Moscow, March 16, 2011

TMK ANNOUNCES 4Q 2011 AND FULL-YEAR 2011 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, today announces its audited consolidated IFRS financial results for the twelve months ending December 31, 2011.

4Q 2011 Highlights

- Total pipe sales increased by 3% quarter-on-quarter to 1,017 thousand tonnes, mainly due to a 28% increase in seamless OCTG pipe sales.
- Revenue for the fourth quarter of 2011 was $1,603 million, flat quarter-on-quarter.
- Gross profit increased to $331 million, a quarter-on-quarter increase of 10%, mainly due to favourable product mix and a decrease in raw material prices. Gross profit margin increased to 21%.
- Adjusted EBITDA increased by 10% quarter-on-quarter to $223 million and adjusted EBITDA margin improved to 14% in the fourth quarter of 2011.
- Net income grew to $106 million as compared to $21 million in the third quarter of 2011.
- Net debt decreased by $60 million in the fourth quarter of 2011 and amounted to $3,552 million as of December 31, 2011. As of December 31, 2011 the Net Debt-to-EBITDA ratio[1] was 3.4x. The share of short-term loans and borrowings was 16% as of December 31, 2011 and loans with a fixed interest rate represented 84% of total debt. TMK's weighted average nominal interest rate decreased by 10 basis points as compared to September 30, 2011 amounting to 6.92% as of December 31, 2011.

[1]Net-Debt-to-EBITDA ratio is defined as Net Debt at the end of the given reporting date divided by the Adjusted EBITDA for the 12 months immediately preceding the given reporting date.

Summary 4Q 2011 and Full-Year 2011 Results

(In millions of $, except earnings per GDR)

	4Q 2011	3Q 2011	Change, %	FY 2011	FY 2010	Change, %
Revenue	1,603	1,604	0%	6,754	5,579	21%
Gross profit	331	301	10%	1,446	1,293	12%
Income before tax	146	38	284%	544	185	194%
Net income	106	21	405%	385	104	270%
Earnings per GDR[2], basic, U.S.$	0.48	0.08	500%	1.76	0.48	267%
Adjusted EBITDA[3]	223	202	10%	1,050	942	11%
Adjusted EBITDA margin, %	*14%*	*13%*		*16%*	*17%*	

FY 2011 Highlights

Sales Volumes

- Total pipe sales increased by 6% to 4,185 thousand tonnes, mainly due to increases in seamless and welded line pipe sales in the Russian and American divisions.
- Seamless pipe sales increased by 10% compared to 2010 and amounted to 2,342 thousand tonnes. Seamless OCTG and line pipe sales volumes increased by 5% and 21%, respectively.
- Welded pipe sales remained flat year-on-year and amounted to 1,843 thousand tonnes. Welded line pipe sales increased overall by 29% year-on-year, despite a decrease in large-diameter pipe sales.

Financials

- Revenue increased by 21% year-on-year to $6,754 million driven by higher volumes, improved pricing and favourable product mix. Sales of seamless pipe, the core business of the Company, generated 58% of total revenue.

---

[2] One GDR represents four ordinary shares

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

- Gross profit increased to $1,446 million representing year-on-year growth of 12% as a result of increased sales volumes and stronger pricing. Gross profit from seamless pipe sales contributed 74% of total gross profit. Gross profit margin declined to 21% compared to 23% for 2010 due to unfavourable changes in the welded pipe product mix. The gross profit margin of seamless pipe improved, however, to 28% compared to 26% for 2010.

- Adjusted EBITDA increased by 11% from $942 million for 2010 to $1,050 million for 2011. Adjusted EBITDA margin amounted to 16% for 2011.

- Net income was $385 million for 2011 as compared to $104 million for 2010. Net income, adjusted for the gain/(loss) on changes in fair value of the derivative instrument, increased to $340 million as compared to $116 million for 2010; the adjusted net income margin thereby expanded to 5% from 2% for 2010.

Recent Developments

- In December 2011, TMK signed a supply agreement with LUKOIL, one of the largest global vertically integrated oil and gas companies, for 2012. Under the agreement, TMK guarantees to supply all of LUKOIL's requirements; the volume is a guaranteed minimum of 260 thousand tonnes for the year.

