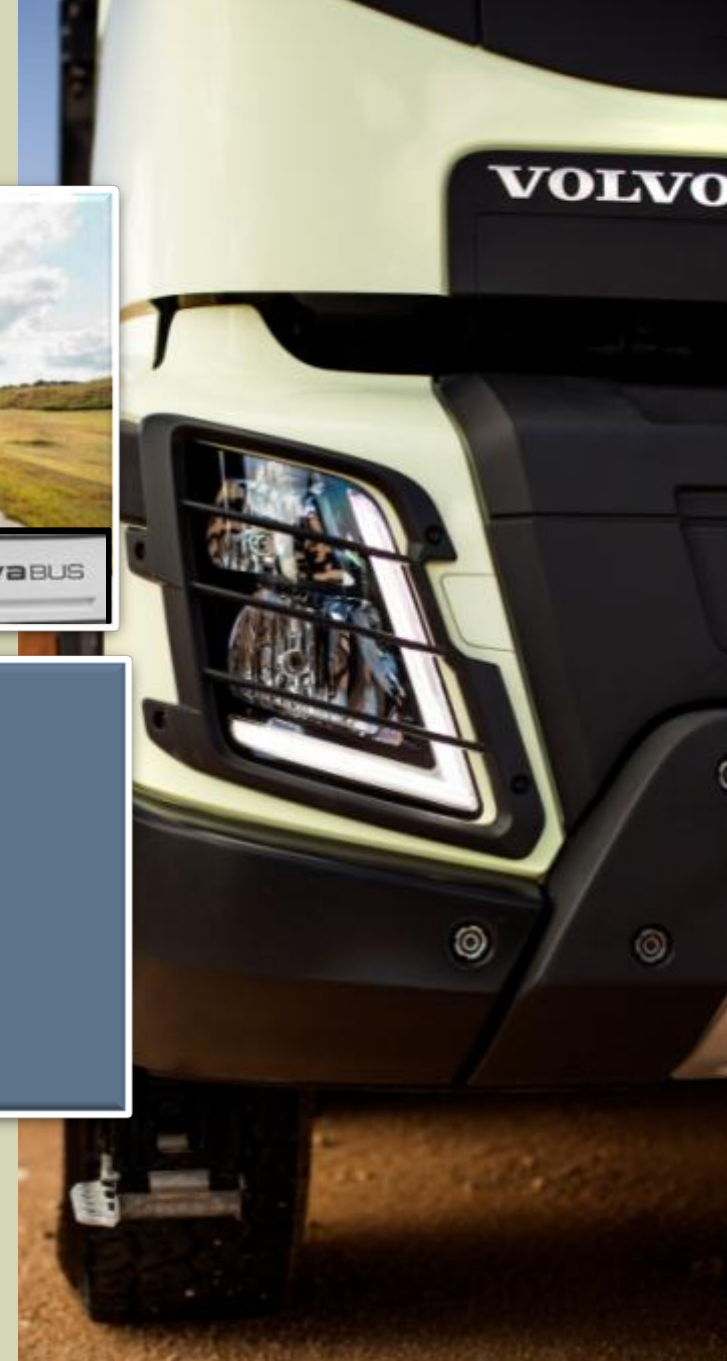
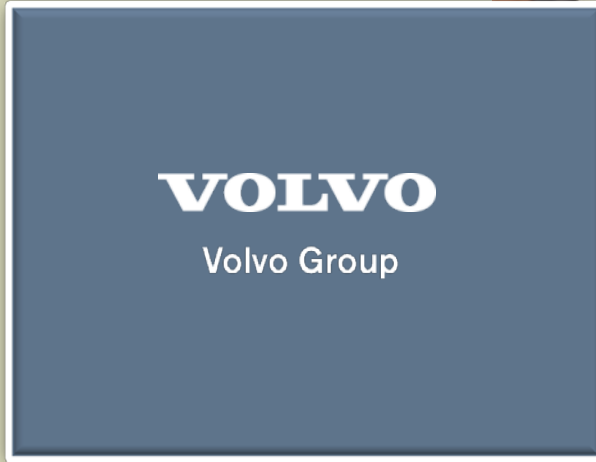


