



AB Volvo

Press release

AB Volvo finalizes sale of Volvo Aero

AB Volvo has finalized the sales of Volvo Aero to the global engineering company, GKN, for the equivalent of SEK 6.9 billion on a debt-free basis. The transaction was finalized after receiving approval from the appropriate authorities.

The sale is expected to generate a positive nonrecurring effect on operating income of SEK 300 M in the “Corporate functions and other” segment in the fourth quarter, net after reversed depreciations. Financial net debt will be reduced by approximately SEK 5 billion in the fourth quarter.

As a step in further streamlining the Volvo Group toward commercial vehicles, AB Volvo initiated a process of assessing the options of identifying a new owner for Volvo Aero in late November 2011. The company selected GKN plc, a global engineering business that serves the automotive, aerospace and land systems markets. It has operations in more than 30 countries and around 45,000 employees in subsidiaries and joint ventures.

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For more stories from the Volvo Group, please visit <http://www.volvogroup.com/globalnews>.

The Volvo Group is one of the world's leading manufacturers of trucks, buses and construction equipment, and drive systems for marine and industrial applications. The Group also provides complete solutions for financing and service. The Volvo Group, which employs about 115,000 people, has production facilities in 20 countries and sells its products in more than 190 markets. In 2011, annual sales of the Volvo Group amounted to about SEK 310 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.

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