

For immediate release

30 March 2015

Globaltrans Investment PLC**Full-Year 2014 Results**

Globaltrans Investment PLC (the “Company” and together with its consolidated subsidiaries “Globaltrans” or the “Group”), (LSE ticker: GLTR) today announces its financial and operational results for the year ended 31 December 2014.

The presentation currency of the Group's consolidated financial statements was changed from US Dollars to Russian Roubles (“RUB”) effective from the results for the year ending 31 December 2014. The Company believes that the presentation of financial results in RUB, which is the functional currency of the Company as well as its Cypriot and Russian subsidiaries, provides greater transparency in the light of recent volatility of the RUB exchange rate and provides shareholders with a more accurate reflection of the Company's underlying performance. In accordance with relevant accounting standards, comparative financial information for the year ended 31 December 2013 is provided in RUB.

Certain financial information which is derived from the management accounts is marked in this announcement with an asterisk (). Information (non-GAAP and operational measures) requiring additional explanation or defining is marked with initial capital letters and the explanations or definitions thereto are provided at the end of this announcement.*

Financial highlights

In the context of a challenging year for the rail freight transportation sector, Globaltrans produced a solid overall financial performance in 2014.

- The Group generated RUB 41,890 million* of Adjusted Revenue, a decline of 7% year on year largely reflecting the weak pricing environment in the gondola segment;
- The Group's targeted approach to cost-cutting helped to keep the rate of increase in the Total Operating Cash Costs at 2% year on year, below the growth of the Group's Freight Rail Turnover, mitigating the impact of inflation;
- Adjusted EBITDA fell 16% year on year to RUB 17,560 million* while the Adjusted EBITDA Margin slipped to 42%* from 46%* in 2013;
- The business again produced solid cash flow in 2014 generating RUB 11,907 million* in Free Cash Flow, down 13% year on year;
- Profit for the year was negatively affected by the impairment of goodwill in the amount of RUB 5,828 million¹. As a result, the Group reported Profit for the year of RUB 571 million against RUB 8,068 million for 2013. Profit for the year removing the impact of the impairment of goodwill was RUB 6,399 million* in 2014, a decline of 21% year on year;
- The Group continued its strategy of deleveraging and reduced Net Debt by 21% year on year to RUB 23,658 million* at the end of 2014. Net Debt to Adjusted EBITDA stood at a level of 1.3x* (2013 end: 1.4x*). The Group's share of RUB denominated debt further increased to 98% with the share of debt with a fixed interest rate at 90%* at the end of 2014.

¹ In 2014, the Group recognised an impairment of goodwill in amount of RUB 5,828 million related to acquisitions of captive rail operators completed in 2012 and 2013. The impairment primarily reflects increased cost of capital in Russia, deterioration of economic conditions, as well as the continued weak pricing environment in the gondola segment.

Operational highlights

- Freight Rail Turnover (including Engaged Fleet) increased 3% year on year to 159.7 billion tonnes-km in 2014 while the Group's Transportation Volumes remained stable year on year at 102.7 million tonnes²;
- The Group's Market Share was maintained at 8.4%. All railcars remained fully deployed, with Average Rolling Stock Operated up 1% year on year;
- In the Group's priority segments of metallurgical cargoes³ and oil products and oil, Freight Rail Turnover (including Engaged Fleet) increased 6% and 2% respectively;
- Strong operational efficiency was maintained with the Empty Run Ratio for gondola cars remaining flat year on year at 38% in 2014 and with the Total Empty Run Ratio further improved to 51% (2013: 53%);
- Average Price per Trip remained under pressure mainly due to the weak pricing environment in the gondola segment, declining 7% year on year to RUB 26,804 in 2014;
- All key service contracts were successfully extended with more than 60% of the Group's Net Revenue from Operation of Rolling Stock covered by long-term service contracts in 2014:
 - the Metalloinvest service contract was extended by a further 19 months to the end of 2016;
 - the MMK service contract was extended by an additional 12 months to the end of February 2019; and
 - the Rosneft service contract was successfully renegotiated and extended to the end of March 2016.

Dividends

Appropriate shareholder remuneration has always been a priority for the Board, as demonstrated by the Group's consistent distribution track record since listing on the London Stock Exchange in 2008. However, dividend decisions are always made considering a broad framework of factors impacting the Group's performance and outlook. Due to the current environment categorised by excessive interest rates on RUB borrowings and continued downward pressure on pricing, primarily in the gondola segment, the Board has recommended not to pay a dividend in respect of the 2014 financial year and to apply cash for debt repayments. This decision will enable Globaltrans to focus on further debt reduction and position the Group to take advantage of opportunities that the market may present in the future. The Board will revisit the decision regarding the dividend in the next twelve months.

COMMENTS

Sergey Maltsev, CEO of Globaltrans Investment PLC, said:

"In what has been a challenging year for both the rail freight transportation sector and Russia in general, the Group was nonetheless able to maintain its market share and produce a respectable overall performance. This achievement was a result of our balanced fleet supported by our long-term service contracts, which together provided a solid footing for us to navigate the challenges of 2014. The resilience of our operational performance was encouraging with the Group delivering growing freight rail turnover while demonstrating a high level of operational efficiency. Our initiatives on cost reduction resulted in our operational cash costs rising below the level of our increased freight rail turnover therefore offsetting the inflationary impacts.

As we move into 2015, business conditions remain difficult. We continue to keep a tight rein on costs and are maintaining our focus on extracting value from our best-in-class logistics. In an environment characterised by continued downward pressure on pricing and high interest rates, our good level of free cash flow makes it possible for us to pay down debt thus maintaining a strong balance sheet and our ability to capitalise on any opportunities that may arise.

