



Jay Longbottom, CEO
Pramod Mistry, CFO

- **Haldex – built on a solid foundation**
- **A streamlined business**
- **Looking forward**
- **A focused strategy towards growth**

Mission

Haldex develops and provides reliable and innovative solutions that improve safety, vehicle dynamics and environmental sustainability in the global commercial vehicle industry.

Vision

Haldex will be the global commercial vehicle industry's preferred choice as an innovative solution provider with a focus on brake and air suspension products.

Values

- ✓ **Customer First:**
We understand our customers demands and live by our principles.
- ✓ **Respect for the Individual:**
We recognize the importance of our people.
- ✓ **Passion for Excellence:**
We are committed to continuous improvement.

Build on a Solid Foundation

- Market leadership in key products
- Significant operational improvements
- Strong presence in Emerging Markets

Streamlined During the Financial Crisis

- Rationalization of operational footprint
- Significant reduction of cost base

Focused Strategy in Place

- Business excellence
- Value added products
- Emerging Markets

Towards a Strong Future

- Revenue growth driven by market recovery, new products and emerging market penetration
- Continued improvement in margins through productivity and cost management

- Sales 2010 just under SEK 4bn, with a global balance.
- Haldex develops, manufactures and distributes brake products and brake components for heavy trucks, trailers and buses. The company employs 2,200 people.
- Business is conducted in two product segments: Air Controls and Foundation Brake.
- Manufacturing occurs in Sweden, Germany, Hungary, China, India, Brazil, Mexico and the USA.
- The principal competitors are Knorr Bremse, Wabco and ArvinMeritor.

The product portfolio comprises all main components and sub-systems included in a complete air brake system.

- **Air Controls:** develops and manufactures products to dehumidify and regulate compressed air in brake systems, as well as air suspension systems, valves and electronically regulated subsystems (ABS, ESP, EBS).
- **Foundation Brake:** develops and produces the wheel-end products that provide the actual braking effect, such as disc brakes, Automatic Brake Adjusters for drum brakes and electronic sensor systems for indicating wear on brake surfaces.



ModulAir[®]



Suspension Control Valve



TRS - Trailer Roll Stability



EB+ Electronic Brake System



ELS - Electronically Regulated Air Suspension



S-ABA Automatic Brake Adjuster

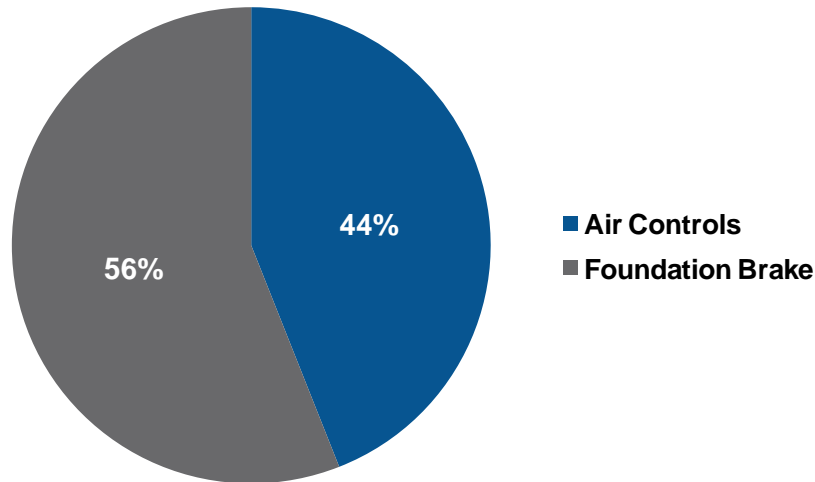


Spring Brake/Actuator



ModuT

Sales split



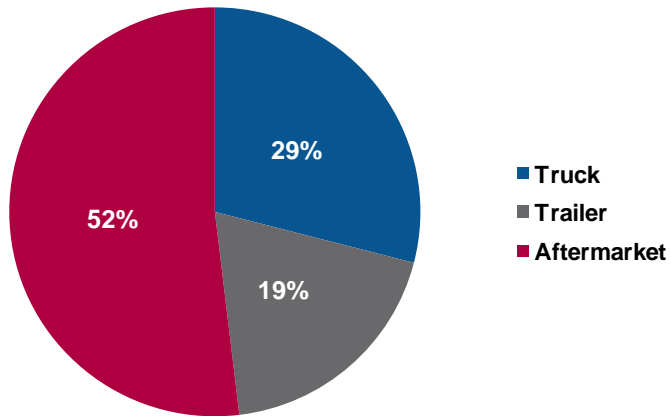
Commentary

- Air Controls has revenue of SEK 1,628m.
- Foundation Brake has revenue of SEK 2,072m.
- Global presence in all regions with Sales, Development and Production.
- Air Controls products have an established position in Europe and North America with a strong market position.
- Foundation Brake includes our Automatic Brake Adjuster where we are the global market leader. The Actuator product is the clear market leader in North America.

