NCSP Group
9 Months 2011 IFRS Results Presentation

December 21st 2011




Disclaimer

All statements in this presentation, other than historical facts, that address company's business are forward looking statements. Although, NCSP believes that expectations expressed in such forward looking statements are based on reasonable assumptions, such statements should not in any way be construed as guarantees of future performance. Factors that could cause developments to differ materially from those expressed include overall market conditions. The company is subject to specific risks inherent in the stevedoring business and general economic and business conditions. Any statement or number in this presentation may be changed, depending on market conditions and other relevant developments.

Key Highlights

- **Operational performance – outperforming the market**
  - total cargo turnover increased by 1% YoY in 9m ‘11;
  - grain export ban removal led to record quarterly grain handling volumes in NCSP’s history;
  - stable oil handling volumes in 9m ‘11 (-0.9% YoY) despite drop in Russian total crude oil export volumes (-6.4% YoY*) over the same period;
  - robust growth in container handling volumes with growth rates exceeding the market average. NCSP’s share in total Russian ports’ container turnover (in tons) increased from 11.2%*** in 9m ‘10 to 12.6%*** in 9m ’11;
  - healthy performance in oil products (+35% YoY), iron ore and ore concentrate (+91.6%), mineral fertilizers (+10% YoY), sugar (+10% YoY) and non-ferrous metals (+2.8% YoY);
  - Ferrous metals (-12.8% YoY) and timber (-50%) were both under pressure due to global markets turmoil;

- **Financial performance – considerable growth in revenue and profitability in Q3 ‘11 compared to Q2 ’11**
  - Q3 ‘11 revenue of USD288 mln represents a 10% increase vs Q2 ’11 and 57% for the 9 months of 2011 vs the same period of 2010;
  - Q3 ‘11 cost of services of USD126 mln represents a 8% decrease vs Q2 ’11. SG&A expenses decreased 17% QoQ
  - Q3 ‘11 EBITDA of USD161 mln represents a 28% increase vs Q2 ‘11 and 17% for the 9 months of 2011 vs the same period of 2010;
  - EBITDA margin in Q3 ‘11 increased to 55.8% compared to 48.0% in Q2 ’11, 51.6% average for 9 months of 2011;
  - USD150 mln foreign exchange loss from devaluation of the RUB;

- **Gradual decrease in leverage**
  - net debt in Q3 ‘11 decreased by USD74 mln (-2.9%) due to scheduled amortisation, prepayment of Raiffeisenbank loan and growth in accumulated cash;
  - net debt/LTM** EBITDA as of the 30th September 2011 decreased to 5.2x from 6.2x as of 30th June 2011;

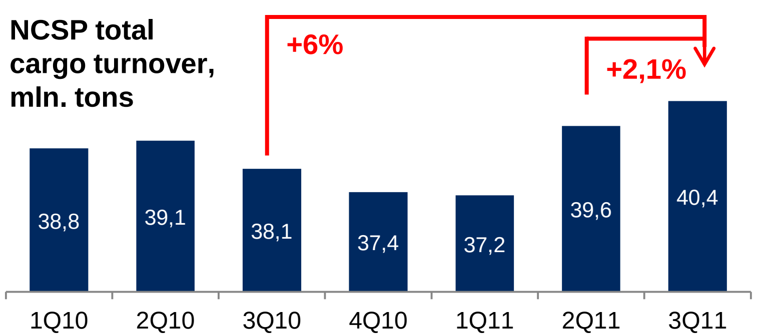
- **Healthy Operating Cash Flow**
  - Q3 ‘11 operating cash flow increased 22% vs Q2 ‘11 to USD199 mln for 9m ‘11;

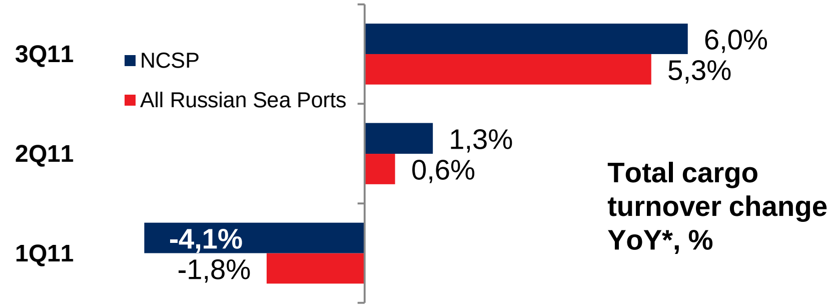
*According to Federal Customs Service data, **LTM - last twelve months ***Russian Sea Ports Association, NCSP Estimates