We firmly believe that the long-term prospects for the freight rail industry are positive as 87% of goods in Russia are transported by rail⁴. The industry remains highly fragmented and ripe for consolidation by players like us with strong operational capabilities and low leverage."

² The Group's Freight Rail Turnover (excluding Engaged Fleet) was up 3% year on year with Transportation Volume up 1% year on year in 2014.

³ Including ferrous metals, scrap metal and iron ore.

⁴ The share of the overall Russian freight turnover in 2014, excluding pipeline traffic.

DOWNLOADS

The consolidated financial statements for the year ended 31 December 2014 and related Full-Year 2014 Results presentation along with the selection of historical operational and financial information are available on Globaltrans' corporate website (www.globaltrans.com).

RESULTS IN DETAIL

The following table provides the Group's key financial and operational information for the years ended 31 December 2014 and 2013.

EU IFRS financial information

	2013 RUB mln	2014 RUB mln	Change %
Revenue	74,289	68,700	-8%
<i>Including</i>			
Total revenue – operator's services	70,107	65,093	-7%
Total revenue – operating lease	3,785	3,259	-14%
Total cost of sales, selling and marketing costs and administrative expenses	(59,903)	(57,326)	-4%
Impairment of goodwill	-	(5,828)	N/A
Operating profit	14,424	5,577	-61%
Finance costs – net	(3,513)	(2,788)	-21%
Profit for the year	8,068	571	-93%
<i>Profit/(loss) attributable to:</i>			
Owners of the Company	5,826	(1,416)	-124%
Non-controlling interests	2,242	1,987	-11%
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)	32.59	(7.92)	-124%

	2013 RUB mln	2014 RUB mln	Change %
Cash generated from operations	21,125	18,854	-11%
Tax paid	2,665	2,286	-14%
Net cash from operating activities	18,460	16,568	-10%
Net cash used in investing activities	(7,108)	(1,042)	-85%
Net cash used in financing activities	(13,486)	(14,815)	10%

Non-GAAP financial information

	2013 RUB mln	2014 RUB mln	Change %
Adjusted Revenue	44,910*	41,890*	-7%
<i>Including</i>			
Net Revenue from Operation of Rolling Stock	38,856*	36,661*	-6%
Operating lease of rolling stock	3,785	3,259	-14%
Net Revenue from Engaged Fleet	1,872*	1,622*	-13%
Total Operating Cash Costs	(23,702)*	(24,152)*	2%
<i>Including</i>			
Empty Run Cost	(9,857)*	(10,354)*	5%
Repairs and maintenance	(4,165)	(3,800)	-9%
Employee benefit expense	(3,067)	(3,236)	6%
Operating lease rentals – rolling stock	(1,280)	(1,249)	-2%
Adjusted EBITDA	20,840*	17,560*	-16%
Adjusted EBITDA Margin, %	46%*	42%*	-
Free Cash Flow	13,632*	11,907*	-13%

Debt profile

	As at 31 Dec 2013 RUB mln	As at 31 Dec 2014 RUB mln	Change %
Total debt	33,179	28,306	-15%
Cash and cash equivalents	3,406	4,648	36%
Net Debt	29,773*	23,658*	-21%
Net Debt to Adjusted EBITDA (x)	1.4	1.3	-

Operational information

	2013	2014	Change, %
Freight Rail Turnover, billion tonnes-km (incl. Engaged Fleet)	155.5	159.7	3%
Transportation Volume, million tonnes (incl. Engaged Fleet)	102.4	102.7	0%
Freight Rail Turnover, billion tonnes-km (excl. Engaged Fleet)	131.0	135.1	3%
Transportation Volume, million tonnes (excl. Engaged Fleet)	86.0	86.9	1%
Market Share	8.3%	8.4%	-
Average Price per Trip, RUB	28,948	26,804	-7%
Average Rolling Stock Operated, units	53,445	53,813	1%
Average Distance of Loaded Trip, km	1,521	1,547	2%
Average Number of Loaded Trips per Railcar	25.1	25.4	1%
Total Empty Run Ratio, %	53%	51%	-
Empty Run Ratio for gondola cars, %	38%	38%	-
Share of Empty Run kms Paid by Globaltrans	89%	87%	-
Total Fleet, units (at year end)	65,808	66,194	1%
Including Owned Fleet, units (at year end)	61,124	60,625	-1%
Average age of Owned Fleet, years (at year end)	8.0	8.7	-
Total number of employees (at year end)	1,620	1,575	-3%

Revenue

The Group generated Total revenue of RUB 68,700 million in 2014, a decrease of 8% year on year reflecting primarily the decrease in the Group's Adjusted Revenue as well as a decrease in respective "pass through" items: "Infrastructure and locomotive tariffs: loaded trips" and "Services provided by other transportation organisations".

The following table provides details of Total revenue, broken down by revenue-generating activity, for the year ended 31 December 2014 and 2013.

