

HALDEX ANNUAL STATEMENT

January - December 2014

A year with solid growth and improved profitability

- Net sales for 2014 totaled SEK 4,380 (3,920) m, equivalent to growth of 12% compared with the same period of the previous year. After currency adjustments, net sales increased by 8%. Net sales for Q4 amounted to SEK 1,092 (908) m, equivalent to growth of 10% after currency adjustments.
- Operating income for 2014 excluding one-off items amounted to SEK 408 (281) m, which is equivalent to an operating margin of 9.3 (7.2)%. Including one-off items, operating income was SEK 233 (153) m and the operating margin was 5.3 (3.9)%. Operating income for Q4 excluding one-off items amounted to SEK 101 (66) m, corresponding to an operating margin of 9.3 (7.3)%.
- Net income was impacted by one-off items in the amount of SEK 175 (128) m for the full year, and in the amount of SEK 69 (13) m for Q4. SEK 112 (128) m of the total amount of one-off items are attributable to the restructuring program.
- In November, Haldex launched a field inspection campaign of one of its actuator models in the North American market. Based on a thorough analysis of the field inspection results, an additional root cause, that can occur during special conditions, has been identified. Haldex has therefore decided to extend the campaign to include product replacements. The cost is estimated at SEK 65 m. This amount replaces the previous estimate of SEK 35 m, which was announced in the Q3 interim report. The entire amount had a negative impact on earnings in Q4 as a one-off item.
- Net income after tax for 2014 totaled SEK 107 (38) m and the earnings per share for 2014 totaled SEK 2.32 (0.80). The corresponding figures for Q4 are SEK 17 (12) m for net income after tax and SEK 0.38 (0.26) for earnings per share.
- Cash flow from operating activities amounted to SEK 435 (282) m for the full year and SEK 204 (76) m for Q4.
- The Board of Directors of Haldex proposes to the Annual General Meeting that a dividend of SEK 3.00 (2.00) per share shall be distributed.

Key figures	Oct-Dec			Full year		
	2014	2013	Change	2014	2013	Change
Net sales, SEK m	1,092	908	20%	4,380	3,920	12%
Operating income, excl. one-off items, SEK m	101	66	53%	408	281	45%
Operating income, SEK m	32	53	-40%	233	153	52%
Operating margin, excl. one-off items, %	9.3	7.3	2.0	9.3	7.2	2.1
Operating margin, %	3.0	5.9	-2.9	5.3	3.9	1.4
Return on capital employed, excl. one-off items, % ¹	21.4	14.6	6.8	21.4	14.6	6.8
Return on capital employed, % ¹	12.2	7.8	4.4	12.2	7.8	4.4
Net income, SEK m	17	12	42%	107	38	182%
Earnings per share, SEK	0.38	0.26	46%	2.32	0.80	190%
Cash flow, operating activities, SEK m	204	76	128	435	282	153

¹ Rolling twelve months

Haldex discloses the information in this Interim Report according to the Swedish Securities Market Act and/or the Swedish Financial Trading Act. The information was provided for public release at 7:20 CET on Thursday, February 12, 2015.

Haldex AB, Corporate Registration Number 556010-1155, info@haldex.com, www.haldex.com



Innovative Vehicle Solutions



Bo Annvik
President and CEO

CEO comment

It is not without a certain sense of pride that I look back on the past year. We grew faster than the market in 2014 and also improved our profitability to a level Haldex has not seen in many years. We have worked on streamlining and concentrating our business over the past two years and we are now seeing the results of these efforts.

The extensive customer agreements involving disc brakes we signed with customers such as Daimler serve as a foundation for us to continue to expand in this important product group. We have taken market shares in Europe and are well equipped when disc brake sales take off. Now that the German union negotiations are complete, we are seeing the end of the restructuring program that had been in progress since 2013. We can then focus more on investment projects instead of restructuring projects. The new R&D center in Pune, India has been established at the right time on a market that has begun to recover after several poor years. Our development engineers in the UK have just moved into the new R&D and testing center, which is part of the MIRA test track. With the new building in place, engineering and testing will be co-located, leading to shorter development cycles and greater customer orientation.

Our long-term vision is for Haldex products to have zero errors. We are working very hard to constantly improve our operations and are already operating at a high level. In spite of this, we have a warranty case in North America requiring much attention in the form of a field inspection and product replacements. The failure rate is extremely low, 0.03%, but we of course take responsibility for our products and we want to be a good long-term partner to our customers. We are looking to consistently achieve a 10% operating margin, and this requires that our business be firing on all cylinders.

In the latter half of 2014, we were able to put in place the last part of our strategy and we presented updated long-term financial targets. 2014 was a testament to our ability to profitably grow faster than the market and we will tirelessly continue onward in this direction in 2015. In addition to organic growth, we are also interested in complementary acquisitions. The future market situation does not look as positive as in 2014. We estimate an increase of produced trucks and trailers, but since they have already reached a high level, the relative growth rates on the market are expected to be lower than in 2014. However, it is still a positive market to operate on, which gives us good prospects for a solid year in 2015.

Industry production trends

New trucks and trailers is a good indicator for the market Haldex operates on. It is important to remember that Haldex is affected depending on how large the proportion of sales is in each category. A change in the number of heavy truck units produced in a region such as South America is estimated to have less of an impact on the Group's sales than a change in the production of heavy trucks in North America. The column "importance for Haldex sales" gives the reader an indication of how great its impact a change is estimated to have on Haldex's sales.

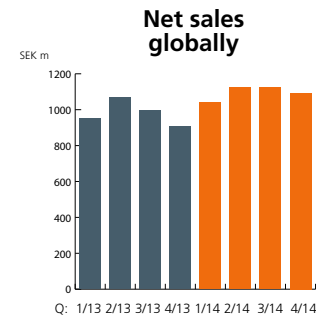
Produced units Industry forecast ¹	Oct-Dec 2014	Change ²	Full year 2014	Change ²	Full year 2015	Change ²	Importance for Haldex sales
Truck							
North America	79,233	30.8%	295,755	21.7%	330,000	11.6%	Moderate
Europe	104,868	-20.9%	399,958	-9.4%	417,180	4.3%	Minor
China	145,605	-28.2%	734,402	-3.4%	648,848	-11.6%	Minor
India	32,537	79.5%	122,964	32.7%	141,152	14.8%	Minor
South America	35,693	4.9%	126,287	-15.2%	128,077	1.4%	Minor
All regions	397,936	-11.2%	1,679,366	-0.4%	1,665,257	-0.8%	
Trailer							
North America	74,302	29.3%	295,541	16.9%	306,350	3.7%	Moderate
Europe	65,710	8.1%	262,841	8.1%	271,107	3.1%	Moderate
China	63,000	1.6%	272,450	10.7%	271,000	-0.5%	Minor
India	5,000	165.4%	22,773	81.1%	26,000	14.2%	Minor
South America	15,400	-30.3%	66,995	-18.9%	63,671	-5.0%	Minor
All regions	223,412	9.4%	920,600	9.9%	938,128	1.9%	