Operating results

Section 1. Growing total cargo turnover despite difficult market conditions

	1Q '11	2Q '11	3Q '11	January - Semtember 2011	January - Semtember 2010	Change '000 tons	Change, %
Cargo turnover, total	**37 245,2**	**39 573,6**	**40 415,0**	**117 233,8**	**116 046,3**	**1 187,5**	**1,0%**
Liquid cargo, total	***31 894,0***	***32 969,0***	***32 762,4***	***97 625,4***	***95 109,7***	***2 515,7***	***2,6%***
Crude oil	27 081,5	28 653,4	28 551,4	84 286,3	85 068,7	-782,4	-0,9%
Crude oil, NCSP	*10 865,1*	*9 898,9*	*11 538,0*	*32 301,9*	*31 693,8*	*608,1*	*1,9%*
Crude oil, PTP	*16 216,4*	*18 754,6*	*17 013,4*	*51 984,4*	*53 374,9*	*-1 390,5*	*-2,6%*
Oil products	4 737,1	4 168,0	4 091,8	12 996,9	9 569,3	3 427,6	35,8%
Oil products, NCSP	*3 268,7*	*2 655,4*	*2 853,9*	*8 777,9*	*9 569,3*	*-791,4*	*-8,3%*
Oil products, PTP	*1 468,4*	*1 512,6*	*1 238,0*	*4 219,0*	*0,0*	*4 219,0*	*-*
UAN	75,4	144,6	111,1	331,0	354,8	-23,7	-6,7%
Seed oils	0,0	3,0	8,1	11,1	116,9	-105,8	-90,5%
Bulk cargo, total	***1 832,1***	***2 634,9***	***4 396,8***	***8 863,9***	***9 965,5***	***-1 101,6***	***-11,1%***
Grain	68,3	16,6	2 956,2	3 041,1	5 759,5	-2 718,4	-47,2%
Mineral fertilizers	602,5	559,9	560,7	1 723,1	1 551,7	171,4	11,0%
Sugar	346,3	892,0	231,7	1 470,0	1 336,0	134,0	10,0%
Iron ore and ore concentrate	812,1	1 142,8	571,6	2 526,5	1 318,4	1 208,1	91,6%
Cement	2,9	23,7	76,7	103,2	0,0	103,2	-
General cargo, total	***2 275,4***	***2 646,4***	***2 142,5***	***7 064,3***	***8 277,2***	***-1 212,9***	***-14,7%***
Ferrous metals	1 728,6	2 009,6	1 664,9	5 403,2	6 198,9	-795,7	-12,8%
Timber	140,5	168,7	121,4	430,6	861,9	-431,3	-50,0%
Timber. thsd. cubic meters	*255,5*	*306,7*	*220,6*	*782,8*	*1 532,0*	*-749,2*	*-48,9%*
Non-ferrous metals	294,5	284,5	266,9	845,9	822,8	23,1	2,8%
Perishable cargo	53,5	95,7	14,5	163,8	167,8	-4,0	-2,4%
Other	58,2	87,9	74,7	220,8	225,9	-5,0	-2,2%
Containers	***1 243,8***	***1 323,2***	***1 113,3***	***3 680,3***	***2 693,9***	***986,4***	***36,6%***
Containers	1 243,8	1 323,2	1 113,3	3 680,3	2 693,9	986,4	36,6%
Containers, Novorossyisk	*1 038,0*	*1 112,5*	*891,7*	*3 042,2*	*2 177,6*	*864,6*	*39,7%*
Containers, BSK	*205,8*	*210,7*	*221,6*	*638,1*	*516,3*	*121,8*	*23,6%*
Containers, thsd. TEU	153,0	160,9	133,7	447,7	325,8	121,9	37,4%
Containers, Novorossyisk, thsd. TEU	*106,8*	*120,1*	*96,0*	*322,9*	*210,2*	*112,7*	*53,6%*
Containers, BSK, thsd. TEU	*46,2*	*40,8*	*37,8*	*124,8*	*115,7*	*9,1*	*7,9%*

