

V O L V O

Q1

VOLVO GROUP  
REPORT ON THE FIRST QUARTER 2025



**Net sales SEK 121.8 billion (131.2)**

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**Adjusted and reported operating income  
SEK 13.3 billion (18.2)**

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## 2 IN BRIEF

- In Q1 2025, net sales decreased by 7% and amounted to SEK 121.8 billion (131.2). When adjusted for currency movements the decrease was also 7%.
- Both adjusted and reported operating income<sup>1</sup> amounted to SEK 13,258 M (18,159), corresponding to an operating margin of 10.9% (13.8).
- Currency movements had a negative impact on operating income amounting to SEK 207 M.
- Earnings per share amounted to SEK 4.86 (6.92).
- Operating cash flow in the Industrial Operations amounted to SEK 1,309 M (8,896).
- Return on capital employed in the Industrial Operations amounted to 31.8% (37.7).



	First quarter	
	2025	2024
SEK M unless otherwise stated		
Net sales	121,792	131,177
Adjusted operating income <sup>1</sup>	13,258	18,159
Adjusted operating margin, %	10.9	13.8
Operating income	13,258	18,159
Operating margin, %	10.9	13.8
Income after financial items	12,855	18,442
Income for the period	9,984	14,103
Earnings per share, SEK	4.86	6.92
Operating cash flow in Industrial Operations	1,309	8,896
Net financial position in Industrial Operations <sup>2</sup> , SEK bn	77.9	88.7
Return on capital employed in Industrial Operations <sup>3</sup> , %	31.8	37.7
Return on equity in Financial Services <sup>3</sup> , %	12.7	13.0
Net order intake, number of trucks	55,227	48,701
Deliveries, number of trucks	48,833	55,470
Net order intake, number of construction equipment	17,176	13,851
Deliveries, number of construction equipment	15,508	14,456

1 For information on adjusted operating income, please see note 6.

2 Excluding post-employment benefits and lease liabilities.

3 12 months rolling.

## 3 CEO'S COMMENTS



## Solid performance in an increasingly uncertain market

**“We have have high customer satisfaction and strong relations, and in times of uncertainty it is more important than ever to work in close cooperation with our customers.”**

In Q1, the Volvo Group's net sales declined by 7% adjusted for currency movements and amounted to SEK 121.8 billion (131.2). Sales of vehicles were 9% lower than in Q1 2024 and as the quarter went by, there was increased uncertainty surrounding tariffs and their effect on global trade. The underlying service business continued to grow supported by good utilization of vehicles and machines in many markets across the world. Adjusted for the divestment of Arquus and currency our service business grew by 2% compared with Q1, 2024, and on a rolling 12-month basis we had service revenues of SEK 129.2 billion.

The lower vehicle volumes affected our profitability, but we nonetheless generated an operating income of SEK 13.3 billion (18.2) with a margin of 10.9% (13.8). Return on capital employed amounted to 31.8% (37.7) and operating cash flow in our Industrial Operations was SEK 1.3 billion (8.9). At the end of the quarter, we had a net financial position of SEK 77.9 billion, excluding pension and lease liabilities and before the distribution of the dividend in April.

Compared with Q1 2024, deliveries in our truck business declined by 12% to 48,833 trucks, and the currency-adjusted net sales decreased by 9% to SEK 82.2 billion. In contrast to the lower deliveries, order intake rose by 13% to 55,227 trucks, with increases in all markets except South America. The operating margin amounted to 10.3% (14.5), impacted by the lower deliveries. In addition, the margin was impacted by the change-over to the new truck platform in North America as well as under absorption in the U.S. truck production.

It is clear that our customers appreciate our new trucks and the benefits they provide for their businesses. In Europe, Volvo Trucks had an all-time high market share of 20.1% in heavy-duty trucks. Combined with Renault Trucks, the Group's share was a record 30.6%. We were also the market leader in Brazil with Volvo Trucks on 23.8%. Volvo Trucks' market share in North America has been hampered by the changeover to the new product platform, whereas Mack Trucks have regained market share as supply chain issues have been worked through.

On April 8, Mack celebrated its 125th anniversary and launched the all-new Mack Pioneer for long-haul trucking. The Mack Pioneer is designed for superior comfort, advanced aerodynamics and game-changing fuel efficiency and is a strong lever for further strengthening Mack's position going forward.

Construction Equipment's deliveries increased by 7% with lower volumes for the Volvo brand in Europe and North America more than being offset by an increase for the SDLG brand mainly in China. The net sales of SEK 21.1 billion were 8% lower than in

the previous year adjusted for currency changes, and the operating margin declined to 12.0% (16.1) impacted by the lower volumes in Europe and North America.

On the construction equipment side, we also continue to push innovation with the rollout of new products. At the large trade fair Bauma in Germany in early April we showcased our groundbreaking all-electric lineup of excavators, wheel loaders, articulated haulers, and compact equipment, and we also unveiled the world's first electric articulated haulers in the A30 and A40 size classes.

Demand for buses remained strong in many markets, particularly for coaches. Buses currency-adjusted net sales increased by 7% to SEK 5.4 billion with an improvement in the operating margin to 6.6% (5.0) supported by price realization and the restructuring of the business model in Europe carried out in 2024.

Volvo Penta continued to perform well on slightly lower volumes in Q1. Net sales decreased by 3% to SEK 5.0 billion and the operating margin amounted to 18.3% (19.1), supported by a positive mix.

Our customer financing operations, Volvo Financial Services, continued to report good earnings, stable portfolio performance and an increase in the penetration level to 29%. The operating income amounted to SEK 1.0 billion (1.0).

We have have high customer satisfaction and strong relations, and in times of uncertainty it is more important than ever to work in close cooperation with our customers. We stay close to support their businesses as efficiently as possible with leading products and services. We have a solid foundation with the right people, a well-invested industrial backbone, cutting-edge technology and a strong financial position.

In the fast-changing geopolitical landscape, it is too early to assess the full implications from the imposed tariffs. However, we have strong regional value chains and global capabilities. In the short term, we therefore work actively with our regional value chains to adapt flows, production capacity and commercial terms to mitigate the effects from tariffs and their subsequent impact on demand.

In the long term, transport and infrastructure remain exciting growth industries at the core of driving prosperity.

Martin Lundstedt  
President and CEO

## 4 IMPORTANT EVENTS



### Annual General Meeting of AB Volvo

AB Volvo's Annual General Meeting on April 2, 2025 adopted the income statement and balance sheet as well as the consolidated income statement and the consolidated balance sheet. In accordance with the Board's proposal, the Meeting resolved that an ordinary dividend of SEK 8.00 per share and an extraordinary dividend of SEK 10.50 per share should be paid to the shareholders. April 4, 2025 was decided as the record date for the right to receive dividends. The Board Members, Board Deputies and the President and CEO were discharged from liability for their administration during the 2024 fiscal year. Matti Alahuhta, Bo Annvik, Pär Boman, Jan Carlson, Eric Elzvik, Martha Finn Brooks, Kurt Jofs, Martin Lundstedt, Kathryn V. Marinello, Martina Merz and Helena Stjernholm were re-elected as members of the Board. Pär Boman was re-elected as Chairman of the Board. The auditing firm Deloitte AB was re-elected as auditor for the period until the close of the Annual General Meeting 2026, in accordance with the Election Committee's proposal and the Board's and the Audit Committee's recommendation. Fredrik Persson (AB Industrivärden), Anders Oscarsson (AMF and AMF Funds), Carina Silberg (Alecta), Anders Algotsson (AFA Insurance) and the Chairman of the Board were elected members of the Election Committee. The Annual General Meeting approved the Board's remuneration report.

Detailed information is available at [www.volvogroup.com](http://www.volvogroup.com)



## 5 FINANCIAL SUMMARY

### Net sales

In Q1 2025, the Volvo Group's net sales decreased by 7% to SEK 121,792 M compared with SEK 131,177 M in the same quarter the preceding year. Net sales decreased in all regions and in all segments except Buses.

Also when adjusted for currency movements, net sales decreased by 7%, of which vehicle sales decreased by 9% and service sales decreased by 1%.

### Operating income

In Q1 2025, both adjusted and reported operating income amounted to SEK 13,258 M (18,159), corresponding to an operating margin of 10.9% (13.8). For more information on adjusted operating income, please see Note 6.

Compared with Q1 2024, the operating income was negatively affected by lower volumes, a negative brand and product mix, the changeover to new truck platform in North America as well as under absorption in the truck production in the U.S. These were partly offset by an improved service business, lower freight costs

as well as decreased R&D, selling and administrative expenses. Currency movements, compared with Q1 2024, had a negative impact of SEK 207 M.

### Financial items

In Q1 2025, interest income was SEK 638 M (885), whereas interest expenses amounted to SEK -409 M (-364).

Other financial income and expenses amounted to SEK -632 M (-238). The change is primarily due to revaluation effects of financial assets and liabilities.

### Income taxes

In Q1 2025, income taxes amounted to SEK -2,871 M (-4,339). The effective tax rate was 22.3% (23.5).

### Income for the period and earnings per share

In Q1 2025, income for the period amounted to SEK 9,984 M (14,103). Earnings per share amounted to SEK 4.86 (6.92).

Consolidated Income Statement		
SEK M	First quarter	
	2025	2024
<b>Net sales</b>	<b>121,792</b>	<b>131,177</b>
Cost of sales	-90,867	-94,395
<b>Gross income</b>	<b>30,925</b>	<b>36,781</b>
Research and development expenses	-6,951	-7,332
Selling expenses	-8,232	-8,617
Administrative expenses	-1,820	-1,964
Other operating income and expenses	-564	-567
Income/loss from investments in joint ventures and associated companies	-122	-142
Income/loss from other investments	22	-
<b>Operating income</b>	<b>13,258</b>	<b>18,159</b>
Interest income and similar credits	638	885
Interest expenses and similar charges	-409	-364
Other financial income and expenses	-632	-238
<b>Income after financial items</b>	<b>12,855</b>	<b>18,442</b>
Income taxes	-2,871	-4,339
<b>Income for the period *</b>	<b>9,984</b>	<b>14,103</b>
* Attributable to:		
Owners of AB Volvo	9,890	14,080
Non-controlling interest	94	23
Basic earnings per share, SEK	4.86	6.92
Diluted earnings per share, SEK	4.86	6.92

## 6 FINANCIAL SUMMARY

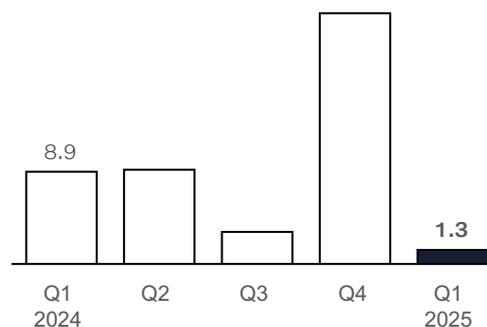


Net sales			
SEK M	First quarter		Change %
	2025	2024	
<b>Net sales per geographical region</b>			
Europe	49,749	56,861	-13
North America	40,457	40,888	-1
South America	10,743	11,428	-6
Asia	14,671	14,710	-
Africa and Oceania	6,171	7,289	-15
<b>Total net sales</b>	<b>121,792</b>	<b>131,177</b>	<b>-7</b>
<b>Net sales per product group</b>			
Vehicles	89,929	98,841	-9
Services	31,863	32,336	-1
<b>Total net sales</b>	<b>121,792</b>	<b>131,177</b>	<b>-7</b>
<b>Timing of revenue recognition</b>			
Revenue of vehicles and services recognized at the point of delivery	108,877	117,799	-8
Revenue of vehicles and services recognized over contract period	12,915	13,377	-3
<b>Total net sales</b>	<b>121,792</b>	<b>131,177</b>	<b>-7</b>

### Operating cash flow in the Industrial Operations

During Q1 2025, operating cash flow in the Industrial Operations was positive in an amount of SEK 1,309 M (8,896). Compared with Q1 2024, the decreased operating cash flow is mainly an effect of the lower operating income.