¹ The production statistics are a prognosis from external sources. The historical figures also reflect estimated production rather than the industry's actual results. The data concerning trucks is based on statistics from JD Powers, unless otherwise stated. The data on the trailer market concerning Europe is based on statistics from CLEAR; the data on trucks and trailers in North America is based on statistics from ACT; and the trailer data from South America and Asia is based on local sources.

² Change compared with same period previous year in percentage.

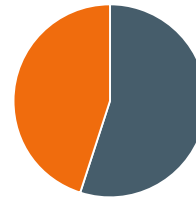
Net sales for the Group

Net sales for 2014 totaled SEK 4,380 (3,920) m, equivalent to growth of 12% compared with the same period of the previous year. After currency adjustments, net sales increased by 8%. Net sales for Q4 totaled SEK 1,092 (908) m, equivalent to growth of 20% compared with the same period of the previous year. After currency adjustments, net sales increased by 10%. There were major currency fluctuations in Q4, which led to significant differences in the growth rates before and after currency adjustments.



Net sales per product line

Haldex has two main product lines. Foundation Brake includes brake products for wheel ends such as disc brakes, brake adjusters for drum brakes and actuators. Air Controls comprises products to improve brake systems' safety and driving qualities, such as treatment and dehumidifying of compressed air, valves and ABS and EBS.



Net sales per product line (2014)

- 55% Foundation Brake
- 45% Air Controls

Net sales within Foundation Brake amounted to SEK 2,420 (2,107) m in 2014. After currency adjustments, this is an 11% increase compared to the previous year. Net sales in Q4 totaled SEK 611 (490) m, which is equivalent to currency-adjusted growth of 14%.

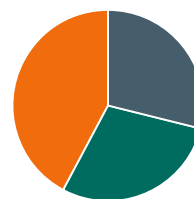
Net sales within Air Controls amounted to SEK 1,960 (1,813) m in 2014. After currency adjustments, this is a 3% increase compared to the previous year. Net sales in Q4 totaled SEK 481 (418) m, which is equivalent to currency-adjusted growth of 5%.

Net sales, SEK m	Oct-Dec			Full year		
	2014	2013	Change ¹	2014	2013	Change ¹
Foundation Brake	611	490	14%	2,420	2,107	11%
Air Controls	481	418	5%	1,960	1,813	3%
Total	1,092	908	10%	4,380	3,920	8%

¹ Currency adjusted

Net sales per customer category

Haldex operates on the market via three customer categories: Truck, Trailer and Aftermarket. Net sales within Truck, which also includes busses, amounted to SEK 1,276 (1,117) m in 2014. After currency adjustments, this is a 10% increase compared to the previous year. Net sales in Q4 totaled SEK 323 (251) m, which is equivalent to currency-adjusted growth of 17%. Net sales within Trailer amounted to SEK 1,269 (1,087) m in 2014. After currency adjustments, this is a 13% increase compared to the previous year. Net sales in Q4 totaled SEK 312 (256) m, which is equivalent to currency-adjusted growth of 14%.



Net sales per customer category (2014)

- 29% Truck
- 29% Trailer
- 42% Aftermarket

Net sales to the Aftermarket totaled SEK 1,835 (1,716) m in 2014. After currency adjustments, this is a 3% increase compared to the previous year. Net sales in Q4 totaled SEK 457 (401) m, which is equivalent to currency-adjusted growth of 4%.

Net sales, SEK m	Oct-Dec			Full year		
	2014	2013	Change ¹	2014	2013	Change ¹
Truck	323	251	17%	1,276	1,117	10%
Trailer	312	256	14%	1,269	1,087	13%
Aftermarket	457	401	4%	1,835	1,716	3%
Total	1,092	908	10%	4,380	3,920	8%

¹ Currency adjusted

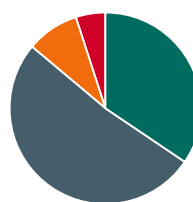
Net sales per region

In Europe, Haldex has higher sales for Trailer than for Truck. In addition, the aftermarket accounts for a significant proportion of sales. In Europe, net sales increased to SEK 1,522 (1,386) m in 2014. This corresponds to a 6% currency-adjusted increase compared to the previous year. Net sales in Q4 totaled SEK 360 (339) m, which is equivalent to currency-adjusted growth of 5%.

In North America, the distribution between Truck and Trailer is more evenly distributed than in Europe. In this case, the aftermarket accounts for a significant proportion of sales as well. In North America, net sales amounted to SEK 2,280 (2,019) m in 2014. After currency adjustments, net sales increased by 8% compared with the previous year. Net sales in Q4 totaled SEK 584 (446) m, which is equivalent to currency-adjusted growth of 15%. There were major USD currency fluctuations in Q4, which led to significant differences in the growth rates before and after currency adjustments.

In Asia, with China and India as key markets, trucks without trailers are still the most common type of vehicle combination. This means that Haldex's sales are more focused on Truck than on Trailer. The

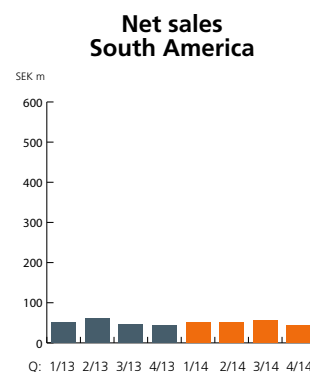
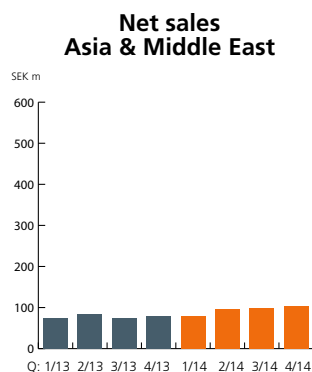
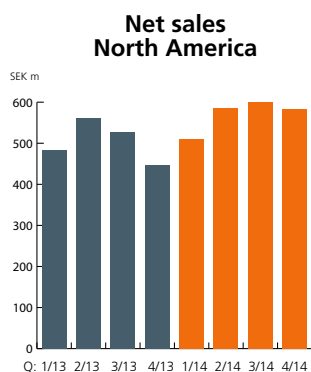
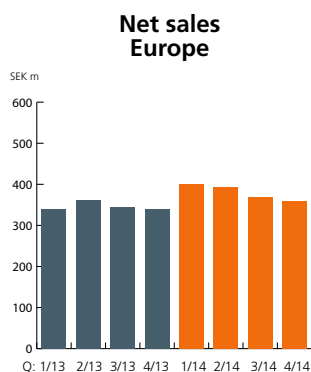
Net sales per region (2014)



