



- Sales amounted to SEK 5,622 m (8,403). Adjusted for currency-exchange fluctuations, sales declined 39%. The final quarter of 2009 was the first quarter during which sales had exceeded the preceding quarter's level since the economic downturn started in mid-2008.
- Earnings after tax amounted to SEK 75 m (loss: 43). Earnings per share amounted to SEK 2:40 (-1:25).
- Operating income and operating margin amounted to SEK 155 m (92) and 2.8% (1.1), respectively.
- The Group reported an adjusted\* operating loss of SEK 79 m (income: 181) and an adjusted\* operating margin\* of minus 1.5% (plus 2.5).
- Cash flow amounted to SEK 847 m (857), which combined with the new issue reduced net indebtedness to SEK 985 m (2,323).
- The cost-reduction program, which generated savings of SEK 700 m, continued and included the planned combination of two plants in the US.
- The new share issue implemented during the fourth quarter was subscribed for in full and contributed SEK 504 m to Haldex before deductions for issue expenses.
- The divestment of Garphyttan Wire was completed on June 1, 2009. The selling price was SEK 827 m on a debt-free basis. The transaction gave rise to a capital gain of SEK 411 m.
- Haldex secured its largest ever individual order, worth SEK 4.5 billion, from VW. The order pertains to AWD systems for VW's new modular platform (disclosed in April).
- Haldex's strategic focus on satisfying and exceeding society's ever stricter environmental requirements has been successful. A number of major contracts were secured for Haldex products and technologies for the next generation of diesel engines that satisfy more stringent environmental requirements.

\* Continuing operations, excluding restructuring costs, nonrecurring items and amortization of acquisition-related surplus value.

## Fourth quarter of 2009

- Sales amounted to SEK 1,385 m (1,681). Adjusted for currency-exchange fluctuations, sales declined 15% compared with last year. The fourth quarter of 2009 was the first quarter during which sales had exceeded the preceding quarter's level since the economic downturn started in mid-2008.
- Earnings per share amounted to SEK -0:83 SEK (-5:43).
- The Group reported an operating loss of SEK 8 m (loss: 209) and an operating margin of minus 0.6% (minus 11.2).
- Adjusted\* operating income amounted to SEK 24 m (loss: 45) and the adjusted\* operating margin to 1.8% (neg: 2.7).
- The fourth quarter was charged with an impairment loss of SEK 25 m on the value of a property.
- Cash flow from operating activities was a positive SEK 211 m (223) during the quarter. After net investments, cash flow amounted to SEK 157 m (98).

## Haldex

SEK m	2009		2008		Acc. change 2009/2008
	Oct-Dec	Full year	Oct-Dec	Full year	
Net sales	1 385	5 622	1 864	8 403	-33%
Operating income/loss <sup>1</sup>	24	-131	-75	250	n.a.
Operating income	-8	155	-209	92	68%
Earnings/loss before tax	-33	54	-262	-55	n.a.
Earnings/loss after tax	-30	75	-184	-43	n.a.
Operating margin, % <sup>1</sup>	1.8	-2.3	-4.0	3.0	-5.3
Operating margin, %	-0.6	2.8	-11.2	1.1	1.7
Return on capital employed, % <sup>2</sup>	3.9	3.9	2.4	2.4	1.5

<sup>1</sup> Excluding restructuring costs, capital gains, nonrecurring items and amortization of acquisition-related surplus value.

<sup>2</sup> Rolling 12-month basis.

## Haldex, continuing operations

SEK m	2009		2008		Acc. change 2009/2008
	Oct-Dec	Full year	Oct-Dec	Full year	
Net sales	1 385	5 390	1 681	7 350	-27%
Operating income/loss <sup>1</sup>	24	-79	-45	181	n.a.
Operating income/loss	-8	-204	-162	41	n.a.
Operating margin, % <sup>1</sup>	1.8	-1.5	-2.7	2.5	-4.0
Operating margin, %	-0.6	-3.7	-9.6	0.6	-4.3
Return on capital employed, % <sup>2</sup>	-4.8	-4.8	1.2	1.2	-6.0

<sup>1</sup> Excluding restructuring costs, nonrecurring items and amortization of acquisition-related surplus value.

<sup>2</sup> Rolling 12-month basis.

\* Continuing operations, excluding restructuring costs, nonrecurring items and amortization of acquisition-related surplus value.

## Key business events

- Haldex's main markets stabilized, albeit at a low level, during the third and fourth quarters of 2009. The previously noted trend toward somewhat stronger demand for primarily engine products and trucks in North America was confirmed. In Europe, demand was stable but at a continued low level.
- In line with the strategy of developing leading edge products that satisfy the environmental legislation of the future, Euro 6, the Group developed a series of intelligent, variable water and oil pumps. The pumps will enable fuel reduction of 0.5 to 3% and will reduce emissions additionally. The pumps have been developed for a number of leading European truck manufacturers and, following product-test approval, will result in development contracts that will lead to series production in late 2012.
- A European truck manufacturer has chosen Haldex to supply ModulAir, a modular air-drying and air-distribution product, for one of the customer's truck platforms. The order has a total value of around SEK 750 m over a period of 10 years. Manufacturing will commence at the end of 2011. (Published in October)
- Haldex has secured several orders for hydraulic power units and pumps. These include an order secured for a new series of hydraulic power units from one of the world's leading suppliers of forklifts and inventory-logistics solutions, as well as an order from STILL, one of Europe's largest manufacturers of forklifts. (Published in October)
- Haldex won an order for a range of XPI fuel transfer pumps for a new high-pressure injection system developed by the Cummins Scania joint venture for use in heavy duty engines built by both companies. The contract is worth a total of SEK 175 m through 2014. Production starts in 2010. (Published in July.)
- Haldex's divestment of Garphyttan Wire to Suzuki Metal Industry was completed on June 1, 2009. The sales price is SEK 827 m on a cash and debt-free basis, which decreased Haldex's net debt by a corresponding amount. The transaction resulted in a capital gain of SEK 411 m.
- VW selected Haldex's AWD system for VW's new modular platform to be built from 2012. The order is an expansion of the existing program on behalf of the Volkswagen Group and is worth about SEK 4.5 billion over a seven-year period. The order pertains to Haldex's Generation V AWD system. (Published in April).
- During the third quarter, deliveries started of a large order from the North American truck maker Navistar concerning Haldex actuators. The order is worth approximately SEK 200 m over five years. (Published in April).

- Agreements concerning deliveries of water pumps for diesel engines were reached with two large truck manufacturers in China, CNHTC (the largest heavy truck company in China) and Iveco China. The orders are valued at SEK 150 m over five years. Manufacturing commenced during the second half of 2009. (Published in April).
- Haldex was nominated for an order for Perkin's new engines for oil and water pumps that meet the emission requirements of the future, and for water pumps for new electronically controlled motors. The combined order value is about SEK 575 m over five years. Production is scheduled to start in 2010. (Published in April)

## Net sales per division and region

<i>SEK m</i>	Jan-Dec			Currency adjusted
	2009	2008	Nominal	
Commercial Vehicle Systems	3 134	4 234	-26%	-34%
Hydraulic Systems	1 406	2 095	-33%	-39%
Traction Systems	850	1 021	-17%	-17%
<b>Continuing operations</b>	<b>5 390</b>	<b>7 350</b>	<b>-27%</b>	<b>-33%</b>
Garphyttan Wire	232	1 053	n.a.	n.a.
<b>Group</b>	<b>5 622</b>	<b>8 403</b>	<b>-33%</b>	<b>-39%</b>
North America	2 550	2 961	-14%	-25%
Europe	2 331	3 711	-37%	-39%
Asia and Middle East	359	458	-22%	-30%
South America	150	220	-32%	-36%
<b>Continuing operations</b>	<b>5 390</b>	<b>7 350</b>	<b>-27%</b>	<b>-33%</b>

### Net sales and earnings

*Demand has stabilized*

Net sales for continuing operations amounted to SEK 5,390 m (7,350). Adjusted for currency-exchange rates and acquisitions, sales decreased 35%.

