

V O L V O

Q2

VOLVO GROUP  
REPORT ON THE SECOND QUARTER 2025



**Net sales SEK 122.9 billion (140.2)**

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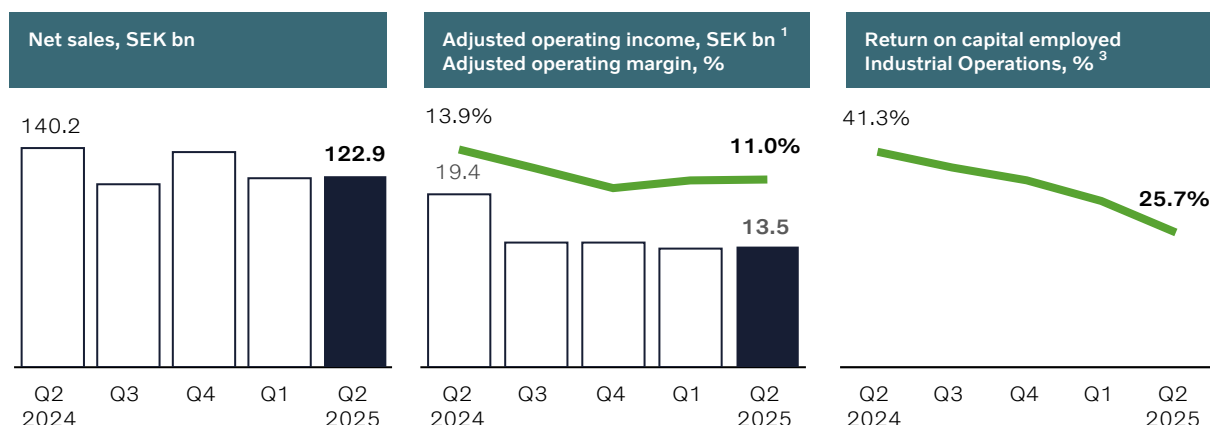
**Adjusted operating income SEK 13.5 billion (19.4)**

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## 2 IN BRIEF

- In Q2 2025, net sales decreased by 12% and amounted to SEK 122.9 billion (140.2). When adjusted for currency movements net sales decreased by 5%.
- Adjusted operating income<sup>1</sup> amounted to SEK 13,484 M (19,446), corresponding to an adjusted operating margin of 11.0% (13.9). In Q2 2025, a negative effect of SEK 4,512 M and a positive effect of SEK 989 M were excluded from adjusted operating income. In Q2 2024, positive effects of SEK 893 M were excluded from adjusted operating income.
- Reported operating income amounted to SEK 9,961 billion (20,339), corresponding to an operating margin of 8.1% (14.5).
- Compared with Q2 2024, currency movements had a negative impact on operating income amounting to SEK 2,310 M.
- Earnings per share amounted to SEK 3.64 (7.65).
- Operating cash flow in the Industrial Operations amounted to SEK 2,948 M (9,060).
- Return on capital employed in the Industrial Operations amounted to 25.7% (41.3).



SEK M unless otherwise stated	Second quarter		First six months	
	2025	2024	2025	2024
Net sales	122,896	140,249	244,687	271,426
Adjusted operating income <sup>1</sup>	13,484	19,446	26,742	37,605
Adjusted operating margin, %	11.0	13.9	10.9	13.9
Operating income	9,961	20,339	23,220	38,498
Operating margin, %	8.1	14.5	9.5	14.2
Income after financial items	9,705	20,534	22,560	38,977
Income for the period	7,525	15,583	17,509	29,686
Earnings per share, SEK	3.64	7.65	8.51	14.57
Operating cash flow in Industrial Operations	2,948	9,060	4,257	17,956
Net financial position in Industrial Operations <sup>2</sup> , SEK bn			43.1	59.3
Return on capital employed in Industrial Operations <sup>3</sup> , %			25.7	41.3
Return on equity in Financial Services <sup>3</sup> , %			11.7	12.9
Net order intake, number of trucks	47,761	47,760	102,988	96,461
Deliveries, number of trucks	52,764	58,935	101,597	114,405
Net order intake, number of construction equipment	16,720	13,522	33,896	27,373
Deliveries, number of construction equipment	16,987	15,255	32,492	29,711

<sup>1</sup> For information on adjusted operating income, please see Note 6.

<sup>2</sup> Excluding post-employment benefits and lease liabilities.

<sup>3</sup> 12 months rolling.

### 3 CEO'S COMMENTS



## A solid performance on lower volumes

**“In these uncertain times we continue to focus on our earnings resilience by staying close to customers, using our flexibility, keeping strict cost control and driving our service business.”**

In a quarter characterized by a general stabilization of the European market and more of uncertainty and a wait and see mode among customers in North America, the Volvo Group's net sales declined by 5% adjusted for currency movements and amounted to SEK 122.9 billion (140.2). Sales of vehicles were 6% lower than in Q2 2024 when adjusted for currency, while the underlying service development remained robust, supported by continued good utilization of vehicles and machines. Our service sales were on the same level as in the previous year when adjusted for currency, and on a rolling 12-month basis revenues in our service business amounted to SEK 126.3 billion. On the lower vehicle volumes, we generated an adjusted operating income of SEK 13.5 billion (19.4) with an adjusted operating margin of 11.0% (13.9).

The societal transformation to zero-emission vehicles is slower than previously anticipated, and therefore costs of SEK 4.5 billion related to compensation for lower battery volume commitments and impairment of some battery-electric assets have had a negative impact on reported operating income. As a matter of fact, the Volvo Group has the products and solutions necessary to drive the transformation. However, other enabling conditions, such as charging infrastructure and stimulus of demand, have not yet been put in place, which we regret. It is time for policymakers, state leaders and other stakeholders to also take action. Q2 results also include a positive effect of SEK 1.0 billion from the establishment of Coretura, our new joint venture with Daimler Truck that is aimed at delivering a new software-defined vehicle platform and establishing a new industry standard.

Operating cash flow in the Industrial Operations amounted to SEK 2.9 billion (9.1). At the end of the quarter, we had a net financial position of SEK 43.1 billion (59.3) excluding pension and lease liabilities. Return on capital employed amounted to 25.7% (41.3).

Deliveries in our truck business declined by 10% to 52,764 trucks while order intake was on the same level as in the previous year. Demand in Europe has been stable, and following the good order momentum we have had in recent quarters we have increased production capacity there to maintain good lead times to customers. Demand in North America has been weak in the wake of uncertainty surrounding both tariffs and the EPA 2027 emissions regulations, and we are in the process of reducing production capacity there to adapt to the lower demand. In Q2, net sales in our truck business declined by 7% to SEK 81.7 billion adjusted for currency, with sales of vehicles decreasing by 9% and sales of services increasing by 2%. The adjusted operating margin was impacted by the lower volumes and amounted to 10.3% (13.9).

The renewal of the product program in North America continues and most recently Mack Trucks launched their new regional haul truck, the all-new Mack Anthem. Together with the launches of

the all-new Volvo VNL, Volvo VNR and Mack Pioneer we have a completely new lineup of very fuel-efficient and more competitive products for the long-haul and regional-haul segments on the important North American market, where we aim to grow our market shares moving forward.

In June, Volvo Construction Equipment came to an agreement with Lantmännen to acquire the dealer group Swecon, with retail and service operations in Sweden, Germany and the Baltics. With the addition of Swecon, our ambition is to own and manage the majority of our construction business in Europe. This will bring us closer to our customers as well as strengthen our total solution sales capabilities and service business in Europe. In the quarter, we also signed a contract to divest our 70% ownership in SDLG in China where we intend to re-focus our business presence. Furthermore, we announced a strategic investment in crawler excavator production at three key locations in South Korea, Sweden and North America, to meet growing customer demand, strengthen the regional supply chains and come closer to customers with shorter lead times.

Looking at Q2, Construction Equipment's deliveries increased by 11% to 16,987 machines with volumes for the Volvo brand on the same level as last year and with an increase for SDLG mainly in China. The net sales of SEK 22.9 billion were 1% higher than in Q2 2024 adjusted for currency changes, and the adjusted operating margin amounted to 13.1% (15.9) impacted by a negative brand, product and market mix.

Demand for buses has remained good in many markets, particularly for coaches. Volvo Buses currency-adjusted net sales increased by 1% to SEK 6.0 billion with an adjusted operating margin of 7.9% (8.5).

Volvo Penta's good performance continued in Q2 supported by a strong industrial business. Currency-adjusted net sales increased by 12% to SEK 5.5 billion and the adjusted operating margin improved to 20.7% (19.5).

For our customer financing operations, Volvo Financial Services, the portfolio performance continued to be stable. The adjusted operating income amounted to SEK 1.0 billion (1.0).

In these uncertain times we continue to focus on our earnings resilience by staying close to customers, using our flexibility, keeping strict cost control and driving our service business. We have adjusted our battery-electric business to reflect the slower than anticipated adoption rate of zero-emission vehicles, but our 2040 net-zero ambition remains firm.

Martin Lundstedt  
President and CEO

## 4 IMPORTANT EVENTS



### **Andrea Fuder, Chief Purchasing Officer, has passed away**

On May 18, it was announced that Andrea Fuder, Chief Purchasing Officer and a member of the Volvo Group Executive Board since 2017, tragically had passed away following a short illness. Andrea led the global purchasing team and its ecosystem of supply partners through one of the most significant transformations the industry has seen, including navigating the pandemic, supply shortages, and an increasing volatile geopolitical landscape. She was instrumental in driving the Volvo Group transition towards more sustainable transport solutions.

### **Volvo Group and Daimler Truck launch Coretura**

On June 17, Volvo Group and Daimler Truck, two of the leaders in the commercial vehicle industry, announced the launch of Coretura AB, their joint venture aimed at transforming the commercial vehicle industry through a new software-defined vehicle platform and establishing a new industry standard. Coretura will enable Volvo Group and Daimler Truck and other future customers to provide differentiating stand-alone digital vehicle applications for their products.

### **Volvo CE to acquire Swecon and sell its stake in SDLG**

On June 24, Volvo Construction Equipment (Volvo CE) made two significant announcements: the acquisition of retail partner Swecon and the sale of its ownership stake in China-based SDLG (Shandong Lingong Construction Machinery Co). For more information, please see page 13.

### **Volvo Group receives EU innovation support for CarbonSmart Initiative**

On June 24, it was announced that Volvo Group's engine plant in Skövde, Sweden had been awarded up to EUR 49 M from the EU Innovation Fund to support the project CarbonSmart Factory: SPACE. This initiative aims to advance Volvo Group's transformation through net-zero innovation and clean technology.

### **Changes to the Volvo Group Executive Board**

On June 27, it was announced that Lars Stenqvist, member of the Volvo Group Executive Board and Group Chief Technology Officer, has decided to step down from his current role after nine years of service and continue in the Group as a senior leader. He will be replaced by Jens Holtinger, currently member of the Executive Board and Executive Vice President Group Trucks Operations. The transition will take effect on September 1.

### **Events after the balance sheet date**

No other significant events have occurred after the end of the second quarter 2025 that are expected to have a material effect on the Volvo Group's financial statements.

### **Previously reported important events in 2025**

- Annual General Meeting of AB Volvo

Detailed information is available at [www.volvogroup.com](http://www.volvogroup.com)

## 5 FINANCIAL SUMMARY



### Net sales

In Q2 2025, the Volvo Group's net sales decreased by 12% to SEK 122,896 M compared with SEK 140,249 M in the same quarter the preceding year. Net sales decreased in all regions.

When adjusted for currency movements, net sales decreased by 5%, of which vehicle sales decreased by 6% and service sales were on the same level as the prior year.

### Operating income

In Q2 2025, adjusted operating income amounted to SEK 13,484 M (19,446), corresponding to an adjusted operating margin of 11.0% (13.9). Compared with Q2 2024, the adjusted operating income was negatively affected by lower volumes, an unfavorable mix from brand, market and product, as well as increased tariff costs, which were partly offset by lower operating expenses and an improved service business. Compared with Q2 2024, currency movements, had a negative impact of SEK 2,310 M.

In Q2 2025, a negative effect of SEK 4,512 M, relating to costs incurred as a result of the slower than previously anticipated transformation to zero-emission vehicles, has been excluded from adjusted operating income. The adjustment included compensation payments of SEK 2,897 M, whereof a negative cash flow impact of SEK 1,922 M in Q2 2025, as a consequence of renegotiated battery-volume commitments and impairments of battery-electric assets of SEK 1,615 M. A positive effect of SEK

989 M, related to a gain from divesting 50% of the shares in Coretura to Daimler Truck and remeasurement of the remaining shares to fair value, has also been excluded from adjusted operating income. The positive impact on cash flow amounted to SEK 472 M. Adjusted operating income in Q2 2024 excluded positive effects in a total of SEK 893 M. For more information on adjusted operating income, please see Note 6.

Reported operating income in Q2 2025 amounted to SEK 9,961 M (20,339), corresponding to an operating margin of 8.1% (14.5).

### Financial items

In Q2 2025, interest income was SEK 473 M (546), whereas interest expenses amounted to SEK -483 M (-370).

Other financial income and expenses amounted to SEK -246 M (19). The change is primarily due to revaluation effects of financial assets and liabilities.

### Income taxes

In Q2 2025, income taxes amounted to SEK -2,180 M (-4,952). The effective tax rate was 22.5% (24.1).

### Income for the period and earnings per share

In Q2 2025, income for the period amounted to SEK 7,525 M (15,583). Earnings per share amounted to SEK 3.64 (7.65).

Consolidated Income Statement				
SEK M	Second quarter		First six months	
	2025	2024	2025	2024
<b>Net sales</b>	<b>122,896</b>	<b>140,249</b>	<b>244,687</b>	<b>271,426</b>
Cost of sales	-95,261	-100,257	-186,128	-194,652
<b>Gross income</b>	<b>27,635</b>	<b>39,992</b>	<b>58,559</b>	<b>76,774</b>
Research and development expenses	-7,087	-8,216	-14,038	-15,547
Selling expenses	-8,214	-8,841	-16,445	-17,459
Administrative expenses	-1,986	-1,988	-3,806	-3,952
Other operating income and expenses	101	-16	-462	-584
Income/loss from investments in joint ventures and associated companies	-470	-605	-592	-746
Income/loss from other investments	-18	13	4	13
<b>Operating income</b>	<b>9,961</b>	<b>20,339</b>	<b>23,220</b>	<b>38,498</b>
Interest income and similar credits	473	546	1,111	1,432
Interest expenses and similar charges	-483	-370	-892	-734
Other financial income and expenses	-246	19	-879	-219
<b>Income after financial items</b>	<b>9,705</b>	<b>20,534</b>	<b>22,560</b>	<b>38,977</b>
Income taxes	-2,180	-4,952	-5,051	-9,291
<b>Income for the period *</b>	<b>7,525</b>	<b>15,583</b>	<b>17,509</b>	<b>29,686</b>
* Attributable to:				
Owners of AB Volvo	7,412	15,551	17,302	29,631
Non-controlling interest	114	32	208	55
Basic earnings per share, SEK	3.64	7.65	8.51	14.57
Diluted earnings per share, SEK	3.64	7.65	8.51	14.57

## 6 FINANCIAL SUMMARY

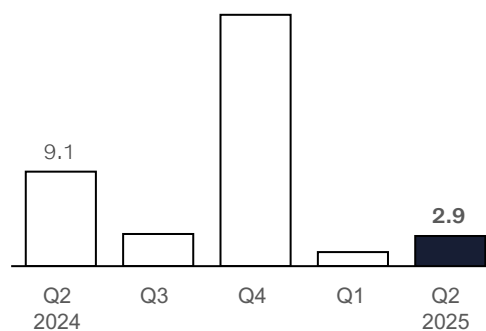


Net sales						
SEK M	Second quarter			First six months		
	2025	2024	Change %	2025	2024	Change %
<b>Net sales per geographical region</b>						
Europe	51,986	56,957	-9	101,735	113,818	-11
North America	35,843	43,934	-18	76,300	84,823	-10
South America	11,326	14,562	-22	22,069	25,990	-15
Asia	15,582	15,780	-1	30,253	30,490	-1
Africa and Oceania	8,158	9,016	-10	14,329	16,305	-12
<b>Total net sales</b>	<b>122,896</b>	<b>140,249</b>	<b>-12</b>	<b>244,687</b>	<b>271,426</b>	<b>-10</b>
<b>Net sales per product group</b>						
Vehicles	92,729	107,277	-14	182,657	206,118	-11
Services	30,167	32,972	-9	62,030	65,308	-5
<b>Total net sales</b>	<b>122,896</b>	<b>140,249</b>	<b>-12</b>	<b>244,687</b>	<b>271,426</b>	<b>-10</b>
<b>Timing of revenue recognition</b>						
Revenue of vehicles and services recognized at the point of delivery	110,189	126,578	-13	219,066	244,377	-10
Revenue of vehicles and services recognized over contract period	12,707	13,671	-7	25,621	27,049	-5
<b>Total net sales</b>	<b>122,896</b>	<b>140,249</b>	<b>-12</b>	<b>244,687</b>	<b>271,426</b>	<b>-10</b>

### Operating cash flow in the Industrial Operations

During Q2 2025, operating cash flow in the Industrial Operations was positive in an amount of SEK 2,948 M (9,060). Compared with Q2 2024, the decreased operating cash flow is mainly an effect of the lower operating income and increased investments, mainly related to the new truck plant in Mexico.

