VOLVO GROUP
REPORT ON THE FOURTH QUARTER AND FULL YEAR 2012

- In the fourth quarter, net sales decreased by 17% to SEK 71.8 billion (86.5). Adjusted for currency movements and acquired and divested units, sales decreased by 12%.
- The fourth quarter operating income amounted to SEK 1,121 M (6,955) including restructuring charges of SEK 990 M and a positive impact of SEK 254 M from the divestment of Volvo Aero.
- Operating margin in the fourth quarter was 1.6% (8.0).
- In the fourth quarter, basic and diluted earnings per share was SEK 0.39 (2.33).
- In the fourth quarter, operating cash flow in the Industrial Operations was positive in an amount of SEK 4.7 billion (10.7) primarily driven by a SEK 5.4 billion reduction in inventories.
- Net financial debt reduced by SEK 12 billion and equal to 29% of equity in the Industrial Operations.
- The Board of Directors proposes a dividend of SEK 3.00 per share (3.00).
- Volvo Group to become world's largest heavy-duty truck manufacturer following strategic alliance with Chinese company Dongfeng Motor Group.

	Fourth quarter		Year	
	2012	2011	**2012**	2011
Net sales Volvo Group, SEK M	**71,793**	86,507	**303,647**	310,367
Operating income Volvo Group, SEK M	**1,121**	6,955	**17,622**	26,899
Operating income Industrial operations, SEK M	**731**	6,688	**16,130**	25,930
Operating income Customer Finance, SEK M	**390**	267	**1,492**	969
Operating margin Volvo Group, %	**1.6**	8.0	**5.8**	8.7
Income after financial items, SEK M	**660**	6,390	**15,355**	24,929
Income for the period, SEK M	**841**	4,798	**11,258**	18,115
Diluted earnings per share, SEK	**0.39**	2.33	**5.44**	8.75
Operating Cash Flow in Industrial Operations, SEK Bn	**4.7**	10.7	**(4.9)**	14.1
Return on shareholders' equity, rolling 12 months,%			**12.9**	23.1

VOLVO

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CEO'S COMMENTS
FINANCIALLY STRONG IN A WEAK WORLD ECONOMY

In the fourth quarter the Volvo Group's net sales declined to SEK 71.8 billion (86.5) as a result of lower economic activity in many of our markets and a continued uncertainty about the future direction that makes our customers more cautious. However, overall we have maintained our market positions with some regional variations. Operating income declined to SEK 1,121 M (6,955).

For the full-year 2012, the Volvo Group's net sales amounted to SEK 303.6 billion (310.4) with an operating income of SEK 17.6 billion (26.9) and an operating margin of 5.8% (8.7).

Our main focus in the quarter was to reduce inventories to bring them in line with current sales levels, which we accomplished. The inventory decreased by SEK 5.4 billion, contributing to a positive operating cash flow in the Industrial Operations of SEK 4.7 billion. I am also pleased that we strengthened the Group's financial position, with net financial debt in the Industrial Operations being reduced by SEK 12 billion, bringing the financial net debt to equity ratio down to 29%. The Board of Directors proposes a dividend of SEK 3.00 per share for 2012, compared with SEK 3.00 per share the preceding year.

In the fourth quarter operating income was affected by considerable under absorption of costs in the industrial system amounting to approximately SEK 1.7 billion as production cuts were implemented in a more rapid pace than we were able to reduce cost levels. In total, headcount in production was reduced by about 2,000 people during the quarter. Earnings were also negatively affected by non-recurring items in a total amount of SEK 0.7 billion and by targeted marketing activities to reduce inventories.

Furthermore we are currently investing heavily in research and development as we are in late stages of one of the biggest product renewals and product range extensions in the Group's history. Among the projects are the new Volvo FH series, a completely new Renault Trucks range, a new range of trucks for the lower price segments in emerging markets, a new medium duty engine range as well as R&D Euro 6 for trucks and buses and Tier 4f for construction equipment and Volvo Penta. Related to the product renewal we have also incurred costs in sales, production and aftermarket support.

Restructuring to improve efficiency in Trucks

On top of the busy product launch schedule, we are taking a number of actions to improve efficiency and reduce costs in line with our strategic objectives. The previously announced program to reduce headcount in Japan was implemented and almost 1,000 employees have left the company. In January of this year we also announced a program to consolidate the industrial footprint in Japan in order to improve overall efficiency.

In Europe the reorganization of the sales and distribution channel is currently in an intense phase. The objective is to reduce overall cost and improve efficiency while at the same time improve the service and aftermarket support for our customers. We are mainly restructuring Renault Trucks' dealer network in Central and Eastern Europe and moving into one distribution and aftermarket channel for both Renault Trucks and Volvo. When the reorganization is completed, it will increase the number of service points in Europe by about 50% for Renault Trucks and by 15% for Volvo while at the same time improve the service quality for our customers. The cost for the total program is expected to be SEK 800 M, of which SEK 600 M was recorded in this quarter and the remaining amount is expected 2013. Apart from the improved aftermarket support for our customers, it is expected to generate annual savings of about SEK 600 M with full effect from 2014.

In the fourth quarter demand for trucks continued to be subdued and we saw orders coming down by 10% compared to last year. In Europe order intake for Volvo improved by 7% compared to the fourth quarter of 2011, while orders for Renault Trucks decreased by 18%. The decline for Renault Trucks is primarily a result of efforts to reduce inventories and continued sluggish demand in Southern Europe. For Volvo Trucks the slight improvement in demand has continued into this year, and therefore we have recalled some previously announced stop-days in production in March and April. In Asia demand from the mining segment has dropped significantly and the important Japanese market experienced weak demand. North American customers have remained cautious because of uncertainty about the future economic development, although when compared to the third quarter of 2012 orders have picked up. In South America order intake is strong. In the fourth quarter orders increased by 24% compared with last year, and we will increase production levels in March. We raise our forecast for the Brazilian market from 95,000 trucks to 105,000 trucks in 2013.

Weak earnings but successful inventory reduction for Volvo CE

For Volvo CE demand was lower in most markets during the quarter and especially in the mining segment. With sales of SEK 12.6 billion, we are now on roughly the same level as during the financial crisis in the autumn of 2008, though profitable and with good cash flow. We cut production aggressively in the quarter and brought inventories down to a level in line with current sales trends. Capacity utilization was only about 40% in the quarter, which hurt profitability.

In a very tough Chinese market I am pleased that our dual brand strategy with Volvo and SDLG is working well. Since we bought 70% in Lingong in 2007 our market shares in China have improved substantially. Volvo's share of the excavator market has gone from 3.2% to 6.5% and with the recent introduction of the Volvo L105 wheel loader we expect to gain market share also in this segment. The SDLG brand's share of the wheel loader market has improved from 11.9% to 18.5% and the excavator range from 0% to 3.8%.

The weak demand in China is currently putting pressure on Volvo CE and its dealers' profitability, but even more so on our competitors. I am confident that we will emerge as an even stronger company at the end of this downturn.

Volvo Penta and the bus business in an intense period of product renewal

Volvo Penta is affected by the continued low level of demand for leisure boats. On the industrial engine side we are investing in product development in order to leverage fully on our new medium-duty engine that will be produced in India. We intend to launch a completely new range of industrial engines in connection with the new emission regulation Tier 4f in 2014.

Our bus business continues to have an unsatisfactory profitability, driven by weak demand and price competition primarily in Europe. Our decision to close one of our two European plants for the production of complete buses will reduce the installed production capacity in Europe by 20%. On the positive side our hybrid buses continue to make inroads into new markets and new customers, and we are investing in R&D to extend the product range in the next couple of years.

For Volvo Financial Services, trends continued to point in the right direction with portfolio growth and improved margins.

Focus on execution of business cycle adjustments and the new strategy

On a Group level the first quarter of 2013 will also be difficult as a result of the low order intake in many markets during the fourth quarter of 2012. Profitability will be affected by low capacity utilization, high spend levels in research and development and costs associated with the launch of new products. However, we expect market conditions to gradually improve during the course of 2013 when economic growth across the world gains momentum.

We have a busy period ahead of us where we are looking to execute on our development projects and launch a very large number of new products. We have full focus on the strategy for 2013–2015 in which roadmaps have been developed for each of the 20 strategic objectives. The road maps have been further detailed and broken down into over 400 main initiatives that will be executed in order to improve the Groups overall profitability.

In line with our ambition to grow in Asia, on January 26 we announced a strategic alliance with Chinese company Dongfeng Motor Group (DFG). We will acquire 45% of a new subsidiary of DFG, Dongfeng Commercial Vehicles (DFCV), which will include the major part of DFG's medium- and heavy-duty commercial vehicles business. This is a very exciting venture that will combine the best of two worlds, strengthening the positions of the Volvo Group and Dongfeng and offering excellent opportunities to both parties. Combining Dongfeng's strong domestic position and know-how with the Volvo Group's technological expertise and global presence will offer DFCV excellent potential for growth and profitability in and outside China.

The high level of activity requires hard work around the Group with employees making extraordinary efforts. A lot of work remains, but I am confident that we have done the necessary preparation work in order to achieve our strategic objectives in the next 35 months.

Olof Persson
President and CEO

IMPORTANT EVENTS

Full lineup of Volvo Group trucks in the US earns 2014 greenhouse gas certification

On December 12, 2012 the Volvo Group announced that the US Environmental Protection Agency (EPA) and National Highway Traffic Safety Administration (NHTSA) had certified all Volvo Group trucks in the US, both Mack and Volvo branded, in accordance with 2014 fuel efficiency and greenhouse gas regulations.

Renault s.a.s. divests entire holding in AB Volvo

On December 13, 2012, AB Volvo received a request for the conversion of 110,048,945 Series A shares to Series B shares. Furthermore, AB Volvo's largest shareholder, Renault s.a.s., announced that the company had divested all of its shares in AB Volvo through the sales of 138,604,945 Series A shares on the stock market. In connection with Renault's divestment, Industrivärden increased its holding and at year-end was the largest owner with 6.5% of the outstanding number of shares (19.5% of the votes). Norges Bank Investment Management also increased its holding and at year-end was the second largest owner based on capital with 4.9% of the outstanding number of shares (5.1% of the votes).

Consolidation of the Volvo Group industrial operation in Japan

On January 11, 2013 the Volvo Group announced that it had decided to consolidate its industrial operation in Japan in order to improve the overall efficiency. In May 2013 the Ota remanufacturing plant will be closed and the operation moved to Ageo, the main plant in Japan. The project also includes cleaning of the land, demolishing of old and outdated buildings as well as moving or phasing out equipment for old products. In total, costs corresponding to SEK 280 M related to these activities was recorded in the fourth quarter of 2012, affecting the truck segment.

Strategic alliance with Chinese company Dongfeng Motor Group

On January 26, 2013 AB Volvo announced that it had signed an agreement with the Chinese vehicle manufacturer Dongfeng Motor Group Company Limited (DFG) to acquire 45% of a new subsidiary of DFG, Dongfeng Commercial Vehicles (DFCV), which will include the major part of DFG's medium- and heavy-duty commercial vehicles business. At completion of the transaction, the Volvo Group will become the world's largest manufacturer of heavy-duty trucks. Completion of the transaction is subject to certain conditions, including the approval of relevant anti-trust agencies and Chinese authorities. The purchase consideration amounts to RMB 5.6 billion. The ambition is to complete the transaction as soon as possible and completion is expected to take place within approximately 12 months from signing.

Previously reported important events

- Annual General Meeting of AB Volvo
- AB Volvo signs memorandum of understanding with Deutz
- Unfavorable court ruling in the US pertaining to Volvo Penta engines
- AB Volvo acquires shares in Deutz AG
- AB Volvo divests Volvo Aero to British GKN for SEK 6.9 billion
- New Volvo engine for Euro VI
- Renault Trucks Defense to acquire French manufacturer Panhard
- New Volvo FH launched
- AB Volvo finalized the acquisition of shares in Deutz AG
- Volvo Group to invest in Russia
- Volvo Group announced new truck strategy to achieve profitability improvement
- AB Volvo finalized the sale of Volvo Aero
- Volvo Buses to consolidate the manufacture of complete buses in Europe
- New organization for the truck dealer networks in Europe, the Middle East and Africa

Detailed information about the events is available at www.volvogroup.com

VOLVO GROUP

Net sales and operating income

During the fourth quarter of 2012, Volvo Group's net sales decreased by 17% to SEK 71,793 M (86,507) and operating income amounted to SEK 1,121 M (6,955). For detailed information on the development, see separate sections below.

Net financial items

Net interest expense in the fourth quarter was SEK 413 M compared with an expense of SEK 522 M in the previous year. In the third quarter of 2012 net interest expense amounted to SEK 465 M.

