

Industry Sector

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Siemens breaks into the U.S. long-distance passenger rail market

Amtrak places EUR 338 million order for electric locomotives

Amtrak, the U.S. passenger rail operator, has finalized an agreement with Siemens for the delivery of 70 Amtrak Cities Sprinter electric locomotives worth round EUR 338 million (US \$466 million). By securing this order, Siemens has succeeded in selling its locomotives to the American market for the first time. The U.S. locomotive market recently has shown an average order volume of around €1.5 billion per year. The first vehicles will be delivered in 2013.

The new Cities Sprinter are a part of the extensive fleet renewal program Amtrak is launching for the next 14 years, with a special focus on passenger rail service in the Northeast. With 2,600 rail connections a day, the corridor between Boston and Washington is the most heavily traveled long-distance route in the USA. The modernization program totals US \$11 billion. "In the past months rail transportation has stepped into the spotlight of infrastructure improvement projects in America and is strongly supported by the U.S. administration. This order for the Cities Sprinters is our first opportunity to supply a Siemens locomotive to the American locomotive market, the second largest market in the world," says Hans Jörg Grundmann, CEO of the Siemens Division Mobility. "This order shows that we are capable of offering the right solutions for regional and long-distance passenger rail service in the USA," adds Grundmann.

"Amtrak is a critical transportation provider in the Northeast and modern locomotives are essential to meet the service reliability expectations of our passengers and for us to handle the growing ridership demand in the coming years," said Amtrak's President and CEO Joseph Boardman.

These new locomotives will be manufactured predominantly at the Siemens plant in Sacramento, California. Last year, this facility was vastly expanded under a US\$26 million investment. Siemens

is currently at the forefront of the American light rail market by providing one of every three light rail vehicles to the market today.

According to UNIFE, the Union of European Railway Industries, the world's largest network of long-distance railroad lines exists in North America. The locomotive market there is currently regarded as the second biggest after Asia and, in the past, represented an average order volume of €1.5 billion per year. Amtrak is the largest passenger rail operator on the North American continent and also operator of the only high speed line.

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The **Siemens Mobility Division** (Berlin) is the internationally leading provider of transportation and logistics solutions. With "Complete mobility", the Division is focused on networking the various modes of transportation in order to ensure the efficient and environmentally compatible transport of people and goods. "Complete mobility" targets the goal of sustainability and combines the company's competence in operations control systems for railways and traffic control systems for roadways together with solutions for airport and postal logistics, railway electrification, rolling stock for mass transit, regional and mainline services, as well as turnkey systems and forward-looking service concepts. With around 25,000 employees worldwide Siemens Mobility posted sales of EUR6.4 billion in fiscal year 2009 (ended September 30). www.siemens.com/mobility

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