AGENDA

1 | HIGHLIGHTS 2019 | BERND EULITZ

2 | FINANCIAL PERFORMANCE Q4/19 | RALPH HEUWING

3 | GUIDANCE 2020 AND STRATEGY UPDATE | BERND EULITZ
HIGHLIGHTS 2019
WE DELIVERED WHAT WE PROMISED FOR 2019

1 | Both RVS and CVS outperformed their respective markets and gained market share vs. main competitors

2 | Both RVS and CVS delivered on their guidance
   - RVS revenue +5.6% yoy (market: +2.6%) @ 22.3% op. EBITDA margin
   - CVS revenue +3.8% yoy (market: -4.5%) @ 16.0% op. EBITDA margin

3 | CVS took early action to prepare for TPR slowdown
   - 2020 a year to prove Knorr-Bremse’s resilience

4 | Strong operational execution
   - Unprofitable units (Wülfrath, Powertech) discontinued or sold
   - Increased AM contribution to 34.3% of group sales
   - M&A focus on innovation, growth and portfolio improved

5 | Management team completed
   Top employer for engineers in Germany
2019 – A YEAR FULL OF HIGHLIGHTS

Contract for braking and HVAC systems for Alstom HS trains

Heinz Hermann Thiele celebrates 50th anniversary at Knorr-Bremse AG

ADB capacity expansion in the U.S.

Bernd Eulitz new CEO of Knorr-Bremse AG

KB and Alstom signed a 25-year service agreement for locomotives in Kazakhstan

Multi-year truck supply agreement for >3m brake actuators in Europe

Successful test of self-operating freight train

Turning assistant extends CVS product portfolio

Offering of digital solutions extended with investments in Railnova & RailVision

Disposal of Powertech to Radial Capital Partners

Heinz Hermann Thiele celebrates 50th anniversary at Knorr-Bremse AG
STRONG FINANCIAL PERFORMANCE IN FY19

ORDER INTAKE
€ 7.1bn
+0.9% yoy

ORDER BOOK
€ 4.7bn
+2.8% yoy

REVENUE
€ 6.9bn
+4.8% yoy

EBITDA MARGIN\(^1\)
19.2%
PY: 17.8%

1) FY19: including IFRS16, restructuring cost for Wülfrath and book gain from sale and lease back

PY: w/o IFRS16 impact

22.3%
OP. EBITDA MARGIN

16.0%
OP. EBITDA MARGIN
WE DELIVERED ON OUR FY19 GUIDANCE

Divisions

**RVS**
- Guidance achieved: Revenue of €3.66bn (€3.615-3.715bn) and op. EBITDA margin at 22.3% (20.8-21.8%)
- Rail industry provided resilience in challenging macro-economic environment
- Customers with continued strong demand
- Market share gains

**CVS**
- Guidance achieved: Revenue of €3.28bn (€3.210-3.360bn) and op. EBITDA margin at 16.0% (16.0-17.5%)
- Resilient AM business supporting revenue
- Content per vehicle growth supported top-line
- Efficiency program successfully implemented
- Market share gains

<table>
<thead>
<tr>
<th>Division</th>
<th>Revenue (€m)</th>
<th>op. EBITDA margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RVS</td>
<td>6,875-7,075</td>
<td>18.5-19.5%</td>
</tr>
<tr>
<td>CVS</td>
<td>6,937</td>
<td>18.8%</td>
</tr>
</tbody>
</table>

1) Operating EBITDA margin excl. restructuring costs for Wülfrath and book profit from sale & lease back in Munich, but incl. IFRS16
FINANCIAL PERFORMANCE Q4/19
STRONG ORDER INTAKE IN Q4/19 PROVIDES SOLID BASIS FOR FY20

Order intake

€m

By type

<table>
<thead>
<tr>
<th></th>
<th>Q4/18</th>
<th>Organic</th>
<th>M&amp;A net disposals</th>
<th>FX</th>
<th>Q4/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order book</td>
<td>1,735.9</td>
<td>+149</td>
<td>+5</td>
<td>+23</td>
<td>1,913.0</td>
</tr>
</tbody>
</table>