During the fourth quarter, market valuation of derivatives used for hedging interest-rate exposure in the debt portfolio had a positive impact on Other financial income and expenses amounting to SEK 18 M compared with a positive impact of SEK 34 M in the fourth quarter of 2011.

Income Statement Volvo Group	Fourth quarter		Year	
SEK M	**2012**	2011	**2012**	2011
Net sales Volvo Group	**71,793**	**86,507**	**303,647**	**310,367**
Operating Income Volvo Group	**1,121**	**6,955**	**17,622**	**26,899**
Operating income Industrial operations	***731***	*6,688*	***16,130***	*25,930*
Operating income Customer Finance	***390***	*267*	***1,492***	*969*
Interest income and similar credits	**295**	164	**510**	608
Interest expense and similar charges	**(708)**	(686)	**(2,476)**	(2,875)
Other financial income and expenses	**(48)**	(43)	**(301)**	297
Income after financial items	**660**	**6,390**	**15,355**	**24,929**
Income taxes	**181**	(1,592)	**(4,097)**	(6,814)
Income for the period	**841**	**4,798**	**11,258**	**18,115**

Income taxes

The tax income in the fourth quarter amounted to SEK 181 M compared with a tax expense of SEK 1,592 M in the fourth quarter of 2011. The lowered Swedish corporate tax rate had a non-recurring positive impact of SEK 213 M in the fourth quarter of 2012.

Income for the period and earnings per share

Income for the period amounted to SEK 841 M in the fourth quarter of 2012 compared with SEK 4,798 M in the fourth quarter of 2011.

Basic and diluted earnings per share in the fourth quarter amounted to SEK 0.39 (2.33).

VOLVO GROUP'S INDUSTRIAL OPERATIONS

NET SALES DECLINED BY 18%

In the fourth quarter, net sales for the Volvo Group's Industrial Operations decreased by 18% to SEK 69,916 M (84,788). The divestiture of Volvo Aero accounted for approximately 2 percentage points of the decline. Adjusted for both changes in exchange rates and acquired and divested units net sales in the Industrial Operations decreased by 13%. Net sales decreased in all regions reflecting a slow-down in economic activity in most of the core markets and segments.

Net sales by market area

SEK M	Fourth quarter 2012	Fourth quarter 2011	Change in %	Year 2012	Year 2011	Change in %	Share of industrial operations' net sales, %
Western Europe	**22,357**	26,554	(16)	**88,325**	97,925	(10)	30
Eastern Europe	**5,720**	6,053	(5)	**20,751**	20,298	2	7
North America	**13,753**	17,602	(22)	**68,297**	58,253	17	23
South America	**7,074**	9,182	(23)	**27,970**	34,013	(18)	9
Asia	**15,755**	19,914	(21)	**68,500**	73,017	(6)	23
Other markets	**5,256**	5,483	(4)	**22,188**	20,083	10	8
Total Industrial operations	**69,916**	**84,788**	**(18)**	**296,031**	**303,589**	**(2)**	**100**

Low production levels and high spending in product renewal hurting profitability

In the fourth quarter of 2012, operating income for the Volvo Group's Industrial Operations amounted to SEK 731 M, compared with SEK 6,688 M in the fourth quarter of 2011. The operating margin was 1.0% compared with 7.9% in the fourth quarter of 2011.

The lower operating income is a result of significantly lower sales as well as under absorption of costs in the range of SEK 1.7 billion in the industrial system as a consequence of production rates being cut in a more rapid pace than the cost levels could be reduced. The production cuts were made in order to adapt to declining demand and reduce inventories. In the fourth quarter of 2011, the over absorption was positive in an amount of SEK 200 M.

Restructuring charges of SEK 990 M had a negative impact on profitability, of which SEK 600 M related to the reorganization of the European sales organization for trucks, SEK 280 M related to the consolidation of the Volvo Group industrial operation in Japan, and SEK 110 M related to the consolidation of the production of complete buses in Europe and a restructuring in Sunwin Bus in Shanghai, China.

Income Statement Industrial operations

SEK M	Fourth quarter 2012	Fourth quarter 2011	Year 2012	Year 2011
Net sales	**69,916**	**84,788**	**296,031**	**303,589**
Cost of sales	**(56,146)**	(65,830)	**(231,216)**	(233,097)
Gross income	**13,770**	**18,958**	**64,815**	**70,492**
Gross margin, %	***19.7***	*22.4*	***21.9***	*23.2*
Research and development expenses	**(3,847)**	(3,390)	**(14,794)**	(13,276)
Selling expenses	**(7,057)**	(6,888)	**(26,582)**	(25,181)
Administrative expenses	**(1,566)**	(1,364)	**(5,639)**	(4,753)
Other operating income and expenses	**(508)**	(369)	**(1,600)**	(1,045)
Income (loss) from investments in associated companies	**(17)**	(11)	**(23)**	(82)
Income from other investments	**(43)**	(248)	**(46)**	(225)
Operating income	**731**	**6,688**	**16,130**	**25,930**
Operating margin, %	***1.0***	*7.9*	***5.4***	*8.5*
Operating income before depreciation and amortization (EBITDA)	**4,189**	9,603	**28,117**	37,349
EBITDA margin, %	***6.0***	*11.3*	***9.5***	*12.3*

Some targeted marketing efforts to reduce new and used product inventories also impacted profitability negatively. Profitability was also affected by the current high investment pace in research and development for the upcoming comprehensive program to renew the product portfolio and related launch costs in sales, production and aftermarket support.

The sale of Volvo Aero resulted in a positive impact on operating income of SEK 254 M in the fourth quarter.

Compared with the fourth quarter of 2011, changes in currency exchange rates had a negative impact on operating income amounting to SEK 175 M.

Successful reduction of inventories

In the fourth quarter of 2012, operating cash flow from the Industrial Operations was positive in an amount of SEK 4.7 billion compared with a positive SEK 10.7 billion in the fourth quarter of 2011. The positive cash flow is primarily a consequence of the reduction in inventories of SEK 5.4 billion.

VOLVO GROUP'S CUSTOMER FINANCE
GOOD QUARTER AND YEAR

The customer finance business continued to grow profitably during the quarter on the foundation of stable to improved portfolio performance in the majority of served markets. North America and Latin America performed well, EMEA continued to improve and APAC continued to contribute well.

New financing volume during the quarter amounted to SEK 12.4 billion (12.6). Adjusting for movements in exchange rates, new financing volume increased by 3% compared with the fourth quarter of 2011. In total, 14,063 new Volvo Group units (14,173) were financed during the quarter. In the markets where financing is offered, the average market penetration rate in the fourth quarter was 28% (25%).

As of December 31, 2012, the gross credit portfolio amounted to SEK 100.9 billion (95.5). On a currency adjusted basis, the credit portfolio increased by 11% when compared with the fourth quarter of 2011.

Income Statement Customer Finance	Fourth quarter		Year	
SEK M	**2012**	2011	**2012**	2011
Finance and lease income	**2,507**	2,321	**9,783**	8,883
Finance and lease expenses	**(1,530)**	(1,475)	**(6,036)**	(5,693)
Gross income	**977**	**846**	**3,747**	**3,190**
Selling and administrative expenses	**(408)**	(429)	**(1,696)**	(1,618)
Credit provision expenses	**(184)**	(169)	**(640)**	(682)
Other operating income and expenses	**6**	18	**81**	78
Operating income	**390**	**267**	**1,492**	**969**
Income taxes	**(86)**	(86)	**(434)**	(323)
Income for the period	**304**	**181**	**1,058**	**646**
Return on Equity, 12 months rolling values			***12.5%***	*7.3%*

Credit provisions in the quarter amounted to SEK 184 M (169) while write-offs of SEK 188 M (223) were recorded. Credit reserves decreased from 1.28% to 1.23% of the credit portfolio at September 30, 2012 and December 31, 2012, respectively. The annualized write-off ratio through December 31, 2012 was 0.58% (0.93%).

Operating income in the fourth quarter amounted to SEK 390 M (267). The improvement compared with the previous year is driven mainly by higher earning assets and improved margins.

VOLVO GROUP FINANCIAL POSITION

Net financial debt in the Industrial Operations amounted to SEK 23.0 billion at December 31, 2012, a decrease of SEK 11.9 billion compared to the third quarter of 2012, and equal to 29.3% of shareholders' equity. The reduction in net financial debt is mainly an effect of the positive operating cash flow of SEK 4.7 billion, the sale of operations, primarily Volvo Aero, of SEK 4.8 billion and a favorable currency effect of SEK 2.3 billion primarily related to the weakening of the Japanese yen against the Swedish krona. Excluding provision for post-employment benefits, the Industrial Operations net debt amounted to SEK 19.0 billion, which is equal to 24.3% of shareholders' equity.

The Volvo Group's liquid funds, i.e. cash and cash equivalents and marketable securities combined, amounted to SEK 28.9 billion at December 31, 2012. In addition to this, granted but unutilized credit facilities amounted to SEK 33.1 billion. Cash and cash equivalents of SEK 9.4 billion are restricted for immediate use compared with SEK 9.3 billion a year earlier.

During the fourth quarter, currency movements decreased the Volvo Group's total assets by SEK 2.7 billion related to revaluation of assets in foreign subsidiaries.

The equity ratio in the Volvo Group amounted to 25.7% on December 31, 2012 compared to 24.3% at year-end 2011. On the same date, the equity ratio in the Industrial Operations amounted to 30.9% (28.5).

At December 31, shareholder's equity in the Volvo Group amounted to SEK 86.9 billion.

Number of employees

On December 31, 2012 the Volvo Group had 98,717 employees and 16,548 temporary employees and consultants, compared with 102,007 employees and 18,571 temporary employees and consultants at September 30, 2012. At year-end 2011 the Volvo Group had 98,162 employees and 19,675 temporary employees and consultants.

BUSINESS SEGMENT OVERVIEW

Net sales	Fourth quarter				Year	
SEK M	**2012**	2011	Change, %	Change, %*	**2012**	2011
Trucks	**47,732**	56,739	(16)	(13)	**192,283**	198,920
Construction Equipment	**12,572**	16,354	(23)	(22)	**63,558**	63,500
Buses	**5,626**	6,571	(14)	(12)	**20,295**	21,823
Volvo Penta	**1,754**	1,839	(5)	(2)	**7,631**	8,458
Volvo Aero	**-**	1,834	–	–	**5,219**	6,356
Other and eliminations	**2,232**	1,451	–	–	**7,045**	4,532
Industrial operations	**69,916**	**84,788**	**(18)**	**(13)**	**296,031**	**303,589**
Customer Finance	**2,507**	2,321	8	11	**9,783**	8,882
Reclassifications and eliminations	**(630)**	(602)	–	–	**(2,167)**	(2,104)
Volvo Group	**71,793**	**86,507**	**(17)**	**(12)**	**303,647**	**310,367**

* Adjusted for exchange rate fluctuations and acquired and divested units.

Operating income	Fourth quarter			Year	
SEK M	**2012**	2011	Change, %	**2012**	2011
Trucks	**880**	4,866	(82)	**10,216**	18,227
Construction Equipment	**363**	1,674	(78)	**5,773**	6,812
Buses	**(129)**	308	(142)	**51**	1,114
Volvo Penta	**14**	102	(86)	**541**	825
Volvo Aero	**-**	155	–	**767**	360
Group functions and other	**(396)**	(417)	–	**(1,217)**	(1,408)
Industrial operations	**731**	**6,688**	**(89)**	**16,130**	**25,930**
Customer Finance	**390**	267	46	**1,492**	969
Volvo Group	**1,121**	**6,955**	**(84)**	**17,622**	**26,899**

Operating margin	Fourth quarter		Year	
%	**2012**	2011	**2012**	2011
Trucks	**1.8**	8.6	**5.3**	9.2
Construction Equipment	**2.9**	10.2	**9.1**	10.7
Buses	**(2.3)**	4.7	**0.3**	5.1
Volvo Penta	**0.8**	5.5	**7.1**	9.8
Volvo Aero	**-**	8.5	**14.7**	5.7
Industrial operations	**1.0**	**7.9**	**5.4**	**8.5**
Volvo Group	**1.6**	**8.0**	**5.8**	**8.7**

OVERVIEW OF INDUSTRIAL OPERATIONS

TRUCKS
RESTRUCTURING AND LOW CAPACITY UTILIZATION IMPACT PROFITABILITY

- Comprehensive product renewal activities
- Production cuts in the fourth quarter – under absorption of costs of SEK 1.1 billion
- Significant inventory reduction

Net sales by market area

SEK M	Fourth quarter 2012	Fourth quarter 2011	Change in %	Year 2012	Year 2011	Change in %
Europe	**20,466**	23,002	(11)	**76,365**	83,451	(8)
North America	**8,665**	11,443	(24)	**42,650**	37,042	15
South America	**5,452**	7,024	(22)	**21,172**	26,847	(21)
Asia	**9,376**	11,504	(18)	**36,531**	37,840	(3)
Other markets	**3,772**	3,767	0	**15,565**	13,741	13
Total	**47,732**	**56,739**	**(16)**	**192,283**	**198,920**	**(3)**

Deliveries per market

Number of trucks	Fourth quarter 2012	Fourth quarter 2011	Change in %	Year 2012	Year 2011	Change in %
Europe	**23,660**	26,332	(10)	**84,355**	95,113	(11)
North America	**10,477**	13,673	(23)	**47,806**	42,613	12
South America	**6,493**	7,843	(17)	**23,443**	29,274	(20)
Asia	**13,819**	16,606	(17)	**51,514**	56,165	(8)
Other markets	**4,177**	4,175	0	**16,899**	15,226	11
Total Trucks	**58,626**	**68,629**	**(15)**	**224,017**	**238,391**	**(6)**

Uncertainty in Europe and cautious customers in the US

In 2012, the heavy-duty truck market in Europe 28 (EU minus Bulgaria plus Norway and Switzerland) reached 221,000 trucks, down by 9% compared with 2011. The debt crisis in Europe continues to adversely affect the economic activity. In Southern Europe demand continued to deteriorate and the weak market conditions there led to uncertainty also in the rest of Europe. Given the macro-economic development it is difficult to assess the total market for heavy-duty trucks in Europe 29 for 2013. The current estimate is that the market will reach a level of about 230,000 heavy-duty trucks (unchanged forecast).

