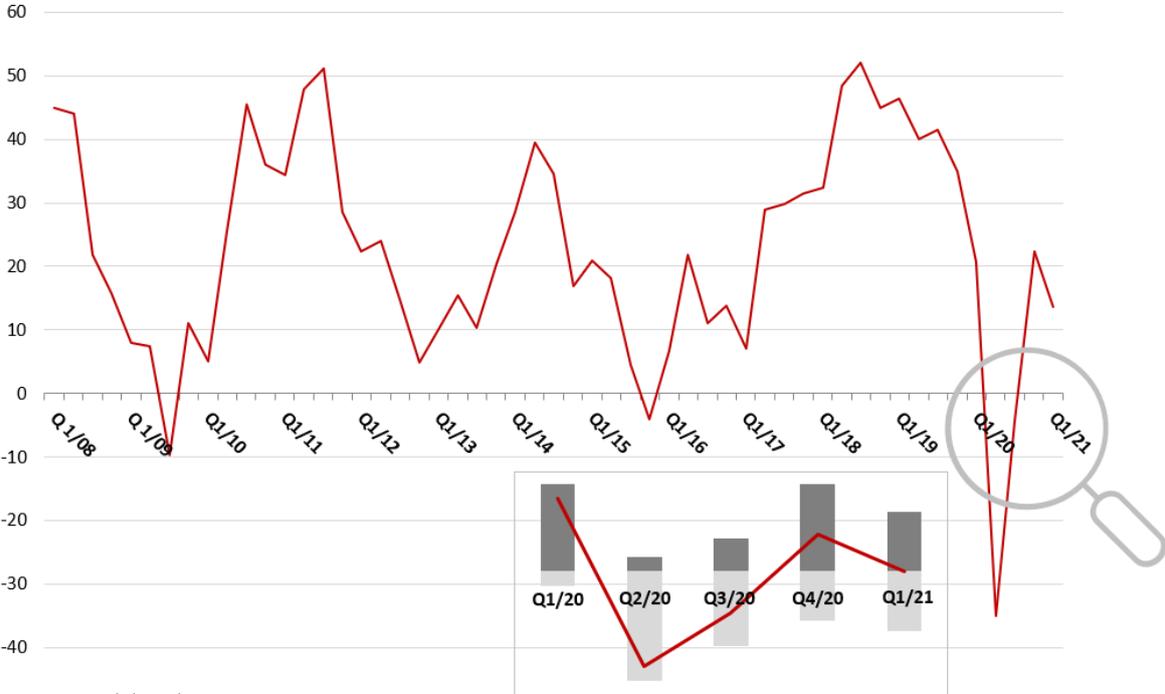


SCI GLOBAL RAIL INDEX Q1/2021

Reserved mood in the railway industry at the beginning of the year

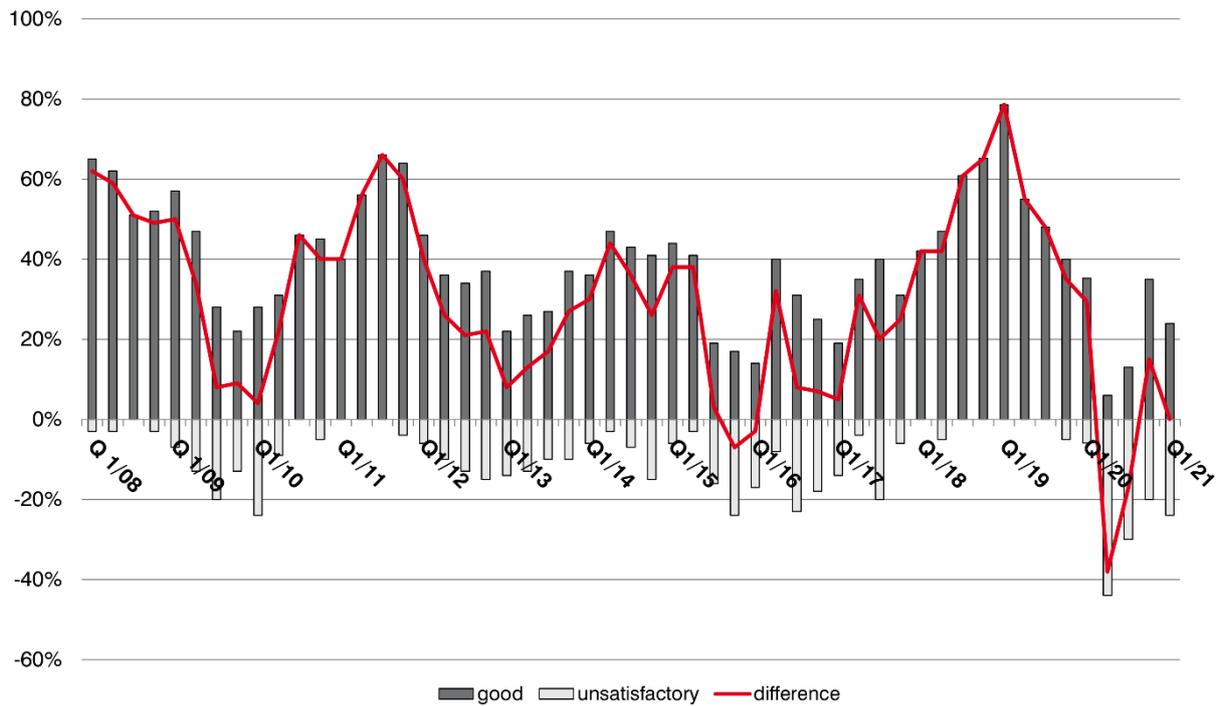
Future expectations in the rail industry are positive - but the current situation is marked by scepticism. After a more optimistic Q4 2020, the business climate of the global rail industry shows a slight decline in Q1 2021, which will be due to the ongoing pandemic. The SCI RAIL BUSINESS INDEX shows: Assessments are ambivalent regarding the current business situation as the business situation is assessed as equally positive and negative. However, when it comes to expectations for the coming quarter, there is unanimity regarding to a significantly more positive development. Investment activity has declined discernibly compared to the previous year.

