



Company presentation

Leading private freight rail operator in Russia

17 June 2008



Globaltrans

Globaltrans at a glance



Globaltrans growth platform

- The largest private freight rail operator in Russia with approx. 21,300 railcars as at 31-Dec-07
- Wide operational coverage extending to every major industrial region in Russia
- Large industrial customer base
- Strong improvement of adjusted EBITDA^(b) in 2007 resulting from better utilization of logistic network
- Controlled by beneficial owners of TIHL, the largest private transportation company in Russia

Key financial and operating statistics

	2005	2006	2007	CAGR
Transportation volumes (m tonnes)	26.1	33.4	35.4	16.5%
Revenue (US\$ m)	512	558	549	3.6%
Adjusted revenue^(a) (US\$ m)	231	276	353	23.6%
Adjusted EBITDA^(b) (US\$ m)	80	82	157	40.3%
Profit for the year (US\$ m)	17	59	78	112.3%
Total assets (US\$ m)	582	698	778	15.7%
ROCE ^(c)	n/a	10.3%	18.8%	n/a

(a) Adjusted revenue defined as revenue from railway transportation – operators services less infrastructure and locomotive tariff: "loaded trips"

(b) Adjusted EBITDA represents profit for the year before income tax expense, net finance costs, depreciation of property, plant and equipment, share of profit of joint ventures, gain from sale of joint ventures, gain from sale of subsidiaries, other gains, recognised deferred gains, net foreign exchange gains/(losses) on operating activities

(c) ROCE is defined as Adjusted EBITDA after depreciation of property, plant and equipment divided by average capital employed; average capital employed is defined as the sum of average balances between balance sheet dates of total equity, total borrowings and minority interest

Globaltrans' fleet under operations (as of 31-Dec-2007)



14,381 gondola cars



6,489 oil tank cars

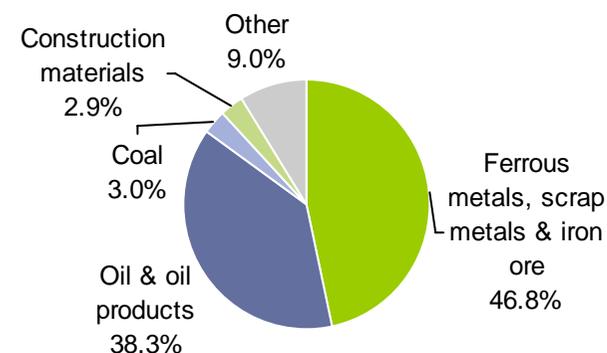


440 hopper and other



19 locomotives

Adjusted revenue^(a) breakdown by cargo type (2007)



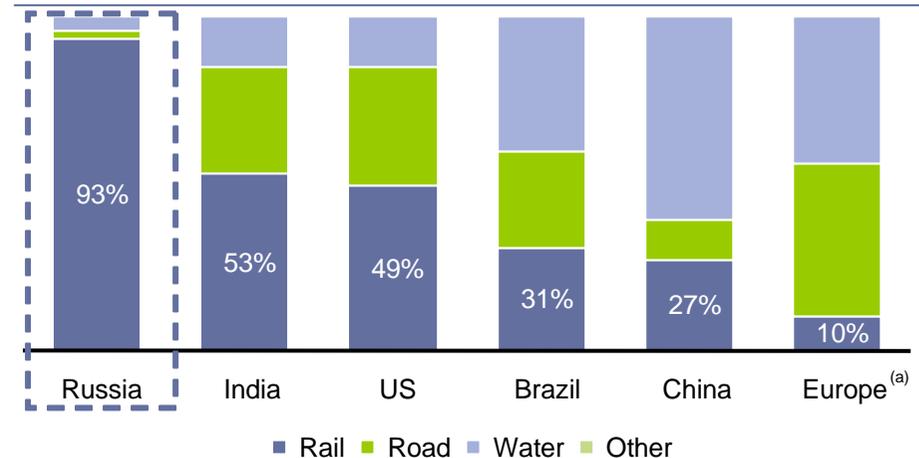


Railway is a key transportation mode for Russia

Key highlights

- Second largest railway system in the world (c. 87,000 kilometres of track length) after US
- Third largest in the world by volume of rail freight turnover after US and China
- 93% market share in Russian freight transportation market (excluding pipeline traffic) in 2006
- Railway infrastructure improvements – national priority according to RZD strategic development plan

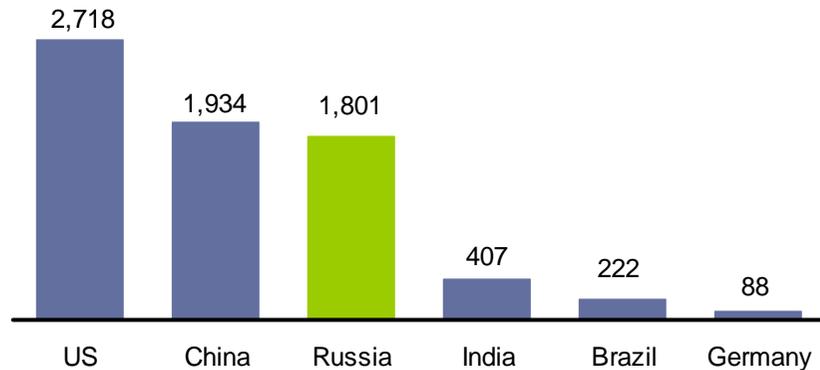
Structure of freight transportation excluding pipelines (tonnes-km, 2006)^(b)



(a) As of 2005
 (b) Including pipelines' share in Russia's freight transportation turnover rail represents is 42% of total

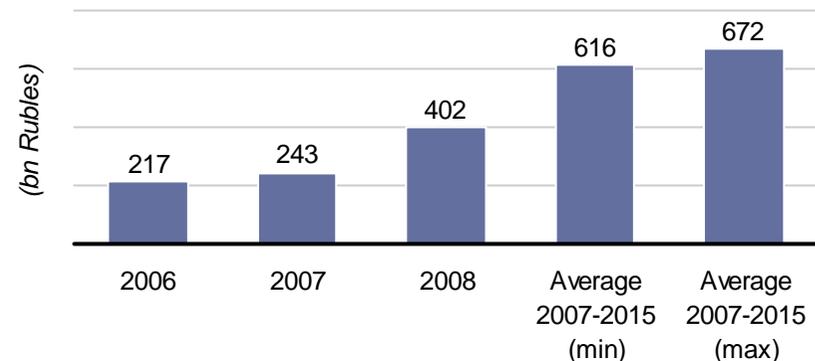
Source: Business Monitor International, DG Energy and Transport, Federal State Statistics Service

Rail cargo turnover (m tonnes-km, 2005)



Source: A.T. Kearney

Investments in railway transportation sector in Russia^(c)



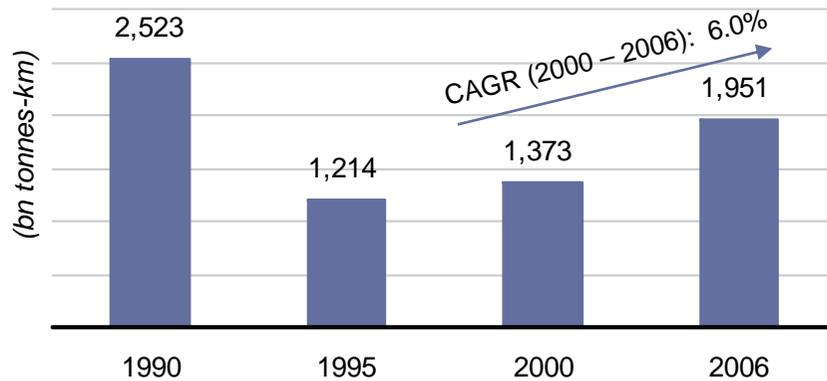
(c) Denotes total investment by the State budget, RZD and private investors in the railway transportation market as a whole
 Source: RZD investment plan and investment program for 2008-2010, RZD strategy till 2030

