

Press Release

Munich, June 4, 2013

Knorr-Bremse opens new headquarters of Microelettrica in Italy

A ceremony was held yesterday to mark the official opening of a new complex belonging to Knorr-Bremse subsidiary Microelettrica Scientifica in Buccinasco, Italy. The opening was attended by numerous customers and business partners from the global railway industry, as well as high-ranking representatives of the business sector and the proprietor and Chairman of the Supervisory Board of Knorr-Bremse, Heinz Hermann Thiele. At its new facility, Microelettrica has consolidated the former activities of four separate sites, bringing all of its product areas under one roof.

As the global market leader in the field of electronic and electro-mechanical components and systems for rail vehicle applications, Microelettrica Scientifica supplies state-of-the-art power system solutions. As a result of organic growth combined with two acquisitions, the company's systems and components have in the past been developed, manufactured and marketed at four locations dotted around Milan in northern Italy. To boost the efficiency of the company's structures and processes, and strengthen the overall organization while also reinforcing the corporate culture, it was decided to move to a new development, production and sales complex and bring the existing production operations and almost 300 staff under one roof. To this end the company acquired a brownfield site in nearby Buccinasco, renovated the buildings from the ground up, and adapted them to Microelettrica Scientifica's specific needs.

One special feature of the new plant is its sophisticated and efficient production and logistics systems. Structured by product area, the components are manufactured in various production cells. Each production unit or block has its own logistics and warehouse. In addition, the planning process allowed for expansion areas for each block, giving the company the capacity to respond quickly and flexibly to the need to add new products to the portfolio or meet growing demand for its existing products. Aligned with the principles of the globally harmonized Knorr-Bremse Production System (KPS), all production processes are rigorously value-stream oriented. As at the other plants in Knorr-Bremse's integrated development and production network, special attention was paid to ensuring an open and transparent architectural layout. Locating the offices in the direct vicinity of the production shops fosters communication between the production and support sectors and makes for efficient movement of staff and material. The integration of numerous new test labs with among other things a DC traction current supply of up to 3.5 MW, underlines the

high standards that the company sets for its own products, as well as the very real importance of in-house development expertise in keeping the pipeline stocked with highly innovative products.

The new facility in Italy forms just one part of an extensive program of investments being undertaken by the Knorr-Bremse Group. In the course of this program, which runs until 2014, the company is investing in the latest production equipment and building layouts to strengthen Knorr-Bremse's global development and production network. Total investments in Buccinasco ran to around €26 million.

Knorr-Bremse subsidiary Microelettrica Scientifica was founded in Italy in 1953. The company's involvement in the rail vehicle industry dates back to the early 1980s. Following the expansion of its international presence, today Microelettrica Scientifica also maintains facilities in Germany, France, Russia, Turkey, the USA, South Africa, Brazil, China and India. The company's portfolio of systems comprises energy metering equipment for rail vehicles as well as complete systems for DC rail traction current supply, while its range of components includes switches and breakers, resistors, high-voltage transducers and fans, protection relays and switchgear. Microelettrica Scientifica has been part of the Knorr-Bremse Group since 2005. In 2013 Microelettrica Scientifica is set to contribute almost €100 million to consolidated sales.

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. In the rail vehicle systems sector, the product portfolio also includes intelligent door systems, HVAC systems, control components, and windscreen wiper systems, as well as platform screen doors, friction material and driver advisory systems. Knorr-Bremse also offers driving simulators and e-learning systems for optimum train crew training. In the commercial vehicle systems sector, the product range includes complete braking systems with driver assistance systems, as well as torsional vibration dampers, powertrain-related solutions and transmission control systems for enhanced energy efficiency and fuel economy.

Contact:

Eva Seifert
Vice President Corporate Communications
Tel: 089-3547-1402
Fax: 089-3547-1403
Email: eva.seifert@knorr-bremse.com

Knorr-Bremse AG
Moosacher Str. 80
80809 Munich
Germany
www.knorr-bremse.com