



Innovation

Partnerships

Independence

Performance

## Full-Year 2015 Results

 **Globaltrans**  
Russia's leading private freight rail group

Valery Shpakov, CEO and Alexander Shenets, CFO  
Investor Conference Call: 31 March 2016

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The financial information contained in this presentation is derived from the audited consolidated financial statements of Globaltrans Investment PLC (the “Company” or, together with its subsidiaries, “Globaltrans” or the “Group”) and has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of Cyprus Companies Law, Cap. 113 (“EU IFRS”).

The Group’ consolidated financial statements and selected operational information as at and for the year ended 31 December 2015 and 2014 along with historical financial and operational information are available at Globaltrans’ corporate website ([www.globaltrans.com](http://www.globaltrans.com)).

The presentational currency of the Group’s financial results is Russian Roubles (“RUB”), which is the functional currency of the Company as well as its Cypriot and Russian subsidiaries.

Certain financial information which is derived from management accounts is marked in this presentation with an asterisk {\*}.

In this presentation the Group has used certain non-GAAP financial information (not recognized by EU IFRS or IFRS) as supplemental measures of the Group’s operating performance.

Information (non-GAAP and operating measures) requiring additional explanation or defining is marked with initial capital letters and the explanations or definitions are provided at the end of this presentation.

Rounding adjustments have been made in calculating some of the financial and operational information included in this presentation. As a result, numerical figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

The Group has obtained certain statistical, market and pricing information that is included in this presentation on such topics as the Russian freight rail transportation market and related subjects from the following third-party sources: Federal State Statistics Service of Russian Federation (“Rosstat”); JSC Russian Railways (“RZD”), Federal Tariff Service of Russian Federation (“FST”) and the Council of Freight Rail Operators (“Railsovet”). The Group has accurately reproduced such information and, as far as it is aware and is able to ascertain from information published by such third-party sources, no facts have been omitted that would render the reproduced information inaccurate or misleading. The Group has not independently verified this third-party information. In addition, the official data published by Russian governmental agencies may be substantially less complete or researched than that of more developed countries.

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## The team presenting today



**Valery Shpakov**  
Chief Executive Officer

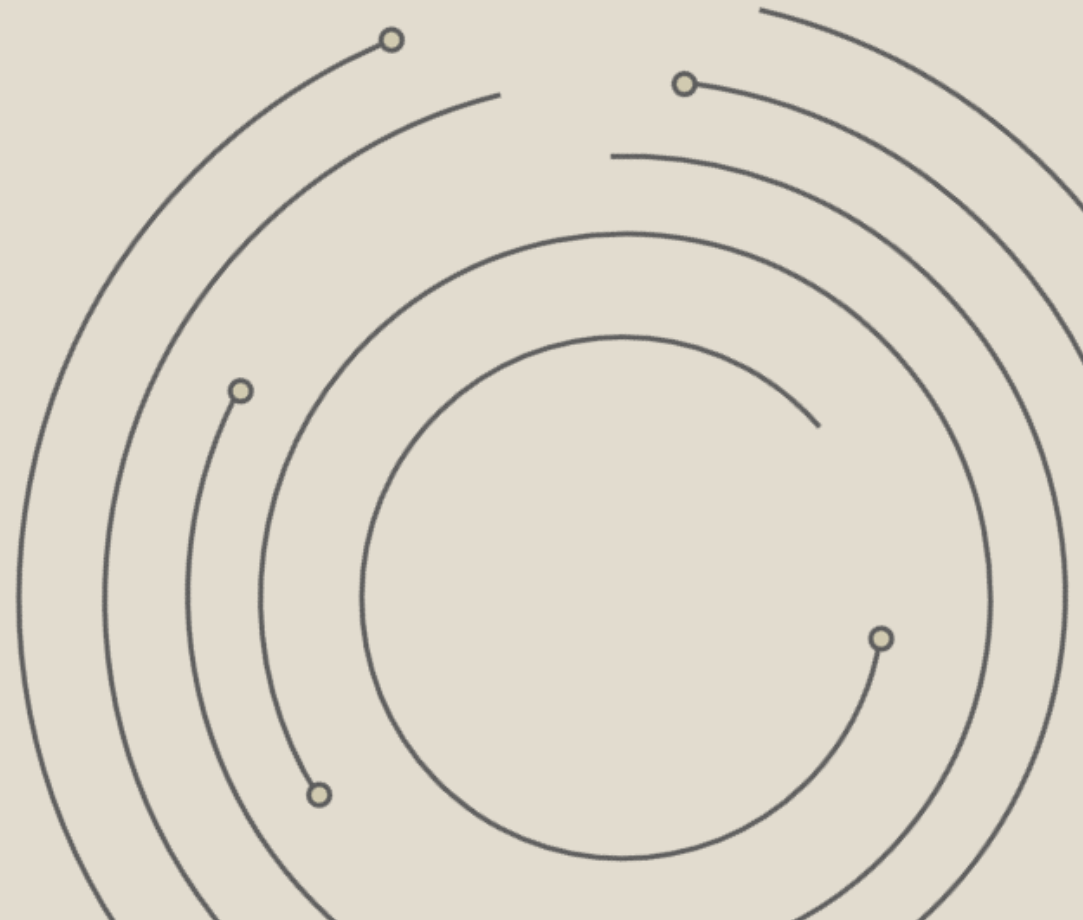
Mr Shpakov became CEO in March 2016, having served as Interim CEO since November 2015. He joined New Forwarding Company (a subsidiary of Globaltrans) in 2003 and has been its CEO since 2007. He has a track record of over 30 years in the rail industry. He is also a recipient of the “Honoured Railwayman of Russia” Award, a title awarded by the sector in recognition of those making significant contributions to the rail industry.



**Alexander Shenets**  
Chief Financial Officer

Mr Shenets has been the CFO of Globaltrans since the Group’s establishment. He has more than 12 years of experience in senior finance positions, mostly in the rail sector.

- **Highlights**



# Continued market outperformance, deleveraging accelerated and substantial dividend proposed

## Good operational performance

- Continued market outperformance with the Group's Freight Rail Turnover up 6% y-o-y<sup>1</sup> vs. relatively stable overall Russian market
- Solid pricing with Average Price per Trip up 2% y-o-y
- Service contract with Rosneft extended for further 5 years<sup>2</sup>. The volume and pricing attributed to the contract is subject to review and adjustment

## Solid financial results

- Adjusted Revenue of RUB 42.2 bln\*, up 1% y-o-y reflecting strong increase of 5% y-o-y in Net Revenue from Operation of Rolling Stock
- Adjusted EBITDA of RUB 15.5 bln\* with intensified cost inflation driving the 12% y-o-y decline
- Good level of Free Cash Flow of RUB 9.6 bln\* despite 19% decline y-o-y

## Deleveraging accelerated

- Net Debt reduced 31% to RUB 16.3 bln\* at end 2015
- Net Debt to Adjusted EBITDA improved to 1.0x\*; one of the strongest balance sheets in the sector
- Minimal FX risk with share of RUB denominated debt increased to almost 100%

## Substantial dividend proposed

- Board of Directors proposed a full-year dividend of a total amount of RUB 2.2 bln, RUB 12.41 per share/GDR<sup>3</sup>
- Proposed dividend consists of 30% of Adjusted profit attributable to owners of the Company for 2014 and 30% for 2015. This equates to a dividend pay-out ratio of 74%<sup>4</sup>
- Track record re-established for dividend payments in relation to every financial year since 2009

Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

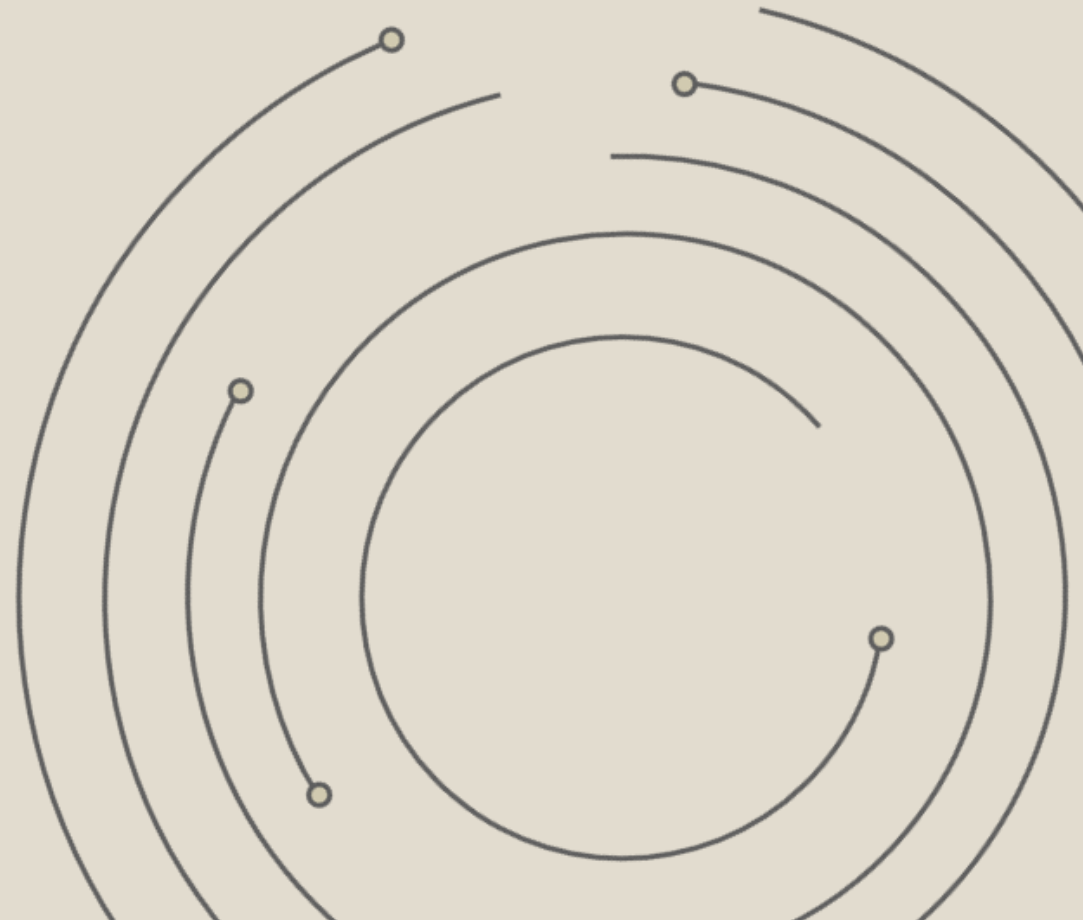
1) The Group's Freight Rail Turnover excluding Engaged Fleet increased 8% y-o-y.

