Moscow, September 10, 2010

TMK ANNOUNCES 1H 2010 REVIEWED IFRS 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.

OAO TMK ("TMK" or "the Company"), one of the world's leading producers of pipes for the oil and gas industry, today announces its unaudited IFRS financial results for the six months ending June 30, 2010.

1H 2010 Highlights

Financials:

- Revenue increased by 73.6% to USD 2,566.2 million from strong seamless and welded sales volumes growth in key markets.
- Gross profit increased to USD 585.8 million, a year-on-year increase of 161.7%, from a combination of higher capacity utilization rates, volumes and prices for pipe products. Adjusted EBITDA increased from USD 145.8 million in the first half of 2009 to USD 414.7 million in the first half of 2010.
- Loans and borrowings decreased by 2.9% as compared to December 31, 2009, and amounted to USD 3,606.4 million. The share of short-term loans and borrowings, representing 41.4% as of December 31, 2009, decreased to 22.9% as of June 30, 2010. TMK's weighted average nominal interest rate as at June 30, 2010 was 9.0% compared to 12.3% as at June 30, 2009.

Sales Volumes:

- Total pipe sales volumes increased by 57.7% to 1,886.0 thousand tonnes, including a 210.2% increase in the American segment.
- Seamless pipe sales volumes increased by 41.4% compared to the previous year. This increase in sales volumes was mainly driven by the recovery in demand in North America.
- Welded pipe sales volumes increased by 86.3% to 811 thousand tonnes from robust demand for oil and gas and large-diameter (LD) welded products. Sales of LD pipe, stimulated by large-scale Russian pipeline projects, increased by 227.3%.
- OCTG sales volumes increased by 50.5% to 746 thousand tonnes as strong demand from the North American market boosted sales volumes and favorable oil prices kept Russian drilling activity healthy.

Organizational Developments:

- In May 2010, TMK IPSCO opened a new ULTRA™ Premium Connections production facility in the Marcellus Shale Region. The mill, located in Brookfield, Ohio, threads pipe with TMK IPSCO's line of ULTRA Premium Connections to support TMK IPSCO's growing market share in the Marcellus Shale gas plays.

- In June 2010, TMK established TMK Africa Tubulars. Located in Cape Town, this new subsidiary oversees the sale of pipe products in Sub-Saharan markets.
- In August 2010, TMK IPSCO established a sales office in Calgary, Alberta, Canada. The new office will serve as TMK IPSCO's Canadian headquarters for sales and will support both conventional and unconventional hydrocarbon exploration and development programs in Canada.

Summary 1H 2010 Results

(Millions of US dollars, except earnings per GDR)

	1H 2010	1H 2009	Change, %
Revenue	2,566.2	1,478.6	73.6%
Gross profit	585.8	223.9	161.7%
Profit (loss) before tax	101.7	(266.1)	n/a
Net profit (loss)	67.3	(203.8)	n/a
Earnings (loss) per GDR[1] (basic), USD	0.32	(0.92)	n/a
Adjusted EBITDA[2]*	414.7	145.8	184.5%
Adjusted EBITDA margin[3], %	*16.2%*	*9.9%*	

[1] 1 GDR represents 4 ordinary shares

[2] Adjusted EBITDA* represents net profit before depreciation and amortisation, finance costs and finance income, exchange rate fluctuations, impairment of non-current assets, income tax expenses and other non-cash items which comprise share of profit in associate, gain on changes in fair value of derivative financial instrument, loss on disposal of property, plant and equipment, inventory and doubtful debts allowances and movement in other provisions, determined based on IFRS financial statements.

[3] Adjusted EBITDA margin represents adjusted EBITDA as a percentage of revenue

* Adjusted EBITDA is a measure of operating performance that is not required by, or presented in accordance with, IFRS. Adjusted EBITDA is not a measurement of operating performance under IFRS and should not be considered as an alternative to gross profit, net profit or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities or as a measure of liquidity. In particular, Adjusted EBITDA should not be considered as a measure of discretionary cash available to the Company to invest in the growth of its business.

