For immediate release **4 April 2011**

Globaltrans Investment PLC

Full Year 2010 Financial Results Announcement

Globaltrans Investment PLC ("Company" together with its consolidated subsidiaries "Globaltrans", or the "Group"), (LSE ticker: GLTR) today announces its financial and operational results[1] for the year ended 31 December 2010.

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.*

SUMMARY

Globaltrans, Russia's leading private freight rail transportation group, had an outstanding year in 2010, managing to benefit from the sustained recovery of the transportation market. Increased business volumes, a better pricing environment and continued stringent control of operating costs together enabled the Group to deliver an excellent set of financial and operational results.

Financial highlights

- Adjusted Revenue increased by 32% to USD 903.0* million (2009: USD 685.3* million), driven by increases in Freight Rail Turnover as well as firmer pricing;
- Total Operating Cash Costs amounted to USD 510.6* million, a year-on-year increase of 28% driven by increased business volumes. Operating lease rentals - rolling stock and Empty Run Costs were the key contributors to the above growth;
- Adjusted EBITDA increased by 37% to USD 390.9* million (2009: USD 284.5* million). Adjusted EBITDA Margin improved to 43%* from 42%* in 2009;
- Profit for the year increased by 86% to USD 225.9 million (2009: USD 121.2 million), Earnings per share increased by 51% to USD 1.12 per share;
- Capital expenditures[2] increased to USD 286.2 million from USD 103.9 million in 2009; primarily due to the Group's investment programme into new rolling stock;
- Net Debt increased by 32% to USD 381.3* million (2009: USD 288.9* million). Year end Net Debt to Adjusted EBITDA ratio remained unchanged year-on-year at 1.0x*;
- The Board of Directors recommended increased dividend of USD 58.5 million (37.00 US cents per ordinary share), compared to USD 24.0 million (15.18 US cents per ordinary share) paid in 2010.

---

[1] The Group's financial performance in 2010 was affected by a 4% appreciation of the average exchange rate of the Rouble (Functional Currency of the Company, its Cyprus and Russian subsidiaries) against the US Dollar (the Group's financial information presentation currency). In accordance with the Group's accounting policies, the reported financial and operational results include results of LLC BaltTransServis (acquired in December 2009) for the years ended 31 December 2009 and 2010.

[2] Additions of rolling stock in 2010 as well as capitalised repairs (including rolling stock leased under finance leases).

Globaltrans
Russia's Leading Private Freight Rail Group

Operational highlights

- Outperformance of the overall Russian freight rail market: Globaltrans' Freight Rail Turnover (measured in tonnes-km) grew 20% year-on-year to 97.4 billion tonnes-km in 2010 versus an overall Russian market which grew by 8%[3];
- Significant expansion of the Group's fleet resulting from acquisition of rolling stock as well as increased leased-in fleet. The Group's Total Fleet increased by 36% or 13,497 units to 50,714 units of rolling stock at the end of 2010 compared to the end of previous year. Owned Fleet increased by 5,789 units and leased-in rolling stock increased by 7,708 units;
- Globaltrans strengthened its overall share of the Russian freight rail volumes to 5.3%[4] in 2010 from 4.8%[4] in 2009;
- Empty Run Ratio for gondola cars improved to 42% compared to 46% in 2009;
- Average Price per Trip up 7% to USD 770.4 compared to the previous year, Average Distance of Loaded Trip decreased by 2%;
- The Group's Average Rolling Stock Operated increased by 30% year-on-year to 36,793 units compared to the previous year;
- The Group's rolling stock acquisition programme remained on schedule and on track in 2010. The remaining balance of 6,500 units of rolling stock contracted at the close of 2009 were all delivered and put into operation in 2010. An additional 1,500 units of rolling stock were contracted and delivered between September 2010 and February 2011 as a part of new acquisition target of 5,000 units of rolling stock.

CEO COMMENT

Sergey Maltsev, CEO of Globaltrans Investment PLC, said:

"I am delighted to report an outstanding set of results for Globaltrans, the product of a very strong operating performance by the Group. In the last few years we have demonstrated that, irrespective of market conditions, we can grow our business and outperform the market, and we did so again this year. In 2010 Globaltrans outpaced the Russian freight rail transport sector, capturing a large part of the market volume growth and winning market share.

Our opportunistic, return-oriented growth strategy again proved its value as our significant investment into new rolling stock provided to be both profitable and well-timed. We received railcars at very good prices and in addition ensured that we had the capacity in place to satisfy strong customer demand for our services.

The combination of economic growth and continued deregulation continues to provide a powerful stimulus to our market. And with our strong management, excellent customer franchise, modern fleet and robust finances we are well placed to further expand our business in 2011."

OUTLOOK

In 2011, Russian economic growth is projected to accelerate and we therefore expect our industry fundamentals to continue to reassert themselves. Our trading performance so far in 2011 tends to support this view.

Looking ahead, into 2011, we should reap the full benefit from the operational deployment of new rolling stock delivered in 2010, supported by our ongoing rolling stock acquisition program of 5,000 units.

Operationally, we will continue to concentrate our efforts on improving efficiency levels of our fleet utilisation focusing on increasing our use of block trains, minimising empty runs, ongoing transfer of repairs to mileage based system as well as increasing transportation volumes to neighbouring CIS countries.

