



Volvo's Asian truck business

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Trucks Asia

Product and geographical scope

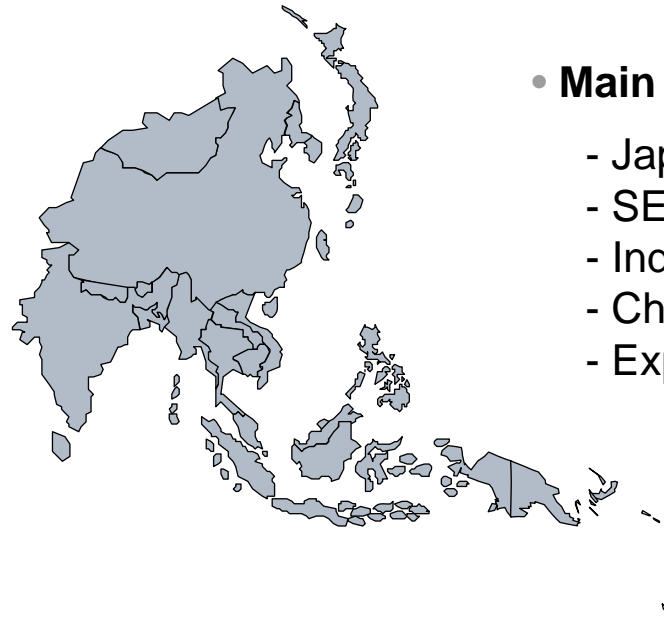
Product Scope

- **Trucks**
 - Heavy duty
 - Medium duty
 - Light duty
 - Aftermarket

Brand Scope

- **Group brands**
 - Volvo Trucks
 - Renault Trucks
 - Mack Trucks
 - Nissan Diesel
 - Eicher

