

The logo for TPAINCE, featuring the word "TPAINCE" in a bold, blue, sans-serif font. The letter "C" is stylized, with a yellow and orange swoosh that loops around it from the bottom right to the top right.

**TPAINCE**



## **TRAINOSE**

**THE CRITICAL LINK TO THE GLOBAL SUPPLY CHAINS  
FROM ASIA TO THE EUROPEAN HINDERLAND**

# TRAINOSE, S.A.

## History and Status of the Company

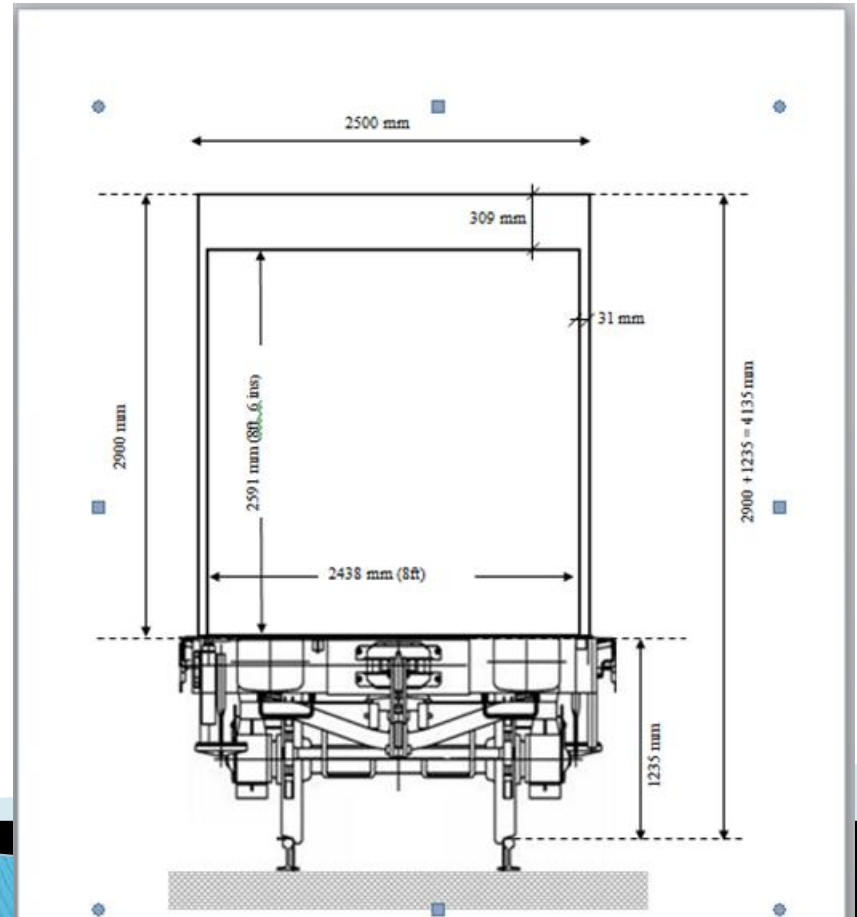
**TPAINCOE** is publically owned and the only rail operator in Greece

- It performs 330 line services
- With less than 900 employees
- 150 Freight & shunting locomotives
- 3000 freight wagons fulfilling UIC standards

### Locomotive MLW A-450



Power: 1.200hp  
(890kW) ~ 2,750hp  
(2,050 kW)  
Drive Shafts number  
: 6



### Locomotive MLW A-504, A-506



Power: 3.000hp  
(2.240kW) ~ 3,600hp  
(2,680 kW)  
Drive Shafts  
number: 6

Containers 40 ft (width 8ft 6ins, ISO standardized) και 45 ft (high cube, pallet-wide) on wagon type 362

## **TRAINOSE** The company Overview:

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- As part of the infrastructure company TRAINOSE has a continuous history of 150 years of operation (the longer service disruption during World War II for 2 months (the first days of the German occupation in 1941 when all locomotives were destroyed by the engine drivers)
- At its current structure as an operator was established as subsidiary of OSE, S.A. the infrastructure company, in 2005 and as an independent Rail Service Operator in 2007
- From 2007 to 2009 it had an operational deficit (annual) of 240 million euro
- In 2010 an ambitious 2-year restructuring plan was designed and implemented (detailed next)
- **In 2012 the company the restructuring was successfully completed and TRAINOSE presented earnings of 1.2 million euro EBITA**

1. Transfer of approximately 800 employees from TRAINOSE to the Greek Government (45% of the workforce) from 1650 down to 860
2. Suspension of loss making service and implementation of new train schedules (40% reduction in operating lines)
3. Renegotiated a new contract agreement with the Unions, rationalizing of the payroll cost by drastically reducing the secondary allowances
4. Revision of the organizational structure, to comply with the company's strategy (11 instead of 21 directorates)
5. Application of the new pricing policy: 40% increase in the suburban system, a yield management scheme for the intercity system and cost based system for freight tariffs with promotion of block trains.
6. Compensation for the provision of public services of passenger rail transportation, according to Law no. 3891/2010 and Regulation no. 1370/2007
7. Outsourced all the non essential activities

IN €	Year 2008	Year 2009	Year 2010	Year 2011	Year 2012	Forecast 2013
<b>SALES</b>	<b>91.086.438</b>	<b>96.462.009</b>	<b>94.715.779</b>	<b>84.636.087</b>	<b>83.280.305</b>	<b>89.000.000</b>
Revenue from Intercity Passenger Services	51.984.000	51.730.009	55.345.212	46.937.869	48.069.044	50.000.000
Revenue from Suburban Services	11.649.340	12.342.000	12.980.567	15.499.737	15.333.091	15.000.000
Revenue from Cargo Services	27.453.098	32.390.000	26.390.000	22.198.481	19.878.170	24.000.000
<b>Public Service Obligations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50.000.000</b>	<b>50.000.000</b>	<b>50.000.000</b>
<b>Other Services</b>	<b>8.934.098</b>	<b>9.234.512</b>	<b>9.234.512</b>	<b>5.679.228</b>	<b>7.465.453</b>	<b>7.500.000</b>
<b>Total Revenue</b>	<b>100.020.536</b>	<b>105.696.521</b>	<b>103.950.291</b>	<b>140.315.316</b>	<b>140.745.758</b>	<b>146.500.000</b>

