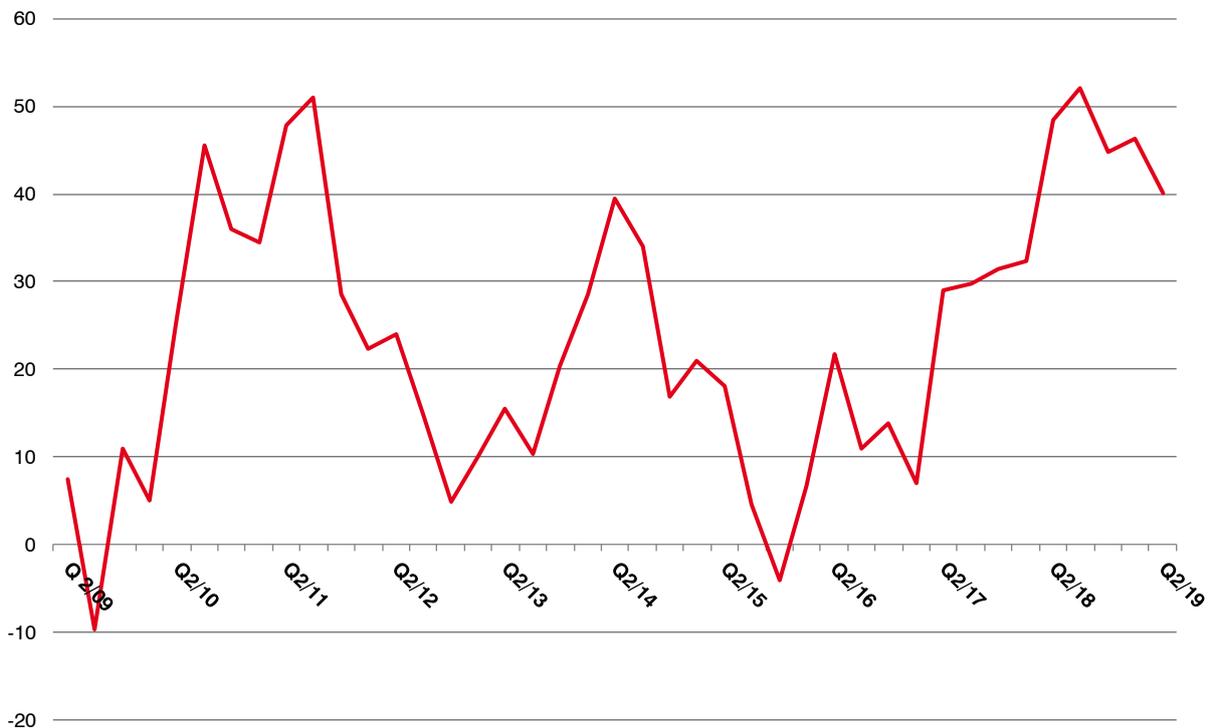


SCI GLOBAL RAIL INDEX 2/2019

Slight decline at a continued high level

The business climate in the rail industry declined slightly in the second quarter of 2019 but continues to benefit from the ongoing good business situation. This is shown by the current SCI RAIL BUSINESS INDEX - a regular survey of top managers in the global rail industry conducted by the consulting firm SCI Verkehr. A significant decline in demand growth results in a more subdued overall picture this quarter. However, all indices remain at a high level despite the decline. In addition, the assessment of the future business development has again developed positively and the increasing skepticism of the past three quarters has weakened slightly.

