evidence of the shareholding must be completed and delivered to the Company as soon as possible and in any event on or before April 24, 2012 at 24:00 (Midnight), Central European Time.

The Intention to Participate Form (if you wish to attend one or both Meetings), the AGM/EGM Proxy Form (if you wish to be represented and vote by proxy at one or both Meetings) and the certificate that constitutes the Evidence of the shareholding may be obtained free of charge from the Company's website at www.tenaris.com/investors, at the Company's registered office in Luxembourg, or upon request (by calling +352 26-47-89-78, +1-800-555-2470, or +1-267-468-0786 or sending an electronic message to the following electronic address: investors@tenaris.com). The forms and certificates must be delivered to the Company, duly completed, by the dates indicated above, to any of the postal addresses indicated in the Notice, or by sending an electronic message to the following electronic address: investors@tenaris.com.

No admission cards will be issued to shareholders. Shareholders and their proxy holders attending one or both Meetings in person will be required to identify themselves at the respective Meeting with a valid official identification document (e.g. identity card or passport). In the event of Shares owned by a legal entity, individuals representing such entity who wish to attend one or both Meetings in person and vote at one or both Meetings on behalf of such entity, must submit –in addition to the Intention to Participate Form and the AGM/EGM Proxy Form, as indicated above– evidence of their authority to represent the shareholder at the Meetings by means of a proper document (such as a general or special power-of-attorney) issued by the respective entity. A copy of such power of attorney or other proper document must be delivered to the Company on or before April 24, 2012 at 24:00 (Midnight), Central European Time, to any of the postal addresses indicated in the Notice or by sending an electronic message to the following electronic address: investors@tenaris.com.

A shareholder's proxy holder shall enjoy the same rights to speak and ask questions at the Meetings as those afforded to the respective shareholder. A shareholder may appoint only one proxy holder to represent such shareholder at the Meetings, except that:

- i. if a shareholder holds Shares through more than one securities account, such shareholder may appoint one proxy holder for each securities account;
- ii. any shareholder acting professionally for the account of a natural person or legal entity may appoint such natural person or legal entity, or any other third party designated by them, as proxy holder.

A person acting as shareholder's proxy holder may represent one or more shareholders. In the event a person represents more than one shareholder, such proxy holder may vote the Shares of the represented shareholders differently.

Each Share is indivisible for purposes of attending and voting at the Meetings. Co-owners of Shares, beneficiaries and bare-owners of Shares, and pledgors and pledgees of pledged Shares must be represented by one single person at the Meetings.

In accordance with the Shareholders' Rights Law, shareholders holding, individually or collectively, at least five per cent (5%) of the issued Shares have the right to (a) include items on the agendas for one or both Meetings; and (b) propose draft resolutions for the items included or to be included on the agendas for one or both Meetings. To exercise such rights, shareholders holding, individually or collectively, at least five per cent (5%) of the issued shares of the Company, must submit a written request to the Company on or before April 10, 2012, to any of the postal addresses indicated in the Notice, or by sending an electronic message to the following electronic address: investors@tenaris.com. The request must be accompanied by a justification or a draft resolution proposed to be adopted at the Meeting and must include the postal or electronic address at which the Company can acknowledge receipt of such request. Requests which are not timely delivered or do not satisfy the required formalities will be discarded and the proposals included in such requests shall not be included in the agendas for the Meetings.

In accordance with the Shareholders' Rights Law, shareholders (or their proxy holders) will have the right to ask questions at the Meetings on the items of the agendas for the Meetings. The right to ask questions and the Company's duty to answer any such questions are subject to the procedures adopted by the Company to ensure the proper identification of shareholders (and their proxy holders), the good order of the Meetings, as well as the protection of confidentiality of the Company's business and the safeguarding of the Company's corporate interests.

The Meetings will appoint a chairperson pro tempore to preside the Meetings. The chairperson pro tempore will have broad authority to conduct the Meetings in an orderly and timely manner and to establish behavior rules, including rules for shareholders (or proxy holders) to speak and ask questions at the Meetings.

Holders of ADRs: procedures for voting at one or both Meetings

Holders of ADRs as of April 18, 2012 (the "ADR Holders' Record Date") are entitled to instruct the Depositary as to the exercise of the voting rights in respect of the Shares underlying such holder's ADRs. Only those ADR holders of record as of the ADR Holders' Record Date will be entitled to provide the Depositary with voting instructions.

Any eligible holder of ADRs who wishes to give voting instructions in respect of the Shares underlying its ADRs must follow the instructions and meet the deadlines set forth in the dedicated proxy card. If the Depositary receives proper instructions (i) in the case of any holder giving instructions through a written proxy card, by 5:00 p.m., New York City time, on April 26, 2012, and (ii) in the case of any holder using internet or telephone voting by 11:59 p.m., New York City time, on April 25, 2012, then the Depositary shall vote, or cause to be voted, the Shares underlying such holder's ADRs in the manner prescribed by the instructions. However, if by the above referred deadlines, the Depositary receives no instructions from the holder of ADRs, or the instructions received by the Depositary are not in proper form, then the Depositary shall deem such holder to have instructed the Depositary to vote the Shares underlying its ADRs in favor of any proposals or recommendations of the Company (including any recommendation by the Company to vote such underlying Shares on any given issue in accordance with the majority shareholder vote on that issue) and, for these purposes, the Depositary shall issue a proxy to a person appointed by the Company to vote the Shares underlying such holder's ADRs in favor of any such proposals or recommendations. No instruction shall be deemed given, and no proxy shall be given, with respect to any matter as to which the Company informs the Depositary that (i) it does not wish such proxy given, (ii) it has knowledge that substantial opposition exists with respect to the action to be taken at the Meeting, or (iii) the matter materially and adversely affects the rights of the holders of ADRs.

Any holder of ADRs entitled to provide the Depositary with voting instructions in respect of the Shares underlying its ADRs, is also entitled to revoke any instructions previously given to the Depositary by filing with the Depositary a written revocation or submitting new instructions on a later date at any time prior to the above referred deadlines. No instructions, revocations or revisions thereof shall be accepted by the Depositary after such deadlines.

Holders of ADRs maintaining non-certificated positions must follow voting instructions given by their broker or custodian bank, which may provide for earlier deadlines for submitting voting instructions than those indicated above.

Annual General Meeting of Shareholders: agenda, reports on agenda items and draft resolutions proposed to be adopted

Resolutions at the Annual General Meeting of Shareholders will be passed by the simple majority of the votes validly cast, irrespective of the number of Shares present or represented.

The Annual General Meeting of Shareholders is called to address and vote on the items of the agenda included in the Notice. The agenda for the Annual General Meeting of Shareholders, including reports on each item of the agenda and the draft resolution proposed to be adopted thereon are included below:

1. Consideration of the consolidated management report and related management certifications on the Company's consolidated financial statements as of and for the year ended December 31, 2011, and on the annual accounts as at December 31, 2011, and of the independent auditors' reports on such consolidated financial statements and annual accounts.

The consolidated management report and related management certifications on the Company's consolidated financial statements as of and for the year ended December 31 2011, and on the Company's annual accounts as at December 31, 2011, and the independent auditors' reports on such consolidated financial statements and annual accounts, are included in the Company's 2011 annual report, copies of which are available to shareholders and ADR holders as of the date of the Notice, as indicated in this Shareholder Meeting Brochure and Proxy Statement. The Company's 2011 annual report includes all the information required by article 11 of the law of May 19, 2006, implementing Directive 2004/25/EC of the European Parliament and of the Council of April 21, 2004 on takeover bids.

Draft resolution proposed to be adopted: "the Meeting resolved to acknowledge the consolidated management report and related management certifications on the Company's consolidated financial statements as of and for the year ended December 31 2011, and on the Company's annual accounts as at December 31, 2011, and the independent auditors' reports on such consolidated financial statements and annual accounts."

2. Approval of the Company's consolidated financial statements as of and for the year ended December 31, 2011.

The Company's consolidated financial statements as of and for the year ended December 31, 2011 (comprising the consolidated balance sheets and the related consolidated statements of income, of cash flows and of changes in equity and the notes to such consolidated financial statements), are included in the Company's 2011 annual report, copies of which are available to shareholders and ADR holders as of the date of the Notice, as indicated in this Shareholder Meeting Brochure and Proxy Statement.

Draft resolution proposed to be adopted: "the Meeting resolved to approve the Company's consolidated financial statements as of and for the year ended December 31, 2011".

3. Approval of the Company's annual accounts as at December 31, 2011.

The Company's annual accounts as at December 31, 2011 (comprising the balance sheet, the profit and loss account and the notes to such annual accounts) are included in the Company's 2011 annual report, copies of which are available to shareholders and ADR holders as of the date of the Notice, as indicated in this Shareholder Meeting Brochure and Proxy Statement.

Draft resolution proposed to be adopted: "the Meeting resolved to approve the Company's annual accounts as at December 31, 2011".

4. Allocation of results and approval of dividend payment for the year ended December 31, 2011.

The Company's annual accounts as at December 31, 2011 show that the Company's profit for the year 2011 amounted to US\$ 6,793,629,170.

In accordance with applicable Luxembourg law and the Company's articles of association, the Company is required to allocate 5% of its annual net income to a legal reserve, until this reserve equals 10% of the subscribed capital. As indicated in the Company's annual accounts as at December 31, 2011, the Company's legal reserve already amounts to 10% of its subscribed capital and, accordingly, the legal requirements in that respect are satisfied.

The Company's board of directors (the "Board of Directors") proposed that a dividend, payable in U.S. dollars, in the amount of US\$0.38 per share (or US\$0.76 per ADR), which represents an aggregate sum of approximately US\$449 million, be approved and that the Board of Directors be authorized to determine or amend, in its discretion, the terms and conditions of the dividend payment, including the applicable record date. This dividend would include the interim dividend of US\$0.13 per share (or US\$0.26 per ADR) paid on November 25, 2011, from profits of the nine-month period ended September 30, 2011, and, accordingly, if this dividend proposal is approved, the Company will make a dividend payment on May 24, 2012, in the amount of US\$0.25 per share (or US\$0.50 per ADR) out of profits of the year ended December 31, 2011, and the balance of the 2011 fiscal year's profits will be allocated to the Company's retained earnings account.

Draft resolution proposed to be adopted: "the Meeting resolved (i) to approve a dividend for the year ended December 31, 2011, payable in U.S. dollars on May 24, 2011, in the aggregate amount of US\$0.38 per share (or US\$0.75 per ADR), which represents an aggregate sum of approximately US\$449 million, and which includes the interim dividend of US\$0.13 per share (or US\$0.26 per ADR) paid on November 25, 2011, from profits of the nine-month period ended September 30, 2011, (ii) to authorize the Board of Directors to determine or amend, in its discretion, the terms and conditions of the dividend payment so approved, including the applicable record date, (iii) to make the dividend payment in the amount of US\$0.25 per share (or US\$0.50 per ADR), pursuant to this resolution out of profits of the year ended December 31, 2011, and (iv) to allocate the balance of the 2011 fiscal year's profits to the Company's retained earnings account".

5. Discharge of the members of the Board of Directors for the exercise of their mandate during the year ended December 31, 2011.

In accordance with the Luxembourg Law of August 10, 1915, on commercial companies (the "Commercial Companies Law"), following approval of the Company's annual accounts as at December 31, 2011, the Meeting must vote as to whether those who were members of the Board of Directors during the year ended December 31, 2011 are discharged from any liability in connection with the management of the Company's affairs during such year.

Draft resolution proposed to be adopted: "the Meeting resolved to discharge all those who were members of the Board of Directors during the year ended December 31, 2011, from any liability in connection with the management of the Company's affairs during such year."

6. Election of members of the Board of Directors.

Pursuant to article 8 of the Company's articles of association, the annual general meeting must elect a Board of Directors of not less than five and not more than fifteen members, who shall have a term of office of one year but may be reappointed. Pursuant to article 11 of the Company's articles of association and applicable securities laws and regulations, the Company must have an audit committee (the "Audit Committee") composed of three members who shall qualify as "independent directors".

The current Board of Directors consists of ten directors, three of whom (i.e., Messrs. Jaime Serra Puche, Amadeo Vázquez y Vázquez and Roberto Monti) qualify as "independent directors" under the Company's articles of association and applicable law, and are members of the Audit Committee.

It is proposed that the number of members of the Board of Directors be maintained at ten (10) and that all of the current members of the Board of Directors, namely:

Mr. Roberto Bonatti

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Mr. Carlos Condorelli
Mr. Carlos Franck
Mr. Roberto Monti
Mr. Gianfelice Mario Rocca
Mr. Paolo Rocca
Mr. Jaime Serra Puche
Mr. Alberto Valsecchi
Mr. Amadeo Vázquez y Vázquez
Mr. Guillermo Vogel

be re-appointed to the Board of Directors, each to hold office until the next annual general meeting of shareholders that will be convened to decide on the Company's 2012 annual accounts.

