


# Volvo Group 2016



Day in and day out, all around the year, people's decisions and basic needs create demand for transports and infrastructure solutions. Without the type of products and services the Volvo Group provides, the societies where many of us live would not function. Together we move the world





**The Volvo Group is one of the world's leading manufacturers of trucks, buses, construction equipment and marine and industrial engines. The Volvo Group also provides complete solutions for financing and service.**

**The Volvo Group, which employs about 100,000 people, has production facilities in 18 countries and sales of products in more than 190 markets.**







# Our vision

## Be the most desired and successful transport solution provider in the world





# Our mission

## Driving prosperity through transport solutions



On the road

In the city



Off road

At sea



# Passion for customer success

A Volvo Globetrotter truck is parked on a rocky shore at sunset. A man in a dark shirt and sunglasses stands in front of the truck. The sun is low on the horizon, creating a warm glow over the water and sky. The truck is white with 'GLOBETROTTER' written on the side of the cab.

**The majority of the Volvo Group's customers are companies within the transportation or infrastructure industries. The reliability and productivity of the products are important and in many cases crucial to our customers' success and profitability.**



# The employer of choice

## Customer success

We make our customers win.

## Trust

We trust each other.

## Passion

We have passion for what we do.

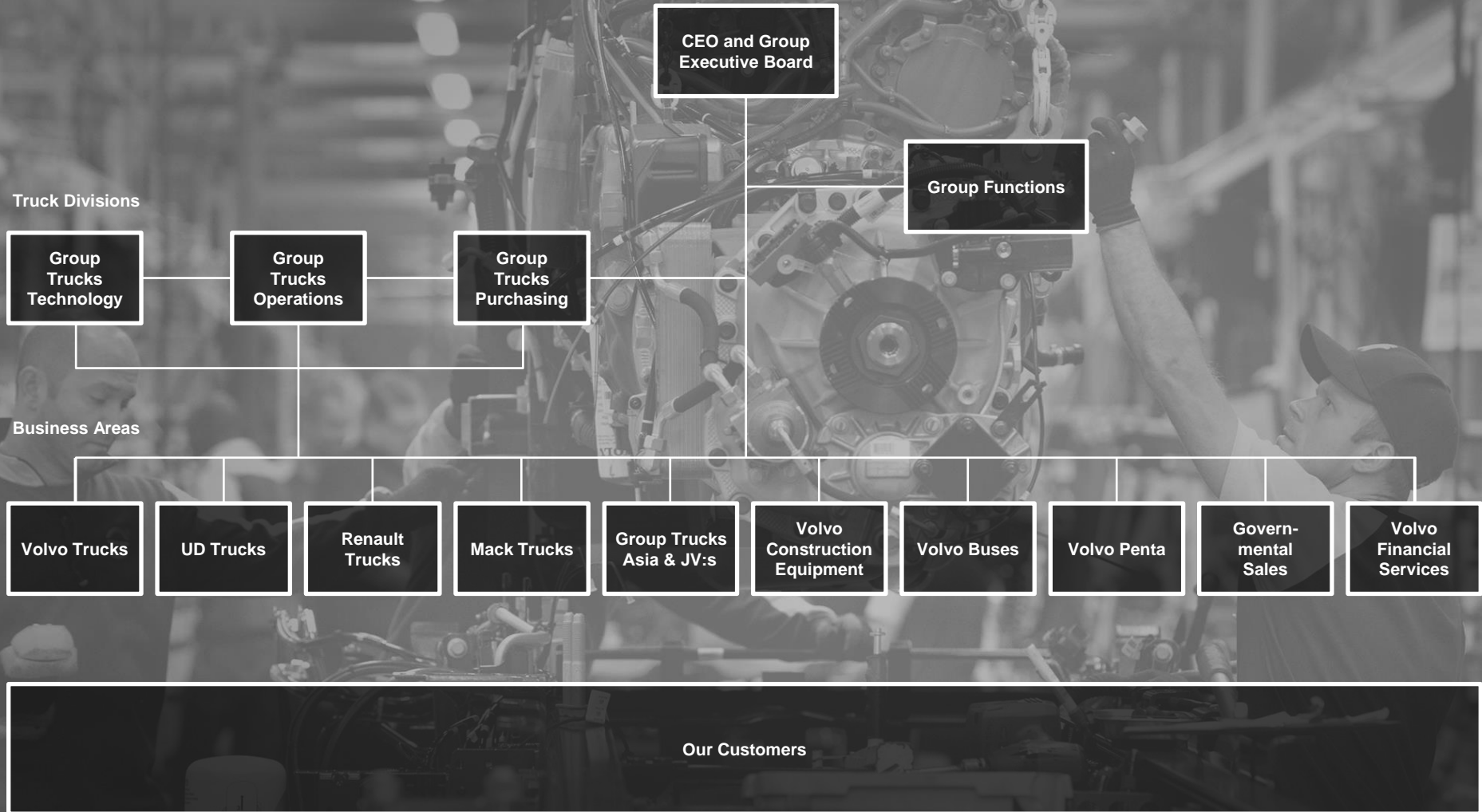
## Change

We change to stay ahead.

## Performance

We are profitable to shape our future.

