



Volvo Group

Pär Östberg

Senior Vice President, AB Volvo
Group's Asian truck operations

AB Volvo

Investor Day in New York 2008 - Pär Östberg

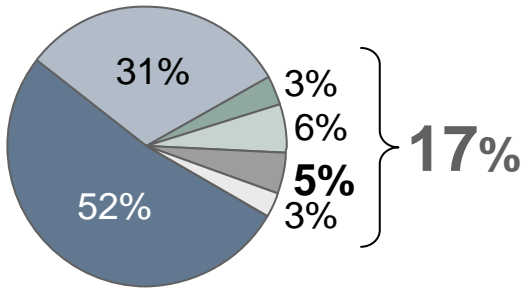
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VOLVO

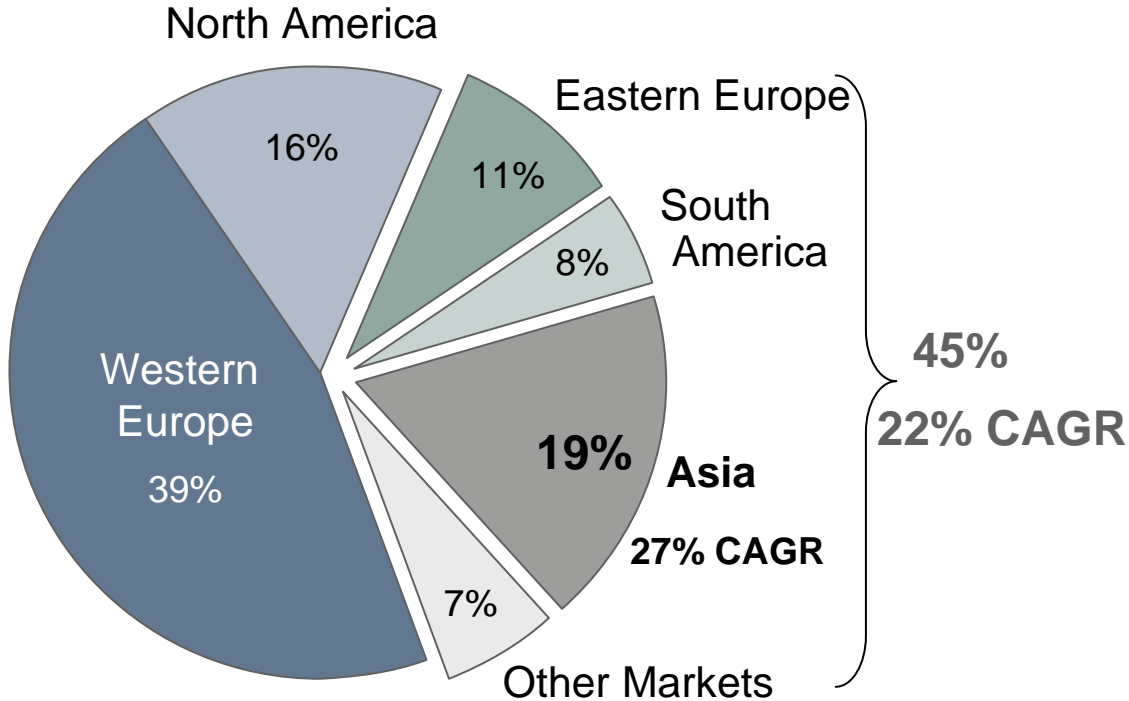
Strong growth in Asia

Q3 2008

1998



SEK 100 bn



SEK ~310 bn

Asia's share of World GDP expected to have passed US share and to equal EU's by 2012

