TENARIS SA
Form 6-K
April 30, 2009

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 30, 2009

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

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

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

Form 20-F ü 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 ü

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 the Shareholder Meeting Brochure and Proxy Statement and the Company's 2008 annual report (which includes the Company's consolidated financial statements for the years ended December 31, 2008, 2007 and 2006 and the Company's annual accounts as at December 31, 2008, 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 30, 2009

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 of the Company. The meeting will be held on Wednesday, June 3, 2009, at 46A, Avenue John F. Kennedy L-1855 Luxembourg and will begin promptly at 11:00 a.m. (Central European Time).

At the Annual General Meeting, you will have the opportunity to hear a report on the Company's business, financial condition and results of operation and 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.

The Notice and Agenda for the meeting, the Shareholder Meeting Brochure and Proxy Statement and the Company's 2008 annual report (which includes the Company's consolidated financial statements for the years ended December 31, 2008, 2007 and 2006 and the Company's annual accounts as at December 31, 2008, together with the independent auditors' reports and the Board of Directors' management report and certification), are available free of charge at the Company's registered office in Luxembourg and on our website at www.tenaris.com/investors. They may also be obtained upon request, by calling (352) 26-47-89-78 (if you are in Luxembourg), 1-800-555-2470 (if you are in the United States), or +1-267-468-0786 (if you are in another jurisdiction).

Even if you only own a few shares or ADRs, I hope that you will exercise your right to vote at the meeting. You can vote your shares personally or by proxy. If you choose to vote by proxy, you may use the enclosed dedicated proxy form. If you are a holder of ADRs, please see the letter from THE BANK OF NEW YORK MELLON, depositary bank, for instructions on how to exercise your vote by proxy.

Yours sincerely,

Paolo Rocca
Chairman and Chief Executive Officer

April 24, 2009

Re: TENARIS S.A.

To: Registered Holders of American Depositary Receipts (“ADRs”)
for shares of common stock, US$1 Par Value (“Common Stock”), of
Tenaris S.A. (the “Company”):

The Company has announced that its Annual General Meeting of Shareholders will be held on June 3, 2009, at 11:00 a.m. (Central European Time). The meeting will take place at 46A, Avenue John F. Kennedy L-1855 Luxembourg. A copy of the Company’s Notice of Annual General Meeting of Shareholders, including the agenda for such meeting, is enclosed.

The Notice of Annual General Meeting of Shareholders, the Shareholder Meeting Brochure and Proxy Statement, and the Company’s 2008 annual report (which includes the Company’s financial statements for the years ended December 31, 2008, 2007 and 2006 and the Company’s annual accounts as at December 31, 2008, together with the independent auditors’ report and the Board of Directors’ management report and certification), are available on the website at www.tenaris.com/investors and may also be obtained upon request, by calling 1-800-555-2470 (if you are in the United States) or +1-267-468-0786 (if you are outside the United States). These materials are provided to allow the shares of Common Stock represented by your ADRs to be voted at the meeting.

Each holder of ADRs as of each of April 27, 2009 and May 20, 2009, is entitled to instruct THE BANK OF NEW YORK MELLON, as Depositary (the “Depositary”), as to the exercise of the voting rights pertaining to the Company’s shares of Common Stock represented by such holder’s ADRs. Although voting instructions are sent to holders and proxy materials are available on the website beginning on May 1, 2009, only those holders of record at each of April 27, 2009 and May 20, 2009 will be entitled to provide the Depositary with voting instructions. Notwithstanding that holders of ADRs must have held ADRs on each such date, in order to avoid the possibility of double vote, only those positions on May 20, 2009 will be counted for voting instruction purposes. Eligible ADR holders who desire to have their shares represented by their ADRs voted at the meeting must complete, date and sign a proxy form and return it to the Depositary at THE BANK OF NEW YORK MELLON, Proxy Processing P.O. Box 3549, S. Hackensack, NJ 07606-9249, U.S.A. If the Depositary receives properly completed instructions by 5:00 p.m., New York City time, on May 28, 2009, then it shall vote or cause to be voted the shares underlying such ADRs in the manner prescribed by the instructions. However, if by 5:00 p.m., New York time, on May 28, 2009, the Depositary receives no instructions from the holder of ADRs, or the instructions are not in proper form, then the Depositary shall deem such holder to have instructed the Depositary to vote the underlying shares of Common Stock represented by any such ADRs in favor of any proposals or recommendations of the Company, for which purposes the Depositary shall issue a proxy to a person appointed by the Company to vote such underlying shares 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). 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 effects the rights of the holders of ADRs.

Any holder of ADRs entitled to have the shares represented by its ADRs voted at the meeting, is entitled to revoke any instructions which it has previously given to the Depositary by filing with the Depositary a written revocation or duly executed instructions bearing a later date at any time prior to 5:00 p.m., New York time, on May 28, 2009. No instructions, revocations or revisions thereof shall be accepted by the Depositary after that time.

IF YOU WANT YOUR VOTE TO BE COUNTED, THE DEPOSITARY MUST RECEIVE YOUR VOTING INSTRUCTIONS PRIOR TO 5:00 P.M. (NEW YORK CITY TIME) ON MAY 28, 2009.

THE BANK OF NEW YORK MELLON
Depositary
April 24, 2009
New York, New York

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

Notice of the Annual General Meeting of Shareholders to be held on June 3, 2009

Notice is hereby given to holders of shares of common stock of Tenaris S.A. (the "Company") that the Annual General Meeting of Shareholders will be held on June 3, 2009, at 11:00 a.m. (Central European Time). The meeting will be held at 46A, avenue John F. Kennedy L-1855 Luxembourg. In the Annual General Meeting, shareholders will vote with respect to the items listed below under the heading "Annual General Meeting of Shareholders".

Agenda

Annual General Meeting of Shareholders

1. Consideration of the Board of Directors' and independent auditors' reports on the Company's consolidated financial statements. Approval of the Company's consolidated financial statements for the years ended December 31, 2008, 2007 and 2006.

2. Consideration of the Board of Directors' and independent auditors' reports on the Company's annual accounts. Approval of the Company's annual accounts as at December 31, 2008.

3. Allocation of results and approval of dividend payment.

4. Discharge to the members of the Board of Directors for the exercise of their mandate during the year ended December 31, 2008.

5. Election of the members of the Board of Directors.

6. Compensation of the members of the Board of Directors.

7. Appointment of the independent auditors for the fiscal year ending December 31, 2009 and approval of their fees.

8. Authorisation to the Board of Directors and the board of directors or other governing bodies of the Company's subsidiaries to acquire Company shares.

9. Authorisation 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.

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

Procedures for Attending the Meeting

Holders of shares wishing to attend the meeting must obtain an admission ticket by depositing their certificates representing their common stock, not later than 4:00 p.m. (local time) on May 29, 2009, at the Company's office in Luxemburg or at the offices of any of the Company's subsidiaries set forth below:

Luxembourg: 46A, Avenue John F. Kennedy
L-1855 Luxembourg
Attn: Adélia Soares

Argentina: c/o Siderca S.A.I.C.
Carlos María della Paolera 299, piso 16°
(C1001ADA) Buenos Aires
Attn: Horacio de las Carreras and/or Eleonora Cimino

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

Mexico: c/o Tubos de Acero de México, S.A.
Campos Elíseos 400-17
Col. Chapultepec Polanco
11560 México D.F.
Attn: Félix Todd and/or Luis Armando Leviaguirre

Holders of shares holding their shares through fungible securities accounts wishing to attend the meeting must present a certificate (issued by the financial institution or professional depositary holding such shares) evidencing such deposit and certifying the number of shares recorded in the relevant account as of May 29, 2009. Such certificate must be filed not later than 4:00 p.m. (local time) on May 29, 2009, at any of the addresses indicated above and, in the case of shares held in Mexico, with S.D. Indeval, S.A. de C.V. (Paseo de la Reforma #255, 2o. y 3er. piso Col. Cuauhtémoc, Mexico City).

Holders of shares as of May 29, 2009, may also vote by proxy. To vote by proxy, holders must file the required certificate evidencing their holdings of shares and a completed proxy form not later than 4:00 p.m. (local time) on May 29, 2009 at any of the addresses indicated above or, in the case of shares held in Mexico, with S.D. Indeval, S.A. de C.V, in Mexico City.

Holders of American Depositary Receipts (“ADRs”) as of April 27, 2009, which continue to hold such ADRs on May 20, 2009, are entitled to instruct THE BANK OF NEW YORK MELLON, as Depositary (the “Depositary”), as to the exercise of the voting rights pertaining to the Company’s shares of common stock represented by such holder’s ADRs. Although voting instructions are sent to holders and proxy materials are available at our website beginning on May 1, 2009, only those holders of record as of each of April 27, 2009 and May 20, 2009 will be entitled to provide the Depositary with voting instructions. Notwithstanding that holders of ADRs must have held ADRs on each such date, in order to avoid the possibility of double vote, only those positions on May 20, 2009, will be counted for voting instruction purposes. Eligible ADR holders who desire to vote at the meeting must complete, date and sign a proxy form and return it to the Depositary, at THE BANK OF NEW YORK MELLON, Proxy Processing P.O. Box 3549, S. Hackensack, NJ 07606-9249, U.S.A., by 5:00 p.m., New York City time, on May 28, 2009.

The Shareholder Meeting Brochure and Proxy Statement (which contains reports on each item of the agenda for the meeting, and further details on voting procedures) and the forms furnished by the Company in connection with the meeting, may be obtained at any of the addresses indicated above or upon request by calling (352) 26-47-89-78 (if you are in Luxembourg), 1-800-555-2470 (if you are in the United States), or +1-267-468-0786 (if you are in another jurisdiction), but also from the Depositary, Borsa Italiana SpA (Piazza degli Affari 6, 20123, Milan, Italy) and S.D. Indeval S.A. de C.V., as from May 1, 2009, between 10:00 a.m. and 5:00 p.m. (local time).

Copies of the Shareholder Meeting Brochure and Proxy Statement and the forms are also available at www.tenaris.com/investors. Copies of the Company’s 2008 annual report (including the Company’s consolidated financial statements for the years ended December 31, 2008, 2007 and 2006 and the Company’s annual accounts as at December 31, 2008, together with the independent auditors’ report and management report and certification, and the documents referred to in the preceding sentence) may also be obtained free of charge at the Company's registered office in Luxembourg or upon request by calling (352) 26-47-89-78 (if you are in Luxembourg), 1-800-555-2470 (if you are in the United States), or +1-267-468-0786 (if you are in another jurisdiction).

Cecilia Bilesio
Secretary to the Board of Directors

April 24, 2009
Luxembourg

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

Shareholder Meeting Brochure and Proxy Statement

Annual General Meeting of Shareholders to be held on June 3, 2009

This Shareholder Meeting Brochure and Proxy Statement is furnished by Tenaris S.A. (the "Company") in connection with the Annual General Meeting of Shareholders to be held, for the purposes set forth in the accompanying Notice of the Annual General Meeting of Shareholders (the "Notice"), on June 3, 2009, starting at 11:00 a.m., at 46A, avenue John F. Kennedy L-1855 Luxembourg.

As of April 24, 2009, there were issued and outstanding 1,180,536,830 shares of common stock, each entitled to one vote, US$1 par value each, of the Company (the "Common Stock"), including the shares of Common Stock (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 February 28, 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 holder of shares of Common Stock is entitled to one vote per share. Holders of shares wishing to attend the meeting must obtain an admission ticket by depositing their certificates confirming their holding of Common Stock, not later than 4:00 p.m. (local time) on May 29, 2009, at any of the addresses indicated in the Notice. Holders of shares that hold shares through fungible securities accounts and wish to attend the meeting must present a certificate (issued by the financial institution or professional depositary holding such shares) evidencing such deposit and certifying the number of shares recorded in the relevant account on May 29, 2009. Such certificate must be filed not later than 4:00 p.m. (local time) on May 29, 2009, at any of the addresses indicated in the Notice, or, in the case of shares held in Mexico, with S.D. Indeval, S.A. de C.V., in Mexico City.

Holders of shares as of May 29, 2009, may also vote by proxy. To vote by proxy, holders must file the required certificate evidencing their holdings of shares and a completed proxy form not later than 4:00 p.m. (local time), on May 29, 2009, at any of the addresses indicated in the Notice, or, in the case of shares held in Mexico, with S.D. Indeval, S.A. de C.V., in Mexico City.

