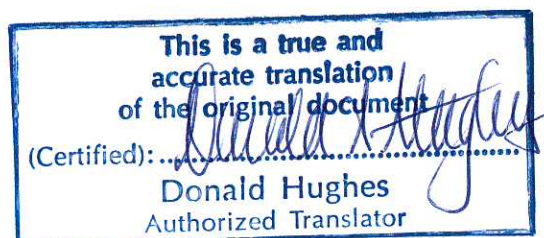


Annual Report and Consolidated Financial Statements for the 2014 fiscal year

The Board of Directors and the President of Volvo Treasury AB (publ), (556135-4449) hereby submit the following Annual Report and consolidated financial statements.

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Amounts are shown in millions of Swedish kronor (SEK M) unless otherwise stated. The amounts within parentheses refer to the preceding year.

Board of Directors' Report

Volvo Treasury AB (publ) is a wholly owned subsidiary of AB Volvo (publ) Gothenburg (556012-5790). The Company is the Parent Company of Volvo Treasury Asia Ltd, which in turn is the Parent Company of Volvo Treasury Australia Pty Ltd ("Volvo Treasury Group").

The Volvo Treasury Group is a unit within the Volvo Group that provides the Volvo Group with services related to treasury and cash management. All financial transactions with companies within the Volvo Group are carried out on market terms. Most of the financial transactions of the Volvo Group are conducted through the Volvo Treasury Group or one of the Volvo Group's other Treasury companies in North America or Asia, which, jointly with the Volvo Treasury Group comprise the "Volvo Treasury Unit." The Volvo Treasury Unit is responsible for all interest-bearing assets and liabilities, foreign exchange, as well as funding operations within the Volvo Group. Consolidated financial management offers better potential to utilize the Volvo Group's financial assets and cash flow and professionally manage risks related to financial management.

The Volvo Treasury Group's operations are carried out according to centrally determined risk mandates and limits designed to minimize the currency, interest-rate, credit and liquidity risks to which the Volvo Group is exposed. Risks are followed up, monitored and recognized daily. Risk limits are set by the Board of Volvo Treasury AB or in certain cases by the Board of AB Volvo. These risks and the manner in which they are managed are presented in more detail in Note 22 Financial risks and instruments.

Further description of financial risks and how the Volvo Group and the Volvo Treasury Unit manage them are presented in the Annual Report for the Volvo Group. See also the Annual Report for the Volvo Group regarding employee policies in the Volvo Group.

Corporate Governance Report

Volvo Treasury AB has prepared a corporate governance report that is separate from the Annual Report, and which can be found after the Annual Report in this document on pages 44-46.

Operations during 2014

Volvo Treasury Group – Summary

The Group's operating income by company is presented in the table below.

| SEK M | 2014 | 2013 | 2012 | 2011 | 2010 |
|-------------------------|----------------|--------------|----------------|----------------|----------------|
| Volvo Treasury AB | 1,863.3 | 855.9 | 1,122.6 | 1,618.0 | 1,009.6 |
| Volvo Treasury Asia Ltd | 40.1 | 61.7 | 59.1 | 32.0 | 51.6 |
| Group total | 1,903.4 | 917.6 | 1,181.7 | 1,650.0 | 1,061.2 |

During the year, net lending to Group companies within the Volvo Group increased by approximately SEK 9 billion. During the preceding year, net lending decreased by approximately SEK 0.5 billion.

Net interest income for the year amounted to SEK 1,376.1 M, compared with income of SEK 798.9 M for the preceding year. In 2014, the Volvo Group posted a healthy cash flow, which



led to a reduction in the Volvo Treasury Group's financing activities for Group companies which, in turn, negatively impacted interest income. However, interest expenses declined over the year due to lower interest rates, which positively impacted operating income year-on-year. For the Volvo Treasury Group, changes in market exchange rates resulted in a positive effect on the market values of derivatives in line with IAS 39, with an earnings impact of SEK 437.8 M compared with negative SEK 90.8 M in the preceding year. The earnings impact of the market valuation of derivatives is included under Financial instruments measured at fair value through profit and loss (FVTPL).

In 2014, a EUR 1.5 billion hybrid bond was issued through Volvo Treasury AB with the aim of strengthening the Volvo Group's balance sheet and extending the maturity profile of the debt portfolio. The bond issue had no significant impact on interest expenses in 2014, since it was issued late in the year.

At the start of 2015, the Volvo Group's acquisition of Dongfeng Commercial Vehicles was completed. The purchase consideration was hedged through Volvo Treasury AB. The total positive impact of the hedge totaled SEK 1.5 billion, of which SEK 300 million was recognized in 2013 and SEK 1.1 billion in 2014. The remaining amount will be recognized in the first quarter of 2015. The effect of the hedge is included under Profit/loss from other financial transactions.

Events after the close of the fiscal year

No events occurred after the close of the fiscal year that significantly affected the earnings or financial position of the Group or the Parent Company.

Proposed disposition of unappropriated earnings

The following earnings are at the disposal of the Annual General Meeting:

| | |
|-------------------|-----------------------|
| Retained earnings | 14,697,542,270 |
| Net income | 178,003,838 |
| SEK | 14,875,546,108 |

The Board of Directors and the President propose that the profit above be appropriated as follows:

| | | |
|-----------------------|-----|-----------------------|
| To be carried forward | SEK | 14,875,546,108 |
|-----------------------|-----|-----------------------|

The prepared Annual Report states that a Group contribution totaling SEK 2,500.0 M was paid to AB Volvo, while a Group contribution totaling SEK 862 M was received from Sotrof AB.



Consolidated statement of comprehensive income

| | Note | 2014 | 2013 |
|--|-------|----------------|----------------|
| Interest income | 3 | 3,580.5 | 4,100.0 |
| Interest expenses | 4 | (2,648.9) | (3,203.8) |
| Financial instruments measured at FVTPL | 2, 22 | 444.5 | (97.4) |
| Net interest income | | 1,376.1 | 798.8 |
| Net result of other financial transactions | 22 | 770.2 | 341.0 |
| Gross income | | 2,146.3 | 1,139.8 |
| Administrative expenses | 5, 24 | (227.7) | (208.2) |
| Other operating expenses | | (15.2) | (14.0) |
| Operating income | | 1,903.4 | 917.6 |
| Appropriations | 15 | (1,638.0) | (578.0) |
| Income before tax | | 265.4 | 339.6 |
| Tax on income for the year | 6, 7 | (55.8) | (71.0) |
| Net income for the year | | 209.6 | 268.6 |

Other comprehensive income

| | | |
|--|--------------|--------------|
| Net income | 209.6 | 268.6 |
| <i>Items that will not be reclassified to profit and loss:</i> | | |
| Remeasurement of defined-benefit pensions | (14.6) | 10.4 |
| <i>Items that may be subsequently reclassified to profit and loss:</i> | | |
| Exchange-rate differences on translation of foreign operations | 66.2 | (19.8) |
| Comprehensive income for the year | 261.2 | 259.2 |
| Total net income attributable to Parent Company shareholders | 209.6 | 268.6 |
| Total comprehensive income attributable to Parent Company shareholders | 261.2 | 259.2 |



Consolidated balance sheet

| | Note | Dec. 31, 2014 | Dec. 31, 2013 |
|---|------|------------------|------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Intangible assets | | | |
| Software development | 8 | 9.2 | 12.4 |
| Tangible assets | | | |
| Equipment | 9 | 0.5 | 0.6 |
| Financial assets | | | |
| Receivables from Group companies (within the Volvo Group) | | 42,437.0 | 36,581.8 |
| Other long term receivables | 11 | 1,520.0 | 671.3 |
| Total financial assets | | 43,957.0 | 37,253.1 |
| Total non-current assets | | 43,966.7 | 37,266.1 |
| Current assets | | | |
| Current receivables | | | |
| Receivables from Group companies (within the Volvo Group) | | 111,210.0 | 98,333.3 |
| Other current receivables | 12 | 2,521.4 | 2,409.9 |
| Total current receivables | | 113,731.4 | 100,743.2 |
| Marketable securities | 13 | 6,772.5 | 2,432.4 |
| Cash and cash equivalents | 14 | 14,434.6 | 13,821.4 |
| Total current assets | | 134,938.5 | 116,997.0 |
| TOTAL ASSETS | | 178,905.2 | 154,263.1 |



| | Note | Dec. 31, 2014 | Dec. 31, 2013 |
|---|------------|------------------|------------------|
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| Shareholders' equity | | | |
| Share capital | | 500.0 | 500.0 |
| Reserves | | 107.4 | 41.2 |
| Retained earnings | | 14,998.1 | 14,744.1 |
| Net income | | 209.6 | 268.6 |
| Total shareholders' equity | | 15,815.1 | 15,553.9 |
| Non-current provisions | | | |
| Provision for post-employment benefits | 16 | 39.7 | 20.7 |
| Other provisions | | 1.7 | - |
| Total non-current provisions | | 41.4 | 20.7 |
| Non-current liabilities | | | |
| | 17, 21, 22 | | |
| Bond loans | | 68,877.3 | 45,758.9 |
| Other liabilities to credit institutions | | 20,010.9 | 18,423.4 |
| Other non-current liabilities | | 238.2 | 209.5 |
| Liabilities to Group companies (within the Volvo Group) | | 1,221.4 | 2,564.9 |
| Total non-current liabilities | | 90,347.8 | 66,956.7 |
| Current liabilities | | | |
| Liabilities to credit institutions | 18 | 21,697.9 | 31,366.5 |
| Accounts payable – trade | | 4.0 | 3.7 |
| Liabilities to Group companies (within the Volvo Group) | | 49,927.2 | 38,712.3 |
| Other current liabilities | 19 | 1,071.8 | 1,649.3 |
| Total current liabilities | | 72,700.9 | 71,731.8 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | | 178,905.2 | 154,263.1 |



Changes in shareholders' equity, Group

| | Share capital | Reserves (translation differences) | Retained earnings | Total shareholders' equity |
|---|-----------------|--|----------------------|----------------------------------|
| Balance at December 31, 2012 | 500.0 | 61.0 | 14,733.7 | 15,294.7 |
| Net income for the year | - | - | 268.6 | 268.6 |
| <i>Other comprehensive income</i> | | | | |
| Translation differences | - | (19.8) | - | (19.8) |
| Remasurement of defined-benefit pensions | - | - | 10.4 | 10.4 |
| <i>Total comprehensive income for the year</i> | <i>-</i> | <i>(19.8)</i> | <i>279.0</i> | <i>259.2</i> |
| Balance at December 31, 2013 | 500.0 | 41.2 | 15,012.7 | 15,553.9 |
| Net income for the year | - | - | 209.6 | 209.6 |
| <i>Other comprehensive income</i> | | | | |
| Translation differences | - | 66.2 | - | 66.2 |
| Remasurement of defined-benefit pensions | - | - | (14.6) | (14.6) |
| <i>Total comprehensive income for the year</i> | <i>-</i> | <i>66.2</i> | <i>195.0</i> | <i>261.2</i> |
| Balance at December 31, 2014 | 500.0 | 107.4 | 15,207.7 | 15,815.1 |



Consolidated cash-flow statement

| ACTIVITIES DURING THE YEAR | 2014 | 2013 |
|---|-------------------|------------------|
| Interest received | 3,994.8 | 4,121.7 |
| Interest paid | (3,313.3) | (3,210.5) |
| Income taxes paid | (52.1) | (70.2) |
| Payments to suppliers and employees | (236.3) | (219.6) |
| | 393.1 | 621.4 |
| Increase (-)/decrease (+) in short-term marketable securities | (4,341.3) | 565.5 |
| Increase (-)/decrease (+) in current receivables | 137.8 | (115.5) |
| Increase (+)/decrease (-) in current liabilities | 0.8 | (10.3) |
| Increase (-)/decrease (+) in lending to Group companies | (22,956.6) | (8,643.4) |
| Increase (+)/decrease (-) in borrowing from Group companies | 8,161.0 | 6,077.0 |
| Increase (-)/decrease (+) in long-term receivables | (5.0) | (4.2) |
| Cash-flow from operating activities | (18,610.2) | (1,509.5) |
| Capitalized development costs | - | (3.8) |
| Cash-flow from investing activities | - | (3.8) |
| Group contributions received (+)/granted (-) | (578.0) | (755.7) |
| Issue of interest-bearing securities | 56,839.3 | 56,343.1 |
| Repayment of interest-bearing securities | (37,824.9) | (42,263.0) |
| Increase in other borrowing | 17,567.0 | 9,925.5 |
| Decrease in other borrowing | (16,782.2) | (17,584.4) |
| Cash-flow from financing activities | 19,221.2 | 5,665.5 |
| Cash-flow during the year | 611.0 | 4,152.2 |
| Cash and cash equivalents, January 1 | 13,821.4 | 9,675.9 |
| Exchange-rate differences in cash and cash equivalents | 2.2 | (6.7) |
| Cash and cash equivalents, December 31 | 14,434.6 | 13,821.4 |



