

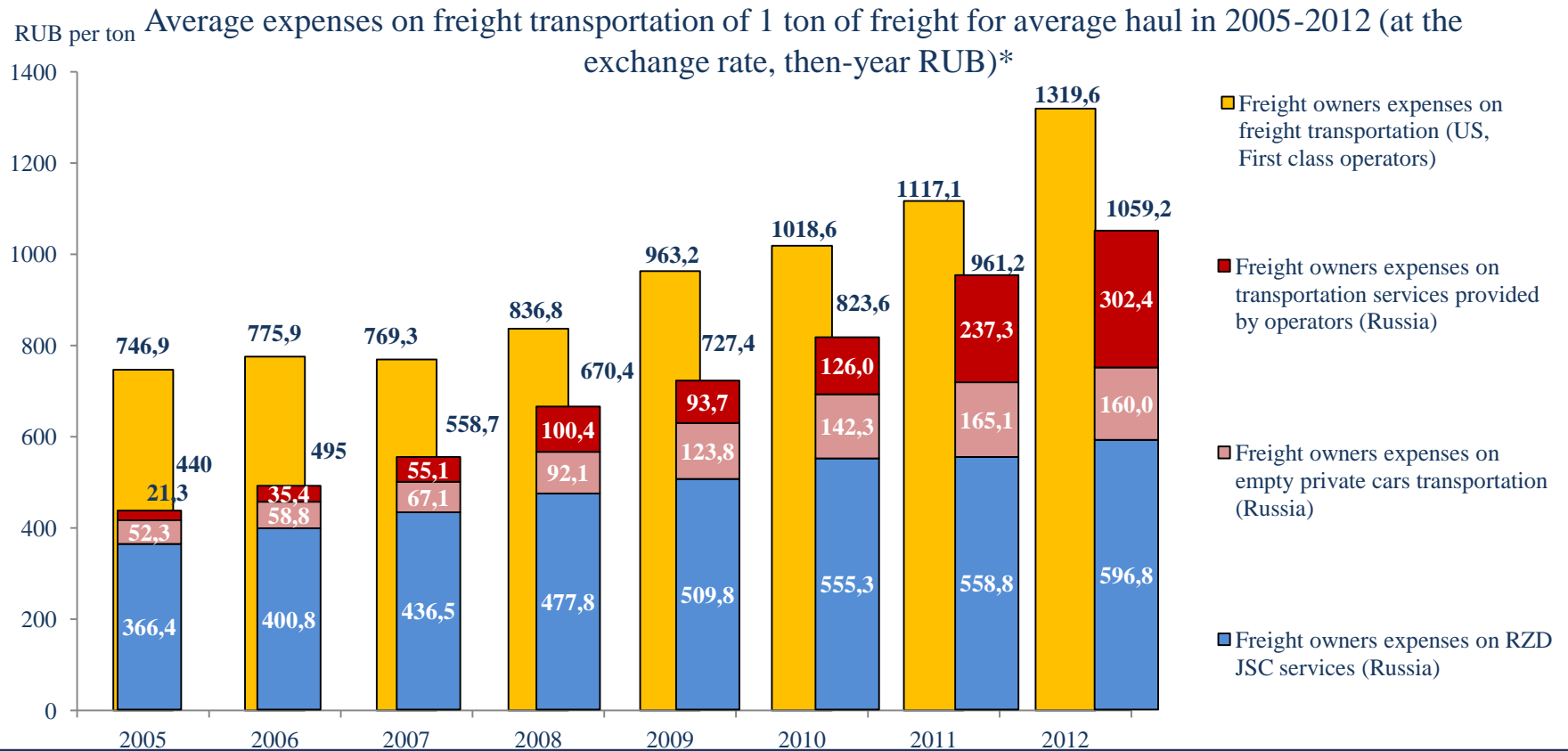


**Comparison of Freight Owners' Expenses on Freight Transportation in Russia and the USA**

**Moscow 2013**



# Freight owners average expenses on freight transportation in Russia and the US



**The difference between transport expenses of Russian and American freight owners reduces: in 2005 the difference was 41.1% while in 2012 – 19.7%**

