Globaltrans
Russia's Leading Private
Freight Rail Group

For immediate release **25 March 2013**

Globaltrans Investment PLC

Full-Year 2012 Results

Globaltrans Investment PLC (the "Company" and together with its consolidated subsidiaries "Globaltrans" or the "Group"), (LSE ticker: GLTR) today announces its financial and operational results[1] for the year ended 31 December 2012.

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.*

Certain comparable financial and operational information has been re-presented for 2011 to conform to changes in the presentation for 2012 and accounting for operations with Engaged Fleet[2] for 2012.

Financial highlights

- Adjusted Revenue without excluding the "pass through" component of the new business of engaging fleet from third-parties increased 22% year-on-year to USD 1,432.6 million*[3] supported by growth in business volumes as well as increased pricing;
- Profitability improved with an Adjusted EBITDA Margin[4] of 50%* in 2012 compared to 44%* in the previous year driven mainly by the substitution of Leased-in Fleet with Owned Fleet;
- Adjusted EBITDA rose 30% year-on-year to USD 658.2 million* in 2012;
- Operating profit was up 24% year-on-year to USD 536.5 million in 2012;
- Adjusted Profit For The Year[5] increased 8% year-on-year to USD 343.8 million* in 2012. Reported profit for the year was USD 311.6 million, a decline of 2% compared to the previous year as the rise in operating profit was offset by increased finance costs;
- The Group's Net Debt rose to USD 896.9 million* at the end of 2012 from USD 258.4 million* at the end of the previous year reflecting increased borrowings used to finance the acquisition of Ferrotrans

[1] The Group's financial performance in 2012 was affected by a 6% depreciation of the average exchange rate of the Russian rouble (Functional Currency of the Company, its Cyprus and Russian subsidiaries) against the US dollar compared to 2011 (the Group's financial information presentation currency). The 2012 period end exchange rate of the Russian rouble against the US dollar strengthened by 6% compared to the end of 2011.

[2] As a result, the cost of services provided by other transportation organisations is now shown as a separate line item within "Cost of sales" whereas previously it was included within "Empty run trips, other tariffs and services provided by other transportation organisations" in "Cost of sales". Adjusted Revenue and Total Operating Cash Costs are now calculated net of the "pass through" item "Services provided by other transportation organisations". Adjusted EBITDA Margin is now calculated as Adjusted EBITDA divided by Adjusted Revenue net of the "pass through" item "Services provided by other transportation organisations". All operational information for 2011 unless otherwise stated has been re-presented to exclude Engaged Fleet operations.

[3] Adjusted Revenue (excluding the "pass through" component "Services provided by other transportation organisations") increased 15% year-on-year to USD 1,322.0 million* in 2012.

[4] Adjusted EBITDA Margin calculated as Adjusted EBITDA divided by Adjusted Revenue net of the "pass through" item "Services provided by other transportation organisations".

[5] Adjusted for the sum of "Net foreign exchange transaction losses on borrowings and other liabilities" and "Net foreign exchange transaction losses on cash and cash equivalents and other assets".

and railcar purchases. Leverage remained at a comfortable level with a Net Debt to Adjusted EBITDA ratio of 1.4x* at the end of 2012;

- The Board of Directors recommended an increased dividend of USD 125.1 million (70 US cents per ordinary share/GDR) for 2012 compared to the USD 98.9 million (64 US cents per ordinary share/GDR) paid for 2011. The pay-out ratio for the proposed dividend will be 48%[6] compared to 37% in the previous year.

Operational highlights

- Globaltrans delivered a record business expansion of its operations backed by a successful follow-on offering of GDRs in July 2012. The Group's Owned Fleet has increased more than 50% (or 22 thousand units) year to date to more than 62 thousand units compared to Owned Fleet at the end of the previous year. The Group's Total Fleet is now more than 65 thousand units.
    - About 10 thousand new railcars were delivered and deployed through the end of 2012;
    - Acquisition of Ferrotrans (formerly Metalloinvesttrans with 8.3 thousand units of rolling stock) completed in May 2012; integration successfully completed; and
    - Acquisition of MMK-Trans (with 3.6 thousand units of rolling stock) signed in December 2012 and completed in February 2013; integration is underway;
- The Group continued to outperform the Russian freight rail transportation market. The Group's Freight Rail Turnover (including Engaged Fleet) rose 25% year-on-year to 137.8 billion tonnes-km[7], compared to the market's 4% growth in 2012;
- Market share (including Engaged Fleet)[8] increased to 7% compared to 6% in the previous year;
- The Group's Empty Run Ratio for gondola cars improved to 38% from 41% in 2011 driven primarily by the successful integration of Ferrotrans in the second half of the year along with decreased coal operations and a favorable market for the transportation of construction materials. The Total Empty Run Ratio was down to 57%, a steady improvement from 62% in the previous year;
- Average Price per Trip rose 8% year-on-year in Russian rouble terms, principally reflecting the favourable pricing environment during most of the year as well as the Group's best in class service offering;
- Enhanced resilience as about 85%[9] of the Group's Owned Fleet consists of either rail tank cars exposed to the resilient oil products and oil transportation or rolling stock covered by long-term contracts with first-class clients:
    - 3-year service contract with Metalloinvest to manage 100% of its rail transportation logistics in year one and at least 60% for years two and three; effective from June 2012;
    - 5-year service contract with MMK to manage at least 70% of its rail transportation logistics; effective from March 2013.

CEO COMMENT

Sergey Maltsev, CEO of Globaltrans Investment PLC, said:

"2012 was one of the busiest, most productive periods in the Group's history. We delivered outstanding large scale expansion of our operations and produced strong financial and operating results whilst retaining our focus on customer service and operational efficiency.

During the year, we were able to take advantage of industry outsourcing trends, leveraging our proven M&A expertise to make two strategically important acquisitions of captive freight rail operators and secure related long-term cargo contracts. These complex deals were the first of their kind for the industry and enabled us

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[6] Pay-out ratio calculated as a share of Profit for the year attributable to owners of the Company.

