



Volvo Construction Equipment Corporate Presentation 2010

Welcome to the Volvo Group

Volvo Group is one of the world's leading suppliers of transport solutions for commercial use.

We also provide complete packages for financing and service.



The Volvo Group Mission

By creating value for our customers we create value for our shareholders.

We use our expertise to create transport-related hard and soft products of superior quality, safety and environmental care for demanding customers in selected segments.

We work with energy, passion and respect for the individual.



The Volvo Group Vision

To be valued as the world's
leading supplier of commercial
transport solutions.



Corporate Values

These values have a long tradition and permeate our organization, our products and our way of working.

- Quality
- Safety
- Environmental Care

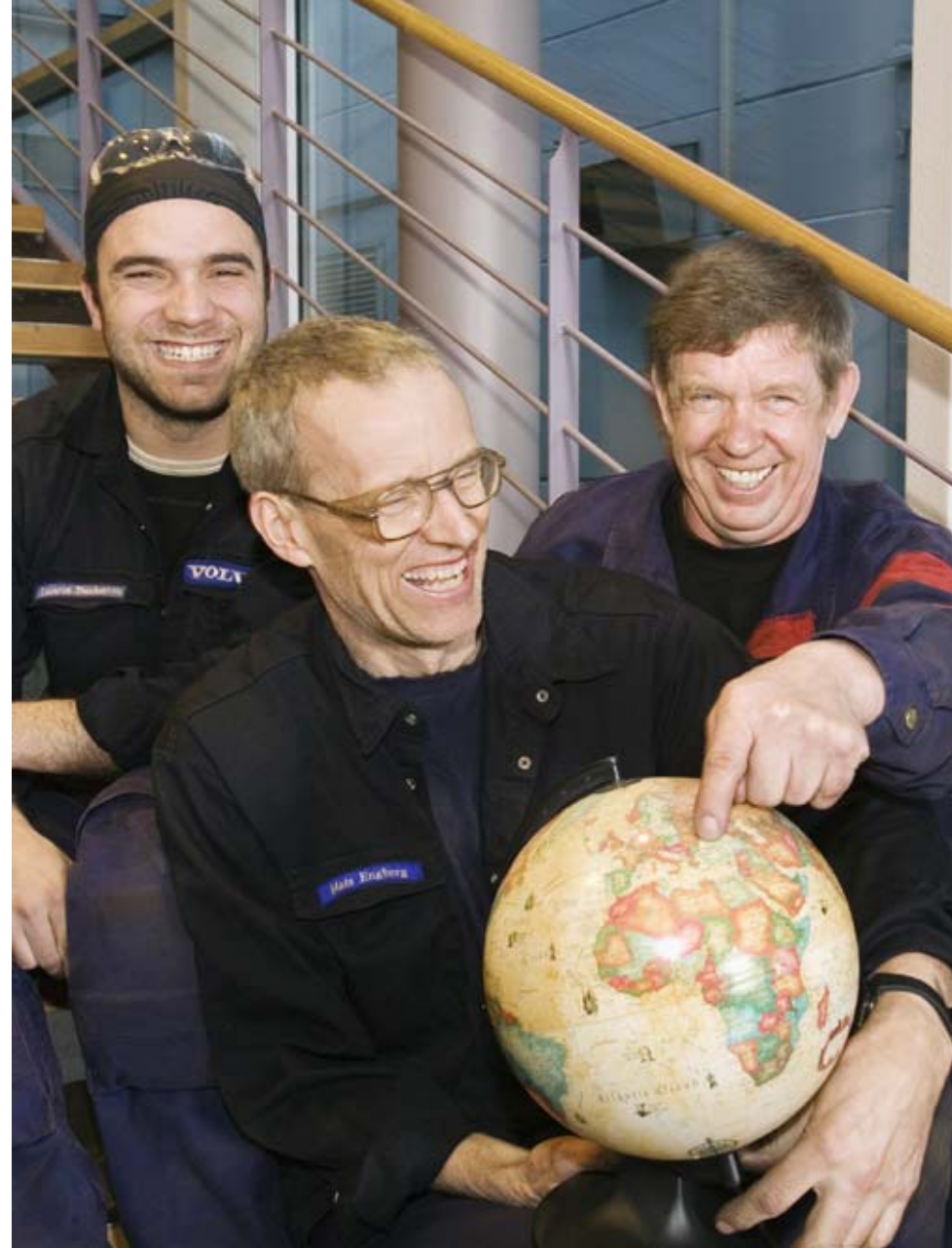


Corporate Culture

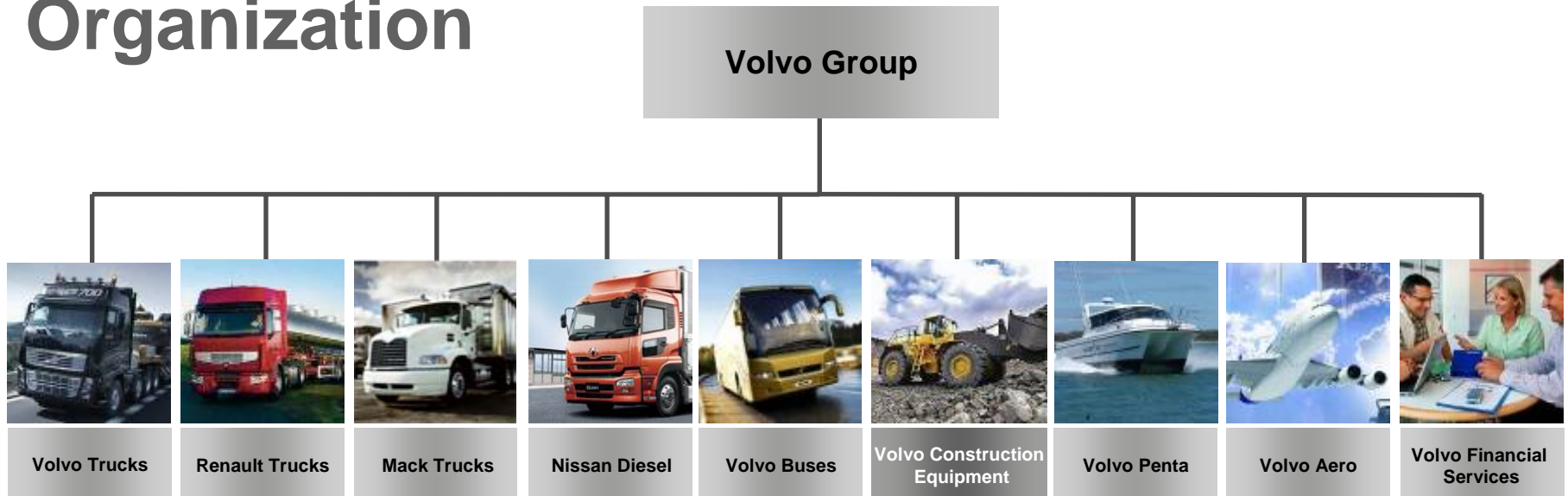
The Volvo Way is a guide for our behavior as leaders and team members.