SCI Rail Business Index



Source: SCI Verkehr GmbH

Development of current business situation

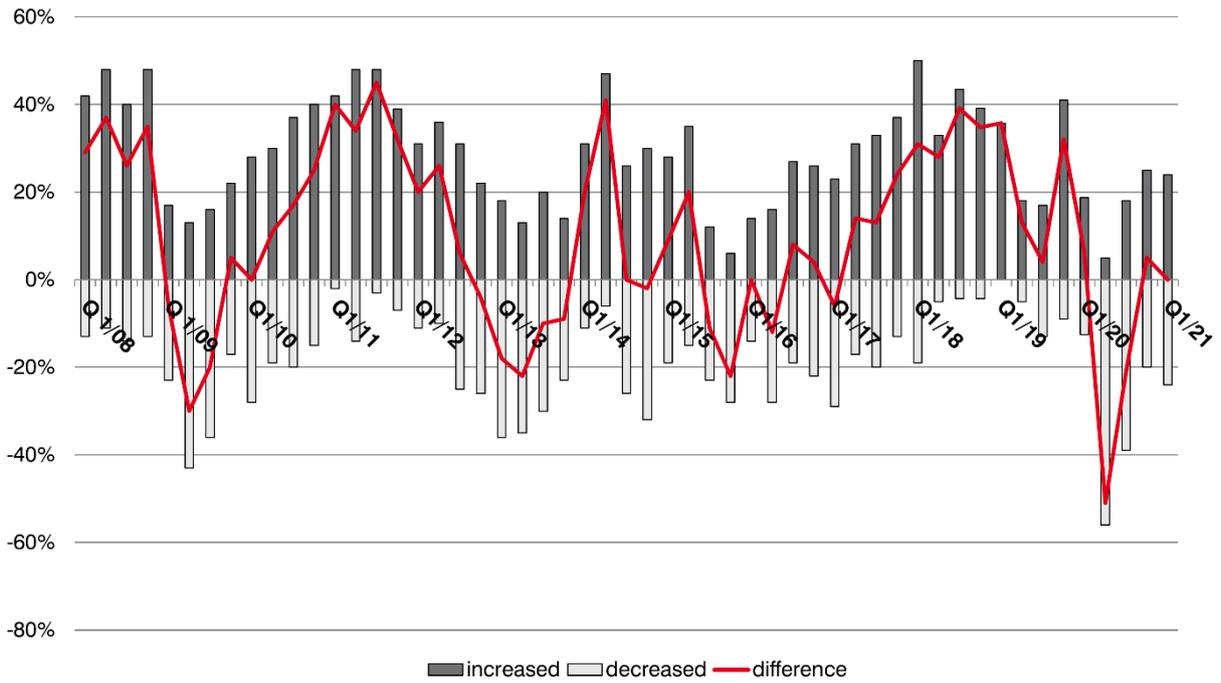


Source: SCI Verkehr GmbH

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

The assessment of the current business situation shows a more differentiated picture: the positive as well as the negative evaluations are almost balanced. As a result, the development is more negative than before. At the beginning of 2021, 25% of the top managers assess the situation as positive and 13% as negative. 63% of the participants feel that the current business situation is satisfactory (seasonal).

