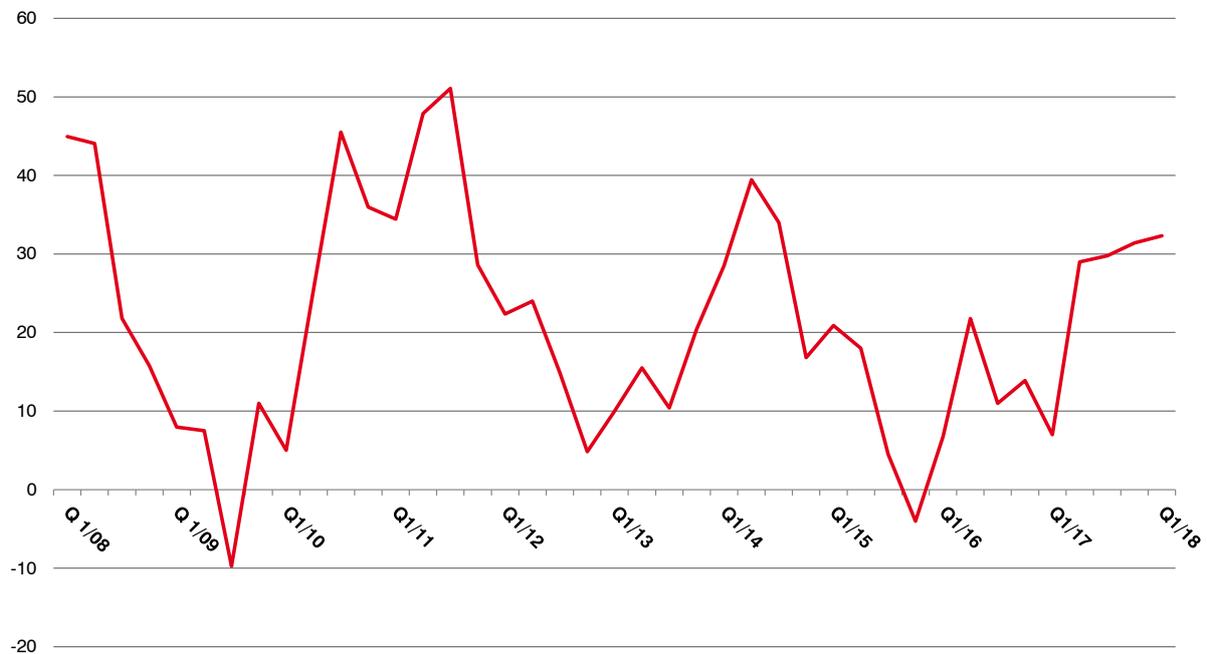


## SCI GLOBAL RAIL INDEX 1/2018

### Worldwide railway industry approaching new high point – mood in industry continues to be positive

In the first quarter of 2018, the business climate in the worldwide railway industry has remained very positive. This is shown by the current SCI GLOBAL RAIL INDEX, a regular survey of top managers in the worldwide rail industry produced by SCI Verkehr. Due to increasing demand for products and services, some manufacturers are already reaching their capacity limits. This has been increasingly reported in the recent past by customers of European freight wagon manufacturers. Starting from a high level and based on the positive development of the current business situation, the managers surveyed are nonetheless somewhat cautious about an even steeper increase in the business development in the course of the next six months.

