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Press Release

TMK Makes First Shipment of Vacuum Insulated Tubing to Gazprom

TMK, one of the world's leading producers of tubular products for the oil and gas industry, becomes the first manufacturer in Russia to produce vacuum insulated tubing (VIT). The company has now made its first shipment of VIT to Gazprom for the use in the Bovanenkovskoye gas condensate field on the Yamal Peninsula.

The total volume of the pilot shipment was 722 running meters. TMK specialists assisted with the first running of the pipe column which included VIT as its upper section. Tubing with TMK FMT premium connections was also successfully run in the lower section of the string.

Other major Russian oil and gas companies have also expressed interest in VIT. In 2012, TMK plans to manufacture and ship approximately 9,000 running meters of this high-tech product.

"TMK has become a pioneer in manufacturing vacuum insulated tubing in Russia," said Alexander Shiryayev, TMK CEO. "The importance of this type of pipe for oil and gas companies is increasing in line with growing hydrocarbon production in harsh climatic conditions. The use of VIT in such fields allows for considerable improvement in the energy efficiency of well development and ensures the safety and environmental soundness of production. The successful well run of the first VIT manufactured for Gazprom also represents an important step in the strategic partnership of our two companies."

TMK (www.tmk-group.com)

TMK is a leading global manufacturer and supplier of steel pipes for the oil and gas industry, operating 24 production sites in the United States, Russia, Romania and Kazakhstan and two R&D centres in Russia and the USA. In 2011, TMK's pipe shipments totaled 4.23 million tonnes. The largest share of TMK's sales belongs to high margin oil country tubular goods (OCTG), shipped to customers in 85 countries. TMK delivers its products along with an extensive package of services in heat treating, protective coating, premium connections threading, warehousing and pipe repairing.

TMK's ordinary shares are listed on Russia's major stock exchange – MICEX-RTS. Its GDRs are traded on the London Stock Exchange, and its ADRs – on the OTCQX International Premier trading platform in the U.S.

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