



AB Volvo

Press Information

Additional personnel reductions within the Volvo Group

As a result of the sharp decline on world markets for heavy vehicles, the Volvo Group is being forced to implement new personnel reductions within its Swedish operations. A total of 1,543 employees are affected when Volvo Trucks, Volvo Construction Equipment, Volvo Penta and Volvo Powertrain today announced new layoffs.

Volvo Trucks is serving notice of termination of employment to 655 unionized employees at the company's facilities in Göteborg and Umeå.

As a result of a reorganization and cost-efficiency measures, Volvo Construction Equipment is laying off 125 administrative personnel at the plants in Eskilstuna, Hallsberg and Braås. In addition, 100 contracted consultants will leave the company.

Volvo Penta's downsizing affects 108 employees, of which 56 unionized employees and 52 administrative employees, at the facilities in Göteborg and Vara.

Volvo Powertrain is laying off 655 employees, of which 55 administrative personnel and 600 unionized employees, at the facilities in Skövde and Köping.

"We are conducting ongoing discussions with the unions regarding shortening of the workweek and we would view being able to implement parts of these notices together with such a solution as positive. These agreements are then made locally and are aligned with the needs of the operations," says Stefan Johnsson, Senior Vice President responsible for human resources within Volvo's Group Executive Management.

April 22, 2009

For further information, please contact:

Mårten Wikforss, AB Volvo, +46 31 66 11 27 or +46 705 59 11 49

VOLVO

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 300 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 11.00 a.m. CET, 22 April, 2009.