

Etihad Rail's First Batch of Rail Wagons Arrive at Mina Zayed

-- A milestone in the development of Stage One of infrastructure project vital to the UAE--

Abu Dhabi, UAE, 26 December, 2012: Etihad Rail – the developer and operator of the UAE's national railway network –announced today that the first shipment of wagons, to be used in Stage One of the rail project linking Shah and Habshan to Ruwais in the Western Region, arrived earlier this week at Abu Dhabi's historic port, Mina Zayed, aboard the *King Spirit*. Senior delegates from Etihad Rail were on hand to receive and inspect the wagons upon arrival.

Commenting on the arrival of the *King Spirit*, H.E. Dr. Nasser Saif Al-Mansoori, CEO of Etihad Rail said, “the timely arrival of the wagons is yet another indicator of the rapid progress being made on this strategic national project. Construction activity for the first stage of the rail project, which is being developed in partnership with Abu Dhabi National Oil Company (ADNOC), is far along and we are on track to see the first trains run from Habshan to Ruwais within a year using these wagons. Etihad Rail's wagons were carefully manufactured and designed based on several studies and integrated research efforts conducted in collaboration with Etihad Rail's different suppliers, leading us to adopt some of the most advanced rail technologies available in the world. The rail project will change the face of transportation in the UAE, playing a significant role in building a sustainable economy by promoting growth in various business sectors, providing jobs for the local workforce, and contributing to environmental preservation, since one fully loaded train produces 70-80% less CO2 emissions than that of the trucks required to transport the same tonnage.”

Etihad Rail contracted China South Locomotive & Rolling Stock Corporation Limited (CSR) last year to supply 240 covered wagons for the transport of granulated sulphur in the Western Region of Abu Dhabi. Etihad Rail has also contracted United States-based Electro-Motive Diesel (EMD), one of the world's largest builders of diesel-electric locomotives, to design and manufacture seven heavy haul freight locomotives.

The wagons were designed with the highest available safety standards to accommodate the core purpose of Stage One, the transport of granulated sulphur. For example, the wagons' top-hatch covers for loading maintain the purity of the sulphur at 99.9%. Furthermore, train transport allows for a capacity of up to 22,000 tonnes of sulphur per day. It would take 360 trucks to transport the equivalent tonnage.

Mina Zayed, developed by Abu Dhabi Ports Company (ADPC) and managed and operated by Abu Dhabi Terminals (ADT), has already received other equipment necessary for the construction of Stage One, including one locomotive (to switch the wagons), and will continue to act as Etihad Rail's gateway to vital suppliers from around the globe. Locomotives to be used in Stage One will be arriving in the UAE in Q1 of 2013.

Commenting on the arrival of the wagons, Martijn Van de Linde, CEO of Abu Dhabi Terminals, said, "Though the management and operation of Mina Zayed, Mussafah Port, Freeport and the recently inaugurated Khalifa Port, the region's first semi-automatic port, ADT is playing a key role in supporting the development of Abu Dhabi's strategic national infrastructure. ADT's work to ensure that wagons and other equipment vital to the development of the Etihad Rail network, that arrive from around the world, are efficiently sent to where they are needed is a testimony to ADT's commitment to working closely with other key organizations and entities sharing similar objectives related to contributing to Abu Dhabi's Economic Vision 2030.

The recently inaugurated Khalifa Port, constructed by ADPC, will be linked to Etihad Rail's network during Stage Two of Etihad Rail's construction process. Linking Abu Dhabi's ports with the Etihad Rail network will create a multi-modal transportation system that will contribute to Abu Dhabi Economic Vision 2030.

Tony Douglas, CEO, ADPC commented: "We congratulate Etihad Rail on the delivery of its wagons at Mina Zayed. We're looking forward in particular to the company running its freight service to Khalifa Port from 2016. This will boost the port's transport services and is a vital milestone for the megaproject Khalifa Port and Kizad".

Construction on the 264 km route for Stage One of Etihad Rail, which links Shah and Habshan to Ruwais, is well under way. The tendering process is already in progress for Stage Two, which will connect the railway to Mussafah Port, to the UAE's Khalifa Port and Jebel Ali Port and further to the Saudi and Omani borders, spanning 628 km.

Stage Three, at 279 km, will connect the rest of the Northern Emirates and will inaugurate Etihad Rail's passenger service. Upon completion, the Etihad Rail network – which will cater to both freight and passengers – will extend approximately 1,200 km across the Emirates. It will connect urban and remote communities, facilitate trade, open up communication channels and foster economic development. The network will also form a vital part of the GCC Railway Network – linking the UAE to Saudi Arabia via Ghweifat in the west and Oman via Al Ain in the east.