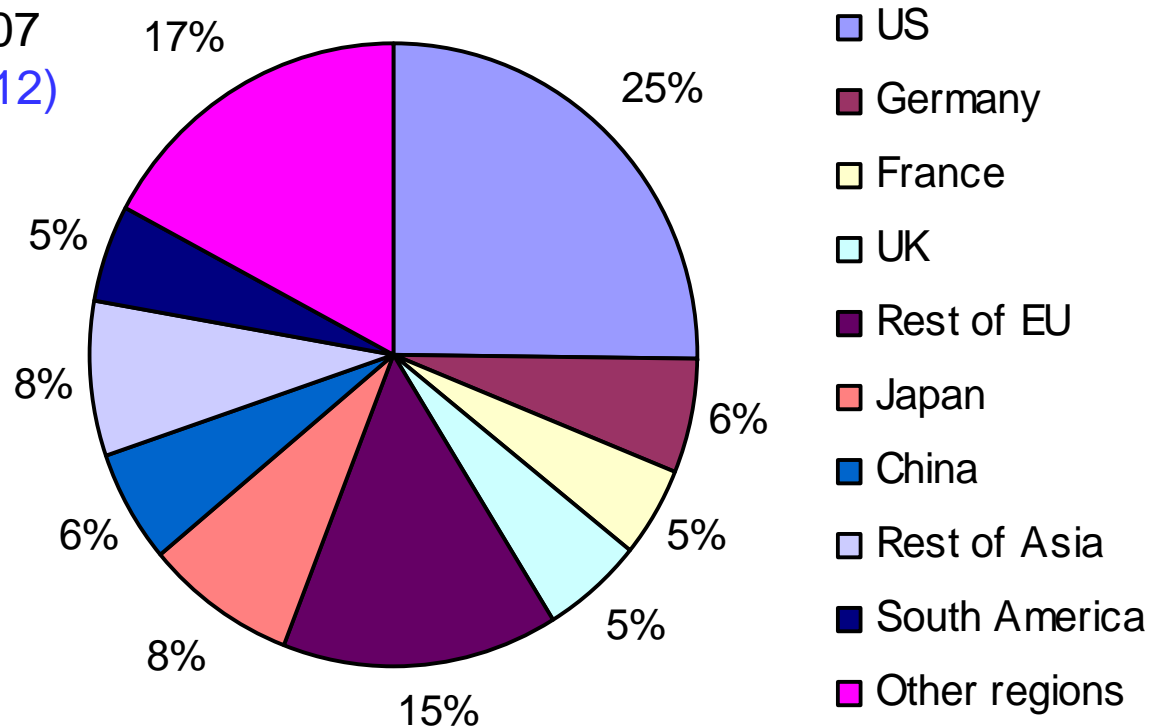
World by GDP Share 2007
(World by GDP Share 2012)

