



Volvo Car Corporation

Press Information

VOLVO CAR CORPORATION. SALES AND PRODUCTION STATISTICS, 1998

Invoiced sales of Volvo cars in 1998 amounted to 399,700 units, an increase by 3% compared to 1997. Sales trends were very positive in Europe and North America. However, in Japan and South-East Asia sales dropped for the second consecutive year due to the Asian crisis.

The world market in 1998

In 1998 the total market for cars in the world increased by approximately 1% to 37,9 million units (37.5). The North American market declined by 1%, whereas the European market rose by 6.6%. In Japan, the market decreased by 12%.

Volvo's share of the total market was approximately 1%, but in the large car segment, which includes the Volvo S70 and V70, the Volvo S80, the Volvo S90 and V90 and the Volvo 940, Volvo's share was 7% in Europe (8.2), 11.5% in North America (10.9) and 2.1% in Japan (2.1). In the medium-size class, which includes the Volvo S40 and V40, Volvo's share in Europe was 4.3% (3.6).

Positive figures for North America

1998 was Volvo's best year in North America in eleven years. Sales increased by over 9% despite the fact that the product range was narrower than before. The gap in sales caused by the loss of the Volvo S90 and V90 was closed by a substantial increase in sales of the Volvo 70 series, especially the four-wheel drive models Volvo V70 AWD and Volvo V70 XC. The Volvo S80 saw a strong introduction in the end of the year with 6,600 cars sold.

Sweden - Volvo 1st and 2nd

In Sweden, registrations of new cars rose by 12% to 253,300 (225,300) units. The number of Volvo cars registered rose by 4% to 53,600 (51,400), while the market share fell from 22.8% to 21.2%. Eventhough Volvo S/V90 and 940, which scored second best in the registration figures for 1997, were phased out in the beginning of 1998, the sales of the 40- and 70-series more than enough compensated for this decline. Moreover, the sales of the new Volvo S80, with its

1,860 registrations, exceeded expectations.

Positive sales trend in Europe

For the second year in a row, Europe showed a positive trend in sales which increased the registrations of Volvo cars by 6.6% to 240,500 (230,900).

In Germany, which now has advanced to Volvo's third largest market, the number of Volvo cars registered increased by 15% to 42,400 (37,000). The Volvo S40 and V40 accounted for 23,200 cars.

In the highly competitive UK-market, Volvo cars registrations dropped by 7.5% to 37,700 (40,700). However, in the fourth quarter Volvo took a very healthy 2.3% market share up from a cumulative 1.5% in the first nine months. This improved the year end figure to 1.7% (1.9). Product-wise, Volvo V70 continued to dominate the UK large estate segment despite increased competition.

The steadily increasing market interest in Europe for diesel cars could be mirrored in Volvo cars registration figures for France and Belgium, where registrations increased by 29.5% to 9,800 (7,600) respectively 27% to 11,700 (9,200).

In Switzerland, registrations increased by 20.4% to 8,400 (7,000).

Continued decline in South-East Asia and Japan

Due to the Asian crisis, 1998 was a difficult year for Asia in general. The total car market fell by 47% and the luxury segment dropped by 51%. However, relative to the competition, Volvo performed well.

Volvo's market share increased in Taiwan and Hong Kong; and sales volume increased in Hong Kong and China. In China, Volvo has increased its sales volume over 3 consecutive years.

For South East Asia, Volvo maintained its market share at the 1997 level.

In Japan, sales of Volvo cars dropped by 18% to 16,300 (19,900).

Manufacture

Total output of Volvo cars during the year amounted to 398,500 units (387,400), whereof 151,700 (145,200) in Belgium; 86,000 (116,100) in Sweden; 150,900 (115,000) in the Netherlands; 8,200 (7,100) in Canada and 1,700 (4,000) in South-East Asia.

Manufacturing output by model series was as follows: Volvo S90/V90 - 4,300 (29,950), Volvo 940 - 3,500 (39,350), Volvo S80 - 32,800 (N/A), Volvo S70/V70/C70 - 206,900 (203,100) and Volvo S40/V40 - 151,000 (115,000).

Invoiced sales of Volvo cars

Invoiced units per model	1998	1997	Change in %
Volvo S40 & V40	151,300	114,100	33
Volvo S70 & V70	201,600	203,700	-1
Volvo C70	9,200	900	922
Volvo S80	21,800	0	
Volvo 940	6,700	39,400	-83
Volvo S90 & V90	9,100	28,300	-68
Total	399,700	386,400	3

Invoiced units per market area	1998	1997	Change in %
Europe	255,500	240,000	6
North America	110,700	102,000	9
South America	1,900	2,300	-18
Asia	25,000	36,100	-31
Miscellaneous	6,600	6,000	9
Total	399,700	386,400	3

The Volvo Car Corporation's 10 largest markets

Market	Registrations 1998	Registrations 1997	M/S 1998	M/S 1997
USA	100,200	90,000	1,23	1,09
Sweden	53,600	51,400	21,15	22,84
Germany	42,400	37,000	1,14	1,04
United Kingdom	37,700	40,700	1,68	1,88
Italy	24,200	25,300	1,02	1,04
The Netherlands	19,400	19,200	3,58	4,02
Japan	16,300	19,900	0,52	0,56
Belgium	11,700	9,200	2,59	2,33
Spain	10,600	10,400	0,88	1,02
France	9,800	7,600	0,51	0,44

- The figures of 1998 could be subject to minor adjustments.
The figures of 1997 are definite.

Products

Due to the substantial demand for the Volvo S40 and V40 in Europe, the NedCar plant, had to step up its production from 115,000 to 150,900 units last year. Furthermore, in order to meet demand from South-Africa and neighbouring markets, assembly of Volvo S40 and V40 will begin in Botswana during 1999.

In addition to the already strong line-up of the Volvo 40-series, the Volvo S40 1.8i and V40 1.8i were launched in the beginning of 1998 as the first Volvo car models with direct-injection petrol engines.

At Paris Motor Show, Volvo's popular models, Volvo V70R AWD, Volvo V70 AWD and Volvo V70 XC, were accompanied by a fourth four-wheel drive derivate; Volvo S70 AWD.

In May 1998, the Volvo S80 was launched as the first car on Volvo's new large platform to be produced at the Torslanda Plant in Göteborg.

The Volvo S80 earned a number of distinctions during the year, including the Prince Michael Road Safety Award for the innovative Inflatable Curtain. Moreover, the Volvo S80 was also awarded "The Most Beautiful Car in the World" by the Italian organization and magazine Automobilia.

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Production 1998

Model	Torslanda	Ghent	AutoNova	Halifax	Asia*	NedCar	TOTAL
S70	35.200	38.100		5.900			79.200
V70		92.300		2.300			94.600
V70 XC		21.300					21.300
TOT. S70/V70	35.200	151.700		8.200	1.200		196.300
940 Sedan	900						900
940 Wagon	2.600						2.600
TOT. 940	3.500						3.500
S90	3.100						3.100
V90	800						800
TOT. S90/V90	3.900				400		4.300
C70 Coupe			9.200				9.200
C70 Convertible			1.400				1.400
TOT. C70			10.600				10.600
S40						58.700	58.700
V40						92.200	92.200
TOT. S40/V40					100	150.900	151.000
S80	32.800						32.800
TOTAL	75.400	151.700	10.600	8.200	1.700	150.900	398.500

*Incorporates Thailand, Malaysia, Indonesia & the Philippines