Total comprehensive income, Parent Company

| | Note | 2014 | 2013 |
|---|-------|----------------|----------------|
| Interest income | 3 | 3,524.8 | 4,066.3 |
| Interest expense | 4 | (2,647.8) | (3,219.3) |
| Financial instruments valued at fair value recognized in income statement | 2, 22 | 451.6 | (96.9) |
| Net interest income | | 1,328.6 | 750.1 |
| Net result of other financial transactions | 22 | 758.4 | 318.5 |
| Gross income | | 2,087.0 | 1,068.6 |
| Administrative expenses | 5, 24 | (207.5) | (194.2) |
| Other operating expenses | | (13.6) | (13.9) |
| Operating income | | 1,865.9 | 860.5 |
| Allocations | 15 | -1,638.0 | -578.0 |
| Income before tax | | 227.9 | 282.5 |
| Tax on income for the year | 6, 7 | (49.9) | (62.1) |
| Net income | | 178.0 | 220.4 |
| Other comprehensive income | | | |
| Total comprehensive income for the year | | 178.0 | 220.4 |



Balance sheet, Parent company

| | Note | Dec. 31, 2014 | Dec. 31, 2013 |
|---|------|------------------|------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Intangible assets | | | |
| Software development | 8 | 9.2 | 12.4 |
| Tangible assets | | | |
| Equipment | 9 | 0.4 | 0.5 |
| Financial assets | | | |
| Participations in subsidiaries | 10 | 224.6 | 224.6 |
| Receivables from Group companies (within the Volvo Group) | | 42,081.9 | 36,196.0 |
| Other long term receivables | 11 | 1,503.2 | 655.0 |
| Total financial assets | | 43,809.7 | 37,075.6 |
| Total non-current assets | | 43,819.3 | 37,088.5 |
| Current assets | | | |
| Current receivables | | | |
| Receivables from Group companies (within the Volvo Group) | | 109,051.9 | 97,972.9 |
| Other current receivables | 12 | 2,488.0 | 2,340.3 |
| Total current receivables | | 111,539.9 | 100,313.2 |
| Marketable securities | 13 | 6,772.5 | 2,432.4 |
| Cash and cash equivalents | 14 | 14,423.8 | 13,767.8 |
| Total current assets | | 132,736.2 | 116,513.4 |
| TOTAL ASSETS | | 176,555.5 | 153,601.9 |



| | Note | Dec. 31, 2014 | Dec. 31, 2013 |
|--|------------|------------------|------------------|
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| Shareholders' equity | | | |
| Restricted equity | | | |
| Share capital (5,000,000 Series A shares, per value SEK 100) | | 500.0 | 500.0 |
| Legal reserves | | 100.0 | 100.0 |
| Total restricted equity | | 600.0 | 600.0 |
| Unrestricted equity | | | |
| Retained earnings brought forward | | 14,697.6 | 14,477.2 |
| Net income | | 178.0 | 220.4 |
| Total unrestricted equity | | 14,875.6 | 14,697.6 |
| Total shareholders' equity | | 15,475.6 | 15,297.6 |
| Non-current provisions | | | |
| Provision for post-employment benefits | 16 | 2.8 | 4.6 |
| Other provisions | | 1.7 | - |
| Total non-current provisions | | 4.5 | 4.6 |
| Non-current liabilities | | | |
| | 17, 21, 22 | | |
| Bond loans | | 68,877.3 | 45,758.9 |
| Other liabilities to credit institutions | | 16,747.8 | 14,956.5 |
| Other non-current liabilities | | 229.6 | 206.8 |
| Liabilities to Group companies (within the Volvo Group) | | 2,857.1 | 5,038.9 |
| Total non-current liabilities | | 88,711.8 | 65,961.1 |
| Current liabilities | | | |
| Liabilities to credit institutions | 18 | 20,392.6 | 28,894.8 |
| Accounts payable – trade | | 3.8 | 3.6 |
| Liabilities to Group companies (within the Volvo Group) | | 50,914.1 | 41,811.8 |
| Other current liabilities | 19 | 1,053.1 | 1,628.4 |
| Total current liabilities | | 72,363.6 | 72,338.6 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | | 176,555.5 | 153,601.9 |



Changes in shareholders' equity, Parent company

| | Share capital | Reserves (translation differences) | Retained earnings | Total shareholders' equity |
|--|---------------|--|----------------------|----------------------------------|
| Balance at December 31, 2012 | 500.0 | 100.0 | 14,477.2 | 15,077.2 |
| Net income for the year | - | - | 220.4 | 220.4 |
| <i>Other comprehensive income</i> | - | - | - | - |
| <i>Total comprehensive income for the year</i> | - | - | 220.4 | 220.4 |
| Balance at December 31, 2013 | 500.0 | 100.0 | 14,697.6 | 15,297.6 |
| Net income for the year | - | - | 178.0 | 178.0 |
| <i>Other comprehensive income</i> | - | - | - | - |
| <i>Total comprehensive income for the year</i> | - | - | 178.0 | 178.0 |
| Balance at December 31, 2014 | 500.0 | 100.0 | 14,875.6 | 15,475.6 |



Cash-flow statement, Parent company

| ACTIVITIES DURING THE YEAR | 2014 | 2013 |
|---|-------------------|------------------|
| Interest received | 3,939.6 | 4,083.0 |
| Interest paid | (3,314.2) | (3,226.3) |
| Income taxes paid | (42.3) | (59.8) |
| Payments to suppliers and employees | (217.4) | (205.2) |
| | 365.7 | 591.7 |
| Increase (-)/decrease (+) in short-term marketable securities | (4,341.3) | 565.5 |
| Increase (-)/decrease (+) in current receivables | 103.3 | (109.6) |
| Increase (+)/decrease (-) in current liabilities | 2.4 | (8.0) |
| Increase (-)/decrease (+) in lending to Group companies | (21,959.4) | (7,462.6) |
| Increase (+)/decrease (-) in borrowing from Group companies | 5,555.8 | 4,397.7 |
| Increase (-)/decrease (+) in long-term receivables | (5.0) | (4.1) |
| Cash-flow from operating activities | (20,278.5) | (2,029.4) |
| Capitalized development costs | - | (3.8) |
| Cash-flow from investing activities | - | (3.8) |
| Group contributions received (+)/granted (-) | (578.0) | (755.7) |
| Issue of interest-bearing securities | 56,839.3 | 56,343.1 |
| Repayment of interest-bearing securities | (38,290.6) | (42,884.0) |
| Increase in other borrowing | 16,731.1 | 8,933.9 |
| Decrease in other borrowing | (13,767.2) | (15,462.8) |
| Cash-flow from financing activities | 20,934.6 | 6,174.5 |
| Cash-flow during the year | 656.0 | 4,141.3 |
| Cash and cash equivalents, January 1 | 13,767.8 | 9,626.5 |
| Cash and cash equivalents, December 31 | 14,423.8 | 13,767.8 |



Notes – Group and Parent Company

Note 1 Accounting and valuation policies

The consolidated financial statements for Volvo Treasury AB and its subsidiary (Volvo Treasury) have been prepared in accordance with IFRS, International Financial Reporting Standards, issued by the IASB (International Accounting Standards Board), as adopted by the EU. This Annual Report was prepared in accordance with IAS 1, *Presentation of Financial Statements*, and in accordance with the Swedish Annual Accounts Act. The income statement has been adapted to provide a relevant presentation of the results of the operations. In addition, RFR 1 *Supplementary Accounting Rules for Groups* was applied, issued by the Swedish Financial Reporting Board.

In the preparation of these financial statements, the company management has made certain estimates and assumptions that affect the carrying amounts of assets and liabilities, as well as contingent liabilities at the balance-sheet date and recognized income and expenses. The actual future outcome of certain transactions may differ from the estimated outcome when these financial statements were prepared. Any such differences will affect the financial statements for future accounting periods. See Note 2 for key sources of estimation uncertainty.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company and subsidiaries in which Volvo Treasury AB has a controlling influence. The consolidated financial statements have been prepared, in accordance with the policies set forth in IFRS 10, *Consolidated Financial Statements*. Intra-Group transactions are eliminated.

Translation to Swedish kronor when consolidating companies using foreign currencies

Volvo Treasury AB's functional currency is Swedish kronor (SEK). The functional currency of each Group company is determined based on the primary economic environment in which it operates. The primary economic environment is normally the one in which the company primarily generates and expends cash and cash equivalents. In most cases, the functional currency is the currency of the country where the company is located. In preparing the consolidated financial statements, all items in the income statements of foreign subsidiaries are translated to Swedish kronor at monthly exchange rates. All assets and liabilities items in the balance sheet are translated at exchange rates at the respective year-ends (closing-day rate). The differences in consolidated shareholders' equity arising as a result of variations between closing-day exchange rates are recognized directly in shareholders' equity in the "provisions" category.

Receivables and liabilities in foreign currency

Receivables and liabilities in foreign currency are measured at closing-day rates, in the individual Group companies and in the consolidated accounts. Translation differences arising in financial assets and liabilities are recognized in Profit/loss from other financial transactions.

Financial instruments used for hedging of exchange and interest risks are measured at fair value. Exchange-rate gains are recognized as receivables and exchange-rate losses are recognized as liabilities. Depending on the lifetime of the financial instrument, it is recognized as current or non-current in the balance sheet. The earnings effect from revaluation is recognized in Net result of other financial transactions.



The exchange rates used in the consolidated financial statements are as follows:

| Country | Currency | Average rate | Average rate | As per Dec. 31 | As per Dec. 31 |
|-----------|----------|--------------|--------------|----------------|----------------|
| | | 2014 | 2013 | 2014 | 2013 |
| Singapore | 1 SGD | 5.41210 | 5.20593 | 5.90660 | 5.13020 |

Interest income and interest expenses

Interest income pertains to accrued and realized interest on interest-bearing assets and investments. Interest expenses pertain to accrued and realized interest on interest-bearing liabilities and derivatives held to hedge loan receivables and financial liabilities.

Financial instruments measured at FVTPL

Financial instruments measured at FVTPL include realized and unrealized interest gains and losses on current investments and derivatives used to hedge interest-bearing assets and investments, and unrealized interest gains/losses pertaining to derivatives held to hedge loan receivables and financial liabilities.

The Volvo Treasury Group applies IFRS 13, *Fair Value Measurement*. IFRS 13 aims to provide a standardized definition for fair-value measurement and disclosures. IFRS 13 does not change the requirements regarding the items which should be recognized or disclosed at fair value. The standard is applied prospectively and comparative information does not need to be provided. IFRS 13 requires taking into consideration factors that are specific to the transaction, asset and liability. Under IFRS 13, consideration should be given to the effect of the company's own credit risk when measuring financial liabilities at fair value. Transaction prices will often correspond to fair value. IFRS 13 comprises all transactions and balances (financial and non-financial) for which IFRS require or allow fair-value measurement, with the exception of transactions in conjunction with share-based payments and leases. The standard had no material impact on the Volvo Treasury Group. More information on the application of IFRS 13 is available in notes 2 and 22.