2) As announced on 25 February 2016.

3) Subject to shareholders' approval, dividends will be paid in USD with conversion from RUB to be executed at the official exchange rate for RUB of the Central Bank of Russia as of the date of the Annual General Meeting, which was called for April 28, 2016.

4) The dividend pay-out ratio is calculated as a proportion of Adjusted profit attributable to owners of the Company, which was RUB 2,979 million\* in 2015 and excludes the impact of the impairment of customer relationships related to the service contracts with MMK of RUB 996 million.

- Market update



## Sluggish market conditions reflecting macro headwinds

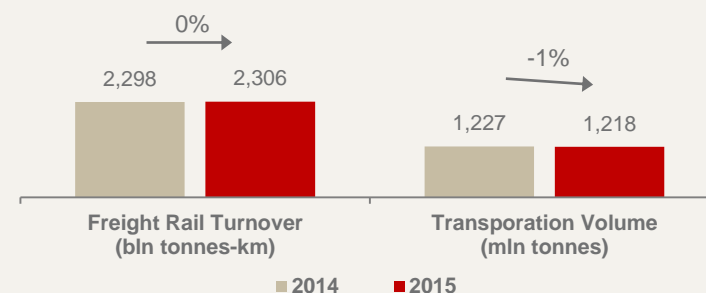
- Market remains sluggish**

- Transportation Volumes in Russia down 1% y-o-y in 2015
- Freight Rail Turnover in Russia unchanged y-o-y in 2015 supported by increased distances of transportation
- Weak market conditions continued in January - February 2016
  - Overall Freight Rail Turnover increased 1% y-o-y with Transportation Volumes unchanged y-o-y
  - Demand for rail transportation varied by freight segment (coal +9% y-o-y), oil products and oil (-6% y-o-y), metallurgical cargoes (-4% y-o-y) and construction materials (+13% y-o-y)<sup>1</sup>

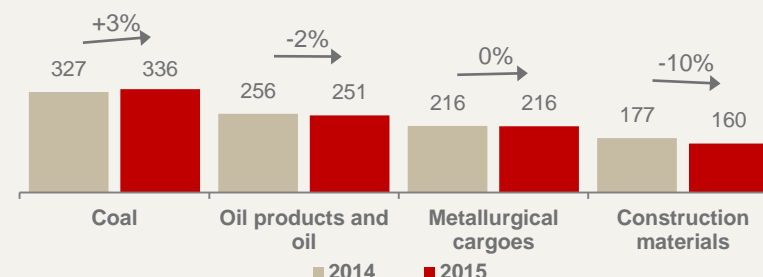
- Mixed pricing environment**

- Accelerated scrappage of fleet reaching end of useful life positively affects pricing conditions in gondola segment
- Decline in volumes in the oil products and oil sector is putting pressure on pricing environment

### Overall Russian freight rail market performance



### Overall Russian freight rail Transportation Volumes (by key freight, mln tonnes)<sup>1</sup>



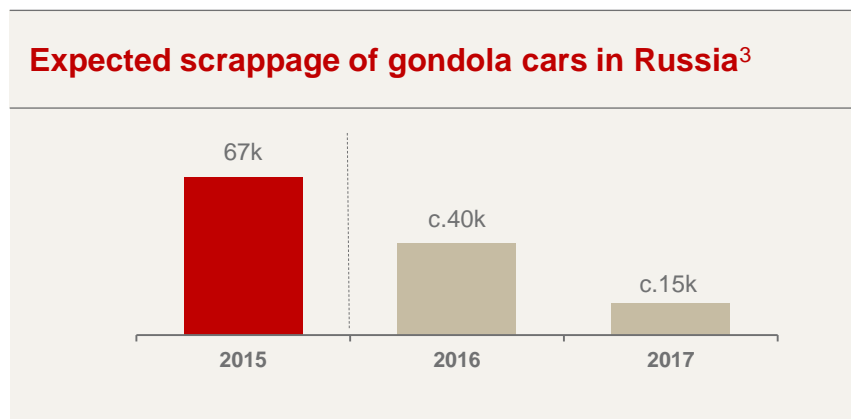
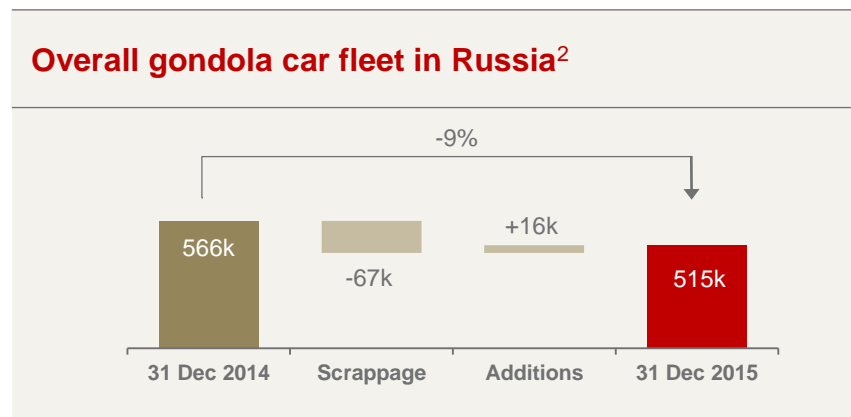
Source: Globaltrans; Rosstat; RZD. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

1) Coal including coke. Metallurgical cargoes including ferrous metals, scrap metal and ores. Construction materials including cement.



# Ongoing industry-wide scrappage of old railcar fleet improves supply and demand balance

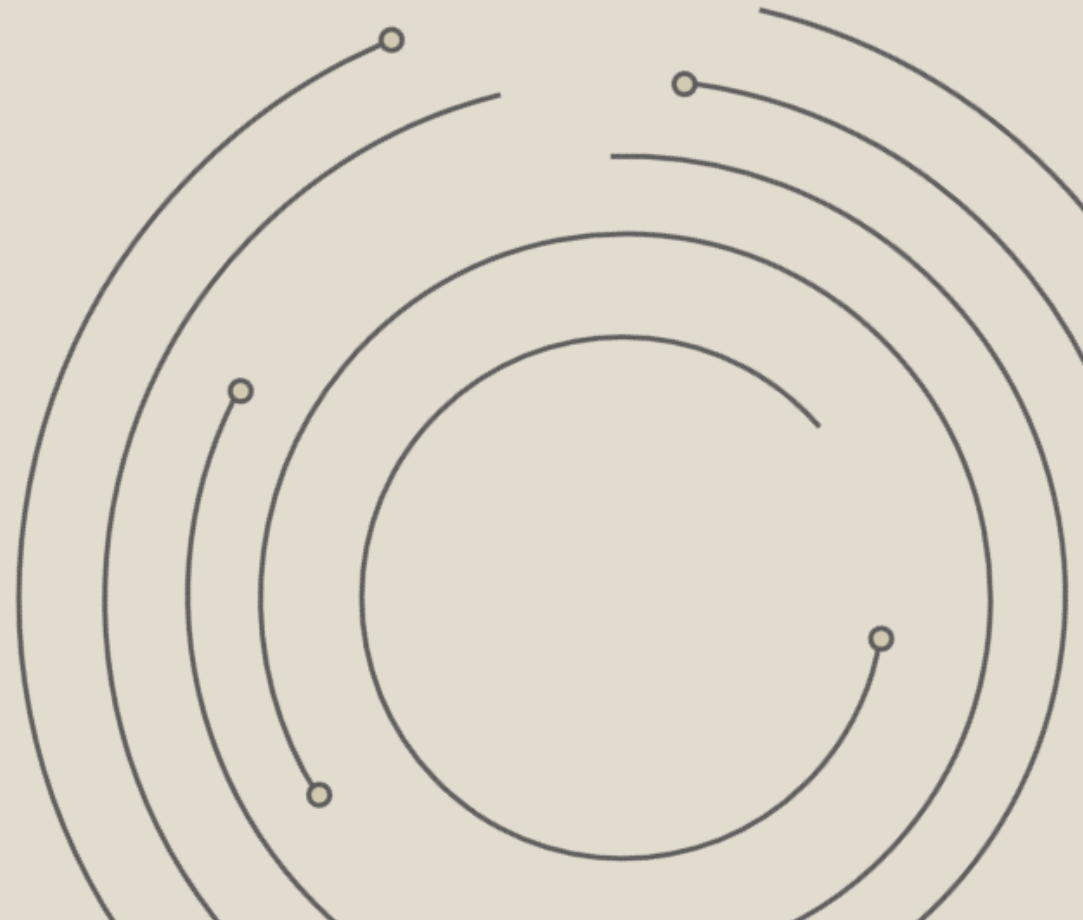
- Accelerated scrappage of old fleet as strict regulation introduced**
  - All railcars reaching the end of useful life (or extended useful life) have to be taken out of operation<sup>1</sup>
  - High leverage, weak economic and market environment limits industry's capacity to invest in new rolling stock to substitute retired fleets
- Gondola fleet numbers in Russia have started to decline**
  - Reduced by c.9% in 2015<sup>2</sup>
  - Additional c.40k gondola cars (c.8% of total gondola fleet) will have useful life ending in 2016<sup>3</sup>
- Globaltrans owns one of the most modern sizeable fleets with an average age of 9.5 years<sup>4</sup>**
  - Only c.300 units or 0.5% of Globaltrans' fleet is expected to end their useful life by the end of 2016



Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

1) Excluding the certain types of specialized railcars.  
 2) Source: Railsovet; estimated by the Company.  
 3) Estimated by the Company, based on the number of gondola cars reaching the end of useful life (or extended useful life).  
 4) As of the end of 2015.