Each holder of ADRs as of April 27, 2009, which continues to hold such ADRs on May 20, 2009, is entitled to instruct the Depositary, as to the exercise of the voting rights pertaining to the Company's shares of Common Stock represented by such holder's ADRs. Although voting instructions are sent to holders and proxy materials are available at our website beginning on May 1, 2009, only those holders of record as of each of April 27, 2009 and May 20, 2009 will be entitled to provide the Depositary with voting instructions. Notwithstanding that holders of ADRs must have held ADRs on each such date, in order to avoid the possibility of double vote, only those positions on May 20, 2009 will be counted for voting instruction purposes. Eligible holders of ADRs who desire to have their shares represented by their ADRs voted at the meeting must complete, date and sign a proxy form and return it to the Depositary, at THE BANK OF NEW YORK MELLON, Proxy Processing P.O. Box 3549, S. Hackensack, NJ 07606-9249, U.S.A. If the Depositary receives properly completed instructions by 5:00 p.m., New York City time, on May 28, 2009, then it shall vote or cause to be voted the shares underlying such ADRs in the manner prescribed by the instructions. However, if by 5:00 p.m., New York time, on May 28, 2009, the Depositary receives no instructions from the holder of ADRs, or the instructions are not in proper form, then the Depositary shall deem such holder to have instructed the Depositary to vote the underlying shares of Common Stock represented by any such ADRs in favor of any proposals or recommendations of the Company, for which purposes the Depositary shall issue a proxy to a person appointed by the Company to vote such underlying shares 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). 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 effects the rights of the holders of ADRs. Any holder of ADRs entitled to have the shares represented by its ADRs voted at the meeting is entitled to revoke any instructions which it has previously given to the Depositary by filing with the Depositary a written revocation or duly executed instructions bearing a later date at any time prior to 5:00 p.m., New York time, on May 28, 2009. No instructions, revocations or revisions thereof shall be accepted by the Depositary after that time.

Due to regulatory differences and market practices in each country where the Company's shares or ADRs are listed, holders of shares traded on the Argentine and Italian stock exchanges who have requested admission to the meeting, or who have issued a voting proxy, must have their shares blocked for trading until the date of the meeting, while holders of shares traded in the Mexican stock exchange and holders of ADRs traded in the New York stock exchange need not have their shares or ADRs, as the case may be, blocked for trading. However, the votes of holders of shares traded in the Mexican stock exchange who sell their shares between May 28, 2009 and June 2, 2009, shall be disregarded for voting purposes.

Under Luxembourg legislation implementing the EU Transparency Directive, investors in the Company's securities should notify the Company and the Luxembourg Commission de Surveillance du Secteur Financier (CSSF) on an ongoing basis whenever their direct or indirect ownership or other control rights over shares of the Company's capital or rights to vote such shares either reaches, exceeds or falls below any of the following thresholds: 5%, 10%, 15%, 20%, 25%, 33.33%, 50% and 66.66%. The total number of issued and outstanding shares and votes set forth in the Shareholder Meeting Brochure and Proxy Statement should be used for purposes of determining whether an investor reaches or exceeds each such threshold. 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 shall cause the suspension of the exercise of voting rights relating to the shares exceeding the fraction that should have been notified.

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

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

The meeting is called to address and vote on the following agenda:

Annual General Meeting of Shareholders

1. Consideration of the Board of Directors’ and independent auditors’ reports on the Company’s consolidated financial statements. Approval of the Company’s consolidated financial statements for the years ended December 31, 2008, 2007 and 2006.

The Board of Directors recommends a vote FOR approval of the Company’s consolidated financial statements for the years ended December 31, 2008, 2007 and 2006, after due consideration of the reports from each of the Board of Directors and the independent auditors on such consolidated financial statements. 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, the independent auditors’ report on such consolidated financial statements, and the Board of Directors’ management report on and certification to such consolidated financial statements are included in the Company’s 2008 annual report, a copy of which is available on our website at www.tenaris.com/investors and may also be obtained upon request, by calling (352) 26-47-89-78 (if you are in Luxembourg), 1-800-555-2470 (if you are in the United States), or +1-267-468-0786 (if you are in another jurisdiction).

2. Consideration of the Board of Directors’ and independent auditors’ reports on the Company’s annual accounts. Approval of the Company’s annual accounts as at December 31, 2008.

The Board of Directors recommends a vote FOR approval of the Company’s annual accounts as at December 31, 2008, after due consideration of the reports from each of the Board of Directors and the independent auditors on such annual accounts. The balance sheet, the profit and loss account and the notes to such annual accounts, the independent auditors’ report on such annual accounts, and the Board of Directors’ management report -which has been combined with its management report on the Company’s consolidated financial statements- and certification to such annual accounts are included in the Company's 2008 annual report, a copy of which is available on our website at www.tenaris.com/investors and may also be obtained upon request, by calling (352) 26-47-89-78 (if you are in Luxembourg), 1-800-555-2470 (if you are in the United States), or +1-267-468-0786 (if you are in another jurisdiction).

3. Allocation of results and approval of dividend payment.

The Board of Directors recommends a vote FOR approval of a dividend in U.S. dollars, in the amount of US$0.43 per share of Common Stock currently issued and outstanding and US$0.86 per ADR currently issued and outstanding. As required by Luxembourg law, this dividend includes the interim dividend of US$0.13 per share (US$0.26 per ADR) paid on November 27, 2008. Accordingly, if this dividend proposal is approved, the Company will make a dividend payment on June 25, 2009, in the amount of US$ 0.30 per share of Common Stock currently issued and outstanding and US$ 0.60 per ADR currently issued and outstanding.

The aggregate amount of US$ 153,469,787.90 distributed as interim dividend on November 27, 2008, was paid from reserves of earnings from the nine-month period ended September 30, 2008. The aggregate amount of US$ 354,161,049.00 to be distributed as dividend on June 25, 2009, is to be paid from profits earned during the year ended December 31, 2008. The balance of the fiscal year’s profits will be allocated to the Company’s retained earnings account.

Upon approval of this resolution, it is proposed that the Board of Directors be authorized to determine or amend, in its discretion, the terms and conditions of the dividend payment.

4. Discharge to the members of the Board of Directors for the exercise of their mandate during the year ended December 31, 2008.

In accordance with applicable Luxembourg law and regulations, it is proposed that, upon approval of the Company's annual accounts as at December 31, 2008, the members of the Board of Directors be discharged from any liability in connection with the management of the Company's affairs during such year.

5. Election of the members of the Board of Directors.

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

Under the Company's Articles of Association and applicable U.S. laws and regulations, effective as of July 15, 2005, the Company is required to have an Audit Committee comprised solely of directors who are independent.

The present Board of Directors of the Company consists of ten directors. Three members of the Board of Directors (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 and that all of the current members of the Board of Directors be re-elected.

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

1. Roberto Bonatti. Mr. Bonatti is a member of our board of directors. He is a grandson of Agostino Rocca, founder of the Techint group, a group of companies controlled by San Faustin N.V. ("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. ("Tecpetrol") and Techint Compañia Técnica Internacional S.A.C.I. He is also a member of the board of directors of Ternium S.A. ("Ternium"), Siderca S.A.I.C. ("Siderca") and Siderar S.A.I.C. ("Siderar"). Mr. Bonatti is an Italian citizen.

2. Carlos Condorelli. Mr. Condorelli is a member of our 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 Tubos de Acero de México, S.A. ("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.

3. Carlos Franck. Mr. Franck is a member of our board of directors. He is president of Santa María S.A.I.F. and Inverban S.A., vice president of Siderca and a member of the board of directors of Techint Financial Corporation N.V., III Industrial Investments Inc., Siderar, Tecpetrol and Tecgas N.V. He has financial, planning and control responsibilities in subsidiaries of San Faustin. Mr. Franck is an Argentine citizen.

4. Roberto Monti. Mr. Monti is a member of our board of directors. He is the non-executive chairman of Trefoil Limited and a member of the board of directors of Petrobras Energia and of John Wood Group PLC. He has served as vice president of Exploration and Production of Repsol YPF and chairman and CEO 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.

5. Gianfelice Rocca. Mr. Rocca is a member of our 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 Tamsa and Ternium, president of the Humanitas Group and president of the board of directors of Techint Compagnia Tecnica Internazionale S.p.A. and Tenova S.p.A. In addition, he sits on the board of directors or executive committees of several companies, including Allianz S.p.A, RCS Quotidiani, 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.

6. Paolo Rocca. Mr. Rocca is chairman of our 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, and vice president of Confab. He is also chairman of the board of directors of Ternium, director and vice president of San Faustin and director of Techint Financial Corporation N.V. Mr. Rocca is the vicechairman of the World Steel Association and member of the International Advisory Committee of the NYSE Euronext (New York Stock Exchange). Mr. Rocca is an Italian citizen.

7. Jaime Serra Puche. Mr. Serra Puche is a member of our board of directors. He is 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 and Grupo Modelo. 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.

8. Alberto Valsecchi. Mr. Valsecchi is a member of our 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.

9. Amadeo Vázquez y Vázquez. Mr. Vázquez y Vázquez is a member of our 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 executive committee of the Asociación Empresaria Argentina, and of the Fundación Mediterránea, and he is a member of the Advisory Board of the Fundación de Investigaciones Económicas Latinoamericanas. He served as CEO of the 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.

10. Guillermo Vogel. Mr. Vogel is a member of our board of directors. He is vice chairman of Tamsa, chairman of Grupo Collado S.A.B. de C.V, vice chairman of Estilo y Vanidad S.A. de C.V. and member of the board of directors of Alfa S.A.B. de C.V., the American Iron and Steel Institute, the North American Steel Council and the North American Competitiveness Council. In addition, he is a member of the board of directors and of 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.

Each elected director will hold office until the next Annual General Meeting of Shareholders. Under the current Company's Articles of Association, such meeting is required to be held on June 2, 2010.

The Company's Board of Directors met nine times during 2008. On January 31, 2003, the Board of Directors created an Audit Committee pursuant to Article 11 of the Company's Articles of Association. As permitted under applicable laws and regulations, the Board of Directors does not have any executive, nominating or compensation committee, or any committees exercising similar functions.

6. Compensation of the members of the Board of Directors.

It is proposed that each of the members of the Board of Directors receive an amount of US$ 70,000 as compensation for their services during the fiscal year 2009. It is further proposed that 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.

7. Appointment of the independent auditors for the fiscal year ending December 31, 2009 and approval of their fees.

Based on the recommendation from the Audit Committee, the Board of Directors recommends a vote FOR the appointment of PricewaterhouseCoopers (acting, in connection with the Company's annual accounts and annual consolidated financial statements required under Luxembourg law, through PricewaterhouseCoopers S.àr.l., Réviseur d'entreprises, and, in connection with the Company's annual and interim consolidated financial statements required under the laws of any other relevant jurisdiction, through Pricewaterhouse & Co. S.R.L.) as the Company's independent auditors for the fiscal year ending December 31, 2009, to be engaged until the next Annual General Meeting of Shareholders that will be convened to decide on the 2009 accounts.

In addition, the Board of Directors recommends a vote FOR approval of the independent auditors' fees for audit, audit-related and other services to be rendered during the fiscal year ending December 31, 2009, broken-down into four currencies (Argentine Pesos, Euro, Mexican Pesos, and U.S. Dollars), up to a maximum amount for each currency equal to AR$6,860,409, €491,221, MX$4,204,640 and US$1,446,582. Such fees would 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 1, 2008, 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, 2009, is equivalent to US$4,403,368. The Board of Directors also recommends that its Audit Committee be authorised to approve any increase or reallocation of the independent auditors' fees as may be necessary, appropriate or desirable under the circumstances.

8. Authorisation to the Board of Directors and the board of directors or other governing bodies of the Company's subsidiaries to acquire Company shares.

It is recommended that an authorisation be granted to the Company and to the Company's subsidiaries to acquire, from time to time, shares of Common Stock, including shares of Common Stock represented by ADRs. Any such acquisition of shares of Common Stock must be made on the following terms and conditions:

1. The nominal value of the shares of Common Stock so acquired, together with shares of Common Stock previously acquired by the Company, the Company's wholly-owned subsidiaries or any other person acting on the Company's behalf, and not cancelled, shall not exceed 10 % of the Company's issued and outstanding shares of Common Stock or, in the case of acquisitions of shares of Common Stock made through a stock exchange in which the Company's shares or ADRs are traded, such lower amount as may not be exceeded pursuant to any applicable laws or regulations of such market.

2. The acquisitions of shares of Common Stock may be made in one or more transactions as the Board of Directors or the board of directors or other governing bodies of the relevant entity, as applicable, considers advisable. The number of shares of Common Stock acquired as a block may amount to the maximum permitted amount of purchases.

3. The purchase price per share to be paid in cash may not exceed 125% (excluding transaction costs and expenses), nor may it be lower than 75% (excluding transaction costs and expenses), in each case of the average of the closing prices of the Company's shares of Common Stock or ADRs in the stock exchange through which the Company's shares of Common Stock are acquired, during the five trading days in which transactions in the shares were recorded in such stock exchange preceding (but excluding) the day on which the Company's shares of Common Stock are purchased. For over-the-counter or off-market transactions, the purchase price per ADR to be paid in cash may not exceed 125% (excluding transaction costs and expenses), nor may it be lower than 75% (excluding transaction costs and expenses), in each case of the average of the closing prices of the Company's ADRs in the New York Stock Exchange during the five trading days in which transactions in ADRs were recorded in the New York Stock Exchange preceding (but excluding) the day on which the Company's ADRs are purchased; and, in the case of purchases of shares other than in the form of ADRs, such maximum and minimum purchase prices shall be calculated based on the number of underlying shares represented by such ADRs.

