

Innovation

Partnerships

Independence

Performance

Interim 2015 Results

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

Sergey Maltsev, CEO and Alexander Shenets, CFO
Investor Conference Call: 1 September 2015

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Presentation of information

The financial information contained in this presentation is derived from the condensed consolidated interim financial information (unaudited) of Globaltrans Investment PLC (“the Company” or, together with its subsidiaries, “Globaltrans” or “the Group”) as at and for the six months ended 30 June 2015 and 2014 and prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” as adopted by the European Union.

The Group’s condensed consolidated interim financial information and selected operational information as at and for the year ended 30 June 2015 and 2014 along with 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 (“USD”) to Russian Roubles (“RUB”) effective for 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 six months ended 30 June 2014 is provided in RUB.

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”); 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 presentation 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.



Sergey Maltsev
Chief Executive Officer

- Highlights
- Market and business review

Highlights: Adjusted EBITDA and Free Cash Flow steady over last 12 months despite challenging environment

Solid operational performance

- Continued growth in business volumes with Freight Rail Turnover¹ up 4% y-o-y
- Solid operational efficiency maintained with Empty Run Ratio for gondola cars at 40% (H1 2014: 38%)
- Average Price per Trip remained stable y-o-y supported primarily by solid performance of rail tank car segment

Respectable financial results

- Adj. Revenue of RUB 20.8 bln*, down 4% y-o-y due to 2% y-o-y decline in Net Revenue from Operation of Rolling Stock and drop in revenues from auxiliary operations
- Cost inflation mitigated with Total Operating Cash Costs up 5% y-o-y (up 2% y-o-y excl. Empty Run Costs²)
- Adj. EBITDA of RUB 8.2 bln*, down 14% y-o-y; Adj. EBITDA Margin at 39%* (H1 2014: 44%*)

First-half results flat compared to H2 2014

- Adj. Revenue up 3% vs. H2 2014, driven primarily by increase in Freight Rail Turnover
- Adj. EBITDA up 1% vs. H2 2014 with broadly stable Adj. EBITDA Margin (H2 2014: 40%*)
- Free Cash Flow generation remained solid at RUB 5.5 bln, down 1% vs. H2 2014

Deleveraging accelerated

- Net Debt down 16% from the end of 2014 with Net Debt to LTM Adj. EBITDA improving to 1.2x*
- Share of RUB denominated debt increased to almost 100%
- Balanced and manageable maturity profile

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.

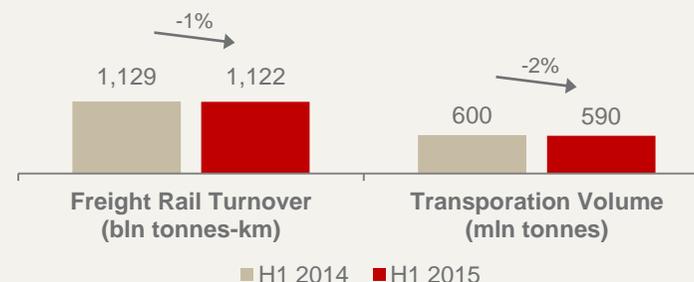
1) Freight Rail Turnover (incl. Engaged Fleet); The Group's Freight Rail Turnover (excl. Engaged Fleet) increased 2% y-o-y in H1 2015.

2) RZD regulated tariffs (including tariffs for the traction of empty railcars) increased 10% from January 2015.

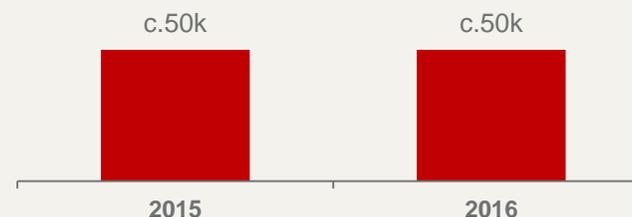
Difficult market conditions reflecting macro headwinds

- Market remains sluggish against weak economic backdrop**
 - Overall Russian Transportation Volumes down 2% y-o-y in H1 2015
 - Coal (+2% y-o-y), oil products and oil (-1% y-o-y), metallurgical cargoes (+1% y-o-y), construction materials (-17% y-o-y)¹
 - Overall Russian Freight Rail Turnover down 1% y-o-y in H1 2015
 - In July 2015 the overall Russian Transportation Volumes were unchanged y-o-y with Freight Rail Turnover up 3%
- Weak pricing environment with prices, specifically in gondola car segment, continuing to be under pressure**
- Gondola fleet numbers in Russia have started to decline**
 - All railcars reaching the end of useful life have to be taken out of operation. Extension of useful life only possible through expensive modernization and certification
 - Gondola fleet in Russia reduced by c.4% in Jan - July 2015²
 - c.32k gondola cars were scrapped
 - c.10k gondola cars were produced, down 48% y-o-y³

Overall Russian freight rail market performance



c.18% of gondola fleet in Russia is estimated to end useful life in 2015-2016⁴



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 (incl. coke); metallurgical cargoes (incl. ferrous metals, scrap metal and ores); construction materials (incl. cement).

2) Source: www.rzd-partner.ru

3) Source: www.pg-online.ru

4) Estimated by the Company; as a proportion of the overall gondola car fleet in Russia as of the end of 2014.

Business volumes rise, Average Price per Trip remains stable y-o-y

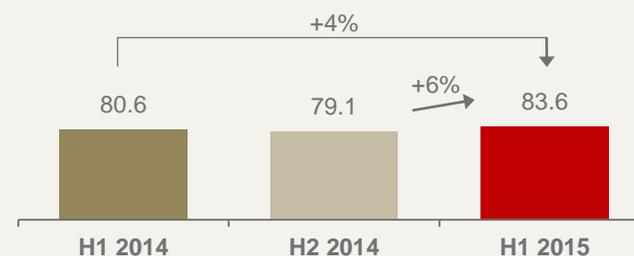
- **Continued growth in business volumes, all railcars fully deployed**

- Freight Rail Turnover increased 4%¹ y-o-y led by metallurgical cargoes² (+4% y-o-y) and coal³ (+20% y-o-y)
- Market Share stable at 8.3%
- Average Rolling Stock Operated relatively stable at 53,913 units (down 1% y-o-y)⁴
- Engaged Fleet of c.8k railcars used to meet excessive demand not covered by owned and leased-in fleets

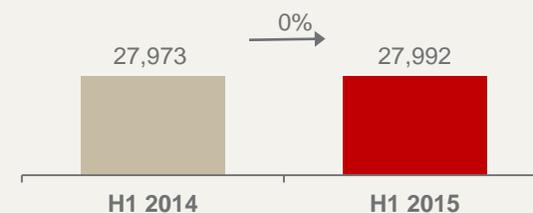
- **Average Price per Trip remained stable supported by rail tank car segment and changed logistics**

- Solid performance of rail tank cars segment offset continued weak pricing environment in gondola car operations
- Changed logistics with increased Average Distance of Loaded Trip (+4% y-o-y)
- Slightly lower Average Number of Loaded Trips per rail car (-1% y-o-y)

Freight Rail Turnover (bln tonnes-km)¹



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) Freight Rail Turnover (incl. Engaged Fleet); The Group's Freight Rail Turnover (excl. Engaged Fleet) increased 2% y-o-y in H1 2015 (up 8% vs. H2 2014).