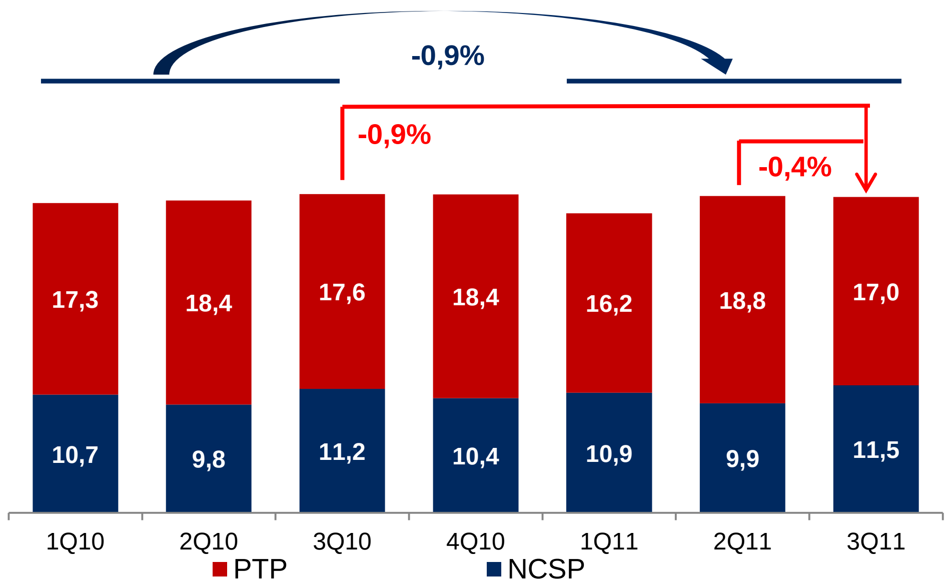




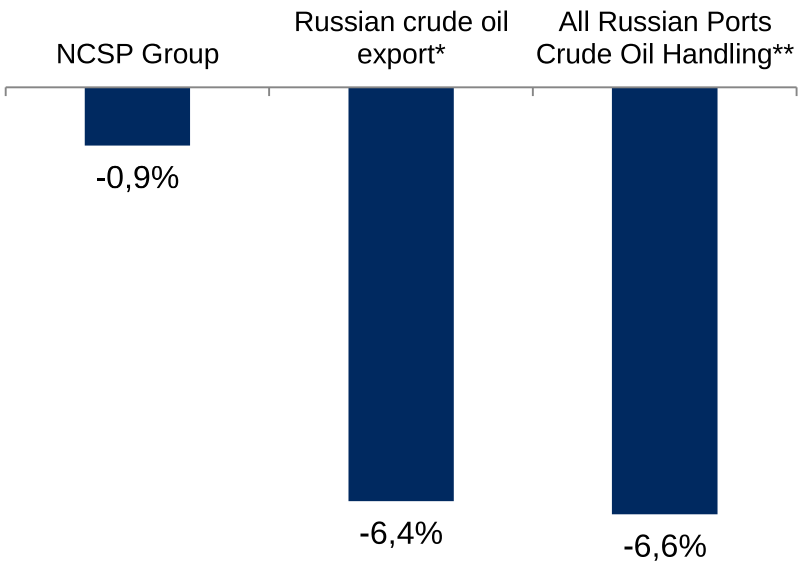
Section 1. Strengthening positions in oil handling market

- Stable oil handling volumes in 9m '11 (-0,9% YoY) despite drop in Russian total crude oil export volumes (-6.4% YoY*);
  - Only -0,1% contraction based on disclosed November operating statistics
- Group's share in Russian crude oil export to non-CIS countries increased from 50.9% in 9m '10 to 53.9% in 9m '11;
- NCSP Group maintains it's position as the key route of Russian crude oil export;

NCSP Group Crude Oil Handling Volumes (mln. tons)



NCSP Group 9m '11 Crude Oil Handling YoY change, vs Total Russian Crude Oil Export and All Russian Sea Ports' Crude Oil Handling

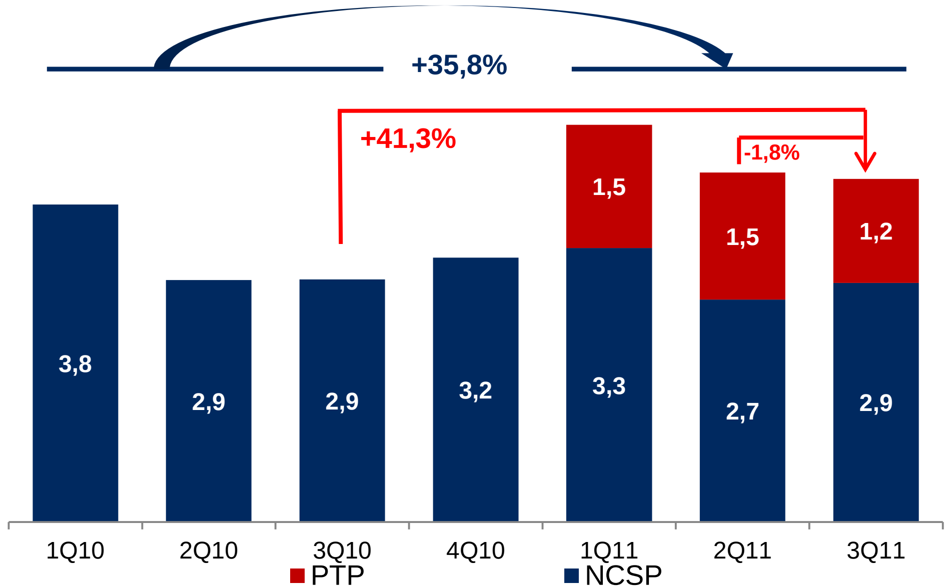


Section 1. Increasing Market Share in Oil Products Transshipment

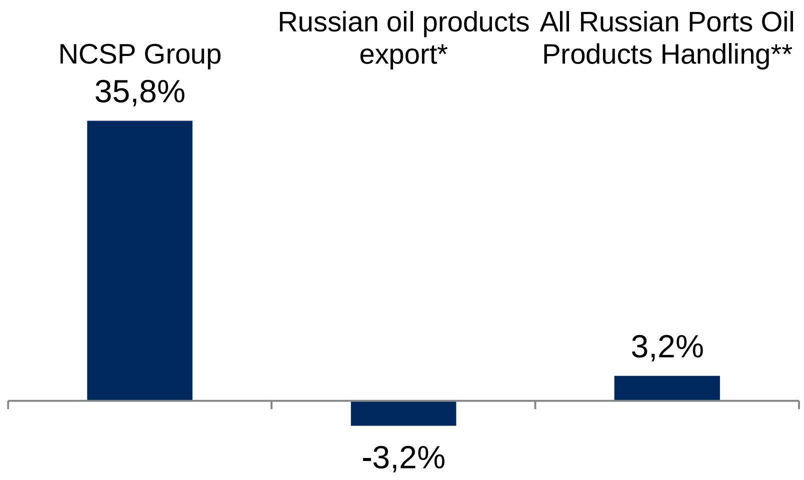
- Total Russian diesel and fuel oil production increased in January-September 2011 by 3.2%*** versus the same period of 2010 but growth in domestic consumption led to a decrease in exports by 3.2%* over the same period;
- NCSP Group mitigated the decrease in oil product exports by starting of transshipment of diesel in Primorsk (4 219 thousand tons in 9m ‘11);
- NCSP Group’s share increased in both Russian oil products production and export;

