



A quarter with slightly weaker growth than the market

During Q2, the market continued to be positive and Haldex experienced strong growth in Europe. However, growth in North America was slightly weaker, and as a whole Haldex' growth is somewhat weaker than in the market. The sale of actuators, which was previously the primary cause behind the fall in sales, stabilized, and only a slight reduction was noted in Q2. A number of product areas experienced positive development, and the disc brake continued to show the most growth. Operating profit dropped slightly, largely due to lower sales in North America, where the operating margin is higher than in the other Haldex regions. The quarter continued to be burdened by the bidding process, which draws focus and resources away from the core operations.

- Net sales for Q2 totaled SEK 1,184 (1,147) m, which corresponds to a 3 percent increase compared with the same period of the previous year. After currency adjustments, net sales decreased by 2 percent. Net sales for the first six months of the year totaled SEK 2,332 (2,244) m, which is equivalent to a currency-adjusted decrease of 1 percent.
- Operating income excluding one-off items totaled SEK 78 (87) m for Q2 and SEK 159 (164) m for the first six months of the year, which corresponds to an operating margin of 6.6 (7.6) per cent for Q2 and 6.8 (7.3) per cent for the first six months of the year. The operating margin including one-off items totaled SEK 2.6 (7.6) percent for Q2 and SEK 2.9 (7.3) for the first six months of the year. One-off items for Q2 amounted to SEK 47 (0) m net and for the first six months of the year to SEK 91 (0) m net.
- Net income after tax for Q2 totaled SEK 10 (62) m and earnings per share for Q2 totaled SEK 0.22 (1.39). The corresponding figures for the first six months of the year are SEK 39 (110) m for net income before tax and SEK 0.86 (2.47) for earnings per share.
- Cash flow from operating activities totaled SEK 39 (61) m in Q2 and SEK 58 (103) m for the first six months of the year.
- A bidding process for Haldex was initiated on July 14, 2016, and is still ongoing. Knorr-Bremse's bid of SEK 125 per share is conditional and dependent on authorization from relevant competition authorities. On June 29, 2017, the board of directors announced withdrawn support for the bid from Knorr-Bremse due to the very low probability that it will be approved by the competition authorities.

Key figures	Apr-Jun			Jan-Jun		
	2017	2016	Change	2017	2016	Change
Net sales, SEK m	1,184	1,147	3%	2,332	2,244	4%
Operating income, excl. one-off items, SEK m	78	87	-10%	159	164	-4%
Operating income, SEK m	31	87	-64%	68	164	-59%
Operating margin, excl. one-off items, %	6.6	7.6	-1.0	6.8	7.3	-0.5
Operating margin, %	2.6	7.6	-5.0	2.9	7.3	-4.4
Return on capital employed, excl. one-off items, % ¹	12.2	17.3	-5.1	12.2	17.3	-5.1
Return on capital employed, % ¹	4.6	11.7	-7.1	4.6	11.7	-7.1
Net income, SEK m	10	62	-84%	39	110	-65%
Earnings per share, SEK	0.22	1.39	-84%	0.86	2.47	-65%
Cash flow, operating activities, SEK m	39	61	-22	58	103	-45

¹ Rolling twelve months

Haldex AB (publ) is required to publish the above information under the EU Market Abuse Regulation and the Swedish Financial Instruments Trading Act. The information was submitted for publication by the Haldex media contact stated in the release on Tuesday, July 18, 2017 at 7:20 CEST.

Haldex AB, Corporate Registration Number 556010-1155, info@haldex.com, www.haldex.com



Innovative Vehicle Solutions

CEO comment

The market has gradually improved during the first two quarters. During Q1 we performed better than the market in general, but we were not quite as successful in Q2. One exception is Europe, and we have been winning market shares in several products in this geographical region thanks to sales of disc brakes, which are continuing to rise. North America, which represents half of our sales, continues to be a challenge. The market in North America has improved, but Hallex has not been able to fully benefit from this upswing, primarily due to the uncertainty surrounding Hallex' situation.

Disc brake contract in USA

The disc brake was re-introduced in the USA at the beginning of last year, and we have been working intensively to secure new contracts. We are pleased to present a disc brake contract in the USA in Q2 where the fleet placed an order for a number of trailers with one of the large axle manufacturers and specified Hallex disc brakes in the vehicles. This customer is one of the customers who was previously affected by the quality problems with our actuator, and we have worked hard to regain their confidence. We are very pleased that they are now choosing Hallex for this emerging technology in the USA.

Trend reversal for actuators

This quarter is the first that we have been able to see a slow-down in the decline in actuators. It is very positive that we have successfully broken the trend that started when we had to the product recall at the end of 2014. We received positive feedback from our customers about how we handled the recall, but it takes a long time to regain trust after a quality defect. Since then we have re-designed the product in order to re-launch a new version. In order not to damage our reputation once more, we have applied incredibly rigid tests and requirements on the product's quality. Preparations are currently under way for the launch in Q3. Given that we to date have not had a replacement product, we have exceeded our expectations in terms of regaining the trust of our customers.

Uncertainty regarding ownership

The uncertainty created by the bidding situation is affecting our ability to sign long-term contracts. In the short-term, customers are not terminating signed contracts, but we are hurt during the negotiations of future contracts, i.e. the contracts that will create growth for Hallex in coming years. The long lead times in our industry result in negotiations with the large companies every 5-8 years. During this time, the customer does not normally switch suppliers. It is these long-term contracts that we have either lost or risk losing since the customer does not know who will own the company in the future. Due to dual sourcing, i.e. the practice of having more than one supplier for a single product to reduce risk, it is important for the customer not to end up in a situation where the same supplier is handling all contracts. It is therefore a safer option to place the order with a third company. We still have an opportunity to win a number of contracts where our creative solutions have kept us at the negotiating table, but with each month that passes the chances are shrinking and soon the window will be closed for a number of years in the future. An extension of the bidding process by only a few months therefore risks impairing Hallex' ability to grow over the next few years.

Focus on existing operations

The bidding process has been ongoing for a year, and Q2 2017 was very intensive in this respect. Knorr-Bremse began to seriously pursue the European process first in February, and during the spring we have



Åke Bengtsson, Acting President and CEO

invested several man-years in providing the authorities with information and helping Knorr-Bremse prepare various carve-out scenarios. We have met potential buyers for different product lines and allowed them to conduct due diligence of the different parts. The time plan presented by Knorr-Bremse set a target of having these plans approved during the summer. Going through such an extensive process creates a lot of uncertainty within the company, in addition to the time it takes from running the business. When the European authority announced in June that its criticism was more widespread than the scenarios we prepared together with Knorr-Bremse, Hallex' Board of Directors chose to withdraw its support for the bid, and I support them in this decision. There is no measured plan for gaining approval and the buyers that were presented were questionable in the opinion of the authorities.

It has been extremely challenging to focus on and perform the day-to-day activities while at the same time dedicating large parts of our day to preparing divestitures. I am proud that we did as well as we did during Q2. We surrendered some of our market shares, but we did so under incredibly challenging conditions. We have continued to invest in all strategic projects. Hallex' strong culture and loyal employees have played a large role in ensuring that we have not lost more employees than what we have so far, but the concern in the organization is noticeable. It will be difficult to successfully run the company much longer under the current conditions. At the same time, I am convinced that the long-term value of Hallex has been strengthened. Our position as a challenger on the market is highly valued by our customers, and the product portfolio that we are now continuing to develop could be a significant part of the technology shift facing the vehicle industry - for example within autonomous driving - where brake functionality naturally becomes a very important part of the solution.

