

FINAL TERMS

PROHIBITION OF SALES TO EEA RETAIL INVESTORS -The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE

COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels. For the avoidance of doubt, neither the Issuer nor the Parent is a manufacturer for the purposes of the MiFID Product Governance Rules.

16 November 2018

VOLVO TREASURY AB (publ) (the "Issuer")

Legal Entity Identifier (LEI): 549300PD69T87IGZG395

Issue of SEK 250,000,000 Fixed Rate Notes due 20 September 2021 guaranteed by AB Volvo (publ) (the "Guarantor") issued pursuant to the U.S.\$15,000,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the prospectus dated 7 November 2018 (the "**Prospectus**") which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended or superseded (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus has been published on the websites of the Luxembourg Stock Exchange (www.bourse.lu) and the Volvo Group (www.volvogroup.com) and is available for viewing at, and copies may be obtained from, the registered office of the Issuer and from the specified offices of the Paying Agents in London and Luxembourg.

1.
 - (i) Series Number: 381
 - (ii) Tranche Number: 1
 - (iii) Date on which the Notes will be consolidated and form a single Series: Not Applicable
2. Specified Currency or Currencies: Swedish Krona ("SEK")
3. Aggregate Nominal Amount:
 - (i) Series: SEK 250,000,000

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| | (ii) Tranche: | SEK 250,000,000 |
| 4. | Issue Price: | 99.760 per cent. of the Aggregate Nominal Amount |
| 5. | (i) Specified Denomination(s): | SEK 2,000,000 and integral multiples of SEK 1,000,000 in excess thereof up to and including SEK 3,000,000. (Note: no notes in definitive form to be issued with a denomination above SEK 3,000,000). |
| | (ii) Calculation Amount: | SEK 1,000,000 |
| 6. | (i) Issue Date: | 19 November 2018 |
| | (ii) Interest Commencement Date: | Issue Date |
| 7. | Maturity Date: | 20 September 2021 |
| 8. | Interest Basis: | 0.625 per cent. Fixed Rate |
| 9. | Redemption/Payment Basis: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount |
| 10. | Change of Interest Basis: | Not Applicable |
| 11. | Put/Call Options: | Not Applicable |
| Provisions Relating to Interest (if any) Payable | | |
| 12. | Fixed Rate Note Provisions | Applicable |
| | (i) Rate(s) of Interest: | 0.625 per cent. per annum payable in arrear on each Interest Payment Date |
| | (ii) Interest Payment Date(s): | 20 September in each year, from and including 20 September 2019, up to and including the Maturity Date |
| | (iii) Fixed Coupon Amount(s): | SEK 6,250 per Calculation Amount, payable on all of the Interest Payment Dates other than 20 September 2019 |
| | (iv) Broken Amount(s): | SEK 5,225.69 per Calculation Amount, payable on the Interest Payment Date falling on 20 September 2019 |
| | (v) Additional Business Centre(s): | Not Applicable |
| | (vi) Day Count Fraction: | 30/360 |
| | (vii) Determination Date(s): | Not Applicable |
| 13. | Floating Rate Note Provisions | Not Applicable |
| 14. | Zero Coupon Note Provisions | Not Applicable |
| Provisions Relating to Redemption | | |
| 15. | Issuer Call: | Not Applicable |
| 16. | Make-whole Redemption by the Issuer | Not Applicable |
| 17. | Investor Put: | Not Applicable |
| 18. | Final Redemption Amount: | Subject to any purchase or cancellation or early redemption, the Notes will be redeemed on the Maturity Date at SEK 1,000,000 per Calculation Amount |

19. Early Redemption Amount payable on redemption for taxation reasons or on event of default: SEK 1,000,000 per Calculation Amount

General Provisions Applicable to the Notes

20. Form of Notes:
- (a) Form of Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event
 - (b) New Global Note: No
21. Additional Financial Centre(s): Not Applicable
22. Talons for future Coupons to be attached to Definitive Notes: No

Signed on behalf of the Issuer:

By: _____
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market, *Bourse de Luxembourg*, with effect from on or about Issue Date.
- (ii) Estimate of total expenses related to admission to trading: EUR 1,500

2. RATINGS

Ratings: The Notes to be issued have been rated:

BBB+ by Standard & Poor's Credit Market Services Europe Limited ("**S&P**"); and

Baa1 by Moody's Deutschland GmbH ("**Moody's**").

Each of S&P and Moody's is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). As such each of S&P and Moody's is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Dealer, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Dealer and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates in the ordinary course of business.

4. BENCHMARKS REGULATION - FLOATING RATE NOTES CALCULATED BY REFERENCE TO A BENCHMARK ONLY

Not Applicable

5. YIELD

0.711 per cent. per annum

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. DISTRIBUTION

- (i) If syndicated, names of Managers: Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable
- (iii) Stabilising Manager(s) (if any): Not Applicable
- (iv) If non-syndicated, name and address of relevant Dealer: Svenska Handelsbanken AB (publ), Blasieholmstorg 11, SE-106 70 Stockholm, Sweden
- (v) TEFRA: TEFRA D

7. OPERATIONAL INFORMATION

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| (i) | ISIN Code: | XS1911745930 |
| (ii) | Common Code: | 191174593 |
| (iii) | CFI: | DTFXFB |
| (iv) | FISN | VOLVO TREASURY/.62EMTN 20210920 |
| (v) | Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking S.A. and the relevant identification number(s): | Not Applicable |
| (vi) | Delivery: | Delivery against payment |
| (vii) | Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |
| (viii) | Intended to be held in a manner which would allow Eurosystem eligibility: | No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. |

8. THIRD PARTY INFORMATION

Not Applicable