



AB Volvo

Press Information

VOLVO – REPORT ON NINE FIRST MONTHS 2002 - SHORT VERSION

“Despite the difficult business climate, the Group's third - and usually weakest quarter - contained a number of positive trends. Most important is the increased contribution from the truck operations, where we now see clear effects of synergies. In Western Europe, the demand for the new Volvo and Renault models continued to be strong. Both brands gained market shares and showed improved profitability. We have also noted underlying improvements in North America, even though the sales increase primarily was a result of the peak linked to the implementation of the new emission standard. On the negative side, the deep downturn in the aviation industry seriously affected our aerospace operations in the third quarter, which is reflected in the on-going adjustments of capacity,” says Leif Johansson, CEO.

First nine months	2002	2001
Net sales, SEK M	131 203	131 982
Operating income excluding restructuring costs, SEK M	2 014	2 413
Operating income, SEK M	2 014	(312)
Income after financial items, SEK M	1 276	(1 319)
Net income, SEK M	755	(980)
Sales growth, %	(1)	51
Income per share during most recent 12 months period, SEK	0.60	0.70
Return on shareholders' equity, %	0.3	2.4

Operating income	Third quarter		First nine months	
SEK M	2002	2001	2002	2001
Trucks	673	(340)	682	449
Buses	(84)	(185)	(127)	(293)
Construction Equipment	120	266	453	755
Volvo Penta	117	141	488	530
Volvo Aero	(72)	118	46	564
Financial Services	126	69	361	245
Other	(63)	(281)	111	163
Operating income*	817	(212)	2 014	2 413
Restructuring costs	-	(1 406)	-	(2 725)
Operating income	817	(1 618)	2 014	(312)

*excl restructuring costs

Q3 R&D Capitalization: Total 289, Trucks 184, Buses 20, Construction Equipment 36, Volvo Penta 16, Volvo Aero 33

Q3 Pension Foundation deficit: Total 302, Trucks 99, Buses 14, Construction Equipment 45, Volvo Penta 18, Volvo Aero 41, Financial Services 1, Other 84

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

AB Volvo, October 24, 2002

The Volvo Group is one of the world's leading manufacturers of trucks, buses and construction equipment, drive systems for marine and industrial applications, aerospace components and services. The Group also provides complete solutions for financing and service. The Volvo Group, which employs about 71,000 people, has production facilities in 25 countries and sells their products in more than 185 markets. Annual sales of the Volvo Group amount to 18 billion euro. The Volvo Group is a publicly-held company headquartered in Göteborg, Sweden. Volvo shares are listed on the stock exchanges in Stockholm, London, Brussels and Frankfurt and on NASDAQ in the US.