Geographic Scope Asia

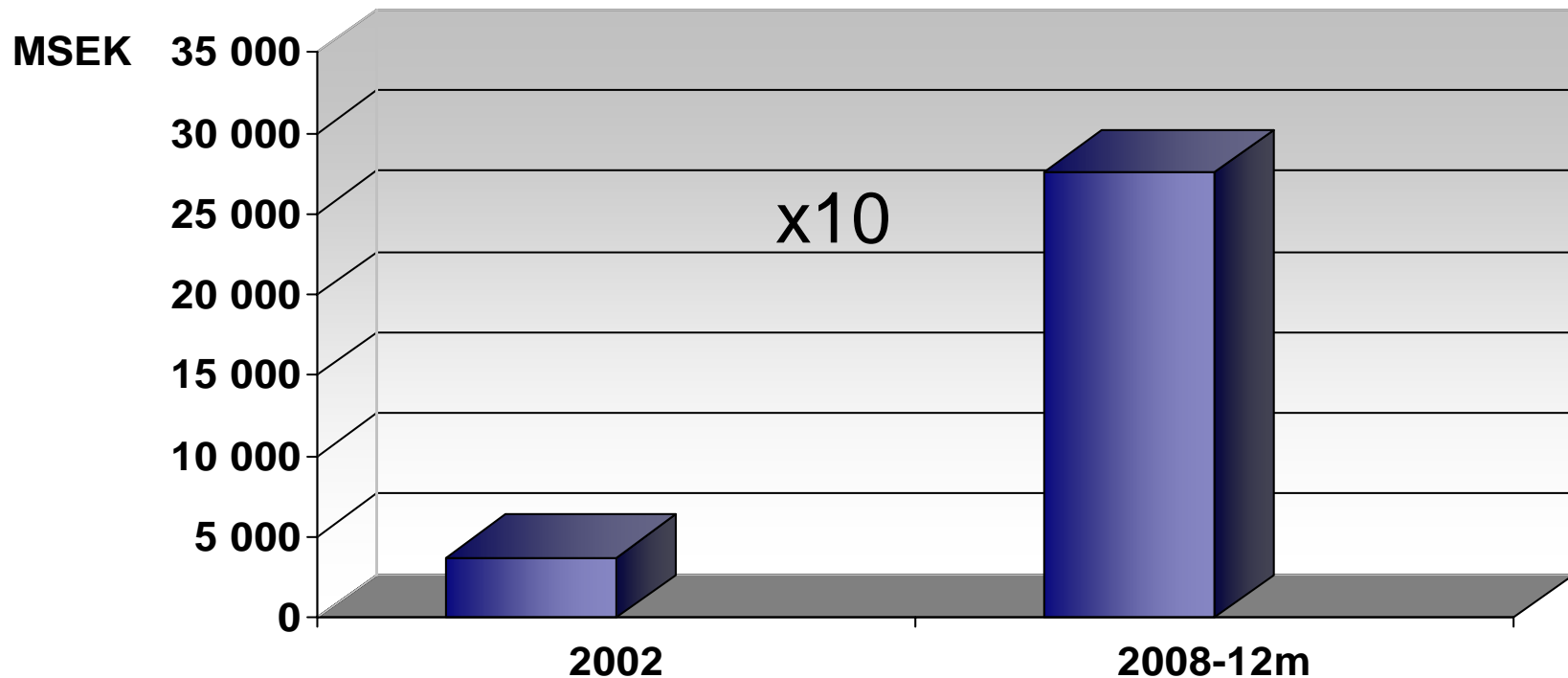


• Main Markets

- Japan/ Korea
- SE Asia
- India
- China
- Exports fr. Asia

Volvo Group truck sales in Asia

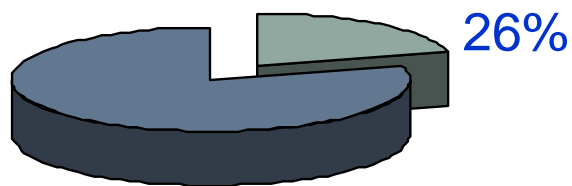
- Strong position established through organic growth, acquisitions and joint ventures



Volvo Asian truck business Q1 2008

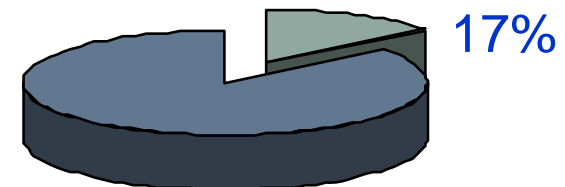
- Increasing share of Group truck business

