



Volvo Bus Corporation

Press Information

Volvo Buses to sell body plant in Turku

Volvo Buses has signed a letter of intent covering the sale of the body plant in Turku, Finland. The sale is part of the company's efforts to enhance the efficiency of the European operations.

The plant in Turku produces bodies for the Volvo 9700 model. The Turku plant is the smallest plant within Volvo Buses, primarily producing for the Nordic markets. During 2007, 160 bodies were produced.

The company has determined that it is more efficient to sell the plant and purchase bodies from the new owner. In accordance with the letter of intent, the new owner will also continue to, under license, produce the Volvo 9700 for Nordic customers. Volvo Buses will keep the commercial responsibility for the Volvo 9700.

The buyer consists of a group of private Finnish investors and managers from Volvo Buses in Finland. The ambition is that the final agreement will be signed during the coming months and takeover can occur during September. In accordance with the letter of intent, the buyers are taking over the plant, including personnel. Today there are about 300 employees in the plant.

The intended divestiture of the assets will be made at book value and will not have a material impact on the earnings or the financial position of the Volvo Group.

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Visit <http://www.thenewsmarket.com/volvogroup> to access broadcast-standard video from Volvo Group. You can preview and request video, and choose to receive as a MPEG2 file or by Beta SP tape. Registration and video is free to the media.

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