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

- a. Roberto Bonatti. Mr. Bonatti is a member of the Company's Board of Directors. He is a grandson of Agostino Rocca, founder of the Techint group, a group of companies controlled by San Faustin. Throughout his career in the Techint group he has been involved specifically in the engineering and construction and corporate sectors. He was first employed by the Techint group in 1976, as deputy resident engineer in Venezuela. In 1984, he became a director of San Faustin, and since 2001 he has served as its president. In addition, Mr. Bonatti currently serves as president of Tecpetrol S.A. and Techint Compañía Técnica Internacional S.A.C.I. He is also a member of the board of directors of Ternium, Siderca and Siderar S.A.I.C., or Siderar. Mr. Bonatti is an Italian citizen.
- b. Carlos Condorelli. Mr. Condorelli is a member of the Company's Board of Directors. He served as our chief financial officer from October 2002 until September 2007. He is also a board member of Ternium. He began his career within the Techint group in 1975 as an analyst in the accounting and administration department of Siderar. He has held several positions within Tenaris and other Techint group companies, including finance and administration director of Tamsa and president of the board of directors of Empresa Distribuidora La Plata S.A., or Edelap, an Argentine utilities company. Mr. Condorelli is an Argentine citizen.
- c. Carlos Franck. Mr. Franck is a member of the Company's Board of Directors. He is president of Santa María S.A.I.F. and Inverban S.A. and a member of the board of directors of Siderca, Techint Financial Corporation N.V., Techint Holdings S.à.r.l., Siderar and Tecgas N.V. He has financial planning and control responsibilities in subsidiaries of San Faustin. He serves as treasurer of the board of the Di Tella University. Mr. Franck is an Argentine citizen.
- d. Roberto Monti. Mr. Monti is a member of the Company's Board of Directors. He is member of the board of directors of Petrobras Energia. He has served as vice president of Exploration and Production of Repsol YPF and chairman and chief executive officer of YPF. He was also president of Dowell, a subsidiary of Schlumberger and president of Schlumberger Wire & Testing division for East Hemisphere Latin America. Mr. Monti is an Argentine citizen.
- e. Gianfelice Mario Rocca. Mr. Rocca is a member of the Company's Board of Directors. He is a grandson of Agostino Rocca. He is chairman of the board of directors of San Faustin, a member of the board of directors of Ternium, president of the Humanitas Group and honorary president of the board of directors of Techint Compagnia Tecnica Internazionale S.p.A. and president of Tenova S.p.A. In addition, he sits on the board of directors or executive committees of several companies, including Allianz S.p.A and Buzzi Unicem. He is vice president of Confindustria, the leading association of Italian industrialists. He is a member of the Advisory Board of Allianz Group, the Trilateral Commission and the European Advisory Board of the Harvard Business School. Mr. Rocca is an Italian citizen.
- f. Paolo Rocca. Mr. Rocca is the chairman of the Company's Board of Directors and our chief executive officer. He is a grandson of Agostino Rocca. He is also chairman of the board of directors of Tamsa. He is also the chairman of the board of directors of Ternium, a director and vice president of San Faustin, and a director of Techint Financial Corporation N.V. Mr. Rocca is a member of the International Advisory Committee of the NYSE Euronext (New York Stock Exchange). Mr. Rocca is an Italian citizen.

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Jaime Serra Puche. Mr. Serra Puche is a member of the Company's Board of Directors. He is the chairman of SAI Consultores, a Mexican consulting firm, and a member of the board of directors of Chiquita Brands International, the Mexico Fund, Grupo Vitro, Grupo Modelo and Grupo Financiero BBVA Bancomer. Mr. Serra Puche served as Mexico's Undersecretary of Revenue, Secretary of Trade and Industry, and Secretary of Finance. He led the negotiation and implementation of NAFTA. Mr. Serra Puche is a Mexican citizen.

- h. Alberto Valsecchi. Mr. Valsecchi is a member of the Company's Board of Directors. He served as our chief operating officer from February 2004 until July 2007. He joined the Techint group in 1968 and has held various positions within Tenaris and other Techint group companies. He has retired from his executive positions. He is also a member of the board of directors of San Faustin and has been elected as the chairman of the board of directors of Dalmine, a position he assumed in May 2008. Mr. Valsecchi is an Italian citizen.
- i. Amadeo Vázquez y Vázquez. Mr. Vázquez y Vázquez is a member of the Company's Board of Directors. He is an independent member of the board of directors of Gas Natural Ban S.A. He is a member of the Asociación Empresaria Argentina, of the Fundación Mediterránea, and of the Advisory Board of the Fundación de Investigaciones Económicas Latinoamericanas. He served as chief executive officer of Banco Río de la Plata S.A. until August 1997 and was also the chairman of the board of directors of Telecom Argentina S.A. until April 2007. Mr. Vázquez y Vázquez is a Spanish and Argentine citizen.
- j. Guillermo Vogel. Mr. Vogel is a member of the Company's Board of Directors. He is the vice chairman of Tamsa, the chairman of Grupo Collado S.A.B. de C.V., the vice chairman of Estilo y Vanidad S.A. de C.V. and a member of the board of directors of each of Alfa S.A.B. de C.V., the American Iron and Steel Institute, the North American Steel Council, the Universidad Panamericana and the IPADE. In addition, he is a member of the board of directors and the investment committee of the Corporación Mexicana de Inversiones de Capital and a member of the board of directors and the audit committee of HSBC (México). Mr. Vogel is a Mexican citizen.

The Board of Directors met nine times during 2011. On January 31, 2003, the Board created an Audit Committee pursuant to Article 11 of the Company's articles of association. As permitted under applicable laws and regulations, the Board does not have any executive, nominating or compensation committee, or any committees exercising similar functions.

Draft resolution proposed to be adopted: "the Meeting resolved to (i) maintain the number of members of the Board of Directors at ten; and (ii) re-appoint all of the current members of the Board of Directors to the Board of Directors, each to hold office until the next annual general meeting of shareholders that will be convened to decide on the Company's 2012 annual accounts."

7. Compensation of members of the Board of Directors.

It is proposed that each of the members of the Board of Directors receive an amount of US\$80,000 as compensation for his services during the fiscal year 2012; and it is further proposed that each of the members of the Board of Directors who are members of the Audit Committee receive an additional fee of US\$50,000 and that the Chairman of such Audit Committee receive, further, an additional fee of US\$10,000. In all cases, the proposed compensation will be net of any applicable Luxembourg social security charges.

Draft resolution proposed to be adopted: "the Meeting resolved that (i) each of the members of the Board of Directors receive an amount of US\$80,000 as compensation for his services during the fiscal year 2012; (ii) each of the members of the Board of Directors who are members of the Audit Committee receive an additional fee of US\$50,000 and; (iii) the Chairman of such Audit Committee receive, further, an additional fee of US\$10,000. In all cases, the approved compensation will be net of any applicable Luxembourg social security charges."

8. Appointment of the independent auditors for the fiscal year ending December 31, 2012, and approval of their fees.

The Audit Committee has recommended that PricewaterhouseCoopers S.à.r.l., Réviseur d'entreprises agréé (member firm of PricewaterhouseCoopers) be appointed as the Company's independent auditors for the fiscal year ending

December 31, 2012, to be engaged until the next annual general meeting of shareholders that will be convened to decide on the Company's 2012 annual accounts.

In addition, the Audit Committee has recommended the approval of the independent auditors' fees for audit, audit-related and other services to be rendered during the fiscal year ending December 31, 2012, broken-down into five currencies (Argentine Pesos, Brazilian Reais, Euro, Mexican Pesos and U.S. Dollars), up to a maximum amount for each currency equal to AR\$ 9,738,966, BR\$ 450,881, € 1,391,615, MX\$ 4,222,375 and US\$ 1,097,558.

Such fees will 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, other audit-related services, and other services rendered by the independent auditors. For information purposes, based on the exchange rate between the U.S. Dollar and each applicable other currency as of December 31, 2011, the aggregate amount of fees for audit, audit-related and other services to be rendered by the independent auditors during the fiscal year ending December 31, 2012, is equivalent to US\$5,713,829. Finally, it is proposed that the Audit Committee be authorized to approve any increase or reallocation of the independent auditors' fees as may be necessary, appropriate or desirable under the circumstances.

Draft resolution proposed to be adopted: "the Meeting resolved to (i) appoint PricewaterhouseCoopers S.à.r.l., Réviseur d'entreprises agréé (member firm of PricewaterhouseCoopers) as the Company's independent auditors for the fiscal year ending December 31, 2012, to be engaged until the next annual general meeting of shareholders that will be convened to decide on the Company's 2012 annual accounts; (ii) approve the independent auditors' fees for audit, audit-related and other services to be rendered during the fiscal year ending December 31, 2012, broken-down into five currencies (Argentine Pesos, Brazilian Reais, Euro, Mexican Pesos and U.S. Dollars), up to a maximum amount for each currency equal to AR\$ 9,738,966, BR\$ 450,881, € 1,391,615, MX\$ 4,222,375 and US\$ 1,097,558, and (iii) authorize the Audit Committee to approve any increase or reallocation of the independent auditors' fees as may be necessary, appropriate or desirable under the circumstances."

9. Authorization to the Board of Directors to cause the distribution of all shareholder communications, including its shareholder meeting and proxy materials and annual reports to shareholders, by such electronic means as is permitted by any applicable laws or regulations.

In order to expedite shareholder communications and ensure their timely delivery, it is advisable that the Board of Directors be authorized to cause the distribution of all shareholder communications, including its shareholder meeting and proxy materials and annual reports to shareholders (either in the form of a separate annual report containing financial statements of the Company and its consolidated subsidiaries or in the form of an annual report on Form 20-F or similar document, as filed with the securities authorities or stock markets) by such electronic means as are permitted or required by any applicable laws or regulations (including any interpretations thereof), including, without limitation, by posting such communication on the Company's website, or by sending electronic communications (e-mails) with attachment(s) in a widely used format or with a hyperlink to the applicable filing by the Company on the website of the above referred authorities or stock markets, or by any other existing or future electronic means of communication as is or may be permitted by any applicable laws or regulations.

Through this resolution, the Company seeks authorization under Article 16 of the Transparency Law, to give, send or supply information (including any notice or other document) that is required or authorized to be given, sent or supplied to a shareholder by the Company whether required under the articles of association or by any applicable law or any other rules or regulations to which the Company may be subject, by making such information (including any notice or other document) available on the Company's website or through other electronic means.

Draft resolution proposed to be adopted: "the Meeting resolved to authorize the Board of Directors to cause the distribution of all shareholder communications, including its shareholder meeting and proxy materials and annual reports to shareholders (either in the form of a separate annual report containing financial statements of the Company and its consolidated subsidiaries or in the form of an annual report on Form 20-F or similar document, as filed with the securities authorities or stock markets) by such electronic means as are permitted or required by any applicable laws or regulations (including any interpretations thereof), including, without limitation, by posting such communication on the Company's website, or by sending electronic communications (e-mails) with attachment(s) in a widely used format or with a hyperlink to the applicable filing by the Company on the website of the above referred authorities or stock markets, or by any other existing or future electronic means of communication as is or may be

permitted by any applicable laws or regulations.”

Extraordinary General Meeting of Shareholders: agenda, reports on agenda items and draft resolutions proposed to be adopted

The Extraordinary General Meeting of Shareholders may not validly deliberate on the proposed amendment to the Company's articles of association unless at least half of the issued share capital is present or represented. If the required quorum is not reached at the first Extraordinary General Meeting of Shareholders, a second Extraordinary General Meeting of Shareholders may be convened in accordance with the Company's articles of association and applicable law and such second Extraordinary General Meeting of Shareholders shall validly deliberate regardless of the number of shares present or represented. Resolutions at the Extraordinary General Meeting of Shareholders shall be adopted by a two-thirds majority of the votes of the shareholders present or represented.

The Extraordinary General Meeting of Shareholders is called to address and vote on the items of the agenda included in the Notice. The agenda for the Extraordinary General Meeting of Shareholders, including reports on each item of the agenda and the draft resolution proposed to be adopted thereon are included below:

1. Decision on the renewal of the authorized share capital of the Company and related authorizations and waivers by:
 - a. the renewal of the validity period of the Company's authorized share capital for a period starting on the date of the Extraordinary General Meeting of Shareholders and ending on the fifth anniversary of the date of the publication in the Mémorial of the deed recording the minutes of such meeting;
 - b. the renewal of the authorization to the Board of Directors, or any delegate(s) duly appointed by the Board of Directors, for a period starting on the date of the Extraordinary General Meeting of Shareholders and ending on the fifth anniversary of the date of the publication in the Mémorial of the deed recording the minutes of such meeting, from time to time to issue shares within the limits of the authorized share capital against contributions in cash, contributions in kind or by way of incorporation of available reserves at such times and on such terms and conditions, including the issue price, as the Board of Directors or its delegate(s) may in its or their discretion resolve;
 - c. the renewal of the authorization to the Board of Directors, for a period starting on the date of the Extraordinary General Meeting of Shareholders and ending on the fifth anniversary of the date of the publication in the Mémorial of the deed recording the minutes of such meeting, to waive, suppress or limit any pre-emptive subscription rights of shareholders provided for by law to the extent it deems such waiver, suppression or limitation advisable for any issue or issues of shares within the authorized share capital; waiver of any pre-emptive subscription rights provided for by law and related procedures;
 - d. the decision that any issuance of shares for cash within the limits of the authorized share capital shall be subject by provision of the Company's articles of association to a pre-emptive subscription rights of the then existing shareholders, except in the following cases (in which cases no pre-emptive rights shall apply):
 - i. any issuance of shares against a contribution other than in cash; and
 - ii. any issuance of shares (including by way of free shares or at discount), up to an amount of 1.5% of the issued share capital of the Company, to directors, officers, agents, employees of the Company, its direct or indirect subsidiaries, or its affiliates (collectively, the "Beneficiaries"), including without limitation the direct issuance of shares or upon the exercise of options, rights convertible into shares, or similar instruments convertible or exchangeable into shares issued for the purpose of compensation or incentive of the Beneficiaries or in relation thereto (which the Board of Directors shall be authorized to issue upon such terms and conditions as it deems fit).

