

Media release

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Headcount at Stadler grows to over 7,600

2017 was a successful year for Stadler. Following the currency market dislocations in 2015, the Swiss rail vehicle manufacturer emerged strengthened from the crisis and now employs more members of staff than ever before. Incoming orders amounted to around CHF 3.5 billion in 2017.

The 2017 financial year was marked by the 75th anniversary of Stadler. It will also go down in the company's more recent history as the year Stadler overcame the difficult situation after the "Swiss franc shock". Stadler was badly hit when Switzerland abandoned the franc to euro currency ceiling in 2015. The record number of orders received during the following year failed to result in record turnover, again due to currency effects. The Board of Directors and the Group Executive Board responded to the difficult situation by making strategic decisions which went on to have a definite positive impact in the 2017 financial year as well. Stadler succeeded in surviving the crisis without resorting to redundancies or reduced hours, and now finds itself in a stronger position than before. In this context, the planned investment of a total of 86 million Swiss francs in a new plant in St. Margrethen can be seen as another clear statement in support of Switzerland as a business location.

With incoming orders worth 3.496 billion Swiss francs, Stadler can look back on a successful financial year 2017. A considerable proportion of this figure is made up of major orders from Switzerland (BLS, SBB and SOB) and from other European countries such as Hungary, Norway, the Netherlands and Germany. The record order intake of 800 million Swiss francs for the Service Division also had a major impact on the result. Service orders now represent 22 percent of the total order volume. After securing orders from Hungary for a total of 143 FLIRT trains, Stadler also signed its first framework agreement for 40 KISS double-decker trains for the Hungarian state railway company MÁV-Start.

Turnover at Stadler Rail AG stood at 2.4 billion Swiss francs in the 2017 financial year, returning to approximately the same level as prior to the Swiss franc shock. In terms of turnover, the company therefore significantly exceeded the previous two years' figures. Further growth is forecast according to the financial budget for the next few years. Stadler expects to increase turnover to 3.9 billion Swiss francs by 2020, and has already received a large proportion of the necessary orders due to the record number of orders placed in 2016. Major contracts such as the order for 58 FLIRT trains from East Anglia or 52 METRO trains from Merseytravel will not be reflected in turnover until the following years.

The number of employees rose to more than 7,600 in the 2017 financial year. 3,100 members of staff remain based in Switzerland. This is the highest headcount in the company's history.

Well-established leadership duo

Stadler has a strong management duo to lead the company into the future. Having spent 30 years exercising the dual function of Chairman of the Board of Directors and Group CEO, Peter Spuhler handed over operational responsibility to his deputy of many years, Dr. Thomas Ahlburg, as of 1 January 2018. This will enable the owner and Chairman of the Board of Directors to concentrate more on the company's strategic development in the future. His will focus on strategic product development as well as the establishment and expansion of joint ventures with high local added value, whilst taking on responsibility for all merger and acquisition projects. Thanks to this new division of responsibilities, he can once again devote more attention to customer care.

As Group CEO, Dr. Thomas Ahlburg is in charge of the operational activities of the entire group. He has a high level of expertise thanks to his professional background and, as the long-term deputy of Peter Spuhler, can also ensure management continuity. Thomas Ahlburg enjoys the full confidence of the Board of Directors, management and staff.

"After six months, it is obvious that we made the right decision. One of the most difficult challenges for an entrepreneur is to pass on his business to the next generation in an orderly and sustainable manner. Sharing responsibilities between Thomas Ahlburg and myself is a sensible, profitable step for the company. We are a well established team, and complement each other perfectly", says Peter Spuhler.

Record order intake in the Service business

Stadler Service now looks after the maintenance of 36 percent of the FLIRT multiple units delivered, some of which have been in its care for more than ten years. Customers in a total of 16 countries and at over 35 service locations can benefit from this extensive experience.

Stadler Service received a record order intake of over 800 million Swiss francs in the financial year 2017. This includes orders from Merseytravel for the maintenance of its existing fleet plus the new fleet of 52 vehicles, over a contract term of 35 years. Another part of this order is the construction of a new maintenance plant in Kirkdale/Liverpool, which will be taken over by the client on completion. This order represents great progress for Stadler on the British market.

In the Netherlands, Stadler signed a 15-year contract with Syntus for the maintenance of 16 FLIRT multiple units together with the establishment of a new site in Hengelo. Work was finished within nine months, and the site was put into operation in November 2017. In Italy, the Service Division won a contract from Systeme Territoriale for the maintenance of 22 FLIRT trains, commercially operated by Trenitalia. This represents an important milestone in this market as Venice is promoted to a local hub. Stadler Service is taking over service support and major maintenance activities for a fourth fleet of vehicles on behalf of MÁV in Hungary.

The growth achieved in the Service Division is also due to orders for spare parts, the revision of bogies and subsystems for clients in countries such as Italy, Switzerland, Norway, Hungary, the Czech Republic and Finland, along with modernisation projects. On 1 January 2017, a joint venture was launched with Austrian Federal Railways ÖBB in Vienna to take care of the maintenance of the fleet of 17 KISS trains for WESTbahn.