Asia deliveries: 18 075 units



Total deliveries: 69 439 units

Asia net sales: 8 600 MSEK

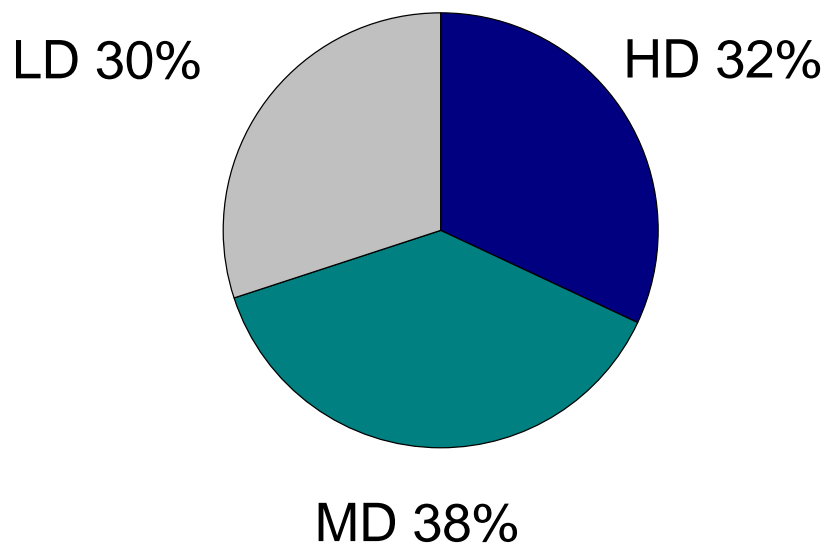


Total net sales: 51 217 MSEK

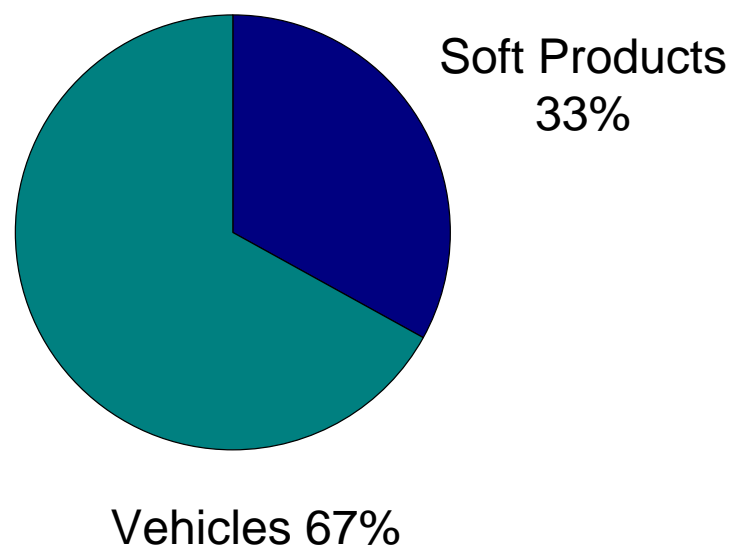
Products and services, Q1-2008

- Significant retail and light-medium duty business

Segment distribution (%)



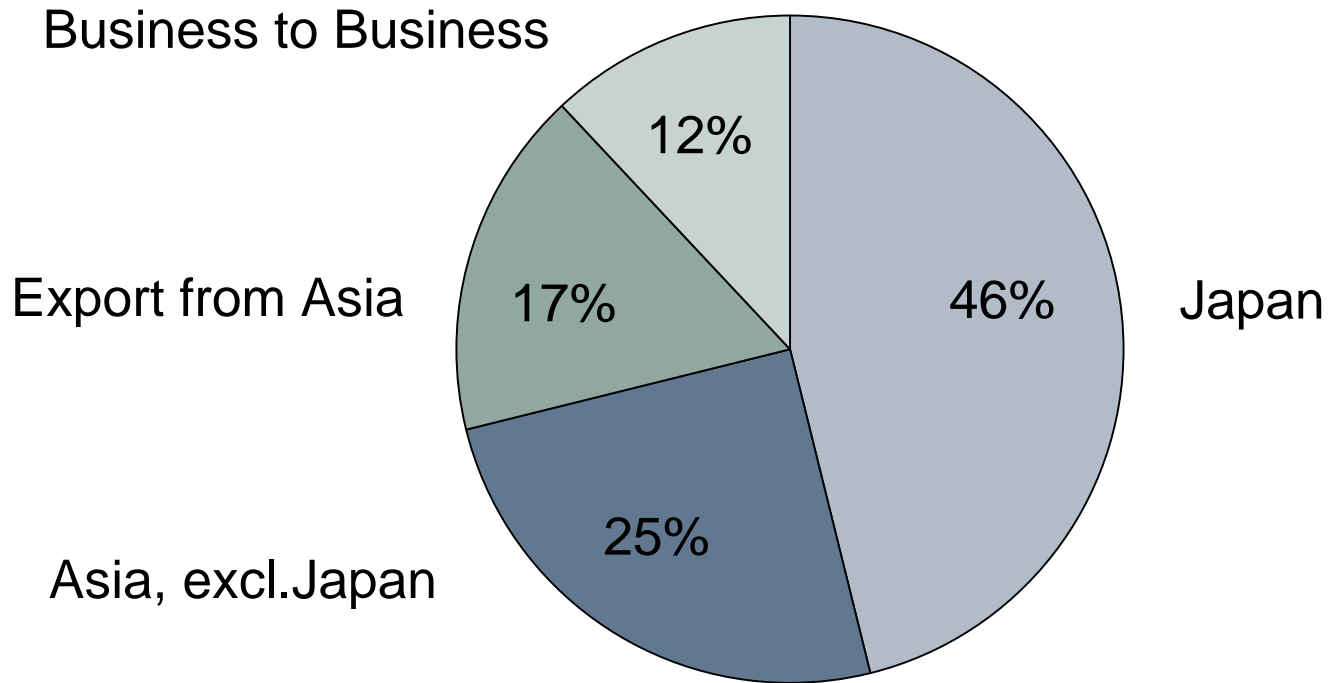
Sales per product type (%)



LD (<7t), MD (7-16t), HD (>16t)