# Our Organization





# Our Business Areas

**VOLVO TRUCKS**

**UD TRUCKS**

**RENAULT TRUCKS**

**MACK TRUCKS**

**GROUP TRUCKS ASIA & JV:s**

**CONSTRUCTION EQUIPMENT**

**BUSES**

**VOLVO PENTA**

**GOVERNMENTAL SALES**

**VOLVO FINANCIAL SERVICES**



# Volvo Trucks

Volvo Trucks is the second-largest heavy-duty truck brand in the world; with trucks sold and serviced in more than 140 countries.





# UD Trucks

Established in Japan in 1935 UD Trucks markets heavy, medium and light duty trucks in Japan as well as in growth markets in Asia and around the world.



# Renault Trucks

Headquartered in France  
Renault Trucks supplies  
transport professionals with  
robust tools and robust  
relationships since 1894





# Mack Trucks

Founded in 1900, Mack Trucks - recognized around the world as "The American Truck You Can Count On" – is known for building durable and reliable, application-driven vehicles that get the job done.



# Group Trucks Asia & JV:s

Designed to meet the specific needs of the Group's truck customers in the value truck segment, with responsibility for the Value Truck business.





# Construction Equipment

Manufactures a number of different types of equipment for construction applications and related industries under the brands Volvo, Terex Trucks and SDLG.



# Buses

City and intercity buses,  
coaches and chassis under the  
brands Volvo, UD, Sunwin,  
Prevost and Nova bus.





# Volvo Penta

Engines and drive systems for leisure and commercial boats and industrial applications.



# Governmental Sales

Sales to government agencies and organizations.





# Volvo Financial Services

Delivers competitive financial solutions which strengthen long-term relationships with Volvo Group dealers and customers.

