



**January 29, 2018**

**PRESS RELEASE**

*THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE EU REGULATION 596/2014*

## **TMK ANNOUNCES ESTIMATED 4Q 2017 FINANCIAL RESULTS FOR IPSCO TUBULARS**

*Forward-looking statements: The following contains forward-looking statements concerning future events. These statements are based on current information and assumptions of TMK management concerning known and unknown risks and uncertainties.*

PAO TMK (“TMK”), one of the world’s leading producers of tubular products for the oil and gas industry, announces estimates of select unaudited financial results of IPSCO Tubulars Inc. (“IPSCO”) for the fourth quarter of 2017. Except as noted below, the estimates were calculated in accordance with U.S. generally accepted accounting principles (“GAAP”).

We estimate that IPSCO’s revenue will be within a range of \$313.0 million to \$332.0 million for the fourth quarter of 2017. We also estimate that IPSCO’s net income will be within a range of \$20.7 million to \$29.2 million for the fourth quarter of 2017.

In addition, we estimate that IPSCO’s Adjusted EBITDA and Adjusted EBITDA Margin will be within ranges of \$38.2 million to \$46.3 million and 12.2% to 13.9% for the fourth quarter of 2017, respectively. IPSCO defines Adjusted EBITDA as its net income, before finance costs and finance income, income tax expense and benefits, depreciation and amortization, foreign exchange gains and losses, impairment charges of non-current assets, gains and losses on disposal of property, plant and equipment, gains and losses on changes in fair value of financial instruments and other non-recurring or unusual items. IPSCO defines Adjusted EBITDA Margin as Adjusted EBITDA as a percentage of revenues.

The estimated financial information included in this release is presented in accordance with GAAP, with the exception of Adjusted EBITDA and Adjusted EBITDA Margin, which are non-GAAP measures. The estimated financial information reflects our estimates based solely upon information available to us as of the date of this release and is the responsibility of management. The estimated financial results presented above are not a comprehensive statement of IPSCO’s financial results for the fourth quarter of 2017. In addition, the estimated financial results presented above have not



been audited, reviewed, or compiled by our independent registered public accounting firm. The estimated financial results presented above are subject to the completion of our financial closing procedures, which have not yet been completed. IPSCO's actual results for the fourth quarter of 2017 are not yet available and may differ materially from these estimates. Therefore, you should not place undue reliance upon these estimated financial results. For instance, during the course of the preparation of the respective financial statements and related notes, additional items that would require material adjustments to be made to the estimated financial results presented above may be identified. There can be no assurance that these estimates will be realized, and estimates are subject to risks and uncertainties, many of which are not within our control. Accordingly, the revenue, net income (loss), Adjusted EBITDA and Adjusted EBITDA Margin for any particular period may not be indicative of future results.

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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**

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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 26 production sites in the United States, Russia, Canada, Romania, Oman and Kazakhstan with two R&D centers in Russia and the USA. In 2017, TMK's pipe shipments totalled 3.8 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 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-Premium Service;
  - TMK Oilfield Services.
- American division:
  - 11 plants of TMK IPSCO;
  - TMK Completions.
- European division:
  - TMK-ARTROM;
  - TMK-RESITA.
- Middle East Division:
  - TMK GIPI (Oman).

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