[7] Globaltrans' Freight Rail Turnover excluding Engaged Fleet was up 7% year-on-year to 116.7 billion tonnes-km in 2012.

[8] Market share data has been calculated using the Group's own information as the numerator and information published by Rosstat as the denominator. The Group's market share is calculated as a percentage of the overall Russian freight rail transportation volume.

[9] Owned Fleet of Globaltrans as of the end of 2012 including the fleet of MMK-Trans; compared to the estimated number of railcars required to service contracts at current input/output volumes presented for transportation by rail by Metalloinvest (100%) and MMK (70%) and the number of rail tank cars in ownership.

to increase the resilience of our business model. The logistics benefits of combining the acquired cargo bases with those of our existing clients has allowed us to achieve best in class operating efficiency.

Our new fleet generates strong cash flow which we will use to support further growth as well as for dividend distributions to shareholders. We believe the current market environment may well be a catalyst for further consolidation and we intend to be a beneficiary as that develops."

TRADING UPDATE

The Russian freight rail transportation market grew steadily throughout 2012 with the exception of the final few months when the effects of specific macro-economic factors were felt. This continued into January, before showing a slight improvement in February 2013 with the overall Russian Freight Rail Turnover for that month, adjusted for an extra day in 2012[10], being stable year-on-year.

In the rail tank car segment, in which Globaltrans has a particular strength, the pricing environment remained solid throughout the entire year and the Company was even able to increase its pricing from the beginning of 2013. In the universal gondola cars segment, market prices for large players declined in the final months of 2012 and have since broadly stabilised at a level about 10-15% below the average market price for the full year 2012, with Globaltrans' pricing reflecting these market trends.

Following the expansion in 2012, about 85%[11] of Globaltrans' Owned Fleet is either secured by long-term contracts or exposed to the stable oil transportation segment, providing a solid base for our business in 2013 and beyond. There is also good scope for leveraging the Group's unique advantage in logistics as the recently acquired cargo bases are a natural fit with our existing customer base. This provides a basis for improvement in our rolling stock management by making the logistics of gondola cars more efficient.

2013 has started in line with the Group's expectations. Group's railcars are fully utilised and in the first two months of 2013 the Group recorded a 35% year-on-year increase in Freight Rail Turnover (including Engaged Fleet).

The Company is generating strong cash flow and is well-positioned to move selectively to consolidate the fragmented market as smaller rail operators are increasingly deprived of access to premium cargo bases as well as being impacted by recent market headwinds.

DOWNLOADS

The directors' report and consolidated financial statements for the year ended 31 December 2012 are available for viewing at the Globaltrans' corporate website (www.globaltrans.com).

[10] Overall Russian Freight Rail Turnover in February 2013 has been adjusted for an extra day in February 2012 (February 2013: 28 days; February 2012: 29 days); excluding adjustment, overall Russia Freight Rail Turnover in February 2013 declined 4% year-on-year.

[11] Owned Fleet of Globaltrans as of the end of 2012 including the fleet of MMK-Trans; compared to the estimated number of railcars required to service contracts at current input/output volumes presented for transportation by rail by Metalloinvest (100%) and MMK (70%) and the number of rail tank cars in ownership.

RESULTS IN DETAIL[12]

The following table provides the Group's key financial and operational information for the year ended 31 December 2012 and 2011.

EU IFRS financial information

	2011 USD mln	**2012 USD mln**	Change
Revenue	1,733.1	**2,114.3**	22%
Including			
Total revenue - operators' services	1,651.8	**1,969.3**	19%
Total revenue - operating lease	76.6	**135.8**	77%
Total cost of sales, selling and marketing costs and administrative expenses	1,304.2	**1,579.0**	21%
Operating profit	432.0	**536.5**	24%
Finance costs – net	(32.6)	**(124.5)**	282%
Profit for the year	317.2	**311.6**	-2%
Attributable to:			
Owners of the Company	266.4	**258.0**	-3%
Non-controlling interests	50.8	**53.6**	5%
Basic and diluted earnings per share for profit attributable to the equity holders of the Company during the year (expressed in USD per share)	1.68	**1.56**	-7%
	As at 31 Dec 2011 USD mln	**As at 31 Dec 2012 USD mln**	Change
Total assets	1,467.8	**2,949.8**	101%
Total debt	379.1	**1,075.1**	184%
Cash and cash equivalents	120.8	**178.2**	48%

Non-GAAP financial information

	2011 USD mln	**2012 USD mln**	Change
Adjusted Revenue (without excluding the "pass through" item "Services provided by other transportation organisations")	1,177.0*	**1,432.6***	22%
Adjusted Revenue	1,149.5*	**1,322.0***	15%
Including			
Net Revenue from Operation of Rolling Stock	1,067.6*	**1,159.0***	9%
Revenue from operating lease of rolling stock	76.6	**135.8**	77%
Net Revenue from Engaged Fleet	0.7*	**18.0***	2570%
Total Operating Cash Costs	644.3*	**662.8***	3%
Including			
Empty Run Costs	233.8*	**253.9***	9%
Repair and maintenance	76.2	**104.1**	36%
Employee benefit expense	62.2	**82.1**	32%
Operating lease rentals - rolling stock	132.6	**61.6**	-54%
Adjusted EBITDA	505.1*	**658.2***	30%
Adjusted EBITDA Margin, %	44%*	**50%***	-
Adjusted Profit For The Year	319.3*	**343.8***	8%

[12] Certain comparable financial and operational information has been re-presented for 2011 to conform to changes in the presentation for 2012 and accounting for operations with Engaged Fleet.