Demand for products and services

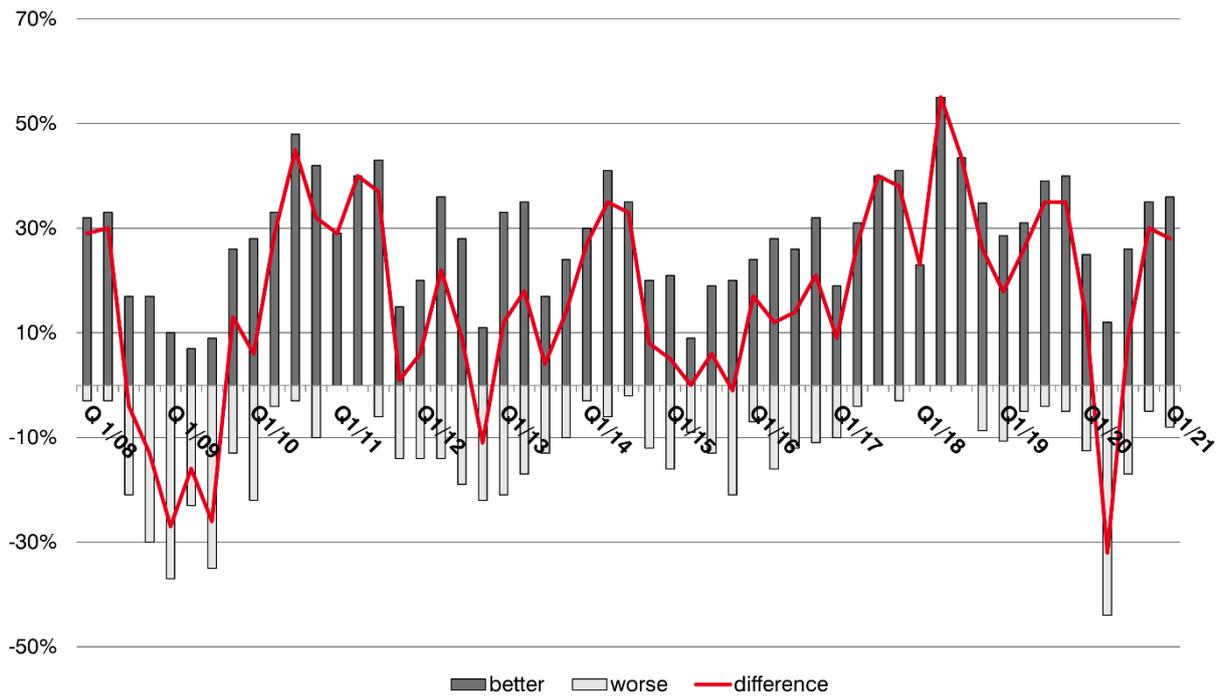


Source: SCI Verkehr GmbH

Since Q3 2020, the reference period for this question is the last quarter (previously: the last 6 months); Up to Q 4/2009, only companies with headquarters in Germany surveyed.

Demand for products has declined slightly, the valuation level has fallen again moderately after a small rise at the end of 2020. 24% of respondents assess Q1 2021 more positively than the previous quarter. However, just as many participants feel that demand has fallen in the quarter.

