

Interim Report Q3 2012

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Bo Annvik
President and CEO

Pramod Mistry
CFO

Innovative Vehicle Solutions

Agenda



- Business Highlights**
- Market Update**
- Sales**
- Financials**
- Outlook**
- Q&A**



- *Operating margin is sustained and cash flow generation is in line with operating earnings.*
- *Weaker demand in our served markets due to de-stocking and lower build rates.*
- *One-off expenses related to the cost reduction program amounted to SEK 20 m during the third quarter. Total expenses for the program is approximately SEK 60 m with annual savings of SEK 35-40 m.*
- *Haldex celebrates the supply of 70 millionth Brake Adjusters.*
- *In Brazil a collaboration contract between Haldex and Master was finalized in September.*
- *Haldex signs global supply agreement for the Automatic Brake Adjuster to a total value of SEK 350 m over a five year period.*

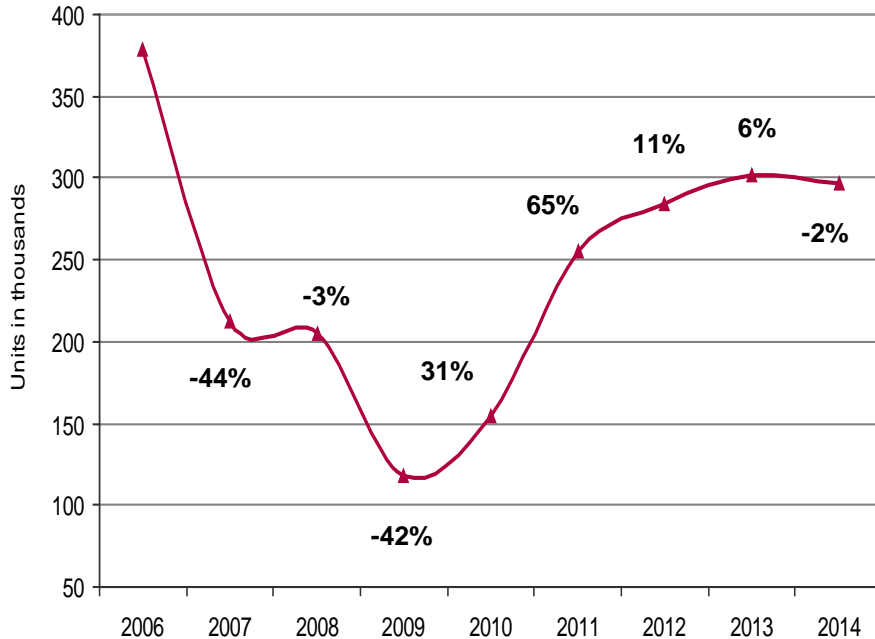


Market Update

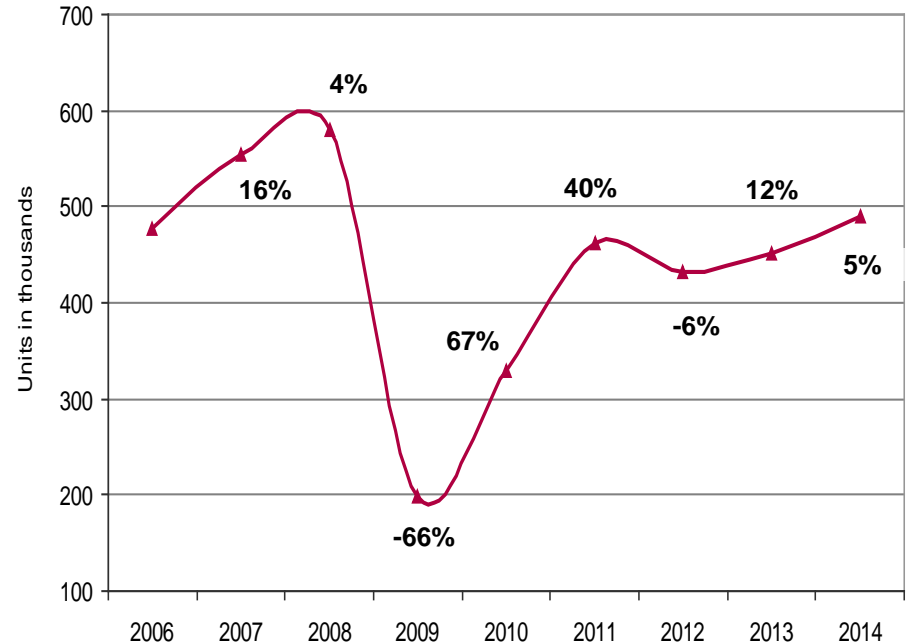
Heavy Truck Build Rates



Heavy Truck build rates NA, >15t



Heavy Truck build rates EU, >15t



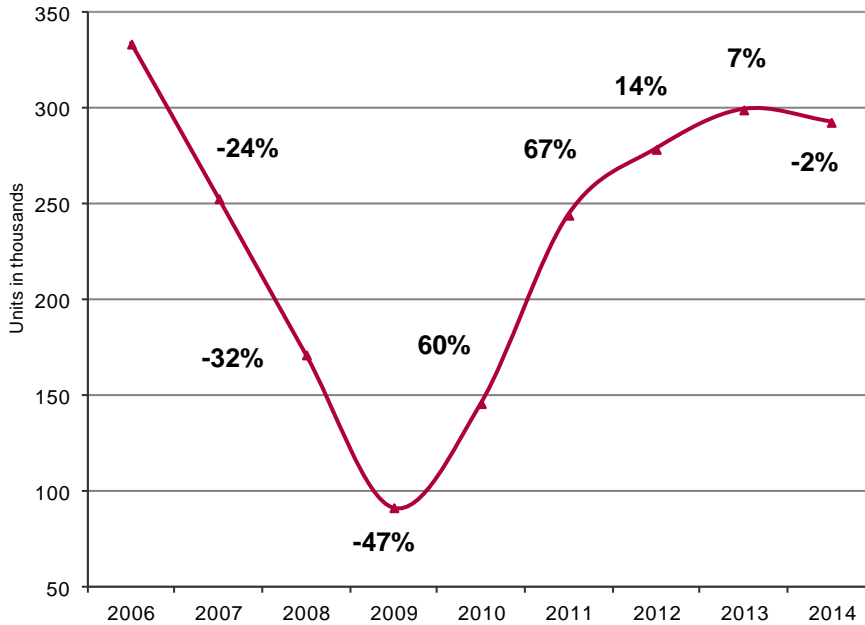
- North America official build rates are still expected to grow by 11% in 2012 which is down on the Q2 expectation
- The uncertainty in Europe continues and official build rates are indicating a 6% reduction compared to 2011

