

VOLVO AERO

Press Information

The Swedish government invests in Ariane

The Swedish government has decided to continue to participate in the European launch-vehicle program. This means that Volvo Aero's space operations in Trollhättan can continue to participate in all ongoing Ariane, and technology programs.

"The government's proposal is very positive. This means that we will maintain our leading position in nozzles and turbines for space rocket engines," says Staffan Zackrisson, President of Volvo Aero.

Since ESA ministerial Council in late 2008, the threat has lingered over Volvo Aero's space operations, with its approximately 150 employees. The government has now decided to continue its support for European independent access to space and financing for the European launch-vehicle program. This means that Volvo Aero can remain a supplier of turbines and nozzles to the European Space Agency's (ESA) research and development program for launch vehicles and related technology and development programs.

During the autumn, two important demonstration tests will be carried out in close cooperation with our European partners. The tests will demonstrate nozzle and turbine technologies that enable significant improvements of the rocket engine.

"We are looking forward to discussions with the Swedish National Space Board and ESA regarding how the Swedish investment can best be utilized on Sweden's behalf," says Staffan Zackrisson.

At ESA's ministerial Council in late 2008, Sweden criticized ESA's management of the Ariane space program. The criticism concerned cost efficiency and political transparency.

"We see that the government's criticism has led to improvements and we believe that Volvo Aero can contribute to the continued process," says Staffan Zackrisson.

June 4 2009

For more information, contact Ulf Palmnäs, Deputy Vice President Business Development, +46 (0)520-937 23, +46 (0)705 690 432.

Volvo Aero develops and manufactures components for aircraft and rocket engines with a high technology content in cooperation with the world's leading producers. Volvo Aero offers an extensive range of services, including sales of spare parts for aircraft engines and aircraft, sales and leasing of aircraft engines and aircraft, as well as overhaul and repair of aircraft engines. Volvo Aero is part of the Volvo Group, one of the world's leading manufacturers of trucks, buses and construction equipment, drive systems for marine and industrial applications, aerospace components and services. The Group also provides complete solutions for financing and service.

Volvo Aero Corporation
Corporate Communication
SE-461 81 Trollhättan
Sweden

Telephone
+46 520 94 401

Telefax
+46 520 98 500

Web
www.volvoaero.com