	2013 RUB mln	2014 RUB mln	Change %
Railway transportation – operators services (tariff borne by the Group) ⁵	49,211	44,996	-9%
Railway transportation – operators services (tariff borne by the client)	20,896	20,097	-4%
Railway transportation – freight forwarding	62	29	-53%
Operating lease of rolling stock	3,785	3,259	-14%
Other	336	319	-5%
Total revenue	74,289	68,700	-8%

Adjusted Revenue

Adjusted Revenue is a non-GAAP financial measure defined as "Total revenue" adjusted for "pass through" items: "Infrastructure and locomotive tariffs: loaded trips" and "Services provided by other transportation organisations". "Infrastructure and locomotive tariffs: loaded trips" comprises revenue resulting from tariffs that customers pay to the Group and the Group pays on to OJSC "Russian Railways" ("RZD"), which are reflected in equal amounts in both the Group's Total revenue and Cost of sales. "Services provided by other

⁵ Includes "Infrastructure and locomotive tariffs: loaded trips" for the year ended 31 December 2014 of RUB 23,251 million (2013: RUB 24,391 million) and "Services provided by other transportation organisations" of RUB 3,560 million (2013: RUB 4,988 million).

transportation organisations” 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 Total 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.

The Group’s Adjusted Revenue decreased 7% year on year to RUB 41,890 million* in 2014, reflecting the factors discussed below.

The following table provides details of Adjusted Revenue for the year ended 31 December 2014 and 2013 and its reconciliation to Total revenue.

	2013 RUB mln	2014 RUB mln	Change %
Total revenue	74,289	68,700	-8%
<i>Minus “pass through” items</i>			
Infrastructure and locomotive tariffs: loaded trips	24,391	23,251	-5%
Services provided by other transportation organisations	4,988	3,560	-29%
Adjusted Revenue	44,910*	41,890*	-7%

The principal components of Adjusted Revenue include: (i) Net Revenue from Operation of Rolling Stock; (ii) Revenue from operating lease of rolling stock, (iii) Net Revenue from Engaged Fleet, and (iv) other revenues generated by the Group’s non-core business activities, including repair and maintenance services provided to third parties and freight forwarding.

The following table provides a breakdown of Adjusted Revenue for the year ended 31 December 2014 and 2013.

	2013 RUB mln	2014 RUB mln	Change %
Net Revenue from Operation of Rolling Stock	38,856*	36,661*	-6%
Operating lease of rolling stock	3,785	3,259	-14%
Net Revenue from Engaged Fleet	1,872*	1,622*	-13%
Railway transportation - freight forwarding	62	29	-53%
Other	336	319	-5%
Adjusted Revenue	44,910*	41,890*	-7%

Net Revenue from Operation of Rolling Stock

Net Revenue from Operation of Rolling Stock is a non-GAAP financial measure describing the net revenue generated from freight rail transportation and is defined as “Total revenue – operator’s services⁶” less “Infrastructure and locomotive tariffs: loaded trips”, “Services provided by other transportation organisations” and Net Revenue from Engaged Fleet.

Net Revenue from Operation of Rolling Stock accounted for 88% of the Group’s Adjusted Revenue in 2014.

The following table provides Net Revenue from Operation of Rolling Stock for the year ended 31 December 2014 and 2013, and its reconciliation to Total revenue – operator’s services.

	2013 RUB mln	2014 RUB mln	Change %
Total revenue – operator’s services ⁶	70,107	65,093	-7%
<i>Minus</i>			
Infrastructure and locomotive tariffs: loaded trips	24,391	23,251	-5%
Services provided by other transportation organisations	4,988	3,560	-29%
Net Revenue from Engaged Fleet	1,872*	1,622*	-13%
Net Revenue from Operation of Rolling Stock	38,856*	36,661*	-6%

⁶ Defined as the sum of the following EU IFRS line items: “Railway transportation – operator’s services (tariff borne by the Group)” and “Railway transportation – operator’s services (tariff borne by the client)”.

The Group's Net Revenue from Operation of Rolling Stock decreased 6% year on year to RUB 36,661 million* in 2014. The key factors that contributed to the change in the Group's Net Revenue from Operation of Rolling Stock included:

- Average Price per Trip was down 7% year on year primarily reflecting the weak pricing environment in the gondola segment;
- Average Rolling Stock Operated was up 1% year on year to 53,813 units in 2014;
- Average Number of Loaded Trips per Railcar increased 1% year on year to 25.4 trips in 2014 due to the changed logistics.

Revenue from operating lease of rolling stock

Revenue from operating lease of rolling stock, which accounted for 8% of the Group's Adjusted Revenue in 2014, was down 14% year on year to RUB 3,259 million, primarily reflecting a decline in the leasing rates.

Net Revenue from Engaged Fleet

Net Revenue from the Engaged Fleet represents the net sum of the price charged to clients for transportation 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") and less the cost of engaging fleet from third-party rail operators (included in the EU IFRS line item "Services provided by other transportation organisations").

Net Revenue from Engaged Fleet declined 13% year on year to RUB 1,622 million* in 2014. The decrease was primarily driven by the weak pricing environment in the gondola segment.

In 2014, the Engaged Fleet contributed 15% of the Group's Freight Rail Turnover. The Group engaged about 10 thousand units of rolling stock from third parties as of 31 December 2014 to meet demand under service contracts not covered by Owned and Leased-in Fleets.

Cost of sales, selling and marketing costs and administrative expenses

In 2014 the Group's Total cost of sales, selling and marketing costs and administrative expenses amounted to RUB 57,326 million, a decrease of 4% compared to the previous year, primarily reflecting the factors described below.

- "Pass through" cost items ("Infrastructure and locomotive tariffs: loaded trips" and "Services provided by other transportation organisations") decreased 9% year on year to RUB 26,810 million*;
- The Group's Cost of sales, selling and marketing costs and administrative expenses adjusted for the "pass-through" cost items remained stable year on year and were RUB 30,515 million* in 2014, which reflected:
 - 2% year on year increase in Total Operating Cash Costs to RUB 24,152 million*, below the growth of the Group's Freight Rail Turnover, mitigating the impact of inflation;
 - 7% year on year decline in Total Operating Non-Cash Costs to RUB 6,363 million* in 2014.

