

## **TRENITALIA COMPLETES THE ACQUISITION OF c2c**

- **The purchase of c2c marks the first step in Trenitalia's plan for expansion into the British market**

London, 13 February 2017

Trenitalia, the passenger rail transportation company part of FS Italiane Group, has completed the acquisition of Essex and London train operator c2c from National Express Group via its British subsidiary Trenitalia UK.

The deal, formally approved by the Department for Transport, will see c2c's franchise continue to run until November 2029. As previously announced the total consideration of the deal has been confirmed in the region of £72.6 million.

FS Italiane, parent company of the Group, in its function as guarantor with the Department of Transport, has paid to the vendor an extra £35.0 million to settle an existing intercompany loan granted to the franchisee and in which it now acts as a lender.

Trenitalia intends to build on c2c's existing strengths as one of the UK's most punctual and popular train operators. The franchise will benefit from Trenitalia's innovative technology, such as advanced ticketing, that will aim to provide to c2c customers with an increase in their overall quality of service. All of Trenitalia's tech is proven in the highly competitive Italian railway market, and has been one of the most important drivers of the continued increase in customer satisfaction recorded in recent years.

c2c will continue to be led by Managing Director Julian Drury and will also maintain the current organisational structure.

In December 2015, Trenitalia became the first new entrant to be awarded a "PQQ Passport" by the Department for Transport in the United Kingdom: this acquisition marks the first step in Trenitalia's long-term plan to establish a major presence in the UK rail market.

On January 24<sup>th</sup> 2017 Trenitalia announced its participation, in a joint venture with FirstGroup, in bidding for the East Midlands and West Coast Partnership (which will include the HS2 line) rail franchise; due to be awarded in 2018.

**Barbara Morgante**, CEO of Trenitalia, said: "I am pleased that we have been able to conclude this acquisition so rapidly, and we can now immediately start to concentrate on the day-to-day business of c2c. Under the leadership of Julian Drury, we will continue to focus on delivering the outstanding service that helped make c2c the best performing operator in the UK and we will collaborate with the management to introduce further improvements.

“In addition to the c2c acquisition, our recent participation in the East Midlands and West Coast Partnership bids shows that we are strongly committed to the UK market, and look forward to passengers increasingly benefiting from our experience, competence and ability to innovate.

“I am confident that the good relationship established with the DfT, demonstrated by our recent mutual cooperation during the Change of Control phase, will be strengthened and reinforced over the next years, and be leveraged in future common innovative projects in line with British passengers’ demand”

**Trenitalia** is the passenger rail transportation company part of FS Italiane Group, a major industrial player with an increasing international presence, and growing profit (the net income rose +53.1% in 2015 over 2014). FS Group runs 8,000 trains a day, serving 600 million passengers and carrying 50 million tons of freight a year, over a network exceeding 16,700 kilometers. The group’s objective is to develop a large-scale mobility and logistics project capable of contributing to the country’s economic growth. The holding company, FS Italiane, controls companies active in specific core businesses – all of which, in terms of safety levels and technological standards, are European leaders. Trenitalia, the group’s rail transportation company, is one of Europe’s top railway operators, and manages passenger transport with its long haul connections, both on high speed (*Frecciarossa*) and conventional lines, as well as regional and metropolitan services. Other companies belonging to the FS Italiane Group include RFI, Busitalia, Italferr, Mercitalia Logistics, Ferservizi, Italcertifer, Centostazioni, GS Rail, FS Sistemi Urbani, Netinera Deutschland, TX Logistik and Thello.