Operating cash flow  
Industrial Operations, SEK bn



## 7 FINANCIAL SUMMARY

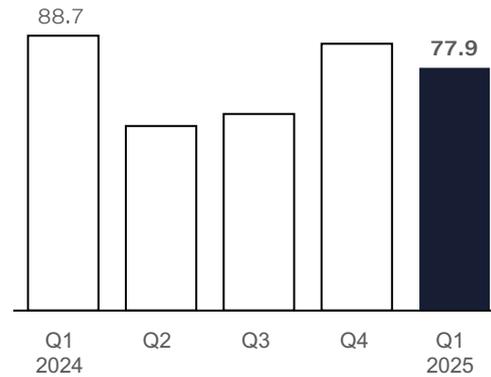
**Volvo Group financial position**

During Q1 2025, net financial assets in the Industrial Operations, excluding provisions for post-employment benefits and lease liabilities, decreased by SEK 7.9 billion resulting in a net financial asset position of SEK 77.9 billion on March 31, 2025, compared with SEK 85.9 billion on December 31, 2024. The change is mainly explained by capital injections to Financial Services, made in order to increase their equity ratio from 8.0% to 10.0%. Currency movements decreased net financial assets by SEK 2.5 billion.

Including provisions for post-employment benefits and lease liabilities, the Industrial Operations net financial assets amounted to SEK 61.4 billion on March 31, 2025, compared with SEK 67.2 billion on December 31, 2024. Remeasurements of defined benefit pension plans had a positive impact of SEK 1.2 billion during Q1 2025.

Total assets in the Volvo Group decreased by SEK 26.9 billion compared with year end 2024, whereof SEK 38.9 billion is related to currency movements.

On March 31, 2025, total equity for the Volvo Group amounted to SEK 199.2 billion compared with SEK 197.4 billion at year end 2024. The equity ratio was 29.0% (27.6). On the same date the equity ratio in the Industrial Operations amounted to 39.1% (38.4).

**Net financial position excl. post-employment benefits and lease liabilities Industrial Operations, SEK bn**
**Number of employees**

On March 31, 2025, the Volvo Group had 102,648 employees, including temporary employees and consultants, compared with 101,595 employees on December 31, 2024. The number of blue-collar employees increased by 1,168 and the number of white-collar employees decreased by 115.

Number of employees			
	Mar 31 2025	Dec 31 2024	Mar 31 2024
Blue-collar	49,645	48,477	51,599
Whereof temporary employees and consultants	4,597	3,201	6,153
White-collar	53,003	53,118	53,306
Whereof temporary employees and consultants	6,897	7,022	7,510
<b>Total number of employees</b>	<b>102,648</b>	<b>101,595</b>	<b>104,905</b>
Whereof temporary employees and consultants	11,494	10,223	13,663

## 8 BUSINESS SEGMENT OVERVIEW



Net sales							
SEK M	First quarter		Change		12 mths. rolling	Jan-Dec 2024	
	2025	2024	%	% <sup>1</sup>			
Trucks	82,248	89,946	-9	-8	352,912	360,610	
Construction Equipment	21,117	22,877	-8	-8	86,545	88,305	
Buses	5,436	5,173	5	7	24,807	24,544	
Volvo Penta	5,004	5,168	-3	-3	19,688	19,852	
Group Functions & Other	3,664	4,281	-14	-14	15,931	16,548	
Eliminations	-1,213	-1,280	-	-	-4,816	-4,883	
<b>Industrial Operations</b>	<b>116,256</b>	<b>126,163</b>	<b>-8</b>	<b>-7</b>	<b>495,068</b>	<b>504,975</b>	
Financial Services	6,779	6,532	4	6	27,228	26,982	
Reclassifications and eliminations	-1,243	-1,519	-	-	-4,865	-5,140	
<b>Volvo Group net sales</b>	<b>121,792</b>	<b>131,177</b>	<b>-7</b>	<b>-7</b>	<b>517,431</b>	<b>526,816</b>	

<sup>1</sup> Adjusted for exchange rate fluctuations.

Adjusted operating income <sup>1</sup>							
SEK M	First quarter		Change		12 mths. rolling	Jan-Dec 2024	
	2025	2024	%	% <sup>1</sup>			
Trucks	8,464	13,073	-35	-	41,217	45,826	
Construction Equipment	2,542	3,683	-31	-	11,596	12,737	
Buses	360	259	39	-	2,333	2,233	
Volvo Penta	915	988	-7	-	3,345	3,419	
Group Functions & Other	-114	-947	88	-	-2,109	-2,943	
Eliminations	-5	-13	-	-	39	32	
<b>Industrial Operations</b>	<b>12,162</b>	<b>17,044</b>	<b>-29</b>	<b>-</b>	<b>56,422</b>	<b>61,305</b>	
Financial Services	1,019	1,009	1	-	4,052	4,042	
Reclassifications and eliminations	77	106	-27	-	343	371	
<b>Volvo Group adjusted operating income</b>	<b>13,258</b>	<b>18,159</b>	<b>-27</b>	<b>-</b>	<b>60,817</b>	<b>65,718</b>	
Adjustments <sup>1</sup>	-	-	-	-	893	893	
<b>Volvo Group operating income</b>	<b>13,258</b>	<b>18,159</b>	<b>-27</b>	<b>-</b>	<b>61,710</b>	<b>66,611</b>	

<sup>1</sup> For more information on adjusted operating income, please see note 6.

Adjusted operating margin					
%	First quarter		12 mths. rolling	Jan-Dec 2024	
	2025	2024			
Trucks	10.3	14.5	11.7	12.7	
Construction Equipment	12.0	16.1	13.4	14.4	
Buses	6.6	5.0	9.4	9.1	
Volvo Penta	18.3	19.1	17.0	17.2	
<b>Industrial Operations</b>	<b>10.5</b>	<b>13.5</b>	<b>11.4</b>	<b>12.1</b>	
<b>Volvo Group adjusted operating margin</b>	<b>10.9</b>	<b>13.8</b>	<b>11.8</b>	<b>12.5</b>	
<b>Volvo Group operating margin</b>	<b>10.9</b>	<b>13.8</b>	<b>11.9</b>	<b>12.6</b>	



# All time high market share for Volvo in Europe

- In Q1, net order intake increased by 13% while deliveries decreased by 12%
- Adjusted and reported operating income decreased to SEK 8,464 M (13,073), with a margin of 10.3% (14.5)
- Service sales increased by 1%, adjusted for currency

## Market development

In Q1, the European heavy-duty truck market was down by 15% in terms of registrations. Truck utilization remained on normal levels and the market is largely replacement-driven.

Recently announced increases in defense spending in Europe is expected to gradually drive demand from armed forces. The Group's global deliveries of trucks to armed forces amount to approximately 1,500 trucks per year.

Also in North America the market was down compared with Q1 2024 with retail sales being 13% lower mainly driven by a weaker long haul segment while the vocational segment remained stronger. Recent uncertainty surrounding trade tariffs and the EPA27 emissions legislation have caused US customers to adopt a wait and see approach. There is no longer an expectation of a prebuy in 2025 due to EPA27.

The Brazilian truck market remained on a level broadly on par with the prior year. The market is supported by continued strong agricultural and mining exports, but high inflation and increased interest rates are expected to gradually dampen demand.

In Q1 2025, the Indian truck market was supported by ongoing infrastructure projects and gradually strengthening freight demand.

The freight overcapacity in China continued to hamper demand for trucks and the total market declined year of year. The market for battery-electric applications continued to grow.

## Orders and deliveries

In Q1, net order intake increased by 13% to 55,227 trucks and deliveries decreased by 12% to 48,833 units. Deliveries of heavy-duty trucks decreased by 7%, of medium-duty trucks by 26% and for light-duty trucks the decrease was 36%.

In Europe, order intake increased by 25% to 31,362 units. Order intake for heavy- and medium-duty trucks increased by 35% with good momentum for both Volvo and Renault Trucks. Total deliveries in Europe decreased by 18% to 24,047 trucks,

impacted by deliveries of light-duty vehicles decreasing by 36% as a consequence of a model changeover. Through March, Volvo Trucks' total heavy-duty market share reached an all-time high of 20.1% (16.8). The electric heavy-duty market share was 36.5% (56.8). Renault Trucks' also had strong total heavy-duty truck market share, which increased to 10.5% (8.2). The electric heavy-duty market share increased to 23.6% (15.4).

Order intake in North America increased by 6% to 10,217 trucks with strong demand for Mack's vocational trucks while order intake for Volvo was impacted by the changeover to the new platform. Deliveries in North America decreased by 5% to 14,315 trucks. Volvo Trucks' heavy-duty truck market share amounted to 7.2% (9.1) hampered by the model changeover while Mack Trucks' market share rose to 6.9% (5.3) on the back of an improved supply chain and good vocational demand.

In South America, order intake decreased by 25% to 5,948 trucks while deliveries increased by 5% to 5,397 vehicles. In Brazil, Volvo Trucks' remained the market leader with a heavy-duty truck market share of 23.8% (22.3).

Order intake in Asia increased by 35% to 5,556 vehicles while deliveries decreased by 11% to 3,315 vehicles.

Order intake for fully electric trucks increased by 51% to 965 vehicles, largely driven by the light-duty segment while deliveries decreased by 9% to 828 vehicles. The market for electric trucks is still driven by early adopters. A broader adoption is dependent on several factors, among them the expansion of necessary infrastructure such as charging and the total cost of ownership development including incentive schemes.

Order intake in the Indian joint venture, VE Commercial Vehicles, increased by 9% to 20,213 vehicles while deliveries increased by 6% to 20,580 vehicles.

Deliveries from the Chinese joint venture, Dongfeng Commercial Vehicles, increased by 33% to 30,432 trucks.

## Total market development - the market forecasts are subject to significant uncertainty due to current market conditions

Registrations, number of trucks	First quarter		Change %	Full year 2024	Forecast 2025	Change vs. previous forecast
	2025	2024				
Europe 29 <sup>1</sup> heavy-duty	62,302	73,702	-15	278,166	-	-
Europe 30 <sup>1</sup> heavy-duty	70,142	82,530	-15	313,894	290,000	Unchanged
North America heavy-duty, retail sales.	62,275	71,329	-13	308,141	275,000	-25,000
Brazil heavy-duty	21,483	20,951	3	97,686	85,000	-5,000
China <sup>2</sup> medium- and heavy-duty	213,408	222,454	-4	704,534	710,000	Unchanged
India medium- and heavy-duty	105,851	103,695	2	351,252	380,000	+10,000

1 EU29 includes Norway and Switzerland but excludes UK. EU30 includes UK.

2 Previous year has been adjusted to exclude exports.

## 10 TRUCKS



Net order intake			
	First quarter		Change
	2025	2024	%
Number of trucks			
Europe	31,362	25,077	25
Heavy- and medium-duty	26,964	19,976	35
Light-duty	4,398	5,101	-14
North America	10,217	9,620	6
South America	5,948	7,898	-25
Asia	5,556	4,115	35
Africa and Oceania	2,144	1,991	8
<b>Total order intake</b>	<b>55,227</b>	<b>48,701</b>	<b>13</b>
Heavy-duty (>16 tons)	47,808	40,211	19
Medium-duty (7-16 tons)	3,020	3,269	-8
Light-duty (<7 tons)	4,399	5,221	-16
<b>Total order intake</b>	<b>55,227</b>	<b>48,701</b>	<b>13</b>
Volvo	33,659	31,067	8
Renault Trucks	15,510	14,823	5
Heavy- and medium-duty	11,111	9,602	16
Light-duty	4,399	5,221	-16
Mack	5,854	2,765	112
Other brands	204	46	343
<b>Total order intake</b>	<b>55,227</b>	<b>48,701</b>	<b>13</b>
<b>Non-consolidated operations</b>			
VE Commercial Vehicles (Eicher)	20,213	18,611	9

Deliveries			
	First quarter		Change
	2025	2024	%
Number of trucks			
Europe	24,047	29,289	-18
Heavy- and medium-duty	19,748	22,559	-12
Light-duty	4,299	6,730	-36
North America	14,315	15,056	-5
South America	5,397	5,154	5
Asia	3,315	3,717	-11
Africa and Oceania	1,759	2,254	-22
<b>Total deliveries</b>	<b>48,833</b>	<b>55,470</b>	<b>-12</b>
Heavy-duty (>16 tons)	41,366	44,431	-7
Medium-duty (7-16 tons)	3,167	4,270	-26
Light-duty (<7 tons)	4,300	6,769	-36
<b>Total deliveries</b>	<b>48,833</b>	<b>55,470</b>	<b>-12</b>
Volvo	27,944	31,954	-13
Renault Trucks	12,948	15,836	-18
Heavy- and medium-duty	8,648	9,067	-5
Light-duty	4,300	6,769	-36
Mack	7,874	7,467	5
Other brands	67	213	-69
<b>Total deliveries</b>	<b>48,833</b>	<b>55,470</b>	<b>-12</b>
<b>Non-consolidated operations</b>			
VE Commercial Vehicles (Eicher)	20,580	19,328	6
Dongfeng Commercial Vehicle Company (Dongfeng Trucks)	30,432	22,850	33

### Net sales and operating income

In Q1 2025, net sales decreased by 9% to SEK 82,248 M (89,946). Excluding currency effects, net sales decreased by 8% with sales of vehicles decreasing by 10% and sales of services increasing by 1%.