1.07

1.18

+10.2%

8.6%

Org. growth

M&A impact

BP/Sydac € -1m (Q4/18)
Hitachi € +21m (Q4/19)
Snyder € +4m (Q4/19)
Powertech € -18m (Q4/19)

Order book

€m

<table>
<thead>
<tr>
<th></th>
<th>31.12.18</th>
<th>31.12.19</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY revenue</td>
<td>4,562.6</td>
<td>4,692.0</td>
</tr>
</tbody>
</table>

8.3

8.1

+2.8%

Visibility in months defined as Order book FY Revenue x 12 Knorr-Bremse AG
ORG. GROWTH

Revenue

€m

By type

<table>
<thead>
<tr>
<th></th>
<th>Q4/18</th>
<th>Organic</th>
<th>M&amp;A net disposals</th>
<th>FX</th>
<th>Q4/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>+24</td>
<td>+1</td>
<td>+25</td>
<td>+0.1%</td>
</tr>
<tr>
<td>Org. growth</td>
<td>-1.5%</td>
<td>+1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

By region

<table>
<thead>
<tr>
<th></th>
<th>Q4/18</th>
<th>Q4/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>NA</td>
<td>380.5</td>
<td>380.5</td>
</tr>
<tr>
<td>EU</td>
<td>794.6</td>
<td>720.5</td>
</tr>
<tr>
<td>SA</td>
<td>400.9</td>
<td>500.8</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>403.5</td>
<td>380.5</td>
</tr>
</tbody>
</table>

M&A impact

- BP/Sydar: € - 4m (Q4/18)
- Hitachi: € +22m (Q4/19)
- Snyder: € + 4m (Q4/19)
- Powertech: € -22m (Q4/19)

STABLE REVENUE IN Q4/19 DUE TO STRONG SUPPORT FROM APAC
Strong increase in reported EBITDA by € 44.3m
- Reflecting completion of SLB transaction in Munich

Operating EBITDA margin at 18.7%
- RVS: strong quarterly margin driven by strong AM business, positive revenue mix, disposal of Powertech
- CVS: positive impact from cost measures could not compensate topline pressure
  - Minor additional restructuring charge for Wülfrath
- Other: one-off charges for management change and demolition costs at Munich site
- Adverse FX bottom-line impact

EBIT pattern following EBITDA

1) SLB: Sale-and-lease-back transaction
RVS: STRONG ORDER INTAKE IN Q4/19

Order intake
€m

<table>
<thead>
<tr>
<th>Q4/18</th>
<th>Organic</th>
<th>M&amp;A net disposals</th>
<th>FX</th>
<th>Q4/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+21.0%</td>
<td>+21.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>942.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Org. growth: € + 4m</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>+203</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>+16</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,140.7</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Book-to-bill ratio improved sequentially from 1.04 in Q3/19 to 1.32 in Q4/19

- **EU:** positive momentum across all segments (high speed, regional, metro, passenger coach)
- **APAC:** continued strong order intake from China metro and AM, Indian coaches and HVAC in Australia
- **NA:** freight significantly impacted by decreasing transportation demand and lower freight rates

Solid growth in order book continued: € +361m

- Visibility increased to almost 12 months
Revenue and op. EBITDA

Revenue (€m)
- Q4/19: 829.1
- Q4/18: 864.6

Organic revenue growth of 5.4% over Q4/18
- EU: generally lower, driven by timing of projects in high speed and metro, positive AM development
- APAC: overall stronger due to passenger, metro and regional as well as strong AM
  - China: stronger driven by metro and AM, high speed slightly weaker
- NA: generally better due to metro and regional, freight decreasing
- M&A net disposals: €12m
- FX: €829.1

Operating EBITDA margin of 24.2% in Q4/19 (Q4/18: 23.8%)
- Favorable OE/AM mix, favorable project mix
- Strong contribution from China and India
- Support from sale of Powertech

