



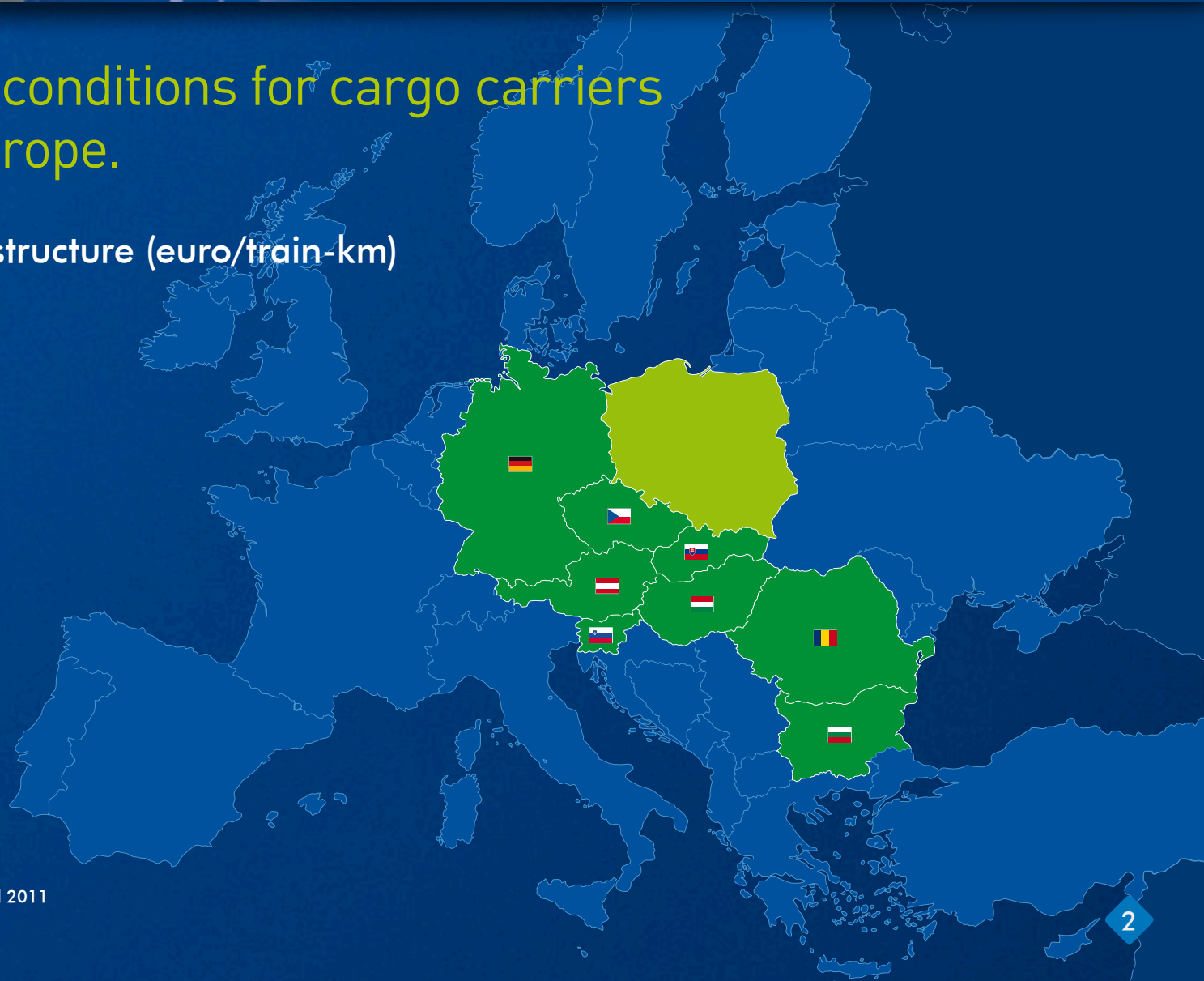
PKP CARGO INTERNATIONAL on the European market