Recognition of financial assets and liabilities

Financial assets that are managed within the framework of IAS 39 are classified as one of the following:

- Financial assets measured at FVTPL
- Financial assets held to maturity
- Loans and accounts receivable
- Available-for sale financial assets

At present, Volvo Treasury has no financial assets classified in the following categories:

- Financial assets held to maturity
- Available-for-sale financial assets

The buying and selling of financial assets and liabilities are recognized on the settlement date, and subsequent re-valuation between the contract date and the settlement date is recognized through profit and loss. A financial asset is derecognized from the balance sheet when all significant risks and benefits linked to the asset have been transferred to an external party.



Financial liabilities are derecognized from the balance sheet when the obligation has been met, annulled or has ceased to exist.

Financial assets and liabilities measured at FVTPL

IFRS 7 classifies financial instruments measured at fair value at different levels based on how fair value was established. All of Volvo Treasury's financial instruments that are measured at FVTPL are classified as held for trading in accordance with level 2, with the exception of shares and participations classified under level 3 pertaining to unlisted holdings in subsidiaries. The valuation of level 2 instruments is based on market conditions using observable market data existing at each balance-sheet date. This includes derivatives held to hedge interest-bearing assets and investments, loan receivables and financial liabilities and for which Volvo Treasury has decided not to apply hedge accounting. Gains and losses on these assets are recognized through profit and loss. Short-term investments that are measured at fair value mainly consist of interest-bearing financial instruments and are reported in Note 13.

The fair value of assets and liabilities is determined based on applicable market prices when they exist. If market prices are unavailable, fair value is determined using various measurement techniques. Volvo Treasury has primarily used official rates or prices listed in the capital market. In their absence, the measurement has been made by discounting future cash flows at the market interest rate for each maturity. Transaction expenses are included in the assets' fair value, except in the cases in which value changes are recognized through profit and loss.

Loan receivables and accounts receivable

Loan receivables and accounts receivable are non-derivative financial assets with fixed or determinable payment plans that are not traded in an active market. After initial recognition, loan receivables and accounts receivable are measured at amortized cost according to the effective interest method. Gains and losses are recognized through profit and loss when the loans or receivables are divested or impaired, as well as in pace with the accrued interest being recognized.

Financial liabilities measured at amortized cost

Financial liabilities other than derivatives are measured at amortized cost. Transaction costs in connection with raising financial liabilities are amortized over the loan's duration as a financial expense using the effective interest method.

Hedge accounting

Financial instruments used to hedge risks in financial assets and liabilities have, in accordance with IAS 39, been recognized at market value in the balance sheet. Under the complex rules in IAS 39, Volvo Treasury has chosen only to apply hedge accounting for financial instruments used to hedge interest and currency risks on loans for cases when it, after an individual assessment, is considered adequate from a risk perspective and when hedge accounting requirements are fulfilled. For 2014, hedge accounting (fair-value hedge) has only been applied for a loan of approximately EUR 1 billion raised in 2007. The changes in the fair value of the outstanding hedge instruments that are formally identified as fair-value hedges, together with any changes in the fair value attributable to the hedged risk, are thus recognized through profit and loss.

Volvo Treasury regularly tests the effectiveness of hedging instruments. Hedging is considered to be effective when the nominal amount, term, dates for interest payments and



payments of nominal amounts, and the basis for measuring interest rates are the same for the hedging instrument and the hedged item. If the hedging does not fulfill the criteria for hedge accounting, the adjustment of the carrying amount of the hedged item will be recognized through profit and loss over the remaining term.

Fluctuations in the market value of financial instruments entered into to manage risks in financial assets and liabilities for which hedge accounting is not applied, are charged against unrealized gains and losses in the income statement. For further information see Note 22 Financial risks and instruments.

Valuation, depreciation, amortization and impairments of intangible and tangible fixed assets

Volvo Treasury recognizes intangible and tangible fixed assets at cost less depreciation. Depreciation is based on the historical cost of the assets, adjusted in appropriate cases by impairments, and estimated useful lives.

Depreciation periods

| | |
|-------------------------------|---------|
| Capitalized development costs | 5 years |
| Equipment | 5 years |

Pensions and similar commitments

Volvo Treasury applies IAS 19, *Employee Benefits*, for pensions and similar commitments. In accordance with IAS 19, actuarial calculations must be made for all defined-benefit plans in order to determine the present value of the Volvo Treasury Group's commitments pertaining to unvested benefits for current and former employees. The actuarial calculations are prepared annually and are based on actuarial assumptions that are determined close to the balance-sheet date. Changes in the present value of commitments due to revised actuarial assumptions and experience-based assumptions comprise remeasurements.

Provisions for pension benefits and similar commitments in Volvo Treasury Group's balance sheet correspond to the present value of the commitments at the balance-sheet date, less the fair value of plan assets. According to the revised IAS 19, the discount rate of interest is applied in calculating the net interest income/expense on the net pension liability (the asset). All changes in the net pension liability (the asset) are recognized as they occur, service costs and net interest expenses (revenue) are recognized in profit and loss, while remeasurements, such as actuarial gains and losses are recognized in other comprehensive income. The special employers' contribution is included in the pension liability. The special employers' contribution pertains to the Swedish plan.

For defined-contribution plans, premiums are expensed as incurred.

Income taxes

Tax on income for the year comprises current and deferred tax. Taxes are recognized in profit and loss, except when the tax relates to items recognized in other comprehensive income or directly in shareholders' equity. In such cases, the tax is also recognized in other comprehensive income and shareholders' equity.

Tax legislation in Sweden and other countries sometimes contains rules other than those identified in generally accepted accounting policies, with respect to the timing of taxation and measurement of certain commercial transactions. Deferred taxes are recognized for the



differences that arise between the taxable value and carrying amount of assets and liabilities, so-called temporary differences, as well as on tax loss carryforwards. However, with regard to the measuring of deferred tax assets, that is, the value of future tax reductions, these items are recognized provided that it is probable that the amounts can be utilized against future taxable surpluses.

Group contributions

Under certain circumstances, profits may be transferred in the form of Group contributions between companies within the same group. Contributions paid are normally a tax-deductible cost for the giver and taxable income for the receiver. Recognition of Group contributions is in accordance with the alternative rule in RFR2. Group contributions are recognized among Appropriations.

Cash-flow statement

The cash-flow statement is prepared in accordance with IAS 7, *Cash-flow statement*, applying the indirect method showing recognized changes in operating receivables and liabilities during the period. The cash-flow statements of foreign Group companies are translated at the average exchange rate.

Cash and cash equivalents include cash, bank balances, as well as marketable securities, with a maturity date within three months of the acquisition date. Other marketable comprise interest-bearing securities, with terms exceeding three months. However, these securities have high liquidity and can easily be converted to cash.

Segment reporting

Volvo Treasury's operations are conducted within a single line of business and consequently do not give rise to segment reporting. Geographically, the operations are conducted primarily in two countries – Sweden and Singapore. Since the operations in Singapore are limited in scope, segment reporting as per IFRS 8, *Operating Segments*, is not applied. The Parent Company represents the Swedish operations. The difference between the Group and the Parent Company is mainly the Singaporean operations.

Share-based payments

Volvo Treasury applies IFRS 2, *Share-based Payments for share-based incentive programs*. IFRS 2 distinguishes between "cash-settled" and "equity-settled," in Volvo's case, shares. Volvo Treasury AB's President and two senior executives of the Volvo Treasury Group are included in the Volvo Group's incentive program. The Volvo Group's program includes both cash and equity remuneration. The details of the program are presented in Note 27 of the Volvo Group's Annual Report. The cost of this program, based on the fair value of the benefit at the time of its allotment, is recognized in accordance with IFRS 2 during the vesting period and is charged to profit and loss through offset accounting in shareholders' equity within the category of retained earnings for programs to be settled with shares, which is the case for the program in which the Company's senior executives participate. In addition to the cost of the program, the cost of social security contributions is also charged to the company.

New accounting policies in 2014

No new accounting policies applicable from 2014 had any material impact on the Volvo Treasury Group. The Volvo Treasury Group has applied the following standards: *IFRS 10 Consolidated Financial Statements*, *IFRS 12 Disclosure of Interest in Other Entities*, amendments to *IFRS 10* and *IFRS 12*, *IFRS 13 Fair Value Measurement*, amendments to *IAS*



36 Impairment of Assets and amendments to *IFRS 7 Financial Instruments: Disclosures* since January 1, 2013.

New accounting policies 2015 and later

When preparing the consolidated financial statements as of December 31, 2014, a number of standards and interpretations had been published, but have not yet come into effect. The following is a description of the effect of the future policy amendments that may have a significant impact on Volvo Treasury's financial statements.

IFRS 9 Financial Instruments

IFRS 9 has been published in three parts: Classification and Measurement, Impairment and Hedge accounting, which will replace the current IAS 39. The Volvo Group is currently estimating the effects of IFRS 9. This review includes Volvo Treasury Group. The timing of compulsory application of IFRS 9 is January 1, 2018 and early adoption is permitted. This standard had yet to be adopted by the EU at the publication date for this Annual Report.

Parent Company

The Parent Company applies the Annual Accounts Act and RFR 2 *Accounting for Legal Entities*. The recommendation means that legal entities whose securities are listed on a Swedish stock exchange or authorized marketplace as a main rule shall apply the IFRS/IAS as applied in the consolidated financial statements.

Volvo Treasury has adopted IAS 19 *Employee Benefits* in its financial reporting for the Group. The Parent Company applies the policies of FAR SRS, recommendation RedR 4, *Accounting of pension liabilities and pension costs*, as in prior years. Consequently, there are differences between the accounting for defined-benefit pension plans, as well as in the valuation of plan assets invested in the Volvo Pension Foundation.



Note 2 Key sources of estimation uncertainty

Volvo Treasury's most important accounting policies are set out in Note 1, Accounting Policies and conform to IFRS as adopted by the EU. The preparation of Volvo Treasury's consolidated financial statements requires the use of a number of estimates and assumptions that may affect the recognized amounts of assets, liabilities and provisions at the date of the financial statements. In preparing these financial statements, Volvo Treasury had to make its best possible assessments of certain amounts included in the financial statements, giving due consideration to relevance and significance. The application of the accounting policies mentioned in Note 1 involves making a number of estimates and assumptions, but since future results are currently uncertain, these assessments may result in a difference between the actual outcome and these estimates. In accordance with IAS 1, the company must provide specific information about the accounting policies that may have a significant impact on the estimates and assumptions made and which, if actual results are different, may have a material impact on the financial statements. The accounting policies applied by Volvo Treasury that are deemed to meet these criteria are presented below.

Valuation of financial instruments

As presented in Note 1, Volvo Treasury applies IAS 39, *Financial Instruments: Recognition and Measurement* and IFRS 13, *Fair value measurement*. In accordance with IAS 39, all derivatives shall be recognized at fair value in the balance sheet and the method is also clarified in IFRS 13. In establishing the fair values of financial instruments, Volvo Treasury has primarily used official rates or prices quoted on the capital markets. In their absence, the measurement was made by discounting future cash flows at the market interest rate for each maturity. The starting point for the interest rate is the zero coupon curve for each currency, from which a present value computation is made of anticipated future cash flows. For foreign exchange contracts, the starting point is the forward surcharge based on the applicable spot rate for each currency and the future timing of balance-sheet date. Based on the applicable forward rates, a present value computation is then made on the balance-sheet date. All recognized fair values represent values that may not necessarily be realized. Note 22 describes the policy for matching assets and liabilities and how derivatives are used, and the sensitivity analyses for changes in the interest rates on the Company's cash and cash equivalents and liabilities for the Volvo's Group's industrial segment.

Pensions and other similar commitments

Provisions and costs for post-employment benefits, mainly pensions and health-care benefits, are dependent on assumptions made in calculating the amounts. The appropriate assumptions and actuarial calculations are made separately for each country in which AB Volvo has operations. The assumptions include discount rates, health-care cost trends, inflation, salary growth, retirement rates, mortality rates and other factors. The actuarial assumptions are reviewed by the Volvo Group on an annual basis and modifications are made to them when deemed appropriate. The Volvo Treasury Group is included in this annual review. See Note 16 for applied assumptions in actuarial calculations.



