



AB Volvo

## Press information

# Volvo Group restructures its truck business and launches new organization

**The Volvo Group is to have a new organization which better utilizes the global potential of the brands and products within the truck operations.**

**For example, the sales and marketing of all of the truck companies will be organized in three regional organizational units, directly under the CEO. In the same manner, all product development and production of trucks and engines will be placed in two new central organizational units under the CEO.**

**“We are doing this to achieve a more agile and efficient organization with greater focus on our customers and brands,” says Volvo’s CEO Olof Persson. The new organization will be in place as of January 1, 2012.**

The organizational change is being presented today to the Group’s 150 most senior managers at a meeting in Gothenburg.

“The Volvo Group has seen fantastic development in the past decade and has grown into a truly global and leading player, particularly in the areas of heavy trucks, construction equipment and diesel engines,” says Olof Persson. “But a company’s work is never done and it is now time for the next step, using improved coordination between our truck companies and our development and production units to achieve even more distinct and better focus on our customers and brands.”

Having previously been divided into four different brand companies, Volvo Trucks, Renault Trucks, Mack Trucks and UD Trucks, marketing, sales and brand responsibility for the truck companies will now be conducted in three new geographic, organizational units reporting directly to Olof Persson:

- Group Trucks Sales and Marketing Americas (comprising all of North and South America) with global responsibility for the Mack brand, under the leadership of Dennis Slagle, currently President of North American Trucks.
- Group Trucks Sales and Marketing EMEA (comprising Europe, the Middle East and Africa) with global responsibility for the Volvo and Renault brands, under the

leadership of Peter Karlsten, currently President of Volvo Powertrain and Chief Technology Officer for the Group.

- Group Trucks Sales and Marketing APAC (comprising Asia and Pacific) with global responsibility for the UD Trucks brand, UD, under the leadership of Joachim Rosenberg, currently President of Asia Truck Operations, ATO.

The responsibility for the Group's various joint-venture companies in the trucks area will be organized in a new organizational unit, Truck Joint Ventures, under the leadership of Pär Östberg, currently responsible for Trucks Asia. Truck Joint Ventures will also report directly to Olof Persson.

Product, purchasing and production for trucks and engines, which is currently the responsibility of Volvo 3P and Volvo Powertrain, will be organized in two new organizational units reporting directly to Olof Persson:

- Product planning, product development and purchasing for trucks and engines, will be organized in a new global development and purchasing organizational unit, Group Trucks Technology under the leadership of Torbjörn Holmstöm, currently President of Volvo 3P.
- All production of trucks and engines and all logistic services, will be placed in a new global production organization, Group Trucks Operations, under the leadership of Mikael Bratt, currently Group CFO.

Production, product planning and product development for the non-truck business areas will remain with their respective business area.

Some changes will also be made in relation to the other business areas:

- Håkan Karlsson, currently President of Volvo Bus Corporation, will become chairman of Volvo Aero, Volvo Buses and Volvo Penta and of a new business area, Governmental Sales. The head of Governmental Sales will be Stefano Chmielewski, currently President of Renault Trucks. The heads of all of these business areas will report to Håkan Karlsson, who will continue to report to CEO Olof Persson.
- Håkan Karlsson will also be chairman of the board of Volvo Construction Equipment whose President, Pat Olney will continue to report to Olof Persson.

Anders Osberg, currently head of Volvo Treasury, succeeds Mikael Bratt as new CFO and will report directly to CEO Olof Persson. A new feature of the finance function is that Osberg will also be responsible for Volvo Financial Services and Volvo IT.

In conjunction with the introduction of the new organization, the following changes will be made to Volvo's Group Executive Committee:

Staffan Jufors, President of Volvo Trucks, will retire at the end of the year. Satoru Takeuchi, continues as President of the legal company UD Trucks.

Stefan Johnsson, currently responsible for HR and a number of business units, will leave the Group on December 31, 2012. Kerstin Renard, currently HR manager reporting to Stefan Johnsson, will assume a new position as responsible for HR reporting directly to Olof Persson.

Senior Vice President Communication & Brand Management Per Löjdquist will leave his position at June 30 next year, but will remain as advisor until December 31, 2012, when he will retire. He will be succeeded by Mårten Wikforss, currently responsible for Media Relations and Corporate News at AB Volvo.

On January 1, two new positions will also be introduced, reporting directly to Olof Persson, a head of strategy and a Chief Information Officer, CIO.

Karin Falk, currently head of the NAP business unit (Non-Automotive Purchasing) is appointed head of strategy. Magnus Carlander, currently head of Volvo IT, has been appointed new CIO.

Other members of the Group Executive Committee, Eva Persson, General Counsel, and Jan-Eric Sundgren, head of Public Affairs, remain in the Group Executive Committee and retain their current areas of responsibility.

“At the same time as we will have a rejuvenation of Group management, we will also include more women, which is highly gratifying,” says Olof Persson. “I will have an incredibly competent Group management team, with good breadth and, collectively, more than 60 years' experience of serving abroad. I am really looking forward to working with them.”

## Volvo Group Executive Committee from January 1, 2012:

<b>Name:</b>	<b>Responsibility:</b>
Olof Persson	CEO
Dennis Slagle	Region Americas
Peter Karlsten	Region EMEA
Joachim Rosenberg*	Region APAC
Mikael Bratt	Group Trucks Operations
Torbjörn Holmström*	Group Trucks Technology
Pär Östberg	Truck Joint ventures
Pat Olney	VCE
Håkan Karlsson	Business Areas
Anders Osberg*	Finance and Business Support
Eva Persson	Legal
Kerstin Renard*	Human Resources
Karin Falk*	Group Strategy
Magnus Carlander*	CIO
Per Löjdquist**	Communication
Jan-Eric Sundgren	Public Affairs

\* New GEC member

\*\* Leaving July 1, 2012. Will be succeeded by Mårten Wikforss.

October 4, 2011

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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 11:40 a.m. October 4, 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](http://www.volvogroup.com) or [www.volvogroup.mobi](http://www.volvogroup.mobi) if you are using your mobile phone.