- 35% Europe
- 52% North America
- 8% Asia & Middle East
- 5% South America

aftermarket accounts for a smaller proportion of sales. In Asia and the Middle East, net sales amounted to SEK 376 (313) m in 2014. After currency adjustments, net sales increased by 15% compared with the previous year. Net sales in Q4 totaled SEK 104 (80) m, which is equivalent to currency-adjusted growth of 19%.

In South America, sales for Truck are more significant than sales for Trailer and the aftermarket. Net sales in 2014 totaled SEK 202 (202) m, which is equivalent to currency-adjusted growth of 4%. Net sales in Q4 totaled SEK 44 (43) m, which is equivalent to currency-adjusted growth of 1%.



Net sales, SEK m	Oct-Dec	Oct-Dec	Change ¹	Full year	Full year	Change ¹
	2014	2013		2014	2013	
Europe	360	339	5%	1,522	1,386	6%
North America	584	446	15%	2,280	2,019	8%
Asia & Middle East	104	80	19%	376	313	15%
South America	44	43	1%	202	202	4%
Total	1,092	908	10%	4,380	3,920	8%

¹ Currency adjusted

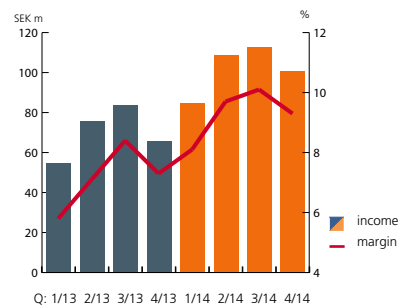
Earnings

Operating income for 2014 excluding one-off items amounted to SEK 408 (281) m, which is equivalent to an operating margin of 9.3 (7.2)%. The operating income and operating margin including one-off items amounted to SEK 233 (153) m and 5.3 (3.9)%, respectively. Operating income for Q4 excluding one-off items amounted to SEK 101 (66) m. The corresponding figure including one-off items was SEK 32 (53) m. This is equivalent to an operating margin of 9.3 (7.3)% and 3.0 (5.9)%, respectively.

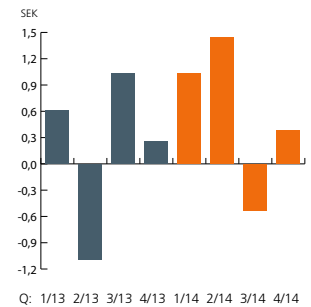
In November, Haldex launched a field inspection campaign of one of its actuator models in the North American market. Based on a thorough analysis of the field inspection results, an additional root cause, that can occur during special conditions, has been identified. Haldex has therefore decided to extend the campaign to include product replacements. The cost is estimated at SEK 65 m. This amount replaces the previous estimate of SEK 35 m, which was announced in the Q3 interim report. The entire amount had a negative impact on earnings in Q4 as a one-off item.

Income before tax totaled SEK 205 (110) m for 2014 and SEK 24 (42) m for Q4. Income before tax was impacted negatively by one-off items in the amount of SEK 175 (128) m, with SEK 112 (128) m attributable to the restructuring program.

Operating income & margin (excl. one-off items)



Earnings per share



Net income after tax for 2014 totaled SEK 107 (38) m, with earnings per share totaling SEK 2.32 (0.80). Net income after tax for Q4 totaled SEK 17 (12) m, with earnings per share totaling SEK 0.38 (0.26). Earnings per share excluding one-off items came in at SEK 5.47 (2.94) for the full year and SEK 1.33 (0.39) for Q4.

Currency fluctuations, as well as the result of currency hedging and currency translation effects, had a positive impact on the Group's operating income excluding one-off items, which came in at SEK 32 m for the full year and SEK 13 m for Q4, compared with the equivalent period of the previous year.

Earnings	Oct-Dec 2014	Oct-Dec 2013	Change	Full year 2014	Full year 2013	Change
Operating income, excl. one-off items, SEK m	101	66	53%	408	281	45%
Operating income, SEK m	32	53	-40%	233	153	52%
Operating margin, excl. one-off items, %	9.3	7.3	2.0	9.3	7.2	2.1
Operating margin, %	3.0	5.9	-2.9	5.3	3.9	1.4
Net income, SEK m	17	12	42%	107	38	182%
Earnings per share, SEK	0.38	0.26	46%	2.32	0.80	190%

Restructuring program

Haldex announced a restructuring program in 2013 which included costs related to the work of consolidating central processes and functions, optimizing sales and administration costs, adjusting the European production structure, product rationalization measures and impairment testing of related non-current assets. The program included staff reductions by around 200 employees, as well as other measures to reduce operating costs.

An extensive part of the program is related to moving large sections of the company's manufacturing from Germany to Hungary. After restructuring, air suspension products and the EBS brake system will continue to be manufactured at the Heidelberg plant, while other production is gradually reduced in 2015, with a significant portion moving to Hungary. The German plan has been in progress since September 2014 and will be completed by the end of 2015.

The estimate of the program's savings foresees total annual savings of SEK 85 m and total costs of SEK 250 m, with cash effects of SEK 100 m.

From the start of the restructuring program to the end of 2014, SEK 240 m has been recognized as costs in conjunction with activities in the UK, Germany, Brazil, Sweden and Hungary, with SEK 90 m in restructuring costs and SEK 150 m in impairment losses. Out of these costs, SEK 128 m was recognized in 2013, and SEK 112 m in 2014, with SEK 4 m recognized in Q4 2014. Two thirds of the payments remain to be made. All savings and payments are estimated to be completed by Q1 2016.

