

Press Release: 24 August 2011



SinterCast Results April-June 2011

- **Revenue for period:** SEK 12.1 million (SEK 8.6 million). **Year-to-date:** SEK 21.2 million (SEK 16.6 million)
- **Operating result:** SEK 3.6 million (SEK 0.6 million). **Year-to-date:** SEK 4.3 million (SEK 1.3 million)
- **Earning/share:** SEK 0.9 per share (SEK 0.5 per share). **Year-to-date:** SEK 1.0 per share (SEK 0.7 per share)
- **Cashflow:** SEK -1.5 million (SEK 2.8 million). **Year-to-date:** SEK 0.0 million (SEK 0.7 million)
- Cashflow year-to-date: SEK 6.5 million before dividend and loan repayment
- Three installations completed during first-half of 2011, further installations expected before year-end
- New ductile iron technology development introduced at GIFA world foundry trade fair, field trials secured
- New US fuel economy legislation can provide opportunities for diesel growth in North America

Series production continues at record levels, with year-on-year volume up by 42%

Current Production and Outlook

Series production remained strong and stable throughout the quarter, with record annualised production of 1.35 million Engine Equivalents. The current series production programmes have the potential to grow to an annual volume of approximately 1.7 million Engine Equivalents when all programmes reach mature volume. Accordingly, increased production is expected before year-end. SinterCast is currently supporting product development programmes for passenger vehicle, commercial vehicle and industrial power applications in Europe, Asia and the Americas. It is estimated that these programmes, some of which have already been approved for series production, could provide approximately 2.75 million additional Engine Equivalents per year. The combined potential of the current production programmes and programmes currently under development represents a market opportunity of approximately 4.45 million Engine Equivalents per year within SinterCast's five year planning horizon.

Thus far during 2011, SinterCast has announced new installations at the Daedong and Daeshin foundries in Korea. A third installation has recently been completed at an international cylinder block and head foundry. A formal announcement of this installation, made on a lease basis, will be issued when approval is received by the foundry and the end-user. The installation outlook remains positive for the second half of the year, with discussions at advanced stages in Asia and the Americas. SinterCast maintains the goal, presented in November 2010, of securing five new installations during 2011.

At the GIFA world foundry trade fair, 28 June – 2 July, SinterCast introduced a suite of new technology advances to extend the functionality and capability of its Compacted Graphite Iron (CGI) process control technology. The new technologies focus on increased automation of the foundry process, improved efficiency, and improved accuracy and robustness of the CGI production process. These technologies are now incorporated as standard features of SinterCast's System 3000 process control systems.

SinterCast also took the opportunity of GIFA 2011 to introduce its technology development for the control of ductile iron production. The development was well received and field trials have been secured at a select group of foundries in Europe, Asia and the Americas. The feedback from the field trials, to be conducted during the autumn of 2011, will provide additional technical data to refine and validate the correlations. The trials will also provide feedback as to how the technology will be used by customers, and how it will be valued, providing input to the business model that is currently under development. The objective of the ductile iron technology development is to provide a net cost-benefit to the foundry by reducing magnesium consumption, improving mould yield, reducing casting defects and improving machinability. The field trials are an important step in the potential development of a new ductile iron product.

On 29 July, the US government announced new fuel economy standards for cars and light trucks that will require significant improvements in fuel economy and greenhouse gas emissions. The new standards require an increase to 54.5 mpg for all new cars and trucks sold in the United States in 2025. Administration officials have indicated that the 54.5 mpg standard would reflect combined fuel economy of 62 mpg for cars and 45 mpg for pick-up trucks. These proposed standards can provide an improved opportunity for the increased use of fuel efficient diesel engines in North America.

Financial Summary

Revenue

The **April-June 2011** revenue amounted to SEK 12.1 million (SEK 8.6 million). The revenue increase of 41% represents the combined effect of a 31% increase in series production revenue and a 275% increase in equipment sales. The equipment revenue was derived from the sale of a Mini-System 3000 to the Daeshin foundry in Korea plus System 3000 spares and ancillary equipment sold in support of a lease installation at an undisclosed cylinder block and head foundry.

