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TENARIS SA
Form 6-K
November 09, 2005

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 November 9, 2005

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

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

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

Form 20-F X Form 40-F
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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's press release announcing its results for the third quarter of 2005 and interim dividend.

Tenaris Announces 2005 Third Quarter Results and Interim Dividend

LUXEMBOURG--(BUSINESS WIRE)--Nov. 8, 2005--The financial and operational information contained in this press release is based on unaudited consolidated condensed interim financial statements prepared

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in accordance with International Financial Reporting Standards (IFRS) and presented in U.S. dollars.

Tenaris S.A. (NYSE:TS) (BCBA:TS) (BMV:TS) (BI:TEN) ("Tenaris") today announced its results for the quarter ended September 30, 2005 with comparison to its results for the quarter ended September 30, 2004.

Summary of 2005 Third Quarter Results

| | Q3 2005 | Q3 2004 | Increase/ (Decrease) |
|---|---------|---------|-------------------------|
| Net sales (US\$ million) | 1,640.4 | 1,007.2 | 63% |
| Operating income (US\$ million) | 475.2 | 201.9 | 135% |
| Net income (US\$ million) (a) | 350.9 | 148.8 | 136% |
| Shareholders' net income (US\$ million) | 318.9 | 141.6 | 125% |
| Earnings per ADS (US\$) | 2.70 | 1.20 | 125% |
| Earnings per share (US\$) | 0.270 | 0.120 | 125% |
| Av. number of shares (million) | 1,180.5 | 1,180.5 | |
| EBITDA(b) (US\$ million) | 528.1 | 250.4 | 111% |
| EBITDA margin (% of net sales) | 32% | 25% | |

a) As required by IAS 1 (revised) as from January 1, 2005 the income for the period disclosed in the income statement does not show minority interest. Earnings per share continue to be calculated on the net income attributable solely to the equity holders of Tenaris.

(b) EBITDA equals operating income plus depreciation and amortization charges

These third quarter results reflect the continuing strength in demand for our tubular products from the global oil and gas industry. Notwithstanding seasonally lower seamless pipe sales volumes, earnings per share showed a sequential increase over that recorded in the second quarter of 2005 and a 125% increase over the same period of 2004. Higher sales volumes in the Middle East and Africa region reflect the increase in exploration and production activity and our leading position in the region. Our consolidated EBITDA and operating margins and our seamless pipe gross margin all increased moderately over the level of the first two quarters as increases in seamless pipe selling prices offset the impact of cost increases. Free cash flow (net cash provided by operations less capital expenditures) was US\$423.5 million and net debt decreased to US\$314.0 million.

Payment of Interim Dividend

Tenaris's board of directors approved the payment of an interim dividend of US\$0.127 per share (US\$1.27 per ADS), or approximately US\$150 million, on November 16, 2005, with an ex-dividend date of November 11.

Market Background and Outlook

Global demand for seamless pipes remains strong led by higher drilling activity in the oil and gas industry. The international count of active drilling rigs, as published by Baker Hughes, averaged 911 during the third quarter of 2005, an increase of 8% compared to the same quarter of the previous year. The corresponding percentage rig count increases in the Canadian and U.S. markets, which are more sensitive to natural gas prices, were 53% and 16% respectively.

Strong demand for our seamless pipe products from the energy

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sector, particularly for the high-end pipes in which we increasingly specialize, resulted in significant increases in the average selling price for our seamless pipe products in the first two quarters of the year and a further increase in this third quarter. This has enabled us to record strong sales growth and improved operating margins in the year to date as selling price increases have more than offset the impact of higher raw material, energy and labor costs. We expect market conditions, particularly demand for our products and services from oil and gas customers, to remain favorable in the fourth quarter and through the first half of 2006, and that any further cost increases will be offset by higher selling prices.

Demand for our welded pipe products has been benefiting from gas pipeline projects in Brazil, where there are a number of gas pipeline projects under development to build up the country's gas pipeline infrastructure, and in Argentina, where there are projects to increase capacity in and extend the existing gas pipeline infrastructure. Sales and operating margins on welded pipes may be affected in the coming quarters by a slowdown in the implementation of these projects.