Note 3 Interest income

| | Group | | Parent Company | |
|--------------|----------------|----------------|-----------------------|----------------|
| | 2014 | 2013 | 2014 | 2013 |
| Interest | 3,580.5 | 4,100.0 | 3,524.8 | 4,066.3 |
| Total | 3,580.5 | 4,100.0 | 3,524.8 | 4,066.3 |

Of the above stated amount, SEK 3,493.2 M (3,958.7) pertains to interest received for the Group from other companies within the Volvo Group. The corresponding amounts for the Parent Company are SEK 3,437.8 M (3,925.8).

Note 4 Interest expenses

| | Group | | Parent Company | |
|--------------|----------------|----------------|-----------------------|----------------|
| | 2014 | 2013 | 2014 | 2013 |
| Interest | 2,648.9 | 3,203.8 | 2,647.8 | 3,219.3 |
| Total | 2,648.9 | 3,203.8 | 2,647.8 | 3,219.3 |

Of the above stated amount, SEK 488.4 M (549.7) pertains to interest expenses for the Group from other companies within the Volvo Group. The corresponding amounts for the Parent Company are SEK 579.7 M (671.8).

Note 5 Administrative expenses**Salaries, other remuneration and social security expenses**

| | Salaries and remuneration | 2014 Social security costs | of which pension costs | Salaries and remuneration | 2013 Social security costs | of which pension costs |
|----------------|----------------------------------|-----------------------------------|-------------------------------|----------------------------------|-----------------------------------|-------------------------------|
| Parent Company | 33.6 | 10.6 | 12.7 | 32.5 | 10.2 | 8.3 |
| Subsidiaries | 7.9 | - | 0.5 | 7.3 | - | 0.5 |
| Group | 41.5 | 10.6 | 13.2 | 39.8 | 10.2 | 8.8 |

Of the Parent Company's pension costs, SEK 0.8 M (0.8) pertains to the Board and the President, outstanding pension commitments to these individuals amount to SEK – M (0.4). The corresponding amounts for the Group are amounted to SEK 0.9 M (0.9) and SEK – M (0.4), respectively.

The cost of non-monetary benefits in the Group amounted to SEK 3.9 M (3.7), of which SEK 0.2 M (0.2) to the Board of Directors and the President. The cost of non-monetary benefits in the Parent Company amounted to SEK 0.9 M (1.1), of which SEK 0.1 M (0.1) to the Board of Directors and the President.

The 2011 Annual General Meeting for the Volvo Group resolved on a new long-term share-based incentive program for senior executives in the Volvo Group for the years 2011-2013. In



2014, some of the shares allocated in the 2011 program were issued to the participants. The cost for this program in 2014 amounted to SEK 0.6 M (0.7) for the Parent Company and SEK 0.7 M (0.9) for the Group. The 2014 Annual General Meeting resolved on a new long-term share-based incentive program for the years 2014-2016. Further information about the incentive program is available in the Volvo Group's Annual Report under Note 27

Salaries and other remuneration by country and among Board members, etc., and other employees

| | 2014 | | | 2013 | | |
|-------------------------------------|-------------------------------|---------------------------|--------------------|-------------------------------|---------------------------|--------------------|
| | Directors and President | of which bonuses, etc. | Other employees | Directors and President | of which bonuses, etc. | Other employees |
| Parent Company | | | | | | |
| Sweden | 3.1 | 0.9 | 30.6 | 2.3 | 0.3 | 30.1 |
| Total in Parent Company | 3.1 | 0.9 | 30.6 | 2.3 | 0.3 | 30.1 |
| Subsidiaries, outside Sweden | | | | | | |
| Total subsidiaries | 2.1 | 0.6 | 5.8 | 1.8 | 0.5 | 5.4 |
| Group total | 5.2 | 1.5 | 36.4 | 4.1 | 0.8 | 35.5 |

The Company's President has a notice of termination of six months on his own accord and a 12-month notice of termination from Volvo Treasury AB, and thereafter the right to severance pay corresponding to 12 months.

Depreciation/amortization

Depreciation/amortization of tangible and intangible fixed assets amounted to SEK 3.3 M (3.2) in the Group and to SEK 3.3 M (3.2) in the Parent Company.

Fees and other remuneration to auditors

The audit involves examination of the Annual Report and financial accounting and the administration by the Board of Directors and the President. Audit-related assignments mean other quality assurance services required by enactment, the Articles of Association, regulations or agreement. The amount includes fees for interim reviews. Tax services include both tax consultancy and tax compliance services. All other services are defined as other assignments.

| PricewaterhouseCoopers | Group | | Parent Company | |
|------------------------|------------|------------|----------------|------------|
| | 2014 | 2013 | 2014 | 2013 |
| Audit assignment | 1.3 | 1.4 | 0.7 | 0.9 |
| Audit-related services | 0.5 | 0.3 | 0.5 | 0.2 |
| Tax services | 0.5 | 0.3 | - | - |
| Total | 2.3 | 2.0 | 1.2 | 1.1 |



Note 6 Income tax

| | Group | | Parent Company | |
|--|---------------|---------------|-----------------------|---------------|
| | 2014 | 2013 | 2014 | 2013 |
| Current tax for the period | (58.1) | (71.7) | (50.4) | (62.2) |
| Adjustment of current tax for prior periods | (0.1) | 0.1 | (0.1) | 0.1 |
| Deferred tax arising or reversed during the period | 2.3 | 0.6 | 0.6 | - |
| Total | (55.8) | (71.0) | (49.9) | (62.1) |

The main reasons for differences between tax according to the current tax rate 22% (22%) and recognized income tax for the period are stated in the table below.

| | Group | | Parent Company | |
|--|---------------|---------------|-----------------------|---------------|
| | 2014 | 2013 | 2014 | 2013 |
| Income before taxes | 265.4 | 339.6 | 227.9 | 282.5 |
| Tax according to current tax rate | (58.4) | (74.7) | (50.1) | (62.2) |
| Difference due to different countries' tax rates | 1.8 | 2.0 | - | - |
| Other non-deductible expenses/income | 1.9 | 0.3 | 0.4 | - |
| Taxes related to prior year | (0.1) | 0.1 | (0.1) | 0.1 |
| Other, net | (1.0) | 1.3 | (0.1) | - |
| Total | (55.8) | (71.0) | (49.9) | (62.1) |

Note 7 Deferred tax

During the year, the reversal (reversal) of deferred tax in the Group has reduced (reduced) the income tax in the consolidated income statement for the year by SEK 2.1 M (0.7). The corresponding change in deferred tax which was recognized in other comprehensive income was reversed (expensed) in the amount of SEK 4.2 M (neg. 2.9).

Non-current receivables included deferred tax of SEK 13.3 M (7.1), of which temporary differences on provisions for pensions for the Group were the most significant and amounted to SEK 12.1 M (6.8).



Note 8 Intangible assets

| | Group | | Parent Company | |
|---|----------------------|----------------------|-----------------------|----------------------|
| | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| Capitalized development costs | | | | |
| Opening cost | 20.5 | 16.7 | 20.5 | 16.7 |
| Capital expenditures | - | 3.8 | - | 3.8 |
| Closing amortized cost | 20.5 | 20.5 | 20.5 | 20.5 |
| Opening accumulated amortization | (8.1) | (5.0) | (8.1) | (5.0) |
| Amortization for the year | (3.2) | (3.1) | (3.2) | (3.1) |
| Closing accumulated amortization according to plan | (11.3) | (8.1) | (11.3) | (8.1) |
| Closing residual value according to plan | 9.2 | 12.4 | 9.2 | 12.4 |

Note 9 Tangible assets

| | Group | | Parent Company | |
|---|----------------------|----------------------|-----------------------|----------------------|
| | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| Equipment | | | | |
| Opening cost | 3.5 | 3.5 | 2.4 | 2.4 |
| Sales and scrapping | (1.4) | - | (1.4) | - |
| Translation difference | 0.2 | - | - | - |
| Closing amortized cost | 2.3 | 3.5 | 1.0 | 2.4 |
| Opening accumulated depreciation | (2.9) | (2.8) | (1.9) | (1.8) |
| Sales and scrapping | 1.4 | - | 1.4 | - |
| Depreciation for the year | (0.1) | (0.1) | (0.1) | (0.1) |
| Translation difference | (0.2) | - | - | - |
| Closing accumulated depreciation according to plan | (1.8) | (2.9) | (0.6) | (1.9) |
| Closing residual value according to plan | 0.5 | 0.6 | 0.4 | 0.5 |



Note 10 Financial assets**Participations in subsidiaries**

| | Parent Company | |
|---|-----------------------|----------------------|
| | Dec. 31, 2014 | Dec. 31, 2013 |
| Opening cost | 224.6 | 224.6 |
| Closing residual value according to plan | 224.6 | 224.6 |

| | Registered office in | Percentage holding | Voting share | No, of rights participations/ shares | Carrying amount kSEK |
|-------------------------|-----------------------------|---------------------------|---------------------|---|-----------------------------|
| Volvo Treasury Asia Ltd | Singapore | 100% | 100% | 20,025,000 | 224,608 |
| Total | | | | | 224,608 |

Note 11 Other non-current receivables

Other non-current receivables in the Group and Parent Company pertain, in all material respects, to unrealized results from derivatives entered into to hedge receivables and liabilities in foreign currencies.

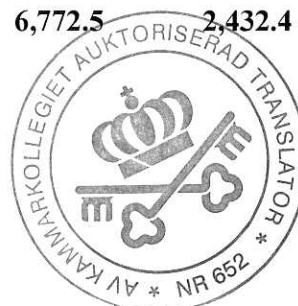
Note 12 Other current receivables

| | Group | | Parent Company | |
|---|----------------------|----------------------|-----------------------|----------------------|
| | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| Tax assets | 0.0 | 2.2 | - | 2.2 |
| Accrued interest income and prepaid interest expenses | 568.4 | 1,002.4 | 565.4 | 998.6 |
| Other accrued income and prepaid expenses | 116.4 | 68.6 | 115.4 | 67.4 |
| Unrealized gains on derivative contracts | 1,539.6 | 888.3 | 1,510.3 | 824.0 |
| Other current receivables | 297.1 | 448.4 | 296.8 | 448.1 |
| Total | 2,521.4 | 2,409.9 | 2,488.0 | 2,340.3 |

Note 13 Marketable securities

Current investments consist of interest-bearing securities, distributed as follows:

| | Group | | Parent Company | |
|------------------------------------|----------------------|----------------------|-----------------------|----------------------|
| | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| Government securities | 249.9 | 249.6 | 249.9 | 249.6 |
| Banks and financial institutions | 5,037.3 | 896.5 | 5,037.3 | 896.5 |
| Real estate financial institutions | 1,485.4 | 1,286.3 | 1,485.4 | 1,286.3 |
| Total | 6,772.5 | 2,432.4 | 6,772.5 | 2,432.4 |



Note 14 Cash and cash equivalents

| | Group | | Parent Company | |
|------------------------|----------------------|----------------------|-----------------------|----------------------|
| | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| Cash in banks | 14,434.6 | 11,284.3 | 14,423.8 | 11,230.7 |
| Time deposits in banks | - | 2,537.1 | - | 2,537.1 |
| Total | 14,434.6 | 13,821.4 | 14,423.8 | 13,767.8 |

Cash and cash equivalents in the Group and Parent Company at December 31, 2014, included SEK 0.3 M (0.3) that was not available for use.

Note 15 Group contributions

Group contributions of SEK 2,500.0 M (1,100.0) were paid to AB Volvo and SEK 862.0 M (522.0) was received from Sotrof AB.

Note 16 Provisions for pensions and similar commitments

Post-employment benefits, such as pensions and other remuneration are mainly settled by means of regular payments to independent authorities or bodies that assume pension commitments for employees through defined-contribution plans. The remaining portion is fulfilled through defined-benefit plans (applies only in Sweden), where the commitments remain within the Volvo Group or, in some cases, are transferred to pension trusts.

