

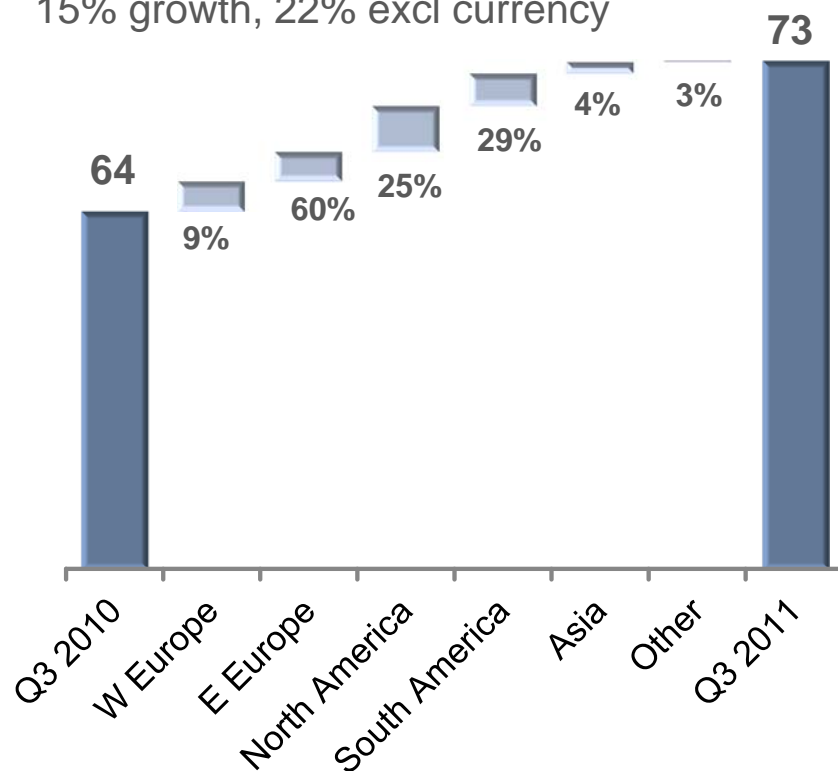
VOLVO GROUP THIRD QUARTER



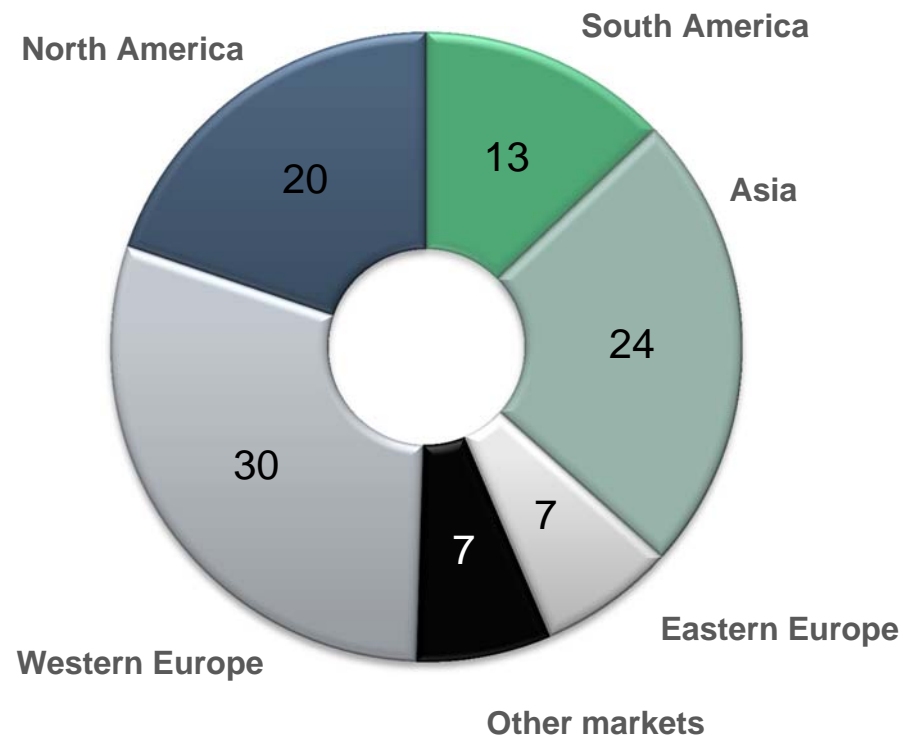
Sales by region

MARKET DEVELOPMENT SEK bn

15% growth, 22% excl currency