Hallex in 2017

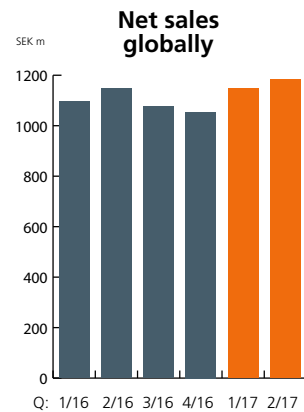
The impact of the bidding situation is difficult to assess. Even if there are positive signs on the market, we are choosing to keep our previous forecast for the full year. The assessment of 2017 is that the market could reach last year's level, but the uncertainty surrounding Hallex' situation makes it difficult for Hallex to show growth. Our ambition is to continue to ensure good profitability, but due to lower net sales and higher costs from the bidding process, the operating margin for 2017 is forecast to be slightly lower than in 2016.

Åke Bengtsson
Acting President and CEO

Net sales for the Group

Net sales for Q2 totaled SEK 1,184 (1,147) m, which corresponds to a 3 percent increase in absolute terms compared to the same period the previous year. After currency adjustments, net sales decreased by 2 percent. Net sales for the first six months of the year totaled SEK 2,332 (2,244) m, which corresponds to a currency-adjusted decrease of 1 percent.

Geographically, Europe posted the strongest growth in Q2, and in terms of products, the new generation of disc brakes represented the largest increase in net sales. The areas that reduced their net sales are primarily North America and the product areas ABS and air treatment.



Net sales per product line

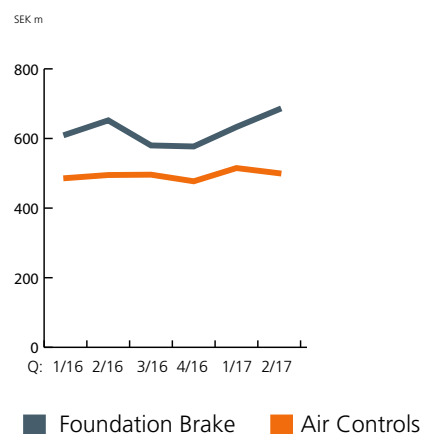
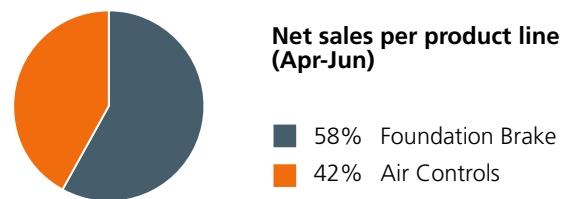
Net sales, SEK m	Apr-Jun 2017	Apr-Jun 2016	Change ¹	Jan-Jun 2017	Jan-Jun 2016	Change ¹
Foundation Brake	684	652	0%	1,317	1,263	0%
Air Controls	500	495	-5%	1,015	981	-2%
Total	1,184	1,147	-2%	2,332	2,244	-1%

¹ Currency adjusted

Haldex has two main product lines. Foundation Brake includes brake products for wheel ends such as disc brakes, brake adjusters for drum brakes and actuators. Air Controls comprises products to improve brake systems' safety and driving qualities, such as treatment and dehumidifying of compressed air, valves and ABS and EBS.

Net sales within Foundation Brake amounted to SEK 684 (652) m in Q2. After currency adjustments, there was no change compared to the same period the previous year. Net sales for the first six months of the year totaled SEK 1,317 (1,263) m. After currency adjustments, there was also no change compared to the same period the previous year. During Q2, sales of the new generation of disc brakes continued to increase, while sales of an older generation of disc brakes decreased. Sales of actuators decreased slightly, but much less than in previous quarters. Sales of brake adjusters were stable.

Net sales within Air Controls amounted to SEK 500 (495) m in Q2. After currency adjustments, this is a 5 percent decrease compared to the same period the previous year. Net sales for the first six months of the year totaled SEK 1,015 (981) m, which corresponds to a currency-adjusted decrease of 2 percent. Within Air Controls, the valves product area increased in Q2, while the ABS and air treatment product areas decreased. The previous decline in Reman stabilized and only a slight decrease was noted during the quarter.



Net sales per customer category

Net sales, SEK m	Apr-Jun 2017	Apr-Jun 2016	Change ¹	Jan-Jun 2017	Jan-Jun 2016	Change ¹
Truck (including buses)	273	278	-8%	518	537	-9%
Trailer	375	362	0%	756	706	4%
Aftermarket	536	507	0%	1,058	1,001	0%
Total	1,184	1,147	-2%	2,332	2,244	-1%

¹ Currency adjusted

Haldex operates on the market via three customer categories: Truck, Trailer and Aftermarket. Net sales within Truck amounted to SEK 273 (278) m in Q2. After currency adjustments, this corresponds to an 8 percent decrease compared to the same period the previous year. Net sales for the first six months of the year totaled SEK 518 (537) m, which corresponds to a currency-adjusted decrease of 9 percent. Truck sales mainly increased in North America and Europe during Q2, while decreasing in Asia.



Net sales per customer category (Apr-Jun)

- 23% Truck
- 32% Trailer
- 45% Aftermarket

Net sales within Trailer amounted to SEK 375 (362) m in Q2. After currency adjustments, there was no change compared to the same period the previous year. Net sales for the first six months of the year totaled SEK 756 (706) m, which corresponds to a currency-adjusted increase of 4 percent. The successes of the disc brake have resulted in higher sales in Europe. Trailer also increased in Asia, but decreased in North America.

Net sales within Aftermarket amounted to SEK 536 (507) m in Q2. After currency adjustments, there was no change compared to the same period the previous year. Net sales for the first six months of the year amounted to SEK 1,058 (1,001) m. After currency adjustments, there is also no change compared to the same period the previous year. Net sales in Aftermarket increased in Europe and South America, but decreased in North America and Asia in Q2.

Industry production trends

New heavy trucks and trailers is a good indicator for the market Haldex operates on. It is important to remember that Haldex is affected depending on how large the proportion of sales is in each category.

Produced units Industry forecast ¹	Apr-Jun 2017	Change ²	Full year 2017	Change ²	Importance for Haldex sales
Truck					Within Truck, Haldex's sales to North America are impacting total sales much more than other regions. Truck sales in Europe and Asia are in turn slightly higher and as a result more decisive than sales in South America.
North America	62,979	0%	236,000	4%	
Europe	118,149	4%	469,946	6%	
China	311,763	69%	864,728	17%	
India	38,732	-27%	175,751	-7%	
South America	10,845	1%	45,335	13%	
All regions	542,468	28%	1,791,760	9%	
Trailer					Within Trailer, sales in Europe is more significant than sales in North America. Other regions in Asia and South America have lower sales and, as a result, a lower impact on Haldex's total net sales.
North America	80,200	-1%	300,800	-3%	
Europe	81,795	3%	301,825	0%	
China	125,000	36%	452,500	14%	
India	5,200	-56%	31,534	-23%	
South America	8,700	0%	34,067	13%	
All regions	300,895	10%	1,120,726	4%	

¹ The production statistics comprise a forecast from external sources. Historical figures also pertain to estimated production and not to the actual industrial outcome. Unless otherwise stated, the information pertaining to trucks is based on statistics from JD Powers. Information pertaining to the trailer market in Europe is based on statistics from CLEAR, the information pertaining to trucks and trailers in North America is based on statistics from FTR and the trailer information from South America and Asia is based on local sources.

² Change compared with same period previous year in percentage.

