

# PRESS RELEASE

February 18, 2020

## **Interpipe releases report on operations for January 2020**

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

### **Operational Highlights**

- Pipe sales continued to decline in January driven by a lower OCTG demand and overstocking in the USA and low level of OCTG procurement in Ukraine.
  - Seamless linepipe sales dropped both in Ukraine and the USA.
  - Lower demand for mechanical pipes from O&G sector in Ukraine is a key driver of sales downward dynamics.
- Wheel sales were mainly driven by a continuous high demand in the CIS and Europe regions where demand from wagon-builders and after-market companies has peaked
- Wheelset volumes were secured by customers from Bulgaria, Slovakia and France.



**INTERPIPE**

## Report On Operations

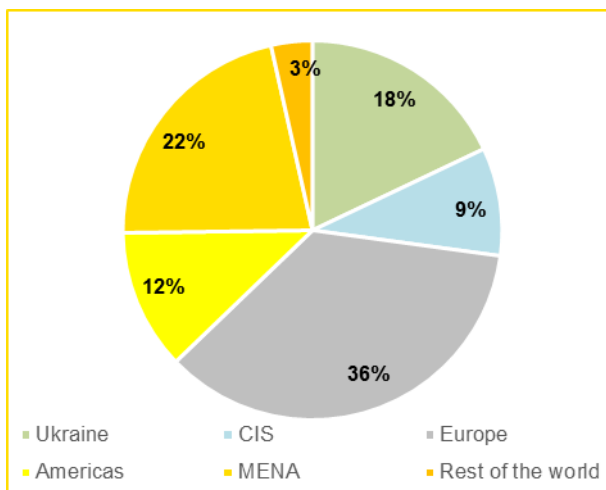
#	Product	January 2020		1 months 2020		Change	
		Thousand tons	% of total <sup>2</sup>	Thousand tons	% of total <sup>2</sup>	% m-o-m	1 months 2020, % y-o-y
<b>Production</b>							
1.	<b>Steel</b>	<b>65,2</b>	<b>n/a</b>	<b>65,2</b>	<b>n/a</b>	<b>14,1%</b>	<b>-8,0%</b>
2.	<b>Pipes, o/w:</b>	<b>32,1</b>	<b>64,7%</b>	<b>32,1</b>	<b>64,7%</b>	<b>0,6%</b>	<b>-37,3%</b>
2.1.	Seamless, o/w:	28,0	56,4%	28,0	56,4%	0,9%	-38,1%
2.1.1.	OCTG	8,1	16,4%	8,1	16,4%	-6,2%	-58,4%
2.1.2.	Linepipe	18,6	37,5%	18,6	37,5%	4,2%	-22,1%
2.1.3.	Mechanical	1,2	2,4%	1,2	2,4%	2,1%	-31,1%
2.2.	Welded	4,1	8,3%	4,1	8,3%	-0,8%	-31,0%
3.	<b>Railway products</b>	<b>17,5</b>	<b>35,3%</b>	<b>17,5</b>	<b>35,3%</b>	<b>-10,7%</b>	<b>25,0%</b>
3.1.	Wheels <sup>1</sup>	15,6	31,3%	15,6	31,3%	-7,2%	20,3%
3.2.	Wheelsets <sup>1</sup>	1,5	3,0%	1,5	3,0%	-28,0%	79,6%
3.3.	Axles <sup>1</sup>	0,3	0,6%	0,3	0,6%	45,5%	3,2%
3.4.	Tyres	0,2	0,5%	0,2	0,5%	-65,4%	-
<b>Sales</b>							
1.	<b>Steel<sup>3</sup></b>	<b>3,6</b>	<b>6,6%</b>	<b>3,6</b>	<b>6,6%</b>	<b>407,8%</b>	<b>114,8%</b>
2.	<b>Pipes, o/w:</b>	<b>30,2</b>	<b>54,8%</b>	<b>30,2</b>	<b>54,8%</b>	<b>-41,0%</b>	<b>-35,2%</b>
2.1.	Seamless, o/w:	25,7	46,7%	25,7	46,7%	-41,9%	-36,6%
2.1.1.	OCTG	8,5	15,3%	8,5	15,3%	-55,4%	-42,5%
2.1.2.	Linepipe	15,9	28,8%	15,9	28,8%	-33,1%	-34,0%
2.1.3.	Mechanical	1,4	2,5%	1,4	2,5%	-10,4%	-24,6%
2.2.	Welded	4,5	8,1%	4,5	8,1%	-35,0%	-25,4%
3.	<b>Railway products</b>	<b>21,3</b>	<b>38,6%</b>	<b>21,3</b>	<b>38,6%</b>	<b>9,7%</b>	<b>61,9%</b>
3.1.	Wheels <sup>1</sup>	18,7	34,0%	18,7	34,0%	5,9%	59,6%
3.2.	Wheelsets <sup>1</sup>	2,0	3,7%	2,0	3,7%	128,4%	96,8%
3.3.	Axles <sup>1</sup>	0,3	0,5%	0,3	0,5%	75,7%	-20,8%
3.4.	Tyres	0,2	0,4%	0,2	0,4%	-65,4%	-
<b>TOTAL</b>		<b>55,1</b>	<b>100,0%</b>	<b>55,1</b>	<b>100,0%</b>	<b>-22,7%</b>	<b>-10,3%</b>
<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>							



