October 16, 2019 **PRESS RELEASE**

TMK Announces 3Q 2019 Operational Results

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

3Q 2019 shipments data is preliminary and may be adjusted.

TMK, one of the world's leading producers of tubular products for the oil and gas industry, announces its operational results for the third quarter and nine months of 2019.

9M and 3Q 2019 Summary Results

(thousand tonnes)

Product	9M 2019	9M 2018	Change	3Q 2019	2Q 2019	Change
Seamless pipe	2,003	2,025	(1)%	651	680	(4)%
Welded pipe	927	979	(5)%	290	343	(15)%
Total	**2,930**	**3,004**	**(2)%**	**941**	**1,023**	**(8)%**
Including: OCTG	1,364	1,422	(4)%	416	467	(11)%

9M 2019 vs. 9M 2018

- Total pipe shipments slightly declined year-on-year, due to lower shipments of both seamless and welded pipe (down 1% and 5% year-on-year, respectively), resulting mainly from a decrease in shipments at the American division.

  This was partially offset by increased total pipe shipments at the Russian division (up 5% year-on-year), driven by higher shipments of seamless OCTG pipe (9% year-on-year) and large diameter pipe (up 68% year-on-year).
- Total OCTG shipments were down 4% year-on-year. OCTG shipments at the Russian division grew 7% year-on-year due to an increasing complexity of hydrocarbon production projects in Russia and a higher share of horizontal drilling.
- Total shipments of premium-threaded connections were down by 5% year-on-year, to 282 thousand tonnes, while shipments at the Russian division increased 16% year-on-year.

3Q 2019 vs. 2Q 2019

- Total pipe shipments declined, as the Company guided before, as the third quarter is traditionally lower, due to pre-planned upgrade and maintenance works at the Russian division's key production facilities and a seasonal slowdown of activities in the European market.
- Seamless pipe shipments were down 4% quarter-on-quarter, largely due to lower OCTG and line pipe shipments at the American division, as activity in the North American market continues to soften – impacted by oil price instability, a continued decrease in rig count, higher pipe inventories on the ground and stricter capital discipline of oil and gas companies. The pre-planned upgrade and maintenance works at the Russian division's key production facilities and a seasonal slowdown of activities in the European market have also contributed to the total result.

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- Welded pipe shipments decreased by 15% quarter-on-quarter, due to a decline in OCTG and line pipe shipments at the American division, as well as due to lower large diameter pipe shipments at the Russian division.
- OCTG shipments declined by 11% quarter-on-quarter, mainly due to lower shipment volumes at the American division and lower shipments at the Russian division as the result of pre-planned upgrade and maintenance works at the Russian division's key production facilities.

Igor Korytko, CEO of TMK, said:

"In 9M 2019, TMK achieved strong growth in Russian division, where shipments of seamless OCTG, our core product segment, grew 9% year-on-year due to stable demand from the domestic oil and gas companies. Overall 9M 2019 performance was restrained by continued softness in the North American market, which resulted in a 2% year-on-year decline in total pipe shipments.

TMK remains focused on developing high tech products, including unique premium connections, to meet the growing demand from Russian major oil and gas companies developing increasingly complex exploration and production projects. As a result, total shipments of premium-threaded connections at the Russian division grew 16% year-on-year in 9M 2019."

2019 Outlook

In Russia, TMK expects pipe consumption by domestic oil and gas companies to remain stable in 2019. The increased complexity of hydrocarbon production projects in Russia is expected to result in higher demand for high tech products.

In North America, the market situation is most likely to remain challenging due to the oil, gas and steel price volatility, a slowdown in drilling activity and operators focusing on capital discipline all resulting in lower pipe demand and pressure on prices.

In Europe, a challenging market environment and pricing pressure are most likely to remain until the end of the year. This might put pressure on seamless industrial pipe shipments at the European division in the fourth quarter.

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For further information regarding TMK, please, visit www.tmk-group.com or download the YourTube iPad application from the App Store.

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TMK (www.tmk-group.com)

TMK (www.tmk-group.com) is a leading global manufacturer and supplier of steel pipes for oil and gas industry, operating over 20 production sites in the United States, Russia, Canada, Romania and Kazakhstan with two R&D centers in Russia and the U.S.. 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.

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