VOLVO

VOLVO GROUP

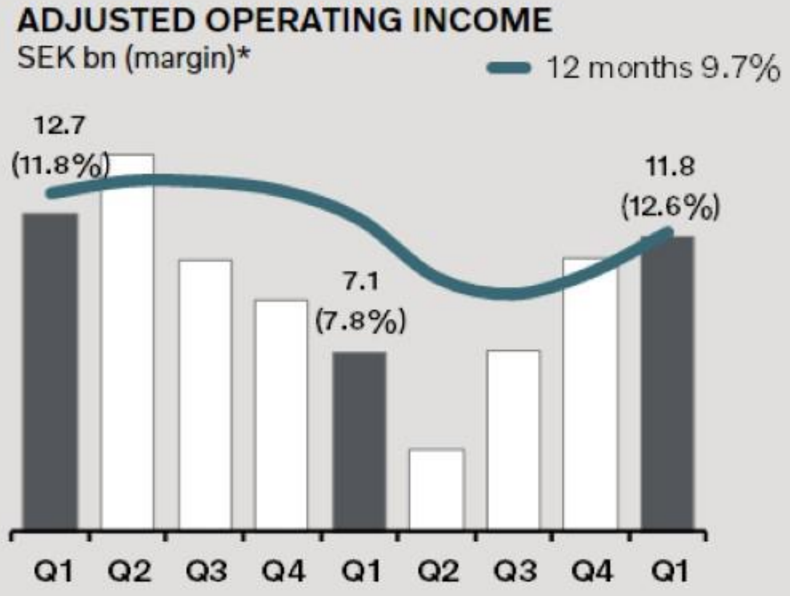
FIRST QUARTER 2021

Martin Lundstedt, President and CEO

Volvo Group

FIRST QUARTER HIGHLIGHTS

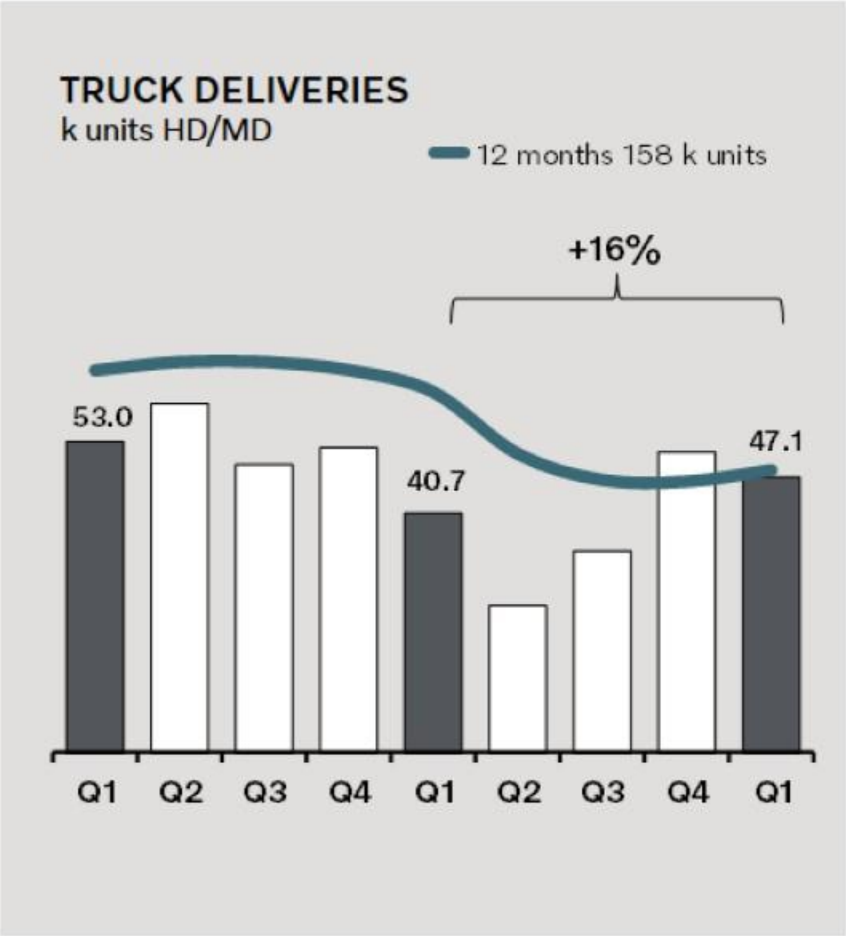
- Net sales increased by 3% (+13% ex. FX)
- Adjusted operating income SEK 11.8 bn (7.1) corresponding to a margin of 12.6% (7.8)
- Operating cash flow in the Industrial operations SEK 5.7 bn (-4.1)
- ROCE 17.1% (23.9%)
- Several strategic partnership established

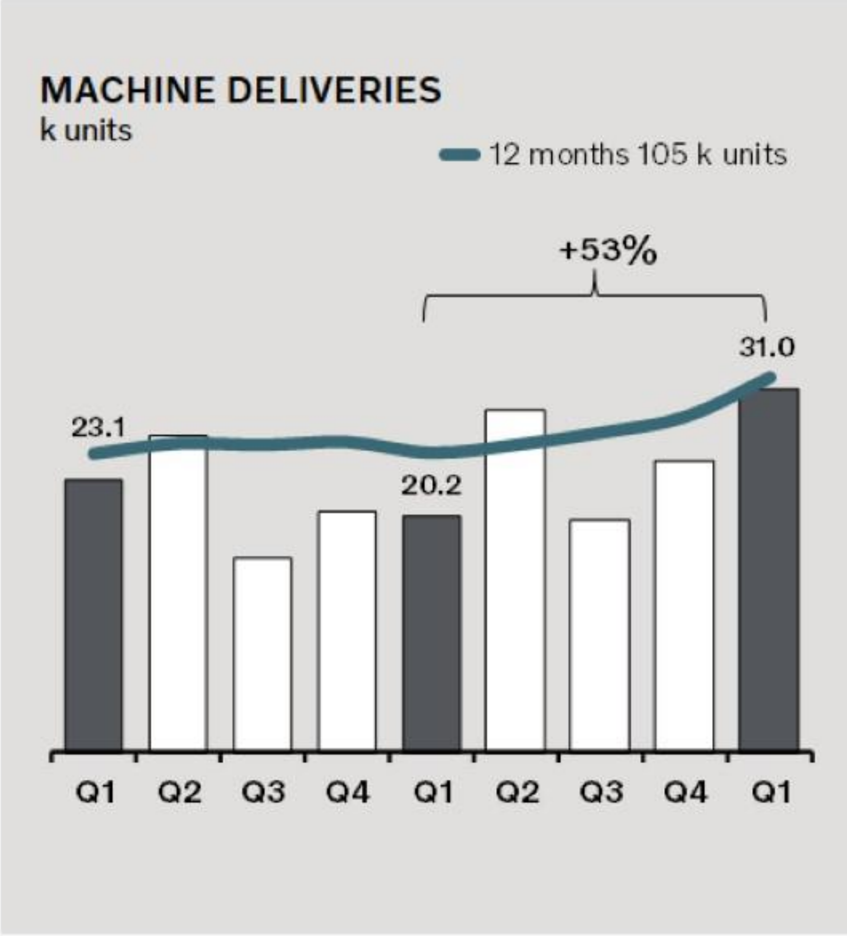


* For information on adjustments, see note 7 in the quarterly report

Volvo Group

VOLUME DEVELOPMENT IN THE FIRST QUARTER





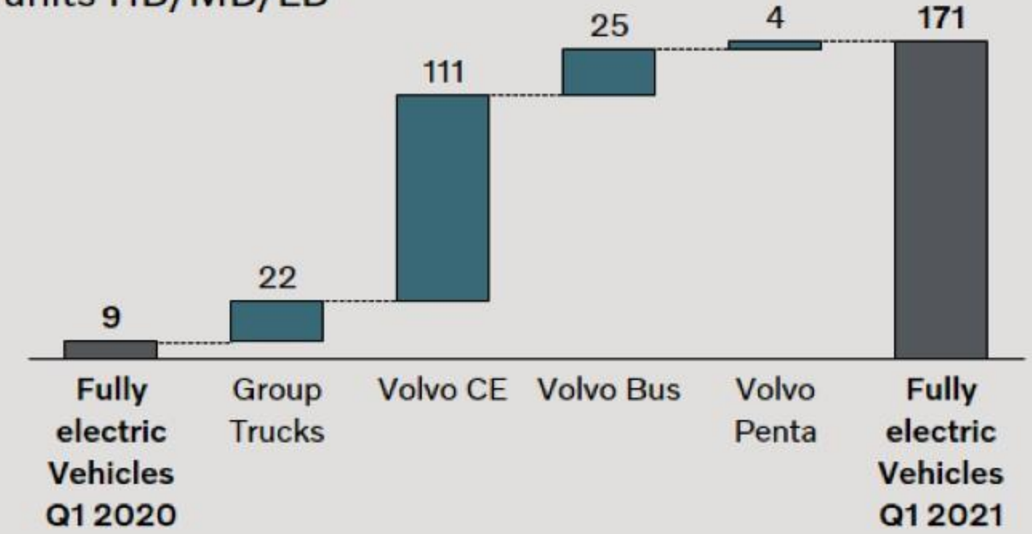
Volvo Group

ELECTRIFICATION PROGRESS

Order Intake, fully electric vehicles, Q1
units HD/MD/LD

Group Trucks	200
Volvo CE	78
Volvo Bus	26
Volvo Penta	4
Volvo Group, Total	**308**