Key drivers of railway transportation market

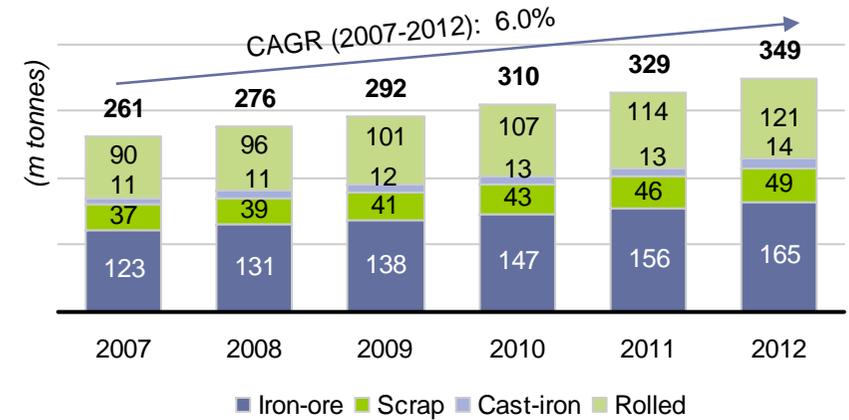


Volume

Rail freight transportation market

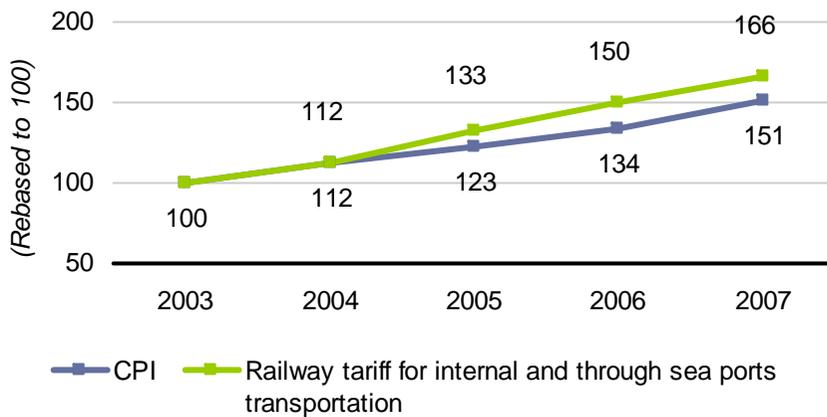


Rail transportation of metallurgical cargo

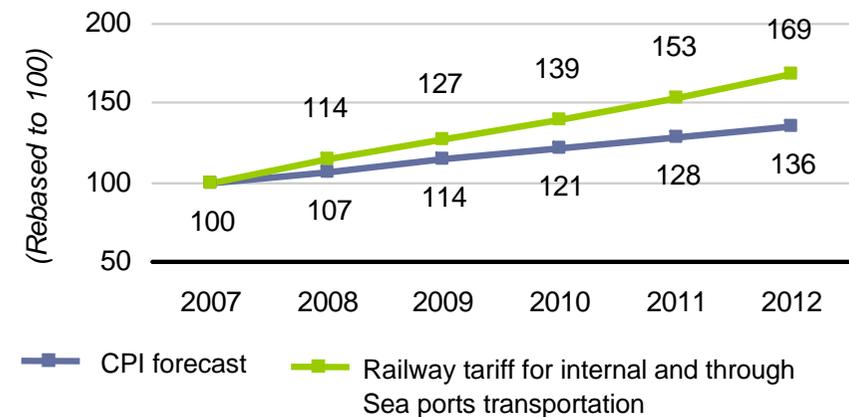


Tariff

Historical railway tariff growth



Expected railway tariff growth



Source: A.T. Kearney



Liberalisation of railway transportation market – exciting opportunities for private operators



Pre – 2001	2001 – 2003	2004 – 2008	Future
<ul style="list-style-type: none"> ■ Ministry for Railway Transport - regulatory and business functions ■ Regulated tariff setting based on Ministry for Railway Transport budget 	<p>Ministry for Railway Transport – regulatory functions only</p> <ul style="list-style-type: none"> ■ Business functions transferred to Russian Railways (RZD) ■ Tariff 10 – 01 established to promote private investment in rolling stock fleet ■ Adoption of Federal Law “On railway transportation” in 2002 <p>■ Non-discriminatory third party access to rail infrastructure guaranteed by law</p>	<p>Federal Agency for Rail Transport - regulatory functions only</p> <ul style="list-style-type: none"> ■ RZD subsidiaries established to operate rolling stock ■ RZD focusing on key functions – infrastructure and locomotive services <p>■ Evolution of market share of private operators</p> <p>■ RZD tariff decreasing as benchmark</p>	<p>Federal Agency for Rail Transport – regulatory functions only</p> <ul style="list-style-type: none"> ■ RZD – infrastructure operator only <p>■ Potential liberalisation of locomotive services</p> <p>■ Open-market pricing of non-infrastructure related services</p>

Globaltrans is the first real investment opportunity to participate in the liberalisation of the Russian freight rail transportation market

Source: A.T. Kearney, Globaltrans



Leading private freight rail operator in Russia with modern rolling stock fleet

Focus on higher revenue generating cargoes

Strong client relationships

Advanced destination management and route optimisation

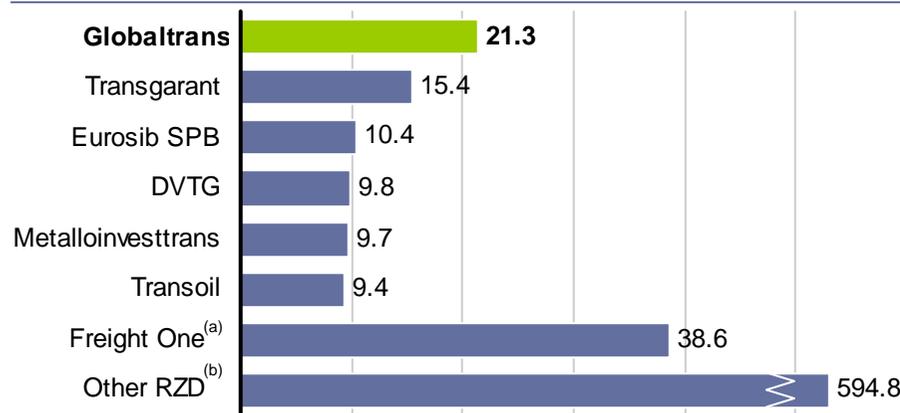
Experienced management team

High profitability and rapid growth



Leading private freight rail operator in Russia with modern rolling stock fleet

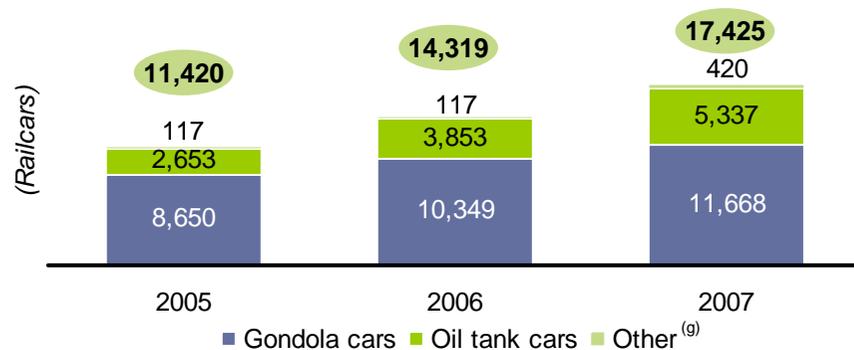
Major rolling stock operators (000s railcars, 2007)



(a) Freight One currently operates less than 20% of its fleet (the rest is operated by RZD), it is planned that fleet under operation will increase to 200.2 thousand railcars by 2010
 (b) RZD and its affiliates, excluding Freight One

Source: A.T. Kearney

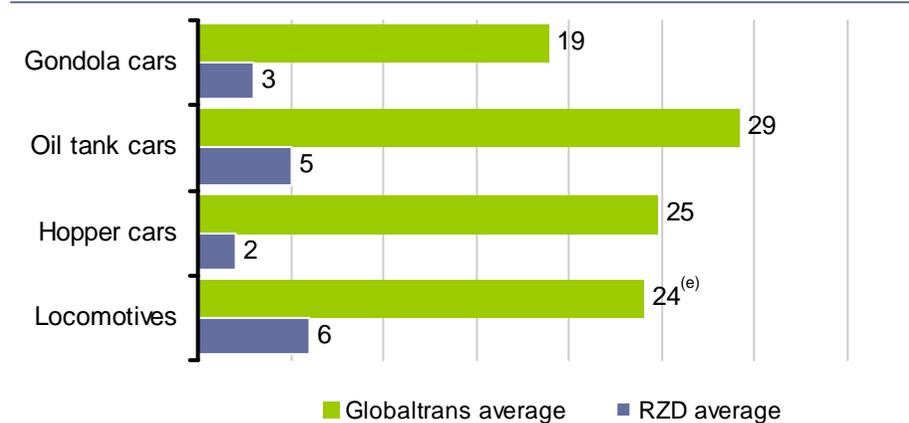
Growth in Globaltrans' owned^(f) rolling stock



(f) Includes both rolling stock owned by Globaltrans directly and leased from third-parties under finance leases
 (g) 'Other' includes locomotives and hopper cars

Source: Globaltrans management accounts (cannot be directly derived from IFRS accounts)