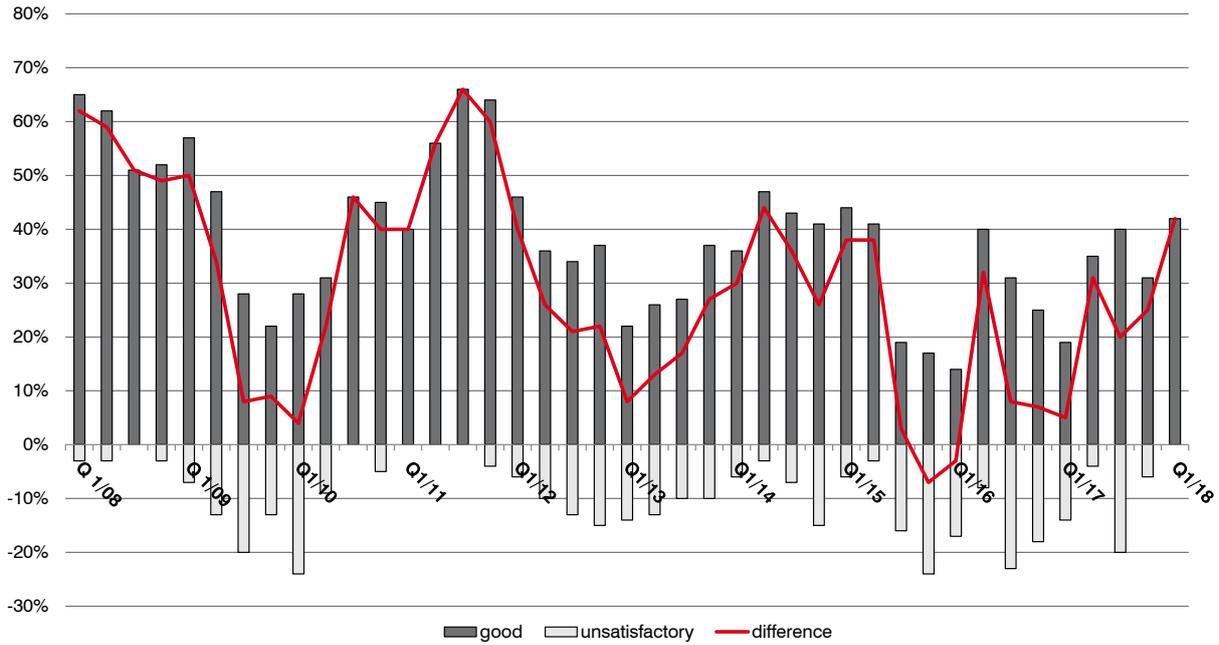
#### SCI Rail Business Index



Source: SCI Verkehr GmbH

Up to Q 4/2009, only companies with headquarters in Germany surveyed.

