

PRESS RELEASE

August 17, 2020



Interpipe releases report on operations for July 2020

Interpipe, a global producer of steel pipes and railway products, has released (via Interpipe Holdings Plc) its monthly report on operations for July 2020

Operational Highlights

Despite some bottoming out last month, in July 2020 the pipe product sales pattern remained gloomy: overall **pipe product sales** went down by 20.6% m-o-m (and yet at minus 24% y-o-y for the 7 months 2020) still suffering from negative consequences of the COVID-19 pandemic and global oil&gas crisis:

- At the same time, **OCTG sales** solely proceeded rebounding for the second consecutive month (up by 107.72% m-o-m) amid higher sales to the MENA region based on improved expectations for the global oil demand. But the overall sales trend for the 7 months 2020 still stayed in the negative area – minus 52.6% y-o-y)
- **Linepipe sales** volumes dropped by 42% m-o-m due to lower deliveries to the MENA and US, however they remained fairly flat y-o-y for the 7 months 2020. In July, the sharp sales decline in the MENA region was fully driven by purchase schedules of certain projects. In the US market traders made massive purchases in June and were not in rush to build up stocks before the oil demand outlook gets clearer
- **Mechanical pipe sales** went down by 38.2% m-o-m following the completion of major purchase tenders in the CIS earlier in June
- **Welded pipe sales** remained quite stable m-o-m (just -0.2% m-o-m decline): a drop in sales in the US and CIS was bounced back by higher volumes sold in Ukraine and Europe

Railway products sales rebounded by 41.7% m-o-m mainly amid some recovery of deliveries to the Customs Union



INTERPIPE

Report On Operations

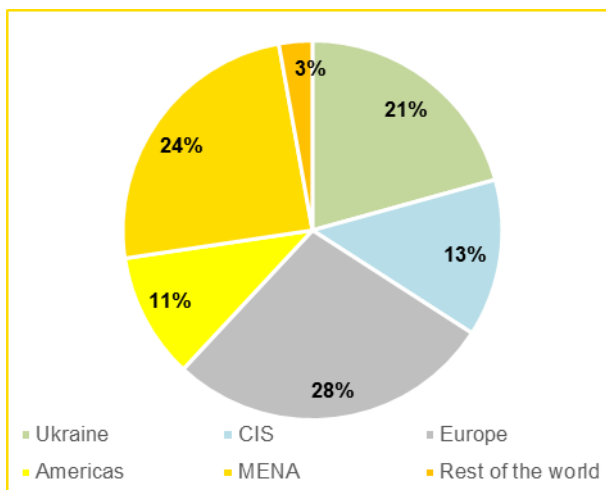
#	Product	July 2020		7 months 2020		Change	
		Thousand tons	% of total ²	Thousand tons	% of total ²	% m-o-m	7 months 2020, % y-o-y
Production							
1.	Steel	57,0	n/a	450,1	n/a	-5,2%	-19,8%
2.	Pipes, o/w:	34,0	70,6%	267,6	69,8%	-13,7%	-32,5%
2.1.	Seamless, o/w:	25,4	52,8%	223,0	58,2%	-20,2%	-32,0%
2.1.1.	OCTG	5,8	12,0%	47,8	12,5%	-13,4%	-65,7%
2.1.2.	Linepipe	18,2	37,9%	164,3	42,8%	-17,8%	-2,8%
2.1.3.	Mechanical	1,4	3,0%	11,0	2,9%	-52,8%	-44,0%
2.2.	Welded	8,6	17,8%	44,5	11,6%	13,8%	-34,8%
3.	Railway products	14,1	29,4%	115,9	30,2%	16,0%	0,5%
3.1.	Wheels ¹	12,1	25,1%	102,8	26,8%	21,6%	-1,4%
3.2.	Wheelsets ¹	1,5	3,0%	9,5	2,5%	-17,6%	8,5%
3.3.	Axles ¹	0,4	0,7%	2,4	0,6%	47,6%	25,3%
3.4.	Tyres	0,2	0,5%	1,2	0,3%	-1,6%	165,4%
Sales							
1.	Steel ³	2,1	3,8%	22,7	5,4%	-60,6%	75,2%
2.	Pipes, o/w:	38,9	69,4%	275,2	65,9%	-20,6%	-24,0%
2.1.	Seamless, o/w:	29,4	52,5%	228,4	54,7%	-25,5%	-22,7%
2.1.1.	OCTG	8,9	15,9%	53,3	12,8%	107,2%	-52,6%
2.1.2.	Linepipe	18,9	33,8%	164,5	39,4%	-42,0%	-0,8%
2.1.3.	Mechanical	1,5	2,8%	10,6	2,5%	-38,2%	-37,8%
2.2.	Welded	9,5	16,9%	46,8	11,2%	0,2%	-30,1%
3.	Railway products	15,0	26,8%	119,5	28,6%	41,7%	4,2%
3.1.	Wheels ¹	12,8	22,9%	104,2	25,0%	47,7%	0,3%
3.2.	Wheelsets ¹	1,6	2,9%	12,0	2,9%	11,3%	48,3%
3.3.	Axles ¹	0,4	0,7%	2,1	0,5%	93,7%	-6,8%
3.4.	Tyres	0,2	0,3%	1,2	0,3%	-27,0%	141,1%
TOTAL		56,0	100,0%	417,4	100,0%	-13,7%	-14,8%
1. Wheels and axles are inter alia utilized as components (semi-products) for wheelset production							
2. Excluding steel figures for production only							
3. For steel - only external sales							