Operating income amounted to SEK 155 m (92).

Haldex reported an adjusted\* operating loss of SEK 79 m (income: 181) and an adjusted\* operating margin of minus 1.5% (2.5).

A capital gain of SEK 411 m pertaining to the divestment of Garphyttan Wire was recognized during the second quarter.

In the most recent quarter, an impairment loss of SEK 25 m was recognized on the value of a property, as a feature of the review initiated under the cost-reduction program.

*Reduced cost base*

A restructuring cost of SEK 69 m, related to the cost-reduction program, was expensed during the first quarter of 2009. The program has substantially reduced the cost base. The reduction in costs corresponds to SEK 700 m on an annual basis.

Compared with 2008, currency effects had only a marginal impact on the operating result during the year.

Financial expenses during the year amounted to SEK 101 M (147). The costs essentially consist of interest payments on loans and pension liabilities, which amounted to SEK 81 m (135).

Consolidated income before tax amounted to SEK 54 m (loss: 55).

Earnings after tax amounted to SEK 75 m (loss: 43).

\* Continuing operations, excluding restructuring costs, nonrecurring items and amortization of acquisition-related surplus value.

### **Taxes**

Tax income of SEK 60 m was recognized as a result of capitalized tax-losses carryforwards measured at the tax rate prevailing in the countries concerned. Tax-losses carryforwards have only been recognized insofar as they are expected to be utilized to offset future profits.

A tax expense of SEK 39 m pertaining to the capital gain on the divestment of Garphyttan Wire was also expensed. The tax was attributable to the capital gain on the US portion of Garphyttan Wire and will not give rise to any payment, because the tax can be offset against tax-loss carryforwards. In other countries in which Garphyttan conducted operations, the capital gain will not be taxed.

In total, tax income of SEK 21 m (12) was recognized.

### **The cost-reduction program**

*The cost-reduction program continues to generate savings*

During 2008, Haldex introduced a cost-reduction program. The program continues to generate savings. The decrease in the number of full-time employees currently corresponds to approximately 2,300 (from mid-2008 to December 2009), equal to 35% of the workforce. The program includes structural measures such as consolidation of CVS's European distribution operations, whereby inventories and logistics functions are being concentrated from four units in different countries to a joint warehouse, and the discontinuation of all manufacturing and distribution from the plant in Redditch, UK.

In 2009, the cost of the program was SEK 65 m, which was recognized in the first quarter 2009.

At present, annual savings correspond to approximately SEK 700 m for continuing operations, following the divestment of Garphyttan Wire.

### *Additional actions*

Decisions were taken concerning the implementation of additional structural measures. Manufacturing at two of the Hydraulics Division's units in the US will be concentrated into one plant. After manufacturing at the plant in Statesville, NC, has been transferred to the operations in Rockford, IL, the Statesville plant will be closed. The cost of this restructuring measure will amount to approximately SEK 13 m, which will be charged against the first quarter of 2010. Annual savings are estimated at SEK 23 m.

*Positive cash flow of SEK 847 m*

### **Cash flow**

Cash flow after net investments and the divestment of Garphyttan Wire amounted to SEK 847 m. Cash flow from operating activities in continuing operations amounted to SEK 254 m. The corresponding amount in 2008 was SEK 730 m, which means that the Group has generated cash flow of approximately SEK 1 billion from operating activities during the past two years.

### **Investments**

The Group's net investments declined to SEK 169 m (392), of which capitalized development costs accounted for SEK 49 m (60). Investments in discontinued operations amounted to SEK 6 m (21).

*Strong support from the shareholders for the new issue*

### **New share issue**

During the fourth quarter, a new share issue was implemented. Haldex's shareholders demonstrated strong support for the company, since the new issue, which was 100% subscribed for, had been 100% covered by subscription undertakings and guarantees from the major shareholders.

*The share issue strengthened the balance sheet and formed the foundation for future growth*

The new issue contributed SEK 504 m to Haldex, before deductions for issue expenses, which amounted to SEK 16 m.

The background to the new issue was the sharp downturn in demand that arose during the first half of 2008, due to the global economic and financial crisis. The situation had an adverse impact on all of Haldex's divisions. Due to the turbulent market situation, Haldex arrived at the conclusion that the company needed to strengthen its financial position by reducing its net indebtedness.

The main objective of the new issue was to strengthen the company's long-term financing structure and to create increased financial flexibility.

*Net indebtedness has been reduced to SEK 985 m*

## **Financial position**

The Group's net debt amounted to SEK 985 m (2,323). Cash and cash equivalents amounted to SEK 362 m (431). Net indebtedness also includes SEK 80 m in blocked accounts and a negative value of SEK 6 m (pos: 12) for derivative instruments pertaining to the company's loans in foreign currency. These items are classified as a receivable and a liability, respectively, in the financial statements.

During the year, a new share issue was implemented, which contributed approximately SEK 488 m to the company, after deductions for issue and guarantee expenses, and resulted in shareholders' equity rising by a corresponding amount. Shareholders' equity amounted to SEK 2,373 m (1,823), resulting in an equity ratio of 47% (29).

The Group has also concluded an agreement concerning a bond loan of SEK 650 m. The bond has a term of five years and is underwritten in part by the Swedish Export Credits Guarantee Board.

During the year, the Group repaid the loan raised in connection with the acquisition of Concentric, as well as a bond loan that matured in April. These loans amounted to GBP 65 m and SEK 250 m, respectively.

Following the issuance of the bond loan, which occurred after the close of the fiscal year, the Group's primary sources of loan financing comprise:

- Three bond loans totaling SEK 1,000 m, including one loan amounting to SEK 100 m that matures during 2010.
- A syndicated credit facility amounting to USD 225 m that matures in 2012, of which USD 138 M was unutilized at fiscal year-end.

Although the Group has secured long-term financing by changing the capital structure, the situation in the credit market has led to an increase in the Group's relative loan financing cost.

The Group's financial expenses mainly comprise interest payments for loans and pension liabilities, as well as exchange-rate gains and exchange-rate losses on loans in foreign currency, and commission pertaining to commitments of unutilized credit facilities.



## Earnings by division

### Commercial Vehicle Systems

<i>SEK m</i>	Jan – Dec		<i>Change</i>
	2009	2008	
Net sales	3 134	4 234	-26%
Operating income/loss <sup>1</sup>	-60	4	n.a.
Operating loss	-112	-92	n.a.
Operating margin, % <sup>1</sup>	-1.9	0	-1.9
Operating margin, %	-3.6	-2.2	-1.4
Return on capital employed, % <sup>2</sup>	-5.1	-3.9	-1.2

<sup>1</sup> Excluding restructuring costs.

