

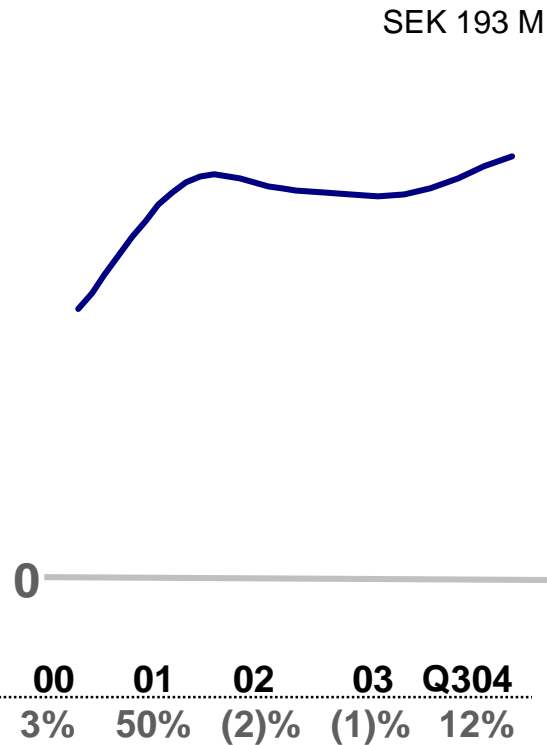
VOLVO

Stefan Johnsson
Senior Vice President and CFO
AB Volvo

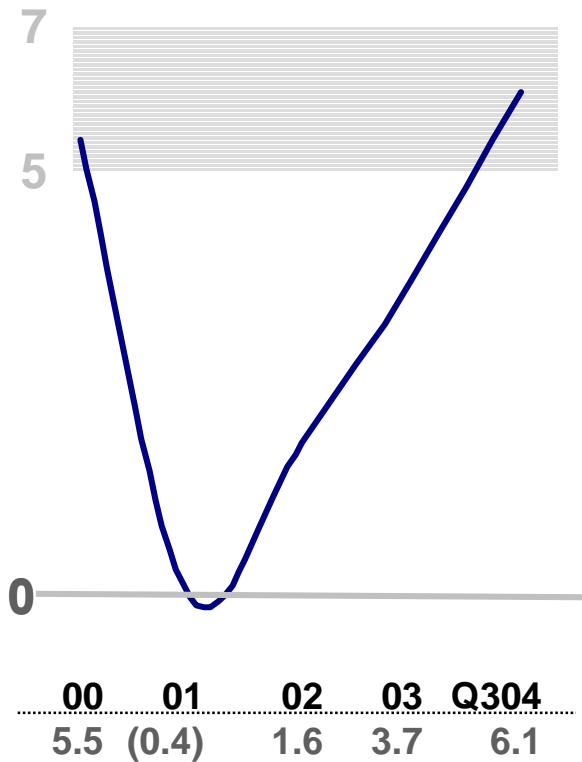
Volvo Group

Financial Targets

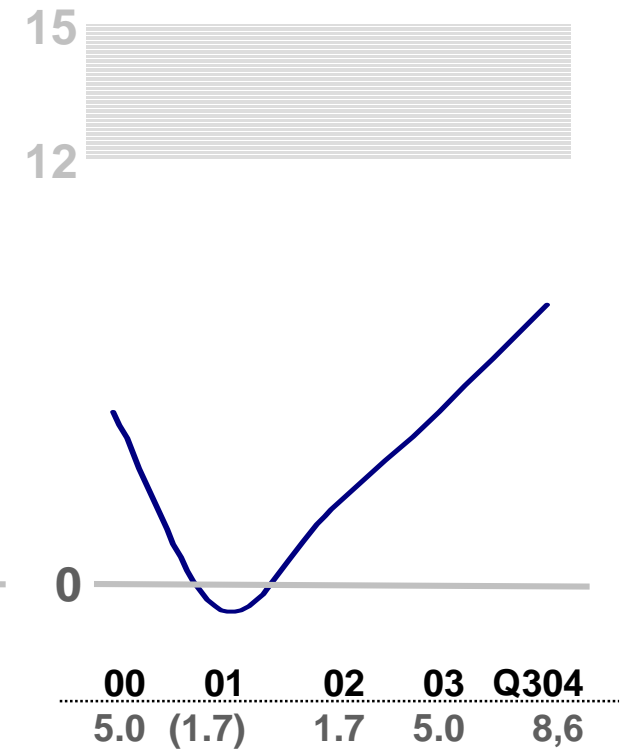
Net Sales *



Operating Margin*, %



Return on shareholders equity, %

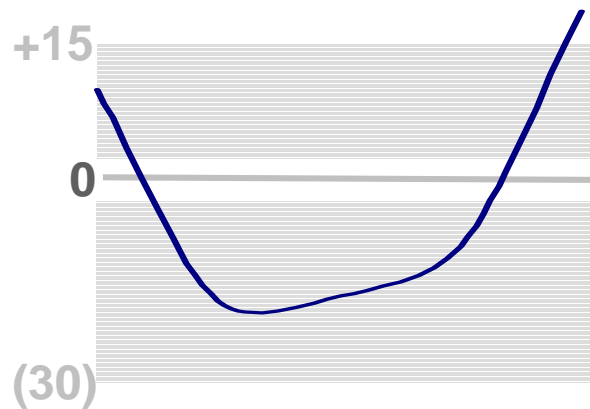


* Excluding revaluation of shares in Scania and Henlys and dividend from Scania 2003