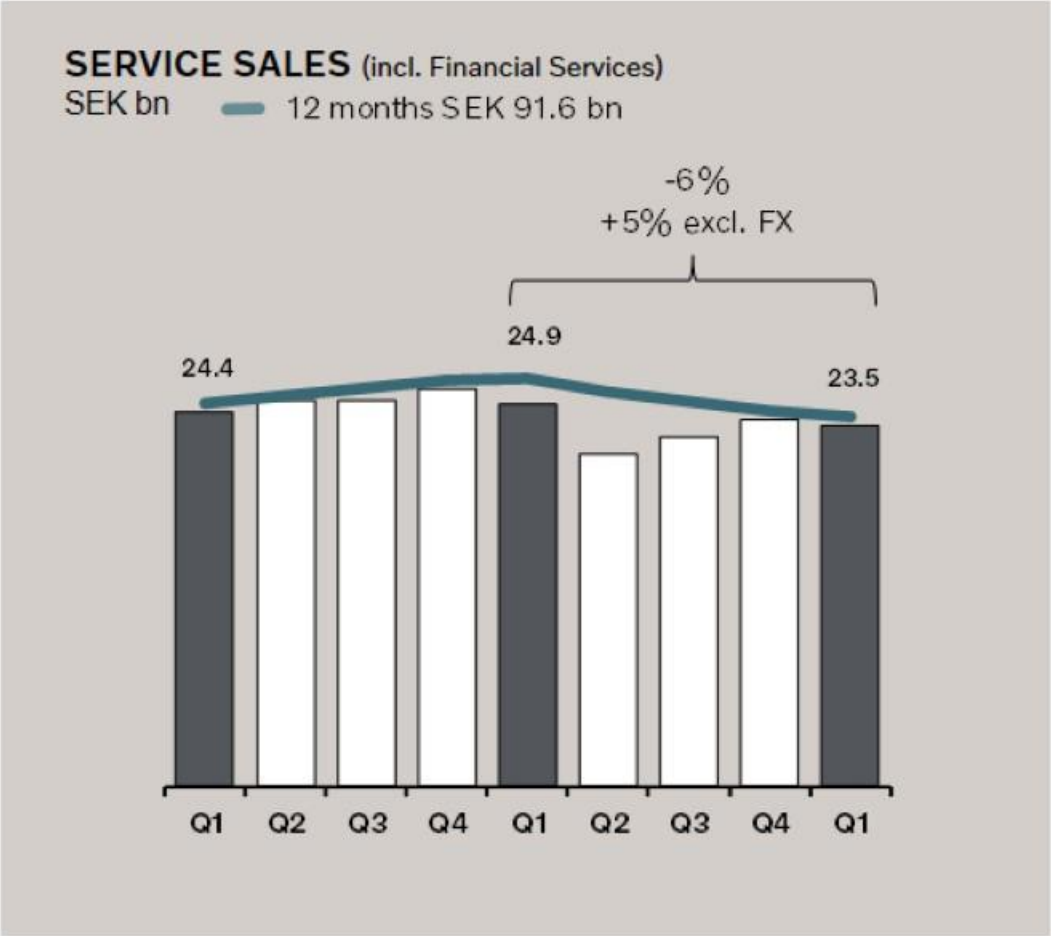
Deliveries, fully electric vehicles, Q1
units HD/MD/LD

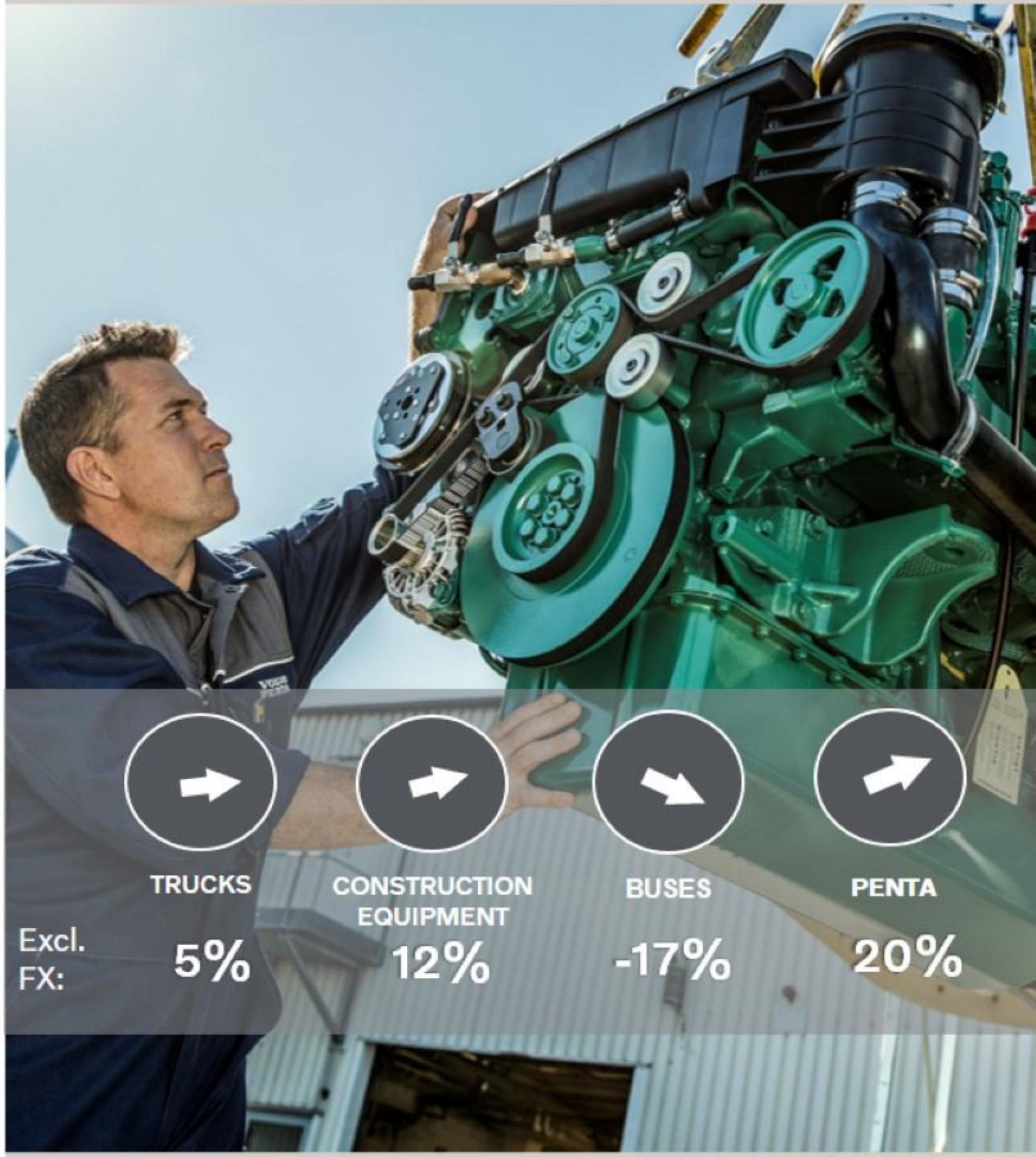


	Group Trucks	Volvo CE	Volvo Bus	Volvo Penta	**Volvo Group**
Q1 2020	4	0	5	0	**9**
Q1 2021	26	111	30	4	**171**