4. The above maximum and minimum purchase prices shall, in the event of a change in the par value of the shares of Common Stock, a capital increase by means of a capitalization of reserves, a distribution of shares of Common Stock under compensation or similar programs, a stock split or reverse stock split, a distribution of reserves or any other assets, the redemption of capital, or any other transaction impacting on the Company's equity be adapted automatically, so that the impact of any such transaction on the value of the shares of Common Stock shall be reflected.

5. The acquisitions of shares of Common Stock may not have the effect of reducing the Company's net assets below the sum of the Company's capital stock plus its undistributable reserves.

6. Only fully paid-up shares of Common Stock may be purchased pursuant to this authorisation.

7. The acquisitions of shares of Common Stock may be carried out for any purpose, as may be permitted under applicable laws and regulations, including without limitation to reduce the share capital of the Company, to offer such shares to third parties in the context of corporate mergers or acquisitions of other entities or participating interests therein, for distribution to the Company's or the Company's subsidiaries' directors, officers or employees or to meet obligations arising from convertible debt instruments.

8. The acquisitions of shares of Common Stock may be carried out by any and all means, as may be permitted under applicable laws and regulations, including through any stock exchange in which the Company's shares or other securities representing shares are traded, through public offers to all shareholders of the Company to buy shares of Common Stock, through the use of derivative financial instruments or option strategies, or in over the counter or off-market transactions or in any other manner.

9. The acquisitions of shares of Common Stock may be carried out at any time, during the duration of the authorisation, including during a tender offer period, as may be permitted under applicable laws and regulations.

10. The authorisation granted to acquire shares of Common Stock shall be valid for such maximum period as may be provided for under applicable Luxembourg law as in effect from time to time (such maximum period being, as of to date, 18 months).

11. The acquisitions of shares of Common Stock shall be made at such times and on such other terms and conditions as may be determined by the Board of Directors or the board of directors or other governing bodies of the relevant entity, provided that, any such purchase shall comply with Article 49-2 et.seq. of the Luxembourg Law of 10 August 1915 on commercial companies, as amended (or any successor law) and, in the case of acquisitions of shares of Common Stock made through a stock exchange in which the Company's shares or other securities representing shares are traded, with any applicable laws and regulations of such market.

It is recommended that the Annual General Meeting of Shareholders grant this authorization and further grant all powers to the Board of Directors and to the board of directors or other governing bodies of the Company's subsidiaries, in each case with powers to delegate in accordance with applicable laws, the Company's Articles of Association or the articles of association of other applicable organizational documents of the relevant Company's subsidiary, to decide on and implement this authorisation, to define, if necessary, the terms and procedures for carrying out any purchase of shares of Common Stock, and, in particular, to place any stock exchange orders, conclude any agreements, including for keeping registers of purchases and sales of shares of Common Stock, make any declarations to the applicable regulatory authorities, carry out all formalities and, generally, do all such other acts and things as may be necessary, appropriate or desirable under the circumstances. The Board of Directors is expressly authorized to delegate to its Chairman, with the latter having the option to sub-delegate to any other person(s), the performance of the actions entrusted to the Board of Directors, pursuant to, or in connection with, this authorisation.

9\. Authorisation 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, the Board of Directors recommends that it be authorised 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 (emails) 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.

In this resolution the Company seeks authorisation under Article 16 of the Luxembourg Transparency Law of 11 January 2008 to give, send or supply information (including any notice or other document) that is required or authorised to be given, sent or supplied to a shareholder by the Company whether required under the Company's 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.

* * * * *

The Company anticipates that the next Annual General Meeting of Shareholders will be held on June 2, 2010. Any holder of shares who intends to present a proposal to be considered at the next Annual General Meeting of Shareholders is requested to submit its proposal in writing to the Company at any of the offices indicated in the Notice not later than 4:00 P.M. (local time) on March 31, 2010, or in accordance with the procedures set forth under applicable Luxembourg law, in order for such proposal to be considered for inclusion on the agenda for the 2010 Annual General Meeting of Shareholders.

PricewaterhouseCoopers are the Company's independent auditors. A representative of the independent auditors will be present at the meeting to respond to questions.

Cecilia Bilesio
Secretary to the Board of Directors

TENARIS S.A.
ANNUAL REPORT 2008

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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 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,

The extraordinary expansion cycle that we experienced over the past six years in the oil and gas industry and the global economy came to an abrupt end in the third quarter of 2008. Oil and gas prices have plummeted as has global industrial production. It may take several years before the level of global oil consumption returns to the level seen in 2007. Tenaris has profited from the expansion cycle and stands well positioned to emerge even stronger from the downturn.

2008 was another record year in terms of results. Sales rose to US$12.1 billion, EBITDA to US$4.1 billion and net income to US$2.3 billion. Over the past five years net sales and EBITDA have grown at compound annual rates of 34% and 54% respectively. Shareholders' equity has more than quadrupled. We took advantage of a favorable operating environment to expand our operations into Eastern Europe and in North America, to grow in the high-end OCTG market through putting together an exceptional range of premium connections, and to increase our operating margins.

We managed this expansion while extending our organization globally and diversifying our employee base. At the end of 2008, we had close to 24,000 employees, an increase of 65% over five years; more than 40% of these employees come from countries outside our traditional roots. Indicators for our safety and environmental performance have steadily improved as we integrated a global industrial system operating with single quality and HSE management systems. Another focus of our investments has been the expansion of our R&D and technical service capabilities. In the past three years, we have opened new R&D centers in Mexico and Italy, creating a global R&D network. We will continue investing in this area to help our customers meet new environmental and technological challenges.

During 2008, we made significant progress in consolidating our integrated product and service offer in the U.S. market and have secured many of the larger oil and gas operators as customers and alliance partners. We successfully sold off the Hydril pressure control business, which had limited synergies with our core tubular products and services business, prior to the change in market conditions. In Colombia, Ecuador and Peru, several customers migrated to our just-in-time service model as we built up our logistics capabilities in the region.

The market environment, however, has changed. Lower commodity prices and a more demanding credit environment mean that many of our customers have no option but to cut back on their investments. Others may choose to do so to bring the market back into balance. We expect demand for our products and services to be lower over the next two years. We are adjusting our operations to these lower demand levels and reducing our working capital. Our investment plans are being reviewed to focus on those that will enhance our long-term competitiveness. We are postponing those projects aimed at increasing capacity, with the exception of our project to increase rolling mill capacity in Mexico, where exploration and production investment is increasing to offset declining rates of oil production.

One area where we will continue to invest is in building up our presence in regional markets. The current global downturn will lead to increased pressure for local production capabilities and our industry is no exception. We recently made an agreement to acquire a majority shareholding in an OCTG processing business in Indonesia with heat treatment and premium connection threading operations. With its natural gas reserves and LNG exports, Indonesia is a market where the majors have significant operations and there is a high demand for premium products. Similarly, we are investing in setting up a premium threading operation in Saudi Arabia and expanding our Nigerian operation.

Although we do not yet know when the global economy will begin a new phase of expansion, we do know that our industry will be among the first to see a recovery in demand. The reduction in investments in oil and gas production will accentuate already high decline rates and bring forward the need for new investment in the future. In the meantime, our solid financial position, the diversity and global nature of our customer base, the strength of an industrial system which can respond rapidly and flexibly to changing levels of demand, our competitive cost structure and capable team all add to our confidence that we will emerge in good shape from this downturn.

Earnings per share rose 10% for the year to USD 1.80, or USD 3.60 per ADS. Given these results, our solid financial position and our confidence in the future, we propose to increase the annual dividend from last year's level by 13% to USD 0.43 per share (USD 0.86 per ADS) and to pay a dividend, net of the interim we paid in November, of USD 0.30 per share (USD 0.60 per ADS) in June.

The decisions that we make in these more difficult times concerning our long-term relationship with customers, suppliers, employees and the communities where we operate will define the future of our company. We are committed to containing the impact of the crisis while enhancing our competitiveness over the long-term. In this context, I would like to thank our employees not only for their past efforts but also for their commitment to our company in the difficult environment we are facing. I also wish to express my thanks to our customers, suppliers and shareholders for their continuing support and confidence in Tenaris.

April 21, 2009

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 joint stock corporation (société anonyme holding).

- 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 N.V., a Netherlands Antilles corporation 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.

- “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.

- PRESENTATION OF CERTAIN FINANCIAL AND OTHER INFORMATION

Accounting Principles

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

We publish consolidated financial statements expressed in U.S. dollars. Our consolidated financial statements in this annual report are those for the years ended December 31, 2008, 2007 and 2006.

Rounding; Comparability of Data

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”, “sl
pursue”, “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe” and words and terms of similar substance to
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:

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

	2008	2007	2006
SALES VOLUMES (thousands of metric tons)			
Seamless pipes	2,861	2,870	2,919
Welded pipes	1,648	1,439	578
Total steel pipes	4,509	4,309	3,497
PRODUCTION VOLUMES (thousands of metric tons)			
Seamless pipes	2,888	2,836	3,013
Welded pipes	1,547	1,408	642
Total steel pipes	4,435	4,244	3,655
FINANCIAL INDICATORS (millions of USD)			
Net sales	12,132	10,042	7,728
Operating income	3,028	2,957	2,792
EBITDA (1)	4,064	3,449	3,046
Net income	2,276	2,076	2,059
Cash flow from operations	1,465	2,021	1,811
Capital expenditures	443	448	441
BALANCE SHEET (millions of USD)			
Total assets	15,101	15,245	12,595
Total financial debt	2,977	4,020	3,651
Net financial debt (2)	1,392	2,970	2,095
Total liabilities	6,399	7,715	6,894
Shareholders’ equity including minority interest	8,702	7,530	5,702
PER SHARE / ADS DATA (USD 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	1.80	1.63	1.65
Earnings per ADS	3.60	3.26	3.30
Dividends per share (5)	0.43	0.38	0.30
Dividends per ADS (5)	0.86	0.76	0.60
ADS Stock price at year-end	20.98	44.73	49.89
Number of employees (4)	23,873	23,372	21,751

1. Defined as operating income plus depreciation, amortization and impairment charges.

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

3. On April 26, 2006 the ratio of ADSs to ordinary shares was changed from 1:10 to 1:2. ADS data is stated using the new ratio.

4. As of December 31.

5. Proposed or paid in respect of the year.

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Tenaris in numbers

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Information on the Company

Overview

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, transportation and processing facilities. Our principal products include casing, tubing, line pipe, and mechanical and structural pipes.

In the last fifteen years, we have expanded our business globally through a series of strategic investments, and, in the last three years, we have transformed our presence in the North American market through the acquisitions of Maverick, a leading North American producer of steel pipe products for the oil and gas industry with operations in the U.S., Canada and Colombia, and Hydril, a leading North American manufacturer of premium connections for steel pipe products used in the oil and gas industry with an established reputation worldwide. We now operate an integrated worldwide network of steel pipe manufacturing, research, finishing and service facilities with industrial operations in North and South America, Europe, Asia and Africa and a direct presence in most major oil and gas markets.

Our business is organized in three business segments: Tubes, Projects, and Others.

- Tubes includes our operations that consist in the production, distribution and sale of seamless and welded tubular products and related services mainly for energy and select industrial applications.

- Projects includes our operations that consist in the production, distribution and sale of welded pipes mainly used in the construction of major pipeline projects.

- Others includes our operations that consist mainly in the production, distribution and sale of sucker rods, welded steel pipes for electric conduits, industrial equipment and raw materials, such as hot briquetted iron, or HBI, that exceed our internal requirements.

History and Development of the Company

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. Siat, an Argentine welded steel pipe manufacturer, was acquired 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 substantial 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 Tavsa, the sole Venezuelan producer of seamless steel pipe products (October 1998);

- Confab Industrial S.A., or Confab, the leading Brazilian producer of welded steel pipe products (August 1999);

- NKKTubes, a leading Japanese producer of seamless steel pipe products (August 2000);

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

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.

In February 2009, we signed an agreement to acquire a 77.45% holding in Seamless Pipe Indonesia Jaya, or SPIJ, an Indonesian OCTG processing business with heat treatment and premium connection threading facilities and an annual production capacity of approximately 120,000 tons.

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. For example, in September 2008, we announced that we would invest in a project to build new capacity at our seamless pipe facility in Mexico in order to enhance our ability to serve local and global markets. In May 2007, we acquired Hydril, a leading North American manufacturer of premium connections for steel pipe products used in oil and gas drilling production and, in October 2006, we acquired Maverick, a North American producer of steel pipe products for the energy industry, expanding our operations in North America.

