



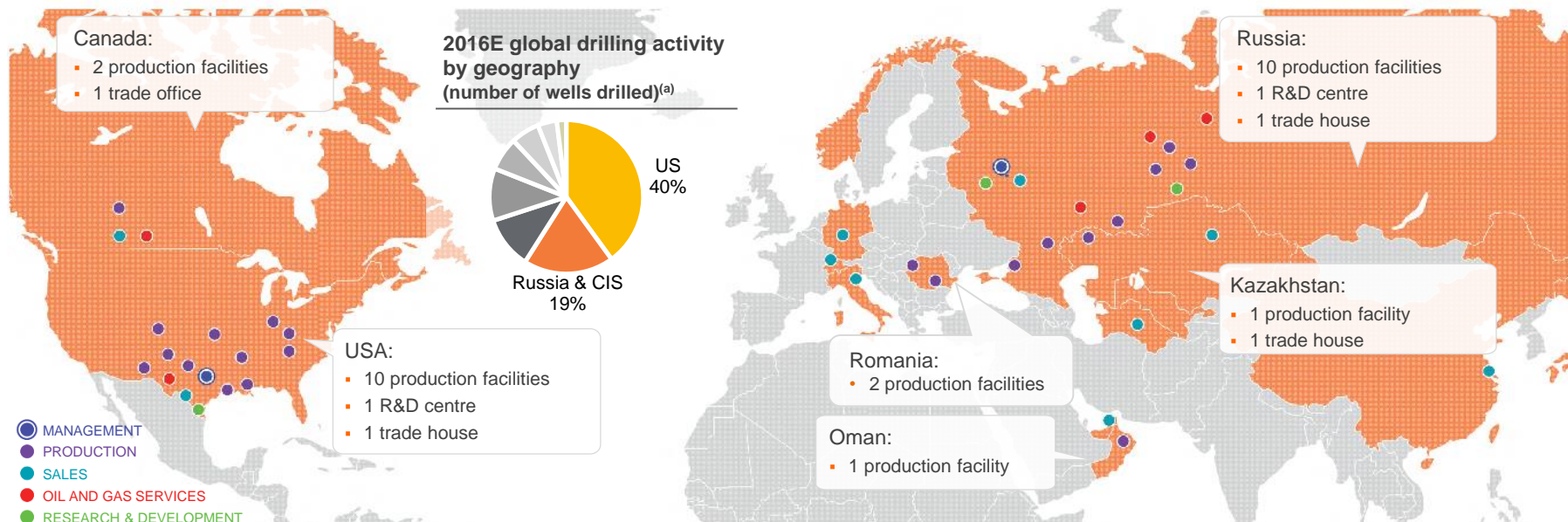
TMK IR PRESENTATION

November 2017

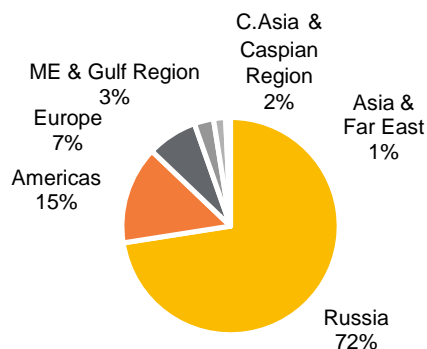


TMK— Global Supplier of Full Range of Pipes for Oil and Gas Industry

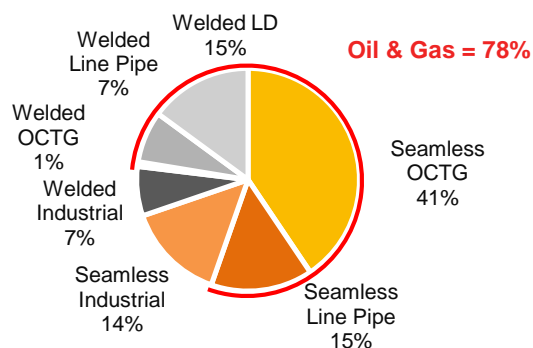
26 production sites in Russia, the USA, Canada, Oman, Romania and Kazakhstan, with trade offices in 10 countries



TMK sales by region (2016)



TMK sales by product (2016)



Key financials

(US\$mln)	2013	2014	2015	2016
Revenue	6,432	6,009	4,127	3,338
Adj. EBITDA	986	829	651	530
Adj. EBITDA Margin (%)	15%	14%	16%	16%
FCF ^(b)	280	252	498	395
Net Profit (Loss)	215	(217)	(368)	166
Net Debt	3,600	2,969	2,496	2,539

Source: Company data

Note: Percentages and other figures included in this presentation are subject to rounding adjustments. Totals therefore do not always add up to exact arithmetic sums

(a) Spears & Associates. Excluding China and Central Asia. Onshore and offshore drilling

(b) Calculated as Net cash flows from operating activities plus Net cash flows used in investing activities



TMK Today – Key Investment Highlights

1

Industry-leading market position and large modern asset base

- Top-3 player in seamless OCTG industry with c. 16%^(a) market share - dominant N1 in Russia and Top-3 in the US
- State-of-the-art underutilised production base with major investments completed over 10 years in 2004-14
- Established longstanding relationships with major oil & gas upstream and midstream players

2

Combined exposure to some of the most attractive and dynamic regional oil & gas markets

- Russia – large low-cost oil producing region; a major market with increased drilling activity in 2016
- TMK - dominant player in Russian oil & gas with 38%^(a) market share for pipes used in the oil and gas industry, 68%^(a) market share in seamless OCTG
- US OCTG market at inflection point poised for recovery following a c. 75% demand contraction in 2014-16 – with shale industry supported by OPEC agreement and conducive political environment under new administration
- TMK – Top-3 US OCTG producer increasing its market share from 11% in 2014 to 14.4% in 2016

3

Low-cost position and stability of margins underpinned by significant vertical integration

- High degree of vertical integration in the seamless business due to in-house steel production
- Ability to pass through costs of steel products – demonstrated by stable margins throughout the cycle
- Substantial improvement in the global competitive positioning on the back of Ruble devaluation in 2014-16

4

Cost-cutting discipline and consistent focus on de-leveraging

- Cost-cutting programs with Adjusted EBITDA^(b) effect of US\$100m+ in the each of the past 3 years; disciplined capex
- Continuous reduction in net debt (US\$1bn+ reduction in net debt since 2013)

5

Superior governance practices and uniquely stable and experienced management team

- Core management team unchanged since IPO in 2006
- 5 Independent Directors on the Board with vast diversified international and domestic experience

Source: Company data

Notes: (a) Company estimates for FY 2016

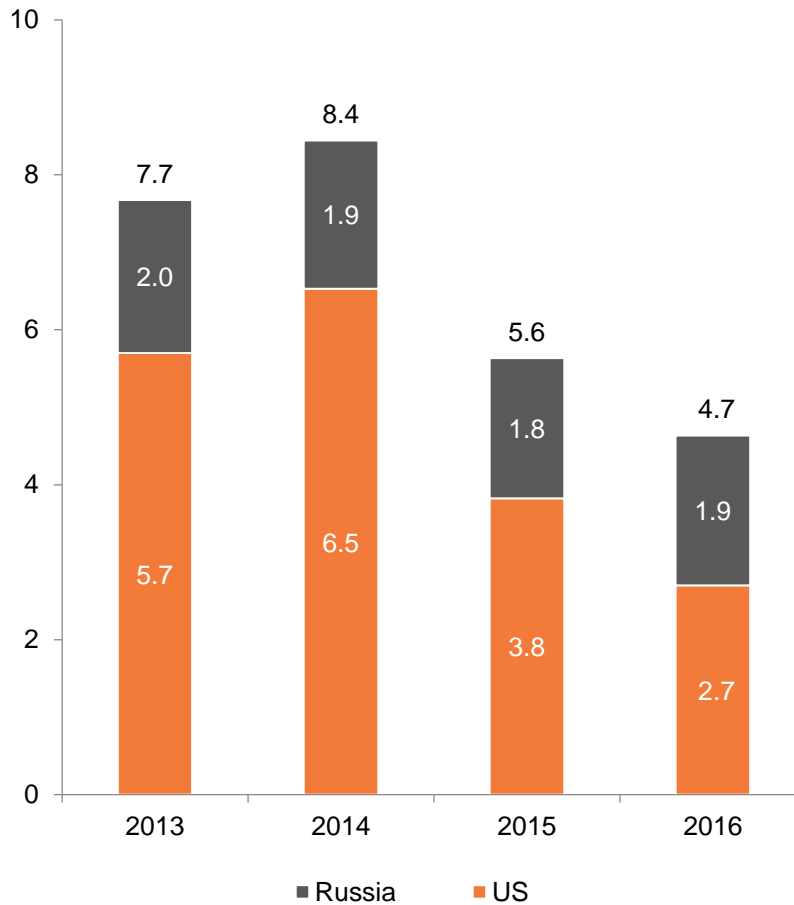
(b) Adjusted EBITDA for TMK represents profit/(loss) for the period excluding finance costs and finance income, income tax (benefit)/expense, depreciation and amortisation, foreign exchange (gain)/loss, impairment/ (reversal of impairment) of non-current assets, movements in allowances and provisions (except for provisions for bonuses), (gain)/loss on disposal of property, plant and equipment, (gain)/loss on changes in fair value of financial instruments, share of (profit)/loss of associates and other non-cash, non-recurring and unusual items



TMK Market Exposure = Highly Resilient Russian Market + US Shale Passing the Inflection Point

OCTG consumption in Russia and the US

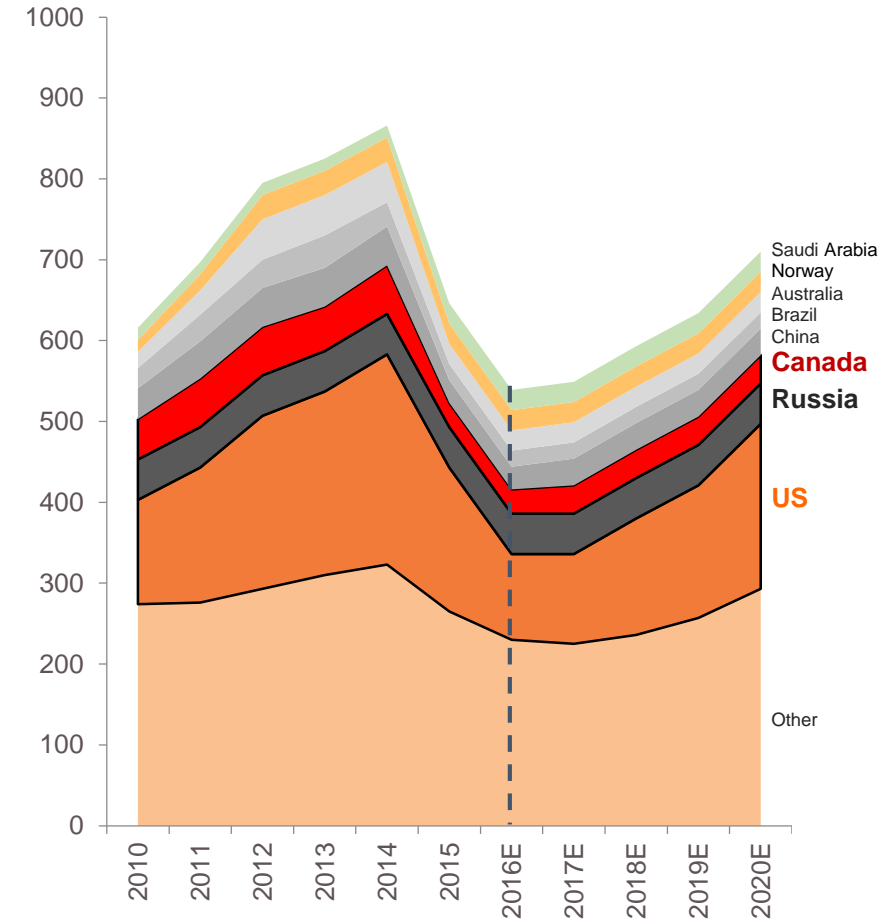
(m tonnes)



Source: Metal Expert for Russian OCTG consumption, Preston Pipe & Tube Report for US statistics

Global E&P investments

(US\$ bn nominal)



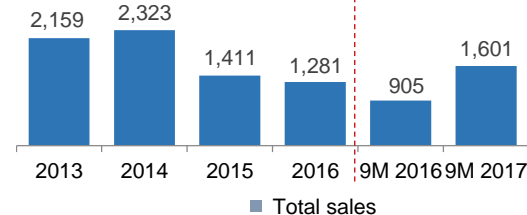
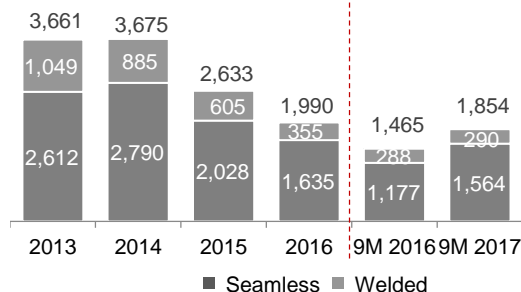
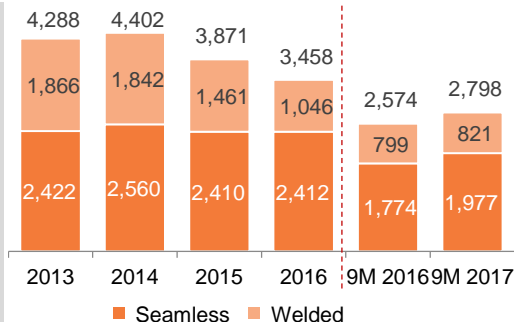
Source: Rystad Energy



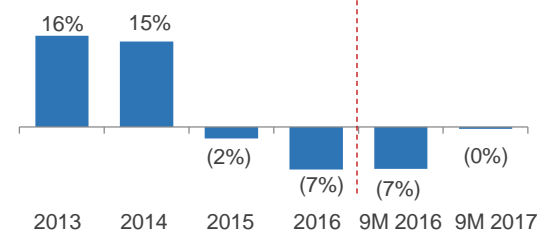
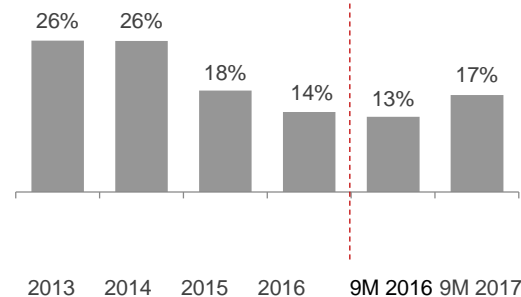
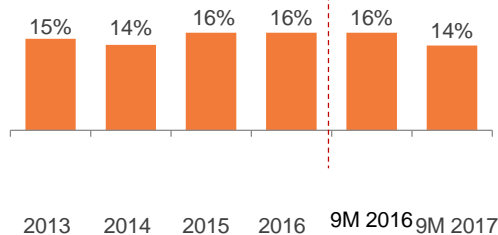
TMK – Superior Earnings Resilience Through the Cycle



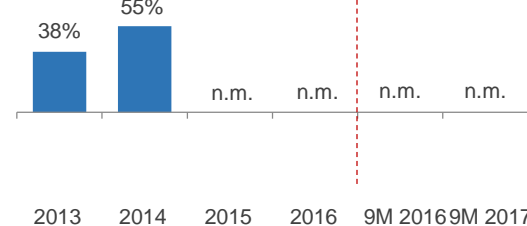
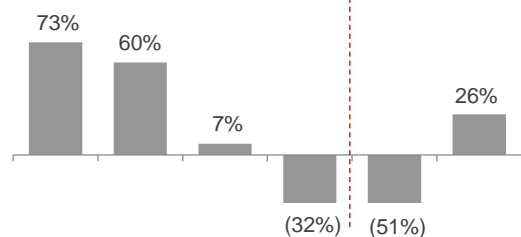
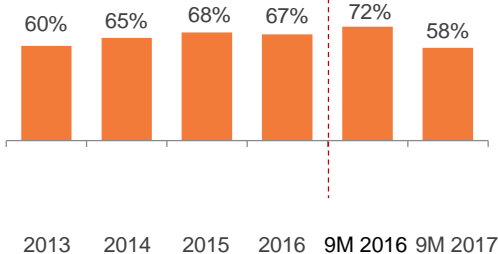
Total pipes sales volume (ths. tonnes)



Adjusted EBITDA margin^(a), %



Cash conversion^(b)



Source: Companies' public reporting

Note: (a) Adjusted EBITDA for TMK represents profit/(loss) for the period excluding finance costs and finance income, income tax (benefit)/expense, depreciation and amortisation, foreign exchange (gain)/loss, impairment/ (reversal of impairment) of non-current assets, movements in allowances and provisions (except for provisions for bonuses), (gain)/loss on disposal of property, plant and equipment, (gain)/loss on changes in fair value of financial instruments, share of (profit)/loss of associates and other non-cash, non-recurring and unusual items

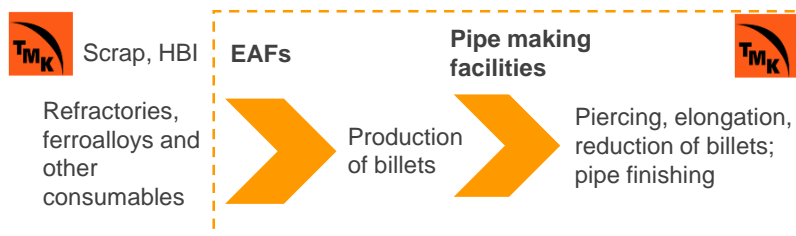
(b) Calculated as (Adjusted EBITDA – Capex) / Adjusted EBITDA



Vertically Integrated Model Ensuring Margin Stability

- Operating in one of the lowest cost regions for steel production globally
- Fully vertically integrated seamless pipe production (upstream and downstream) across all regional divisions
- Ability to pass through increases in the cost of steel products to end-customers
- Resilient margin throughout the cycle of high and low steel prices
- In 2016, an agreement with Metalloinvest for supply of hot-briquetted iron ("HBI") was signed

Seamless pipe – simplified value chain



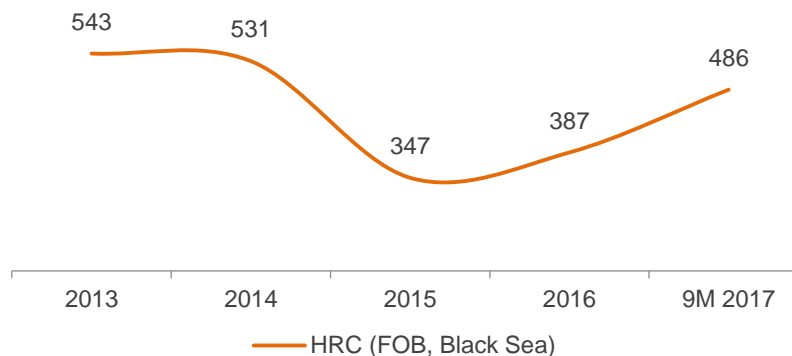
Welded pipe – simplified value chain



Perimeter of TMK operations in the value chain

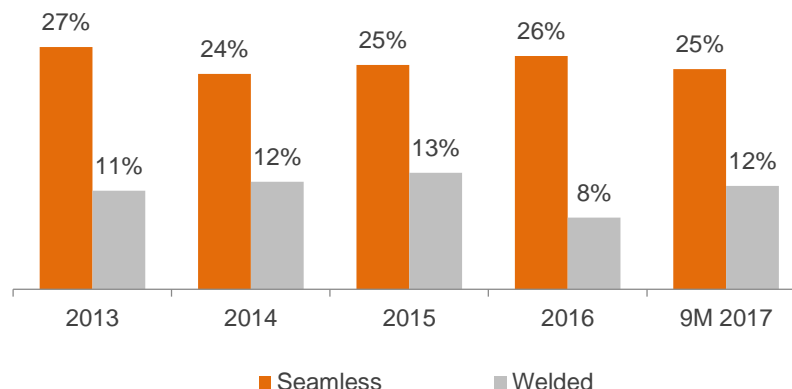
Steel products price volatility

(US\$/t)



