

## SinterCast Results April-June 2008

- **Turnover for period:** SEK 6.0 million (SEK 7.6 million). **Year-to-date:** SEK 11.4 million (SEK 12.6 million)
- **Result after tax:** SEK -0.3 million (SEK -0.7 million). **Year-to-date:** SEK 18.5 million (SEK -2.0 million)
- **Earning share:** SEK -0.1 per share (SEK -0.1 per share). **Year-to-date:** SEK 3.3 per share (SEK -0.4 per share)
- **Cashflow:** SEK -1.5 million (SEK -0.9 million). **Year-to-date:** SEK -4.6 million (SEK 0.8 million)
- New installation discussions at all-time high, with active quotations in excess of SEK 20 million
- Cifunsa announces three new SinterCast-CGI programmes with foundry operations beginning in 2009 and 2010
- Tupy announces plans for a new CGI-specific foundry and increased SinterCast-CGI series production
- Volvo Penta introduces 11 litre marine diesel engine with SinterCast-CGI cylinder block

### Current Production and Outlook

Following the continued ramp-up of new commercial vehicle production for Ford-Otosan and MAN Nutzfahrzeuge in Europe and International-Navistar in the USA, series production remained stable at an annualised rate of approximately 650,000 Engine Equivalents per year during the period, representing a 50% increase compared to the same period one year ago. The potential volume of the current production programmes, when fully ramped-up to mature volume, is approximately 1.2 million Engine Equivalents. With SinterCast's current business model, providing running revenues of approximately SEK 20 per Engine Equivalent, the current production programmes represent potential annual revenue of approximately SEK 25 million. Additional revenue will be realised from the start of production of new series production programmes, new System 2000 installations, engineering services and other activities.

The typical concept-to-showroom development cycle for new engine programmes in the automotive industry is approximately four years. The planning of the automotive OEMs therefore allows SinterCast to estimate the Start of Production (SOP) dates for new engine programmes within the near-term (<5 year) period. Following SOP, the ramp-up rates for new production programmes and the time required to reach mature volume depend largely on the sales success of the vehicles and are therefore more difficult to forecast. In general, new engine programmes reach mature volume approximately two years after SOP.

In addition to the programmes that are already in series production, SinterCast's foundry customers have secured production orders for new CGI components that can provide approximately 1.5 million additional Engine Equivalents per year when mature volume is reached. A further 3 million Engine Equivalents are currently under development, providing a near-term market opportunity of approximately 5.7 million Engine Equivalents per year, corresponding to running revenues in excess of SEK 100 million per year. In total, approximately 45% of SinterCast's current pool of 5.7 million Engine Equivalents has already been approved by the OEM end-users and series production orders have been awarded to SinterCast foundries. Based on current activities and knowledge, the near-term market opportunity can be summarised as follows:

<u>Activity</u> <sup>1</sup>	<b>Approximate Annual Engine Equivalents (Thousands)</b>	
	<u>30 June 2008</u>	<u>31 March 2008</u>
Current Series Production <sup>1</sup>	650	650
Potential Mature Volume <sup>2</sup>	1,200	1,200
Production Orders Secured <sup>3</sup>	1,500	1,100
Development Pipeline <sup>4</sup>	3,000	3,200
<b>Near-term Market Opportunity<sup>5</sup></b>	<b>5,700</b>	<b>5,500</b>

- Notes:**
1. Current annualised production rate
  2. Annualised potential mature volume of Current Series Production (Item 1 above) when fully ramped-up
  3. Annualised mature volume of programmes for which SinterCast's foundry customers have secured production orders, but have not yet started series production
  4. Annualised mature volume of development programmes that SinterCast is currently supporting, but have not yet been awarded as series production orders
  5. Total Near-term Market Opportunity (sum of items 2, 3 and 4)

## Market Development

The increasing global demand for SinterCast-CGI has resulted in several new installation discussions in Europe, Asia and the Americas. During the first half of 2008, SinterCast has received requests for quotations for new System 2000 installations representing a total value of approximately SEK 20 million. One of these discussions is linked to the announcement by the Tupy foundry in Brazil of a new CGI-specific production facility, scheduled for the start of series production during 2009. The current discussions for new System 2000 installations will result in additional installation revenues during 2008 and 2009, although it is not yet possible to determine exactly when the installations will be commissioned. In anticipation of the new installations, two new System 2000 units have been ordered to stock. The stock systems will be received during 3Q08 and will affect 4Q08 cashflow.

