FAR-EASTERN SHIPPING COMPANY PLC.
AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2015
(unaudited)

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FAR-EASTERN SHIPPING COMPANY PLC
AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

Statement of management's responsibilities for the preparation and approval of the interim condensed consolidated financial statements for the three months ended 31 March 2015

The following statement is made with a view to the respective responsibilities of management in relation to the interim condensed consolidated financial statements of Far-Eastern Shipping Company PLC and its subsidiaries (the Group).

Management is responsible for the preparation of the interim condensed consolidated financial statements that present fairly the financial position of Far-Eastern Shipping Company PLC and its subsidiaries (the Group) as of 31 March 2015, and the results of its operations, cash flows and changes in shareholders' equity for the three months then ended, in accordance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting".

In preparing the interim condensed consolidated financial statements, management is responsible for:

- Applying consistently the accounting principles prescribed by IAS 34;
- Making judgments and estimates that are reasonable and prudent;
- Stating whether IAS 34 has been followed, subject to any material departures disclosed and explained in the interim condensed consolidated financial statements; and
- Preparing the interim condensed consolidated financial information on a going concern basis, unless it is inappropriate to presume that the Group will continue in business for the foreseeable future.

Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls, throughout the Group;
- Maintaining adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the consolidated financial position of the Group, and which enable them to ensure that the interim condensed consolidated financial statements of the Group comply with IAS 34;
- Maintaining statutory accounting records in compliance with local legislation and accounting standards in the respective jurisdictions in which the Group operates;
- Taking such steps as are reasonably available to them to safeguard the assets of the Group; and
- Preventing and detecting fraud and other irregularities.

The interim condensed consolidated financial statements of the Group for the three months ended 31 March 2015 were approved by management on 29 May 2015.

K.A. Sokolov, President__________ V.N. Belyakov, Vice President and CFO__________

The accompanying notes on pages 9 to 22 form an integral part of these consolidated interim condensed financial statements.

FAR-EASTERN SHIPPING COMPANY PLC.
and its subsidiaries

Consolidated Interim Condensed Statement of Financial Position
As at 31 March 2015
(unaudited)

USD mln	Note	31 March 2015	31 December 2014
ASSETS			
Non-Current Assets			
Fleet	8	91	92
Rolling stock	9	170	182
Other tangible fixed assets	10	211	221
Goodwill	7	109	114
Investments in associates and joint ventures	11	224	229
Other non-current assets	12	174	173
Total non-current assets		979	1,011
Current Assets			
Inventories		23	41
Accounts receivable	13	104	160
Current tax assets		5	6
Other current assets		2	2
Cash and cash equivalents	14	225	66
Total current assets		359	275
Total Assets		1,338	1,286
EQUITY AND LIABILITIES			
Shareholders' Equity	18		
Share capital		57	57
Share premium		777	777
Accumulated losses		(97)	(113)
Reserves		(755)	(726)
Equity attributable to owners of the Company		(18)	(5)
Non-controlling interests		4	4
Total equity		(14)	(1)
Non-Current Liabilities			
Long-term debt and finance lease obligations	16	1,010	1,068
Deferred tax liability		13	12
Other long-term liabilities		7	7
Total non-current liabilities		1,030	1,087
Current Liabilities			
Accounts payable	15	135	150
Current tax liabilities		1	2
Short-term debt and finance lease obligations	16	186	48
Total current liabilities		322	200
Total Liabilities		1,352	1,287
Total equity and liabilities		1,338	1,286

K.A. Sokolov, President__________ V.N. Belyakov, Vice President and CFO__________

Date: 29 May 2015

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FAR-EASTERN SHIPPING COMPANY PLC.
and its subsidiaries

Consolidated Interim Condensed Statement of Profit or Loss
For the three-month period ended 31 March 2015
(unaudited)

USD mln	Note	For the three - month period ended 31 March 2015	2014
Revenue	20	204	242
Operating expenses	21	(146)	(177)
Gross profit before depreciation and amortization		58	65
Depreciation and amortisation	8,9,10	(12)	(19)
Administrative expenses	22	(24)	(35)
Other income and expenses, net		-	1
Profit from operating activity		22	12
Interest expense		(24)	(28)
Foreign exchange gain/(loss)		6	(6)
Other finance income, net	23	15	4
Share of profit of equity accounted investees	11	4	8
Profit/(loss) before income tax		23	(10)
Income tax expense	17	(7)	(3)
Profit/(loss) for the period		16	(13)
Attributable to:			
Owners of the Company		16	(13)
Non-controlling interests		-	-
Earnings/(loss) per share (in USD)	24	USD 0.005	USD (0.005)

The accompanying notes on pages 9 to 22 form an integral part of these consolidated interim condensed financial statements.

