

Press Release

Munich, November 12, 2009

Largest order in the company's history**Knorr-Bremse to supply systems to the value of roughly €500 million for Chinese high-speed trains**

Knorr-Bremse is to equip a total of 2,720 new cars for the Chinese CRH3 high-speed train with braking and door systems. 1,280 of these cars will also be fitted with air-conditioning systems from Knorr-Bremse. The value of the supply agreements runs to approximately €500 million. This makes it the largest order that Knorr-Bremse has ever won. The agreements were signed under the patronage of the Chinese Ministry of Railways in Beijing by the Group's local subsidiaries together with their Chinese partners. Supplies of the initial units are to begin in the final quarter of 2009 and deliveries will continue until 2012.

Knorr-Bremse has maintained contacts with China since the late 1970s. The company's first major project in China came in 1990 and concerned the supply of complete braking systems for 96 cars for the Shanghai metro. Since then, the current Chairman of the Supervisory Board, Heinz Hermann Thiele, has been a key driving force behind the development of the company's business in China. Under his aegis, in the years that followed, Knorr-Bremse gradually expanded its product portfolio beyond its core business with braking systems to include automatic door systems and air conditioning equipment.

"This order represents an exceptional success story and provides further confirmation that Knorr-Bremse's strategic approach in China is on track," said Dr. Dieter Wilhelm, Chairman of the Rail Vehicle Systems division. Thanks to a strong local presence with five joint ventures and its own production facility in Suzhou, the company is able to meet the high local-content requirements as well as supplying Knorr-Bremse quality made in China. To develop products for the local market, Knorr-Bremse operates a development center staffed by some 45 engineers and has concluded a technology transfer agreement with the Locomotive and Car Research Institute at the Chinese Academy of Railway Sciences. Today, Knorr-Bremse Rail Vehicle Systems has a workforce of roughly 1,400 employees in China.

In recent years, the Group's strong local presence has led to orders relating to numerous high-speed train, locomotive and metro projects in China. These reference projects and the related quality of collaboration with Chinese partners were further factors in obtaining the record order for the new CRH3 high-speed train, which is being built by the Chinese manufacturers Tangshan Locomotive & Rolling Stock Works and Changchun Railway Vehicles Company. The trains are to operate at speeds of up to 350 km/h on routes between Beijing, Shanghai and Guangzhou and along other major high-speed rail corridors under construction in China. In just a few years' time, China will have the world's largest fleet of high-speed trains.

The **Knorr-Bremse Group** is the world's leading manufacturer of braking systems for rail and commercial vehicles. For more than 100 years now the company has pioneered the development, production and marketing of state-of-the-art braking systems. Other lines of business include automatic door systems and air conditioning systems for rail vehicles, as well as torsional vibration dampers for internal combustion engines. In 2008 the Group posted sales of €3.38 billion and employed a workforce of approximately 15,000.

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