2) Metallurgical cargoes incl. ferrous metal, scrap metal and iron ore.

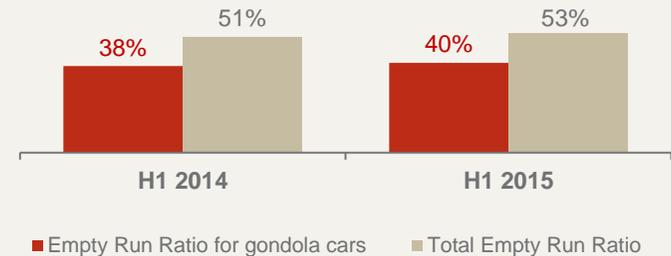
3) Coal (incl. coke).

4) As of 30 June 2015, the net decrease in the Group's Owned Fleet was 440 units of rolling stock or 1% compared to the end of 2014, which largely constituted a write-off of railcars purchased as a part of acquisition of captive rail operators in 2012-2013 which had reached the end of their useful life. The Group expects a write-off of around 500 units of rolling stock by the end of 2016.

Operational efficiency underpinned by long-term service contracts

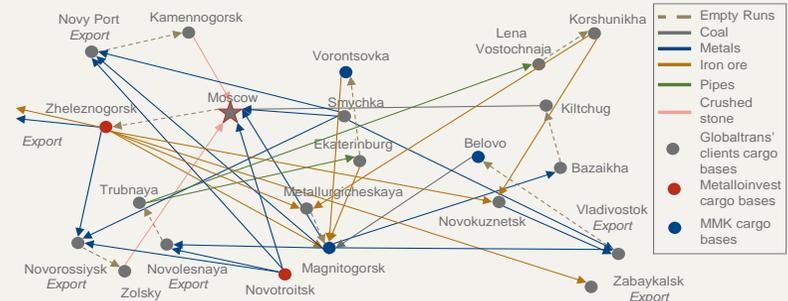
- **Solid operational efficiency despite difficult market**
 - Empty Run Ratio for gondola cars up slightly to 40% largely reflecting increase in coal transportation, which logistically generally requires higher Empty Runs
 - Share of Empty Run km paid by Globaltrans improved to 87% (H1 2014: 88%)

Empty Run Ratio (%)



- **Long-term service contracts secure operational resilience**
 - c.63% of Net Revenue from Operation of Rolling Stock contributed by long-term contracts with largest three clients (Rosneft, MMK and Metalloinvest)
 - Logistics of interconnected plants facilitates efficient matching of inbound and outbound traffic thus helping to sustain low Empty Runs
 - Unique locomotive competencies enhance position in the segment of oil products and oil, improving speed and reliability of cargo off take

Gondola car logistics: key illustrative routes



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.

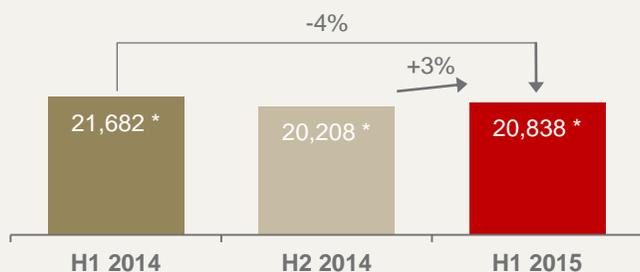


Alexander Shenets
Chief Financial Officer

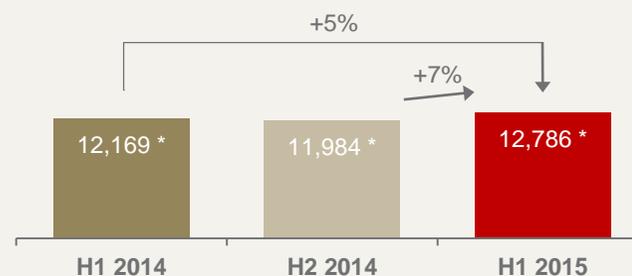
- Financial review

Highlights¹: First-half 2015 financial performance in line with H2 2014; strong cost control and solid Free Cash Flow generation

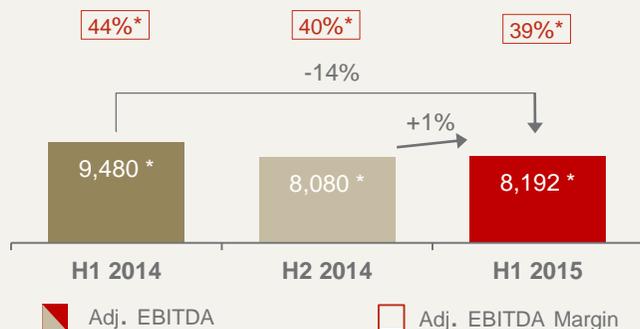
Adjusted Revenue (RUB mln)



Total Operating Cash Costs (RUB mln)²



Adjusted EBITDA (RUB mln), Adj. EBITDA Margin



Free Cash Flow (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) The presentation currency of the Group's consolidated financial statements was changed from USD to RUB effective from the results for the year ending 31 December 2014 and was applied retrospectively.
- 2) Total Operating Cash Costs (excl. Empty Run Costs) increased 2% y-o-y and up 1% compared to H2 2014.

