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PRESS RELEASE

## TMK Announces 2010 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 leading oil and gas steel pipe producers, today announces its production results for the period from 1<sup>st</sup> January to 31<sup>st</sup> March 2010.

For the first three months of 2010, TMK shipped 933 thousand tonnes of pipes to customers, representing a 60% increase on the amount shipped in the first three months of 2009.

### Volumes of shipped pipe products

(thousand, tonnes)

Product	1Q 2010	4Q 2009	Q-o-Q, %	1Q 2010	1Q 2009	Y-o-Y, %
Seamless pipes	537	495	8.4%	537	402	33.0%
Welded pipes	396	378	4.8%	396	179	121.1%
Total pipes	933	874	6.8%	933	581	60.0%
Including OCTG	363	322	12.7%	363	278	30.5%

The first quarter increase in pipe shipments reflected the positive trends observed in TMK’s key segments as oil and gas companies increased capital expenditure and continued with the implementation of investment projects. OCTG shipments increased 30.5% year-on-year from the resurgence of drilling activity in TMK’s two key markets, Russia and the U.S. The positive trends observed in late 2009 continued in the first quarter as demonstrated by the 12.7% growth in OCTG shipments.

The intensive development of U.S. shale plays continued to fuel demand for high grade products suitable for these unconventional developments and allowed TMK to increase pipe shipments. The U.S. drilling environment showed robust growth in the first quarter of 2010 with a 23% increase in the U.S. rig count. The demand for TMK IPSCO pipe products allowed capacity utilization levels to surpass 70%.

Given its unconventional nature, gas shale drilling requires more premium connections than conventional operations. Together with increasing demand for premium connections in Russia, most notably in Eastern Siberia and the Caspian, this contributed to an increase in TMK’s premium connections business of more than two times as compared to the first quarter of 2009. During the first three months of 2010, TMK shipped more than 112,000 premium connection joints. As previously stated, by the end of 2009, TMK’s ULTRA premium connections had reached an estimated 30% share of



the U.S. onshore gas shale premium connections market. This increase in demand prompted TMK to further invest in ULTRA threading capacity, such as the announced ULTRA facility in Brookfield, Ohio. In Russia, the Company increased its Premium connections market share to around 70%.

The implementation of several large scale pipeline projects by Russian oil and gas companies, such as Transneft and Gazprom coupled with the ramping-up of Volzhsky's longitudinal welded large-diameter pipe mill enabled TMK to supply close to eight times more large-diameter pipes in the first three months of the year than in the first quarter of 2009. The Company shipped 150 thousand tonnes of LD pipe in the first quarter of this year, compared to 19 thousand tonnes in the first three months of 2009.

Demand from the mechanical engineering and power generation sectors, including nuclear power plants, returned and made it possible to increase shipments of high performance tubulars. In the first quarter of the year, TMK's Russian mills increased shipments of cold drawn and stainless steel pipes by 18% and 40%, respectively.

The Company plans to continue leveraging its competitive advantages to sustain growth while improving product mix by enhancing the share of high performance and premium grade products.

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

TMK is one of the world's leading manufacturers and suppliers of steel pipes for the oil and gas industry. The company operates 21 production sites in Russia, the United States, Romania, and Kazakhstan, with aggregate annual production capacity of approximately 6.5 million tonnes, including over 2 million tonnes of OCTG capacity. TMK has a strong international presence and delivers its products to customers in more than 65 countries. In 2009, TMK shipped over 2.8 million tonnes of pipe products.

TMK's ordinary shares are listed on the RTS and MICEX Stock Exchanges in Russia and its GDRs on the London Stock Exchange.

- Volzhsky Pipe Plant
- Seversky Tube Works
- Taganrog Metallurgical Works
- Sinarsky Pipe Plant
- TMK IPSCO
- TMK-Europe
- TMK-Kaztrubprom
- TMK Oilfield Services
- TMK-Premium Service

**For further information please contact:**

**TMK IR Department**

Alexei Ratnikov

Olivier Harvey

Tel: +7 495 775 7600

Email: [IR@tmk-group.com](mailto:IR@tmk-group.com)