

V O L V O

# FIRST QUARTER 2025

Martin Lundstedt

President and CEO

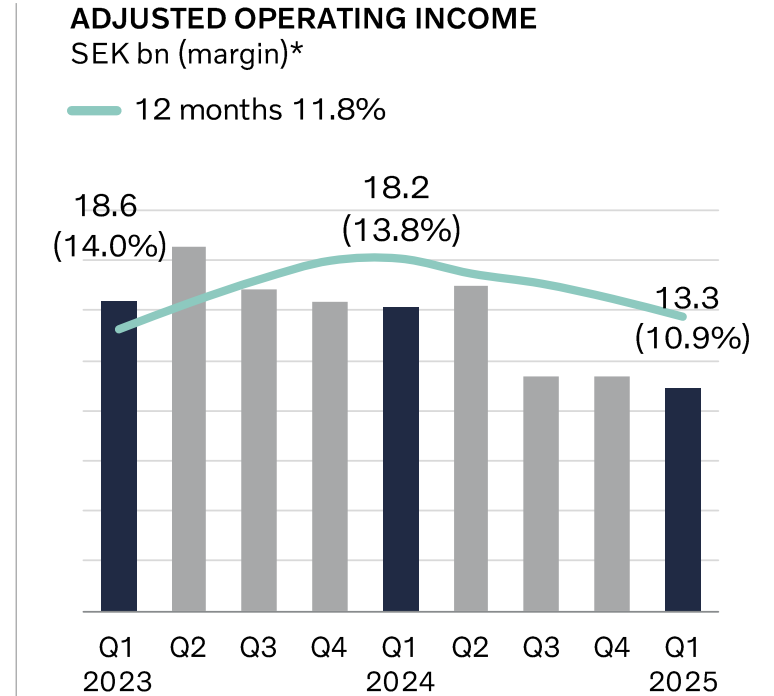
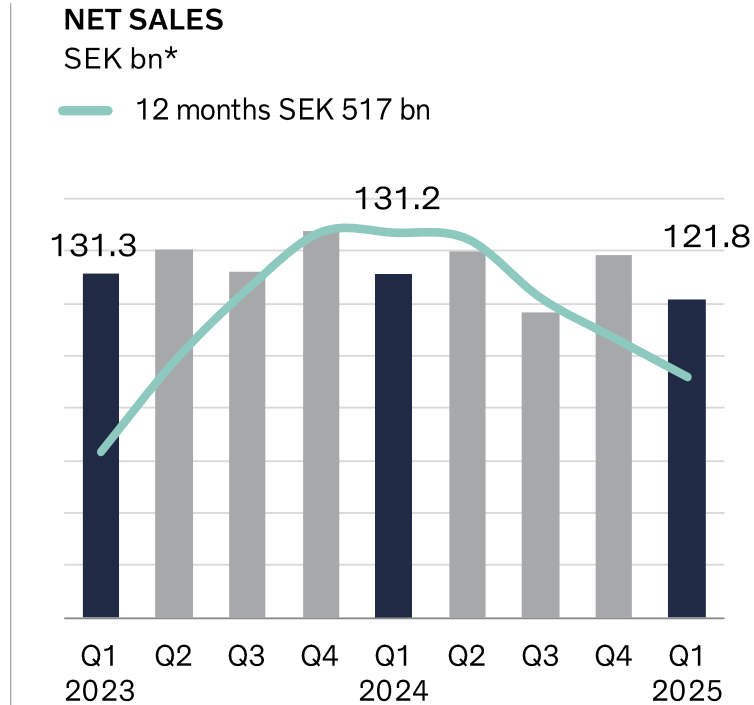
Volvo Group | First quarter 2025

2025-04-23

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# First quarter highlights

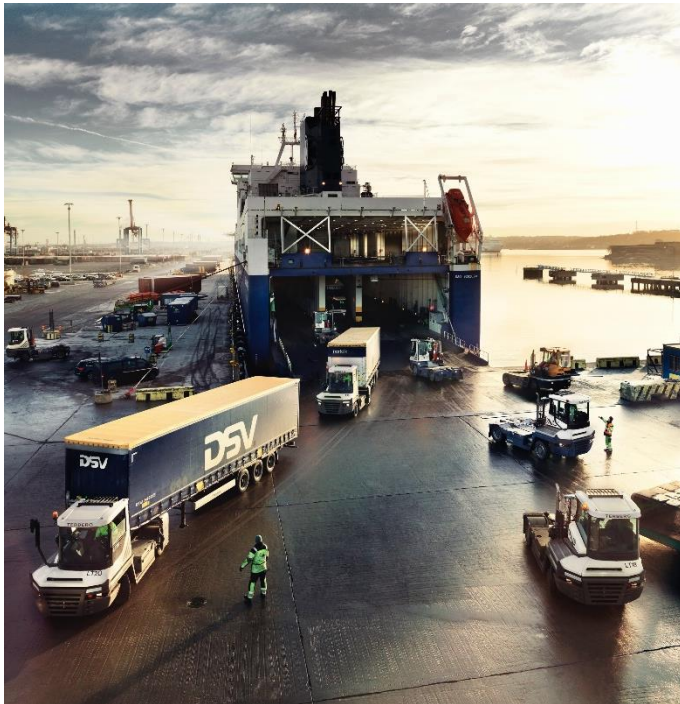
- Net sales amounted to SEK 121.8 bn (131.2) with SEK -0.7 bn impact from FX
- Adjusted operating income reached SEK 13.3 bn (18.2), corresponding to a margin of 10.9% (13.8)
- Operating cash flow in Industrial Operations amounted to SEK 1.3 bn (8.9)
- Net cash position in Industrial Operations amounted to SEK 77.9 bn (88.7)
- ROCE 31.8% (37.7) in Industrial Operations
- EPS SEK 4.86 (6.92)



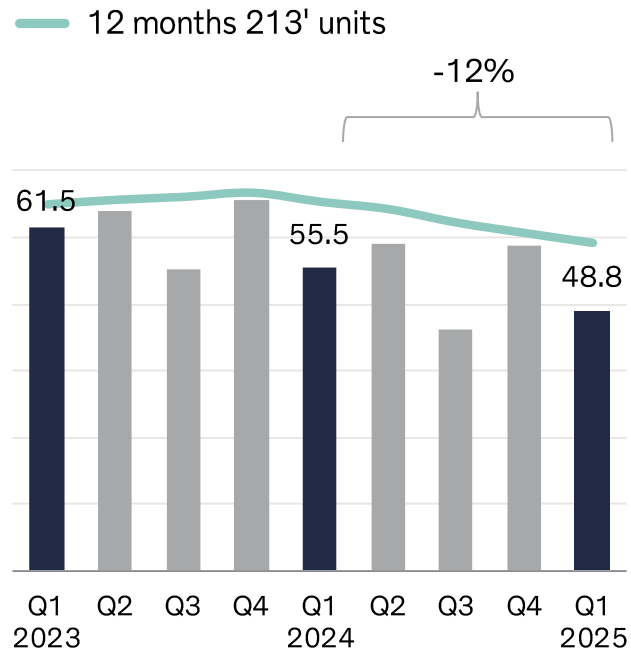
\*For information on adjustments, see note 6 in the quarterly report

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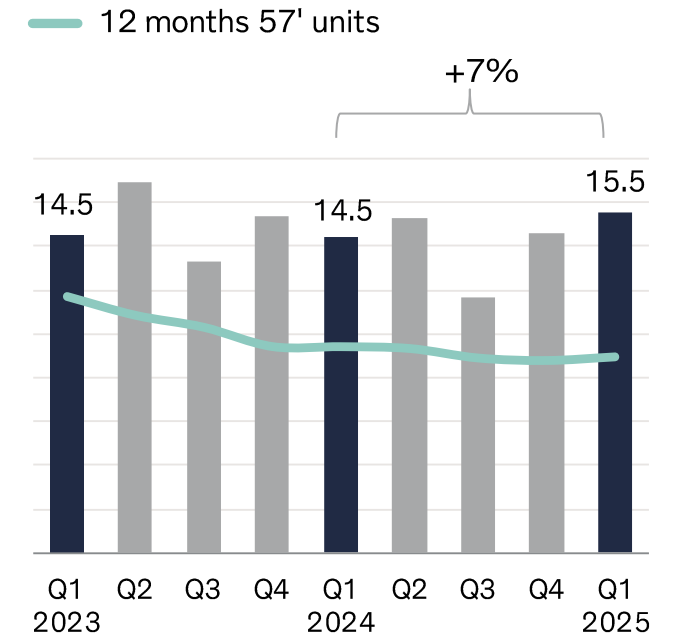
# Volume development



