

TWO NEW COMPANIES WILL BE CREATED WITHIN THE RAIL LOGISTICS EUROPE GROUP OUT OF FRET SNCF: HEXAFRET, A LEADING RAIL FREIGHT OPERATOR, AND TECHNIS, A LOCOMOTIVE MAINTENANCE COMPANY.

On Monday November 4, the creation and names of Rail Logistics Europe's two new companies were made official: HEXAFRET, the new rail operator specializing in wagons grouping; and TECHNIS, the new locomotive maintenance company.

These two new companies will see the light of day (target date: January 1, 2025), in line with the discontinuity plan defined by the government in May 2023 to avoid Fret SNCF having to repay the 5.3 billion in debt targeted by the European Commission's investigation opened in January 2023 against the French state.

This transformation will open up new perspectives for sustainable growth in rail freight activities within the SNCF group, at a time when the decarbonization of logistics chains is a major challenge.

The implementation of this discontinuity negotiated by the French government with the European Commission fully respects the 3 red lines set by the company and Transport Minister Clément Beaune in May 2023, and confirmed by the new Minister François Durovray:

- No layoffs: all employees affected by the discontinuity have already found and will find new jobs thanks to the solidarity of the SNCF group;
- No modal shift to the road: all of the flows put back on the market by Fret SNCF have been taken over by other rail companies;
- Keeping the new companies within the SNCF group, with a solid business plan to guarantee their viability and give them the capacity to invest and grow.

TWO NEW STRONG BRANDS

The discontinuity plan requires the abandonment of the Fret SNCF brand. This is why the company has given the future companies two new brands, reflecting their DNA and ambition.

Hexafret

TECHNIS

HEXAFRET, the new player in the rail freight sector, specializing in wagon grouping in France, with the ambition of encouraging modal shift from road to rail and exporting its unique know-how across borders.

TECHNIS, the maintainer who optimizes locomotives for all customers in the market: railway companies, owners, manufacturers.

The green and blue logos underline the affiliation of these new brands with the Rail Logistics Europe group to which they will be attached, two colors that reflect our commitment to protecting the environment.

HEXAFRET: A CLEARLY ASSERTED COMPANY PURPOSE

Hexafret has also given itself a strong and engaging company purpose to anchor its public-interest mission:

« Working together for accessible, responsible freight that serves the regions. »

TWO KEY PLAYERS IN THE RAIL FREIGHT MARKET

Hexafret, the rail company spun off from Fret SNCF, will position itself as the new benchmark in rail freight transport, connecting territories to each other and to Europe, with its 4,000 employees and more than 1,100 weekly long-distance trains serving 1,300 industrial and logistics sites in France and Europe.

Thanks to its production system, based on a unique regional network and shared resources, Hexafret will ship goods for several customers, on routes that function like “conveyor belts”.

Hexafret will thus be the freight transport expert in France and Europe, capable of meeting all its customers' needs and adapting to all types of frequencies and formats (single wagon, group of wagons, trains), facilitating access to rail.

Backed by this unique know-how, Hexafret is determined to increase its market share among its customers (shippers, logistics operators and carriers, including road hauliers), by offering them low-carbon solutions. But also in new growth sectors (such as renewable energies) or sectors traditionally operated by road (consumer goods).

Hexafret will support shippers in optimizing their supply chain with tools for tracking flows and measuring their carbon footprint.

What's more, the new company will be part of French and European initiatives to support rail freight, encouraging a modal shift from road to rail.

As a key player in the ecological transition, Hexafret's more environmentally-friendly transport will save over a million long-distance trucks off the roads every year.

The company will be headed by Charles Puech d'Alissac, current Managing Director of Fret SNCF: *"Our company purpose is to work together for an accessible and responsible freight service that irrigates the territories, while simplifying access to rail freight for our customers, by offering agile and robust solutions that respect our commercial commitments. Quality of service is the number 1 priority for Hexafret's development."*

Technis will establish itself as the new player in locomotive maintenance in France, putting the expertise of its 500 employees and the know-how acquired within Fret SNCF at the service of its customers, starting with Hexafret, but also within the scope of Rail Logistics Europe and more broadly on the rail freight market, for operators as well as rental companies and manufacturers.

With a strategic presence on France's major rail freight routes, thanks to its dozen workshops spread across the country, strengthened by cooperative links with other SNCF Group workshops, and the desire to develop innovative services for customers, Technis has set itself the mission of providing high-performance, accessible maintenance that optimizes locomotives for competitive, forward-looking freight.

Technis will be managed by Tristan Rouzès, previously Director of Performance and Transformation at Rail Logistics Europe: *"Drawing on the experience accumulated since the creation of its workshops, and backed by the commitment and technical know-how of its employees, Technis will offer its customers an industrial facility ideally positioned on rail freight corridors to maintain their locomotives and optimize their availability. These assets will enable us to look forward to a bright future, both for our customers and for our teams: constantly improving service quality and expanding our maintenance offering to contribute to the development of rail freight with a promising future".*

Overall, these two new companies are expected to achieve cumulative sales of over €700 million in 2025, comparable to those achieved by Fret SNCF in 2023 before the impact of the discontinuity.

TWO NEW COMPANIES WITHIN RAIL LOGISTICS EUROPE

The two new companies will be directly integrated into Rail Logistics Europe, which on January 1 will become a fully-fledged group, with a sales target of close to €1.9 billion in 2025 (compared with €1.5 billion in 2020, the year in which SAS Fret SNCF was created), consisting of a holding company and 6 brands with companies offering complementary expertise : Hexafret and Captrain as rail operators, Technis as locomotive maintainers, Forwardis as freight forwarders, and VIIA and Naviland Cargo as combined rail-road transport experts.

This will enable us to meet all our customers' needs in the rail freight transport and logistics segment in Europe.

Headed by Frédéric Delorme, the group's ambition is to become the first profitable European player in rail freight transport and logistics, thanks to high-performance, low-carbon solutions that promote modal shift.

Frédéric Delorme: *"These new company names and logos mark a fresh start after the discontinuity experienced by Fret SNCF, without losing our values and skills. I have no doubt that the presentations of the new Hexafret and Technis offers in early 2025 will appeal to our customers. The new, fully-fledged Rail Logistics Europe Group will finance the development of its subsidiaries and generate synergies to remain a major player in environmentally-friendly overland freight transport".*

ABOUT RAIL LOGISTICS EUROPE

Rail Logistics Europe is the SNCF Group entity dedicated to logistics and rail freight transport. By creating synergies between the group's 5 companies - Fret SNCF, Captrain, VIFA, Naviland Cargo and Forwardis - Rail Logistics Europe offers its customers a range of customized end-to-end services through its 4 business lines: rail operator, combined transport operator, rail freeway operator and freight forwarder. With a workforce of 9,200, Rail Logistics Europe is the No. 1 rail logistics hub in France and No. 2 in Europe, offering innovative, reliable and sustainable solutions in France and abroad to meet the challenges of decarbonization in France and Europe.