MESSAGE FROM THE CHAIRMAN

Dear shareholders and colleagues,

The railway is constantly moving full steam ahead. Even today, FPC is already implementing projects that are rapidly changing people's ideas of passenger transportation. The development of new services (including electronic ones) and digital technologies, along with active upgrades of rolling stock dictate the need to change and adopt advanced management practices.

We are also focused on the continuous improvement of our e-ticketing system. In 2019, passengers bought more than 74.5 million e-tickets online, making up 57.4% of total sales. The growth came on the back of continued improvements to mobile services provided to passengers.

Daytime trains are in high demand with passengers: in 2019, 17.7 million passengers used these trains, an 18% increase in 2018. Double-decker passenger traffic also grew steadily, totalling 6 million passengers in 2019, up 30% from 2018. It was in part due to the launch of double-decker carriages on new routes, with 16 pairs of double-decker trains now running on railways across Russia.

Company Profile

Development Strategy

Performance Overview

Corporate Governance

Sustainable Development

Appendices

The railway is constantly moving full steam ahead. Even today, FPC is already implementing projects that are rapidly changing people's ideas of passenger transportation. The Company also makes sure passengers with special needs are not overlooked - every year, Federal Passenger Company works to improve the rail travel experience and accessibility for passengers with reduced mobility. The procurement of new carriages and upgrades to existing rolling stock create a more comfortable on-train environment and increase the number of carriages with specialised compartments. The Company employees receive annual refresher sessions on etiquette and service for passengers with reduced mobility. Over 213,000 passengers with health impairments used FPC's trains in 2019, almost twice as much as in 2018.

To sum up, I can confidently state that the past year was one of remarkable performance and positive transformation for FPC. I am certain that in 2020 the Company will keep reaching its targets and provide safe, reliable, and comfortable passenger services.

Sincerely, Dmitry Pegov