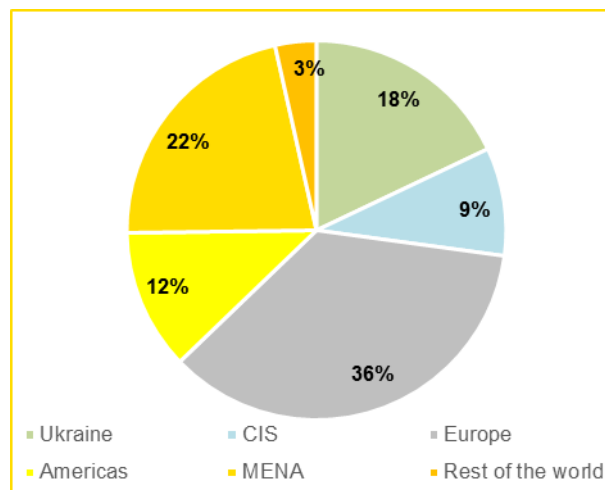
**INTERPIPE**

## Regional Sales Data. Pipe products

January 2020. Pipes sales by region, th.tons

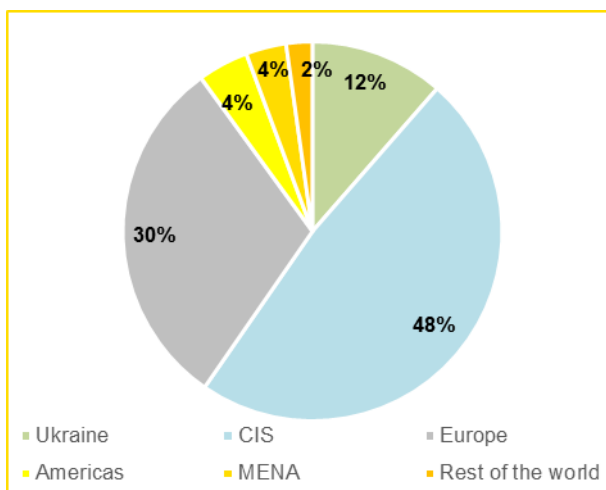


1 months 2020. Pipes sales by region, th.tons

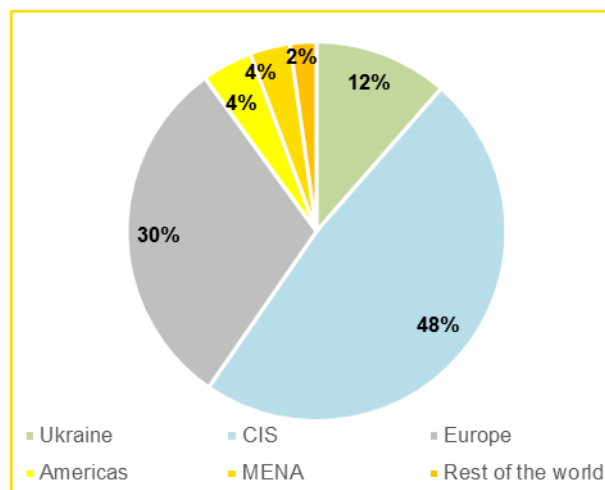


## Regional Sales Data. Railway products

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



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





**INTERPIPE**

**About the company:**

Interpipe is global producer of steel pipes and railway wheels, 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. In 2019, Interpipe supplied 823 kt of finished goods, including 202 kt of railway products.

Interpipe has 12 thousand people working at the company's facilities.

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