Sales by Segments and Regions



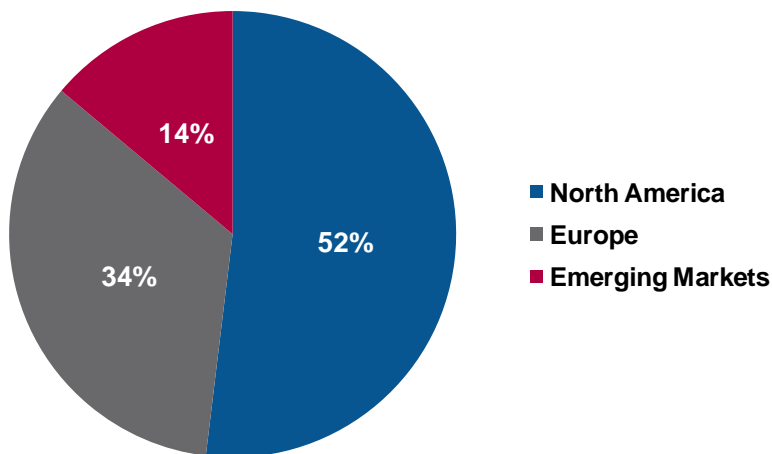
Sales by Segments



Commentary

- Haldex has a significant aftermarket position in Europe and North America. This strong position in aftermarket sales mitigates cyclical dependence.
- Truck segments have rebounded and shows consistent growth going forward.
- Trailer segments in Europe and North America showing steady signs of growth.

Sales by Region



- Haldex has a significant presence in North America with more than half the revenue generated in this region.
- Europe is an important market with a good participation in all three market segments.
- Emerging Markets are a key cornerstone for Haldex with great opportunity.