Volvo Group

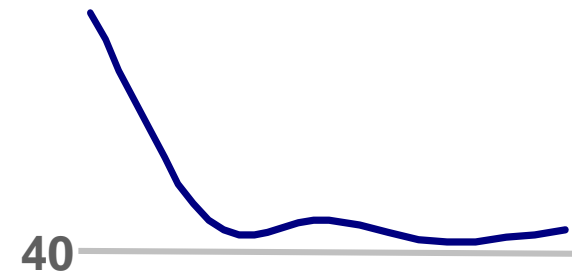
Financial Targets

Net financial position as percentage of shareholders equity, %



00	01	02	03	Q304
10.6	8.2	7.7	3.3	17.6

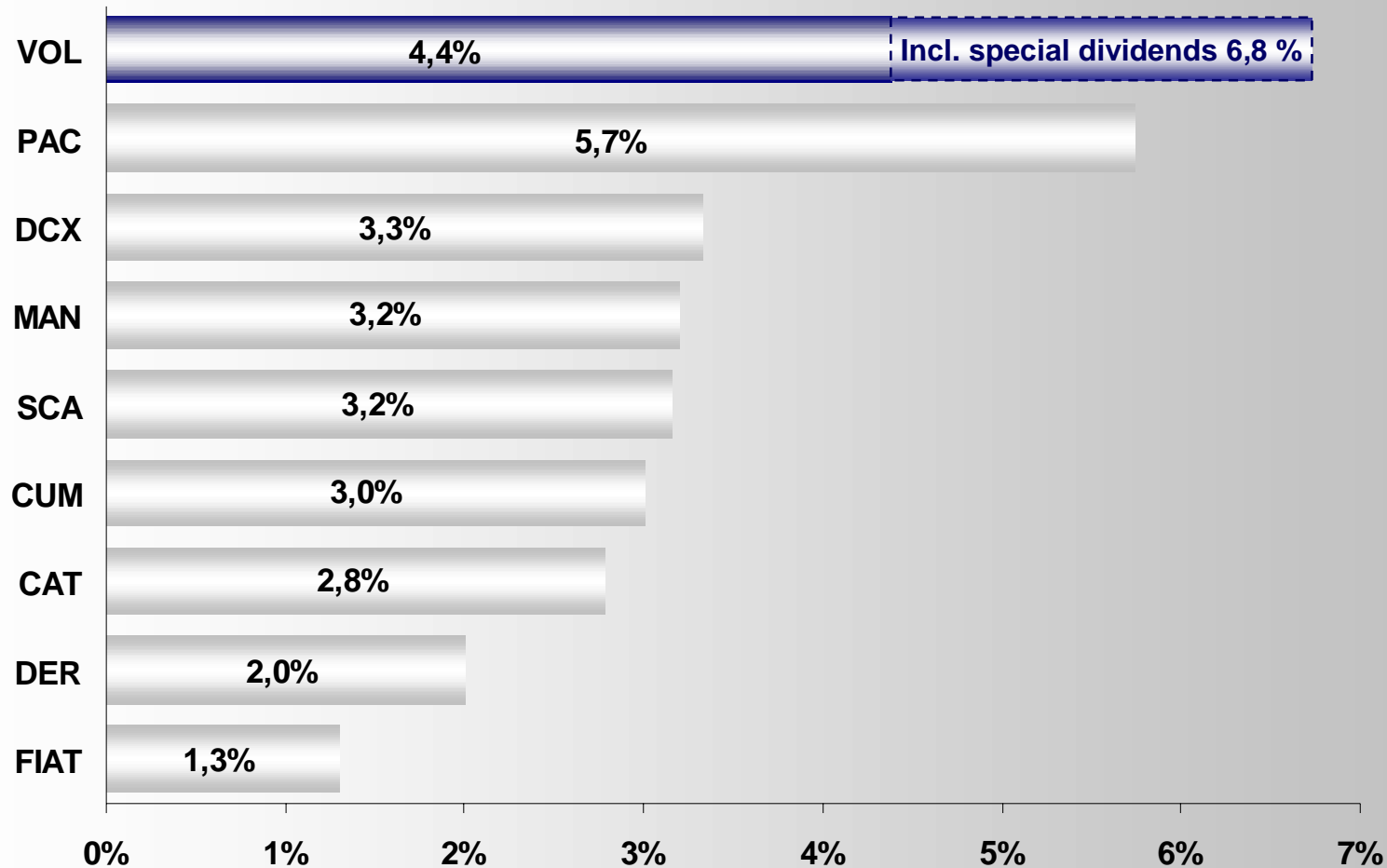
Equity Ratio, %



00	01	02	03	Q304
61	42	42	40	41

Volvo Dividend above Industry

Dividend yield – mean 1998-2003



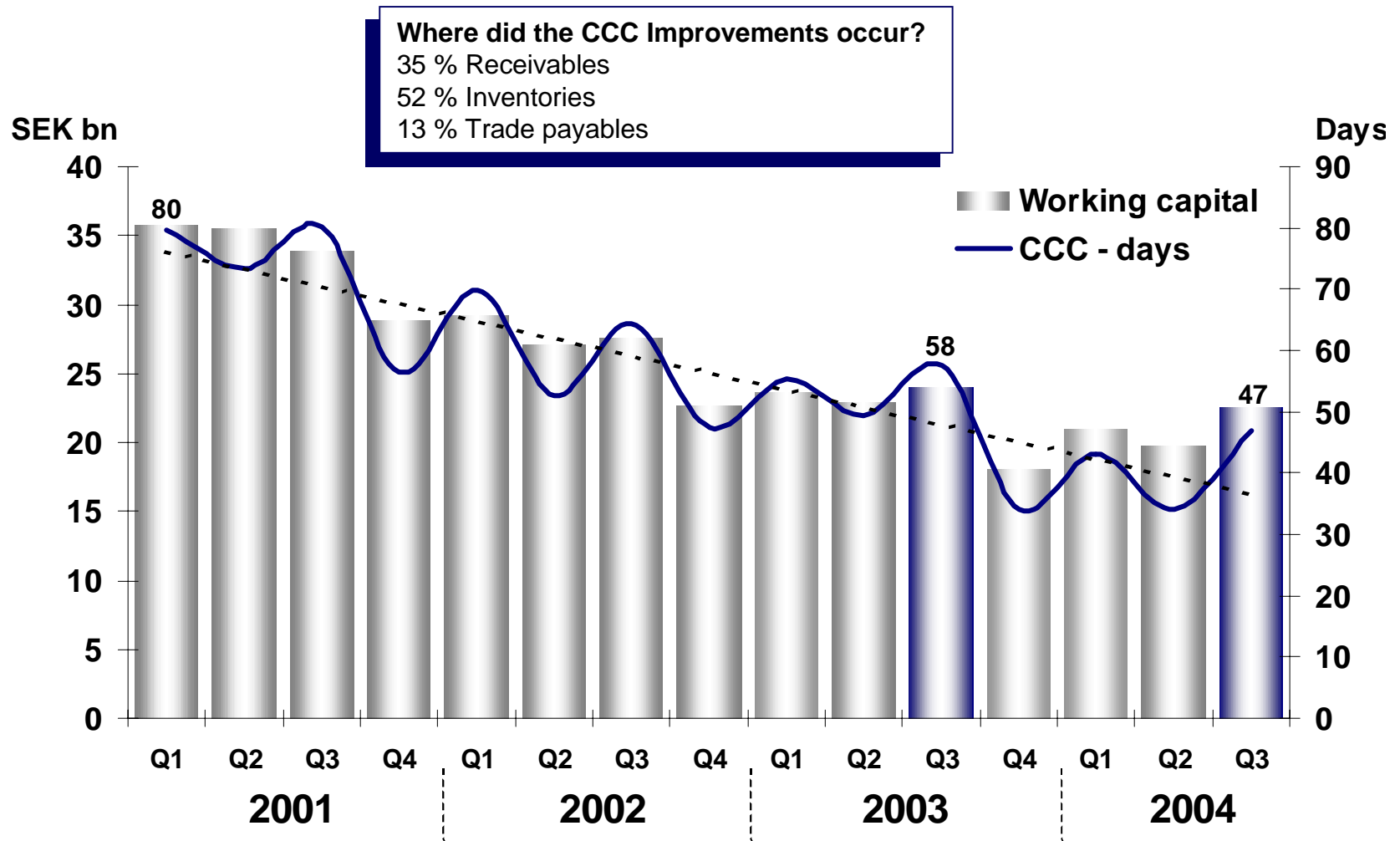


Focus on Cash Flow and Operating capital

– in a balanced way

- No “sell out”
- No “financial engineering”
- Activities should support margins as well as cash flow
- Investments for future growth secured

Cash Conversion Cycle



Reduced Cash Requirement when Growing

6

- at 200 bn SEK sales

Additional capital tied up at 10% growth

CCC, Days	bn SEK
75	4,0
35	2,0
	<hr/>
Cash Flow improvement	+2,0