

Selected operational information for the six months ended 30 June 2014

Certain comparable financial and operational information has been re-presented for H1 2013 to conform with changes in the presentation of operations with Engaged Fleet for H1 2014. Terms that require definitions are marked with capital letters and their definitions are provided below in alphabetical order.

Rolling stock fleet

	As at 30 June 2014	As at 30 June 2013	Change	Change, %	As at 31 December 2013
Owned Fleet					
Gondola cars	39,844	40,357	-513	-1%	40,095
Rail tank cars	19,030	19,074	-44	0%	19,061
Hopper cars	707	707	0	0%	707
Locomotives	75	75	0	0%	75
Flat cars	1,186	1,186	0	0%	1,186
Total	60,842	61,399	-557	-1%	61,124
<i>Owned Fleet as % of Total Fleet</i>	<i>93%</i>	<i>95%</i>	<i>-</i>	<i>-</i>	<i>93%</i>
Leased-in Fleet					
Gondola cars	913	0	913	-	533
Rail tank cars	3,693	3,546	147	4%	4,151
Hopper cars	0	0	0	-	0
Locomotives	0	0	0	-	0
Flat cars	0	0	0	-	0
Total	4,606	3,546	1,060	30%	4,684
<i>Leased-in Fleet as % of Total Fleet</i>	<i>7%</i>	<i>5%</i>	<i>-</i>	<i>-</i>	<i>7%</i>
Total Fleet (Owned Fleet + Leased-in Fleet)	65,448	64,945	503	1%	65,808
Total Fleet by type of rolling stock, %					
Gondola cars	62%	62%	-	-	62%
Rail tank cars	35%	35%	-	-	35%
Hopper cars	1%	1%	-	-	1%
Locomotives	0%	0%	-	-	0%
Flat cars	2%	2%	-	-	2%
Total	100%	100%	-	-	100%
Leased-out Fleet					
Gondola cars	679	701	-22	-3%	600
Rail tank cars	9,014	8,660	354	4%	8,887
Hopper cars	475	601	-126	-21%	601
Locomotives	3	0	3	0%	3
Flat cars	67	292	-225	-77%	292
Total	10,238	10,254	-16	0%	10,383
<i>Leased-out Fleet as % of Total Fleet</i>	<i>16%</i>	<i>16%</i>	<i>-</i>	<i>-</i>	<i>16%</i>
Average age of Owned Fleet					
Gondola cars	6.7	6.1	-	-	6.4
Rail tank cars	11.0	10.0	-	-	10.5
Hopper cars	7.9	7.0	-	-	7.4
Locomotives	12.3	11.3	-	-	11.8
Flat cars	25.7	24.7	-	-	25.2
Total	8.4	7.7	-	-	8.0

Operation of rolling stock (incl. Engaged Fleet)

	H1 2014	H1 2013	Change	Change, %	12m 2013
Freight Rail Turnover, billion tonnes-km					
Metallurgical cargoes	47.7	44.1	3.6	8%	87.6
Ferrous metals	17.9	16.5	1.4	8%	32.2
Scrap metal	1.6	2.0	-0.4	-20%	3.7
Iron ore	28.2	25.6	2.6	10%	51.6
Oil products and oil	13.4	13.1	0.2	2%	25.7
Coal (incl. coke)	10.4	12.2	-1.8	-15%	23.2
Construction materials	5.4	5.6	-0.1	-2%	11.2
Crushed stone	4.9	5.0	-0.2	-3%	10.1
Cement	0.2	0.2	0.1	39%	0.3
Other construction materials	0.3	0.4	0.0	-6%	0.8
Other	3.7	3.7	0.0	1%	7.8
Total	80.6	78.7	1.9	2%	155.5
Freight Rail Turnover by cargo type, %					
Metallurgical cargoes (incl. ferrous metal, scrap metal and iron ore)	59%	56%	-	-	56%
Oil products and oil	17%	17%	-	-	17%
Coal (incl. coke)	13%	16%	-	-	15%
Construction materials (incl. cement)	7%	7%	-	-	7%
Other	5%	5%	-	-	5%
Total	100%	100%	-	-	100%
Transportation Volume, million tones					
Metallurgical cargoes	25.0	25.2	-0.1	0%	50.0
Ferrous metals	9.4	9.2	0.2	2%	18.2
Scrap metal	1.5	1.9	-0.5	-24%	3.6
Iron ore	14.2	14.1	0.1	1%	28.2
Oil products and oil	11.5	11.8	-0.3	-2%	23.9
Coal (incl. coke)	5.0	5.9	-0.9	-15%	10.8
Construction materials	5.7	5.3	0.4	7%	11.0
Crushed stone	5.1	4.8	0.3	7%	9.7
Cement	0.2	0.1	0.1	52%	0.2
Other construction materials	0.4	0.4	0.0	-3%	1.1
Other	3.3	3.1	0.2	8%	6.7
Total	50.6	51.2	-0.7	-1%	102.4

Operation of rolling stock (excl. Engaged Fleet)

