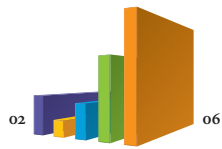


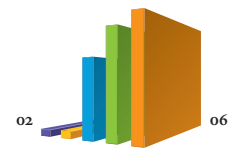
IPSCO is a leading low-cost producer of steel plate and energy tubulars in North America with an annual liquid steel-making capacity of 4.3 million tons. The Company operates four steel mills, eleven pipe mills, nine product finishing facilities and nine scrap processing centers in 25 geographic locations across the United States and Canada. IPSCO's pipe mills produce a wide range of seamless and welded energy tubular products including oil and gas well casing and tubing, line pipe, drill pipe, large diameter transmission pipe, standard pipe and hollow structural sections. The Company also manufactures premium connections for oil and natural gas drilling and production under its ULTRA™ brand name. IPSCO trades as "IPS" on both the New York and Toronto Stock Exchanges.

During the past year, we continued *Shaping our future* by improving productivity, building closer relationships with our customers and adding more value to an increasingly diverse range of products and services within the most promising sectors of the steel industry.

In December, these efforts culminated in the acquisition of NS Group, a leading producer of seamless tubular steel products and premium oilfield connections. Today, we are a leading producer of plate and energy tubulars in North America, serving approximately 700 customers in the energy, transportation, construction and industrial equipment markets.



Capital investments have increased to meet growing opportunities.



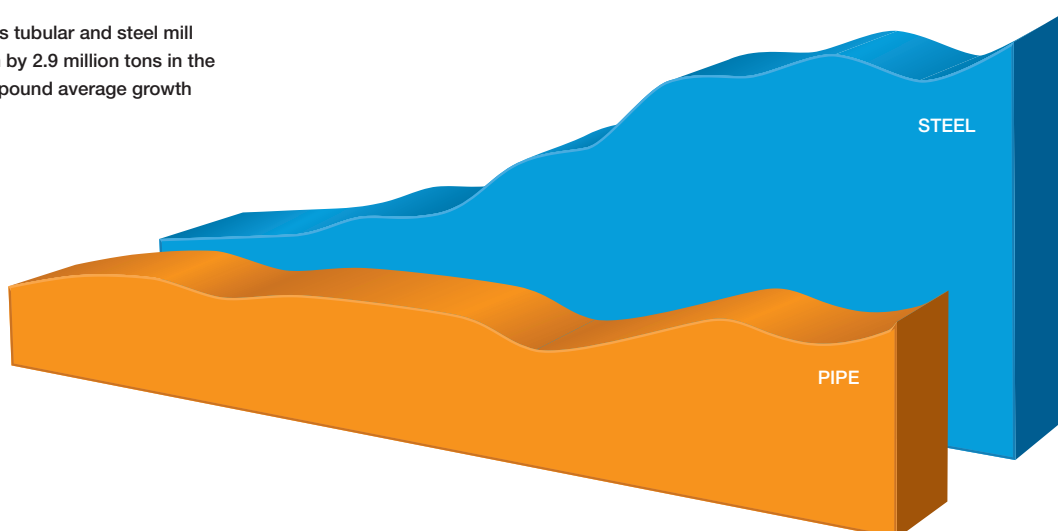
Operating income has increased significantly to \$997 million in 2006.

We can't control the business cycle, but we aren't about to let it control us.

At IPSCO, we continue to shape our business in ways that help deliver superior results throughout the full business cycle. Over the past few years, we have built robust platforms for growth through significant investment in three of the most dynamic sectors in the steel industry – plate, energy tubulars and large diameter pipe. Together, they represent a well diversified revenue stream that's contributed to IPSCO's stable earnings growth. What's more, our facilities have the flexibility to migrate product mix based on changes in demand. Our “steel short” strategy, which sizes internal steel-making capacity to meet demand for finished products during the weakest part of the cycle, also helps to optimize capacity utilization.

STEADY GROWTH

Shipments of IPSCO's tubular and steel mill products have grown by 2.9 million tons in the past 10 years, a compound average growth rate of 13%.



#1

IPSCO is the #1 plate supplier
in North America.

