

## Press Information

# Annual General Meeting of AB Volvo

**At the Annual General Meeting of AB Volvo held on April 9, 2008, the Board's proposal was approved to pay an ordinary dividend to the shareholders of SEK 5.50 per share. April 14, 2008 was adopted as the record date for entitlement to receive dividends. Payment of the dividend will be made through VPC (Swedish Central Securities Depository and Clearing Organization) on April 17, 2008.**

Peter Bijur, Tom Hedelius, Leif Johansson, Finn Johnsson, Philippe Klein, Louis Schweitzer, Ying Yeh and Lars Westerberg were reelected members of the Board of AB Volvo and Ravi Venkatesan was newly elected. Finn Johnsson was elected Board Chairman. Per-Olof Eriksson was not available for reelection.

The fee to the Board of Directors was set at SEK 5,725,000, to be distributed among the members as follows: SEK 1,500,000 to the Chairman and SEK 500,000 to each of the other members, with the exception of the President, who does not receive a fee; in addition, SEK 250,000 to the Chairman of the Audit Committee and SEK 125,000 to other members of the Audit Committee and SEK 75,000 to each of the members of the Remuneration Committee.

The Board's Chairman Finn Johnsson, Carl-Olof By, representing AB Industrivärden, Lars Förberg, representing Violet Partners LP, Anders Oscarsson, representing SEB funds/Trygg Försäkring and Thierry Moulouguet, representing Renault s.a.s. were elected members of the Election Committee. No fees shall be paid to the Election Committee.

The Meeting resolved to adopt new guidelines for remuneration to senior executives, with the basic principle that management's remuneration and other employment terms shall be competitive to ensure that the Volvo Group can attract and retain competent senior executives. Management's fixed remuneration shall be competitive and based on the individual's area of responsibility and performance. Variable remuneration, in the case of the President, may amount to a maximum of 65% of the fixed remuneration and, with regard to other management personnel, a maximum of 50% of fixed remuneration.

# VOLVO

In addition, the Meeting resolved to adopt a new share-based incentive program during the second quarter of 2008 for senior executives in the Volvo Group. The program mainly involves that a maximum of 2,950,000 B shares in the company could be allotted to a maximum of 275 senior executives, including members of Group Management and other executives selected by the Board, during the first six months of 2009. The shares will be allotted if Volvo's return on shareholders' equity (ROE), calculated on the basis of the 2008 Annual Report, exceeds 12%. Maximum allotted will be made if the ROE reaches 15% and proportional allotment will be made in the interval. If these goals are fulfilled in their entirety and if the price of the Volvo B share at the time of allotment is SEK 92, the costs for the program will amount to about SEK 319 M.

So that Volvo shall be able to meet its commitment in accordance with the program, with limited cash flow effect, the Meeting further resolved that Volvo may transfer own shares (treasury stock) to the participants in the program.

April 9, 2008

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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.

The Volvo Group is one of the world's leading manufacturers of trucks, buses and construction equipment, drive systems for marine and industrial applications, aerospace components and services. 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. Annual sales of the Volvo Group amount to about SEK 285 billion. The Volvo Group is a publicly-held company headquartered in Göteborg, Sweden. Volvo shares are listed on OMX Nordic Exchange Stockholm.

AB Volvo (publ) may be required to disclose the information provided herein pursuant to the Securities Markets Act. The information was submitted for publication at 18.30 p.m. April 9, 2008.

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