Operational information

	2011	**2012**	Change
Average Rolling Stock Operated, units	42,363	**46,825**	11%
Freight Rail Turnover (including Engaged Fleet), billion tonnes-km	110.6	**137.8**	25%
Transportation Volume (including Engaged Fleet), million tonnes	69.6	**83.9**	21%
Freight Rail Turnover (excluding Engaged Fleet), billion tonnes-km	108.6	**116.7**	7%
Transportation Volume (excluding Engaged Fleet), million tonnes	68.4	**74.3**	9%
Average Price per Trip, USD	966.5	**991.6**	3%
Average Price per Trip, RUB	28,411	**30,813**	8%
Average Number of Loaded Trips per Railcar	26.1	**25.0**	-4%
Total Empty Run Ratio, %	62%	**57%**	-
Empty Run Ratio for gondola cars, %	41%	**38%**	-
	As at 31 Dec 2011	**As at 31 Dec 2012**	Change
Total Fleet, units	47,580	**61,935**	30%
Including Owned Fleet, units	39,910	**58,501**	47%
Average age of Owned Fleet	7.1	**7.0**	-

Revenue

The Group's revenue increased 22% to USD 2,114.3 million in 2012 compared to USD 1,733.1 million in the previous year, reflecting the factors described below.

The following table provides details of revenue, broken down by revenue-generating activity for the year ended 31 December 2012 and 2011.

	2011 USD mln	**2012 USD mln**	**Change USD mln**	**Change %**
Railway transportation-operators services (tariff borne by the Group)[13]	929.9	1,208.5	278.5	30%
Railway transportation-operators services (tariff borne by the client)	721.9	760.9	39.0	5%
Railway transportation-freight forwarding	3.4	6.9	3.5	101%
Operating lease of rolling stock	76.6	135.8	59.2	77%
Other revenue	1.3	2.3	1.0	77%
Total revenue	**1,733.1**	**2,114.3**	**381.2**	**22%**

Adjusted Revenue

Adjusted Revenue increased 15% year-on-year to USD 1,322.0 million* in 2012, supported by growth in business volumes as well as increased pricing. Adjusted Revenue without excluding the "pass through" component of the new business of engaging fleet from third-parties increased 22% year-on-year to USD 1,432.6 million*.

After the acquisition of Ferrotrans in May 2012 Globaltrans increased its usage of rolling stock subcontracted from third-party rail operators (Engaged Fleet) to meet the demand not covered by the Group's Owned or Leased-in Fleet. The "pass through" component of this activity is recorded in equal amounts in both revenues and cost of sales as "Services provided by other transportation organisations" and the net result of such activity is included in Adjusted Revenue as Net Revenue from Engaged Fleet (derived from management accounts).

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

[13] Includes "Infrastructure and locomotive tariffs - loaded trips" for the year ended 31 December 2012 of USD 681.7 million (2011: USD 556.0 million) and "Services provided by other transportation organisations" of USD 110.6 million (2011: 27.5).

transportation organisations" is revenue resulting from the tariffs that customers pay to the Group and the Group pays on to third-party rail operators for subcontracting their rolling stock, which are reflected in equal amounts in both the Group's revenue and cost of sales. The net result of Engaged Fleet operations is reflected as Net Revenue from Engaged Fleet being a part of Adjusted Revenue.

The following table provides details of Adjusted Revenue for the year ended 31 December 2012 and 2011 and its reconciliation to revenue.

	2011 USD mln	**2012 USD mln**	**Change USD mln**	**Change %**
Revenue	1,733.1	2,114.3	381.2	22%
Minus				
Infrastructure and locomotive tariffs - loaded trips	556.0	681.7	125.7	23%
Adjusted Revenue (without excluding "pass through" item "Services provided by other transportation organisations")	**1,177.0***	**1,432.6***	**255.6**	**22%**
Minus				
Services provided by other transportation organisations	27.5	110.6	83.2	303%
Adjusted Revenue	**1,149.5.***	**1,322.0***	**172.4**	**15%**

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

The following table provides a breakdown of Adjusted Revenue for the year ended 31 December 2012 and 2011.

	2011 USD mln	**2012 USD mln**	**Change USD mln**	**Change %**
Net Revenue from Operation of Rolling Stock	1,067.6*	1,159.0*	91.4	9%
Operating lease of rolling stock	76.6	135.8	59.2	77%
Net Revenue from Engaged Fleet	0.7*	18.0*	17.4	2570%
Railway transportation-freight forwarding	3.4	6.9	3.5	101%
Other revenue	1.3	2.3	1.0	77%
Adjusted Revenue	**1,149.5***	**1,322.0***	**172.4**	**15%**

Net Revenue from Operation of Rolling Stock

Net Revenue from Operation of Rolling Stock accounted for 88% of the Group's Adjusted Revenue in 2012.

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[14]" less "Infrastructure and locomotive tariffs - loaded trips", "Services provided by other transportation organisations" and Net Revenue from Engaged Fleet.

The following table provides Net Revenue from Operation of Rolling Stock for the year ended 31 December 2012 and 2011, and its reconciliation to revenue from railway transportation-operators services.

	2011 USD mln	**2012 USD mln**	**Change USD mln**	**Change %**
Railway transportation-operators services[14]	1,651.8	1,969.3	317.5	19%
Minus				
Infrastructure and locomotive tariffs - loaded trips	556.0	681.7	125.7	23%
Services provided by other transportation organisations	27.5	110.6	83.2	303%
Net Revenue from Engaged Fleet	0.7*	18.0*	17.4	2570%
Net Revenue from Operation of Rolling Stock	**1,067.6***	**1,159.0***	**91.4**	**9%**

[14] Defined as the sum of the following EU IFRS line items: "Railway transportation-operators services (tariff borne by the Group)" and "Railway transportation-operators services (tariff borne by the client)".

In 2012 the Group's Net Revenue from Operation of Rolling Stock was USD 1,159.0 million*, an increase of 9% compared to USD 1,067.6 million* in the previous year. In Russian rouble terms, Net Revenue from Operation of Rolling Stock increased 15% year-on-year in 2012. This increase reflected the following factors:

- Average Price per Trip increased 3% to USD 991.6 (in Russian rouble terms up 8% to RUB 30,813) in 2012 compared to 2011; Average Distance of Loaded Trip decreased 2% year-on-year in the same period;
- An increase in the Group's Average Rolling Stock Operated of 11% to 46,825 units in 2012 compared to the previous year which was driven by deliveries of additional railcars and the consolidation of Ferrotrans acquired in May 2012 offset by a gradual decrease in the number of Leased-in Fleet over the year;
- Average Number of Loaded Trips per Railcar declined 4% year-on-year to 25.0 trips in 2012 compared to the previous year.

