Welcome to the 49th General Assembly Meeting of Hupac Ltd

Lugano, 27 May 2016

Simultanübersetzung: Deutsch Kanal 1
Traduzione simultanea: Italiano canale 2
Simultaneous translation: English Channel 3

HUPAC
moving together

Strategy 2020: „We shape the future of intermodal transport“

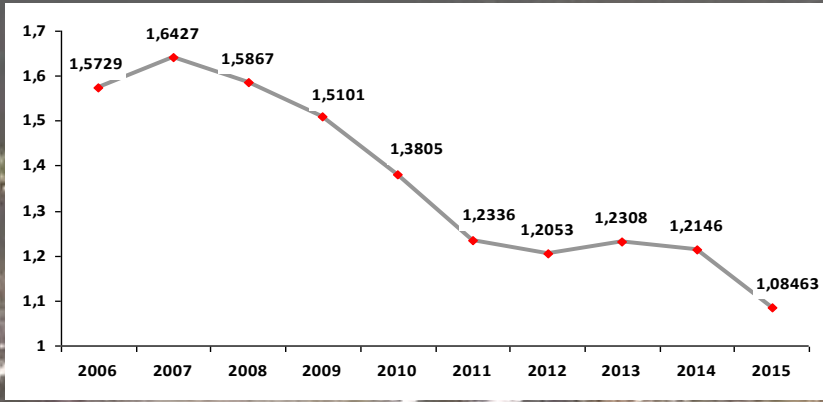
- ➔ Our environment / Alptransit-Gotthard
- ➔ Hupac wants to get back on growth path
- ➔ Opportunity Alptransit-Gotthard: gain of market shares
- ➔ Strategy 2020: 3 business units
- ➔ Entry into new geographic markets

