

**Terms and Conditions for Warrants to subscribe for New Shares
in SinterCast AB (publ) series 2009/2013.**

Definitions

In these terms and conditions, the following designations and inflected forms thereof shall have the meanings set forth below.

"Account Operator"	A bank or other party which is authorised to act as an account operator in accordance with the Financial Instruments Accounts Act (1998:1479).
"Appraiser"	An independent appraisal institution.
"Banking Day"	A day which is not a Sunday or other public holiday or which, with respect to the payment of promissory notes, is not equated with a public holiday.
"Company"	SinterCast AB (publ), company no. 556233-6494
"CSD Account"	A CSD account with a central securities depository in accordance with the Financial Instruments Accounts Act (1998:1479).
"CSD Company"	A company the Articles of Association of which contain a clause, a CSD clause, pursuant to which persons who are entered in the share register on a determined day shall be deemed authorised to receive dividends and to participate in an issue.
"Share"	A share issued by the Company.
"Share's Average Price"	The Share's Average Price means the volume-weighted mean value of the highest and lowest transaction prices listed each day of trading during the relevant subscription period. In the absence of transaction prices for a particular day, the bid price listed as the closing price on a particular day shall instead be included in the calculation. Days on which neither a transaction price nor a bid price is listed shall not be

included in the calculation.

Upon calculation of the Share's Average Price in accordance with section 7 C and 7 E, the volume-weighted mean value in accordance with the above shall be based on the relevant subscription period or application period.

Upon calculation of the Share's Average Price in accordance with section 7 F and 7 G, the volume-weighted mean value in accordance with the above shall be based on a 25-day period calculated from the first day of trading on which the Share is listed without the right to dividend or without a right to repayment.

Where neither a transaction price nor a bid price has been listed during at least one half of the exchange days in the abovementioned time periods, the Share's Average Price shall be deemed to be the Share Value in accordance with the principles applicable to a company whose shares are not listed on a securities exchange or authorised marketplace.

"Share Value"	The Share's Average Price, where the shares are listed on a securities exchange or marketplace or, where such is not the case, the earnings-based value as determined by an Appraiser.
"Subscription"	Such subscription for new shares in the Company as referred to in Chapter 14 of the Companies Act (2005:551).
"Subscription Period"	The period commencing 1 November 2010 up to and including 31 December 2013
"Subscription Price"	The price at which Subscription for new shares issued by the Company may take place, determined in accordance with this agreement.
"Euroclear"	Euroclear Sweden AB, a central securities depository in Sweden.
"Warrant Certificate"	A certificate to which are attached a specific number of Warrants to subscribe for new shares in the Company.
"Warrant Holder"	A holder of Warrants to subscribe for shares in the Company.

"Warrant" The right to subscribe for Shares in the Company against payment in cash in accordance with the terms and conditions below.

1. Warrants, Warrant Certificates, registration, etc.

The total number of Warrants shall not exceed threehundred thousand (300 000).

The Warrants are represented by Warrant Certificates. Warrant Certificates are issued to a specific person or order. Warrant Certificates may be surrendered to the Company for exchange and replacement by other denominations.

Where the Company is a CSD company, the Warrants may be registered on behalf of the Warrant Holders on CSD Accounts in accordance with the Financial Instruments Accounts Act (1998:1479). Where Warrants are registered on CSD Accounts, Warrant Certificates are not issued.

The Company or, where appropriate, the Account Operator, shall attend to registrations regarding the Warrants as a consequence of measures in accordance with sections 5, 6, 7 and 10.

The Company undertakes, vis-à-vis the Warrant Holders, to ensure that such Warrant Holder is afforded a right to subscribe for Shares in the Company against payment in cash and subject to the terms and conditions set forth below.

2. Right to subscribe for new Shares

Warrant holders shall be entitled, during the Subscription Period, for each Warrant, to demand Subscription for one (1) new Share in the Company at a Subscription Price corresponding to the average volume weighted price paid for one Company share on the Stockholm Stock Exchange during the period of ten trading days during the period 6-19 August 2009, which has been determined to SEK 36.8, annually increased by a factor of ten (10) percent. Consequently the Subscription Price at the end of the programme will amount to SEK 53.6.