<sup>2</sup> Rolling 12-month basis.

#### *Demand has stabilized*

At CVS, sales amounted to SEK 3,134 m (4,234). Adjusted for currency-exchange rates, sales were down 34%. The main reason was the volume decline experienced in the market during the first half of 2009. During the second six months, the market stabilized.

Fourth-quarter sales were on par with those in the third quarter.

In Europe, sales amounted to SEK 1,085 m (1,938), while North American sales amounted to SEK 1,673 m (1,852), compared with 2008. Adjusted for currency-exchange rates, sales were down 47% in Europe and 22% in North America.

An adjusted\* operating loss of SEK -60 m (income: 4) was reported.. The operating result was affected by considerably weaker demand.

During the final two quarters of the year, the division was essentially at break-even level.

\* Excluding restructuring costs .

## Hydraulic Systems

<i>SEK m</i>	<b>Jan – Dec</b>		<i>Change</i>
	<i>2009</i>	<i>2008</i>	
Net sales	1 406	2 095	-33%
Operating income/loss <sup>1</sup>	-47	146	n.a.
Operating income/loss	-91	105	n.a.
Operating margin, % <sup>1</sup>	-3.4	7.0	-10.4
Operating margin, %	-86.5	5.0	-11.5
Return on capital employed, % <sup>2</sup>	-5.0	8.2	-13.2
Return on capital employed, % <sup>2,3</sup>	-7.6	20.4	-28

<sup>1</sup> Excluding restructuring costs and amortization of acquisition-related surplus value.

<sup>2</sup> Rolling 12-month basis.

<sup>3</sup> Adjusted for acquisition-related surplus value.

Sales amounted to SEK 1,406 m (2,095). Adjusted for acquisitions and exchange rate fluctuations, sales were down 45%, compared with 2008.

### *Operating income reported in the fourth quarter*

The decline in market demand that began in the second half of 2008 continued through the second quarter of 2009 but stabilized during the third quarter. During the fourth quarter, a rise in demand was noted, which was primarily the result of pre buy effects pertaining to engines in North America. Adjusted for currency-exchange rates, fourth-quarter sales were 20% higher than in the third quarter.

An adjusted\* operating loss of SEK 47 m (income: 146) was reported. The adjusted operating result in the fourth quarter amounted to income of SEK 10 m, representing an improvement of SEK 24 m compared with the third quarter.

\*Excluding restructuring costs and amortization of acquisition-related surplus values.

## Traction Systems

<i>SEK m</i>	Jan – Dec		<i>Change</i>
	2009	2008	
Net sales	850	1 021	-17%
Operating income <sup>1</sup>	29	41	-35%
Operating income	26	38	-47%
Operating margin, % <sup>1</sup>	3.4	4.0	-0.6
Operating margin, %	3.1	3.7	-0.6
Return on capital employed, % <sup>2</sup>	12.7	16.9	-4.2

<sup>1</sup> Excluding restructuring costs.

<sup>2</sup> Rolling 12-month basis

### *Strong sales increase during the fourth quarter*

Sales amounted to SEK 850 m (1,021). Adjusted for currency-exchange rates sales were down 17%. Compared with the third quarter, a sharp rise in sales was noted during the fourth quarter, as a result of increased deliveries for several new vehicle models and significant demand from Volvo and Volkswagen.

During the fourth quarter, sales were up 31% on the third quarter.

### *Operating margin of 7% in the fourth quarter*

Adjusted\* operating income amounted to SEK 29 m (41), Operating income totaling SEK 17 m was generated in the fourth quarter, which means an operating margin of 7%.

During the year, VW selected Haldex as its supplier of AWD systems, which will be a feature of the customer's new modular platform as of 2012. The system, which is the fifth generation, will gradually replace the existing platform as of 2012, but will also be suitable for other platforms and vehicle models in Volkswagen's product program. The expanded platform concept will entail a doubling of current volumes when it has achieved its full effect. The total order is valued at about SEK 4.5 billion over about seven years. (Published in April).

The Swedish Energy Agency granted Traction Systems SEK 9.4 m for a project aimed at creating hybrid technology for AWD passenger cars using an electronic rear axle. The target is to manufacture vehicles with 20% to 30% lower fuel consumption and emissions compared with today's AWD vehicles. (Published in July)

\* Excluding restructuring costs.

## Garphyttan Wire

<i>SEK m</i>	Jan – Dec		<i>Change</i>
	2009*	2008	
Net sales	232	1 053	n.a.
Operating income/loss	-54	56	n.a.
Operating margin, %	-23.1	5.3	n.a.
Return on capital employed, % <sup>1</sup>	-	12.6	n.a.

<sup>1</sup> Rolling 12-month basis.

\* January–May 31, 2009.

Garphyttan Wire was sold on June 1, 2009.

Garphyttan Wire is treated as a discontinued operation; refer to page 16.

## Haldex fourth quarter

### Net sales per division

<i>SEK m</i>	Fourth quarter			
	2009	2008	Nominal	Currency adj.
Commercial Vehicle Systems	763	914	-17%	-13%
Hydraulic Systems	373	533	-30%	-27%
Traction Systems	249	234	6%	8%
<b>Continuing operations</b>	<b>1 385</b>	<b>1 681</b>	<b>-18%</b>	<b>-15%</b>
Garphyttan Wire	-	183	n.a.	n.a.
<b>Group</b>	<b>1 385</b>	<b>1 864</b>	<b>-26%</b>	<b>-23%</b>

Sales amounted to SEK 1,385 m (1,681). Adjusted for currency-exchange rates, sales were down 15% compared with the year-earlier period.

### *Positive operating result reported*

During the fourth quarter, a rise was noted compared with the third quarter in some markets, such as those for passenger cars, engines and trucks in North America.

Adjusted for currency-exchange rates, sales were up 11% compared with the third quarter.

An operating loss of SEK 8 m (loss: 209) was reported. During the fourth quarter, the operating result was charged with an impairment loss of SEK 25 m on a property.

Adjusted\* operating income amounted to SEK 24 m (loss: 45), corresponding to an operating margin of 1.8% (neg: 2.7).

During the fourth quarter, financial expenses amounted to SEK 25 m (53), of which SEK 17 m (39) pertained to interest expenses on loans and pension liabilities.

\*Continuing operations, excluding restructuring costs, nonrecurring items and amortization of acquisition-related surplus value.

## **Market**

Following a drop in demand in all markets during the first six months of 2009, there was stabilization in the third and fourth quarters, but at extremely low production levels. OEM production in North America for engines actually increased somewhat during the fourth quarter. However, the European market showed no signs of improvement. The aftermarket strengthened during the second half of the year, slightly more so in North America than in Europe. In Asia, production rose to a higher level toward year-end.

Information regarding trucks, trailers (except European trailers) and passenger cars is based on statistics from JD Power.

### *Heavy trucks*

**Global** production of heavy trucks declined 32% in 2009 compared with 2008.

In **North America**, the rate of production continued to increase from extremely low levels and was 43% lower than a year earlier. About 33,000 heavy trucks were produced in the fourth quarter, up 10% on the third quarter of 2009.