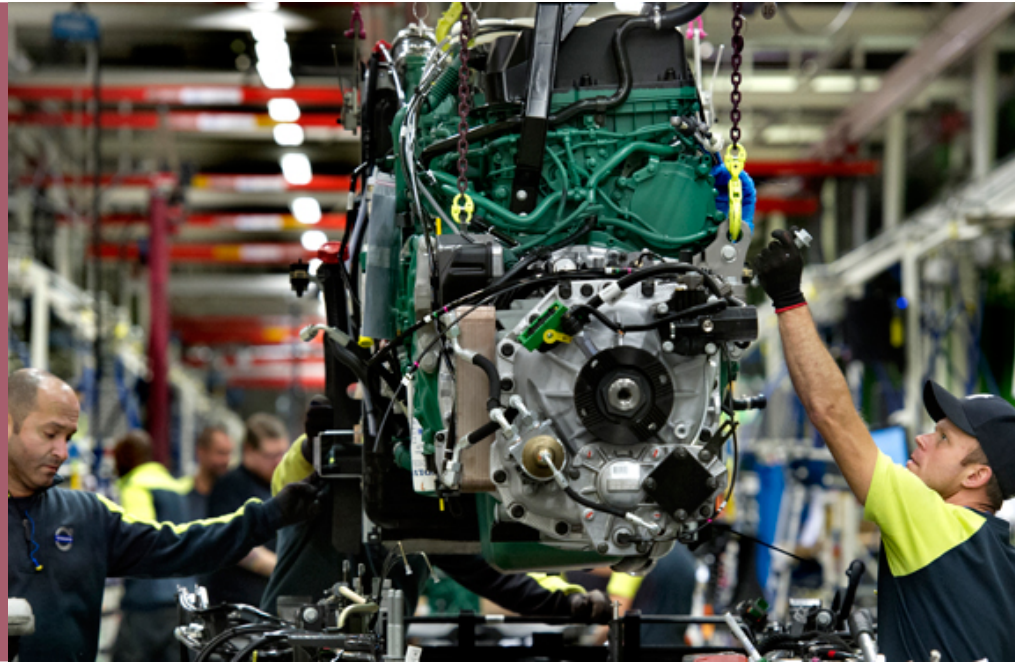


# Group Trucks Operations

Manufacturing of cabs and trucks for the Volvo, Renault Trucks, Mack and UD Trucks brands as well as production of the Group's engines and transmissions.

Spare part supply to the Group's customers and logistics operations.

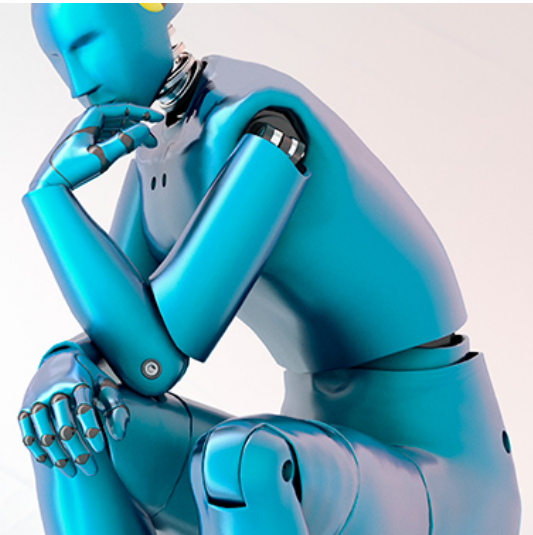
Purchasing responsibility for Volvo Group.





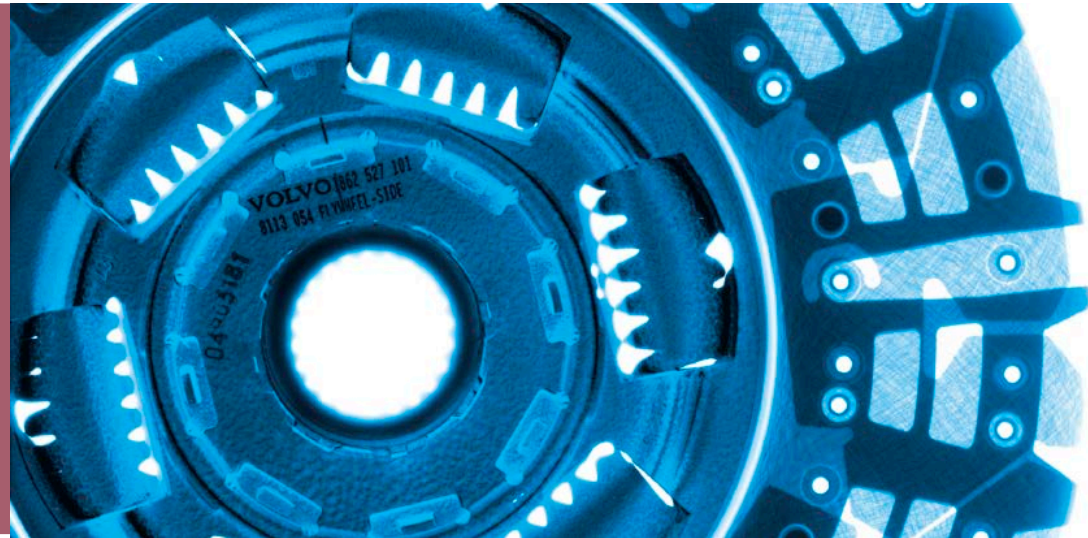
# Group Trucks Technology

Research and product development of complete vehicles, powertrain, components and service offering.



# Group Trucks Purchasing

Volvo Group Purchasing is the global group function covering the purchase of automotive products and parts including aftermarket, for all truck brands in Volvo Group Trucks.





