VOLVO

FIRST QUARTER 2022

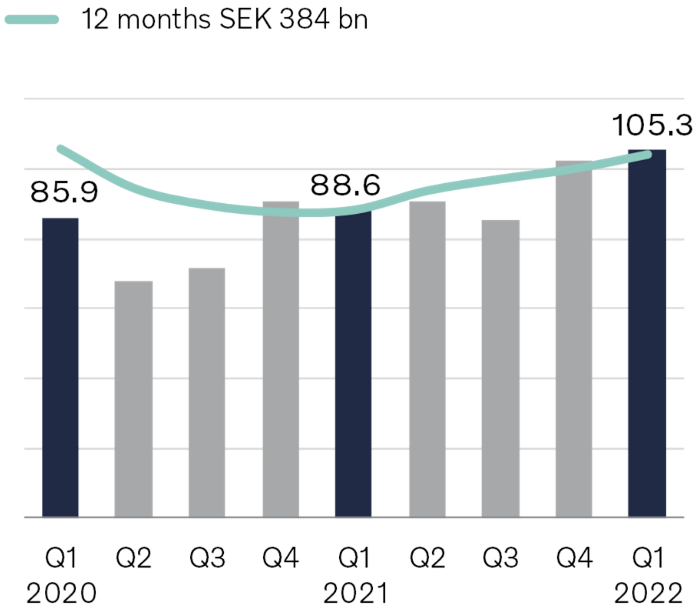
Martin Lundstedt, President and CEO

Volvo Group

Quarter highlights

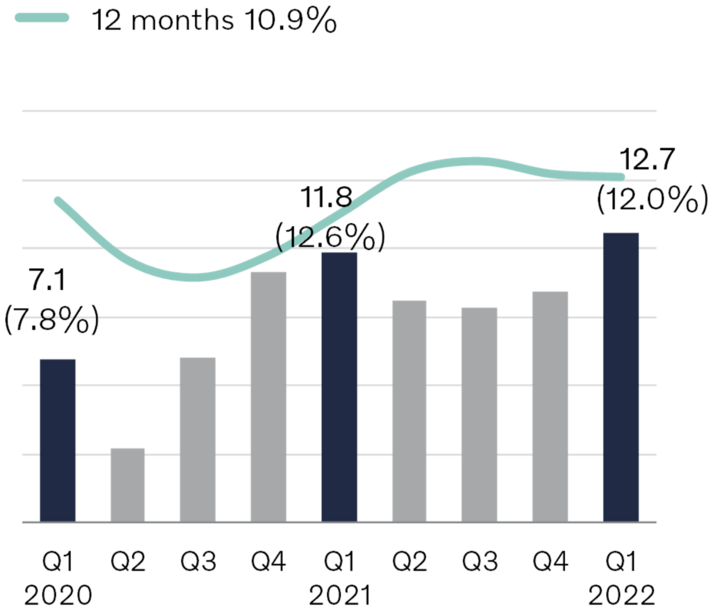
- Net sales increased to SEK 105.3 bn, an increase of 11% adjusted for UD Trucks divestment & FX
- Adjusted operating income reached SEK 12.7 bn (11.8), corresponding to a margin of 12.0% (12.6)
- Operating cash flow in the Industrial Operation amounted to SEK -5.4 bn (5.7)
- ROCE 25.3% (17.1) in Industrial Operations
- Supply chain constraints with low visibility

NET SALES
SEK bn



Net sales restated for UD Trucks divestment

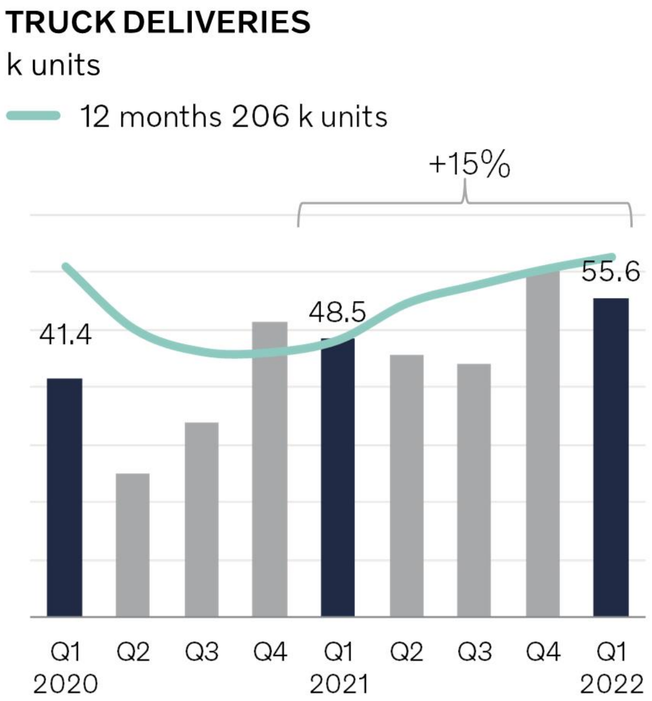
ADJUSTED OPERATING INCOME
SEK bn (margin)*



