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Munich, February 22, 2021

Preliminary Free Cash Flow in fiscal year 2020 above market expectations

Munich, February 22, 2021 – The preliminary and unaudited free cash flow for fiscal year 2020 is around EUR 0.7 billion, exceeding current market expectations of around EUR 0.5 billion according to the consensus of VARA Research.

The strong free cash flow was achieved in a challenging market environment through consistent and disciplined cash management, in particular through concerted measures to optimize working capital through active management of inventories, receivables and payables. This was complemented by a positive earnings performance in both divisions. Knorr-Bremse expects that the reduced working capital at the end of the year 2020 will increase again in 2021.

For fiscal year 2020, Knorr-Bremse expects sales at the upper end of the forecasted corridor of EUR 5.9-6.2 billion and an EBITDA margin slightly above the forecast of 16.5-17.5%.

Knorr-Bremse will publish its preliminary and unaudited key figures for fiscal year 2020 and the fourth quarter of 2020 at its annual press conference on March 4, 2021. In addition to the key figures, Knorr-Bremse will then also publish its forecast for fiscal year 2021. The full annual and consolidated financial statements will be published on March 31, 2021.

Explanations and reconciliations of the key financial figures used can be found in the Knorr-Bremse AG Annual Report 2019 (available at <https://ir.knorr-bremse.com/download/companies/knorrbremse/Annual%20Reports/DE000KBX1006-JA-2019-EQ-E-00.pdf>), there in particular on pages 75 ff. and 102.

About Knorr-Bremse

Knorr-Bremse (ISIN: DE000KBX1006, Ticker symbol: KBX) is the global market leader for braking and other rail and commercial vehicle systems. Knorr-Bremse's products make a decisive contribution to greater safety and energy efficiency on rail tracks and roads around the world. About 29,000 employees at over 100 sites in more than 30 countries use their competence and motivation to satisfy customers worldwide with products and services. In 2019, Knorr-Bremse's two divisions together generated revenues of EUR 6.9 billion. For more than 115 years the company has been the industry innovator, driving innovation in mobility and transportation technologies with an edge in connected system solutions. Knorr-Bremse is one of Germany's most successful industrial companies and profits from the key global megatrends: Urbanization, sustainability, digitalization and mobility.

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DISCLAIMER

Diese Veröffentlichung enthält in die Zukunft gerichtete Aussagen über das Geschäft, die finanzielle Entwicklung und die Erträge des Knorr-Bremse-Konzerns.

This publication contains forward-looking statements concerning the business, financial performance and earnings of Knorr-Bremse Group.

These statements are based on assumptions and forecasts that reflect currently available information and current assessments. They are subject to a number of uncertainties and risks. The actual business development may therefore deviate substantially from expectations.

Beyond the legal requirements, Knorr-Bremse assumes no obligation to update any forward-looking statements.