

Press Release
For Immediate Distribution

**First Automobile Works (FAW) China
Adopts SinterCast Process Control Technology**

- FAW Foundry Co., Ltd. agrees to install SinterCast Mini-System 3000
- First ever installation of third generation SinterCast System 3000 technology
- CGI product development for Chinese passenger vehicles and commercial vehicles

[Stockholm, 12 January 2010] – FAW Foundry Co., Ltd., the foundry research and development branch within the China FAW Group Corporation, has entered into a long-term agreement with the Swedish process control specialist SinterCast for the use of the SinterCast process control technology for the production of Compacted Graphite Iron (CGI). Under the terms of the agreement, a SinterCast Mini-System 3000 will be installed at the FAW Foundry Co., Ltd. R&D foundry located in Changchun, China. The Mini-System 3000 will be used to support CGI product development throughout the FAW Group, spanning a full range of vehicle applications, including passenger vehicles, light-duty and heavy-duty commercial vehicles, and busses. The Mini-System 3000 will be designed to facilitate transport to any of the series production foundries within the FAW Group to support specific CGI product development activities. The Mini-System 3000 installation provides the FAW Group with the capability to independently conduct CGI product development leading toward series production.

“As the largest vehicle manufacturer in China, FAW has taken the initiative to become the first Chinese OEM to adopt the SinterCast technology as part of its overall strategy to develop and produce state-of-the-art engines that meet the stringent Euro-style emissions legislation that has been adopted in China, and to satisfy consumer demand for improved performance, refinement and fuel efficiency” said Dr. Steve Dawson, President & CEO of SinterCast. “SinterCast has successfully supported the high volume series production of Compacted Graphite Iron exhaust components in China since 2007. This experience, together with the local support provided by our office based in Shanghai, has given SinterCast a strong and respected presence in the Chinese foundry and automotive communities. We look forward to building upon our market presence in China, as one of the key growth areas for SinterCast and CGI.”

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Founded in 1953, **China FAW Group Corporation** (www.faw.com) was established as China's first integrated vehicle producer and remains China's leading manufacturer of passenger vehicles and commercial vehicles, with annual sales in excess of one million vehicles per year. FAW currently employs over 133,000 people around the world and sells its vehicles in more than 70 countries. China FAW Group Corporation collaborates with world leaders for vehicle development, production and sales, including Audi AG, Ford Motor Company, Hyundai Motor Company, Mazda Motor Company, Toyota Motor Corporation and Volkswagen AG. FAW Foundry Co., Ltd. is a part of the China FAW Group R&D organisation, the largest automotive R&D organisation in China, and China's leader in passenger vehicle and commercial vehicle research.

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. SinterCast produces a variety of 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, MAN Diesel, Porsche, PSA Peugeot-Citroën, Renault, Rolls-Royce Power Engineering, Toyota, Volkswagen, Volvo and Waukesha Engine. The SinterCast share is quoted on the Small Cap segment of the Nordic Exchange, Stockholm (Stockholmsbörsen: SINT).

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