



**FOR IMMEDIATE RELEASE**

**16 July 2015**

**OPERATING RESULTS FOR THE SECOND QUARTER AND THE SIX MONTHS OF 2015**

Public Joint Stock Company "TransContainer" ("TransContainer" or the "Company") (LSE: TRCN) announces its preliminary operating results for the second quarter and the first six months of 2015. The Company's operating results were primarily impacted by challenging macroeconomic conditions and deteriorating rail transportation market environment. In the reporting period, TransContainer's market share expanded despite the decline in the Russian rail container transportation market volumes. This increase was achieved by pursuing the Company's flexible pricing policy and improving the quality of its services.

**Rail container transportation**

In the second quarter of 2015, the Company's rail container transportation volumes in Russia decreased by 7.4% year-on-year to 341 thousand twenty-foot equivalent units ("TEU"), while the total rail container transportation market in Russia fell by 11.0% year-on-year in the reporting period.

The decrease in the Company's transportation volumes was mainly due to a 17.8% drop in international transportation, especially in exports and transit volumes. This, in turn, was partially offset by an increase in domestic transportation volumes by 2.3%.

TransContainer's higher domestic transportation volumes resulted from increasing market share which was largely driven by the growth of clients' demand for transportation via the Company's own containers due to a lack of sea shipping lines' containers in the market as a result of reduced container import.

The drop in the Company's rolling stock container transportation imports resulted from a decrease in containerised import volumes in Russia, which was largely caused by the rouble devaluating against the US Dollar and Euro, as well as the slump in Russia's consumer demand. This drop was partially offset by an increase in the Company's market share in this segment.

A decrease in container transportation export volumes was mainly due to a decline in export transportation of empty containers, reflecting a drop in loaded imports.

The decline in transit volumes mainly resulted from lower transit transportation volumes between the Far East and Central Asia.

*Transportation of containers by TransContainer's fleet in 2Q 2015 (ISO Loaded + Empty), 000' TEU*

	2Q 2015	2Q 2014	Change	
			000' TEU	Percent
Domestic Routes	194.1	189.7	+4.4	+2.3%
Export	77.5	93.3	-15.8	-16.9%
Import	46.4	51.8	-5.4	-10.3%
Transit	22.5	33.1	-10.5	-31.8%
<b>All Routes</b>	<b>340.6</b>	<b>367.9</b>	<b>-27.3</b>	<b>-7.4%</b>

The Company's rail container transportation volumes for the first six months of 2015 amounted to 692 thousand TEU, compared to 717 thousand TEU for the first six months of 2014, down 3.5% year-on-year, while the total rail container transportation market in Russia fell by 7.9% year-on-year, respectively. The decrease in the Company's rail container transportation volumes was mainly due to a 12.4% decline in international transportation, which was partially offset by 5.5% growth in domestic volumes. The factors discussed above were the main drivers behind these dynamics.

*Transportation of containers by TransContainer's fleet in 1H 2015 (ISO Loaded + Empty), 000' TEU*

	1H 2015	1H 2014	Change	
			000' TEU	Percent
Domestic Routes	376.6	356.9	+19.7	+5.5%
Export	168.9	193.2	-24.2	-12.6%
Import	97.9	105.3	-7.4	-7.0%
Transit	48.6	61.5	-12.8	-20.9%
<b>All Routes</b>	<b>692.1</b>	<b>716.9</b>	<b>-24.8</b>	<b>-3.5%</b>

The Company's revenue-generating container transportation<sup>1</sup> volumes in Russia amounted to 254 thousand TEU in the second quarter of 2015, down 11.2% compared to the second quarter of 2014. For the first six months of 2015, TransContainer's revenue-generating container transportation volumes were down 7.2% year-on-year to 517 thousand TEU. The difference in the dynamics of revenue-generating volumes and total transportation volumes is primarily a result of transportation using the Company's containers having a larger share of total transportation via the Company's rolling stock.

TransContainer's estimated share in total Russia's rail container transportation volume for the first six months of 2015 increased to 47.8% from 45.6% in the corresponding period of 2014. In the second quarter of 2015, the Company's market share was to 47.7% compared to 45.9% in the second quarter of 2014.

### **Terminal handling**

In the second quarter of 2015, throughput of the Company's rail container terminal network in Russia decreased by 12.9% to 295 thousand TEU compared to 339 thousand TEU for the same period of 2014, reflecting market trends. The terminal throughput was also affected by a 73.1% drop in handling medium-duty containers (MDC). This decline is a result of the continual phasing out the MDC fleet. This factor is becoming less influential, with MDC handling volumes in the second quarter of 2015 amounting to 0.9 thousand TEU compared to 3.3 thousand TEU in the corresponding period of 2014.

For the first six months of 2015, throughput of the Company's rail container terminal network in Russia amounted to 581 thousand TEU, down 8.6% year-on-year, and was in line with the market development. MDC handling volumes dropped 80.7% year-on-year for the same period.

### **Asset utilisation**

In the second quarter of 2015, both flatcar and container empty runs in Russia improved as a result of the Company's efforts to optimise its fleet utilisation. During the first six months of 2015, container empty runs demonstrated a similar trend, but the flatcar empty run ratio is still higher for the reporting period due to weaker first quarter results.

The improvement in the container turnover primarily reflects strong customer demand for the Company's containers amid the shortage of sea shipping line's containers in the Russian market. Growth in flatcar turnover is primarily due to greater average distances travelled by the Company's flatcars, as well as weaker customer demand for transportation services.

	2Q 2015	2Q 2014	1H 2015	1H 2014
Turnover of containers, days	33.8	35.2	35.7	39.4
Turnover of flatcars, days	15.4	13.8	15.2	14.1
Empty run <sup>2</sup> for containers, %	29.4%	30.5%	28.7%	29.1%
Empty run for flatcars, %	5.5%	6.3%	7.2%	6.5%

<sup>1</sup> Transportation of clients' containers and own loaded containers

<sup>2</sup> The empty run ratio is calculated as an average empty run in kilometers divided by an average total run in kilometers

**Enquiries:****TransContainer**

Andrey Zhemchugov,  
Director, Capital Markets and Investor Relations

+7 495 637 9178

+7 495 609 6062

E-mail

IR@trcont.ru

Website

www.trcont.ru

**Instinctif Partners**

Tony Friend / Galyna Kulachek/ Jenny Payne

+44 (0) 20 7457 2020

**About TransContainer**

TransContainer (LSE ticker: TRCN) is the leading intermodal container transportation company in Russia. It is the market leader in Russia by flatcar fleet size, container transportation by rail and rail-side container terminal throughput. As of 31 March 2015, it operated 27,029 flatcars and 64,692 ISO containers. It owns a network of 46 rail-side container terminals in Russia, 19 rail-side terminals in Kazakhstan (through its joint venture company KedenTransService) and operates one terminal in Slovakia. Company's sales network comprises more than 130 sales offices across Russia as well as presence in the CIS, Europe and Asia. TransContainer is listed at Moscow Exchange and LSE. Company's major shareholder with 50% +2 shares is United Transportation and Logistics Company, established by Russian Railways, Belorussian Railway and Kazakhstan Temir Zholy.