- e. the acknowledgement and approval of the report of the Board of Directors in relation with the authorized share capital and the proposed authorizations to the Board of Directors with respect to any issuance of shares within the authorized share capital while suppressing any pre-emptive subscription rights of existing shareholders and related waiver; and
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- f. the amendment of article 5 “Share Capital” of the Company’s articles of association to reflect the resolutions on this item of the agenda.

Pursuant to the Company’s articles of association, the Board of Directors is authorized for a period of five years to issue Shares within the limits of the authorized share capital without shareholder approval, and any such issuances of Shares may be made without reserving preferential subscription rights to the Company’s existing shareholders in certain cases (i.e., Shares issued for consideration other than cash, Shares issued as compensation to directors, officers, agents, or employees of the Company, its subsidiaries or affiliates, and Shares issued to satisfy conversion or option rights created to provide compensation to directors, officers, agents or employees of the Company, its subsidiaries or affiliates).

Because such authorization is due to expire in 2012, it is proposed that the Extraordinary General Meeting of Shareholders approve the renewal of such authorization for an additional five-year period on the same terms and conditions and grant the related authorizations and waivers as set forth in the agenda.

The Board of Directors is of the opinion that the successful implementation and development of the Company and its group’s long term strategy will depend, among other factors, on their ability to grow through acquisitions or other investments on the best possible terms, and that the existence of the preferential subscription rights provided for by Luxembourg law for the benefit of existing shareholders will seriously reduce the flexibility of the Company to finance its operations and potential growth through issuances of Shares; in addition, the preferential subscription rights procedure contemplated by Luxembourg law would, in some cases, risk delaying increases in share capital and issuances of new Shares at times when timing may be of the essence.

Accordingly, the Board of Directors believes it to be in the Company’s best interest that the Board of Directors be authorized to negotiate and conclude acquisitions, investments, joint ventures and other transactions using Shares or rights to Shares of the Company’s capital as consideration. Similarly, the Board of Directors believes that the interest of the Company requires that maximum flexibility be granted so that the Company be able to react quickly and without delay to any suitable acquisition, investment, joint venture or other strategic proposals or projects and/or to secure financing in connection thereto by issuing or offering to issue Shares within the limits of the proposed authorization.

The Board of Directors also believes that the interest of the Company requires that the Board of Directors be authorized to issue such Shares or rights thereto either at or below market price, and including by way of incorporation of reserves, as it may be necessary or convenient in light of the facts and circumstances of the transaction in question or its strategic significance.

The Board of Directors further believes that, for the Company and its group to maximize its ability to attract and retain valuable directors, managers, officers, agent or employees, it is its best interest that the Company retain the flexibility to offer to such persons Shares or conversion, option or similar plans or incentive programs permitting the subscription of Shares in the Company either at or below market price. Such plans and programs, by serving the purpose of facilitating the recruitment or retention of key employees and executives, would enable the Company and its group to secure business opportunities, further strengthen and develop its market position and continue the implementation of the Company’s long term strategy.

Accordingly, the Board of Directors believes that issuances of Shares as compensation to, or to satisfy conversion or option rights created to provide compensation to directors, officers, agents or employees of the Company, its subsidiaries or its affiliated companies should be made by the Board of Directors upon such terms and conditions as it deems fit and without reserving pre-emptive subscription rights to existing shareholders; provided, however, that any such issuances shall be limited to 1.5% of the Company’s issued share capital from time to time.

Draft resolution proposed to be adopted: “The Meeting resolved to renew the validity period of the Company’s authorized share capital for a period starting on the date of this Meeting and ending on the fifth anniversary of the date of the publication in the Mémorial of the deed recording the minutes of this Meeting.

The Meeting resolved to renew the authorization to the Board of Directors, or any delegate(s) duly appointed by the Board of Directors, for a period starting on the date of this Meeting and ending on the fifth anniversary of the date of the publication in the Mémorial of the deed recording the minutes of this Meeting, from time to time to issue shares or rights to shares within the limits of the authorized share capital against contributions in cash, contributions in kind or by way of incorporation of available reserves at such times and on such terms and conditions, including the issue price, as the Board of Directors or its delegate(s) may in its or their discretion resolve.

The Meeting resolved to renew the authorization to the Board of Directors, for a period starting on the date of this Meeting and ending on the fifth anniversary of the date of the publication in the Mémorial of the deed recording the minutes of this Meeting, to waive, suppress or limit any pre-emptive subscription rights of shareholders provided for by law to the extent it deems such waiver, suppression or limitation advisable for any issue or issues of shares within the authorized share capital and further resolved to waive any pre-emptive subscription rights provided for by law and related procedures.

The Meeting resolved that any issuance of shares for cash within the limits of the authorized share capital shall be subject by provision of the Company's articles of association to the pre-emptive subscription rights of the then existing shareholders, except in the following cases (in which cases no pre-emptive rights shall apply):

- i. any issuance of shares (including, without limitation, the direct issuance of shares or upon the exercise of options, rights convertible into shares, or similar instruments convertible or exchangeable into shares) against a contribution other than in cash; and
- ii. any issuance of shares (including by way of free shares or at discount), up to an amount of 1.5% of the issued share capital of the Company, to directors, officers, agents, employees of the Company, its direct or indirect subsidiaries, or its affiliates (collectively, the "Beneficiaries"), including without limitation the direct issuance of shares or upon the exercise of options, rights convertible into shares, or similar instruments convertible or exchangeable into shares issued for the purpose of compensation or incentive of the Beneficiaries or in relation thereto (which the Board of Directors shall be authorized to issue upon such terms and conditions as it deems fit).

The Meeting further acknowledged and resolved to approve the report of the Board of Directors dated March 29, 2011, in relation with the authorized share capital and the proposed authorizations to the Board of Directors with respect to any issuance of shares within the authorized share capital while suppressing any pre-emptive subscription rights of existing shareholders and related waiver. Such report of the Board of Directors shall remain annexed to the present deed to be registered therewith.

The Meeting then approved the amendment of article 5 of the Company's articles of association to reflect the resolutions on this item of the agenda, so that article 5 of the Company's articles of association shall read as follows:

«Article 5. Share capital. The share capital of the Company is set at one billion one hundred and eighty million five hundred and thirty six thousand eight hundred and thirty US dollars (USD 1,180,536,830), represented by one billion one hundred and eighty million five hundred and thirty six thousand eight hundred and thirty (1,180,536,830) shares with a par value of one US dollar (USD 1) per share.

The authorized capital of the Company shall be two billion five hundred million US dollars (USD 2,500,000,000.-), including the issued share capital, represented by two billion five hundred million (2,500,000,000) shares with a par value of one US dollar (USD 1.-) per share.

The board of directors, or any delegate(s) duly appointed by the board of directors, may from time to time, for a period starting on the date of the Extraordinary General Meeting of Shareholders held on 2nd May 2012 and ending on the fifth anniversary of the date of the publication in the Mémorial of the deed recording the minutes of such Extraordinary General Meeting of Shareholders, issue shares within the limits of the authorized share capital against contributions in cash, contributions in kind or by way of incorporation of available reserves at such times and on such terms and conditions, including the issue price, as the board of directors, or its delegate(s), may in its or their discretion resolve.

The Extraordinary General Meeting of Shareholders held on 2nd May 2012 has authorised the board of directors, for a period starting on the date of such Extraordinary General Meeting of Shareholders and ending on the fifth anniversary of the date of the publication in the Mémorial of the deed recording the minutes of such Extraordinary General Meeting of Shareholders, to waive, suppress or limit any pre-emptive subscription rights of shareholders provided for by law to the extent it deems such waiver, suppression or limitation advisable for any issue or issues of shares within the authorized share capital, and has waived any pre-emptive subscription rights provided for by law and related procedures.

Notwithstanding the waiver of any preemptive subscription rights provided for by law and related procedures, by provision of the present Articles of Association, any issuance of shares within the limits of the authorized share capital shall be subject to the pre-emptive subscription rights of the then existing shareholders, except in the following cases (in which cases no pre-emptive subscription rights shall apply):

- (i) any issuance of shares (including, without limitation, the direct issuance of shares or upon the exercise of options, rights convertible into shares, or similar instruments convertible or exchangeable into shares) against a contribution other than in cash; and
- (ii) any issuance of shares (including by way of free shares or at discount), up to an amount of 1.5% of the issued share capital of the Company, to directors, officers, agents, employees of the Company, its direct or indirect subsidiaries, or its affiliates (collectively, the “Beneficiaries”), including, without limitation, the direct issuance of shares or upon the exercise of options, rights convertible into shares, or similar instruments convertible or exchangeable into shares, issued for the purpose of compensation or incentive of the Beneficiaries or in relation thereto (which the board of directors shall be authorized to issue upon such terms and conditions as it deems fit).

Any issuance of shares within the authorized share capital must be recorded by notarial deed and this Article 5 must be amended accordingly.

Each share entitles the holder thereof to cast one vote at any shareholders’ meeting, subject to applicable law.

The board of directors may authorize the issuance of bonds which may be but are not required to be, convertible into registered shares, in such denominations and payable in such monies as it shall determine in its discretion. The board of directors shall determine the type, price, interest rates, terms of issuance and repayment and any other conditions for such issues. A register of registered bonds shall be held by the Company.”

2. The amendment of article 10 “Minutes of the Board” of the Company’s Articles of Association to read as follows: “The proceedings of the board of directors shall be set forth in minutes signed by either (i) the chairman of the board of directors or the chairman of the meeting, together with the secretary of the board of directors, or (ii) a majority of the persons present at the meeting.

Copies of these minutes, or excerpts thereof, as well as any other document of the Company, may be certified by the chairman of the board of directors, the chairman of the relevant meeting, any member of the board of directors, the secretary of the board of directors, or any assistant secretary of the board of directors.”

It is proposed that article 10 of the Company’s articles of association be amended to ease the requirements in connection with the signing of minutes recording the meetings of the Board of Directors and the certification of copies of such minutes, or excerpts thereof.

Draft resolution proposed to be adopted: “The Meeting resolved to amend article 10 of the Company’s articles of association to read as follows: «The proceedings of the board of directors shall be set forth in minutes signed by either (i) the chairman of the board of directors or the chairman of the meeting, together with the secretary of the board of directors, or (ii) a majority of the persons present at the meeting.

Copies of these minutes, or excerpts thereof, as well as any other document of the Company, may be certified by the chairman of the board of directors, the chairman of the relevant meeting, any member of the board of directors, the secretary of the board of directors, or any assistant secretary of the board of directors».”

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The amendment of article 11 “Powers” of the Company’s articles of association to add the phrase “or by any two directors” at the end of the second paragraph.

It is proposed that article 11 of the Company’s articles of association be amended to provide that any two directors may delegate signatory power (and not only the entire Board of Directors, as currently provided by the articles).

Draft resolution proposed to be adopted: “The Meeting resolved to amend article 11 of the Company’s articles of association to add the phrase “or by any two directors” at the end of the second paragraph.”

4. The amendment of article 13 “Auditors” of the Company’s articles of association to read as follows: “The annual accounts of the Company shall be audited by auditors or audit firms in accordance with applicable law, appointed by the general meeting of shareholders. The general meeting shall determine their number and the term of their office which shall not exceed one (1) year. They may be reappointed and dismissed at any time.”

It is proposed that article 13 of the Company’s articles of association be amended to have the requirements in applicable law govern the appointment of the Company’s auditors.

Draft resolution proposed to be adopted: “The Meeting resolved to amend article 13 of the Company’s articles of association to read as follows: «The annual accounts of the Company shall be audited by auditors or audit firms in accordance with applicable law, appointed by the general meeting of shareholders. The general meeting shall determine their number and the term of their office which shall not exceed one (1) year. They may be reappointed and dismissed at any time».”

5. The amendment of article 15 “Date and Place” of the Company’s articles of association to delete the phrase “the city of” and replace “11:00 a.m.” with “9:30 a.m.”, on the first paragraph.

It is proposed that article 15 of the Company’s articles of association be amended to change the time at which the annual general meeting of shareholders shall meet each year by providing that it shall meet each year at 9:30 a.m., in order to provide additional time for discussions at annual general meetings.

Draft resolution proposed to be adopted: “The Meeting resolved to amend article 15 of the Company’s articles of association to delete the phrase «the city of» and replace «11:00 a.m.» with «9:30 a.m.», on the first paragraph.”

6. The amendment of article 16 “Notices of Meeting” of the Company’s articles of association to read as follows: “The board of directors shall convene all general meetings.

The convening notice for any ordinary or extraordinary general meeting shall comply with the requirements (including as to content and publicity) established by applicable law. For so long as the shares or other securities of the Company are listed on a regulated market, the notice of a general meeting of shareholders shall comply with the requirements (including as to content and publicity) and follow the customary practices in such market.”

Article 70 of the Commercial Companies Law provides that convening notices for every general meeting shall contain the agenda for the meetings and shall be published twice, with a minimum interval of eight days, and eight days before the meeting in the Mémorial and in a Luxembourg newspaper. The Company’s articles of association reflect such requirements.