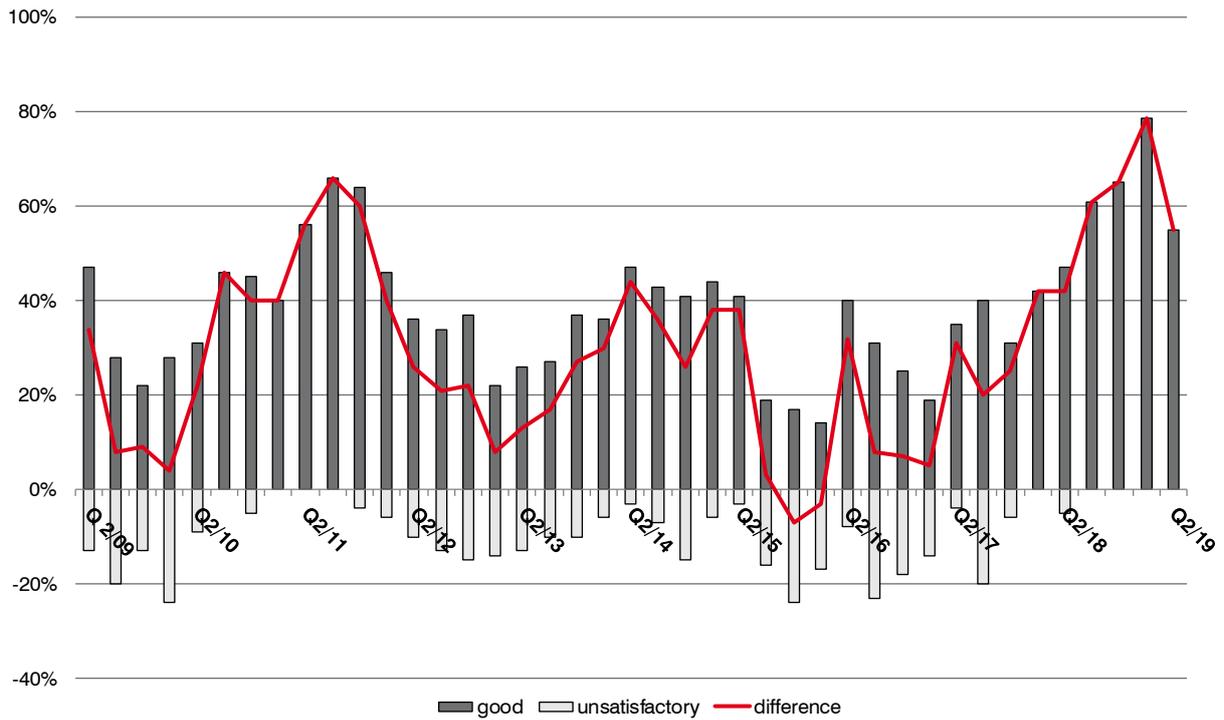
SCI Rail Business Index



Source: SCI Verkehr GmbH

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

Development of current business situation

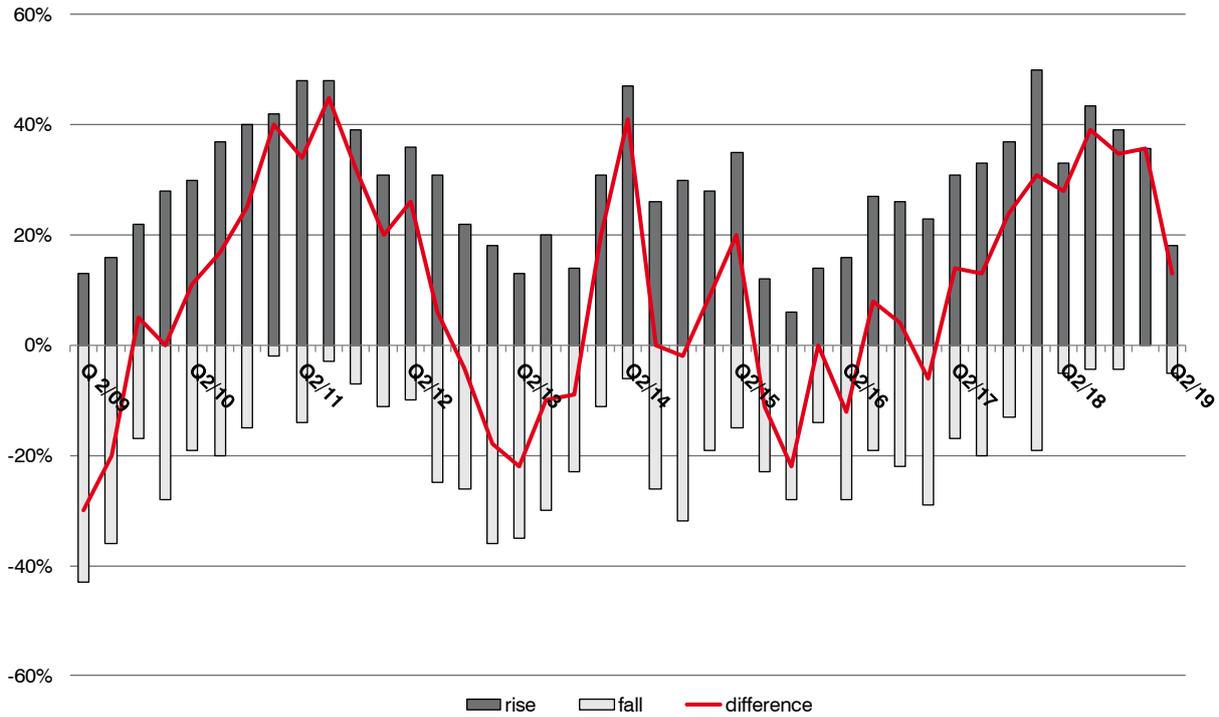


Source: SCI Verkehr GmbH

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

The highest point of satisfaction with the current business situation seems to have been reached in the last quarter and the value in this quarter decreased significantly with 24%. However, none of the top managers surveyed rated the current situation as "unsatisfactory", which means that the index remains at a high level. While the average difference value is 30%, the value in this quarter is still well above the average at 55% points.

