



AB Volvo

Press Information

Volvo Group introduces fourth-generation hybrid solution

The Volvo Group is now introducing the fourth-generation hybrid solution on a broad front in buses, trucks and construction equipment.

“Our hybrid solution for heavy vehicles is completely different from anything that has existed in the market to date,” says Leif Johansson, President and Chief Executive Officer of Volvo Group. “As a result of our volumes and resources, we have succeeded in developing a more standardized platform solution, which is a prerequisite for the hybrid technology’s ability to have a widespread commercial impact in the market for heavy vehicles.

Volvo has been testing various types of hybrid solutions since the 1980s and Volvo Group unveiled the first commercially viable hybrid solution for heavy vehicles in March 2006. Volvo’s solution is based on a concept known as I-SAM (Integrated Starter, Alternator Motor). This solution entails that an electric motor and a diesel engine work in parallel, whereby each of them can be used in the areas where they are most effective. This increases the capacity compared with series hybrids, while reducing fuel consumption and improving driving characteristics – simultaneously.

Fourth generation

“This is what we call the fourth-generation hybrid technology,” says Leif Johansson. “In a few years’ time, hybrid technology will no longer be a special solution but a technology found in most new city buses and distribution trucks. The fourth-generation hybrid technology has the potential to make such a development possible.”

The favorable commercial prospects for the Volvo Group’s hybrid technology derive from the fact that it is based on a platform solution containing a large number of standard components. The solutions that have existed in the market to date, and that the Volvo Group itself has been offering, have been based on a large proportion of special components. This has impeded volume manufacturing and led to the vehicles becoming much more expensive than the equivalent standard vehicles. Another

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advantage generated from an adaptable platform solution, such as the one that the Volvo Group has access to, is that it can be used for a variety of different products and applications, which further increases the volumes and reduces production costs.

“Volvo believes that the prospects are favorable for developing hybrid technology for all heavy vehicle segments, everything from buses and construction equipment to trucks for distribution and long-haul traffic,” adds the Volvo President and CEO.

Volvo Trucks

During the autumn, a number of the Volvo Group’s hybrid vehicles will be displayed at various trade shows, including IAA in Hanover, Germany, between September 25 and October 2. Volvo Trucks will showcase the world’s first heavy hybrid refuse truck, the Volvo FE Hybrid. The truck, which was premiered in April this year, is one of two hybrid refuse trucks tested in operation in Sweden by the Renova and RagnSells refuse collection companies. The use of these trucks can result in fuel savings of up to 20 percent and a corresponding decrease in carbon-dioxide emissions. In addition, the hybrid refuse truck is totally exhaust-free and silent during electrical powering, a factor that is important for refuse collection vehicles, which often work in densely built-up areas early in the morning.

Volvo Buses

Within short, Volvo Buses is launching its new hybrid bus, the Volvo 7700 Hybrid, in Europe. Production of the new bus, which is based on the Volvo Group’s hybrid technology, is scheduled to start in 2009. This hybrid technology provides fuel savings of up to 30%. Volvo Buses will also be carrying out field trials with six hybrid-powered double-decker buses in London, an investment that will be of great importance for the future markets for hybrid buses in London.

Volvo Construction Equipment

Volvo Construction Equipment is also at the leading edge of development in the field of hybrid technology. At the Conexpo trade show in Las Vegas in March this year, Volvo Construction Equipment scored a success with its hybrid wheeled loader, the first of its kind in the world. Up to 10% lower fuel consumption is one of the advantages this hybrid system can offer in the market for construction equipment. Volvo Construction Equipment also expects to be able to develop the hybrid solution and thus further reduce fuel consumption. Deliveries of hybrid wheeled loaders, the L220F model, are scheduled to begin in 2010, with some production expected during 2009.

For more information about the Volvo Group’s hybrid technology, visit:

http://www.volvo.com/group/global/en-gb/volvo+group/ourvalues/environment/hybrids/hybrid_technology

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For images, search for “hybrid” at: <http://imagegallery.volvogroup.volvo.se/>

For video material, watch the story about the world’s first heavy hybrid refuse truck at:
http://www.volvo.com/group/global/en-gb/volvo+group/videos/group_videos

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The Volvo Group is one of the world's leading manufacturers of trucks, buses and construction equipment, drive systems for marine and industrial applications, aerospace components and services. The Group also provides complete solutions for financing and service. The Volvo Group, which employs about 100,000 people, has production facilities in 19 countries and sells their products in more than 180 markets. Annual sales of the Volvo Group amount to about SEK 285 billion. The Volvo Group is a publicly-held company headquartered in Göteborg, Sweden. Volvo shares are listed on OMX Nordic Exchange Stockholm.

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