Other industry announcements made during the period serve to reinforce the overall market development of SinterCast and CGI. In Mexico, the Cifunsa foundry announced in its 2007 Annual Report that it had received “three important contracts for CGI components with foundry operations beginning in 2009 and 2010.” This follows Cifunsa’s purchase of an additional System 2000 Sampling Module during 4Q07. In Sweden, Volvo Penta launched its new 11 litre marine diesel engine on 31 July 2008 at the Sydney International Boat Show, specifically referring to the use of a robust CGI cylinder block. In parallel, the Volvo foundry in Skövde, Sweden purchased a second System 2000 Sampling Module during the period. In the United States, International-Navistar announced, on 14 July, the delivery of the first-ever vehicle with a CGI engine in the US market, the MaxxF<sup>TM</sup> 13 litre big bore engine based on a SinterCast-CGI cylinder block produced at the Tupy Mauá foundry in Brazil. Also in the United States, Mid-City Foundry Company announced the production of SinterCast-CGI cylinder heads and turbocharger housings for the demanding industrial power sector. Mid-City currently produces several different SinterCast-CGI components with cast weights ranging from 100 to 550 kg.

During the period, SinterCast broadened its market presence in Asia by establishing a new representation agreement in India. Although SinterCast has been active in India since 2005, and its technology is well known and respected, the new representation agreement establishes SinterCast as a member of the local foundry and automotive communities. SinterCast will focus much of its near-term new market development efforts on Asia, specifically on India and China, but also on current SinterCast-CGI programmes being discussed in Japan, Korea and Russia.

## Market Penetration and Competition

Virtually every company encounters competition, and SinterCast is no exception. Some foundries, for example in Germany, follow in-house CGI production techniques to differentiate their offering from off-shore competition. However, in the global market, SinterCast enjoys the respect of the industry as the market leader for CGI process control technology and CGI know-how, and is welcomed as a reliable and trustworthy technology partner. At present, SinterCast’s market penetration in comparison to the combined penetration of other companies that may present themselves as providers of CGI process control technology to third parties can be summarised as follows:

<u>Category</u>	<u>SinterCast</u>	<u>All Others</u>
CGI Cylinder Blocks/month	~ 30,000	0
Last 5 CGI foundry installation orders	5	0
Penetration of global cast iron block and head capacity (%)	50	0

Based on its leading technology and engineering service, SinterCast will continue to support new CGI development activities and further increase its share of the world CGI cylinder block and head production capacity.

## Financial Results

The April-June 2008 Group revenue of SEK 6.0 million (SEK 7.6 million for the same period 2007) primarily relates to income from series production, engineering services and existing installations. The reduced revenue compared to 2007 is primarily due to the reduction in installation revenues during the first-half of 2008, which are SEK 3.3 million lower than the same period 2007. Installation revenues are expected to increase during the remainder of 2008, with active System 2000 quotations currently amounting to approximately SEK 20 million. Series production revenues for the period increased by approximately 50% compared to the same period 2007, corresponding to an increase from approximately 425,000 Engine Equivalents per year during the April-June 2007 period to the current value of approximately 650,000 Engine Equivalents per year. During April-June 2008, approximately 16,500 (12,100) Sampling Cups were delivered to customers, resulting in year-to-date shipments of approximately 27,500 (25,800) Sampling Cups.