John Tulloch
EXECUTIVE VICE PRESIDENT – STEEL &
CHIEF COMMERCIAL OFFICER



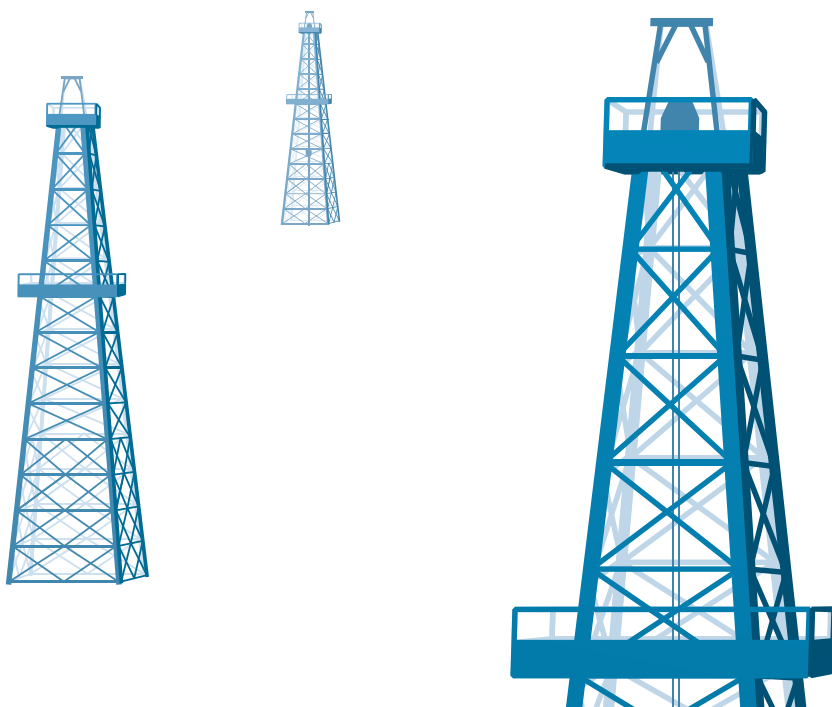
>60%

Over 60% of the world's active drilling
rigs operate in North America.*

*Source: Baker Hughes, 2006

We're all about profitable growth, so we focus on the most promising industry sectors.

IPSCO is the #1 supplier of plate in North America and one of the continent's leading manufacturers of welded and seamless energy tubulars, from Oil Country Tubular Goods (OCTG) products to large diameter pipe. And we have recently established an important presence in premium oilfield connections. Each of these businesses is supported by strong long-term fundamentals. Demand for plate is expected to remain strong thanks to growing global applications and the refurbishment of North America's infrastructure. Sustained strength in the need for oil and gas is projected to drive heightened exploration and drilling activity, steady growth in transmission networks and continued demand for our energy tubular products.



More than half of IPSCO's sales are energy related, a growing category that includes pipe and plate products used in the construction of drilling rigs, wind towers and energy infrastructure.

#1

We have the largest energy tubular capacity in the U.S. and Canada.



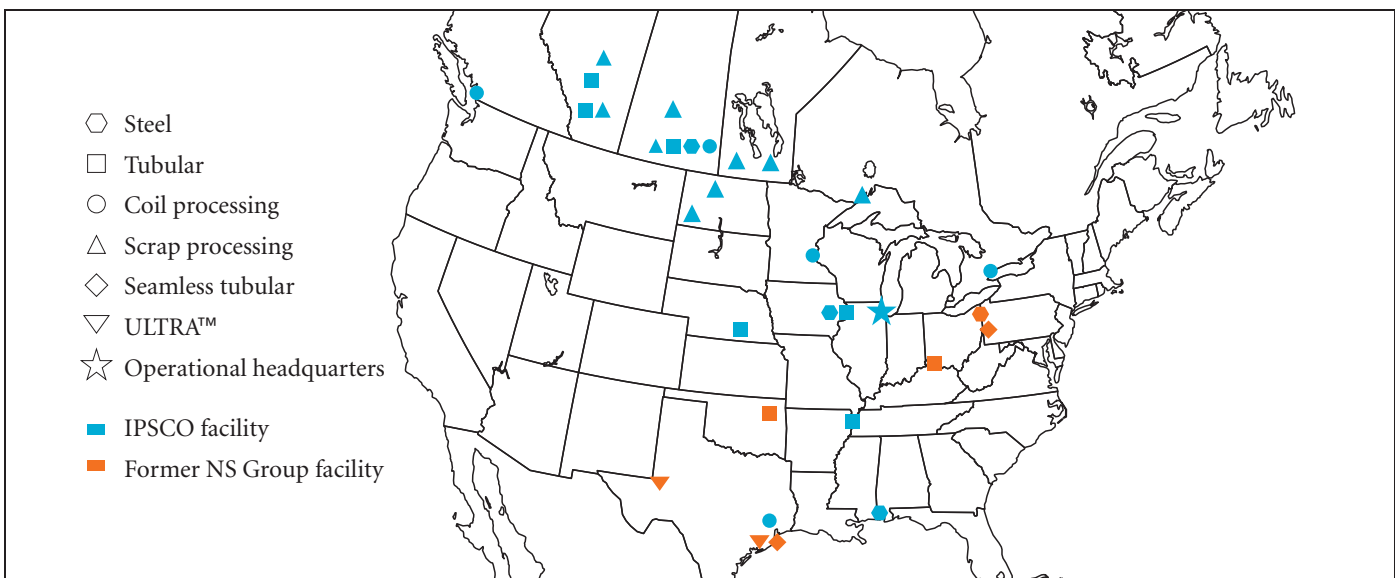
IPSCO + NS Group

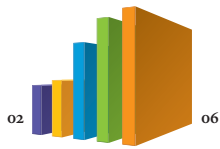


59% of 2007 sales are expected to be energy related.