Demand for products and services

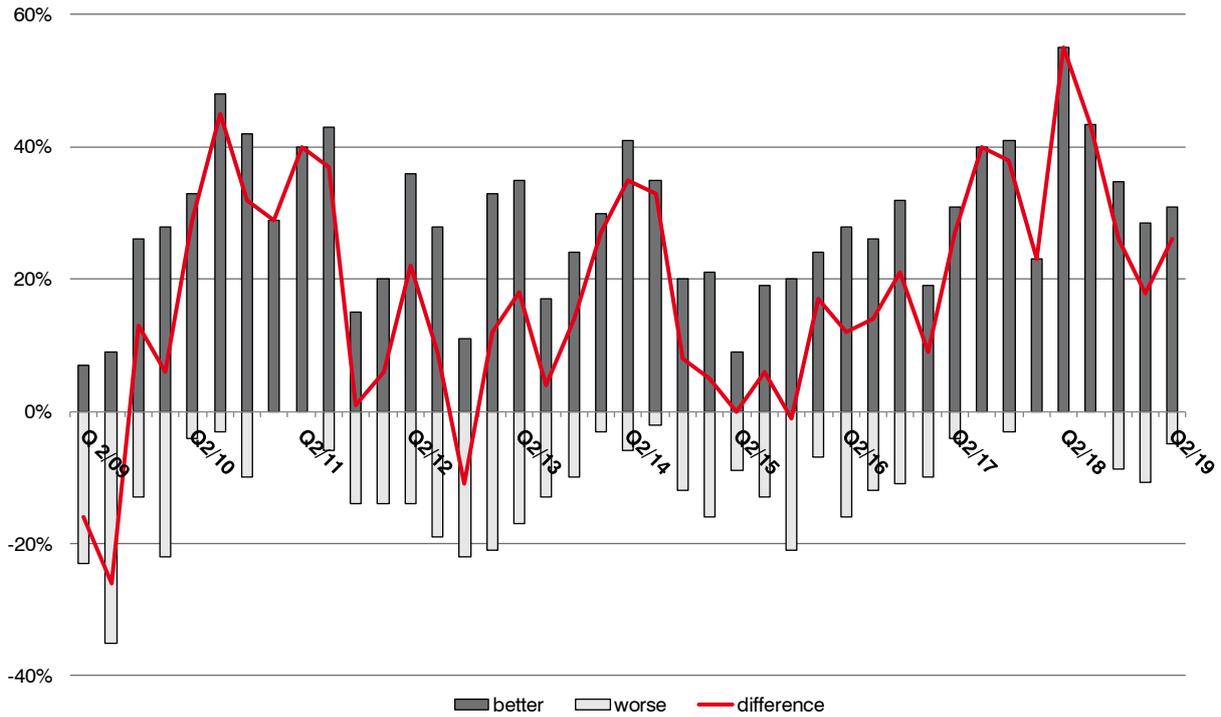


Source: SCI Verkehr GmbH

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

The index used to assess demand for products and services for the last six months fell sharply in the second quarter of this year. Only 18% of the participants surveyed reported an increase in demand, which means that overall demand growth has halved compared to the last quarter. This is also the lowest figure in three years. A decline in order books was reported by as many as 5% of top managers surveyed.

