Earnings conference call
Q1 2015

Bo Annvik, CEO / Andreas Ekberg, CFO
27 April 2015
Agenda

- Business Highlights
- Market Update
- Sales
- Financials
- Restructuring
- Outlook
Business Highlights
Q1 2015

- Sales growth of 2% (currency adjusted) with net sales reaching SEK 1,246 (1,041) million.
- Operating margin of 9.3 (8.1) %, excluding one-off items.
- Operating income, excluding one-off items, increased to SEK 115 (84) million.
- The net income after tax totaled SEK 79 (48) m and the earnings per share SEK 1.78 (1.03).
Business Highlights
Q1 2015

- Continued success for the new generation of disc brakes.
- Delayed maintenance affecting aftermarket.
- Field inspection progressing according to plan.
- Successful move of first production line from Germany to Hungary.
- Opening of the R&D center in MIRA, UK.
Market update
North America official build rates increased by 19% in Q1. The North American market is expected to increase by 9% in 2015.

Europe official build rates increased by 3% in Q1. The European market is expected to grow with 3% in 2015.

Source: 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.
Build rates - Trailer

North America official build rates indicating a increase of 25% in Q1. The North American market is expected to increase with 8% in 2015.

European build rates are 2% higher in Q1. The European market is expected to grow with 2% in 2015.

Source: 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.
Sales
Sales, Haldex Group

Currency adjusted growth of 2% in Q1.

<table>
<thead>
<tr>
<th></th>
<th>Q1/15</th>
<th>Q1/14</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, SEK million</td>
<td>1,246</td>
<td>1,041</td>
<td>4,380</td>
<td>3,920</td>
</tr>
<tr>
<td>Growth, currency adjusted</td>
<td>2%</td>
<td>9%</td>
<td>8%</td>
<td>3%</td>
</tr>
</tbody>
</table>
Sales per region

**Europe**: disc brake sales of our newest models to Trailer customers have increased.

**North America**: impacted negatively by lower sales to military vehicles, field inspection campaign and severe weather delaying seasonal vehicle service programs.

**Asia**: the Indian market has begun to recover, with sales growth as a result, while the Chinese market was weak in Q1.

**South America**: in Brazil, truck manufacturers have cut down on production significantly.

<table>
<thead>
<tr>
<th>Region</th>
<th>Q1/15</th>
<th>Q1/14</th>
<th>change$^1$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>427</td>
<td>400</td>
<td>3%</td>
</tr>
<tr>
<td>North America</td>
<td>673</td>
<td>511</td>
<td>3%</td>
</tr>
<tr>
<td>Asia &amp; Middle East</td>
<td>102</td>
<td>79</td>
<td>5%</td>
</tr>
<tr>
<td>South America</td>
<td>44</td>
<td>51</td>
<td>-20%</td>
</tr>
</tbody>
</table>

$^1$ currency adjusted
Sales per product line

**Foundation Brake:** Disc brake sales increased substantially in Q1. However, also both brake adjusters and actuators increased vs. Q1 2014.

**Air Controls:** ABS sales in Asia and South America were weak in Q1. In North America, the long winter resulted in the postponement of the seasonal service period. This impacted sales in Reman, which accounts for a significant share of total sales in Air Controls.

<table>
<thead>
<tr>
<th>SEK million</th>
<th>Q1/15</th>
<th>Q1/14</th>
<th>change¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation Brake</td>
<td>710</td>
<td>563</td>
<td>7%</td>
</tr>
<tr>
<td>Air Controls</td>
<td>536</td>
<td>478</td>
<td>-4%</td>
</tr>
</tbody>
</table>

¹ currency adjusted
Sales per customer category

**Truck**: sales have mainly decreased in South America and China. In North America sales to military vehicles are also significantly down.

**Trailer**: the success of the disc brake is the main reason for the increase in net sales.

**Aftermarket**: spring vehicle service has been postponed in North America due to the long winter. In addition, the aftermarket in North America has been impacted by the field inspection program (product availability shortages).

<table>
<thead>
<tr>
<th>SEK million</th>
<th>Q1/15</th>
<th>Q1/14</th>
<th>change¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Truck</td>
<td>339</td>
<td>296</td>
<td>-5%</td>
</tr>
<tr>
<td>Trailer</td>
<td>379</td>
<td>303</td>
<td>11%</td>
</tr>
<tr>
<td>Aftermarket</td>
<td>528</td>
<td>442</td>
<td>1%</td>
</tr>
</tbody>
</table>

¹ currency adjusted
Financials
Earnings

Operating income for Q1 excluding one-off items amounted to SEK 115 (84) m, which is equivalent to an operating margin of 9.3 (8.1)%.

