



AB Volvo

Press release

Volvo Group intends to initiate a process to divest Governmental Sales

Volvo Group intends to initiate a process in order to divest its Governmental Sales business area.

Volvo Group has conducted a strategic review of the Governmental Sales business area and intends to initiate a process to divest this business.

“Governmental Sales has built a very strong position over the last few years with a positive development and a record order book. There are great opportunities to grow the business even further, however, we believe that a new owner may be better placed to take the business to the next level. Consequently, we intend to start preparations to divest the business,” says Jan Gurander, Deputy CEO and CFO at Volvo Group.

Governmental Sales is a part of Volvo Group’s operations and its sales correspond to approximately 1.5% of total sales. The business, which has about 1,300 employees, most of whom are in France, manufactures and sells specially designed vehicles to governments, the defense industry, peacekeeping forces and aid organizations.

The initiation of a divestment process is subject to the finalization of mandatory consultations with staff representative bodies.

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Journalists who would like further information, please contact Joakim Kenndal, Volvo Group Media Relations, tel +46(0)765-53 72 79.

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This information is information that AB Volvo (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above at 08.30 CET on 4 November, 2016.

The Volvo Group is one of the world's leading manufacturers of trucks, buses, construction equipment and marine and industrial engines. The Group also provides complete solutions for financing and service. The Volvo Group, which employs about 100,000 people, has production facilities in 18 countries and sells its products in more than 190 markets. In 2015 the Volvo Group's sales amounted to about SEK 313 billion (EUR 33,4 billion). The Volvo Group is a publicly-held company headquartered in Göteborg, Sweden. Volvo shares are listed on Nasdaq Stockholm. For more information, please visit www.volvogroup.com.