

To: The Irish Stock Exchange plc
28 Anglesea Street
Dublin 2
Ireland

Date: 20 September 2016

Far East Capital Limited S.A. (the “**Issuer**”)

USD\$550,000,000 8.0% Senior Secured Notes due 2018
(ISIN: XS0920334900)

USD\$325,000,000 8.75% Senior Secured Notes due 2020
(ISIN: XS0920335030)

being together, the “**Eurobonds**”.

The Eurobonds are admitted to trading on the Global Exchange Market of the Irish Stock Exchange plc, a multilateral trading facility as defined in Article 4(1) point 15 of Directive 2004/39/EC.

Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC requires disclosure of inside information relating to the Issuer and the Eurobonds.

The Issuer forms part of the FESCO Transportation Group (the “Group” or “FESCO”).

Source: FESCO web site: http://www.fesco.ru/upload/iblock/005/2016_09_20_FESCO_Monthly%20Report_ENG.pdf.

FESCO Announces July 2016 and Seven Months Year-to-Date Trading Update

As a part of its ongoing commitment to facilitate open communication with investors and improve information disclosure, FESCO Transportation Group (the “Group” or “FESCO”) reports the Group’s interim key operating metrics and financial performance indicators for July 2016 and the seven months

ending July 31 2016 (the “Monthly Update”). The purpose of the Monthly Update is to provide investors with key financial and operational results on a regular basis. The more detailed analysis and discussions regarding FESCO’s performance will continue to be published on a quarterly basis.

The information in this Monthly Update has been prepared and based on preliminary operating and financial results. This Monthly Update does not contain sufficient information to constitute a full set of financial statements. The numbers in this Monthly Update have not been audited. FESCO publishes consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) on a quarterly basis.

The following preliminary results may differ from financial statements prepared in accordance with IFRS. This Monthly Update includes measures of financial performance that are not a measure of financial performance under IFRS, such as “EBITDA” and “EBITDA margin”. “EBITDA” should not be considered as an alternative to cash flows from operating activities, a measure of liquidity or an alternative to net profit or indicators of the Company’s operating performance or any other measure of performance derived in accordance with IFRS. Because these are not IFRS measures, “EBITDA” and “EBITDA margin” may not be comparable to similarly titled measures presented by other companies.

Key Market Indicators¹

	July 2016	June 2016	Change, % MoM	July 2015	Change, % YoY	7M July 31 2016	7M July 31 2015	Change, %
Container throughput in the Far Eastern ports (ths TEU) ²	75.6	81.0	-6.7	77.4	-2.3	497.9	571.2	-12.8
General cargo and non-container throughput in the Far Eastern ports (mln tonnes) ³	1.23	1.14	+7.5	1.18	+3.9	9.0	8.31	+8.3
Export-import sea container transportation volumes in the Far East (ths TEU) ⁴	41.8	44.5	-6.1	39.5	+5.8	268.7	280.2	-4.1
Rail container transportation volumes on the East-West-East route (ths TEU) ⁵	28.3	27.4	+3.3	28.4	-0.4	170.3	180.8	-5.8

Interim Financial Results

\$ million	July 2016	June 2016	Change, % MoM	July 2015	Change, % YoY	7M July 31 2016	7M July 31 2015	Change, %
Revenue	45.9	41.2	+11.4	57.3	-19.9	303.8	440.4	-31.0
Revenue excl. Bunkering Division	45.4	40.6	+11.8	50.6	-10.3	300.3	367.5	-18.3
EBITDA	7.6	3.9	+94.9	6.6	+15.2	47.0	69.3	-32.2

¹ Provided data is based on a preliminary assessment of the market dynamics and may be reviewed and updated at a later date

² Source: Morcenter -TEK – calculation is based on key Far East ports only

³ Source: Morcenter -TEK – calculated for Far East basin excluding cargo in containers, RO-RO cargo, liquid cargo, float board cargo, coal and coke

⁴ Source: Morcenter -TEK – calculation is based on key Far East ports, loaded export and import containers only

⁵ Source: Russian Railways – calculated for loaded dry containers on the Russian Far East - Moscow route

EBITDA margin, %	16.6	9.5	+7.1pp	11.5	+5.1pp	15.5	15.7	-0.2pp
CAPEX	-1.4	-1.6	-12.5	-2.3	-39.1	-8.8	-11.4	-22.8