In the tables on the following page, disclosures are provided regarding the defined-benefit pension plan. Volvo recognizes the difference between outstanding commitments and the value of the managed assets in the balance sheet. The disclosures pertain to the assumptions applied in the actuarial calculations, recognized costs during the reporting period and the value of commitments and managed assets at the end of the period. In addition, changes in the value of commitments and managed assets during the period are specified. More information about the defined-benefit pension plan can be found in the 2014 Volvo Group Annual Report, Note 20, where information regarding investment strategy and risk management is presented.

| Applicable assumptions for actuarial calculations (Sweden) | Dec. 31, 2014 | Dec. 31, 2013 |
|---|----------------------|----------------------|
| Discount rate | 2.8 | 4.0 |
| Expected salary increase | 3.0 | 3.0 |
| Inflation | 1.5 | 1.5 |
| Pension costs during the year | Dec. 31, 2014 | Dec. 31, 2013 |
| Current service costs | (1.5) | (2.7) |
| Interest costs | (2.0) | (2.0) |
| Interest income | 1.3 | 0.9 |
| Total pension costs for defined-benefit plans | (2.2) | (3.8) |
| Pension costs for defined-contribution plans | (10.4) | (4.5) |
| Total pension costs | (12.6) | (8.3) |

The discount rate was determined based on mortgage bond interest rates.



| Obligations in defined-benefit plans | 2014 | 2013 |
|--|-------------|-------------|
| Obligations at January 1 | 51.5 | 59.2 |
| Defined-benefits earned during the year | 1.5 | 2.7 |
| Interest expenses | 2.0 | 2.0 |
| Remeasurements | | |
| -Effect of change in demographic assumptions | - | (1.4) |
| -Effect of changes in financial assumptions | 20.7 | (10.8) |
| -Effect of experience adjustments | 1.3 | 0.4 |
| Benefits paid | (0.5) | (0.5) |
| Obligations at December 31 | 76.5 | 51.6 |
| Of which, funded defined-benefit plans | 76.5 | 51.6 |

| Fair value of plan assets in funded plans | 2014 | 2013 |
|--|-------------|-------------|
| Plan assets at January 1 | 31.0 | 27.2 |
| Interest income | 1.3 | 0.9 |
| Remeasurements | 2.4 | 1.3 |
| Employer contribution | 1.5 | 1.5 |
| Plan assets at December 31 | 36.2 | 30.9 |

Net provisions for post-employment benefits

| | Group | |
|---|----------------------|----------------------|
| | Dec. 31, 2014 | Dec. 31, 2013 |
| Funded status at December 31 | 39.7 | 20.7 |
| Net provisions for post-employment benefits at December 31 | 39.7 | 20.7 |

Parent company

| | Dec. 31, 2014 | Dec. 31, 2013 |
|--|----------------------|----------------------|
| Provisions | | |
| Provisions for pensions, PRI pensions | 2.8 | 4.6 |
| | 2.8 | 4.6 |
| Net present value of pension obligations <i>secured through</i> | 39.0 | 35.6 |
| The company's share of the net assets of the pension funds | 36.2 | 31.0 |
| Provisions for pensions | 2.8 | 4.6 |
| Pension obligations guaranteed by PRI | 39.0 | 35.6 |



Note 17 Non-current liabilities

| Group | | Other liabilities to credit institutions | Of which, derivative contracts | Liabilities to companies in the Volvo Group |
|-----------------|-------------------------------------|---|---|--|
| Due date | Bond loans Dec. 31, 2014 | Dec. 31, 2014 | Dec. 31, 2014 | Dec. 31, 2014 |
| 2016 | 24,978.2 | 10,305.0 | 381.1 | 408.4 |
| 2017 | 16,783.6 | 4,573.0 | 121.6 | 813.0 |
| 2018 | 1,594.9 | 3,321.3 | 7.5 | - |
| 2019 | 7,985.3 | 1,811.5 | 0.5 | - |
| 2020 | 949.8 | 0.1 | 0.1 | - |
| 2021- | 16,585.5 | - | - | - |
| Total | 68,877.3 | 20,010.9 | 510.8 | 1,221.4 |

| Parent Company | | Other liabilities to credit institutions | Of which, derivative contracts | Liabilities to companies in the Volvo Group |
|-----------------------|-------------------------------------|---|---|--|
| Due date | Bond loans Dec. 31, 2014 | Dec. 31, 2014 | Dec. 31, 2014 | Dec. 31, 2014 |
| 2016 | 24,978.2 | 8,350.5 | 381.1 | 2,044.1 |
| 2017 | 16,783.6 | 3,918.7 | 121.6 | 813.0 |
| 2018 | 1,594.9 | 2,667.0 | 7.5 | - |
| 2019 | 7,985.3 | 1,811.5 | 0.5 | - |
| 2020 | 949.8 | 0.1 | 0.1 | - |
| 2021- | 16,585.5 | - | - | - |
| Total | 68,877.3 | 16,747.8 | 510.8 | 2,857.1 |

Unrealized exchange-rate losses and market-value adjustment pertaining to derivative contracts with remaining maturities of more than one year are also recognized under non-current liabilities.

In 2014, AB Volvo issued a EUR 1.5 billion hybrid bond through Volvo Treasury AB with the aim of strengthening the Volvo Group's balance sheet and extending the maturity profile of the debt portfolio. The hybrid bond is recognized as a loan and will be subordinated to other existing financial liabilities. The rating agencies, Moody's and S&P, will treat 50% of the hybrid bond as shareholders' equity in their credit analyses. The bond was issued in two tranches, EUR 0.9 billion with a first call after 5.5 years and a maturity of 60.5 years and EUR 0.6 billion with a first call after 8.25 years and a maturity of 63.25 years.

Granted but unutilized non-current credit facilities that may be utilized unconditionally amounted to SEK 39,152 M at year-end. These facilities consisted of stand-by facilities for



loans with varying maturities between 2015 and 2019. A fee is normally charged for the credit facilities that were granted, and is recognized in profit and loss under other financial income and expenses.

On July 1, new credit facilities were signed of EUR 3.5 billion available in different currencies. These new facilities replace existing facilities corresponding to EUR 3.2 billion that were agreed in 2011 and 2012. The facilities comprise EUR 2.3 billion with a maturity of five years and EUR 1.2 billion with a maturity of three years, both carry an option to extend for one plus one year.

The following list shows the Group's and Parent Company's non-current liabilities in which the largest loans are distributed by currency and their carrying amounts. Information on loan terms pertains to the Group as of December 31, 2014. The loan terms for the Parent Company are contained in the ranges stated below.

| Bond loans | Actual interest rate | Effective interest rate | Group | | Parent company | |
|-------------------------|----------------------|-------------------------|-----------------|-----------------|-----------------|-----------------|
| | Dec. 31, 2014 | Dec. 31, 2014 | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2014 |
| EUR 2007-2014/2016-2078 | 0,44-5,04 | 0,44-5,04 | 44,061.8 | 19,882.8 | 44,061.8 | 19,882.8 |
| SEK 2007-2014/2016-2019 | 0,68-5,04 | 0,68-5,04 | 23,562.3 | 19,437.0 | 23,562.3 | 19,437.0 |
| USD 2013/2016 | 0.41 | 0.41 | 468.8 | 5,246.3 | 468.8 | 5,246.3 |
| JPY 2013-2014/2016-2017 | 0.60 | 0.60 | 784.4 | 123.6 | 784.4 | 123.6 |
| CNH 2012/2015 | - | - | - | 1,069.2 | - | 1,069.2 |
| Total | | | 68,877.3 | 45,758.9 | 68,877.3 | 45,758.9 |

| Other liabilities to credit institution | Actual interest rate | Effective interest rate | Group | | Parent company | |
|---|----------------------|-------------------------|-----------------|-----------------|-----------------|-----------------|
| | Dec. 31, 2014 | Dec. 31, 2014 | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| JPY 2008-2014/2016-2019 | 0,45-1,25 | 0,45-1,26 | 10,669.6 | 7,710.8 | 7,725.3 | 4,618.3 |
| USD 2008-2009/2016-2018 | 0,46-2,08 | 0,46-2,10 | 5,545.8 | 4,984.2 | 5,545.8 | 4,984.2 |
| SEK 2007-2011/2016-2017 | 0,42-1,61 | 0,42-1,62 | 2,013.4 | 4,180.1 | 2,013.4 | 4,180.1 |
| EUR 2012/2019 | 1.44 | 1.45 | 952.5 | 895.2 | 952.5 | 895.2 |
| AUD 2013-2014/2016 | 3,89-4,82 | 3,94-4,90 | 318.7 | 515.9 | - | 141.5 |
| Derivatives | | | 510.9 | 137.2 | 510.8 | 137.2 |
| Total | | | 20,010.9 | 18,423.4 | 16,747.8 | 14,956.5 |

The list below shows the currency distribution of the Group's and the Parent Company's long-term borrowing as at December 31, 2014, with consideration taken to currency derivatives (nominal amounts) linked to the non-current liabilities.

| Group | | | | Parent Company | | | |
|-------------------|-----------------|----------------|-----------------|-------------------|-----------------|----------------|-----------------|
| | Loan | Derivative | Total | | Loan | Derivative | Total |
| EUR | 45,014.3 | (18,125.1) | 26,889.2 | EUR | 45,014.3 | (18,349.8) | 26,664.5 |
| JPY | 11,454.0 | - | 11,454.0 | JPY | 8,509.7 | - | 8,509.7 |
| SEK | 25,575.7 | 7,437.4 | 33,013.1 | SEK | 25,575.7 | 7,437.4 | 33,013.1 |
| USD | 6,014.6 | 1,657.2 | 7,671.8 | USD | 6,014.6 | 1,657.2 | 7,671.8 |
| Others currencies | 318.7 | 8,728.5 | 9,047.2 | Others currencies | - | 8,969.5 | 8,969.5 |
| | 88,377.3 | (302.0) | 88,075.3 | | 85,114.3 | (285.8) | 84,828.5 |

Other non-current liabilities are recognized in the balance sheet under non-current liabilities and amounted to SEK 238.2 M (209.6) for the Group and SEK 229.6 M (206.8) for the Parent Company and, essentially, pertain to unrealized results from derivatives entered into to hedge receivables and liabilities in foreign currencies. This includes the market value of EURO bond loans attributable to hedge accounting, which is recognized net against the fair value of financial derivatives that hedge the risk. The fair value of the hedged risk amounted to SEK 1,032 M (1,171). The carrying amount for the loan attributable to hedge accounting was a negative SEK 1,022 M (neg: 1,157).



Note 18 Current liabilities to credit institutions

| | Group | | Parent Company | |
|--|----------------------|----------------------|-----------------------|----------------------|
| | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| Other loans | 21,263.7 | 29,618.2 | 19,963.5 | 27,159.8 |
| Unrealized exchange loss on derivative contracts | 434.2 | 1,748.3 | 429.1 | 1,735.0 |
| Total | 21,697.9 | 31,366.5 | 20,392.6 | 28,894.8 |

Granted overdraft facilities amounted to SEK 1,030.7 M (999.1) in the Group and SEK 1,015.1 M (986.1) in the Parent Company.

Note 19 Other current liabilities

| | Group | | Parent Company | |
|---|----------------------|----------------------|-----------------------|----------------------|
| | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| Tax liability | 7.3 | 8.7 | 1.0 | - |
| Wages, salaries and tax-at-source | 19.8 | 18.9 | 19.7 | 18.8 |
| Accrued interest expenses and prepaid interest income | 795.5 | 1,472.4 | 787.9 | 1,462.3 |
| Accrued expenses and deferred income | 10.7 | 8.3 | 6.9 | 5.7 |
| Unrealized loss on derivative contracts | 238.2 | 140.8 | 237.5 | 141.4 |
| Other current liabilities | 0.2 | 0.2 | 0.2 | 0.2 |
| Total | 1,071.7 | 1,649.3 | 1,053.1 | 1,628.4 |

Note 20 Pledged assets

| | Group | | Parent Company | |
|-----------------------------|----------------------|----------------------|-----------------------|----------------------|
| | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| For own obligations | | | | |
| Nasdaq OMX | 40.0 | 40.0 | 40.0 | 40.0 |
| Total pledged assets | 40.0 | 40.0 | 40.0 | 40.0 |

Note 21 Contingent liabilities

| | Group | | Parent Company | |
|--|----------------------|----------------------|-----------------------|----------------------|
| | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| Contingent liabilities on behalf of other Group companies | 476.2 | 447.6 | 476.2 | 447.6 |
| Other contingent liabilities | 0.8 | 0.7 | 0.8 | 0.7 |
| Total contingent liabilities | 477.0 | 448.3 | 477.0 | 448.3 |
| Contingent liabilities received from other Group companies, which reduce net obligations | (476.2) | (447.6) | (476.2) | (447.6) |
| Total contingent liabilities, net | 0.8 | 0.7 | 0.8 | 0.7 |



Note 22 Financial risks and instruments

Volvo Treasury is exposed, through its operations, to various financial risks. Group-wide policies, which are updated and established annually, provide the foundation for the management of these risks. Volvo Treasury conducts its operations within established risk mandates and limits. The following section describes the implication of different financial risks and the goals and policies involved in managing these risks. For further information, see Note 4, *Goals and policies regarding financial risk*, in the Volvo Group Annual Report. Volvo Treasury's accounting policies pertaining to financial instruments and hedge accounting are described in Note 1.