In 2012, the total North American retail market for heavy-duty trucks increased by 15% to 249,562 vehicles, compared with 216,080 in 2011 on the back of the strong order intake in the beginning of the year. Uncertainty regarding the US economy and the country's fiscal challenges continue to make customers cautious. For 2013 the total market is difficult to assess, but it is expected to be at about the 2012 level of 250,000 heavy-duty trucks (unchanged forecast).

In 2012, the Brazilian market decreased by 22% from 111,471 trucks to 87,430 trucks in comparison to 2011. The truck operations in Brazil was negatively impacted by the general slowdown in the Brazilian economy during the first nine months of 2012, but during the fourth quarter demand picked up. Lower financing rates for truck purchases, combined with good customer profitability and the positive outlook for economic recovery in 2013, has significantly improved demand. The total Brazilian market for heavy-duty trucks is expected to increase and reach a level of about 105,000 trucks in 2013 (previous forecast: 95,000).

In Japan the total market for heavy-duty trucks in 2012 rose by 28% to 31,800 vehicles (24,800) partly driven by government incentives as well as the need for trucks for reconstruction work following the earthquake and the subsequent tsunami that hit Japan in March 2011. For 2013, the total Japanese market for heavy-duty trucks is expected to increase to about 35,000 trucks (previous forecast: about 30,000) on the back of expectations of higher economic activity stemming from governmental stimulus activities and a weaker currency.

In India, the total 2012 market for heavy-duty trucks declined by 18% to 195,140 trucks (237,329).

Lower deliveries

In the fourth quarter of 2012, the Volvo Group delivered a total of 58,626 trucks, which was 15% less than in the fourth quarter of 2011.

Net order intake per market

Number of trucks	Fourth quarter 2012	Fourth quarter 2011	Change in %	Year 2012	Year 2011	Change in %
Europe	**18,563**	19,738	(6)	**79,608**	90,430	(12)
North America	**10,024**	12,690	(21)	**39,775**	51,629	(23)
South America	**7,469**	6,011	24	**26,551**	28,093	(5)
Asia	**11,399**	14,221	(20)	**49,425**	56,576	(13)
Other markets	**4,690**	5,044	(7)	**15,709**	17,249	(9)
Total Trucks	**52,145**	**57,704**	**(10)**	**211,068**	**243,977**	**(13)**

Improving order intake compared to third quarter

The truck operation's total net order intake declined by 10% in the fourth quarter compared with the year-earlier period, compared with the third quarter orders improved by 15%.

In the fourth quarter of 2012 European orders reached 18,563 trucks, which was 6% lower than in the fourth quarter last year. This is a reflection of a sluggish economy as well as lower orders for Renault Trucks, primarily as a result of efforts to reduce inventories and low demand in Southern Europe. Compared with the fourth quarter of 2011, Volvo Trucks' order intake increased by 7% in Europe while Renault Trucks' order intake decreased by 18%.

In North America, order intake during the fourth quarter decreased by 21% compared with the fourth quarter of 2011. Order intake in the fourth quarter was negatively impacted by continued economic concerns, sluggish job growth and the fiscal cliff as customers delayed purchasing decisions. However, compared with the third quarter of 2012, order intake increased by 26%.

In South America, orders improved, partly due to favorable financing rates and improved economic outlook in Brazil. Order intake in the fourth quarter increased by 24% compared with the same quarter last year.

Orders in Asia declined by 20% due to the weak demand in Japan and in the mining segment across Asia. Orders to Other markets were down by 7%.

Operating margin of 1.8% due to lower sales as well as costs for under absorption and restructuring

During the fourth quarter of 2012, the truck operation's net sales amounted to SEK 47,732 M, which was 16% lower than in the fourth quarter of 2011. Adjusted for changes in exchange rates net sales declined by 13%. Lower sales were experienced in all regions.

The truck operations posted an operating income of SEK 880 M in the fourth quarter of 2012 compared with an operating income of SEK 4,866 M in the fourth quarter of 2011. The operating margin was 1.8%, compared with 8.6% in the year-earlier period. The lower operating income is a result of significantly lower sales as well as under absorption of costs in the range of SEK 1.1 billion in the industrial system as a consequence of production rates being cut in a more rapid pace than the cost levels could be reduced. Production was lowered primarily in Europe in order to adapt production to lower demand and to reduce inventories. In the fourth quarter of 2011, capacity utilization in the industrial system was high, which resulted in an over absorption amounting to SEK 400 M.

During the fourth quarter inventories of new trucks were reduced by 3,700 vehicles and inventories of used trucks by 1,600 vehicles.

The significantly lower profitability was also due to restructuring cost in the European sales and marketing organization of SEK 600 M and restructuring costs in Japan of SEK 280 M. Some targeted marketing efforts to reduce new and used product inventories also impacted profitability negatively. Profitability was also affected by the high investment pace in research and development for the upcoming comprehensive product renewal and related launch costs in sales, production and aftermarket support. Among the projects are the new Volvo FH series, a completely new Renault Trucks range, a new range of trucks in the lower price segments in emerging markets, a new medium-duty engine range and R&D ahead of the new emission legislation Euro 6.

Compared with the fourth quarter of 2011, operating income was negatively impacted by changes in currency exchange rates in an amount of SEK 285 M.

CONSTRUCTION EQUIPMENT
– SALES AND EARNINGS UNDER PRESSURE

» Weak markets, especially in the mining segment
» 15% market share in China in 2012 – all time high
» Proactive inventory management was successful

Market decline in China

Measured in units, the total market for construction equipment in Europe decreased by 3% during January-November 2012 compared to the same period in 2011. North America increased by 25% and South America was up 6%. Asia, excluding China was up 13% while China was down 37%. Other markets were up 19%.

The downturn in China in 2012 has been driven by governmental initiatives to curtail inflation in combination with considerable lower activities in the mining industry. However, Volvo CE has reinforced its strong position as the market leader with a 15% share of the wheel loader and excavator market for the full year of 2012 according to China Construction Machinery Association.

For 2013 the total market in Europe is expected to decline by 5% to 15% measured in units. North America, South America, China and Other markets are all expected to be in the range of minus 5% to plus 5%. Asia, excluding China is expected to decline by 0% to 10%. All forecasts are unchanged.

Net sales by market area

	Fourth quarter			Year		
SEK M	**2012**	2011	Change in %	**2012**	2011	Change in %
Europe	**3,861**	4,881	(21)	**16,518**	17,765	(7)
North America	**1,973**	2,214	(11)	**12,027**	7,829	54
South America	**761**	1,047	(27)	**3,788**	4,163	(9)
Asia	**5,143**	7,088	(27)	**27,033**	29,999	(10)
Other markets	**833**	1,125	(26)	**4,192**	3,745	12
Total	**12,572**	**16,354**	**(23)**	**63,558**	**63,500**	**0**

Sales down and earnings under pressure

In the fourth quarter of 2012, net sales decreased by 23% to SEK 12,572 M (16,354). Adjusted for currency movements, net sales decreased by 22%. Sales were negatively impacted by lower volumes due to a softer world market in general and lower activities in the global mining industry in particular affecting sales of larger and more expensive equipment.

Operating income decreased to SEK 363 M (1,674) and operating margin was 2.9% (10.2). Earnings were negatively impacted by much lower sales and a negative product mix as well as lower activity in the global mining industry affecting sales of larger and more profitable products. Significant production cuts were implemented in order to reduce inventories. Capacity utilization was approximately 40%, which resulted in an under absorption of costs in the industrial system in an amount of approximately SEK 600 M. In the fourth quarter of 2011 under absorption amounted to SEK 200 M. Compared with the fourth quarter of 2011, operating income was positively impacted by changes in currency exchange rates in an amount of SEK 172 M.

The work to reduce pipeline inventories was successful. Inventories have been reduced by around 30% since late spring and are now in balance with current demand. The value of the order book at December 31 was 36% lower than a year earlier.

For the full year of 2012 unit sales decreased by 7% to 78,491.

New loader for China launched

In November, Volvo CE launched the Volvo L105 medium-sized wheel loader, which has been tailored to the specific needs of customers in China.

Following a rapid rise in demand for SDLG branded machines in Latin America Volvo CE is investing USD 10 M to start manufacturing SDLG excavators in its Pederneiras, Brazil plant.

In January 2013, Volvo CE also decided to consolidate its production capacity in the Americas by relocating the manufacturing of Volvo branded backhoe loaders from Tultitlan, Mexico to Pederneiras.

BUSES
– WEAK MARKETS CONTINUE TO IMPACT PROFITABILITY

- Lower sales volumes
- Operating loss of SEK 129 M (including total restructuring costs of SEK 110 M)
- Market share gains in most regions

Global bus market still on a low level

Demand for buses during the year was low in most world markets except for Asia. In Europe, the total market for the full year is forecasted to amount to 20,600 units, which is 13% lower compared to 2011. In Southern Europe the drop is close to 40%. Severe price pressure continues in all European tenders.

In North America, the transit market is still weak due to the fiscal situation in the US, and recovery in the coach market remains slow.

The South American market is still low, partly due to the pre-buy effect before Euro 5 standards and hesitance among operators in conjunction with municipality elections in Brazil.

The Asian bus markets keep growing, but at a slower pace due to the global financial situation. The Indian market grew by 3%. In China, the total market increased 6% compared to 2011.

Volvo Buses has strengthened its market positions in the core markets.

Lower order intake and deliveries

Deliveries during the fourth quarter of 2012 totaled 3,244 buses, compared with 4,172 buses the same period last year, down 22%. All markets had lower deliveries during the fourth quarter 2012 compared to the same period 2011.

Net sales by market area

	Fourth quarter			Year		
SEK M	**2012**	2011	Change in %	**2012**	2011	Change in %
Europe	**1,825**	2,139	(15)	**6,200**	6,631	(7)
North America	**1,826**	2,164	(16)	**6,675**	7,532	(11)
South America	**801**	1,000	(20)	**2,794**	2,715	3
Asia	**751**	814	(8)	**2,853**	2,953	(3)
Other markets	**423**	455	(7)	**1,774**	1,992	(11)
Total	**5,626**	**6,571**	**(14)**	**20,295**	**21,823**	**(7)**

Order intake in the fourth quarter of 2012 amounted to 3,068 buses (3,941). The decrease is explained by the weak world market. Despite the lower order intake compared to 2011, which was a record year for Volvo Buses, the fourth quarter is on a pick-up trend compared to the previous quarters of 2012.

Several significant orders were signed during the fourth quarter, including 310 coaches to Rio de Janeiro, Brazil, 475 hybrid city buses to Quebec, Canada and 150 fully electric buses to Qingdao, China to be delivered by Sunwin (Volvo Buses and SAIC Motor joint-venture). A total of 413 fully electric buses were delivered by Sunwin during 2012, making the company the leader in China and a world leading supplier of fully electric buses (>10 meters) in 2012.

Operating loss in the fourth quarter

Net sales in the fourth quarter decreased by 14% to SEK 5,626 M (6,571). Adjusted for currency movements, net sales decreased by 12%.

Buses reported an operating loss of SEK 129 M compared to an operating profit of SEK 308 M last year. Operating margin was a negative 2.3% (4.7). The operating margin was negatively affected by continued low volumes, a negative market mix and low capacity utilization. Restructuring costs related to the transfer of production from Säffle, Sweden to Wroclaw, Poland and within Sunwin Bus in Shanghai, China impacted operating income in the fourth quarter by SEK 110 M.