**For information on adjustments, see note 6 in the quarterly report*

Volvo Group

Volume development

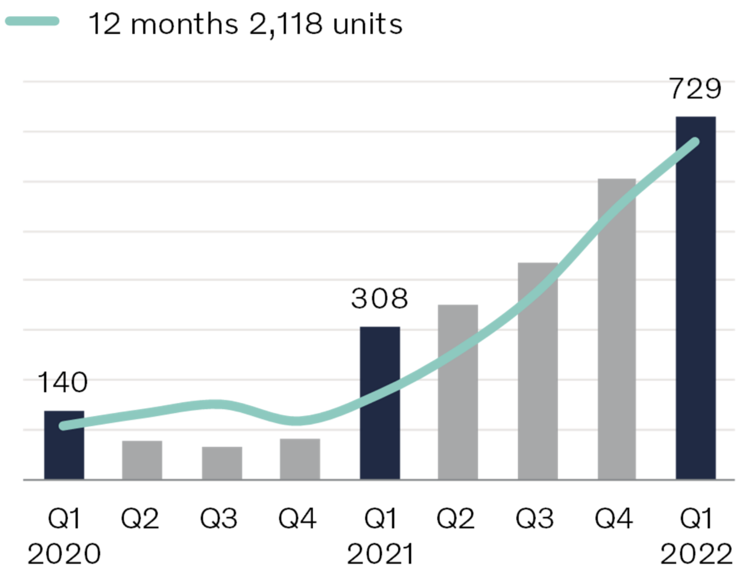


Deliveries restated for UD Trucks divestment

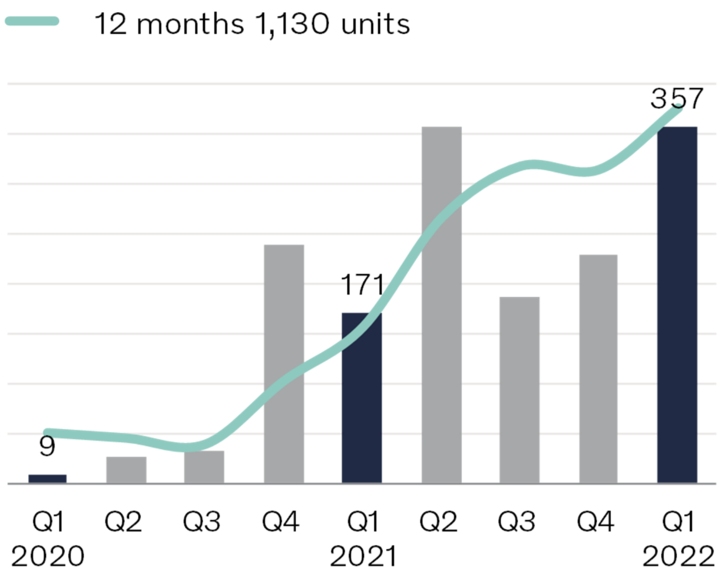
Volvo Group

Electrification progress

ORDER INTAKE, FULLY ELECTRIC VEHICLES



DELIVERIES, FULLY ELECTRIC VEHICLES

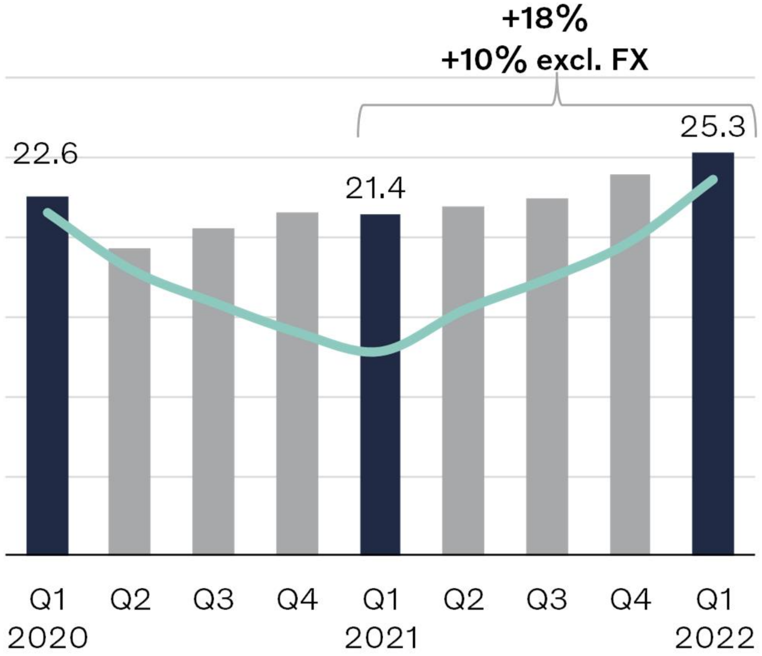


Volvo Group

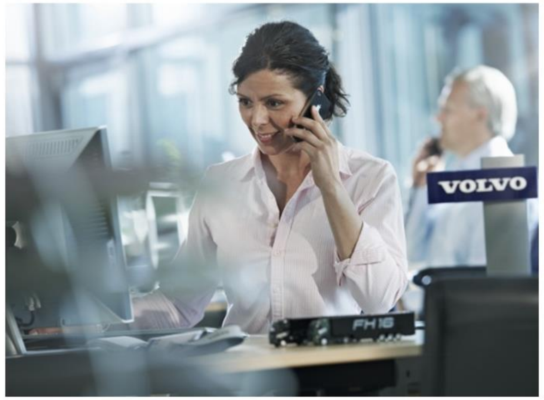
Service sales development

SERVICE SALES (incl. Financial Services)

SEK bn — 12 months SEK 93.6 bn



Service sales restated for UD Trucks divestment



YoY GROWTH %

10%	17%	24%	17%	6%
TRUCKS	CONSTRUCTION EQUIPMENT	BUSES	PENTA	VFS

All figures are excluding FX and are restated for the UD Trucks divestment

TRUCKS

Trucks

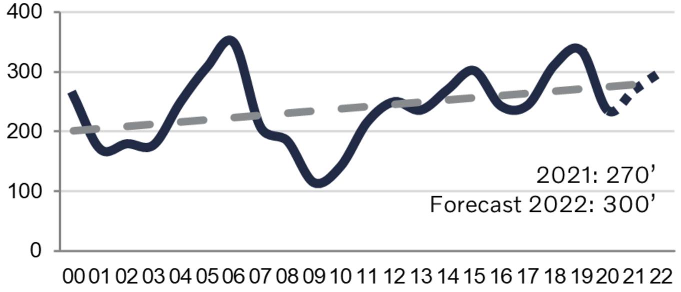
- Maersk in North America ordered 110 Volvo VNR electric
- Renault Trucks expands its electric offer up to 44 ton

Renault Trucks T E-tech for regional distribution

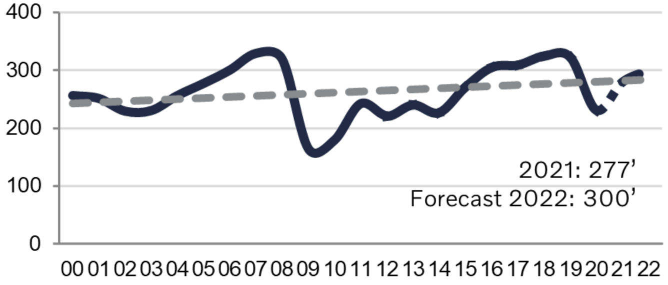
Trucks

Market environment

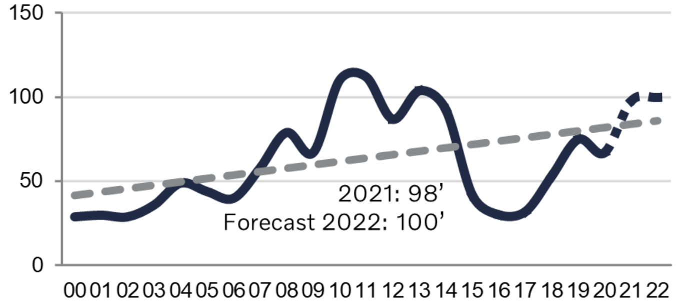
NORTH AMERICA HD



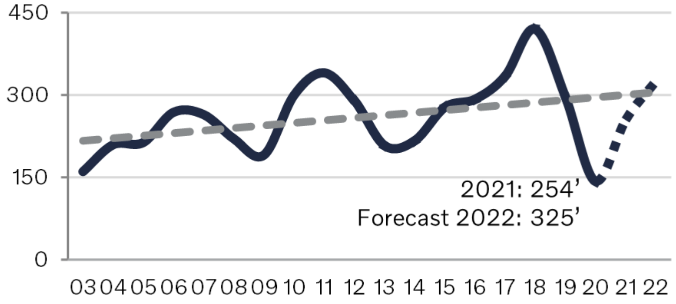
EUROPE HD



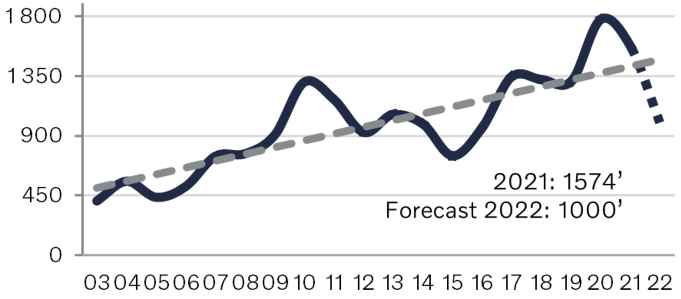
BRAZIL HD



INDIA HD+MD



CHINA HD+MD



Market forecasts are based on current visibility, which is low. Uncertainty is significant due to inability to predict supply chain capacity and the ongoing COVID-19 pandemic and the war in Ukraine

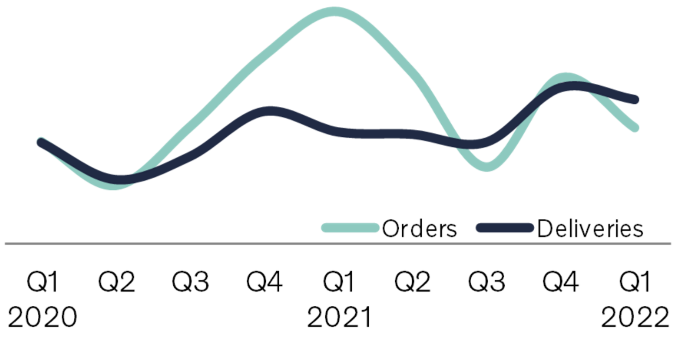
Trucks: Restrictive order slotting to manage order book quality and cost inflation

