



AB Volvo

## Press release

# Volvo Group – the third quarter 2017

**“In the third quarter both the Volvo Group’s sales and profitability continued to increase, with an especially strong performance in our construction equipment business. The quarter was also characterized by the completion of an historic upgrade of our North American truck lineup and further successes for our electric buses that continue to make inroads in new markets. From an overall perspective, market demand is strong, as evidenced by a 32% increase in truck orders and 45% in construction equipment orders,” says Martin Lundstedt, President and CEO.**

- In Q3 2017 net sales increased by 12% to SEK 77.2 billion (68.8). Adjusted for currency movements and acquired and divested units sales increased by 16%.
- Adjusted operating income amounted to SEK 7,024 M (4,846), corresponding to an adjusted operating margin of 9.1% (7.0). Adjusted operating income excludes a capital gain of SEK 400 M from the sale of the Group’s holding in Deutz AG in Q3 2017. Adjusted operating income in Q3 2016 excluded a provision for the settlement with the European Commission of SEK 190 M.
- Currency movements had a negative impact on operating income of SEK 223 M.
- Operating cash flow in the Industrial Operations amounted to SEK 0.6 billion (2.1).
- Mack Trucks’ new highway truck, Mack Anthem, launched in North America.

**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 CET. 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 95,000 people, has production facilities in 18 countries and sells its products in more than 190 markets. In 2016 the Volvo Group's sales amounted to about SEK 302 billion (EUR 31,9 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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