

### Train Safety Statistics

In 2012, the number of traffic accidents and other events related to the violation of safety rules and the operation of the railway transport infrastructure at JSC "Russian Railways" increased by 3% (against 2011) and amounted to 9,185 cases. In 2011, the total number of traffic accidents and other events related to the violation of safety rules and the operation of the railway was lower than in the previous year by 2% and amounted to 8,878 cases.

There were no accidents or emergencies at railway crossings, during the transportation of dangerous goods relating to unauthorized traffic on public railway tracks or non-public automotive equipment.

There were no cases of train arrivals or departures on unprepared routes, departures of trains to an occupied haul, wheel malfunctions, breaks in the center sills of the rolling stock, wrong signaling, or decoupling of cars from trains due to violations of loading procedures.

In general, the statistics of JSC "Russian Railways" show a significant decrease in the number of security breaches over the long term, from 2003 to 2008. However, in 2009–2011, performance improvements against main indicators slowed down given the significant geographical changes and increasing pressures on traffic, the new model of the transport market and an increasing number of independent participants in the transportation process, whose activities affect the train safety, but who are poorly regulated or standardized. In 2010 and 2011, the integral target value set by the functional security strategy was exceeded (as amended in 2007): the frequency of accidents and other incidents of any kind per one million train-km.

In order to reduce the costs of damages caused by accidents, JSC "Russian Railways", under its own initiative, insures its civil liability and property. Experience has shown the effectiveness of these insurance mechanisms in protecting the property interests of the Company: the average period of reimbursement of expenses to the Company incurred due to a traffic accident is less than 70 days, and up to 99% of costs claimed are refunded. The Holding Company has submitted a proposal to the Federal Agency for State Property Management to extend this practice to all participants of the transport process.

**In 2012, the reduced frequency of events:**