Currency risk*Financial currency exposure*

The contents in the recognized balance sheet may be impacted by fluctuations in various exchange rates. Currency risks in Volvo Treasury's operations are related to changes in the value of loans and investments (financial currency exposure) and changes in the value of assets and liabilities in foreign subsidiaries (currency exposure of shareholders' equity). Loans and investments occur in different currencies, partly on the capital markets and partly with companies in the Volvo Group. Investments and borrowing occur mainly in SEK, EUR, USD and JPY. Different types of derivatives are used to minimize financial currency exposure. Using derivative instruments such as currency swaps and currency forwards enables Volvo Treasury to meet the borrowing and lending requirements of Group companies in different currencies, without increasing the Group's own risk.

In accordance with the Volvo Group's currency risk policy, Volvo Treasury uses currency derivatives to minimize the risk of currency effects on the Volvo Group's consolidated income. For commercial currency exposure in the Volvo Group, Volvo Treasury has had, through a new policy adopted by the Board of AB Volvo, a mandate since 2012 to enter currency derivatives with external counterparties on behalf of the Volvo Group without entering corresponding contracts with Group companies (within the Volvo Group).

The Volvo Group hedges only contracted flows, of which the largest portion is realized within six months. Hedged flows occur mainly in SEK against USD and SEK against GBP. In 2013 and 2014, SEK was also hedged against CNY for a future cash flow related to the Volvo Group's acquisition of Dongfeng Commercial Vehicles. The total positive impact of the hedge totaled SEK 1.5 billion, of which SEK 300 M was recognized in 2013 and SEK 1.1 billion in 2014. The remaining amount will be recognized in the first quarter of 2015.

If the USD or CNY rose 10 percent against the SEK from the rate at December 31, 2014, the market value of USD futures would be negatively affected in an amount of SEK 222 M and CNY futures would be affected positively in an amount of SEK 682 M.

Outstanding derivatives hedging commercial currency risks, Dec. 31, 2014

| Due date | CNY/SEK | AUD/SEK | GBP/SEK | USD/SEK | SGD/SEK | Market value |
|--|---------------|--------------|--------------|---------------|-------------|--------------|
| 2015 | -5,510 | 16 | 31 | 302 | 13 | |
| 2016 | | 17 | 31 | | | |
| 2017 | | 9 | 10 | | | |
| Total local currency | -5,510 | 42 | 71 | 302 | 13 | |
| Average contract rate | 1.24 | 5.91 | 11.85 | 7.35 | 5.77 | |
| Market value of forward contracts outstanding | 119.3 | -10.8 | -15.1 | -139.3 | -1.6 | -47.6 |



Currency exposure of shareholders' equity

The consolidated value of assets and liabilities in foreign subsidiaries is influenced by exchange rates in conjunction with translation into Swedish kronor. Net assets in foreign subsidiaries amounted to SEK 318.9 M at year-end 2014. Net assets in foreign subsidiaries were not hedged through loans in foreign currencies, in line with the policy established by AB Volvo's Board of Directors.

Interest-rate risk

Interest-rate risk refers to the risk that changes in interest rates will influence the consolidated earnings and cash flow (cash-flow risk) or the fair value of financial assets and liabilities (price risk). Lending to the Volvo Group's customer finance operations involves a range of maturities and interest-fixing terms. This lending is financed through short and long-term borrowing via the capital markets at floating and fixed interest rates. Within the framework of established limits, financing must match lending in terms of maturities. Interest-fixing terms between borrowing and lending are matched through the use of such derivative instruments as interest-rate swaps, currency interest-rate swaps, forward contracts and standardized interest-rate forward contracts. Financial assets and liabilities related to the Volvo Group's customer finance operations are matched so as to minimize the exposure to cash-flow risk and price risk. For practical and business reasons, Volvo Treasury AB has a mandate to a match rate of 80%. At the end of 2014, this match rate was 110% (95%). An assumption that the market interest rates for all currencies were to suddenly rise one percentage point from the interest level at December 31, 2014, would have a positive effect of SEK 34 M on the market value of the portfolio. In addition, the interest change would have no material effect on Volvo Treasury's profit after net financial items over time.

Borrowing and lending from and to the industrial operations of the Volvo Group primarily takes place through the Volvo Group's accounts in various currencies. Volvo Treasury administers the Volvo Group accounts, which implies that surpluses and deficits with respect to external banks are offset through short-term currency transactions and that any excess liquidity is invested in short-term and long-term money and capital markets.

Financing for the Volvo Group's industrial operations involves a fixed as well as a floating interest rate. Short and long-term borrowing is carried out via the capital markets and through bilateral loans. The use of such derivative instruments as interest-rate swaps and currency interest swaps creates an interest-fixing term corresponding between one to three months. After taking derivative instruments into account, the average effective interest rate at year-end on financing outstanding for the Volvo Group's industrial operations was 3.16%. If the market interest rates for all currencies suddenly rose one percentage point from the interest level at December 31, 2014, the market value of financing for the Volvo Group's industrial operations would be affected positively by SEK 280 M.

Surplus liquidity within the Volvo Group is managed by Volvo Treasury AB. This management involves investment in bank accounts and in interest-bearing securities on the money and capital markets. At the end of 2014, the Volvo Treasury Group's interest-bearing assets mainly comprised cash and cash equivalents invested in interest-bearing securities with short maturities. The objective for cash and cash equivalents invested in interest-bearing securities is to achieve a return corresponding to a three-month fixed-income instrument. Taking derivatives into account, the average effective interest rate on these cash and cash equivalents at December 31, 2014, was 0.26%. If the market interest rates for all currencies suddenly rose one percentage point from the interest level at December 31, 2014, the market



value of investments in the money and capital markets would be changed negatively by SEK 33 M.

As described above, the interest-fixing term is reduced in all financial assets and liabilities related to the industrial operations of the Volvo Group to a floating interest rate. An assumption that the market interest rates for all currencies suddenly rose one percentage point from the interest level at December 31, 2014 would have no significant impact on Volvo Treasury's profit after net financial items over time.

It should be noted that the above assessment of profit-sensitivity with regard to changes in market interest rates ignores possible effects of short-term earnings effects arising since all derivatives are marked to market in profit and loss. Volvo Treasury's accounting policies as regards derivatives are described in Note 1.

The carrying amounts in the balance sheet, fair values and other specifications pertaining to derivative instruments used in the management of currency and interest-rate risks related to financial assets and liabilities are shown in the following tables.

Credit risks

Credit risks are defined as the risk that Volvo Treasury does not receive payments for recognized loans (commercial credit risk), that Volvo Treasury's investments are unable to be realized (financial credit risk) and that potential profit is not realized due to the counterparty not fulfilling its part of the contract when using derivative instruments (financial counterparty risk).

Volvo Treasury has no financial assets that are due for payment or impaired at year-end.

Financial credit risk

The Volvo Group's surplus liquidity is managed by Volvo Treasury and invested in the money and capital markets. All investments must meet the requirements of low credit risk and high liquidity. In accordance with Volvo's credit policy, counterparties for both investments and derivative transactions must have achieved a rating of A or better from one of the well-established credit rating institutions.

Commercial credit risk

Lending to companies within the Volvo Group complies with the limits established for the particular counterparty. Lending to Group companies is not considered to have any credit risk and no assets are therefore pledged for the receivables.

Financial counterparty risk

The use of derivative instruments leads to a counterparty risk, meaning a risk that the counterparty will not fulfill its part of the contract, implying that a potential profit will not be paid. Master netting agreements are signed with the various counterparties whenever possible, to reduce the exposure. The counterparty risk exposure of forward contracts is limited through daily, weekly or monthly cash transfers corresponding to changes in the value of open contracts. The counterparty exposure for derivative instruments is also reduced by netting contracts and liquidity transfers, so-called CSA agreements. The Volvo Treasury Group's gross exposure of derivatives with positive values (outside the Volvo Group) amounts to SEK 3,868 M (3,583). It comprises SEK 2,836 M (2,412) in derivatives on the asset side and derivatives of SEK 1,032 M (1,171), for fair value hedging, which is recognized net among



non-current liabilities. Through netting agreements and liquidity transfers, gross exposure was reduced 60% (41%) to SEK 1,565 M (1.485). The Volvo Group works actively with limits per counterparty to reduce risk for high net amounts toward individual counterparties. For further information regarding gross exposure per type of derivative instrument, see the following tables on pages 35-37.

Liquidity risks

Liquidity risk is defined as the risk that Volvo Treasury would be unable to finance or refinance its assets or fulfill its payment obligations.

The Volvo Group endeavors is to maintain good financial preparedness by constantly maintaining liquid assets and credit facilities to provide for the anticipated liquidity requirements for between 12 and 18 months ahead, in the event that the Volvo Group does not have access to external capital markets. Volvo Treasury has reduced liquidity risks by diversifying its financing to various borrowing sources, retaining a good balance between short- and long-term borrowing and by securing borrowing preparedness through credit facilities, see also Note 17.

Some of Volvo Treasury's long-term loan agreements contain clauses stipulating a right for the lender to request early repayment following a change of the control of the company. It has been deemed necessary in certain cases to accept these conditions to receive financing on acceptable terms.

In 2014, AB Volvo issued a EUR 1.5 billion hybrid bond through Volvo Treasury AB with the aim of strengthening the Volvo Group's balance sheet and extending the maturity profile of the debt portfolio. The hybrid bond is recognized as a loan and has an average maturity of 61.6 years, and is subordinated to other existing financial liabilities.

The list below shows expected future cash flows including derivatives related to financial liabilities based on short-term interest rates and the foreign exchange rates on the balance-sheet date. Expected capital flow refers to receipts and payments of loans and derivatives. Expected interest flow is based on the market's expected future interest payments on loans and derivatives. The interest flow is recognized in the cash flow from operating activities. Future cash flows in foreign currency are based on the respective exchange rates at the balance-sheet date.

| | Group | | | | | |
|-------|---------|--|------------------------|--------|---|------------------------|
| | Loans | Capital flow Derivatives (liability) | Derivatives (asset) | Loans | Interest flow Derivatives (liability) | Derivatives (asset) |
| 2015 | -21,263 | -463 | 863 | -2,007 | -186 | 550 |
| 2016 | -34,902 | -409 | 263 | -1,923 | -121 | 617 |
| 2017 | -21,235 | -65 | 81 | -1,557 | -35 | 542 |
| 2018 | -4,254 | -7 | 9 | -1,000 | -10 | 56 |
| 2019 | -10,450 | - | 238 | -937 | 1 | -17 |
| 2020 | -932 | 1 | - | -748 | - | 46 |
| 2021- | -16,605 | -2 | 1 | -1,228 | 1 | 33 |



| | Parent Company | | | | | |
|-------|----------------|--|------------------------|--------|---|------------------------|
| | Loans | Capital flow Derivatives (liability) | Derivatives (asset) | Loans | Interest flow Derivatives (liability) | Derivatives (asset) |
| 2015 | -19,983 | -458 | 836 | -1,957 | -181 | 549 |
| 2016 | -32,965 | -409 | 255 | -1,888 | -118 | 617 |
| 2017 | -20,672 | -65 | 81 | -1,547 | -34 | 542 |
| 2018 | -4,259 | -7 | 9 | -995 | -10 | 56 |
| 2019 | -9,626 | - | 238 | -931 | 1 | -17 |
| 2020 | -953 | - | - | -748 | - | 46 |
| 2021- | -16,620 | -1 | - | -1,228 | - | 33 |

Current liabilities to Group companies (within the Volvo Group) pertain to borrowing through group accounts, which are not included in capital flow 2014 in the list above.