Revenue from operating lease of rolling stock

Revenue from operating lease of rolling stock, which accounted for 10% of the Group's Adjusted Revenue in 2012, grew to USD 135.8 million, an increase of 77% compared to the previous year. This increase was driven by an increase in average rolling stock leased-out over the year primarily reflecting (i) an increased number of rail tank cars leased-out (largely due to the delivery of newly acquired rail tank cars); and (ii) a temporary lease-out of acquired gondola cars subject to legacy leasing contracts as well as an increase in average leasing rates over the year.

Net Revenue from Engaged Fleet

Net Revenue from Engaged Fleet increased to USD 18.0 million* in 2012 compared to USD 0.7 million* in the previous year, reflecting the consolidation of Ferrotrans. This revenue represents the net sum of the price charged to clients for transportation by the Group utilising Engaged Fleet less the loaded railway tariff charged by RZD (included in the EU IFRS line item "Infrastructure and locomotive tariff - loaded trip") less the cost of engaging fleet from third-party rail operators (included in the EU IFRS line item "Services provided by other transportation organisations").

In 2012 the Freight Rail Turnover generated by Engaged Fleet amounted to 21.2 billion tonnes-km (15% of the Group's Freight Rail Turnover) compared to 2.0 billion tonnes-km in 2011 (2% of the Group's Freight Rail Turnover).

Cost of sales, selling and marketing costs and administrative expenses

In 2012 the Group's total cost of sales, selling and marketing costs and administrative expenses was USD 1,579.0 million, an increase of 21% compared to the previous year.

The following table provides a breakdown of cost of sales, selling and marketing costs and administrative expenses for the years ended 31 December 2012 and 2011.

	2011 USD mln	2012 USD mln	Change USD mln	Change %
Cost of sales	1,210.8	1,450.2	239.4	20%
Selling and marketing costs	3.1	4.0	0.9	30%
Administrative expenses	90.3	124.7	34.4	38%
Total cost of sales, selling and marketing costs and administrative expenses	**1,304.2**	**1,579.0**	**274.7**	**21%**

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

	2011 USD mln	2012 USD mln	Change USD mln	Change %
Total cost of sales, selling and marketing costs and administrative expenses	**1,304.2**	**1,579.0**	**274.7**	**21%**
Minus				
Infrastructure and locomotive tariffs - loaded trips	556.0	681.7	125.7	23%
Services provided by other transportation organisations	27.5	110.6	83.2	303%
Adjusted Total Cost of Sales, Selling and Marketing Costs and Administrative Expenses	**720.7***	**786.6***	**65.9**	**9%**
Total Operating Cash Costs	**644.3***	**662.8***	**18.5**	**3%**
Empty Run Costs	233.8*	253.9*	20.1	9%
Repairs and maintenance	76.2	104.1	27.8	36%
Employee benefit expense	62.2	82.1	19.9	32%
Operating lease rentals - rolling stock	132.6	61.6	(71.0)	-54%
Infrastructure and Locomotive Tariffs - Other Tariffs	38.1*	42.0*	3.9	10%
Fuel - locomotives	27.7	31.5	3.8	14%
Engagement of locomotive crews	12.7	12.2	(0.5)	-4%
Legal, consulting and other professional fees	9.3	7.0	(2.4)	-26%
Other Operating Cash Costs	51.7*	68.5*	16.9	33%
Total Operating Non-Cash Costs	**76.4***	**123.8***	**47.4**	**62%**
Depreciation of property, plant and equipment	75.1	113.0	38.0	51%
Amortisation of intangible assets	0.2	7.7	7.6	4220%
Impairment charge for receivables	0.1	0.9	0.8	658%
Loss on sale of property, plant and equipment	1.2	2.1	0.9	70%
Reversal of impairment charge for property, plant and equipment	(0.2)	-	0.2	n/a

The Group's total cost of sales, selling and marketing costs and administrative expenses adjusted for "pass through" items "Infrastructure and locomotive tariffs - loaded trips" and "Services provided by other transportation organisations" increased year-on-year by 9% to USD 786.6 million* in 2012, reflecting the factors described below.

Infrastructure and locomotive tariffs - loaded trips

Infrastructure and locomotive tariffs - loaded trips is in principle a "pass through" item for the Group[15] and is reflected in equal amounts in both the Group's revenue and cost of sales. Infrastructure and locomotive tariffs - loaded trips increased 23% to USD 681.7 million in 2012 compared to the previous year predominantly reflecting the increase in the Group's business volumes, in particular those due to the consolidation of Ferrotrans.

Services provided by other transportation organisations

Services provided by other transportation organisations is in principle a "pass through" item for the Group and is reflected in equal amounts in both the Group's revenue and cost of sales. This cost item includes tariffs that the Group pays on to third-party rail operators for subcontracting their rolling stock, which are reflected equally in both the Group's revenue and cost of sales. In 2012 "Services provided by other transportation organisations" increased to USD 110.6 million from USD 27.5 million in the previous year reflecting the consolidation of Ferrotrans and related increase in volumes of operations with Engaged Fleet.

Total Operating Cash Costs

The Group's Total Operating Cash Costs increased 3% to USD 662.8 million* in 2012, compared to the previous year, reflecting the combination of factors described below.

[15] 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.

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", "Loss on sale of property, plant and equipment" and "Reversal of impairment charge for property, plant and equipment".

The following table provides a breakdown of the Total Operating Cash Costs for the year ended 31 December 2012 and 2011.

