

V O L V O

FOURTH QUARTER 2024

Martin Lundstedt

President and CEO

Volvo Group

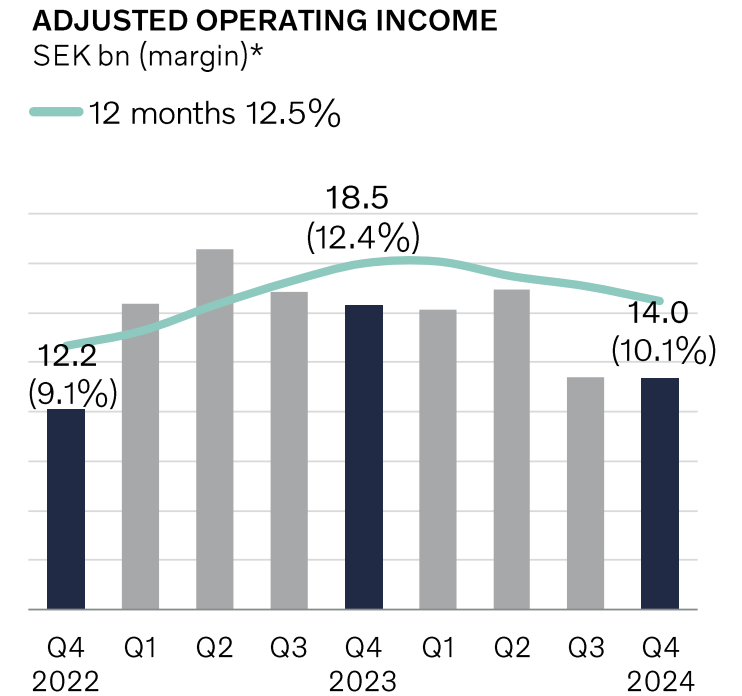
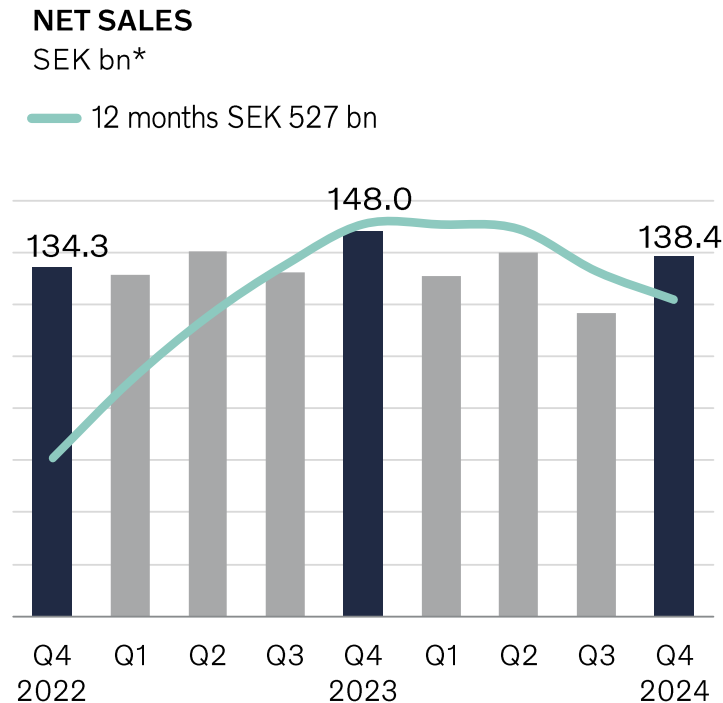
Fourth quarter 2024

2025-01-29

VOLVO GROUP

Fourth quarter highlights

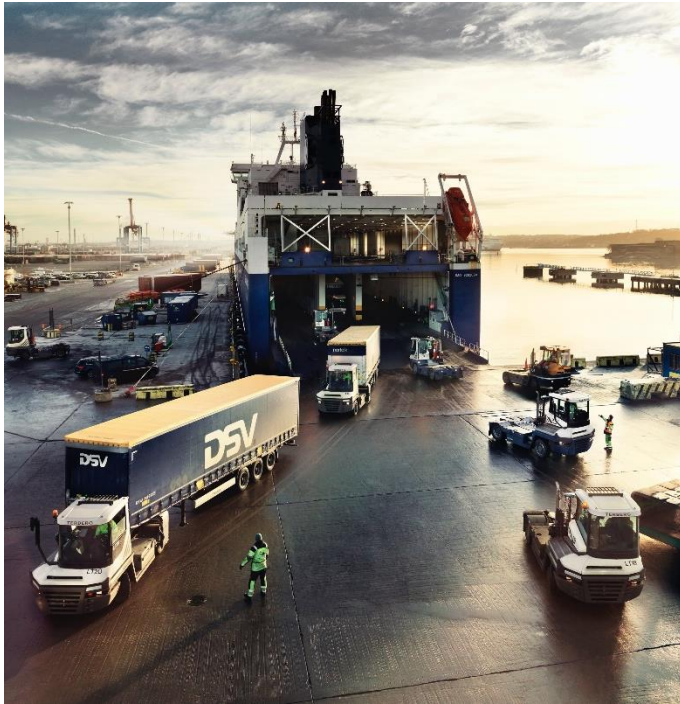
- Net sales amounted to SEK 138.4 bn (148.0) with SEK -1.1 bn impact from FX
- Adjusted operating income reached SEK 14.0 bn (18.5), corresponding to a margin of 10.1% (12.4)
- Operating cash flow in Industrial Operations amounted to SEK 24.3 bn (22.7)
- Net cash position in Industrial Operations amounted to SEK 85.9 bn (83.4)
- ROCE 35.8% (36.7) in Industrial Operations
- EPS SEK 5.28 (5.93)



