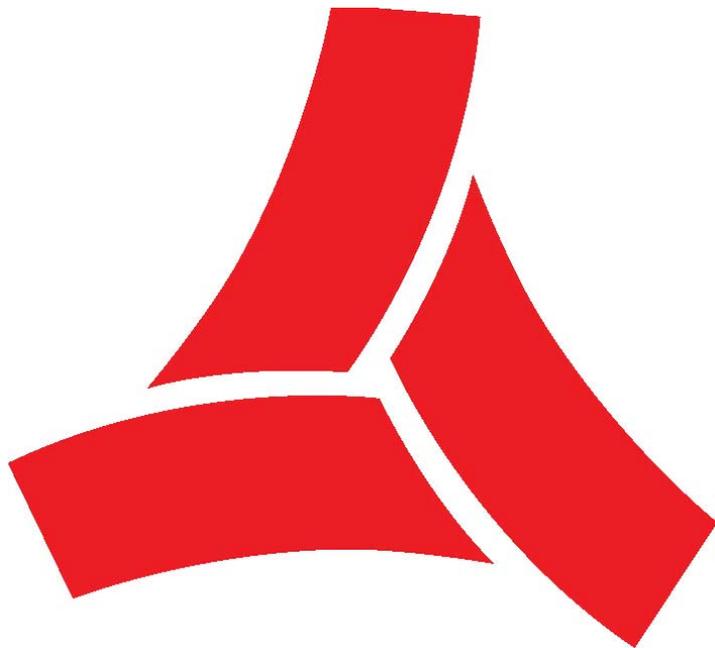


Improving European Railways

Presentation of the RETRACK Pilot

Trans European Rail Freight Seminar
Delft, 3 september 2008
Juraj Bansky, Transpetrol



retrack

An Integrated EU-Project

Integration in VTG Aktiengesellschaft



VTG AG	Number of wagons: 47.800 Revenue: 541 mio. €
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Wagon Hire

Rail Logistics

Tank Container Logistics



74,9% shares belongs to
VTG AG and is part of
the segment
Rail Logistics

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Overview of Transpetrol network in Europe



- TP - Group
- VTG Rail Logistics



Transpetrol Group

Sales in 2007	€ 151 m	
Transport volume in 2007	11,4 m t	Number of RTC 2.960
Employees	91	

Objectives of WP 8 – Pilot



The objective of this pilot demonstration is to use the developed new rail freight services and in this way demonstrate that rail freight operators can offer top – level SCM services which match the requirements of customers.

- ✦ The cooperation between rail freight operators and infrastructure asset managers, as envisaged in this pilot demonstration, will result in an improved reliability and frequency of the rail freight services against a competitive price.
- ✦ For this new railway service, RETRACK has decided to focus on the corridor Rotterdam to the Black Sea Port Constanza.
- ✦ On this corridor it will be possible to run cargo trains with a total gross weight of 1.600 tones.
- ✦ Private railway operators: Rail4Chem, LTE, CER, ServTrans