Net sales in Asia by market, Q1-2008

- Japan key market. Exports and Asia growing

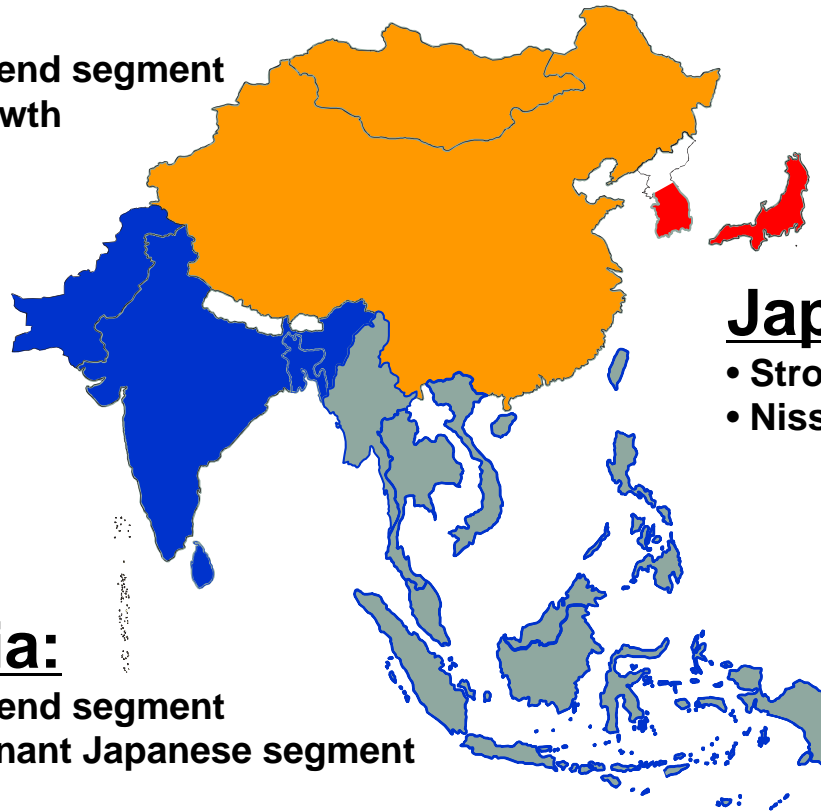


Market position

- Strong position established through organic growth, acquisitions and joint ventures

India:

- Strong position in high-end segment
- New JV platform for growth



South East Asia:

- Strong position in high-end segment
- Strong position in dominant Japanese segment

China:

- Strong position in high-end segment
- Organic growth potential

Japan and Korea:

- Strong position in high-end segment
- Nissan Diesel key market player

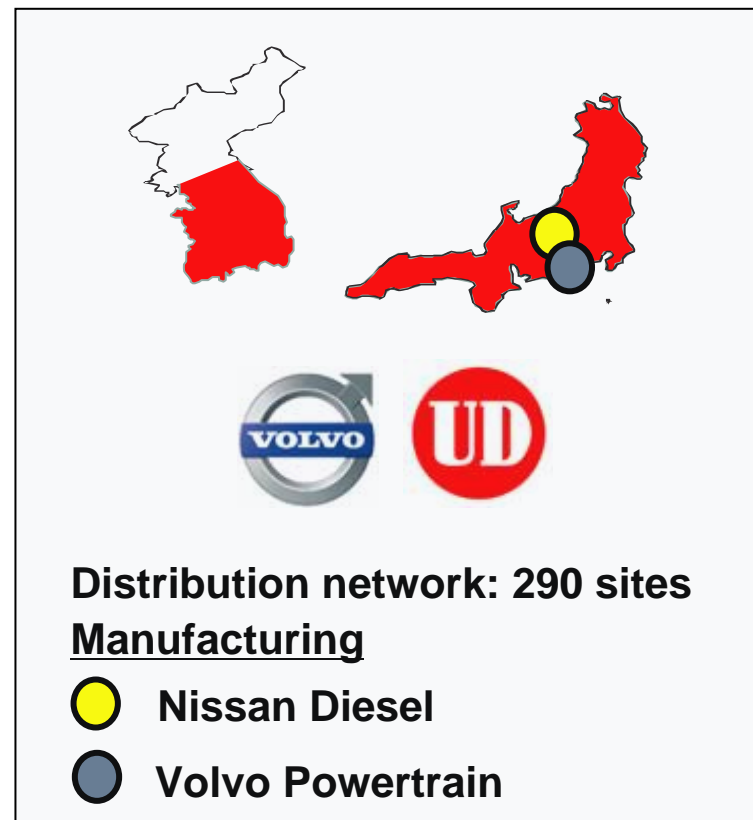
Export:

- Strong position in Africa and Australia
- Opportunities to leverage Group presence