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

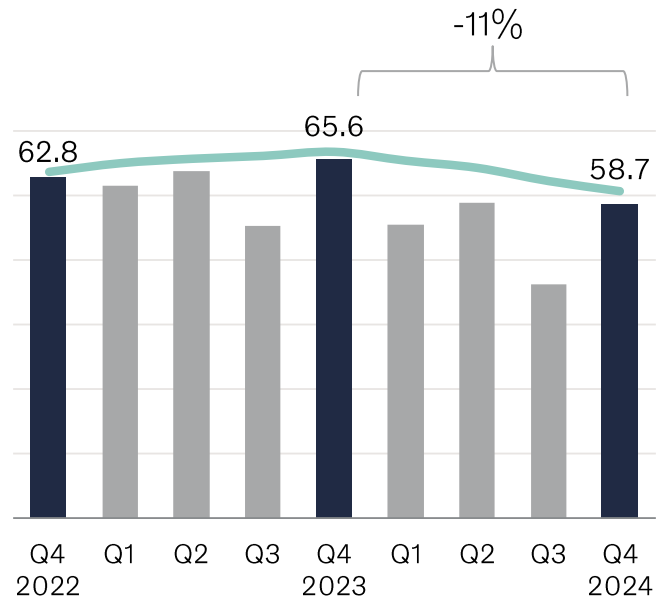
VOLVO GROUP

Volume development



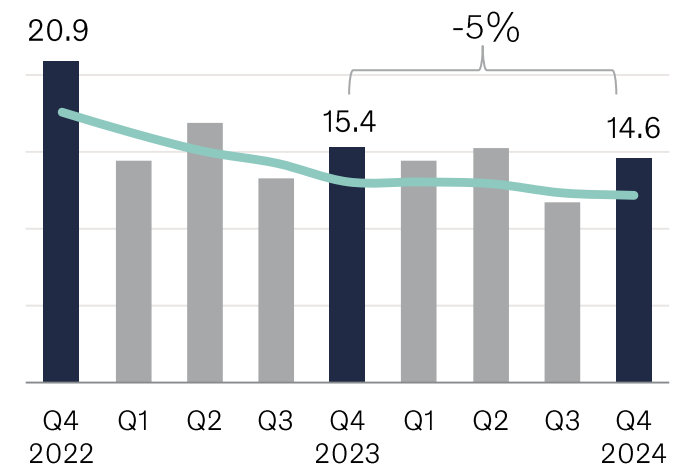
TRUCK DELIVERIES

— 12 months 219' units



MACHINE DELIVERIES

— 12 months 56' units



VOLVO GROUP

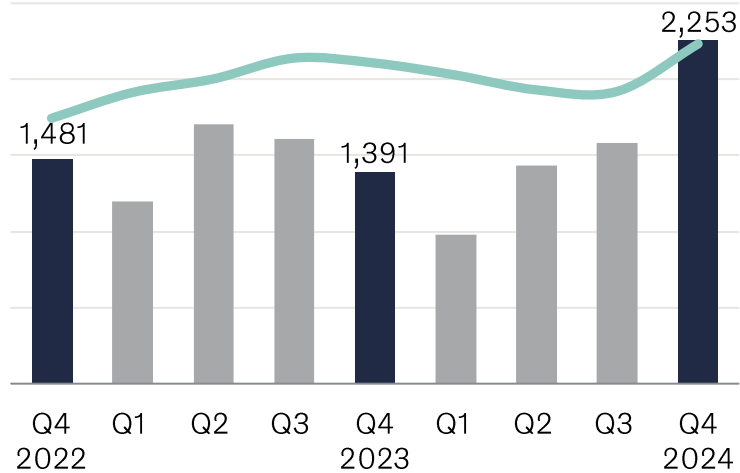
Electrification progress



ORDER INTAKE, FULLY ELECTRIC VEHICLES

12 months 6,244 units

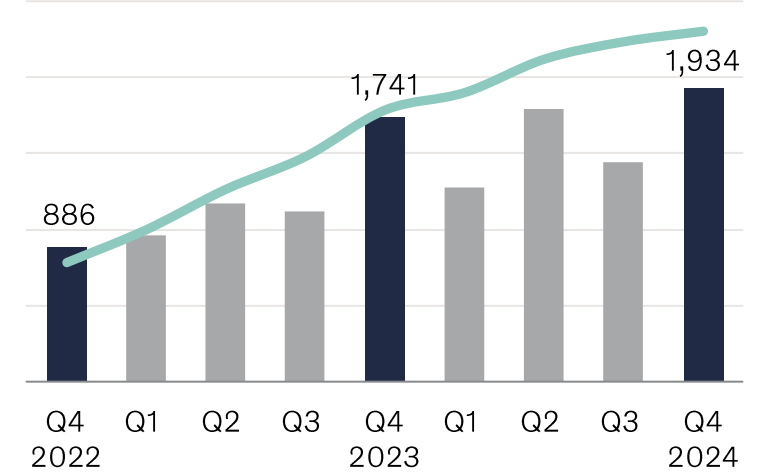
+62%



DELIVERIES, FULLY ELECTRIC VEHICLES

12 months 6,443 units

+11%



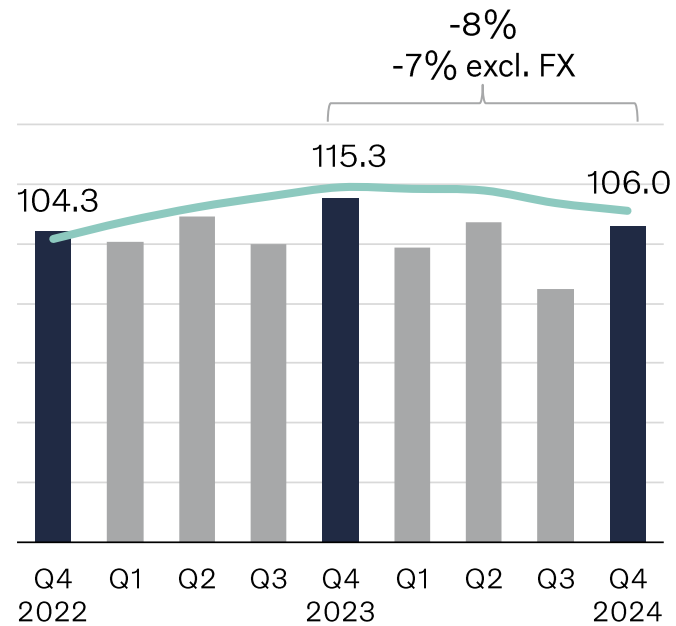
Including Designwerk and Nova Bus

VOLVO GROUP

Vehicle and machine sales development

VEHICLE SALES

SEK bn — 12 months SEK 397 bn



YoY GROWTH %

→
-5%
TRUCKS

→
-19%
CONSTRUCTION
EQUIPMENT

→
-12%
BUSES

→
-9%
VOLVO PENTA

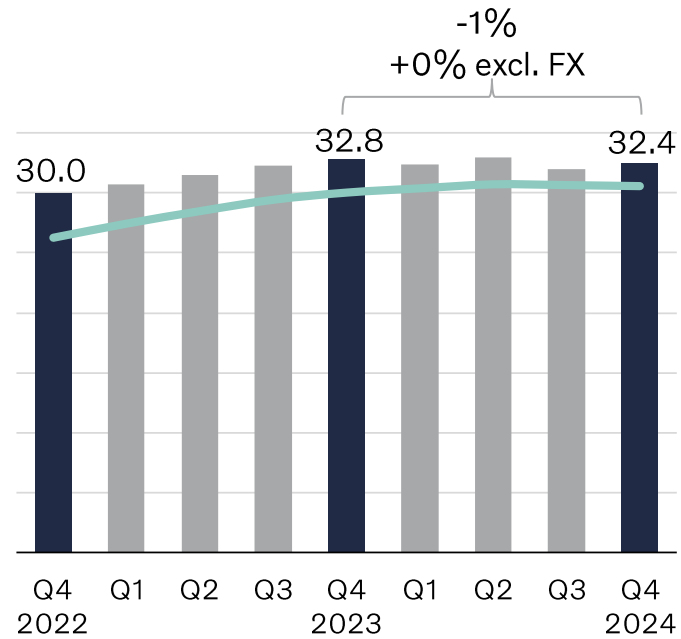
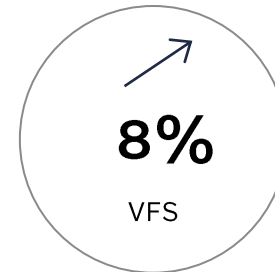
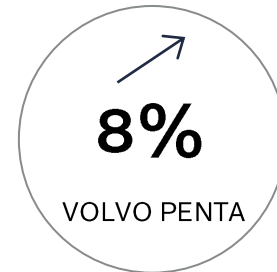
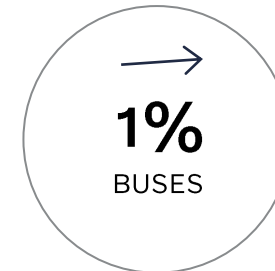
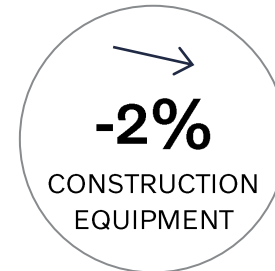
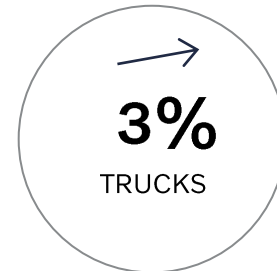
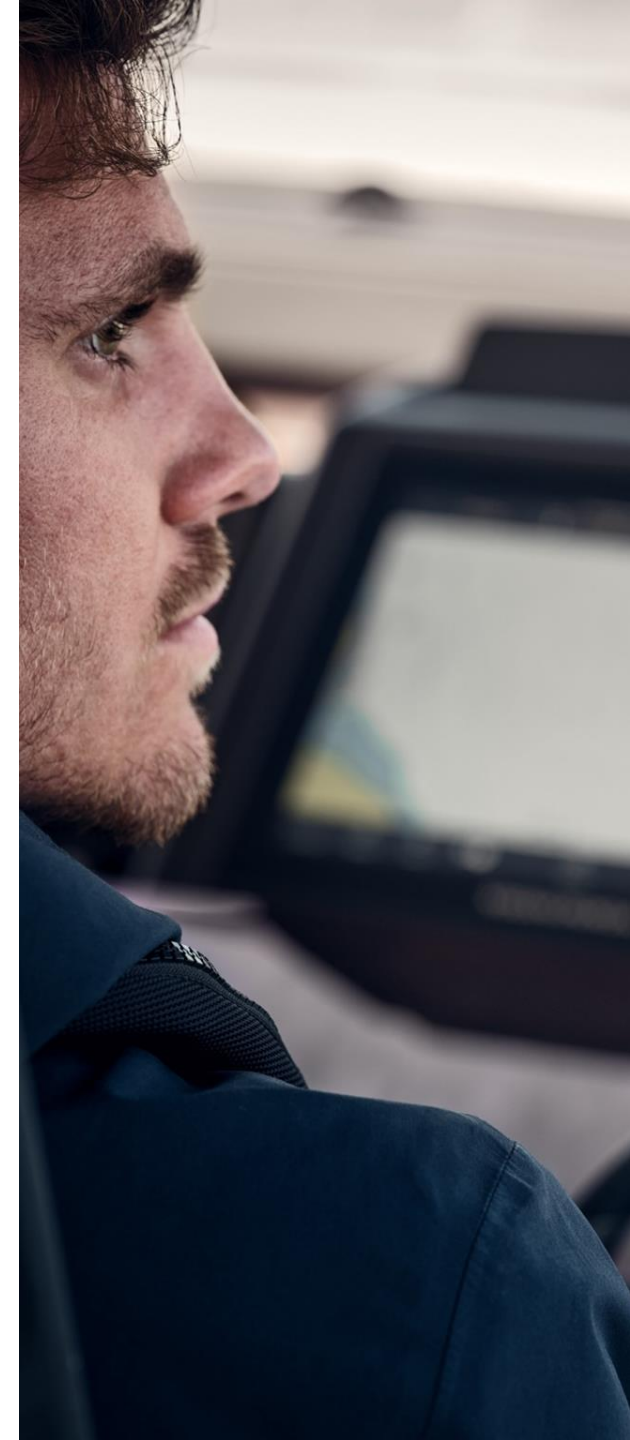
All figures are excluding FX

