

MEDIA RELEASE

Fanipol, 20 November 2014

Stadler inaugurated its new factory in Belarus

Alexander Lukashenko, President of the Republic of Belarus and Peter Spuhler, owner and CEO of Stadler Rail Group have today ceremonially inaugurated the new rolling stock manufacturing factory of Stadler established in Fanipol, Belarus. The new plant is responsible for the production of broad gauge rolling stock for CIS countries, including the starting project for the manufacturing of 21 double decker EMUs for Russian airport railways operator Aeroexpress. The maximum output of the factory at full capacity reaches the 120 carbodies per annum. The value of investment is EUR 76 million, while the number of employees is 600 people.

Stadler decided to found a subsidiary and establish a factory in Belarus in order to supply dynamically developing CIS countries with the broad gauge products of the group. The reason behind establishing the factory in Fanipol was the available qualified workforce, its proximity to broad gauge countries, and the country's customs union with Russia and Kazakhstan. The subsidiary was established in 2012 under the name of OJSC Stadler Minsk as a joint venture, originally with the majority ownership of Stadler Rail AG and the minority ownership Minsk Oblast Executive Committee. Later Stadler bought up the minority shares and became 100% owner of the Belarusian subsidiary. The value of investment Stadler has up till now performed in Belarus is totalling to EUR 76 million. The subsidiary currently employs altogether 600 people.

Within the group OJSC Stadler Minsk is responsible for the production of broad gauge rolling stock ordered by customers operating in CIS countries. The factory is able to perform the welding and painting of aluminium carbodies, as well as the final assembly and the commissioning of rolling stock. The first project Stadler Minsk was able to join is the manufacturing of 25 double-decker EMUs for Russian airport express operator Aeroexpress, out of which 21 is to be made in Fanipol. Potential assignments, including follow up orders from Belarusian Railways BZD or any procurements coming from CIS countries will also be executed by the new factory in Fanipol.

The subsidiary is capable of the production of trolleybuses and trams too, after taking over the tram and trolleybus designing and manufacturing business of Belarusian enterprise Belkommunmash. Certain assets and all intellectual properties relating to this field were

obtained by OJSC Stadler Minsk after an in kind contribution from Minsk Oblast when establishing the company. It means that the complete tram and trolleybus manufacturing business of Belkommunmash now belongs to Stadler Rail Group. In line with this, Stadler Minsk has already developed its state-of-the-art city tram meant for broad gauge networks Metelica, which the group presented on the latest InnoTrains this year in Berlin.

Stadler treats the market of broad gauge railways with strategic importance, the group has become active in this segment in the past couple of years. Finnish operator Junakalusto Oy ordered altogether 75 electric FLIRT trains from Stadler since 2006, while Belarusian state railway company BŽD procured 18 FLIRT EMUs from the company. Stadler also sold 18 electric and 20 diesel FLIRT trains to Elron in Estonia. Stadler set a foothold in the Russian market too by winning the international tender issued by Aeroexpress for 25 double-decker trains, and also by signing a frame contract back in 2011 for the production of 100 four-axis diesel drive units, which are to be assembled in 50 multiple-unit trains produced by Metrovagonmash. Latest assignment Stadler received was the order from Azerbaijan Railways for the production of 30 sleeping and dining carriages for the Baku-Tbilisi-Istanbul line.

Further information:

Stadler Rail Group

Press Office

Telefon: +41 (0)71 626 31 57

pressestelle@stadlerrail.com

About Stadler

Stadler Rail Group, system supplier of customer-specific solutions for rail vehicle construction, has locations in Switzerland (Altenrhein, Bussnang, Winterthur and Biel), in Germany (Berlin-Pankow, Berlin-Hohenschönhausen, Berlin-Reinickendorf and Velten), in Poland, Hungary, the Czech Republic, Italy, Austria, Belarus, Algeria and in the USA. The Group has a workforce of around 6,000 people, of which 3,000 are based in Switzerland. The best-known vehicle series from Stadler Rail Group are the articulated multiple-unit train GTW (571 trains sold), the Regio-Shuttle RS1 (497 trains sold), the FLIRT (1018 trains sold) and the double-decker multiple-unit train KISS (190 trains sold) in the railway segment, and the Variobahn (353 vehicles sold) and the Tango (147 vehicles sold) in the tram segment. The Metro is another addition for the commuter rail market (2 + 34 vehicles sold). Furthermore, Stadler Rail manufactures metre-gauge trains, passenger carriages and locomotives and is the world's leading manufacturer of rack-and-pinion rail vehicles.