Financial position

The net debt of the Group totaled SEK 272 (378) m as of December 31, 2014. Net debt excluding pension liabilities declined and is positive as of December 31 at SEK 128 (-87) m. Shareholders' equity amounted to SEK 1,278 (1,152) m, resulting in an equity/asset ratio of 44 (46)%.

Haldex's primary sources of loan financing comprise:

- A bond loan of SEK 270 m with renewed maturing set to January 2020.
- A syndicated credit facility of USD 95 m, maturing in 2016. USD 0 m of this facility had been utilized by the end of the quarter.

Pledged assets and contingent liabilities

There were no changes to the Group's pledged assets or contingent liabilities in 2014. The contingent liability recognized in Q3 for a potential field inspection was expensed at the estimated amount in Q4 and is described in the earnings section on page 5.

Net debt, SEK m	Dec 31 2014	Dec 31 2013	Change
<i>Assets as part of the net debt:</i>			
Cash and cash equivalents	437	323	35%
<i>Liabilities as part of the net debt:</i>			
Interest-bearing liabilities	-285	-412	-31%
Pension liabilities ¹	-400	-291	37%
Derivative instruments for loans in foreign currency	-24	2	-
Net debt in total	-272	-378	-28%

¹ The change of pension liabilities are primarily related to variations in actuarial assumptions.

Cash flow

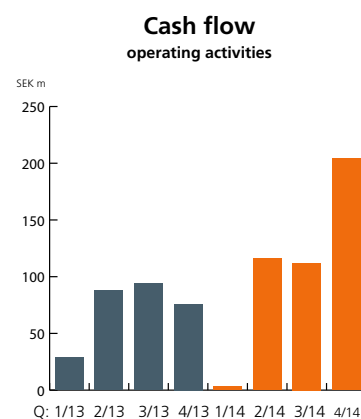
Cash flow from operating activities for 2014 totaled SEK 435 (282) m. Cash flow from operating activities for Q4 totaled SEK 204 (76). Cash flow was impacted negatively by one-off items in the amount of SEK 19 (48) m during the year. On May 5, 2014, a dividend of SEK 89 (44) m was paid to the shareholders.

Investments amounted to SEK -173 (-94) m in 2014. There was also a positive cash flow from the divestment of a property in the amount of SEK 22 (23) m, resulting in Haldex's cash flow after investments amounting to SEK 284 (211) m. Total cash flow was SEK 68 (-19) m for 2014.

Cash flow and cash equivalents, SEK m	Oct-Dec 2014	Oct-Dec 2013	Change	Full year 2014	Full year 2013	Change
Cash flow, operating activities	204	76	128	435	282	153
Cash flow after investment activities	143	42	101	284	211	73
Cash and cash equivalents (at end of period)	437	323	114	437	323	114

Taxes

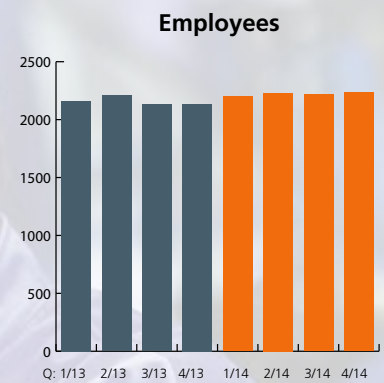
The tax rate excluding one-off items and associated tax rates totaled 35 (39)% in 2014. Tax expenses amounted to SEK 98 (72) m, corresponding to a tax rate of 48 (66)%. Deferred tax assets for tax loss carryforwards are recognized to the extent it is probable that the losses will be used to offset future taxable profit.



Employees

At the end of the year, the number of employees was 2,235 (2,135), which is 100 employees more than at the end of 2013 and 18 more than at the end of Q3.

62% of all employees work in production, 12% in production management and distribution, 2% in sourcing, 9% in sales and marketing, 7% in quality and product development and 8% in finance and administration.



Parent Company

Haldex AB (publ), Corporate Registration Number 556010-1155, is a registered limited liability corporation with its registered office in Landskrona, Sweden. Haldex AB's shares are listed on the Nasdaq Stockholm, Mid Cap. The parent company performs corporate office functions, including the corporate finance function. The net sales of the Parent Company in 2014 amounted to SEK 95 (67) m, while the net income after tax was SEK 73 (27) m. This income includes dividends from Group companies amounting to SEK 63 (31) m.

Annual General Meeting

Haldex will hold its Annual General Meeting on April 28, 2015 at 4:00 p.m. at Haldex in Landskrona, Sweden. A company presentation will be given prior to the Annual General Meeting. It is estimated that the annual report will be available on the Company's website no later than three weeks before the meeting.

Nomination committee

The nomination committee is to consist of four members, represented by the four owners with the largest number of votes based on their shareholdings immediately preceding the announcement of the nomination committee's composition. The nomination committee for the 2015 Haldex Annual General Meeting was comprised of Göran Carlson (through companies), Frank Larsson (Handelsbanken Fonder), Anders Algotsson (AFA Försäkring) and Erik Törnberg (Creades). Due to a change in ownership, the composition of Haldex's nomination committee was changed in November. Erik Törnberg (Creades) left the committee and Nils Bolmstrand (Nordea Investment funds) took his place. Together, they represented 17.1% of the votes in Haldex as of December 31, 2014. Göran Carlson has been appointed chairman of the nomination committee.

Dividends

The Board of Directors of Haldex proposes to the Annual General Meeting that a dividend of SEK 3.00 (2.00) per share shall be distributed.

Objectives and market outlook

Long-term financial objectives

Haldex announced updated financial targets on October 2, 2014:

- Organically grow faster than the market (weighted volume per segment).
- Sustainable operating margin of 10% or above.
- Net debt/equity ratio less than 1.
- 1/3 of the annual net profit over a business cycle in dividend.

Targets met in 2014

Currency-adjusted, organic growth amounted to 8%, which is approximately two percentage points better than the weighted market growth according to official statistics. Haldex thus met its growth target for the year.

The operating margin has seen continuing improvement from 7.2% in 2013 to 9.3% excluding one-off items for 2014. This is an important step on the way toward a sustainable operating margin of 10%.

The net debt/equity ratio of 0.21 is well below the target of a net debt/equity ratio less than 1.

With the proposed dividend of SEK 3.00, more than a third of net profit will be distributed to the shareholders during the year.

All in all, Haldex has met three of its four long-term targets in 2014.

