

Press Release

Munich, June 08, 2018

Knorr-Bremse AG issues additional corporate bond

- **Volume: EUR 750 million**
- **Fixed coupon rate 1.125 percent p. a. over seven-year term**
- **Revenue will serve to finance growth and improve capital structure**
- **Listing on Luxembourg Stock Exchange's EURO MTF market**

Knorr-Bremse AG, the leading global manufacturer of braking systems and supplier of additional sub-systems for rail and commercial vehicles, is issuing an additional corporate bond following its 2016 bond issue, this time with a volume of EUR 750 million. The bond has a fixed coupon rate of 1.125 percent p. a. and a seven-year term.

The subscription period began on June 7, 2018. In just under three hours, the bond was already round about three times oversubscribed. The order book was filled by 155 investors, reaching a total volume of more than EUR 2 billion.

Ralph Heuwing, CFO of Knorr-Bremse, says: "By issuing this corporate bond, we gain more flexibility – we can use the additional liquid assets to take advantage of growth opportunities. At the same time, we are optimizing our capital structure."

The new corporate bond has received an 'A2' rating from Moody's. Issued in denominations of EUR 1,000, the bond is designed to attract both private and institutional investors. The bond issue is underwritten by Deutsche Bank, HSBC and Bayern LB as joint bookrunners.

In 2016, Knorr-Bremse issued a corporate bond with a volume of EUR 500 million. That bond has a fixed coupon rate of 0.50 percent p. a. and a five-year term.

About the bond

Issuer:	Knorr-Bremse AG
Issuer ratings:	A2/outlook stable (Moody's), A/outlook stable (Standard & Poor's)
Volume:	EUR 750 million
Term:	7 years
Settlement:	June 14, 2018
Maturity:	June 13, 2025
Coupon:	1.125% p. a.
Reoffer Yield:	1.188% p. a.
Listing:	EURO MTF Luxembourg
Denomination:	EUR 1,000
Applicable law:	German law
Bookrunners:	Deutsche Bank, HSBC and Bayern LB

Caption: CFO Ralph Heuwing on the Knorr-Bremse bond: "By issuing this corporate bond, we gain more flexibility – we can use the additional liquid assets to take advantage of growth opportunities. At the same time, we are optimizing our capital structure." | © Knorr-Bremse

IMPORTANT NOTE:

This information constitutes neither an offer to purchase or subscribe for securities of Knorr-Bremse AG nor an invitation to submit an offer for the acquisition of securities. The purchase of or subscription for bearer bonds of Knorr-Bremse AG can only be based on the Prospectus approved by CSSF and notified to the German Financial Supervisory Authority. The Prospectus of the Debt Issuance Program which also applies to the bond can be obtained from the website of the Luxembourg Stock Exchange.

Knorr-Bremse is the leading manufacturer of braking systems and supplier of additional sub-systems for rail and commercial vehicles, with sales totaling over EUR 6 billion in 2017. In more than 30 countries, some 28,000 employees develop, manufacture, and service braking, entrance, control, and energy supply systems, HVAC and driver assistance systems, as well as steering systems, and powertrain and transmission control solutions. As a technology leader, through its products the company has been making a decisive contribution to greater safety by road and rail since 1905.

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