

THE MERCITALIA GROUP

Milan, 4 December 2017

Mercitalia Group is the group of companies of the Ferrovie dello Stato Italiane that works in freight transports and logistics. Starting from January 2017, it has the mission of overhauling and relaunching the FS Italiane Group's freight business, by developing integrated solutions which can get the most out of rail transport.

Mercitalia Group is composed by eight companies: **Mercitalia Logistics** is the holding company which is also specialized to valorize the real estate value of logistics facilities, and in integrated logistics services. Mercitalia Logistics controls **Mercitalia Rail**, which is the largest Italian rail freight company; the **TX Logistik Group**, which is Germany's second-largest rail freight company, operating in many European countries; **CEMAT**, Italy's largest combined transport operator, and the third largest in Europe; **Mercitalia Transport & Services**, which specializes in road freight transport and value-added logistics; **Mercitalia Terminal**, one of the largest intermodal terminal operator in Italy; **TERALP** (Terminal AlpTransit), which specializes in building cutting-edge intermodal terminal; **SERFER** specialized in shunting rail and maintenance of rolling stock activities, design, construction and maintenance of railway infrastructure.

The creation of an integrated group of companies for freight transport and logistics will optimize services, within a coordinated and synergetic operating model, allowing the Ferrovie dello Stato Italiane Group to be competitive and to have a more relevant position in the market.

Mercitalia Group turns over around a billion Euros a year, employing about 5.000 people and has a fleet of around 26.000 wagons and nearly 700 locomotives. Important investments will be made over the next ten years: rollingstock will be modernised and expanded (wagons and electric locomotives for both the domestic and European markets); and three latest-generation intermodal terminals will be built in Milan, Brescia and Piacenza in order to fully exploit the freight traffic increase between Italy and the rest of Europe allowed by the new transalpine lines across Switzerland. Significant investment will also be made in information technology and safety systems, as well as strategic acquisitions of companies so as to grow the business at both a national and international level.

The strategies that Mercitalia Group will deploy to compete in the European logistics and freight transport market will concentrate on the large transport transalpine rail Corridors to/from Italy, the main rail backbones connecting northern and southern Italy, interconnection between the main areas of economic activity and the largest ports some important traffic routes between industrial and commercial centres in Europe our country and the European countries where we decide to operate enlargement of our presence on the value chain, both up and downstream from rail traction.