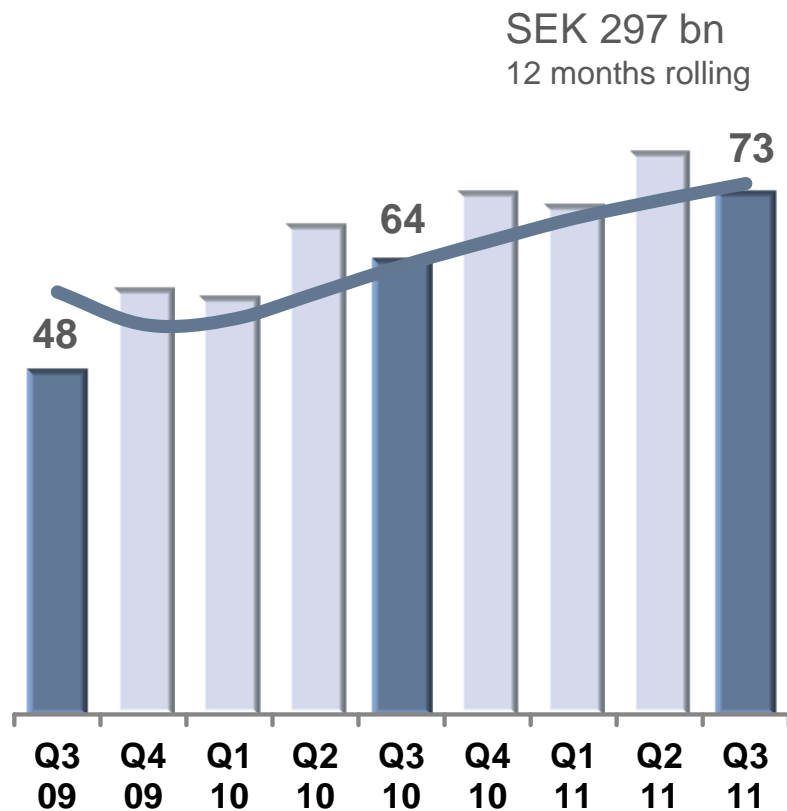


VOLVO GROUP SALES Q3 %

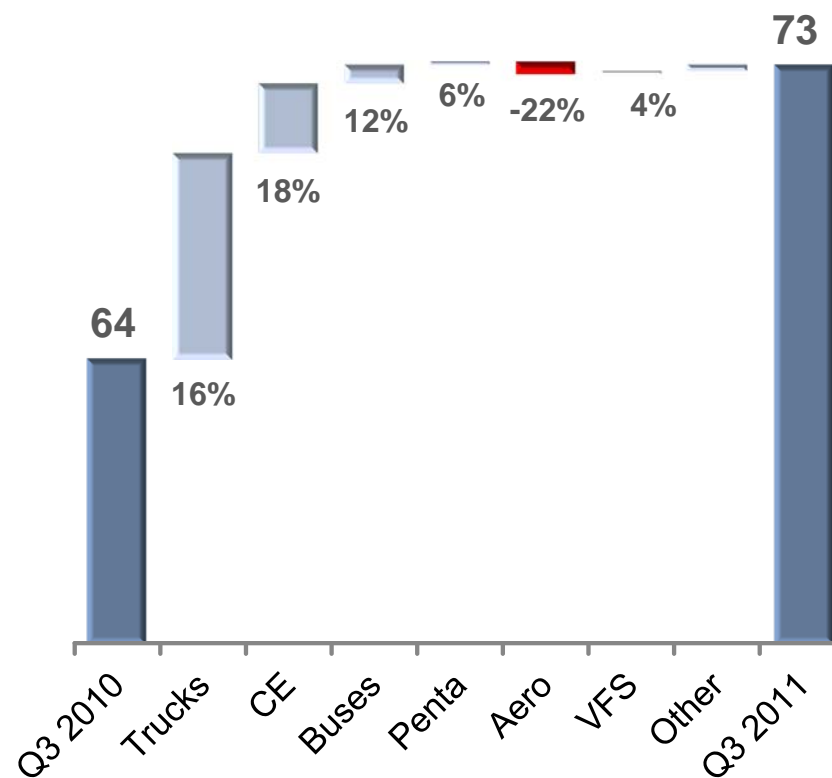


Sales trend

SALES TREND
SEK bn

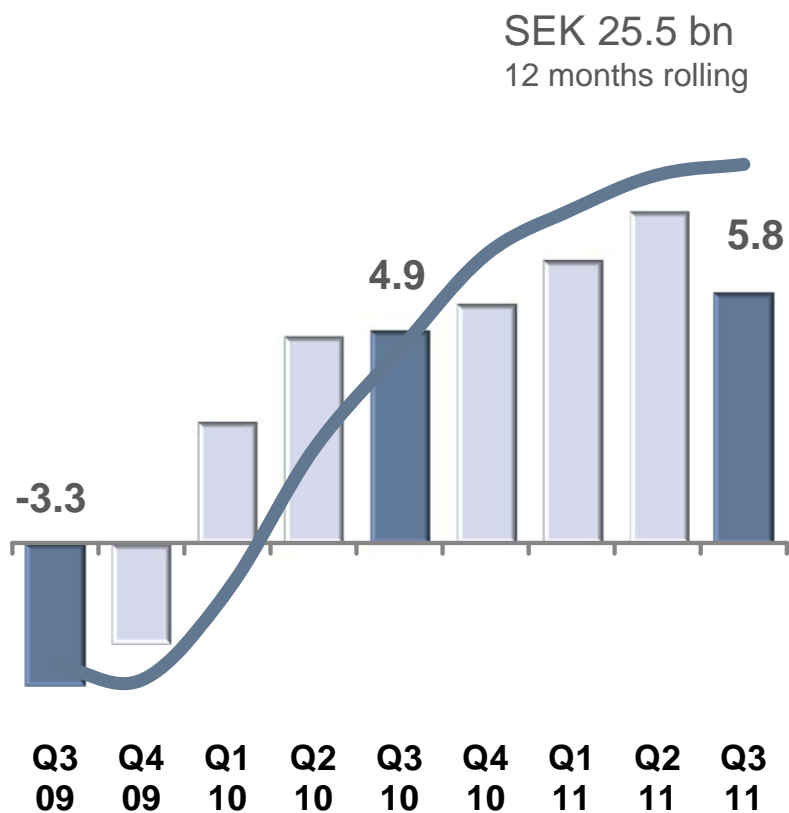


SALES BRIDGE
SEK bn