Reconciliation of Adjusted EBITDA to net profit is as follows:

(Millions of US dollars)

	1H 2010	1H 2009
	(million USD)	
Profit before tax	101.7	(266.1)
Finance costs	199.1	211.7
Finance income	(8.6)	(32.0)
Depreciation and amortization	150.3	150.7
Effect of exchange rate changes	(13.8)	11.7
Gain on changes in fair value of derivative financial instrument	(31.8)	-
Share of profit in associate	-	(0.8)
Impairment of goodwill	-	9.6
Impairment of property, plant and equipment	-	28.1
Loss on disposal of property, plant and equipment	7.3	1.7
Allowance for net realizable value of inventory	0.1	23.2
Allowance for doubtful debts	0.4	2.6
Movement in other provisions	10.0	5.4
Adjusted EBITDA	**414.7**	**145.8**

1H 2010 Market Overview

TMK is a leading global pipe producer and the number one Russian supplier of steel pipe products to the energy industry with approximately 60% of the Russian seamless OCTG market as of June 30, 2010.

In the first half of 2010, TMK sold 1,886.0 thousand tonnes of pipe products, more than any other global pipe producer, including 1,075.0 thousand tonnes of seamless pipes and 745.9 thousand tonnes of OCTG. The Company's sales volumes increased by 57.7% year-on-year as demand from principal end-markets returned following the global financial crisis.

Russia is TMK's key market and accounted for 59.7% of total TMK sales volumes in the first half of 2010. TMK's Russian pipe market share remained strong with approximately 27% of the market. In its core seamless oil and gas pipe market, the Company retained its dominant position with an estimated 65% of the Russian seamless market even as the latter grew by 27%.

In the welded business, the demand for large-diameter pipe remained robust and continued its remarkable run of the last twelve months as sales volumes in the first half of the year reached 283 thousand tonnes. The strong large-diameter order book and high utilization levels of Volzhsky's longitudinal welded mill allowed TMK to continue to take a full advantage of the LD market environment. TMK's market share increased from 14% in the first half of 2009 to close to 18% as of June 30, 2010. The welded large-diameter landscape continued to benefit from the implementation of major Gazprom and Transneft pipeline projects. In the period from January to June 2010, TMK supplied 149 thousand tonnes of welded large-diameter pipes to Gazprom as part of supply agreements covering deliveries of pipe for such projects as the Sakhalin-Khabarovsk-Vladivostok, Bovanenkovo-Ukhta and Pochinki-Gryazovets gas lines.
During the same period, TMK supplied Transneft with over 90 thousand tonnes of longitudinal welded large-diameter pipes. The pipes were used for the construction of the second phases of the Baltic Pipeline System (BPS-2) and Eastern Siberia - Pacific Ocean Pipeline (ESPO-2) and the Purpe-Samotlor line.

Although industrial pipe is a non-core product group, the Company enjoyed a 32.6% seamless industrial pipe market share in the first half of 2010. Seamless industrial pipe sales volumes increased by 35.4% in the first six months of 2010 as compared to the first six months of 2009 mainly as a result of increased demand from the automotive sector.

Following its rapid recovery in the second half of 2009, North American drilling activity remained robust throughout the first six months of 2010. According to the Baker Hughes Rig Count, the number of active drilling rigs in the US increased by close to 70% between June 2009 and June 2010, including a more than 33% increase in the first six months of 2010 alone. Unconventional drilling continued to prevail and gave way to higher pipe consumption per well while onshore oil drilling and liquids-rich plays further supported activity levels. Despite relatively weak natural gas prices, Shale Plays continued to be the major demand driver behind TMK IPSCO production and ULTRA™

premium products. North American domestic producers continued to benefit from trade restrictions against low-cost Chinese pipe products. With the Chinese withdrawing from the market at the end of 2009, industry inventory levels as high as 14 to 15 months of supply were worked down to more normal levels of 4-5 months of supply. Nonetheless, as drilling activity and pipe demand picked-up, the void left by the Chinese pipe producers on the import side was quickly filled and propped inventory levels back to the 6 month level. Inventory grew slightly in second quarter as shipments outpaced consumption. However, as the imported pipe is mostly plain end and of lower grade it remains more geared toward conventional operations rather than unconventional drilling that commands a higher proportion of premium products such as TMK IPSCO's ULTRA line of products.

Pipe products sold outside Russia amounted to 759.3 thousand tonnes and represented 40.3% of the Company's total sales volumes, up from 31.9% in the first half of 2009. The increase in volumes sold outside Russia was mainly driven by the significant growth in sales observed at TMK IPSCO. Exports from the Company's Russian plants amounted to 258.5 thousand tonnes.

Although, volumes of pipe shipments into the US increased, the Company observed continued pressure from lower cost producers on some export markets such as the Middle East and Africa. The Company does not expect the pricing environment on those markets to significantly improve prior to 2011.

2010 Outlook

Given the current positive momentum in oil and gas infrastructure investments, the Company expects pipe demand to continue to increase in the second half of the year. Both the Russian and US markets are expected to continue benefiting from encouraging oil prices, whether in Western Siberian or Texan fields, the drilling activity is expected to remain robust and support OCTG consumption in the Company's core markets.