Volvo Group

SERVICE SALES DEVELOPMENT

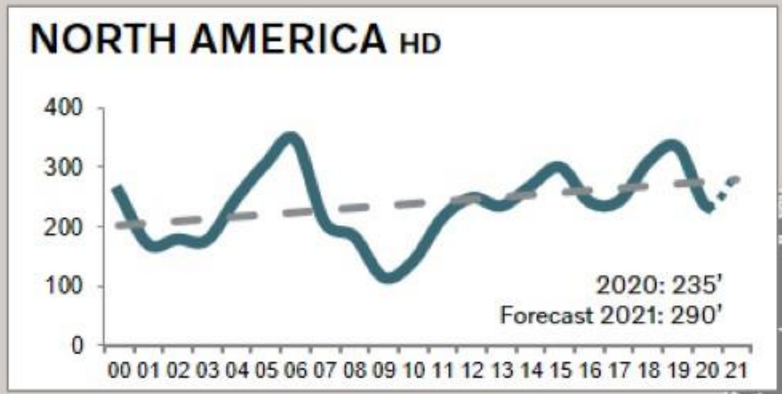


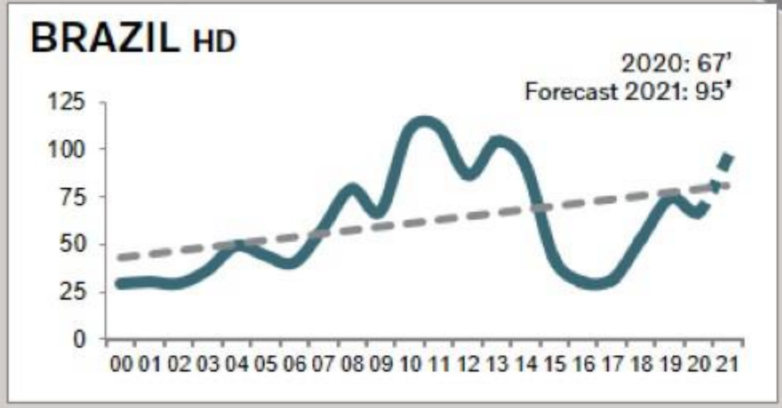


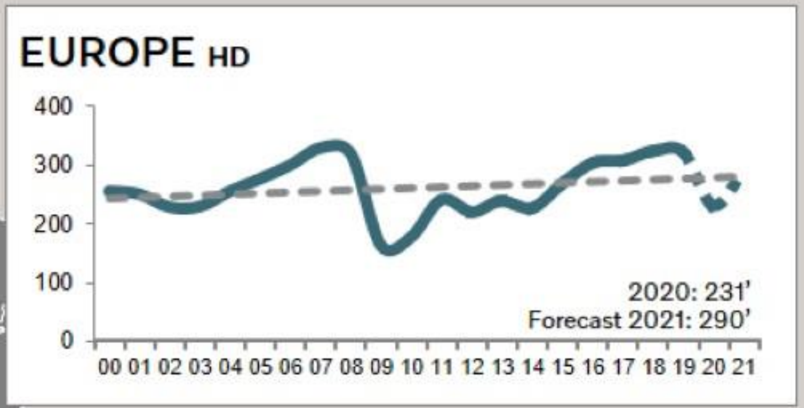
Trucks

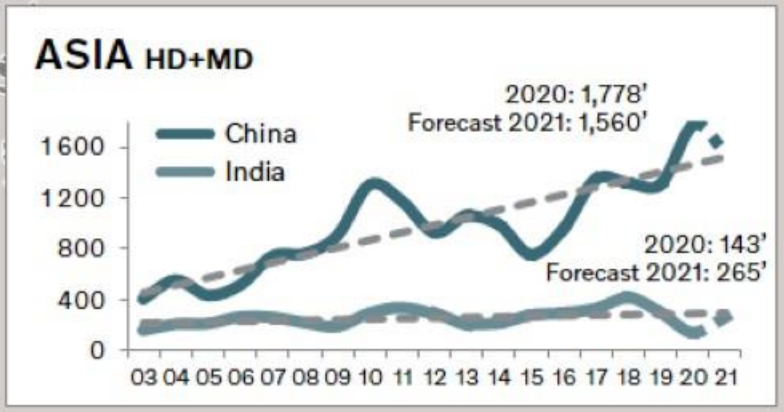
Trucks

MARKET ENVIRONMENT









Trucks

HD/MD: QUARTERLY ORDERS 126% AND DELIVERIES 16%

NORTH AMERICA

Orders	+369%
Deliveries	+22%

SOUTH AMERICA

Orders	+26%
Deliveries	+13%

AFRICA AND OCEANIA

Orders	+58%
Deliveries	+11%

EUROPE

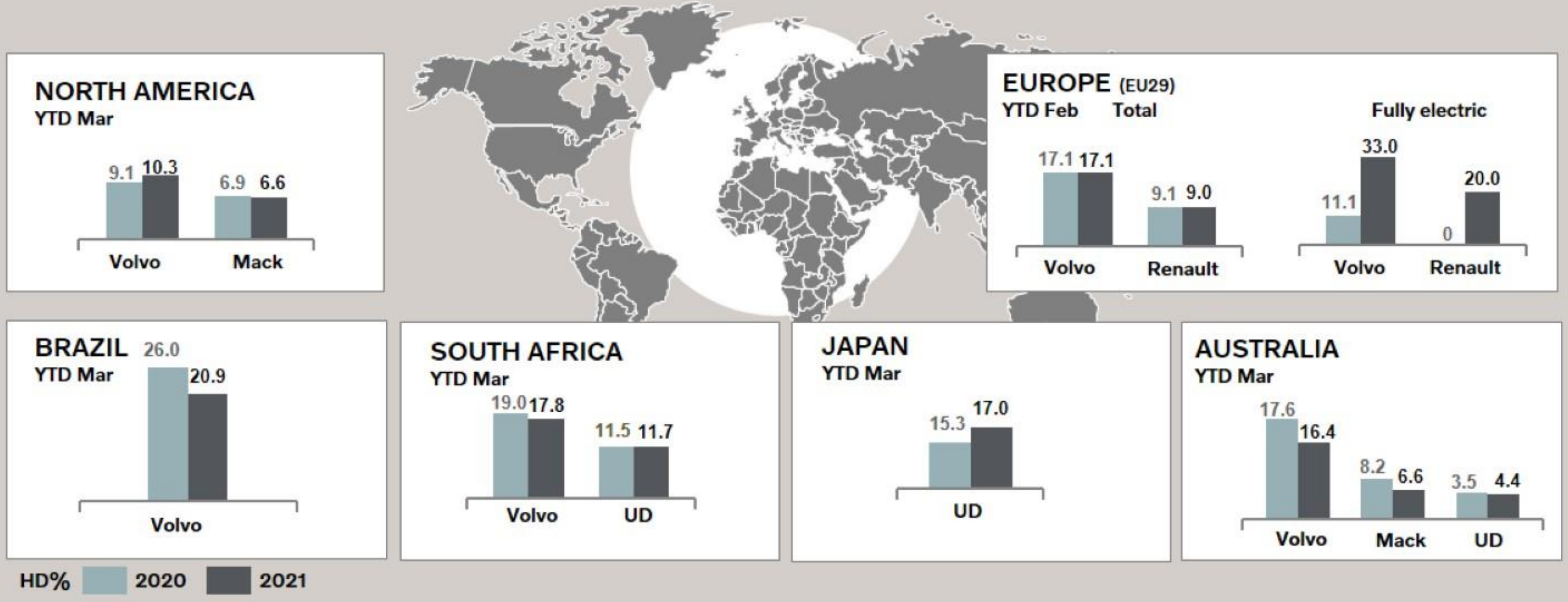
Orders	+126%
Deliveries	+10%

ASIA

Orders	+27%
Deliveries	+24%

Trucks

MARKET SHARES



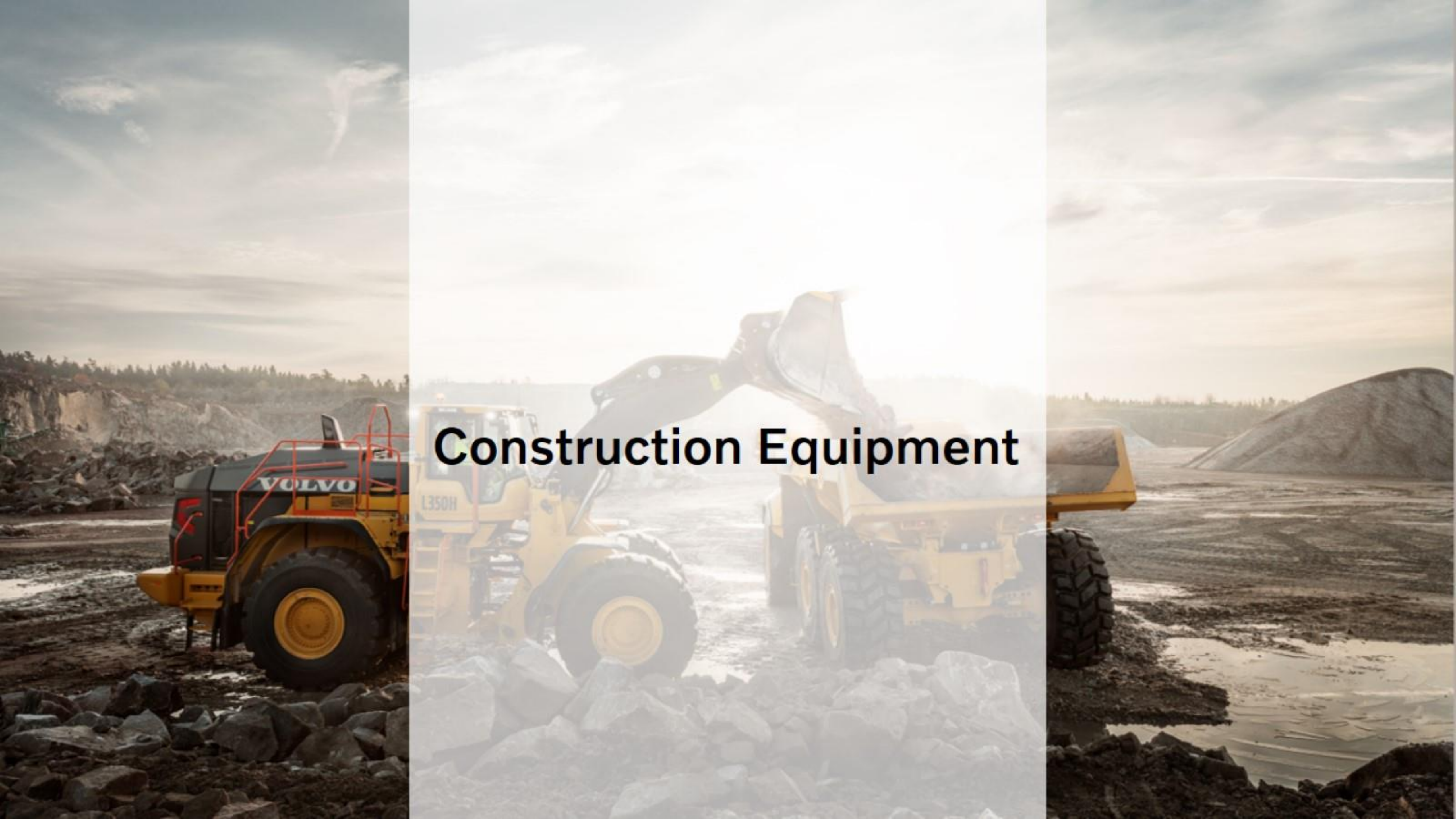
Trucks

DRIVING INDUSTRY ELECTRIFICATION

- Volvo Trucks' and Renault Trucks' offerings in the next two years could electrify close to half of truck transports in Europe
- Volvo Group and Daimler Truck AG completed the creation of fuel-cell joint venture: cellcentric
- Volvo Group partners with Aurora to accelerate hub-to-hub highway applications in the U.S.