The **January-June 2011** revenue amounted to SEK 21.2 million (SEK 16.6 million). The revenue increase of 28% represents the combined effect of a 24% increase in series production revenue and an 85% increase in equipment sales. The increased revenue related to installations is a result of installation support provided at the Daedong foundry in Korea, the sale of a Mini-System 3000 to the Daeshin foundry in Korea, and the sale of System 3000 spares and ancillary equipment, plus on-site engineering service in support of a lease installation, yet to be announced. The revenue for the SinterCast Group relates primarily to income from equipment (sales and leases), series production and engineering service.

| Revenue Breakdown | April-June | | January-June | |
|----------------------------------|-------------|------------|--------------|-------------|
| | 2011 | 2010 | 2011 | 2010 |
| Number of Sampling Cups shipped | 36,000 | 25,400 | 63,400 | 48,650 |
| Equipment ¹ | 1.5 | 0.4 | 2.4 | 1.3 |
| Series Production ² | 9.7 | 7.4 | 17.8 | 14.4 |
| Engineering Service ³ | 0.8 | 0.6 | 0.9 | 0.7 |
| Other | 0.1 | 0.2 | 0.1 | 0.2 |
| Total | 12.1 | 8.6 | 21.2 | 16.6 |

(Amounts in SEK million if not otherwise stated)

- Notes:
1. Includes revenue from system sales and leases and sales of spare parts
 2. Includes revenue from production fees, consumables and software licence fees
 3. Includes revenue from technical support, on-site trials and sales of test pieces

Results

The **April-June 2011** operating result was SEK 3.6 million (SEK 0.6 million). The sales & administration costs increased, mainly because of the successful SinterCast presence at the GIFA world foundry trade fair, other marketing activities, and increased AGM costs. However, the operating result increased by SEK 3.0 million because of the equipment sales and the series production during the period.

The result after tax for the April-June 2011 period amounted to SEK 6.2 million (SEK 3.4 million), primarily related to the decreased market value of outstanding currency hedge contracts and the revaluation of the deferred tax asset, as described in the section entitled "Deferred Tax Asset".

The **January-June 2011** operating result was SEK 4.3 million (SEK 1.3 million). During the period, the operating costs increased by approximately 8% compare to the same period last year. The cost increase is mainly within the sales & marketing function, as a result of SinterCast's efforts to increase market presence, in line with the budget and the overall growth strategy.

The result after tax for the January-June 2011 period amounted to SEK 7.3 million (SEK 4.4 million), primarily related to the decreased market value of outstanding currency hedge contracts and the revaluation of the deferred tax asset, as described in the section entitled "Deferred Tax Asset".

| Results Summary | April-June | | January-June | |
|----------------------------------|------------|------|--------------|------|
| | 2011 | 2010 | 2011 | 2010 |
| Operating Result | 3.6 | 0.6 | 4.3 | 1.3 |
| Result for the period | 6.2 | 3.4 | 7.3 | 4.4 |
| Result after tax per share (SEK) | 0.9 | 0.5 | 1.0 | 0.7 |

(Amounts in SEK million if not otherwise stated)

Deferred Tax Asset

SinterCast calculates its estimated future taxable profit from secured production orders on a quarterly basis, in order to determine the valuation of its deferred tax asset. The estimated future taxable profit as of 30 June 2011 has been calculated to an amount of SEK 128.8 million (SEK 92.2 million), representing approximately 22% of SinterCast's total carried-forward tax losses, resulting in SEK 33.9 million (SEK 24.3 million) being capitalised as a deferred tax asset. Due to the positive result, during the January-June 2011 period, the deferred tax asset has been reduced by SEK 1.1 million (SEK 0.0 million) to SEK 32.8 million (SEK 24.3 million).

Employee Stock Option Programme

As of 30 June 2011, the cost of the employee stock option programme 2009-2013 was calculated at a total amount of SEK 3.1 million (SEK 3.3 million), based on a closing share price of SEK 50.5 (SEK 49.4). Thus far during 2011, SEK 0.4 million (SEK 0.7 million) was accounted for as costs related to the option programme.

Cashflow, Liquidity and Investments

The **April-June 2011** cashflow result was SEK -1.5 million (SEK 2.8 million). The cashflow was decreased by SEK 3.5 million as a result of the dividend of SEK 0.5 per share paid to shareholders on 27 May 2011.

The **January-June 2011** cashflow result was SEK 0.0 million (SEK 0.7 million). The liquidity on 30 June 2011 was SEK 40.3 million, unchanged compared to 31 December 2010. However, the liquidity effectively increased by SEK 6.5 million as a result of increased series production and installation activities, and was thereafter decreased by the payment of the dividend amounting to SEK 3.5 million (SEK 0.0 million) and repayment of the bank loan amounting to SEK 3.0 million (SEK 0.0 million). The increased cashflow related to installations includes payment received for the December 2010 activation of the back-up System 2000 at the Dashiang foundry in China and for the System 3000 installation at the Daedong foundry in Korea that was shipped in December 2010 and installed in January 2011.

