

Russian Railways did not borrow any debt capital on the international market in 2015.

Nevertheless, the Company maintains a constant dialogue with existing and potential investors in the Company's securities, which is a prerequisite for effective work on financial markets in the future.

One of the key events in interaction with the investor community in 2015 was the Company's Investor Day held in London on 10 December 2015.

The event was one of the largest in the history of Investor Day with investors from more than 20 international investment funds attending the Company's presentation, which was held with

Russian Railways President Oleg Belozеров attending in person.

Investors highly appreciated the Company president's participation and the ability to hold a direct dialogue with him.

#### Participation in investment meetings and conferences

Month	Organiser	Organiser
January	Eur money	The Central and Eastern European Forum (Vienna)
March	Global Financial Conferences	Bonds & Loans Russia & CIS (Moscow)
April	Sberbank CIB	'Russia: the Inside Track' conference (Moscow)
June	Gazprombank	'Russian Capital Market: New Opportunities' seminar (Moscow)
June	Ministry of Economic Development of the Russian Federation	St Petersburg International Economic Forum (St Petersburg)
October	VTB Capital	'Russia Calling!' annual investment forum (Moscow)
December	Russian Railways	Investor Day (London)

## Leasing

Russian Railways makes decisions to attract lease financing based on the general principles of the debt policy taking into account IFRS approaches for assessing the level of financial debt.

The Company is currently implementing a programme called 'Renovation of track maintenance equipment in 2012–2016' using the leasing mechanism.

Following an open competition in 2012, a long-term lease agreement was concluded with VEB Leasing for the supply of track maintenance equipment manufactured by

the Remputmash plant in Kaluga worth a total of RUB 90.6 bln including VAT in 2012–2016. The financing rate under the lease agreement was 11.4% p.a.

The track maintenance equipment supplied under the leasing agreement is being used for routine railway infrastructure maintenance work.

Track maintenance equipment worth a total of RUB 68.4 bln including VAT was leased in 2012–2015, including track machinery worth a total of RUB 19.7 bln including VAT in 2015.

As of 1 January 2015, Russian Railways had total lease obligations of RUB 42.3 bln including VAT.

A total of RUB 20.5 bln including VAT was spent on lease payments in the reporting year.

Total lease obligations with maturity prior to 2024 amounted to RUB 47.1 bln including VAT as of 31 December 2015.

## Dynamics of the leasing portfolio in 2014-2015, RUB bln including VAT

Indicator	2014	2015
Balance at start of year	27.3	42.3
Incurrence of obligations	29.2	25.3
Repayment of obligations	14.3	20.5
Balance at end of year	42.3	47.1

## Information disclosure and reporting policy

The Russian Railways Board of Directors has approved the Regulation on the Information Policy. All the Company's internal and reporting documents are available on Russian Railways website at [www.rzd.ru](http://www.rzd.ru) and the authorised distributor of information Interfax at [www.e-disclosure.ru](http://www.e-disclosure.ru).

Russian Railways has issued bonds that trade on the MICEX Stock Exchange and discloses information online in accordance with the requirements of the legislation of the Russian Federation concerning securities. Part of the essential information on Russian Railways activities is disclosed in English.

The Company discloses financial and accounting statements in accordance with Russian (RAS) and international (IFRS) standards based on the requirements of legislation.

### IFRS reporting

Russian Railways prepares consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and conducts audits twice a year: in the form of a review for the first half of the reporting year and in the form of an audit for the entire

reporting year. Since 2014, the deadline for preparing and auditing the consolidated annual statement must not exceed 120 days from the reporting date.