### Development of current business situation

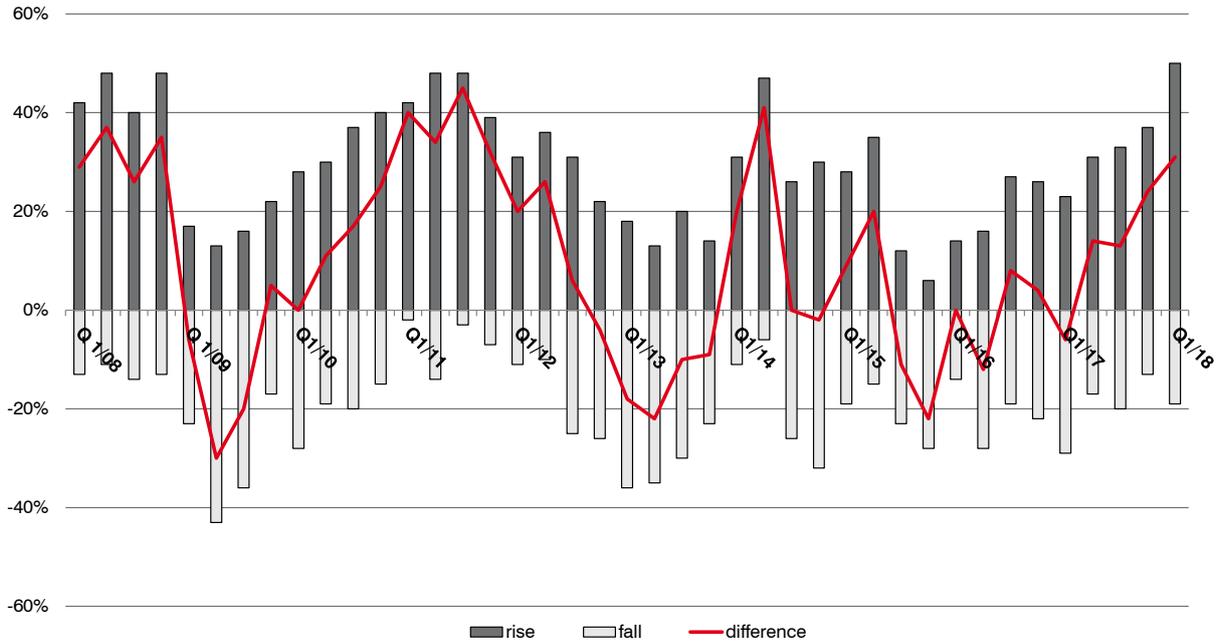


Source: SCI Verkehr GmbH

Up to Q 4/2009, only companies with headquarters in Germany surveyed.

42% of the top managers surveyed within the worldwide rail industry evaluate their business situation at the start of the 2018 financial year as good. Compared with the results of previous surveys, this is the highest value in three years. In addition, none of the managers surveyed evaluated the current business situation as unsatisfactory. Overall, this continues the positive development from the previous quarter, with the balance of the mood reaching the second highest level since 2012.

### Demand for products and services

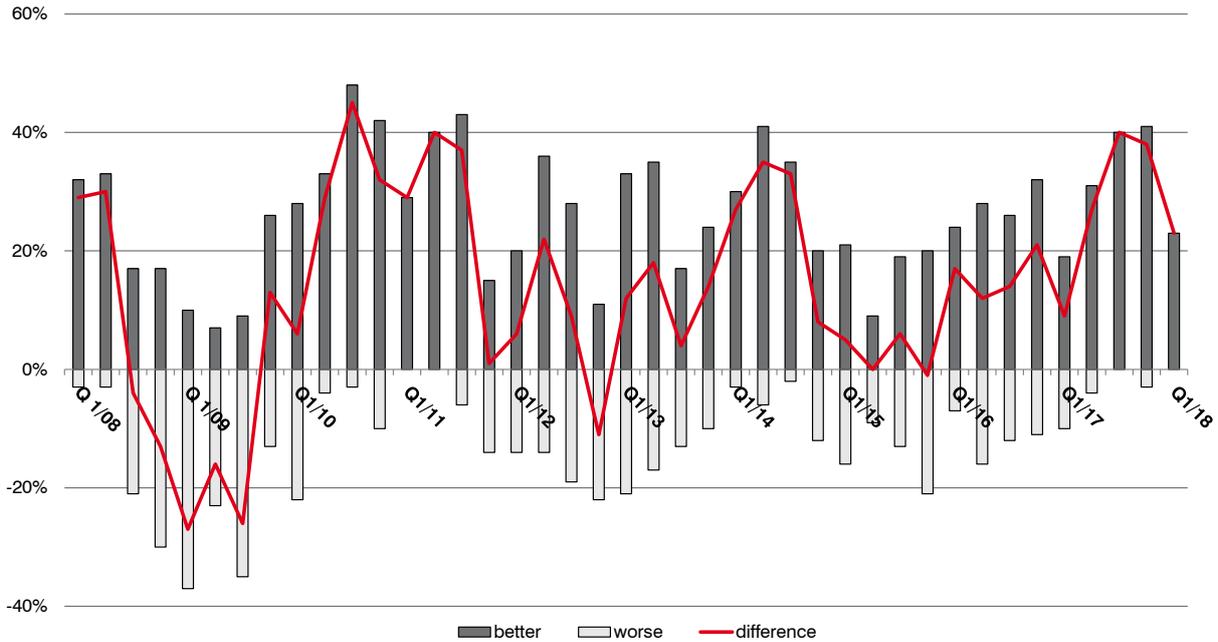


Source: SCI Verkehr GmbH

Up to Q 4/2009, only companies with headquarters in Germany surveyed.