Expected business development in coming 6 months

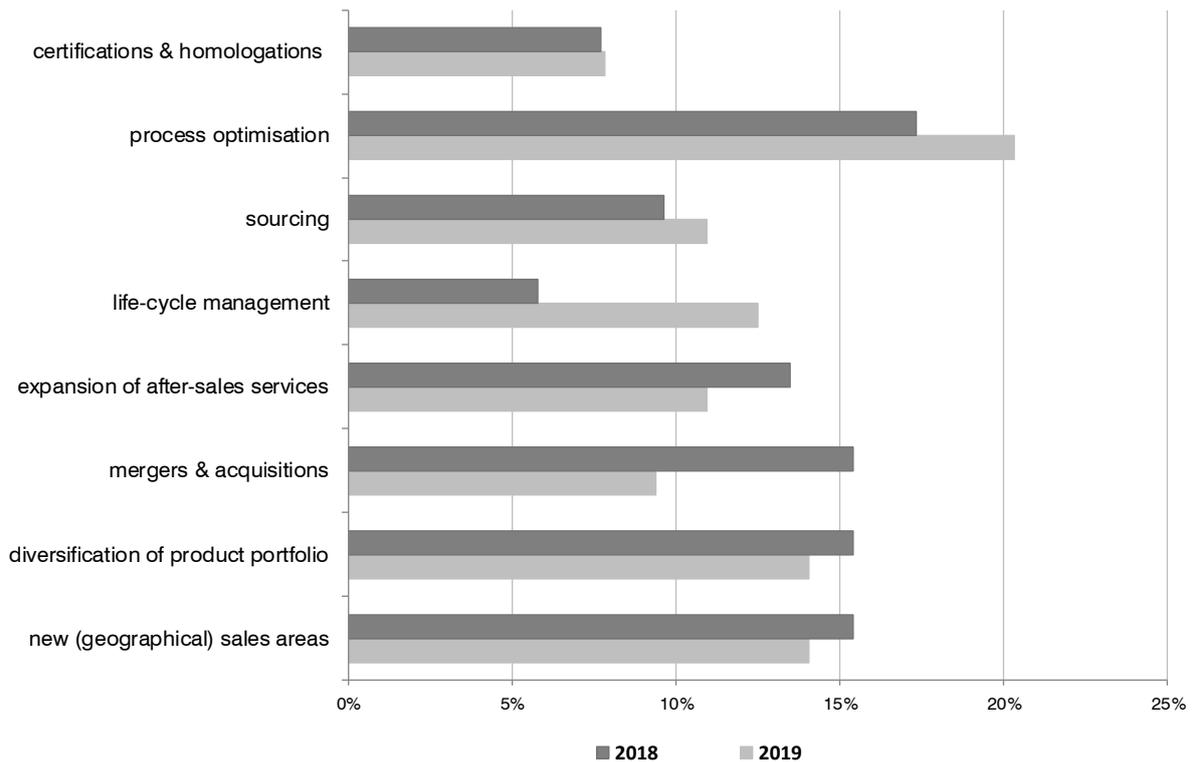


Source: SCI Verkehr GmbH

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

Despite a decline in demand, the index for the expected business development for the coming six months recovered slightly compared to the last quarter. The share of participants who expect less favourable business development in the coming months has declined slightly. In addition, more respondents expect a more favorable development in the coming months. As a result, the index rose by 8% points in the quarter, putting an end to the downward trend in expectations that has been underway for a year now.

Perceiving key challenges of the railway industry



For many years, SCI Verkehr has been questioning companies in the global railway industry about the perceived key challenges of the industry for the respective year. Compared to 2018, the topic of process optimization has continued to gain in importance and thus remains at the top of the most important goals for 2019. The biggest leap, however, is recorded in the area of life-cycle management. The importance of this topic has more than doubled in the perception of managers within one year. The topic of M&As, on the other hand, has clearly lost importance in this year's survey.

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.