

SinterCast posts record series production in September

New orders and new product opportunities

- **Annualised series production increases by 15%, to 750,000 Engine Equivalents, in September**
- **Da Shiang Precision foundry, China, prepares for increased series production**
- **Hydrogen Engine Center, USA, launches new SinterCast-CGI hydrogen fuelled engine**

Building on the continued ramp-up of series production in the commercial vehicle sector, SinterCast posted its highest ever monthly production during September 2008, with an annualised production rate of approximately 750,000 Engine Equivalents (37,500 tonnes/year). September's production represents a 15% increase compared to the stable production rate of approximately 650,000 Engine Equivalents during the first eight months of 2008, and a 65% increase compared to September 2007. The current series production programmes will continue to ramp-up, and are expected to reach mature volumes of more than one million Engine Equivalents per year. New production programmes will also come on-stream to provide a continuous increase in the series production volume.

In preparation for increased series production, the Da Shiang Precision foundry in Tianjin, China, has ordered a complete set of back-up hardware modules for its existing System 2000. The back-up modules will provide expansion capability as Da Shiang increases its SinterCast-CGI production beyond the current turbocharger housing component to include additional high volume exhaust components. The System 2000 modules, with a total order value of approximately SEK 1.5 million, were shipped from SinterCast's Technical Centre in Sweden during early-October.

In the United States, the Hydrogen Engine Center (HEC) has launched a new 9.3 litre V8 hydrogen engine. The spark ignited engine is the largest hydrogen engine available and is based on SinterCast-CGI cylinder blocks and heads produced at the Motor Castings foundry in Milwaukee. The HEC zero-emissions hydrogen engine has been developed for continuous operation in electrical power generation systems and for buses. Under these demanding operating conditions, the use of Compacted Graphite Iron increases the life of the engine by more than five times. HEC also intends to develop a 10.2 litre version of the engine, thus further increasing the market opportunity for SinterCast in this new and important field.

"Despite the economic conditions facing the global automotive industry, we are confident that our production volumes will continue to increase" said **Dr Steve Dawson, President & CEO of SinterCast**. "We have many new series production programmes ready to come on-stream and several new foundry installations are under discussion. While the current shift toward smaller vehicles will undoubtedly affect volumes in the luxury and SUV markets, the growth provided by our new activities will outweigh any reduction in the current programmes, ensuring a continuous increase in our production volumes and our recurring running revenues."

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SinterCast is the world's leading supplier of process control technology for the reliable high volume production of Compacted Graphite Iron (CGI). SinterCast produces a variety of CGI components ranging from 1.6 kg to 17 tonnes, all using the same process control technology. The end-users of SinterCast-CGI components include Aston Martin, Audi, Caterpillar, Chrysler, Ford, General Electric Transportation Systems, General Motors, Hyundai, International Truck and Engine, Jaguar, Kia, Land Rover, MAN, MAN B&W Diesel, PSA Peugeot-Citroën, 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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