Europe: challenging economic situation

EU gross domestic product 2006 - 2016 Q1

Hupac challenges in past years

CHF/€: 1.60 → 1.10



Diesel price -22%

Train accidents: ECM

Gotthard Base Tunnel

1/6/2016 – Inauguration

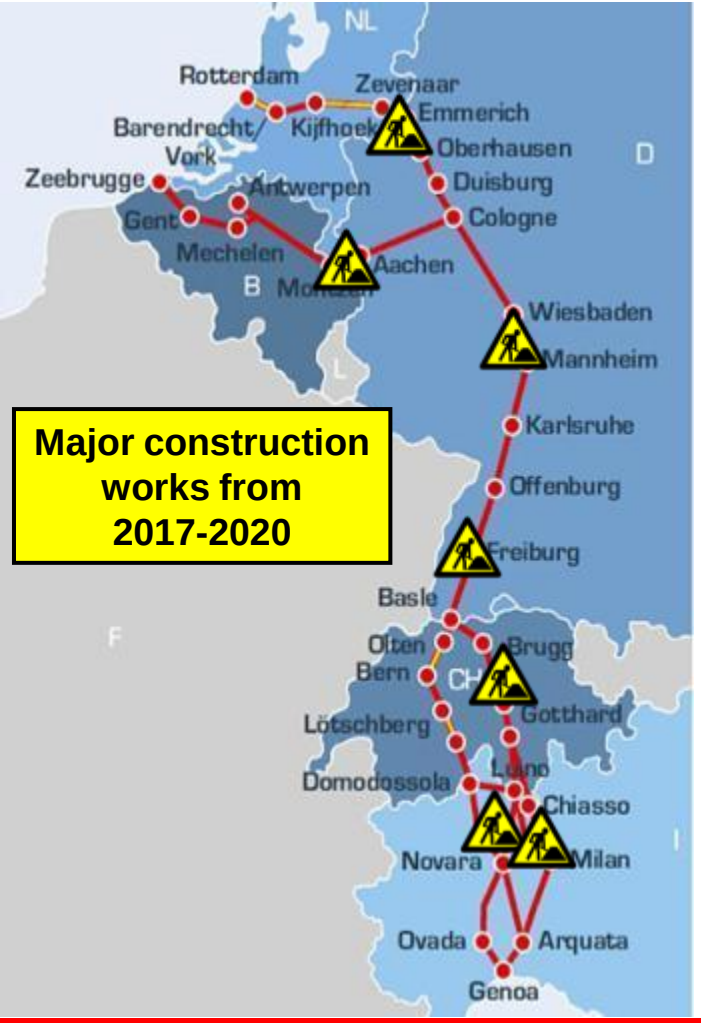
11/12/2016 – Entry into service

Long term

> Unique flat line through the Alps

> European train parameters: length, weight, gauge

> Modal shift / combined traffic without subsidies



	2017			2021			Future		
	m	t	P	m	t	P	m	t	P
NL	750	2000 1 loco	P400	750	2000 1 loco	P400		750 m 2000 t P400	
D	700	2000 1 loco	P400	700	2000 1 loco	P400			
CH	600 600	Via Chiasso 1600 3 locos Via Luino 1600 1 loco	P384 P380	750	2000 1 loco	P400			
I North Milano	600	1600 1 loco	P380 P390	750	2000 1 loco	P400			

Short and medium term

> Ceneri Base Tunnel, 4-m-corridor, terminals Italy by 2020

> Construction sites 2017-2020

> Changes c/o customers, railways, terminals

Hupac back on growth path

1. Improved market opportunities on Gotthard axis as per 2020
2. Entry into new intermodal market segments
3. Development of new geographic markets

Strategy 2016-2020: 3 business units

	Shuttle Net		Company Shuttle	Maritime Logistics to be developed
	West Europe	East Europe & Far East		
Service	Network for terminal-to-terminal transportation		Dedicated block trains Modular services	Pier-to-door service
Offer	Pay as you go or slot agreements		For max. 3 different customers	Merchant or carrier haulage
Occupancy risk	By Hupac		By the customer	Product specific