Net sales per region

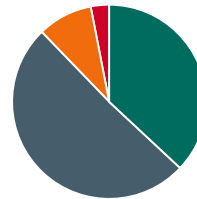
Net sales, SEK m	Apr-Jun			Jan-Jun		
	2017	2016	Change ¹	2017	2016	Change ¹
Europe	440	405	6%	883	808	7%
North America	604	586	-4%	1,177	1,155	-5%
Asia & Middle East	106	124	-17%	208	221	-8%
South America	34	32	-6%	64	60	-13%
Total	1,184	1,147	-2%	2,332	2,244	-1%

¹ Currency adjusted

In Europe, Haldex has higher Trailer sales than Truck sales. Aftermarket also accounts for a significant percentage of sales. In Europe, net sales amounted to SEK 440 (405) m in Q2. After currency adjustments, this corresponds to a 6 percent increase compared to the same period the previous year. Net sales for the first six months of the year totaled SEK 883 (808) m, which corresponds to a currency-adjusted increase of 7 percent. In Europe, most of the product areas posted stronger sales in Q2. The largest increase in this quarter continues to be from disc brake sales to Trailer customers.

In North America, the distribution between Truck and Trailer is more evenly distributed than in Europe. Aftermarket accounts for a significant percentage of sales here as well. In North America, net sales amounted to SEK 604 (586) m in Q2. After currency adjustments, this corresponds to a 4 percent decrease compared to the same period the previous year. Net sales for the first six months of the year totaled SEK 1,177 (1,155) m, which is equivalent to a currency-adjusted decrease of 5 percent. Sales of actuators continued to decrease in Q2, but much less than in previous quarters. ABS, which increased in previous quarters, decreased in Q2.

In Asia, with China and India as key markets, trucks without trailers are still the most common type of vehicle combination. This means that Haldex' sales are more focused on Truck than on Trailer. Aftermarket accounts for a smaller percentage of sales. In Asia and the Middle East, net sales amounted to SEK 106 (124) m in Q2. After currency adjustments, this corresponds to a 17 percent decrease compared to the same period the previous year. Net sales for the first



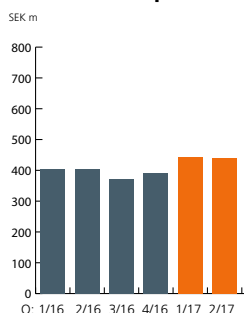
Net sales per region (Apr-Jun)

37%	Europe
51%	North America
9%	Asia & Middle East
3%	South America

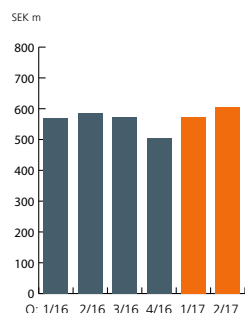
six months of the year totaled SEK 208 (221) m, which corresponds to a currency-adjusted decrease of 8 percent. Net sales in both the Indian and Chinese operations decreased in Q2. Sales of actuators increased while an older generation of disc brakes decreased.

In South America, sales for Truck are more significant than sales for Trailer and the aftermarket. Net sales in Q2 totaled SEK 34 (32) m, which, after currency adjustments, corresponds to a currency-adjusted decrease of 6 percent. Net sales for the first six months of the year totaled SEK 64 (60) m, which corresponds to a currency-adjusted decrease of 13 percent. In Brazil, which is the most important market in South America, the market continues to be weak. Aftermarket sales, on the other hand, were resistant to the decline in both Q1 and Q2 and increased slightly.

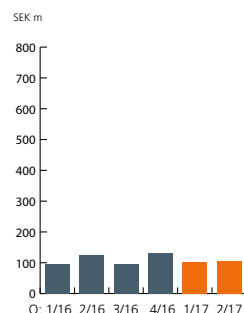
Net sales Europe



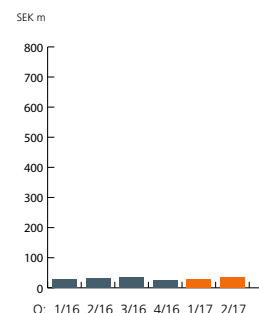
Net sales North America



Net sales Asia & Middle East



Net sales South America



Earnings

Operating income for Q2 excluding one-off items amounted to SEK 78 (87) m, which corresponds to an operating margin of 6.6 (7.6) percent. The corresponding figures for the first six months of the year are operating income of SEK 159 (164) m excluding one-off items and an operating margin of 6.8 (7.3) percent. Volume changes, primarily in North America, are the leading cause behind the decrease in operating income.

Operating income and the operating margin including one-off items in Q2 amounted to SEK 31 (87) m and 2.6 (7.6) percent, respectively. Operating profit for the first six months of the year totaled SEK 68 (164) m and the operating margin was 2.9 (7.3) percent. Operating profit including one-off items was affected by legal expenses associated with the ongoing acquisition process as well as the warranty provisions due to more generous warranty commitments. The aim here is to strengthen goodwill with customers and maintain good customer relationships. The underlying cost structure and the general cost control continued to be good.

Income before tax totaled SEK 14 (90) m for Q2 and SEK 58 (162) m for the first six months of the year. Income after tax totaled SEK 10 (62) m for Q2 and SEK 39 (110) m for the first six months of the year. This corresponded to earnings per share of SEK 0.22 (1.39) for Q2 and SEK 0.86 (2.47) for the first six months of the year.

Currency fluctuations, including gains/losses from currency hedging and currency translation effects, had a positive impact on the Group's operating income excluding one-off items of SEK 10 (-11) m in Q2. There is also a negative currency effect in net financial items in Q2 of SEK -8 (8) m.

One-off items

One-off items have incurred in second half of 2016 and continued in 2017, partly because of uncertainty about Haldex' future owner situation to be able to win new business, maintain good customer relationships and support the review of the competitive situation:

- Haldex takes on a higher share of the risk in development projects, instead of the traditional split of risk between Haldex and the customer. This is a result of customers rating the probability of non-fulfillment of the contracts as too high.
- Increased warranty provisions due to more generous customer obligations.
- Costs to retain and motivate staff. Recruitment of new staff has

become increasingly difficult.

- Significantly higher legal costs for the on-going review of the competitive situation related to the public offer. Legal costs are expected to increase since the US Antitrust authorities has announced that they will initiate a so-called second request of its competitive review.

Costs related to the acquisition process

In Q2, costs related to the acquisition process totaled SEK 12 m, which includes external costs for legal services and internal costs to retain employees.

Customer obligations and product warranty

As of Q3 2016, costs have incurred for customer obligations in a program to replace an older product model with a new one with improved performance. There are currently three extended programs in effect, including the product recall of the actuators from 2014. The provision for the product recall has been reassessed and reduced by SEK 12 m during the quarter, while the remaining provisions were reassessed from SEK 36 m at the end of the year to SEK 74 m in Q2. In total, SEK 35 m has impacted earnings in Q2.

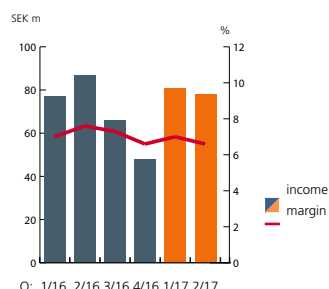
Restructuring activities

In 2017, smaller one-off items are expected to impact earnings related to moving production capacity from Sweden to Hungary. However, no expenses were incurred in Q2.

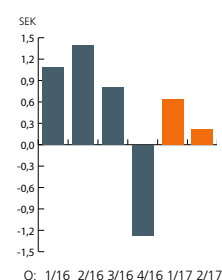
The above costs totaled SEK 47 m net in Q2, of which SEK 35 m was related to warranty and customer obligations and SEK 12 m was related to the bidding process.

In 2017, legal expenses are expected to continue to be high while other one-off costs are expected to decrease.

