



## **PRESS RELEASE**

Landskrona, Sweden, October 8, 2019

# **Haldex streamlines the manufacturing of brake adjusters**

## **Move of production from US to Mexico**

Haldex will continue to streamline the production of brake adjusters by moving the production from the United States to Mexico. The process began in 2018 when machining of brake adjusters in the US was moved to India. In a final step, the assembly is now being moved from the plant in Blue Springs (Missouri), USA to Mexico. Brake adjusters are Haldex's largest product and they will from now on be manufactured in China, India, Hungary, Brazil and Mexico.

By co-locating the production of brake adjusters with the production in Mexico, Haldex's largest production facility globally, and thereby producing more products in one facility, economies of scale are achieved. The manufacturing cost in Mexico is also significantly lower than the cost in USA. The cost saving is estimated at SEK 25 million on an annual basis, once the move is fully completed. A total of 154 employees are affected, of which a few will be offered new positions within Haldex's US operations. The move will start immediately and will be completed during the fourth quarter of 2020.

During the fourth quarter of 2019, earnings will be impacted with SEK 27 million as one-off costs related to the change in production.

Haldex has the financial target of reaching ten percent operating margin in 2022, excluding investments in new technology. During the second quarter Haldex announced closure of two of its US based Friction centers, resulting in SEK 6,5 million in annual savings and SEK 5 million in one-off costs.

For more information, visit [haldex.com](http://haldex.com) or contact:

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## **About Haldex**

*With more than 100 years of intensely focused innovation, Haldex holds unrivalled expertise in brake systems and air suspension systems for heavy trucks, trailers and buses. We live and breathe our business delivering robust, technically superior solutions born from deep insight into our customers' reality. By concentrating on our core competencies and following our strengths and passions, we combine both the operating speed and flexibility required by the market. Collaborative innovation is not only the essence of our products – it is also our philosophy. Our 2,300 employees, spread on four continents, are constantly challenging the conventional and strive to ensure that the products we deliver create unique value for our customers and all end-users. We are listed on the Nasdaq Stockholm Stock Exchange and have net sales of approximately 5 billion SEK.*