Organic revenue growth of 5.4% over Q4/18

EBITDA margin
- Q4/19: 24.2%
- Q3/19: 20.6%
- Q2/19: 22.5%
- Q1/19: 21.9%

By type
- Snyder: €+4m
- BP/Sydac: €-4m
- Powertech: €-22m
CVS: RECOVERY FROM STRONG ORDER CORRECTION IN Q3/19

Order intake

<table>
<thead>
<tr>
<th>€m</th>
<th>By type</th>
</tr>
</thead>
<tbody>
<tr>
<td>795.2</td>
<td></td>
</tr>
<tr>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>-3.0%</td>
<td></td>
</tr>
<tr>
<td>-56</td>
<td></td>
</tr>
<tr>
<td>-7.1%</td>
<td></td>
</tr>
<tr>
<td>Org. decrease</td>
<td></td>
</tr>
<tr>
<td>Hitachi € +21m</td>
<td></td>
</tr>
</tbody>
</table>

Order book

<table>
<thead>
<tr>
<th>Q4/18</th>
<th>Organic</th>
<th>M&amp;A net disposals</th>
<th>FX</th>
<th>Q4/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,363.7</td>
<td></td>
<td></td>
<td></td>
<td>1,134.2</td>
</tr>
<tr>
<td>1.02</td>
<td></td>
<td></td>
<td></td>
<td>31.12.19</td>
</tr>
</tbody>
</table>

Book-to-bill ratio improved sequentially from 0.78 in Q3/19 to 1.02 in Q4/19

- EU: normalization of market demand after many years of very strong growth
- NA: deceleration started in Q4 as expected
- APAC: continued good growth in China and weak market in India with minor impact on CVS’ top line

Order book reflects market correction

- Visibility of 4+ months virtually unchanged to Q3/19

Visibility in months defined as $\frac{\text{Order book}}{\text{FY Revenue}} \times 12$
CVS: Q4/19 MARGIN REFLECTING EXPECTED REVENUE DECLINE

Revenue

<table>
<thead>
<tr>
<th>€m</th>
<th>By type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4/18 Hitachi</td>
<td>+22m</td>
</tr>
<tr>
<td>Q4/18 Organic</td>
<td>-77</td>
</tr>
<tr>
<td>Q4/18 M&amp;A net disposals</td>
<td>-9.7%</td>
</tr>
<tr>
<td>Q4/18 FX</td>
<td>-5.2%</td>
</tr>
<tr>
<td>Q4/19</td>
<td>756.4</td>
</tr>
</tbody>
</table>

Op. EBITDA

<table>
<thead>
<tr>
<th>Q4/18</th>
<th>Q4/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>129.9</td>
<td>113.0</td>
</tr>
</tbody>
</table>

Org. decrease

Hitachi € +22m

CVS outperformed TPRs across all regions

- **EU**: Pre-buy in H1/19 and market normalization impacting Q4/19, FY19 TPR still 5% above long-term average
- **NA**: Market downswing started in Q4/19, accelerated by customer de-stocking
- **APAC**: China strong and continued market share gains, India soft, but lower impact on topline
- **AM**: Revenue share up from 24.0% to 28.7% vs. Q4/18

Operating EBITDA margin softened by 140bps vs. Q4/18

- Reflecting moderate negative operating leverage from organic revenue decline of ~10%
- Continued R&D outspending in ADAS/HAD/TOS etc.
- Dilution from Hitachi Steering, operating losses at Wülfrath
- Efficiency program with good traction, well prepared for 2020
IMPACT BY COVID-19 ON KNORR-BREMSE

EMPLOYEE SAFETY
• We protect our employees worldwide from Covid-19
• Strict travel and precautionary guidelines implemented
• Only one remote field service employee of KB tested Covid-19 positive so far
• Sufficient number of masks have been secured and are available in the production plants

SUPPLY CHAIN
• Implemented dual sourcing strategy and focus on local value creation pay off
• Early active supply chain monitoring and mitigating activities
• So far no supply chain shortage

OPERATION IN CHINA
• KB has 5,000 employees in China
• Chinese New Year break extended by one week
• All plants are back in operation now
• Availability of workforce improved to >80% again

