



Innovative Vehicle Technology

PRESS RELEASE

Land Rover and Volvo Cars choose Haldex AWD system

Stockholm, Sweden, January 29, 2004 – **Haldex Traction Systems, a division in the Haldex group, has been chosen by Land Rover and Volvo Car Corporation to supply AWD systems. The order value is substantial and deliveries are estimated to start in a few years time.**

Land Rover, which is one of Europe's largest and most prominent manufacturer of 4x4 vehicles with true off-road capabilities, hereby becomes a new Haldex customer and another strong car make that chooses Haldex AWD system for four-wheel-drive.

Land Rover represents a partly new segment with cars that put high demands on off-road characteristics. Haldex will, therefore, at the same time further develop the second generation's AWD system to meet these special demands.

The announced AWD business implies important future volume additions from Land Rover. Already today, Haldex is supplying AWD systems to all four-wheel-drive cars within Volvo. The announced business implies that this partnership will be prolonged in time.

The Haldex group (www.haldex.com), headquartered in Stockholm, Sweden, is a provider of proprietary and innovative solutions to the global vehicle industry, with focus on products in vehicles that enhance safety, environment and vehicle dynamics. Haldex is listed on the Stockholm Stock Exchange and has annual sales over 6 billion SEK with 4,000 employees.

For further information contact Ches Warnander, president and CEO, or Lennart Hammargren, CFO, phone +46 8 545 049 50.