

Record series production in September and third quarter

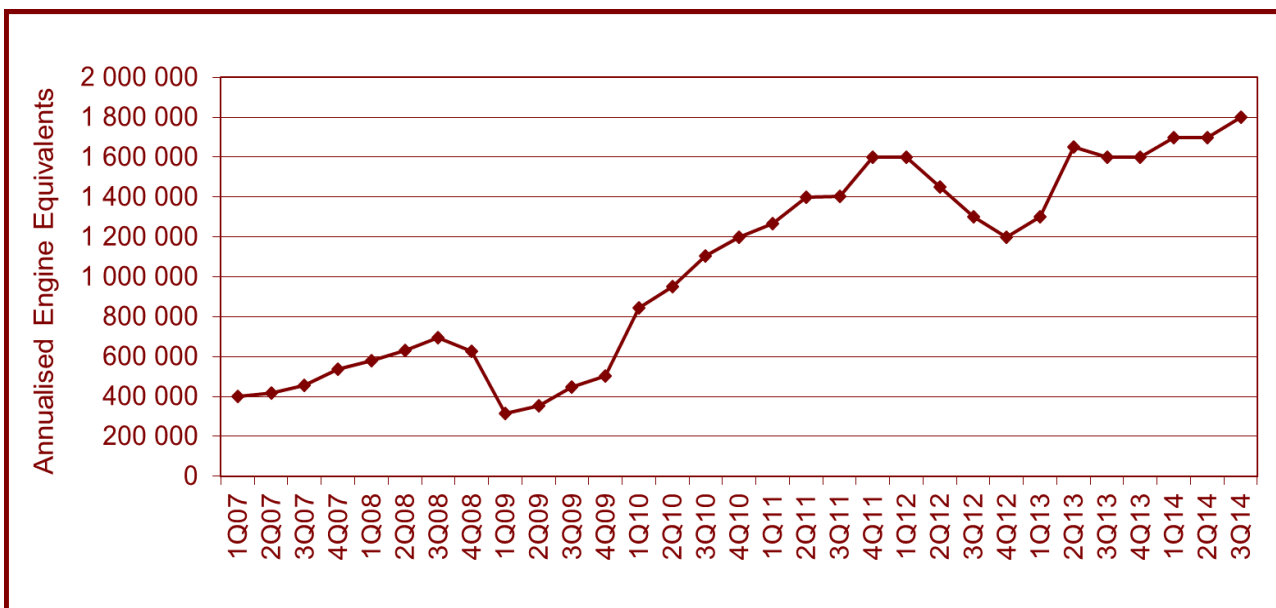
Third Quarter 2014

- **Revenue for Period:** SEK 13.4 million (SEK 14.0 million)
- **Operating Result:** SEK 3.1 million (SEK 2.3 million)
- **Earnings per Share:** SEK 0.5 per share (SEK 0.3 per share)
- **Cashflow from Operations:** SEK 2.6 million (SEK 1.3 million)
- Record series production of 1.95 million Engine Equivalents in September
- Record series production for third quarter with 10% year-on-year increase
- New installation secured at Impro Industries in China for industrial power applications
- Ford 2.7 litre petrol engine performance confirmed with 325 horsepower and 508 Nm of torque

2014 Year-to-Date

- **Revenue:** SEK 38.9 million (SEK 37.5 million)
- **Operating Result:** SEK 6.7 million (SEK 5.2 million)
- **Earnings per Share:** SEK 1.2 per share (SEK 0.9 per share)
- **Cashflow from Operations:** SEK 3.5 million (SEK 6.8 million)
- **Installed Base:** 23 fully automated systems and 16 mini-systems in Europe, Asia and the Americas

Series Production*



Annualised series production reached 1.80 million Engine Equivalents in the third quarter, providing a 10% year-on-year increase. Series production in September established an all-time annualised record of 1.95 million Engine Equivalents.

* Annualised average production of Engine Equivalents during the quarter (1 Engine Equivalent = 50 kg)

CEO Comments

Record series production in September and third quarter

Series production in September approached the two million Engine Equivalent milestone with record annualised production of 1.95 million Engine Equivalents. The strong September production buoyed the traditionally lower summer shutdown months to provide record quarterly production of 1.80 million Engine Equivalents, resulting in three consecutive quarters of record series production and a 10% year-on-year increase. The outlook remains positive in each of the passenger vehicle, commercial vehicle and industrial power sectors, as competitive benchmarks and market awareness continue to grow. It is estimated that the current series production programmes have the potential to provide approximately 2.5 million Engine Equivalents at mature volume.

Each of the top five series production programmes posted yearly high volume during September, as improving automotive sales and lower fuel prices contributed to increased passenger vehicle sales in Europe and increased pick-up sales in North America. European commercial vehicle volumes also increased as the ramp up of new Euro 6 emissions vehicles continued during the quarter.