IMPACT
• Financial impact on FY20 not quantifiable yet
• Group revenues in February are ~€ 60m below budget
• Full catch-up until YE20 is possible, if
  – no plant has to be closed for longer
  – containment of Covid-19 in the near future
  – normalization of supply chain and customer offtake in the near future
GUIDANCE 2020 – MARKET ENVIRONMENT AND FOCUS

**Market environment**

- Political and macro uncertainty elevated
- World economy still growing, but slowing
- Uncertain Covid-19 impact on economy and KB business
- Solid growth continues, primarily in passenger
- Maturing installed base will drive AM business
- Moderate Covid-19 impact in H1/20 expected
- Meaningful lower truck production rates expected
  - NA: -20 to -30%
  - EU: -10 to -20%
  - AP: 0 to -15%
- Support from aftermarket and efficiency measures
- Proportionally smaller Covid-19 impact in H1/20 expected

**Management focus**

- Building a strong management team
- Turning KB into a visible champion
- Combining strong entrepreneurial KB spirit with benefits of the capital market governance
- Continuation of profitable growth strategy
- Accelerated investments in R&D and IT
- New products and innovation at INNOTRANS fair
- Continued execution of cost efficiency program
- Higher investments in R&D and IT
- Driving innovation in ADAS, e-mobility and autonomous driving
- New products and innovation at IAA TRUCK fair
GUIDANCE 2020 – FINANCIALS

Divisions

<table>
<thead>
<tr>
<th>Group</th>
<th>Revenue</th>
<th>op. EBITDA margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19</td>
<td>~6,800</td>
<td>18.8%</td>
</tr>
<tr>
<td>FY20e</td>
<td>6,937</td>
<td>18.0-19.0%</td>
</tr>
</tbody>
</table>

Group Revenue

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY20e</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,500-6,900</td>
<td>18.0-19.0%</td>
</tr>
</tbody>
</table>

Assumptions

- Stable economic environment and limited FY impact by Covid-19
- Current FX rates

RVS

- Revenue: € 3,600-3,800m (FY19: € 3,526m)
- Op. EBITDA margin: 21.0-22.5% (FY19: 22.3%)

CVS

- Revenue²: € 2,900-3,100m (FY19: € 3,280m)
- Op. EBITDA margin²: 14.5-16.0% (FY19: 16.0%)

1) Reported revenue of € 3,656 in FY19 excl. € 120-140m Powertech & Kiepe Electric general contracting; 2) Excluding planned acquisition of Sheppard in FY20
STRATEGY UPDATE
OUR VALUE PROPOSITION FOR KNORR-BREMSE GROUP

Make transport safer, more reliable and more efficient

Shape the future of rail and commercial vehicle transportation

Outgrow market and maintain best in class margin

Increase value for customers, employees & shareholders

We address society’s challenges with our products and corporate responsibility
WE CONFIRM AND CONTINUE OUR SUCCESSFUL STRATEGY

1. Capture Megatrend Opportunities
2. Expand Technology Leadership
3. Leverage Global Presence
4. Grow Profitable Aftermarket
5. Continuous Efficiency & Excellence

Targets until 2022\(^1\): organic revenue growth of 4.5-5.5% p.a. and EBITDA margin expansion by +150bps

1) Base year FY17
STRONG R&D SECURES OUR TECHNOLOGY LEADERSHIP

Targeted R&D ratio: 6-7% of revenue

~12,000 single patents granted and applied

~3,600 R&D employees¹

addressing industry trends with superior technological solutions

INDUSTRY TRENDS

COMMERCIAL VEHICLE SYSTEMS

Traffic Safety

Emission Reduction + E-Mobility

Automated Driving

Connectivity

RAIL VEHICLE SYSTEMS

Transport Capacity

Availability

Eco Friendliness

Life Cycle Management

¹ FTE at YE19
ROADMAP ADAS\(^1\) AND HIGHLY AUTOMATED DRIVING

1) ADAS = Advanced Driver Assistance Systems
**RAIL VEHICLE SYSTEMS: EXAMPLE AFTERMARKET BUSINESS**