## TRUCK DELIVERIES

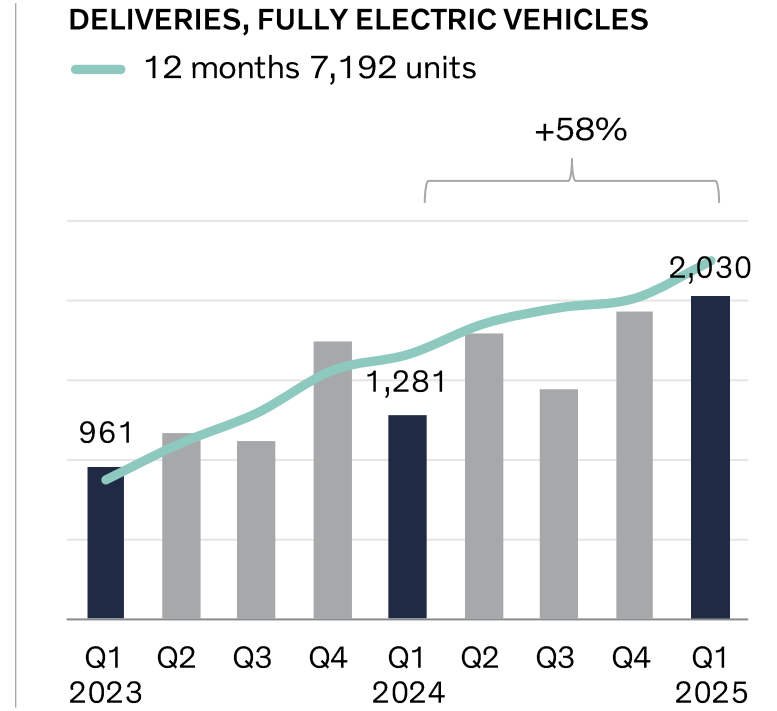
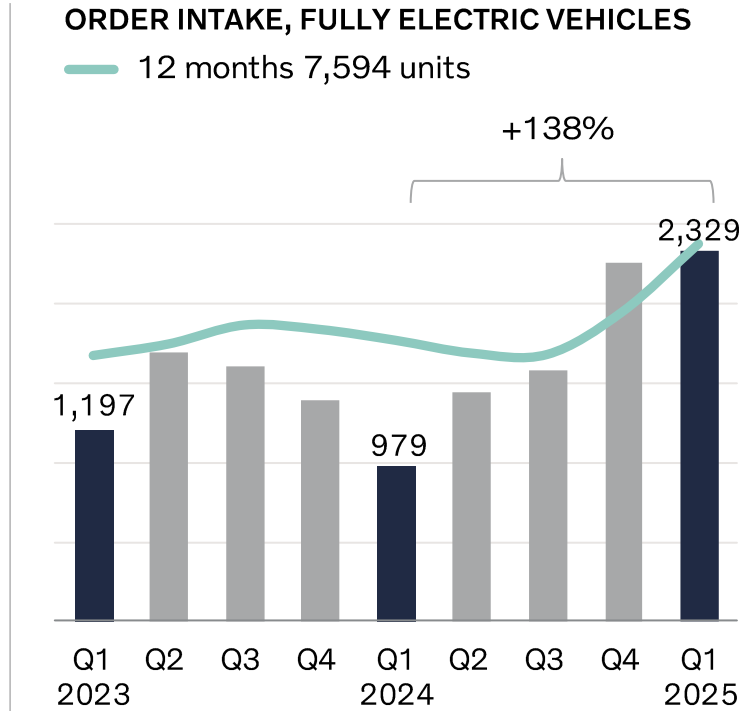


## MACHINE DELIVERIES



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# Electrification progress

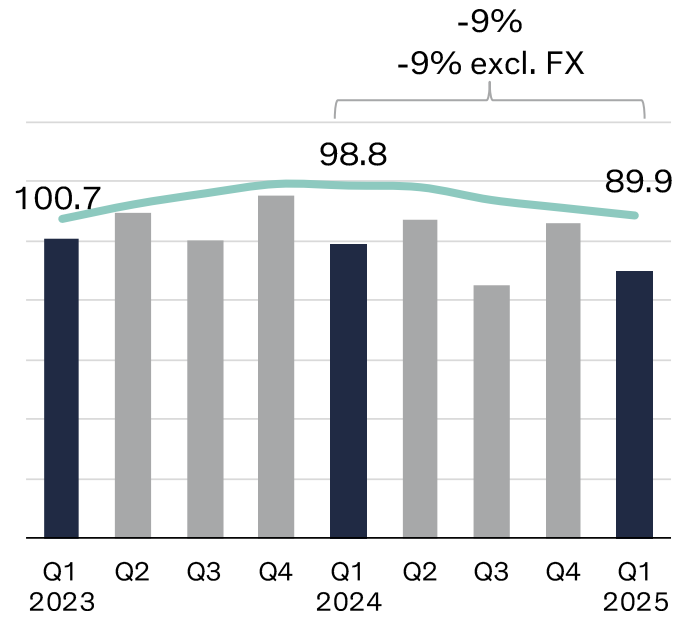


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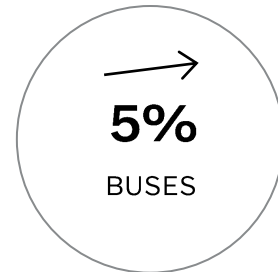
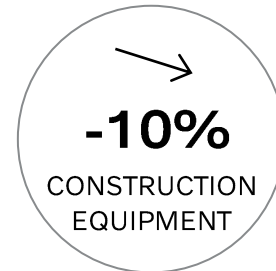
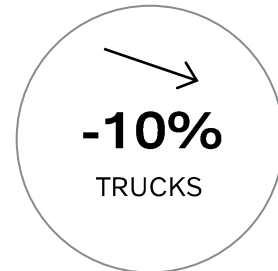
# Vehicle sales development

## VEHICLE SALES

SEK bn — 12 months SEK 388 bn



## YoY GROWTH %



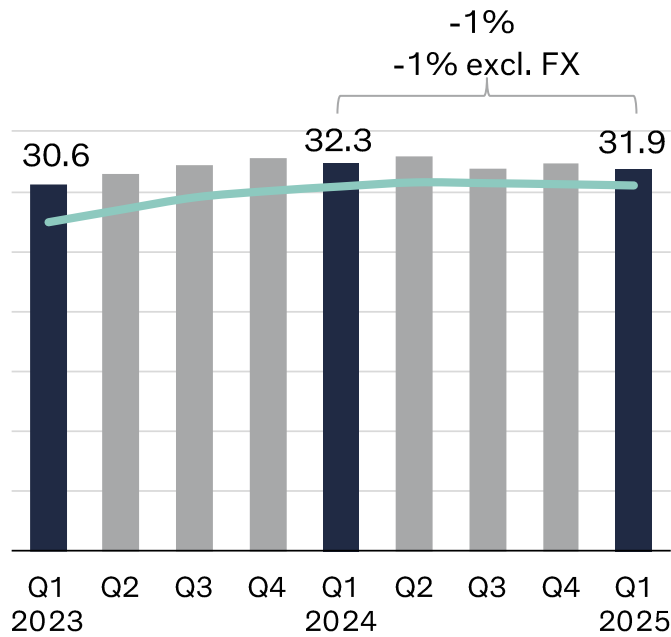
All figures are excluding FX



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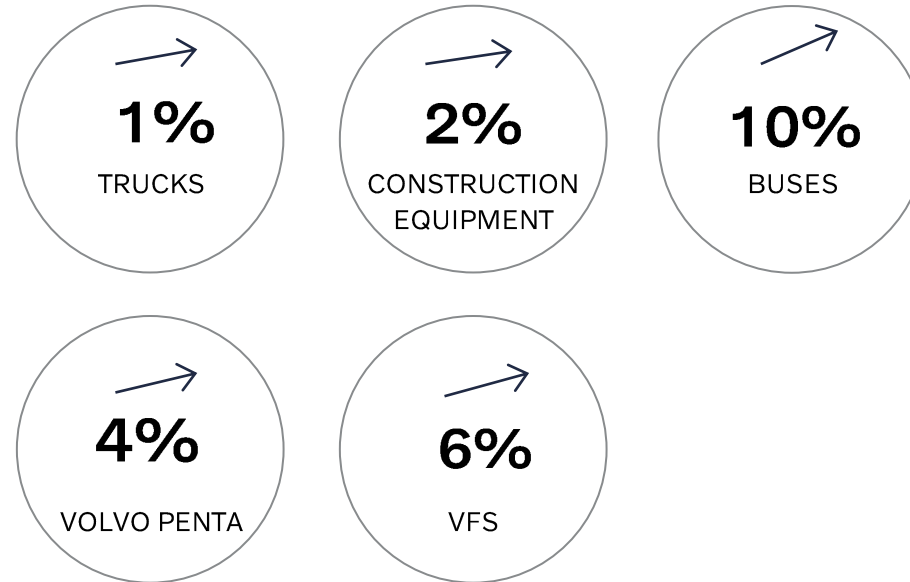
# Service sales development

**SERVICE SALES (incl. Financial Services)**  
 SEK bn — 12 months SEK 129 bn

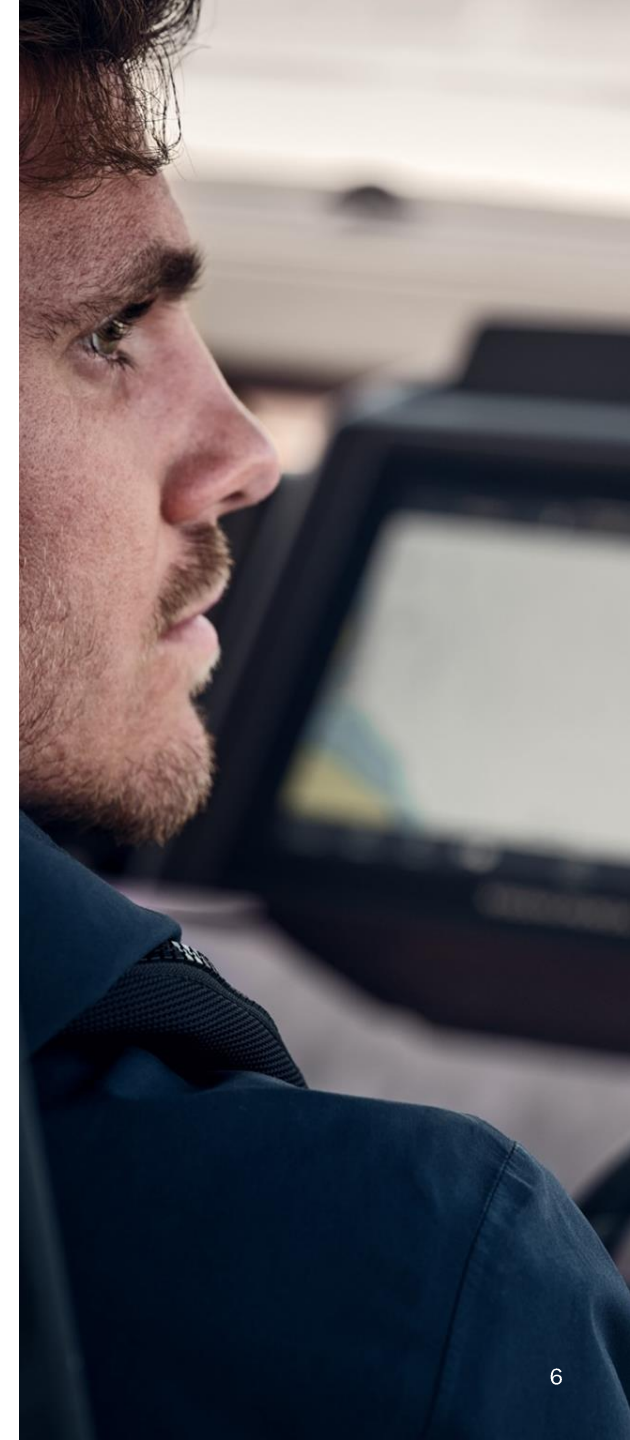


Q1 2024 including Arqus. YoY growth excluding Arqus was 2%

**YoY GROWTH %**



All figures are excluding FX



# Group news

- Annual General Meeting of AB Volvo held on April 2
- The Volvo Group total dividend for 2024 was the highest ever for a Swedish company
- High focus on tariff mitigation