The Shareholders’ Rights Law, which derogates the provisions on convening notices included in article 70 of the Commercial Companies Law, provides that convening notices for all general meetings shall be published at least thirty days before the meeting (on the Mémorial, in one Luxembourg newspaper and through media of effective dissemination) and indicates the information, in addition to the agenda for the meetings, that must be included in convening notices to general meetings.

Accordingly, it is proposed that article 16 of the Company’s articles of association be amended to eliminate the provisions on convening notices of article 70 of the Commercial Companies Law, and adapt the articles to the provisions of the Shareholders’ Rights Law (or any other law that may introduced in the future) on notices for general meetings.

Draft resolution proposed to be adopted: “The Meeting resolved to amend article 16 of the Company’s articles of association to read as follows: «The board of directors shall convene all general meetings.

The convening notice for any ordinary or extraordinary general meeting shall comply with the requirements (including as to content and publicity) established by applicable law. For so long as the shares or other securities of the Company are listed on a regulated market, the notice of a general meeting of shareholders shall comply with the requirements (including as to content and publicity) and follow the customary practices in such market».”

7. The amendment of article 17 “Admission” of the Company’s articles of association to read as follows: “Admission to a general meeting of shareholders shall be governed by applicable Luxembourg law and the present Articles of Association. For as long as the shares or other securities of the Company are listed on a regulated market within the European Union, participation in a general meeting shall inter alia be subject to the relevant shareholder holding shares of the Company on the fourteenth day (14th) midnight central European time prior to the meeting (unless otherwise provided for by applicable law).

The board of directors may determine other conditions that must be satisfied by shareholders in order to participate in a general meeting in person or by proxy, including with respect to deadlines for submitting supporting documentation to or for the Company.”

Article 17 of the Company’s articles of association provides, among other things, that shareholders holding shares of the Company on the fifth calendar day preceding the general meeting shall be admitted to, and may vote at, the meeting; and indicate that shareholders who sold their shares between the record date and the date of the meeting may not attend or vote at the meeting. In addition, article 17 of the Company’s articles of association includes, among other provisions, the requirements for shareholders to participate and/or vote their shares at the meetings.

The Shareholders’ Rights Law provides that the rights of a shareholder to participate and vote in a general meeting shall be determined with respect to the shares held by such shareholder at midnight (Luxembourg time) on the fourteenth day prior to the relevant meeting. It further provides that the rights of a shareholder to sell or otherwise transfer its shares during the period between the record date and the relevant meeting may not subject to any restriction to which they are not subject at other times.

In addition, the Shareholders’ Rights Law regulates shareholders’ rights to participate and vote (personally or by proxy) at the meetings and sets forth the requirements that shareholders must satisfy to exercise such rights.

Accordingly, it is proposed that article 17 of the Company’s articles of association be amended to adapt the articles to the provisions of the Shareholders’ Rights Law (or any other law that may be introduced in the future) on determination of the record date and requirements to participate and/or vote at a general meeting.

Draft resolution proposed to be adopted: “The Meeting resolved to amend article 17 of the Company’s articles of association to read as follows: «Admission to a general meeting of shareholders shall be governed by applicable Luxembourg law and the present Articles of Association. For as long as the shares or other securities of the Company are listed on a regulated market within the European Union, participation in a general meeting shall inter alia be subject to the relevant shareholder holding shares of the Company on the fourteenth day (14th) midnight central European time prior to the meeting (unless otherwise provided for by applicable law).

The board of directors may determine other conditions that must be satisfied by shareholders in order to participate in a general meeting in person or by proxy, including with respect to deadlines for submitting supporting documentation to or for the Company».”

8. The amendment of article 19 “Vote and Minutes” of the Company’s articles of association to read as follows: “Subject to applicable law, resolutions at ordinary general meetings will be passed by the simple majority of the votes validly cast, irrespective of the number of shares present or represented.

Extraordinary general meetings may not validly deliberate on proposed amendments to the Articles of Association unless at least half of the issued share capital is represented, unless otherwise provided for by applicable law. If the

required quorum is not reached at a first meeting, a second meeting may be convened in accordance with the present Articles of Association and applicable law and such second meeting shall validly deliberate regardless of the number of shares represented.

Resolutions as to amendments to the Articles of Association shall be adopted by two-thirds majority of the votes validly cast, unless otherwise provided for by applicable law.

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.

To the extent that no shareholder requests a full account of the voting at the general meeting, the Company may establish the voting results only to the extent needed to ensure that the required majority is reached for each matter submitted to the general meeting.

Minutes of the general meetings shall be signed by the members of the bureau of the meeting. Copies or excerpts of the minutes may be certified by the chairman of the board of directors, the chairman of the relevant meeting, any member of the board of directors, the secretary of the board of directors, or any assistant secretary of the board of directors.”

Article 67-1(2) of the Commercial Companies Law provides that an extraordinary general meeting convened to amend the articles of association may not validly deliberate unless at least half of the issued share capital is represented; and that, in the event the quorum is not met, a second meeting may be convened by notices published twice, with a minimum interval of fifteen days, and fifteen days before the meeting in the Mémorial and in two Luxembourg newspapers.

The Company's articles of association reflect, and strengthen, the requirements of article 67-1(2) of the Commercial Companies Law, providing that a notice convening a second extraordinary general meeting must be published twice, with a minimum interval of twenty days, and twenty days before the meeting, and must also be published in newspapers of the jurisdictions where the securities of the Company are traded.

The Shareholders' Rights Law provides that if a new convening notice is required because of lack of quorum at the first meeting, the new convening notice must be published at least seventeen days before the meeting. In addition, the Shareholders' Rights Law provides that the articles of association may provide that where no shareholder requests a full account of the voting at a general meeting, it shall be sufficient to establish the voting results only to the extent needed to ensure that the required majority is reached for each matter submitted to a vote.

Accordingly, it is proposed that article 19 of the Company's articles of association be amended to adapt the articles to the provisions of the Shareholders' Rights Law on publication of on convening notices to a second meeting and to incorporate the permitted flexibility on vote counting. It is further proposed that the provisions on signing of minutes recording the meetings of the general meeting and certification of copies of such minutes, or excerpts thereof, be made consistent with the language in the proposed revised article 10 of the Company's articles of association providing for execution of minutes, and certification of copies and excerpts, of the meetings of the Board of Directors.

Draft resolution proposed to be adopted: "The Meeting resolved to amend article 17 of the Company's articles of association to read as follows: «Subject to applicable law, resolutions at ordinary general meetings will be passed by the simple majority of the votes validly cast, irrespective of the number of shares present or represented.

Extraordinary general meetings may not validly deliberate on proposed amendments to the Articles of Association unless at least half of the issued share capital is represented, unless otherwise provided for by applicable law. If the required quorum is not reached at a first meeting, a second meeting may be convened in accordance with the present Articles of Association and applicable law and such second meeting shall validly deliberate regardless of the number of shares represented.

Resolutions as to amendments to the Articles of Association shall be adopted by two-thirds majority of the votes validly cast, unless otherwise provided for by applicable law.

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.

To the extent that no shareholder requests a full account of the voting at the general meeting, the Company may establish the voting results only to the extent needed to ensure that the required majority is reached for each matter submitted to the general meeting.

Minutes of the general meetings shall be signed by the members of the bureau of the meeting. Copies or excerpts of the minutes may be certified by the chairman of the board of directors, the chairman of the relevant meeting, any member of the board of directors, the secretary of the board of directors, or any assistant secretary of the board of directors»."

9. The amendment of title V “Financial Year, Distribution of Profits” of the Company’s articles of association to replace its title by “Financial Year, Distributions.”

It is proposed that the title in title V of the Company’s articles of association be amended to replace the reference to “Distribution of Profits” by the broader reference to “Distributions”, given that title V of the Company’s articles of association apply to all kinds of distributions.

Draft resolution proposed to be adopted: “The Meeting resolved to amend title V of the Company’s articles of association to replace its title by «Financial Year, Distributions».”

10. The amendment of article 20 “Financial Year” to replace the last paragraph to read as follows: “Copy of the annual accounts, the auditor’s report on such annual accounts and such other documents required by law shall be made available to shareholders in compliance with applicable law.”

Article 20 of the Company’s articles of association provides that the annual accounts and related auditors’ report must be made available to shareholders on the Company’s registered office twenty days before the relevant annual general meeting of shareholders.

The Shareholders’ Rights Law provides that the documents to be submitted to the general meeting, which include the annual report required by the Transparency Law, must be made available to shareholders, on the Company’s website, as of the date of publication of the convening notice.

Accordingly, it is proposed that article 20 of the Company’s articles of association be amended to adapt the articles to the provisions of the Shareholders’ Rights Law (or other on availability of documentation to shareholders in connection with the general meetings.

Draft resolution proposed to be adopted: “The Meeting resolved to amend article 20 of the Company’s articles of association to read as follows: «Copy of the annual accounts, the auditor’s report on such annual accounts and such other documents required by law shall be made available to shareholders in compliance with applicable law».”

11. The amendment of article 21 “Distribution of Profits” of the Company’s articles of association to (i) replace its title by “Distributions”; and (ii) amend article 21 to read as follows: “The surplus after deduction of charges and amortizations represents the net profit at the disposal of the general meeting for free allocation.

The board of directors may initiate dividend installments out of profits, share premium or any other available reserves, in accordance with applicable law.

Dividends or other distributions decided by the general meeting as well as interim dividends or other distributions for the current financial year decided by the board of directors in accordance with the law, are paid at the periods and places fixed by the board of directors.

The Company may be discharged of its obligation in respect of such distributions by transferring funds to a depositary having as principal activity the operation of a settlement system in relation to transactions on securities, dividends, interest, matured capital or other matured monies of securities or of other financial instruments being handled through the system of such depositary. Said depositary shall distribute these funds to his depositors according to the amount of securities or other financial instruments recorded in their name.”

It is proposed that article 21 of the Company’s articles of association be amended to indicate that the Board of Directors may initiate dividends instalments out of profits, share premium or any other available reserves; and to include the broader reference to “other distributions” when reference is made to dividends, given that article 21 of the Company’s articles of association apply to all kinds of distributions. In addition, it is proposed that the last paragraph of article 21 of the Company’s articles of association be rephrased to make it clearer.

Draft resolution proposed to be adopted: “The Meeting resolved to amend article 21 of the Company’s articles of association to (i) replace its title by «Distributions»; and (ii) amend article 21 to read as follows: «The surplus after deduction of charges and amortizations represents the net profit at the disposal of the general meeting for free allocation.

The board of directors may initiate dividend installments out of profits, share premium or any other available reserves, in accordance with applicable law.

Dividends or other distributions decided by the general meeting as well as interim dividends or other distributions for the current financial year decided by the board of directors in accordance with the law, are paid at the periods and places fixed by the board of directors.

The Company may be discharged of its obligation in respect of such distributions by transferring funds to a depositary having as principal activity the operation of a settlement system in relation to transactions on securities, dividends, interest, matured capital or other matured monies of securities or of other financial instruments being handled through the system of such depositary. Said depositary shall distribute these funds to his depositors according to the amount of securities or other financial instruments recorded in their name».”

* * * * *

The Company expects that the Extraordinary General Meeting of Shareholders to be held immediately after the adjournment of the Annual General Meeting of Shareholders will approve the proposed amendment to the Company's articles of association to change the time for holding the Annual General Meeting of Shareholders. Accordingly, the Company anticipates that the next Annual General Meeting of Shareholders, that will be convened to decide on the Company's 2012 annual accounts, would be held on May 1, 2013, at 9:30 a.m. (Luxembourg time).

In accordance with the Shareholders' Rights Law, shareholders holding, individually or collectively, at least five per cent (5%) of the issued Shares have the right to (a) include items on the agendas for the next Annual General Meeting of Shareholders, that will be convened to decide on the Company's 2012 annual accounts; and (b) propose draft resolutions for the items included or to be included on the agenda for the next Annual General Meeting of Shareholders, that will be convened to decide on the Company's 2012 annual accounts. To exercise such rights, shareholders holding, individually or collectively, at least five per cent (5%) of the issued shares of the Company, must submit a written request to the Company on or before April 9, 2013, satisfying the requirements of the Shareholders' Rights Law.

PricewaterhouseCoopers S.à.r.l., Réviseur d'entreprises agree (member firm of PricewaterhouseCoopers) are the Company's independent auditors. A representative of the independent auditors will be present at the Annual General Meeting of Shareholders to respond to questions.

Cecilia Bilesio
Secretary to the Board of Directors

TENARIS S.A.
ANNUAL REPORT 2011

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company profile

Tenaris is a leading supplier of tubes and related services for the world's energy industry and certain other industrial applications. Our mission is to deliver value to our customers through product development, manufacturing excellence and supply chain management. We seek to minimize risk for our customers and help them reduce costs, increase flexibility and improve time-to-market. Our employees around the world are committed to continuous improvement by sharing knowledge across a single global organization.

Letter From The Chairman

Dear Shareholders,

2011 was a good year for Tenaris, in terms of operating performance, financial results and positioning. I will start with a very important indicator for our operations: safety.

Our safety indicators showed an average 15% improvement in 2011 compared to 2010. We will continue to work to reduce accidents in our operations and are introducing a new safety-focused program in all of our plants and yards around the world. I am optimistic that this new program will have an impact even during this current year and that our indicators will continue to improve.