There's a word that best describes our fit with NS Group – seamless.

Following the December 1, 2006 acquisition of NS Group, IPSCO improved its position in the fast-growing energy tubular market, with the largest manufacturing capacity of any producer in the United States and Canada. What's more, NS Group has accelerated IPSCO's growth into complementary, value-added product lines such as alloy and seamless energy tubulars. Through ULTRA™ Premium Oilfield Services, the acquisition has also given IPSCO a growing presence in high performance oilfield connections. The combination of IPSCO and NS Group has also created a fully integrated production platform – from scrap to steel to pipe to field services – with closer proximity to key U.S. energy markets and the capability to produce all the steel required for our growing product offering.





Since 2002, revenue per ton sold has increased by more than 130%.

Joseph Russo
SENIOR VICE PRESIDENT &
CHIEF TECHNICAL OFFICER

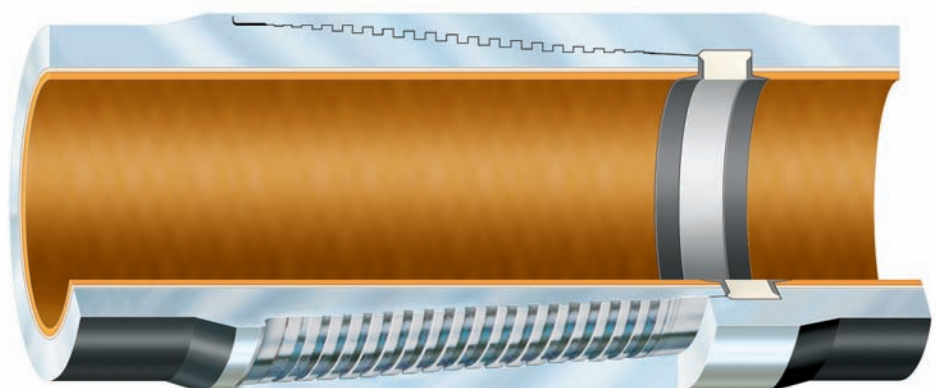


Value-added products reached 48% of total tons shipped in 2006.

How many ways can you add value to plate and pipe? We keep finding more.

IPSCO's success has always depended on finding new ways to add value to our products and services. We invested more than \$50 million in a new plate heat treat facility in Mobile, Alabama to meet customer demand for increasingly advanced products. Heat treat capacity was similarly increased at our energy tubular facility in Calgary, Alberta and new tubular heat treat capacity is being installed at Blytheville, Arkansas and Baytown, Texas. We also continued to strengthen our leadership in large diameter pipe and are investing \$80 million in our Regina, Saskatchewan spiral mills to increase annual capacity by 66% to 500,000 tons. In North America, IPSCO has more Grade X80 high-strength pipe in the ground than any other producer and is the first and only supplier of installed and operating Grade X100 pipe.

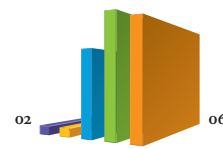
ULTRA-FX™ GL (Glass Lined)
ULTRA™ Premium Oilfield Services manufactures and services the advanced connections required for deep, high-pressure and directional drilling.



6σ

Our Six Sigma program has generated significant savings.

Peter MacPhail
VICE PRESIDENT OF
PRIMARY OPERATIONS

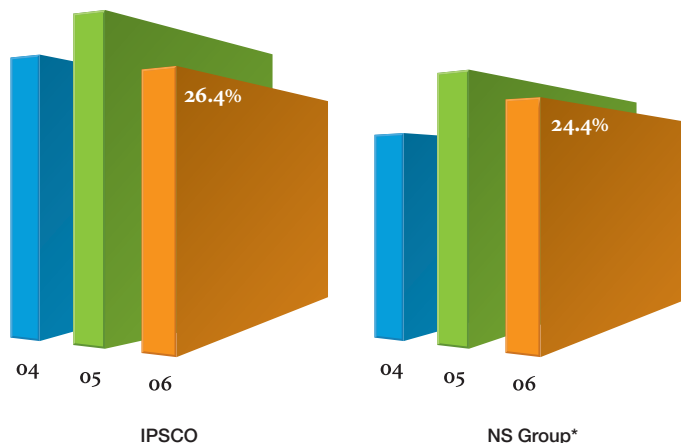


Operating income was an industry-leading \$245 per ton in 2006.