# Strong regional value chains combined with global capabilities



- Volvo Trucks has a global reach while Mack Trucks, Renault Trucks and JVs are regionally focused
- All brands delivered through regional value chains

--- Regional value chain clusters

Volvo Eicher Commercial Vehicle (VECV) and Dongfeng Commercial Vehicle (DFCV) are regional Indian resp. Chinese joint ventures



# Trucks news

- The all-new Mack Pioneer was launched on April 8 in Brooklyn, setting a new standard in long haul
- Volvo FH Aero won the 2025 Green Truck award
- Volvo Trucks unveiled the all-new Volvo VNR in North America

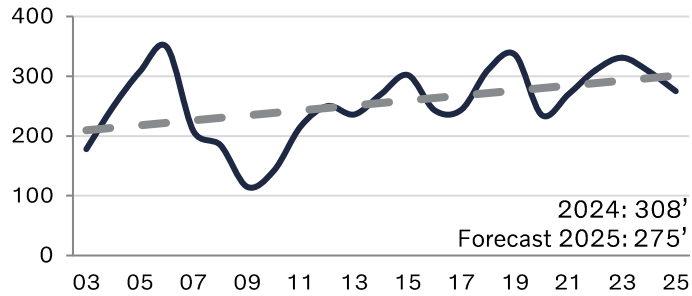


*The market forecasts are subject to significant uncertainty due to current market conditions*

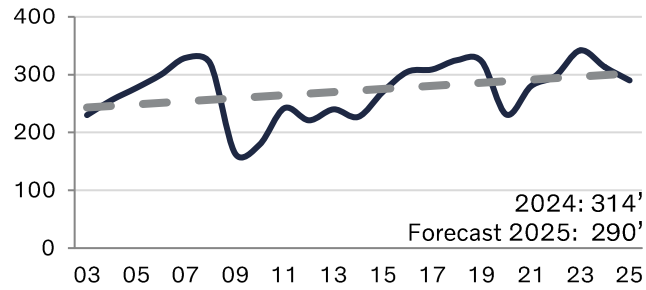
TRUCKS

# Market environment

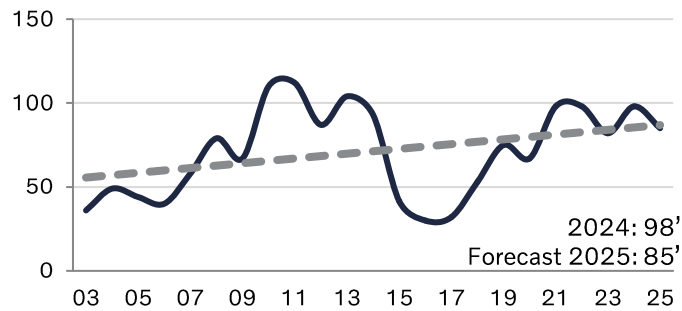
**NORTH AMERICA HD**



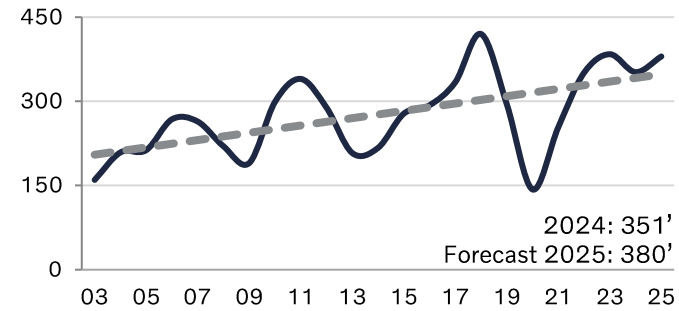
**EUROPE HD**



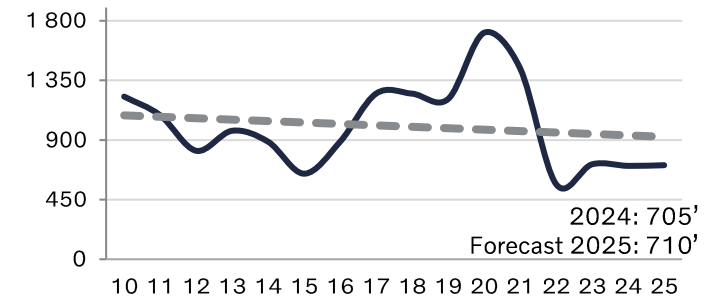
**BRAZIL HD**



**INDIA HD+MD**



**CHINA HD+MD**



TRUCKS – MEDIUM- AND HEAVY-DUTY

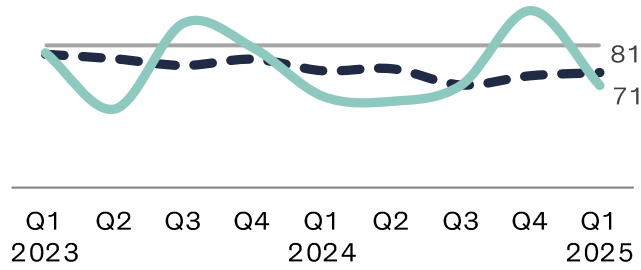
# Book to bill

Medium- and heavy-duty trucks book to bill 114% in the quarter and 99% 12 months rolling