In **Europe**, heavy-truck production declined 66% in 2009 compared with 2008. Nearly 51,000 heavy trucks were produced in the fourth quarter, up 13% on the third quarter of 2009.

### *Trailers*

**Global** production of trailers declined about 45% in 2009 compared with 2008.

The production of trailers in **North America** declined 50% in 2009 compared with 2008. There were 22,000 fewer trailers produced in North America during the fourth quarter, corresponding to a decrease of 10% on the third quarter of 2009.

In Europe, production declined 67% in 2009 compared with 2008. Total production amounted to 22,000 during the fourth quarter, on par with the level of production in the third quarter of 2009.

### *Construction machinery*

In 2009, the production of construction machinery declined about 30% in **North America** and about 45% in **Europe** compared with 2008.

In the fourth quarter of 2009, production increased somewhat compared with the third quarter in both **North America** and **Europe**.

#### *Forklifts*

The rate of production in the **North American** market declined about 40% in 2009 compared with 2008. During the same period, the **European** market declined about 50%.

#### *Passenger cars*

**Global** production of passenger cars declined 13% in 2009 compared with 2008. Production declined about 32% in **North America** and 21% in **Europe**.

During the fourth quarter of 2009, production increased 17% in North America and remained at the same level as in the third quarter in **Europe**.

#### **Employees**

There were 3,782 (5,489) employees at the year-end.

#### **Significant risks and uncertainties**

Haldex's operating and financial risks are described in the 2009 Rights Issue Prospectus in the "Risks and risk management" section. Haldex is of the opinion that this description of risks remains correct.

Naturally, the risks and uncertainties that were in focus in 2009 were the effects of the serious turmoil that characterized financial markets and the uncertainty regarding the impact of the economic downturn on demand for Haldex products.

As described in the 2009 Rights Issue Prospectus, tests are conducted currently to determine whether the Group's goodwill and capitalized development costs require impairment. Due to the significant deterioration in market conditions, recognized values were subject to continuous testing during the year to ensure that they did not exceed their respective value-in-use calculations, meaning the present value of future cash flows that the assets are expected to generate.

The Group continuously assesses the future need for capital and potential financing sources.

### **Forward-looking information**

This report contains forward-looking information in the form of statements concerning the outlook for Haldex's operations. This information is based on the current expectations of Haldex's management, as well as estimates and forecasts. The actual future outcome could vary significantly compared with the information provided in this report, which is forward-looking, due to such considerations as changed conditions concerning the economy, market and competition.

### **Related party transactions**

No transactions have been carried out between Haldex and related parties that had a material impact on the company's financial position and results.

### **Acquisitions and divestments**

In the first quarter of 2009, the sales price allocation for Concentric was finalized.

Haldex's sale of Garphyttan Wire to Suzuki Metal was completed on June 1, 2009. The sales price on a cash and debt free basis was SEK 827 m, which decreased net debt by the same amount. The transaction resulted in a capital gain of SEK 411 m.

### **Dividend**

The Board of Director's policy for distributing unrestricted capital to the shareholders remains unchanged, whereby one-third of the annual after-tax profit over a business cycle is to be distributed to the shareholders through dividends and share buybacks, taking into account the Group's anticipated financial status.

For the 2009 fiscal year, the Board of Directors proposes that no dividend will be paid, in order to strengthen the company's financial position, considering the current market and the company's financial engagements.

## **Accounting policies**

This full year report is prepared in accordance with IAS 34 and recommendation RFR 1.1 of the Swedish Financial Reporting Board for the Group and, with regards to the Parent Company, in accordance with RFR 1.2.

### *New accounting policies in 2009*

Amendments to “IAS 1 Presentation of Financial Statements: A Revised Presentation” in which the presentation of the financial statements are changed in some aspects and new non-mandatory changes are proposed to the titles of financial statements. This revised IAS 1 standard has been applied for the Group as of January 1, 2009 with additional information regarding comprehensive income specified as a separate section in conjunction with the consolidated income statement and in the statement of changes in shareholders’ equity. This revision has been applied retroactively.

IFRS 8 “Operating Segments” requires that segment information be presented on the basis of a management approach. Haldex’s segment information is already presented on the same basis as for the internal reporting provided by the chief executive officer. Accordingly, there is no change in Haldex’s segments compared with the segments previously presented in accordance with IAS 14.

### *Discontinued operations*

On December 25, 2008, Haldex reached an agreement with Suzuki Metal Industry Co Ltd, a Japanese manufacturer of steel wire, to divest the Garphyttan Wire division.

Accordingly, Haldex’s year-end, first-quarter and half-year reports were prepared in accordance with the IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. The consolidated income statement separates Continued and Discontinued operations. In the consolidated balance sheet in the year-end and first-quarter report, assets and liabilities held for sale were broken out and reported on separate lines. The Garphyttan Wire division has now been sold.

It is not possible to compare the figures presented for the discontinued operations with the figures presented for the Garphyttan Wire division since the divisional figures include various Group allocations.

### *Other*

Because of rounding off, the figures do not always tally when added together.



## **Annual General Meeting**

The Annual General Meeting will be held on Thursday, April 15, 2010 at 4 p.m. at the Summit Conference Center, Grev Turegatan 60, Stockholm.

## **Future reporting dates**

Annual General Meeting	April 15, 2010 in Stockholm
Interim report January–March 2010	April 23, 2010
Interim report January–June 2010	July 16, 2010
Interim report January–September 2010	October 21, 2010
Full-year report January – December 2010	February 2011

Stockholm, February 12, 2010

Joakim Olsson  
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This report is unaudited.

## Consolidated income statement, Full year

<i>Amounts in SEK m</i>	2009			2008		
	Continuing operations	Discontinued operations	Haldex	Continuing operations	Discontinued operations	Haldex
<b>Net sales</b>	<b>5 390</b>	<b>232</b>	<b>5 622</b>	<b>7 350</b>	<b>1 053</b>	<b>8 403</b>
Cost of goods sold	-4 217	-235	-4 452	-5 785	-830	-6 615
<b>Gross income</b>	<b>1 173</b>	<b>-3</b>	<b>1 170</b>	<b>1 565</b>	<b>223</b>	<b>1 788</b>
	21.7%	-1.3%	20.8%	21.3%	21.2%	21.3%
Sales, administrative and product development costs	-1 297	-49	-1 346	-1 427	-156	-1 583
Other operating income and expenses	-80	-	-80	-97	-16	-113
Capital gain	-	411	411	-	-	-
<b>Operating income/loss<sup>1</sup></b>	<b>-204</b>	<b>359</b>	<b>155</b>	<b>41</b>	<b>51</b>	<b>92</b>
Financial income and expense	-98	-3	-101	-144	-3	-147
<b>Earnings/loss before tax</b>	<b>-302</b>	<b>356</b>	<b>54</b>	<b>-103</b>	<b>48</b>	<b>-55</b>
Taxes	45	-24	21	17	-5	12
<b>Net profit/loss</b>	<b>-257</b>	<b>332</b>	<b>75</b>	<b>-86</b>	<b>43</b>	<b>-43</b>
<i>of which minority interests</i>	-7	-	-7	1	-	1
Earnings per share before and after dilution, SEK	2.40	-	2.40	-1.25	-	-1.25
Average No. of shares (000)	34.020	-	34.020	33.652	-	33.652

