



Dear Tenaris Shareholder and ADR Holder,

I am pleased to invite you to attend the Annual General Meeting and an Extraordinary General Meeting of Shareholders of the Company. Both meetings will be held on Wednesday, June 6, 2007, at 46A, Avenue John F. Kennedy L-1855 Luxembourg. The Annual General Meeting will begin promptly at 11:00 a.m. (Central European Time), while the Extraordinary General Meeting will follow immediately thereafter.

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. Subsequently, the Extraordinary General Meeting will decide to renew, for a further five years and otherwise on its current terms and conditions, the validity of the Company's authorized share capital, and the authorization to the board of directors to issue shares within that limit.

The Notice and Agenda for both Meetings, the Shareholder Meeting Brochure and Proxy Statement and the Company's 2006 annual report (which includes the Company's financial statements for the year ended December 31, 2006, 2005 and 2004 in their consolidated and unconsolidated form, together with the board of directors' and independent auditors reports), 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 1-800-990-1135 (if you are in the United States) or +1-201-680-6630 (if you are outside the United States).

Even if you only own a few shares or ADRs, I hope that you will exercise your right to vote at both Meetings. You can vote your shares personally or by proxy. If you choose to vote by proxy, you may use the enclosed dedicated proxy form. If you are a holder of ADRs, please see the letter from JPMorgan Chase Bank, N.A., depositary bank, for instructions on how to exercise your vote by proxy.

Yours sincerely,

Paolo Rocca
Chairman and Chief Executive Officer

April 27, 2007

JPMORGAN CHASE BANK, N.A.
4 New York Plaza, Floor 13
New York, NY 10004

Re: TENARIS S.A.

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

The Company has announced that its Annual General Meeting of Shareholders will be held on June 6, 2007, at 11:00 a.m. (Central European Time), and that an Extraordinary General Meeting will be held immediately after conclusion of the Annual General Meeting. Both meetings will take place at 46A, Avenue John F. Kennedy L-1855 Luxembourg. **A copy of the Company’s Notice of Annual General Meeting and Extraordinary General Meeting of Shareholders, including the agenda for such meetings, is enclosed.**

The Notice of Annual General Meeting and Extraordinary General Meeting of Shareholders, the Shareholder Meeting Brochure and Proxy Statement, and the Company’s 2006 annual report (which includes the Company’s financial statements for the year ended December 31, 2006, 2005 and 2004 in their consolidated and unconsolidated form, together with the board of directors and independent auditors reports), are available on the website at www.tenaris.com/investors and may also be obtained upon request at 1-800-990-1135 (if you are in the United States) or +1-201-680-6630 (if you are outside the United States). These materials are provided to allow the shares represented by your ADRs to be voted at the meetings.

Each holder of ADRs as of April 30, 2007, which continues to hold such ADRs on May 22, 2007, is entitled to instruct JPMorgan Chase Bank, N.A., as Depositary (the “Depositary”), as to the exercise of the voting rights pertaining to the Company’s shares of Common Stock represented by such holder’s ADRs. Although voting instructions are sent to holders and proxy materials are available on the website beginning on May 5, 2007, only those Holders of record at each of April 30, 2007 and May 22, 2007 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 22, 2007 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 JPMorgan Chase Bank, N.A., P.O. Box 3500, South Hackensack, NJ 07606-3500, U.S.A. If the Depositary receives properly completed instructions by **3:00 p.m., New York City time, on May 30, 2007**, then it shall vote or cause to be voted the shares underlying such ADRs in the manner prescribed by the instructions. However, if by 3:00 p.m., New York time, on May 30, 2007, the Depositary receives no instructions from the holder of ADRs, or the instructions are not in proper form, then the Depositary shall deem such holder to have instructed the Depositary to **vote the underlying shares of Common Stock of any such ADRs in favor of any proposals or recommendations of the Company**, for which purposes the Depositary shall issue a discretionary proxy to a person appointed by the Company to vote such shares in favor of any proposals or recommendations of the Company (including any recommendation by the Company to vote such shares on any given issue in accordance with the majority shareholder vote on that issue). No instruction shall be deemed given and no discretionary proxy shall be given with respect to any matter as to which the Company informs the Depositary it does not wish such proxy given or if the proposal has, in the discretion of the Depositary, a materially adverse effect on the rights of the holders of ADRs.

