

# 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

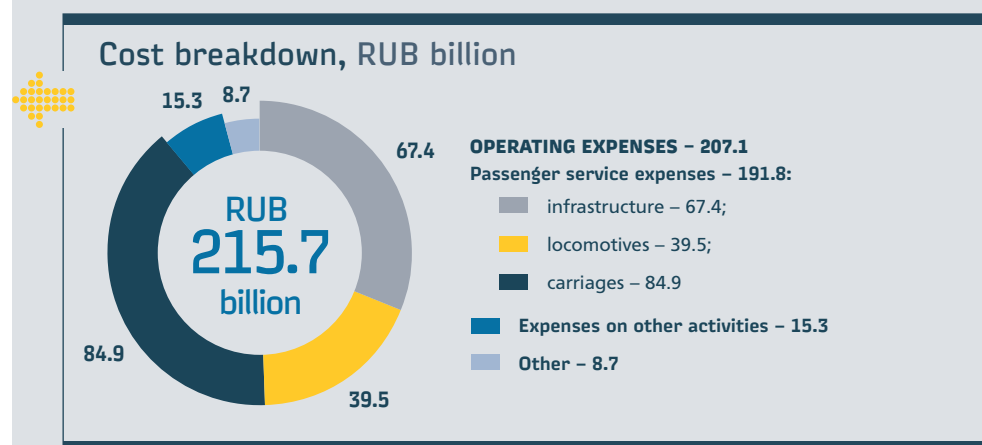
## JSC FPC

### 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

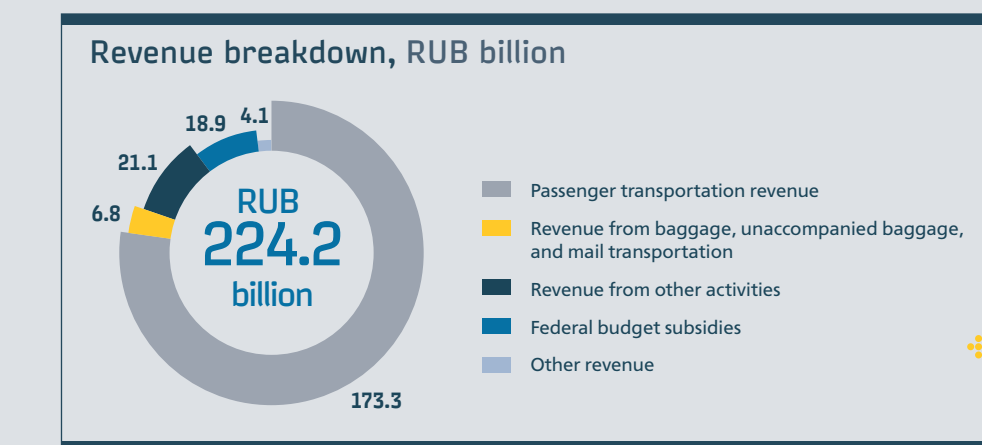
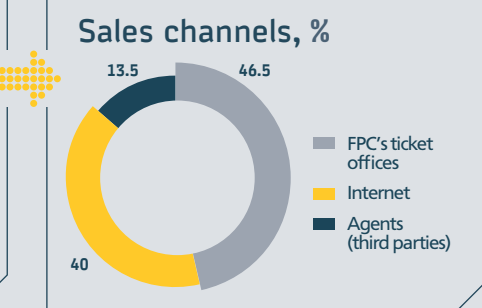
**RUB 19.4 billion**

### 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



### 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