Revenue for the third quarter is lower than revenue in the third quarter of 2013, but this is due to the record installation performance achieved in 2013. All other metrics, including series production, consumables, CGI product development intensity and the overall market acceptance of CGI have improved considerably and provide a positive outlook for future growth.

North American pick-up applications continue to provide increased volumes and future growth potential. Series production of the Ford 2.7 litre V6 petrol engine began to make a larger contribution to the total volume, as production increased in advance of the announced start of model year 2015 F150 pick-up sales in December. In parallel, Ford has publicly confirmed that the 2.7 litre engine will provide 325 horsepower and 508 Nm of torque and journalist drive reports have been consistently positive about the performance, refinement and driveability of the engine. Also during September, Ram introduced changes in its Michigan truck plant that enable an increase in capacity and an increase of the diesel build capability. This development is in agreement with the planned increase of engine production presented by Mr Raffaele De Vivo, President of VM Motori North America, at SinterCast's 2014 AGM. Ram has stated that approximately 60% of diesel sales have been conquest customers from rival truck brands. This pressure, in the traditionally loyal pick-up sector, may motivate diesel responses from other OEMs.

New installation for industrial power sector

During the period, Impro Industries in China acquired a SinterCast licence in preparation for the start of series production of industrial power components. A Mini-System 3000 has been delivered and the installation is planned to be commissioned during the fourth quarter, with production starting thereafter. The SinterCast installation, together with engineering support, will enable Impro Industries, which specialises in heavy-duty and industrial power castings, to produce CGI components conforming to the international ISO 16112 standard for the export market. The agreement marks SinterCast's eighth installation in China and fourteenth installation in Asia, broadening SinterCast's presence and brand awareness, and providing additional opportunities to increase SinterCast-CGI production in the industrial power sector.

Ductile Iron technology

Development of the ductile iron technology continued through the quarter with intensified training of new R&D personnel, foundry trials, data analysis and application programming. Further field trials will be

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conducted during the fourth quarter at selected foundries in Europe and discussions are ongoing to establish reference case studies for prolonged trials during the first half of 2015. The SinterCast ductile iron technology is expected to provide additional benefit to customers by reducing magnesium consumption, improving mould yield and reducing casting defects in the foundry, and by improving machinability.

Financial Summary

Revenue

Revenue for the SinterCast Group relates primarily to income from equipment, series production and engineering service.

| Revenue Breakdown (Amounts in SEK million if not otherwise stated) | July - September | | January - September | |
|---|------------------|--------|---------------------|--------|
| | 2014 | 2013 | 2014 | 2013 |
| Number of Sampling Cups shipped | 28,700 | 27,800 | 94,800 | 89,900 |
| Equipment¹ | 1.1 | 3.2 | 3.8 | 5.9 |
| Series Production² | 11.9 | 10.5 | 33.9 | 30.2 |
| Engineering Service³ | 0.3 | 0.3 | 1.1 | 1.2 |
| Other | 0.0 | 0.0 | 0.1 | 0.2 |
| Total | 13.4 | 14.0 | 38.9 | 37.5 |

- 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

July-September 2014 revenue amounted to SEK 13.4 million (SEK 14.0 million). Revenue from series production increased by 13% to SEK 11.9 million (SEK 10.5 million), due to record annualised series production of approximately 1.80 million (1.60 million) annualised Engine Equivalents during the quarter and the increased shipment of 28,700 (27,800) Sampling Cups. During the period, a Mini-System 3000 was shipped to Impro Industries foundry in China. However, the total revenue for the quarter was lower due to the heightened installation activity during the third quarter of 2013. Engineering Service amounted to SEK 0.3 million (SEK 0.3 million).

January-September 2014 revenue amounted to SEK 38.9 million (SEK 37.5 million). Revenue from series production increased by 12% to SEK 33.9 million (SEK 30.2 million) due to increased production and Sampling Cup shipments. Equipment revenue amounted to SEK 3.8 million (SEK 5.9 million), following the shipment of a Mini-System 3000 to Impro Industries foundry in China and a System 3000 *Plus* to one of China's largest automotive component conglomerates. Engineering Service amounted to SEK 1.1 million (SEK 1.2 million) following support provided to various customers globally and the sale of test pieces. The revenue from the leased installations is accrued over the lease period.

Results

The business activities of SinterCast are best reflected by the Operating Result. This is because the "Result for the period after tax" and the "Earnings per Share" are influenced by the financial income and costs and by the revaluation of tax assets.

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| Results Summary (Amounts in SEK million if not otherwise stated) | July - September | | January - September | |
|---|------------------|------|---------------------|------|
| | 2014 | 2013 | 2014 | 2013 |
| Operating Result | 3.1 | 2.3 | 6.7 | 5.2 |
| Result for the period after tax | 3.5 | 2.4 | 8.6 | 6.0 |
| Earnings per Share (SEK) | 0.5 | 0.3 | 1.2 | 0.9 |

The **July-September 2014** Operating Result of SEK 3.1 million (SEK 2.3 million) increased as a result of higher gross results of SEK 0.5 million, higher operational expenses of SEK 0.3 million and higher other operating income (exchange gains) of SEK 0.6 million.

