

V O L V O

# VOLVO GROUP BUSINESS UPDATE

Post Q4, 2025

**Volvo Group**

Business Update post Q4 2025

2026-02-05

## Driving prosperity

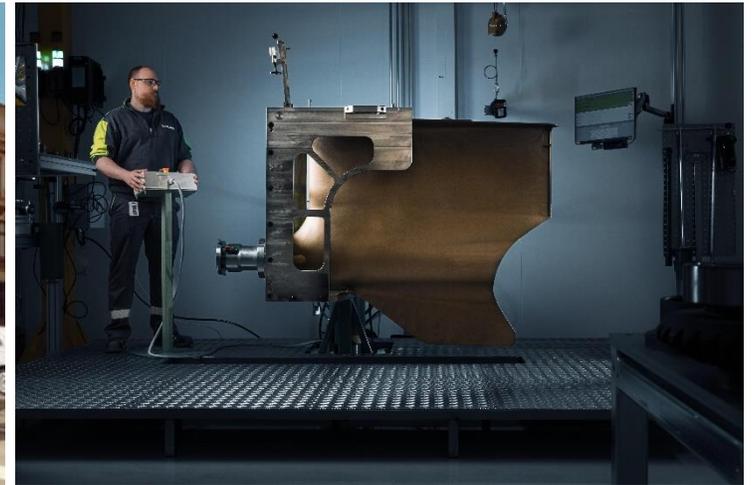
Every day, across the globe, our trucks, buses, engines, construction equipment, and financial services and solutions make modern life possible. We are driving the transition to sustainable and safe transport, mobility, and infrastructure solutions.

That way, we will meet the growing demand for transportation, while making the journey to become a net-zero society. Together.

## What we do

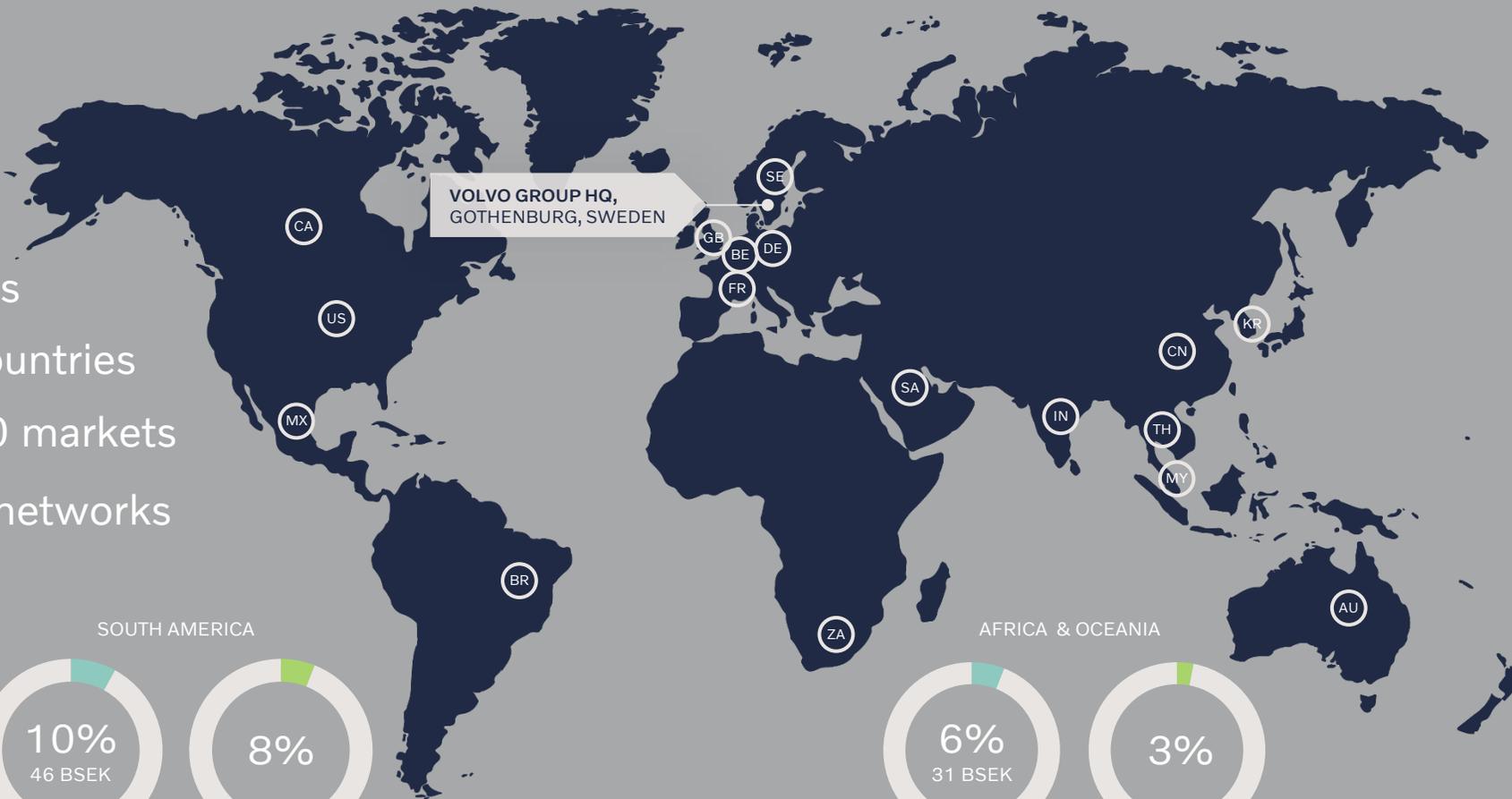
Volvo Group offers trucks, buses, construction equipment, power solutions for marine and industrial applications, financing and services that increase our customers' uptime and productivity.

We develop and offer electrified and autonomous solutions for the benefit of customers, society and for the environment.



# Global presence

- 100,000 employees
- Production in 17 countries
- Sales in almost 180 markets
- Worldwide service networks and dealerships