	H1 2014	H1 2013	Change	Change, %	12m 2013
Freight Rail Turnover, billion tonnes-km					
Metallurgical cargoes	38.8	33.5	5.3	16%	65.9
Ferrous metals	15.6	12.9	2.7	21%	25.5
Scrap metal	1.4	0.9	0.5	62%	2.1
Iron ore	21.8	19.8	2.1	10%	38.3
Oil products and oil	12.8	13.1	-0.2	-2%	25.1
Coal (incl. coke)	9.1	10.9	-1.8	-16%	21.2
Construction materials	5.2	5.5	-0.3	-6%	11.0
Crushed stone	4.6	5.0	-0.4	-7%	9.9
Cement	0.2	0.2	0.1	39%	0.3
Other construction materials	0.3	0.4	0.0	-10%	0.8
Other	3.6	3.7	0.0	-1%	7.8
Total	69.6	66.7	2.9	4%	131.0
Transportation Volume, million tones					
Metallurgical cargoes	19.8	18.3	1.5	8%	35.7
Ferrous metals	7.9	6.7	1.2	18%	13.4
Scrap metal	1.3	1.1	0.2	23%	2.3
Iron ore	10.6	10.5	0.0	0%	20.0
Oil products and oil	11.0	11.7	-0.7	-6%	23.0
Coal (incl. coke)	4.3	5.2	-0.9	-16%	9.8
Construction materials	5.3	5.2	0.1	3%	10.8
Crushed stone	4.8	4.7	0.2	3%	9.5
Cement	0.2	0.1	0.1	50%	0.2
Other construction materials	0.4	0.4	-0.1	-18%	1.0
Other	3.2	3.0	0.2	5%	6.6
Total	43.6	43.4	0.2	1%	86.0
Average Rolling Stock Operated, units					
Gondola cars	39,406	38,483	923	2%	38,920
Rail tank cars	13,832	13,523	309	2%	13,535
Hopper cars	105	160	-55	-35%	127
Locomotives	45	38	7	18%	38
Flat cars	815	764	51	7%	826
Total	54,203	52,968	1,235	2%	53,445
Average Number of Loaded Trips per Railcar					
Gondola cars	12.3	12.2	0.1	1%	23.9
Rail tank cars	13.0	14.3	-1.3	-9%	28.3
Hopper cars	10.5	13.6	-3.1	-23%	29.8
Flat cars	16.9	16.2	0.8	5%	32.4
Total	12.5	12.8	-0.2	-2%	25.1
Average Distance of Loaded Trip, km					
Gondola cars	1,753	1,715	-	2%	1,706
Rail tank cars	1,159	1,109	-	5%	1,076
Hopper cars	548	378	-	45%	396
Flat cars	1,686	1,673	-	1%	1,636
Total	1,592	1,536	-	4%	1,521
Average Price per Trip					
Average Price per Trip, USD	797	941	-	-15%	907
Average Price per Trip, RUB	27,974	29,220	-	-4%	28,947
Net Revenue from Operation of Rolling Stock by cargo type, USD million					
Metallurgical cargoes	183.5	210.5	-27.0	-13%	390.8
Ferrous metals	104.6	117.2	-12.6	-11%	218.9
Scrap metal	8.9	6.7	2.2	33%	18.0
Iron ore	70.0	86.6	-16.6	-19%	154.0
Oil products and oil	273.6	313.4	-39.7	-13%	601.8
Coal (incl. coke)	40.2	57.6	-17.5	-30%	105.6
Construction materials (incl. cement)	23.1	28.9	-5.8	-20%	65.6
Other	21.2	26.6	-5.3	-20%	53.9
Total, USD million	541.6	636.9	-95.3	-15%	1,217.8
Total, RUR billion	19.0	19.8	-0.8	-4%	38.9
Net Revenue from Operation of Rolling Stock by cargo type, %					
Metallurgical cargoes (incl. ferrous metal, scrap metal and iron ore)	34%	33%	-	-	32%
Oil products and oil	51%	49%	-	-	49%
Coal (incl. coke)	7%	9%	-	-	9%
Construction materials (incl. cement)	4%	5%	-	-	5%
Other	4%	4%	-	-	4%
Total	100%	100%	-	-	100%
Net Revenue from Operation of Rolling Stock by largest clients (incl. their affiliates and suppliers), %					
Rosneft (incl. RN Holding)	31%	30%	-	-	31%
MMK	19%	15%	-	-	17%
Metalloinvest	12%	13%	-	-	13%
Gazpromneft	10%	8%	-	-	8%
Evraz	4%	3%	-	-	3%
Sovfracht	4%	1%	-	-	2%
TMK	1%	1%	-	-	1%
Severstal	1%	2%	-	-	2%
Lukoil	0.4%	3%	-	-	2%
Mechel	0.2%	2%	-	-	1%
Other (incl. small and medium enterprises)	17%	23%	-	-	20%
Empty Run Ratio					
Gondola cars	38%	37%	-	-	38%
Rail tank cars, hopper cars and flat cars	102%	110%	-	-	109%
Total Empty Run Ratio	51%	53%	-	-	53%
Empty Run Costs, USD million					
	150.5	162.4	-11.9	-7%	309.8
Share of Empty Run Kilometres Paid by Globaltrans					
	88%	88%	-	-	89%

