

TENARIS SA  
Form 6-K  
August 05, 2011

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FORM 6 - K

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Report of Foreign Private Issuer  
Pursuant to Rule 13a - 16 or 15d - 16 of  
the Securities Exchange Act of 1934

As of August 5, 2011

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

TENARIS, S.A.  
29 avenue de la Porte-Neuve  
3rd Floor  
L-2227 Luxembourg  
(Address of principal executive offices)

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

Form 20-F  Form 40-F

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

Yes  No

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



The attached material is being furnished to the Securities and Exchange Commission pursuant to Rule 13a-16 and Form 6-K under the Securities Exchange Act of 1934, as amended. This report contains Tenaris' Consolidated Condensed Interim Financial Statements for the six-month period ended June 30, 2011.

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: August 5, 2011

Tenaris, S.A.

By: /s/ Cecilia Bilesio  
Cecilia Bilesio  
Corporate Secretary

TENARIS S.A.

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

JUNE 30, 2011

29, Avenue de la Porte-Neuve – 3rd Floor.  
L - 2227 Luxembourg

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Tenaris S.A. Consolidated Condensed Interim Financial Statements for the six-month period ended June 30, 2011

## CONSOLIDATED CONDENSED INTERIM INCOME STATEMENT

(all amounts in thousands of U.S. dollars, unless otherwise stated)		Three-month period ended June 30,		Six-month period ended June 30,	
	Notes	2011	2010	2011	2010
		(Unaudited)		(Unaudited)	
Continuing operations					
Net sales	3	2,403,122	1,981,762	4,727,087	3,620,483
Cost of sales	3 & 4	(1,523,448)	(1,183,429)	(2,957,810)	(2,170,472)
Gross profit		879,674	798,333	1,769,277	1,450,011
Selling, general and administrative expenses	3 & 5	(468,341 )	(391,144 )	(918,115 )	(738,531 )
Other operating income (expense), net	3	1,028	(1,886 )	2,649	3,163
Operating income		412,361	405,303	853,811	714,643
Interest income	6	6,513	4,352	14,200	11,500
Interest expense	6	(12,248 )	(21,889 )	(25,289 )	(41,958 )
Other financial results	6	(12,408 )	(7,368 )	(11,350 )	323
Income before equity in earnings of associated companies and income tax		394,218	380,398	831,372	684,508
Equity in earnings of associated companies		22,720	19,288	47,005	42,814
Income before income tax		416,938	399,686	878,377	727,322
Income tax		(112,235 )	(104,716 )	(249,477 )	(210,142 )
Income for the period		304,703	294,970	628,900	517,180
Attributable to:					
Equity holders of the Company		287,218	282,098	606,592	501,647
Non-controlling interests		17,485	12,872	22,308	15,533
		304,703	294,970	628,900	517,180
Earnings per share attributable to the equity holders of the Company during the period:					
Weighted average number of ordinary shares (thousands)	7	1,180,537	1,180,537	1,180,537	1,180,537
Continuing operations					
Basic and diluted earnings per share (U.S. dollars per share)	7	0.24	0.24	0.51	0.42
Basic and diluted earnings per ADS (U.S. dollars per ADS)	7	0.49	0.48	1.03	0.85

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

(all amounts in thousands of U.S. dollars)		Three-month period ended June 30,		Six-month period ended June 30,	
		2011	2010	2011	2010
		(Unaudited)		(Unaudited)	
Income for the period		304,703	294,970	628,900	517,180
Other comprehensive income:					
Currency translation adjustment		80,713	(145,777 )	235,492	(150,886 )
		(2,572 )	1,088	5,790	(2,195 )

Changes in the fair value of derivatives held as cash flow hedges

Share of other comprehensive income of associates:

- Currency translation adjustment	(5 )	(4,704 )	5,649	2,025
- Changes in the fair value of derivatives held as cash flow hedges	378	175	832	231
Income tax relating to components of other comprehensive income (*)	215	(659 )	(1,672 )	462
Other comprehensive income for the period, net of tax	78,729	(149,877 )	246,091	(150,363 )
Total comprehensive income for the period	383,432	145,093	874,991	366,817
Attributable to:				
Equity holders of the Company	341,775	128,962	820,500	359,397
Non-controlling interests	41,657	16,131	54,491	7,420
	383,432	145,093	874,991	366,817

(\*) Relates to cash flow hedges

The accompanying notes are an integral part of these Consolidated Condensed Interim Financial Statements. These Consolidated Condensed Interim Financial Statements should be read in conjunction with our audited Consolidated Financial Statements and notes for the fiscal year ended December 31, 2010.