New markets: example China

> One Belt, One Road Policy by the Chinese Government

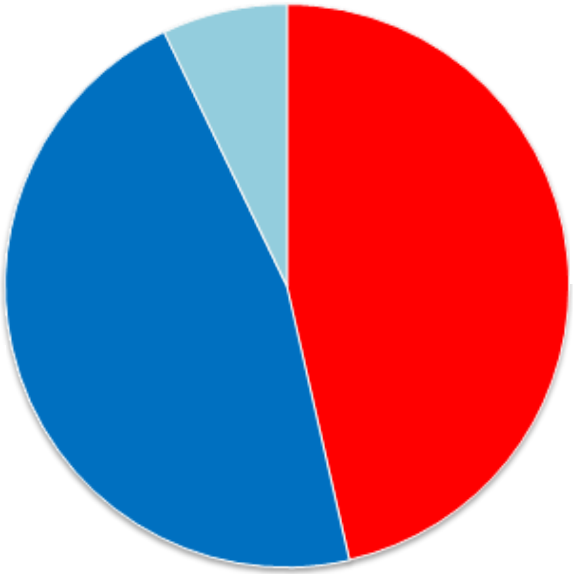
> Test trains West China-Germany

> Since April 2016: Hupac branch in Shanghai

Carl Zhong, General Manager Hupac Shanghai

Strategy 2020: Hupac invests CHF 280 million

IT & others
CHF 20 million



Terminals
CHF 130 million

Rolling stock
CHF 130 million

Strategy 2020: growth requires new terminals

127,000 sqm
3 reach stackers

80,000 sqm
2 gantry cranes

120,000 qm
3 gantry cranes

240,000 sqm
6 gantry cranes

110,000 sqm
3 gantry cranes

100,000 sqm
3 gantry cranes

Hupac invests into quality and efficiency

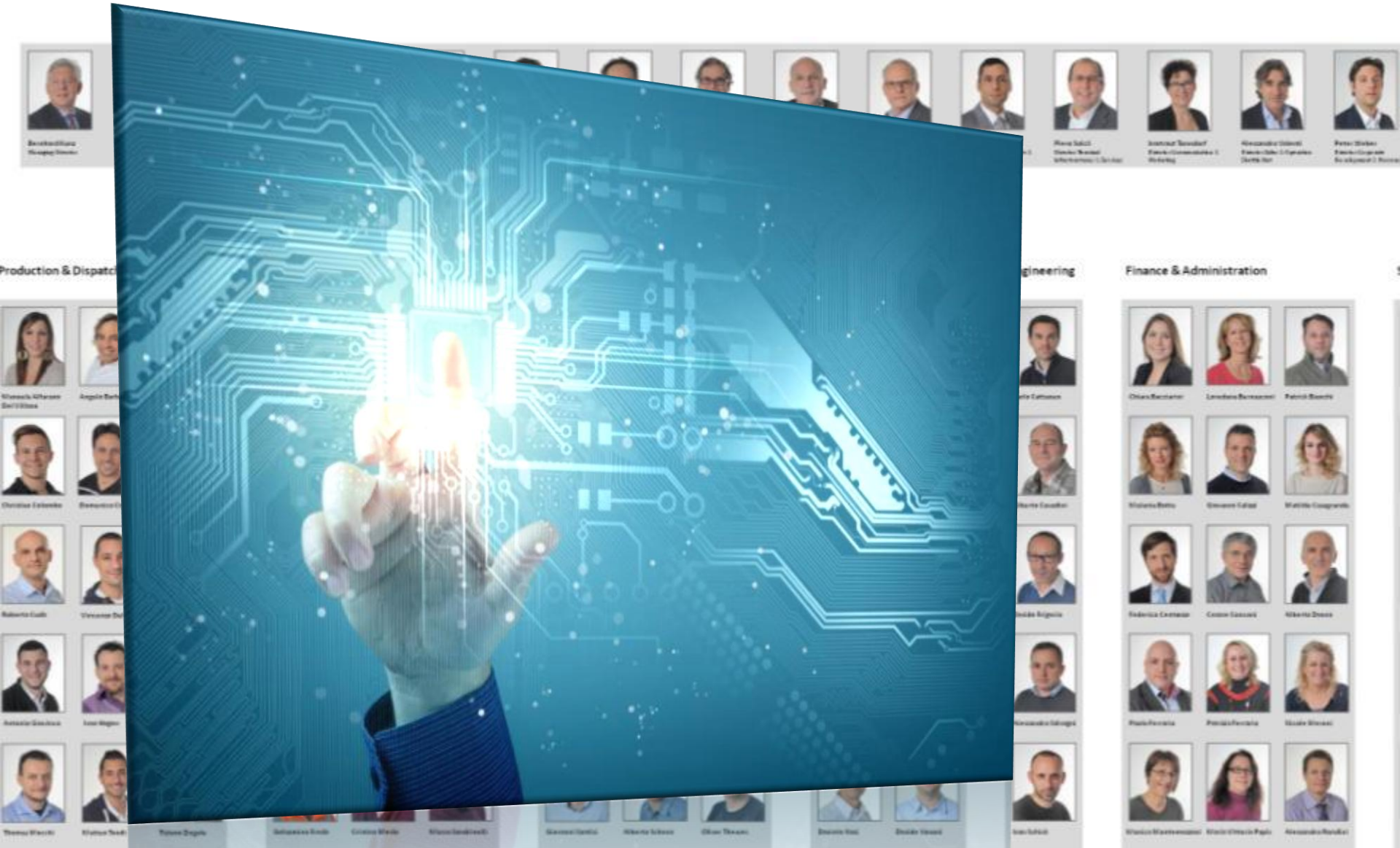
Step 1 ✓ **Back-up wagon compositions**

Step 2 ✓ **Dedicated locomotives c/o our rail partners**

Step 3 NEW **Multi-system locomotives**

> Integrated traction on North-South corridor
> Support of Alptransit concept
> Acquisition of 8 locos
> Operated by our rail partners
> First deliveries in 2018