Operating cash flow  
Industrial Operations, SEK bn



## 7 FINANCIAL SUMMARY



### Volvo Group financial position

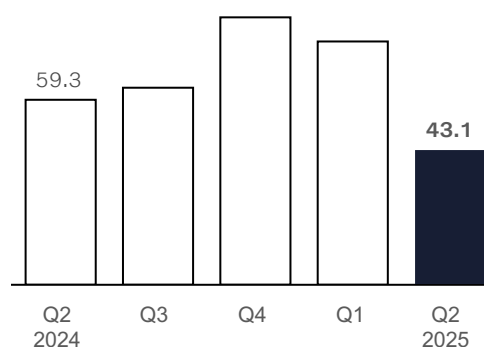
During Q2 2025, net financial assets in the Industrial Operations, excluding provisions for post-employment benefits and lease liabilities, decreased by SEK 34.8 billion resulting in a net financial asset position of SEK 43.1 billion on June 30, 2025, compared with SEK 77.9 billion on March 31, 2025. The change is mainly explained by the dividend paid to AB Volvo shareholders of SEK 37.6 billion. Currency movements decreased net financial assets by SEK 0.1 billion.

Including provisions for post-employment benefits and lease liabilities, the Industrial Operations net financial assets amounted to SEK 26.5 billion on June 30, 2025, compared with SEK 61.4 billion on March 31, 2025. Remeasurements of defined benefit pension plans had a negative impact of SEK 0.2 billion during Q2 2025.

Total assets in the Volvo Group decreased by SEK 37.0 billion compared with year end 2024, whereof SEK 47.0 billion is related to currency movements.

On June 30, 2025, total equity for the Volvo Group amounted to SEK 167.0 billion compared with SEK 197.4 billion at year end 2024. The equity ratio was 24.6% (27.6). On the same date the equity ratio in the Industrial Operations amounted to 32.9% (38.4).

### Net financial position excl. post-employment benefits and lease liabilities Industrial Operations, SEK bn



### Number of employees

On June 30, 2025, the Volvo Group had 103,201 employees, including temporary employees and consultants, compared with 102,648 employees on March 31, 2025. The number of blue-collar employees increased by 407 and the number of white-collar employees increased by 146.

Number of employees				
	Jun 30 2025	Mar 31 2025	Dec 31 2024	Jun 30 2024
Blue-collar	50,052	49,645	48,477	50,959
Whereof temporary employees and consultants	5,206	4,597	3,201	5,642
White-collar	53,149	53,003	53,118	53,480
Whereof temporary employees and consultants	6,999	6,897	7,022	7,532
<b>Total number of employees</b>	<b>103,201</b>	<b>102,648</b>	<b>101,595</b>	<b>104,439</b>
Whereof temporary employees and consultants	12,205	11,494	10,223	13,174



## 8 BUSINESS SEGMENT OVERVIEW



Net sales										
SEK M	Second quarter		Change		First six months		Change		12 mths. rolling	Jan-Dec 2024
	2025	2024	%	% <sup>1</sup>	2025	2024	%	% <sup>1</sup>		
Trucks	81,690	95,132	-14	-7	163,938	185,078	-11	-8	339,470	360,610
Construction Equipment	22,906	24,423	-6	1	44,023	47,300	-7	-3	85,029	88,305
Buses	6,036	6,551	-8	1	11,472	11,723	-2	4	24,293	24,544
Volvo Penta	5,460	5,216	5	12	10,464	10,383	1	5	19,932	19,852
Group Functions & Other	2,682	4,657	-42	-40	6,346	8,938	-29	-27	13,956	16,548
Eliminations	-1,184	-1,263	-	-	-2,397	-2,542	-	-	-4,737	-4,883
<b>Industrial Operations</b>	<b>117,590</b>	<b>134,715</b>	<b>-13</b>	<b>-6</b>	<b>233,846</b>	<b>260,879</b>	<b>-10</b>	<b>-6</b>	<b>477,943</b>	<b>504,975</b>
Financial Services	6,499	6,801	-4	6	13,278	13,334	-	6	26,926	26,982
Reclassifications and eliminations	-1,194	-1,268	-	-	-2,437	-2,787	-	-	-4,791	-5,140
<b>Volvo Group net sales</b>	<b>122,896</b>	<b>140,249</b>	<b>-12</b>	<b>-5</b>	<b>244,687</b>	<b>271,426</b>	<b>-10</b>	<b>-6</b>	<b>500,078</b>	<b>526,816</b>

<sup>1</sup> Adjusted for exchange rate changes.

Adjusted operating income <sup>1</sup>								
	Second quarter		Change	First six months		Change	12 mths.	Jan-Dec
SEK M	2025	2024	%	2025	2024	%	rolling	2024
Trucks	8,399	13,251	-37	16,863	26,325	-36	36,365	45,826
Construction Equipment	2,993	3,888	-23	5,535	7,571	-27	10,702	12,737
Buses	474	554	-14	834	813	3	2,254	2,233
Volvo Penta	1,132	1,016	11	2,047	2,005	2	3,462	3,419
Group Functions & Other	-574	-436	-32	-688	-1,383	50	-2,248	-2,943
Eliminations	18	13	–	12	–	–	44	32
Industrial Operations	12,442	18,286	-32	24,603	35,330	-30	50,578	61,305
Financial Services	980	1,028	-5	1,999	2,037	-2	4,004	4,042
Reclassifications and eliminations	62	132	-53	140	238	-41	273	371
Volvo Group adjusted operating income	13,484	19,446	-31	26,742	37,605	-29	54,855	65,718
Adjustments <sup>1</sup>	-3,523	893	–	-3,523	893	–	-3,523	893
Volvo Group operating income	9,961	20,339	-51	23,220	38,498	-40	51,332	66,611

<sup>1</sup> For more information on adjusted operating income, please see Note 6.

Adjusted operating margin						
%	Second quarter		First six months		12 mths. rolling	Jan-Dec 2024
	2025	2024	2025	2024		
Trucks	10.3	13.9	10.3	14.2	10.7	12.7
Construction Equipment	13.1	15.9	12.6	16.0	12.6	14.4
Buses	7.9	8.5	7.3	6.9	9.3	9.1
Volvo Penta	20.7	19.5	19.6	19.3	17.4	17.2
<b>Industrial Operations</b>	<b>10.6</b>	<b>13.6</b>	<b>10.5</b>	<b>13.5</b>	<b>10.6</b>	<b>12.1</b>
<b>Volvo Group adjusted operating margin</b>	<b>11.0</b>	<b>13.9</b>	<b>10.9</b>	<b>13.9</b>	<b>11.0</b>	<b>12.5</b>
<b>Volvo Group operating margin</b>	<b>8.1</b>	<b>14.5</b>	<b>9.5</b>	<b>14.2</b>	<b>10.3</b>	<b>12.6</b>



## 9 TRUCKS

# Demand stabilizing in Europe while customers in the US are in a wait and see mode



- In Q2, net order intake was flat while deliveries decreased by 10%
- Adjusted operating income decreased to SEK 8,399 M (13,251), with a margin of 10.3% (13.9)
- Service sales increased by 2%, adjusted for currency

### Market development

During Q2, the European truck market continued to stabilize on a lower level than in the prior year. As of May, registrations of heavy-duty trucks were down by 14% compared with the prior year. Utilization of the installed fleets has remained on a good level, and demand is replacement-driven. Recently announced increases in defense spending in Europe is expected to gradually drive demand from armed forces.

The North American long-haul freight market is in a recession on the back of lower freight volumes and freight prices, while the vocational freight market has held up relatively better. The implementation of trade tariffs and uncertainty regarding the EPA 2027 emissions standards have caused US customers to adopt a wait and see approach. One segment that has remained stable is refuse trucks, where Mack Trucks has a strong position. The total retail sales on the North American market as per June were 6% lower than in 2024.

The Brazilian truck market declined by 6% compared with the prior year. The market is supported by the agricultural segment as well as the mining and pulp industries, whereas high inflation and increased interest rates are cooling down the truck market.

In Q2 2025, the Indian truck market remained flat. Geopolitical tension surrounding India caused some hesitancy among customers but demand was supported by ongoing infrastructure projects, liquidity support from the central bank and a moderating inflation.

The Chinese market rebounded in the spring and the market grew by 7% year over year with strong demand for LNG trucks and accelerating demand for battery-electric trucks, which accounted for 21% of the market as of May.

### Orders and deliveries

In Q2, total net order intake was on par with last year and reached 47,761 trucks while deliveries decreased by 10% to 52,764 units. Deliveries of heavy-duty trucks decreased by 8%, of medium-duty trucks by 23% and for light-duty trucks the decrease was 22%.

In Europe, order intake increased by 21% to 25,529 units, with

orders for heavy- and medium-duty trucks increasing by 8%.

Orders for light-duty trucks increased by 154% as Q2 2024 was impacted by a model changeover. Total deliveries in Europe decreased by 5% to 26,683 trucks, impacted by deliveries of light-duty vehicles decreasing by 22%. Through May, Volvo continued to deliver a strong heavy-duty market share which reached 19.8% (16.8). The electric heavy-duty market share was 33.8% (56.8). Also Renault Trucks improved their heavy-duty truck market share up to 10.5% (8.2) and their electric heavy-duty market share increased to 23.6% (15.4).

Order intake in North America decreased by 16% to 8,243 trucks as the market has come into a more of a wait and see mode given the tariffs and uncertainties surrounding EPA 2027. Deliveries in North America decreased by 20% to 12,981 trucks. Volvo's heavy-duty truck market share amounted to 7.6% (9.5) hampered by a model changeover while Mack's market share rose to 7.2% (6.1) on the back of an improved supply chain and good vocational demand.

In South America, order intake decreased by 34% to 6,879 trucks while deliveries decreased by 15% to 6,249 vehicles. In Brazil, Volvo remained the market leader with a heavy-duty truck market share of 23.3% (22.9).

Order intake in Asia increased by 12% to 4,628 vehicles and deliveries increased by 5% to 4,488 vehicles.

Order intake for fully electric trucks increased by 53% to 1,002 vehicles with a good development for both Volvo and Renault Trucks. Deliveries decreased by 7% to 1,029 trucks. The electric truck market is still driven by early adopters. A broader adoption is dependent on several factors, among them the expansion of necessary infrastructure such as charging and the total cost of ownership development including incentive schemes.

Order intake in the Indian joint venture, VE Commercial Vehicles, increased by 9% to 15,184 vehicles while deliveries increased by 8% to 15,017 vehicles.

Deliveries from the Chinese joint venture, Dongfeng Commercial Vehicles, increased by 33% to 32,211 trucks.

### Total market development

	First six months		Change %	Full year 2024	Forecast 2025	Change vs. previous forecast
	2025	2024				
Registrations, number of trucks						
Europe 29 <sup>1</sup> heavy-duty (YTD May)	107,809	125,591	-14	278,166	–	–
Europe 30 <sup>1</sup> heavy-duty (YTD May)	120,936	140,678	-14	313,894	290,000	Unchanged
North America heavy-duty, retail sales.	135,723	145,056	-6	308,141	275,000	Unchanged
Brazil heavy-duty	41,692	44,582	-6	97,686	85,000	Unchanged
China <sup>2</sup> medium- and heavy-duty	431,447	403,823	7	704,534	710,000	Unchanged
India medium- and heavy-duty	182,997	182,269	–	351,252	360,000	-20,000

<sup>1</sup> EU29 includes Norway and Switzerland but excludes UK. EU30 includes UK.

<sup>2</sup> Previous year has been adjusted to exclude exports.

## 10 TRUCKS



Net order intake						
	Second quarter		Change	First six months		Change
	2025	2024	%	2025	2024	%
Number of trucks						
Europe	25,529	21,080	21	56,891	46,157	23
Heavy- and medium-duty	20,747	19,201	8	47,711	39,177	22
Light-duty	4,782	1,879	154	9,180	6,980	32
North America	8,243	9,756	-16	18,460	19,376	-5
South America	6,879	10,483	-34	12,827	18,381	-30
Asia	4,628	4,149	12	10,184	8,264	23
Africa and Oceania	2,482	2,292	8	4,626	4,283	8
<b>Total order intake</b>	<b>47,761</b>	<b>47,760</b>	<b>-</b>	<b>102,988</b>	<b>96,461</b>	<b>7</b>
Heavy-duty (>16 tons)	40,300	42,555	-5	88,108	82,766	6
Medium-duty (7-16 tons)	2,653	3,328	-20	5,673	6,597	-14
Light-duty (<7 tons)	4,808	1,877	156	9,207	7,098	30
<b>Total order intake</b>	<b>47,761</b>	<b>47,760</b>	<b>-</b>	<b>102,988</b>	<b>96,461</b>	<b>7</b>
Volvo	28,841	30,711	-6	62,500	61,778	1
Renault Trucks	14,492	10,076	44	30,002	24,899	20
Heavy- and medium-duty	9,684	8,199	18	20,795	17,801	17
Light-duty	4,808	1,877	156	9,207	7,098	30
Mack	4,277	6,812	-37	10,131	9,577	6
Other brands	151	161	-6	355	207	71
<b>Total order intake</b>	<b>47,761</b>	<b>47,760</b>	<b>-</b>	<b>102,988</b>	<b>96,461</b>	<b>7</b>
<b>Non-consolidated operations</b>						
VE Commercial Vehicles (Eicher)	15,184	14,274	6	35,397	32,885	8

Deliveries						
	Second quarter		Change	First six months		Change
	2025	2024	%	2025	2024	%
Number of trucks						
Europe	26,683	28,086	-5	50,730	57,375	-12
Heavy- and medium-duty	22,062	22,151	-	41,810	44,710	-6
Light-duty	4,621	5,935	-22	8,920	12,665	-30
North America	12,981	16,234	-20	27,296	31,290	-13
South America	6,249	7,368	-15	11,646	12,522	-7
Asia	4,488	4,261	5	7,803	7,978	-2
Africa and Oceania	2,363	2,986	-21	4,122	5,240	-21
<b>Total deliveries</b>	<b>52,764</b>	<b>58,935</b>	<b>-10</b>	<b>101,597</b>	<b>114,405</b>	<b>-11</b>
Heavy-duty (>16 tons)	45,181	49,109	-8	86,547	93,540	-7
Medium-duty (7-16 tons)	2,941	3,837	-23	6,108	8,107	-25
Light-duty (<7 tons)	4,642	5,989	-22	8,942	12,758	-30
<b>Total deliveries</b>	<b>52,764</b>	<b>58,935</b>	<b>-10</b>	<b>101,597</b>	<b>114,405</b>	<b>-11</b>
Volvo	30,443	35,258	-14	58,387	67,212	-13
Renault Trucks	13,981	15,723	-11	26,929	31,559	-15
Heavy- and medium-duty	9,339	9,734	-4	17,987	18,801	-4
Light-duty	4,642	5,989	-22	8,942	12,758	-30
Mack	8,191	7,713	6	16,065	15,180	6
Other brands	149	241	-38	216	454	-52
<b>Total deliveries</b>	<b>52,764</b>	<b>58,935</b>	<b>-10</b>	<b>101,597</b>	<b>114,405</b>	<b>-11</b>
<b>Non-consolidated operations</b>						
VE Commercial Vehicles (Eicher)	15,017	13,946	8	35,597	33,274	7
Dongfeng Commercial Vehicle Company (Dongfeng Trucks)	32,211	28,236	14	62,643	51,086	23

### Net sales and operating income

In Q2 2025, net sales decreased by 14% to SEK 81,690 M (95,132). Excluding currency effects, net sales decreased by 7% with sales of vehicles decreasing by 9% and sales of services increasing by 2%.