In 2011, the government is due to unveil details concerning partial deregulation of locomotive traction as well as plans for further privatisation in the industry. We are monitoring these developments closely. The

[3] According to Rosstat.
[4] Company estimations based on Rosstat data; calculated as a percentage of the overall freight rail transportation volume in Russia.

operation of additional locomotives would complement our business. Once there is an acceptable legislative framework in place, then we will elaborate our investment plans for locomotives.

RESULTS IN DETAIL

The following table sets forth the Group's key financial and operational information for the years ended 31 December 2010 and 2009.

	2009 USD mln	**2010 USD mln**	Change %
IFRS financial information			
Revenue	1,163.4	**1,382.7**	19%
Including Total revenue – operator's services	1,096.6	**1,309.7**	19%
Including Total revenue - operating lease	65.4	**70.5**	8%
Total cost of sales, selling and marketing costs and administrative expenses	935.1	**1,056.3**	13%
Operating profit	229.1	**329.4**	44%
Finance costs - net	(78.7)	**(45.9)**	-42%
Profit for the year	121.2	**225.9**	86%
Basic and diluted earnings per share for profit attributable to the equity holders of the Company during the year (expressed in USD per share)	0.74	**1.12**	51%
Total assets	1,265.0	**1,515.3**	20%
Total debt	449.1	**519.0**	16%
Cash and cash equivalents	160.3	**137.7**	-14%
Non-GAAP financial information			
Adjusted Revenue	685.3*	**903.0***	32%
Including Net Revenue from Operation of Rolling Stock	618.5*	**830.0***	34%
Total Operating Cash Costs	399.4*	**510.6***	28%
Including Empty Run Costs	167.9*	**203.4***	21%
Including Operating lease rentals - rolling stock	38.8	**87.5**	125%
Adjusted EBITDA	284.5*	**390.9***	37%
Adjusted EBITDA Margin	42%*	**43%***	-
Net Debt	288.9*	**381.3***	32%
Net Debt to Adjusted EBITDA	1.0x*	**1.0x***	-

	2009	**2010**	Change %
Operational information			
Freight Rail Turnover (billion tonnes-km)	80.9	**97.4**	20%
Transportation Volume (million tonnes)	52.8	**63.8**	21%
Average Price per Trip (USD)	716.9	**770.4**	7%
Total Empty Run Ratio	72%	**62%**	-
Empty Run Ratio for gondola cars	46%	**42%**	-
Total Fleet (at period end)	37,217	**50,714**	36%
Including Owned Fleet (at period end)	32,384	**38,173**	18%
Average Rolling Stock Operated	28,406	**36,793**	30%
Average Number of Loaded Trips per Railcar	30.4x	**29.3x**	-4%

Revenue, Adjusted Revenue and Net Revenue from Operation of Rolling Stock

In 2010 the Group's revenue amounted to USD 1,382.7 million, representing an increase of USD 219.3 million or 19% from USD 1,163.4 million in the previous year.

The following table sets forth revenue, broken down by revenue-generating activity for the years ended 31 December 2010 and 2009.

	2009 USD mln	2010 USD mln	Change USD mln	Change %
Railway transportation – operators services (tariff borne by the Group)[5]	816.0	810.7	(5.3)	-1%
Railway transportation – operators services (tariff borne by the client)	280.6	499.1	218.4	78%
Railway transportation - freight forwarding	0.3	1.9	1.6	601%
Operating lease of rolling stock	65.4	70.5	5.2	8%
Sale of wagons and locomotives	0.2	-	(0.2)	-100%
Other	0.9	0.6	(0.4)	-40%
Total revenue	**1,163.4**	**1,382.7**	**219.3**	**19%**

Adjusted Revenue

For purposes of analysing revenue, the Group considers "Adjusted Revenue" (a non-GAAP financial measure) which is "total revenue" less "infrastructure and locomotive tariffs: loaded trips". Infrastructure and locomotive tariffs: loaded trips is revenue resulting from tariffs which customers pay to the Group and the Group pays on to Russian Railways ("RZD"), which payments are reflected in the Group's cost of sales. The principal components of Adjusted Revenue include: (i) Net Revenue from Operation of Rolling Stock; (ii) revenue from operating lease of rolling stock and (iii) other revenues generated by the Group's non-core business activities, including freight forwarding, resale of rolling stock, etc.

Adjusted Revenue amounted to USD 903.0* million in 2010, an increase of USD 217.7 million or 32% compared to USD 685.3* million in the previous year.

The following table sets forth Adjusted Revenue for the years ended 31 December 2010 and 2009 and its reconciliation to revenue.

	2009 USD mln	2010 USD mln	Change USD mln	Change %
Revenue	1,163.4	1,382.7	219.3	19%
Minus				
Infrastructure and locomotive tariffs: loaded trips	478.2	479.7	1.5	0%
Adjusted Revenue	**685.3***	**903.0***	**217.7**	**32%**

The following table sets forth the breakdown of Adjusted Revenue for the years ended 31 December 2010 and 2009.

	2009 USD mln	2010 USD mln	Change USD mln	Change %
Net Revenue from Operating of Rolling Stock	618.5*	830.0*	211.6	34%
Operating lease of rolling stock	65.4	70.5	5.2	8%
Railway transportation - freight forwarding	0.3	1.9	1.6	601%
Sale of wagons and locomotives	0.2	-	(0.2)	-100%
Other	0.9	0.6	(0.4)	-40%
Adjusted Revenue	**685.3***	**903.0***	**217.7**	**32%**

[5] Includes "Infrastructure and locomotive tariffs: loaded trips" for the year ended 31 December 2010 amounting to USD 479.7 million (for the year ended 31 December 2009: USD 478.2 million).