HD/MD: Quarterly Orders -45% and Deliveries +17%

NORTH AMERICA

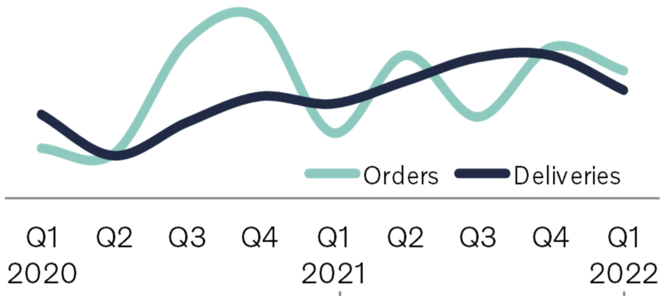
Orders -73%
Deliveries +7%

EUROPE



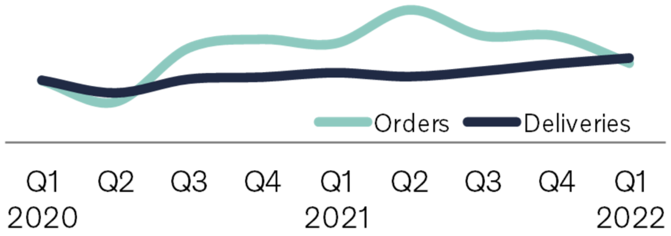
Orders -50%
Deliveries +29%

SOUTH AMERICA



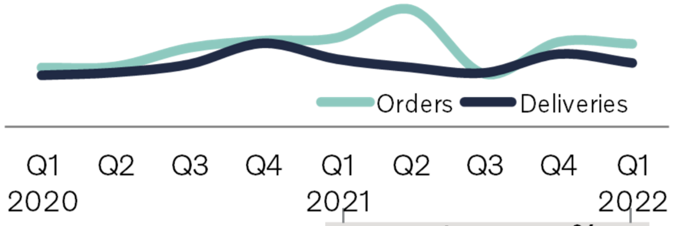
Orders +94%
Deliveries +15%

AFRICA AND OCEANIA



Orders -20%
Deliveries +21%

ASIA



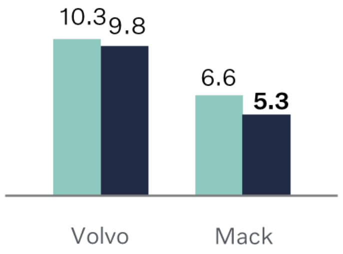
Orders -7%
Deliveries -6%

Figures restated for UD Trucks divestment

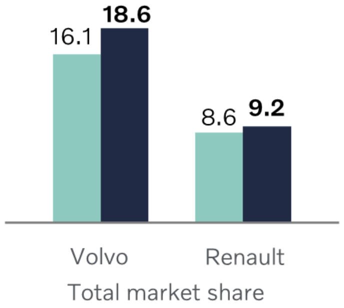
Trucks

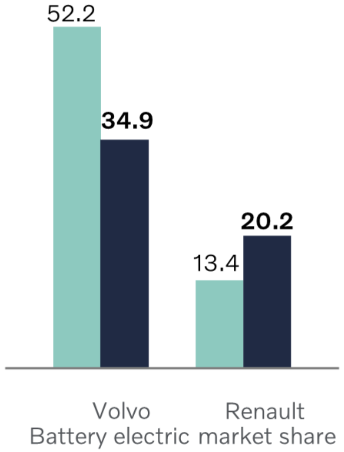
Heavy-duty truck market shares

NORTH AMERICA
YTD Mar

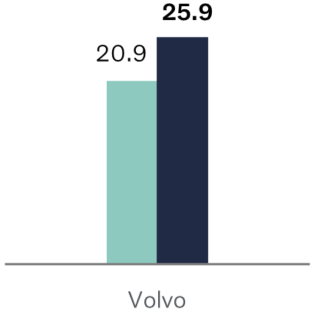


EUROPE (EU29)
YTD Mar

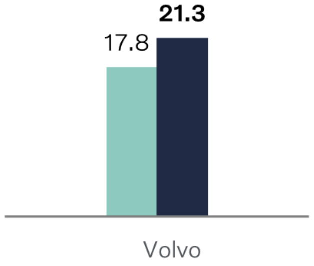




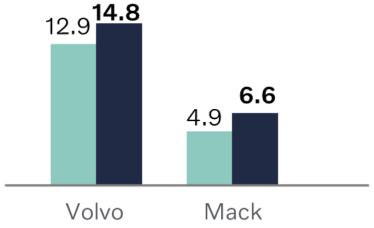
BRAZIL
YTD Mar



SOUTH AFRICA
YTD Mar



AUSTRALIA
YTD Mar



2021 **2022**

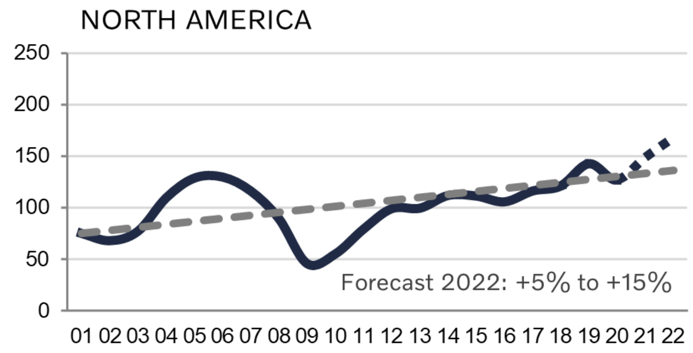
CONSTRUCTION EQUIPMENT

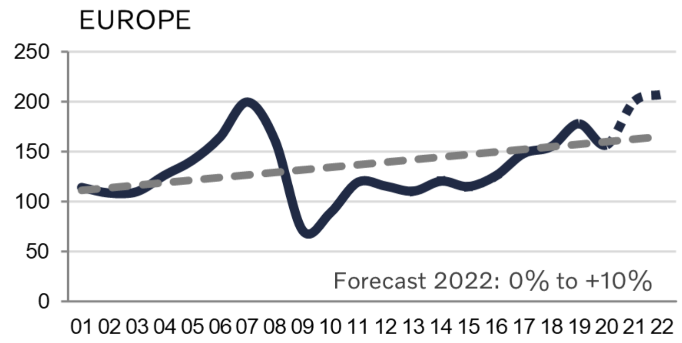
Construction Equipment

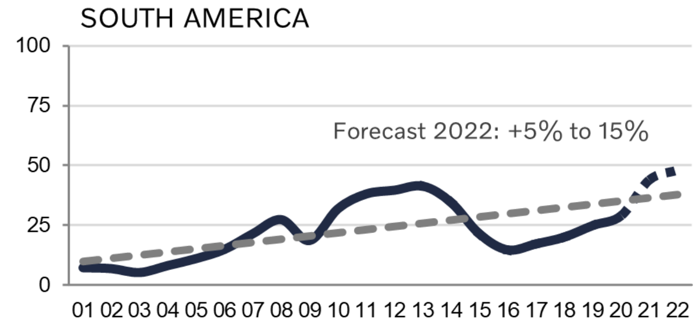
- Fully electric machines now also launched in Asia, with South Korea being first out with a compact excavator
- Introduction of a new carbon reduction program supporting customers towards carbon-neutrality