Japan and South Korea

- Integration of Nissan Diesel in focus

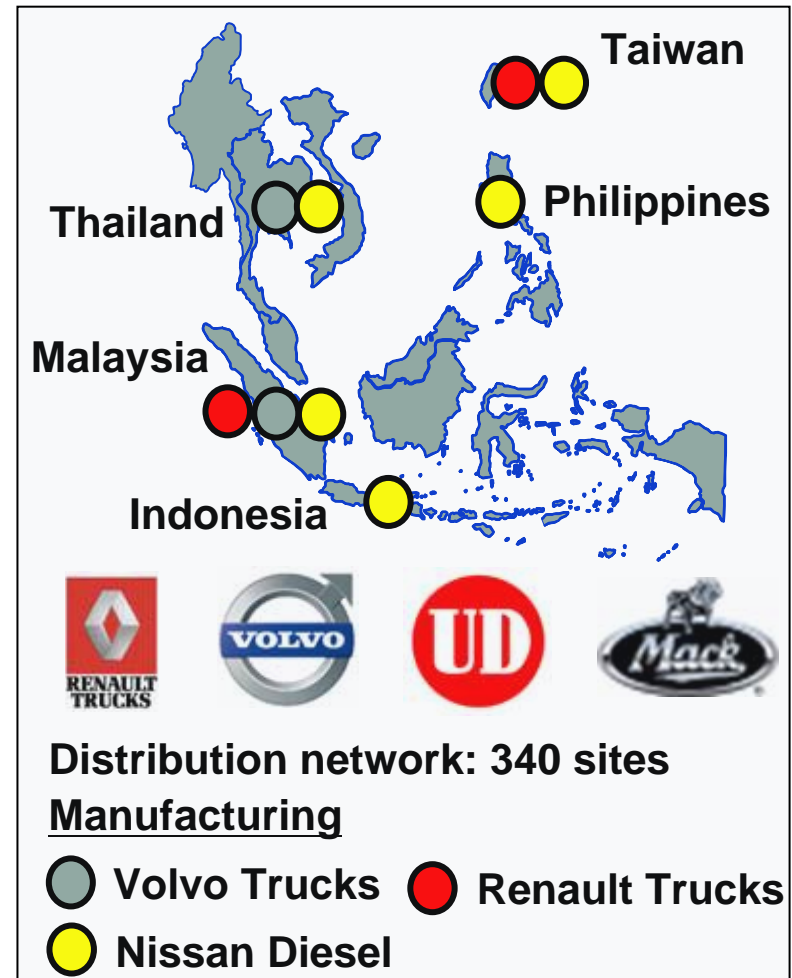
- Nissan Diesel 22% HD market share in Japan
- Volvo Trucks major player in Korea with 7% HD market share
- Strong retail business with 75% own dealers in Japan
- 1800 MSEK annual synergies to be reached through integration of Nissan Diesel
- Focus on product development, purchasing and distribution



South East Asia

- Consolidation of manufacturing and distribution networks

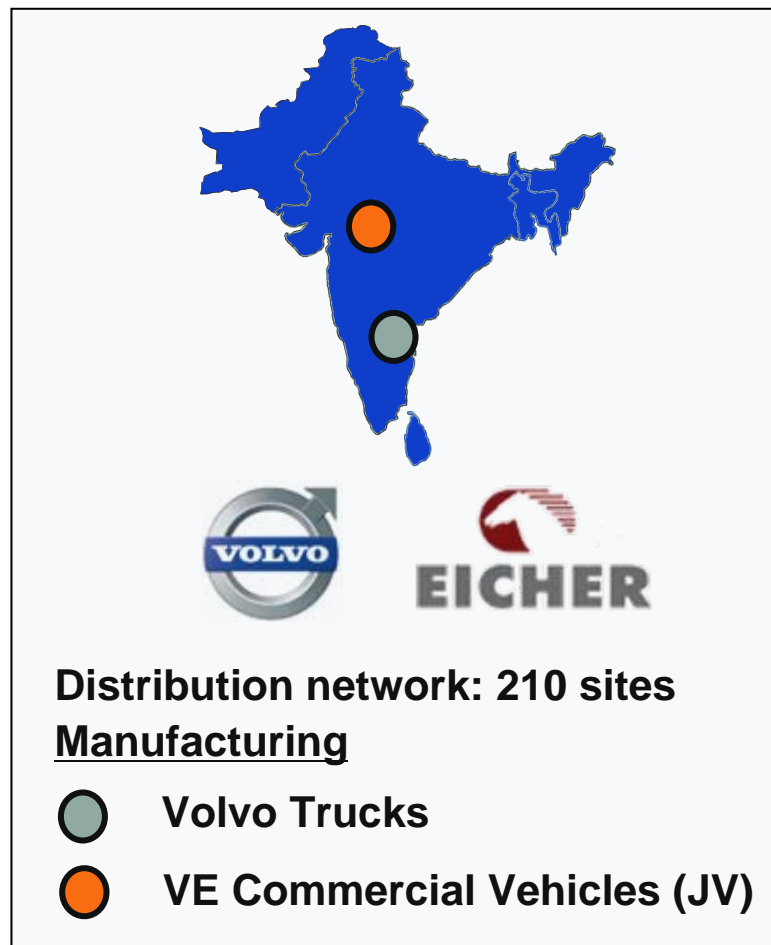
- Volvo Trucks market leader in high end European segment
- Volvo Group overall market share in segment HD 21%
- Strong market position in Japanese export segment with 21% share
- Consolidation of manufacturing facilities (CKD plants)
- Vertical integration and consolidation of distribution network