# Partnerships

- Dongfeng Commercial Vehicles (DFCV) in China, together with Dongfeng Motor Group Company Ltd.
- Shandong Lingong Construction Machinery Co., Ltd (SDLG) in China.
- Shanghai Sunwin Bus Corporation in Shanghai, together with Shanghai Automotive Industry Corporation (SAIC).
- Volvo Eicher Commercial Vehicles (VECV) in India, together with Eicher Motors Ltd.



# Volvo Group truck brands



# Volvo

The Volvo brand has been built up over decades and enjoys a solid position worldwide. It is one of the world's best known and respected brands within the commercial vehicle industry. It is associated with the core values quality, safety and environmental care.





# UD

Established in Japan in 1935 UD Trucks markets heavy, medium and light duty trucks in Japan as well as in growth markets in Asia and around the world. UD stands for Ultimate Dependability and offers customers modern smart efficiency with the brand promise “Going the Extra Mile”.



# Renault Trucks

Since 1894, Renault Trucks supplies transport professionals with robust tools and robust relationships. The vehicles (from 2.8 to 120 tons) and services offering is adapted to different transport applications and contribute to reduce customers' operational costs.



# Mack

Founded in 1900, Mack Trucks - recognized around the world as "The American Truck You Can Count On" – is known for building durable and reliable, application-driven vehicles that get the job done. An iconic brand, Mack embodies the American spirit: pioneering, hard-working, authentic and ambitious.





# Eicher

Eicher\* is one of the largest players in the Indian mainstream commercial vehicle market, with a strong image of fuel efficiency and profitability for the customers. It is leading the modernization of its industry in India and in the emerging world.

\*Joint venture



# Dongfeng Trucks

Dongfeng Trucks\*, established in 1969, is one of China's leading truck brands. It originates from the Chinese culture and has further been developed through craftsmanship with trust, professionalism and global techniques.

\*Strategic alliance



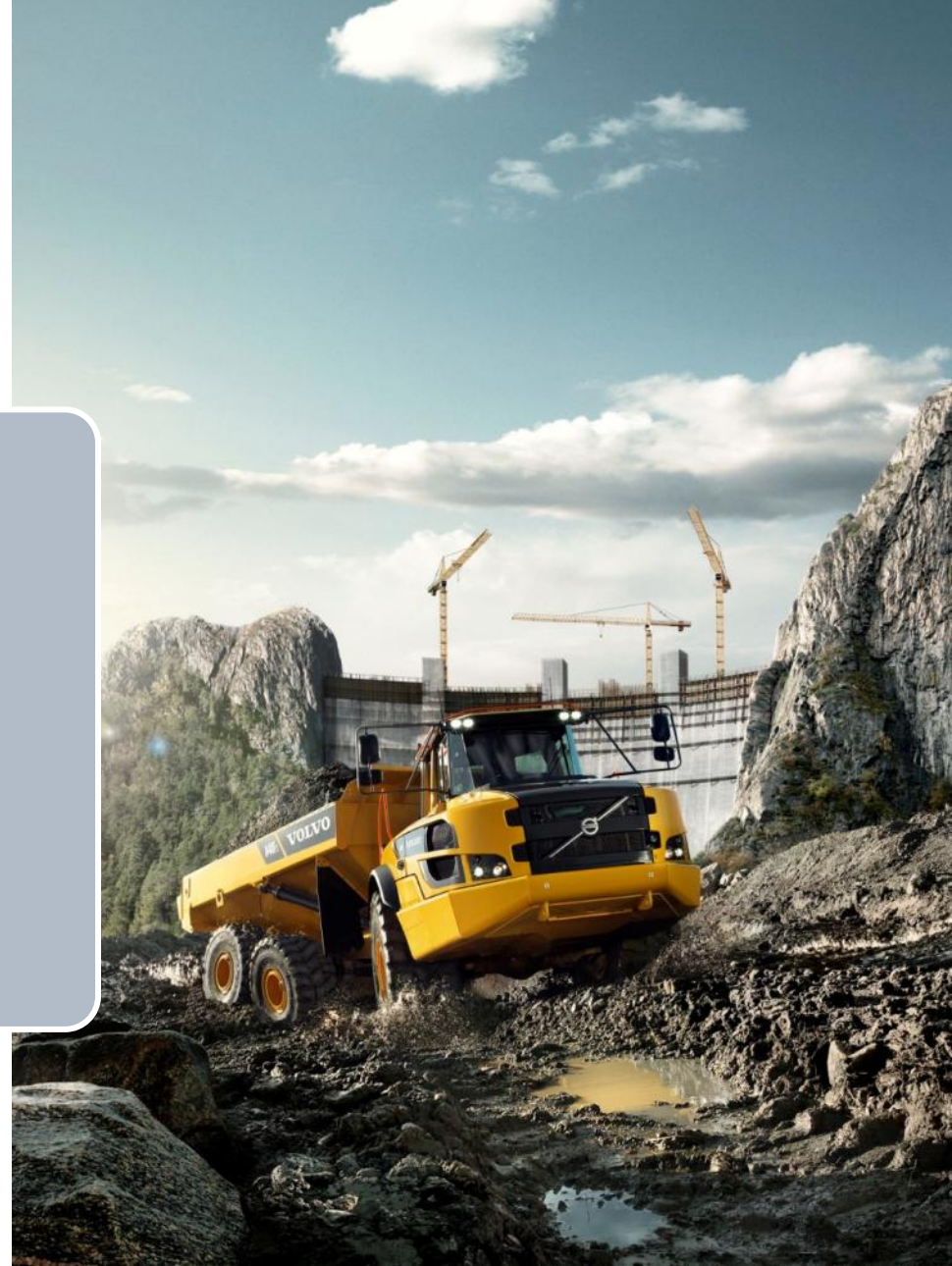
# Volvo Group construction equipment brands