## EXPENSES

In €	Year 2008	Year 2009	Year 2010	Year 2011	Year 2012	Forecast 2013
Personnel Expenses	124.009.000	123.879.000	93.900.900	49.268.756	35.231.632	30.000.000
Maintainance of Rolling Stock	44.234.000	45.908.087	34.600.090	23.202.461	19.175.000	20.000.000
Fuel	42.120.549	43.980.988	33.775.009	25.705.538	25.543.168	26.000.000
Electricity	3.432.098	4.927.000	5.409.000	7.566.032	6.237.305	8.000.000
Rental of Rolling Stock	36.093.000	35.639.000	33.639.000	23.000.000	18.888.172	18.000.000
Use of Infrastructure	32.109.900	32.012.000	29.012.000	18.029.654	18.050.000	19.000.000
Other Operating Expenses (cleaning, security, RIV, rentals)	50.591.924	49.870.670	37.200.000	27.113.911	16.351.240	18.000.000
<b>Συνολικά έξοδα</b>	<b>332.590.471</b>	<b>336.216.745</b>	<b>267.535.999</b>	<b>173.886.353</b>	<b>139.476.517</b>	<b>139.000.000</b>

<b>EBITA</b>	<b><u>-232.569.935</u></b>	<b><u>-230.520.224</u></b>	<b><u>-163.585.708</u></b>	<b><u>-33.571.037</u></b>	<b><u>1.269.241</u></b>	<b><u>7.500.000</u></b>
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It operates on a 2500 km rail network in Greece



# And we are interoperable with all networks from Aegean to the North Sea

**Munich in 5 days**

**Moscow in 8 days**

**Wienn 4 days**

**Budapest 4 days**

**Belgrade 3 days**

**Bucarest 2 days**

**Sophia 24 hrs**

**Skopia 18 hrs**

**Ormenio**

**Istanbul 36**

**Pithion**

**Idomeni**

**Promachon**

**Thessaloniki 8 hrs**





# TRAINOSE, S.A.

## Prospects of the Railway Industry in Greece

# Opportunities for the Railway Industry in Greece

- ▶ The opportunities for the company are substantial and they are mainly attributed to 3 major reasons/enablers:
  1. The completion of the rail connection to the Port of Peraeus and the Peraeus Container Terminal on March 2013
  2. The completion of the double line and electrification/signalization/telecomand (ETCS Level 3) on the axis Athens–Thessaloniki by 2016 (1<sup>st</sup> phase was completed 2 are left to go)
  3. TRAINOSE passed all tests and received the EU wide License as a Rail Operator, which allows us to enter the rail market of Central Europe through Bulgaria and Rumania as well as Turkey

# Freight and Logistics Services

- ▶ Today TRAINOSE's cargo services are limited to the Port of Thessaloniki (about 8–10 trains a day) averaging 20–25 million euros annual revenue from the cargo business.
- ▶ No logistical, warehousing or other value added freight services are offered.
- ▶ The major opportunity in the cargo service is created by the completion of the Ikonion line that connects the national network to the Port of Peraeus (OLP) and the Peraeus Container Terminal (PCT).
- ▶ Providing rail services to the Port create enormous opportunities both for the Port as well as the Rail Industry. PCT and OLP have managed to reach the handling of over 2.5 million TEUs in 2012. Most of these containers are transhipped by feeder lines to other Ports and few are shipped to the hinterland of the Port of Peraeus by truck.
- ▶ Rail service became available this year for the first time thus enabling the Port to serve as remote hinterland destinations as Hungary, Slovakia, Czech Republic, Poland and of course the Balkans and the Black Sea Region.
- ▶ Each train can serve up to 80 TEUs to a remote destination at a competitive cost with lead times approaching those of a truck. With an average cost of 10–15 euros per train–km the cost for shipping a typical 40 foot container to a destination 1000 km away can be as little as 300 euro (excluding handling and last mile charges).
- ▶ This can substantially increase the reach of PCT in the Balkan and Central Europe hinterland, especially if critical mass of necessary shipments is attracted to initiate regular block trains or line services.



2013

- *Piraeus Container Terminal was established in 2009 after a concession agreement between the Greek Government and COSCO Pacific*
- *In 2010 500K TEUs were handled*
- *In 2011 1 million TEUs*
- *In 2012 2 million TEUs*



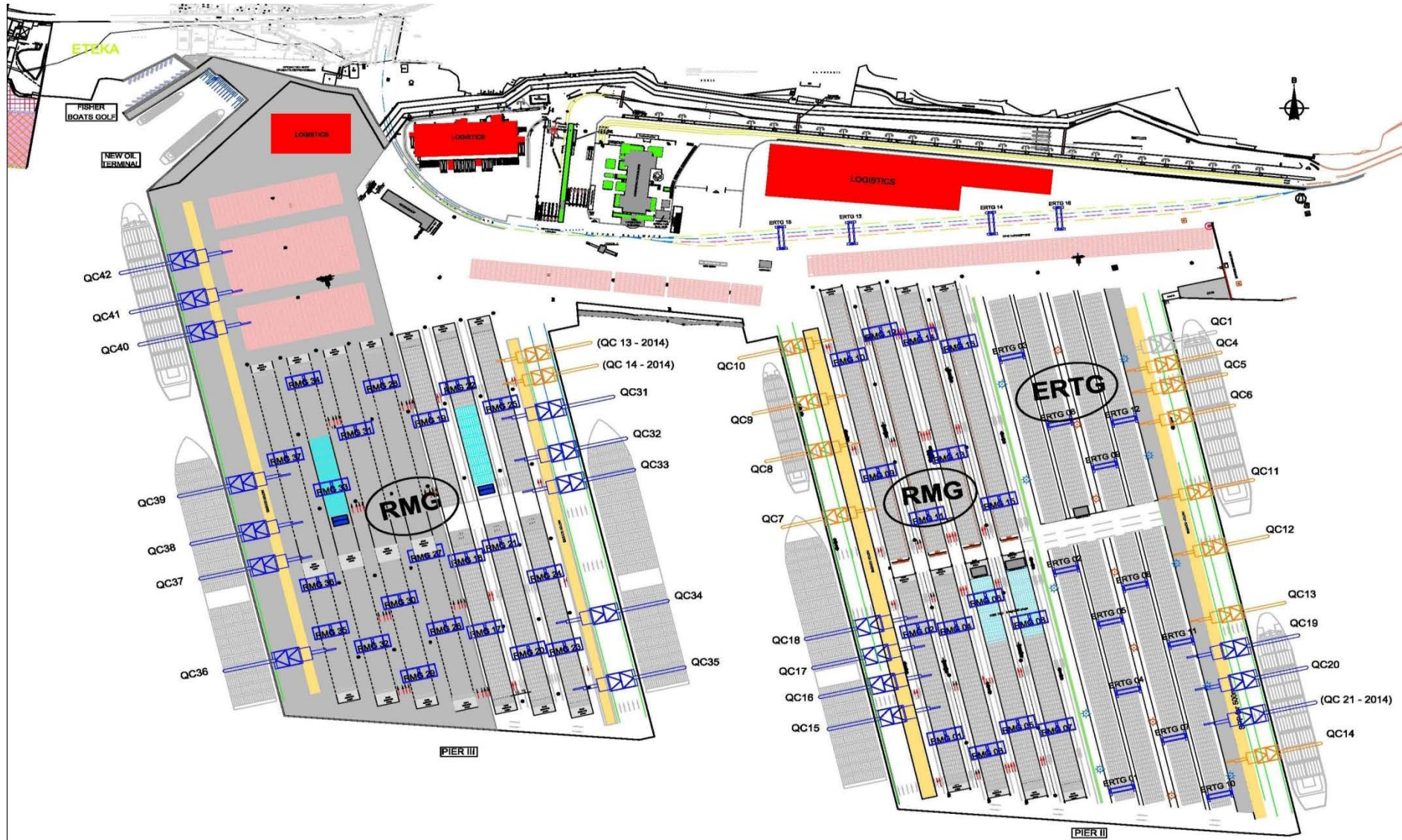
**PCT S.A. investing in the future**  
*Pier III*