Any holder of ADRs is entitled to revoke any instructions which it has previously given to the Depositary by filing with the Depositary a written revocation or duly executed instructions bearing a later date at any time prior to **3:00 p.m., New York time, on May 30, 2007**. 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 3:00 P.M. (NEW YORK CITY TIME) ON MAY 30, 2007.

JPMORGAN CHASE BANK, N.A.
Depositary

April 27, 2007
New York, New York

Tenaris S.A.

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

Notice of the Annual General Meeting and Extraordinary General Meeting of Shareholders to be held on June 6, 2007

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 6, 2007, at 11:00 a.m. (Central European Time), and that an Extraordinary General Meeting will be held immediately after conclusion of the Annual General Meeting. Both meetings will be held at 46A, avenue John F. Kennedy L-1855 Luxembourg. In the Annual General Meeting, shareholders will vote with respect to the items listed below under the heading “Annual General Meeting of Shareholders”. At the Extraordinary General Meeting, shareholders will vote with respect to the items listed below under the heading “Extraordinary General Meeting of Shareholders”.

Agenda**Annual General Meeting of Shareholders**

1. Consideration of the Board of Directors’ and independent auditor’s reports on the Company’s consolidated financial statements. Approval of the Company’s consolidated financial statements for the years ended December 31, 2006, 2005 and 2004.
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, 2006.
3. Allocation of results and approval of dividend payment.
4. Discharge to the members of the Board of Directors.
5. Election of the members of the Board of Directors.
6. Compensation of the members of the Board of Directors.
7. 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.

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



Extraordinary General Meeting of Shareholders

1. The renewal of the validity period of the Company's authorized share capital for a period starting on the date of the general meeting of shareholders and ending on the fifth anniversary of the date of the publication in the Mémorial of the deed recording the minutes of such meeting and of the authorisation to the Board to issue shares from time to time within the limits of such authorised share capital against contribution in cash, in kind or by way of incorporation of reserves, at an amount that may not be less than the par value and may include such issue premium as the Board shall decide, while reserving to existing shareholders the preferential right to subscribe for such newly issued shares, except:

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

Any shares to be issued for the purposes set forth in (b) and (c) may not exceed 1.5% of the Company's issued share capital.

2. The waiver of any preferential subscription rights of existing shareholders provided for by law and the authorisation to the Board to suppress any preferential subscription rights of existing shareholders, each time with respect to issuances of shares under (a), (b) and (c) above, and the acknowledgement and approval of the report of the Board on the authorised share capital and the proposed waiver and authorisation to the Board with respect to such issuances

Pursuant to the Company's Articles of Association, an extraordinary general meeting of shareholders convened to consider the renewal of the validity period of the Company's authorised share capital and the waiver of, suppression of, and authorisation to suppress or limit, preferential subscription rights by the Company's existing shareholders may only validly vote on such amendment on the first call if at least half of the share capital is present or represented. If the required quorum is not met, a second meeting may be convened by means of notices published twice, not less than twenty (20) days apart and in any case twenty (20) days before the meeting, in the Mémorial C, Recueil des Sociétés et Associations (Luxembourg Official Gazette), two Luxembourg newspapers and such other publications as are required under article 19 of the Company's Articles of Association. The second meeting may validly decide on the matter, regardless of the quorum present or represented. In each case, resolutions may only be passed by a two-thirds majority of the votes of the shareholders present or represented.



Procedures for Attending the Meetings

Holders of shares wishing to attend the meetings must obtain an admission ticket by depositing their certificates representing their common stock, not later than **4:00 p.m. (local time) on June 1st, 2007**, 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
- Argentina: 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 Eliseos 400-17
Col. Chapultepec Polanco
11560 Mexico D.F.
Attn: Félix Todd and/or Luis Armando Leviaguirre

Holders of shares through fungible securities accounts wishing to attend the meetings must present a certificate (issued by the financial institution or professional depository holding such shares) evidencing such deposit and certifying the number of shares recorded in the relevant account as of June 1st, 2007. Such certificate must be filed no later than **4:00 p.m. (local time) on June 1st, 2007**, 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).