India

- Development of new joint venture with Eicher

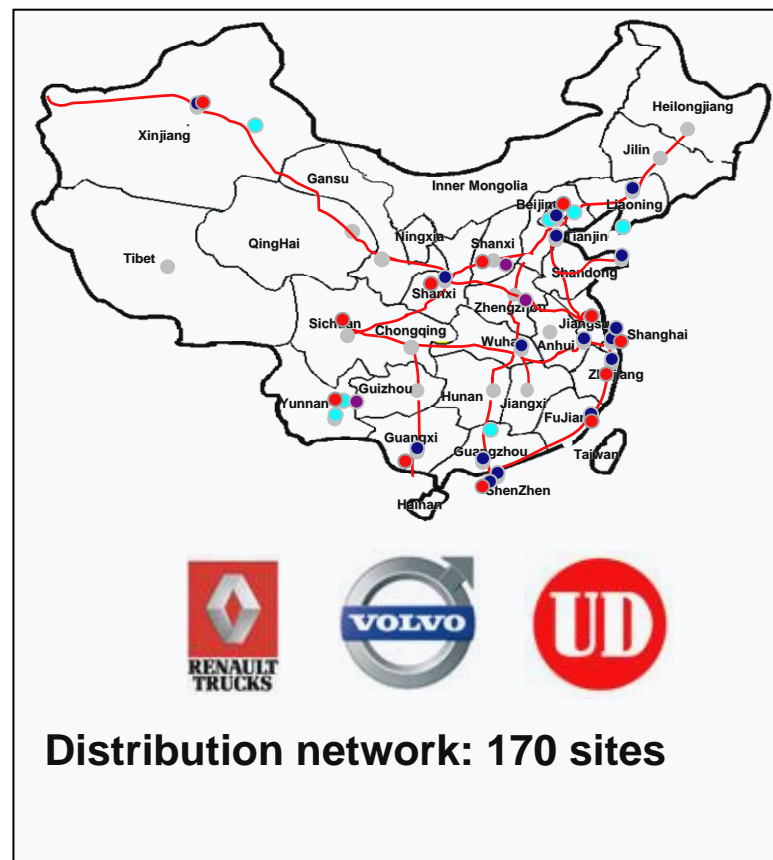
- Eicher light-medium duty market share 27% and growing heavy duty business
- Eicher has 7% market share in the bus business in India
- Volvo Trucks no.1 in European high-end segment with strong brand image
- New products and services to be developed through new joint venture
- Joint venture go-live July 1st, 2008



China

- Strong performance in a small European segment

- Volvo Group market leader in high end European segment
- Local products dominates the market
- Distribution capabilities strengthened
- Multi brand retail organisation established