***Construction of Pier III, commenced on Oct. 2011, achieving an additional capacity of 1.1 million TEUs and will be ready by the end of Oct. '15***

- ✓ In June 2013, 450 meters of Pier III will be ready and operational, with 5 new generation 26 rows SPP QCs
- ✓ In total 7 new super SPP QC will be added on Pier III
- ✓ 9 semi-automated RMG's will be also added.
- ✓ 360 Reefer Plugs in Reefer Towers

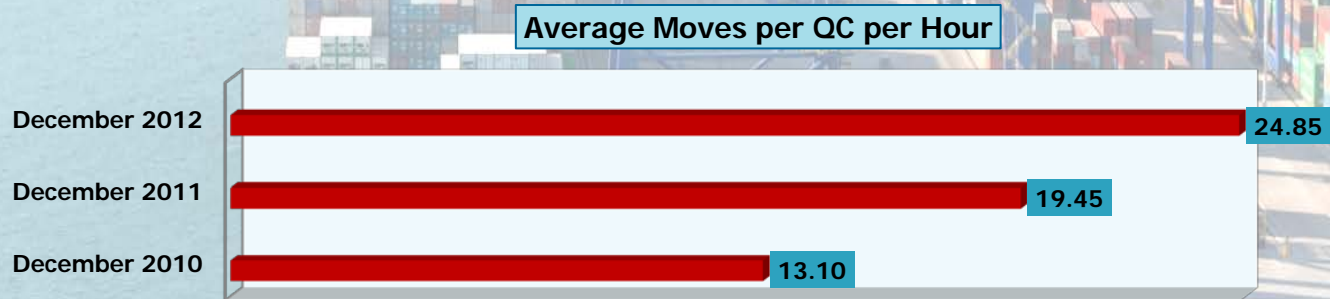
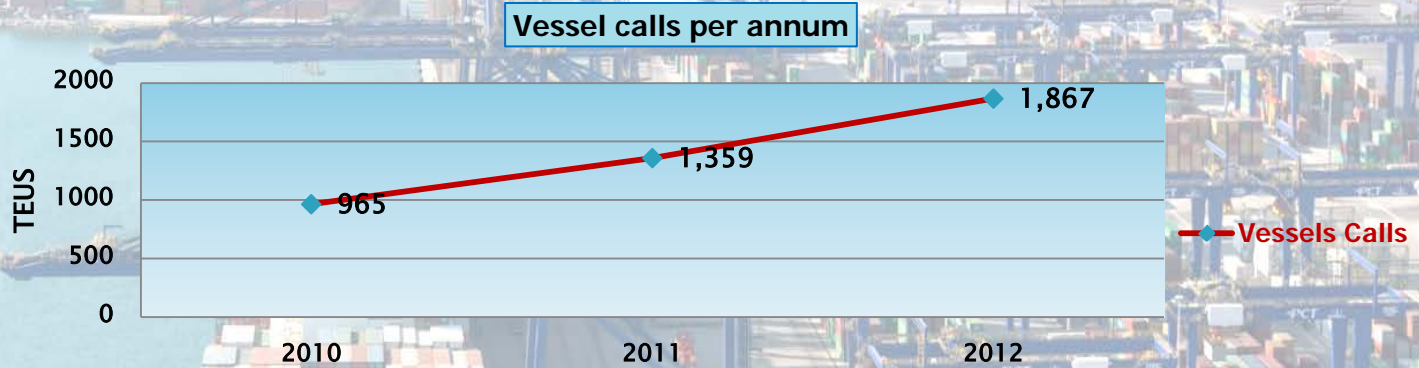
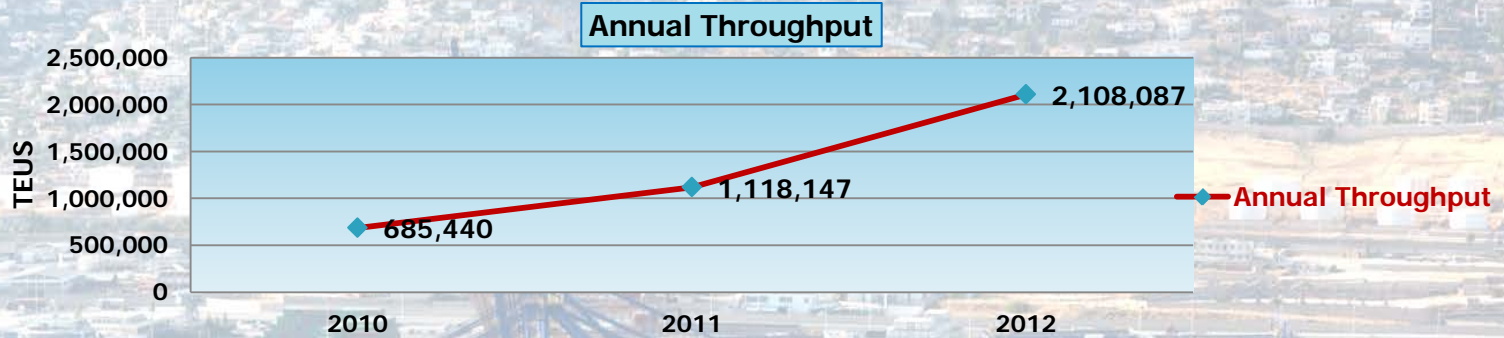
# Bridging East and West with the Best Quality Services