The Result for the period after tax amounted to SEK 3.5 million (SEK 2.4 million), primarily related to the increase in the Operating Result of SEK 0.8 million, the increased financial net of SEK 0.4 million and the decreased tax income of SEK 0.1 million.

The **January-September 2014** Operating Result of SEK 6.7 million (SEK 5.2 million) increased as a result of higher gross results of SEK 1.5 million primarily derived from higher revenue, combined with higher operational expenses of SEK 0.7 million and increased operating income (exchange gains) of SEK 0.7 million.

The Result for the period after tax amounted to SEK 8.6 million (SEK 6.0 million), primarily related to the increased operating result of SEK 1.5 million, the increased financial net of SEK 0.9 million (primarily exchange gains), and increased tax income amounting to SEK 0.2 million, primarily due to the deferred tax adjustment.

Deferred Tax Asset

Tax amounted to SEK 0.9 million (SEK 0.7 million) during the January-September 2014 period, primarily explained by the SEK 1.0 million increase in the deferred tax asset during the second quarter (SEK 0.8 million during the first quarter 2013). The estimated future taxable profit and deferred tax asset calculation is reassessed every quarter. As of 30 September 2014, SEK 133.3 million (SEK 128.5 million) of SinterCast's total carried-forward tax losses have been used as the basis of the updated calculation, resulting in SEK 29.3 million (SEK 28.3 million) being capitalised as a deferred tax asset.

Cashflow, Liquidity and Investments

| Cashflow Summary (Amounts in SEK million if not otherwise stated) | July - September | | January - September | |
|--|------------------|-------------|---------------------|-------------|
| | 2014 | 2013 | 2014 | 2013 |
| Cashflow from operations, before change in working capital | 3.3 | 2.8 | 7.3 | 6.3 |
| Change in working capital | -0.7 | -1.5 | -3.8 | 0.5 |
| Cashflow from operations, after change in working capital | 2.6 | 1.3 | 3.5 | 6.8 |
| Cashflow from investing activities | -0.5 | -0.2 | -0.8 | -0.5 |
| Cashflow from financing activities | - | - | -8.5 | -7.0 |
| Cashflow total | 2.1 | 1.1 | -5.8 | -0.7 |
| Liquidity | 42.0 | 34.7 | 42.0 | 34.7 |

July-September 2014 cashflow from operations, before changes in working capital, increased by 18% to SEK 3.3 million (SEK 2.8 million). Cashflow from operations after changes in working capital amounted to SEK 2.6 (SEK 1.3 million), primarily related to, compared to the same period last year, higher cashflow from

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operations before changes in working capital (SEK 0.5 million), increased cashflow from receivables (SEK 0.3 million), increased cashflow from stock (SEK 0.1 million) and increased cashflow from operating liabilities (SEK 0.4 million). Following investments of SEK 0.5 million, primarily from new patents (SEK 0.2 million), the total cashflow result amounted to SEK 2.1 million (SEK 1.1 million).

January-September 2014 cashflow from operations, before changes in working capital, increased by 16% to SEK 7.3 million (SEK 6.3 million). The increased cashflow is primarily due to higher operating results of SEK 1.5 million. Cashflow from operations after changes in working capital was SEK 3.5 million (SEK 6.8 million), primarily related to, compared to the same period last year, increased cashflow from operations before changes in working capital of SEK 1.0 million, decreased cashflow from receivables (SEK 0.4 million), decreased cashflow from stock (SEK 0.9 million) and decreased cashflow from operating liabilities (SEK 3.0 million). Following the dividend of SEK 8.5 million (SEK 7.0 million), the total cashflow result for the period was SEK -5.8 million (SEK -0.7 million), resulting in SEK 42.0 million (SEK 34.7 million) in liquidity on 30 September 2014. Investments, including new patents, amounted to SEK 0.8 million (SEK 0.6 million) during the period, of which SEK 0.8 million (SEK 0.5 million) resulted in cash outflow.

Risks and Uncertainty Factors

The main uncertainty factor for SinterCast continues to be the 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.

The global economy has developed differently in Europe, Asia and the Americas over the last few years. The Asian and European economies continue to be uncertain and this may impact passenger vehicle and commercial vehicle sales in these regions. However consumer confidence has recently increased in North America and SinterCast has benefitted from increased vehicle sales. SinterCast's geographical diversification helps to mitigate changing macroeconomic conditions in the different regions.

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. SinterCast judges that its technology and engineering know-how provides the most reliable and cost-effective solution for series production of high quality CGI.

