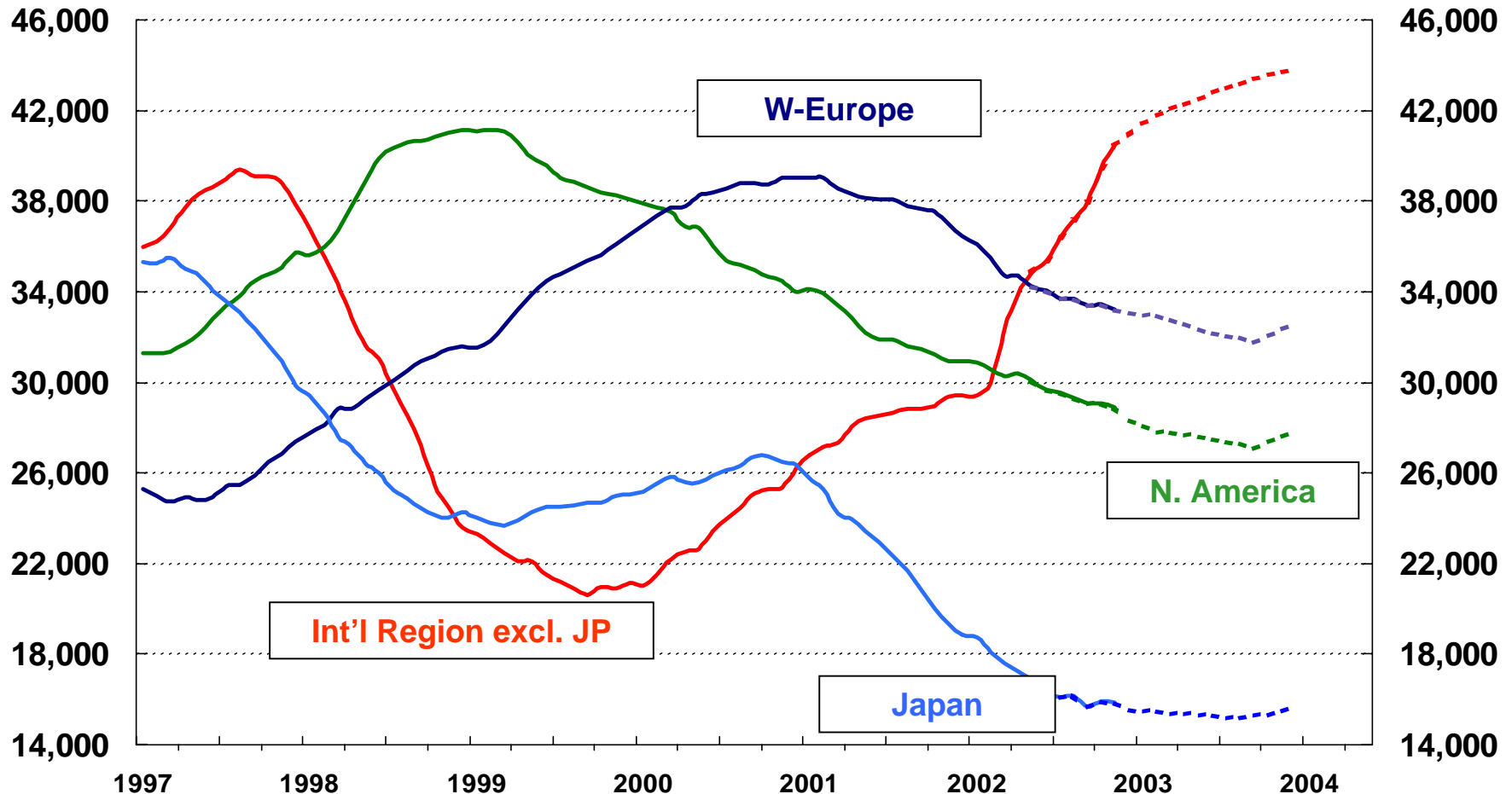




# Presentation Outline

- Market Development
- Growth Strategy
- Company Evolution
- Summary

# Market Construction Equipment by Region General Purpose Equipment

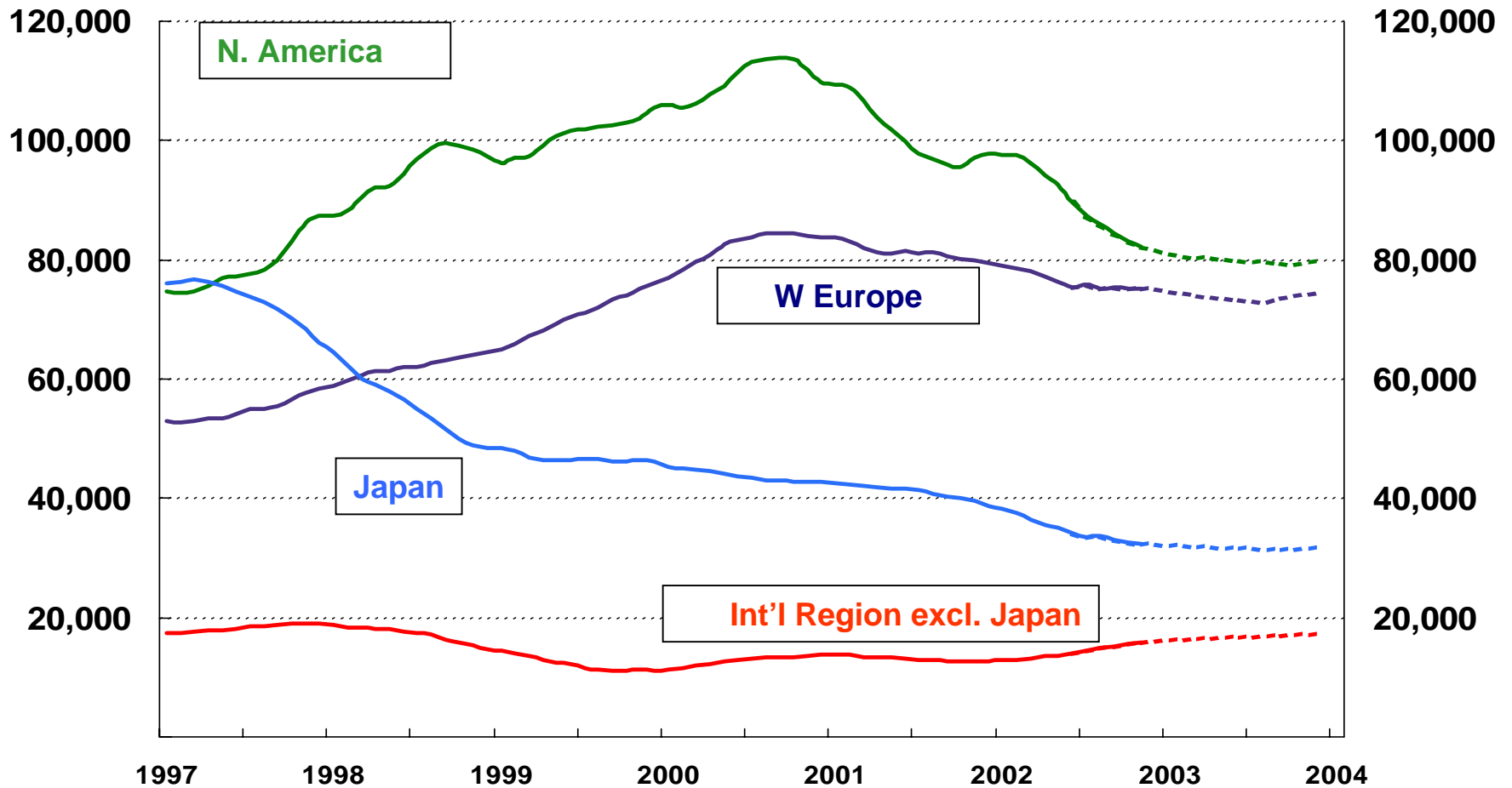


\* Incl. Excavators, Wheel Loaders, Articulated Haulers and Motor Graders

12 month moving rates November 2002

# Market Construction Equipment by Region

## Compact Equipment\*



\* Incl. Compact Excavators, Compact Wheel Loaders, Backhoe Loaders and Skid Steer Loaders