25% (22%) US

31% (26%) EU

22% (28%) Asia

22% (24%) Rest of World



Sept. 2008
Source: Global Insight

Volvo Group has entered new markets and product segments in Asia

LINGONG



INGERSOLL RAND



NISSAN DIESEL



EICHER



Brand portfolio in Asia

Trucks

- Volvo
- Renault
- Nissan Diesel
- Eicher

Construction Equipment

- Volvo
- SDLG

Buses

- Volvo
- Sunwin/Silver Bus
- Eicher

Marine/Industrial engines

- Volvo Penta

Customer Financing

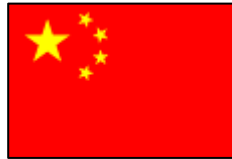
- Volvo Financial Services

Main markets

- Japan



- China



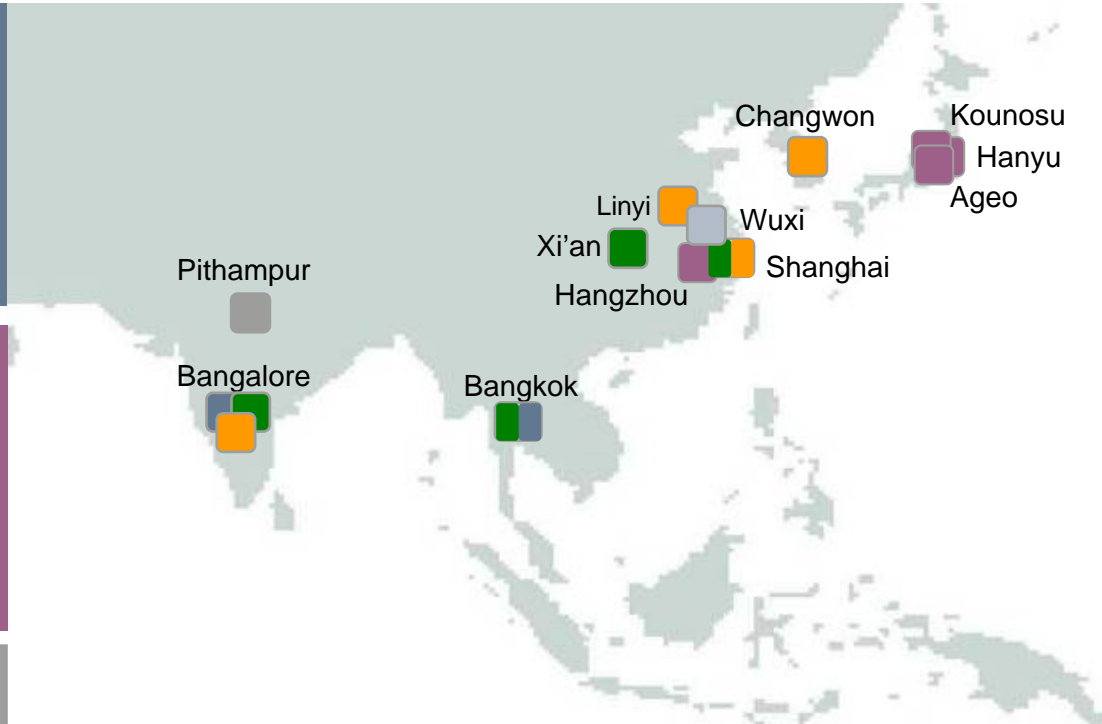
- India



- Korea

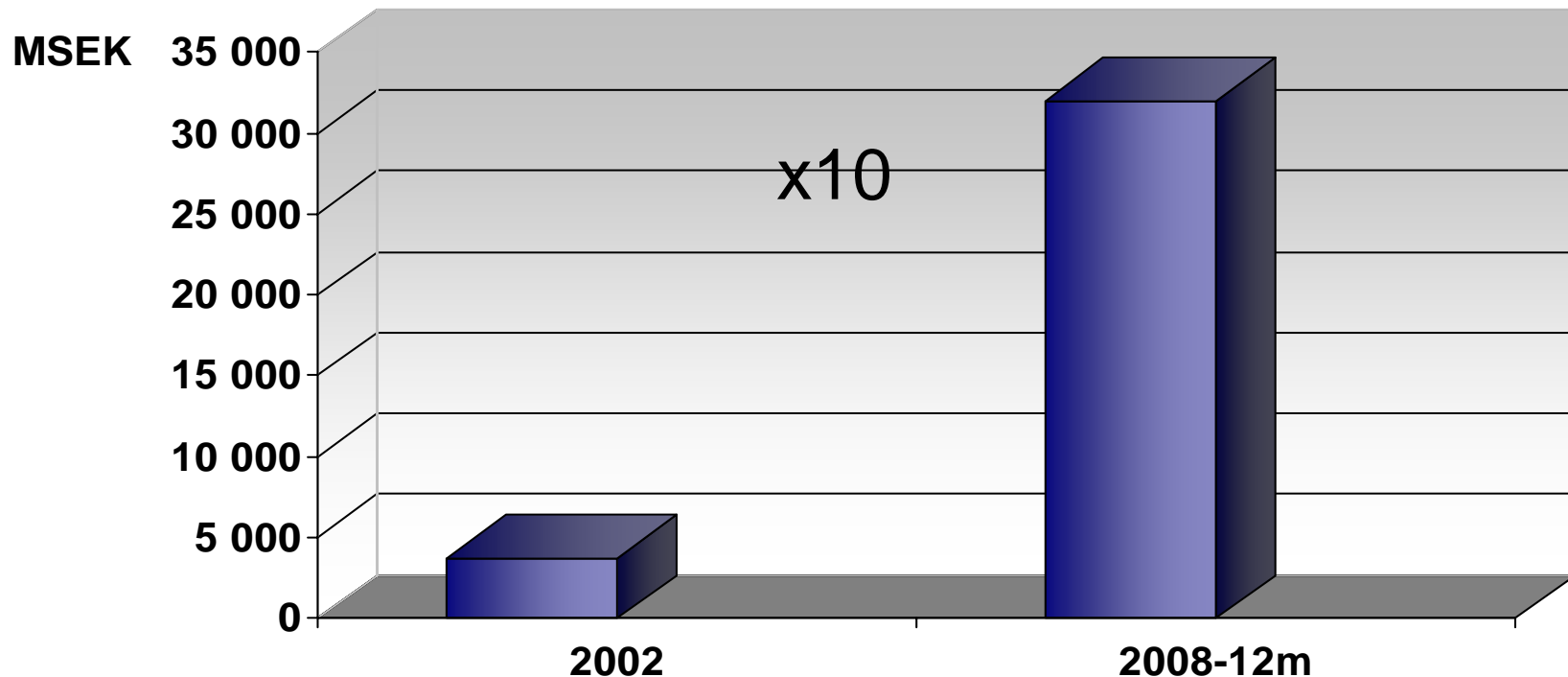


Manufacturing and R&D capabilities in Asia



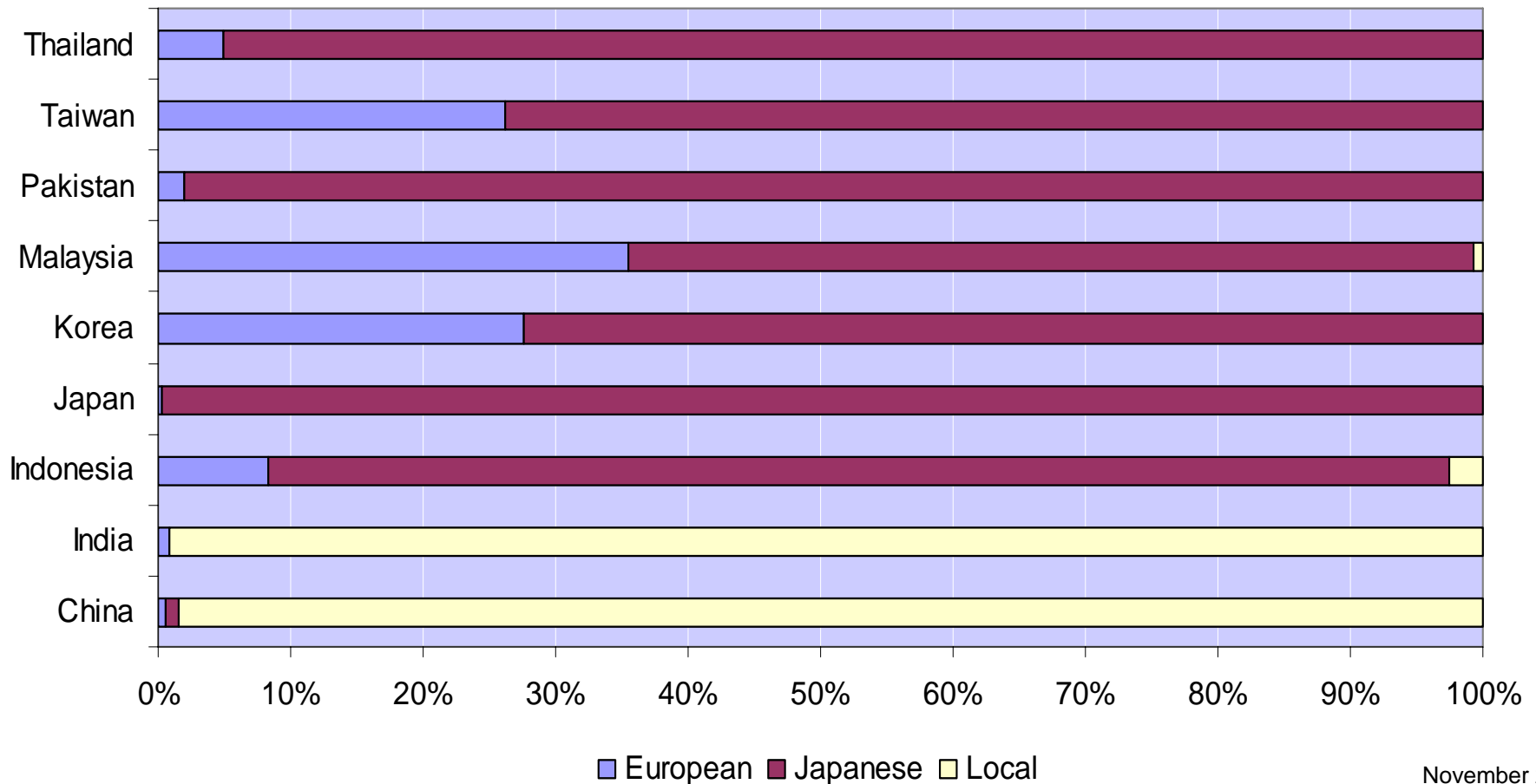
Volvo Group has established a strong position in Trucks in Asia through organic growth, acquisitions and joint ventures