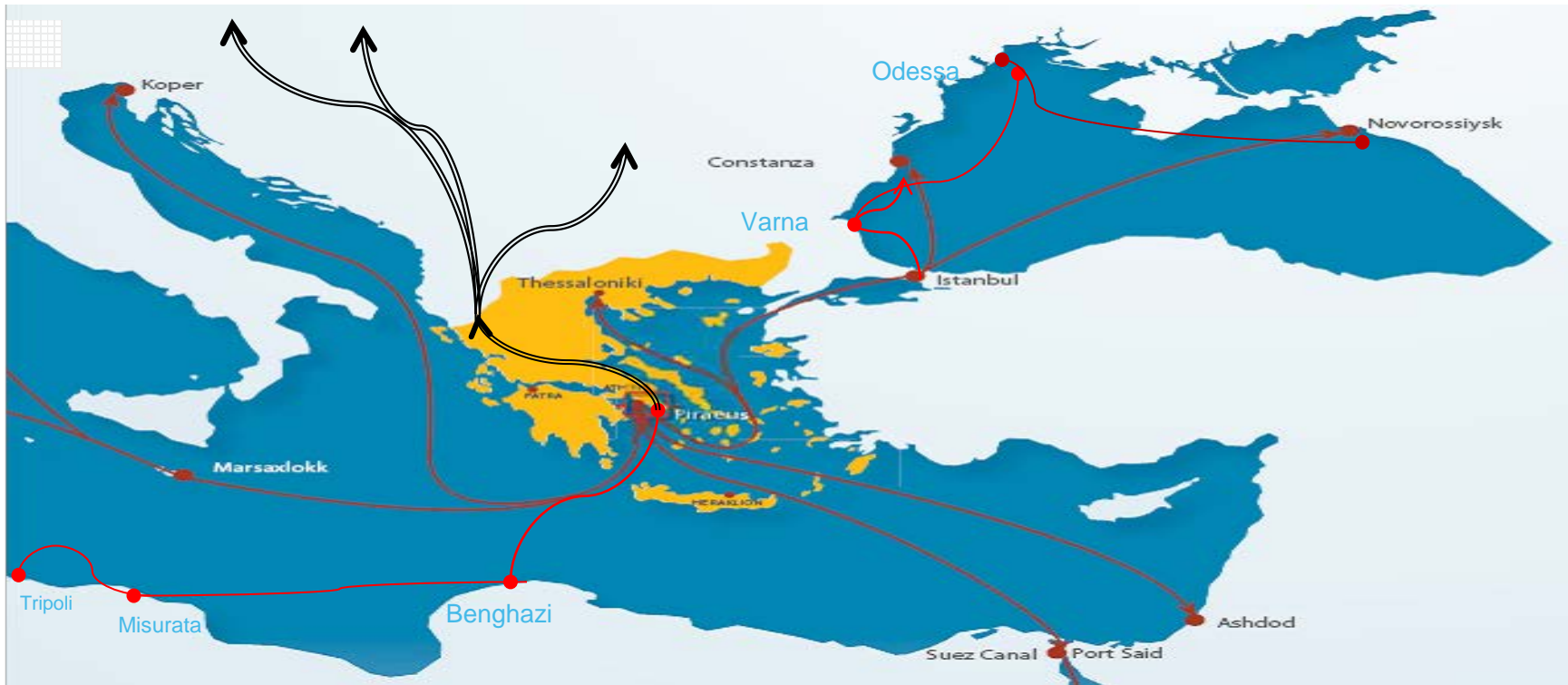
**Terminal Capacity:** Pier II: 3,2M TEU - Pier III: 3,0M TEU - TOTAL: 6,2M TEU

Piraeus Container Terminal S.A.

# Bridging East and West with the Best Quality Services



# East Mediterranean Hub



- Shorter Vessel Turnaround Time
- Guaranteed Efficiency & Availability of Equipment Serving vessel
- Negotiable Transshipment Tariff and Volume Contribution
- Assisting to develop East & Central Mediterranean Feeder Network centered at Piraeus



# East Mediterranean Hub

## North Africa Coverage, Libya

Rotation	: Piraeus, Al Khoms ( Tripoli ) , Misurata, Benghazi, Port Said, Piraeus
Voyage Time	: 18 Days
No of Vessels	: x 2
Frequency	: Every 9 Days
Operator	: X-PRESS



# East Mediterranean Hub

## Aegean - Spain Coverage

**Rotation** : Valencia, Castelon, Barcelona, Fos, Piraeus, Thessaloniki, Istanbul, Eyvav, Gemlik, Izmir, Cagliari, Valencia