Investments during the period amounted to SEK 0.7 million (SEK 0.2 million).

| Cashflow Summary | April-June | | January-June | |
|-------------------------------------|-------------|-------------|--------------|-------------|
| | 2011 | 2010 | 2011 | 2010 |
| Cashflow from operating activities | 3.1 | 1.1 | 4.6 | 2.4 |
| Cashflow from working capital | -1.0 | 1.8 | 2.1 | -1.5 |
| Cashflow from investment activities | -0.1 | -0.1 | -0.2 | -0.2 |
| Cashflow from financing activities | -3.5 | - | -6.5 | - |
| Cashflow total | -1.5 | 2.8 | 0.0 | 0.7 |
| Liquidity | 40.3 | 25.5 | 40.3 | 25.5 |
| Investments | 0.1 | 0.1 | 0.7 | 0.2 |

(Amounts in SEK million if not otherwise stated)

SinterCast has historically been financed by risk capital provided by its shareholders and has managed its expenses according to market forecasts, resource requirements, and regular reviews of expenditures in relation to the annual budget. Following positive cashflow from operations during 2010, the Board judges that the long-term financing of the Company is secure, allowing the Company to be more pro-active in its operations.

Risks and Uncertainty Factors

The main uncertainty factor for SinterCast continues to be the overall timing of the CGI market ramp-up. This primarily depends on OEM decisions for new CGI engines and other components, the global economy for new vehicle sales and the individual sales success of vehicles equipped with SinterCast-CGI components.

SinterCast has diversified its product development activities in order to minimise the risk associated with any one industrial sector. Current series production is well balanced between V-diesel engines for passenger vehicles, commercial vehicle engine components, and other applications such as exhaust components and industrial power engines. SinterCast continues to support product development in these traditional areas while also exploring other potential applications. SinterCast's presence in Europe, Asia and the Americas also reduces the dependence on any one geographical sector. Pending the results of field trials, the new ductile iron technology development provides the potential to extend the market activities beyond the core CGI arena.

Market Penetration and Competition

SinterCast enjoys global brand recognition and respect as the CGI technology leader and is welcomed by the industry as a reliable and trustworthy partner. However, virtually every company encounters competition, and SinterCast is no exception. As the CGI market has developed, some foundry supply companies have proposed alternative CGI technologies. To SinterCast's knowledge, these have included Hereaus-Electronite, OCC, OxyCast and NovaCast. It is also possible that some foundries may opt to produce CGI using in-house control and discipline, but it is generally judged that this will become less likely as product complexity and production volumes increase, and as specification requirements become more rigidly enforced by the end-users. SinterCast judges that its technology and engineering know-how provides the most reliable and cost-effective solution for the production of high quality CGI. Based on its proven technology, production experience and engineering service, SinterCast will continue to support new CGI development activities to further increase its share of the world CGI production capacity.

SinterCast's business development is strongly linked to the internal combustion engine, and particularly to the diesel engine. New powertrain technologies, such as vehicle electrification (hybrids and plug-in vehicles) and fuel cells attract significant media attention, however, the development and implementation of these technologies remains a long-term project. Most industry forecasts indicate a market penetration for these technologies of approximately 10% in the 2020 to 2025 timeframe, which is below the expected global penetration for diesel engines. In consideration of the technology leadtime and other practical concerns such as increased cost and driving range, SinterCast does not expect these technologies to have a significant effect on the Company's competitive position for the foreseeable future.

Business Model

SinterCast sells or leases the System 3000 hardware, leases the process control software, sells the sampling consumables, and charges a running Production Fee for each tonne of CGI castings produced using the SinterCast technology. Revenue is also derived from spare parts, engineering service, field trials and sales of test pieces. The total running fees (sampling consumables plus Production Fee) depend on the ladle size and the casting yield for each foundry and each product. For a typical cylinder block, the running fees provide revenue of approximately EUR 40-50 per tonne of castings, equivalently, EUR 2.00-2.50 for each 50 kg Engine Equivalent. The SinterCast business model is highly scalable, allowing profitability to rise as the installed base grows and as more products enter series production.

Personnel

As of 30 June 2011, the Group had 16 (13) employees, three (two) of which were female. The core technical staff has the necessary skill, experience and resources to support the ongoing customer activities and the anticipated market development. Further recruitment will be phased with the development of new products and field activities, particularly the need to support new installations and series production activities.