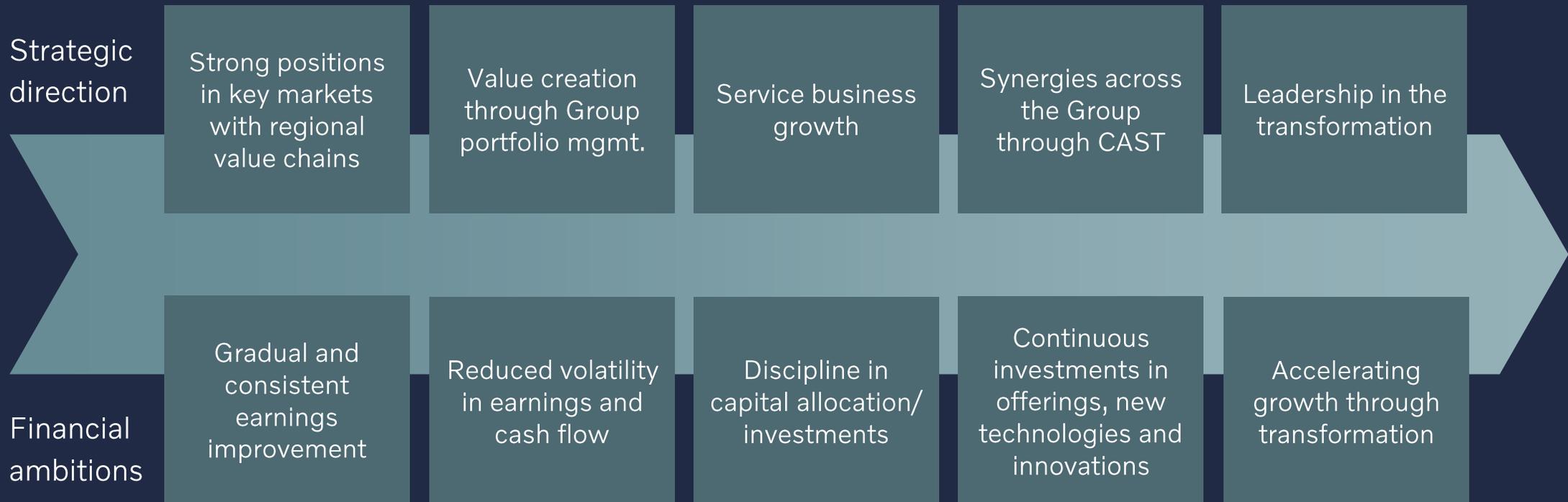


# LONG TERM AMBITION

# 100%

Safe  
Fossil free  
More productive

# Our strategic direction is in sync with our financial ambitions



# Common Architecture and Shared Technology (CAST)



# Driving global platforms supported by CAST



**VOLVO  
TRUCKS**



**RENAULT  
TRUCKS**



**MACK  
TRUCKS**



**VOLVO  
PENTA**



**VOLVO  
BUSES**



**VOLVO  
CE**



**EICHER  
TRUCKS**



**FINANCIAL  
SERVICES**

MANUFACTURING OF CABS & TRUCKS

REMANUFACTURING OF COMPONENTS

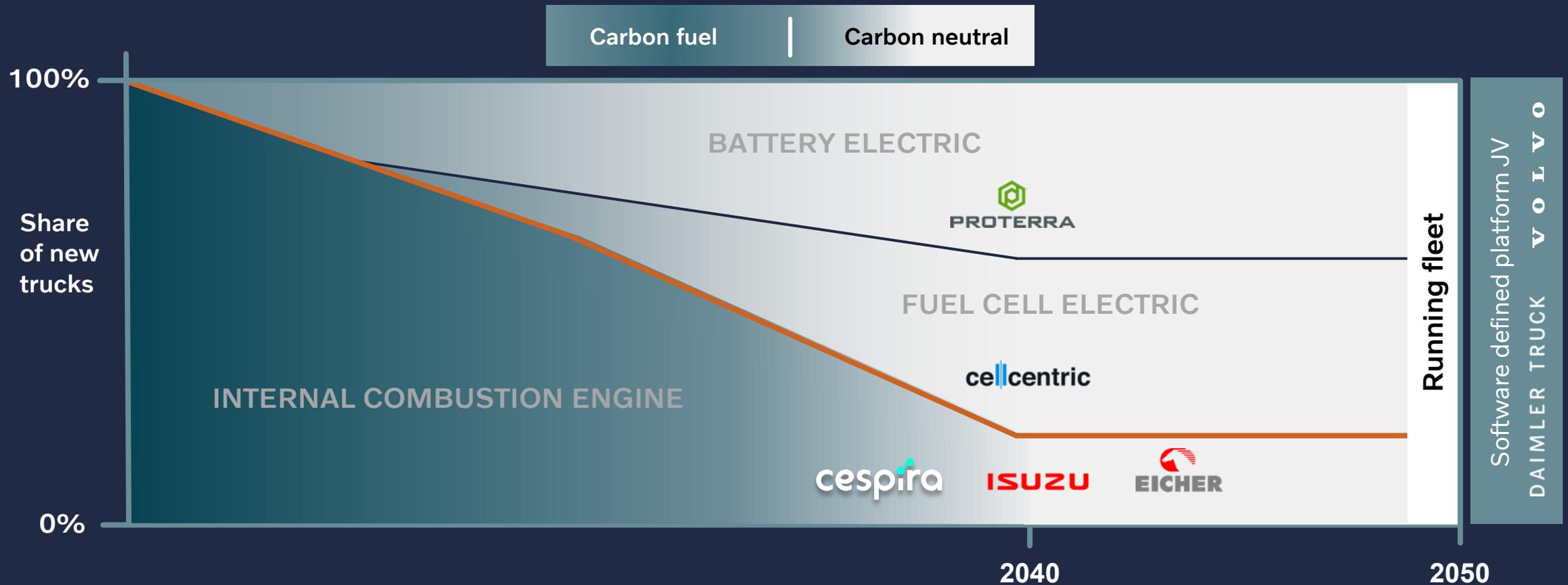
PRODUCTION LOGISTICS

MANUFACTURING OF COMPONENTS (ENGINES, TRANSMISSIONS, BATTERIES)

SERVICE MARKET LOGISTICS

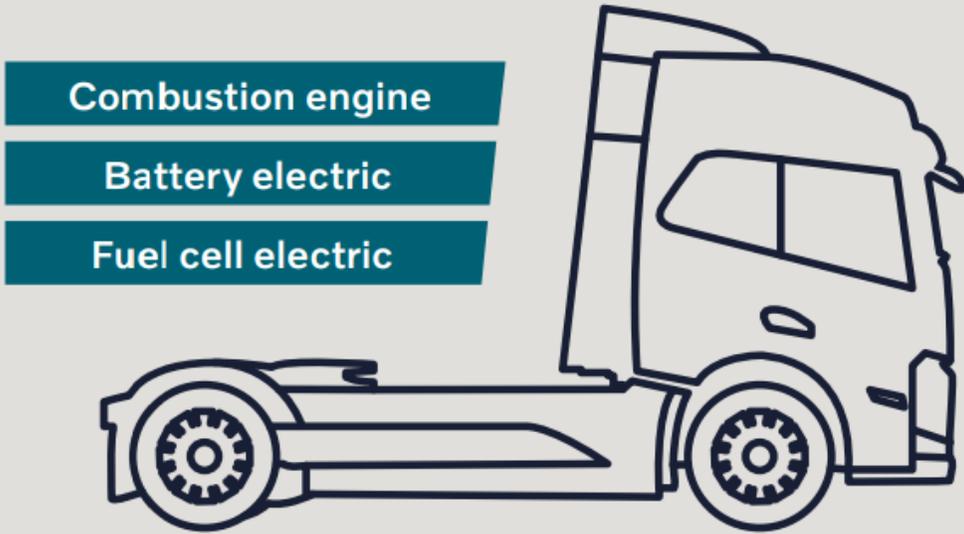
VOLVO PERFORMANCE SYSTEM

# Strong partnerships to accelerate the transition

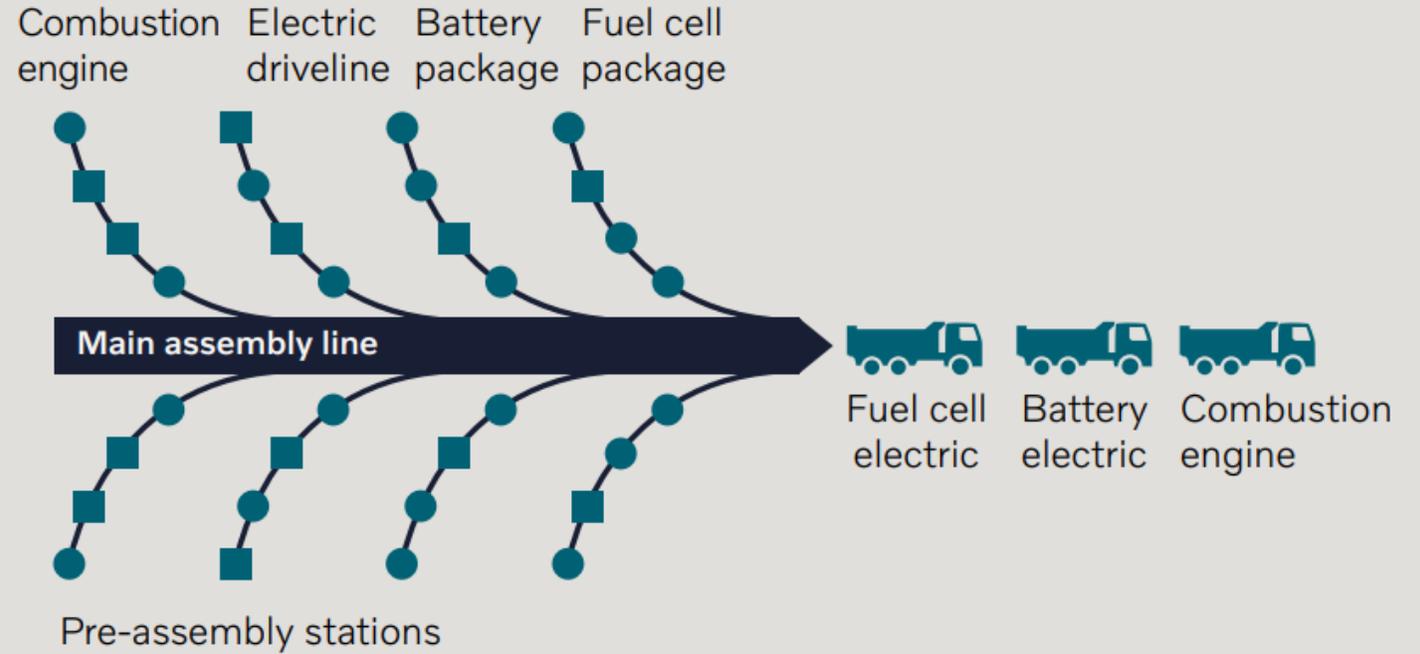


# Value creation through modular architecture

## SAME VEHICLE PLATFORM



## SAME PLANT



# The formula for electromobility adoption



Electromobility  
adoption rate

Product and  
services offering

Total cost of  
ownership incl.  
incentives,  
regulation and  
carbon targets and  
pricing

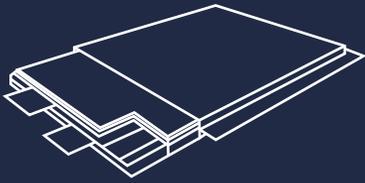
Infrastructure

Fossil-free  
energy

Supply  
network

Customer  
competitiveness  
and peace of mind

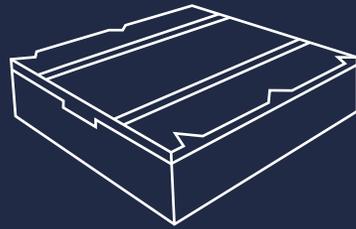
CELL



V O L V O  
+ partner



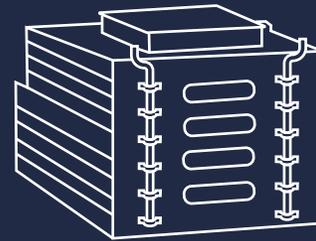
MODULE



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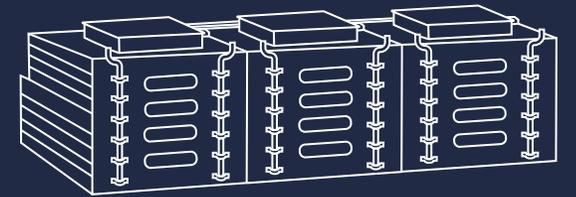
PACK



V O L V O



ENERGY STORAGE SYSTEM

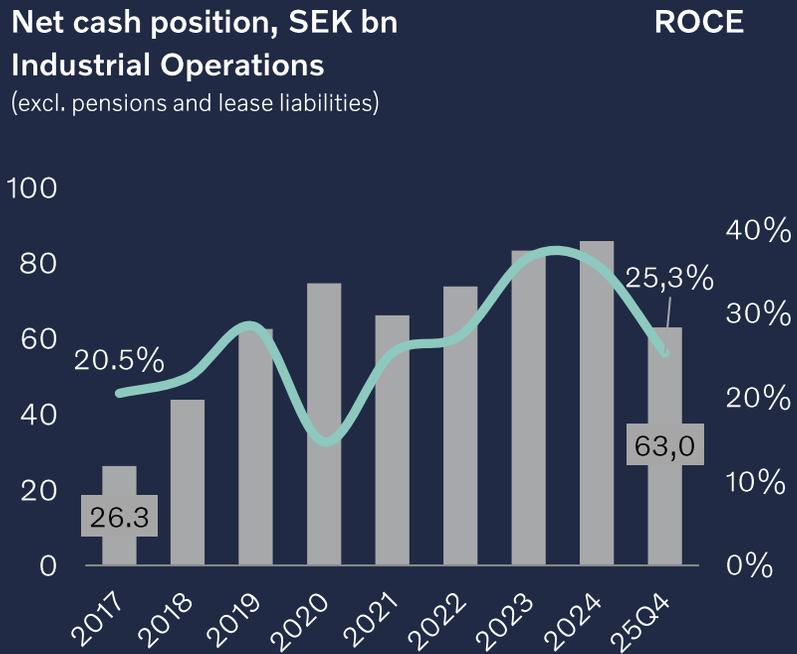


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GRADUAL BACKWARD INTEGRATION