- In December 2011, TMK IPSCO completed construction of its new R&D Center located in Houston, TX, USA. Employees and test equipment began moving into the facility in January 2012 and the facility will be fully operational in July 2012. TMK is one of the few global pipe producers with its own R&D centre and whose testing results are recognized by oil and gas majors. This project underlines TMK's commitment to developing new products to service the industry and to meet the evolving needs and challenges that oil and gas companies face in their business.

- In December 2011 and February 2012, TMK PF and TMK PF ET premium connections successfully passed qualification tests. All tests were conducted at the Oil States Industries international testing centre in Aberdeen, UK. TMK PF passed tests in accordance with the ISO 13679 CAL IV standard, while TMK PF ET passed tests designed to ensure gas-tightness under the application of internal and external pressure, tension and compression forces.

- TMK developed and introduced a vacuum insulated tubing (VIT), a technologically unique product offered by a limited number of producers globally. In early 2012, the Company delivered the first shipment of VIT to Gazprom for use in the Bovanenkovo gas condensate field on the Yamal Peninsula.

- In January 2012, TMK started shipments of longitudinally welded large diameter pipe (LDP) for use in transporting natural gas from the world's second largest gas field, the South Iolotan field, in Turkmenistan. The field is being developed by

Turkmengaz, Turkmenistan's state-owned natural gas company, together with China's CNPC.

4Q and FY2011 Segment Results

(In millions of $, unless stated otherwise)

	4Q 2011	3Q 2011	Change, %	FY 2011	FY 2010	Change, %
Sales Volumes (thousand tonnes)						
Russia	731	736	-1%	3,115	2,989	4%
Americas	245	211	16%	892	804	11%
Europe	41	42	-2%	178	169	5%
Revenue						
Russia	1,085	1,114	-3%	4,788	3,998	20%
Americas	440	385	14%	1,590	1,324	20%
Europe	77	105	-27%	375	256	46%
Adjusted EBITDA						
Russia	148	142	4%	721	633	14%
Americas	64	41	56%	265	281	-6%
Europe	11	18	-39%	64	29	121%

Russia

In the fourth quarter, revenue in the Russian division dropped 3% to $1,085 million mainly due to a decline in price of industrial grades. At the same time, adjusted EBITDA increased by 4% to $148 million due to a favourable product mix change and a decrease in the cost of scrap.

For 2011, revenue of the Russian division increased by 20% to $4,788 million as a result of higher sales volumes and a more favourable product mix. Adjusted EBITDA increased by 14% to $721 million, although the increased EBITDA was negatively affected by lower large-diameter pipe sales volumes and a decline in profitability of the welded pipe segment.

Americas

Revenue for the American division increased by 14% to $440 million in the fourth quarter of 2011, primarily driven by increasing volume in the welded line pipe business. Adjusted EBITDA increased by 56% to $64 million in the fourth quarter of 2011 resulting from a decline in coil prices in the third quarter of 2011 and, to a lesser extent, pricing and product mix.

Revenue for the American division increased by 20% and amounted to $1,590 million for 2011. Growth was primarily driven by increasing volume in OCTG and line pipe sales on the back of continued oil and gas shale development and pricing. Adjusted EBITDA of the American division for 2011 declined, however, by 6% to $265 million. Higher average coil prices during the year and the inability to completely recover those costs due to continued competition from Korean imports were the primary reasons for this decline.

Europe

Revenue for the European division in the fourth quarter of 2011 dropped 27% to $77 million, driven by a decline in sales volumes and prices due to the unstable macroeconomic situation and lack of consumer confidence. Adjusted EBITDA dropped 39% to $11 million in the fourth quarter of 2011 as it was also affected by a rise in scrap prices starting from the middle of the third quarter.

Despite the negative fourth quarter trends, annual revenue of the European division grew by 46% to $375 million in 2011 driven primarily by an increase in selling prices for tubular products in response to the market recovery and increased costs of raw materials. Adjusted EBITDA grew by 121% to $64 million in 2011, reflecting the relatively more favourable market situation and, in particular, an increased share of high-margin orders related to industrial heat-treated alloy pipe.

4Q and FY2011 Market Conditions

Russia

In the fourth quarter 2011, the Russian pipe market declined by 21% quarter-on-quarter mainly as a result of a sharp reduction in large-diameter pipe and industrial seamless pipe consumption. For 2011, the Russian pipe market grew by 12% to over 10.3 million tonnes.