FAR-EASTERN SHIPPING COMPANY PLC.
and its subsidiaries

Consolidated Interim Condensed Statement of Comprehensive Income
For the three-month period ended 31 March 2015
(unaudited)

USD mln	For the three - month period ended 31 March 2015	2014
Profit/(loss) for the period	16	(13)
Other comprehensive loss:		
Items that will never be reclassified to profit or loss		
Effect of foreign currency translation	(29)	(114)
Other comprehensive loss for the period	(29)	(114)
Total comprehensive loss for the period	(13)	(127)
Total comprehensive loss attributable to:		
Ordinary shareholders of the Company	(13)	(127)
Non-controlling interests	-	-

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FAR-EASTERN SHIPPING COMPANY PLC.
and its subsidiaries

Consolidated Interim Condensed Statement of Changes in Equity
For the three-month period ended 31 March 2015
(unaudited)

USD mln	Share capital (Note 18)	Share premium	Retained earnings/ (accumulated losses)	Revaluation reserve	Translation reserve	Total	Non-controlling interests	Total equity
	Attributable to equity holders of the Company							
Balance at 1 January 2014	57	777	9	13	(224)	632	9	641
Loss for the period	-	-	(13)	-	-	(13)	-	(13)
Other comprehensive loss								
Effect of foreign currency translation	-	-	-	-	(114)	(114)	-	(114)
Total other comprehensive loss	-	-	-	-	(114)	(114)	-	(114)
Total comprehensive loss for the period	-	-	(13)	-	(114)	(127)	-	(127)
Balance at 31 March 2014	57	777	(4)	13	(338)	505	9	514
Balance at 1 January 2015	57	777	(113)	1	(727)	(5)	4	(1)
Profit for the period	-	-	16	-	-	16	-	16
Other comprehensive loss								
Effect of foreign currency translation	-	-	-	-	(29)	(29)	-	(29)
Total other comprehensive loss	-	-	-	-	(29)	(29)	-	(29)
Total comprehensive profit/(loss) for the period	-	-	16	-	(29)	(13)	-	(13)
Balance at 31 March 2015	57	777	(97)	1	(756)	(18)	4	(14)

The accompanying notes on pages 9 to 22 form an integral part of these consolidated interim condensed financial statements.

FAR-EASTERN SHIPPING COMPANY PLC.
and its subsidiaries

Consolidated Interim Condensed Statement of Cash Flows
For the three-month period ended 31 March 2015
(unaudited)

USD mln	Note	For the three-month period ended 31 March 2015	2014
Cash flows from operating activities			
Profit/(loss) for the period		16	(13)
Adjustments for:			
Depreciation and amortisation		12	19
Loss on disposal of tangible fixed assets		-	1
Foreign exchange (profit)/loss		(6)	6
Net finance costs		9	24
Share of profit of equity accounted investees		(4)	(8)
Other income and expenses, net		-	2
Income tax expense		7	3
Cash from operating activities before changes in working capital and provisions		34	34
Change in inventories		18	(5)
Change in trade and other receivables		56	21
Change in trade and other payables		(35)	5
Cash flows from operations before income taxes paid		73	55
Income tax paid		(5)	(4)
Cash flows generated from operating activities		68	51

The accompanying notes on pages 9 to 22 form an integral part of these consolidated interim condensed financial statements.

