

PRESS RELEASE

September 17, 2020



Interpipe releases report on operations for August 2020

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

Operational Highlights

In August 2020, the **overall pipe product sales** continued declining (down by 10.1% m-o-m and 25.6% y-o-y for the 8 months 2020) undermined by yet depressed market environment but with signs of recovery in certain products and regions:

OCTG sales plunged by 38.2% m-o-m after 2 consecutive months of recovery in June and June due to softer demand from the MENA (mainly from Turkey and Egypt) that fully driven by purchase schedules of certain projects. At the same time, demand in other regions, such as Ukraine, the CIS, America, showed an upswing

Linepipe sales were the only one who posted growth in August: sales volumes increased by 9.7% m-o-m amid a big run in the MENA region and increased demand in Latin America and Ukraine driven by a recovery in construction activity and buoyant expectations of further improvements in key steel-consuming industries

Mechanical pipe production and sales declined by 20.7 and 29.7% m-o-m, respectively, due to a maintenance shutdown of production facilities end of August

Welded pipe sales declined by 20.2.% m-o-m, due to a price appreciation and some seasonality in the EU (mostly in Poland)

In August 2020, **railway product production** was flat m-o-m. On the back of switching to longer term shipment terms it resulted in a 22.1% m-o-m decline in overall **sales volumes of railway products** (mainly in the CU and Europe)



INTERPIPE

Report On Operations

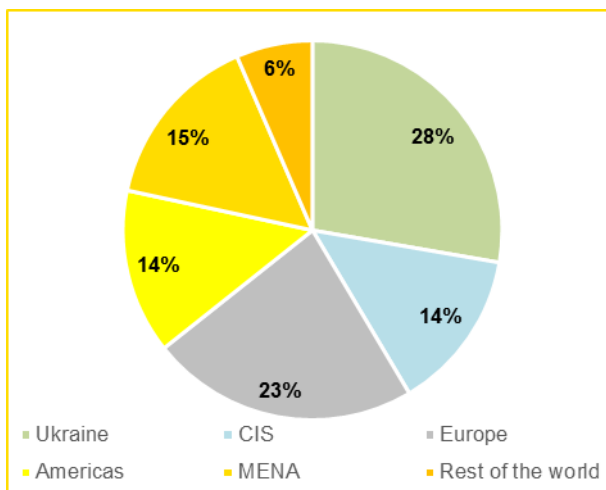
#	Product	August 2020		8 months 2020		Change	
		Thousand tons	% of total ²	Thousand tons	% of total ²	% m-o-m	8 months 2020, % y-o-y
Production							
1.	Steel	64,2	n/a	514,0	n/a	13,1%	-20,5%
2.	Pipes, o/w:	40,7	74,3%	308,3	70,3%	19,9%	-29,8%
2.1.	Seamless, o/w:	32,8	59,7%	255,8	58,4%	29,0%	-28,8%
2.1.1.	OCTG	4,2	7,7%	52,0	11,9%	-26,2%	-63,9%
2.1.2.	Linepipe	27,4	49,9%	191,6	43,7%	50,3%	-0,6%
2.1.3.	Mechanical	1,1	2,1%	12,1	2,8%	-20,7%	-45,3%
2.2.	Welded	8,0	14,5%	52,5	12,0%	-7,0%	-34,3%
3.	Railway products	14,1	25,7%	130,0	29,7%	-0,1%	-2,9%
3.1.	Wheels ¹	11,6	21,1%	114,4	26,1%	-4,0%	-5,2%
3.2.	Wheelsets ¹	1,8	3,3%	11,3	2,6%	24,6%	9,5%
3.3.	Axles ¹	0,4	0,8%	2,8	0,6%	19,1%	23,0%
3.4.	Tyres	0,3	0,5%	1,5	0,3%	16,5%	160,9%
Sales							
1.	Steel ³	1,7	3,4%	24,4	5,2%	-22,0%	57,6%
2.	Pipes, o/w:	34,9	72,1%	310,0	66,6%	-10,1%	-25,6%
2.1.	Seamless, o/w:	27,3	56,5%	255,6	54,9%	-6,9%	-24,2%
2.1.1.	OCTG	5,5	11,4%	58,8	12,6%	-38,2%	-53,1%
2.1.2.	Linepipe	20,7	42,9%	185,1	39,7%	9,7%	-3,9%
2.1.3.	Mechanical	1,1	2,2%	11,7	2,5%	-29,7%	-39,6%
2.2.	Welded	7,6	15,6%	54,4	11,7%	-20,2%	-31,5%
3.	Railway products	11,8	24,4%	131,4	28,2%	-22,1%	-1,3%
3.1.	Wheels ¹	9,9	20,4%	114,1	24,5%	-23,0%	-5,1%
3.2.	Wheelsets ¹	1,4	2,9%	13,5	2,9%	-16,4%	40,0%
3.3.	Axles ¹	0,3	0,6%	2,4	0,5%	-25,0%	-10,8%
3.4.	Tyres	0,2	0,5%	1,5	0,3%	-9,3%	141,5%
TOTAL		48,3	100,0%	465,8	100,0%	-13,8%	-17,6%
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							



