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PRESS RELEASE

**TMK signs supply contracts to procure equipment for heat treatment facilities at Seversky Tube Works and TMK-ARTROM**

TMK, one of the world's leading producers of tubular products for the oil and gas industry, and Italian SMS MEER S.p.A have signed contracts for the manufacture and supply of advanced equipment for seamless pipe heat treatment facilities to be built at Seversky Tube Works and TMK-ARTROM, Romania.

The scope of supply includes heating furnaces, tempering furnaces, quenching equipment – inside and outside spray systems, and a quench tank. Pipe sizing and straightening equipment, as well as closed-loop water treatment equipment will also be supplied by SMS under separate contracts.

The design capacity of heat treatment lines at TMK-ARTROM and Seversky Tube Works will be 165 thousand tonnes and 265 thousand tonnes of heat-treated pipes per year, respectively. The Romanian plant is already developing equipment specifications, with shipments starting towards the end of 2016. The line performance tests and start-up are scheduled for the second quarter of 2017. Site preparation and construction of power supply facilities at Seversky Tube Works are scheduled for 2016–2017. The new line performance tests and start-up are expected to take place in the first quarter of 2018.

“In 2014, TMK largely completed its capacity upgrade capex programme at the Company's production facilities. Now we are shifting our focus to finishing operations – heat treatment, pipe finishing, coating and threading operations, which will add value to our finished products. The launches of state-of-the-art, high-capacity heat treatment facilities at the Russian and Romanian plants will help to improve product quality and expand the range of tubular products with enhanced performance,” said Alexander Klachkov, Deputy CEO and Chief Engineer of TMK.

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*For further information regarding TMK, please, visit [www.tmk-group.com](http://www.tmk-group.com) as well as download the YourTube 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>*



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### **TMK ([www.tmk-group.com](http://www.tmk-group.com))**

TMK (LSE: TMKS) is a leading global manufacturer and supplier of steel pipe for oil and gas industry, operating more than 30 production sites in the United States, Russia, Canada, Romania, Oman and Kazakhstan and two R&D centers in Russia and the USA. In 2015, TMK's pipe shipments totaled 3.9 million metric tons. 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).

TMK Corporate Communications  
Alexander Goryunov  
Tel: +7 (495) 775-7600  
E-mail: [pr@tmk-group.com](mailto:pr@tmk-group.com)