

Special Series Wagon Manufacturing

Teemu Kesävaara

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 FLEETCARE



Who's speaking?

- *With VR FleetCare since 2019*
- *20+ years in international sales positions*

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Today's agenda

- VR FleetCare a VR Group Company
- Future Solutions for Freight Wagons
 - The market
 - Our vision
 - Our capabilities

Welcome to Finland!

We have calculated it

5,5 million + **337 000 km²** = **The Happiest Country in the World**
Finns Land

... other facts that mean a lot to us

3 million

Saunas

10kg

Coffee per person / year

1524 mm

Track gauge

6000 km

Tracks

VR (National Railway company)

VR carries passengers on long-distance and urban services, and also handle freight transport for industrial companies



VR City Transport

Commuter train, tram and bus services in Finland and Sweden



VR Long distance services

Long-distance rail travel in Finland and Sweden



VR Transport

Logistics transport of heavy industry by rail and road in Finland

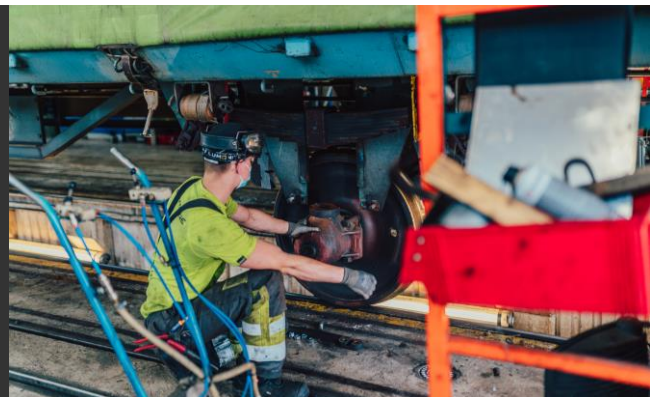
VR FleetCare

VR FleetCare combines innovative technology and strong rail traffic expertise into one customer-oriented maintenance service.



ComponentCare

Component maintenance and repair services



ModernCare

Rolling stock modernisation services



AssetCare

Operative maintenance and lifecycle management

VR FLEETCARE

VR FLEETCARE



1000

Employees



100

Different type of rolling stock



10 000

Fleet to be maintained



160

Years of experience



Customers

From Nordic and Baltic countries



10

Locations in Finland

VR GROUP



9100

Employees



258 M

Train journeys



1120 M€

Turnover



23 M

Tons transported

Future Solutions for Freight Wagons



The market, challenges, solutions and vision.

Update to the wagon market – the crises

- Finland is an island.
- Eastern border is 1344 km long.
- Since 2022, the train traffic to East has been extremely restricted.
- Only few items, such as nickel and ammonia, are being transported across the border by train.
- Passenger traffic and road traffic came to a complete halt December -23, as all border crossings between Russia and Finland were closed until further notice.



Finnish wagon market – the short term

- Finland issued 2022 a temporary permit for OSJD certified wagons to be used nationally. The permit will expire 2027.
- Both European and GOST standard wagons are in use.
- OSJD member countries are in general Eastern European countries and former Soviet countries.
- Today, 500-1000 OSJD wagons are in use. Track gauge is 1520 mm.
- Finland now has a leasing market until 2027.



Finnish wagon market – the problem

- Challenge is to replace these wagons with ERA wagons, as wagons have an inefficient after market in Finland due to 1524 mm track gauge.
- Inefficient aftermarket means limited possibilities to finance the wagon purchase.
- As an example, wagon leasing business will not exist in Finland after 2026.



It's not just a Finnish problem

- A typical lifespan of the wagon is between 35- 40 years.
- During this time, the need for a special purpose wagon will change.
- In a wider context, special purpose wagons have an inefficient aftermarket, not just wagons deviating from 1435 mm track gauge.

... and how it will be solved?

- Our vision is to focus on multipurpose wagons, not just converting wagons to different track width, but also converting and modifying wagons throughout their lifespan.
- As a manufacturer we are not the biggest, but the most agile producer.
- It's well-kept secret that we have been a manufacturer for decades.