Compared with the fourth quarter of 2011, operating income was positively impacted by changes in currency exchange rates in an amount of SEK 21 M.

Cost reduction activities to offset the negative market development are being implemented.

VOLVO PENTA
– MARKETS CONTINUE TO BE WEAK

» Weak demand for both marine and industrial engines
» Lower volumes and unfavorable product mix
» Operating margin of 0.8%

Net sales by market area

SEK M	Fourth quarter 2012	Fourth quarter 2011	Change in %	Year 2012	Year 2011	Change in %
Europe	**808**	813	(1)	**3,620**	4,274	(15)
North America	**325**	322	1	**1,486**	1,379	8
South America	**83**	125	(33)	**306**	335	(8)
Asia	**452**	487	(7)	**1,867**	2,130	(12)
Other markets	**86**	92	(6)	**352**	341	3
Total	**1,754**	**1,839**	**(5)**	**7,631**	**8,458**	**(10)**

Continued weak demand in most markets

The global demand for marine and industrial engines remained weak and essentially unchanged, compared with the trend for the most recent quarters. For several years, Europe and North America have been impacted by macroeconomic turmoil, which has fundamentally changed global market conditions for leisure boats.

The total market for industrial engines was not structurally impacted to the same extent, but the weak trend in the global economy entailed successively lower demand in such key markets as China, Europe and North America. This trend continued in the fourth quarter, with the exception of some markets in South America and the Middle East.

Strengthened position in core marine segments

During the year, Volvo Penta secured and strengthened its positions in its core segments in the leisure boat sector, with the industry's most modern product program. Leading boat builders in Europe have signed long-term agreements with Volvo Penta to secure engine deliveries to future boat models and Volvo Penta is gradually expanding into increasingly larger boat segments, with the help of its IPS system.

In the industrial-engine sector, Volvo Penta's customers were able to order prototype engines of Volvo Penta's new 5 to 16-liter diesel engines, which meet legal requirements on emissions for 2014. Leading industrial-engine customers in mining, special vehicles and material handling have demonstrated major interest in the new product program.

The volume in Volvo Penta's order book as of December 31, 2012 was 27% lower than the year-earlier period.

Profitability negatively impacted by lower sales and R&D costs

The fourth quarter is traditionally the seasonally weakest quarter for Volvo Penta. Net sales in the fourth quarter of 2012 fell 5% year-on-year to SEK 1,754 M (1,839). Adjusted for currency fluctuations, sales decreased by 2%. Sales were distributed between the two business segments as follows: Marine SEK 916 M (1,008) and Industrial SEK 838 M (831).

Operating income amounted to SEK 14 M, compared with the year-earlier period of SEK 102 M. Earnings were negatively impacted mainly by lower sales, an unfavorable product mix and high research and development expenses ahead of a comprehensive product range extension within industrial engines. Compared with the fourth quarter of 2011, operating income was positively impacted by changes in currency exchange rates in an amount of SEK 13 M. The operating margin was 0.8% (5.5).

CONSOLIDATED INCOME STATEMENT
FOURTH QUARTER

	Industrial operations		Customer Finance		Eliminations		Volvo Group Total	
SEK M	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Net sales	**69,916**	**84,788**	**2,507**	**2,321**	**(630)**	**(602)**	**71,793**	**86,507**
Cost of sales	**(56,146)**	(65,830)	**(1,530)**	(1,475)	**630**	602	**(57,046)**	(66,703)
Gross income	**13,770**	**18,958**	**977**	**846**	**0**	**0**	**14,746**	**19,804**
Research and development expenses	**(3,847)**	(3,390)	**0**	0	**0**	0	**(3,847)**	(3,390)
Selling expenses	**(7,057)**	(6,888)	**(401)**	(429)	**0**	0	**(7,458)**	(7,317)
Administrative expenses	**(1,566)**	(1,364)	**(7)**	0	**0**	0	**(1,574)**	(1,364)
Other operating income and expenses	**(508)**	(369)	**(178)**	(150)	**0**	0	**(686)**	(519)
Income (loss) from investments in associated companies	**(17)**	(11)	**0**	0	**0**	0	**(17)**	(11)
Income from other investments	**(43)**	(248)	**0**	0	**0**	0	**(44)**	(248)
Operating income	**731**	**6,688**	**390**	**267**	**0**	**0**	**1,121**	**6,955**
Interest income and similar credits	**147**	182	**0**	0	**148**	(19)	**295**	164
Interest expenses and similar charges	**(560)**	(705)	**0**	0	**(148)**	19	**(708)**	(686)
Other financial income and expenses	**(48)**	(43)	**0**	0	**0**	0	**(48)**	(43)
Income after financial items	**270**	**6,122**	**390**	**267**	**0**	**0**	**660**	**6,390**
Income taxes	**267**	(1,505)	**(86)**	(86)	**0**	0	**181**	(1,592)
Income for the period*	**537**	**4,617**	**304**	**181**	**0**	**0**	**841**	**4,798**
* Attributable to:								
Equity holders of the parent company							**793**	4,722
Minority interests							**48**	76
							841	**4,798**
Basic earnings per share, SEK							**0.39**	2.33
Diluted earnings per share, SEK							**0.39**	2.33

CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOURTH QUARTER

Income for the period	**841**	4,798
Exchange differences on translation of foreign operations	**72**	(915)
Exchange differences on hedge instruments of net investment in foreign operations	**0**	(1)
Accumulated translation difference reversed to income	**(52)**	(4)
Available for sale investments	**32**	189
Cash flow hedges	**10**	(52)
Other comprehensive income, net of income taxes	**62**	(783)
Total comprehensive income for the period*	**903**	**4,015**
* Attributable to		
Equity holders of the parent company	**906**	3,921
Minority interests	**(3)**	94
	903	4,015

CONSOLIDATED INCOME STATEMENT
YEAR

	Industrial operations		Customer Finance		Eliminations		Volvo Group Total	
SEK M	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Net sales	**296,031**	**303,589**	**9,783**	**8,883**	**(2,167)**	**(2,104)**	**303,647**	**310,367**
Cost of sales	**(231,216)**	(233,097)	**(6,036)**	(5,693)	**2,167**	2,104	**(235,085)**	(236,685)
Gross income	**64,815**	**70,492**	**3,747**	**3,190**	**0**	**0**	**68,562**	**73,682**
Research and development expenses	**(14,794)**	(13,276)	**0**	0	**0**	0	**(14,794)**	(13,276)
Selling expenses	**(26,582)**	(25,181)	**(1,666)**	(1,618)	**0**	0	**(28,248)**	(26,799)
Administrative expenses	**(5,639)**	(4,753)	**(30)**	0	**0**	0	**(5,669)**	(4,753)
Other operating income and expenses	**(1,600)**	(1,045)	**(559)**	(603)	**0**	0	**(2,160)**	(1,649)
Income (loss) from investments in associated companies	**(23)**	(82)	**0**	0	**0**	0	**(23)**	(81)
Income from other investments	**(46)**	(225)	**0**	0	**0**	0	**(47)**	(225)
Operating income	**16,130**	**25,930**	**1,492**	**969**	**0**	**0**	**17,622**	**26,899**
Interest income and similar credits	**510**	644	**0**	0	**0**	(37)	**510**	608
Interest expenses and similar charges	**(2,476)**	(2 912)	**0**	0	**0**	37	**(2,476)**	(2,875)
Other financial income and expenses	**(301)**	297	**0**	0	**0**	0	**(301)**	297
Income after financial items	**13,863**	**23,959**	**1,492**	**969**	**0**	**0**	**15,355**	**24,929**
Income taxes	**(3,663)**	(6,490)	**(434)**	(323)	**0**	0	**(4,097)**	(6,814)
Income for the period*	**10,200**	**17,469**	**1,058**	**646**	**0**	**0**	**11,258**	**18,115**
* Attributable to:								
Equity holders of the parent company							**11,039**	17,751
Minority interests							**219**	364
							11,258	**18,115**
Basic earnings per share, SEK							**5.44**	8.76
Diluted earnings per share, SEK							**5.44**	8.75

CONSOLIDATED OTHER COMPREHENSIVE INCOME
YEAR

Income for the period	**11,258**	18,115
Exchange differences on translation of foreign operations	**(3,916)**	(980)
Exchange differences on hedge instruments of net investment in foreign operations	**0**	(3)
Accumulated translation difference reversed to income	**(118)**	(30)
Available for sale investments	**(4)**	39
Cash flow hedges	**8**	(144)
Other comprehensive income, net of income taxes	**(4,030)**	(1,118)
Total comprehensive income for the period*	**7,228**	**16,997**
* Attributable to		
Equity holders of the parent company	**7,092**	16,681
Minority interests	**136**	316
	7,228	16,997

CONSOLIDATED BALANCE SHEET

	Industrial operations		Customer Finance		Eliminations		Volvo Group Total	
SEK M	**Dec 31 2012**	Dec 31 2011	**Dec 31 2012**	Dec 31 2011	**Dec 31 2012**	Dec 31 2011	**Dec 31 2012**	Dec 31 2011
Assets								
Non-current assets								
Intangible assets	**40,267**	39,385	**106**	122	**0**	0	**40,373**	39,507
Tangible assets								
Property, plant and equipment	**54,899**	54,446	**105**	94	**0**	0	**55,004**	54,540
Assets under operating leases	**21,263**	16,749	**12,543**	11,525	**(4,784)**	(4,352)	**29,022**	23,922
Financial assets								
Investments in associated companies	**2,045**	684	**0**	0	**0**	0	**2,045**	684
Other shares and participations	**839**	1,187	**6**	3	**0**	0	**845**	1,190
Non-current customer-financing receivables	**600**	579	**47,329**	44,651	**(6,773)**	(4,612)	**41,156**	40,618
Deferred tax assets	**10,406**	12,480	**760**	358	**0**	0	**11,166**	12,838
Prepaid pensions	**2,708**	2,263	**16**	14	**0**	0	**2,724**	2,277
Non-current interest-bearing receivables	**653**	757	**0**	0	**(316)**	(63)	**337**	694
Other non-current receivables	**3,565**	4,500	**127**	50	**(373)**	(235)	**3,319**	4,315
Total non-current assets	**137,245**	**133,030**	**60,992**	**56,817**	**(12,246)**	**(9,262)**	**185,991**	**180,585**
Current assets								
Inventories	**40,057**	43,828	**352**	771	**0**	0	**40,409**	44,599
Current receivables								
Customer-financing receivables	**797**	1,123	**39,946**	38,050	**(910)**	(1,092)	**39,833**	38,081
Tax assets	**1,173**	1,152	**35**	48	**0**	0	**1,208**	1,200
Interest-bearing receivables	**3,038**	1,461	**0**	226	**(464)**	(1,020)	**2,574**	667
Internal funding	**4,612**	2,253	**0**	0	**(4,612)**	(2,253)	**0**	0
Accounts receivable	**27,228**	27,492	**121**	207	**0**	0	**27,349**	27,699
Other receivables	**11,952**	13,438	**2,651**	1,411	**(2,114)**	(1,024)	**12,489**	13,825
Non interest-bearing assets held for sale	**0**	9,344	**0**	0	**0**	0	**0**	9,344
Interest-bearing assets held for sale	**0**	4	**0**	0	**0**	0	**0**	4
Marketable securities	**3,129**	6,838	**1**	24	**0**	0	**3,130**	6,862
Cash and cash equivalents	**24,017**	29,113	**2,116**	1,593	**(374)**	(327)	**25,759**	30,379
Total current assets	**116,003**	**136,046**	**45,222**	**42,330**	**(8,474)**	**(5,717)**	**152,751**	**172,659**
Total assets	**253,248**	**269,076**	**106,214**	**99,147**	**(20,720)**	**(14,979)**	**338,742**	**353,244**
Shareholders' equity and liabilities								
Equity attributable to the equity holders of the parent company	**77,055**	75,582	**8,593**	8,999	**0**	0	**85,648**	84,581
Minority interests	**1,266**	1,100	**0**	0	**0**	0	**1,266**	1,100
Total shareholders' equity	**78,321**	**76,682**	**8,593**	**8,999**	**0**	**0**	**86,914**	**85,681**
Non-current provisions								
Provisions for post-employment benefits	**6,663**	6,635	**34**	30	**0**	0	**6,697**	6,665
Provisions for deferred taxes	**3,149**	4,171	**1,879**	1,465	**0**	0	**5,028**	5,636
Other provisions	**5,588**	5,492	**187**	154	**8**	2	**5,783**	5,648
Non-current liabilities								
Bond loans	**43,092**	38,192	**0**	0	**0**	0	**43,092**	38,192
Other loans	**33,356**	38,848	**11,630**	8,974	**(6,553)**	(57)	**38,433**	47,765
Internal funding	**(33,990)**	(35,453)	**34,298**	33,459	**(308)**	1,994	**0**	0
Other liabilities	**13,828**	12,902	**742**	740	**(3,856)**	(3,195)	**10,714**	10,447
Current provisions	**10,916**	9,438	**50**	92	**10**	1	**10,976**	9,531
Current liabilities								
Loans	**45,760**	38,644	**6,393**	6,741	**(1,836)**	(863)	**50,317**	44,522
Internal funding	**(33,746)**	(24,837)	**38,600**	35,373	**(4,854)**	(10,536)	**0**	0
Non interest-bearing liabilities held for sale	**0**	4,710	**0**	0	**0**	0	**0**	4,710
Interest-bearing liabilities held for sale	**0**	6	**0**	0	**0**	0	**0**	6
Trade payables	**47,205**	56,546	**159**	242	**0**	0	**47,364**	56,788
Tax liabilities	**807**	2,220	**(154)**	171	**0**	0	**653**	2,391
Other liabilities	**32,299**	34,880	**3,803**	2,707	**(3,331)**	(2,325)	**32,771**	35,262
Total shareholders' equity and liabilities	**253,248**	**269,076**	**106,214**	**99,147**	**(20,720)**	**(14,979)**	**338,742**	**353,244**