Globaltrans
Russia's Leading Private
Freight Rail Group

Net Revenue from Operation of Rolling Stock

Net Revenue from Operation of Rolling Stock accounted for 92% of the Group's Adjusted Revenue in 2010. 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 "revenue from railway transportation – operators services[6]" less "infrastructure and locomotive tariffs: loaded trips".

The following table sets forth Net Revenue from Operation of Rolling Stock for the years ended 31 December 2010 and 2009, and its reconciliation to revenue from railway transportation – operators services.

	2009 USD mln	2010 USD mln	Change USD mln	Change %
Railway transportation – operators services[6]	1,096.6	1,309.7	213.1	19%
Minus				
Infrastructure and locomotive tariffs: loaded trips	478.2	479.7	1.5	0%
Net Revenue from Operation of Rolling Stock	**618.5***	**830.0***	**211.6**	**34%**

In 2010 Net Revenue from Operation of Rolling Stock amounted to USD 830.0* million, an increase of USD 211.6 million or 34% compared to USD 618.5* million in the previous year. This increase was primarily driven by the following factors:

- Average Rolling Stock Operated increased by 30% year-on-year to 36,793 units. Within the mix, average gondola cars operated were up 54% and average rail tank cars operated were up by 4%;
- Average Price per Trip increased by 7% to USD 770.4 in 2010 compared to 2009, Average Distance per Loaded Trip shortened by 2%;
- Average Number of Loaded Trips per Railcar fell by 4% to 29.3 trips compared to the previous year.

Revenue from operating lease of rolling stock

Revenue from operating lease of rolling stock accounted for 8% of the Group's Adjusted Revenue in 2010. Revenue from operating lease of rolling stock grew to USD 70.5 million in 2010, an increase of 8% over the previous year. This performance was primarily driven by a combination of moderate increases in lease rates alongside an increase in the average rolling stock leased-out over the year. The number of rolling stock leased-out at the end of the year decreased by 3% compared to the end of 2009.

Cost of sales, selling and marketing costs and administrative expenses

In 2010 the Group's total cost of sales, selling and marketing costs and administrative expenses amounted to USD 1,056.3 million, an increase of 13% compared to the previous year.

The following table sets forth a breakdown of cost of sales, selling and marketing costs and administrative expenses for the years ended 31 December 2010 and 2009.

	2009 USD mln	2010 USD mln	Change USD mln	Change %
Cost of sales	874.2	981.4	107.3	12%
Selling and marketing costs	2.2	2.7	0.5	23%
Administrative expenses	58.8	72.2	13.4	23%
Total cost of sales, selling and marketing costs and administrative expenses	**935.1**	**1,056.3**	**121.2**	**13%**

[6] Defined as the sum of the following IFRS line items: "railway transportation – operators services (tariff borne by the Group)" and "railway transportation – operators services (tariff borne by the client)".

For the purpose of presenting 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 presented below:

	2010 % of total	2009 USD mln	2010 USD mln	Change USD mln	Change %
Infrastructure and locomotive tariffs: loaded trips	**45%**	**478.2**	**479.7**	**1.5**	**0%**
Total Operating Cash Costs	**48%**	**399.4***	**510.6***	**111.3**	**28%**
Empty Run Costs		167.9*	203.4*	35.5	21%
Operating lease rentals - rolling stock		38.8	87.5	48.7	125%
Repairs and maintenance		62.2	63.7	1.5	2%
Employee benefit expense		34.7	46.4	11.7	34%
Other Tariffs and Services Provided by Other Transportation Organisations		27.3*	29.2*	1.9	7%
Fuel and spare parts - locomotives		17.0	21.3	4.2	25%
Engagement of locomotive crews		10.1	11.3	1.2	12%
Legal, consulting and other professional fees		6.6	3.3	(3.3)	-50%
Other Operating Cash Costs		34.6*	44.6*	10.0	29%
Total Operating Non-Cash Costs	**6%**	**57.6***	**66.1***	**8.4**	**15%**
Depreciation of property, plant and equipment		53.2	63.0	9.8	18%
Amortisation of intangible assets		0.0[7]	0.2	0.2	NM
Impairment charge for receivables		1.4	1.5	0.0	3%
Loss/(gain) on sale of property, plant and equipment		1.7	2.0	0.4	22%
(Reversal of)/impairment charge for property, plant and equipment		1.3	(0.7)	(1.9)	-150%
Total cost of sales, selling and marketing costs and administrative expenses	**100%**	**935.1**	**1,056.3**	**121.2**	**13%**

Infrastructure and locomotive tariffs: loaded trips

Infrastructure and locomotive tariffs: loaded trips is in principle a "pass-through" cost item for the Group[8] and is reflected in equal amounts in the Group's revenue and cost of sales. Infrastructure and locomotive tariffs: loaded trips remained relatively flat at USD 479.7 million in 2010 compared to USD 478.2 in the previous year.

Operating Cash Costs

Operating Cash Costs (a non-GAAP financial measure) include cost items contained within cost of sales as well as selling and marketing costs and administrative expenses payable in cash. The Group's Total Operating Cash Costs increased by 28% to USD 510.6* million in 2010, compared to the previous year. This rise was mainly the result of an increase in Empty Run Costs together with an increase in operating lease rentals - rolling stock resulting from increased volumes of business as well as other factors described below.

[7] USD 14,000.
[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.