Currency had a positive impact of SEK 26 m in Q1 on the Group’s operating income excluding one-off items.

<table>
<thead>
<tr>
<th></th>
<th>Q1/15</th>
<th>Q1/14</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income (excl one-off items), SEK million</td>
<td>115</td>
<td>84</td>
<td>37%</td>
</tr>
<tr>
<td>Operating income, SEK million</td>
<td>114</td>
<td>83</td>
<td>37%</td>
</tr>
<tr>
<td>Operating margin (excl. one-off items), %</td>
<td>9.3</td>
<td>8.1</td>
<td>1.2</td>
</tr>
<tr>
<td>Operating margin, %</td>
<td>9.2</td>
<td>7.9</td>
<td>1.3</td>
</tr>
<tr>
<td>Net income, SEK million</td>
<td>79</td>
<td>48</td>
<td>65%</td>
</tr>
<tr>
<td>Earnings per share, (excl one-off items), SEK</td>
<td>1.80</td>
<td>1.05</td>
<td>71%</td>
</tr>
<tr>
<td>Earnings per share, SEK</td>
<td>1.78</td>
<td>1.03</td>
<td>73%</td>
</tr>
</tbody>
</table>
### Statement of Financial Position
Q1 2015 vs. Q4 2014

<table>
<thead>
<tr>
<th>SEK million</th>
<th>Mar 31 2015</th>
<th>Dec 31 2014</th>
<th>quarterly change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working capital</td>
<td>602</td>
<td>444</td>
<td>+36%</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>491</td>
<td>466</td>
<td>+5%</td>
</tr>
<tr>
<td>Capital employed</td>
<td>2,153</td>
<td>1,963</td>
<td>+10%</td>
</tr>
<tr>
<td>Total assets</td>
<td>3,273</td>
<td>2,936</td>
<td>+11%</td>
</tr>
<tr>
<td>Equity</td>
<td>1,416</td>
<td>1,278</td>
<td>+11%</td>
</tr>
<tr>
<td>Net debt</td>
<td>-347</td>
<td>-272</td>
<td>+28%</td>
</tr>
<tr>
<td>Equity ratio, %</td>
<td>43</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td>Net debt/Equity ratio, %</td>
<td>25</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>Contingent liabilities</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
Cash Flow

Working Capital & Cash Conversion Days

<table>
<thead>
<tr>
<th></th>
<th>Q1/15</th>
<th>Q4/14</th>
<th>Q3/14</th>
<th>Q2/14</th>
<th>Q1/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow</td>
<td>5</td>
<td>208</td>
<td>116</td>
<td>124</td>
<td>6</td>
</tr>
<tr>
<td>Cash flow after net investments</td>
<td>-27</td>
<td>147</td>
<td>63</td>
<td>92</td>
<td>1</td>
</tr>
</tbody>
</table>

SEK million

1 excluding one-off items
Field inspection and replacement program

- One of the smaller product lines for actuators in North America.
- In November, Haldex launched a field inspection campaign due to a diaphragm that could get out of position.
- The inspection is estimated to span a total of 159,000 actuators, with 36,000 replaced as of April 10.
- The estimated total cost is SEK 65 m, which impacted net income in Q4 2014 as a one-off item. No additional costs in Q1 2015.
Restructuring program

- The final step in the program was completed with the German union negotiations.
- Annual savings of SEK 85 million and total costs of SEK 250 million, with cash effects of approximately SEK 100 million.
- SEK 241 million booked as one-off items until Q1 2015. Two thirds of the payments remain.
- First product line successfully moved as part of the German/Hungary relocation project. Remaining product lines will be moved during 2015.
Outlook
Market outlook 2015

- **North America**
  High demand to continue in H1/15 but may decline in H2/15.

- **Europe**
  A couple of percentage points up.

- **China**
  Continue to be negative.

- **India**
  Good improvement.

- **Brazil**
  Weaker than the previous year.
Stable platform created

Past
Focus on footprint consolidation

Present
Improving and stabilizing the platform

Future
Profitable growth

2010 2012 2015
Profitable Growth

Product range
- Fill gaps in the product range on a regional basis.
- Extend product range with further variants where applicable.

Aftermarket
- Follow vehicles over lifetime with competitive offerings.
- Extension of Reman business scope.

Future
Profitable growth
Profitable Growth cont.

M&A

- Acquisitions to complement product range and/or build stronger customer base/“critical mass” in selective markets.

Simplify customer interface

- Extend and improve E-commerce platform with relevant solutions for different customer groups.
- Upgrade ERP system, stepwise approach.