THIRD QUARTER 2022

Martin Lundstedt, President and CEO

Volvo Group

Third Quarter 2022

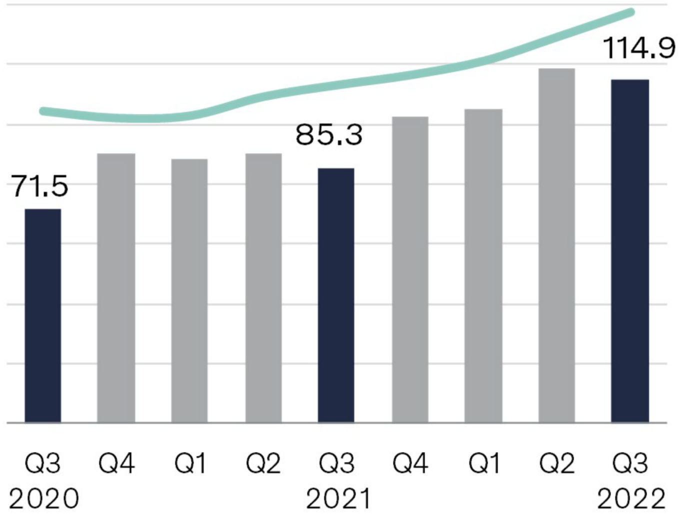
2022-10-20

Volvo Group

Quarter highlights

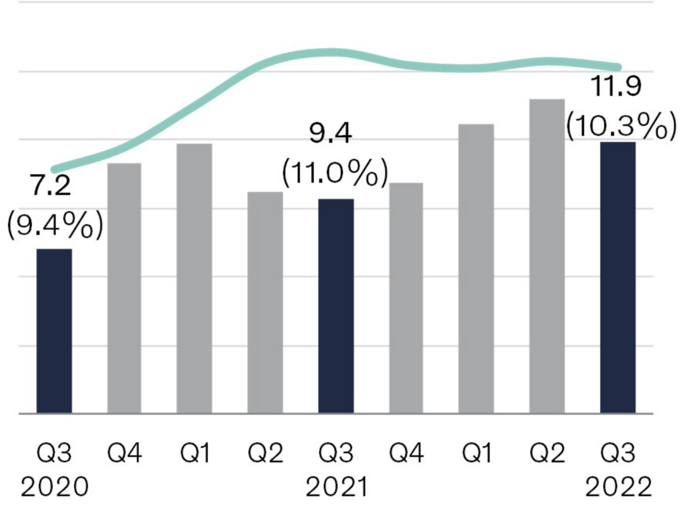
- Net sales increased to SEK 114.9 bn, an increase of 21% adjusted for FX
- Adjusted operating income reached SEK 11.9 bn (9.4), corresponding to a margin of 10.3% (11.0)
- Operating cash flow in Industrial Operations amounted to SEK 14.6 bn (-5.7)
- ROCE 27.4% (25.6) in Industrial Operations
- EPS increased by 22% to SEK 4.24 (3.47)
- Supply chain constraints with low visibility
- Series production of heavy-duty, 44-tonnes electric trucks started

NET SALES
SEK bn
12 months SEK 442 bn



Net sales restated for UD Trucks divestment

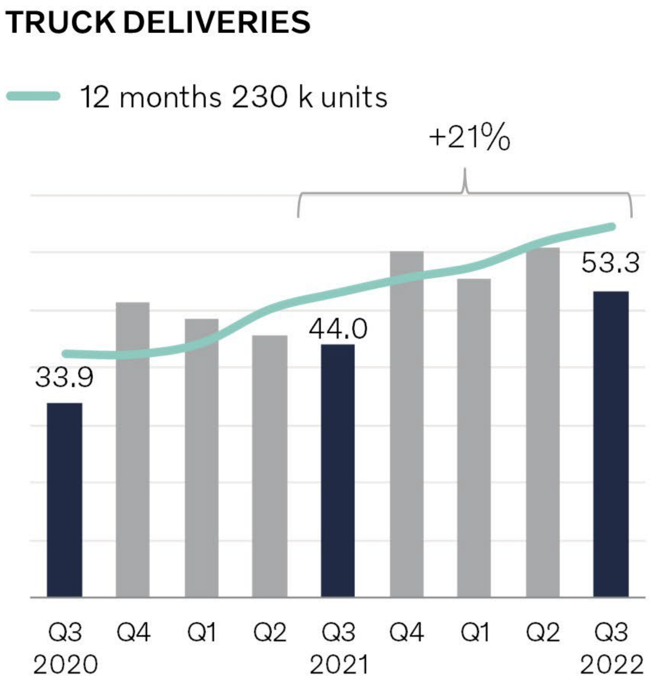
ADJUSTED OPERATING INCOME
SEK bn (margin)*
12 months 11.0%



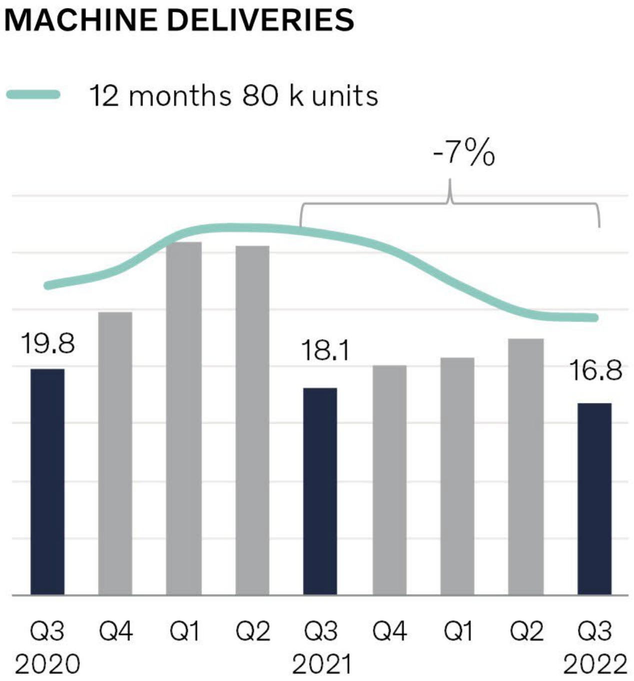
**For information on adjustments, see note 6 in the quarterly report*