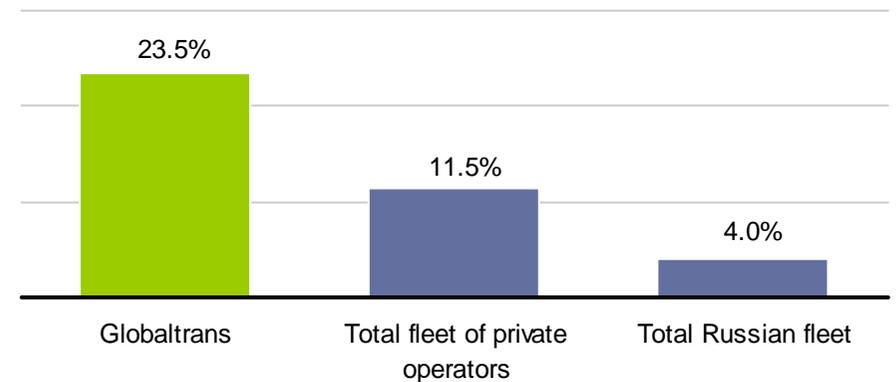
Owned^(c) rolling stock remaining life (years)^(d)



(c) Includes both rolling stock owned by Globaltrans directly and leased from third-parties under finance leases
 (d) Not including potential life extension options
 (e) Remaining life of Globaltrans' locomotives since last capital repair

Source: A.T. Kearney, Globaltrans management accounts (cannot be directly derived from IFRS accounts)

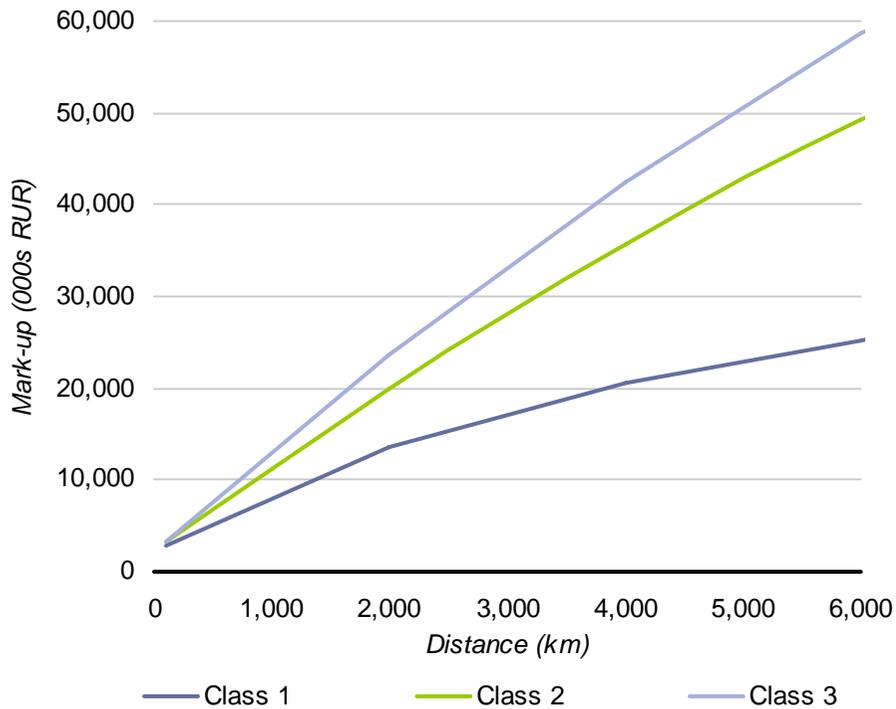
Rolling stock fleet development (CAGR 2005-2007)



Source: A.T. Kearney, Globaltrans management accounts (cannot be directly derived from IFRS accounts)



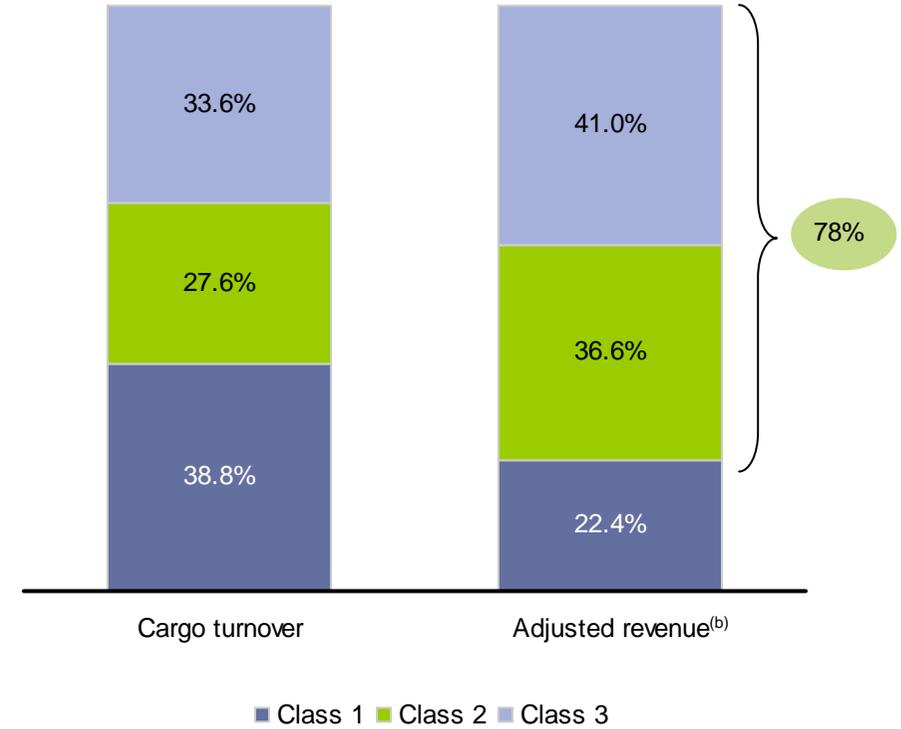
Class 3 cargoes are the most profitable for private operators^(a)



(a) Illustrative example: Mark-up defined as a difference between RZD tariff and infrastructure and locomotive charge for 3 – 5 wagons dispatch, loaded trip and the following cargo classes (Class 1 – coal, Class 2 – cast iron, Class 3 – ferrous metals)

Source: Tariff 10-01

Transportation by cargo class (2007)



(b) Adjusted revenue defined as revenue from railway transportation – operators services less infrastructure and locomotive tariff: “loaded trips”

Source: Globaltrans management accounts (cannot be directly derived from IFRS accounts)



Focus on higher revenue generating cargoes (continued)

<u>2007 Adjusted revenue^(a) (US\$m)</u>	<u>Globaltrans market position (private operators)</u>	<u>Expected market growth CAGR^(c) (2007–2012)</u>	<u>Globaltrans positioning highlights</u>
<p>Ferrous metals, scrap metals and iron ore 165.2</p>	#1	6.0%	<ul style="list-style-type: none"> Strong logistics and dispatching capabilities
<p>Oil and oil products 135.0</p>	#4	2.5%	<ul style="list-style-type: none"> Superior high-capacity oil tanks and sound client base
<p>Construction materials 10.3</p>	#8 ^(b)	13.6% ^(b)	<ul style="list-style-type: none"> Fast growing fleet of brand new rolling stock
<p>Coal 10.4</p>	#5	6.3%	<ul style="list-style-type: none"> Build on existing expertise after liberalisation of power sector is complete

(a) Adjusted revenue defined as revenue from railway transportation – operators services less infrastructure and locomotive tariff: “loaded trips”

(b) For construction materials Globaltrans market position and expected market growth is presented for cement + crushed stone only

(c) A.T. Kearney estimates

Source: A.T. Kearney, Globaltrans management accounts (cannot be directly derived from IFRS accounts)

Globaltrans

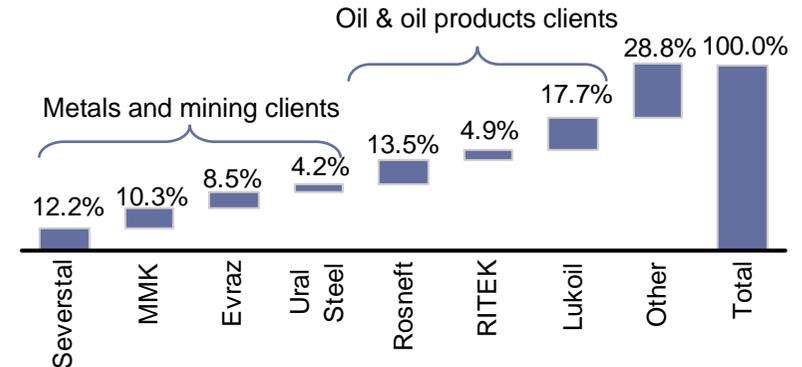
Strong client relationships



Globaltrans client base

- Total number of clients exceeds 250
- Quality client base concentrated on large Russian industrial groups
- Insignificant share of spot sales contracts
- Complex logistics solutions and ability to react quickly to clients' needs
- Further development of relationship with medium size clients to support growth and achieve route optimisation

