

Interpipe – global steel pipe producer



INTERPIPE – international company, producer of steel pipes and railway wheels

Global steel pipe producer

Production, 2012 – 1,1 mln tons of steel pipes:

Seamless pipes: 830,000 tons

Welded pipes: 260,000 tons

Third largest producer of forged railway wheels in the world

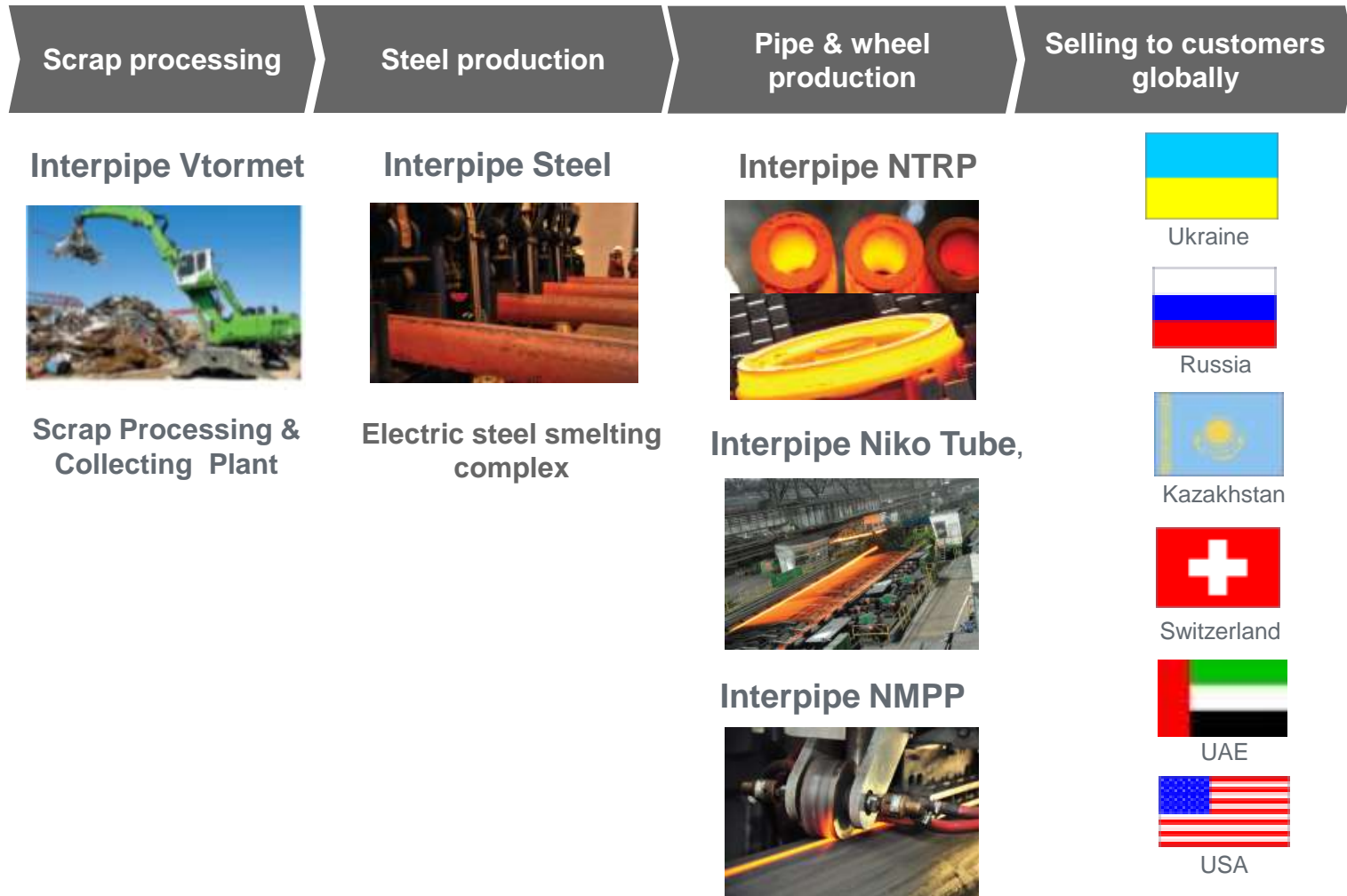
Production, 2012: 205,000 tons

Revenues

Revenues 2012: US\$ 2 bln



Vertically integrated business model



Huge experience in the marketplace

Brief Company history

- 2012** New state-of-the-art steel mill Interpipe Steel was put in operation
- 2008** Interpipe buys Dneprvtormet, one of the largest metal processing plants in Ukraine
- 2007** Construction of electric arc furnace Interpipe Steel begins
- 2006** Company experts develop the Ukrainian premium joint (UPJ) connection
- 2001** Production of high-strength steel grades begins
- 1995** Production in accordance with API
- 1965** Production of the first ERW welded pipe
- 1957** Start up of OCTG production
- 1933** Production of railway wheels begins
- 1895** Production of the first seamless pipe