	NCSP transshipment’s share in diesel and fuel oil produced in Russia	NCSP transshipment’s share in diesel and fuel oil exported from Russia
9m ‘11	12.2%	14%
9m ‘10	9.2%	10%

NCSP Group Oil Products Handling Volumes (mln. tons)



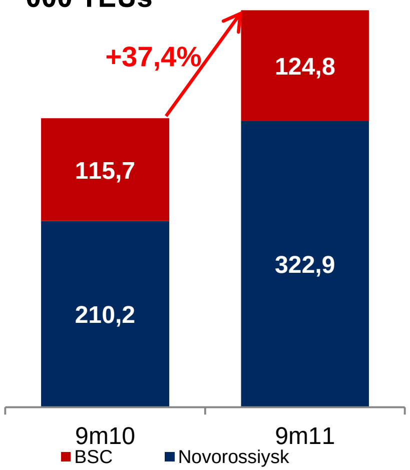
NCSP Group 9m ‘11 Oil Product Handling YoY change, vs Total Russian Export and All Russian Sea Ports’ Handling



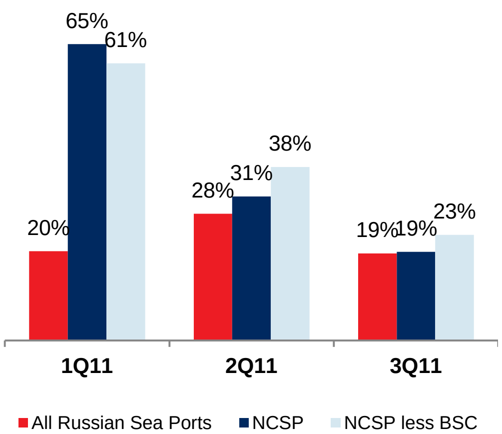
Section 1. Grain and containers as the main growth driver

Containers. Outperforming the Growing Market

Containers turnover, '000 TEUs



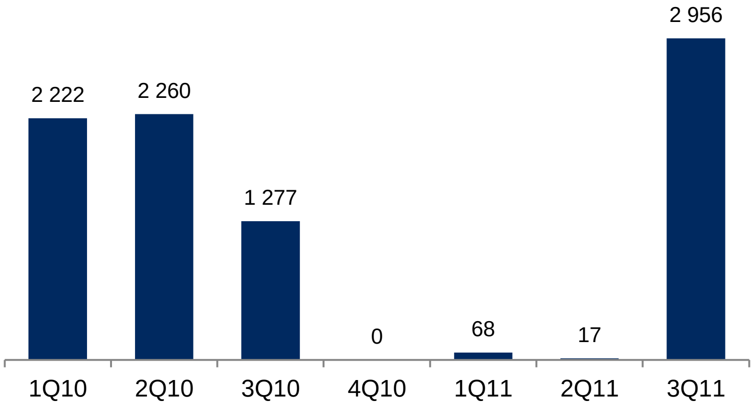
Containers turnover YoY growth, in tons, %*



- Despite the decrease in Q3 '11 growth rates on QoQ basis, Russian container market continues to demonstrate double digit growth rates;
- NCSP Group outperformed the market on YoY basis in each of the 2011's 3 quarters;
- In January-September 2011 total container turnover increased in TEU terms by 37.4% versus the same period of 2010.

Grain. Record Quarter After Export Ban Removal

NCSP grain handling volumes, '000 tons

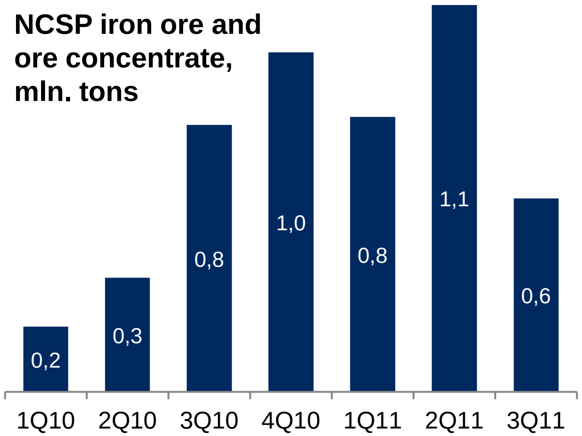


- After the grain export ban removal on July 1st 2011 the Group demonstrated record quarterly volume of 3,0 mln tons;
- The gap vs 2010 is expected to be minimized before the end of the year (-17% for January – November 2011 vs -47% for 9m '11).