Volvo Group

Volume development



Deliveries restated for UD Trucks divestment

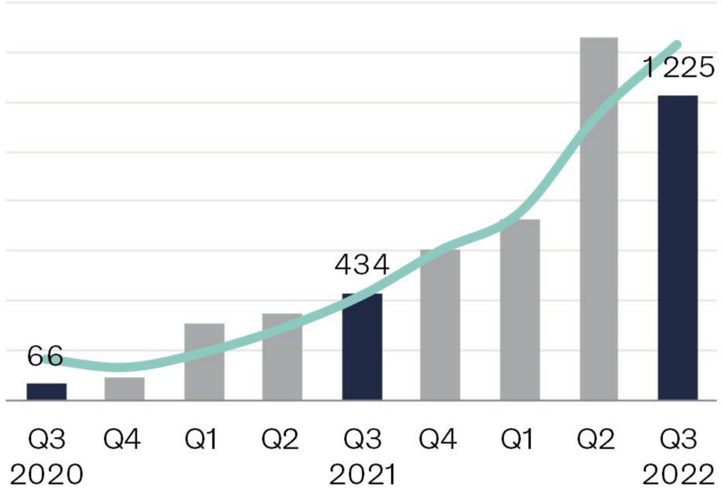


Volvo Group

Electrification progress

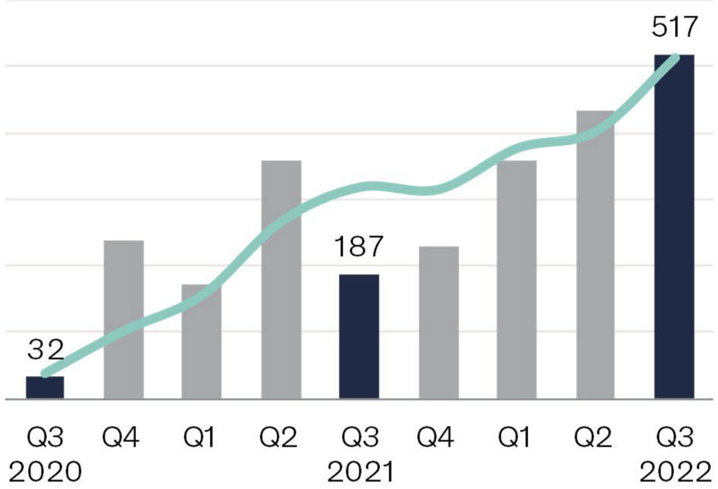
ORDER INTAKE, FULLY ELECTRIC VEHICLES

12 months 4,015 units



DELIVERIES, FULLY ELECTRIC VEHICLES

12 months 1,537 units

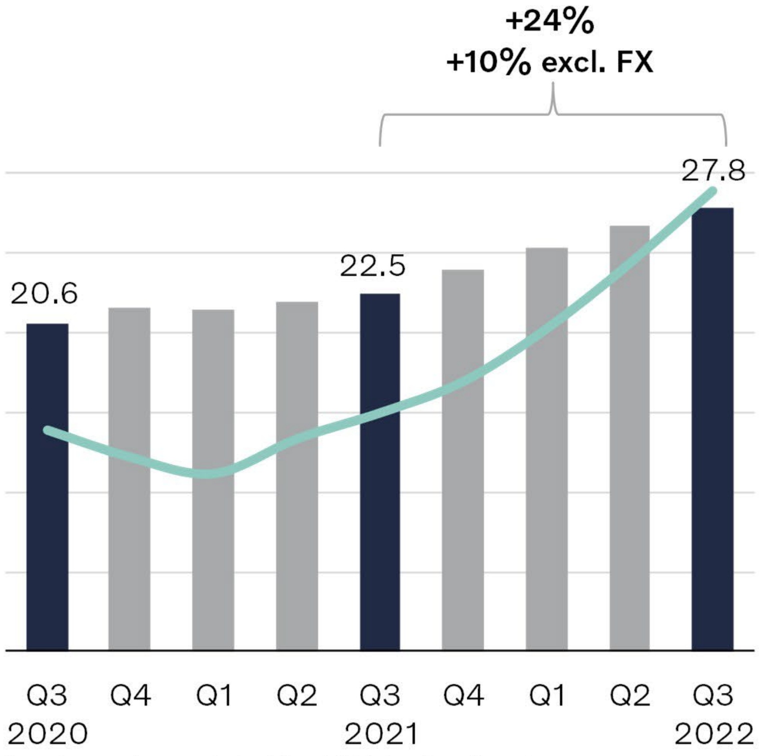


Volvo Group

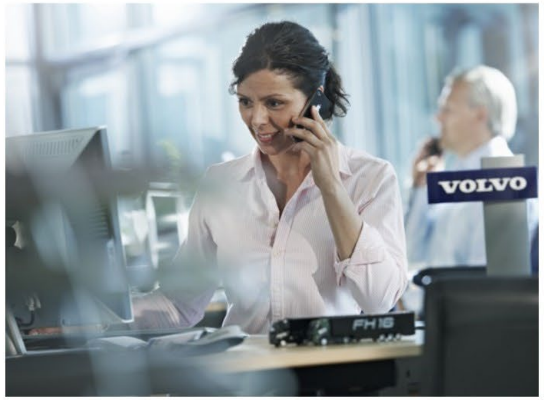
Service sales development

SERVICE SALES (incl. Financial Services)

SEK bn — 12 months SEK 103.7 bn



Service sales restated for UD Trucks divestment



YoY GROWTH %

11%	3%	28%	7%	15%
TRUCKS	CONSTRUCTION EQUIPMENT	BUSES	PENTA	VFS

All figures are excluding FX

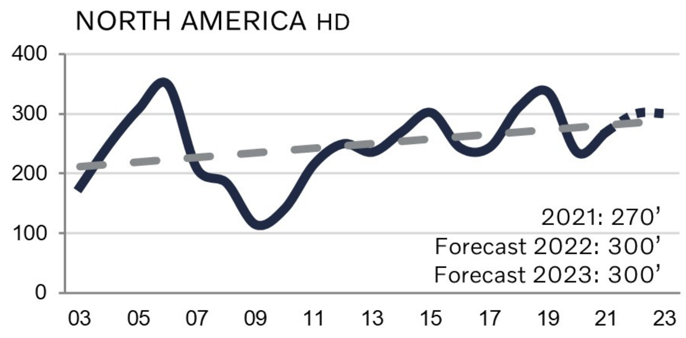
Trucks

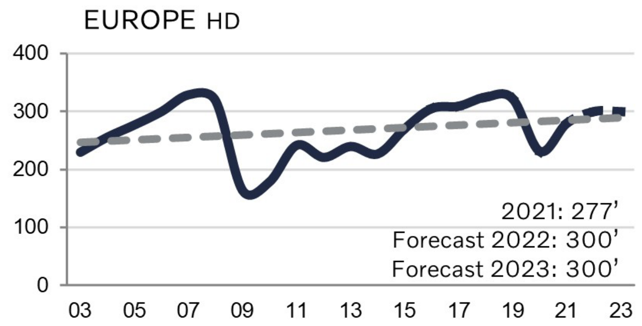
Significant electrification steps taken in the quarter:

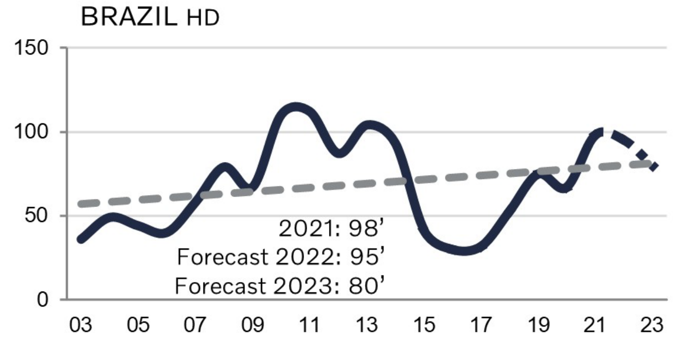
- Volvo Trucks starts series production of electric heavy-duty trucks
- Volvo Trucks will supply 20 electric heavy-duty trucks to Amazon
- Renault Trucks electric heavy-duty trucks available for pre-order
- Volvo Group starts process to establish plant for battery cell production in Sweden

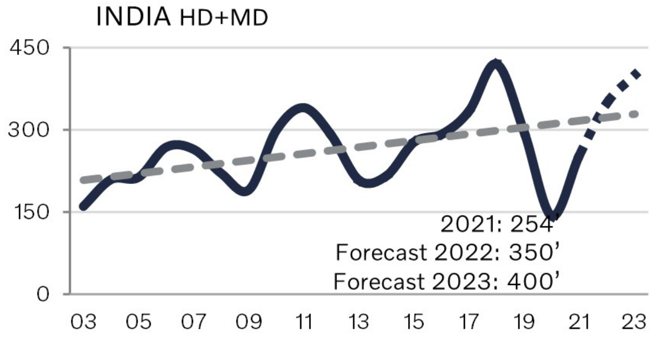
Trucks

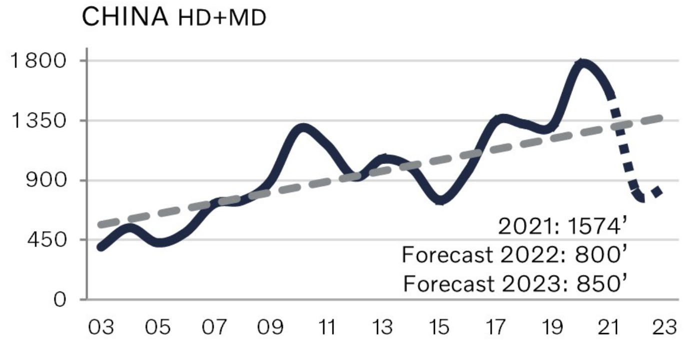
Market environment











Market forecasts are based on current visibility, which is low and with significant uncertainty.

