

Main results of investment activity

The main objective of the Russian Railways investment programme is the development of railway infrastructure operability and its preservation at the proper level, ensuring the safety and sustainability of the transportation process and operational reliability. Most of the funds go towards the rolling stock, with the maintenance of conditions of occupational safety, environmental and fire safety, and upgrading of worn high-risk facilities.

Total amount of the investment budget (actual utilisation)

RUB **467.2**
bn

Investments aimed at removing infrastructural constraints

RUB **169.0**
bn

Investments aimed at improving transport accessibility for population of the country

RUB **59.5** bn

TOTAL INDICATORS OF THE INVESTMENT BUDGET OF RUSSIAN RAILWAYS IN 2013, RUB BN.

| Items | 2012 | | | 2013 | | | +/- 2013 to 2012 | % 2013 to 2012 |
|---|--------------|--------------------|--------------|--------------|--------------------|----------------|------------------|----------------|
| | Actual | Ratio of the total | Year plan | Actual | Ratio of the total | Utilisation, % | | |
| TOTAL | 480.1 | 100 | 467.5 | 467.2 | 100 | 99.9 | - 12.9 | 97.3 |
| Projects related to the performance of instructions of the Government of the Russian Federation | 73.4 | 15.3 | 45.8 | 46 | 9.9 | 100.4 | - 27.4 | 62.7 |
| Ensuring security | 66.9 | 13.9 | 55 | 56.1 | 12.0 | 102.0 | - 10.8 | 83.9 |
| Removing infrastructure constraints | 178.1 | 37.1 | 166.8 | 169.0 | 36.2 | 101.3 | - 9.1 | 94.9 |
| Improving transport accessibility for the population | 36.4 | 7.6 | 61 | 59.5 | 12.7 | 97.5 | 23.1 | 163.5 |
| Rolling stock upgrading | 75.5 | 15.7 | 119 | 118.7 | 25.4 | 99.7 | 43.2 | 157.2 |
| Other projects | 49.8 | 10.4 | 19.9 | 17.9 | 3.8 | 89.9 | - 31.9 | 35.9 |

THE MAIN OBJECTIVE OF THE INVESTMENT BUDGET IN 2013 WAS THE COMPLETION OF PRIORITY PROJECTS FOR THE SOCHI OLYMPIC GAMES AND THE UNIVERSIADE IN KAZAN

DEVELOPMENT OF RAILWAY INFRASTRUCTURE TO PROVIDE TRANSPORT SERVICE FOR THE XXVII WORLD SUMMER UNIVERSIADE 2013

CCOMBINED (ROAD AND RAIL) LINE FOR THE ADLER-MOUNTAIN CLIMATE RESORT ALPIKA-SERVICE WITH THE CONSTRUCTION OF A SECOND RAIL TRACK ON THE SOCHI-ADLER-VESELOE SECTION

INFRASTRUCTURE DEVELOPMENT IN PREPARATION FOR AND DURING SOCHI OLYMPIC GAMES



The Company's 2013 budget as initially approved by the Board of Directors amounted to RUB 411.4 billion. Subject to adjustments made, the planned investment budget for 2013 amounted to RUB 467.5 billion, and actual utilisation totalled RUB 467.2 billion, or 99.9% of the plan.

The main objective of the investment budget in 2013 was the completion of priority infrastructure projects for the preparation and holding of Sochi Olympic Games and the World Summer Universiade in Kazan.

The federal budget, the Company's own funds and the funds of Moscow budget were used to fulfill targets on the project "Development of the Moscow Transport Hub".

In 2013, the Company fulfilled all targets for the year, including the projects related to the implementation instructions of the Government of the Russian Federation.

The most significant and capital intensive project was the "Combined (road and rail) Line Adler-Mountain Climate Resort "Alpika Service", with the construction of a second rail track on the Sochi-Adler-Veseloe section, which was implemented in preparation for the Sochi 2014 Winter Olympic Games.

Implementation of the project started in 2008 and was carried out mostly using federal funds. Actual expenses totalled RUB 271.6 billion.

In 2013, the project "Organisation of Intermodal Transportation from Kazan Train Station to Kazan International Airport" was fully completed. It was carried out in preparation for the XXVII World Summer Universiade 2013 in Kazan.