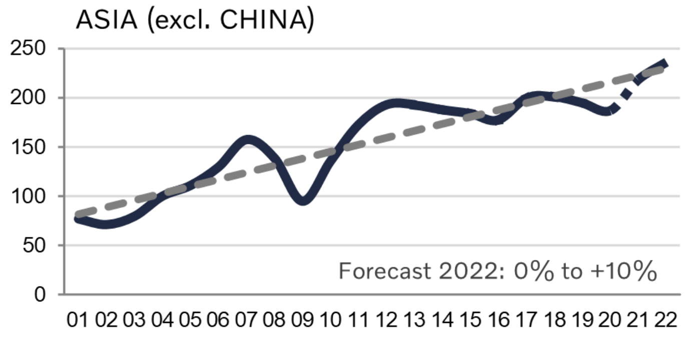
Construction Equipment

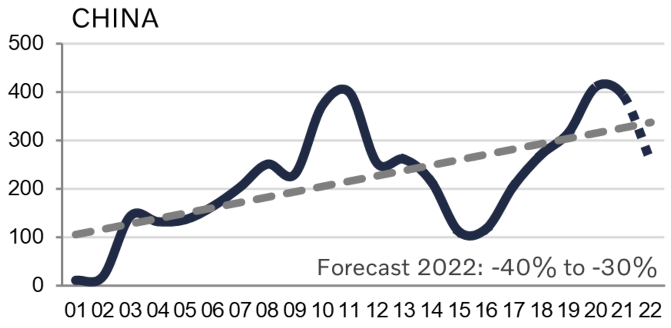
Market environment









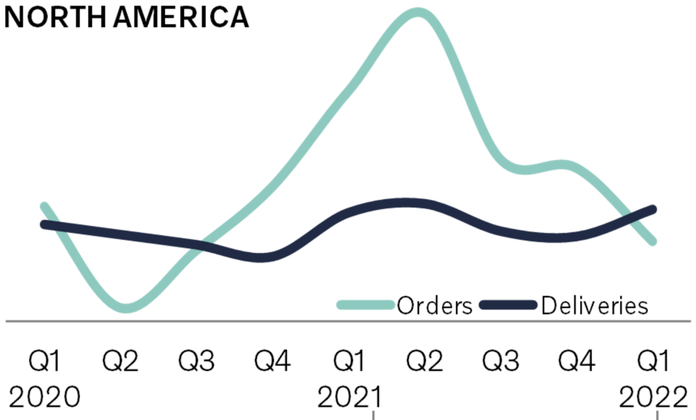


Market forecasts are based on current visibility, which is low. Uncertainty is significant due to inability to predict supply chain capacity and the ongoing COVID-19 pandemic and the war in Ukraine

Construction Equipment: Restrictive order slotting to manage order book quality and cost inflation

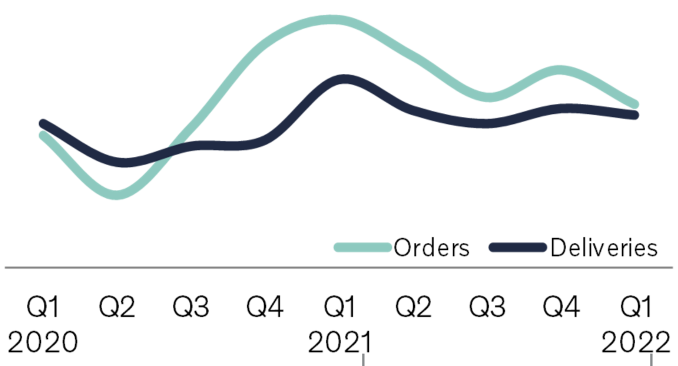
Quarterly Orders -42% and Deliveries -33%

NORTH AMERICA



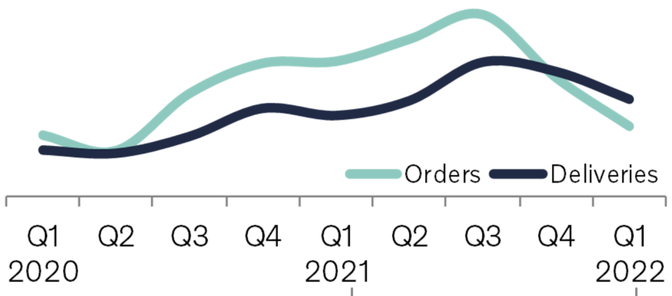
Orders -65%
Deliveries +3%

EUROPE



Orders -34%
Deliveries -19%

SOUTH AMERICA

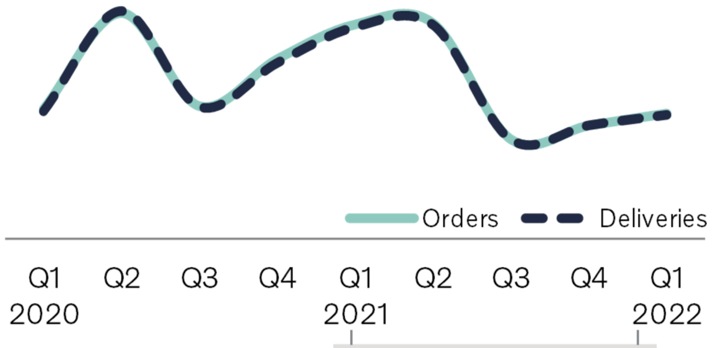


Orders -48%
Deliveries +20%

AFRICA AND OCEANIA

Orders -16%
Deliveries -18%

ASIA



Orders -42%
Deliveries -42%

Buses

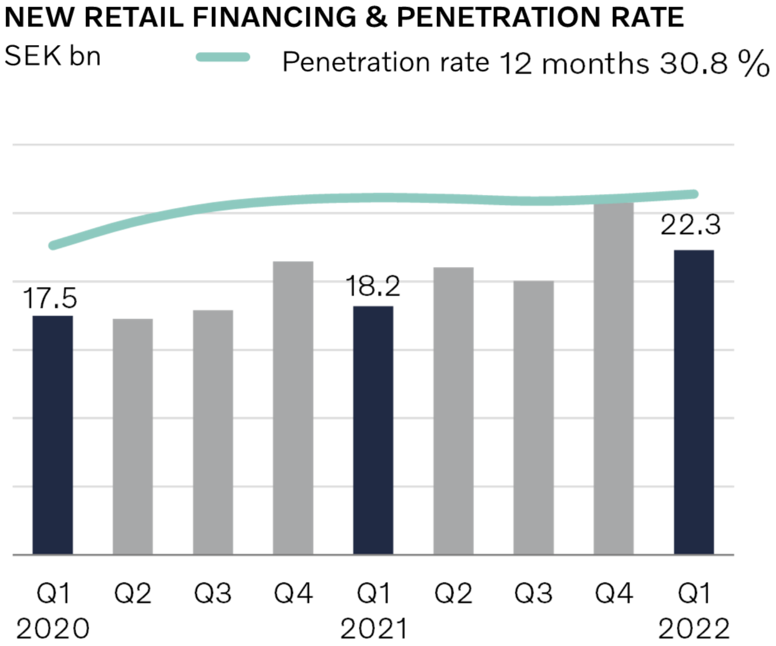
- Orders in Q1 increased by 146%
- Deliveries in Q1 decreased by 2%
- Order of 566 buses for Santiago

Volvo Penta

- Orders decreased by 1%
- Deliveries increased by 8%
- Sea testing ongoing on the advanced hybrid solution on Hurtigruten Svalbard's sightseeing vessel

Financial services

- Consistent growth in new retail financing volumes
- Continuous improvement in finance penetration across the business areas
- Volvo Pay launched for Volvo Trucks customers in selected European markets