Objectives of WP 8 – Pilot



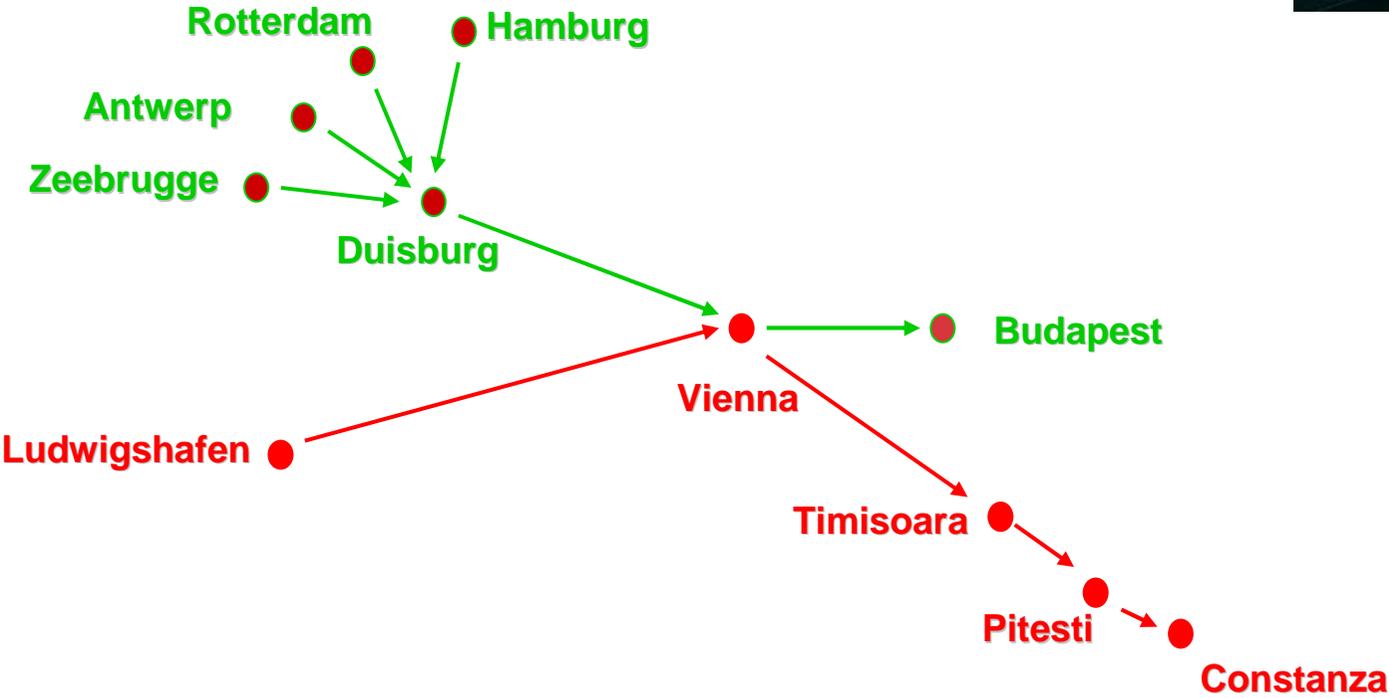
- ✦ From the port Constanza, there will be a direct connection to the shortsea feeder link Constanza – Derince (Turkey).
- ✦ The port of Derince is located on the Asian side of Istanbul, and gives direct access to industrial centers around Istanbul.
- ✦ The principal starting point in North–West Europe is Rotterdam, but also Ludwigshafen (Germany) and Antwerp (Belgium) will be terminal points for the railway service, depending on the demand.
- ✦ Along the corridor, it will be possible to load and unload rail cargo in Vienna, Budapest and Pitesti.
- ✦ Furthermore connections to Bratislava in Slovakia are an economically viable alternative.

Content of the demonstrator



- ⚡ The general idea is to start the RETRACK demonstrator in the first months of 2009 for a test phase of one year.
- ⚡ All preparations for actually running the train are in the first 21 months of the project, such as test runs, IT development.
- ⚡ In RETRACK we have developed the idea from a single corridor towards a network development wherein Rotterdam and Constanta are among the many destinations that are being served.
- ⚡ Another fact that shows our progress is the demand for the train paths for RETRACK which were filed at the one stop shop in Germany, to the infrastructure companies in each country and also to the RNE in Vienna.
- ⚡ We have sent a supporting letter to the infrastructure managers with the message that a RETRACK train path was requested and that this is supported by the Governmental Advisory Board.

Overview of Retrack network



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Key facts



- ✦ Within the first step we will implement the rail freight service from the terminal Ludwigshafen/ KTL down to Pitesti in Romania.
- ✦ The further network development is the extension to the (Netherlands) Rotterdam and to (Romania) Constanta on the black sea and in a later stage to Central Asia.
- ✦ The corridor involves 4 (later 5) European countries.
- ✦ Each railway within these countries have different specific technical and operational requirements.
- ✦ The corridor crossed 3 (later 4) borders → 3 later 4 times is changing the operational modes.
- ✦ Our demonstrator of RETRACK connects in the first step four container-terminals (as per customer requirements).
- ✦ The first frequency are three trains per week and in each direction.
- ✦ Each block train has 24 wagons → 72 TEU per train.

Terminals along the Retrack corridor



Starting Point

Terminal Ludwigshafen KTL (Germany)



Wien Cont (Vienna, Austria)



Timisoara South (Romania)