Globaltrans
Russia's Leading Private Freight Rail Group

The following table sets forth a breakdown of Total Operating Cash Costs for the year ended 31 December 2010 and 2009.

	2010 % of total	2009 USD mln	2010 USD mln	Change USD mln	Change %
Empty Run Costs	40%	167.9*	203.4*	35.5	21%
Operating lease rentals - rolling stock	17%	38.8	87.5	48.7	125%
Repairs and maintenance	12%	62.2	63.7	1.5	2%
Employee benefit expense	9%	34.7	46.4	11.7	34%
Other Tariffs, Services Provided by Other Transportation Organisations	6%	27.3*	29.2*	1.9	7%
Fuel and spare parts - locomotives	4%	17.0	21.3	4.2	25%
Engagement of locomotive crews	2%	10.1	11.3	1.2	12%
Legal, consulting and other professional fees	1%	6.6	3.3	(3.3)	-50%
Other Operating Cash Costs	9%	34.6*	44.6*	10.0	29%
Total Operating Cash Costs	**100%**	**399.4***	**510.6***	**111.3**	**28%**

Empty Run Costs

Empty Run Costs (a non-GAAP financial measure) accounted for 40% of Total Operating Cash Costs in 2010. Empty Run Costs were USD 203.4* million in 2010, an increase of 21% compared to 2009, primarily driven by the following factors:

- Increased business volumes evidenced by a 20% year-on-year increase in the Group's Freight Rail Turnover;
- An increase in RZD's regulated infrastructure and locomotive traction tariff by 9.4%[9] resulting in increased charges for the traction of empty railcars;
- The above factors were offset by an improvement in Total Empty Run Ratio and changes to the Group's cargo mix. Total Empty Run Ratio decreased from 72% in 2009 to 62% largely as a result of:

  (i) An improvement in Empty Run Ratio for gondola cars to 42% from 46% in 2009 notwithstanding increased volumes of block train[10] coal transportation with high Empty Runs. The improvement was driven by an improved return cargo market (more inbound traffic to metallurgical customers, and a rebound in the construction materials segment);

  (ii) An improvement in Empty Run Ratio for rail tank cars and hoppers to 108% from 114% in 2009 due to changed logistics.

Operating lease rentals – rolling stock

Operating lease rentals – rolling stock accounted for 17% of the Group's Total Operating Cash Costs in 2010. This cost item went up by 125% to USD 87.5 million compared to the previous year, reflecting strong growth in the average number of leased-in railcars over the period and increased lease rates. Leased-in railcar numbers increased by 159% to 12,541 units at the end of 2010 compared to the end of the previous year, driven by greater second half demand for rail transportation services which in turn enabled the Group to grow market share and expand its customer base. The Group historically uses its leased-in fleet as a way to take advantage of favorable market conditions and/or to test new routes and customers, and in doing so establish a platform for expanding its Owned Fleet. The bulk of the operating lease contracts signed in the second half of 2010 will expire in mid 2011.

[9] According to Rosstat; December 2010 to December 2009.

[10] Block train consists of group-operated rolling stock bound for one destination. The use of block trains improves delivery times and increases railcar utilisation as it avoids the need to couple and decouple individual rolling stock at rail yards.

Repairs and maintenance

Repairs and maintenance accounted for 12% of the Group's Total Operating Cash Costs in 2010. Repairs and maintenance costs increased by 2% to USD 63.7 million in 2010 compared to the previous year, reflecting increased prices for repair works and spare parts, partially offset by cost reductions from continued transfer of rolling stock to a mileage-based repairs system. During 2010 an additional 23% or 5,033 units of rolling stock of the Group's Owned Fleet was successfully transferred to mileage-based repairs. As at the year end, about 70% of the Group's Owned Fleet was being maintained on a mileage-based schedule.

Employee benefit expense

Employee benefit expense, accounting for 9% of the Group's Total Operating Cash Costs, rose by 34% to USD 46.4 million in 2010 compared to the previous year. This increase resulted primarily from a USD 8.4 million increase in bonuses and 12% increase in wages and salaries totaling USD 2.9 million.

Other Tariffs, Services Provided by Other Transportation Organisations

Other Tariffs, Services Provided by Other Transportation Organisations (a non-GAAP financial measure), which is presented as part of the ‘‘empty run trips, other tariffs and services provided by other transportation organisations’’ component of cost of sales reported under EU IFRS, increased in 2010 by 7% to USD 29.2* million compared to the previous year. This cost item covers locomotive and infrastructure tariffs payable for forwarding of railcars not under operation i.e. in transit to the first commercial location or to the repair depots as well as fees payable for subcontracting other transportation organisations.

Fuel and spare parts – locomotives

Fuel and spare parts – locomotive expenses was USD 21.3 million in 2010 an increase of 25% compared to the previous year. This increase was primarily a result of increased fuel prices.

Engagement of locomotive crews

Costs related to the engagement of locomotive crews from RZD increased by 12% to USD 11.3 million reflecting primarily increases in employee salaries.

Legal, consulting and other professional fees

Legal, consulting and other professional fees decreased in 2010 by 50% to USD 3.3 million. The 2009 figure included expenses associated with the follow-on public offering of the GDRs of Globaltrans (completed in December 2009).

