

Press Release

Munich, July 12, 2010

Knorr-Bremse celebrates opening of new rail vehicle systems plant in Budapest

In the presence of the Hungarian Minister of National Development, Dr. Tamàs Fellegi, and the Chairman of the Knorr-Bremse Supervisory Board, Heinz Hermann Thiele, on Friday Knorr-Bremse celebrated the official opening of its new rail vehicle systems plant in Budapest. At its Budapest facility, Knorr-Bremse produces bogie equipment for rail vehicles, such as brake caliper units and block brakes, as well as brake control components, such as brake panels and valves, as well as a virtually complete range of components for freight cars and individual air supply elements. The new site also offers expanded facilities for research and development, especially in the fields of brake actuators, software, technical calculation and testing.

At the opening ceremony, Heinz Hermann Thiele underlined the importance of the new plant for the Knorr-Bremse Group: "We have been doing business with Hungary for over 80 years now," said Thiele. "With the construction of the new plant in Budapest and the associated investment of around EUR 45 million, under the heading of the '5-Day Factory' we are setting completely new standards in terms of production and logistics, based on the globally standardized Knorr-Bremse Production System." The notion of the "5-Day Factory" covers a large number of pioneering measures designed to achieve a significant reduction in throughput times along the entire value chain. The use of intelligent supply models, integrated manufacturing cells, an in-house surface treatment center and continuous assembly aligned with customer cycles will enable throughput times in the production sector to be reduced to five days. "Our customers will benefit most of all from our greater flexibility and optimized supply capability," Thiele added. At the same time these measures will complete the value chain within the company and boost product quality by introducing efficient transportation and handling processes.

At the new plant, around 970 employees will be employed in a unique, modern building offering over 30,000 square meters of factory and office space in the immediate vicinity of the company's former plant. The energy requirements and operating costs of the new facility have been sustainably reduced through the use of appropriate building materials, advanced building-services technology and innovative, energy-efficient control technology.

Along with the Rail Vehicle Systems division, Knorr-Bremse Commercial Vehicle Systems also maintains a presence in Hungary through its brake components plant in Kecskemét and its R&D center for electronic braking system hardware and software in Budapest.

Knorr-Bremse's business links with Hungary date back to the 1920s, when the first licensing agreements for rail vehicle braking systems were signed. Cooperation was interrupted during the Second World War, but resumed in 1959 with the signing of further license agreements for rail vehicles and, in 1969, for commercial vehicles as well. The next step was the creation of a German-Hungarian joint venture for truck brakes in 1989. Since 1993 Knorr-Bremse's commercial vehicle plant in Kecskemét has been a wholly-owned Group subsidiary. In 1995 the R&D center in Budapest was added, and in the same year Knorr-Bremse Vasúti Jármű Rendszerek Hungária Kft was set up in Budapest to produce rail vehicle brake components.

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, marketing and servicing of state-of-the-art braking systems. Other lines of business in the rail vehicle systems sector include automatic, electro-pneumatic or electric door systems, air conditioning systems, control components and windscreen wiper systems, as well as platform screen doors. In the commercial vehicle systems sector, the product range includes complete braking systems with driver assistance systems, as well as torsional vibration dampers and powertrain-related solutions such as the Pneumatic Booster System (PBS) and transmission control system for enhanced energy efficiency and fuel economy.

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