Holder of shares as of June 1st, 2007, may also vote by proxy. To vote by proxy, holders must file the required certificate and a completed proxy form not later than **4:00 p.m. (local time) on June 1st, 2007** with 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 30, 2007, which continue to hold such ADRs on May 22, 2007, are entitled to instruct JPMorgan Chase Bank, N.A., as Depository (the "Depository"), 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 5, 2007, only those holders of ADRs as of each of April 30, 2007 and May 22, 2007 will be entitled to provide the Depository 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 22, 2007, 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 JPMorgan Chase Bank, N.A. (the “Depositary”), P.O. Box 3500, South Hackensack, NJ 07606-3500, U.S.A., by **3:00 p.m., New York City time, on May 30, 2007.**

The Shareholder Meeting Brochure and Proxy Statement (which contains reports on each item of the agenda for the meetings, and further details on voting procedures) and the forms furnished by the Company in connection with the meetings, may be obtained at any of the addresses indicated above, 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 5, 2007, 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 2006 annual reports (including the Company’s financial statements for the years ended 2006, 2005 and 2004, the Board of Directors and independent auditors reports, and the documents referred to in the preceding sentence) may also be obtained free of charge at the Company's registered office in Luxembourg.

Cecilia Bilesio
Secretary to the Board of Directors

April 27, 2007
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 and Extraordinary General Meeting of Shareholders to be held on June 6, 2007

This Shareholder Meeting Brochure and Proxy Statement is furnished by Tenaris, S.A. (the “Company”) in connection with the Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders to be both held, for the purposes set forth in the accompanying Notice of the Annual General Meeting and Extraordinary General Meeting of Shareholders (the “Notice”), on June 6, 2007 starting at 11:00 a.m., at 46A, avenue John F. Kennedy L-1855 Luxembourg.

As of April 27, 2007, there were issued and outstanding 1,180,536,830 shares of common stock, US\$1 par value, of the Company (the “Common Stock”), including shares of Common Stock (the “Deposited Shares”) deposited with Fortis Bank Luxembourg S.A., as agent for JPMorgan Chase Bank, N.A., as depositary (the “Depositary”), under the Deposit Agreement, dated as of November 11, 2002, as amended on April 3, 2006 (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 that hold shares through fungible securities accounts and wish to attend the Meetings must present a certificate (issued by the financial institution or professional depositary holding such shares) evidencing such deposit and certifying the number of shares recorded in the relevant account on June 1st, 2007. Such certificate must be filed no later than 4:00 p.m. (local time) on June 1st, 2007, 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 June 1st, 2007, may also vote by proxy. To vote by proxy, such holders must file the requisite certificate and a completed proxy form not later than 4:00 p.m. (local time), on June 1st, 2007, 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 30, 2007, which continues to hold such ADRs on May 22, 2007, is entitled to instruct JPMorgan Chase Bank, N.A., as Depositary (the “Depositary”), as to the exercise of the voting rights pertaining to the Company’s shares of Common Stock represented by such holder’s ADRs. Although voting instructions are sent to holders and proxy materials are available at our website beginning on May 5, 2007, only those Holders of record as of each of April 30, 2007 and May 22, 2007 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 22, 2007 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 JPMorgan Chase Bank, N.A., P.O. Box 3500, South Hackensack, NJ 07606-3500, U.S.A. If the Depositary receives properly completed instructions by 3:00 p.m., New York City time, on May 30, 2007, then it shall vote or cause to be voted the shares underlying such ADRs in the manner prescribed by the instructions. However, if by 3:00 p.m., New York time, on May 30, 2007, the Depositary receives no instructions from the holder of ADRs, or the instructions are not in proper form, then the Depositary shall deem such holder to have instructed the Depositary to vote the underlying shares of Common Stock of any such ADRs in favor of any proposals or recommendations of the Company, for which purposes the Depositary shall issue a discretionary proxy to a person appointed by the Company to vote such shares in favor of any proposals or recommendations of the Company (including any recommendation by the Company to vote such shares on any given issue in accordance with the majority shareholder vote on that issue). No instruction shall be deemed given and no discretionary proxy shall be given with respect to any matter as to which the Company informs the Depositary it does not wish such proxy given or if the proposal has, in the discretion of the Depositary, a materially adverse effect on the rights of the holders of ADRs. Any holder of ADRs is entitled to revoke any instructions which it has previously given to the Depositary by filing with the Depositary a written revocation or duly executed instructions bearing a later date at any time prior to 3:00 p.m., New York time, on May 30, 2007. 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, the holders of shares traded on the Argentine and Italian stock exchanges who have requested admission to the meetings, or who have issued a voting proxy, must have their shares blocked for trading until the date of the meetings, while holders of shares traded in the Mexican stock exchange and holders of ADRs traded in the New York stock exchange need not have their 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 30, 2007 and June 6, 2006, shall be disregarded.