Forward exchange contracts and option contracts outstanding for hedging of commercial currency risks within the Volvo Group

| | Group | | | |
|------------------------------------|----------------|-----------------|----------------|-----------------|
| | Dec. 31, 2014 | | Dec. 31, 2013 | |
| | Nominal amount | Carrying amount | Nominal amount | Carrying amount |
| Foreign exchange forward contracts | | | | |
| - receivable position | 6,936.0 | 119.3 | 18,196.2 | 272.0 |
| - payable position | 3,563.6 | (166.9) | 8,951.1 | (27.4) |
| Total | | (47.6) | | 244.6 |

| | Parent Company | | | |
|------------------------------------|----------------|-----------------|----------------|-----------------|
| | Dec. 31, 2014 | | Dec. 31, 2013 | |
| | Nominal amount | Carrying amount | Nominal amount | Carrying amount |
| Foreign exchange forward contracts | | | | |
| - receivable position | 6,936.0 | 119.3 | 18,196.2 | 272.0 |
| - payable position | 3,563.6 | (166.9) | 8,951.1 | (27.4) |
| Total | | (47.6) | | 244.6 |

Derivative instruments outstanding for hedging of currency and interest-rate risks related to financial assets and liabilities

| | Group | | | |
|------------------------------------|----------------|-----------------|----------------|-----------------|
| | Dec. 31, 2014 | | Dec. 31, 2013 | |
| | Nominal amount | Carrying amount | Nominal amount | Carrying amount |
| Interest-rate swaps | | | | |
| - receivable position | 80,146.7 | 3,768.7 | 65,515.1 | 3,139.2 |
| - payable position | 60,943.4 | (1,034.5) | 58,608.2 | (1,908.9) |
| Interest-rate forwards and futures | | | | |
| - payable position | - | (0.1) | - | - |
| Foreign exchange forward contracts | | | | |
| - receivable position | 7,673.4 | 540.6 | 27,024.9 | 346.9 |
| - payable position | 16,247.9 | (184.6) | 23,285.3 | (372.1) |
| Options purchased, caps and floors | | | | |
| - receivable position | 1,787.5 | 64.8 | 1,000.7 | 4.6 |
| - payable position | 36.4 | - | 179.0 | - |
| Options written, caps and floors | | | | |
| - payable position | 2,636.4 | (70.8) | 715.6 | (4.2) |
| Total | | 3,084.0 | | 1,205.6 |



| | Parent Company | | | |
|------------------------------------|----------------|-----------------|----------------|-----------------|
| | Dec. 31, 2014 | | Dec. 31, 2013 | |
| | Nominal amount | Carrying amount | Nominal amount | Carrying amount |
| Interest-rate swaps | | | | |
| - receivable position | 79,586.9 | 3,751.8 | 64,609.3 | 3,137.4 |
| - payable position | 57,459.9 | (1,026.2) | 57,053.0 | (1,877.9) |
| Interest-rate forwards and futures | | | | |
| - payable position | - | (0.1) | - | - |
| Foreign exchange forward contracts | | | | |
| - receivable position | 7,048.4 | 517.8 | 12,038.1 | 250.9 |
| - payable position | 15,642.0 | (178.4) | 22,875.8 | (369.5) |
| Options purchased, caps and floors | | | | |
| - receivable position | 1,787.5 | 64.8 | 1,000.7 | 4.7 |
| - payable position | 36.4 | - | 179.0 | - |
| Options written, caps and floors | | | | |
| - payable position | 2,636.4 | (70.8) | 715.6 | (4.2) |
| Total | | 3,059.1 | | 1,141.4 |

The nominal amount represents the gross amount of the contract. The contracts outstanding have been recognized at market value. All stated market values represent the calculated values that will not necessarily be realized. Volvo Treasury applies hedge accounting in the form of a fair-value hedge for a loan of EUR 1 billion borrowed during the second quarter of 2007. The fair value of the hedge instrument included in this hedge relation is recognized in the interest-rate swap category in the above table and amounted to SEK 1,032 M (1,171). The carrying amount of the loan related to hedge accounting amounted to a negative SEK 1,022 M (neg. 1,157).



Carrying amounts and market values of financial instruments

The carrying amounts and fair values of all of the Volvo Treasury Group's financial instruments are compared in the following tables.

| | Group | | | |
|---|-----------------|---------------|-----------------|---------------|
| | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| | Carrying amount | Fair value* | Carrying amount | Fair value* |
| Non-current receivables and loans | 1,520.0 | 1,520.0 | 671.4 | 671.4 |
| - of which, derivative instruments for which the value is also shown in preceding table | 1,506.7 | 1,506.7 | 664.4 | 664.4 |
| Current receivables and loans incl. Cash and cash equivalents | 16,956.0 | 16,956.0 | 16,231.3 | 16,231.3 |
| - of which, derivative instruments for which the value is also shown in preceding table | 1,955.0 | 1,955.0 | 1,837.1 | 1,837.1 |
| Marketable securities | 6,772.5 | 6,772.5 | 2,432.4 | 2,432.4 |
| Non-current liabilities and loans | (89,126.4) | (92,927.1) | (64,391.8) | (66,778.6) |
| - of which, derivative instruments for which the value is also shown in preceding table** | 272.9 | 272.9 | 810.3 | 810.3 |
| Current liabilities and loans | (22,773.6) | (23,835.6) | (33,019.5) | (33,384.7) |
| - of which, derivative instruments for which the value is also shown in preceding table | (698.5) | (698.5) | (1,908.7) | (1,908.7) |
| Receivables from Group companies | 153,647.0 | 155,024.3 | 134,915.1 | 136,272.1 |
| - of which, derivative instruments for which the value is also shown in preceding table | - | - | 90.5 | 90.5 |
| Liabilities to Group companies | (51,148.6) | (51,210.2) | (41,277.2) | (41,352.4) |
| - of which, derivative instruments for which the value is also shown in preceding table | - | - | (43.5) | (43.5) |
| | Parent Company | | | |
| | Dec. 31, 2014 | Dec. 31, 2013 | Dec. 31, 2014 | Dec. 31, 2013 |
| | Carrying amount | Fair value* | Carrying amount | Fair value* |
| Non-current receivables and loans | 1,503.2 | 1,503.2 | 655.0 | 655.0 |
| - of which, derivative instruments for which the value is also shown in preceding table | 1,499.3 | 1,499.3 | 651.6 | 651.6 |
| Current receivables and loans incl. Cash and cash equivalents | 16,911.8 | 16,911.8 | 16,108.6 | 16,108.6 |
| - of which, derivative instruments for which the value is also shown in preceding table | 1,922.8 | 1,922.8 | 1,769.1 | 1,769.1 |
| Marketable securities | 6,772.5 | 6,772.5 | 2,432.4 | 2,432.4 |
| Non-current liabilities and loans | (85,854.7) | (89,893.1) | (60,922.2) | (63,182.3) |
| - of which, derivative instruments for which the value is also shown in preceding table** | 281.5 | 281.5 | 813.0 | 813.0 |
| Current liabilities and loans | (21,449.5) | (21,813.1) | (30,527.3) | (30,873.2) |
| - of which, derivative instruments for which the value is also shown in preceding table | (692.1) | (692.1) | (1,894.7) | (1,894.7) |
| Receivables from Group companies | 151,133.8 | 152,491.3 | 134,168.9 | 135,510.4 |
| - of which, derivative instruments for which the value is also shown in preceding table | - | - | 90.5 | 90.5 |
| Liabilities to Group companies | (53,771.2) | (53,894.2) | (46,850.7) | (47,034.3) |
| - of which, derivative instruments for which the value is also shown in preceding table | - | - | (43.5) | (43.5) |

* The credit risk is included in the market values of borrowings, whereas for other liabilities, the market values of liabilities and loans are calculated without taking into consideration credit risk.



** The item "Non-current liabilities and loans" includes the market valuation of loans attributable to hedge accounting, which are recognized net against the fair value of derivatives that hedge the risk. The fair value of the hedged risk amounted to SEK 1,032 M (1,171).

All derivative instruments are recognized in the balance sheet.

Income, expenses, gains and losses related to financial instruments

The impact of gains and losses, as well as interest income and interest expenses, on the Volvo Treasury Group's gross earnings for the various categories of the financial instruments is shown in the table below.

| | Group | | | | | | | |
|---|------------------|----------------------------|---------------------|----------------|------------------|----------------------------|---------------------|--------------|
| | Gains/ Losses | 2014 Interest income | Interest expense | Total net | Gains/ Losses | 2013 Interest income | Interest expense | Total net |
| Financial assets and liabilities at FVTPL* | | | | | | | | |
| Marketable securities | 6.7 | 45.9 | - | 52.6 | (6.6) | 85.5 | - | 78.9 |
| Loans and derivatives for financial exposure | 437.8 | (0.1) | 178.3 | 616.0 | (90.8) | 1.6 | 266.3 | 177.1 |
| Loans originated by the company | - | 3,493.2 | (488.4) | 3,004.8 | - | 3,958.7 | (549.7) | 3,409.0 |
| Cash and cash equivalents | - | 41.6 | - | 41.6 | - | 54.2 | - | 54.2 |
| Financial liabilities valued at amortized cost | - | - | (2,338.8) | (2,338.8) | - | - | (2,920.5) | (2,920.5) |
| Effect on income/Interest net | 444.5 | 3,580.5 | (2,648.9) | 1,376.1 | (97.4) | 4,100.0 | (3,203.9) | 798.8 |

| | Parent company | | | | | | | |
|---|------------------|----------------------------|---------------------|----------------|------------------|----------------------------|---------------------|--------------|
| | Gains/ Losses | 2014 Interest income | Interest expense | Total net | Gains/ Losses | 2013 Interest income | Interest expense | Total net |
| Financial assets and liabilities at FVTPL* | | | | | | | | |
| Marketable securities | 6.7 | 45.9 | - | 52.6 | (6.6) | 85.5 | - | 78.9 |
| Loans and derivatives for financial exposure | 444.9 | (0.1) | 179.0 | 623.7 | (90.4) | 1.6 | 267.8 | 179.1 |
| Loans originated by the company | - | 3,437.8 | (579.7) | 2,858.1 | - | 3,925.8 | (671.8) | 3,254.0 |
| Cash and cash equivalents | - | 41.2 | - | 41.2 | - | 53.4 | - | 53.4 |
| Financial liabilities valued at amortized cost | - | - | (2,247.0) | (2,247.0) | - | - | (2,815.2) | (2,815.2) |
| Effect on income/Interest net | 451.6 | 3,524.7 | (2,647.7) | 1,328.6 | (96.9) | 4,066.2 | (3,219.2) | 750.1 |

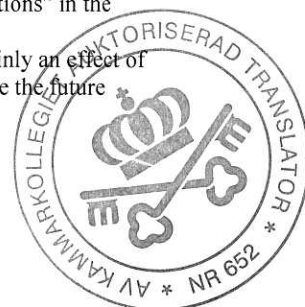
* Accrued and realized interest is included in gains and losses related to financial assets and liabilities measured at FVTPL.

Recognized gains and losses from exchange-rate effects*

| | Group | | Parent company | |
|--|--------------|--------------|----------------|--------------|
| | 2014 | 2013 | 2014 | 2013 |
| Derivative instruments** | 1,517.8 | 1,665.4 | 1,493.9 | 1,661.2 |
| Loans originated by the company and financial liabilities valued at amortized cost | (747.6) | (1,324.4) | (735.5) | (1,342.6) |
| Net effect | 770.2 | 341.0 | 758.4 | 318.5 |

* Gains and losses from exchange-rate effects are recognized on the line "Results from other financial transactions" in the statement of comprehensive income.

