Rail Cargo Group
Your partner in Europe

Corporate presentation
Status: June 2016
Contents

- Company profile
- Facts & figures
- Ownership structure and history
- Countries and principal subsidiaries
- Successfully into the future
Rail Cargo Group

- **18 countries*** from the North Sea to the Black Sea and Mediterranean starting from our market in Austria and Hungary

* AT, BA, BE, BG, CZ, DE, GR, HU, HR, IT, LU, NL, PL, RO, RU, SI, SK, TR
### Rail Cargo Group business model

<table>
<thead>
<tr>
<th>Number</th>
<th>Business Activity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rail forwarding</td>
<td>with specialist sector competence</td>
</tr>
<tr>
<td>2</td>
<td>Operator</td>
<td>for high-frequency long-distance routes</td>
</tr>
<tr>
<td>3</td>
<td>Carrier</td>
<td>for in-house traction provision</td>
</tr>
<tr>
<td>4</td>
<td>Wagon rental</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Rolling stock maintenance</td>
<td></td>
</tr>
</tbody>
</table>

- **Focus on core competence: railway logistics**
- **Transparency through simplicity and five businesses, each with its own model and markets (internal, external)**
- **Bringing together skills, resources and responsibilities**
- **Consistent brand architecture**

### Businesses
- Rail forwarding
- Operator
- Carrier
- Wagon rental
- Rolling stock maintenance

### Companies
- ÖBB-Technische Services GmbH
- Technical Services Hungaria Kft.
- Technical Services Slovakia, s.r.o.
- TS-MÁV Gépészeti Kft.
Our guiding principles

- We are working with competence and passion on **tailor-made rail freight solutions** for our customers.

- We are **connecting Europe** between the North Sea, the Black Sea and the Mediterranean with our know-how, a targeted use of resources and clear responsibilities.

- We understand **responsible corporate behaviour** as an important tenet for long-term economic success in harmony with the environment and society.

- We find for every new challenge the industry-specific solution and are **investing in innovations and partnerships** together with our customers.

- We are convinced that **quality, reliability and safety** are the cornerstones for customer satisfaction. Our strength is based on experience, because future always needs a past.
Rail Cargo Group strategy

Objective

European champions in customer satisfaction, cost-efficiency and as a great place to work

Strategy

Five complementary international rail businesses

- Rail logistics from the North Sea to the Black Sea and Mediterranean (18 countries) starting from our home market Austria and Hungary
- Customised products – modular and combinable, enabling tailored solutions
- In-house traction services undergoing expansion on six corridors
- Growth in 7 priority countries* (transit, access to sources/sinks) and maintain a presence in/sell to a further 9 countries** – consolidate and extend market position and competitive advantages

Structure

Three cross-border sector-specific business units

- One Operator business unit (freight forwarding) and
- 50+ operational companies, of which we have a majority share in 30+ companies

Management

- Rail Cargo Austria AG takes the operational lead and directs all business/business units internationally (Group function)
- Rail businesses in the shape of Rail Cargo Logistics and Rail Cargo Operator are responsible for upholding pledges to customers (profit centres)
- Rail Cargo Carrier, Rail Cargo Wagon and ÖBB-Technische Services guarantee maximum service provision (service centres)

* BE, CZ, DE, IT, LU, NL, TR
** BA, BG, GR, HR, PL, RO, RU, SI, SK

Rail Cargo Group Corporate Presentation 27.07.2016 7
What sets us apart – and what our customers gain

System and innovation
- International transport management
- Investment in flexibly-deployable wagons
- Development of a booking system for single wagonload traffic – ensures wagon capacity, reliability and punctuality

Austria and responsibility
- Market leader in Austria and Hungary
- Country-wide production network
- High rail share of total transport

Team
- Competent staff on-the-spot
- Commitment to service – always there for our customers
- Development of customer-specific logistics solutions in partnership
- The ambition to become even better

Market and cost-effectiveness
- High-quality rail logistics services
- Dedicated firms ensure a multinational presence
- Europe's quality leader due to in-house traction
Rail Cargo Group deploys innovative wagon systems

Examples of innovative solutions

Separation of basic wagon & add-on, combined with various loading/unloading devices.