Revenue analysis

	H1 2014 (RUB mln)	H1 2015 (RUB mln)	Change %
Revenue	35,061	33,997	-3%
<i>Minus</i>			
Infrastructure and locomotive tariffs: loaded trips ¹	11,631	11,699	1%
Services provided by other transportation organisations ²	1,748	1,460	-16%
Adjusted Revenue	21,682*	20,838*	-4%
<i>Including</i>			
Net Revenue from Operation of Rolling Stock	19,002*	18,669*	-2%
Operating leasing of rolling stock	1,660*	1,380*	-17%
Net Revenue from Engaged Fleet	872*	598*	-31%
Railway transportation - freight forwarding	14	9	-36%
Other	135	183	35%

- **Net Revenue from Operation of Rolling Stock (90% of Adjusted Revenue) down 2% y-o-y**
 - Average Price per Trip was stable y-o-y
 - Average Rolling Stock Operated down 1% to 53,913 units
 - Average Number of Loaded Trips fell 1% y-o-y
- **Revenue from Operating leasing of rolling stock (7% of Adjusted Revenue) decreased 17% y-o-y**
 - Primarily reflecting a decline in the leasing rates and in the average number of rolling stock leased-out
- **Net Revenue from Engaged Fleet (3% of Adjusted Revenue) decreased 31% y-o-y**
 - Driven by decline in number of trips undertaken by Engaged Fleet along with weak pricing conditions in gondola car segment

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: Strong cost control, inflation impact mitigated

	H1 2014 (RUB mln)	H1 2015 (RUB mln)	Change %
Adjusted total cost of sales, selling and marketing costs and administrative expenses¹	15,274*	15,877*	4%
<i>Including</i>			
Total Operating Cash Costs	12,169*	12,786*	5%
Empty Run Costs	5,280*	5,792*	10%
Repairs and maintenance	2,009	1,891	-6%
Employee benefit expense	1,482	1,540	4%
Fuel and spare parts - locomotives	678	785	16%
Operating lease rentals - rolling stock	689	661	-4%
Infrastructure and Locomotive Tariffs - Other Tariffs	468*	650*	39%
Engagement of locomotive crews	222	250	13%
Other Operating Cash Costs	1,340*	1,217*	-9%
Total Operating Non-Cash Costs	3,106*	3,091*	0%
<i>Including</i>			
Depreciation of property, plant and equipment	2,562	2,492	-3%
Amortisation of intangible assets	539	539	0%

- **Total Operating Cash Costs up 5% y-o-y; inflation impact mitigated**
 - Empty Run Costs increased less than the combined increase in RZD regulated tariffs² and growth in the Group's Freight Rail Turnover
 - Total Operating Cash Costs (excl. Empty Run Costs) up 2% y-o-y supported primarily by decline in Repair and maintenance and Other Operating Cash Costs³
- **Total Operating Non-Cash Costs remained unchanged y-o-y**

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) Total cost of sales, selling and marketing costs and administrative expenses adjusted for "pass-through" cost items: "Infrastructure and locomotive tariffs: loaded trips" and "Services provided by other transportation organizations".
- 2) RZD regulated tariffs (including tariffs for the traction of empty railcars) increased 10% from January 2015.
- 3) 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 (“OCC”) items

Empty Run Costs (45% of OCC)



- 10% increase in RZD regulated tariff for the traction of empty railcars
- 2% y-o-y increase in Freight Rail Turnover (excl. Engaged Fleet)
- Total Empty Run Ratio increased to 53% (H1 2014: 51%); Share of Empty Run km paid by Globaltrans improved to 87% (H1 2014: 88%)

Repairs and maintenance (15% of OCC)



- Increase in costs related to the repair and maintenance of locomotives coupled with an increase in the number and cost of current repairs
- Decline in the number and cost of depot repairs and number of wheel pair repairs

Employee benefit expense (12% of OCC)



- Below-inflation rise in wages and salaries, increase in social insurance costs, costs related to corporate restructuring, and introduction of share-based payment for some of the members of management¹ along with a decline in bonuses
- The Group continued its business optimization with headcount reduced 2% during the 12 months to 30 June 2015

Fuel and spare parts – locomotives (6% of OCC)



- Cost inflation of fuel and machine oil
- Increase in consumption due to growth in number of block train runs² 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) Starting 1 January 2015, the Group has introduced a new remuneration program for some of the members of its management. The new remuneration program introduces, amongst other things, a three-year compensation scheme in accordance to which, key management receives cash compensation based on the weighted average market quotations of the global depository receipts of the Company. The Group has recognized an employee benefit expense and a corresponding share-based payment liability of RUB 41.4 million in this respect for the six months ended 30 June 2015.

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

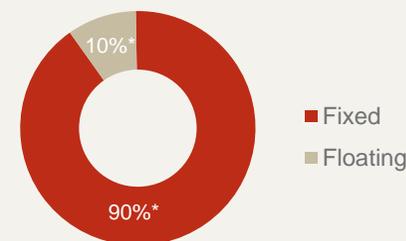
Net Debt down 16% vs. the end of 2014, maturity profile strengthened

- **Deleveraging accelerated**
 - Net Debt down 16% to RUB 19,973 mln* with Net Debt to LTM Adj. EBITDA of 1.2x*
 - Almost 100% of debt denominated in RUB
 - Low interest rate risk with 90%* of debt with fixed interest rates
 - Weighted average effective interest rate increased to 12.5%* reflecting challenging borrowing environment in H1 2015
- **Balanced and manageable maturity profile**
 - RUB 10 bln bond has been redeemed in March 2015, financed with a 5-year RUB denominated bilateral credit facility

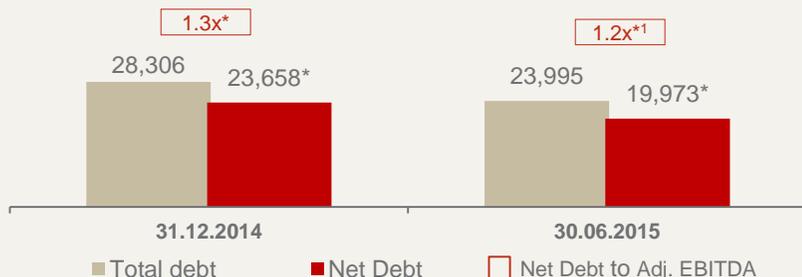
Total debt at 30.06.2015 by currency (%)



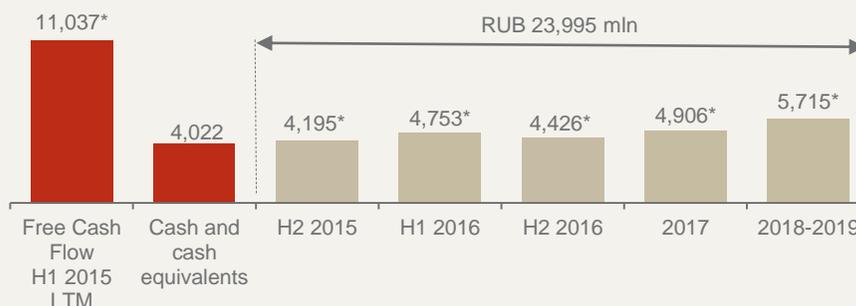
Total debt at 30.06.2015 by interest rate type (%)



Continued deleverage (RUB mln)



Comfortable maturity profile (as of 30.06.2015, RUB mln)²



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) For the last twelve months ended 30 June 2015.