Volvo Trucks in Europe has started to sell electric trucks up to 44 tons

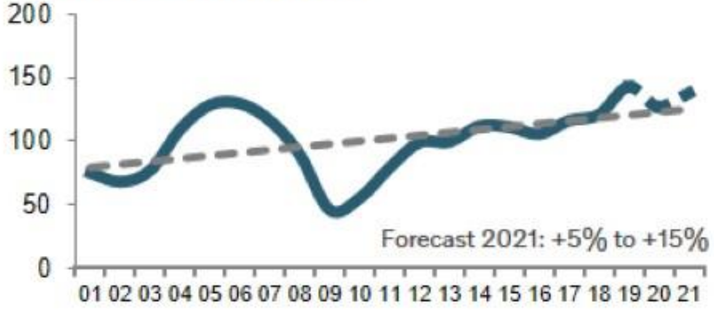
Construction Equipment



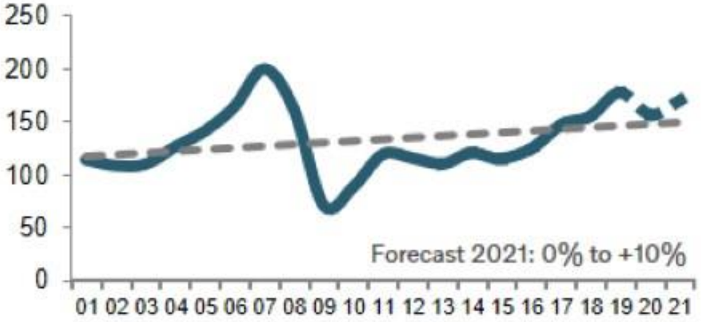
Construction Equipment

MARKET ENVIRONMENT

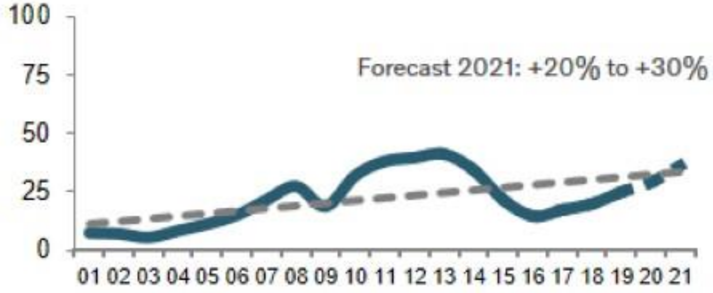
NORTH AMERICA



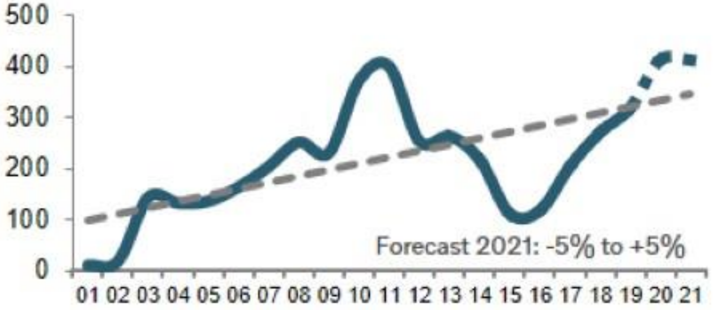
EUROPE



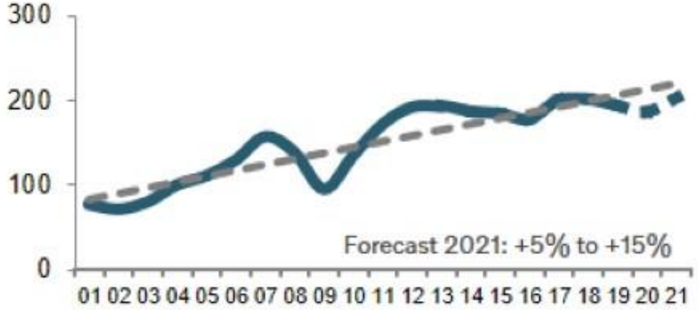
SOUTH AMERICA



CHINA

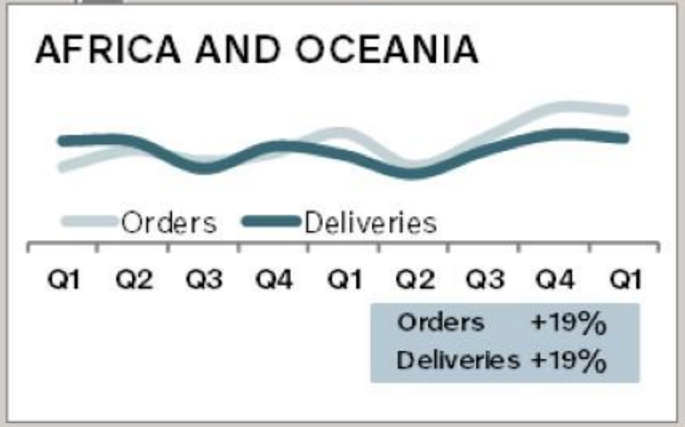


ASIA (excl. China)



Construction Equipment

QUARTERLY ORDERS 73% AND DELIVERIES 53%

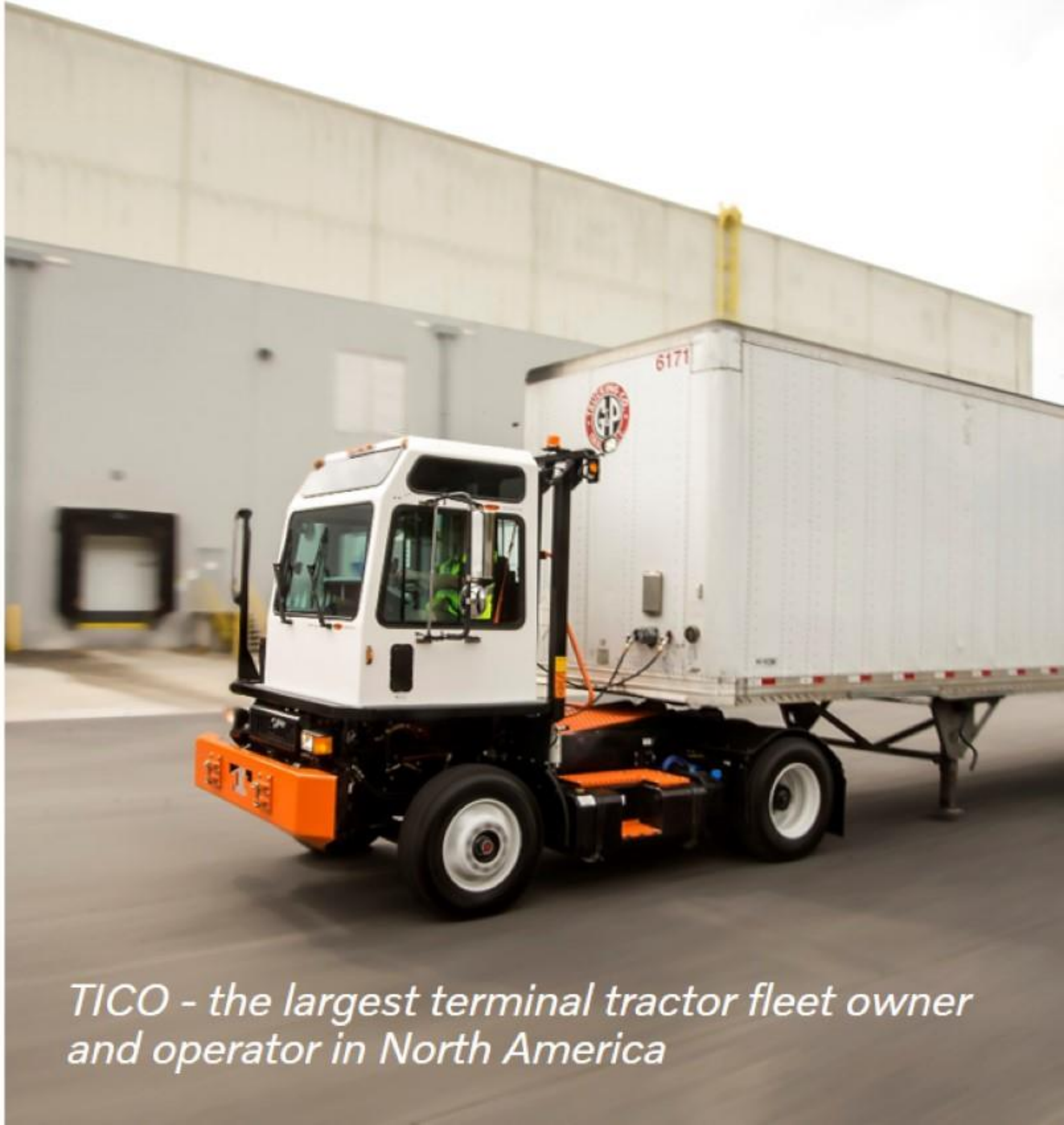


Buses

- Orders decreased by 68%
- Deliveries decreased by 26%
- Largest order to date for the new Volvo 7900 S-Charge with hybrid technology

