



AB Volvo

## Press release

# Fouriertransform invests in El-Forest AB

**The Swedish state-owned venture-capital company, Fouriertransform, is investing SEK 20 M in El-Forest AB, in which Volvo Technology Transfer (VTT) is among the principal owners. The investment is being conducted on the basis of a private placement in El-Forest AB and enables the company to commence series production on the world's first forestry machine powered by energy-efficient series hybrid technology.**

VTT invested in El-Forest AB in 2007 and has since produced forestry-machine prototypes that are continuously being tested and improved. A forwarder is a forestry machine used to transport round timber from the felling site. The El-Forest forwarder is an electric series hybrid and has patented wheel-track following technology to minimize surface damage, which is vital to regrowth at the felling site. The hybrid power in turn entails a reduction in fuel consumption by about 35% and also significantly lower carbon emissions, compared with conventional technology. The machine developed by El-Forest also weighs less than conventional forestry machines.

“The major forestry companies are the world leaders in cost-effectively managing and cultivating forests,” says Per Wassén, Chairman of El-Forest and Investment Director at VTT. “Productivity and regrowth are highly prioritized areas. The El-Forest forwarder, with its low fuel consumption, will lead to considerable improvement of our customers’ profitability, while contributing to less surface damage, which improves regrowth after felling.”

In conjunction with the private placement, VTT will convert a SEK 5 M loan into shares. Following the placement, Fouriertransform will be the single largest owner followed by VTT and El-Forest’s two founders.

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“As a result of Fouriertransform’s investment, we can now commence the series production of forwarders based on our patented technology. The company has also gained access to a strong network in the automotive industry, which is important now that we are beginning to manufacture and market our product,” says Gunnar Bäck, President of El-Forest AB.

Volvo Technology Transfer AB (VTT) is a wholly owned subsidiary of AB Volvo. VTT develops and supports new business that is pertinent to the Volvo Group. Part of its operations involve investing in companies and projects that are of strategic, technological and commercial interest.

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