	2012 % of Total	**2011 USD mln**	**2012 USD mln**	**Change USD mln**	**Change %**
Empty Run Costs	*38%*	233.8*	253.9*	20.1	9%
Repairs and maintenance	*16%*	76.2	104.1	27.8	36%
Employee benefit expense	*12%*	62.2	82.1	19.9	32%
Operating lease rentals - rolling stock	*9%*	132.6	61.6	(71.0)	-54%
Infrastructure and Locomotive Tariffs - Other Tariffs	*6%*	38.1*	42.0*	3.9	10%
Fuel - locomotives	*5%*	27.7	31.5	3.8	14%
Engagement of locomotive crews	*2%*	12.7	12.2	(0.5)	-4%
Legal, consulting and other professional fees	*1%*	9.3	7.0	(2.4)	-26%
Other Operating Cash Costs	*10%*	51.7*	68.5*	16.9	33%
Total Operating Cash Costs	***100%***	**644.3***	**662.8***	**18.5**	**3%**

Empty Run Costs

Empty Run Costs (a non-GAAP financial measure) accounted for 38% of the Group's Total Operating Cash Costs in 2012. Empty Run Costs increased 9% to USD 253.9 million* in 2012 compared to the previous year reflecting a combination of the following factors:

- A 6% increase[16] (in Russian rouble terms) in the RZD regulated tariff for the traction of empty railcars;
- An increase in the Group's business volumes (Average Rolling Stock Operated increased 11% year-on-year in 2012);
- An increase in the Share of Empty Run Kilometres paid by Globaltrans to 81% (2011: 78%) driven mainly by a decrease in the transportation of coal and the impact of the consolidation of Ferrotrans;
- Partially offset by the improvement in the Total Empty Run Ratio which decreased to 57% in 2012 compared to 62% in the previous year, driven primarily by the decrease in the Empty Run Ratio for gondola cars to 38% (2011: 41%).

Repairs and maintenance

Repairs and maintenance, which accounted for 16% of the Group's Total Operating Cash Costs in 2012, increased 36% to USD 104.1 million compared to the previous year, mostly reflecting the consolidation of Ferrotrans as well as cost inflation for repair works and spare parts and an increase in number of ad-hoc repairs mostly from the increase in the Group's fleet.

Employee benefit expense

Employee benefit expense, accounting for 12% of the Group's Total Operating Cash Costs, increased 32% to USD 82.1 million in 2012 compared to the previous year. This increase was primarily driven by (i) an increase in the average number of employees (largely through the consolidation of Ferrotrans) combined with (ii) general wage inflation and an increase in the unified social tax rate in Russia, as well as (iii) a rise in performance-driven bonuses awarded.

[16] According to Federal Tariff Service of Russia; from 1 January 2012.

Operating lease rentals - rolling stock

Operating lease rentals - rolling stock, which accounted for 9% of the Group's Total Operating Cash Costs in 2012 decreased 54% to USD 61.6 million compared to the previous year. This decline reflected a significant reduction in the average number of railcars leased-in from third parties over the year which were substituted by the Owned Fleet gradually delivered over 2012.

The Group's Leased-in Fleet decreased 55% to 3,434 units as of the end of 2012 compared to 7,670 units as of the end of the previous year. The Group intends to continue using Leased-in Fleet as required chiefly to benefit from the operational flexibility that it provides.

Infrastructure and Locomotive Tariffs - Other Tariffs

Infrastructure and Locomotive Tariffs - Other Tariffs (a non-GAAP financial measure), which is presented as part of the "Infrastructure and locomotive tariffs - empty run trips and other tariffs" component of cost of sales reported under EU IFRS, accounted for 6% of the Group's Total Operating Cash Costs in 2012. Infrastructure and Locomotive Tariffs - Other Tariffs was USD 42.0 million* in 2012, up 10% compared to the previous year. This cost item includes the costs of relocation of rolling stock to and from maintenance, transition of purchased rolling stock to its first place of commercial utilisation and relocation of rolling stock in and from lease operations as well as other expenses.

Fuel - locomotives

Fuel - locomotive expenses, accounting for 5% of the Group's Total Operating Cash Costs, were USD 31.5 million in 2012, an increase of 14% compared to the previous year. This increase was primarily due to increases in fuel and engine oil prices.

Engagement of locomotive crews

Costs related to the engagement of locomotive crews from RZD decreased 4% to USD 12.2 million in 2012 compared to the previous year. This cost item accounted for 2% of the Group's Total Operating Cash Costs in 2012.

Legal, consulting and other professional fees

Legal, consulting and other professional fees, accounting for 1% of the Group's Total Operating Cash Costs in 2012, were USD 7.0 million, a decrease of 26% compared to the previous year.

Other Operating Cash Costs

Other Operating Cash Costs, which comprised 10% of the Group's Total Operating Cash Costs, increased 33% to USD 68.5 million* in 2012 compared to the previous year, reflecting (i) an increase in "taxes (other than income tax and value added taxes)" which was predominantly property tax reflecting the increase in the number of the Group's Owned Fleet; and (ii) an increase in "Operating lease rentals-office", "Auditors' remuneration" and other administrative expenses a part of "Other expenses", largely driven by the consolidation of Ferrotrans.

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)" and "Other expenses".

Total Operating Non-Cash Costs

Total Operating Non-Cash Costs were USD 123.8 million* in 2012, an increase of 62% compared to the previous year. The main non-cash expense item of "Depreciation of property plant and equipment" rose 51% year-on-year to USD 113.0 million in 2012, reflecting the increase in the number of the Group's Owned Fleet.

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", "Loss on sale of property, plant and equipment" and "Reversal of impairment charge for property, plant and equipment".

Adjusted EBITDA (non-GAAP financial measure)

The Group's Adjusted EBITDA increased 30% year-on-year to USD 658.2 million* in 2012. In Russian rouble terms Adjusted EBITDA posted an increase of 38% year-on-year.

The Group's Adjusted EBITDA Margin[17] increased to 50%* in 2012 compared to 44%* in the previous year primarily reflecting the substitution of Leased-in Fleet with newly acquired railcars.

The difference between EBITDA and Adjusted EBITDA arises largely from "Net foreign exchange transaction gains/(losses) on borrowings and other liabilities" and "Net foreign exchange transaction gains/(losses) on cash and cash equivalents and other assets", which are eliminated from Adjusted EBITDA.

The following table provides detail on Adjusted EBITDA for the year ended 31 December 2012 and 2011, and its reconciliation to EBITDA and profit for the year.