Export markets

- Strong growth potential

Markets

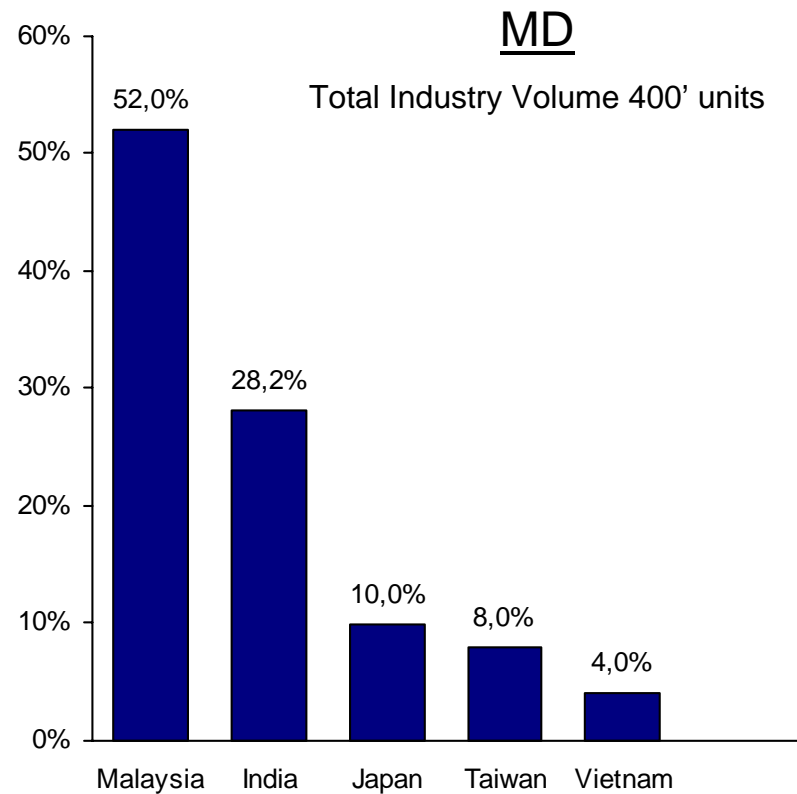
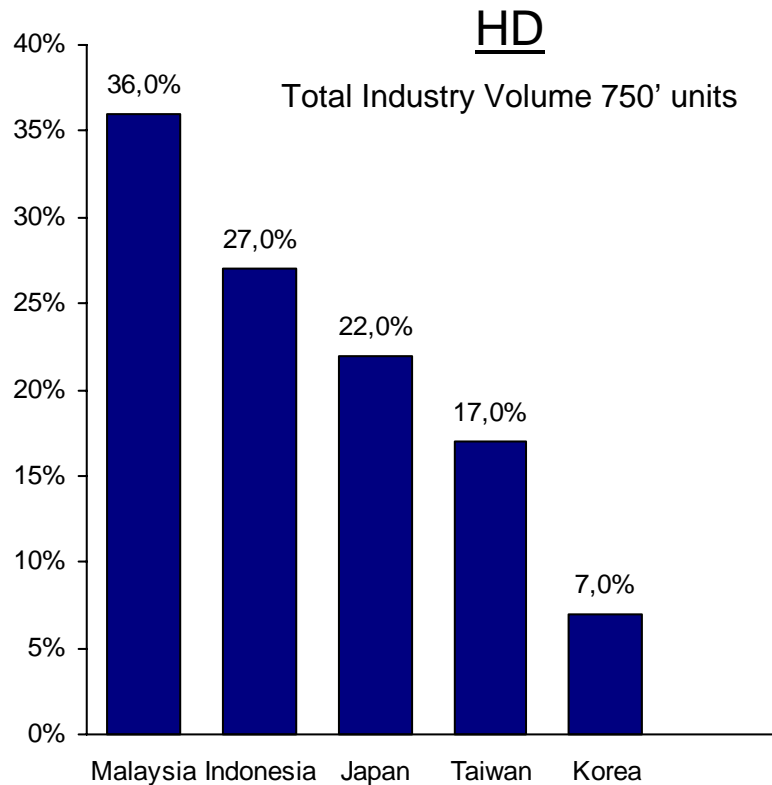
- South America
- North America
- Australia
- Other markets

Main activities

- Integration of Nissan Diesel;
 - Distribution
 - Aftermarket business
 - Financial solutions
 - Logistics and back office
- New export opportunities leveraging on Volvo Group presence

Top 5 market shares

- Volvo Group position in Asian truck markets



In focus

- Operational excellence and focus on profitability improvements
- Realise Nissan Diesel synergies
- Consolidate the distribution system in South East Asia
- Consolidate the manufacturing footprint in Asia
- Develop joint venture to capture full potential in India
- Aggressive organic growth in China