2) Including accrued interest of RUB 49.9 mln* as of 30.06.2015.



Sergey Maltsev
Chief Executive Officer

- Management priorities
- Key takeaways

Management priorities for H2 2015

Immediate industry outlook remains difficult

- Sluggish demand and inflation pressures reflecting macroeconomic headwinds
- Continued weak pricing conditions
- Overall gondola fleet in Russia started to decline primarily due to exit of old railcars at end of useful life
- Fragmented industry under pressure and poised for consolidation

Management priorities

- Continued focus on fleet efficiency, cost cutting and maximization of Free Cash Flow
- Completion of intra-group reorganization with merger of Steeltrans to New Forwarding Company (both are 100%-owned subsidiaries)
- Niche tank container business (SyntezRail) progressing well, to be developed further¹
- Prudent capital allocation
 - Organic CAPEX remains on hold
 - Free Cash Flow to be primarily targeted at repayment of debt
- Monitor potential consolidation opportunities

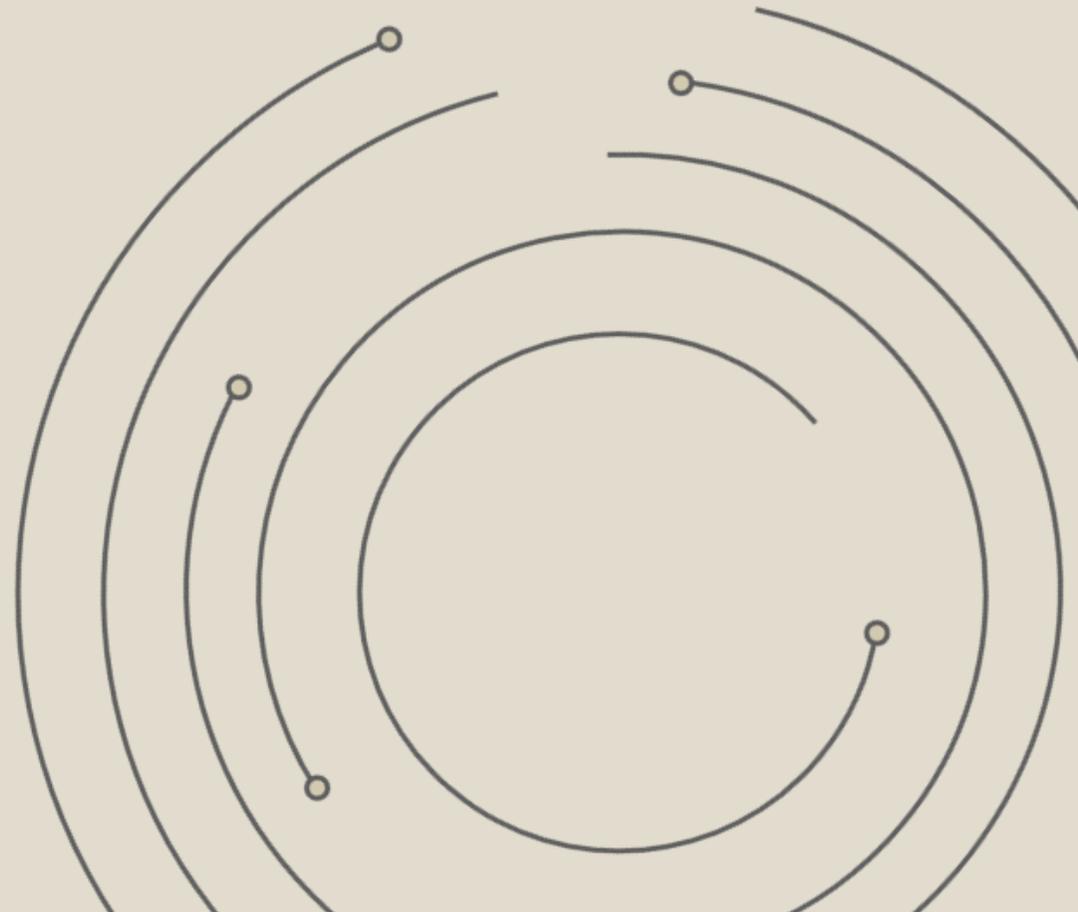
Source: Globaltrans. Definitions for terms marked in this presentation with capital letters (including certain non-GAAP financial information) are provided at the end of this presentation.

1) SyntezRail was established in 2014; 60% owned subsidiary of Globaltrans. SyntezRail is engaged in freight rail transportation of petrochemicals in tank containers which are transported on rail platforms. Currently, SyntezRail operates 300 tank containers leased from third parties.