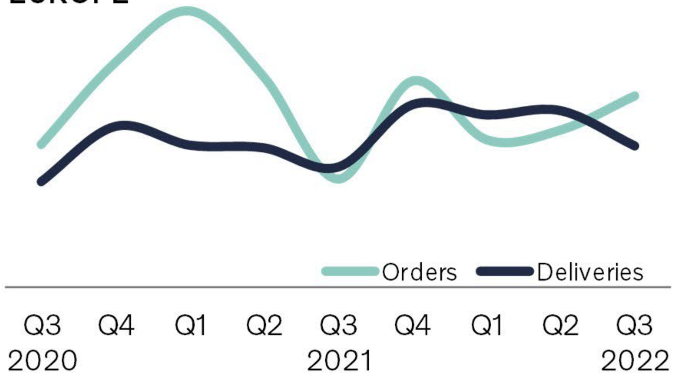
Trucks: Restrictive order slotting to manage order book quality and cost inflation

Quarterly Orders +27% and Deliveries +21%

NORTH AMERICA

Orders -14%
Deliveries +30%

EUROPE

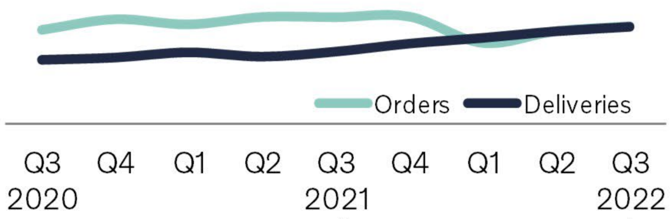


Orders +76%
Deliveries +18%

SOUTH AMERICA

Orders +24%
Deliveries +6%

AFRICA AND OCEANIA



Orders -9%
Deliveries +34%

ASIA

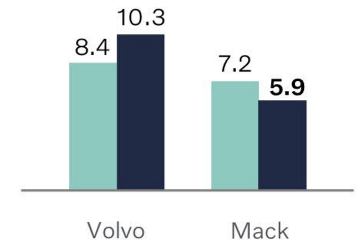
Orders +63%
Deliveries +46%

Figures restated for UD Trucks divestment

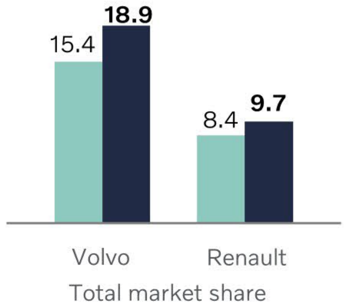
Trucks

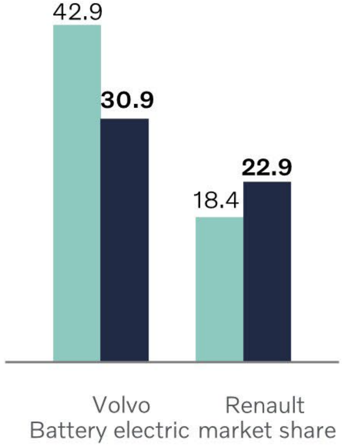
Heavy-duty truck market shares

NORTH AMERICA
YTD Aug

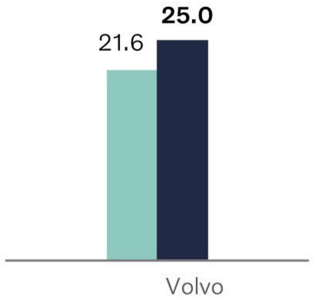


EUROPE (EU29)
YTD Aug

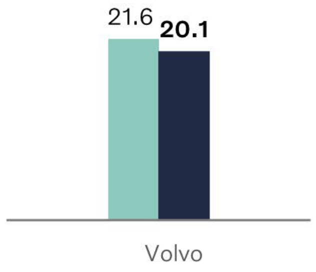




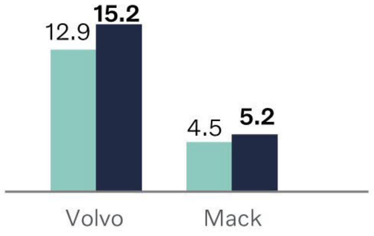
BRAZIL
YTD Sept



SOUTH AFRICA
YTD Aug



AUSTRALIA
YTD Sept



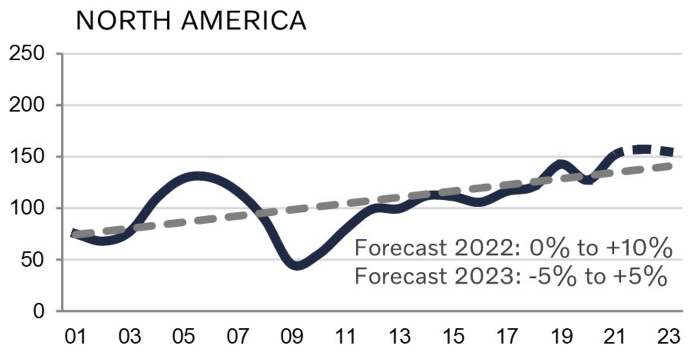
2021 **2022**

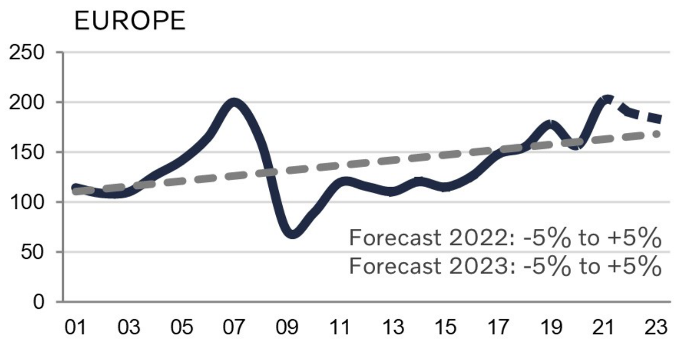
Construction Equipment

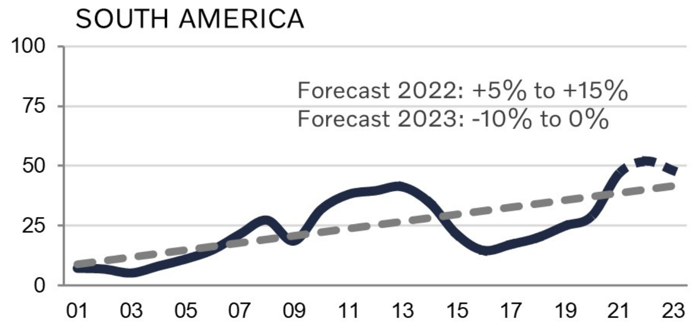
- Continued global roll-out of electric machines in China and South Korea
- Order intake for electric machines increased 98% and deliveries increased 147%