Note: JDP data – official statistics per September 2012

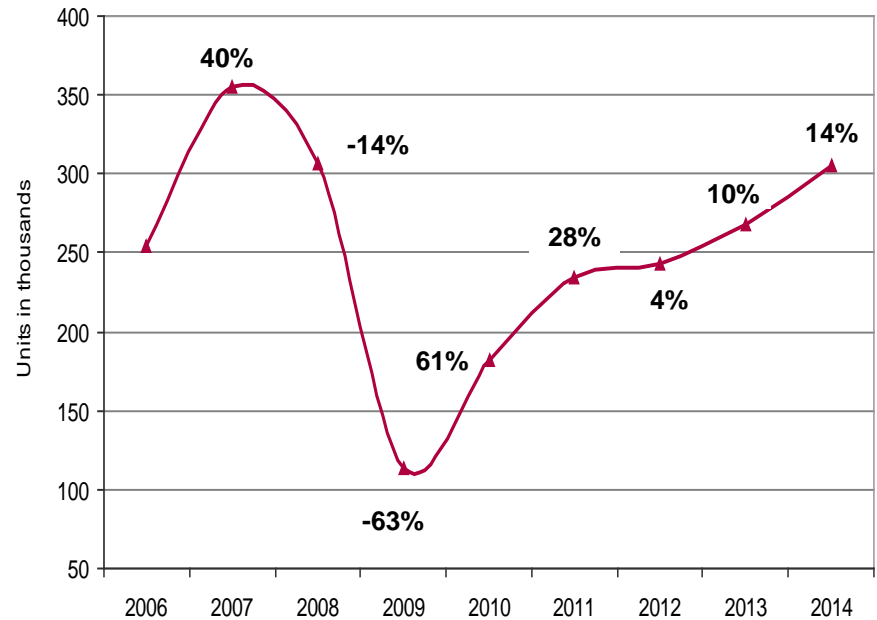
Heavy Trailer Build Rates



Heavy Trailer build rates NA



Heavy Trailer build rates EU



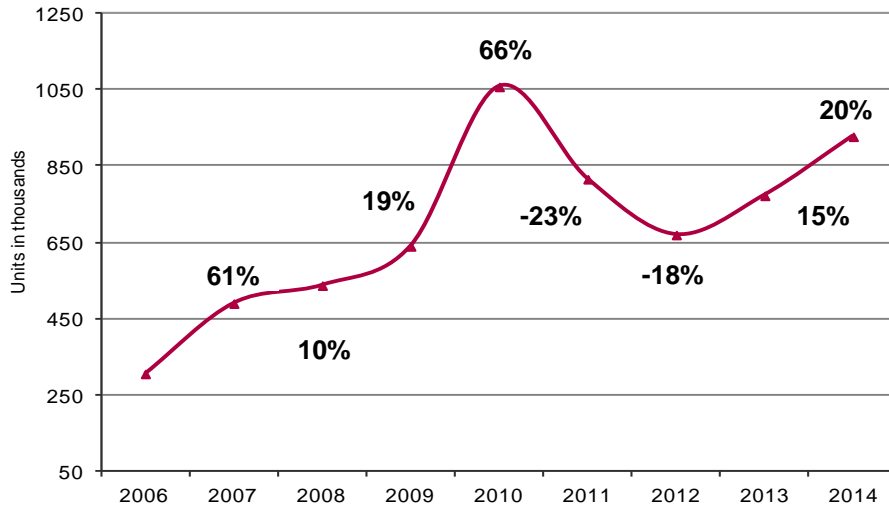
- North America trailer official build rates remain robust and are expected to grow by 14%
- In Europe the official build rates are indicating a 4% growth compared to 2011

Note: ACT data and CLEAR – official statistics per September 2012

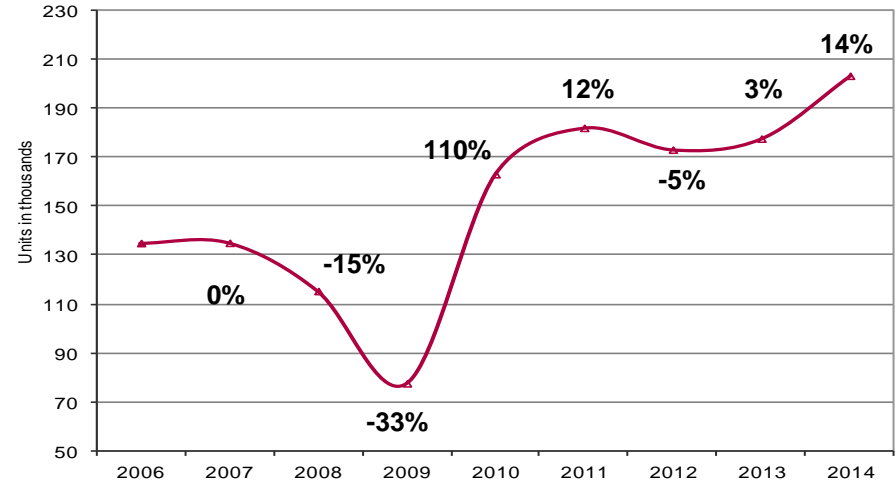
Emerging Markets Build Rates Truck



Heavy Truck Build Rates China



Heavy Truck Build Rates India



- The slow down in China has continued and official build rates see a further weakening in demand with rates down 18% compared to 2011
- The same accelerated slowdown has occurred in India with official build rates down 5% compared to 2011

Note: JDP data – official statistics per September 2012



Sales

Demand outlook for Q4 2012 per region