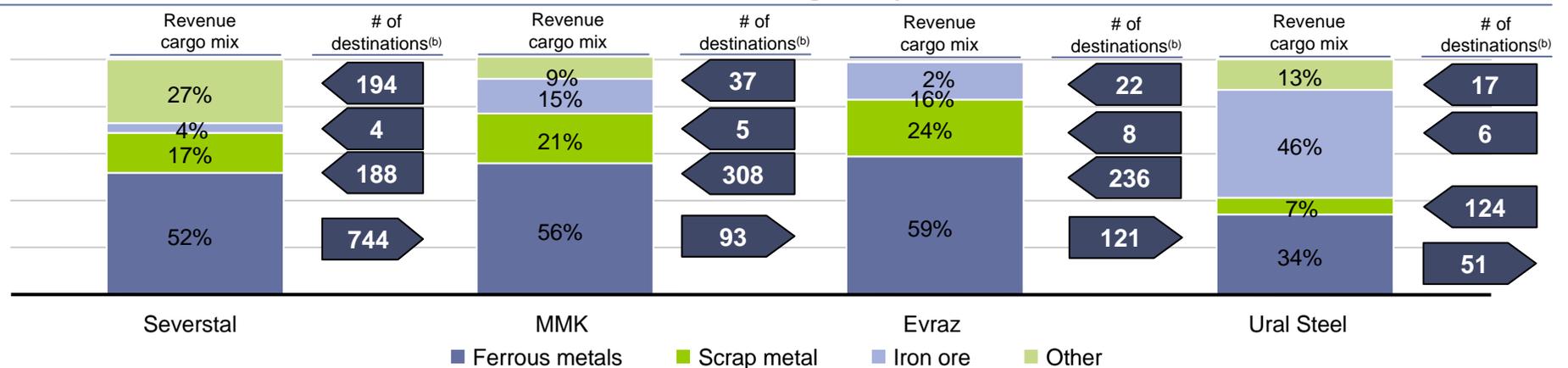
Largest clients (by Adjusted revenue^(a), 2007)



(a) Adjusted revenue defined as revenue from railway transportation – operators services less infrastructure and locomotive tariff: "loaded trips"

Source: Globaltrans management accounts (can not be directly derived from IFRS accounts)

Tailored service offering to key clients



(b) Number of destinations for each customer in the respective segment, arrows indicate inbound/outbound transportation

Source: Globaltrans management accounts (cannot be directly derived from IFRS accounts)



Advanced destination management and route optimisation

Destination management...

- Critical to private operator efficiency as market price includes an assumed significant empty return journey (empty run)
- Empty run charge is passed on to the customer
- Optimisation of the empty run ratio - major driver of Globaltrans' profitability

...with strong logistics support...

- Complex logistics solutions to key industrial clients to meet their high volume transportation needs
- Key to decision-making on technological and commercial expediency of transportation
- Supply and demand balance for transportation services

... and advanced dispatching capabilities

- Round-the-clock monitoring of freight transportation services
- Interaction between Globaltrans' logistics centre and customer's transportation subdivisions
- Management of empty railcars by assigning them to the next loading point

Illustration of complex logistics requirements (e.g. Severstal)

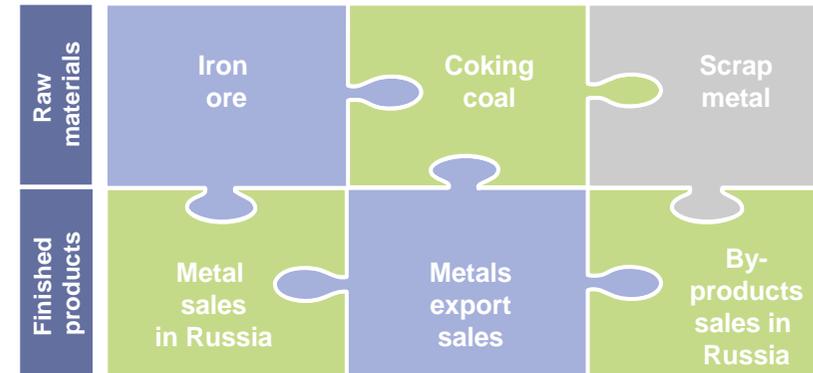
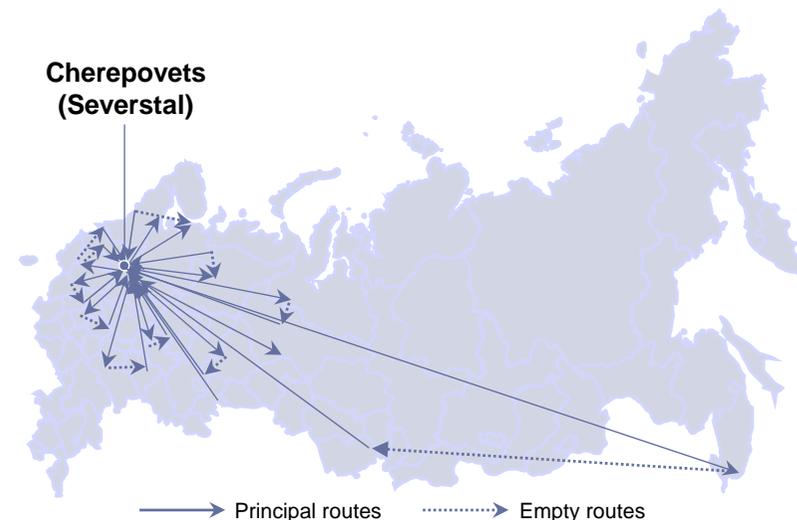


Illustration of complex destinations and routes (e.g. Severstal)



Experienced management team



Sergey Maltsev

- Chief Executive Officer
- 15 years of experience



Valery Shpakov

- First Deputy CEO
- 34 years of experience



Irina Aleksandrova

- Deputy CEO, Business development
- 13 years of experience



Ilya Dudinskiy

- Deputy CEO, Operations
- 7 years of experience



Alexander Shenets

- Chief Financial Officer
- 6 years of experience



Roman Goncharov

- Head of Treasury
- 10 years of experience



Boris Torbin

- Marketing Director
- 4 years of experience



Sergey Vaselenko

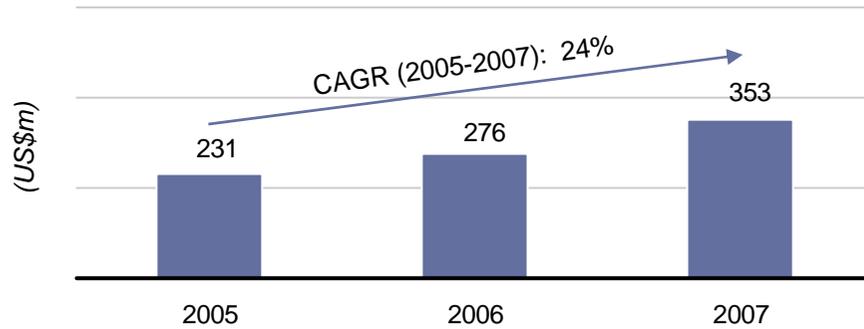
- Chief Information Officer
- 4 years of experience

Globaltrans

High profitability and rapid growth



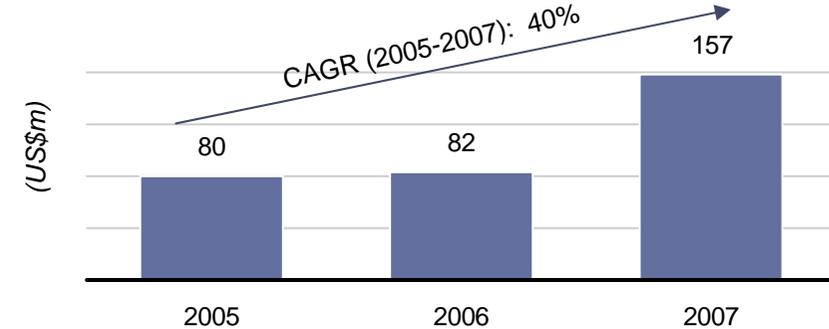
Adjusted revenue^(a) development



(a) Adjusted revenue defined as revenue from railway transportation – operators services less infrastructure and locomotive tariff: “loaded trips”

Source: Globaltrans IFRS accounts

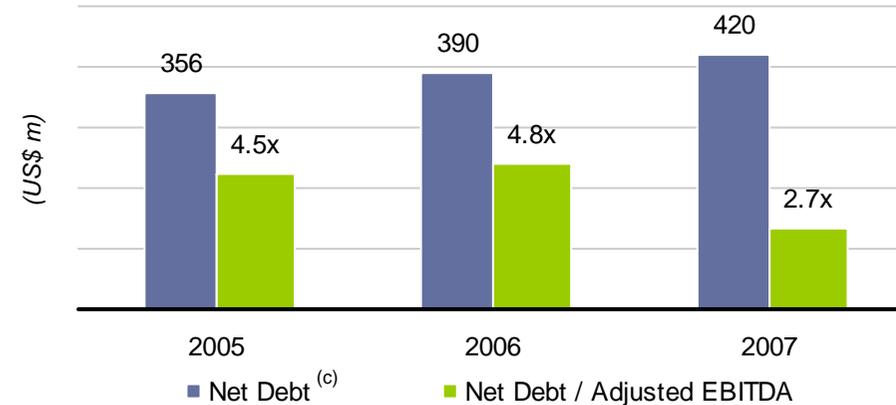
Adjusted EBITDA^(b) development



(b) Adjusted EBITDA represents profit for the year before income tax expense, net finance costs, depreciation of property, plant and equipment, share of profit of joint ventures, gain from sale of joint ventures, gain from sale of subsidiaries, other gains, recognised deferred gains, net foreign exchange gains/(losses) on operating activities

