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PRESS RELEASE

TMK Announces 1Q 2020 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.

TMK, one of the world's leading producers of tubular products for the oil and gas industry (the "Group"), announces its operational results for the first quarter of 2020.

The Group's results include the operational results of the Russian and European divisions represented by production assets located in Russia, Romania and Kazakhstan.

For comparison purposes, the Group's operational results are presented net of the operational results of the American division.

1Q 2020 Summary Results

(thousand tonnes)

Product	1Q 2020	1Q 2019	Change	4Q 2019	Change
Seamless pipe	505	562	(10)%	553	(9)%
Welded pipe	222	206	8%	225	(1)%
Total	727	768	(5)%	778	(7)%

1Q 2020 vs. 1Q 2019

- Total pipe shipments declined by 5% year-on-year, to 727 thousand tonnes, due to a decrease in seamless pipe shipments at both the Russian and European divisions, reflecting an unfavourable economic environment and oil price volatility.
- Seamless pipe shipments were down 10% year-on-year, mainly due to lower shipments of seamless OCTG pipe at the Russian division (down 11% year-on-year) and weaker demand for industrial seamless pipe at the European division.
- Welded pipe shipments increased by 8% year-on-year, due to higher shipments of large diameter and industrial welded pipe at the Russian division.

1Q 2020 vs. 4Q 2019

- Total pipe shipments declined by 7% quarter-on-quarter, mainly due to lower shipments of seamless pipe, reflecting an unfavourable economic environment and oil price volatility.
- Seamless pipe shipments were down 9% quarter-on-quarter, due to weaker demand for seamless line pipe and seamless OCTG (seamless OCTG shipments were down 3% quarter-on-quarter) at the Russian division and lower shipments of industrial seamless pipe at the European division.
- Welded pipe shipments were virtually flat, supported by higher shipments of large diameter pipe, which compensated for a lower demand for welded industrial pipe at the Russian division.



Igor Korytko, CEO of TMK, said:

“In 1Q 2020, we saw a quarter-on-quarter decline in our total pipe shipments at both the Russian and European divisions. The current challenging macro environment globally and significant oil price volatility have put pressure on pipe consumption in all our main markets.

Although the Russian oil and gas pipe market traditionally shows certain resistance towards drops in oil prices, we do not expect the situation to improve in the second quarter. The market environment will most likely continue to negatively impact demand for our products, including seamless OCTG pipe.”

2Q 2020 Outlook

In both Russia and Europe, we expect the overall demand for the Group’s products to remain under pressure in the second quarter of 2020, due to the continued unfavourable macroeconomic environment and oil price volatility.

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 global manufacturer and supplier of steel pipes for oil and gas industry, one of the world’s three leading pipe producers, operating production sites in Russia, Romania and Kazakhstan with two R&D centers in Russia. The largest share of TMK’s sales belongs to high margin oil country tubular goods (OCTG). The Company has expertise in shipping its products 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.