Share of sales 2011	Regions	Trend vs. Last Q*	Trend y-o-y**
52%	North America	↓	-
33%	Europe	↘ ↘	- -
9%	Asia and the Middle East	⇒	- -
6%	South America	↑	- - -

Explanation

Relatively unchanged	⇒	+/-
Slightly lower	↘	-
Lower	↘ ↘	- -
Significantly lower	↓	- - -
Slightly Higher	↗	+
Higher	↗ ↗	++
Significantly higher	↑	+++

* Trend vs. Last Q = Q3/Q2


** Trend y-o-y = Q3 2012/2011

Sales January – September 2012

Product line and Region



Product line, SEK m	Jan-Sept 2012	Jan-Sept 2011	Change, currency adj	July-Sept 2012	July-Sept 2011	Change, currency adj
Air Controls	1,377	1,375	-2%	427	456	-4%
Foundation Brake	1,692	1,620	2%	504	561	-9%
Total	3,069	2,995	0%	931	1,017	-7%

 Region, SEK m	Jan-Sept 2012	Jan-Sept 2011	Change, currency adj	July-Sept 2012	July-Sept 2011	Change, currency adj
North America	1,710	1,532	5%	510	539	-9%
Europe	1,002	1,016	-1%	299	324	-2%
Asia and the Middle East	244	265	-9%	80	86	-3%
South America	113	182	-32%	42	68	-28%
Total	3,069	2,995	0%	931	1,017	-7%