VOLVO GROUP

Service sales development

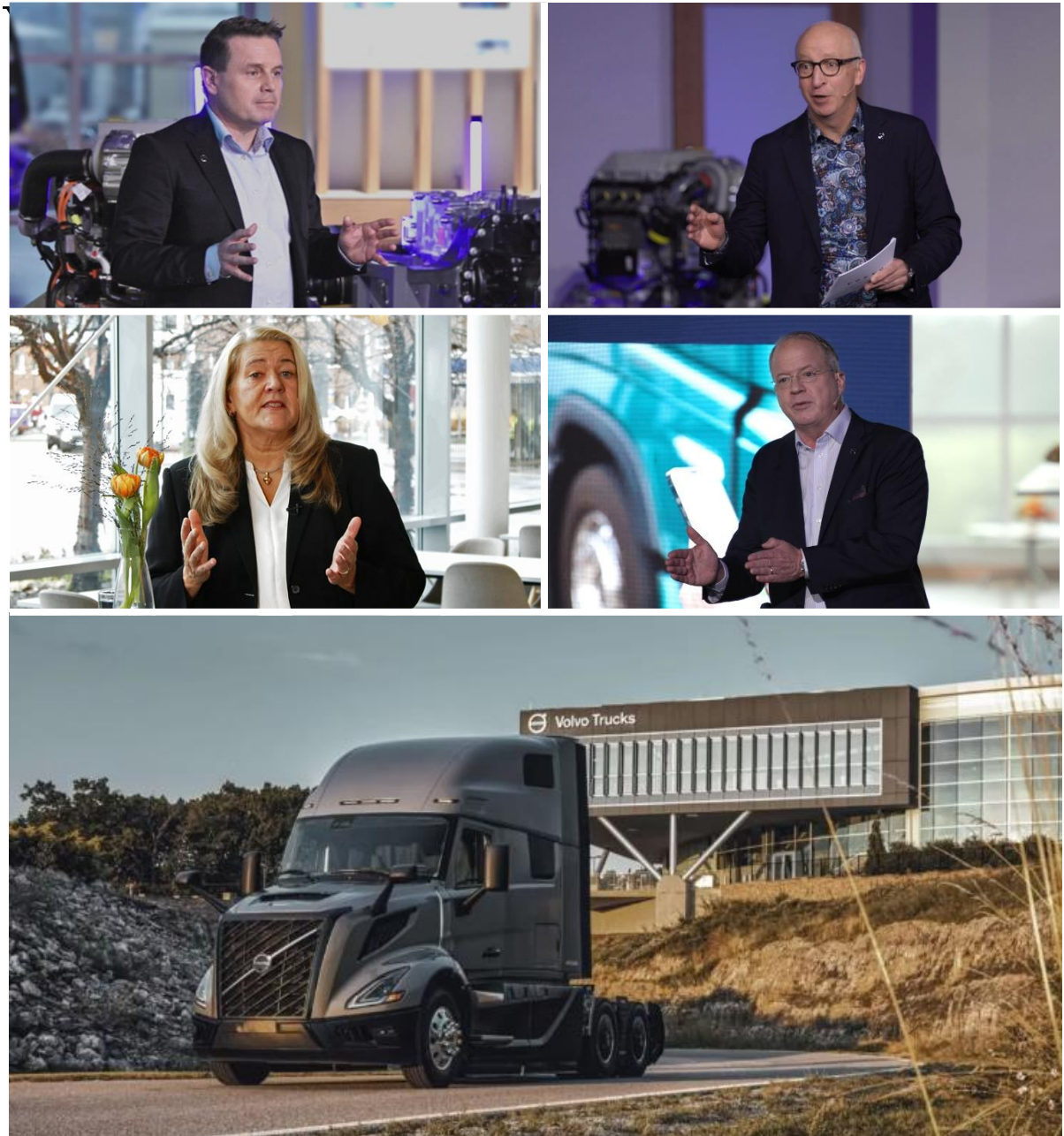
SERVICE SALES (incl. Financial Services)

SEK bn — 12 months SEK 130 bn

**YoY GROWTH %***All figures are excluding FX*

Group news

- Volvo Group Capital Markets Day was held in Virginia in November
- ***Gearing up for growth***
- Volvo Group and Daimler Truck have signed a binding agreement to establish a joint venture to develop a software-defined vehicle platform



Trucks news

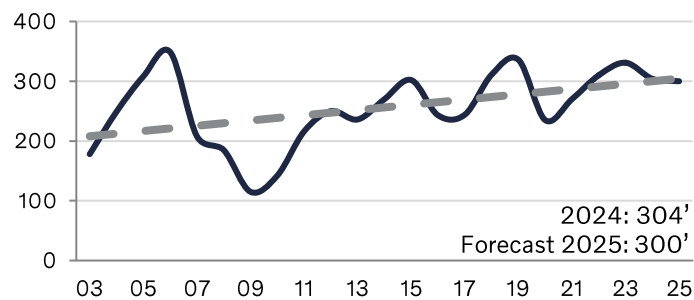
- Volvo Autonomous Solutions started autonomous operations for DHL in Texas
- Volvo Trucks and Renault Trucks awarded first, second and third position in Euro NCAP safety ranking



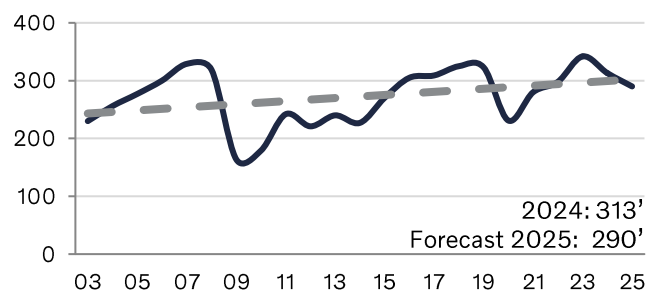
TRUCKS

Market environment

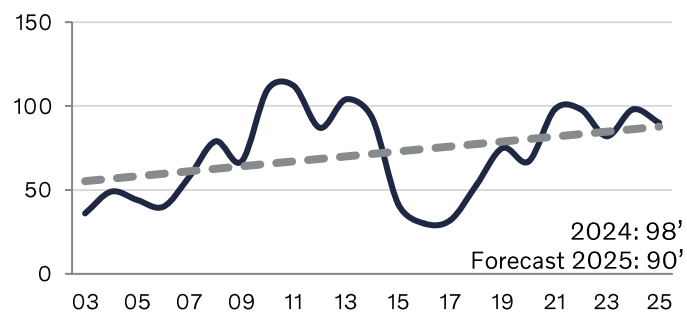
NORTH AMERICA HD



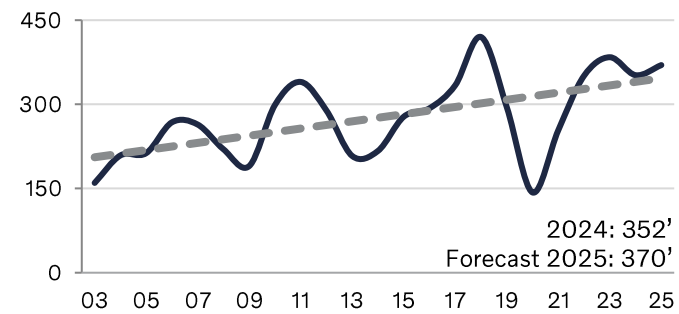
EUROPE HD



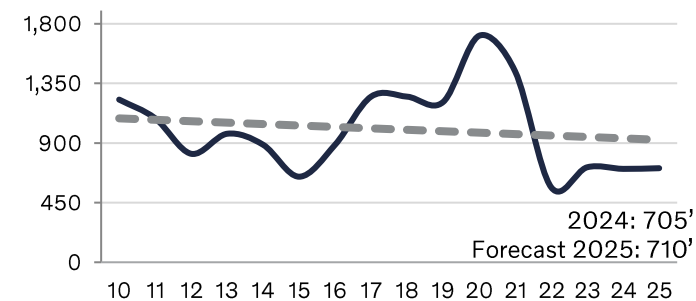
BRAZIL HD



INDIA HD+MD



CHINA HD+MD

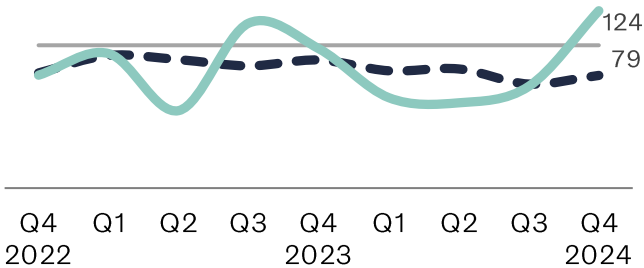


TRUCKS – MEDIUM- AND HEAVY-DUTY

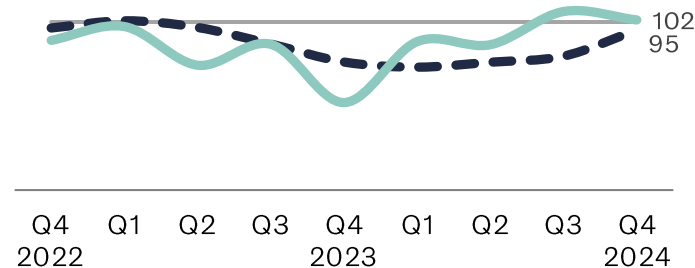
Book to bill

Medium- and heavy-duty trucks book to bill 106%in the quarter and 93%12 months rolling