	<b>April-June</b>		<b>January-June</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
<b>Revenue</b>	<b>6.0</b>	7.6	<b>11.4</b>	12.6
<b>Result after calculated tax</b>	<b>-0.3</b>	-0.7	<b>18.5</b>	-2.0
<b>Result after tax per share (SEK)</b>	<b>-0.1</b>	-0.1	<b>3.3</b>	-0.4
<b>Cashflow</b>	<b>-1.5</b>	-0.9	<b>-4.6</b>	0.8
<b>Liquidity</b>	<b>11.7</b>	16.3	<b>11.7</b>	16.3
<b>Investments</b>	<b>0.0</b>	0.1	<b>0.0</b>	0.2

\* Amounts in SEK million if not otherwise stated

The April-June cashflow result was SEK -1.5 million (SEK -0.9 million), providing a Group liquidity of SEK 11.7 million on 30 June 2008 (SEK 16.3 million). The year-to-date cashflow result was primarily affected by the reduced installation revenues, combined with increased costs for personnel (16 employees vs. 13 employees during the same period 2007), recruiting, and the establishment of the new representation activities in China and India. Cashflow was also affected by changes in working capital of SEK -1.6 million (SEK 1.6 million). The operating result of SEK -1.9 million for the period is SEK 1.1 million lower than the same period 2007, again, primarily affected by lower installation revenues and increased investments in personnel and new market development. SinterCast will continue to strengthen its organisation with further recruitment and investments in new market development during 2008, in anticipation of increased series production volumes during 2009 and beyond. Although increased staffing, System 2000 stock procurement and sales activities will increase the overall expense level, SinterCast continues to target neutral cashflow for the full year.

During the period, the Company continued the capitalisation of its deferred tax assets by activating a further SEK 5.0 million of its unused carried-forward tax losses, resulting in a deferred tax asset of SEK 1.4 million being reported as statutory income. SEK 80 million (13.5%) of SinterCast's total potential deferred tax assets have been activated during January-June 2008 and additional tax assets will be capitalised in the future, as new production orders are confirmed and as the Company's five-year tax planning horizon rolls forward. Following the capitalisation of the deferred taxes, the result after financial net, extraordinary items and taxes was SEK 18.5 million, which is SEK 20.5 million higher than the same period 2007.

With positive results, growing market activities and secure liquidity, the Board of Directors has decided that, when the profit level and funding reserves of the Company are secured, the excess funds will be returned to the shareholders in the form of dividends and/or share buy-backs. It is the Board's intention to propose a regular and progressively increasing dividend, with the first dividend intended to be proposed to the 2009 AGM.

As of 30 June 2008, the cost of the employee stock option programme was calculated at a total amount of approximately SEK 4.3 million (SEK 6.0 million as of 30 June 2007), based on a share price of SEK 121 (SEK 150). Thus far during 2008, SEK 0.8 million (SEK 0.7 million) has been accounted for as costs related to the option programme. Investments by the Group during the period amounted to SEK 0.0 million (SEK 0.1 million).

#### **Personnel**

Two new employees joined the Company as of 1 January 2008, both of whom are university graduates with PhD degrees. As of 30 June 2008, the Group had 16 (13) employees. Further technical and commercial recruitment is planned to support the increasing market demand.

#### **Risks and Uncertainty Factors**

SinterCast has historically been financed by risk capital provided by its shareholders. SinterCast regularly monitors its cash position with reference to market forecasts and expense budgets. During recent years, the revenues have been increased and the expense level has been reduced, thus significantly reducing the financing risk. The main uncertainty factor for SinterCast is the timing of the CGI market ramp-up, which in turn depends on the global economy for new vehicle sales and on the individual sales success of the vehicles equipped with SinterCast-CGI components. SinterCast's risks and uncertainty factors have been described in the Annual Report 2007 and no significant changes have occurred thereafter.

There have been no significant events since the balance sheet date of 30 June 2008 that could materially change these financial statements.

## Accounting Principles

The information provided on behalf of the Group in this interim report has been prepared in accordance with Sweden's Annual Accounts Act and IAS 34 Interim Financial Reporting. The reporting for the Parent Company has been prepared in accordance with Sweden's Annual Accounts Act. The accounting policies that have been applied for the Group and for the Parent Company are in agreement with the accounting policies used in the preparation of the company's latest annual report. The company auditors have not audited this report.

