



AB Volvo

Press release

AB Volvo signs memorandum of understanding with DEUTZ AG

AB Volvo has signed a non-binding memorandum of understanding with DEUTZ AG with the intention to explore the potential to extend the long-term cooperation with a joint development of the next generation of medium-duty engines for off-road applications.

The memorandum of understanding also aims at analyzing the conditions for establishing a DEUTZ majority-owned joint-venture company in China for the production of medium-duty engines for off-road applications. The production company is intended to provide support for the Volvo Group's anticipated growth in off-road applications in Asia.

Any implementation requires both companies to agree on the final terms and conditions in a binding contract.

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The Volvo Group is one of the world's leading manufacturers of trucks, buses and construction equipment, drive systems for marine and industrial applications and aerospace components. The Group also provides complete solutions for financing and service. The Volvo Group, which employs about 115,000 people, has production facilities in 20 countries and sells their products in more than 190 markets. In 2011 annual sales of the Volvo Group amounted to about SEK 310 billion. The Volvo Group is a publicly-held company headquartered in Göteborg, Sweden. Volvo shares are listed on OMX Nordic Exchange Stockholm. For more information, please visit www.volvogroup.com or www.volvogroup.mobi if you are using your mobile phone