
RZHD in the need of RUB 100 billion in subsidies

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AK&M reported that to support the investment program of RZHD RUB 100 billion should be released out of the federal budget in 2009, as it was informed at the Roszheldor sitting.

According to the report, the funds will be used to increase the orders to native entities including locomotives purchase by 78%, passenger cars - 69%, rolling stock- 28% and to keep up the working places in the railway transportation sector.

In spite of the crisis, the development of RZHD in line with the governmental strategy should be supported in order to avoid the railway transport deficit in future, as it was noted at the sitting.

RZHD was set up in 2003 on the basis of the communications ministry. 100% are held by the state. The share capital is worth trillion RUB 1.54 trillion split in 1541697819 common stocks of RUB 1000 par.

The 2007-net profit rose 3.69 fold to reach RUB 144.9 million from RUB 139.8 million. The 9-month net profit declined 20% to RUB 31.9 billion from RUB 39.9 billion in 2007.

(Sourced from AK&M)

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