- Operational performance



## Continued market outperformance, solid average pricing

- **Continued market outperformance**

- Freight Rail Turnover (incl. Engaged Fleet) up 6% y-o-y vs. relatively stable overall Russian market

- Led by metallurgical cargoes (+6% y-o-y), coal (+16% y-o-y) and construction materials (+6% y-o-y)<sup>1</sup>

- Market Share stable at 8.3%<sup>2</sup>

- Metallurgical cargoes (22.6%); oil products and oil (9.0%); coal (3.4%); construction materials (7.4%)<sup>1</sup>

- **Solid average pricing with Average Price per Trip up 2% y-o-y**

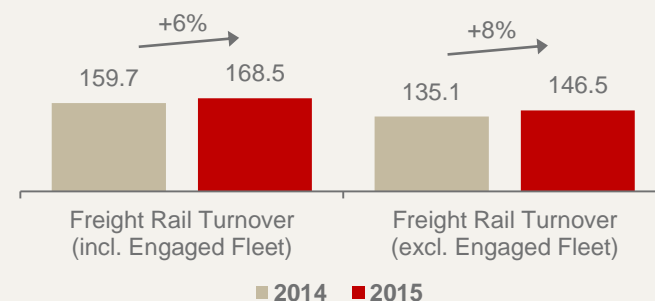
- Solid performance of rail tank cars segment and stabilized pricing environment in gondola car segment

- Changed logistics with consequent increased Average Distance of Loaded Trip (+5% y-o-y)

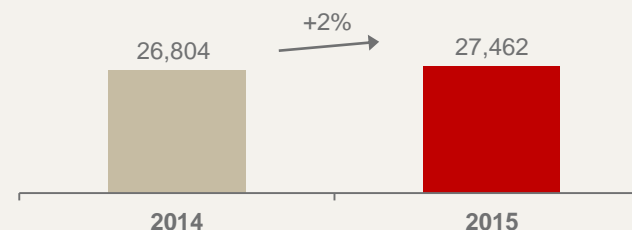
- **Improved railcar turnover**

- Average Number of Loaded Trips per railcar up 2% y-o-y

### Freight Rail Turnover (bln tonnes-km)<sup>3</sup>



### Average Price per Trip (RUB)



Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

1) Metallurgical cargoes including ferrous metals, scrap metal and ores; Coal including coke; Construction materials including cement.

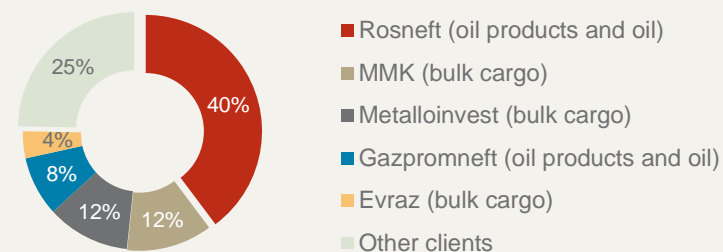
2) Market Share is calculated as a percentage of the overall Russian freight rail transportation volume or as a percentage of overall Russian freight rail transportation volume of respective cargoes. It includes the volumes transported by Engaged Fleet unless otherwise stated.

3) The Group's Transportation Volumes (including Engaged Fleet) were down 1% y-o-y in 2015; Transportation Volumes (excluding Engaged Fleet) were up 4% y-o-y.

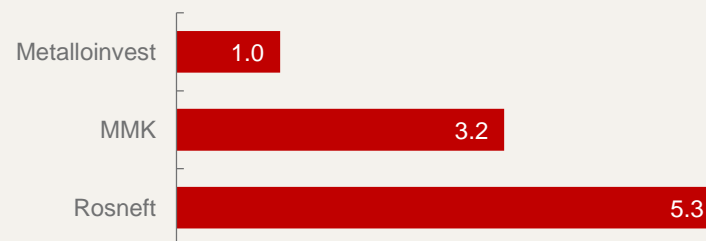
## Successful long-term partnerships: service contract with Rosneft renewed for further five years

- **Globaltrans is a trusted long-term partner to leading industrial groups**
  - More than 500 clients served in Russia and CIS
  - Blue-chip clients operating primarily in metallurgical, industrial materials and energy sectors
  - High client retention; nearly all key clients maintained since the establishment of the Group
  
- **Long-term contracts underpin Globaltrans' client-oriented strategy**
  - Pioneered this approach in 2012
  - Proven to be mutually beneficial
    - All key long-term service contracts have been extended at least once since they were signed
  - A core component of Globaltrans' business model
    - Currently >60%<sup>1</sup> of Net Revenue from Operation of Rolling Stock covered by long-term contracts

### Net Revenue from Operation of Rolling Stock by key clients (2015)



### Remaining term of key service contracts (years; as of the end of 2015)<sup>2</sup>



Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

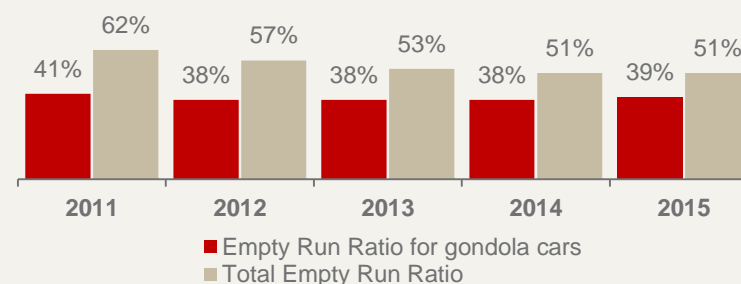
1) As of the end of 2015.

2) The renewal of the service contract with Rosneft for the next five years was announced on 25 February 2016.

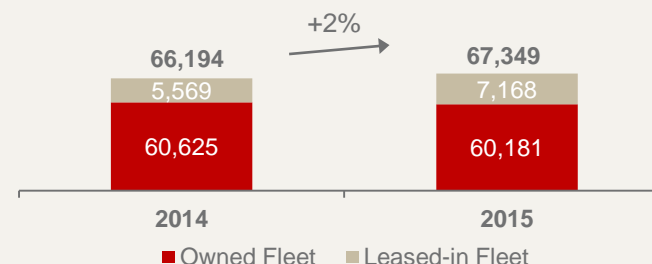
## Continued high operational efficiency, all railcars are deployed

- **High operational efficiency despite weak economic conditions**
  - Efficient operational model underpinned by deep understanding of clients' logistics and sizable long-term service contracts
  - Empty Run Ratio for gondola cars was slightly higher at 39% (2014: 38%) largely reflecting an increase in coal transportation, which logistically generally requires higher Empty Runs
  - Total Empty Run Ratio (for all types of railcars) unchanged at 51% y-o-y
  - Share of Empty Run km paid by Globaltrans at 88% (2014: 87%)
- **All railcars are deployed**
  - Total Fleet increased 2% y-o-y to 67,349 units, reflecting:
    - Scrappage of 733 units due to end of useful life
    - 289 units acquired from secondary market
    - 1,599 additional units leased-in to partially substitute Engaged Fleet
  - As of the end of 2015 the Group engaged a further 6k units of rolling stock to meet demand not covered by owned or leased-in fleets

**Empty Run Ratio (2011-2015; %)**

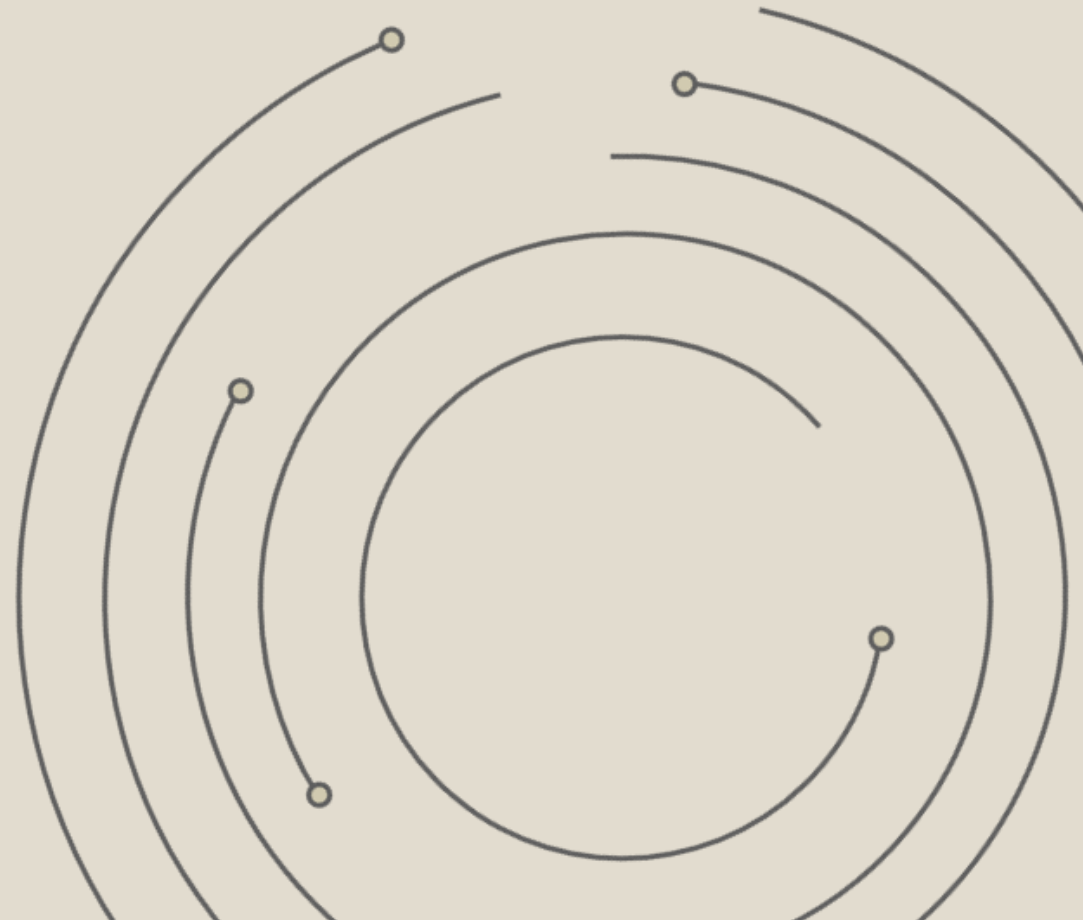


**Total Fleet (at year end; units)**



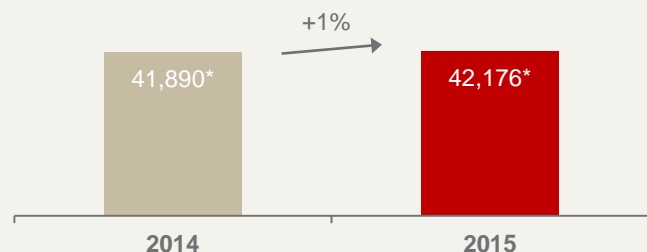
Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

