

PRESS RELEASE



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Ricardo plc
Shoreham Technical Centre,
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Ricardo Rail launches following acquisition of Lloyd's Register Rail

- **Successful completion of majority of a complex acquisition – business integration process now well underway**
- **Twelve month Transitional Services Agreement with Lloyd's Register Group now in effect, to manage remaining outstanding transitional matters**
- **Ricardo Rail now formally launched to create a world-class international force in railway consultancy, assurance and engineering**

Ricardo plc has confirmed today that, further to its previous announcement on 17 April 2015, the transfer of Lloyd's Register Rail from Lloyd's Register Group Limited to Ricardo is materially complete, for a consideration of £42.5 million, subject to any adjustments for working capital. As expected, Ricardo is waiting for the approval from the Chinese Government for the acquisition of the small rail joint venture part owned by Lloyd's Register Group in China. This process is expected to take a further three months.

In parallel with completion of the majority of the acquisition, a twelve month Transitional Services Agreement is now in operation with Lloyd's Register Group providing administrative and operational support on the remaining elements of the transfer of the former LR Rail business to Ricardo.

"I am tremendously proud of the work of the transition team which has enabled us to now formally launch the Ricardo Rail business" commented Ricardo plc CEO Dave



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Shemmans. “More than this, the team has set out and begun to implement a strategy for integration and future growth. I would like to extend a warm welcome to the former LR Rail employees around the world who have today formally joined the Ricardo family, and I would also like to express my personal thanks to the senior management team of Lloyd’s Register Group for their efforts in facilitating a rapid completion of this acquisition and a smooth and effective transition.”

“This is an exciting moment for the Ricardo Rail team, as we set-out on our mission to grow a world-class railway assurance, consultancy and engineering business,” added Ricardo Rail managing director Paul Seller. “Even during the process of transition, we have already identified many opportunities to deliver benefits through collaboration and integration with other parts of Ricardo. Despite the challenges of such a complex transition of ownership we have also been able to maintain our focus on business operations and customer service, and we look forward now to growing the new Ricardo Rail business in the months and years ahead.”

Ends



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NOTES TO EDITORS:

Ricardo plc is a global, world-class, multi-industry consultancy for engineering, technology, project innovation and strategy. Our people are committed to providing outstanding value through quality engineering solutions focused on high efficiency, low emission, class-leading product innovation and robust strategic implementation. With almost a century of delivering value through technology, our client list includes the world's major transportation original equipment manufacturers, supply chain organizations, energy companies, financial institutions and governments. Guided by our corporate values of respect, integrity, creativity & innovation and passion, we enable our customers to achieve sustainable growth and commercial success. For more information, visit www.ricardo.com.

Ricardo Rail is the new railconsultancy and assurance business of Ricardo. Based on the former LR Rail business now acquired by Ricardo, it provides expert independent assurance and consultancy services to organisations across the industry to help develop, assure and improve the safety, quality and performance of the world's rail systems. Ricardo Rail has an international reach and presence through a network of 17 regional offices across Europe, Asia and the Middle East, with a team of over 450 rail engineers and specialists. Further information is available at <http://rail.ricardo.com/>.

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