**Voyage Time** : 7 Days

**No of Vessels** : x 3

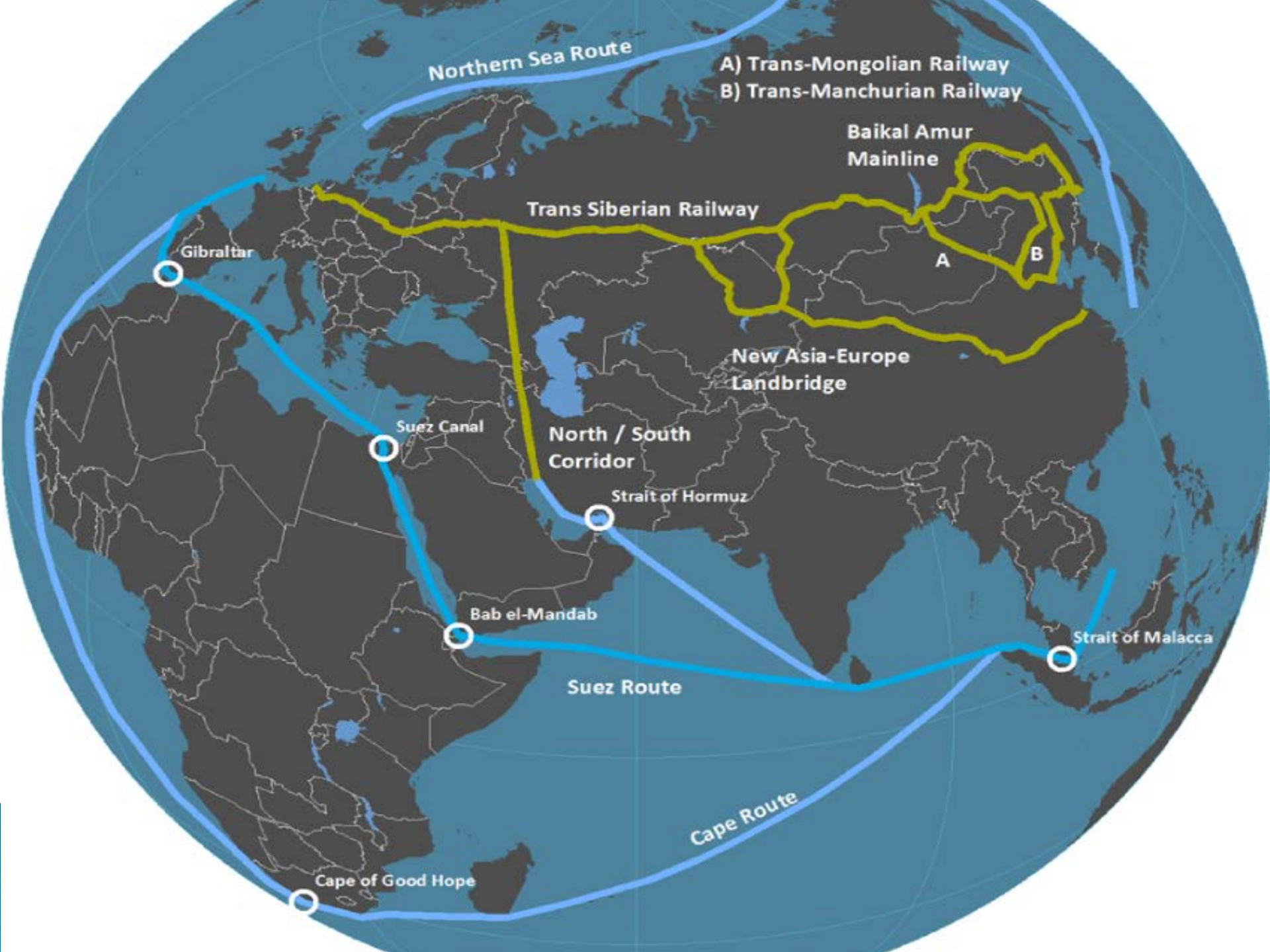
**Frequency** : 7 Days

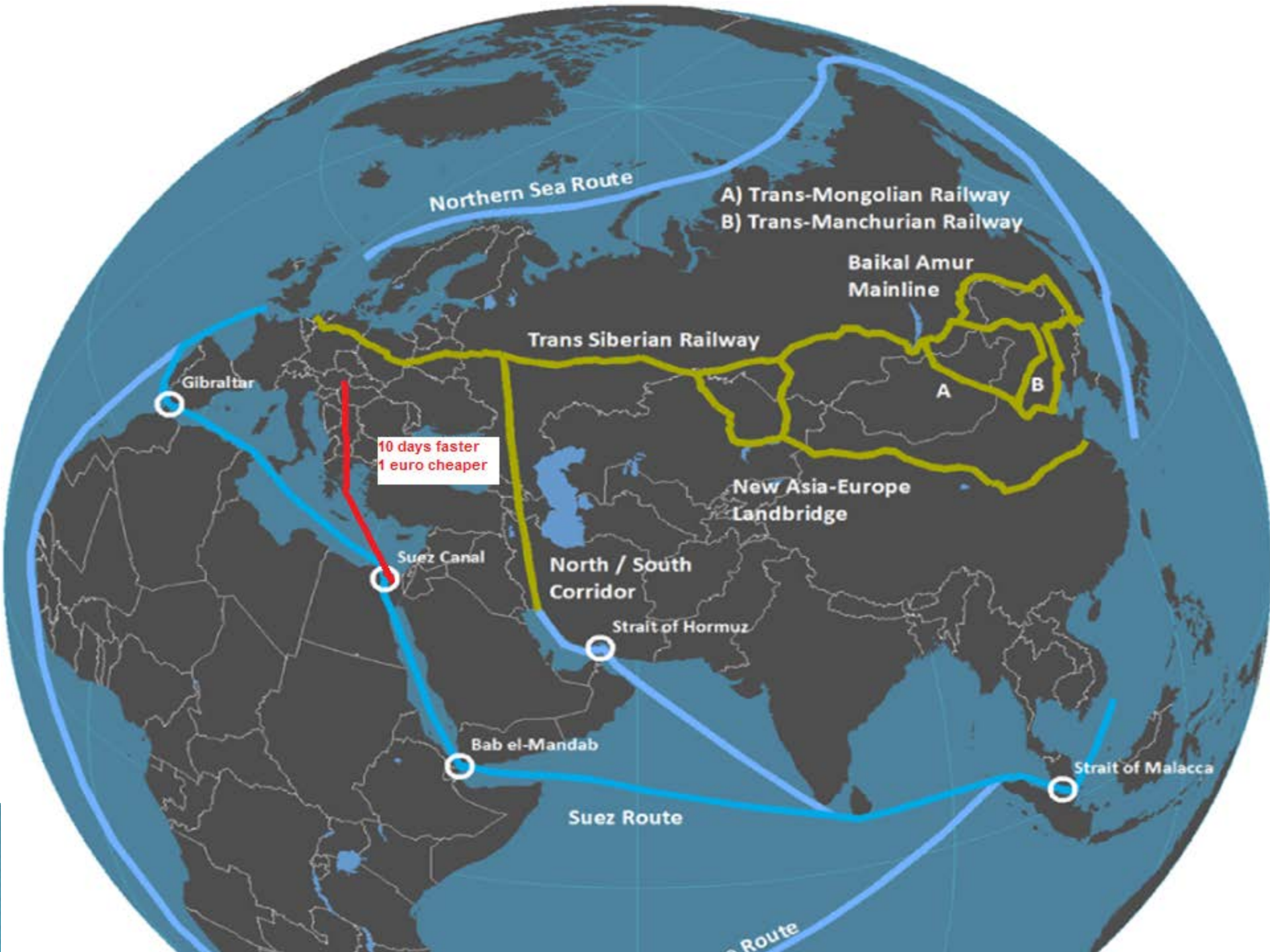
**Operator** : EMES



- In 3 years PCT managed to go from 0 to 2 million TEUs
- None of this has come to Rail so far, mostly because the connection was not there
- Now that the connection is completed, what can we expect in terms of Volumes?
- For which destinations?
- What is the expected Level of Service (lead time, cost, reliability)?
- Is the capacity there?
- What does this means to the Port: Is this existing volume or it will be new one?







# And we are interoperable with all networks from Aegean to the North Sea

Munich in 5 days

Moscow in 8 days

Wienn 4 days

Budapest 4 days

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Sophia 24 hrs

Skopia 18 hrs

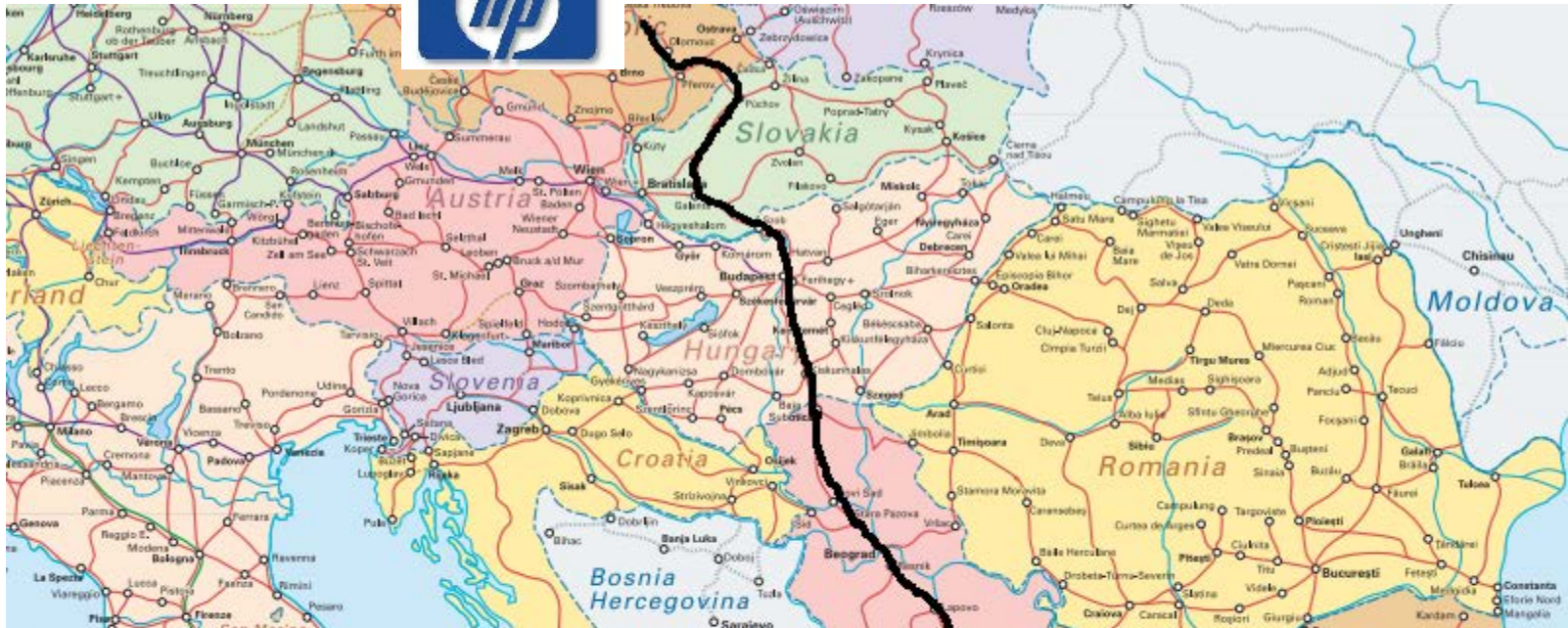
Istanbul 36 hrs



# The first Success Story:

## HP-COSCO-TRAINOSE Deal

Shortening the time from  
China to Europe by 10 days  
for even less \$\$\$...



- ▶ Greece (Peireus-Idomeni) : 634 Km (12 hrs)
- ▶ FYROM (Gevgelia-Tabanovci): 248 Km (8 hrs)
- ▶ Serbia (Presevo-Subotica): 603 Km (24 hrs)
- ▶ Hungary (Kelebia-Szob): 378 Km (8 hrs)
- ▶ Slovakia (Szob-Kuty): 162 km (4 hrs)
- ▶ Czech Rep (Breclav-Pardubice): 223 Km (8 hrs)