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 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 balance sheet.

Business Segments

Our business is organized in three business segments: Tubes, Projects, and Others.

- Tubes includes our operations that consist in the production, distribution and sale of seamless and welded tubular products and related services mainly for energy and select industrial applications.
- Projects includes our operations that consist in the production, distribution and sale of welded pipes mainly used in the construction of major pipeline projects.
- Others includes our operations that consist mainly in the production, distribution and sale of sucker rods, welded steel pipes for electric conduits, industrial equipment and raw materials, such as hot briquetted iron, or HBI, 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, such as HBI, that exceed our internal requirements.

Research and Development

Research and development, or R&D, activities are carried out primarily at our specialized research facilities located at our Veracruz plant in Mexico, at the product testing facilities of NKKTubes in Japan, at our Campana plant in Argentina, 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, in October 2008, we commissioned a new research facitliy at our Dalmine plant, in Italy. Product development and research currently being undertaken include:

- proprietary premium joint products including Dopeless® technology;
- heavy wall deep water line pipe and risers;
- 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 spent $77.3 million for R&D in 2008, compared to $61.7 million in 2007.

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Principal Risks and Uncertainties

We face certain risks associated to our business and the industry in which we operate. The recent worldwide financial and credit crisis that caused the current economic downturn may negatively affect our business and could have a material adverse effect on our revenues, profitability and financial position. For example, the current global economic crisis has resulted in a significant decline in oil and gas prices, which affected the level of drilling activity and thus demand for our products and services. Similarly, our sales of steel pipe products for pipeline projects depend mainly on the implementation of major regional projects, which projects are likely to be adversely affected by the global downturn. In turn, increases in the cost of raw materials and energy may hurt our profitability if we are not able to recover them through increased prices of our products.

We have significant operations in various countries, including Argentina, Brazil, Canada, Colombia, Italy, Japan, Mexico, Romania, the United States and Venezuela, and we sell our products and services throughout the world. Therefore, like other companies with worldwide operations, we are exposed to risks from fluctuations in foreign currency exchange rates, interest rates and inflation, governmental policies regarding spending, exchange controls, regulatory and taxation changes, and other adverse political, economic or social developments in such countries, which could affect our revenues, profitability and financial condition. We have operations in Venezuela, and we can give no assurance that the Venezuelan government will not seek in the future the nationalization of such operations; in addition, developments in Venezuela may adversely affect our operations in that country or our sales to companies incorporated in Venezuela, including Petróleos de Venezuela, or PDVSA, the state-owned oil company, and consequently our revenues and results could be adversely affected.

A key element of our business strategy is to identify and pursue growth-enhancing strategic opportunities. Failure to successfully implement our strategy or to integrate future acquisitions and strategic partnerships 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.

At December 31, 2008, we had $1,890.6 million in goodwill and intangible assets with indefinite useful life, which are exposed to impairment tests and correspond mainly to the acquisition of Maverick ($919.9 million) and Hydril ($772.0 million). In 2008 we recorded an impairment charge for $502.9 million (of which $394.3 million correspond to Maverick); however, we can give no assurances that further impairment charges will not be required in the future.

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, bursts and fires, that could result in death, personal injury, property damage, environmental pollution or loss of production could create significant liabilities for us. 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 and the cost of complying with such regulations as well as unforeseen environmental liabilities may increase our operating costs or negatively impact our net worth.

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.

The Company’s tax-exempt status will terminate on December 31, 2010. If we are unable to mitigate the consequences of the termination of the preferential tax regime applying to the Company, we or our shareholders may be subject to a higher tax burden in the future.

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 facilities. In the last fifteen years, we have expanded our business globally through a series of strategic investments, and, in the last three years, we have transformed our presence in the North American market and significantly expanded the range of products we can offer our customers through the acquisitions of Maverick, a leading North American producer of steel pipe products for the oil and gas industry with operations in the United States, Canada and Colombia, and Hydril, a leading North American manufacturer of premium connection products for the oil and gas industry. We now operate an integrated worldwide network of steel pipe manufacturing, research, finishing and service facilities with industrial operations in North and South America, 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. Over the past four years, persistently high oil and gas prices encouraged oil and gas companies to increase their spending and drilling activity to offset declining rates of production from mature fields and to explore and develop new reserves. Global oil prices rose strongly in the first half of 2008, peaking in July in excess of $140 per barrel, but started falling abruptly in the second half of the year to their current levels of around $50 per barrel, reflecting expectations of a significant reduction in demand in the current recessionary environment. Drilling activity has risen in 2008; the annual average of the global count of active drilling rigs, published by Baker Hughes, rose 7% in 2008 compared to 2007. The corresponding rig count in the U.S., which is more sensitive to North American gas prices, increased 6% in 2008 compared to 2007, rising steadily in the first part of the year to peak at 2,031 during the month of September and falling in the fourth quarter to end the year at 1,623 and has subsequently fallen to 1,039 at the end of March, 2009. In Canada, the corresponding rig count, which is also sensitive to North American gas prices and where oil and gas drilling activity is affected by seasonal factors, increased 11% in 2008 compared to 2007.

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 would be expected to demand new and high value products and services in most areas of the world. We estimate that apparent demand for

OCTG rose in 2008 compared to 2007. However, global business and market conditions changed markedly during 2008 as the financial crisis intensified in September and spread rapidly to other sectors all over the world. It has become increasingly clear that the impact on the real economy is likely to be severe and long-lasting. We expect that apparent demand for OCTG will suffer a strong adjustment in 2009, reflecting an expected decline in oil and gas drilling activity and efforts to reduce inventories, particularly in North America where an unprecedented level of Chinese imports has fueled a strong surge in inventories of OCTG during 2008. Demand for premium and other high-end OCTG products should hold up better than for standard product grades as oil and gas companies maintain their investments in complex projects already underway. Similarly, demand for our large-diameter pipes for pipeline projects in South America rose during 2008 as we made deliveries to a number of pipeline projects in Brazil, Argentina and Colombia. However, sales are expected to decline in 2009 as the current order backlog is lower than last year and customers delay the implementation of new projects.

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.

In recent years, the costs of steelmaking raw materials have increased significantly due to increased global demand for steel products in general. Likewise, the cost of purchasing steel coils and plate has also increased. Such costs rose steeply in the first half of 2008, but fell even more steeply during the second half of the year as the recessionary environment had an almost immediate impact on global steelmaking activity. Pipe prices, which had risen during 2008, offsetting cost increases are expected to decline in 2009, reflecting the decline in demand and the correction in raw material and energy costs.

Results of Operations

The following discussion and analysis of our financial condition and results of operations are based on our audited consolidated financial statements included elsewhere in this annual report. Accordingly, this discussion and analysis present our financial condition and results of operations on a consolidated basis. See accounting policies A and B to our audited consolidated financial statements included in this annual report. The following discussion should be read in conjunction with our audited consolidated financial statements and the related notes included in this annual report.

Thousands of U.S. dollars (except number of shares and per share amounts)	For the year ended December 31, 2008	2007
Selected consolidated income statement data		
IFRS		
Continuing Operations		
Net sales	12,131,836	10,042,008
Cost of sales	(6,799,189)	(5,515,767)
Gross profit	5,332,647	4,526,241
Selling, general and administrative expenses	(1,819,011)	(1,573,949)
Other operating income (expenses), net	(485,772)	4,933
Operating income	3,027,864	2,957,225
Interest income	48,873	93,392
Interest expense	(185,836)	(275,648)
Other financial results	(104,272)	(22,754)
Income before equity in earnings of associated companies and income tax	2,786,629	2,752,215
Equity in earnings of associated companies	89,556	113,276
Income before income tax	2,876,185	2,865,491
Income tax	(1,011,675)	(823,924)
Income for continuing operations (1)	1,864,510	2,041,567
Discontinued Operations		
Income (loss) for discontinued operations	411,110	34,492
Income for the year (1)	2,275,620	2,076,059
Income attributable to (1):		
Equity holders of the Company....................	2,124,802	1,923,748
Minority interest	150,818	152,311
Income for the year(1)	2,275,620	2,076,059
Depreciation and amortization	(532,934)	(514,820)
Weighted average number of shares outstanding	1,180,536,830	1,180,536,830
Basic and diluted earnings per share for continuing operations	1.45	1.60

Basic and diluted earnings per share	1.80	1.63
Dividends per share(2)	0.43	0.38

(1) International Accounting Standard No. 1 ("IAS 1") (revised), requires that income for the year as shown on the income statement not exclude minority interest. 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.

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Thousands of U.S. dollars (except number of shares)	At December 31, 2008		2007
Selected consolidated balance sheet data			
IFRS			
Current assets	7,252,417	(1)	6,514,043
Property, plant and equipment, net	2,982,871		3,269,007
Other non-current assets	4,865,424		5,461,537
Total assets	15,100,712		15,244,587
Current liabilities	3,790,017	(1)	3,328,066
Non-current borrowings	1,241,048		2,869,466
Deferred tax liabilities	1,053,838		1,233,836
Other non-current liabilities	313,922		283,369
Total liabilities	6,398,825		7,714,737
Capital and reserves attributable to the Company's equity holders	8,176,571		7,006,277
Minority interest	525,316		523,573
Total liabilities and equity	15,100,712		15,244,587
Number of shares outstanding(Fa	1,180,536,830		1,180,536,830

(1) In 2007, current assets include current and non current assets held for sale ($651.2 million), related to the divestment of Hydril's pressure control business and current liabilities include liabilities associated with such assets ($267.0 million).

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, 2008	2007
Continuing Operations		
Net sales	100.0	100.0
Cost of sales	(56.0)	(54.9)
Gross profit	44.0	45.1
Selling, general and administrative expenses	(15.0)	(15.7)
Other operating income (expenses), net	(4.0)	0.0
Operating income	25.0	29.4
Interest income	0.4	0.9
Interest expense	(1.5)	(2.7)
Other financial results	(0.9)	(0.2)
Income before equity in earnings of associated companies and income tax	23.0	27.4
Equity in earnings of associated companies	0.7	1.1
Income before income tax	23.7	28.5
Income tax	(8.3)	(8.2)
Income for continuing operations	15.4	20.3
Discontinued Operations		
Income (loss) for discontinued operations	3.4	0.3
Income for the year	18.8	20.7
Income attributable to:		
Equity holders of the Company	17.5	19.2
Minority interest	1.2	1.5

Fiscal Year Ended December 31, 2008, Compared to Fiscal Year Ended December 31, 2007

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, 2008		2007		Increase / (Decrease)
Tubes	10,115.0	83%	8,552.6	85%	18%
Projects	1,270.9	10%	876.3	9%	45%
Others	745.9	6%	613.1	6%	22%
Total	12,131.8	100%	10,042.0	100%	21%

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,

	2008	2007	Increase / (Decrease)
Tubes – Seamless	2,861	2,870	(0%)
Tubes – Welded	1,057	965	10%
Tubes – Total	3,918	3,835	2%
Projects – Welded	591	474	25%
Total – Tubes + Projects	4,509	4,309	5%

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, 2008	2007	Increase / (Decrease)
Net sales			
- North America	4,519.2	2,921.7	55%
- South America	1,353.7	1,221.7	11%
- Europe	1,705.6	1,661.4	3%
- Middle East & Africa	1,809.9	2,057.6	(12%)
- Far East & Oceania	726.6	690.2	5%
Total net sales	10,115.0	8,552.6	18%
Cost of sales (% of sales)	53%	52%	
Operating income	2,822.1	2,713.9	4%
Operating income (% of sales)	28%	32%	

Net sales of tubular products and services rose 18% to $10,115.0 million in 2008, compared to $8,552.6 million in 2007, due to higher average selling prices and higher volumes of welded pipe sales. In North America, demand for our products increased throughout the region, particularly for our OCTG products as we consolidated our integrated product and service offering following the acquisition of Hydril in May 2007 in an expanding market. In South America, sales increased due primarily to higher OCTG demand in Venezuela and Ecuador. In Europe, sales increased, as higher average selling prices offset a decrease in volumes due to lower industrial activity and an increase in Chinese imports. In the Middle East and Africa, sales were affected by inventory adjustments and lower sales of American Petroleum Institute, or API, OCTG products. In the Far East and Oceania, sales increased as higher average selling prices more than offset a decrease in volumes.

Cost of sales of tubular products and services, expressed as a percentage of net sales, rose from 52% to 53%, reflecting a steep increase in raw material costs for our seamless pipe products and steel costs for our welded pipe products in the first half of the year, which then started to correct towards the end of the year.