Other Operating Cash Costs

Other Operating Cash Costs (a non-GAAP financial measure), which include “operating lease rentals – office”, “auditors' remuneration”, “advertising and promotion”, “communication costs”, “information services”, “taxes (other than income tax and value added taxes)”, “cost of wagons and locomotives sold in trading transactions (not part of property, plant and equipment)” and “other expenses”, increased by 29% to USD 44.6* million in 2010 compared to the previous year, reflecting an increase in “taxes (other than income tax and value added taxes)” - mainly property tax as the Group's Owned Fleet increased significantly and other expenses.

Operating Non-Cash Costs

Operating Non-Cash Costs (a non-GAAP financial measure), which include “depreciation of property, plant and equipment”, “amortisation of intangible assets”, “impairment charge for receivables”, “loss/(gain) on sale of property, plant and equipment”, “(reversal of)/impairment charge for property, plant and equipment”, amounted to USD 66.1* million in 2010, an increase of 15% compared to the previous year. The main non-cash expense item – "depreciation of property plant and equipment" increased by 18% year-on-year to USD 63.0 million in 2010, reflecting an increase in the number of Owned Fleet accounted for in Roubles.

EBITDA and Adjusted EBITDA (non-GAAP financial measures)

The Group's EBITDA increased by 47% to USD 385.3* million in 2010, driven primarily by strong performance of the underlying business and factors described above.

Adjusted EBITDA increased by 37% year-on-year to USD 390.9* million in 2010. The difference between EBITDA and Adjusted EBITDA arises mostly from net foreign exchange transaction (losses)/gains on financing activities which are eliminated from the Adjusted EBITDA.

BaltTransServis ("BTS"), acquired in December 2009, performed well in the year under review. BTS' Adjusted EBITDA amounted to USD 119.9* million in 2010, an increase of 7% over the previous year.

The following table sets forth EBITDA and Adjusted EBITDA for the years ended 31 December 2010 and 2009, and its reconciliation to profit for the year.

	2009 USD mln	2010 USD mln	Change USD mln	Change %
Profit for the year	121.2	225.9	104.8	86%
Plus (Minus)				
Income tax expense	29.7	57.7	28.1	95%
Finance costs - net	78.7	45.9	(32.8)	-42%
Net foreign exchange transaction (losses)/gains on financing activities	(21.1)	(7.5)	13.7	-65%
Amortisation of intangible assets	0.0[11]	0.2	0.2	NM
Depreciation of property, plant and equipment	53.2	63.0	9.8	18%
EBITDA	**261.6***	**385.3***	**123.7**	**47%**
Minus (Plus)				
Net foreign exchange transaction (losses)/gains on financing activities	(21.1)	(7.5)	13.7	-65%
Share of profit of associates	0.5	0.2	(0.3)	-55%
Other gains - net	0.8	3.0	2.3	288%
Loss/(gain) on sale of property, plant and equipment	(1.7)	(2.0)	(0.4)	22%
(Reversal of)/impairment charge on property, plant and equipment	(1.3)	0.7	1.9	-150%
Adjusted EBITDA	**284.5***	**390.9***	**106.4**	**37%**

Finance income

Finance income increased by 22% to USD 7.2 million in 2010 compared to the previous year. This increase was primarily due to an increase in interest income from finance leases of USD 2.2 million in 2010 compared to the previous year.

Finance costs

Finance costs decreased by 37% or USD 31.5 million to USD 53.1 million compared to the previous year. The main factors behind this were:

- Decrease in net foreign exchange transaction losses on financing activities of USD 13.7 million to USD 7.5 million driven by reduction of US Dollar denominated borrowings in the Group's debt portfolio, slightly offset by a 0.8% depreciation in the year end Rouble rate against the US Dollar compared to year end 2009;

[11] USD 14,000

- The elimination of one-off loss on exchange of financial liabilities during the current reporting period, which in 2009 totaled USD 8.5 million and arose from restructuring of the ownership structure of BTS following its acquisition by the Group in December 2009;
- The elimination of distribution to non-controlling participants in redeemable shares during the current reporting period, which in 2009 totaled USD 7.5 million and related to the distribution of dividends by BTS to its non-controlling participants prior to its acquisition by the Group in December 2009. As the acquisition of BTS was accounted for as a common control transaction, the finance costs of the Group were restated to reflect the expenses incurred before the acquisition;
- USD 2.0 million paid to non-controlling participants of BTS in 2010 which were recognised as finance cost on liability for minimum dividend distribution.

Total interest expense recorded a year-on-year decrease of USD 3.9 million largely as a result of the following factors:

- Increase of "interest expense: bank borrowings" by USD 4.7 million year-on-year, driven by increase in the Group's borrowings portfolio over the period under review; along with increase of "interest expense: non-convertible bond" by USD 3.9 million year-on-year resulting from the issue of non-convertible Rouble denominated 5 year bond[12];
- The above-mentioned factors were offset by decreased "interest expense: finance leases" by USD 8.0 million related to the decrease of the Group's lease liabilities which were primarily refinanced with bank borrowings as well as with the non-convertible Rouble denominated bond proceeds. In addition, "interest expense: other interest – related parties" fell by USD 4.4 million year-on-year resulting from the full settlement of liability related to the deferred consideration payable to Transportation Investments Holding Limited (the Parent of the Group) for the acquisition of AS Spacecom and AS Spacecom Trans[13] back in 2008. This liability was settled in full in April 2010 and no further interest expense was incurred thereafter.

The following table sets forth a breakdown of finance costs for the years ended 31 December 2010 and 2009.

