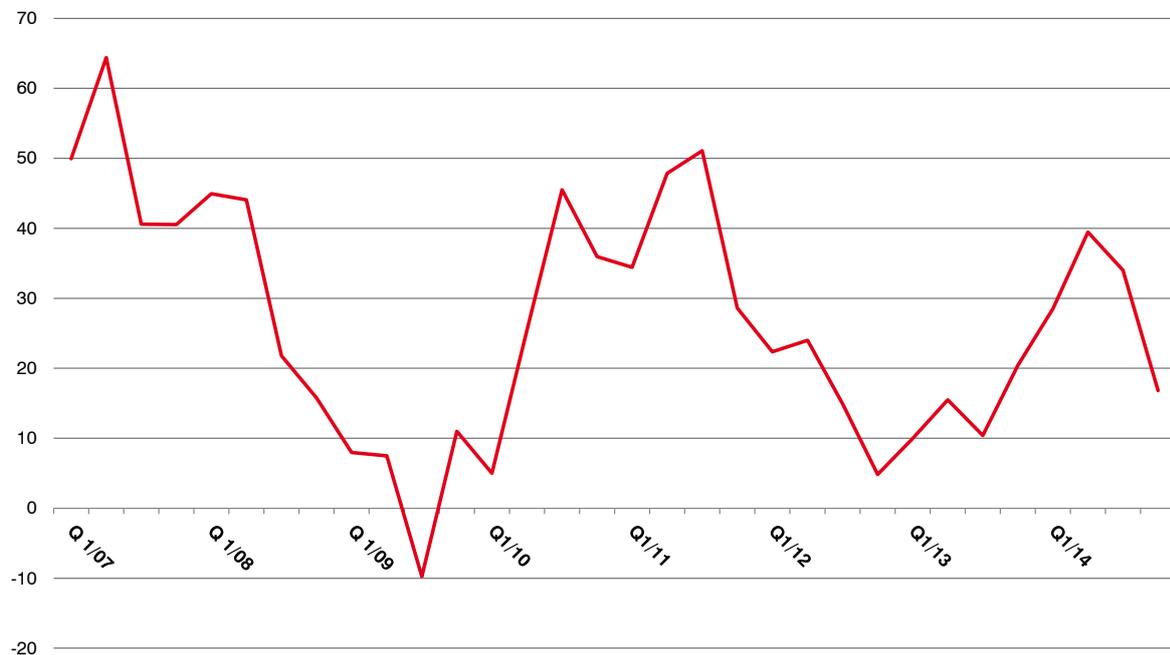


SCI GLOBAL RAIL INDEX 4/2014

Business climate of international rail industry shows significant negative development and decreasing order balance

The mood of leading companies in the worldwide rail industry, which is measured by the SCI Global Rail Index, decreased once again in the fourth quarter of 2014. Although prospects for the next half year are predominantly seen as positive, the number of pessimistic expectations for the future has risen sharply since the previous quarter. A majority of the managers surveyed is also expecting stagnating employee numbers in the next six months. The consequences of conflicts in the Middle East as well as sanctions against Russia due to the Ukraine crisis and the flagging economic activity in Europe are contributing to uncertainty in the rail industry.