### Aftermarket Growth Levers

1. **Use installed fleet & utilize global footprint**
   - Efficient spare part solutions |
   - Service of Knorr-Bremse products |
   - Obsolescence management

2. **Additional growth from modernization**
   - Modernization |
   - Upgrade solutions |
   - Increased scope by cross-product solutions

3. **New service models & digital solutions**
   - Digitization & new service models |
   - Service of third party Rail components |
   - Co-operations & partnerships

### Ambition

**Grow business beyond € 2bn**

<table>
<thead>
<tr>
<th>Year</th>
<th>OE</th>
<th>AM</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>42%</td>
<td>1.5</td>
</tr>
<tr>
<td>2025</td>
<td>45%</td>
<td>&gt;2</td>
</tr>
</tbody>
</table>

---

1) Aftermarket (AM) share of total sales
KNORR-BREMSE TO BECOME CLIMATE NEUTRAL FROM 2021

CLIMATE NEUTRALITY FROM 2021

- KB renews its climate strategy with even more ambitious targets
- 50% CO₂ emission reduction by 2030
- Additionally: Increasing purchase of renewable energy and carbon offsetting
- Starting point of CO₂ emissions in 2018 at 143,000 tons

CONTRIBUTION BY OUR PRODUCTS

- Rail is a cornerstone of eco-friendly transport solutions
- Truck products support lower fuel consumption
- ~9% of KB’s revenues are driven by remanufactured and recycled products
- Circular economy supported by remanufactured and overhauled products

FOCUS ON 5 SDGs

- In 2018 ~150 top managers of KB committed to 5 core United Nations Sustainability Development Goals
- Sponsorship of Executive Board Members to drive initiatives around the KB world
Ecodesign for Reduced Carbon Footprint

1) CO2 savings during operation, manufacturing process and end-of-life recycling or disposal. Acc. to ISO 14040 for Life Cycle Assessments;
2) CO2 savings during manufacturing process

- Brake valve
  - Rail
  -52%\(^1\)

- Light Weight Caliper
  - Rail
  -24%\(^1\)

- Active Caliper Release ACR
  - Truck
  -1% fuel savings

- New Disk Brake Generation
  - Truck
  -10%\(^2\)

Knorr-Bremse AG
MID TERM GUIDANCE CONFIRMED

<table>
<thead>
<tr>
<th>Assumptions</th>
<th>Organic revenue growth</th>
<th>Operating EBITDA margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Stable political and macro environment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Stable FX, based on current rates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RVS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Successful execution of AM strategy</td>
<td>7.5%</td>
<td>18.8%</td>
</tr>
<tr>
<td>▪ Continued solid growth of passenger rail with strong support from global ESG initiatives</td>
<td>+1.5% to -4.5%</td>
<td>+150bps</td>
</tr>
<tr>
<td>CVS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ TPR recovery in 2021 and 2022</td>
<td>-1.5%</td>
<td>19.1%</td>
</tr>
<tr>
<td>▪ Assumption: CAGR of 1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Continued content per vehicle growth</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Initially, steering margins dilutive</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Successful execution of efficiency program</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: All years include the IFRS 16 impact of ~ 70bps

Assumption: CAGR of 1%
Strong preliminary FY19 results
Guidance 2019 achieved
Strong R&D for our technology leadership
We confirm and continue our successful strategy
Knorr-Bremse to become CO₂ neutral from 2021
# Financial Calendar

## Upcoming events

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investor meetings (conference calls)</td>
<td>13.03.20</td>
<td>Frankfurt</td>
</tr>
<tr>
<td>BofA conference (conference calls)</td>
<td>17./18.03.20</td>
<td>London</td>
</tr>
<tr>
<td>Kepler Cheuvreux conference (conference calls)</td>
<td>19.03.20</td>
<td>New York</td>
</tr>
<tr>
<td>Release annual report</td>
<td>23.04.20</td>
<td>Munich</td>
</tr>
</tbody>
</table>
INVESTOR RELATIONS CONTACT

