

Press Release

Munich, June 24, 2010

Lord Mayor and delegation from Qingdao visit Knorr-Bremse in Munich

Xia Geng, Lord Mayor of the Chinese city of Qingdao, today led a high-ranking business and political delegation on a visit to the Munich headquarters of Knorr-Bremse, the world's leading manufacturer of braking systems for rail and commercial vehicles. The visit was part of a multi-day itinerary centered on the Bavarian Business Day in Munich, and focused on innovations in the field of high-speed rail transportation and mass transit, as well as on Knorr-Bremse's activities in the Shandong region. Since 2006, the company has been manufacturing door and access systems for high-speed trains and metro units in a joint venture based in Qingdao, where it currently employs some 500 people. During their stay at Knorr-Bremse, the Mayor and his delegation were also given a demonstration of the high uniform quality standards that the company maintains worldwide.

The Chinese guests were able to watch a simulation of the emergency braking of a Chinese high-speed train on a test rig, decelerating from 380 km/h – the speed at which these trains will travel in China in the near future, making them the fastest in the world. China will soon command the world's largest fleet of high-speed trains, so safety and quality are top-priority requirements.

Speaking during the visit, the Chairman of the Supervisory Board of Knorr-Bremse AG, Heinz Hermann Thiele, said: "This meeting has further underpinned the traditionally good relations between the City of Qingdao and Knorr-Bremse." The company's relations with representatives of this prominent business region in China date back as far as 1985. In his address, Thiele stressed the fact that, with its state-of-the-art production technology, Knorr-Bremse was able to meet the even the most demanding quality standards in China and emphasized the importance of the company's commitment to the country. Only recently, Knorr-Bremse obtained orders in China to supply braking equipment and door systems for 1,120 cars of the CRH1-380 ("Zefiro China") high-speed train being built by the Bombardier Sifang Transportation joint venture, as well as bogie equipment for the CRH2-380 high-speed train manufactured by CSR Sifang Locomotives & Rolling Stock Co. Ltd. In the summer of last year, Knorr-Bremse had already obtained major contracts from China, including the largest order in the company's over 100-year history, valued at EUR 500 million.

Knorr-Bremse has maintained contacts with China since the late 1970s. The company's first major project in China came in 1990 and concerned the supply of complete braking systems for 96 cars for the Shanghai metro. In the years that followed, Knorr-Bremse gradually expanded its product portfolio beyond its core business with braking systems to include automatic door systems and air conditioning equipment. Thanks to a strong local presence with five joint ventures and two production facilities in Suzhou and Shanghai, the company is able to meet the high local-content requirements, as well as supplying Knorr-Bremse quality made in China. Today, Knorr-Bremse Rail Vehicle Systems has a workforce of some 2,100 employees at 10 locations in China. The country also hosts three locations of Knorr-Bremse's Commercial Vehicle Systems division in Shanghai and Dalian, with some 200 employees.

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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