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PRESS RELEASE

TMK and Sakhalin Energy sign a memorandum of cooperation for Sakhalin-2

Sakhalin Energy and TMK, one of the world's leading producers of tubular products for the oil and gas industry, have signed a memorandum of partnership for TMK premium threaded connection pipes to be used by Sakhalin Energy.

The memorandum provides for partnership and efficient collaboration as required for these products to be tested and certified for use in the Sakhalin-2 Project.

TMK UP premium connections for casing pipes made of chrome, high-carbon and highly corrosion resistant steel are to be tested for compliance with ISO 13679 CAL 4 2014. It is also expected that joint technical audits will be held on TMK entities under Shell's TAMAP (Technically Accepted Manufacturers and Products) pre-qualification process. TMK UP PF premium connections for the 244.48 mm casing pipes have successfully passed the qualification tests, which is a mandatory requirement in the global oil and gas industry for pipes used in hydrocarbon production.

At the signing ceremony, Roman Dashkov, CEO of Sakhalin Energy, emphasised that "this cooperation will help the Company switch to Russian tubular products with premium connections entirely to replace foreign equipment we had to import. It is especially essential in the context of import substitution and will foster economic growth, ramp up supplies of competitive Russian products and promote the development of new technologies. Sakhalin Energy strives to maximise the involvement of Russian producers in the Sakhalin-2 Project".

Alexander Shiryayev, TMK CEO: "Engineering-wise, Sakhalin-2 is an extremely sophisticated project implemented in complex natural and weather conditions and the most rigorous requirements apply to the piping to be used in this project. TMK has had many years of experience in supplying premium products designed to support upstream operations in the most severe climates and geologies worldwide. We are looking forward to providing our partners with unparalleled opportunities and highly effective pipe solutions to



meet their expectations to the maximum extent, also in terms of import substitution".

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

TMK on Facebook – <https://www.facebook.com/TMKGroupEN>

TMK (www.tmk-group.com)

TMK (LSE: TMKS) is a leading global manufacturer and supplier of steel pipes for oil and gas industry, operating more than 30 production sites in the United States, Russia, Canada, Romania, Oman, UAE, and Kazakhstan and two R&D centers in Russia and the USA. In 2014, TMK's pipe shipments totalled 4.4 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;
 - TMK CHERMET.
- American division:
 - 12 plants of TMK IPSCO;
 - OFS International LLC;
 - TMK Completions.
- European division:
 - TMK-ARTROM;
 - TMK-RESITA.
- Middle East Division:
 - TMK GIPI (Oman);
 - Threading & Mechanical Key Premium LLC (Abu-Dhabi).

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