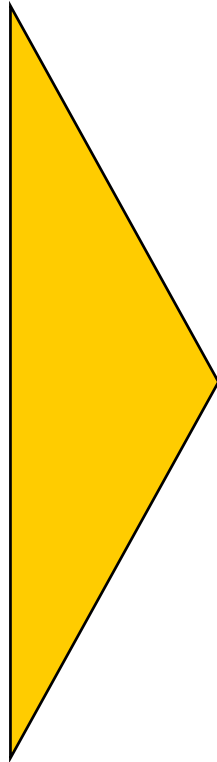
12 month moving rates November 2002

# Growth Strategy



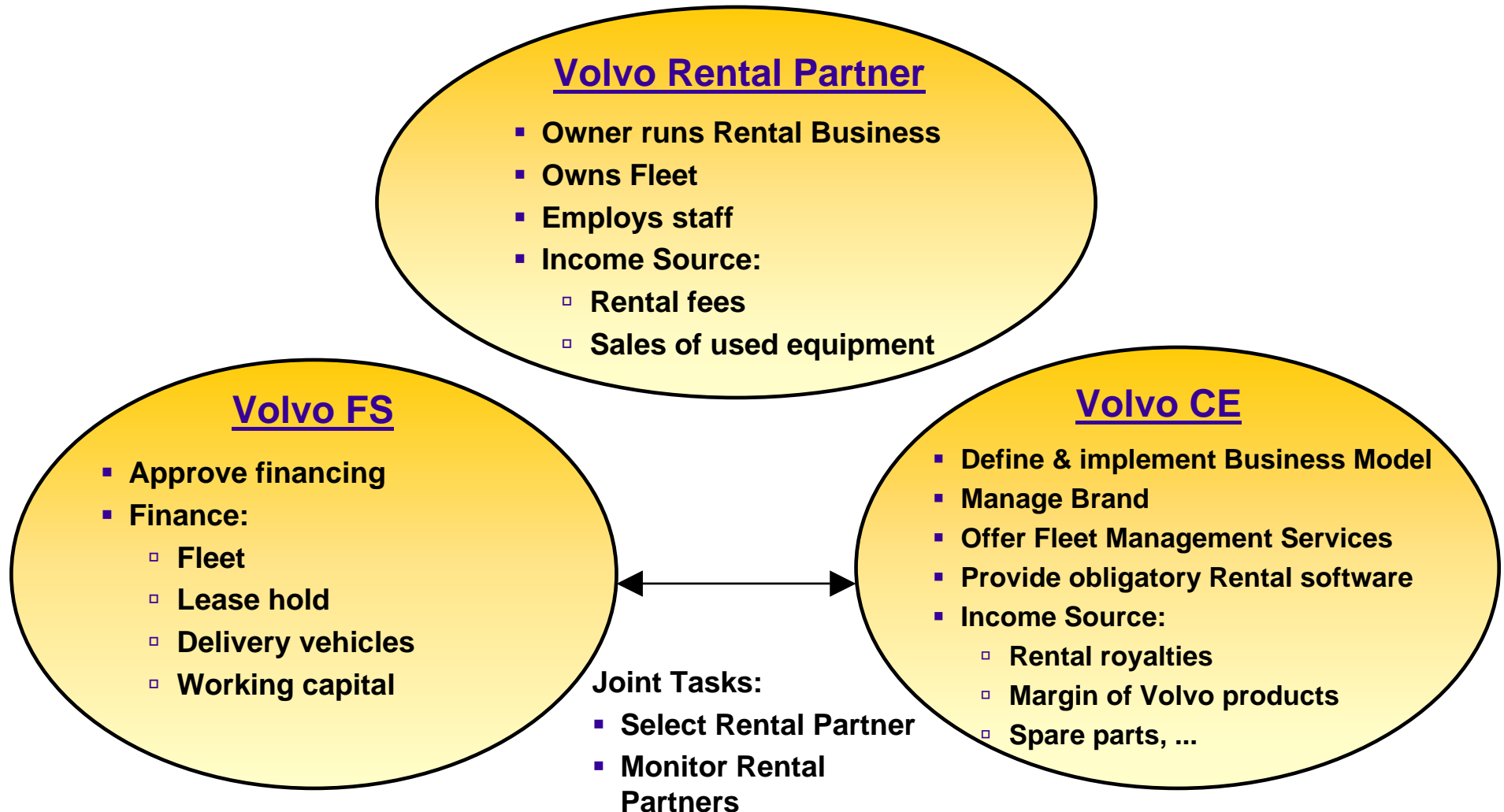
# Growth Strategy

- One Brand
- 2 Channels
- Global Reach



- **A Single, Distinct Brand**
- **Capable & Financially Stable Channels:**
  - Independent Dealers
  - Rental
- **Global**
  - Within a competitive cost structure
- **Solutions Provider**
  - Comprehensive product range
  - Segment / Key Account approach
- **Superior & Consistent Customer Support**