FAR-EASTERN SHIPPING COMPANY PLC.
and its subsidiaries

Consolidated Interim Condensed Statement of Cash Flows
For the three-month period ended 31 March 2015
(unaudited)
(Continued)

		For the three-month period ended 31 March	
	Note	2015	2014
USD mln			
Cash flows from investing activities			
Vessels acquired		-	(3)
Expenditure on other fixed assets	10	(3)	(15)
Proceeds on disposal of fleet		-	5
Proceeds on disposal of other fixed assets		-	1
Finance lease received		1	1
Interest received		-	2
Net cash used in investing activities		(2)	(9)
Cash flows from financing activities			
Proceeds from borrowings		125	142
Repayment of borrowings		(9)	(4)
Redemption of Eurobonds		(9)	-
Finance charges		(4)	(5)
Restricted deposits		(1)	-
Net cash generated from financing activities		102	133
Effect of exchange rate fluctuations on cash and cash equivalents		(9)	(18)
Net increase in cash and cash equivalents		159	157
Cash and cash equivalents at the beginning of the period		66	191
Cash and cash equivalents at the end of the period		225	348

The accompanying notes on pages 9 to 22 form an integral part of these consolidated interim condensed financial statements.

1. Organisation and Trading Activities

Far-Eastern Shipping Company PLC. (FESCO or Company) was privatised and became a joint stock company governed by the laws of the Russian Federation on 3 December 1992. The Company's registered office and principal place of business is: 29 Serebryanicheskaya Naberezhnaya, Moscow, Russian Federation, 109028.

The Company's immediate shareholders are several Cyprus entities and Mr Ziavudin Magomedov is considered to be the Company's ultimate controlling party.

The principal activity of FESCO and its subsidiaries (the Group) has traditionally been shipping (ship owning, ship management, chartering out and line operating). In recent years FESCO has been transformed into an intermodal logistics Group focused on Russia, offering a full range of logistical solutions through a combination of shipping, rail, trucking and port services.

2. Statement of Compliance

These consolidated interim condensed financial statements have been prepared in accordance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"). They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

3. Significant Accounting Policies

A number of a new and amended IFRS become effective on 1 January 2015. Management consider that impacts of this pronouncement are not material or applicable to the Group's consolidated interim condensed Financial Statements. As a result the accounting policies applied by the Group in these consolidated interim condensed financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2014.

4. Estimates

The preparation of consolidated interim condensed financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these consolidated interim condensed financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the preparation of the consolidated financial statements as at and for the year ended 31 December 2014.

5. Financial Risk Management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2014.

6. Seasonality of Operations

The Group's operations are affected by seasonal factors including summer shipping season in northern regions and consumer and construction market cycles. Generally, volumes of cargo transported, as well as revenue, in the second and third quarters of the year tend to be higher than those in the first and fourth quarters because increase in demand for transporting containerised cargo and increase in the retail industry.

7. Goodwill

	Gross amount	Accumulated impairment loss	Carrying amount
		USD mln	
At 1 January 2014	300	(40)	260
Translation difference	(35)	13	(22)
At 31 March 2014	265	(27)	238
At 1 January 2015	170	(56)	114
Translation difference	(7)	2	(5)
At 31 March 2015	163	(54)	109

8. Fleet

	Carrying value	
	31 March 2015	31 December 2014
	USD mln	
Fleet	79	80
Deferred dry docking expenses	12	12
	91	92
Total deadweight tonnage	268	268

	Valuation	Depreciation	Net Book Value
		USD mln	
At 1 January 2014	80	-	80
Depreciation charge for the period	-	(1)	(1)
Additions	3	-	3
At 31 March 2014	83	(1)	82
At 1 January 2015	80	-	80
Depreciation charge for the period	-	(1)	(1)
At 31 March 2015	80	(1)	79

The Group reviews the carrying value of the fleet on an annual basis. At the interim date management analyses the carrying value of tangible fixed assets for indicators of impairment /reversal of impairment. No such indicators were identified.

