

# VOLVO

AB Volvo

Press information October 24, 2007

## Volvo Group – nine months ended September 30, 2007

- Net sales increased by 13% to SEK 68.4 billion (60.5) in the third quarter  
Adjusted for changes in exchange rates and acquired and divested units, net sales decreased by 1%
- Operating income rose 54% to SEK 5,010 M (3,260)\* in the third quarter
- Income for the period decreased by 20% to SEK 3,149 M (3,939)\* in the third quarter
- Diluted earnings per share amounted to SEK 1.54 (1.94)\* in the third quarter
- The Industrial Operation's operating cash flow was negative in an amount of SEK 0.4 billion (neg. 0.4 billion) in the third quarter

Volvo Group	Third quarter		First nine months		
	2007	2006*	2007	2006*	Change
Net sales Volvo Group	<b>68,367</b>	60,479	<b>200,849</b>	191,208	5%
Operating income Volvo Group	<b>5,010</b>	3,260	<b>16,457</b>	15,229	8%
Operating income Industrial operations	<b>4,555</b>	2,834	<b>15,186</b>	13,915	9%
Operating income Customer Finance	<b>454</b>	426	<b>1,270</b>	1,314	(3%)
Operating margin Volvo Group	<b>7.3</b>	5.4	<b>8.2</b>	8.0	3%
Income after financial items	<b>4,571</b>	3,144	<b>15,948</b>	15,073	6%
Income for the period	<b>3,149</b>	3,939	<b>10,935</b>	12,617	(13%)
Diluted earnings per share, SEK	<b>1.54</b>	1.94	<b>5.37</b>	6.21	(14%)
Return on shareholders' equity, %			<b>17.3</b>	19.3	

*The third quarter of 2006 included a reversal of a valuation reserve for deferred taxes and an adjustment of goodwill. As an effect, operating income during the third quarter of 2006 was negatively affected in an amount of SEK 1,712 M while income taxes decreased by SEK 2,048 M. The total effect on income for the period was positive in an amount of SEK 336 M.*

For the full report, go to [www.volvo.com](http://www.volvo.com) >>

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