Engaged Fleet

	H1 2014	H1 2013	Change	Change, %	12m 2013
Net Revenue from Engaged Fleet, USD million	24.9	27.0	-2.1	-8%	58.6

Employees

	As at 30 June 2014	As at 30 June 2013	Change	Change, %	As at 31 December 2013
Employees by departments (simplified)					
Operations	1,086	1,156	-70	-6%	1,102
Administrative	504	532	-28	-5%	518
Total	1,590	1,688	-98	-6%	1,620

Definitions (in alphabetical order)

Average Distance of Loaded Trip is calculated as the sum of the distances of all loaded trips for a period divided by the number of loaded trips for the same period.

Average Number of Loaded Trips per Railcar is calculated as total number of loaded trips in the relevant period divided by Average Rolling Stock Operated.

Average Price per Trip is calculated as Net Revenue from Operation of Rolling Stock divided by total number of loaded trips during the relevant period in the respective currency.

Average Rolling Stock Operated is calculated as the average weighted (by days) number of rolling stock available for operator services (not including rolling stock in maintenance, purchased rolling stock in transition to its first place of commercial utilisation, rolling stock leased out or Engaged Fleet).

Engaged Fleet is defined as rolling stock subcontracted or otherwise engaged from a third-party rail operator for a loaded trip from the point of origination to the cargo's destination, at which point the railcar is then released to such third-party.

Empty Run or Empty Runs means movement of railcars without cargo for the whole or a substantial part of the journey.

Empty Run Costs (a non-GAAP financial measure meaning costs payable to RZD for forwarding empty railcars) is derived from management accounts and presented as part of the "Infrastructure and locomotive tariffs: empty run trips, other tariffs" component of "Cost of sales" reported under EU IFRS. Empty Run Costs do not include costs of relocation of rolling stock to and from maintenance, purchased rolling stock in transition to its first place of commercial utilisation, rolling stock leased in or leased out and Engaged Fleet.

Empty Run Ratio is calculated as the total of empty trips in kilometres by respective rolling stock type divided by total loaded trips in kilometres of such rolling stock type. Empty trips are only applicable to rolling stock operated (not including rolling stock in maintenance, purchased rolling stock in transition to its first place of commercial utilisation, rolling stock leased out or Engaged Fleet).

Freight Rail Turnover is a measure of freight carriage activity over a particular period calculated as the sum of tonnage of each loaded trip multiplied by the distance of each loaded trip, expressed in tonnes-km. It includes volumes transported by the Engaged Fleet, unless otherwise stated.

Leased-in Fleet is defined as rolling stock fleet leased-in under operating leases, including both railcars and locomotives.

Leased-out Fleet is defined as rolling stock fleet leased out to third parties under operating leases.

Net Revenue from Engaged Fleet (a non-GAAP financial measure) represents the net sum of the price charged for transportation to clients by the Group utilising Engaged Fleet less the loaded railway tariff charged by RZD (included in the EU IFRS line item "Infrastructure and locomotive tariff – loaded trip") less the cost of attracting fleet from third-party operators (included in the EU IFRS line item "Services provided by other transportation organisations").

Net Revenue from Operation of Rolling Stock (a non-GAAP financial measure) is defined as the sum of "Revenue from railway transportation-operators services (tariff borne by the Group)" and "Revenue from railway transportation-operators services (tariff borne by the client)" less "Infrastructure and locomotive tariffs - loaded trips", "Services provided by other transportation organisation" and Net Revenue from Engaged Fleet.

Owned Fleet is defined as the rolling stock fleet owned and leased in under finance lease as at the end of the reporting period. It includes railcars and locomotives unless otherwise stated and excludes Engaged Fleet.

Share of Empty Run Kilometres Paid by Globaltrans is defined as the percentage of empty run kilometres paid by Globaltrans divided by the total amount of empty run kilometres incurred by the fleet operated by Globaltrans (not including relocation of rolling stock to and from maintenance, purchased rolling stock in transition to its first place of commercial utilisation, and rolling stock leased out or Engaged Fleet) in the relevant period.

Total Empty Run Ratio is calculated as total kilometres travelled empty divided by the total kilometres travelled loaded by the fleet operated by Globaltrans (not including the relocation of rolling stock to and from maintenance, purchased rolling stock in transition to its first place of commercial utilisation, or rolling stock leased out or Engaged Fleet) in the relevant period.

Total Fleet is defined as the total rolling stock owned and leased in under finance and operating leases as at the end of period. It includes railcars and locomotives unless otherwise stated and excludes Engaged Fleet.

Transportation Volume is a measure of freight carriage activity over a particular period measuring weight of cargo carried in million tonnes. It includes volumes transported by Engaged Fleet, unless otherwise stated.