Operating income from tubular products and services, which included $368.5 million in impairment charges, rose 4% to $2,822.1 million in 2008, from $2,713.9 million in 2007 as higher sales more than offset a lower margin resulting from the impairment charges. These impairment charges reflect the impact on the value of the intangible assets coming from our Maverick acquisition due to changes in our operating environment in North America, particularly in respect of the outlook for natural gas drilling in the region over the next two years.

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, 2008	2007	Increase / (Decrease)
Net sales	1,270.9	876.3	45%

Cost of sales (% of sales)	70%	71%	
Operating income	249.0	184.8	35%
Operating income (% of sales)	20%	21%	

Net sales of pipes for pipeline projects rose 45% to $1,270.9 million in 2008, compared to $876.3 million in 2007, reflecting strong shipments to gas and other pipeline projects in Brazil, Argentina and Colombia and higher average selling prices.

Operating income from pipes for pipeline projects rose 35% to $249.0 million in 2008, from $184.8 million in 2007, due to the increase in net sales and a relatively stable operating margin.

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, 2008	2007	Increase / (Decrease)
Net sales	745.9	613.1	22%
Cost of sales (% of sales)	73%	76%	
Operating income	(43.3)	58.5	(174%)
Operating income (% of sales)	(6%)	10%	

Net sales of other products and services rose 22% to $745.9 million in 2008, compared to $613.1 million in 2007, reflecting higher sales of electric conduits, sucker rods, industrial equipment and excess raw materials.

Operating income from other products and services, for the year 2008 were affected by impairment charges of $134.4 million on our assets in this segment. As previously mentioned, the downturn in the North American economy negatively affected the value of the intangible assets coming from the acquisition of Maverick, in this case those associated with the welded steel pipes for electric conduits business. In the same way, we also registered impairment charges associated to our raw materials producing business (HBI), which has suffered the steep decline in the prices of raw materials which occurred in the second half of the year.

Selling, general and administrative expenses, or SG&A, decreased as a percentage of net sales to 15.0% in 2008 compared to 15.7% in 2007 but increased in absolute terms to $1,819.0 million compared to $1,573.9 million in 2007. SG&A increased in absolute terms due to higher commissions, freight and other selling expenses, higher labor costs and higher taxes and services and fees. These increases were related primarily to higher activity in terms of net sales.

Other operating income and expenses resulted in net expenses of $485.8 million in 2008, compared to net income of $4.9 million in 2007, as in 2008 we recorded impairment charges amounting to $502.9 million. These charges reflect changes in our operating environment, particularly in respect of the outlook for natural gas drilling in North America over the next two years.

Net interest expenses totalled $137.0 million in 2008, compared to net interest expenses of $182.3 million in 2007, reflecting a lower net debt position and lower interest rates.

Other financial results generated a loss of $104.3 million in 2008, compared to a loss of $22.8 million during 2007. 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 gains and losses 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 the Mexican peso, the Euro, the Brazilian real and the Yen against the US dollar.

Equity in earnings of associated companies generated a gain of $89.6 million in 2008, compared to a gain of $113.3 million in 2007. These gains were derived mainly from our equity investment in Ternium S.A., or Ternium, but, in 2007, also included a gain of $18.4 million recorded on the sale of our remaining 25% participation in Dalmine Energie.

Income tax charges of $1,011.7 million were recorded during 2008. Excluding the effect of impairment losses during the year amounting to $502.9 million, the tax rate was equivalent to 31% of income before equity in earnings of associated companies and income tax. In 2007, we recorded income tax charges amounting to $823.9 million, equivalent to 30% of income before equity in earnings of associated companies and income tax.

Income from discontinued operations amounted to $411.1 million in 2008, compared to $34.5 million in 2007. The 2008 income included the result of the sale of Hydril's pressure control business, completed on April 1, 2008, amounting to $394.3 million.

Net income rose to $2,275.6 million in 2008, compared to $2,076.1 million in 2007, reflecting a 2% increase in the operating income after impairment charges and the result of the sale of Hydril's pressure control business.

Income attributable to equity holders was $2,124.8 million, or $1.80 per share ($3.60 per ADS), in 2008, compared to $1,923.7 million, or $1.63 per share ($3.26 per ADS) in 2007.

Income attributable to minority interest was $150.8 million in 2008, compared to $152.3 million in 2007 as higher results at Confab were offset by lower results at NKKTubes and losses at other subsidiaries.

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, 2008	2007
Net cash provided by operating activities	1,465.0	2,020.6
Net cash provided by (used in) investing activities	722.4	(2,287.1)
Net cash (used in) provided by financing activities	(1,570.4)	(196.7)
Increase (Decrease) in cash and cash equivalents	617.0	(463.2)
Effect of exchange rate changes	(46.3)	52.5
Cash and cash equivalents at the beginning of year	954.3	1,365.0
Cash and cash equivalents at the end of year	1,525.0	954.3

Our financing strategy is to maintain adequate financial resources and access to additional liquidity. During 2008, we have counted on cash flows from operations as well as additional bank financing to fund our transactions. Short-term bank borrowings were used as needed throughout the year.

We believe that funds from operations, availability of liquid financial assets and our access to external borrowing through the financial markets will be sufficient to satisfy our working capital needs and to service our debt in the foreseeable future. Net financial debt (total financial debt less cash and cash equivalents and other current investments) at December 31, 2008 amounted to $1,392.4 million. We believe that our liquidity and capital resources give us adequate flexibility to manage our planned capital spending programs, to service our debt and to address short-term changes in business conditions.

We have a conservative approach to the management of our liquidity, which consist mainly of cash and cash equivalents, comprising cash in banks, short-term money market funds and highly liquid short-term securities with a maturity of less than 90 days at the date of purchase. Assets recorded in cash and cash equivalents are carried at fair market value, or at historical cost which approximates fair market value.

We hold primarily money market investments and variable or fixed-rate securities from investment grade issuers. We concentrate our cash in major financial centers (mainly New York and London). We hold our cash and cash equivalents primarily in U.S. dollars. As of December 31, 2008, U.S. dollar denominated liquid assets represented around 70% of total liquid financial assets, while Euro denominated liquid assets represented around 19%. Liquid financial assets as a whole (excluding current investments) were 10.2% of total assets compared to 6.3% at the end of 2007.

Cash and cash equivalents (excluding bank overdraft) increased from $962.5 million at December 31, 2007, to $1,538.8 million at December 31, 2008. In addition, we had other current investments which amounted to $45.9 million as of December 31, 2008 and to $87.5 million as of December 31, 2007.

Fiscal Year Ended December 31, 2008, Compared to Fiscal Year Ended December 31, 2007

Operating activities

Net cash provided by operations during 2008 decreased to $1,465.0 million compared to $2,020.6 million in 2007, primarily reflecting an increase in working capital which more than offset the increase in operating income, excluding non cash impairment charges, to $3,530.8 million in 2008, from $2,957.2 million in 2007. Working capital increased by $1,051.6 million in 2008, compared to a $110.4 million increase in 2007. The increase in working capital comprised mainly:

- an increase in inventories of $492.5 million, reflecting primarily an increase in business activity and input costs;
- an increase in trade receivables of $374.5 million, mainly due to higher sales; and
- a decrease in customer advances and other liabilities of $174.0 million, and $71.6 million respectively, partially offset by an increase in trade payables of $48.9 million.

Investing activities

Net cash provided by investing activities in 2008 was $722.4 million, compared to net cash used in investing activities amounting to $2,287 million in 2007. The main differences were as follows:

- in 2008, we received the proceeds from the sale of Hydril's pressure control business, amounting to approximately $1.1 billion;
- in 2007, we spent approximately $2.0 billion to acquire Hydril;
- capital expenditures for 2008 amounted $443.2 million, a similar amount to the $447.9 million spent in 2007; and
- in 2008, we reduced our investments in short-term securities as a result of dispositions in an aggregate amount of $41.7 million, compared to dispositions of $96.1 million in 2007.

Financing activities

Net cash used in financing activities, including dividends paid, proceeds and repayments of borrowings, was $1,570.4 million in 2008, compared to net cash used in financing activities in 2007 of $196.7 million.

Dividends paid, including dividends paid to minority interests in subsidiaries, amounted to $535.8 million in 2008, of which $295 million were paid to equity holders in respect of the 2007 fiscal year and $153 million were paid to equity holders in November 2008, as an interim dividend in respect of the dividend for the 2008 fiscal year. This compares to $567.9 million paid in 2007, of which $354 million were paid in respect of the 2006 fiscal year and $153 million were paid to equity holders in November 2007, as an interim dividend for the 2007 fiscal year.

Net repayments of borrowings (proceeds less repayments) totaled $1,034.6 million in 2008, compared to net proceeds from borrowings of $371.2 million in 2007.

Our total liabilities to total assets ratio decreased to 0.42:1 as of December 31, 2008, compared to 0.51:1 as of December 31, 2007.

Principal Sources of Funding

Financial liabilities

Total financial debt decreased by $1,043.2 million to $2,977.0 million at December 31, 2008 from $4,020.2 million at December 31, 2007.

Our financial liabilities (other than trade payables and derivative financial instruments) consist mainly of bank loans. As of December 31, 2008 U.S. dollar-denominated financial debt and Euro-denominated financial debt represented 81.7% and 12.7%, respectively, of total financial debt. For further information about our financial debt, please see note 20 "Borrowings" to our consolidated financial statements included in this annual report.

The following table shows the composition of our financial debt at December 31, 2008 and 2007:

Thousands of U.S. dollars	2008	2007
Bank borrowings	2,820,398	3,953,696

Bank overdrafts	13,747	8,194
Other loans	141,938	56,592
Finance lease liabilities	932	1,763
Total borrowings	12,977,015	4,020,245

The weighted average interest rates before tax shown below were calculated using the rates set for each instrument in its corresponding currency as of December 31, 2008 and 2007. The changes in interest rate are basically due to changes in floating interest rate.

	2008	2007
Bank borrowings	5.23%	5.80%
Other loans	4.99%	5.50%
Finance lease liabilities	7.74%	2.52%

The maturity of our financial debt is as follows:

Thousands of U.S. dollars At December 31, 2008	1 year or less	1 - 2 years	2 – 3 years	3 - 4 years	4 - 5 years	Over 5 years	Total
Financial lease	368	165	160	160	79	-	932
Other borrowings	1,735,599	527,379	511,125	135,615	50,064	16,301	2,976,083
Total borrowings	1,735,967	527,544	511,285	135,775	50,143	16,301	2,977,015
Estimated interest to be accrued	98,668	24,163	16,329	5,896	1,920	2,030	149,006
Total borrowings plus estimated interest to be accrued	1,834,635	551,707	527,614	141,671	52,063	18,331	3,126,021

Our current debt to total debt ratio increased from 0.29:1 as of December 31, 2007 to 0.58:1 as of December 31 2008.

For information on our derivative financial instruments, please see note 25 “Derivative financial instruments” to our audited consolidated financial statements included in this annual report.

Significant Borrowings

Our most significant borrowings as of December 31, 2008 are as follows:

Millions of U.S. dollars

Date	Borrower	Type	Original Principal amount	Outstanding Principal amount as of December 31, 2008	Maturity
March 2005	Tamsa	Syndicated loan	300.0	180.0	March 2010
October 2006	Maverick	Syndicated loan	750.0	452.3	October 2011
October 2006	Tamsa	Syndicated loan	700.0	466.7	October 2011
October 2006	Siderca	Syndicated loan	480.5	288.3	October 2009
October 2006	Dalmine	Syndicated loan	150.0	100.0	October 2011
May 2007	Tenaris	Syndicated loan	1,000.0	250.0	May 2009 (*)
May 2007	Hydril		300.0	233.0	May 2012

		Syndicated loan			
June 2008	Dalmine	Bilateral	150.0	150.0	June 2013

(*)This loan may be extended at the Company's option until May 2012, upon notice to the agent no later than three business days prior to the original maturity date.

The main covenants on these loan agreements are limitations on liens and encumbrances, limitations on the sale of certain assets, restrictions on investments and compliance with financial ratios (e.g., leverage ratio and interest coverage ratio in Tamsa's, Maverick's, Siderca's, Dalmine's and Hydril's syndicated loan agreements, leverage ratio and debt service coverage ratio in the Company's syndicated loan agreement, and leverage ratio and net debt to equity ratio in Dalmine's bilateral loan). In addition, except for the Company's syndicated loan agreement, these syndicated loans have certain restrictions on capital expenditures. As of December 31, 2008, Tenaris was in compliance with all of its covenants.

Tenaris's consolidated debt includes $57 million of Dalmine's debt and $11 million of Confab's debt secured by certain properties of these subsidiaries.

For further information on our borrowings, please see note 20 "Borrowings" to our audited consolidated financial statements included in this annual report.