Similarly, we are working to improve our environmental performance through reducing energy consumption and CO₂ emissions per unit of production. We are active participants in a program promoted by the World Steel Association to disclose CO₂ emissions data on an industry equivalent basis. Although our mix of products is becoming more complex, we are making progress towards reducing our emissions and energy intensity as a result of an energy savings program we introduced two years ago.

Our operating and financial results improved. Net sales rose by 29% year on year to \$10 billion, with increases in each of our three operating segments. EBITDA rose by 22% to \$2.4 billion. Our operating margins were marginally lower but ended the year on an improving trend, reflecting product mix improvements and a more stable raw material environment. Earnings per ADS rose 18% to \$2.26 and we are proposing a 12% increase to the dividend for the year.

We have increased our investment in the development of new products and in our network of technical sales specialists who support our customers with their detailed knowledge of material selection and field applications. Our customers increasingly appreciate the difference that we bring with our people and technology.

Dopeless® technology is gaining traction, with six million feet already installed worldwide, as customers take note of the various benefits it brings, particularly in offshore, cold and environmentally sensitive operations. Sales of Dopeless® products rose by 45% year on year and will continue to grow strongly.

We are designing a new series of premium connections - Wedge Series 600™ - which will combine the benefits of our established Wedge premium connection technology with the exceptional performance required by the most complex drilling applications. The first connection in the new range has been developed for use in complex shale plays and was successfully used in the Eagle Ford shale in the United States.

We completed the investment in our new rolling mill in Veracruz where production has been increasing month by month. In the past two years, we have invested \$1.7 billion in this and other investments designed to increase our capacity to produce differentiated products as well as to improve the cost competitiveness and environmental performance of our global industrial system. We will continue to invest further to improve the industrial performance of our facilities and in the development of new products.

The market for premium OCTG products grew more than the overall market for OCTG in 2011. We estimate that this trend will continue, driven by strong growth in deepwater and unconventional drilling as well as in complex conventional gas drilling in areas like the Middle East. We are well placed to maintain our leading market position.

In the United States, we are closely following our customers as they switch drilling operations from gas shale plays, like the Haynesville, to liquid-rich and oil plays, such as Eagle Ford, and resume drilling in the Gulf of Mexico. In Canada, where we have a strong local presence, investment in thermal drilling projects has been accelerating. In

Mexico, we have renewed our just-in-time contract with Pemex for a further five years.

In Colombia, the government recently imposed anti-dumping measures against the import of Chinese seamless OCTG products, joining the United States, Canada, the European Union and Indonesia, which have all imposed similar restrictions. As this market grows, we are investing in our local industrial and service facilities to provide a full range of services for the Colombian oil industry.

In Brazil, where our sales increased 63% in 2011, we are making several investments to strengthen our position as a supplier of equipment and services for the fast-growing offshore market. These include the revamping of our industrial facility, the building of an R&D center in the Isla da Fundao (RJ), which will be focused on developing products for deepwater applications, and investing in Usiminas to obtain many of the benefits of upstream integration with our principal raw material supplier. In addition, we are pursuing a tender offer to buy out the shares we do not own and delist our Confab subsidiary.

In the Eastern Hemisphere, our move to establish a regional headquarters closer to our customers is bringing results. Sales to oil and gas customers increased throughout the region in 2011 except in North Africa. As we continue to implement our strategy of increasing local service and content, we have increased production at our premium threading facility in Saudi Arabia, acquired a participation in a Nigerian pipe coating operation, built a state-of-the-art service yard in Ploiesti, Romania to manage pipe supply and inventories for OMV Petrom's operations, and recently opened a service base in Basra to support customers in Iraq.

We see that energy customers are increasing their investments all over the world in complex projects to meet growing global demand for energy. This is a favorable environment for a company like Tenaris and allows us to look forward with confidence.

Our focus will be on execution: in product development, in capital investments, in operational efficiency, in safety and environmental performance, in the delivery of products and services that meet the requirements of our customers.

We made good progress in 2011 and we will continue to work to strengthen all aspects of our competitive positioning in the coming years. I would like to thank our employees for the commitment and dedication they have shown in their daily tasks and who have all contributed to these results. I would also like to express my thanks to our customers, suppliers and shareholders for their continuous support and confidence in Tenaris.

March 30, 2012

Paolo Rocca

Management Report

CERTAIN DEFINED TERMS

Unless otherwise specified or if the context so requires:

References in this annual report to “the Company” refer exclusively to Tenaris S.A., a Luxembourg public limited liability company (société anonyme).

References in this annual report to “Tenaris”, “we”, “us” or “our” refer to Tenaris S.A. and its consolidated subsidiaries. See Accounting Policies A, B and L to our audited consolidated financial statements included in this annual report.

References in this annual report to “San Faustin” refer to San Faustin S.A. (formerly known as San Faustin N.V.), a Luxembourg public limited liability company (société anonyme) and the Company’s controlling shareholder.

“Shares” refers to ordinary shares, par value \$1.00, of the Company.

“ADSs” refers to the American Depositary Shares, which are evidenced by American Depositary Receipts, and represent two Shares each.

“tons” refers to metric tons; one metric ton is equal to 1,000 kilograms, 2,204.62 pounds, or 1.102 U.S. (short) tons.

“billion” refers to one thousand million, or 1,000,000,000.

“U.S. dollars”, “US\$”, “USD” or “\$” each refers to the United States dollar.

PRESENTATION OF CERTAIN FINANCIAL AND OTHER INFORMATION

Accounting Principles

We prepare our consolidated financial statements in conformity with International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the European Union, or IFRS.

We publish consolidated financial statements expressed in U.S. dollars. Our consolidated financial statements included in this annual report are those as of December 31, 2011 and 2010, and for the years ended December 31, 2011, 2010 and 2009.

Rounding

Certain monetary amounts, percentages and other figures included in this annual report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This annual report and any other oral or written statements made by us to the public may contain “forward-looking statements”. Forward looking statements are based on management’s current views and assumptions and involve known and unknown risks that could cause actual results, performance or events to differ materially from those

expressed or implied by those statements.

We use words such as “aim”, “will likely result”, “will continue”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “show”, “pursue”, “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe” and words and terms of similar substance to identify forward-looking statements, but they are not the only way we identify such statements. This annual report contains forward-looking statements, including with respect to certain of our plans and current goals and expectations relating to Tenaris’s future financial condition and performance. Sections of this annual report that by their nature contain forward-looking statements include, but are not limited to, “Business Overview”, “Principal Risks and Uncertainties”, and “Operating and Financial Review and Prospects”. In addition to the risks related to our business discussed under “Principal Risks and Uncertainties”, other factors could cause actual results to differ materially from those described in the forward-looking statements. These factors include, but are not limited to:

our ability to implement our business strategy or to grow through acquisitions, joint ventures and other investments;

the competitive environment and our ability to price our products and services in accordance with our strategy;

trends in the levels of investment in oil and gas exploration and drilling worldwide;

general macroeconomic and political conditions in the countries in which we operate or distribute pipes; and

our ability to absorb cost increases and to secure supplies of essential raw materials and energy.

By their nature, certain disclosures relating to these and other risks are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses that may affect our financial condition and results of operations could differ materially from those that have been estimated. You should not place undue reliance on the forward-looking statements, which speak only as of the date of this annual report. Except as required by law, we are not under any obligation, and expressly disclaim any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

Leading indicators

	2011	2010	2009
SALES VOLUMES (thousands of tons)			
Tubes-Seamless	2,613	2,206	1,970
Tubes-Welded	881	744	346
Tubes-Total	3,494	2,950	2,316
Projects-Welded	267	170	334
Total –Tubes+Projects	3,761	3,120	2,650
PRODUCTION VOLUMES (thousands of tons)			
Tubes-Seamless	2,683	2,399	1,770
Tubes-Welded	847	772	249
Tubes-Total	3,530	3,171	2,019
Projects-Welded	249	230	291
Total –Tubes+Projects	3,779	3,401	2,310
FINANCIAL INDICATORS (millions of \$)			
Net sales	9,972	7,712	8,149
Operating income	1,895	1,574	1,814
EBITDA (1)	2,449	2,013	2,318
Net income	1,421	1,141	1,208
Cash flow from operations	1,283	871	3,064
Capital expenditures	863	847	461
BALANCE SHEET (millions of \$)			
Total assets	14,864	14,364	13,483
Total borrowings	931	1,244	1,447
Net financial debt/ (cash) (2)	(324)	(276)	(676)
Total liabilities	3,691	3,814	3,762
Shareholders' equity including non-controlling interests	11,173	10,551	9,721
PER SHARE / ADS DATA (\$ PER SHARE / PER ADS)(3)			
Number of shares outstanding (4) (thousands of shares)	1,180,537	1,180,537	1,180,537
Earnings per share	1.13	0.95	0.98
Earnings per ADS	2.26	1.91	1.97
Dividends per share (5)	0.38	0.34	0.34
Dividends per ADS (5)	0.76	0.68	0.68
ADS Stock price at year-end	37.18	48.98	42.65
Number of employees (4)	26,980	25,422	22,591

1. Defined as operating income plus depreciation, amortization and impairment charges/(reversals).

2. Defined as borrowings less cash and cash equivalents and other current investments.

3. Each ADS represents two shares.

4. As of December 31.

5. Proposed or paid in respect of the year.

Information on Tenaris

The Company

Our holding company's legal and commercial name is Tenaris S.A. The Company was established as a public limited liability company (société anonyme) organized under the laws of the Grand Duchy of Luxembourg. The Company's registered office is located at 29 avenue de la Porte-Neuve, 3rd Floor, L-2227, Luxembourg, telephone (352) 2647-8978.

Tenaris S.A. has no branches. For information on Company's subsidiaries, see note 31 "Principal subsidiaries" to our audited consolidated financial statements included in this annual report.

Overview

We are a leading global manufacturer and supplier of steel pipe products and related services for the world's energy industry and for other industrial applications. Our customers include most of the world's leading oil and gas companies as well as engineering companies engaged in constructing oil and gas gathering, transportation, processing and power generation facilities. Our principal products include casing, tubing, line pipe, and mechanical and structural pipes.

Over the last two decades, we have expanded our business globally through a series of strategic investments. We now operate an integrated worldwide network of steel pipe manufacturing, research, finishing and service facilities with industrial operations in the Americas, Europe, Asia and Africa and a direct presence in most major oil and gas markets.

Our mission is to deliver value to our customers through product development, manufacturing excellence, and supply chain management. We seek to minimize risk for our customers and help them reduce costs, increase flexibility and improve time-to-market. Our employees around the world are committed to continuous improvement by sharing knowledge across a single global organization.

History and Development of Tenaris

Tenaris began with the formation of Siderca S.A.I.C., or Siderca, the sole Argentine producer of seamless steel pipe products, by San Faustin's predecessor in Argentina in 1948. We acquired Siat, an Argentine welded steel pipe manufacturer, in 1986. We grew organically in Argentina and then, in the early 1990s, began to evolve beyond this initial base into a global business through a series of strategic investments. These investments included the acquisition, directly or indirectly, of controlling or strategic interests in the following companies:

Tubos de Acero de México S.A., or Tamsa, the sole Mexican producer of seamless steel pipe products (June 1993);

Dalmine S.p.A., or Dalmine, a leading Italian producer of seamless steel pipe products (February 1996);

Tubos de Acero de Venezuela S.A., or Tavsas, the sole Venezuelan producer of seamless steel pipe products (October 1998)¹;

Confab Industrial S.A., or Confab, the leading Brazilian producer of welded steel pipe products (August 1999); on March 22, 2012, we launched a delisting tender offer to acquire all of the ordinary and preferred shares held by the public in Confab (for more information on the Confab delisting, see "Recent Developments – Tenaris agrees to pursue delisting tender offer for Confab's shares");

NKK Tubes, a leading Japanese producer of seamless steel pipe products (August 2000);

Algoma Tubes Inc., or Algoma Tubes, the sole Canadian producer of seamless steel pipe products (October 2000);

S.C. Silcotub S.A., or Silcotub, a leading Romanian producer of seamless steel pipe products (July 2004);

Maverick Tube Corporation, or Maverick, a leading North American producer of welded steel pipe products with operations in the U.S., Canada and Colombia (October 2006);

¹ In 2009, the Venezuelan government announced the nationalization of Tavsá. For more information on the Tavsá nationalization process, see note 32 “Processes in Venezuela-Nationalization of Venezuelan Subsidiaries” to our consolidated financial statements included in this annual report.

Hydril Company, or Hydril, a leading North American manufacturer of premium connection products for oil and gas drilling production (May 2007);

Seamless Pipe Indonesia Jaya, or SPIJ, an Indonesian OCTG processing business with heat treatment and premium connection threading facilities (April 2009);

Pipe Coaters Nigeria Ltd, the leading company in the Nigerian coating industry (November 2011);

Usiminas, where through our subsidiary Confab, we hold an interest representing 5.0% of the shares with voting rights and 2.5% of the total share capital (January 2012); and

a sucker rod business, in Campina, Romania (February 2012).

In addition, we have established a global network of pipe finishing, distribution and service facilities with a direct presence in most major oil and gas markets and a global network of research and development centers.