	2009 USD mln	2010 USD mln	Change USD mln	Change %
Interest expense:				
Bank borrowings	(20.2)	(25.0)	4.7	23%
Non-convertible bond	-	(3.9)	3.9	NM
Finance leases	(21.5)	(13.5)	(8.0)	-37%
Loans from related parties	(0.6)	-	(0.6)	-100%
Loans from third parties	(0.3)	-	(0.3)	-100%
Other interest - related parties	(4.7)	(0.3)	(4.4)	-93%
Other finance costs	(0.1)	(0.9)	0.8	728%
Total interest expense	**(47.5)**	**(43.7)**	**(3.9)**	**-8%**
Net foreign exchange transaction (losses)/gains on financing activities	(21.1)	(7.5)	(13.7)	-65%
Finance cost on liability for minimum dividend distribution	-	(2.0)	2.0	NM
Loss on exchange of financial liabilities	(8.5)	-	(8.5)	-100%
Distribution to non-controlling participants in redeemable shares	(7.5)	-	(7.5)	-100%
Finance costs	**(84.6)**	**(53.1)**	**(31.5)**	**-37%**

Profit before income tax

Profit before income tax increased 88% to USD 283.7 million in 2010 from USD 150.9 million in 2009. This rise was driven primarily by year-on-year increase in operating profit (USD 100.3 million) combined with year-on-year decrease in finance costs – net (USD 32.8 million).

[12] For a total amount of RUR 3 billion (approximately USD 98 million at the date of issue) completed in July 2010.
[13] Formerly AS Intopex Trans.

Globaltrans
Russia's Leading Private Freight Rail Group

Income tax expense

Income tax expense increased year-on-year by 95% or by USD 28.1 million to USD 57.7 million in 2010. The weighted average applicable tax rate was 17.8% in 2010 (2009: 17.0%). The slight increase in the average applicable tax rate is caused by increased profitability of the Group's Russian subsidiaries which are taxed at 20% compared to the Estonian subsidiaries which have zero applicable tax rate.

LIQUIDITY AND CAPITAL RESOURCES

The business of freight rail transportation is capital-intensive. In the period under review, the Group has been able to meet its liquidity and capital expenditure needs from operating cash flow, supplemented by funds provided by shareholders (including the proceeds from the follow-on public offering of GDRs in December 2009), borrowings from financial institutions and proceeds from the bond issue.

Management controls current liquidity based on expected cash flows. As at 31 December 2010, the Group had positive Net Working Capital of USD 129.0* million. The Group believes that it has sufficient working capital for the next 12 months and that the combination of strong operating cash flow and a robust balance sheet will enable it to operate and expand its business.

Cash flows

The following table sets forth the principal components of the Group's consolidated cash flow statement for the years 2010 and 2009.

	2009 USD mln	2010 USD mln
Cash flows from operating activities	**284.1**	**393.6**
Changes in working capital:		
Inventories	0.0[14]	(1.1)
Trade and other receivables	12.8	(79.3)
Trade and other payables	(6.7)	10.1
Cash generated from operations	**290.2**	**323.3**
Tax paid	(18.0)	(34.3)
Net cash from operating activities	**272.2**	**288.9**
Net cash used in investing activities	**(167.5)**	**(293.0)**
Acquisition of subsidiaries-net of cash acquired	(71.7)	(7.0)
Purchases of property, plant and equipment	(106.7)	(299.8)
Other[15]	10.9*	13.9*
Net cash used in financing activities	**(80.7)**	**(17.6)**
Net cash inflows (outflows) from borrowings and finance leases[16]	(52.8)*	71.1*
Interest paid	(49.7)	(43.6)
Proceeds from issue of shares - net	96.2	-
Dividends paid to shareholders of BTS prior to common control transaction	(67.1)	-
Distribution to non-controlling participants in redeemable shares	(7.5)	-
Dividends paid to Company's shareholders	-	(24.0)
Dividends paid to non-controlling shareholders	-	(21.2)
Contribution by non-controlling interests	-	0.0[17]
Net (decrease)/increase in cash and cash equivalents	**24.0**	**(21.6)**
Cash, cash equivalents and bank overdrafts at end of year	**159.1**	**137.0**

[14] USD 7,000.
[15] "Other" represents the sum of the following IFRS line items: "loans repayments received from third parties", "purchases of intangible assets", "proceeds from disposal of property, plant and equipment", "proceeds from sale of assets classified as held for sale", "Interest received", "receipts from finance lease receivable".
[16] Defined as a balance between of "proceeds from borrowings", "repayments of borrowings", "finance lease principal payments", "proceeds from sale and finance leaseback transactions".
[17] USD 28,000.

Net cash from operating activities

Net cash generated from operating activities increased by 6% or USD 16.8 million to USD 288.9 million compared to the previous year. Operating cash flow before working capital changes increased by 39% or USD 109.5 million to USD 393.6 million compared to 2009. This increase was largely offset by (i) an increase in trade and other receivables driven by increase in the Group's revenues and increase in prepayments; (ii) an increase in "VAT recoverable" related to the VAT reimbursable on the acquisition of new rolling stock; and (iii) a change of payment terms of some transportation agreements. In addition tax paid in 2010 increased by USD 16.3 million to USD 34.3 million compared to 2009, driven by a higher income tax charge for the period due to higher taxable profits.

