

SinterCast Annual General Meeting 2007

- **Mr Luiz Tarquínio S. Ferro, President and C.E.O. of Tupy, forecasts CGI to become the dominant material for V-diesel cylinder blocks and commercial vehicle cylinder blocks and heads**
- **Mr Roger Cope, Vice Chairman of MAG Industrial Automation Systems, announces four major manufacturing orders received from North American OEMs for CGI V-diesel cylinder blocks**
- **Dr Steve Dawson, President & CEO identifies near-term growth opportunities for SinterCast-CGI and overall market expansion in the primary cylinder block and head market**

At the SinterCast AB (publ) Annual General Meeting on 15 May 2007 in Stockholm, presentations were made by Mr Luiz Tarquínio S. Ferro, President and C.E.O. of Tupy, Mr Roger Cope, Vice Chairman of MAG Industrial Automation Systems and President of MAG International, and by Dr Steve Dawson, President & CEO of SinterCast. The recorded presentations will be available on the SinterCast website, www.sintercast.com, on Friday 18 May 2007.

Mr Luiz Tarquínio S. Ferro reviewed the properties and benefits of CGI in comparison to grey cast iron and aluminium, and confirmed that the continued drive toward higher pressures in diesel engines will favour CGI. He stated that CGI will become the dominant material for V-diesel cylinder blocks and for commercial vehicle cylinder blocks and heads. In commercial vehicle applications, he stated that CGI can provide weight reduction of 100 to 120 kg over conventional grey cast iron. In closing, Mr Tarquínio expressed his strong belief in the US V-diesel market as a significant near-term growth opportunity for CGI, with start of production during 2008.

Mr Roger Cope reviewed the development of CGI machining capabilities since 1999 and stated that the tool life and productivity of CGI are currently 80% of conventional grey cast iron, and that further improvements are expected. With regard to the US V-diesel market, Mr Cope echoed the comments of Mr Tarquínio, stating that the diesel engine will dominate in the US pick-up and SUV sectors, and predicted that the majority of the new V-diesel engines will rely on CGI cylinder blocks. He stated that MAG had supported CGI simultaneous engineering projects for US OEMs during 2006 and that MAG has already received four major series production orders for CGI V-diesel machining facilities in North America.

Following the Tupy and MAG presentations, Steve Dawson presented SinterCast's current market activities and future outlook in terms of the *Five Wave* scenario. SinterCast's primary near-term market was reconfirmed to consist of V-diesel engines for passenger vehicles and engine components for commercial vehicles. Within the V-diesel sector, Dr Dawson noted that each of the last seven publicly announced V-diesel engines were based on a CGI cylinder block. This trend toward CGI in the V-sector is expected to continue and SinterCast is currently involved in V-diesel development and pre-production programs that provide mature volumes of at least 2 million Engine Equivalents. Within the commercial vehicle sector, SinterCast expects that 2007 will see the announcement and/or start of series production of commercial vehicle programmes that will provide mature volumes of 1 million Engine Equivalents. In total, global production in the V-diesel and commercial vehicle sectors is expected to increase from approximately 10 million Engine Equivalents in 2006 to approximately 18 million Engine Equivalents in 2012. The growth is favoured by increased commercial vehicle sales in Asia and the introduction of mid-range (4-7 litre) CGI V-diesel engines in North America. While SinterCast's near-term growth will be primarily linked to the V-diesel and commercial vehicle sector, new production activities will continue to be realised in other sectors, both in and beyond the automotive sector.

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During the AGM, Ulla-Britt Fräjdin-Hellqvist, Aage Figenschou, Andrea Fessler and Robert Dover were re-elected as Board members. Steve Dawson, President & CEO, was elected as a new Board member. After serving the company for two years, Fritz Indra retired from the Board and was thanked for his contributions. The AGM also decided upon the constitution of the Nomination Committee until the next AGM, comprised of Bertil Hagman, Ulla-Britt Fräjdin-Hellqvist and Lars Ahlström. In the statutory Board meeting held immediately after the AGM, Ulla-Britt Fräjdin-Hellqvist was elected as Chairman of the Board and Aage Figenschou was re-elected as Vice Chairman.

Stockholm, 16 May 2007
On behalf of the Board of Directors

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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 80% 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 end-users of SinterCast-CGI components include Aston Martin, Audi, Caterpillar, DaimlerChrysler, Ford, General Electric Transportation Systems, General Motors, Hyundai, Jaguar, Land Rover, MAN B&W Diesel, PSA Peugeot-Citroën, Rolls-Royce Power Engineering, Toyota, Volkswagen and Waukesha Engine. The SinterCast share [Stockholmsbörsen : SINT] is quoted on the Small Cap segment of the Nordic Exchange, Stockholm.

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