Ternium Exchange

On September 9, Tenaris exchanged its 12.6% indirect equity interest in Sidor and its participation in Ylopa for an equity interest in Ternium S.A. Ternium is a Luxembourg-registered company, which was formed to consolidate the Techint Group's holdings in flat and long steel producers Hylsamex (Mexico), Siderar (Argentina) and Sidor (Venezuela). On October 27, Usiminas, a Brazilian steel producer, exchanged its equity interests in Siderar and Sidor for an equity interest in Ternium. Following this transaction, the equity interest of Tenaris in Ternium stands at 15.0% and Ternium owns (i) together with Siderar 99.7% of Hylsamex, (ii) 56% of Siderar and (iii) together with Hylsamex and Siderar 58.5% of Sidor. In addition, Tenaris has the right to receive additional shares in Ternium to the value of US\$39.9 million in the event of Ternium making an initial public offering and certain other events, which amount corresponds to Tenaris's share of Sidor's excess cash distribution during the second and third quarters of 2005 and is recorded as a convertible loan. Tenaris has recorded the value of its equity investment in Ternium at the carrying value of its prior equity investment in Sidor (US\$229.7 million).

Analysis of 2005 Third Quarter Results

| (metric tons) | | | Increase/ (Decrease) |
|----------------------|---------|---------|-------------------------|
| Sales volume | Q3 2005 | Q3 2004 | |
| North America | 198,000 | 179,000 | 11% |
| Europe | 140,000 | 154,000 | (9%) |
| Middle East & Africa | 149,000 | 113,000 | 32% |
| Far East & Oceania | 92,000 | 98,000 | (6%) |
| South America | 104,000 | 93,000 | 12% |
| Total seamless pipes | 682,000 | 638,000 | 7% |
| Welded pipes | 124,000 | 112,000 | 11% |
| Total steel pipes | 806,000 | 750,000 | 7% |

Sales volume of seamless pipes increased by 7% to 682,000 tons in the third quarter of 2005 from 638,000 tons in the same period of 2004. Sales volume increased significantly in the Middle East and Africa region where there has been a significant increase in oil and gas exploration and production activity. Sales volume also increased in the North and South American regions reflecting higher demand from

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oil and gas customers particularly in Canada and Venezuela. Sales volume decreased in Europe and Far East and Oceania reflecting a decline in sales to industrial sector customers.

Sales volumes of welded pipes increased by 11% to 124,000 tons in the third quarter of 2005 from 112,000 tons in the same period of 2004. The increase in sales was due to higher demand for welded pipes for gas pipeline projects in Brazil.

| (US\$ million) | | | Increase/ (Decrease) |
|----------------|---------|---------|-------------------------|
| Net sales | Q3 2005 | Q3 2004 | |
| Seamless pipes | 1,253.9 | 794.3 | 58% |
| Welded pipes | 221.0 | 114.2 | 94% |
| Energy | 106.4 | 80.6 | 32% |
| Others | 59.1 | 18.1 | 227% |
| Total | 1,640.4 | 1,007.2 | 63% |

Net sales in the quarter ended September 30, 2005 increased 63% to US\$1,640.4 million, compared to US\$1,007.2 million in the corresponding quarter of 2004. Net sales of seamless pipes rose by 58%, due to higher average selling prices and higher sales volumes. Net sales of welded pipes, which included US\$18 million in sales of metal structures made by our Brazilian welded pipe subsidiary in the third quarter of 2005 and US\$18 million of such sales in the third quarter of 2004, rose by 94% due to higher selling prices and sales volume. Net sales of energy rose by 32% due to higher sales of natural gas. Net sales of other goods and services increased 227% due to sales of pre-reduced hot briquetted iron from our plant in Venezuela, which we acquired in July 2004 and was not in operation during the third quarter of 2004, and higher sales of sucker rods used in oil extraction.

| (percentage of net sales) | | |
|---------------------------|---------|---------|
| Cost of sales | Q3 2005 | Q3 2004 |
| Seamless pipes | 53% | 60% |
| Welded pipes | 69% | 67% |
| Energy | 100% | 97% |
| Others | 63% | 59% |
| Total | 59% | 64% |

Cost of sales, expressed as a percentage of net sales, decreased to 59% in the third quarter of 2005, compared to 64% in the same period of 2004 reflecting a higher gross margin on our sales of seamless pipe products. Cost of sales for seamless pipe products, expressed as a percentage of net sales, decreased to 53% in the third quarter of 2005 compared to 60% in the same period of 2004 as higher average selling prices offset increased raw material, energy and labor costs.