Market outlook for 2015

The official production forecasts provide insight into how the market is expected to perform. However, Haldex does not have an even distribution of revenues between the different categories of Truck and Trailer and does not necessarily share the view of the future espoused by the forecasters. Therefore, Haldex will provide its own overall view of how the Company sees each market performing.

North America has performed well for several quarters and the high demand seems to be holding up over the first half of the year, but may then possibly decline.

Europe has performed poorly in Truck, but stronger in Trailer. With the turbulence in Russia and Ukraine and the weak economy in Southern Europe, our overall view is an unchanged market or one that is a few percentage points up.

China has gradually weakened and its prospects for 2015 continue to be negative.

India has recovered after a long period of negative growth. Haldex estimates that the market situation will be positive for 2015.

Brazil has declined during the year and is not expected to recover in 2015, but to remain on a weak trend.

A more detailed explanation of our business concept, strategy, targets and business model can be found on page 16 of this interim report.

Miscellaneous

Significant risks and uncertainties

Haldex is exposed to risks of a financial and operational nature. The Group has a process for risk identification and risk management that is described in Haldex's annual report and corporate governance report for 2013 on pages 37-40 and 80-81. As described in the annual report, the consolidated financial statements present certain judgments and assumptions about the future that are based on both historical experience and future expectations. Goodwill, development projects, taxes, guarantee reserves, pensions and the impact of restructuring programs are the areas representing the highest risk of future adjustments to recognized values.

Forward-looking information

This report includes forward-looking information with statements concerning the future outlook for Haldex's operations. This information is based on the current expectations, estimates and forecasts of Haldex's management. Actual future outcomes may vary significantly from the forward-looking information presented in this report. This may be due to changes in assumptions concerning economic factors, markets and competition.

Acquisitions and disposals

There were no acquisitions or divestments in 2014.

Transactions with related parties

There have been no transactions with a significant impact on the Group's financial position and results of operations between Haldex and related parties.

Seasonal effects

Haldex does not have any significant seasonal variations. Sales are however affected by the production schedules of Haldex's customers, which result in lower sales during vacation periods and when customers are closed for public holidays, such as the holidays at the end of the year.

Accounting policies

This interim report is presented in accordance with IAS 34 Interim Financial Reporting. The consolidated financial statements are presented in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. The Parent Company's report is presented in accordance with the Swedish Financial Reporting Board's recommendation RFR 2 "Financial Reporting for Legal Entities" and the Swedish Annual Accounts Act (Årsredovisningsslagen). The accounting policies are thus unchanged from those presented in the 2013 Annual Report on pages 45-49.

Changed estimates and judgments

Assessment of discount rates for the valuation of pension liabilities are made continuously, resulting in a net increase in the pension liability by SEK 86 m for 2014. This change is primarily related to lower discount rates than previously.

Landskrona, February 12, 2015
Bo Annvik
President and CEO

This report has not been audited by the Company's auditors.

Consolidated income statement

SEK m	Oct-Dec 2014	Oct-Dec 2013	Full year 2014	Full year 2013
Net sales	1,092	908	4,380	3,920
Cost of goods sold	-789	-664	-3,142	-2,827
Gross income	303	244	1,238	1,093
<i>Gross margin</i>	27.7%	26.9%	28.3%	27.9%
Selling, admin. and product development costs	-207	-190	-857	-839
Other operating income and expenses ¹	-64	-1	-148	-101
Operating income ¹	32	53	233	153
Financial income and expenses	-8	-11	-28	-43
Income before tax	24	42	205	110
Tax	-7	-30	-98	-72
Net income	17	12	107	38
<i>attributable to non-controlling interests</i>	1	1	5	3
Earnings per share, before and after dilution, SEK	0.38	0.26	2.32	0.80
Average No. of shares, thousands	44,204	44,204	44,204	44,206

Operating income, by nature of expenses

SEK m	Oct-Dec 2014	Oct-Dec 2013	Full year 2014	Full year 2013
Net sales	1,092	908	4,380	3 920
Direct material costs	-596	-487	-2,387	-2 138
Personnel costs	-225	-208	-887	-832
Depreciation and amortization	-33	-35	-189	-236
Other operating income and expenses	-206	-125	-684	-561
Operating income ¹	32	53	233	153

1) One-off items included in the operating income

SEK m	Oct-Dec 2014	Oct-Dec 2013	Full year 2014	Full year 2013
Operating income, including one-off items	32	53	233	153
Restructuring costs	-4	-8	-60	-30
Impairment of assets	0	-	-52	-98
Product related warranty	-65	-	-65	-
Other	-	-5	2	-
Operating income, excluding one-off items	101	66	408	281

Consolidated statement of comprehensive income

SEK m	Oct-Dec 2014	Oct-Dec 2013	Full year 2014	Full year 2013
Net income	17	12	107	38
Other comprehensive income/loss				
<i>Items not to be reclassified to the income statement:</i>				
Remeasurement of pension obligation, after tax	-11	-1	-71	38
Total	-11	-1	-71	38
<i>Items that may be reclassified subsequently to the income statement:</i>				
Currency translation differences	77	27	190	-3
Changes in financial instruments at fair value, after tax	-2	-1	0	-3
Total	75	26	190	-6
Total other comprehensive income/loss	64	25	119	32
Total comprehensive income	81	37	226	70
<i>attributable to non-controlling interests</i>	3	0	8	1

Consolidated statement of financial position

SEK m	Dec 31 2014	Dec 31 2013
Goodwill	408	354
Other intangible assets	58	96
Tangible assets	449	429
Financial assets	68	28
Deferred tax assets	165	140
Total non-current assets	1,148	1,047
Inventories	544	480
Current receivables	787	627
Derivative instruments	20	9
Cash and cash equivalents	437	323
Total current assets	1,788	1,439
Total assets	2,936	2,486
Equity	1,278	1,152
Pension and similar obligations	400	291
Deferred tax liabilities	12	12
Non-current interest-bearing liabilities	270	400
Other non-current liabilities	36	25
Total non-current liabilities	718	728
Derivative instruments	38	10
Current interest-bearing liabilities	15	11
Current liabilities	887	585
Total current liabilities	940	606
Total equity and liabilities	2,936	2,486

Statement of changes in equity

SEK m	Full year 2014	Full year 2013
Opening balance	1,152	1,129
Net income	107	38
Other comprehensive income/loss	119	32
Total comprehensive income	226	70
Transactions with shareholders:		
Dividend to Haldex' shareholders	-89	-44
Dividend to non-controlling interests	-5	0
Purchase of treasury shares	-	-2
Settlement of share based payments	-	-2
Value of employee services/incentive programs	2	1
Share swap incentive program	-8	-
Total transactions with shareholders	-100	-47
Closing balance	1,278	1,152
<i>attributable to non-controlling interests</i>	<i>19</i>	<i>16</i>