FIRST QUARTER 2022

Tina Hultkvist, Executive Vice President Group Finance and CFO

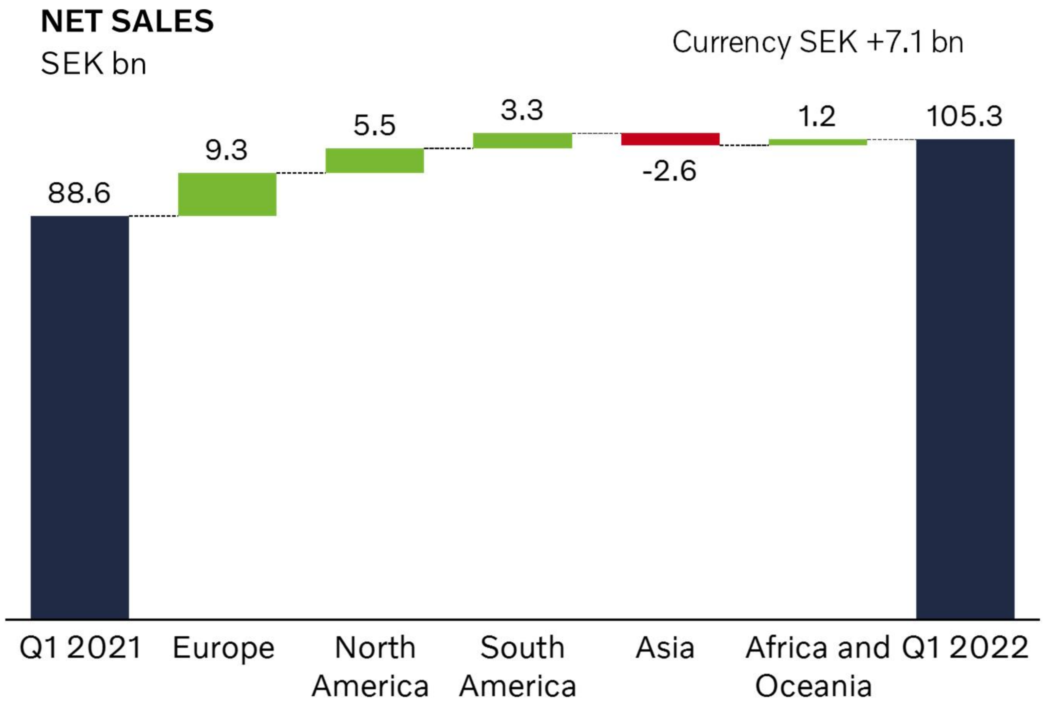
Volvo Group

First Quarter 2022

2022-04-22

Volvo Group

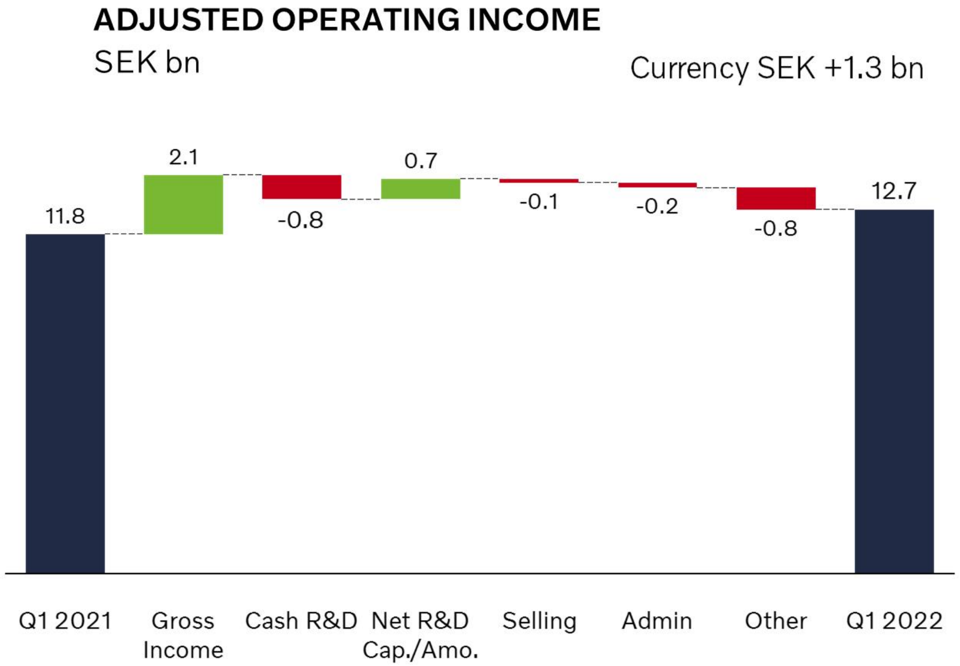
Net sales per market



Net sales restated for UD Trucks divestment

Volvo Group

Adjusted operating income contributors



+ Price realization
+ Vehicle and service volumes

- Material costs
- Freight costs
- JV earnings

Volvo Group

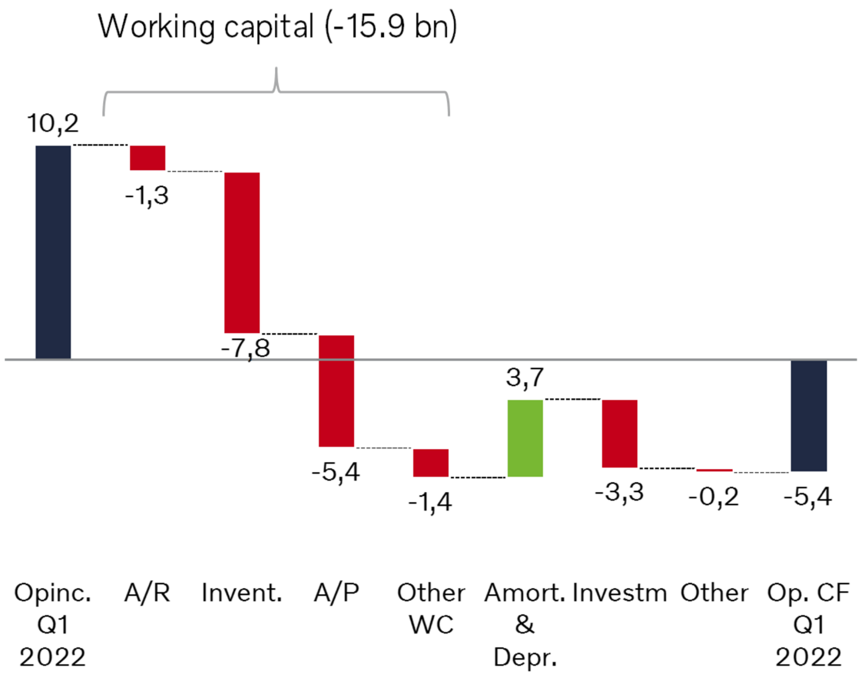
Cash flow and financial position in Industrial Operations

OPERATING CASH FLOW

SEK bn

OPERATING CASH FLOW

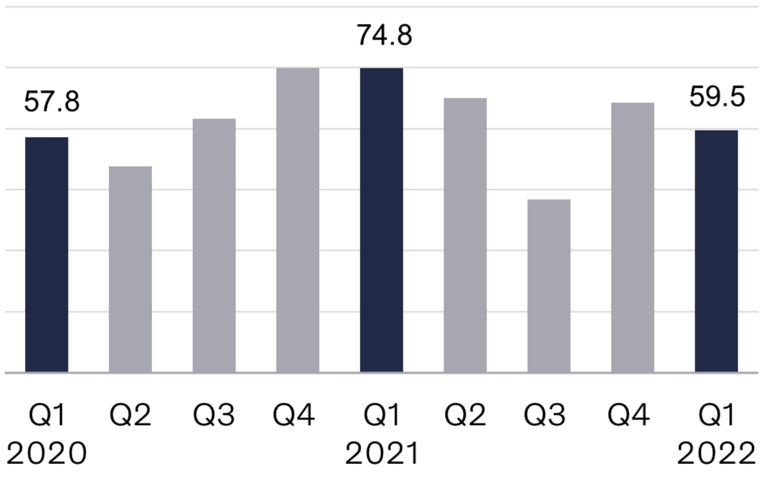
SEK bn



FINANCIAL POSITION

(Excl. Pensions and lease liabilities)

