Moscow, March 12, 2014

TMK ANNOUNCES 4Q 2013 AND FY 2013 IFRS 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 producers of tubular products for the oil and gas industry, announces today its audited consolidated IFRS financial results for the twelve months ending December 31, 2013.

Summary 4Q 2013 and FY 2013 Results

(In millions of U.S.$, unless stated otherwise)

	4Q 2013	**3Q 2013**	***Change, %***	**FY 2013**	**FY 2012**	***Change, %***
Sales volumes, thousand tonnes	**1,090**	1,022	7%	**4,287**	4,238	1%
Revenue	**1,571**	1,487	6%	**6,432**	6,688	-4%
Gross profit	**351**	283	24%	**1,358**	1,479	-8%
Income before tax	**86**	54	60%	**312**	400	-22%
Net income	**55**	35	59%	**215**	278	-23%
Earnings per GDR[1], basic, U.S.$	**0.25**	0.16	59%	**0.99**	1.26	-22%
Adjusted EBITDA[2]	**247**	182	36%	**952**	1,028	-7%
Adjusted EBITDA margin, %	***16%***	*12%*		***15%***	*15%*	

Note: Certain monetary amounts, percentages and other figures included in this press release are subject to rounding adjustments. Totals therefore do not always add up to exact arithmetic sums.

[1] One GDR represents four ordinary shares

[2] Adjusted EBITDA is determined as profit/(loss) for the period excluding finance costs and finance income, income tax (benefit)/expense, depreciation and amortization, foreign exchange (gain)/loss, impairment/(reversal of impairment) of non-current assets, movements in allowances and provisions (except for provision for bonuses), (gain)/loss on disposal of property, plant and equipment, (gain)/loss on changes in fair value of financial instruments, share of (profit)/loss of associates and other non-cash items.

In the first quarter of 2013, management amended its definition of Adjusted EBITDA. For the updated methodology please refer to the Financial Statements for the three-months period ended March 31, 2013.

4Q 2013 Highlights

Sales

Sales (thousand tonnes)	4Q 2013	3Q 2013	*Change, %*
Seamless	**617**	534	15%
Welded	**473**	488	-3%
Total	**1,090**	1,022	7%

- Total pipe sales increased by 7% quarter-on-quarter to 1,090 thousand tonnes, mainly due to the growth of OCTG and line pipe sales in the Russian division.
- Seamless pipe sales increased by 15% over the prior quarter to 617 thousand tonnes. Seamless OCTG and line pipe volumes grew by 21% and 19% quarter-on-quarter respectively, due to seasonally higher demand from oil and gas producers.
- Welded pipe sales decreased by 3% quarter-on-quarter to 473 thousand tonnes mostly due to lower welded industrial and large diameter pipe (LDP) volumes.

Financials

- Revenue for the fourth quarter was $1,571 million, an increase of 6% over the third quarter of 2013, mainly due to higher sales in the Russian and American divisions.
- Adjusted EBITDA increased by 36% quarter-on-quarter to $247 million mainly due to higher sales of seamless pipe in the Russian division and better product mix of welded pipe in the Russian and American divisions. Adjusted EBITDA margin was 16%.
- Net income was $55 million for the fourth quarter, as compared to $35 million in the third quarter of 2013. Net income margin was 3% for the fourth quarter of 2013.
- As of December 31, 2013, total debt decreased by $82 million compared to the level as of September 30, 2013 and amounted to $3,694 million. TMK's weighted average nominal interest rate amounted to 6.72% as compared to 6.77% as of September 30, 2013.
- Net repayment of borrowings for the fourth quarter of 2013 amounted to $65 million compared to the net repayment of $7 million in the third quarter of 2013.

- Net debt decreased by $97 million in the fourth quarter of 2013 compared to the level as of September 30, 2013 and amounted to $3,600 million as of December 31, 2013. The Net Debt-to-EBITDA ratio was 3.8x.

FY 2013 Highlights

Sales

Sales (thousand tonnes)	**FY 2013**	**FY 2012**	***Change, %***
Seamless	**2,422**	2,495	-3%
Welded	**1,866**	1,743	7%
Total	**4,287**	4,238	1%

- Total pipe sales grew by 1% to 4,287 thousand tonnes compared to the prior year mainly due to higher volumes of welded OCTG pipe.
- Seamless pipe sales decreased by 3% compared to the full year 2012 and amounted to 2,422 thousand tonnes due to lower line pipe volumes in the Russian division. Seamless OCTG pipe volumes increased by 1% year-on-year.
- Welded pipe sales increased by 7% year-on-year to 1,866 thousand tonnes largely as a result of higher volumes of welded OCTG and LD pipe.

