



Innovative Vehicle Technology

PRESS RELEASE

DaimlerChrysler chooses Alfdex, the new environmental solution for cleaning of crankcase gases, for their new engine platform

Stockholm, Sweden, January 18, 2006 – The DaimlerChrysler Group has signed a development cooperation and supply agreement of the Alfdex Oil Mist Separator system from Alfdex AB, jointly owned by Alfa Laval and Haldex. The order value is about SEK 250 million during a five year period and serial deliveries are estimated to start end of 2006.

The Alfdex system, built around Alfa Laval's unique knowledge of centrifugal separation and Haldex' strong position as a supplier to the vehicle industry, offers the market a very efficient removal of oil droplets and soot particles from the ventilation air in the diesel engine crankcases, so called crankcase gases.

DaimlerChrysler's intention is to integrate the Alfdex system into different engines based on a completely new and unique platform. The global agreement with the DaimlerChrysler group comprises the three engine brands, Detroit Diesel, Mitsubishi Fuso and Mercedes-Benz, used in DaimlerChrysler's truck brands; Mercedes-Benz, Freightliner, Mitsubishi Fuso, Sterling Trucks and Western Star Trucks.

Mats Ekeröth, Managing Director of Alfdex, comments: "With the agreement with DaimlerChrysler together with the earlier agreements with both Scania and Volvo, we have taken a strong and solid market position, a market that globally has a value of more than SEK one billion annually."

From the beginning, the interest in the Alfdex system has been great and there is a number of projects going on. Most diesel engine manufacturers in Europe, the US and other parts of the world have successfully tested or will test the system.

About the legislation:

The demand on cleaning of emissions from diesel engines becomes tougher. New and coming legislation also comprises other discharges than those from the exhaust pipe, e.g. crankcase gases. Korea and Japan have already introduced such legislation. The North American market will introduce similar demands as from 2007 and in Europe new regulations are expected as from 2008.

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 of nearly 8 billion SEK with 4,600 employees.

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 2004, posted annual sales of about SEK 15 billion. The company has some 9,500 employees.

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