



AB Volvo

Press Information

Volvo - nine months ended September 30, 2003 - short version

“Despite low demand in key markets, the Volvo Group doubled operating income in the third quarter, compared with the corresponding period in 2002. Our strong product programs, increased efficiency and positive synergy effects are the main reasons for the improved profitability. The new product lines from Volvo Trucks, Volvo CE and Volvo Penta continued to strengthen our positions and contributed to maintaining sales in several important markets”, says Leif Johansson, CEO.

	Third quarter		First nine months	
	2003	2002	2003	2002
Net sales, SEK M	40 511	41 524	126 035	131 203
Operating income, SEK M	1 617	817	4 768	2 014
Income after financial items, SEK M	1 298	584	4 098	1 276
Net income, SEK M	956	421	3 184	755
Sales growth, %	(2.4)	0.9	(3.9)	(0.6)
Income per share, SEK	2.30	1.00	7.60	1.80
Return on shareholders' equity during most recent 12 months period, %			5.0	0.3

Operating income SEK M	Third quarter		First nine months	
	2003	2002	2003	2002
Trucks	944	673	2 494	682
Buses	(93)	(84)	(265)	(127)
Construction Equipment	210	120	775	453
Volvo Penta	153	117	524	488
Volvo Aero	(2)	(72)	3	46
Financial Services	242	126	675	361
Other	163	(63)	562	111
Operating income	1 617	817	4 768	2 014

Q3 R&D Capitalization (SEK M): Total 17, Trucks 12, Buses 5, Construction Equipment -10, Volvo Penta 6, Volvo Aero 4

Profit elimination in conjunction with consolidation of Bilias commercial operations (SEK M): Total 100, Trucks 85 and Volvo CE 15.

Capital gain from divestment of the holding in Bilias of SEK 188 M, recorded in “other”.

12 months moving order intake for Trucks through September: total -5%, Europe -11%, North America -5%.

For more information, please see the full report, which is available on www.volvo.com.

AB Volvo, October 23, 2003