Volvo Penta

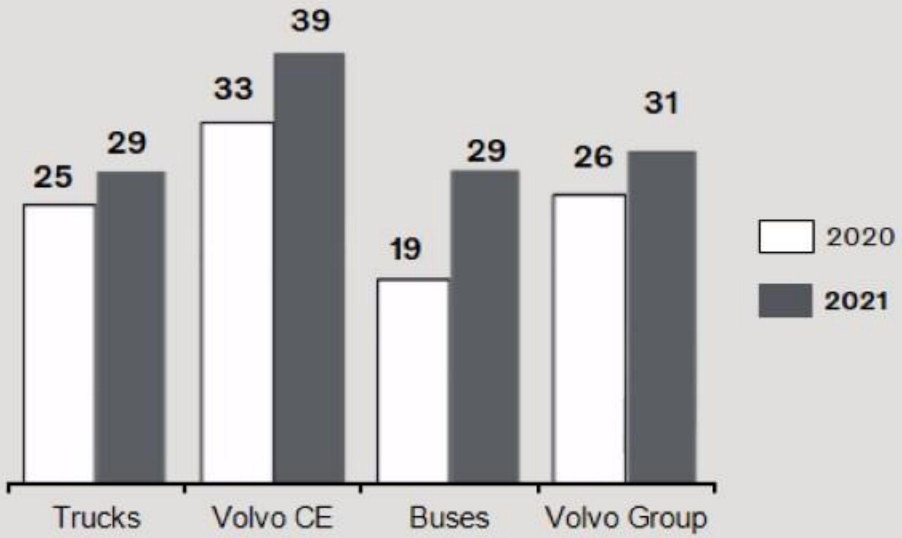
- Orders increased by 27%
- Deliveries increased by 7%
- Volvo Penta and TICO co-develops fully-electric terminal truck prototypes



Financial Services

- Record new business volume for a Q1
- Continued penetration improvement
- Stable portfolio performance