Andreas Spitzauer

Phone: +49 89 3547 182310
Mobile: +49 175 5281320
Email: Andreas.Spitzauer@knorr-bremse.com
**GOAL: HALVE CO₂ EMISSIONS BY 2030**
Average Scope 1 & 2 emission reduction of 4.2% p.a. compared to baseline 2018

Three reduction levers:

**RENEWABLES OWN GENERATION**
Gradually increasing the share of self-generated renewable energy

**ENERGY EFFICIENCY**
Increasing energy efficiency and a switch to low carbon fuels.

**RENEWABLES PURCHASE**
Increasing the purchase of renewable energy through long-term power supply agreements and green electricity products and certificates.

---

**GOAL: CLIMATE NEUTRALITY**
by further increasing the share of renewable energy beyond the 4.2% target and – only to the extent necessary – offsetting remaining emissions with high quality certificates

100% CLIMATE NEUTRALITY FROM 2021 ON

- 50% CO₂ BY 2030
- 4.2% PER YEAR
ORDER INTAKE FOR GROUP, RVS & CVS FY/19

Group

€m

FY/18 \(7,001.4\)  Organic \(-49\)  M&A net Disposals \(-5\)  FX \(+118\)  FY/19 \(7,065.9\)

Organic Decrease \(-0.7\%\)

Hitachi € +65m
Snyder € +13m
BP/Sydac € - 65m
Powertech € - 18m

RVS

€m

FY/18 \(3,798.0\)  Organic \(+5.8\%\)  M&A net Disposals \(-70\)  FX \(+43\)  FY/19 \(4,016.7\)

Organic Growth +6.5%

Snyder € +13m
BP/Sydac € - 65m
Powertech € - 18m

CVS

€m

FY/18 \(3,207.7\)  Organic \(-4.9\%\)  M&A net Disposals \(-297\)  FX \(+65\)  FY/19 \(3,050.7\)

Organic Decrease -9.3%

Hitachi € +65m

Knorr-Bremse AG | 33
REVENUE FOR GROUP, RVS & CVS FY/19

**Group**
- FY/18: €6,615.8
- FY/19: €6,936.5
- Organic Growth: +3.2%
- M&A net Disposals: +4.8%
- FX: -121
- Hits: +66m
- Snyder: +12m
- BP/Syndac: -68m
- Powertech: -22m

**RVS**
- FY/18: €3,461.9
- FY/19: €3,656.1
- Organic Growth: +5.6%
- M&A net Disposals: +4.8%
- FX: -78
- Snyder: +12m
- BP/Syndac: -68m
- Powertech: -22m

**CVS**
- FY/18: €3,160.1
- FY/19: €3,280.2
- Organic Increase: +3.8%
- M&A net Disposals: +5.6%
- FX: +78
- Hitachi: +66m

Organic Growth and Disposals for Group, RVS, and CVS are shown with respective percentage changes and contributions from significant M&A activities.
EBITDA FOR GROUP, RVS & CVS FY/19

**Group**

- **€m**
  - FY/18 rep.: 17.8%
  - FY/18 op.: 18.4%
  - FY/19 op.: 18.8%
  - FY/19 rep.: 19.2%

- **€m**
  - FY/18 rep.: 1,178.0
  - FY/18 op.: 1,204.1
  - FY/19 op.: 1,303.1
  - FY/19 rep.: 1,328.7

- Key factors:
  - BP/Sydac € -11m
  - Conversion from growth € +41m
  - SLB € +45m
  - IPO € -15m
  - IFRS16 € +58m
  - Wülfrath € -19.5m

**RVS**

- **€m**
  - FY/18 rep.: 693.1
  - FY/18 op.: 704.3
  - FY/19 op.: 814.9

- Key factors:
  - BP/Sydac € -11m
  - Conversion from growth € +77m
  - IFRS16 € +34m