Volvo Group

First quarter 2013



VOLVO



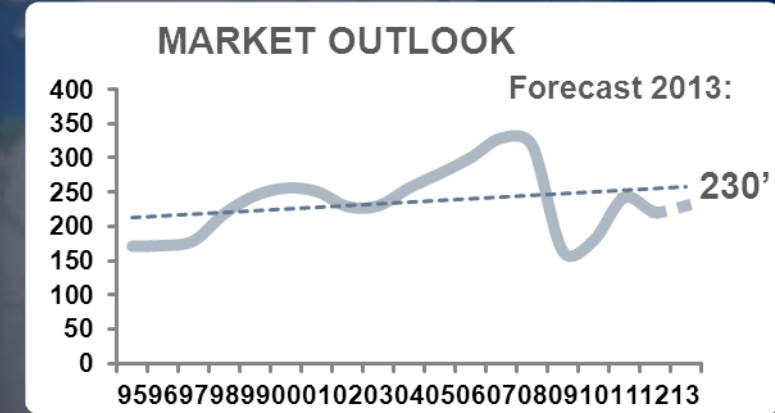
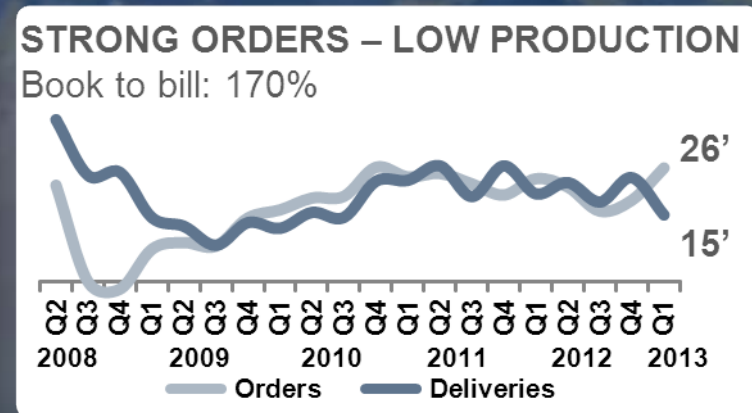
Excellent reception of the new products – good order trend in Q1

Highlights in Q1

- Strong demand for both classic and new Volvo FH
- Production ramp-up of the new Volvo FH
- Launch of new Volvo FM range and Volvo FMX
- Continued low capacity utilization



Preparations well under way for the launch of the new Renault truck range



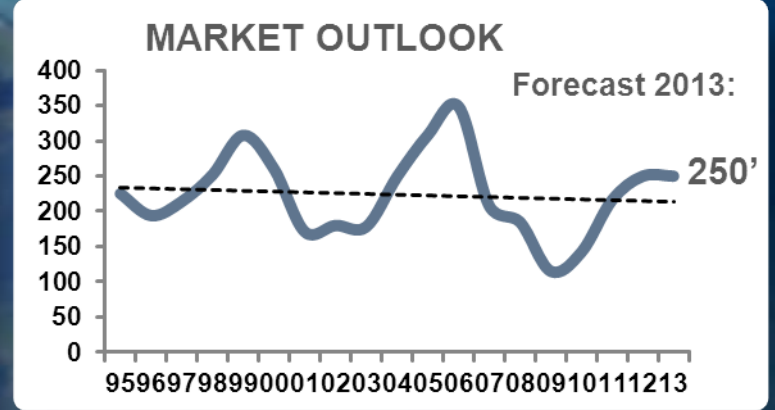
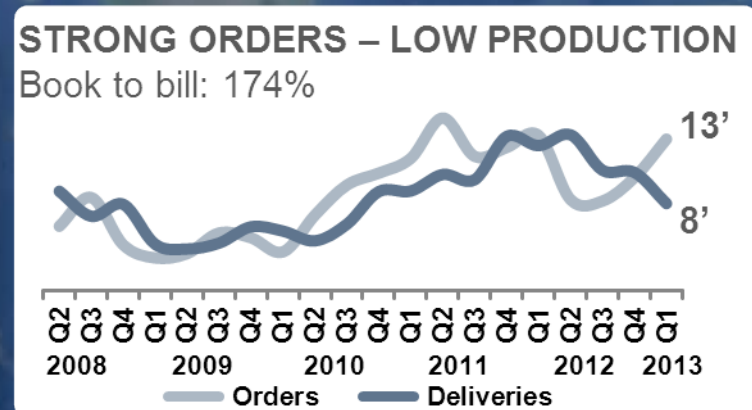
Strengthened product offering in North America