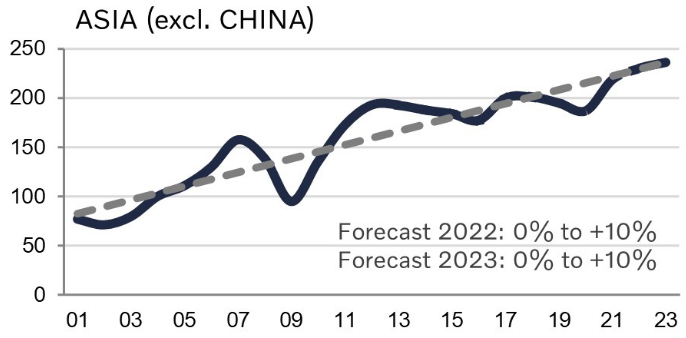
Construction Equipment

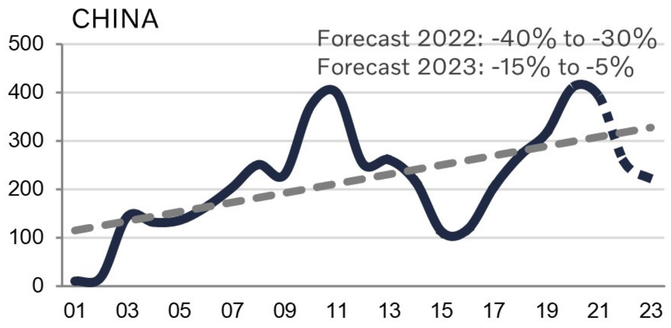
Market environment









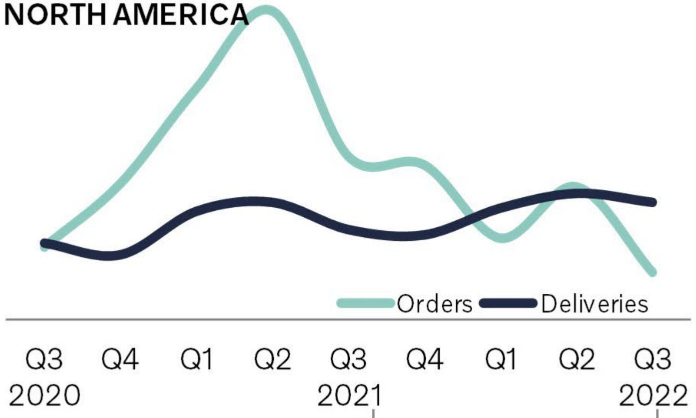


Market forecasts are based on current visibility, which is low and with significant uncertainty.

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

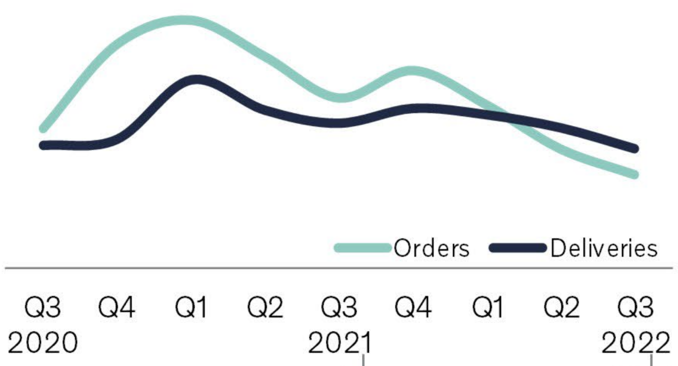
Quarterly Orders -32% and Deliveries -7%

NORTH AMERICA



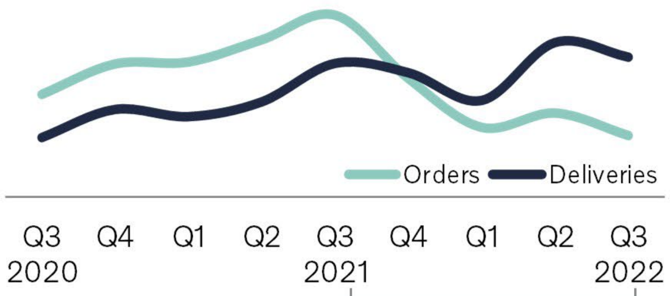
Orders -71%
Deliveries +31%

EUROPE



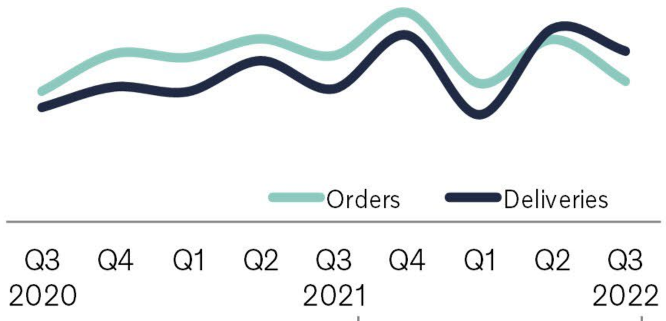
Orders -45%
Deliveries -18%

SOUTH AMERICA



Orders -66%
Deliveries +5%

AFRICA AND OCEANIA



Orders -16%
Deliveries +28%

ASIA

Orders -12%
Deliveries -12%

Buses

- Orders increased by 3%
- Deliveries increased by 19%
- The new Volvo 9800 Euro 6 coach is well received in Mexico

Volvo Penta

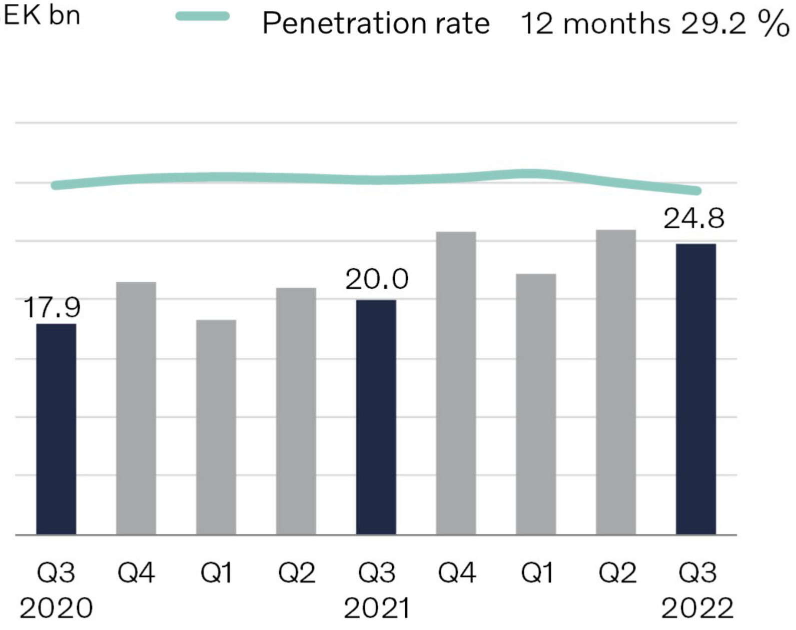
- Orders on par with last year
- Deliveries increased by 14%
- New range of variable speed generator sets for marine applications launched

Financial Services

- Record new business volume for a third quarter
- Stable finance penetration levels
- Good portfolio performance
- VFS finances 112 electric Volvo buses with largest operator in Sweden