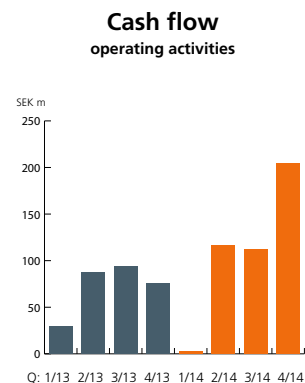
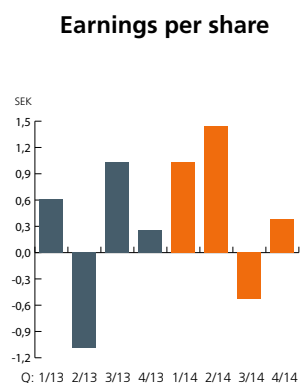
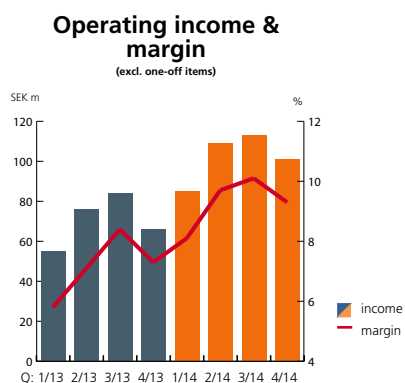
Consolidated statement of cash flow

SEK m	Oct-Dec 2014	Oct-Dec 2013	Full year 2014	Full year 2013
Operating income	32	53	233	153
Reversal of non-cash items	98	40	252	231
Interest paid	-8	-10	-28	-37
Tax paid	-40	-16	-101	-98
Cash flow from operating activities before change in working capital	82	67	356	249
Change in working capital	122	9	79	33
Cash flow from operating activities	204	76	435	282
Investments	-61	-34	-173	-94
Divestment tangible assets	-	0	22	23
Cash flow from investment activities	-61	-34	-151	-71
Dividend to Haldex' shareholders	-	-	-89	-44
Dividend to non-controlling interests	-2	-	-5	0
Change in loans	-22	-27	-114	-186
Share swap incentive program	-	-	-8	-
Cash flow from financing activities	-24	-27	-216	-230
Net cash flow	119	15	68	-19
Cash and cash equivalents, opening balance	292	307	323	346
Currency translation diff. in cash and cash equivalents	26	1	46	-4
Cash and cash equivalents, closing balance	437	323	437	323

Key figures

	Full year 2014	Full year 2013
Operating margin, excl. one-off items, %	9.3	7.2
Operating margin, %	5.3	3.9
Cash flow, operating activities, SEK m	435	282
Cash flow after investment activities, SEK m	284	211
Return on capital employed, excl. one-off items, % ¹	21.4	14.6
Return on capital employed, % ¹	12.2	7.8
Investments, SEK m	147	94
R&D, %	3.4	3.5
Employees	2,235	2,135
Return on shareholders' equity, %	8.7	3.2
Interest coverage ratio	13.0	7.2
Equity ratio, %	44	46
Net debt/equity ratio, %	21	33
Share data:		
Earnings per share, before dilution, SEK	2.32	0.80
Earnings per share, after dilution, SEK	2.32	0.80
Equity per share, SEK	28.48	26.06
Cash flow, operating activities, SEK	9.84	6.38
Share price, SEK	101.75	60.00
Average No. of shares, thousands	44,204	44,206
Total No. of shares at end of period, thousands	44,216	44,216
<i>of which is treasury shares, thousands</i>	<i>102</i>	<i>12</i>

¹ Rolling twelve months



Parent company's income statement

SEK m	Oct-Dec 2014	Oct-Dec 2013	Full year 2014	Full year 2013
Net sales	30	42	95	67
Administrative costs	-11	-21	-56	-59
Operating income/loss	19	21	39	8
Financial income and expenses	8	0	15	-3
Earnings after financial income and expenses	27	21	54	5
Dividend	2	8	63	31
Group contribution	-47	-7	-47	-7
Earnings before tax	-18	22	70	29
Tax	9	-1	3	-2
Net income/loss	-9	21	73	27

Parent company's statement of comprehensive income

SEK m	Oct-Dec 2014	Oct-Dec 2013	Full year 2014	Full year 2013
Net income/loss	-9	21	73	27
Other comprehensive income	-	-	-	-
Total comprehensive income	-9	21	73	27

Parent company's statement of financial position

SEK m	Dec 31 2014	Dec 31 2013
Non-current assets	1,917	1,875
Current assets	1,050	870
Total assets	2,967	2,745
Shareholders' equity	1,187	1,211
Provisions	40	40
Interest-bearing liabilities, external	270	400
Other liabilities	1,470	1,094
Total equity and liabilities	2,967	2,745

Financial instruments by category - Group

SEK m	Dec 31, 2014		Dec 31, 2013	
	Assets	Liabilities	Assets	Liabilities
Forward exchange contracts - cash flow hedges	4	7	2	4
Forward exchange contracts- at fair value through profit or loss	2	2	2	1
Currency swaps - at fair value through profit or loss	14	29	5	5
Financial assets available for sale	27	-	-	-
Total	47	38	9	10

Financial instruments categorized as financial assets available for sale are recognized at fair value in the statement of financial position according to Tier 1 in the fair value hierarchy, i.e. to a price quoted in an active market. Other financial instruments are recognized at fair value in the statement of financial position according to Tier 2 in the fair value hierarchy, meaning that the fair value is determinable, directly or indirectly, from observable market data. No transit has taken place between the different Tier levels during the year. Haldex multicurrency revolving credit facility and bond loan are subject to a variable interest term of 1-6 months, thus the fair values correspond to the carrying amounts. In regard of other financial assets and liabilities such as accounts receivables, other current receivables, cash and cash equivalents and debt to suppliers, the fair values are considered to correspond to the carrying amounts.