Recalculation of the Subscription Price, as well as the number of new Shares to which each Warrant affords an entitlement to subscribe, may take place in the cases and in the manner set forth in section 7. However, recalculation may at no time result in the Subscription Price being lower than the quotient value of the Share. Pursuant to section 9, the Company undertakes not to take measures as would lead to such a recalculation.

Where Subscription is not demanded within the period of time prescribed in the first paragraph, all of the Warrant Holder's rights pursuant to the Warrant shall lapse.

Subscription may only take place for the entire number of Shares to which each Warrant provides an entitlement.

The Company shall be obliged, where so demanded by a Warrant Holder during the stated period of time, to issue the number of Shares to which the application for Subscription relates.

3. Applications for Subscription

A demand for Subscription shall take place through written application to the Company, stating the number of Warrants thereby exercised. In conjunction with an application for Subscription, a Warrant Holder shall surrender a corresponding number of Warrant Certificates to the Company. Subscription may relate to all Shares or a certain part of the Shares which may be subscribed for based on the Warrants that are represented by the submitted Warrant Certificate. Exercise of a Warrant must relate to all Shares to which such a Warrant provides an entitlement.

Where the Company is a CSD company, and the warrants have been registered on CSD accounts, in conjunction with the demand for Subscription, a completed application form for registration measures in accordance with a fixed formula shall be submitted to the Company or, where appropriate, to the Account Operator.

Applications for Subscription are binding and may not be revoked by the Warrant Holder.

4. Payment

Simultaneously with an application for Subscription, payment in cash shall be made into an account designated by the Company in respect of the number of Shares to which the application for Subscription relates.

5. Entry in the Share Register, etc.

After an application for Subscription has taken place, the new Shares shall be registered immediately in the share register and notified to the Swedish Companies Registration Office for registration.

Where the company is a CSD company, after an application for Subscription has taken place the new Shares shall be entered as interim shares in the Company's share register and on the Warrant Holder's CSD Account. After registration has taken place at the Swedish Companies Registration Office, conclusive registration of the new Shares shall take place in the share register and on the CSD Account.

Shares subscribed for pursuant to subscription upon exercise of Warrants are covered by any post-sale purchase right clause, right of first refusal clause and consent by shareholders respectively, that can be found in the company's articles of association.

6. Dividends on new Shares

The newly-subscribed for Shares shall carry an entitlement to participate in dividends for the first time on the record date for dividends or the day on which a shareholder is entered in the share register and thereby entitled to receive dividends that accrue immediately following execution of the Subscription.

7. Recalculation in the event of new issues, etc.

Regarding the right that vests in the Warrant Holder in the situation described below, the following shall apply:

Effected subscription in these terms refers to that the newly subscribed shares have been registered in the company's share register.

- A. Where the Company carries out a *bonus issue*, Subscription in accordance with section 2 which is demanded at such a time that it cannot be effected by the tenth calendar day prior to the General Meeting of the Company that adopts a resolution regarding the issue, shall be effected only after the General Meeting has adopted such a resolution. Shares which vest as a consequence of Subscription effected after the issue resolution shall not be entitled to participate in the issue.

In conjunction with Subscription in accordance with section 2 which is effected after the resolution regarding a bonus issue, a recalculated Subscription Price as well as a recalculation of the number of Shares to which each Warrant provides an entitlement

shall be applied. The recalculations shall be carried out by the Company in accordance with the following formulae:

$$\text{recalculated Subscription Price} = \frac{\text{preceding Subscription Price} \times \text{number of Shares prior to the bonus issue}}{\text{number of Shares after the bonus issue}}$$

$$\text{recalculated number of Shares to which each Warrant provides an entitlement to subscribe} = \frac{\text{preceding number of Shares to which each Warrant provides entitlement to subscribe} \times \text{the number of Shares after the bonus issue}}{\text{number of Shares prior to the bonus issue}}$$

- B. Where the Company carries out a *reverse share split* or *share split*, a recalculation corresponding to that stated under A shall be carried out.
- C. Where the Company carries out a *new issue* with pre-emption rights for shareholders to subscribe for shares against payment in cash, the following shall apply:
1. Where a resolution regarding the issue is adopted by the Board of Directors subject to approval by the General Meeting or pursuant to authorisation granted by the General Meeting, the resolution and the public notice of the issue shall state the final day by which Subscription must be effected in order for Shares to carry an entitlement to participate in the issue. Such a day may not occur earlier than the tenth calendar day after the public notice.
 2. Where a resolution regarding the issue is adopted by the General Meeting, Subscription which is demanded on such a date that Subscription cannot be effected by the tenth calendar day prior to the General Meeting that adopts a resolution regarding the issue, shall be effected only after the Company has carried out a recalculation. Shares which vest as a consequence of such Subscription shall not be entitled to participate in the issue.

