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KTM Industries AG: KTM and Bajaj agree on new electric vehicle alliance

- **Development of a common 48 volt electric two-wheeler platform in the power range 3 to 10 kW for planned serial production in India**
- **For the moment no change in the existing shareholding structure**
- **Market growth in Europe in the first quarter of 2019 (+20%) exceeds expectations**

KTM Industries AG and Bajaj Auto Ltd. have decided to initiate a serial production project for PTW (“Powered two wheeler”) electric vehicles in the power range of 3 to 10 kW (48 volt) at the level of KTM AG. This platform will support different product variants – scooters, mopeds, small mopeds, under brands of both partners. This further step in the field of electro mobility is a logical addition to the existing activities with PEXCO in the HUSQVARNA e-bike sector.

The serial production will start at Bajaj’s production site in Pune/India by 2022. The necessary development budget is covered in the medium-term plans.

Currently no transfer of Bajaj-shareholding to KTM Industries AG level

The structural considerations that have been discussed between Pierer-Group and Bajaj-Group since the end of March 2019 regarding the possibility of transferring Bajaj’s 48% stake in KTM AG to KTM Industries AG are not being further pursued for the time being. The successful cooperation with the Bajaj-Group, which has existed since 2007, will thus continue unchanged at the level of KTM AG.

Very strong market growth in Europe in the first quarter of 2019 (+20%)

Contrary to initial estimates at the beginning of the year, the retail market in Europe has developed very well. The European market as a whole grew by around 20% in the first quarter. KTM increased its market share to 12.3% with a registration increase of 22%. Particularly noteworthy are the registration numbers in Germany (+29%), France (+34%) and Spain (+20%). In addition to the outstanding increase in sales in India (+30%), the remaining markets are in line with expectations.



About KTM Industries-Group

The KTM Industries Group is the biggest European motorcycle producer and focuses on sport motorcycles and electro mobility. With its worldwide renowned brands KTM, Husqvarna Motorcycles and WP, the group is in its segments among the technological and market leaders. Within the group there is a high degree of technological network, which is, in this form, unique in Europe. Strategic partnerships at an operational level strengthen the competitiveness in our respective markets. All these factors are the basis for the high innovation level of the KTM Industries-Group and ensure a sustainable organic growth.

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