

EXPLANATORY NOTE №1
re items 11
"Approval of related party transactions"

In accordance with the existing practice of business relations between JSC TransContainer and JSC RZD and affiliates of JSC RZD, in the ordinary course of its business JSC TransContainer enters into a significant number of contracts and agreements. The most common of them are the freight forwarding contracts, agreements for provision of communication services, contracts for performance of work and provision of services, agreements for settlement and cash services. These transactions require the approval of the Board of Directors or the General Meeting of Shareholders before their performance.

Taking into account the large number of transactions entered into by JSC TransContainer with the same counter parties on identical terms and conditions, it is proposed to approve such transactions for the future.

Transactions submitted for the approval of the next Annual General Meeting of Shareholders are the transactions that may be entered into in the future in the ordinary course of business of JSC TransContainer. In accordance with the instruction of the Board of Directors given in August 2009, the management of the company made a detailed analysis of all transactions approved by the Board of Directors. Based on the results of this work, on September 15, 2009 the General Meeting of Shareholders approved in advance some classes of standard transactions for the forthcoming year in order to reduce significantly the number of transactions submitted for the approval of the Board of Directors. This made it possible to reduce the workload of the Board of Directors of JSC TransContainer and significantly speed up the managerial decision making process and entering into such contracts and agreements in the branches of the company. Subsequently this work was continued, as a result of which the Annual General Meeting of Shareholders held on June 23, 2010 and the Extraordinary General Meeting of Shareholders held on September 14, 2010 approved certain future transactions.

In accordance with laws on joint stock companies, such resolution of the General Meeting of Shareholders is valid until the next Annual General Meeting of Shareholders. Earlier approved classes of transactions, with some changes, that are generally entered into in the ordinary course of business of the Company during the year are submitted for the approval of the forthcoming Annual General Meeting of Shareholders.

In accordance with paragraph 6 of article 83 of the Federal Law On Joint Stock Companies, the General Meeting of Shareholders may adopt a resolution on approval of related party transactions that may be entered into in the future in the ordinary course of business of the Company. Such resolution of the General Meeting of Shareholders shall specify the maximum amount of such transactions.

The maximum price in respect of each class of related party transactions entered into in the ordinary course of business of the Company shall be determined by the Board of Directors. The Board of Directors shall also provide its recommendations to the General Meeting of Shareholders of JSC TransContainer

concerning approval of such transactions.

Considering the above, it is proposed to determine the maximum price in respect of each class of related party transactions and recommend that the General Meeting of Shareholders approve related party transactions for the period until the next Annual General Meeting of Shareholders of JSC TransContainer.

The contents and certain particulars of all transactions proposed for approval are set forth in the explanatory notes in respect of such transactions.

EXPLANATORY NOTE re transactions 1-38

(transactions that may be entered into in the future in the ordinary course of
business of JSC TransContainer)

1. Provision of services and performance of work related to arranging for and performing transportation by railway and other means of transport (transactions 1-15).

This class includes services related to the core activity of the Company, such as provision of cars and containers for the arrangement for transportation and rendering freight forwarding services. This class of transactions includes, in particular, work and services related to arrangement for shipment of containers and goods (including by vehicles), services related to delivery, loading/unloading and storage of containers and goods, agency services related to arranging for transportation, services related to temporary stationing of railcars, etc.

The counter parties in these transactions are JSC RZD and some other affiliates: Oy ContainerTrans Scandinavia Ltd, TransContainer Asia Pacific Ltd., JSC Kedentransservice, Trans-Eurasia Logistics GmbH, TransContainer - Slovakia, a.s., TransContainer Europe GmbH, JSC Railways of Yakutia, JSC Zheldorremmash, JSC South Caucasus Railway, JSC Yamal Railway Company, JSC RZD-Logistika, JSC ELTEZA, JSC RZDStroy, JSC Federal Passenger Company.

It should be noted that JSC RZD and affiliates are not the only customers (service suppliers) under the contracts and agreements included in this section. They account for a minor portion of all contracts.

2. Performance of work related to repair of railcars, containers, vehicles, cargo handling equipment and other property of JSC TransContainer (items 1.16-1.19).

JSC RZD is selected as the counter party under the contracts for repair of railcars due to the fact that JSC RZD has its own repair shops and maintenance depots at all railways (total 74 repair shops and 87 maintenance depots), which allows minimizing expenses related to delivery of railcars for repair and significantly speeds up the performance of work. Long-term cooperation shows that there is no significant non-observance of repair time.