- Financial results

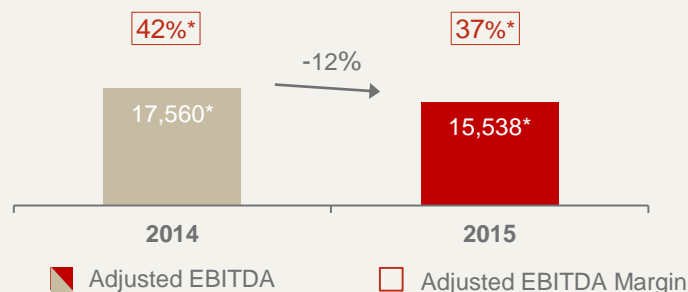


# Solid financial results in tough market, Net Debt significantly reduced, substantial dividend proposed

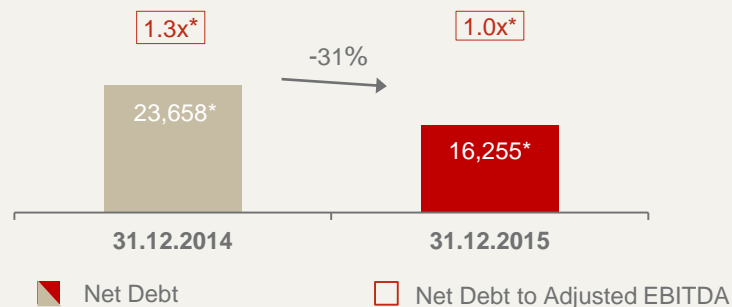
**Adjusted Revenue (RUB mln)**



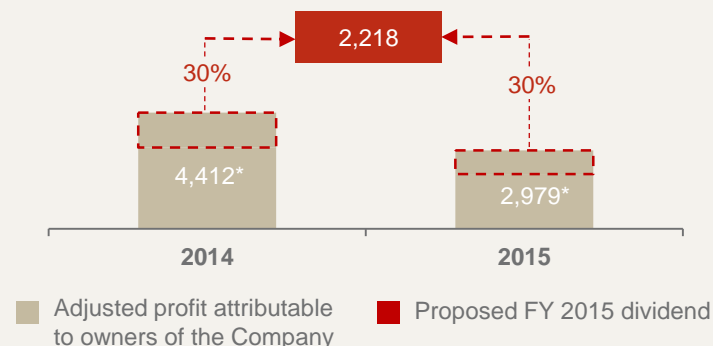
**Adjusted EBITDA (RUB mln); Adjusted EBITDA Margin (%)**



**Net Debt (RUB mln); Net Debt to Adjusted EBITDA (x)**



**Adjusted profit attributable to owners of the Company<sup>1</sup>; Proposed FY 2015 dividend (RUB mln)**



Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

1) Adjusted profit attributable to owners of the Company for 2015 excludes the impact of the impairment of customer relationships related to the service contracts with MMK in the amount of RUB 996 million. For 2014 it excludes the impact of the impairment of goodwill in the amount of RUB 5,828 million related to the acquisition of captive rail operators completed in 2012 and 2013.

## Revenue analysis: Net Revenue from Operation of Rolling Stock started to recover (+5% y-o-y)

	2014 (RUB mln)	2015 (RUB mln)	Change y-o-y, %
<b>Revenue</b>	<b>68,700</b>	<b>68,200</b>	<b>-1%</b>
<i>Minus</i>			
Infrastructure and locomotive tariffs: loaded trips	23,251	23,326	0%
Services provided by other transportation organisations	3,560	2,698	-24%
<b>Adjusted Revenue</b>	<b>41,890*</b>	<b>42,176*</b>	<b>1%</b>
<i>Including</i>			
<b>Net Revenue from Operation of Rolling Stock</b>	<b>36,661*</b>	<b>38,568*</b>	<b>5%</b>
<b>Operating leasing of rolling stock</b>	<b>3,259</b>	<b>2,408</b>	<b>-26%</b>
<b>Net Revenue from Engaged Fleet</b>	<b>1,622*</b>	<b>829*</b>	<b>-49%</b>
Railway transportation - freight forwarding	29	24	-16%
Other	319	347	9%

- **Net Revenue from Operation of Rolling Stock (91% of Adjusted Revenue) up 5% y-o-y**
  - Average Price per Trip up 2% y-o-y
  - Average Rolling Stock Operated up 1% y-o-y with Average Number of Loaded Trips per railcar up 2% y-o-y
- **Revenue from Operating leasing of rolling stock (6% of Adjusted Revenue) decreased 26% y-o-y**
  - Primarily reflecting a combination of the decline in the leasing rates and a lower average number of rolling stock leased-out during the year
- **Net Revenue from Engaged Fleet (2% of Adjusted Revenue) decreased 49% y-o-y**
  - Driven by the decrease in the number of Engaged Fleet as the Group partially substituted Engaged Fleet with Leased-in Fleet as well as a decline in pricing terms over the year

Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

- 1) "Infrastructure and locomotive tariffs: loaded trips" comprises revenue resulting from tariffs that customers pay to the Group and the Group pays on to RZD, which are reflected in equal amounts in both the Group's revenue and cost of sales.
- 2) "Services provided by other transportation organizations" is revenue resulting from the tariffs that customers pay to the Group and the Group pays on to third-party rail operators for subcontracting their rolling stock, which are reflected in equal amounts in both the Group's revenue and cost of sales. The net result of Engaged Fleet operations is reflected as Net Revenue from Engaged Fleet being a part of Adjusted Revenue.



## Cost analysis: Accelerated inflationary pressures partially mitigated

	2014 (RUB mln)	2015 (RUB mln)	Change %
<b>Total Operating Cash Costs</b>	<b>24,152*</b>	<b>26,749*</b>	<b>11%</b>
Empty Run Costs	10,354*	11,804*	14%
Repairs and maintenance	3,800	4,196	10%
Employee benefit expense	3,236	3,466	7%
Fuel and spare parts - locomotives	1,403	1,615	15%
Infrastructure and Locomotive Tariffs - Other Tariffs	1,018*	1,318*	29%
Operating lease rentals - rolling stock	1,249	1,334	7%
Engagement of locomotive crews	468	516	10%
Other Operating Cash Costs <sup>1</sup>	2,624*	2,500*	-5%
<b>Total Operating Non-Cash Costs</b>	<b>6,363*</b>	<b>6,198*</b>	<b>-3%</b>
<i>Including</i>			
Depreciation of property, plant and equipment	5,085	4,879	-4%
Amortisation of intangible assets	1,079	1,078	0%

- **Total Operating Cash Costs up 11% y-o-y**

- Primarily reflecting growth in business volumes (+8% y-o-y increase in the Group's Freight Rail Turnover - excl. Engaged Fleet) as well as general inflationary pressures, in particular +10% y-o-y increase in regulated RZD tariffs

- **Total Operating Non-Cash Costs down 3% y-o-y**

- Largely due to decline in depreciation of property, plant and equipment

Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

1) Includes line items such as "Legal, consulting and other professional fees", "Operating lease rentals - office", "Auditors' remuneration", "Advertising and promotion", "Communication costs", "Information services", "Taxes (other than income tax and value added taxes)" and "Other expenses".

## Major Operating Cash Cost items<sup>1</sup>

### Empty Run Costs (44%)<sup>2</sup>



- 10% increase in regulated RZD tariffs for the traction of empty railcars
- 8% y-o-y increase in the Group's Freight Rail Turnover (excl. Engaged Fleet)
- Total Empty Run Ratio unchanged y-o-y at 51%; Share of Empty Run km paid by Globaltrans at 88% (2014: 87%)

### Repairs and maintenance (16%)<sup>2</sup>



- Increase in the number of current repairs due to improved industry safety regulations
- Increase in costs related to the repair and maintenance of locomotives

### Employee benefit expense (13%)<sup>2</sup>



- Increase in termination benefits related primarily to corporate restructuring as well as the rise in social insurance costs
- Excluding termination benefits, employee benefit expense growth limited to 2% y-o-y:
  - 2% y-o-y decline in headcount (administrative personnel down 12% y-o-y)
  - Below-inflation rise in wages and salaries, combined with lower bonuses

### Fuel and spare parts – locomotives (6%)<sup>2</sup>



- Cost inflation of fuel and machine oil
- Increase in consumption due to growth in number of block train runs<sup>3</sup> with owned locomotives

Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

1) All financial information on this page is expressed in RUB million, unless otherwise stated.

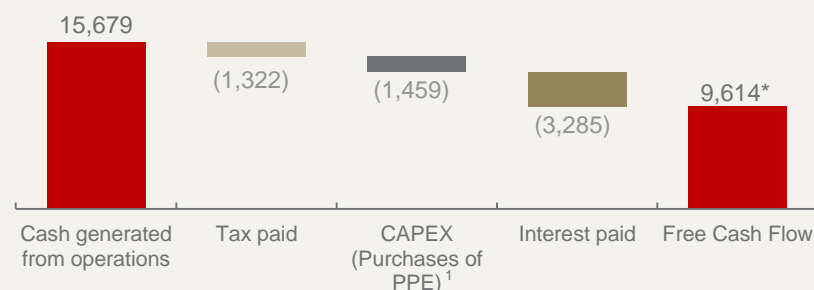
2) The proportion of Total Operating Cash Costs in 2015.

3) A block train consists of Group-operated rolling stock bound for one destination.