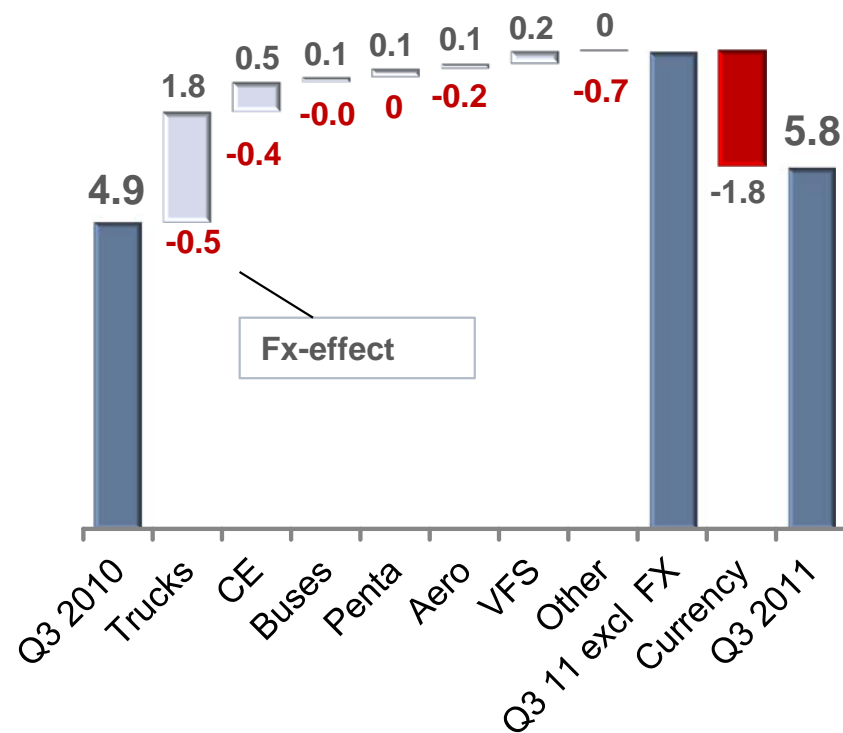


Operating income

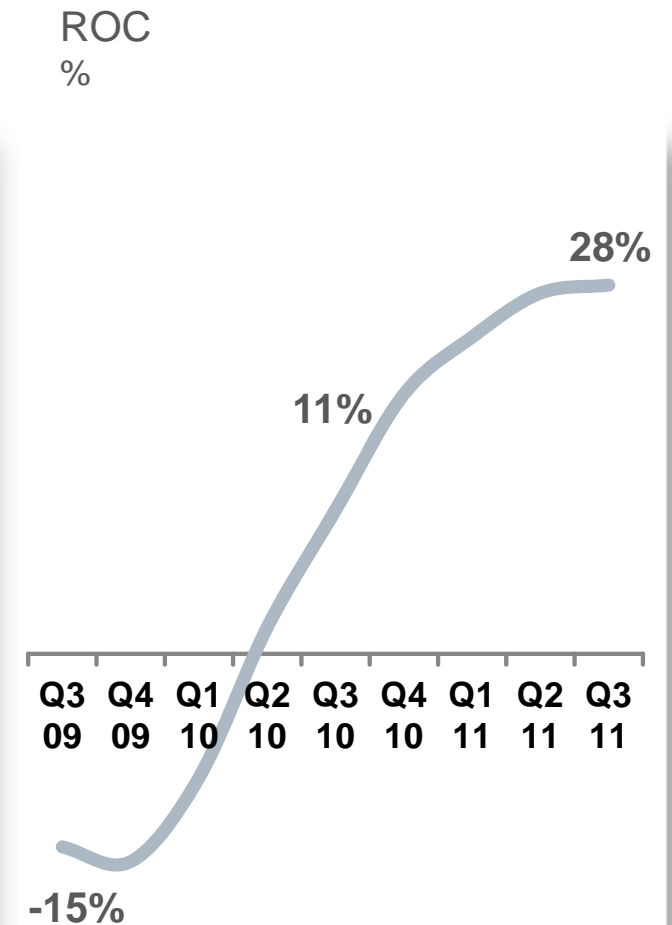
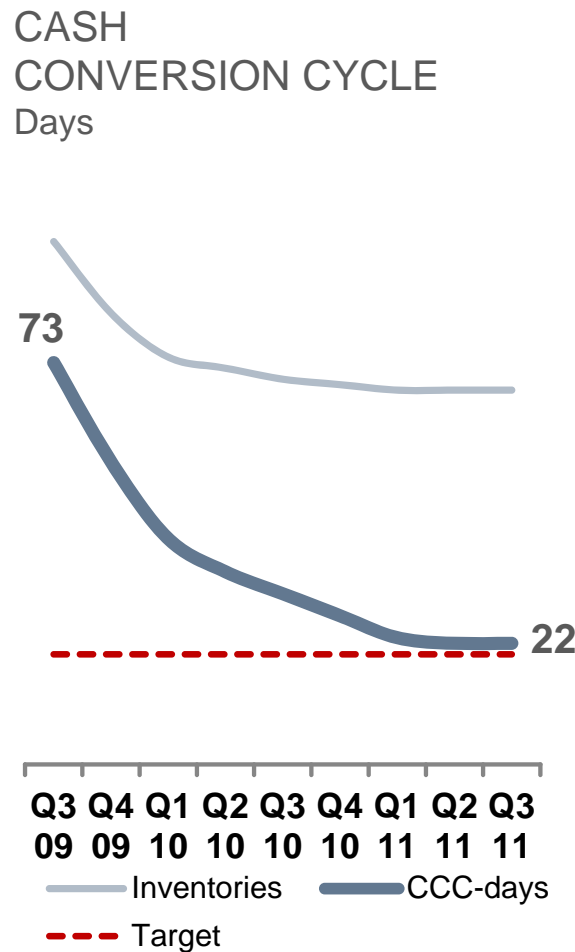
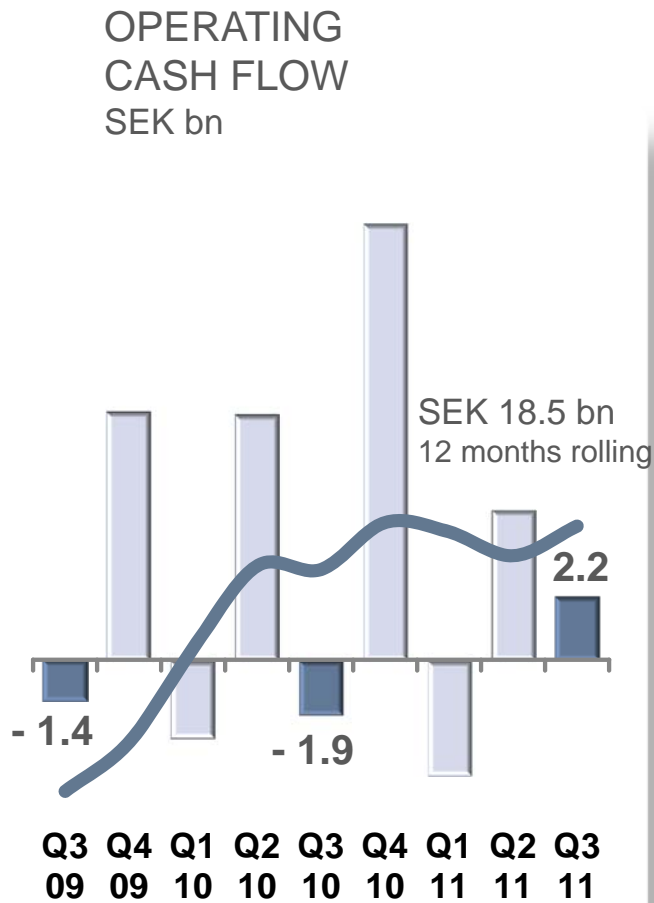
OPERATING INCOME
SEK bn