# Growth Strategy - Rental



# Growth Strategy - Products



Articulated Hauler



Wheel Loader



Excavator



Motor Grader



Compact Wheel Loader



Skidsteer Loader



Compaction



Compact Excavator



Backhoe Loader



Telescopic Handler

# Growth Strategy - China

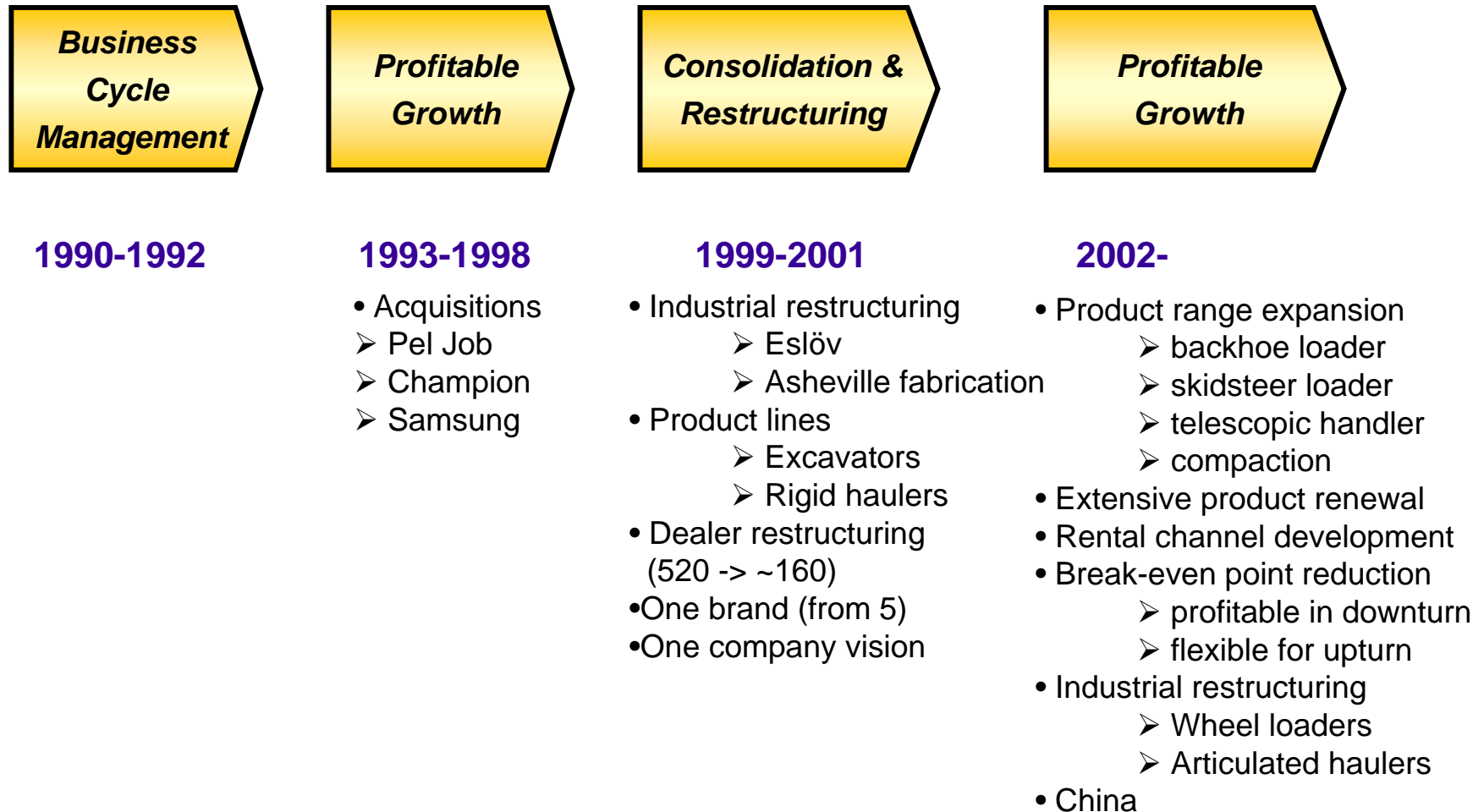
- **Phase 1 - Starting – 2002**
  - Open plant - start with excavators
  - Open service training center
  - Stock parts warehouse
  - Open demo site
  - Appoint dealers (13 to-date)
- **Phase 2 - Growing - 2003-2006**
  - 20 dealers supported by 7 Volvo CE branches
  - Local manufacture of other Volvo CE products