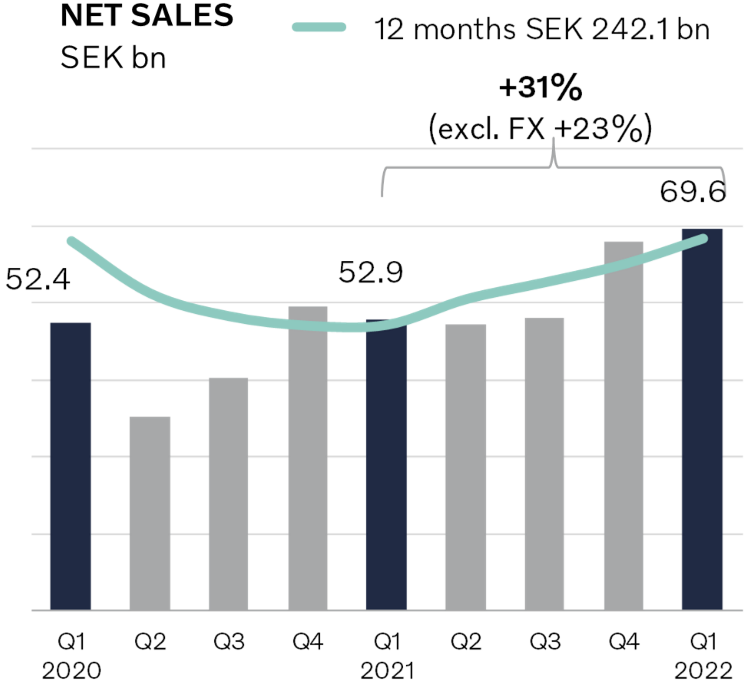
SEK bn



Trucks

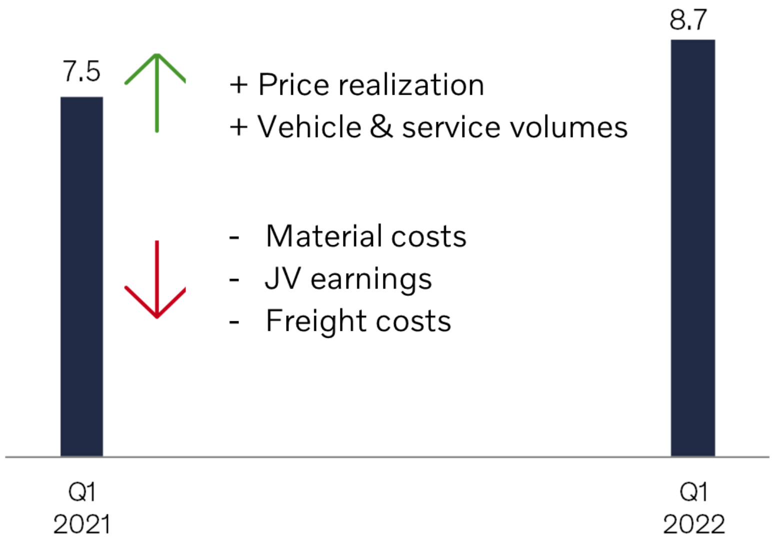
Net sales and adjusted operating income

NET SALES
SEK bn

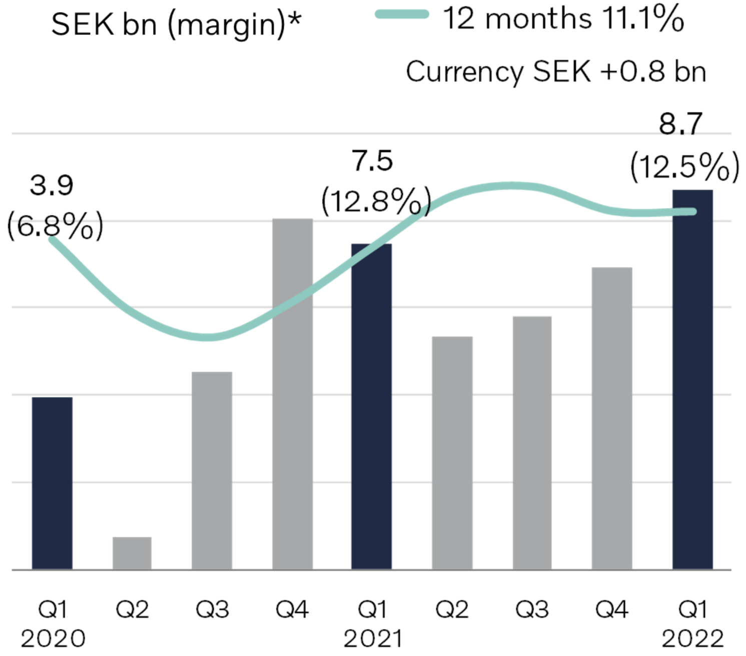


Net sales restated for UD Trucks divestment

ADJUSTED OPERATING INCOME
SEK bn



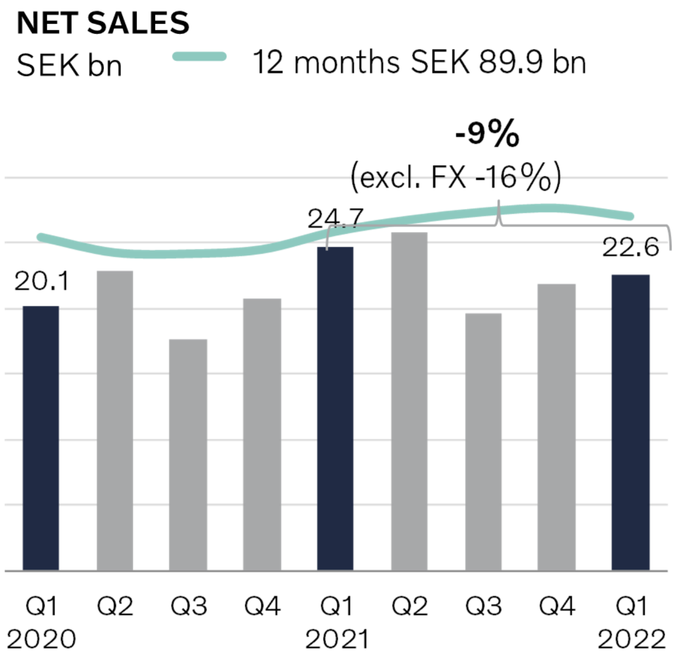
ADJUSTED OPERATING INCOME
SEK bn (margin)*

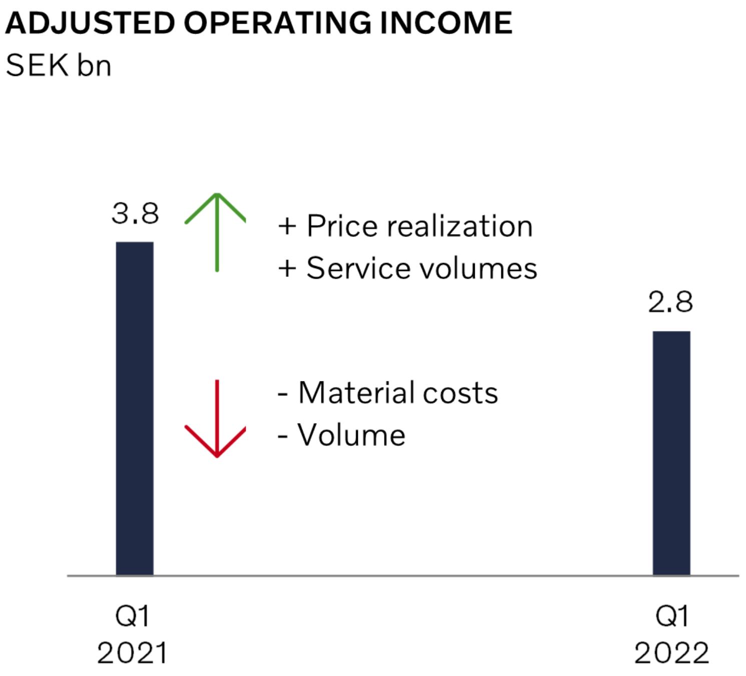


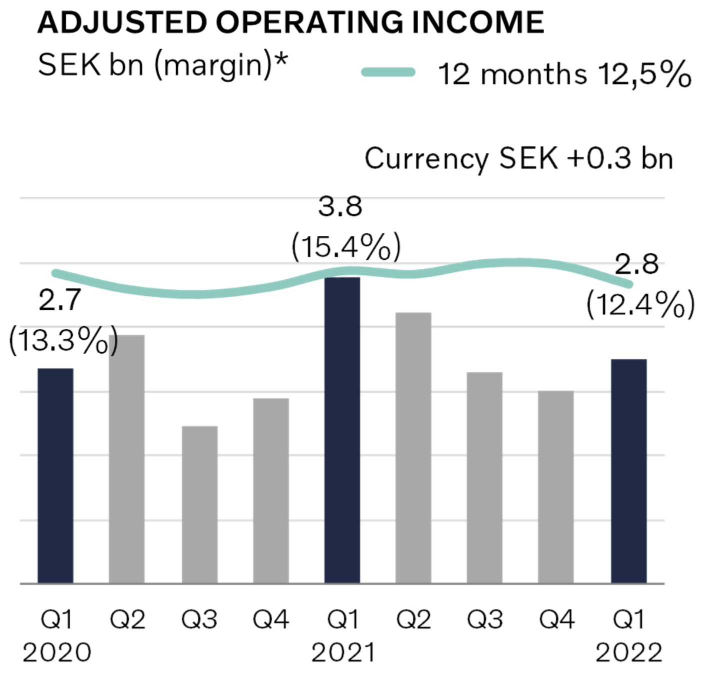
*For information on adjustments, see note 6 in the quarterly report