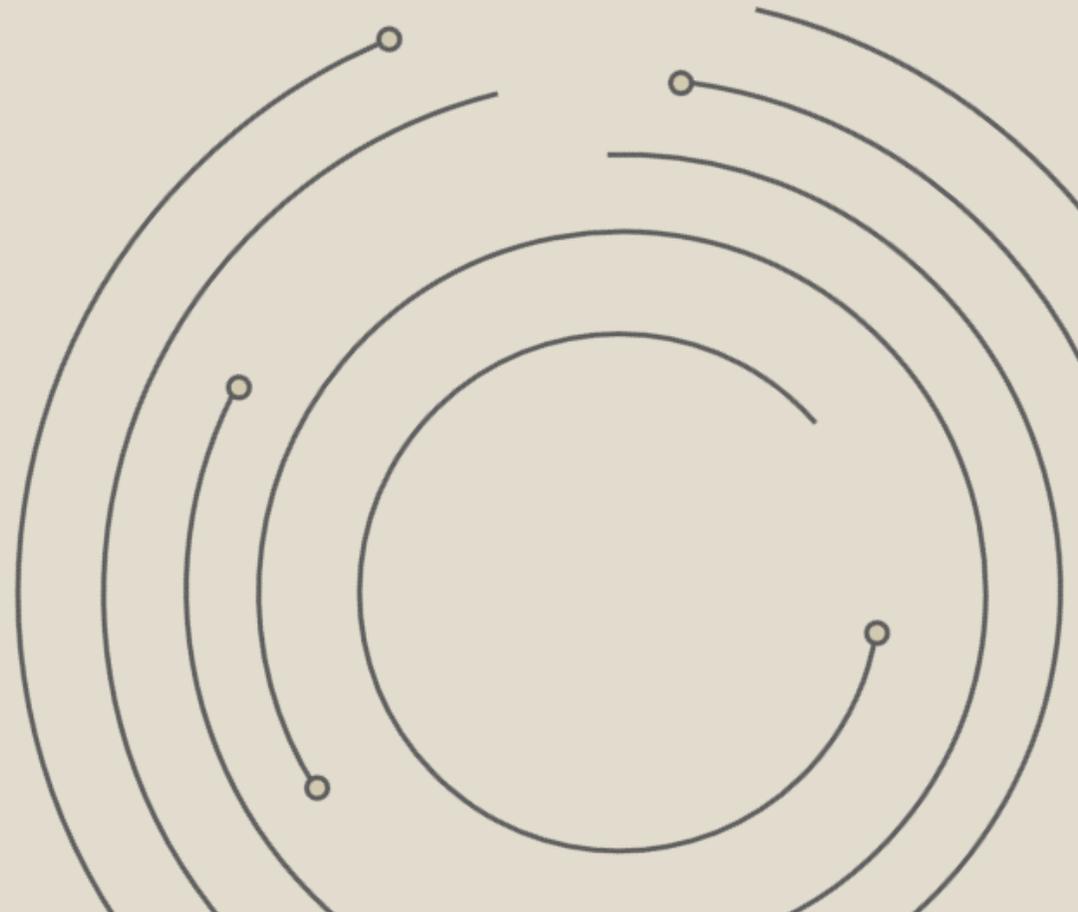
Key takeaways: here for the long haul

- Immediate industry outlook remains difficult, but Globaltrans has a strong business model able to navigate the current market weakness
- The Group's Adjusted EBITDA and Free Cash Flow remained steady over the 12 months to the end of June 2015, albeit down from a year earlier
- Expansion CAPEX on hold
- Globaltrans has a unique strategic position in an industry with strong long-term fundamentals
 - One of the few players in the industry with strong balance sheet
 - Overall gondola fleet in Russia has started to decline primarily due to exit of old railcars
- Globaltrans is well-positioned to continue its business expansion when markets stabilize and the right opportunities arise

- Questions and answers



- Appendices



Globaltrans: At a glance¹

A leading player servicing businesses across the world's largest country

- Focused exclusively on freight rail transportation in Russia and CIS
- Operates in key industrial segments including metals, oil products and oil, coal and construction materials

A large modern fleet and an effective operational platform

- Total Fleet > 66k units with >90% in ownership, one of the most up-to-date fleets in the industry (average age 9.1 years)
- The core of the fleet consists of universal gondola cars (62%) and rail tank cars (35%)
- Rail tank car business enhanced by unique locomotive competences
- High operational efficiency and low Empty Runs

Established blue-chip client base

- Trusted long-term partner to leading industrial groups in Russia and CIS
- >60% of Net Revenue from Operation of Rolling Stock covered by long-term service contracts²

A publicly listed company committed to international governance standards

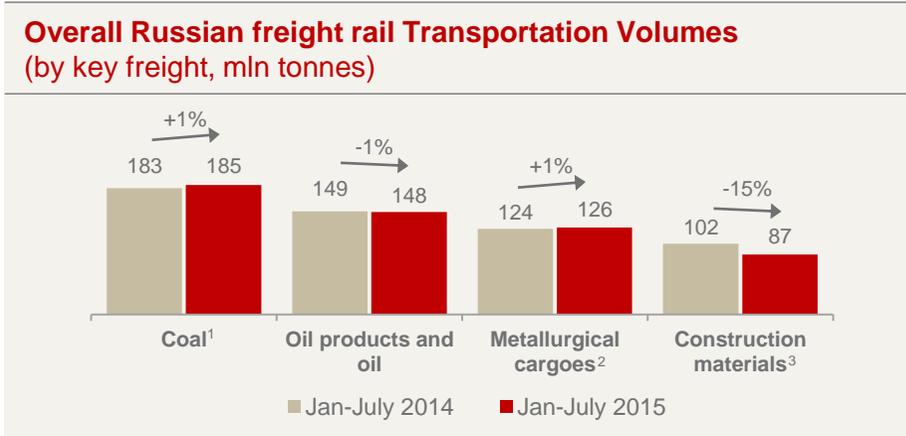
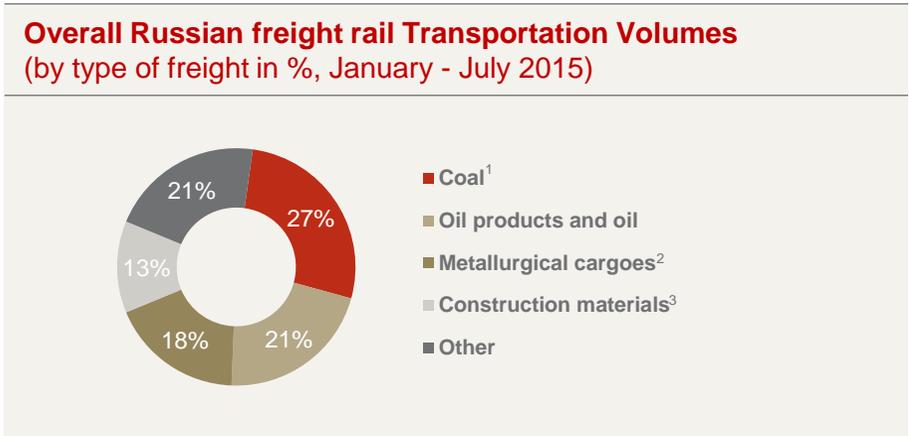
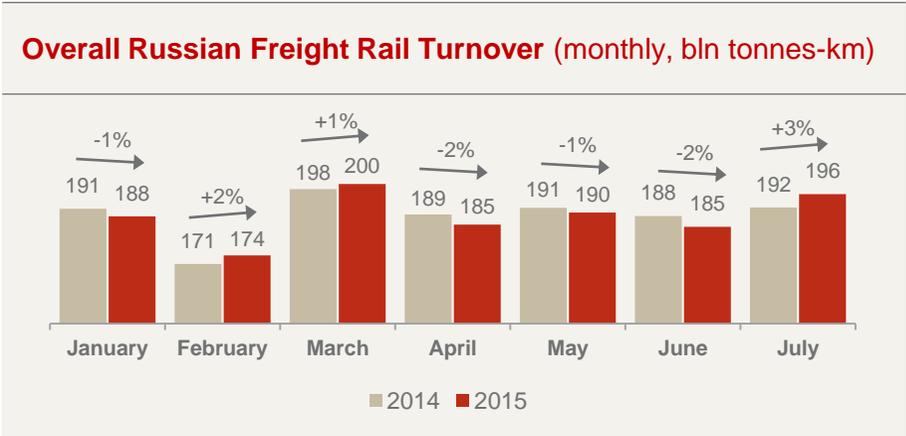
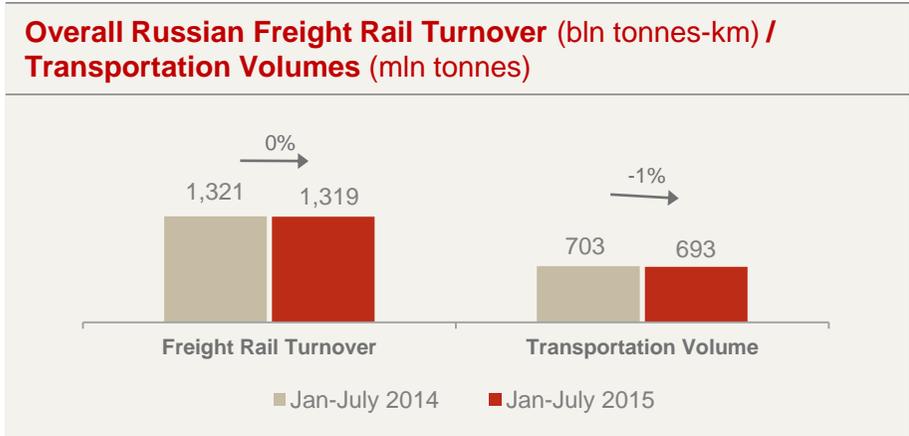
- Listed on the London Stock Exchange since 2008 with free-float >50%
- Experienced and well-balanced Board with 4 independent directors, including Chairman
- Prudent capital allocation and conservative financial policies