PENETRATION RATE, %
12 months moving



VOLVO
VOLVO GROUP

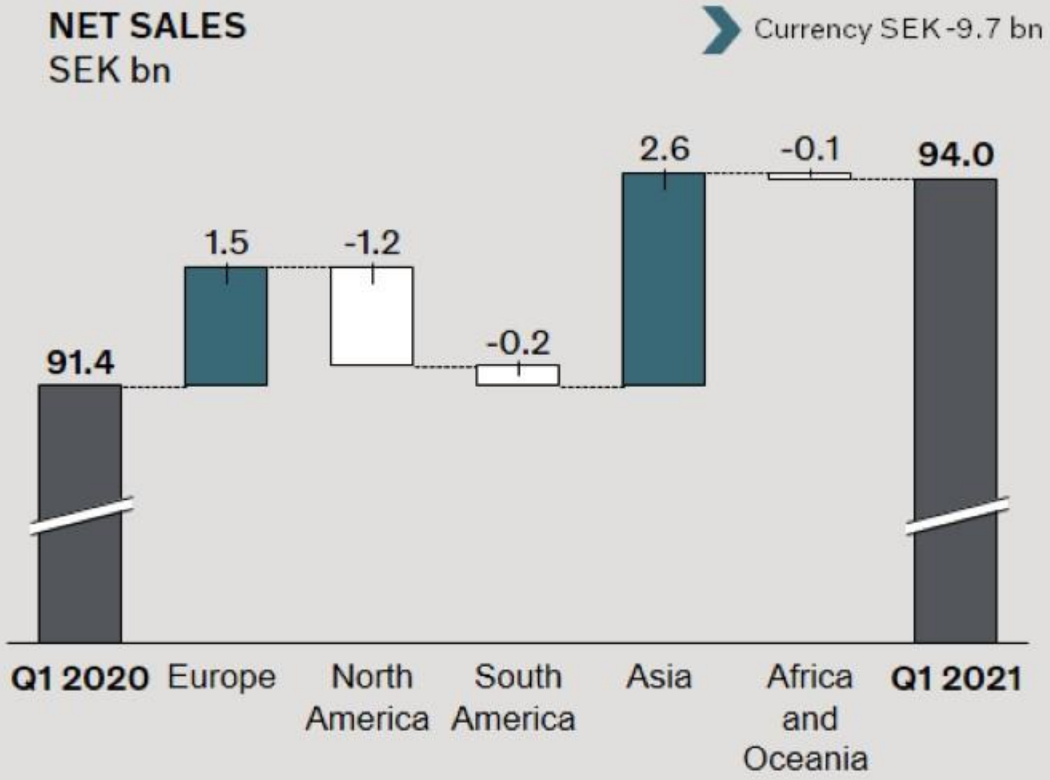
FIRST QUARTER 2021

Jan Ytterberg, CFO

Volvo Group

NET SALES PER MARKET

NET SALES
SEK bn

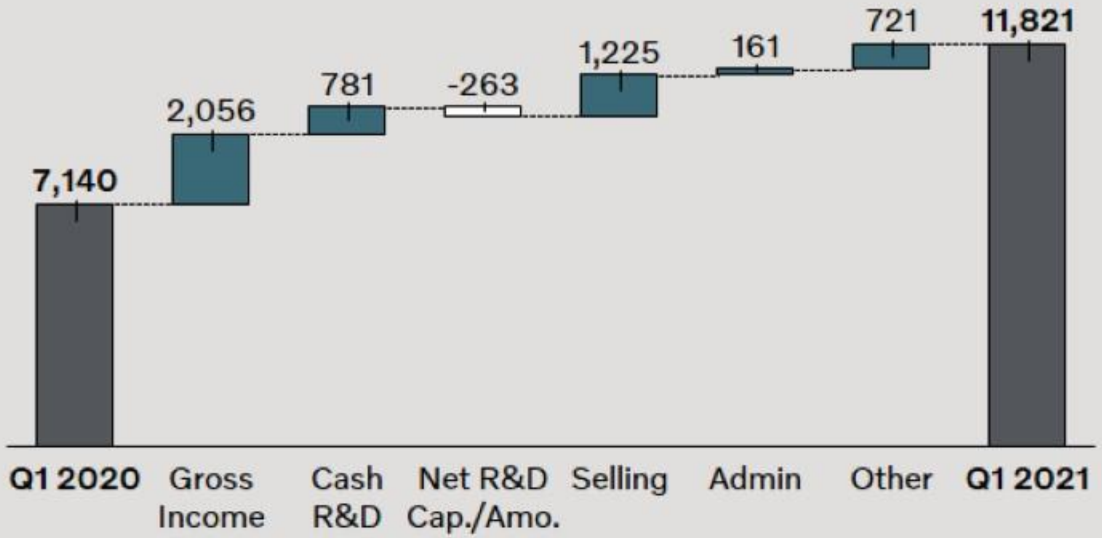


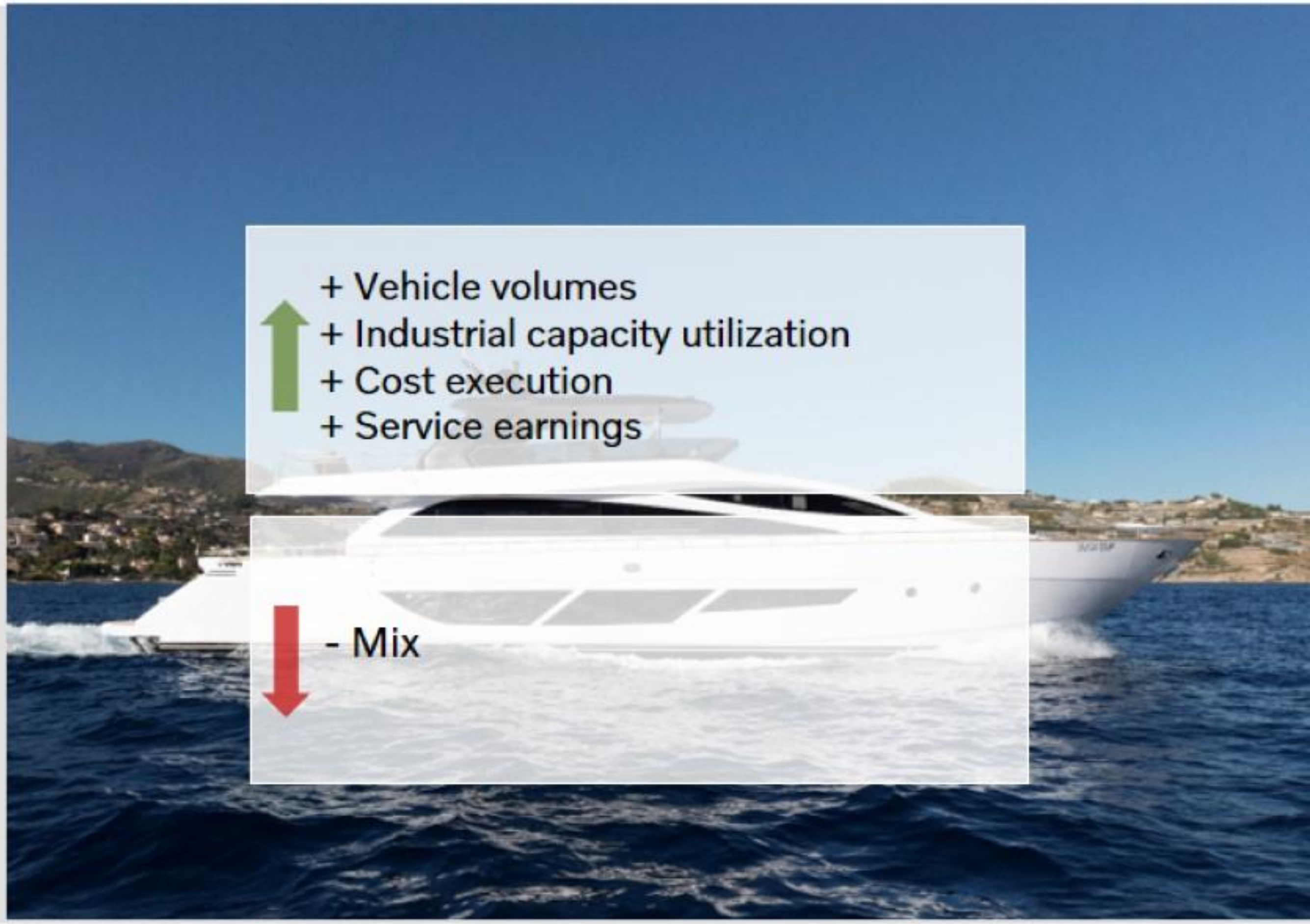
Volvo Group

ADJUSTED OPERATING INCOME CONTRIBUTORS

ADJUSTED OPERATING INCOME*
SEK M

Currency SEK -1.1 bn





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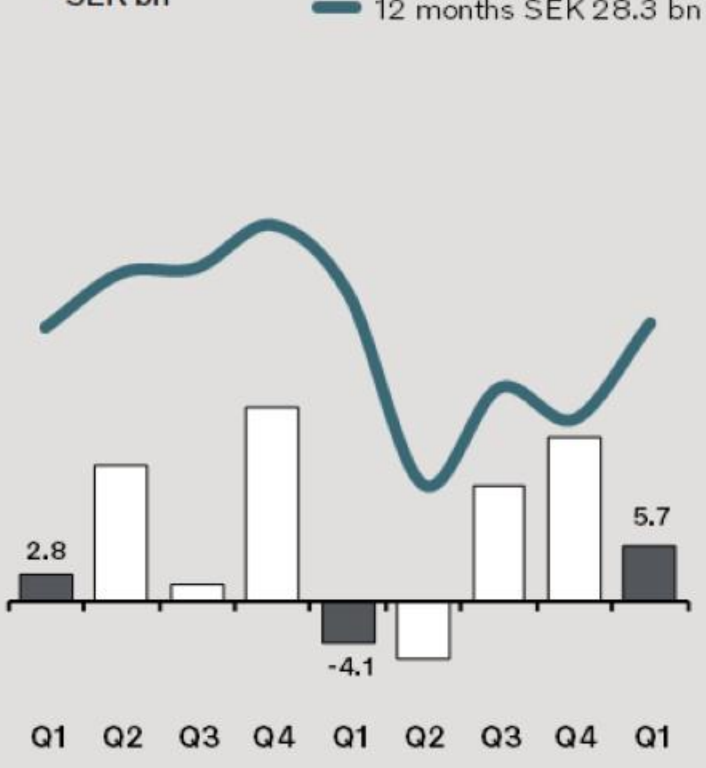
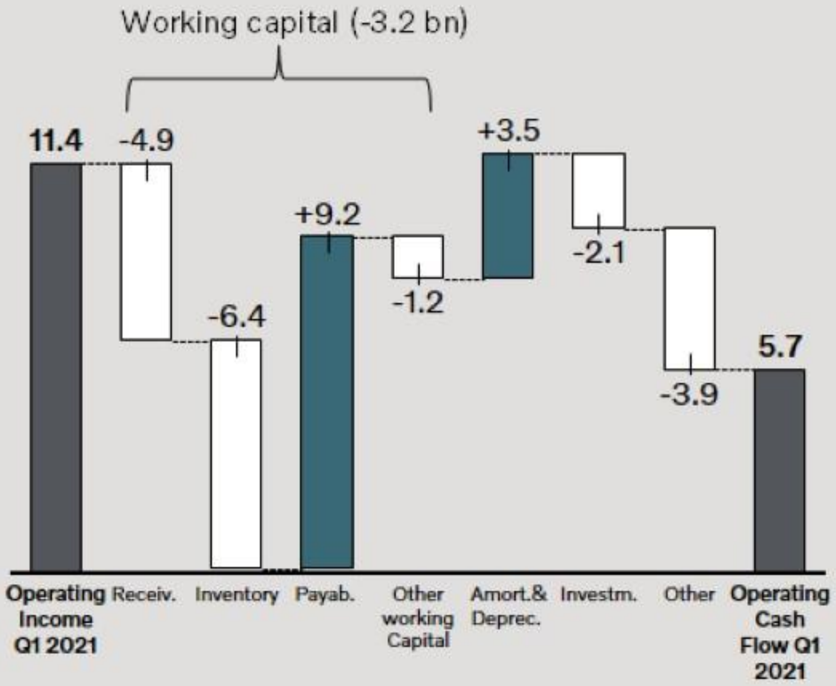
Volvo Group – Industrial Operations