Selling, general and administrative expenses, or SG&A, declined as a percentage of net sales to 12.6% in the quarter ended September 30, 2005 compared to 16.8% in the corresponding quarter of 2004 but rose in absolute terms to US\$205.9 million compared to US\$168.9 million.

Net financial expenses rose to US\$5.1 million in the third quarter of 2005, compared to net financial expenses of US\$3.1 million in the same period of 2004. Net interest expenses decreased to US\$3.7 million compared to US\$9.7 million, reflecting a lower net debt position.

Equity in earnings of associated companies generated a gain of US\$26.5 million in the third quarter of 2005, compared to a gain of US\$17.3 million in the third quarter of 2004. These gains were derived

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mainly from our equity investment in Sidor. On September 9, we exchanged our equity investment in Sidor for an equity investment in Ternium. In these third quarter results, we recognized gains derived from our investment in Sidor as if that investment had been held for the entire period. Going forward, we will recognize the proportion of gains or losses corresponding to our equity interest in Ternium.

Income tax charges rose to US\$145.7 million in the third quarter of 2005, equivalent to 31% of income before equity in earnings of associated companies and income tax, compared to US\$67.2 million, or 34% of income before equity in earnings of associated companies and income tax, in the corresponding quarter of 2004.

Income attributable to minority interest rose to US\$32.0 million in the third quarter of 2005, compared to US\$7.2 million in the corresponding quarter of 2004 reflecting an improvement in operating and financial results at our Confab and NKK Tubes subsidiaries.

Cash Flow and Liquidity

Net cash provided by operations during the third quarter of 2005 was US\$486.3 million (US\$932.0 million during the nine months). Working capital decreased by US\$32.7 million during the third quarter but has increased by US\$301.4 million in the year to date.

Net cash used in capital expenditures during the third quarter was US\$62.8 million.

In the year to date, total financial debt has decreased by US\$232.9 million to US\$1,026.4 million at September 30, 2005 from US\$1,259.3 million at December 31, 2004. Net financial debt decreased by US\$514.1 million to US\$314.0 million at September 30, 2005 during the same period.

Analysis of Nine Month Results

Results for the nine months period ended September 30, 2005 with comparison to the results for the corresponding period of 2004.

Net income attributable to equity holders in the company during the first nine months of 2005 was US\$896.6 million, or US\$0.760 per share (US\$7.60 per ADS), or 19% of net sales, which compares with net income attributable to equity holders in the company during the first nine months of 2004 of US\$317.3 million, or US\$0.269 per share (US\$2.69 per ADS), or 11% of net sales. Operating income was US\$1,371.5 million, or 28% of net sales, compared to US\$458.1 million, or 16% of net sales. Operating income plus depreciation and amortization was US\$1,528.2 million, or 32% of net sales, compared to US\$608.5 million, or 21% of net sales.

| (metric tons) | | | Increase/ (Decrease) |
|----------------------|-----------|-----------|-------------------------|
| Sales volume | 9M 2005 | 9M 2004 | |
| North America | 651,000 | 531,000 | 23% |
| Europe | 484,000 | 493,000 | (2%) |
| Middle East & Africa | 378,000 | 320,000 | 18% |
| Far East & Oceania | 292,000 | 315,000 | (7%) |
| South America | 328,000 | 281,000 | 17% |
| Total seamless pipes | 2,132,000 | 1,940,000 | 10% |
| Welded pipes | 392,000 | 267,000 | 47% |
| Total steel pipes | 2,523,000 | 2,206,000 | 14% |

| (US\$ million) | | | Increase/ (Decrease) |
|----------------|---------|---------|-------------------------|
| Net sales | 9M 2005 | 9M 2004 | |

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| | | | |
|----------------|---------|---------|------|
| Seamless pipes | 3,667.0 | 2,267.1 | 62% |
| Welded pipes | 636.8 | 270.4 | 136% |
| Energy | 362.6 | 277.3 | 31% |
| Others | 171.1 | 48.6 | 252% |
| Total | 4,837.6 | 2,863.4 | 69% |