New powertrain technologies, such as vehicle electrification (hybrid and plug-in vehicles) and fuel cells attract significant media attention; however, the development and implementation of these technologies remain a long-term prospect and SinterCast does not expect these technologies to have a significant effect on the Company's competitive position for the foreseeable future.

For full risk and uncertainty factor information, please see note 26 on p.46 in SinterCast's Annual Report 2013

Organisation

With successful high volume CGI production in foundries located in Europe, Asia and the Americas, SinterCast has established a global organisation with employees and offices in Sweden, the United Kingdom, the United States, China and Korea. A new Research Engineer joined the Company during the period. As of 30 September 2014, the Group had 19 (17) employees, four (three) of whom are female. The Company is well positioned to support global market activities and to drive SinterCast's future growth.

Parent Company

SinterCast AB (publ) is the Parent Company of the SinterCast Group, with its registered office located in Stockholm, Sweden. The Parent Company has 14 (12) employees. The majority of the operations are managed by the Parent Company while local operations in the United Kingdom, United States, Korea and China are managed by the local companies. The information given for the Group in this report corresponds in all material respects to the Parent Company. However, the result for the period may differ between the Group and the Parent Company due to intercompany transactions between the Parent Company and its subsidiaries.

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 the Parent Company are in agreement with the accounting policies used in 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 September 2014 that could materially change these financial statements.

Nomination Committee

The Nomination Committee, elected by the Annual General Meeting 2014, consists of Karl-Arne Henriksson, Chairman, Andrea Fessler, Ulla-Britt Fräjdin-Hellqvist and Hans-Erik Andersson. Shareholders wishing to provide input or proposals should provide written submissions to the Nomination Committee (e-mail: nomination.committee@sintercast.com) before 18 March 2015.

Annual General Meeting

The Annual General Meeting 2015 of SinterCast AB (publ) will be held on Wednesday 20 May 2015.

Shareholders wishing to have a matter considered at the Annual General Meeting should provide written submissions to agm.registration@sintercast.com or to the Company: SinterCast AB (publ), P.O. Box 10203, SE-100 55 Stockholm, Sweden, at least seven weeks prior to the Annual General Meeting for the proposal to be included in the notice of the meeting. Further details on how and when to register will be published in advance of the Annual General Meeting.

Information

The Interim Report October-December 2014 and Full Year Results 2014 will be published on 11 February 2015

The Interim Report January-March 2015 will be published on 29 April 2015

The Interim Report April-June 2015 will be published on 29 July 2015

The Interim Report July-September 2015 will be published on 11 November 2015

Beginning with this report, all Interim Reports will be published at 08:00 CET

This report has been reviewed by the Company's Auditors

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Stockholm 5 November 2014

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Report of Review of Interim Financial Information

Introduction

We have reviewed the condensed interim financial information (interim report) of SinterCast AB (publ) as of 30th of September 2014 and the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 5 November 2014

Öhrlings PricewaterhouseCoopers AB

Tobias Strähle

Authorised Public Accountant

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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 size, weight, noise and emissions. The SinterCast technology, with 39 installations in 12 countries, is primarily used for the production of petrol and diesel engine cylinder blocks and exhaust components for passenger vehicles, medium-duty and heavy-duty cylinder blocks and heads for commercial vehicles, and industrial power engine components for marine, rail, off-road and stationary engine applications. SinterCast's series production components range from 2 kg to 9 tonnes, all using the same proven process control technology. The SinterCast share is quoted on the Small Cap segment of the Stockholm NASDAQ OMX stock exchange (Stockholmsbörsen: SINT). For more information: www.sintercast.com

END

Income Statement - SinterCast Group

| AMOUNTS IN SEK MILLION | July-September | | January-September | | January-December | |
|--|----------------|------------|-------------------|-------------|------------------|-------------|
| | 2014 | 2013 | 2014 | 2013 | 2013 | 2012 |
| Revenue | 13.4 | 14.0 | 38.9 | 37.5 | 51.9 | 45.9 |
| Cost of goods sold | -3.2 | -4.3 | -10.4 | -10.5 | -14.6 | -13.7 |
| Gross result | 10.2 | 9.7 | 28.5 | 27.0 | 37.3 | 32.2 |
| Cost of sales and marketing | -4.2 | -4.2 | -13.0 | -12.9 | -18.2 | -19.7 |
| Cost of administration | -1.6 | -1.5 | -4.9 | -4.9 | -6.4 | -6.5 |
| Cost of research & development | -1.5 | -1.3 | -4.6 | -4.0 | -5.8 | -5.5 |
| Other operating income | 0.2 | -0.4 | 0.7 | 0.0 | 0.4 | 0.5 |
| Other operating costs | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Operating result | 3.1 | 2.3 | 6.7 | 5.2 | 7.3 | 1.0 |
| Financial income | 0.5 | 0.0 | 1.1 | 0.2 | 0.6 | 1.1 |
| Financial costs | -0.1 | 0.0 | -0.1 | -0.1 | -0.4 | -0.1 |
| Income Tax | 0.0 | 0.1 | 0.9 | 0.7 | 0.6 | -5.7 |
| Result for the period | 3.5 | 2.4 | 8.6 | 6.0 | 8.1 | -3.7 |
| Result attributable to: | | | | | | |
| Equity holder of the parent company | 3.5 | 2.4 | 8.6 | 6.0 | 8.1 | -3.7 |
| Non-controlling interests | - | - | - | - | - | - |
| Earnings per share, SEK | 0.5 | 0.3 | 1.2 | 0.9 | 1.2 | -0.5 |
| Earning per share, diluted, SEK | 0.5 | 0.3 | 1.2 | 0.9 | 1.2 | -0.5 |
| Number of shares at the close of the period, thousands | 7 090.1 | 6 975.7 | 7 090.1 | 6 975.7 | 7 090.1 | 6 975.7 |
| Average number of shares, thousands | 7 090.1 | 6 975.7 | 7 090.1 | 6 975.7 | 6 982.0 | 6 975.7 |
| Average number of shares adjusted for outstanding warrants | 7 090.1 | 6 975.7 | 7 090.1 | 6 975.7 | 6 982.0 | 6 975.7 |

