

This announcement is not an offer, whether directly or indirectly, in Australia, Canada, Hong Kong, Japan, New Zealand or South Africa or in any other jurisdictions where such offer pursuant to legislation and regulations in such relevant jurisdictions would be prohibited by applicable law. Shareholders not resident in Sweden who wish to accept the Offer (as defined below) must make inquiries concerning applicable legislation and possible tax consequences. Shareholders should refer to the offer restrictions included in the section titled "Important notice" at the end of this announcement and in the tender offer document which will be published shortly before the beginning of the acceptance period for the Offer. Shareholders in the United States should also refer to the section titled "Special notice to shareholders in the United States" at the end of this announcement.



Press release

5 September 2016

Knorr-Bremse announces an all cash offer of SEK 110.00 per share to the shareholders of Haldex

Knorr-Bremse AG ("Knorr-Bremse") hereby announces a public offer to the shareholders of Haldex AB (publ) ("Haldex") to tender all shares in Haldex to Knorr-Bremse at a price of SEK 110.00 in cash per share (the "Offer"). The shares in Haldex are listed on Nasdaq Stockholm, Mid Cap.

Klaus Deller, Chairman of the Executive Board of Knorr-Bremse, said: *"Both our companies share a deep-rooted tradition in the commercial vehicle industry with innovation at the heart, making this a very natural combination. We would bring in our strong expertise in the truck market, global technological leadership and the long-term perspective of a family owned business. Haldex has an impressive position in the trailer market as well as a strong product portfolio and will play a key role in our company. We aim at creating a world-class systems supplier for commercial vehicles serving our customers as a single source for an even wider range of innovative systems, connected solutions and customized services. In addition, we will play a driving force in our industry as it transforms towards autonomous driving. A combination unlocks significant growth potential for both companies for the benefits of customers, business partners and employees."*

Summary

- Knorr-Bremse offers SEK 110.00 in cash per Haldex share. The total offer value for all outstanding shares in Haldex amounts to SEK 4,863,756,700.
- The Offer exceeds the offers announced by SAF-HOLLAND GmbH on 14 July 2016 and ZF Friedrichshafen AG on 4 August 2016 by SEK 15.58 per share and SEK 10.00 per share, respectively.
- The offered price represents a premium of:
 - 29.0 per cent compared to the closing price of SEK 85.25 for the Haldex share on 13 July 2016 (being the last day of trading prior to the announcement of the offer by SAF-HOLLAND GmbH);

- 47.9 per cent compared to the volume-weighted average price of SEK 74.39 for the Haldex share during the three months prior to the announcement of SAF-HOLLAND GmbH's offer on 14 July 2016;
 - 58.1 per cent compared to the volume-weighted average price of SEK 69.59 for the Haldex share during the six months prior to the announcement of SAF-HOLLAND GmbH's offer on 14 July 2016; and
 - 5.8 per cent compared to the closing price of SEK 104.00 for the Haldex share on 2 September 2016 (being the last day of trading prior to the announcement of the Offer, which in Knorr-Bremse's opinion has been affected by ZF Friedrichshafen AG's offer).
- An offer document regarding the Offer is expected to be made public on or about 26 September 2016. The acceptance period for the Offer is expected to begin on or about 27 September 2016 and expire on or about 5 December 2016.

Background and reasons for the Offer

Knorr-Bremse is a globally acknowledged system supplier in the commercial vehicle and rail industry while Haldex develops and provides reliable and innovative solutions in the global commercial vehicle industry. The transaction will bring together the trailer specific know-how of Haldex and Knorr-Bremse's expertise in driver assistance systems and automated driving functions as well as the joint expertise in electronic brake control and trailer telematics. The combined Knorr-Bremse-Haldex group will be able to grow the existing trailer brake system into safety relevant advanced automated driving functions for trailers in interaction with the truck and thereby be prepared to meet future demands for products within the commercial vehicle industry.