## Consolidated income statement by type of cost, Full year

<i>Amounts in SEK m</i>	2009			2008		
	Continuing operations	Discontinued operations	Haldex	Continuing operations	Discontinued operations	Haldex
<b>Net sales</b>	<b>5 390</b>	<b>232</b>	<b>5 622</b>	<b>7 350</b>	<b>1 053</b>	<b>8 403</b>
Direct material costs	-2 904	-112	-3 016	-4 100	-474	-4 573
Personnel costs	-1 468	-92	-1 560	-1 801	-239	-2 040
Depreciation and amortization	-343	-	-343	-319	-41	-360
Other operating income and expenses	-879	-80	-959	-1 089	-248	-1 338
Capital gain	-	411	411	-	-	-
<b>Operating income/loss<sup>1</sup></b>	<b>-204</b>	<b>359</b>	<b>155</b>	<b>41</b>	<b>51</b>	<b>92</b>
Financial income and expense	-98	-3	-101	-144	-3	-147
<b>Earnings before tax</b>	<b>-302</b>	<b>356</b>	<b>54</b>	<b>-103</b>	<b>48</b>	<b>-55</b>
Taxes	45	-24	21	17	-5	12
<b>Net profit/loss</b>	<b>-257</b>	<b>332</b>	<b>75</b>	<b>-86</b>	<b>43</b>	<b>-43</b>
<i>of which minority interests</i>	-7	-	-7	1	-	1

<sup>1</sup> Including restructuring costs, capital gain, nonrecurring items and amortization of acquisition-related surplus value; see below.

<i>Amounts in SEK m</i>	2009			2008		
	Continuing operations	Discontinued operations	Haldex	Continuing operations	Discontinued operations	Haldex
Restructuring costs	-69	-	-69	-109	-17	-126
Amortization of acquisition-related surplus value	-31	-	-31	-31	-	-31
Impairment loss on property	-25	-	-25	-	-	-
Capital gain	-	411	411	-	-	-
<b>Operating income/loss excluding restructuring costs, amortization of acquisition-related surplus value and capital gain</b>	<b>-79</b>	<b>-52</b>	<b>-131</b>	<b>181</b>	<b>68</b>	<b>250</b>

## Consolidated income statement, Fourth quarter

<i>Amounts in SEK m</i>	2009			2008		
	Continuing operations	Discontinued operations	Haldex	Continuing operations	Discontinued operations	Haldex
<b>Net sales</b>	<b>1 385</b>	-	<b>1 385</b>	<b>1 681</b>	<b>183</b>	<b>1 864</b>
Cost of goods sold	-1 072	-	-1 072	-1 357	-184	-1 541
<b>Gross income</b>	<b>313</b>	-	<b>313</b>	<b>324</b>	<b>-1</b>	<b>323</b>
	22.6%	-	22.6%	19.3%	-	17.3%
Sales, administrative and product development costs	-304	-	-304	-377	-29	-406
Other operating income and expenses	-17	-	-17	-109	-17	-126
<b>Operating loss<sup>1</sup></b>	<b>-8</b>	-	<b>-8</b>	<b>-162</b>	<b>-47</b>	<b>-209</b>
Financial income and expense	-25	-	-25	-52	-1	-53
<b>Loss before tax</b>	<b>-33</b>	-	<b>-33</b>	<b>-214</b>	<b>-48</b>	<b>-262</b>
Taxes	3	-	3	61	17	78
<b>Net loss</b>	<b>-30</b>	-	<b>-30</b>	<b>-153</b>	<b>-31</b>	<b>-184</b>
<i>of which minority interests</i>	-2	-	-2	1	-	1
Earnings per share before and after dilution, SEK	-0.83	-	-0.83	-5.43	-	-5.43
Average No. of shares (000)	22.873	-	22.873	33.652	-	33.652

## Consolidated income statement by type of cost, Fourth quarter

<i>Amounts in SEK m</i>	2009			2008		
	Continuing operations	Discontinued operations	Haldex	Continuing operations	Discontinued operations	Haldex
<b>Net sales</b>	<b>1 385</b>	-	<b>1 385</b>	<b>1 681</b>	<b>183</b>	<b>1 864</b>
Direct material costs	-758	-	-758	-942	-92	-1 034
Personnel costs	-343	-	-343	-466	-54	-520
Depreciation and amortization	-100	-	-100	-85	-11	-96
Other operating income and expenses	-192	-	-192	-350	-73	-423
<b>Operating loss<sup>1</sup></b>	<b>-8</b>	-	<b>-8</b>	<b>-162</b>	<b>-47</b>	<b>-209</b>
Financial income and expense	-25	-	-25	-52	-1	-53
<b>Loss before tax</b>	<b>-33</b>	-	<b>-33</b>	<b>-214</b>	<b>-48</b>	<b>-262</b>
Taxes	3	-	3	61	17	78
<b>Net loss</b>	<b>-30</b>	-	<b>-30</b>	<b>-153</b>	<b>-31</b>	<b>-186</b>
<i>of which minority interests</i>	-2	-	-2	1	-	1

<sup>1</sup> Including restructuring costs, capital gain, nonrecurring items and amortization of acquisition-related surplus value; see below:

<i>Amounts in SEK m</i>	2009			2008		
	Continuing operations	Discontinued operations	Haldex	Continuing operations	Discontinued operations	Haldex
Restructuring costs	-	-	-	-109	-17	-126
Amortization of acquisition-related surplus value	-7	-	-7	-8	-	-8
Impairment loss on property	-25	-	-25	-	-	-
<b>Operating income/loss excluding restructuring costs, amortization of acquisition-related surplus value and capital gain</b>	<b>24</b>	-	<b>24</b>	<b>-45</b>	<b>-30</b>	<b>-75</b>

**Consolidated statement of comprehensive income**

<i>Amounts in SEK m</i>	<b>Full year 2009</b>	<b>Full year 2008</b>
<b>Net profit/loss</b>	<b>75</b>	<b>-43</b>
<b>Other comprehensive income/loss</b>		
Change in hedging reserve, net of taxes	68	-53
Hedging of net investments	16	-39
Translation difference	-76	182
Reversal of translation difference	-19	-
<i>Total other comprehensive income/loss</i>	<i>-11</i>	<i>90</i>
<b>Total comprehensive income</b>	<b>64</b>	<b>47</b>