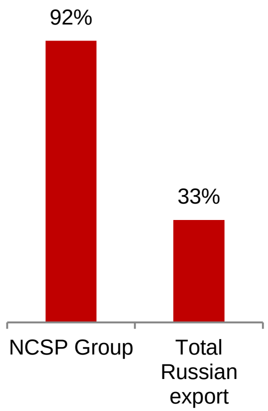
* - Source: Russian Sea Ports Association, NCSP Estimates

Section 1. Volumes (market commentary)

Iron Ore & Ore Concentrate. Gaining Market Share

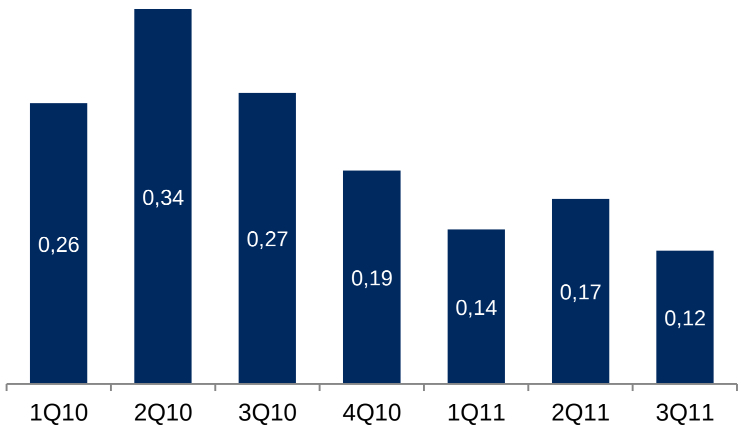


9m ‘11 vs 9m ‘10*, %



- Increase of 1.21 mln tons (+92%) across the Group vs 9m ‘10 due to:
  - Higher deadweight ships at berth
- NCSP outperformed total Russian iron ore and ore concentrate export (+92% vs +33%), as a result NCSP’s share increased from 8.7% in 9m ‘10 to 12.5% in 9m ‘11;

Timber (mln tons)



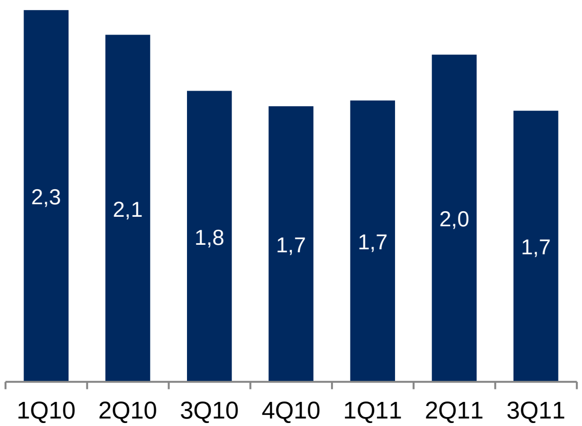
- 0.43 mln tons (-50%) timber reduction across the Group vs 9m ‘10 due to:
  - Political instability in Northern Africa and the Middle East, which combined represent the key market for Russian timber producers;
- Marginal impact on Group’s total handling volumes (0.4% of total volume in 9m ‘11).

Source: * - Federal Customs Service

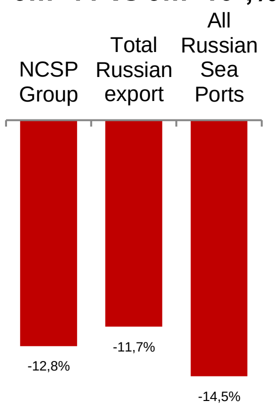
Section 1. Volumes (market commentary)

Ferrous metals. Inline with Industry Trends

Ferrous metals, mln. tons



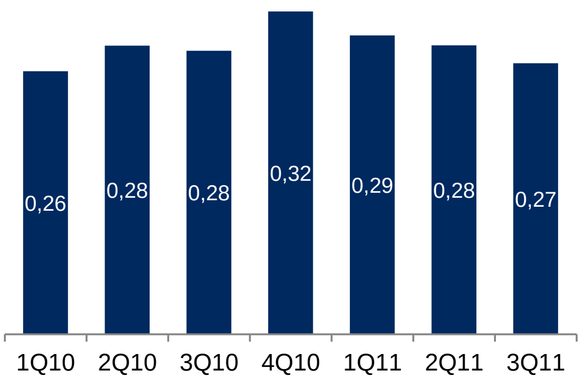
9m '11 vs 9m '10*,%



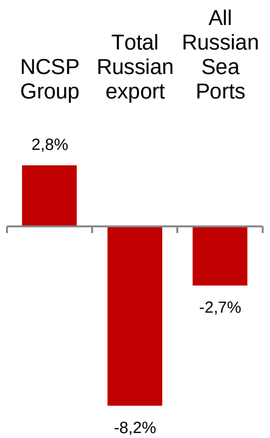
- 0.8 mln tons (-12.8%) ferrous metals reduction across the Group vs 9m '10 due to:
  - Supply / demand dynamics in global markets driven by a decrease in demand for Russian ferrous metals on export markets due to global markets turmoil
- This is inline with general industry trends with total Russian ferrous metals exports down by 11.7% YoY, and Russian sea ports' ferrous metals handling down by 14.5% YoY over the same period.

