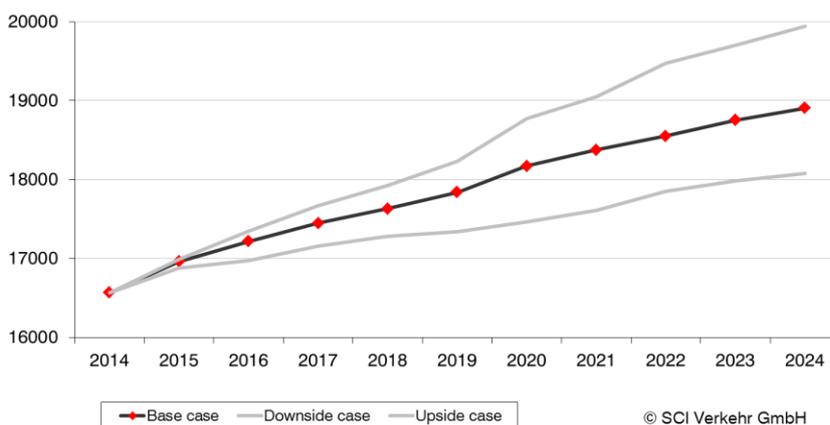


Light-rail vehicle market grows by 4% p.a. – Increasing demand for urban public transport systems is the main reason worldwide

[13th August 2015] Environmental problems, traffic jams and a shortage of inner-city parking space pose obstacles for the future development of cities. Now more than ever, growing metropolitan areas need a comprehensively efficient public transport system in order to remain liveable. The investments required for modern metro systems are very high. Often light-rail transit (LRT), a system with much lower investment and operating costs, will suffice. A resurgence in LRT has been evident worldwide since the turn of the century. Around 180 cities/municipalities have announced plans to develop new LRT systems or to extend existing ones over the next ten years. New LRT infrastructure is currently under construction in 85 cities. In the new study “Light Rail Vehicles – Global Market Trends”, SCI Verkehr analysed this rail industry segment in detail. The most notable result of this study: the dynamic growth of 4% for new procurement of LRV will continue over the next five years. The main reason for growth is the increasing number of cities deciding to construct new light-rail systems or to extend the existing infrastructure. The regions contributing the most to this growth are North America, Asia and Africa/Middle East. In regions with an existing extensive LRT network, such as Europe and the CIS, further growth is expected, mainly due to replacement of old vehicles.

LRT in operation - network development [km]
Worldwide



The largest growth potential in the market for LRT networks can be found in those countries where many cities with healthy finances do not yet have LRT systems. Examples include the USA and China. Compared to metro systems, LRT requires lower investments and often easier approval procedures. In the base case scenario, SCI Verkehr expects that around 1 300 km of additional line (compared to the state in 2014) will be put into operation by 2019 and a further 1 000 km by 2024.

The current market volume for new vehicles is around EUR 2.5 billion per year, and around EUR 3 billion for after-sales services. While the European markets for new vehicles are expected to grow with an annual rate of under 2%, OEM markets in North America, Asia, Africa/Middle East and CIS are expected to grow strongly with an annual rate between 7-17% until 2019.

The three multi-national groups Bombardier, Alstom and Siemens continue to dominate the market, but have lost market share in recent years to medium-sized and local companies. The market share of the three major system houses was above 60% between 2000 and 2007, but has subsequently decreased to 44% between 2010 and 2014. Chinese supplier CRRC won considerable market shares due to a strong demand in their home country. European specialists like CAF and Pesa won market shares due to successful internationalisation.

In this MultiClient Study „Light Rail Vehicles – Global Market Trends“, SCI Verkehr analyses the worldwide market for procurements and after-sales services for light-rail vehicles. The results are based on an examination of the current fleets with regard to operational purposes, age structures, procurement projects and plans of urban operators as well as new development and upgrade projects in infrastructure. It includes forecasts of the market volume for new vehicles, after-sales services and the development of light-rail networks. The study provides information on the market shares of the most important manufacturers and their products. The annex to the study offers detailed presentations of the worldwide vehicle fleets, fleet structures and fact sheets of the vehicle manufacturers.

The market study “[Light Rail Vehicles – Global Market Trends](#)” is now available in English language from SCI Verkehr GmbH (www.sci.de).

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