

Russian Railways in the railway industry

Freight transportation

Competition continued in freight railway transportation in 2015. The Russian Railways Group's share of transportation fell from 71.3% in 2003 to 13.8% in 2015.

Russian Railways (excluding S&A) saw its share of shipment volume on the Russian freight car handling market decline from

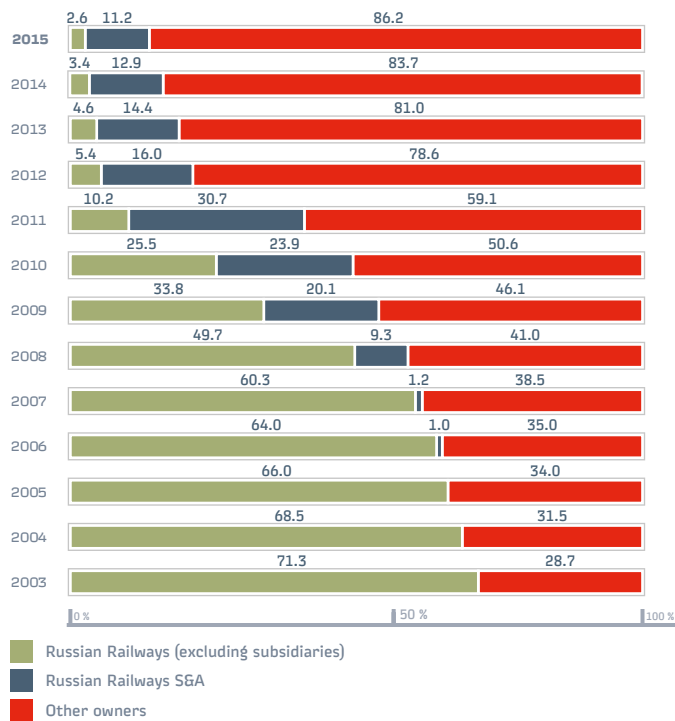
3.4% to 2.6% in 2015 compared with the previous year.

Russian Railways S&A accounted for 11.2% of shipment volume in 2015.

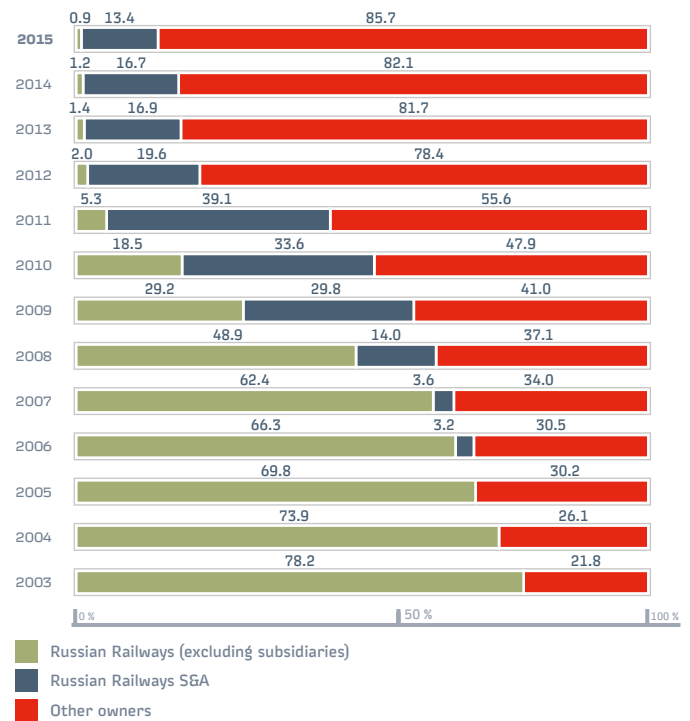
In terms of freight turnover volume, Russian Railways (excluding S&A) saw its share of

the freight car handling market plummet from 78.2% in 2003 to 0.9% in 2014, while the share of freight turnover handled by privately owners railcars increased from 21.8% in 2003 to 85.7% in 2015.

Structure of the Russian freight car handling market by transportation volume in 2003-2015, %



Structure of the Russian freight car handling market by freight turnover volume in 2003-2015, %

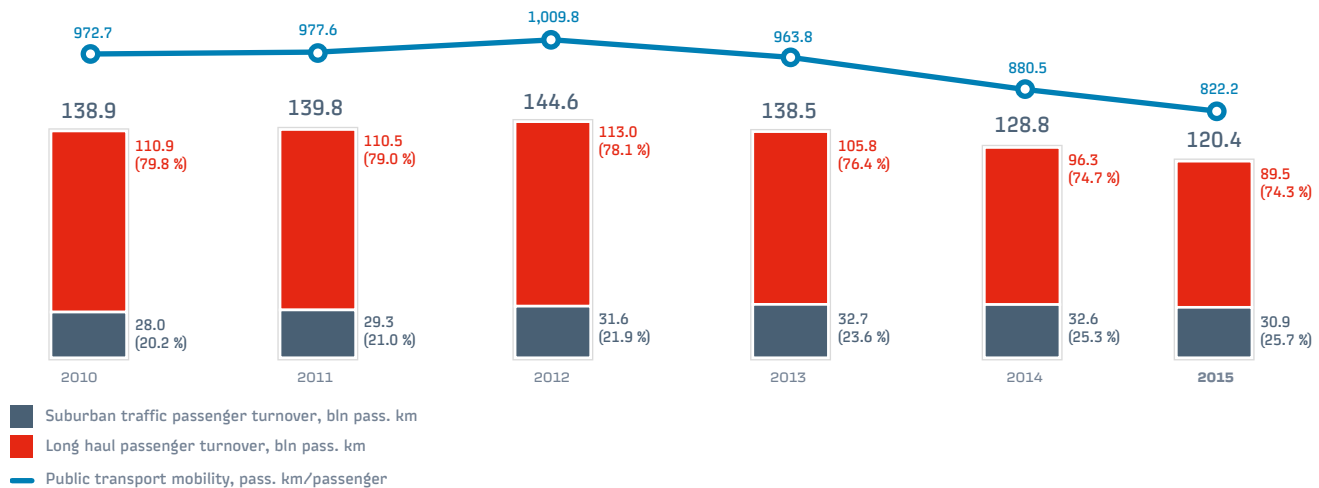


Passenger transportation

The share of Russian Railways S&A in long-haul passenger turnover declined 1.2 p.p. to 95.7% in 2015. Private carriers increased their share 0.5 p.p. to 1.4%, while the proportion of passenger turnover handled by high-speed trains (High-Speed Transportation Directorate – branch of Russian Railways) increased 0.7 p.p. to 2.9%.

Suburban traffic makes up only 0.8% of the total suburban passenger transportation of Russian Railways, while the Company's S&A account for 99.1% of such travel. Private carriers have a 0.1% share of this market. This ratio has remained unchanged on the suburban passenger transportation market for the last several years.

Passenger turnover via railway transportation and public transport mobility



Passengers carried by railway transportation using Russian Railways infrastructure, mln passengers

