



**ТРУБНАЯ  
МЕТАЛЛУРГИЧЕСКАЯ  
КОМПАНИЯ**

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**PRESS RELEASE**

## **Rosneft and TMK Sign Long-Term Tubular Supply Contracts**

Rosneft and TMK entered into a long-term production casing and tubing supply contracts at the XXI St. Petersburg International Economic Forum. The document was signed by Rosneft Chief Executive Officer Igor Sechin and TMK Board of Directors Chairman Dmitry Pumpyanskiy.

The formula pricing based long-term contract term is over 5 years. Tubular supplies to Rosneft will start in 2H 2017.

Such form of cooperation provides a reliable market tool enabling higher production efficiency, long-term planning, timely and robust supplies of high quality products. The strategic character of cooperation is demonstrated by significant volume of contracts comparable with one quarter of annual investment expenditures of the Company in cash terms. During the contract period the share of TMK tubulars in the total volume of the production casing and tubing purchases by Rosneft will be over 50%.

Commenting on the contract signing, Rosneft Chief Executive Officer Igor Sechin said, "The agreement shall stimulate development of domestic production and become an important step in implementing the import substitution program. Moving to long-term contracts will enable enhancing efficiency of both companies' operations and assure transparent pricing of the procured tubulars."

"The contract shall enable TMK to ensure stable capacity utilization and to considerably expand the business planning horizon for making uninterrupted and timely supplies of high quality tubulars to Rosneft, our most important client," commented TMK Board of Directors Chairman Dmitry Pumpyanskiy.

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*For further information regarding TMK, please, visit [www.tmk-group.com](http://www.tmk-group.com) as well as download the YourTube iPad application from the App Store*

*<https://itunes.apple.com/ru/app/yourtube/id516074932?mt=8&ls=1>*

*TMK on Facebook – <https://www.facebook.com/TMKGroupEN>*



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**TMK** ([www.tmk-group.com](http://www.tmk-group.com))

TMK (LSE: TMKS) is a leading global manufacturer and supplier of steel pipes for oil and gas industry, operating more than 25 production assets in the United States, Russia, Canada, Romania, Oman and Kazakhstan with two R&D centers in Russia and the USA. In 2016, TMK's pipe shipments totaled 3.46 million tonnes. The largest share of TMK's sales belongs to high margin oil country tubular goods (OCTG), shipped to customers in over 80 countries. TMK delivers its products along with an extensive package of services in heat treating, protective coating, premium connections threading, warehousing and pipe repairing.

TMK's securities are listed on the London Stock Exchange, the OTCQX International Premier trading platform in the U.S. and on the Moscow Exchange MICEX-RTS.

*TMK's assets structure by division:*

- Russian division:
  - Volzhsky Pipe Plant;
  - Seversky Tube Works;
  - Taganrog Metallurgical Works;
  - Sinarsky Pipe Plant;
  - TMK-CPW;
  - TMK-Kaztrubprom;
  - TMK-INOX;
  - TMK Oilfield Services.
- American division:
  - 12 plants of TMK IPSCO;
  - TMK Completions.
- European division:
  - TMK-ARTROM;
  - TMK-RESITA.
- Middle East Division:
  - TMK GIPI (Oman).

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