

PRESS RELEASE

Haldex receives another prototype order for its AWD system

The Haldex division Traction Systems has received another order for a prototype installation of the newly developed AWD system (All Wheel Drive).

The prototype order was received from a European car manufacturer who plans to carry out field tests during the upcoming winter season. In case of a future business, serial deliveries are expected to start during year 2003. The potential yearly delivery value is estimated at 75-100 MSEK.

Serial deliveries of Haldex AWD system started during the 2nd half of 1998 to the VW Group as the first customer. During 1999, a strong ramp-up of the volumes has taken place (an increase of 5% every week since year-start). The Haldex system has been introduced on several car makes within the VW Group: VW, Audi, Skoda and Seat.

At the moment, Haldex cooperates with 5 other customers in the prototype phase. Hereof, four are European car manufacturers and one is American. In case of positive outcomes, these projects could result in start of serial deliveries in the years 2001, 2002 and 2003.

In addition, several other potential customers are being attended to, but have not yet decided to install prototypes for further evaluation.

Haldex patented AWD system is unique in the market as regards especially the system's controllability and fast reaction time – both important characteristics of a 4-wheel-drive system in modern vehicles in order to enhance safety and driving comfort.

Haldex is a global supplier of proprietary products for trucks, cars and industrial vehicles, with special emphasis on performance & safety. The Group is listed on the Stockholm Stock Exchange and has yearly sales of 6 BSEK with 4,350 employees. The Group has sales companies in Europe, North & South America and Asia. Production takes place at 9 factories in Europe and 9 in the U.S. as well as in a joint-venture in India.

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November 2, 1999