Digitalization & Human resources development



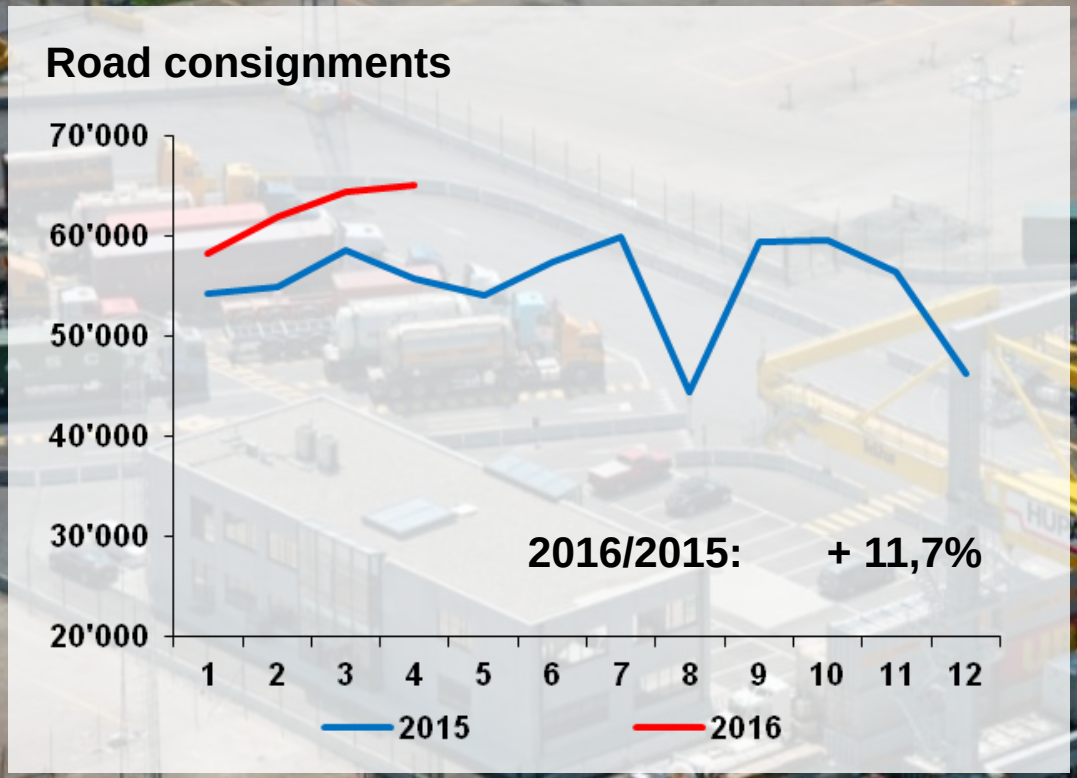
Risk factor politics and regulation

Truck platooning: what about rail?
Train path and energy prices: disconnected from market
Locomotives with 5+ security systems? ➔ ECTS
30 national registration procedures? ➔ 1 with ERA
Quality requires reliable infrastructures ➔ UK model