Net sales in the nine months ended September 30, 2005 increased 69% to US\$4,837.6 million, compared to US\$2,863.4 million in the corresponding period of 2004. Net sales of seamless pipes rose by 62% due to higher average selling prices and higher sales volume reflecting strong market demand. Net sales of welded pipes, which included US\$47 million in sales of metal structures made by our Brazilian welded pipe subsidiary in the first nine months of 2005 and US\$51 million of such sales in the first nine months of 2004, increased 136% due to higher sales volumes reflecting increased demand from gas pipeline projects in Brazil and Argentina and higher average selling prices. Net sales of electricity and natural gas by Dalmine Energie increased by 31% reflecting higher sales of natural gas and the higher average value of the Euro against the US dollar. Net sales of other goods and services increased 252% due to sales of pre-reduced hot briquetted iron from the plant in Venezuela that we acquired in July 2004 and higher sales of sucker rods used in oil extraction.

| | | |
|---------------------------|---------|---------|
| (percentage of net sales) | | |
| Cost of sales | 9M 2005 | 9M 2004 |
| ----- | ----- | ----- |
| Seamless pipes | 54% | 64% |
| Welded pipes | 67% | 71% |
| Energy | 98% | 97% |
| Others | 61% | 59% |
| Total | 59% | 68% |

Cost of sales, expressed as a percentage of net sales, decreased to 59% in the first nine months of 2005, compared to 68% in the same period of 2004 due to higher gross margins on our sale of seamless and welded pipe products. Cost of sales for seamless pipe products, expressed as a percentage of net sales, decreased to 54% in the first nine months of 2005 compared to 64% in the same period of 2004 as higher average selling prices offset increased raw material, energy and labor costs. Cost of sales for welded pipe products, expressed as a percentage of net sales, decreased to 67% in the first nine months of 2005, compared to 71% in the same period of 2004, as higher average selling prices and volume-related efficiencies offset increased raw material prices.

Selling, general and administrative expenses, or SG&A, declined as a percentage of net sales to 12.5% in the nine months ended September 30, 2005 compared to 16.6% in the corresponding period of 2004 but rose in absolute terms to US\$603.5 million compared to US\$476.3 million.

Net financial expenses totalled US\$89.6 million in the first nine months of 2005, compared to net financial expenses of US\$22.5 million in the same period of 2004. Net interest expenses increased to US\$24.7 million compared to US\$22.0 million, reflecting increases in interest rates. Tenaris recorded a loss of US\$70.2 million on net foreign exchange transactions and the fair value of derivative instruments in the first nine months of 2005, compared to a loss of US\$6.4 million in the first nine months of 2004.

Equity in earnings of associated companies generated a gain of US\$94.9 million in the first nine months of 2005, compared to a gain of US\$57.0 million in the first nine months of 2004. These gains were derived mainly from our equity investment in Sidor. During the third

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quarter we exchanged our equity investment in Sidor for an equity investment in Ternium.

Income tax charges of US\$404.4 million were recorded during the first nine months of 2005, equivalent to 32% of income before equity in earnings of associated companies and income tax, compared to income tax charges of US\$167.2 million, equivalent to 38% of income before equity in earnings of associated companies and income tax, during the corresponding period of 2004.

Income attributable to minority interest rose to US\$75.9 million in the first nine months of 2005, compared to US\$8.2 million in the first nine months of 2004 reflecting an improvement in operating and financial results at our Confab and NKKTubes subsidiaries.

Some of the statements contained in this press release are "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. These risks include but are not limited to risks arising from uncertainties as to future oil prices and their impact on investment programs by oil companies.

Consolidated condensed interim income statement

(all amounts in thousands of U.S. dollars, unless otherwise stated)