CASH FLOW AND FINANCIAL POSITION

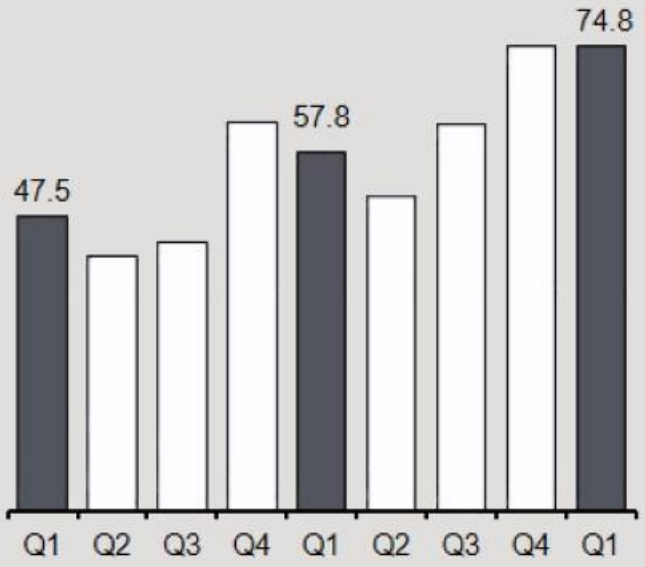
OPERATING CASH FLOW
SEK bn



OPERATING CASH FLOW
SEK bn

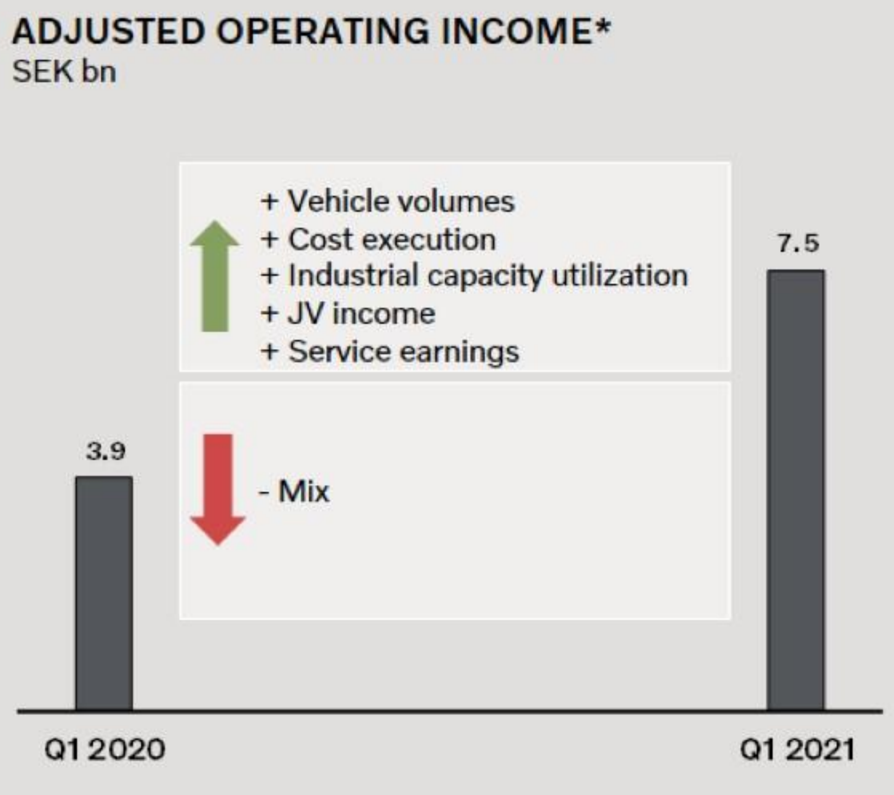


FINANCIAL POSITION
(Excl. pensions and lease liabilities)
SEK bn



Trucks

NET SALES AND ADJUSTED OPERATING INCOME



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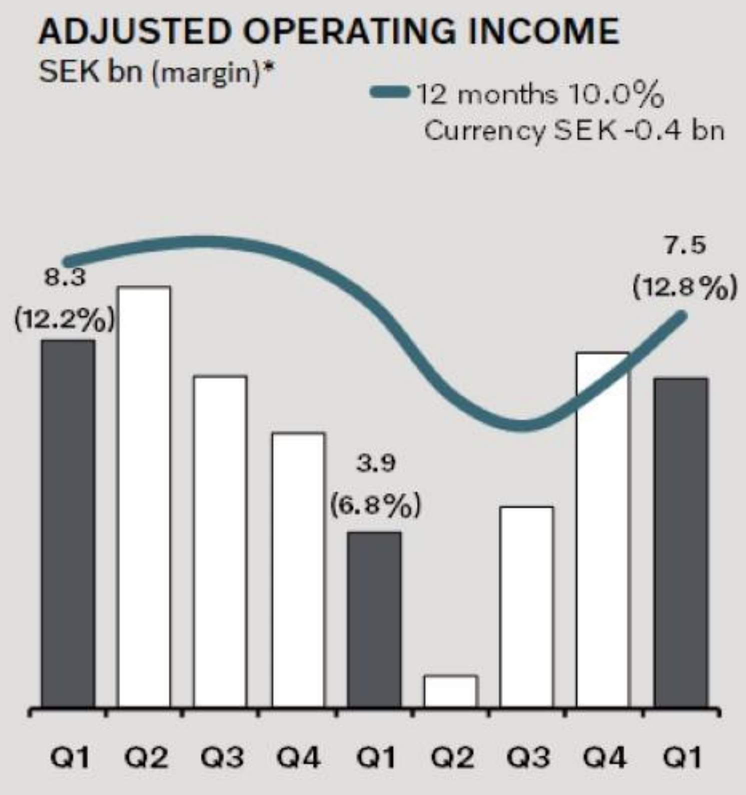
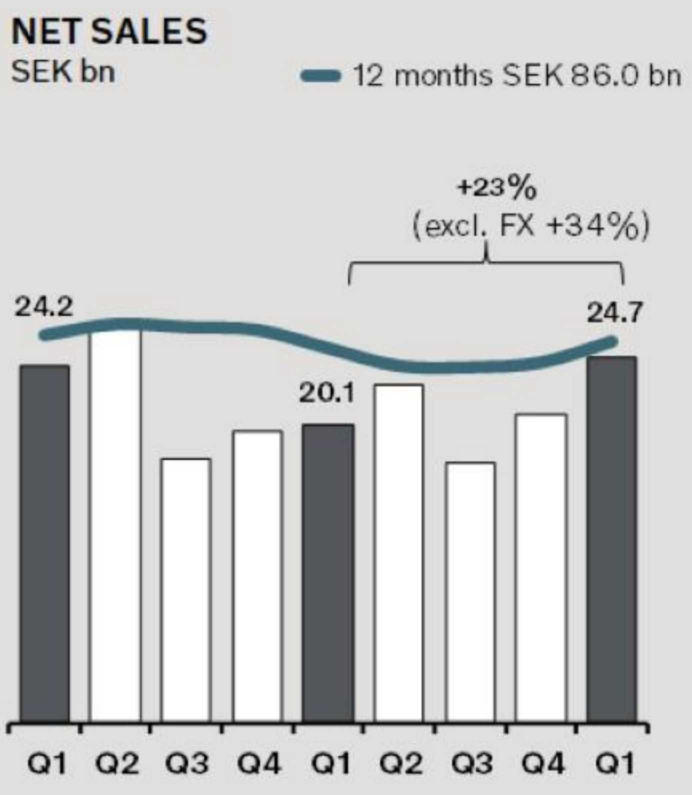
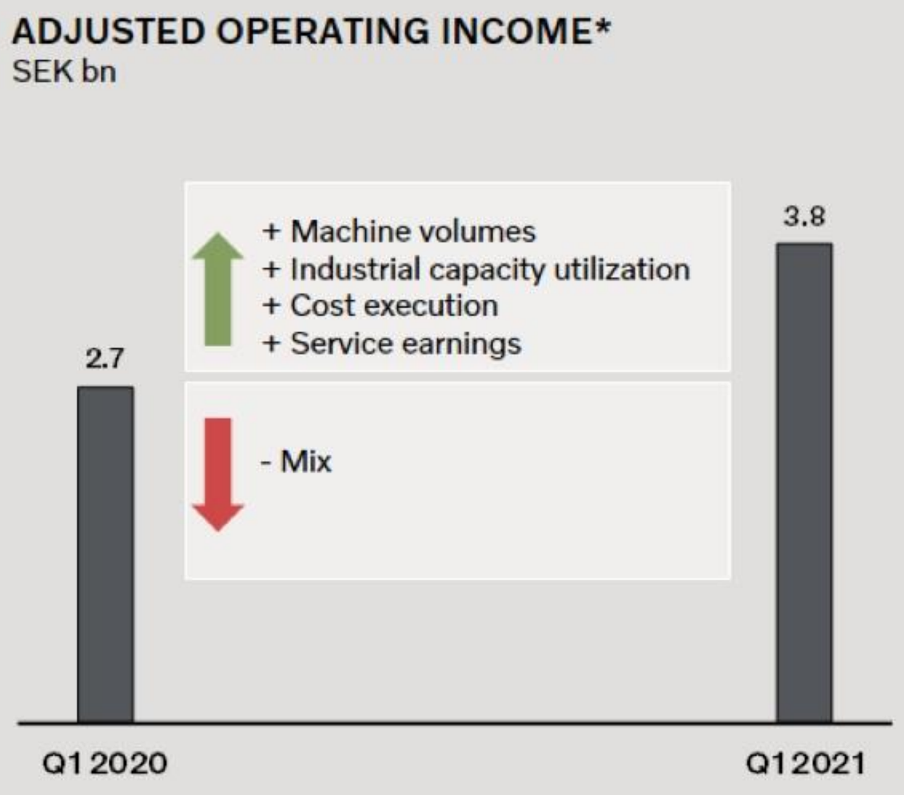