Global Customer Base



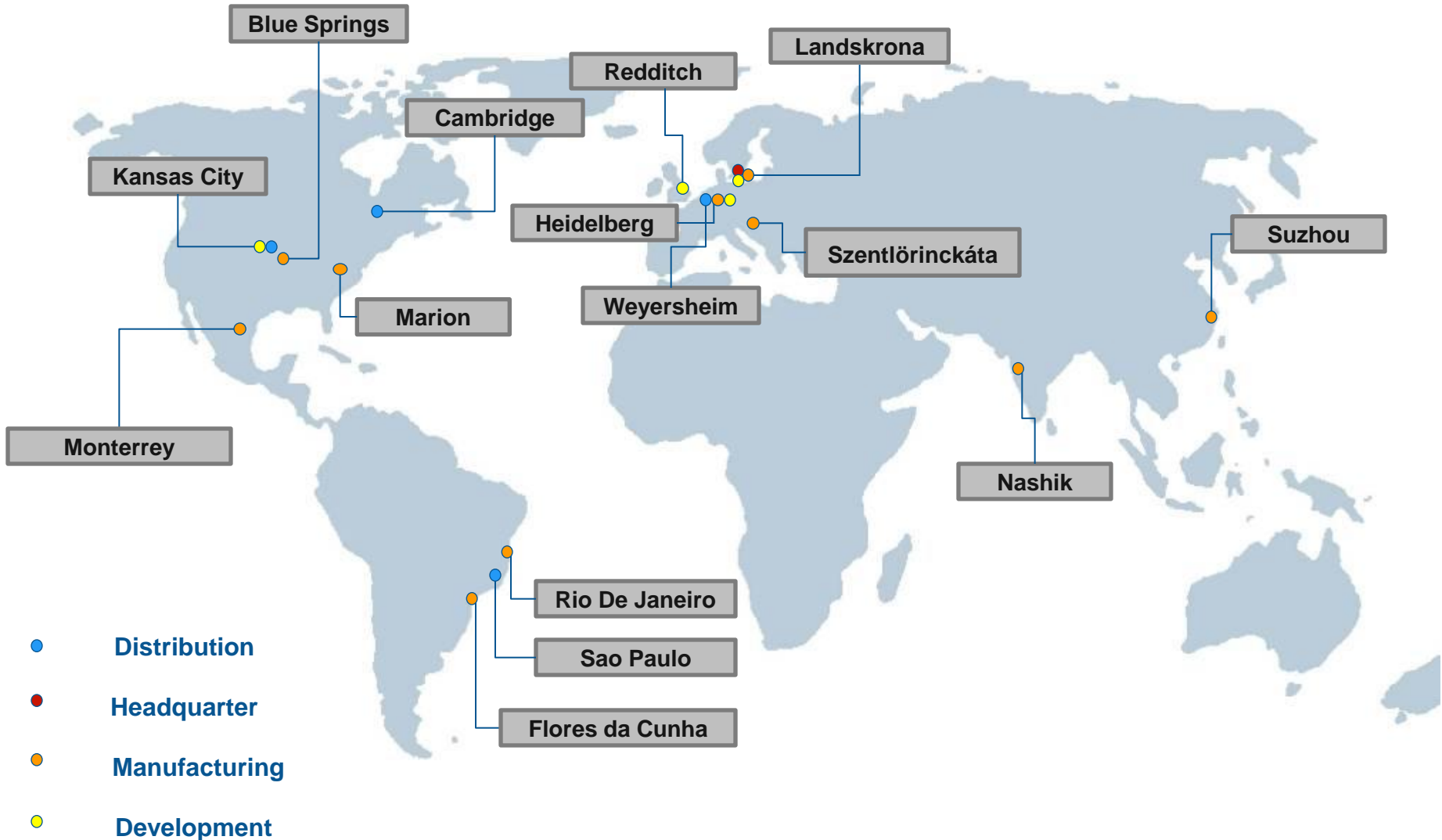
Customers include most major Truck, Trailer and Axle Producers worldwide.

The top ten customers account for a third of sales with no customer accounting for more than 10% of sales.

Aftermarket sales flow through original equipment suppliers and independent distribution.



Strong Geographical Footprint

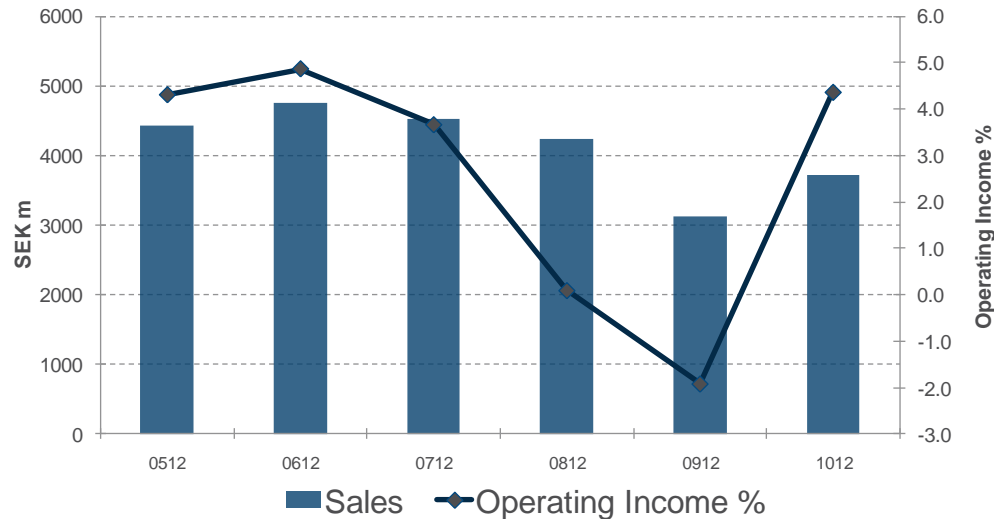


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Strongly Impacted by the Downturn but Decisive Actions Have Been Taken