On 14 September 2011, Mr David Gilson will join SinterCast in the capacity of Global Sales & Marketing Director. Mr Gilson will be responsible for broadening SinterCast's penetration in the foundry and end-user markets, supporting the development of new business opportunities and securing new foundry installations, in line with the overall growth strategy. Mr Gilson joins SinterCast with a strong background in global foundry sales and marketing, previously serving as the Global Marketing Manager at Ashland Casting Solutions with responsibility for sales and marketing of Ashland's binder systems. Mr Gilson holds a Bachelor of Science degree in Metallurgical Engineering from the University of Wisconsin – Madison and a Masters of Business Administration degree from the University of Wisconsin - Milwaukee.

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 and RFR 2. 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.

No material transactions have taken place between SinterCast and the Board or the Management during the period.

Events after the Balance Sheet Date

There have been no significant events since the balance sheet date of 30 June 2011 that could materially change these financial statements.

Parent Company

SinterCast AB (publ) is the Parent Company of the SinterCast Group, with registered office located in Stockholm, Sweden. The Parent Company has 14 (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 respects to the Parent Company.

Information

The Interim Report July-September 2011 will be published on 2 November 2011

The Interim Report October- December and Full Year Results 2011 will be published on 22 February 2012

The Interim Report January-March 2012 will be published on 25 April 2012

The Interim Report April-June 2012 will be published on 22 August 2012

This report has not been reviewed by the Company's Auditors.

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, 24 August 2011

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

Laurence Vine-Chatterton
Member of the Board

Steve Dawson
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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 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. The SinterCast technology is used for the production of more than 46 CGI components, ranging from 2 kg to 17 tonnes, all using the same proven process control technology. The end-users of SinterCast-CGI components include Aston Martin, Audi, Caterpillar, Chrysler, DAF Trucks, Ford, Ford-Otosan, General Electric Transportation Systems, General Motors, Hyundai, Jaguar, Kia, Land Rover, MAN, Navistar, Porsche, PSA Peugeot-Citroën, Renault, Rolls-Royce Power Engineering, Scania, Toyota, VM Motori, Volkswagen, Volvo and Waukesha Engine. The SinterCast share is quoted on the Small Cap segment of the NASDAQ OMX stock exchange (Stockholmsbörsen: SINT).

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Income Statement - SinterCast Group

| AMOUNTS IN SEK MILLION | April-June | | January - June | | January - December | |
|--|------------|------------|----------------|-------------|--------------------|-------------|
| | 2011 | 2010 | 2011 | 2010 | 2010 | 2009 |
| Revenue | 12.1 | 8.6 | 21.2 | 16.6 | 39.4 | 20.0 |
| Cost of goods sold | -3.0 | -2.8 | -5.9 | -5.1 | -10.2 | -7.0 |
| Gross result | 9.1 | 5.8 | 15.3 | 11.5 | 29.2 | 13.0 |
| Cost of sales and marketing | -4.1 | -2.8 | -6.7 | -5.3 | -11.3 | -10.1 |
| Cost of administration | -1.7 | -1.6 | -3.3 | -2.9 | -5.5 | -5.2 |
| Cost of research & development | -0.9 | -1.0 | -2.1 | -2.0 | -4.5 | -3.9 |
| Other operating income | 1.1 | 0.0 | 1.1 | 0.0 | 0.0 | 0.0 |
| Other operating costs | 0.1 | 0.2 | 0.0 | 0.0 | -0.7 | -0.1 |
| Operating result | 3.6 | 0.6 | 4.3 | 1.3 | 7.2 | -6.3 |
| Financial income | -0.2 | 0.0 | 0.3 | 0.4 | 2.2 | 1.8 |
| Financial costs | -0.7 | -0.3 | -0.7 | -0.4 | -0.9 | -0.9 |
| Income Tax | 3.5 | 3.1 | 3.4 | 3.1 | 8.0 | 2.7 |
| Result for the period | 6.2 | 3.4 | 7.3 | 4.4 | 16.5 | -2.7 |
| Result attributable to: | | | | | | |
| Equity holder of the parent company | 6.2 | 3.4 | 7.3 | 4.4 | 16.5 | -2.7 |
| Non-controlling interests | - | - | - | - | - | - |
| Earnings per share, SEK | 0.9 | 0.5 | 1.0 | 0.7 | 2.5 | -0.5 |
| Earning per share, diluted, SEK | 0.9 | 0.5 | 1.0 | 0.7 | 2.5 | -0.5 |
| Number of shares at the close of the period, thousands | 6,975.7 | 6,478.4 | 6,975.7 | 6,478.4 | 6,975.7 | 6,478.4 |
| Average number of shares, thousands | 6,975.7 | 6,478.4 | 6,975.7 | 6,478.4 | 6,574.5 | 5,815.1 |
| Average number of shares adjusted for outstanding warrants | 6,986.0 | 6,727.9 | 6,986.0 | 6,727.9 | 6,574.5 | 5,815.1 |