OPERATIONAL PERFORMANCE
SEK bn

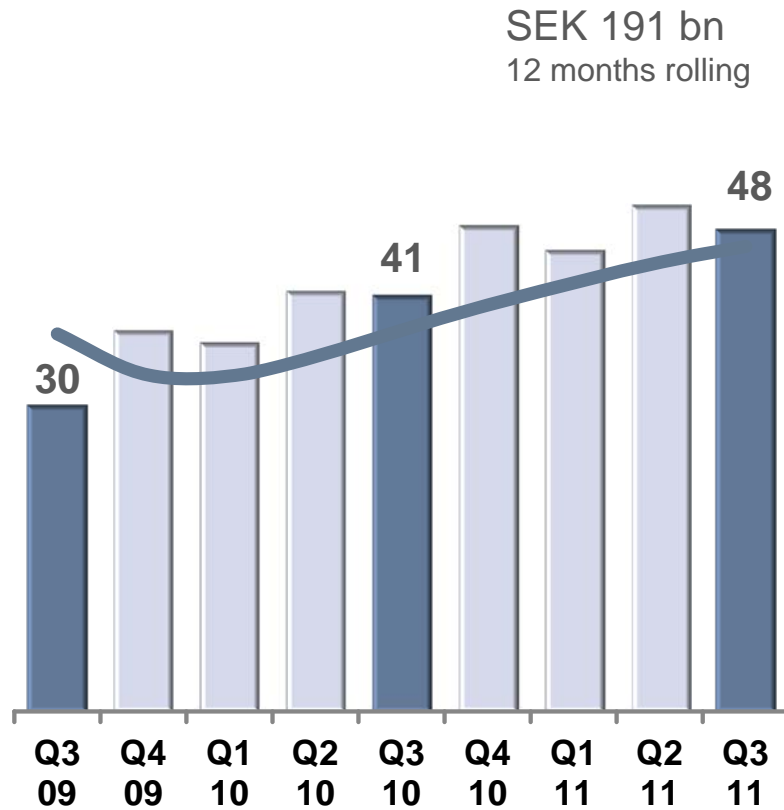


Financial highlights – Operating capital



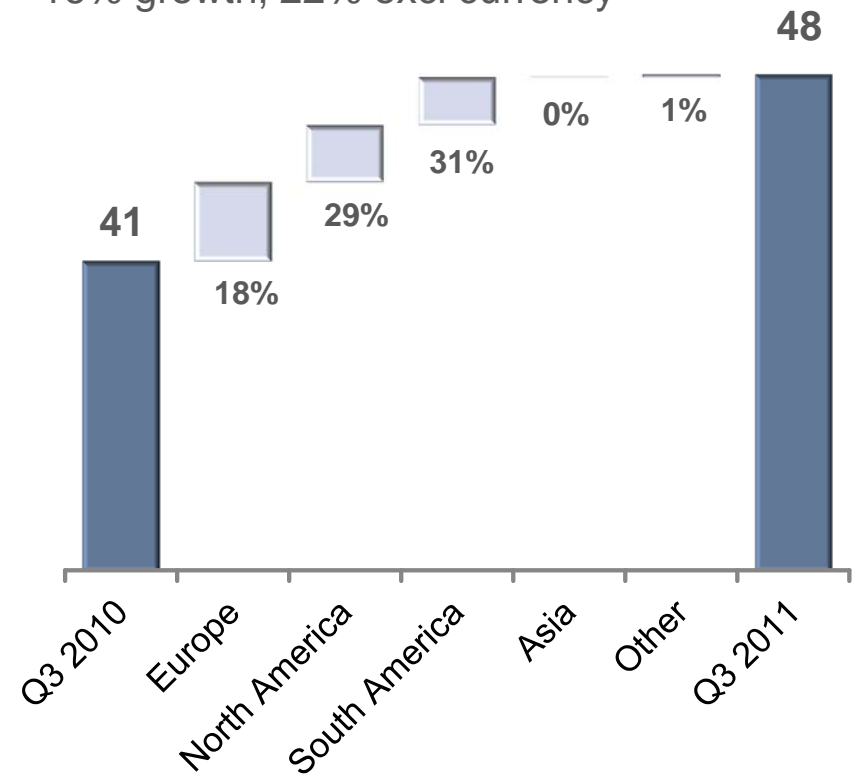
Trucks – Sales trend

SALES TREND
SEK bn



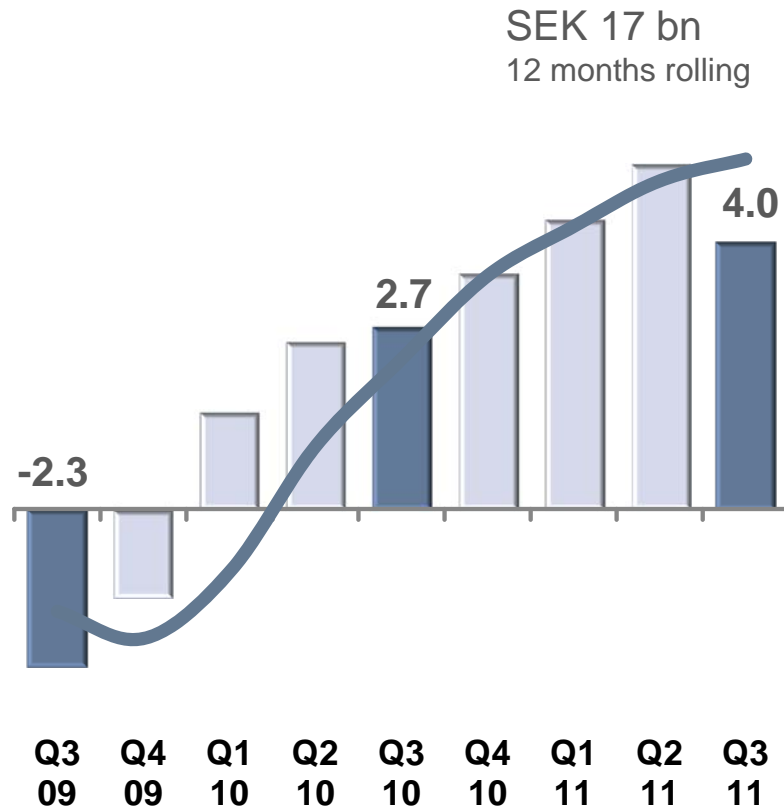
SALES BRIDGE
SEK bn

16% growth, 22% excl currency

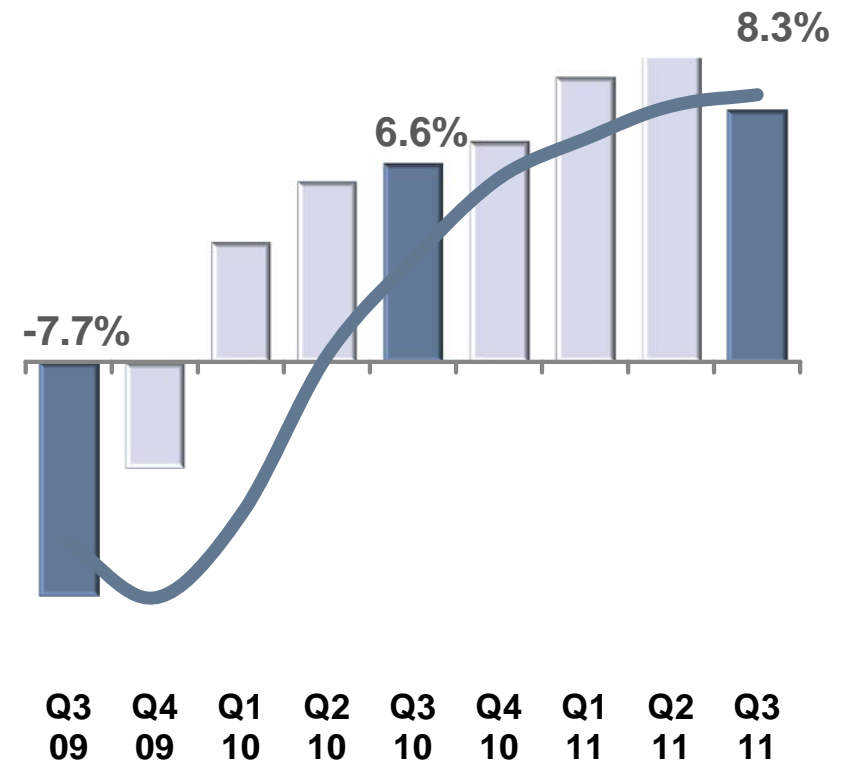


Trucks – Operating income

OPERATING INCOME
SEK bn

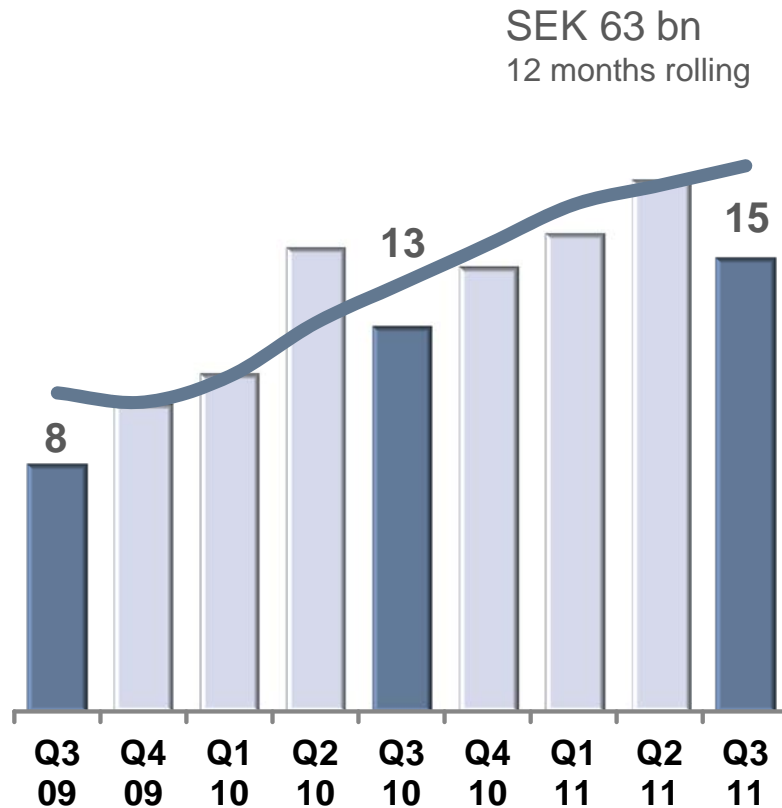


OPERATING MARGIN
%