In conjunction with Subscription which is effected at such a time that no entitlement to participate in the new issue arises, a recalculated Subscription Price and a recalculation of the number of Shares to which each Warrant provides an entitlement for Subscription shall apply. The recalculations shall be carried out by the Company in accordance with the following formulae:

preceding Subscription Price x
Share Value
 recalculated Subscription Price = $\frac{\text{Share Value increased by the theoretical value of the subscription right}}{\text{Share Value}}$

preceding number of Shares to which
 each Warrant provides an entitlement to
 subscribe x (the Share Value increased
 by the theoretical value of the
 subscription right)
the Share Value
 recalculated number of Shares to
 which each Warrant provides an
 entitlement to subscribe = $\frac{\text{the Share Value}}{\text{the Share Value}}$

The recalculated value shall be rounded off to two decimal places.

The theoretical value of the subscription right shall be calculated in accordance with the following formula:

the maximum number of new Shares which
 may be issued in accordance with the issue
 resolution x (the Share's Value - the issue
 price for the new Share)
the number of Shares prior to the issue
 resolution
 theoretical value of the subscription
 right = $\frac{\text{the number of Shares prior to the issue resolution}}{\text{the number of Shares prior to the issue resolution}}$

Where a negative value thereupon arises, the theoretical value of the subscription right shall be set at zero.

A recalculated Subscription Price and number of Shares to which each Warrant provides an entitlement shall be determined by the Company two Banking Days after the expiry of the period during which Subscription for Shares may take place.

Subscription shall not be effected during the period commencing from adoption of the issue resolution to the day on which the recalculated Subscription Price is established in accordance with the provisions above.

- D. In the event the Company carries out an *issue of convertible debentures or warrants*, in both cases subject to pre-emption rights for the shareholders to subscribe against payment in cash, recalculations shall be carried out applying subsection C above.
- E. Where, in cases other than as stated in subsections A - D above and subject to pre-emption rights in accordance with Chapter 13, section 1 of the Companies Act, the

Company extends an offer to all shareholders to acquire from the Company securities or any type of rights or where the Company resolves, in accordance with the aforementioned principles, to distribute to the shareholders such securities or rights without consideration, in conjunction with Subscription in accordance with section 2 which is demanded at such a time that there is no entitlement to participate in the offer, a recalculated Subscription Price and a recalculated number of Shares to which each Warrant provides an entitlement shall be applied. The recalculations shall be carried out by the Company in accordance with the following formulae:

$$\text{recalculated Subscription Price} = \frac{\text{preceding Subscription Price} \times \text{the Share Value}}{\text{the Share Value increased by the value of the right to the participate in the offer, i.e. the purchase right value}}$$

$$\text{recalculated number of Shares to which each Warrant provides an entitlement to subscribe} = \frac{\text{preceding number of Shares to which each Warrant provides an entitlement to Subscribe} \times (\text{the Share Value increased by the value of the right to participate in the offer, i.e. the purchase right value})}{\text{the Share Value}}$$

Where the shareholders have received purchase rights and trading takes place in such rights, the value of the right to participate in the offer shall be deemed equivalent to the value of the purchase right. The value of the purchase right shall thereupon be deemed equivalent to the volume-weighted mean value of the highest and lowest listed transaction price on each trading day during the application period. In the absence of transaction prices for a particular day, the bid price listed as the closing price on a particular day shall instead be included in the calculation. Days on which neither a transaction price nor a bid price is listed shall not be included in the calculation.

Where the shareholders have not received purchase rights or trading therein otherwise has not taken place, the recalculations of the Subscription Price and the number of Shares to which each Warrant provides an entitlement shall take place applying, as far as possible, the above provisions of this subsection.

The recalculated Subscription Price and number of Shares to which each Warrant provides an entitlement shall be determined by the Company two Banking Days after the expiry of the offer period.