	2011 USD mln	**2012 USD mln**	**Change USD mln**	**Change %**
Profit for the year	317.2	311.6	(5.6)	-2%
Plus (Minus)				
Income tax expense	82.6	100.7	18.1	22%
Finance costs – net	32.6	124.5	92.0	282%
Net foreign exchange transaction losses on borrowings and other liabilities	(2.0)	(26.6)	24.5	1198%
Net foreign exchange transaction losses on cash and cash equivalents and other assets	-	(5.6)	5.6	n/a
Amortisation of intangible assets	0.2	7.7	7.6	4220%
Depreciation of property, plant and equipment	75.1	113.0	38.0	51%
EBITDA	**505.6***	**625.4***	**119.8**	**24%**
Minus (Plus)				
Net foreign exchange transaction losses on borrowings and other liabilities	(2.0)	(26.6)	24.5	1198%
Net foreign exchange transaction losses on cash and cash equivalents and other assets	-	(5.6)	5.6	n/a
Share of profit of associates	0.4	0.3	(0.1)	-21%
Other gains (losses) – net	3.1	1.2	(2.0)	-63%
Loss on sale of property, plant and equipment	(1.2)	(2.1)	0.9	70%
Reversal of impairment charge for property, plant and equipment	0.2	-	(0.2)	n/a
Adjusted EBITDA	**505.1***	**658.2***	**153.1**	**30%**

[17] Adjusted EBITDA Margin calculated as Adjusted EBITDA divided by Adjusted Revenue net of "pass through" item "Services provided by other transportation organisations".

Finance income and costs

The following table provides a breakdown of finance income and costs for the year ended 31 December 2012 and 2011.

	2011 USD mln	2012 USD mln	Change USD mln	Change %
Interest expense:				
Bank borrowings	(23.3)	(61.8)	38.4	165%
Non-convertible bond	(8.4)	(32.6)	24.1	286%
Finance leases	(4.3)	(2.9)	(1.5)	-34%
Other finance costs	(0.7)	(0.8)	0.1	22%
Total interest expense	(36.7)	(98.0)	61.3	167%
Net foreign exchange transaction losses on borrowings and other liabilities	(2.0)	(26.6)	24.5	1198%
Finance cost on liability for minimum dividend distribution	(1.2)	-	(1.2)	n/a
Finance costs	**(39.9)**	**(124.5)**	**84.6**	**212%**
Interest income:				
Bank balances	0.6	2.3	1.7	264%
Short term deposits	2.5	3.3	0.8	33%
Finance leases	4.2	-	(4.2)	n/a
Total interest income	**7.4**	**5.6**	**(1.7)**	**-23%**
Net foreign exchange transaction losses on cash and cash equivalents and other assets	-	(5.6)	5.6	n/a
Finance income	**7.4**	**-**	**(7.4)**	**n/a**
Net finance costs	**(32.6)**	**(124.5)**	**92.0**	**282%**

Finance income

In 2012 the Group recorded total interest income of USD 5.6 million which was offset by USD 5.6 million of net foreign exchange transaction losses on cash and cash equivalents and other assets.

Finance costs

Finance costs increased 212% or USD 84.6 million to USD 124.5 million in 2012 compared to the previous year. This increase reflects the combination of the following factors:

- Total interest expense increased 167% or USD 61.3 million to USD 98.0 million in 2012 compared to the previous year. This increase was driven by increased borrowings and non-convertible bonds incurred to finance the Group's significant business expansion. For more information on the Group's business expansion 2012 please see *"Capital Expenditure"*;
- In 2012 the Group recorded USD 26.6 million of "Net foreign exchange transaction losses on borrowings and other liabilities", which was recognised in the first half of 2012 and largely driven by the depreciation of the Russian rouble against the US Dollar in the second quarter of 2012 affecting US dollar-denominated debt facilities.

Profit before income tax

Profit before income tax increased 3% to USD 412.3 million in 2012 compared to the previous year. This increase was driven primarily by a USD 104.5 million year-on-year increase in operating profit, which was partially offset by a USD 92.0 million year-on-year increase in net finance costs.

Income tax expense

Income tax expense increased 22% year-on-year to USD 100.7 million in 2012 reflecting (i) an increase in profit before income tax as well as (ii) the recognition of a deferred tax provision in the amount of USD 11.0 million due to the change in intention for distribution of profits of a Russian subsidiary of the Company (the applicable dividend tax rate is 5%) as it is no longer probable that dividend distributions would only be made from future profits of that subsidiary.

The weighted average applicable tax rate was 19.9% in 2012 (2011: 18.4%). The increase in the weighted average applicable tax rate is caused by the increased profitability of the Russian subsidiaries of the Group which are taxed at 20% compared to the Estonian subsidiaries which have a zero applicable tax rate.

LIQUIDITY AND CAPITAL RESOURCES

The business of freight rail transportation is capital intensive. In 2012 the Group's liquidity needs arose primarily from the purchase of rolling stock and the acquisition of Ferrotrans, as well as general working capital requirements. The Group was able to comfortably meet its liquidity and capital expenditure needs from operating cash flow, cash and cash equivalents available at 31 December 2011 as well as proceeds from borrowings, public debt instruments and a follow-on offering of GDRs undertaken in July 2012.

The Group manages its liquidity based on expected cash flows. As at 31 December 2012, the Group had Net Working Capital of USD 143.1 million*. Utilising its anticipated operating cash flow, its borrowings and proceeds from the recent follow-on offering, the Group believes that it has sufficient working capital to enable it to operate successfully and expand its business when appropriate opportunities arise.

Cash flows

The following table sets out the principal components of the Group's consolidated cash flow statement for the year ended 31 December 2012 and 2011.