It shows what we stand for and want to achieve.

We shall work towards profitable growth with energy, passion and respect for the individual.



Organization



Volvo 3P

Volvo Powertrain

Volvo Parts

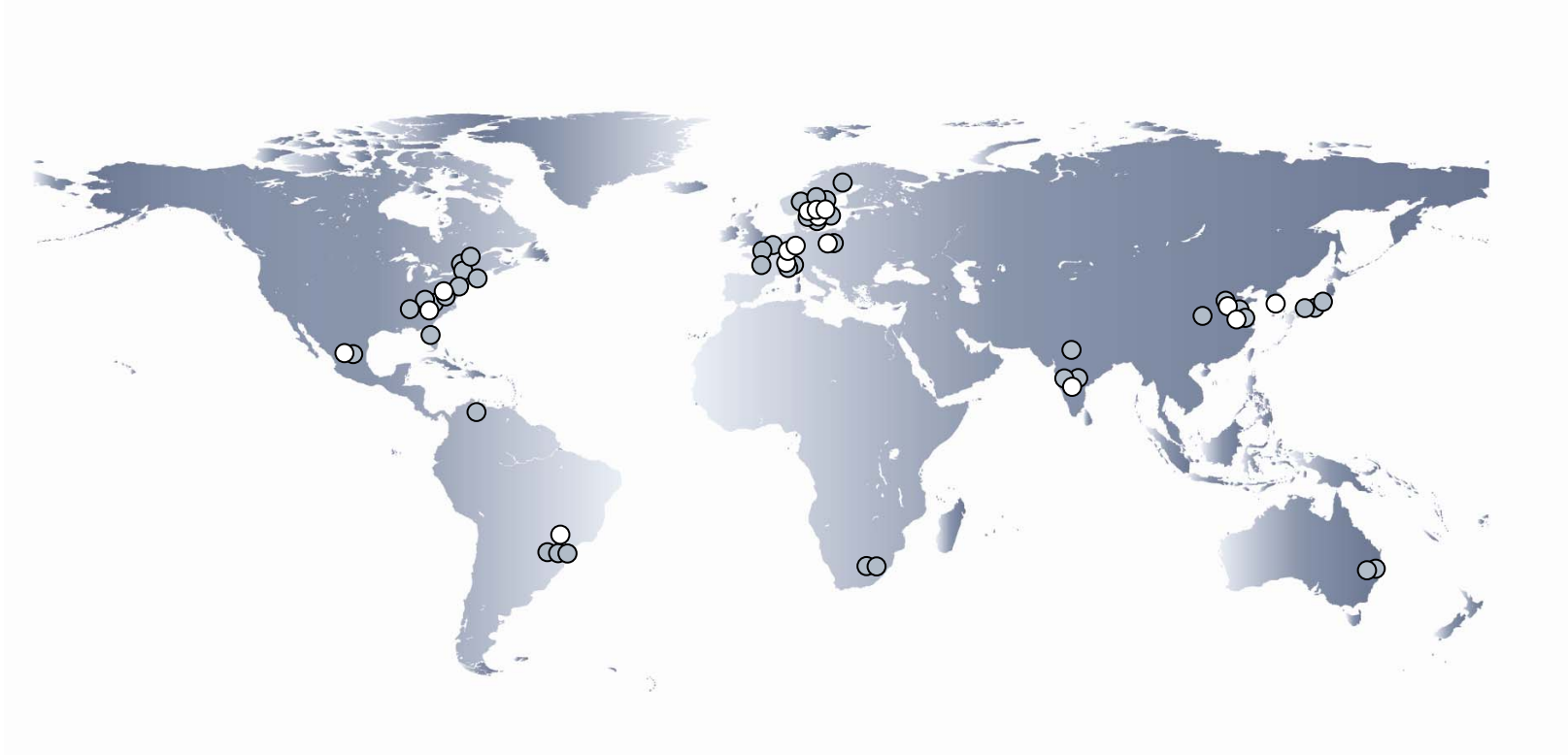
Volvo Logistics

Volvo Technology

Volvo Information Technology

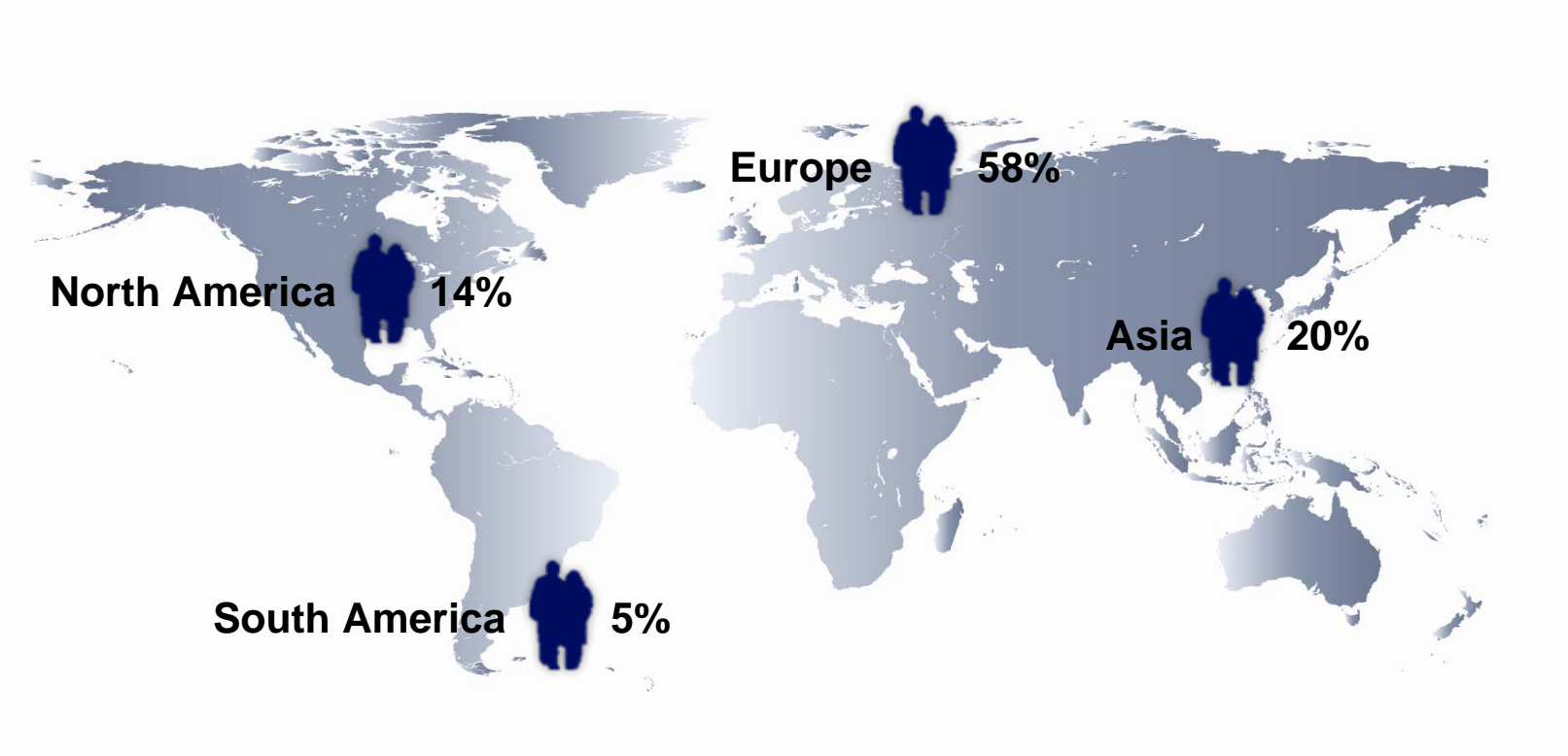