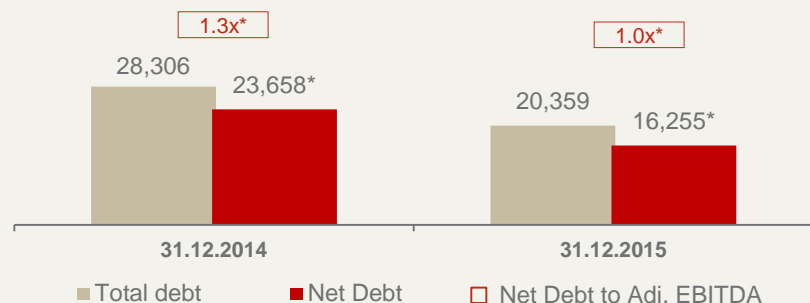
## Good level of Free Cash Flow enabled significant deleveraging with Net Debt down 31% vs. the end of 2014

- **Solid cash flow generation capacity**
  - Good level of Free Cash Flow of RUB 9,614 mln\*
  - Supported by robust operational model, long-term service contracts and low maintenance CAPEX
- **Deleveraging accelerated**
  - Net Debt down 31% with Net Debt to Adjusted EBITDA of 1.0x\*
  - Almost 100% of debt denominated in RUB
  - Low interest rate risk with 99%\* of debt with fixed interest rates
  - Weighted average effective interest rate increased to 12.0%\* reflecting challenging borrowing environment in H1 2015 albeit improved from 12.5%\* as of the end of H1 2015

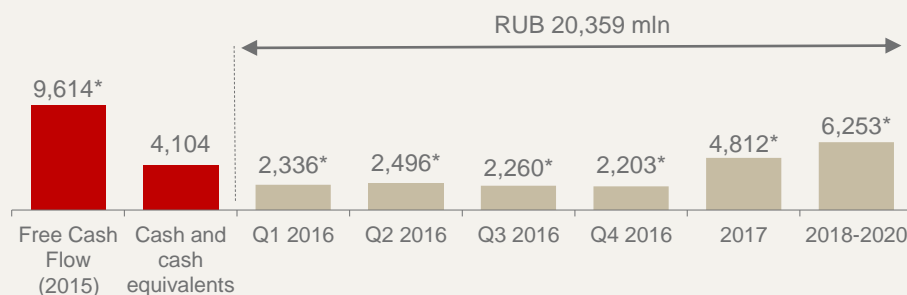
### Free Cash Flow reconciliation (2015; RUB mln)



### Continued deleveraging (RUB mln)



### Balanced and comfortable maturity profile (as of 31.12.2015, RUB mln)<sup>2</sup>

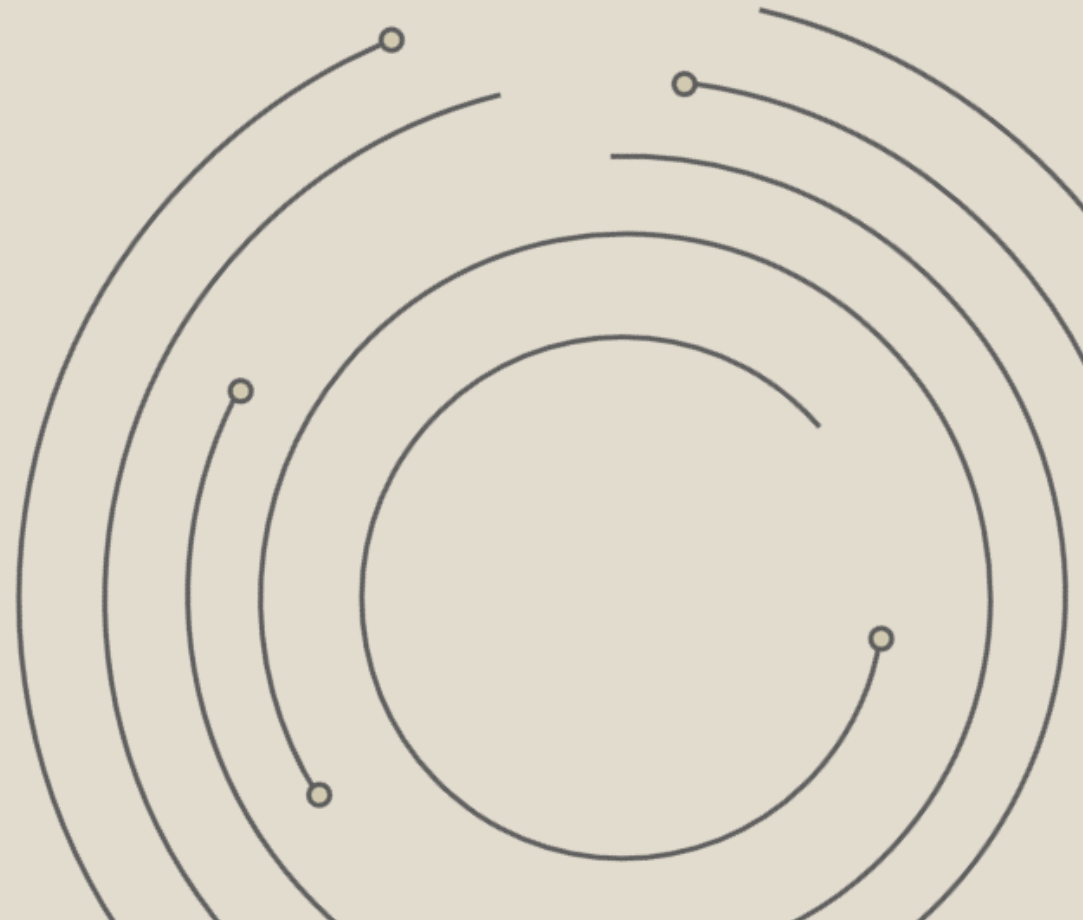


Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

1) On cash basis; Purchases of PPE mainly constituted maintenance CAPEX in 2015.

2) Including accrued interest of RUB 45 mln\*.

- Key takeaways



## Industry outlook and management focus

### Industry outlook

- Continued challenging economic conditions and low visibility
- Ongoing industry-wide scrappage of old railcars providing for stronger pricing in gondola segment
- Decline in volumes in oil products and oil segment is putting pressure on pricing environment
- Intensifying cost pressure primarily reflecting 9% y-o-y increase in regulated RZD tariffs<sup>1</sup>

### Management focus

- Strong focus on operational efficiencies given ongoing cost pressures
- Continue to secure extensions of long-term service agreements with key clients
- Selective acquisitions of limited number of rolling stock
- Maintenance CAPEX to increase for 2016, reflecting the increased number of capital repairs in the year, contributing between RUB 500-600 million<sup>2</sup>
- Maintain comfortable leverage

Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

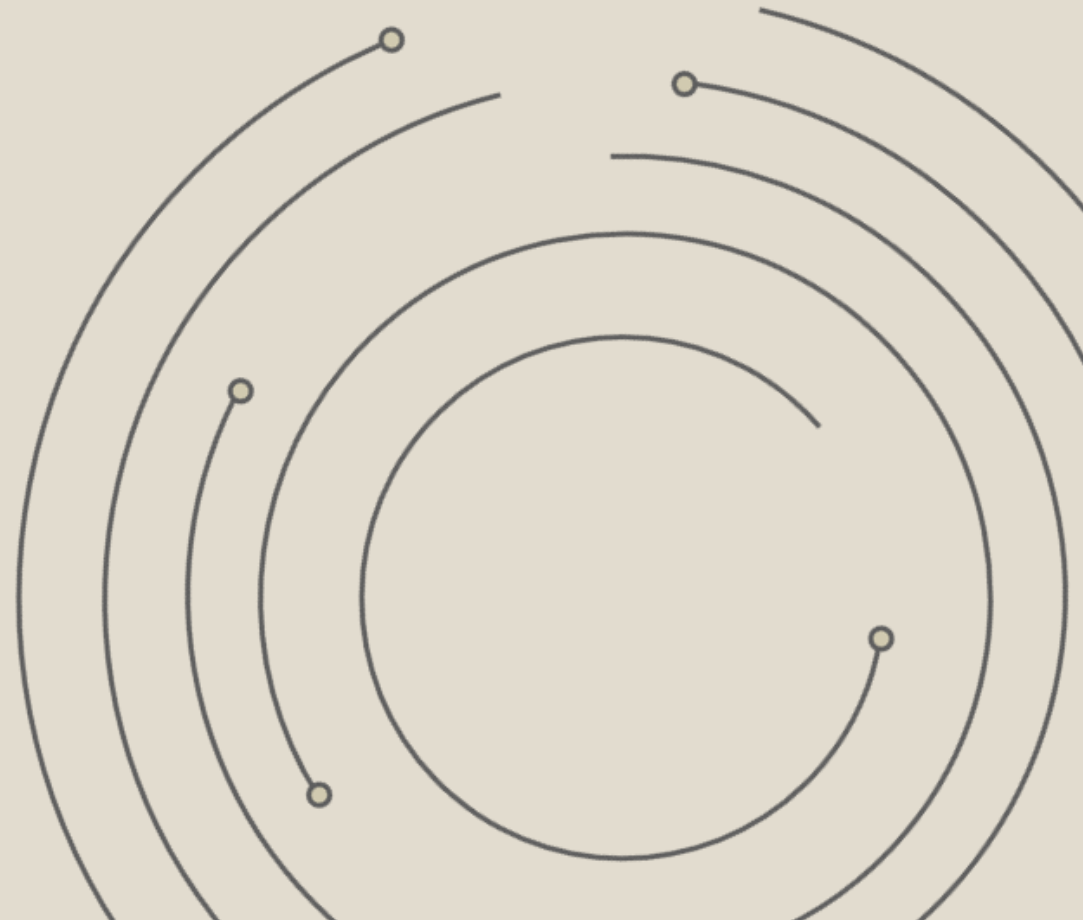
1) The regulated RZD tariffs (including for the traction of empty railcars) increased 9% y-o-y from January 2016.

2) The Group expects the maintenance CAPEX in 2016 to be impacted by an increased number of capital repairs as a large portion of the fleet reaches the age of requiring a first capital repair, contributing between RUB 500-600 million to maintenance CAPEX.