Subscription shall not be effected during the period commencing from adoption of the resolution regarding the offer to the day on which the recalculated Subscription Price is established in accordance with the provisions above.

- F. Where the Company's Shares are not listed on a securities exchange or other marketplace and a resolution is adopted regarding a cash dividend to the shareholders pursuant to which the shareholders shall receive a dividend, a corresponding recalculation of the Subscription Price shall be carried out by the Company which shall thereupon, as far as possible, base the recalculation on the principle stated in subsection F, second paragraph.

Where the Company's Shares are listed on a securities exchange or other marketplace and a resolution is adopted regarding a cash dividend to the shareholders pursuant to which the shareholders shall receive a dividend, that Shares thereby received do not carry an entitlement to receive such a dividend, a recalculated Subscription Price and a recalculated number of Shares to which each Warrant provides an entitlement to subscribe shall be applied. The recalculations shall be based on any dividend received. The recalculations shall be carried out by the Company in accordance with the following formulae:

$$\text{recalculated Subscription Price} = \frac{\text{preceding Subscription Price} \times \text{the Share Value}}{\text{the Share Value increased by dividend paid out per Share}}$$

$$\text{recalculated number of Shares to which each Warrant provides an entitlement} = \frac{\text{preceding number of Shares to which each Warrant provides and entitlement} \times (\text{the Share Value increased by the dividend paid out per Share})}{\text{the Share Value}}$$

The Subscription Price and recalculated number of Shares to which each Warrant provides an entitlement shall be determined two Banking Days after the expiry of the above-stipulated 25-day period and shall be applied in conjunction with Subscription effected thereafter.

The provisions of this subsection F concerning recalculation in conjunction with dividend only applies to ordinary shares. Dividend on preferential shares shall not result in a recalculation of the subscription price.

Where the Company receives an unconditional shareholders' contribution, the Subscription Price shall be recalculated taking such into consideration. The recalculation shall be carried out by the Company in accordance with the following formula:

$$\text{recalculated Subscription Price} = \frac{\text{preceding Subscription Price} + \text{contribution per Share} \times (1 + \text{the applicable STIBOR 360 days from time to time} \times (1 - \text{the current corporate tax rate}))^{\text{number of years since the date of the contribution}}}{1}$$

The above provisions in this section regarding dividends shall otherwise apply *mutatis mutandis*.

- G. Where the Company's share capital is *reduced* with repayment to the shareholders, in conjunction with Subscription in accordance with section 2 which is demanded at such a time that a right to the repayment does not vest, a recalculated Subscription Price and a recalculation of the number of Shares to which each Warrant provides an entitlement shall apply. The recalculations shall be carried out by the Company in accordance with the following formulae:

$$\text{recalculated Subscription Price} = \frac{\text{preceding Subscription Price} \times \text{the Share Value}}{\text{the Share Value increased by the amount to be repaid per Share}}$$

$$\text{recalculated number of Shares to which each Warrant provides an entitlement} = \frac{\text{preceding number of Shares to which each Warrant provided an entitlement} \times (\text{the Share Value increased by the amount to be repaid per Share})}{\text{the Share Value}}$$

The Subscription Price and recalculated number of Shares to which each Warrant provides an entitlement shall be determined two Banking Days after the expiry of the 25-day period stipulated in the above formulae.

The provisions of this subsection G concerning recalculation in conjunction with a reduction in the share capital with repayment to the shareholders shall not apply for redemption of Shares which are redeemable pursuant to a clause in the Articles of Association and a reduction in the share capital with repayment.