Highlights in Q1

- Deliveries low due to down-weeks
- I-shift – standard on Volvo trucks as of 2013
- New 13-liter liquefied gas engine presented
- Telematics enables new service offerings



The Volvo VNX, a new heavy-haul tractor



Increasing production in Brazil – investing in the after-market

Highlights in Q1

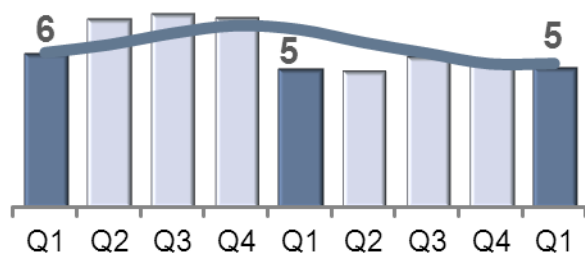
- Expanding the dealer & service network in Peru, Chile, Argentina and Brazil, total investment about SEK 500 M
- Continued strong demand in Brazil
- Increasing production in Brazil as of March

Chile: New dealer facility ready Q3 2013



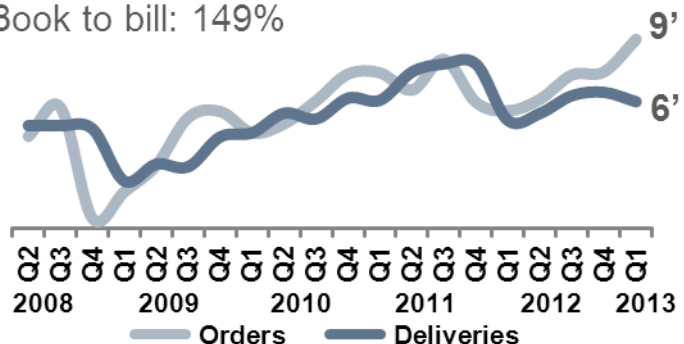
SALES TREND

SEK bn 12 months 21 bn



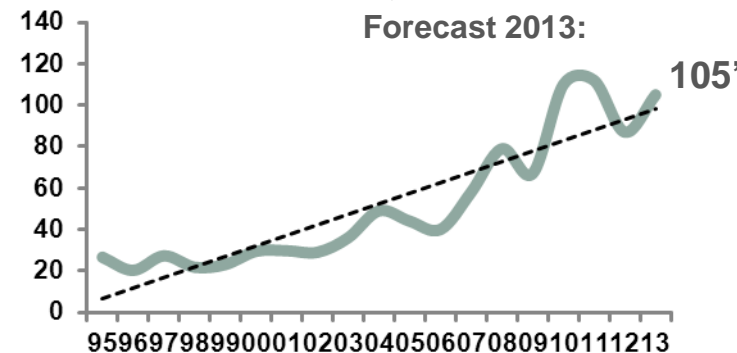
STRONG ORDERS – LOW PRODUCTION

Book to bill: 149%



MARKET OUTLOOK, Brazil

Forecast 2013:



Slow start to the year but signs of gradual improvement

Highlights in Q1

- Strategic alliance work to form DFCV on track
- Strong performance in depressed market in India
- Increasing order intake and order book in Japan
- Early signs of recovery in Indonesia