In 2010, the facilities of the Central Directorate for Freight Car Repair, a branch of JSC RZD, repaired 18,924 railcars of JSC TransContainer to the amount

of 924 million rubles. At the present the Central Directorate for Freight Car Repair, a branch of JSC RZD, is undergoing restructuring, as a result of which JSC Railcar Repair Company 1, JSC Railcar Repair Company 2, and JSC Railcar Repair Company 3, having their own repair shops at all railways, will be established (total 118 repair shops).

Expenses for repair of railcars are included in the budget of JSC TransContainer, which budget shall be approved by the Board of Directors of the Company. Due to insufficient development of the market for services related to overhaul repair and roundhouse servicing, the possibility for selection of an entity to perform railcar repairs is limited; therefore the number of railcars repaired by entities not included in JSC RZD Group is insignificant.

As for the repair of containers, the situation is quite different. Containers of JSC TransContainer are repaired at the facilities of JSC RZD only in the West Siberian branch (in 2010, the cost of repair amounted to almost 25 million rubles). The major part of containers is repaired using JSC TransContainer's own resources and at third-party facilities. Repair of other types of equipment mentioned in this section is performed using JSC RZD's resources only in cases of emergency where there are competitive offers.

3. Provision of public utility, maintenance and general administrative services (including heat supply (heating, hot water), water removal, drinking water supply, sewage discharge, maintenance of building (premises), delivery of correspondence, arranging for catering services and reimbursement of public utility charges, maintenance and general administrative expenses (payment of costs) (items 20-21). The counter party is JSC RZD.

In accordance with the existing practice of business relations between JSC TransContainer and JSC RZD and affiliates of JSC RZD, in the ordinary course of its business JSC TransContainer enters into a significant number of contracts and agreements related to maintenance and operation of leased premises, in particular:

1. Contracts for provision of public utility, maintenance and general administrative services;
2. Contracts for reimbursement of public utility charges, maintenance and general administrative expenses.

Since in this case the services are provided only by JSC RZD, no other counter party can be selected.

4. Provision of information services, maintenance support of computers (items 22-26). The counter parties are JSC RZD, JSC NIIAS, JSC Kompaniya TransTeleCom.

Current business operations of JSC TransContainer cannot be conducted without comprehensive information support. In 2010, payments under contracts for comprehensive information support amounted to about 51 million rubles. These expenses are included in the budget of JSC TransContainer, which budget shall be approved by the Board of Directors of the Company. Since only the Main Computer Center, a branch of JSC RZD, may provide access to information

resources of JSC RZD to the administrative staff and branches, no other counter party can be selected.

As for the contracts for provision of services related to information system support, payments under these contracts in 2010 amounted to about 20 million rubles. Since the automated systems (excluding the one specified below) were developed by the specialists of the Main Information Center of JSC RZD, selection of another counter party will result in increased costs and deterioration of quality of the services.

The automated system for operative control of charging carriage fees for transportation of goods with payments through JSC TransContainer was developed by JSC NIIAS, therefore, due to the reasons set out above, services related to the system support are also purchased from this company. In 2010, payments under these contracts amounted to about 1.8 million rubles.

Contracts for maintenance, relocation, connection and setting of computers and other equipment may also be entered into with JSC RZD, JSC Kompaniya TransTeleCom and third-party companies. The choice depends on the terms of provision of such services (time, price, quality of work, etc.).

5. Performance of banking operations (items 27-34). The counter parties are JSC TransCreditBank, JSC KIT Finance Investment Bank, Russian Cash Collection Association (ROSINKAS) of the Central Bank of the Russian Federation (the Bank of Russia).

Since the date of its establishment JSC TransContainer has cooperated with JSC TransCreditBank and used the wide range of financial instruments offered by the bank. This applies especially to cash and payment operations and salary-payment projects.

The key advantage in selecting JSC TransCreditBank as the main bank of the Company is its unique geographical presence in the regions where all business units of JSC TransContainer operate. Besides, market conditions of provision of financial services are comparable to those of the largest banking institutions, and in some cases even outmatch them. The greater part of bank accounts of the Company at the railway network has been opened with JSC TransCreditBank, which reduces the time of receipt of revenue by the Company and allows prompt making of payments under arising obligations.