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 information on this page is at the end of H1 2015 or for H1 2015 unless otherwise stated.

2) In H1 2015; Including long-term service contracts with Rosneft, MMK and Metalloinvest.

Market watch (January – July 2015)



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.

Corporate governance structure

General Meeting of Shareholders



The Board of Directors (15 members, 4 Independent Directors, 3 Committees)

	Michael Zampelas Chairman, Independent Non-Executive Director		Sergey Tolmachev Executive Director		Elia Nicolaou Non-Executive Director
	Hans Durrer Senior Independent Non-Executive Director		Konstantin Shirokov Executive Director		Melina Pyrgou Non-Executive Director
	John Carroll Colley Independent Non-Executive Director		Alexander Storozhev Executive Director		Alexander Tarasov Non-Executive Director
	George Papaioannou Independent Non-Executive Director		Alexander Eliseev Non-Executive Director		Michael Thomaidis Non-Executive Director
	Sergey Maltsev Executive Director, CEO		Andrey Gomon Non-Executive Director		Marios Tofaros Non-Executive Director



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) Konstantin Nikolaev, Nikita Mishin and Andrey Filatov are beneficiaries with regard to 11.5% of Globaltrans' ordinary share capital each through their respective SPVs (Maple Valley Investments, Onyx Investments and Marigold Investments). These individuals are co-founders of Globaltrans.
- 2) Beneficially owned by Alexander Eliseev, Non-Executive Director and co-founder of Globaltrans.
- 3) Beneficially owned by Sergey Maltsev, Chief Executive Officer, Executive Director and co-founder of Globaltrans.

Extracts from the Group's condensed consolidated interim financial information (unaudited) for the six months ended 30 June 2015

Consolidated interim income statement for the six months ended 30 June 2015

	H1 2015	H1 2014
	RUB'000	RUB'000
	Unaudited	Unaudited
Revenue	33,996,939	35,060,830
Cost of sales	(26,969,966)	(26,506,331)
Gross profit	7,026,973	8,554,499
Selling and marketing costs	(153,987)	(112,409)
Administrative expenses	(1,911,398)	(2,034,169)
Other income	188,829	-
Other gains – net	17,570	46,827
Operating profit	5,167,987	6,454,748
Finance income	138,499	80,435
Finance costs	(1,635,911)	(1,543,310)
Net foreign exchange transaction losses on financing activities	(350,314)	(156,361)
Finance costs – net	(1,847,726)	(1,619,236)
Share of loss of associate	(33,855)	(2,540)
Profit before income tax	3,286,406	4,832,972
Income tax expense	(630,890)	(1,119,496)
Profit for the period	2,655,516	3,713,476
Attributable to:		
Owners of the Company	1,395,412	2,746,486
Non-controlling interests	1,260,104	966,990
	2,655,516	3,713,476
	RUB per share	RUB per share
Basic and diluted earnings per share for profit attributable to the equity holders of the Company during the period	7.81	15.37

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 condensed consolidated financial information (unaudited) for the six months ended 30 June 2015 is available for viewing at the Globaltrans' corporate website (www.globaltrans.com).

Extracts from the Group's condensed consolidated interim financial information (unaudited) for the six months ended 30 June 2015

Consolidated interim balance sheet as at 30 June 2015

	30 June 2015 RUB'000 Unaudited	31 Dec 2014 RUB'000 Audited
ASSETS		
<i>Non-current assets</i>		
Property, plant and equipment	67,628,770	71,380,758
Intangible assets	3,903,170	4,442,396
Income tax assets	43,049	57,892
Investment in associate	66,816	110,182
Trade and other receivables	97,594	32,233
Total non-current assets	71,739,399	76,023,461
<i>Current assets</i>		
Inventories	673,082	735,694
Trade and other receivables	5,166,479	6,701,470
Current income tax assets	440,297	1,010,322
Cash and cash equivalents	4,022,244	4,647,787
Total current assets	10,302,102	13,095,273
TOTAL ASSETS	82,041,501	89,118,734

	30 June 2015 RUB'000 Unaudited	31 Dec 2014 RUB'000 Audited
EQUITY AND LIABILITIES		
<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	2,369,277	3,397,222
Capital contribution	2,694,851	2,694,851
Retained earnings	20,502,652	19,100,433
Total equity attributable to the owners of the Company	43,583,339	43,209,065
Non-controlling interests	5,602,658	6,927,315
TOTAL EQUITY	49,185,997	50,136,380
<i>Non-current liabilities</i>		
Borrowings	15,046,926	10,049,915
Trade and other payables	36,138	13,278
Deferred tax liabilities	4,699,240	5,207,410
Total non-current liabilities	19,782,304	15,270,603
<i>Current liabilities</i>		
Borrowings	8,948,145	18,256,223
Trade and other payables	4,023,496	5,245,646
Current tax liabilities	101,559	209,882
Total current liabilities	13,073,200	23,711,751
TOTAL LIABILITIES	32,855,504	38,982,354
TOTAL EQUITY AND LIABILITIES	82,041,501	89,118,734

