

VOLVO AERO

Press Information

VOLVO AERO ENGINE SERVICES SIGNS TWO MAINTENANCE AGREEMENTS VALUED MORE THAN SEK 280 M

Volvo Aero Services in Bromma, Stockholm, has signed two agreements on the maintenance of JT9D jet engines. The contracts, which were signed with U.S. General Electric and British MK-Airlines, are worth a total of more than SEK 280 M.

The agreement with General Electric, which takes effect immediately, concerns the maintenance of 10 engines for a period of several years. The order value amounts to approximately SEK 180 M. The agreement with MK-Airlines is valid for a year with an option for extension. The order value is estimated at more than SEK 100 M per year.

In connection with the transaction, Volvo Aero's U.S. company Volvo Aero Services is acquiring LP General Electric's stockpile of materials and a reserve engine.

"Volvo Aero's cooperation with GE is being expanded with this transaction to include the maintenance of large jet engines, a development which we really look forward to," says Jan Tessmar, marketing manager at Volvo Aero Engine Services. The agreement with MK-Airlines covers the maintenance of more than eight engines during the first year. MK-Airlines is a freight company that mainly operates in Africa and whose fleet currently comprises four Boeing 747 jets.

Both agreements are within the framework of Volvo Aero's planned annual volume and will not therefore necessitate the hiring of new personnel.

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