



Volvo Construction Equipment

Press Information

VOLVO CONSTRUCTION EQUIPMENT INVESTS IN E-COMMERCE

Volvo Construction Equipment is investing 5 M USD to purchase a minority holding in IronPlanet Inc., a leading US based e-auction company for used construction equipment.

IronPlanet Inc., which was formed eighteen months ago, has an experienced senior management team in place including a number of key industry personnel. Their system is up and running, and auctions have already been held. Customers using the e-auction service are offered a unique third party inspection of each machine as well as a guarantee of inspection accuracy.

Volvo Construction Equipment President and CEO, Tony Helsham, says "We believe that e-commerce is going to be an increasingly important marketing channel particularly in used equipment. We have been looking at a number of opportunities in the sector and believe we have found the right partner to invest in. The system will fit in well with our internal dealer-to-dealer intranet and will be an additional component of our future e-commerce strategy."

Volvo is participating in the second round of funding for IronPlanet Inc. (private placement) along with other participants from the industry. Other investors include US venture capitalists, Kleiner Perkins Caufield & Byers, and Accel Partners.

IronPlanet (www.ironplanet.com) was founded in 1999 to provide a full-service online marketplace for the buyers and sellers of used heavy construction equipment. In addition to greatly reducing the time and cost required to sell this equipment, IronPlanet virtually eliminates the risk to the buyer by providing standardized comprehensive, independent equipment inspection reports and by fully insuring all transactions. The company also offers ancillary services such as transportation, a secure payment solution, and dedicated, one-on-one

customer service to further enhance the buyer/seller experience and simplify the process. IronPlanet is headquartered in Pleasanton, California.

August 7, 2000

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Volvo is a world-leading manufacturer of trucks, buses and construction equipment, marine and industrial power systems and aerospace components. Volvo is strongly associated with quality, safety and concern for the environment. Volvo's head-office is in Göteborg, Sweden. Annual sales in 1998 amounted to more than USD 14 billion, with about 52,000 employees