Extracts from the Group's condensed consolidated interim financial information (unaudited) for the six months ended 30 June 2015

Consolidated interim cash flow statement for the six months ended 30 June 2015

	H1 2015 RUB'000 Unaudited	H1 2014 RUB'000 Unaudited
Cash flows from operating activities		
Profit before tax	3,286,406	4,832,972
Adjustments for:		
Depreciation of property, plant and equipment	2,492,215	2,562,164
Amortisation of intangible assets	539,261	539,322
Net loss/(gain) on sale of property, plant and equipment	10,406	(29,421)
Write off of property, plant and equipment	338	-
Interest income	(138,499)	(80,435)
Interest expense and other finance costs	1,635,911	1,543,310
Share of losses of associate	33,855	2,540
Exchange losses on financing activities	350,314	156,361
	8,210,207	9,526,813
Changes in working capital:		
Inventories	25,414	(22,254)
Trade and other receivables	1,574,883	1,336,022
Trade and other payables	(1,313,216)	(882,365)
Cash generated from operations	8,497,288	9,958,216
Tax paid	(673,336)	(1,477,888)
Net cash from operating activities	7,823,952	8,480,328

	H1 2015 RUB'000 Unaudited	H1 2014 RUB'000 Unaudited
Cash flows from investing activities		
Purchases of property, plant and equipment	(386,107)	(510,741)
Proceeds from disposal of property, plant and equipment	61,324	121,473
Loans granted to third parties	(81,398)	-
Loan repayments received from third parties	12,516	666
Interest received	139,631	119,007
Net cash used in investing activities	(254,034)	(269,595)
Cash flows from financing activities		
Proceeds from borrowings	12,654,121	6,121,085
Repayments of borrowings	(16,442,330)	(5,084,335)
Finance lease principal payments	(193,179)	(616,221)
Interest paid	(1,942,765)	(1,604,794)
Cash received from disposal of non-controlling interests	201	-
Acquisition of non-controlling interest	-	(2,430)
Dividends paid to non-controlling interests in subsidiaries	(2,000,000)	(2,305,540)
Dividends paid to owners of the Company	-	(3,981,618)
Net cash used in financing activities	(7,923,952)	(7,473,853)
Net (decrease)/increase in cash and cash equivalents	(354,034)	736,880
Exchange (losses)/gains on cash and cash equivalents	(271,509)	27,341
Cash, cash equivalents and bank overdrafts at beginning of period	4,647,787	3,406,303
Cash, cash equivalents and bank overdrafts at end of period	4,022,244	4,170,524

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 condensed consolidated financial information (unaudited) for the six months ended 30 June 2015 is available for viewing at the Globaltrans' corporate website (www.globaltrans.com).

Selected operational information the six months ended 30 June 2015

Rolling stock fleet

	30.06.2015	30.06.2014	Change	Change, %	31.12.2014
Owned Fleet					
Gondola cars	39,824	39,844	-20	0%	40,019
Rail tank cars	18,709	19,030	-321	-2%	18,916
Locomotives	75	75	0	0%	75
Other railcars	1,577	1,893	-316	-17%	1,615
Total	60,185	60,842	-657	-1%	60,625
<i>Owned Fleet as % of Total Fleet</i>	<i>91%</i>	<i>93%</i>	-	-	<i>92%</i>
Leased-in Fleet					
Gondola cars	1,338	913	425	47%	913
Rail tank cars	4,729	3,693	1,036	28%	4,483
Locomotives	0	0	0	n/a	0
Other railcars	222	0	222	n/a	173
Total	6,289	4,606	1,683	37%	5,569
<i>Leased-in Fleet as % of Total Fleet</i>	<i>9%</i>	<i>7%</i>	-	-	<i>8%</i>
Total Fleet (Owned Fleet + Leased-in Fleet)	66,474	65,448	1,026	2%	66,194
Total Fleet by type of rolling stock, %					
Gondola cars	62%	62%	-	-	62%
Rail tank cars	35%	35%	-	-	35%
Locomotives	0%	0%	-	-	0%
Other railcars	3%	3%	-	-	3%
Total	100%	100%	-	-	100%
Leased-out Fleet					
Gondola cars	253	679	-426	-63%	353
Rail tank cars	9,370	9,014	356	4%	9,113
Locomotives	4	3	1	33%	3
Other railcars	684	542	142	26%	713
Total	10,311	10,238	73	1%	10,182
<i>Leased-out Fleet as % of Total Fleet</i>	<i>16%</i>	<i>16%</i>	-	-	<i>15%</i>
Average age of Owned Fleet					
Gondola cars	7.5	6.7	-	-	7.1
Rail tank cars	11.9	11.0	-	-	11.4
Locomotives	13.3	12.3	-	-	12.8
Other railcars	16.5	19.1	-	-	16.2
Total	9.1	8.4	-	-	8.7

Operation of rolling stock (incl. Engaged Fleet)

	H1 2015	H1 2014	Change	Change, %	2014
Freight Rail Turnover, billion tonnes-km					
Metallurgical cargoes	49.7	47.7	2.1	4%	92.8
Ferrous metals	18.2	17.9	0.3	1%	34.3
Scrap metal	1.4	1.6	-0.2	-10%	4.3
Iron ore	30.2	28.2	2.0	7%	54.2
Oil products and oil	13.1	13.4	-0.3	-2%	26.4
Coal (incl. coke)	12.4	10.4	2.0	20%	22.5
Construction materials	4.9	5.4	-0.5	-10%	9.8
Crushed stone	4.4	4.9	-0.5	-10%	8.7
Cement	0.2	0.2	0.0	-17%	0.4
Other construction materials	0.4	0.3	0.0	1%	0.7
Other	3.4	3.7	-0.3	-7%	8.1
Total	83.6	80.6	3.0	4%	159.7
Freight Rail Turnover by cargo type, %					
Metallurgical cargoes (incl. ferrous metal, scrap metal and iron ore)	60%	59%	-	-	58%
Oil products and oil	16%	17%	-	-	17%
Coal (incl. coke)	15%	13%	-	-	14%
Construction materials (incl. cement)	6%	7%	-	-	6%
Other	4%	5%	-	-	5%
Total	100%	100%	-	-	100%
Transportation Volume, million tones					
Metallurgical cargoes	23.8	25.0	-1.2	-5%	50.6
Ferrous metals	9.0	9.4	-0.4	-4%	18.4
Scrap metal	1.4	1.5	-0.1	-8%	3.9
Iron ore	13.5	14.2	-0.7	-5%	28.4
Oil products and oil	11.1	11.5	-0.4	-4%	23.5
Coal (incl. coke)	5.4	5.0	0.4	8%	10.9
Construction materials	5.2	5.7	-0.5	-8%	10.6
Crushed stone	4.6	5.1	-0.5	-10%	9.4
Cement	0.1	0.2	0.0	-13%	0.3
Other construction materials	0.5	0.4	0.0	10%	0.9
Other	3.3	3.3	0.0	1%	7.0
Total	48.9	50.6	-1.7	-3%	102.7

