

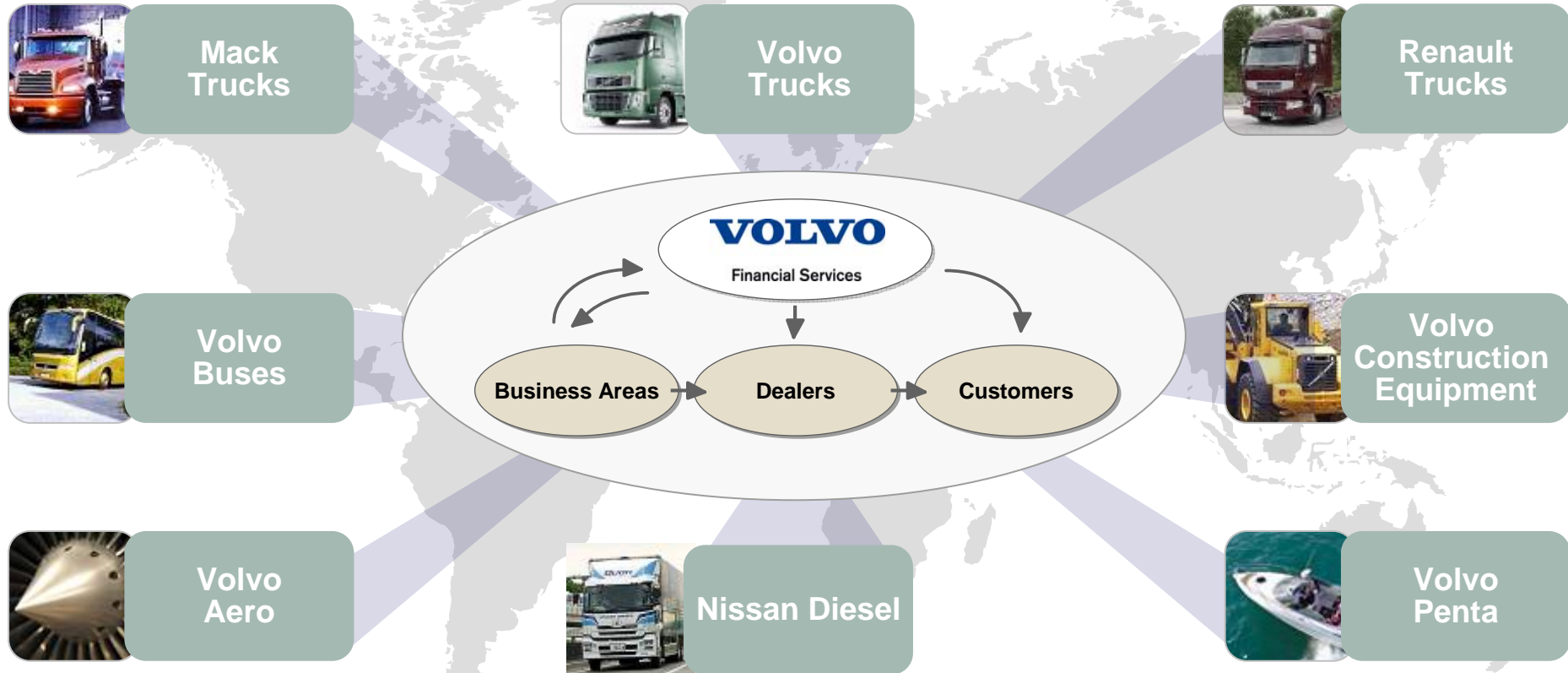
VOLVO

Financial Services

Investor Day

2009

Business Areas Served



Branded Finance Programs



Customer Offering



**Insurance/
Service &
Maintenance
Contracts
(Non Risk Based)**

**Operational
Lease *
(11.7%)**

**Receivables
Management
(0.6%)**

**Installment
Credit
(37.3%)**

**Finance Lease
(37.0%)**

**Dealer Financing
(13.4%)**

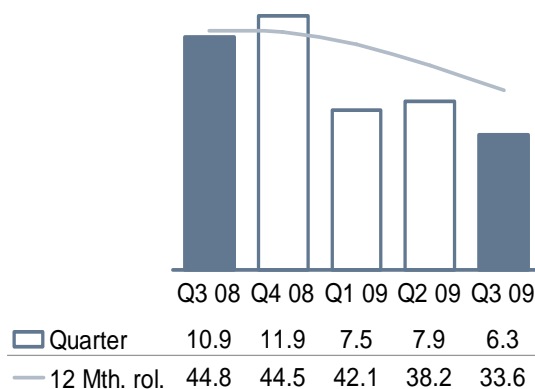
* Residual value exposure taken by industrial & commercial operations

