

INVESTOR UPDATE

Financial performance as of August 2009

EUROFIMA reports no assets in arrears or non performing. Earnings developed positively and reach levels very close to 2008. The ratio of equity (including callable capital) to borrowings improved from 10.0% to 10.3% since December 31, 2008, reflecting lower balance sheet growth in 2009.

Borrowing activity in the first 8 months of 2009

EUROFIMA's borrowing needs decreased, with a total amount of CHF 0.7 billion raised in the capital markets so far, a reduction of 78% compared to the same period in 2008. A major part was raised in the Swiss franc market and for longer tenors, responding to the railways' strong preference for duration. The choice of its own domestic market was based on a more moderate general widening in spreads compared to other currency markets.

The lower financing activity originates in the following factors:

- A reinforced focus on risk mitigation and controls rather than asset growth due to the current financial markets crisis;
- The ability of most shareholder railways to delay EUROFIMA funding within their rolling stock projects and to access alternative sources of funding.

Rating update

Today, Standard & Poor's **affirmed** its top **AAA/A-1+** ratings for EUROFIMA but at the same time **revised** its **outlook** from stable to negative.

The rationale of Standard & Poor's for the changed outlook reads as follows: *"The negative outlook reflects the gradual decrease in EUROFIMA's capitalization and liquidity ratios, and still very high and increasing leverage. If EUROFIMA's management, with clear support of its members, takes steps that reverse these trends, this could stabilize the rating at the 'AAA' level. In the absence of an improvement, the rating could be lowered within the next 18 to 24 months."*

EUROFIMA does not concur with the change in outlook. While total assets grew by 40% during the last five years increasing the leverage, the past growth is clearly slowing down. Further, the leverage remains significantly below EUROFIMA's historical highs. The Management remains committed to address Standard & Poor's comments through appropriate steps, notably measures to improve the equity base.

Finally, EUROFIMA welcomes Standard & Poor's statement: *"We note that our change in the rating outlook is unrelated to the global financial turbulence since 2008, which has had no material negative impact on EUROFIMA's financial performance."*