In Q2 2025, adjusted operating income amounted to SEK 8,399 M (13,251), corresponding to an adjusted operating margin of 10.3% (13.9). Compared with Q2 2024, the lower

adjusted operating income is an effect of lower volumes, higher material costs and tariff costs, which were partly offset by lower operating expenses and an improved service business. Compared with Q2 2024, currency movements had a negative impact of SEK 1,363 M.

In Q2 2025, a negative effect of SEK 3,936 M, relating to costs incurred as a result of the slower than previously anticipated transformation to zero-emission vehicles, has been excluded from

## 11 TRUCKS



adjusted operating income. A positive effect of SEK 989 M, related to a gain from divesting 50% of the shares in Coretura to Daimler Truck, has also been excluded from adjusted operating

income. In Q2 2024 adjusted operating income excluded a positive effect of SEK 140 M. Reported operating income amounted to SEK 5,451 M (13,391).

Net order intake and deliveries of fully electric trucks						
	Second quarter		Change	First six months		Change
Number of trucks	2025	2024	%	2025	2024	%
Volvo	434	308	41	831	614	35
Renault Trucks	567	340	67	1,128	659	71
Heavy- and medium-duty	201	167	20	340	339	–
Light-duty	366	173	112	788	320	146
Mack	1	7	-86	8	20	-60
<b>Total order intake of fully electric trucks</b>	<b>1,002</b>	<b>655</b>	<b>53</b>	<b>1,967</b>	<b>1,293</b>	<b>52</b>
Volvo	299	551	-46	580	1,068	-46
Renault Trucks	711	528	35	1,230	886	39
Heavy- and medium-duty	234	285	-18	412	487	-15
Light-duty	477	243	96	818	399	105
Mack	19	24	-21	47	53	-11
<b>Total deliveries of fully electric trucks</b>	<b>1,029</b>	<b>1,103</b>	<b>-7</b>	<b>1,857</b>	<b>2,007</b>	<b>-7</b>

Net sales and operating income						
SEK M	Second quarter		Change	First six months		Change
	2025	2024	%	2025	2024	%
<b>Net sales per geographical region</b>						
Europe	39,213	42,635	-8	77,138	86,060	-10
North America	22,970	28,657	-20	49,852	55,895	-11
South America	8,475	11,403	-26	16,521	20,115	-18
Asia	6,720	6,628	1	12,353	12,604	-2
Africa and Oceania	4,312	5,809	-26	8,074	10,403	-22
<b>Total net sales</b>	<b>81,690</b>	<b>95,132</b>	<b>-14</b>	<b>163,938</b>	<b>185,078</b>	<b>-11</b>
<b>Net sales per product group</b>						
Vehicles	64,639	76,901	-16	128,391	148,486	-14
Services	17,051	18,231	-6	35,547	36,592	-3
<b>Total net sales</b>	<b>81,690</b>	<b>95,132</b>	<b>-14</b>	<b>163,938</b>	<b>185,078</b>	<b>-11</b>
<b>Timing of revenue recognition</b>						
Revenue of vehicles and services recognized at the point of delivery	75,877	89,351	-15	152,221	173,430	-12
Revenue of vehicles and services recognized over contract period	5,813	5,780	1	11,717	11,648	1
<b>Total net sales</b>	<b>81,690</b>	<b>95,132</b>	<b>-14</b>	<b>163,938</b>	<b>185,078</b>	<b>-11</b>
<b>Adjusted operating income <sup>1</sup></b>	<b>8,399</b>	<b>13,251</b>	<b>-37</b>	<b>16,863</b>	<b>26,325</b>	<b>-36</b>
Adjustments	-2,947	140	–	-2,947	140	–
<b>Operating income</b>	<b>5,451</b>	<b>13,391</b>	<b>-59</b>	<b>13,916</b>	<b>26,465</b>	<b>-47</b>
Adjusted operating margin, %	10.3	13.9		10.3	14.2	
Operating margin, %	6.7	14.1		8.5	14.3	

<sup>1</sup> For more information on adjusted operating income, please see Note 6.

### Important events

In May, Volvo Autonomous Solutions (V.A.S.) reached a major milestone in mining efficiency and productivity, successfully hauling over one million tonnes of limestone autonomously for customer Brønnøy Kalk in Norway. This achievement underscores the transformative impact of autonomous technology in the mining and quarrying industries.

In June, Mack Trucks launched the all-new Mack Anthem, a completely redesigned truck built for regional-haul applications that delivers enhanced maneuverability, improved fuel efficiency and industry-leading driver comfort.



## 12 CONSTRUCTION EQUIPMENT

# Earnings impacted by lower sales in Europe and North America

- In Q2, order intake increased by 24% and deliveries increased by 11%
- Adjusted operating income amounted to SEK 2,993 M (3,888), with a margin of 13.1% (15.9)
- Service sales were flat, adjusted for currency

### Market development

In Q2, the total machine market grew compared with the prior year. Asia including China and South America grew while Europe and North America contracted.

The total market in Europe continued to decline in Q2 as end customer demand remained somewhat saturated and increased dealer stock had yet to reach end customers.

The North American market declined due to repositioning of rental fleets as well as lower end customer demand due to market outlook uncertainty.

In South America, the market grew mainly driven by improved market sentiment in Argentina and Peru, while Brazil showed signs of a slowdown.

The Chinese market has responded positively to recently announced governmental policies to stimulate the real estate sector, mainly driving demand for smaller machines. Asia excluding China was up, with growth in Southeast Asia, the Middle East, Turkey and India. Japan and Korea declined.

### Orders and deliveries

In Q2, net order intake increased by 24%. Orders for the Volvo

brand increased by 26% driven by Europe and Asia. In Europe, dealer orders increased as inventory replenishment continued. Order intake in North America increased but continued to be on a relatively low level. Order intake for SDLG improved by 22% driven by Asia, Africa and Oceania.

Deliveries in Q2 were 11% higher than in the prior year. Increased volumes in China and Africa for SDLG, and in Europe, Africa and the Middle East for the Volvo brand, offset lower volumes in North America.

### Net sales and operating income

In Q2 2025, net sales decreased by 6% to SEK 22,906 M (24,423). Adjusted for currency movements net sales increased by 2%, of which machine sales increased by 2% and service sales were flat.

Adjusted operating income declined to SEK 2,993 M (3,888), corresponding to an adjusted operating margin of 13.1% (15.9). Compared with Q2 2024, a negative brand, market and product mix together with increased tariff costs were partly offset by increased volumes and lower material costs. Currency movements had a negative impact of SEK 534 M.

Total market development			
	Year-to-date May	Forecast	Previous forecast
Change in % measured in units	2025	2025	2025
Europe	-10	-5% to +5%	-5% to +5%
North America	-10	-15% to -5%	-15% to -5%
South America	8	-5% to +5%	-5% to +5%
Asia excl. China	6	-5% to +5%	-5% to +5%
China	26	+5% to +15%	0% to +10%

Net order intake						
	Second quarter		Change	First six months		Change
	2025	2024	%	2025	2024	%
Number of construction equipment						
Europe	3,307	2,017	64	6,762	4,694	44
North America	1,544	1,406	10	3,169	2,852	11
South America	466	455	2	1,041	1,117	-7
Asia	10,067	8,896	13	20,754	17,311	20
Africa and Oceania	1,336	748	79	2,170	1,399	55
<b>Total orders</b>	<b>16,720</b>	<b>13,522</b>	<b>24</b>	<b>33,896</b>	<b>27,373</b>	<b>24</b>
Large and medium construction equipment	12,186	10,387	17	24,404	20,288	20
Compact construction equipment	4,534	3,135	45	9,492	7,085	34
Of which fully electric	1,051	537	96	2,070	736	181
<b>Total orders</b>	<b>16,720</b>	<b>13,522</b>	<b>24</b>	<b>33,896</b>	<b>27,373</b>	<b>24</b>
<b>Of which:</b>						
Volvo	7,295	5,808	26	15,737	12,891	22
SDLG	9,367	7,663	22	18,065	14,375	26
Of which in China	6,329	5,990	6	13,160	11,524	14

## 13 CONSTRUCTION EQUIPMENT



Deliveries						
	Second quarter		Change	First six months		Change
	2025	2024	%	2025	2024	%
Number of construction equipment						
Europe	3,314	3,101	7	5,946	6,151	-3
North America	1,623	1,899	-15	3,053	3,645	-16
South America	611	623	-2	1,070	993	8
Asia	9,929	8,884	12	20,199	17,534	15
Africa and Oceania	1,510	748	102	2,224	1,388	60
<b>Total deliveries</b>	<b>16,987</b>	<b>15,255</b>	<b>11</b>	<b>32,492</b>	<b>29,711</b>	<b>9</b>
Large and medium construction equipment	12,363	11,545	7	23,379	22,138	6
Compact construction equipment	4,624	3,710	25	9,113	7,573	20
Of which fully electric	1,037	569	82	2,042	801	155
<b>Total deliveries</b>	<b>16,987</b>	<b>15,255</b>	<b>11</b>	<b>32,492</b>	<b>29,711</b>	<b>9</b>
<b>Of which:</b>						
Volvo	7,564	7,541	-	14,338	15,229	-6
SDLG	9,367	7,663	22	18,065	14,375	26
Of which in China	6,329	5,990	6	13,160	11,524	14

Net sales and operating income						
	Second quarter		Change	First six months		Change
SEK M	2025	2024	%	2025	2024	%
<b>Net sales per geographical region</b>						
Europe	7,356	7,544	-2	13,756	14,721	-7
North America	5,271	6,961	-24	10,522	13,386	-21
South America	899	1,024	-12	1,788	1,784	-
Asia	6,899	7,172	-4	14,261	14,097	1
Africa and Oceania	2,482	1,722	44	3,697	3,312	12
<b>Total net sales</b>	<b>22,906</b>	<b>24,423</b>	<b>-6</b>	<b>44,023</b>	<b>47,300</b>	<b>-7</b>
<b>Net sales per product group</b>						
Construction equipment	19,138	20,331	-6	36,371	39,423	-8
Services	3,769	4,093	-8	7,653	7,877	-3
<b>Total net sales</b>	<b>22,906</b>	<b>24,423</b>	<b>-6</b>	<b>44,023</b>	<b>47,300</b>	<b>-7</b>
<b>Timing of revenue recognition</b>						
Revenue of vehicles and services recognized at the point of delivery	22,085	23,558	-6	42,300	45,623	-7
Revenue of vehicles and services recognized over contract period	821	865	-5	1,724	1,676	3
<b>Total net sales</b>	<b>22,906</b>	<b>24,423</b>	<b>-6</b>	<b>44,023</b>	<b>47,300</b>	<b>-7</b>
<b>Adjusted operating income <sup>1</sup></b>	<b>2,993</b>	<b>3,888</b>	<b>-23</b>	<b>5,535</b>	<b>7,571</b>	<b>-27</b>
Adjustments	-230	-	-	-230	-	-
<b>Operating income</b>	<b>2,763</b>	<b>3,888</b>	<b>-29</b>	<b>5,305</b>	<b>7,571</b>	<b>-30</b>
Adjusted operating margin, %	13.1	15.9		12.6	16.0	
Operating margin, %	12.1	15.9		12.1	16.0	

<sup>1</sup> For more information on adjusted operating income, please see Note 6.

In Q2 2025, a negative effect of SEK 230 M, relating to costs incurred as a result of the slower than previously anticipated transformation to zero-emission machines, has been excluded from adjusted operating income. There were no adjustments in Q2 2024. Reported operating income was SEK 2,763 M (3,888).

### Important events

Volvo Construction Equipment (Volvo CE) plans to invest approximately SEK 2,500 M to strengthen its position and expand its crawler excavator footprint globally. The investment will focus on three main production sites: South Korea, Sweden, and North America.

Volvo CE has decided to divest its entire 70% stake in SDLG for SEK 8 billion (RMB 6 billion) to a fund predominantly owned by Lingong Group, the minority owner in SDLG. Volvo CE will concentrate on offering Volvo-branded premium products and

services to targeted customer segments in China. Closing is expected in the second half of 2025, pending regulatory approvals and other conditions.

Volvo CE is set to acquire Swecon's operations in Sweden, Germany, and the Baltics, including Entrack for SEK 7 billion from Lantmännen. The acquisition encompasses the entire business scope in these markets with a workforce of 1,400 employees. Closing is expected in the second half of 2025, pending regulatory approval.

Volvo CE continued to launch its strategic products related to its biggest launch year ever. During Q2, the company launched the new generation of excavators in markets such as Malaysia, Taiwan, and the Philippines.



## Stable performance on lower volumes

- In Q2, deliveries decreased by 7% and net order intake decreased by 30%
- Adjusted operating income amounted to SEK 474 M (554), with a margin of 7.9% (8.5)
- Service sales increased by 1% adjusted for currency

In Q2, demand for buses remained strong in many markets, particularly in the coach segment. However, net order intake decreased by 30% compared with Q2 2024 after a very strong order intake in Q1 2025. The transition towards electric vehicles in city traffic continued and orders for 44 electric buses were confirmed. Total deliveries decreased by 7% to 1,526 units.

In Q2, net sales decreased by 8% to SEK 6,036 M (6,551). Adjusted for currency, net sales increased by 1%, of which vehicle sales were unchanged and service sales increased by 1%.

Adjusted operating income amounted to SEK 474 M (554), with an adjusted operating margin of 7.9% (8.5). Lower volumes were partly offset by price realization and an improved service business. Compared with Q2 2024, currency movements had a negative impact of SEK 113 M.

In Q2 2025, a negative effect of SEK 80 M, relating to costs incurred as a result of the slower than previously anticipated transformation to zero-emission vehicles, has been excluded from adjusted operating income. In Q2 2024, adjusted operating income excluded a positive effect of SEK 200 M. Reported operating income amounted to SEK 394 M (754).

