

Press Release
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**Daedong Metals foundry adopts SinterCast
process control technology for series production**

Series production of commercial vehicle cylinder heads to begin during January 2011

[Stockholm, 16 December 2010] – Daedong Metals Co., Ltd, one of South Korea's leading cast iron foundries, has entered into a long-term technology supply agreement with the Swedish process control specialist SinterCast for series production of Compacted Graphite Iron (CGI). SinterCast will supply a specifically configured version of its System 3000 process control system, providing liquid metal analysis capability and operator feedback results at two different locations in the foundry. The System 3000 will be delivered before year-end and installed during the first week of January 2011. Series production of three different CGI cylinder heads, for commercial vehicle engines ranging from 6 litre to 11 litre displacement, will begin during January 2011. The CGI cylinder heads will be used for the high performance versions of the existing engines and are forecast to provide a production volume of approximately 50,000 Engine Equivalents in 2011. Together, Daedong and SinterCast are supporting product development of additional CGI components.

“Following a successful product development phase, we are pleased that Daedong has ordered a full System 3000 installation for series production” said Dr. Steve Dawson, President & CEO of SinterCast. “The CGI heads are specifically used for the high power versions of the engines and, as the sector continues to move toward higher power density, the CGI volume is expected to increase. The new cylinder heads increase the number of SinterCast-CGI commercial vehicle engine components in series production from 14 to 17 and further reinforce the trend toward CGI to meet the demands for performance, durability and emissions compliance in the heavy duty diesel sector.”

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Daedong Metals Co., Ltd, located in Daegu, South Korea, is an independent cast iron foundry producing grey iron, ductile iron and CGI components, primarily for passenger vehicles, commercial vehicles and construction equipment. With a production capacity of 40,000 tonnes per year, and casting sizes ranging from 2.5kg to 250kg, Daedong is one of the largest and most diversified iron foundries in Korea. Founded in 1947, Daedong supplies castings to customers such as Daedong Industries, Doosan Infracore, Doosan Mottrol, GM Daewoo, Hyundai and Kia Motors, Hyundai Heavy Industries, Kubota and Volvo in both the domestic and export markets. Daedong Metals Co., Ltd is listed on the Korean stock exchange (Kosdaq: Daedongmetals). www.daedongmetals.co.kr

SinterCast is the world's leading supplier of process control technology for the reliable high volume production of Compacted Graphite Iron (CGI). With at least 75% higher tensile strength, 45% higher stiffness and approximately double the fatigue strength of conventional grey cast iron and aluminium, CGI allows engine designers to improve performance, fuel economy and durability while reducing engine weight, noise and emissions. The SinterCast technology is used for the production of more than 40 CGI components, ranging from 2 kg to 17 tonnes, all using the same proven process control technology. The end-users of SinterCast-CGI components include Aston Martin, Audi, Caterpillar, Chrysler, DAF Trucks, Ford, Ford-Otosan, General Electric Transportation Systems, General Motors, Hyundai, Navistar, Jaguar, Kia, Land Rover, MAN, Porsche, PSA Peugeot-Citroën, Renault, Rolls-Royce Power Engineering, Toyota, Volkswagen, VM Motori, Volvo and Waukesha Engine. The SinterCast share is quoted on the Small Cap segment of the NASDAQ OMX stock exchange (Stockholmsbörsen: SINT).

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