The meetings will appoint a chairperson *pro tempore* to preside over them. The chairperson *pro tempore* will have broad authority to conduct the meetings in an orderly and timely manner and to establish rules for shareholders who wish to address either 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 majority vote, irrespective of the number of shares present or represented. The extraordinary general meeting of shareholders convened to consider the renewal of the validity period of the Company's authorized share capital, and the waiver of, suppression of, and authorisation to suppress or limit, preferential subscription rights by the Company's existing shareholders may only validly meet on the first call if at least half of the share capital is present or represented. If the required quorum is not met, a second meeting may be convened by means of notices published twice, not less than twenty (20) days apart and in any case twenty (20) days before the meeting, in the *Mémorial C, Recueil des Sociétés et Associations* (Luxembourg Official Gazette), two Luxembourg newspapers and such other publications as are required under article 19 of the Company's Articles of Association. The second meeting may validly decide on the matter, regardless of the quorum present or represented. In each case, resolutions may only be passed by a two-thirds majority of the votes of the shareholders present or represented.

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



Annual General Meeting of Shareholders

1. Consideration of the Board of Directors' and Independent Auditor's Reports on the Company's Consolidated Financial Statements. Approval of the Company's Consolidated Financial Statements for the Years Ended December 31, 2006, 2005 and 2004.

The Board of Directors recommends a vote FOR approval of the Company's consolidated financial statements for the fiscal years ended December 31, 2006, 2005 and 2004, 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 sheet of the Company and its subsidiaries at December 31, 2006, 2005 and 2004 and the related consolidated statement of income, consolidated statement of changes in shareholders' equity, consolidated cash flow statement and notes to the consolidated financial statements, the independent auditors' report on such consolidated financial statements and management's discussion and analysis on the Company's results of operations and financial condition are included in the Company's 2006 annual report, a copy of which is available on our website at www.tenaris.com/investors and may also be obtained upon request at 1-800-990-1135 (if you are in the United States) or +1-201-680-6630 (if you are outside the United States).

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, 2006.

The Board of Directors recommends a vote FOR approval of the Company's annual accounts as of, and for the fiscal year ended, December 31, 2006, after due consideration of the report from each of the Board of Directors and the independent auditors on such annual accounts. These documents are included in the Company's 2006 annual report, a copy of which is available on our website at www.tenaris.com/investors and may also be obtained upon request at 1-800-990-1135 (if you are in the United States) or +1-201-680-6630 (if you are outside the United States).

3. Allocation of Results and Approval of Dividend Payment.

The Board of Directors recommends a vote FOR approval of a dividend payable in U.S. dollars on June 21, 2007, 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. All of the aggregate amount of US\$354,161,049 to be distributed as dividends are to be paid from profits of the year ended December 31, 2006. 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 determine, in its discretion, the terms and conditions of the dividend payment, including the applicable record date.

4. Discharge to the Members of the Board of Directors.

In accordance with applicable Luxembourg law and regulations, it is proposed that, upon approval of the Company's accounts for the year ended December 31, 2006, the members of Board of Directors be discharged of any responsibilities in connection with the management of the Company's affairs during such year.



5. Election of the Board of Directors' Members.

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

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

The present Board of Directors of the Company consists of nine Directors. Three members of the Board of Directors (Messrs. Jaime Serra Puche, Amadeo Vázquez y Vázquez and Roberto Monti) qualify as independent members under the Company's Articles of Association and applicable law.

It is proposed that the size of the Board of Directors be increased to ten members, with (1) the current nine members of the Board of Directors being re-elected, and (2) Mr. Carlos Condorelli (presently, the Company's chief financial officer) be also appointed as a member of the Board of Directors.