# Disciplined capital allocation balancing shareholder return while future proofing the Group

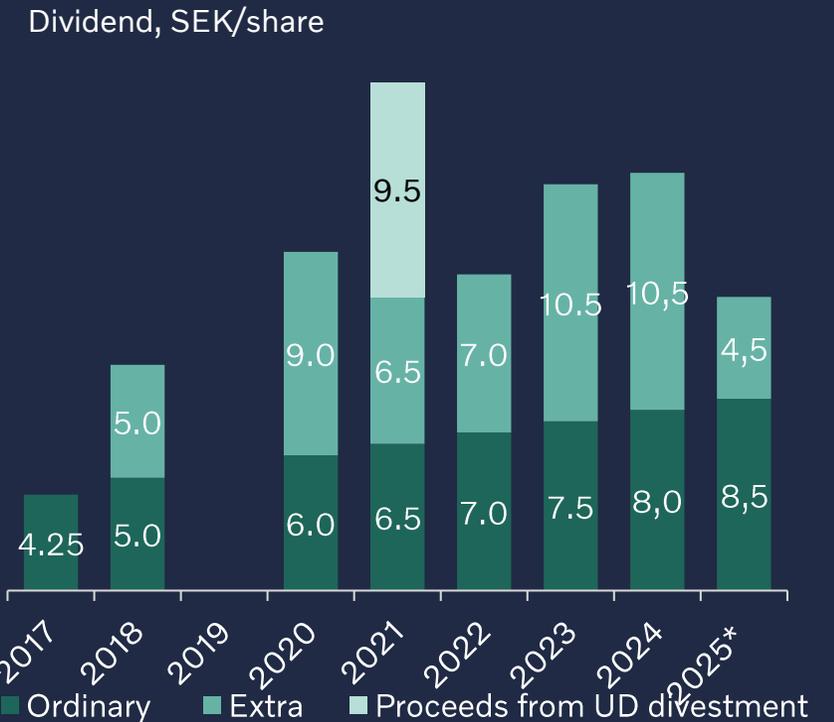
## STRONG FINANCIAL POSITION AND RETURN ON CAPITAL EMPLOYED



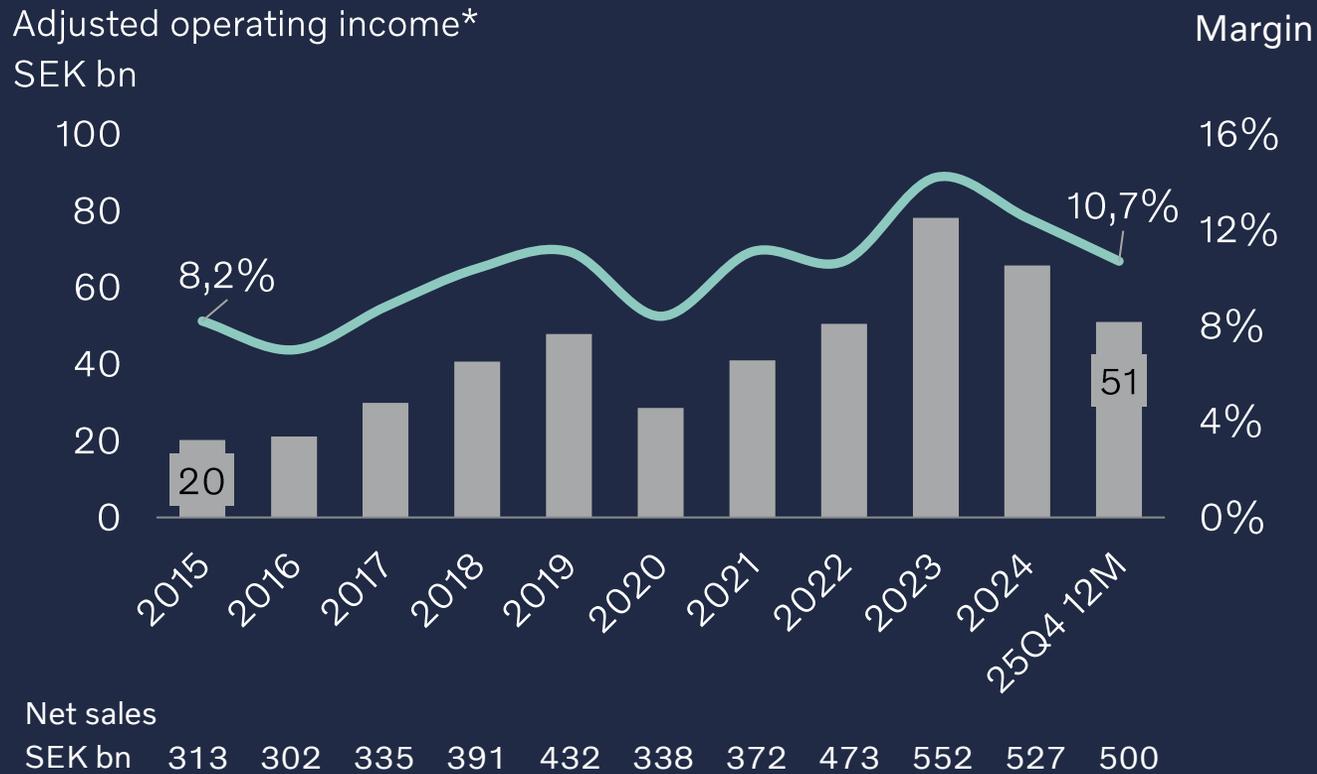
## FORWARD-LEANING INVESTMENTS INTO TECHNOLOGY AND INNOVATION



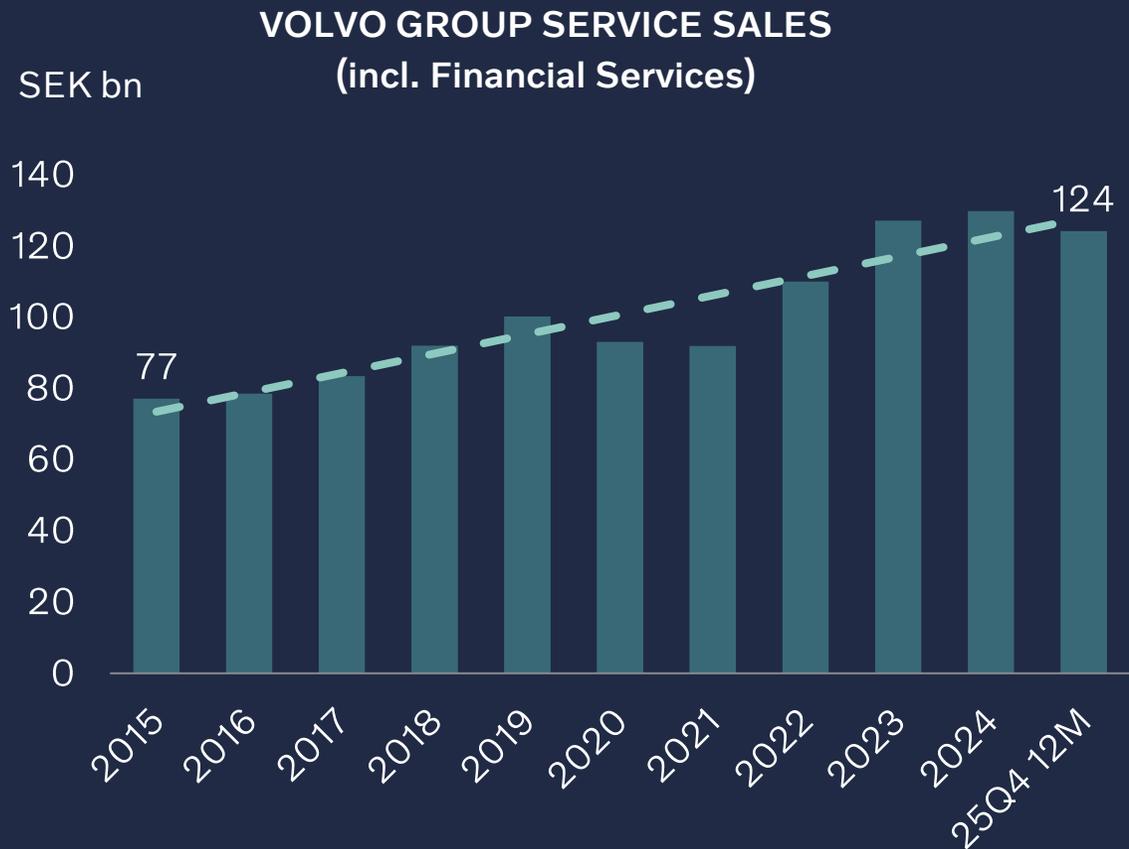
## ATTRACTIVE SHAREHOLDER RETURN



# Consistent earnings improvement while investing in new technologies



# Services strengthening both customer retention, profitability and resilience



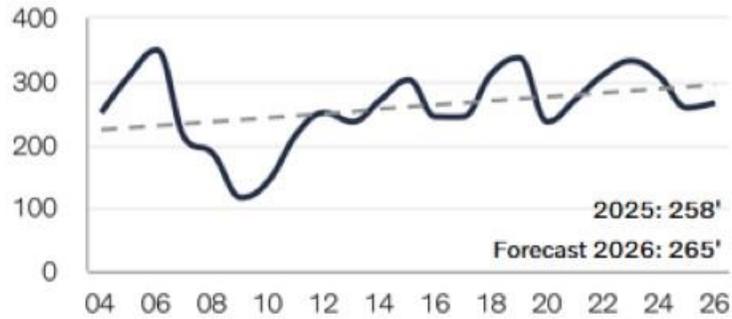
# Deep dive slides

TRUCKS

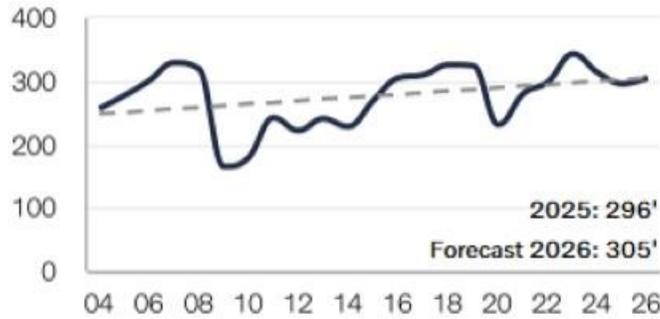
# Market environment



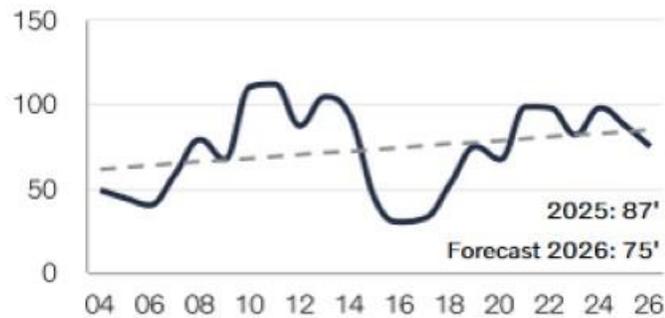
**NORTH AMERICA HD\***



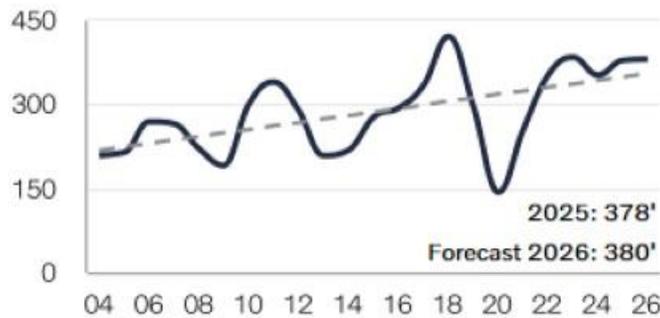
**EUROPE HD**



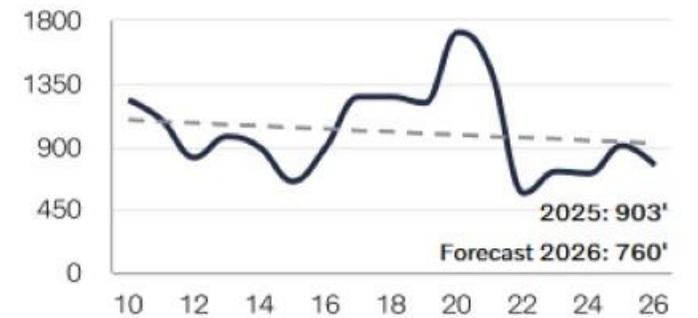
**BRAZIL HD**



**INDIA HD+MD**



**CHINA HD+MD**



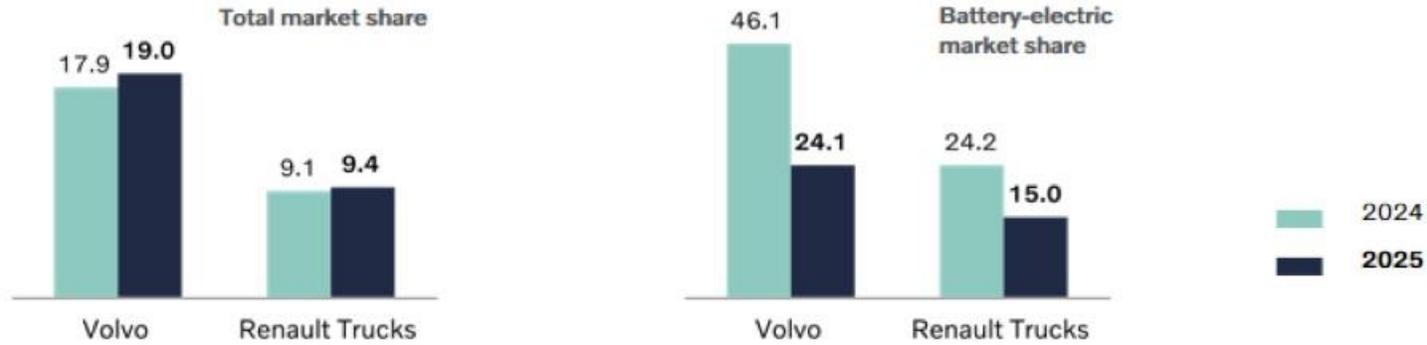