CONSOLIDATED CASH FLOW STATEMENT
FOURTH QUARTER

SEK bn	Industrial operations 2012	Industrial operations 2011	Customer Finance 2012	Customer Finance 2011	Eliminations 2012	Eliminations 2011	Volvo Group Total 2012	Volvo Group Total 2011
Operating activities								
Operating income (loss)	**0.7**	6.7	**0.4**	0.3	**0.0**	0.0	**1.1**	7.0
Depreciation tangible assets	**1.6**	1.6	**0.0**	0.0	**0.0**	0.0	**1.6**	1.6
Amortization intangible assets	**0.9**	0.8	**0.0**	0.0	**0.0**	0.0	**0.9**	0.7
Depreciation leasing vehicles	**0.9**	0.5	**0.7**	0.6	**0.0**	0.0	**1.6**	1.2
Other non-cash items	**0.2**	(0.2)	**0.2**	0.1	**(0.1)**	0.1	**0.3**	0.0
Total change in working capital whereof	**6.7**	8.2	**(3.7)**	(8.2)	**1.3**	3.2	**4.3**	3.2
Change in accounts receivable	***1.0***	*0.6*	***0.1***	*(0.1)*	***0.1***	*0.0*	***1.2***	*0.5*
Change in customer financing receivables	***0.0***	*(0.1)*	***(3.8)***	*(8.0)*	***1.2***	*3.2*	***(2.6)***	*(4.9)*
Change in inventories	***5.4***	*2.4*	***0.0***	*(0.1)*	***0.0***	*0.1*	***5.4***	*2.3*
Change in trade payables	***0.2***	*4.8*	***(0.1)***	*0.0*	***0.1***	*0.1*	***0.2***	*4.9*
Other changes in working capital	***0.1***	*0.5*	***0.1***	*0.0*	***(0.1)***	*(0.2)*	***0.1***	*0.4*
Interest and similar items received	**0.1**	0.2	**0.0**	0.0	**0.2**	0.1	**0.3**	0.3
Interest and similar items paid	**(0.7)**	(1.3)	**0.0**	0.0	**(0.2)**	0.0	**(0.9)**	(1.3)
Other financial items	**0.0**	(0.1)	**0.0**	0.0	**0.0**	0.0	**0.0**	(0.1)
Income taxes paid	**(0.8)**	(1.0)	**(0.2)**	(0.2)	**0.1**	0.0	**(0.9)**	(1.2)
Cash flow from operating activities	**9.6**	**15.4**	**(2.6)**	**(7.4)**	**1.3**	**3.4**	**8.3**	**11.4**
Investing activities								
Investments in tangible assets	**(3.3)**	(3.2)	**0.0**	0.0	**0.0**	0.0	**(3.3)**	(3.2)
Investments in intangible assets	**(1.5)**	(1.5)	**0.0**	0.0	**0.0**	0.0	**(1.5)**	(1.5)
Investment in leasing vehicles	**(0.6)**	(0.7)	**(2.2)**	(1.3)	**0.0**	0.0	**(2.8)**	(2.0)
Disposals of fixed assets and leasing vehicles	**0.5**	0.7	**0.5**	0.4	**0.0**	(0.1)	**1.0**	1.0
Operating cash flow	**4.7**	**10.7**	**(4.3)**	**(8.3)**	**1.3**	**3.3**	**1.7**	**5.7**
Investments and divestments of shares, net							**0.0**	(0.1)
Acquired and divested operations, net							**4.4**	(0.8)
Interest-bearing receivables incl marketable securites							**(2.0)**	(0.4)
Cash-flow after net investments							**4.1**	**4.4**
Financing activities								
Change in loans, net							**0.1**	3.4
Dividend to AB Volvo shareholders							**0.0**	0.0
Dividend to minority shareholders							**0.0**	0.0
Other							**(0.1)**	0.0
Change in cash and cash equivalents excl. translation differences							**4.1**	**7.8**
Translation difference on cash and cash equivalents							**(0.1)**	0.1
Change in cash and cash equivalents							**4.0**	**7.9**

CONSOLIDATED CASH FLOW STATEMENT
YEAR

	Industrial operations		Customer Finance		Eliminations		Volvo Group Total	
SEK bn	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Operating activities								
Operating income	**16.1**	26.0	**1.5**	0.9	**0.0**	0.0	**17.6**	26.9
Depreciation tangible assets	**5.9**	6.1	**0.0**	0.0	**0.0**	0.0	**5.9**	6.1
Amortization intangible assets	**3.2**	3.2	**0.0**	0.0	**0.0**	0.0	**3.2**	3.2
Depreciation leasing vehicles	**2.9**	2.1	**2.7**	2.5	**0.0**	0.0	**5.6**	4.6
Other non-cash items	**0.8**	0.6	**0.6**	0.6	**0.0**	0.1	**1.4**	1.3
Total change in working capital whereof	**(9.2)**	(4.2)	**(14.6)**	(13.8)	**1.9**	2.9	**(21.9)**	(15.1)
Change in accounts receivable	***(1.2)***	*(3.1)*	***0.1***	*(0.1)*	***0.0***	*0.0*	***(1.1)***	*(3.2)*
Change in customer financing receivables	***0.2***	*(0.2)*	***(14.8)***	*(14.2)*	***1.9***	*3.0*	***(12.7)***	*(11.4)*
Change in inventories	***0.6***	*(7.1)*	***0.3***	*(0.2)*	***0.0***	*0.0*	***0.9***	*(7.3)*
Change in trade payables	***(7.6)***	*9.9*	***(0.1)***	*0.1*	***0.1***	*0.0*	***(7.6)***	*10.0*
Other changes in working capital	***(1.2)***	*(3.7)*	***(0.1)***	*0.6*	***(0.1)***	*(0.1)*	***(1.4)***	*(3.2)*
Interest and similar items received	**0.5**	0.7	**0.0**	0.0	**0.0**	0.0	**0.5**	0.7
Interest and similar items paid	**(2.8)**	(3.3)	**0.0**	0.0	**(0.1)**	0.0	**(2.9)**	(3.3)
Other financial items	**(0.3)**	(0.2)	**0.0**	0.0	**0.0**	0.0	**(0.3)**	(0.2)
Income taxes paid	**(4.7)**	(4.1)	**(0.7)**	(0.4)	**0.1**	0.0	**(5.3)**	(4.5)
Cash flow from operating activities	**12.4**	**26.9**	**(10.5)**	**(10.2)**	**1.9**	**3.0**	**3.8**	**19.7**
Investing activities								
Investments in tangible assets	**(9.3)**	(8.3)	**0.0**	0.0	**0.0**	0.0	**(9.3)**	(8.3)
Investments in intangible assets	**(5.3)**	(4.3)	**0.0**	0.0	**0.0**	0.0	**(5.3)**	(4.3)
Investment in leasing vehicles	**(3.6)**	(1.4)	**(6.5)**	(6.0)	**0.1**	0.0	**(10.0)**	(7.4)
Disposals of fixed assets and leasing vehicles	**0.9**	1.2	**2.2**	2.1	**0.0**	0.0	**3.1**	3.3
Operating cash flow	**(4.9)**	**14.1**	**(14.8)**	**(14.1)**	**2.0**	**3.0**	**(17.7)**	**3.0**
Investments and divestments of shares, net							**(1.2)**	(0.1)
Acquired and divested operations, net							**3.4**	(1.6)
Interest-bearing receivables incl marketable securites							**3.7**	2.6
Cash-flow after net investments							**(11.8)**	**3.9**
Financing activities								
Change in loans, net							**14.1**	8.7
Dividend to AB Volvo shareholders							**(6.1)**	(5.1)
Dividend to minority shareholders							**0.0**	0.0
Other							**0.0**	0.0
Change in cash and cash equivalents excl. translation differences							**(3.8)**	**7.5**
Translation difference on cash and cash equivalents							**(0.8)**	(0.1)
Change in cash and cash equivalents							**(4.6)**	**7.4**

CONSOLIDATED NET FINANCIAL POSITION

	Industrial operations		Volvo Group	
SEK M	**Dec 31 2012**	Dec 31 2011	**Dec 31 2012**	Dec 31 2011
Non-current interest-bearing assets				
Non-current customer-financing receivables	**-**	–	**41,156**	40,618
Non-current interest-bearing receivables	**653**	757	**337**	694
Current interest-bearing assets				
Customer-financing receivables	**-**	–	**39,833**	38,081
Interest-bearing receivables	**3,038**	1,461	**2,574**	667
Internal funding	**4,612**	2,253	**-**	–
Interest-bearing assets held for sale	**0**	4	**0**	4
Marketable securities	**3,129**	6,838	**3,130**	6,862
Cash and cash equivalents	**24,017**	29,113	**25,759**	30,379
Total financial assets	**35,449**	**40,426**	**112,789**	**117,305**
Non-current interest-bearing liabilities				
Bond loans	**(43,092)**	(38,192)	**(43,092)**	(38,192)
Other loans	**(33,356)**	(38,848)	**(38,433)**	(47,765)
Internal funding	**33,990**	35,453	**-**	–
Current interest-bearing liabilities				
Loans	**(45,760)**	(38,644)	**(50,317)**	(44,522)
Internal funding	**33,746**	24,837	**-**	–
Interest-bearing liabilities held for sale	**0**	(6)	**0**	(6)
Total financial liabilities	**(54,472)**	**(55,400)**	**(131,842)**	**(130,485)**
Net financial position excl post-employment benefits	**(19,023)**	**(14,974)**	**(19,053)**	**(13,180)**
Provisions for post-employment benefits, net	**(3,955)**	(4,372)	**(3,973)**	(4,388)
Net financial position incl post-employment benefits	**(22,978)**	**(19,346)**	**(23,026)**	**(17,568)**

CHANGES IN NET FINANCIAL POSITION, INDUSTRIAL OPERATIONS

SEK bn	Fourth quarter 2012	Year 2012
Beginning of period	**(34.9)**	**(19.3)**
Cash flow from operating activities	9.6	12.4
Investments in fixed assets	(5.4)	(18.2)
Disposals	0.5	0.9
Operating cash-flow	**4.7**	**(4.9)**
Investments and divestments of shares, net	0.0	(1.2)
Acquired and divested operations, net	4.8	3.7
Capital injections to/from Customer Finance operations	0.0	0.9
Currency effect	2.3	3.6
Dividend paid to minority shareholders	0.0	0.0
Dividend paid to AB Volvo shareholders	0.0	(6.1)
Other changes	0.1	0.3
Total change	**11.9**	**(3.7)**
Net financial position at end of period	**(23.0)**	**(23.0)**

CONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY

	Year	
SEK bn	**2012**	2011
Total equity at end of previous period	**85.7**	**74.1**
Shareholders' equity attributable to equity holders of the parent company at beginning of period	**84.6**	**73.1**
Income for the period	**11.0**	17.8
Other comprehensive income	**(4.0)**	(1.2)
Total comprehensive income	**7.0**	**16.6**
Dividend to AB Volvo's shareholders	**(6.1)**	(5.1)
Share-based payments	**0.1**	0.1
Transactions with minority interests	**0.0**	(0.1)
Other changes	**0.0**	0.0
Shareholders' equity attributable to equity holders of the parent company at end of period	**85.6**	**84.6**
Minority interests at beginning of period	**1.1**	**1.0**
Income for the period	**0.2**	0.4
Other comprehensive income	**0.0**	0.1
Total comprehensive income	**0.2**	**0.5**
Dividend	**0.0**	0.0
Minority regarding acquisitions and divestments	**0.0**	(0.4)
Other changes	**0.0**	0.0
Minority interests at end of period	**1.3**	**1.1**
Total equity at end of period	**86.9**	**85.7**