Movements during the period on deferred dry docking expenses were:

	Cost	Depreciation	Net Book Value
		USD mln	
At 1 January 2014	18	(7)	11
Additions	2	-	2
Depreciation charge for the period	-	(1)	(1)
Amortised dry dock write off	(2)	2	-
At 31 March 2014	18	(6)	12
At 1 January 2015	20	(8)	12
Additions	1	-	1
Depreciation charge for the period	-	(1)	(1)
Amortised dry dock write off	(1)	1	-
At 31 March 2015	20	(8)	12

9. Rolling Stock

	Cost	Depreciation	Net Book Value
		USD mln	
At 1 January 2014	647	(205)	442
Additions in the period	5	-	5
Depreciation charge for the period	-	(10)	(10)
Disposals	(2)	1	(1)
Translation difference	(62)	17	(45)
At 31 March 2014	588	(197)	391
At 1 January 2015	324	(142)	182
Additions in the period	1	-	1
Depreciation charge for the period	-	(5)	(5)
Disposals	-	-	-
Translation difference	(13)	5	(8)
At 31 March 2015	312	(142)	170

Rolling stock includes assets held under finance leases with a net book value of USD 35 million (31 December 2014 – USD 37 million).

10. Other Tangible Fixed Assets

	Buildings and Infrastructure	Plant, Machinery and Other	Assets under construction	Total
	USD mln			
Cost				
At 1 January 2014	224	254	31	509
Additions	-	1	9	10
Disposals	-	(1)	-	(1)
Translation difference	(16)	(13)	(2)	(31)
At 31 March 2014	208	241	38	487
At 1 January 2015	147	183	29	359
Additions	-	-	2	2
Translation difference	(4)	(4)	(1)	(9)
At 31 March 2015	143	179	30	352
Depreciation				
At 1 January 2014	39	109	-	148
Depreciation charge	2	5	-	7
Eliminated on disposal	-	(1)	-	(1)
Translation difference	(2)	(2)	-	(4)
At 31 March 2014	39	111	-	150
At 1 January 2015	38	100	-	138
Depreciation charge	1	4	-	5
Translation difference	-	(2)	-	(2)
At 31 March 2015	39	102	-	141
Net Book Value				
At 1 January 2014	185	145	31	361
At 31 March 2014	169	130	38	337
At 1 January 2015	109	83	29	221
At 31 March 2015	104	77	30	211

Plant, machinery and other fixed assets include containers held under finance lease with a net book value of USD 4 million (at 31 December 2014 – USD 5 million) and plant and machinery with a net book value of USD 1 million (at 31 December 2014 – USD 1 million).

11. Investments in Associates and Joint Ventures

Equity accounted investments represent investments in joint ventures and associates.

Name	Country of incorporation	Percentage Holding	Activity	Classification
Transcontainer	Russia	24.1%	Intermodal Container Operations	Associate
"Russkaya Troyka"	Russia	50%	Intermodal Container Operations	Joint Venture
Trans Russia Agency Japan Co. Ltd	Japan	50%	Agency services	Joint Venture
International Paint (East Russia) Limited	Hong Kong	49%	Ship Paint Production	Associate
"SHOSHTRANS" JVCSC	Uzbekistan	25%	Forwarding services	Associate
Fesco China Logistic Co. Ltd	China	50%	Forwarding services	Joint Venture
MB – Fesco Trans	Cyprus	49%	Forwarding services	Associate

Movements in joint ventures and associated companies consolidated on an equity basis are as follows:

	31 March 2015	31 March 2014
	USD mln	
At the beginning of the period	229	370
Share of results of equity accounted investees	4	8
Translation differences	(9)	(30)
At the end of the period	224	348

Summary financial information for equity- accounted investees, not adjusted for the percentage ownership held by the Group:

Reporting date	Current assets	Non-current assets	Total assets	Current liabilities	Non – current liabilities	Total liabilities	Income	Expenses	Profit
As at 31 March 2015/ For three-month period ended 31 March 2015									
	USD mln								
31 March	148	963	1,111	98	191	289	178	164	14

Reporting date	Current assets	Non-current assets	Total assets	Current liabilities	Non – current liabilities	Total liabilities	Income	Expenses	Profit/ (loss)
As at 31 March 2014/ For three-month period ended 31 March 2014									
	USD mln								
31 March	268	1,532	1,800	193	346	539	265	233	32

Goodwill in amount of USD 18 million related to OJSC TransContainer is included into the investments in associates and joint ventures.

The market value of OJSC TransContainer shares and GDR's held by the Group, based on the quotations in Moscow Stock Exchange and LSE at 31 March 2015 is USD 125 million.