➔Politics must act, to ensure the future of rail

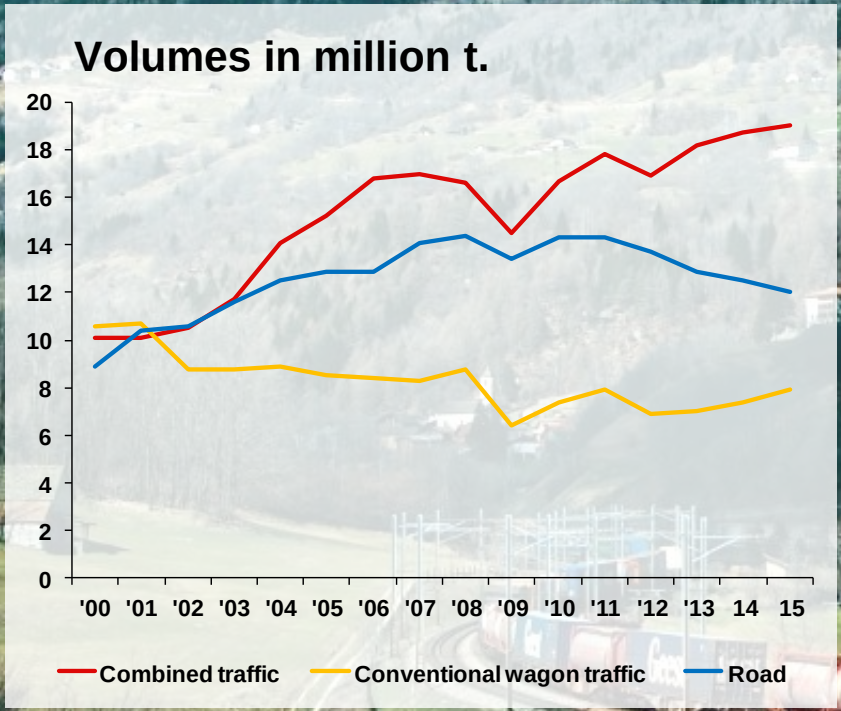
Traffic development & Outlook

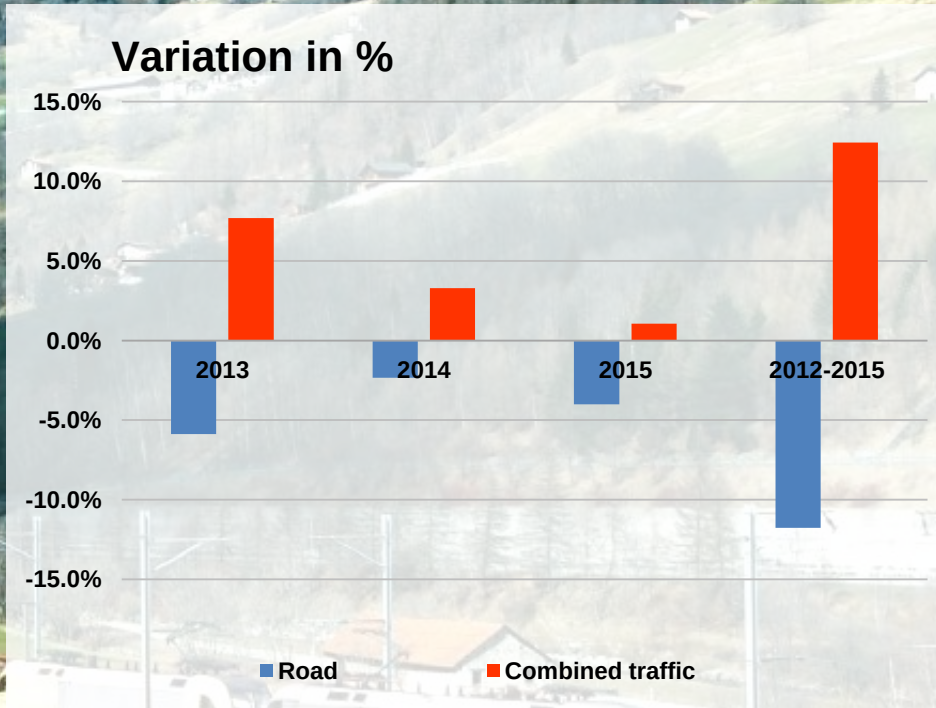
Traffic development 2016



Combined transport on the growth track

Transalpine traffic via CH



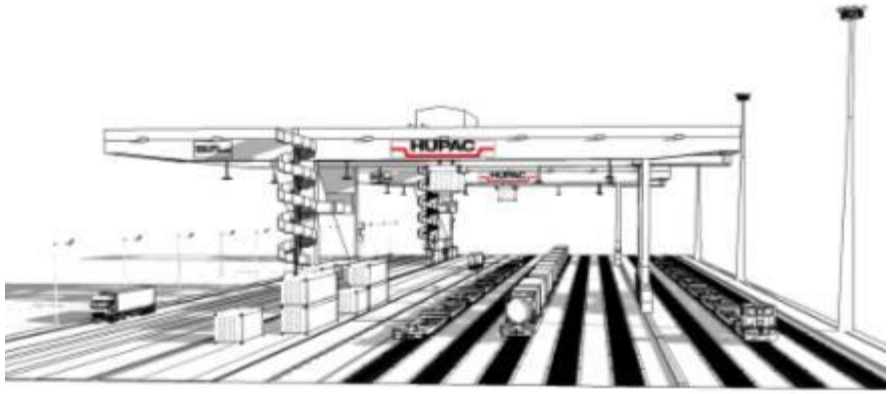


Gotthard Base Tunnel: a first step towards performance improvement

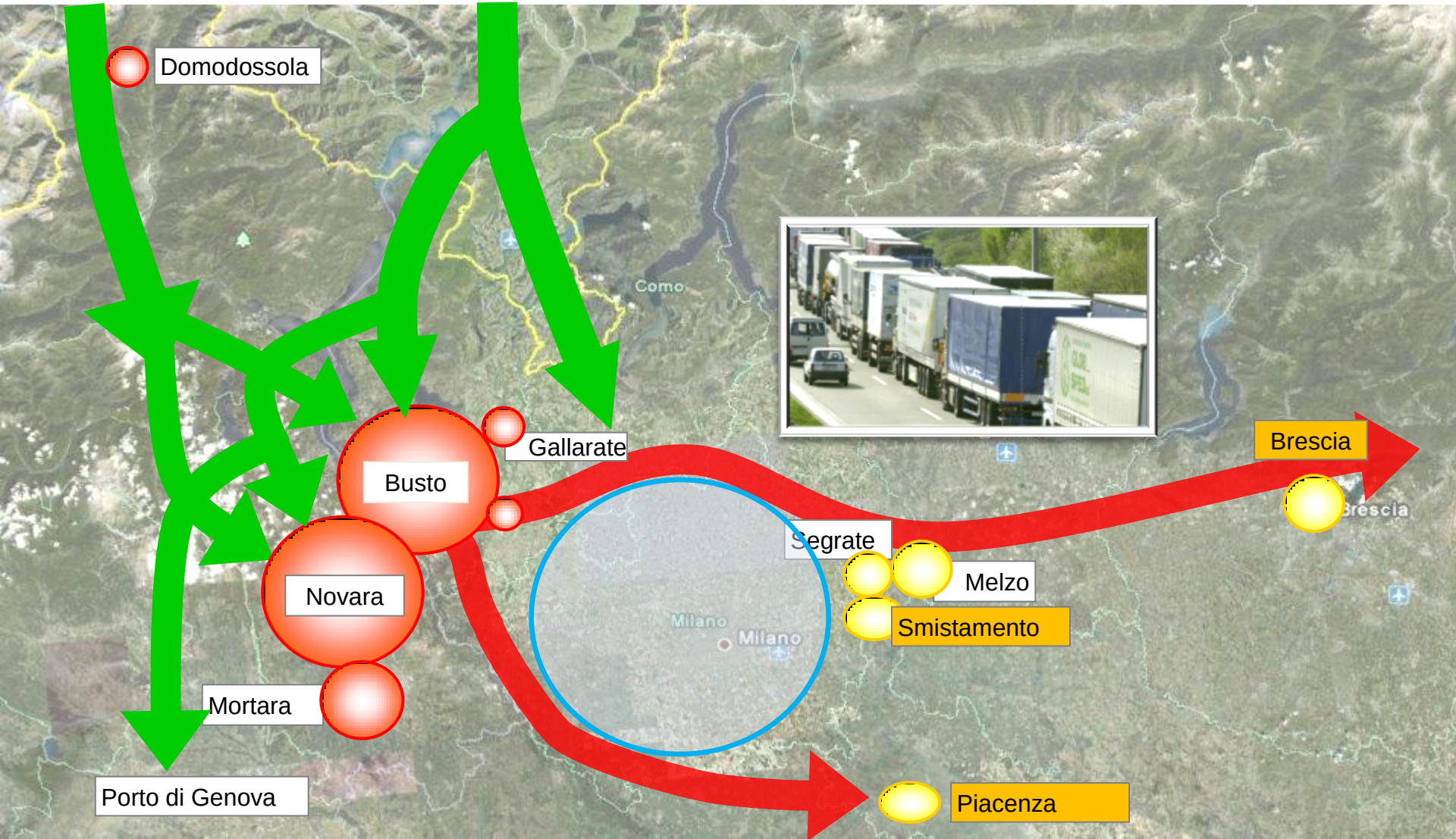
	Advantages	Today	2017 Gotthard Tunnel	2021 Ceneri Tunnel 4-m corridor
Quality gains	Tunnel instead of risky mountain route		✓	✓
	Safe, reliable operations with ETCS Level 2		✓	✓
Productivity gains	Lower traction power required 1600 t on N ➔ S and 1300 t on S ➔ N	3 locos	3 locos 1 via Luino	1 loco
	Fewer intermediate stops for loco change		✓	✓
	Lower energy consumption		✓	✓
	Decrease of the route		- 31 km	- 36 km
	Shorter transit time		- 30 min	- 60 min
	Longer trains (length of infrastructure module)	600 m	600 m	750 m
	Fewer curves and gradients >> lower maintenance costs for rolling stock		✓	✓
Market gains	Higher profile for megatrailer segment	P384	P384	P400
	More train paths for freight trains	180	220	260