Commentary



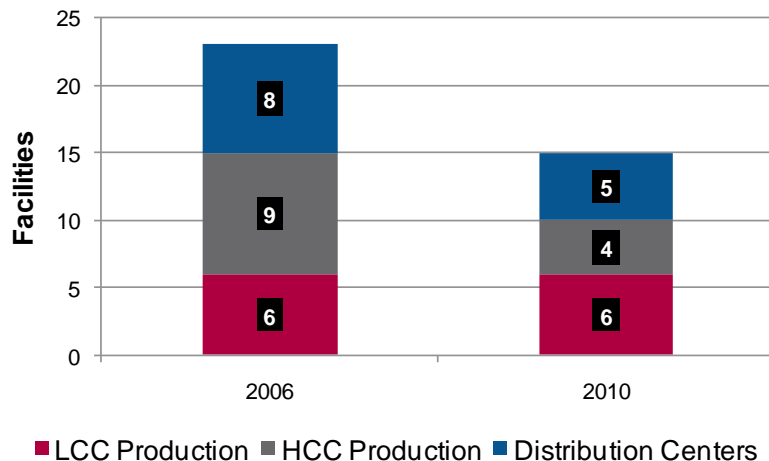
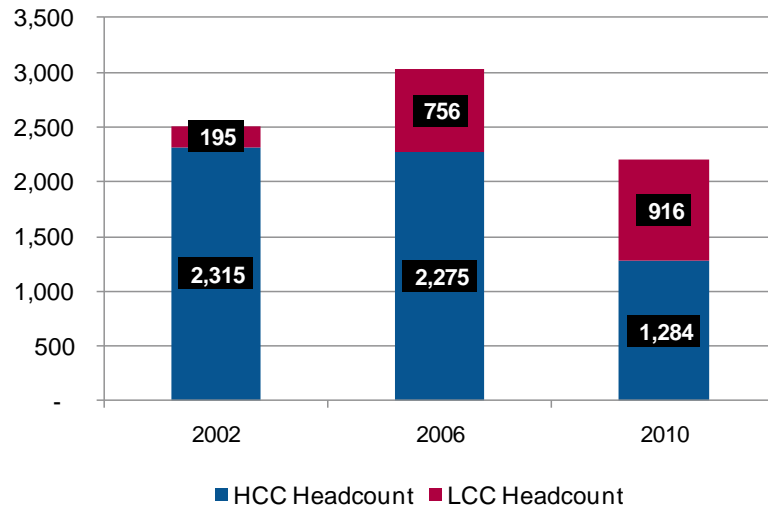
- Globally the Truck and Trailer markets fell on average by 50% in 2009.
- Haldex revenue dropped by SEK 1.1bn.
- Haldex launched a significant restructuring program by closing five production units and reducing distribution points by a third, resulting in a headcount reduction of over 1000.
- Savings from restructuring actions and product line improvements will carryover and favorably impact future earnings.
- Continued focus on operating working capital generating positive cash flow.

Sales fx adjusted to constant rates
Adjusted operating margin

An Improved Operational Structure



Commentary



- Haldex has carried out substantial changes to its operational structure with regard to headcount and production footprint.
- Low cost countries (LCC) headcount has increased by 370% since 2002.
- High cost countries (HCC) headcount has nearly halved since 2002.
- Haldex reduced its distribution centers by a third and further downsized centers in USA and Canada.
- Our production footprint in the HCC has reduced by 55% as we reduced from 9 to 4 production units.
- Production has been transferred to our LCC facilities where we can take advantage of cost structure.

Significant Events During 2010

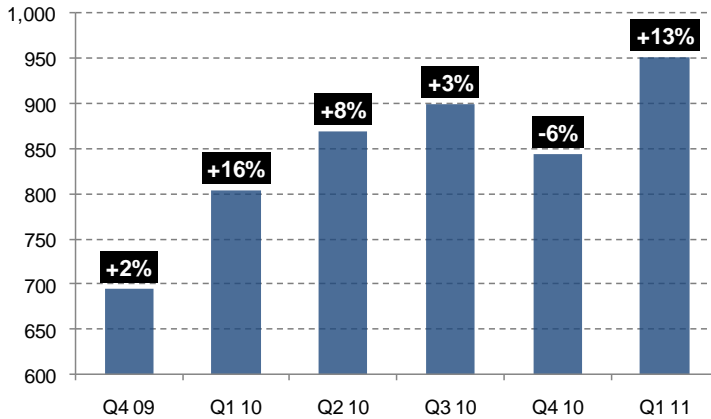


- Investments in the new factory in Monterrey, Mexico, followed by a relocation of manufacturing from production units in North America.
- Order for a new generation of disc brakes for SAF Holland. The total order value is estimated at about SEK 1,000m over five years.
- ABA order for a leading European truck manufacturer, worth around SEK 300m until 2018.
- World's first rollover simulator approved by UN – ECE.
- Sales grew over 40% in the Emerging Markets reflecting additional usage of Haldex products and market growth.
- North America aftermarket sales demonstrated good growth, including expanded relationships with a number of key distributors.