Natural gas prices in the US continue to show some weakness and the high proportion of horizontal drilling in the rig count leads us to believe that shale gas plays will continue to apply downward pressure on any upward pricing momentum. Although the summer's high temperatures, leading to higher energy consumption, and some pick-up in industrial demand resulted in gas inventory drawdowns, gas in storage remains high and might affect gas drilling activity in the second half of the year, more specifically conventional gas plays. However, any market pullback would most likely disproportionately affect pipe imports as domestic pipe remains the choice product for US customers. Moreover, as the proportion of horizontal drilling increases so does the need for premium products, and we currently observe certain tightness in the US premium grade market. In May 2010, TMK IPSCO brought online a new ULTRA premium connection threading facility in Brookfield, Ohio. Given the success of ULTRA products in the North American markets and to meet the high demand from shale operators, another ULTRA premium threading line will be added in the second half of the year. Additionally, TMK IPSCO established a sales office in Calgary, Alberta, to support sales of TMK IPSCO products on the Canadian market, where it will focus on both conventional and unconventional developments such as SAGD drilling.Taking into account the recent raw material cost pressure, pipe prices in the US appear to have stabilized and should not register any significant decline until the year-end.

Russia is expected to continue to show healthy demand for OCTG and seamless line pipe and the Company anticipates additional sales growth in the second half.

Welded large-diameter demand is expected to remain robust in Russia. Production of spiral and longitudinal welded LD pipe at TMK's Volzhsky mill amounted to 283 thousand tonnes in the first half of 2010 and second half production volumes are expected to surpass the first half's record. The LD order book remains healthy, stretching into the second half of 2011, as Gazprom and Transneft continue with the implementation of the Bovanenkovo-Ukhta, Sakhalin-Khabarovsk-Vladivostok and Pochinki-Gryazovets gas systems and the BTS-2, ESPO-2, and Purpe-Samotlor oil pipelines.

In response to the first half demand growth and increases in raw material prices, seamless oil and gas pipe prices in Russia were increased late in the first half by approximately 10-15%. Welded pipe prices were in high correlation with steel prices trends. The Company expects to keep the prices for seamless energy pipes until the end of 2010, and should raw material prices increase further, the Company will contemplate another adjustment in its prices.

TMK expects the demand for industrial pipes to improve in the second half of 2010. Demand from the construction sector has been picking up and the construction of Olympic infrastructure projects could further enhance demand.

Assuming that the current raw material and energy pricing environment remains, TMK expects the positive trends of the first half to continue in the second half of the year. Management expects the second half financial performance of TMK to improve as compared to the first half of 2010.

Summary of Results (1H 2010 vs. 1H 2009)

Sales volumes increased by 57.7% in the first half of 2010 and amounted to 1,886 thousand tonnes, including 1,075.0 thousand tonnes of seamless pipes and 745.9 thousand tonnes of oil country tubular goods (OCTG). The growth in sales volumes, primarily driven by the recovery of demand in the oil and gas industry, was observed in all operating segments; the American segment demonstrated the most spectacular pace of recovery with volumes doubling in the first half of 2010.

Sales volumes in the *Russian segment* increased by 37.5% to 1,385.2 thousand tonnes. Sales of seamless OCTG and line pipe increased by 28.5% on the back of increased drilling activity by major Russian oil companies and amounted to 676 thousand tonnes. At the same time, sales of large-diameter pipes more than tripled in the first half of 2010 and amounted to a record 283 thousand tonnes as TMK continued to fulfill supply contracts for the construction of large-scale pipeline projects.

The *American segment* tripled its sales volumes in the first half of 2010 by reaching 412.3 thousand tonnes. The recovery in the US drilling market, which began in the second half of 2009, remained solid throughout the first half of 2010. Despite natural gas prices remaining relatively weak, drilling operators increased their pipe orders given the attractiveness of oil prices, the favourable economics of liquids-rich gas plays and a drawdown in pipe inventories.

Sales volumes in the *European segment* increased by 60% in the first half of 2010 to 89 thousand tonnes. This increase in sales volumes was mainly driven by the recovery in the machine-building and automotive sectors, key end-markets for industrial seamless pipes.

Revenue increased by 73.6% in the first half of 2010 and amounted to USD 2,566.2 million. The revenue growth mainly resulted from an increase in sales volumes while the contribution of price increases and product mix improvement was negligible.