**CVS**

- **€m**
  - FY/18 op./rep.: 516.4
  - FY/19 op.: 523.2
  - FY/19 rep.: 503.7

- Key factors:
  - CVS market slowdown € -12m
  - Wülfrath € -19.5m
  - IFRS16 € +18m
This presentation has been prepared for information and background purposes only. It does not constitute or form part of, and should not be construed as, an offer of, a solicitation of an offer to buy, or an invitation to subscribe for, underwrite or otherwise acquire, any securities of Knorr-Bremse AG (the “Company”) or any existing or future member of the Knorr-Bremse Group (the “Group”), nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of the Company, any member of the Group or with any other contract or commitment whatsoever. This presentation does not constitute and shall not be construed as a prospectus in whole or in part.

Any assumptions, views or opinions (including statements, projections, forecasts or other forward-looking statements) contained in this presentation represent assumptions, views or opinions of the Company as of the date indicated and are subject to change without notice. The Company disclaims any obligation to update or revise any statements, in particular forward-looking statements, to reflect future events or developments. All information not separately sourced is derived from Company’s data and estimates. Information contained in this presentation related to past performance is not an indication of future performance. The information in this presentation is not intended to predict actual results, and no assurances are given with respect thereto.

The information contained in this presentation has not been independently verified, and no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information contained herein, and no reliance should be placed on it. Neither the Company nor its advisers and any of their respective affiliates, officers, directors, employees, representatives and advisers, connected persons or any other person accepts any liability for any loss howsoever arising (in negligence or otherwise), directly or indirectly, from this presentation or its contents or otherwise arising in connection with this presentation. This shall not, however, restrict or exclude or limit any duty or liability to a person under any applicable law or regulation of any jurisdiction which may not lawfully be disclaimed (including in relation to fraudulent misrepresentation).

Historical financial or operative information contained in this presentation, if not taken or derived from our accounting records or our management reporting or unless otherwise stated, is taken or derived from financial statements prepared in accordance with either IFRS (for the financial years 2014-2019) or German GAAP (HGB) (for the financial years 1989-2019), each as indicated in this presentation, for the respective period. The financial statements prepared in accordance with IFRS may deviate substantially from (segmental or other) information in the financial statements prepared in accordance with German GAAP (HGB) and, thus, may not be fully comparable to such financial statements. Accordingly, such information prepared in accordance with German GAAP (HGB) is not necessarily indicative for the future results of operations, financial position or cash flows for financial statements prepared in accordance with IFRS. All amounts are stated in million euros (€ million) unless otherwise indicated. Rounding differences may occur. This presentation contains certain supplemental financial or operative measures that are not calculated in accordance with IFRS or German GAAP (HGB) and are therefore considered as non-IFRS measures. The Group believes that such non-IFRS measures used, when considered in conjunction with (but not in lieu of) other measures that are computed in accordance with IFRS, enhance the understanding of our business, results of operations, financial position or cash flows. There are, however, material limitations associated with the use of non-IFRS measures including (without limitation) the limitations inherent in the determination of relevant adjustments. The non-IFRS measures used by us may differ from, and not be comparable to, similarly-titled measures used by other companies.

This presentation includes “forward-looking statements.” These statements contain the words “anticipate”, “believe”, “intend”, “estimate”, “expect” and words of similar meaning. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations (including cost savings and productivity improvement plans) are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the market environment in which the Company will operate in the future. These forward-looking statements speak only as of the date of this presentation. Each of the Company, the relevant Group entities and their respective agents, employees and advisers, expressly disclaims any obligation or undertaking to update any forward-looking statements contained herein. You are urged to consider these factors carefully in evaluating the forward-looking statements in this presentation and not to place undue reliance on such statements.

To the extent available, the industry and market data contained in this presentation has come from official or third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee, representation or warranty (either expressly or implied) of the accuracy or completeness of such data or changes to such data following publication thereof. Third party sources explicitly disclaim any liability for any loss or damage, howsoever caused, arising from any errors, omissions or reliance on any information or views contained in their reports. Accordingly, undue reliance should not be placed on any of the industry or market data contained in this presentation.