In Q2, Prevost delivered the first bus to New York City's Metropolitan Transport Authority. This marked the start of delivery on the largest contract in Prevost's history including a firm order of 250 buses for delivery in 2025 and 2026.

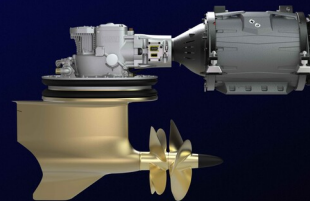
Volvo Buses started the production of its first electric bi-articulated bus chassis. The Curitiba plant in Brazil will be capable of exporting the electric chassis to Bus Rapid Transit (BRT) systems worldwide.

Net order intake and deliveries						
	Second quarter		Change	First six months		Change
	2025	2024	%	2025	2024	%
Number of buses						
<b>Total orders</b>	<b>970</b>	<b>1,377</b>	-30	<b>2,917</b>	<b>2,251</b>	30
Of which fully electric	44	153	-71	212	198	7
Of which hybrids	–	–	–	–	–	–
<b>Total deliveries</b>	<b>1,526</b>	<b>1,644</b>	-7	<b>2,761</b>	<b>2,945</b>	-6
Of which fully electric	119	43	177	238	117	103
Of which hybrids	–	10	–	–	36	–

Net sales and operating income <sup>1</sup>						
	Second quarter		Change	First six months		Change
SEK M	2025	2024	%	2025	2024	%
<b>Net sales per geographical region</b>						
Europe	1,715	1,495	15	3,436	3,059	12
North America	2,506	3,006	-17	4,737	5,402	-12
South America	424	617	-31	800	1,020	-22
Asia	525	605	-13	955	901	6
Africa and Oceania	866	828	5	1,544	1,342	15
<b>Total net sales</b>	<b>6,036</b>	<b>6,551</b>	<b>-8</b>	<b>11,472</b>	<b>11,723</b>	<b>-2</b>
<b>Net sales per product group</b>						
Vehicles	4,645	5,059	-8	8,573	8,853	-3
Services	1,391	1,492	-7	2,900	2,870	1
<b>Total net sales</b>	<b>6,036</b>	<b>6,551</b>	<b>-8</b>	<b>11,472</b>	<b>11,723</b>	<b>-2</b>
<b>Timing of revenue recognition</b>						
Revenue of vehicles and services recognized at the point of delivery	5,755	6,229	-8	10,891	11,158	-2
Revenue of vehicles and services recognized over contract period	281	322	-13	581	566	3
<b>Total net sales</b>	<b>6,036</b>	<b>6,551</b>	<b>-8</b>	<b>11,472</b>	<b>11,723</b>	<b>-2</b>
<b>Adjusted operating income <sup>1</sup></b>	<b>474</b>	<b>554</b>	<b>-14</b>	<b>834</b>	<b>813</b>	<b>3</b>
Adjustments	-80	200	–	-80	200	–
<b>Operating income</b>	<b>394</b>	<b>754</b>	<b>-48</b>	<b>754</b>	<b>1,013</b>	<b>-26</b>
Adjusted operating margin, %	7.9	8.5		7.3	6.9	
Operating margin, %	6.5	11.5		6.6	8.6	

<sup>1</sup> For more information on adjusted operating income, please see Note 6.





## Strong performance in a mixed market

- In Q2, order intake increased by 22% and deliveries increased by 21%
- Adjusted operating income of SEK 1,132 M (1,016), with a margin of 20.7% (19.5)
- A fully electric marine propulsion range on the IPS platform

In Q2, the industrial business remained strong, driven by the power generation, material handling, and special vehicle segments. The marine business continues to be impacted by a weak consumer market, while the marine commercial and yacht segments remained stable. Order intake in marine leisure recovered but remains at low levels.

In Q2, net order intake increased by 22% to 8,338 units, and deliveries increased by 21% to 10,817 units.

Net sales increased by 5% to SEK 5,460 M (5,216). Adjusted for currency movements, net sales increased by 12%, driven by an 18% increase in engine sales, while service sales decreased by 2%.

Adjusted operating income amounted to SEK 1,132 M (1,016), corresponding to an adjusted operating margin of 20.7% (19.5)

with a positive impact from increased volumes. Compared with Q2 2024, the currency impact on operating income was negative in an amount of SEK 237 M.

In Q2 2025, a negative effect of SEK 218 M, relating to costs incurred as a result of the slower than previously anticipated transformation to zero-emission vehicles, has been excluded from adjusted operating income. There were no adjustments in Q2 2024. Reported operating income amounted to SEK 915 M (1,016).

In Q2, Volvo Penta announced a fully electric marine propulsion range on its IPS platform, starting with the introduction of a new IPS900E model.

Net order intake and deliveries						
	Second quarter		Change %	First six months		Change %
	2025	2024		2025	2024	
Number of Engines						
<b>Total orders</b>	<b>8,338</b>	<b>6,847</b>	22	<b>20,572</b>	<b>15,897</b>	29
Of which fully electric	13	-5	-	30	38	-21
<b>Total deliveries</b>	<b>10,817</b>	<b>8,951</b>	21	<b>19,517</b>	<b>19,386</b>	1
Of which fully electric	10	22	-55	38	66	-42

Net sales and operating income						
SEK M	Second quarter		Change %	First six months		Change %
	2025	2024		2025	2024	
Net sales per geographical region						
Europe	2,505	2,520	-1	5,035	5,144	-2
North America	1,253	1,062	18	2,278	1,937	18
South America	200	208	-4	404	434	-7
Asia	1,210	1,026	18	2,199	2,151	2
Africa and Oceania	293	398	-27	547	717	-24
Total net sales	5,460	5,216	5	10,464	10,383	1
Net sales per product group						
Engines	4,025	3,640	11	7,672	7,502	2
Services	1,435	1,575	-9	2,792	2,882	-3
Total net sales	5,460	5,216	5	10,464	10,383	1
Timing of revenue recognition						
Revenue of vehicles and services recognized at the point of delivery	5,447	5,200	5	10,440	10,356	1
Revenue of vehicles and services recognized over contract period	12	16	-25	23	27	-15
Total net sales	5,460	5,216	5	10,464	10,383	1
Adjusted operating income <sup>1</sup>	1,132	1,016	11	2,047	2,005	2
Adjustments	-218	–	–	-218	–	–
Operating income	915	1,016	-10	1,830	2,005	-9
Adjusted operating margin, %	20.7	19.5		19.6	19.3	
Operating margin, %	16.8	19.5		17.5	19.3	

<sup>1</sup> For more information on adjusted operating income, please see Note 6.

## 16 FINANCIAL SERVICES

# Continued portfolio growth and stable portfolio performance

- In Q2, the net credit portfolio increased by 5%, adjusted for currency
- Stable portfolio performance
- Adjusted operating income of SEK 980 M (1,028)

In Q2 2025, the credit portfolio for Financial Services continued to grow. Adjusted for currency, the net credit portfolio increased by 5% compared with Q2 2024. The portfolio performance continued to be stable, with customer delinquencies at average business cycle levels. Compared with Q2 2024, new business volume increased by 9%, when adjusted for currency.

In Q2, adjusted operating income amounted to SEK 980 M (1,028). Adjusted operating income was negatively impacted by increased credit provisions, whereas portfolio growth had a positive impact. Currency movements had a negative impact of SEK 124 M compared with Q2 2024.

In Q2 2025, a negative effect of SEK 47 M, relating to costs incurred as a result of the slower than previously anticipated transformation to zero-emission vehicles, has been excluded from adjusted operating income. There were no adjustments in Q2 2024. Reported operating income amounted to SEK 932 M (1,028).

Return on equity on a rolling 12-month basis amounted to 11.7% (12.9).

Financial Services				
SEK M unless otherwise stated	Second quarter		First six months	
	2025	2024	2025	2024
Number of financed units, 12 months rolling			68,066	65,044
Total penetration rate, 12 months rolling, % <sup>1</sup>			31	28
New retail financing volume, SEK billion	27.8	27.7	52.7	51.6
Credit portfolio net, SEK billion			264	271
Credit provision expenses	323	286	632	534
Adjusted operating income <sup>2</sup>	980	1,028	1,999	2,037
Adjustments	-47	–	-47	–
Operating income	932	1,028	1,952	2,037
Credit reserves, % of credit portfolio			1.33	1.33
Return on equity <sup>3</sup> , 12 months rolling, %			11.7	12.9

<sup>1</sup> Share of unit sales financed by Volvo Financial Services in relation to the total number of units sold by the Volvo Group in markets where financial services are offered.

<sup>2</sup> For more information on adjustments, please see Note 6.

<sup>3</sup> As of Q1 2025, the equity ratio has been increased from 8.0% to 10.0%. 2024 included Russian and Belarus operations, which were divested in Q3 2023.



## 17 FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT - SECOND QUARTER								
	Industrial Operations		Financial Services		Eliminations		Volvo Group	
SEK M	2025	2024	2025	2024	2025	2024	2025	2024
<b>Net sales</b>	<b>117,590</b>	<b>134,715</b>	<b>6,499</b>	<b>6,801</b>	<b>-1,194</b>	<b>-1,268</b>	<b>122,896</b>	<b>140,249</b>
Cost of sales	-92,043	-96,974	-4,475	-4,683	1,256	1,400	-95,261	-100,257
<b>Gross income</b>	<b>25,547</b>	<b>37,742</b>	<b>2,025</b>	<b>2,118</b>	<b>62</b>	<b>132</b>	<b>27,635</b>	<b>39,992</b>
Research and development expenses	-7,087	-8,216	–	–	–	–	-7,087	-8,216
Selling expenses	-7,411	-7,987	-803	-855	–	–	-8,214	-8,841
Administrative expenses	-1,981	-1,984	-4	-4	–	–	-1,986	-1,988
Other operating income and expenses	387	216	-286	-232	–	–	101	-16
Income/loss from investments in joint ventures and associated companies	-470	-605	–	–	–	–	-470	-605
Income/loss from other investments	-19	13	1	–	–	–	-18	13
<b>Operating income</b>	<b>8,967</b>	<b>19,179</b>	<b>932</b>	<b>1,028</b>	<b>62</b>	<b>132</b>	<b>9,961</b>	<b>20,339</b>
Interest income and similar credits	535	678	–	–	-62	-132	473	546
Interest expenses and similar charges	-483	-370	–	–	–	–	-483	-370
Other financial income and expenses	-246	19	–	–	–	–	-246	19
<b>Income after financial items</b>	<b>8,773</b>	<b>19,506</b>	<b>932</b>	<b>1,028</b>	<b>–</b>	<b>–</b>	<b>9,705</b>	<b>20,534</b>
Income taxes	-1,926	-4,664	-254	-287	–	–	-2,180	-4,952
<b>Income for the period *</b>	<b>6,848</b>	<b>14,842</b>	<b>678</b>	<b>741</b>	<b>–</b>	<b>–</b>	<b>7,525</b>	<b>15,583</b>
* Attributable to:								
Owners of AB Volvo							7,412	15,551
Non-controlling interest							114	32
Basic earnings per share, SEK								
							3.64	7.65
Diluted earnings per share, SEK								
							3.64	7.65
<b>Key ratios, %</b>								
Gross margin	21.7	28.0					22.5	28.5
Research and development expenses as % of net sales	6.0	6.1					5.8	5.9
Selling expenses as % of net sales	6.3	5.9					6.7	6.3
Administrative expenses as % of net sales	1.7	1.5					1.6	1.4
Operating margin	7.6	14.2					8.1	14.5

CONSOLIDATED OTHER COMPREHENSIVE INCOME - SECOND QUARTER		
SEK M	2025	2024
<b>Income for the period</b>	<b>7,525</b>	<b>15,583</b>
<i>Items that will not be reclassified to income statement:</i>		
Remeasurements of defined benefit pension plans	-143	-1,637
Remeasurements of holding of shares at fair value	-9	–
<i>Items that may be reclassified subsequently to income statement:</i>		
Exchange differences on translation of foreign operations <sup>1</sup>	-1,871	-2,061
Share of OCI related to joint ventures and associated companies <sup>1</sup>	-11	–
Accumulated exchange differences reversed to income	-53	-1
<b>Other comprehensive income, net of income taxes</b>	<b>-2,087</b>	<b>-3,699</b>
<b>Total comprehensive income for the period *</b>	<b>5,438</b>	<b>11,883</b>
* Attributable to:		
Owners of AB Volvo	5,459	11,863
Non-controlling interest	-21	21

<sup>1</sup> As of Q2 2025, the exchange differences on translation of investments in joint ventures and associated companies has been reclassified from share of OCI related to joint venture and associated companies to exchange differences on translation of foreign operations. The comparative figures in the financial statements for Q1 2025 and 2024 have been restated accordingly, with no net impact on other comprehensive income.



## 18 FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT - FIRST SIX MONTHS								
	Industrial Operations		Financial Services		Eliminations		Volvo Group	
SEK M	2025	2024	2025	2024	2025	2024	2025	2024
<b>Net sales</b>	<b>233,846</b>	<b>260,879</b>	<b>13,278</b>	<b>13,334</b>	<b>-2,437</b>	<b>-2,787</b>	<b>244,687</b>	<b>271,426</b>
Cost of sales	-179,542	-188,541	-9,163	-9,136	2,577	3,025	-186,128	-194,652
<b>Gross income</b>	<b>54,304</b>	<b>72,338</b>	<b>4,115</b>	<b>4,198</b>	<b>140</b>	<b>238</b>	<b>58,559</b>	<b>76,774</b>
Research and development expenses	-14,038	-15,547	–	–	–	–	-14,038	-15,547
Selling expenses	-14,821	-15,765	-1,625	-1,694	–	–	-16,445	-17,459
Administrative expenses	-3,797	-3,944	-8	-8	–	–	-3,806	-3,952
Other operating income and expenses	79	-125	-541	-459	–	–	-462	-584
Income/loss from investments in joint ventures and associated companies	-592	-746	–	–	–	–	-592	-746
Income/loss from other investments	-7	13	11	–	–	–	4	13
<b>Operating income</b>	<b>21,128</b>	<b>36,223</b>	<b>1,952</b>	<b>2,037</b>	<b>140</b>	<b>238</b>	<b>23,220</b>	<b>38,498</b>
Interest income and similar credits	1,251	1,670	–	–	-140	-238	1,111	1,432
Interest expenses and similar charges	-892	-734	–	–	–	–	-892	-734
Other financial income and expenses	-879	-219	–	–	–	–	-879	-219
<b>Income after financial items</b>	<b>20,609</b>	<b>36,940</b>	<b>1,952</b>	<b>2,037</b>	<b>–</b>	<b>–</b>	<b>22,560</b>	<b>38,977</b>
Income taxes	-4,526	-8,711	-525	-580	–	–	-5,051	-9,291
<b>Income for the period *</b>	<b>16,083</b>	<b>28,229</b>	<b>1,427</b>	<b>1,457</b>	<b>–</b>	<b>–</b>	<b>17,509</b>	<b>29,686</b>
* Attributable to:								
Owners of AB Volvo							17,302	29,631
Non-controlling interest							208	55
Basic earnings per share, SEK								
							8.51	14.57
Diluted earnings per share, SEK								
							8.51	14.57
<b>Key ratios, %</b>								
Gross margin	23.2	27.7					23.9	28.2
Research and development expenses as % of net sales	6.0	6.0					5.7	5.7
Selling expenses as % of net sales	6.3	6.0					6.7	6.4
Administrative expenses as % of net sales	1.6	1.5					1.6	1.5
Operating margin	9.0	13.9					9.5	14.2

CONSOLIDATED OTHER COMPREHENSIVE INCOME - FIRST SIX MONTHS		
SEK M	2025	2024
<b>Income for the period</b>	<b>17,509</b>	<b>29,686</b>
<i>Items that will not be reclassified to income statement:</i>		
Remeasurements of defined benefit pension plans	777	-1,183
Remeasurements of holding of shares at fair value	-10	-7
<i>Items that may be reclassified subsequently to income statement:</i>		
Exchange differences on translation of foreign operations <sup>1</sup>	-10,925	2,977
Share of OCI related to joint ventures and associated companies <sup>1</sup>	-13	–
Accumulated translation difference reversed to income	-53	-1
<b>Other comprehensive income, net of income taxes</b>	<b>-10,224</b>	<b>1,786</b>
<b>Total comprehensive income for the period *</b>	<b>7,286</b>	<b>31,472</b>
* Attributable to:		
Owners of AB Volvo	7,490	31,300
Non-controlling interest	-205	172

1 As of Q2 2025, the exchange differences on translation of investments in joint ventures and associated companies has been reclassified from share of OCI related to joint venture and associated companies to exchange differences on translation of foreign operations. The comparative figures in the financial statements for Q1 2025 and 2024 have been restated accordingly, with no net impact on other comprehensive income.