Statement of Other Comprehensive Income - SinterCast Group

| AMOUNTS IN SEK MILLION | July-September | | January-September | | January-December | |
|---|----------------|-------------|-------------------|-------------|------------------|-------------|
| | 2014 | 2013 | 2014 | 2013 | 2013 | 2012 |
| Result for the period | 3.5 | 2.4 | 8.6 | 6.0 | 8.1 | -3.7 |
| Other comprehensive income | | | | | | |
| <i>Items may be reclassified to the income statement:</i> | | | | | | |
| Translation differences, foreign subsidiaries | 0.1 | -0.1 | 0.1 | -0.1 | -0.1 | -0.2 |
| Other comprehensive income, net of tax | 0.1 | -0.1 | 0.1 | -0.1 | -0.1 | -0.2 |
| Total comprehensive income for the period | 3.6 | 2.3 | 8.7 | 5.9 | 8.0 | -3.9 |
| Total comprehensive income attributable to: | | | | | | |
| Shareholder of the parent company | 3.6 | 2.3 | 8.7 | 5.9 | 8.0 | -3.9 |
| Non-controlling interests | - | - | - | - | - | - |

Cashflow Statement - SinterCast Group

| AMOUNTS IN SEK MILLION | July-September | | January-September | | January-December | |
|--|----------------|-------------|-------------------|-------------|------------------|--------------|
| | 2014 | 2013 | 2014 | 2013 | 2013 | 2012 |
| Operating activities | | | | | | |
| Operating result | 3.1 | 2.3 | 6.7 | 5.2 | 7.3 | 1.0 |
| Adjustments for items not included in the cash flow | | | | | | |
| Depreciation | 0.2 | 0.2 | 0.6 | 0.6 | 0.8 | 1.0 |
| Other | -0.2 | 0.2 | 0.2 | 0.2 | -0.2 | 0.4 |
| Unrealised exchange rate differences | 0.2 | 0.2 | -0.3 | 0.2 | 0.0 | 0.6 |
| Received interest | 0.1 | 0.0 | 0.2 | 0.2 | 0.3 | 0.6 |
| Paid interest | -0.1 | -0.1 | -0.1 | -0.1 | -0.1 | -0.1 |
| Total cashflow from operating activities before change in working capital | 3.3 | 2.8 | 7.3 | 6.3 | 8.1 | 3.5 |
| Change in working capital | | | | | | |
| Stock | 0.0 | -0.1 | -0.7 | 0.2 | 0.1 | 0.1 |
| Operating receivables | -0.8 | -1.1 | -1.6 | -1.2 | 1.2 | -0.4 |
| Operating liabilities | 0.1 | -0.3 | -1.5 | 1.5 | 5.0 | -1.9 |
| Total change in working capital | -0.7 | -1.5 | -3.8 | 0.5 | 6.3 | -2.2 |
| Cashflow from operations | 2.6 | 1.3 | 3.5 | 6.8 | 14.4 | 1.3 |
| Investing activities | | | | | | |
| Acquisition of intangible assets | -0.4 | -0.2 | -0.6 | -0.2 | -0.3 | 0.0 |
| Acquisition of tangible assets | -0.1 | 0.0 | -0.2 | -0.3 | -0.3 | -1.6 |
| Cashflow from investing activities | -0.5 | -0.2 | -0.8 | -0.5 | -0.6 | -1.6 |
| Financing activities | | | | | | |
| Employee share option programme* | - | - | - | - | 5.8 | - |
| Expenses for new share issue* | - | - | - | - | -0.2 | - |
| Dividend | - | - | -8.5 | -7.0 | -7.0 | -11.9 |
| Cashflow from financing activities | - | - | -8.5 | -7.0 | -1.4 | -11.9 |
| Change in cash and cash equivalents** | 2.1 | 1.1 | -5.8 | -0.7 | 12.4 | -12.2 |
| Cash - opening balance | 39.9 | 33.6 | 47.8 | 35.4 | 35.4 | 47.6 |
| Cash - closing balance | 42.0 | 34.7 | 42.0 | 34.7 | 47.8 | 35.4 |

