

PRESS RELEASE

Haldex wins new AWD business

Haldex Traction has received a Nomination Letter from a European car manufacturer, specifying Haldex AWD system (All Wheel Drive) on two platforms.

One platform regards a passenger car and the other a light commercial vehicle.

Serial deliveries are estimated to start year 2002 and 2003 respectively. The order value over a 5-year period is estimated to 600-800 MSEK.

Haldex has developed a unique, controllable system for four-wheel drive and with this new business, Haldex AWD system will be present in most types of vehicles: sports-cars, family cars and light commercial vehicles.

The market for four-wheel drive systems is large and growing. The world market for Haldex scope of supply is estimated to 15 billion SEK. Haldex has put up a first step goal to reach a 10% share of the world market and grow sales to 1.5 billion SEK within this product area within the next 5 years.

Haldex Group 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 4,150 employees. The Group has sales companies in Europe, North & South America and Asia. Production takes place at 8 factories in Europe, 8 in the U.S. and 1 in India and Brazil.

For further information contact Claes Warnander or Lennart Hammargren, phone +46 8 678 72 70.

August 25, 2000