



AB Volvo

Press Information

Review decision Mack

The Swedish National Tax Board has announced a review decision in an internal pricing issue to AB Volvo's American subsidiary Mack. The decision results in an increased taxable income for AB Volvo for the years 2002 and 2003 totaling SEK 828 M, corresponding to tax of SEK 232 M. In addition, the Tax Board levied a tax surcharge of SEK 83 M. As a result of the decision, Volvo has been placed in a double taxation position.

AB Volvo will appeal the decision. AB Volvo considers that the Tax Board increase is unfounded since the internal pricing in Volvo's opinion complies with OECD's guidelines. Volvo expects that the resulting double taxation will be eliminated through a decision in Swedish courts alternatively in an agreement between the two national governments involved. Accordingly, the company is making no reserve allocation in its accounts.

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Visit <http://www.thenewsmarket.com/volvogroup> to access broadcast-standard video from Volvo Group. You can preview and request video, and choose to receive as a MPEG2 file or by Beta SP tape. Registration and video is free to the media.

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 100,000 people, has production facilities in 19 countries and sells their products in more than 180 markets. Annual sales of the Volvo Group amount to about SEK 285 billion. The Volvo Group is a publicly-held company headquartered in Göteborg, Sweden. Volvo shares are listed on OMX Nordic Exchange Stockholm.

AB Volvo (publ) may be required to disclose the information provided herein pursuant to the Securities Markets Act. The information was submitted for publication at 15.45 p.m. CET, December 4, 2008.