Financials

- Revenue decreased by 4% year-on-year to $6,432 million mainly due to lower sales of seamless pipe in the Russian division and a negative effect of currency translation.
- Adjusted EBITDA decreased by 7% year-on-year to $952 million negatively affected by unfavorable market conditions in the U.S. and Europe. Adjusted EBITDA margin remained flat year-on-year and amounted to 15%.
- Net income was $215 million for the full year 2013 as compared to $278 million for the full year 2012, negatively affected by foreign exchange loss in the amount of $49 million.
- As of December 31, 2013, total debt decreased by $191 million to $3,694 million compared to $3,885 million as of December 31, 2012, partially as a result of the Rouble's depreciation against the U.S. dollar. TMK's weighted average nominal interest rate decreased by 27 basis points to 6.72% as of December 31, 2013 compared to December 31, 2012.
- Net repayment of the debt amounted to $93 million for the full year 2013.

- Net debt decreased by $56 million as of December 31, 2013 compared to the level as of December 31, 2012.

Recent Developments

- In November 2013, TMK united its two premium connections families TMK Premium and ULTRA under a single brand – TMK Ultra Premium (TMK UP). Bringing the two premium connections lines under the single brand will help expand bidding opportunities for the Company's premium tubular products worldwide, unify its portfolio of global packaged product offering, and raise global awareness of TMK's premium solutions.

- In January 2014, TMK IPSCO was awarded two three-year contracts to provide both oil country tubular goods and line pipe to Shell for onshore and offshore applications. Five of TMK IPSCO's plants are currently providing pipe to Shell under the OCTG contract, TMK's Volzhsky and Sinarsky mills in Russia will provide line pipe under Shell's specification.

- In February 2014, Threading and Mechanical Key Premium LLC, TMK's service and support center in Abu-Dhabi was certified by Abu Dhabi Company for Offshore Oil Operations (ADCO) to supply oilfield services.

- In February 2014, TMK received official confirmation that its pipes made of the Company's Russian-produced billets are eligible for use by Iraq's South Oil Company (SOC).

- In March 2014, Taganrog Metallurgical Works (TAGMET) was qualified by Kuwait Oil Company (KOC), one of the Middle East oil majors, as an approved supplier of TMK UP PF and TMK UP PF ET premium connections.

4Q and FY 2013 Segment Results

(In millions of U.S.$, unless stated otherwise)

	4Q 2013	3Q 2013	Change, %	FY 2013	FY 2012	Change, %
Sales (thousand tonnes)						
Russia	**760**	719	6%	**3,085**	3,159	-2%
America	**281**	263	7%	**1,027**	903	14%
Europe	**49**	41	21%	**175**	176	-0.3%
Revenue						
Russia	**1,044**	998	5%	**4,483**	4,714	-5%
America	**457**	426	7%	**1,665**	1,650	1%
Europe	**70**	63	12%	**284**	324	-12%
Gross Profit						
Russia	**268**	212	26%	**1,092**	1,119	-2%
America	**67**	58	15%	**212**	285	-26%
Europe	**16**	12	29%	**54**	75	-28%
Adjusted EBITDA						
Russia	**188**	134	41%	**776**	759	2%
America	**50**	42	20%	**145**	218	-34%
Europe	**10**	7	45%	**31**	52	-40%

Russia

4Q 2013 Highlights

In the fourth quarter of 2013, revenue increased by 5% to $1,044 million from the prior quarter largely due to an increase in seamless pipe sales.

Gross profit for the fourth quarter of 2013 grew by 26% quarter-on-quarter to $268 million mainly due to improved LD pipe sales mix. Gross profit margin improved to 26% in the fourth quarter of 2013 from 21% in the prior quarter.

Adjusted EBITDA for the fourth quarter of 2013 grew by 41% from the prior quarter to $188 million following an increase in gross profit. Adjusted EBITDA margin improved to 18% in the fourth quarter of 2013 from 13% in the prior quarter.

FY 2013 Highlights

For the full year 2013, revenue decreased by 5% to $4,483 million mainly due to lower seamless pipe sales and a negative effect of currency translation.

Gross profit for the full year 2013 decreased by 2% year-on-year to $1,092 million mainly as a result of a negative effect of currency translation. Gross profit margin remained almost flat compared to the full year 2012 and amounted to 24%.

For the full year 2013, adjusted EBITDA increased by 2% year-on-year to $776 million due to a decrease in selling, administrative and other operating expenses. Adjusted EBITDA margin improved to 17% for the full year 2013 from 16% for the full year 2012.