Non-Ferrous metals. Stable Volumes in a Declining Market

Non-Ferrous metals, mln. tons



9m '11 vs 9m '10*,%



- 0.02 mln tons (+2.8%) non-ferrous metals handling increase opposite to the market negative trend with total export decline of 8,2% YoY;
- In 9m '11 NCSP Group handled 30.7% of total Russian non CIS export vs 27.4% in 9m '10;

Source: * - Federal Customs Service, Russian Sea Ports Association.

Financial Performance

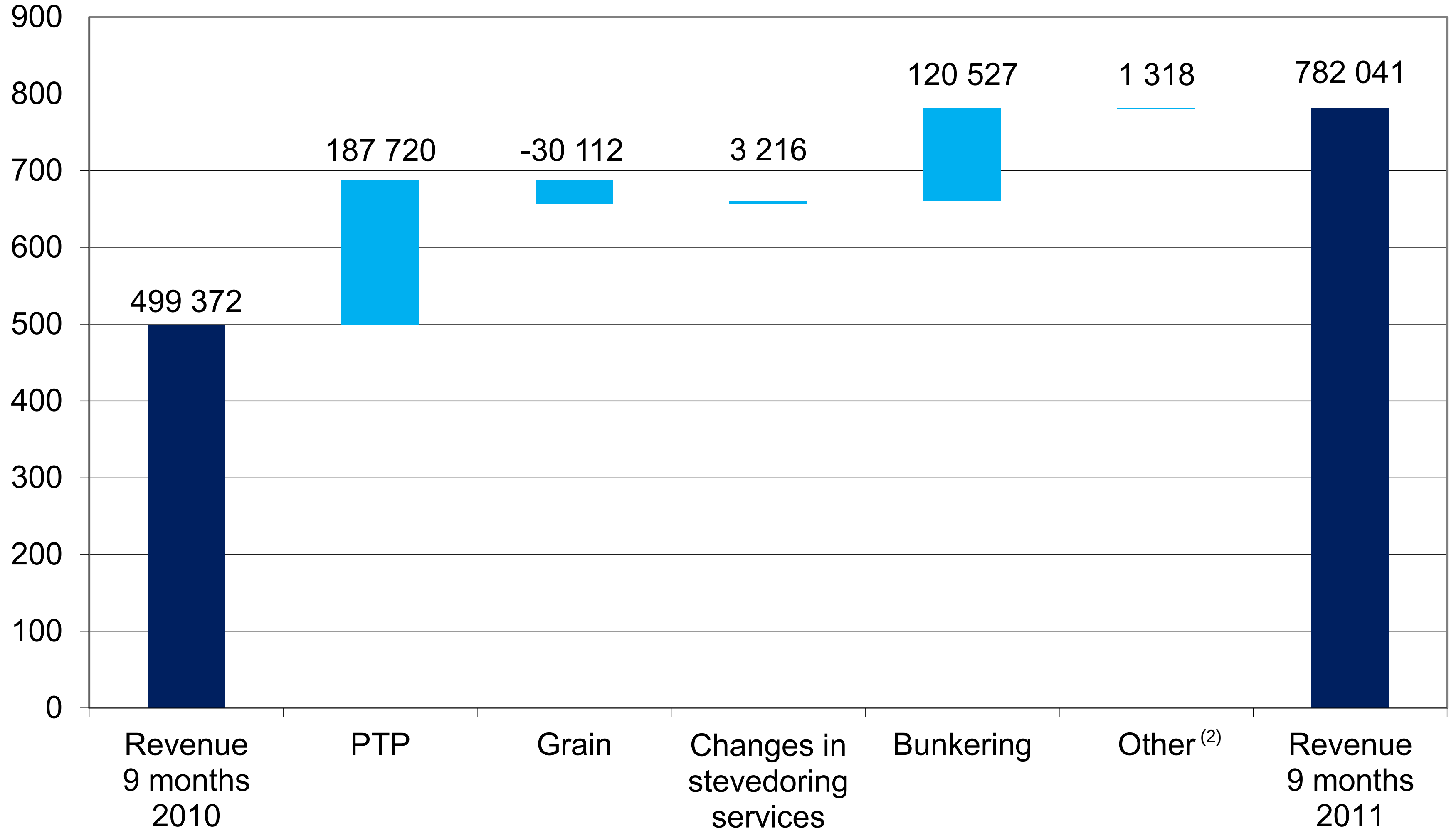
Section 2. Summary Financial Statistics

	Q3 ‘11 ‘000 USD	Q2 ‘11 ‘000 USD	Δ, ‘000 USD	Δ, %	9m ‘11 ‘000 USD	9m ‘10 ‘000 USD	Δ, ‘000 USD	Δ, %
Revenue	287 924	261 061	26 863	10.3%	782 041	499 372	282 669	56.6%
EBITDA	160 729	125 437	35 292	28.1%	403 807	345 667	58 140	16.8%
EBITDA margin,%	*55.8%*	*48.1%*			*51.6%*	*69.2%*		
Operating Cash Flow	86 782	73 115	13 667	18.7%	199 180	250 151	-50 971	-20.4%
CapEx[1]	28 206	23 785	4 421	18.6%	87 533	80 557	6 976	8.7%
Net Debt (at the end of the period)	2 472 768	2 546 840	-74 072	-2.9%				

