

# **VOLVO**

**Volvo Treasury AB (publ)**

*(Incorporated with limited liability under the laws of Sweden)*

under the guarantee of

**AB Volvo (publ)**

*(Incorporated with limited liability under the laws of Sweden)*

**U.S.\$15,000,000,000**

**Euro Medium Term Note Programme**

This Prospectus Supplement (the "**Supplement**") constitutes a supplement to and must be read in conjunction with the base prospectus dated 6 November 2015, as supplemented by a first supplement thereto dated 9 February 2016, a second supplement thereto dated 3 March 2016, a third supplement thereto dated 26 April 2016, a fourth supplement thereto dated 12 May 2016 and a fifth supplement thereto dated 30 June 2016 (together the "**Prospectus**") prepared by Volvo Treasury AB (publ) (the "**Issuer**") and guaranteed by AB Volvo (publ) (the "**Parent**") with respect to the U.S.\$15,000,000,000 Euro Medium Term Note Programme (the "**Programme**"). Terms defined in the Prospectus have the same meaning when used in this Supplement.

Application has been made to the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), as competent authority for the purposes of the Luxembourg Law dated 10 July 2005 on prospectuses for securities as amended by the Luxembourg Law dated 3 July 2012 (the "**Prospectus Law**") implementing Directive 2003/71/EC as amended (the "**Prospectus Directive**"), to approve this Supplement.

Each of the Issuer and the Parent accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer and the Parent (each having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and contains no omission likely to affect its import.

This Supplement has been prepared pursuant to Article 16.1 of the Prospectus Directive for the purposes of incorporating by reference the document mentioned below and updating the "Recent Developments – Significant Events" section of the Prospectus by including a press release dated 19 July 2016 relating to the EU competition investigation (the "**July 2016 Press Release**").

## **Document incorporated by reference**

The following document has been filed with the CSSF and by virtue of this Supplement such document shall be deemed to be incorporated by reference into and form part of the Prospectus:

- The report on the second quarter of the Parent and the Volvo Group ended on 30 June 2016 (the "**Volvo Group Q2 Report 2016**")

Copies of this Supplement and the document incorporated by reference will be available (i) without charge from the specified offices of the paying agents and (ii) on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated in the Prospectus, the statements in (a) above will prevail.

Except as disclosed in this Supplement and the Prospectus, there has been:

- (i) no significant change in the financial or trading position of the Issuer since 31 December 2015;
- (ii) no significant change in the financial or trading position of the Parent or the Volvo Group, in each case, since 30 June 2016;

- (iii) no material adverse change in the prospects of the Issuer since 31 December 2015, and
- (iv) no material adverse change in the prospects of the Parent or the Volvo Group, in each case, since 31 December 2015.

There has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus which is material in the context of the Programme since the publication of the Prospectus.

*The following Table of Cross References set out the principal disclosure requirements which are satisfied by the information and is not exhaustive. Each page reference refers to the corresponding page in the report.*

### ***Table of Cross References***

#### **Volvo Group Q2 Report 2016**

<i>Comments by the CEO</i>	<i>page 2</i>
<i>Financial summary of the 2<sup>nd</sup> quarter</i>	<i>pages 3-4</i>
<i>Business segment overview</i>	<i>pages 5-13</i>
<i>Important events</i>	<i>page 14</i>
<i>Quarterly figures</i>	<i>pages 22-23</i>
<i>Notes 1-6</i>	<i>pages 24-26</i>
<i>Deliveries</i>	<i>pages 32</i>

#### ***Cross reference list to the consolidated financial statement of the Parent***

<i>Income Statements, Volvo Group Q2 and first six months</i>	<i>page 15-16</i>
<i>Balance sheet, Volvo Group</i>	<i>page 17</i>
<i>Cash flow statement, Volvo Group Q2 and first six months</i>	<i>page 18-19</i>
<i>Net Financial position, Volvo Group</i>	<i>page 20</i>
<i>Changes in total equity</i>	<i>page 21</i>

#### ***Cross reference list to the non-consolidated financial statements of the Parent***

<i>Income Statement, AB Volvo (publ)</i>	<i>page 27</i>
<i>Balance sheet, AB Volvo (publ)</i>	<i>page 28</i>

*The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of Commission Regulation (EC) No 809/2004.*

The following will be added at the end of the "Recent Developments – Significant Events" section at page 58 of the Prospectus:

### **“Volvo reaches settlement with the European Commission**

The Volvo Group has reached a settlement with the European Commission putting an end to a long-running EU antitrust investigation. As part of the settlement Volvo will pay a fine of EUR 670 M corresponding to SEK 6.3 bn. The amount is mainly covered by provisions made in 2014 and 2016, in total EUR 650 million (SEK 6.1 bn). An additional provision will have a negative impact of EUR 20 M (SEK 0.2 bn) on the operating income in the third quarter of 2016.

“The Commission case was already more than five years under way. Without the settlement we would have been facing many more years of proceedings, with an uncertain outcome. We are now able to look forward and focus on our business”, says Martin Lundstedt, Volvo President and CEO. “We strive to be a world leading business because we compete with the best products and services and the best employees.”

The anti-trust investigation concerns the time between 1997 and January 2011 and involves the Volvo Group as one of 6 manufacturers. The focal point of the case is the coordination on gross list prices but also the introduction of new emission related technologies.

“While we regret what has happened, we are convinced that these events have not impacted our customers. The Volvo Group has always competed for every single transaction”, says Martin Lundstedt, Volvo President and CEO. “We have taken these events very seriously from the outset and our full cooperation with the Commission resulted in a very substantial reduction in the fine.””