Operating income & margin
(excl. one-off items)



Earnings per share



Earnings	Apr-Jun			Jan-Jun		
	2017	2016	Change	2017	2016	Change
Operating income, excl. one-off items, SEK m	78	87	-10%	159	164	-4%
Operating income, SEK m	31	87	-64%	68	164	-59%
Operating margin, excl. one-off items, %	6.6	7.6	-1.0	6.8	7.3	-0.5
Operating margin, %	2.6	7.6	-5.0	2.9	7.3	-4.4
Net income, SEK m	10	62	-84%	39	110	-65%
Earnings per share, SEK	0.22	1.39	-84%	0.86	2.47	-65%

Financial position

As at June 30, the Group's net debt was SEK 512 (504) m, a net debt increase of SEK 22 m in comparison to the start of the year. In Q2, net debt decreased by SEK 29 m. Financial items amounted to SEK -17 (3) m in Q2, including net interest income and expenses of SEK -6 (-5) m. Equity amounted to SEK 1,339 (1,340) m, resulting in an equity/assets ratio of 42 (46) percent.

Haldex' primary sources of loan financing comprise:

- A bond loan of SEK 270 m maturing in January 2020.
- A syndicated credit facility in the amount of EUR 90 m, maturing in April 2021. EUR 0 m of this facility had been used at the end of the quarter.

Pledged assets and contingent liabilities

There were no changes to the Group's pledged assets or contingent liabilities in Q2.

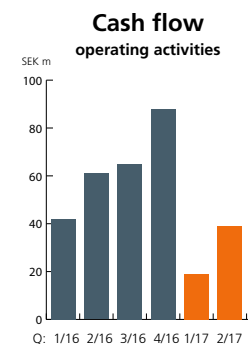
Net debt, SEK m	Jun 30 2017	Jun 30 2016	Change
<i>Assets as part of the net debt:</i>			
Cash and cash equivalents	261	256	2%
<i>Liabilities as part of the net debt:</i>			
Interest-bearing liabilities including derivative instruments	-313	-317	-1%
Pension liabilities ¹	-460	-443	4%
Net debt in total	-512	-504	2%
Net of interest during the year	-6	-10	-40%

¹ The change of pension liabilities are primarily related to variations in actuarial assumptions (changes in market interest rates).

Cash flow

Cash flow from operating activities totaled SEK 39 (61) m in Q2 and SEK 58 (103) m for the first six months of the year. Cash flow from operating activities in Q2 was negatively affected by increased inventories. Cash flow in Q2 was impacted negatively in the amount of SEK 43 (9) m by one-off payments.

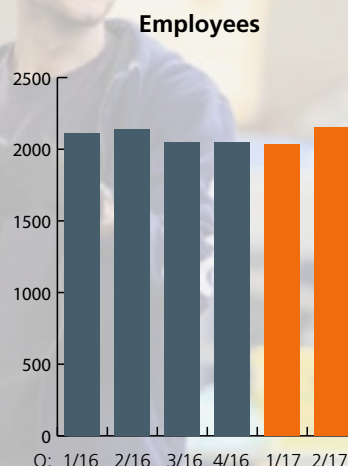
Investments totaled SEK -69 (-44) m in Q2 and cash flow after investments amounted to SEK -30 (17) m. The total cash flow was SEK -3 (-29) m in Q2 and SEK -24 (-51) m for the first six months of the year.



Cash flow and cash equivalents, SEK m	Apr-Jun			Jan-Jun		
	2017	2016	Change	2017	2016	Change
Cash flow, operating activities	39	61	-22	58	103	-45
Cash flow after investment activities	-30	17	-47	-58	12	-70
Cash and cash equivalents (at end of period)	261	256	5	261	256	5

Employees

At the end of Q2, there were 2,150 (2,140) employees, which is 117 less than at the end of Q1 and 105 more than at the end of 2016. During the quarter, the staff primarily increased in Hungary and Mexico.



Parent Company

Haldex AB (publ), CIN 556010-1155, is a registered limited liability corporation with its registered office in Landskrona, Sweden. Haldex AB's shares are listed on the Nasdaq Stockholm, Mid Cap. The Parent Company performs corporate office functions, including the corporate finance function. Net sales for the Parent Company in Q2 amounted to SEK 29 (21) m, while net income after tax was SEK -47 (20) m. Net income includes dividends from Group companies amounting to SEK 0 (0) m.

Annual General Meeting

Haldex held its Annual General Meeting (AGM) on May 4, 2017, at Hotell Öresund in Landskrona, Sweden.

- The AGM resolved to re-elect Board members Göran Carlson, Magnus Johansson and Annika Sten Pärson and elect Ulf Ahlén, Jörgen Durban and Johan Gileus as new Board members.
- Jörgen Durban was elected the new Chairman of the Board.
- The AGM elected Öhrlings PricewaterhouseCoopers AB as auditor. Auditor-in-charge is Bror Frid.
- The AGM resolved to adopt the proposed remuneration to the Board members and the guidelines for remuneration to senior executives.

The acquisition process and the Extraordinary General Meeting

A bidding process for Haldex was initiated on July 14, 2016 and is still ongoing. Three companies submitted three different bids. At the time of publication of this interim report, the bid from Knorr-Bremse for SEK 125 per share was left. Knorr-Bremse's bid is conditional and dependent on authorization from relevant competition authorities; these investigations are currently ongoing. When and if approval is obtained, the bidding process can be completed.

On June 29, Haldex announced that the Board of Directors no longer supports the bid from Knorr-Bremse due to the very low probability that it will receive approval from the competition authorities.

On June 30, Knorr-Bremse requests that an extraordinary general meeting be convened in order to force the Board to cooperate. An Extraordinary General Meeting is announced for August 17, 2017 at 11:00 a.m. at Mannheimer Swartling Advokatbyrå, Norrlandsgatan 21, Stockholm, Sweden. The notice and information about registration to attend is available at <http://corporate.haldex.com>.

See page 19 for a chronological overview of each event during the bidding process.

Miscellaneous

Significant risks and uncertainties

Haldex is exposed to risks of a financial and operational nature. The Group has a process for risk identification and risk management that is described in Haldex' annual report and corporate governance report for 2016 on pages 30-33 and 71-79. As described in the annual report, the consolidated financial statements present certain judgments and assumptions about the future that are based on both historical experience and future expectations. Goodwill, development projects, taxes and pensions are the areas representing considerable risk of future adjustments to recognized values. Guarantee reserves and customer obligations have been identified during the year as the areas where the uncertainty for future adjustments to estimated values is the highest.

Forward-looking information

This report includes forward-looking information with statements concerning the future outlook for Haldex' operations. This information is based on the current expectations, estimates and forecasts of Haldex' management. Actual future outcomes may vary significantly from the forward-looking information presented in this report. This may be due to changes in assumptions concerning economic factors, markets and competition.

Seasonal effects

Haldex does not have any significant seasonal variations. Sales are however affected by the production schedules of Haldex' customers, which result in lower sales during vacation periods and when customers are closed for public holidays, such as for New Year.

Transactions with related parties

There have been no transactions with a significant impact on the Group's financial position and results of operations between Haldex and related parties.

Acquisitions and disposals

There were no acquisitions or disposals in 2017.

Accounting policies

This interim report is presented in accordance with IAS 34 Interim Financial Reporting. The interim information on pages 1-20 form an integral part of this financial report. The consolidated financial statements are presented in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. The Parent Company's report is presented in accordance with the Swedish Financial Reporting Board's recommendation RFR 2 "Financial Reporting for Legal Entities" and the Swedish Annual Accounts Act (Årsredovisningslagen). The accounting policies are thus unchanged from those presented in the 2015 Annual Report on pages 39-43.