Success factors

- Developing **Unique Selling Points** in product portfolio: includes incorporation of customer-specific modifications (add-ons) and optimisation of useful life
- **Cost reduction through standardisation**
  - Purchasing
  - Maintenance/storage of spare parts
  - Cost-effective technical modifications (add-ons)
- **Optimised capacity utilisation**
  - Greater flexibility in responding to changes in market needs
  - Combining seasonal traffic flows
  - Higher payload and volume optimisation
Management of Rail Cargo Group

Rail Cargo Group

Erik Regter
(Board Member, Operator & Finance)

Ferdinand Schmidt
(Board Member, Industries & Operation Management)

Rail forwarding
Bernd Müller
Timber / Paper / Building Materials / Consumer Goods

Reinhold Pölzl
Mineral Oil / Agricultural Products / Chemicals / Environmental

Wolfgang Riedl
Steel / Raw Materials / Automotive

Operator
Max Kindler

Carrier
Reinhard Wallner
Operation Management
Rail Cargo Group

Bernhard Benes
ÖBB-Produktion

Imre Kovács
Rail Cargo Hungaria

Nathan Zielke
Rail Cargo Carrier

Sebastian Sperker
Rail Cargo Carrier

Wagons
Christian Adamiczek

Technical Services
Mathias Moser

Andreas Zwerger
## Group-level optimisation

<table>
<thead>
<tr>
<th>Customer-focused products</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>All <strong>products</strong> marketed through <strong>all sales &amp; distribution units</strong></td>
<td></td>
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<tr>
<td><strong>International traffic</strong> developed collaboratively</td>
<td></td>
</tr>
<tr>
<td>Price-optimised packages for multinational <strong>key and group accounts</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Varied product range</strong></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Produce more efficiently</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Coordinate <strong>bought-in services from other RU</strong> and <strong>HGV</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Optimise number of own locomotives and wagons</strong> deployed</td>
<td></td>
</tr>
<tr>
<td><strong>Maximise capacity utilisation of own</strong> and leased <strong>locomotives and wagons at home and abroad</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Decide faster</th>
<th></th>
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<tbody>
<tr>
<td>Five distinct businesses with business units as profit centres</td>
<td></td>
</tr>
<tr>
<td><strong>Bringing together resources and international chains of responsibility for each business</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Simplify coordination processes</strong> (products, countries)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lower risk</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Skills bundling</td>
<td></td>
</tr>
<tr>
<td><strong>Responsible safety and ECM management</strong></td>
<td></td>
</tr>
<tr>
<td>Bundling of accounting and receivables management functions</td>
<td></td>
</tr>
<tr>
<td>Securing base load whilst expanding in-house traction provision</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Attracting top performers</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Giving staff the opportunity to shape their own success story</td>
<td></td>
</tr>
<tr>
<td>Competent, passionate staff</td>
<td></td>
</tr>
<tr>
<td><strong>Group career paths</strong> on a par with the level offered by international logistics leaders</td>
<td></td>
</tr>
</tbody>
</table>
Rail Cargo Group at a glance

- **Turnover**: € 2.1 billions, € 76.6 millions EBIT
- **Goods carried**: 109.2 million tonnes
- **Tonne kilometres**: 29.1 billion tonnes-km
- **Staff**: 8,260
- **Locomotives**: 485 service locomotives
  - 171 shunting locomotives
- **Wagons**: 21,445
- **5 rail business units**
  - 15 Rail forwarding units
  - 4 Operating companies
  - 10 RU
  - 1 Wagon lessor
  - 4 Rolling stock maintenance companies
## Rail Cargo Group: facts & figures

### Goods transported
- **in million tonnes**: 109.2

### Tonne-kilometres
- **in billion tonnes-km**: 29.1

### Total revenue
- **in million EUR**: 2,159.1

### EBT
- **in million EUR**: 57.2

### EBIT
- **in million EUR**: 76.6

### EBIT margin
- **in %**: 3.5%

### Personnel
- **in**: 8,260

### Rolling stock
- **Total**: 656
  - Shunting locomotives (diesel): 122
  - Shunting locomotives (electric): 49
  - Service locos (diesel): 95
  - Service locos (electric): 390

### Wagons
- **Total**: 21,445
  - Covered wagons: 3,641
  - Flat bed wagons, open and with stanchions: 11,024
  - Bulk and silo wagons: 2,691
  - Steel wagons: 1,143
  - UCT, ACTS container wagons: 2,249
  - Tank wagons: 99
  - Rolling Road wagons and passenger cars: 598