The assessment of the development of demand for products and services is once again positive, and continues the growth trend from the previous quarter. Overall, 50% of the managers surveyed reported rising demand, which is the highest level in the last ten years. This positive development is countered by 19% of managers who have observed falling demand. The proportion of assessments of falling demand is nonetheless slightly below the average of 20% in the last ten years. The positive demand development is additionally reinforced by reports on order backlogs within the industry: the current positive assessment here has only once been exceeded in the last six years.

### Expected business development in coming 6 months

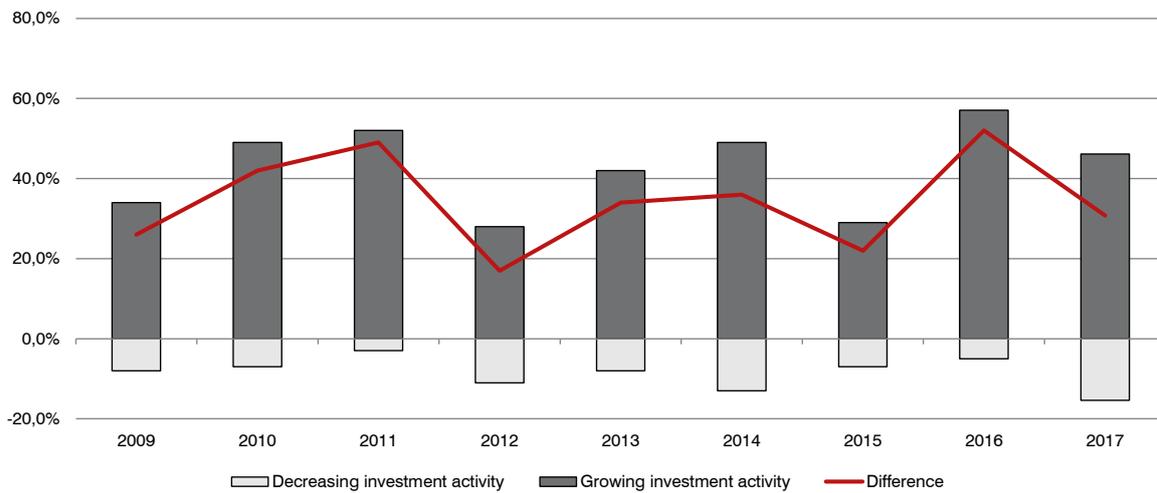


Source: SCI Verkehr GmbH

Up to Q 4/2009, only companies with headquarters in Germany surveyed.

Concerning the expected business development in the next six months, 23% of managers surveyed expect a better result. Compared to the previous three quarters, this is a somewhat cautious assessment. However, 77% of participants also expect business to remain at the same level in the next six months. Taking into account this assessment and the aforementioned positive evaluation of the current business situation in this edition of the SCI GLOBAL RAIL INDEX, overall the top managers in the worldwide rail industry are expecting the business situation to remain at least as good as it currently is.

**Development of change in investment activities, compared to previous year**



Source: SCI Verkehr GmbH

For many years now, SCI Verkehr has asked companies in the global rail industry about the development of their investment activities compared to the previous year. The resulting balance of investment activities has substantially fallen in the past year compared to the year before. 38% of managers surveyed reported rising investments compared to the previous year. In contrast, a peak value of 15% of participants reported falling investments compared to the previous year. This heterogeneous impression ultimately leads to a falling overall development compared to the mood in 2016.

Key: The SCI GLOBAL RAIL INDEX is based on c. 100 responses from representative companies from the global rail industry. The companies are regularly asked to evaluate their current business situation and share their expectations for the coming six months. They can describe their situation as “good”, “satisfactory” or “poor” and their business expectations for the coming six months as “more favourable”, “staying the same” or “less favourable”. The balance of the current business situation is the difference in percentages between the answers “good” and “poor”, the balance of expectations is the difference in percentages between the answers “more favourable” and “less favourable”. The business climate is a transformed mean produced from the values for current business climate and future expectations.