## Consolidated balance sheet

<i>Amounts in SEK m</i>	<b>December 31 2009</b>	<b>December 31 2008</b>
Goodwill	954	967
Other intangible assets	761	794
Tangible fixed assets	1,099	1 315
Financial fixed assets	33	31
Derivative instruments	27	-
Deferred taxes	134	143
<b>Total fixed assets</b>	<b>3 008</b>	<b>3 250</b>
Inventories	660	940
Current receivables	978	1 048
Derivative instruments	31	45
Cash and cash equivalents	362	431
<b>Total current assets</b>	<b>2 031</b>	<b>2 464</b>
<b>Assets held for sale<sup>1)</sup></b>	<b>-</b>	<b>576</b>
<b>Total assets</b>	<b>5 039</b>	<b>6 290</b>
<b>Total shareholders' equity</b>	<b>2 373</b>	<b>1 823</b>
Pension and similar obligations	374	396
Deferred taxes	114	84
Long-term interest-bearing liabilities	847	1 097
Other long-term liabilities	37	30
<b>Total long-term liabilities</b>	<b>1,372</b>	<b>1 607</b>
Derivative instruments	27	99
Short-term loans	200	1 229
Current operating liabilities	1,067	1 237
<b>Total current liabilities</b>	<b>1 294</b>	<b>2 565</b>
<b>Liabilities held for sale<sup>2)</sup></b>	<b>-</b>	<b>295</b>
<b>Total liabilities and shareholders' equity</b>	<b>5 039</b>	<b>6 290</b>
<b><sup>1)</sup> Assets held for sale</b>		
Tangible fixed assets	-	325
Deferred taxes	-	4
Inventories	-	165
Current receivables	-	82
<i>Total assets held for sale</i>	-	576
<b><sup>2)</sup> Liabilities held for sale</b>		
Pension and similar obligations	-	44
Deferred taxes	-	60
Derivative instruments	-	10
Current operating liabilities	-	181
<i>Total liabilities held for sale</i>	-	295

## Consolidated changes in shareholders' equity

<i>Amounts in SEK m</i>	<b>December 31 2009</b>	<b>December 31 2008</b>
Opening balance	1,823	1 871
Change in minority share of shareholders' equity	-2	4
New share issue	488	
Dividend to Haldex AB's shareholders	-	-99
Total comprehensive income	64	47
<b>Closing balance</b>	<b>2 373</b>	<b>1 823</b>
<i>of which minority interests</i>	8	18

## Consolidated cash-flow statement

<i>Amounts in SEK m</i>	<b>Full year 2009</b>	<b>Full year 2008</b>
Operating loss <sup>1</sup>	155	92
Reversal of depreciation, amortization and impairment losses	343	392
Interest paid	-108	-143
Capital gain on sale of shares in subsidiaries	-411	1
Taxes paid	7	-61
<i>Cash flow from operating activities before changes in working capital</i>	<i>-14</i>	<i>281</i>
Change in working capital	203	576
<b><i>Cash flow from operating activities<sup>2</sup></i></b>	<b><i>189</i></b>	<b><i>857</i></b>
Net investments	-169	-392
Acquisitions	-	-554
Cash proceeds from sale of shares in subsidiaries	827	4
<b><i>Cash flow from investments<sup>3</sup></i></b>	<b><i>658</i></b>	<b><i>-942</i></b>
Dividend to Haldex AB's shareholders	-	-99
Change in loans	-1 411	409
New share issue	498	-
Change in long-term receivables	-2	15
<b><i>Cash flow from financing<sup>4</sup></i></b>	<b><i>-915</i></b>	<b><i>325</i></b>
Change in cash and bank assets, excl. exchange-rate difference	-68	240
Cash and bank assets, opening balance	431	182
Exchange-rate difference in cash and bank assets	-1	9
Cash and bank assets, closing balance	362	431

1 The operating result from the Haldex Group's continuing operations amounted to a loss of SEK 204 m (income: 41) and from discontinued operations to income of SEK 359 m (51).

2 Cash flow from operating activities conducted by the Haldex Group's continuing operations was SEK 254 m (730) and from discontinued operations a negative SEK 65 m (pos: 127).

3 Cash flow from investments conducted by the Haldex Group's continuing operations was SEK 661 m (neg: 922) and from discontinued operations a negative SEK 3 m (neg: 20).

4 Cash flow from financing activities conducted by the Haldex Group's continuing operations was a negative SEK 915 (pos: 325) and from discontinued operations SEK - m (-).

<b>Key figures</b>	<b>Full year 2009</b>	<b>Full year 2008</b>
Operating margin, % <sup>1</sup>	-2.3	3.0
Operating margin, %	2.8	1.1
Capital turnover rate	1.4	2.2
Return on capital employed, %	3.9	2.4
Return on shareholders' equity, %, %	4.2	-2.3
Interest coverage ratio	2.0	0.7
Equity ratio, %	47	29
Debt/equity ratio, %	42	128

<sup>1</sup> Excluding restructuring costs, capital gains, nonrecurring items and amortization of acquisition-related surplus value.

<b>Share data</b>	<b>Full year 2009</b>	<b>Full year 2008</b>
Loss after tax, SEK *	2.40	-1.25
Shareholders' equity, SEK*	54:13	54:16
Average No. of shares (000)**	34 020	33 652
Number of shares at year-end, thousands	43 840	21 920
Market price, SEK	44:50	26:70

\* Figures are adjusted for the bonus issue element of the Rights issue.

\*\* Average number of outstanding shares after adjustment for the bonus issue element of the Rights issue.

## Quarterly report, continuing operations

Amounts in SEK m	2009					2008	2008				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year	
Net sales	1 423	1 316	1 266	1 385	<b>5 390</b>	1 820	2 033	1 816	1 681	<b>7 350</b>	
Cost of goods sold	-1 134	-1 036	-975	-1 072	<b>-4 217</b>	-1 402	-1 596	-1 430	-1 357	<b>-5 785</b>	
Gross income	289	280	291	313	<b>1 173</b>	418	437	386	324	<b>1 565</b>	
	20.3%	21.3%	23.0%	22.6%	<b>21.7%</b>	23.0%	21.5%	21.3%	19.3%	<b>21.3%</b>	
Sales, administrative and prod. development costs	-348	-333	-312	-304	<b>-1 297</b>	-345	-368	-337	-377	<b>-1 427</b>	
Other operating income and expenses	-65	-1	3	-17	<b>-80</b>	8	-2	6	-109	<b>-97</b>	
Operating income/loss <sup>1</sup>	-124	-54	-18	-8	<b>-204</b>	81	67	55	-162	<b>41</b>	
Financial income and expense	-30	-26	-17	-25	<b>-98</b>	-18	-34	-40	-52	<b>-144</b>	
Earnings/loss before tax	-154	-80	-35	-33	<b>-302</b>	63	34	15	-214	<b>-103</b>	
Taxes	30	14	-2	3	<b>45</b>	-23	-13	-8	61	<b>17</b>	
Net profit/loss	-124	-66	-37	-30	<b>-257</b>	40	20	7	-153	<b>-86</b>	
of which minority interests	-3	-1	-1	-2	<b>-7</b>	1	0	0	1	<b>1</b>	

<sup>1</sup> Including restructuring costs, nonrecurring items and amortization of acquisition-related surplus value, see Operating income below.

