

24 November 2017

**VOLVO TREASURY AB (publ) (the "Issuer")**  
**Issue of EUR 135,000,000 Floating Rate Notes due November 2019 guaranteed by AB Volvo**  
**(publ) (the "Guarantor") issued pursuant to the U.S.\$15,000,000,000 Euro Medium Term Note**  
**Programme**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the prospectus dated 7 November 2017 (the "**Prospectus**") which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended (which includes the amendments made by Directive 2010/73/EU) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus has been published on the websites of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and the Issuer ([www.volvogroup.com](http://www.volvogroup.com)) and is available for viewing at, and copies may be obtained from, the registered office of the Issuer and from the specified offices of the Paying Agents in London and Luxembourg.

1. (i) Series Number: 354  
(ii) Tranche Number: 1
2. Specified Currency or Currencies: Euro ("EUR")
3. Aggregate Nominal Amount:
  - (i) Series: EUR 135,000,000
  - (ii) Tranche: EUR 135,000,000
4. Issue Price: 100.55106 per cent. of the Aggregate Nominal Amount
  - i. EUR 100,000,000 traded on 21 November 2017: 100.5481 per cent.
  - ii. EUR 35,000,000 traded on 23 November 2017: 100.5595 per cent.
5. (i) Specified Denomination(s): EUR 100,000  
(ii) Calculation Amount: EUR 100,000
6. (i) Issue Date: 28 November 2017  
(ii) Interest Commencement Date: Issue Date
7. Maturity Date: Interest Payment Date falling in or nearest to 28 November 2019

8.	Interest Basis:	3 month EURIBOR + 0.45 per cent. Floating Rate
9.	Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
10.	Change of Interest Basis:	Not Applicable
11.	Put/Call Options:	Not Applicable

**Provisions Relating to Interest (if any) Payable**

12.	<b>Fixed Rate Note Provisions</b>	Not Applicable
13.	<b>Floating Rate Note Provisions</b>	Applicable
	(i) Specified Period(s)/Specified Interest Payment Dates:	28 February, 28 May, 28 August and 28 November in each year from and including 28 February 2018 to and including 28 November 2019
	(ii) Business Day Convention:	Modified Following Business Day Convention
	(iii) Additional Business Centre(s):	Not Applicable
	(iv) Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination
	(v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	Not Applicable
	(vi) Screen Rate Determination:	Applicable
	– Reference Rate and Relevant Financial Centre:	Reference Rate: 3 month EURIBOR. Relevant Financial Centre: Brussels
	– Interest Determination Date(s):	Second TARGET2 Business Day prior to the start of each Specified Period at 11.00 AM, Brussels time
	– Relevant Screen Page:	Reuters page EURIBOR01
	(vii) ISDA Determination:	Not Applicable
	(viii) Linear Interpolation:	Not Applicable
	(ix) Margin(s):	+0.45 per cent. per annum

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|-------|------------------------------------|--------------------------|
| (x)   | Minimum Rate of Interest:          | 0.00 per cent. per annum |
| (xi)  | Maximum Rate of Interest:          | Not Applicable           |
| (xii) | Day Count Fraction:                | Actual/360               |
| 14.   | <b>Zero Coupon Note Provisions</b> | Not Applicable           |

**Provisions Relating to Redemption**

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|-----|--|--|
| 15. | Issuer Call:   | Not Applicable   |
| 16. | Make-whole Redemption by the Issuer  | Not Applicable   |
| 17. | Investor Put:  | Not Applicable   |
| 18. | Final Redemption Amount:   | Subject to any purchase or cancellation or early redemption, the Notes will be redeemed on the Maturity Date at EUR 100,000 per Calculation Amount |
| 19. | Early Redemption Amount payable on redemption for taxation reasons or on event of default: | EUR 100,000 per Calculation Amount   |

**General Provisions Applicable to the Notes**

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|-----|---|---|
| 20. | Form of Notes:  |   |
|     | (a) Form of Notes:  | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event |
|     | (b) New Global Note:  | Yes   |
| 21. | Additional Financial Centre(s):                               | Not Applicable  |
| 22. | Talons for future Coupons to be attached to Definitive Notes: | No  |

Signed on behalf of the Issuer:

By:

*Duly authorised*

**Thomas Lestin**  
Head of  
Treasury and Trading



**Ulf Rapp**  
Head of Legal

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market, *Bourse de Luxembourg*, with effect from 28 November 2017.
- (ii) Estimate of total expenses related to admission to trading: EUR 1,600

### 2. RATINGS

Ratings:

The Notes to be issued have been rated:

BBB+ by Standard & Poor's Credit Market Service Europe Limited ("S&P")

Baa1 by Moody's Investors Services Ltd. ("Moody's")

S&P and Moody's are established in the European Union and are registered under Regulation (EC) No. 1060/2009 (as amended). As such each of S&P and Moody's is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Dealer, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Dealer and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates in the ordinary course of business.

4. **YIELD** Not Applicable

### 5. DISTRIBUTION

- (i) If syndicated, names of Managers: Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable

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|-------|---|---|
| (iii) | Stabilising Manager(s) (if any):                        | Not Applicable  |
| (iv)  | If non-syndicated, name and address of relevant Dealer: | Mizuho International plc<br>Mizuho House<br>30 Old Bailey<br>London<br>EC4M 7AU, United Kingdom |
| (v)   | TEFRA:  | TEFRA D   |

**6. OPERATIONAL INFORMATION**

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|-------|--|---|
| (i)   | ISIN Code:   | XS1725668633  |
| (ii)  | Common Code:   | 172566863   |
| (iii) | Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking S.A. and the relevant identification number(s): | Not Applicable  |
| (iv)  | Delivery:  | Delivery against payment  |
| (v)   | Names and addresses of additional Paying Agent(s) (if any):  | Not Applicable  |
| (vi)  | Intended to be held in a manner which would allow Eurosystem eligibility:  | Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. |

**7. THIRD PARTY INFORMATION**

Not Applicable