Volvo Group Real Estate – Volvo Business Services

Global Operation



- Volvo Construction Equipment
- The rest of the Volvo Group

Employees 2009



Rest of World  3%

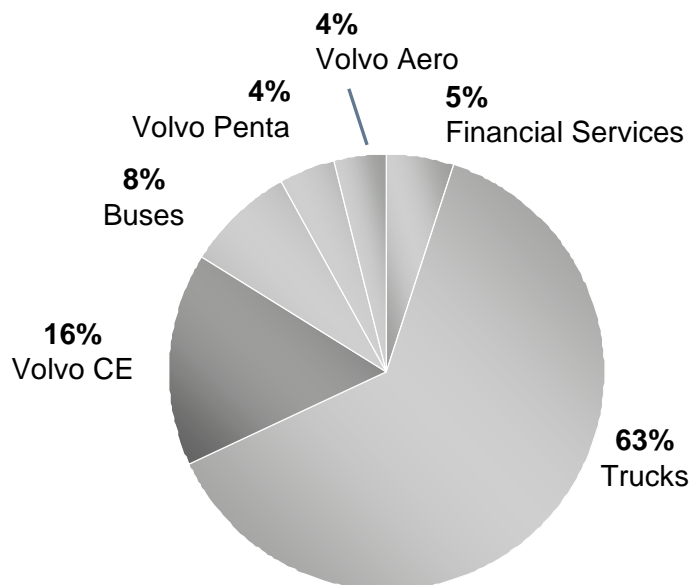
Number of employees: 90,208



Volvo Group 2009

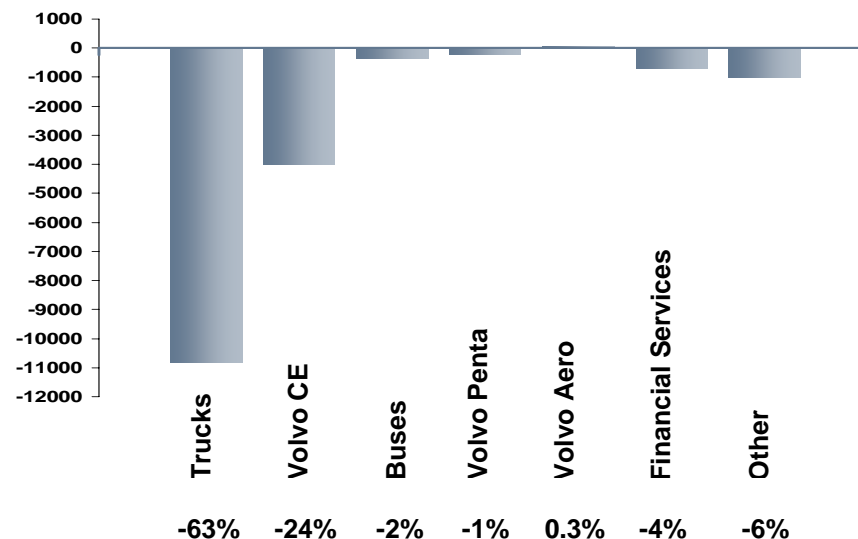
Sales

Total: SEK 218.4 bln (US\$ 30.6 bln)