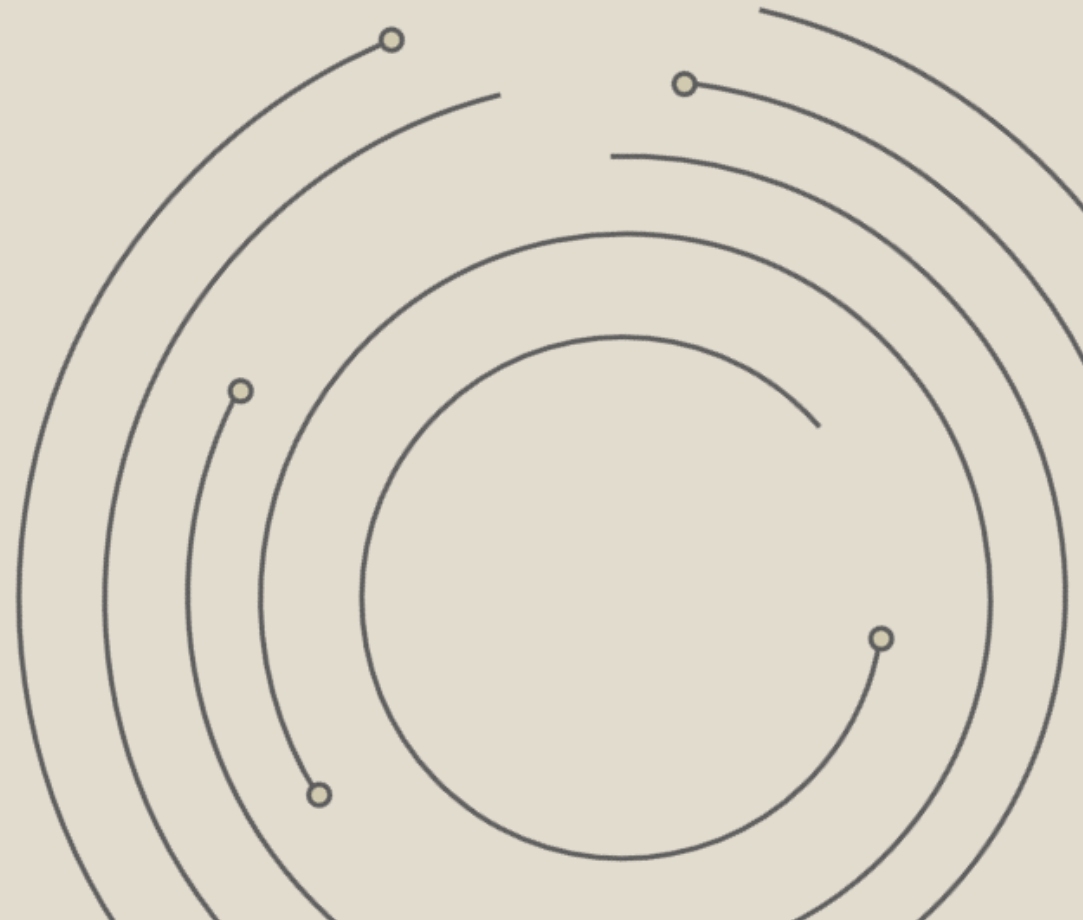
## Key takeaways: well-positioned in a structurally recovering industry

- Industry is better positioned for recovery - however difficult economic conditions and cost pressure remain issues
- Globaltrans has a unique strategic position in an industry with strong long-term fundamentals:
  - Modern fleet, long-term service contracts
  - Efficient logistics and locomotive expertise
  - One of the few players with a strong balance sheet
- Good Free Cash Flow provides for both debt reduction and appropriate shareholder remuneration:
  - Low leverage with minimal CAPEX requirement
  - Substantial FY 2015 dividend effectively equates to distributions for both 2014 and 2015
  - Track record re-established for dividend payments in relation to every financial year since 2009
- Well-positioned for business expansion when markets stabilize, right opportunities arise

- Questions and answers



- Appendices





# Extracts from the Group's consolidated financial statements (audited) for the year ended 31 December 2015

## Consolidated income statement for the year ended 31 December 2015

	2015	2014
	RUB'000	RUB'000
<b>Revenue</b>	<b>68,199,831</b>	<b>68,700,394</b>
Cost of sales	(54,427,692)	(52,789,268)
<b>Gross profit</b>	<b>13,772,139</b>	<b>15,911,126</b>
Selling and marketing costs	(295,076)	(334,218)
Administrative expenses	(4,248,125)	(4,202,172)
Impairment of intangible assets	(996,160)	(5,828,085)
Other income	230,727	-
Other gains – net	85,717	30,596
<b>Operating profit</b>	<b>8,549,222</b>	<b>5,577,247</b>
Finance income	259,900	196,293
Finance costs	(2,996,197)	(3,092,683)
Net foreign exchange transaction (losses)/gains on financing activities	(209,129)	108,579
Finance costs – net	(2,945,426)	(2,787,811)
Share of loss of associate	(53,739)	(12,164)
<b>Profit before income tax</b>	<b>5,550,057</b>	<b>2,777,272</b>
Income tax expense	(1,248,170)	(2,206,019)
<b>Profit for the year</b>	<b>4,301,887</b>	<b>571,253</b>
<b>Profit/(loss) attributable to:</b>		
Owners of the Company	1,982,956	(1,415,739)
Non-controlling interest	2,318,931	1,986,992
	<b>4,301,887</b>	<b>571,253</b>
	<b>RUB per share</b>	<b>RUB per share</b>
<b>Basic and diluted earnings/(losses) per share for profit/(loss) attributable to the equity holders of the Company during the year (expressed in RUB per share)</b>	<b>11.09</b>	<b>(7.92)</b>

Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation. The consolidated financial statements (audited) for year ended 31 December 2015 is available for viewing at the Globaltrans' corporate website ([www.globaltrans.com](http://www.globaltrans.com)).

# Extracts from the Group's consolidated financial statements (audited) for the year ended 31 December 2015

## Consolidated balance sheet as at 31 December 2015

	31 Dec 2015 RUB'000	31 Dec 2014 RUB'000
<b>ASSETS</b>		
<i>Non-current assets</i>		
Property, plant and equipment	69,288,960	71,380,758
Intangible assets	2,367,741	4,442,396
Income tax assets	49,207	57,892
Trade and other receivables	101,264	32,233
Investment in associate	65,497	110,182
<b>Total non-current assets</b>	<b>71,872,669</b>	<b>76,023,461</b>
<i>Current assets</i>		
Inventories	722,381	735,694
Current income tax assets	139,428	1,010,322
Trade and other receivables	5,297,072	6,701,470
Cash and cash equivalents	4,104,079	4,647,787
<b>Total current assets</b>	<b>10,262,960</b>	<b>13,095,273</b>
<b>TOTAL ASSETS</b>	<b>82,135,629</b>	<b>89,118,734</b>

	31 Dec 2015 RUB'000	31 Dec 2014 RUB'000
<b>EQUITY AND LIABILITIES</b>		
<i>Equity attributable to the owners of the Company</i>		
Share capital	516,957	516,957
Share premium	27,929,478	27,929,478
Common control transaction reserve	(10,429,876)	(10,429,876)
Translation reserve	4,569,396	3,397,222
Capital contribution	2,694,851	2,694,851
Retained earnings	21,090,196	19,100,433
<b>Total equity attributable to the owners of the Company</b>	<b>46,371,002</b>	<b>43,209,065</b>
<b>Non-controlling interest</b>	<b>7,184,519</b>	<b>6,927,315</b>
<b>Total equity</b>	<b>53,555,521</b>	<b>50,136,380</b>
<i>Non-current liabilities</i>		
Borrowings	11,064,576	10,049,915
Trade and other payables	61,053	13,278
Deferred tax liabilities	4,455,748	5,207,410
<b>Total non-current liabilities</b>	<b>15,581,377</b>	<b>15,270,603</b>
<i>Current liabilities</i>		
Borrowings	9,294,484	18,256,223
Trade and other payables	3,643,694	5,245,646
Current tax liabilities	60,553	209,882
<b>Total current liabilities</b>	<b>12,998,731</b>	<b>23,711,751</b>
<b>TOTAL LIABILITIES</b>	<b>28,580,108</b>	<b>38,982,354</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>82,135,629</b>	<b>89,118,734</b>

Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation. The consolidated financial statements (audited) for year ended 31 December 2015 is available for viewing at the Globaltrans' corporate website ([www.globaltrans.com](http://www.globaltrans.com)).

# Extracts from the Group's consolidated financial statements (audited) for the year ended 31 December 2015

## Consolidated cash flow statement for the year ended 31 December 2015

	2015 RUB'000	2014 RUB'000
<b>Cash flows from operating activities</b>		
Profit before tax	5,550,057	2,777,272
Adjustments for:		
Depreciation of property, plant and equipment	4,878,797	5,084,746
Amortisation of intangible assets	1,078,456	1,078,644
(Profit)/loss on sale of property, plant and equipment	(19,737)	21,839
Impairment of property, plant and equipment	140,734	223
Impairment of receivables	119,332	177,519
Interest income	(259,900)	(184,956)
Interest expense	2,996,197	3,092,683
Other finance income	-	(11,337)
Other income	(41,898)	-
Share of loss of associates	53,739	12,164
Foreign exchange losses/(gains) on financing activities	209,129	(108,579)
Impairment of intangible assets	996,160	5,828,085
	<b>15,701,066</b>	<b>17,768,303</b>
<b>Changes in working capital:</b>		
Inventories	56,049	(90,651)
Trade and other receivables	1,448,979	(423,667)
Trade and other payables	(1,526,698)	1,599,638
<b>Cash generated from operations</b>	<b>15,679,396</b>	<b>18,853,623</b>
Tax paid	(1,322,290)	(2,285,626)
<b>Net cash from operating activities</b>	<b>14,357,106</b>	<b>16,567,997</b>

	2015 RUB'000	2014 RUB'000
<b>Cash flows from investing activities</b>		
Indemnification received	-	78,400
Loans granted to third parties	(86,057)	-
Loans repayments received from third parties	20,374	1,332
Purchases of property, plant and equipment	(1,458,987)	(1,532,167)
Purchases of intangible assets	-	(49)
Proceeds from disposal of property, plant and equipment	92,658	220,724
Interest received	254,978	189,913
<b>Net cash used in investing activities</b>	<b>(1,177,034)</b>	<b>(1,041,847)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	15,018,939	6,688,521
Repayments of borrowings	(22,447,939)	(10,494,675)
Acquisition of non-controlling interest	-	(2,433)
Proceeds from disposal of non-controlling interests	198	-
Finance lease principal payments	(204,635)	(1,586,842)
Interest paid	(3,284,554)	(3,128,620)
Dividends paid to Company's shareholders	-	(3,983,892)
Dividends paid to non-controlling interests	(2,696,490)	(2,306,714)
<b>Net cash used in financing activities</b>	<b>(13,614,481)</b>	<b>(14,814,655)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(434,409)</b>	<b>711,495</b>
Exchange (losses)/gains on cash and cash equivalents	(109,299)	529,989
Cash and cash equivalents at beginning of year	4,647,787	3,406,303
<b>Cash and cash equivalents at end of year</b>	<b>4,104,079</b>	<b>4,647,787</b>