Expected business development in next quarter

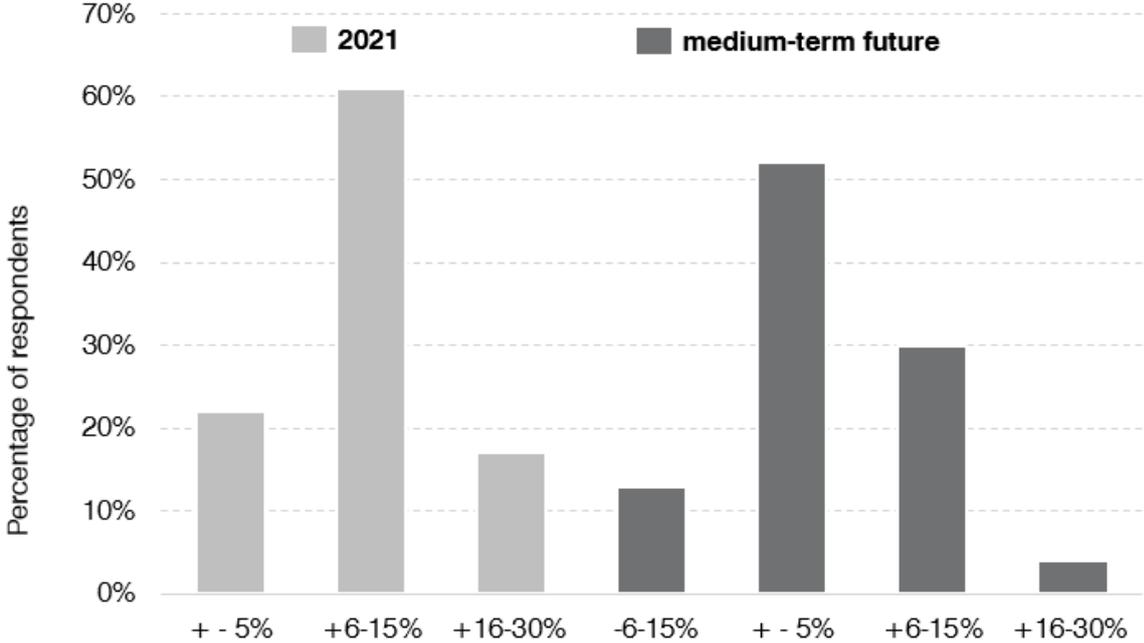


Source: SCI Verkehr GmbH

Since the latest survey, the forecast period for this question is the next quarter (previously: the next 6 months); Up to Q 4/2009, only companies with headquarters in Germany surveyed.

The survey also revealed a slight deterioration in the assessment of the coming months. Overall, 36% of the top managers surveyed expect the situation to improve in the coming quarter and 8% to worsen. The expected business development is nevertheless assessed significantly more positively than the development of the current business situation. Overall, expectations regarding business development are still at a high level and the vast majority of respondents are optimistic about the future.

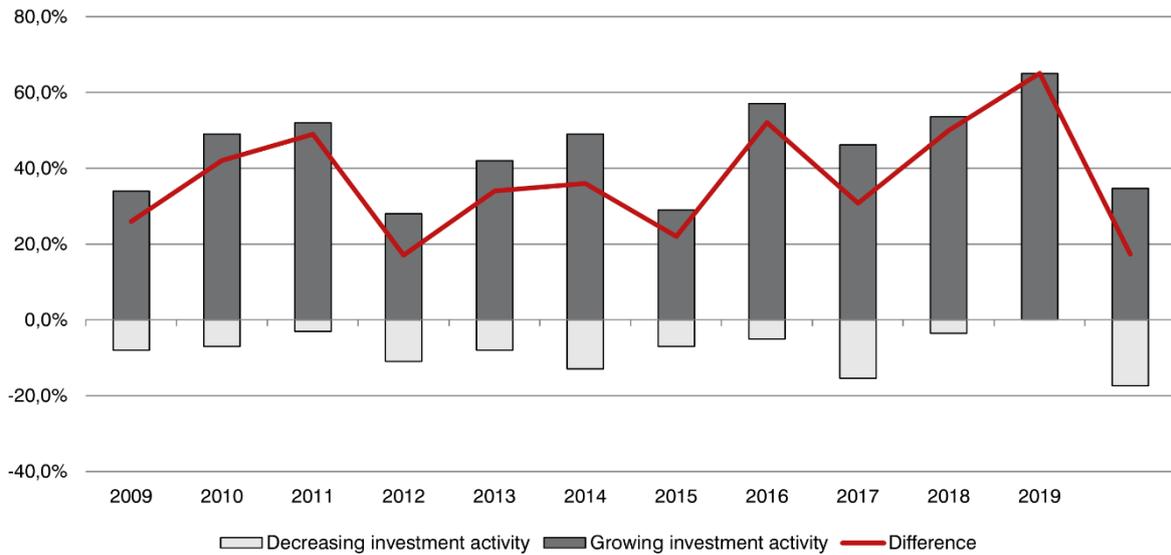
Expected development in order intake in 2021 and in the medium-term future



Source: SCI Verkehr

In the fourth quarter of 2020, SCI Verkehr asked top managers what result they expect for new orders in the coming year 2021 as well as in the medium-term future. The answers revealed that more than half of the top managers expect a development of +/-5% for 2021 as a preliminary estimate (as of March 2021), while for the coming years the vast majority (just over 60%) forecast an increase of 6-15%. Expectations regarding the development of incoming orders in the medium term are significantly more positive than those for 2021.

Development of change in investment activities, compared to previous year



Source: SCI Verkehr GmbH

30% of the participants describe the development of investment activity as increasing. However, 17% of the survey participants state that their investment activity has decreased. This impression ultimately leads to a clearly declining overall development compared to the sentiment picture of 2020: investment activity has declined significantly compared to the previous year.

Legend: The SCI GLOBAL RAIL INDEX is based on approximately 100 reports from representative companies in the global rail industry. The companies are regularly asked to assess their current business situation and to report their expectations for the coming six months. They can mark their situation as "good", "satisfactory" or "poor" and their business expectations for the coming six months as "more favourable", "stable" or "less favourable". The balance value of the current business situation is the difference of the percentages of the answers "good" and "poor", the balance value of the expectations is the difference of the percentages of the answers "more favourable" and "less favourable". The business climate is a transformed average of the balances of the business situation and expectations.