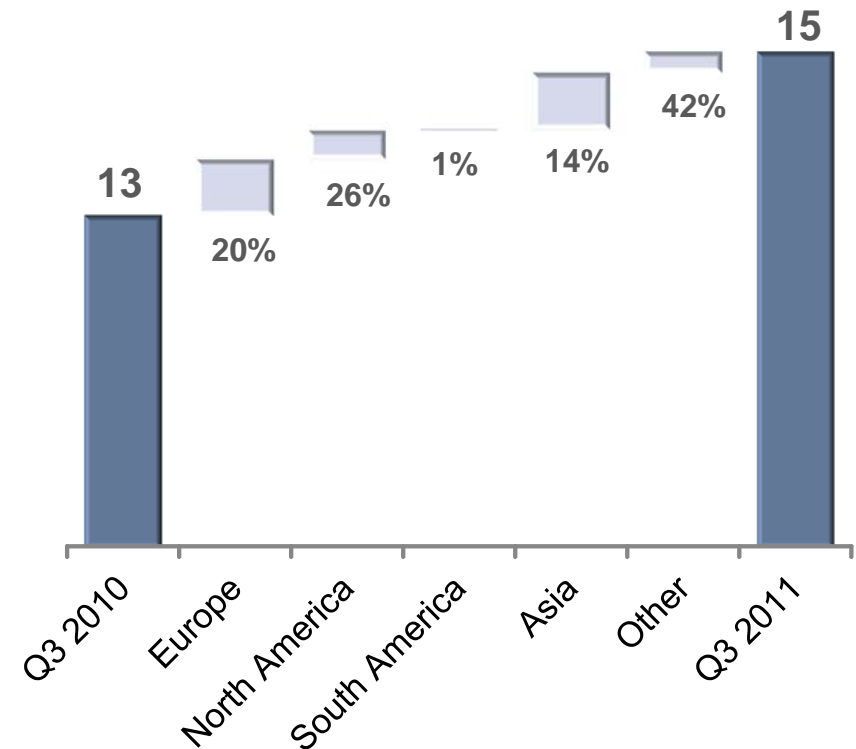
Financial highlights – Volvo CE

SALES TREND
SEK bn



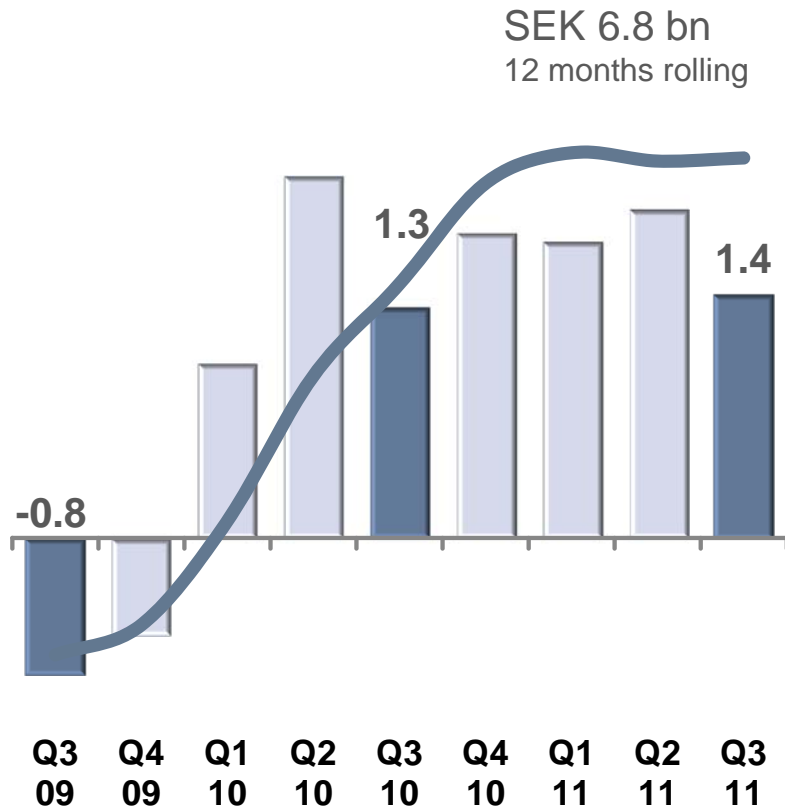
SALES BRIDGE
SEK bn

18% growth, 27% excl currency

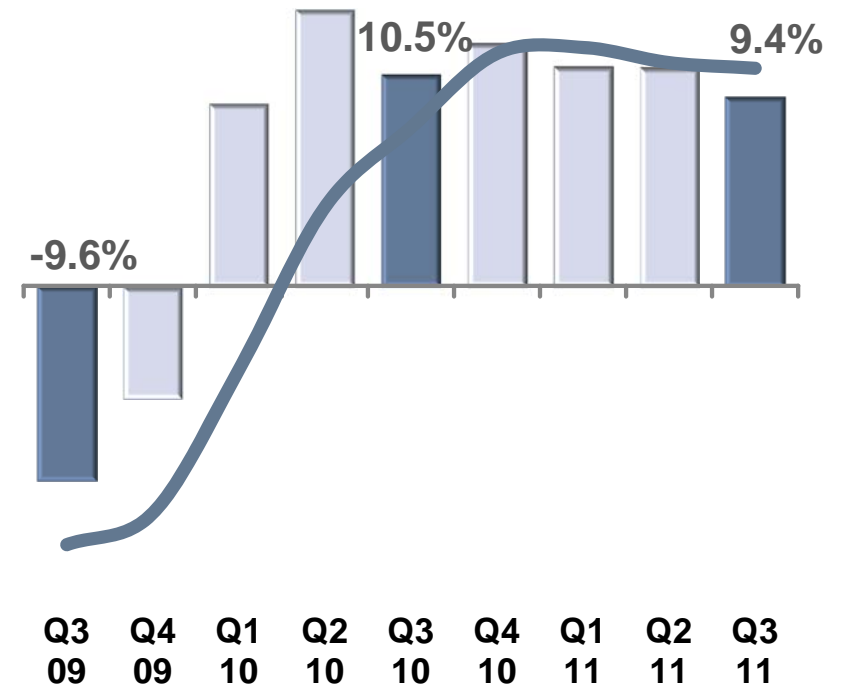


Volvo CE – Operating income


OPERATING INCOME
SEK bn



OPERATING MARGIN
%



Operating leverage

	NET SALES	OPERATING INCOME	MARGIN	OPERATING LEVERAGE	OPERATING LEVERAGE FX-ADJ
VOLVO GROUP INDUSTRIAL OPERATIONS 	72 bn	5.5 bn	7.7%	7%	18%
TRUCKS 	48 bn	4.0 bn	8.3%	19%	19%
VOLVO CE 	15 bn	1.4 bn	9.4%	3%	14%
BUSES 	5.2 bn	0.2 bn	3.6%	5%	8%
VOLVO PENTA 	2.2 bn	0.2 bn	9.5%	112%	62%
VOLVO AERO 	1.4 bn	0.1 bn	7.2%	N/A	N/A

Strong third quarter

- from a historical perspective

SALES Q3	OPERATING INCOME Q3	OPERATING MARGIN Q3	CASH FLOW Q3
2011 (73 bn)	2011 (5.8 bn)	2011 (7.9%)	2011 (2.2 bn)
2008	2007	2007	2007
2007	2010	2010	2006
2010	2006	2006	2009
2006	2008	2008	2010
2009	2009	2009	2008