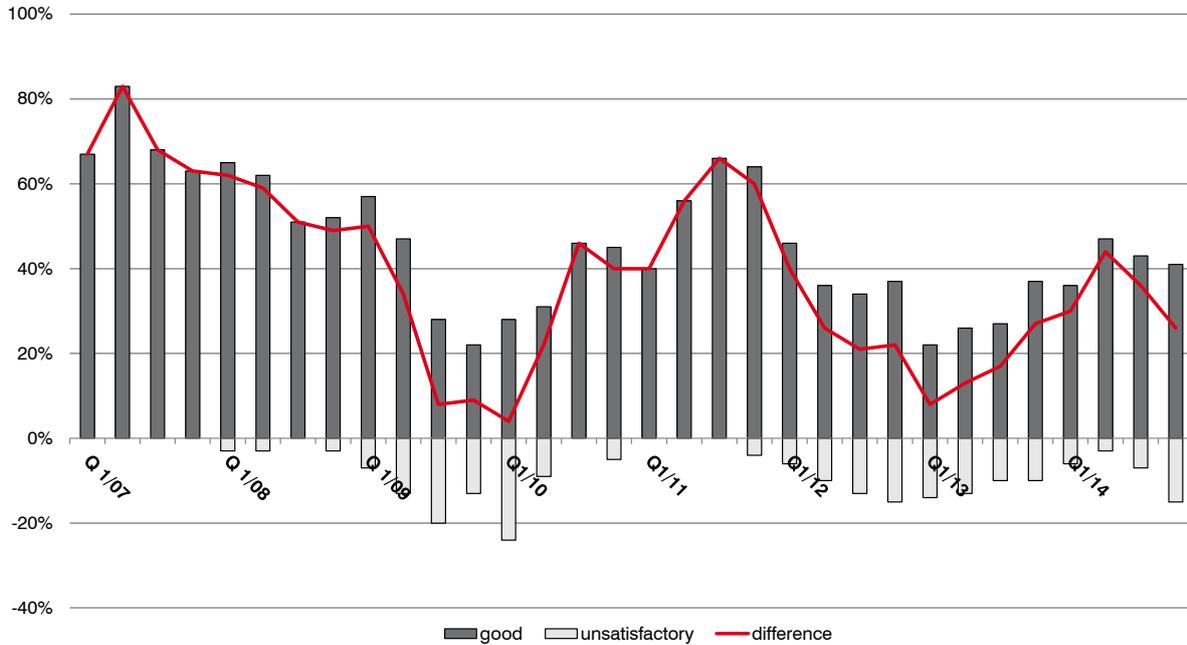
SCI Rail Business Index



Source: SCI Verkehr GmbH

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

Development of current business situation

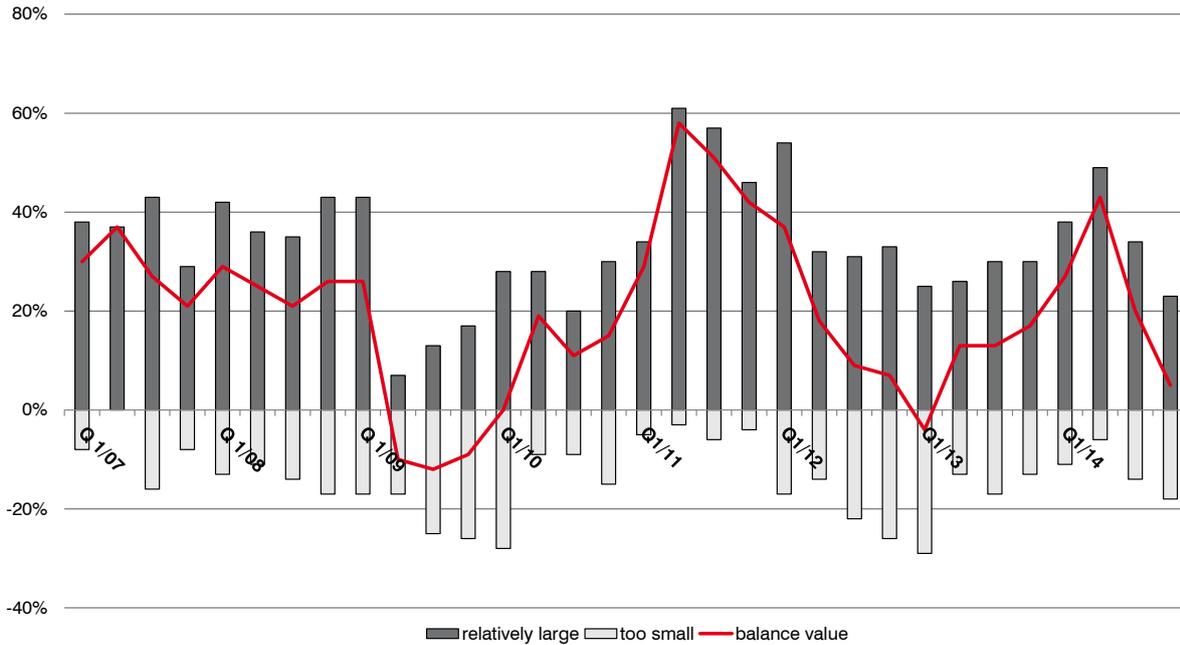


Source: SCI Verkehr GmbH

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

The downwards trend in the current business situation which began in the last quarter has continued into the fourth quarter. At a little more than two fifths, the largest majority of managers surveyed evaluate their current business situation as good. Nonetheless, the number of companies evaluating their business situation as unsatisfactory has risen to 12%. This more pessimistic evaluation has especially been provoked by developments in the last three months. According to those surveyed, more than half of companies in this period reported a worsening of their business situation. The balance between rail companies reporting improved or worsened business situation is thus for the first time since the second quarter of 2013 at a