Knorr-Bremse and Haldex have chosen different approaches to the trailer market, resulting in predominantly different product portfolios and market segments. A combined product portfolio is largely complementary and would enable the Knorr-Bremse-Haldex group to offer complete wheelends consisting of foundation drum brakes, slack adjusters, air disc brakes and brake actuators for worldwide applications. Additionally Knorr-Bremse contributes a comprehensive product range of advanced electronic chassis control, vehicle dynamics including steering and powertrain control systems.

Advanced braking and steering systems are core technologies for all automated driving functions. As one of the global leaders in brake control systems, Knorr-Bremse has established and expanded its expertise in vehicle dynamics over many years. With the acquisition of tedrive Steering Systems GmbH in 2016, Knorr-Bremse has added advanced steering technology to its portfolio. As opposed to the emerging automated driving solutions in passenger cars, full systems competence for automated driving in commercial vehicles requires the ability to control the dynamics of truck and trailer simultaneously. Therefore, the addition of Haldex's expertise in the trailer sector can make substantial contribution to the further development of this systems competence. Clients in the truck market increasingly call for aggregate solutions, and a combined Knorr-Bremse-Haldex group would deliver exactly that.

Knorr-Bremse's long-term profitable sales growth is based on technological leadership driven by above-average R&D investments. This commercial vehicle focused R&D approach, which is

supported by Knorr-Bremse's solid financial position, will play a key part in further developing Haldex as an integral part of Knorr-Bremse's commercial vehicle business. Due to Haldex's established track record in the trailer market it would be an obvious solution to use the Haldex brand as the overall group brand for the combined trailer business and to make Haldex a center of excellence for trailers. The company would thus be a driving force for the further development of Knorr-Bremse-Haldex group.

Knorr-Bremse's presence in the European and North American truck markets and its well established access to fleet operators, will enable Haldex to further grow its trailer businesses in these regions. Haldex is committed to deliver leading products to its customers and emphasizes the importance of truly understanding its clients' needs. With its well established access to end customers Knorr-Bremse is poised to enable Haldex to channel its product development towards even better solutions. The combination of the complementary activities of both companies will create a full line supplier that offers its customers substantial added value.

Knorr-Bremse has a substantial track record of successfully integrating new companies into the Knorr-Bremse group by respecting specific company cultures, valuing established brands, business models and respecting the interests of all employees. Knorr-Bremse values the competence and expertise of Haldex's management and the preservation of Haldex's excellent employee relationship will be a key focus during integration. Managing the integration of Haldex as a highly valued asset of the group will be of full attention by Knorr-Bremse's senior management. Knorr-Bremse does not currently intend to implement any material changes to Haldex's operational sites, to its employees or their terms of employment.

The Offer

Consideration

The shareholders of Haldex are offered SEK 110.00 in cash per share in Haldex.

The consideration under the Offer will be reduced accordingly should Haldex, prior to the settlement of the Offer, distribute a dividend or in any other way distribute or transfer value to its shareholders.

No commission will be charged in respect of the settlement of the Haldex shares tendered to Knorr-Bremse under the Offer.

The price of the Offer represents a premium of:¹

- 29.0 per cent compared to the closing price of SEK 85.25 for the Haldex share on 13 July 2016 (being the last day of trading prior to the announcement of the offer by SAF-HOLLAND GmbH);
- 47.9 per cent compared to the volume-weighted average price of SEK 74.39 for the Haldex share during the three months prior to the announcement of SAF-HOLLAND GmbH's offer on 14 July 2016;

¹ Source for Haldex share prices: Bloomberg.

- 58.1 per cent compared to the volume-weighted average price of SEK 69.59 for the Haldex share during the six months prior to the announcement of SAF-HOLLAND GmbH's offer on 14 July 2016; and
- 5.8 per cent compared to the closing price of SEK 104.00 for the Haldex share on 2 September 2016 (being the last day of trading prior to the announcement of the Offer, which in Knorr-Bremse's opinion has been affected by ZF Friedrichshafen AG's offer).

