



**Volvo Truck Corporation**

## **Press information**

# **Strong result for Volvo Trucks in 2003**

**Volvo Trucks' deliveries rose by eight percent in 2003, totalling 75,300 trucks. The improved result stems from the success of the new Volvo FM, Volvo FH, Volvo NH and Volvo VN.**

“An excellent year. The significant rise in profits in 2002 continued into 2003, and we have also reported a strong cash-flow situation. We also succeeded very well on a number of key markets and improved our positions as we entered 2004. This applies both to the product range as well as to production and the dealer network,” explains Jorma Halonen, President and CEO of Volvo Trucks.

The European Division continues to impress, finishing yet another year on a strong note. Although the overall 2003 market remained more or less static compared with 2002 levels, Volvo Trucks succeeded in increasing its market share by 1.1% to 15.2%. The company was market leader on about ten markets in Europe, including all the Scandinavian countries. Last summer saw completion of the deal to acquire Bilvia, which is an important component in the European division's distribution strategy. The aim is to improve the service quality and forge closer links between customers and Volvo Trucks.

Demand for the new Volvo VN series contributed to increased sales in North America. This model was introduced at the same time as the new stricter exhaust emission regulations (EPA 02) came into force. The new model is optimised for low fuel consumption and it has been very well received. Volvo Trucks' market share in the US for 2003 was 9.7%, an increase of no less than 2.2 %.

The International Division, which encompasses South America, Africa, the Middle East and Asia, had its strongest year ever. A number of markets showed excellent profits, among them Iran which today is Volvo's third-largest market after the USA and Britain with 5,463 delivered trucks. Other countries that also developed well were South Africa and Australia.

### Three new models

June saw the introduction of the new Volvo FH16, a truck in the very heaviest class. This model is based on the FH series that was launched in 2001, but it features much new technology that is unique to the Volvo FH16. The most powerful engine variant produces 610 hp, with a massive 2800 Nm of torque.

In Brazil, the entire product range was renewed during the autumn. A new generation of Volvo FM, Volvo FH and Volvo NH were launched together with the all-new Volvo VM.

The Volvo VM is the first medium/heavy truck model to be developed and manufactured outside Europe. The intention is to secure ten percent of the market in the short-term perspective. The factory in Curitiba, Brazil, has already been making the Volvo NH, Volvo FH and Volvo FM for some time now.

Over the past three years, Volvo Trucks has launched no less than nine new models and renewed its entire global product range.

### Increased international presence

Volvo Trucks was the first vehicle manufacturer from outside China to sign a distribution agreement for domestically produced trucks in that country. In June, an agreement was finalised between Volvo Trucks and its Chinese partner, China National Heavy Truck Corporation. Under the terms of the agreement, the companies will manufacture Volvo trucks in a new assembly factory in Jinan. The new Jinan facility will be inaugurated later this spring.

In 2003, Volvo Trucks also boosted its presence on the Russian market. A new assembly plant will be inaugurated this March in Zelenograd, just outside Moscow.

### Deliveries per region:

	January - December		+-%
	2002	2003	
Total Europe	38,470	38,121	- 1
Of which:			
Western Europe	33,667	33,037	- 2
Eastern Europe	4,903	5,084	+ 4
North America	14,900	17,160	+15
South America	4,739	5,307	+12
Asia	8,709	11,922	+37
Other markets	2,565	2,802	+ 9
Total	69,483	75,312	+ 8

3 February 2004

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*More information and pictures are can be obtained from [www.volvotrucks.info](http://www.volvotrucks.info)*