- ▶ Engine exchange times at border stations max time 48 hrs

**TOTAL 2200 Km Journey Time 5 DAYS**







## This Route's Parameters

**6 Countries**

**2200 km**

**2000 km Electrified**

**38 40-foot Containers on a train**

**Carbon Footprint equivalent to moving just 1 container by truck!**

**5 days lead time (Target 3.5 days)**

**Initial Volume for HP 100 trains a year**

**Port Output Target Volume by 2015**

**2000 trains a year or  
150 000 TEUs**

**Port Output Target Volume by 2020**

**10000 trains a year or  
700 000 TEUs**



# What do this Port Business mean to Rail?

- ▶ Northern Ports (Port of Hamburg, Antwerp, Rotterdam) receive more than 20 million TEUs
- ▶ Almost 1/3 of them goes out by rail and 1/3 by barges; the rest is transshipped or by truck
- ▶ Peraeus Port has of course particularities as it is a major transshipment port, serving other major Mediterranean and Black Sea Ports; therefore it is not expected to generate this share of traffic for land modes.
- ▶ According to our estimates though almost 3 million TEUs are destined to Central Europe from the Northern Ports another one by other means (e.g. Port of Koper in Slovenia and Port of Costanza in the Black Sea)
- ▶ Given that the PCT today handles little (through feeders to Koper and Costanza) to these markets, we had to target new business that uses the northern ports