## Parent Company

SinterCast AB (publ) is the parent company of the SinterCast Group, with registered office located in Stockholm, Sweden. The Parent company has 13 (10) employees. The majority of the operations are conducted by the parent company, including responsibility for the representative office in China and sales representatives in Australia, India, Japan and Korea. Operations in the UK and the USA are managed by the local companies. The information given for the Group in this report corresponds in all material respect to the parent company.

## Information

The Interim Report July-September 2008 will be published on 5 November 2008.

The Interim Report October-December 2008 and Full Year Results 2008 will be published on 9 February 2009.

The Interim Report January-March 2009 will be published on 22 April 2009.

The Interim Report April-June 2009 will be published on 19 August 2009.

*The Board of Directors and the CEO certify that the half-yearly financial report provides a true and fair overview of the operations, outlook, financial position and results of the Company and the Group, and describes the material risks and uncertainties that the Company and the companies in the Group face.*

Stockholm, 20 August 2008

**Ulla-Britt Fräjdin-Hellqvist**  
Chairman of the Board

**Aage Figenschou**  
Vice Chairman of the Board

**Andrea Fessler**  
Member of the Board

**Robert Dover**  
Member of the Board

**Steve Dawson**  
President & CEO  
Member of the Board

For further information please contact:

**Dr. Steve Dawson**  
**President & CEO**

**SinterCast AB (publ)**

Tel: +46 8 660 7750

Fax: +46 8 661 7979

e-mail: [steve.dawson@sintercast.com](mailto:steve.dawson@sintercast.com)

website: [www.sintercast.com](http://www.sintercast.com)

**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 weight, noise and emissions. 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).

**END**

## PROFIT AND LOSS ACCOUNTS SINTERCAST GROUP

AMOUNTS IN SEK MILLION	April - June		January - June		Jan - Dec	
	2008	2007	2008	2007	2007	
Revenue	6.0	7.6	11.4	12.6	22.8	
Cost of goods sold	-2.3	-2.9	-4.1	-4.7	-8.7	
<b>Gross result</b>	<b>3.7</b>	<b>4.7</b>	<b>7.3</b>	<b>7.9</b>	<b>14.1</b>	
Cost of sales and marketing	-2.7	-2.5	-5.7	-4.9	-9.8	
Cost of administration	-2.1	-1.8	-3.6	-3.2	-6.3	
Cost of research & development	-0.7	-1.2	-2.0	-2.1	-4.1	
Other operating income	0.0	0.0	0.0	0.0	1.0	
Other operating costs	-0.1	0.0	-0.1	0.0	0.0	
<b>Operating result</b>	<b>-1.9</b>	<b>-0.8</b>	<b>-4.1</b>	<b>-2.3</b>	<b>-5.1</b>	
Interest income and similar items	0.1	0.2	0.3	0.4	0.9	
Interest expenses and similar items	0.1	-0.1	-0.1	-0.1	-0.3	
Income Tax	1.4	0.0	22.4	0.0	0.0	
<b>Result for the period</b>	<b>-0.3</b>	<b>-0.7</b>	<b>18.5</b>	<b>-2.0</b>	<b>-4.5</b>	
Number of shares at the close of the period, thousands	5,552.9	5,552.9	5,552.9	5,552.9	5,552.9	
Average number of shares, thousands	5,552.9	5,552.9	5,552.9	5,552.9	5,552.9	
Earnings per share, SEK	-0.1	-0.1	3.3	-0.4	-0.8	
Earning per share, diluted, SEK	-0.1	-0.1	3.3	-0.4	-0.8	
Depreciation	-0.4	-0.2	-0.6	-0.8	-1.3	
<b>GEOGRAPHICAL MARKETS*</b>	<b>Revenue</b>		<b>Operating Result</b>		<b>Revenue</b>	
	January - June		January - June		Jan - Dec	Operating Result
	2008	2007	2008	2007	2007	Jan - Dec
						2007
Europe	3.4	5.3	-10.4	-8.0	8.0	-16.7
Americas	4.7	5.8	4.0	4.5	11.8	9.2
Asia	3.3	1.5	2.3	1.2	3.0	2.4
<b>Total</b>	<b>11.4</b>	<b>12.6</b>	<b>-4.1</b>	<b>-2.3</b>	<b>22.8</b>	<b>-5.1</b>

\*SinterCast provides only one product, process control systems for the reliable production of Compacted Graphite Iron, and related services for product development, installations, calibration and maintenance. The company judges that the opportunities and risks are not primarily related to the geographical markets but associated with the overall CGI market development. The operation is defined as the primary segment and no further split has been made other than the presented financial statements.

