

The Freightliner logo, featuring the word "Freightliner" in a bold, yellow, sans-serif font on a dark green rectangular background.

Press Release

Date: 24 September 2008

The first of its kind

Freightliner Group Ltd and GE Transportation have today launched images of the new 'PowerHaul™' locomotive being developed for the UK market at the InnoTrans show in Berlin. 30 of these locomotives were ordered by Freightliner last year and the first are due to be delivered in late 2009. GE unveiled a PowerHaul™ engine and model of the locomotive at the show.

"The project is on track to deliver increased hauling capacity and a significant improvement in fuel economy and we are extremely pleased with the development to date of these locomotives," commented Tim Shakerley, Engineering Director, Freightliner Group Ltd.

Freightliner is the launch customer and has helped to shape the specification of features for the new locomotive in partnership with GE. The design is configured to minimise carbon emissions per tonne moved through the application of new technology engines and control systems, as well as meeting the latest, and



future standards for structural design and protection in the event of a crash.

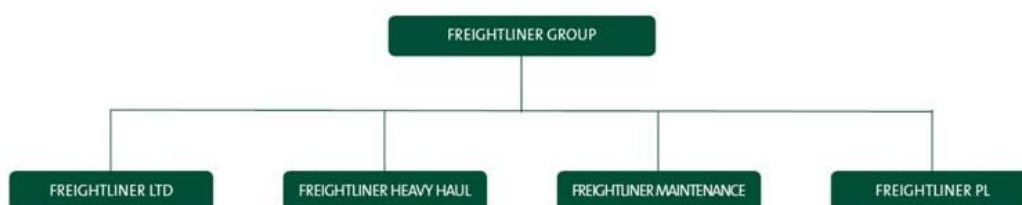
Added Shakerley: "The new locomotive will enable us to haul greater payloads and increase our fuel efficiencies, improving our carbon footprint and service offering to our customers.

"Packaging all of the new technology including AC traction, dynamic brake, air conditioned cabs, into a locomotive that is compliant to UK clearance gauge and axle weight has been a challenge, but the design team has been uncompromising in delivering these objectives with a delivery date towards the end of 2009.

"Freightliner is committed to increasing the amount of freight by rail, currently removing up to 70 lorries off the UK roads with each Intermodal service we operate. The introduction of these locomotives will enable us to remove even more vehicles from the UK's already congested roads. This is the largest order of locomotives that Freightliner has made to date, which demonstrates its ongoing commitment to investment within the rail freight industry. Locomotives are a 30 year asset and development of new technology is essential to continue to support the increasing demand for Freightliner's efficient, reliable and innovative rail freight services, whilst at the same time improving the environmental impact of freight transport."

The GE locos will complement Freightliner's existing fleet of more than 160 locos and 3000 wagons. They have not been assigned to a particular Freightliner business at this time, but will be used to increase tonnages hauled on specific routes where there are capacity constraints.

Further information on the project can be found in the attached factsheet or by contacting Philippa Brooks on +44 (0)7793 666 367.



Freightliner Group Limited

Freightliner Group Limited is the parent company of Freightliner Limited (the container business), Freightliner Heavy Haul Limited (the bulk rail freight business) Freightliner Maintenance Limited (a separate entity dedicated to the repair and maintenance of traction and rolling stock) and their European subsidiary, Freightliner PL Sp. z o.o.

Since privatisation in 1996 Freightliner Group has:

- Increased turnover by over 180%.
- Increased the volume of containers moved by rail by over 45%, which would otherwise have gone by road, adding to congestion and pollution.
- Increased the number of its employees by 65%.
- Successfully branched out into the movement of bulk freight by rail. The company was the first rail freight operator to bring competition into the market place, breaking the monopoly of the incumbent operator.
- Raised investment of well over £435m to fund its growth and expanded business activity, with £270m invested in equipment and staff facilities alone since 2001.
- Received a number of awards, including the 2006 HSBC Rail Operator of the Year - the first non-passenger company to do so - and in 2008, for the seventh time in eleven years and the fourth consecutive year, Freightliner won the IFW Rail Freight Award.

Freightliner Limited

Freightliner Limited is the UK's largest haulier of maritime containers, accounting for 20% of the total market share, and 81% of the rail-fed market. Its business is concentrated through five key deep-sea ports: Felixstowe, Southampton, Thamesport, Tilbury and Seaforth. The company provides trunk rail services between these ports and inland railports (of which they own and operate 8), moving customers' containers on the first or last leg of a worldwide voyage, and transport up to 3,000 boxes per day. In its unique logistics offering, Freightliner also has its own fleet of vehicles to complete the final road leg of the journey.

In March 2004 'Logico' was launched as a new and complementary division to encourage a more diverse group of freight movers to use Freightliner's reliable and efficient Intermodal services. It provides regular rail-service space without the need to make a long term commitment. In 2005, just a year after its inception, Logico was awarded the IFW Rail Freight Award for attracting new rail freight business.

Freightliner Heavy Haul Limited

Freightliner Heavy Haul Limited (FHH) was established in 1999 to broaden the market diversity of what had traditionally been a single-market operator trading exclusively in deep-sea containers.

FHH was launched on the basis of using new equipment and recruiting the best people to set new standards of flexibility and reliability in the bulk freight sector. FHH now operates nationwide in the coal, aggregates, cement, waste, specialist minerals and petroleum sectors and also moves large numbers of trains in support of Network Rail's own programme of track maintenance and renewals.

Since starting in 1999, FHH has grown to a turnover of over £100m, with over 600 employees, and a fleet of 80 locomotives and over 1300 wagons - a capital investment of over £180m. Using these resources, FHH has secured a position carrying approximately 30% of the bulk rail freight market, and continues to grow.

Freightliner Maintenance Limited

In April 2006 Freightliner Group established a new subsidiary, Freightliner Maintenance Limited (FML), which operates as a separate entity, dedicated to the repair and maintenance of traction and rolling stock. At present, FML is responsible for the scheduled maintenance and repairs of the Freightliner fleet of locomotives and coal and cement wagon fleet. FML commenced its operations at their Midland Road depot, but has since grown to include two more depots at Hope and Dunbar in their portfolio, as well as field engineering support in Scotland, Crewe, the South West and South East.

Freightliner PL Sp. z o.o.

In 2005 Freightliner Group recognised an opportunity to expand its operations in the European market, and established Freightliner PL Sp. z o.o. FPL began their operations in 2007, entering the Polish market with seven brand new class 66 locomotives and over 430 specialist wagons. After an initial coal contract, they are currently operating cross border services, moving aggregates from a German quarry into Poland.