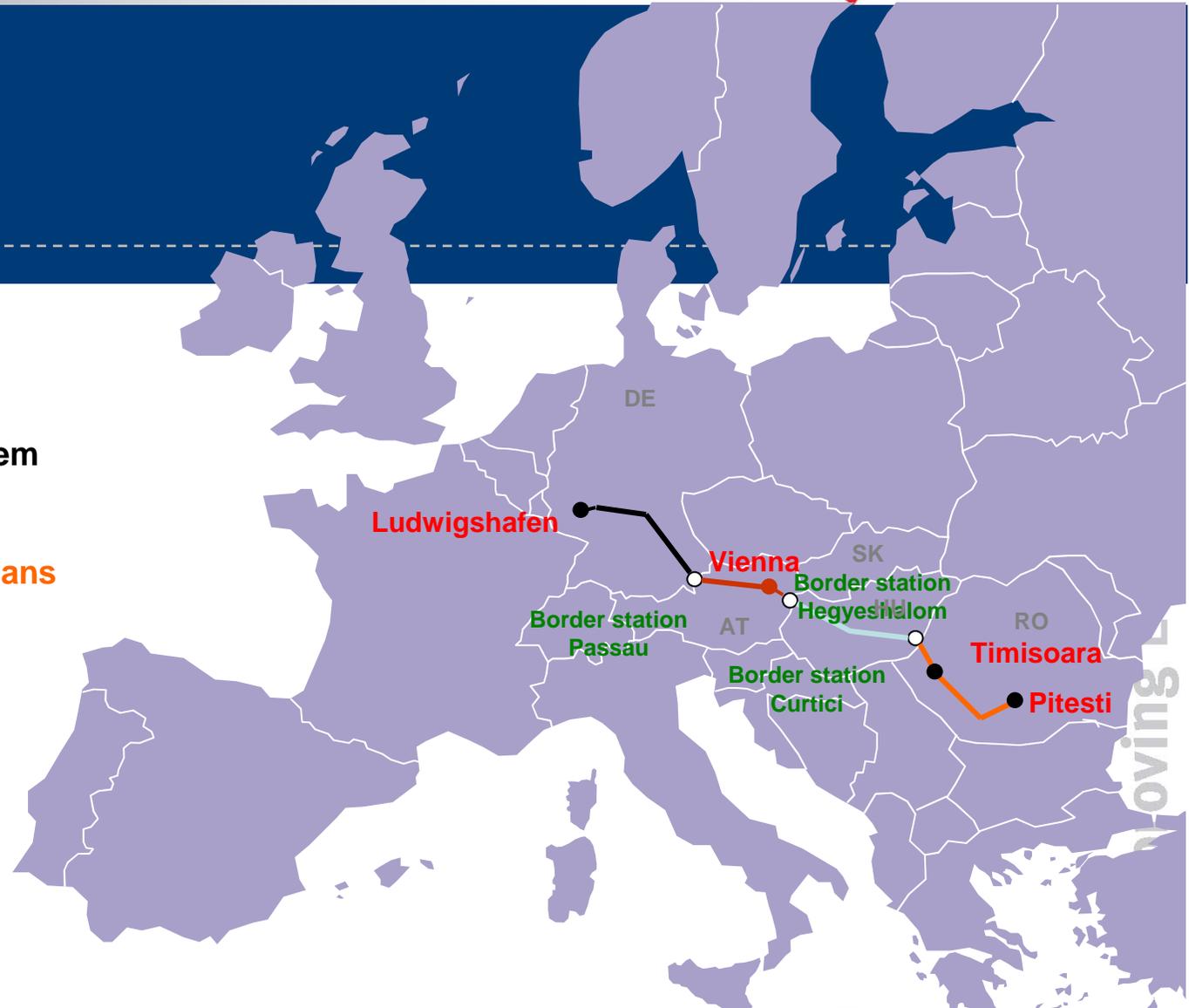


Final destination
Pitesti (Romania)