SMILE on track

Production of the high-speed SMILE train christened Giruno by Swiss Federal Railways (SBB) is progressing rapidly. The roll-out was celebrated in May 2017 in the presence of Doris Leuthard, President of the Swiss Confederation. The Giruno carried out its first journeys at 275 km/hour in the Gotthard Base Tunnel over the Easter weekend of this year. These journeys at record speed are part of tests to ensure secure, smooth running of the trains during timetabled operation. Reaching 275 km/hour is another important milestone in the process of obtaining approval for speeds of up to 250 km/hour. So far, Stadler has met all 46 contractually agreed milestones and is on track towards obtaining approval.

Investment in Switzerland as a business location

In the financial year 2018, Stadler will push ahead with the development and construction of rail vehicles which represent international benchmarks in terms of performance, reliability, security and comfort. The following will be built in Switzerland and Austria as part of ongoing plans for internationalisation: a new centre of expertise for double-decker multiple units in St. Margrethen, Switzerland, a new assembly plant for the US market in Salt Lake City, USA, and a new maintenance plant for the Liverpool metro in Kirkdale in the United Kingdom.

The new production site in St. Margrethen is designed to optimise production conditions for the centre of expertise for double-decker multiple units. The planned investment clearly demonstrates the company's commitment towards Switzerland as a business location and towards the border triangle area. "It shows that we believe in Switzerland as a business location and continue to defend it, even in difficult times", says Peter Spuhler. The relocation only concerns the production site in Altenrhein. The head office in Bussnang, centre of expertise for bogies in Winterthur and commissioning centre in Erlen are not affected.

Seven innovations at InnoTrans

InnoTrans, the world's largest rail vehicle trade fair, will be taking place in Berlin from 18 to 23 September 2018. Stadler will be showing seven newly developed trains and locomotives, making it one of the main exhibitors again this year.

FLIRT for the SOB:

The eleven FLIRT vehicles for the SOB comprise six eight-car and five four-car latest generation multiple units. All of the trains meet the most recent European legislation regarding equal access for disabled persons, and have an information system with between four and seven screens per car. The trains run at an operating speed of 160 kilometres an hour and have a new, lightweight bogie which can be replaced quickly during maintenance work. An eight-car "Traverso" will be on show at InnoTrans.

METRO for SPT Glasgow Subway:

The trains for the Glasgow Subway are a good 39 metres long and can reach speeds of 58 km/hour. Platform Screen Doors (PSD) are fitted to ensure secure operation. The Glasgow Subway is being fully modernised and switched to a completely automatic, driverless system. The even floor level throughout the interior and six large entrance doors on each side make the trains particularly user-friendly.

Tailor-made trains for Swiss regional railway company RBS:

The trains are fully air-conditioned and allow uninterrupted access along the entire length of 60 metres. Passengers can board and alight more quickly thanks to the eight doors per train and higher proportion of standing room. The trains can reach maximum speeds of 100 kilometres an hour. RBS involved its passengers in the procurement process for the new trains at an early stage. They were given the chance to share their ideas and requirements during a crowdsourcing operation in the autumn of 2014.

KISS for the Swedish railway company Mälardalen:

The double-decker multiple units are intended for use in the Lake Malar region west of Stockholm. Their maximum authorized speed is 200 km/hour. The contract with Mälardalen is the first order placed as part of the framework agreement concluded by the Swedish leasing firm Transitio in 2014 with three suppliers for the procurement of regional rail vehicles. Stadler is the only authorised supplier who has signed the framework agreement for two different vehicle types: the single-decker FLIRT and double-decker KISS.

FLIRT for Abellio East Anglia:

The 58 trains comprise 378 cars featuring a combination of 20 Intercity electrical multiple units with 12 cars each, and 38 bi-modal regional multiple units, each in configurations consisting of 3 cars (14 units) and 4 cars (24 units), that can run on electricity or diesel. The FLIRT trains licensed for Greater Anglia offer a number of advantages: air conditioning, a "2x2" seating arrangement, WiFi and power sockets throughout the train, a low-floor construction for easier boarding and alighting, passenger information systems with real-time information, as well as braking with energy recovery.

EURODUAL locomotives for German rail freight service provider HVLE:

Stadler's EURODUAL locomotive is a dual-mode locomotive that achieves impressive performances in both diesel and electric drive mode. It is available in a variety of configurations, gauge widths and overhead wire voltages. The modular platform also offers a wide range of different power outputs in diesel mode in order to cover the individual requirements of the customer. The locomotive's versatile platform was developed for freight and long-distance transport at speeds of up to 160 km/hour on electrified and non-electrified lines.

S-Bahn Berlin:

S-Bahn Berlin GmbH has signed a contract for the delivery of up to 1,380 cars with a consortium made up of Stadler Pankow GmbH and Siemens. A binding order has been placed for an initial 106 trains. S-Bahn Berlin, a subsidiary of Deutsche Bahn, plans to use the new vehicles on around a third of the entire suburban rail network in Berlin. The first ten vehicles will be put into service from as early as 2020. All the remaining vehicles will then be brought out onto the rails gradually up until 2023.