Besides, information systems of the Company used to account income from transportation are set to interact with information resources of JSC TransCreditBank.

Since the majority of transactions related to banking operations are of routine nature, their approval for the future would allow improving significantly the efficiency of work in this area.

As far as JSC KIT Finance Investment Bank is concerned, only one transaction related to opening and maintenance of accounts in rubles and foreign currency is submitted for approval.

In respect to the Russian Cash Collection Association (ROSINKAS) of the Central Bank of the Russian Federation (the Bank of Russia, a tripartite transaction

with participation of JSC TransCreditBank related to cash collection, receipt, counting and crediting to account is submitted for approval.

6. Research and development activities, engineering surveys, structural engineering (items 35-36). The counter parties are JSC VNIIZhT and JSC NIIAS.

JSC VNIIZhT and JSC NIIAS are the leading industry institutes in the area of research and development activities, engineering surveys, structural engineering. However, they are contracted on competition basis only if they offer the most advantageous for JSC TransContainer conditions as compared with other bidders. Expenses for these activities are included in the budget of JSC TransContainer, which budget shall be approved by the Board of Directors of the Company.

7. Provision of services related to arrangement for rehabilitation treatment and recreation (transactions 37-38). The counter parties are JSC RZD, JSC RZD-ZDOROVYE.

JSC RZD and JSC RZD-ZDOROVYE have their own rehabilitation treatment and recreation facilities in all regions of Russia, which makes it possible to arrange for recreation of employees of all branches of JSC TransContainer. Long-term cooperation with entities of JSC RZD and JSC RZD-ZDOROVYE providing rehabilitation treatment and recreation services shows that all requests of JSC TransContainer related to arrangement for recreation of its employees have been satisfied.

Before 2010, JSC RZD had entities providing rehabilitation treatment and recreation services as its branches; later JSC RZD-ZDOROVYE was established on their basis.

In 2010, over 600 vouchers were purchased from entities providing rehabilitation treatment and recreation services to the amount exceeding 15 million rubles. Expenses for activities related to rehabilitation treatment and recreation are included in the budget of JSC TransContainer, which budget shall be approved by the Board of Directors of the Company.

EXPLANATORY NOTE re transaction 39

(approval of entering into supplementary agreements related to the extension of the term, change of banking details of the Parties, their business addresses, mailing addresses, contact telephone and fax numbers under contract of lease of intermediate bulk containers of JSC TransContainer No. 106-zhd dated 15.10.2007 between JSC TransContainer and JSC RZD)

At the present all intermediate bulk containers of JSC TransContainer are leased to JSC RZD under Contract of lease of intermediate bulk containers of JSC TransContainer No. 106-zhd dated 15.10.2007 (hereafter, the "Contract").

These containers have been leased since the date when they were transferred as contribution to the authorized capital of JSC TransContainer (since March 2007). Such mechanism of transportation in intermediate bulk container is determined by a number of technical issues incidental to this type of container transportation. First of all, such issues include impossibility of transportation before the railcar is loaded to its total capacity (5-ton or 11-ton containers in a car), impossibility of transportation of intermediate bulk containers in high-capacity container flat cars, large number of stations that are able to process less than one intermediate bulk container per day, etc.).

According to the Contract, the Lessor (JSC TransContainer) provides to the Lessee (JSC RZD) on a leasehold basis general purpose intermediate bulk 3-ton and 5-ton containers owned by the Lessor, for cargo transportation in all transportation modes.

As of 31.03.2011, the price of this transaction amounted to 1,814,474,990.35 rubles, which amount was received as rent under the Contract.

At the present, 9 supplementary agreements to the Contract have been entered into to provide for the extension of the Contract term, increase of the rent rates, establishment of a special procedure for transfer and acceptance of leased containers when conducting direct / intermodal railway transportation of goods, establishment of a special procedure for transfer and acceptance of leased containers manufactured in 1992 or earlier, change of the venue of action - Arbitral Tribunal instead of Arbitration Court.

In accordance with paragraph 1 of article 81 of the Federal Law On Joint Stock Companies this transaction is a related party transaction. Earlier the transaction was approved by the Board of Directors of JSC TransContainer when it was required in accordance with the provisions of laws on joint stock companies. At the same time, since the price of the transaction in the process of its performance exceeded 2% of the book value of assets of JSC TransContainer, the entire transaction was approved by the General Meeting of Shareholders of JSC TransContainer (the contract itself and all supplementary agreements thereto that have been or may be entered into).