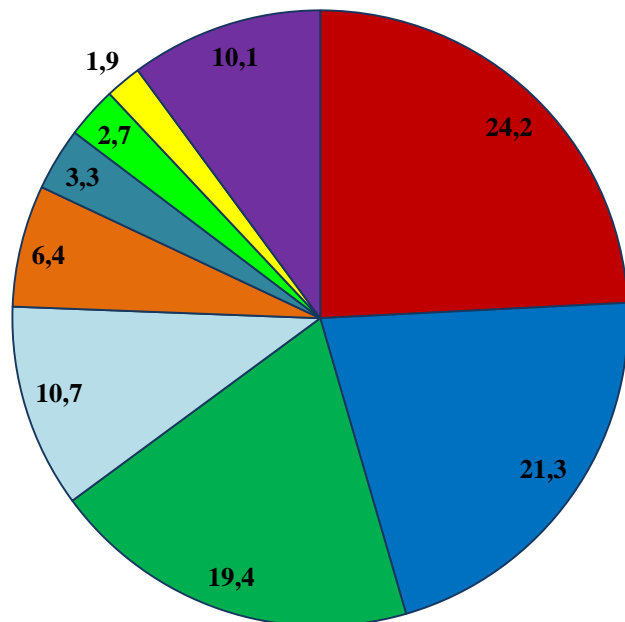
However it is necessary to mention the difference in freight transportation structure in terms of types of freight transported. In the USA high paying freight accounts for the largest share; and freight is transported for shorter distances.

The increase of expenses on transportation services provided by operators and expenses on empty cars transportation is caused by the increase of share of transportation in operators' cars and price rise for operators' services.

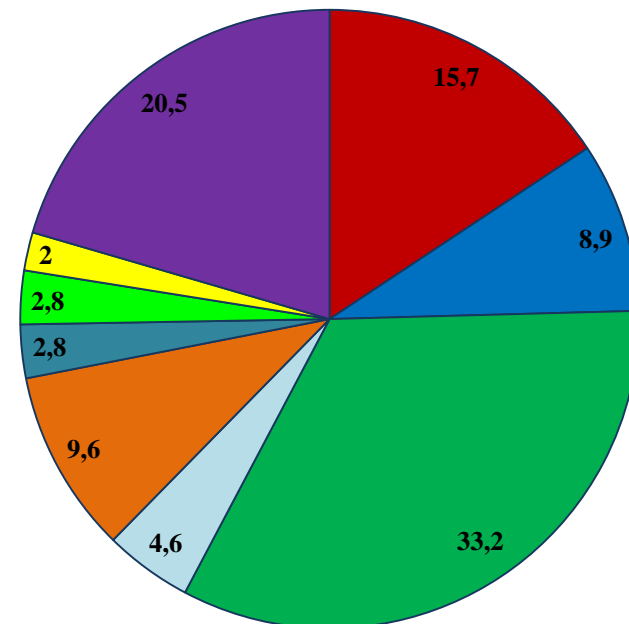
\*- Sources: The United States Department of Transportation, Association of American Railroads, Central Bank of Russia, RZD JSC accounting forms  
Calculation of freight owners expenses on services provided by operators is based on average transportation price, amount and share of transportation in private cars, standard delivery time.



## RZD JSC freight transportation in 2012 (%)



## RZD JSC revenues in 2012 (%)



- Coal
- Mineral and building materials
- Oil and oil products
- Metal ores
- Ferrous metals
- Chemical and mineral fertilizers
- Wood materials
- Grain and milled products
- Others

Transportation 4 types of freight (coal, mineral and building materials, metal ores, oil and oil products) account for 75.6% of total freight traffic in Russia.

Low paying freight share is the largest in Russia. For instance coal, mineral and building materials and metal ores share in total freight traffic is 56.2% while their share in revenue is only 29.2%. **Tariffs for transportation of several types of freight (coal, building materials) are lower than the prime cost of transportation.** One of the reasons is low tariffs for export transportations.