\*The North American FY26 forecast is subject to a large degree of uncertainty

TRUCKS

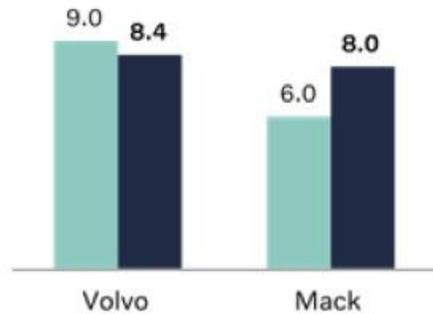
# Heavy-duty truck market shares



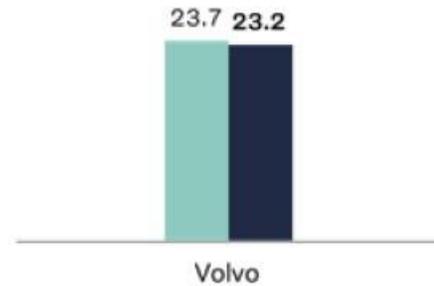
**EUROPE (EU29)**  
YTD December



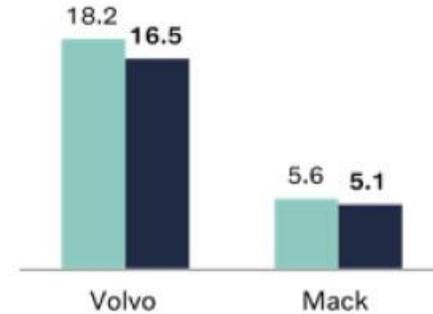
**NORTH AMERICA**  
YTD December



**BRAZIL**  
YTD December



**AUSTRALIA**  
YTD December

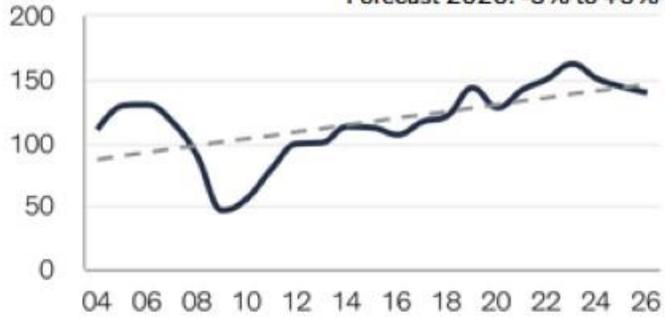


CONSTRUCTION EQUIPMENT

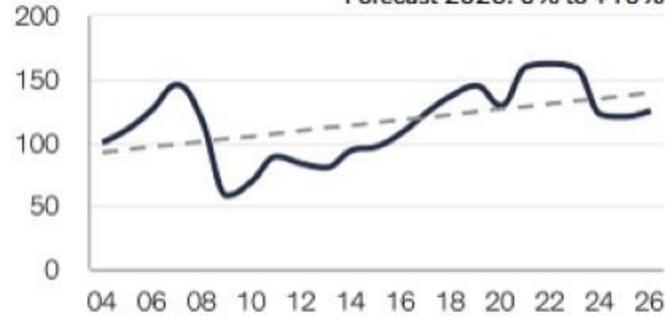
# Market environment



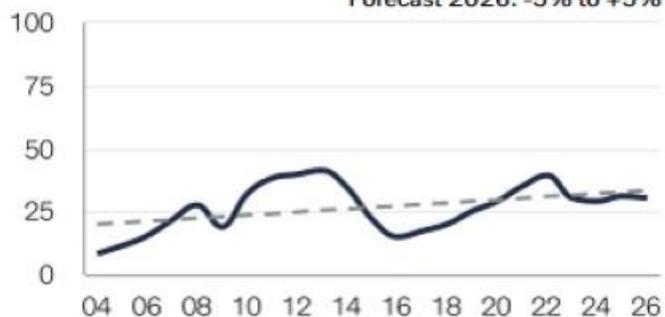
**NORTH AMERICA\*** 2025 Year-to-date November: -2%  
Forecast 2026: -5% to +5%



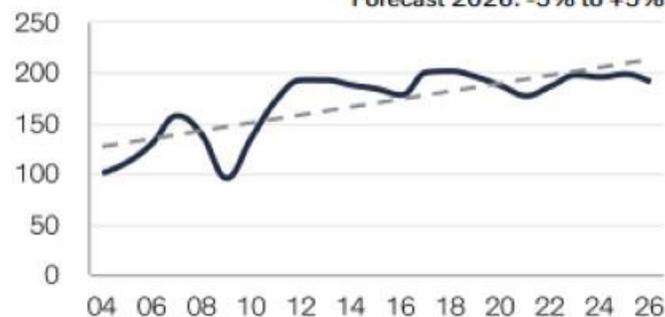
**EUROPE** 2025 Year-to-date November: -1%  
Forecast 2026: 0% to +10%



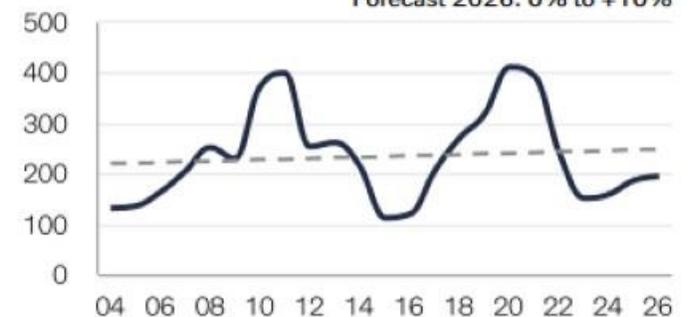
**SOUTH AMERICA** 2025 Year-to-date November: +10%  
Forecast 2026: -5% to +5%



