

VOLVO

MTC meeting at AB Volvo

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**March 25, 2009
v 0.2**

Mission and Vision

Volvo Group

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

To be valued as
the world's leading provider
of **commercial transport solutions**

Wanted Position 2015

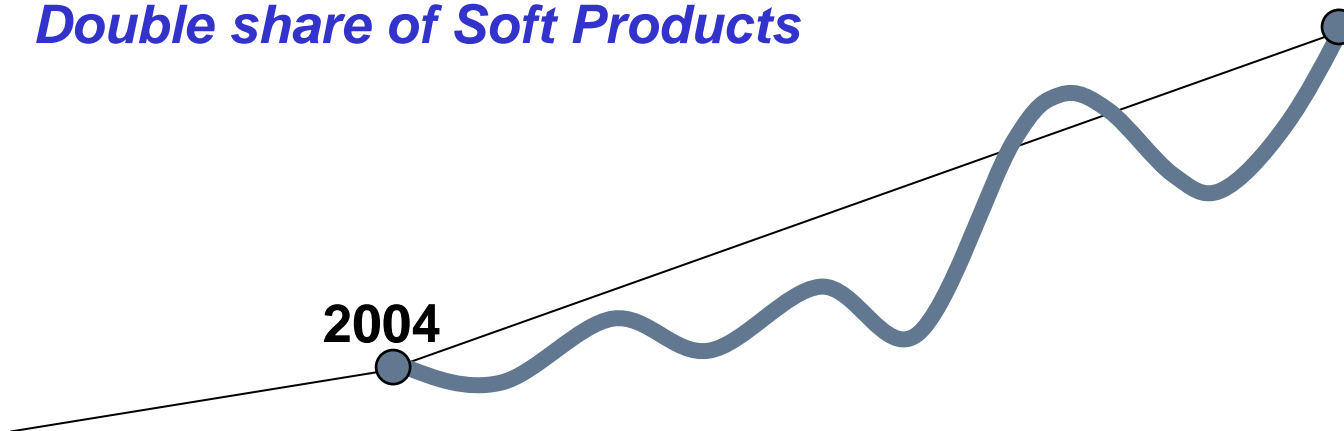
Corporate transformation

Most respected company

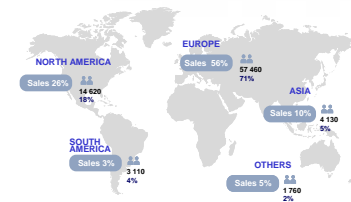
Most attractive employer

High score on sustainability index

Double share of Soft Products



AB Volvo							
Mack/ North America	Renault Trucks	Volvo Trucks	Volvo Bus	Volvo CE	Volvo Penta	Volvo Aero	Financial Services
Trucks							
IP							
Powertrain							
Parts							
Logistics							
Volvo Information Technology							



Definition of Soft Products



Volvo Group Definition

Soft Products are all products and services sold to a customer that enhance the customer's experience and satisfaction other than the sale of new vehicles / equipment / engines

Why Soft Products

- Focusing on Soft Products is a way for the Volvo Group to:
 - get closer to our customers
 - Meet customer needs during their entire business lifecycle
 - Strong customer relationship over the long run (loyalty)
 - Drive fulfilment of customer expected turn-key solutions
 - increase the sales of higher margin products and services
 - improve business cycle management with less cyclical revenues and therefore help to manage through downturns
 - add more life cycle value on gradually commoditized hard products
 - attract new customer segments

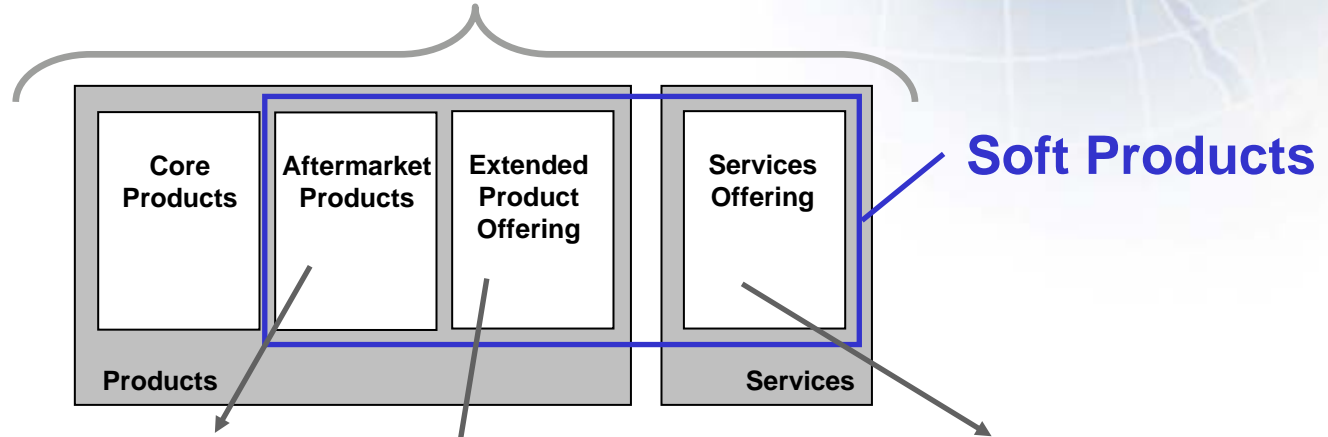
Soft Products @ Volvo Group



Transport Solutions

External and Internal /
3rd party offerings

Bundling of products and services



Aftermarket Product Areas

SPARE PARTS	SOFTWARE	ACCESSORIES	SERVICE PRODUCTS
Genuine new parts	Vehicle Software	Accessories	Service literature
Genuine non-new parts reman + used		Merchandise products	Service tools
Truck Shop offerings excl. accessories		Truck Shop Accessories	