Source: Metal Expert

TMK gross margin by product segments





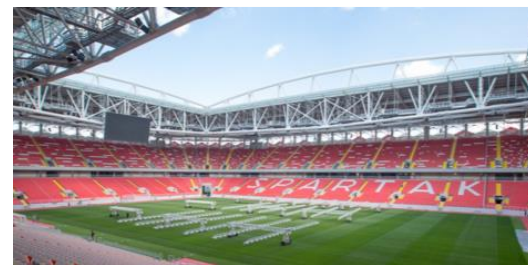
Strong Position in Multiple End-Markets for Pipes Beyond Oil & Gas

Automotive



- TMK-ARTROM is qualified as an authorised supplier for such companies as Dacia (a subsidiary of Renault)
 - No. 1 supplier for Dacia in 2015
- Qualified as Tier 2 supplier for Toyota

Civil Construction



- Galvanised pipe for the outer steel frame of the Otkritie Arena stadium in Moscow
- Impact resistant seamless pipe shipped for the construction of Zenit Arena stadium retractable roof in St Petersburg
- Structural steel pipe for the stadium roof in Samara

Energy and Chemicals



- In 2015, TMK won a number of tenders for pipe shipments to energy and petrochemical businesses, including boiler long-length pipe for Taman TPP's equipment

Diversified Hi-Tech Solutions



- TMK-INOX stainless pipe of 8–114 mm diameter, used in nuclear, aircraft, automotive, aerospace and energy industries



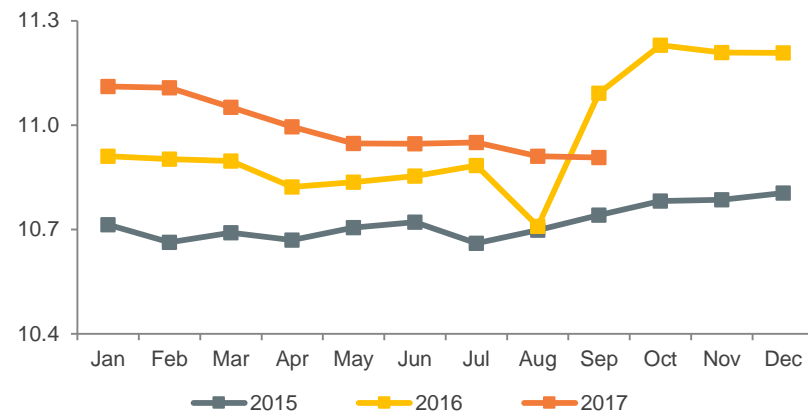
TMK Russian Division: Market Overview



Oil Production in Russia Remains Strong...

Oil production remains well above 10.5 MMbpd whilst adhering to the agreement with OPEC ...

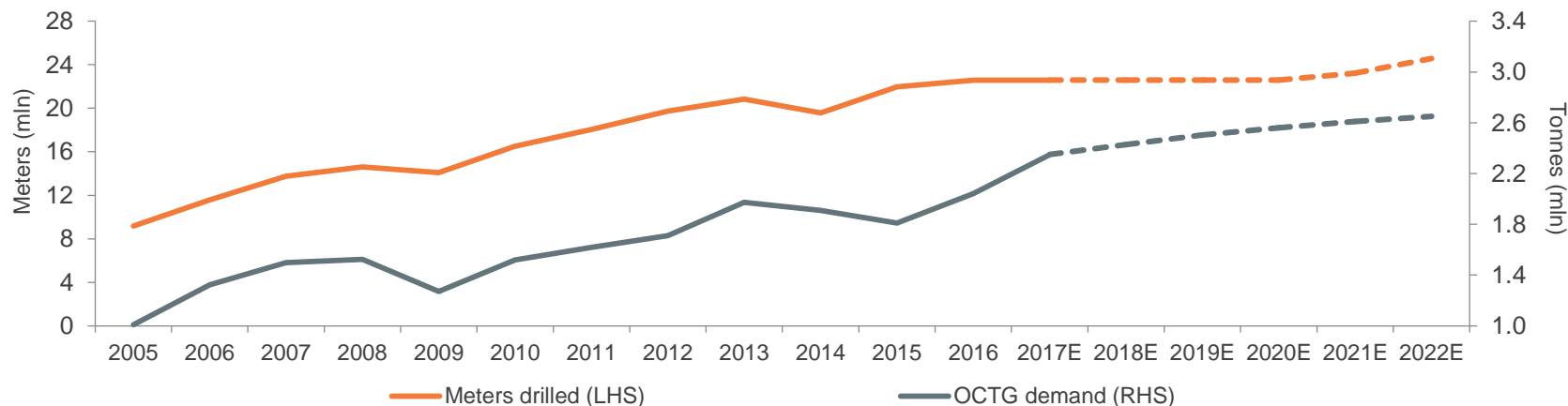
Russian total oil output, MMbpd



- Russian oil production set new historic record in November 2016, reaching 11.2 mmbpd
- As part of its deal with OPEC, which was prolonged until the end of March 2018, Russia has agreed to cut production by 300,000 bpd compared to October 2016 level
- Production cuts, if they materialize, are unlikely to be reached through decrease in drilling activity given deteriorating well flow dynamics across Russia⁽¹⁾

Source: Interfax, Info TEK

...However OCTG demand is growing supported by existing level of production and development of greenfields



Source: Interfax, Info TEK, Spears & Associates, TMK estimates

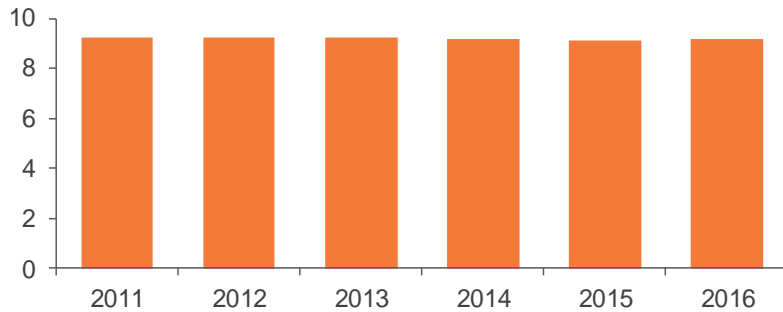
Note: (1) Please refer to slide 50 of the Appendix for an overview of the oil output adjustment commonly used in different oil production methods



... However There are Changes to its Composition ...

Gradual stagnation of oil production from brownfields ...

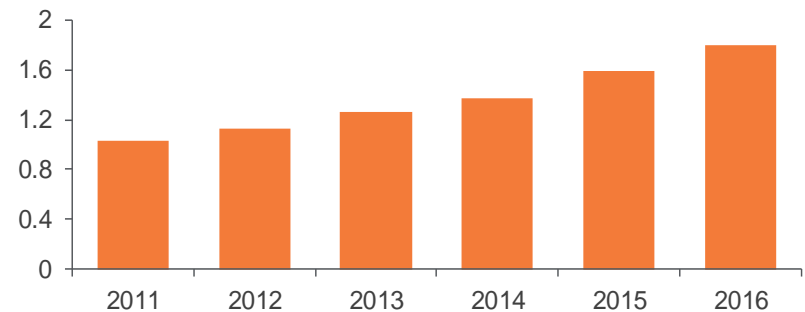
Brownfields production, MMbpd



Source: Interfax, Info TEK

... is accompanied by the development of greenfield projects ...

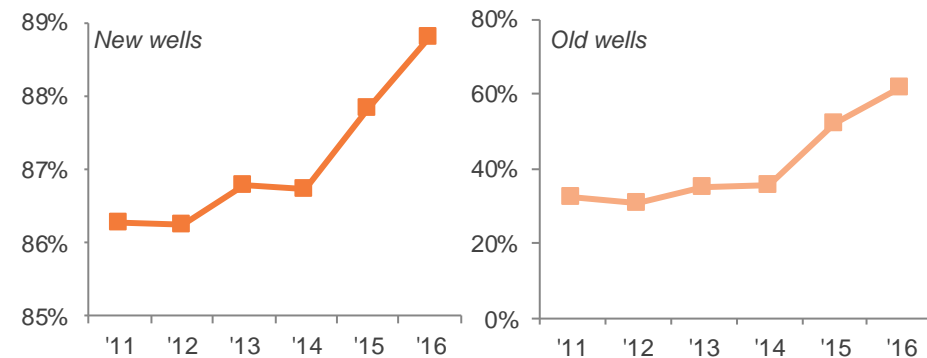
Greenfields production, MMbpd



Source: Interfax, Info TEK

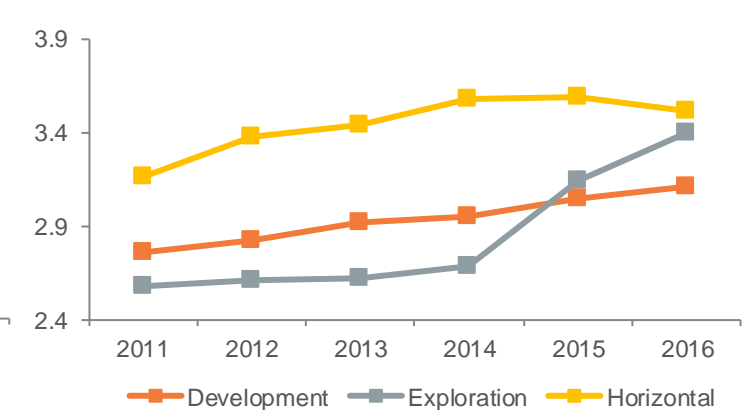
... Albeit the quality of Russian reserves continues to slowly deteriorate

Watercut, %



Source: Interfax, Info TEK, TMK estimates

Average well depth, km



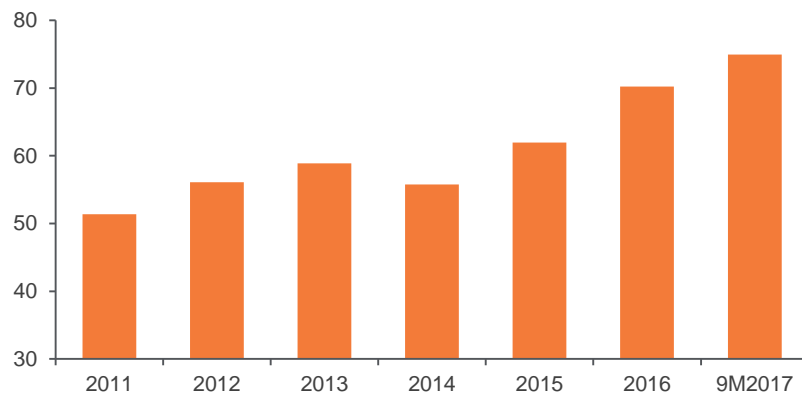
Source: Interfax, Info TEK



...Creating Long-term Demand for High-End Oil & Field Services

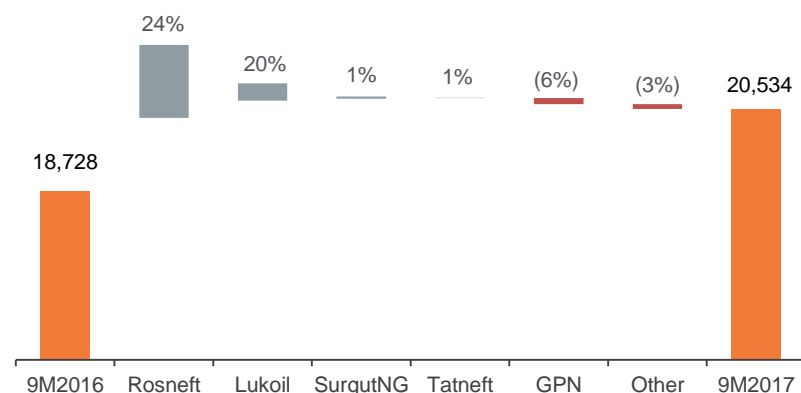
Russian drilling activity keeps growing ...

Russian drilling, kmpd



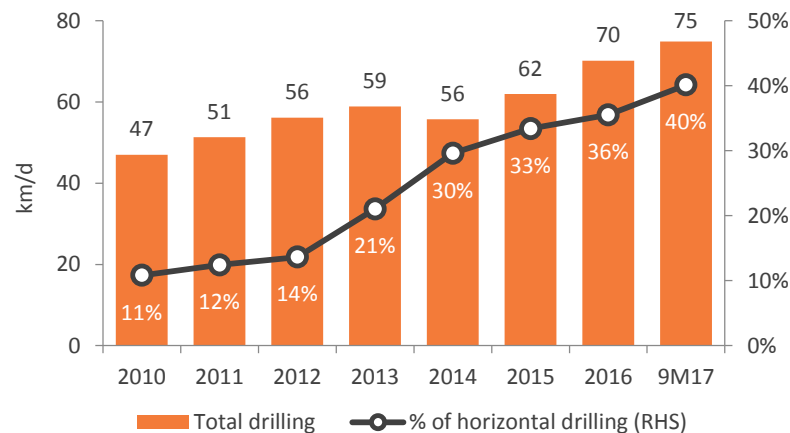
Source: Interfax, Info TEK

9M2017 Russian drilling growth broken down, km



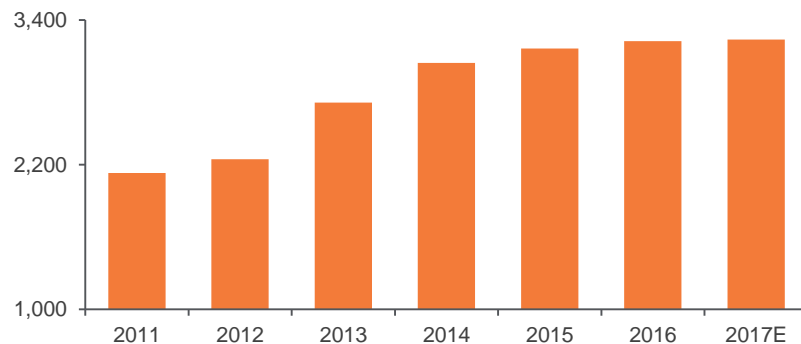
Source: Interfax, Info TEK

Russian development drilling activity keeps growing with strong demand for advanced oil field services fueled by EOR activity at brownfields



Source: CDU TEK

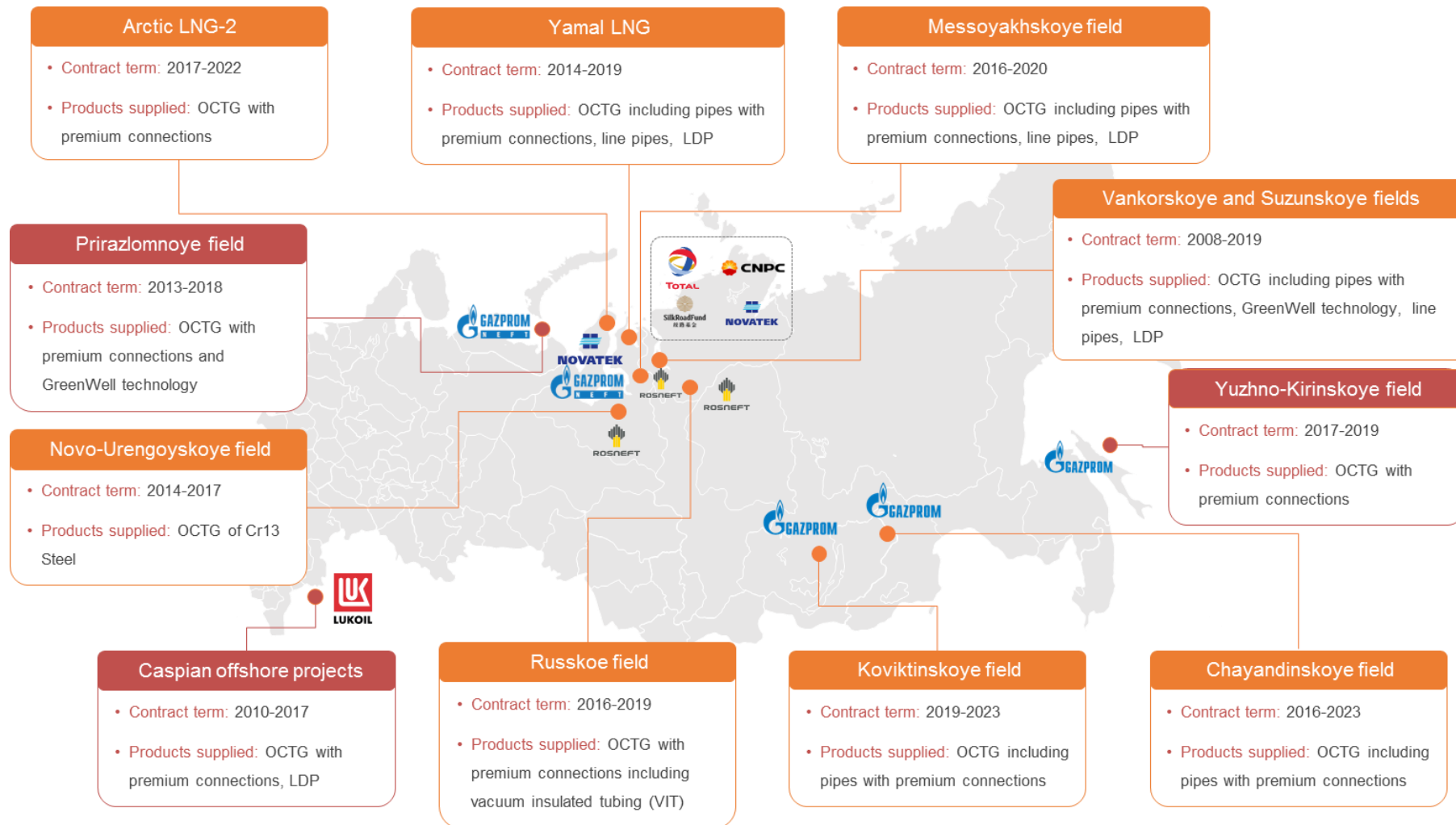
Sidetracking progress (# of operations)



Source: RPI 2017



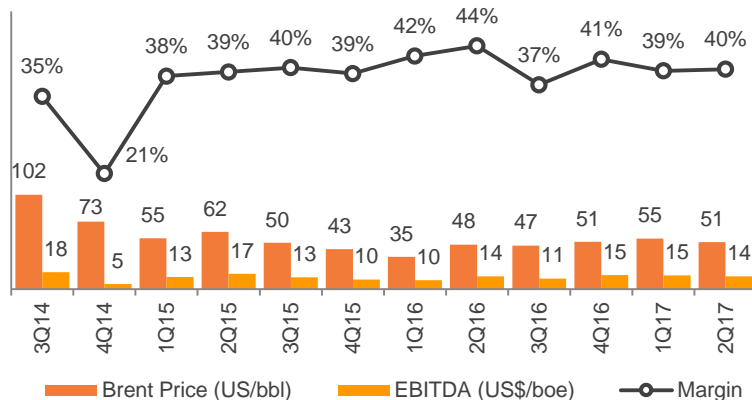
Attractive Portfolio of Premium OCTG Projects





