



Innovative Vehicle Technology

Report from Haldex Annual General Shareholders' Meeting 9 April 2003

President's speech

Excerpts from the speech of the President and CEO Claes Warnander:

- "The vehicle industry is an extremely price competitive industry with a relatively low trend growth and strong cyclicality, especially as regards the production of heavy trucks in North America."
- "Haldex has over time achieved strong market positions in a number of niches. The electronics revolution in the vehicle industry has successively led to mechatronic systems with increased degree of sophistication and integration in the vehicle's CAN bus system. The know-how of vehicle dynamics in combination with mechanics, software and electronics has become increasingly important in our business"
- "Over the last 10 years, Haldex yearly growth has been 15%. In the weak vehicle year 2002 sales increased by 3%, but currency adjusted the increase was 7%."
- "The income before taxes and before non-recurring items increased by 37% to 153 MSEK (112). Including non-recurring items the income was unchanged at 112 MSEK."
- "The cash flow development in 2002 was very positive and increased to 338 MSEK (78), much due to reduced inventory, but also due to somewhat lower investments and higher profits before depreciations."
- "The restructuring of the production in Heidelberg, decided in January 2003, will after full completion reduce yearly costs of about 5 M€ The one-time restructuring costs are estimated to some 6 M€ and will be charged to the first quarter of 2003."
- "Current forecasts of vehicle production on our main markets in North America and Europe only show a slight increase for 2003. The expected profit improvement in our Traction Systems division, as well as margin improvements in the rest of the group, should result in some improvement of the profit margin."

Dividend

The annual general meeting confirmed the proposed dividend to the shareholders of SEK 1:50 per share. Monday 14 April 2003 was confirmed as record day for dividend.

Board members

The board members Lars Kylberg, Kurt Palmgren, Leif Rogersson, Bengt Stillström, Claes Warnander and Cecilia Vieweg were re-elected. Arne Karlsson and Caroline Sundewall were elected new members of the board.

Auditors

In accordance with the Board's proposal, Olof Herolf and Richard Roth, Öhrlings PricewaterhouseCoopers were elected auditors for the next 4 year period, with Christine Rankin-Johansson and Liselott Stenudd as their deputies

Purchase and divestiture of own shares

In accordance with the Board's proposal, the annual general meeting authorized the Board to purchase and divest shares in the company during the period to the next annual general meeting.

Purchase shall be made at the Stockholm Stock Exchange and must at every time be limited to 10% of the company's total shares. Divestiture of the company's own shares may be made in order to finance acquisition of companies or operations.

Statutory meeting

At the statutory board meeting after the annual general meeting, Lars V Kylberg was elected Chairman of the Board.

The Board decided that they may utilize the authorization to purchase the company's own shares.

Stockholm 9 April 2003

HALDEX AB
The Board of Directors