Recent Developments

Acquisition of Seamless Pipe Indonesia Jaya

In February 2009, we entered into an agreement to acquire from Bakrie & Brothers TbK, Green Pipe International Limited and Cakrawala Baru a 77.45% holding in Seamless Pipe Indonesia Jaya, or SPIJ, an Indonesian OCTG processing business with heat treatment and premium connection threading facilities, for a purchase price of $73.5 million, with $24.9 million being payable as consideration for SPIJ's equity and $ 48.6 million as consideration for the assignment of certain sellers' loan to SPIJ. SPIJ has an annual processing capacity of 120,000 tons and has had a commercial alliance with us for more than a decade. SPIJ employs around 500 persons and had revenues of approximately $140 million in 2008.

The acquisition, whose completion is subject to customary conditions, including regulatory approval and compliance with certain minority shareholder rights, would allow us to strengthen our global production capabilities and local presence in Indonesia, one of the world's leading producers of liquified natural gas, or LNG.

Dividend payment

In February 2009, our board of directors proposed, for the approval of the annual general shareholders' meeting to be held on June 3, 2009, the payment of an annual dividend of $0.43 per share ($0.86 per ADS), or approximately $507 million, which includes the interim dividend of $0.13 per share ($0.26 per ADS) paid on November 27, 2008. If the annual dividend is approved by the shareholders, a dividend of $0.30 per share ($0.60 per ADS), or approximately $354 million will be paid on June 25, 2009, with an ex-dividend date of June 22, 2009.

Health, Safety and Environment

We are subject to a wide range of local, provincial and national laws, regulations, permits and decrees in the countries where we have manufacturing operations concerning, among other things, human health, discharges to the air and water and the handling and disposal of solid and hazardous wastes. Compliance with these environmental laws and regulations is a significant factor in our business.

Tenaris is committed to protecting the health and safety of its employees and the communities in which it operates, as well as to minimizing its own impact on the environment and supporting broader industry and public efforts to protect the environment.

In accordance with the principle of sustainable development, our efforts in this area are focused on improving the efficiency of our operations, designing our processes with a sustainable approach, reducing energy consumption, minimizing and recycling waste, and employee training. We continue to work on the implementation and improvement of our integrated Health, Safety and Environment (HSE) management system. Based on international standards such as ISO 14000 and OHSA 18000, the system applies ecoefficiency and integral safety concepts to all of our operations. Following the further development and deployment of an integrated IT safety and environmental tool, we are able to record, track and analyze safety and environment accidents and incidents at our plants, follow up with corrective actions and track HSE performance.

We believe that accidents do not happen by chance and that we should make every effort to prevent injuries and work-related illnesses. To achieve this objective we have instituted innovative programs that reward safe behavior through accident prevention and hold weekly meetings with managers, safety staff and workers at each of our mills to discuss accidents and share ideas to improve safety. We dedicate a percentage of working hours to safety training. At Tenaris, investments in training, processes and workplace behavior are complemented by capital investments in the mills. A significant proportion of our capital investment pending is allocated toward improving safety in our operations. A significant portion of Tenaris's new investments contributes to reduce the environmental impact of operations, products and services. We adopt the most appropriate and ecoefficient designs and technologies available and continuously review our HSE performance so as to improve it. We monitor the operations of our subcontractors in addition to our own, seeking to maximize the efficiency in the use of energy and material resources, to recycle by-products – both at our own facilities and by third parties – and or minimize generation of waste, emissions and effluents in the supply chain. Perhaps one of our most significant contributions to the environment comes from the delivery of products that can perform in the most demanding conditions and on whose quality our customers rely. We work constantly on improving the quality and reliability of our products, developing new products that help our customers to reduce the impact of their operations on the environment, and we aim to supply using an integrated supply chain concept that aims to reduce risk and impact as well costs.

We actively participate in different governmental and non-governmental forums and associations focused on sustainability issues. These include the environmental commissions and working groups of organizations like the World Steel Association, the Latin American Iron & Steel Institute and various national chapters of the World Business Council for Sustainable Development. Some of the most relevant issues addressed by these organizations are global climate change, by-products and water management, and the definition of sustainability indexes.

We have not been subject to any material penalty for any material environmental violation in the last five years, and we are not aware of any current material legal or administrative proceedings pending against us with respect to environmental matters which could have an adverse material impact on our financial condition or results of operations.

Related Party Transactions

Tenaris is a party to several related party transactions, which include, among others, purchases and sales of goods (including steel pipes, flat steel products, steel bars, raw materials, gas and electricity) and services (including engineering services and related services) from or to entities controlled by San Faustin or in which San Faustin holds significant interests. Material related party transactions are subject to the review of the audit committee of the Company's board of directors and the requirements of the Company's articles of association and Luxembourg law, as explained below. For further detail on Tenaris's related party transactions, see Note 30 "Related party transactions" to our consolidated financial statements, included in this annual report.

Corporate Governance

Our corporate governance practices are governed by Luxembourg Law (particularly the law of August 10, 1915 on commercial companies and the law of July 31, 1929, as amended) and our articles of association. As a Luxembourg company listed on the New York Stock Exchange (the NYSE), the Bolsa Mexicana de Valores, S.A. de C.V. (the Mexican Stock Exchange), the Bolsa de Comercio de Buenos Aires (the Buenos Aires Stock Exchange) and Borsa Italiana S.p.A. (the Italian Stock Exchange), we are not required to comply with some of the corporate governance standards of these exchanges. We, however, believe that our corporate governance practices meet, in all material respects, the corporate governance standards that are generally required for controlled companies by all of the exchanges on which our securities trade.

For a summary of the significant ways in which our corporate governance practices differ from the corporate governance standards required for controlled companies by the exchanges on which our shares trade, please visit our website at http://www.tenaris.com/investors/

Board of Directors

Management of the Company is vested in a board of directors with the broadest power to act on behalf of the Company and accomplish or authorize all acts and transactions of management and disposal that are within its corporate purpose and which are not specifically reserved in the articles of association or by applicable law to the general shareholders' meeting. The Company's articles of association provide for a board of directors consisting of a minimum of three and a maximum of fifteen directors; however, if the Company's shares are listed on a stock exchange, the minimum number of directors must be five. The board of directors meets at least four times per year, or as often as required by the interests of the Company. A majority of the members of the board of directors constitutes a quorum, and resolutions may be adopted by the vote of a majority of the directors present or represented. In the case of a tie, the chairman is entitled to cast the deciding vote.

Directors are elected at the annual ordinary general shareholders' meeting to serve one-year renewable terms, as determined by the shareholders. The general shareholders' meeting may dismiss all or any one member of the board of directors at any time, with or without cause, by resolution passed by a simple majority vote. For as long as our shares are listed on at least one stock exchange, the Company must have an audit committee composed of three independent members, two of which, at least, must qualify as independent directors.

Under the Company's articles of association, an independent director is a director who:

- is not and has not been employed by us or our subsidiaries in an executive capacity for the preceding five years;
- is not a person that controls us, directly or indirectly, and is not a member of the board of directors of a company controlling us, directly or indirectly;
- does not have (and is not affiliated with a company or a firm that has) a significant business relationship with us, our subsidiaries or our controlling shareholder;
- is not and has not been affiliated with or employed by a present or former auditor of us, our subsidiaries or our controlling shareholder for the preceding five years; and
    - is not a spouse, parent, sibling or relative up to the third degree of any of the above persons.

Our current board of directors is comprised of ten directors, three of which are independent directors. The following table sets forth the name of the Company's current directors, their respective positions on the board, their principal occupation, their years of service as board members and their age.

Name	Position	Principal Occupation	Years as Director	Age at December 31, 2008
Roberto Bonatti(1)	Director	President of San Faustin	6	59
Carlos Condorelli	Director	Director of Tenaris and Ternium	2	57
Carlos Franck	Director	President of Santa María	6	58
Roberto Monti	Director	Non-executive chairman of Trefoil Limited and member of the board of directors of Petrobras Energia, and of John Wood Group PLC	4	69
Gianfelice Mario Rocca(1)	Director	Chairman of the board of directors of San Faustin	6	60
Paolo Rocca(1)	Director	Chairman and chief executive officer of Tenaris	7	56
Jaime Serra Puche	Director	Chairman of SAI Consultores	6	57
Alberto Valsecchi	Director	Director of Tenaris	1	64
Amadeo Vázquez y Vázquez	Director	Director of Gas Natural Ban S.A. and vocal of the executive committee of Asociación Empresaria Argentina	6	66
Guillermo Vogel	Director	Vice chairman of Tamsa	6	58

(1) Paolo Rocca and Gianfelice Rocca are brothers, and Roberto Bonatti is Paolo and Gianfelice Rocca's first cousin.

Roberto Bonatti. Mr. Bonatti is a member of our 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 Compañia 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.

Carlos Condorelli. Mr. Condorelli is a member of our 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., an Argentine utilities company. Mr. Condorelli is an Argentine citizen.

Carlos Franck. Mr. Franck is a member of our board of directors. He is president of Santa María S.A.I.F. and Inverban S.A., vice president of Siderca and a member of the board of directors of Techint Financial Corporation N.V., III Industrial Investments Inc., Siderar, Tecpetrol and Tecgas N.V. He has financial planning and control responsibilities in subsidiaries of San Faustin. Mr. Franck is an Argentine citizen.

Roberto Monti. Mr. Monti is a member of our board of directors. He is the non-executive chairman of Trefoil Limited and a member of the board of directors of Petrobras Energia and of John Wood Group PLC. He has served as vice president of Exploration and Production of Repsol YPF and chairman and CEO 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.

Gianfelice Mario Rocca. Mr. Rocca is a member of our 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 Tamsa and Ternium, president of the Humanitas Group and president of the board of directors of Techint Compagnia Tecnica Internazionale S.p.A. and Tenova S.p.A. In addition, he sits on the board of directors or executive committees of several companies, including Allianz S.p.A, RCS Quotidiani, 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.

Paolo Rocca. Mr. Rocca is chairman of our 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, and vice president of Confab. He is also chairman of the board of directors of Ternium, director and vice president of San Faustin and director of Techint Financial Corporation N.V. Mr. Rocca is the vicechairman of the World Steel Association and member of the International Advisory Committee of the NYSE Euronext (New York Stock Exchange). Mr. Rocca is an Italian citizen.

Jaime Serra Puche. Mr. Serra Puche is a member of our board of directors. He is 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 and Grupo Modelo. 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.

Alberto Valsecchi. Mr. Valsecchi is a member of our 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.

Amadeo Vázquez y Vázquez. Mr. Vázquez y Vázquez is a member of our 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 executive committee of the Asociación Empresaria Argentina, and of the Fundación Mediterránea, and he is a member of the Advisory Board of the Fundación de Investigaciones Económicas Latinoamericanas. He served as CEO of the 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.

Guillermo Vogel. Mr. Vogel is a member of our board of directors. He is vice chairman of Tamsa, chairman of Grupo Collado S.A.B. de C.V, vice chairman of Estilo y Vanidad S.A. de C.V. and member of the board of directors of Alfa S.A.B. de C.V., the American Iron and Steel Institute, the North American Steel Council and the North American Competitiveness Council. In addition, he is a member of the board of directors and of 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.

Director Liability

Under Luxembourg law, a director may be liable to us for any damage caused by management errors, such as wrongful acts committed during the execution of his or her mandate, and to the Company, its shareholders and third parties in the event that the Company, its shareholders or third parties suffer a loss due to an infringement of either the Luxembourg Company Law or the Company's articles of association. Under Luxembourg law, related-party transactions involving directors may be subject to approval procedures established by Luxembourg law and are to be reported at the next following shareholders' meeting. Any director may be removed from or reappointed to office at any time by a shareholders' resolution passed by majority vote, irrespective of the number of shares present or represented at the meeting.

A director will not be liable if, notwithstanding his presence at the board meeting at which a resolution was adopted or notwithstanding his opposition to that resolution, he advised the board of directors of his knowledge thereto and caused a record of his statement to be included in the minutes of the meeting. The director must report his opposition at the next shareholders' meeting before any other resolution is voted on.

The Company may initiate actions against directors for damages with the approval of shareholders by a vote of more than 50% of votes cast and without the presence of a quorum. Actions against directors who misappropriate corporate assets or commit a breach of trust may be brought by any shareholder.

Audit Committee

The Company's board of directors has an audit committee consisting of three members. On June 4, 2008, the Company's board of directors reappointed Jaime Serra Puche, Amadeo Vázquez y Vázquez and Roberto Monti as members of our audit committee. All three members of the audit committee qualify as independent directors under the Company's articles of association.

Under the Company's articles of association and the audit committee charter, the audit committee assists the board of directors in fulfilling its oversight responsibilities relating to the integrity of the financial statements of the Company, the Company's system of internal controls and the independence and performance of the Company's internal and independent auditors.

