

VOLVO AERO

Press Information

VOLVO AERO ISSUES PRELIMINARY LAY-OFF NOTICE

As announced earlier on October 24, Volvo Aero will be forced to reduce the number of employees as a result of the sharp downturn in the aviation industry.

The preliminary notice of pending lay-offs, which was sent today to the County Labor Board, means that 310 employees in Trollhättan will leave the company after the summer of 2002.

(The Swedish labour legislation stipulates that notice must be given to employees six months in advance.)

Some 100 employees are also to be released by Volvo Aero Services in the US, compared with the 70 announced earlier.

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For more information, contact

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The Volvo Group is one of the world's leading manufacturers of trucks, buses and construction equipment, drive systems for marine and industrial applications and aircraft engine components. The Group also provides complete solution for financing and service. The Group has about 78,000 employees, production in 25 countries and operations are carried out in more 185 markets. Annual sales of the Volvo Group amount to nearly SEK 200 billion.