Favourable Tax Regime and Stable Upstream Economics

Strong upstream EBITDA⁽¹⁾ margin despite oil price collapse

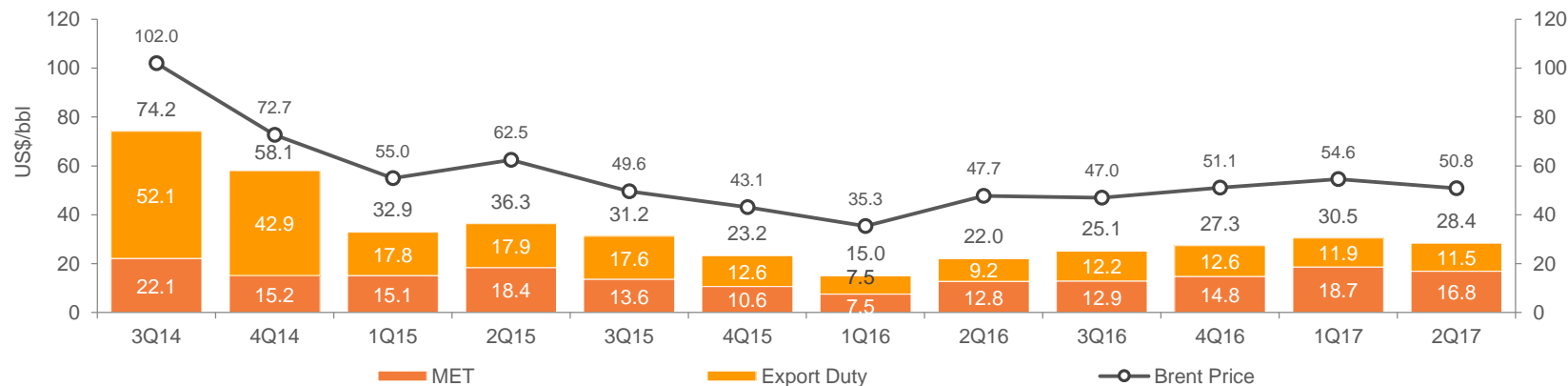


Source: Public information, companies' data

Key considerations

- Despite a c.50% decline in oil price since 3Q14, Russian Upstream sector remains profitable with stable EBITDA margins (in the 35%-40% range)⁽²⁾
- Currency devaluation has contributed to the relative decrease in cost base for Russian companies, increasing their margins and competitiveness versus international peers
- One of the main factors supporting upstream margins is the flexible tax regime which absorbs a significant part of any drop in oil price
- The two major upstream taxes in Russia – Mineral Extraction Tax (MET) and Export Duty – are directly linked to oil price and provide an amortizing effect when crude price goes down

Historically favourable MET and export duty legislation in Russia



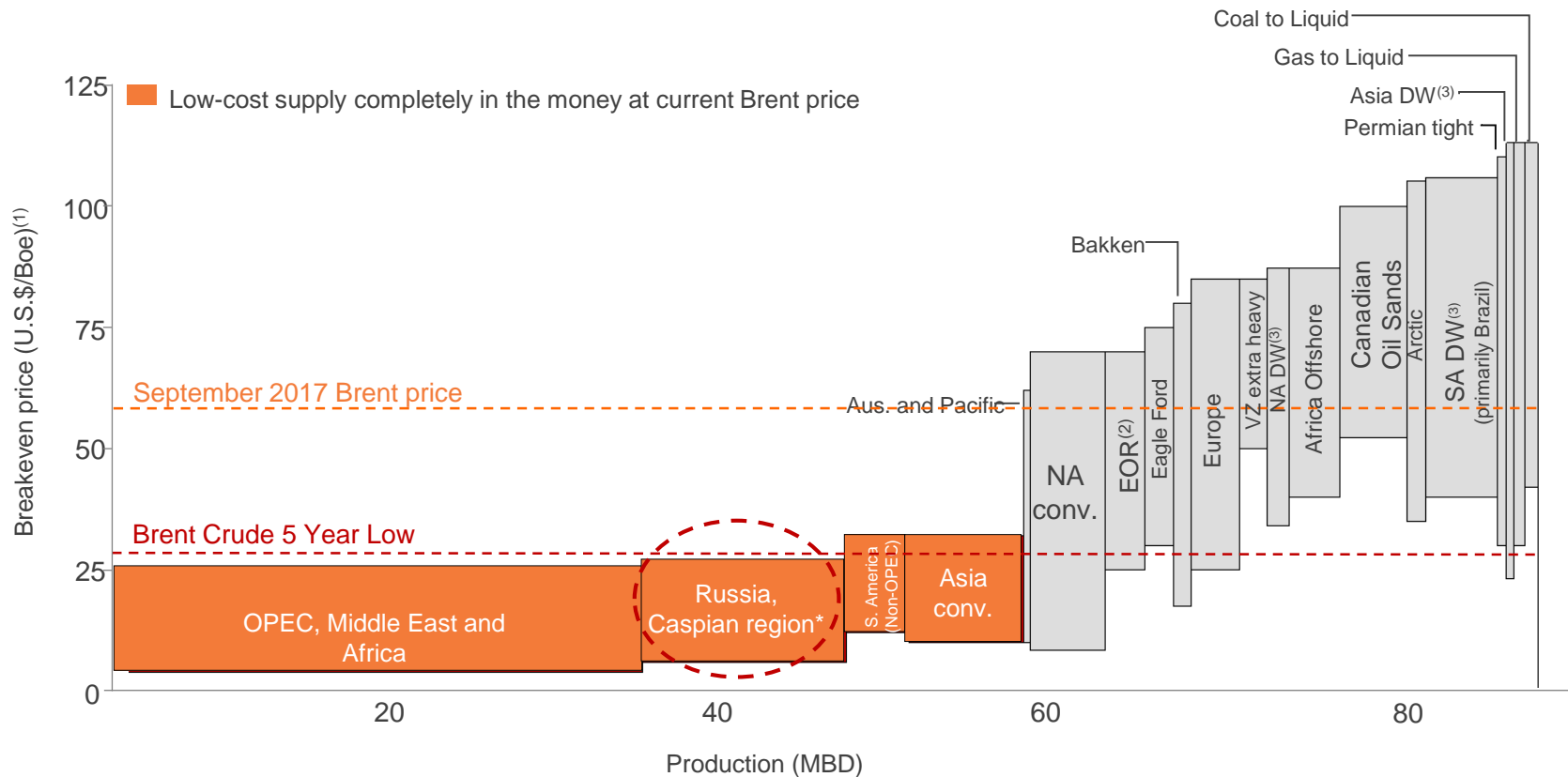
Source: Public information

Notes: (1) EBITDA was calculated based on Rosneft, Lukoil, Gazprom Neft and Bashneft figures weighted by their hydrocarbon production; (2) According to quarterly financial reports published by major oil and gas producers (Rosneft, Lukoil, Gazprom Neft and Bashneft)



TMK's Home Market is One of the Lowest Cost Oil Producing Regions

Global oil production supply curve



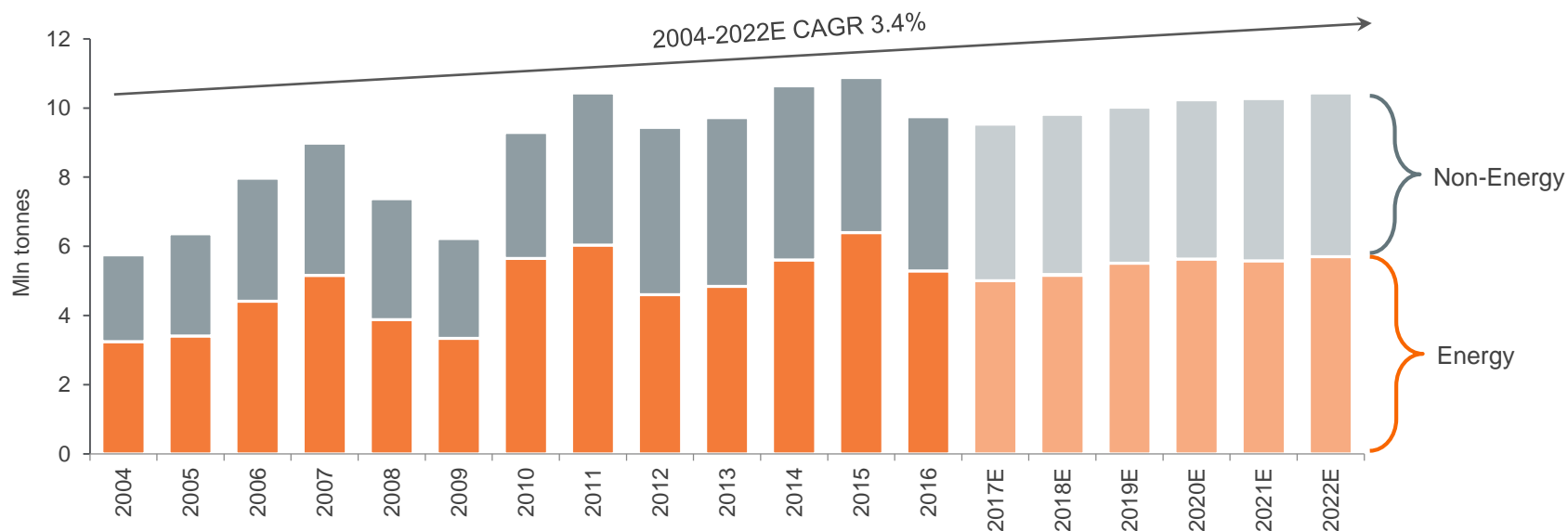
Even with oil at 5 year lows, the low cost Russian and Caspian region is able to remain profitable unlike the majority of its international counterparts. In 2015 and 2016, Russia was the only region globally to maintain healthy drilling activity and stable OCTG demand.

Source: IEA World Energy Outlook; EIA International Energy Outlook; EIA Annual Energy Outlook; Morgan Stanley

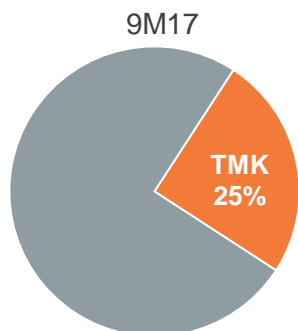
Notes: (1) Breakeven price assumes a 10% return, and NPV of zero; *includes Azerbaijan, Kazakhstan, Turkmenistan and Uzbekistan; (2) Enhanced oil recovery; (3) Deep Water



Russian Tube and Pipe Market

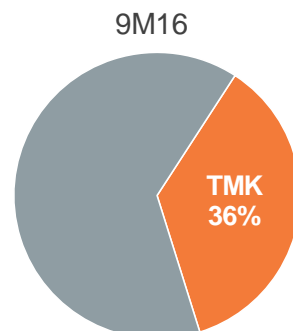


No.1 on the Russian tube and pipe market

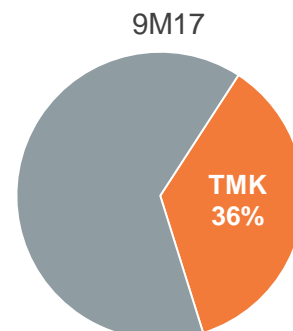


Source: TMK estimates, based on 9M2017 numbers

36% market share of energy pipe demand



Source: TMK estimates, based on 9M 2016–2017 numbers

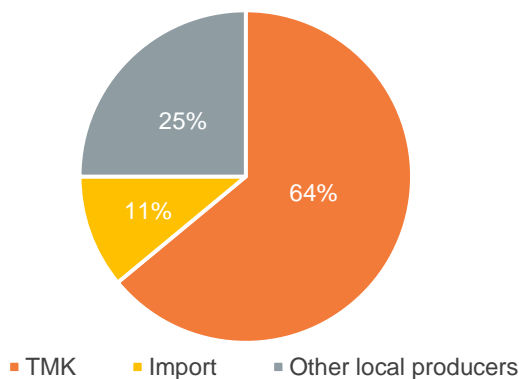




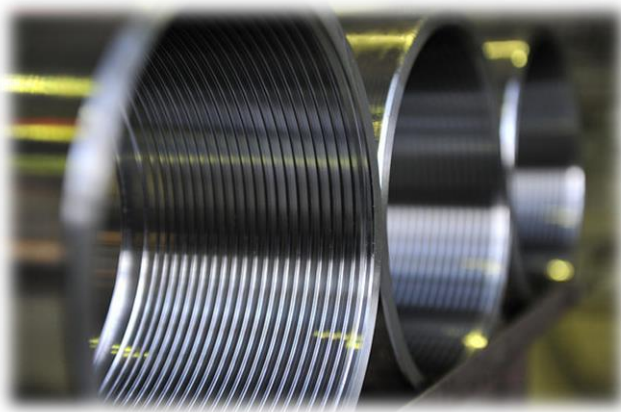
Strong Position on the Domestic Market

TMK share of seamless OCTG remains high

Seamless OCTG Market Shares, %

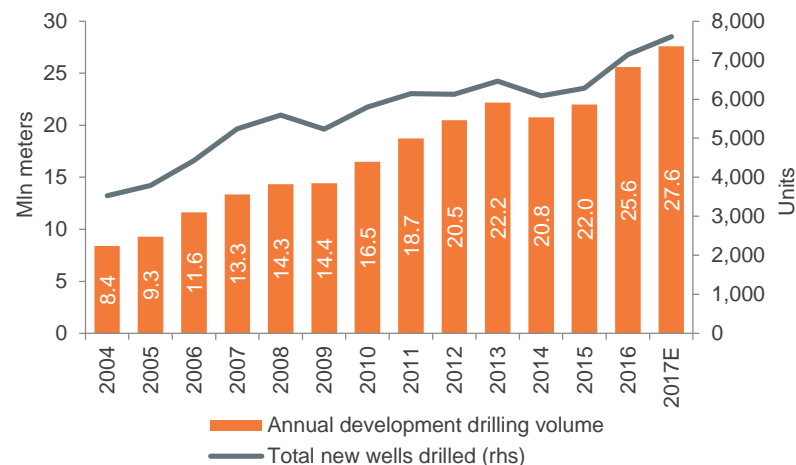


Source: TMK estimates



- Development of conventional and unconventional reserves will require the use of non-conventional drilling techniques and reliable OCTG products
- Russian seamless OCTG market is up by 12% YoY in 9M17
- TMK is a leader in the production of seamless OCTG on the Russian market with around 64% market share for 9M17

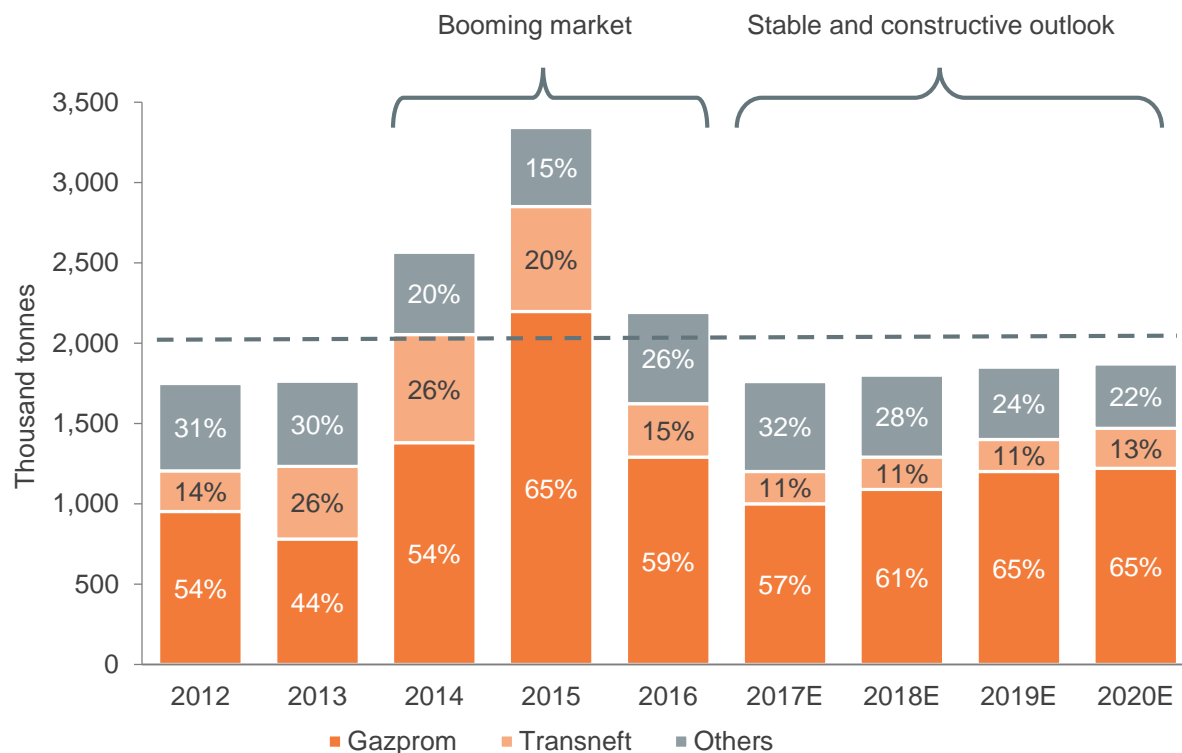
Growing oil drilling market in Russia



Source: CDU TEK, TMK estimates

LDP Demand in Russia

LDP demand in Russia, 2012–2020E



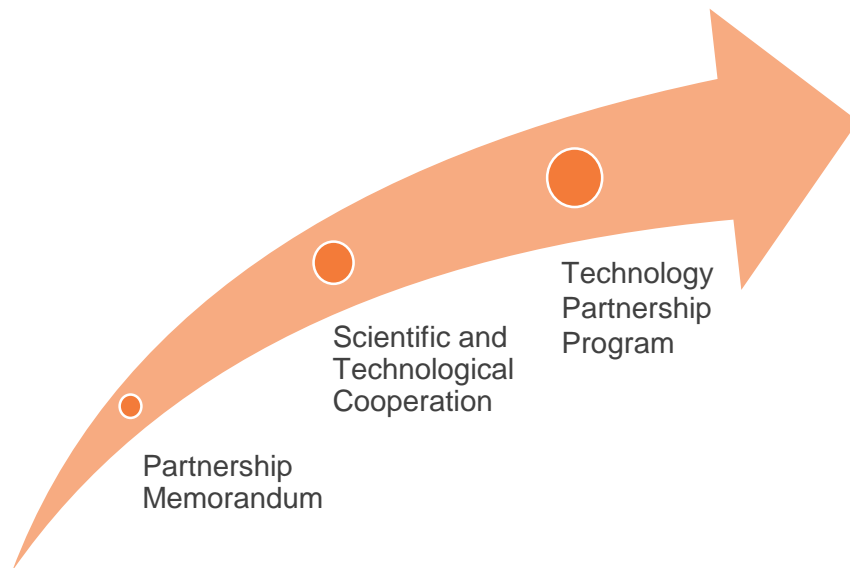
Source: TMK estimates

- Annual LDP demand for the next three years could amount to approximately 1.9 mln tonnes
- Major projects planned: Power of Siberia (GAZP), NS2 Onshore (GAZP), Power of Siberia-2 (GAZP), Sakhalin – Khabarovsk – Vladivostok GTS (GAZP), maintenance needs of Transneft and Gazprom





