



Abbreviation	Description
<b>KVR</b>	Overhaul with service life extension. Intended to extend the design life of a passenger carriage using refurbished bodies and bogies, as well as renovation of on-board equipment and installation of modern interiors.
<b>KR</b>	Overhaul. Intended to recover the good working condition and fully or nearly fully restore the capacity of a passenger carriage by replacing or restoring any of its components, including basic components.
<b>UIC</b>	International Union of Railways.
<b>Multimodal transportation</b>	Transportation of goods, passengers and baggage by two or more modes of transport. As a rule, multimodal transportation is carried out on the basis of a single transport document drawn up for the entire route.
<b>OSJD</b>	Organisation for Cooperation of Railways.
<b>Passenger turnover</b>	An indicator reflecting passenger traffic measured in passenger-kilometres. It is calculated by multiplying the number of passengers carried by the average distance covered.
<b>Loyalty Programme</b>	RZD Holding's RZD Bonus Programme enabling passengers to collect points for completed trips in FPC trains and carriages and exchange them for bonus trips.

## Disclaimer

This Annual Report of Federal Passenger Company (the "Company") for 2016 (the "Annual Report") has been prepared using the information available to the Company at the time of its preparation.

The Annual Report contains information about the results of the Company's activities in 2016, forecast data and forward-looking statements regarding the Company's intentions, opinions or current expectations regarding its operations, financial position, liquidity, growth prospects, and Strategy, as well as the development of the industry in which

the Company operates. Such forward-looking statements are inherently subject to risks and uncertainties as they deal with events and depend on circumstances that may not take place in the future.

The Company makes no direct or implied representations or guarantees and assumes no responsibility in the event of losses incurred by individuals or legal entities as a result of using the forward-looking statements contained in this Annual Report due to any reason, either directly or indirectly. These persons should not rely entirely on the forward-looking statements contained herein as they are

not the only possible scenario of future events.

The sum of the parts may not add up to the total due to rounding.

The Company accepts no obligation to revise or confirm expectations and estimates or to update publicly or revise the forward-looking statements made in this Annual Report whether as a result of new information, future events or otherwise, except to the extent required pursuant to applicable laws of the Russian Federation.