Changed estimates and judgements

Actuarial assumptions for the measurement of the Group's pension liability are assessed on an ongoing basis, which resulted in a net increase in the pension liability of SEK 34 (89) m in 2017. The change in the pension liability is primarily related to lower discount rates than before in countries where the Group has large pension provisions. The risk assessment regarding compensation related to warranties and expanded customer commitments was changed in Q2, resulting in a larger provision of SEK 26 m net and as at June 30, 2017, was SEK 87 m.

Outlook for 2017

The official production forecasts provide insight into how the market is expected to perform. However, Haldex does not have an even distribution of revenues between the different categories of Truck and Trailer and does not necessarily share the view of the future espoused by the forecasters. Therefore, Haldex will provide its own overall view of how the company sees each market performing.

North America is showing signs of a recovery.

Europe is judged to be stable with a slight increase in order intake in 2017.

China has a strong market in 2017, but we have difficulty defending our market share.

India is expected to report a shrinking market in 2017 in the parts that are relevant for Haldex.

Brazil is showing some signs of recovery from very low levels.

Haldex' full-year forecast remains unchanged. The assessment of 2017 is that the market could reach last year's level, but the uncertainty surrounding Haldex' situation makes difficult for Haldex to show growth. Our ambition is to continue to ensure good profitability, but due to lower net sales and higher costs from the bidding process, the operating margin for 2017 is forecast to be slightly lower than in 2016.

Landskrona, July 18, 2017

Board of Directors

This report has not been audited by the company's auditors.

The Board of Directors' assurance

The Board of Directors and the President assure that this six-month interim report provides a true and fair overview of the parent company's and the Group's operations, their financial position and performance, and describes material risks and uncertainties facing the parent company and other companies in the Group.

Landskrona July 18, 2017

Haldex AB (publ)

Jörgen Durban
Chairman of the Board

Göran Carlson
Board member

Magnus Johansson
Board member

Fredrik Hudson
Employee representative

Ulf Ahlén
Board member

Johan Gileus
Board member

Annika Sten Pärson
Board member

Per Holmqvist
Employee representative

Åke Bengtsson
Acting President & CEO

Consolidated income statement

SEK m	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Net sales	1,184	1,147	2,332	2,244	4,374
Cost of goods sold	-853	-824	-1,677	-1,613	-3,155
Gross income	331	323	655	631	1,219
<i>Gross margin</i>	28.0%	28.2%	28.1%	28.1%	27.9%
Selling, admin. and product development costs	-257	-241	-508	-477	-950
Other operating income and expenses ¹	-43	5	-79	10	-65
Operating income ¹	31	87	68	164	204
Financial income and expenses	-17	3	-10	-2	-39
Income before tax	14	90	58	162	165
Tax	-4	-28	-19	-52	-74
Net income	10	62	39	110	91
<i>attributable to non-controlling interests</i>	1	1	2	1	2.7
Earnings per share, before and after dilution, SEK	0.22	1.39	0.86	2.47	2.00
Average No. of shares, thousands	44,204	44,204	44,204	44,204	44,204

Operating income, by nature of expenses

SEK m	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Net sales	1,184	1,147	2,332	2,244	4,374
Direct material costs	-637	-624	-1,256	-1,213	-2,370
Personnel costs	-260	-233	-501	-460	-894
Depreciation and amortization	-34	-34	-67	-68	-136
Other operating income and expenses	-222	-169	-440	-339	-770
Operating income ¹	31	87	68	164	204

1) One-off items included in the operating income

SEK m	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Operating income, including one-off items	31	87	68	164	204
Restructuring costs	-	-	-1	-	-
Product related warranty	-35	-	-54	-	-59
Costs related to the bidding process	-12	-	-36	-	-15
Other	-	-	-	-	-13
Operating income, excluding one-off items	78	87	159	164	291

Consolidated statement of comprehensive income

SEK m	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Net income	10	62	39	110	91
Other comprehensive income/loss					
<i>Items not to be reclassified to the income statement:</i>					
Remeasurement of pension obligation, after tax	-8	-45	-24	-79	-62
Total	-8	-45	-24	-79	-62
<i>Items that may be reclassified subsequently to the income statement:</i>					
Currency translation differences	-42	21	-48	-2	26
Changes in financial instruments at fair value, after tax	-6	2	-2	-7	1
Total	-48	23	-50	-9	27
Total other comprehensive income/loss	-56	-22	-74	-88	-35
Total comprehensive income	-46	40	-35	22	56
<i>attributable to non-controlling interests</i>	1	1	2	1	1

Consolidated statement of financial position

SEK m	Jun 30 2017	Jun 30 2016	Dec 31 2016
Goodwill	403	409	422
Other intangible assets	110	74	90
Tangible assets	548	495	557
Financial assets	49	49	71
Deferred tax assets	164	151	166
Total non-current assets	1,274	1,178	1,306
Inventories	552	577	524
Current receivables	1,028	885	909
Derivative instruments	40	26	21
Cash and cash equivalents	261	256	297
Total current assets	1,881	1,744	1,751
Total assets	3,155	2,922	3,057
Equity	1,339	1,340	1,374
Pension and similar obligations	460	443	422
Deferred tax liabilities	22	13	30
Non-current interest-bearing liabilities	270	270	270
Other non-current liabilities	45	35	35
Total non-current liabilities	797	761	757
Derivative instruments	36	36	32
Current interest-bearing liabilities	48	34	79
Current liabilities	935	751	815
Total current liabilities	1,019	821	926
Total equity and liabilities	3,155	2,922	3,057

Statement of changes in equity

SEK m	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Opening balance	1,374	1,407	1,407
Net income	39	110	91
Other comprehensive income/loss	-74	-88	-35
Total comprehensive income	-35	22	56
Transactions with shareholders:			
Dividend to Haldex' shareholders	-	-88	-88
Dividend to non-controlling interests	-	-1	-1
Value of employee services/incentive programs	-	0	0
Total transactions with shareholders	-	-89	-89
Closing balance	1,339	1,340	1,374
<i>attributable to non-controlling interests</i>	24	19	23

Consolidated statement of cash flow

SEK m	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Operating income	31	87	68	164	204
Reversal of non-cash items	60	34	93	68	172
Interest paid	-3	-5	-9	-11	-40
Tax paid	-3	-14	-18	-20	-62
Cash flow from operating activities before change in working capital	85	102	134	201	274
Change in working capital	-46	-41	-76	-98	-18
Cash flow from operating activities	39	61	58	103	256
Investments	-69	-44	-116	-91	-222
Cash flow from investment activities	-69	-44	-116	-91	-222
Dividend to Haldex' shareholders	-	-88	-	-88	-88
Dividend to non-controlling interests	-	-1	-	-1	-1
Change of interest-bearing liabilities	27	43	34	26	37
Cash flow from financing activities	27	-46	34	-63	-52
Net cash flow	-3	-29	-24	-51	-18
Cash and cash equivalents, opening balance	279	277	297	304	304
Currency translation diff. in cash and cash equivalents	-15	8	-12	3	11
Cash and cash equivalents, closing balance	261	256	261	256	297