Operating income

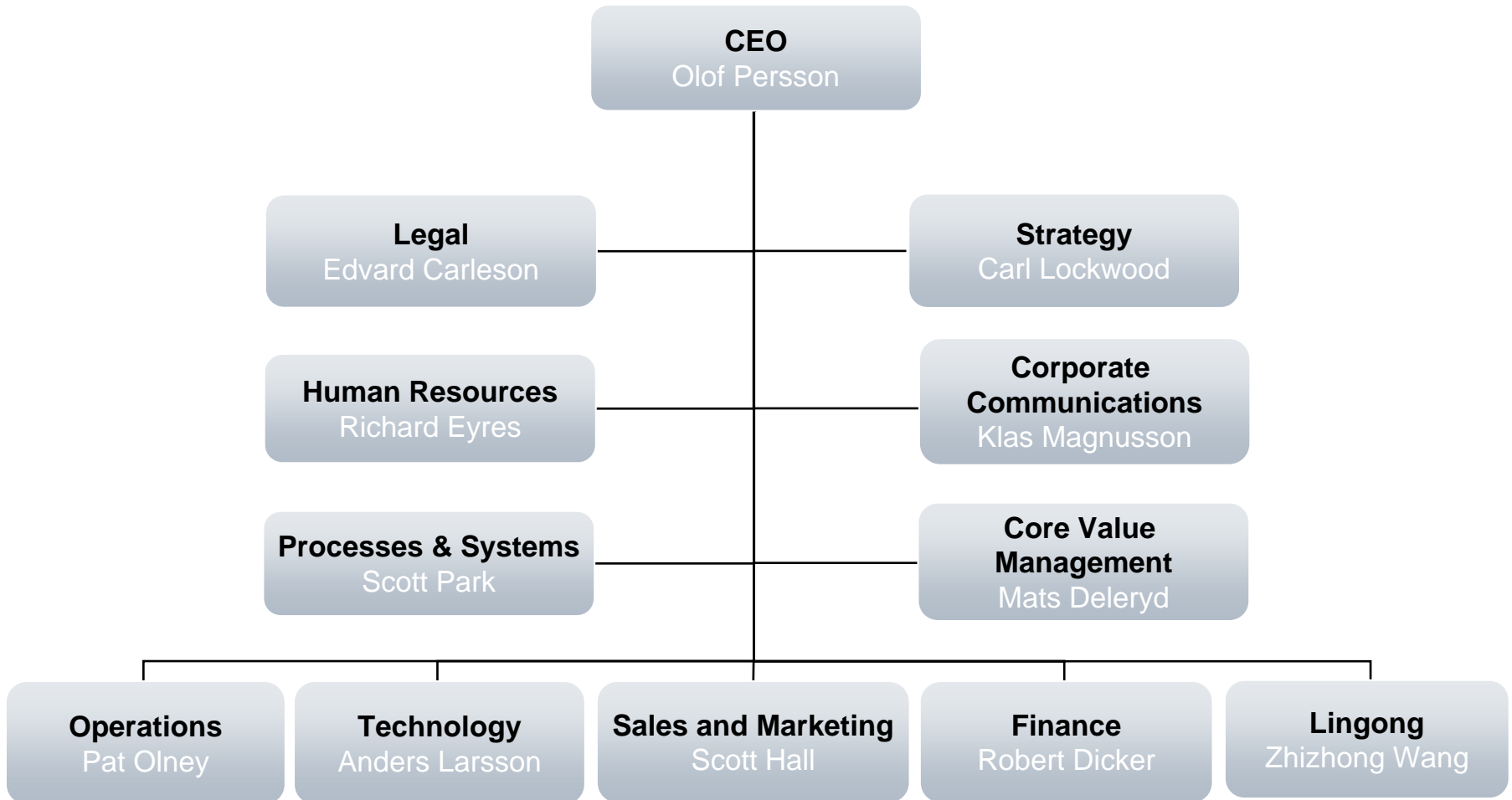
Total: SEK -17 bln (US\$ -2.4 bln)





Volvo Construction Equipment

Organizational Chart



Industrial System

■ Goderich, Canada
± 30 empl.

■ ■ Shippensburg, US
± 570 empl.



■ Tultitlán, Mexico
± 75 empl.



■ Pederneiras, Brazil
± 650 empl.



■ ■ Hameln, Germany
± 480 empl.



■ R&D ■ Plant

■ Hallsberg, Sweden
± 490 empl.



■ ■ Braås, Sweden ± 800 empl.



■ Arvika, Sweden
± 990 empl.



■ ■ Eskilstuna, Sweden
± 1.370 empl.



■ ■ Jinan, China
■ ■ Linyi, China
± 2.275 empl.



■ ■ Changwon, Korea
± 1.560 empl.



■ Shanghai, China
± 470 empl.
Incl. Linyi Hub



■ Wroclaw, Poland
± 210 empl.



■ ■ Konz-Könen, Germany
± 680 empl.



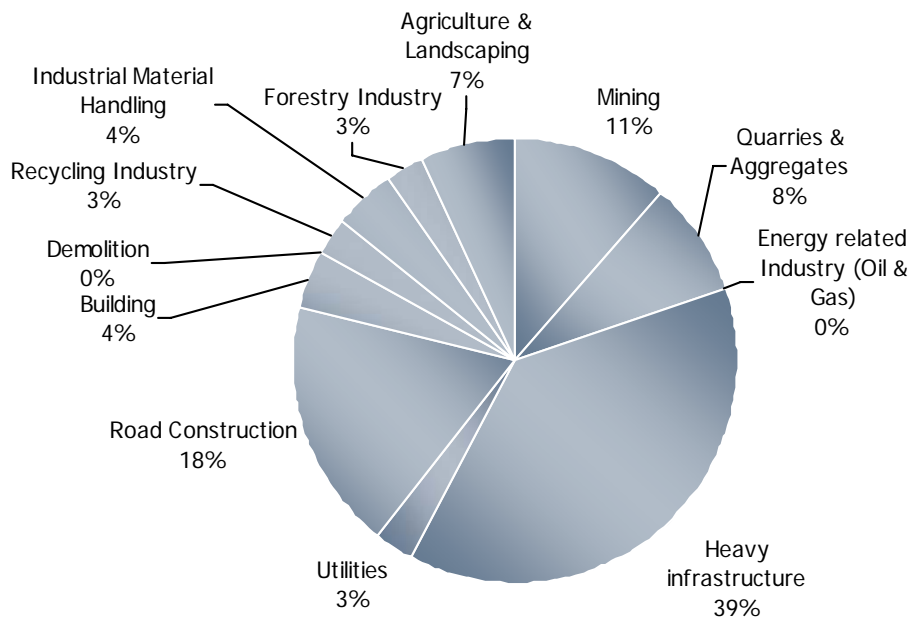
■ ■ Bangalore, India
± 160 empl.



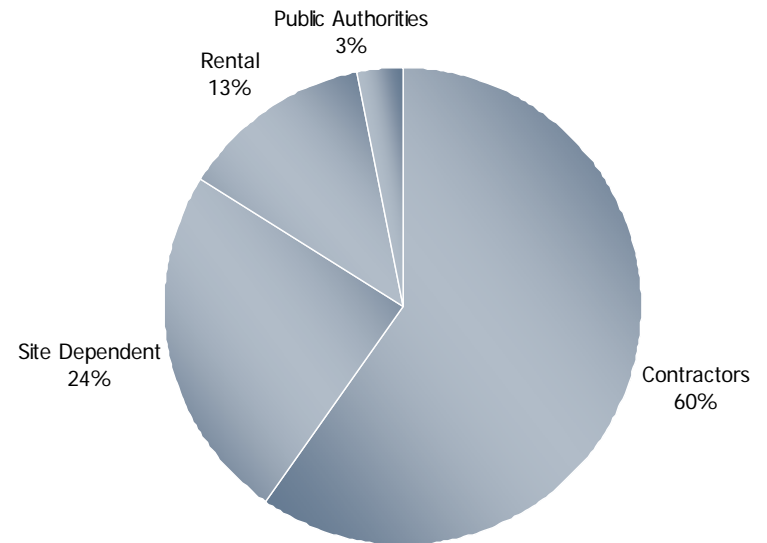
Data: Headcount figures August 2010

Volvo Construction Equipment Industry Segments and Customer Types

Industry Segments



Customer Types



Sales & Marketing

Worldwide distribution in approximately 150 countries



REGION ASIA
± 560 empl., incl. Volvo-owned dealerships
(HQ in Singapore)