## Operating income, continuing operations

Amounts in SEK m	2009					2008				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Restructuring costs, incl. nonrecurring items	-69	-	-	-	-69	-	-	-	-109	<b>-109</b>
Amortization of acquisition-related surplus value	-8	-8	-8	-7	-31	-	-15	-8	-8	<b>-31</b>
Impairment of properties				-25	-25					
<b>Operating income excluding restructuring costs and amortization of acquisition-related surplus value</b>	<b>-48</b>	<b>-46</b>	<b>-10</b>	<b>24</b>	<b>-79</b>	<b>81</b>	<b>82</b>	<b>63</b>	<b>-45</b>	<b>181</b>

## Quarterly key figures, continuing operations

Amounts in SEK m	2009					2008				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Earnings per share, SEK	-3.68	-1.96	-1.08	-0.83	<b>-7.56</b>	1.19	0.59	0.21	-4.55	<b>-2.56</b>
Operating margin, % <sup>1</sup>	-3.4	-3.5	-0.8	1.8	<b>-1.5</b>	4.5	4.0	3.5	-2.7	<b>2.5</b>
Operating margin, %	-8.7	-4.1	-1.4	-0.6	<b>-3.7</b>	4.5	3.3	3.0	-9.6	<b>0.6</b>
Cash flow after net investments	181	-333	17	157	<b>22</b>	164	79	61	-197	<b>107</b>
Return on capital employed, % <sup>2</sup>	-4.0	-6.9	-8.7	-4.8	<b>-4.8</b>	8.2	7.7	7.1	1.2	<b>1.2</b>
Equity ratio, %	28	37	36	47	<b>47</b>	36	28	29	29	<b>29</b>
Investments	41	40	34	54	<b>169</b>	73	96	95	117	<b>381</b>
R&D, %	4.8	5.0	4.8	4.9	<b>4.8</b>	4.8	4.2	4.0	4.8	<b>4.4</b>
Number of employees <sup>2</sup>	5 291	4 931	4 487	4 108	<b>4 108</b>	5 238	5 756	5 646	5 530	<b>5 530</b>

<sup>1</sup> Excluding restructuring costs, nonrecurring items and amortization of acquisition-related surplus value.

<sup>2</sup> Rolling 12-month basis.



## Quarterly report, incl. discontinued operations

Amounts in SEK m	2009					2008				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Net sales	1 562	1 409	1 266	1 385	<b>5 622</b>	2 131	2 342	2 066	1 864	<b>8 403</b>
Cost of goods sold	-1 277	-1 128	-975	-1 072	<b>-4 452</b>	-1 635	-1 815	-1 624	-1 541	<b>-6 615</b>
Gross income	285	281	291	313	<b>1 170</b>	496	527	442	323	<b>1 788</b>
	18.2%	19.9%	23.0%	22.6%	20.8%	23.3%	22.5%	21.4%	17.3%	21.3%
Sales, administrative and prod. development costs	-376	-354	-312	-304	<b>-1 346</b>	-392	-415	-370	-406	<b>-1 583</b>
Other operating income and expenses	-65	-1	3	-17	<b>-80</b>	8	-2	7	-126	<b>-113</b>
Capital gain	-	411	-	-	<b>411</b>	-	-	-	-	<b>-</b>
Operating income/loss <sup>1</sup>	-156	337	-18	-8	<b>155</b>	112	110	79	-209	<b>92</b>
Financial income and expense	-31	-28	-17	-25	<b>-101</b>	-19	-35	-40	-53	<b>-147</b>
Earnings/loss before tax	-187	309	-35	-33	<b>54</b>	93	76	39	-262	<b>-55</b>
Taxes	42	-22	-2	3	<b>21</b>	-30	-23	-13	78	<b>12</b>
Net profit/loss	-145	287	-37	-30	<b>75</b>	63	52	26	-184	<b>-43</b>
of which minority interests	-3	-1	-1	-2	<b>-7</b>	1	0	0	1	<b>1</b>

<sup>1</sup> Including restructuring costs, capital gain, nonrecurring items and amortization of acquisition-related surplus value; see Operating income below.

## Operating income, incl. discontinued operations

Amounts in SEK m	2009					2008				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Restructuring costs, incl. nonrecurring items	-69	-	-	-	<b>-69</b>	-	-	-	-126	<b>-126</b>
Amortization of acquisition-related surplus value	-8	-8	-8	-7	<b>-31</b>	-	-15	-8	-8	<b>-31</b>
Impairment loss on property	-	-	-	-25	<b>-25</b>	-	-	-	-	<b>-</b>
Capital gain	-	411	-	-	<b>411</b>	-	-	-	-	<b>-</b>
<b>Operating income/loss excluding restructuring costs, amortization of acquisition-related surplus value and capital gain</b>	<b>-80</b>	<b>-66</b>	<b>-10</b>	<b>24</b>	<b>-131</b>	<b>112</b>	<b>125</b>	<b>87</b>	<b>-75</b>	<b>250</b>

## Quarterly key figures, incl. discontinued operations

Amounts in SEK m	2009					2008				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Earnings per share, SEK	-4:22	8:58	-1:08	-0:83	<b>2:40</b>	1:86	1:53	0:79	-5:43	<b>-1:25</b>
Operating margin, % <sup>1</sup>	-5.1	-4.7	-0.8	1.8	<b>-2.3</b>	5.3	5.3	4.2	-4.0	<b>3.0</b>
Operating margin, %	-10.0	23.9	-1.4	-0.6	<b>2.8</b>	5.3	4.7	3.8	-11.2	<b>1.1</b>
Cash flow after net investments	181	-335	17	157	<b>20</b>	52	263	52	98	<b>465</b>
Return on capital employed, % <sup>2</sup>	-3.7	1.3	-0.8	3.9	<b>3.9</b>	8.9	8.9	8.9	2.4	<b>2.4</b>
Return on shareholders' equity, % <sup>2</sup>	-13.5	-0.5	-3.9	-4.2	<b>-4.2</b>	8.1	8.4	7.9	-2.3	<b>-2.3</b>
Equity ratio, %	28	37	37	47	<b>47</b>	36	28	29	29	<b>29</b>
Investments	44	43	34	54	<b>175</b>	79	100	98	125	<b>402</b>
R&D, %	4.6	4.7	4.7	4.9	<b>4.8</b>	4.3	3.8	3.6	4.5	<b>4.0</b>
Number of employees <sup>2</sup>	5 753	5 298	4 755	4 281	<b>4 281</b>	5 747	6 107	6 121	6 004	<b>6 004</b>

<sup>1</sup> Excluding restructuring costs, capital gains, nonrecurring items and amortization of acquisition-related surplus value.

<sup>2</sup> Rolling 12-month basis.