Strategic Cooperation Supporting Growth



Strategic cooperation with key customers

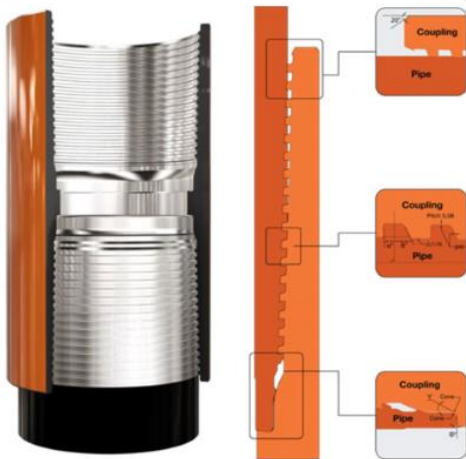


- Newly signed long-term agreements with key customers to develop and supply innovative premium products with related services will strengthen TMK's position
- Import substitution programs guarantee purchase of tubular products and related services
- TMK's innovative products are able to considerably improve the energy efficiency of wells, as well as safety and environmental impact



TMK UP Connections for all Conditions

TMK UP Centum — is the latest generation of gas-tight premium threaded connections for casing pipe featuring innovative design. It is the most recent offer within the line of TMK UP premium connections. The connection strength equals the pipe strength, considerably increasing the reliability of a pipe string during construction of wells with complex configurations



The first batch was produced for NOVATEK's
Arctic LNG-2 project
developed at Salmanovskoye
oil and gas condensate field



TMK UP Centum is certified to ISO 13679 CAL IV, the highest international industry standard for premium threaded connections, and demonstrates 100% tension and compression efficiency

Product Range: 2–3/8"–13–5/8" / 60,32 –346,08 mm

Distinctive Features

- Sealability envelope equal to 100% of pipe body strength
- Fastest assembling premium connection



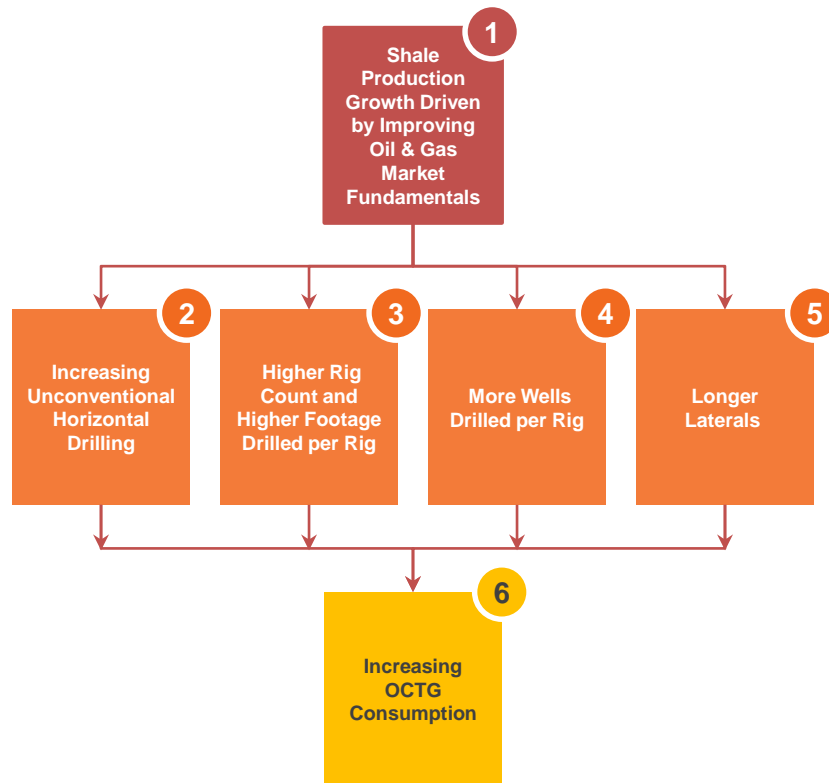
TMK American Division: Market Overview



Strong Fundamentals Driving OCTG Consumption

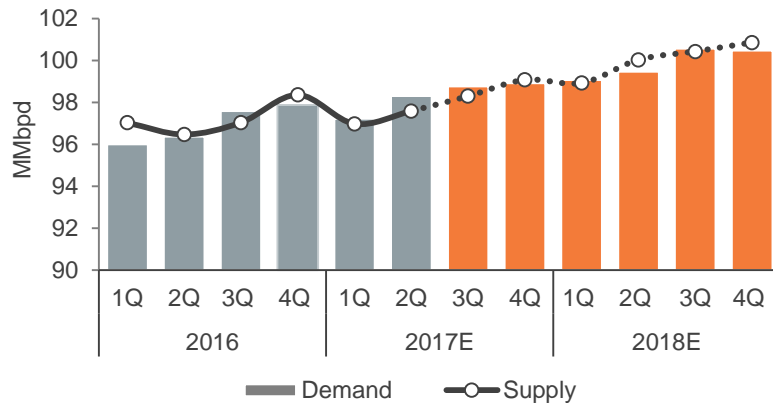
- Shale oil production is growing supported by the O&G market recovery, which is reflected in higher unconventional exploration activity
- New levels of shale oil production are achieved by:
 - Increased unconventional horizontal drilling
 - Higher rig count and higher footage drilled per rig
 - More wells drilled per rig
 - Longer laterals
- As a result, OCTG consumption is increasing, driven by growing needs across the energy value chain

Strong fundamentals support OCTG demand



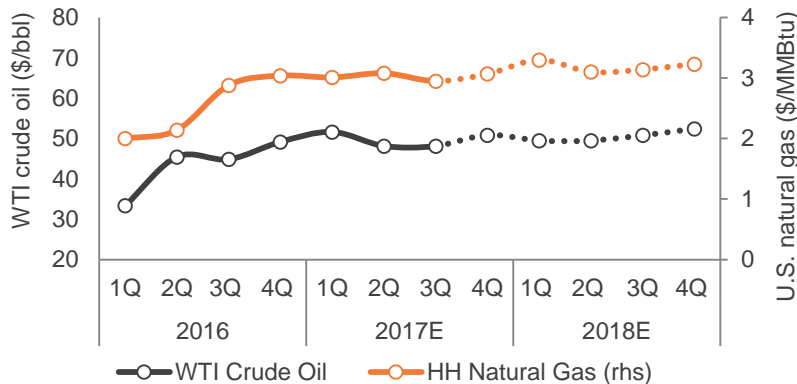
1 Improving Oil & Gas Market Fundamentals ...

Signs that the global glut is easing...



Source: EIA

...improve sentiment and price in 2H 2017



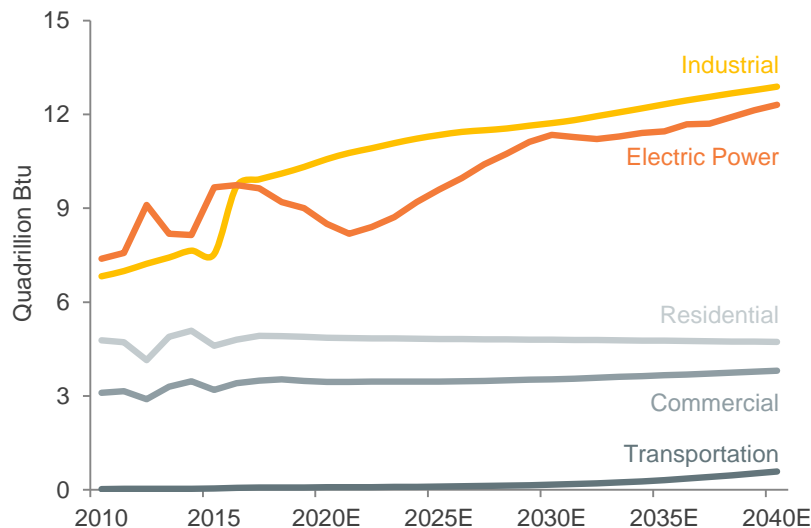
Source: EIA

- Sentiment has improved as the EIA has lowered its 2017E production forecast and increased its estimate for global demand growth
- These new estimates signal confidence that the global oil glut is finally easing
- Improved demand outlook, weaker oil and gas investment, and the prospect of OPEC prolonging production cuts indicate a tighter market in 2018E
- EIA expects modest growth in WTI to move from \$51/bbl in 4Q 2017 to \$52/bbl in 4Q 2018
- Growth in exports and consumption will contribute to natural gas output rising from \$3.07/MMBtu in 4Q 2017 to \$3.23/MMBtu in 4Q 2018



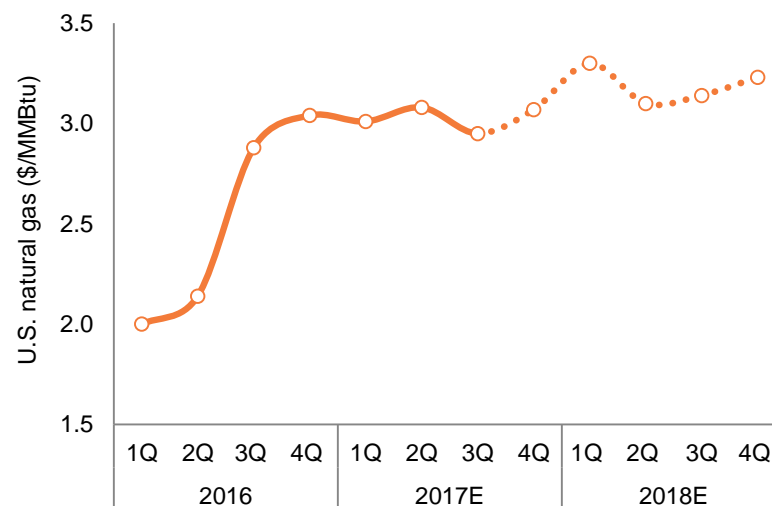
1 Improving Oil & Gas Market Fundamentals ... (cont'd)

U.S. natural gas consumption by sector, 2014 – 2040E



Source: EIA

Growth in exports and consumption point to higher Henry Hub natural gas prices in 2018



Source: EIA

- Industrial and electric power sectors will drive demand for natural gas over the next 20 years
- In early 2000, 16% of electricity was generated by natural gas and 52% by coal, while in 2017 it is expected that 31% of electricity will be generated by natural gas and 31% by coal
- Natural gas storage is projected to end the 2017E injection season at below average levels, creating a tighter supply/demand balance moving into 2018E and upward pressure on natural gas prices

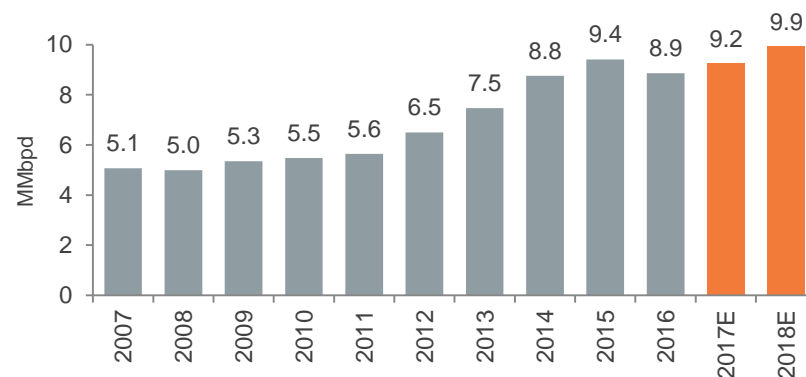


1 ... Drive U.S. Shale Production ...

- According to EIA forecasts, U.S. crude oil production is set to achieve 9.2 MMbpd and 9.9 MMbpd levels in 2017E and 2018E respectively vs. 8.9 MMbpd in 2016, driven by a corresponding recovery of shale oil production
- Shale oil production has proven resilient despite the lower oil price environment, maximizing output potential at lower profitability levels
- U.S. shale oil production reached the pre-crisis level of approximately 6 MMbpd in September 2017, whereas total U.S. crude oil production averaged approximately 9 MMbpd in Q3 2017

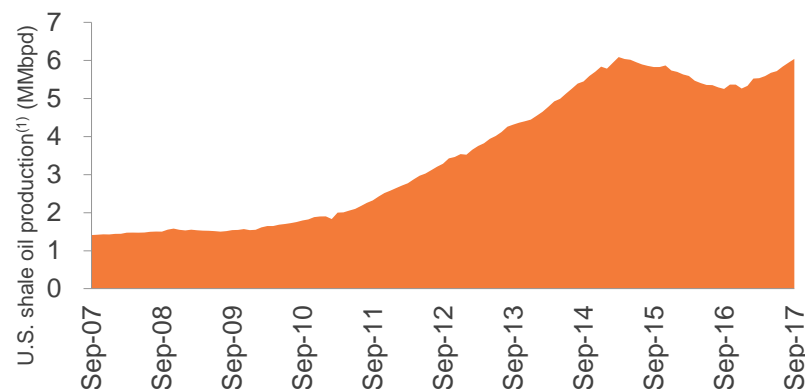
Notes: (1) Includes total oil production from Anadarko, Appalachia, Bakken, Eagle Ford, Haynesville, Marcellus, Niobrara, Permian & Utica

U.S. crude oil production



Source: EIA

U.S. shale oil production⁽¹⁾ is growing

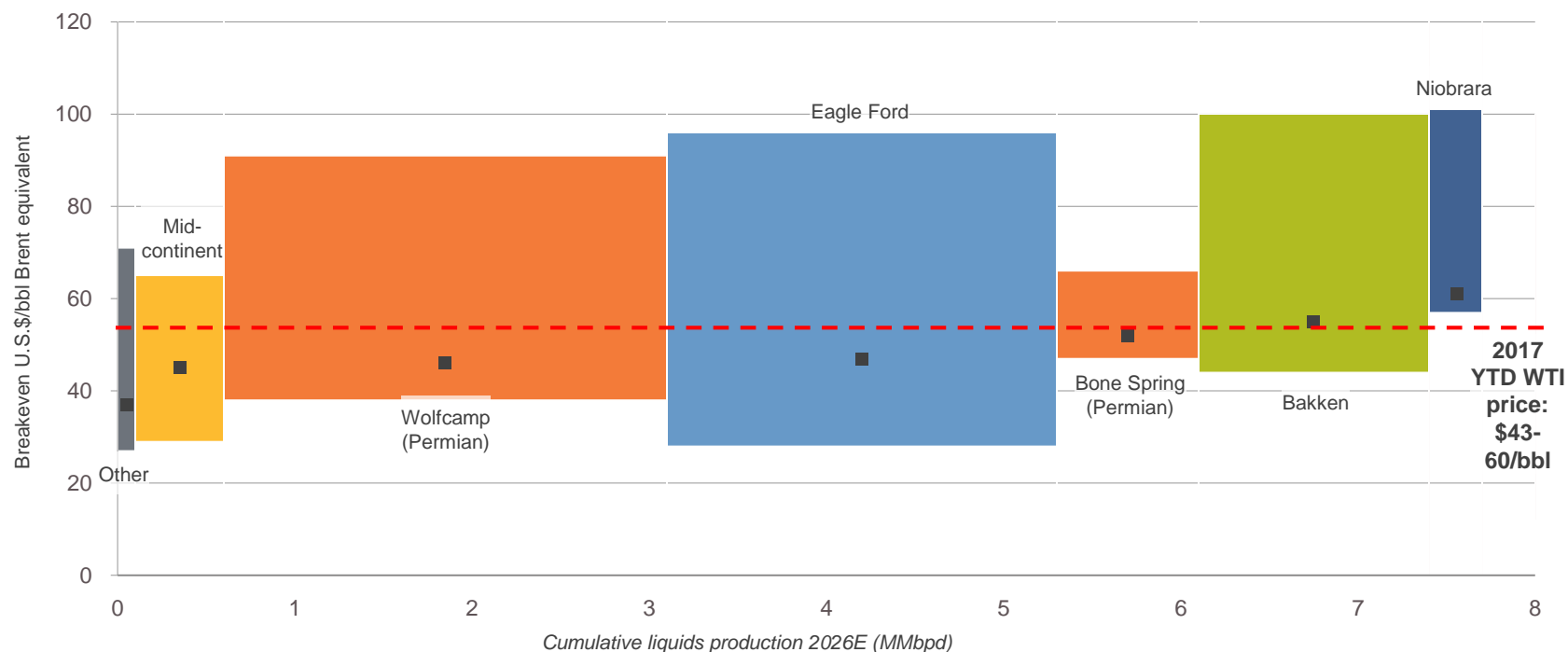


Source: EIA



1 ... Which is Sustainable in the Long Term at Current Oil Price Levels

Continental U.S. tight oil cost curve 2026E



■ Weighted average breakeven price based on 2026E production

Source: Wood Mackenzie

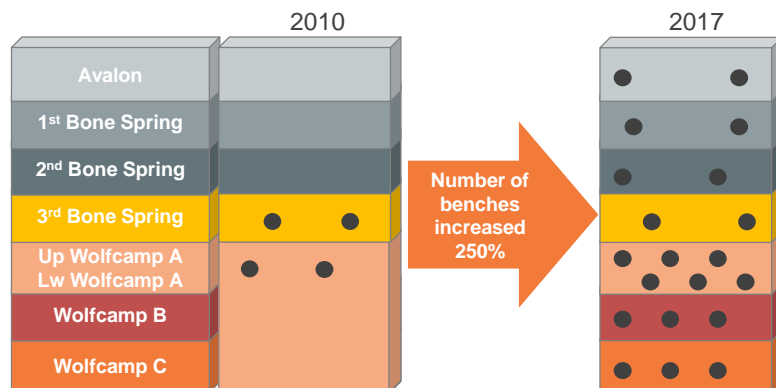
- During the past 2 years, U.S. shale players have managed to decrease production costs
 - Drilling technology has evolved, driven by efficiency requirements
 - Key changes included higher intensity of drilling, longer laterals, significantly higher usage of proppants and equipment and well string standardization
- Despite a wide variation between plays, many U.S. shale producers are profitable at oil prices in the U.S.\$50-60/bbl range in the long term
 - A number of shale plays, incl. Permian and Eagle Ford basins as well as Mid-continent region of the U.S., are profitable at around U.S.\$45-50/bbl



2 Driving Increasing Unconventional Horizontal Drilling ...

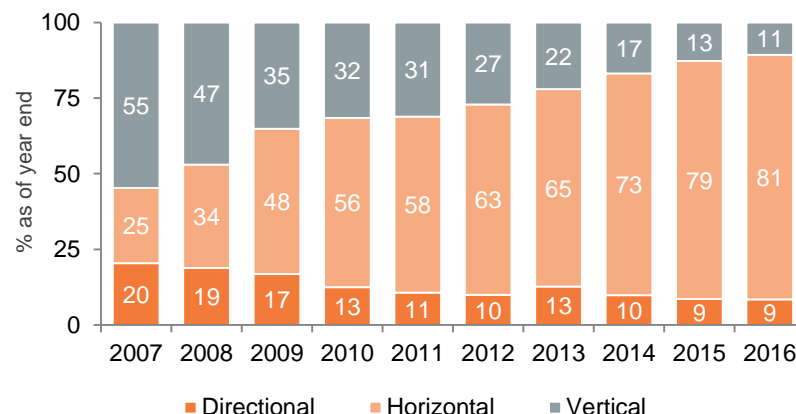
- Horizontal and directional drilling reached almost 90% in 2016 and has nearly doubled for the last 10 years
- According to Spears & Associates estimates, U.S. drilling and completion spending will almost double YoY in 2017E and increase by 13% YoY in 2018E
- Growing number of available productive benches means that for any drilled well there is the potential for additional drilling activity further down the line

