

**MEDIA RELEASE**

Bussnang, 27 May 2010

## **Stadler Rail Group will not appeal**

Following a thorough analysis of the few documents provided by the Swiss Federal Railways SBB, the Stadler Rail Group decided that lodging an appeal would prove difficult. The formal requirements of the contracting process can, on this basis, be considered as having been satisfied. The Stadler Rail Group sees the decisive points for losing the contract in the inconceivably low energy consumption of the winning bidder as well as other assessment criteria in the discretion of SBB. Additionally, the company gained a low score when it came to passenger comfort and the flow of passengers. The Stadler Rail Group is 0.7 points behind the winner overall. The Stadler Rail Group accepts this painful defeat in its domestic market and will not appeal.

The Stadler Rail Group achieved a turnover of CHF 1,049 m in 2009. Order intake stands at CHF 1,310 m, of which 80% comes from outside Switzerland. This guarantees satisfactory capacity utilisation until the end of 2012.

### **Stadler Rail Group will not appeal**

SBB has assessed the proposals under four main criteria. These are: B1 Overall profitability and compliance with deadlines, B2 Fulfilment of the catalogue of requirements, B3 Fulfilment of contract and B4 Sustainability.

Regarding the main criterion **B1** Overall profitability, which includes acquisition costs and annual operating costs, as well as the strict compliance with deadlines, we lost valuable points not on acquisition but on annual operating costs. Projected over 25 years, the winning bidder would **save the SBB over CHF 200 m on its energy consumption in comparison with the figures put forward by the two losing bidders**. This represents a saving of around 50% on the figures of the Stadler Rail Group.

Regarding the main criteria **B2** Fulfilment of the catalogue of requirements and **B3** Fulfilment of contract, where the maximum number of points available was 5, we were only 0.07 and 0.04 points behind the winning bidder and this, in contrast to other statements that have been made, put us virtually level with the winning bidder.

In the main criterion **B4 Sustainability**, the Stadler Rail Group came in three points below the score of the winning bidder, regarding the issue of innovation potential. In the communication of the decision of who would be awarded the contract, the higher number of seats of the entire fleet – around 2,000 seats – was mentioned, in particular. Having checked the winner's proposal, this number of seats is achieved for the following two reasons:

- The folding seats (in combination with the luggage area and standing area) which are currently unusual on Intercity trains, were included in the final number. If the folding seats are not taken into account, the number of seats would be exactly the same as for the Stadler Rail Group.
- Lounge-style seating (seating positioned lengthways in the direction of travel) was permitted, which is also unusual for such an advanced Intercity proposal of this kind. In addition, storage space option and litter disposal facilities were missing from the proposal.

The Stadler concept purposely went without such seating types. However, this led to a reduction in the number of seats and explains the higher seating costs of 6%.

The top deck of the new double-decker multiple-unit trains of the SBB will be made possible due to a steep staircase with a turn of 90° and short steps. Though this allows for an increase in the number of seats, the passenger flow is slowed down at the same time as people embark and disembark. This effect is then made worse by the narrow aisles at the steps on the top deck.

The objective for the Stadler Rail Group was to achieve the same level of comfort as the IC 2000. The new flagship train for the SBB should not experience any unnecessary shortcomings where passenger comfort and passenger movement are concerned.

### **Turnover and sales in 2009**

The success of Stadler Rail continued in the **year 2009**. The **turnover** of CHF **1,049 m** is comparable to that of the previous year (2008: CHF 1,060 m). For the current year, a slightly higher turnover is forecast. An increase in turnover is expected the years 2011-12, if the deliveries of the FLIRT for the Norwegian National Railway (NSB) and the double-decker multiple-unit trains of the SBB for the commuter railway system in the Zurich area arrive.

The **Sales department achieved a very good result**. Order intake at the end of the year stood at CHF 1,310 m, which guarantees a satisfactory utilisation of capacity until the end of 2012.

We are especially proud of the contract we won for the **ODEG (Ostdeutsche Eisenbahn GmbH) for the commuter railway system on the Berlin-Brandenburg route**, for which **Stadler Pankow** has ordered 16 double-decker DOSTO trains, as well as six articulated multiple-unit trains GTW and a Regio-Shuttle. In doing so, Stadler Rail will be able to implement its DOSTO

vehicle concept little more than a year after it was launched in both its domestic markets of Germany and Switzerland, as well as in Austria.

### **Expansion of capacities in 2009**

In the year 2009 we further increased the **capacities in the Swiss Division**. The **Centre of Competence for double-decker** in Altenrhein began operations and started work on the building of the double-decker multiple-unit trains of the SBB for the Zurich commuter railway system. The roll-out of the first vehicle will take place on 4 June 2010. At the end of the year, Stadler Winterthur moved into the new **Centre of Competence for bogies** in Oberwinterthur. The work on the new **Train Commissioning Centre** in Erlen, which will be ready to go into service this autumn, will continue. Finally, Stadler Bussnang began the building work for the new **multifunction hall** at the end of 2009. Thanks to this expansion, the Swiss Division will have a **production capacity of over 2.75 m hours** and so will be well placed to complete work on current contracts.

### **Stadler Rail Group creates capacities in Germany and is to build a Centre of Engineering**

The **German Division** has posted constant and sustainable increases in turnover in recent years. The division now employs over 700 staff. Thanks to this pleasing growth, the capacities at Stadler Pankow will be increased.

In the **International Division** capacities were optimised. The assembly plant in **Siedlce** (Poland) was extended and this year employs 200 staff. In **Szolnok** (Hungary) the planned second building phase was realised. The plant set up to house the construction of aluminium bodies now employs 110 staff and complements the existing capacities in Switzerland. In November 2009 we founded **Stadler Prague**. This site employs just over **30 experienced engineers** in the working industry and strengthens our engineering team for the German and Swiss Divisions.

### **Stadler Rail**

Stadler Rail, system supplier of customer-specific solutions for rail vehicle construction, has locations in Switzerland (Altenrhein, Bussnang and Winterthur), in Germany (Berlin-Pankow and Velten), in Poland (Siedlce), in Hungary (Budapest, Pusztaszabolcs and Szolnok), in the Czech Republic (Prague), in Italy (Merano) and in Algeria (Algiers). The Group has a workforce of over 3,000 people around the world. The vehicles manufactured by Stadler Rail have a Swiss value-added share of 80%. Around two thirds of the vehicles manufactured in Switzerland are exported. The best-known vehicle series from Stadler Rail Group are the articulated multiple-unit trains GTW (501 trains sold), the Regio-Shuttle RS1 (442 trains sold), the FLIRT (579 trains sold), the double-decker DOSTO (125 trains sold) in the railway segment, and the Variobahn (269 trains sold) and the newly-developed Tango (142 trains sold) in the tram segment. Furthermore Stadler

Rail manufactures passenger carriages and locomotives and is the world's leading manufacturer of rack-and-pinion rail vehicles.

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