# Selected operational information for the year ended 31 December 2015

## Rolling stock fleet

	31.12.2015	31.12.2014	Change	Change, %
<b>Owned Fleet</b>				
Gondola cars	40,082	40,019	63	0%
Rail tank cars	18,573	18,916	-343	-2%
Locomotives	75	75	0	0%
Other railcars (incl. flat, hopper cars, etc)	1,451	1,615	-164	-10%
<b>Total</b>	<b>60,181</b>	<b>60,625</b>	<b>-444</b>	<b>-1%</b>
<i>Owned Fleet as % of Total Fleet</i>	<i>89%</i>	<i>92%</i>	<i>-</i>	<i>-</i>
<b>Leased-in Fleet</b>				
Gondola cars	2,602	913	1,689	185%
Rail tank cars	4,249	4,483	-234	-5%
Locomotives	0	0	0	n/a
Other railcars	317	173	144	83%
<b>Total</b>	<b>7,168</b>	<b>5,569</b>	<b>1,599</b>	<b>29%</b>
<i>Leased-in Fleet as % of Total Fleet</i>	<i>11%</i>	<i>8%</i>	<i>-</i>	<i>-</i>
<b>Total Fleet (Owned Fleet and Leased-in Fleet)</b>	<b>67,349</b>	<b>66,194</b>	<b>1,155</b>	<b>2%</b>
<b>Total Fleet by type of rolling stock, %</b>				
Gondola cars	63%	62%	-	-
Rail tank cars	34%	35%	-	-
Locomotives	0%	0%	-	-
Other railcars (incl. flat, hopper cars, etc)	3%	3%	-	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>-</b>	<b>-</b>
<b>Leased-out Fleet</b>				
Gondola cars	296	353	-57	-16%
Rail tank cars	9,161	9,113	48	1%
Locomotives	4	3	1	33%
Other railcars (incl. flat, hopper cars, etc)	497	713	-216	-30%
<b>Total</b>	<b>9,958</b>	<b>10,182</b>	<b>-224</b>	<b>-2%</b>
<i>Leased-out Fleet as % of Total Fleet</i>	<i>15%</i>	<i>15%</i>	<i>-</i>	<i>-</i>
<b>Average age of Owned Fleet</b>				
Gondola cars	8.0	7.1	-	-
Rail tank cars	12.4	11.4	-	-
Locomotives	13.8	12.8	-	-
Other railcars (incl. flat, hopper cars, etc)	15.4	16.2	-	-
<b>Total</b>	<b>9.5</b>	<b>8.7</b>	<b>-</b>	<b>-</b>

## Operation of rolling stock (incl. Engaged Fleet)

	2015	2014	Change	Change, %
<b>Freight Rail Turnover, billion tonnes-km</b>				
<b>Metallurgical cargoes</b>	<b>98.5</b>	<b>92.8</b>	<b>5.7</b>	<b>6%</b>
Ferrous metals	36.6	34.3	2.3	7%
Scrap metal	3.3	4.3	-1.0	-23%
Iron ore	58.7	54.2	4.4	8%
<b>Oil products and oil</b>	<b>25.7</b>	<b>26.4</b>	<b>-0.7</b>	<b>-3%</b>
<b>Coal (incl. coke)</b>	<b>26.2</b>	<b>22.5</b>	<b>3.7</b>	<b>16%</b>
<b>Construction materials</b>	<b>10.4</b>	<b>9.8</b>	<b>0.6</b>	<b>6%</b>
Crushed stone	9.4	8.7	0.7	8%
Cement	0.4	0.4	0.0	-12%
Other construction materials	0.7	0.7	-0.1	-10%
<b>Other</b>	<b>7.7</b>	<b>8.1</b>	<b>-0.5</b>	<b>-6%</b>
<b>Total</b>	<b>168.5</b>	<b>159.7</b>	<b>8.8</b>	<b>6%</b>
<b>Freight Rail Turnover by cargo type, %</b>				
Metallurgical cargoes (incl. ferrous metal, scrap metal and iron ore)	58%	58%	-	-
Oil products and oil	15%	17%	-	-
Coal (incl. coke)	16%	14%	-	-
Construction materials (incl. cement)	6%	6%	-	-
Other	5%	5%	-	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>-</b>	<b>-</b>
<b>Transportation Volume, million tonnes</b>				
<b>Metallurgical cargoes</b>	<b>48.7</b>	<b>50.6</b>	<b>-1.9</b>	<b>-4%</b>
Ferrous metals	18.2	18.4	-0.2	-1%
Scrap metal	3.2	3.9	-0.7	-17%
Iron ore	27.3	28.4	-1.0	-4%
<b>Oil products and oil</b>	<b>22.5</b>	<b>23.5</b>	<b>-1.0</b>	<b>-4%</b>
<b>Coal (incl. coke)</b>	<b>11.3</b>	<b>10.9</b>	<b>0.4</b>	<b>3%</b>
<b>Construction materials</b>	<b>11.7</b>	<b>10.6</b>	<b>1.1</b>	<b>10%</b>
Crushed stone	10.5	9.4	1.1	12%
Cement	0.3	0.3	0.0	6%
Other construction materials	0.9	0.9	0.0	-4%
<b>Other</b>	<b>7.1</b>	<b>7.0</b>	<b>0.1</b>	<b>1%</b>
<b>Total</b>	<b>101.3</b>	<b>102.7</b>	<b>-1.4</b>	<b>-1%</b>

# Selected operational information for the year ended 31 December 2015, continued

## Operation of rolling stock (excl. Engaged Fleet)

	2015	2014	Change	Change, %
<b>Freight Rail Turnover, billion tonnes-km</b>				
<b>Metallurgical cargoes</b>	<b>79.1</b>	<b>73.6</b>	<b>5.6</b>	<b>8%</b>
Ferrous metals	32.1	28.8	3.3	11%
Scrap metal	3.1	3.7	-0.6	-17%
Iron ore	44.0	41.1	2.9	7%
<b>Oil products and oil</b>	<b>25.3</b>	<b>25.3</b>	<b>0.0</b>	<b>0%</b>
<b>Coal (incl. coke)</b>	<b>24.4</b>	<b>19.1</b>	<b>5.3</b>	<b>28%</b>
<b>Construction materials</b>	<b>10.2</b>	<b>9.3</b>	<b>0.9</b>	<b>9%</b>
Crushed stone	9.2	8.3	0.9	11%
Cement	0.4	0.4	0.0	-6%
Other construction materials	0.7	0.7	0.0	-4%
<b>Other</b>	<b>7.5</b>	<b>7.8</b>	<b>-0.4</b>	<b>-5%</b>
<b>Total</b>	<b>146.5</b>	<b>135.1</b>	<b>11.4</b>	<b>8%</b>

<b>Transportation Volume, million tones</b>				
	2015	2014	Change	Change, %
<b>Metallurgical cargoes</b>	<b>39.2</b>	<b>38.9</b>	<b>0.3</b>	<b>1%</b>
Ferrous metals	15.6	14.6	1.0	7%
Scrap metal	3.0	3.4	-0.4	-13%
Iron ore	20.6	20.9	-0.2	-1%
<b>Oil products and oil</b>	<b>22.1</b>	<b>22.3</b>	<b>-0.2</b>	<b>-1%</b>
<b>Coal (incl. coke)</b>	<b>10.4</b>	<b>9.1</b>	<b>1.2</b>	<b>13%</b>
<b>Construction materials</b>	<b>11.5</b>	<b>9.9</b>	<b>1.6</b>	<b>17%</b>
Crushed stone	10.3	8.8	1.5	17%
Cement	0.3	0.3	0.0	15%
Other construction materials	0.9	0.8	0.1	12%
<b>Other</b>	<b>6.9</b>	<b>6.7</b>	<b>0.2</b>	<b>3%</b>
<b>Total</b>	<b>90.1</b>	<b>86.9</b>	<b>3.2</b>	<b>4%</b>

<b>Average Rolling Stock Operated, units</b>				
	2015	2014	Change	Change, %
Gondola cars	40,286	39,469	817	2%
Rail tank cars	12,938	13,393	-455	-3%
Locomotives	46	46	1	1%
Other railcars (incl. flat, hopper cars, etc)	982	905	77	8%
<b>Total</b>	<b>54,251</b>	<b>53,813</b>	<b>439</b>	<b>1%</b>

<b>Average Number of Loaded Trips per Railcar</b>				
	2015	2014	Change	Change, %
Gondola cars	24.7	24.5	0.2	1%
Rail tank cars	28.0	27.3	0.7	2%
Other railcars (incl. flat, hopper cars, etc)	48.5	39.7	8.7	22%
<b>Total</b>	<b>25.9</b>	<b>25.4</b>	<b>0.5</b>	<b>2%</b>

## Operation of rolling stock (excl. Engaged Fleet), continued

	2015	2014	Change	Change, %
<b>Average Distance of Loaded Trip, km</b>				
Gondola cars	1,828	1,723	105	6%
Rail tank cars	1,132	1,124	8	1%
Other railcars (incl. flat, hopper cars, etc)	998	1,153	-155	-13%
<b>Total</b>	<b>1,620</b>	<b>1,547</b>	<b>72</b>	<b>5%</b>

<b>Average Price per Trip, RUB</b>	2015	2014	Change	Change, %
	27,462	26,804	657	2%

<b>Net Revenue from Operation of Rolling Stock by cargo type, RUB million</b>				
	2015	2014	Change	Change, %
<b>Metallurgical cargoes</b>	<b>10,511*</b>	<b>11,680*</b>	<b>-1,169</b>	<b>-10%</b>
Ferrous metals	5,776*	6,553*	-776	-12%
Scrap metal	483*	750*	-267	-36%
Iron ore	4,252*	4,378*	-125	-3%
<b>Oil products and oil</b>	<b>21,263*</b>	<b>19,091*</b>	<b>2,172</b>	<b>11%</b>
<b>Coal (incl. coke)</b>	<b>3,006*</b>	<b>2,755*</b>	<b>251</b>	<b>9%</b>
<b>Construction materials (incl. cement)</b>	<b>1,844*</b>	<b>1,522*</b>	<b>322</b>	<b>21%</b>
<b>Other</b>	<b>1,944*</b>	<b>1,612*</b>	<b>331</b>	<b>21%</b>
<b>Total</b>	<b>38,568*</b>	<b>36,661*</b>	<b>1,907</b>	<b>5%</b>

<b>Net Revenue from Operation of Rolling Stock by cargo type, %</b>				
	2015	2014	Change	Change, %
Metallurgical cargoes (incl. ferrous metal, scrap metal and iron ore)	27%	32%	-	-
Oil products and oil	55%	52%	-	-
Coal (incl. coke)	8%	8%	-	-
Construction materials (incl. cement)	5%	4%	-	-
Other	5%	4%	-	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>-</b>	<b>-</b>

<b>Net Revenue from Operation of Rolling Stock by largest clients (incl. their affiliates and suppliers), %</b>				
	2015	2014	Change	Change, %
Rosneft	40%	34%	-	-
MMK	12%	18%	-	-
Metalloinvest	12%	11%	-	-
Gazpromneft	8%	9%	-	-
Evraz	4%	4%	-	-
Sovfracht	3%	4%	-	-
TMK	1%	1%	-	-
Severstal	1%	1%	-	-
SUEK	1%	0%	-	-
UGMK-Trans	2%	1%	-	-
Other (incl. small and medium enterprises)	17%	16%	-	-