**ASIA (excl. CHINA)** 2025 Year-to-date November: +3%  
Forecast 2026: -5% to +5%

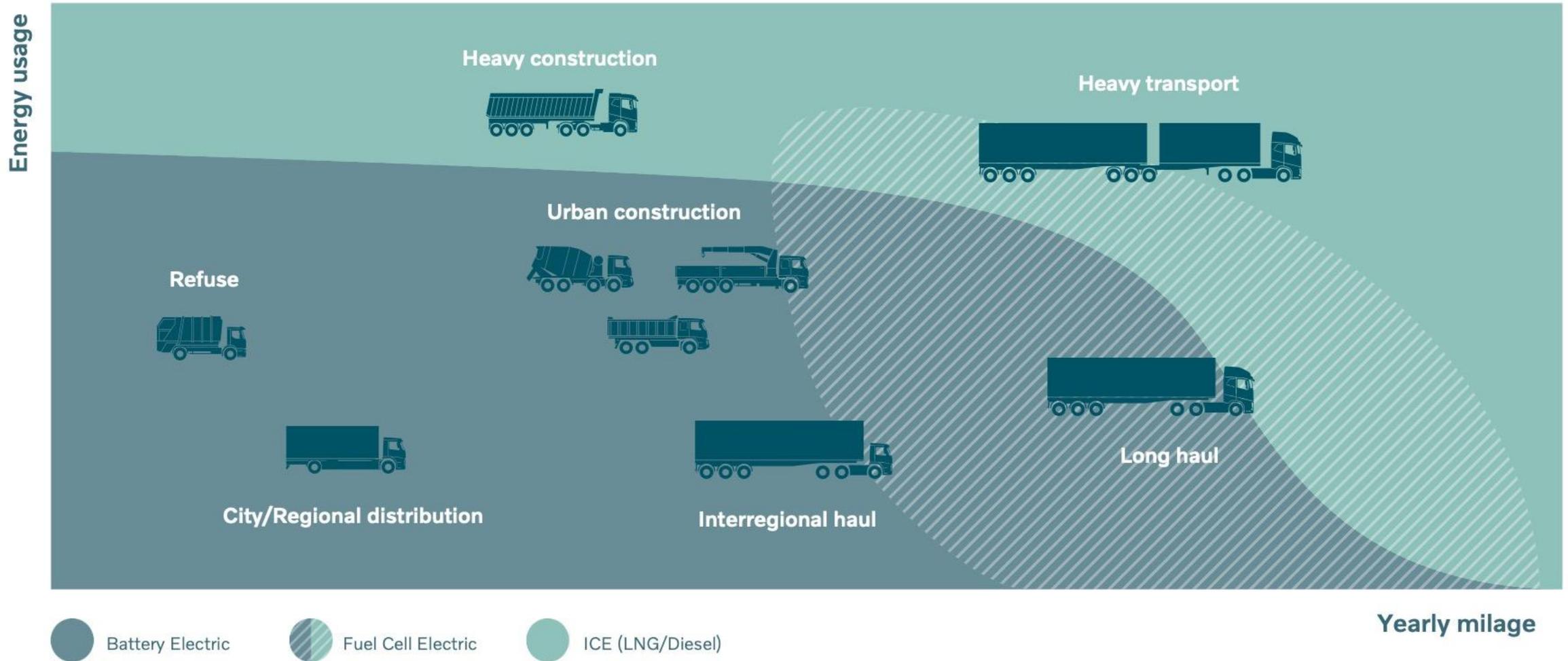


**CHINA** 2025 Year-to-date November: +20%  
Forecast 2026: 0% to +10%



\*The North American FY26 forecast is subject to a large degree of uncertainty

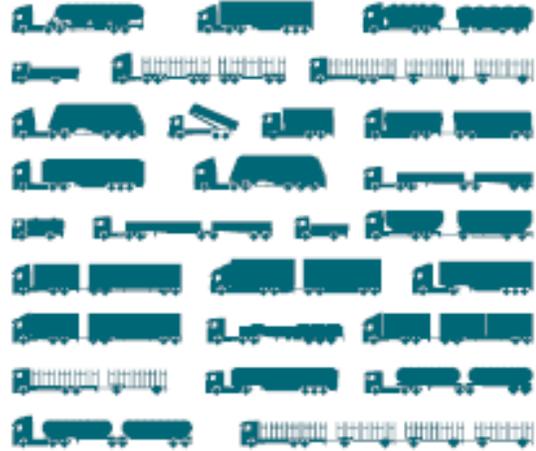
# A mix of products required to support CO2 reductions towards 2030



**AGRICULTURE**



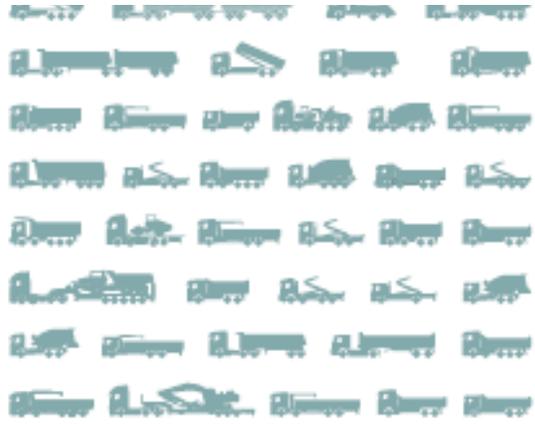
# Modular architecture enables large number of applications