Tenaris S.A. Consolidated Condensed Interim Financial Statements for the six-month period ended June 30, 2011

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

(all amounts in thousands of U.S. dollars)	Notes	At June 30, 2011 (Unaudited)		At December 31, 2010	
<b>ASSETS</b>					
Non-current assets					
Property, plant and equipment, net	8	4,212,424		3,780,580	
Intangible assets, net	9	3,509,504		3,581,816	
Investments in associated companies		704,764		671,855	
Other investments		45,616		43,592	
Deferred tax assets		227,591		210,523	
Receivables		137,980	8,837,879	120,429	8,408,795
Current assets					
Inventories		2,765,885		2,460,384	
Receivables and prepayments		268,912		282,536	
Current tax assets		227,666		249,317	
Trade receivables		1,723,037		1,421,642	
Available for sale assets	13	21,572		21,572	
Other investments		870,906		676,224	
Cash and cash equivalents		424,287	6,302,265	843,861	5,955,536
Total assets			15,140,144		14,364,331
<b>EQUITY</b>					
Capital and reserves attributable to the Company's equity holders					
			10,469,669		9,902,359
Non-controlling interests			682,426		648,221
Total equity			11,152,095		10,550,580
<b>LIABILITIES</b>					
Non-current liabilities					
Borrowings		160,636		220,570	
Deferred tax liabilities		929,052		934,226	
Other liabilities		214,345		193,209	
Provisions		91,736		83,922	
Trade payables		2,611	1,398,380	3,278	1,435,205
Current liabilities					
Borrowings		1,069,673		1,023,926	
Current tax liabilities		213,144		207,652	
Other liabilities		313,359		233,590	
Provisions		37,203		25,101	
Customer advances		66,223		70,051	
Trade payables		890,067	2,589,669	818,226	2,378,546
Total liabilities			3,988,049		3,813,751
Total equity and liabilities			15,140,144		14,364,331

Contingencies, commitments and restrictions to the distribution of profits are disclosed in Note 10.

The accompanying notes are an integral part of these Consolidated Condensed Interim Financial Statements. These Consolidated Condensed Interim Financial Statements should be read in conjunction with our audited Consolidated Financial Statements and notes for the fiscal year ended December 31, 2010.



Tenaris S.A. Consolidated Condensed Interim Financial Statements for the six-month period ended June 30, 2011

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

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

	Attributable to equity holders of the Company						Total	Non-controlling interests	Total (Unaudited)
	Share Capital (1)	Legal Reserves	Share Premium	Currency Translation Adjustment	Other Reserves	Retained Earnings (2)			
Balance at January 1, 2011	1,180,537	118,054	609,733	108,419	15,809	7,869,807	9,902,359	648,221	10,550,580
Income for the period	-	-	-	-	-	606,592	606,592	22,308	628,900
Currency translation adjustment	-	-	-	203,002	-	-	203,002	32,490	235,492
Hedge reserve, net of tax	-	-	-	-	4,425	-	4,425	(307 )	4,118
Share of other comprehensive income of associates	-	-	-	5,649	832	-	6,481	-	6,481
Other comprehensive income for the period	-	-	-	208,651	5,257	-	213,908	32,183	246,091
Total comprehensive income for the period	-	-	-	208,651	5,257	606,592	820,500	54,491	874,991
Acquisition of non-controlling interests	-	-	-	-	(1,938 )	-	(1,938 )	(14,551 )	(16,489 )
Treasury shares held by associated companies	-	-	-	-	(3,339 )	-	(3,339 )	-	(3,339 )
Dividends paid in cash	-	-	-	-	-	(247,913 )	(247,913 )	(5,735 )	(253,648 )
Balance at June 30, 2011	1,180,537	118,054	609,733	317,070	15,789	8,228,486	10,469,669	682,426	11,152,095

Attributable to equity holders of the Company							Total	Total
Share	Legal	Share		Other	Retained	Total		