Construction Equipment

NET SALES AND ADJUSTED OPERATING INCOME





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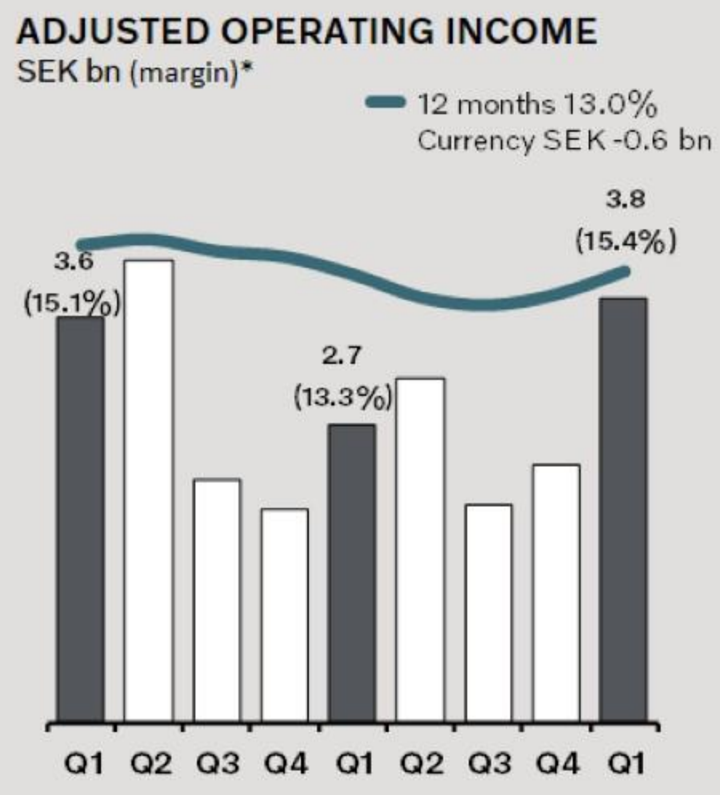
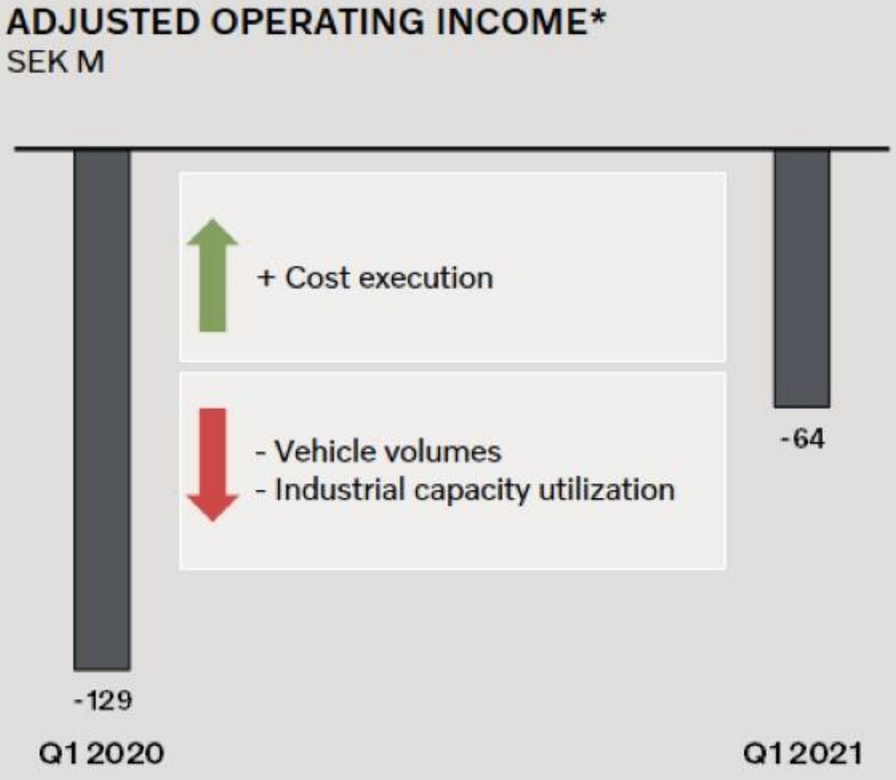


Buses

NET SALES AND ADJUSTED OPERATING INCOME



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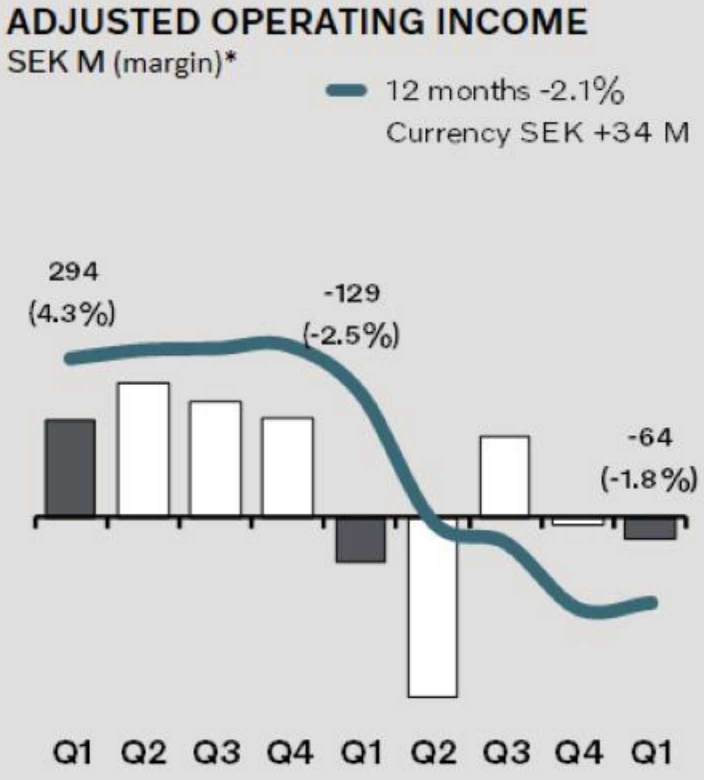
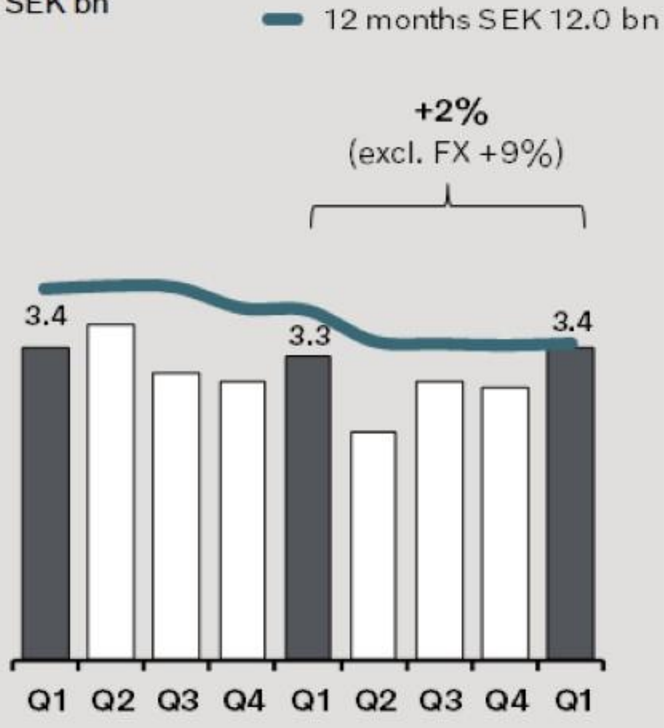


Volvo Penta

NET SALES AND ADJUSTED OPERATING INCOME

NET SALES
SEK bn



ADJUSTED OPERATING INCOME*
SEK M

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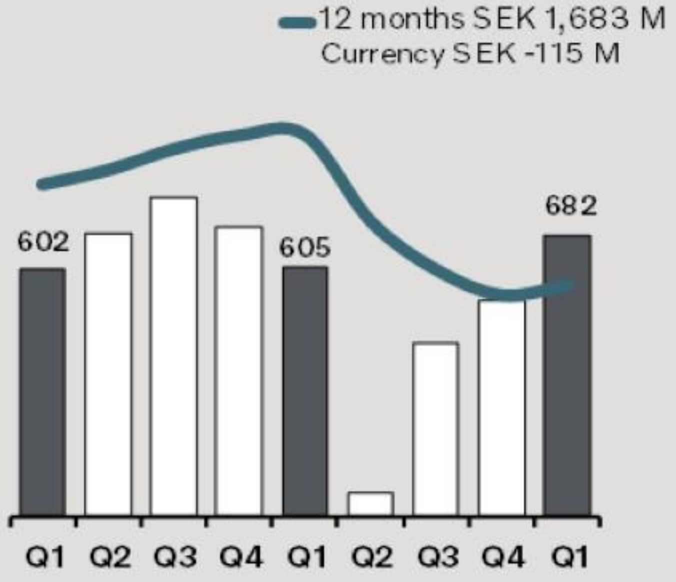
ADJUSTED OPERATING INCOME
SEK M (margin)*

Financial Services

CREDIT PORTFOLIO AND PROFITABILITY

NEW RETAIL FINANCING
SEK bn

ADJUSTED OPERATING INCOME*
SEK M



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CREDIT PORTFOLIO & ROE
SEK bn

Volvo Group
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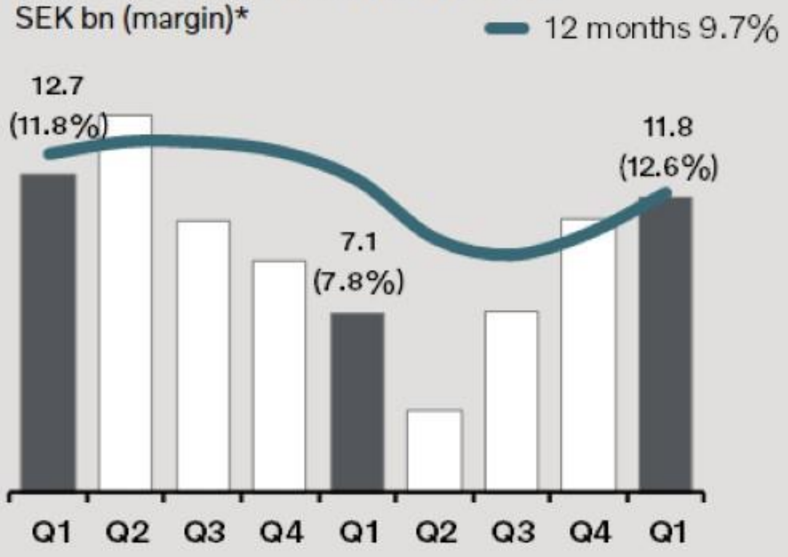
NET SALES
SEK bn

ADJUSTED OPERATING INCOME
SEK bn (margin)*



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Q&A

VOLVO
VOLVO GROUP

Volvo Group
Capital Markets Day
November 11, 2021