* The subscription of warrants during 2013 amounted to SEK 5,8 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 Sept 2014 | 30 Sept 2013 | 30 Jun 2014 | 30 Jun 2013 | 31 Dec 2013 | 31 Dec 2012 |
|---|-----------------|-----------------|----------------|----------------|----------------|----------------|
| ASSETS** | | | | | | |
| Intangible assets | 1.9 | 1.7 | 1.6 | 1.5 | 1.6 | 1.7 |
| Tangible assets | 1.7 | 2.0 | 1.8 | 2.1 | 1.9 | 2.0 |
| Financial assets | 0.4 | 0.4 | 0.5 | 0.4 | 0.4 | 0.3 |
| Deferred tax asset | 29.3 | 28.3 | 29.3 | 28.3 | 28.3 | 27.5 |
| Total fixed assets | 33.3 | 32.4 | 33.2 | 32.3 | 32.2 | 31.5 |
| Stock | 4.6 | 3.8 | 4.6 | 3.7 | 3.9 | 4.0 |
| Short term receivables | 13.5 | 13.3 | 11.9 | 12.2 | 10.9 | 12.1 |
| Short term deposits and cash at bank and in hand | 42.0 | 34.7 | 39.9 | 33.6 | 47.8 | 35.4 |
| Total current assets | 60.1 | 51.8 | 56.4 | 49.5 | 62.6 | 51.5 |
| Total assets | 93.4 | 84.2 | 89.6 | 81.8 | 94.8 | 83.0 |
| SHAREHOLDERS' EQUITY AND LIABILITIES** | | | | | | |
| Shareholders' equity* | 84.8 | 77.0 | 81.3 | 74.7 | 84.7 | 77.9 |
| Long term liabilities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Current liabilities | 8.6 | 7.2 | 8.3 | 7.1 | 10.1 | 5.1 |
| Total shareholders' equity and liabilities | 93.4 | 84.2 | 89.6 | 81.8 | 94.8 | 83.0 |
| Adjusted equity per share, SEK | 12.0 | 11.0 | 11.5 | 10.7 | 12.1 | 11.2 |

| * STATEMENT OF CHANGES IN EQUITY | Share Capital | Additional Paid in Capital | Exchange Differences | Accumulated Result | Total Equity |
|---|------------------|----------------------------------|-------------------------|-----------------------|-----------------|
| Attributable to the equity holder of the parent company | | | | | |
| Opening balance 1 January 2013 | 6.98 | 39.41 | 6.58 | 24.92 | 77.89 |
| Total comprehensive income | - | - | -0.10 | 6.03 | 5.93 |
| Employee stock option programme, IFRS-2 | - | - | - | 0.14 | 0.14 |
| Dividend | - | - | - | -6.98 | -6.98 |
| Closing balance 30 September 2013 | 6.98 | 39.41 | 6.48 | 24.11 | 76.98 |
| Opening balance 1 January 2014 | 7.09 | 44.87 | 6.46 | 26.24 | 84.66 |
| Total comprehensive income | - | - | 0.10 | 8.59 | 8.69 |
| Dividend | - | - | - | -8.50 | -8.50 |
| Closing balance 30 September 2014 | 7.09 | 44.87 | 6.56 | 26.33 | 84.85 |

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Fair value measurement of financial assets and liabilities

The group have Financial assets consisting of derivative instruments, included in other debtors or other creditors, and commercial papers and fixed income instruments. The fair value of derivative instruments, not traded on an active market, is based on observable market currency rates. Cash flows are discounted using market interest rates. Commercial papers and fixed income instruments are traded on an active market and the fair value is determined by available market prices. These effects are recognized over profit & loss.

Other financial assets and liabilities

The fair value of financial instruments such as accounts receivable, accounts payable, and other noninterest bearing financial assets and liabilities which are reported at the accrued acquisition value less any depreciation, is adjusted to correspond to the reported value due to their short anticipated terms.