KEY RATIOS

Industrial operations	Year 2012	Year 2011
Gross margin, %	**21.9**	23.2
Research and development expenses in % of net sales	**5.0**	4.4
Selling expenses in % of net sales	**9.0**	8.3
Administrative expenses in % of net sales	**1.9**	1.6
Operating margin, %	**5.4**	8.5
	Dec 31 2012	Dec 31 2011
Return on operating capital, %, 12 months rolling values	**16.5**	28.8
Net financial position at end of period, SEK billion	**(23.0)**	(19.3)
Net financial position in % of shareholders' equity at end of period	**(29.3)**	(25.2)
Shareholders' equity as percentage of total assets, end of period	**30.9**	28.5

Customer Finance	Dec 31 2012	Dec 31 2011
Return on shareholders' equity, %, 12 months rolling values	**12.5**	7.3
Equity ratio at end of period, %	**8.1**	9.1
Asset growth, % from preceding year end until end of period	**7.1**	11.1

Volvo Group	Year 2012	Year 2011
Gross margin, %	**22.6**	23.7
Research and development expenses in % of net sales	**4.9**	4.3
Selling expenses in % of net sales	**9.3**	8.6
Administrative expenses in % of net sales	**1.9**	1.5
Operating margin, %	**5.8**	8.7
	Dec 31 2012	Dec 31 2011
Basic earnings per share, SEK, 12 months rolling values	**5.44**	8.76
Shareholders' equity, excluding minority interests, per share, at end of period, SEK	**42.2**	41.7
Return on shareholders' equity, %, 12 months rolling values	**12.9**	23.1
Shareholders' equity as percentage of total assets, end of period	**25.7**	24.3

SHARE DATA

	Year 2012	Year 2011
Basic earnings per share, SEK	**5.44**	8.76
Diluted earnings per share, SEK	**5.44**	8.75
Number of shares outstanding, million	**2,028**	2,027
Average number of shares during period, million	**2,028**	2,027
Average diluted number of shares during period, million	**2,030**	2,028
Number of company shares, held by AB Volvo, million	**101**	101
Average number of company shares, held by AB Volvo, million	**101**	101

QUARTERLY FIGURES

SEK M unless otherwise stated **Industrial operations**	4/2011	1/2012	2/2012	3/2012	**4/2012**
Net sales	**84,788**	**77,034**	**81,938**	**67,143**	**69,916**
Cost of sales	(65,830)	(59,414)	(62,567)	(53,089)	**(56,146)**
Gross income	**18,958**	**17,620**	**19,371**	**14,054**	**13,770**
Research and development expenses	(3,390)	(3,708)	(3,923)	(3,316)	**(3,847)**
Selling expenses	(6,888)	(6,489)	(6,843)	(6,193)	**(7,057)**
Administrative expenses	(1,364)	(1,232)	(1,511)	(1,330)	**(1,566)**
Other operating income and expenses	(369)	(292)	(114)	(687)	**(508)**
Income (loss) from investments in associated companies	(11)	8	(7)	(7)	**(17)**
Income from other investments	(248)	0	(25)	22	**(43)**
Operating income Industrial operations	**6,688**	**5,906**	**6,949**	**2,544**	**731**
Customer Finance					
Finance and lease income	2,321	2,367	2,487	2,421	**2,507**
Finance and lease expenses	(1,475)	(1,484)	(1,521)	(1,501)	**(1,530)**
Gross income	**846**	**883**	**967**	**920**	**977**
Selling and administrative expenses	(429)	(419)	(446)	(422)	**(408)**
Credit provision expenses	(169)	(127)	(194)	(135)	**(184)**
Other operating income and expenses	18	(5)	60	19	**6**
Operating income Customer Finance	**267**	**333**	**386**	**383**	**390**
Volvo Group					
Operating income	**6,955**	**6,239**	**7,335**	**2,927**	**1,121**
Interest income and similar credits	164	142	51	22	**295**
Interest expense and similar charges	(686)	(695)	(586)	(487)	**(708)**
Other financial income and expenses	(43)	(84)	(36)	(133)	**(48)**
Income after financial items	**6,390**	**5,602**	**6,764**	**2,329**	**660**
Income taxes	(1,592)	(1,510)	(1,820)	(947)	**181**
Income for the period*	**4,798**	**4,092**	**4,943**	**1,382**	**841**
* Attributable to					
Equity holders of AB Volvo	4,722	4,013	4,862	1,370	**793**
Minority interests	76	79	81	12	**48**
	4,798	**4,092**	**4,943**	**1,382**	**841**
Key operating ratios, Industrial operations					
Gross margin, %	22.4	22.9	23.6	20.9	**19.7**
Research and development expenses in % of net sales	4.0	4.8	4.8	4.9	**5.5**
Selling expenses in % of net sales	8.1	8.4	8.4	9.2	**10.1**
Administrative expenses in % of net sales	1.6	1.6	1.8	2.0	**2.2**
Operating margin, %	7.9	7.7	8.5	3.8	**1.0**
Depreciation and amortization, Volvo Group					
Product and Software development, amortization	659	653	639	712	**746**
Other intangible assets, amortization	119	103	100	97	**142**
Tangible assets, depreciation	2,821	2,711	2,719	2,848	**3,287**
Total	**3,599**	**3,466**	**3,458**	**3,657**	**4,175**
Of which					
Industrial operations	2,915	2,811	2,764	2,954	**3,458**
Customer Finance	683	656	693	703	**716**
Total	**3,599**	**3,466**	**3,458**	**3,657**	**4,175**
Research and development expenses					
Capitalization	1,157	996	1,128	1,224	**1,304**
Amortization	(570)	(586)	(583)	(579)	**(641)**
Net capitalization of research and development expenses	**587**	**410**	**545**	**645**	**664**

QUARTERLY FIGURES

Share data	4/2011	1/2012	2/2012	3/2012	**4/2012**
Earnings per share, SEK*	2.33	1.98	2.40	0.68	**0.39**
Number of shares outstanding, million	2,027	2,028	2,028	2,028	**2,028**
Average number of shares during period, million	2,027	2,027	2,027	2,027	**2,028**
Number of company shares, held by AB Volvo, million	101	101	101	101	**101**

* Earnings per share are calculated as Income for the period (excl minority interests) divided by the weighted average number of shares outstanding during the period.

Net sales SEK M	4/2011	1/2012	2/2012	3/2012	**4/2012**
Trucks	56,739	48,911	51,331	44,309	**47,732**
Construction Equipment	16,354	17,999	19,715	13,272	**12,572**
Buses	6,571	5,224	5,189	4,256	**5,626**
Volvo Penta	1,839	1,933	2,224	1,720	**1,754**
Volvo Aero	1,834	1,682	1,945	1,592	**-**
Other and eliminations	1,451	1,284	1,535	1,994	**2,232**
Industrial operations	**84,788**	**77,034**	**81,938**	**67,143**	**69,916**
Customer Finance	2,321	2,367	2,487	2,422	**2,507**
Reclassifications and eliminations	(602)	(563)	(522)	(452)	**(630)**
Volvo Group	**86,507**	**78,838**	**83,904**	**69,111**	**71,793**

Operating income SEK M	4/2011	1/2012	2/2012	3/2012	**4/2012**
Trucks	4,866	3,521	4,120	1,695	**880**
Construction Equipment	1,674	2,131	2,629	650	**363**
Buses	308	62	176	(58)	**(129)**
Volvo Penta	102	112	268	147	**14**
Volvo Aero	155	235	305	227	**-**
Group functions and other	(417)	(157)	(549)	(116)	**(396)**
Industrial operations	**6,688**	**5,906**	**6,949**	**2,544**	**731**
Customer Finance	267	333	386	383	**390**
Volvo Group	**6,955**	**6,239**	**7,335**	**2,927**	**1,121**

Operating margin %	4/2011	1/2012	2/2012	3/2012	**4/2012**
Trucks	8.6	7.2	8.0	3.8	**1.8**
Construction Equipment	10.2	11.8	13.3	4.9	**2.9**
Buses	4.7	1.2	3.4	(1.4)	**(2.3)**
Volvo Penta	5.5	5.8	12.1	8.5	**0.8**
Volvo Aero	8.5	14.0	15.7	14.3	**-**
Industrial operations	**7.9**	**7.7**	**8.5**	**3.8**	**1.0**
Volvo Group	**8.0**	**7.9**	**8.7**	**4.2**	**1.6**

ACCOUNTING PRINCIPLES

The Volvo Group applies International Financial Reporting Standards (IFRS) as endorsed by the EU. The accounting principles adopted are consistent with those described in the 2011 Annual Report for the Volvo Group. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act.

The parent company applies the Annual Accounts Act and RFR 2 Reporting for legal entities. Application of RFR 2 entails that in interim reporting for legal entities, the parent company is to apply all IFRSs and interpretations approved by the EU as far as possible within the framework of the Swedish Annual Accounts Act, the Pension Obligations Vesting Act, and taking into account the connection between accounting and taxation.

New accounting principles in 2012

None of the new or amended standards and interpretations, effective from January 1, 2012 have had any significant impact on the Volvo Group's financial statements.

The Swedish Financial Reporting Board has published an amendment in RFR 2 regarding group contribution which is effective for the annual period beginning January 1, 2013. This amendment has been early adopted by the parent company in 2012. AB Volvo applies the alternative rule and group contributions are recognized as allocations in the income statement. Previously, group contributions were recognized as income from investments in group companies. The comparative numbers in the 2011 income statement for the parent company have been adjusted.

Other amendments in RFR 2 effective from January 1, 2012 have not had any significant impact on the parent company's financial statements.

New accounting principles in 2013

IAS 19 Employee benefits

As from January 1, 2013 the amendment to IAS 19 Employee benefits is effective. The revised standard is applied retrospectively, and hence the opening balance for 2012 is adjusted in accordance with the revised IAS 19, and the reported numbers for 2012 are restated accordingly for comparison purposes. The restated numbers will be presented in the 2012 Annual Report for the Volvo Group.

The amended standard removes the option to use the corridor method which is used by the Volvo Group up to and including the financial year 2012. According to the revised IAS 19, discount rate is used when calculating the net interest income or expense on the net defined benefit liability (asset), hence the expected return is no longer used. All changes in the net defined liability or asset is recognized when they occur. Service cost and net interest is recognized in profit and loss, while remeasurements such as actuarial gains and losses are recognized in other comprehensive income.

At year-end 2012 IAS 19 revised has the following effects on the reported numbers. The recognized pension liability increases by SEK 14 billion, as the unrecognized part of the pension liability is no longer reported off balance. An additional SEK 1 billion for special payroll tax is recognized as pension liability and the total effect is hence SEK 15 billion. Shareholders' equity decreases by SEK 10 billion net of deferred taxes. In 2012 amortisation of actuarial gains and losses has negatively impacted operating income by SEK 0.7 billion. Since the corridor method cannot be used the amortisation will cease. The effect on the Group's net interest expense of replacing the expected return by the discount rate in the calculation of the return on plan assets amounts to negative SEK 0.5 billion. See table below for changes in net debt, net debt ratio and shareholder's equity as a percentage of total assets in accordance with IAS 19 revised compared to IAS 19.

IFRS 10, IFRS 11 and IFRS 12

Volvo Group applies IFRS 10 Consolidated Financial Statement, IFRS 11 Joint Arrangements and IFRS 12 Disclosures of Interests in Other entities as from January 1, 2013. Comparative periods 2012 are restated. The change in accounting principle for joint ventures, from the proportional method to the equity method, effect net sales 2012 negative by 1.4%. A complete restate will be presented in the 2012 Annual Report.

Other new or amended standards effective from January 1, 2013 are considered to have less impact on the Volvo Group's financial statements. These will be disclosed in the 2012 Annual Report for the Volvo Group.

Improved presentation of the interest net

In the fourth quarter Volvo changed elimination methodology relating to financing transactions between the segments, Industrial operations and Customer Finance to better reflect the Group's interest expenses respectively interest income. The change is made year-to-date 2012 and amounts to SEK 291 M, increasing the interest income and decreasing the interest expense. The interest net is not affected.

Effect from IAS 19 Employee benefits, Industrial operations

SEK bn	Dec 31 2012 IAS 19	Dec 31 2012 adjusted IAS 19 revised	Adjustment
Total shareholders' equity	78	68	(10)
Total assets and liabilities	253	258	5
Provisions for post-employment benefits, net	(4)	(19)	(15)
Net debt excl post-employment benefits	(19)	(19)	–
Net debt incl post-employment benefits	(23)	(38)	(15)
Net debt ratio, excl post-employment benefits	(24.3)%	(27.9)%	(3.6)%
Net debt ratio, incl post-employment benefits	(29.3)%	(55.5)%	(26.1)%
Shareholders' equity as percentage of total assets	30.9%	26.4%	(4.5)%

VOLVO REORGANIZATION
– IMPACT ON REPORTING STRUCTURE

New organization

As of January 1, 2012, the Volvo Group introduced a new functional organization which better utilizes the global potential of the Group's brands and products and a new financial framework to reflect the changes in the organization. The re-organization and the new framework impacts to some extent how revenues and expenses are reported in the income statement and between the different reportable segments.