**WASTE & RECYCLING**



**CONSTRUCTION & MINING**



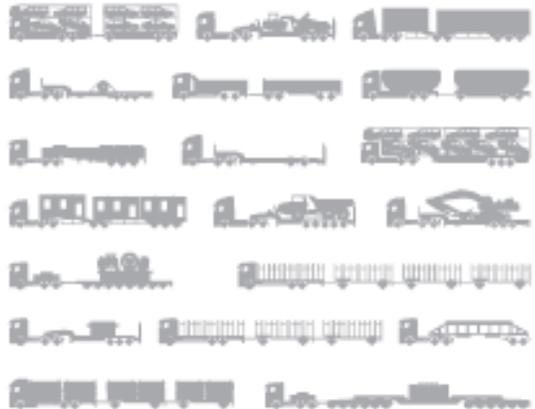
**PUBLIC SERVICE**



**CONSTRUCTION**



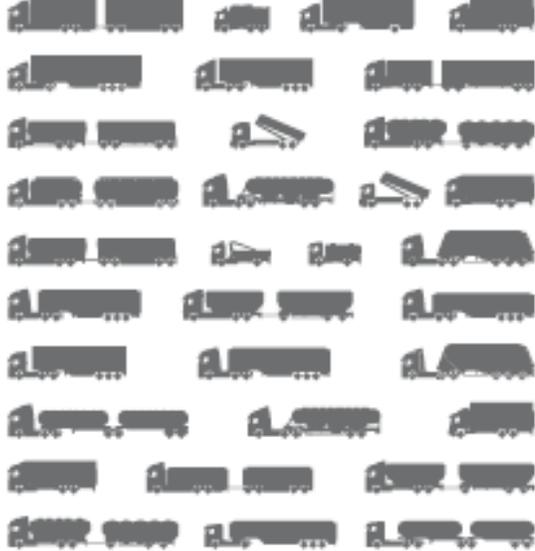
**SPECIAL CARGO & HEAVY HAULAGE**



**GENERAL CARGO & FOOD**



**PETROLEUM & CHEMICAL**



**FOREST**

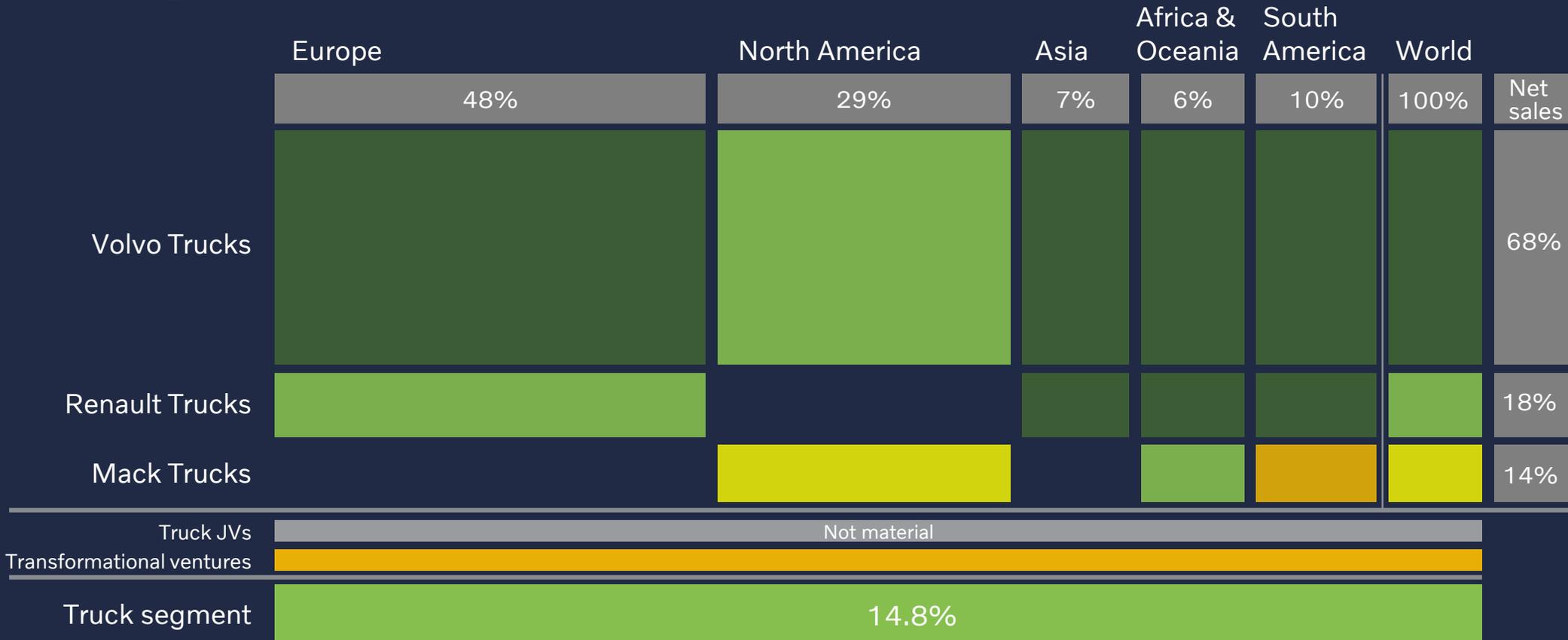


# Continuously reviewing the Group's business portfolio

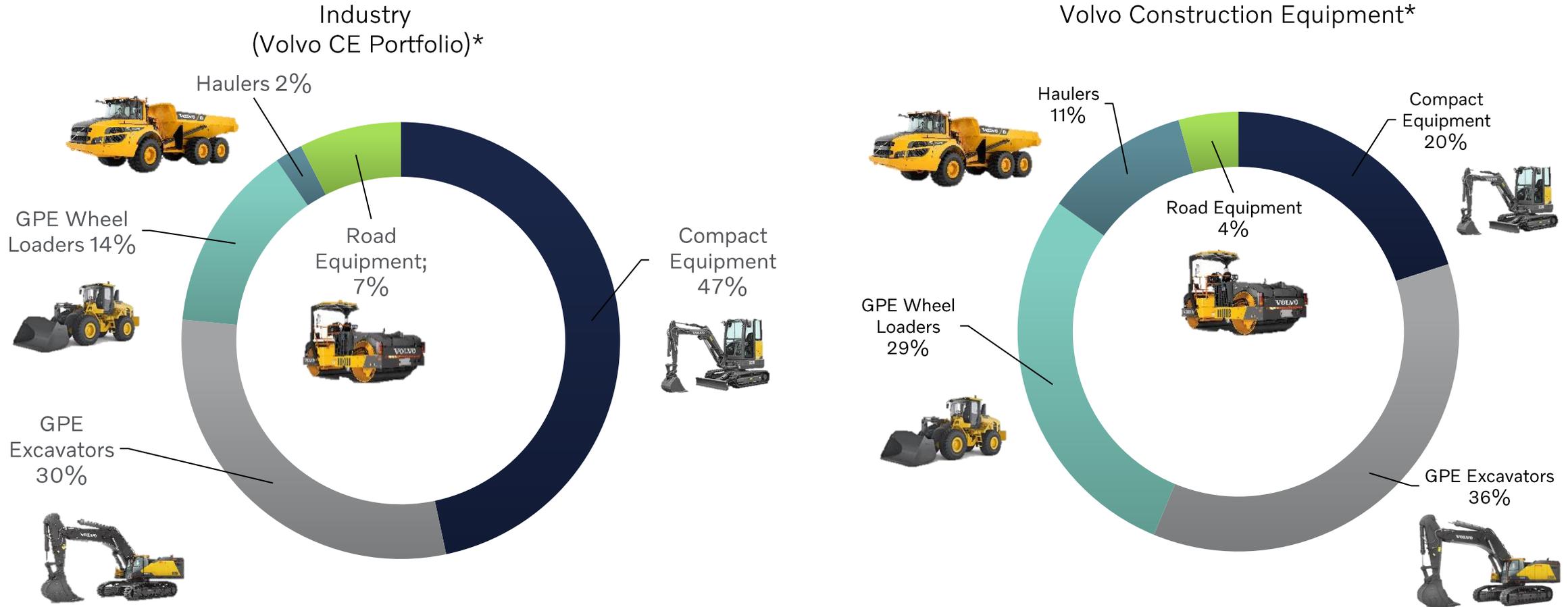


# Driving performance improvements across truck brands and JV's while investing into tomorrow's value chain and technologies