## 19 FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET - ASSETS								
SEK M	Industrial Operations		Financial Services		Eliminations		Volvo Group	
	Jun 30 2025	Dec 31 2024	Jun 30 2025	Dec 31 2024	Jun 30 2025	Dec 31 2024	Jun 30 2025	Dec 31 2024
<b>Non-current assets</b>								
<i>Intangible assets</i>								
Goodwill	23,586	25,143	–	–	–	–	23,586	25,143
Other intangible assets	19,970	19,046	136	151	–	–	20,106	19,197
<i>Tangible assets</i>								
Property, plant and equipment	78,456	79,571	69	58	–	–	78,525	79,629
Assets under operating leases	35,307	37,226	20,734	22,276	-15,725	-14,000	40,316	45,501
<i>Financial assets</i>								
Investments in joint ventures and associated companies	21,587	22,496	–	–	–	–	21,587	22,496
Other shares and participations	1,084	1,089	27	18	–	–	1,111	1,107
Non-current customer-financing receivables	1,090	1,533	136,765	134,969	-1,563	-1,897	136,292	134,605
Net pension assets	1,783	2,115	–	–	–	–	1,783	2,115
Non-current interest-bearing receivables	6,776	4,969	3,130	–	-3,130	-1,505	6,776	3,464
Other non-current receivables	4,103	7,018	421	322	-191	-220	4,333	7,120
Deferred tax assets	12,734	13,889	1,432	1,989	–	–	14,166	15,878
<b>Total non-current assets</b>	<b>206,477</b>	<b>214,094</b>	<b>162,713</b>	<b>159,784</b>	<b>-20,609</b>	<b>-17,623</b>	<b>348,581</b>	<b>356,254</b>
<b>Current assets</b>								
Inventories	72,763	77,121	608	1,238	–	–	73,371	78,359
<i>Current receivables</i>								
Customer-financing receivables	635	923	106,745	123,160	-1,138	-1,406	106,243	122,677
Tax assets	3,610	2,277	671	1,214	–	–	4,281	3,491
Interest-bearing receivables	2,502	4,256	–	–	-14	-18	2,488	4,238
Internal funding	-1,103	9,463	–	–	1,103	-9,463	–	–
Accounts receivables	30,693	40,005	1,861	1,767	–	–	32,555	41,772
Other receivables	21,758	22,441	3,524	3,796	-4,465	-4,234	20,817	22,003
Marketable securities	172	218	–	–	–	–	172	218
Cash and cash equivalents	57,099	80,505	6,129	6,872	-1,769	-2,206	61,459	85,171
Assets held for sale	27,630	381	–	–	–	–	27,630	381
<b>Total current assets</b>	<b>215,759</b>	<b>237,590</b>	<b>119,538</b>	<b>138,047</b>	<b>-6,282</b>	<b>-17,328</b>	<b>329,015</b>	<b>358,309</b>
<b>Total assets</b>	<b>422,235</b>	<b>451,684</b>	<b>282,251</b>	<b>297,830</b>	<b>-26,890</b>	<b>-34,950</b>	<b>677,596</b>	<b>714,564</b>

## 20 FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET - EQUITY AND LIABILITIES								
SEK M	Industrial Operations		Financial Services		Eliminations		Volvo Group	
	Jun 30 2025	Dec 31 2024	Jun 30 2025	Dec 31 2024	Jun 30 2025	Dec 31 2024	Jun 30 2025	Dec 31 2024
<i>Equity</i>								
Equity attributable to owners of AB Volvo	135,684	170,218	28,227	23,831	–	–	163,912	194,049
Non-controlling interest	3,096	3,312	–	–	–	–	3,096	3,312
<b>Total equity</b>	<b>138,780</b>	<b>173,530</b>	<b>28,227</b>	<b>23,831</b>	<b>–</b>	<b>–</b>	<b>167,008</b>	<b>197,361</b>
<i>Non-current provisions</i>								
Provisions for post-employment benefits	10,622	12,606	87	99	–	–	10,709	12,706
Other provisions	10,694	12,243	57	51	–	–	10,751	12,293
<b>Total non-current provisions</b>	<b>21,316</b>	<b>24,849</b>	<b>144</b>	<b>150</b>	<b>–</b>	<b>–</b>	<b>21,460</b>	<b>24,999</b>
<i>Non-current liabilities</i>								
Bond loans	97,743	109,031	–	–	–	–	97,743	109,031
Other loans	25,485	29,783	24,341	22,602	-1,270	-1,561	48,556	50,824
Internal funding	-112,067	-126,063	103,417	113,733	8,649	12,330	–	–
Deferred tax liabilities	2,316	2,483	1,429	2,295	–	–	3,745	4,778
Other liabilities	52,257	54,411	1,680	1,762	-11,082	-9,591	42,855	46,583
<b>Total non-current liabilities</b>	<b>65,734</b>	<b>69,645</b>	<b>130,867</b>	<b>140,393</b>	<b>-3,703</b>	<b>1,178</b>	<b>192,898</b>	<b>211,216</b>
<b>Current provisions</b>	<b>17,314</b>	<b>19,653</b>	<b>43</b>	<b>37</b>	<b>–</b>	<b>–</b>	<b>17,358</b>	<b>19,690</b>
<i>Current liabilities</i>								
Bond loans	55,388	45,460	–	–	–	–	55,388	45,460
Other loans	50,278	44,698	14,363	14,507	-734	-912	63,906	58,292
Internal funding	-83,991	-81,228	97,282	107,718	-13,291	-26,490	–	–
Trade payables	68,320	77,607	1,071	920	–	–	69,391	78,527
Tax liabilities	3,445	1,916	819	1,194	–	–	4,264	3,111
Other liabilities	69,173	75,540	9,435	9,082	-9,163	-8,726	69,446	75,896
Liabilities held for sale	16,477	13	–	–	–	–	16,477	13
<b>Total current liabilities</b>	<b>179,091</b>	<b>164,006</b>	<b>122,970</b>	<b>133,420</b>	<b>-23,188</b>	<b>-36,129</b>	<b>278,873</b>	<b>261,298</b>
<b>Total equity and liabilities</b>	<b>422,235</b>	<b>451,684</b>	<b>282,251</b>	<b>297,830</b>	<b>-26,890</b>	<b>-34,950</b>	<b>677,596</b>	<b>714,564</b>
<b>Key ratios, %</b>								
Equity ratio	32.9	38.4	10.0	8.0			24.6	27.6
Equity attributable to owners of AB Volvo, per share in SEK							80.6	95.4
Return on operating capital <sup>1</sup>	47.1	70.3						
Return on capital employed <sup>1</sup>	25.7	35.8						
Return on equity <sup>1</sup>			11.7	13.0			20.5	28.5

<sup>1</sup> 12 months rolling.



## 21 FINANCIAL STATEMENTS

Net financial position excl. post-employment benefits and lease liabilities				
SEK bn	Industrial Operations		Volvo Group	
	Jun 30 2025	Dec 31 2024	Jun 30 2025	Dec 31 2024
<i>Non-current interest-bearing assets</i>				
Non-current customer-financing receivables	–	–	136.3	134.6
Non-current interest-bearing receivables	6.8	5.0	6.8	3.5
<i>Current interest-bearing assets</i>				
Customer-financing receivables	–	–	106.2	122.7
Interest-bearing receivables	2.5	4.3	2.5	4.2
Internal funding	-1.1	9.5	–	–
Marketable securities	0.2	0.2	0.2	0.2
Cash and cash equivalents	57.1	80.5	61.5	85.2
Assets held for sale	8.9	–	8.9	–
<b>Total interest-bearing financial assets</b>	<b>74.3</b>	<b>99.4</b>	<b>322.3</b>	<b>350.4</b>
<i>Non-current interest-bearing liabilities</i>				
Bond loans	-97.7	-109.0	-97.7	-109.0
Other loans	-19.8	-23.8	-42.9	-44.9
Internal funding	112.1	126.1	–	–
<i>Current interest-bearing liabilities</i>				
Bond loans	-55.4	-45.5	-55.4	-45.5
Other loans	-48.2	-42.6	-61.9	-56.2
Internal funding	84.0	81.2	–	–
Liabilities held for sale	-6.1	–	-6.1	–
<b>Total interest-bearing financial liabilities excl. post-employment benefits and lease liabilities</b>	<b>-31.2</b>	<b>-13.5</b>	<b>-264.0</b>	<b>-255.6</b>
<b>Net financial position excl. post-employment benefits and lease liabilities</b>	<b>43.1</b>	<b>85.9</b>	<b>58.3</b>	<b>94.8</b>

Provisions for post-employment benefits and lease liabilities, net				
SEK bn	Industrial Operations		Volvo Group	
	Jun 30 2025	Dec 31 2024	Jun 30 2025	Dec 31 2024
Non-current lease liabilities	-5.7	-6.0	-5.6	-5.9
Current lease liabilities	-2.1	-2.1	-2.1	-2.1
Provisions for post-employment benefits, net	-8.8	-10.5	-8.9	-10.6
Liabilities held for sale	–	–	–	–
<b>Provisions for post-employment benefits and lease liabilities, net</b>	<b>-16.6</b>	<b>-18.6</b>	<b>-16.6</b>	<b>-18.6</b>

Net financial position incl. post-employment benefits and lease liabilities				
SEK bn	Industrial Operations		Volvo Group	
	Jun 30 2025	Dec 31 2024	Jun 30 2025	Dec 31 2024
Net financial position excl. post-employment benefits and lease liabilities	43.1	85.9	58.3	94.8
Provisions for post-employment benefits and lease liabilities, net	-16.6	-18.6	-16.6	-18.6
<b>Net financial position incl. post-employment benefits and lease liabilities</b>	<b>26.5</b>	<b>67.2</b>	<b>41.7</b>	<b>76.2</b>

## 22 FINANCIAL STATEMENTS

Changes in net financial position, Industrial Operations		
SEK bn	Second quarter 2025	First six months 2025
<b>Net financial position excl. post-employment benefits and lease liabilities at the end of previous period</b>	<b>77.9</b>	<b>85.9</b>
Operating cash flow	2.9	4.3
Investments and divestments of shares, net	-0.1	-0.9
Acquired and divested operations, net	0.5	0.4
Capital injections to/from Financial Services	0.4	-4.6
Currency effect	-0.1	-2.6
Dividend to owners of AB Volvo	-37.6	-37.6
Dividend to non-controlling interest	–	–
Other changes	-0.8	-1.5
<b>Net financial position excl. post-employment benefits and lease liabilities at the end of period</b>	<b>43.1</b>	<b>43.1</b>
<b>Provisions for post-employment benefits and lease liabilities at the end of previous period</b>	<b>-16.6</b>	<b>-18.6</b>
Pension payments, included in operating cash flow	0.6	1.0
Remeasurements of defined post-employment benefits	-0.2	1.0
Service costs and other pension costs	-0.3	-0.7
Investments, remeasurements and amortizations of lease contracts	-0.1	-0.1
Transfer pensions and lease liabilities to divested entities	–	–
Currency effect	0.1	1.0
Other changes	-0.1	-0.2
<b>Provisions for post-employment benefits and lease liabilities at the end of period</b>	<b>-16.6</b>	<b>-16.6</b>
<b>Net financial position incl. post-employment benefits and lease liabilities at the end of period</b>	<b>26.5</b>	<b>26.5</b>

CHANGES IN CONSOLIDATED EQUITY			
SEK M	Equity attributable to owners of AB Volvo	Non-controlling interest	Total equity
<b>Balance as of December 31, 2023</b>	<b>177,791</b>	<b>2,948</b>	<b>180,739</b>
Income for the period	50,389	186	50,576
Other comprehensive income for the period	2,365	206	2,572
<b>Total comprehensive income for the period</b>	<b>52,755</b>	<b>393</b>	<b>53,147</b>
Dividend	-36,602	-16	-36,618
Changes in non-controlling interests	–	-21	-21
Other changes	106	8	114
<b>Transactions with shareholders</b>	<b>-36,497</b>	<b>-28</b>	<b>-36,525</b>
<b>Balance as of December 31, 2024</b>	<b>194,049</b>	<b>3,312</b>	<b>197,361</b>
Income for the period	17,302	208	17,509
Other comprehensive income for the period	-9,811	-412	-10,224
<b>Total comprehensive income for the period</b>	<b>7,490</b>	<b>-205</b>	<b>7,286</b>
Dividend	-37,619	–	-37,619
Changes in non-controlling interests	–	-12	-12
Other changes	-8	–	-8
<b>Transactions with shareholders</b>	<b>-37,627</b>	<b>-12</b>	<b>-37,639</b>
<b>Balance as of June 30, 2025</b>	<b>163,912</b>	<b>3,096</b>	<b>167,008</b>

## 23 FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT - SECOND QUARTER								
SEK M	Industrial Operations		Financial Services		Eliminations		Volvo Group	
	2025	2024	2025	2024	2025	2024	2025	2024
<b>Operating activities</b>								
Operating income	8,967	19,179	932	1,028	62	132	9,961	20,339
Amortization and impairment intangible assets	987	1,111	2	10	–	–	989	1,121
Depreciation and impairment tangible assets	2,932	2,233	7	6	–	–	2,939	2,240
Depreciation and impairment leasing vehicles	985	1,040	1,217	1,308	–	–	2,202	2,348
Other non-cash items	663	-392	396	311	–	–	1,059	-81
Total change in working capital whereof	-2,829	-7,176	-4,485	-7,041	-284	124	-7,598	-14,093
<i>Change in accounts receivables</i>	-1,947	-1,372	-61	-46	–	–	-2,007	-1,418
<i>Change in customer-financing receivables</i>	54	9	-4,167	-5,499	-249	218	-4,362	-5,272
<i>Change in inventories</i>	-2,737	-1,074	111	9	–	–	-2,625	-1,065
<i>Change in trade payables</i>	4,484	-1,715	314	-621	–	–	4,798	-2,336
<i>Change in vehicles on operating lease and assets for service solutions</i>	-348	-282	-1,033	-1,052	8	-13	-1,374	-1,346
<i>Other changes in working capital</i>	-2,336	-2,742	351	168	-42	-81	-2,027	-2,656
Dividends received from joint ventures and associated companies	203	152	–	–	–	–	203	152
Interest and similar items received	566	716	–	–	-62	-132	503	584
Interest and similar items paid	-379	-338	–	–	9	13	-370	-324
Other financial items	-86	-118	–	–	–	–	-86	-118
Income taxes paid	-3,327	-3,972	-331	-390	–	–	-3,657	-4,362
<b>Cash flow from operating activities</b>	<b>8,682</b>	<b>12,435</b>	<b>-2,262</b>	<b>-4,767</b>	<b>-274</b>	<b>138</b>	<b>6,146</b>	<b>7,805</b>
<b>Investing activities</b>								
Investments in intangible assets	-1,575	-693	-8	-20	–	–	-1,583	-714
Investments in tangible assets	-4,176	-2,759	-2	-1	–	–	-4,178	-2,760
Disposals of in-/tangible assets	18	78	–	3	–	–	18	81
<b>Operating cash flow</b>	<b>2,948</b>	<b>9,060</b>	<b>-2,271</b>	<b>-4,785</b>	<b>-274</b>	<b>138</b>	<b>403</b>	<b>4,413</b>
Investments of shares							-139	-515
Divestment of shares							–	6
Acquired operations							-5	-77
Divested operations							481	160
Interest-bearing receivables incl. marketable securities							30	-25
<b>Cash flow after net investments</b>							<b>770</b>	<b>3,962</b>
<b>Financing activities</b>								
New borrowings							131,913	88,408
Repayments of borrowings							-115,037	-79,368
Dividend to owners of AB Volvo							-37,619	-36,602
Dividend to non-controlling interest							–	–
Other							–	-16
<b>Change in cash and cash equivalents excl. exchange rate changes</b>							<b>-19,973</b>	<b>-23,617</b>
Effect of exchange rate changes on cash and cash equivalents							-300	-744
Reclassification of cash and cash equivalents to assets held for sale <sup>1</sup>							-8,983	–
<b>Change in cash and cash equivalents</b>							<b>-29,255</b>	<b>-24,360</b>
<b>Cash and cash equivalents, beginning of period</b>							<b>90,714</b>	<b>91,263</b>
<b>Cash and cash equivalents, end of period</b>							<b>61,459</b>	<b>66,902</b>

<sup>1</sup> Includes SEK 2.3 billion that is not available for use by the Volvo Group, and SEK 6.6 billion where other limitations exists. For more information regarding cash and cash equivalents, please see note 18 in the Volvo Group Annual Report 2024.

