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## **Voltabox of Texas, U.S. subsidiary of paragon, receives major order for trolleybus batteries**

- **Expansion of strategic partnership with traction equipment provider Vossloh Kiepe**
- **Order to begin with 200 back-up battery packs for electric buses in Seattle and San Francisco**
- **Follow-on order tranche for additional 330 battery packs**
- **Total order value in the double-digit millions of dollars**

**Delbrück, May 5, 2014 – Voltabox of Texas, Inc., the U.S. subsidiary of paragon AG specializing in electromobility and based in Austin, Texas, has received a major order for battery packs in the double-digit millions of dollars. Vossloh Kiepe, the producer of traction equipment for electrical vehicles, will be using the high-performance systems from Voltabox as back-up power supplies for some 200 new electric trolleybuses in Seattle and San Francisco. Delivery of the battery packs will begin in 2014 already. The order includes an option to expand the purchase to cover a total of 530 electric buses.**

The vehicles for the local transit authorities in Seattle and San Francisco are being produced in cooperation between Vossloh Kiepe and Canadian bus producer New Flyer. The partnership may also produce buses for other cities. The state-of-the-art electric buses are requiring significantly less energy than buses presently in use. Because Voltabox of Texas, Inc., will produce the battery systems in the U.S., they will be in full compliance with “Buy America” requirements.

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### **Continuation of successful partnership**

With this order, the existing strategic partnership between Voltabox and Vossloh Kiepe enters into a new phase. In June of last year, Vossloh Kiepe placed an order for 42 battery packs with what at that time was the electromobility division of paragon AG. Subject to the approval of the company's annual shareholder meeting on May 14, 2014, the division will be spun off as Voltabox Deutschland GmbH, a 100% subsidiary of paragon, with retroactive effect from January 1, 2014.

"With this deal, we are extending the great success enjoyed by our electromobility division over the past year into 2014 and into the American market," declared Klaus Dieter Frers, founder and CEO of paragon AG. "We have structured our business model around this, so that our technology will be independently marketed around the world under the Voltabox brand, with our own production in Texas to the same standards as production in our global headquarters in Delbrück, Germany."

### **Tremendous revenue potential for electromobility**

The primary applications of these products are not only in electric buses but also for smaller utility vehicles such as forklift trucks as well as in the solar power industry. In 2013, the electromobility division was among the most rapidly growing businesses of paragon AG, which sees total revenue potential in this area of up to EUR 150 million over the next five years. "Already in 2015, the share of corporate revenues coming from electromobility could well exceed 30%, thus making the group less dependent upon automotive industry cycles."

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## **Company profile**

Listed in the regulated market (Prime Standard) of Deutsche Börse AG in Frankfurt am Main, paragon AG develops, produces, and sells advanced automotive electronics solutions. The portfolio of this direct supplier to the automotive industry includes products in the following business segments: sensors, acoustics, cockpit, electromobility, and body kinematics. Headquartered in Delbrück (North Rhine-Westphalia), paragon AG has branches in Suhl (Thuringia), Nuremberg (Bavaria), and St. Georgen (Baden-Württemberg), a sales office in Shanghai (China), and a subsidiary in Austin (Texas, USA).

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