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Dedicated Route

- Legend:**
- = R4Chem
 - = LTE
 - = CER
 - = Servtrans

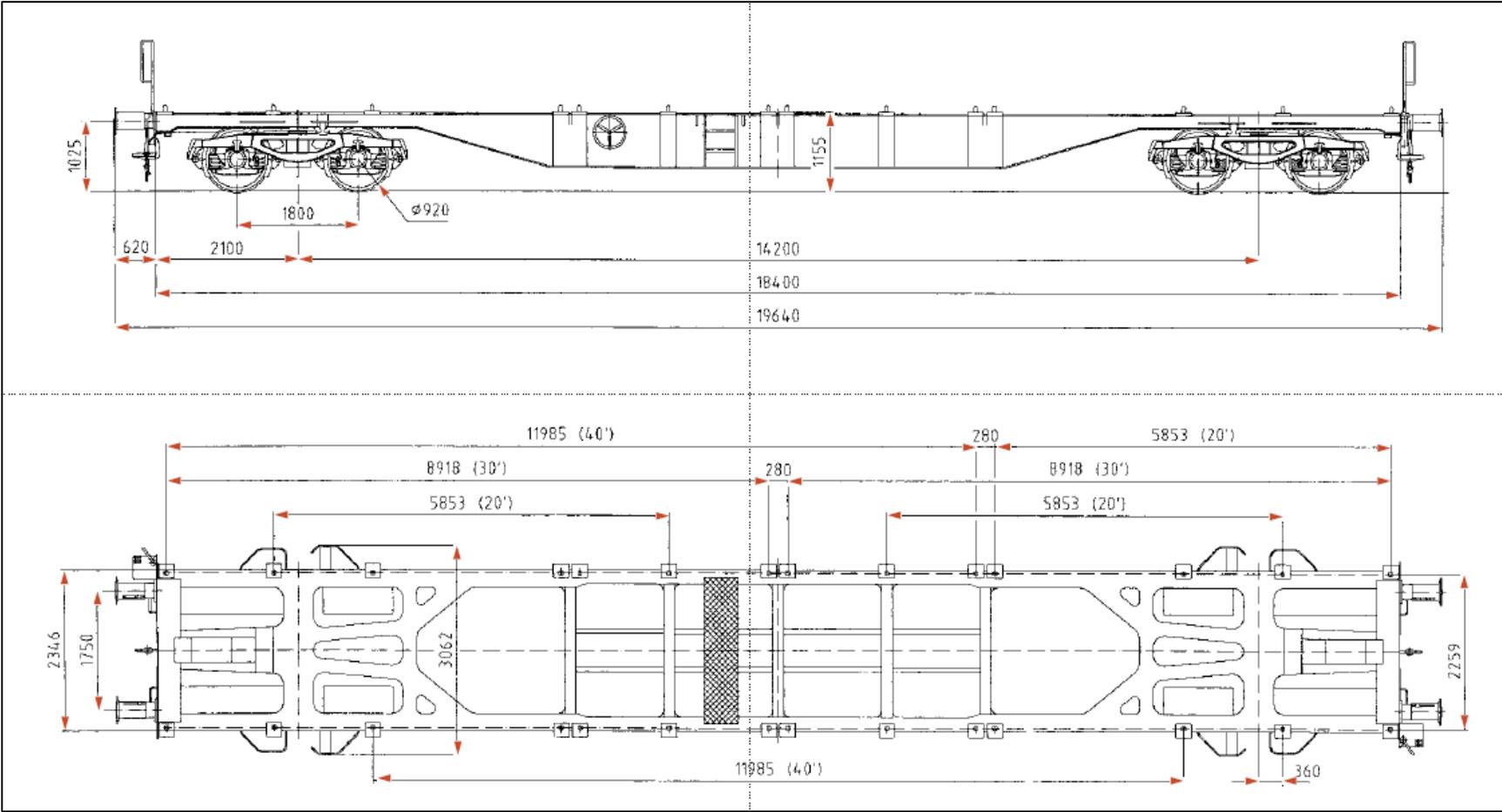


Status report



- ▲ The concept is based on 3 round trips per week between Ludwigshafen and Pitesti. In Vienna and Curtici the train sets which run in opposite direction will meet.
- ▲ Thus a short switch of the locos from one train to the other can be practiced a lean loco circulation.
- ▲ The train path has been ordered for the international route from Ludwigshafen to Pitesti.
- ▲ In Ludwigshafen and in the ports we stack the containers in a logical order (ordered by countries).
- ▲ We create a Wagon- Container list for the order and we provide the terminal in Vienna with these data's.
- ▲ In Vienna we will have a central hub. The reason is that we want to connect the trains from Ludwigshafen with trains from the ARA- Range (Antwerp, Rotterdam & Amsterdam) and from Hamburg. We want to create new trains for Hungary and Romania.
- ▲ The task from the terminal in Vienna is to stack the container in a new order as per our instructions.
- ▲ For the Demonstrator are planning 4 train sets, with each 24 Sngs container wagons (plus reserve).

Picture of an SNGS Wagon



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Test phase and the planning of pilot



- ▲ The Retrack train will run at the beginning of the year 2009.
- ▲ The plan as for the corridor development from Rotterdam to Constanta evolved now as a network development. The network links the ports in North- Western Europe to Central Europe via Duisburg, Ludwigshafen, Vienna and Pitesti with a link to Constanta.
- ▲ The railway link from Bucharest to Constanza is actually too uncertain to build a reliable service on, due to construction. At a later stage a full connection to Constance will be evaluated.
- ▲ The pilot of the train will be running due to customer requirements from Ludwigshafen to Pitesti.
- ▲ In the first step during the 'Pilot' we will connect the Retrack train with the trains from Retrack Partner who is interested in building up their line to Romania. The idea of the cooperation is to force the private engagement. The risk will be divided between marketing and train operation risks.
- ▲ Transpetrol has customer potentials of 84.000 tons in the both directions.
- ▲ Rail4Chem and LTE are responsible for the train running from Ludwigshafen to Vienna (with later extension to Bratislava). CER and SERVTRANS are responsible for the Hungarian and Romanian part.