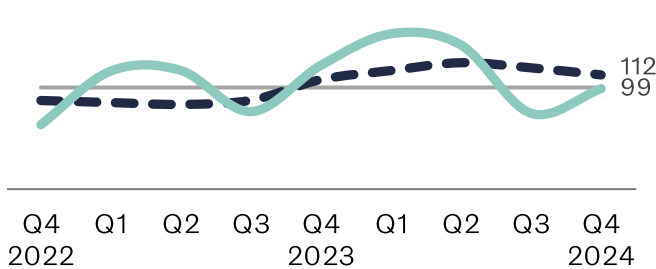
NORTH AMERICA



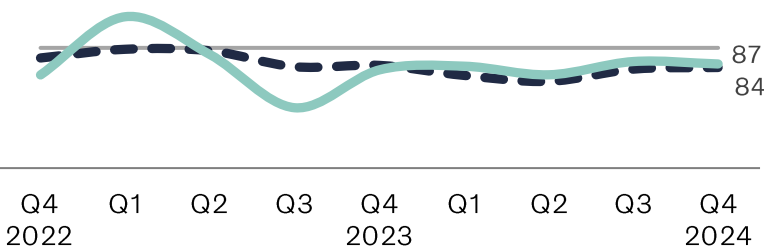
EUROPE



SOUTH AMERICA

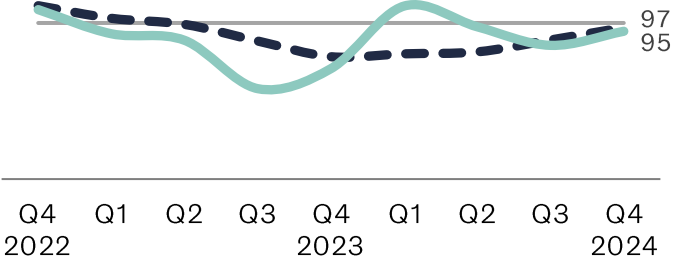


AFRICA AND OCEANIA



Book to Bill, %
Book to Bill 12M, %
Base line, 100%

ASIA

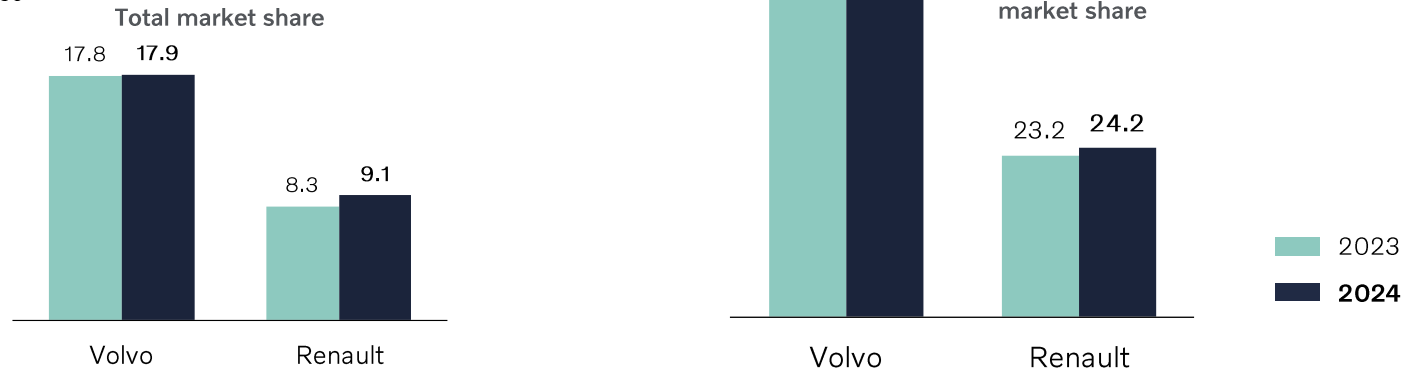


TRUCKS

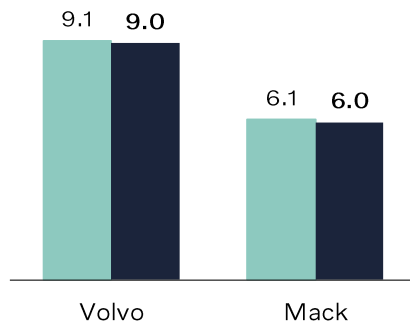
Heavy-duty truck market shares

**EUROPE (EU29)**

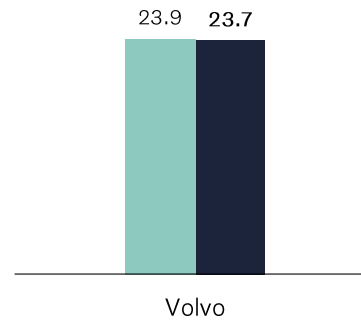
YTD Dec

**NORTH AMERICA**

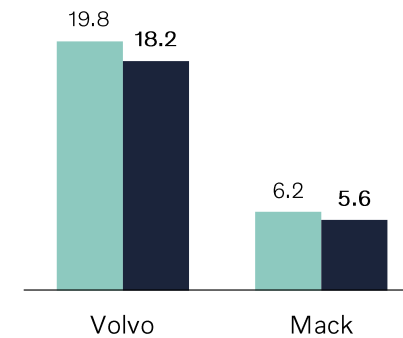
YTD Dec

**BRAZIL**

YTD Dec

**AUSTRALIA**

YTD Dec



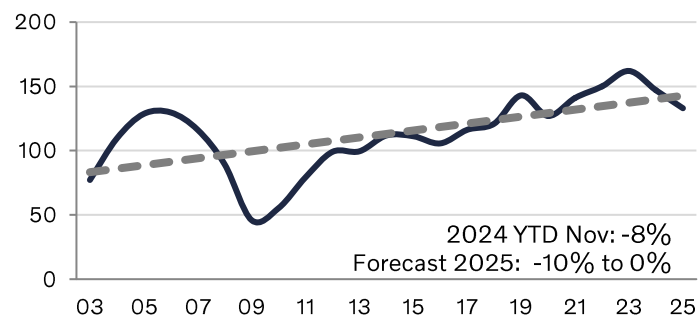
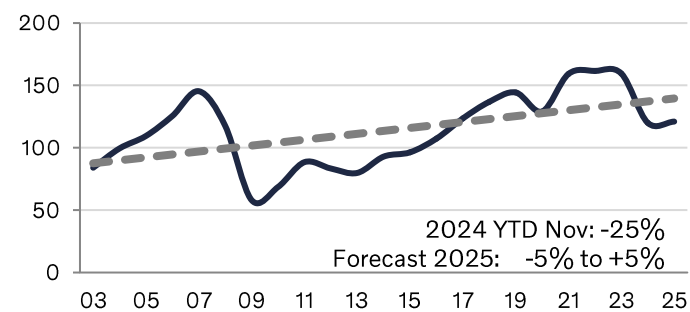
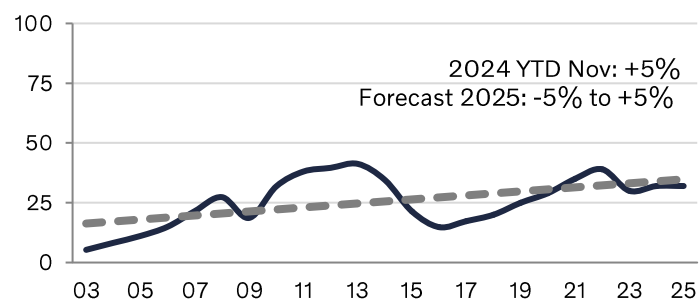
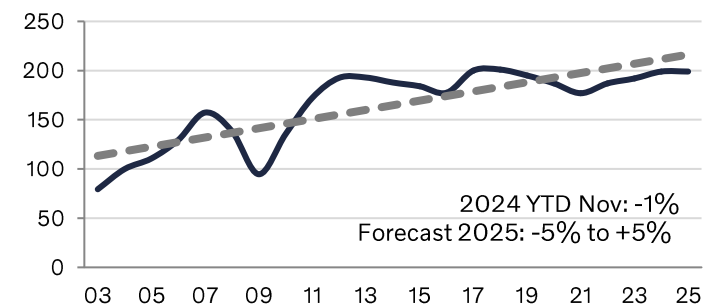
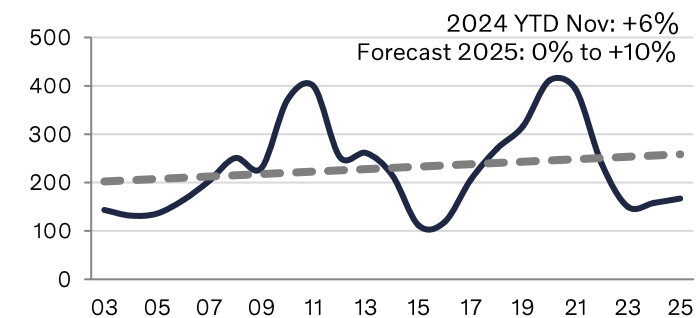
Construction Equipment news

- In Q4, Volvo Construction Equipment continued its largest product portfolio overhaul in decades, including new excavators in Europe and Asia.
- In January, an updated range of the industry-leading articulated haulers was launched, including one completely new model, the A50.



CONSTRUCTION EQUIPMENT

Market environment

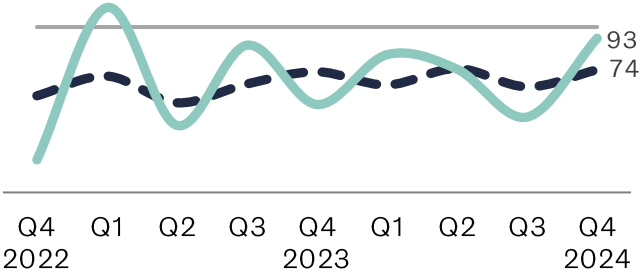
NORTH AMERICA**EUROPE****SOUTH AMERICA****ASIA (excl. CHINA)****CHINA**

CONSTRUCTION EQUIPMENT

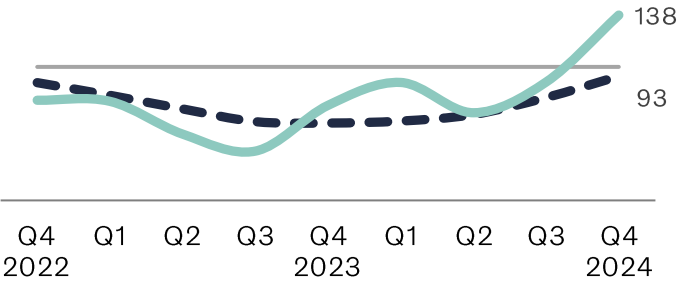
Book to bill

Construction equipment book to bill 105% in the quarter and 95% 12 months rolling