May 2016: funding application submitted for Piacenza and Brescia Terminals

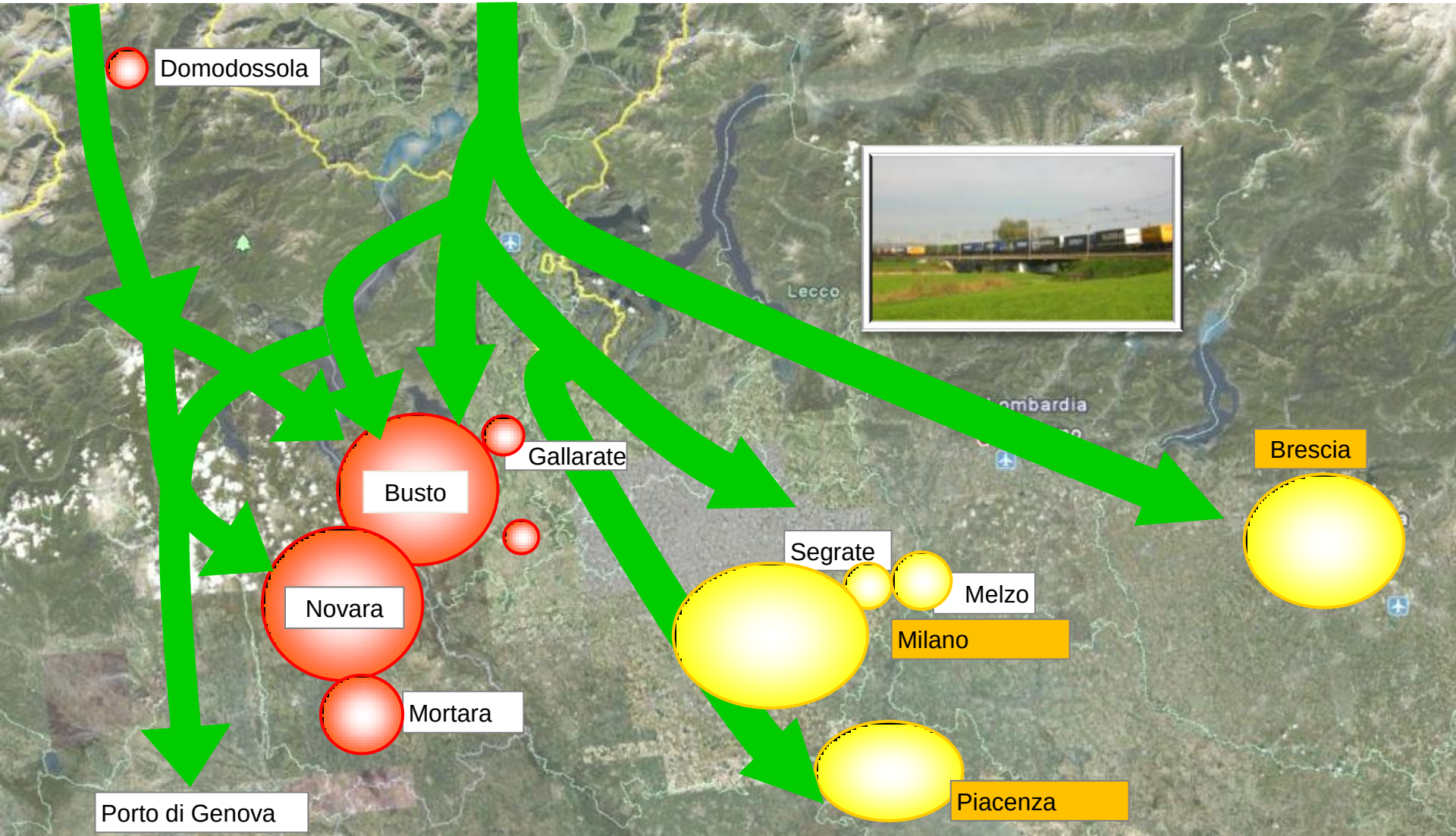
	Piacenza	Brescia
Applicant	Centro Intermodale SpA	Teralp Srl
Surface	100,000 sqm approx.	110,000 sqm approx.
Infrastructure	3 gantry cranes over 5 tracks	3 gantry cranes over 5 tracks
Investment	EUR 47 million	EUR 53 million
Decision	End 2016	Mid 2017
Start-up	End 2018	2020



