



AB Volvo

Press release

Volvo Group's 2011 Capital Market Day

At Volvo's Capital Market Day in Stockholm on November 8, President and CEO Olof Persson informed about the Group's new financial targets, that were announced on the 22nd of September this year, and the new organization that will apply from 2012. He also emphasized the major growth potential he sees in the existing businesses which, combined with higher cost efficiency, over time gives the Group the potential to increase its operating margin by at least 3 percentage points, thus facilitating achievement of the new financial targets.

"In the past decade, the development of the Volvo Group has been fantastic," says Olof Persson, President and CEO of the Volvo Group. "We have built up a global business portfolio, with strong brands, competitive products and excellent distribution channels. We are now taking the next step to further capitalize on the potential of this business portfolio. We see major potential in increasing our sales in for example Asia through specially developed and adapted products for our customers in the region."

The aim of the Volvo Group's new organization for truck operations, with three new sales and marketing organizations, is to better capitalize on the global potential in products and brands. Furthermore, an organization will be created for product development and purchasing, as well as an organization in which all manufacturing is concentrated.

"My aim with the new organization is for the Volvo Group to also become more cost effective and agile, with clear decision paths and increased customer focus," says Olof Persson.

AB Volvo's Board has already decided to introduce new financial targets for the Volvo Group applying from 2012. One of the targets is that the operating margin for trucks, buses, construction equipment operations and Volvo Penta will be among the two highest compared with their respective competitors.

November 8, 2011

VOLVO

Journalists who wish further information, please contact:

Mårten Wikforss, +46 (0)31-66 11 27

Visit <http://www.thenewsmarket.com/volvogroup> to access broadcast-standard video from Volvo Group. You can preview and request video, and choose to receive as a MPEG2 file or by Beta SP tape. Registration and video is free to the media.

AB Volvo (publ) may be required to disclose the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 14:45 a.m. in November 8, 2011.

The Volvo Group is one of the world's leading manufacturers of trucks, buses and construction equipment, drive systems for marine and industrial applications and aerospace components. 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. In 2010 annual sales of the Volvo Group amounted to about SEK 265 billion. The Volvo Group is a publicly-held company headquartered in Göteborg, Sweden. Volvo shares are listed on OMX Nordic Exchange Stockholm. For more information, please visit www.volvogroup.com or www.volvogroup.mobi if you are using your mobile phone.