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PRESS RELEASE

## TMK Announces 3Q 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 third quarter and first nine months 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 (on January 2, 2020, TMK closed the sale of 100% of IPSCO Tubulars Inc.).

### 3Q and 9M 2020 Summary Results

*(thousand tonnes)*

Product	3Q 2020	2Q 2020	Change	9M 2020	9M 2019	Change
Seamless pipe	503	533	(6)%	1,540	1,676	(8)%
Welded pipe	179	133	35%	534	734	(27)%
Total	682	666	2%	2,075	2,409	(14)%

#### 3Q 2020 vs. 2Q 2020

- Total pipe shipments were up by 2% quarter-on-quarter, supported by an increase in welded pipe shipments at the Russian division.
- Seamless pipe shipments decreased by 6% quarter-on-quarter, mainly reflecting lower shipments of seamless OCTG pipe (down 10% quarter-on-quarter) at the Russian division as the result of pre-planned upgrade and maintenance works at the Russian division's key production facilities.
- Welded pipe shipments increased by 35% quarter-on-quarter, driven by higher shipments of welded industrial and line pipe at the Russian division, reflecting a gradual recovery in demand after the COVID-19 lockdown period throughout April and May.

#### 9M 2020 vs. 9M 2019

- Total pipe shipments were down 14% year-on-year, due to a decline in shipments of welded pipe at the Russian division as well as due to a decrease in seamless pipe shipments at both the Russian and European divisions. The lower shipments year-on-year reflect adverse global macroeconomic conditions, resulting from the COVID-19 pandemic, oil price volatility and OPEC oil production cuts.
- Seamless pipe shipments decreased by 8% year-on-year, mainly due to lower shipments of seamless OCTG pipe at the Russian division (down 8% year-on-year) and a deterioration of demand for seamless industrial pipe at the European division.
- Welded pipe shipments were down 27% year-on-year, reflecting a decrease in shipments across all welded pipe segments at the Russian division.



**Igor Korytko, CEO of TMK, said:**

“The adverse global macroeconomic situation, caused by the COVID-19 pandemic, oil price volatility and OPEC oil production cuts, impacted our total shipments in 9M 2020, which declined year-on-year. At the same time, our key product segment – seamless OCTG – demonstrated some resilience, as we continued to see stable demand for pipes with premium connections. We also saw signs of recovery in demand for industrial pipes in both Russia and Europe. We believe the global market situation is likely to remain challenging until the end of the year, and this may continue to put pressure on pipe consumption in our key markets.”

**4Q 2020 Outlook**

In the fourth quarter 2020, we expect pipe shipments at the Russian division to be supported by seasonally higher demand for OCTG pipe from Russian oil and gas companies following a traditionally weaker third quarter.

In Europe, we expect the gradual recovery in industrial pipe consumption to continue, assuming that market trends do not deteriorate.

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

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

TMK ([www.tmk-group.com](http://www.tmk-group.com)) is a global manufacturer and supplier of steel pipe for the oil and gas industry, one of the world’s three leading pipe producers. It operates production sites in Russia, Romania and Kazakhstan, and has two R&D centers in Russia. High margin oil country tubular goods (OCTG) account for the largest share of TMK’s sales. The Company has expertise in shipping its products to customers in over 80 countries and offers a wide range of services in heat treating, protective coating, premium connections threading, warehousing and pipe repairing. TMK’s shares are listed on the Moscow Exchange.