	2011 **USD mln**	**2012** **USD mln**
Cash flows from operating activities	**508.1**	**659.4**
Changes in working capital:		
Inventories	(1.6)	(4.2)
Trade and other receivables	3.7	(24.7)
Trade and other payables	(5.1)	19.4
Cash generated from operations	505.2	649.9
Tax paid	(63.4)	(81.8)
Net cash from operating activities	**441.8**	**568.1**
Cash flows from investing activities		
Acquisition of subsidiaries-net of cash acquired	-	(572.9)
Advance payment for acquisition of subsidiary-restricted cash	-	(10.0)
Purchases of property, plant and equipment	(173.9)	(736.9)
Proceeds from disposal of property, plant and equipment	4.5	0.9
Interest received	7.3	5.7
Receipts from finance lease receivable	35.9	-
Net cash used in investing activities	**(126.2)**	**(1,313.2)**
Cash flows from financing activities		
Net cash inflows (outflows) from borrowings and financial leases[18]	(125.9)*	684.1*
Interest paid	(36.5)	(90.2)
Acquisition of non-controlling interests	(81.7)	-
Proceeds from the issue of shares - net of expenses	-	330.3
Proceeds from the sale of treasury shares	-	60.0
Purchase of treasury shares	-	(43.2)
Dividends paid to non-controlling interests	(26.1)	(34.2)
Dividends paid to Company's shareholders	(58.5)	(98.9)
Net cash from/(used in) financing activities	**(328.7)**	**808.0**
Net increase/(decrease) in cash and cash equivalents	(13.1)	62.8
Exchange losses on cash and cash equivalents	(4.1)	(4.4)
Cash, cash equivalents and bank overdrafts at beginning of year	137.0	119.7
Cash, cash equivalents and bank overdrafts at end of year	**119.7**	**178.2**

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

Net cash from operating activities

Net cash generated from operating activities increased 29% to USD 568.1 million in 2012, compared to the previous year. This was the result of the following factors:

- Cash generated from operations increased 29% to USD 649.9 million, supported by the strong performance of the underlying business;
- A 29% year-on-year increase in tax paid in 2012 to USD 81.8 million, driven primarily by increase in the Group's profits, recognition of a deferred tax provision as well as an increase of the effective tax rate as described above.

Net cash used in investing activities

Net cash used in investing activities increased by USD 1,187.0 million to USD 1,313.2 million in 2012 compared to the previous year, primarily as a result of a significant increase in the Group's investing activities: (i) USD 563.0 million year-on-year increase in the purchases of property, plant and equipment; and (ii) the acquisition of subsidiaries-net of cash acquired to the amount of USD 572.9 million related to the acquisition of Ferrotrans.

Net cash used from/(used in) financing activities

Net cash from financing activities was USD 808.0 million in 2012 compared to net cash used in financing activities of USD 328.7 million in the previous year. This change was primarily due to the combination of the following factors:

- Net cash inflows from borrowings and finance leases[18] of USD 684.1 million* reflecting significantly increased investing activities;
- Interest paid of USD 90.2 million, an increase of USD 53.7 million year-on-year, reflecting an increase in borrowings and non-convertible unsecured bonds;
- Purchase of treasury shares for USD 43.2 million (these treasury shares have been sold by the Company as part of the follow-on offering in July 2012);
- The combination of proceeds from the issue of shares - net of expenses in amount of USD 330.3 million and proceeds from the sale of treasury shares of USD 60.0 million as a part of a follow-on offering undertaken in July 2012;
- Payment of USD 34.2 million of dividends to non-controlling interests in subsidiaries compared to USD 26.1 million in 2011; and
- Payment of USD 98.9 million in dividends to shareholders of the Company, compared to USD 58.5 million paid in the previous year.

Capital Expenditure

In 2012 the Group significantly increased its investments in business expansion. The Group's Owned Fleet increased by 47% to 58,501 units at 31 December 2012 compared to the end of 2011 as a combination of organic growth and the acquisition of Ferrotrans.

Organic growth

In 2012, the Group took delivery of 10,424 units of rolling stock (8,969 gondola cars, 1,450 rail tank cars and 5 locomotives)[19]. The Group's capital expenditure for the acquisition of rolling stock on an accrual basis (including capitalised repairs and rolling stock leased in under finance leases) was USD 809.7 million in 2012.

[19] 89 units of rolling stock were disposed of over 2012.

Acquisition of Ferrotrans

In May 2012 the Group acquired a 100% interest in Ferrotrans (renamed from Metalloinvesttrans), a former "captive" freight rail operator of Metalloinvest with 8.3 thousand units of rolling stock in ownership. In connection with this acquisition, Ferrotrans has entered into 3-year freight rail service contracts with the Metalloinvest entities for Ferrotrans to manage its freight rail transportation logistics. The total cash consideration for the acquisition was USD 573.5 million.

Capital Resources

As of 31 December 2012, the Group's financial indebtedness consisted of bank borrowings, non-convertible unsecured bond issues and finance lease liabilities to an aggregate principal amount of USD 1,075.1 million (including accrued interest of USD 13.4 million*), representing an increase of USD 696.0 million compared to the end of 2011. This increase was primarily due to new borrowings to finance, in part, the purchase of rolling stock and the acquisition of Ferrotrans.

The following table provides detail on the Group's financial indebtedness structure as of 31 December 2012.

	as of 31 December 2012 USD million	% of Total
Bank borrowings	595.2	55%
Non-convertible unsecured bonds	398.7	37%
Finance lease liabilities	81.1	8%
Total	**1,075.1**	**100%**

With a cash and cash equivalents of USD 178.2 million at 31 December 2012, the Group's Net Debt increased by USD 638.6 million to USD 896.9 million* as at 31 December 2012. The Group's Net Debt adjusted for the MMK-Trans transaction[20] consideration (closed in February 2013) is estimated at USD 1,231.9 million*.

In 2012 Globaltrans continued to operate with moderate leverage with a Group Net Debt to Adjusted EBITDA ratio of 1.4x* at 31 December 2012.

Globaltrans continued to improve the currency structure of its debt and Russian rouble-denominated borrowings accounted for 91% of the Group's debt portfolio as of the end of 2012.

The carrying amounts were denominated in the following currencies as of 31 December 2012 and 31 December 2011.

	as of 31 December 2011 USD mln	***% of Total***	**as of 31 December 2012 USD mln**	***% of Total***
Russian rouble	299.1	79%	975.1	91%
US dollar	79.9	21%	98.0	9%
Euro	0.1	0%	2.0	0%

The Group's weighted average effective interest rate increased to 9.1%* as at 31 December 2012 compared to 8.4%* as at 31 December 2011, principally reflecting the significant increase in the share of Russian rouble-denominated borrowings, particularly unsecured bonds.