Statement of Comprehensive Income - SinterCast Group

| AMOUNTS IN SEK MILLION | April-June | | January - June | | January - December | |
|--|------------|-------------|----------------|------------|--------------------|-------------|
| | 2011 | 2010 | 2011 | 2010 | 2010 | 2009 |
| Result for the period | 6.2 | 3.4 | 7.3 | 4.4 | 16.5 | -2.7 |
| Other comprehensive income | | | | | | |
| Translation differences, foreign subsidiaries | 0.0 | -0.1 | -0.1 | 0.0 | 0.1 | 0.0 |
| Other comprehensive income, net of tax | 0.0 | -0.1 | -0.1 | 0.0 | 0.1 | 0.0 |
| Total comprehensive income | 6.2 | 3.3 | 7.2 | 4.4 | 16.6 | -2.7 |
| Total comprehensive income attributable to: | | | | | | |
| Equity holder of the parent company | 6.2 | 3.3 | 7.2 | 4.4 | 16.6 | -2.7 |
| Non-controlling interests | - | - | - | - | - | - |

Cashflow Statement - SinterCast Group

| AMOUNTS IN SEK MILLION | April-June | | January - June | | January - December | |
|--|-------------|-------------|----------------|-------------|--------------------|-------------|
| | 2011 | 2010 | 2011 | 2010 | 2010 | 2009 |
| Operating activities | | | | | | |
| Operating result | 3.6 | 0.6 | 4.3 | 1.3 | 7.2 | -6.3 |
| Adjustments for items not included in the cash flow | | | | | | |
| Depreciation | 0.2 | 0.2 | 0.5 | 0.4 | 1.1 | 1.5 |
| Other | 0.2 | 0.2 | 0.4 | 0.5 | 1.3 | 1.4 |
| Exchange rate differences | -0.9 | 0.1 | -0.7 | -0.1 | 0.9 | 0.4 |
| Received interest | 0.0 | 0.0 | 0.2 | 0.4 | 0.1 | 0.0 |
| Paid interest | 0.0 | 0.0 | -0.1 | -0.1 | -0.2 | -0.2 |
| Total cashflow from operating activities before change in working capital | 3.1 | 1.1 | 4.6 | 2.4 | 10.4 | -3.2 |
| Change in working capital | | | | | | |
| Stock | -1.4 | -0.4 | -1.0 | -0.2 | 0.8 | 1.2 |
| Operating receivables | -2.0 | 1.3 | 2.8 | -2.5 | -9.7 | 0.6 |
| Operating liabilities | 2.4 | 0.9 | 0.3 | 1.2 | 1.5 | -3.5 |
| Total change in working capital | -1.0 | 1.8 | 2.1 | -1.5 | -7.4 | -1.7 |
| Cashflow from operations | 2.1 | 2.9 | 6.7 | 0.9 | 3.0 | -4.9 |
| Investing activities | | | | | | |
| Acquisition of intangible assets | 0.0 | -0.1 | 0.0 | -0.2 | -0.3 | -0.5 |
| Acquisition of tangible assets | -0.1 | 0.0 | -0.2 | 0.0 | -0.2 | -0.1 |
| Increase/decrease in long-term receivables/payables | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Cashflow from investing activities | -0.1 | -0.1 | -0.2 | -0.2 | -0.5 | -0.6 |
| Financing activities | | | | | | |
| Rights issue* | - | - | - | - | 11.3 | 18.3 |
| Employee share option programme** | - | - | - | - | 1.7 | - |
| Bank loan | - | - | -3.0 | - | - | 3.0 |
| Dividend | -3.5 | - | -3.5 | - | - | - |
| Cashflow from financing activities | -3.5 | 0.0 | -6.5 | 0.0 | 13.0 | 21.3 |
| Change in cash and cash equivalents*** | -1.5 | 2.8 | 0.0 | 0.7 | 15.5 | 15.8 |
| Cash - opening balance | 41.8 | 22.7 | 40.3 | 24.8 | 24.8 | 9.0 |
| Cash - closing balance | 40.3 | 25.5 | 40.3 | 25.5 | 40.3 | 24.8 |

