

News Release

FOR IMMEDIATE RELEASE

Fourteen new trains to drive first rail open access growth



- The Group has signed an agreement with Angel Trains and Hitachi to lease 14 new five-car class 80X Hitachi electric, battery electric or bi-mode trains (70 cars in total) at a cost of c.£500m including maintenance, over a ten-year lease period
- The trains will be manufactured by Hitachi in County Durham, securing skills base and jobs in the local area
- The new trains will enable FirstGroup to significantly expand its open access portfolio and will be used on the newly announced London-Carmarthen route and to increase the number of cars on the existing Lumo and Hull Trains services
- The agreement also contains an option for FirstGroup to lease up to an additional 13 trains on the same terms if the Group's open access applications are granted by the Office of Rail and Road ('ORR')

London, December 6, 2024 – Hitachi Rail has entered into a contract with FirstGroup plc (the 'Group') and Angel Trains Limited ('Angel Trains') to lease 14 new, UK manufactured, five-car Hitachi electric or bi-mode trains.

Prime Minister Sir Keir Starmer is visiting Newton Aycliffe, County Durham, today to celebrate a significant agreement for the Hitachi Rail Limited factory which has secured an order to manufacture 70 new rail cars for leading transport operator FirstGroup's growing open access business, creating certainty for the manufacturing skills base, and the factory's future.

The agreement announced today will deliver 14 new five-car class 80X Hitachi electric or bimode trains (a total of 70 cars), which will not only give FirstGroup a homogenous fleet across its open access operations and provides flexibility and reliability for customers, but also facilitates FirstGroup's strategic objective of materially increasing its open access capacity. Delivery of the new trains is expected to commence in late 2027. The lease will be financed by Angel Trains, adding to their portfolio of Hitachi assets. The trains will be maintained by Hitachi at their facilities around the country.

The trains will be used on FirstGroup's open access rail services, including the Carmarthen-London route announced on 5 December, and the existing Hull Trains and Lumo services on the East Coast Mainline.

In addition, the agreement provides FirstGroup the option to invest another £500m, with options on a further 13 five-car trains, should their recently submitted open access applications be successful. These include for a new Lumo service between London and Rochdale via Newton-le-Willows, Eccles and Manchester Victoria, the extension of the Lumo service between Glasgow and Edinburgh, the expansion of the new London-Carmarthen Lumo service to introduce a new Lumo service between London and Paignton, and a new Hull Trains service between London and Sheffield via Retford and Worksop. Open access rail operators are set up with solely private investment and take full commercial risk and opportunity. The successful open access model, which is supported by Government and its independent regulator ORR, connects under-served places, helping to drive economic growth and providing additional capacity on core routes which can push a modal shift away from carbon-intensive travel.

Commenting, FirstGroup Chief Executive Officer Graham Sutherland said:

"The introduction of our new service between London and Carmarthen, and the extra capacity on Lumo and Hull Trains, will significantly increase our open access portfolio over the next few years, with further expansion possible should our recent applications be successful. The new trains, to be manufactured for us in County Durham by Hitachi, will support UK manufacturing and offer customers more choice as they consider affordable, environmentally friendly modes of travel in the future, and we are pleased to be taking them forward.

"We know that growth and innovation are key for the future of the railway sector and are committed to working with government and all our partners to provide competitive, sustainable and improved services. Successful open access services can provide new connections, add capacity, support local businesses and suppliers, secure jobs and help to drive social mobility and future economic growth."

Jim Brewin, Chief Director of UK & Ireland at Hitachi Rail, stated:

"This contract is a positive step forward, and just recognition for the hard work and patience of our teams across the Hitachi Rail UK business over recent years. We look forward to once again delivering for Hull Trains and Lumo passengers who will benefit further from our award-winning British built trains.

"We owe a lot to the innovation and creativity shown by our customers Angel Trains and FirstGroup and are excited to work in collaboration to deliver on our combined ambitions. "Equally, we owe a debt of thanks to the Northeast Mayor Kim McGuiness and other local MPs who have worked tirelessly in support of this private sector investment."

Malcolm Brown, CEO of Angel Trains, said:

"This is a major milestone for the UK rail industry. In less than three months we have delivered c.£250m of investment that will bring millions more passengers onto the rail network, connect key regional centres across the UK, secure crucial manufacturing jobs and breathe new life into local economies.

"This is the first announcement of its kind in six years but our ambitions don't stop here - this milestone represents the beginning of a new and exciting journey, which will see Angel Trains play a leading role in the green transition of our rail infrastructure."

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About Hitachi Rail:

Hitachi Rail is connecting the future of mobility - helping every passenger, customer and community enjoy the benefits of more seamless, sustainable transport.

With innovative technology and world-leading delivery capabilities, Hitachi Rail is a trusted partner to customers and consortia partners globally. The company is an expert in every part of the railway: from train manufacturing and maintenance to digital signalling and smart mobility. Its pioneering products, such as the iconic high speed bullet train, enable billions of passenger journeys and the transport of millions of tonnes of freight, every year. Drawing on the powerful expertise of the wider Hitachi group companies, Hitachi Rail is uniquely placed to further enhance its offer to customers through pioneering new digital solutions and services.

In FY22, Hitachi Rail had revenues of over €5bn. The company has around 15,000 employees in 38 countries, and it invests in its diverse and talented teams. Hitachi Rail's business is local, but its reach is global. With deep roots in its communities, the company is committed to delivering sustainable progress for all. Find out more by visiting hitachirail.com

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