Quarterly data

SEK m, if not otherwise stated	2014				2013				2012
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Income statement:									
Net sales	1,092	1,123	1,124	1,041	908	994	1,067	951	864
Cost of good sold	-789	-797	-806	-750	-664	-704	-767	-692	-642
Gross income	303	326	318	291	244	290	300	259	222
Selling, admin. and product development costs	-207	-224	-214	-212	-190	-212	-229	-208	-193
Other operating income and expenses	-64	-87	-1	4	-1	11	-115	4	-1
Operating income	32	15	103	83	53	89	-44	55	28
<i>Operating income, excl. one-off items</i>	<i>101</i>	<i>113</i>	<i>110</i>	<i>84</i>	<i>66</i>	<i>84</i>	<i>76</i>	<i>55</i>	<i>34</i>
Financial income and expenses	-8	-7	-5	-8	-11	-13	-9	-10	-7
Income before tax	24	8	98	75	42	76	-53	45	21
Tax	-7	-30	-34	-27	-30	-30	5	-17	-23
Net income/loss	17	-22	64	48	12	46	-48	28	-2
Statement of financial position:									
Non-current assets	1,148	1,079	1,051	1,023	1,047	1,044	1,065	1,146	1,186
Current assets	1,788	1,668	1,632	1,583	1,439	1,434	1,600	1,523	1,414
Total assets	2,936	2,747	2,683	2,606	2,486	2,478	2,665	2,669	2,600
Equity	1,278	1,199	1,183	1,177	1,152	1,114	1,078	1,149	1,129
Non-current liabilities	718	732	736	741	728	748	932	949	967
Current liabilities	940	816	764	688	606	616	655	571	504
Total equity and liabilities	2,936	2,747	2,683	2,606	2,486	2,478	2,665	2,669	2,600
Statement of cash flow:									
Cash flow from operating activities before change in working capital	82	60	116	98	67	58	53	72	91
Cash flow from operating activities	204	112	116	3	76	94	83	29	99
Cash flow from investment activities	-61	-53	-32	-5	-34	-15	-2	-20	-36
Cash flow from financing activities	-24	-70	-121	-1	-27	-139	-72	8	-49
Net cash flow	119	-11	-37	-3	15	-65	14	17	14
Key figures:									
Operating margin, excl. one-off items, %	9.3	10.1	9.7	8.1	7.3	8.4	7.1	5.8	3.9
Operating margin, %	3.0	1.3	9.2	7.9	5.9	9.0	-4.1	5.8	3.2
Earnings per share, before and after dilution, SEK	0.38	-0.53	1.44	1.03	0.26	1.03	-1.09	0.61	-0.05
Equity per share, SEK	28.48	27.13	26.76	26.63	26.06	25.20	24.38	25.99	25.53
Cash flow, operating activities, per share, SEK	4.61	2.53	2.62	0.07	1.61	2.13	1.99	0.66	2.24
Share price, SEK	101.75	83.75	82.50	75.75	60.00	49.20	45.70	38.80	33.50
Return on capital employed excl. one-off items, % ¹	21.4	19.6	18.1	16.1	14.6	12.6	10.4	9.5	9.8
Return on capital employed, % ¹	12.2	13.5	17.3	9.4	7.8	6.4	3.4	6.6	7.0
Return on equity, %	1.4	-2.0	5.6	4.0	1.0	3.9	-4.0	2.1	-0.3
Equity ratio, %	44	44	44	45	46	45	40	43	43
Net debt/equity ratio, %	21	34	37	35	33	37	49	49	51
Investments	48	40	32	27	34	23	17	20	36
R&D, %	3.6	3.3	3.2	3.5	4.1	3.5	3.2	3.6	3.8
Employees	2,235	2,217	2,232	2,199	2,135	2,130	2,207	2,160	2,200

¹ Rolling twelve months

4 year in summary

SEK m, if not otherwise stated	2014	2013	2012	2011 ¹
Income statement:				
Net sales	4,380	3,920	3,933	4,030
Cost of good sold	-3,142	-2,827	-2,904	-2,967
Gross income	1,238	1,093	1,029	1,063
Selling, admin. and product development costs	-857	-839	-836	-829
Other operating income and expenses	-148	-101	-43	1
Operating income	233	153	150	235
<i>Operating income, excl. one-off items</i>	<i>408</i>	<i>281</i>	<i>210</i>	<i>235</i>
Financial income and expenses	-28	-43	-36	-18
Income before tax	205	110	114	217
Tax	-98	-72	-60	-75
Net income/loss	107	38	54	142
Statement of financial position:				
Non-current assets	1,148	1,047	1,186	1,276
Current assets	1,788	1,439	1,414	1,582
Total assets	2,936	2,486	2,600	2,858
Equity	1,278	1,152	1,129	1,336
Non-current liabilities	718	728	967	924
Current liabilities	940	606	504	598
Total equity and liabilities	2,936	2,486	2,600	2,858
Statement of cash flow:				
Cash flow from operating activities before change in working capital	356	249	243	439
Cash flow from operating activities	435	282	238	114
Cash flow from investment activities	-151	-71	-118	1,301
Cash flow from financing activities	-216	-230	-164	-1,519
Net cash flow	68	-19	-44	-104
Key figures:				
Operating margin, excl. one-off items, %	9.3	7.2	5.3	5.8
Operating margin, %	5.3	3.9	3.8	5.8
Earnings per share, before and after dilution, SEK	2.32	0.80	1.12	3.08
Equity per share, SEK	28.48	26.06	25.53	30.20
Cash flow, operating activities, per share, SEK	9.84	6.38	5.38	2.58
Dividend, SEK		2.00	1.00	2.00
Share price, SEK	101.75	60.00	33.50	25.20
Return on capital employed excl. one-off items, % ²	21.4	14.6	9.8	10.1
Return on capital employed, % ²	12.2	7.8	7.0	10.1
Return on equity, %	8.7	3.1	3.4	-
Equity ratio, %	44	46	43	47
Net debt/equity ratio, %	21	33	51	37
Investments	147	94	118	100
R&D, %	3.4	3.5	3.4	3.3
Number of employees	2,235	2,135	2,200	2,365

¹ Remaining business ² Rolling twelve months

Haldex in short

Haldex develops, manufactures and distributes products for brake and suspension systems for commercial vehicles. Our customers include manufacturers of heavy trucks, buses and trailers, and axle manufacturers for these types of vehicles as well as workshops serving the aftermarket. Other applications as agriculture and special vehicles are also served. The product portfolio comprises all of the main components and sub-systems included in a complete brake or suspension system. Haldex has a global presence in terms of sales, research, development, technical service and production. Manufacturing takes place in Sweden, Germany, Hungary, China, India, Brazil, Mexico and the USA.