## Segment reporting

Amounts in SEK m	2009					2008				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
<i>Commercial Vehicle Systems</i>										
Net sales	831	779	761	763	<b>3 134</b>	1 165	1 146	1 009	914	<b>4 234</b>
Operating income/loss <sup>1</sup>	-30	-22	-5	-3	<b>-60</b>	43	31	5	-75	<b>4</b>
Operating income/loss	-83	-21	-5	-3	<b>-112</b>	43	31	5	-171	<b>-92</b>
Operating margin, % <sup>1</sup>	-3.6	-2.8	-0.7	-0.4	<b>-1.9</b>	3.7	2.7	0.5	-8.2	<b>0</b>
Operating margin, %	-10.0	-2.7	-0.7	-0.4	<b>-3.6</b>	3.7	2.7	0.5	-18.7	<b>-2.2</b>
Assets	2 606	2 416	2 270	2 285	<b>2 285</b>	2 754	2 635	2 685	2 546	<b>2 546</b>
Liabilities	627	568	521	527	<b>527</b>	724	717	703	641	<b>641</b>
Return on capital employed, % <sup>2</sup>	-9.6	-12.3	-12.9	-5.1	<b>-5.1</b>	4.7	4.0	2.8	-3.9	<b>-3.9</b>
Investments	25	27	20	31	<b>103</b>	38	78	46	70	<b>232</b>
Depreciation and amortization	39	35	34	35	<b>144</b>	40	39	38	43	<b>160</b>
Number of employees <sup>2</sup>	2 693	2 506	2 314	2 169	<b>2 169</b>	3 223	2 977	2 872	2 856	<b>2 856</b>
<i>Hydraulic Systems</i>										
Net sales	402	317	315	373	<b>1 406</b>	392	617	553	533	<b>2 095</b>
Operating income/loss <sup>1</sup>	-16	-28	-14	10	<b>-47</b>	26	51	42	27	<b>146</b>
Operating income/loss	-37	-35	-21	3	<b>-91</b>	26	36	34	9	<b>105</b>
Operating margin, % <sup>1</sup>	-4.0	-8.8	-4.3	2.7	<b>-3.4</b>	6.6	8.2	7.6	5.1	<b>7.0</b>
Operating margin, %	-9.1	-11.0	-6.8	-0.7	<b>-6.5</b>	6.6	5.8	6.1	1.7	<b>5.0</b>
Assets	2 043	1 961	1 770	1 768	<b>1 768</b>	746	2 083	2 171	2 028	<b>2 028</b>
Liabilities	549	488	448	485	<b>485</b>	258	617	650	628	<b>628</b>
Return on capital employed, % <sup>2</sup>	2.9	-1.5	-4.5	-5.0	<b>-5.0</b>	17.0	13.7	12.3	8.2	<b>8.2</b>
Investments	10	8	9	13	<b>40</b>	15	19	23	31	<b>88</b>
Depreciation and amortization	22	22	20	17	<b>81</b>	16	19	19	20	<b>74</b>
Number of employees <sup>2</sup>	2 265	2 101	1 860	1 635	<b>1 635</b>	1 679	2 455	2 445	2 335	<b>2 335</b>
<i>Traction Systems</i>										
Net sales	191	219	191	249	<b>850</b>	262	271	254	234	<b>1 021</b>
Operating income/loss <sup>1</sup>	0	3	8	17	<b>29</b>	15	9	15	2	<b>41</b>
Operating income/loss	-3	4	8	17	<b>26</b>	15	9	15	-1	<b>38</b>
Operating margin, % <sup>1</sup>	0	1.4	4.4	6.9	<b>3.4</b>	5.7	3.3	6.1	0.9	<b>4.0</b>
Operating margin, %	-2.0	1.8	4.4	6.9	<b>3.1</b>	5.7	3.3	6.1	-0.4	<b>3.7</b>
Assets	365	387	387	366	<b>366</b>	496	444	468	369	<b>369</b>
Liabilities	177	204	171	218	<b>218</b>	274	283	278	231	<b>231</b>
Return on capital employed, % <sup>2</sup>	9.5	7.0	3.8	12.7	<b>12.7</b>	22.7	22.9	24.3	16.9	<b>16.9</b>
Investments	6	6	5	9	<b>26</b>	20	17	8	15	<b>60</b>
Depreciation and amortization	16	16	15	15	<b>62</b>	12	13	13	14	<b>52</b>
Number of employees <sup>2</sup>	333	324	312	304	<b>304</b>	336	324	329	339	<b>339</b>
<i>Garphyttan Wire</i>										
Net sales	138	94	-	-	<b>232</b>	311	309	250	183	<b>1 053</b>
Operating income/loss <sup>1</sup>	-34	-20	-	-	<b>-54</b>	28	35	25	-29	<b>59</b>
Operating income/loss	-34	-20	-	-	<b>-54</b>	28	35	25	-32	<b>56</b>
Operating margin, % <sup>1</sup>	-24.3	-21.3	-	-	<b>-23.1</b>	9.1	11.2	10.0	-15.8	<b>5.6</b>
Operating margin, %	-24.3	-21.3	-	-	<b>-23.1</b>	9.1	11.2	10.0	-17.5	<b>5.3</b>
Assets	582	-	-	-	<b>-</b>	635	636	627	556	<b>556</b>
Liabilities	170	-	-	-	<b>-</b>	244	254	223	169	<b>169</b>
Return on capital employed, % <sup>2</sup>	-1.1	-	-	-	<b>-</b>	13.8	17.9	23.1	12.6	<b>12.6</b>
Investments	3	3	-	-	<b>6</b>	7	4	3	7	<b>21</b>
Depreciation and amortization	-	-	-	-	<b>-</b>	11	10	11	11	<b>43</b>
Number of employees <sup>2</sup>	462	367	268	<b>173</b>	<b>173</b>	510	477	476	474	<b>474</b>
<i>Not broken down by segment</i>										
Nonrecurring items	-	-	-	-	<b>-</b>	-	-	-	-14	<b>-14</b>
Capital gain	-	411	-	-	<b>411</b>	-	-	-	-	<b>-</b>
Financial income and expense	-31	-28	-17	-25	<b>-101</b>	-19	-35	-40	-53	<b>-147</b>
Taxes	42	-22	-2	3	<b>21</b>	-30	-23	-13	78	<b>12</b>
Assets	715	723	624	621	<b>621</b>	443	659	699	792	<b>792</b>
Liabilities	3 035	2 210	2 057	1 436	<b>1 436</b>	1 730	2 766	2 843	2 799	<b>2 799</b>

<sup>1</sup> Excluding restructuring costs, nonrecurring items and amortization of acquisition-related surplus value.

<sup>2</sup> Rolling 12-month basis.

### Parent Company income statement

<i>Amounts in SEK m</i>	Full year 2009	Full year 2008
<b>Net sales</b>	<b>32</b>	<b>49</b>
Administrative costs	-54	-83
<b>Operating loss</b>	<b>-22</b>	<b>-34</b>
Dividend from Group companies	87	373
Group contributions	65	35
Capital gain	276	
Other financial income and expense	-13	-109
<b>Earnings before tax</b>	<b>393</b>	<b>265</b>
Change in tax allocation reserve	112	57
Taxes	-39	10
<b>Net profit</b>	<b>465</b>	<b>332</b>

### Parent Company balance sheet

<i>Amounts in SEK m</i>	Dec 31 2009	Dec 31 2008
Tangible fixed assets	3	4
Financial fixed assets	2 647	2 404
<b>Total fixed assets</b>	<b>2 650</b>	<b>2 408</b>
Current receivables	116	50
Receivables from subsidiaries	1 473	1 876
Derivative instruments	70	147
Cash and cash equivalents	172	178
<b>Total current assets</b>	<b>1 831</b>	<b>2 251</b>
<b>Total assets</b>	<b>4 481</b>	<b>4 659</b>
<b>Restricted equity</b>	<b>676</b>	<b>566</b>
<b>Unrestricted equity</b>	<b>1 538</b>	<b>777</b>
<b>Untaxed reserves</b>	<b>19</b>	<b>131</b>
Pension and similar obligations	12	11
Other provisions	13	9
Long-term interest-bearing liabilities	831	1 070
Liabilities to subsidiaries	157	141
<b>Total long-term liabilities</b>	<b>1 013</b>	<b>1 231</b>
Current operating liabilities	54	30
Current interest-bearing liabilities	150	981
Liabilities to subsidiaries	954	794
Derivative instruments	78	149
<b>Total current liabilities</b>	<b>1 235</b>	<b>1 954</b>
<b>Total liabilities and shareholders' equity</b>	<b>4 481</b>	<b>4 659</b>