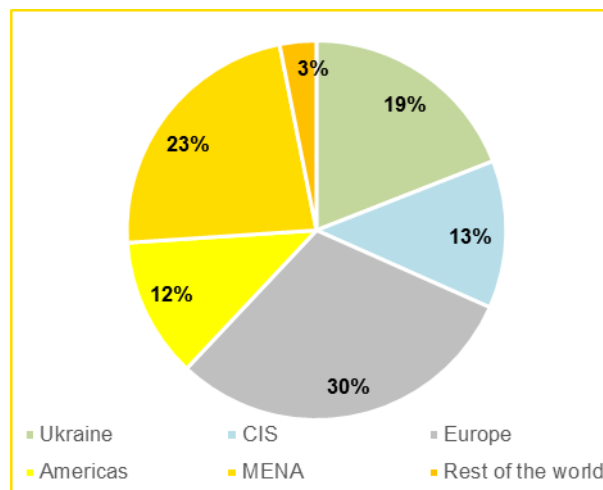
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Regional Sales Data. Pipe products

August 2020. Pipes sales by region, th.tons

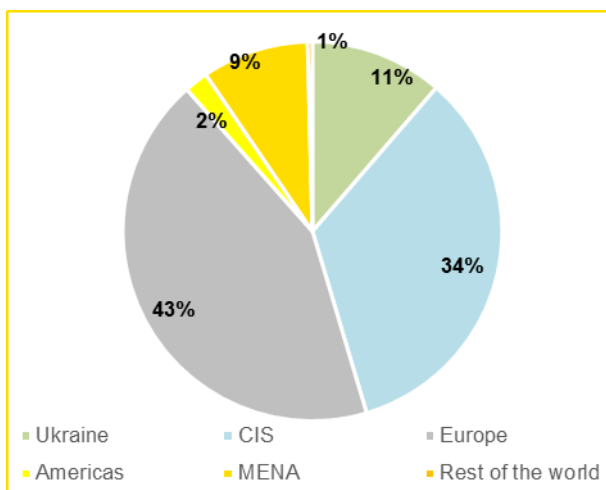


8 months 2020. Pipes sales by region, th.tons

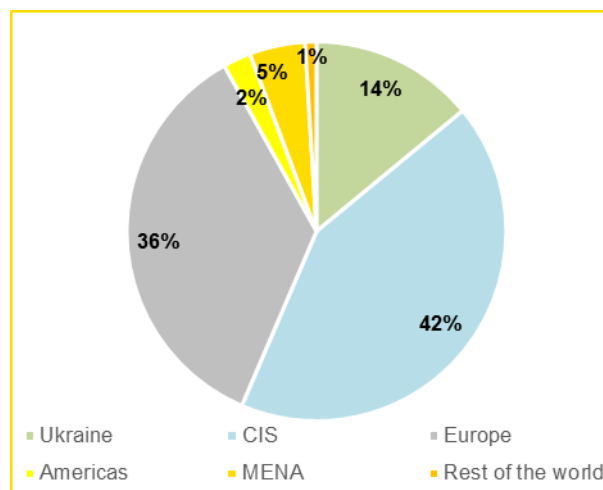


Regional Sales Data. Railway products

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



8 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.

Interpipe has 11 thousand people working at the company's facilities.