# Volvo

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# Terex Trucks

Terex Trucks is a leading manufacturer of articulated and rigid haulers that are used around the world in mining, quarrying, and infrastructure applications. From arctic to desert conditions, and tropical to dry climates, Terex Trucks' haulers perform in some of the most extreme environments.





# SDLG

SDLG\* is a leading brand in the Chinese construction machinery industry, especially for wheel loaders. The SDLG brand is sold primarily in China and other emerging markets to customers focused on reliable and competitive equipment.

\*Joint venture





# Volvo Group bus brands



# Volvo

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# UD

UD Bus is a city bus and has a coach range aimed specifically at growth markets.





# Sunwin

Sunwin Bus is a leading Chinese bus producer and one of the world's largest manufacturers of fully electric buses. The Sunwin brand is offered primarily in China.

\*Joint venture



# Prevost

Prevost is a leading North American manufacturer of premium touring coaches and bus shells for high-end motorhomes and specialty conversions.



# Nova Bus

Nova Bus is a leading North American provider of sustainable transit solutions, including buses, high-capacity vehicles and integrated intelligent transportation systems.





# Volvo Group marine and industrial engine brand



# Volvo Penta

Volvo Penta is a world-leading supplier of engines and complete power systems for marine and industrial applications. It is associated with innovative and performance-oriented products in addition to quality, safety and environment.



# Our history – human centric since 1927

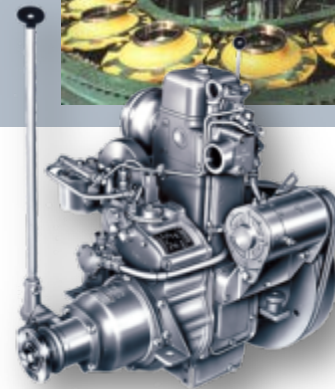
**1927** Volvo is founded by Assar Gabrielsson and Gustaf Larson, who decide to create safe vehicles of high quality. The first passenger car is manufactured in Gothenburg and in the following year, the first truck — an instant success.



In the following decades, Volvo grows into a Group and a number of operations come into existence: the manufacture of car, marine and industrial engines, buses, construction equipment and components for the aircraft industry.



A series of company acquisitions in various industry segments further strengthens the Group.