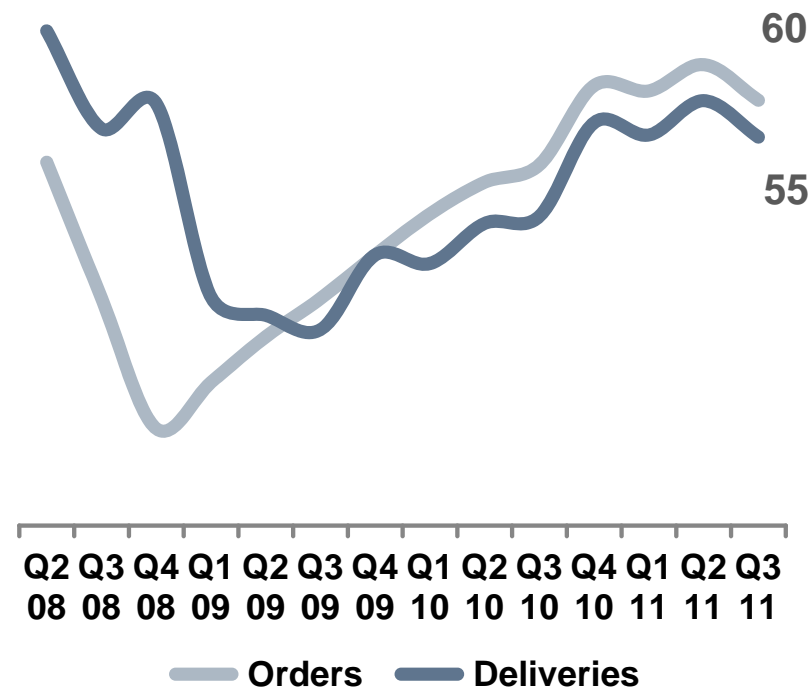
Order intake & deliveries – Trucks

ORDERS

	Q2-11	Q3-10	Q3-11	YoY
Europe	24,623	19,434	22,257	+15%
North America	15,314	9,350	11,898	+27%
South America	6,597	6,085	8,063	+33%
Asia	13,724	13,047	13,772	+6%
Other markets	4,748	2,953	3,985	+35%
Total	65,006	50,869	59,975	+18%