In Q1 2025, both adjusted and reported operating income amounted to SEK 8,464 M (13,073), corresponding to an operating margin of 10.3% (14.5). For more information on

adjusted operating income, see note 6.

Compared with Q1 2024, the lower operating income is an effect of lower volumes, the changeover to the new truck platform in North America and under absorption in the truck production in the U.S., which were partly offset by an improved service business, lower freight costs and lower R&D expenses. Compared with Q1 2024, currency movements had a negative impact of SEK 58 M.



**Net order intake and deliveries of fully electric trucks**

	First quarter		Change %
	2025	2024	
Number of trucks			
Volvo	397	306	30
Renault Trucks	561	319	76
Heavy- and medium-duty	139	172	-19
Light-duty	422	147	187
Mack	7	13	-46
<b>Total order intake of fully electric trucks</b>	<b>965</b>	<b>638</b>	<b>51</b>
Volvo	281	520	-46
Renault Trucks	519	358	45
Heavy- and medium-duty	178	202	-12
Light-duty	341	156	119
Mack	28	29	-3
<b>Total deliveries of fully electric trucks</b>	<b>828</b>	<b>907</b>	<b>-9</b>

**Net sales and operating income**

SEK M	First quarter		Change %
	2025	2024	
<b>Net sales per geographical region</b>			
Europe	37,925	43,425	-13
North America	26,882	27,237	-1
South America	8,046	8,712	-8
Asia	5,633	5,976	-6
Africa and Oceania	3,762	4,594	-18
<b>Total net sales</b>	<b>82,248</b>	<b>89,946</b>	<b>-9</b>
<b>Net sales per product group</b>			
Vehicles	63,752	71,584	-11
Services	18,496	18,361	1
<b>Total net sales</b>	<b>82,248</b>	<b>89,946</b>	<b>-9</b>
<b>Timing of revenue recognition</b>			
Revenue of vehicles and services recognized at the point of delivery	76,344	84,078	-9
Revenue of vehicles and services recognized over contract period	5,904	5,868	1
<b>Total net sales</b>	<b>82,248</b>	<b>89,946</b>	<b>-9</b>
<b>Adjusted operating income <sup>1</sup></b>	<b>8,464</b>	<b>13,073</b>	<b>-35</b>
Adjustments	-	-	-
<b>Operating income</b>	<b>8,464</b>	<b>13,073</b>	<b>-35</b>
Adjusted operating margin, %	10.3	14.5	
Operating margin, %	10.3	14.5	

1 For more information on adjusted operating income, please see note 6.

**Important events**

In the beginning of March, Volvo Trucks launched a completely new Volvo VNR for the North American regional haul market. It is built on Volvo's new platform, making the new truck more fuel efficient, safer and more versatile.

Volvo's most fuel-efficient truck ever – the Volvo FH Aero – won the 2025 Green Truck award. The Volvo FH Aero offers a combination of good aerodynamics and an efficient powertrain, resulting in savings in fuel and CO<sub>2</sub> according to an independent test in Germany.

On April 8, Mack Trucks unveiled the all-new Mack Pioneer, its new flagship highway truck. Available in the U.S. and Canada in multiple configurations including day cabs, and short, medium and long sleeper options, the Pioneer meets the diverse needs of fleet owners and operators across all highway applications.

## 12 CONSTRUCTION EQUIPMENT

# Earnings impacted by lower volumes in Europe and North America

- In Q1, order intake increased by 24% and deliveries increased by 7%
- Adjusted and reported operating income decreased to SEK 2,542 M (3,683), with a margin of 12.0% (16.1)
- Service sales increased by 2%, adjusted for currency

## Market development

In Q1, the total machine market was flat compared with the prior year. Asia, including China, and South America grew while Europe and North America contracted.

Compared with the historically high levels in Q1 2024, the total market in Europe declined as end customer demand remained saturated.

The North American market was down from very high levels, as replenishment of dealer and rental fleets continued to normalize. End customer demand declined due to repositioning of fleets and market outlook uncertainty.

In South America, the market grew mainly driven by Brazil but also by improved business sentiment in Argentina and Chile.

The Chinese market continued to grow on the back of governmental policies to stimulate the real estate and construction segments.

Asia excluding China was slightly up, with growth in Indonesia driven by regained momentum in the mining industry as well as a good development in South Korea. India, Turkey and the Middle

East experienced declines mainly because of revised government investments in infrastructure.

## Orders and deliveries

In Q1, net order intake increased by 24% to 17,176 machines. Order intake for the Volvo brand increased by 19% with improvements in all markets except South America.

In Europe, dealer orders increased as dealer inventory levels came down and end customer sentiment improved.

The increased order intake in North America is an effect of more normalized supply and low order intake in the prior year due to high inventory levels in the market.

Order intake for SDLG branded machines improved by 30% driven by the Chinese market.

Deliveries in Q1 were 7% higher than in 2024 and amounted to 15,508 machines. Increased volumes for SDLG in China more than offset lower volumes of Volvo branded machines in Europe and North America.

### Total market development - the market forecasts are subject to significant uncertainty due to current market conditions

	Year-to-date February	Forecast	Previous forecast
Change in % measured in units	2025	2025	2025
Europe	-18	-5% to +5%	-5% to +5%
North America	-14	-15% to -5%	-10% to 0%
South America	12	-5% to +5%	-5% to +5%
Asia excl. China	1	-5% to +5%	-5% to +5%
China	42	0% to +10%	0% to +10%

### Net order intake

	First quarter		Change
	2025	2024	%
Number of construction equipment			
Europe	3,455	2,677	29
North America	1,625	1,446	12
South America	575	662	-13
Asia	10,687	8,415	27
Africa and Oceania	834	651	28
<b>Total orders</b>	<b>17,176</b>	<b>13,851</b>	<b>24</b>
Large and medium construction equipment	12,218	9,901	23
Compact construction equipment	4,958	3,950	26
Of which fully electric	1,019	199	412
<b>Total orders</b>	<b>17,176</b>	<b>13,851</b>	<b>24</b>
<b>Of which:</b>			
Volvo	8,442	7,083	19
SDLG	8,698	6,712	30
Of which in China	6,831	5,534	23



## 13 CONSTRUCTION EQUIPMENT



Deliveries			
	First quarter		Change
	2025	2024	%
Number of construction equipment			
Europe	2,635	3,050	-14
North America	1,430	1,746	-18
South America	459	370	24
Asia	10,270	8,650	19
Africa and Oceania	714	640	12
<b>Total deliveries</b>	<b>15,508</b>	<b>14,456</b>	<b>7</b>
Large and medium construction equipment	11,016	10,593	4
Compact construction equipment	4,492	3,863	16
Of which fully electric	1,008	232	334
<b>Total deliveries</b>	<b>15,508</b>	<b>14,456</b>	<b>7</b>
<b>Of which:</b>			
Volvo	6,774	7,688	-12
SDLG	8,698	6,712	30
Of which in China	6,831	5,534	23

Net sales and operating income			
	First quarter		Change
SEK M	2025	2024	%
<b>Net sales per geographical region</b>			
Europe	6,400	7,177	-11
North America	5,251	6,425	-18
South America	889	759	17
Asia	7,362	6,925	6
Africa and Oceania	1,215	1,589	-24
<b>Total net sales</b>	<b>21,117</b>	<b>22,877</b>	<b>-8</b>
<b>Net sales per product group</b>			
Construction equipment	17,233	19,092	-10
Services	3,884	3,784	3
<b>Total net sales</b>	<b>21,117</b>	<b>22,877</b>	<b>-8</b>
<b>Timing of revenue recognition</b>			
Revenue of vehicles and services recognized at the point of delivery	20,215	22,065	-8
Revenue of vehicles and services recognized over contract period	902	811	11
<b>Total net sales</b>	<b>21,117</b>	<b>22,877</b>	<b>-8</b>
<b>Adjusted operating income <sup>1</sup></b>	<b>2,542</b>	<b>3,683</b>	<b>-31</b>
Adjustments	-	-	-
<b>Operating income</b>	<b>2,542</b>	<b>3,683</b>	<b>-31</b>
Adjusted operating margin, %	12.0	16.1	
Operating margin, %	12.0	16.1	

1 For more information on adjusted operating income, please see note 6.

### Net sales and operating income

In Q1 2025, net sales decreased by 8% to SEK 21,117 M (22,877). Also when adjusted for currency movements net sales decreased by 8%, of which net sales of machines decreased by 10% and service sales increased by 2%.

Both adjusted and reported operating income amounted to SEK 2,542 M (3,683), corresponding to an operating margin of 12.0% (16.1).

Compared with Q1 2024, a negative brand, market and product mix was partly offset by increased volumes, lower material costs and an improved service business. Compared with Q1 2024, currency movements had a negative impact of SEK 12 M.

### Important events

In Q1, the rollout of Volvo Construction Equipment's (Volvo CE) new conventional product range continued with the launch of the A50 articulated hauler for the important North American market alongside several local launches of the new range of excavators in Asian markets.

Volvo CE also announced a partnership with Danish software company Unicontrol to integrate their 3D machine control technology into Volvo excavators.

At the construction trade show Bauma in Germany in early April, Volvo CE showcased a groundbreaking all-electric lineup of excavators, wheel loaders, articulated haulers, and compact equipment. Bauma also marked the unveiling of the world's first electric articulated haulers in the A30 and A40 size classes, which will reach selected customers in Europe in 2026.



# Strong order intake and continued earnings improvement

- In Q1, deliveries decreased by 5% while net order intake increased by 123%
- Adjusted and reported operating income increased to SEK 360 M (259), with a margin of 6.6% (5.0)
- Service sales increased by 10% adjusted for currency

In Q1, demand for buses remained strong in many markets, particularly in the coach segment. Net order intake increased by 123% compared with Q1 2024 from a good order intake in all regions. The transition towards electric vehicles in city traffic continued and orders for 168 electric buses were confirmed in Q1. Total deliveries decreased by 5% to 1,235 units.

In Q1, net sales increased by 5% to SEK 5,436 M (5,173). Adjusted for currency, net sales increased by 7%, with vehicle sales increasing by 5% and service sales increasing by 10%.

Both adjusted and reported operating income amounted to SEK 360 M (259), corresponding to an operating margin of 6.6% (5.0). For information on adjusted operating income, see Note 6.

