



*Innovative Vehicle Technology*

## ***PRESS RELEASE***

### **Haldex and FAW sign Letter of Intent for Disc Brakes in China**

Stockholm, Sweden, February 11, 2004 – **Haldex and the FAW Sichuan Group have signed a letter of intent to establish a joint-venture to manufacture air disc brakes for heavy vehicles.**

FAW (First Automotive Works) is China's largest vehicle manufacturer, including both cars and trucks. FAW has over 200,000 employees with its main operations in the Changchun area in the north east of China.

Haldex and FAW have signed a letter of intent with the aim to establish a joint-venture to manufacture and assemble air disc brakes for heavy vehicles.

The joint-venture – in which Haldex will be the majority shareholder – will use the Haldex air disc brake design and will initially focus on the Chinese market, but later also supply to export markets. Sales to other customers than to FAW itself will be handled through the Haldex sales organization.

The joint-venture's production will be based on Haldex' unique modular concept for disc brakes, ModulX. Haldex will provide the Actuator Mechanism and the joint-venture will handle all other components and final assembly and testing. The plant will be established in Changchun.

Haldex already today supplies disc brakes to the Chinese market from its plant in Landskrona, Sweden. The joint-venture will be the future platform to meet increasing demands on the growing Chinese market as well as a competitive source for components to Haldex manufacturing plants in other markets.

The signed letter of intent confirms the advantages of Haldex' modular disc brake design, ModulX, and shows FAW's commitment to offer the latest in new products development.

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The Haldex group ([www.haldex.com](http://www.haldex.com)), with headquarters in Stockholm, is a provider of proprietary and innovative solutions to the global vehicle industry, with emphasis on products related to vehicle dynamics, safety and environmental issues. Haldex is listed on the Stockholm Stock Exchange and has annual sales exceeding 6 billion SEK with 4,000 employees.

FAW, First Automotive Works, is a leading supplier of heavy commercial vehicles in the Chinese market and is located in Changchun, Jilin Province, North East China. FAW employs more than 200,000 people of which around 40,000 are employed by the FAW Sichuan Group which is listed on the Shanghai Stock Exchange.

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