In the new organization from January 1, 2012, the Trucks operations have been structured according to a functional approach, whereby the entire Trucks business is managed as one single business area consisting of five different functional organizations: Group Trucks Sales & Marketing EMEA (Europe, Middle East, Africa), Group Trucks Sales & Marketing Americas, Group Trucks Sales & Marketing APAC (Asia Pacific), Group Trucks Operations and Group Trucks Technology. In addition, a separate unit for Truck Joint Ventures is included in business area Trucks. Business areas Buses, Construction Equipment, Volvo Penta and Customer Finance remain as separate business areas. Governmental Sales and Volvo Rents are treated as separate business areas under the new organization. The Volvo Group is thereby organized in seven business areas after the divestment of Volvo Aero in October 2012. As from October 1, 2012 the separate unit Truck Joint Ventures is included in Group Truck Sales & Marketing APAC. As a result of this change, Group Truck Sales & Marketing APAC is renamed Group Trucks Sales & Marketing and JV's APAC.

Former business units Volvo Powertrain, Volvo 3P, Volvo Logistics and Volvo Parts are included in business area Trucks from 2012. The costs of these operations are shared between the different business areas based on utilization according to the principles of the new financial framework.

As from January 1, 2012 Volvo IT, Group Business Services and Volvo Real Estate are treated as business support functions and costs of operations are shared by the business areas based on utilization according to the principles of the new financial framework. As from January 1, 2013, Volvo Real Estate is included in Group Business Services.

Impact on segment reporting

Under the prior organization, the Trucks operations were organized in four business areas, which were aggregated to one reportable segment for Trucks. Under the new organization, the consolidation of the four truck areas into one Trucks business area is further emphasizing the utilization of resources between the different brands to optimize the overall global potential for the Trucks business. Therefore, the overall Truck business is considered one single operating segment under the new organization. The Volvo Group will thus continue to be reported in the six segments Trucks, Construction Equipment, Buses, Volvo Penta, Customer Finance and Group functions and other. The reported segment information is based on the information used internally by the chief operating decision maker, i.e. the Volvo Group CEO.

The heading Group functions and other contains the cost of corporate functions, external business related to the business support functions and the operations within business areas Volvo Rents and Governmental Sales.

Impact on goodwill impairment test

The Trucks segment is considered one single cash generating unit (CGU) under the new organization. Goodwill related to the area Trucks is therefore evaluated based on the cash generation capacity of the overall Trucks segment from 2012.

Restatement of financial reporting for 2011

The implementation of the functional organization has resulted in a reallocation of responsibilities within the Group. As a consequence, certain cost items have been redefined from a functional perspective, causing a shift between the lines in the income statement of the Volvo Group as well as the income statement of the Industrial Operations. In addition, as a result of the reorganization as well as the new financial framework, certain sales and cost items are reported differently from a segment reporting perspective from 2012. To facilitate comparability between the years, 2011 income statement and segment reporting data has been restated. A detailed description of effects on income statements and segment reporting data because of the restatement is enclosed in the first quarterly report 2012.

RISKS AND UNCERTAINTIES

All business operations involve risk – managed risk-taking is a condition of maintaining a sustained favorable profitability. Risk may be due to events in the world and can affect a given industry or market. Risk can be specific to a single company. Volvo works continuously to identify, measure and manage risk, and in some cases Volvo can influence the likelihood that a risk-related event will occur. In cases in which such events are beyond Volvo's control, the aim is to minimize the consequences.

The risks to which the Volvo Group are exposed are classified into three main categories:

External-related risks – such as the cyclical nature of the commercial vehicles business, intense competition, changes in prices for commercial vehicles and government regulations;

Financial risks – such as currency fluctuations, interest levels fluctuations, valuations of shares or similar instruments, credit risk and liquidity risk and;

Operational risks – such as market reception of new products, reliance on suppliers, protection and maintenance of intangible assets, complaints and legal actions by customers and other third parties and risk related to human capital. For a more elaborated account for these risks, please refer to the Risk Management section on pages 69-70 in the 2011 Annual Report for the Volvo Group. The Annual Report is available at www.volvogroup.com.

Risk updates

Short-term risks, when applicable, are also described in the respective report per business area of this report.

Uncertainty regarding customers' access to the financing of products might have a negative impact on demand.

Due to slowdown in the economy and the automotive sector Volvo sees increased supplier risks where some suppliers are under financial pressure. Consequences thereof could be increased cost for Volvo or disruptions in production.

Volvo verifies annually, or more frequently if necessary, the goodwill value of its business areas and other intangible assets for possible impairment. The size of the overvalue differs between the business areas and they are, to a varying degree, sensitive to changes in the business environment, this is the case for Rents, included in segment Group functions and Other. Instability in the business recovery and volatility in interest and currency rates may lead to indications of impairment.

The reported amounts for contingent liabilities reflect a part of Volvo's risk exposure. Total contingent liabilities as of December 31, 2012, amounted to SEK 17,8 billion, an increase of SEK 0.6 billion compared to December 31, 2011. A major part of the total contingent liabilities is related to credit guarantees issued as a result of sales in emerging markets.

An American court (The United District Court of the District of Columbia), on April 13, 2012 handed down a decision in a dispute between Volvo Powertrain and the U.S. Environmental Protection Agency (EPA) regarding whether Volvo Penta's non-road engines sold in 2005 were subject to an agreement between EPA and Volvo Powertrain whereby the 2006 non-road emission standards were pulled-ahead to January 1, 2005. The Court found in favor of EPA and ordered Volvo Powertrain to pay penalties and interest of approximately USD 72 M. Volvo Powertrain has appealed the decision. As of December 31, an amount of SEK 65 M has been set as a provision and SEK 404 M has been retained as a contingent liability.

Volvo Group is subject to investigations by competition authorities. Volvo Group cooperates fully with the respective authority.

In September 2010 Volvo Trucks' and Renault Trucks' UK subsidiaries, together with a number of other international truck companies, became subject of an investigation initiated by the Office of Fair Trading (OFT), the British competition authority. In June 2012, OFT decided to close its investigation on the grounds that it considers the European Commission to be best placed to act in the matter. The OFT has reserved its right to reopen the investigation.

In January 2011, the Volvo Group and a number of other companies in the truck industry became part of an investigation by the European Commission regarding a possible violation of EU antitrust rules.

In April 2011, the Volvo Group's truck business in Korea and a number of other truck companies became subject of an investigation by the Korean Fair Trade Commission.

Given the nature of the ongoing investigations initiated by competition authorities, the Volvo Group cannot exclude that they may affect the Group's result and cash flow with an amount that may be material. However, as regards the investigation initiated in Europe, it is too early to assess whether and when such effect may occur and hence if and when it could be accounted for. The Volvo Group has therefore not reported any contingent liability or any provision for the investigation initiated in Europe. Concerning the investigation initiated in Korea a contingent liability has however been recognized.

In May 2011 Volvo Penta became part of an investigation by the European Commission regarding a possible violation of EU antitrust rules. In June 2012, the European Commission closed the investigation without further actions.

CORPORATE ACQUISITIONS AND DIVESTMENTS

At the end of the fourth quarter there are no assets and liabilities held for sale.

In October, AB Volvo finalized the sale of Volvo Aero to the global engineering company, GKN, for the equivalent of SEK 6.9 billion on a debt-free basis. The transaction was finalized after receiving approval from the appropriate authorities. The sale generated a positive effect on operating income of SEK 254 M in the "Group functions and other" segment in the fourth quarter, net after reversed depreciations. The total capital gain amount to SEK 568 M, recognized in the income statement as Other operating income and expense at the same time as reversal of depreciation of SEK neg 314 M is recognized as Cost of sales. The reversed depreciation has previously been recognized as a positive adjustment as a consequence of IFRS 5, Asset Held for Sale, rules saying that depreciation should cease for property recognized as asset held for sale. Due to the sale, financial net debt is reduced by SEK 5.5 billion in the fourth quarter. The adjusted purchase price is expected to be paid during 2013.

As previously reported, AB Volvo increased its shareholding in Deutz AG from 6.7% to just over 25% in September 2012. The purchase price amounted to a total of EUR 130 million. Total acquisition value for 30,246,582 shares amounts to SEK 1,359 M. Volvo accounts for Deutz AG as an associated company in accordance with the equity method as from September 12, 2012. Income from shares in Deutz is included in the consolidated financial statements with a time lag of one quarter, hence it is included for the first time in the fourth quarter 2012. The impact on the Volvo Group is however not material. The acquisition analysis was completed in the fourth quarter.

AB Volvo's share of Deutz' quarterly income is impacted with customary accounting adjustments for valuation and accounting principles. The transaction is not expected to have any material impact on the Volvo Group's earnings or financial position.

During the fourth quarter the acquisition of 100% of the French automotive manufacturer Panhard was finalized. Panhard was a private company specialized in manufacturing of light transport vehicles adapted for defense operations. Panhard is included in the Volvo Group's governmental sales business area. The purchase price amounted to EUR 62.5 million and goodwill to EUR 37.8 million while the net debt amounted to EUR 12.2 million. The acquisition has not had any significant impact on the Volvo Group's earnings and financial position.

During 2012 Volvo has expanded the ownership in construction equipment rental operations through several minor acquisitions of assets and liabilities. These acquisitions have increased assets under operating lease of the Volvo Group by SEK 472 M and added SEK 559 M to the Volvo Group goodwill. The impact on net debt of Industrial operations is SEK 1,097 M, whereof assumed liabilities in the acquisitions are SEK 97 M. Of the assumed liabilities, SEK 93 M are Group-internal liabilities to the segment Customer Finance. The impact on the Group's cash flow from these acquisitions is SEK 1,000 M. Other than the above, the acquisitions have not had any significant impact on the Volvo Group.

See also Important events on page 5 for information about the agreement signed with the Chinese Vehicle Manufacturer Dongfeng Motor Group Company Limited (DFG) to acquire 45% of a new subsidiary of DFG, Dongfeng Commercial Vehicles (DFCV), which will include the major part of DFG's medium- and heavy-duty commercial vehicles business.

Volvo has not made any other acquisitions or divestments during the fourth quarter that have had a significant impact on the Volvo Group.

EXTENDED CURRENCY DISCLOSURES

Currency effect on operating income Industrial operations	Compared to fourth quarter 2011			Compared to third quarter 2012		
SEK M	Fourth quarter 2012	Fourth quarter 2011	**Change**	Fourth quarter 2012	Third quarter 2012	**Change**
Net flows in foreign currency			**(63)**			**(59)**
Realized gains and losses on hedging contracts	148	(141)	**289**	148	(50)	**198**
Unrealized gains and losses on receivables and liabilities in foreign currency	16	237	**(221)**	16	(63)	**79**
Unrealized gains and losses on hedging contracts	(48)	108	**(156)**	(48)	254	**(302)**
whereof:						
Business Areas	*29*	*71*	***(42)***	*29*	*105*	***(76)***
Group functions and other	*(77)*	*37*	***(114)***	*(77)*	*149*	***(226)***
Translation effect on operating income in foreign subsidiaries			**(24)**			**(14)**
Total currency effect on operating income Industrial operations			**(175)**			**(98)**
whereof:						
Business Areas			***(78)***			***71***
Group functions and other			***(97)***			***(169)***

The currency effect from Volvo Aero has been excluded in the third quarter 2012 and the fourth quarter 2011.

Hedging of commercial currency flows

Volvo only hedges firm flows whereof the major part is realized within six months. Hedge accounting is not applied and unrealized gains and losses from fluctuations in the fair values of the contracts are reported in the income statement.

Change in presentation of financial instruments related to hedging

As from January 1, 2013 there will be a change of the presentation in the income statement of financial instruments related to hedging of commercial flows, from Operating income to Other financial income and expenses. Financial instruments related to hedging of commercial flows will be presented in Other financial income and expenses to be able to enhance the possibility to net all internal flows before entering into external hedging contracts. The restated numbers will be presented in the 2012 Annual Report for the Volvo Group.

Applicable currency rates	Quarterly exchange rates		Close rates	
	Fourth quarter 2012	Fourth quarter 2011	Dec 2012	Dec 2011
BRL	3.23760	3.75026	3.18850	3.71090
CNY	1.06640	1.06146	1.04560	1.09980
EUR	8.63560	9.10319	8.62585	8.95395
JPY	0.08246	0.08734	0.07569	0.08924
USD	6.66043	6.75017	6.51685	6.92465

NEW TAX RATE IN SWEDEN

In November 2012, the Swedish Parliament decided to adopt the Swedish Government's proposal to reduce income tax from 26.3 % to 22 %. The new rules are effective as from January 1, 2013. Deferred tax assets and deferred tax liabilities as of December 31, 2012 are recognized based on tax rates that are decided as per closing date, i.e. 22 %. The adjustment of deferred taxes is recognized in the income statement (Income taxes), except for the part that refers to items that previously have been recognized in equity. This impacted income taxes in the income statement positively by SEK 213 M in the fourth quarter.

