



Innovative Vehicle Technology

PRESS RELEASE

Haldex and Alfa Laval form the joint company Alfdex AB

Stockholm, Sweden, June 11, 2004 – **Haldex and Alfa Laval are now formalizing their cooperation regarding the cleaning of crank case gases that are emitted from diesel engines, by forming the jointly owned (50/50) company Alfdex AB. Alfdex has been established to function as the formal license taker of the technology and to coordinate the joint activities.**

The requirements to clean emissions from diesel engines are successively being stricter and through Alfdex the market is being offered a highly efficient solution for cleaning the oil misty crank case ventilation gases that are emitted from diesel engines. The Alfdex system is based on Alfa Laval's unique and long tradition in centrifugal separation and on Haldex' competence in serving the global vehicle industry with high performance systems.

Mats Ekeröth, who has headed the project since the start of the cooperation in 2002, has been appointed President of Alfdex AB. Mats Ekeröth has held several different positions within Haldex. He will report to the Alfdex board with Ulf Granstrand as chairman. Ulf Granstrand is Executive Vice President of the Alfa Laval Group and head of the Process Tehcnology Division.

There has been a great interest in the Alfdex system and most of the engine manufacturers in Europe and USA have successfully tested the system or are in the testing phase. The process to adapt the Alfdex separator to specific engine projects is already ongoing with several engine manufacturers. The Alfdex separator is intended for use on diesel engines in sizes ranging from 5 to 16 liters, corresponding roughly to engines in medium heavy and heavy trucks, buses and construction machinery, as well as in marine and industrial applications. Globally, the market potential of the Alfdex system is estimated to be over SEK 1 billion annually.

Alfa Laval (www.alfalaval.com) is a leading global provider of specialized products and engineering solutions based on its key technologies of heat transfer, separation and fluid handling.

The company's equipment, systems and services are dedicated to assisting customers in optimizing the performance of their processes. The solutions help them to heat, cool, separate and transport products in industries that produce foods and beverages, chemicals and petrochemicals, pharmaceuticals, starch, sugar and ethanol. Alfa Laval's products are also used in power plants, aboard ships, in the mechanical engineering industry, in the mining industry and for wastewater treatment, as well as for comfort climate and refrigeration applications.

Alfa Laval's worldwide organization works closely with customers in nearly 100 countries to help them stay ahead in the global arena.

Alfa Laval is listed on the Stockholm Exchange and, in 2003, posted annual sales of about SEK 14 billion (approx. 1.5 billion euros). The company has some 9,400 employees.

Haldex (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.

The address to Alfdex in Landskrona, Sweden is:

Alfdex AB

Box 506

SE-261 24 LANDSKRONA

Sweden

phone: +46 418 47 60 00

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