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	Capital (1)	Reserves	Premium	Currency Translation Adjustment	Reserves	Earnings	Non-controlling interests		
									(Unaudited)
Balance at January 1, 2010	1,180,537	118,054	609,733	29,533	10,484	7,143,823	9,092,164	628,672	9,720,836
Income for the period	-	-	-	-	-	501,647	501,647	15,533	517,180
Currency translation adjustment	-	-	-	(142,770)	-	-	(142,770 )	(8,116 )	(150,886 )
Hedge reserve, net of tax	-	-	-	-	(1,736 )	-	(1,736 )	3	(1,733 )
Share of other comprehensive income of associates	-	-	-	2,025	231	-	2,256	-	2,256
Other comprehensive income for the period	-	-	-	(140,745)	(1,505 )	-	(142,250 )	(8,113 )	(150,363 )
Total comprehensive income for the period	-	-	-	(140,745)	(1,505 )	501,647	359,397	7,420	366,817
Acquisition and increase of non-controlling interests	-	-	-	-	(366 )	-	(366 )	(2,990 )	(3,356 )
Dividends paid in cash	-	-	-	-	-	(247,913 )	(247,913 )	(14,577 )	(262,490 )
Balance at June 30, 2010	1,180,537	118,054	609,733	(111,212)	8,613	7,397,557	9,203,282	618,525	9,821,807

(1) The Company has an authorized share capital of a single class of 2.5 billion shares having a nominal value of USD1.00 per share. As of June 30, 2011 and 2010 there were 1,180,536,830 shares issued. All issued shares are fully paid.

(2) The Distributable Reserve and Retained Earnings as of December 31, 2010 calculated in accordance with Luxembourg Law are disclosed in Note 10.

The accompanying notes are an integral part of these Consolidated Condensed Interim Financial Statements. These Consolidated Condensed Interim Financial Statements should be read in conjunction with our audited Consolidated Financial Statements and notes for the fiscal year ended December 31, 2010

Tenaris S.A. Consolidated Condensed Interim Financial Statements for the six-month period ended June 30, 2011

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

(all amounts in thousands of U.S. dollars)	Note	Six-month period ended June 30,	
		2011	2010
		(Unaudited)	
Cash flows from operating activities			
Income for the period		628,900	517,180
Adjustments for:			
Depreciation and amortization	8 & 9	265,401	251,916
Income tax accruals less payments		36,629	(115,948 )
Equity in earnings of associated companies		(47,005 )	(43,310 )
Interest accruals less payments, net		(27,820 )	19,496
Changes in provisions		19,916	1,684
Changes in working capital		(487,951 )	(63,493 )
Other, including currency translation adjustment		102,716	(72,632 )
Net cash provided by operating activities		490,786	494,893
Cash flows from investing activities			
Capital expenditures	8 & 9	(461,791 )	(348,393 )
Proceeds from disposal of property, plant and equipment and intangible assets		1,967	5,746
Dividends and distributions received from associated companies		17,229	12,958
Investments in short terms securities		(194,682 )	75,052
Net cash used in investing activities		(637,277 )	(254,637 )
Cash flows from financing activities			
Dividends paid		(247,913 )	(247,913 )
Dividends paid to non-controlling interests in subsidiaries		(5,735 )	(14,577 )
Acquisitions of non-controlling interests	11	(16,489 )	(3,356 )
Proceeds from borrowings		489,795	349,856
Repayments of borrowings		(541,112 )	(588,754 )
Net cash used in financing activities		(321,454 )	(504,744 )
Decrease in cash and cash equivalents		(467,945 )	(264,488 )
Movement in cash and cash equivalents			
At the beginning of the period		820,165	1,528,707
Effect of exchange rate changes		9,823	(19,818 )
Decrease in cash and cash equivalents		(467,945 )	(264,488 )
At June 30,		362,043	1,244,401
			At June 30,
Cash and cash equivalents		2011	2010
Cash and bank deposits		424,287	1,276,814
Bank overdrafts		(62,244 )	(32,413 )
		362,043	1,244,401

The accompanying notes are an integral part of these Consolidated Condensed Interim Financial Statements. These Consolidated Condensed Interim Financial Statements should be read in conjunction with our audited Consolidated Financial Statements and notes for the fiscal year ended December 31, 2010.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

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NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

(In the notes all amounts are shown in U.S. dollars, unless otherwise stated)

1 General information

Tenaris S.A. (the "Company") was established as a public limited liability company (société anonyme) under the laws of the Grand-Duchy of Luxembourg on December 17, 2001. The Company holds, either directly or indirectly, controlling interests in various subsidiaries in the steel pipe manufacturing and distribution businesses. References in these Consolidated Condensed Interim Financial Statements to "Tenaris" refer to Tenaris S.A. and its consolidated subsidiaries. A list of the principal Company's subsidiaries is included in Note 31 to the audited Consolidated Financial Statements for the year ended December 31, 2010.