Potential for additional drilling activity: Permian basin (Delaware sub-basin) example



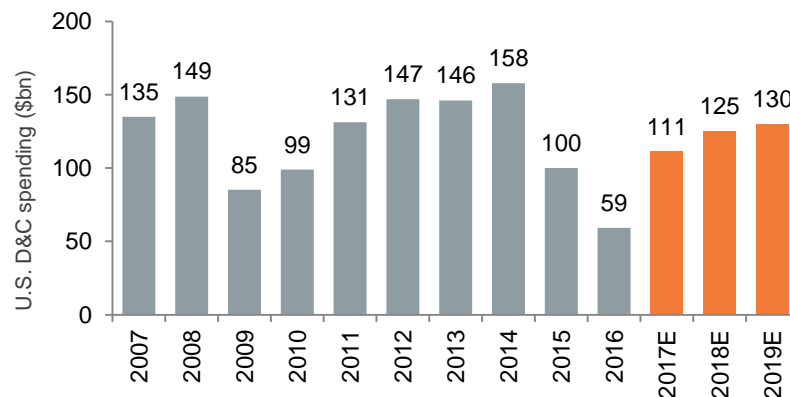
Source: Spears & Associates, Drilling Production Report as of June 2017

U.S. active rig count by type of drilling



Source: Baker Hughes

U.S. drilling and completion spending

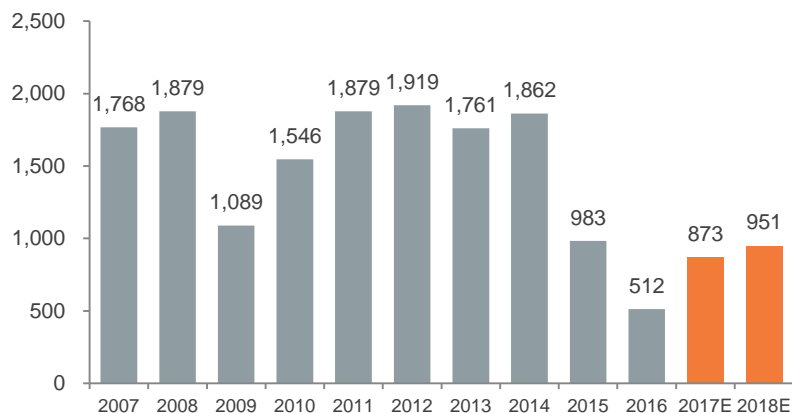


Source: Spears & Associates



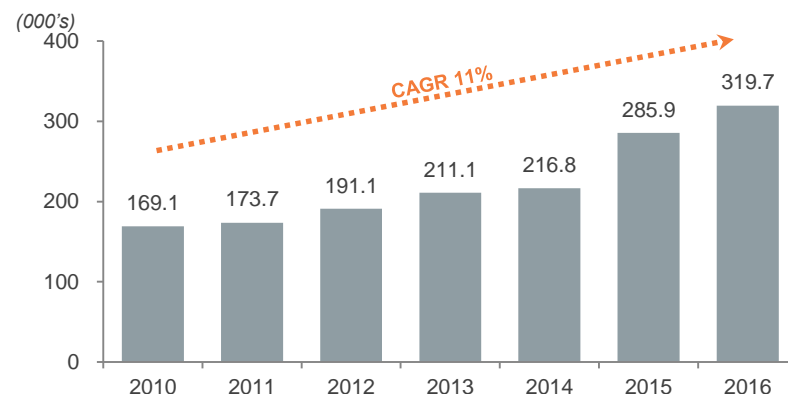
3 ...Growing Rig Count and Footage Drilled per Rig ...

U.S. average annual rig count⁽¹⁾



Source: Baker Hughes, BTU Analytics, Raymond James, Spears & Associates, Inc.

Footage drilled per rig



Source: Spears & Associates, Inc.

- Rig count is expected to increase by 70% YoY in 2017E and 9% YoY in 2018E
- After a slowdown in 4Q 2017 caused by exhaustion of E&P budgets, the consensus forecast indicates that the rig count will average in the mid-900s during 2018E
- Number of rigs used for horizontal drilling continued to increase in 2017 YTD, according to Baker Hughes
- According to Spears & Associates, over the past 6 years footage drilled per rig grew at a CAGR of 11%

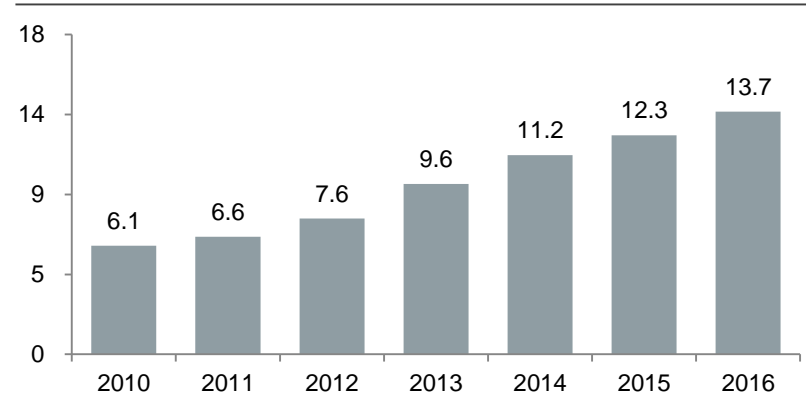
Notes: (1) Numbers for 2007 – 2016 based on Baker Hughes data, numbers for 2017E and 2018E based on median between BTU Analytics, Raymond James, and Spears & Associates estimates



4 5 ... Coupled with More Wells Drilled per Rig and Longer Laterals ...

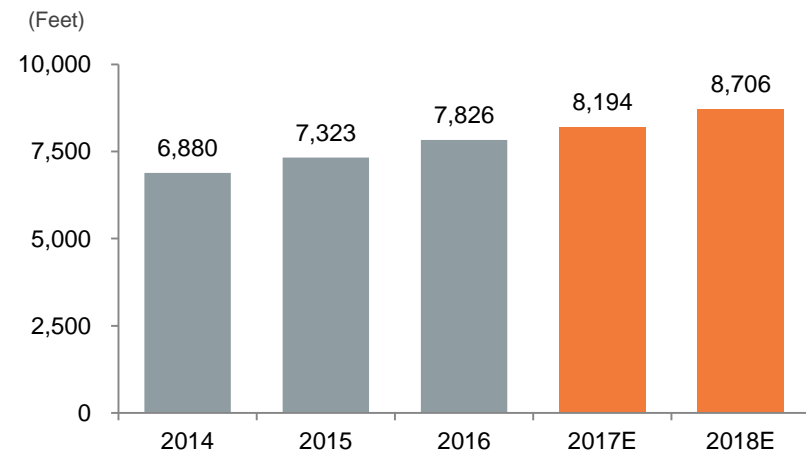
- Pad drilling operations allow operators to drill more horizontal wells per rig per year
- In the U.S., the average number of horizontal wells drilled per rig has increased from an average of 6.1 wells per rig in 2010 to an average of 13.7 wells per rig in 2016, according to Coras Oilfield Research
- Increased lateral lengths and greater drilling complexity are driving greater spending on technologically advanced drilling consumables, such as OCTG with premium and semi-premium connections
 - According to Spears & Associates, these average lengths are set to increase from 7,826 feet in 2016 to 8,706 feet in 2018E

Horizontal wells drilled per rig



Source: Coras Oilfield Research, Baker Hughes Rig Count

Average U.S. lateral length

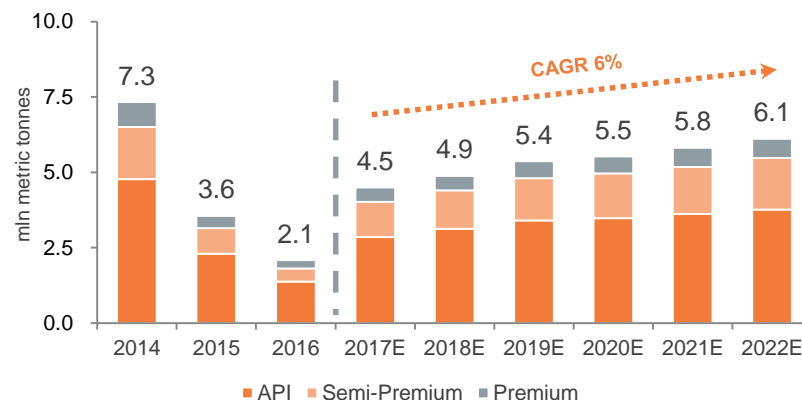


Source: Spears & Associates, Inc.

... Resulting in OCTG Consumption Growth ...

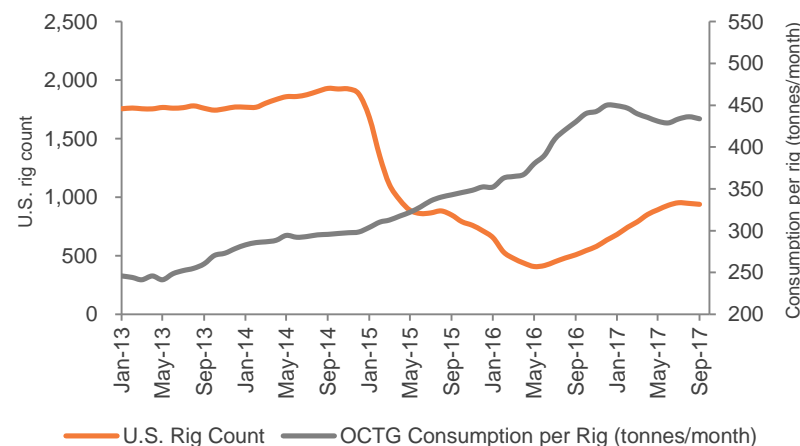
- U.S. consumption of OCTG is expected to reach 4.5 mln metric tonnes in 2017E, more than twice 2016
- Total demand for OCTG in the U.S. is projected to grow at a CAGR of 6% YoY in 2017E – 2022E
- OCTG consumption per rig has nearly doubled since January 2013, allowing for significant recovery in the sector despite having fewer than half of the rigs in operation
- Seamless pipe has increased its share of total U.S. pipe volume as the result of increased horizontal and directional drilling as well as longer laterals
- Based on the OCTG Situation Report, seamless pipe now represents over 70% of total U.S. OCTG shipments as of July 2017

Total U.S. OCTG consumption



Source: Preston Pipe, Baker Hughes

OCTG consumption per rig



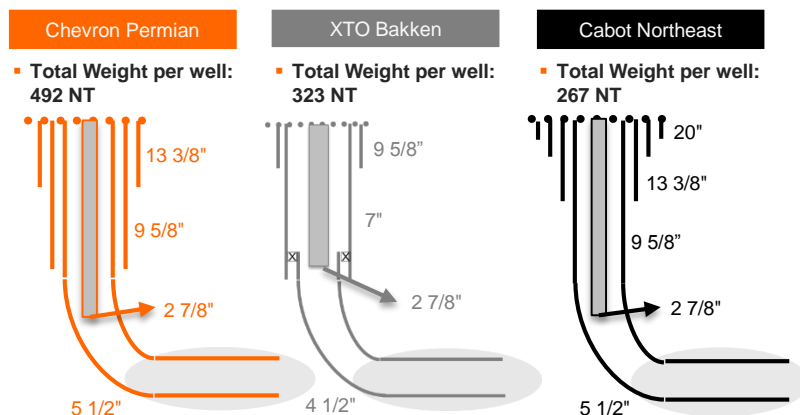
Source: Preston Pipe, Baker Hughes



6 ... Inventory Normalization, Higher Efficiency ...

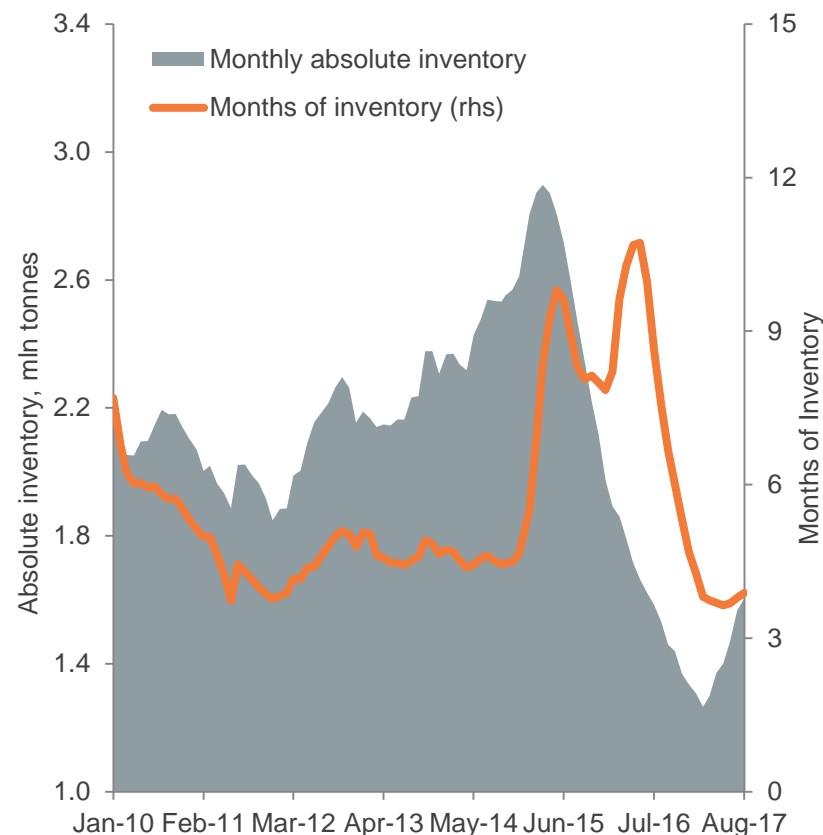
- US OCTG inventories have reached the normalized levels of 2014 as shipments outpace consumption
- Despite months of inventory having reached 2014 levels, the monthly absolute inventory is meaningfully below pre-crisis levels due to higher industry efficiency:
 - Design has standardized resulting in more obsolete inventory
 - E&P investment has spilled over into the management of inventory: the amount of pipe on the ground that was typically required to maintain a certain rig level has decreased from previous cycles

Standardized diameters of OCTG piping



Source: Company data

Increased shipment levels bring months-of-inventory back to pre-downturn levels

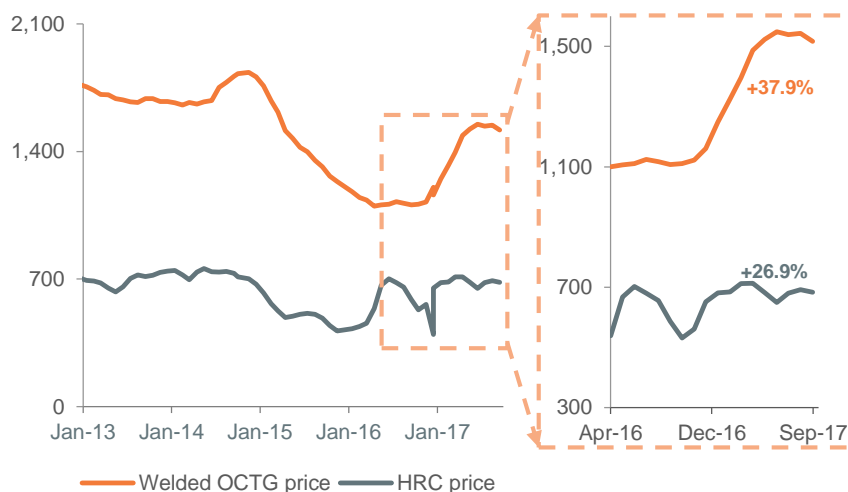


Source: Preston Pipe & Tube Report

6 ... and Stabilization of OCTG Prices in 3Q 2017

U.S. distributor welded OCTG vs. HRC prices

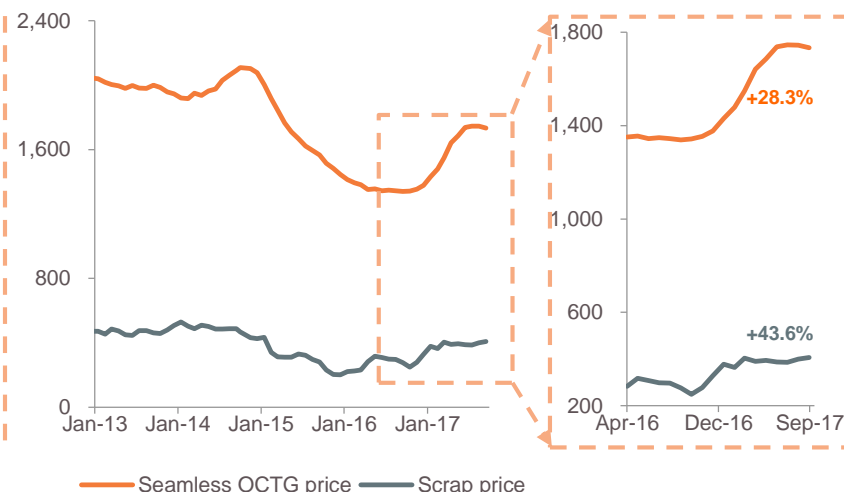
(U.S.\$/tonne, monthly average)



Source: Pipe Logix, AMM

U.S. distributor seamless OCTG vs. scrap prices

(U.S.\$/tonne, monthly average)



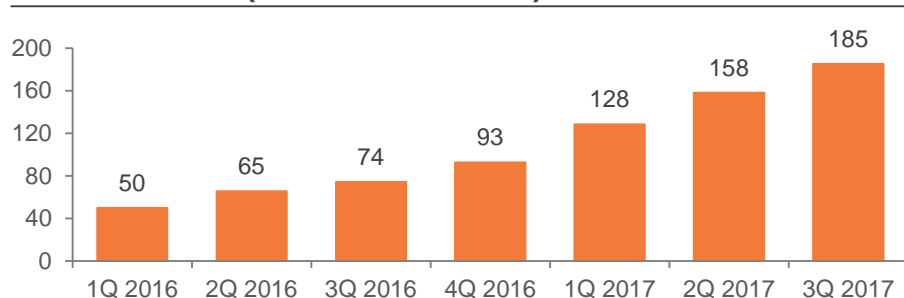
Source: Pipe Logix, AMM

- Prices have rallied from the low in April 2016. Since the trough, welded OCTG prices increased by 40% and seamless OCTG prices – by almost 30%
- Prices have stabilized in recent months: average welded prices were up 0.3% MoM and seamless prices were slightly down by 0.1% MoM
- Raw material prices demonstrated relative flat growth in 3Q 2017 over 2Q 2017: average HRC prices in 3Q 2017 were up 0.7% QoQ and scrap prices were up 0.5% QoQ

