



FOR IMMEDIATE RELEASE

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OPERATING RESULTS FOR THE SECOND QUARTER AND THE FIRST HALF OF 2017

Public Joint Stock Company "TransContainer" ("TransContainer" or the "Company") (LSE: TRCN) announces its preliminary operating results for the second quarter and the first half of 2017. The positive operating results were mainly driven by the continuing growth of the Russian container transportation market, which, in turn, was fueled by a considerable increase in international freight flows, as well as positive trends in the macroeconomic environment.

Market overview

Russia's container market continued to demonstrate strong performance in the second quarter of 2017. The transportation volumes in the second quarter of 2017 were up 17.3% year-on-year to 948 thousand twenty-foot equivalent units ("TEU"). This was driven by a 33.1% year-on-year growth in international transportation mainly due to the growth in import and transit segments.

Russian Rail Container Transportation Market in 2Q 2017 (ISO Loaded + Empty), 000' TEU

	2Q 2017	2Q 2016	Change	
			000' TEU	Percent
Domestic Routes	447.7	432.0	+15.7	+3.6%
Export	230.7	198.3	+32.3	+16.3%
Import	169.2	117.2	+52.0	+44.4%
Transit	99.9	60.0	+39.8	+66.3%
All Routes	947.5	807.6	+139.9	+17.3%

For the first half of 2017, the Russian rail container market grew by 19.8% year-on-year to 1,841 thousand TEU. In terms of segment breakdown for the six month period, domestic transportation volumes grew by 7.5% year-on-year, export transportation increased by 19.4% year-on-year, while import and transit transportation volumes surged by 39.4% and 71.3%, respectively.

	1H 2017	1H 2016	Change	
			000' TEU	Percent
Domestic Routes	866.9	806.3	+60.6	+7.5%
Export	467.3	391.3	+76.1	+19.4%
Import	330.0	236.6	+93.3	+39.4%
Transit	177.0	103.3	+73.7	+71.3%
All Routes	1,841.2	1,537.5	+303.7	+19.8%

Rail container transportation

In the reporting quarter, container volumes transported by the Company's flatcars and containers (including provision of own containers to the third party flatcars) grew by 14.2% year-on-year to 436 thousand TEU as a result of the continued growth in international transportation, which was up 33.3% year-on-year, especially in import and transit segments, which grew by 48.8% and 89.2%, respectively.

Transportation of containers using TransContainer's assets in 2Q 2017 (ISO Loaded + Empty), 000' TEU

	2Q 2017	2Q 2016	Change	
			000' TEU	Percent
Domestic Routes	226.0	224.2	+1.8	+0.8%
Export	102.8	89.8	+13.0	+14.4%
Import	77.4	52.0	+25.4	+48.8%
Transit	30.3	16.0	+14.3	+89.2%
All Routes	436.4	382.0	+54.4	+14.2%

Container volumes transported by the Company's flatcar fleet in the second quarter of 2017 increased by 14.8% year-on-year to 406 thousand TEU from 354 thousand TEU a year earlier. The Company's revenue-generating¹ container transportation volumes in Russia amounted to 351 thousand TEU in the second quarter of 2017, up 20.4% year-on-year.

For the first six months of 2017, container volumes transported by the Company's flatcar and container fleet, as described above, grew by 18.7% year-on-year to 860 thousand TEU, mainly as a result of an increase in transit, import and export transportation.

Transportation of containers using TransContainer's assets in 1H 2017 (ISO Loaded + Empty), 000' TEU

	1H 2017	1H 2016	Change	
			000' TEU	Percent
Domestic Routes	439.7	412.1	+27.6	+6.7%
Export	215.6	176.8	+38.8	+21.9%
Import	151.3	104.9	+46.5	+44.3%
Transit	53.4	31.0	+22.4	+72.3%
All Routes	860.0	724.7	+135.3	+18.7%

Container volumes transported by the Company's flatcar fleet in the first half of 2017 increased by 19.2% year-on-year to 800 thousand TEU from 671 thousand TEU a year earlier. The Company's revenue-generating container transportation volumes in Russia amounted to 681 thousand TEU in the first half of 2017, up 23% year-on-year.

Terminal handling

In the second quarter of 2017, the Company's throughput in the Russian rail container terminal network increased by 6.5% to 332 thousand TEU, compared to 312 thousand TEU for the same period of 2016. For the first six months of 2017, the Company's container terminal throughput was up 7.6% and amounted to 622 thousand TEU compared to 578 thousand TEU for the first half of 2016.

The dynamics of the Company's container handling was slower than the whole container market growth due to the following factors: (i) the fast growing transit volumes have limited impact on the container terminal handling; and (ii) continuing growth of container freight going directly from/to the producers' own freight yards.

Asset utilisation

In the second quarter of 2017, container empty run ratios improved from 32.3% to 29.7%, while empty run for flatcars grew from 6.4% to 10.8% due to misbalances in container flows in the Far East region.

	2Q 2017	2Q 2016	1H 2017	1H 2016
Turnover of containers, days	35.7	32.2	38.2	37.2

¹ Transportation of clients' containers by the Company's rolling stock and own loaded containers by its own and third-party flatcars

Turnover of flatcars, days	12.0	13.1	12.1	14.1
Empty run ² for containers, %	29.7%	32.3%	30.8%	30.9%
Empty run for flatcars, %	10.8%	6.4%	9.5%	7.2%

Turnover of flatcars improved from 14.1 days for the first six months of 2016 to 12.1 days for the first six month period of 2017, while turnover of containers increased from 37.2 to 38.2 days, respectively. This was a result of the Company's policy of making container stocks in key loading hubs and in client's freight yards with the aim to reduce a number of flatcars standing idle.

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About TransContainer

TransContainer (LSE ticker: TRCN) is the leading intermodal container transportation company in Russia with a market share of approximately 47%. It is the market leader in Russia by flatcar fleet size, container transportation by rail and rail-side container terminal throughput. As at 31 March 2017, it owned and leased 23,432 flatcars and 68,453 ISO containers. TransContainer also owns a network of rail-side container terminals, located at 44 railway stations across Russia and operates one terminal in Slovakia under a long-term lease agreement. The Company's joint venture JSC Kedentransservice ("Kedentransservice", or "KDTS") also operates 19 inland rail-side terminals in Kazakhstan. The Company's sales network comprises of 111 sales outlets in Russia, along with additional outlets across the CIS, Europe and Asia. TransContainer is listed at Moscow Exchange and LSE. The Company's major shareholder with 50% +2 shares is United Transportation and Logistics Company, established by Russian Railways, Belorussian Railway and Kazakhstan Temir Zholy.

² The empty run ratio is calculated as an average empty run in kilometers divided by an average total run in kilometers