In addition, the audit committee is required to review "material" transactions, as such term is defined in the Company's articles of association, to be entered into by the Company or its subsidiaries with "related parties," as such term is defined in the Company's articles of association, in order to determine whether their terms are consistent with market conditions or are otherwise fair to the Company and/or its subsidiaries. In the case of material transactions entered into by the Company's subsidiaries with related parties, the Company's audit committee will review those transactions entered into by those subsidiaries whose boards of directors do not have independent members. Confab is currently our only subsidiary with independent board members.

Under the Company's articles of association, as supplemented by the audit committee's charter, a material transaction is:

- any transaction between the Company or its subsidiaries with related parties (x) with an individual value equal to or greater than $10 million, or (y) with an individual value lower than $10 million, when the aggregate sum – as reflected in the financial statements of the four fiscal quarters of the Company preceding the date of determination- of any series of transactions for such lower value that can bee deemed to be parts of a unique or single transaction (but excluding any transactions that were reviewed and approved by Company's audit committee or board of directors, as applicable, or the independent members of the board of directors of any of its subsidiaries) exceeds 1.5% of the Company's consolidated net sales made in the fiscal year preceding the year on which the determination is made;

- any corporate reorganization transaction (including a merger, spin-off or bulk transfer of a business) affecting the Company for the benefit of, or involving, a related party; and

- any corporate reorganization transaction (including a merger, spin-off or bulk transfer of a business) not reviewed and approved by the independent members of the board of directors of any of the Company's direct or indirect subsidiaries, affecting any of the Company's direct or indirect subsidiaries for the benefit of, or involving, a related party.

The audit committee has the power (to the maximum extent permitted by applicable laws) to request that the Company or relevant subsidiary provide any information necessary for it to review any material transaction. A related party transaction shall not be entered into unless (i) the circumstances underlying the proposed transaction justify that it be entered into before it can be reviewed by the Company's audit committee or approved by the board of directors and (ii) the related party agrees to unwind the transaction if the Company's audit committee or board of directors does not approve it.

In addition, the audit committee has the authority to conduct any investigation appropriate to fulfill its responsibilities, and has direct access to the Company's internal and external auditors as well as to the Company's management and employees and, subject to applicable laws, its subsidiaries.

The audit committee also performs other duties entrusted to it by the Company's board of directors.

Senior Management

Our current senior management consists of:

Name	Position	Age at December 31, 2008

Paolo Rocca	Chairman and Chief Executive Officer	56
Ricardo Soler	Chief Financial Officer	57
Carlos San Martín	Technology Director	65
Alejandro Lammertyn	Commercial Director	43
Renato Catallini	Supply Chain Director	42
Marco Radnic	Human Resources Director	59
Marcelo Ramos	Quality Director	45
Sergio Tosato	Industrial Coordination Director	59
Germán Curá	North American Area Manager	46
Sergio de la Maza	Central American Area Manager	52
Guillermo Noriega	South American Area Manager	58
Vincenzo Crapanzano	European Area Manager	56
Carlos Pappier	Planning Director	47
Claudio Leali	Managing Director, Japanese Operations	58

Paolo Rocca. Mr. Rocca is chairman of our 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, and vice president of Confab. He is also chairman of the board of directors of Ternium, director and vice president of San Faustin and director of Techint Financial Corporation N.V. Mr. Rocca is the vicechairman of the World Steel Association and member of the International Advisory Committee of the NYSE Euronext (New York Stock Exchange). Mr. Rocca is an Italian citizen.

Ricardo Soler. Mr Soler currently serves as our chief financial officer, a position that he assumed in October 2007. Previously he served as chief executive officer of Hydril and from 1999 until November 2006 served as managing director of our welded pipe operations in South America and as executive vice-president of Confab and Siat. He started his career in the Techint group in 1973 as a planning analyst at Siderar. He served as Siderca's financial director from 1993 until 1995. Mr. Soler is an Argentine citizen.

Carlos San Martín. Mr. San Martín currently serves as our technology director with responsibility for R&D activities, as well as acting as honorary chairman of NKKTubes. He joined the Techint group in 1968 and has held various positions within the Techint group and Tenaris, including marketing director of Siderca and managing director of NKKTubes. From August 2000 to August 2002, Mr. San Martín was Chairman of NKKTubes. He assumed his current position in October 2002. Mr. San Martín is an Argentine citizen.

Alejandro Lammertyn. Mr. Lammertyn currently serves as our commercial director. Previously he served as supply chain director. He began his career with Tenaris in 1990 as special projects analyst in Siderca. In 2000, he was assistant to the CEO for marketing, organizational model and mill allocation matters. He assumed his current position in August 2007. Mr. Lammertyn is an Argentine citizen.

Renato Catallini. Mr. Catallini currently serves as our supply chain director, with responsibility for the execution of all contractual deliveries to customers. He joined Tenaris in 2001 in the supply management area, as a general manager of Exiros Argentina. In July 2002, he was appointed operations director and subsequently, in January 2005, became managing director of Exiros. Before joining Tenaris, he worked for ten years in the energy sector, working for TGN, Nova Gas Internacional, TransCanada Pipelines and TotalFinaElf, among others. He assumed his current position in August 2007. Mr. Catallini is an Argentine citizen.

Marco Radnic. Mr. Radnic currently serves as our human resources director. He began his career within the Techint group in the Industrial Engineering Department of Siderar in 1975. Later he held several positions in the technical departments of Siderca and various companies within the Techint group. After holding several positions in the marketing and procurement areas in Europe, in 1996 he became commercial director of Dalmine. In 1998, he became the director of our Process and Power Services business unit. In 2001, he was appointed chief of staff for Paolo Rocca in Buenos Aires. He assumed his current position in December 2002. Mr. Radnic is an Argentine citizen.

Marcelo Ramos. Mr. Ramos currently serves as our quality director. Previously he served as managing director of NKKTubes and our Japanese operations. He joined the Techint group in 1987 and has held various positions within Tenaris including quality control director at Siderca. He assumed his current position in 2006. Mr. Ramos is an Argentine citizen.

Sergio Tosato. Mr. Tosato currently serves as our industrial coordination director. He first joined Dalmine in 1974 in the personnel organization area, and has held many positions within Tenaris, including director of operations in Siderca and manufacturing director in Dalmine, before assuming his current position in 2003. Mr. Tosato is an Italian citizen.

Germán Curá. Mr. Curá currently serves as our North American area manager. He is a marine engineer and was first employed with Siderca in 1988. Previously, he served as Siderca's exports director, Tamsa's exports director and commercial director, sales and marketing manager of our Middle East office, president of Algoma Tubes, director of our Oilfield Services business unit and commercial director. He is also a member of the board of directors of the American Petroleum Institute (API). He assumed his current position in October 2006. Mr. Curá is an Argentine citizen.

Sergio de la Maza. Mr. de la Maza currently serves as our Central American area manager and also serves as a director and executive vice-president of Tamsa. Previously he served as our Mexican area manager. He first joined Tamsa in 1980. From 1983 to 1988, Mr. de la Maza worked in several positions in Tamsa and Dalmine. He then became manager of Tamsa's new pipe factory and later served as manufacturing manager and quality director of Tamsa. Subsequently, he was named manufacturing director of Siderca. He assumed his current position in 2006. Mr. de la Maza is a Mexican citizen.

Guillermo Noriega. Mr. Noriega currently serves as our South American area manager and also serves as managing director of Siderca. He began his career at Siderca as an industrial engineer in 1981. Previously, he served as Siderca's commercial director for the Argentine market. He assumed his current position with Siderca in 2000. Mr. Noriega is an Argentine citizen.

Vincenzo Crapanzano. Mr. Crapanzano currently serves as our European area manager and also serves as managing director of Dalmine. Previously he served as our Mexican area manager and executive vice president of Tamsa. Prior to joining Tenaris, he held various positions at Grupo Falck from 1979 to 1989. When Dalmine acquired the tubular assets of Grupo Falck in 1990, he was appointed managing director of the cold drawn tubes division. He is also vice president of Centro Sviluppo Materiali S.p.A, and of Federacciai. He assumed his current position in January 2004. Mr. Crapanzano is an Italian citizen.

Carlos Pappier. Mr. Pappier currently serves as our planning director, a position that he assumed in October 2006. He began his career within the Techint group in 1984 as a cost analyst in Siderar. After holding several positions within Tenaris and other Techint group companies in 2002 he became chief of staff of Tenaris. Mr. Pappier is an Argentine citizen.

Claudio Leali. Mr. Leali currently serves as managing director of our Japanese operations, a position that he assumed in November 2006. He began his career at Dalmine as a development product technician in 1976. From March 1994 to October 1995 he served as technical managing director of DMV, a joint venture between Dalmine, Vallourec and Mannesmann. Before assuming his current position he also served as quality director and as executive assistant of the technology department. Mr. Leali is an Italian citizen.

Compensation

The compensation of the members of the Company's board of directors is determined at the annual ordinary general shareholders' meeting. Each member of the board of directors received as compensation for such position a fee of $70 thousand.

The chairman of the audit committee received as additional compensation a fee of $60 thousand, while the other members of the audit committee received an additional fee of $50 thousand. Under the Company's articles of association, the members of the audit committee are not eligible to participate in any incentive compensation plan for employees of the Company or any of its subsidiaries.

The aggregate compensation earned by directors and executive officers during 2008 amounted to $22.5 million.

There are no service contracts between any director and Tenaris that provide for benefits upon termination of employment.

Employee retention and incentive program

On January 1, 2007, we adopted an employee retention and long term incentive program. Pursuant to this program, certain senior executives have been granted a number of units equivalent in value to the equity book value per share (excluding minority interest). The units will be vested over a period of four years and Tenaris will redeem vested units following a period of seven years from the grant date, or when the employee ceases employment, at the equity book value per share at the time of the payment. Beneficiaries also receive a cash amount per unit equivalent to the dividend paid per share whenever the Company pays a cash dividend to its shareholders. Annual compensation under this program is not expected to exceed 35%, on average, of the total annual compensation of the beneficiaries.

The total value of the units granted under the program, based on the number of units and the book value per share as of December 31, 2008, was $16.8 million. As of December 31, 2008, we have recorded a total liability of $10.4 million, based on actuarial calculations provided by independent advisors.

Auditors

The Company's articles of association require the appointment of at least one independent auditor chosen from among the members of the Luxembourg Institute of Independent Auditors. The primary responsibility of the independent auditor is to audit the Company's annual accounts and to submit a report on the accounts to shareholders at the annual shareholders' meeting. Following a recommendation from our audit committee, auditors are appointed by the general shareholders' meeting through a resolution passed by a simple majority vote. Shareholders may determine the number and the term of office of the auditors at the ordinary general shareholders' meeting, provided however that an auditor's term shall not exceed one year and that any auditor may be reappointed or dismissed by the general shareholders meeting at any time, with our without cause. Luxembourg law does not allow directors to serve concurrently as independent auditors. As part of their duties, the auditors report directly to the audit committee.

PricewaterhouseCoopers (acting, in connection with the Company's annual accounts and annual consolidated financial statements required under Luxembourg law, through PricewaterhouseCoopers S.á.r.l., Réviseur d'entreprises and, in connection with the Company's annual and interim consolidated financial statements required under the laws of any other relevant jurisdiction, through Price Waterhouse & Co. S.R.L.) were appointed as the Company's independent auditors for the fiscal year ending December 31, 2008, at the ordinary general shareholders' meeting held on June 4, 2008.

Fees Paid to the Company's Principal Accountant

In 2008 PricewaterhouseCoopers served as the principal external auditor for the Company. Fees payable to PricewaterhouseCoopers in 2008 are detailed below.

Thousands of U.S. dollars	For the year ended December 31, 2008
Audit Fees	4,405
Audit-Related Fees	76
Tax Fees	138
All Other Fees	-
Total	4,619

Audit Fees

Audit fees were paid for professional services rendered by the auditors for the audit of the consolidated financial statements and internal control over financial reporting of the Company, the statutory financial statements of the Company and its subsidiaries, and any other audit services required for US Securities and Exchange Commission or other regulatory filings.

Audit-Related Fees

Audit-related fees are typically services that are reasonably related to the performance of the audit or review of the consolidated financial statements of the Company and the statutory financial statements of the Company and its subsidiaries and are not reported under the audit fee item above. This item includes fees for attestation services on financial information of the Company and its subsidiaries included in their annual reports that are filed with their respective regulators.

Tax Fees

Tax fees paid for tax compliance professional services.

All Other Fees

In 2008, PricewaterhouseCoopers did not perform any services other than those described above.

Employees

The following table shows the number of persons employed by Tenaris:

	At December 31, 2008
Argentina	6,723
Mexico	3,519

United States	3,235
Italy	2,972
Brazil	2,275
Canada	1,304
Romania	1,278
Japan	695
Other Countries	1,872
Total employees	23,873

At December 31, 2007 and December 31, 2006 the number of persons employed by Tenaris was 23,372 and 21,751 respectively. The number of our employees remained relatively flat during 2008.