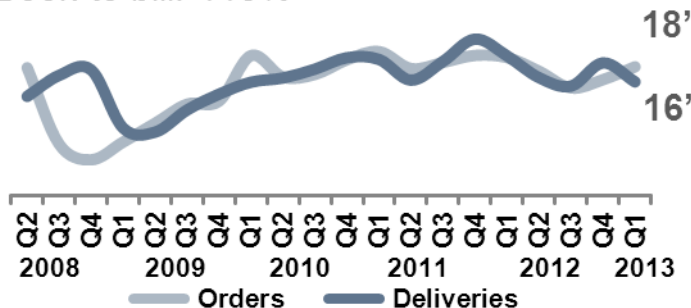
SALES TREND

SEK bn 12 months 33 bn

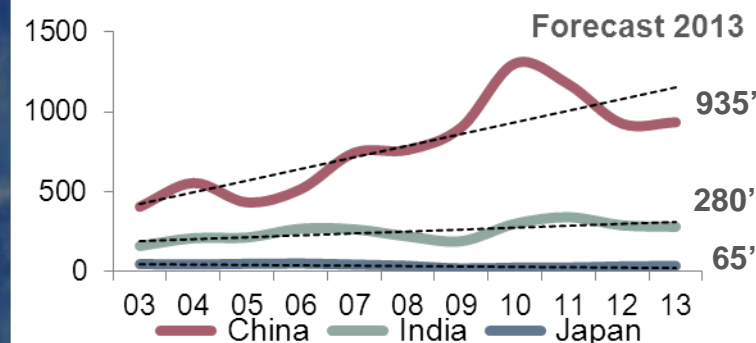


PRODUCTION IN BALANCE

Book to bill: 113%



MARKET OUTLOOK MD-HD trucks



Trucks in Q1 - SEK 12 bn lower sales, low capacity utilization but good order intake

SALES TREND

SEK bn

12 months 178 bn



OPERATING INCOME

SEK bn

12 months 7.2 bn



OPERATING MARGIN

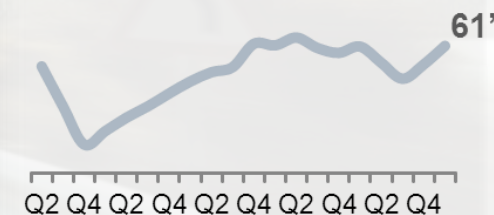
%

12 months 4.0%



ORDERS

Up 11% compared with Q1 2012
+30% compared with Q4



35 roadmaps and 400 main activities defined to support the strategic objectives

33
months to go

Major activities in Q3 2012

- Launch of the new generation Volvo FH
- Cab assembly plant in Russia decided
- Right-sizing of UD trucks in Japan initiated

Major activities in Q4 2012

- Right-sizing of UD Trucks in Japan effective – 950 employees less as of Jan 1, 2013
- New sales and marketing organization for Trucks in Europe, Middle East and Africa

Major activities in Q1 2013

- Acquisition of 45% of DFCV in China
- Study initiated to optimize the European truck plant footprint
- Activities to improve profitability in Japan
 - new commercial organization
 - industrial consolidation

Tough start of the year



EUROPE

Slow start

- Continued weak demand in Europe
- Preparations for Tier 4f

NORTH AMERICA

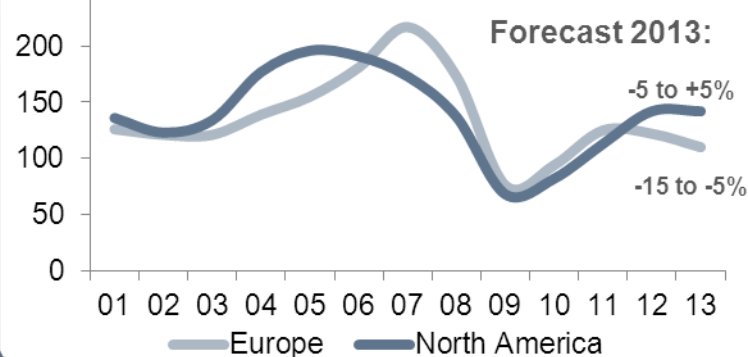
Improving construction activity

- Lower renewal activity in the rental business
- First wheel loader produced in Shippensburg

