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PRESS RELEASE

TMK 2010 First Half Production Results and Trading Update

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 January 1 to June 30, 2010, period.

For the first six months of 2010, TMK shipped a total of 1,864 thousand tonnes of pipes to customers, a 54.9% increase on the amount shipped over the same period the previous year.

Volumes of shipped pipe products

(Thousand Tonnes)

Product	2Q 2010	1Q 2010	Q-o-Q, %	1H 2010	1H 2009	Y-o-Y, %
Seamless pipes	521	537	-2.9%	1,058	765	38.3%
Welded pipe	410	396	3.5%	805	437	55.7%
Total pipes	931	933	-0.2%	1,864	1,203	54.9%
Including OCTG	366	363	0.8%	729	498	46.3%

Global demand for TMK pipe products continued to improve in the second quarter of 2010. Shipment volumes during this period remained flat as compared to the previous quarter. A slight decrease in seamless pipe shipments was brought on by the downtime associated with the upgrade of Volzhsky’s main seamless rolling mill and the scheduled maintenance and overhaul of a rolling mill at Sinarsky. The completion of Volzhsky’s seamless mill upgrade program, which included the installation of a new piercing mill, began in April 2010, and will provide the Company with an additional 300 thousand tonnes of seamless pipe rolling capacity. TMK expects the positive market trends to continue in the second half of the year.

TMK IPSCO’s pipe shipments increased by 20.4% quarter-on-quarter. Despite some weakness in natural gas markets, North American drilling activity and resulting pipe consumption continued to recover in the second quarter of the year, buoyed by increased activity in onshore oil, a shift to wet natural gas drilling and the increasing complexity of unconventional drilling. Gas shale exposure continued to dominate business activity at TMK IPSCO. As a result, capacity utilization levels at TMK IPSCO surpassed the 80% level. As planned, TMK IPSCO brought online a new threading facility in Brookfield, Ohio, in early May. The facility has been successfully ramping-up and answering the increase



in demand for ULTRA™ premium connections, particularly for operators with positions in the Marcellus Shale.

Demand for premium connections continued to increase both in North America and Russia. During the first six months of 2010, TMK shipped more than 219 thousand premium connection joints, representing a 124% year-on-year increase. While the U.S. demand for premium connections is mainly driven by unconventional gas drilling activity, Russian oil and gas operators have begun using more TMK Premium connections for their operations in Eastern Siberia and the Caspian offshore region.

The Company continued to see robust demand in the welded large-diameter pipe segment. The implementation of Gazprom and Transneft pipeline projects kept Volzhsky's large-diameter production capacity loaded. A change in product mix in favor of thinner-walled pipes translated into a slight quarter-on-quarter drop in large-diameter production volumes. The large-diameter order backlog remains strong and extends into the first half of 2011 from Gazprom's planned implementation of the Bovanenkovo - Ukhta, Pochinki - Gryazovets and Ukhta - Torzhok, as well as existing orders from Transneft and Lukoil, amongst others.

The Company also observed an increase in demand for industrial products. Second quarter industrial pipe shipment volumes increased 17% as compared to the first quarter. This growth was attributable to increased shipments for the construction of nuclear reactors and other power generating facilities, including for power cogeneration maintenance needs, and the recovery in the engineering and automotive industries. Demand from the residential construction sector remained weak in April-June 2010.

The Russian and CIS OCTG and line pipe market was essentially stable and demonstrated moderate growth in the first half of 2010. The Company is participating in Rosneft's Vankor development as well as Surgutneftegas and TNK-BP projects in Eastern Siberia. Additionally, the Company continues to supply pipes to existing oil and gas operations in Western Siberia. With the modernization of production capacity already completed and the development of TMK's premium products both in Russia and the U.S., TMK is well positioned to meet the increasing demand for pipe products from Russian oil companies.

In June 2010, TMK continued to expand its global sales network with the opening of TMK Africa Tubulars in Cape Town, South Africa, one of Africa's key business and logistical centers. The new office will strengthen TMK's presence in promising Sub-Saharan oil and gas markets.

As a result of the strong market environment observed in the second quarter of 2010, the Company expects EBITDA to slightly increase as compared to the first quarter. Notwithstanding the rise in raw material prices observed in the first half of 2010, the Company managed to maintain its profitability levels throughout the second quarter of the year. TMK remains committed to deleveraging its balance sheet. The Company paid down some debt in the first half of 2010, despite a substantial increase in volumes and corresponding working capital build up and the implementation of TMK's Strategic Investment Program.



TMK (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 22 production sites in Russia, the United States, Romania, and Kazakhstan. TMK has the world's largest steel pipe production capacity, of which about half is dedicated to the production of high margin oil country tubular goods (OCTG). In 2009, TMK shipped about 2.8 million tonnes of pipe products.

TMK's ordinary shares are listed on the RTS and MICEX stock exchanges in Russia. Its GDRs are traded on the London Stock Exchange and ADRs on the OTCQX International Premier trading platform in the US.

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

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