

Ad-hoc media release

HOLD-BACK PERIOD none
DOCUMENT 3 pages
ENCLOSURES none

Bussnang, 31 January 2020

Stadler issues provisional key figures for the financial year 2019

- Record order intake of over CHF 5 billion, CHF 800 million of which were generated by the Division Service.
- 80 percent more vehicles delivered, successful approval processes and prompt commissioning of fleets in several countries.
- 25-percent rise in headcount to 10,500 employees (average FTEs).
- Growth in revenue of 60 percent to CHF 3.2 billion.
- EBIT margin of 6 percent driven by higher investments in growth, extra costs for certain projects (particularly East Anglia) and distortions from exchange rates.
- Higher investments and extra costs will continue to impact margins in the current year. The medium-term EBIT margin target of at least 8 percent has been confirmed.
- Based on the current assessment, the Board of Directors intends to propose dividend payments of CHF 120 million (CHF 1.20 per share) to the Annual General Meeting.

According to unaudited key figures, Stadler is on track to achieve a record order intake of over 5 billion Swiss francs and a record order backlog. In the Division Service in particular, expectations in terms of incoming orders were greatly surpassed. Over the past few years, Stadler has invested in new technologies which it has now been able to bring to market much sooner than expected. These technologies include digitisation projects, new drive technologies powered by battery and hydrogen, as well as a completely newly designed tram model. Revenue, EBIT and EBIT margin remain below expectations as a result of these investments in new products (including sales costs), extra costs for individual orders, particularly in connection with the East Anglia project, and staff expansion, as well as distortions from NOK and SEK exchange rates. The medium-term financial objectives have been confirmed.

Stadler once again registered a record order intake of over 5 billion Swiss francs in the financial year 2019. At the same time, the order backlog also reached a new record high. The year 2019 was marked by spectacular

growth not only in terms of incoming orders, but also in other areas. In December seven new vehicle fleets were made available for regular passenger operations (including the high-speed Giruno train for SBB), and a total of 444 deliveries took place over the course of the year. This was up 80 percent on the previous year.

In the financial year 2019 Stadler achieved growth in revenue of over 60 percent compared to the previous year, generating revenue of 3.2 billion Swiss francs (prior year: 2 billion Swiss francs). However, due to postponements in projects (primarily East Anglia), revenue in the reporting period was lower than expected, which also weighed on the result.

EBIT margin of 6 percent

Stadler also succeeded in increasing its operating result (EBIT). However, the EBIT margin was around 6 percent, lower than in the previous year, and failed to meet expectations. Postponements and extra costs for individual orders, particularly with regard to the East Anglia project, had a major impact on the result. As a result of the record order intake, EBIT was also affected by higher than expected sales expenses. In the same way, exchange rate movements, particularly between the Swiss franc and the Norwegian krone and Swedish krona, had a negative effect on the operating result.

Last year, Stadler's headcount rose by 2,000 employees across the group (average FTEs), which represents an increase of around 25 percent. Introductory training of new employees in particular led to extra expenses for several orders.

In 2019 Stadler made significant investments in digitisation, in new vehicle concepts and in the latest technologies, including the new battery-powered FLIRT vehicle. 55 units of this model were ordered last year by Schleswig-Holstein's local transport association (NAH.SH), where Stadler successfully submitted a bid and triumphed over the international competition in a tender for green technologies. Stadler is supplying a completely newly designed tram model of the latest generation for Darmstadt. The first order for a hydrogen-powered multiple unit FLIRT H₂ has been placed in November 2019 by the San Bernardino County Transportation Authority in southern California.

Outlook

For the current financial year, Stadler is again expecting double-digit growth in revenue. Higher investments and extra costs will continue to impact margins in the current year. The medium-term financial targets have been confirmed. Based on the current assessment, the Board of Directors intends to propose dividend payments of CHF 120 million (CHF 1.20 per share) to the Annual General Meeting. The final, complete and audited financial figures for the financial year 2019 will be published on 5 March 2020.

Telephone conference for investors and journalists

The podcast of the conference call with Group CEO Dr. Thomas Ahlburg and Group CFO Raphael Widmer on Friday, January 31, 2020, is available under this [link](#).

Next important dates:

Publication of annual results	5 March 2020
Annual media and analysts' conference	5 March 2020
2020 General Meeting	30 April 2020
Publication of interim results	25 August 2020

Follow Stadler on [LinkedIn](#), [Xing](#) and [Facebook](#).

About Stadler

International rail vehicle construction company, Stadler, is headquartered in Bussnang in Eastern Switzerland. Founded in 1942, it has a workforce of around 10,500 based in various production and over 40 service locations. 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.

Investor Relations:

Stadler Rail Group

*Raphael Widmer
Group CFO
Phone: +41 71 626 86 47*

*Daniel Strickler
Investor Relations Officer
Phone: +41 71 626 86 47
E-mail: ir@stadlerrail.com*

Media contact:

Stadler Rail Group

*Marina Winder
Secretary General and Head of Communications & PR
Member of the Group Executive Board
Phone: +41 71 626 31 57
Mobile: +41 78 843 57 20*

E-mail: marina.winder@stadlerrail.com

www.stadlerrail.com