



Press release

FS ITALIANE, SNAM AND HITACHI RAIL PARTNER FOR SUSTAINABLE MOBILITY: MOU ON METHANE-POWERED TRAINS

- **Pilot project for the conversion of railcars from diesel to natural gas**
- **No particulate emissions and fuel savings**

Rome, March 28, 2019

FS Italiane, Snam and Hitachi Rail signed a Memorandum of Understanding (MoU) which aims to convert part of the current FS Italiane train fleet from diesel to methane, as part of promoting sustainable mobility in public transport in Italy.

The Memorandum was signed by the General Manager of the FS Italiane Foundation Luigi Cantamessa, the CEO of Snam Marco Alverà and the CEO of Hitachi Rail Italy Maurizio Manfellotto, in the presence of Gianfranco Battisti, CEO of FS Italiane. The agreement sets out the launch of a pilot project to convert one or two diesel-powered Fondazione FS Italiane railcars into more advanced liquefied natural gas (LNG) or compressed natural gas (CNG) models. After a feasibility study, the companies will extend the scheme to a larger number of trains.

Gianfranco Battisti, CEO of FS Italiane, said: *“Environmental, social and economic sustainability is the fundamental value that drives all the Group’s activities and will be one of the pillars of the business plan we are developing. This Memorandum confirms the importance, for FS Italiane, of encouraging sustainable mobility starting from tourism. Tourism is growing at a very fast pace in Europe and Italy intercepts a large part of these flows. Many people reach tourist destinations by train, the ecological means par excellence, and over 85% of passengers choose regional transport. For this reason, the Business Plan that we will present envisages a 6 million euro investment for 600 new Rock and Pop regional trains. Rock and Pop will be operational by the end of spring and are 95% recyclable, with a 30% reduction in energy consumption”.*

Snam CEO, Marco Alverà, said: *“Together with FS Italiane and Hitachi, we start promoting sustainable natural gas mobility in Italy also for trains. Liquefied natural gas and, in the near future, liquefied biomethane has a huge potential to be used widely for rail transport in addition to road and maritime transport, thanks to significant environmental and economic benefits it brings. This initiative cements Italy’s position as the sector leader in Europe”.*

Maurizio Manfellotto, CEO of Hitachi Rail Italy and Group COO Service & Maintenance of Hitachi Rail, said: *“This Memorandum of Understanding confirms our important partnership with the FS Italiane Group. We are proud to support one of our major customers not only through the supply of trains but also, and in an increasingly important way, by offering them services and maintenance with a view to whole life asset management, developing technologically advanced solutions that generate benefits for the customer and for the community”.*

Methane converted trains will virtually eliminate particulate matter and reduce carbon dioxide emissions by about 20%. A possible replacement of 100 trains would also lead to savings of approximately 2.5 million euros per year on fuel costs.

The Memorandum is part of Snam’s commitment to sustainable mobility. In this regard, the company is investing to increase the number of distributors that supply natural gas to cars and trucks and to promote the development of a biomethane (zero CO₂ renewable gas) supply chain in Italy.



This pilot project aligns with Hitachi's Social Innovation mission that aims to contribute to developing the world we live in by creating innovative solutions. The development of the activities agreed in the Memorandum constitute an important contribution in terms of environmental impact, value generation and sustainability: converting existing trains to run on methane actually extends their life cycle, benefitting the environment and society.

FS Italiane Foundation promotes green tourism through the use of innovative technologies to drive energy efficiency, using renewable fuels and resources to reduce pollution and encourage a sustainable and eco-compatible lifestyle. As part of the Memorandum with Snam and Hitachi, the Foundation will supply the railcars for the scheme and, together with Trenitalia, will make the workshops available for the necessary adjustment interventions.

The trains powered by natural gas will be at the forefront of sustainable tourism and will transport the thousands of tourists who choose to take a slower journey to discover the most evocative places in the Italian provinces, along the approximately 700 km of railway which the FS Italiane Foundation operates.

It is also envisaged that the FS Italiane Foundation and the Snam Foundation will partner on tourism projects.

The agreement may be subject to subsequent binding agreements that the parties will define in compliance with the applicable regulatory profiles, including those relating to transactions between related parties.