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

1. **Mr. Roberto Bonatti.** Mr. Bonatti is a member of our board of directors. Mr. Bonatti has been involved in Techint Group businesses, specifically in the engineering and construction and corporate sectors, throughout his career. He was first employed by the Techint Group in 1976, as deputy resident engineer in Venezuela. In 1984, he became a director of San Faustín, and, since 2001, he has served as its president. In addition, Mr. Bonatti currently serves as president of Techint Compañía Técnica Internacional S.A.C.I. of Argentina and Tecpetrol S.A. of Argentina and as a director of Tenaris, Siderca and Siderar. Mr. Bonatti is an Italian citizen.
2. **Mr. Carlos Condorelli.** Mr. Condorelli currently serves as our chief financial officer, a position that he assumed in October 2002. 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. **Mr. Carlos Manuel Franck.** Mr. Franck is a member of our board of directors. He is president of Santa María S.A.I.F., Inverban S.A. vice president of Siderca SAIC and a member of the board of directors of Techint Financial Corporation N.V., Industrial Investments Inc., Siderar S.A., Tecpetrol S.A. and Tecgas N.V. He has financial, planning and control responsibilities in subsidiaries of San Faustín N.V. Mr. Franck is an industrial engineer and an Argentine citizen.
4. **Mr. Bruno Marchettini.** Mr. Marchettini has retired from executive positions, but continues to be the referent advisor in steel technology matters for the Techint Group. He is member of the board of directors of San Faustín N.V., Ternium S.A. and Siderar SA.I.C. Mr. Marchettini is an Italian citizen.



5. **Mr. Roberto Monti***. Mr. Monti is a non-executive chairman of Trefoil Limited., member of the board of directors of Petrobras Energia, Transocean Offshore Drilling and of John Wood Group PLC. 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.
6. **Mr. Gianfelice Mario Rocca**. Mr. Rocca is chairman of the board of directors of San Faustín, a member of the board of directors of I.I.I. Industrial Investments Inc., Tenaris S.A., Dalmine S.p.A., Tamsa. and Ternium S.A., president of the Humanitas Group and president of the board of directors of Techint Compagnia Tecnica Internazionale S.p.A., Techint S.A. de C.V. In addition, he sits on the board of directors or executive committees of several companies, including Sirti S.p.A., Ras, RCS Quotidiani, Fastweb and Buzzi Unicem. He is vice president of Confindustria, the leading association of Italian industrialists. He is a member of the European Advisory Board of the Harvard Business School, the Trilateral Commission. Mr. Rocca graduated in Physics cum laude at the University of Milan and holds a postgraduate degree from the Harvard Business School. Mr. Rocca is an Italian citizen.
7. **Mr. Paolo Rocca**. Mr. Rocca is chairman of our board of directors and our chief executive officer. He is also chairman of the board of directors of Tamsa and of Dalmine, S.p.A. and vice president of Confab Industrial S.A. He is also chairman of the board of Ternium S.A. and director and vice president of San Faustín N.V. and director of Techint Financial Corporation N.V. Mr. Rocca is member of the Executive Committee of the IISI (International Iron and Steel Institute) and member of the International Advisory Committee of the NYSE (New York Stock Exchange) Mr. Rocca is an Italian citizen.
8. **Mr. Jaime Serra Puche***. Mr. Serra Puche is chairman of SAI Consultores, and a member of the board of directors of Chiquita Brands International, The Mexico Fund, 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.
9. **Mr. Amadeo Vázquez y Vázquez***. Mr. Vázquez y Vázquez is a director of Gas Natural Ban, S.A., third vice president of Cámara Argentina de Comercio, communications advisor of Departamento de Infraestructura de la Unión Industrial Argentina, and Vocal of the Executive Committee of Asociación Empresaria Argentina. He was also chairman of the board of directors of Telecom Argentina S.A. Mr. Vázquez y Vázquez is an Argentine citizen.
10. **Mr. Guillermo F. Vogel**. Mr. Vogel is vice chairman of Tamsa, vice chairman of the American Iron & Steel Institute, chairman of the North American Steel Council, chairman of Grupo Collado, vice chairman of Estilo y Vanidad S.A. de C.V. and a Director of the North American Competitiveness Council, the International Iron and Steel Institute and HSBC (México) being also a member of its audit committee . Mr. Vogel is a Mexican citizen.

* Independent directors



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 4, 2008.

The Company's Board of Directors met nine times during 2006. On January 31, 2003, the Board of Directors created an Audit Committee pursuant to Article 11 of the Articles of Association. As permitted under applicable laws and regulations, the Board of Directors does not have any executive, nominating or compensation committee, or any committees exercising similar functions.