Financials

Summary January – September 2012



<i>Amounts in SEK m</i>	Jan - Sept 2012	Jan - Sept 2011	July - Sept 2012	July - Sept 2011
Net sales	3,069	2,995	931	1,017
Operating income*	176	186	52	65
Operating margin, %*	5.7	6.2	5.6	6.4
Earnings after tax	53	118	12	35
Earnings per share	1.09	2.57	0.23	0.80

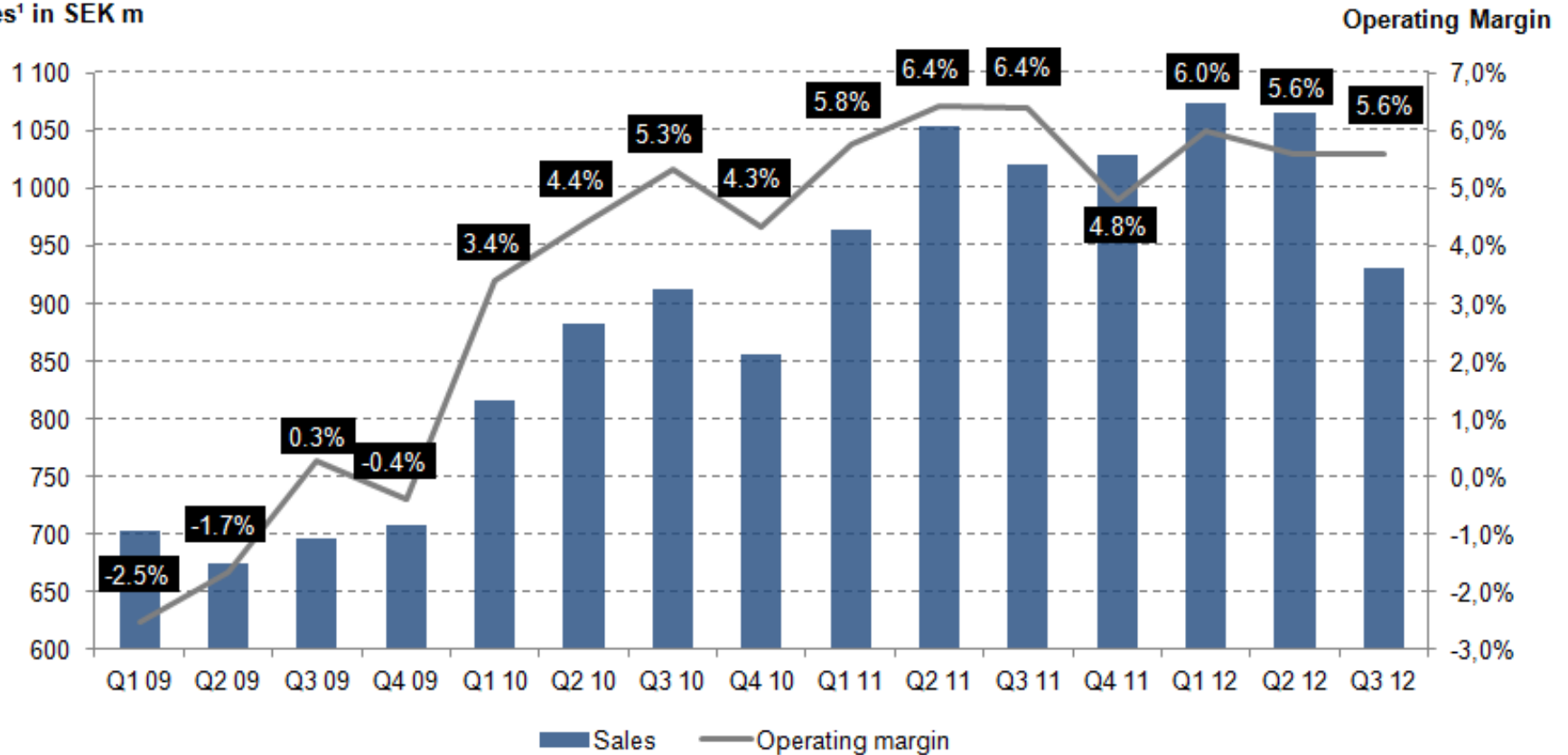
- **Sales YTD of SEK 3,069 m (2,995), flat adjusted for exchange rate movements.**
 - Sales in Q3 amounted to SEK 931 m (1,017), -7% currency adjusted.
- **Operating Income YTD of SEK 176* m (186) with an operating margin of 5.7%* (6.2).**
 - Operating income in Q3 of SEK 52* m (65) with an operating margin of 5.6%* (6.4)
- **Earnings after tax YTD of SEK 53 m (118).**
 - Earnings after tax in Q3 of SEK 12 m (35).
- **Earnings per share YTD of SEK 1.09 (2.57).**
 - Earnings per share in Q3 of SEK 0.23 (0.80).