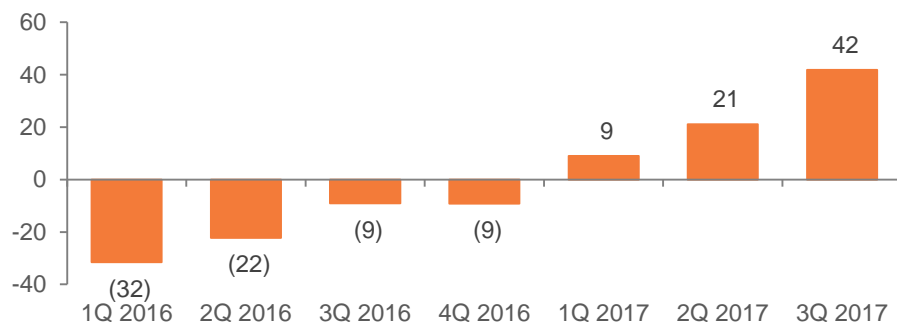


Potential Upside for Business

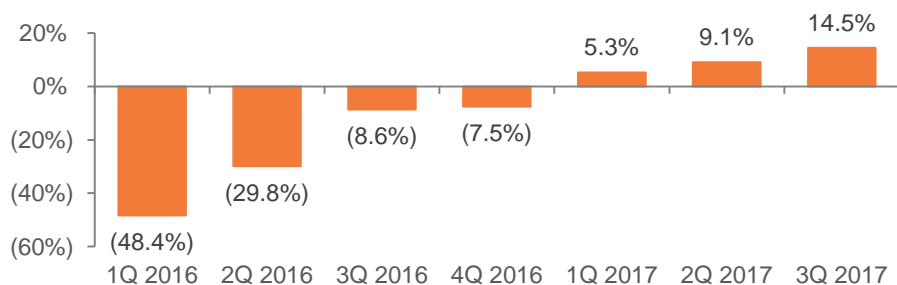
Sales volume (thousand tonnes)



Adjusted EBITDA (U.S.\$ mln)



Adjusted EBITDA margin



Source: Company data

- Rig count reached the bottom in May 2016 at 404 rigs, but has grown by almost 540 rigs since then
- Average number of rigs in 3Q 2017 increased by 6% QoQ, following the recovery in oil prices
- U.S. domestic crude production averaged 9.2 MMbpd in August 2017, up 0.9 MMbpd from the trough reached in July 2016
- These factors are reflected in the IPSCO's financial performance:
 - Sales volume demonstrate strong upward trend sequentially
 - Adjusted EBITDA and EBITDA margin troughed in 1Q 2016, then recovered in 2Q-4Q 2016 & 9M 2017



Strategic Overview



Key Strategic Pillars

Enhance leadership in key segments and enter new product niches

- Dominate the Russian OCTG and line pipe markets
- Remain in the TOP 3 leading OCTG producers in the USA
- Increase the share of high-tech products in the Russian division's revenue to 50% by 2022 and maintain a leading position in the Russian market for premium connections

Optimise vertical integration

- Increase capacity utilization of steelmaking facilities through higher production volumes of steel billets and other products, and maximize the financial impact
- Expand presence in further processing of tubular products (drill pipe, coating)
- Develop a service offering of ready-to use comprehensive engineering solutions for customers

Enhance the sales platform and leverage TMK's global scale

- Expand commercial footprint of TMK's products and services
- Develop strategic partnerships with major customers and global consumers
- Focus on offering products that have a global market and stable demand outlook, i.e. high-tech seamless pipes and premium connections

Focus on innovation and digitalisation

- Develop e-commerce across all divisions via TMKe Trade, the first tubular goods Internet shop in Russia
- Use cutting-edge digital technology to improve product quality and cut costs

Enhance operational excellence

- Foster a culture of continuous operational improvements and production cost cutting
- Ensure consistent product quality through increasing the sustainability of technologies and personnel qualification

Strengthen financial performance and investment appeal

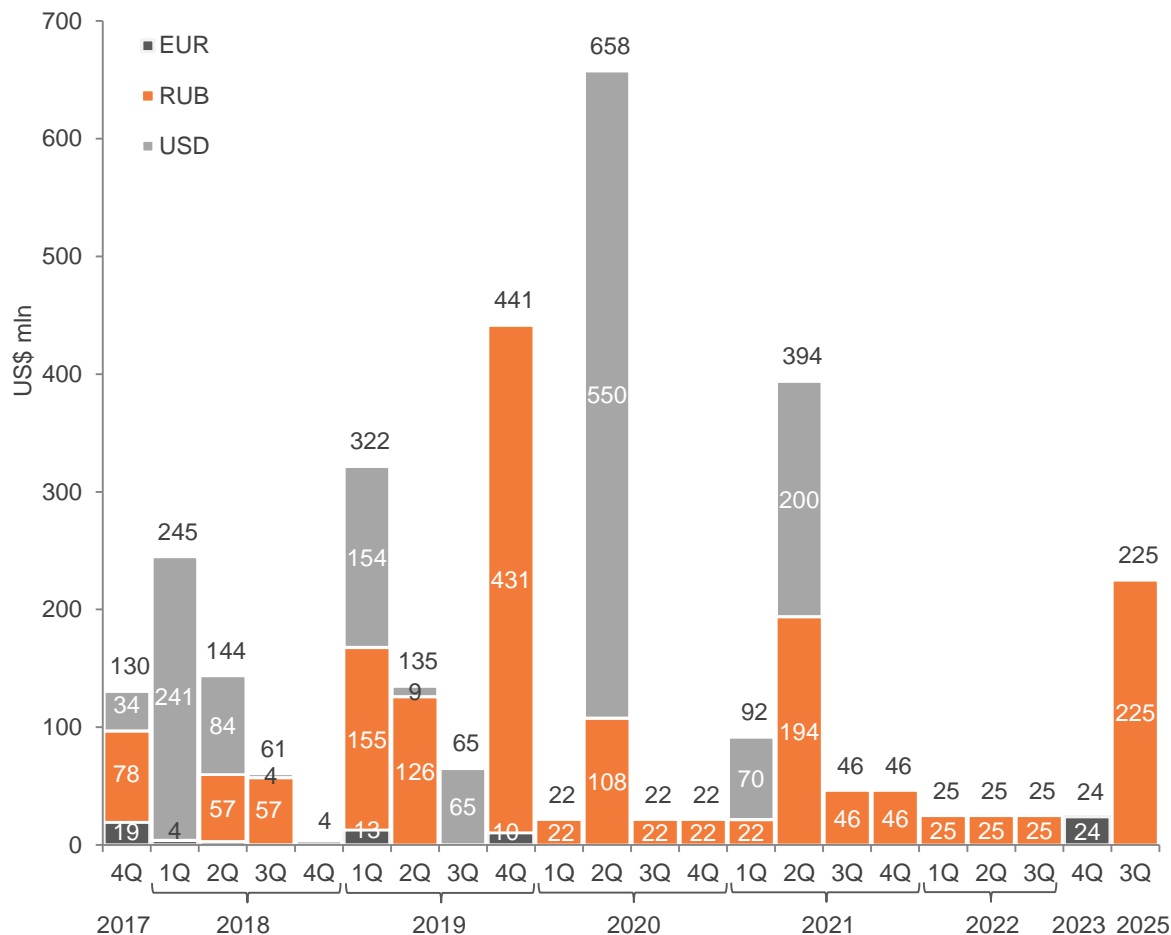
- Maximize operating cash flow
- Monetize international assets, strategic alliances and joint ventures in all regions of presence
- Reduce leverage to 3.0x Net Debt^(a)/ EBITDA^(b) as of FY2019
- Reduce leverage to 2.5x Net Debt^(a)/ EBITDA^(b) as of FY2021

Note: (a) Net Debt represents interest bearing loans and borrowings plus liability under finance lease less cash and cash equivalents and short-term financial investments

(b) Adjusted EBITDA represents profit/(loss) for the period excluding finance costs and finance income, income tax (benefit)/expense, depreciation and amortisation, foreign exchange (gain)/loss, impairment/ (reversal of impairment) of non-current assets, movements in allowances and provisions (except for provisions for bonuses), (gain)/loss on disposal of property, plant and equipment, (gain)/loss on changes in fair value of financial instruments, share of (profit)/loss of associates and other non-cash, non-recurring and unusual items

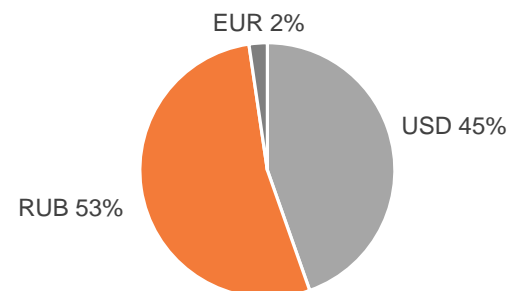


Comfortable Maturity Profile with Ongoing Refinancing



- As of September 30, 2017, Net Debt amounted to US\$2,711 mln
- Over US\$1bn reduction in Net Debt over the past 3 years
- In April 2017, TMK placed a RUB 5 billion 10-year bond with a 9.75% coupon rate
- In June 2017, TMK placed a RUB 10 billion 10-year bond with a 9.35% coupon rate
- The weighted average nominal interest rate decreased by 49 bps since the end of 2016 to 8.53% as of the end of 9M 2017
- Credit Ratings:
 - S&P: B+
 - Moody's: B1

Debt currency structure



Source: TMK management accounts (figures based on non-IFRS measures), TMK estimates

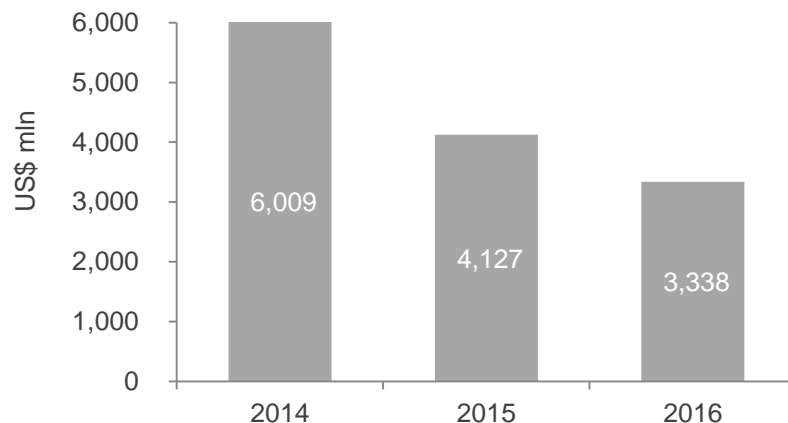


Summary Financial Results

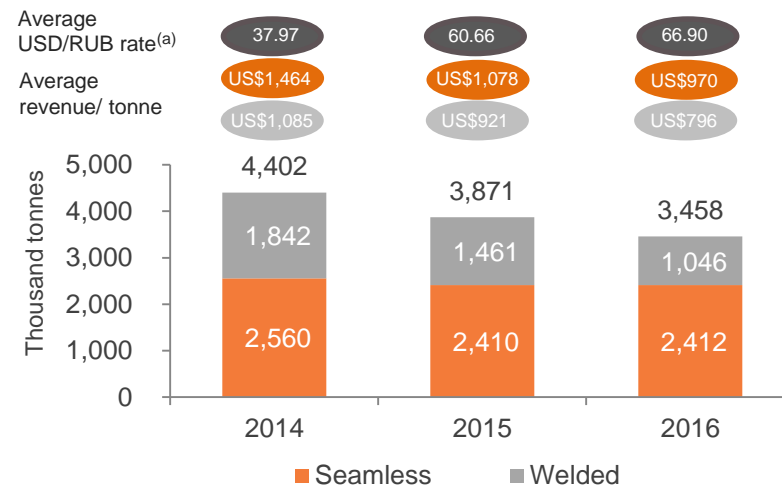


FY Consolidated Results Snapshot

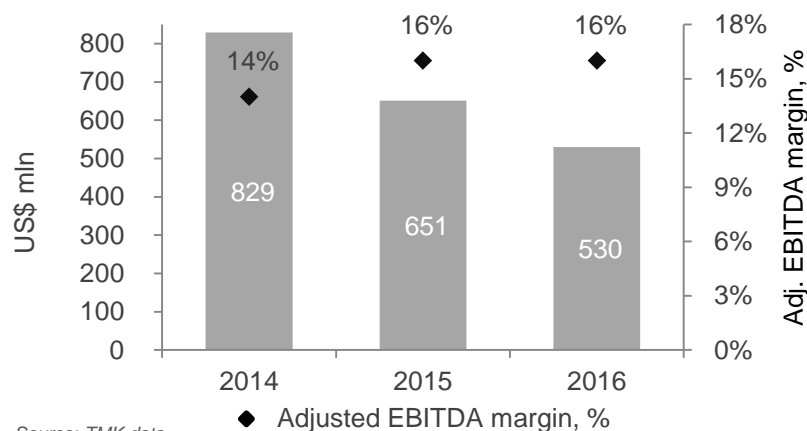
Revenue



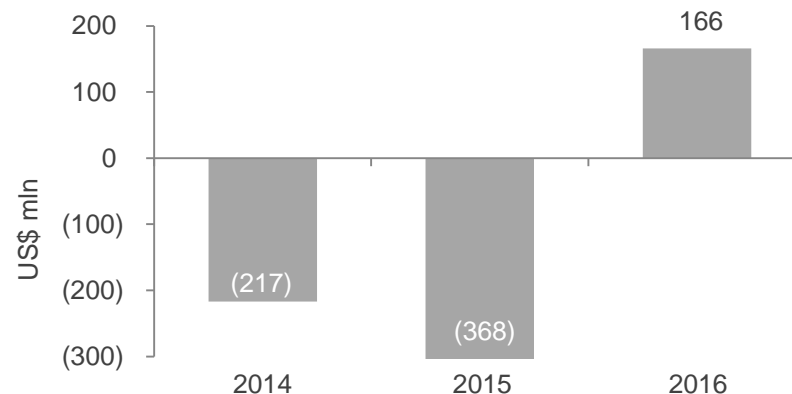
Volumes and realised prices



Adjusted EBITDA^(b)



Net profit



Source: TMK data

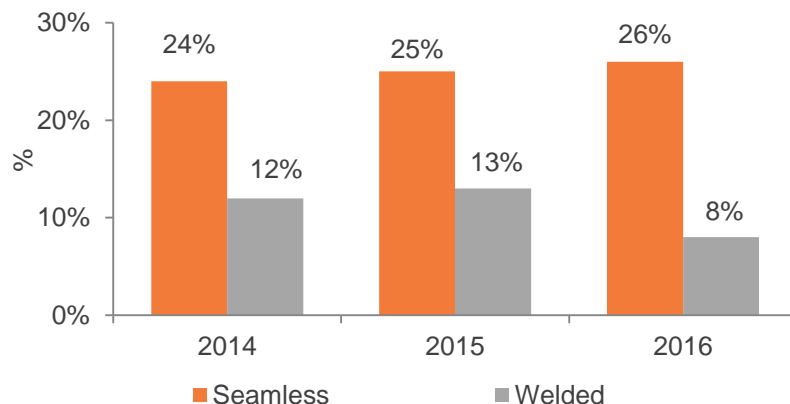
Note: (a) Average nominal USD/RUB exchange rate as published by the Central Bank of Russia.

(b) Adjusted EBITDA represents profit/(loss) for the period excluding finance costs and finance income, income tax (benefit)/expense, depreciation and amortisation, foreign exchange (gain)/loss, impairment/ (reversal of impairment) of non-current assets, movements in allowances and provisions (except for provisions for bonuses), (gain)/loss on disposal of property, plant and equipment, (gain)/loss on changes in fair value of financial instruments, share of (profit)/loss of associates and other non-cash, non-recurring and unusual items

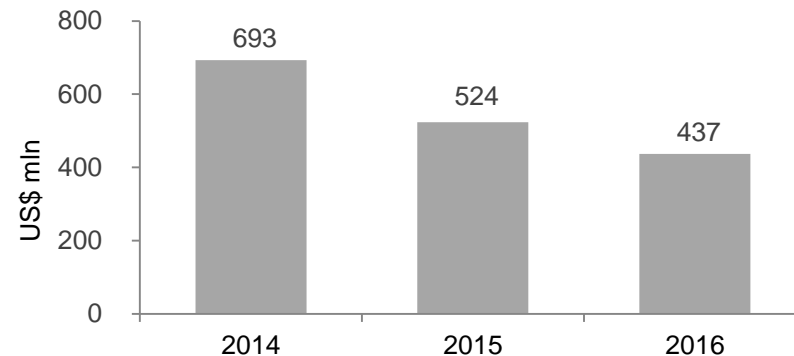


Gross Margin, SG&A and Cash Conversion

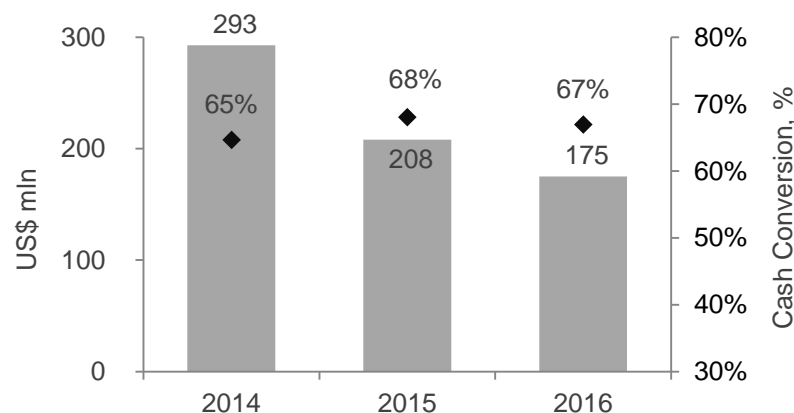
Gross margin



SG&A and Corporate Overheads^(a)



Capex and cash conversion^(b)



Key considerations

- Gross margin resilient through the cycle across both product lines
- Seamless segment accounting for approximately 90% of consolidated gross profit and demonstrates consistently superior margins
- Major reduction in SG&A in response to the revenue decline in 2015-16
- Relatively high share of fixed costs in seamless segment provides strong leverage to volume growth
- Significantly optimized lean cost structure due to stringent efficiency measures
- Growing cash conversion