NEW RETAIL FINANCING & PENETRATION RATE

SEK bn



VOLVO

THIRD QUARTER 2022

Tina Hultkvist, Executive Vice President Group Finance and CFO

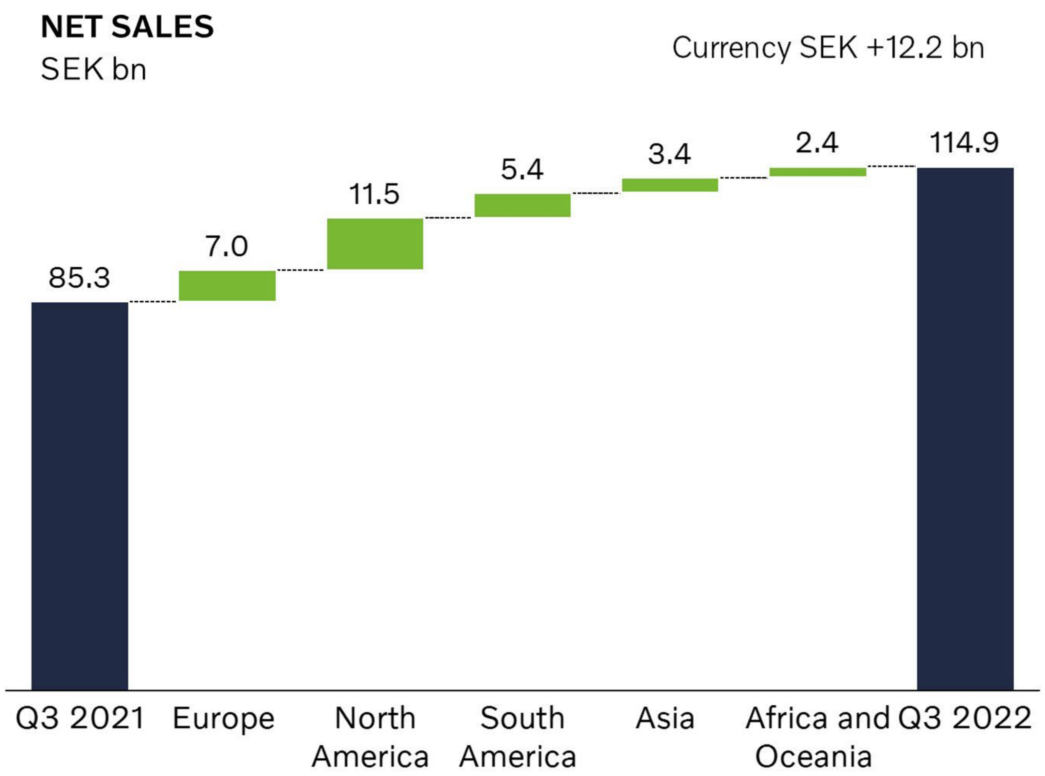
Volvo Group

Third Quarter 2022

2022-10-20

Volvo Group

Net sales per market

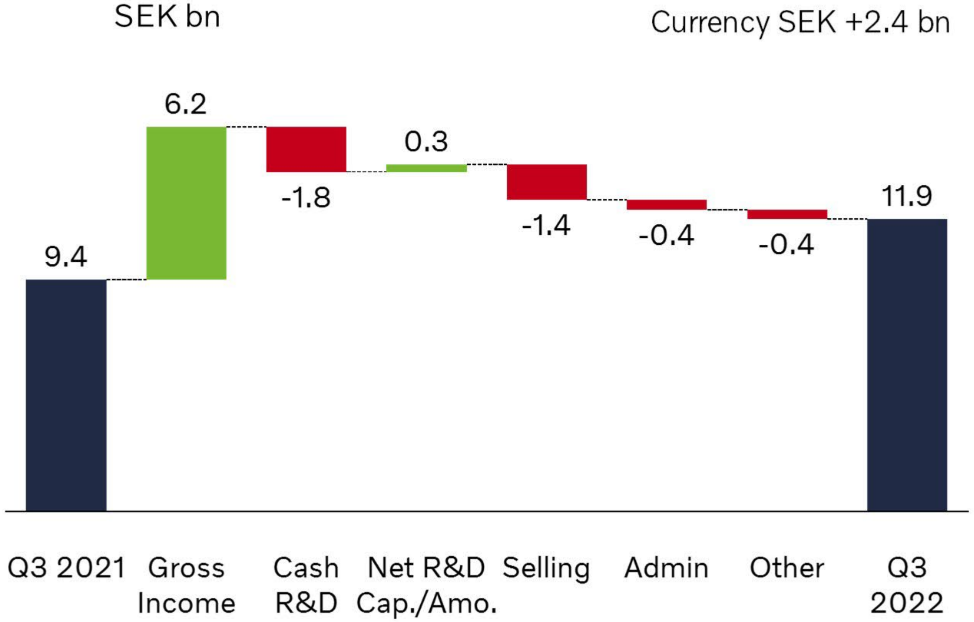


Volvo Group

Adjusted operating income contributors

ADJUSTED OPERATING INCOME

SEK bn

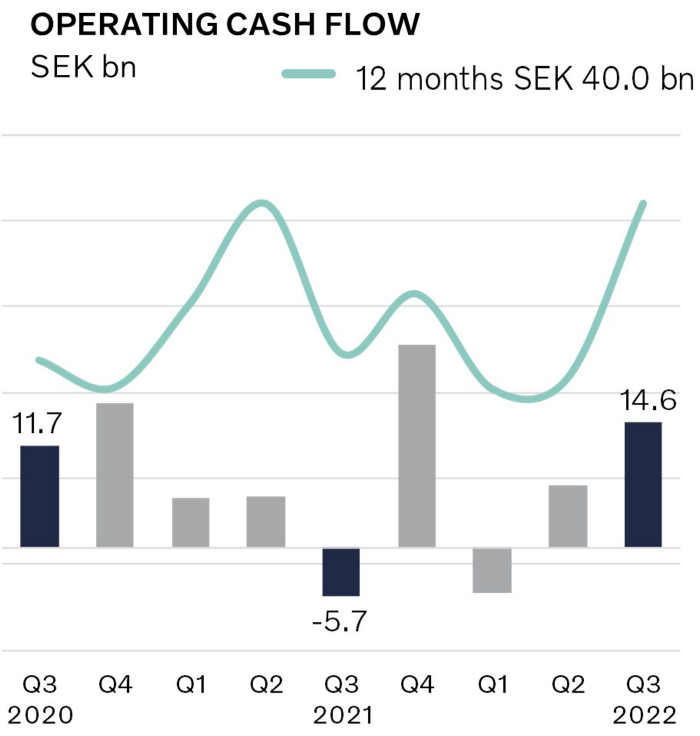


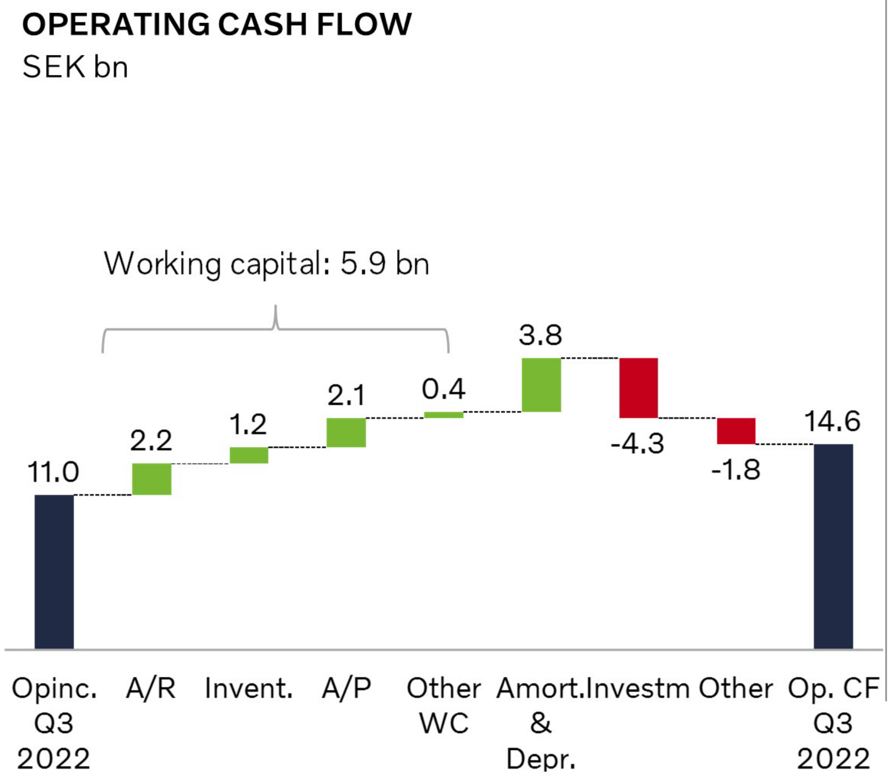
+ Price realization
+ Vehicle and service volumes