Source: Globaltrans IFRS accounts

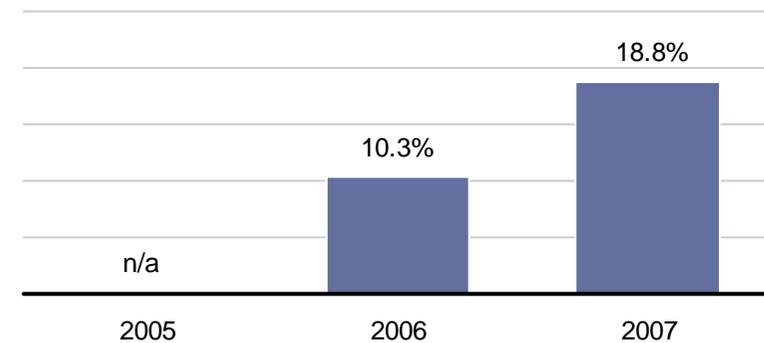
Financing capacity



(c) Net debt is defined as sum of current and non-current borrowings less cash and cash equivalents

Source: Globaltrans IFRS accounts

ROCE development^(d)

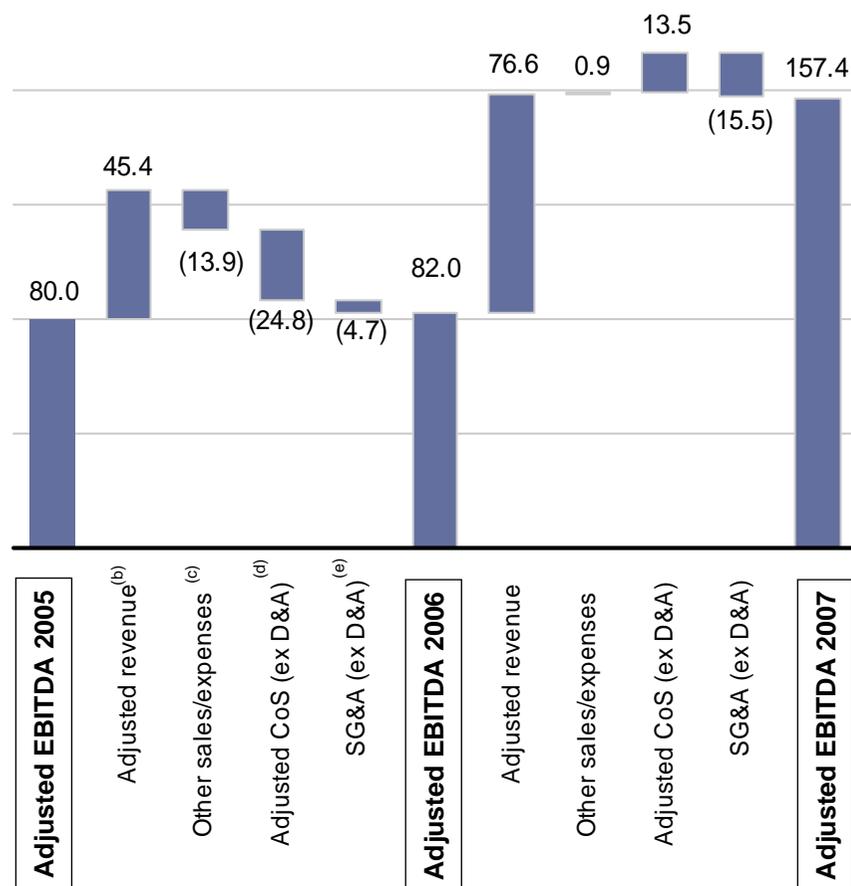


(d) ROCE is defined as Adjusted EBITDA after depreciation of property, plant and equipment divided by average capital employed; average capital employed is defined as the sum of average balances between balance sheet dates of total equity, total borrowings and minority interest

Source: Globaltrans IFRS accounts



Adjusted EBITDA^(a) bridge (US\$m)



Key EBITDA drivers (US\$m)

	2005	2006	2007	CAGR
Adjusted revenue	230.8	276.2	352.8	24%
Other sales	87.3	29.0	23.6	(48)%
Infrastructure and locomotive tariffs: loaded trips	193.7	252.6	172.4	(6)%
Revenue	511.9	557.8	548.9	4%
Empty trips	65.8	83.0	82.5	12%
Operating lease rentals – rolling stock	47.4	52.6	38.4	(10)%
Repair and maintenance	6.3	13.8	31.7	124%
Other cost of sales	45.0	39.8	23.2	(28)%
Adjusted cost of sales (CoS) (ex D&A)	164.4	189.2	175.7	3%
Infrastructure and locomotive tariffs: loaded trips	193.7	252.6	172.4	(6)%
Total cost of sales (ex D&A)	358.2	441.7	348.2	(1)%
SG&A (ex D&A)	22.7	27.4	43.0	38%
Cost of wagons and locomotives sold in trading transactions	51.1	6.7	0.4	(91)%
Adjusted EBITDA	80.0	82.0	157.4	40%

(a) Adjusted EBITDA represents profit for the year before income tax expense, net finance costs, depreciation of property, plant and equipment, share of profit of joint ventures, gain from sale of joint ventures, gain from sale of subsidiaries, other gains, recognised deferred gains, net foreign exchange gains/(losses) on operating activities

(b) Adjusted revenue defined as revenue from railway transportation – operators services less infrastructure and locomotive tariff: “loaded trips”

(c) Other sales/expenses defined as sum of revenues from railway transportation – freight forwarding, revenue from operating leasing of rolling stock (tankers and open wagons), revenue from operating leasing of locomotives and hoppers, revenue from sale of wagons and locomotives, other revenue less cost of wagons and locomotives sold in trading transactions (not part of property, plant and equipment)

(d) Adjusted CoS defined as cost of sales less infrastructure and locomotive tariffs: “loaded trips” less cost of wagons and locomotives sold in trading transactions (not part of property, plant and equipment)

(e) SG&A is defined as selling, marketing and administrative expenses

Source: Globaltrans IFRS accounts, management accounts (cannot be directly derived from IFRS accounts)

Clear strategy to achieve superior growth and strong returns



1 Continue profit-focused growth

2 Leverage and Further Develop Operating Efficiencies

3 Explore Opportunities to Increase Services Offering

1 Continue profit-focused growth...



Strategic initiatives

- Significantly expand fleet of gondola cars
- Capture leading position in fast growing cement transportation
- Leverage strong customer relationship and identify new customers
- Expand geography of operations
- Closely monitor potential acquisition opportunities

Key outcomes

Gain market share in key segments

Grow faster than the overall Russian freight rail transportation market

Diversify client base and develop customer loyalty



Strategic initiatives

Key outcomes

- Continue to decrease empty runs
- Create loop routes via development of additional medium size client relationships
- Increase use of block trains on regular high-volume destinations
- Identify and reduce dwell time
- Optimise maintenance and repair

Continually improve earnings and returns

Decrease delivery time and offer better client service

Minimise repair and maintenance costs



Strategic initiatives

- Establish required internal infrastructure and gain experience while operating some locomotives on short routes of stable demand
- Begin locomotive service once market liberalises and opportunities for private carriers or operators emerge
- Increase current fleet of 18 owned locomotives

Key outcomes

Profit from first mover advantage, gain significant market share and extract additional margins



Leading private freight rail operator in Russia with modern rolling stock fleet



Focus on higher revenue generating cargoes



Strong client relationships



Advanced destination management and route optimisation



Experienced management team



High profitability and rapid growth





Priit Pedaja

Head of Investor Relations

Tel. +7 (495) 961 0272

Cell. +7 (985) 991-4522

E-mail: priit.pedaja@globaltrans.com

Thank you!