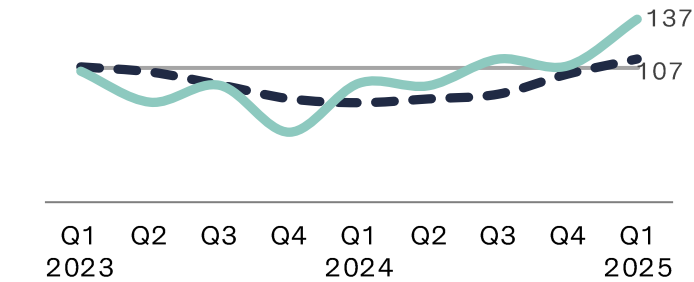


— Book to Bill, %  
- - - Book to Bill 12M, %  
— Baseline, 100%

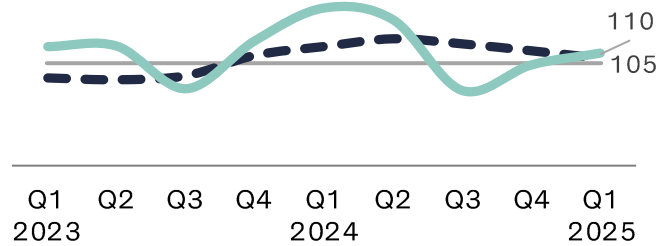
## NORTH AMERICA



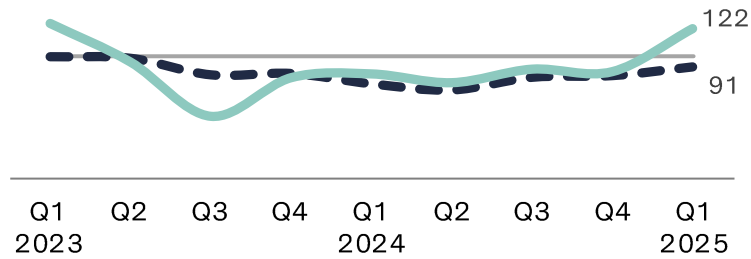
## EUROPE



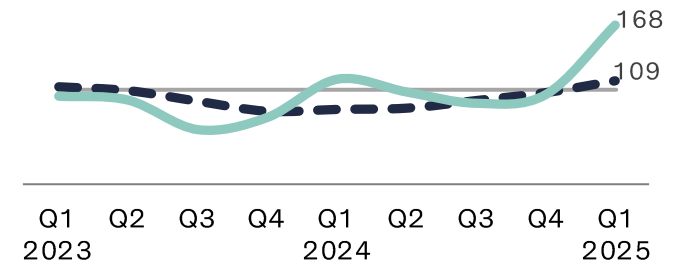
## SOUTH AMERICA



## AFRICA AND OCEANIA



## ASIA

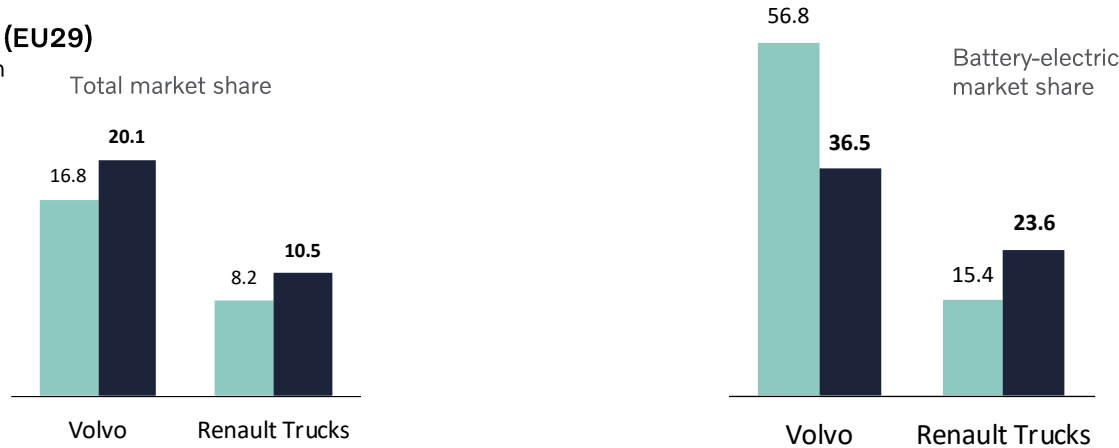




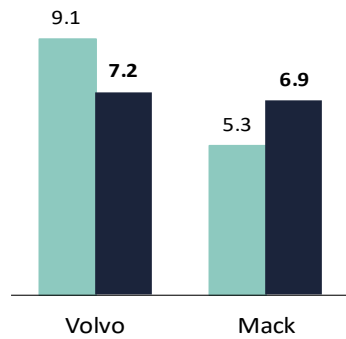
TRUCKS

# Heavy-duty truck market shares

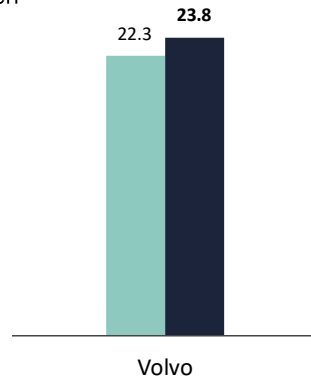
**EUROPE (EU29)**  
YTD March



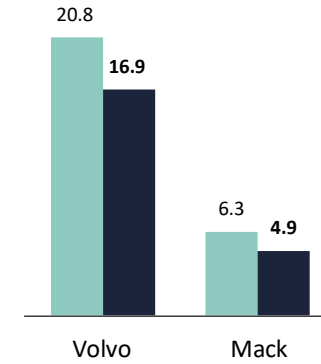
**NORTH AMERICA**  
YTD March



**BRAZIL**  
YTD March



**AUSTRALIA**  
YTD March



2024  
2025

# Construction Equipment news

- The world's first electric articulated haulers in the A30 and A40 size classes were unveiled at Bauma in Munich
- The new A50 articulated hauler was launched into the North American market

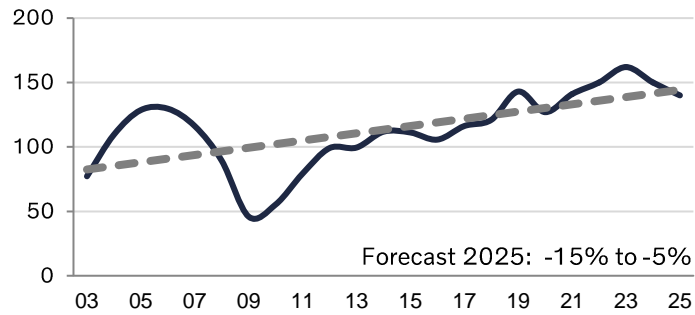


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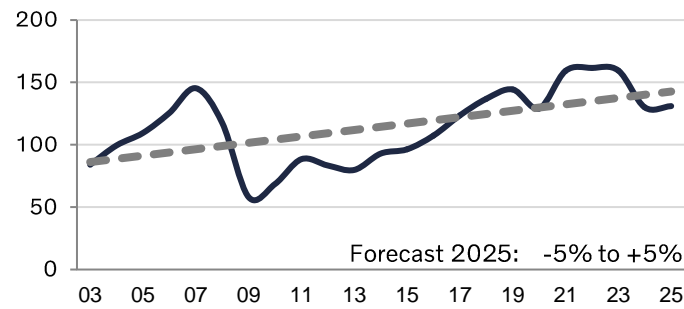
CONSTRUCTION EQUIPMENT

# Market environment

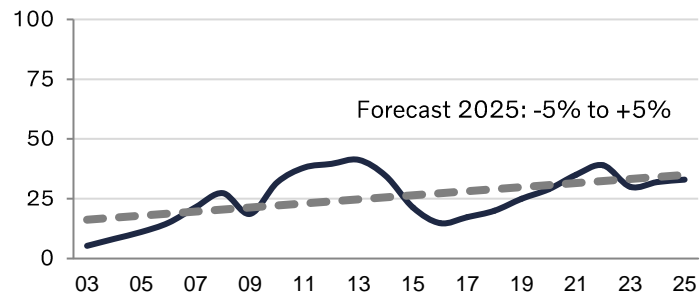
## NORTH AMERICA



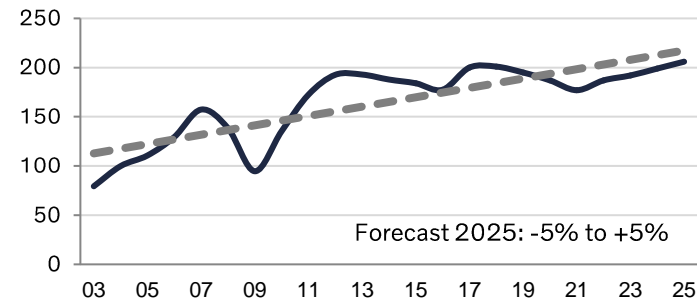
## EUROPE



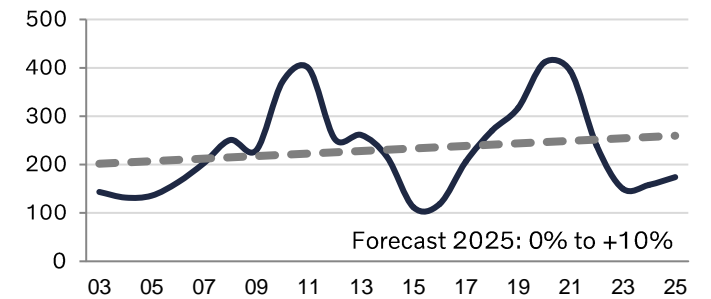
## SOUTH AMERICA



## ASIA (excl. CHINA)



## CHINA

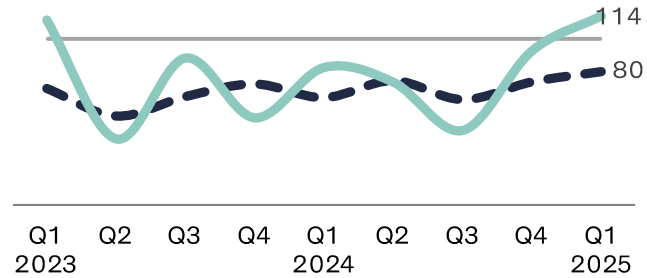


CONSTRUCTION EQUIPMENT

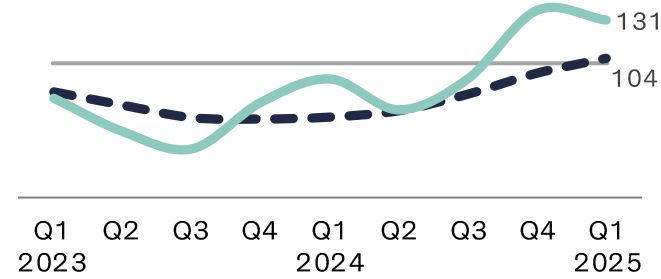
# Book to bill

Construction equipment book to bill 111% in the quarter and 99% 12 months rolling

## NORTH AMERICA

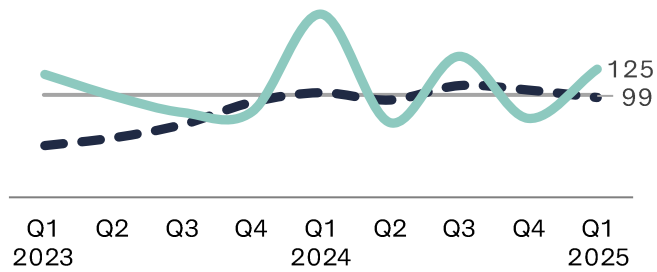


## EUROPE

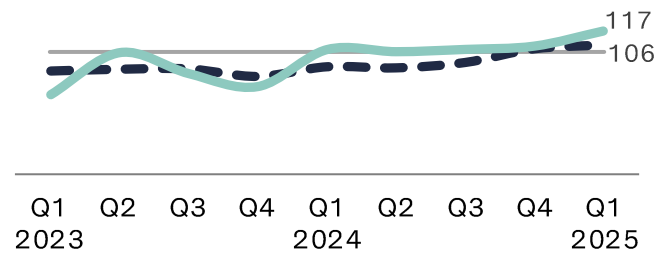


— Book to Bill, %  
- - - Book to Bill 12M, %  
— Baseline, 100%

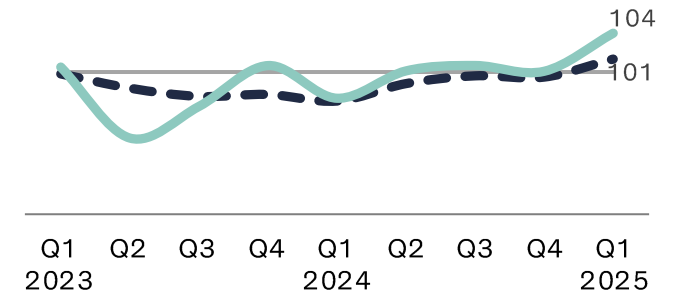
## SOUTH AMERICA



## AFRICA AND OCEANIA



## ASIA



# Buses

- The new Volvo 7800 Electric was launched in Mexico – the first electric articulated and bi-articulated bus manufactured in the country
- Svealandstrafiken ordered 106 electric buses to operate in Sweden
- Book to bill 158% in the quarter and 102% 12 months rolling





# Volvo Penta

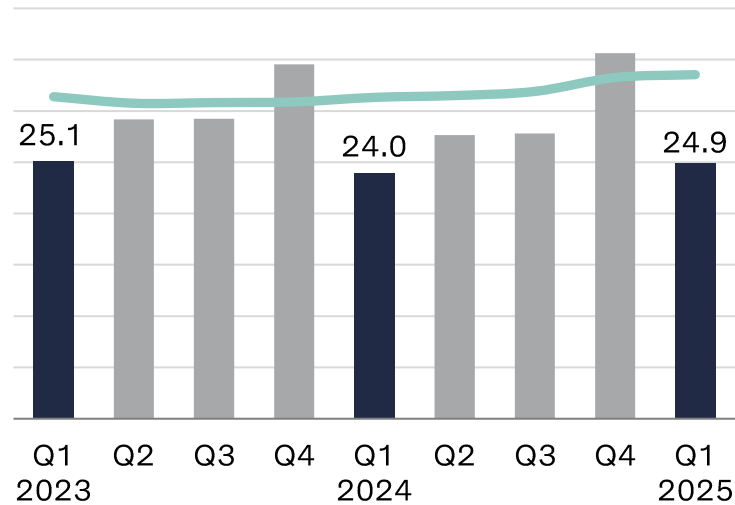
- In Q1, the IPS Professional Platform went into serial production and was introduced to the North American yacht market
- Book to bill 141% in the quarter and 109% 12 months rolling