EXTENDED PRODUCT OFFERING
Used vehicles
Trailers and superstruct.
Attachments

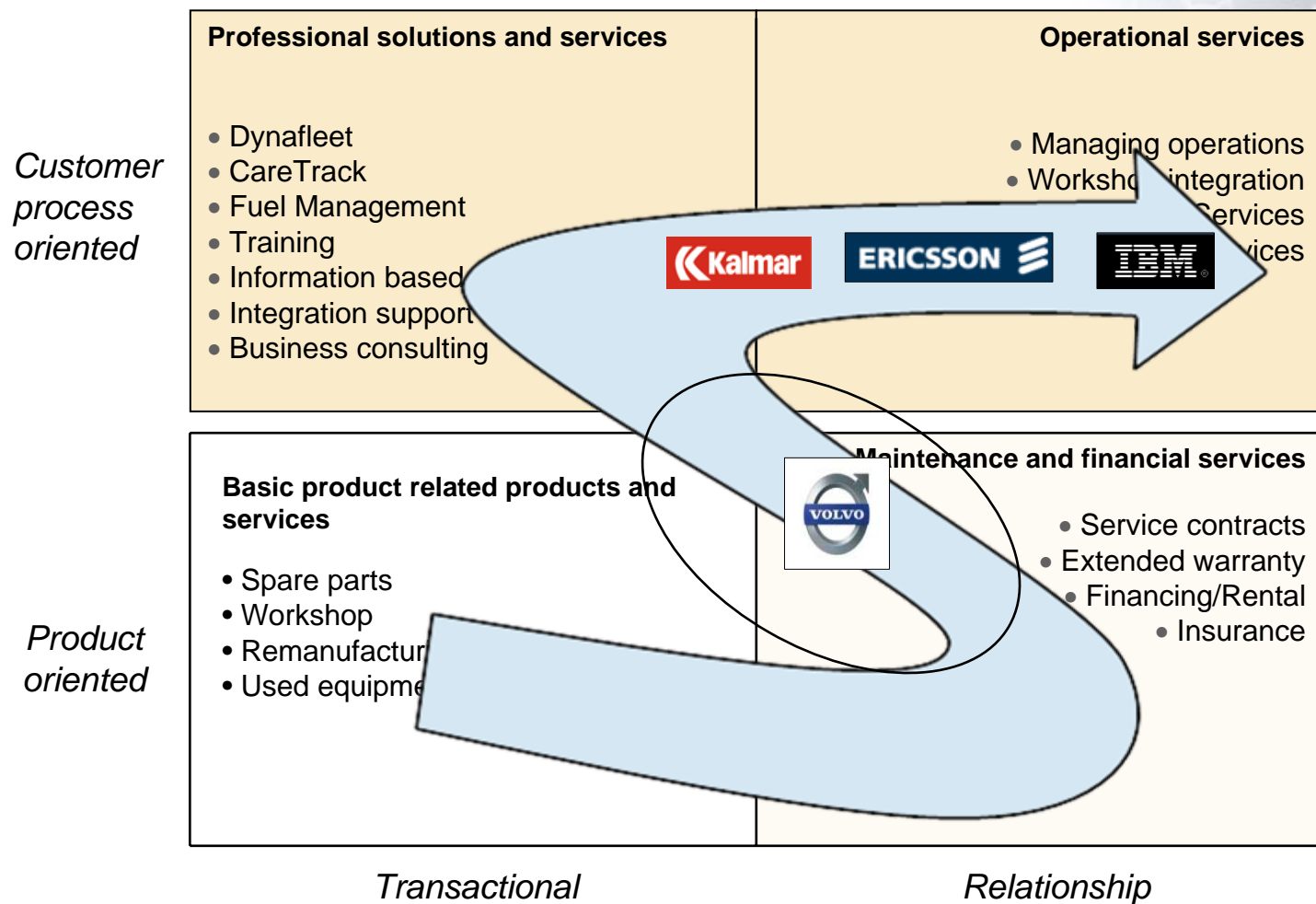
Service Offering Areas

UPTIME SERVICE	FLEET OPERATION SERVICES	FLEET SUPPORT SERVICES	FINANCIAL SERVICES
Service planning	Transport management	Driver development	Vehicle financing
Maintenance & repair	Driver time management	Fleet management	Rental Services
Updates & Upgrades	Vehicle management	Call centre services	Vehicle Insurance
Service Contracts	Security & Safety	Consultancy Services	Card solutions
Parts Service	Navigation Infotainment	Information services	

Service Journey

A way forward

* Logotype position indicates market perception of brand



Key Focus Areas

- Get the basics in place
 - Short-term targets, KPIs, LCE including investments, invoicing, ...
- Improve sales channel/management
 - Competencies, incentives, ...
- Improve speed of execution from concept to customer
 - Innovation, distribution, ...
- Communication
 - Mindset shift, sense of urgency, customer value...
- Optimized distribution model
 - Product oriented offer, customer process oriented offer



Volvo and Soft Products