In the fourth quarter 2011, seamless OCTG and line pipe markets in Russia grew by 3% and 15% respectively compared to the previous quarter. In 2011, seamless OCTG and line pipe markets in Russia grew by 9% and 11%, respectively, supported by robust drilling activity of Russian oil companies against the background of sustained high oil prices.

For 2011, the large-diameter pipe market in Russia increased by 6% year-on-year as a result of strong demand from a number of pipeline projects in the first half of 2011. A shortage of domestic large-diameter capacity during this period resulted in the growth of imports which increased from 13% in 2010 to 19% in 2011. In the fourth quarter of 2011, large-diameter pipe market in Russia fell by 43% quarter-on-quarter due to the completion of some major projects and the postponement of new pipeline projects.

In 2011, the industrial seamless pipe market in Russia grew by 12% year-on-year, although in the fourth quarter of 2011 demand for this product substantially weakened and the market fell by 23% as compared to the third quarter.

Americas

OCTG demand in the U.S. remained strong throughout the fourth quarter of 2011. Per the Baker Hughes rig count, the U.S. finished the year at 2,007 active drilling rigs, up 3% from the third quarter. In reaction to low natural gas prices, the natural gas rig count declined by 2%, decreasing the quarter's U.S. rig count growth rate as compared to the previous quarter.

In the fourth quarter of 2011, industry shipments of OCTG in the U.S. increased by 20% as compared to the fourth quarter of 2010 and, due to seasonality, decreased by 5% as compared to the third quarter of 2011. According to the OCTG Situation Report, the average OCTG inventory for all products remains at less than 5 months of supply, slightly below "healthy" levels. Inventories of alloy heat-treat remain in tight supply, while carbon inventories are quite plentiful. Adding to the carbon inventories of OCTG and line pipe is a continued influx of imports, led by Korean producers.

Europe

The rate of recovery in European market demand and prices observed in the first six months of 2011 slowed in the second half of 2011 mainly due to macroeconomic concerns and the debt crisis in the Eurozone. As a result, in the fourth quarter of 2011 there was an increasing prevalence of spot orders from end-users; prices began to decrease and customers sought more favourable payment terms.

1Q 2012 and 2012 Outlook

TMK confirms its positive outlook on the pipe market for 2012 and expects a slight increase in sales volumes and further improvement in the product mix compared to 2011. E&P budgets of Russian oil companies are continuing to grow in 2012 driven by continued high oil prices which should support demand for OCTG and line pipe. Although a number of pipelines in both Russia and the CIS countries are scheduled to be started in 2012, overall demand for large-diameter pipe is looking weaker this year compared to a year ago.

The U.S. market outlook remains positive for 2012. Strong oil rig count growth should offset the gas rig count decline as the price of natural gas is expected to remain depressed throughout 2012. Oil and liquid plays, such as the Bakken, Eagle Ford and Permian Basin, will continue to drive growth in the U.S. and line pipe for new shale gas pipelines will continue its growth trend. Despite TMK's American division financial results being under pressure due to changing mix and capacity constraints, the

Company is well-positioned to support these diverse demanding environments with a flexible and customized global portfolio of steel tubulars and premium connections.

Given the recent decline in raw material prices and continued improvement in product mix, the Company expects to grow EBITDA and EBITDA margin in the first quarter of 2012 compared to the fourth quarter of 2011. The sustainability of improvement in EBITDA and profitability for 2012 will depend on the stability of steel prices and on welded pipe sales, particularly large-diameter welded pipe.

The Company continues to prioritize deleveraging and optimization of the debt structure.

Full-Year 2011 IFRS Financial Statements are available at:
http://www.tmk-group.com/files/IFRS_TMK_2011_en.pdf

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

TMK IR Department:
Alexey Ratnikov
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 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.

TMK's production assets structure:

- Russian division:
  - Volzhsky Pipe Plant;
  - Seversky Tube Works;
  - Taganrog Metallurgical Works;
  - Sinarsky Pipe Plant;
  - TMK-Kaztrubprom.
- American division:
  - 11 plants of TMK IPSCO.
- European division:
  - TMK-ARTROM;
  - TMK-RESITA.
- TMK-INOX;
- TMK-Premium Service;
- TMK Oilfield Services.