

PRESS RELEASE

January 20, 2021



Interpipe releases report on operations for December 2020

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

Operational Highlights

In December 2020, sales volumes for most of the Company's products rallied on the back of recovery of the world economies and markets despite stricter lockdown measures that were introduced in some countries

Overall pipe product sales hiked by 37.2% m-o-m which had even outperformed monthly sales figures in the pre-COVID-19 periods of Q4 2019 and Q1 2020. However, on the annual basis sales for the 12 months 2020 were still 21.0% y-o-y lower

OCTG sales, after the 142.4% m-o-m spike in November, gained 29.8% m-o-m amid an intensified drilling activity worldwide on the back of optimistic expectations for COVID-19 vaccines and surpassing the USD 50 per barrel of crude oil threshold for the first time since March 2020

As it had been foreseen earlier, after some normalization in October and November **linepipe sales** rose back by 75.0% m-o-m due to a recovery of consumption in key consuming markets (the MENA and USA) following the rally of steel commodity prices

As the result, linepipe was the only amongst other pipe products to grow in sales for the 12 months 2020 (+2.6% y-o-y) while OCTG sales shrank more than in twice y-o-y

Mechanical pipe sales improved by 8.1% m-o-m amid higher sales to Turkey, the USA and Belarus

Welded pipe sales dropped by 34.1% m-o-m across all regions driven by an unfavorable market environment as prices for welded pipes had been lagging to pick up the ongoing robust growth of HRC FOB prices

Following the completion of the wheel workshop maintenance in November, in December **sales volumes of railway products** surged by 39.0% m-o-m increasing the monthly level of sales to over 17 thousand tons which is quite close to the peak monthly sales figures in H1 2020

At the same time, railway product sales for the 12 months 2020 were 5.4% y-o-y lower. However worth also being noted, that the total wheelset sales increased substantially in 2020 - by 32.0% y-o-y



INTERPIPE

Report On Operations

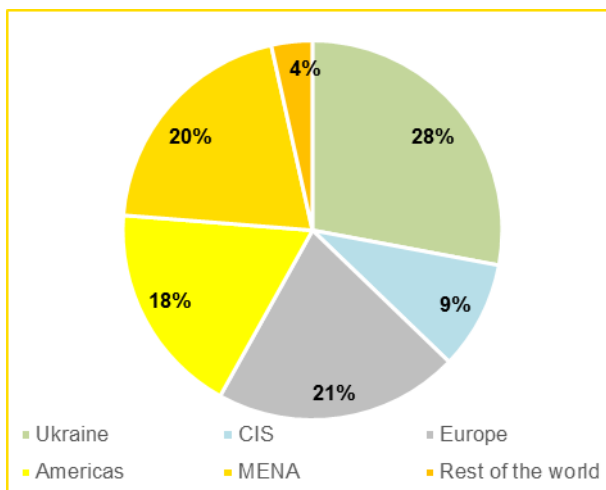
#	Product	December 2020		12 months 2020		Change	
		Thousand tons	% of total ²	Thousand tons	% of total ²	% m-o-m	12 months 2020, % y-o-y
Production							
1.	Steel	61,8	n/a	758,7	n/a	11,0%	-11,2%
2.	Pipes, o/w:	38,4	69,9%	464,0	70,9%	2,5%	-20,9%
2.1.	Seamless, o/w:	33,8	61,5%	383,9	58,6%	11,3%	-20,1%
2.1.1.	OCTG	9,9	18,0%	77,0	11,8%	42,3%	-56,8%
2.1.2.	Linepipe	22,2	40,5%	288,2	44,0%	4,2%	5,4%
2.1.3.	Mechanical	1,6	3,0%	18,8	2,9%	-20,2%	-34,5%
2.2.	Welded	4,6	8,5%	80,1	12,2%	-35,0%	-24,8%
3.	Railway products	16,5	30,1%	190,6	29,1%	27,6%	-8,3%
3.1.	Wheels ¹	14,4	26,2%	166,7	25,5%	30,2%	-9,8%
3.2.	Wheelsets ¹	1,6	3,0%	17,8	2,7%	12,6%	6,7%
3.3.	Axles ¹	0,3	0,5%	4,0	0,6%	-18,4%	11,3%
3.4.	Tyres	0,2	0,4%	2,1	0,3%	87,0%	-19,2%
Sales							
1.	Steel³	4,8	7,3%	35,1	5,0%	468,9%	47,7%
2.	Pipes, o/w:	44,1	66,8%	469,9	67,4%	37,2%	-21,0%
2.1.	Seamless, o/w:	39,4	59,8%	389,8	55,9%	57,4%	-19,4%
2.1.1.	OCTG	9,2	13,9%	83,2	11,9%	29,8%	-52,2%
2.1.2.	Linepipe	28,3	42,9%	288,3	41,3%	75,0%	2,6%
2.1.3.	Mechanical	2,0	3,0%	18,4	2,6%	8,1%	-36,1%
2.2.	Welded	4,7	7,1%	80,1	11,5%	-34,1%	-28,0%
3.	Railway products	17,1	25,9%	192,4	27,6%	39,0%	-5,4%
3.1.	Wheels ¹	15,1	22,9%	166,4	23,9%	54,3%	-8,5%
3.2.	Wheelsets ¹	1,2	1,9%	19,5	2,8%	-30,6%	32,0%
3.3.	Axles ¹	0,3	0,5%	3,9	0,6%	0,0%	-4,1%
3.4.	Tyres	0,4	0,6%	2,7	0,4%	2,0%	0,4%
TOTAL		66,0	100,0%	697,5	100,0%	45,8%	-15,2%
<p>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</p>							



