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PRESS RELEASE

## TMK Announces 2009 First Quarter Production Results

*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.*

OAO TMK (“TMK” or “the Company”), one of the world’s largest oil and gas pipe producers and the market leader of the Russian pipe industry, today announces its production results for the period from 1<sup>st</sup> January to 31<sup>st</sup> March 2009.

For the first three months of 2009, TMK shipped 581 thousand tonnes of pipes to customers, a 17.8% decrease on the amount shipped in the same period last year.

### **Volumes of shipped pipe products in first quarter of 2009**

*(thousand, tonnes)*

Product	2009 Q1	2008 Q1	Change, %
Seamless pipes	402	485	-17.1%
including OCTG	252	237	+6.3%
Welded pipe	179	222	-19.7%
including OCTG	26	0.3	n/a
Total pipes	581	707	-17.8%

The first quarter decline in pipe shipments mirrored the decline in overall pipe demand, which was primarily pulled down by the weak consumption of industrial pipes. Overall Russian pipe consumption in the first quarter decreased by 33% year-over-year.

Although overall pipe demand was down, TMK increased shipments of value-added seamless OCTG to the oil and gas sector by 6.3%. The Company increased its market share in the Russian pipe market thanks to its strategic relationships with Russian oil and gas majors.



TMK continued to successfully develop and market its proprietary premium connection technology. In the first three months of the year, the Company shipped 29,400 tonnes of premium connections, a 28.3% increase over the first quarter of 2008.

Overall welded pipe demand was also affected by the general economic situation which translated into a 19.70% decrease in welded shipments in Q1 2009 compared to Q1 2008. TMK significantly increased shipments of ERW OCTG following the consolidation of TMK IPSCO and an increase in shipments from its Seversky-based TMK-CPW joint venture. With the production of high-margin ERW OCTG, the Company can now produce and offer the full range of tubulars used in the oil and gas sector.

TMK's product mix considerably improved following the successful commissioning of new production capacity in the fourth quarter, including Tagmet's seamless PQF mill, Volzhsky's new longitudinal large-diameter welded mill and Seversky's electric arc furnace. Additionally, the company continued to expand its finishing capacity with the launch of new heat treatment lines at Volzhsky, Sinarsky and Tagmet and brought on line two new heat treatment plants at TMK IPSCO. The Company expects its shipment volumes to pick up in the second quarter of the year.

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

TMK (LSE: TMKS) is the largest pipe producer in Russia and one of the three global market leaders. In 2008, TMK shipped over 3.2 million tonnes of pipes. TMK supplies to companies in more than 60 countries. TMK production facilities are located in Russia, the United States, Romania and Kazakhstan

- Volzhsky Pipe Plant
- Seversky Tube Works
- Taganrog Metallurgical Works (Tagmet)
- Sinarsky Pipe Plant
- TMK IPSCO
- TMK-Resita SA
- TMK-Artrom SA
- TMK-Kaztrubprom
- TMK Oilfield Services
- TMK-Premium Service

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