



Wabtec's Xorail Unit Signs \$165 Million Contract To Design, Install Train Control For MRS In Brazil

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WILMERSDING, Pa., March 2, 2011 /PRNewswire/ -- Xorail Inc., a subsidiary of Wabtec Corporation (NYSE: [WAB](#)), has signed a \$165 million contract to design and install Communications-Based Train Control for MRS Logistica, which operates the Southeastern Federal Railroad Network in Brazil.

Under the contract, Xorail will provide turnkey project management; design and installation of signaling, communications and train dispatch equipment; and on-board electronic equipment for 500 locomotives and 50 auxiliary vehicles. The project is scheduled to be completed in 2013.

"This train control project represents Xorail's entry into the growing rail market in Brazil, and a significant expansion of Wabtec's presence in the region," said Albert J. Neupaver, Wabtec's president and chief executive officer. "We're pleased to be leading this important technology deployment, which will enable MRS Logistica to increase capacity, safety and efficiency throughout its network."

Brazil is the sixth-largest freight rail market in the world, and Wabtec has expanded its activities there in recent years. In 2009, Wabtec opened a service center in MRS Logistica's Belo Horizonte maintenance shop to provide aftermarket products and services. Wabtec recently acquired Adantech, a Brazilian-based manufacturer of friction products.

MRS Logistica operates about 1,000 miles of track that connect the states of Rio de Janeiro, Minas Gerais and Sao Paulo. These high-volume, heavy-density lines serve Brazil's largest industries, including iron ore, steel, cement and other critical commodities, which represent about half of the country's Gross Domestic Product. In 2010, MRS Logistica's traffic volume increased 12 percent, surpassing 140 million tons, due to strong demand for the country's commodities around the world.

Eduardo Parente, chief executive officer of MRS, said: "This major investment in our infrastructure will improve the safety of our operations and is an essential part of meeting increased demand. Ours is a highly complex network due to the density of the track and geography of the region, which we believe makes this train control project a first in freight rail operations around the world. After a lengthy bidding process, we are convinced that Xorail is uniquely positioned to deliver a solution."

Xorail, acquired by Wabtec in 2010, is a leading provider of signal engineering, design and installation services. These services include design solutions for wayside signaling, positive train control systems and highway grade crossing warning systems, site surveys, systems integration, and field construction and installation of wayside equipment.

Wabtec Corporation is a global provider of technology-based products and services for rail and industrial markets. Through its subsidiaries, the company manufactures a range of products for locomotives, freight cars and passenger transit vehicles. The company also builds new switcher and commuter locomotives, and provides aftermarket services. The company has facilities located throughout the world.

SOURCE Wabtec Corporation