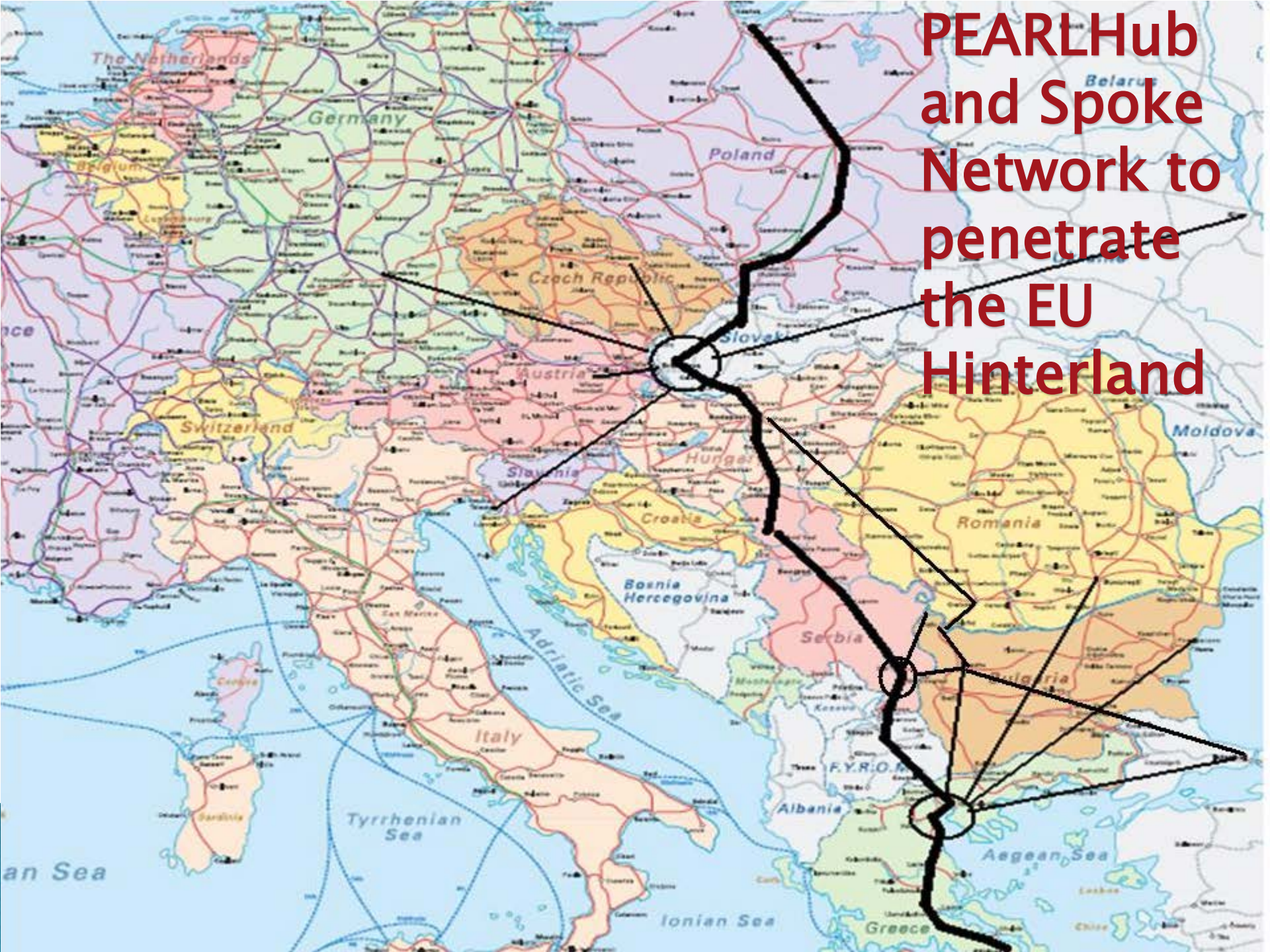
# Strategic Alliances

- ▶ TRAINOSE obtained in 2012 the European Rail Operator license as well as Safety Certificates A and B.
- ▶ To operate in the other EU countries it only needs to certify its electric locomotives (it operates 30 brand new Siemens electric engines) by obtaining the Safety Certificate Type B in the other EU countries.
- ▶ Therefore it is fairly straightforward to extend operations to Bulgaria, Romania, Hungary, Austria, Slovakia, Czech Republic, Slovenia, Poland, and Germany which will allow TRAINOSE to offer seamless services from PCT, OLP and the Port of Thessaloniki (OLTh) to Central Europe, Western Europe, Black Sea, Adriatic Sea all the way to the Baltic Sea.
- ▶ The networks of FYROM and SERBIA are closed to competition and offer today the fastest way to central Europe
- ▶ We are investigating the development of a strategic alliance with these 2 networks, TRAINOSE and PCT with an open books pricing, priority access and routing