Southern connections: today's terminals



2018-2020: new terminal capacity east and south of Milan

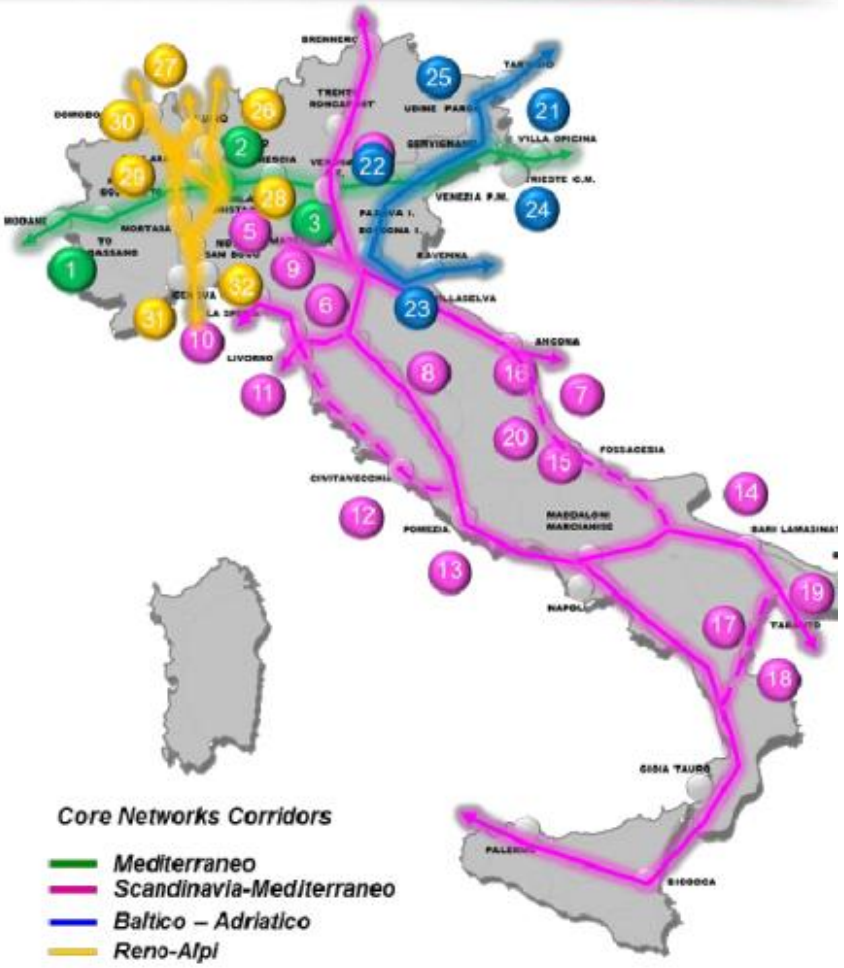


Corridor development in Italy – horizon 2020

Overview delle azioni di Piano Commerciale

Corridoi della Core Network Europea

		INTERVENTI	Benefici			
			Sagoma	Modulo	Peso Ass.	Terminali
MEDIT.	1	Linea Torino Orbassano – Milano S. – Padova I. (fase)		●		
	2	Potenziamento del terminal di Milano Smistamento				●
	3	Potenziamento tratta Cava Tigozzi – Cremona – Mantova			●	
SCNADINAVIA - MEDITERRANEEO	4	Linea Brennero – Bologna (fase + completamento)		●		
	5	Linea Bologna – Piacenza	●			
	6	Linea Bologna – Firenze	●			
	7	Linea Rimini – Bari Lamasinata	●			
	8	Linea Bologna – Firenze – Roma Smistamento		●		
	9	Nuovo terminal di Marzaglia				●
	10	Linea Livorno – La Spezia	●			
	11	Nuovo terminal di Livorno Darsena				●
	12	Linea Livorno – Civitavecchia – M.Marcianise	●			
	13	Linea Roma Smistamento – M. Marcianise		●		
	14	Nuovo terminal di Bari Lamasinata				●
	15	Potenziamento scalo di Fossacesia				●
	16	Linea Rimini – Bari Lamasinata		●		
	17	Linea Bari – Taranto – Gioia Tauro	●			
	18	Linea Bari – Taranto – Gioia Tauro		●		
	19	Potenziamento scalo retroportuale di Taranto				●
	20	Nuovo collegamento con l'interporto d'Abruzzo				●
BAL-ADR	21	Linea Tarvisio – Trieste C.M.		●		
	22	Linea Villa Opicina – Padova I. – Bologna I.		●		
	23	Collegamento con il porto di Ravenna	●			
	24	Potenziamento del porto di Trieste				●
	25	PRG Nodo di Udine				●
RENO - ALPI	26	Linea di valico di Chiasso	●			
	27	Linea di valico di Luino	●			
	28	Linea Milano Smistamento - Chiasso		●		
	29	Linea Luino – Gallarate / Novara		●		
	30	Linea Novara – Domodossola via Arona		●		
	31	Nuovo terminal di Genova Voltri Mare				●
	32	Potenziamento terminal di Genova Campasso				●



RFI RETE FERROVIARIA ITALIANA
GRUPPO FERROVIE DELLO STATO ITALIANE