The Company's shares trade on the Milan Stock Exchange, the Buenos Aires Stock Exchange and the Mexico City Stock Exchange; the Company's American Depositary Securities ("ADS") trade on the New York Stock Exchange.

These Consolidated Condensed Interim Financial Statements were approved for issue by the Company's Board of Directors on August 4, 2011.

2 Accounting policies and basis of presentation

These Consolidated Condensed Interim Financial Statements have been prepared in accordance with IAS 34, "Interim Financial Reporting". The accounting policies used in the preparation of these Consolidated Condensed Interim Financial Statements are consistent with those used in the audited Consolidated Financial Statements for the year ended December 31, 2010. These Consolidated Condensed Interim Financial Statements should be read in conjunction with the audited Consolidated Financial Statements for the year ended December 31, 2010, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB") and adopted by the European Union ("EU").

Whenever necessary, comparative amounts have been reclassified to conform to changes in presentation in the current year.

The preparation of Consolidated Condensed Interim Financial Statements in conformity with IFRS requires management to make certain accounting estimates and assumptions that might affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the balance sheet dates, and the reported amounts of revenues and expenses for the reported periods. Actual results may differ from these estimates.

Material inter-company transactions, balances and unrealized gains (losses) on transactions between Tenaris subsidiaries have been eliminated in consolidation. However, since the functional currency of some subsidiaries is its respective local currency, some financial gains (losses) arising from inter-company transactions are generated. These are included in the Consolidated Condensed Interim Income Statement under Other financial results.

## 3 Segment information

## Reportable operating segments

(all amounts in thousands of U.S. dollars)	(Unaudited)			Total
	Tubes	Projects	Other	
Six-month period ended June 30, 2011				
Net sales	3,965,103	387,347	374,637	4,727,087
Cost of sales	(2,445,269)	(257,250 )	(255,291 )	(2,957,810)
Gross profit	1,519,834	130,097	119,346	1,769,277
Selling, general and administrative expenses	(828,614 )	(46,418 )	(43,083 )	(918,115 )
Other operating income (expenses), net	2,876	(413 )	186	2,649
Operating income	694,096	83,266	76,449	853,811
Depreciation and amortization	247,093	11,104	7,204	265,401
Capital expenditures	430,805	28,558	2,428	461,791
Six-month period ended June 30, 2010				
Net sales	3,131,830	187,248	301,405	3,620,483
Cost of sales	(1,830,262)	(122,129 )	(218,081 )	(2,170,472)
Gross profit	1,301,568	65,119	83,324	1,450,011
Selling, general and administrative expenses	(666,222 )	(39,086 )	(33,223 )	(738,531 )
Other operating income (expenses), net	(643 )	1,479	2,327	3,163
Operating income	634,703	27,512	52,428	714,643
Depreciation and amortization	234,511	9,695	7,710	251,916
Capital expenditures	325,564	20,817	2,012	348,393

## Geographical information

(all amounts in thousands of U.S. dollars)	(Unaudited)					Total
	North America	South America	Europe	Middle East & Africa	Far East & Oceania	
Six-month period ended June 30, 2011						
Net sales	2,030,437	1,267,790	557,254	601,406	270,200	4,727,087
Depreciation and amortization	137,402	53,393	60,280	633	13,693	265,401
Capital expenditures	307,681	72,695	66,618	9,152	5,645	461,791
Six-month period ended June 30, 2010						
Net sales	1,498,143	885,707	413,644	626,348	196,641	3,620,483
Depreciation and amortization	128,205	52,664	57,181	707	13,159	251,916
Capital expenditures	241,145	54,015	37,878	9,138	6,217	348,393

Allocation of net sales to geographical information is based on customer location. Allocation of depreciation and amortization is based on the geographical location of the underlying assets.

There are no revenues from external customers attributable to the Company's country of incorporation (Luxembourg). For geographical information purposes, "North America" comprises Canada, Mexico and the USA; "South America" comprises principally Argentina, Brazil, Colombia, Ecuador, Peru and Venezuela; "Europe" comprises principally Italy,

Norway and Romania; “Middle East and Africa” comprises principally Algeria, Egypt, Kazakhstan, Kuwait, Nigeria, Saudi Arabia and United Arab Emirates; “Far East and Oceania” comprises principally Australia, China, Indonesia and Japan.

