

Easier and faster transportation

The Russian Railway Group's top priority in freight transportation in the coming years is to attract additional cargo to railways from other types of transportation and expand the range of logistics products provided to customers.

To meet these objectives, the group has launched and is successfully providing the following services: 'Organisation of Scheduled Freight Train Traffic' and 'RZD Express'.



Customer-focused freight transportation

A flexible tariff policy as part of the Tariff Corridor served to attract 5.7 mln tonnes of different freight to railways in 2016.

96.1%
share of shipments delivered on time in 2016, an increase of 3.2 p.p.



ORGANISATION OF SCHEDULED FREIGHT TRAIN TRAFFIC

22,863
trains
dispatched in 2016



FREIGHT EXPRESS

425 trains
dispatched in 2016

512,000 t of freight
shipped in 2016



RZD EXPRESS

237,000 t of freight
shipped in 2016



Initiatives to improve customer service quality:

- Unified Contact Centre launched in trial mode
- FFC-Tariff effective automated tariff setting system introduced
- New opportunities to order railcars:
 - via the ETRAN
 - electronic waybill system
 - using the electronic exchange

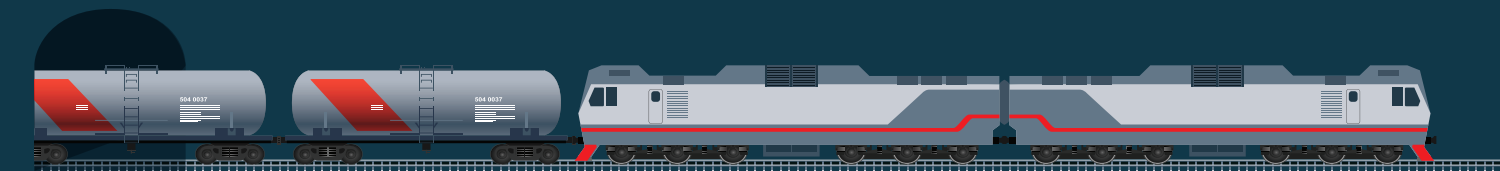


Initiatives to improve customer service quality:

- Simplified document flow, including the cancellation of application form GU-12 for direct domestic shipments
- Continued development of the e-sales system: the share of orders made via e-commerce channels increased from 25% to almost 70% in 2016

A project was launched using the rolling stock of TransContainer in 2016 to transport non-containerised freight - large-diameter pipes for the construction of the Nord Stream-2 international gas pipeline.

1,543,000 TEU
railway containerised shipments using well cars and/or containers of TransContainer in 2016, a 8.9% increase vs. 2015



242,000 TEU
import shipments by TransContainer in 2016, a 8.3% increase vs. 2015

13.4%
growth in export shipments by TransContainer in 2016

The Company's management made focused efforts to work with customers and partners in the countries of the Asia-Pacific region and Europe, the China-Russia transport service was developed successfully and operations using sea line containers were expanded.

The Company developed new integrated multimodal services that are attractive to exporters and offered a flexible price policy and highly reliable services to provide containers for transportation.