Approximately 50% of our employees are unionized. We believe that we enjoy good or satisfactory relations with our employees and their unions in each of the countries in which we have manufacturing facilities, and we have not experienced any major strikes or other labor conflicts with a material impact on our operations over the last five years.

Share Ownership

To our knowledge, the total number of the Company's shares (in the form of ordinary shares or ADSs) beneficially owned by our directors and executive officers as of March 31, 2009 was 1,990,839, which represents 0.2% of our outstanding shares.

The following table provides information regarding share ownership by our directors and executive officers:

Director or Officer	Number of Shares Held
Guillermo Vogel	1,915,446
Carlos Condorelli	67,211
Ricardo Soler	8,182
Total	1,990,839

Major Shareholders

The following table shows the beneficial ownership of our ordinary shares, as of March 31, 2009, by (1) our principal shareholders (persons or entities that own beneficially 5% or more of the Company's shares), (2) our directors and executive officers as a group, and (3) non-affiliated public shareholders.

Identity of Person or Group	Number	Percent
San Faustin(1)	717,440,187	60.8%
Capital World Investors(2)	64,633,440	5.5%
Directors and executive officers as a group	1,990,839	0.2%
Public	396,472,364	33.5%
Total	1,180,536,830	100.0%

(1) Shares held by III CI, a wholly-owned subsidiary of San Faustin. Rocca & Partners S.A. controls a significant portion of the voting power of San Faustin and has the ability to influence matters affecting, or submitted to a vote of, the shareholders of San Faustin.

(2) Capital World Investors is a division of Capital Research and Management Company (CRMC). Capital World Investors is deemed to be the beneficial owner of these shares as a result of CRMC acting as investment adviser to various investment companies. Accordingly, Capital World Investors does not own any shares for its own account; rather, they are owned by accounts under the discretionary management of Capital World Investors. Capital World Investors' shares beneficial ownership percentage was notified to the Company on February 24, 2009.

The voting rights of our major shareholders do not differ from the voting rights of other shareholders. None of our outstanding shares have any special control rights. There are no restrictions on voting rights, nor are there, to the Company's knowledge, any agreements among shareholders of the Company that might result in restrictions on the transfer of securities or the exercise of voting rights.

The Company does not know of any significant agreements or other arrangements to which the Company is a party and which take effect, alter or terminate in the event of a change of control of the Company.

Information required under the Luxembourg Law on takeovers of May 19, 2006

We have an authorized share capital of a single class of 2,500,000,000 shares with a par value of USD 1.00 per share. Our authorized share capital is fixed by our articles of association as amended from time to time with the approval of our shareholders in an extraordinary shareholders' meeting. There were 1,180,536,830 shares issued as of December 31, 2008. All shares are fully paid.

Under our articles of association, our board of directors is authorized until August 2, 2012, to increase from time to time our issued share capital wholly or in part, within the limits of the authorized capital.

Tenaris is controlled by San Faustin, which owns 60.8% of our outstanding shares, through its wholly owned subsidiary I.I.I. Industrial Investments Inc., a Cayman Islands corporation. Rocca & Partners S.A., or Rocca & Partners, controls a significant portion of the voting power of San Faustin and has the ability to influence matters affecting, or submitted to a vote of the shareholders of, San Faustin, such as the election of directors, the approval of certain corporate transactions and other matters concerning the company's policies. There are no controlling shareholders for Rocca & Partners. Our directors and executive officers as a group own 0.2% of our outstanding shares, while the remaining 39.0% are publicly traded. Our shares trade on the Italian Stock Exchange, the Buenos Aires Stock Exchange and the Mexican Stock Exchange; in addition, our American Depositary Securities (ADSs) trade on the New York Stock Exchange. See "Corporate Governance – Major Shareholders".

None of our outstanding securities has any special control rights. There are no restrictions on voting rights, nor are there, to our knowledge, any agreements among our shareholders that might result in restrictions on the transfer of securities or the exercise of voting rights.

There are no significant agreements to which we are a party and which take effect, alter or terminate in the event of a change in the control of Tenaris following a takeover bid, thereby materially and adversely affecting us, nor are there any agreements between us and members of our board of directors or employees that provide for compensation if they resign or are made redundant without reason, or if their employment ceases pursuant to a takeover bid.

Management is vested in a board of directors. Directors are elected at the annual ordinary shareholders' meeting to serve one-year renewable terms.

Under our articles of association, any issuance of new shares pursuant to the authorization granted to our board of directors, must grant our existing shareholders a preferential right to subscribe for such newly-issued shares, except:

- in circumstances in which the shares are issued for consideration other than money
- with respect to shares issued as compensation to directors, officers, agents or employees, its subsidiaries or affiliates, and
- with respect to shares issued to satisfy conversion or option rights created to provide compensation to directors, officers, agents or employees, its subsidiaries or affiliates.

Any shares to be issued as compensation or to satisfy conversion or option rights may not exceed 1.5% of our issued capital stock.

Our articles of association do not contain any redemption or sinking fund provisions, nor do they impose any restrictions on the transfer of our shares.

Amendment of our articles of association requires the approval of shareholders on an extraordinary shareholders' meeting with a two-thirds majority of the votes present or represented.

Management Certification

We confirm, to the best of our knowledge, that:

1. the consolidated financial statements prepared in conformity with International Financial Reporting Standards, included in this annual report, give a true and fair view of the assets, liabilities, financial position and profit or loss of Tenaris S.A. and its consolidated subsidiaries, taken as a whole;

2. the annual accounts prepared in accordance with Luxembourg legal and regulatory requirements, included in this annual report, give a true and fair view of the assets, liabilities, financial position and profit or loss of Tenaris S.A.; and

3. the consolidated management report, which has been combined with the management report for Tenaris S.A., included in this annual report, gives a fair review of the development and performance of the business and the position of Tenaris S.A., or Tenaris S.A. and its consolidated subsidiaries, taken as a whole, as applicable, together with a description of the principal risks and uncertainties they face.

Chief Executive Officer

Paolo Rocca

April 21, 2009

Chief Financial Officer

Ricardo Soler

April 21, 2009

Financial Information

Consolidated Financial Statements

For the years ended December 31, 2008, 2007 and 2006

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Report of Independent Registered Public Accounting Firm

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

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, of cash flows and of changes in equity present fairly, in all material respects, the financial position of Tenaris S.A. and its subsidiaries at December 31, 2008 and 2007, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2008 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board and in conformity with International Financial Reporting Standards as adopted by the European Union. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Buenos Aires, Argentina
February 25, 2009

PRICE WATERHOUSE & CO. S.R.L.
by (Partner)
Diego Niebuhr

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Tenaris S.A. Consolidated Financial Statements for the years ended December 31, 2008, 2007 and 2006

CONSOLIDATED INCOME STATEMENTS

(all amounts in thousands of U.S. dollars, unless otherwise stated)		Year ended December 31,		
	Notes	2008	2007	2006
Continuing operations				
Net sales	1	12,131,836	10,042,008	7,727,745
Cost of sales	1 & 2	(6,799,189)	(5,515,767)	(3,884,226)
Gross profit		5,332,647	4,526,241	3,843,519
Selling, general and administrative expenses	1 & 3	(1,819,011)	(1,573,949)	(1,054,806)
Other operating income	5 (i)	35,892	28,704	13,077
Other operating expenses	5 (ii)	(521,664)	(23,771)	(9,304)
Operating income		3,027,864	2,957,225	2,792,486
Interest income	6	48,873	93,392	60,798
Interest expense	6	(185,836)	(275,648)	(92,576)
Other financial results	6	(104,272)	(22,754)	26,826
Income before equity in earnings of associated companies and income tax		2,786,629	2,752,215	2,787,534
Equity in earnings of associated companies	7	89,556	113,276	94,667
Income before income tax		2,876,185	2,865,491	2,882,201
Income tax	8	(1,011,675)	(823,924)	(869,977)
Income for continuing operations		1,864,510	2,041,567	2,012,224
Discontinued operations				
Income for discontinued operations	29	411,110	34,492	47,180
Income for the year		2,275,620	2,076,059	2,059,404
Attributable to:				
Equity holders of the Company		2,124,802	1,923,748	1,945,314
Minority interest		150,818	152,311	114,090
		2,275,620	2,076,059	2,059,404
Earnings per share attributable to the equity holders of the Company during year				
Weighted average number of ordinary shares (thousands)	9	1,180,537	1,180,537	1,180,537
Earnings per share (U.S. dollars per share)	9	1.80	1.63	1.65
Earnings per ADS (U.S. dollars per ADS)	9	3.60	3.26	3.30

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

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CONSOLIDATED BALANCE SHEETS

(all amounts in thousands of U.S. dollars)	Notes	At December 31, 2008		At December 31, 2007	
ASSETS					
Non-current assets					
Property, plant and equipment, net	10	2,982,871		3,269,007	
Intangible assets, net	11	3,826,987		4,542,352	
Investments in associated companies	12	527,007		509,354	
Other investments	13	38,355		35,503	
Deferred tax assets	21	390,323		310,590	
Receivables	14	82,752	7,848,295	63,738	8,730,544
Current assets					
Inventories	15	3,091,401		2,598,856	
Receivables and prepayments	16	251,481		222,410	
Current tax assets	17	201,607		242,757	
Trade receivables	18	2,123,296		1,748,833	
Other investments	19	45,863		87,530	
Cash and cash equivalents	19	1,538,769	7,252,417	962,497	5,862,883
Current and non current assets held for sale	29		-		651,160
			7,252,417		6,514,043
Total assets			15,100,712		15,244,587
EQUITY					
Capital and reserves attributable to the Company's equity holders			8,176,571		7,006,277
Minority interest			525,316		523,573
Total equity			8,701,887		7,529,850
LIABILITIES					
Non-current liabilities					
Borrowings	20	1,241,048		2,869,466	
Deferred tax liabilities	21	1,053,838		1,233,836	
Other liabilities	22 (i)	223,142		185,410	
Provisions	23 (ii)	89,526		97,912	
Trade payables		1,254	2,608,808	47	4,386,671
Current liabilities					
Borrowings	20	1,735,967		1,150,779	
Current tax liabilities		610,313		341,028	
Other liabilities	22 (ii)	242,620		252,204	
Provisions	24 (ii)	28,511		19,342	
Customer advances		275,815		449,829	
Trade payables		896,791	3,790,017	847,842	3,061,024
Liabilities associated with current and non-current assets held for sale	29		-		267,042
			3,790,017		3,328,066
Total liabilities			6,398,825		7,714,737

Total equity and liabilities	15,100,712	15,244,587

Contingencies, commitments and restrictions to the distribution of profits are disclosed in Note 26.

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

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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(all amounts in thousands of U.S. dollars)

	Attributable to equity holders of the Company							
	Share Capital	Legal Reserves	Share Premium	Currency Translation Adjustment	Other Reserves	Retained Earnings (*)	Minority Interest	Total
Balance at January 1, 2008	1,180,537	118,054	609,733	266,049	18,203	4,813,701	523,573	7,529,850
Currency translation differences	-	-	-	(489,828)	-	-	(47,812)	(537,640)
Change in equity reserves (see Section III D)	-	-	-	-	(14,334)	-	2,780	(11,554)
Acquisition and decrease of minority interest	-	-	-	-	(1,742)	-	(16,843)	(18,585)
Dividends paid in cash	-	-	-	-	-	(448,604)	(87,200)	(535,804)
Income for the year	-	-	-	-	-	2,124,802	150,818	2,275,620
Balance at December 31, 2008	1,180,537	118,054	609,733	(223,779)	2,127	6,489,899	525,316	8,701,887

(*) The Distributable Reserve and Retained Earnings calculated according to Luxembourg Law are disclosed in Note 26.

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Cont.)

(all amounts in thousands of U.S. dollars)

	Attributable to equity holders of the Company							
	Share Capital	Legal Reserves	Share Premium	Currency Translation Adjustment	Other Reserves	Retained Earnings	Minority Interest	Total
Balance at January 1, 2007	1,180,537	118,054	609,733	3,954	28,757	3,397,584	363,011	5,701,630
Currency translation differences	-	-	-	262,095	-	-	47,766	309,861
Change in equity reserves (see Section III D)	-	-	-	-	(10,554)	-	-	(10,554)
Acquisition and decrease of minority interest	-	-	-	-	-	-	20,748	20,748
Dividends paid in cash	-	-	-	-	-	(507,631)	(60,263)	(567,894)
Income for the year	-	-	-	-	-	1,923,748	152,311	2,076,059
Balance at December 31, 2007	1,180,537	118,054	609,733	266,049	18,203	4,813,701	523,573	7,529,850

	Attributable to equity holders of the Company							
	Share Capital	Legal Reserves	Share Premium	Currency Translation Adjustment	Other Reserves	Retained Earnings	Minority Interest	Total
Balance at January 1, 2006	1,180,537							