# Our history – human centric since 1927



**1999** Volvo Cars is sold to the Ford Motor Company.

**2001** Volvo Group acquires Renault Trucks and Mack Trucks.



**2007** Volvo Group acquires Nissan Diesel (currently known as UD Trucks).

**2007** Volvo Group acquires Lingong, Chinese manufacturer of construction equipment.



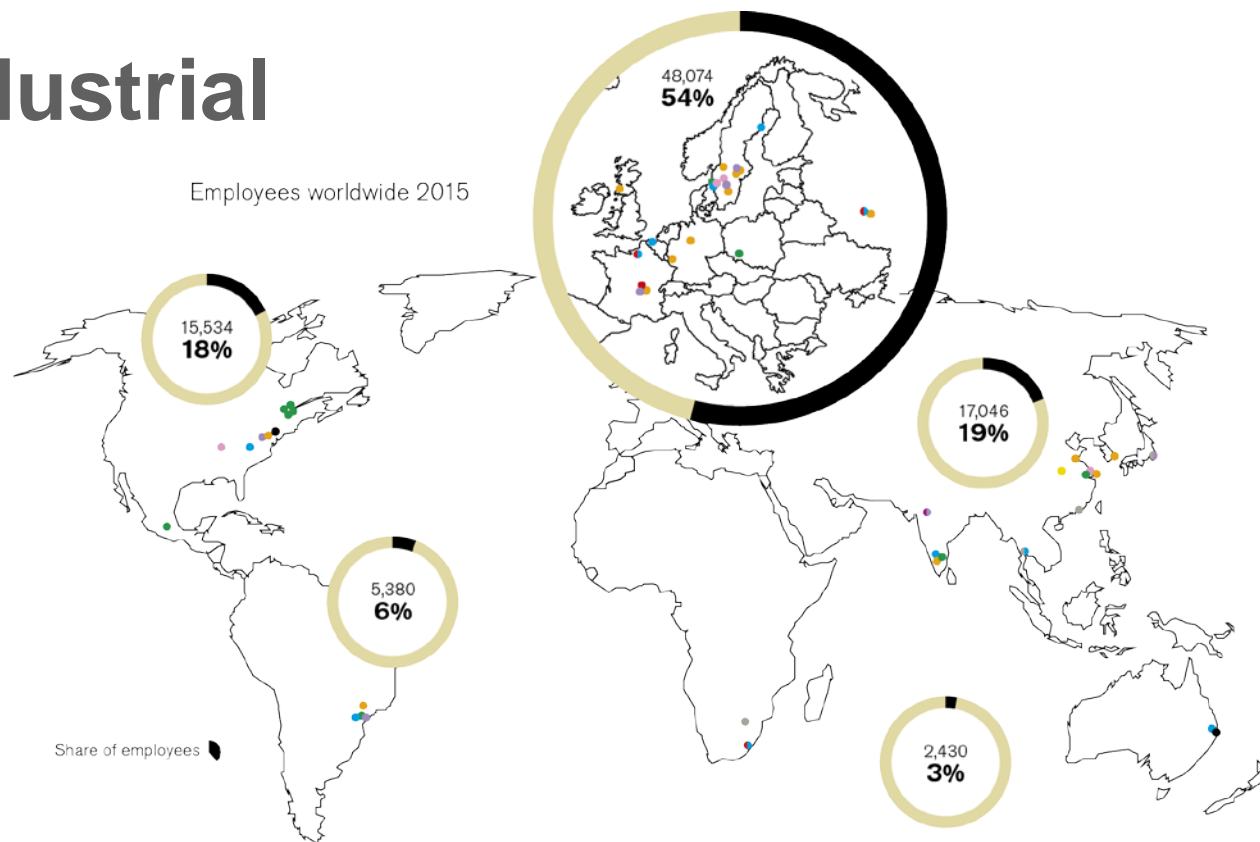
**2008** Establishment of the joint venture company Volvo Eicher Commercial Vehicles together with Eicher Motors Ltd.

**2012** The aerospace component company Volvo Aero is sold to the British engineering group GKN.

**2014** Volvo Group acquires Terex Trucks.

**2015** Establishment of the strategic alliance Dongfeng Commercial Vehicles together with Dongfeng Motor Group Company Ltd.