Key Ratio and Share Data - SinterCast Group

| AMOUNTS IN SEK MILLION | July-September | | January-September | | January-December | |
|--|----------------|------|-------------------|------|------------------|------|
| | 2014 | 2013 | 2014 | 2013 | 2013 | 2012 |
| Key Ratio | | | | | | |
| Revenue | 13.4 | 14.0 | 38.9 | 37.5 | 51.9 | 45.9 |
| Result for the period | 3.5 | 2.4 | 8.6 | 6.0 | 8.1 | -3.7 |
| Operating margin % | 23.1 | 16.4 | 17.2 | 13.9 | 14.1 | 2.2 |
| Solidity, % | 90.8 | 91.4 | 90.8 | 91.4 | 89.3 | 93.9 |
| Adjusted shareholders' equity | 84.8 | 77.0 | 84.8 | 77.0 | 84.7 | 77.9 |
| Capital employed | 84.8 | 77.0 | 84.8 | 77.0 | 84.7 | 77.9 |
| Total assets | 93.4 | 84.2 | 93.4 | 84.2 | 94.8 | 83.0 |
| Return on shareholders' equity, % | 4.2 | 3.2 | 10.1 | 7.7 | 10.0 | -4.3 |
| Return on capital employed, % | 4.2 | 3.2 | 10.2 | 7.9 | 10.5 | -4.3 |
| Return on total assets, % | 3.8 | 2.9 | 9.2 | 7.3 | 9.6 | -4.0 |
| Debt-to-equity ratio | - | - | - | - | - | - |
| Employees | | | | | | |
| Number of employees at the end of the period | 19 | 17 | 19 | 17 | 17 | 19 |
| Data per Share | | | | | | |
| Earnings per share, SEK | 0.5 | 0.3 | 1.2 | 0.9 | 1.2 | -0.5 |
| Dividends per share, SEK | 1.2 | 0.0 | 1.2 | 1.0 | 1.0 | 1.7 |
| Cashflow from operations per share, SEK | 0.4 | 0.2 | 0.5 | 1.0 | 2.1 | 0.2 |
| Share price at the end of the period, SEK | 83.8 | 58.8 | 83.8 | 58.8 | 79.0 | 43.8 |

Operating margin %

Operating results as percentage of revenue

Solidity %

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

Adjusted equity per share

Adjusted shareholders' equity divided by the average number of shares

Adjusted equity per share adjusted for warrants

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

Adjusted shareholders' equity

Shareholders' equity plus 78% of untaxed reserves, if any

Capital employed

Total assets less non-interest bearing liabilities

Return on shareholders' equity %

Result for the period as a percentage of average adjusted shareholders' equity. Quarterly values are not annualised

Return on capital employed %

Result for the period after financial items plus financial expenses as a percentage of average capital employed
Quarterly values are not annualised

Return on total assets %

Result for the period after financial items plus financial expenses as a percentage of total average assets. Quarterly values are not annualised

Debt-to-equity ratio

Interest bearing liabilities divided by adjusted shareholders' equity

Average number of shares

Weighted average of the number of shares outstanding for the period

Average number of shares adjusted for warrants

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

Earnings per share

Result for the period divided by the average number of shares

Earnings per share, diluted

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

Dividend per share

Dividend divided by the number of shares

Cashflow from operations per share

Cashflow from operations divided by the number of shares

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 | July-September | | January-September | | January-December | |
|--|----------------|------------|-------------------|-------------|------------------|-------------|
| | 2014 | 2013 | 2014 | 2013 | 2013 | 2012 |
| Revenue | 13.2 | 14.2 | 38.3 | 36.6 | 50.9 | 43.6 |
| Cost of goods sold | -3.2 | -4.3 | -10.3 | -10.4 | -14.6 | -13.5 |
| Gross result | 10.0 | 9.9 | 28.0 | 26.2 | 36.3 | 30.1 |
| Cost of sales and marketing | -3.9 | -4.4 | -12.6 | -12.5 | -18.1 | -19.2 |
| Cost of administration | -1.5 | -1.5 | -4.9 | -4.9 | -6.5 | -6.5 |
| Cost of research & development | -1.5 | -1.3 | -4.6 | -4.0 | -5.8 | -5.5 |
| Other operating income | 0.0 | -0.2 | 0.0 | 0.2 | 0.3 | 0.8 |
| Other operating costs | -0.4 | 0.0 | -0.6 | 0.0 | 0.0 | 0.0 |
| Operating result | 2.7 | 2.5 | 5.3 | 5.0 | 6.2 | -0.3 |
| Financial income | 0.5 | 0.0 | 1.1 | 0.2 | 0.6 | 1.1 |
| Financial costs | 0.0 | 0.0 | 0.0 | -0.1 | -0.4 | -0.1 |
| Income Tax | -0.1 | 0.0 | 0.9 | 0.7 | 0.6 | -5.7 |
| Result for the period | 3.1 | 2.5 | 7.3 | 5.8 | 7.0 | -5.0 |
| Result attributable to: | | | | | | |
| Equity holder of the parent company | 3.1 | 2.5 | 7.3 | 5.8 | 7.0 | -5.0 |
| Non-controlling interests | - | - | - | - | - | - |
| Earnings per share, SEK | 0.4 | 0.4 | 1.0 | 0.8 | 1.0 | -0.7 |
| Earning per share, diluted, SEK | 0.4 | 0.4 | 1.0 | 0.8 | 1.0 | -0.7 |
| Number of shares at the close of the period, thousands | 7 090.1 | 6 975.7 | 7 090.1 | 6 975.7 | 7 090.1 | 6 975.7 |
| Average number of shares, thousands | 7 090.1 | 6 975.7 | 7 090.1 | 6 975.7 | 6 982.0 | 6 975.7 |
| Average number of shares adjusted for outstanding warrants | 7 090.1 | 6 975.7 | 7 090.1 | 6 975.7 | 6 982.0 | 6 975.7 |