### Status: 2015
Benchmark of European freight railways –
Rail Cargo Group is European profitability champion

<table>
<thead>
<tr>
<th></th>
<th>Total* revenue (in mil. €)</th>
<th>EBIT (in mil. €)</th>
<th>EBIT Marge (in %)</th>
<th>EBT (in mil. €)</th>
<th>EBT Marge (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rail Cargo Group</strong></td>
<td>2.165</td>
<td>104</td>
<td>4.8</td>
<td>59</td>
<td>2.7</td>
</tr>
<tr>
<td><strong>DB SCHENKER</strong></td>
<td>5.199</td>
<td>46</td>
<td>0.9</td>
<td>-41</td>
<td>-0.8</td>
</tr>
<tr>
<td><strong>PKP cargo</strong></td>
<td>996</td>
<td>18</td>
<td>1.8</td>
<td>18</td>
<td>1.7</td>
</tr>
<tr>
<td><strong>SBB CFF FFS Cargo</strong></td>
<td>820</td>
<td>31</td>
<td>3.8</td>
<td>29</td>
<td>3.5</td>
</tr>
<tr>
<td><strong>green cargo</strong></td>
<td>442</td>
<td>-13</td>
<td>-2.9</td>
<td>-18</td>
<td>-4.1</td>
</tr>
<tr>
<td><strong>SNCF</strong></td>
<td>452</td>
<td>-18</td>
<td>-4.0</td>
<td>-23</td>
<td>-5.6</td>
</tr>
</tbody>
</table>

* Total revenue: including capitalized services and other revenues
OWNERSHIP STRUCTURE AND HISTORY
Ownership structure – part of ÖBB Group

ÖBB-Holding AG

ÖBB-Personenverkehr AG
- ÖBB-Postbus GmbH
- ÖBB-Produktion GmbH (50%)
- ÖBB-Technische Services GmbH (49%)
- Rail Tours Touristik GmbH

Rail Cargo Group (Rail Cargo Austria AG)
- Rail Cargo Logistics - Austria GmbH
- Rail Cargo Logistics GmbH
- Rail Cargo Logistics - Environmental Services GmbH
- Rail Cargo Operator - Austria GmbH
- Rail Cargo Operator - CSKD s.r.o.
- Rail Cargo Carrier Kft.
- Rail Cargo Hungaria Zrt.
- ÖBB-Produktion GmbH (50%)
- Rail Cargo Wagon - Austria GmbH
- ÖBB-Technische Services GmbH (51%)
- and other subsidiaries

ÖBB-Infrastruktur AG
- ÖBB-Immobilien-management GmbH
- Mungos Sicher & Sauber GmbH
- Rail Equipment GmbH
- ÖBB-Business Competence Center GmbH
- ÖBB-Werbung GmbH

European Contract Logistics - Austria GmbH

and other subsidiaries
History of rail freight at ÖBB

- **1899**: Founding of Austrian Imperial Royal State Railways
- **1921**: Commissioning of first container terminal: Vienna North West Rail Freight Terminal
- **1968**: Takeover of Express-Interfracht
- **1992**: Founding of ChemFreight
- **1999**: Rail Cargo Austria AG becomes an independent company on January 1st
- **2004**: Rail Cargo Group created as umbrella brand with new organisational structure
- **2005**: Further optimisation and internationalisation
- **2008**: Acquisition of Hungarian freight railway MÁV Cargo
- **2013**: First overseas safety certificate obtained – internationalisation begins
- **2015**: Founding of the "Rail Cargo Austria" brand for ÖBB rail freight services

*Founding of Austrian Federal Railways – ÖBB*
COUNTRIES AND PRINCIPAL SUBSIDIARIES
### Subsidiaries held by Rail Cargo Group

#### Rail forwarding

<table>
<thead>
<tr>
<th>Subsidiary</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rail Cargo Logistics - Austria GmbH</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Logistics - BH d.o.o.</td>
<td>51%</td>
</tr>
<tr>
<td>Rail Cargo Logistics - Environmental Services</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Logistics - Croatia d.o.o.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Logistics - Czech Republic s.r.o.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Logistics - Hungary Kft.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Logistics - Bulgaria EOOD</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Logistics GmbH</td>
<td>66%</td>
</tr>
<tr>
<td>VADECO SRL</td>
<td>47,5%</td>
</tr>
</tbody>
</table>

