



Innovative Vehicle Technology

PRESS RELEASE

Haldex acquires Anchorlok Brake Actuator and Neway Suspension Control with annual sales of 50 MUSD

Haldex has signed a purchase agreement to acquire two business units from the Holland Group, Michigan, USA. One unit encompasses the air brake actuator product line with the Anchorlok brand name and production in Mexico. The other unit consists of a range of suspension control valve products with the Neway brand name and production in USA. Both product areas have applications on heavy commercial vehicles. The two acquired units employ 235 persons and together have annual sales of 50 MUSD, 70% in North America and 30% in Europe and other markets. The purchase price is 21.5 MUSD. The acquisition is conditioned on clearance from relevant regulatory authorities. The acquisition is expected during the next year to contribute 2-3 MUSD to the Haldex Group's earnings before tax.

The acquired businesses will be integrated into Haldex Brake Systems, a division of the Haldex Group. Haldex Brake Systems designs, manufactures and markets commercial vehicle brake and suspension control systems globally.

The Anchorlok and Neway brand names will continue to be used for a period of time. The management teams of the two acquired businesses will also join Haldex Brake Systems and continue to have responsibility for their current operations. There are immediate synergies in sales, which will be assumed by Haldex existing organization. Positive coordination effects also exist in administration and in product development. Longer term, there are also potentials for product range coordination and synergies in manufacturing.

Brake actuators can be described as the last component in the brake systems' pneumatic controls. There is a brake actuator at each wheel brake, transforming the compressed air force into a mechanical force, which activates the wheel brake.

Suspension control valves are special valves in the vehicle's air suspension system. A technology shift is taking place regarding heavy vehicles, from mechanical suspension systems towards air suspension systems.

“The acquisition strengthens Haldex' position in air brake and suspension systems on heavy vehicles and gives us a leading position in these core product areas in terms of market share and product technology”, concludes Claes Warnander, CEO of the Haldex Group. “Together with recent market success in other product areas, it demonstrates the ability of Haldex to grow and solidify its market and technology positions even during downturns in the business cycle of the commercial vehicle industry.”

The acquired product lines complement Haldex Brake Systems' current offering to a great extent. One important addition is a more complete line-up of brake actuators for disc brakes. "The growing market of disc brakes in Europe and around the world is an important one for Haldex and the added range of disc brake actuators complements our own air disc brake product line", adds Chuck Kleinhagen, President of Haldex Brake Systems.

"The combination of the acquired product lines and the existing Haldex organizations for corresponding products will be highly focused on developing and delivering new technology and systems solutions for air brake actuation and air suspension control", says Chuck Kleinhagen. "Our customers will have access to the most comprehensive range of brake actuators and suspension control products for the broadest range of applications".

Anchorlok with 200 employees and production in Monterrey, Mexico, has a reputation and tradition for high quality brake actuators. In fact, its Life Seal[®] spring brake actuator uses unique, patented technology to eliminate any possibility for internal contamination in order to provide the highest quality, greatest reliability and longest service life. Among Anchorlok's other product offerings are: the Gold Seal[®] premium double diaphragm spring brake actuators; wedge brake actuators; service chambers; and piggyback replacement units.

The Neway vale operations with 35 employees and production in Grand Haven, Michigan, USA, offers a wide array of suspension control products. The product range includes both controlled response and immediate response height control valves. The program also includes cab suspension valves as well as a new, patented, ceramic valve design to offer unsurpassed life and reliability in suspension control. The acquisition complements existing product lines and development activities within Haldex aimed at creating vehicle dynamics solutions including roll-over control and active suspension control.

"The addition of the acquired product lines is a part of Haldex Brake Systems' strategy to offer a complete product line to vehicle manufacturers, and fleet and owner-operator customers", continues Chuck Kleinhagen. "The acquisition is a continuation of a series of initiatives to implement the strategy for Haldex Brake Systems to become the leading global choice for vehicle dynamics solutions involving air brake and air suspension control systems".

Haldex Brake Systems (www.haldexbrakes.com) is a leading manufacturer and distributor of heavy-duty air brake systems and suspension control system components. The division operates globally with headquarters in Kansas City, Missouri, USA, and manufacturing and engineering facilities located in the United States, United Kingdom, Sweden, Germany, Brazil and India. Sales organizations for the main geographical markets are headquartered in Kansas City, USA; Weyersheim, France; Sao Paulo, Brazil; and Seoul, Korea.

The Haldex Group (www.haldex.com), headquartered in Stockholm, Sweden, is an innovator in vehicle technology with emphasis on vehicle dynamics and supplies proprietary systems and products for trucks, cars and industrial vehicles on a global basis. The Group is listed on the Stockholm Stock Exchange and has annual sales exceeding \$650 million with 4,100 employees.

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