



SCANIA

PRESS info

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Many will follow Scania's move from Sibbhult and Falun

More than 100 employees in Falun and Sibbhult, Sweden are choosing to accompany Scania next year when it moves European axle and gearbox production to Södertälje. In addition, one year after the decision to move these operations, Scania's efforts to find replacement industries have resulted in more than 400 jobs in the affected locations.

"It is encouraging that so many people have already decided to move with Scania," says Per Hallberg, Scania's Head of Production and Procurement. "At the same time, we know that many people have not yet decided, so the figure will certainly increase significantly. Our employees in Falun and Sibbhult possess solid knowledge that we would like to keep at Scania."

Efforts to secure replacement industries have taken place in close collaboration with the respective municipal governments.

Most of the replacement jobs will be provided by companies that will take over portions of Scania's existing production. In Falun, they are LEAX and Zakrisdalsverken AB, and in Sibbhult they are SwePart and Sibbhultsverken AB. The companies will be starting these operations during 2007.

Scania's subsidiary Dynamate will remain in both locations and work with maintenance operations for the newly established operations.

Several new companies, including some started by Scania's own employees, will gradually begin their operations in Scania's industrial areas, which will create additional jobs.

"Efforts to find more companies will continue, and we are convinced that this will mean additional jobs for both Falun and Sibbhult," Mr Hallberg says.

Scania's operations in the two locations will move to Södertälje during the 2008 summer holiday period. The annual cost saving is estimated at more than SEK 300 m., with full effect starting in 2009.

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Scania is one of the world's leading manufacturers of trucks and buses for heavy transport applications, and of industrial and marine engines. A growing proportion of the company's operations is comprised of products and services in the financial and service sectors, assuring Scania customers of cost-effective transport solutions and maximum uptime. Employing 32,800 people, Scania operates in about 100 countries. Research and development activities are concentrated in Sweden, while production plants are located in Europe and South America, with facilities for the global exchange of both components and finished vehicles. In 2006, invoiced sales totalled SEK 70.7 billion and net income amounted to SEK 5.9 billion.

Scania's press releases are available on the Internet at www.scania.com

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