# Global industrial structure



MAJOR PRODUCTION FACILITIES	NORTH AMERICA	SOUTH AMERICA	EUROPE	ASIA	OTHER MARKETS
Volvo Trucks	New River Valley (US)	Curitiba (BR)	Blainville (FR), Göteborg, Umeå (SE), Gent (BE), Kaluga (RU)	Bangalore (IN), Bangkok (TH)	Brisbane (AU), Durban (ZA)
UD Trucks				Ageo (JP), Hangzhou* (CN), Bangkok (TH)	Pretoria (ZA)
Renault Trucks			Blainville, Bourg-en-Bresse (FR), Kaluga (RU)		Durban (ZA)
Mack Trucks	Macungie (US)				Brisbane (AU)
Eicher*				Pithampur* (IN)	
Dongfeng Trucks*				Shiyan* (CN)	
Engines and transmissions	Hagerstown (US)	Curitiba (BR)	Köping, Skövde (SE), Vénissieux (FR)	Ageo (JP), Pithampur* (IN)	
Construction Equipment	Shippensburg (US)	Pederneiras (BR)	Arvika, Braås, Eskilstuna, Hallsberg (SE), Konz-Könen, Hameln (DE), Belley (FR), Kaluga (RU), Motherwell (UK)	Changwon (KR), Shanghai, Linyi* (CN), Bangalore (IN)	
Buses	St Claire, St Eustache, St Francois du lac (CA) Mexico City (MX), Plattsburgh (US)	Curitiba (BR)	Borås, Uddevalla (SE), Wrocław (PL)	Bangalore (IN), Shanghai* (CN)	
Volvo Penta	Lexington (US)		Göteborg, Vara (SE)	Shanghai (CN)	

\* Ownership ≥ 45%

Volvo Group Headquarters

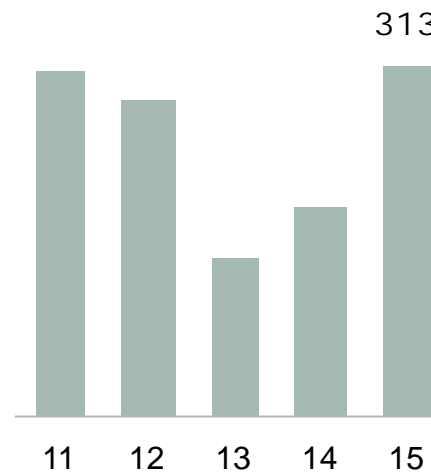
**VOLVO**

# Volvo Group financial performance 2011-2015

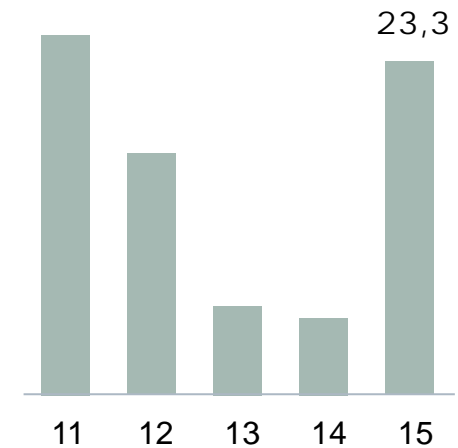
SEK bn



## Net Sales



## Operating income



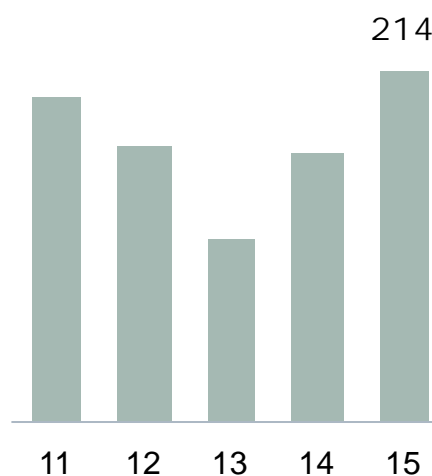


# Trucks

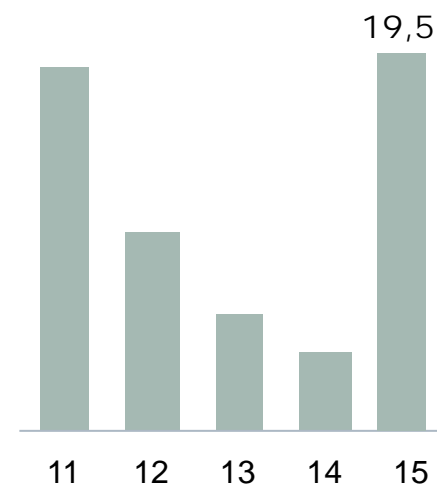
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## Net Sales