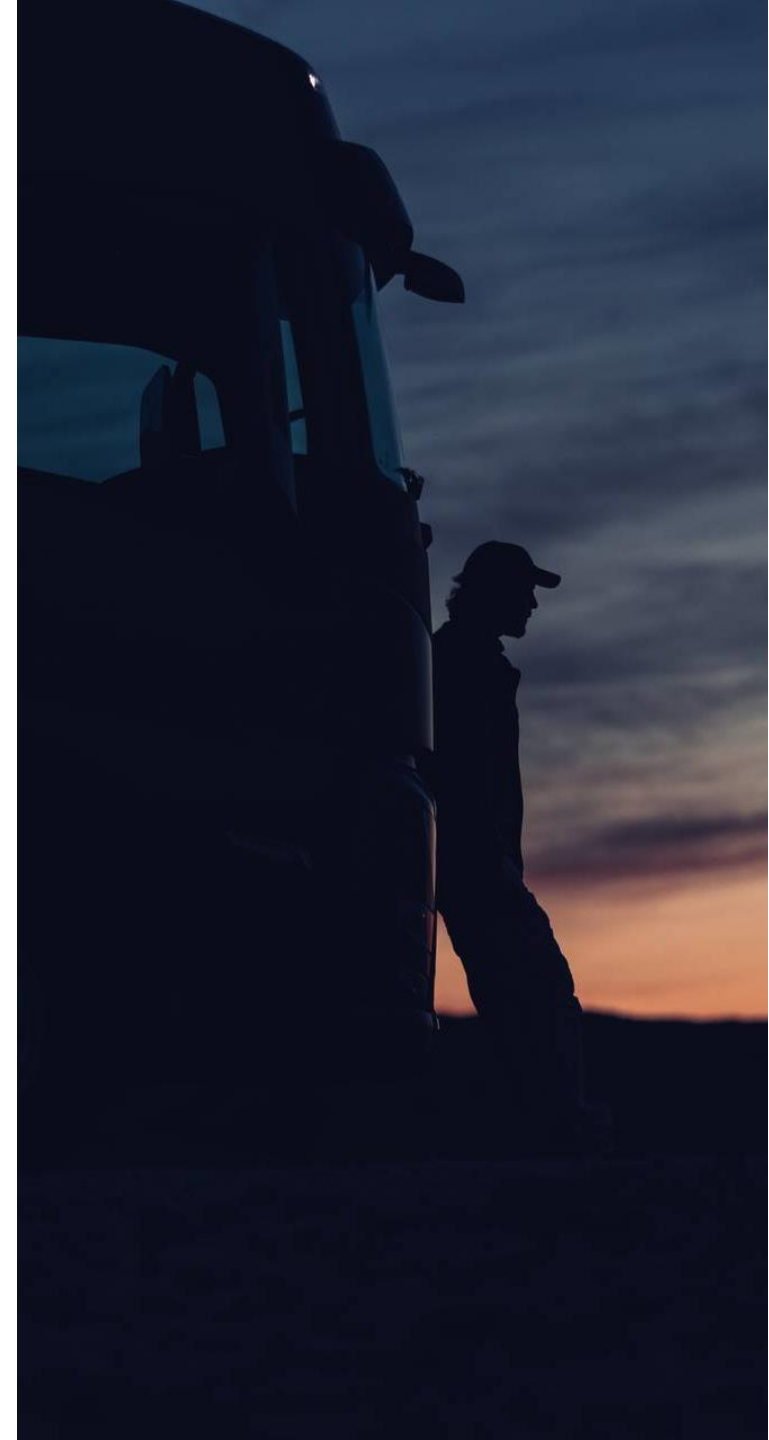
# Financial Services

- Good earnings and stable portfolio performance
- Portfolio growth
- Strong penetration

**NEW RETAIL FINANCING & PENETRATION RATE\***  
 SEK bn      — Penetration rate 12 months 29 %



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



V O L V O

# FIRST QUARTER 2025

Mats Backman

EVP and CFO

Volvo Group | First quarter 2025

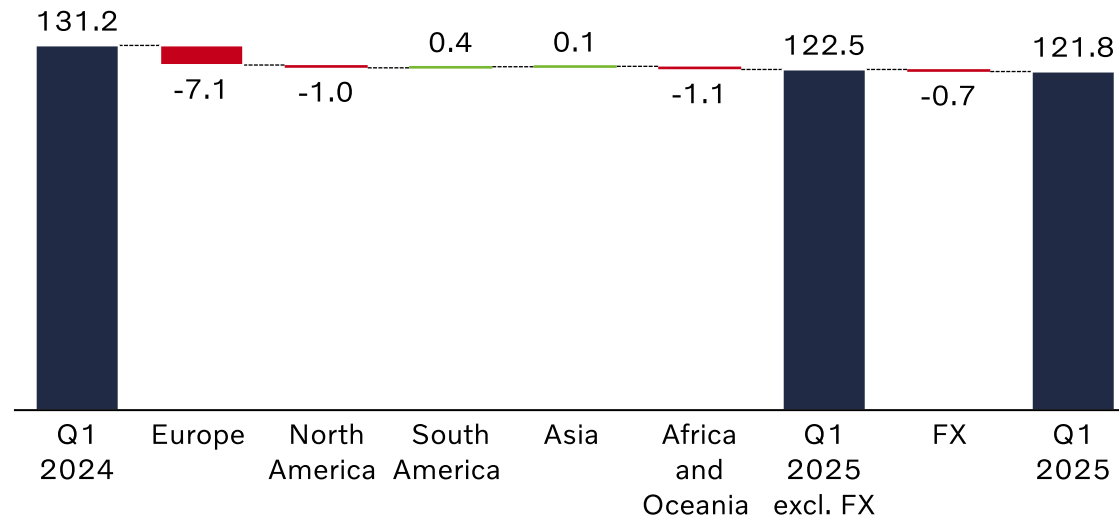
2025-04-23

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# Net sales per market



NET SALES  
SEK bn

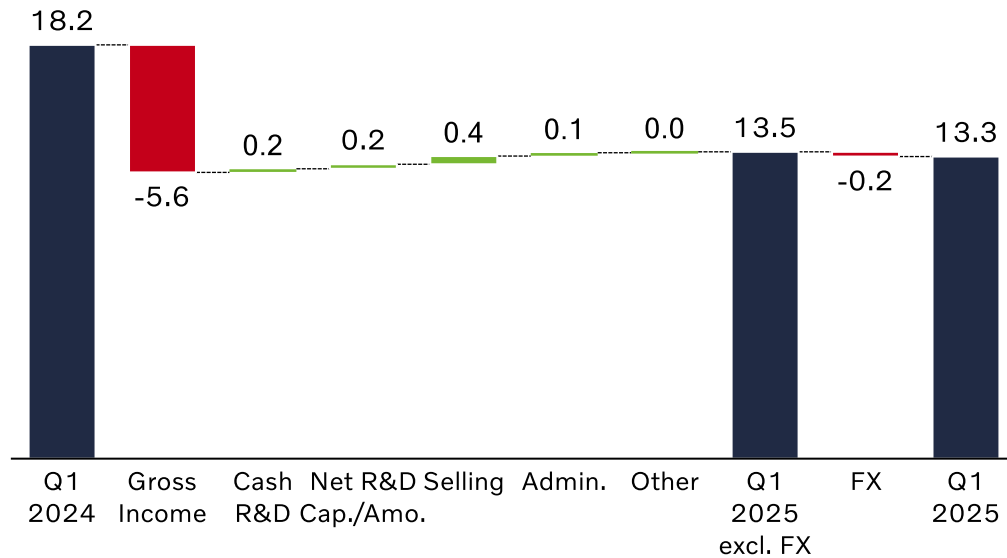


VOLVO GROUP

# Adjusted operating income contributors

## ADJUSTED OPERATING INCOME

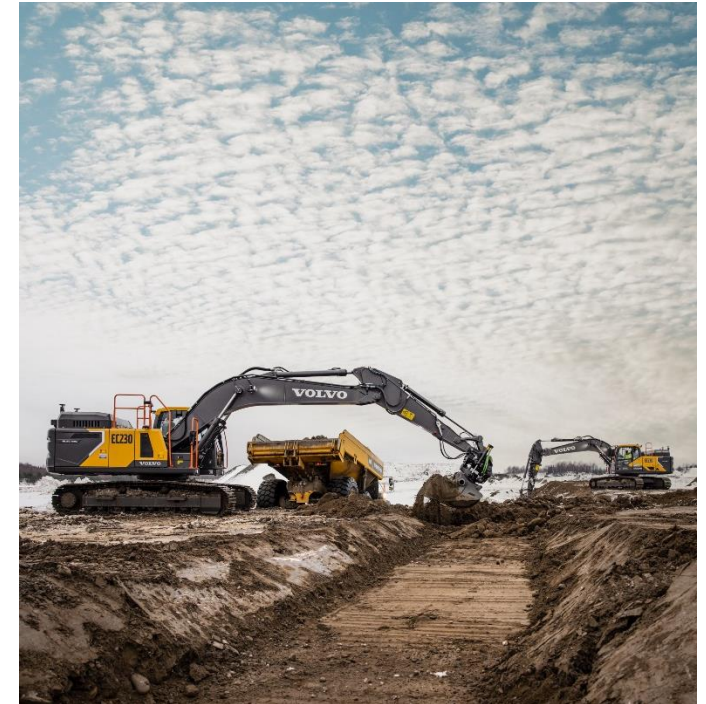
SEK bn



- + Service business
- + Freight costs
- + R&D and S&A expenses



- Volumes
- Brand & product mix
- Truck model changeover and under absorption in US manufacturing system