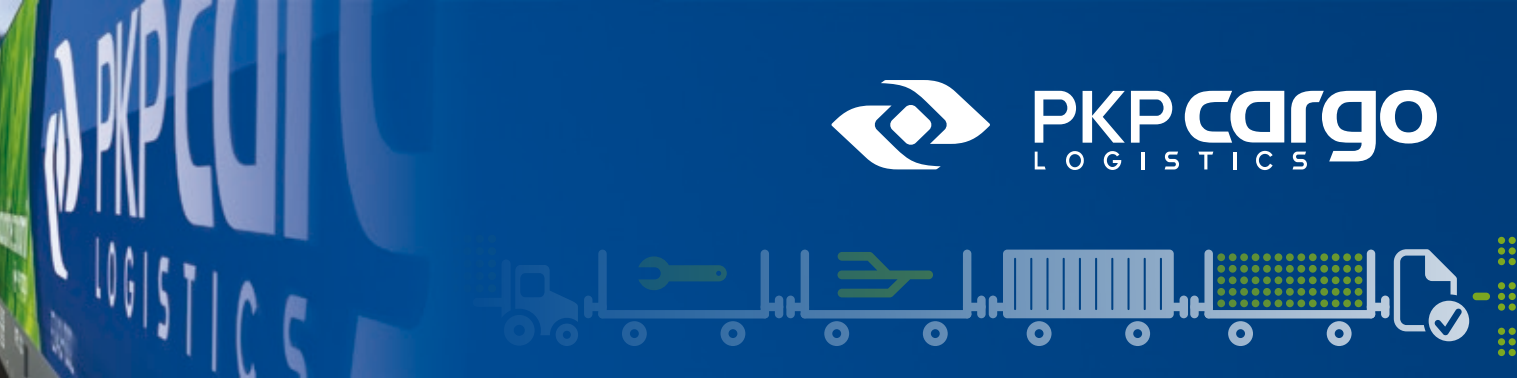


European market. The conditions for cargo carriers in Central - Eastern Europe.

Average rates of access to infrastructure (euro/train-km)

Poland	3,21
Germany	2,46
Czech Republic	4,30
Slovakia	10,30
Austria	2,39
Romania	3,27
Bulgaria	3,50
Slovenia	1,12
Hungary	2,70

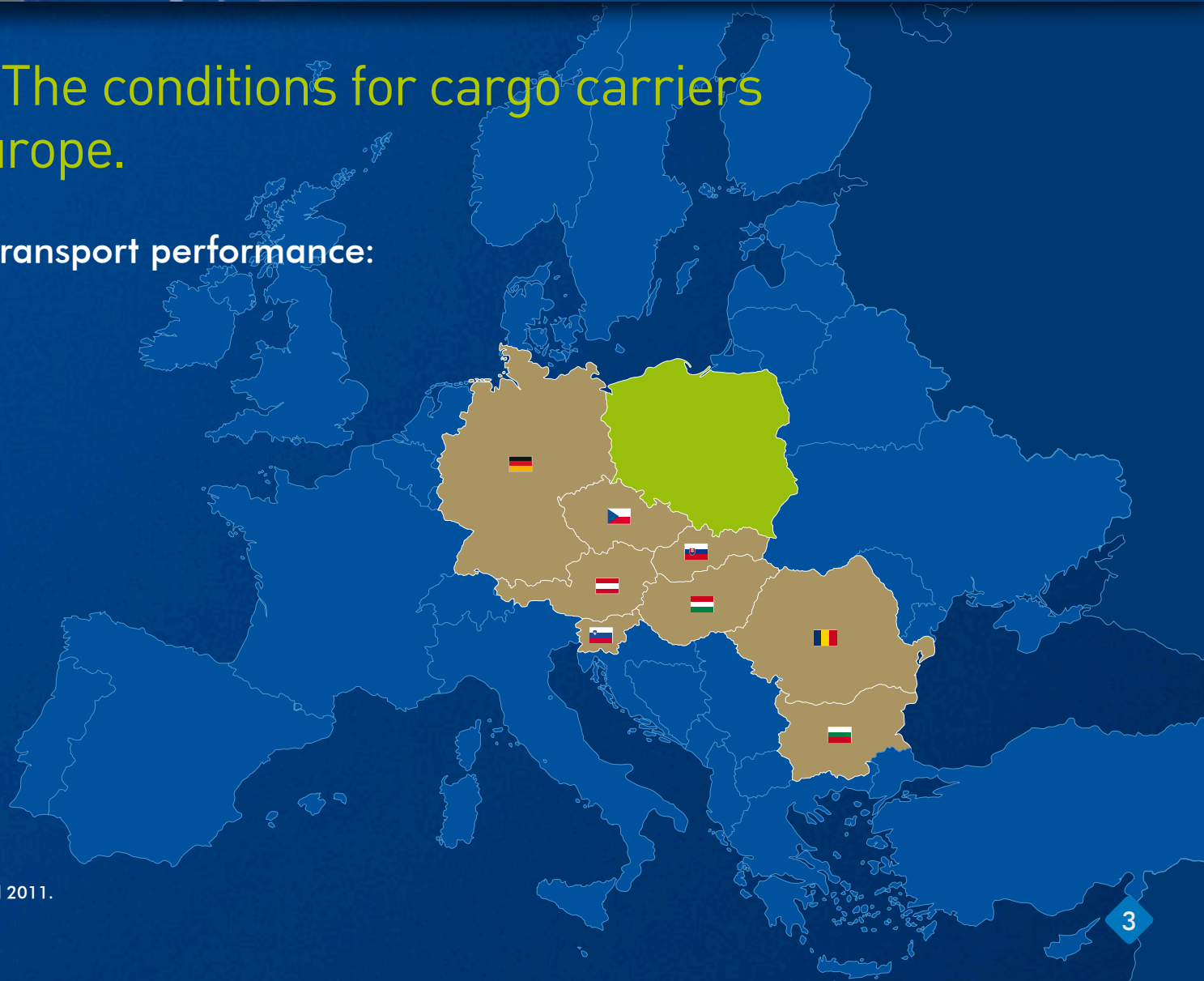




The European market. The conditions for cargo carriers in Central – Eastern Europe.

