

**Press Release**

Munich, June 9, 2016

**Knorr-Bremse expands rail vehicle systems production site in China**

- **More production capacity in Suzhou**
- **First ever fully-equipped inertia dynamometer in China**
- **Greater flexibility and improved delivery capacity**

**Knorr-Bremse has opened an expanded state-of-the-art production plant and testing center for rail vehicle systems in Suzhou, China. The facility will enhance the company's efficiency and strengthen its local competitiveness. It will enable Knorr-Bremse to maintain the high quality of its products and focus fully on the needs of local customers.**

The foundation for this substantial enlargement of the rail vehicle production site in Suzhou, China, was laid in December 2014. It increases the site's production capacity and at the same time creates additional space for a growing number of engineers. Various test rigs have been installed, including the first ever fully-equipped inertia dynamometer, the like of which is otherwise only found at Knorr-Bremse's headquarters in Munich. The investment package of some EUR 13 million includes modern customer training facilities as well as additional parking spaces and a new canteen for the workforce of about 1,200.

At the opening ceremony Heinz Hermann Thiele, owner of Knorr-Bremse, together with Klaus Deller, Chairman of the Executive Board, Dr. Dieter Wilhelm, Member of the Executive Board, Joseph Han, Managing Director of Knorr-Bremse Suzhou as well as the Management Board of Knorr-Bremse Asia Pacific welcomed numerous prominent guests like the mayor of Suzhou city Qu Futian, the Chairman of Suzhou New District Administrative Committee Pu Ronggao, the Vice Chairman and President of Suzhou New District Administrative Committee Zhou Xudong plus the Board Chairman and President of CRRC Zhuzhou Locomotive Co., Ltd. Zhou Qinghe and the Director of Locomotive and Car Research Institute CARS Sun Jianfang and other business partners and representatives of politics, industry, universities, and the media.

Heinz Hermann Thiele said: "This factory is part of a far-reaching investment program being carried out by the Knorr-Bremse Group to modernize its global development and production network. Customers stand to benefit from the increased efficiency of these facilities thanks to their greater flexibility and improved delivery capacity. Moreover, we want to develop the next generation of braking systems for rail vehicles; systems that take account of future requirements in the local market." To safeguard its future, since 2010 the Group has invested more than EUR 1.3 billion in the construction and expansion of production and development facilities. The new Development Center at the Munich site e.g., which represents the largest single investment in the company's history, will be inaugurated in June 2016. In all, Knorr-Bremse invested EUR 90 million in that building.

Knorr-Bremse Systems for Rail Vehicles (Suzhou) Co. Ltd. plays a major role in the company's rail business in China and also operates a branch in Beijing. Established in 2005, it is a major manufacturing facility for braking systems and caters to both domestic and international markets. The past years have seen Knorr-Bremse Suzhou expand steadily, and the company has made an invaluable contribution to Chinese railway transportation, especially in the high-speed sector. The state-of-the-art assembly lines and

large CNC machining section in Suzhou are designed to support the growing market for brake control systems, bogie equipment, air supply, and hydraulics.

Knorr-Bremse has maintained contacts in China since the end of 1970s. In 2015, a workforce of more than 4,400 employees helped the Knorr-Bremse Group to post sales of over EUR 1.3 billion in China. The company pursues a proactive localization policy ranging from personnel training to a strong element of local production and operates 14 production plants, including joint ventures, for both Group divisions Rail Vehicle Systems and Commercial Vehicle Systems.

The Rail Vehicle Systems division of Knorr-Bremse has been active in China for many years now. Its first major project in China came in 1990: the supply of complete metro car braking systems for the Shanghai metro. In the years that followed, the division progressively expanded its portfolio to include entrance systems and HVAC systems. Partnerships and trusting relationships with local companies have long been part of Knorr-Bremse's strategic approach. To further reinforce its strong market position in China and participate in expansion in the intercity segment, in 2015 Knorr-Bremse only recently concluded a new joint venture agreement with GuoTong.

The first joint venture in the Commercial Vehicle Systems division – Hasse & Wrede CVS Dalian, China Ltd. – was set up in conjunction with Dalian Innovation Parts Manufacturing Company in Dalian back in 2004. The subsidiary Knorr-Bremse Braking Systems for Commercial Vehicles (Dalian) Co., Ltd., was opened in 2005, this was followed in 2011 by Knorr-Bremse CAFF Systems for Commercial Vehicles Chongqing Ltd. The latest joint venture between Knorr-Bremse and Dongfeng Motor Group Co. Ltd. got off in 2015.

**Caption:** At the opening ceremony, Wang Mu, Vice President of Suzhou New District Administrative Committee; Zhou Xudong, Vice Chairman and President of Suzhou New District Administrative Committee; Joseph Han, Managing Director of Knorr-Bremse Suzhou; Klaus Deller, Chairman of the Executive Board; Sun Jianfang, Director of CARS Locomotive and Car Research Institute; Pu Rong-gao, Vice Mayor of Suzhou and Chairman of Suzhou New District Administrative Committee; Domingo Mendieta, Member of the Board of Directors of Knorr-Bremse Asia Pacific; Qu Futian, Mayor of Suzhou; Heinz Hermann Thiele, owner of Knorr-Bremse; Zhou Qinghe, Board Chairman and President of CRRC Zhuzhou Locomotive Co., Ltd.; Dr. Dieter Wilhelm, Member of the Executive Board; Dr. Ansgar Brockmeyer and Filippo Scotti, Members of the Management Board of Knorr-Bremse Asia Pacific; Zhang Wenbiao, Member of Suzhou CPC Committee and Vice President of Suzhou New District Administrative Committee and Yu Yu, Vice President of Suzhou New District Administrative Committee. (from left) | © Knorr-Bremse

**Knorr-Bremse** is the world's leading manufacturer of braking systems for rail and commercial vehicles, with sales totaling almost EUR 6 billion in 2015. In 30 countries, some 25,000 employees develop, manufacture, and service braking, entrance, control, and energy supply systems, HVAC and driver assistance systems, as well as powertrain and transmission control solutions. As a technology leader, for more than 110 years now, through its products the company has been making a decisive contribution to greater safety by road and rail. Every day, more than one billion people around the world put their trust in systems made by Knorr-Bremse.

**Contact:**

Dr. Detlef Hug  
Head of Corporate Communications  
Tel: +49 (0)89 3547 1402  
E-Mail: [detlef.hug@knorr-bremse.com](mailto:detlef.hug@knorr-bremse.com)

Knorr-Bremse AG  
Moosacher Strasse 80  
D-80809 München  
[www.knorr-bremse.com](http://www.knorr-bremse.com)