Business Overview

Our business strategy is to continue expanding our operations worldwide and further consolidate our position as a leading global supplier of high-quality tubular products and services to the energy and other industries by:

pursuing strategic investment opportunities in order to strengthen our presence in local and global markets;

expanding our comprehensive range of products and developing new high-value products designed to meet the needs of customers operating in increasingly challenging environments;

securing an adequate supply of production inputs and reducing the manufacturing costs of our core products; and

enhancing our offer of technical and pipe management services designed to enable customers to optimize their selection and use of our products and reduce their overall operating costs.

Pursuing strategic investment opportunities and alliances

We have a solid record of growth through strategic investments and acquisitions. We pursue selective strategic investments and acquisitions as a means to expand our operations and presence in selected markets, enhance our global competitive position and capitalize on potential operational synergies. Our track record on companies' acquisitions is described above (See "History and Development of Tenaris").

Developing high-value products

We have developed an extensive range of high-value products suitable for most of our customers' operations using our network of specialized research and testing facilities and by investing in our manufacturing facilities. As our customers expand their operations, we seek to supply high-value products that reduce costs and enable them to operate safely in increasingly challenging environments.

Securing inputs for our manufacturing operations

We seek to secure our existing sources of raw material and energy inputs, and to gain access to new sources, of low-cost inputs which can help us maintain or reduce the cost of manufacturing our core products over the long term.

Enhancing our offer of technical and pipe management services

We continue to enhance our offer of technical and pipe management services for our customers worldwide. Through the provision of these services, we seek to enable our customers to optimize their operations, reduce costs and to concentrate on their core businesses. They are also intended to differentiate us from our competitors and further strengthen our relationships with our customers worldwide through long-term agreements.

Our Competitive Strengths

We believe our main competitive strengths include:

our global production, commercial and distribution capabilities, offering a full product range with flexible supply options backed up by local service capabilities in important oil and gas producing and industrial regions around the world;

our ability to develop, design and manufacture technologically advanced products;

our solid and diversified customer base and historic relationships with major international oil and gas companies around the world, and our strong and stable market shares in the countries in which we have manufacturing operations;

our proximity to our customers;

our human resources around the world with their diverse knowledge and skills;

our low-cost operations, primarily at state-of-the-art, strategically located production facilities with favorable access to raw materials, energy and labor, and 50 years of operating experience; and

our strong financial condition.

Business Segments

Our business is organized in two major business segments: Tubes and Projects, which are also the reportable operating segments.

In identifying our reportable operating segments, we consider not only the nature of our products and services, the economic characteristics and financial effects of each business activities in which we engage and their related economic environment, but also factors such as the nature of the production processes, the type or class of customer for the products and services and the method used to distribute the products or provide the related services.

The Tubes segment includes the production and sale of both seamless and welded steel tubular products and related services mainly for the oil and gas industry, particularly oil country tubular goods (OCTG) used in drilling operations, and for other industrial applications with production processes that consist in the transformation of steel into tubular products. Business activities included in this segment are mainly dependent on the oil and gas industry worldwide, as this industry is a major consumer of steel pipe products, particularly OCTG used in drilling activities. Demand for steel pipe products from the oil and gas industry has historically been volatile and depends primarily upon the number of oil and natural gas wells being drilled, completed and reworked, and the depth and drilling conditions of these wells. Sales are generally made to end users, with exports being done through a centrally managed global distribution network and domestic sales made through local subsidiaries.

The Projects segment includes the production and sale of welded steel pipe products mainly used in the construction of major pipeline projects for the transportation of gas and fluids with a production process that consists in the transformation of steel into large diameter welded tubular products, including submerged arc welding, or SAW, process and specific coating for most of the products. Pipeline projects are typically spread along hundreds of kilometers and are subject to specific government policies and other regulations. Accordingly, this business depends to a large extent on the number of active pipeline projects (and not on the level of drilling activity), particularly in the

South American regional market, which is the region from which most revenues in this segment are derived. To a significant extent, products are distributed directly to end customers through local subsidiaries. Orders are generally for significant volumes of product and require deliveries over an extended period of time.

The Other segment includes all other business activities and operating segments that are not required to be separately reported, including the production and selling of sucker rods, welded steel pipes for electric conduits, industrial equipment and raw materials that exceed our internal requirements.

Our Products

Our principal finished products are seamless and welded steel casing and tubing, line pipe and various other mechanical and structural steel pipes for different uses. Casing and tubing are also known as oil country tubular goods or OCTG. In our Projects business segment we also produce large diameter welded steel pipes for oil and gas pipelines. We manufacture our steel pipe products in a wide range of specifications, which vary in diameter, length, thickness, finishing, steel grades, threading and coupling. For most complex applications, including high pressure and high temperature applications, seamless steel pipes are usually specified and, for some standard applications, welded steel pipes can also be used.

Casing. Steel casing is used to sustain the walls of oil and gas wells during and after drilling.

Tubing. Steel tubing is used to conduct crude oil and natural gas to the surface after drilling has been completed.

Line pipe. Steel line pipe is used to transport crude oil and natural gas from wells to refineries, storage tanks and loading and distribution centers.

Mechanical and structural pipes. Mechanical and structural pipes are used by general industry for various applications, including the transportation of other forms of gas and liquids under high pressure.

Cold-drawn pipe. The cold-drawing process permits the production of pipes with the diameter and wall thickness required for use in boilers, superheaters, condensers, heat exchangers, automobile production and several other industrial applications.

Premium joints and couplings. Premium joints and couplings are specially designed connections used to join lengths of steel casing and tubing for use in high temperature or high pressure environments. A significant portion of our steel casing and tubing products are supplied with premium joints and couplings. We own an extensive range of premium connections, and following the integration of Hydril's premium connections business, we market our premium connection products under the TenarisHydril brand name. In addition, we hold licensing rights to manufacture and sell the Atlas Bradford range of premium connections outside of the United States.

Coiled tubing. Coiled tubing is used for oil and gas drilling and well workovers and for subsea pipelines.

Other Products. We also manufacture sucker rods used in oil extraction activities, industrial equipment of various specifications and diverse applications, including liquid and gas storage equipment, and welded steel pipes for electric conduits used in the construction industry. In addition, we sell raw materials that exceed our internal requirements.

Research and Development

Research and development, or R&D, of new products and processes to meet the increasingly stringent requirements of our customers is an important aspect of our business.

R&D activities are carried out primarily at our specialized research facilities located at our Campana plant in Argentina, at our Veracruz plant in Mexico, at our Dalmine plant in Italy, at the product testing facilities of NKK Tubes in Japan and at the research facilities of the Centro Sviluppo Materiali S.p.A, or CSM, in Rome. We have an 8% interest in CSM, which was acquired in 1997. In addition, we are building a new R&D center at Ilha do Fundao, Rio de Janeiro, Brazil, which we expect will start operating in 2013. We strive to engage some of the world's leading industrial research institutions to solve the problems posed by the complexities of oil and gas projects with innovative applications. In addition, our global technical sales team is made up of experienced engineers who work with our customers to identify solutions for each particular oil and gas drilling environment.

Product development and research currently being undertaken are focused on the increasingly challenging energy markets and include:

- proprietary premium joint products including Dopeless® technology;
- heavy wall deep water line pipe, risers and welding technology;
- proprietary steels;

- tubes and components for the car industry and mechanical applications;
- tubes for boilers; and
- welded pipes for oil and gas and other applications.

In addition to R&D aimed at new or improved products, we continuously study opportunities to optimize our manufacturing processes. Recent projects in this area include modeling of rolling and finishing process and the development of different process controls, with the goal of improving product quality and productivity at our facilities.

We seek to protect our intellectual property, from R&D and innovation, through the use of patents and trademarks that allow us to differentiate ourselves from our competitors.

We spent \$68.4 million for R&D in 2011, compared to \$61.8 million in 2010 and \$62.7 million in 2009.

TENARIS IN NUMBERS

Trend information

Leading indicators

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Principal Risks and Uncertainties

We face certain risks associated to our business and the industry in which we operate. We are a global steel pipe manufacturer with a strong focus on manufacturing products and related services for the oil and gas industry. Demand for our products depends primarily on the level of exploration, development and production activities of oil and gas companies which is affected by current and expected future prices of oil and natural gas. Several factors, such as the supply and demand for oil and gas, and political and global economic conditions, affect these prices. The global financial and economic crisis, which started in September 2008 and lasted through much of 2009, resulted in a significant decline in oil and gas prices, affected the level of drilling activity and triggered efforts to reduce inventories, adversely affecting demand for our products and services. This had, and to some extent continues to have, a negative impact on our business, revenues, profitability and financial position. The global economy began to recover in the second half of 2009, but the recovery has been slow and uncertain. Performance may be further affected by changes in governmental policies, the impact of credit restrictions on our customers' ability to perform their payment obligations with us and any adverse economic, political or social developments in our major markets. In turn, our profitability may be hurt if increases in our selling prices are offset by increases in the cost of raw materials and energy. Although we responded well to the crisis, a new global recession, a recession in the developed countries, a cooling of emerging market economies or an extended period of below-trend growth in the economies that are major consumers of steel pipe products would likely result in reduced demand of our products, adversely affecting our revenues, profitability and financial condition.

We have significant operations in various countries, including Argentina, Brazil, Canada, Colombia, Italy, Japan, Mexico, Romania and the United States, and we sell our products and services throughout the world. Therefore, like other companies with worldwide operations, our business and operations have been, and could in the future be, affected from time to time to varying degrees by political developments, events, laws and regulations (such as nationalization, expropriations or forced divestiture of assets; restrictions on production, imports and exports, interruptions in the supply of essential energy inputs; exchange and/or transfer restrictions, inability or increasing difficulties to repatriate income or capital; inflation; devaluation; war or other international conflicts; civil unrest and local security concerns, including high incidences of crime and violence involving drug trafficking organizations that threaten the safe operation of our facilities and operations; direct and indirect price controls; tax increases; changes in the interpretation, application or enforcement of tax laws and other retroactive tax claims or challenges; changes in laws, norms and regulations; cancellation of contract rights; and delays or denials of governmental approvals). As a global company, a portion of our business is carried out in currencies other than the U.S. dollar, which is the Company's functional currency. As a result, we are exposed to foreign exchange rate risk, which could adversely affect our financial position and results of operations.

In 2009, Venezuela's President Hugo Chávez announced the nationalization of Tavsa, Matesi, Materiales Siderúrgicos S.A., or Matesi, and Complejo Siderurgico de Guayana, C.A., or Comsigua, and Venezuela formally assumed exclusive operational control over the assets of Tavsa. In 2010, Venezuela's National Assembly declared Matesi's assets to be of public and social interest and ordered the Executive Branch to take the necessary measures for the expropriation of such assets. Our investments in Tavsa, Matesi and Comsigua are protected under applicable bilateral investment treaties, including the bilateral investment treaty between Venezuela and the Belgian-Luxembourgish Union, and Tenaris continues to reserve all of its rights under contracts, investment treaties and Venezuelan and international law, and to consent to the jurisdiction of the International Centre for Settlement of Investment Disputes, or ICSID in connection with the nationalization process. However, we can give no assurance that the Venezuelan government will agree to pay a fair and adequate compensation for our interest in Tavsa, Matesi and Comsigua, or that any such compensation will be freely convertible into or exchangeable for foreign currency. In August 2011, Tenaris and its wholly-owned subsidiary Talta - Trading e Marketing Sociedad Unipessoal Lda, or Talta, initiated arbitration proceedings against Venezuela before the ICSID. In these proceedings, Tenaris and Talta seek adequate and effective compensation for the expropriation of their investment in Matesi. This case was registered by the ICSID on September

30, 2011. For further information on the nationalization of the Venezuelan subsidiaries, see note 32 “Processes in Venezuela-Nationalization of Venezuelan Subsidiaries” to our audited consolidated financial statements included in this annual report.

A key element of our business strategy is to develop and offer higher value-added products and services and to continuously identify and pursue growth-enhancing strategic opportunities. We must necessarily base any assessment of potential acquisitions and partnerships on assumptions with respect to operations, profitability and other matters that may subsequently prove to be incorrect. Failure to successfully implement our strategy, or to integrate future acquisitions and strategic partnerships, or to sell acquired assets or business unrelated to our business under favorable terms and conditions, could affect our ability to grow, our competitive position and our sales and profitability. In addition, failure to agree with our joint venture partner in Japan on the strategic direction of our joint operations may have an adverse impact on our operations in Japan.

We may be required to record a significant charge to earnings if we must reassess our goodwill or other intangible assets as a result of changes in assumptions underlying the carrying value of certain assets, particularly as a consequence of deteriorating market conditions. At December 31, 2011 we had \$1,805.8 million in goodwill corresponding mainly to the acquisition of Hydril, in 2007 (\$919.9 million) and Maverick, in 2006 (\$771.3 million). No impairment charge was recorded in the last three years. In 2010, we reversed \$67.3 million of an impairment recorded in 2008 on Prudential's customer relationships. If our management were to determine in the future that the goodwill or other intangible assets from the acquisitions of Maverick and Hydril were impaired, particularly as a consequence of deteriorating market conditions, we would be required to recognize a non-cash charge to reduce the value of this goodwill, which would adversely affect our results of operations.