negative value. Whether this negative development will grow into a persistent downwards trend will only be definitively determined following surveys in the coming quarters.

Current order balance

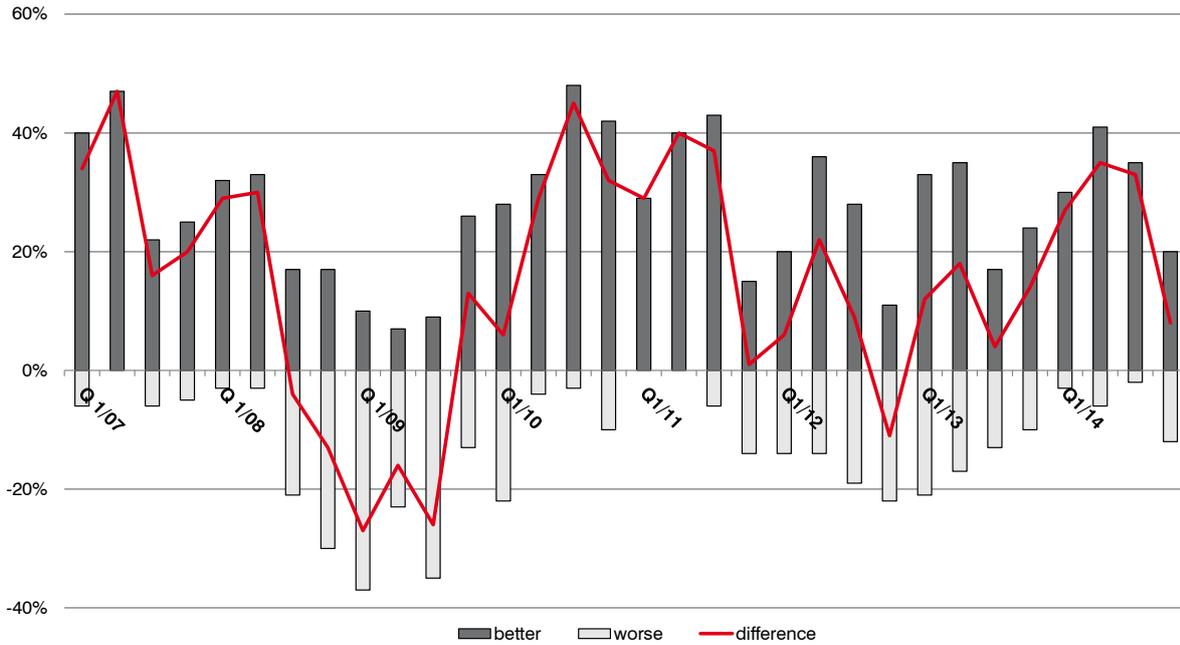


Source: SCI Verkehr GmbH

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

The evaluation of the current order balance in the last two quarters is also pointing to a substantial declining development. Only around a quarter of managers evaluate their current order balance as relatively large, while almost a fifth of companies consider the current balance to be too small. The ongoing geopolitical conflicts and flagging economies in parts of the world are clearly having an effect on order balances. The current order balance is an important indicator for the future development of the business situation of international rail companies. The mixed evaluations of the current order balance reflect the general uncertainty in the industry and therefore do not allow for clear predictions about future development.