#### Operator

<table>
<thead>
<tr>
<th>Subsidiary</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rail Cargo Operator - Italy S.r.l.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Operator - Austria GmbH</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Operator - Hungary Kft.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Operator - Port/Rail Services GmbH</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Terminal - Praha s.r.o.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Terminal - BILK Zrt.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Terminal - LOGISZTAX Kft.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Terminal - BoxXagency Kft.</td>
<td>33,3%</td>
</tr>
<tr>
<td>Rail Cargo Terminal - Hellas S.A.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Terminal - Kelenföld Kontener Depo Kft.</td>
<td>45%</td>
</tr>
<tr>
<td>Rail Cargo Terminal - Terminal Brno, a.s.</td>
<td>33%</td>
</tr>
<tr>
<td>Rail Cargo Terminal - Adria Kombi d.o.o. Ljubljana</td>
<td>25,1%</td>
</tr>
<tr>
<td>Rail Cargo Terminal - Intereuropa-Flg. d.o.o.</td>
<td>50%</td>
</tr>
</tbody>
</table>

#### Carrier

<table>
<thead>
<tr>
<th>Subsidiary</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rail Cargo Carrier - Italy S.r.l.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - Romania s.r.l.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - Czech Republic s.r.o.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - Slovakia s.r.o.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - Bulgaria EOOD</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - Croatia d.o.o.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - Slovenia d.o.o.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - Germany GmbH</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - BH d.o.o.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - Goldair SA</td>
<td>49%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - Express-Interfracht Hellas S.A.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - Railport Arad s.r.l.</td>
<td>29,39%</td>
</tr>
<tr>
<td>Rail Cargo Carrier - Intereuropa-Flg. d.o.o.</td>
<td>50%</td>
</tr>
</tbody>
</table>

#### Wagen

<table>
<thead>
<tr>
<th>Subsidiary</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rail Cargo Wagon - Austria GmbH</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Wagon - Hungary Kft.</td>
<td>30%</td>
</tr>
<tr>
<td>Rail Cargo Wagon - Romania s.r.l.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Wagon - Slovakia s.r.o.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Wagon - Bulgaria EOOD</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Wagon - Croatia d.o.o.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Wagon - Slovenia d.o.o.</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Wagon - Germany GmbH</td>
<td>100%</td>
</tr>
<tr>
<td>Rail Cargo Wagon - Railport Arad s.r.l.</td>
<td>29,39%</td>
</tr>
</tbody>
</table>

#### Maintenance

<table>
<thead>
<tr>
<th>Subsidiary</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>ÖBB-Technische Services GmbH</td>
<td>51%</td>
</tr>
<tr>
<td>Technical Services Hungary Kft.</td>
<td>100%</td>
</tr>
<tr>
<td>Technical Services Slovakia, s.r.o.</td>
<td>51%</td>
</tr>
<tr>
<td>TS-MÁV Gepszet Services Kft.</td>
<td>51%</td>
</tr>
</tbody>
</table>

### Status: 01.04.2016

- Minority subsidiaries ≤ 50%
- Sales/Liquidation planned
- Merger
- No operational activity
- Intra-group share transfer
International presence – subsidiaries

Austria
- RCA
- RCL-AT
- RCL-MAC
- RCL-ES
- RCO-AT
- RCW-AT
- ÖBB-TS

Hungary
- RCH
- RCC
- RCL-HU
- RCO-HU
- RCT-BIL
- TS-MAV
- TS-HU

Germany
- RCL-DE
- RCO-DE
- RCC-DE
- RCA

Italy
- RCL-IT
- RCT-DES
- RCT-STI
- RCC-IT

Slovenia
- RCC-SI
- RCA

Bosnia-Herzegovina
- RCL-BH

Croatia
- RCL-HR
- RCC-HR

Turkey
- RCL-TR

Poland
- RCL-PL
- RCO-CSKD

Czech Republic
- RCL-CZ
- RCL s.r.o.
- RCO-CSKD
- RCT-PRG
- RCC-CZ
- RCA

Slovakia
- RCL-CZ
- RCO-CSKD
- RCC-SK
- TS-SK

Russia
- RCL-RU

Romania
- RCL-RO
- RCC-RO

Bulgaria
- RCL-BG
- RCC-BG
- RCA

Slovakia
- RCL-CZ
- RCO-CSKD
- RCC-CZ
- TS-SK

Slovenia
- RCC-SI
- RCA

Bosnia-Herzegovina
- RCL-BH

Greece
- RCL Goldair
- RCT-SIN (EXIF Hellas)

