



AB Volvo

## Press release

# Volvo Group – the third quarter 2016

**“In the third quarter, profitability improved slightly as better underlying performance offset the impact from lower volumes. Sales decreased by 6% to SEK 69 billion. The adjusted operating income amounted to SEK 4.8 billion, corresponding to an operating margin of 7.0% due to a positive cost development and a strong European truck market,” says Martin Lundstedt, President and CEO.**

- In Q3 2016 net sales decreased by 6% to SEK 68.8 billion (73.3). When adjusted for currency movements and acquired and divested units the sales decrease was also 6%.
- Adjusted operating income in Q3 2016 amounted to SEK 4,846 M (5,087), corresponding to an operating margin of 7.0% (6.9). Adjusted operating income excludes a provision for the settlement with the European Commission of SEK 190 M in Q3 2016 and restructuring charges of SEK 434 M in Q3 2015.
- Currency movements had a negative impact on operating income of SEK 45 M.
- Operating cash flow in the Industrial Operations was positive in an amount of SEK 2.1 billion (neg. 3.3).

**Press and Analyst Conference.** An on-line presentation of the report, followed by a question-and-answer session will be webcast starting at 9.00 CEST. More information under Investors on [www.volvogroup.com](http://www.volvogroup.com)

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The Volvo Group is one of the world's leading manufacturers of trucks, buses, construction equipment and marine and industrial engines. The Group also provides complete solutions for financing and service. The Volvo Group, which employs about 100,000 people, has production facilities in 18 countries and sells its products in more than 190 markets. In 2015 the Volvo Group's sales amounted to about SEK 313 billion (EUR 33,4 billion). The Volvo Group is a publicly-held company headquartered in Göteborg, Sweden. Volvo shares are listed on Nasdaq Stockholm. For more information, please visit [www.volvogroup.com](http://www.volvogroup.com).

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