Key figures

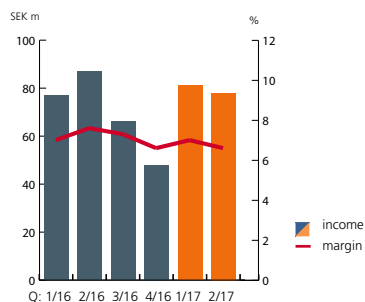
	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Operating margin, excl. one-off items, %	6.8	7.3	6.6
Operating margin, %	2.9	7.3	4.7
Cash flow, operating activities, SEK m	58	103	256
Cash flow after investment activities, SEK m	-58	12	34
Return on capital employed, excl. one-off items, % ¹	12.2	17.3	13.8
Return on capital employed, % ¹	4.6	11.7	9.7
Investments, SEK m	116	91	222
R&D, %	3.9	3.6	3.5
Number of employees	2,150	2,140	2,045
Return on shareholders' equity, % ²	10.1	16.2	13.1
Interest coverage ratio	10.0	13.9	6.5
Equity ratio, %	42	46	45
Net debt/equity ratio, %	38	38	36
Share data:			
Earnings per share, before dilution, SEK	0.86	2.47	2.00
Earnings per share, after dilution, SEK	0.86	2.47	2.00
Equity per share, SEK	29.83	29.94	30.63
Cash flow, operating activities, SEK	1.31	2.33	5.80
Share price, SEK	106.00	80.25	116.50
Average No. of shares (excl treasury shares), thousands	44,204	44,204	44,204
Total No. of shares at end of period, thousands	44,216	44,216	44,216
<i>of which is treasury shares, thousands</i>	<i>102</i>	<i>102</i>	<i>102</i>

¹ Rolling twelve months

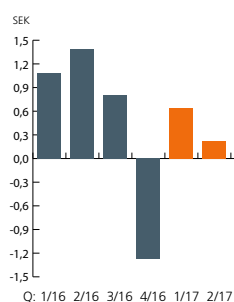
² Twelve months

Operating income & margin

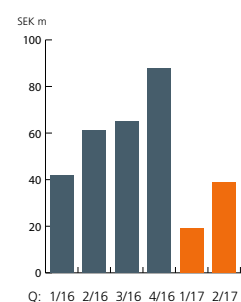
(excl. one-off items)



Earnings per share



Cash flow operating activities



Parent company's income statement

SEK m	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Net sales	29	21	63	46	91
Administrative costs	-65	-17	-87	-32	-84
Operating income	-36	4	-24	14	7
Dividend from Group companies	-	-	-	-	3
Financial income and expenses	-9	21	-7	33	-66
Income after financial items	-45	25	-31	47	-56
Group contribution	-	-	-	-	-84
Income before tax	-45	25	-31	47	-140
Tax	-2	-5	-2	-11	1
Net income	-47	20	-33	36	-139

Parent company's statement of comprehensive income

SEK m	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Net income	-47	20	-33	36	-139
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-47	20	-33	36	-139

Parent company's statement of financial position

SEK m	Jun 30 2017	Jun 30 2016	Dec 31 2016
Non-current assets	2,796	2,886	2,887
Current assets	427	648	421
Total assets	3,223	3,534	3,308
Shareholders' equity	1,199	1,408	1,232
Provisions	53	48	54
Interest-bearing liabilities, external	270	302	270
Other liabilities	1,701	1,776	1,752
Total equity and liabilities	3,223	3,534	3,308

Financial instruments by category - Group

SEK m	Jun 30, 2017		Jun 30, 2016		Dec 31, 2016	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Forward exchange contracts - cash flow hedges	1	3	9	6	5	3
Forward exchange contracts- at fair value through profit or loss	1	3	1	4	3	3
Currency swaps - at fair value through profit or loss	38	30	16	26	13	26
Financial assets available for sale	-	-	14	-	20	-
Total	40	36	40	36	41	32

Financial instruments categorized as financial assets available for sale are recognized at fair value in the statement of financial position according to Tier 1 in the fair value hierarchy, i.e. to a price quoted in an active market. Other financial instruments are recognized at fair value in the statement of financial position according to Tier 2 in the fair value hierarchy, meaning that the fair value is determinable, directly or indirectly, from observable market data. No transit has taken place between the different Tier levels during the year. Haldex multicurrency revolving credit facility and bond loan are subject to a variable interest term of 1-6 months, thus the fair values correspond to the carrying amounts. In regard of other financial assets and liabilities such as accounts receivables, other current receivables, cash and cash equivalents and debt to suppliers, the fair values are considered to correspond to the carrying amounts.

Quarterly data

SEK m, if not otherwise stated	2017		2016				2015		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Income statement:									
Net sales	1,184	1,148	1,054	1,076	1,147	1,097	1,052	1,189	1,290
Cost of good sold	-853	-824	-774	-768	-824	-789	-772	-835	-912
Gross income	331	324	280	308	323	308	280	354	378
Selling, admin. and product development costs	-257	-251	-253	-217	-241	-236	-216	-243	-245
Other operating income and expenses	-43	-36	-52	-23	5	5	5	-103	1
Operating income	31	37	-25	68	87	77	69	8	134
<i>Operating income, excl. one-off items</i>	<i>78</i>	<i>81</i>	<i>48</i>	<i>80</i>	<i>87</i>	<i>77</i>	<i>76</i>	<i>116</i>	<i>137</i>
Financial income and expenses	-17	7	-27	-12	3	-5	-7	-28	-6
Income before tax	14	44	-52	56	90	72	62	-20	128
Tax	-4	-15	-4	-19	-28	-24	-14	-2	-42
Net income/loss	10	29	-56	37	62	48	48	-22	86
Statement of financial position:									
Non-current assets	1,274	1,291	1,306	1,195	1,178	1,162	1,177	1,145	1,183
Current assets	1,881	1,813	1,751	1,709	1,744	1,723	1,678	1,807	1,836
Total assets	3,155	3,104	3,057	2,904	2,922	2,885	2,855	2,952	3,019
Equity	1,339	1,386	1,374	1,374	1,340	1,389	1,407	1,325	1,368
Non-current liabilities	797	774	757	786	761	717	692	737	721
Current liabilities	1019	944	926	744	821	779	756	890	930
Total equity and liabilities	3,155	3,104	3,057	2,904	2,922	2,885	2,855	2,952	3,019
Statement of cash flow:									
Cash flow from operating activities before change in working capital	59	49	-29	66	102	99	57	26	132
Cash flow from operating activities	39	19	88	65	61	42	111	133	-26
Cash flow from investment activities	-69	-47	-81	-50	-44	-47	-52	-47	-43
Cash flow from financing activities	27	7	11	0	-46	-17	-29	-8	-135
Net cash flow	-3	-21	18	15	-29	-22	30	78	-204
Key figures:									
Operating margin, excl. one-off items, %	6.6	7.0	4.6	7.4	7.6	7.0	7.3	9.7	10.6
Operating margin, %	2.6	3.2	-2.4	6.3	7.6	7.0	6.6	0.7	10.4
Earnings per share, before and after dilution, SEK	0.22	0.64	-1.27	0.82	1.39	1.08	1.08	-0.50	1.92
Equity per share, SEK	29.83	30.85	30.63	31.08	29.94	31.07	31.46	29.58	30.52
Cash flow, operating activities, per share, SEK	0.88	0.43	1.99	1.47	1.38	0.95	2.52	3.01	-0.59
Share price, SEK	106.00	119.25	116.50	120.00	80.25	71.50	79.50	88.00	109.50
Return on capital employed excl. one-off items, % ¹	12.2	13.8	13.8	14.6	17.3	19.6	21.7	23.3	23.4
Return on capital employed, % ¹	4.6	7.7	9.7	14.1	11.7	13.9	15.9	14.3	14.8
Return on equity, %	0.7	2.1	-4.7	2.7	4.5	3.5	3.6	-1.7	6.7
Equity ratio, %	42	45	45	47	46	48	49	45	45
Net debt/equity ratio, %	38	39	36	37	38	27	24	33	36
Investments	69	47	81	50	44	47	52	47	43
R&D, %	3.9	4.0	3.6	3.4	3.6	3.5	3.9	3.5	3.5
Number of employees	2,150	2,033	2,045	2,051	2,140	2,114	2,140	2,215	2,257

