

Press Release: 11 April 2007



**Volvo adopts
SinterCast process control technology
for Compacted Graphite Iron series production**

- New System 2000 installation at the Volvo foundry in Skövde, Sweden
- Initial series production of niche volume heavy-duty CGI cylinder blocks
- Product development for Compacted Graphite Iron cylinder blocks and heads

SinterCast, the leading provider of process control technology for the reliable high volume production of Compacted Graphite Iron (CGI), has entered into a new series production and product development agreement with Volvo Group. Under the terms of the agreement, SinterCast will install a full System 2000 process control system at the Volvo foundry in Skövde, Sweden to allow for independent CGI series production and product development. Series production of the first SinterCast-CGI component, a niche volume heavy-duty cylinder block will begin shortly after the installation is commissioned.

Dr. Steve Dawson, President & CEO of SinterCast said: "Following our long standing support of Volvo's CGI foundry process development and prototyping activities, we are pleased to have our technology recognised and accepted by yet another of the world's leading automotive companies. The Volvo agreement further reinforces SinterCast's position at the forefront of CGI process control and reconfirms the trend toward CGI for high performance heavy-duty diesel engines. We look forward to installing our process control technology in the Skövde foundry and to supporting the launch of CGI series production."

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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. SinterCast produces a variety of CGI components ranging from 8 kg to 17 tonnes, all using the same proven process control technology. SinterCast's production agreements encompass a total of 30 foundries in 14 different countries that account for approximately 50% of the world production capacity for cast iron cylinder blocks and heads. SinterCast has 23 patents granted or pending in 103 national phase filings. The end-users of SinterCast-CGI components include Aston Martin, Audi, 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 is quoted on the Small Cap segment of the Nordic Exchange, Stockholm.

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