Considering the above as well as the fact that supplementary agreements related to the extension of the term, change of banking details of the Parties, their business addresses, mailing addresses, contact telephone and fax numbers under contract of lease of intermediate bulk containers No. 106-zhd dated 15.10.2007 between JSC TransContainer and JSC RZD are of purely administrative nature, it is proposed to approve them for the future on the following conditions:

Parties to the transaction: JSC RZD as the Lessee and JSC TransContainer as the Lessor.

Subject matter of the transaction: extension of the term, change of banking details of the Parties, their business addresses, mailing addresses, contact telephone and fax numbers.

EXPLANATORY NOTE
re transaction 40

(approval of entering into supplementary agreements related to the extension of the term, change of banking details of the Parties, their business addresses, mailing addresses, contact telephone and fax numbers, and adjustment of JSC TransContainer's remuneration under contract on co-operation of JSC RZD and JSC TransContainer at container terminals owned by JSC TransContainer No. 26/417 dated 31.06.2006)

In accordance with the Federal Law The Charter of Railway Transport of the Russian Federation, the forwarder and owner of public infrastructure (JSC RZD) is vested with a number of duties to consignors, consignees and third parties. Such duties include, in particular, issuance of transportation documents, claim administration, unloading of containers from railcars, storage of containers for which railway bills were not issued, etc.

Upon contribution of some container terminals (public spaces) to the authorized capital of JSC TransContainer, JSC RZD needed to continue performance of its duties as the forwarder at the terminals of JSC TransContainer. Entering into contract No. 26/417 dated July 31, 2006 on co-operation of JSC RZD and JSC TransContainer at container terminals owned by JSC TransContainer (hereafter, the "Contract") was considered to be the most practical way to resolve the matter.

According to the Contract, JSC TransContainer undertakes, for a consideration, to perform at container terminals owned by JSC TransContainer, on behalf of JSC RZD or on its own behalf but always at the expense of JSC RZD, legal and other actions specified in the Contract, including initial and final operations; sorting of containers in railcars on passage; transshipment of containers at Zabaikalsk station from narrow-gauge to broad-gauge railcars; collection of carriage charges, fees and other payments according to applicable tariffs; container handling operations; storage of goods in containers, etc.

As of 31.03.2011, JSC TransContainer's remuneration under this transaction for the entire term of the Contract amounted to 8,761,950,846.68 rubles.

As of today, 9 supplementary agreements to the Contract have been entered into to provide for the extension of the Contract term, specification of functions fulfilled by JSC TransContainer on its own behalf and on behalf of JSC RZD, adjustment of JSC TransContainer's remuneration, establishment of the procedure for interaction between the Parties with regard to cases of non-preservation of goods during transportation, change of the procedure for signing the statements of work completion and acceptance and the procedure for claim administration, etc.

In accordance with paragraph 1 of article 81 of the Federal Law On Joint Stock Companies this transaction is a related party transaction. Earlier the transaction was approved by the Board of Directors of JSC TransContainer when it was required in accordance with the provisions of laws on joint stock companies. At the same time, since the price of the transaction in the process of its

performance exceeded 2% of the book value of assets of JSC TransContainer, the entire transaction was approved by the General Meeting of Shareholders of JSC TransContainer (the contract itself and all supplementary agreements thereto that have been or may be entered into).

Considering the above as well as the fact that supplementary agreements related to the extension of the term, change of banking details of the Parties, their business addresses, mailing addresses, contact telephone and fax numbers, and adjustment of JSC TransContainer's remuneration under contract on co-operation of JSC RZD and JSC TransContainer at container terminals owned by JSC TransContainer No. 26/417 dated 31.06.2006 are of purely administrative nature, it is proposed to approve them for the future on the following conditions:

Parties to the transaction: JSC Russian Railways and JSC TransContainer.

Subject matter of the transaction: extension of the term, change of banking details of the Parties, their business addresses, mailing addresses, contact telephone and fax numbers, and adjustment of JSC TransContainer's remuneration for performance of initial or final operations due to indexation of tariffs for cargo transportation covered by Schedule of Tariffs 10-01 set by the federal executive bodies of the Russian Federation.