Risks



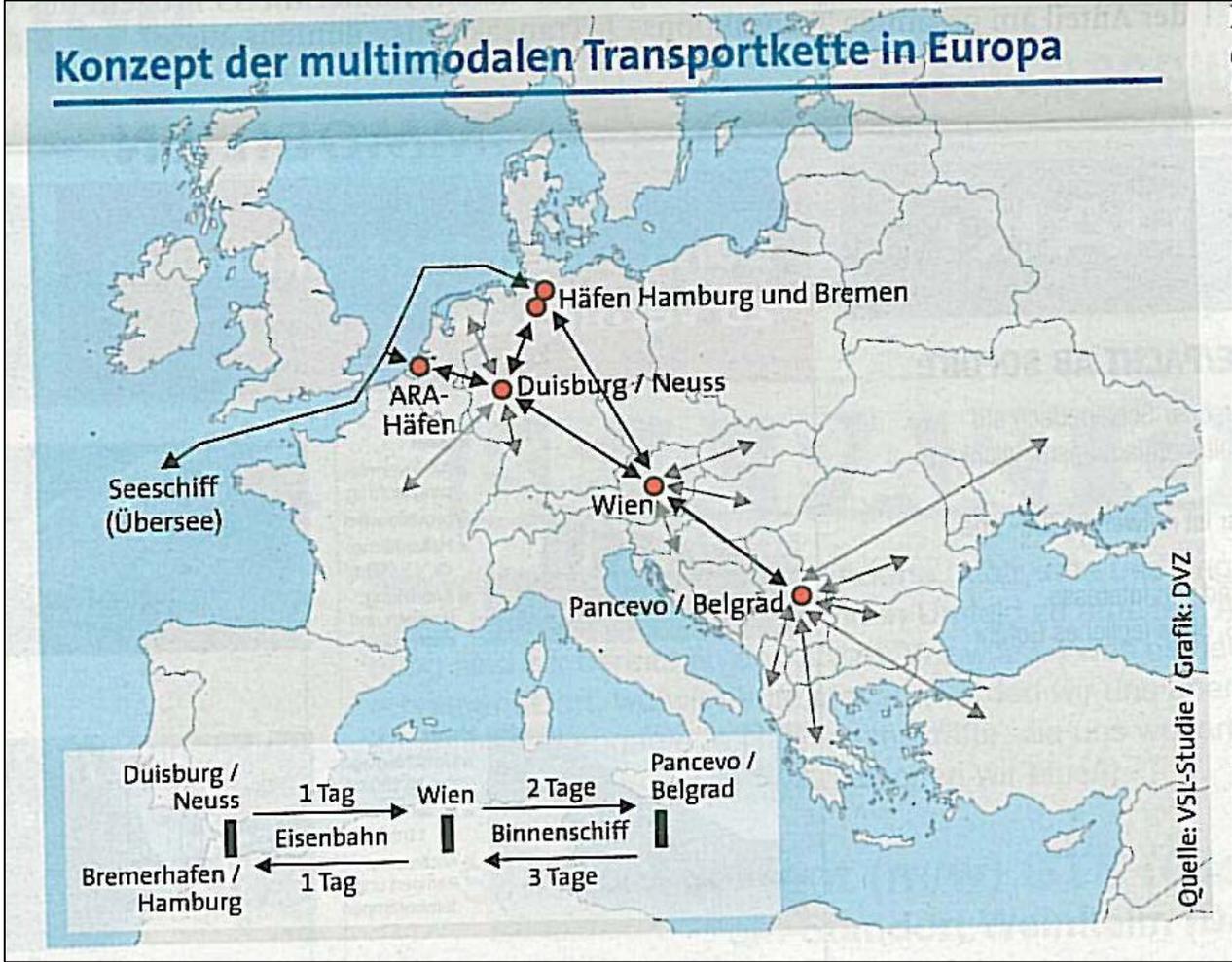
The main risks which we consider are:

- ⚠ Operational risk – related to running trains (delays, equipment).
- ⚠ Commercial risk – relation to customers, capacity block train not fully utilized.
- ⚠ Competition risk – relation to other railways but also road services.

In all 3 risks is an element of financial risk.

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Multimodal Transport Chain in Europe



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Thanks for your attention as well as for
your future cooperation!

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