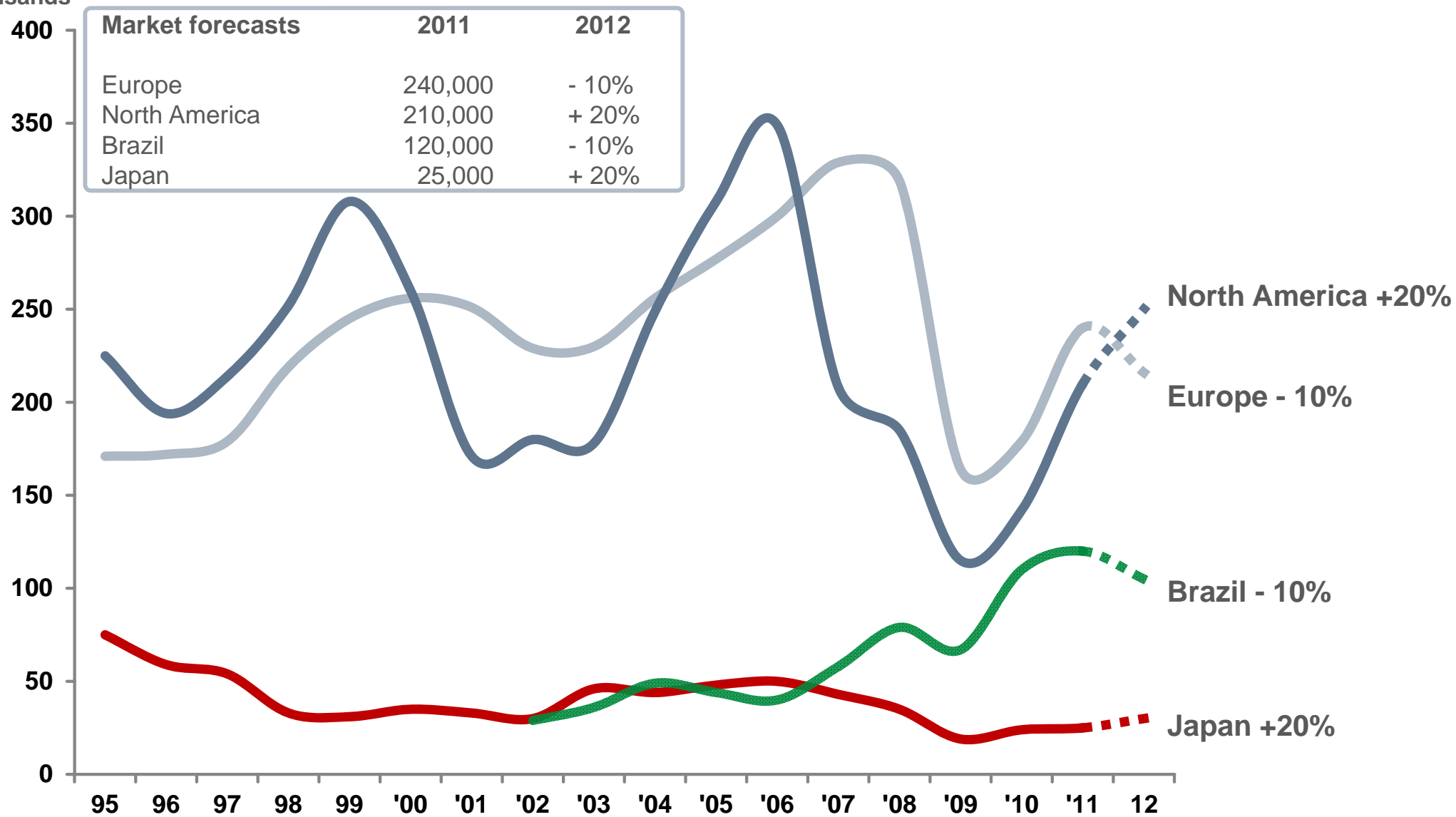
ORDERS AND DELIVERIES

Book to bill: 1.1



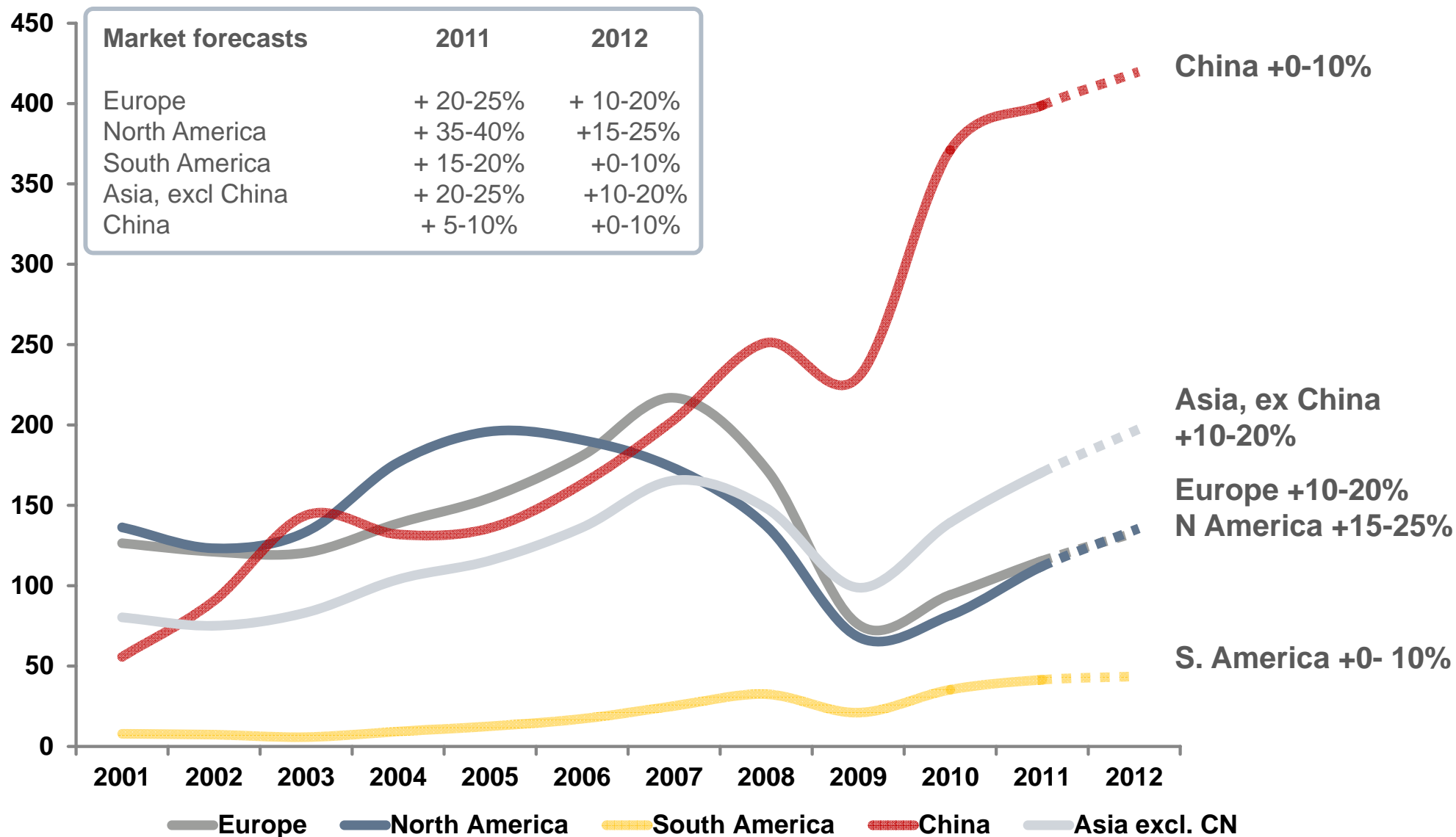
Market development - Trucks

Units,
thousands



Market development - VCE

Units,
thousands



Summary

- Historically good Q3
 - Growth
 - Profitability
 - Cash flow
- Macro-economic uncertainty with low visibility
- Geographical footprint balancing



VOLVO

APPENDIX

Guidance

Capex 2011 ~10 bn

Tax rate 2011 ~30%

Market forecast

Trucks **2011** **2012**

- Europe	240,000	- 10%
- North America	210,000	+ 20%
- Brazil	120,000	- 10%
- Japan	25,000	+ 20%

CE **2011** **2012**

- Europe	+ 20-25%	+ 10-20%
- North America	+ 35-40%	+ 15-25%
- South America	+ 15-20%	+ 0-10%
- Asia, ex China	+ 20-25%	+ 10-20%
- China	+ 5-10%	+ 0-10%

Currency effects – On operating income

SEK M	Q3-11 vs Q3-10
Trucks	-502
Volvo CE	-400
Buses	-46
Volvo Penta	-4
Volvo Aero	-213
Other	-680
Volvo Group	-1,845

Currency impact on operating income

Business Areas	Q3 2011	Q3 2010	Change
Spot rates, net flows			- 1088
Realized hedging contracts	-18	+57	-75
Revaluation of receivables & payables	+62	-376	+438
Unrealized gains and losses on hedging contracts	-378	+598	-976
Revaluation of foreign subsidiaries			-144
Total Volvo Group			-1845

Where of	Q3 2011	Q3 2010	Change
Business Areas			-1165
Group headquarter function and others			-680

Comments

- No hedge accounting
- Hedging firm flows

2011

- As of 2011, unrealized gains and losses on derivatives related to a receivable or payable will be reported in the respective Business Areas.

Currency impact on operating income

Business Areas	Q3 2011	Q2 2011	Change
Spot rates, net flows			+261
Realized hedging contracts	-18	+211	-229
Revaluation of receivables & payables	+62	+166	-104
Unrealized gains and losses on hedging contracts	-378	-101	-277
Revaluation of foreign subsidiaries			+49
Total Volvo Group			-300

Where of	Q3 2011	Q2 2011	Change
Business Areas			-139
Group headquarter function and others			-161

Comments

- No hedge accounting
- Hedging firm flows

2011

- As of 2011, unrealized gains and losses on derivatives related to a receivable or payable will be reported in the respective Business Areas.

Upcoming events

CAPITAL MARKET DAY

November 8

Stockholm

Q4-REPORT

February 3

Stockholm

AGM

April 4

Göteborg

www.volvogroup.com/IR

VOLVO