* The Rights Issue amounted to SEK 11.4 million (SEK 23.1 million) before transaction costs

** The subscription of warrants amounted to SEK 1.8 million (SEK 0.0 million) before transaction costs

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

Balance Sheet - SinterCast Group

| AMOUNTS IN SEK MILLION | 30 June 2011 | 30 June 2010 | 31 March 2011 | 31 March 2010 | 31 Dec 2010 | 31 Dec 2009 |
|---|----------------------|-----------------------------------|---------------------------|---------------------|----------------|----------------|
| ASSETS | | | | | | |
| Intangible assets | 2.6 | 3.1 | 2.7 | 3.2 | 2.9 | 3.3 |
| Tangible assets | 0.7 | 0.1 | 0.7 | 0.1 | 0.2 | 0.1 |
| Financial assets | 32.8 | 24.5 | 29.3 | 21.4 | 29.3 | 21.4 |
| Total fixed assets | 36.1 | 27.7 | 32.7 | 24.7 | 32.4 | 24.8 |
| Stock | 4.0 | 4.0 | 2.1 | 3.6 | 3.0 | 3.8 |
| Short term receivables | 12.7 | 8.2 | 11.2 | 9.6 | 16.0 | 5.8 |
| Short term deposits and cash at bank and in hand | 40.3 | 25.5 | 41.8 | 22.7 | 40.3 | 24.8 |
| Total current assets | 57.0 | 37.7 | 55.1 | 35.9 | 59.3 | 34.4 |
| Total Assets | 93.1 | 65.4 | 87.8 | 60.6 | 91.7 | 59.2 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | | | |
| Shareholders' equity* | 85.4 | 55.5 | 82.5 | 51.8 | 81.3 | 50.5 |
| Long term liabilities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Current liabilities | 7.7 | 9.9 | 5.3 | 8.8 | 10.4 | 8.7 |
| Total shareholders' equity and liabilities | 93.1 | 65.4 | 87.8 | 60.6 | 91.7 | 59.2 |
| Adjusted equity per share | 12.2 | 8.6 | 11.8 | 8.0 | 12.4 | 7.8 |
| * STATEMENT OF CHANGES IN EQUITY | | | | | | |
| Attributable of the equity holder of the parant company | Share Capital | Additional Paid in Capital | Accumulated Result | Total Equity | | |
| Opening balance 1 January 2010 | 6.48 | 26.90 | 17.10 | 50.48 | | |
| Employee share option programme, IFRS 2 | - | - | 0.64 | 0.64 | | |
| Total comprehensive income | - | - | 4.42 | 4.42 | | |
| Closing Balance 30 June 2010 | 6.48 | 26.90 | 22.16 | 55.54 | | |
| Opening balance 1 January 2011 | 6.98 | 39.40 | 34.91 | 81.29 | | |
| Employee share option programme, IFRS 2 | - | - | 0.39 | 0.39 | | |
| Dividend | - | - | -3.49 | -3.49 | | |
| Total comprehensive income | - | - | 7.22 | 7.22 | | |
| Closing Balance 30 June 2011 | 6.98 | 39.40 | 39.03 | 85.41 | | |

Key Ratio and Share Data - SinterCast Group

| AMOUNTS IN SEK MILLION | April-June | | January - June | | January - December | |
|--|------------|------|----------------|------|--------------------|-------|
| | 2011 | 2010 | 2011 | 2010 | 2010 | 2009 |
| Key Ratio | | | | | | |
| Revenue, SEK millions | 12.1 | 8.6 | 21.2 | 16.6 | 39.4 | 20.0 |
| Net result, SEK millions | 6.2 | 3.4 | 7.3 | 4.4 | 16.5 | -2.7 |
| Operating margin % | 29.8 | 7.0 | 20.3 | 7.8 | 18.3 | -31.5 |
| Solidity, % | 91.7 | 84.9 | 91.7 | 84.9 | 88.7 | 85.3 |
| Adjusted shareholders' equity, SEK millions | 85.4 | 55.5 | 85.4 | 55.5 | 81.3 | 50.5 |
| Capital employed, SEK millions | 85.4 | 58.5 | 85.4 | 58.5 | 84.3 | 53.5 |
| Total assets, SEK millions | 93.1 | 65.4 | 93.1 | 65.4 | 91.7 | 59.2 |
| Return on shareholders' equity, % | 7.4 | 6.3 | 8.7 | 8.3 | 25.0 | -6.4 |
| Return on capital employed, % | 6.2 | 6.4 | 8.7 | 8.7 | 24.3 | -5.6 |
| Return on total assets, % | 6.2 | 5.9 | 8.0 | 7.8 | 22.2 | -4.1 |
| Debt-to-equity ratio | - | 0.1 | - | 0.1 | 0.0 | 0.1 |
| Employees | | | | | | |
| Number of employees at the end of the period | 16 | 13 | 16 | 13 | 13 | 13 |
| Data per Share | | | | | | |
| Earnings per share, SEK | 0.9 | 0.5 | 1.0 | 0.7 | 2.5 | -0.5 |
| Dividends per share, SEK | 0.5 | - | 0.5 | - | - | - |
| Cashflow per share, SEK | -0.2 | 0.4 | 0.0 | 0.1 | 2.4 | 2.7 |
| Share price at the end of the period, SEK | 50.5 | 49.4 | 50.5 | 49.4 | 51.3 | 50.5 |