1. Including VAT and maintenence

Section 2. Revenue Reconciliation[1]

'000 USD



1. Based on management accounts only
2. Additional services and other sales

Section 2. Cost of Services

	January - September		Δ, '000 USD	Δ, %
	2010	2011		
Fuel	50 277	171 565	121 288	241%
Depreciation and amortisation	48 250	57 018	8 768	18%
Personnel expenses	37 920	48 463	10 543	28%
Rent	7 826	51 280	43 454	555%
Taxes directly attributable to salaries	10 093	14 707	4 614	46%
Subcontractors	4 941	11 960	7 019	142%
Repairs and maintenance	11 939	11 854	-85	-1%
Energy and utilities	4 518	6 508	1 990	44%
Raw materials	5 916	5 587	-329	-6%
Defined benefit obligation charge	-2 286	970	3 256	n/a
Change in Provision payable to lessor	-2 868		2 868	n/a
Insurance	326	-36	-362	-111%
Other	1 408	1 285	-123	-9%
Total	**178 260**	**381 161**	**202 901**	**114%**

Effect of PTP Consolidation
- USD 67.1 mln in COGS(1)
- USD 13.1 mln in SG&A(1)

Bunkering services and cost of purchased fuel
- Increase in revenue from bunkering services in Novorossiysk by $120,6(1) mln to $170,6(1) mln resulted in a corresponding increase in bunker fuel purchases by 116,3(1) mln (out of $121.3 mln of total fuel purchases growth across the Group)
  - Increase in revenue from bunkering services is explained by consolidation of market share in Novorossiysk. Margin from bunkering services increased to $4.2 mln

Diesel transshipment in PTP and increase in rent payment
- In January 2011, PTP started renting two berths for transshipment of diesel, with the rent payment amounting to $21,3 mln(1) for the nine months of 2011

Insurance
- Negative cost due to insurance reimbursement in 3Q '11 for 3 tug-boats in PTP ($0,48 mln) exceeded 9m11 insurance costs

Personnel expenses
- 56%(1) of the total increase in staff costs was attributed to consolidation of PTP, with the rest explained by the new collective agreement in NCSP and inflation

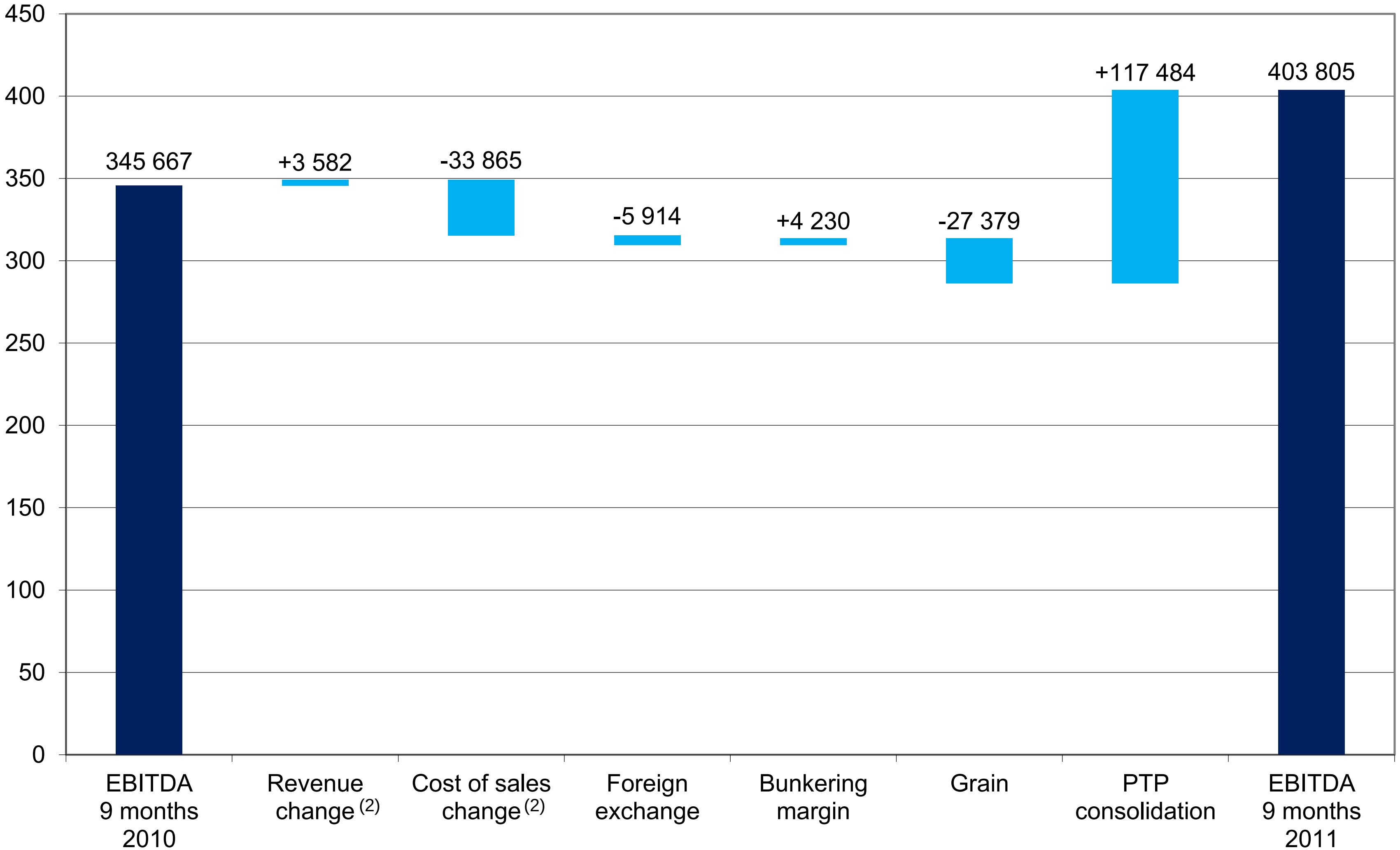
Costs growth inline with inflation
- Adjusted for PTP consolidation, bunkering operations and change in provisions, YoY growth of Costs of Services in 9m '11 would have been 11,3%(1) which is generally inline with inflation

