



SCANIA

PRESS info

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Streamlining continues: Scania cab production to be concentrated in Oskarshamn

The board of Scania has decided to invest in a new finishing paintshop and cab assembly facility in Oskarshamn, Sweden, where the company's European cab production will now be concentrated. This means that the existing cab production operation at Meppel in the Netherlands will be transferred successively to Oskarshamn and the Meppel plant will be phased out in the course of time.

The study of Scania's future production organisation which was initiated last year has now been completed. Scania will continue with the ongoing concentration and coordination of its production activities to meet the quality and efficiency demands of the future.

Amounting to approximately SEK0.5 billion, the Oskarshamn investment will result in a number of changes in the cab production sector. In addition to a completely new finishing paintshop, these will include the modification and extension of the existing assembly plant.

At present, the cab frames for all European cab assembly operations are made in Oskarshamn. Final assembly of just over half the cabs is carried out in Oskarshamn itself and the remainder in Meppel in the Netherlands.

In accordance with an earlier decision-in-principle, the cab plant in Meppel will be phased out as the next generation of cabs enters production some years into the next century.

Permanent employees in Meppel are covered by an employment guarantee and will be offered work in the chassis assembly plant in nearby Zwolle when Meppel closes down.

Zwolle is already Scania's biggest assembly plant. With the changes which have been announced, it will become the centre for final assembly of truck chassis and, together with Angers and Södertälje, will have the capacity to meet future increases in volume.

Pursuant to an earlier decision, the transfer of existing engine and axle production in Zwolle to Södertälje and Falun in Sweden is now under way.

In addition to research and development, the manufacture of engines and transmission components will be concentrated in Södertälje. In the truck assembly sector, a project to develop working procedures and methods which will be common to all Scania assembly units has now been in progress for some time.

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Illustrations: see www.scania.com "Media services"

Scania is one of the world's leading manufacturers of trucks and buses for heavy transport applications, and of industrial and marine engines. With 23,500 employees and production facilities in Europe and Latin America, Scania is one of the most profitable companies in its sector. In 1998, turnover totalled SEK 45,300 million and income after financial items SEK 3,200 million. Scania products are marketed in about 100 countries worldwide and approximately 96 percent of total production is sold outside Sweden.

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