The following table provides a breakdown of Cost of sales, selling and marketing costs and administrative expenses for the year ended 31 December 2014 and 2013.

	2013 RUB mln	2014 RUB mln	Change %
Cost of sales	55,152	52,789	-4%
Selling and marketing costs	536	334	-38%
Administrative expenses	4,215	4,202	0%
Total cost of sales, selling and marketing costs and administrative expenses	59,903	57,326	-4%

In order to show the dynamics and nature of the Group's cost base, individual items of Total cost of sales, selling and marketing costs and administrative expenses have been regrouped as shown below:

	2013 RUB mln	2014 RUB mln	Change %
“Pass through” cost items	29,379*	26,810*	-9%
Infrastructure and locomotive tariffs: loaded trips	24,391	23,251	-5%
Services provided by other transportation organisations	4,988	3,560	-29%
Total Operating Cash Costs	23,702*	24,152*	2%
Empty Run Costs	9,857*	10,354*	5%
Repairs and maintenance	4,165	3,800	-9%
Employee benefit expense	3,067	3,236	6%
Fuel and spare parts - locomotives	1,212	1,403	16%
Operating lease rentals - rolling stock	1,280	1,249	-2%
Infrastructure and Locomotive Tariffs - Other Tariffs	972*	1,018*	5%
Engagement of locomotive crews	450	468	4%
Legal, consulting and other professional fees	160	102	-36%
Other Operating Cash Costs	2,539*	2,522*	-1%
Total Operating Non-Cash Costs	6,822*	6,363*	-7%
Depreciation of property, plant and equipment	5,246	5,085	-3%
Amortisation of intangible assets	1,021	1,079	6%
Impairment charge for receivables	369	178	-52%
Impairment of property, plant and equipment	-	0 ⁷	N/A
Loss on sale of property, plant and equipment	187	22	-88%
Total cost of sales, selling and marketing costs and administrative expenses	59,903	57,326	-4%

“Pass through” cost items

Infrastructure and locomotive tariffs: loaded trips

Infrastructure and locomotive tariffs: loaded trips is in principle a “pass through” cost item for the Group⁸ and is reflected in equal amounts in both the Group's Total revenue and Cost of sales. Infrastructure and locomotive tariffs: loaded trips decreased 5% year on year to RUB 23,251 million in 2014.

Services provided by other transportation organisations

Services provided by other transportation organisations is in principle a “pass through” cost item for the Group and is reflected in equal amounts in both the Group's Total revenue and Cost of sales. This cost item includes tariffs that the Group pays on to third-party rail operators for subcontracting their rolling stock (Engaged Fleet), which are reflected equally in both the Group's Total revenue and Cost of sales. Services provided by other transportation organisations declined 29% year on year to RUB 3,560 million in 2014, primarily reflecting weak pricing environment in the gondola segment, as well as a change in sub-contracting terms with third-party rail operators.

Total Operating Cash Costs

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” cost items and non-cash cost items.

The Group's Total Operating Cash Costs increased 2% year on year to RUB 24,152 million*, below the growth of the Group's Freight Rail Turnover (up 3% year on year in the same period), mitigating the impact of inflation. The combination of factors described below have contributed to the change in Total Operating Cash Costs.

⁷ RUB 0.2 million.

⁸ Under contracts where the RZD tariff is borne by the Group, the Group has a contractual relationship with the client. The Group sets the terms of the transactions, such as selling and payment terms and in some cases bears credit risk and controls the flow of receipts and payments.

The following table provides a breakdown of the Total Operating Cash Costs for the year ended 31 December 2014 and 2013.

	2014 % of Total	2013 RUB mln	2014 RUB mln	Change %
Empty Run Costs	43%	9,857*	10,354*	5%
Repairs and maintenance	16%	4,165	3,800	-9%
Employee benefit expense	13%	3,067	3,236	6%
Fuel and spare parts - locomotives	6%	1,212	1,403	16%
Operating lease rentals - rolling stock	5%	1,280	1,249	-2%
Infrastructure and Locomotive Tariffs - Other Tariffs	4%	972*	1,018*	5%
Engagement of locomotive crews	2%	450	468	4%
Legal, consulting and other professional fees	0.4%	160	102	-36%
Other Operating Cash Costs	10%	2,539*	2,522*	-1%
Total Operating Cash Costs	100%	23,702*	24,152*	2%

Empty Run Costs

Empty Run Costs (a non-GAAP financial measure) accounted for 43% of the Group's Total Operating Cash Costs in 2014. Empty Run Costs were up 5% year on year to RUB 10,354 million* in 2014, reflecting a combination of the following factors:

- An increase in the Group's business volumes with Freight Rail Turnover up 3% year on year;
- A change in logistics in the segment of rail transportation of oil products and oil;
- A freeze in the RZD regulated tariff for the traction of empty railcars;
- An improvement in the Total Empty Run Ratio to 51% (2013: 53%), primarily resulting from a decrease in the Empty Run Ratio for rail tank cars due to changed logistics. The Empty Run Ratio for gondola cars remained stable at a low level of 38%;
- The Share of Empty Run Kilometres paid by Globaltrans slightly improved to 87% (2013: 89%).

