

Press Release

Munich, November 18, 2013

Knorr-Bremse expands its presence in India and opens new plants for rail vehicle and commercial vehicle systems

Knorr-Bremse is expanding its production capacity in India in both the rail vehicle and commercial vehicle sectors. In the course of last week, the Group opened two new production facilities in Palwal and Pune, as well as a new Development Center to be shared by its two divisions.

In the presence of numerous customers and business partners as well as prominent representatives of Knorr-Bremse, the new Commercial Vehicle Systems plant in Pune was officially opened on November 12. Three days later, on November 15, another grand opening ceremony took place in Palwal, this time for a newly built Rail Vehicle Systems facility.

In line with Knorr-Bremse's corporate philosophy, the architecture and layout of the new production plants support optimum procedures through transparent structures that are designed to promote open communications between production and support departments. The proximity of development and production enables efficient collaboration among all functions working on the same product. At the same time the new buildings meet the highest requirements in terms of ecological standards in order to reduce energy consumption and operating costs as well as conserving natural resources. To reinforce the Group's research and development activities, a state-of-the-art Development Center working for both divisions has been appended to the new production plant in Pune.

These investments in India totaling around €40 million are part of a far-reaching program of capital expenditure by the Knorr-Bremse Group designed to modernize its global development and production network. To safeguard the Group's future and expand its capacity, in a four-year period between 2011 and 2014, Knorr-Bremse is investing over €250 million in leading-edge plant & equipment and buildings in growth markets around the world.

New Commercial Vehicle Systems plant in Pune (Maharashtra)

The new Commercial Vehicle Systems plant in Hinjawadi-Pune is located just a few hundred meters from the former site. Given the ongoing growth of the Indian commercial vehicle market and the resultant level of incoming orders at Knorr-Bremse, the original plant had reached the limits of its capacity.

The new building houses an ultra-modern factory that offers 12,000 m² of production and office space – far more than the previous site. Here, 250 employees manufacture a range of products including brake cylinders, valves, pedal units, air dryers, slack adjusters, compressors and an internally developed lift-axle system for the Indian commercial vehicle market.

As production was transferred to the new location, all production processes were systematically enhanced to maximize value added in line with the globally harmonized Knorr-Bremse Production System. At the same time, with the new building, Knorr-Bremse also opened up extensive opportunities for expansion in the production sector. As a result, in the future, Knorr-Bremse India will be able to respond very quickly to new market requirements and flexibly expand its portfolio to include new product lines.

New Rail Vehicle Systems plant in Palwal

In the rail vehicle systems sector too, by stepping up its production capacity through construction of a new plant, Knorr-Bremse in India is preparing to meet rising demand in the coming years. One underlying factor here is the planned expansion of the transport infrastructure in India, with a modernized railway network forming one of the main pillars. Within this expansion, existing rail vehicles are being upgraded and orders placed for new passenger coaches and freight cars – two key areas in which Knorr-Bremse has successfully played an active role in India for many years.

The new plant is located in Palwal, 30 kilometers south of the former site in Faridabad, and offers around 26,000 m² of production and office space. Here, some 500 employees manufacture brake control systems, bogie equipment, compressors and air dryers for rail vehicles primarily for the Indian market and in close collaboration with certified regional suppliers.

Along with state-of-the-art production technologies, optimized plant logistics and an improved working environment for the employees, the new facility also presents an ecological focus. The design of the building conforms to green building standards, with energy-efficient air conditioning and high levels of insulation helping reduce its carbon footprint, while water consumption is substantially reduced by the systematic recycling of production wastewater.

Knorr-Bremse Technology Center India (TCI)

Directly alongside the new production plant in Pune is the Knorr-Bremse Technology Center India (TCI). Here, the Knorr-Bremse Rail Vehicle Systems and Commercial Vehicle Systems divisions have concentrated their engineering and development services in response to the rapidly increasing importance of the Asia-Pacific region for both divisions and to enable the ongoing development of the portfolio in line with

specific customer requirements. One core activity here is software development, handling development services for the Knorr-Bremse Group worldwide. By the end of 2014 the TCI will be providing work for a total of around 200 employees.

Pune is an established hub of IT and software activities in India, which means there is an extensive local pool of talented software developers. By setting up this new development center Knorr-Bremse is making sure that the Group has sufficient resources going forward to meet the growing demand and master increasingly complex products.

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.

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