Comprehensive range of pipe products



Casing & Tubing



Mechanical pipes



Line pipes seamless and welded

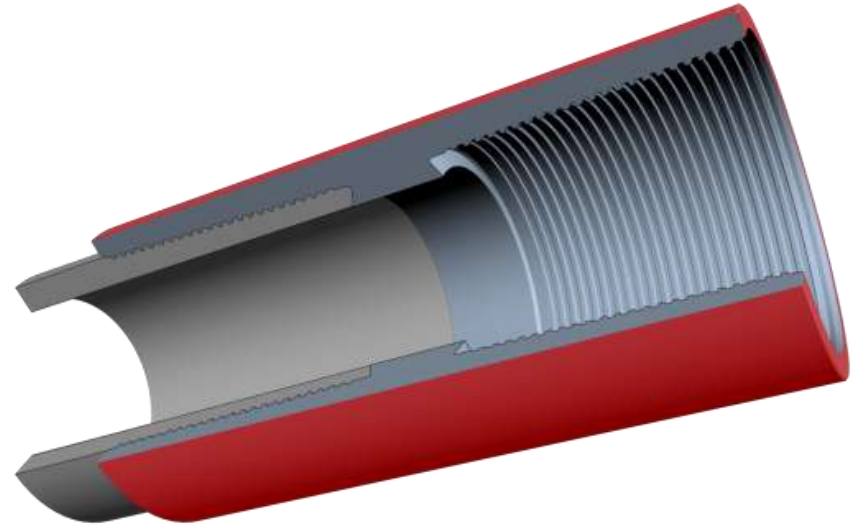


Industrial application

- API 5 CT
- API 5 L
- DIN 2440
- DIN 2441
- DIN EN 10255
- NF A 49-112
- NF A 49-115
- EN 10297-1
- EN 10220, 10210
- EN 10208
- DIN 1629, 1630
- ASTM A 106
- ASTM A 53
- EN 10217
- DIN 30670

UPJ connection for the premium OCTG segment

- Gas-tight sealing connection Ukrainian Premium Joint (UPJ) for casing and tubing pipes, is used for horizontal and inclined oil and gas wells construction working in difficult geological condition
- UPJ connection is compatible with NEW VAM connection
- UPJ for tubing pipes successfully passed ISO 13679:2002 CAL II Qualification Trials
- **Interpipe is actually developing premium threaded joints UPJ-Top. UPJ-Top is the next level of Interpipe's existing UPJ.**



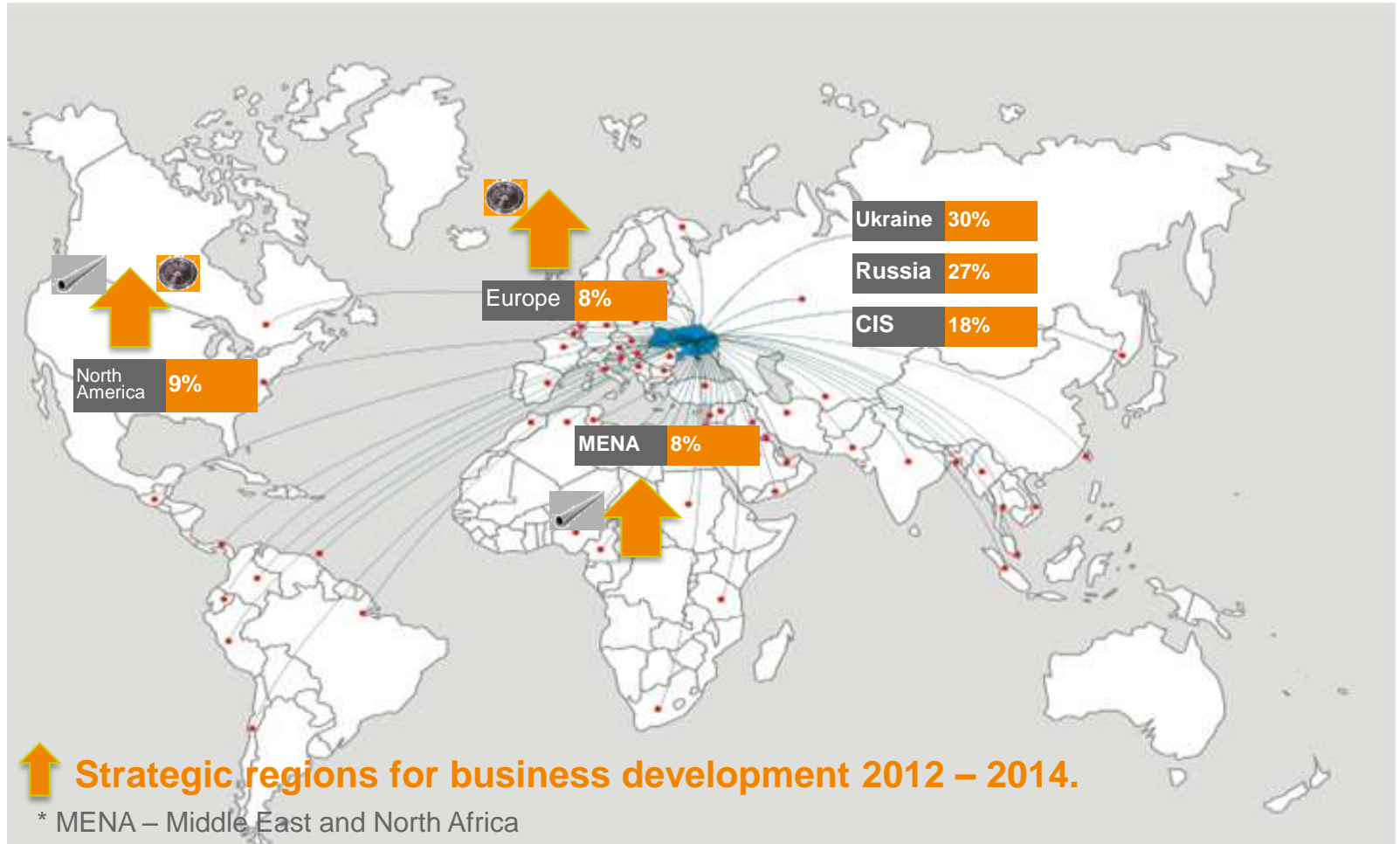
Pipe products in accordance with major international standards



