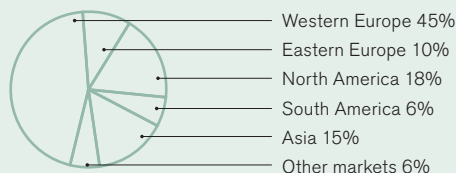


# Group overview

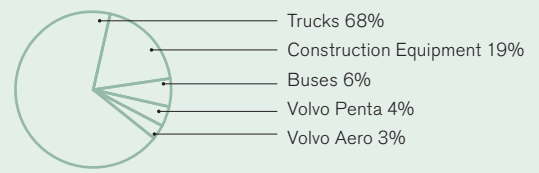
	BUSINESS AREAS	SIGNIFICANT EVENTS
 VOLVO TRUCKS	<b>Volvo Trucks</b> manufactures medium-heavy to heavy trucks for long-haul, regional transport, and construction operations.	<ul style="list-style-type: none"> <li>• Strong order intake in Europe, +53%, dealer network expansion</li> <li>• Challenges in the industrial system</li> <li>• Decisions on investments for improved capacity and productivity in 2008 and 2009</li> </ul>
 RENAULT TRUCKS	<b>Renault Trucks</b> offers many types of vehicles from light trucks for delivery to heavy trucks for long haulage.	<ul style="list-style-type: none"> <li>• Continued strong order intake</li> <li>• Agreement in place with Karsan for production of Renault trucks in Turkey</li> <li>• Good industrial productivity</li> </ul>
 NISSAN DIESEL	<b>Nissan Diesel's</b> products range from medium-heavy to heavy trucks used for long-haul, regional transport, and construction operations.	<ul style="list-style-type: none"> <li>• Deliveries down by 27%</li> <li>• New emission regulation as of September 1, 2007 - market shares normalized</li> <li>• Integration work</li> </ul>
 MACK TRUCKS	<b>Mack Trucks</b> manufactures heavy-duty trucks primarily for construction, refuse and heavy regional transports.	<ul style="list-style-type: none"> <li>• Deliveries down 49%</li> <li>• New product program in place</li> <li>• Positive customer reception of US'07 engine family</li> </ul>
 CONSTRUCTION EQUIPMENT	<b>Construction Equipment</b> manufactures equipment for construction applications and related industries.	<ul style="list-style-type: none"> <li>• Deliveries of machines up 70%</li> <li>• Net sales rose by 27%</li> <li>• Acquisition of Ingersoll Rand's road development division</li> <li>• Breakthrough in China through acquisition of Lingong</li> </ul>
 BUSES	<b>Buses</b> has a product range comprising city and intercity buses, coaches and chassis.	<ul style="list-style-type: none"> <li>• Deliveries were down by 4%</li> <li>• Volvo 9700 voted Bus of the Year 2008 in Europe</li> </ul>
 VOLVO PENTA	<b>Volvo Penta</b> provides engines and power systems for leisure and commercial craft, as well as for industrial applications such as gensets and water pumps.	<ul style="list-style-type: none"> <li>• Total market for marine engines slightly down</li> <li>• Strong development for Industrial Engines</li> <li>• Net sales rose by 9%</li> <li>• Continued success for the innovative IPS drive system</li> </ul>
 VOLVO AERO	<b>Volvo Aero</b> offers advanced components for aircraft engines and space applications with a focus on light-weight technology for reduced fuel consumption. Services for the aerospace industry are also offered.	<ul style="list-style-type: none"> <li>• Improved profitability in the aftermarket</li> <li>• Breakthrough for Volvo Aero's light-weight technology</li> <li>• The orderbook rose by 19% in value for the components operations</li> </ul>
 FINANCIAL SERVICES	<b>Financial Services</b> Conducts operations in customer and dealer financing.	<ul style="list-style-type: none"> <li>• Stable development of the credit portfolio</li> <li>• Good profitability continues</li> <li>• Volvo road machinery retail financing started</li> </ul>

## VOLVO GROUP

Net sales per market, %



The Industrial operations' net sales per business area, %



POSITION ON WORLD MARKET	NET SALES	OPERATING INCOME	NUMBER OF EMPLOYEES
<p>In total, the Volvo Group is Europe's largest and the world's second largest manufacturer of heavy trucks.</p>	<p>03 04 05 06 07 SEK bn 117.0 136.9 155.4 171.3 187.9</p>	<p>03 04 05 06 07 SEK bn 4.0 9.0 11.7 14.8 15.2</p>	<p>31,892</p> <p>15,864</p> <p>10,053</p> <p>5,399</p>
<p>Volvo CE is the world's largest manufacturer of articulated haulers and wheel loaders, and one of the world's largest manufacturers of excavation equipment, road development machines and compact construction equipment.</p>	<p>03 04 05 06 07 SEK bn 23.2 29.4 34.8 42.1 53.6</p>	<p>03 04 05 06 07 SEK bn 0.9 1.9 2.8 4.1 4.2</p>	<p>19,714</p>
<p>The business area is one of the world's largest producers of buses.</p>	<p>03 04 05 06 07 SEK bn 12.0 12.7 16.6 17.3 16.6</p>	<p>03 04 05 06 07 SEK M (361) 253 470 745 231</p>	<p>9,290</p>
<p>Volvo Penta is the world's largest producer of diesel engines for leisure boats.</p>	<p>03 04 05 06 07 SEK bn 7.6 9.1 9.8 10.8 11.7</p>	<p>03 04 05 06 07 SEK M 695 940 943 1,006 1,173</p>	<p>3,000</p>
<p>Volvo Aero holds a leading position as an independent producer, with engine components in about 90% of all large commercial aircraft delivered in 2007.</p>	<p>03 04 05 06 07 SEK bn 8.0 6.9 7.5 8.2 7.6</p>	<p>03 04 05 06 07 SEK M (44) 403 836 359 529</p>	<p>3,550</p>
<p>Financial Services cooperates closely with the other business areas to strengthen the Group's competitiveness.</p>		<p>03 04 05 06 07 SEK M 926 1,365 2,033 1,686 1,649</p>	<p>1,149</p>
<p>The Volvo Group is one of the leading suppliers of commercial transport solutions providing products such as trucks, buses, construction equipment, drive systems for marine and industrial applications as well as aircraft engine components.</p>	<p>03 04 05 06 07 SEK bn 183 211 241 259 285</p>	<p>03 04 05 06 07 SEK bn 2.5 14.7 18.2 20.4 22.2</p>	<p>03 04 05 06 07 Thousands 75.7 81.1 81.9 83.2 101.7</p>