## Operating income

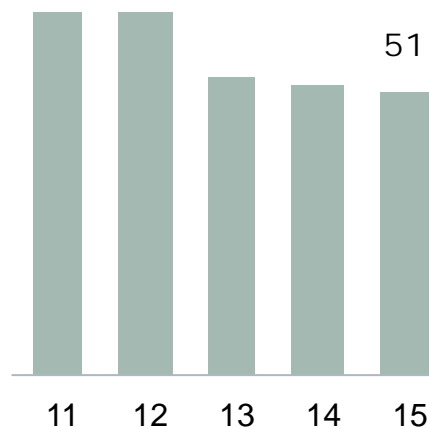


# Construction Equipment

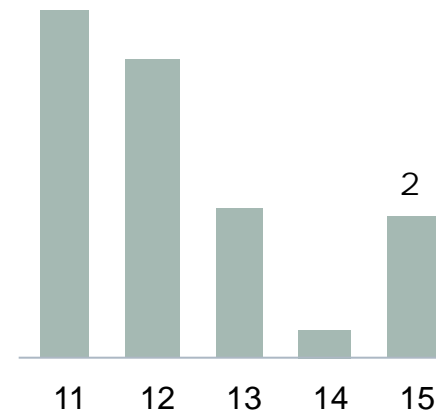
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Net Sales



Operating income



# Trucks



	Deliveries 2015	Change %
Europe	86 448	19
North America	64 507	12
South America	11 069	-53
Asia	31 979	-1
Other markets	13 472	-20
<b>Total</b>	<b>207 475</b>	<b>2</b>

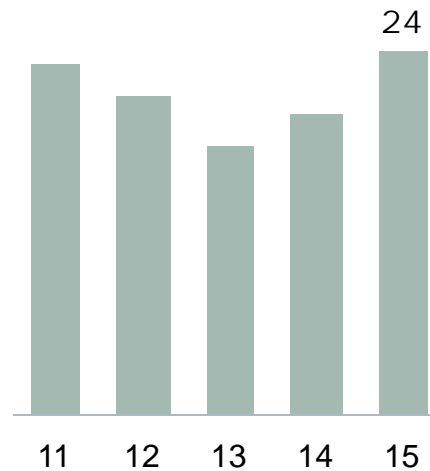


# Buses

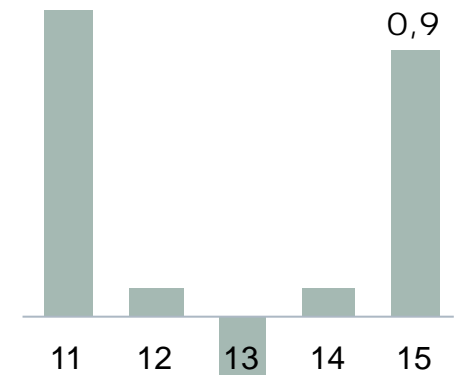
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**Net Sales**



**Operating income**

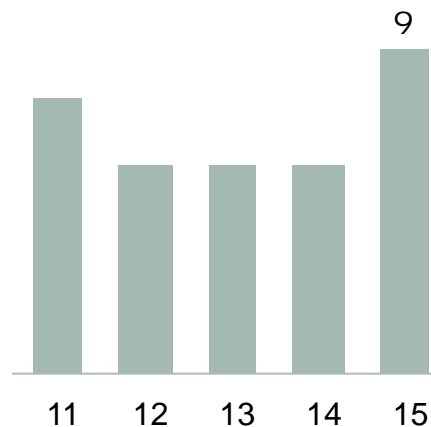


# Volvo Penta

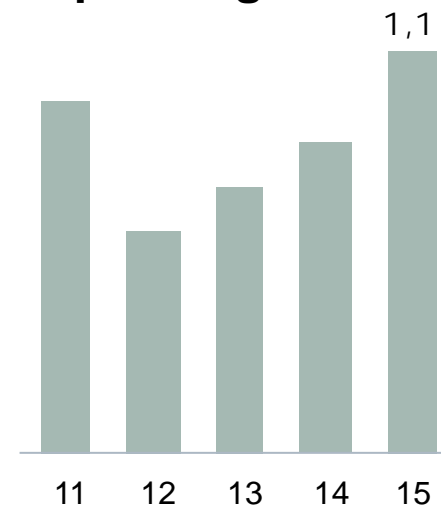
SEK bn



**Net Sales**



**Operating income**



# Volvo Group University



**Driving quality, availability,  
commonality and efficiency**





TOGETHER WE MOVE THE WORLD