12. Other Non-Current Assets

	31 March 2015	31 December 2014
	USD mln	
Long term loan to related party, at amortized cost	155	152
Lease right	6	6
Prepayments for fixed assets, at cost	4	5
Other intangible assets	5	6
Other equity investments	1	2
Other non-current assets	3	2
	174	173

Loans to related party in the amount of USD 154 million represents loans to intermediate shareholder. Loans in amount of USD 146 million are repayable in December 2018 and outstanding amount is repayable in December 2020.

Prepayments for fixed assets represent prepayments for equipment.

The Group leases railroad platforms to one of its joint ventures. The lease agreement provides for ownership transfer of assets to the lessee at the end of the lease term for nominal consideration. The contractual interest rate on the platforms leased is 13.2 %.

13. Accounts Receivable

	31 March 2015	31 December 2014
	USD mln	
Trade debtors	46	70
VAT receivable	25	30
Prepayments to OJSC "Russian Railways"	5	12
Amounts due from associates and joint ventures	3	2
Other debtors and prepayments	30	51
Allowance for impairment	(5)	(5)
	104	160

14. Cash and Cash Equivalents

	31 March 2015	31 December 2014
	USD mln	
Bank accounts and cash in hand	225	66
	225	66

15. Accounts Payable

	31 March 2015	31 December 2014
	USD mln	
Trade creditors	49	65
Taxes payable, other than income tax	7	7
Interest payable	36	16
Other creditors and accruals	43	62
	135	150

16. Debt and Finance Leases Obligations

Debt

	31 March 2015	31 December 2014
	USD mln	
Loans and other obligations comprise:		
Secured loans		
At fixed rate 5% - 10%	25	27
At fixed rate 10% - 15%	9	10
At variable rates 5%-9.5% above Libor/Euribor /Mosprime	75	89
	109	126
Unsecured loans		
At fixed rate 1% - 5%	125	-
	125	-
Bonds		
At coupon rate of 10.25% p.a	85	88
At interest rate 8%-8.75%	844	864
	929	952
Obligations under finance leases at fixed rate 6%-10.5%%	8	9
Obligations under finance leases at fixed rate 10.5%-18.87%	25	29
	33	38
	1,196	1,116
Repayable within the next twelve months	186	48
Long term balance	1,010	1,068
	1,196	1,116

Market value of Eurobonds and bonds at the reporting date was USD 356 million and USD 67 million respectively.

In May 2015 the Group paid Eurobond interest to the total amounts of USD 36 million.

The carrying amount of pledged under debt obligations rolling stock, fleet and other fixed assets as at 31 March 2015 was USD 136 million.

During the reporting period the Group redeemed Eurobonds with the nominal value of USD 21 million to the total amount of USD 9 million. Capital gain resulting from the buy-back of Eurobonds in amount of USD 12 million was recognized as other financial income in reporting period.

The Group was in compliance with covenants as at 31 March 2015.

17. Current and Deferred Tax

Companies within the Group are subject to taxation in different jurisdictions. The most significant tax expense arises in entities incorporated in the Russian Federation.

	Three-month period ended 31 March	
	2015	2014
	USD mln	
Current tax expense		
Current period	5	6
	5	6
Deferred tax expense		
Origination and reversal of temporary differences	2	(3)
	2	(3)
Total income tax expense	7	3

Reconciliation of effective tax rate:

	Three-month period ended 31 March			
	2015		2014	
	USD mln	%	USD mln	%
Profit/(loss) before income tax	23	100	(10)	100
Income tax at applicable tax rate of 20% (2014: 20%)	5	20	(2)	(20)
Effect of income taxed at different rates	(2)	(8)	-	-
Non-deductible expenses/non-taxable income, net	3	13	5	46
Change in unrecognised deferred tax asset	1	4	-	-
	7	29	3	26

The Group's deferred tax liability mainly arises in entities incorporated in Russia and the effect of deferred taxation in other jurisdictions is not material.