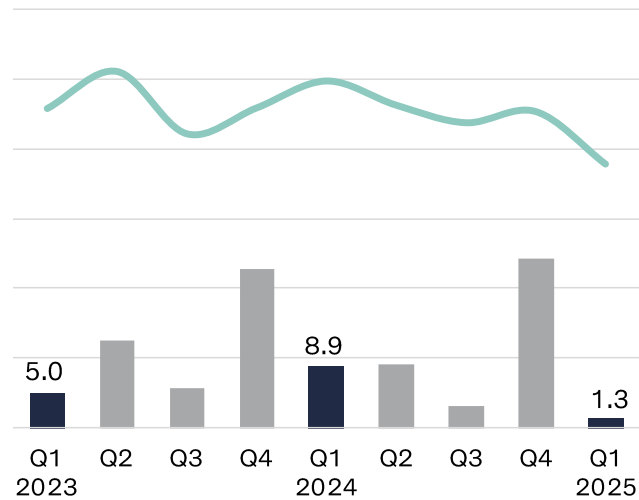


VOLVO GROUP

# Cash flow, net financial position and ROCE in Industrial Operations

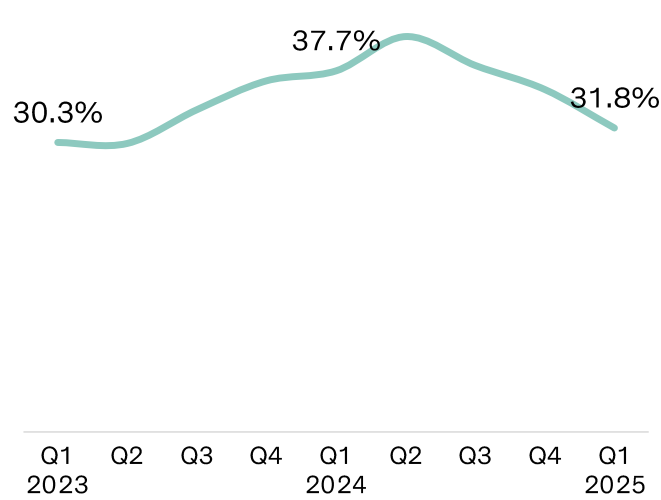
## OPERATING CASH FLOW

SEK bn — 12 months SEK 37.7 bn



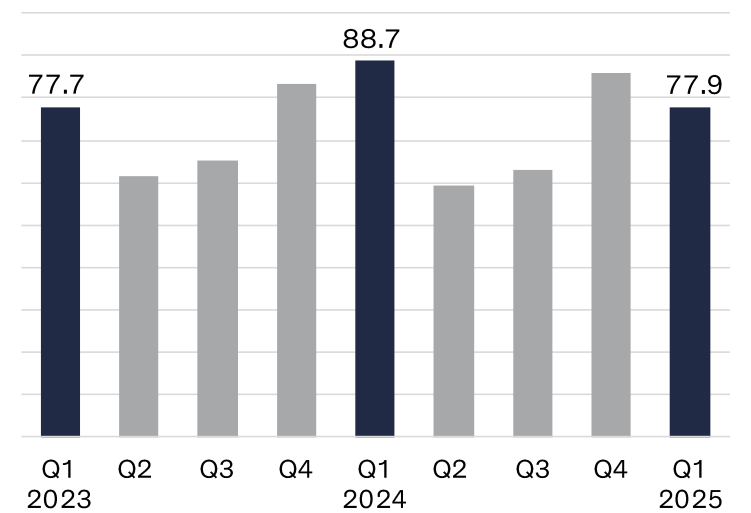
## ROCE

% 12 months



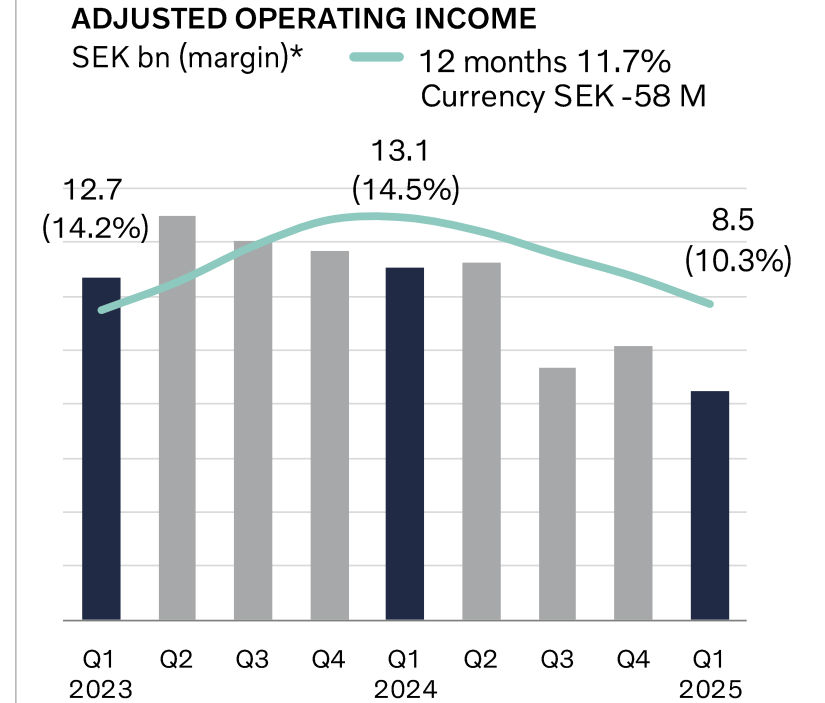
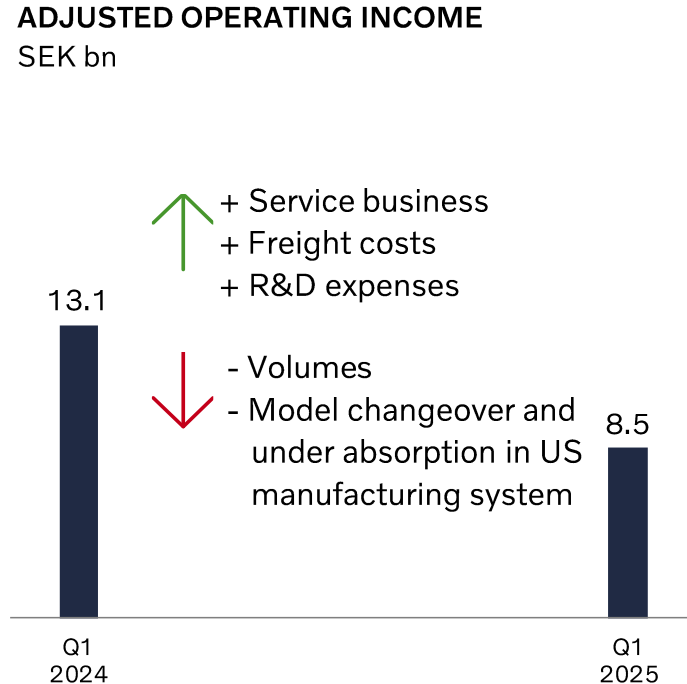
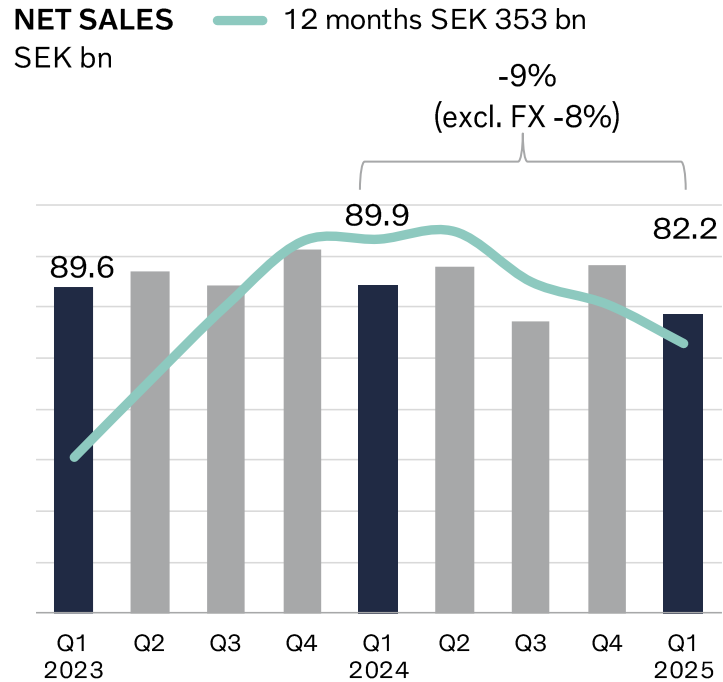
## NET FINANCIAL POSITION