| | Three-month period ended September 30, | | Nine-month period ended September 30, | |
|--|---|-----------|--|-------------|
| | 2005 | 2004 | 2005 | 2004 |
| | ----- | | | |
| | (Unaudited) | | | |
| Net sales | 1,640,385 | 1,007,157 | 4,837,623 | 2,863,352 |
| Cost of sales | (962,929) | (641,293) | (2,871,831) | (1,939,405) |
| | ----- | | | |
| Gross profit | 677,456 | 365,864 | 1,965,792 | 923,947 |
| Selling, general and administrative expenses | (205,937) | (168,922) | (603,530) | (476,287) |
| Other operating income (expense), net | 3,696 | 4,917 | 9,265 | 10,482 |
| | ----- | | | |
| Operating income | 475,215 | 201,859 | 1,371,527 | 458,142 |
| Financial income (expense), net | (5,141) | (3,132) | (89,591) | (22,455) |
| | ----- | | | |
| Income before equity in earnings (losses) of associated companies and income tax | 470,074 | 198,727 | 1,281,936 | 435,687 |
| Equity in earnings of associated companies | 26,502 | 17,300 | 94,944 | 56,969 |
| | ----- | | | |
| Income before income tax | 496,576 | 216,027 | 1,376,880 | 492,656 |
| Income tax | (145,678) | (67,204) | (404,392) | (167,184) |
| | ----- | | | |
| Income for the period(a) | 350,898 | 148,823 | 972,488 | 325,472 |
| | ===== | | | |

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Attributable to(a):

| | | | | |
|----------------------------------|---------|---------|---------|---------|
| Equity holders of the Company | 318,897 | 141,599 | 896,587 | 317,281 |
| Minority interest | 32,001 | 7,224 | 75,901 | 8,191 |
| | ----- | ----- | ----- | ----- |
| | 350,898 | 148,823 | 972,488 | 325,472 |
| | ===== | ===== | ===== | ===== |

(1) Prior to December 31, 2004 minority interest was shown in the income statement before net income, as required by International Financial Reporting Standards in effect. For periods beginning on or after January 1, 2005, IAS 1 (revised) requires that income for the period as shown on the income statement not exclude minority interest. Earnings per share, however, continue to be calculated on the basis of net income attributable solely to the equity holders of the Company

Consolidated condensed interim balance sheet

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

| | At September 30, 2005 | | At December 31, 2004 | |
|---|-----------------------|-----------|----------------------|-----------|
| | ----- | | | |
| | (Unaudited) | | | |
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant and equipment, net | 2,222,228 | | 2,164,601 | |
| Intangible assets, net | 160,036 | | 49,211 | |
| Investments in associated companies | 233,177 | | 99,451 | |
| Other investments | 25,251 | | 24,395 | |
| Deferred tax assets | 169,560 | | 161,173 | |
| Receivables | 75,766 | 2,886,018 | 151,365 | 2,650,196 |
| | ----- | | ----- | |
| Current assets | | | | |
| Inventories | 1,445,100 | | 1,269,470 | |
| Receivables and prepayments | 160,961 | | 279,450 | |
| Current tax assets | 112,188 | | 94,996 | |
| Trade receivables | 1,163,876 | | 936,931 | |
| Other investments | 144,659 | | 119,666 | |
| Cash and cash equivalents | 567,773 | 3,594,557 | 311,579 | 3,012,092 |
| | ----- | | ----- | |
| Total assets | | 6,480,575 | | 5,662,288 |
| EQUITY | | | | |
| Capital and reserves attributable to the Company's equity holders | | | | |
| Share capital | 1,180,537 | | 1,180,537 | |
| Legal reserves | 118,054 | | 118,054 | |
| Share premium | 609,733 | | 609,733 | |
| Other distributable reserve | | | 82 | |
| Currency translation adjustments | (47,477) | | (30,020) | |
| Retained earnings | 1,425,471 | 3,286,318 | 617,538 | 2,495,924 |
| | ----- | | ----- | |
| Minority interest | | 252,354 | | 165,271 |

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| | | |
|--------------|-----------|-----------|
| Total equity | 3,538,672 | 2,661,195 |
|--------------|-----------|-----------|

LIABILITIES

| | | | | |
|--------------------------|---------|-----------|---------|-----------|
| Non-current liabilities | | | | |
| Borrowings | 642,434 | | 420,751 | |
| Deferred tax liabilities | 350,474 | | 371,975 | |
| Other liabilities | 160,454 | | 172,442 | |
| Provisions | 45,042 | | 31,776 | |
| Trade payables | 3,874 | 1,202,278 | 4,303 | 1,001,247 |

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

| | At September 30, 2005 | | At December 31, 2004 | |
|------------------------------|--------------------------|-----------|-------------------------|-----------|
| Current liabilities | | | | |
| Borrowings | 383,971 | | 838,591 | |
| Current tax liabilities | 357,279 | | 222,735 | |
| Other liabilities | 183,736 | | 194,945 | |
| Provisions | 28,947 | | 42,636 | |
| Customers advances | 171,039 | | 108,847 | |
| Trade payables | 614,653 | 1,739,625 | 592,092 | 1,999,846 |
| Total liabilities | | 2,941,903 | | 3,001,093 |
| Total equity and liabilities | | 6,480,575 | | 5,662,288 |