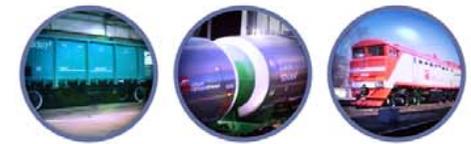
Q & A session



Appendix I

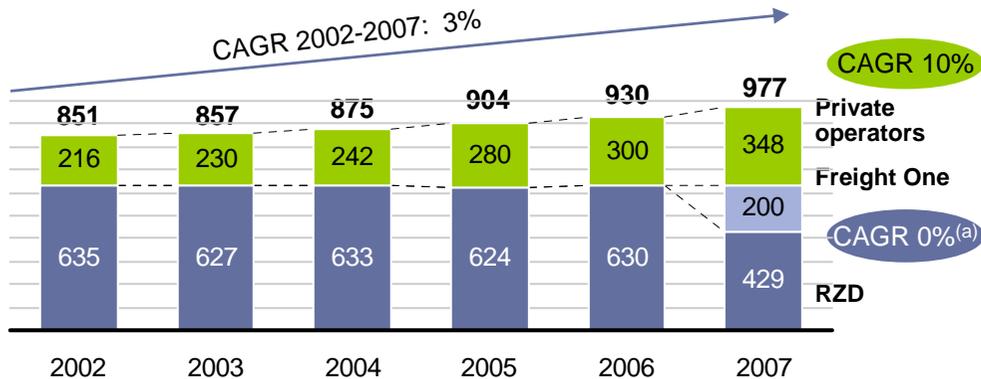
Russian railway transportation market overview





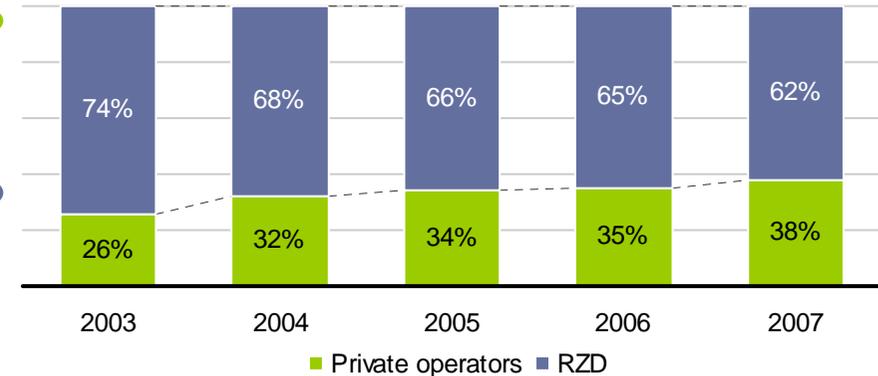
Private operators are taking market share from RZD

Railcar fleet structure in Russia (000s railcars)



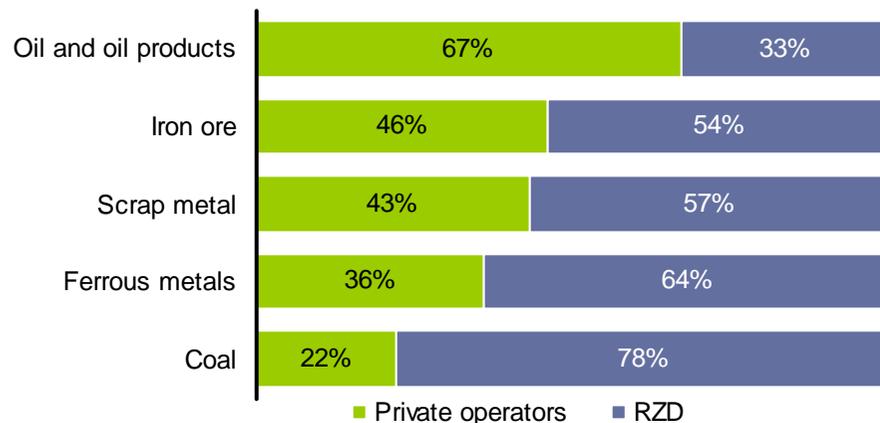
(a) Joint fleet of RZD and Freight One (200,200 railcars were transferred to Freight One in July 2007)
Source: A.T. Kearney

Privately operated rolling stock share in total transportation



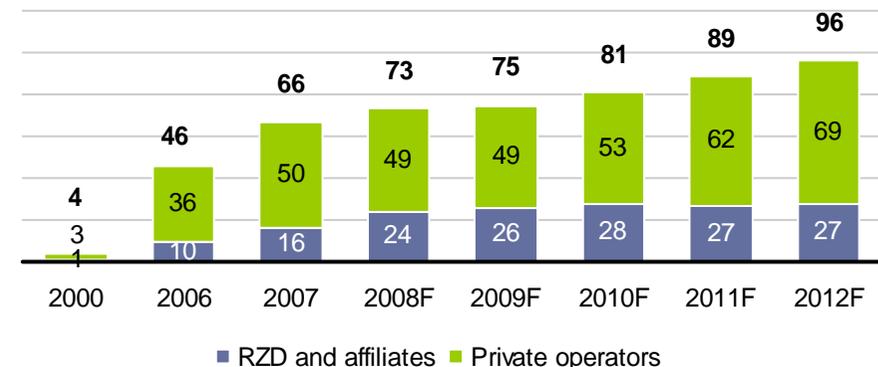
Source: RZD, Presentation of the Head of Corporate Development and Reform Development, Mr. Veremeev

Market share of private operators (2007, by transportation volume)



Source: A.T. Kearney

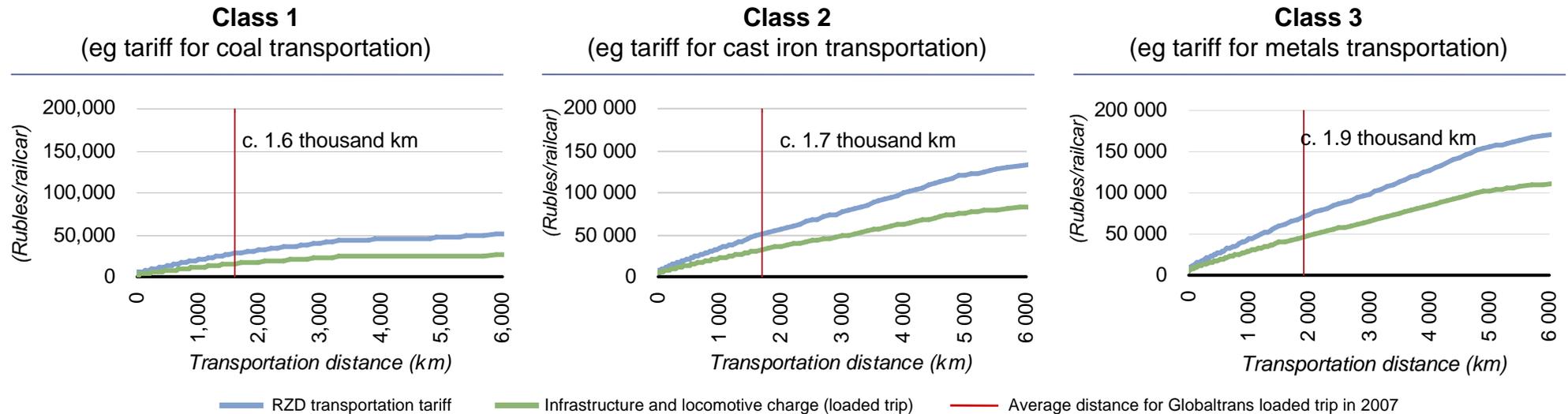
Rolling stock purchases by Russian operators (by group, 000s railcars)



Source: A.T. Kearney



Impact of cargo class and distance on tariff rate for loaded trips



Note: Example based on difference between tariff 'using RZD rolling stock' for 3 – 5 wagons dispatch, loaded trip (approximately customer's price) and infrastructure and locomotive charge for illustrative purposes

Examples of Class 1 cargo

- Energy coal, coking coal
- Iron ore
- Natural construction materials (crushed stones, sand, etc)
- Cement
- Wood
- Chemical raw materials for fertilizer production

Examples of Class 2 cargo

- Crude oil, gasoline, kerosene, diesel fuel
- Heating oil
- Fertilizers
- Bricks
- Agricultural machinery and equipment
- Asphalt
- Agricultural products
- Cast iron

Examples of Class 3 cargo

- Ferrous and non-ferrous metals and scrap
- Construction materials for industrial production
- Metal construction components
- Lubricants and oils
- Timber products
- Mineral wax and other dark oil products
- Machinery and equipment (except agricultural)
- Automobiles
- Rubber, plastics and paint materials
- Organic and non-organic chemicals
- Alcohol products
- Soft goods

Source: A.T. Kearney, RZD, Tariff 10-01, Globaltrans management accounts (cannot be directly derived from IFRS accounts)