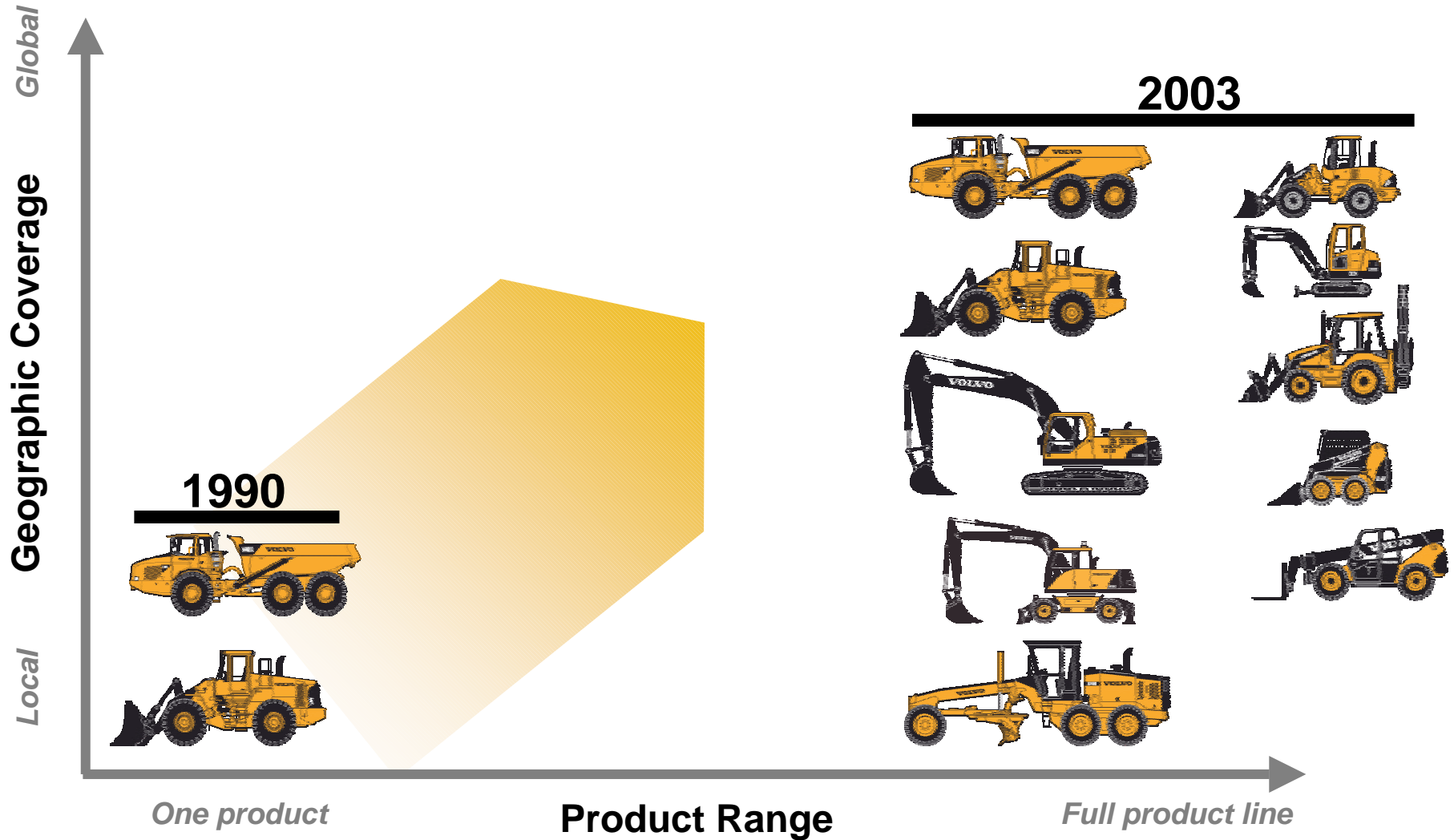
# Growth Strategy - China



# Company Evolution



# Company Evolution



# Summary

- **Tough business environment**
- **In focus:**
  - **New Products / Acquisitions**
  - **Volvo CE Rental**
  - **Dealer development**
  - **Cost control**
  - **China**
  - **Brand development**
  - **One company vision**