Total value of the Offer

The total value of the Offer, based on all outstanding 44,215,970 shares in Haldex (including the 102,000² treasury shares held by Haldex), amounts to SEK 4,863,756,700.

Conditions for completion of the Offer

The completion of the Offer is conditional upon:

1. the Offer being accepted to such extent that Knorr-Bremse becomes the owner of shares representing more than 90 per cent of the total number of outstanding shares in Haldex on a fully diluted basis;
2. no other party announcing an offer to acquire shares in Haldex on terms that are more favorable to the shareholders of Haldex than the Offer;
3. with respect to the Offer and completion of the acquisition of Haldex, all necessary clearances, approvals, decisions and other actions from authorities or similar, including approvals from competition authorities, being obtained, in each case on terms which, in Knorr-Bremse's opinion, are acceptable;
4. neither the Offer nor the acquisition of Haldex being rendered wholly or partially impossible or significantly impeded as a result of legislation or other regulation, any decision of court or public authority, or any similar circumstance, which is actual or can reasonably be anticipated, and which Knorr-Bremse could not reasonably have foreseen at the time of announcement of the Offer;
5. no circumstances having occurred which have or could reasonably be expected to have a material adverse effect on Haldex's financial position or operation, including Haldex's sales, results, liquidity, equity ratio, equity or assets;
6. no information made public by Haldex being inaccurate, incomplete or misleading, and Haldex having made public all information which should have been made public; and
7. Haldex not taking any measures that are likely to impair the prerequisites for making or implementing the Offer.

Knorr-Bremse reserves the right to withdraw the Offer in the event that it is clear that any of the above conditions are not satisfied or cannot be satisfied. However, with regard to conditions 2 – 7 above, the Offer may only be withdrawn provided that the non-satisfaction of such

² According to Haldex's interim report for January-June 2016.

condition is of material importance to Knorr-Bremse's acquisition of Haldex or if otherwise approved by the Swedish Securities Council (Sw. *Aktiemarknadsnämnden*).

Knorr-Bremse reserves the right to waive, in whole or in part, one, several or all of the conditions set out above, including, with respect to condition 1, to complete the Offer at a lower level of acceptance.

Knorr-Bremse's shareholding in Haldex

At the time of this announcement Knorr-Bremse owns in total 3,700,000 shares in Haldex, corresponding to 8.37 per cent of all shares and votes in Haldex. Other than that Knorr-Bremse does not hold any financial instruments that give financial exposure to Haldex shares. None of the shares in Haldex held by Knorr-Bremse have been acquired at a price which is higher than the consideration in the Offer.

Knorr-Bremse may acquire, or enter into arrangements to acquire, shares in Haldex outside the Offer. Any purchases made or arranged shall be in accordance with Swedish law and the Takeover Rules issued by Nasdaq Stockholm and will be disclosed in accordance with applicable rules.

Share-related incentive programs in Haldex

The Offer does not include any rights under share-related incentive programs in Haldex. Knorr-Bremse intends to procure fair treatment in connection with the transaction for participants in such programs.

Financing

Knorr-Bremse is a family-owned company with a stable and conservative financing policy. The group has public ratings by S&P and Moody's of A and A2 respectively. The Offer is fully financed by cash available from Knorr-Bremse's own funds. Knorr-Bremse is not dependent on external financing for the Offer. Accordingly, the completion of the Offer is not conditional upon any financing being obtained.