NORTH AMERICA

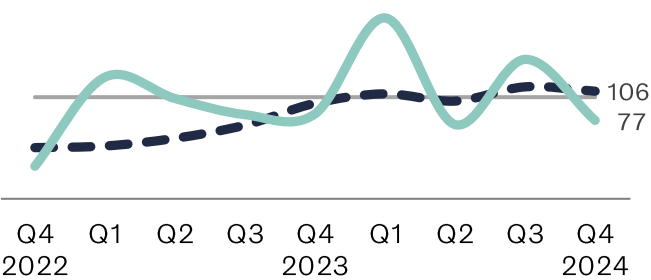


EUROPE

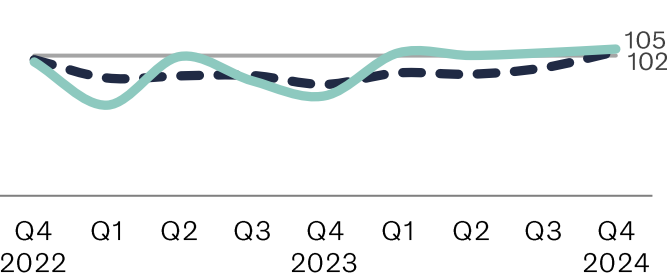


— Book to Bill, %
— Book to Bill 12M, %
— Base line, 100%

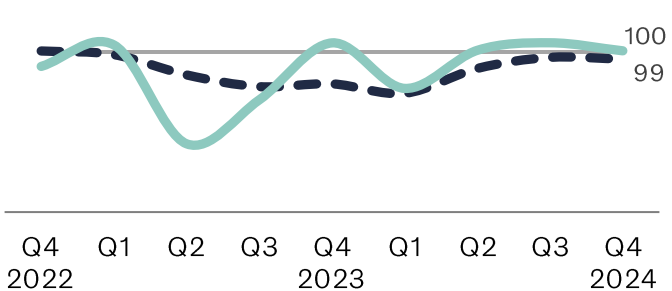
SOUTH AMERICA



AFRICA AND OCEANIA



ASIA



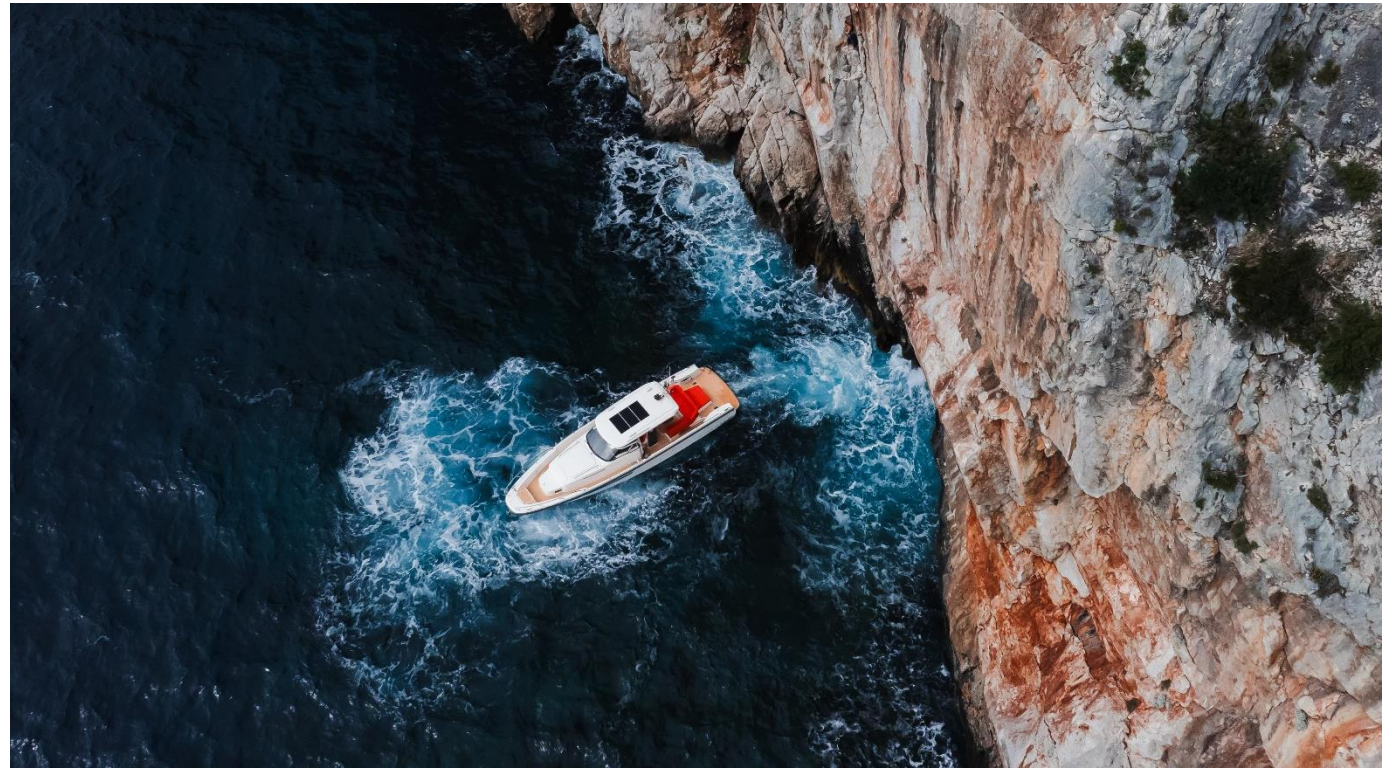
Buses

- In Q4, Volvo Buses received order for 46 electric buses from Transdev in the Netherlands
- Book to bill 76% in the quarter and 84% 12 months rolling



Volvo Penta

- Volvo Penta revealed the expansion of its Assisted Docking system to boats with DPI drives
- Data centers driving demand for power generation gensets
- Book to bill 136% in the quarter and 94% 12 months rolling



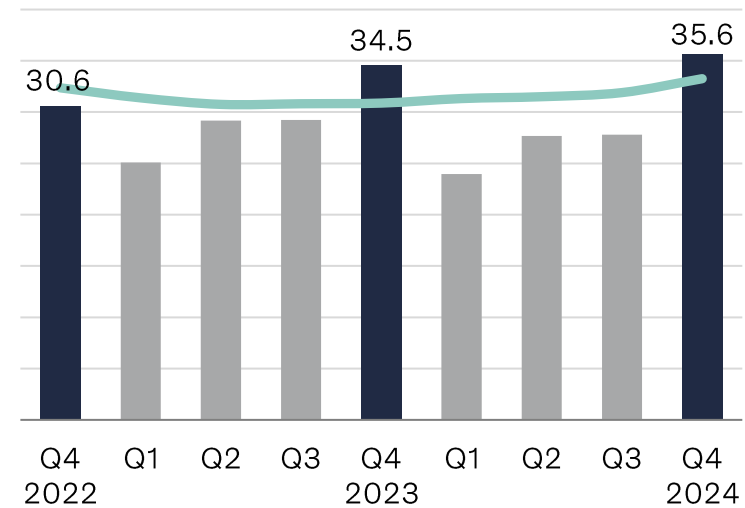
Financial Services

- Continued portfolio growth
- Penetration levels trending upwards
- Solid portfolio performance and good earnings