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Notes to the editors:

About Etihad Rail

Etihad Rail was established in June 2009 under Federal Law no. 2, with a mandate to manage the development, construction and operation of the UAE's national freight and passenger railway network.

The railway network will be built in phases to link the principal centres of population and industry of the UAE, as well as to form a vital part of the planned GCC railway network linking the six countries of the GCC.

Built to international standards, Etihad Rail's state of the art network will act as a catalyst for economic growth and sustained social development. Once complete, the railway will redefine logistics and transport in the region, providing a modern, safe, efficient, sustainable network that will connect all regions of the UAE, and the UAE to its wider GCC neighbouring countries.

Etihad Rail has recently announced a number of contract awards for Stage One of the rail network including:

- The Civil & Track Works contract was awarded to a consortium comprising Italy's Saipem, Tecnimont and UAE-based Dodsai Engineering and Construction
- The Project Management Consultant (PMC) contract which was awarded to joint venture Parsons-Aecom
- PCM Strescon Ventures was awarded the contract for the provision of railway sleepers. The Indian-based company will be responsible for the provision of railway sleepers in a purpose-built sleeper manufacturing facility at our rail head

- Electro-Motive Diesel, from North America, was assigned to deliver seven locomotives custom-built for desert conditions by 2012
- CSR Corporation Limited China was appointed to supply 240 covered hopper wagons for the movement of granulated sulphur in the Western Region

Etihad Rail has also signed several Memorandums of Understanding with the following companies:

- DP World, for the development of an intermodal rail terminal in Jebel Ali Port which will enable the more efficient transfer of containerised freight arriving at the port inland
- Centre of Waste Management – Abu Dhabi, who will use the network as a vital component in its future sustainable waste transport system, integrating the network into its plans to convert waste into energy and using Etihad Rail’s custom-made rail concepts to centralise its services and facilities
- Sharjah Cement Factory, for the efficient transport of basic raw materials, and cement to its customers throughout the UAE
- Arkan and Emirates Steel, leading manufacturers who seek to use rail as the main method of transportation for their raw and finished materials
- Al Dahra Agriculture Company, who plan to use rail as a more efficient means of transporting hay as soon as Etihad Rail’s second stage is operational

Etisalat and Du, whose expertise in telecommunications services will benefit Etihad Rail while both companies gain access to and use of the railway infrastructure to magnify their growing network and customer base in the UAE

About Abu Dhabi Ports Company (ADPC)

As a master developer and regulator of ports and industrial zones in the Emirate of Abu Dhabi, ADPC's core objective is to facilitate the diversification of Abu Dhabi's economy by stimulating development and trade. It supports partners' infrastructure projects and sets up new companies and joint ventures in the ports and industrial zones sectors.

The AED 26.5 billion (USD 7.2 billion) megaproject – the flagship Khalifa Port and Khalifa Industrial Zone Abu Dhabi (Kizad) - has been designed to be flexible to reflect market needs. Kizad was launched to market in 2010, and the whole of Khalifa Port was inaugurated on 12/12/12 by UAE President HH Sheikh Khalifa bin Zayed Al Nahyan. The port's semi-automated container terminal, unique in a radius of 5000 kilometres, was launched on September 1st, 2012. Khalifa Port is now handling all of Abu Dhabi's TEU container traffic, after its planned transfer from Mina Zayed, the historic port in the city centre.

Phase One of Khalifa Port has a capacity of 2.5 million container units, plus 12 million tons of cargo. Further phases of development will occur as market demand requires. With all phases complete, Khalifa Port will be able to handle 15 million containers and 35 million tons of cargo per year.

About Abu Dhabi Terminals

Abu Dhabi Terminals (ADT) manages and operates Abu Dhabi's four main commercial ports, including the container terminal at Khalifa Port, the region's first semi-automated and most technologically advanced container terminal. The port operator's other facilities include Mina Zayed, the historic port that has served the capital for over 40 years, Freeport, for smaller vessels, and Musaffah Port, located in the heart of the Musaffah industrial area.

ADT gives its customers access to one of the world's fastest growing markets through operational excellence and a world-class port infrastructure. Its diverse portfolio of services and customer-tailored solutions includes terminals for containers, cargo and cruise liners and berths for Roll-on/Roll of vehicle transporters, container freight stations, cold storage facilities and warehousing solutions.

In 2011, ADT handled 770,000 TEUs. This was a 47 per cent increase on the number of containers handled the previous year. The growth of container traffic is expected to continue to 2013 and beyond.

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For more information, please visit the Etihad Rail website at: www.etihadrail.ae

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