Based on the present customer base and the geographical areas, the secondary segment has been split into Europe Americas, and Asia. The income, operating results, assets and investments presented are allocated based on the location of the individual customers in these geographical areas.

## CASHFLOW STATEMENTS SINTERCAST GROUP

AMOUNTS IN SEK MILLION	April - June		January - June		Jan - Dec
	2008	2007	2008	2007	2007
<b>Operating activities</b>					
Operating result	-1.9	-0.8	-4.1	-2.3	-5.1
Adjustments for items not included in the cash flow					
Depreciation	0.4	0.2	0.6	0.8	1.3
Other	-0.2	0.3	0.2	0.8	0.9
Exchange rate differences	0.2	-0.2	0.1	-0.2	0.1
Received interest income and similar items	0.1	0.2	0.3	0.4	0.9
Paid interest expenses and similar items	0.1	-0.1	-0.1	-0.1	-0.3
Income tax	0.0	0.0	0.0	0.0	0.0
<b>Total cashflow from operating activities before change in working capital</b>	<b>-1.3</b>	<b>-0.4</b>	<b>-3.0</b>	<b>-0.6</b>	<b>-2.2</b>
<b>Change in working capital</b>					
Stock	-0.4	0.5	-0.4	0.5	0.3
Operating receivables	0.1	-3.0	-1.5	-1.8	1.9
Operating liabilities	0.1	2.1	0.3	2.9	2.2
<b>Total change in working capital</b>	<b>-0.2</b>	<b>-0.4</b>	<b>-1.6</b>	<b>1.6</b>	<b>4.4</b>
<b>Cashflow from operations</b>	<b>-1.5</b>	<b>-0.8</b>	<b>-4.6</b>	<b>1.0</b>	<b>2.2</b>
<b>Investing activities</b>					
Acquisition of intangible assets	0.0	0.0	0.0	-0.1	-0.3
Acquisition of tangible assets	0.0	0.0	0.0	0.0	-0.1
Acquisition of Financial assets	0.0	-0.1	0.0	-0.1	0.0
Increase/decrease in long-term receivables/payables	0.0	0.0	0.0	0.0	-1.0
<b>Cashflow from investing activities</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.2</b>	<b>-1.4</b>
<b>Financing activities</b>					
<b>Cashflow from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Change in cash and cash equivalents*	-1.5	-0.9	-4.6	0.8	0.8
Cash - opening balance	13.2	17.2	16.3	15.5	15.5
Cash - closing balance	11.7	16.3	11.7	16.3	16.3

\*The cash and cash equivalents comprises short-term deposits and cash at bank and in hand.

## BALANCE SHEETS SINTERCAST GROUP

AMOUNTS IN SEK MILLION	30 June 2008	30 June 2007	31 March 2008	31 March 2007	31 December 2007
<b>ASSETS</b>					
Intangible assets	3.9	4.8	4.1	5.0	4.4
Tangible assets	0.1	0.0	0.1	0.0	0.1
Financial assets	22.6	0.3	21.2	0.2	0.2
<b>Total fixed assets</b>	<b>26.6</b>	<b>5.1</b>	<b>25.4</b>	<b>5.2</b>	<b>4.7</b>
Stock	3.6	3.0	3.2	3.5	3.2
Short-term receivables	5.4	7.6	5.5	4.6	3.9
Short term deposits and cash at bank and in hand	11.7	16.3	13.2	17.2	16.3
<b>Total current assets</b>	<b>20.7</b>	<b>26.9</b>	<b>21.9</b>	<b>25.3</b>	<b>23.4</b>
<b>Total Assets</b>	<b>47.3</b>	<b>32.0</b>	<b>47.3</b>	<b>30.5</b>	<b>28.1</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>					
<b>Shareholders' equity*</b>	<b>38.9</b>	<b>22.2</b>	<b>39.0</b>	<b>22.8</b>	<b>20.0</b>
Long term liabilities	0.0	1.0	0.0	1.0	0.0
Current liabilities	8.4	8.8	8.3	6.7	8.1
<b>Total shareholders' equity and liabilities</b>	<b>47.3</b>	<b>32.0</b>	<b>47.3</b>	<b>30.5</b>	<b>28.1</b>
Adjusted equity per share	7.0	4.0	7.0	4.1	3.6