SALES IN EUROPE



MARKET OUTLOOK



SALES IN NORTH AMERICA



Mining bottoming out on low level



CHINA

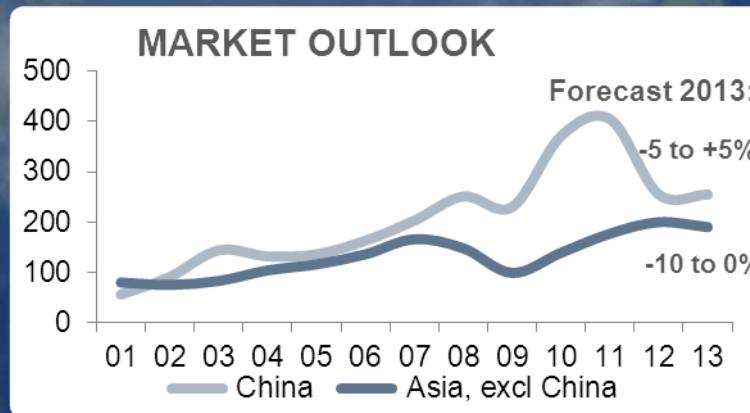
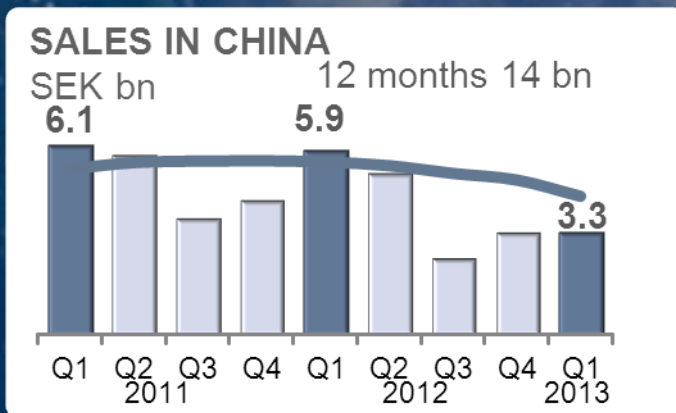
Inventories in balance in China

- Pick up in demand from general construction in March
- Number one position in China maintained

REST OF ASIA

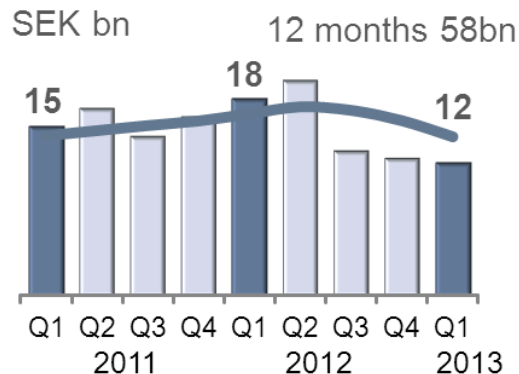
Mining bottoming out on low level

- Markets in the Philippines, Malaysia, Thailand and Korea are developing positively
- Australia flat due to mining
- Strengthened distribution in Indonesia