Construction Equipment

Net sales and adjusted operating income







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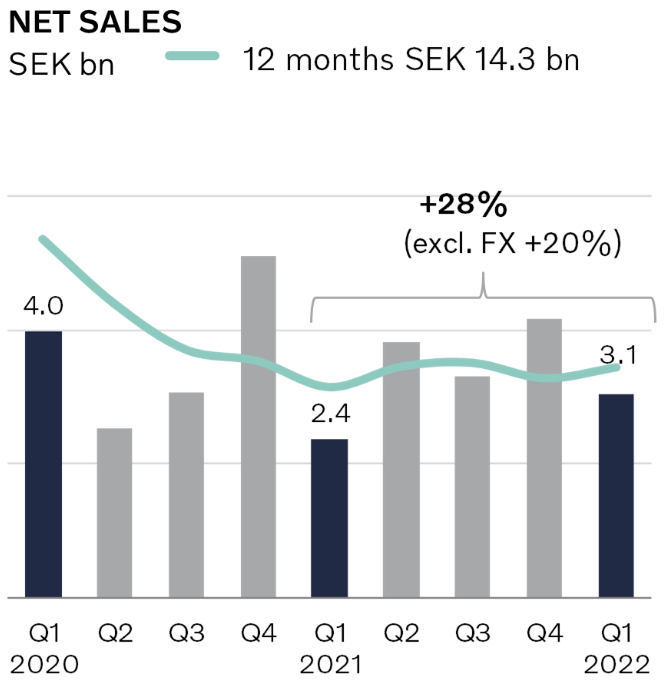
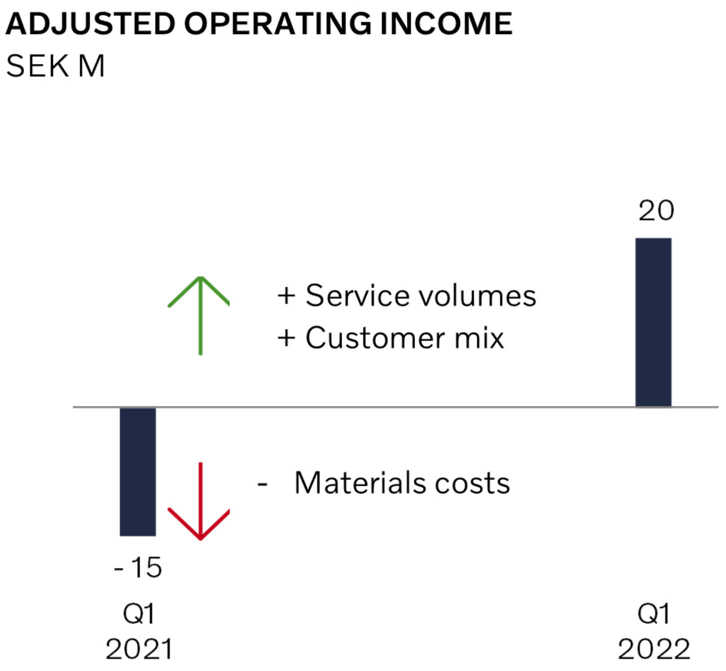
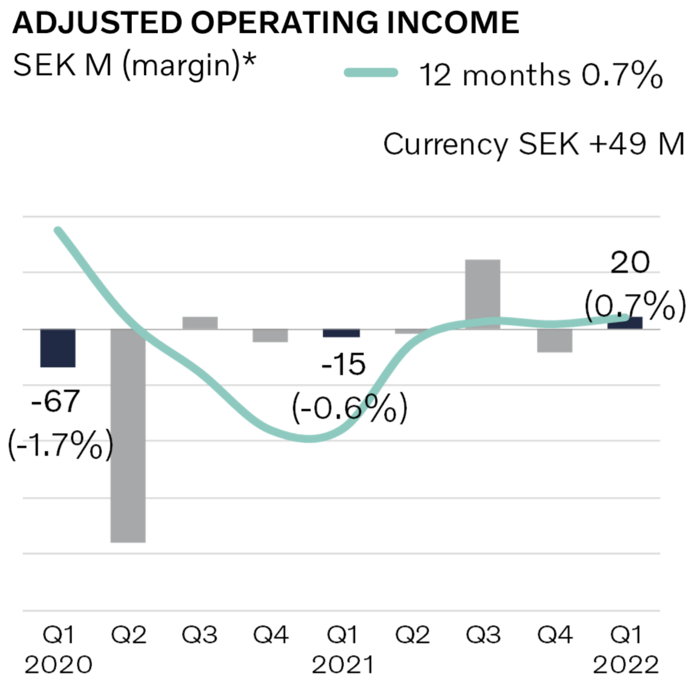
Buses

Net sales and adjusted operating income





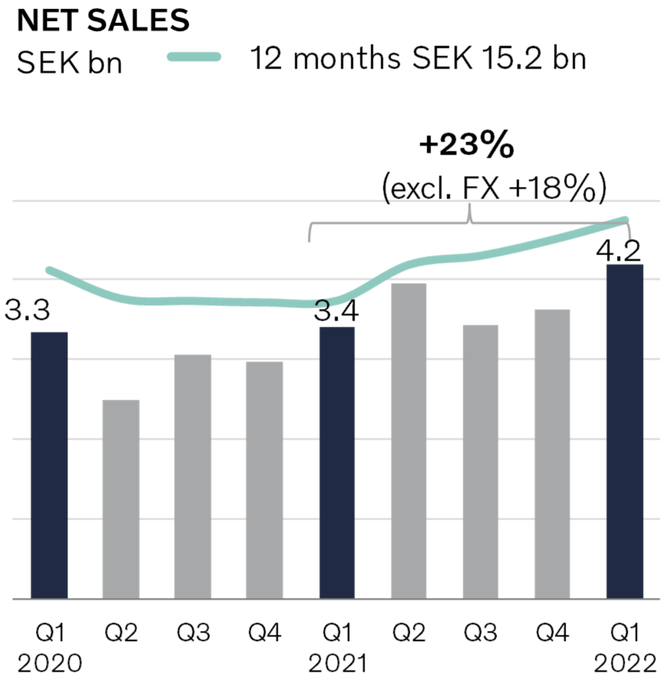


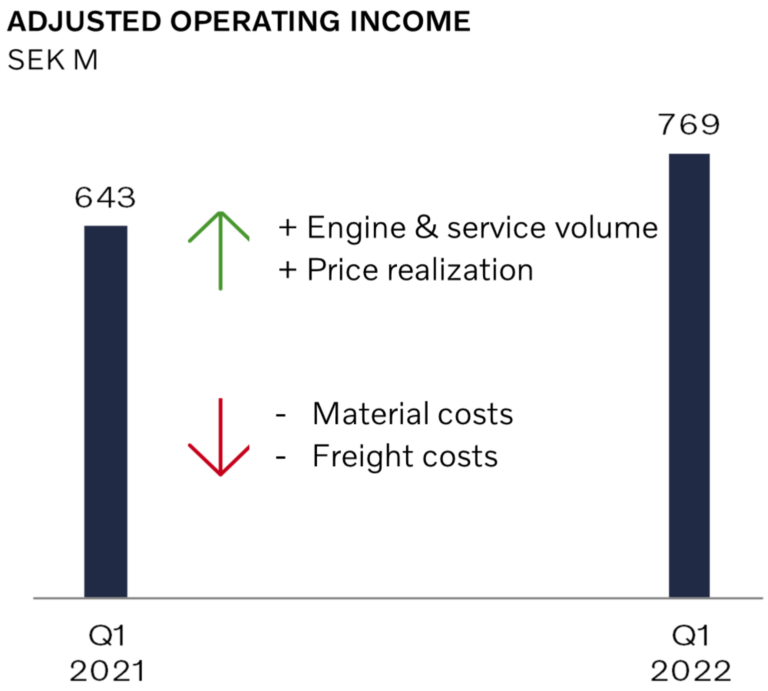
All numbers restated to exclude Nova Bus which is now included in segment 'Group Functions and other'

