



# Business model

## State

- Regulation, subsidies, and interest in higher population mobility
- Control of service quality and safety levels to ensure they meet the approved standards
- Enhanced investment appeal of the transport services industry
- Enhanced budgetary efficiency of transport

## Key partners

**RZD HOLDING**

**JSC RZD**

- Provider of locomotive and infrastructure services

**Roszheldorsnab**

- Supplier of equipment and materials

**Commuter companies**

- Ticket sales, multimodal transport services

**MARKET**

**JOINT-STOCK COMPANY RAILWAYCAR-BUILDING WORKS TVER (TVZ)**

- Supplier of carriages

- Finance market
- Labour market
- Materials and equipment market
- Technology market
- Technical services and maintenance market

- Resource suppliers

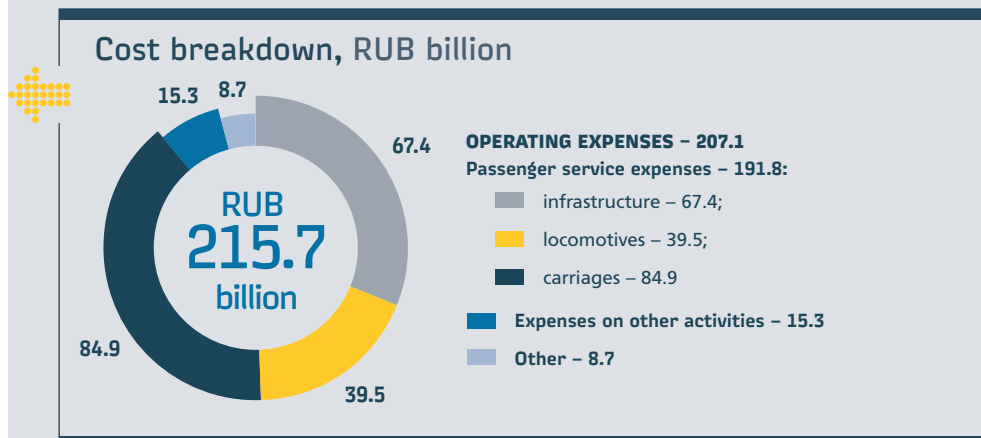
## JSC FPC

### Lines of business

- Regulated domestic long-distance passenger services
- Deregulated domestic long-distance passenger services
- International long-distance passenger services
- Long-distance baggage, unaccompanied baggage, and mail transportation
- Other lines of business

### Lines of business

- 63.1** thousand employees staff (average headcount)
- 3.0** billion carriage kilometres locomotive and infrastructure services
- 19.6** thousand carriages railcar fleet
- > 300** contractors technical services and maintenance
- 22** depots equipment and materials
- RUB 19.7** billion worth of loans and credits borrowings



### Investment expenses

- Acquisition of rolling stock
- Upgrade of rolling stock
- Depot upgrade and safety
- IT programme
- Other

**RUB 19.4 billion**

## Product range

### Transport services

**Regional branded trains:** luxury, first-class, compartment, third-class sleeping, multiple unit, open-plan seating carriages

**Standard trains:** luxury, first-class, compartment, third-class sleeping, multiple unit, open-plan seating carriages

**International services:** luxury, RIC, open-plan seating carriages

**Tourist trains**

### Other

**Baggage, unaccompanied baggage, and mail transportation**

**Provision of additional services on trains**

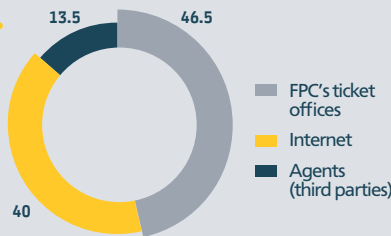
**Repair and maintenance of clients' rolling stock**

**Other services**

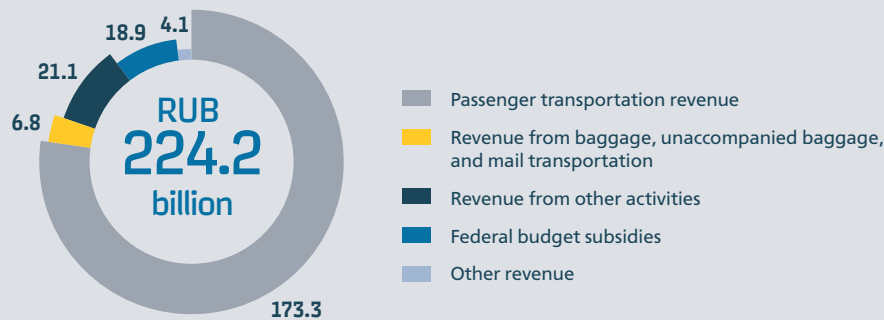
## Promotion

- Recognisable RZD brand
- RZD Bonus Loyalty Programme
- Marketing promotions
- Internet presence
- Advertising campaigns

### Sales channels, %



## Revenue breakdown, RUB billion

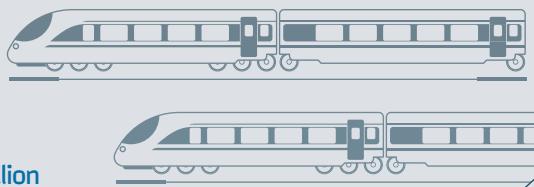


## Profit

Net profit



RUB **5.3** billion



## Key value proposition for customers

### VALUE FOR PASSENGERS

- Safe, accessible and comfortable transportation
- Great travel experience
- Time saving

### VALUE FOR THE STATE

- Transport mobility of population and efficient use of budget funds

### VALUE FOR CORPORATE AND OTHER CUSTOMERS

- High quality of service at affordable prices within reasonable time

## Customers

- Passengers
- Corporate
- Other
- Governmental authorities and agencies