Operating income was positively impacted by good price realization, a positive market mix and lower manufacturing costs

as an effect of the restructuring in Europe, while lower delivery volumes and increased material costs had a negative impact. Compared with Q1 2024, currency movements had a negative impact of SEK 30 M.

In Q1, Volvo Buses launched the new Volvo 7800 Electric in Mexico, the first electric articulated and bi-articulated bus manufactured in the country. The new electric bus is built on Volvo Buses' global electromobility platform BZR and it will evolve the Bus Rapid Transit systems in Mexico, creating a more efficient and sustainable people transport system.

The high order intake included the first order for the new inter-city bus Volvo 8900 Electric. Svealandstrafiken ordered a total of 106 electric buses to operate in Sweden, whereof 60 Volvo 8900 Electric.

## Net order intake and deliveries <sup>1</sup>

	First quarter		Change %
	2025	2024	
Number of buses			
<b>Total orders</b>	<b>1,947</b>	<b>874</b>	123
Of which fully electric	168	45	273
Of which hybrids	–	–	–
<b>Total deliveries</b>	<b>1,235</b>	<b>1,301</b>	-5
Of which fully electric	119	74	61
Of which hybrids	–	26	–

## Net sales and operating income

SEK M	First quarter		Change %
	2025	2024	
<b>Net sales per geographical region</b>			
Europe	1,721	1,564	10
North America	2,230	2,396	-7
South America	376	403	-7
Asia	431	296	46
Africa and Oceania	678	514	32
<b>Total net sales</b>	<b>5,436</b>	<b>5,173</b>	<b>5</b>
<b>Net sales per product group</b>			
Vehicles	3,928	3,794	4
Services	1,508	1,378	9
<b>Total net sales</b>	<b>5,436</b>	<b>5,173</b>	<b>5</b>
<b>Timing of revenue recognition</b>			
Revenue of vehicles and services recognized at the point of delivery	5,136	4,929	4
Revenue of vehicles and services recognized over contract period	300	244	23
<b>Total net sales</b>	<b>5,436</b>	<b>5,173</b>	<b>5</b>
<b>Adjusted operating income <sup>1</sup></b>	<b>360</b>	<b>259</b>	<b>39</b>
Adjustments	–	–	–
<b>Operating income</b>	<b>360</b>	<b>259</b>	<b>39</b>
Adjusted operating margin, %	6.6	5.0	
Operating margin, %	6.6	5.0	

<sup>1</sup> For more information on adjusted operating income, please see note 6.



## Good performance on lower volumes

- In Q1, order intake increased by 35% while deliveries decreased by 17%
- Adjusted and reported operating income decreased to SEK 915 M (988), with a margin of 18.3% (19.1)
- IPS Professional Platform introduced to the North American yacht market and serial production started

In Q1, demand for power generation continued to rise, driven by energy infrastructure expansion. The off-highway segment was stable with some signs of construction recovering. Demand in the marine leisure market continued to be slow, while there was good sales traction with the IPS Professional Platform in the yacht segment. The marine commercial segment remained stable, supported by demand driven by the energy transition.

In Q1, net order intake increased by 35% to 12,234 units with strong demand in the power generation segment, while deliveries decreased by 17% to 8,700 units.

Net sales decreased by 3% to SEK 5,004 M (5,168). Also when adjusted for currency movements the decrease was 3%, of

which sales of engines decreased by 5% and sales of services increased by 4%.

Both adjusted and reported operating income amounted to SEK 915 M (988), corresponding to an operating margin of 18.3% (19.1).

Earnings were negatively impacted by lower engine volumes, which were partly offset by a positive product and market mix, price realization and lower selling and administrative expenses. Compared with Q1 2024, the currency impact on operating income was negative in an amount of SEK 37 M.

In Q1, the IPS Professional Platform was introduced to the North American yacht market and went into serial production.

Net order intake and deliveries			
	First quarter		Change
	2025	2024	%
Number of Engines			
<b>Total orders</b>	<b>12,234</b>	<b>9,050</b>	35
Of which fully electric	17	43	-60
<b>Total deliveries</b>	<b>8,700</b>	<b>10,435</b>	-17
Of which fully electric	28	44	-36

Net sales and operating income			
	First quarter		Change
SEK M	2025	2024	%
<b>Net sales per geographical region</b>			
Europe	2,531	2,624	-4
North America	1,025	874	17
South America	204	226	-10
Asia	990	1,125	-12
Africa and Oceania	255	319	-20
<b>Total net sales</b>	<b>5,004</b>	<b>5,168</b>	<b>-3</b>
<b>Net sales per product group</b>			
Engines	3,647	3,861	-6
Services	1,357	1,306	4
<b>Total net sales</b>	<b>5,004</b>	<b>5,168</b>	<b>-3</b>
<b>Timing of revenue recognition</b>			
Revenue of vehicles and services recognized at the point of delivery	4,993	5,156	-3
Revenue of vehicles and services recognized over contract period	11	11	-
<b>Total net sales</b>	<b>5,004</b>	<b>5,168</b>	<b>-3</b>
<b>Adjusted operating income <sup>1</sup></b>	<b>915</b>	<b>988</b>	<b>-7</b>
Adjustments	-	-	-
<b>Operating income</b>	<b>915</b>	<b>988</b>	<b>-7</b>
Adjusted operating margin, %	18.3	19.1	
Operating margin, %	18.3	19.1	

1 For more information on adjusted operating income, please see note 6.

## 16 FINANCIAL SERVICES

# Good earnings and stable portfolio performance



- In Q1, the net credit portfolio increased by 6%, adjusted for currency
- Stable portfolio performance
- Adjusted and reported operating income of SEK 1,019 M (1,009)

In Q1 2025, the credit portfolio for Financial Services continued to grow. Adjusted for currency, the net credit portfolio increased by 6% compared with Q1 2024. The portfolio performance continued to be good, with customer delinquencies stabilizing at average business cycle levels.

Compared with Q1 2024, new business volume increased by 5%, when adjusted for currency. In Q1, both adjusted and reported operating income increased to SEK 1,019 M (1,009).

The increase in operating income was primarily a result of continued profitable portfolio growth, which was partly offset by increased credit provisions. Currency movements had a negative impact of SEK 48 M compared with Q1 2024.

The equity level has during the quarter been raised from 8.0% to 10.0%, due to increased regulatory requirements in many of the markets where Financial Services operates. Return on equity on a rolling 12-month basis amounted to 12.7% (13.0).

Financial Services		
	First quarter	
SEK M unless otherwise stated	2025	2024
Number of financed units, 12 months rolling	66,326	66,258
Total penetration rate, 12 months rolling, % <sup>1</sup>	29	27
New retail financing volume, SEK billion	24.9	24.0
Credit portfolio net, SEK billion	264	270
Credit provision expenses	309	248
Adjusted operating income <sup>2</sup>	1,019	1,009
Adjustments	–	–
Operating income	1,019	1,009
Credit reserves, % of credit portfolio	1.29	1.35
Return on equity <sup>3</sup> , 12 months rolling, %	12.7	13.0

<sup>1</sup> Share of unit sales financed by Volvo Financial Services in relation to the total number of units sold by the Volvo Group in markets where financial services are offered.

<sup>2</sup> For more information on adjustments, please see note 6.

<sup>3</sup> 2024 included Russian and Belarus operations, which were divested in Q3 2023.

## 17 FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT - FIRST QUARTER								
SEK M	Industrial Operations		Financial Services		Eliminations		Volvo Group	
	2025	2024	2025	2024	2025	2024	2025	2024
<b>Net sales</b>	<b>116,256</b>	<b>126,163</b>	<b>6,779</b>	<b>6,532</b>	<b>-1,243</b>	<b>-1,519</b>	<b>121,792</b>	<b>131,177</b>
Cost of sales	-87,499	-91,567	-4,688	-4,453	1,320	1,625	-90,867	-94,395
<b>Gross income</b>	<b>28,757</b>	<b>34,596</b>	<b>2,091</b>	<b>2,079</b>	<b>77</b>	<b>106</b>	<b>30,925</b>	<b>36,781</b>
Research and development expenses	-6,951	-7,332	-	-	-	-	-6,951	-7,332
Selling expenses	-7,410	-7,778	-822	-839	-	-	-8,232	-8,617
Administrative expenses	-1,816	-1,960	-4	-4	-	-	-1,820	-1,964
Other operating income and expenses	-308	-340	-255	-227	-	-	-564	-567
Income/loss from investments in joint ventures and associated companies	-122	-142	-	-	-	-	-122	-142
Income/loss from other investments	12	-	10	-	-	-	22	-
<b>Operating income</b>	<b>12,162</b>	<b>17,044</b>	<b>1,019</b>	<b>1,009</b>	<b>77</b>	<b>106</b>	<b>13,258</b>	<b>18,159</b>
Interest income and similar credits	715	991	-	-	-77	-106	638	885
Interest expenses and similar charges	-409	-364	-	-	-	-	-409	-364
Other financial income and expenses	-632	-238	-	-	-	-	-632	-238
<b>Income after financial items</b>	<b>11,835</b>	<b>17,433</b>	<b>1,019</b>	<b>1,009</b>	<b>-</b>	<b>-</b>	<b>12,855</b>	<b>18,442</b>
Income taxes	-2,600	-4,047	-271	-293	-	-	-2,871	-4,339
<b>Income for the period *</b>	<b>9,235</b>	<b>13,387</b>	<b>749</b>	<b>716</b>	<b>-</b>	<b>-</b>	<b>9,984</b>	<b>14,103</b>
* Attributable to:								
Owners of AB Volvo							9,890	14,080
Non-controlling interest							94	23
Basic earnings per share, SEK								
							4.86	6.92
Diluted earnings per share, SEK								
							4.86	6.92
<b>Key ratios, %</b>								
Gross margin	24.7	27.4					25.4	28.0
Research and development expenses as % of net sales	6.0	5.8					5.7	5.6
Selling expenses as % of net sales	6.4	6.2					6.8	6.6
Administrative expenses as % of net sales	1.6	1.6					1.5	1.5
Operating margin	10.5	13.5					10.9	13.8

CONSOLIDATED OTHER COMPREHENSIVE INCOME - FIRST QUARTER		
SEK M	2025	2024
<b>Income for the period</b>	<b>9,984</b>	<b>14,103</b>
<i>Items that will not be reclassified to income statement:</i>		
Remeasurements of defined benefit pension plans	920	453
Remeasurements of holding of shares at fair value	-1	-7
<i>Items that may be reclassified subsequently to income statement:</i>		
Exchange differences on translation of foreign operations	-7,697	4,282
Share of OCI related to joint ventures and associated companies	-1,359	756
Accumulated exchange differences reversed to income	-	-
<b>Other comprehensive income, net of income taxes</b>	<b>-8,137</b>	<b>5,485</b>
<b>Total comprehensive income for the period *</b>	<b>1,847</b>	<b>19,588</b>
* Attributable to:		
Owners of AB Volvo	2,031	19,437
Non-controlling interest	-183	151

