

MEDIA RELEASE

RAIL.ONE enters the US market

- Construction of a plant for production of 600,000 concrete railroad ties annually
- Founding of a US subsidiary

Neumarkt, Germany, 11 March 2013 – RAIL.ONE Group, leading international manufacturer of concrete railroad ties and systems provider for railway track, has entered the US market. The company will construct a production plant in the US State of Iowa with an annual capacity of 600,000 concrete ties. In implementation of its market entry, RAIL.ONE Group has already founded a US subsidiary: RAIL.ONE USA Corp.

With an investment volume of €15 million for property, infrastructure links, and the plant building, RAIL.ONE will construct, in Clinton, Iowa, one of the most advanced railroad tie factories in the world. This investment will create over 60 new jobs in the region. Implementation of the required plant and production technology is scheduled to begin in the third guarter of 2013, with commissioning of the plant targeted for the end of this year. The factory will annually produce up to 600,000 concrete ties, which will be sold to the major railroad companies of North America. In its construction of production plants, RAIL.ONE benefits extensively from its long years of experience in this field. As the only such factory planner and builder, it offers four different processes for the production of concrete ties. These techniques can also be modified to satisfy the customer's particular requirements. Jochen Riepl, CEO of RAIL.ONE GmbH, explains the potential in the United States: "Our entry in the extensive and highly promising American market offers attractive opportunities for further business development. The current annual replacement of around 22 million wooden ties on American railroads will result in their increasingly greater exchange in the form of concrete ties." In taking advantage of these potentials in the United States, Riepl



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continues, "We will at the same time support creation of local added value by our collaboration with American industry and by creation of new jobs."

Concrete ties for heavy axle loads

For RAIL.ONE Group, this market entry signifies an important success for its concrete tie technology in North America. The demands placed on railway infrastructure there are much more rugged than those in Europe. Most of the rail lines involved in America are purely for freight transport, with annual loads of up to 250 million gross tons. Typical American axle loads are also correspondingly greater: up to 36 metric tons, compared to a maximum of 25 in Europe. The great train frequency in North America likewise results in track loads in many cases that are seven times that of heavily frequented combined freight-passenger lines in Europe. The demands placed on the concrete ties are correspondingly great. To meet these requirements, RAIL.ONE has developed a special heavy-haul tie, the HHS 36/6 model. It satisfies not only the stringent stipulations of the American AREMA specifications, but also the regulations in European Standard EN 13230. The initial prototypes have already been manufactured and installed and have succeeded in proving their performance capabilities both in tests at Munich Technical University as well as in actual operations.

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Profile of RAIL.ONE GmbH

RAIL.ONE GmbH conducts business with the goal of providing comprehensively oriented systems and engineering for the entire field of railway tracks and their many and varied requirements. With its patented RHEDA 2000[®] ballastless track system, the company has achieved an internationally leading position in the field of high-speed rail transportation. In addition, RAIL.ONE manufactures main-track and turnout ties made of concrete.



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With over 600 employees in its plants in Germany, Romania, Saudi Arabia, Spain, South Korea, Turkey, and Hungary, RAIL.ONE offers total annual production capacity for 4 million main-track ties, as well as for over 580,000 linear meters of switch ties. The company achieves average annual sales of approximately €130 million.

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