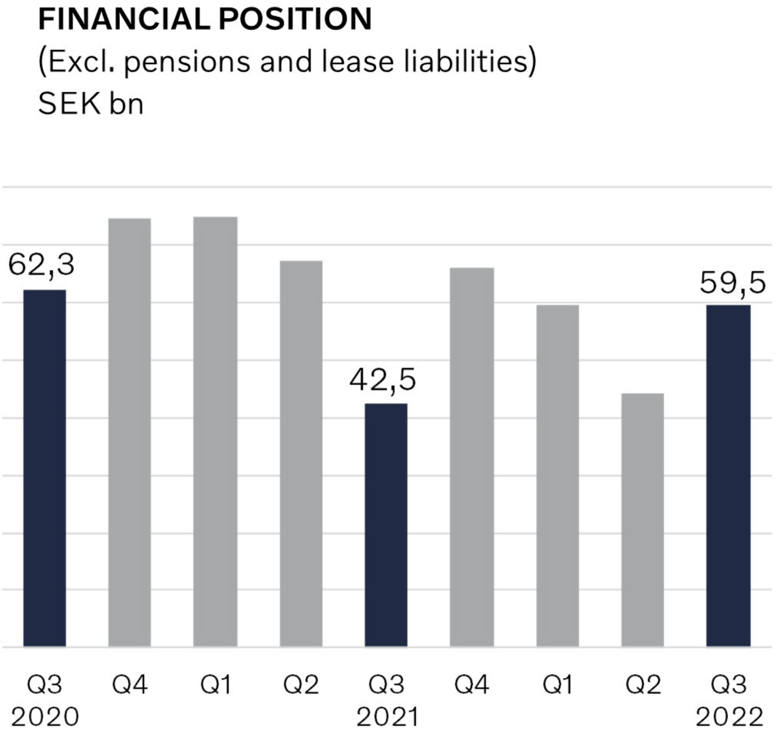
- Material costs
- R&D expenses
- Selling expenses
- Freight costs

