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OPERATING RESULTS FOR THE SECOND QUARTER AND THE SIX MONTHS OF 2014

Open 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 2014. The operating results were influenced by continued growth in the container market. However, they were also affected by relatively weak economic conditions and increasing competition in Russia's freight transportation industry. In these circumstances the Company is taking steps to address market challenges and customers' requirements, and also to improve its competitive position.

Rail container transportation volumes in Russia

The Company's rail container transportation volumes in Russia for the second quarter of 2014 increased by 2.5% to 368 thousand twenty-foot equivalent units ("TEU"), compared to the same period of 2013. This was mainly due to a 7.9% increase in domestic transportation volumes and a 28.8% hike in transit volumes, partly offset by imports, which dropped by 23.6%. A decrease in the Company's import transportation was primarily driven by a slump in Russia's total rail container imports and tightening competition in the segment. The Company's rail container transportation volumes in Russia for the second quarter of 2014 increased by 5.4% from 349 thousand TEU in the first quarter of 2014.

Transportation of containers by TransContainer's fleet in 2Q 2014 (ISO Loaded + Empty), 000' TEU

	2Q 2014	2Q 2013	Change	
			000' TEU	Percent
Domestic Routes	189.7	175.9	+13.8	+7.9%
Export	93.3	89.6	+3.8	+4.2%
Import	51.8	67.8	-16.0	-23.6%
Transit	33.1	25.7	+7.4	+28.8%
All Routes	367.9	359.0	+9.0	+2.5%

The Company's rail container transportation volumes for the first six months 2014 amounted to 717 thousand TEU, compared to 701 thousand TEU for the first six month of 2013, up 2.2% year on year. This increase was mainly driven by an improvement in domestic, export and transit transportation volumes, partly offset by a 20.3% decline in imports. Weakness of the Russian Rouble against the US dollar and Euro in the first half of 2014 was a significant driver in reducing import transportation volumes.

Transportation of containers by TransContainer's fleet in 1H 2014 (ISO Loaded + Empty), 000' TEU

	1H 2014	1H 2013	Change	
			000' TEU	Percent
Domestic Routes	356.9	343.1	+13.9	+4.1%
Export	193.2	180.3	+12.9	+7.1%
Import	105.3	132.2	-26.9	-20.3%
Transit	61.5	45.8	+15.7	+34.2%
All Routes	716.9	701.3	+15.6	+2.2%

The Company's revenue-generating container transportation¹ volumes in Russia amounted to 286 thousand TEU in the second quarter of 2014, up 4.1% compared to the second quarter of 2013. For the first six months of 2014, revenue-generating container transportation volumes grew by 4.5% year on year to 557 thousand TEU.

TransContainer's estimated share of Russia's rail container transportation for the first six months of 2014 decreased to 45.6% compared to 47.7% for the corresponding period of 2013. In the second quarter of 2014, the Company's market share increased to 45.9% compared to 45.3% in the previous quarter.

Rail container transportation volumes in Kazakhstan

Rail container transportation volumes carried out by KedenTransService ("KDTS"), the joint venture of the Company and Kazakhstan Temir Zholy in Kazakhstan, amounted to 63.4 thousand TEU in the second quarter of 2014, which represents a 1.7% year on year increase. Rail container transportation volumes for the first six months of 2014 increased by 50.8% to 117.3 thousand TEU, compared to 77.8 thousand TEU for the first six months of 2013, as a result of expansion of the flatcar fleet under operation.

Terminal handling in Russia

In the second quarter of 2014, throughput of the Company's rail container terminal network in Russia increased by 4.3% to 337 thousand TEU compared to 323 thousand TEU for the same period of 2013, reflecting market trends. The terminal throughput was affected by an 81.1% drop in handling medium-duty containers (MDC). This decline is a result of continually phasing out the MDC fleet. At the same time, the influence of this trend is decreasing: MDC handling volumes in the second quarter of 2014 amounted to 1.2 thousand TEU compared to 6.3 thousand TEU in the corresponding period of 2013.

For the first six months of 2014, throughput of the Company's rail container terminal network in Russia amounted to 633 thousand TEU, an increase of 2.1% year on year. MDC handling volumes dropped 82.4% year on year for the same period.

Terminal handling in Kazakhstan

Preliminary figures indicate that container handling by KDTS at the cross-border rail side terminals Dostyk and Altynkol amounted to 48.8 thousand TEU in the second quarter of 2014, which is more than double the figure for the corresponding period of 2013. For the first six months of 2014, terminal handling volumes at these cross-border terminals amounted to 88.1 thousand TEU, which represents a 43.7% year on year increase.

Preliminary data suggests that in the second quarter of 2014, non-container throughput at KDTS' terminals increased by 12.0% year on year to 1 million tonnes. For the first six months of 2014, non-container throughput at KTS' terminals was down 8.1% year on year to 1.6 million tonnes, due to weak market performance in the first quarter of 2014.

Asset utilisation

In the second quarter of 2014, both flatcar and container empty runs in Russia improved to some degree as a result of the Company's efforts to optimise its fleet utilisation.

Growth in the container turnover primarily reflects weaker customer demand and greater average distances travelled by the Company's containers.

	2Q 2014	2Q 2013	1H 2014	1H 2013
Turnover of containers, days	30.2	25.0	31.0	25.5
Turnover of flatcars, days	13.8	13.3	14.2	13.7

¹ transportation of clients' containers and own loaded containers

Empty run ¹ for containers, %	30.5%	30.8%	29.1%	30.0%
Empty run for flatcars, %	6.3%	6.7%	6.5%	6.4%

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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 December 2013, it operated 26,305 flatcars and 62,367 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 approximately 140 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 is JSC Russian Railways with 50%+2 shares.

¹ the Empty run ratio is calculated as an average empty run in kilometers divided by an average total run in kilometers