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## 4 Cost of sales

(all amounts in thousands of U.S. dollars)	Six-month period ended	
	June 30,	
	2011	2010
	(Unaudited)	
Inventories at the beginning of the period	2,460,384	1,687,059
Plus: Charges of the period		
Raw materials, energy, consumables and other	2,233,203	1,710,431
Services and fees	176,782	154,792
Labor cost	549,561	454,205
Depreciation of property, plant and equipment	154,648	140,364
Amortization of intangible assets	2,409	2,090
Maintenance expenses	99,975	87,339
Allowance for obsolescence	(553 )	(34,346 )
Taxes	2,418	3,561
Other	44,868	27,821
	3,263,311	2,546,257
Less: Inventories at the end of the period	(2,765,885)	(2,062,844)
	2,957,810	2,170,472

## 5 Selling, general and administrative expenses

(all amounts in thousands of U.S. dollars)	Six-month period ended	
	June 30,	
	2011	2010
	(Unaudited)	
Services and fees	114,189	106,609
Labor cost	268,658	225,087
Depreciation of property, plant and equipment	5,583	8,936
Amortization of intangible assets	102,761	100,526
Commissions, freight and other selling expenses	252,757	187,838
Provisions for contingencies	30,221	21,923
Allowances for doubtful accounts	4,118	(11,569 )
Taxes	72,996	56,008
Other	66,832	43,173
	918,115	738,531

## 6 Financial results

(all amounts in thousands of U.S. dollars)	Six-month period ended	
	June 30,	
	2011	2010
	(Unaudited)	
Interest income	14,200	11,500
Interest expense (*)	(25,289 )	(41,958 )
Interest net	(11,089 )	(30,458 )
Net foreign exchange transaction results	(15,395 )	3,743
Foreign exchange derivatives contracts results (**)	4,521	(2,078 )

Other	(476 )	(1,342 )
Other financial results	(11,350 )	323
Net financial results	(22,439 )	(30,135 )

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## 6 Financial results (Cont.)

Net foreign exchange transaction results include those amounts that affect the gross margin of certain subsidiaries which functional currencies are different from the U.S. dollar.

(\*) Includes interest rate swap losses of \$5.2 million and \$7.9 million for the six-month period ended June 30, 2011 and June 30, 2010, respectively.

(\*\*) Includes a gain of \$6.1 million and a loss of \$7.8 million on an identified embedded derivative for the six-month periods ended June 30, 2011 and June 30, 2010, respectively.

## 7 Earnings and dividends per share

Earnings per share are calculated by dividing the net income attributable to equity holders of the Company by the daily weighted average number of ordinary shares in issue during the period.

	Six-month period ended June 30, 2011          2010 (Unaudited)	
Net income attributable to equity holders	606,592	501,647
Weighted average number of ordinary shares in issue (thousands)	1,180,537	1,180,537
Basic and diluted earnings per share (U.S. dollars per share)	0.51	0.42
Basic and diluted earnings per ADS (U.S. dollars per ADS) (*)	1.03	0.85

(\*) Each ADS equals two shares

On June 1, 2011 the Company's shareholders approved an annual dividend in the amount of \$0.34 per share (\$0.68 per ADS). The amount approved included the interim dividend previously paid in November 2010, in the amount of \$0.13 per share (\$0.26 per ADS). The balance, amounting to \$0.21 per share (\$0.42 per ADS), was paid on June 23, 2011. In the aggregate, the interim dividend paid in November 2010 and the balance paid in June 2011 amounted to approximately \$401 million.

8 Property, plant and equipment, net  
(all amounts in thousands of U.S. dollars)

	2011	2010
	(Unaudited)	
Six-month period ended June 30,		
Opening net book amount	3,780,580	3,254,587
Currency translation adjustment	150,477	(105,832 )
Additions	443,757	337,534
Disposals	(1,967 )	(5,722 )
Transfers	(192 )	(1,518 )
Depreciation charge	(160,231 )	(149,300 )
At June 30,	4,212,424	3,329,749

9 Intangible assets, net  
(all amounts in thousands of U.S. dollars)

	2011	2010
	(Unaudited)	
Six-month period ended June 30,		

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Opening net book amount	3,581,816	3,670,920
Currency translation adjustment	14,632	(4,316 )
Additions	18,034	10,859
Disposals	-	(24 )
Transfers	192	1,518
Amortization charge	(105,170 )	(102,616 )
At June 30,	3,509,504	3,576,341