

## FOR IMMEDIATE RELEASE

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### OPERATING RESULTS FOR THE FIRST QUARTER OF 2019

Public Joint Stock Company "TransContainer" ("TransContainer" or the "Company") (LSE: TRCN; MOEX: TRCN) announces its preliminary operating results for the first quarter of 2019. TransContainer's positive operating results reflect its efforts in keeping the leading position in the Russian container transportation market, which continued to grow, fueled by international trade, higher transit volumes, as well as the continuing growth in Russian rail containerisation.

#### Market overview

Russia's container market continued to demonstrate strong performance in the first quarter of 2019. The transportation volumes were up 15.4% year-on-year to 1,159 thousand twenty-foot equivalent units ("TEU"). This was driven by a 18.6% year-on-year growth in international transportation, showing the sustainable increase across all segments. Domestic transportation increased by 11.2% year-on-year, mainly due to continuing growth in containerisation level.

*Russian Rail Container Transportation Market in 1Q 2019 (ISO Loaded + Empty), 000' TEU*

	1Q 2019	1Q 2018	Change	
			000' TEU	Percent
Domestic Routes	479.1	431.0	+48.1	+11.2%
Export	306.4	276.7	+29.7	+10.7%
Import	243.8	196.2	+47.7	+24.3%
Transit	129.9	100.8	+29.1	+28.9%
<b>All routes</b>	<b>1,159.2</b>	<b>1,004.7</b>	<b>+154.5</b>	<b>+15.4%</b>
<b>International routes</b>	<b>680.1</b>	<b>573.7</b>	<b>+106.5</b>	<b>+18.6%</b>

#### Rail container transportation

Starting from this reporting quarter, the Company considers a combination of container volumes transported by its own flatcars and those by third party flatcars, which run under the Company's management, as the main indicator for determining the Company's transportation volume and the Company's market share. This indicator is therefore referred to as "the transportation volumes controlled by the Company". In addition to the transportation by the Company's assets (containers and/or flatcars), the new indicator includes transportation volumes of third party containers on third party flatcars, which run under the Company's management (TransContainer acts as an agent of the flatcar owner). This change reflects the Company's strategic objective to move towards optimising its asset structure and being a logistics company as well as a rail fleet operator.

Container transportation volumes controlled by the Company increased in the reporting quarter by 7.7% year-on-year to 492 thousand TEU, mainly due to the growth on import and transit routes, up 17.4% and 13.4%, respectively.

*Container transportation controlled by TransContainer in 1Q 2019 (ISO Loaded + Empty), 000' TEU*

	1Q 2019	1Q 2018	Change	
			000' TEU	Percent
Domestic Routes	222.4	209.2	+13.2	6.3%
Export	129.4	126.8	+2.6	2.0%
Import	96.0	81.8	+14.3	17.4%
Transit	44.3	39.1	+5.3	13.4%
<b>All routes</b>	<b>492.2</b>	<b>456.9</b>	<b>+35.2</b>	<b>7.7%</b>
<b>International routes</b>	<b>269.8</b>	<b>247.7</b>	<b>+22.1</b>	<b>8.9%</b>

Container volumes transported by the Company's flatcar fleet in the first quarter of 2019 grew by 12.7% year-on-year to 467 thousand TEU from 414 thousand TEU a year earlier, in line with an increased fleet capacity. Container volumes transported by the Company's assets in the first quarter of 2019 increased by 10.6% year-on-year to 481 thousand TEU from 435 thousand TEU in a corresponding quarter of 2018. The Company's revenue-

generating<sup>1</sup> container transportation volumes in Russia amounted to 391 thousand TEU, up 12.4% year-on-year, due to the empty run optimisation.

In the first quarter of 2019, the Company's transportation volumes lagged behind the market dynamics, mainly as a result of lower growth rates of transportation volumes of its own empty containers, which were up 3.9% year-on-year as compared to 26.6% year-on-year increase of empty container transportation volume for the whole market.

### Terminal handling

In the first quarter of 2019, the Company's total throughput in the Russian rail container terminal network increased by 19.1% year-on-year to 335 thousand TEU, compared to 282 thousand TEU for the same period of 2018. This increase, along with general market trends, resulted from the acquisition of a terminal in St Petersburg region via Logistika Terminal, TransContainer's subsidiary, in the third quarter of 2018, to compensate for the closure of St Petersburg Vitebsky terminal, disposed of in December 2018.

### Asset utilisation

In the reporting quarter, container empty run ratio improved to 19.1% from 20.7% in the first quarter of 2018. This was mainly driven by the continuing optimisation of the fleet management and by pursuing flexible tariff policy. Flatcar empty run ratio increased to 4.0% from 3.7% a year earlier, as a result of growing geographical misbalances of container flows.

Flatcar turnover improved to 12.2 days in the reporting quarter compared to 12.4 days in the corresponding period of 2018. The turnover of containers also reduced from 37.2 days to 35.7 days on the back of a strong customer demand and improved container fleet management across the Company's terminals and its partners' handling facilities.

	1Q 2019	1Q 2018
Turnover of containers, days	35.7	37.2
Turnover of flatcars, days	12.2	12.4
Empty run <sup>2</sup> for containers, %	19.1%	20.7%
Empty run <sup>3</sup> for flatcars, %	4.0%	3.7%

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

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

<sup>3</sup> The empty run ratio is calculated as an average empty flatcar\*kilometers divided by an average total flatcar\*kilometers

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### About TransContainer

PJSC TransContainer (LSE: TRCN; MOEX: TRCN) is the leading intermodal container transportation company in Russia with a market share of approximately 42%. It is the market leader in Russia by flatcar fleet size, container transportation by rail and rail-side container terminal throughput. As at 31 December 2018, it owned and leased 26,457 flatcars and 70,478 ISO containers. TransContainer and its subsidiaries own a network of rail-side container terminals, located at 40 railway stations across Russia. The Company's joint ventures also operate one terminal in Slovakia, two terminals in Russia and 19 inland rail-side terminals in Kazakhstan. The Company's sales network comprises of 95 sales outlets in Russia, along with additional outlets across the CIS, Europe and Asia. TransContainer is listed on the Moscow Exchange and London Stock Exchange. 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.

## **Legal Disclaimer**

Some of the information in this announcement may contain projections or other forward-looking statements regarding future events or the future financial performance of the Company. You can identify forward-looking statements by terms such as 'expect', 'believe', 'anticipate', 'estimate', 'intend', 'will', 'could', 'may' or 'might', the negative of such terms or other similar expressions. PJSC "TransContainer" wishes to caution you that these statements are only predictions and that actual events or results may differ materially. PJSC "TransContainer" does not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in projections or forward-looking statements of PJSC "TransContainer", including, among others, general economic conditions, the competitive environment, risks associated with operating in Russia, rapid technological and market change in the industries PJSC "TransContainer" operates in, as well as many other risks specifically related to PJSC "TransContainer" and its operations.