Net cash used in investing activities

Net cash used in investing activities increased by 75% or USD 125.5 million from USD 167.5 million in 2009 to USD 293.0 million in 2010. Net cash used in the Group's investing activities is largely dependent on the level of expenditure on property, plant and equipment. The increase of USD 193.2 million or 181% in the purchases of property, plant and equipment to USD 299.8[18] million in 2010 reflected the significant capital expenditure programme (related to acquisition of rolling stock) completed over the reporting period. In addition, cash outflows associated with deferred payments for the acquisition of AS Spacecom and AS Spacecom Trans[19] (the transaction closed in December 2008) decreased in 2010 to USD 7.0 million compared to USD 71.7 million in 2009 as the respective liability was settled in full in April 2010.

Net cash (used in)/from financing activities

Net cash used in financing activities decreased from USD 80.7 million in 2009 to USD 17.6 million in 2010 and consisted primarily of the following:

- Net cash inflows from borrowings and finance leases[20] of USD 71.1 million;
- Payment of USD 24.0 million in dividends to Company's shareholders, whereas no dividend was paid by the Company in 2009;
- Payment of USD 21.2 million of dividends to non-controlling shareholders; and
- Interest paid of USD 43.6 million.

Capital Expenditures

The Group's capital expenditures have principally been made to fund the acquisition of rolling stock. Following its strategy of opportunistic growth, the Group continued to expand its rolling stock fleet. In 2010 the Group took delivery of 5,797[21] railcars (5,191 gondola cars, 605 rail tank cars and 1 locomotive) comprising of:

- delivery of remaining balance of 6,500 units contracted at the close of 2009, and
- delivery of an additional 800 units contracted in the second half of 2010 as a part of the Group's 2011 acquisition target for 5,000 new railcars.

The Group's capital expenditures on acquisition of rolling stock[22] (including rolling stock leased under finance leases) amounted to USD 286.2 million in 2010 compared to USD 103.9 million in the previous year.

[18] Difference of USD 11.6 million between "purchases of property, plant and equipment" recorded in consolidated cash flow statement and "additions" recorded in consolidated balance sheet (Note 12) relates to the change in prepayments for property plant and equipment for the periods ended 31 December 2010 and 31 December 2009.

[19] Formerly AS Intopex Trans.

[20] Defined as a balance between "proceeds from borrowings", "repayments of borrowings", "finance lease principal payments", "proceeds from sale and finance leaseback transactions".

[21] 8 units of rolling stock (2 locomotives and 6 railcars) were disposed over the reporting period.

[22] Additions of rolling stock in 2010 as well as capitalised repairs.

Capital Resources

The Group's financial indebtedness as of the end of 2010 consisted of bank overdrafts, bank borrowings, loans from related and third parties, finance lease liabilities and non-convertible Rouble denominated bond with an aggregate principal amount of USD 519.0 million (including accrued interest of USD 3.2* million), representing an increase of USD 69.9 million or 16% when compared to the end of 2009.

Cash and cash equivalents reduced by USD 22.6 million or 14% from USD 160.3 million at the end of 2009 to USD 137.7 million at the end of 2010.

Net Debt increased by 32% or by USD 92.5 million from USD 288.9* million as at the end of 2009 to USD 381.3* million as at the end of 2010. The Group continued to operate in 2010 with a strong balance sheet and modest financial gearing; Net Debt to Adjusted EBITDA ratio stood unchanged at the level of 1.0x* at the year end compared to the end of 2009.

In order to mitigate foreign exchange risk on the Group's borrowings, the Group increased the share of Rouble denominated borrowings within its debt portfolio from 36% as at 31 December 2009 to 78% as at 31 December 2010.

The carrying amounts (including accrued interest of USD 3.2* million of the Group's borrowings) were denominated in the following currencies as of the end of 2010 and 2009.

	as of 31 December 2009 USD million	**%** of total	**as of 31 December 2010** USD million	**%** of total
US Dollar	287.8	64%	113.1	22%
Rouble	159.9	36%	405.8	78%
Euro	1.4	0.3%	0.2	0.03%
	449.1	**100%**	**519.0**	**100%**

Despite the significant increase in Rouble denominated borrowings, the Group's weighted average effective interest rate reduced to 8.51%* as at 31 December 2010 compared to 9.04%* as at 31 December 2009. As of the end of 2010, 50%* of the Group's borrowings had a fixed interest rate while the remaining 50%* had a floating interest rate.

The following table sets forth the maturity profile of the Group's borrowings (excluding accrued interest of USD 3.2* million included within borrowings in the balance sheet) as of the end of 2010.

	as of 31 December 2010 **USD mln**
1st quarter of 2011	34.2*
2nd quarter of 2011	43.9*
3rd quarter of 2011	48.8*
4th quarter of 2011	61.1*
2012	139.9*
2013	71.9*
2014-2017	116.0*
Total	**515.8***

PRESENTATION OF INFORMATION

All 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") and has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of Cyprus Companies Law, Cap. 113 ("EU IFRS").

The Group's consolidated financial statements for the year ended 31 December 2010 are available at Globaltrans' corporate website (www.globaltrans.com).

In accordance with the Group's accounting policies, the reported financial and operational results include results of LLC BaltTransServis (acquired in December 2009) for the years ended 31 December 2009 and 2010.

The Group's consolidated financial statements are presented in US Dollars, which the Group's management believes to be the most useful for readers of the financial statements. The functional currency of the Company, its Cyprus and Russian subsidiaries is the Rouble. The Estonian subsidiaries had the Estonian Kroon (EEK) as their functional currency and Ukrainian subsidiary of the Company has Ukrainian hryvna as its functional currency.