Description of Knorr-Bremse

Knorr-Bremse group is one of the world's leading manufacturers of braking systems for rail and commercial vehicles, with sales totaling almost EUR 6 billion in 2015. In over 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 driver of innovation, for more than 110 years, through its products the company has been making a decisive contribution to greater safety by road and rail. In the commercial vehicle sector, Knorr-Bremse's solutions range from complete braking systems including driver assistance systems to torsional vibration dampers, powertrain-related solutions, and transmission control systems. The group focuses on developments that push forward autonomous driving, as well as energy efficiency and the reduction of fuel consumption. Every day, more than one billion people around the world put their trust in systems made by Knorr-Bremse group. For more information, please refer to Knorr-Bremse's website (www.knorr-bremse.com).

Description of Haldex

Haldex group develops and provides brake products and air suspension systems for trailers and other heavy vehicles. Haldex group is headquartered in Landskrona, Sweden with offices in 18 countries and production facilities in Sweden, Germany, Hungary, China, India, Brazil, Mexico and the US. More than half of Haldex group's sales are generated in North America, one-third in Europe and the remainder in Asia and South America. During 2015, Haldex group had approximately 2,140 employees. Haldex group generated sales in the amount of approximately SEK 4.8 billion during 2015. For more information, please refer to Haldex's website (www.haldex.com).

Preliminary timetable³

The acceptance period for the Offer is expected to commence on or about 27 September 2016 and end on or about 5 December 2016. An offer document regarding the Offer is expected to be made public shortly before the commencement of the acceptance period. Assuming that the Offer is declared unconditional no later than on or about 8 December 2016, settlement is expected to begin on or about 14 December 2016.

Knorr-Bremse reserves the right to extend the acceptance period for the Offer, as well as to postpone the settlement date.

Approvals from authorities

The completion of the Offer is conditional upon, *inter alia*, all necessary clearances, approvals, decisions and other actions from authorities or similar, including approvals from competition authorities, being obtained, in each case on terms which, in Knorr-Bremse's opinion, are acceptable. According to Knorr-Bremse's assessment, the transaction will require the approval of competition authorities in Europe and the United States.

Knorr-Bremse will submit the required notifications of the transaction to the relevant competition authorities as soon as practicably possible. Knorr-Bremse is confident that the relevant approvals will be given. In case the authorities need more time for their analysis, longer review periods might be required.

Compulsory redemption proceedings and delisting

As soon as possible after Knorr-Bremse has acquired shares representing more than 90 per cent of the total number of shares in Haldex, Knorr-Bremse intends to commence compulsory redemption proceedings under the Swedish Companies Act (Sw. *aktiebolagslagen*) to acquire all remaining shares in Haldex. In connection therewith, Knorr-Bremse intends to promote delisting of Haldex's shares from Nasdaq Stockholm.

Applicable law and disputes

The Offer, as well as the agreements entered into between Knorr-Bremse and the shareholders in Haldex as a result of the Offer, shall be governed and construed in accordance with substantive Swedish law. Any dispute regarding the Offer, or which arises in connection

³ All dates are preliminary and may be subject to change.

therewith, shall be exclusively settled by Swedish courts, and the City Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

The Takeover Rules issued by Nasdaq Stockholm and the Swedish Securities Council's (Sw. *Aktiemarknadsnämnden*) rulings regarding interpretation and application of the Takeover Rules, including, where applicable, the Swedish Securities Council's interpretation and application of the formerly applicable Rules on Public Offers for the Acquisition of Shares issued by the Swedish Industry and Commerce Stock Exchange Committee (Sw. *Näringslivets Börskommitté*), are applicable to the Offer. Furthermore, Knorr-Bremse has, in accordance with the Swedish Act on Public Takeovers on the Stock Market (Sw. *lag om offentliga uppköpserbudanden på aktiemarknaden*), on 2 September 2016 contractually undertaken towards Nasdaq Stockholm to fully comply with said rules and statements and to submit to any sanctions that can be imposed by Nasdaq Stockholm in event of breach of the Takeover Rules. On 5 September 2016, Knorr-Bremse informed the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) about the Offer and the abovementioned undertakings towards Nasdaq Stockholm.

