

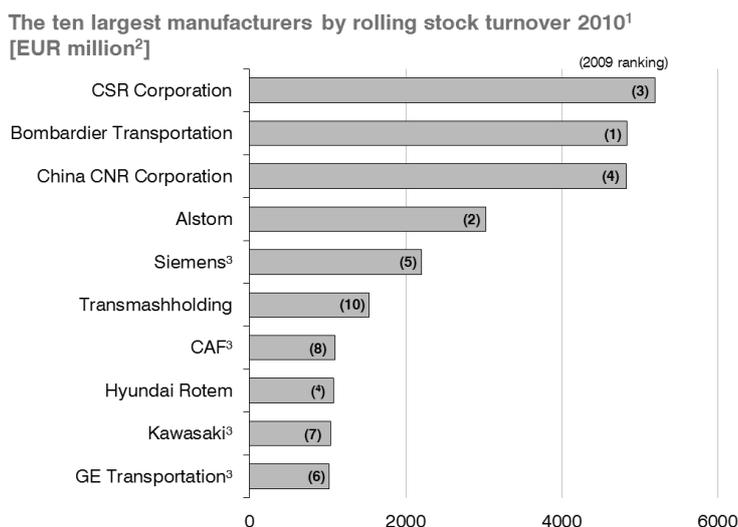
Chinese Rolling Stock Manufacturer CSR Generates Highest Turnover for New Rail Vehicles Worldwide – Established Players Pushed from Top Positions

[16.04.2012] *The revised issue of the successful [“Worldwide Rolling Stock Manufacturers and Production Sites”](#) study by SCI Verkehr shows that Chinese rolling stock manufacturers have made an impressive rise to become the world’s best. China’s large procurement projects (in particular, high-speed trains and metros) have brought CSR Corporation Limited and China CNR Corporation Limited to the top of the manufacturer rankings. However, with the Chinese procurement programmes expiring, successfully defending this position will not just happen by itself.*

SCI Verkehr has identified the 60 most important rolling stock manufacturers companies worldwide from a complete list of this type of company. These 60 manufacturers have been analysed in detail in terms of company figures, total production site capacities, group structure and strategic orientation and positioning. Besides periodic publications, official company presentations and SCI internal sources have been evaluated. In addition, SCI Verkehr has performed direct interviews with the companies. The manufacturers have been ranked on the basis of their turnover generated in their OEM business in 2010. All financial years which end between 31st December 2010 and 30th June 2011 were allocated to the year 2010.

The result of the ranking shows the provisional end of a development which has already been discernible for some years now and which SCI Verkehr forecast early on. Between 2006 and 2010,

The ten largest manufacturers of new rolling stock in 2010



¹ Financial years which end in the first half 2011 were allocated to the year 2010

² Foreign currencies were converted using the average daily exchange rate of the reporting period

³ New vehicle turnover (estimated)

⁴ does not appear in the 2009 list

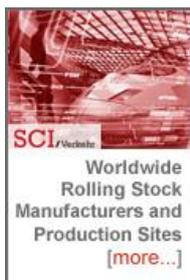
the Chinese manufacturers CSR and CNR nearly tripled their turnover and CSR Corporation was the first Asian manufacturer to occupy top position in the manufacturer rankings in 2010. China CNR Corporation is roughly equal with second-placed Bombardier Transportation in third place.

The shift in the balance of power is not due to a structural weakness of the established manufacturers Bombardier, Alstom and Siemens but results instead from the fact that CNR and CSR operate in a politically controlled domestic market with very large-scale high-speed and metro projects. CNR and CSR still have to prove whether or not they can compensate for the expiring contracts in China by gaining foreign contracts and therefore be able to continue their growth in the future too. Occasionally fatal accidents (both on completely new metro systems and state-of-the-art high-speed lines) mean that Chinese railway technology products have to regain the confidence of the foreign markets. The strongly regulated European markets will provide established manufacturers with a safe area in the medium term too. The most dynamic accessible markets can currently be found in South America. Many European and North American manufacturers therefore opened production sites in this region in the last few years.

Among the largest European manufacturers, Construcciones y Auxiliar de Ferrocarriles (CAF) has shown the most positive development. In addition to success in South American markets, the Spanish market leader has also secured contracts from Saudi Arabia and was surprisingly awarded a large-scale framework contract by Deutsche Bahn at the end of 2011 together with Stadler and Alstom. Since its Spanish domestic market has dropped sharply, CAF will now face more difficult times. In the years to come, European manufacturer Stadler will also catch up and become one of the top ten largest manufacturers. The former Swiss specialist manufacturer has been successful in Western and Eastern Europe, the CIS and North Africa in the last few years and has thereby simultaneously extended its product portfolio horizontally and vertically.

In general, particularly passenger coach manufacturers have developed positively over the last few years. There is no longer any pure freight wagon manufacturer among the ten most successful manufacturers.

The 60 largest manufacturers and their approximately 200 production sites currently share more than 90% of the rolling stock market between themselves. In total, the global sector for rolling stock production consists of around 170 companies with 330 sites. The distribution of production sites is largely oriented towards the distribution of demand worldwide. The Eurasian double continent features 130 manufacturers and 75% of all production sites alone. In terms of output, India is already one of the largest production areas for rail vehicles. However, manufacturers here are currently producing at a very low technological level and exclusively for the domestic market. Cooperation sites with established manufacturers such as Siemens and Bombardier should lead to an increased competitiveness and should make products ready for export in the medium term. The



Russian conglomerates Transmashholding und Sinara Group are already following the same path.

With the revision of the MultiClient study "[Worldwide Rolling Stock Manufacturers and Production Sites](#)", SCI Verkehr GmbH provides the current product and service range of around 170 rolling stock manufacturers as well as company figures and information about the current and future orientation of the 60 leading rolling stock

—manufacturers worldwide. Furthermore, the study shows their production sites in detail, analysed by regional distribution and capacities. Competitors, suppliers, operators as well as potential investors in the railway industry are provided with important information in a bundled form as a basis for planning and decisions.

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