(Excl. pensions and lease liabilities)  
SEK bn



# Trucks

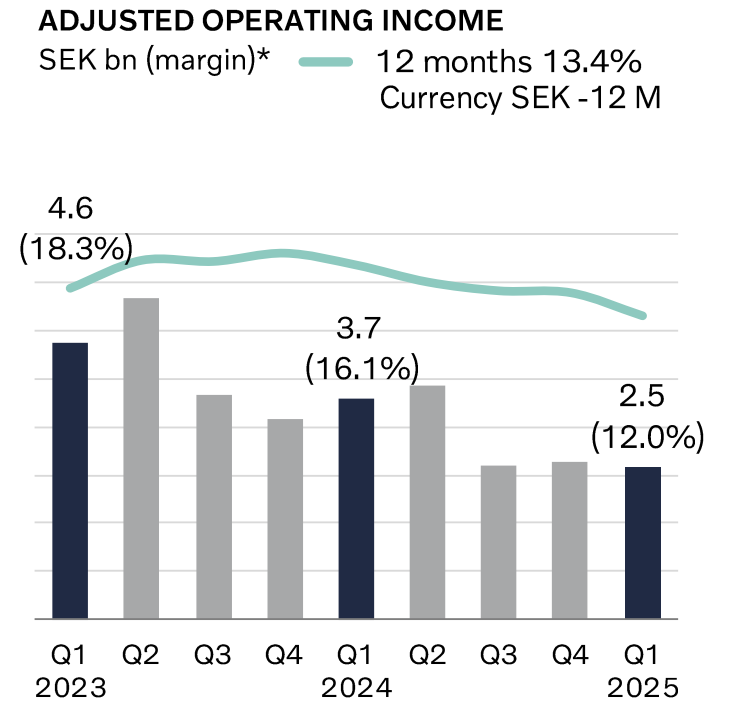
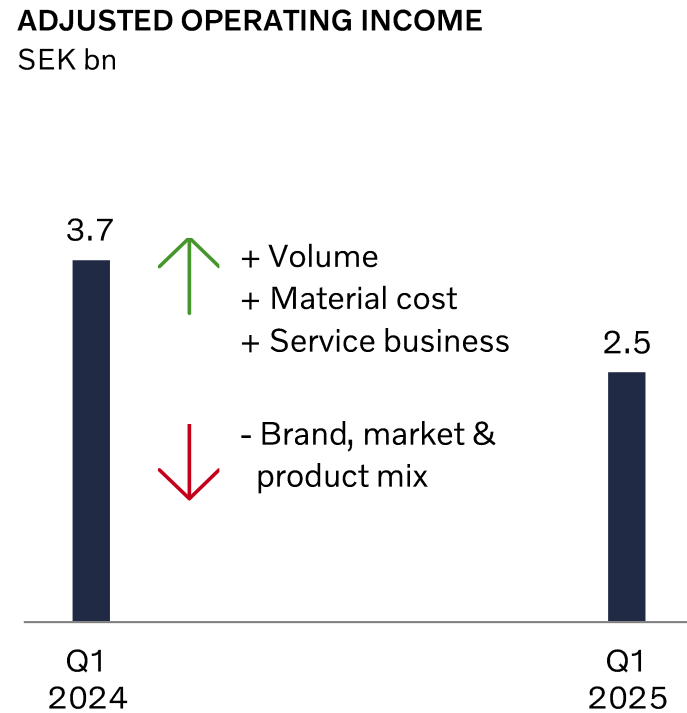
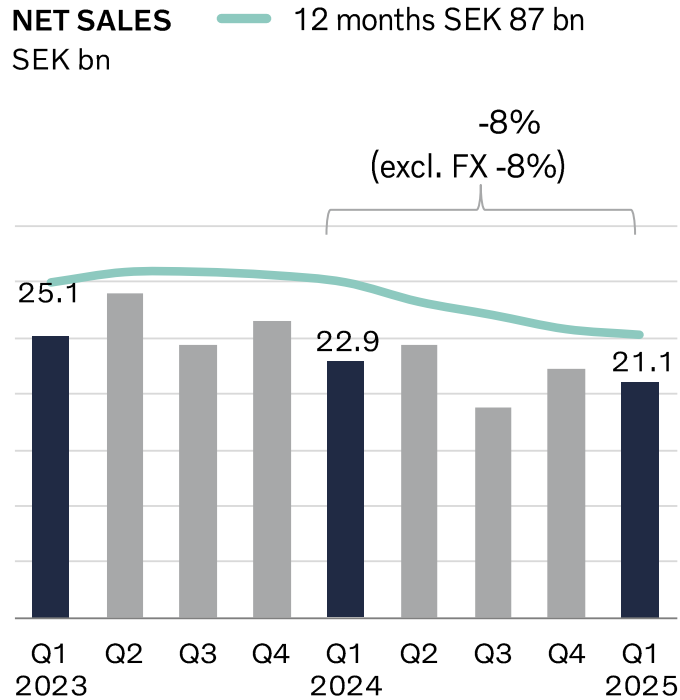
## Net sales and adjusted operating income



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

# Construction Equipment

Net sales and adjusted operating income

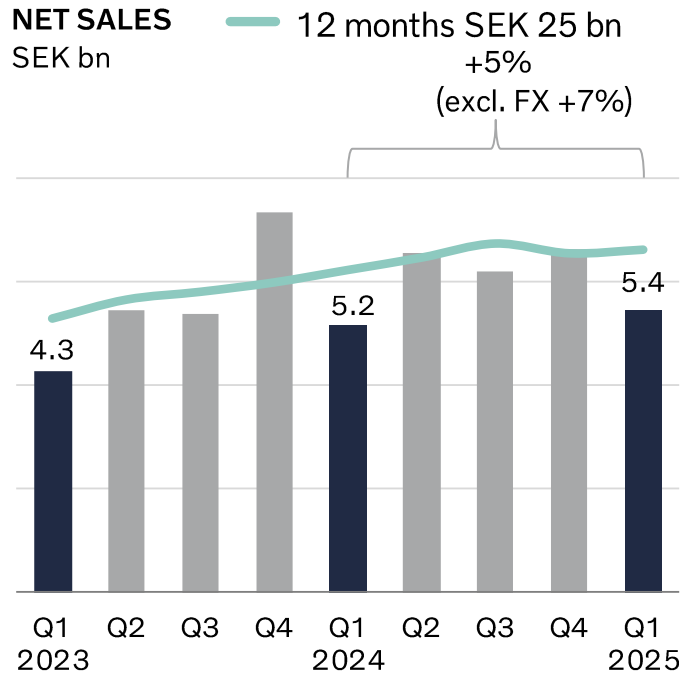


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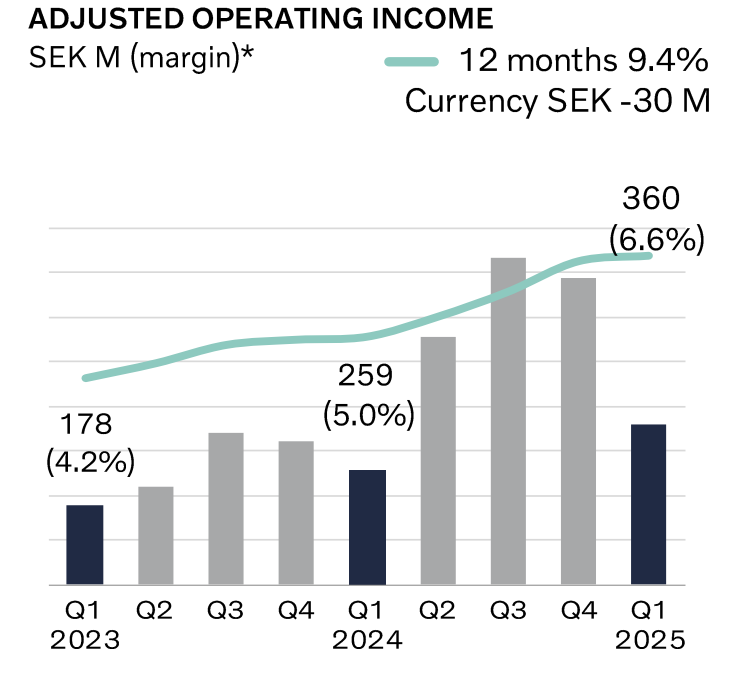
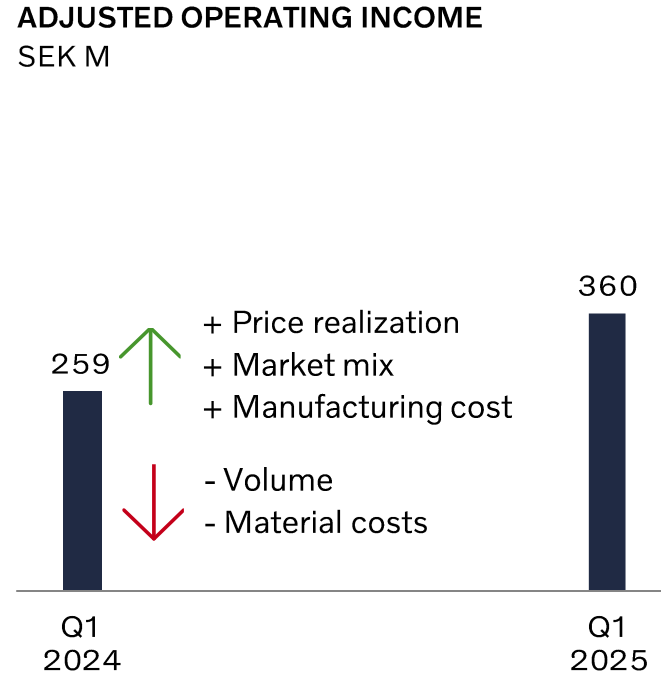