In addition, the Group continued executing its strategy to reduce financial risk with the share of borrowings with a fixed interest rate amounting to 75%* at 31 December 2012 compared to 68%* at the end of 2011.

[20] Simple addition of MMK-Trans enterprise value of USD 335 million* to Group's Net Debt as of 31 December 2012.

The following table gives the maturity profile of the Group's borrowings (including accrued interest of USD 13.4 million*) as of 31 December 2012.

	as of 31 December 2012 USD mln
2013	237.9*
2014	227.9*
2015-2017	609.3*
Total	**1,075.1**

PRESENTATION OF INFORMATION

The financial information presented in this announcement is derived from the consolidated financial statements (audited) of Globaltrans Investment PLC ("the Company" or, together with its subsidiaries, "Globaltrans" or "the Group") for the years ended 31 December 2012 and 2011 and prepared in accordance with International Financial Reporting Standards ("IFRS") 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 years ended 31 December 2012 and 2011 along with the selection of historical financial and operational information are available at Globaltrans' corporate website (www.globaltrans.com).

The consolidated financial statements are presented in US dollars, which the Group's management believes to be better understood by the principal users of the financial statements. The functional currency of the Company, its Cypriot subsidiaries and its Russian subsidiaries is the Russian rouble. The Company's Estonian and Finnish subsidiaries have the Euro as their functional currency and the Company's Ukrainian subsidiary has the Ukrainian hryvnia as its functional currency. The balance sheets of the Group's companies which have currencies other than the US dollar as their functional currency are translated into US dollars, at the exchange rate prevailing at the date of the relevant balance sheet, whereas income and expense items are translated into US dollars at the average monthly exchange rates using the official exchange rates of the central bank of the country of registration of each entity, which approximate the exchange rate existing at the date of the transactions, in accordance with IAS 21 ''The Effects of Changes in Foreign Exchange Rates''. All resulting foreign currency exchange rate differences are recognised in other comprehensive income.

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

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

Certain comparable financial and operational information included into this announcement has been re-presented for 2011 to conform with changes in the presentation and accounting for operations with Engaged Fleet for 2012. As a result, the cost of services provided by other transportation organisations is now shown as a separate line item within "Cost of sales" whereas previously it was included within "Empty run trips, other tariffs and services provided by other transportation organisations" in "Cost of sales". Adjusted Revenue and Total Operating Cash Costs are now calculated net of the "pass through" item "Services provided by other transportation organisations". Adjusted EBITDA Margin is now calculated as Adjusted EBITDA divided by Adjusted Revenue net of the "pass through" item "Services provided by other transportation organisations". All operational information for 2011 unless otherwise stated has been re-presented to exclude Engaged Fleet operations.

After the acquisition of Ferrotrans in May 2012 Globaltrans increased its usage of rolling stock subcontracted from third-party rail operators (Engaged Fleet) to meet the demand not covered by the Group's Owned or Leased-in Fleet. The "pass through" component of that activity is recorded in equal amounts in the revenues and cost of sales as "Services provided by other transportation organisations" and the net result of such activity included into Adjusted Revenue as Net Revenue from Engaged Fleet (derived from management accounts).

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

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

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

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

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ANALYST AND INVESTOR CONFERENCE CALL

An analyst and investor conference call hosted by Sergey Maltsev, Chief Executive Officer and Alexander Shenets, Chief Financial Officer will be held on Monday, 25 March 2013 at 09.00 New York time (EDT) / 13.00 London 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) 20 3003 2666

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

There will also be a webcast of the call, available through the Globaltrans website (www.globaltrans.com). Please note that this will be a listen-only facility. A slide presentation will be distributed and made available at the Globaltrans website prior to the conference call.

ENQUIRIES

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NOTES TO EDITORS

Globaltrans is a leading private freight rail transportation group with operations in Russia, the CIS and the Baltic countries. The Group's main business is the provision of freight rail transportation services. Globaltrans provides services to more than 650 customers and its key customers include a number of large Russian industrial groups in the metals and mining and the oil products and oil sectors.

The Group has a Total Fleet of more than 65 thousand units of rolling stock with an average age of about seven years[21]. Universal gondola cars and rail tank cars constitute the backbone of the Group's fleet. More than 90% of the Total Fleet is owned by the Group. In 2012 the Group's Freight Rail Turnover (including Engaged Fleet) was 137.8 billion tonnes-km.

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

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

DEFINITIONS

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

Adjusted Profit For The Year (a non-GAAP financial measure) which represents Profit for the year adjusted for "Net foreign exchange transaction losses on borrowings and other liabilities" and "Net foreign exchange transaction losses on cash and cash equivalents and other assets".

Adjusted Total Cost of Sales, Selling and Marketing Costs and Administrative Expenses (a non-GAAP financial measure) represents total cost of sales, selling and marketing costs and administrative expenses net of the following "pass through" items: "Infrastructure and locomotive tariffs - loaded trips" and "Services provided by other transportation organisations".

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 assets", "Share of profit of associates", "Other gains - net", "Loss/(gain) on sale of property, plant and equipment" and "Reversal of impairment charge for property, plant and equipment".

Adjusted EBITDA Margin (a non-GAAP financial measure) is calculated as Adjusted EBITDA divided by Adjusted Revenue net of the "pass through" item "Services provided by other transportation organisations".

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

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

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

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

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

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

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[21] Average age of the Group's Owned Fleet as of the end of 2012.

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

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

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

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

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

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

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

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

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

Net 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 tariff – loaded trip") less the cost of attracting fleet from third-party operators (included in the EU IFRS line item "Services provided by other transportation organisations").

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

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

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", "Loss on sale of property, plant and equipment" and "Reversal of impairment charge for 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", "Loss/(gain) on sale of property, plant and equipment" and "Reversal of 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)” and “Other expenses”.

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

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

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

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

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

LEGAL DISCLAIMER

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