- Quality management system according to ISO 9001 and API Q1
- Environmental management according to ISO 14001
- Occupational Health and Safety according to OHSAS 18001
- Pipes are produced according to API 5L, API 5CT, ASTM, EN (DIN), GOST and customer specifications
- Regular cooperation with leading 3rd Party inspection companies (Bureau Franke International, Moody International, SGS, Bureau Veritas, Inspectorate Ukraine) for product & process qualification, orders in-process inspection, harbour activity survey

A Global Sales Geography

In 2012 pipes were sold in 64 countries, wheels were sold in 25 countries



Key customers worldwide



Gazprom-Neft



Interpipe mills. Focus on products and investments



1. Scrap processing facility INTERPIPE VTORMET

Major activities: scrap collecting & scrap processing

In 2010 – 2011 major investment's program aimed at scarp supply expansion was realized. Investments totaled 8,5 mln USD.

In 2011 – 2012 Interpipe Vtormet has significantly expended scrap collecting network. At the moment network includes 19 sites.

The total investments into expansion will exceed 30 mln USD in 2012.



2. State-of-the art steel mill INTERPIPE STEEL

State of the art electric steel melting facility



In 2012 Interpipe has launched new electric steel melting complex Interpipe Steel.

The new mill ensures the provision of company's plants with high quality billets for the production of seamless pipes.

Investments into the project amounts to **700 million USD**.



When Interpipe Steel reaches its full capacity in 2014, it will become the largest electric steel smelting complex in Eastern Europe. Its **capacity** will amount to **1.32 million tons** of round wheel and pipe billets per year.

3. INTERPIPE NTRP. Production facilities

Production, 2012: 415 000 tons

- Plug mill (tubing diameter 73 -168 mm);
- Pilger mill (tubing diameter 168 - 377 mm);
- Assel mill (tubing diameter 76 - 203 mm)

- Initial finishing and pipe monitoring line;
- Non-destructive testing lines (UT and MPI testing);
- Coupling manufacture and non-destructive testing lines;
- Pipe and coupling threading and chamfering lines, tube hydraulic forging, painting and packing



4. INTERPIPE NIKO TUBE. Production facilities

Production, 2012: 382 000 tons

PRP with continuous rolling mill
Diameter: 32 – 114,3 mm
Wall thickness: 2,5 – 14 mm

Plug mill
Diameter: 159 – 325 mm
Wall thickness: 5 – 56 mm

Threaded pipes finishing shop
Diameter: 42 – 146 mm
Wall thickness: 4,83 – 9,52 mm



5. INTERPIPE NMPP. Production facilities

Production, 2012: 250 000 tons

- Mill for production welded pipes with diameter from 168 to 530 mm produced by method of induction welding with high-frequency current.
- Mill for pipes production with the diameter from 21.3 to 114.3 mm produced by method of induction welding with high-frequency current



Interpipe realizes on-going investment program

Program aimed at:

- **Integration of company production facilities with new EAF-mill:**
New cutting billets machines are being installed at Interpipe Niko Tube and Interpipe NTRP
Expansion of the scrap processing facility is in progress
- **Quality focused investments:**
New quality control lines are installed at Interpipe NTRP
NDT testing facility will be launched at Interpipe Niko Tube



Interpipe introduces new high standards of production culture at the mills



High standards of working conditions at Interpipe NMPP



Interpipe introduce new high standards of production culture at the mills



New educational center at Interpipe NIKO TUBE



Thank you!