REGION EUROPE
± 1.510 empl., incl. Volvo-owned dealerships
(HQ in Duxford, UK)

REGION INTERNATIONAL
± 540 empl., incl. Volvo-owned dealerships
(HQ in Eskilstuna, Sweden)

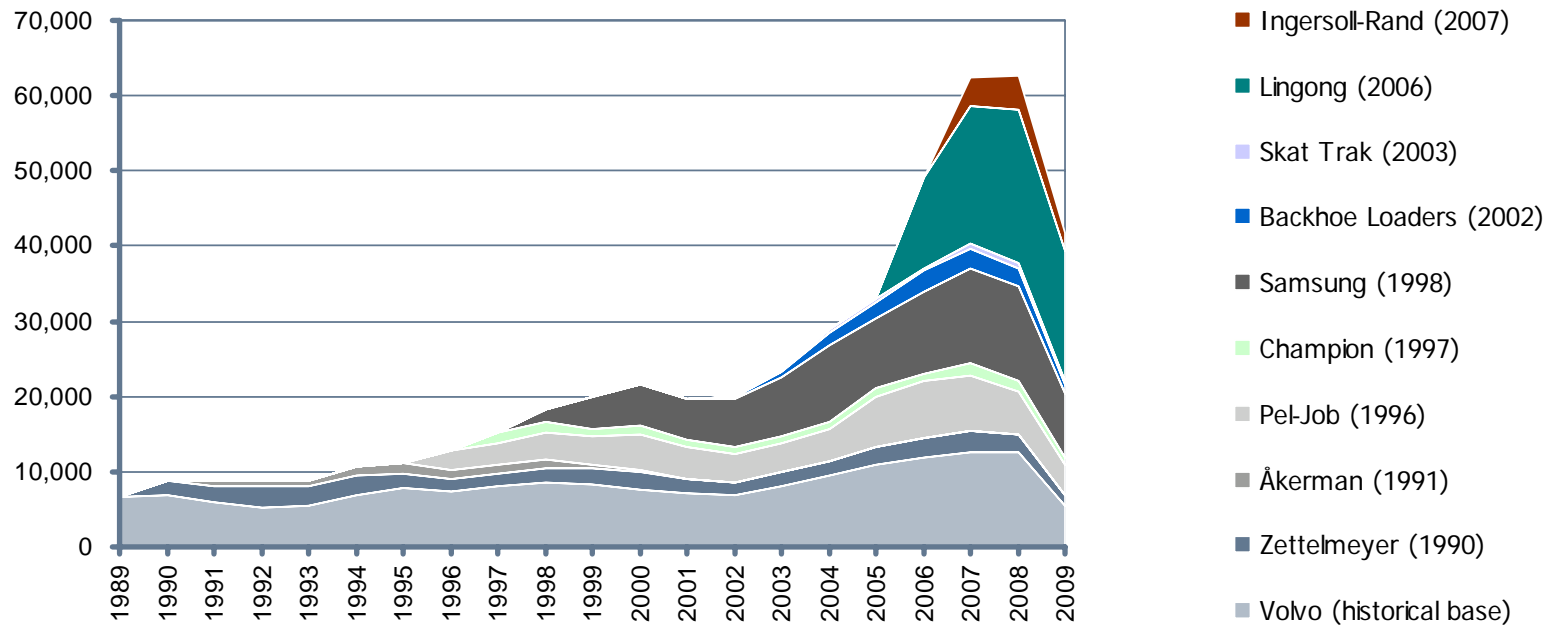
REGION NORTH AMERICA
± 440 empl., incl. Volvo-owned dealerships
(HQ in Asheville, US)

CUSTOMER SUPPORT BUSINESS AREA
± 550 empl.
(HQ in Eskilstuna, Sweden)

RENTAL BUSINESS AREA
± 75 empl.
(HQ in Asheville, US)