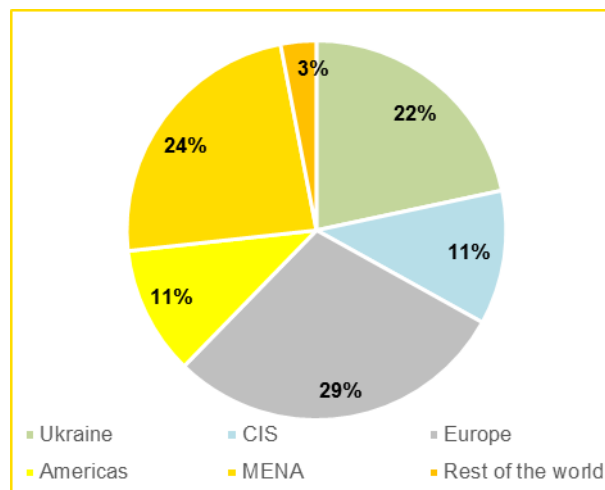
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Regional Sales Data. Pipe products

December 2020. Pipes sales by region, th.tons

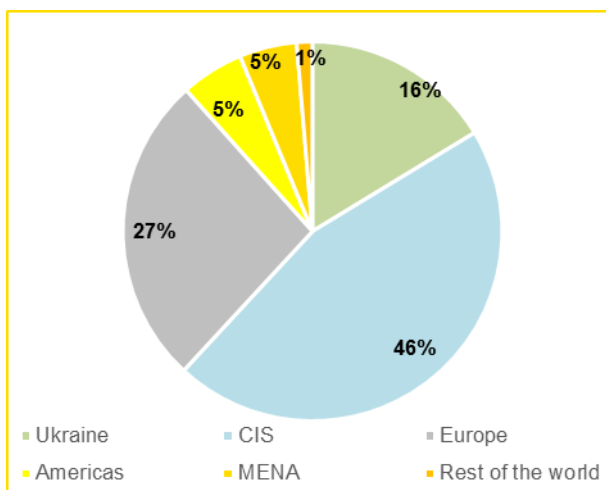


12 months 2020. Pipes sales by region, th.tons

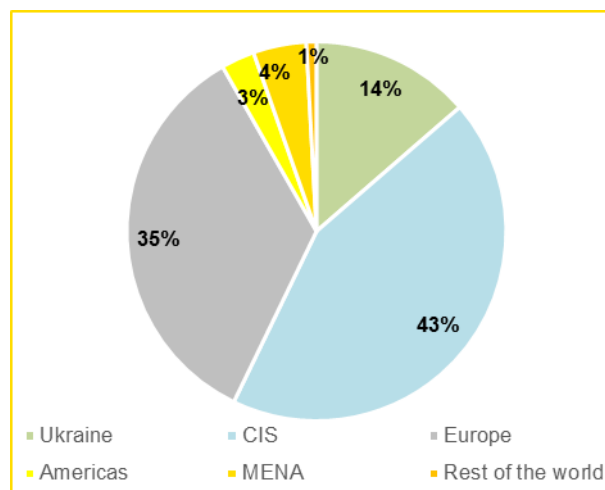


Regional Sales Data. Railway products

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



12 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.