The share of private carriers in transport performance:

Poland	30%
Germany	25%
Austria	17%
Czech Republic	18 %
Slovakia	4%
Hungary	90%
Romania	50%
Bulgaria	30%
Slovenia	7%



Source: Rail Liberalisation Index IBM Global Business Services, April 2011.



PKP CARGO LOGISTICS on the European transport market.

Task distribution:

- **PKP CARGO** – licensed independent international transport by rail (Germany, Czech Republic, Slovakia),
- **PKP CARGO INTERNATIONAL**, based in Bratislava - shipping and rail services beyond the Polish borders,
- **TRADE TRANS** – international forwarding, car freight, ferry transport, air and sea freight forwarding.



PKP CARGO INTERNATIONAL Characteristics:

- **Registration:** 29 December 2010
- **Launch date:** 25 March 2011
- **The first contract:** 1 April 2011
- **Resources:**
 - Aiming at more than 1,000 carriages designed for trucking beyond the Polish border
 - Multi-system locomotives PKP CARGO
 - TRADE TRANS terminal infrastructure
- **The target area for operation:** Germany, Czech Republic, Slovakia, Austria, Hungary, Slovenia, Romania, Bulgaria and possibly other Balkan countries.



PKP CARGO INTERNATIONAL

Characteristics:

Strengths:

- Expected significant increase of the carried goods by rail to the markets in the area of operations of the Company
- The presence of the equity partner on the target markets
- Access to necessary information
- Submitting by the shareholders unused rolling stock and cash, for the purpose of it's renovation
- Opportunity to acquire a license in a short time for freight in several countries and the acquisition of small local railway
- Direct contact with customers through a network of branches in different countries - a comprehensive logistics service
- In case of a possible downturn in one market, possibility to increase activities in other markets



PKP CARGO INTERNATIONAL Characteristic:

Strengths:

- Possibility of setting up efficiently operating bodies with a proprietary company aimed at coordinating the activity without unnecessary and unused resources
- The employed company should be fitted to the amount of services provided, without administrative overgrowth in order to facilitate decision-making process
- Possibility of employing qualified staff, currently working with PKP Cargo, Trade Trans Invest and Rail Cargo Spedition.
- Strong brand identification of PKP CARGO on Central European markets.



PKP CARGO INTERNATIONAL Tasks

- **Organization of transport, forwarding**
Offer for the entire transport road and its implementation by a single subject for the highest efficiency and safety
- **Rental / lease of own carriages to carriers subsidiary companies and other carriers:**
Private as well as directly to customers
- **Management of carriers subsidiaries companies**



PKP CARGO INTERNATIONAL

Activity in the pan-European transport corridors





PKP CARGO INTERNATIONAL

Activity in the pan-European transport corridors





PKP CARGO INTERNATIONAL Activities

Contracts completed in 2011

- For TT Rail logistics of steel blanks in relation Frankfurt (Oder), Bremen
- For the RCS Vienna steel blanks in relation Horka / Bielawa Dolna-Bremen
- For NHTrans, SE coke in relation Chalupki / Bohumin-Breclav



PKP CARGO INTERNATIONAL Expansion

Entering the market through:

- Obtaining a license directly from the authorities in the country
- Acquisition of carriers already obtaining appropriate licenses and permits



PKP CARGO INTERNATIONAL Future plans

- The completion of the first tranche connected with the contribution in kind of 1000 carriages Ea
- Rental cars forming a series of 140 F
- The launch of a license in several countries in Central and Eastern Europe
- Looking for partners to form alliances



PKP CARGO INTERNATIONAL

Premices of success:

- Good quality execution of forwarding and transport contracts
- Gaining confidence and working out the image of a trustworthy reliable partner
- Increasing the number of clients of company's services in different countries
- Obtaining a recognized status of a carrier by PKP CARGO SA and other national carriers
- Obtaining a certificate in quality management
- Maintaining the agreed structure of costs, in particular low labor costs, low cost of maintaining their own carriages
- Implementing IT systems supporting forwarding and finance management



Logistics without frontiers

Thank you for your attention