# Buses

## Net sales and adjusted operating income



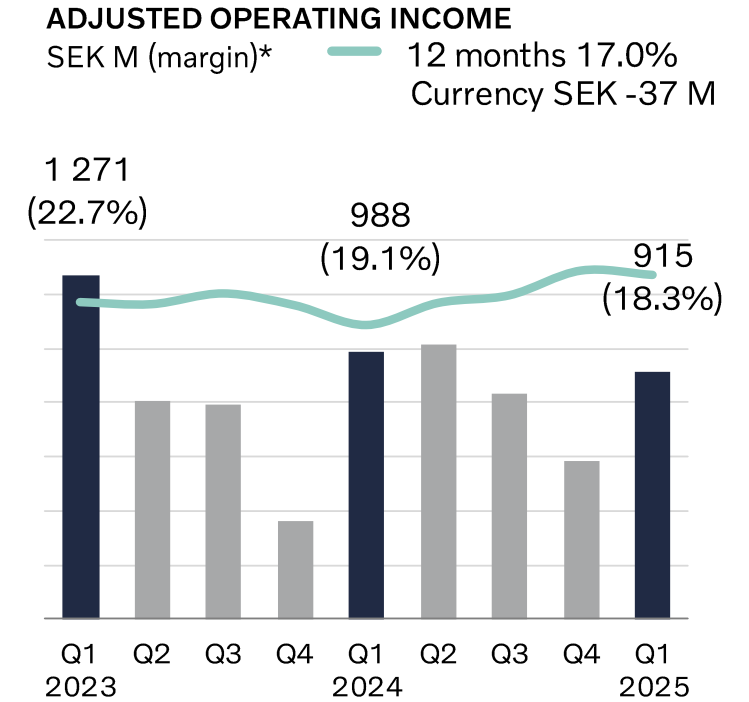
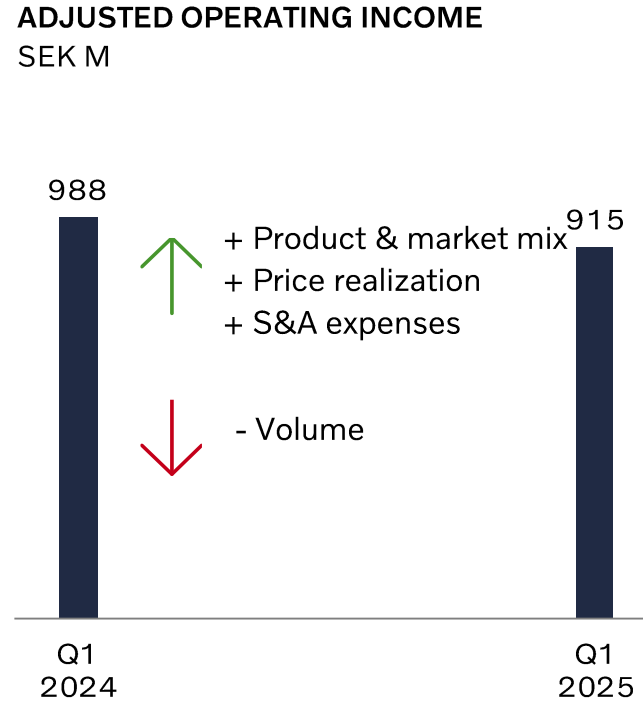
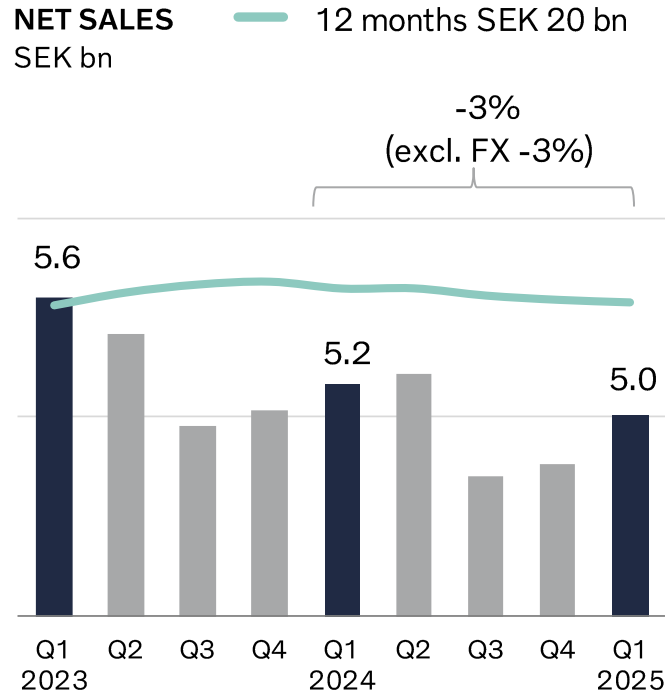
All numbers restated to exclude Nova Bus which is now included in segment 'Group Functions and other'



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# Volvo Penta

## Net sales and adjusted operating income



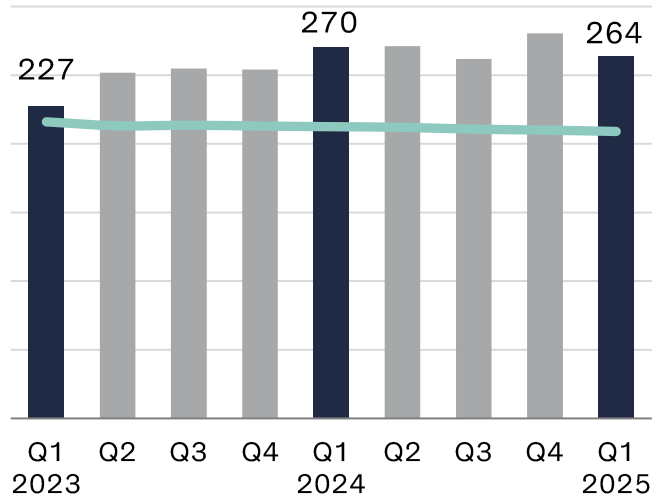
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# Financial Services

## Credit portfolio and profitability

### CREDIT PORTFOLIO & ROE\*

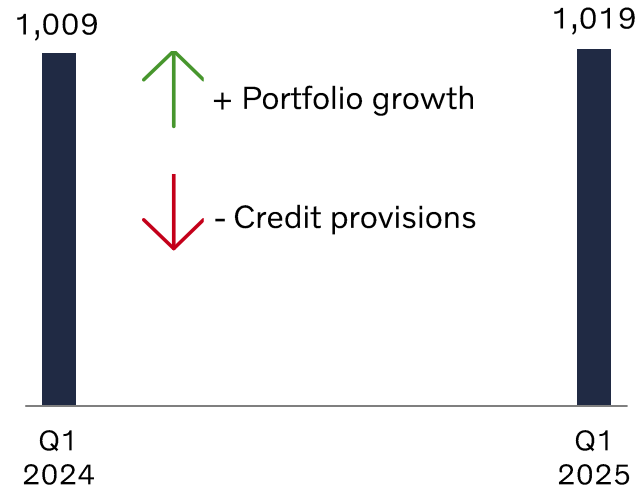
SEK bn — ROE 12 months 12,7%



\*As of Q1 2025, the equity ratio has been increased from 8% to 10%

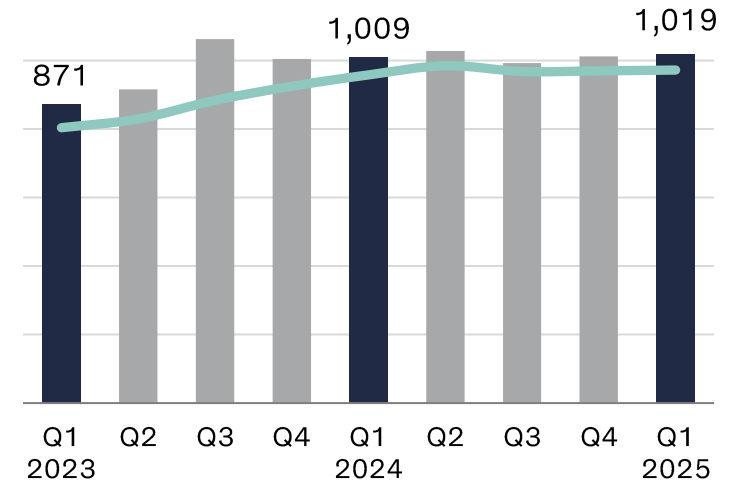
### ADJUSTED OPERATING INCOME\*

SEK M



### ADJUSTED OPERATING INCOME \*

SEK M — 12 months SEK 4,052  
Currency SEK -48 M

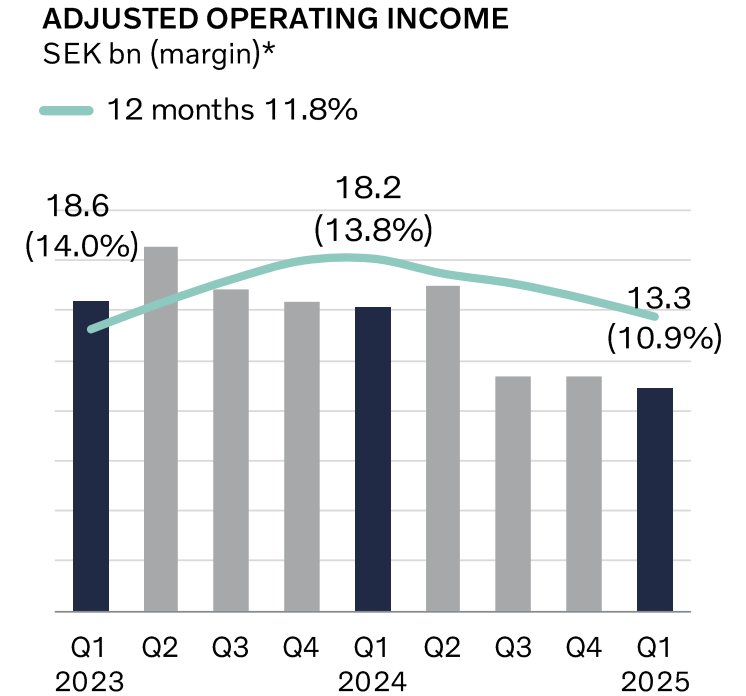
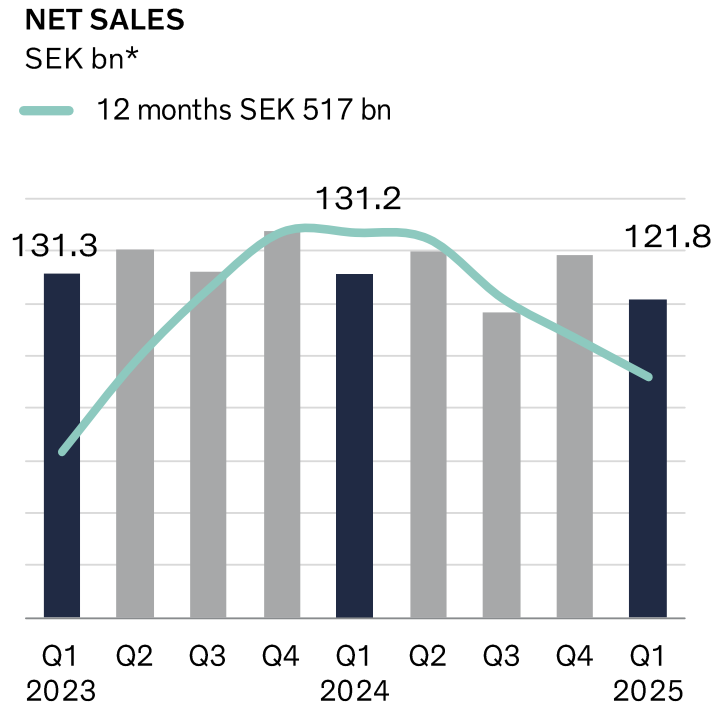


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VOLVO GROUP

# First quarter highlights

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- Adjusted operating income reached SEK 13.3 bn (18.2), corresponding to a margin of 10.9% (13.8)
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- ROCE 31.8% (37.7) in Industrial Operations
- EPS SEK 4.86 (6.92)



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# QUESTIONS AND ANSWERS

**V O L V O**