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 2007. It is further proposed that the Chairman of the Audit Committee receive an additional fee of US\$10,000 and that the other members of the Board of Directors who are members of such Committee receive an additional fee of US\$50,000.

7. 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 authorized to cause the distribution of all shareholder communications, including its shareholder meeting and proxy materials and annual reports to shareholders (either in the form of a separate annual report containing financial statements of the Company and its consolidated subsidiaries or in the form of a 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 web site, or by sending an email with attachment 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.

8. Appointment of Independent Auditors 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 required under Luxembourg law, through PricewaterhouseCoopers S.à.r.l., Réviseur d'entreprises, and, in connection with the Company's annual and interim 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, 2007, to be engaged until the next annual general meeting that will be convened to resolve on the 2007 accounts.

In addition, the Board of Directors recommends a vote FOR approval of an amount up to US\$5'083,000 payable to the independent auditors as fees for audit services and audit related services to be rendered during the fiscal year ending December 31, 2007 and to authorise the Audit Committee to increase the independent auditors' fees should it conclude that circumstances would merit any such change. Such fees cover the audit of the Company's consolidated financial statements and its annual accounts, the audit of the Company's internal controls over financial reporting as mandated by the Sarbanes-Oxley Act of 2002, and other services.



Extraordinary General Meeting of Shareholders

1. The renewal of the validity period of the company's authorized Share Capital for a period starting on the date of the General Meeting of Shareholders and ending on the fifth anniversary of the date of the publication in the Mémorial of the deed recording the minutes of such meeting and of the authorisation to the Board to issue shares from time to time within the limits of such authorised Share Capital against contribution in cash, in kind or by way of incorporation of reserves, at an amount that may not be less than the par value and may include such issue premium as the Board shall decide, while reserving to existing shareholders the preferential right to subscribe for such newly issued shares, except:

- a. In circumstances in which the shares are issued for a consideration other than cash;
- b. With respect to shares issued as compensation to directors, officers, agents, or employees of the company, its subsidiaries or affiliates; and
- c. With respect to shares issued to satisfy conversion or option rights created to provide compensation to directors, officers, agents or employees of the company, its subsidiaries or affiliates.

Any shares to be issued for the purposes set forth in (b) and (c) may not exceed 1.5% of the company's issued share capital.

2. The waiver of any preferential subscription rights of existing shareholders provided for by law and the authorisation to the Board to suppress any preferential subscription rights of existing shareholders, each time with respect to issuances of shares under (a), (b) and (c) above, and the acknowledgement and approval of the report of the Board on the authorised Share Capital and the proposed waiver and authorisation to the Board with respect to such issuances.

The Board of Directors believes that the proposed renewal of the validity period of the Company's authorized share capital, the authorisation to the Board of Directors to issue shares within the authorized share capital and the waiver of, suppression of, and authorisation to suppress or limit, preferential subscription rights by the Company's existing shareholders is in the best interests of the Company and its shareholders and accordingly recommends a vote FOR this proposal.

Shareholders are reminded that the authorized share capital, the authorisation to the Board of Directors to issue shares within the authorized share capital and the exceptions set forth under (a), (b) and (c) are currently contained in the Company's Articles of Association and are therefore simply renewed.

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



Accordingly, the Board of Directors believes it to be in the Company's best interest that the Board of Directors be authorized to negotiate and conclude acquisitions, investments, joint venture and other transactions using shares or rights to shares (either at or below market price, and including by way of incorporation of reserves) of the Company's capital as acquisition currency. Similarly, the Board of Directors believes that the interest of the Company requires that maximum flexibility be granted so that the Company be able to react quickly and without delay to any suitable acquisition, investment, joint venture or other strategic proposals or projects and/or to secure financing in connection thereto by issuing or offering to issue shares for consideration other than cash.

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

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

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

The Company anticipates that the next Annual General Meeting of Shareholders will be held on June 4, 2008. Any holder of shares who intends to present a proposal to be considered at the next Annual General Meeting must submit the proposal in writing to the Company at any of the offices indicated in the Notice not later than 4:00 P.M. (local time) on March 31, 2008, 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 2008 annual general meeting of shareholders.

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

Cecilia Bilesio
Secretary to the Board of Directors