



AB Volvo

## Press Information

### VOLVO - SIX MONTHS ENDED JUNE 30, 2001 - SHORT VERSION

"The Volvo Group is focusing on a long-term program to create a more competitive industrial structure and on immediate measures to adapt operations to the prevailing market situation. Despite the business climate, some parts of the Group delivered very good results in the second quarter and we noted a number of promising trends. Growth is strong in some parts of the Group, we are gaining market shares, Penta and Aero continue to deliver strong performance and cash flow has been significantly improved", says Leif Johansson, CEO.

First six months	2001	2000
Net sales, SEK M	90 848	59 244
Operating income excluding items affecting comparability, SEK M*	2 625	4 307
Operating income, SEK M	1 306	4 307
Income after financial items, SEK M	561	4 318
Net income, SEK M	555	3 153
Sales growth	53%	4%
Income per share excluding items affecting comparability, during most recent 12 months period, SEK	7,60	13,30
Return on shareholders' equity, excluding items affecting comparability, %	3,4	6,1

\* Items affecting comparability in 2001, pertain to restructuring costs of SEK 1.3 billion. Volvos operating income in the first six months 2001 was also favorably affected with SEK 941 M attributable to capitalization of development costs, of which SEK 451 in the second quarter.

Operating income by business area SEK M	Second quarter		First six months	
	2001	2000	2001	2000
Global Trucks	639	31	789	676
Buses	(25)	180	(108)	213
Construction Equipment	408	740	489	1 051
Marine and Industrial Power Systems	222	197	389	300
Aero	286	278	446	388
Financial Services	63	678	176	1 128
Other	530	403	444	551
<b>Operating income</b>	<b>2 123</b>	<b>2 507</b>	<b>2 625</b>	<b>4 307</b>
Items affecting comparability	-	-	(1 319)	-
<b>Operating income</b>	<b>2 123</b>	<b>2 507</b>	<b>1 306</b>	<b>4 307</b>

Operating income in the second quarter 2001 includes:

- Gain on sale of shares in MMC of SEK 574 M (Global Trucks)
- Gain on sale of the insurance operations in Volvia of SEK 562 M (Financial Services), offset by increased provisions for US credit losses of SEK 670 M
- Dividend from Scania of SEK 637 M.

For more information please see the full report, which is available on [www.volvo.com](http://www.volvo.com).

July 24, 2001