



May 23rd, 2019

CAF ACQUIRES THE SWEDISH COMPANY EUROMAINT, STRENGTHENING ITS POSITION ON ROLLING STOCK MAINTENANCE

CAF Group has taken a new step in its growth and diversification strategy, following the agreement reached for the acquisition of 100% of the shares of EuroMaint Group, the Swedish market leader in the segment of rolling stock maintenance. With the incorporation of this new company to the Group, CAF reinforces its growing activity in the rail services area and also strengthens its solid presence in the Nordic markets, where the Company has developed a significant number of projects.

EuroMaint is currently one of the top maintenance companies in the Swedish railway sector, with a significant share of the Swedish market in the fleet maintenance business of passenger trains, locomotives and yellow machines. Its main activity comprises maintenance of large fleets as well as the supply of a wide range of railway components to the main Swedish operators. EuroMaint carries out its operations in 18 workshops and facilities spread throughout the country, which provides a clear leadership position and a clear opportunity to grow in the market.

As of today, the Swedish company employs around 1,000 people and generated revenues of approximately 150 million euros in the past year. Additionally, it will contribute to CAF Group with an important order book, which might be increased thanks to its strong positioning in the area.

This transaction will strengthen CAF Group's positioning at a European level in the maintenance and supply of components, which is an activity with longer average execution times that provides greater sales stability in the medium and long term. Likewise, EuroMaint's strong client portfolio will contribute to generate new opportunities for the development of other types of projects in the Nordic region. Moreover, the incorporation of EuroMaint will enhance the possibility of obtaining synergies both in the area of purchases and in the manufacture and supply of railway equipment and components of the Group.

This is a new step for CAF Group, following the acquisition of Solaris in 2018, aligned with the development of the Company's Strategic Plan for 2020. Among other objectives, this plan is committed to continue growing in the rolling stock and services business and the diversification of its activity, strengthening accordingly its position as one of the reference providers of transportation and mobility solutions and services.

The agreement with funds advised by private equity firm Orlando Nordics AB has been signed at around 80 million euros, with a final price that will be specified, after the relevant adjustments, at the closing of the transaction expected by July 19.



Expanding CAF Rail Services

May 23rd, 2019

CAF will integrate EuroMaint, the Swedish rail services leader



01/ EUROMAINT



Leading rail maintenance services company in Sweden,
devoted to fleet and component maintenance and spares supply

General overview

- EuroMaint was born as a spin-off of a public company (Statens Järnvägar) in 2001 and acquired by funds advised by Orlando Nordics AB in 2016.
- It is the leader of the Swedish market in rail maintenance services with a significant market share in the fleet maintenance business of passenger trains, freight locomotives and yellow machines.
- It offers a full services portfolio for the complete rolling stock spectrum divided into:
 - **Fleet Maintenance:** Big projects with recurrence in blue chip clients
 - **Components & Materials:** supply and maintenance services.
- EuroMaint operates **18 facilities and workshops**, strategically located throughout the main railway corridors of Sweden. It has a workforce of c.1,000 employees.
- EuroMaint had SEK c.1,550m revenues in 2018 (c.€150m).

Workshop footprint





01/ EUROMAINT



EuroMaint covers the full range of maintenance services for the whole rolling stock spectrum



	Full service solution	Rolling stock maintenance	Component overhaul	Rolling stock modifications	Refurbishment	Mobile team services	Material supply	Digital solutions
Passenger (Main line)	○	●	●	○	○	○	●	○
Passenger (Regional/Commuter)	●	●	●	○	○	○	●	○
Freight	○	●	●	○	○	●	●	○
Yellow machines	○	●	●	○	○	●	●	○

Level of presence in the market

- Leader
- Medium
- Growing

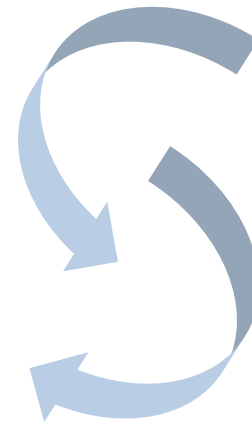
01/ EUROMAINT



Its leadership in Sweden brings a good opportunity to capture business from the Nordic markets

Relevant market share per segment

Strong order book that provides long term visibility



Excellent positioning in the market

02/ RAIL SERVICES AT CAF



Global presence in services and excellence in execution

Over 50 years providing service solutions



- Presence in 34 countries through 97 projects
- Activity in 107 depots



- 10,292 cars in Maintenance or Warranty



- 2,532 employees in total



Service Solutions Portfolio:

Maintenance

Overhaul

Modernization
& Accidents

Spare Parts

Digital

Depots &
Workshops

Consulting &
Support

03/ STRATEGIC POSITIONING



EuroMaint fits perfectly into the CAF Group strategy by strengthening the services segment

2017-2020 Strategic Plan



- Services references in Sweden
- Local facilities in strategic locations
- Strong relationships/positioning with relevant Swedish customers

- Engineering capacity to improve efficiency and execute complex projects
- Synergies in Procurement
- Technology, equipment and spare parts

- Opportunity in Nordic countries based on EuroMaint footprint and CAF references



VALUE CREATION



04/ TRANSACTION DETAILS

- Acquisition of 100% of EuroMaint Group and its subsidiaries.
- Enterprise Value of EuroMaint estimated to be c.€80 million.
- Closing expected by July 2019

05/ LEGAL NOTICE



The purpose of this information is purely informative.

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