How do we keep costs low and quality high? It's no big secret.

IPSCO's industry-leading profitability starts with advanced mini-mill technology, which converts scrap to liquid steel to achieve significant savings in labor, raw material and energy costs. Our lean manufacturing and Six Sigma initiatives also continue to bear fruit, as evidenced by a continuous reduction in man-hours per ton of plate and coil produced over the past five years. However, IPSCO's most important competitive advantage may be its unique operating structure. As a fully integrated steel and pipe company, we are invested along a single value chain from raw materials to steel manufacturing and processing. This gives us the opportunity to optimize production, control quality and enhance margins at every stage of our operations.

OPERATING INCOME AS A % OF SALES

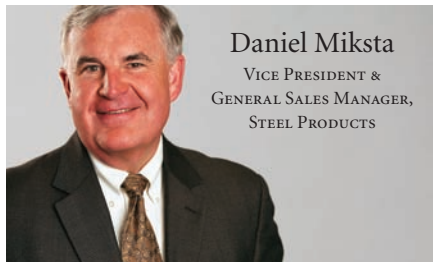


INDUSTRY-LEADING PROFITABILITY
IPSCO's December 2006 acquisition of NS Group resulted in the strategic combination of two of the most profitable players in the steel and energy services industries.

*NS Group results reflect unaudited nine-month results for the period from January 1, 2006 to September 30, 2006.

44%

Direct sales to OEM customers represent 44% of total sales.



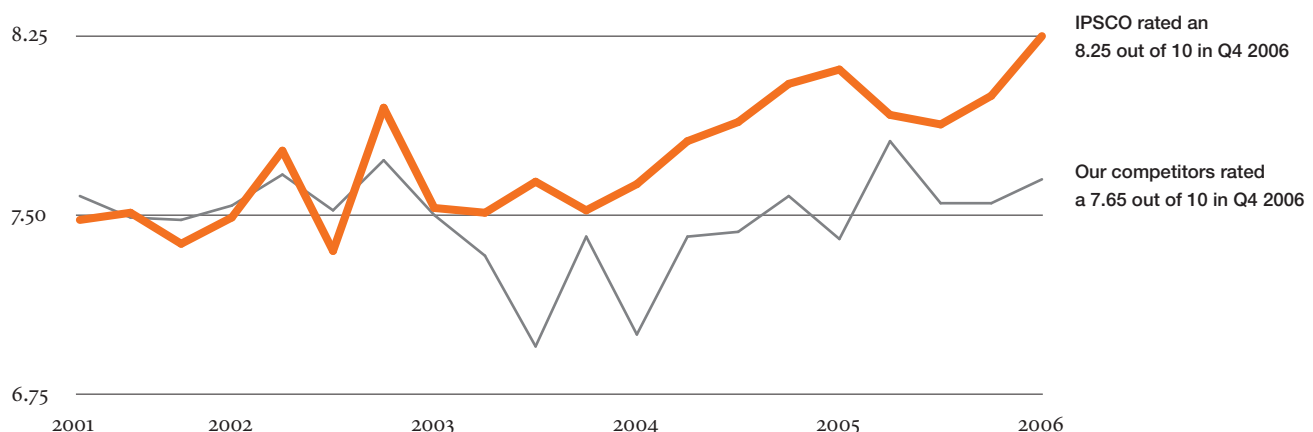
Daniel Miksta
VICE PRESIDENT &
GENERAL SALES MANAGER,
STEEL PRODUCTS

1

IPSCO has a leading market share in small diameter seamless pipe.

Our customers are counting on us, so we're doing our best to measure up.

IPSCO's migration toward higher value-added products and services goes hand in hand with our efforts to build stronger customer relationships. During the past year, we have continued to increase direct sales and build a stronger brand presence in the market by working more collaboratively with original equipment manufacturers (OEMs), as well as service centers and distributors. Former NS Group operations are similarly focused. The advanced performance properties of ULTRA's™ patented connections have earned a high degree of customer loyalty and our small diameter seamless pipe has achieved a leading market share in the energy tubular market. Strong customer relationships are also very much in evidence in our plate and coil businesses. In 2006, IPSCO achieved the industry's #1 ranking in overall satisfaction, quality, service and on-time delivery in an independent survey of our plate customers.



OVERALL CUSTOMER SERVICE RATING

IPSCO is growing its lead over competitors in overall customer satisfaction, according to an independent survey of IPSCO's plate customers from 2001 to 2006.

Source: Jacobson & Associates, overall customer satisfaction rating