One-off charges in SG&A
- In 2010 NCSP reversed a previously recorded loss on advances for PP&E, which reduced the 2010 base when comparing with 2011 by $8.5 mln
- Adjusted for one-off charges and PTP consolidation 9m '11 YoY SG&A growth is 8%, which is also generally inline with inflation

1. Based on management accounts only

Section 2. EBITDA Reconciliation[1]

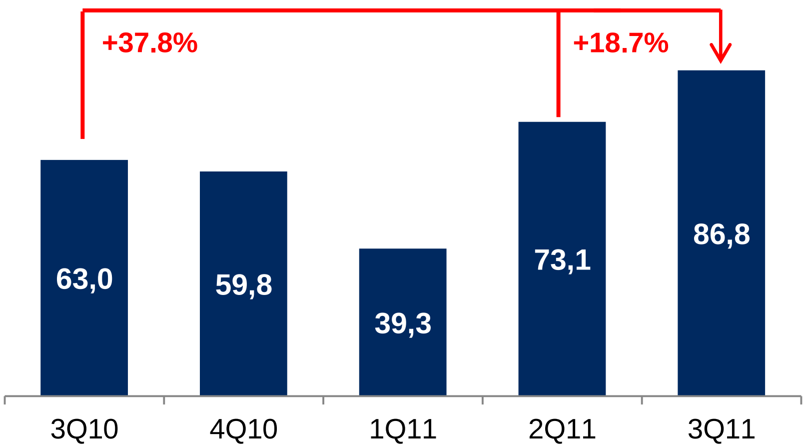
‘000 USD



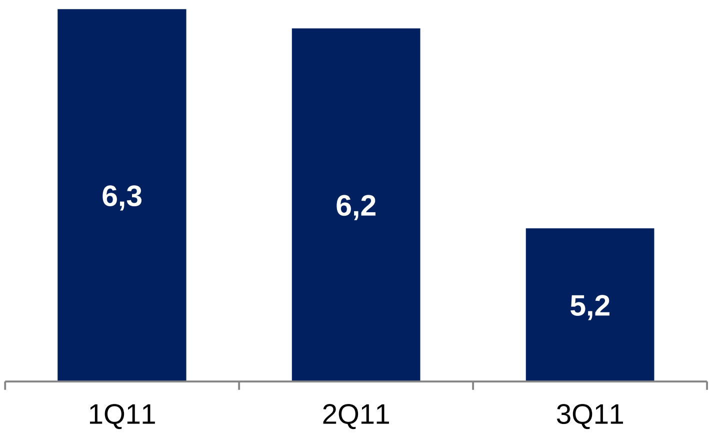
1. Based on management accounts only
2. Net of PTP, bunkering and grain export ban effect

Section 2. Improving Cash Flow Generation and Gradual Decrease in Leverage

Net cash generated by operating activities, USD mln



Net Debt/LTM EBITDA



- Operating cash flow in Q3 ‘11 increased by 18,7% vs Q2’11 and 37,8% vs Q3 ‘10
- Healthy cash flow generation allowed the Group to decrease total debt by $67 mln in Q3 ‘11 and by $37 mln in Q2 ‘11:
  - in September 2011 the Group pre-paid USD20 mln Raiffeisenbank loan
- Group’s leverage gradually decreasing with 5.2x Net Debt/LTM EBITDA as of the end of Q3 ‘11 vs 6.3x as of the end of Q1 ‘11

1. Based on management accounts only
2. Net of PTP, bunkering and grain export ban effect

Thank you for your attention!

Your Contacts at NCSP:

Mikhail Grigoriev
Head of Investor Relations
Tel: +7 (495) 771-6060 ext. 238
e-mail: MGrigoriev@nmtp.info

Kristina Senko
Press-centre
Tel: + 7 (8617) 60-43-93,
Fax: + 7 (8617) 61-21-40
e-mail: senko@ncsp-net.com