Truck turnover



Volvo Group is relevant in most segments

The potential for further growth is in place



November 2008

Source: ATO Market Companies, ATO BI

*China based on volumes >14t GVW, India >16.2t incl. 4x2

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Volvo Trucks



- Solid position as No 1 in the European segment
- Presence in all markets
- Strong brand name
- Good growth development

Renault Trucks



- Growing position in selected segments
- China and Indonesia main markets
- Strong potential in the construction segment with Kerax-model
- Leveraging on Group distribution network

Nissan Diesel



- Strong position in Japan
- High growth ambitions outside Japan
- Product quality benchmark in truck industry
- Strong product portfolio going forward

Eicher



- Strong position in LD/MD trucks in India
- Strong growth ambitions in HD trucks
- Opportunities to utilize Group technology in future products
- Low cost base for R & D and purchasing

China

- Volvo Group N° 1 among European manufacturers.
- Volvo's "strategy" based on aggressive organic growth.
- Volvo Trucks has a strong position in the growing premium segment.
- The premium segment will grow over time mainly based on emission legislation and development of transport solutions.
- Nissan Diesel JV with Dongfeng, DND, platform for entry into China.
- Large market for HD trucks (estimation 2008: 570.000).
- Fierce competition with many local players. Consolidation expected over time.

Business climate

- Continued weakness in Japan
- China truck market lower after new emission standards and Olympics
- South East Asia weaker
- India slower in Q3 due to lack of customer financing
- Overall growth prospects remaining strong for Asia

Leveraging our Asian position

- Growing premium segment
- Exports within Asia
- Exports from Asia
- Sourcing & R/D
- Synergies Nissan Diesel 200 MEuro

In focus

- Downturn management
- Operational excellence and focus on profitability improvements
- Realise Nissan Diesel synergies
- Consolidate the distribution system in South East Asia
- Consolidate the manufacturing footprint in Asia
- Develop joint venture to capture full potential in India
- Aggressive organic growth in China