

# **VOLVO AERO**

## **Press Information**

### **Volvo Aero gives notice of redundancy, affecting 250 employees in Trollhättan**

**Volvo Aero will initiate negotiations with the Trade Unions regarding redundancy of 250 blue-collar employees. At the same time, the company plans to reduce the number of white-collar positions by around 100 through planned retirement and a reduced number of consultants.**

**“It is most difficult to be forced to make 250 of our employees redundant, but unfortunately there is no other alternative because we forecast a decline in the business,” says Staffan Zackrisson, President and CEO of Volvo Aero.**

The notifications apply to 250 blue-collar employees. There will also be reductions of at least 100 white collar positions through the company reducing the number of consultants and not replacing retirees.

Previous periods of recession have brought with them a decline in air travel, leading rapidly to a surplus of aircraft. The need for new aircraft is therefore reducing which is why airlines are postponing orders.

“We must be prepared for this downturn. The adjustment is necessary to ensure we maintain our competitiveness,” says Staffan Zackrisson.

In recent years, Volvo Aero has invested heavily in a modern machine shop, something that has reduced the need for personnel.

“We had reckoned however to retain our workforce by increasing production. But now that production is decreasing, we have to reduce the number of personnel,” says Staffan Zackrisson.

The future of the space business at Volvo Aero remains uncertain. The current redundancy notice does not take into account any eventual reduction in the space business.

Negotiations with the Trade Union have started and are ongoing.

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*For more information, please contact Fredrik Fryklund, Vice President Corporate Communications, +46 520 94401 or +46 70 319 2396.*

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.

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