18. Shareholders' Equity

	31 March 2015	31 December 2014
	USD mln	
Authorised number of shares (1 Rouble per share)	3,643,593,000	3,643,593,000
Issued number of shares	2,951,250,000	2,951,250,000
Share capital (USD million)	57	57

19. Business Segmental Analysis

For management purposes, the Group is organised into four major operating divisions – shipping, liner and logistics, railway services and ports. Ports are also divided into port and bunkering. The Group also includes certain companies that cannot be allocated to a specific division; these include investing and managing companies. These divisions are the basis on which the Group reports its operating segment information. The services provided by each of these divisions are as follows:

Shipping	The shipping division is involved in ship ownership, ship management, chartering out and provision of agency services. These activities are carried out on a cabotage, cross trade and import-export basis. The vessels operated by the shipping division are largely container vessels and bulk carriers.
Liner and Logistics	The Liner and logistics division operates liner services and provides freight forwarding services both for containers and break-bulk cargoes.
Railway Services	The railway services division provides services both as an operator and an agent. When acting as an operator it renders services for containerised and bulk cargoes using locomotives, railway wagons, hoppers, steel-pellet wagons and tank wagons owned by the division or leased by it under finance leases. In addition it uses rolling stock hired on short term operating leases.
Ports	The ports division owns and operates port facilities and container terminals in Russia and provides cargo handling, stevedoring, container storage and rental and related port services and facilities.
Bunkering	The bunkering division provides services of ship bunkering which involves transferring oil and fuel to and from a vessel.

Segmental reporting information is submitted to management of the Group on a regular basis as part of the management reporting process. It is used to assess the efficiency of the segments and to take decision on the allocation of resources.

Segment information for the main reportable segments of the Group for the three-month period ended 31 March 2015 is set out below.

	Shipping	Liner and Logistics	Railway services	Ports	Bunkering	Corporate	Investment in Trans-Container	Eliminations/ Adjustments	Total
					USD mln				
External sales	16	97	25	20	46	-	-	-	204
Inter-segment sales	12	-	2	12	6	-	-	(32)	-
Segment revenue	28	97	27	32	52	-	-	(32)	204
Segment expenses (*)	(16)	(96)	(23)	(14)	(47)	(9)	-	35	(170)
Segment result	12	1	4	18	5	(9)	-	3	34
Segment non-cash items:									
Depreciation and amortization	(2)	(2)	(5)	(3)	-	-	-	-	(12)
Other material items of income/expense:									
Other income and expenses	-	-	1	-	-	2	-	(3)	-
Interest expense	-	(1)	(3)	(1)	(1)	(22)	-	4	(24)
Share of profit of equity accounted investees	-	-	-	-	-	-	4	-	4
Income tax (expense)/benefit	-	(1)	(1)	(4)	(1)	-	-	-	(7)

Segment information for the main reportable segments of the Group for the three-month period ended 31 March 2014 is set out below.

	Shipping	Liner and Logistics	Railway services	Ports	Bunkering	Corporate	Investment in Trans-Container	Eliminations/ Adjustments	Total
	USD mln								
External sales	14	137	42	34	15	-	-	-	242
Inter-segment sales	6	-	3	10	14	-	-	(33)	-
Segment revenue	20	137	45	44	29	-	-	(33)	242
Segment expenses (*)	(17)	(138)	(33)	(25)	(26)	(10)	-	37	(212)
Segment result	3	(1)	12	19	3	(10)	-	4	30
Segment non-cash items:									
Depreciation and amortization	(2)	(3)	(10)	(4)	-	-	-	-	(19)
Other material items of income/expense:									
Other income and expenses, net	(1)	1	2	-	-	2	-	(3)	1
Interest expense	-	(1)	(6)	(1)	-	(25)	-	5	(28)
Share of profit of equity accounted investees	-	-	1	-	-	-	7	-	8
Income tax (expense) / benefit	2	(1)	1	(4)	(1)	-	-	-	(3)

Segmental assets and liabilities

	Assets		Liabilities	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	USD mln			
Shipping (Global)	122	126	22	21
Liner and logistics (Global)	248	145	188	85
Railway services (Russia)	265	256	36	42
Ports (Russia)	162	218	48	63
Bunkering	61	62	13	14
Total of all segments	858	807	307	225
Goodwill	109	114	-	-
Other items not attributed to a specific segment	371	365	1,045	1,062
Consolidated	1,338	1,286	1,352	1,287

Other segmental information

	Acquisition of segment assets		Investments in equity accounted investees	
	31 March 2015	31 March 2014	31 March 2015	31 December 2014
	USD mln			
Shipping (Global)	1	5	1	-
Liner and logistics (Global)	-	1	2	3
Railway services (Russia)	1	5	12	13
Ports (Russia)	2	9	-	-
Investment in TransContainer	-	-	209	213
	4	20	224	229

(*) Segment expenses include operating expenses and administrative expenses.