## Selected operational information for the year ended 31 December 2015, continued

### Empty Run Ratio

	2015	2014	Change	Change, %
<b>Empty Run Ratio, %</b>				
Gondola cars	39%	38%	-	-
Rail tank cars and other railcars	104%	102%	-	-
<b>Total Empty Run Ratio, %</b>	<b>51%</b>	<b>51%</b>	-	-
<b>Empty Run Costs, RUB million</b>	<b>11,804*</b>	<b>10,354*</b>	<b>1,449</b>	<b>14%</b>
<b>Share of Empty Run Kilometres Paid by Globaltrans, %</b>	<b>88%</b>	<b>87%</b>	-	-

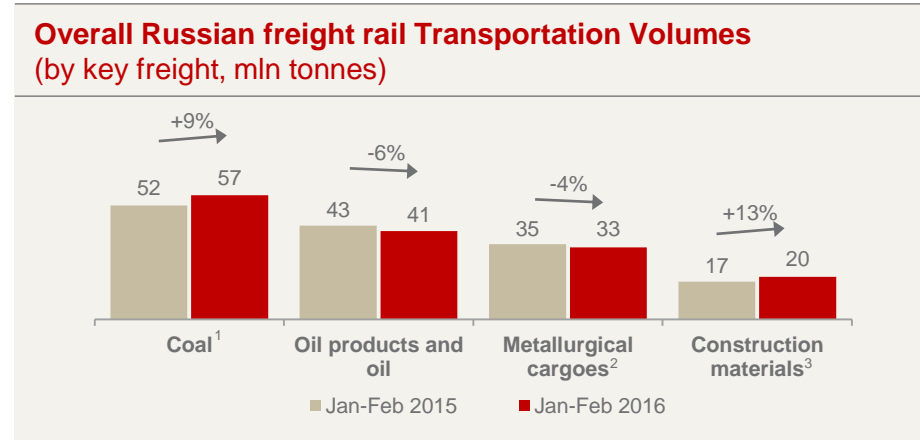
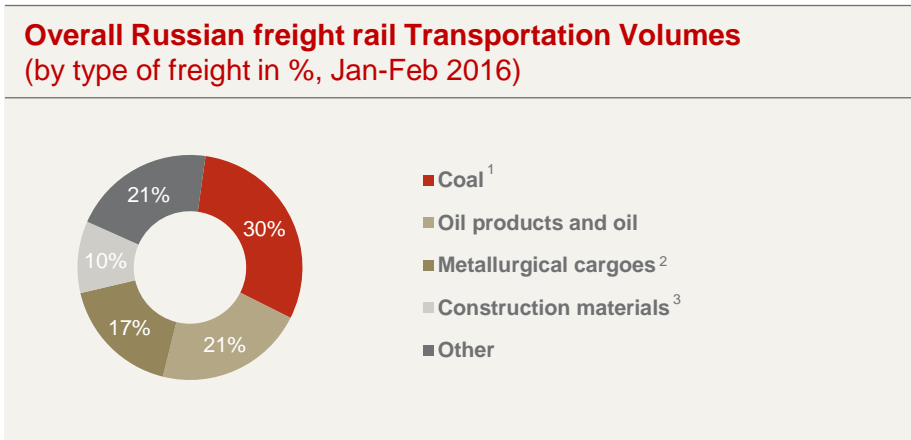
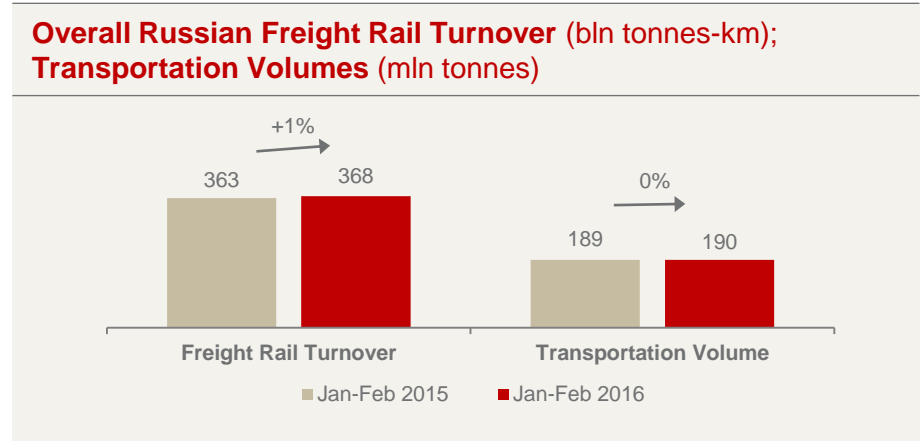
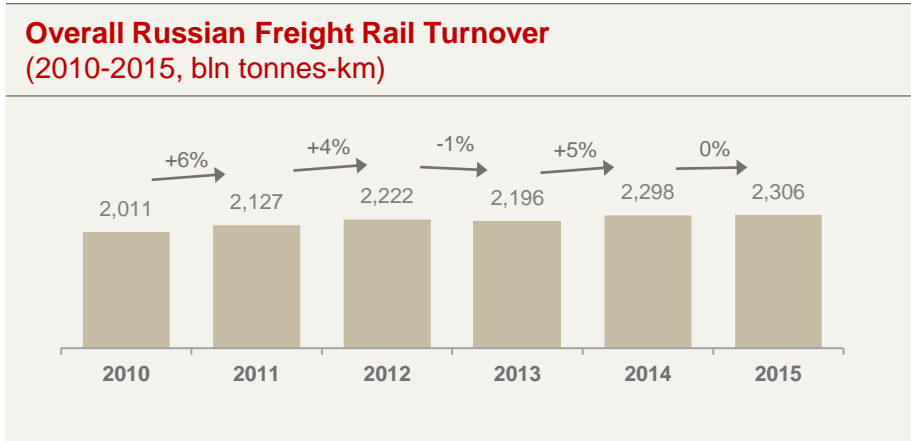
### Engaged Fleet

	2015	2014	Change	Change, %
<b>Net Revenue from Engaged Fleet, RUB million</b>	<b>829*</b>	<b>1,622*</b>	<b>-793</b>	<b>-49%</b>

### Employees

	31.12.2015	31.12.2014	Change	Change, %
<b>Employees by departments (simplified)</b>				
Operations	1,077	1,052	25	2%
Administrative	460	523	-63	-12%
<b>Total</b>	<b>1,537</b>	<b>1,575</b>	<b>-38</b>	<b>-2%</b>

# Market watch (January-February 2016)



Source: Rosstat; RZD. Note: Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

1) Coal including coke.  
 2) Metallurgical cargoes including ferrous metals, scrap metal and ores.  
 3) Construction materials including cement.

## Definitions (in alphabetical order)

**Adjusted EBITDA** (a non-GAAP financial measure) represents EBITDA excluding “Net foreign exchange transaction gains/(losses) on borrowings and other liabilities”, “Net foreign exchange transaction gains/(losses) on cash and cash equivalents and other monetary assets”, “Share of profit/(loss) of associate”, “Other gains - net” and “Net gain/(loss) on sale of property, plant and equipment”.

**Adjusted EBITDA Margin** (a non-GAAP financial measure) is calculated as Adjusted EBITDA divided by Adjusted Revenue.

**Adjusted Revenue** (a non-GAAP financial measure) is calculated as “Total revenue” less the following “pass through” items “Infrastructure and locomotive tariffs: loaded trips” and “Services provided by other transportation organisations”.

**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).

**EBITDA** (a non-GAAP financial measure) represents “Profit for the period” before “Income tax expense”, “Finance costs - net” (excluding “Net foreign exchange transaction gains/(losses) on borrowings and other liabilities” and “Net foreign exchange transaction gains/(losses) on cash and cash equivalents and other monetary assets”), “Depreciation of property, plant and equipment”, “Amortisation of intangible assets”, “Impairment of property, plant and equipment” and “Impairment of intangible assets”.

**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 and 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 kilometers by respective rolling stock type divided by total loaded trips in kilometers 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).

**Free Cash Flow** (a non-GAAP financial measure) is calculated as “Net cash from operating activities” (after “Changes in working capital” and “Tax paid”) less “Purchases of property, plant and equipment” (which includes maintenance CAPEX) and “Interest paid”.

**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.

**Infrastructure and Locomotive Tariffs - Other Tariffs** (a non-GAAP financial measure) is presented as part of the “Infrastructure and locomotive tariffs: empty run trips and other tariffs” component of “Cost of sales” reported under EU IFRS



## Definitions (in alphabetical order, continued)

**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.

**Market Share** is calculated as a percentage of the overall Russian freight rail transportation volume or as a percentage of overall Russian freight rail transportation volume of respective cargoes. It includes the volumes transported by Engaged Fleet unless otherwise stated.

**Net Debt** (a non-GAAP financial measure) is defined as the sum of total borrowings (including interest accrued) less "Cash and cash equivalents".

**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 tariffs: loaded trips") 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.

**Total Operating Cash Costs** (a non-GAAP financial measure) represent operating cost items payable in cash and calculated as "Total cost of sales, selling and marketing costs and administrative expenses" less the "pass through" items: "Infrastructure and locomotive tariffs: loaded trips" and "Services provided by other transportation organisations" and non-cash items: "Depreciation of property, plant and equipment", "Amortisation of intangible assets", "Impairment charge for receivables", "Impairment of property, plant and equipment" and "Net gain/(loss) on sale of property, plant and equipment".

**Total Operating Non-Cash Costs** (a non-GAAP financial measure) include line items such as "Depreciation of property, plant and equipment", "Amortisation of intangible assets", "Impairment charge for receivables", "Impairment of property, plant and equipment" and "Net gain/(loss) on sale of property, plant and equipment".

**Other Operating Cash Costs** (a non-GAAP financial measure) include line items such as "Legal, consulting and other professional fees", "Operating lease rentals - office", "Auditors' remuneration", "Advertising and promotion", "Communication costs", "Information services", "Taxes (other than income tax and value added taxes)" and "Other expenses".

**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 Kilometers Paid by Globaltrans** is defined as the percentage of empty run kilometers paid by Globaltrans divided by the total amount of empty run kilometers 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 kilometers travelled empty divided by the total kilometers 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.

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