America

4Q 2013 Highlights

In the fourth quarter of 2013, revenue increased by 7% from the prior quarter to $457 million, primarily driven by higher welded OCTG and line pipe volumes and improved product mix of seamless pipe that included greater sales of premium connections.

Gross profit for the fourth quarter of 2013 increased by 15% quarter-on-quarter to $67 million mostly due to a favorable sales mix of seamless and welded pipe. Gross profit margin improved to 15% in the fourth quarter of 2013 from 14% in the third quarter of 2013.

In the fourth quarter of 2013, adjusted EBITDA grew by 20% to $50 million compared to the prior quarter following an increase of gross profit. Adjusted EBITDA margin improved to 11% in the fourth quarter of 2013 from 10% in the third quarter of 2013.

FY 2013 Highlights

For the full year 2013, revenue increased by 1% year-on-year to $1,665 million mainly due to higher sales of seamless and welded pipe, which was partially offset by lower market prices as a result of high imports.

Gross profit for the full year 2013 declined by 26% year-on-year to $212 million primarily due to unfavorable market conditions resulted in weaker pricing for welded and seamless pipe, which were not fully offset by increased volumes and lower raw materials prices. Gross profit margin decreased to 13% for the full year 2013 from 17% for the full year 2012.

Adjusted EBITDA for the full year 2013 decreased by 34% year-on-year to $145 million mainly due to lower gross profit. Adjusted EBITDA margin fell to 9% for the full year 2013 from 13% for the full year 2012.

Europe

4Q 2013 Highlights

In the fourth quarter of 2013, revenue increased by 12% from the prior quarter to $70 million mainly due to sales growth of seamless pipe.

Gross profit for the fourth quarter of 2013 grew by 29% quarter-on-quarter to $16 million largely due to an increase in seamless pipe sales. Gross profit margin increased to 22% in the fourth quarter of 2013 from 19% in the third quarter of 2013.

Adjusted EBITDA in the fourth quarter of 2013 grew by 45% quarter-on-quarter to $10 million following an increase of gross profit. Adjusted EBITDA margin improved to 14% in the fourth quarter of 2013 from 11% in the prior quarter.

FY 2013 Highlights

For the full year 2013, revenue decreased by 12% year-on-year to $284 million, primarily due to weaker pipe pricing and lower sales of steel billets.

Gross profit decreased by 28% year-on-year to $54 million affected by the unstable situation on the European market. Gross profit margin decreased to 19% for the full year 2013 from 23% for the full year 2012.

Adjusted EBITDA declined by 40% year-on-year to $31 million following a gross profit decrease. Adjusted EBITDA margin fell to 11% for the full year 2013 from 16% for the full year 2012.

4Q and FY 2013 Market Conditions

Russia

In the fourth quarter of 2013, the Russian pipe market decreased by 5% from the prior quarter mainly as a result of a seasonal decline of industrial pipe market. For the full year 2013, the Russian pipe market increased by 4% year-on-year largely due to higher consumption of oil and gas pipe grades.

Demand for seamless OCTG and line pipe increased in the fourth quarter of 2013 over the prior period by 4% and 20% respectively in majority due to seasonally higher consumption of oil and gas grades. Throughout 2013, consumption of seamless OCTG pipe continued to grow supported by a high level of E&P activity by oil and gas majors and increasing share of unconventional drilling. For the full year 2013, share of horizontal drilling increased to 21% of total oil well footage compared to 14% for the full year 2012.

The LD pipe market in Russia in the fourth quarter of 2013 increased by 32% compared to the prior quarter mainly as a result of the start of shipments to Gazprom’s South Corridor project. For the full year 2013 LD pipe market in Russia slightly declined by 1% year-on-year.

In the fourth quarter of 2013, seamless and welded industrial pipe market in Russia dropped by 24% and 19% over the prior quarter respectively, impacted by seasonally lower demand during the period. For the full year 2013, seamless industrial pipe market declined by 3% year-on-year due to weaker consumption in the machinery industry, while welded industrial pipe market increased by 4% compared to the full year 2012.

America

In 2013, certain energy commodity prices increased compared to 2012, with natural gas prices improving year-over-year to average $3.73/MMBtu largely due to demand growth resulting from colder than average winter conditions. WTI crude oil prices increased by 4% year-on-year to $97.91/bbl.

According to Baker Hughes, the average rig count dropped by 8% year-on-year from 1,919 in 2012 to 1,761 in 2013 due to continued reduction in natural gas drilling activity. In the fourth quarter of 2013, the average rig count remained relatively flat compared to the prior quarter, with a slight decrease in the natural gas rig count of 2.5%.

