

Press Release
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Series production continues to improve

[Stockholm, 8 July 2020] – Series production increased for the second consecutive month in June. Following annualised production of 1.0 million Engine Equivalents in April, series production increased to 1.6 million Engine Equivalents in May and increased further to 2.2 million Engine Equivalents in June. Since 7 June, all of the main SinterCast foundries have resumed production, but have not yet returned to the full pre-corona volume. The annualised production of 2.2 million Engine Equivalents in June corresponds to approximately 67% of the full-year 2019 run-rate of 3.3 million Engine Equivalents.

Annualised series production in the second quarter amounted to 1.6 million Engine Equivalents, corresponding to 47% of the 3.4 million Engine Equivalent run-rate in the second quarter of 2019. Combined with annualised production of 2.9 million Engine Equivalents in the first quarter, series production for the first half of the year finished at 2.25 million Engine Equivalents. The year-to-date production corresponds to 69% of the annualised series production during the same period 2019.

The installation outlook for 2020 remains positive following the sale of the System 4000 at the WHB foundry in Brazil and the planned System 4000 *Plus* installations at the First Automobile Works foundry in China and at the Scania foundry in Sweden during the second-half of 2020. The outlook remains for SinterCast to post a second consecutive year of record installation revenue, surpassing the SEK 11.9 million established in 2019.

“During the second quarter, series production increased from the low-point of 1.0 million Engine Equivalents in April to 2.2 million Engine Equivalents in June. The initial recovery is progressing well, but the near-term visibility from our foundry customers and OEM end-users remains low. We will continue to monitor the series production over the summer period to determine the difference between the initial inventory rebuild and the ongoing market demand” said Dr Steve Dawson, President & CEO. “With the positive outlook for installation revenue in 2020, the annualised series production of 1.6 million Engine Equivalents in the second quarter is approximately equal to our current breakeven volume. We remain hopeful that the second quarter will be the low-point in our series production and we maintain the ambition to share the strong financial results of 2019 with our shareholders at an Extraordinary General Meeting to be convened on or before 20 November.”

For more information:

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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). 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 size, weight, noise and emissions. The SinterCast technology is used for the production of petrol and diesel engine cylinder blocks and exhaust components for passenger vehicles, medium-duty and heavy-duty cylinder blocks and heads for commercial vehicles, and industrial power engine components for agriculture, marine, rail, off-road and stationary engine applications. SinterCast supports the series production of components ranging from 2.7 kg to 9 tonnes, all using the same proven process control technology. As a specialist supplier of precision measurement and process control solutions to the metals industry, SinterCast also supplies the SinterCast Ladle Tracker® and SinterCast Cast Tracker® technologies, to improve process control, productivity and traceability in a variety of applications. With 57 installations in 14 countries, SinterCast is a publicly traded company, quoted on the Small Cap segment of the Nasdaq Stockholm stock exchange (SINT). For more information: www.sintercast.com

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