Consolidated condensed interim cash flow statement

| | Three-month period ended September 30, | | Nine-month period ended September 30, | |
|--|---|-----------|--|-----------|
| (all amounts in thousands of U.S. dollars) | 2005 | 2004 | 2005 | 2004 |
| | (Unaudited) | | (Unaudited) | |
| Cash flows from operating activities | | | | |
| Income for the period | 350,898 | 148,823 | 972,488 | 325,472 |
| Adjustments for: | | | | |
| Depreciation and amortization | 52,911 | 48,540 | 156,654 | 150,369 |
| Income tax accruals less payments | 68,669 | 27,826 | 104,425 | 35,936 |
| Equity in earnings of associated companies | (26,502) | (17,300) | (94,944) | (56,969) |
| Interest accruals less payments, net | (3,204) | 4,137 | 3,006 | 7,130 |
| Changes in provisions | 2,213 | 7,972 | (423) | 7,010 |
| Proceeds from Fintecna arbitration award net of BHP settlement | -- | -- | 66,594 | -- |
| Changes in working capital | 32,730 | (100,907) | (301,376) | (411,928) |
| Other, including | | | | |

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| | | | | |
|--|-----------|-----------|-------------|-----------|
| currency translation adjustment | 8,570 | 10,093 | 25,549 | (10,736) |
| Net cash provided by operating activities | 486,285 | 129,184 | 931,973 | 46,284 |
| Cash flows from investing activities | | | | |
| Capital expenditures | (62,794) | (39,695) | (194,428) | (122,478) |
| Capital increase and acquisitions of subsidiaries and associated companies | (72) | (97,367) | (48,002) | (97,555) |
| Convertible loan to associated companies | (39,944) | -- | (39,944) | -- |
| Cost of disposition of property, plant and equipment and intangible assets | 2,523 | 1,323 | 5,413 | 10,292 |
| Dividends and distributions received from associated companies | 18,009 | 23,793 | 59,127 | 40,595 |
| Changes in restricted bank deposits | 426 | -- | 10,060 | -- |
| Investments in short term securities | (144,659) | -- | (144,659) | -- |
| Reimbursement from trust funds | -- | -- | 119,666 | -- |
| Net cash used in investing activities | (226,511) | (111,946) | (232,767) | (169,146) |
| Cash flows from financing activities | | | | |
| Dividends paid | -- | -- | (199,511) | (135,053) |
| Dividends paid to minority interest in subsidiaries | (5,194) | -- | (7,924) | (23) |
| Proceeds from borrowings | 130,167 | 114,721 | 775,930 | 456,192 |
| Repayments of borrowings | (284,759) | (111,343) | (1,019,006) | (163,063) |
| Net cash (used in) provided by financing activities | (159,786) | 3,378 | (450,511) | 158,053 |
| Increase in cash and cash equivalents | 99,988 | 20,616 | 248,695 | 35,191 |
| Movement in cash and cash equivalents | | | | |
| At beginning of the period | 430,284 | 255,305 | 293,824 | 238,030 |
| Effect of exchange rate changes | 1,190 | 284 | (11,057) | 2,984 |
| Increase in cash and cash equivalents | 99,988 | 20,616 | 248,695 | 35,191 |
| At September 30, | 531,462 | 276,205 | 531,462 | 276,205 |

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| Cash and cash equivalents | At September, 30 | | At September, 30 | |
|---------------------------|------------------|----------|------------------|----------|
| | 2005 | 2004 | 2005 | 2004 |
| Cash and bank deposits | 567,773 | 287,424 | 567,773 | 287,424 |
| Bank overdrafts | (32,871) | (11,219) | (32,871) | (11,219) |
| Restricted bank deposits | (3,440) | -- | (3,440) | -- |
| | 531,462 | 276,205 | 531,462 | 276,205 |

CONTACT: Tenaris
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 www.tenaris.com

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: November 9, 2005

Tenaris, S.A.

By: /s/ Cecilia Bilesio

 Cecilia Bilesio
 Corporate Secretary