# Peraeus Europe–Asia Rail Lines Coalition

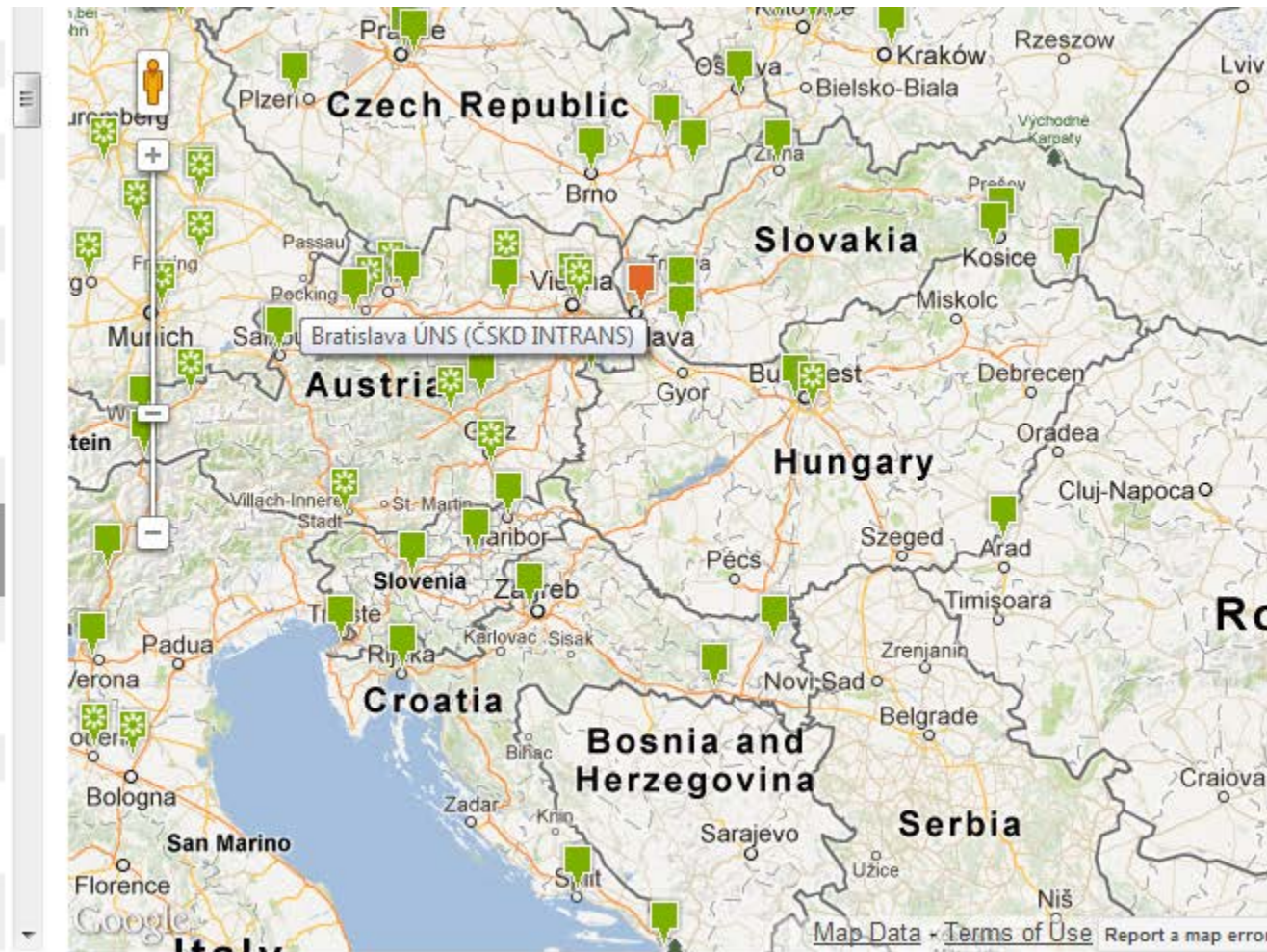
- ▶ We are investigating forming a joint venture company (PCT, TRAINOSE, CFARYM, SZ) based on the following 4 principles
  - Open book pricing and priority cargo routing from all railway undertakings to the coalition through their networks
  - The coalition will offer freight–forwarding and logistics services to all RAIL shipments out of the Port of Peraeus (PCT and OLP) and Port of Thessaloniki
  - The Coalition will develop a network of TERMINALS in Greece, Serbia, and Slovakia (near Bratislava) as well as strategic collaborations with terminals such as Sopron and BILK in Budapest
  - The coalition using TRAINOSE’s EU license and the resources of the other partners aims to develop rail traction services in Hungary, Slovakia, Slovenia, Czech Republic, Austria, Germany and Poland

**PEARLHub  
and Spoke  
Network to  
penetrate  
the EU  
Hinterland**



# Container Terminals in Central Europe:

Conteneurs		
Bönen	Bönen	DE
Beiseförth	Malsfeld	DE
Berlin Westhafen	Berlin	DE
Birsfelden	Birsfelden	CH
Bludenz CCT	Bludenz	AT
Bologna Interporto	Bentivoglio	IT
Bonn	Bonn	DE
Bonneuil-sur-Marne	Bonneuil-sur-Marne	FR
Borlänge Combiterminal	Borlänge	SE
<b>Bratislava ÚNS (ČSKD INTRANS)</b>	Bratislava	SK
Bratislava Palenisko	Bratislava	SK
Braunschweig	Braunschweig	DE
Containerterminal		
Bremen-Roland	Bremen	DE
Brennersee	Gries am Brenner	AT
Brno Horní Heršpice	Brno - Horní Heršpice	CZ



# The Coalition's Terminal Strategy

The strategy is to acquire one terminal in Central Europe located preferably close to Slovakia–Austria border and develop partnerships with the major other terminals, such as

- ▶ Sopron (Hungary),
- ▶ Lambach (Austria),
- ▶ BILK (Hungary),
- ▶ Munchen–Riem (Germany),
- ▶ METRANS (Czech Rep),
- ▶ SpedCont (Poland)



# RAIL the enabler for PCT to reach the EU hinterland

- ▶ The Rail Coalition will allow PCT to effectively penetrate the EU Hinterland offering a land bridge from Aegean to Baltic Sea
- ▶ It will acquire and operate at least 4 terminals (Thriassion, Thessaloniki, Niss, and Bratislava)
- ▶ It will build strategic collaborations with other terminals not related to port authorities, such as BILK in Budapest, Sopron in the Austria–Hungary border, Manheim in Germany, Lumbach in Austria, Yanna in Sophia and potentially others
- ▶ It will operate in a market power status for at least 5–10 years on the Serbian, FYROM and even Greek territory and it will maintain market power on its own rail operation in the other EU countries
- ▶ It is expected to reach at least 5 more ports besides Peraeus: Thessaloniki, Costanza, Varna, Kopper and Gdansk offering services of moving cargo and repositioning empties
- ▶ It is expected to move by 2016 20–40 trains/day in and out PCT to its own terminals with efficient trunk line services and reaching the EU hinterland in less than 4 days
- ▶ Moderate investments will be required to acquire terminals, make the upgrades and improvements and additional acquiring rolling stock and cargo handling equipment
- ▶ The investment should not exceed 200 million euro
- ▶ It can generate from freight–forwarding cargo and handling equipment at the terminals between 300 and 600 million euros a year with a reasonable margin of 10–25%



## OUR STRATEGIC GOAL

To become **the main rail service** provider in South Eastern Europe by serving efficiently the global supply chains from Far East to the SE and Central Europe through **GREECE**



# TRAINOSE

ΕΥΧΑΡΙΣΤΩ  
THANK YOU  
Xie xie ni  
谢谢你