## 18 FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET - ASSETS								
SEK M	Industrial Operations		Financial Services		Eliminations		Volvo Group	
	Mar 31 2025	Dec 31 2024	Mar 31 2025	Dec 31 2024	Mar 31 2025	Dec 31 2024	Mar 31 2025	Dec 31 2024
<b>Non-current assets</b>								
<i>Intangible assets</i>								
Goodwill	24,269	25,143	–	–	–	–	24,269	25,143
Other intangible assets	19,370	19,046	132	151	–	–	19,502	19,197
<i>Tangible assets</i>								
Property, plant and equipment	78,530	79,571	61	58	–	–	78,591	79,629
Assets under operating leases	35,080	37,226	20,922	22,276	-15,625	-14,000	40,376	45,501
<i>Financial assets</i>								
Investments in joint ventures and associated companies	21,789	22,496	–	–	–	–	21,789	22,496
Other shares and participations	1,075	1,089	27	18	–	–	1,102	1,107
Non-current customer-financing receivables	1,298	1,533	125,604	134,969	-1,684	-1,897	125,218	134,605
Net pension assets	1,890	2,115	–	–	–	–	1,890	2,115
Non-current interest-bearing receivables	4,220	4,969	3,570	–	-3,570	-1,505	4,220	3,464
Other non-current receivables	6,582	7,018	277	322	-201	-220	6,658	7,120
Deferred tax assets	13,109	13,889	1,536	1,989	–	–	14,645	15,878
<b>Total non-current assets</b>	<b>207,212</b>	<b>214,094</b>	<b>152,128</b>	<b>159,784</b>	<b>-21,081</b>	<b>-17,623</b>	<b>338,260</b>	<b>356,254</b>
<b>Current assets</b>								
Inventories	74,603	77,121	797	1,238	–	–	75,400	78,359
<i>Current receivables</i>								
Customer-financing receivables	633	923	117,424	123,160	-1,394	-1,406	116,663	122,677
Tax assets	1,753	2,277	478	1,214	–	–	2,232	3,491
Interest-bearing receivables	2,088	4,256	–	–	-16	-18	2,073	4,238
Internal funding	4,270	9,463	–	–	-4,270	-9,463	–	–
Accounts receivables	38,367	40,005	1,807	1,767	–	–	40,174	41,772
Other receivables	22,237	22,441	3,348	3,796	-3,989	-4,234	21,597	22,003
Marketable securities	189	218	–	–	–	–	189	218
Cash and cash equivalents	86,141	80,505	5,856	6,872	-1,283	-2,206	90,714	85,171
Assets held for sale	373	381	–	–	–	–	373	381
<b>Total current assets</b>	<b>230,654</b>	<b>237,590</b>	<b>129,710</b>	<b>138,047</b>	<b>-10,952</b>	<b>-17,328</b>	<b>349,413</b>	<b>358,309</b>
<b>Total assets</b>	<b>437,867</b>	<b>451,684</b>	<b>281,839</b>	<b>297,830</b>	<b>-32,032</b>	<b>-34,950</b>	<b>687,673</b>	<b>714,564</b>

## 19 FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET - EQUITY AND LIABILITIES								
SEK M	Industrial Operations		Financial Services		Eliminations		Volvo Group	
	Mar 31 2025	Dec 31 2024	Mar 31 2025	Dec 31 2024	Mar 31 2025	Dec 31 2024	Mar 31 2025	Dec 31 2024
<i>Equity</i>								
Equity attributable to owners of AB Volvo	167,887	170,218	28,183	23,831	–	–	196,070	194,049
Non-controlling interest	3,117	3,312	–	–	–	–	3,117	3,312
<b>Total equity</b>	<b>171,004</b>	<b>173,530</b>	<b>28,183</b>	<b>23,831</b>	<b>–</b>	<b>–</b>	<b>199,187</b>	<b>197,361</b>
<i>Non-current provisions</i>								
Provisions for post-employment benefits	10,752	12,606	98	99	–	–	10,850	12,706
Other provisions	11,077	12,243	51	51	–	–	11,128	12,293
<b>Total non-current provisions</b>	<b>21,829</b>	<b>24,849</b>	<b>148</b>	<b>150</b>	<b>–</b>	<b>–</b>	<b>21,978</b>	<b>24,999</b>
<i>Non-current liabilities</i>								
Bond loans	109,682	109,031	–	–	–	–	109,682	109,031
Other loans	24,971	29,783	23,095	22,602	-1,377	-1,561	46,689	50,824
Internal funding	-120,097	-126,063	104,859	113,733	15,239	12,330	–	–
Deferred tax liabilities	2,041	2,483	1,636	2,295	–	–	3,677	4,778
Other liabilities	51,464	54,411	1,639	1,762	-11,047	-9,591	42,056	46,583
<b>Total non-current liabilities</b>	<b>68,061</b>	<b>69,645</b>	<b>131,228</b>	<b>140,393</b>	<b>2,815</b>	<b>1,178</b>	<b>202,104</b>	<b>211,216</b>
<b>Current provisions</b>	<b>17,582</b>	<b>19,653</b>	<b>32</b>	<b>37</b>	<b>–</b>	<b>–</b>	<b>17,613</b>	<b>19,690</b>
<i>Current liabilities</i>								
Bond loans	43,683	45,460	–	–	–	–	43,683	45,460
Other loans	41,093	44,698	14,047	14,507	-808	-912	54,332	58,292
Internal funding	-72,660	-81,228	98,056	107,718	-25,397	-26,490	–	–
Trade payables	72,653	77,607	745	920	–	–	73,397	78,527
Tax liabilities	2,862	1,916	659	1,194	–	–	3,521	3,111
Other liabilities	71,745	75,540	8,740	9,082	-8,642	-8,726	71,842	75,896
Liabilities held for sale	14	13	–	–	–	–	14	13
<b>Total current liabilities</b>	<b>159,390</b>	<b>164,006</b>	<b>122,247</b>	<b>133,420</b>	<b>-34,847</b>	<b>-36,129</b>	<b>246,791</b>	<b>261,298</b>
<b>Total equity and liabilities</b>	<b>437,867</b>	<b>451,684</b>	<b>281,839</b>	<b>297,830</b>	<b>-32,032</b>	<b>-34,950</b>	<b>687,673</b>	<b>714,564</b>
<b>Key ratios, %</b>								
Equity ratio	39.1	38.4	10.0	8.0			29.0	27.6
Equity attributable to owners of AB Volvo, per share in SEK							96.4	95.4
Return on operating capital <sup>1</sup>	60.4	70.3						
Return on capital employed <sup>1</sup>	31.8	35.8						
Return on equity <sup>1</sup>			12.7	13.0			25.2	28.5

<sup>1</sup> 12 months rolling.

## 20 FINANCIAL STATEMENTS

Net financial position excl. post-employment benefits and lease liabilities				
SEK bn	Industrial Operations		Volvo Group	
	Mar 31 2025	Dec 31 2024	Mar 31 2025	Dec 31 2024
<i>Non-current interest-bearing assets</i>				
Non-current customer-financing receivables	–	–	125.2	134.6
Non-current interest-bearing receivables	4.2	5.0	4.2	3.5
<i>Current interest-bearing assets</i>				
Customer-financing receivables	–	–	116.7	122.7
Interest-bearing receivables	2.1	4.3	2.1	4.2
Internal funding	4.3	9.5	–	–
Marketable securities	0.2	0.2	0.2	0.2
Cash and cash equivalents	86.1	80.5	90.7	85.2
Assets held for sale	–	–	–	–
<b>Total interest-bearing financial assets</b>	<b>96.9</b>	<b>99.4</b>	<b>339.1</b>	<b>350.4</b>
<i>Non-current interest-bearing liabilities</i>				
Bond loans	-109.7	-109.0	-109.7	-109.0
Other loans	-19.3	-23.8	-41.1	-44.9
Internal funding	120.1	126.1	–	–
<i>Current interest-bearing liabilities</i>				
Bond loans	-43.7	-45.5	-43.7	-45.5
Other loans	-39.0	-42.6	-52.3	-56.2
Internal funding	72.7	81.2	–	–
Liabilities held for sale	–	–	–	–
<b>Total interest-bearing financial liabilities excl. post-employment benefits and lease liabilities</b>	<b>-19.0</b>	<b>-13.5</b>	<b>-246.7</b>	<b>-255.6</b>
<b>Net financial position excl. post-employment benefits and lease liabilities</b>	<b>77.9</b>	<b>85.9</b>	<b>92.3</b>	<b>94.8</b>

Provisions for post-employment benefits and lease liabilities, net				
SEK bn	Industrial Operations		Volvo Group	
	Mar 31 2025	Dec 31 2024	Mar 31 2025	Dec 31 2024
Non-current lease liabilities	-5.7	-6.0	-5.6	-5.9
Current lease liabilities	-2.1	-2.1	-2.1	-2.1
Provisions for post-employment benefits, net	-8.9	-10.5	-9.0	-10.6
Liabilities held for sale	–	–	–	–
<b>Provisions for post-employment benefits and lease liabilities, net</b>	<b>-16.6</b>	<b>-18.6</b>	<b>-16.6</b>	<b>-18.6</b>

Net financial position incl. post-employment benefits and lease liabilities				
SEK bn	Industrial Operations		Volvo Group	
	Mar 31 2025	Dec 31 2024	Mar 31 2025	Dec 31 2024
Net financial position excl. post-employment benefits and lease liabilities	77.9	85.9	92.3	94.8
Provisions for post-employment benefits and lease liabilities, net	-16.6	-18.6	-16.6	-18.6
<b>Net financial position incl. post-employment benefits and lease liabilities</b>	<b>61.4</b>	<b>67.2</b>	<b>75.7</b>	<b>76.2</b>

## 21 FINANCIAL STATEMENTS

Changes in net financial position, Industrial Operations	
SEK bn	First quarter 2025
<b>Net financial position excl. post-employment benefits and lease liabilities at the end of previous period</b>	<b>85.9</b>
Operating cash flow	1.3
Investments and divestments of shares, net	-0.8
Acquired and divested operations, net	-0.1
Capital injections to/from Financial Services	-5.1
Currency effect	-2.5
Dividend to owners of AB Volvo	-
Dividend to non-controlling interest	-
Other changes	-0.8
<b>Net financial position excl. post-employment benefits and lease liabilities at the end of period</b>	<b>77.9</b>
<b>Provisions for post-employment benefits and lease liabilities at the end of previous period</b>	<b>-18.6</b>
Pension payments, included in operating cash flow	0.4
Remeasurements of defined post-employment benefits	1.2
Service costs and other pension costs	-0.3
Investments, remeasurements and amortizations of lease contracts	-0.1
Transfer pensions and lease liabilities to divested entities	-
Currency effect	0.9
Other changes	-0.1
<b>Provisions for post-employment benefits and lease liabilities at the end of period</b>	<b>-16.6</b>
<b>Net financial position incl. post-employment benefits and lease liabilities at the end of period</b>	<b>61.4</b>

CHANGES IN CONSOLIDATED EQUITY			
SEK M	Equity attributable to owners of AB Volvo	Non-controlling interest	Total equity
<b>Balance as of December 31, 2023</b>	<b>177,791</b>	<b>2,948</b>	<b>180,739</b>
Income for the period	50,389	186	50,576
Other comprehensive income for the period	2,365	206	2,572
<b>Total comprehensive income for the period</b>	<b>52,755</b>	<b>393</b>	<b>53,147</b>
Dividend	-36,602	-16	-36,618
Changes in non-controlling interests	-	-21	-21
Other changes	106	8	114
<b>Transactions with shareholders</b>	<b>-36,497</b>	<b>-28</b>	<b>-36,525</b>
<b>Balance as of December 31, 2024</b>	<b>194,049</b>	<b>3,312</b>	<b>197,361</b>
Income for the period	9,890	94	9,984
Other comprehensive income for the period	-7,859	-277	-8,137
<b>Total comprehensive income for the period</b>	<b>2,031</b>	<b>-183</b>	<b>1,847</b>
Dividend	-	-	-
Changes in non-controlling interests	-	-12	-12
Other changes	-9	-	-9
<b>Transactions with shareholders</b>	<b>-9</b>	<b>-12</b>	<b>-21</b>
<b>Balance as of March 31, 2025</b>	<b>196,070</b>	<b>3,117</b>	<b>199,187</b>

