

26 February 2014

Dear Valued Business Partner

Today I would like to inform you about the acquisition of Austbreck, and the Fandstan Electrical Group, by Wabtec Corporation. Below is the official statement from the Group Managing Director, Michael Bostelmann:

We write to advise you that on Tuesday 11th February contracts were signed for the sale of the Fandstan Electric Group to Westinghouse Air Brake Technologies Corporation (Wabtec). The formal transfer of ownership will take place as soon as required regulatory approvals have been obtained which is anticipated to be in the first quarter of 2014.

Our present owner, the Lord Tanlaw, is approaching the age of 80 so he was keen to find a suitable purchaser who would take his Group into the future. He believes that Wabtec is that very suitable purchaser which will be able to develop the Group in the long term. Although the businesses of Wabtec and Fandstan are complimentary there is no overlap of product which could have reduced competition. We believe that this transaction will greatly enhance the two businesses. It will bring new product ranges to Wabtec and increased resource and global reach to Fandstan Electric.

Existing Management in operating subsidiaries will remain in place and Michael Bostelmann is to continue at Group level to ensure a smooth transition. So your contact points will remain the same as now.

We very much hope that our relationship with you will not alter through this change of ownership, but will continue to flourish and grow.

As you can see, your current contacts will remain the same as they are now and I really look forward to a continuing successful and mutually beneficial relationship with you.

I would kindly ask you to inform your colleagues of this news, and if you have any questions, please do not hesitate to contact me.

With kind regards



Wayne Caldwell
Managing Director