The Growth of Volvo CE

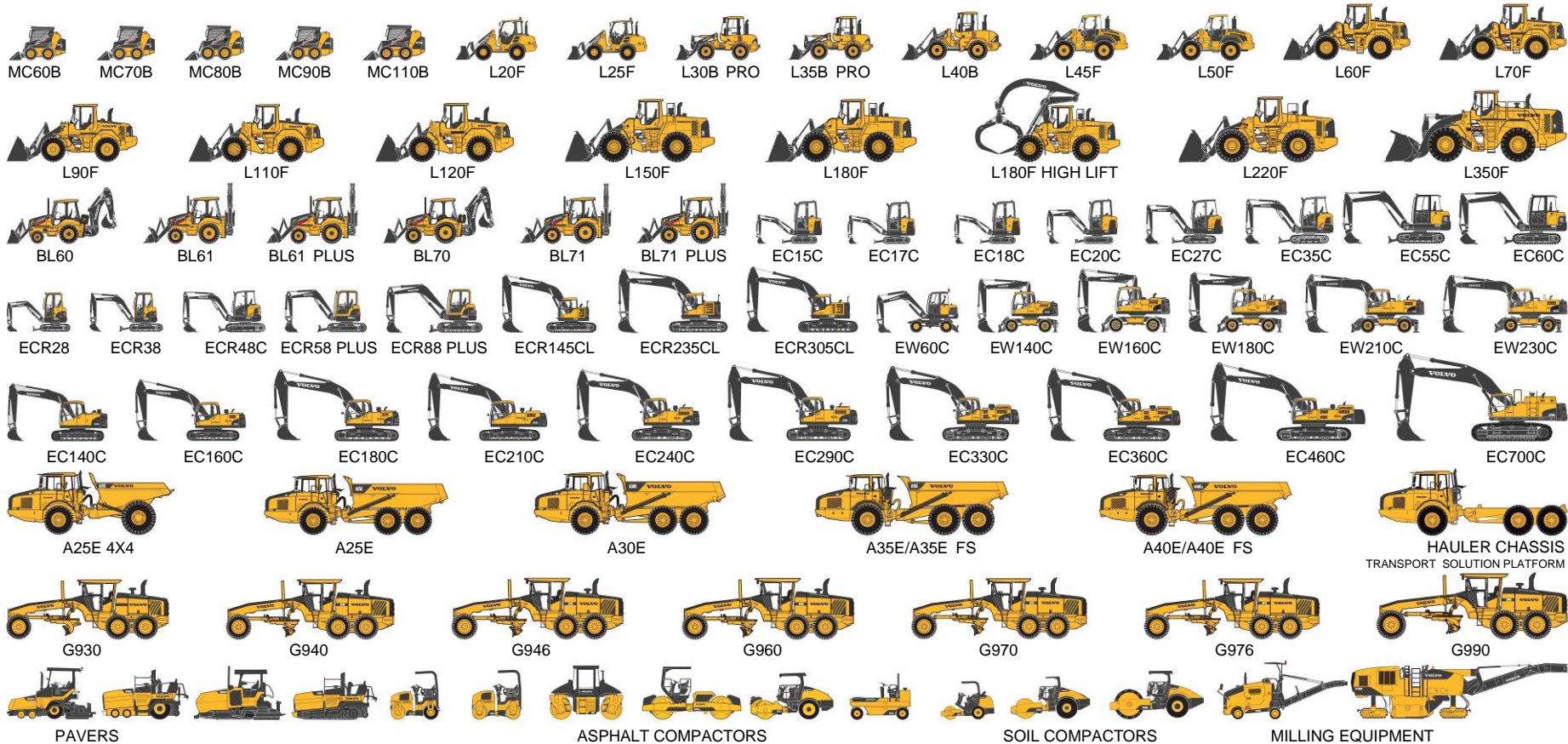
Machine Volumes



The Evolution of Volvo CE



Volvo CE Product Range



PAVERS		ASPHALT COMPACTORS		SOIL COMPACTORS			MILLING EQUIPMENT							
ABG WHEEL PAVER	BLAW-KNOX WHEEL PAVER	ABG TRACK PAVERS	BLAW-KNOX TRACK PAVERS	COMBINATION COMPACTORS	SMALL TANDEM ASPHALT COMPACTORS	RIGID FRAME ASPHALT COMPACTORS	LARGE TANDEM ASPHALT COMPACTORS	SINGLE DRUM ASPHALT COMPACTOR	PNEUMATIC TIRE COMPACTORS	SMALL SOIL COMPACTORS	MID-SIZE SOIL COMPACTORS	LARGE SOIL COMPACTORS	MW500	MT2000A
ABG4361	PF161	ABG2820	PF4410	CR24	DD85	DD85	DD70 DD126HF	DD70HF DD132HF	PT125R	SD25D	SD100D	SD122D		
ABG5770	PF2181	ABG5820	PF6110	CR30	DD16	DD95	DD80 DD132HF	DD80 DD136HF	PT220RH	SD25F	SD100F	SD122DX		
ABG5870	PF3172	ABG6820			DD22		DD90 DD138HF	DD90 DD138HF	PT240R	SD45D	SD100C	SD122F		
ABG6870	PF6170	ABG7620			DD29		DD90HF DD138HF	DD90HF DD138HF		SD45F	SD100DC	SD150DC		
		ABG7820B			DD24		DD112HF DD146HF	DD112HF DD146HF		SD70D	SD100FC	SD160DX		
		ABG8620			DD29		DD118HF DD158HFA	DD118HF DD158HFA		SD70F	SD105DX	SD160F		
		ABG8820B			DD31HF					SD77D	SD105F	SD190DX		
		ABG9820			DD38HF					SD77F	SD110G	SD200DX		
											SD116DX	SD200F		
											SD116F	SD251DX		



Lingong Product Range*



916



918



933L



936L



938L



ZL40F



LG952



LG952H



LG953



LG953L



LG956L



LG958L



LG959



LG968



LG969



LG979



LG660



LG665



LG685



LG6140



LG6210



LG6220



LG6240



LG6290



LGS816



LGS818



LGR81821



LGS820



LGS822

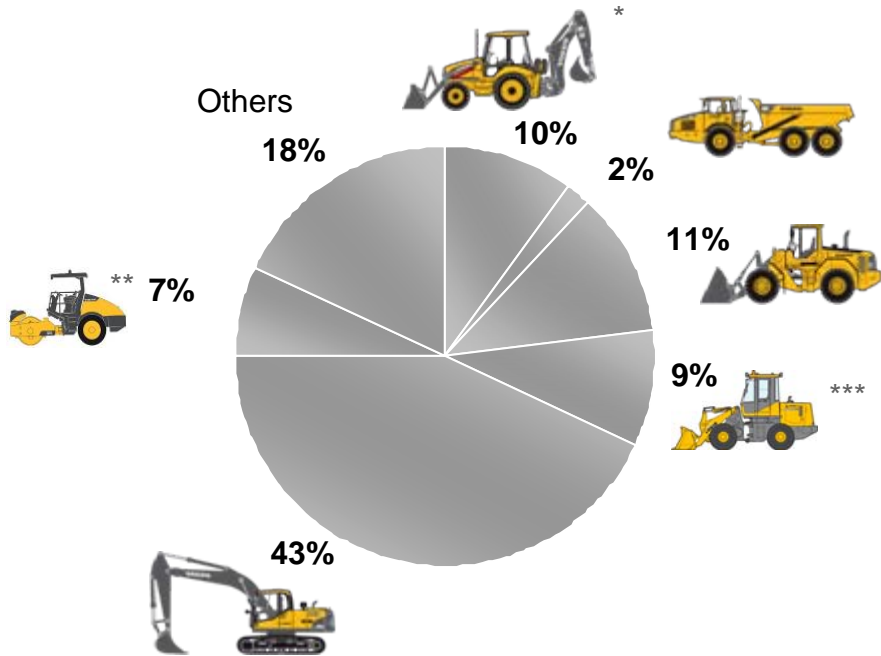


LGB680

Volvo Construction Equipment vs Industry Products (2009 Portfolio)