Selected operational information the six months ended 30 June 2015, continued

Operation of rolling stock (excl. Engaged Fleet)

	H1 2015	H1 2014	Change	Change, %	2014
Freight Rail Turnover, billion tonnes-km					
Metallurgical cargoes	38.8	38.8	-0.1	0%	73.6
Ferrous metals	15.7	15.6	0.1	0%	28.8
Scrap metal	1.3	1.4	-0.1	-6%	3.7
Iron ore	21.8	21.8	0.0	0%	41.1
Oil products and oil	12.8	12.8	0.0	0%	25.3
Coal (incl. coke)	11.3	9.1	2.2	24%	19.1
Construction materials	4.8	5.2	-0.3	-7%	9.3
Crushed stone	4.3	4.6	-0.3	-7%	8.3
Cement	0.2	0.2	0.0	-16%	0.4
Other construction materials	0.3	0.3	0.0	6%	0.7
Other	3.3	3.6	-0.3	-8%	7.8
Total	71.0	69.6	1.5	2%	135.1
Transportation Volume, million tones					
Metallurgical cargoes	18.8	19.8	-1.0	-5%	38.9
Ferrous metals	7.6	7.9	-0.3	-4%	14.6
Scrap metal	1.2	1.3	-0.1	-5%	3.4
Iron ore	10.0	10.6	-0.6	-6%	20.9
Oil products and oil	10.8	11.0	-0.2	-2%	22.3
Coal (incl. coke)	4.9	4.3	0.5	12%	9.1
Construction materials	5.1	5.3	-0.2	-5%	9.9
Crushed stone	4.5	4.8	-0.3	-7%	8.8
Cement	0.1	0.2	0.0	-12%	0.3
Other construction materials	0.5	0.4	0.1	30%	0.8
Other	3.2	3.2	0.0	1%	6.7
Total	42.8	43.6	-0.9	-2%	86.9
Average Rolling Stock Operated, units					
Gondola cars	39,866	39,406	461	1%	39,469
Rail tank cars	13,081	13,832	-751	-5%	13,393
Locomotives	45	45	1	1%	46
Other railcars	920	920	0	0%	905
Total	53,913	54,203	-289	-1%	53,813
Average Number of Loaded Trips per Railcar					
Gondola cars	11.7	12.3	-0.5	-4%	24.5
Rail tank cars	13.5	13.0	0.5	4%	27.3
Other railcars	24.3	16.2	8.0	50%	39.7
Total	12.4	12.5	-0.2	-1%	25.4
Average Distance of Loaded Trip, km					
Metallurgical cargoes	5,148*	6,437*	-1,289	-20%	11,680*
Ferrous metals	2,852*	3,671*	-818	-22%	6,553*
Scrap metal	197*	311*	-114	-37%	750*
Iron ore	2,098*	2,455*	-357	-15%	4,378*
Oil products and oil	10,592*	9,600*	992	10%	19,091*
Coal (incl. coke)	1,391*	1,409*	-18	-1%	2,755*
Construction materials (incl. cement)	652*	811*	-158	-20%	1,522*
Other	885*	744*	140	19%	1,612*
Total	18,669*	19,002*	-333	-2%	36,661*
Average Price per Trip, RUB	27,992	27,973	19	0%	26,804
Net Revenue from Operation of Rolling Stock by cargo type, Rub million					
Metallurgical cargoes	5,148*	6,437*	-1,289	-20%	11,680*
Ferrous metals	2,852*	3,671*	-818	-22%	6,553*
Scrap metal	197*	311*	-114	-37%	750*
Iron ore	2,098*	2,455*	-357	-15%	4,378*
Oil products and oil	10,592*	9,600*	992	10%	19,091*
Coal (incl. coke)	1,391*	1,409*	-18	-1%	2,755*
Construction materials (incl. cement)	652*	811*	-158	-20%	1,522*
Other	885*	744*	140	19%	1,612*
Total	18,669*	19,002*	-333	-2%	36,661*
Net Revenue from Operation of Rolling Stock by cargo type, %					
Metallurgical cargoes (incl. ferrous metal, scrap metal and iron ore)	28%	34%	-	-	32%
Oil products and oil	57%	51%	-	-	52%
Coal (incl. coke)	7%	7%	-	-	8%
Construction materials (incl. cement)	3%	4%	-	-	4%
Other	5%	4%	-	-	4%
Total	100%	100%	-	-	100%
Net Revenue from Operation of Rolling Stock by largest clients (incl. their affiliates and suppliers), %					
Rosneft	39%	31%	-	-	34%
MMK	12%	19%	-	-	18%
Metalloinvest	12%	12%	-	-	11%
Gazpromneft	9%	10%	-	-	9%
Evraz	4%	4%	-	-	4%
Sovfracht	3%	4%	-	-	4%
TMK	2%	1%	-	-	1%
UGMK-Holding	2%	1%	-	-	1%
Severstal	1%	1%	-	-	1%
SUEK	1%	1%	-	-	0%
Other (incl. small and medium enterprises)	16%	16%	-	-	16%

Selected operational information the six months ended 30 June 2015, continued

Empty Run Ratio

	H1 2015	H1 2014	Change	Change, %	2014
Empty Run Ratio, %					
Gondola cars	40%	38%	-	-	38%
Rail tank cars and other railcars	106%	102%	-	-	102%
Total Empty Run Ratio, %	53%	51%	-	-	51%
Empty Run Costs, Rub million	5,792*	5,280*	512	10%	10,354*
Share of Empty Run Kilometres Paid by Globaltrans, %	87%	88%	-	-	87%

Engaged Fleet

	H1 2015	H1 2014	Change	Change, %	2014
Net Revenue from Engaged Fleet, Rub million	598*	872*	-274	-31%	1,622*

Employees

	30.06.2015	30.06.2014	Change	Change, %	31.12.2014
Employees by departments (simplified)					
Operations	1,074	1,086	-12	-1%	1,052
Administrative	482	504	-22	-4%	523
Total	1,556	1,590	-34	-2%	1,575

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”, “Write off 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", "Write off 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", "Write off 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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