



PRESS RELEASE

For Immediate Release

KF Aerospace Announces Restructuring

Canada's largest commercial aviation maintenance, repair and overhaul (MRO) provider, KF Aerospace, announces staff reduction in response to industry impacts of the COVID-19 pandemic.

October 16, 2020—Kelowna—The aviation industry worldwide has been severely impacted by the Coronavirus Pandemic, with airline traffic at record lows, airplanes parked, and tens of thousands of direct jobs lost.

KF Aerospace services many airlines in Canada as well as foreign air carriers, performing aircraft maintenance and modifications on hundreds of airplanes each year both in Kelowna, B.C. and in Hamilton, Ont. “When our airline customers were grounded in mid-March we were immediately impacted, losing nearly 50% of our scheduled work as these airlines grounded their planes and cancelled maintenance,” says KF Aerospace President, Tracy Medve.

KF proudly managed to avoid layoffs, choosing to retain its 1,100 skilled, talented, and hard-working staff in anticipation of airline travel returning to normal. After weathering the storm for over six months, KF was forced to restructure the business due to the poor long-term outlook in aviation, with no solutions in the near-term for passenger airline travel.

Through a combination of voluntary long-term leaves, resignations, and retirements, as well as a small number of layoffs, KF was able to reduce staff levels by about 14%. This reduction has balanced the need for lower operating costs with the desire to remain viable and well-positioned with staff for the future rebound in aviation.

The Canadian Emergency Wage Subsidy (CEWS) has been instrumental in



supporting the company's desire to retain as many staff as possible and avoid layoffs. It is imperative the Government put in place an aviation sector strategy which recognizes that all facets of the industry are being negatively impacted and that we need to work harder than ever to restore the public's confidence in returning to the air.

About KF Aerospace

We're all about **THE CRAFT.**

KF Aerospace celebrates 50 years of innovative aircraft solutions for corporate, commercial and military customers worldwide. From our humble beginnings in the Okanagan Valley, KF has grown to specialize in aircraft maintenance and modifications, military aircrew training, air cargo operations and leasing—with the same commitment to quality and service established by our founder in 1970. With facilities across Canada, KF is home to over 900 highly skilled employees.

To learn more visit www.kfaero.ca

#

For more information, please contact:

Grant Stevens

Vice President of Corporate Services

KF Aerospace

(250) 491 5567

g.stevens@kfaero.ca