

**MEDIA RELEASE**

Bussnang, 4th June 2009

**A good business year for Stadler once again, despite the difficult economic environment**

The Stadler Rail Group closed the year 2008 with a consolidated turnover of CHF 1.065 billion, compared to CHF 1.24 billion in the previous year. The development of the order book was particularly pleasing, and set a new record at CHF 2.6 billion. This will ensure a good basic utilization of capacity up to 2010, and will thereby also safeguard jobs. Further orders are still necessary to ensure the full use of our capacities in the medium-term, however. As the economic prospects have only improved marginally, it is difficult to make any forecasts about our future business. Despite these uncertainties, Stadler believes in Switzerland as a workplace, and is prepared to invest more than CHF 90 million in order to build up additional capacities and to increase the number of jobs available within the Swiss Division to 2,100. Stadler is convinced that it is internationally competitive, even with a Swiss added-value percentage of 80%.

**Received orders reach a new record level**

In the past year, Stadler has achieved the highest order intake in its history, amounting to a total of CHF 2.6 billion. This will ensure a good utilization of capacity over the next 18 to 24 months, and will thereby safeguard the workplaces that have been created in the company's recent history.

Stadler has been able to win numerous requests for tenders. Of particular importance for the strategic alignment of the company are the orders from the **SBB for 50 double-decker trains** for the Zurich S-Bahn and from the Norwegian State Railways (**NSB for 50 FLIRTs**) for the **S-Bahn traffic** in the Greater Oslo area and for the **Intercity transport** in the south of the country. Thanks to these two orders, Stadler has been able to enter into the market sectors of the double-decker railcar and the single-decker Intercity transport with a top speed of up to 200 km/h, and this will pave the way for the entry into the market sector for double-decker long-distance transport. This is crucial in order to safeguard workplaces over the long-term in the Swiss location, and, in particular, to retain the **innovation know-how** in the construction of rail vehicles that has now been **built up once again** in Engineering.

Important milestones have also been able to be set in the **streetcar** market sector. Again in Norway, the German Stadler subsidiary **Pankow** has succeeded in concluding a contract with the **City of Bergen** for the delivery of 12 Variobahns, with an option for a further 20 vehicles. Additional streetcar orders have also been received from **Graz, Munich** and **Potsdam**.

### **Additional national and international contracts**

Important orders have been received in the **S-Bahn and regional transport** sector from the SBB (32 additional FLIRTs), as well as from the German operator VIAS (19 FLIRTs). As a result, the number of sold FLIRTs has now passed the 500-mark. In addition, Ferrotramviaria (Italy) and Les Transports Régionaux Neuchâtelois (TRN) have each ordered two additional FLIRTs, while the Hessische Landesbahn (HLB) intends to put nine of these vehicles into service on the Main-Lahn-Sieg route.

The **Regio-Shuttle (RS-1)** is also performing well in the market, with 41 sold vehicles (3 RS-1 for Rehnus Veniro and 38 RS-1 for BeNex). In addition, the Rhaetian Railway (RhB) and the Matterhorn Gotthard Bahn (MGB) have exercised their option for eight **panorama carriages** for the Glacier Express, while orders for the **GTW articulated railcar** have increased to 470. The order book is rounded off by additional smaller orders and inspection contracts.

### **Investment in the workplace Switzerland**

The double-decker railcar and the Intercity FLIRT are larger and longer than the railcars that have been delivered to date. The entry into these two new market sectors requires an expansion of the production infrastructure and an increase of the production capacity. Stadler is thereby investing more than **CHF 90 million** in the workplace Switzerland. Stadler Altenrhein is currently being expanded to become the **Competence Centre for Double-Decker Railcars**. A new building will supplement the existing factory halls. **Around CHF 30 million** is being invested in this site, which will result in a capacity for slightly more than two 6-part double-decker railcars per month. At the same time, Stadler is creating a new **Competence Centre for Bogies** in Oberwinterthur for an investment volume of **CHF 28 million**, and is also setting up a **new commissioning centre (IBS Centre) in Erlen, Thurgau**. According to the current state of planning, the total investment for this will amount to around **CHF 35 million**. Thanks to these investments, Stadler will increase its production capacity in Switzerland to **2.4 million** hours ( $\approx$  140 FLIRTs per year).

„We believe in the competitive ability of the Switzerland location, which is why we are also prepared to invest more than CHF 90 million, even in these difficult economic times. We must win further contracts in the medium term, however, so that these investments will really pay off.“ says Peter Spuhler, CEO and majority shareholder of the Stadler Rail Group.

### **Outlook for the future**

Despite the good order book, Stadler will not be resting on its laurels during the next 18 to 24 months. The next **major challenge** is already standing before the door with the SBB Request for

Tenders for the procurement of **double-decker railcars for long-distance transport**. Stadler will participate in this invitation to tender, and will thereby base its tender on the concept of the double-decker railcars for the Zurich S-Bahn, which, for the customer, will create a large potential for synergies with regard to fleet management. Winning the double-decker contract for the Zurich S-Bahn was strategically decisive for Stadler, because it was this that made the entry into the double-decker railcar market sector possible. This business area, and the investments in infrastructure that have been made for it, can only be secured over the long term if additional contracts can be won at home and abroad. These are also essential in order to be able to defend the **technological leadership** in the construction of rail vehicles that has been built up with regard to foreign competitors.

Stadler Rail Group, the system provider for customised solutions in rail vehicle manufacture, has locations in Switzerland (Altenrhein, Bussnang and Winterthur), in Germany (Berlin-Pankow and Velten), in Poland (Siedlce), in Hungary (Budapest, Pusztascabolcz and Szolnok), as well as in Algeria (Algiers). More than 2,400 people are employed group-wide. The best-known vehicle families of the Stadler Rail Group are the GTW articulated railcar (470 trains sold), the RS1 Regio Shuttle (402 trains sold), the FLIRT (515 trains sold) and the DOSTO double-decker S-Bahn train (50 trains sold) in the complete trains sector, and the Variobahn (255 vehicles sold) and the newly developed Tango (90 vehicles sold) in the streetcar sector. In addition, Stadler manufactures passenger coaches and diesel electric locomotives, and is the leading manufacturer of rack railway vehicles worldwide.

If you have any further questions, please contact:

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