Sales and Operating Margin Growth Driven by Volume and New Cost Structure

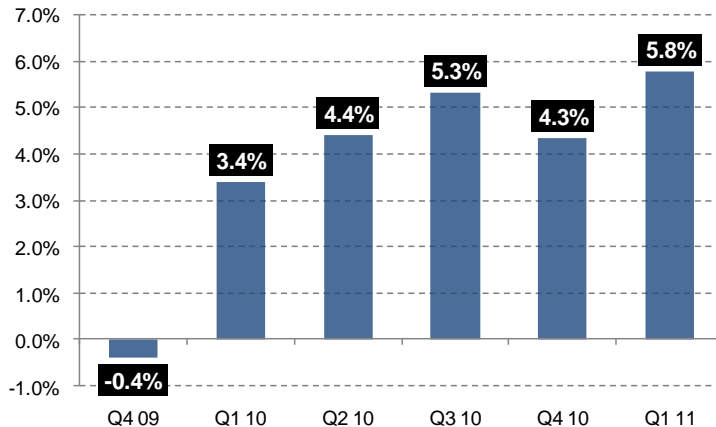


Sales¹ in SEKm



- Sales per quarter have shown a steady increase as we see strong market recovery in all regions.
- Sales continued to rise during the first quarter of 2011.
- Strong performance in OE segment.
- The increases were noticeable within all regions and segments.

Operating Margin²



- Q1 2011 Operating income SEK 55m (30).
- An operating margin of 5.8% (3.4%).
- The operating income continued to improve due to increased sales volumes and the new cost structure.

¹ Sales fx adjusted to Q1 2011 rates

² Adjusted operating margin

A Solid Financial Position



	<u>Q1 2011</u>	
Total Assets	2955	• Haldex is well positioned going forward with a strong balance sheet.
Net Debt	578	• Current net debt to equity ratio has sufficient headroom to meet our financial objectives of not to exceed 1x.
Equity	1229	
Working Capital	539	
Working Capital % of sales	14%	• Focus on operating working capital continues.
Net Debt to Equity	47%	• Haldex has secured its credit facilities for SEK 945 m.
ROCE	10%	

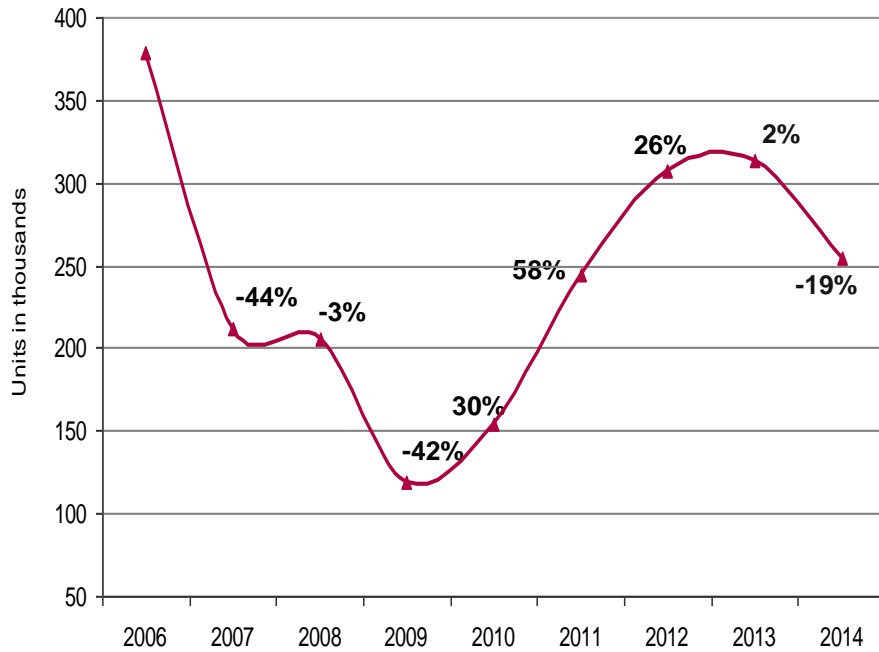
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- Global Truck and Trailer markets offer significant opportunity.
- Strong market recovery in developed markets driven by replacement cycle.
- Emerging Markets will increase in importance:
 - Represent over 50% of global vehicle build.
 - Content per vehicle remains considerably lower than the US and Europe.
- Increased safety regulations will increase the demand for trucks to carry newer and more technologically advanced equipment and increase the content per vehicle, e.g.:
 - Beginning in January 2013, 40% of all new commercial vehicles in Brazil must have ABS.
 - China has already introduced legislation mandating ABS.