Improved profitability over Q4 on flat sales

SALES TREND



OPERATING INCOME

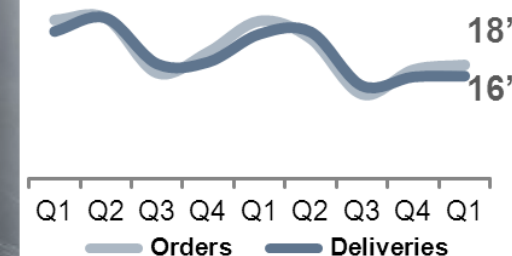


OPERATING MARGIN



ORDERS

Down 28% compared with 2012
Book to bill (Volvo): 119%



OK quarter for Volvo Penta – difficult for Buses

VOLVO PENTA

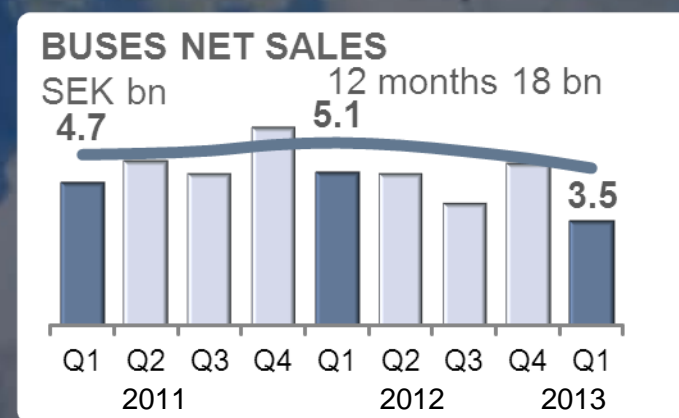
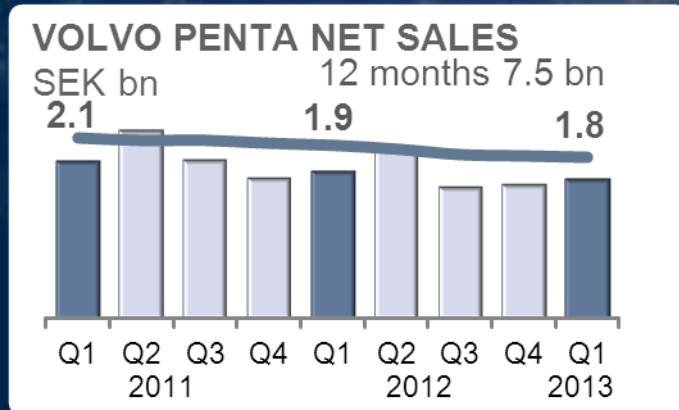
Profitable on low sales levels

- Signs of some market improvements
- Launch of new range of industrial engines
- Operating margin of 5.4% (5.9)

BUSES

Weak demand generating pricing pressure

- Lower sales volumes
- Operating loss of SEK 88 M
- Strategic orders secured



Stable portfolio development

VFS

Solid result in Q1

- Stable portfolio development in North America
- China over dues improved in March
- SEK 99 bn of assets in the credit portfolio
- 13% return on Equity

NEW FINANCING



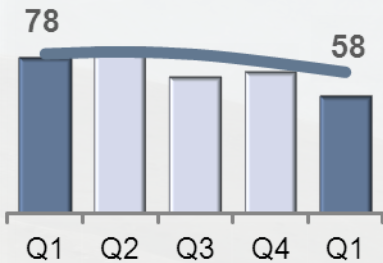
VFS OPERATING INCOME



A transitional quarter – sales sharply down, orders up

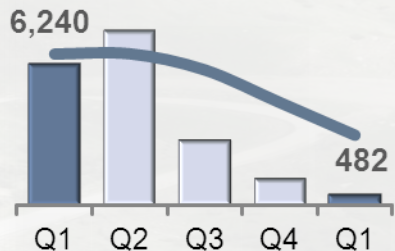
NET SALES

SEK bn 12 months 280 bn



OPERATING INCOME

SEK m 12 months 12 bn



- Sales sharply down by SEK 12.5 bn, 18% lower compared with Q4-2012
- Truck orders up by 30% compared with Q4-2012
- Low capacity utilization, under absorption of costs amounting to SEK 1.9 bn
- Efficiency programs in Europe and Japan to meet strategic objectives 2013-2015
- Continued high investments in R&D, Capex and Selling for new and future products
- Products launched in Q1: Volvo FM, Volvo FMX, Volvo VNX

VOLVO