Advisors

Joh. Berenberg, Gossler & Co. KG is financial advisor and Roschier Advokatbyrå is legal advisor to Knorr-Bremse in connection with the Offer.

Knorr-Bremse AG

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For information and documentation regarding the Offer: www.Knorr-BremseandHaldex.com

Conference call

A conference call regarding the Offer will be held on 5 September 2016 at 10:00 a.m. CEST. Please use the following telephone numbers:

Germany:	+49 (0)69 2222 13420
Sweden:	+46 (0)8 50 33 65 74
United Kingdom:	+44 (0)203 043 2002
United States:	+1 719-457-1036

This press release was submitted for publication on 5 September 2016 at 08:15 a.m. CEST.

Important notice

The Offer is not being made, directly or indirectly, in or into Australia, Canada, Hong Kong, Japan, New Zealand or South Africa by use of mail or any other means or instrumentality (including, without limitation, facsimile transmission, electronic mail, telex, telephone and the Internet) of interstate or foreign commerce, or of any facility of national security exchange, of Australia, Canada, Hong Kong, Japan, New Zealand or South Africa, and the Offer cannot be accepted by any such use, means, instrumentality or facility of, or from within, Australia, Canada, Hong Kong, Japan, New Zealand or South Africa. Accordingly, this press release and any documentation relating to the Offer are not being and should not be sent, mailed or otherwise distributed or forwarded in or into Australia, Canada, Hong Kong, Japan, New Zealand or South Africa.

This press release is not being, and must not be, sent to shareholders with registered addresses in Australia, Canada, Hong Kong, Japan, New Zealand or South Africa. Banks, brokers, dealers and other nominees holding shares for persons in Australia, Canada, Hong Kong, Japan, New Zealand or South Africa must not forward this press release or any other document received in connection with the Offer to such persons.

Statements in this press release relating to future status or circumstances, including statements regarding future performance, growth and other trend projections and the other benefits of the Offer, are forward-looking statements. These statements may generally, but not always, be identified by the use of words such as "anticipates", "intends", "expects", "believes", or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to many factors, many of which are outside the control of Knorr-Bremse AG. Any such forward-looking statements speak only as of the date on which they are made and Knorr-Bremse AG has no obligation (and undertakes no such obligation) to update or revise any of them, whether as a result of new information, future events or otherwise, except for in accordance with applicable laws and regulations.

Special notice to shareholders in the United States

The Offer described in this announcement will be made for shares of Haldex AB, a company incorporated under Swedish law, and is subject to Swedish disclosure and procedural requirements, which are different from those of the United States. The Offer will be made in the United States in compliance with Section 14(e) of, and Regulation 14E under, the U.S. Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"), subject to the exemptions provided by Rule 14d-1(d) under the U.S. Exchange Act and otherwise in accordance with the requirements of Swedish law. Accordingly, the Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, the offer timetable, settlement procedures and timing of payments that are different from those applicable under U.S. domestic tender offer procedures and laws.

To the extent permissible under applicable law or regulation, Knorr-Bremse AG and its affiliates or brokers (acting as agents for Knorr-Bremse AG or its affiliates, as applicable) may from time to time after the date hereof, and other than pursuant to the Offer, directly or indirectly purchase, or arrange to purchase, shares of Haldex AB, that are the subject of the Offer or any securities that are convertible into, exchangeable for or exercisable for such shares. To the extent information about such purchases or arrangements to purchase is made public in Sweden, such information will be disclosed by means of a press release or other means reasonably calculated to inform U.S. shareholders of Haldex AB of such information. In addition, the financial advisors to Knorr-Bremse AG, may also engage in ordinary course trading activities in securities of Haldex AB, which may include purchases or arrangements to purchase such securities.

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY U.S. STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED OF THIS OFFER, PASSED UPON THE FAIRNESS OR MERITS OF THIS ANNOUNCEMENT OR DETERMINED WHETHER THIS ANNOUNCEMENT IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES.