



PRESS RELEASE

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Ovako commences negotiations on downsizing the workforce in tube production in Hofors

In response to lower demand for tube products, Ovako plans to move from four shifts to three in the production of hot-rolled and processed tube at the mill in Hofors. Negotiations with the local trade unions will commence immediately. The ambition is to manage the redundancy of about 35 jobs through natural attrition to the degree possible.

“Demand for hot-rolled and processed tube has not been at the level we expected for some time now. Consequently, it makes sense to adjust the workforce to the current rate of production. We hope to manage the redundancy in 2015,” says Carl-Michael Raihle, president of the Ovako Tube and Ring business area.

The adjustment of the workforce may be regarded as an aspect of the Ovako Group’s overall focus on costs and efficient processes.

The lower demand for tube does not affect Ovako’s market outlooks for the group as a whole.

Further information can be obtained from:

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Ovako develops high-tech steel solutions for, and in cooperation with, its customers in the bearing, transport and manufacturing industries. Our steel makes our customers’ end products more resilient and extends their useful life, ultimately resulting in smarter, more energy-efficient and more environmentally friendly products.

Our production is based on recycled scrap and includes steel in the form of bar, tube, ring and pre-components. Ovako is represented in more than 30 countries and has sales offices in Europe, North America and Asia. Ovako’s sales in 2014 amounted to EUR 862 million and the company had 2,925 employees at year-end. For more information, please visit us at www.ovako.com