Though the rig count declined, more pipe per rig was used as operators continued to drill more horizontal and directional wells, for which horizontal and directional rigs increased from 71% in 2012 to 75% of total rigs in 2013. Additionally, the decrease in rig count was partially offset by the growth in drilling efficiencies. The average number of wells per rig increased by 6.5% year-on-year from 4.92 in 2012 to 5.24 in 2013.

According to Pipe Logix, in 2013, average OCTG welded prices decreased by 10% compared to the full year 2012, and seamless prices decreased by 9% year-on-year. However, prices for the fourth quarter of 2013 remained relatively flat compared to the prior quarter, as the market awaited the preliminary decision of the U.S. Department of Commerce regarding the OCTG trade case.

Europe

In 2013, the European market's trend towards a decline in tubular product capacity continued. Additional challenges come from the stronger competition from cheaper imports made in Ukraine, China, India and other countries where the costs of raw materials and electric power as well as environmental charges are considerably below those in Europe. End-users continued to focus on spot orders anticipating more favorable payment terms. The shrinking number of active projects coupled with investor pessimism resulted in lower consumption of tubular goods.

FY 2014 Outlook

For the full year 2014, the Company observes an increase of the pipe market in Russia mainly due to higher consumption of oil and gas pipe grades. In particular, as a results of horizontal drilling growth and further development of unconventional oil and gas reserves, the Company expects increasing demand for high quality TMK Ultra Premium (TMK UP) connections, uniquely designed to meet specific drilling applications.

In the U.S. TMK expects further improvements in drilling speeds and horizontal lengths throughout 2014, as well as in the percentage of horizontal and directional rigs relative to total rig count, which as of the end of 2013 amounted to 75% of total rig count. Both trends combined with the recent uptick in average rig count, point towards slight gains in OCTG consumption during 2014. Given the preliminary decision of the U.S. Department of Commerce concerning the OCTG trade case, the Company does not anticipate an improvement in OCTG prices during 2014.

The environment in the European pipe market, which is going through a lasting recession, will remain largely unchanged in 2014 compared to 2013.

4Q / FY 2013 IFRS Financial Statements are available at:
http://www.tmk-group.com/files/IFRS_TMK_2013_usd_en.pdf

4Q / FY 2013 IFRS Results Conference Call:

TMK's management will hold a conference call to present the fourth quarter / full year 2013 financial results today, March 12, 2013, at 09:00 New York / 13:00 London / 17:00 Moscow.

To join the conference call please register on-line
https://eventreg1.conferencing.com/webportal3/reg.html?Acc=975352&Conf=189985
or dial:

International call-in Number:	+44 20 7162 0025
US call-in Number:	+1 334 323 6201
Conference ID:	942484

(We recommend that participants register on-line to avoid waiting in a queue or to start dialing in 5-10 minutes prior to ensure a timely start to the conference call)

The conference call replay will be available through March 19, 2014:

UK replay number:	+44 20 7031 4064
US toll replay number:	+1 954 334 0342
Replay access code:	942484

***

For further information regarding TMK please visit www.tmk-group.com or download the YourTube iPad application from the App Store https://itunes.apple.com/ru/app/yourtube/id516074932?mt=8&ls=1

or contact:

TMK IR Department:
Marina Badudina
Tel: +7 (495) 775-7600
IR@tmk-group.com

TMK PR Department:
Ilya Zhitomirsky
Tel: +7 (495) 775-7600
PR@tmk-group.com

***

TMK (www.tmk-group.com)

TMK (LSE: TMKS) is a leading global manufacturer and supplier of steel pipes for the oil and gas industry, operating 28 production sites in the United States, Russia, Canada, Romania, Oman, UAE, and Kazakhstan and two R&D centers in Russia and the USA. In 2013, TMK's pipe shipments totaled 4.3 million tonnes. The largest share of TMK's sales belongs to high margin oil country tubular goods (OCTG), shipped to customers in over 80 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 securities are listed on the London Stock Exchange, the OTCQX International Premier trading platform in the U.S. and on the Moscow Exchange MICEX-RTS.

TMK's assets structure by division:

- Russian division:
  - Volzhsky Pipe Plant;
  - Seversky Tube Works;
  - Taganrog Metallurgical Works;
  - Sinarsky Pipe Plant;
  - TMK-CPW;
  - TMK-Kaztrubprom;
  - TMK-INOX;
  - TMK-Premium Service;
  - TMK Oilfield Services.
- American division:
  - 12 plants of TMK IPSCO;
  - OFS International LLC.
- European division:
  - TMK-ARTROM;
  - TMK-RESITA.
- Middle East Division:
  - TMK GIPI (Oman);
  - Threading & Mechanical Key Premium LLC (Abu-Dhabi).