Repairs and maintenance

Repairs and maintenance accounted for 16% of the Group's Total Operating Cash Costs in 2014. This cost item was RUB 3,800 million in the reporting year, decreasing 9% year on year, reflecting growth in the number of current repairs, which were more than offset by improved pricing for repairs and spare parts and a decline in expenses related to repair and maintenance of locomotives.

Employee benefit expense

Employee benefit expense, which accounted for 13% of the Group's Total Operating Cash Costs, was up 6% year on year to RUB 3,236 million in 2014, driven by a combination of inflation driven increases in salaries, an increase in social insurance taxes and growth in employment termination expenses, which were partially offset by the ongoing optimisation in the number of employees. The number of the Group's employees declined 3% (about 45 employees) by the end of 2014 compared to the end of the previous year.

Fuel and spare parts - locomotives

Fuel and spare parts - locomotives expenses, accounting for 6% of the Group's Total Operating Cash Costs, were RUB 1,403 million in 2014, an increase of 16% compared to the previous year, primarily reflecting the increase in the average number of locomotives operated as well as changed logistics in the segment for rail transportation of oil products and oil.

Operating lease rentals - rolling stock

Operating lease rentals - rolling stock, which accounted for 5% of the Group's Total Operating Cash Costs in 2014, decreased 2% to RUB 1,249 million compared to the previous year, reflecting a combination of an increase in the average number of railcars leased-in to meet additional demand for the Group's services which was fully offset by a decline in the market leasing rates.

Infrastructure and Locomotive Tariffs - Other Tariffs

Infrastructure and Locomotive Tariffs - Other Tariffs (a non-GAAP financial measure), which 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, accounted for 4% of the Group's Total Operating Cash Costs in 2014. This cost item includes the costs of relocation of rolling stock to and from maintenance, the transition of purchased rolling stock to its first place of commercial utilisation, and the relocation of rolling stock in and from lease operations as well as other expenses.

Infrastructure and Locomotive Tariffs - Other Tariffs amounted to RUB 1,018 million* in 2014, an increase of 5% year on year, reflecting primarily growth in number of rolling stock relocations to and from maintenance as the number of current repairs increased.

Engagement of locomotive crews

Costs related to the engagement of locomotive crews from RZD were up 4% year on year to RUB 468 million in 2014, largely due to the increase in the average number of locomotives operated.

Other Operating Cash Costs

Other Operating Cash Costs (a non-GAAP financial measure) include cost items such as "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".

Other Operating Cash Costs, which accounted for 10% of the Group's Total Operating Cash Costs, declined 1% to RUB 2,522 million* in 2014 compared to the previous year, reflecting a decrease in Taxes (other than income tax and value added taxes) which predominantly includes property tax, a decrease in Operating lease rentals - office and Information services which were partially offset by an increase in other administrative expenses as a part of Other expenses.

Total Operating Non-Cash Costs

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

The following table provides a breakdown of the Total Operating Non-Cash Costs for the year ended 31 December 2014 and 2013.

	2013	2014	Change
	RUB mln	RUB mln	%
Depreciation of property, plant and equipment	5,246	5,085	-3%
Amortisation of intangible assets	1,021	1,079	6%
Impairment charge for receivables	369	178	-52%
Impairment of property, plant and equipment	-	0 ⁹	N/A
Loss on sale of property, plant and equipment	187	22	-88%
Total Operating Non-Cash Costs	6,822*	6,363*	-7%

Total Operating Non-Cash Costs were RUB 6,363 million* in 2014, a decrease of 7% compared to the previous year, reflecting the combination of the following factors:

- Depreciation of property, plant and equipment was down 3% year on year to RUB 5,085 million in 2014;
- Amortisation of intangible assets increased 6% to RUB 1,079 million compared to the previous year, primarily reflecting the full period consolidation of Steeltrans (renamed from MMK-Trans). Amortisation of intangible assets includes the amortisation of customer relationships related to the service contracts with Metalloinvest and MMK;
- Impairment charge for receivables was RUB 178 million in 2014 compared to RUB 369 million recorded in the previous year.

⁹ RUB 0.2 million.

Adjusted EBITDA (non-GAAP financial measure)

The Group's Adjusted EBITDA in 2014 was RUB 17,560 million*, a decline of 16% year on year. The Adjusted EBITDA Margin decreased to 42%* in the reporting year compared to 46%* in the previous year.

The difference between EBITDA and Adjusted EBITDA arises primarily from "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", which are eliminated from Adjusted EBITDA.

The following table provides detail on Adjusted EBITDA for the year ended 31 December 2014 and 2013, and its reconciliation to EBITDA and Profit for the year.

	2013 RUB mln	2014 RUB mln	Change %
Profit for the year	8,068	571	-93%
<i>Plus (Minus)</i>			
Income tax expense	2,850	2,206	-23%
Finance costs – net	3,513	2,788	-21%
Net foreign exchange transaction gains/(losses) on borrowings and other liabilities	70	(431)	-718%
Net foreign exchange transaction gains on cash and cash equivalents and other monetary assets	207	539	161%
Amortisation of intangible assets	1,021	1,079	6%
Depreciation of property, plant and equipment	5,246	5,085	-3%
Impairment of goodwill	-	5,828	N/A
EBITDA	20,974*	17,665*	-16%
<i>Minus (Plus)</i>			
Net foreign exchange transaction gains/(losses) on borrowings and other liabilities	70	(431)	-718%
Net foreign exchange transaction gains on cash and cash equivalents and other monetary assets	207	539	161%
Share of profit/(loss) of associates	7	(12)	-279%
Other gains - net	37	31	-18%
Loss on sale of property, plant and equipment	(187)	(22)	-88%
Adjusted EBITDA	20,840*	17,560*	-16%

Finance income and costs

The following table provides a breakdown of Finance income and costs for the years ended 31 December 2014 and 2013.

