

INVESTMENT APPEAL

Key drivers of FPC's investment appeal

A strong position in the long-distance rail passenger transport market in Russia

Strategic importance in achieving the long-term objectives of the state-owned RZD Holding

Significant growth potential of population mobility

Well-developed infrastructure and passenger carriage fleet of unprecedented scale

State-regulated fares for long-distance rail passenger services and compensation of respective revenue shortfall

Low competition in the domestic rail passenger services market due to high entry barriers for new players entering the market and long payback periods

FPC is vital both socially and strategically to Russia as the leading transport operator for long- and medium-distance travel spanning most of the country, including travel to regions with extreme natural and climatic conditions and lacking road and air infrastructure

The Company's current development strategy focus on significantly increasing average speeds, developing integrated services, increasing the volume of rail services within Russia, and improving the competitiveness of existing services

High standards of corporate governance

Effective risk management and internal controls