* Excluding restructuring costs

Stable Sales & Operating Margin



Sales¹ in SEK m



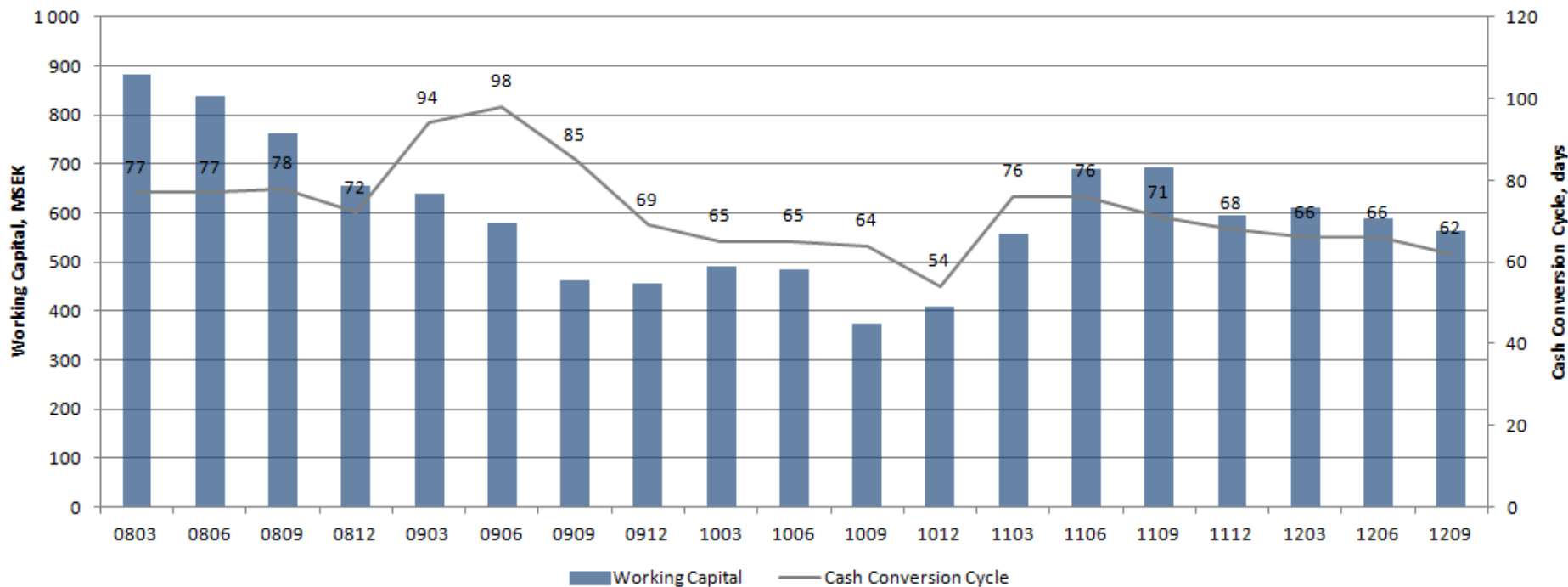
¹ Sales fx adjusted to Q3 2012 rates

Balance Sheet



<i>Amounts in SEK m</i>	Sept 30, 2012	June 30, 2012	Quarterly change
Working Capital	563	588	-4%
Intangible assets	539	560	-4%
Capital employed	2,086	2,160	-3%
Total assets	2,698	2,849	-5%
Equity	1,254	1,296	-3%
Net debt	490	515	-5%
Equity ratio, %	46	45	
Debt/Equity ratio, %	39	40	

Working Capital, CCC & Cash Flow



Amounts in SEK m	Q1 2012	Q2 2012	Q3 2012	Q1 2011	Q2 2011	Q3 2011	Q4 2011
Operating Cash Flow *	65	49	55	-109	-22	61	178
Cash Flow after net investments*	42	22	23	-143	-40	40	152

* Excluding restructuring



Outlook

- In light of the economic uncertainty it is hard to assess the market development, however in the established markets of North America and Europe we see rather flat development going forward.
- In Asia, particularly in China and India, the market outlook remains soft but Haldex will continue to drive expansion focusing on product launches.
- Brazil offers a positive market outlook due to recent government stimulus packages and legislative changes.