## 24 FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT - FIRST SIX MONTHS								
SEK M	Industrial Operations		Financial Services		Eliminations		Volvo Group	
	2025	2024	2025	2024	2025	2024	2025	2024
<b>Operating activities</b>								
Operating income	21,128	36,223	1,952	2,037	140	238	23,220	38,498
Amortization and impairment intangible assets	1,986	1,881	18	16	–	–	2,003	1,897
Depreciation and impairment tangible assets	5,363	4,365	12	13	–	–	5,375	4,378
Depreciation and impairment leasing vehicles	1,999	2,012	2,469	2,588	–	–	4,468	4,600
Other non-cash items	607	-28	773	525	–	–	1,380	497
Total change in working capital whereof	-10,405	-10,995	-7,778	-13,074	-187	20	-18,370	-24,048
<i>Change in accounts receivables</i>	-2,851	-418	-121	6	–	–	-2,972	-413
<i>Change in customer-financing receivables</i>	68	40	-6,705	-10,597	-192	157	-6,829	-10,400
<i>Change in inventories</i>	-5,413	-7,191	528	-129	–	–	-4,885	-7,320
<i>Change in trade payables</i>	3,218	-565	200	-590	–	–	3,418	-1,155
<i>Change in vehicles on operating lease and assets for service solutions</i>	-637	-345	-2,257	-2,160	3	36	-2,891	-2,469
<i>Other changes in working capital</i>	-4,790	-2,516	576	396	2	-172	-4,211	-2,292
Dividends received from joint ventures and associated companies	203	152	–	–	–	–	203	152
Interest and similar items received	1,279	1,709	–	–	-144	-238	1,134	1,471
Interest and similar items paid	-724	-605	–	–	-32	-14	-755	-618
Other financial items	-169	-256	–	–	–	–	-169	-256
Income taxes paid	-5,329	-9,560	-557	-690	–	–	-5,886	-10,250
<b>Cash flow from operating activities</b>	<b>15,937</b>	<b>24,900</b>	<b>-3,111</b>	<b>-8,585</b>	<b>-224</b>	<b>7</b>	<b>12,603</b>	<b>16,321</b>
<b>Investing activities</b>								
Investments in intangible assets	-3,096	-1,828	-13	-31	–	–	-3,109	-1,860
Investments in tangible assets	-8,676	-5,270	-2	-2	–	–	-8,678	-5,272
Disposals of in-/tangible assets	91	155	2	5	–	–	93	160
<b>Operating cash flow</b>	<b>4,257</b>	<b>17,956</b>	<b>-3,124</b>	<b>-8,613</b>	<b>-224</b>	<b>7</b>	<b>909</b>	<b>9,350</b>
Investments of shares							-918	-3,455
Divestments of shares							–	8
Acquired operations							-66	-2,525
Divested operations							432	331
Interest-bearing receivables incl. marketable securities							-359	-317
<b>Cash flow after net investments</b>							<b>-1</b>	<b>3,392</b>
<b>Financing activities</b>								
New borrowings							251,092	151,169
Repayments of borrowings							-224,727	-135,700
Dividend to owners of AB Volvo							-37,619	-36,602
Dividend to non-controlling interest							–	–
Other							-26	25
<b>Change in cash and cash equivalents excl. exchange rate changes</b>							<b>-11,281</b>	<b>-17,716</b>
Effect of exchange rate changes on cash and cash equivalents							-3,449	1,292
Reclassification of cash and cash equivalents to assets held for sale <sup>1</sup>							-8,983	–
<b>Change in cash and cash equivalents</b>							<b>-23,712</b>	<b>-16,424</b>
<b>Cash and cash equivalents, beginning of period</b>							<b>85,171</b>	<b>83,326</b>
<b>Cash and cash equivalents, end of period</b>							<b>61,459</b>	<b>66,902</b>

<sup>1</sup> Includes SEK 2.3 billion that is not available for use by the Volvo Group, and SEK 6.6 billion where other limitations exists. For more information regarding cash and cash equivalents, please see note 18 in the Volvo Group Annual Report 2024.



## 25 QUARTERLY FIGURES

Income Statements, Volvo Group							
						First six months	First six months
SEK M unless otherwise stated	2/2025	1/2025	4/2024	3/2024	2/2024	2025	2024
<b>Net sales</b>	<b>122,896</b>	<b>121,792</b>	<b>138,413</b>	<b>116,978</b>	<b>140,249</b>	<b>244,687</b>	<b>271,426</b>
Cost of sales	-95,261	-90,867	-103,142	-84,973	-100,257	-186,128	-194,652
<b>Gross income</b>	<b>27,635</b>	<b>30,925</b>	<b>35,271</b>	<b>32,005</b>	<b>39,992</b>	<b>58,559</b>	<b>76,774</b>
Research and development expenses	-7,087	-6,951	-8,196	-7,213	-8,216	-14,038	-15,547
Selling expenses	-8,214	-8,232	-9,292	-7,938	-8,841	-16,445	-17,459
Administrative expenses	-1,986	-1,820	-2,194	-1,655	-1,988	-3,806	-3,952
Other operating income and expenses	101	-564	-666	-594	-16	-462	-584
Income/loss from investments in joint ventures and associated companies	-470	-122	-889	-530	-605	-592	-746
Income/loss from other investments	-18	22	6	-1	13	4	13
<b>Operating income</b>	<b>9,961</b>	<b>13,258</b>	<b>14,039</b>	<b>14,074</b>	<b>20,339</b>	<b>23,220</b>	<b>38,498</b>
Interest income and similar credits	473	638	656	601	546	1,111	1,432
Interest expenses and similar charges	-483	-409	-484	-375	-370	-892	-734
Other financial income and expenses	-246	-632	449	-727	19	-879	-219
<b>Income after financial items</b>	<b>9,705</b>	<b>12,855</b>	<b>14,660</b>	<b>13,573</b>	<b>20,534</b>	<b>22,560</b>	<b>38,977</b>
Income taxes	-2,180	-2,871	-3,843	-3,500	-4,952	-5,051	-9,291
<b>Income for the period *</b>	<b>7,525</b>	<b>9,984</b>	<b>10,817</b>	<b>10,073</b>	<b>15,583</b>	<b>17,509</b>	<b>29,686</b>
* Attributable to:							
Owners of AB Volvo	7,412	9,890	10,742	10,017	15,551	17,302	29,631
Non-controlling interest	114	94	75	56	32	208	55
<b>Key ratios, Volvo Group</b>							
Gross margin, %	22.5	25.4	25.5	27.4	28.5	23.9	28.2
Research and development expenses as % of net sales	5.8	5.7	5.9	6.2	5.9	5.7	5.7
Selling expenses as % of net sales	6.7	6.8	6.7	6.8	6.3	6.7	6.4
Administrative expenses as % of net sales	1.6	1.5	1.6	1.4	1.4	1.6	1.5
Operating margin, %	8.1	10.9	10.1	12.0	14.5	9.5	14.2
<b>Net capitalization of research and development</b>							
Capitalization	1,566	1,488	1,673	839	648	3,054	1,749
Amortization	-875	-891	-900	-924	-786	-1,766	-1,487
<b>Net capitalization of research and development</b>	<b>690</b>	<b>598</b>	<b>774</b>	<b>-85</b>	<b>-138</b>	<b>1,288</b>	<b>262</b>
<b>Key ratios, Industrial Operations</b>							
Gross margin, %	21.7	24.7	24.9	26.9	28.0	23.2	27.7
Research and development expenses as % of net sales	6.0	6.0	6.2	6.5	6.1	6.0	6.0
Selling expenses as % of net sales	6.3	6.4	6.3	6.4	5.9	6.3	6.0
Administrative expenses as % of net sales	1.7	1.6	1.7	1.5	1.5	1.6	1.5
Operating margin, %	7.6	10.5	9.8	11.7	14.2	9.0	13.9
<b>EBITDA and EBITDA margin, Industrial Operations</b>							
<b>Net sales</b>	<b>117,590</b>	<b>116,256</b>	<b>132,519</b>	<b>111,577</b>	<b>134,715</b>	<b>233,846</b>	<b>260,879</b>
<b>Operating income</b>	<b>8,967</b>	<b>12,162</b>	<b>12,946</b>	<b>13,029</b>	<b>19,179</b>	<b>21,128</b>	<b>36,223</b>
Amortization and impairment product and software development	891	907	915	944	821	1,798	1,557
Amortization and impairment other intangible assets	96	91	325	48	290	188	324
Depreciation and impairment tangible assets	3,917	3,444	3,721	3,168	3,274	7,361	6,377
Total depreciation and amortization	4,904	4,443	4,962	4,160	4,385	9,347	8,257
<b>Operating income before depreciation and amortization (EBITDA)</b>	<b>13,871</b>	<b>16,604</b>	<b>17,907</b>	<b>17,189</b>	<b>23,563</b>	<b>30,475</b>	<b>44,481</b>
EBITDA margin, %	11.8	14.3	13.5	15.4	17.5	13.0	17.1
Return on operating capital, Industrial Operations, % <sup>1</sup>	47.1	60.4	70.3	75.9	83.9		
Return on capital employed, Industrial Operations, % <sup>1</sup>	25.7	31.8	35.8	38.3	41.3		

<sup>1</sup> 12 months rolling.

## 26 QUARTERLY FIGURES

Net sales							
						First six months	First six months
SEK M	2/2025	1/2025	4/2024	3/2024	2/2024	2025	2024
Trucks	81,690	82,248	95,478	80,054	95,132	163,938	185,078
Construction Equipment	22,906	21,117	22,197	18,809	24,423	44,023	47,300
Buses	6,036	5,436	6,625	6,195	6,551	11,472	11,723
Volvo Penta	5,460	5,004	4,761	4,707	5,216	10,464	10,383
Group Functions & Other	2,682	3,664	4,685	2,925	4,657	6,346	8,938
Eliminations	-1,184	-1,213	-1,228	-1,112	-1,263	-2,397	-2,542
<b>Industrial Operations</b>	<b>117,590</b>	<b>116,256</b>	<b>132,519</b>	<b>111,577</b>	<b>134,715</b>	<b>233,846</b>	<b>260,879</b>
Financial Services	6,499	6,779	6,936	6,712	6,801	13,278	13,334
Eliminations	-1,194	-1,243	-1,043	-1,311	-1,268	-2,437	-2,787
<b>Volvo Group net sales</b>	<b>122,896</b>	<b>121,792</b>	<b>138,413</b>	<b>116,978</b>	<b>140,249</b>	<b>244,687</b>	<b>271,426</b>

Operating income							
						First six months	First six months
SEK M	2/2025	1/2025	4/2024	3/2024	2/2024	2025	2024
Trucks	5,451	8,464	10,138	9,363	13,391	13,916	26,465
Construction Equipment	2,763	2,542	2,609	2,558	3,888	5,305	7,571
Buses	394	360	689	731	754	754	1,013
Volvo Penta	915	915	583	831	1,016	1,830	2,005
Group Functions & Other	-574	-114	-1,091	-468	117	-688	-830
Eliminations	18	-5	18	14	13	12	-
<b>Industrial Operations</b>	<b>8,967</b>	<b>12,162</b>	<b>12,946</b>	<b>13,029</b>	<b>19,179</b>	<b>21,128</b>	<b>36,223</b>
Financial Services	932	1,019	1,012	992	1,028	1,952	2,037
Eliminations	62	77	81	52	132	140	238
<b>Volvo Group operating income</b>	<b>9,961</b>	<b>13,258</b>	<b>14,039</b>	<b>14,074</b>	<b>20,339</b>	<b>23,220</b>	<b>38,498</b>

Adjusted operating income <sup>1</sup>							
						First six months	First six months
SEK M	2/2025	1/2025	4/2024	3/2024	2/2024	2025	2024
Trucks	8,399	8,464	10,138	9,363	13,251	16,863	26,325
Construction Equipment	2,993	2,542	2,609	2,558	3,888	5,535	7,571
Buses	474	360	689	731	554	834	813
Volvo Penta	1,132	915	583	831	1,016	2,047	2,005
Group Functions & Other	-574	-114	-1,091	-468	-436	-688	-1,383
Eliminations	18	-5	18	14	13	12	-
<b>Industrial Operations</b>	<b>12,442</b>	<b>12,162</b>	<b>12,946</b>	<b>13,029</b>	<b>18,286</b>	<b>24,603</b>	<b>35,330</b>
Financial Services	980	1,019	1,012	992	1,028	1,999	2,037
Eliminations	62	77	81	52	132	140	238
<b>Volvo Group adjusted operating income</b>	<b>13,484</b>	<b>13,258</b>	<b>14,039</b>	<b>14,074</b>	<b>19,446</b>	<b>26,742</b>	<b>37,605</b>

<sup>1</sup> For more information on adjusted operating income, please see Note 6.

