Press release



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SKF to consolidate its North American Automotive Vehicle Service Market Distribution operations

Lansdale, Pa., January, 11 2016: SKF USA Inc. today announced plans to transfer the North American Automotive Vehicle Service Market Distribution and Packaging operations in Hebron, KY., to the SKF USA Inc. Logistics, CoLinx, LLC, distribution and packaging facility located in Crossville, TN by July 2016. This move will result in the eventual closure of the Hebron distribution center.

The SKF Automotive Vehicle Service Market Distribution Center packages, warehouses and distributes bearings, hub bearing units, seals, and u-joints for the automotive and heavy duty aftermarkets, as well as specialized product kitting to complement its offering to both markets, as well as the OE service market.

"The consolidation of our Hebron, KY distribution and packaging operation is being initiated to further improve our efficiency and output in common operations already in place for SKF in Crossville, TN" said Tom O'Brien, President of SKF Vehicle Service Market. "Consolidating these operations will continue to ensure optimized delivery, flexibility and superior customer service as we grow our business in the years ahead."

"It is an extremely difficult decision to close our Hebron facility, as it will affect 145 employees. SKF established this operation more than 20 years ago and it has been a valuable part of our distribution network," continues Tom O'Brien. "However, as the North American aftermarket further consolidates and becomes increasingly more competitive, it is critical that SKF provides the foundation for exceptional customer service in the most efficient way possible. Consolidating our distribution and packaging operations in Crossville will place SKF in the best position possible to do this for many years to come."

The consolidation process is expected to take place during a period of six months and should be completed by mid-2016.

SKF is a leading global supplier of bearings, seals, mechatronics, lubrication systems, and services which include technical support, maintenance and reliability services, engineering consulting and training. SKF is represented in more than 130 countries and has around 15,000 distributor locations

Press release



worldwide. Annual sales in 2014 were SEK 70,975 million (\$8.5 billion) and the number of employees was 48,593. $\underline{www.skf.com}$

SKF North America has 50-plus production facilities, six SKF Solution Factories, and some 8,000 employees in the United States, Canada and Mexico. The area's operations account for one-fourth of SKF's global sales.

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