- H. In conjunction with a recalculation of the Subscription Price and the number of Shares to which each Warrant provides an entitlement in accordance with the above, values shall at all times be rounded off to one decimal place, whereupon five hundred parts and above shall be rounded upwards.
- I. In the event the Company adopts a *merger plan* pursuant to Chapter 23, section 15 of the Companies Act whereby the Company shall be merged in another company or where the Board of Directors, pursuant to Chapter 23, section 28 of the Companies Act, adopts a resolution that the Company be absorbed into the parent company, the Warrant Holder shall receive rights in the acquiring company that correspond to those in the Company (the target company), unless, pursuant to the merger plan, Warrant Holders are entitled to have their Warrants redeemed by the acquiring company.
- J. The provisions of subsection I shall also be applied where the Company adopts a *demerger plan* pursuant to Chapter 24, section 8 of the Companies Act, whereby the Company is to be divided into two or more companies, whereupon the provisions therein regarding the acquiring company shall, where appropriate, be deemed to refer to the acquiring companies.
- K. Where the Shares in the Company are the subject of *compulsory purchase* pursuant to Chapter 22 of the Companies Act, in the event the final day for requests for Subscription falls later than 30 days from the day on which notice is published of a request for compulsory purchase, the Company shall decide on a new final day for demands for Subscription, which shall occur not later than 30 days from the day on which notice
- L. was published in respect of the compulsory purchase. Notification thereon to Warrant Holders in accordance with section 8 shall take place as soon as possible. The regulation in subsection K does not affect the option holder's right to buy-out warrants pursuant to Chapter 22. Section 26 of the Companies Act.
- M. Where a resolution is adopted that the Company shall go into *liquidation*, irrespective of the reason for liquidation, Subscription may not be demanded thereafter. The right to subscribe shall cease upon adoption of the liquidation resolution, notwithstanding that such has not become final.

Not later than two months prior to a decision by the General Meeting as to whether the Company shall go into liquidation in accordance with Chapter 25, section 1 of the Companies Act, Warrant Holders shall be notified of the intended liquidation through written notice in accordance with section 8 below. The notice shall include information

that Subscription may not take place after the General Meeting has adopted a resolution in respect of liquidation.

In the event of liquidation in cases other than in accordance with Chapter 25, section 1 of the Companies Act, the conditions of the second paragraph of this subsection L shall apply *mutatis mutandis*, whereupon notice from the Company to the Warrant Holder shall be provided as soon as the Company learns that an action or matter is pending concerning the Company's liquidation.

In the event the Company provides notice of impending liquidation in accordance with the above, Warrant Holders shall be entitled to demand Subscription from the day on which such notice is provided, irrespective of the provisions otherwise applicable to the Subscription rights in accordance with section 2 above. Where the issue of the Company's liquidation is to be addressed at a General Meeting, Subscription may only be demanded provided such can be effected not later than the tenth calendar day prior to the General Meeting at which the issue of the Company's liquidation is to be addressed.

- N. Notwithstanding the provisions of subsections I, J, K and L above that Subscription may not be effected after a resolution has been adopted regarding any merger, demerger or liquidation, the right to Subscribe shall be reinstated in the event the liquidation ceases or the issue of a merger, demerger or compulsory purchase lapses.
- O. Upon the Company's *insolvent liquidation*, Subscription may not be effected. If, however, the winding-up order is set aside by a higher court, Subscription may again take place.
- P. Where the Company's Shares are to be delisted from a securities exchange or other marketplace, Warrant Holders shall be entitled, by way of derogation from the provisions of section 2, to demand Subscription based on the Warrants.

In the event the Company's ownership structure changes as a consequence of the Company being the subject of a public tender offer, the Company shall immediately notify the Warrant Holder thereof in accordance with the provisions of section 8. Warrant Holders shall be entitled to Subscribe, commencing the day that occurs five (5) weekdays from the date on which the Company distributes notice as referred to in section 8 or from the date of publication in a national newspaper, whichever occurs first. The Warrant Holder's Subscription rights shall cease ninety (90) days after the Company has provided such notice. Thereafter, Subscription may not take place.

Where the Company is not listed on a securities exchange or authorised marketplace, the provisions of the preceding paragraph shall apply, *mutatis mutandis*, in the event the controlling influence over the Company passes to another party, irrespective of whether such party was previously a shareholder and irrespective of whether such takes place through one or more acquisitions of Shares in the Company or otherwise. The Company shall notify the Warrant Holder of the transfer of control referred to in this paragraph immediately upon the Company becoming aware thereof.

- Q. Where the Company carries out a measure in accordance with the above and any party is of the view that application of the recalculation formula intended therefore cannot take place or such application would lead to a result that is manifestly unfair taking into consideration the technical structure of the measure or any other reason, such party shall be entitled to refer the issue of recalculation to an Appraiser. The Appraiser shall thereafter conduct a recalculation of the Subscription Price and, where appropriate, the number of Shares to which each Warrant provides an entitlement in the manner that the Appraiser deems appropriate in order to achieve a fair result for both parties.