NEW RETAIL FINANCING & PENETRATION RATE*

SEK bn

— Penetration rate 12 months 29%



**All figures exclude activity related to Russia and Belarus*

FOURTH QUARTER 2024

Mats Backman

EVP and CFO

Volvo Group

Fourth quarter 2024

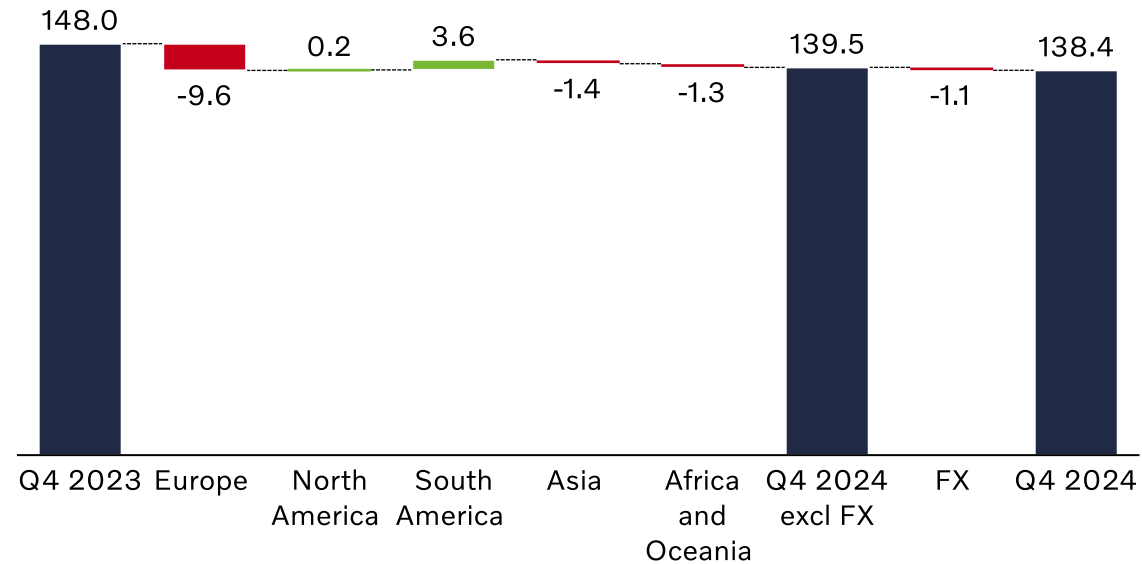
2025-01-29

VOLVO GROUP

Net sales per market



NET SALES
SEK bn

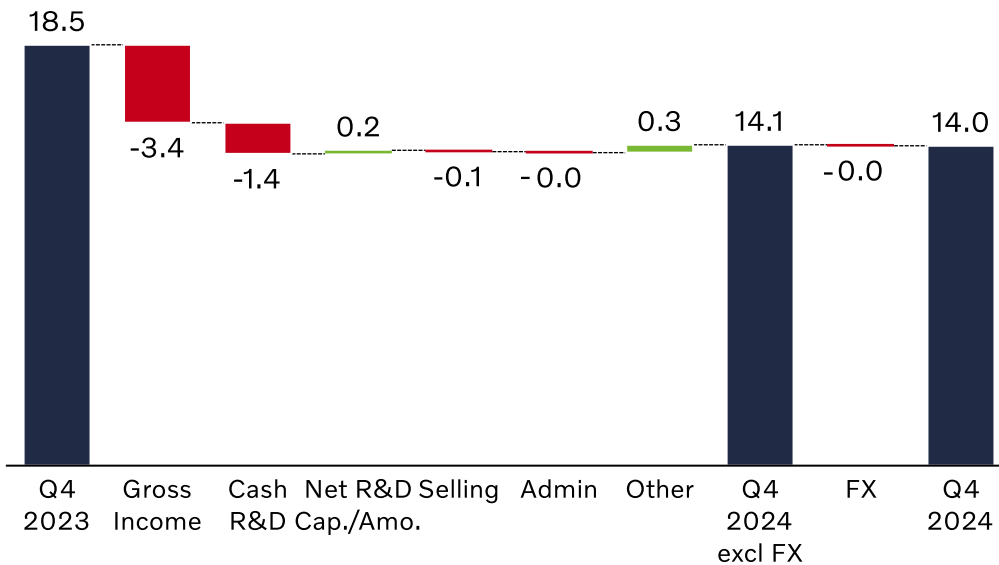


VOLVO GROUP

Adjusted operating income contributors

ADJUSTED OPERATING INCOME

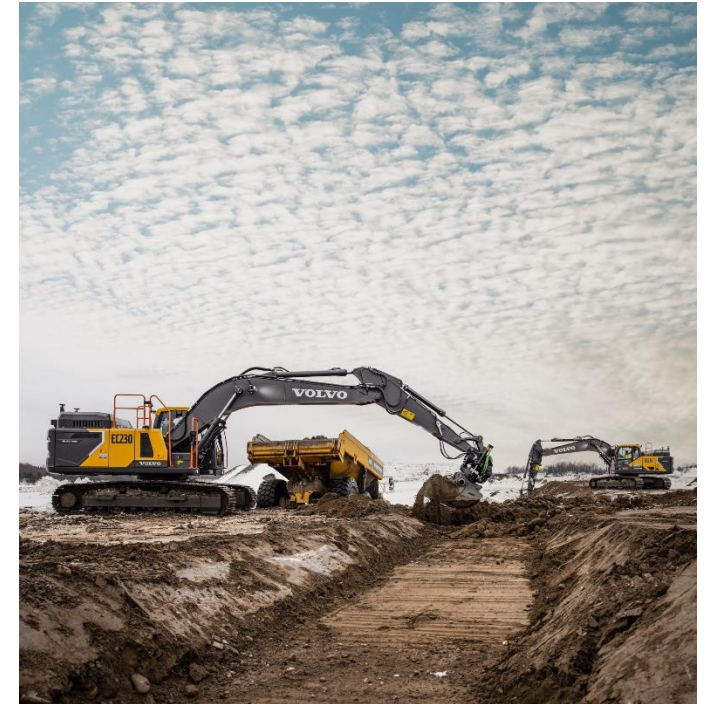
SEK bn



+ Service price realization
+ Material cost



- Volume
- Brand & product mix
- R&D expenses

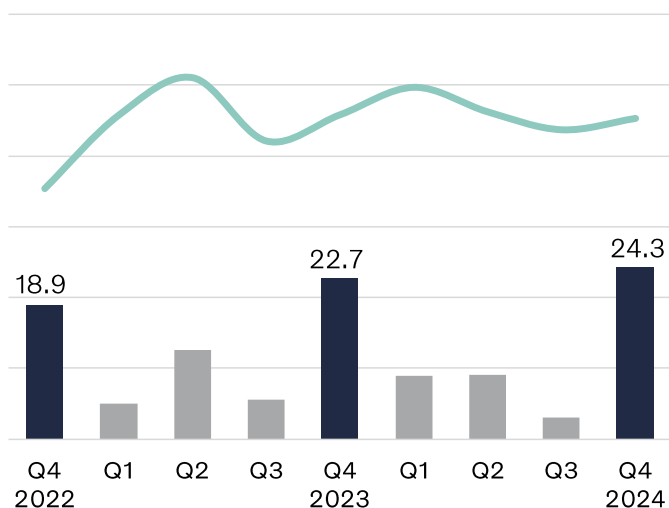


VOLVO GROUP

Cash flow, net financial position and ROCE in Industrial Operations

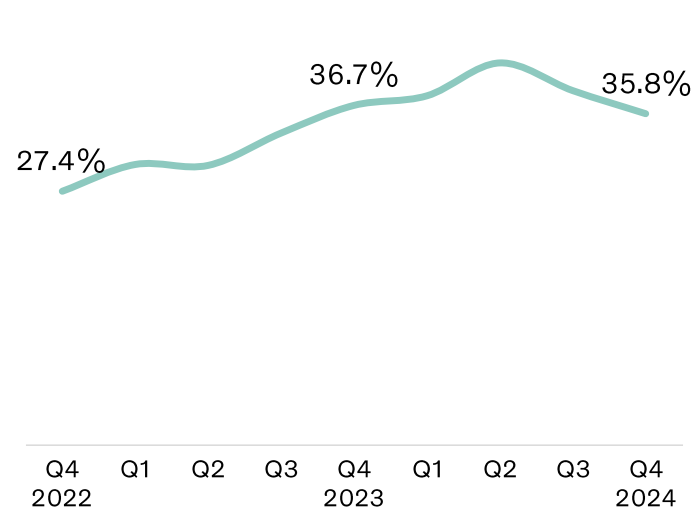
OPERATING CASH FLOW

SEK bn — 12 months SEK 45.3 bn

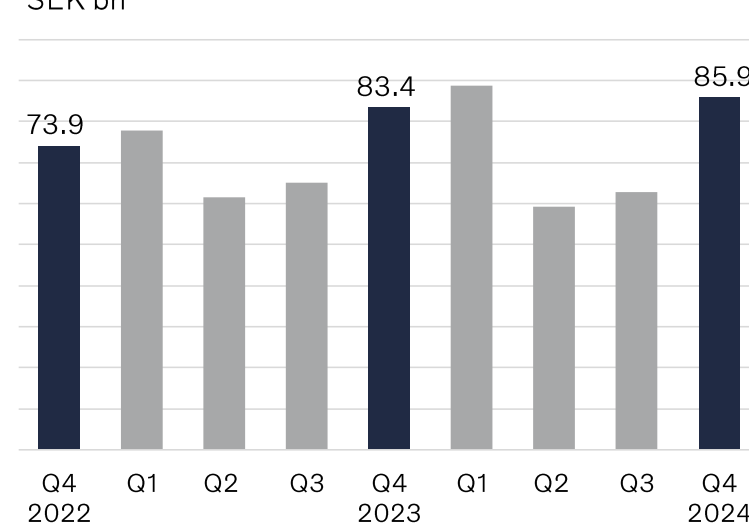


ROCE

% 12 months

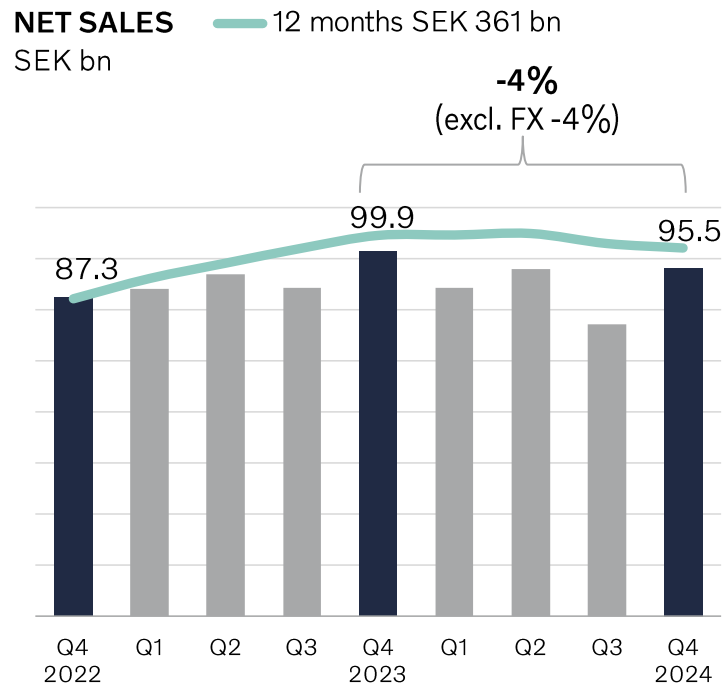


NET FINANCIAL POSITION

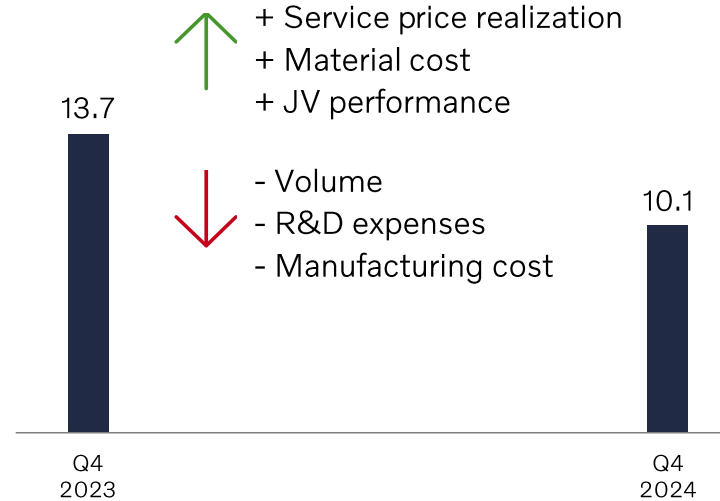
(Excl. pensions and lease liabilities)
SEK bn

