

FOR IMMEDIATE RELEASE



## ***Cad Railway Industries Acquires Caltrax***

*Transaction creates pan-Canadian network, expands service offering, strengthens industry expertise, and serves as a catalyst for growth for both companies*

**Lachine, Quebec December 19<sup>th</sup> 2017** – Cad Railway Industries Ltd. (“Cad”), the largest rolling-stock repair and remanufacturing facility in Canada, today announced that it has acquired Caltrax Inc., a full service independent railcar repair service facility based in Calgary, Alberta. The transaction strengthens the combined company’s position as the dominant player in the Canadian rail service industry. The transaction’s terms were not disclosed.

Together, the companies stand to benefit from strategic opportunities for their combined operations, service offerings, employees and customers. The acquisition of Caltrax allows Quebec-based Cad to reinforce its freight servicing capabilities and to solidify its market position by immediately gaining a cross-Canada network of additional on-site repair facilities. Caltrax’s mobile repair service units will also enhance Cad’s customer service. For Caltrax, the transaction serves as a catalyst for growth by providing it access to new services and resources.

“The combination of Cad and Caltrax creates a full-service, pan-Canadian leader and brings meaningful benefits to the stakeholders of both companies,” said Fausto Levy, Chairman President and CEO of Cad Railway Industries Ltd. “We are excited for our expansion in Western Canada and to work with Caltrax’s talented management team to ensure a smooth transition toward our shared future.”

“This transaction clearly positions our combined enterprise for enhanced growth and success,” said Derek Kissick, President of Caltrax Inc. “We look forward to continuing our shared tradition of providing high quality workmanship and customer service while exploring new opportunities for our customers and employees.”

Cad wishes to continue building on the strength of Caltrax’s expertise and commitment to quality service. Moving forward, Caltrax will become a subsidiary of Cad, which will be led by Derek Kissick. Caltrax’s existing leadership team, employees, facilities and supplier relationships will be maintained and operations will continue under the Caltrax name.

Both companies look forward to continuing their commitments to the Canadian market and to the customers of both Cad and Caltrax.

## **About Cad Railway Industries Ltd.**

Cad Railway Industries Ltd., founded 45 years ago in Lachine, Québec, is a manufacturing company servicing the rail, marine, mining, and power generation industries. Cad Railway Industries Ltd. offers its main customers in these industries integrated remanufacturing, repair, refurbishment and upgrading services for locomotives, freight cars, passenger diesel engines and components. Cad also manufactures custom replacement parts for rolling stock.

Cad operates Canada's largest repair and remanufacturing facility for rail rolling stocks. To complement the painting and curing services offered at its Lachine facility, the company took on the operations of a second, leading-edge painting shop in the Greater Toronto Area early in 2013.

Major refurbishment carried out by Cad Railway Industries Ltd. adds about 20 years to the service life of vehicles and parts. With a testing facility that is the only one of its kind in Québec or the rest of Canada, and one of only three in North America that can test diesel engines of 1,000 to 6,000 HP, the company also works with its main customers on research and development projects to optimize the performance of new and reconditioned diesel engines, improving their energy consumption and reducing atmospheric emissions. The company has 450 employees at its strategically located facilities in Lachine and Toronto.

## **About Caltrax Inc.**

Caltrax Inc. is the only full service independent railcar repair service facility in western Canada. Caltrax services all types of railcars. We have been in business since 1991. Focused on continuous improvement, our vision is to be a recognized leader in the Railcar Industry and a trusted source for our employees, our customers and our vendors. Our mission is to consistently deliver the highest level of quality, safety, service and value to our customers and employees in the safest way possible as a leader in the industry. We consistently strive to improve our quality of business, and facilitate growth and expansion of our repair services. We will always value our customers, our employees, innovative technology, a friendly atmosphere, and management's commitment to overall excellence. We will maintain high business, ethical, safety and quality standards for the benefit of our customers and employees.

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