## 22 FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT - FIRST QUARTER								
SEK M	Industrial Operations		Financial Services		Eliminations		Volvo Group	
	2025	2024	2025	2024	2025	2024	2025	2024
<b>Operating activities</b>								
Operating income	12,162	17,044	1,019	1,009	77	106	13,258	18,159
Amortization intangible assets	998	770	16	6	–	–	1,014	776
Depreciation tangible assets	2,430	2,132	5	7	–	–	2,436	2,138
Depreciation leasing vehicles	1,014	972	1,252	1,280	–	–	2,266	2,252
Other non-cash items	-56	365	378	213	–	–	322	578
Total change in working capital whereof	-7,576	-3,818	-3,293	-6,034	96	-104	-10,773	-9,956
<i>Change in accounts receivables</i>	-904	953	-60	52	–	–	-964	1,005
<i>Change in customer-financing receivables</i>	13	31	-2,538	-5,099	57	-61	-2,467	-5,128
<i>Change in inventories</i>	-2,677	-6,117	417	-138	–	–	-2,260	-6,255
<i>Change in trade payables</i>	-1,266	1,150	-114	31	–	–	-1,380	1,181
<i>Change in vehicles on operating lease and assets for service solutions</i>	-288	-63	-1,224	-1,108	-5	48	-1,516	-1,123
<i>Other changes in working capital</i>	-2,454	227	225	229	44	-91	-2,184	364
Dividends received from joint ventures and associated companies	–	–	–	–	–	–	–	–
Interest and similar items received	713	994	–	–	-82	-106	631	888
Interest and similar items paid	-344	-267	–	–	-41	-27	-385	-294
Other financial items	-83	-138	–	–	–	–	-83	-138
Income taxes paid	-2,003	-5,588	-226	-300	–	–	-2,229	-5,888
<b>Cash flow from operating activities</b>	<b>7,256</b>	<b>12,465</b>	<b>-849</b>	<b>-3,818</b>	<b>51</b>	<b>-131</b>	<b>6,457</b>	<b>8,516</b>
<b>Investing activities</b>								
Investments in intangible assets	-1,520	-1,135	-5	-11	–	–	-1,526	-1,146
Investments in tangible assets	-4,500	-2,511	-1	-1	–	–	-4,500	-2,512
Disposals of in-/tangible assets	73	77	2	2	–	–	75	79
<b>Operating cash flow</b>	<b>1,309</b>	<b>8,896</b>	<b>-853</b>	<b>-3,828</b>	<b>51</b>	<b>-131</b>	<b>506</b>	<b>4,937</b>
Investments of shares							-779	-2,940
Divestment of shares							–	2
Acquired operations							-61	-2,448
Divested operations							-48	170
Interest-bearing receivables incl. marketable securities							-389	-292
<b>Cash flow after net investments</b>							<b>-771</b>	<b>-570</b>
<b>Financing activities</b>								
New borrowings							119,179	62,761
Repayments of borrowings							-109,691	-56,332
Dividend to owners of AB Volvo							–	–
Dividend to non-controlling interest							–	–
Other							-26	41
<b>Change in cash and cash equivalents excl. exchange rate changes</b>							<b>8,692</b>	<b>5,901</b>
Effect of exchange rate changes on cash and cash equivalents							-3,149	2,036
<b>Change in cash and cash equivalents</b>							<b>5,543</b>	<b>7,936</b>
<b>Cash and cash equivalents, beginning of period</b>							<b>85,171</b>	<b>83,326</b>
<b>Cash and cash equivalents, end of period</b>							<b>90,714</b>	<b>91,263</b>

## 23 QUARTERLY FIGURES

Income Statements, Volvo Group					
SEK M unless otherwise stated	1/2025	4/2024	3/2024	2/2024	1/2024
<b>Net sales</b>	<b>121,792</b>	<b>138,413</b>	<b>116,978</b>	<b>140,249</b>	<b>131,177</b>
Cost of sales	-90,867	-103,142	-84,973	-100,257	-94,395
<b>Gross income</b>	<b>30,925</b>	<b>35,271</b>	<b>32,005</b>	<b>39,992</b>	<b>36,781</b>
Research and development expenses	-6,951	-8,196	-7,213	-8,216	-7,332
Selling expenses	-8,232	-9,292	-7,938	-8,841	-8,617
Administrative expenses	-1,820	-2,194	-1,655	-1,988	-1,964
Other operating income and expenses	-564	-666	-594	-16	-567
Income/loss from investments in joint ventures and associated companies	-122	-889	-530	-605	-142
Income/loss from other investments	22	6	-1	13	-
<b>Operating income</b>	<b>13,258</b>	<b>14,039</b>	<b>14,074</b>	<b>20,339</b>	<b>18,159</b>
Interest income and similar credits	638	656	601	546	885
Interest expenses and similar charges	-409	-484	-375	-370	-364
Other financial income and expenses	-632	449	-727	19	-238
<b>Income after financial items</b>	<b>12,855</b>	<b>14,660</b>	<b>13,573</b>	<b>20,534</b>	<b>18,442</b>
Income taxes	-2,871	-3,843	-3,500	-4,952	-4,339
<b>Income for the period *</b>	<b>9,984</b>	<b>10,817</b>	<b>10,073</b>	<b>15,583</b>	<b>14,103</b>
* Attributable to:					
Owners of AB Volvo	9,890	10,742	10,017	15,551	14,080
Non-controlling interest	94	75	56	32	23
<b>Key ratios, Volvo Group, %</b>					
Gross margin	25.4	25.5	27.4	28.5	28.0
Research and development expenses as % of net sales	5.7	5.9	6.2	5.9	5.6
Selling expenses as % of net sales	6.8	6.7	6.8	6.3	6.6
Administrative expenses as % of net sales	1.5	1.6	1.4	1.4	1.5
Operating margin	10.9	10.1	12.0	14.5	13.8
<b>Key ratios, Industrial Operations, %</b>					
Gross margin	24.7	24.9	26.9	28.0	27.4
Research and development expenses as % of net sales	6.0	6.2	6.5	6.1	5.8
Selling expenses as % of net sales	6.4	6.3	6.4	5.9	6.2
Administrative expenses as % of net sales	1.6	1.7	1.5	1.5	1.6
Operating margin	10.5	9.8	11.7	14.2	13.5
<b>EBITDA margin, Industrial Operations</b>					
<b>Net sales</b>	<b>116,256</b>	<b>132,519</b>	<b>111,577</b>	<b>134,715</b>	<b>126,163</b>
<b>Operating income</b>	<b>12,162</b>	<b>12,946</b>	<b>13,029</b>	<b>19,179</b>	<b>17,044</b>
Amortization product and software development	907	915	944	821	736
Amortization other intangible assets	91	325	48	290	34
Depreciation tangible assets	3,444	3,721	3,168	3,274	3,103
Total depreciation and amortization	4,443	4,962	4,160	4,385	3,873
<b>Operating income before depreciation and amortization (EBITDA)</b>	<b>16,604</b>	<b>17,907</b>	<b>17,189</b>	<b>23,563</b>	<b>20,917</b>
EBITDA margin, %	14.3	13.5	15.4	17.5	16.6
<b>Net capitalization of research and development</b>					
Capitalization	1,488	1,673	839	648	1,101
Amortization	-891	-900	-924	-786	-701
<b>Net capitalization and amortization</b>	<b>598</b>	<b>774</b>	<b>-85</b>	<b>-138</b>	<b>400</b>
Return on operating capital, Industrial Operations, % <sup>1</sup>	60.4	70.3	75.9	83.9	75.2
Return on capital employed, Industrial Operations, % <sup>1</sup>	31.8	35.8	38.3	41.3	37.7

1 12 months rolling.

## 24 QUARTERLY FIGURES

Net sales					
SEK M	1/2025	4/2024	3/2024	2/2024	1/2024
Trucks	82,248	95,478	80,054	95,132	89,946
Construction Equipment	21,117	22,197	18,809	24,423	22,877
Buses	5,436	6,625	6,195	6,551	5,173
Volvo Penta	5,004	4,761	4,707	5,216	5,168
Group Functions & Other	3,664	4,685	2,925	4,657	4,281
Eliminations	-1,213	-1,228	-1,112	-1,263	-1,280
<b>Industrial Operations</b>	<b>116,256</b>	<b>132,519</b>	<b>111,577</b>	<b>134,715</b>	<b>126,163</b>
Financial Services	6,779	6,936	6,712	6,801	6,532
Eliminations	-1,243	-1,043	-1,311	-1,268	-1,519
<b>Volvo Group net sales</b>	<b>121,792</b>	<b>138,413</b>	<b>116,978</b>	<b>140,249</b>	<b>131,177</b>

Operating income					
SEK M	1/2025	4/2024	3/2024	2/2024	1/2024
Trucks	8,464	10,138	9,363	13,391	13,073
Construction Equipment	2,542	2,609	2,558	3,888	3,683
Buses	360	689	731	754	259
Volvo Penta	915	583	831	1,016	988
Group Functions & Other	-114	-1,091	-468	117	-947
Eliminations	-5	18	14	13	-13
<b>Industrial Operations</b>	<b>12,162</b>	<b>12,946</b>	<b>13,029</b>	<b>19,179</b>	<b>17,044</b>
Financial Services	1,019	1,012	992	1,028	1,009
Eliminations	77	81	52	132	106
<b>Volvo Group operating income</b>	<b>13,258</b>	<b>14,039</b>	<b>14,074</b>	<b>20,339</b>	<b>18,159</b>

Adjusted operating income <sup>1</sup>					
SEK M	1/2025	4/2024	3/2024	2/2024	1/2024
Trucks	8,464	10,138	9,363	13,251	13,073
Construction Equipment	2,542	2,609	2,558	3,888	3,683
Buses	360	689	731	554	259
Volvo Penta	915	583	831	1,016	988
Group Functions & Other	-114	-1,091	-468	-436	-947
Eliminations	-5	18	14	13	-13
<b>Industrial Operations</b>	<b>12,162</b>	<b>12,946</b>	<b>13,029</b>	<b>18,286</b>	<b>17,044</b>
Financial Services	1,019	1,012	992	1,028	1,009
Eliminations	77	81	52	132	106
<b>Volvo Group adjusted operating income</b>	<b>13,258</b>	<b>14,039</b>	<b>14,074</b>	<b>19,446</b>	<b>18,159</b>

<sup>1</sup> For more information on adjusted operating income, please see note 6.

## 25 QUARTERLY FIGURES

Operating margin					
%	1/2025	4/2024	3/2024	2/2024	1/2024
Trucks	10.3	10.6	11.7	14.1	14.5
Construction Equipment	12.0	11.8	13.6	15.9	16.1
Buses	6.6	10.4	11.8	11.5	5.0
Volvo Penta	18.3	12.2	17.7	19.5	19.1
<b>Industrial Operations</b>	<b>10.5</b>	<b>9.8</b>	<b>11.7</b>	<b>14.2</b>	<b>13.5</b>
<b>Volvo Group</b>	<b>10.9</b>	<b>10.1</b>	<b>12.0</b>	<b>14.5</b>	<b>13.8</b>

Adjusted operating margin					
%	1/2025	4/2024	3/2024	2/2024	1/2024
Trucks	10.3	10.6	11.7	13.9	14.5
Construction Equipment	12.0	11.8	13.6	15.9	16.1
Buses	6.6	10.4	11.8	8.5	5.0
Volvo Penta	18.3	12.2	17.7	19.5	19.1
<b>Industrial Operations</b>	<b>10.5</b>	<b>9.8</b>	<b>11.7</b>	<b>13.6</b>	<b>13.5</b>
<b>Volvo Group adjusted operating margin</b>	<b>10.9</b>	<b>10.1</b>	<b>12.0</b>	<b>13.9</b>	<b>13.8</b>

Share data					
	1/2025	4/2024	3/2024	2/2024	1/2024
Earnings per share, SEK <sup>1</sup>	<b>4.86</b>	5.28	4.93	7.65	6.92
Earnings per share, SEK <sup>1</sup> , 12 months rolling	<b>22.72</b>	24.78	25.43	27.43	25.07
Diluted earnings per share, SEK	<b>4.86</b>	5.28	4.93	7.65	6.92
Number of outstanding shares in millions	<b>2,033</b>	2,033	2,033	2,033	2,033
Average number of shares before dilution in millions	<b>2,033</b>	2,033	2,033	2,033	2,033
Average number of shares after dilution in millions	<b>2,033</b>	2,033	2,033	2,033	2,033
Number of own shares in millions	-	-	-	-	-
Average number of own shares in millions	-	-	-	-	-

<sup>1</sup> Earnings per share are calculated as Income for the period (excl. Non-controlling interest) divided by the weighted average number of shares outstanding during the period.