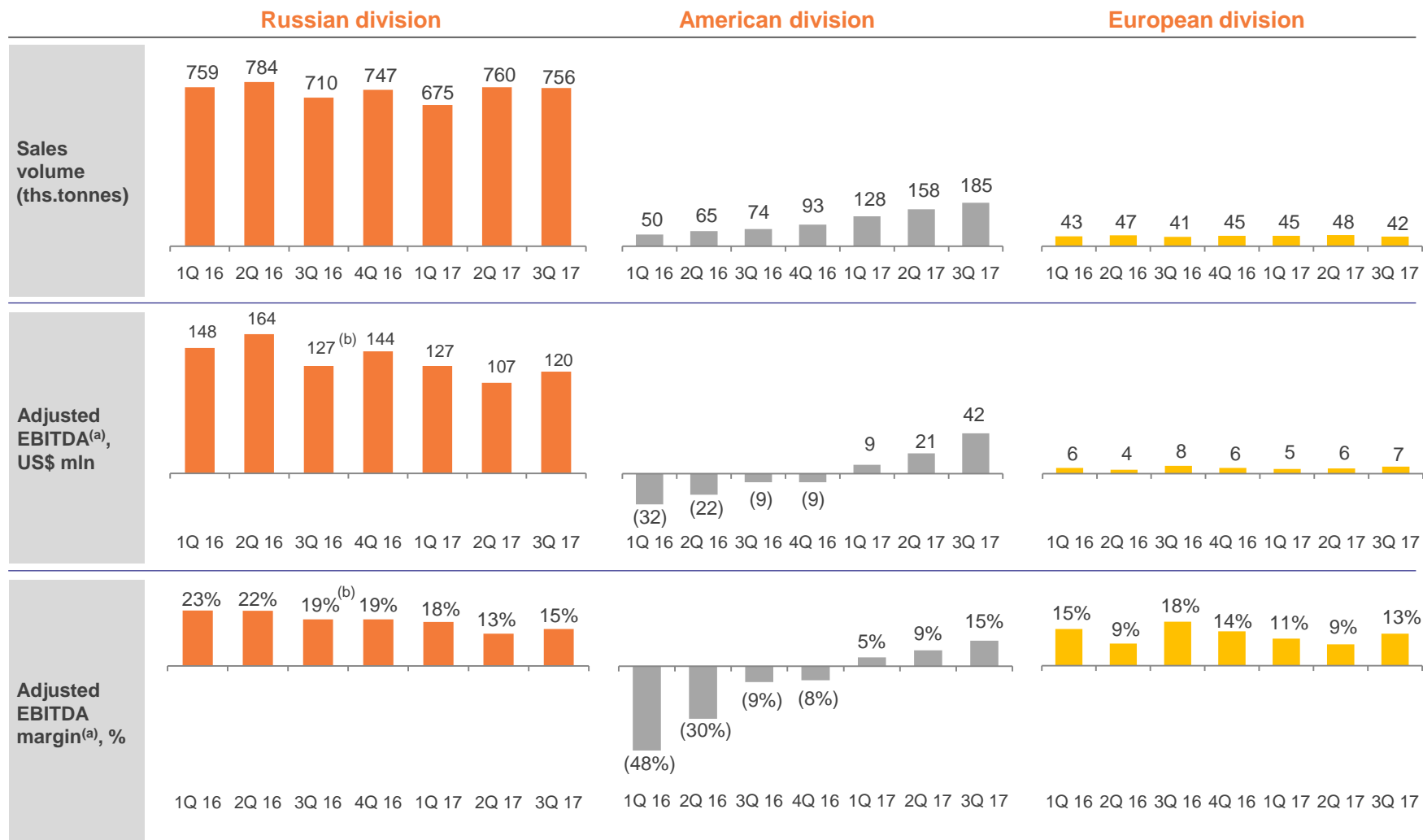
Source: TMK data

Note: (a) Based on IFRS financial statements. Calculated as Gross Profit less Operating profit

(b) Calculated as (Adjusted EBITDA – Capex) / Adjusted EBITDA. Adjusted EBITDA represents profit/(loss) for the period excluding finance costs and finance income, income tax (benefit)/expense, depreciation and amortisation, foreign exchange (gain)/loss, impairment/ (reversal of impairment) of non-current assets, movements in allowances and provisions (except for provisions for bonuses), (gain)/loss on disposal of property, plant and equipment, (gain)/loss on changes in fair value of financial instruments, share of profit/loss of associates and other non-cash, non-recurring and unusual items



Segmental Quarterly Performance Dynamics



Source: TMK data

Note: (a) Adjusted EBITDA represents profit/(loss) for the period excluding finance costs and finance income, income tax (benefit)/expense, depreciation and amortisation, foreign exchange (gain)/loss, impairment/ (reversal of impairment) of non-current assets, movements in allowances and provisions (except for provisions for bonuses), (gain)/loss on disposal of property, plant and equipment, (gain)/loss on changes in fair value of financial instruments, share of (profit)/loss of associates and other non-cash, non-recurring and unusual item

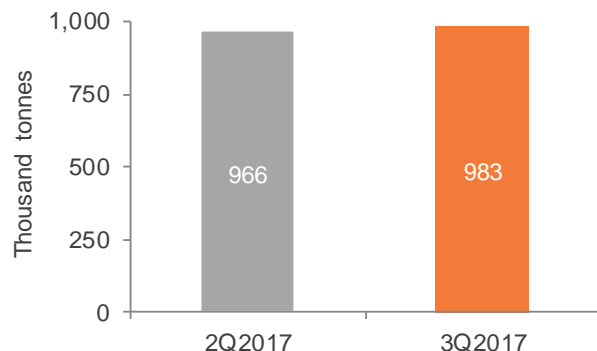
(b) Restated



3Q 2017 vs. 2Q 2017 Summary Financial Highlights

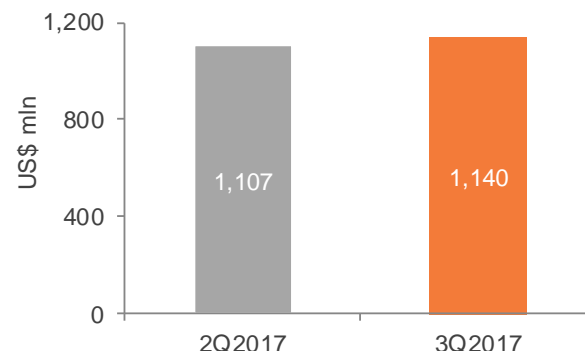
Sales were up QoQ, driven by higher OCTG sales at the American division and stronger LDP volumes at the Russian division

2% QoQ



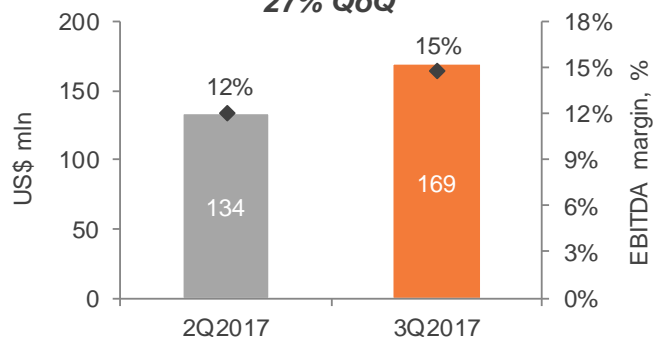
Revenue increased QoQ, due to higher prices and stronger pipe sales at the American division

3% QoQ

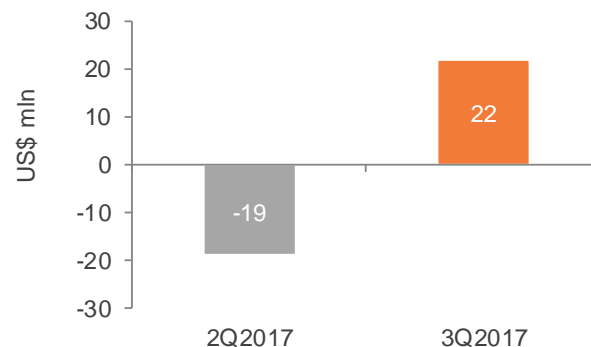


Adjusted EBITDA increased QoQ, largely due to a favourable product mix at the Russian division and overall improved results at the American division

27% QoQ



Net profit amounted to \$22 mln in 3Q 2017, compared to a net loss in the prior quarter, mostly due to FX loss



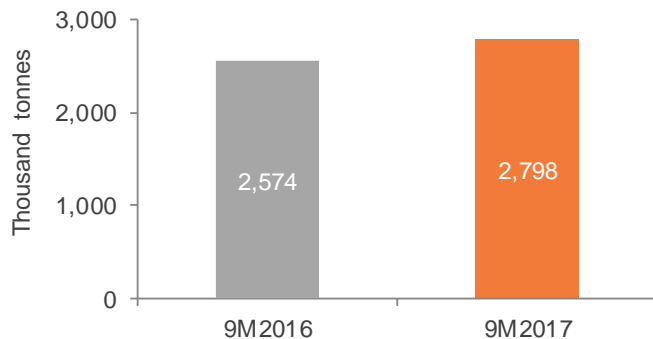
Source: TMK data



9M 2017 vs 9M 2016 Summary Financial Highlights

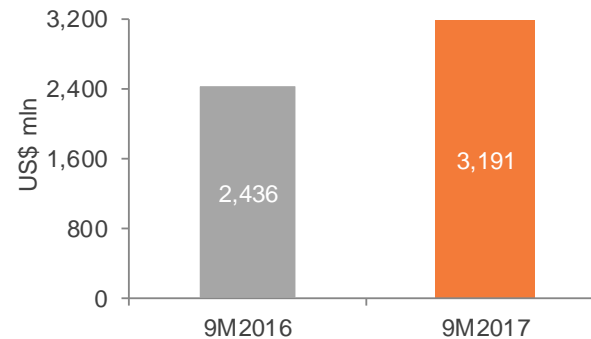
Sales were up YoY, driven by strong volumes at the American division

9% YoY



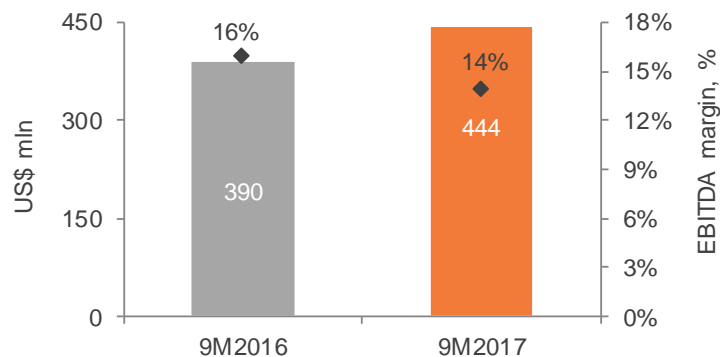
Revenue increased YoY supported by a positive currency translation effect and strong sales at the American division

31% YoY



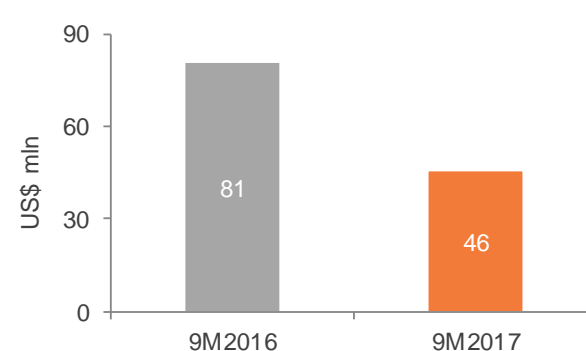
Adjusted EBITDA increased YoY, driven by a much stronger performance from the American division

14% YoY



Net profit decreased YoY, mainly reflecting a lower FX gain compared to 9M 2016

-43% YoY

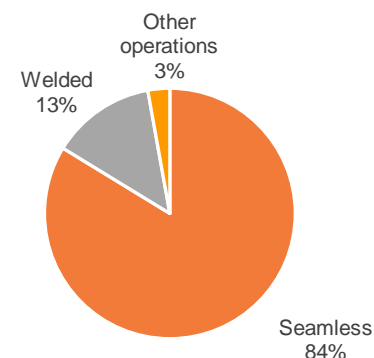




Seamless – Core to Profitability

	U.S.\$ mln (unless stated otherwise)	3Q2017	QoQ, %	9M2017	YoY, %
SEAMLESS	Sales - Pipes, kt	624	-10%	1,977	11%
	Revenue	744	-7%	2,258	32%
	Gross profit	197	4%	554	25%
	Margin, %	26%		25%	
	Avg revenue/tonne (US\$)	1,192	3%	1,142	19%
	Avg gross profit/tonne (US\$)	315	15%	280	12%
WELDED	Sales - Pipes, kt	359	30%	821	3%
	Revenue	337	31%	773	26%
	Gross profit	34	20%	89	83%
	Margin, %	10%		12%	
	Avg revenue/tonne (US\$)	939	0%	941	22%
	Avg gross profit/tonne (US\$)	96	-8%	108	78%

9M 2017 gross profit breakdown



- Sales of seamless pipe generated 71% of total revenue in 9M 2017
- Gross profit from seamless pipe sales represented 84% of 9M 2017 total gross profit
- Gross profit margin from seamless pipe sales amounted to 25% in 9M 2017

Source: Consolidated IFRS financial statements, TMK data

Note: Certain monetary amounts, percentages and other figures included in this presentation are subject to rounding adjustments. Totals therefore do not always add up to exact arithmetic sums.



Appendix – Summary Financial Accounts



Key Consolidated Financial Highlights

<i>(US\$mIn)^(a)</i>	2016	2015	2014	2013
Revenue	3,338	4,127	6,009	6,432
Adjusted EBITDA^(b)	530	651	829	986
<i>Adjusted EBITDA Margin^(b) (%)</i>	<i>16%</i>	<i>16%</i>	<i>14%</i>	<i>15%</i>
Profit (Loss)	166	(368)	(217)	215
<i>Net Profit Margin (%)</i>	<i>5%</i>	<i>n/a</i>	<i>n/a</i>	<i>3%</i>
Pipe Sales ('000 tonnes)	3,458	3,871	4,402	4,287
Average Net Sales/tonne (US\$) ^(c)	965	1,066	1,365	1,500
Cash Cost per tonne (US\$) ^(d)	692	783	1,030	1,108
Cash Flow from Operating Activities	476	684	595	703
Capital Expenditure ^(e)	175	208	293	397
Total Debt ^(f)	2,918	2801	3,223	3,694
Net Debt ^(f)	2,539	2,471	2,939	3,568
Short-term Debt/Total Debt	9%	21%	24%	11%
Net Debt/Adjusted EBITDA	4.8x	3.8x	3.5x	3.6x
Adjusted EBITDA/Finance Costs	1.9x	2.3x	3.6x	3.9x

Source: TMK Consolidated Financial Statements for 2016, 2015 and 2014

(a) IFRS financials figures were rounded for the presentation's purposes. Minor differences with FS may arise due to rounding

(b) Adjusted EBITDA represents profit/(loss) for the period excluding finance costs and finance income, income tax (benefit)/expense, depreciation and amortisation, foreign exchange (gain)/loss, impairment/ (reversal of impairment) of non-current assets, movements in allowances and provisions (except for provisions for bonuses), (gain)/loss on disposal of property, plant and equipment, (gain)/loss on changes in fair value of financial instruments, share of (profit)/loss of associates and other non-cash, non-recurring and unusual items.

(c) Sales include other operations and is calculated as Revenue divided by sales volumes tonnes

(d) Cash Cost per Tonne is calculated as Cost of Sales less Depreciation & Amortisation divided by sales volumes

(e) Purchase of PP&E investing cash flows

(f) Total Debt represents interest bearing loans and borrowings plus liability under finance lease; Net Debt represents Total debt less cash and cash equivalents and short-term financial investments



Income Statement

<i>(US\$ mln)</i>	2016	2015	2014	2013
Revenue	3,338	4,127	6,009	6,432
Cost of sales	(2,634)	(3,282)	(4,839)	(5,074)
Gross Profit	704	845	1,169	1,358
Selling and Distribution Expenses	(220)	(260)	(350)	(379)
General and Administrative Expenses	(6)	(207)	(278)	(317)
Advertising and Promotion Expenses	(196)	(8)	(14)	(12)
Research and Development Expenses	(11)	(13)	(15)	(13)
Other Operating Expenses, Net	(4)	(35)	(35)	(34)
Foreign Exchange Gain / (Loss) before Tax	130	(141)	(301)	(49)
Finance Costs, Net	(263)	(269)	(226)	(245)
Other	35	(354)	(150)	5
Income / (Loss) before Tax	169	(443)	(201)	312
Income Tax (Expense) / Benefit	(4)	75	(15)	(98)
Net Income / (Loss)	166	(368)	(217)	215

Source: TMK Consolidated Financial Statements for 2016, 2015 and 2014

Note: Certain monetary amounts, percentages and other figures included in this presentation are subject to rounding adjustments. Totals therefore do not always add up to exact arithmetic sums.

(a) Calculated as Finance income less Finance costs



Statement of Financial Position

(US\$ mln)	2016	2015	2014	2013
ASSETS				
Cash and Cash Equivalents	277	305	253	93
Accounts Receivable	689	512	728	995
Inventories	769	785	1,047	1,324
Prepayments	107	113	113	148
Other Financial Assets	42	0	1	0
Total Current Assets	1,883	1,715	2,142	2,561
Total Non-current Assets	2,853	2,697	3,508	4,857
Total Assets	4,736	4,412	5,649	7,419
LIABILITIES AND EQUITY				
Accounts Payable	735	682	831	1,111
ST Debt	268	600	764	398
Other Liabilities	48	41	48	62
Total Current Liabilities	1,051	1,323	1,643	1,571
LT Debt	2,650	2,201	2,459	3,296
Deferred Tax Liability	90	110	206	298
Other Liabilities	47	64	71	125
Total Non-current Liabilities	2,786	2,374	2,735	3,718
Equity	899	715	1,271	2,130
Including Non-Controlling Interest	55	53	66	96
Total Liabilities and Equity	4,736	4,412	5,649	7,419
Net Debt	2,539	2,471	2,969	3,600

Source: TMK Consolidated Financial Statements for 2016, 2015 and 2014

Note: Certain monetary amounts, percentages and other figures included in this presentation are subject to rounding adjustments. Totals therefore do not always add up to exact arithmetic sums.



Cash Flow

<i>(US\$ mln)</i>	2016	2015	2014	2013
Profit / (Loss) before Income Tax	169	(443)	(201)	312
<i>Adjustments for:</i>				
Depreciation and Amortisation	242	251	304	326
Net Finance Cost	263	269	226	245
Others	(154)	552	479	61
Working Capital Changes	(13)	105	(159)	(159)
Cash Generated from Operations	506	734	648	786
Income Tax Paid	(31)	(51)	(53)	(82)
Net Cash from Operating Activities	476	684	595	703
Capex	(175)	(208)	(293)	(397)
Acquisitions	(11)	(2)	(60)	(38)
Others	106	25	10	12
Net Cash Used in Investing Activities	(81)	(185)	(343)	(423)
Net Change in Borrowings	(53)	(193)	154	(93)
Interest paid	(258)	(274)	(251)	(254)
Others	(107)	86	44	(60)
Net Cash Used in Financing Activities	(418)	(381)	(53)	(407)
Net Foreign Exchange Difference	(5)	(65)	(40)	(5)
Cash and Cash Equivalents at January 1	305	253	93	225
Cash and Cash Equivalents at YE	277	305	253	93

Source: TMK Consolidated Financial Statements for 2016, 2015 and 2014

Note: Certain monetary amounts, percentages and other figures included in this presentation are subject to rounding adjustments. Totals therefore do not always add up to exact arithmetic sums

(a) Calculated as Finance costs less Finance income

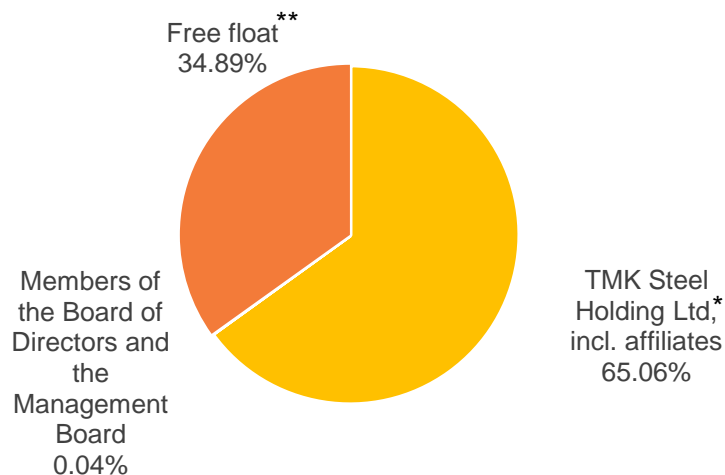


Appendix – Capital Structure and Corporate Governance



Capital Structure

Capital structure



*The beneficiary is Dmitry Pumpyanskiy, Chairman of the Board of Directors of TMK. Includes shares owned by TMK Steel Holding Ltd and subsidiaries of TMK

**Including Rusnano (5.26%)

Source: TMK

Key considerations

- TMK's securities are listed on the London Stock Exchange, the OTCQX International Premier trading platform in the U.S. and on Russia's major stock exchange – MICEX-RTS
- As of September 30, 2017 34.89% of TMK ordinary shares were in free float
- Total shares outstanding amount to 1,033,135,366
- One GDR represents four ordinary shares



TMK Corporate Governance

Key considerations

- The Board of Directors is comprised of 11 members, including 5 independent directors, 4 non-executive directors and 2 executive directors.
- The Board of Directors has 3 standing committees, chairman of each committee is an independent director:
 - Audit Committee;
 - Nomination and Remuneration Committee;
 - Strategy Committee.
- TMK's day-to-day operations are managed by the CEO and the Management Board which consists of eight members.
- The Company has an integrated system of internal controls which provides assurance as to the efficiency and management of risks of operations.



