

# Press release

## **TS Hungaria started the operation of one of the most modern portal lathes in Hungary**

*Miskolc, 26 October 2022 – TS Hungaria Kft. launched the trial run of one of the most modern high-performance digital portal lathes in Hungary in a festive atmosphere. This high-tech equipment worth HUF 750 million will increase the productivity of the subsidiary of Rail Cargo Hungaria by 30 percent annually, with the further repair of 5,000 wheel sets. At the event, the company announced the development of a new wheel set painting facility as part of a further investment of HUF 100 million in the coming months.*

At the ceremony, attended by Zoltán Alakszai, the Capital and of Borsod-Abaúj-Zemplén County Government Commissioner, Pál Veres, the Mayor of Miskolc and Katalin Csöbör, Member of Parliament of the first constituency of Miskolc, Román Kotiers, Member of the Board of Rail Cargo Hungaria (RCH), underlined that the company group supported the investment even in a period of global recession and deteriorating conditions of rail freight transport. The installed equipment is an important means of maintaining rail freight traffic: with its 8,000 freight wagons, RCH ensures the smooth operation of the Hungarian supply chain.

The demand for freight wagons has increased dramatically due to the increased transport needs for Ukrainian grain, raw materials of the food industry, iron ore and coal and for the officially priced fuelwood. The latter is transported exclusively by RCH.

Zoltán Alakszai, Borsod-Abaúj-Zemplén County Government Commissioner, praised the development of TS Hungaria and pointed out that it is important to keep the focus on strategic goals despite economic difficulties. Rail freight transport is on the verge of a quantum leap, therefore it is also a strategic goal to ensure that the Hungarian railway network can meet the upcoming challenges. National climate targets can only be achieved if a significant part of road transport can be shifted to rail. This, in turn, will require significant infrastructure investments in Borsod-Abaúj-Zemplén County as well. TS Hungaria has taken a very important step today to ensure that rail freight transport can meet future challenges. The installed digital portal lathe will increase capacity and further improve the railway infrastructure in the county.

The Government Commissioner welcomed the fact that the development will create new jobs and contribute to the employment of highly qualified professionals. Finally, he stressed that the Government Office will continue to be a partner for all businesses that promote development, thus provide the livelihood of the people in the county.

Pál Veres, the Mayor of Miskolc emphasized that the increasing number of Hungarian and international companies investing in the city shows that businesses have found a good home here, because Miskolc has an excellent infrastructure, highly qualified workforce and outstanding relations with the University of Miskolc, which provides skilled professionals. The conscious efforts of recent years to develop industry and industrial sites are paying off, the city's industrial parks are almost completely full.

Now the task is to find suitable sites for companies interested in doing business in the city. Pál Veres added that the presence of TS Hungaria also proves that it is worth thinking about Miskolc in long term.

Gábor Lehóczki, Managing Director of TS Hungaria, pointed out that the demand for the repair of wheel sets is constantly growing, at present exceeding the company's available capacity by 15-20%. The new 52.6 tonne high-tech machine can profile 40-45 wheel sets per day. This year TS Hungaria will repair and produce approx. 14,000 wheel sets and carry out the revision of over 1,300 freight wagons.

The company has been able to cope with the increased workload with an almost unchanged headcount of only 420 colleagues, but in long term a balanced fulfilment of the growing demand requires the continuous improvement of the skilled human resource capacity. Furthermore, maintaining work force is also a strategic goal. As part of this, the company, representing stability in the Northern Hungarian region, compensated its employees for this year's inflation by different means. As a result, the basic wages were increased by almost 20% on average.

The company will continue its investment project and in its scope, it will complete already this year some of its energy-saving improvements achieved by building insulation and modernisation of heating and lighting. The wheel set painting facility to be completed in the coming months with an investment of HUF 100 million will further increase the repair capacity for wheel sets and save energy as well. In line with the company's plans, the development of the wheel set repair plant will continue in 2023-2024.

**Further information:**

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