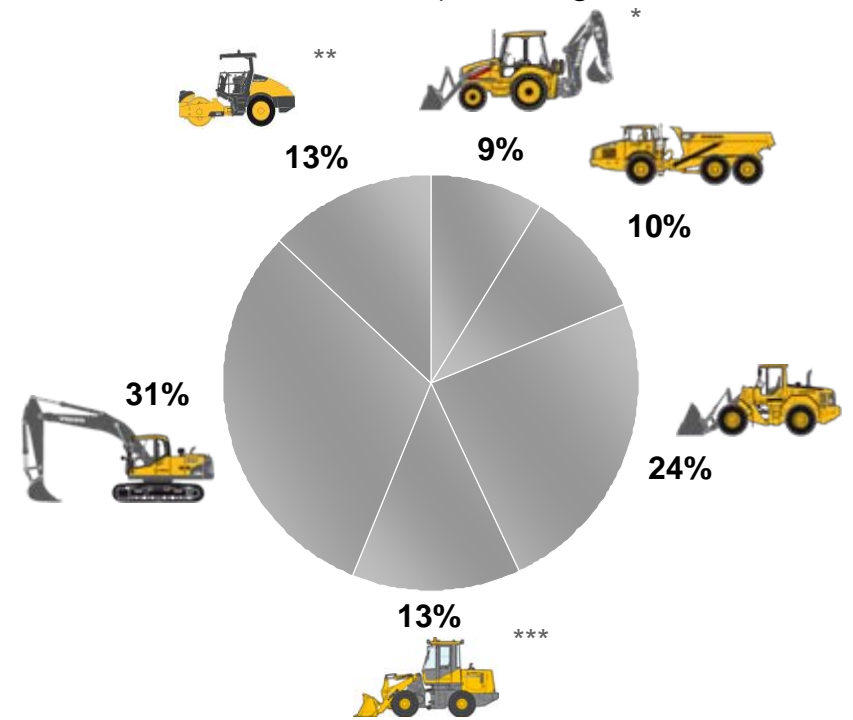
Construction equipment industry

Total: US\$ 66 bln



Volvo Construction Equipment

Total: US\$ 4.7 bln (including BA/BU allocations)



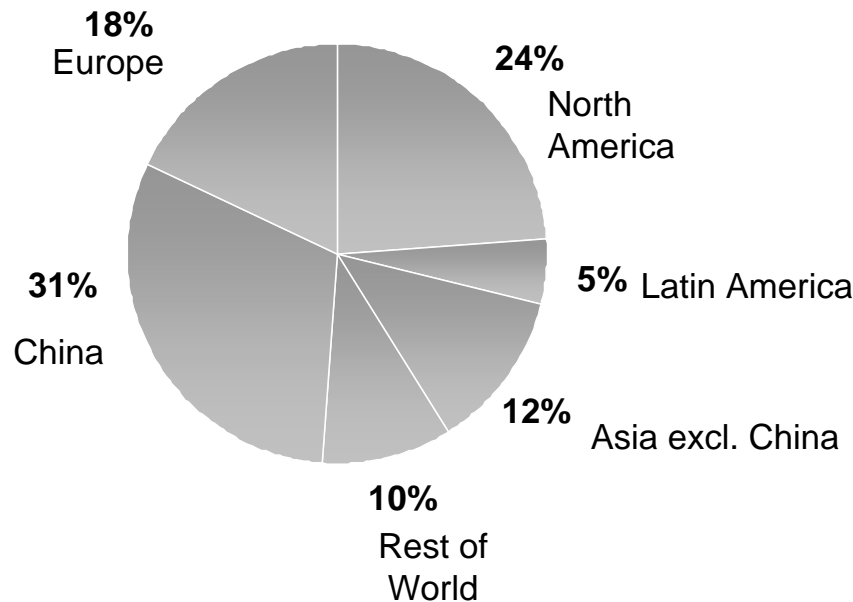
* Utilities; ** Road Machinery Equipment; *** Local Chinese Wheel Loaders/Lingong



Volvo Construction Equipment vs Industry Geography (2009 Portfolio)

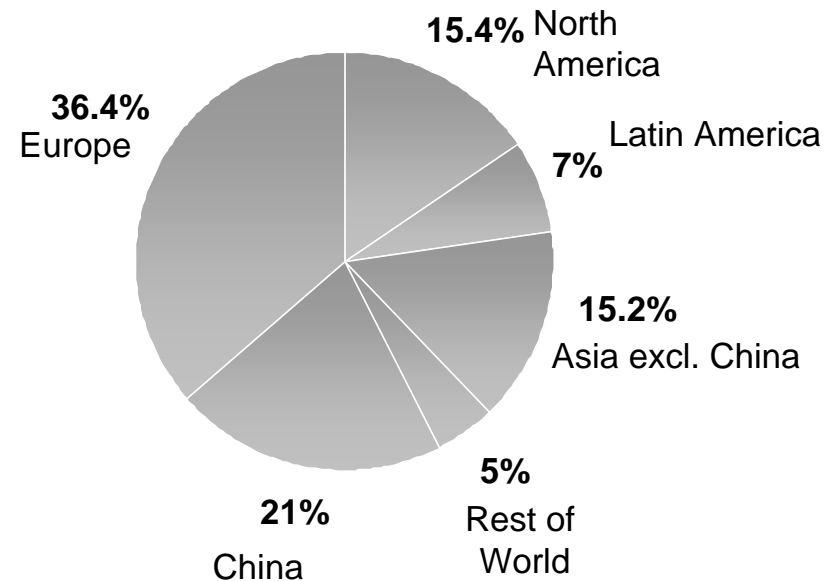
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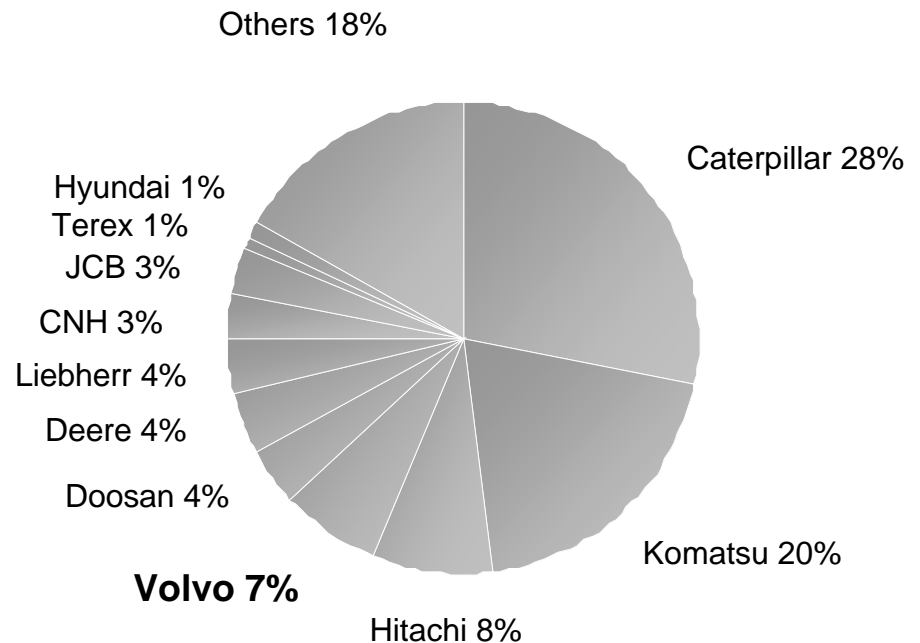