	2013 RUB mln	2014 RUB mln	Change %
<i>Interest expense:</i>			
Borrowings from third parties	(70)	(16)	-77%
Bank borrowings	(2,423)	(1,923)	-21%
Non-convertible bond	(1,155)	(1,100)	-5%
Finance leases	(66)	(34)	-48%
Other finance costs	(189)	(19)	-90%
Total interest expense	(3,903)	(3,093)	-17%
Net foreign exchange transaction gains/(losses) on borrowings and other liabilities	70	(431)	-718%
Finance costs	(3,833)	(3,524)	-8%
<i>Interest income:</i>			
Loans receivables from third parties	1	1	-2%
Bank balances	30	41	39%
Short term bank deposits	83	143	72%
Total interest income	114	185	63%
Net foreign exchange transaction gains on cash and cash equivalents and other monetary assets	207	539	161%
Other finance income	-	11	N/A
Finance income	320	736	130%
Net finance costs	(3,513)	(2,788)	-21%

Finance income

Finance income was RUB 736 million in 2014 compared to RUB 320 million in the previous year, reflecting a combination of an increase in total interest income to RUB 185 million and an increase in net foreign exchange transaction gains on the Group's US Dollar denominated cash and cash equivalents and other monetary assets to RUB 539 million.

Finance costs

Finance costs decreased 8% year on year to RUB 3,524 million in 2014, reflecting a combination of the following factors:

- Total interest expense was down 17% year on year to RUB 3,093 million in 2014, largely driven by a 15% decline in the Group's Total debt as of the end of 2014 compared to the end of the previous year.
- RUB 431 million Net foreign exchange transaction losses on borrowings and other liabilities recorded in the 2014 compared to RUB 70 million Net foreign exchange transaction gains in the previous year. This change primarily reflected Net foreign exchange transaction losses on the US Dollar denominated borrowings of the Group's subsidiaries¹⁰.

Profit before income tax

The Group reported Profit before income tax of RUB 2,777 million in 2014, a decrease of 75% compared to the previous year. The change in Profit before income tax was driven by a combination of the following factors:

- A 61% year on year decrease in the Group's Operating profit to RUB 5,577 million largely impacted by the impairment of goodwill related to the acquisition of captive rail operators in 2012-2013 in the amount of RUB 5,828 million¹¹;
- Partially offset by a 21% year on year (RUB 725 million) decrease in Net finance cost largely driven by decreased Interest expense.

Income tax expense

Income tax expense decreased 23% year on year to RUB 2,206 million in 2014, primarily reflecting a decrease in the Group's Profit before income tax.

The weighted average effective tax rate for the year ended 31 December 2014 was 79.4% (2013: 26.1%). Excluding the impact of the impairment charge of goodwill which was an exceptional item with no tax implications for the Group, the weighted average effective tax rate for the year ended 31 December 2014 was 25.6%.

LIQUIDITY AND CAPITAL RESOURCES

In 2014, the Group's expansion CAPEX remained on hold with the Group's capital expenditure consisting primarily of maintenance CAPEX. The Group was able to meet its liquidity and capital expenditure needs comfortably from operating cash flow, cash and cash equivalents available at 31 December 2014 as well as proceeds from borrowings.

The Group manages its liquidity based on expected cash flows. As at 31 December 2014, the Group had Net Working Capital of RUB 3,184 million*. Utilising its anticipated operating cash flow and borrowings, the Group

¹⁰ The 2014 year-end exchange rate of Russian Rouble against the US Dollar weakened by 72% compared to the end of 2013; the 2014 year-end exchange rate of Ukrainian Hryvnia against the US Dollar weakened by 97% compared to the end of 2013.

¹¹ In 2014, the Group recognised an impairment of goodwill in amount of RUB 5,828 million related to acquisitions of captive rail operators completed in 2012 and 2013. The impairment primarily reflects increased cost of capital in Russia, deterioration of economic conditions, as well as the continued weak pricing environment in the gondola segment.

believes that it has sufficient working capital to enable it to operate successfully and expand its business when appropriate opportunities arise.

Cash flows

The following table sets out the principal components of the Group's consolidated cash flow statement for the years ended 31 December 2014 and 2013.

	2013 RUB mln	2014 RUB mln
<i>Cash flows from operating activities</i>	20,877	17,591
<i>Changes in working capital:</i>		
Inventories	(58)	(91)
Trade and other receivables	2,323	(246)
Trade and other payables	(2,017)	1,600
Cash generated from operations	21,125	18,854
Tax paid	(2,665)	(2,286)
Net cash from operating activities	18,460	16,568
<i>Cash flows from investing activities</i>		
Acquisition of subsidiaries, net of cash acquired	(6,120)	-
Indemnification received	-	78
Loans repayments received from third parties	3	1
Purchases of property, plant and equipment	(1,275)	(1,532)
Purchases of intangible assets	-	0 ¹²
Proceeds from disposal of property, plant and equipment	172	221
Interest received	113	190
Net cash used in investing activities	(7,108)	(1,042)
<i>Cash flows from financing activities</i>		
Net cash inflows (outflows) from borrowings and financial leases ¹³	(4,310)*	(5,393)*
Acquisition of non-controlling interests	-	(2)
Interest paid	(3,553)	(3,129)
Dividends paid to Company's shareholders	(3,907)	(3,984)
Dividends paid to non-controlling interests	(1,715)	(2,307)
Net cash used in financing activities	(13,486)	(14,815)
Net (decrease)/increase in cash and cash equivalents	(2,133)	711
Exchange gains on cash and cash equivalents	127	530
Cash and cash equivalents at beginning of year	5,412	3,406
Cash and cash equivalents at end of year	3,406	4,648

Net cash from operating activities

Net cash generated from operating activities decreased 10% year on year to RUB 16,568 million in 2014, reflecting a decrease in Cash flows from operating activities primarily on the back of the weak pricing environment, which was partially offset by decreased cash requirements for financing working capital compared to the previous year.