## 26 NOTES

**NOTE 1 | ACCOUNTING POLICIES**

The Volvo Group applies International Financial Reporting Standards (IFRS) as endorsed by the EU. The accounting policies and definitions are consistently applied with those described in the Volvo Group Annual Report 2024 (available at [www.volvogroup.com](http://www.volvogroup.com)). There are no new accounting policies

applicable from 2025 that materially affects the Volvo Group.

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies the Swedish Annual Accounts Act and RFR 2 Reporting for legal entities.

**NOTE 2 | RISKS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Each of the Volvo Group's Business Areas and Truck Divisions monitors and manages risks in its operations. In addition, the Volvo Group utilizes a centralized Enterprise Risk Management (ERM) reporting process, which is a systematic and structured framework for reporting and reviewing risk assessments and mitigations as well as for follow-up on identified risks.

The ERM process classifies Volvo Group risks into four categories:

**Macro and market related risks** – such as cyclical nature of the commercial vehicles industry, intense competition as well as political and social uncertainty;

**Operational risks** – such as transformation and technology risk, new business models, risks related to industrial operations including supply chain, reliance on suppliers and materials, cost inflation and price increases, information security and digital infrastructure, strategic transactions such as mergers and acquisitions, partnerships and divestments, residual value commitments as well as people and culture;

**Compliance risks** – such as product and operational related regulations, digital and data related regulations, protection and maintenance of intangible assets, legal proceedings, corruption and competition law and human rights; and

**Financial risks** – such as insurance coverage, credit risk, pension commitments, interest-rates and currency fluctuations, liquidity risk, as well as impairment on goodwill and other intangible assets.

For a more elaborate description of these risks, please refer to the Risk Management section on pages 60-66 in the Volvo Group Annual Report 2024.

**Risk updates**

Short-term risks, when applicable, are also described in the respective segment section of this report.

**Tariffs and trade policy shifts**

Recent tariffs and other trade restrictions imposed or considered to be imposed by the US and other countries have significantly increased uncertainty about trade conditions in markets where the Group is present, as well as in relation to global and regional supply chains. The situation is fast-changing and complex to assess, and no predictions can be made on future developments, potential impacts on the Group or whether trade restrictions may impact the Group more severely than main competitors. However, the introduction of tariffs, retaliatory tariffs or other trade restrictions on our vehicles, parts, and other products and materials could disrupt existing supply chains, impose additional costs on our business or that of our suppliers, create sudden

disadvantages for Group operations compared to competitors having different supply chains, and could generally make our products more expensive for customers and/or less competitive.

Recent developments in global trade policies have also increased the risk of a broader economic slowdown. Such developments could negatively impact global demand and lead to increased costs for e.g. raw materials, components, transport and energy. A prolonged period of trade uncertainty may also negatively affect investment levels and customer purchasing behavior, particularly in Group key markets. The Group will endeavor to adapt to changes in market conditions as they may evolve, but the introduction of trade restrictions and changes in trade policies could, individually or in combination, have a material adverse effect on the Group's business and financial performance.

**Update on supply situation and inflationary pressure**

Our ability to deliver according to market demand depends significantly on obtaining a timely and adequate supply of materials, components and other vital services, as well as on our ability to properly utilize the capacity in the Group's different production and services facilities. At present, our supply chain and industrial system are strained in many areas due to e.g. shortages of labor, materials and components, and transport services. Further strains on the supply chain may also evolve from other events, including financial distress of suppliers, introduction of new or amended export controls, tariffs or other restrictions on international trade and other geopolitical events. There might be supply chain disturbances and stoppages in production going forward. Such disturbances could lead to higher costs and interruptions in production and delivery of Group products and services, that could have a material negative impact on the Group's financial performance.

The Group might experience higher input costs from increased prices on e.g. purchased material, freight and energy as well as higher labor costs. If the Group is unable to compensate for the higher input costs through increased prices on products and services sold, this could have a negative impact on the Group's financial performance.

**Accounts receivable**

Due to the prevailing business model in the construction equipment industry in China, with long payment terms to customers, a substantial part of the Volvo Group's accounts receivable is related to customers in this market. The weakened Chinese construction equipment market is currently impacting customers' and dealers' profitability negatively. This might affect

## 27 NOTES

their ability to honor their obligations to the Group and may consequently have a material adverse effect on the Group's financial result and position.

#### Detected premature degradation of emissions control component

As previously communicated, the Volvo Group has detected that an emissions control component used in certain markets and models, may degrade more quickly than expected, affecting the vehicles emission performance negatively. The Volvo Group made a provision of SEK 7 billion impacting the operating income in Q4 2018, relating to the estimated costs to address the issue. Negative cash flow effects started in 2019 and will continue in the coming years. As of year-end 2024, approximately half of the initial provision had been utilized. The Volvo Group will continuously assess the size of the provision as the matter develops.

#### Contingent liabilities

The reported amounts for contingent liabilities reflect a part of Volvo Group's risk exposure. Total contingent liabilities as of March 31, 2025, amounted to SEK 15.8 billion, a decrease of SEK 1.2 billion compared with December 31, 2024. The gross exposure of SEK 15.8 billion is partly reduced by counter guarantees and collaterals.

#### Legal proceedings

Starting in January 2011, the Volvo Group, together with a number of other truck manufacturers, was investigated by the European Commission in relation to a possible violation of EU antitrust rules. In July 2016 the European Commission adopted a settlement decision against the Volvo Group and other truck manufacturers finding that they were involved in an antitrust infringement which, in the case of the Volvo Group, covered a 14-year period from 1997 to 2011. The Volvo Group paid a monetary fine of EUR 670 million.

Following the adoption of the European Commission's settlement decision, the Volvo Group has received and is defending itself against a significant number of private damages claims brought by customers and other third parties alleging that they suffered loss, directly or indirectly, by reason of the conduct covered in the decision. The claims relate primarily to Volvo Group trucks sold during the 14-year period of the infringement and, in some cases, to trucks sold in certain periods after the infringement ended. Some claims have also been made against the Volvo

Group that relate to trucks sold by other manufacturers. The truck manufacturers subject to the 2016 settlement decision are, in most countries, jointly and severally liable for any losses arising from the infringement.

In the region of 3,000 claims are being brought in over 20 countries (including EU Member States, the United Kingdom, Norway and Israel) by large numbers of claimants either acting individually or as part of a wider group or class of claimants. Further claims may be commenced. The litigation in many countries can be expected to run for several years.

Several hundred thousand trucks sold by the Volvo Group are currently subject to claims against it or other truck manufacturers, with claimants alleging that the infringement resulted in an increase in the prices paid for Volvo Group trucks which directly or indirectly caused them loss.

The Volvo Group maintains its firm view that no damage was caused to its customers or any third party by the conduct set out in the settlement decision, and in fact, the European Commission did not assess any potential effects of the infringement on the market. The Volvo Group considers that transaction prices our customers paid for their trucks were unaffected by the infringement and were the outcome of individual negotiations across all elements of their purchasing requirements, including not only the prices for new trucks but also (where relevant) associated products and services sold together with new trucks such as service contracts, financing, buy-back guarantees etc.

Litigation developments so far have been mixed with some adverse outcomes, although uncertainty regarding ultimate exposure to the litigation remains high and it is inherent in complex litigation that outlooks and risks fluctuate over time.

At this stage it is not possible to make a reliable estimate of the total liability that could arise from such proceedings given the complexity of the claims and the different (and in some cases relatively early) stages to which national proceedings have progressed. However, the litigation is substantial in scale and any adverse outcome or outcomes of some or all of the litigation, depending on the nature and extent of such outcomes, may have a material negative impact on the Volvo Group's financial results, cash flows and financial position. In light of progress in litigations and current risks, the Volvo Group has in Q2 2023 recognized a cost of SEK 6 billion (in addition to previously recognized costs of SEK 630 M and besides legal fees to advisors), relating to aspects of the litigation that are currently possible to estimate and where an outflow of resources is probable. This is Volvo Group's current assessment, which may change as the litigation progresses.

## NOTE 3 | ACQUISITIONS AND DIVESTMENTS

#### Acquisitions and divestments

The Volvo Group has not completed any acquisitions or divestments of operations during the first quarter that have had a material impact on the financial statements.

#### Assets and liabilities held for sale

Assets and liabilities held for sale amounted to net SEK 358 M (368) as of March 31, 2025, which mainly relates to planned property divestments.

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### NOTE 4 | CURRENCY AND FINANCIAL INSTRUMENTS

#### Fair value of financial instruments

Valuation principles and classifications of Volvo Group financial instruments, as described in Volvo Group Annual Report 2024 Note 30, have been consistently applied throughout the reporting period. Financial instruments in the Volvo Group reported at fair value through profit and loss consist mainly of interest and currency derivatives. Derivatives with positive fair values amounted to SEK 7.4 billion (6.3) and derivatives with negative fair values amounted to SEK 2.6 billion (5.9) as of March 31, 2025. The derivatives are accounted for on gross basis.

Financial liabilities valued at amortized cost, reported as non-current and current bond loans and other loans, amounted to SEK 253.0 billion (258.9) in reported carrying value with a fair value of SEK 253.1 billion (258.7). In the Volvo Group consolidated financial position, financial liabilities include loan-related derivatives with negative fair values amounting to SEK 1.3 billion (4.8).

Currency effect on operating income, Volvo Group			
SEK M	Compared to first quarter 2024		
	First quarter 2025	First quarter 2024	Change
Net flow in foreign currency			-89
Realized and unrealized gains and losses on derivatives	2	2	-
Unrealized gains and losses on receivables and liabilities in foreign currency	27	-81	108
Translation effect on operating income in foreign subsidiaries			-226
<b>Total currency effect on operating income, Volvo Group</b>			<b>-207</b>

Applicable currency rates				
	Quarterly exchange rates		Close rates	
	First quarter 2025	First quarter 2024	Mar 31 2025	Mar 31 2024
BRL	1.83	2.10	1.74	2.13
CNY	1.47	1.44	1.38	1.47
EUR	11.23	11.28	10.83	11.49
GBP	13.44	13.17	12.96	13.41
KRW	0.0074	0.0078	0.0068	0.0079
USD	10.68	10.38	10.00	10.62

### NOTE 5 | TRANSACTIONS WITH RELATED PARTIES

SEK M	Sales of goods, services and other income		Purchases of goods, services and other expenses	
	First quarter 2025	First quarter 2024	First quarter 2025	First quarter 2024
Associated companies	155	503	65	53
Joint ventures	937	880	369	311

SEK M	Receivables		Payables	
	Mar 31 2025	Dec 31 2024	Mar 31 2025	Dec 31 2024
Associated companies	184	422	56	115
Joint ventures	640	528	155	213

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### NOTE 6 | RECONCILIATION OF ADJUSTED OPERATING INCOME

Adjusted operating income					
SEK M	1/2025	4/2024	3/2024	2/2024	1/2024
Trucks	8,464	10,138	9,363	13,251	13,073
Construction Equipment	2,542	2,609	2,558	3,888	3,683
Buses	360	689	731	554	259
Volvo Penta	915	583	831	1,016	988
Group Functions & Other	-114	-1,091	-468	-436	-947
Eliminations	-5	18	14	13	-13
<b>Industrial Operations</b>	<b>12,162</b>	<b>12,946</b>	<b>13,029</b>	<b>18,286</b>	<b>17,044</b>
Financial Services	1,019	1,012	992	1,028	1,009
Eliminations	77	81	52	132	106
<b>Volvo Group adjusted operating income</b>	<b>13,258</b>	<b>14,039</b>	<b>14,074</b>	<b>19,446</b>	<b>18,159</b>