Revenue in the *Russian segment* increased by 64.8% to USD 1,830.1 million in the first half of 2010 as compared to the first half of 2009. The increase in sales volumes brought a USD 416.4 million or 37.5% increase in revenue, while improvements in pricing and product mix, as well as exchange rates movement, contributed to a USD 302.9 million or a 27.3% increase in revenue. The Company managed to increase prices for seamless oil and gas grades in Russia in the second quarter of 2010, while prices for welded pipes followed the uptrend observed in prices for steel coils and plates throughout the first half of 2010.

Revenue in the *American segment* increased by 116.5% to USD 620.2 million in the first half of 2010 on the back of an impressive 210.2% increase in sales volumes. However, due to the sharp first half 2009 contraction in US pipe prices, average pipe prices in the first half of 2010 still remained below the first half 2009 average. As a result, changes in prices and product mix accounted for a 93.7% decrease in the segment's revenue.

Revenue in the *European segment* increased by 42.5% to USD 115.9 million in the first half of 2010. The increase was mainly driven by a 59.9% increase in sales volumes which translated into a USD 48.7 million increase in revenue, while changes in prices and product mix had a negative impact of USD 14.1 million or 17.4% in revenue in the first half of 2010 compared to the first half of 2009.

Gross profit increased by 161.6% in the first half of 2010 and amounted to USD 585.8 million. This increase in gross profit was mainly the result of higher utilization rates and increases in sales volumes in all three of the Company's operating segments.

The *Russian segment* nearly doubled its gross profit from USD 217.8 million in the first half of 2009 to USD 423.6 million in the first half of 2010. Gross margin increased to 23.1% in the first half of 2010 from 19.6% in the first half of 2009.

The *American segment*'s gross profit came at USD 136.8 million in the first half of 2010 compared to a USD 12.6 million loss in the first half of 2009. Gross profit increased mainly due to higher capacity utilization rates. Utilization rates in the American segment averaged 80% in the first half of 2010 compared to lows of 15% in the first half of 2009. Gross margin approached pre-crisis levels and came in at 22.1%.

The *European segment*'s gross profit increased by 35.8% in the first half of 2010 and amounted to USD 25.4 million. Despite the absolute increase in gross profit, gross margin in the European segment slipped from 23.0% in the first half of 2009 to 21.9% in the first half of 2010. This decline was brought on by the execution of certain supply orders secured at lower prices during the downturn period.

Adjusted EBITDA more than doubled in the first half of 2010 and amounted to USD 414.7 million. Adjusted EBITDA margin improved from 9.9% in the first half of 2009 to 16.2% in the first half of 2010. The Russian segment contributed USD 285.2 million or 68.8% of the total EBITDA, while the American and European segments contributed USD 121.7 million (29.3%) and USD 7.8 million (1.9%) respectively.

Net profit in the first half of 2010 amounted to USD 67.3 million as compared to a net loss of USD 203.8 million in the first half of 2009. Net profit margin came at 2.6% as compared to the negative 13.8% margin of the first half of 2009.

Loans and borrowings decreased by 2.9% to USD 3,606.4 million as at June 30, 2010 as compared to USD 3,713.2 million as at December 31, 2009. At the same time, net debt increased by 1.5% to USD 3,554.9 million as at June 30, 2010 as compared to USD 3,503.6 million as at December 31, 2009. Interest expenses decreased by 8.5% in the first half of 2010 from improvements in the structure of the Company's loan portfolio. The Company continued to improve its debt maturity profile with the share of short-term debt decreasing from 41.4% as at December 31, 2009 to 22.9% as at June 30, 2010.

In February 2010, the put option on the RUB 5 billion bonds was not exercised by investors. TMK kept the bond on the market for another year at a 9.8% coupon. In the same month, the Company proceeded with a convertible bonds placement for a total amount of USD 412.5 million at 5.25% coupon per annum. Proceeds from the offering were used to refinance TMK's existing short-term debt. The Company amended loan agreements with VTB for USD 450 million loan and Gazprombank for USD 1.1 billion loan in March and August 2010, respectively, resulting in lower interest rates and extended maturities for both facilities.

TMK continues to prioritize refinancing and improving its debt profile. The Company expects to deleverage in the coming 2-3 years using operating cash flows and available debt instruments, and does not consider any other refinancing options at the moment.

1H 2010 IFRS Accounts are available at:
http://www.tmk-group.com/1H2010IFRS.php

For further information please visit www.tmk-group.com or contact:

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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. TMK operates 23 production sites in the United States, Russia, 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 to customers in more than 65 countries.

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