## 27 QUARTERLY FIGURES

Operating margin							
						First six months	First six months
%	2/2025	1/2025	4/2024	3/2024	2/2024	2025	2024
Trucks	6.7	10.3	10.6	11.7	14.1	8.5	14.3
Construction Equipment	12.1	12.0	11.8	13.6	15.9	12.1	16.0
Buses	6.5	6.6	10.4	11.8	11.5	6.6	8.6
Volvo Penta	16.8	18.3	12.2	17.7	19.5	17.5	19.3
<b>Industrial Operations</b>	<b>7.6</b>	<b>10.5</b>	<b>9.8</b>	<b>11.7</b>	<b>14.2</b>	<b>9.0</b>	<b>13.9</b>
<b>Volvo Group operating margin</b>	<b>8.1</b>	<b>10.9</b>	<b>10.1</b>	<b>12.0</b>	<b>14.5</b>	<b>9.5</b>	<b>14.2</b>

Adjusted operating margin							
						First six months	First six months
%	2/2025	1/2025	4/2024	3/2024	2/2024	2025	2024
Trucks	10.3	10.3	10.6	11.7	13.9	10.3	14.2
Construction Equipment	13.1	12.0	11.8	13.6	15.9	12.6	16.0
Buses	7.9	6.6	10.4	11.8	8.5	7.3	6.9
Volvo Penta	20.7	18.3	12.2	17.7	19.5	19.6	19.3
<b>Industrial Operations</b>	<b>10.6</b>	<b>10.5</b>	<b>9.8</b>	<b>11.7</b>	<b>13.6</b>	<b>10.5</b>	<b>13.5</b>
<b>Volvo Group adjusted operating margin</b>	<b>11.0</b>	<b>10.9</b>	<b>10.1</b>	<b>12.0</b>	<b>13.9</b>	<b>10.9</b>	<b>13.9</b>

Share data							
						First six months	First six months
	2/2025	1/2025	4/2024	3/2024	2/2024	2025	2024
Earnings per share, SEK <sup>1</sup>	3.64	4.86	5.28	4.93	7.65	8.51	14.57
Earnings per share, SEK <sup>1</sup> , 12 months rolling	18.72	22.72	24.78	25.43	27.43	–	26.22
Diluted earnings per share, SEK	3.64	4.86	5.28	4.93	7.65	8.51	14.57
Number of outstanding shares in millions	2,033	2,033	2,033	2,033	2,033	2,033	2,033
Average number of shares before dilution in millions	2,033	2,033	2,033	2,033	2,033	2,033	2,033
Average number of shares after dilution in millions	2,033	2,033	2,033	2,033	2,033	2,033	2,033
Number of own shares in millions	–	–	–	–	–	–	–
Average number of own shares in millions	–	–	–	–	–	–	–

<sup>1</sup> Earnings per share are calculated as Income for the period (excl. Non-controlling interest) divided by the weighted average number of shares outstanding during the period.

## 28 NOTES

### NOTE 1 | ACCOUNTING POLICIES

The Volvo Group applies International Financial Reporting Standards (IFRS) as endorsed by the EU. The accounting policies and definitions are consistently applied with those described in the Volvo Group Annual Report 2024 (available at [www.volvogroup.com](http://www.volvogroup.com)). There are no new accounting policies

applicable from 2025 that materially affects the Volvo Group. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies the Swedish Annual Accounts Act and RFR 2 Reporting for legal entities.

### NOTE 2 | RISKS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Each of the Volvo Group's Business Areas and Truck Divisions monitors and manages risks in its operations. In addition, the Volvo Group utilizes a centralized Enterprise Risk Management (ERM) reporting process, which is a systematic and structured framework for reporting and reviewing risk assessments and mitigations as well as for follow-up on identified risks.

The ERM process classifies Volvo Group risks into four categories:

**Macro and market related risks** – such as cyclical nature of the commercial vehicles industry, intense competition as well as political and social uncertainty;

**Operational risks** – such as transformation and technology risk, new business models, risks related to industrial operations including supply chain, reliance on suppliers and materials, cost inflation and price increases, information security and digital infrastructure, strategic transactions such as mergers and acquisitions, partnerships and divestments, residual value commitments as well as people and culture;

**Compliance risks** – such as product and operational related regulations, digital and data related regulations, protection and maintenance of intangible assets, legal proceedings, corruption and competition law and human rights; and

**Financial risks** – such as insurance coverage, credit risk, pension commitments, interest-rates and currency fluctuations, liquidity risk, as well as impairment on goodwill and other intangible assets.

For a more elaborate description of these risks, please refer to the Risk Management section on pages 60-66 in the Volvo Group Annual Report 2024.

#### Risk updates

Short-term risks, when applicable, are also described in the respective segment section of this report.

#### Tariffs and trade policy shifts

Recent tariffs and other trade restrictions imposed or considered to be imposed by the US and other countries have significantly increased uncertainty about trade conditions in markets where the Group is present, as well as in relation to global and regional supply chains. The situation is fast-changing and complex to assess, and no predictions can be made on future developments, potential impacts on the Group or whether trade restrictions may impact the Group more severely than main competitors. However, the introduction of tariffs, retaliatory tariffs or other trade restrictions on our vehicles, parts, and other products and materials could disrupt existing supply chains, impose additional costs on our business or that of our suppliers, create sudden disadvantages for Group operations compared to competitors

having different supply chains, and could generally make our products more expensive for customers and/or less competitive.

Recent developments in global trade policies have also increased the risk of a broader economic slowdown. Such developments could negatively impact global demand and lead to increased costs for e.g. raw materials, components, transport and energy. A prolonged period of trade uncertainty may also negatively affect investment levels and customer purchasing behavior, particularly in Group key markets. The Group will endeavor to adapt to changes in market conditions as they may evolve, but the introduction of trade restrictions and changes in trade policies could, individually or in combination, have a material adverse effect on the Group's business and financial performance.

#### Update on supply situation and inflationary pressure

Our ability to deliver according to market demand depends significantly on obtaining a timely and adequate supply of materials, components and other vital services, as well as on our ability to properly utilize the capacity in the Group's different production and services facilities. At present, our supply chain and industrial system are strained in many areas due to e.g. shortages of labor, materials and components, and transport services. Further strains on the supply chain may also evolve from other events, including financial distress of suppliers, introduction of new or amended export controls, tariffs or other restrictions on international trade and other geopolitical events. There might be supply chain disturbances and stoppages in production going forward. Such disturbances could lead to higher costs and interruptions in production and delivery of Group products and services, that could have a material negative impact on the Group's financial performance.

The Group might experience higher input costs from increased prices on e.g. purchased material, freight and energy as well as higher labor costs. If the Group is unable to compensate for the higher input costs through increased prices on products and services sold, this could have a negative impact on the Group's financial performance.

#### Accounts receivable

Due to the prevailing business model in the construction equipment industry in China, with long payment terms to customers, a substantial part of the Volvo Group's accounts receivable is related to customers in this market. The weakened Chinese construction equipment market is currently impacting customers' and dealers' profitability negatively. This might affect their ability to honor their obligations to the Group and may consequently have a material adverse effect on the Group's financial result and position.

## 29 NOTES

### **Detected premature degradation of emissions control component**

As previously communicated, the Volvo Group has detected that an emissions control component used in certain markets and models, may degrade more quickly than expected, affecting the vehicles emission performance negatively. The Volvo Group made a provision of SEK 7 billion impacting the operating income in Q4 2018, relating to the estimated costs to address the issue. Negative cash flow effects started in 2019 and will continue in the coming years. As of year-end 2024, approximately half of the initial provision had been utilized. The Volvo Group will continuously assess the size of the provision as the matter develops.

### **Contingent liabilities**

The reported amounts for contingent liabilities reflect a part of Volvo Group's risk exposure. Total contingent liabilities as of June 30, 2025, amounted to SEK 14.9 billion, a decrease of SEK 2.1 billion compared with December 31, 2024. The gross exposure of SEK 14.9 billion is partly reduced by counter guarantees and collaterals.

### **Legal proceedings**

Starting in January 2011, the Volvo Group, together with a number of other truck manufacturers, was investigated by the European Commission in relation to a possible violation of EU antitrust rules. In July 2016 the European Commission adopted a settlement decision against the Volvo Group and other truck manufacturers finding that they were involved in an antitrust infringement which, in the case of the Volvo Group, covered a 14-year period from 1997 to 2011. The Volvo Group paid a monetary fine of EUR 670 million.

Following the adoption of the European Commission's settlement decision, the Volvo Group has received and is defending itself against a significant number of private damages claims brought by customers and other third parties alleging that they suffered loss, directly or indirectly, by reason of the conduct covered in the decision. The claims relate primarily to Volvo Group trucks sold during the 14-year period of the infringement and, in some cases, to trucks sold in certain periods after the infringement ended. Some claims have also been made against the Volvo Group that relate to trucks sold by other manufacturers. The truck manufacturers subject to the 2016 settlement decision are, in

most countries, jointly and severally liable for any losses arising from the infringement.

In the region of 3,000 claims are being brought in over 20 countries (including EU Member States, the United Kingdom, Norway and Israel) by large numbers of claimants either acting individually or as part of a wider group or class of claimants. Further claims may be commenced. The litigation in many countries can be expected to run for several years.

Several hundred thousand trucks sold by the Volvo Group are currently subject to claims against it or other truck manufacturers, with claimants alleging that the infringement resulted in an increase in the prices paid for Volvo Group trucks which directly or indirectly caused them loss.

The Volvo Group maintains its firm view that no damage was caused to its customers or any third party by the conduct set out in the settlement decision, and in fact, the European Commission did not assess any potential effects of the infringement on the market. The Volvo Group considers that transaction prices our customers paid for their trucks were unaffected by the infringement and were the outcome of individual negotiations across all elements of their purchasing requirements, including not only the prices for new trucks but also (where relevant) associated products and services sold together with new trucks such as service contracts, financing, buy-back guarantees etc.

Litigation developments so far have been mixed with some adverse outcomes, although uncertainty regarding ultimate exposure to the litigation remains high and it is inherent in complex litigation that outlooks and risks fluctuate over time.

At this stage it is not possible to make a reliable estimate of the total liability that could arise from such proceedings given the complexity of the claims and the different (and in some cases relatively early) stages to which national proceedings have progressed. However, the litigation is substantial in scale and any adverse outcome or outcomes of some or all of the litigation, depending on the nature and extent of such outcomes, may have a material negative impact on the Volvo Group's financial results, cash flows and financial position. In light of progress in negotiations and current risks, the Volvo Group has in Q2 2023 recognized a cost of SEK 6 billion (in addition to previously recognized costs of SEK 630 M and besides legal fees to advisors), relating to aspects of the litigation that are currently possible to estimate and where an outflow of resources is probable. This is Volvo Group's current assessment, which may change as the litigation progresses.

## **NOTE 3 | ACQUISITIONS AND DIVESTMENTS**

### **Acquisitions and divestments**

In June, Volvo Group and Daimler Truck announced the launch of the joint venture Coretura, which was a wholly owned subsidiary of the Volvo Group. 50% of the shares were divested to Daimler Truck for SEK 500 M. Based on the external transaction with Daimler Truck, Volvo Group's remaining investment in the joint venture was remeasured to fair value, resulting in a surplus value of SEK 489 M, mainly consisting of intangible assets related to technology. The transaction generated a total gain of SEK 989 M, affecting operating income in the segment Trucks, with a positive cash flow impact of SEK 472 M.

Volvo Group has not completed any other acquisitions or divestments of operations during the second quarter that have had a material impact on the financial statements.

### **Assets and liabilities held for sale**

Assets and liabilities held for sale amounted to net SEK 11,153 M (368) as of June 30, 2025. These relate to the planned divestment of SDLG (Shandong Lingong Construction Machinery Co) to a fund predominantly owned by LGG (Lingong Group), and property divestments.



## 30 NOTES

### NOTE 4 | CURRENCY AND FINANCIAL INSTRUMENTS

#### Fair value of financial instruments

Valuation principles and classifications of Volvo Group financial instruments, as described in Volvo Group Annual Report 2024 Note 30, have been consistently applied throughout the reporting period. Financial instruments in the Volvo Group reported at fair value through profit and loss consist mainly of interest and currency derivatives. Derivatives with positive fair values amounted to SEK 9.7 billion (6.3) and derivatives with negative fair values amounted to SEK 2.1 billion (5.9) as of June 30, 2025. The derivatives are accounted for on gross basis.

Financial liabilities valued at amortized cost, reported as non-current and current bond loans and other loans, amounted to SEK 264.6 billion (258.9) in reported carrying value with a fair value of SEK 265.1 billion (258.7). In the Volvo Group consolidated financial position, financial liabilities include loan-related derivatives with negative fair values amounting to SEK 1.0 billion (4.8).

Currency effect on operating income, Volvo Group			
SEK M	Compared to second quarter 2024		
	Second quarter 2025	Second quarter 2024	Change
Net flows in foreign currency			-1,251
Realized and unrealized gains and losses on derivatives	26	-29	55
Unrealized gains and losses on receivables and liabilities in foreign currency	-53	-56	4
Translation effect on operating income in foreign subsidiaries			-1,117
<b>Total currency effect on operating income, Volvo Group</b>			<b>-2,310</b>

Applicable currency rates				
	Quarterly exchange rates		Close rates	
	Second quarter 2025	Second quarter 2024	Jun 30 2025	Jun 30 2024
BRL	1.71	2.05	1.72	1.93
CNY	1.34	1.48	1.32	1.46
EUR	10.95	11.51	11.09	11.38
GBP	12.90	13.49	12.97	13.45
KRW	0.0069	0.0078	0.0070	0.0077
USD	9.67	10.69	9.44	10.64

### NOTE 5 | TRANSACTIONS WITH RELATED PARTIES

SEK M	Sales of goods, services and other income		Purchases of goods, services and other expenses	
	Second quarter 2025	Second quarter 2024	Second quarter 2025	Second quarter 2024
Associated companies	279	618	64	67
Joint ventures	723	1,196	368	329

SEK M	Receivables		Payables	
	Jun 30 2025	Dec 31 2024	Jun 30 2025	Dec 31 2024
Associated companies	289	422	73	115
Joint ventures	399	528	101	213

## 31 NOTES

### NOTE 6 | RECONCILIATION OF ADJUSTED OPERATING INCOME

Adjusted operating income							
SEK M	2/2025	1/2025	4/2024	3/2024	2/2024	First six months 2025	First six months 2024
Trucks	8,399	8,464	10,138	9,363	13,251	16,863	26,325
Construction Equipment	2,993	2,542	2,609	2,558	3,888	5,535	7,571
Buses	474	360	689	731	554	834	813
Volvo Penta	1,132	915	583	831	1,016	2,047	2,005
Group Functions & Other	-574	-114	-1,091	-468	-436	-688	-1,383
Eliminations	18	-5	18	14	13	12	-
<b>Industrial Operations</b>	<b>12,442</b>	<b>12,162</b>	<b>12,946</b>	<b>13,029</b>	<b>18,286</b>	<b>24,603</b>	<b>35,330</b>
Financial Services	980	1,019	1,012	992	1,028	1,999	2,037
Eliminations	62	77	81	52	132	140	238
<b>Volvo Group adjusted operating income</b>	<b>13,484</b>	<b>13,258</b>	<b>14,039</b>	<b>14,074</b>	<b>19,446</b>	<b>26,742</b>	<b>37,605</b>

Adjustments							
SEK M	2/2025	1/2025	4/2024	3/2024	2/2024	First six months 2025	First six months 2024
<b>Adjustment items (segment)</b>							
Transformation to zero-emission vehicles (Trucks, Construction Equipment, Buses, Volvo Penta, Financial Services)	-4,512	-	-	-	-	-4,512	-
Establishment of the joint venture Coretura (Trucks)	989	-	-	-	-	989	-
Financial impact related to the divestment of Arquus (Group Functions & Other)	-	-	-	-	181	-	181
Restructuring charges relating to the US bus production for Nova Bus (Group Functions & Other)	-	-	-	-	372	-	372
Restructuring charges relating to the European bus operation (Buses)	-	-	-	-	200	-	200
Previously announced provision for premature degradation of an emission control component (Trucks)	-	-	-	-	140	-	140
<b>Total adjustments</b>							
Trucks	-2,947	-	-	-	140	-2,947	140
Construction Equipment	-230	-	-	-	-	-230	-
Buses	-80	-	-	-	200	-80	200
Volvo Penta	-218	-	-	-	-	-218	-
Group Functions & Other	-	-	-	-	553	-	553
<b>Industrial Operations</b>	<b>-3,475</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>893</b>	<b>-3,475</b>	<b>893</b>
Financial Services	-47	-	-	-	-	-47	-
<b>Volvo Group</b>	<b>-3,523</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>893</b>	<b>-3,523</b>	<b>893</b>

Operating income							
SEK M	2/2025	1/2025	4/2024	3/2024	2/2024	First six months 2025	First six months 2024
Trucks	5,451	8,464	10,138	9,363	13,391	13,916	26,465
Construction Equipment	2,763	2,542	2,609	2,558	3,888	5,305	7,571
Buses	394	360	689	731	754	754	1,013
Volvo Penta	915	915	583	831	1,016	1,830	2,005
Group Functions & Other	-574	-114	-1,091	-468	117	-688	-830
Eliminations	18	-5	18	14	13	12	-
<b>Industrial Operations</b>	<b>8,967</b>	<b>12,162</b>	<b>12,946</b>	<b>13,029</b>	<b>19,179</b>	<b>21,128</b>	<b>36,223</b>
Financial Services	932	1,019	1,012	992	1,028	1,952	2,037
Eliminations	62	77	81	52	132	140	238
<b>Volvo Group operating income</b>	<b>9,961</b>	<b>13,258</b>	<b>14,039</b>	<b>14,074</b>	<b>20,339</b>	<b>23,220</b>	<b>38,498</b>

## 32 PARENT COMPANY

Income from investments in Group companies for the second quarter includes dividends amounting to SEK 3,990 M (2,515).  
Income from investments in joint ventures and associated companies includes dividend amounting to SEK 154 M (108).