Potential environmental, product liability and other claims arising from the inherent risks associated with the products we sell and the services we render, including well failures, line pipe leaks, blowouts, bursts and fires, that could result in death, personal injury, property damage, environmental pollution or loss of production could create significant liabilities for us. Environmental laws and regulations may, in some cases, impose strict liability (even joint and several strict liability) rendering a person liable for damages to natural resources or threats to public health and safety without regard to negligence or fault. In addition, we are subject to a wide range of local, provincial and national laws, regulations, permit requirements and decrees relating to the protection of human health and the environment, including laws and regulations relating to hazardous materials and radioactive materials and environmental protection governing air emissions, water discharges and waste management. Laws and regulations protecting the environment have become increasingly complex and more stringent and expensive to implement in recent years. The cost of complying with such regulations is not always clearly known or determinable since some of these laws have not yet been promulgated or are under revision. These costs, along with unforeseen environmental liabilities, may increase our operating costs or negatively impact our net worth.

We conduct business in certain countries known to experience governmental corruption. Although we are committed to conducting business in a legal and ethical manner in compliance with local and international statutory requirements and standards applicable to our business, there is a risk that our employees or representatives may take actions that violate applicable laws and regulations that generally prohibit the making of improper payments to foreign government officials for the purpose of obtaining or keeping business, including laws relating to the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions such as the U.S. Foreign Corrupt Practices Act, or FCPA. Particularly in respect of FCPA, we entered into settlements with the U.S. Department of Justice, or DOJ, and the U.S. Securities and Exchange Commission, or SEC, on May 17, 2011 and we undertook several remediation efforts, including voluntary enhancements to our compliance program. If we fail to comply with any term or in any way violate any provision of the settlements, we could be subject to severe sanctions and civil and criminal prosecution. For more information on the settlement with the DOJ and the SEC, see Note 26 "Contingencies, commitments and restrictions to the distribution of profits – Contingencies – Settlement with U.S. governmental authorities".

As a holding company, our ability to pay expenses, debt service and cash dividends depends on the results of operations and financial condition of our subsidiaries, which could be restricted by legal, contractual or other limitations, including exchange controls or transfer restrictions, and other agreements and commitments of our subsidiaries.

The Company's controlling shareholder may be able to take actions that do not reflect the will or best interests of other shareholders.

Our financial risk management is described in Section III. Financial Risk Management, and our provisions and contingent liabilities are described in accounting policy Q and notes 23, 24 and 26 of our consolidated financial statements included in this annual report.

Operating and Financial Review and Prospects

The following discussion and analysis of our financial condition and results of operations are based on, and should be read in conjunction with, our audited consolidated financial statements and the related notes included elsewhere in this annual report. This discussion and analysis presents our financial condition and results of operations on a consolidated basis. We prepare our consolidated financial statements in conformity with IFRS, as issued by the IASB and adopted by the European Union.

Certain information contained in this discussion and analysis and presented elsewhere in this annual report, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. See “Cautionary Statement Concerning Forward-Looking Statements”. In evaluating this discussion and analysis, you should specifically consider the various risk factors identified in “Principal Risks and Uncertainties”, other risk factors identified elsewhere in this annual report and other factors that could cause results to differ materially from those expressed in such forward-looking statements.

- Overview

We are a leading global manufacturer and supplier of steel pipe products and related services for the energy industry and other industries.

We are a leading global manufacturer and supplier of steel pipe products and related services for the world’s energy industry as well as for other industrial applications. Our customers include most of the world’s leading oil and gas companies as well as engineering companies engaged in constructing oil and gas gathering and processing and power facilities. Over the last two decades, we have expanded our business globally through a series of strategic investments, and we now operate an integrated worldwide network of steel pipe manufacturing, research, finishing and service facilities with industrial operations in the Americas, Europe, Asia and Africa and a direct presence in most major oil and gas markets.

Our main source of revenue is the sale of products and services to the oil and gas industry, and the level of such sales is sensitive to international oil and gas prices and their impact on drilling activities.

Demand for our products and services from the global oil and gas industry, particularly for tubular products and services used in drilling operations, represents a substantial majority of our total sales. Our sales, therefore, depend on the condition of the oil and gas industry and our customers’ willingness to invest capital in oil and gas exploration and development as well as in associated downstream processing activities. The level of these expenditures is sensitive to oil and gas prices as well as the oil and gas industry’s view of such prices in the future.

A growing proportion of exploration and production spending by oil and gas companies has been directed at offshore, deep drilling and non-conventional drilling operations in which high-value tubular products, including special steel grades and premium connections, are usually specified. Technological advances in drilling techniques and materials are opening up new areas for exploration and development. More complex drilling conditions are expected to continue to demand new and high value products and services in most areas of the world.

In 2011, global drilling activity continued growing led by substantially higher oil directed drilling activity in the United States and Canada. U.S. drilling activity increased driven by investments in oil and liquid rich gas shale plays, whereas drilling activity in dry gas plays declined due to low natural gas prices. Similarly, in Canada, drilling activity increased in thermal and tight oil plays, but gas directed drilling declined. In the rest of the world, activity increased in most markets reflecting increased demand for energy, stable oil prices at attractive levels and investment in regional gas developments.

We expect that global demand for energy, in spite of the difficult economic situation in Europe, will continue to rise and that this expectation will drive energy companies to increase their investments. Demand for tubular products for complex applications is expected to grow at a faster pace than that for products for standard applications as investments will take place in more difficult operating environments.

In 2012, drilling activity in North America is expected to remain close to current levels, with lower dry gas drilling activity to a large extent offset by an increase in oil and liquids directed drilling. In the rest of the world, drilling activity is expected to continue to increase supported by current oil and gas prices and led by growth in the development of deepwater and unconventional reserves as well as complex conventional gas drilling.

Sales to oil and gas customers, particularly of premium products, are expected to increase in 2012 compared to 2011 in all regions but sales to hydrocarbon process industry, or HPI, power generation and industrial customers will be lower in Europe. Sales in our Projects operating segment are also expected to increase on deliveries to a large offshore pipeline in Brazil in the second half of the year.

Selling prices and costs are stable but operating margins should benefit from an improving product mix and the lagging impact of lower raw material costs. Accordingly, sales and operating income are expected to grow in 2012 compared to 2011.

Our business is highly competitive.

The global market for steel pipes is highly competitive, with the primary competitive factors being price, quality, service and technology. We sell our products in a large number of countries worldwide and compete primarily against European and Japanese producers in most markets outside North America. In the United States and Canada we compete against a wide range of local and foreign producers. Competition in markets worldwide has been increasing, particularly for products used in standard applications, as producers in countries like China and Russia increase production capacity and enter export markets.

Our production costs are sensitive to prices of steelmaking raw materials and other steel products.

We purchase substantial quantities of steelmaking raw materials, including ferrous steel scrap, direct reduced iron (DRI), pig iron, iron ore and ferroalloys, for use in our production of our seamless pipe products. In addition, we purchase substantial quantities of steel coils and plate for use in the production of our welded pipe products. Our production costs, therefore, are sensitive to prices of steelmaking raw materials and certain steel products, which reflect supply and demand factors in the global steel industry and in the countries where we have our manufacturing facilities.

The costs of steelmaking raw materials and of steel coils and plates increased in the first half of 2011, but decreased towards the end of the year and are expected to be more stable during 2012.

Results of Operations

Thousands of U.S. dollars (except number of shares and per share amounts)	For the year ended December 31,	
	2011	2010
Selected consolidated income statement data		
Net sales	9,972,478	7,711,598
Cost of sales	(6,229,526)	(4,700,810)
Gross profit	3,742,952	3,010,788
Selling, general and administrative expenses	(1,853,244)	(1,515,870)
Other operating income (expenses), net	5,050	78,629
Operating income	1,894,758	1,573,547
Interest income	30,840	32,855
Interest expense	(52,407)	(64,103)
Other financial results	11,268	(21,305)
Income before equity in earnings of associated companies and income tax	1,884,459	1,520,994
Equity in earnings of associated companies	61,509	70,057
Income before income tax	1,945,968	1,591,051
Income tax	(525,247)	(450,004)
Income for the year (1)	1,420,721	1,141,047
Income attributable to (1):		
Equity holders of the Company	1,331,157	1,127,367
Non-controlling interests	89,564	13,680
Income for the year(1)	1,420,721	1,141,047
Depreciation and amortization	(554,345)	(506,902)
Weighted average number of shares outstanding	1,180,536,830	1,180,536,830
Basic and diluted earnings per share for continuing operations	1.13	0.95
Basic and diluted earnings per share	1.13	0.95
Dividends per share(2)	0.38	0.34

(1) International Accounting Standard No. 1 ("IAS 1") (revised), requires that income for the year as shown on the income statement does not exclude non-controlling interests. Earnings per share, however, continue to be calculated on the basis of income attributable solely to the equity holders of the Company.

(2) Dividends per share correspond to the dividends proposed or paid in respect of the year.

Thousands of U.S. dollars (except number of shares)

At December 31,
2011 2010

Selected consolidated financial position data

Current assets	6,393,221	5,955,536
Property, plant and equipment, net	4,053,653	3,780,580
Other non-current assets	4,416,761	4,628,215
Total assets	14,863,635	14,364,331
Current liabilities	2,403,699	2,378,546
Non-current borrowings	149,775	220,570
Deferred tax liabilities	828,545	934,226
Other non-current liabilities	308,673	280,409
Total liabilities	3,690,692	3,813,751
Capital and reserves attributable to the Company's equity holders	10,506,227	9,902,359
Non-controlling interests	666,716	648,221
Equity	11,172,943	10,550,580
Total liabilities and equity	14,863,635	14,364,331
Share capital	1,180,537	1,180,537
Number of shares outstanding(Fa	1,180,536,830	1,180,536,830

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The following table sets forth our operating and other costs and expenses as a percentage of net sales for the periods indicated.

Percentage of net sales	For the year ended December 31,		
	2011	2010	2009
Continuing Operations			
Net sales	100.0	100.0	100.0
Cost of sales	(62.5)	(61.0)	(59.7)
Gross profit	37.5	39.0	40.3
Selling, general and administrative expenses	(18.6)	(19.7)	(18.1)
Other operating income (expenses), net	0.1	1.0	0.0
Operating income	19.0	20.4	22.3
Interest income	0.3	0.4	0.4
Interest expense	(0.5)	(0.8)	(1.5)
Other financial results	0.1	(0.3)	(0.8)
Income before equity in earnings of associated companies and income tax	18.9	19.7	20.4
Equity in earnings of associated companies	0.6	0.9	1.1
Income before income tax	19.5	20.6	21.5
Income tax	(5.3)	(5.8)	(6.3)
Income for continuing operations	14.2	14.8	15.2
Discontinued Operations			
Result for discontinued operations	-	-	(0.3)
Income for the year	14.2	14.8	14.8
Income attributable to:			
Equity holders of the Company	13.3	14.6	14.3
Non-controlling interests	0.9	0.2	0.6

Fiscal Year Ended December 31, 2011, Compared to Fiscal Year Ended December 31, 2010

Net Sales, Cost of Sales and Operating Income

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

Millions of U.S. dollars	For the year ended December 31,							
	2011				2010			
Tubes	8,481.3	85	%	6,676.4	87	%	27	%
Projects	724.2	7	%	428.8	6	%	69	%
Others	767.0	8	%	606.4	8	%	26	%
Total	9,972.5	100	%	7,711.6	100	%	29	%

The following table indicates our sales volume of seamless and welded pipes by business segment for the periods indicated below:

Thousands of tons	For the year ended December 31,		Increase / (Decrease)	
	2011	2010		
Tubes – Seamless	2,613	2,206	18	%
Tubes – Welded	881	744	18	%
Tubes – Total	3,494	2,950	18	%
Projects – Welded	267	170	57	%
Total – Tubes + Projects	3,761	3,120	21	%

Tubes

The following table indicates, for our Tubes business segment, net sales by geographic region, cost of sales as a percentage of net sales, operating income and operating income as a percentage of net sales for the periods indicated below:

Millions of U.S. dollars	For the year ended December 31,		Increase / (Decrease)	
	2011	2010		
Net sales				
- North America	4,133.3	3,121.7	32	%
- South America	1,344.6	1,110.1	21	%
- Europe	1,066.1	746.6	43	%
- Middle East & Africa	1,349.4	1,263.6	7	%
- Far East & Oceania	587.9	434.4	35	%
Total net sales	8,481.3	6,676.4	27	%
Cost of sales (% of sales)	61	%	60	%
Operating income	1,618.8	1,403.3	15	%
Operating income (% of sales)	19	%	21	%

Net sales of tubular products and services increased 27% to \$8,481.3 million in 2011, compared to \$6,676.4 million in 2010, reflecting an 18% increase in volumes and a 7% increase in average selling prices. In North America, higher drilling activity in the United States and Canada, particularly higher oil drilling activity along with increased investments in liquid rich gas shale plays, led to significantly higher shipments partially offset by lower demand in Mexico in the first semester of 2011 due to lower drilling activity at Chicontepec, where activity recovered in the second half of the year. In South America, sales increased mainly driven by higher demand in Argentina and Colombia, led by higher oil-related drilling activity. In Europe, we had higher sales of OCTG products in the North Sea and Romania due to higher oil and gas drilling activity, as well as a recovery in sales of line pipe and mechanical products due to higher demand for HPI projects and higher industrial activity. In the Middle East and Africa, despite geopolitical turmoil, which negatively affected drilling activity in countries such as Libya and Yemen, sales increased led by higher demand for complex products in the Middle East, led by Saudi Arabia which raised its oil production output and increased its level of activity in response to the loss of Libyan exports. In the Far East and Oceania, sales grew strongly, mainly due to higher sales of OCTG in China and Indonesia and higher sales of standard pipe products in Japan related to the restoration of areas affected by the earthquake and tsunami in March 2011.