*STATEMENTS OF CHANGES IN EQUITY	Share Capital	Additional Paid In Capital	Exchange Differences	Accumulated Deficit	Total Equity
<b>Opening balance 1 January 2007</b>	<b>5.55</b>	<b>81.27</b>	<b>6.05</b>	<b>-69.44</b>	<b>23.43</b>
Exchange rate differences foreign subsidiaries	-	-	-0.19	-	-0.19
Result for the period	-	-	-	-2.03	-2.03
<b>Total recognised income and expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-2.03</b>	<b>-2.22</b>
Employee share option programme	-	-	-	0.98	0.98
<b>Closing balance 30 June 2007</b>	<b>5.55</b>	<b>81.27</b>	<b>5.86</b>	<b>-70.49</b>	<b>22.19</b>
<b>Opening balance 1 January 2008</b>	<b>5.55</b>	<b>81.27</b>	<b>6.29</b>	<b>-73.06</b>	<b>20.05</b>
Exchange rate differences foreign subsidiaries	-	-	-0.14	-	-0.14
Result for the period	-	-	-	18.50	18.50
<b>Total recognised income and expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18.50</b>	<b>18.36</b>
Employee share option programme	-	-	-	0.47	0.47
<b>Closing Balance 30 June 2008</b>	<b>5.55</b>	<b>81.27</b>	<b>6.15</b>	<b>-54.09</b>	<b>38.88</b>

## KEY RATIOS SINTERCAST GROUP AND DATA PER SHARE

KEY RATIOS	April - June		January - June		January - December	
	2008	2007	2008	2007	2007	2006
Revenue, SEK millions	6.0	7.6	11.4	12.6	22.8	18.1
Net result, SEK millions	-0.3	-0.7	18.5	-2.0	-4.5	-9.7
Solidity, %	82.2	69.4	82.2	69.4	71.2	77.2
Adjusted shareholders' equity, SEK millions	38.9	22.2	38.9	22.8	20.0	23.4
Capital employed, SEK millions	38.9	22.2	38.9	22.8	20.0	23.4
Total assets, SEK millions	47.3	32.0	47.3	32.0	28.1	30.3
Return on shareholders' equity, %	-1.0	-3.1	62.8	-8.8	-20.7	-34.4
Return on capital employed, %	-1.1	-2.6	63.3	-8.5	-19.2	-33.7
Return on total assets, %	-0.8	-1.9	49.4	-6.2	-29.7	-26.3
Debt-to-equity ratio	-	-	-	-	-	-
<b>Employees</b>						
Number of employees at the end of the period	16	13	16	13	14	12
<b>Data per Share</b>						
Dividends per share, SEK	-	-	-	-	-	-
Share price at the end of the period, SEK	123.0	157.5	123.0	157.5	140.0	82.5
<b>Average number of shares</b>	<b>Return on shareholders' equity</b>					
Weighted average of the number of shares outstanding for the period	Net result as a percentage of average adjusted shareholders' equity					
<b>Average number of shares adjusted for outstanding warrants</b>	<b>Return on capital employed</b>					
No outstanding warrants	Net result after financial items plus financial expenses as a percentage of average capital employed					
<b>Earnings per share</b>	<b>Return on total assets</b>					
Net result divided by the average number of shares	Net result after financial items plus financial expenses as a percentage of total average assets					
<b>Earnings per share adjusted for outstanding warrants</b>	<b>Debt-to-equity ratio</b>					
No outstanding warrants	Interest bearing liabilities divided by adjusted shareholders' equity					
<b>Adjusted equity per share</b>	<b>Share price at the end of the period</b>					
Adjusted shareholders' equity divided by the average number of shares	Latest paid price for the SinterCast share at the Swedish stock exchange, Stockholmsbörsen					
<b>Adjusted equity per share adjusted for outstanding warrants</b>	<b>Value presented as "0.0"</b>					
No outstanding warrants	Amount below SEK 50,000					
<b>Solidity</b>	<b>Value presented as "-"</b>					
Adjusted shareholders' equity expressed as percentage of total assets	No amount applicable					
<b>Adjusted shareholders' equity</b>						
Shareholders' equity plus 72% of untaxed reserves						
<b>Capital employed</b>						
Total assets less non-interest bearing liabilities, including deferred tax liabilities						