Volvo Group

Cash flow and financial position in Industrial Operations

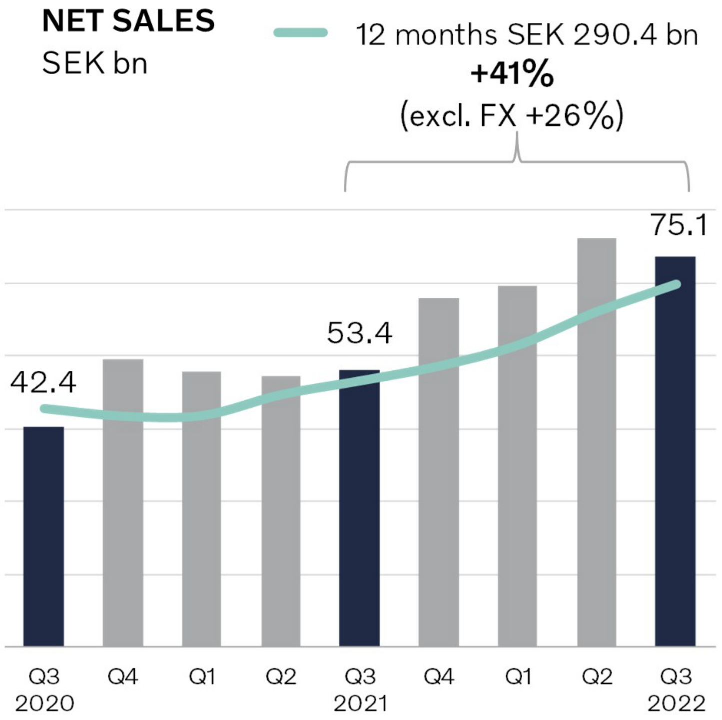




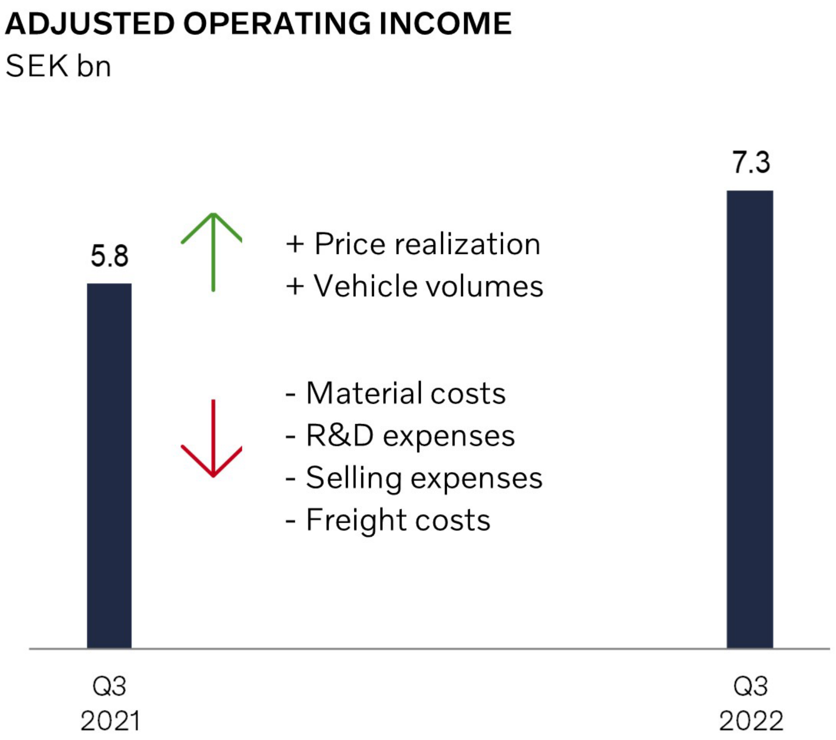


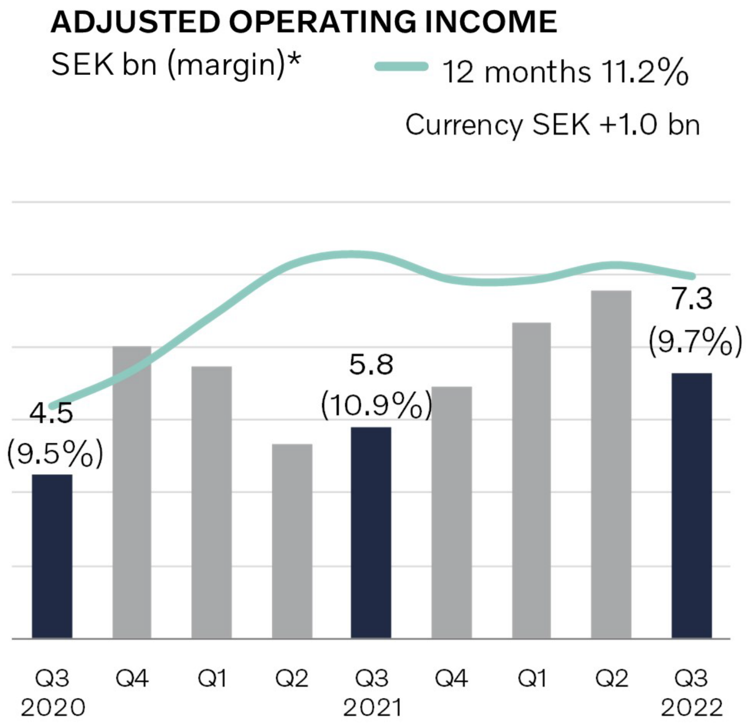
Trucks

Net sales and adjusted operating income



Net sales restated for UD Trucks divestment



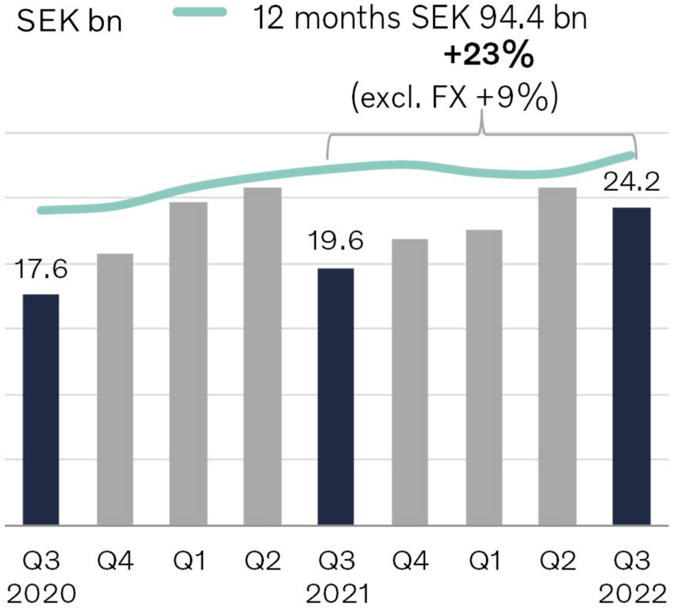


*For information on adjustments, see note 6 in the quarterly report

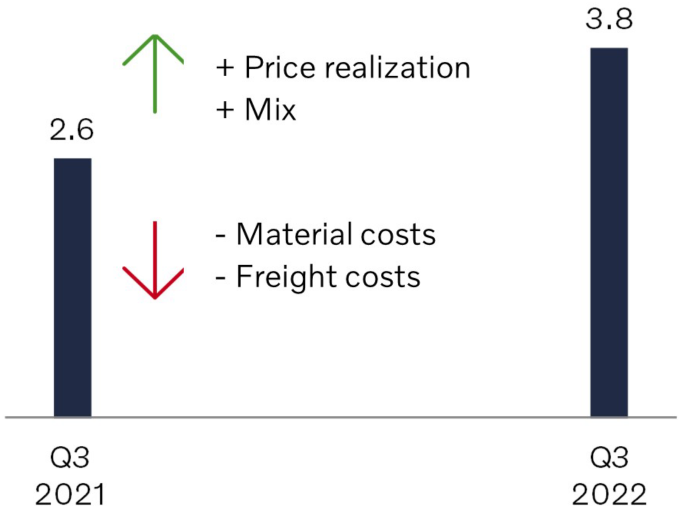
Construction Equipment

Net sales and adjusted operating income

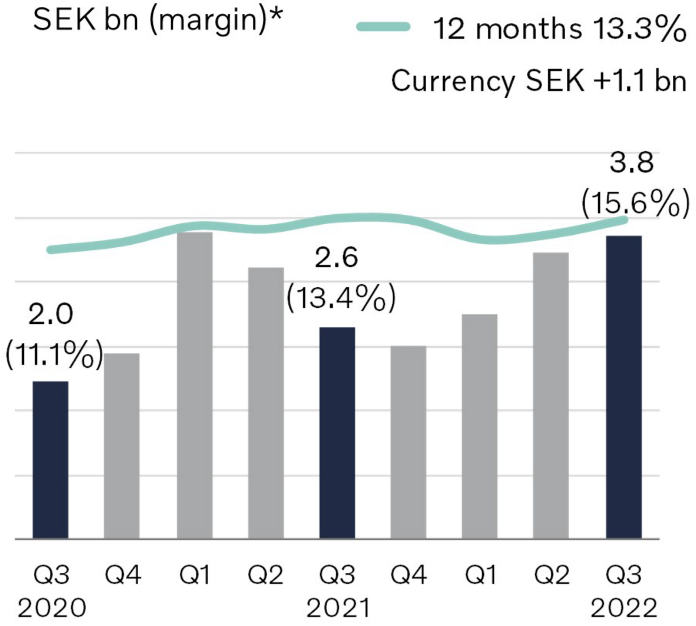
NET SALES
SEK bn



ADJUSTED OPERATING INCOME
SEK bn



ADJUSTED OPERATING INCOME
SEK bn (margin)*

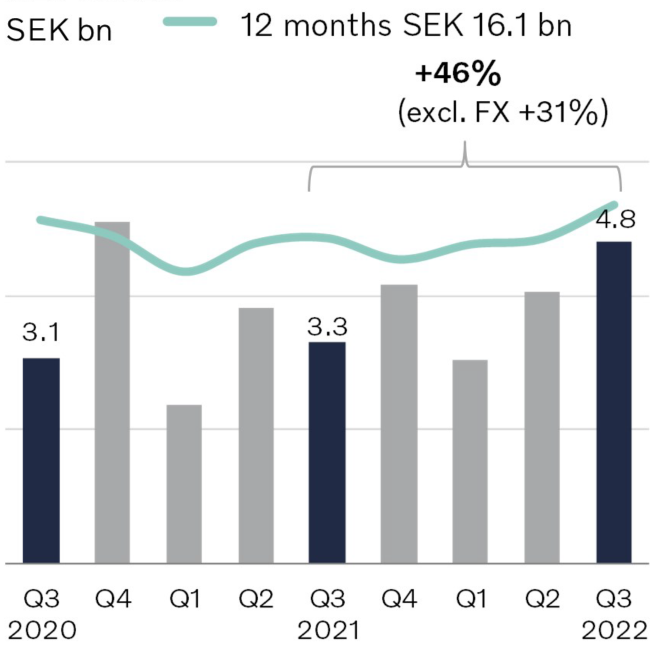


For information on adjustments, see note 6 in the quarterly report

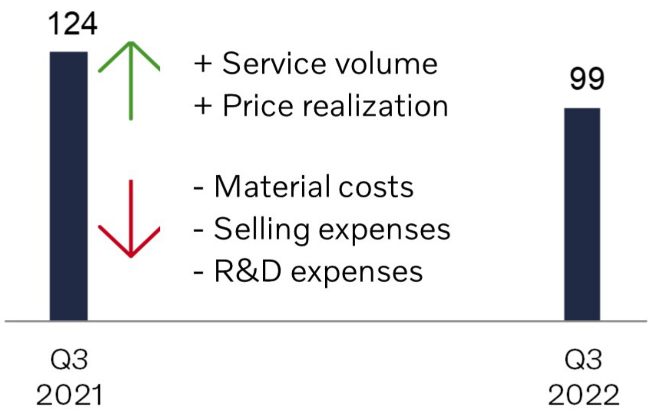
Buses

Net sales and adjusted operating income

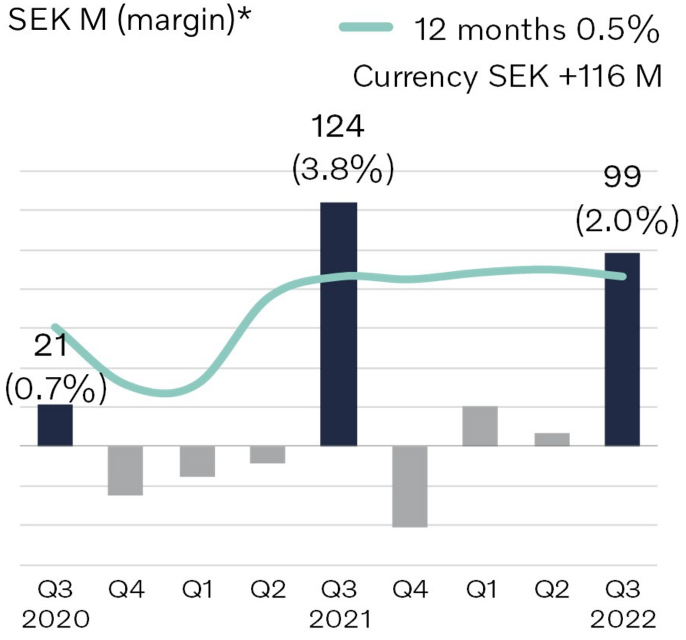
NET SALES
SEK bn



ADJUSTED OPERATING INCOME
SEK M



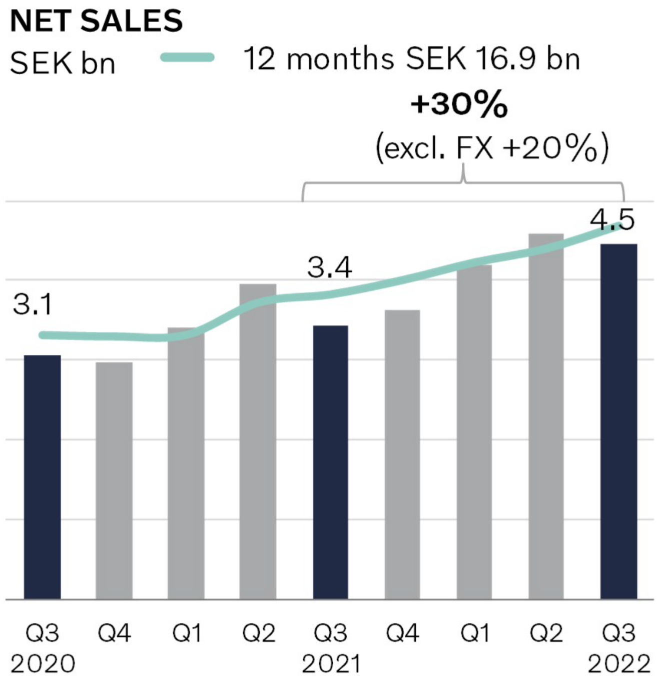
ADJUSTED OPERATING INCOME
SEK M (margin)*