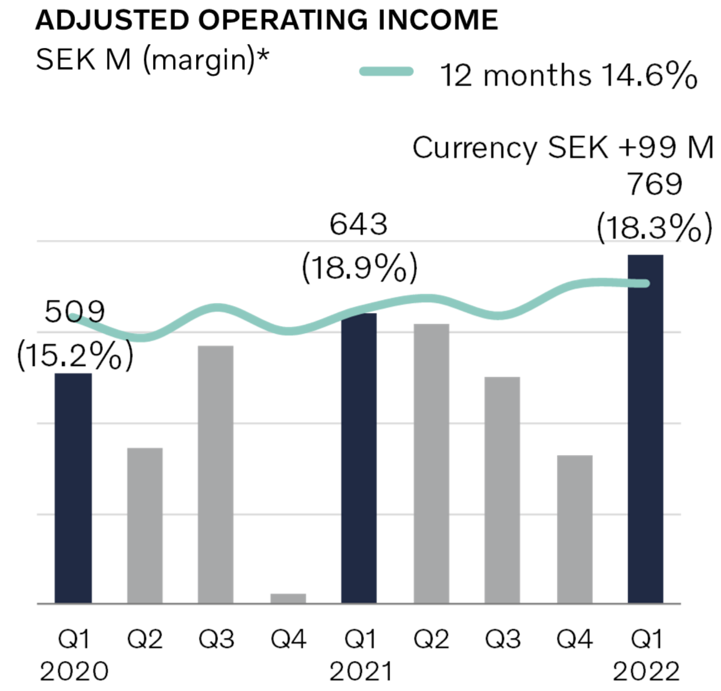
**For information on adjustments, see note 6 in the quarterly report*

Volvo Penta

Net sales and adjusted operating income





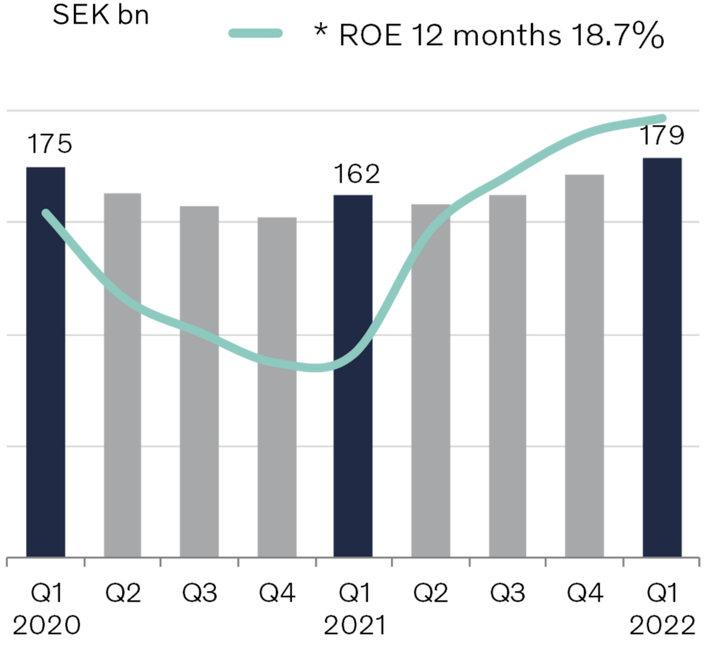


*For information on adjustments, see note 6 in the quarterly report

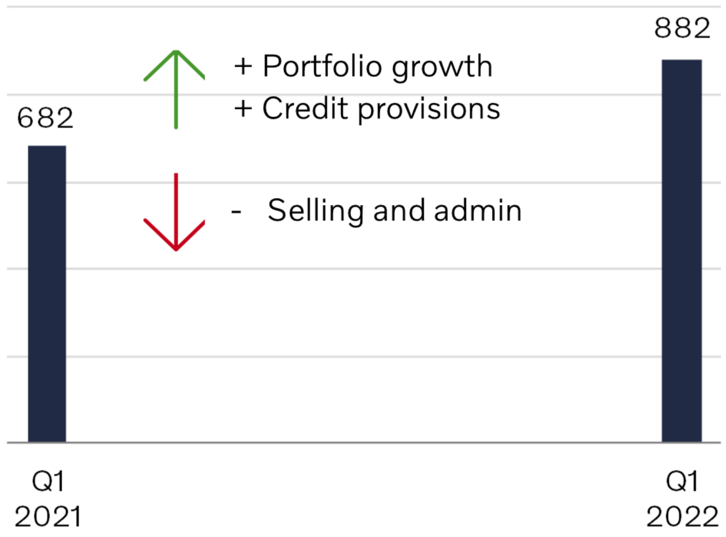
Financial Services

Credit portfolio and profitability

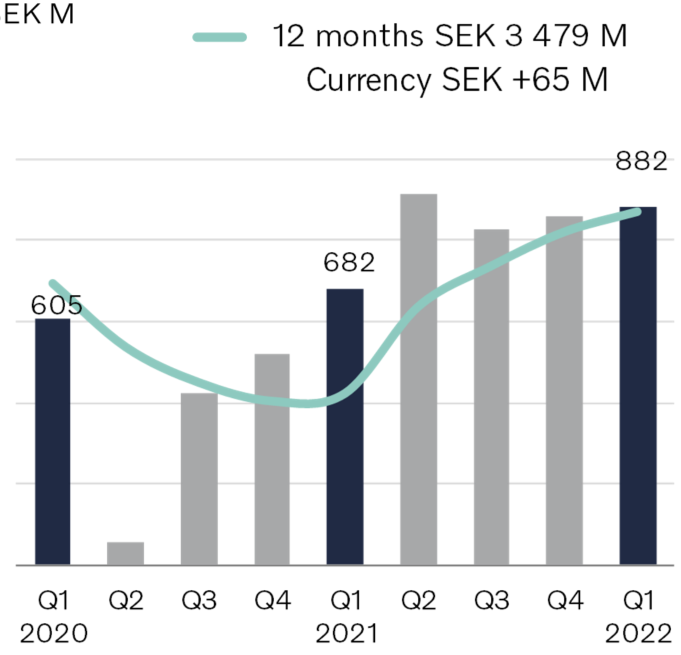
CREDIT PORTFOLIO & ROE*
SEK bn



ADJUSTED OPERATING INCOME
SEK M



ADJUSTED OPERATING INCOME **
SEK M



** ROE excludes provisioning related to Russian assets in 2022-Q1*
***For information on adjustments, see note 6 in the quarterly report*

Q&A

- Net sales SEK 105.3 bn
- Record truck deliveries for a Q1
- Adjusted operating margin 12.0%
- ROCE 25.3% (Industrial Operations)

VOLVO

Volvo Group Capital Markets Day 2022

June 22

#VolvoGroupCMD

@VolvoGroup