20. Revenue

	Three-month period ended 31 March 2015	2014
	USD mln	
Transportation services (operators' business)	118	171
Port and stevedoring services	20	34
Bunkering	46	15
Revenue from rentals	3	8
Hire and freight	16	13
Agency fees	1	1
	204	242

21. Operating Expenses

	Three-month period ended 31 March 2015	2014
	USD mln	
Railway infrastructure tariff and transportation services	76	111
Payroll expenses	14	23
Bunkering	40	22
Voyage and vessel running cost	9	7
Stevedoring services	1	6
Operating lease	5	6
Non-profit based taxes	1	2
	146	177

22. Administrative Expenses

	Three-month period ended 31 March 2015	2014
	USD mln	
Salary and other staff related costs	15	23
Professional fees	2	3
Office rent	2	2
Other administrative expenses	5	7
	24	35

23. Other Finance Income, Net

	Three-month period ended 31 March 2015	2014
	USD mln	
Interest income	3	4
Bonds redemption (Note 16)	12	-
	15	4

24. Earnings per Share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year, excluding those held by Group companies . For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potential dilutive ordinary shares.

	Three-month period ended 31 March	
	2015	2014
	USD	
Profit/(loss) for the period	15,706,000	(13,419,000)
Weighted average number of shares in issue (note 18)	2,951,250,000	2,951,250,000
Earnings /(loss) per share	0.005	(0.005)

25. Contingencies and Commitments

There were no changes in management assessment of taxation contingencies and business environment as compared to those disclosed in consolidated financial statements as at and for the year ended 31 December 2014.

26. Related Party Transactions

For the purposes of these consolidated interim condensed financial statements, parties are considered to be related if both parties are under common control or one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

During the period eight individuals were considered to be the Group's key management and directors (2014– eight individuals). Their remuneration during the period was as follows:

	Three-month period ended 31 March	
	2015	2014
	USD mln	
Salaries	1	1
Bonuses	-	-
	1	1

Statement of financial position	31 March 2015	31 December 2014	Nature of balances
	USD mln		
Associates	2	2	Trade receivables
Joint Venture Company	1	1	Loan issued
Joint Venture Company	1	1	Interest receivable
Joint Venture Company	2	2	Finance lease receivable
Related through common shareholder	154	152	Loan issued
Related through common shareholder	2	2	Trade receivables
Related through common shareholder	-	(9)	Trade payables

Statement of Profit or Loss	31 March 2015	31 March 2014	Nature of transactions
	USD mln		
Associates sales	1	1	Agency services, rent and other services
Associates purchases	(1)	(2)	Agency services, rent and other expenses
Joint Venture Company purchases	-	(1)	Agency ,transportation and stevedoring services
Related through common shareholder	20	-	Sale of bunker
Related through common shareholder	2	2	Interest income
Related through common shareholder	(1)	(1)	Other related services

27. Events Subsequent to the Reporting Date

In April 2015 the Group issued Russian rouble denominated exchange-traded, non-convertible bonds for a total amount of RUB 5 billion (approximately USD 100 million). The Bonds circulation period is 34 months. The interest rate for the second, third, fourth, fifth, and sixth coupons is equal to the key rate of the Bank of Russia effective as of the date preceding the date of the relevant coupon period start, increased by 5% per annum, but it can be neither less than 11% per annum nor more than 19% per annum. There is an option of the Bonds early redemption at the third coupon period end date.

In April and May 2015 the Group redeemed Bonds with the nominal value of USD 60 million (RUB 2 992 million) to the total amount of USD 48 million (RUB 2 394 million) and Eurobonds with the nominal value of USD 220 million to the total amount of USD 111 million. The Eurobonds buyback was partially financed by the Company's ultimate controlling party in amount of USD 10 million and by the international bank in amount of USD 44 million.