– Earnings profile as per FY2023



# Volvo Construction Equipment product line exposure versus industry



\*) As of December 2024 defined as units sold

# Volvo's standard vehicle for autonomous transportation

Platform to maximize value creation for Volvo Group



# Volvo Autonomous Solutions has achieved critical milestones



**Unveiling of the Volvo VNL Autonomous**



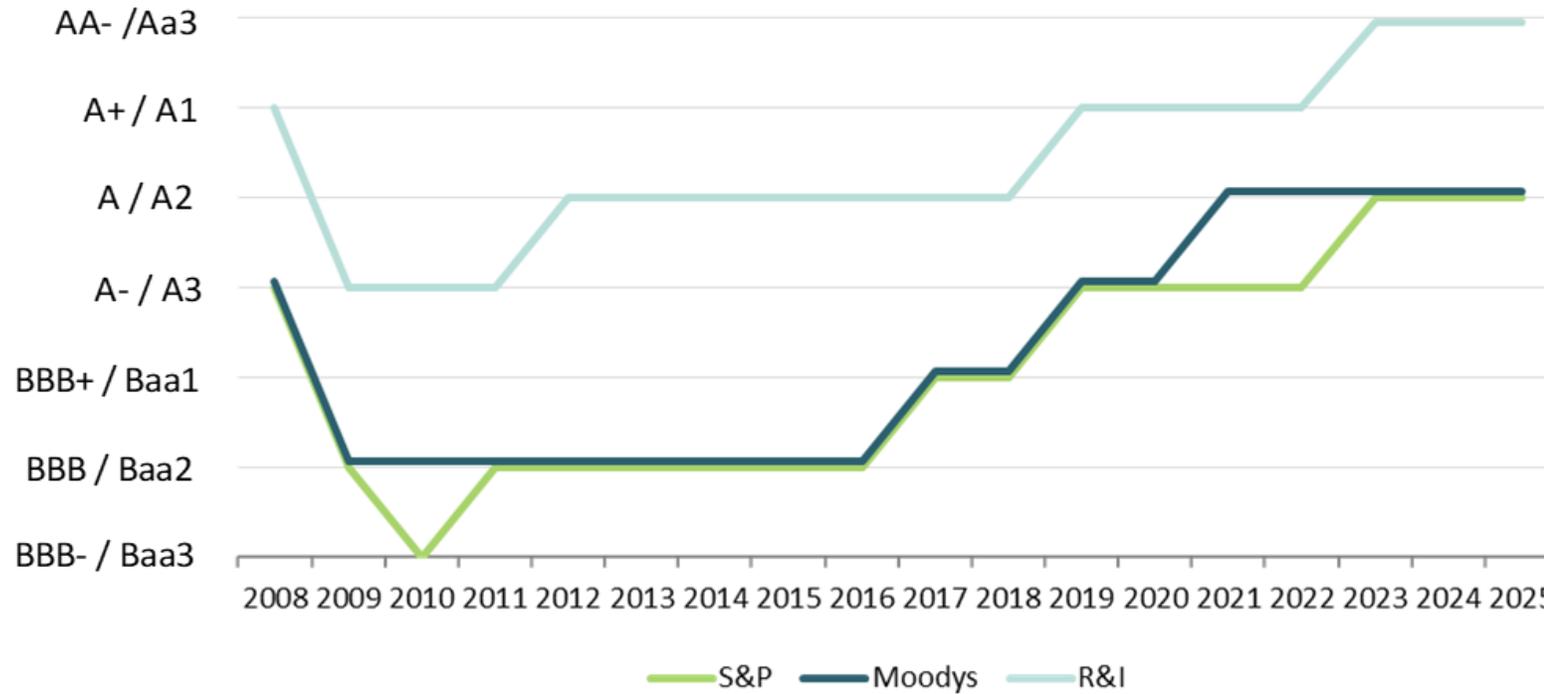
**Launch fleet produced**

Start of autonomous operations with safety driver



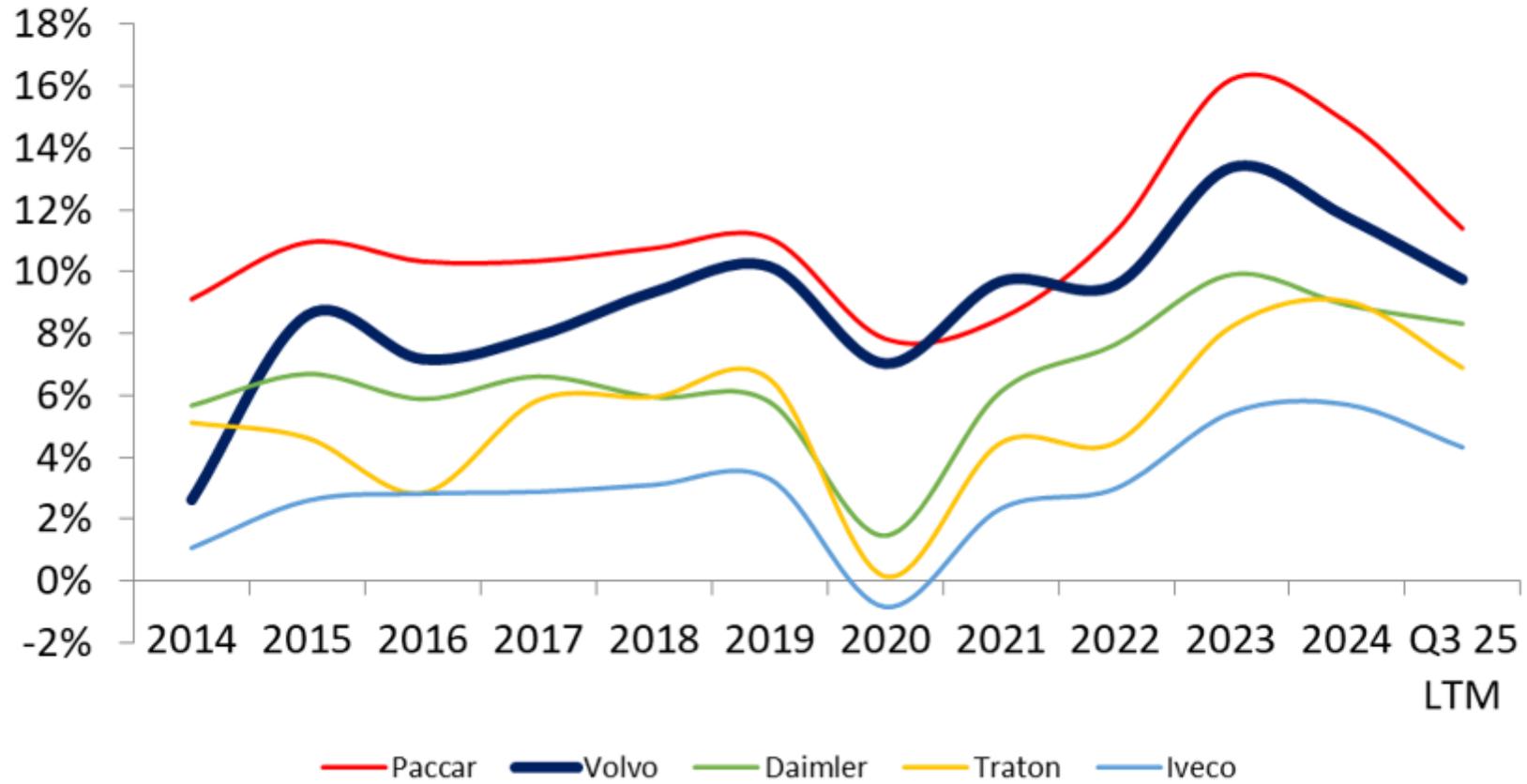
*Develop, test, validate, integrate*

# Strong credit ratings

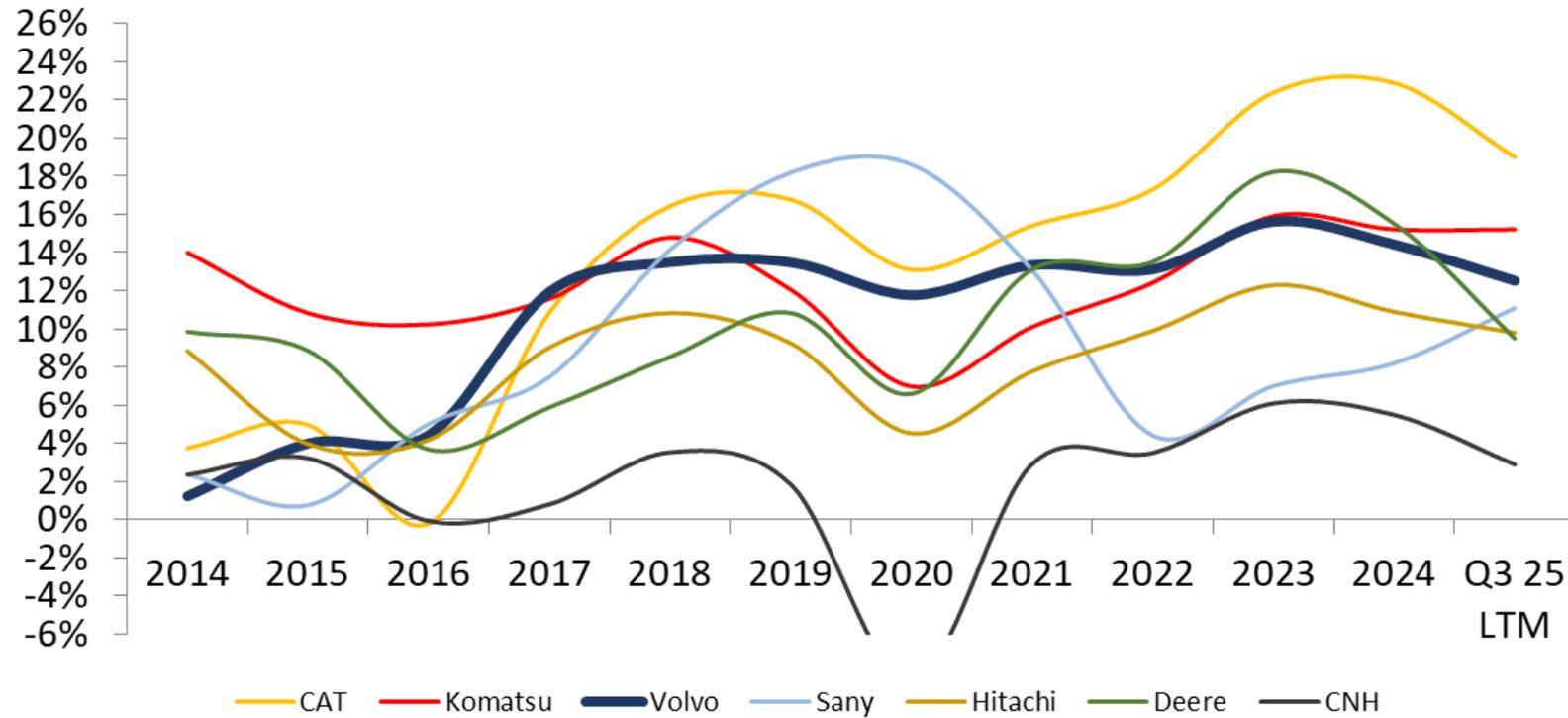


## Trucks, Buses & Engines

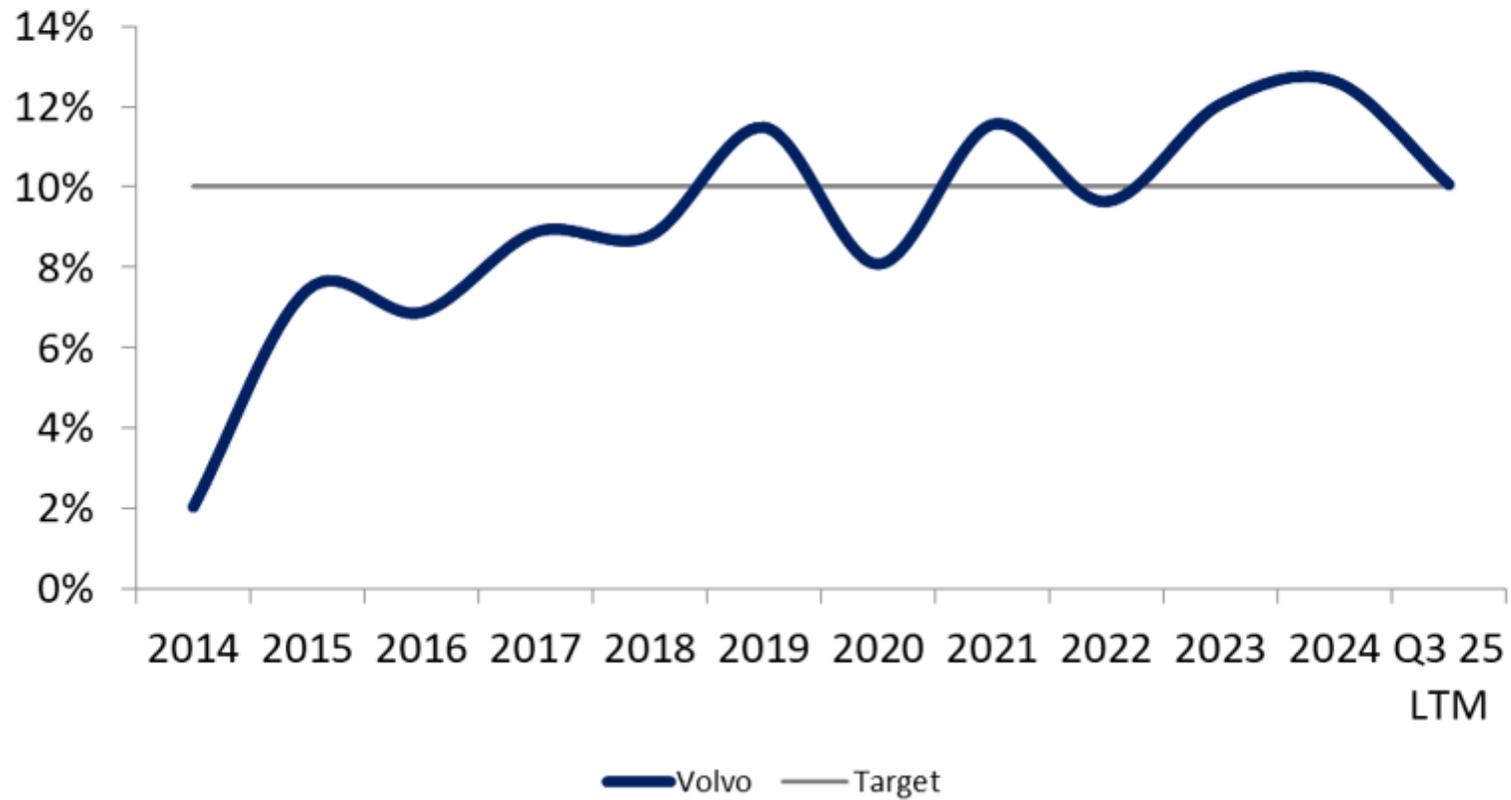
### Adjusted operating margin: Volvo vs Peers