Trucks

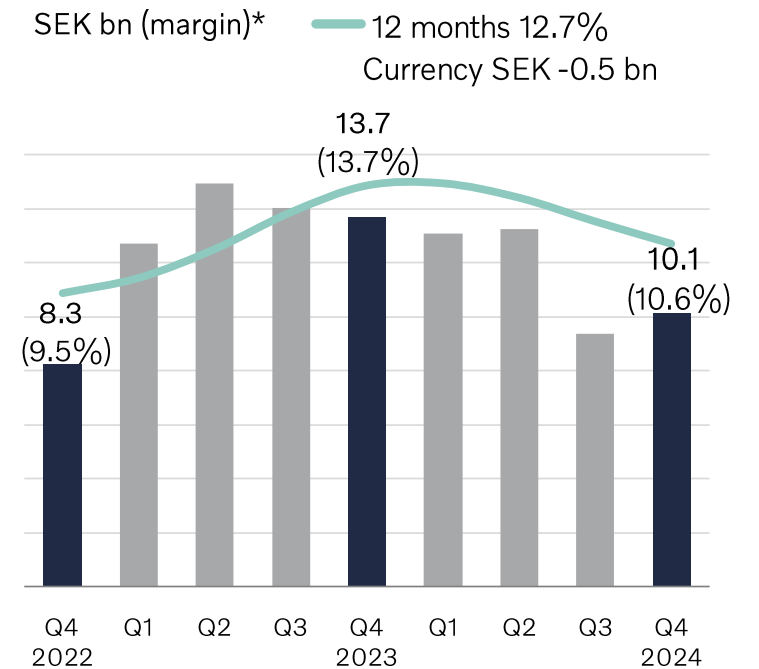
Net sales and adjusted operating income



ADJUSTED OPERATING INCOME
SEK bn



ADJUSTED OPERATING INCOME

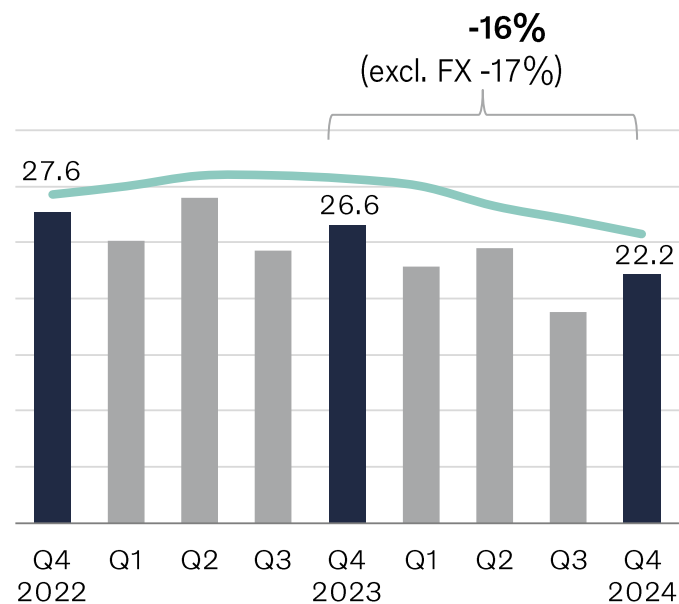


*For information on adjustments, see note 6 in the quarterly report

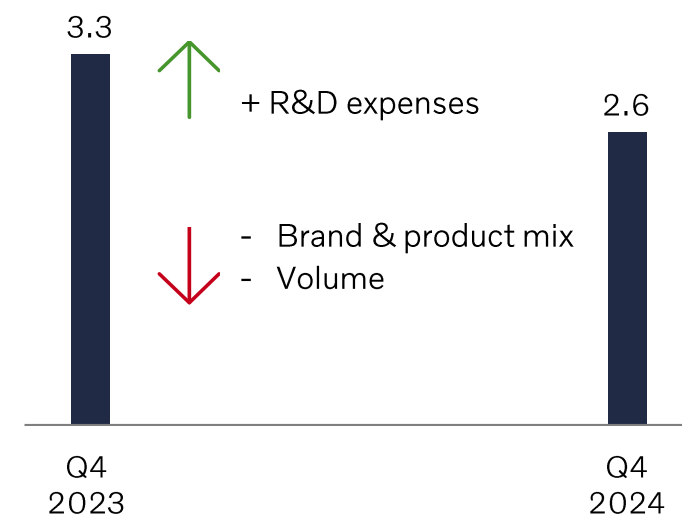
Construction Equipment

Net sales and adjusted operating income

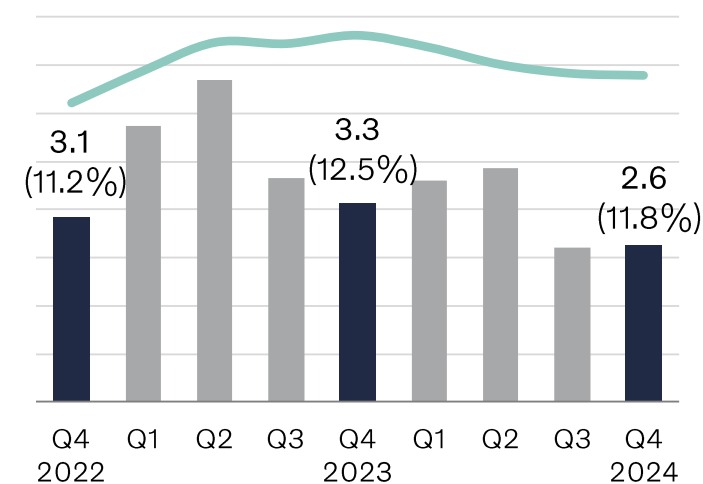
NET SALES 12 months SEK 88 bn
SEK bn



ADJUSTED OPERATING INCOME
SEK bn



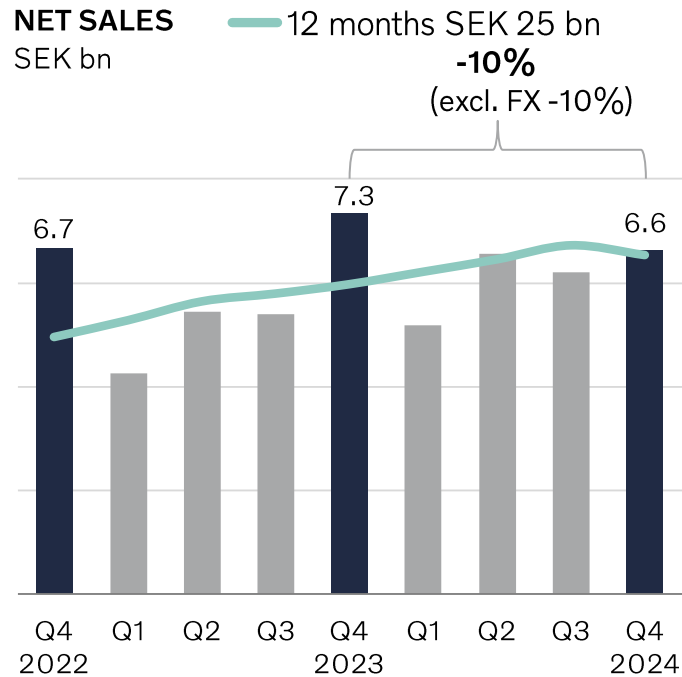
ADJUSTED OPERATING INCOME
SEK bn (margin)* 12 months 14.4%
Currency SEK +0.6 bn



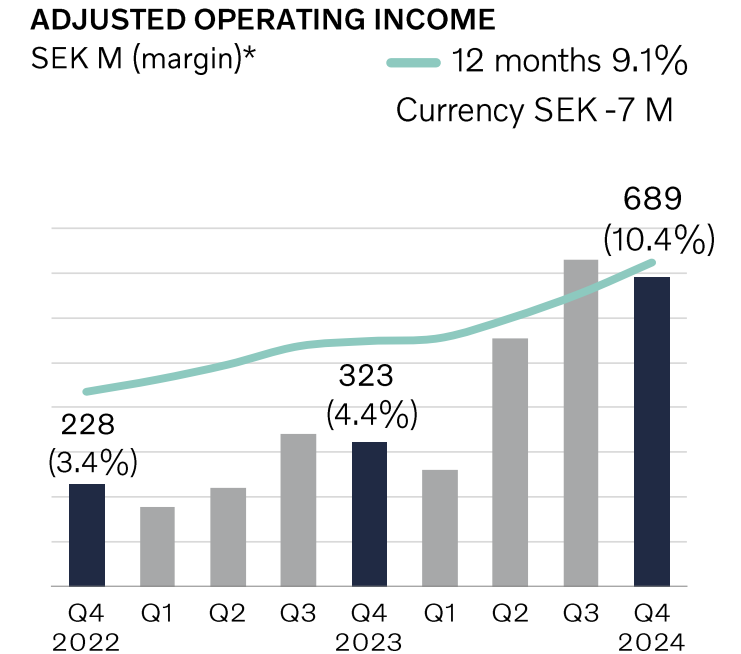
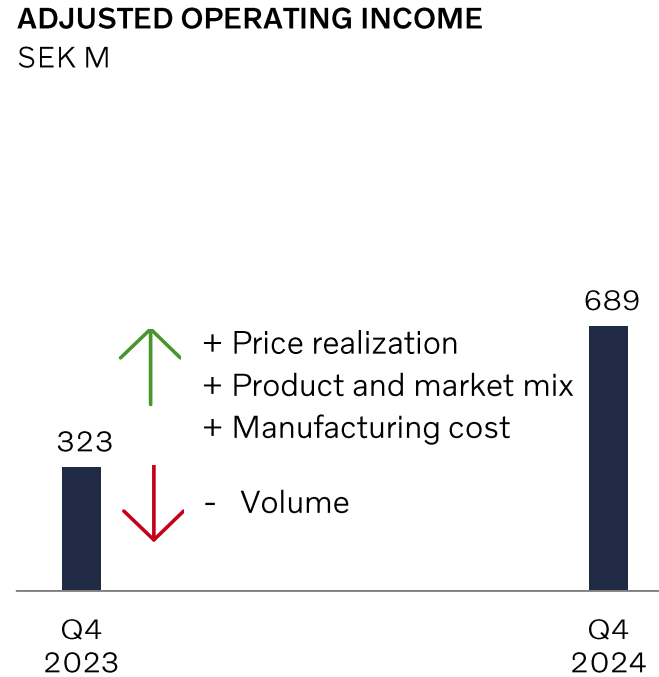
*For information on adjustments, see note 6 in the quarterly report