The above provisions shall apply correspondingly in the event the Company carries out a measure that does not result in a recalculation in accordance with the above but where, according to practice on the stock market, the measure results in a recalculation and the absence of a recalculation would lead to an obviously unfair result. The Appraiser shall thereupon, with binding effect on the parties, decide on the manner in which a recalculation shall take place and, where appropriate, carry out a recalculation in accordance with prevailing recalculation practice.

8. Notices, etc.

Unless otherwise prescribed in these terms and conditions, notices concerning the Warrants shall be given in writing to the Warrant Holder at the address last known to the Company.

Notices from the Warrant Holder to the Company concerning the Warrants shall be given to the Company in writing.

Notices sent to the address last stated by the other party or to the fax number last stated by the other party shall, unless otherwise proven, be deemed to have reached the addressee on the third Banking Day after dispatch by post and on the day of transmission by fax transfer.

9. Special undertakings from the Company

The Company undertakes not to take any measure which, pursuant to section 7, would result in a recalculation of the Subscription Price to an amount which is less than the quotient value of the Shares.

10. Nominees

A party which has been granted authorisation pursuant to Chapter 5, section 14 of the Companies Act to be entered in the Company's share register in lieu of a shareholder is entitled to be registered as the account holder. Upon application of these terms and conditions, such nominee shall be regarded as a Warrant Holder.

11. Invalidity of provisions

In the event any provision of this agreement or part thereof is held to be invalid, such shall not result in the invalidity of the agreement in its entirety but, rather, to the extent the invalidity materially affects a party's consideration or performance pursuant to this agreement, a reasonable adjustment of the agreement shall thereupon take place.

12. Taxes, fees and commission

Warrant holders shall pay any tax or fee which may be payable in respect of any transfer, holding or exercise of Warrants as a result of Swedish or foreign legislation or decisions by Swedish or foreign public authorities. Any commission in conjunction with a transfer of Shares pursuant to the Warrants shall be paid by the Warrant Holder.

13. Force majeure, etc.

With respect to the Company's obligations pursuant to these terms and conditions, the Company shall not be liable for any loss due to legislative provisions, measures by public authorities, acts of war, strikes, lockouts, boycotts, blockades or other similar circumstances. The reservation in respect of strikes, lockouts, boycotts and blockades shall apply notwithstanding that the Company itself takes, or is the subject of, such measures.

The Company shall not be liable in other cases for losses incurred by the Warrant Holder provided the Company has exercised normal care. Under no circumstances shall the Company be liable for any indirect losses.

Where the Company is precluded from taking measures pursuant to these terms and conditions as a consequence of such circumstance as stated in the first paragraph above, the measures may be postponed until the impediment has ceased.

Subject to the provisions of the Financial Instruments Accounts Act (1998:1479), the provisions of this section shall apply, *mutatis mutandis*, in cases where Euroclear, an Account Operator or any other party takes, on behalf of the Company, measures that are incumbent on the Company pursuant to these terms and conditions.

14. Amendments to terms and conditions

The Company shall be entitled to amend these terms and conditions where so required due to amended legislation, decisions by courts of law or relevant decisions by public authorities or where otherwise, in the Company's opinion, such amendment is appropriate or necessary for practical reasons and the Warrant Holder's rights are in no material respect detrimentally affected thereby.

15. Terms and conditions regarding information, good faith, confidentiality etc.

The Company shall be entitled to obtain information regarding the Warrant Holder from Euroclear or another central securities depository.

Each party shall immediately notify the other party of any event or circumstance which may affect the party's ability to perform its obligations under this agreement.

Each party shall act in good faith vis-à-vis the other party and use its best efforts to ensure that the purpose of these terms and conditions is attained.

16. Applicable law, etc.

This agreement shall be interpreted and applied in accordance with Swedish law. In conjunction with the interpretation and application of these terms and conditions, consideration shall be given to custom and practice on the stock market. Disputes concerning this agreement or other legal relations derived therefrom shall be adjudicated by the Stockholm District Court. A party that desires that a dispute be resolved instead in accordance with the Arbitration Act shall be entitled thereto, provided such party assumes sole liability for all costs associated with the arbitration proceedings. The arbitration proceedings shall take place in Stockholm.
