



PRESS RELEASE

SUBSIDIARY OF TITAGARH WAGONS IN FRANCE BAGS Euro 39 Million ORDER (Rs. 275 Crore)

CUMULATIVE ORDER BOOKING SINCE ACQUISITION CROSSES Euro 150
Million (Rs. 1050 Crore)

Kolkata, March 08, 2013: Titagarh Wagons AFR S.A., (TWAFR) a subsidiary of Titagarh Wagons Limited (TWL) one of the country's leading private sector wagon manufacturers, has bagged a prestigious order from a subsidiary of SNCF(French Railways) for supply of 400 Hopper Cereal Wagons. The order is estimated at Euro 39 million* (approx. Rs. 275 crore).

TWL had set up the French subsidiary in July, 2010 to take over the manufacturing facility of AFR, then a sick industrial unit by successfully bidding under the supervision of Paris Commercial Court. This is the first ever overseas acquisition by TWL and first of its kind in this sector. Formed by the merger of ARBEL (established 1869) and FAUVET GIREL in 1985, two of the leading manufacturers and designers of freight wagons, ARBEL Fauvet Rail - AFR- is a company specialized in the design, construction and marketing car freight and tank containers.

Commenting on this event, Mr. Umesh Chowdhary, Vice Chairman & Managing Director of Titagarh Wagons Ltd. said that "After re-start of operations in July 2010 under TWL's aegis, TWAFR has got orders worth Euro 150 million (Rs. 1050 crore). The order for 400 Hopper Wagons is an important landmark for TWAFR. Firstly, it comes from the Ermewa Group, which is part of the French railway network and SNCF, already an existing and satisfied customer of TWAFR. Secondly, this order marks the 4th order for this type of wagon since its development in early 2011, which signifies the success of TWAFR's design of wagons and customers acceptance for the same.

From the beginning, we have concentrated on creating a niche position for ourselves in the European market by offering superior design, high quality products and timely deliveries. This has resulted in most of our customers placing repeat orders on us. What was essential for AFR was to regain creditability in the market and this order establishes that we have been successful in doing so."

The order was signed last week at the plant at Douai, France where eminent personalities including the President of the North of France, Mayor of Douai, President of Sous-Prefet and other distinguished dignitaries besides the customer and employees of TWAFR were present.

Mr. Daniel PERCHERON, President of the North of France, welcomed the order and confirmed his support to the company in future. Mr. Jacques VERNIER, mayor of Douai, expressed his happiness on the occasion and also mentioned that huge employment is being generated due to fast revival of the company. Mr. Christian POIRET, President of the CAD (a powerful



authority in France), paid tribute to the tremendous work done after takeover by TWL in July 2010.

Over the years, TWAFR has worked very closely with its customers to design wagons to cater to their customized needs. Today, TWAFR has the expertise and capabilities to design and manufacture wagons ranging from standard wagons like hopper wagons, tank cars to specialized wagons like automobile carriers, nuclear waste carrier, etc.

The Research and Development team at TWAFR is very strong. The company owns a number of patents for both wagons and bogies -AFR22 Bogie, a patented bogie. The company has developed a wide range of multi-application innovative wagons that includes poly articulated wagons. Keeping up with the environmental concerns, TWAFR has also designed Road to Rail wagons wherein trucks are completely loaded on wagons for logistics.

TWAFR is located over an area of 42 acres at Douai in northern France, considered a hub of Europe's railway industry. The plant is located over an area of 17 hectares with a covered area of 70,000 sq. m. The capacity of the unit is to produce 2000 wagons/annum. TWAFR undertakes design, engineering and manufacture of tank cars, containers, bogies and wagons with strong research & design competencies and has developed a number of patents.

Mr. Chowdhary added that "This order would enable TWAFR to further consolidate its position and attain higher cost competitiveness by a prudent mix of outsourcing certain components from India as well as optimizing the production processes in France. We would continue our efforts of expanding our products and customer base in Europe and would also be exploring other emerging markets such as Africa via our French subsidiary."

*including free supply

About Titagarh Wagons Ltd.: *Incorporated in 1997-98, Titagarh Wagons Ltd. is one of the leading private sector Wagon manufacturers in India. The Company is engaged in the business of manufacturing Railway Wagons, EMU (Rail Coaches), Bailey Bridges, Heavy Earth Moving and Mining Equipment, Steel and SG iron castings of moderate to complex configuration etc. As an "Industry Partner" to the Defence Research and Development Establishment, Ministry of Defence, it also manufactures other products for the Indian Defence establishment, such as special wagons, shelters and other engineering equipments.*

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