

Relationships with Rating Agencies, Investors and Analysts



In December 2013, Russian Railways conducted a number of traditional annual meetings with analysts from the Standard & Poor's, Moody's and Fitch rating agencies, at which analysts were presented with the expected results of the Group activity for 2013 and plans for 2014-2016.

Additionally, in order to fully address all agency questions, the Company organised additional triangular meetings with the participation of the Ministry of Economic Development.

Further to these meetings, the agencies prepared reports which confirmed the BBB/Baa1/BBB rating of Russian Railways and marked the most important achievements of the Company in financial stability management in 2013, including the following:

- ▶ Implementation of the long-term tariff regulation;
- ▶ Conservative financial policy of the Company and considerable increase of the average maturity of the debt portfolio;
- ▶ Large-scale programme of cost cutting in 2013-2014 implemented in response to a deteriorating market environment;
- ▶ Optimal debt repayment schedule ensuring low refinancing risks.

The analysts noted the strategic importance of the Company for the Russian economy and emphasised the close link between the operating and financial results of the Group and the state of the Russian economy.

SOVEREIGN CREDIT RATINGS OF THE RUSSIAN FEDERATION AND RUSSIAN RAILWAYS AT YEAR-END 2013

Issuer	Agency	Rating	Outlook
Russian Federation	Standard & Poor's	BBB	Stable
	Moody's	Baa1	Stable
	Fitch	BBB	Stable
Russian Railways	Standard & Poor's	BBB	Stable
	Moody's	Baa1	Stable
	Fitch	BBB	Stable



Company representatives were among the participants and organisers of the following investment meetings and conferences:

January-April	May-September	October-December
Euromoney	VTB Capital	Round tables of Fitch,

<ul style="list-style-type: none"> ▸ conference (Vienna) ▸ Bonds & Loans Russia Conference (Moscow) ▸ Meetings with investors in Asia (Shanghai, Seoul and Hong Kong) ▸ Road Show devoted to Eurobond IPOs in Swiss francs (Zurich) and euro (Frankfurt, Munich, Vienna, London) 	<ul style="list-style-type: none"> ▸ Investment Forum "Russia Calling" (London) ▸ International Regional Rail Business Forum (Strategic Partnership 1520) ▸ St. Petersburg International Economic Forum (St. Petersburg) 	<ul style="list-style-type: none"> ▸ Standard & Poor's, Moody's (Moscow) ▸ VTB Capital Investment Forum "Russia Calling" (Moscow) ▸ London Stock Exchange Conference (London) ▸ XI Russian Bond Congress (St. Petersburg) ▸ XI International Conference "The Transport Services Market: Cooperation and Partnership" (Moscow) ▸ Investors' Day (London) ▸ Investors' Day (Moscow)
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Investors' Days

Key events organised by Russian Railways in 2013 were Investors' Days held in December in London and Moscow. These events included a series of meetings with representatives of international and Russian innovation circles during which the Company submitted the most up-to-date information about its activities including its financial reporting and operating results.

Based on the experience of such events conducted by the Company since 2010, this form of interaction with investors is the most efficient and helps to maintain the demand for Russian Railways debt securities.