North Sea

Croatia
- RCL-HR
- RCC-HR

Turkey
- RCL-TR

Poland
- RCL-PL
- RCO-CSKD

Czech Republic
- RCL-CZ
- RCL s.r.o.
- RCO-CSKD
- RCT-PRG
- RCC-CZ
- RCA

Slovakia
- RCL-CZ
- RCO-CSKD
- RCC-SK
- TS-SK

Russia
- RCL-RU

Romania
- RCL-RO
- RCC-RO

Bulgaria
- RCL-BG
- RCC-BG
- RCA

Slovakia
- RCL-CZ
- RCO-CSKD
- RCC-CZ
- TS-SK

Greece
- RCL Goldair
- RCT-SIN (EXIF Hellas)
In-house traction provided in 10 countries

North Sea

RCC-CZ

RCC-SK

RCC-DE / RCC-PCT

RCA / ÖBB-PR

RCC-IT

RCC-SI

RCC-HR

RCH / RCC

RCC-RO

RCC-BG

Black Sea

Mediterranean Sea
Current traffic flows and growth corridors for Rail Cargo Group

- Trans-European networks/corridors
- Austria’s geographically central location makes it a hub for traffic flows to and from Western/Eastern Europe
- Linking international traffic flows into the European rail network
SUCCESSFULLY INTO THE FUTURE
Aims & objectives

European Champion
- Focus on core competence: Rail logistics
- Market leader in South-East Europe (home market Austria and Hungary), amongst top three railway logistics providers in Europe in transport volume terms (tonnes-km)
- Innovator in rail logistics products

Cost-effectiveness
- Competitive cost structure, particularly vis-à-vis road haulage
- > 2.3 billion EUR turnover, organic growth
- > 4 % EBIT margin (positive EVA, assets preserved)
- Transparency through simplicity and separately measurable and benchmarkable business units
- Maintaining of the market position in Austria and Hungary
- Expanding traction services across European corridors

Customer satisfaction
- High-value umbrella brand
- Close customer relations: Binding performance commitment at every stage, from product design to ordering process and transport

An attractive employer
- A “great place to work“
- Management policy brings together competences, resources and responsibility
- Management has a “turnaround track record“
Rail is eco-friendly

- Every year, we carry over 109 million tonnes of goods. Every wagon carried helps protect the environment.
- As a mode of transport, rail freight traffic causes per tonne approximately 7 % CO₂ emissions of a lorry.
- Rail Cargo Group represents a significant portion of the railways' modal share (itself over 30 %).
- 92 % of ÖBB's traction current comes from renewable energy sources.
Awards

Rail Cargo Group

- Austrian Export Award in the "transport and traffic" category, for the particular successes on the international markets
- Golden Chariot International Transport Award (2014)
- Basic certificate awarded following "berufundfamilie" audit and INEO quality seal of approval as an "Exemplary Trainer of Apprentices" (2014)
- VCÖ Mobility Award (2013) in the "Sustainable freight" category, for the Rail Cargo Group capacity booking system (KAPA)
- Awarded Austrian Seal of Approval for the Promotion of Health in the Workplace by Federal Ministry of Health for RCAcare (2010 and 2013)
- Rail Cargo Hungaria wins Golden Chariot International Transport Award (2013)
- RCAcare commended as a European Model of Good Practice for health management in the workplace (2008)

ÖBB

- ÖBB awarded WKW DiversCity Prize for outstanding achievement in diversity management (2014)
- Effi-Award: ÖBB wins marketer of the year (2012)
- Econ Award (Econ Verlag and Handelsblatt-Group Germany): ÖBB wins Special Award in the "Sustainability Reporting" category (2012)
- Digital Communication Award in the "Crisis Communication" category won by ÖBB-Lovestorm (opening of stations to the homeless during cold snap) (2012)