Cost of sales of tubular products and services, expressed as a percentage of net sales, rose from 60% to 61%, mainly due to an increase in the costs of steelmaking raw materials (e.g., iron ore and metal scrap) and hot rolled coils during the first half of the year.

Operating income from tubular products and services, increased 15% to \$1,618.8 million in 2011, from \$1,403.3 million in 2010. In 2010, operating income included a gain of \$67.3 million from the reversal of a 2008 impairment on Prudential's customer relationships. Excluding the gain from the impairment reversal in 2010, operating income increased 21%, mainly driven by a 27% increase in sales and a lower operating margin (19% in 2011 vs. 20% in 2010-excluding impairment reversal gain). Our operating margin decreased in the first half of 2011, following the increase in the costs of steelmaking raw materials and hot rolled coils and due to the lagged effect of pipes price variations, but recovered in the second semester.

Projects

The following table indicates, for our Projects business segment, net sales, cost of sales as a percentage of net sales, operating income and operating income as a percentage of net sales for the periods indicated below:

Millions of U.S. dollars	For the year ended December 31,		Increase / (Decrease)	
	2011	2010		
Net sales	724.2	428.8	69	%
Cost of sales (% of sales)	68	%	67	%
Operating income	138.8	63.7	118	%
Operating income (% of sales)	19	%	15	%

Net sales of Projects increased 69% to \$724.2 million in 2011, compared to \$428.8 million in 2010, mainly reflecting a 57% increase in shipment volumes and a higher average selling price. Following two years of shipment declines, volumes increased in 2011, due to a recovery in pipeline construction activity in Brazil and Argentina, driven by projects for gas, ethanol and mineral slurry pipelines in Brazil and investments in the gas distribution network in Argentina.

Operating income from Projects increased 118% to \$138.8 million in 2011, from \$63.7 million in 2010, reflecting an increase in net sales and higher operating margins, due to a better product mix and a better absorption of fixed and semi-fixed expenses on higher sales, reflected on lower SG&A expenses as a percentage of sales, which amounted to 13.0% in 2011, compared to 18.8% in 2010.

Others

The following table indicates, for our Others business segment, net sales, cost of sales as a percentage of net sales, operating income and operating income as a percentage of net sales for the periods indicated below:

Millions of U.S. dollars	For the year ended December 31,		Increase / (Decrease)	
	2011	2010		
Net sales	767.0	606.4	26	%
Cost of sales (% of sales)	70	72		%
Operating income	137.1	106.5	29	%
Operating income (% of sales)	18	18		%

Net sales of other products and services increased 26% to \$767.0 million in 2011, compared to \$606.4 million in 2010. Most of the increase was due to higher sales of industrial equipment in Brazil, driven by higher investments in petrochemical, oil processing and nuclear facilities in the country, and the rest of the increase was due to higher sales of sucker rods in the Americas and welded pipes for electric conduits in the United States and Canada.

Operating income from other products and services, increased 29% to \$137.1 million in 2011, from \$106.5 million in 2010, reflecting the increase in net sales and stable operating margins.

Selling, general and administrative expenses, or SG&A, decreased as a percentage of net sales to 18.6% in 2011 compared to 19.7% in 2010, mainly due to the better absorption of fixed and semi-fixed expenses on higher sales.

Other operating income and expenses resulted in net income of \$5.0 million in 2011, compared to a net income of \$78.6 million in 2010, when we recorded a gain of \$67.3 million from the reversal of an impairment at our Canadian welded operations.

Net interest expenses totalled \$21.6 million in 2011, compared to \$31.2 million in 2010. Our net interest expenses decreased due to lower losses on interest rate swaps (\$5.2 million in 2011 vs. \$15.6 million in 2010) and a lower average financial position, both assets and liabilities, partially offset by slightly higher interest rates.

Other financial results generated a gain of \$11.3 million in 2011, compared to a loss of \$21.3 million during 2010. These results largely reflect gains and losses on net foreign exchange transactions and the fair value of derivative instruments and are to a large extent offset by changes to our net equity position. These results are mainly attributable

to variations in the exchange rates between our subsidiaries' functional currencies (other than the US dollar) and the US dollar in accordance with IFRS, principally the variations of Brazilian real and the Mexican peso against the U.S. dollar (Brazilian real rate at the beginning of 2011 was USD/BRL1.64 and at the end of 2011 USD/BRL1.86; while the Mexican peso rate at the beginning of 2011 was USD/MXN12.36 and at the end of 2011 USD/MXN13.97).

Equity in earnings of associated companies generated a gain of \$61.5 million in 2011, compared to \$70.1 million in 2010. These gains were derived mainly from our equity investment in Ternium.

Income tax charges totalled \$525.2 million in 2011, equivalent to 28% of income before equity in earnings of associated companies and income tax, compared to \$450.0 million in 2010, equivalent to 30% of income before equity in earnings of associated companies and income tax. During 2011, the tax rate benefited from a more favorable mix of companies.

Net income increased to \$1,420.7 million in 2011, compared to \$1,141.0 million in 2010, mainly reflecting higher operating results.

Income attributable to equity holders was \$1,331.2 million, or \$1.13 per share (\$2.26 per ADS), in 2011, compared to \$1,127.4 million, or \$0.95 per share (\$1.91 per ADS) in 2010.

Income attributable to non-controlling interest was \$89.6 million in 2011, compared to \$13.7 million in 2010, mainly reflecting higher results at our Brazilian subsidiary, Confab.

Liquidity and Capital Resources

The following table provides certain information related to our cash generation and changes in our cash and cash equivalents position for each of the last two years:

Millions of U.S. dollars	For the year ended December 31,	
	2011	2010
Net cash provided by operating activities	1,283.3	870.8
Net cash used in investing activities	(604.8)	(920.8)
Net cash used in financing activities	(667.9)	(651.6)
Increase (Decrease) in cash and cash equivalents	10.6	(701.6)
Cash and cash equivalents at the beginning of year	820.2	1,528.7
Effect of exchange rate changes	(17.6)	(6.9)
Increase due to business combinations	1.8	
Increase (Decrease) in cash and cash equivalents	10.6	(701.6)
Cash and cash equivalents at the end of year	815.0	820.2

Our financing strategy aims at maintaining adequate financial resources and access to additional liquidity. During 2011, we counted on cash flows from operations as well as on short-term bank financing to fund our operations.

We believe that funds from operations, the availability of liquid financial assets and our access to external borrowing through the financial markets will be sufficient to satisfy our working capital needs, to finance our planned capital spending program, to service our debt in the foreseeable future and to address short-term changes in business conditions. During 2011, our net cash position (cash and other current investments less total borrowings) increased by \$48.1 million to \$323.6 million at December 31, 2011, from \$275.6 million at December 31, 2010.

We have a conservative approach to the management of our liquidity, which consists mainly of cash and cash equivalents and other current investments, comprising cash in banks, liquidity funds and highly liquid short and medium-term securities. These assets are carried at fair market value, or at historical cost which approximates fair market value.

At December 31, 2011, liquid financial assets as a whole (i.e., cash and cash equivalents and other current investments) were 8.4% of total assets compared to 10.6% at the end of 2010.

We hold primarily investments in liquidity funds and variable or fixed-rate securities from investment grade issuers. We hold our cash and cash equivalents primarily in U.S. dollars and in major financial centers. As of December 31, 2011, U.S. dollar denominated liquid assets represented 66%, of total liquid financial assets compared to 84% at the end of 2010. As of December 31, 2011, an estimated 20% of our liquid financial assets were momentarily invested in Brazilian real-denominated instruments held at our Brazilian subsidiary, Confab, to fund the disbursement of a participation in Usiminas, which was completed in January, 2012.

Cash and cash equivalents (excluding bank overdraft) decreased by \$20.2 million, to \$823.7 million at December 31, 2011, compared with \$843.9 million at December 31, 2010. Other current investments also decreased \$245.4 million to \$430.8 million as of December 31, 2011 from \$676.2 million as of December 31, 2010.

Operating activities

Net cash provided by operations during 2011 was \$1,283.3 million, compared to \$870.8 million during 2010. Working capital increased by \$646.4 million during 2011, compared with an increase of \$644.0 million in 2010, reflecting the continued positive trend in the level of activity. The increase in working capital during 2011 is mainly the result of the following:

an increase in inventories of \$335.3 million, as a result of increased business activity; and

an increase in trade receivables of \$456.9 million, due to higher sales; partially offset by
a decrease in receivables and prepayments of \$122.4 million.

Investing activities

Net cash used in investing activities in 2011 was \$604.8 million, compared to \$920.8 million in 2010, due to the following:

capital expenditures (\$862.7 million in 2011, compared to \$847.3 million in 2010), primarily attributable to the completion of the new small diameter rolling mill at our Veracruz facility in Mexico; partially offset by

a reduction in our investments in short term securities (\$245.4 million in 2011, compared to investments of \$96.5 million in 2010).

Financing activities

Net cash used in financing activities, including dividends paid, proceeds and repayments of borrowings, was \$667.9 million in 2011, compared to \$651.6 million in 2010.

Dividends paid, including dividends paid to non-controlling shareholders in subsidiaries, amounted to \$424.1 million in 2011, compared to \$433.3 million paid in 2010.

Net repayments of borrowings (repayments less proceeds) totaled \$227.2 million in 2011, compared to \$215.3 million in 2010.

Our total liabilities to total assets ratio was 0.25:1 as of December 31, 2011 and 0.27:1 as of December 31, 2010.

Principal Sources of Funding

In 2011, we counted mainly on cash flows from operations to fund our transactions and short-term bank borrowings were used as needed throughout the year.

Financial liabilities

During 2011, total financial debt decreased by 25%, to \$930.9 million at December 31, 2011, from \$1,244.5 million at December 31, 2010.

Our financial liabilities (other than trade payables and derivative financial instruments) consist mainly of bank loans. As of December 31, 2011 U.S. dollar-denominated financial debt plus debt denominated in other currencies swapped to the U.S. dollar represented 88% of total financial debt. For further information about our financial debt, please see note 20 "Borrowings" to our audited consolidated financial statements included in this annual report.

The following table shows the composition of our financial debt at December 31, 2011 and 2010:

Thousands of U.S. dollars	2011	2010
Bank borrowings	909,684	1,215,246

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Bank overdrafts	8,711	23,696
Other loans, including related companies	12,221	5,131
Finance lease liabilities	260	423
Total borrowings	930,876	1,244,496

The weighted average interest rates before tax (considering hedge accounting), amounted to 3.84% at December 31, 2011 and to 4.08% at December 31, 2010.

The maturity of our financial debt is as follows:

Thousands of U.S.
dollars

At December 31, 2011	1 year or less	1 - 2 years	2 – 3 years	3 - 4 years	4 - 5 years	Over 5 years	Total
Borrowings	781,101	110,909	8,528	8,753	6,578	15,007	930,876
Interests to be accrued	16,050	1,797	808	725	618	749	20,747
Total	797,151	112,706	9,336	9,478	7,196	15,756	951,623

Our current debt to total debt ratio increased from 0.82:1 as of December 31, 2010 to 0.84:1 as of December 31, 2011.

For information on our derivative financial instruments, please see “Quantitative and Qualitative Disclosure about Market Risk – Accounting for Derivative Financial Instruments and Hedging Activities” and note 25 “Derivative financial instruments” to our audited consolidated financial statements included in this annual report.

For information regarding the extent to which borrowings are at fixed rates, please see “Quantitative and Qualitative Disclosure about Market Risk”.

Significant Borrowings

Our most significant borrowings as of December 31, 2011 were as follows:

Millions of U.S. dollars

Date	Borrower	Type	Original Principal Amount	Outstanding Principal amount as of December 31, 2011	Maturity
June 2008	Dalmine	Bilateral	150.0	75.0	June 2013
2011	Siderca	Bank loans	339.7	339.7	Several in 2012
2011	Tamsa	Bank loans	250.9	250.9	Several in 2012 & 2013

For information on Confab’s borrowing as of January 2012, see “Recent Developments – Acquisition of participation in Usiminas”.

As of December 31, 2011, Tenaris was in compliance with all of its financial and other covenants.

Quantitative and Qualitative Disclosure about Market Risk

The multinational nature of our operations and customer base expose us to a variety of risks, including the effects of changes in foreign currency exchange rates, interest rates and commodity prices. In order to reduce the impact related to these exposures, management evaluates exposures on a consolidated basis to take advantage of natural exposure netting. For the residual exposures, we may enter into various derivative transactions in order to reduce potential

adverse effects on our financial performance. Such derivative transactions are executed in accordance with internal policies applicable to counterparty exposure and hedging practices. We do not enter into derivative financial instruments for trading or other speculative purposes, other than non-material investments in structured products.

The following information should be read together with section 3, “Financial risk management” to our audited consolidated financial statements included elsewhere in this annual report.

Debt Structure

The following tables provide a breakdown of our debt instruments at December 31, 2011 and 2010 which included fixed and variable interest rate obligations, detailed by currency and maturity date:

At December 31,
2011

	2012	2013	Expected maturity date		2016	Thereafter	Total(1)
			2014	2015			
			(in thousands of U.S. dollars)				
Non-current Debt							
Fixed rate	-	78,328	887	1,112	863	3,018	84,208
Floating rate	-	32,581	7,641	7,641			