

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

19 September 2017

Knorr-Bremse withdraws its Offer for Haldex and terminates merger clearance process

- **Haldex refuses to provide necessary cooperation in a continued merger clearance process**
- **Offer cannot be completed within the current acceptance period**

Knorr-Bremse AG ("Knorr-Bremse") withdraws its offer (the "Offer") to all shareholders of Haldex AB (publ) ("Haldex") and abandons the proposed business combination. Knorr-Bremse will also not continue the merger clearance process.

Knorr-Bremse has made this decision based on a careful assessment of all options and under consideration of the interests of all stakeholders following the resolution of the Swedish Securities Council ("SSC"). On 7 September 2017 the SSC had announced not to permit an extension of the current acceptance period whereby the Offer would lapse on 26 September 2017. Knorr-Bremse also carefully evaluated the SSC's indication to permit Knorr-Bremse to revert with a new offer within three weeks of merger clearance.

For the successful completion of the merger clearance process, the support and cooperation of Haldex and its Board, which surprisingly have been withdrawn, are indispensable and the key prerequisite. After the SSC decision, Knorr-Bremse had again reached out to the Haldex' Board with a request for necessary support and offered to explain the next steps in the merger clearance process and updated plans for the proposed combination. The Haldex Board has, however, denied this request for support and cooperation. The Haldex Board thereby continues to act against the majority vote of the extraordinary general meeting of Haldex, where shareholders had decided that Haldex is to support and cooperate with Knorr-Bremse in the merger clearance process.

Without the cooperation and support of Haldex, merger clearance cannot be obtained. Completion of the Offer was conditional upon, inter alia, receipt of all necessary clearances from authorities on terms acceptable to Knorr-Bremse as well as Haldex not taking any measures that were likely to impair the prerequisites for implementing the Offer. These Offer conditions have not been met now and will clearly not be met within the acceptance period. Therefore, Knorr-Bremse withdraws the Offer and must terminate the merger clearance process.

“We made an attractive offer, had convincing arguments and strong support by shareholders. We are convinced that the proposed combination would have been in the best interest of both companies as well as the shareholders of Haldex. Our approach was always, for sure, a friendly takeover. All our attempts to reach out to Haldex have, however, been rejected and the Board blocks to jointly continue and create a new driving force in the commercial vehicle sector.” said Klaus Deller, Chairman of the Executive Board of Knorr-Bremse AG. *“It is thus a consequent step to withdraw the Offer and move on. The combination of Haldex and Knorr-Bremse would have been our preferred option which was clearly backed by the shareholders of Haldex. However, we will now pursue alternatives. With respect to our shareholding in Haldex we will act as a responsible shareholder and use all our options now at hand in the best interest of the company and Knorr-Bremse.”*

The shares that have been tendered in the Offer will hence not be acquired by Knorr-Bremse. The shares will remain in the possession of the shareholders who do not have to take any actions.

Knorr-Bremse operates on the basis of a proven strategy that is fully geared towards profitable growth and at strengthening its footprint in the global commercial vehicle sector. Knorr-Bremse works at further expanding its offering for system solutions for which there is increasing customer demand. In addition, Knorr-Bremse will continue to put a strong focus on efficiency as well as safety and further drive innovation to support the equipment of commercial vehicles with more autonomous driving functions. Since 2012 Knorr-Bremse has invested around 6% of its annual sales in Research and Development. Already last fall Knorr-Bremse presented its solutions for autonomous yard manoeuvring and is in intensive talks with various customers. In addition, Knorr-Bremse will continue to push inorganic growth by screening the market for suitable bolt-on acquisitions.

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 28 June 2017, Knorr-Bremse announced that it had received indications that the EU Commission might initiate a Phase II investigation and that in anticipation of the EU Commission’s decision to initiate a Phase II investigation, Knorr-Bremse applied for permission from the SSC to extend the maximum acceptance period until and including 9 February 2018. On 29 June 2017, the Haldex Board withdrew its support for the Offer and the continued merger control process. On 24 July 2017, the EU Commission informed Knorr-Bremse about the decision to initiate a Phase II investigation. At the extraordinary general meeting of Haldex on 17 August 2017 shareholders voted to support and endorse Knorr-Bremse’s application to the SSC regarding an extension of the acceptance period; furthermore shareholders instructed the Haldex Board to cooperate with Knorr-Bremse in the preparation of notifications to merger control authorities and the preparation of any relating remedies. On 7 September 2017, the SSC announced in its statement AMN 2017:27 not to permit an extension, but that it may allow Knorr-Bremse to revert with a new offer within three weeks of merger clearance.

Knorr-Bremse AG

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*This press release was submitted for publication on 19 September 2017 at 8:00 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 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.