Haldex is listed on the Nasdaq Stockholm Mid Cap list. The main owners are Göran Carlson through companies, Handelsbanken Fonder, Nordea Fonder and AFA Försäkring with approximately 17% of the votes.

Mission

We develop and provide reliable and innovative brake solutions that improve safety, vehicle dynamics and environmental sustainability in the global, commercial vehicle industry.

Business model

Our business model is based on strong sales to the OEMs that then serves as a volume engine; an increased installed base of Haldex products on trucks, busses and trailers results in a great potential for aftermarket sales of service and spare parts.

Strategy

Haldex will offer a world-class, focused product range for OEM customers. Products within the portfolio should have market leading potential with features standing out among the competition. For the aftermarket, the product offering, service level, pricing and channel distribution will be adapted over the vehicles lifecycle, with the ambition to offer support during the vehicle's main lifetime. Products within the Foundation Brake product family will continue to serve as the base complemented with selected product investments in the Air Controls product family.

Financial targets

- Organically grow faster than the market (weighted segment volume).
- Sustainable operating margin of 10% or above.
- Net debt/equity ratio less than 1.
- 1/3 of the yearly net income over a business cycle in dividend.

Value drivers

- Number of produced heavy vehicles.
- Development of a competitive product offering.

Financial definitions and glossary

FINANCIAL DEFINITIONS

Return on equity: The proportion of net income for the year attributable to owners of the parent company as a percentage of the proportion of average equity attributable to owners of the parent company.

Return on capital employed: Operating income plus interest income as a percentage of average capital employed.

Cash flow per share: Cash flow from operating activities divided by the average number of shares.

Net debt: Cash and cash equivalents plus interest-bearing receivables minus interest-bearing liabilities and provisions.

Net debt/equity ratio: Interest-bearing liabilities and provisions minus cash and cash equivalents and interest-bearing receivables divided by equity including non-controlling interests.

Earnings per share: Proportion of net income for the year attributable to the owners of the parent company divided by weighted average number of shares.

Interest coverage ratio: Operating income excluding one-off items plus interest income divided by interest expenses.

Operating margin: Operating income as a percentage of net sales for the year.

Equity ratio: Equity including non-controlling interests as a percentage of total assets.

Capital employed: Total assets less non-interest bearing liabilities and non-interest bearing provisions.

GLOSSARY

Air Controls: Haldex's product line for products to improve brake systems' safety and driving qualities, such as treatment and dehumidifying of compressed air, valves and ABS & EBS.

Aftermarket: Spare parts sold to, and training and services provided to the workshops that repair and service vehicles.

Foundation Brake: Haldex's product line for brake products for wheel ends such as disc brakes, brake adjusters for drum brakes and brake cylinders.

OEM: Original equipment manufacturer.

Truck: Heavy trucks and busses.

Trailer: Trailers attached to a semi-tractor (truck).

Haldex's range of products

The Foundation Brake product line includes brake products for wheel ends such as disc brakes, brake adjusters and actuators. Air Controls comprises products to improve brake systems' safety and driving qualities, such as treatment of compressed air, valves and ABS and EBS.

A SELECTION of our products in each product group:

FOUNDATION BRAKE



BRAKE ADJUSTERS are the central part of a drum brake and automatically control the distance between the brake lining and the brake drum.



DISC BRAKES have higher braking performance. As opposed to brake adjusters, which are a part of a drum brake, Haldex manufactures complete air disc brakes.



ACTUATORS and brake chambers are available for both drum brakes and disc brakes. Haldex offers several versions both with and without parking brakes.

AIR CONTROLS



EBS controls the braking system electronically. The system ensures that the brake power is always optimal for all brakes on a trailer including stability control.



The **SEPERATOR** Consep separates dirt, water and oil before compressed air is passed on to the air dryer, which reduces the need for maintenance in the air system.



PARKING BRAKE CONTROL for trailers ensures that the trailer can be manoeuvred and safely parked.



RAISING AND LOWERING of vehicles with the help of the vehicles suspension system. A simple handle allows the driver to raise or lower the vehicle to the correct height at the loading bay.



AIR DRYERS are a key part of the braking system. Clean and dry air is correctly distributed to the vehicles air sub systems.



The **LIFT AXLE CONTROL** ensures that the lift axle of a trailer is automatically raised and lowered to adapt to the load situation.

CUSTOMER CASE:

Outstanding aftermarket service at Paul

Paul, a company based in the town of Passau in the southeasternmost corner of Germany always had to fight for every single customer. A challenge the company has faced as a result of its remote location. But Paul has managed to make the most of its situation; there's hardly any part of the field of servicing where the company is not involved. 'Helping the customer in every respect' is the motto of this now impressively broad company. The multi-brand service centre in Passau bears the Haldex Select seal of approval and offers every imaginable service for all types of commercial vehicles including trailers and superstructures. Service categories range from tyres and painting to a power testing station and a frame straightening bench.

'We have been associated with Haldex practically since the beginning of time', says Service Manager Bernhard Wasner. Paul customers can purchase required parts over the counter as well as rely on the company's quick delivery service: 'We have organised our own delivery service with a radius of approximately 100 kilometres', says Bernhard Wasner.

Financial calendar 2015

Interim report, Jan-Mar	24 April
Annual General Meeting	28 April
Interim report, Apr-Jun	16 July
Interim report, Jul-Sep	23 October
Annual statement	11 February, 2016

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Press and analyst meeting

Media and analysts are invited to a telephone conference at which the report will be presented with comments by Bo Annvik, President and CEO, and Andreas Ekberg, CFO. The presentation will also be webcasted live and you can participate with questions by telephone.

Date & Time: Thursday February 12 at 10.00 CET

The press conference is broadcasted at:
<http://www.media-server.com/m/eergta9r>

To join the telephone conference:

Sweden: +46 850 55 64 74

Denmark: +45 35 44 55 79

UK: +44 20 33 64 53 74

USA: +1 85 57 53 22 30

The webcast will also be available afterwards and you can download the Interim report and the presentation from Haldex website: <http://www.haldex.com/financialreports>

Haldex share

2014

Change in share price	+70%
Share price (31 Dec)	101.75 SEK
Market capital (31 Dec)	4,499 MSEK
Highest share price	102.00 SEK
Lowest share price	60.00 SEK
Traded No. of shares	197,970
Total No. of shares (30 Sep)	44,215,970
Dividend 2014	2.00 SEK
Proposed dividend 2015	3.00 SEK