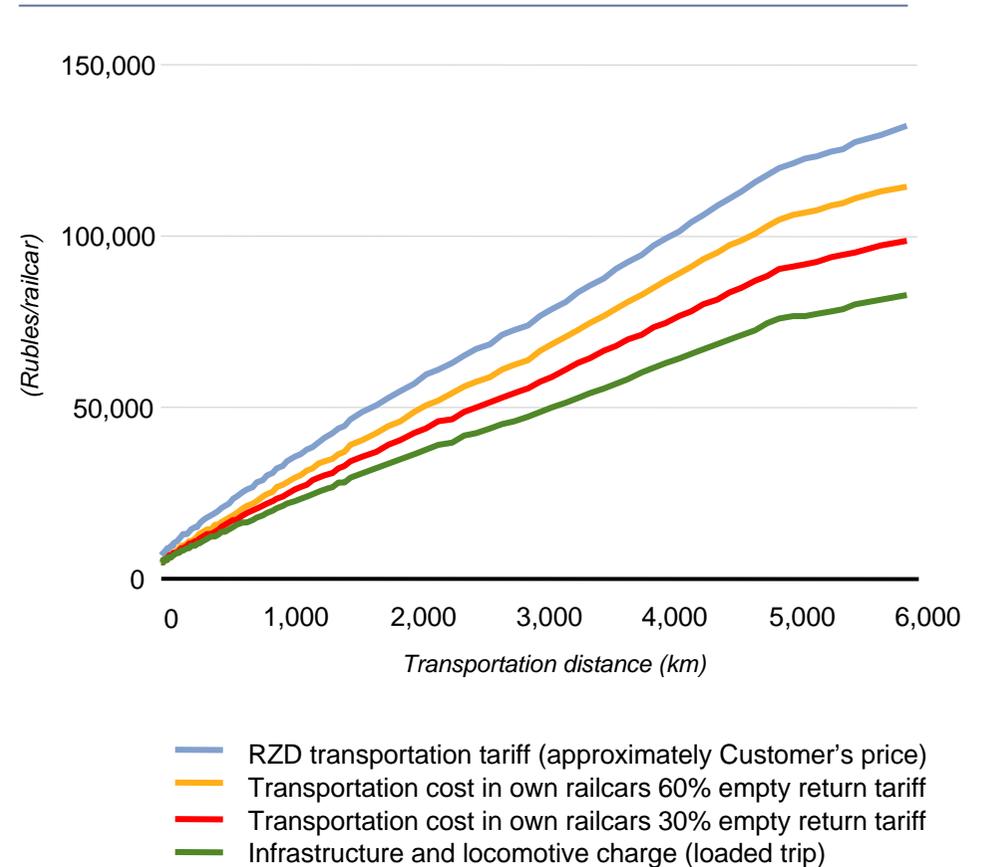
Impact of empty runs on tariff rate

Overview of the empty run concept

- The standard railway transportation tariff (as set out by Tariff 10-01) incorporates a portion of the charge for the assumed empty return journey of the rolling stock
- Allowance for empty runs included in the tariff depends on many factors, including cargo class and type, opportunities for return load, distance, weight, etc.
 - For general purpose rolling stock (gondola (open top) cars, flatcars, boxcar): on average 60%
 - For specialised rolling stock (eg oil tank cars, hopper cars): on average 100%
- To reduce empty runs private operators manage its cargo destinations and routes so as to match a customer order for rail shipment of cargo to a particular destination with another cargo shipment order from this or close to this destination
- Globaltrans managed to decrease the empty return ratio for general purpose rolling stock from 39% in 2005, 36% in 2006 and to 21% in 2007, as a result of expanded geographic coverage and better route optimisation
- Efficient destination management and the ability to create loop routes (optimal structure with no empty runs) is a major margin driver of private freight rail operators

Source: Globaltrans

Illustrative transportation tariff, price and cost for Class 2^(a)



(a) Example for cast iron transportation in 3 – 5 wagon dispatch for illustrative purposes

Source: RZD, Tariff 10-01

Appendix II

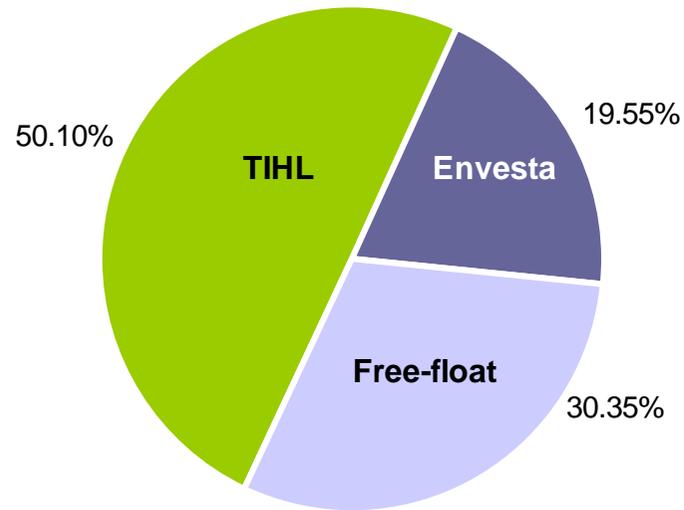
Globaltrans background



Globaltrans is part of TIHL infrastructure group



Ownership structure



TIHL background

- Transportation Investments Holding Limited (TIHL) is the largest privately-owned transportation group in Russia with strategic interests in rail transportation and port operations and carries on business under the name of NTrans
- Nikita Mishin, Konstantin Nikolaev and Andrey Filatov are the beneficial owners and co-founders of TIHL

Envesta Investments Ltd. background

- Envesta Investments Ltd. (EIL) is controlled two individuals:
 - Sergey Maltsev (51% stake), Chief Executive Officer, Globaltrans
 - Alexander Eliseev (49% stake), Chairman of the Board of Directors, Globaltrans

Source: Globaltrans



Board of Directors

Alexander Eliseev

Non-executive director

- Chairman of the board
- Shareholder of Envesta Investments Ltd.
- Member of Remuneration Committee
- 14 years of management experience, mostly in railway industry

Michael Zampelas

Independent non-executive director

- Member of Audit Committee
- Member of Remuneration Committee
- Member of Nominations Committee
- Founder of Coopers & Lybrand, Cyprus

Hans Durrer

Independent non-executive director

- Member of Remuneration Committee
- Member of Nominations Committee
- Ex-CEO of Montafan AG and IMT – Dienst AG

Elia Nicolaou

Non-executive director

- Member of Audit Committee
- More than four years of legal and management experience

Sergey Maltsev

Executive director

- CEO
- Controlling shareholder of Envesta Investments Ltd.
- 15 years of experience in railway industry

Mikhail Loganov

Executive director

- Member of Nominations Committee
- More than seven years of financial experience

Konstantin Shirokov

Executive director

- Financial Manager for Transportation Investments Holding Limited
- Head of Internal Audit

Corporate governance

Board of Directors

- Consists of 3 executive directors, 2 non-executive directors and 2 INEDs
- Non-executive Chairman

Financial reporting

- The Company prepares IFRS financial statements since 2005
- Audit is done by PricewaterhouseCoopers

Audit Committee

<ul style="list-style-type: none"> ■ Chaired by INED ■ Comprised of 2 directors, including 1 INED 	<ul style="list-style-type: none"> ■ Meets at least 4 times each year
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Remuneration Committee

<ul style="list-style-type: none"> ■ Chaired by INED ■ Comprised of 3 members, including 2 INEDs 	<ul style="list-style-type: none"> ■ Meets at least 1 times each year
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Nominations Committee