Buses

Net sales and adjusted operating income



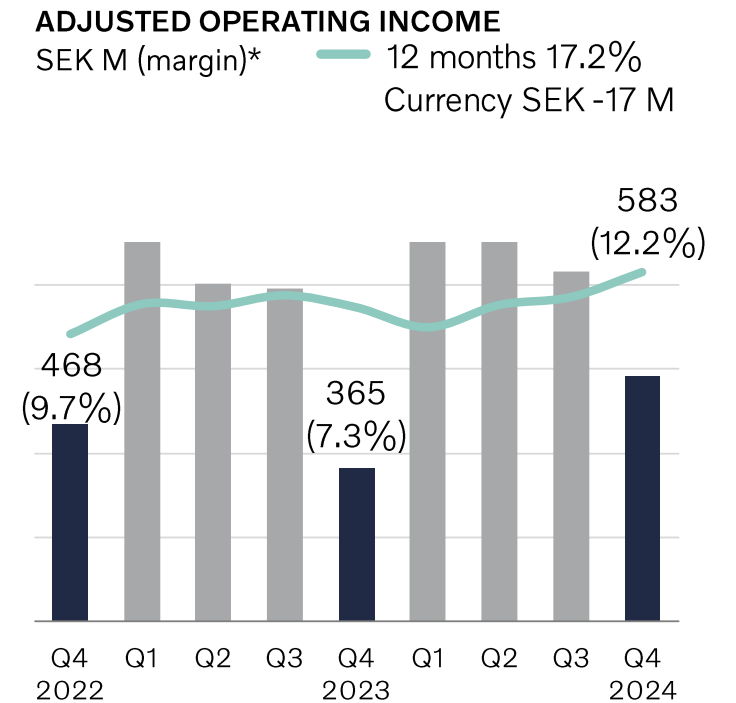
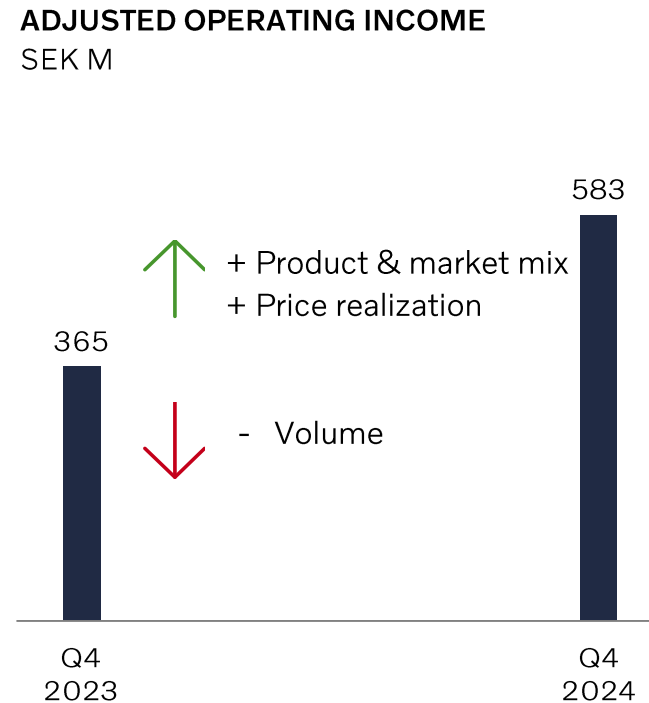
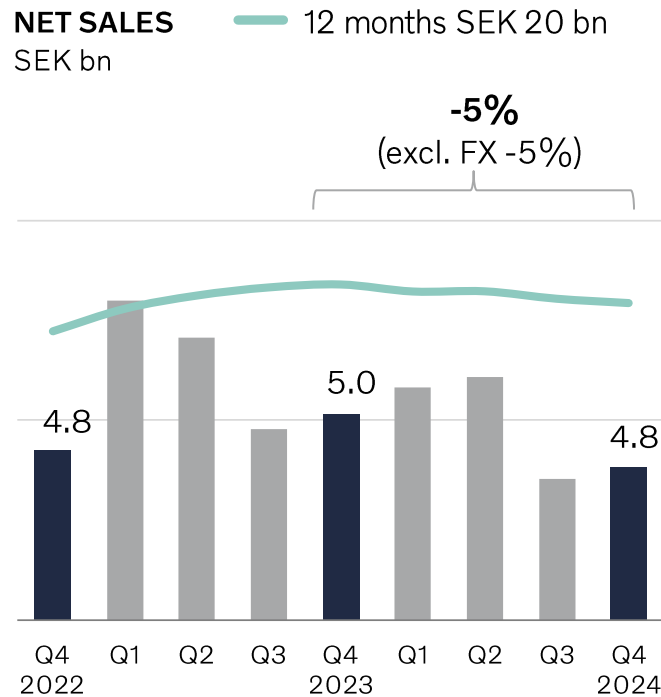
All numbers restated to exclude Nova Bus which is now included in segment 'Group Functions and other'



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

Volvo Penta

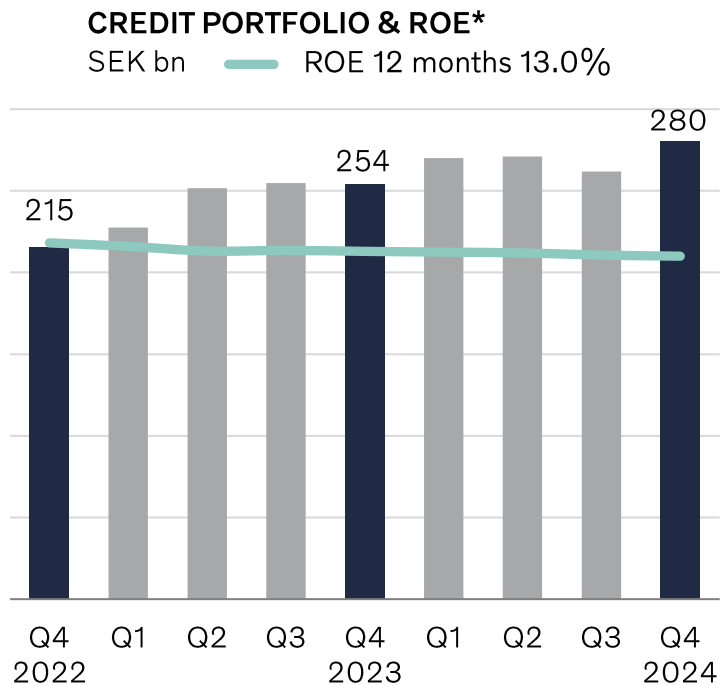
Net sales and adjusted operating income



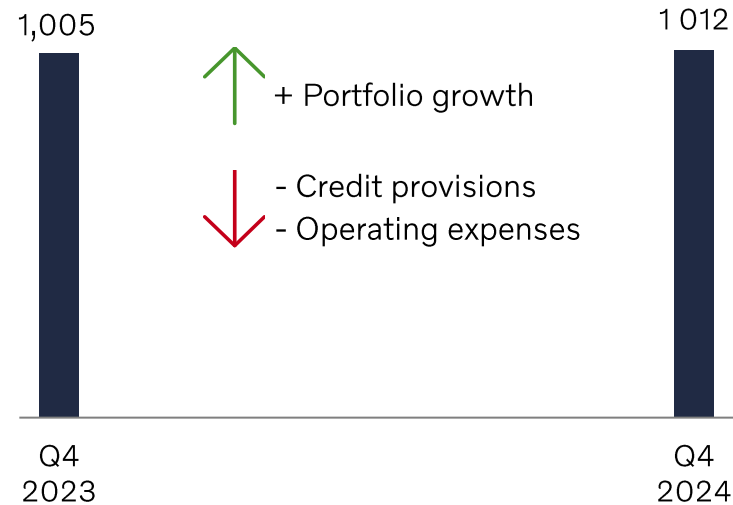
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Financial Services

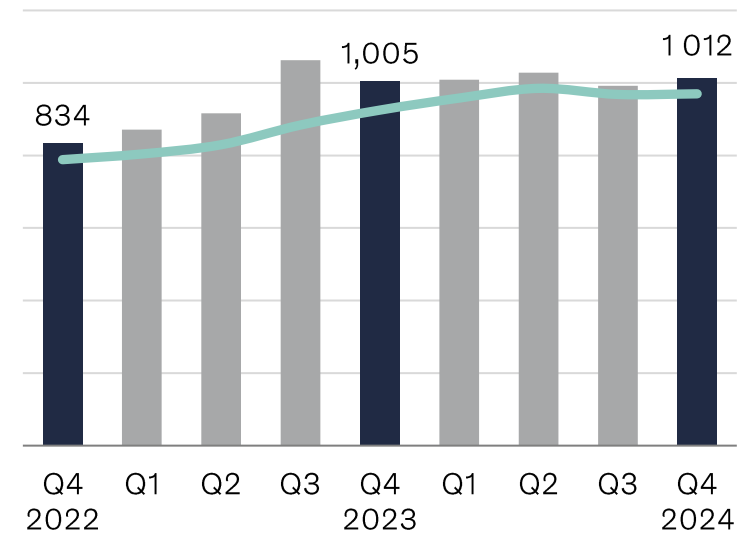
Credit portfolio and profitability



ADJUSTED OPERATING INCOME*
SEK M



ADJUSTED OPERATING INCOME *
SEK M — 12 months SEK 4,042
Currency SEK -40 M



**All figures exclude activity related to Russia and Belarus
For information on adjustments, see note 6 in the quarterly report*

Volvo Group

Full year 2024 highlights

- Net sales amounted to SEK 527 bn (552)
 - Vehicle sales decline -5% FX adjusted
 - Service sales growth +4% FX adjusted
- Gross income margin 27.3% (27.0)
- Adj. operating income amounted to SEK 66 bn (78)
- Reported operating income amounted to SEK 67 bn (67)
- Operating cash flow (IO) SEK 45 bn (46)
- EPS FY24 SEK 24.78 (24.50)
- ROCE 35.8% (36.7)

Proposed ordinary dividend of SEK 8.00 (7.50)
and an extra dividend of SEK 10.50 (10.50).



VOLVO

QUESTIONS AND ANSWERS

V O L V O