Expected business development in coming 6 months



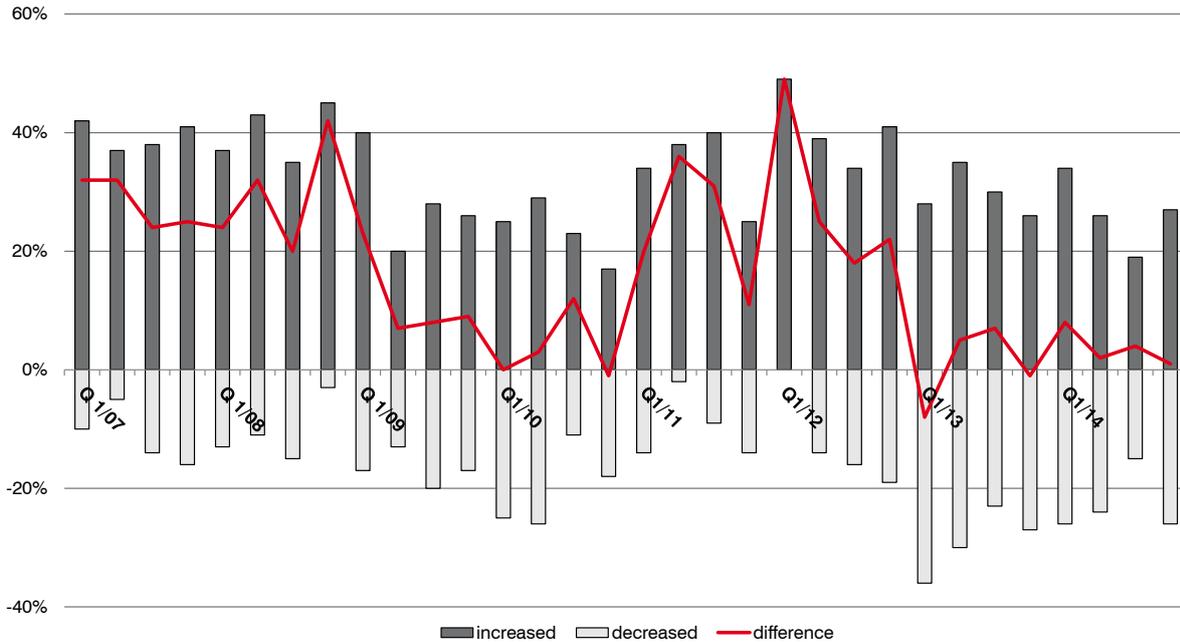
Source: SCI Verkehr GmbH

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

The perspectives of companies surveyed on the coming six months has significantly worsened in comparison to the previous quarter. Exactly one fifth of companies expects a positive business development, whereas 12% expect a negative development. Since the last quarter, the share of negative expectations has risen by 10%. More than two thirds of those surveyed, however, expect an unchanged business situation.

In addition, SCI Verkehr asked these top managers to evaluate their participation in the leading railway trade fair InnoTrans in Berlin. The pronounced positive feedback from rail companies can be taken as a sign of a more optimistic evaluation of the near future.

Number of employees in the last six months



Quelle: SCI Verkehr GmbH

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

Despite the general uncertainty in the rail industry, the employee numbers indicate an almost unchanging level. The mixed estimations of the managers surveyed do not display a clear trend in the development of employee numbers. The share of companies with rising employee numbers in the fourth quarter is at 27% almost identical to the share of companies with falling employee numbers (26%). Looking forward to the coming six months, the majority of those surveyed expect a slight decrease in employee numbers.

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.