



## PRESS RELEASE

# Volvo Group – the second quarter 2018

“Demand in our main markets was solid in the second quarter of 2018, and both our vehicle and service business continued to grow at a good pace. Our net sales increased by 18% to SEK 104 billion, we improved the adjusted operating income by SEK 3 billion to SEK 11.5 billion and we reached an adjusted operating margin of 11.1% (9.6). This is the first time that the Volvo Group’s sales have exceeded SEK 100 billion in a single quarter and it is also the first time the operating margin is above 10%,” says Martin Lundstedt, President and CEO.

- In Q2 2018 net sales increased by 18% to SEK 103.6 billion (87.9). Adjusted for currency movements and acquired and divested units sales increased by 16%.
- Adjusted operating income amounted to SEK 11,519 M (8,402), corresponding to an adjusted operating margin of 11.1% (9.6). Adjusted operating income in Q2 2018 excludes a capital gain of SEK 818 M.
- Reported operating income amounted to SEK 12,337 M (8,402).
- Currency movements had a positive impact on operating income of SEK 672 M.
- Diluted earnings per share of SEK 4.53 (2.86).
- Operating cash flow in the Industrial Operations amounted to SEK 8.3 billion (11.9).

July 19, 2018

**Press and Analyst Conference.** An on-line presentation of the report, followed by a question-and-answer session will be webcast starting at 09.00 CET. More information under Investors on [www.volvogroup.com](http://www.volvogroup.com)

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The Volvo Group is one of the world's leading manufacturers of trucks, buses, construction equipment and marine and industrial engines. The Group also provides complete solutions for financing and service. The Volvo Group, which employs almost 100,000 people, has production facilities in 18 countries and sells its products in more than 190 markets. In 2017 the Volvo Group's sales amounted to about SEK 335 billion (EUR 35 billion). The Volvo Group is a publicly-held company headquartered in Göteborg, Sweden. Volvo shares are listed on Nasdaq Stockholm.