## PROFIT AND LOSS ACCOUNTS SINTERCAST AB

AMOUNTS IN SEK MILLION	April - June		January - June		Jan - Dec
	2008	2007	2008	2007	2007
Revenue	5.6	6.1	10.6	11.6	20.7
Cost of goods sold	-0.8	-2.1	-4.0	-4.1	-8.3
<b>Gross result</b>	<b>4.8</b>	<b>4.0</b>	<b>6.6</b>	<b>7.5</b>	<b>12.4</b>
Cost of sales and marketing	-2.5	-1.0	-5.0	-2.0	-8.8
Cost of administration	-2.0	-1.2	-3.4	-2.4	-6.2
Cost of research & development	-0.8	-1.0	-2.0	-2.0	-4.1
Other operating income	0.2	0.0	0.2	0.0	1.0
Other operating costs	0.0	0.0	0.0	0.0	0.0
<b>Operating result</b>	<b>-0.3</b>	<b>0.8</b>	<b>-3.6</b>	<b>1.1</b>	<b>-5.7</b>
Interest income and similar items	0.1	0.2	0.3	0.4	1.0
Interest expenses and similar items	0.1	-0.1	-0.1	-0.1	-0.3
Income Tax	1.4	0.0	22.4	0.0	0.0
<b>Result for the period</b>	<b>1.3</b>	<b>0.9</b>	<b>19.0</b>	<b>1.4</b>	<b>-5.0</b>

## BALANCE SHEETS SINTERCAST AB

AMOUNTS IN SEK MILLION	30 June	30 June	31 March	31 March	31 Dec
	2008	2007	2008	2007	2007
<b>ASSETS</b>					
Intangible assets	3.9	4.8	4.1	5.0	4.4
Tangible assets	0.0	0.0	0.1	0.1	0.1
Financial assets	23.8	0.3	22.2	0.4	1.0
<b>Total fixed assets</b>	<b>27.7</b>	<b>5.1</b>	<b>26.4</b>	<b>5.5</b>	<b>5.5</b>
Stock	3.6	3.0	3.2	3.5	3.2
Short-term receivables	7.3	7.6	5.3	5.1	3.1
Short term deposits and cash at bank and in hand	11.1	16.3	12.8	15.8	15.4
<b>Total current assets</b>	<b>22.0</b>	<b>26.9</b>	<b>21.3</b>	<b>24.4</b>	<b>21.7</b>
<b>Total Assets</b>	<b>49.7</b>	<b>32.0</b>	<b>47.7</b>	<b>29.9</b>	<b>27.2</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>					
Restricted capital	15.1	86.8	86.8	86.8	86.8
Accumulated Deficit	19.4	-64.6	-53.7	-67.2	-71.7
<b>Total Shareholders' equity</b>	<b>34.5</b>	<b>22.2</b>	<b>33.1</b>	<b>19.6</b>	<b>15.1</b>
Long term liabilities	0.0	1.0	0.1	1.1	0.1
Current liabilities	15.2	8.8	14.5	9.2	12.0
<b>Total shareholders' equity and liabilities</b>	<b>49.7</b>	<b>32.0</b>	<b>47.7</b>	<b>29.9</b>	<b>27.2</b>