

Information
about nominees for the post of JSC
TransContainer auditor

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Team to serve You

PwC Commitments

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PwC experience with TransContainer

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Fee composition and assumptions

Global rail and transportation experience

Team to serve You

Knowledgeable and experienced engagement team

Audit team



**Elizaveta
Filipova**
Partner, General Director,
ZAO
PricewaterhouseCoopers
Audit



**Alexei
Okishev**
Audit Partner,
Project Leader



**John
Campbell**
Quality Review Partner



**Ivan
Batychko**
Audit Senior Manager



**Ekaterina
Lazorina**
Tax Partner



**Julian
Smith**
Partner,
Industry Expert



**Galina
Ryltsova**
Accounting Consulting
Partner

Audit Support Team

PwC commitments

PwC commits to:

- Provide high-quality service
- Comply with audit standards of independence
- Bring global best practice railway and transportation experience
- Share knowledge
- Facilitate TransContainer to comply with stock market requirements
- Advise on improvements on financial reporting and corporate governance
- Ensure low team rotation
- Prioritize requests and timeline

Value proposition

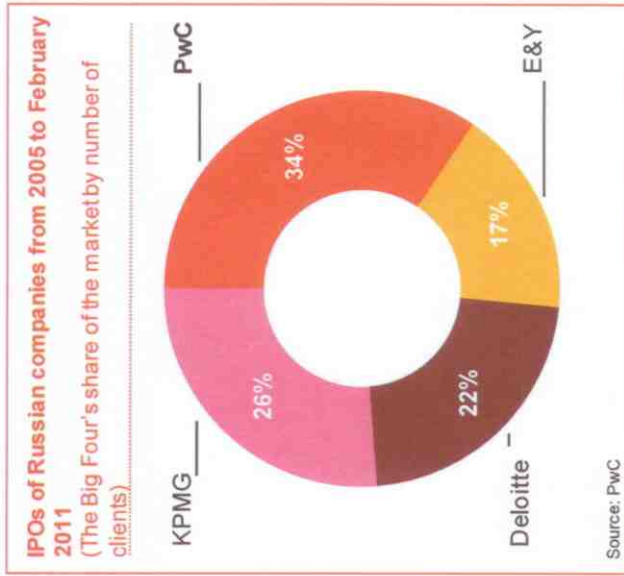
Our goal is to maximize value from our contribution to your success

1. Global railway freight transportation experience
2. Multi-disciplined team to provide quality service
3. Ongoing communications
4. Up-front planning
5. Co-ordination with Lead Engagement Partner
6. Efficient use of resources
7. Completion of audit within agreed deadlines
8. Transferring knowledge to your people
9. Compliance with International Standards on Auditing
10. Independence
11. Improving quality of financial statements

PwC relevant experience of auditing listed or going public companies

PwC has the largest portfolio of audit clients, which are listed or planning IPO

- Rusagro
- Hydromashservice
- Protek
- Uralkali
- Integra
- Globaltrans Investments
- Chelyabinsk Zink



PwC experience with TransContainer

PwC has completed a number of projects

- Development of Long-term incentive programme for management and benchmarking surveys
- Assessment of Internal control system and recommendations on development of Risk-management framework
- Due diligence advice relating to real estate acquisition
- Tax and legal advice on various topics, including setting up foreign companies

Challenges of the project

Audit related areas of focus

- IT and data collection systems**
 - Completeness and accuracy of consolidation of RAS accounting data (maintained in 1C) from separate branches level to the Company's level.
- RAS accounts transformation to IFRS**
 - Calculation of IFRS adjustments (PPE transformation, recognition of employee benefits obligations and share option plans, deferred taxes calculation) to the Russian statutory accounting reports.
- Preparation of consolidated financial reporting**
 - Determining of the date for consolidation of newly-acquired companies.
 - Fair valuation of assets and liabilities of newly acquired companies to the date of acquisition.
- Fixed assets**
 - Registration, accounting and legal documentation for fixed assets used in the business activity
- Revenue**
 - Timeliness and completeness of recognised revenue. Classification of revenue by type
- Income and other taxes**
 - Tax risks related to income tax, VAT, property tax and social taxes
- Related parties**
 - Identification of all related parties and respective disclosures in the financial statements.
- Financial liabilities**
 - Completeness of recognized expenses and accounts payable (settlements for transportation and other services with RZD and foreign suppliers of transportation services).

Fee amount and related assumptions

Task

1. Review of TransContainer Group IFRS condensed interim financial statements for six months ended 30 June 2011 (including analysis of new and significant transactions, analytical procedures and certain tests of details with a view of year-end audit)
2. Audit of TransContainer Group RAS accounting reports for the year ended 31 December 2011 (focus on balance sheet items and finalization of auditing of operations)
3. Audit of TransContainer Group IFRS consolidated financial statements for the year ended 31 December 2011 (trail from the RAS numbers and consolidation entries, e.g. foreign subsidiaries)
4. Review of TransContainer Group IFRS interim financial statements for three months ended 31 March 2011 (including audit of purchase price allocation for KedenTransService subsidiary and analysis and testing of business processes and control environment)
5. Review of TransContainer Group IFRS interim financial statements for nine months ended 30 September 2011 (including audit procedures (test of details and analytical procedures) aiming at minimizing audit of operations during the year-end stage as well as business processes and controls testing update and controls testing)

Fee, 000, Rub, excl. VAT **19 000***

* - our fees would be that much without allocation, unless such allocation is specifically requested for