Financial net debt amounted to SEK 32,604 M on June 30, 2025, compared with net debt SEK 34,317 M at year end 2024.

INCOME STATEMENT				
SEK M	Second quarter		First six months	
	2025	2024	2025	2024
<b>Net sales<sup>1</sup></b>	<b>330</b>	<b>327</b>	<b>614</b>	<b>560</b>
Cost of sales <sup>1</sup>	-330	-327	-614	-560
<b>Gross income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Administrative expenses <sup>1</sup>	-275	-147	-556	-460
Other operating income and expenses	14	-179	6	-180
<b>Operating income (loss)</b>	<b>-261</b>	<b>-327</b>	<b>-550</b>	<b>-640</b>
Income from investments in Group companies	3,990	2,515	4,028	2,515
Income from investments in joint ventures and associated companies	154	108	154	108
Income from other investments	–	–	–	–
Interest income and similar credits <sup>2</sup>	42	-5	60	19
Interest expenses and similar charges <sup>2</sup>	-254	-380	-410	-771
<b>Income after financial items</b>	<b>3,671</b>	<b>1,912</b>	<b>3,283</b>	<b>1,231</b>
Appropriations	–	–	4,000	–
Income taxes	107	132	-680	261
<b>Income for the period</b>	<b>3,778</b>	<b>2,044</b>	<b>6,603</b>	<b>1,492</b>

1 Of net sales in the second quarter SEK 330 M (327) pertained to Group companies, while purchases from Group companies amounted to SEK 147 M (142).

2 Other financial income and expenses have been reclassified to either Interest income and similar credits or to Interest expenses and similar charges.

OTHER COMPREHENSIVE INCOME				
SEK M	Second quarter		First six months	
	2025	2024	2025	2024
<b>Income for the period</b>	<b>3,778</b>	<b>2,044</b>	<b>6,603</b>	<b>1,492</b>
<b>Other comprehensive income, net of income taxes</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total comprehensive income for the period</b>	<b>3,778</b>	<b>2,044</b>	<b>6,603</b>	<b>1,492</b>

## 33 PARENT COMPANY

BALANCE SHEET		
SEK M	Jun 30 2025	Dec 31 2024
<b>Assets</b>		
<b>Non-current assets</b>		
Tangible assets	21	6
<i>Financial assets</i>		
Shares and participations in Group companies	72,925	72,925
Investments in joint ventures and associated companies	8,971	8,971
Other shares and participations	2	2
Other non-current receivables	515	615
Deferred tax assets	196	196
<b>Total non-current assets</b>	<b>82,630</b>	<b>82,715</b>
<b>Current assets</b>		
<i>Current receivables</i>		
Tax assets	1,959	478
Receivables Group companies	690	49,627
Other receivables	359	254
<b>Total current assets</b>	<b>3,008</b>	<b>50,359</b>
<b>Total assets</b>	<b>85,638</b>	<b>133,074</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
<i>Restricted equity</i>		
Share capital	2,562	2,562
Statutory reserve	7,337	7,337
<i>Unrestricted equity</i>		
Non-restricted reserves	390	390
Retained earnings	34,401	38,855
Income for the period	6,603	33,164
<b>Total equity</b>	<b>51,293</b>	<b>82,309</b>
<b>Untaxed reserves</b>	<b>–</b>	<b>4,000</b>
<i>Provisions</i>		
Provision for post-employment benefits	202	204
Other provisions	–	–
<b>Total provisions</b>	<b>202</b>	<b>204</b>
<i>Non-current liabilities</i>		
Liabilities to Group companies	515	615
Other liabilities	61	108
<b>Total non-current liabilities</b>	<b>577</b>	<b>723</b>
<i>Current liabilities</i>		
Trade payables	328	320
Other liabilities to Group companies	32,686	44,757
Tax liabilities	–	–
Other liabilities	552	760
<b>Total current liabilities</b>	<b>33,566</b>	<b>45,838</b>
<b>Total equity and liabilities</b>	<b>85,638</b>	<b>133,074</b>

## 34 NET ORDER INTAKE

Net order intake of trucks						
	Second quarter		Change	First six months		Change
Number of trucks	2025	2024	%	2025	2024	%
<b>Net order intake</b>						
Europe	25,529	21,080	21	56,891	46,157	23
Heavy- and medium-duty	20,747	19,201	8	47,711	39,177	22
Light-duty	4,782	1,879	154	9,180	6,980	32
North America	8,243	9,756	-16	18,460	19,376	-5
South America	6,879	10,483	-34	12,827	18,381	-30
Asia	4,628	4,149	12	10,184	8,264	23
Africa and Oceania	2,482	2,292	8	4,626	4,283	8
<b>Total order intake</b>	<b>47,761</b>	<b>47,760</b>	<b>-</b>	<b>102,988</b>	<b>96,461</b>	<b>7</b>
Heavy-duty (>16 tons)	40,300	42,555	-5	88,108	82,766	6
Medium-duty (7-16 tons)	2,653	3,328	-20	5,673	6,597	-14
Light-duty (<7 tons)	4,808	1,877	156	9,207	7,098	30
<b>Total order intake</b>	<b>47,761</b>	<b>47,760</b>	<b>-</b>	<b>102,988</b>	<b>96,461</b>	<b>7</b>
<b>Net order intake of trucks by brand</b>						
<b>Volvo</b>						
Europe	12,872	12,692	1	31,389	24,757	27
North America	4,131	3,193	29	8,752	10,102	-13
South America	6,671	10,250	-35	12,297	17,962	-32
Asia	3,659	2,972	23	7,361	6,046	22
Africa and Oceania	1,508	1,604	-6	2,701	2,911	-7
<b>Total Volvo</b>	<b>28,841</b>	<b>30,711</b>	<b>-6</b>	<b>62,500</b>	<b>61,778</b>	<b>1</b>
Heavy-duty (>16 tons)	28,207	29,875	-6	61,044	60,069	2
Medium-duty (7-16 tons)	634	836	-24	1,456	1,709	-15
<b>Total Volvo</b>	<b>28,841</b>	<b>30,711</b>	<b>-6</b>	<b>62,500</b>	<b>61,778</b>	<b>1</b>
<b>Renault Trucks</b>						
Europe	12,657	8,388	51	25,502	21,400	19
Heavy- and medium-duty	7,875	6,509	21	16,322	14,420	13
Light-duty	4,782	1,879	154	9,180	6,980	32
North America	32	7	357	47	33	42
South America	148	145	2	393	253	55
Asia	969	1,177	-18	2,823	2,218	27
Africa and Oceania	686	359	91	1,237	995	24
<b>Total Renault Trucks</b>	<b>14,492</b>	<b>10,076</b>	<b>44</b>	<b>30,002</b>	<b>24,899</b>	<b>20</b>
Heavy-duty (>16 tons)	7,979	6,750	18	17,537	14,519	21
Medium-duty (7-16 tons)	1,705	1,449	18	3,258	3,282	-1
Light-duty (<7 tons)	4,808	1,877	156	9,207	7,098	30
<b>Total Renault Trucks</b>	<b>14,492</b>	<b>10,076</b>	<b>44</b>	<b>30,002</b>	<b>24,899</b>	<b>20</b>
<b>Mack</b>						
North America	4,080	6,556	-38	9,661	9,241	5
South America	60	88	-32	137	166	-17
Africa and Oceania	137	168	-18	333	170	96
<b>Total Mack</b>	<b>4,277</b>	<b>6,812</b>	<b>-37</b>	<b>10,131</b>	<b>9,577</b>	<b>6</b>
Heavy-duty (>16 tons)	3,966	5,798	-32	9,174	8,012	15
Medium-duty (7-16 tons)	311	1,014	-69	957	1,565	-39
<b>Total Mack</b>	<b>4,277</b>	<b>6,812</b>	<b>-37</b>	<b>10,131</b>	<b>9,577</b>	<b>6</b>



## 35 DELIVERIES

Deliveries of trucks						
	Second quarter		Change	First six months		Change
Number of trucks	2025	2024	%	2025	2024	%
<b>Deliveries</b>						
Europe	26,683	28,086	-5	50,730	57,375	-12
Heavy- and medium-duty	22,062	22,151	-	41,810	44,710	-6
Light-duty	4,621	5,935	-22	8,920	12,665	-30
North America	12,981	16,234	-20	27,296	31,290	-13
South America	6,249	7,368	-15	11,646	12,522	-7
Asia	4,488	4,261	5	7,803	7,978	-2
Africa and Oceania	2,363	2,986	-21	4,122	5,240	-21
<b>Total deliveries</b>	<b>52,764</b>	<b>58,935</b>	<b>-10</b>	<b>101,597</b>	<b>114,405</b>	<b>-11</b>
Heavy-duty (>16 tons)	45,181	49,109	-8	86,547	93,540	-7
Medium-duty (7-16 tons)	2,941	3,837	-23	6,108	8,107	-25
Light-duty (<7 tons)	4,642	5,989	-22	8,942	12,758	-30
<b>Total deliveries</b>	<b>52,764</b>	<b>58,935</b>	<b>-10</b>	<b>101,597</b>	<b>114,405</b>	<b>-11</b>
<b>Deliveries of trucks by brand</b>						
<b>Volvo</b>						
Europe	14,727	14,037	5	27,229	28,591	-5
North America	4,998	8,779	-43	11,508	16,660	-31
South America	5,970	7,164	-17	11,176	12,176	-8
Asia	3,368	3,347	1	5,946	6,392	-7
Africa and Oceania	1,380	1,931	-29	2,528	3,393	-25
<b>Total Volvo</b>	<b>30,443</b>	<b>35,258</b>	<b>-14</b>	<b>58,387</b>	<b>67,212</b>	<b>-13</b>
Heavy-duty (>16 tons)	29,839	34,360	-13	57,203	65,347	-12
Medium-duty (7-16 tons)	604	898	-33	1,184	1,865	-37
<b>Total Volvo</b>	<b>30,443</b>	<b>35,258</b>	<b>-14</b>	<b>58,387</b>	<b>67,212</b>	<b>-13</b>
<b>Renault Trucks</b>						
Europe	11,956	14,049	-15	23,501	28,784	-18
Heavy- and medium-duty	7,335	8,114	-10	14,581	16,119	-10
Light-duty	4,621	5,935	-22	8,920	12,665	-30
North America	43	25	72	164	47	249
South America	194	159	22	345	246	40
Asia	1,120	869	29	1,857	1,541	21
Africa and Oceania	668	621	8	1,062	941	13
<b>Total Renault Trucks</b>	<b>13,981</b>	<b>15,723</b>	<b>-11</b>	<b>26,929</b>	<b>31,559</b>	<b>-15</b>
Heavy-duty (>16 tons)	7,621	8,123	-6	14,896	15,572	-4
Medium-duty (7-16 tons)	1,718	1,611	7	3,091	3,229	-4
Light-duty (<7 tons)	4,642	5,989	-22	8,942	12,758	-30
<b>Total Renault Trucks</b>	<b>13,981</b>	<b>15,723</b>	<b>-11</b>	<b>26,929</b>	<b>31,559</b>	<b>-15</b>
<b>Mack</b>						
North America	7,940	7,475	6	15,624	14,628	7
South America	85	45	89	125	100	25
Africa and Oceania	166	193	-14	316	452	-30
<b>Total Mack</b>	<b>8,191</b>	<b>7,713</b>	<b>6</b>	<b>16,065</b>	<b>15,180</b>	<b>6</b>
Heavy-duty (>16 tons)	7,575	6,392	19	14,237	12,198	17
Medium-duty (7-16 tons)	616	1,321	-53	1,828	2,982	-39
<b>Total Mack</b>	<b>8,191</b>	<b>7,713</b>	<b>6</b>	<b>16,065</b>	<b>15,180</b>	<b>6</b>

36 SIGNATURES

The Board of Directors and the President certify that the half-yearly financial report gives a fair view of the performance of the business, position and profit or loss of the Company and the Group, and describes the principal risks and uncertainties that the Company and the companies in the Group face.

Gothenburg, July 17, 2025  
AB Volvo (publ)

Pär Boman  
Chairman of the Board

Matti Alahuhta	Bo Annvik	Jan Carlson	Eric Elzvik
Board member	Board member	Board member	Board member

Martha Finn Brooks	Kurt Jofs	Martin Lundstedt	Kathryn V. Marinello
Board member	Board member	President, CEO and Board member	Board member

Martina Merz	Helena Stjernholm
Board member	Board member

Lars Ask	Therese Koggdal	Urban Spännar
Board member	Board member	Board member

## 37 AUDITOR'S REVIEW REPORT

AB Volvo (publ) org. nr 556012-5790

### Introduction

We have reviewed the condensed interim financial information (interim report) of AB Volvo (publ) as of June 30, 2025 and the six-month period then ended. The Board of Directors and the President are responsible for the preparation and presentation of the interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review

has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Gothenburg, July 17, 2025  
Deloitte AB

Signature on Swedish original

Fredrik Jonsson  
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

38

CONTACTS

Financial calendar	
Report on the third quarter 2025	October 17, 2025
Report on the fourth quarter and full year 2025	January 28, 2026
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This is information that AB Volvo (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact person set out in the press release concerning this report, at 07.20 CET on July 17, 2025.

This report contains forward-looking statements that reflect the Board of Directors' and management's current views with respect to certain future events and potential financial performance. Forward-looking statements are subject to risks and uncertainties. Results could differ materially from forward-looking statements as a result of, among other factors, (i) changes in economic, market and competitive conditions, (ii) success of business initiatives, (iii) changes in the regulatory environment and other government actions, (iv) fluctuations in exchange rates and (v) business risk management.

This report is based solely on the circumstances at the date of publication and except to the extent required under applicable law, AB Volvo is under no obligation to update the information, opinions or forward-looking statements in this report.

V O L V O

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