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

In this announcement the Group has used the 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 operational 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 the result, numerical figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

Market share data has been calculated using the Group's own information as the numerator and information published by the Federal State Statistics Service of the Russian Federation ("Rosstat") as the denominator.

--END--

ANALYST AND INVESTOR CONFERENCE CALL

An analyst and investor conference call hosted by Sergey Maltsev, Chief Executive Officer and Alexander Shenets, Chief Financial Officer will be held on Monday, April 4th, 2011 at 14.00 UK time (09.00 East coast time; 17.00 Moscow time). 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) 203 003 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. A slide presentation will be distributed and made available at the Globaltrans website prior to the conference call.

ENQUIRIES

Globaltrans Investor Relations

Priit Pedaja

Mikhail Perestyuk

+357 25 503 153

irteam@globaltrans.com

Globaltrans
Russia's Leading Private Freight Rail Group

NOTES TO EDITORS

Globaltrans (Globaltrans Investment PLC together with its subsidiaries - "Globaltrans" or "the Group") is the largest privately owned freight rail transportation group with operations in Russia by the size of owned rolling stock fleet (based on publicly available information) and the first such group to have an international listing.

Globaltrans Investment PLC is incorporated in Cyprus and has operating subsidiaries in Russia, Ukraine and Estonia. The Group provides freight rail transportation, railcar leasing, and certain ancillary services to clients in Russia, the CIS countries and the Baltics.

Group's fleet of rolling stock owned and leased under finance and operating leases amounted to 50,714 units at the end of 2010, including 29,568 gondola cars, 20,598 rail tank cars, 58 locomotives and 490 other railcars.

The Group's Freight Rail Turnover in 2010 amounted to 97.4 billion tonnes-km with 63.8 million tonnes of freight transported. In 2010 the Group's Adjusted Revenue amounted to USD 903.0* million with Adjusted EBITDA reaching USD 390.9* million.

Globaltrans' global depositary receipts (ticker symbol: GLTR) are listed on the Main Market of the London Stock Exchange since May 2008.

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

DEFINITIONS

Terms that require definitions are marked with capital letters in this announcement and definitions of which are provided below in alphabetical order:

Adjusted EBITDA (a non-GAAP financial measure) represents EBITDA excluding "net foreign exchange transaction (losses)/gains on financing activities", "share of profit/(loss) of associates", "other gains/(losses) – net", "loss/(gain) on sale of property, plant and equipment" and "(reversal of)/impairment charge on property, plant and equipment".

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

Adjusted Revenue (a non-GAAP financial measure) is calculated as "revenue" less "infrastructure and locomotive tariffs: loaded trips".

Average Distance of Loaded Trip is calculated as the sum of 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 or rolling stock leased out).

EBITDA (a non-GAAP financial measure) represents "profit for the period" before "income tax expense", "finance costs – net" (excluding "net foreign exchange transaction (losses)/gains on financing activities"), "depreciation of property, plant and equipment" and "amortisation of intangible assets".

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 Russian Railways for forwarding empty railcars) is derived from management accounts and presented as part of the "empty run trips, other tariffs and services provided by other transportation organisations" component of "cost of sales" reported under EU IFRS. Empty Run Costs do not include costs of relocation of rolling stock in and from maintenance, purchased rolling stock in transition to its first place of commercial utilisation and rolling stock leased in or leased out.

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 or rolling stock leased out).

Freight Rail Turnover is a measure of freight carriage activity over a particular period calculated as sum of tonnage of each loaded trip multiplied by the distance of each loaded trip, expressed in tonnes-km.

Functional Currency is defined as the currency of the primary economic environment in which the entity operates, for Globaltrans Investment PLC this is the Russian Rouble.

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

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".

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", "VAT recoverable", less the sum of the current portions of "trade payables to third parties", "trade payables to related parties", "advances from customers", "advances from related parties", "accrued expenses", "other payables to related parties", "other payables to third parties.

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 "infrastructure and locomotive tariffs: loaded trips", "depreciation of property, plant and equipment", "amortisation of intangible assets", "(reversal of)/impairment charge for receivables", "loss/(gain) on sale of property, plant and equipment", "impairment charge for property, plant and equipment".

Operating Non-Cash Costs (a non-GAAP financial measure) include line items such as "depreciation of property, plant and equipment", "amortisation of intangible assets", "(reversal of)/impairment charge for receivables", "loss/(gain) on sale of property, plant and equipment", "impairment charge for property, plant and equipment".

Other Operating Cash Costs (a non-GAAP financial measure) include line 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)", "cost of wagons and locomotives sold in trading transactions (not part of property, plant and equipment)" and "other expenses".

Other Tariffs and Services Provided by Other Transportation Organisations (a non-GAAP financial measure) is presented as part of the ''empty run trips, other tariffs and services provided by other transportation organisations'' component of "cost of sales" reported under EU IFRS.

Owned Fleet is defined as rolling stock fleet owned and leased in under finance lease as of the end of period (it includes railcars and locomotives unless otherwise stated).

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 costs of relocation of rolling stock in and from maintenance, purchased rolling stock in transition to its first place of commercial utilisation or rolling stock leased out) in the relevant period.

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

Total Fleet is defined as the total rolling stock owned and leased in under finance and operating leases as of the end of period (it includes railcars and locomotives unless otherwise stated).

Transportation Volume is a measure of freight carriage activity over a particular period measuring weight of cargo carried in million tonnes.

LEGAL DISCLAIMER