Total Construction Equipment Industry

US\$ 66 bln

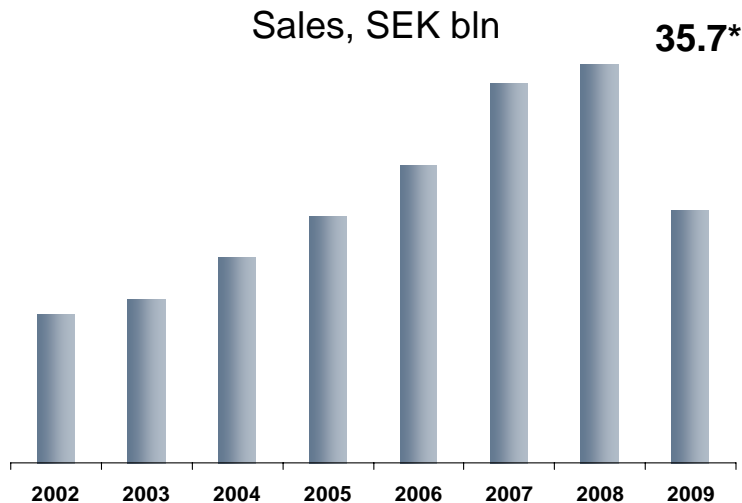
- Due to a strong decrease in global demand, the industry value is estimated to decrease by 39% in 2009.
- Helped by demand in China, Japanese manufacturers increased their global market shares.
- After the sale of its Mining business, Terex has moved from N.5 to N.10 position.
- There has been further reshuffling in the Top 10 ranking, primarily driven by competitors' market and products mix.
- Outside of the global Top 11, the market is composed of:
 - Smaller companies often single product, regionally focused
 - Several international specialist companies
 - Emerging market competitors showing steady progress over time as well as increasingly global reach

Market shares 2009

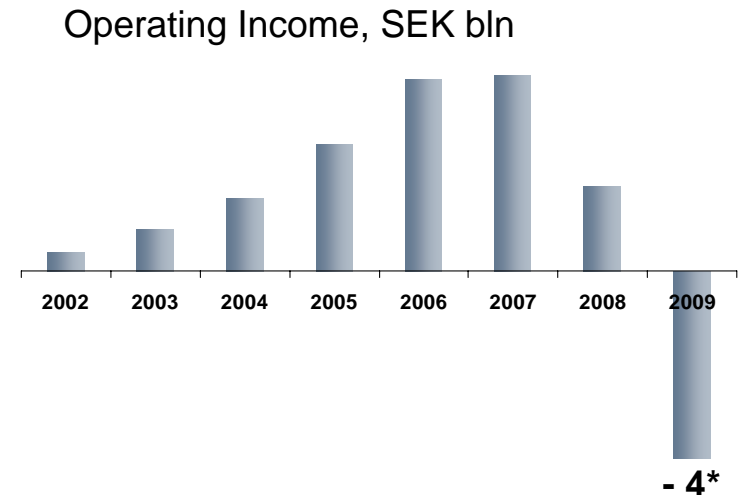


Volvo Construction Equipment Key Data 2009

Total 2009 sales 38,783 units

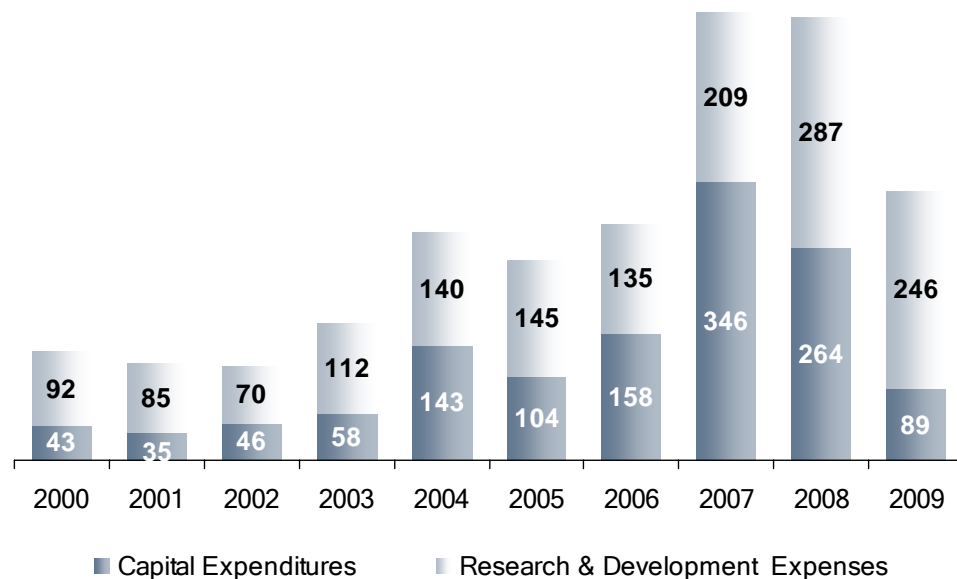


* US\$ 4.7 bln
(including BA/BU allocations)

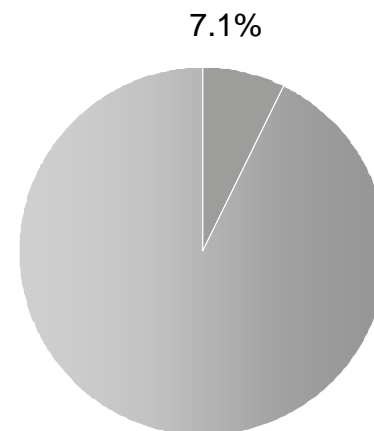


* US\$ - 0.5 bln
(including BA/BU allocations)

R&D Expenses and Capital Expenditures



Turnover 2009



■ R&D expenses and capital expenditures 2009

Restated for IFRS (= International Financial Reporting Standards)

In MUSD excluding BA/BU allocations

15.080 employees in August 2010