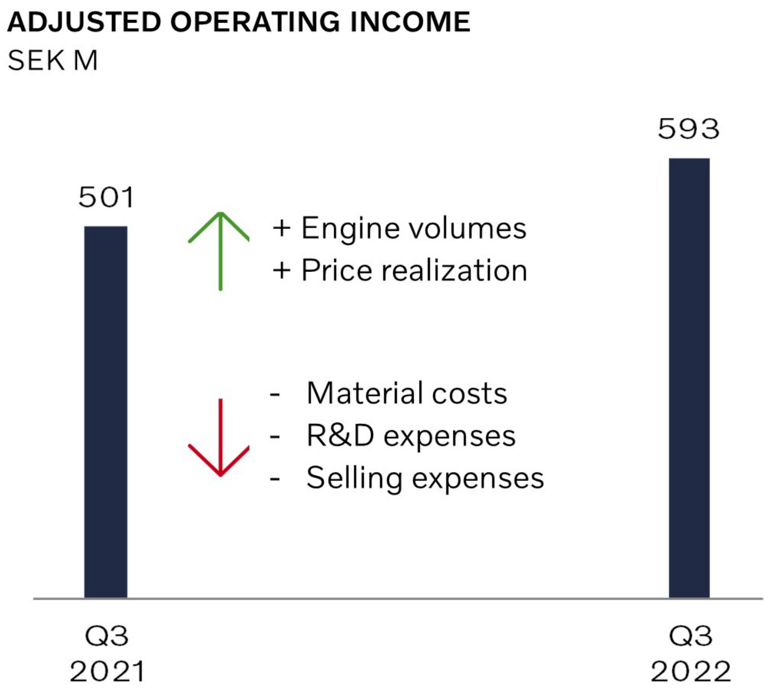


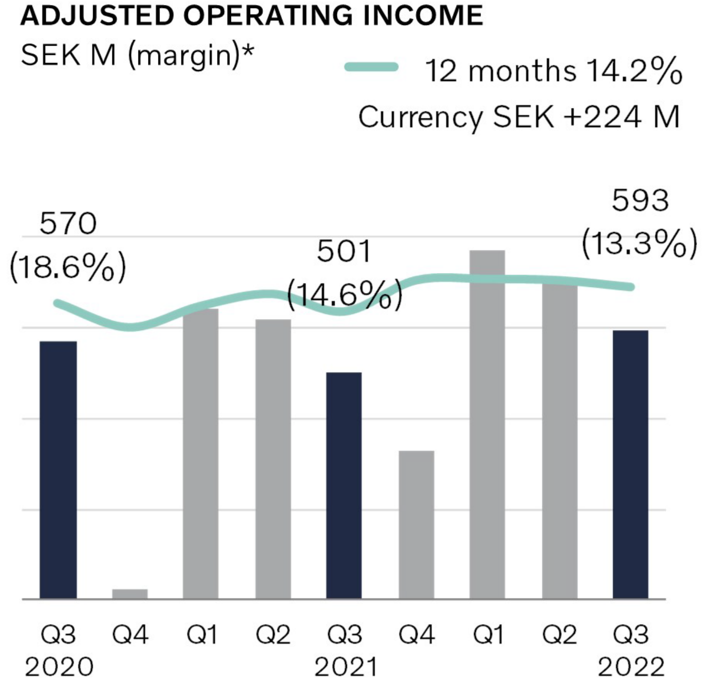
All numbers restated to exclude Nova Bus which is now included in segment 'Group Functions and other'
**For information on adjustments, see note 6 in the quarterly report*

Volvo Penta

Net sales and adjusted operating income







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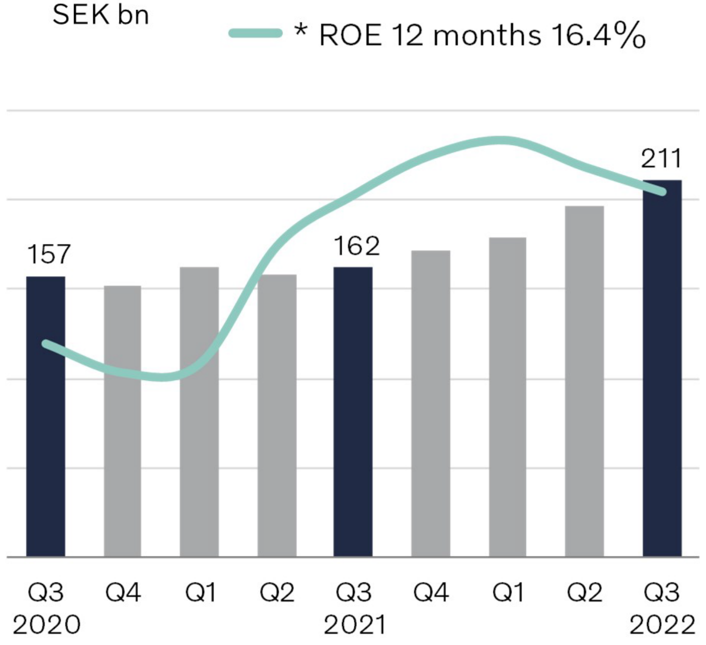
Financial Services

Credit portfolio and profitability

CREDIT PORTFOLIO & ROE*

SEK bn

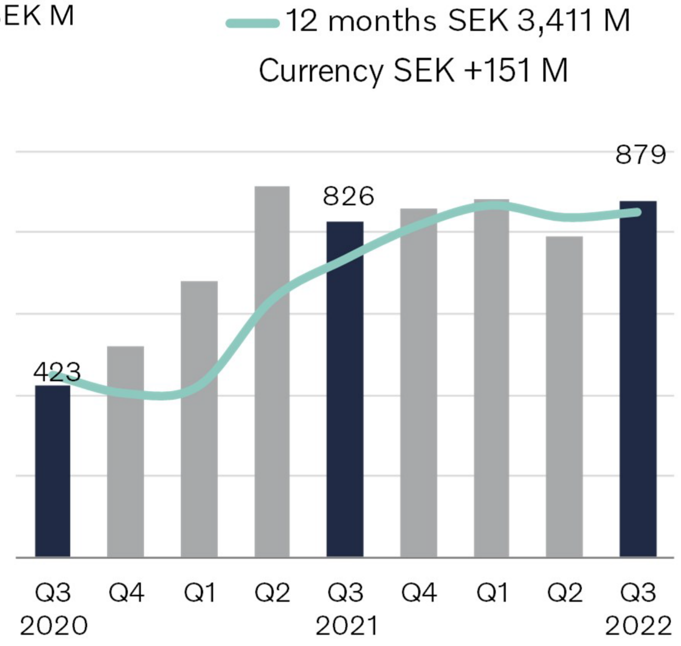


ADJUSTED OPERATING INCOME

SEK M

ADJUSTED OPERATING INCOME **

SEK M



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

Q&A

Third quarter 2022

- Net sales SEK 114.9 bn
- Adjusted operating margin 10.3%
- ROCE 27.4% (Industrial Operations)
- EPS increased by 22% to SEK 4.24 (3.47)
- Series production of heavy-duty, 44-tonnes electric trucks started

VOLVO