** The recognized income from derivatives that is used to hedge future cash flows in foreign currencies is mainly an effect of unrealized and realized gains and losses from derivatives totaling SEK 1,078 M (283), which are used to hedge the future cash flows of the acquisition of Dongfeng Commercial Vehicles.



Note 23 Information about the Parent Company

The Parent Company of the Group of which Volvo Treasury AB is a subsidiary and for which the consolidated accounts are prepared is AB Volvo (publ) (556012-5790), with its registered office in Gothenburg, Sweden.

Note 24 Operational leasing

Future lease payments pertaining to non-cancelable leasing contracts at year-end amounted to SEK 2.3 M (2.5) for the Group and SEK 0.9 M (0.8) for the Parent Company. Leasing expenses for the year amounted to SEK 2.4 M (2.1) for the Group and SEK 0.7 M (0.8) for the Parent Company.

Future lease payments for operational leasing are distributed as follows:

| | Group | Parent Company |
|----------------|------------|----------------|
| 2015 | 1.7 | 0.8 |
| 2016-2019 | 0.6 | 0.1 |
| 2020 and later | - | - |
| Total | 2.3 | 0.9 |

Note 25 Average numbers of employees

| | 2014 | | 2013 | |
|------------------------------------|------------------|--------------|------------------|--------------|
| | No. of employees | of whom, men | No. of employees | of whom, men |
| Parent Company | | | | |
| Gothenburg | 35 | 22 | 34 | 23 |
| Total | 35 | 22 | 34 | 23 |
| Subsidiaries outside Sweden | | | | |
| Singapore | 8 | 4 | 8 | 4 |
| Total | 8 | 4 | 8 | 4 |
| Group total | 43 | 26 | 42 | 27 |



Note 26 Board members and other senior executives

| Parent Company | No. of Board members* | Dec. 31, 2014 | | of whom, men |
|------------------------------------|--------------------------|------------------------------|----------|--------------|
| | | No. of senior executives* | | |
| Sweden | 4 | 4 | 4 | 4 |
| Total | 4 | 4 | 4 | 4 |
| Subsidiaries outside Sweden | | | | |
| Singapore | 3 | 3 | 3 | 1 |
| Australia | 4 | 4 | 1 | 1 |
| Total | 7 | 7 | 4 | 2 |
| Group total | 11 | 11 | 8 | 6 |

* The same persons are to a certain extent represented in the figures for the different companies. Excluding this aspect, the total number of Board members is eight (of whom eight are men) and the number of senior executives is seven (of whom five are men).

Note 27 Transactions with related parties

Volvo Treasury AB (publ) is a wholly owned subsidiary of AB Volvo (publ) Gothenburg (556012-5790). The Company is the Parent Company of Volvo Treasury Asia Ltd, which in turn, is the Parent Company of Volvo Treasury Australia Pty Ltd.

The Volvo Treasury Group is a division within the Volvo Group, which consists of companies within the Volvo Group, with service related to treasury and cash management. All financial transactions with companies within the Volvo Group are carried out on market terms. Most of the Volvo Group's financial transactions occur in the "Volvo Treasury Unit" (which, in addition to the Volvo Treasury Group, also includes other Treasury companies within AB Volvo in North America and Asia). Volvo Treasury Unit is responsible for all interest-bearing assets and liabilities, as well as all foreign exchange and funding operations within the Volvo Group.

Receivables and liabilities outstanding to companies within the Volvo Group are shown in the balance sheet. Revenues and expenses attributable to companies within the Volvo Group are shown in Notes 3 and 4. The Group's income statements and balance sheets will be presented to the Annual General Meeting for approval.



The Board of Directors and the President certify that the consolidated accounts have been prepared in accordance with the International Financial Reporting Standards, (IFRS), as adopted by the EU and present a true and fair view of the Group's position and earnings. The Annual Report was prepared in accordance with generally accepted accounting practice and presents a true and fair view of the Parent Company's financial position and earnings.

The Board of Directors' Report for the Group and Parent Company gives a fair review of the development of the business, position and earnings for the Group and Parent Company, and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Gothenburg, April 27, 2015

Ulf Niklasson
President

Anders Osberg
Chairman

Rune Alsterholm

Ulf Rapp

Our auditors' report was submitted on April 28, 2015
PricewaterhouseCoopers AB

Peter Clemedtsson
Authorized Public Accountant



**Auditors' report**

**To the annual general meeting of the shareholders of Volvo Treasury AB (publ),
Corporate Registration Number 556135-4449**

**Report on the annual accounts and consolidated accounts**

We have audited the annual accounts and consolidated accounts of Volvo Treasury AB for the year 2014

Responsibilities of the Board of Directors and the President for the annual accounts and consolidated accounts

The Board of Directors and the President are responsible for the preparation and fair presentation of these annual accounts and consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the President determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the President, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of December 31, 2014 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material

respects, the financial position of the group as of December 31, 2014 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. A corporate governance statement has been prepared. The statutory Board of Directors' Report and the corporate governance statement are consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the President of Volvo Treasury AB for the year 2014.

Responsibilities of the Board of Directors and the President

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the President are responsible for administration under the Companies Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the President is liable to the company. We also examined whether any member of the Board of Directors or the President has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory Board of Directors' Report and that the members of the Board of Directors and the President be discharged from liability for the fiscal year.

Gothenburg, April 28, 2015
PricewaterhouseCoopers AB

Peter Clemetsson
Authorized Public Accountant



Corporate Governance Report

Volvo Treasury AB (publ) has issued debt securities which are listed and thereby it is required to prepare a corporate governance report in accordance with the Annual Accounts Act.

AB Volvo (publ) owns 100% of the shares of Volvo Treasury AB (publ) and therefore holds all the voting rights in the company.

Internal control over financial reporting

The Volvo Treasury Group's system for internal control and risk management in connection with the financial reporting is designed in accordance with the Volvo Group's policies and guidelines. The following text describes how the internal control is organized within the Volvo Group in general and within the Volvo Treasury Group with regard to financial reporting.

Introduction

The Volvo Group primarily applies internal control principles introduced by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

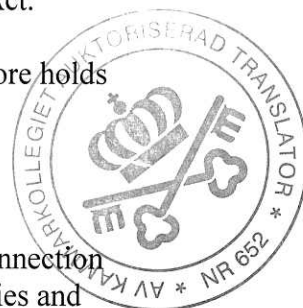
The Volvo Group has a specific function for internal control, which aims to provide support for management groups within the business areas and Group functions that will allow them to continuously provide good and improved internal controls relating to financial reporting. Work conducted through this function is based primarily on a methodology that aims to ensure compliance with directives and guidelines, and to create good prerequisites for specific control activities in key processes related to financial reporting. The Audit Committee is informed of the result of the work performed by the Internal Control function within the Volvo Group with regard to risks, control activities and monitoring the financial reporting.

The Volvo Group also has an Internal Audit function with the primary task of independently ensuring that companies in the Group comply with the principles and rules that are stated in the Group's directives, guidelines and instructions for financial reporting. The Head of the Internal Audit function reports directly to the CEO, the Group's CFO and to the Audit Committee of the Board of AB Volvo.

Control environment

Fundamental to the Volvo Group's control environment is the corporate culture that is established within the Group, in which managers and employees operate. The Volvo Group works actively on communication and training pertaining to the company's core values as described in The Volvo Way, an internal document concerning Volvo's corporate culture, and the Group's Code of Conduct, to ensure that good morals, ethics and integrity permeate the organization.

The foundation of the internal control process relating to the financial reporting is built up around the Group's directives, guidelines and instructions, as well as the responsibility and authority structure that have been adapted to the Group's organization to create and maintain a satisfactory control environment. The principles for Volvo's internal controls, as well as directives and guidelines for the financial reporting are contained in Volvo Financial Policies & Procedures (FPP), a publication that contains all the Group's important instructions, rules and principles.



Risk assessment

Risks relating to the financial reporting are evaluated and monitored by the Board of Directors through its Audit Committee, inter alia by identifying the types of risks that could typically be considered as material and where they would typically occur. The annual evaluation of internal control activities conducted by the Internal Control and Internal Audit functions, are based on a risk-based model. The evaluation of the risk that errors may appear in the financial reporting is based on a number of criteria. Complicated accounting policies could, for example, mean that the financial reporting risks being inaccurate for those items that are covered by such policies. Valuation of a particular asset or liability according to various evaluation criteria could also constitute a risk. The same applies for complicated and/or changed business circumstances.

Control activities

The Boards of Directors and Audit Committees for AB Volvo and Volvo Treasury AB constitute the overall supervisory body for the internal control. Several control activities are applied in the ongoing business processes to ensure that potential errors or deviations in the financial reporting are prevented, discovered and corrected. Control activities range from review of outcome results in management group meetings to specific reconciliation of accounts and analyses of the ongoing processes for financial reporting. Responsibility for control activities in the financial processes are appropriate and in accordance with the Group's guidelines and instructions are coordinated in the Group's financial reporting function. The Group's shared service center is also responsible for the application of the control activities which include the responsibility to design the authority structures are designed so that one person cannot perform an activity and then perform the control of the same activity. Control activities within IT security and maintenance are also a key part of Volvo Group's internal control over financial reporting.

Information and communication

Guidelines and instructions relating to the financial reporting are updated and communicated on a regular basis from the Volvo Group's management to all employees concerned. The Volvo Group accounting department holds a direct operative responsibility for ongoing financial accounting which is aimed at ensuring a uniform application of the Group's guidelines, policies and instructions for the financial reporting and at identifying and communicating shortcomings and areas of improvement in the processes for financial reporting.

Monitoring

Ongoing responsibility for following up the Volvo Treasury Group's internal control rests with the Volvo Treasury management group and controller functions in co-operation with the Volvo Group shared service function. In addition, the Internal Audit and the Internal Control functions of the Volvo Group conduct review and follow-up in accordance with what is described in the introduction of this report. More specifically, the Internal Control function runs and coordinates evaluation activities through the Volvo Group Internal Control Program, which aims to systematically evaluate the quality of the internal control over financial reporting on a yearly basis. An evaluation plan is established annually and presented to the Audit Committee. This evaluation program comprises three main areas:



1. Group-wide controls

Self-assessment procedure carried out by management teams at business area/Group-function levels as well as company level. The areas evaluated are mainly compliance with the Group's financial directives and policies found in the FPP, as well as The Volvo Way and the Group's Code of Conduct.

2. Process controls at transaction levels

Processes related to the financial reporting are evaluated by testing of routines/controls based on a framework for internal control of financial reporting, VICS – Volvo Internal Control Standards. The framework focuses on the financial reporting areas deemed to have a relatively higher risk for potential errors due to complicated accounting policies and/or complicated/changed business operations etc.

3. General IT controls

Processes for maintenance, development and authorization management pertaining to financial applications are evaluated by testing routines/controls.

The results of the evaluation activities are reported to the managements and Audit Committees of the Volvo Group and Volvo Treasury AB.

Gothenburg, April 27, 2015

Volvo Treasury AB (publ)
Board of Directors

Auditor's report on the Corporate Governance Report

To the annual meeting of the shareholders of Volvo Treasury AB (publ), Corporate Registration Number 556135-4449

Engagement and responsibility

We have audited the Corporate Governance Report for the 2014 on pages 44–46. It is the Board of Directors who is responsible for the Corporate Governance Report and that it has been prepared in accordance with the Annual Accounts Act. Our responsibility is to express an opinion on the Corporate Governance Report based on our audit.

We conducted our audit in accordance with FAR's auditing standard RevU 16 The Auditor's Examination of the Corporate Governance Report. That standard requires that we have planned and performed the audit to obtain reasonable assurance that the Corporate Governance Report is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the information included in the Corporate Governance Report. We believe that our audit procedures provide a reasonable basis for our opinion set out below. In our opinion, the Corporate Governance Report has been prepared and is consistent with the annual accounts and the consolidated accounts.

Gothenburg, April 28, 2015
PricewaterhouseCoopers AB

Peter Clemedtsson
Authorized Public Accountant