Statement of Other Comprehensive Income - SinterCast AB

| AMOUNTS IN SEK MILLION | July-September | | January-September | | January-December | |
|--|----------------|------------|-------------------|------------|------------------|-------------|
| | 2014 | 2013 | 2014 | 2013 | 2013 | 2012 |
| Result for the period | 3.1 | 2.5 | 7.3 | 5.8 | 7.0 | -5.0 |
| Total comprehensive income for the period | 3.1 | 2.5 | 7.3 | 5.8 | 7.0 | -5.0 |
| Total comprehensive income attributable to: | | | | | | |
| Shareholder of the parent company | 3.1 | 2.5 | 7.3 | 5.8 | 7.0 | -5.0 |
| Non-controlling interests | - | - | - | - | - | - |

Balance Sheet - SinterCast AB

| AMOUNTS IN SEK MILLION | 30 Sept 2014 | 30 Sept 2013 | 30 Jun 2014 | 30 Jun 2013 | 31 Dec 2013 | 31 Dec 2012 |
|---|-----------------|-----------------|----------------|----------------|----------------|----------------|
| ASSETS | | | | | | |
| Intangible assets | 1.9 | 1.7 | 1.6 | 1.5 | 1.6 | 1.7 |
| Tangible assets | 1.6 | 2.0 | 1.7 | 2.1 | 1.9 | 1.9 |
| Financial assets | 4.6 | 4.3 | 4.6 | 4.3 | 4.3 | 3.9 |
| Deferred tax asset | 29.3 | 28.3 | 29.3 | 28.3 | 28.3 | 27.5 |
| Total fixed assets | 37.4 | 36.3 | 37.2 | 36.2 | 36.1 | 35.0 |
| Stock | 4.5 | 3.8 | 4.5 | 3.5 | 3.9 | 4.0 |
| Short-term receivables | 19.8 | 19.4 | 15.9 | 16.7 | 10.0 | 12.2 |
| Short term deposits and cash at bank and in hand | 40.6 | 33.8 | 38.4 | 31.7 | 46.0 | 34.1 |
| Total current assets | 64.9 | 57.0 | 58.8 | 51.9 | 59.9 | 50.3 |
| Total assets | 102.3 | 93.3 | 96.0 | 88.1 | 96.0 | 85.3 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | | | |
| Shareholders' equity* | 72.8 | 67.2 | 69.7 | 64.7 | 74.0 | 68.3 |
| Long term liabilities | 0.1 | 0.2 | 0.1 | 0.1 | 0.2 | 0.1 |
| Current liabilities | 29.4 | 25.9 | 26.2 | 23.3 | 21.8 | 16.9 |
| Total shareholders' equity and liabilities | 102.3 | 93.3 | 96.0 | 88.1 | 96.0 | 85.3 |
| Adjusted equity per share, SEK | 10.3 | 9.6 | 9.8 | 9.3 | 10.4 | 9.8 |

| * STATEMENT OF CHANGES IN EQUITY Attributable to the equity holder of the parent company | Share Capital | Statutory Reserve | Share Premium Reserve | Results Brought Forward | Results for the Year | Total Equity |
|---|------------------|----------------------|-----------------------------|-------------------------------|-------------------------|-----------------|
| Opening balance 1 January 2013 | 6.98 | 9.53 | 29.88 | 26.82 | -4.96 | 68.25 |
| Appropriation of last year's result | - | - | - | -4.96 | 4.96 | 0.00 |
| Total comprehensive income | - | - | - | - | 5.76 | 5.76 |
| Employee stock option programme, IFRS-2 | - | - | - | 0.14 | - | 0.14 |
| Dividend | - | - | - | -6.98 | - | -6.98 |
| Closing balance 30 September 2013 | 6.98 | 9.53 | 29.88 | 15.02 | 5.76 | 67.17 |
| Opening balance 1 January 2014 | 7.09 | 9.53 | 35.34 | 15.06 | 6.99 | 74.01 |
| Appropriation of last year's result | - | - | - | 6.99 | -6.99 | 0.00 |
| Total comprehensive income | - | - | - | - | 7.30 | 7.30 |
| Dividend | - | - | - | -8.50 | - | -8.50 |
| Closing balance 30 September 2014 | 7.09 | 9.53 | 35.34 | 13.55 | 7.30 | 72.81 |