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OPERATING RESULTS FOR THE third QUARTER AND THE NINE MONTHS OF 2014

Open Joint Stock Company "TransContainer" ("TransContainer" or the "Company") (LSE: TRCN) announces its preliminary operating results for the third quarter and nine months of 2014. The operating results were influenced by tightening competition in the container market against the background of challenging economic conditions. In these circumstances, the Company is taking steps to improve service quality and operating performance.

Rail container transportation volumes in Russia

The Company's rail container transportation volumes in Russia for the third quarter of 2014 increased by 1.0% to 376 thousand twenty-foot equivalent units ("TEU"), compared to 373 thousand TEU in the same period of 2013. This was mainly due to a 7.0% increase in domestic transportation volumes. This partly offset a 16.0% year-on-year decrease in imports. The fall in the Company's import transportation was primarily driven by a slump in Russia's total rail container imports. The Company's rail container transportation volumes in Russia increased by 2.3% quarter-on-quarter in the third quarter of 2014.

Transportation of containers by TransContainer's fleet in 3Q 2014 (ISO Loaded + Empty), 000' TEU

	3Q 2014	3Q 2013	Change 000' TEU	Percent
Domestic Routes	205.0	191.7	+13.3	+7.0%
Export	87.8	86.9	+1.0	+1.1%
Import	56.8	67.7	-10.8	-16.0%
Transit	26.6	26.5	+0.1	+0.3%
All Routes	376.2	372.7	+3.5	+1.0%

The Company's rail container transportation volumes for the first nine months of 2014 grew by 1.8% year-on-year to 1,093 thousand TEU, compared to 1,074 thousand TEU for the first nine months of 2013. This increase was mainly driven by an improvement in domestic, export and transit transportation volumes, and helped to partly offset a 18.9% year-on-year decline in imports.

Transportation of containers by TransContainer's fleet in 9m 2014 (ISO Loaded + Empty), 000' TEU

	9M 2014	9M 2013	Change 000' TEU	Percent
Domestic Routes	561.9	534.7	+27.2	+5.1%
Export	281.0	267.1	+13.9	+5.2%
Import	162.2	199.9	-37.7	-18.9%
Transit	88.0	72.3	+15.7	+21.8%
All Routes	1,093.1	1,074.0	+19.1	+1.8%

The drop in container import was largely caused by roubledevaluation against the US dollar and Euro, as well as the slump in consumption on the back of economic uncertainty.

The Company's revenue-generating container transportation[1]volumes in Russia amounted to 292 thousand TEU in the third quarter of 2014, up 1.3% compared to the third quarter of 2013. For the first nine months of 2014, revenue-generating container transportation volumes grew by 3.4% year-on-year to 849 thousand TEU.

TransContainer's estimated share of Russia's rail container transportation for the first nine months of 2014 decreased to 45.5% compared to 47.4% for the corresponding period of 2013. In the third quarter of 2014, the Company's market share remained broadly flat at 45.4% compared to 45.9% in the previous quarter.

Rail container transportation volumes in Kazakhstan

Rail container transportation volumes carried out by KedenTransService ("KDTS"), the joint venture between the Company and Kazakhstan Temir Zholy in Kazakhstan fell by 2.5% year-on-year to 65.7 thousand TEU in the third quarter of 2014. In the first nine months of 2014, rail container transportation volumes increased by 11.5% year-on-year to 183.0 thousand TEU. This was a result of the average flatcar fleet under operation being expanded.

Terminal handling in Russia

In the third quarter of 2014, throughput of the Company's rail container terminal network in Russia remained flat year-on-year at about 359 thousand TEU. The terminal throughput was affected by an 86.8% drop in handling medium-duty containers (MDC), which was fully offset by a 1.4% increase in ISO container handling. MDC handling volumes in the third quarter of 2014 amounted to 0.7 thousand TEU, compared to 5.1 thousand TEU in the corresponding period of 2013.

For the first nine months of 2014, throughput of the Company's rail container terminal network in Russia amounted to 994 thousand TEU, representing a year-on-year increase of 1.6%. MDC handling volumes dropped 83.4% 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 53.7 thousand TEU in the third quarter of 2014, an 86.3% year-on-year increase. For the first nine months of 2014, terminal handling volumes at these cross-border terminals amounted to 148.2 thousand TEU, which represents a 62.4% year-on-year increase. This was a result of a rise in cross-border handling volumes and getting new container handling yards at the Altynkol rail station under operation.

Preliminary data suggests that in the third quarter of 2014, non-container throughput at KDTS' terminals increased by 65.1% year-on-year to 1.4 million tonnes. For the first nine months of 2014, non-container throughput at KDTS' terminals was up 11.9% year-on-year to 2.9 million tonnes.

Asset utilisation

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

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

	3Q 2014	3Q 2013	9M 2014	9M 2013
Turnover of containers, days	32.8	26.7	31.6	25.9
Turnover of flatcars, days	14.2	13.7	14.2	13.7
Empty run ^[2] for containers, %	29.2%	30.8%	29.1%	30.3%
Empty run for flatcars, %	7.4%	7.7%	6.8%	6.8%

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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 30 June 2014, it operated 27,174 flatcars and 64,670 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 is JSC Russian Railways with 50%+2 shares.

[1] Transportation of clients' containers and own loaded containers

[2] The Empty run ratio is calculated as an average empty run in kilometers divided by an average total run in kilometres

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