¹ Rolling twelve months

5 year in summary

SEK m, if not otherwise stated	2016	2015	2014	2013	2012
Income statement:					
Net sales	4,374	4,777	4,380	3,920	3,933
Cost of good sold	-3,155	-3,418	-3,142	-2,827	-2,904
Gross income	1,219	1,359	1,238	1,093	1,029
Selling, admin. and product development costs	-950	-942	-857	-839	-836
Other operating income and expenses	-65	-92	-148	-101	-43
Operating income	204	325	233	153	150
<i>Operating income, excl. one-off items</i>	291	444	408	281	210
Financial income and expenses	-39	-54	-28	-43	-36
Income before tax	165	271	205	110	114
Tax	-74	-80	-98	-72	-60
Net income	91	191	107	38	54
Statement of financial position:					
Non-current assets	1,306	1,177	1,148	1,047	1,186
Current assets	1,751	1,678	1,788	1,439	1,414
Total assets	3,057	2,855	2,936	2,486	2,600
Equity	1,374	1,407	1,278	1,152	1,129
Non-current liabilities	757	692	718	728	967
Current liabilities	926	756	940	606	504
Total equity and liabilities	3,057	2,855	2,936	2,486	2,600
Statement of cash flow:					
Cash flow from operating activities before change in working capital	238	349	356	249	243
Cash flow from operating activities	256	220	435	282	238
Cash flow from investment activities	-222	-174	-151	-71	-118
Cash flow from financing activities	-52	-179	-216	-230	-164
Net cash flow	-18	-133	68	-19	-44
Key figures:					
Operating margin, excl. one-off items, %	6.6	9.3	9.3	7.2	5.3
Operating margin, %	4.7	6.8	5.3	3.9	3.8
Earnings per share, before and after dilution, SEK	2.00	4.28	2.32	0.80	1.12
Equity per share, SEK	30.63	31.46	28.48	26.06	25.53
Cash flow, operating activities, per share, SEK	5.8	4.99	9.84	6.38	5.38
Dividend, SEK	0.00	2.00	3.00	2.00	1.00
Share price, SEK	116.50	79.50	101.75	60.00	33.50
Return on capital employed excl. one-off items, % ²	13.8	21.7	21.4	14.6	9.8
Return on capital employed, % ²	9.7	15.9	12.2	7.8	7.0
Return on equity, %	6.5	14.1	8.7	3.1	3.4
Equity ratio, %	45	49	44	46	43
Net debt/equity ratio, %	36	24	21	33	51
Investments	222	174	147	94	118
R&D, %	3.5	3.6	3.4	3.5	3.4
Number of employees	2,045	2,140	2,235	2,135	2,200

¹ Remaining business ² Rolling twelve months ³ Proposed dividend

Haldex in short

Haldex develops, manufactures and distributes products for brake and suspension systems for commercial vehicles. Our customers include manufacturers of heavy trucks, buses and trailers, and axle manufacturers for these types of vehicles as well as workshops serving the aftermarket. Other applications as agriculture and special vehicles are also served. The product portfolio comprises all of the main components and sub-systems included in a complete brake or suspension system. Haldex has a global presence in terms of sales, research, development, technical service and production. Manufacturing takes place in Sweden, Germany, Hungary, China, India, Brazil, Mexico and the USA.

Haldex is listed on the Nasdaq Stockholm Mid Cap list. The main owners are ZF (20%), and Knorr-Bremse (15%).

Vision

A world of safer vehicles.

Mission

We develop and provide reliable and innovative brake solutions that improve safety, vehicle dynamics and environmental sustainability in the global, commercial vehicle industry.

Business model

Our business model is based on strong sales to the OEMs that then serves as a volume

engine; an increased installed base of Haldex products on trucks, busses and trailers results in a great potential for aftermarket sales of service and spare parts.

Strategy

Haldex will offer a world-class, focused product range for OEM customers. Products within the portfolio should have market leading potential with features standing out among the competition. For the aftermarket, the product offering, service level, pricing and channel distribution will be adapted over the vehicles lifecycle, with the ambition to offer support during the vehicle's main lifetime. Products within the Foundation Brake product family will continue to serve as the base complemented with selected product investments in the Air Controls product family.

Financial targets

- Organically grow faster than the market (weighted segment volume).
- Sustainable operating margin of 10% or above.
- Net debt/equity ratio less than 1.
- 1/3 of the yearly net income over a business cycle in dividend.

Value drivers

- Number of heavy vehicles being produced.
- Development of a competitive product offering.

Financial definitions and glossary

FINANCIAL DEFINITIONS

Following the European Securities and Markets Authority's new guidelines for alternative key figures, the list of financial definitions have been expanded. The purpose of the added terms is to create an enhanced understanding and promote the usefulness of the financial information and provide the reader with a more nuanced and deeper picture of the business. No new key figures has been added in the period relative to the previous quarter. If the base for the calculations of alternative key figures are not stated in the report, please refer to the appendix for additional information.

Return on equity¹: The proportion of net income for the year attributable to owners of the parent Company as a percentage of the proportion of average equity attributable to owners of the parent Company.

Return on capital employed¹: Operating income plus interest income as a percentage of average capital employed.

Gross margin: Gross profit i.e net sales minus cost of goods sold, divided by net sales.

Equity per share¹: Total equity attributable to the owners of the parent Company, divided by the average No of shares.

One-off items¹: Income statement items, which are of non-recurring nature in normal operations. One-off items may for example include restructuring costs, impairment and product related warranties related to a specific customer obligations. The purpose of specifying this is to demonstrate the underlying business performance. For numerical data, see page 10 and the appendix.

R&D, %¹: Research and development cost excluding depreciations divided by net sales.

Cash flow per share: Cash flow from operating activities divided by the average number of shares.

Net debt¹: Cash and cash equivalents plus interest-bearing receivables minus interest-bearing liabilities and provisions. For numerical data, see page 7 and the appendix.

Net debt/equity ratio¹: Interest-bearing liabilities and provisions minus cash and cash equivalents and interest-bearing receivables divided by equity including non-controlling interests.

Earnings per share¹: Proportion of net income for the year attributable to the owners of the parent Company divided by weighted average number of shares.

Net of interest¹: The economical difference in absolute terms between the reported interest income for financial assets and interest expense on interest-bearing liabilities and provisions.

Interest coverage ratio¹: Operating income excluding one-off items plus interest income divided by interest expenses.

Operating margin: Operating income as a percentage of net sales for the year.

Operating income:¹ Operating income before financial items and tax. For numerical data, see page 10 and the appendix.

Operating income excluding one-off items: Operating income before financial items and tax, adjusted for one-off items. For numerical data, see page 10.

Equity ratio: Equity including non-controlling interests as a percentage of total assets.

Capital employed¹: Total assets less non-interest bearing liabilities and non-interest bearing provisions.

Currency adjusted information¹: Financial figures converted to the same exchange rate as in the comparative period. The aim is to show how the business has developed without the impact of currency fluctuations.

GLOSSARY

Air Controls: Haldex's product line for products to improve brake systems' safety and driving qualities, such as treatment and dehumidifying of compressed air, valves and ABS & EBS.

Aftermarket: Spare parts sold to, and training and services provided to the workshops that repair and service vehicles.

Foundation Brake: Haldex's product line for brake products for wheel ends such as disc brakes, brake adjusters for drum brakes and brake cylinders.

OEM: Original equipment manufacturer.

Truck: Heavy trucks and busses.