Operational Results

	July 2016	June 2016	Change, % MoM	July 2015	Change, % YoY	7M July 31 2016	7M July 31 2015	Change, %
Liner and Logistics								
Intermodal freight transportation (ths TEU)	15.7	12.9	+21.4	13.0	+20.8	84.5	98.7	-14.4
Export-import sea container trade (ths TEU)	23.3	22.2	+4.9	24.8	-6.2	149.8	191.7	-21.9
Domestic sea container trade (ths TEU)	5.9	4.7	+25.5	5.9	-0.1	30.8	32.9	-6.1
Port operations								
VMTP container through-put (ths TEU)	25.3	26.9	-6.1	26.8	-5.4	173.6	201.3	-13.8
VMTP general cargo throughput (ths tonnes)	125.0	160.2	-21.9	148.3	-15.7	1,437.3	1,203.3	+19.4
Rail transportation								
Rail container transportation («Transgarant» only, ths TEU)	16.1	15.2	+6.2	13.9	+15.8	102.5	103.2	-0.6
Rail shipments in box cars (units)	1,588	1,508	+5.3	1,204	+31.9	10,183	7,512	+35.6
Shipping								
Transportation fleet (units)	19	19	0.0	22	-13.6	19	22	-13.6
Available days ⁶	579	575	+0.6	690	-16.1	4,301	4,562	-5.7
Ice-breakers (units)	4	4	0.0	4	0.0	4	4	0.0
Available days	59	8	+619.5	50	+18.7	460	565	-18.5
Bunkering								
Bunkering volumes (ths tonnes)	7,1	9,6	-26.1	31,7	-77.5	65,5	319,5	-79.5

This notice is prepared and issued by the Issuer and summarises information provided to it by FESCO. The information contained herein has not been independently verified by the Issuer. Without prejudice to the foregoing (and without purporting to limit any person's liability for fraudulent misrepresentation), no responsibility or liability is or will be accepted by the Issuer in relation to the accuracy or completeness of this notice and any such liability is expressly disclaimed.

⁶ The total days that a vessel is available for employment, net of off-hire days associated with major repairs, upgrades, dry dockings or special or intermediate surveys

IMPORTANT NOTICE:

These materials may contain forward-looking statements regarding future events or the future financial performance of Far-Eastern Shipping Company PLC (the “Company”). You can identify forward looking statements by terms such as “expect”, “believe”, “estimate”, “anticipate”, “intend”, “will”, “could”, “may”, or “might”, the negative of such terms or other similar expressions. These forward-looking statements include matters that are not historical facts and statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, the Company’s results of operations, financial condition, liquidity, prospects, growth, strategies, and the industry in which the Company operates. By their nature, forward-looking statements involve risks and uncertainties, because they relate to events and depend on circumstances that may or may not occur in the future. The Company cautions you that forward-looking statements are not guarantees of future performance or outcomes and that the Company’s actual results of operations, financial condition, liquidity, prospects, growth, strategies and the development of the industry in which the Company operates may differ materially from those described in or suggested by the forward-looking statements contained in these materials. In addition, even if the Company’s results of operations, financial condition, liquidity, prospects, growth, strategies and the development of the industry in which the Company operates are consistent with the forward-looking statements contained in these materials, those results or developments may not be indicative of results or developments in future periods. Any forward-looking statements that are made in these materials speak only as at the date of this announcement. The Company does not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in forward-looking statements of the Company, including, among others, general economic and market conditions, competitive environment, risks associated with operating in the relevant jurisdictions, as well as many other risks specifically related to the Company and its operations, including those discussed in these materials.

These materials are not intended to and do not constitute investment advice. These materials do not constitute or form any part of and should not be constructed as an offer or commitment to sell or issue, a solicitation, recommendation, commitment or invitation to subscribe for, underwrite or otherwise acquire, and should not be construed as an advertisement for, any securities of the Company or any member of the Group in any jurisdiction or an inducement to enter into investment activity in any jurisdiction.

About FESCO

FESCO is one of the leading privately-owned transportation and logistics companies in Russia with operations in ports, rail, integrated logistics and shipping business. Diversified but integrated asset portfolio enables FESCO to provide door-to-door logistics solutions and control almost all steps of the intermodal transportation value chain. The majority of FESCO’s operations are located in the Russian Far East.

FESCO is one of the leaders of container transportation through the Russian Far East via international sea container lines to/from Asian countries, domestic sea container lines and by rail. FESCO is one the leading port container operators in the Far East region.

FESCO controls the Commercial Port of Vladivostok which has throughput capacity of 3.9 million tons of general cargo and oil products, 150,000 vehicles and over 600 thousand TEU of containers. In 2015, total container throughput at the Commercial Port of Vladivostok amounted to 345 thousand TEU. FESCO is one of the major Russian private rail operators with fleet of 3.5 thousand container platforms. FESCO has a fleet of 19 vessels, mostly deployed through own sea service lines, and 4 icebreakers leased under long-term contracts.

In addition, the Group has a 50% interest in JSC Russkaya Troyka and a 24.1% interest in PJSC TransContainer.

Contacts

For additional information, please contact Dmitry Ivanov, Head of Investor Relations, FESCO

Date of notification: 20 September 2016

www.fesco.ru/en