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Extraordinary General Meeting on February 8th 2002

- **SEK 40 million (USD 3.8 million) raised in a directed share issue**
- **Issue of employee stock options.**

The Board of SinterCast AB has today decided to summon an Extraordinary General Meeting, to be held on the 8th of February 2002 at 14.00 hours, at the premises of Salenhuset, Norrlandsgatan 15, Stockholm, Sweden. The Extraordinary General Meeting is proposed to decide upon a directed share issue and the combined issue of warrants, an issue of employee stock options and an issue of warrants to secure commitments under the employee stock option plan.

Further details regarding the proposed directed share issue were presented in a separate press release dated December 22, 2001.

The stock option plan is proposed to include all employees in the SinterCast group. The maximum number of options allotted will be 150,000, where CEO shall receive 30,000, COO 25,000 and CFO 20,000. Other employees shall receive between 2,000 and 10,000 options each.

This stock option plan will replace the employee stock option programme of 150,000 warrants, which expired in May, 2001, without subscription of shares.

The Board of SinterCast AB regards the plan as important for the future development of SinterCast in order to engage employees further and to tie employees stronger to the company. The Board assesses the stock option plan advantageous to the company and to the shareholders.

The exercise price will correspond to approximately 110 percent of the average A-share price during a period in connection with the Extraordinary General Meeting, however, not lower than SEK 58. The options can be exercised during the period 1 October 2004 to 31 December 2004. The options will be allotted free of charge. Further, the options are not transferable and can only be exercised if the holder of the options is still employed or otherwise engaged by the SinterCast group.

In order to secure the commitments under the plan, the Board proposes an issue of debt instruments with detachable warrants with terms corresponding to the stock options. The maximum number of warrants to be issued is 200,000 of which 50,000 are issued to cover future social security costs as a result from the stock option plan. The dilution resulting from fully exercised warrants is estimated to approximately 3.4 percent of the capital and approximately 3.7 percent of the votes, issued and proposed shares and warrants included (7.6 percent of the capital and 8.4 percent of the votes including previously issued warrants to employees). SinterCast Technologies AB controls 108,000 of the total 250,000 of the previously issued warrants to employees.

Further information about the employee stock option plan will be included in the notice to attend the Extraordinary General Meeting, which will be published in Svenska Dagbladet and Post- och Inrikes Tidningar on the 9th January 2001.

Stockholm, 29th December 2001

On behalf of the Board of Directors of SinterCast AB (publ)

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