Operating margin %

Operating results as percentage of revenue

Average number of shares

Weighted average of the number of shares outstanding for the period

Average number of shares adjusted for outstanding warrants

Weighted average of the number of shares and warrants outstanding for the period

Earnings per share

Net result divided by the average number of shares

Earnings per share , diluted

Net result divided by the average number of shares adjusted for outstanding warrants related to the employee stock options

Adjusted equity per share

Adjusted shareholders' equity divided by the average number of shares

Adjusted equity per share adjusted for outstanding warrants

Adjusted shareholders' equity divided by the average number of shares adjusted for outstanding warrants related to employee stock options

Solidity

Adjusted shareholders' equity expressed as percentage of total assets end of period

Adjusted shareholders' equity

Shareholders' equity plus 73.7% of untaxed reserves

Capital employed

Total assets less non-interest bearing liabilities

Return on shareholders' equity

Net result as a percentage of average adjusted shareholders' equity

Return on capital employed

Net result after financial items plus financial expenses as a percentage of average capital employed

Return on total assets

Net result after financial items plus financial expenses as a percentage of total average assets

Debt-to-equity ratio

Interest bearing liabilities divided by adjusted shareholders' equity

Share price at the end of the period

Latest paid price for the SinterCast share at NASDAQ OMX stock exchange, Stockholmsbörsen

Value presented as "0.0"

Amount below SEK 50,000

Value presented as "-"

No amount applicable

Income Statement - SinterCast AB

| AMOUNTS IN SEK MILLION | April-June | | January - June | | January - December | |
|--|------------|-------------|----------------|-------------|--------------------|-------------|
| | 2011 | 2010 | 2011 | 2010 | 2010 | 2009 |
| Revenue | 11.7 | 8.3 | 20.9 | 16.1 | 38.5 | 19.3 |
| Cost of goods sold | -3.1 | -2.8 | -6.5 | -5.3 | -10.4 | -7.8 |
| Gross result | 8.6 | 5.5 | 14.4 | 10.8 | 28.1 | 11.5 |
| Cost of sales and marketing | -3.9 | -3.8 | -6.2 | -5.0 | -10.5 | -8.9 |
| Cost of administration | -1.7 | -1.9 | -3.3 | -2.9 | -5.5 | -5.4 |
| Cost of research & development | -0.9 | -1.0 | -2.1 | -1.9 | -4.5 | -3.8 |
| Other operating income | 1.3 | 0.0 | 1.6 | 0.0 | 0.1 | 0.0 |
| Other operating costs | 0.0 | -0.3 | 0.0 | -0.3 | 0.0 | -0.1 |
| Operating result | 3.4 | -1.5 | 4.4 | 0.7 | 7.7 | -6.7 |
| Financial income | -0.2 | 0.0 | 0.3 | 0.4 | 2.2 | 1.8 |
| Financial costs | -0.6 | -0.4 | -0.6 | -0.4 | -0.9 | -0.9 |
| Income Tax | 3.5 | 3.1 | 3.4 | 3.1 | 8.0 | 2.7 |
| Result for the period | 6.1 | 1.2 | 7.5 | 3.8 | 17.0 | -3.1 |
| Result attributable to: | | | | | | |
| Equity holder of the parent company | 6.1 | 1.2 | 7.5 | 3.8 | 17.0 | -3.1 |
| Non-controlling interests | - | - | - | - | - | - |
| Earnings per share, SEK | 0.9 | 0.2 | 1.1 | 0.6 | 2.6 | -0.5 |
| Earning per share, diluted, SEK | 0.9 | 0.2 | 1.1 | 0.6 | 2.6 | -0.5 |
| Number of shares at the close of the period, thousands | 6,975.7 | 6,478.4 | 6,975.7 | 6,478.4 | 6,975.7 | 6,478.4 |
| Average number of shares, thousands | 6,975.7 | 6,478.4 | 6,975.7 | 6,478.4 | 6,574.5 | 5,815.1 |
| Average number of shares adjusted for outstanding warrants | 6,986.0 | 6,727.9 | 6,986.0 | 6,727.9 | 6,574.5 | 5,815.1 |