Trailer: Trailers attached to a semi-tractor (truck).

¹ Additional financial information is presented in an appendix.

Haldex' product range

The Foundation Brake product line includes brake products for wheel ends such as disc brakes, brake adjusters and actuators. Air Controls comprises products to improve brake systems' safety and driving qualities, such as treatment of compressed air, valves and ABS and EBS.

A selection of our products in each product group:

FOUNDATION BRAKE



BRAKE ADJUSTERS are the central part of a drum brake and automatically control the distance between the brake lining and the brake drum.



DISC BRAKES have higher braking performance. As opposed to brake adjusters, which are a part of a drum brake, Haldex manufactures complete air disc brakes.



ACTUATORS and brake chambers are available for both drum brakes and disc brakes. Haldex offers several versions both with and without parking brakes.

AIR CONTROLS



EBS controls the braking system electronically. The system ensures that the brake power is always optimal for all brakes on a trailer including stability control.



The **SEPERATOR** Consep separates dirt, water and oil before compressed air is passed on to the air dryer, which reduces the need for maintenance in the air system.



PARKING BRAKE CONTROL for trailers ensures that the trailer can be manoeuvred and safely parked.



RAISING AND LOWERING of vehicles with the help of the vehicles suspension system. A simple handle allows the driver to raise or lower the vehicle to the correct height at the loading bay.



AIR DRYERS are a key part of the braking system. Clean and dry air is correctly distributed to the vehicles air sub systems.



The **LIFT AXLE CONTROL** ensures that the lift axle of a trailer is automatically raised and lowered to adapt to the load situation.

HALDEX PUBLIC OFFER PROCESS:**The bidding fight for Haldex in chronological order****2016****JULY 14**

SAF-HOLLAND announces a bid of SEK 94.42 per share. The Board of Directors of Haldex communicates that the board is unsolicited.

AUGUST 4

ZF announces a bid of SEK 100 per share. The Board of Directors of Haldex recommends ZF's bid on the same date and chooses not to recommend SAF-HOLLAND's bid.

AUGUST 11

SAF-HOLLAND announces it will not raise its bid.

AUGUST 19

The acceptance period for ZF's bid begins and lasts until October 3 after an extension of a couple days.

AUGUST 25

SAF-HOLLAND withdraws its bid.

SEPTEMBER 5

Knorr-Bremse announces a bid of SEK 110 per share.

SEPTEMBER 14

ZF raises its bid to SEK 110 per share. The Board of Directors of Haldex recommends ZF's bid and chooses not to recommend Knorr-Bremse's bid. ZF also announces that it has received full antitrust clearance for their offer.

SEPTEMBER 16

Knorr-Bremse raises its bid to SEK 125 per share and ZF raises its bid to SEK 120 per share.

SEPTEMBER 19

The Board of Directors of Haldex recommends ZF's bid again and chooses not to recommend Knorr-Bremse's bid.

SEPTEMBER 26

The Swedish Shareholders' Association announces that it prefers ZF's bid over Knorr-Bremse's bid. The acceptance period for Knorr-Bremse's bid begins, lasting until December 5.

OCTOBER 5

ZF announces that the company only reached an acceptance rate of around 30% from shareholders and therefore withdraws its bid. Knorr-Bremse's bid is thus the only valid bid remaining on the market.

NOVEMBER 8

Haldex board of directors announce that they recommend the offer if and when Knorr-Bremse receives clearance from relevant competition authorities. The board underlines that the process could be drawn-out.

NOVEMBER 28

The Swedish Shareholders' Association recommends Knorr-Bremse's offer.

NOVEMBER 30

ZF announce that their intention is to accept Knorr-Bremse's bid.

DECEMBER 5

The acceptance period for Knorr-Bremse's bid expires.

DECEMBER 7

Knorr-Bremse announce that 86.1% of the shareholders accepted the bid. The acceptance period is extended until February 28.

DECEMBER 14

A second request for information from the US anti-trust authorities is received.

DECEMBER 20

Haldex announces increased extra ordinary costs related to the competitive investigations and to remain good customer relations.

2017**FEBRUARY 9**

Knorr-Bremse extends the acceptance period until June 16.

APRIL 25

The Swedish Securities Council grant the extension of the acceptance period until September 26.

JUNE 28

Knorr-Bremse announces that the Competition Authority in the EU is likely to initiate a Phase II of the investigation and, if so, they will apply at the Swedish Securities Council for an extension of the acceptance period until 9 February 2018.

JUNE 29

Haldex withdraws its support for Knorr-Bremse's bid based on feedback from the European Competition Authority, as the likelihood of the bid being approved, despite remedies, is very low. The feedback from the EU is, at the same day, announced in a press release.

JUNE 30

Knorr-Bremse announces that they continue the process without Haldex' support and that they request an extraordinary general meeting to force the board to cooperate.

JULY 7

Haldex is strengthened in its conclusion that the likelihood of the bid being approved is still very low after feedback from the US Competition Authority, which is also announced in a press release.

JULY 11

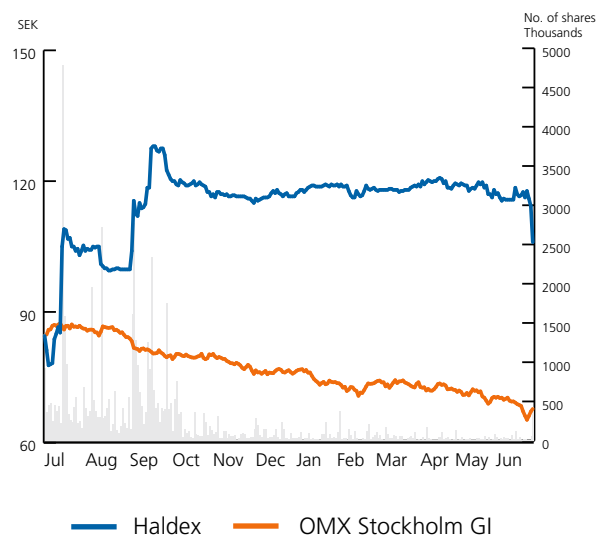
Haldex convenes an extraordinary general meeting on 17 August at the request of Knorr-Bremse.

This document is essentially a translation of Swedish language original thereof. In the event of any discrepancies between this translation and the original Swedish document the latter shall be deemed correct.

Haldex share

Jan-Mar

Change in share price	-11 %
Share price (Jun 30)	106.00 SEK
Market capital (Jun 30)	4,687 MSEK
Highest share price	120.75 SEK
Lowest share price	106.00 SEK
Average No. of traded shares/day	38,842
Total No. of shares (Jun 30)	44 215 970



Press and analyst meeting

Media and analysts are invited to a telephone conference at which the report will be presented with comments by Åke Bengtsson, Acting President and CEO. The presentation will also be webcasted live and you can participate with questions by telephone.

Date & Time: Tuesday, July 18 at 11.00 CET

The press conference is broadcasted at:
<https://tv.streamfabriken.com/haldex-q2-2017>

To join the telephone conference:

SE: +46 8 566 426 92
UK: +44 203 00 898 09
US: +1 855 831 59 46

The webcast will also be available afterwards and you can download the Interim report and the presentation from Haldex website:
<http://www.haldex.com/financialreports>

Financial calendar 2017

Extraordinary general meeting	17 August
Interim report, Jul-Sep	25 October

Contacts

Catharina Paulcén, SVP Corporate Communications
Phone: +46 418 47 61 57
E-mail: catharina.paulcen@haldex.com

Åke Bengtsson, Acting President & CEO
Phone: +46 418 47 60 00



A WORLD OF
SAFER VEHICLES

Haldex