Net cash used in investing activities

Net cash used in investing activities declined to RUB 1,042 million in 2014 from RUB 7,108 million in the previous year, reflecting the low investment activity of the Group in the reporting year. In 2013, the Group completed the acquisition of Steeltrans (renamed from MMK-Trans).

Net cash used in financing activities

Net cash used in financing activities was RUB 14,815 million in 2014 compared to RUB 13,486 million in the previous year. This increase primarily reflected the combination of the following factors:

¹² RUB 49 million.

¹³ Net Cash inflows (outflows) from borrowings and financial leases defined as a balance between the following line items: "Proceeds from borrowings", "Repayments of borrowings" and "Finance lease principal payments".

- Net cash outflows from borrowings and finance leases¹³ of RUB 5,393 million* in 2014 compared to RUB 4,310 million* in the previous year reflecting the Group's lower investing activity in the reporting year;
- A decrease of 12% year on year in Interest paid to RUB 3,129 million in 2014, mainly reflecting a decline in total borrowings during the reporting period;
- Payment of RUB 2,307 million in dividends to non-controlling interests in subsidiaries, compared to RUB 1,715 million paid in the previous year.

Capital Expenditure

The Group's capital expenditure for the acquisition of rolling stock on an accrual basis was RUB 1,354 million in 2014 compared to RUB 1,133 million in the previous year. In both periods, the Group's capital expenditure consisted primarily of maintenance CAPEX. The low level of maintenance CAPEX reflects the relatively young age of the Group's Owned Fleet, with an average age of 8.7 years as of the end of 2014.

The Group's Owned Fleet decreased by 499 units or 1% year on year to 60,625 units as of the end of 2014 reflecting a write-off of railcars purchased as a part of acquisition of captive rail operators in 2012-2013 due to ended useful life. In 2015-2016, the Group expects a write-off of around 1,000 units of rolling stock.

Capital Resources

As of 31 December 2014, the Group's financial indebtedness consisted of bank borrowings, non-convertible unsecured bonds and finance lease liabilities for an aggregate principal amount of RUB 28,306 million (including accrued interest of RUB 374 million*), representing a 15% decrease compared to the end of the previous year.

The Group's Net Debt as of the end of 2014 amounted to RUB 23,658 million*, a decrease of 21% from Net Debt at the end of 2013.

The following table provides detail on the Group's financial indebtedness structure as of 31 December 2014 (including accrued interest of RUB 374 million*).

	As of 31 Dec 2014 RUB mln	% of Total
Bank borrowings	17,328	61%
Non-convertible unsecured bonds	10,772	38%
Finance lease liabilities	188	1%
Loans from third parties	18	0%
Total	28,306	100%

As of 31 December 2014 the Group's leverage remained at a comfortable level with a ratio of Net Debt to Adjusted EBITDA of 1.3x* (31 December 2013: 1.4x*).

The currency structure of the Group's indebtedness was further improved with RUB-denominated borrowings accounting for 98% of the Group's debt portfolio as of 31 December 2014, compared to 94% as of the end of 2013.

The carrying amounts were denominated in the following currencies as of 31 December 2014.

	As of 31 Dec 2014 RUB mln	% of Total
Russian Rouble	27,714	98%
US Dollar	592	2%
Total	28,306	100%

The weighted average effective interest rate was 10.3%* at 31 December 2014 compared to 9.1%* as of the end of 2013, reflecting an increase in the market interest rates, as well as a further increase in the share of RUB-denominated debt in the Group's borrowings.

The share of borrowings with a fixed interest rates increased to 90%* at 31 December 2014 compared to 87%* at the end of 2013.

The Group has a balanced maturity profile, supported by the Group's solid cash flow generation, available cash and cash equivalents, as well as undrawn borrowing facilities in amount of RUB 21,902 million as of the end of 2014. In March 2015, the Group's Russian subsidiary OJSC New Forwarding Company has redeemed its three-year 10 billion RUB denominated exchange-traded, non-convertible bonds with a five-year RUB-denominated credit facility.

The following table gives the maturity profile of the Group's borrowings (including accrued interest of RUB 374 million*) as of 31 December 2014.

	As of 31 Dec 2014 RUB mln
First half of 2015	14,434*
Second half of 2015	3,822*
2016	6,723*
2017-2019	3,327*
Total	28,306
Free Cash Flow in 2014	11,907*
Cash and cash equivalents	4,648
Undrawn borrowing facilities	21,902

PRESENTATION OF INFORMATION

The financial information presented in this announcement is derived from the consolidated financial statements of Globaltrans Investment PLC ("the Company" or, together with its subsidiaries, "Globaltrans" or "the Group") as at and for the year ended 31 December 2014 and 2013 and prepared in accordance with International Accounting Standards as adopted by the European Union and the requirements of Cyprus Companies Law, Cap. 113 ("EU IFRS").