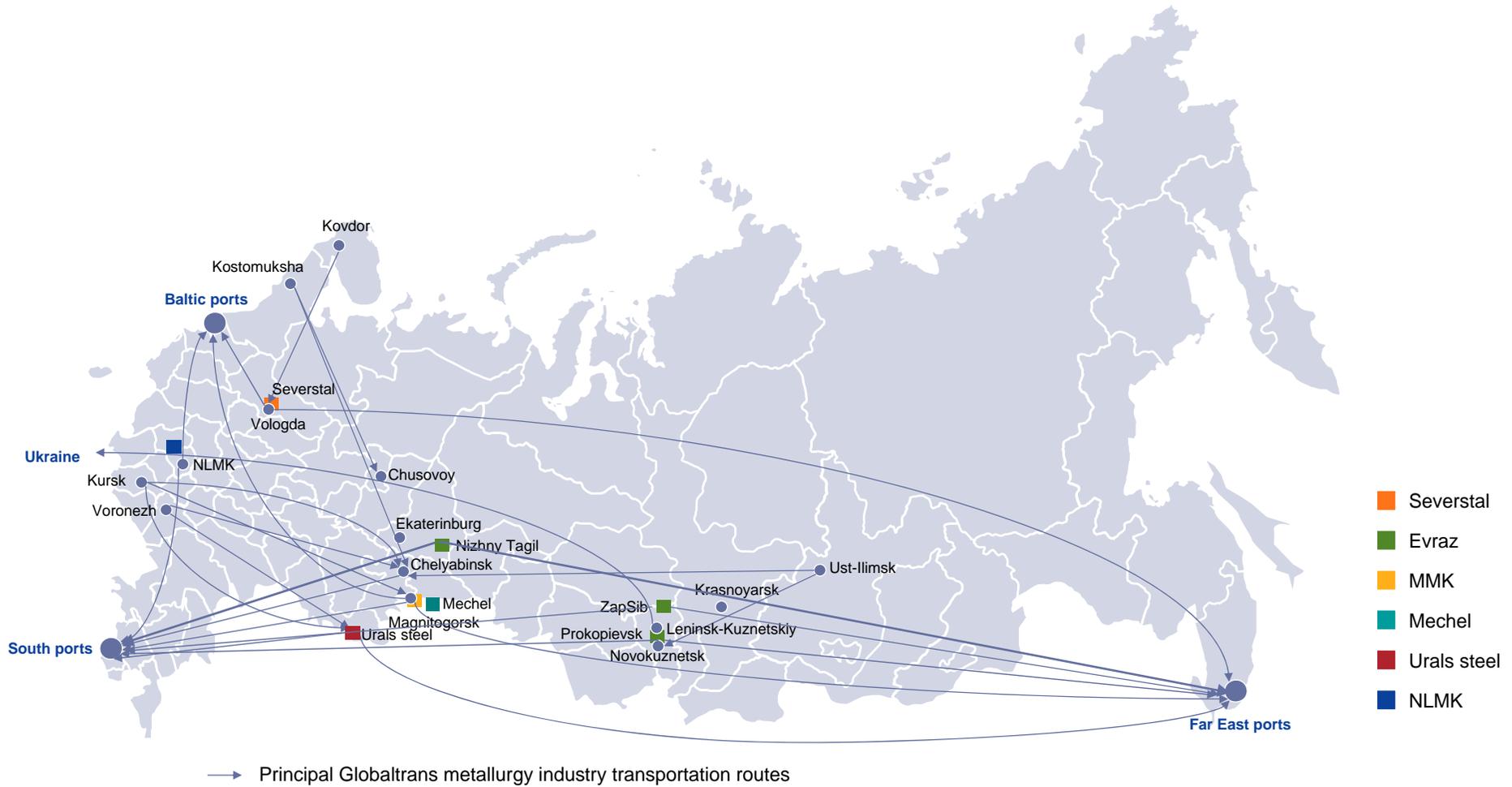
<ul style="list-style-type: none"> ■ Chaired by INED ■ Comprised of 3 members, including 2 INEDs 	<ul style="list-style-type: none"> ■ Meets at least 1 times each year
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Appendix III

Illustrative Globaltrans transportation routes



Metallurgy industry illustrative transportation routes



Source: Globaltrans

Oil and oil products illustrative transportation routes



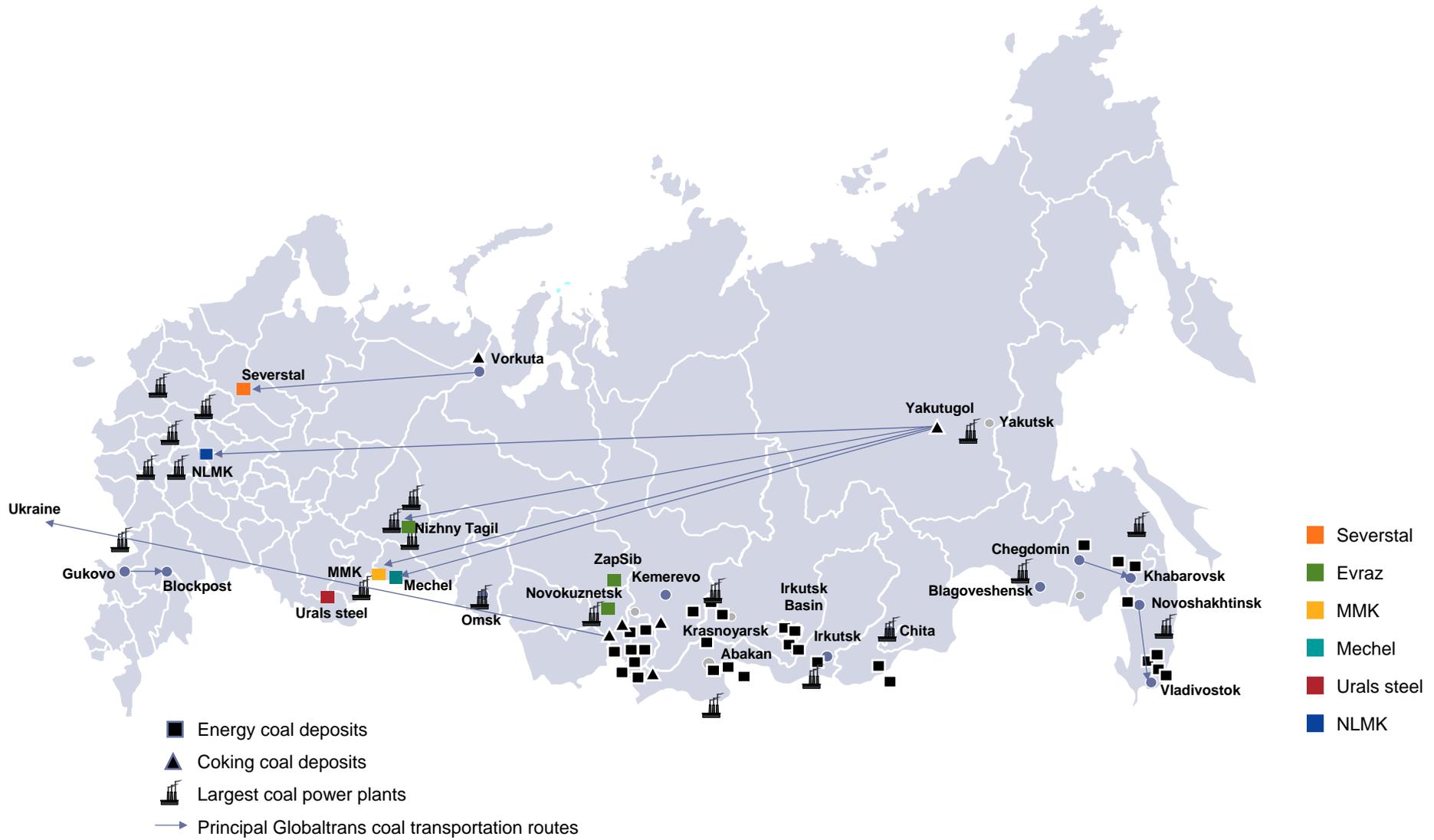
Source: Globaltrans

Construction materials illustrative transportation routes



Source: Globaltrans

Coal illustrative transportation routes



Source: Globaltrans

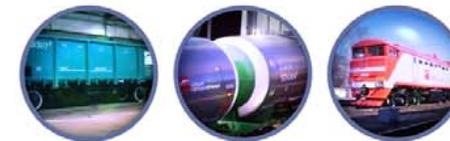
Appendix VI

Recent Development



Globaltrans

Recent Development



Purchase of new railcar

- Globaltrans acquired 316 gondola cars and 260 cement hoppers by the end of May
- We have contracted further 1214 gondola cars and 240 cement hoppers to be delivered by the end of September 2008 the latest.
- For contracted railcars we have fixed the delivery time. In general the delivery time amounts to 2-3 months from contracting.

Market development

- Federal Tariff Agency published order №120-T/1, registered by Ministry of Justice of Russia in May 2008, № 11631 passed a resolution of railway freight transportation tariffs indexation since 01 July 2008 by 8%. Globaltrans expected to be able to increase the tariffs to the customers around several months from the increase of tariffs of RZD.
- Ministry of Economic Development and Trade (MEDT) presented the forecast of tariff increase for RZD in 2009-2011. The expected tariff increase by 17,1%-18,7% at the average in 2009, 9,7% -13,7% at the average in 2010, 10% -14% at the average in 2011.
- Russian Railways announced sell of 22 repair and maintenance depots. The Globaltrans is looking the opportunity, but final decision has not been made yet.

Source: Globaltrans

Locomotive traction development

- New draft of the 'key' law regulating rail transportation (including regulation of the locomotives traction) was signed by the minister of transport and sent for review and suggestions by various ministries.
- The work committee of the Department of Legal Groundwork and legislation activity of Ministry of Transport Of Russian Federation drafted a bill amending the law of "Railway transport of Russian Federation". At present moment this bill was forwarded for approval to the federal executive authority and to OJSC Russian railways.
- Russian Federation Ministry of Transport Order dtd. 22.10.2007 No.150 (registered in the Department of Justice 11.12.2007 No.10674) The rules regulate procedure and conditions of freight transportation by owned trains, request form for freight transportation by owned trains and filling instructions are approved.
- Russian Federation Ministry of Transport Order dtd. 25.12.2007 No.196(registered in the Department of Justice 23.01.2008 No.10971) Amendments are made to current acts regulating freight transportation document processing.
- Russian Federation Ministry of Transport Order dtd. 15.02.2008 No.28 "Introduction of amendments to order by the Ministry of Railways dtd. 18 June 2003 No.26" (registered in the Department of Justice 05.03.2008 No.11283) Procedures of locomotives, transfer of locomotive, rolling sock from rail track of non common use to rail track of common use and vice versa. The act contains all terms and regulations of private locomotives access to rail tracks.