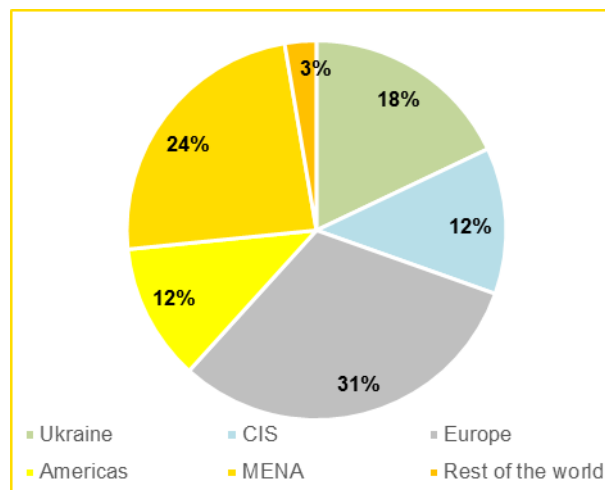
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Regional Sales Data. Pipe products

July 2020. Pipes sales by region, th.tons

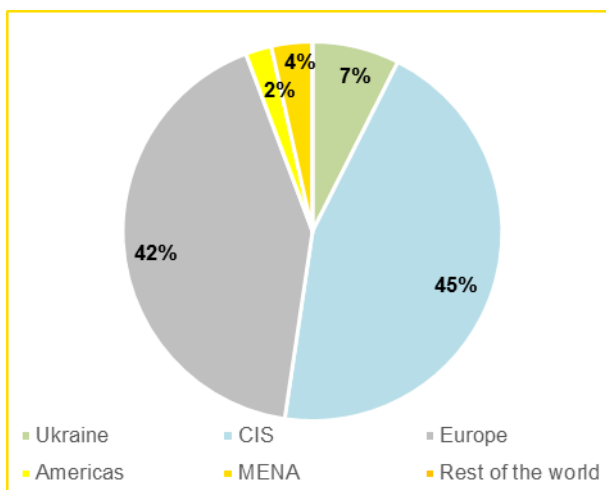


7 months 2020. Pipes sales by region, th.tons

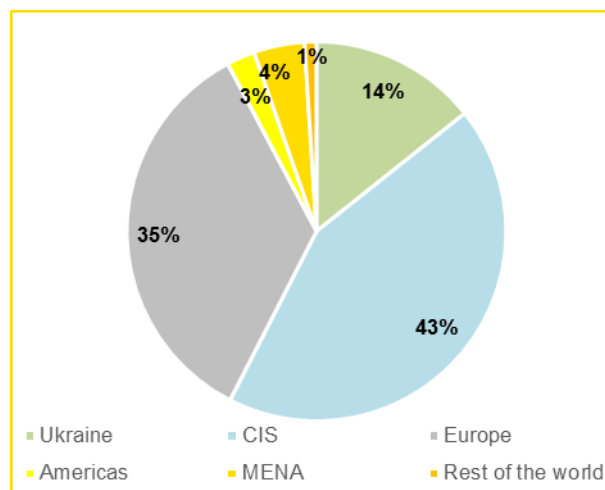


Regional Sales Data. Railway products

July 2020. Railway products sales by region, th.tons



7 months 2020. Railway products sales by region, th.tons





INTERPIPE

About the company:

Interpipe is global producer of steel pipes and railway products, based in Ukraine. The company's products are marketed in more than 80 countries all around the world via the network of sales offices located in key markets of Ukraine, Europe, North America and the Middle East.