

AB Volvo

Press Information

Volvo signs Letter of Intent regarding manufacture of vehicle fuel from landfill gas

Volvo Technology Transfer's subsidiary Terracastus Technologies has signed a Letter of Intent with Nordvästra Skånes Renhållningsbolag (NSR) to establish a joint company for upgrading biogas to a liquefied biogas (LBG). This upgrading venture will enable NSR's plant in Helsingborg to reduce its annual carbon emissions by 40,000 tons, compared with using diesel fuel.

Following its completion in the third quarter of 2011, the plant is expected to produce fuel replacing 15 million liters of diesel per year, making it one of the largest plants for biogas upgrading in the world. Biogas is a climate-neutral fuel whereby fuel produced in a plant can contribute to reducing carbon emissions by 40,000 tons per year compared to using diesel fuel.

Terracastus's purification and biogas upgrading technology is based on a patented technique that utilizes the carbon dioxide found in raw gas to remove pollutants and liquefy the biogas, thereby facilitating storage and distribution. This technique was previously employed in a pilot project carried out in Burlington County, New Jersey in the US, where LBG was produced and used as fuel for two garbage trucks from the Volvo Group's US subsidiary Mack Trucks.

Volvo Technology Transfer AB is owned by AB Volvo and focuses on developing and supporting new businesses relevant to the Volvo Group. Part of the effort is to invest in companies and projects that are technologically and commercially attractive.

December 7, 2009

Reporters who want more information, please contact Tobias Elmquist, Volvo Technology Transfer AB, +46 31 66 91 64 or tobias.elmquist@volvo.com

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. In 2008 annual sales of the Volvo Group amounted 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. For more information, please visit www.volvogroup.com or www.volvogroup.mobi if you are using your mobile phone.