

VOLVO AERO

Press Information

VOLVO AERO AND IHI SIGN AGREEMENT ON COMPONENTS FOR GAS TURBINES WORTH US\$ 50M

The Japanese company IHI and Volvo Aero, Sweden, have today signed an agreement for LM6000 that is a derivative to the CF6-80 engine.

According to the agreement Volvo Aero will deliver components to the LM6000 over the next four years. The order is worth about US\$ 50M.

Aircraft engine parts and components account for most of Volvo Aero's production of components for commercial applications. During the last year, however, order intake for components used in stationary gas turbines have continuously increased and is becoming an important part of the operations.

On Tuesday, at the Paris Air Show, Volvo Aero and IHI signed a new agreement regarding manufacturing of components for the LM6000 during four years. Volvo Aero will produce Compressor Rear Frame, which is one of the company's specialization parts.

Volvo Aero has delivered components for IHI since 1996, but this is the largest order so far.

Last year, Volvo Aero's sales of components for large gas turbines reached about SEK 300 M (about US\$ 30M). According to all indications, the high volumes will be sustained during the next coming years.

Volvo Aero supplies components for General Electric's LM6000, LM2500 and LM1600 gas turbines and Pratt & Whitney's FT8 gas turbine.

All of the turbines are based on designs for well-known aircraft engines. The LM6000, 45 MW power rating, is a derivative of the CF6-engine, which you e.g. can find in Boeing 747 and 767. The LM2500 gas turbine is similar to the TF39-engine (used in C-5 Galaxy aircraft and other aircraft). The LM1600 is a derivative of the F404 -military aircraft engine, and Pratt & Whitney's FT8 gas turbine is based on the JT8.

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