Adjustments					
SEK M	1/2025	4/2024	3/2024	2/2024	1/2024
<b>Adjustment items (segment)</b>					
Financial impact related to the divestment of Arqus (Group Functions & Other)	-	-	-	181	-
Restructuring charges relating to the US bus production for Nova Bus (Group Functions & Other)	-	-	-	372	-
Restructuring charges relating to the European bus operation (Buses)	-	-	-	200	-
Previously announced provision for premature degradation of an emission control component:					
Trucks	-	-	-	140	-
<b>Total adjustments</b>					
Trucks	-	-	-	140	-
Construction Equipment	-	-	-	-	-
Buses	-	-	-	200	-
Volvo Penta	-	-	-	-	-
Group Functions & Other	-	-	-	553	-
<b>Industrial Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>893</b>	<b>-</b>
Financial Services	-	-	-	-	-
<b>Volvo Group</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>893</b>	<b>-</b>

Operating income					
SEK M	1/2025	4/2024	3/2024	2/2024	1/2024
Trucks	8,464	10,138	9,363	13,391	13,073
Construction Equipment	2,542	2,609	2,558	3,888	3,683
Buses	360	689	731	754	259
Volvo Penta	915	583	831	1,016	988
Group Functions & Other	-114	-1,091	-468	117	-947
Eliminations	-5	18	14	13	-13
<b>Industrial Operations</b>	<b>12,162</b>	<b>12,946</b>	<b>13,029</b>	<b>19,179</b>	<b>17,044</b>
Financial Services	1,019	1,012	992	1,028	1,009
Eliminations	77	81	52	132	106
<b>Volvo Group operating income</b>	<b>13,258</b>	<b>14,039</b>	<b>14,074</b>	<b>20,339</b>	<b>18,159</b>

## 30 PARENT COMPANY

Income from investments in Group companies for the first quarter includes dividend amounting to SEK 39 M (-). In appropriations, reversal of tax allocation reserve has been made by SEK 4,000 M.

Net financial asset amounted to SEK 3,404 M by March 31, 2025, compared with net debt SEK 34,317 M at year end 2024.

INCOME STATEMENT		
SEK M	First quarter	
	2025	2024
<b>Net sales<sup>1</sup></b>	<b>284</b>	<b>233</b>
Cost of sales <sup>1</sup>	-284	-233
<b>Gross income</b>	<b>-</b>	<b>-</b>
Administrative expenses <sup>1</sup>	-281	-313
Other operating income and expenses	-8	-1
<b>Operating income (loss)</b>	<b>-288</b>	<b>-314</b>
Income from investments in Group companies	39	-
Income from investments in joint ventures and associated companies	-	-
Income from other investments	-	-
Interest income and similar credits <sup>2</sup>	19	24
Interest expenses and similar charges <sup>2</sup>	-156	-391
<b>Income after financial items</b>	<b>-387</b>	<b>-681</b>
Appropriations	4,000	-
Income taxes	-788	129
<b>Income for the period</b>	<b>2,825</b>	<b>-552</b>

1 Of net sales in the first quarter SEK 284 M (233) pertained to Group companies, while purchases from Group companies amounted to SEK 133 M (137).

2 Other financial income and expenses have been reclassified to either Interest income and similar credits or to Interest expenses and similar charges.

OTHER COMPREHENSIVE INCOME		
SEK M	2025	2024
<b>Income for the period</b>	<b>2,825</b>	<b>-552</b>
<b>Other comprehensive income, net of income taxes</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>2,825</b>	<b>-552</b>

## 31 PARENT COMPANY

BALANCE SHEET		
SEK M	Mar 31 2025	Dec 31 2024
<b>Assets</b>		
<b>Non-current assets</b>		
Tangible assets	21	6
<i>Financial assets</i>		
Shares and participations in Group companies	72,925	72,925
Investments in joint ventures and associated companies	8,971	8,971
Other shares and participations	2	2
Other non-current receivables	590	615
Deferred tax assets	196	196
<b>Total non-current assets</b>	<b>82,705</b>	<b>82,715</b>
<b>Current assets</b>		
<i>Current receivables</i>		
Tax assets	259	478
Receivables Group companies	3,830	49,627
Other receivables	351	254
<b>Total current assets</b>	<b>4,440</b>	<b>50,359</b>
<b>Total assets</b>	<b>87,144</b>	<b>133,074</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
<i>Restricted equity</i>		
Share capital	2,562	2,562
Statutory reserve	7,337	7,337
<i>Unrestricted equity</i>		
Non-restricted reserves	390	390
Retained earnings	72,020	38,855
Income for the period	2,825	33,164
<b>Total equity</b>	<b>85,134</b>	<b>82,309</b>
<b>Untaxed reserves</b>	<b>–</b>	<b>4,000</b>
<i>Provisions</i>		
Provision for post-employment benefits	203	204
Other provisions	–	–
<b>Total provisions</b>	<b>203</b>	<b>204</b>
<i>Non-current liabilities</i>		
Liabilities to Group companies	590	615
Other liabilities	46	108
<b>Total non-current liabilities</b>	<b>636</b>	<b>723</b>
<i>Current liabilities</i>		
Trade payables	249	320
Other liabilities to Group companies	249	44,757
Tax liabilities	–	–
Other liabilities	673	760
<b>Total current liabilities</b>	<b>1,171</b>	<b>45,838</b>
<b>Total equity and liabilities</b>	<b>87,144</b>	<b>133,074</b>

## 32 NET ORDER INTAKE

Net order intake of trucks			
	First quarter		Change
	2025	2024	%
Number of trucks			
<b>Net order intake</b>			
Europe	31,362	25,077	25
Heavy- and medium-duty	26,964	19,976	35
Light-duty	4,398	5,101	-14
North America	10,217	9,620	6
South America	5,948	7,898	-25
Asia	5,556	4,115	35
Africa and Oceania	2,144	1,991	8
<b>Total order intake</b>	<b>55,227</b>	<b>48,701</b>	<b>13</b>
Heavy-duty (>16 tons)	47,808	40,211	19
Medium-duty (7-16 tons)	3,020	3,269	-8
Light-duty (<7 tons)	4,399	5,221	-16
<b>Total order intake</b>	<b>55,227</b>	<b>48,701</b>	<b>13</b>
<b>Net order intake of trucks by brand</b>			
<b>Volvo</b>			
Europe	18,517	12,065	53
North America	4,621	6,909	-33
South America	5,626	7,712	-27
Asia	3,702	3,074	20
Africa and Oceania	1,193	1,307	-9
<b>Total Volvo</b>	<b>33,659</b>	<b>31,067</b>	<b>8</b>
Heavy-duty (>16 tons)	32,837	30,194	9
Medium-duty (7-16 tons)	822	873	-6
<b>Total Volvo</b>	<b>33,659</b>	<b>31,067</b>	<b>8</b>
<b>Renault Trucks</b>			
Europe	12,845	13,012	-1
Heavy- and medium-duty	8,447	7,911	7
Light-duty	4,398	5,101	-14
North America	15	26	-42
South America	245	108	127
Asia	1,854	1,041	78
Africa and Oceania	551	636	-13
<b>Total Renault Trucks</b>	<b>15,510</b>	<b>14,823</b>	<b>5</b>
Heavy-duty (>16 tons)	9,558	7,769	23
Medium-duty (7-16 tons)	1,553	1,833	-15
Light-duty (<7 tons)	4,399	5,221	-16
<b>Total Renault Trucks</b>	<b>15,510</b>	<b>14,823</b>	<b>5</b>
<b>Mack</b>			
North America	5,581	2,685	108
South America	77	78	-1
Africa and Oceania	196	2	9,700
<b>Total Mack</b>	<b>5,854</b>	<b>2,765</b>	<b>112</b>
Heavy-duty (>16 tons)	5,208	2,214	135
Medium-duty (7-16 tons)	646	551	17
<b>Total Mack</b>	<b>5,854</b>	<b>2,765</b>	<b>112</b>

## 33 DELIVERIES

Deliveries of trucks			
	First quarter		Change
Number of trucks	2025	2024	%
<b>Deliveries</b>			
Europe	24,047	29,289	-18
Heavy- and medium-duty	19,748	22,559	-12
Light-duty	4,299	6,730	-36
North America	14,315	15,056	-5
South America	5,397	5,154	5
Asia	3,315	3,717	-11
Africa and Oceania	1,759	2,254	-22
<b>Total deliveries</b>	<b>48,833</b>	<b>55,470</b>	<b>-12</b>
Heavy-duty (>16 tons)	41,366	44,431	-7
Medium-duty (7-16 tons)	3,167	4,270	-26
Light-duty (<7 tons)	4,300	6,769	-36
<b>Total deliveries</b>	<b>48,833</b>	<b>55,470</b>	<b>-12</b>
<b>Deliveries of trucks by brand</b>			
<b>Volvo</b>			
Europe	12,502	14,554	-14
North America	6,510	7,881	-17
South America	5,206	5,012	4
Asia	2,578	3,045	-15
Africa and Oceania	1,148	1,462	-21
<b>Total Volvo</b>	<b>27,944</b>	<b>31,954</b>	<b>-13</b>
Heavy-duty (>16 tons)	27,364	30,987	-12
Medium-duty (7-16 tons)	580	967	-40
<b>Total Volvo</b>	<b>27,944</b>	<b>31,954</b>	<b>-13</b>
<b>Renault Trucks</b>			
Europe	11,545	14,735	-22
Heavy- and medium-duty	7,246	8,005	-9
Light-duty	4,299	6,730	-36
North America	121	22	450
South America	151	87	74
Asia	737	672	10
Africa and Oceania	394	320	23
<b>Total Renault Trucks</b>	<b>12,948</b>	<b>15,836</b>	<b>-18</b>
Heavy-duty (>16 tons)	7,275	7,449	-2
Medium-duty (7-16 tons)	1,373	1,618	-15
Light-duty (<7 tons)	4,300	6,769	-36
<b>Total Renault Trucks</b>	<b>12,948</b>	<b>15,836</b>	<b>-18</b>
<b>Mack</b>			
North America	7,684	7,153	7
South America	40	55	-27
Africa and Oceania	150	259	-42
<b>Total Mack</b>	<b>7,874</b>	<b>7,467</b>	<b>5</b>
Heavy-duty (>16 tons)	6,662	5,806	15
Medium-duty (7-16 tons)	1,212	1,661	-27
<b>Total Mack</b>	<b>7,874</b>	<b>7,467</b>	<b>5</b>

## 34 SIGNATURES AND CONTACTS

### Events after the balance sheet date

For important events, please see page 4. No other significant events have occurred after the end of the first quarter 2025 that are expected to have a material effect on the Volvo Group's financial statements.

Gothenburg, April 23, 2025  
AB Volvo (publ)

Martin Lundstedt  
President and CEO

This report has not been reviewed by AB Volvo's auditors.

### Financial calendar

Report on the second quarter 2025	July 17, 2025
Report on the third quarter 2025	October 17, 2025

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This is information that AB Volvo (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact person set out in the press release concerning this report, at 07.20 CET on April 23, 2025.

This report contains forward-looking statements that reflect the Board of Directors' and management's current views with respect to certain future events and potential financial performance. Forward-looking statements are subject to risks and uncertainties. Results could differ materially from forward-looking statements as a result of, among other factors, (i) changes in economic, market and competitive conditions, (ii) success of business initiatives, (iii) changes in the regulatory environment and other government actions, (iv) fluctuations in exchange rates and (v) business risk management.

This report is based solely on the circumstances at the date of publication and except to the extent required under applicable law, AB Volvo is under no obligation to update the information, opinions or forward-looking statements in this report.

# V O L V O

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