

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 was published on 26 September 2016. 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

30 June 2017

Knorr-Bremse continues to pursue the merger clearance process and the offer for Haldex with full commitment

- **Knorr-Bremse does not share the view of Haldex board of directors - regards it as to impede the prerequisites for the execution of Knorr-Bremse's offer**
- **Sound roadmap for the merger clearance process in place**
- **Extraordinary general meeting in Haldex requested to be held without delay**

Knorr-Bremse AG ("Knorr-Bremse") has taken note of the decision of the board of directors of Haldex AB (publ) ("Haldex") to withdraw the support for Knorr-Bremse's offer to the shareholders of Haldex, announced by Haldex on 29 June 2017, without prior consultation with Knorr-Bremse.

As previously communicated, Knorr-Bremse had received indications by the EU Commission that it is likely to initiate an in-depth investigation (Phase II). Knorr-Bremse does not share Haldex's assessment that an in-depth investigation would not increase the likelihood of obtaining the EU Commission's approval. A Phase II will enable the EU Commission to investigate Knorr-Bremse's proposed acquisition of Haldex in-depth and to further evaluate the arguments which Knorr-Bremse has brought and continues to put forward. Knorr-Bremse has neither received indications nor reason to believe that the initiation of a Phase II investigation will have a negative impact on the feedback which market participants provide to the EU Commission. The assessment which the EU Commission has provided to Knorr-Bremse is preliminary at this stage of the review process and reflects so-called "serious doubts" with respect to certain overlapping business areas. It does not prejudice the EU Commission's final assessment at the end of a Phase II investigation, in which the EU Commission will need to conclude not whether there are serious doubts but whether Knorr-Bremse's proposed acquisition of Haldex will actually significantly impede effective competition. Overall, Knorr-Bremse takes a confident view on a potential in-depth investigation by the EU Commission in Phase II. Knorr-Bremse has spent considerable resources on the merger clearance process, is prepared to make very large efforts and to offer significant remedies to get the transaction cleared by the authorities. This includes all areas that have been considered as areas of concern by the EU Commission. In addition, to reduce the burden on Haldex, Knorr-Bremse has, since early spring 2017, undertaken to bear Haldex's costs for its external advisors engaged in the planning of potential remedies as well as for the compilation of relevant

information for merger control authorities. This undertaking remains unchanged during a Phase II investigation. Knorr-Bremse has set up a structured process to implement divestments that may be required to address competitive concerns and has received indicative bids from several promising interested parties. Knorr-Bremse believes that there would be even more interested buyers but has so far limited the number of participants in the process to address Haldex' concerns regarding the impact on Haldex' organization.

Consequently, Knorr-Bremse does not share the view of the Haldex board of directors that it is in the best interest of Haldex's shareholders not to further assist Knorr-Bremse in the process of obtaining regulatory approvals and to contest the grant of approval by the Swedish Securities Council (the "SSC") to extend the acceptance period of Knorr-Bremse's offer. In Knorr-Bremse's opinion, these decisions by the Haldex board of directors impede the prerequisites for the execution of Knorr-Bremse's offer. Knorr-Bremse has therefore today exercised its legal right to request that Haldex convenes an extraordinary general meeting of shareholders to decide whether to support and endorse Knorr-Bremse's application to the SSC as well as to support and cooperate with Knorr-Bremse in the continued merger clearance process. Given the urgency of the matter, Knorr-Bremse has proposed that the extraordinary general meeting is summoned and held without delay, and ideally held not later than on 28 July 2017.

Knorr-Bremse has asked the SSC to withhold further dealings with Knorr-Bremse's application for extension of the acceptance period until Haldex's shareholders have had the opportunity to resolve whether to support and endorse the application or not.

As part of the merger clearance process, Knorr-Bremse has today submitted a comprehensive divestiture commitment to the EU Commission in an effort to dispel the doubts which the EU Commission has previously communicated to Knorr-Bremse.

Klaus Deller, Chairman of the Executive Board of Knorr-Bremse AG, said: *"We have made a highly attractive offer to shareholders and openly presented Haldex with our deal rationale and our perspectives on how we can best possibly cooperate to drive innovation and profitable growth in the future. We cannot understand the step taken by the Haldex Board as it causes significant uncertainty for Haldex shareholders, customers and employees alike. We have worked on the basis of a sound roadmap for the merger clearance process. We will therefore continue to drive this process with full commitment and as planned. By requesting an extraordinary general meeting we will take the necessary steps to create clarity for all stakeholders as soon as possible."*

Background to the offer

On 5 September 2016, Knorr-Bremse announced a public offer to the shareholders of Haldex to tender all shares in Haldex to Knorr-Bremse. On 25 April 2017, it was announced that the acceptance period for the offer is extended until 26 September 2017. The completion of the offer is conditional upon, inter alia, that all necessary clearances from authorities are obtained on terms acceptable to Knorr-Bremse.

On 28 June 2017, Knorr-Bremse announced that it has received indications that the EU Commission might initiate a Phase II investigation and that against that background it has applied for permission from the SSC to extend the acceptance period until 9 February 2018. At

the same time Knorr-Bremse stressed that it takes a confident view on the potential in-depth investigation by the EU Commission in Phase II.

Knorr-Bremse AG

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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 announcement 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 announcement 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 announcement or any other document received in connection with the Offer to such persons.

Statements in this announcement 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 is 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 is 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 is 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, 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. Knorr-Bremse AG and/or its affiliates or brokers have purchased shares of Haldex AB during the period following the announcement of the Offer on 5 September 2016.

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.