The Truck Market

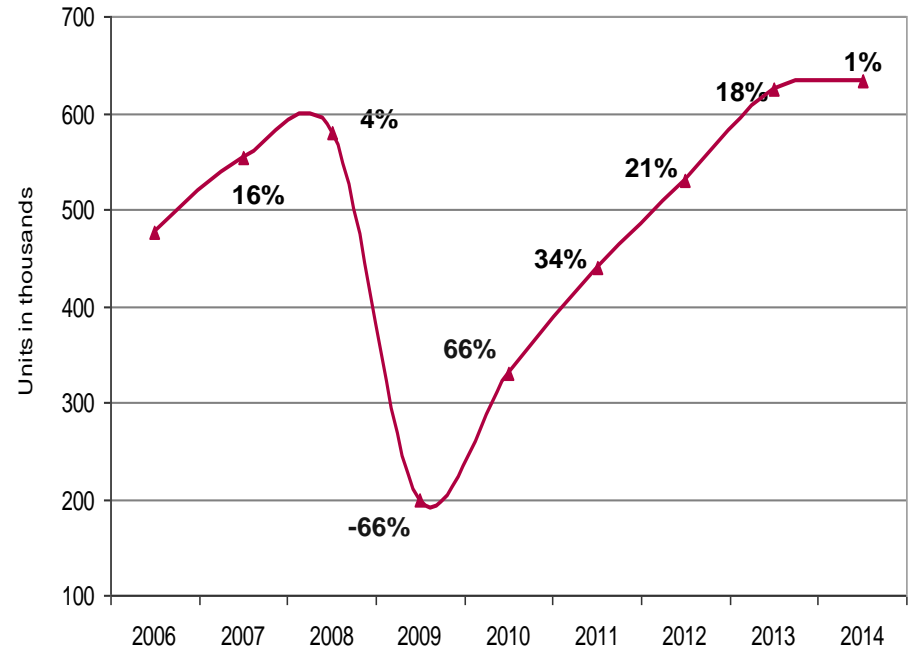


Heavy Truck build rates NA, >15t



CAGR 2009-2014E
NA, JDP
17%

Heavy Truck build rates EU, >15t



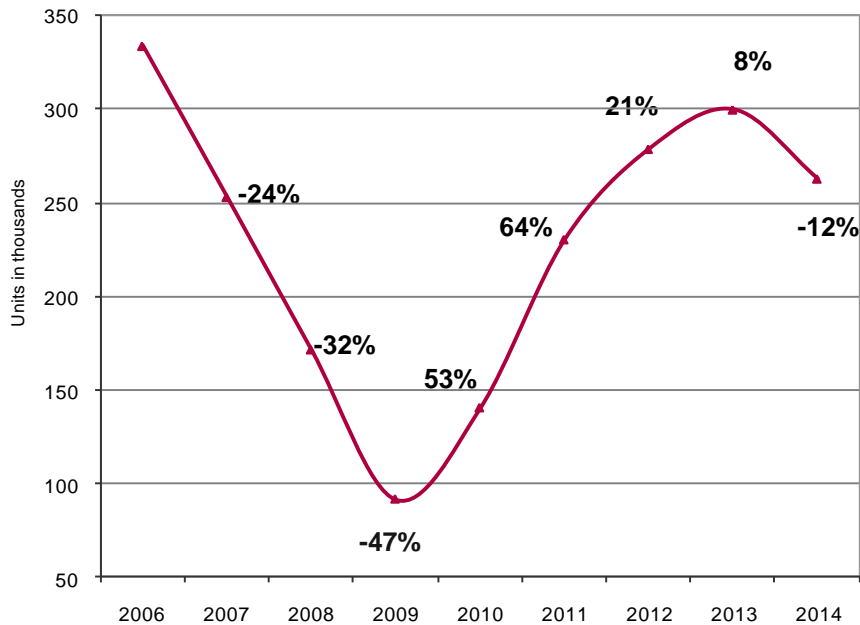
CAGR 2009-2014E
EU, JDP
26%

Note: JDP data – official statistics per December 2010

The Trailer Market

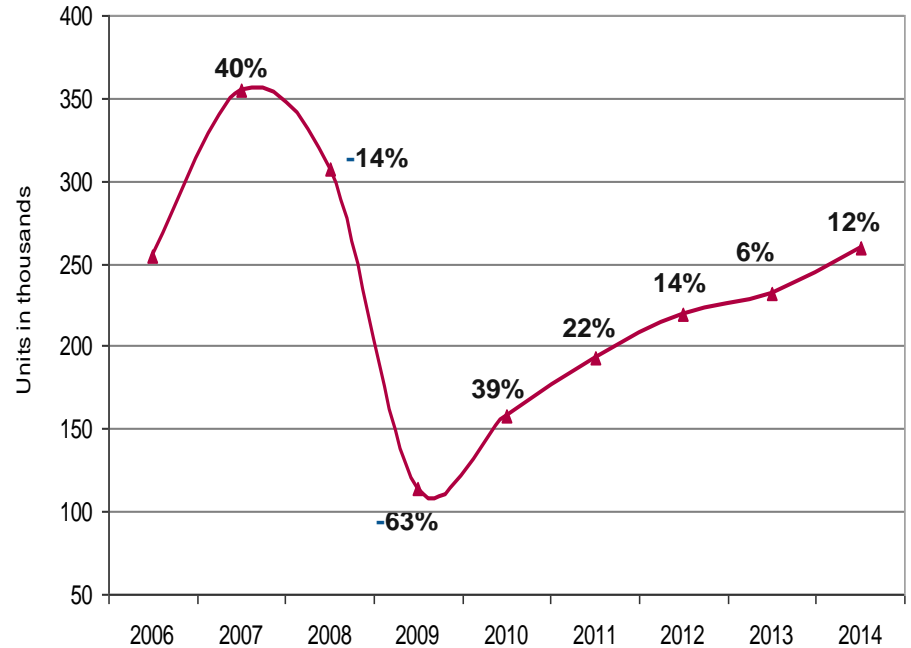


Heavy Trailer build rates NA



CAGR 2009-2014E
NA, ACT
24%

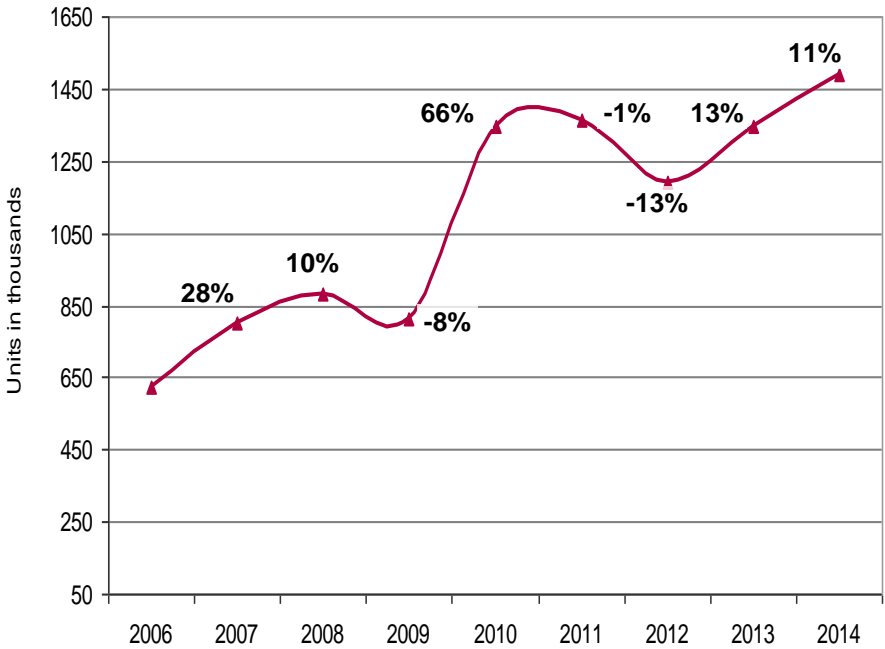
Heavy Trailer build rates EU



CAGR 2009-2014E
EU, CLEAR
18%

Note: ACT data and CLEAR – official statistics per December 2010

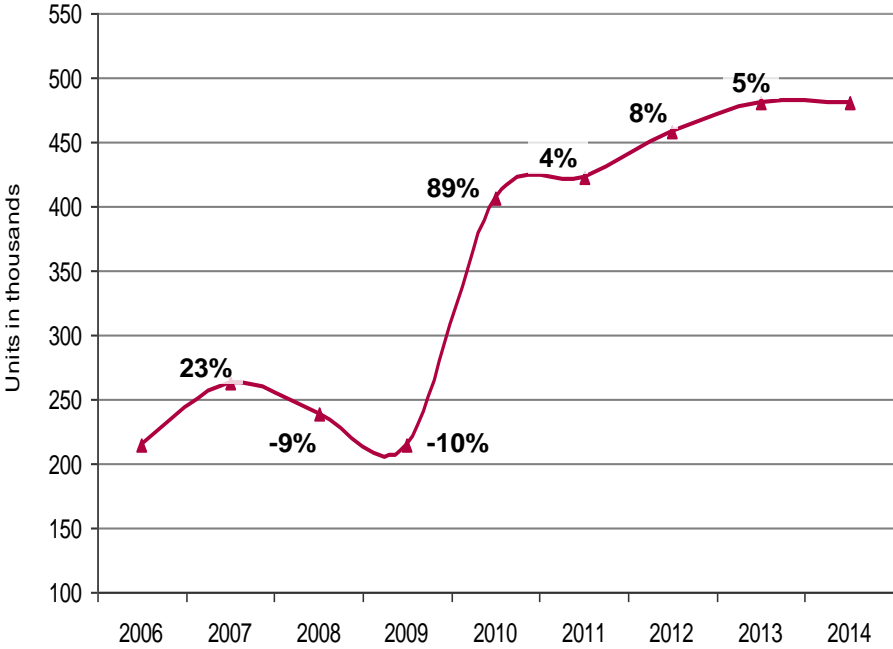
Heavy Truck build rates



CAGR 2009-2014E

JDP
13%

Trailer build rates



CAGR 2009-2014E

Haldex
17%

Note: JDP and Haldex data – official statistics per December 2010

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- Take full advantage of strong Truck and Trailer market growth, promoting benefits of premium products.
- Continue to drive expansion in China, India and Brazil:
 - Adaptation of higher quality technology
 - Leverage established position
- Product development, particularly in Air Controls, to drive growth and profitability.
- Introduce new lighter weight disc brake platform, ModuIT.
- Build on strong position in aftermarket:
 - Promote product benefits
 - Provide technical support
 - Strong customer service
- Focus on supply chain performance to meet demand growth due to market recovery.
- Drive for continuous improvements in quality, productivity and cost efficiency.

Financial Targets



Financial targets (over a business cycle)	Targets	Comment
Organic Growth	7%	<ul style="list-style-type: none"> • Strong market recovery in Truck and Trailer segments • Focus on Emerging Markets • New Product development
Operating Income	7%	<ul style="list-style-type: none"> • Leaner operational organization going forward • Stable and established aftermarket • Operational excellence to drive productivity and quality
Net Debt v Equity	Not to exceed 1x	<ul style="list-style-type: none"> • Sufficient headroom to meet our financial objectives • Focus on improving capital turnover • Understand future growth opportunities and investment needs
Dividend	Distribution of dividend – 1/3 group's net income	<ul style="list-style-type: none"> • Capitalize on the strong market recovery • Strengthen the company's financial position

- Build rates of heavy Trucks and Trailers in Europe and North America are forecast to increase more than 40%.
- Sales to Truck and Trailer customers will grow in line with the market. Aftermarket sales to show moderate growth.
- Emerging Markets will continue to have a positive growth trend.
- Haldex is well positioned to benefit from this recovery, having adjusted the cost structure, improved product quality, increased productivity and further developed supply chain flexibility and reliability.
- These factors will drive continued improvements in operating margins.

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