



AB Volvo

Press release

Volvo Group to divest commercial real estate

Companies in the Volvo Group have signed an agreement to sell commercial real estate to companies jointly owned by Hemfosa Fastigheter AB and AB Sagax, and to companies owned by AB Sagax. The purchase consideration, on a cash and debt free basis, is expected to be approximately SEK 2 bn. At the time of completion of the transaction, net financial debt in the Volvo Group's Industrial Operation is expected to be reduced by approximately SEK 1.9 bn. The transaction is expected to have a positive impact on the Group's operating income of approximately SEK 900 M in the second quarter of 2014. Completion of the transaction is subject to approval from the Swedish Competition Authority.

The transaction covers to a large extent real estate in Gothenburg owned by the Volvo Group and leased to external tenants. The Volvo Group has decided to sell the real estate as it has been deemed not strategic for the Volvo Group to continue as landlord and owner. The transaction also includes properties in Denmark, Sweden and Finland, where the real estate to a large extent will be rented by companies in the Volvo Group.

The transaction is expected to have a positive impact on operating income in the segment "Trucks" of SEK 200 M and in the segment "Group functions, corporate functions and other" of SEK 700 M in the second quarter of 2014.

The transaction is expected to be closed in the second quarter of 2014.

March 28, 2014

Journalists who wish further information, please contact Karin Wik, + 46 31 323 72 29

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For more news from the Volvo Group, visit <http://www.volvogroup.com/globalnews>.

The Volvo Group is one of the world's leading manufacturers of trucks, buses, construction equipment and marine and industrial engines. The Group also provides complete solutions for financing and service. The Volvo Group, which employs about 110,000 people, has production facilities in 19 countries and sells its products in more than 190 markets. In 2013 the Volvo Group's sales amounted to about SEK 270 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.

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