Statement of Comprehensive Income - SinterCast AB

| AMOUNTS IN SEK MILLION | April-June | | January - June | | January - December | |
|--|------------|------------|----------------|------------|--------------------|------|
| | 2011 | 2010 | 2011 | 2010 | 2010 | 2009 |
| Result for the period | 6.1 | 1.2 | 7.5 | 3.8 | 17.0 | -3.1 |
| Total comprehensive income | 6.1 | 1.2 | 7.5 | 3.8 | 17.0 | -3.1 |
| Total comprehensive income attributable to: | | | | | | |
| Equity holder of the parent company | 6.1 | 1.2 | 7.5 | 3.8 | 17.0 | -3.1 |
| Non-controlling interests | - | - | - | - | - | - |

Balance Sheet - SinterCast AB

| AMOUNTS IN SEK MILLION | 30 June 2011 | 30 June 2010 | 31 March 2011 | 31 March 2010 | 31 Dec 2010 | 31 Dec 2009 |
|---|------------------|----------------------|-----------------------------|-------------------------------|----------------------------|-----------------|
| ASSETS | | | | | | |
| Intangible assets | 2.6 | 3.1 | 2.7 | 3.2 | 2.9 | 3.3 |
| Tangible assets | 0.3 | 0.1 | 0.2 | 0.1 | 0.2 | 0.1 |
| Financial assets | 35.8 | 26.8 | 32.2 | 23.5 | 32.1 | 23.4 |
| Total fixed assets | 38.7 | 30.0 | 35.1 | 26.8 | 35.2 | 26.8 |
| Stock | 3.3 | 3.2 | 1.4 | 2.8 | 2.3 | 3.0 |
| Short-term receivables | 15.1 | 10.6 | 11.9 | 10.0 | 16.2 | 5.3 |
| Short term deposits and cash at bank and in hand | 39.2 | 24.9 | 41.4 | 22.4 | 39.7 | 24.4 |
| Total current assets | 57.6 | 38.7 | 54.7 | 35.2 | 58.2 | 32.7 |
| Total Assets | 96.3 | 68.7 | 89.8 | 62.0 | 93.4 | 59.5 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | | | |
| Shareholders' equity* | 78.0 | 46.7 | 75.2 | 45.2 | 73.6 | 42.3 |
| Long term liabilities | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Current liabilities | 18.2 | 21.9 | 14.5 | 16.7 | 19.7 | 17.1 |
| Total shareholders' equity and liabilities | 96.3 | 68.7 | 89.8 | 62.0 | 93.4 | 59.5 |
| Adjusted equity per share | 11.2 | 7.0 | 10.8 | 7.0 | 10.6 | 6.5 |
| * STATEMENT OF CHANGES IN EQUITY | | | | | | |
| Attributable of the equity holder of the parant company | Share Capital | Statutory Reserve | Share Premium Reserve | Results Brought Forward | Results For the Year | Total Equity |
| Opening balance 1 January 2010 | 6.48 | 9.53 | 17.37 | 12.06 | -3.11 | 42.33 |
| Employee share option programme, IFRS 2 | - | - | - | 0.64 | - | 0.64 |
| Total comprehensive income | - | - | - | - | 3.75 | 3.75 |
| Closing Balance 30 June 2010 | 6.48 | 9.53 | 17.37 | 12.70 | 0.64 | 46.72 |
| Opening balance 1 January 2011 | 6.98 | 9.53 | 29.87 | 10.20 | 16.99 | 73.57 |
| Employee share option programme, IFRS 2 | - | - | - | 0.39 | - | 0.39 |
| Dividend | - | - | - | -3.49 | - | -3.49 |
| Total comprehensive income | - | - | - | - | 7.52 | 7.52 |
| Closing Balance 30 June 2011 | 6.98 | 9.53 | 29.87 | 7.10 | 24.51 | 77.99 |