DNA in maintenance and wagon manufacturing

Wagons manufactured
in total

50,000



Different wagon types

+100

Wagons under
continuous maintenance

9,000



Different wagon types

+70



Factors enabling success in European market

- VR Group as a strong owner base.
- Long and varied experience in Nordic region.
- Relying on strong steel building traditions in Finland.
- Capabilities to special wagons and heavy transport solutions.
- Production capacity 500-1000 wagons per year.
- Reliable partner to solve customer specified transportation needs even if it requires specific solutions

Product portfolio for Nordic and European market

Modular wagon solutions

Containers

- Concept consists of wagon and load spaces
- Flexibility in transport planning
- Decreased investment need

Pellets

Steel coils

Tank wagons

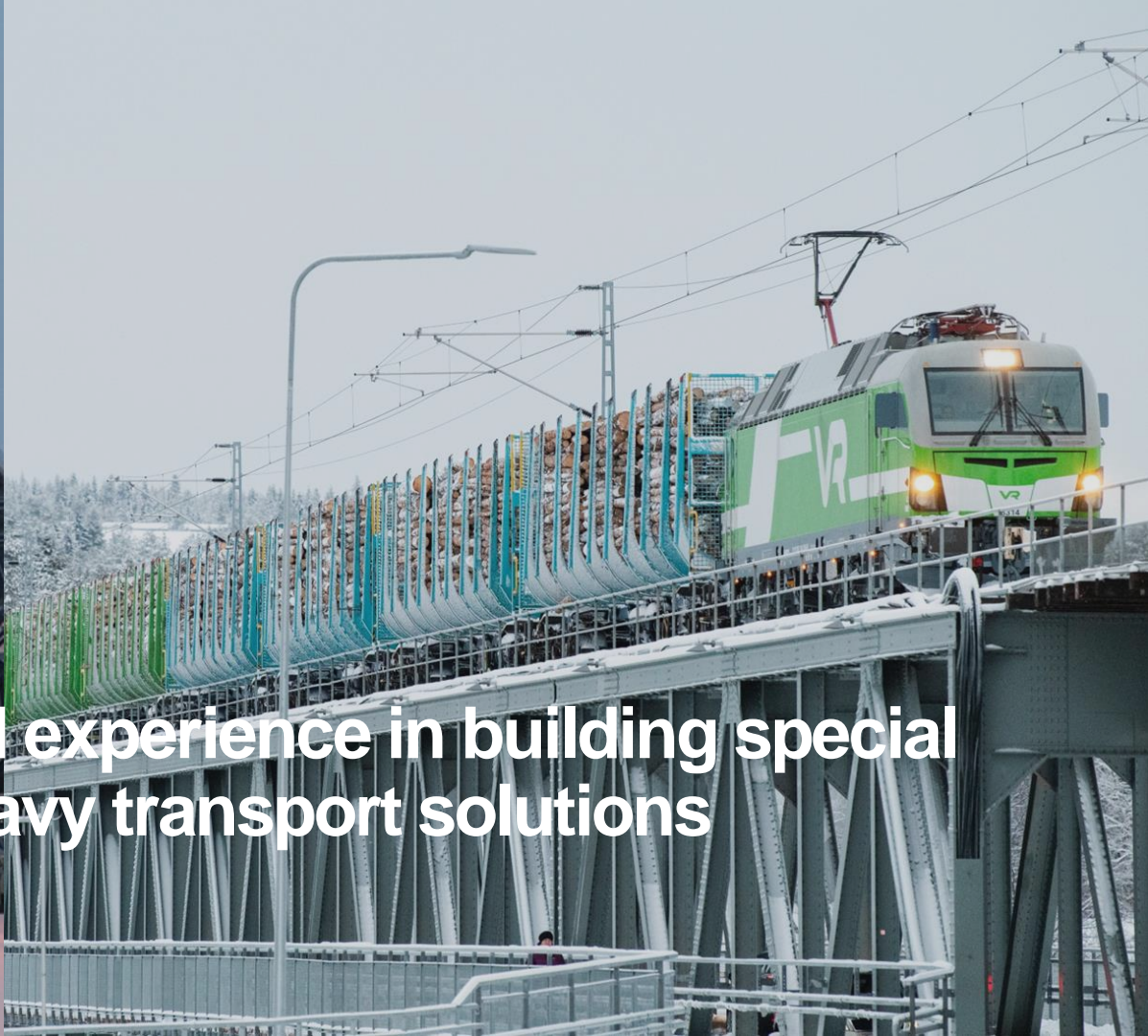
Multiple types

- Transportation of hazardous goods

Timber wagons

SNPS

- Special structure for loading and unloading



Capabilities and experience in building special wagons and heavy transport solutions



Enjoy your time in Helsinki!

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