DMITRY PUMPYANSKIY, Chairman of the Board of Directors, non-executive director

Born in 1964. Graduated from the Sergey Kirov Urals Polytechnic Institute in 1986. PhD in Technical Sciences, Doctor of Economics. Founder and beneficial majority shareholder of TMK

Relevant experience: Chairman of the Supervisory Board of Russian Agricultural Bank, Member of the Board of Directors at Rosagroleasing and SKB-Bank, President and Chairman of the Board of Directors of Sinara Group, member of the Management Board of the Russian Union of Industrialists and Entrepreneurs, CEO at TMK, CEO and a member of the Board of Directors of Sinara Group, Board member at various industrial and financial companies



MIKHAIL ALEKSEEV, Independent director, Chairman of the Nomination and Remuneration Committee.

Born in 1964. Graduated from the Moscow Finance Institute in 1986. Doctor of Economics.

Relevant experience: Chairman of the Management Board of UniCredit Bank, Chairman of the Supervisory Board of LLC UniCredit Leasing, Chairman of the Board and President of "Rossiysky Promyshlenny Bank" (Rosprombank), Senior Vice President and Deputy Chairman of the Management Board of Rosbank, Deputy Chairman of the Management Board of ONEXIM Bank, Deputy Head of the General Directorate of the Ministry of Finance of the USSR.



PETER O'BRIEN, Independent director, Chairman of the Audit Committee

Born in 1969. Graduated from Duke University (USA) in 1991 and obtained an MBA from Columbia University Business School in 2000 and completed the AMP at Harvard Business School in 2011.

Relevant experience: Member of the Management Board, Vice President, Head of the Group of Financial Advisors to the President of Rosneft, Co-Head of Investment Banking, Executive Director of Morgan Stanley in Russia, Vice President at Troika Dialog Investment Company, Press Officer at the US Treasury, Chairman of the Board of Directors of PAO TransFin-M and member of the Board of Directors of PAO T Plus.



ALEKSANDER SHOKHIN, Independent director, Chairman of the Strategy Committee

Born in 1951. Graduated from the Lomonosov Moscow State University in 1974. PhD, Doctor of Economics, Professor.

Relevant experience: President of the Russian Union of Industrialists and Entrepreneurs, President of the Higher School of Economics State University, member of the Board of Directors of AO Russian Small and Medium Business Corporation, Board member at Lukoil, Russian Railways, member of the Public Chamber of the Russian Federation, member of the State Duma, Minister of Labour and Employment and Minister of Economic Affairs, Head of the Russian Agency for International Cooperation and Development, twice appointed as Deputy Head of the Russian Government, Russia's representative to IMF and World Bank.



SERGEY KRAVCHENKO, Independent director, member of the Board of Directors

Born in 1960. Graduated from the Moscow State University of Mechanical Engineering in 1982. Professor, Doctor of Technical Science.

Relevant experience: President of Boeing Russia and CIS since 2002, responsible for the company's business development in Russia and CIS. Prior to joining Boeing in 1992 was a lead member of the Russian Academy of Sciences.



ROBERT MARK FORESMAN, Independent director, member of the Board of Directors

Born in 1968. Graduated from Bucknell University (USA) in 1990 and Harvard University Graduate School of Arts & Sciences in 1993.

Relevant experience: Head of Barclays Capital in Russia, Deputy Chairman of the Management Board at Renaissance Capital, Chairman of the Management Committee for Russia and CIS at Dresdner Kleinwort Wasserstein, Head of Investment Banking for Russia and CIS at ING Barings, Vice Chairman at UBS Investment Bank.



Appendix – TMK Products



Wide Range of Products

Seamless



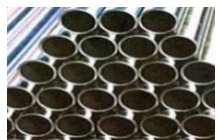
OCTG

Threaded pipes for the oil and gas industry including drill pipe, casing and tubing.



Line Pipe

The short-distance transportation of crude oil, oil products and natural gas.



Industrial

Automotive, machine building, and power generation sectors.

Welded



OCTG

Threaded pipes for the oil and gas industry including drill pipe, casing and tubing.



Line Pipe

The short-distance transportation of crude oil, oil products and natural gas.



Large-Diameter

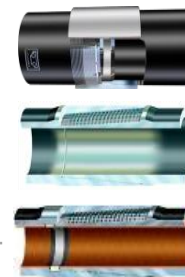
Construction of trunk pipeline systems for the long distance transportation of natural gas, crude oil and petroleum products.



Industrial

Wide array of applications and industries, including utilities and agriculture.

Premium



Premium Connections (TMK UP)

Premium connections are proprietary value-added products used to connect OCTG pipes and are used in sour, deep well, off-shore, low temperature and other high-pressure applications.

Oilfield Services

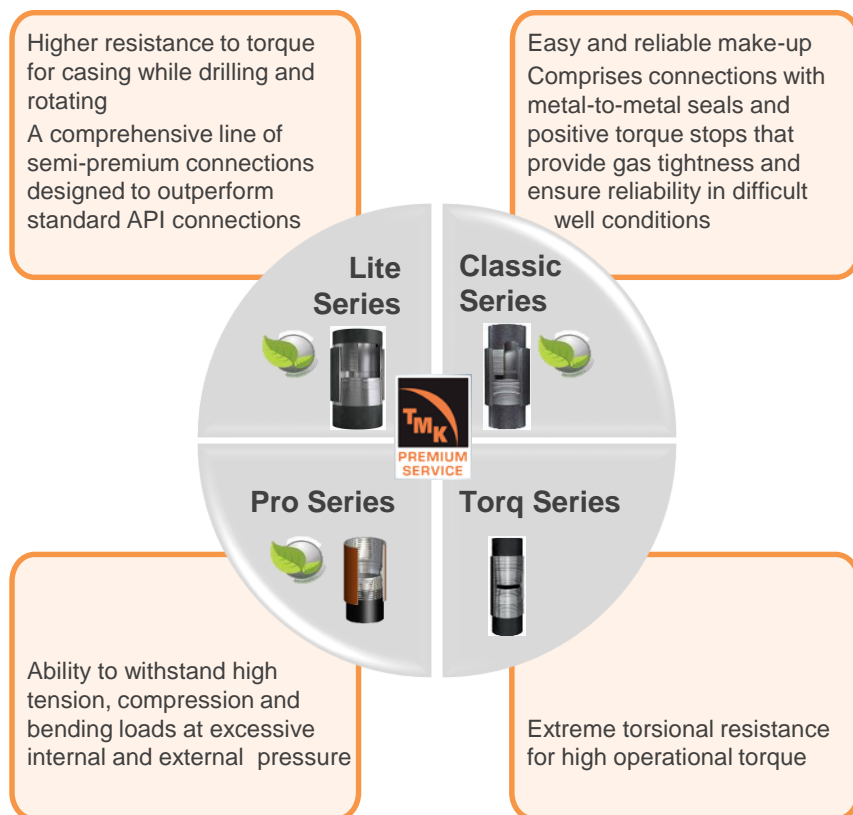
Well equipment precision manufacturing, tools' rental, supervising, inventory management, threading and coating services.





TMK Premium Product Offering

TMK connections series



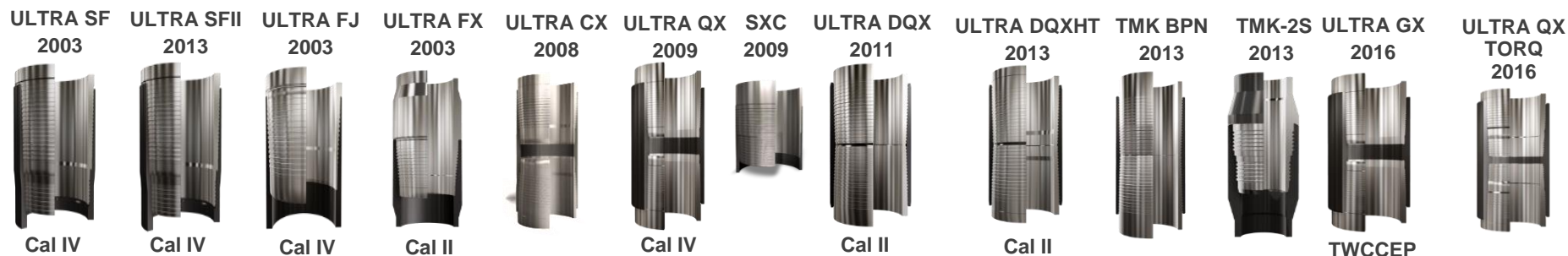
Premium products and services

- TMK to maintain its share of premium connections market with greater focus on sales of 2nd and 3rd generation premium connections to improve sales efficiency and enhance competitive advantage
- TMK is actively developing HI-TECH products for unconventional reserves, including offshore deposits:
 - OCTG: with Premium threading, Cr13, GreenWell technology, alloy OCTG (L80, C90, T95, P110) mostly with Premium threading
 - Stainless steel pipe
 - Pipe with increased corrosion resistance
 - Vacuum insulated tubing
 - LDP


Pipes with premium connections are designed for O&G wells developed in challenging exploration and production conditions, including offshore, deep-sea and Far North locations, as well as for horizontal and directional wells

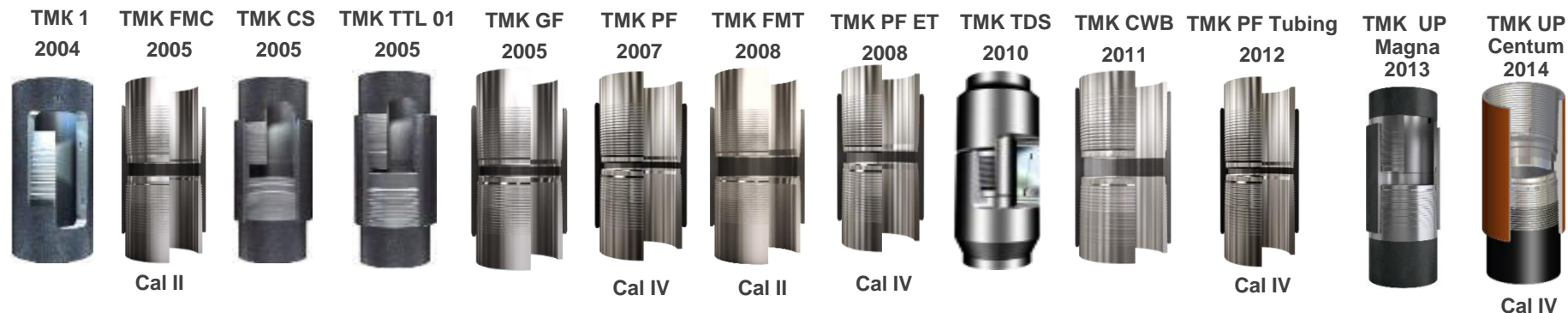


Premium Solutions: TMK UP

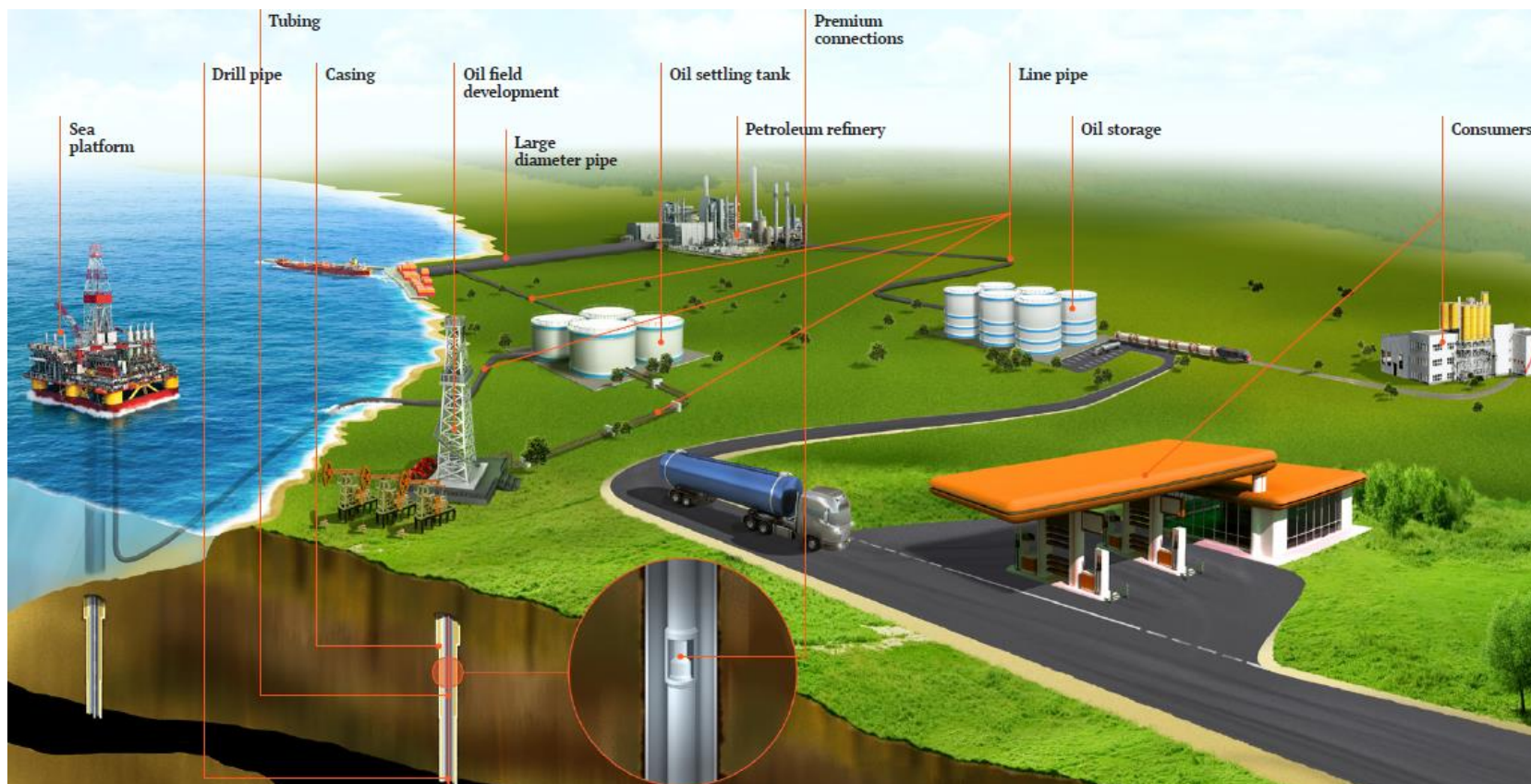


Unique range of Premium products

- Onshore/offshore
- Sour gas
- Thermal
- Arctic
- Horizontal and extended reach
- Drilling with casing
- Steam-Assisted Gravity Drainage (SAGD)
- Connections are available with GreenWell environment friendly technology 



Utilisation of TMK Pipe Products in Oil and Gas Industry



- **OCTG** – Oil Country Tubular Goods (drilling, casing, tubing) used for oil & gas exploration, well fixing and oil & gas production (44% of total sales for 9M 2017)
- **Line pipe** – used for short distance transportation of crude oil, oil products and natural gas (25% of total sales for 9M 2017)
- **LDP** - large diameter pipe used for construction of trunk pipeline systems for long distance transportation of natural gas, crude oil and petroleum products (9% in total sales for 9M 2017)

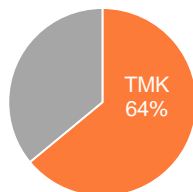


Appendix – Other Materials



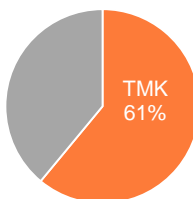
TMK's Undisputed Market Leading Position in Russia

Seamless



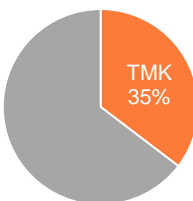
OCTG

Threaded pipes for O&G industry including drill pipe, casing and tubing



Line Pipe

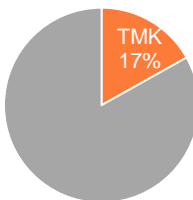
Short-distance transport of crude oil, oil products and natural gas



Industrial

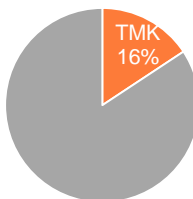
Automotive, machine building, and power generation sectors

Welded



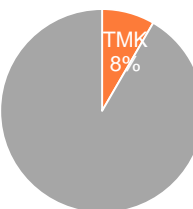
Line Pipe

Short-distance transportation of O&G and oil products



Large Diameter

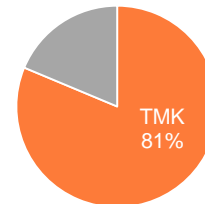
Construction of trunk pipeline systems for long distance transportation of O&G and petroleum products



Industrial

Wide array of applications and industries, including utilities and agriculture

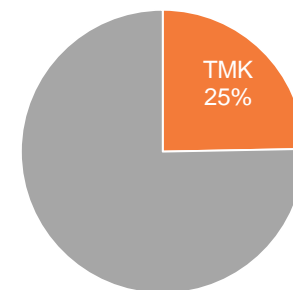
Premium



Premium Connections (TMK UP)

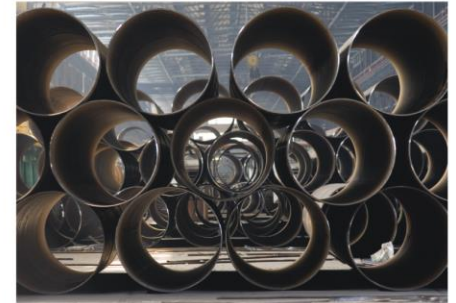
Premium connections are proprietary value-added products used to connect OCTG pipes and are used in sour, deep well, off-shore, low temperature and other high-pressure applications

#1 in the Russian Tube and Pipe Market



Source: TMK estimates, based on 9M 2017 numbers

TMK will continue to grow its market share due to expected increased competitiveness of domestically produced pipes vs. imported ones (due to RUB depreciation)



TMK Investor Relations

40/2a, Pokrovka Street, Moscow, 105062, Russia

+7 (495) 775-7600

IR@tmk-group.com