

Investment projects of the second category financed through the issuance of infrastructure bonds

Investment projects of the second category are financed through the issuance of infrastructure bonds of the Company. These bonds are issued for a period of 15 to 30 years with a coupon rate set at the level a period of 15 to 30 years with an annual coupon rate set at the level of inflation and increased by 1%

In 2013, funds from infrastructure bonds were allocated mostly for projects of integrated development of the railway infrastructure on the approaches to the ports of the Northwest, South Russia and the Urals and Western Siberia, with reconstruction of sections between:

- ▶ Mga-Gatchina-Veimarn-Ivangorod
- ▶ Trubhaya-Baskunchak-Ksarayskaya
- ▶ Tobolsk-Surgut-Korotchaevo.

Moreover, the reconstruction of Leningradsky, Paveletsky, Yaroslavsky, Belarusk, Rizhsky and Savelovsky railway stations in Moscow was completed, 381 new locomotives were purchased, and an automated system of electricity fiscal metering was implemented at 170 substations.

These projects have a payback period of up to 30 years, with a significant multiplier effect on the economy of the Russian Federation.

In 2013, infrastructure bonds totalling

RUB 150 bn

were placed