The Group's consolidated financial statements as at and for the year ended 31 December 2014 and 2013 along with selected historical financial and operational information are available at Globaltrans' corporate website (www.globaltrans.com).

The presentation currency of the Group's consolidated financial statements was changed from US Dollars to Russian Roubles ("RUB") effective from the results for the year ending 31 December 2014. The Company believes that the presentation of financial results in RUB, which is the functional currency of the Company as well as its Cypriot and Russian subsidiaries, provides greater transparency in the light of recent volatility of the RUB exchange rate and provides shareholders with a more accurate reflection of the Company's underlying performance. In accordance with relevant accounting standards, comparative financial information for the year ended 31 December 2013 is provided in RUB.

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

In this announcement the Group has used certain non-GAAP financial information (not recognised 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 announcement.

Rounding adjustments have been made in calculating some of the financial and operational information included in this announcement. 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 presented in this announcement 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"); OJSC Russian Railways ("RZD") and Federal Tariff Service of Russian Federation ("FST"). 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.

All non-GAAP financial and operational information presented in this announcement should be used only as an analytical tool, and investors should not consider such information in isolation or in any combination as a substitute for analysis of the Group's consolidated financial statements and condensed interim financial information reported under EU IFRS, which are available the Globaltrans' corporate website www.globaltrans.com.

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ANALYST AND INVESTOR CONFERENCE CALL

The release of the Group's financial and operational results will be accompanied by an analyst and investor conference call hosted by Sergey Maltsev, Chief Executive Officer and Alexander Shenets, Chief Financial Officer.

Date: Monday, 30 March 2015

Time: 14.00 London / 9.00 New York (EDT) / 16.00 Moscow

To participate in the conference call please dial one of the following numbers and ask to be put through to the "Globaltrans" call:

UK toll free: 0808 109 0700

International: +44 (0) 20 3003 2666

As there will be simultaneous translation for the first part of the call (slide presentation), you should state whether you prefer to listen in English or Russian. During the Q&A session, all participants will hear both languages.

There will also be a webcast of the call available through the Globaltrans website (www.globaltrans.com). Please note that this will be a listen-only facility.

ENQUIRIES

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NOTES TO EDITORS

Globaltrans is a leading private freight rail transportation group with operations in Russia, the CIS and the Baltic countries. The Group's main business is the provision of freight rail transportation services. Globaltrans provides services to more than 500 customers and its key customers include a number of large Russian industrial groups in the metals and mining and the oil products and oil sectors.

The Group has a Total Fleet of about 66 thousand units of rolling stock with an average age of 8.7 years¹⁴. Universal gondola cars and rail tank cars constitute the backbone of the Group's fleet. About 92% of the Total Fleet is owned by the Group. In 2014, the Group's Freight Rail Turnover (including Engaged Fleet) was 159.7 billion tonnes-km. The Group's Market Share was 8.4% of overall Russian freight rail transportation volumes.

Globaltrans' global depository receipts (ticker symbol: GLTR) have been listed on the Main Market of the London Stock Exchange since May 2008. Globaltrans was the first freight rail transportation group with operations in Russia to have an international listing.

To learn more about Globaltrans, please visit www.globaltrans.com

DEFINITIONS

Terms that require definitions are marked with capital letters in this announcement and their definitions are provided below 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)/gains on cash and cash equivalents and other monetary assets", "Share of profit/(loss) of associates", "Other gains - net" and "(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 year" 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 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).

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".

¹⁴ Average age of the Group's Owned Fleet as of 31 December 2014.

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.

Functional Currency is defined as the currency of the primary economic environment in which the entity operates. The functional currency of the Company, its Cyprus and Russian subsidiaries is the Russian Rouble. The Estonian and Finnish subsidiaries have the Euro as their functional currency. The Ukrainian subsidiary of the Company has the Ukrainian Hryvnia as its functional currency.

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. This cost item includes the costs of relocation of rolling stock to and from maintenance, transition of purchased rolling stock to its first place of commercial utilisation, and relocation of rolling stock in and from lease operations as well as other expenses.

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 using the Group's own information as the numerator and information published by Rosstat as the denominator. The Group's Market Share is calculated as a percentage of the overall Russian freight rail transportation volume and includes volumes transported by Engaged Fleet.

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.

Net Working Capital (a non-GAAP financial measure) is calculated as the sum of the current portions of "Inventories", "Current income tax assets", "Trade receivables - net", "Prepayments - third parties", "Prepayments - related parties", "Other receivables - net", and "VAT recoverable", less the sum of the current portions of "Trade payables to third parties", "Trade payables to related parties", "Advances from customers for transportation services", "Advances from related parties for sale of wagons", "Accrued expenses", "Other payables to third parties", "Other payables to related parties" and "Current tax liabilities".

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 "(Gain)/loss on sale of property, plant and equipment".

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

Other Operating Cash Costs (a non-GAAP financial measure) include cost items such as "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 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.

LEGAL DISCLAIMER

Some of the information in this announcement may contain projections or other forward-looking statements regarding future events or the future financial performance of Globaltrans. You can identify forward-looking statements by terms such as 'expect', 'believe', 'anticipate', 'estimate', 'intend', 'will', 'could', 'may' or 'might', the negative of such terms or other similar expressions. Globaltrans wishes to caution you that these statements are only predictions and that actual events or results may differ materially. Globaltrans does not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in projections or forward-looking statements of Globaltrans, including, among others, general economic conditions, the competitive environment, risks associated with operating in Russia, rapid technological and market change in the industries Globaltrans operates in, as well as many other risks specifically related to Globaltrans and its operations.