



AB Volvo

Press Information

AB Volvo reaches settlements with DOJ and SEC regarding Oil-for-Food activities

AB Volvo today entered into a consent agreement with the U.S. Securities and Exchange Commission (SEC) and a deferred prosecution agreement with the U.S. Department of Justice (DOJ) resolving issues related to the activities of two of its subsidiaries in Iraq under the Oil-for-Food Program.

The settlements include USD 19.6 million in fines, disgorgement of past profits on the contracts under the Oil-for-Food Program and interest. The effect of the financial settlements on the operating income for the first quarter is approximately USD 10 million. The agreements with the DOJ and SEC also provide for improved internal compliance programs that AB Volvo and its subsidiaries will implement.

“The incident is, of course, regrettable, but we do note with some satisfaction that the authorities spoke favourably of the cooperation by Volvo as well as Volvo’s own investigation and measures”, says Volvo CEO Leif Johansson. “It is important that we all now learn from what occurred.”

March 20, 2008

Reporters who want more information, please contact Mårten Wikforss, +46 31 66 11 27 or +46 705 59 11 49.

Visit <http://www.thenewsmarket.com/volvogroup> to access broadcast-standard video from Volvo Group. You can preview and request video, and choose to receive as a MPEG2 file or by Beta SP tape. Registration and video is free to the media.

The Volvo Group is one of the world’s leading manufacturers of trucks, buses and construction equipment, drive systems for marine and industrial applications, aerospace components and services. The Group also provides complete solutions for financing and service. The Volvo Group, which employs about 100,000 people, has production facilities in 19 countries and sells their products in more than 180 markets. Annual sales of the Volvo Group amount to about SEK 285 billion. The Volvo Group is a publicly-held company headquartered in Göteborg, Sweden. Volvo shares are listed on OMX Nordic Exchange Stockholm.

AB Volvo (publ) may be required to disclose the information provided herein pursuant to the Securities Markets Act. The information was submitted for publication at 4.30 p.m. March 20, 2008.

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