New WINK product family

In November 2017 Arriva Netherlands placed an order with Stadler for 18 two-car units of the new WINK model. WINK is a German acronym which stands for convertible, innovative short train for local transport. The WINK is a two-car multiple-unit train for branch lines with lower passenger volumes. It carries a central "PowerPack" containing components for energy generation, traction elements and auxiliary systems. The PowerPack can be fitted either with traditional components for energy generation and storage, or alternatively with elements that allow zero emissions operation. The WINK completes the Stadler portfolio of regional trains. We identify further sales potential with this vehicle mainly in western and central Europe, as well as in Great Britain.

Stadler enters the signalling business

The global market for rolling stock is continuing to enjoy strong growth. At the same time, Stadler is facing major consolidation among competitors. Stadler will find itself rivalling with another industrial giant following the upcoming merger of the rail divisions of Siemens and Alstom in response to continued market penetration by the Chinese company CRRC. The size of this competitor also offers Stadler an opportunity to demonstrate its strengths. Stadler is known for qualities such as short decision-making processes, a high level of customisation and compliance with delivery deadlines – which represent a challenge for larger companies.

However, the merger will give Siemens and Alstom market power of over 85 percent in the signalling sector. This will force Stadler to purchase important train components from competitors during invitations to tender. To free itself from this dependence, Stadler has decided to develop its own solutions in the field of signalling and automated rail operation. Stadler has formed a signalling strategy for the standard gauge, branch line and metro market segments.

ETCS for the standard gauge segment:

ETCS stands for European Train Control System and describes the European standard for automatic train control, which aims to allow harmonisation and interoperability on all lines throughout Europe. The complexity associated with the high level of standardisation required makes it very difficult for new players to enter the market. As part of a joint venture with Mermec, a company which specialises in train protection, Stadler is offering its own ETCS on-board system, the high-performance GUARDIA solution. This completely new system is currently undergoing field tests and has started the approval process in Switzerland. It will be introduced simultaneously in several European countries.

GUARDIA is currently being used in five projects in order to obtain approval and authorisation in multiple European markets as soon as possible.

CBTC for Metro:

CBTC stands for Communication Based Train Control. CBTC systems are the most frequently chosen systems in the world for use on metro trains. They allow metro trains to be automated and even partly operated without drivers. The aim is to increase security, frequency and punctuality on very busy metro routes.

Stadler is developing a state-of-the-art CBTC system based on cutting-edge technology. It has put together a team of engineers specialised in signalling who have moved into offices in Wallisellen, Switzerland. The idea is to subsequently transfer the design expertise generated in this department to the standard gauge and branch lines as well.

ATO for standard gauge and branch lines:

ATO stands for Automatic Train Operation and is used as an umbrella term to refer to the different applications of partly or fully automated operation. In the course of an industry study, Stadler investigated requirements in the branch line sector, and derived various concepts from the results. This will allow it to push ahead with carefully targeted further development geared principally towards the needs of customers. An industry-wide programme, SmartRail 4.0., has also been launched by SBB for the digitisation of rail transport.

In December, Stadler successfully completed initial tests in the field of automated driving (acceleration and braking) on the ETCS level-2 route between Ostermundigen and Olten in association with Swiss Federal Railways SBB. The range of functions available during automated driving will now be expanded and tested on ETCS level-1 routes.

The Stadler Rail Group is well equipped for the future thanks to a healthy flow of orders, a more than solid balance sheet, and specialised sites with proven expertise.

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About Stadler

International rail vehicle construction company, Stadler, is headquartered in Bussnang in Eastern Switzerland. Founded in 1942, it has a workforce of over 7,600 based in various production, service and engineering locations across Switzerland, Germany, Spain, Poland, Hungary, the Czech Republic, Belarus and the United States. Service locations are also being operated in countries including Algeria, Denmark, France, Italy, the Netherlands, Norway, Russia, Sweden and the UK. Stadler provides a comprehensive range of products in the heavy and urban transport segments: high-speed trains, intercity trains, regional and commuter heavy rail trains, underground trains, tram trains and trams. Stadler also manufactures main-line locomotives, shunting locomotives and passenger carriages, including the most powerful diesel-electric locomotive in Europe. It is the world's leading manufacturer in the rack-and-pinion rail vehicle industry.

The best-selling FLIRT (Fast Light Intercity- and Regional Train) vehicle has already sold more than 1,500 units in a total of 18 countries. The KISS, an acronym of the German for Comfortable Innovative Speedy Suburban Train, is also very popular, with nearly 300 units sold in 11 countries. The most powerful diesel-electric locomotive in Europe is the EURO4000, which has sold 140 units in 7 countries. The Stadler Service division maintains vehicle fleets and comprises more than 680 vehicles, covering a combined annual distance of 120 million kilometres in 16 different countries.

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