RELATED-PARTY TRANSACTIONS

Sales to associated companies amounted to SEK 405 M (341) and purchases from associated companies amounted to SEK 668 M (14) during the fourth quarter of 2012. As of December 31, 2012, receivables from associated companies amounted to SEK 242 M (186) and liabilities to associated companies to SEK 632 M (129). The increase in purchases and liabilities from associated companies is explained by Deutz AG, which is an associated company from September 2012.

PARENT COMPANY

Income Statement	Fourth quarter		Year	
SEK M	**2012**	2011	**2012**	2011
Net sales[1)]	**203**	**144**	**670**	**721**
Cost of sales[1)]	**(203)**	(144)	**(670)**	(721)
Gross income	**0**	**0**	**0**	**0**
Operating expenses[1)]	**(231)**	(336)	**(978)**	(1,026)
Income from investments in group companies	**3,158**	82	**3,151**	1,658
Income from investments in associated companies	**(20)**	152	**4**	130
Income from other investments	**4**	–	**9**	4
Operating income (loss)	**2,911**	**(102)**	**2,186**	**766**
Interest income and expenses	**(278)**	(428)	**(1,509)**	(1,677)
Other finacial income and expenses	**(54)**	(20)	**(112)**	(96)
Income after financial items	**2,579**	**(550)**	**565**	**(1,007)**
Allocations	**5,628**	7,085	**5,628**	7,085
Income taxes	**(1,817)**	(1,674)	**(1,092)**	(597)
Income for the period	**6,390**	**4,861**	**5,101**	**5,481**

1 Of net sales in the fourth quarter, SEK 176 M (110) pertained to Group companies, while purchases from Group companies amounted to SEK 115 M (195).

Other comprehensive income				
Income for the period	**6,390**	**4,861**	**5,101**	**5,481**
Available-for-sale investments	**-**	(17)	**(34)**	(159)
Other comprehensive income, net of income taxes	**-**	**(17)**	**(34)**	**(159)**
Total comprehensive income for the period	**6,390**	**4,844**	**5,067**	**5,322**

Balance Sheet SEK M	Dec 31 2012	Dec 31 2011
Assets		
Non-current assets		
Intangible assets	**52**	88
Tangible assets	**74**	80
Financial assets		
Shares and participations in Group companies	**56,465**	59,460
Receivables from Group companies	**83**	38
Investments in associated companies	**3,741**	2,401
Other shares and participations	**248**	552
Deferred tax assets	**1,964**	3,060
Total non-current assets	**62,627**	**65,679**
Current assets		
Short-term receivables from Group companies	**12,406**	10,843
Other short-term receivables	**1,078**	501
Cash and bank accounts	**0**	0
Total current assets	**13,484**	**11,344**
Total assets	**76,111**	**77,023**
Shareholders' equity and liabilities		
Shareholders' equity and liabilities		
Restricted equity	**9,891**	9,891
Unrestricted equity	**31,346**	32,268
Untaxed reserves	**4**	4
Provisions	**175**	183
Non-current liabilities[1)]	**7**	18
Current liabilites[2)]	**34,688**	34,659
Total shareholders' equity and liabilities	**76,111**	**77,023**

1 Of which SEK 7 M (7) pertains to Group companies.
2 Of which SEK 34,164 M (34,260) pertains to Group companies.

Income from investments in group companies in the fourth quarter includes gain on sales of shares in Volvo Aero AB to the British company GKN, a write-down of shares in Volvo Italia SpA and dividends.

Allocations includes group contributions. According to new accounting principles 2012, group contribution is recognized as Allocations. Previously group contribution was recognized as Income from investments in group companies and the comparative numbers for 2011 have therefore been adjusted by SEK 7,085 M.

In September AB Volvo acquired 22,117,693 additional shares in Deutz AG amounting to SEK 1,107 M, which means that the total shareholding amounts to just over 25 percent. See page 29, Corporate acquisitions and divestments for further information.

Investments in tangible assets amounted to SEK 74 M (65).

Financial net debt amounted to SEK 27,058 M at the end of the fourth quarter (30,665).

Events after the balance sheet date

See Important events on page 5 of this report. No other significant events have occurred after the end of the fourth quarter 2012 that are expected to have a substantial effect on the Volvo Group.

Proposed ordinary dividend of SEK 3.00 per share

For the full-year 2012, the Board proposes a dividend of SEK 3.00 per share, compared to SEK 3.00 per share the preceding year.

Göteborg, February 6, 2013
AB Volvo (publ)

The Board of Directors

This report has not been reviewed by AB Volvo's auditors.

DELIVERIES

Delivered Trucks	Fourth quarter			Year		
	2012	2011	Change, %	**2012**	2011	Change, %
Trucks						
Europe	**23,660**	26,332	(10)	**84,355**	95,113	(11)
Western Europe	**17,748**	20,213	(12)	**63,730**	75,728	(16)
Eastern Europe	**5,912**	6,119	(3)	**20,625**	19,385	6
North America	**10,477**	13,673	(23)	**47,806**	42,613	12
South America	**6,493**	7,843	(17)	**23,443**	29,274	(20)
Asia	**13,819**	16,606	(17)	**51,514**	56,165	(8)
Other markets	**4,177**	4,175	0	**16,899**	15,226	11
Total Trucks	**58,626**	**68,629**	**(15)**	**224,017**	**238,391**	**(6)**
Light duty (< 7 tons)	**4,647**	5,384	(14)	**18,284**	23,982	(24)
Medium duty (7–16 tons)	**8,215**	9,884	(17)	**32,935**	34,631	(5)
Heavy duty (>16 tons)	**45,764**	53,361	(14)	**172,798**	179,779	(4)
Total Trucks	**58,626**	**68,629**	**(15)**	**224,017**	**238,391**	**(6)**
Mack Trucks						
Europe	**19**	55	(65)	**45**	55	(18)
Western Europe	**-**	–	–	**-**	–	–
Eastern Europe	**19**	55	(65)	**45**	55	(18)
North America	**3,575**	5,233	(32)	**20,973**	16,113	30
South America	**946**	765	24	**2,886**	2,872	0
Asia	**-**	6	(100)	**30**	8	275
Other markets	**285**	414	(31)	**1,143**	1,230	(7)
Total Mack Trucks	**4,825**	**6,473**	**(25)**	**25,077**	**20,278**	**24**
Light duty (< 7 tons)	**-**	–	–	**-**	–	–
Medium duty (7–16 tons)	**-**	–	–	**-**	–	–
Heavy duty (>16 tons)	**4,825**	6,473	(25)	**25,077**	20,278	24
Total Mack Trucks	**4,825**	**6,473**	**(25)**	**25,077**	**20,278**	**24**
Renault Trucks						
Europe	**11,430**	12,837	(11)	**41,181**	48,970	(16)
Western Europe	**10,086**	11,308	(11)	**36,162**	43,849	(18)
Eastern Europe	**1,344**	1,529	(12)	**5,019**	5,121	(2)
North America	**74**	78	(5)	**139**	182	(24)
South America	**414**	202	105	**1,266**	930	36
Asia	**1,225**	1,433	(15)	**4,076**	4,678	(13)
Other markets	**1,570**	1,419	11	**5,510**	4,562	21
Total Renault Trucks	**14,713**	**15,969**	**(8)**	**52,172**	**59,322**	**(12)**
Light duty (< 7 tons)	**3,543**	4,279	(17)	**13,941**	18,632	(25)
Medium duty (7–16 tons)	**2,229**	2,328	(4)	**7,460**	7,979	(7)
Heavy duty (>16 tons)	**8,941**	9,362	(4)	**30,771**	32,711	(6)
Total Renault Trucks	**14,713**	**15,969**	**(8)**	**52,172**	**59,322**	**(12)**

AB Volvo (publ) discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 7.20 a.m. on February 6, 2013. This report contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance.

Although the Company believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward looking statements as a result of, among other factors, (i) changes in economic, market and competitive conditions, (ii) success of business and operating initiatives, (iii) changes in the regulatory environment and other government actions, (iv) fluctuations in exchange rates and (v) business risk management.

This report does not imply that the company has undertaken to revise these forward- looking statements, beyond what is required under the company's registration contract with the OMX Nordic Exchange Stockholm if and when circumstances arise that will lead to changes compared to the date when these statements were provided.

	Fourth quarter			Year		
	2012	2011	Change, %	**2012**	2011	Change, %
Volvo Trucks						
Europe	**12,211**	13,440	(9)	**43,129**	46,088	(6)
Western Europe	**7,662**	8,905	(14)	**27,568**	31,879	(14)
Eastern Europe	**4,549**	4,535	0	**15,561**	14,209	10
North America	**6,725**	8,150	(17)	**26,222**	25,229	4
South America	**5,092**	6,827	(25)	**19,158**	25,213	(24)
Asia	**3,863**	4,665	(17)	**11,636**	14,224	(18)
Other markets	**1,404**	1,259	12	**5,743**	4,592	25
Total Volvo Trucks	**29,295**	**34,341**	**(15)**	**105,888**	**115,346**	**(8)**
Light duty (< 7 tons)	**-**	–	–	**-**	–	–
Medium duty (7-16 tons)	**534**	550	(3)	**1,781**	1,888	(6)
Heavy duty (>16 tons)	**28,761**	33,791	(15)	**104,107**	113,458	(8)
Total Volvo Trucks	**29,295**	**34,341**	**(15)**	**105,888**	**115,346**	**(8)**
UD Trucks						
Europe	**-**	–	–	**-**	–	–
Western Europe	**-**	–	–	**-**	–	–
Eastern Europe	**-**	–	–	**-**	–	–
North America	**103**	212	(51)	**472**	1,089	(57)
South America	**41**	49	(16)	**133**	259	(49)
Asia	**3,692**	4,915	(25)	**16,240**	16,563	(2)
Other markets	**918**	1,083	(15)	**4,503**	4,842	(7)
Total UD Trucks	**4,754**	**6,259**	**(24)**	**21,348**	**22,753**	**(6)**
Light duty (< 7 tons)	**507**	395	28	**1,994**	2,632	(24)
Medium duty (7-16 tons)	**2,088**	3,251	(36)	**10,583**	10,822	(2)
Heavy duty (>16 tons)	**2,159**	2,613	(17)	**8,771**	9,299	(6)
Total UD Trucks	**4,754**	**6,259**	**(24)**	**21,348**	**22,753**	**(6)**
Eicher[1]						
Europe	**-**	–	–	**-**	–	–
Western Europe	**-**	–	–	**-**	–	–
Eastern Europe	**-**	–	–	**-**	–	–
North America	**-**	–	–	**-**	–	–
South America	**-**	–	–	**-**	–	–
Asia	**5,040**	5,588	(10)	**19,532**	20,692	(6)
Other markets	**-**	–	–	**-**	–	–
Total Eicher	**5,040**	**5,588**	**(10)**	**19,532**	**20,692**	**(6)**
Light duty (< 7 tons)	**597**	710	(16)	**2,349**	2,718	(14)
Medium duty (7-16 tons)	**3,364**	3,755	(10)	**13,111**	13,942	(6)
Heavy duty (>16 tons)	**1,079**	1,123	(4)	**4,072**	4,033	1
Total Eicher	**5,040**	**5,588**	**(10)**	**19,532**	**20,692**	**(6)**

1 The delivery figures relate to the 50% of the joint venture with Eicher Motor which is consolidated in the Volvo Group.

Delivered Buses	Fourth quarter			Year		
	2012	2011	Change, %	**2012**	2011	Change, %
Buses						
Europe	**715**	851	(16)	**2,491**	2,695	(8)
Western Europe	**701**	836	(16)	**2,427**	2,601	(7)
Eastern Europe	**14**	15	(7)	**64**	94	(32)
North America	**536**	817	(34)	**1,826**	3,014	(39)
South America	**962**	1,221	(21)	**2,560**	2,620	(2)
Asia	**800**	1,027	(22)	**2,945**	3,417	(14)
Other markets	**231**	256	(10)	**856**	1,040	(18)
Total Buses	**3,244**	**4,172**	**(22)**	**10,678**	**12,786**	**(16)**

Further publication dates

Annual Report	March, 2013
Annual General Meeting	April 4, 2013
Report on the first quarter 2013	April 25, 2013
Report on the second quarter 2013	July 24, 2013
Report on the third quarter 2013	October 25, 2013

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