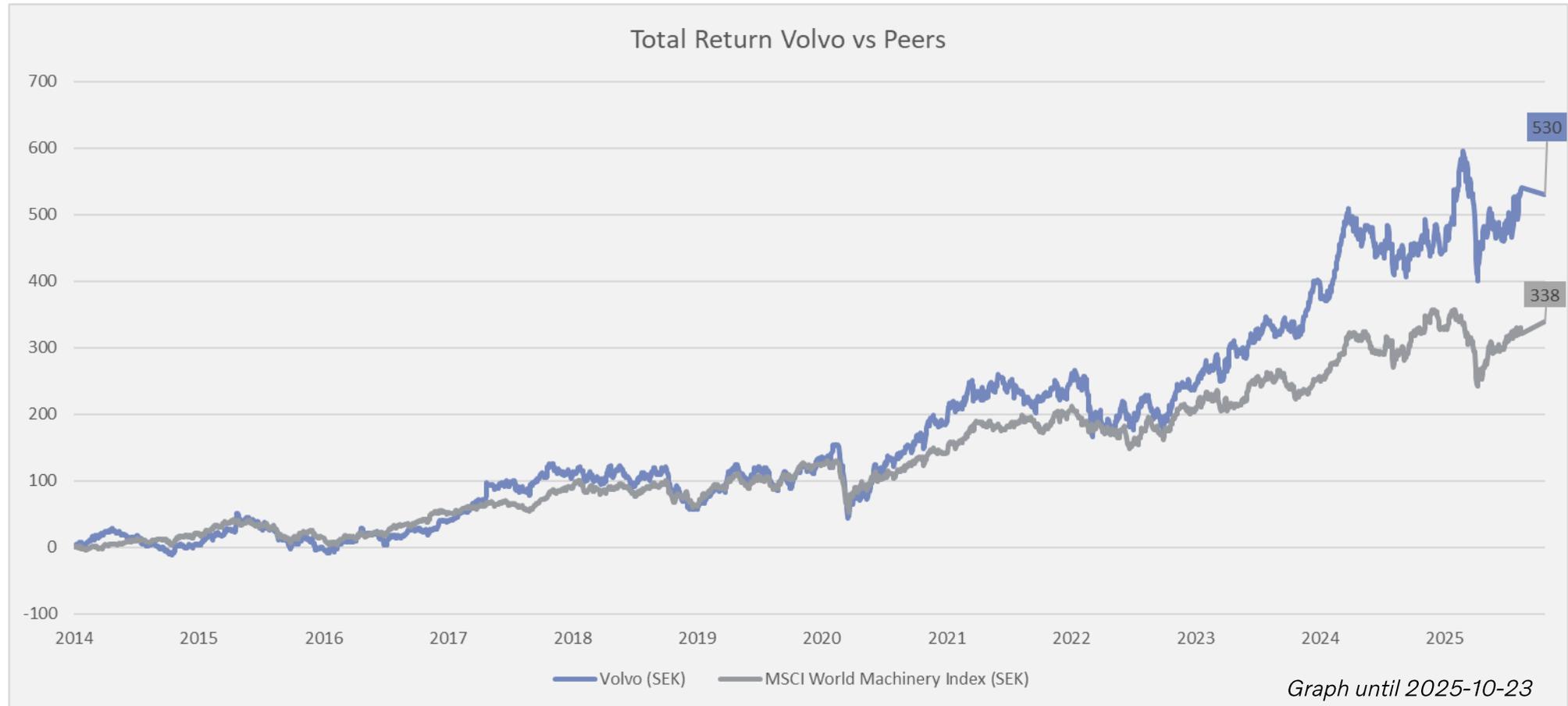
## Construction equipment Operating margin: Volvo vs Peers



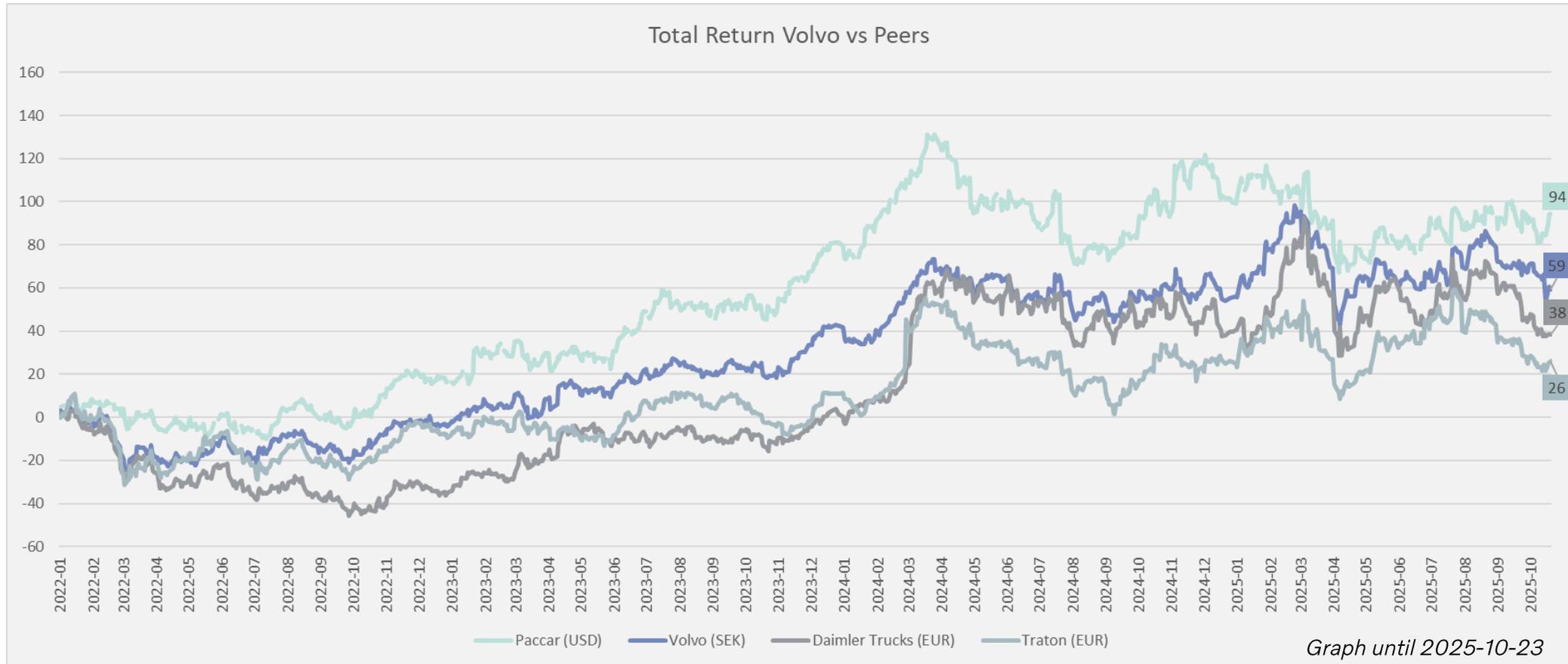
### Volvo Group Operating margin



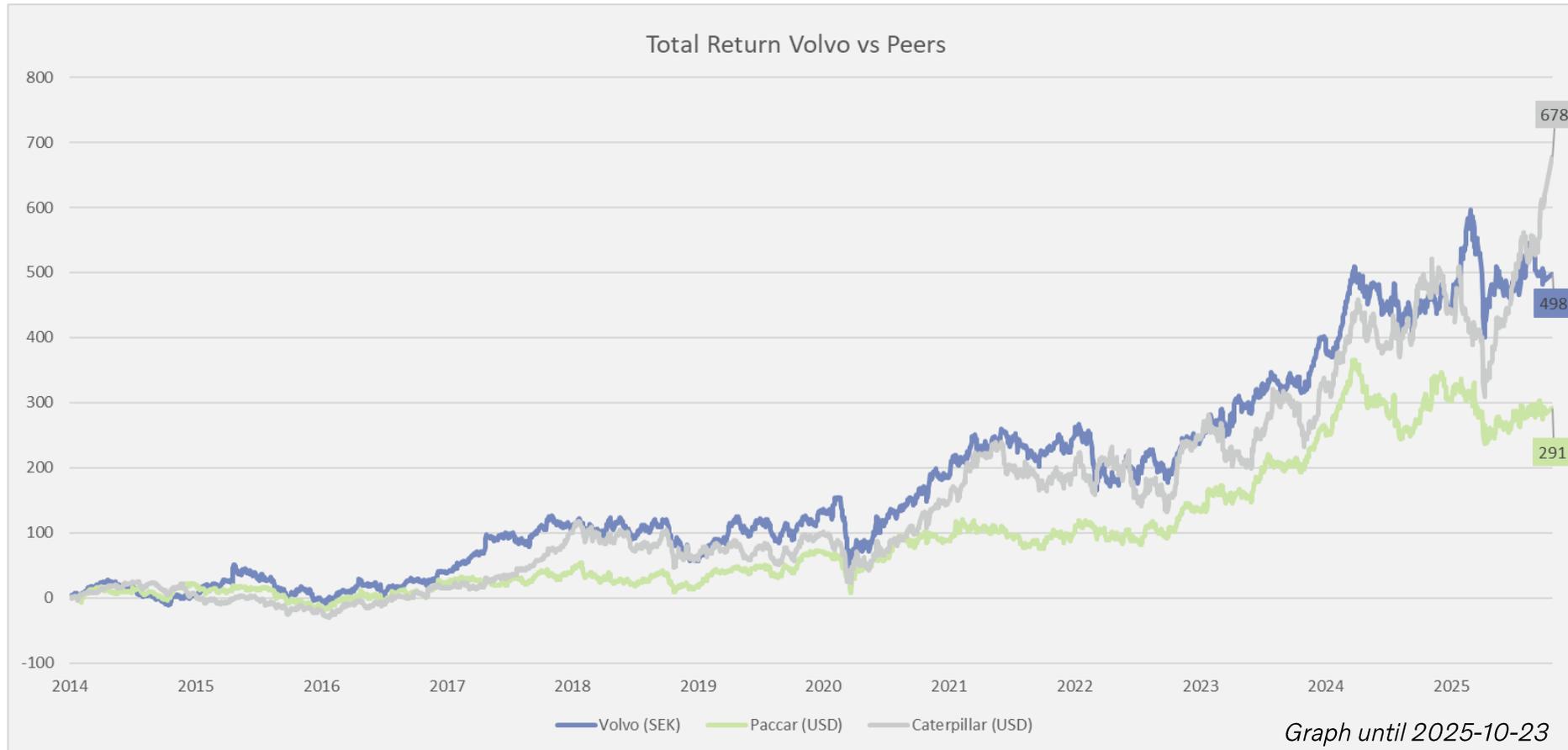
# Volvo Group vs MSCI World Machinery Index



# Volvo Group vs European truck peers



# Volvo Group vs US peers



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