Financial Services



New retail financing

SEK bn

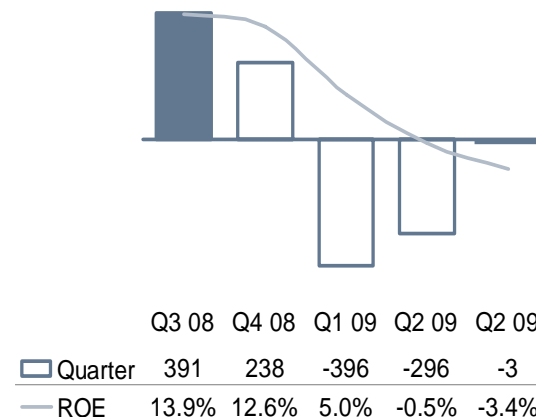


Highlights

- Early signs of portfolio stabilization
- Inventory reduction in September
- Continuation of difficult economic conditions

Operating income and return on equity

SEK M

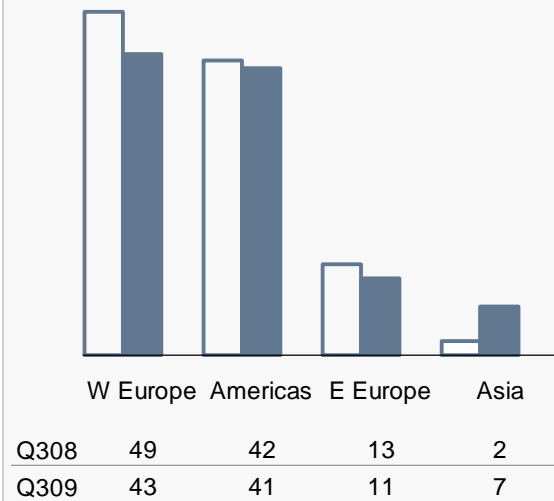


In Focus

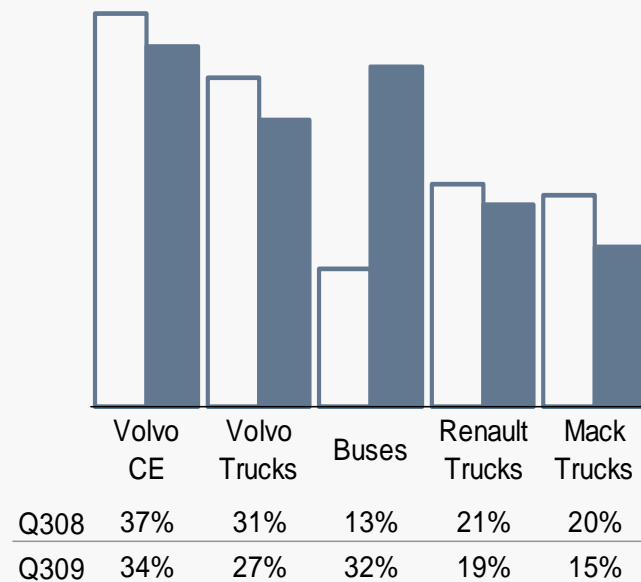
- Debt collection activities
- Inventory management and remarketing
- Rationalization of cost structure

Financial Services

Total managed assets
(SEK bn)



Penetration on new financing



Portfolio Management: Performance

Operating results continue to be impacted by delinquency and write-offs, but not to the same extent as first half of the year. Recently, we have seen signs of stabilization, albeit at low levels, in many parts of the world.

Europe:

- Motor vehicle segments remain under severe pressure
- Food industry segments continue to perform well
- Steps taken to increase remarketing capacity

Americas:

- The US portfolio continues to be impacted by the prolonged recession and surplus of used trucks
- Repossessions in the US continue at high but stable levels
- Latin America portfolio continues to perform well

Eastern Europe:

- Portfolio continues to reflect the severe economic turbulence
- The car haulage industry in Russia and the overall portfolio in Romania continue to impact the results of the Region
- The rate of decline has flattened in relation to prior months

Asia:

- Stable portfolio
- Improvements in the mining sector in China

Adaptations from the Downturn

As global economies recover, VFS will continue to optimize its business model by:

- Further developing risk mitigation strategies
 - Greater industry, customer and asset class segmentation
 - Expanding portfolio concentration guidelines to customer segment and industry categorizations
- Closely aligning with our sister BA's commercial strategies
- Reviewing and restructuring segments not meeting profitability expectations
- “Right sizing” the business according to current market conditions and forecasted demand

Optimize Group Cash Flow

CAMPAÑA "RETO 2009"

20% MÍNIMO DE ENTREGA INICIAL

PARTETE INCLUIDA EN COTA: FINANCIACIÓN MÁQUINA + COMOPUS = IMPORTE A FINANCIAR

Plazo	24 meses	36 meses
TIR	4,95%	5,95%
Máximo que puede financiar	600000€	600000€
Comisión	0,50%	0,50%
Coste de gestión	2000€	2000€
Coste de cierre	0€	0€

VOLVO Financial Services

VEILIGHEID LOONT.

VOLVO FINANCIAL SERVICES. FLEXIBILITEIT EN AANWIJZEN

Driving Joint Campaigns

- Financial programs to move new inventory
- Financial programs to redistribute used inventory
- Wholesale finance programs to facilitate movement of inventory to dealers

Optimizing Process Efficiency & Effectiveness

- Integrated processes to eliminate funding delays
- Efficient repossession processes to facilitate a quick redistribution
- Pre-approved credit lines for key accounts per market per BA