

**INTERIM REPORT**

**AB Volvofinans (publ)**  
**Corp. Reg. No.: 556069-0967**  
January 1 - September 30, 2007

**OWNERHSIP / OPERATIONS**

Since its beginning in 1959, Volvofinans has been 50% owned by the Swedish Volvo dealerships through their holding company, AB Volverkinvest. The Sixth AP Fund owns 40% as of September 2007 and Ford Credit International Inc. owns 10% (previously 50%).

Volvofinans' primary task is to support sale of Volvo and Renault products in the Swedish market. Its operations include the financing of cars, trucks and buses sold through the Swedish Volvo Dealers.

AB Volvofinans and its subsidiary, Volvofinans Konto AB, are authorized credit market companies under the supervision of Finansinspektionen (Swedish Financial Supervisory Authority).

Volvofinans Konto AB conducts credit card operations and primarily administers and finances the payment and benefits card used in Volvo dealership operations – the Volvo Card.

At its meeting in September, the Board of Directors of AB Volvofinans decided on a consolidation of the operations of AB Volvofinans and Volvofinans Konto AB.

**VOLUMES / LENDING**

Sales of new cars in Sweden increased by 4.6% compared with the year-earlier period. A total of 219,505 cars (209,820) were registered. Volvo's and Renault's combined market share was 22.4% (23.3), or 49,097 registrations (48,795).

The truck market for heavy vehicles (>7 tons) increased by 15% compared with the preceding year and a total of 4,305 trucks (3,745) were registered, of which 1,855 were Volvo. Volvo's market share was approximately 43% (45), making Volvo the dominant player in the Swedish truck market for heavy vehicles. The successful launch by Volvofinans of the Volvo Dealers' Truck Card is continuing according to plan. During the period, around SEK 260 million in goods and services were purchased using the slightly more than 18,000 cards.

The total contract portfolio (loans and leasing contracts) amounted to 207,778 contracts (214,303). The truck and bus portion of the contract portfolio amounts to 8,870 contracts (9,399), which is slightly more than 4%.

Of the total sales of new and used cars by the Swedish Volvo dealers, 43.6% (47.1) generates a single financial contract for Volvofinans. Penetration of new and used cars is 47.7% and 39.5%, respectively.

Volvofinans finances the Swedish Volvo dealers' truck sales, excluding the portion conducted through the Volvo Truck Center, which is owned by AB Volvo. The penetration for new trucks amounted to 25%.

The growth and favorable trend of the Volvo Card has continued, creating increased card and lending volumes. Lending increased by 4% compared with the preceding year. The number of active accounts is half a million every month, and total consumption of goods and services using the Volvo Card amounted to approximately SEK 6.9 billion.

The number of corporate customers for which Svensk Vagnparksfinans handles the vehicle administration remained at a consistently high level at the end of the reporting period. At the end of the reporting period, 31,918 cars (31,569) were administered with cost follow-up.

The Group's lending volume amounted to SEK 24.3 billion, compared with SEK 23.7 billion in the preceding year.

The truck and bus portion of lending amounted to SEK 3.5 billion (3.7), which corresponds to 14.4% of total lending.

The Group's primary segment consists of the two lines of business, the car market and the truck market. The geographic distribution reflects that of the Group as a whole.

## INTERIM REPORT

Operating revenue, operating income, number of contracts and lending volume for the Volvofinans lines of business are presented below. Operating income is defined as the net of interest income, interest expense, net leasing income, dividends received, net income from financial transactions, commission income and commission expense.

Jan-Sep 2007	Cars	Trucks
Operating revenue, SEK T	426,936	30,206
Operating income, SEK T	217,757	23,127
Number of contracts	230,826	8,870
Lending volume Ø, SEK M	20,359	3,911

**INCOME**

The Volvofinans Group's income before loan losses improved by 10% to SEK 244.9 million (223.4). The income improvement was due to somewhat higher operating margins despite intense competition.

Income before appropriations and tax during the period increased by 11% to SEK 240.9 million (217.7). Income was affected by the risk provisions made on an ongoing basis as a result of the increased lending volumes. The increase in the provisions occurred in the credit card operations.

**CREDIT RISKS AND LOAN LOSSES**

Confirmed customer losses pertaining primarily to credit card operations increased, due to increased business volumes. However, loss levels remained comparatively very low. Recovered losses pertain primarily to liquidity for pre-sold, previously written-off losses. Risk provisions pertaining to contracts and credit card accounts are created based on group-wise valuations.

The Group's credit risk remains extremely low, since most of the credit risks and residual value risks are carried by the Volvo dealers.

The Group's problem credits pertain solely to credit card receivables. These have been fully reserved and amounted to SEK 75.8 million (64.8) on September 30, 2007. The number of collection-service customers is low and amounted to 8,513 (7,884) as of September 30, 2007. The increase in problem credits is due to an increase in the average debt as a result of the increasingly high price of fuel and customers' access to longer credit periods. There are no credits for which interest concessions have been negotiated, nor has there been any seizure of property to protect a claim. Loan losses are presented in the following table:

Amounts in SEK T	GROUP		PARENT COMPANY	
	2007	2006	2007	2006
<b>Confirmed loan losses</b>				
Confirmed loan losses	- 9,297	- 6,929	-	-
Recovered losses	<u>1,913</u>	<u>1,350</u>	<u>58</u>	<u>44</u>
	- 7,384	- 5,579	58	44
<b>Credit risk provisions</b>				
Reservations for anticipated loan losses	<u>3,371</u>	<u>- 150</u>	<u>7,661</u>	<u>8,094</u>
<b>LOAN LOSSES, net</b>	<b>- 4,013</b>	<b>- 5,729</b>	<b>7,719</b>	<b>8,138</b>

**CAPITAL PROCUREMENT**

The international credit concern that has arisen during the quarter and has also become noticeable in the Swedish money and capital market, has only marginally affected Volvofinans' borrowing. During the period, all market programs for borrowing have been utilized with strong demand.

Most of the Volvofinans Group's capital procurement occurs through three market programs totaling SEK 29.6 billion and through borrowing from banks. Under the Volvofinans Nordic Commercial Paper Program, with a limit amount of SEK 15.0 billion, Volvofinans is able to issue NOK, DKK, and EUR in addition to SEK. Issues are arranged by SEB, the lead bank, Handelsbanken, Swedbank, Nordea and Danske Bank. For borrowing in the European money market, we utilize our Euro Commercial Paper Program, which has a limit of EUR 500.0 million. Issues are arranged by SEB, with Handelsbanken and Credit Suisse acting as additional dealer banks.

For long-term borrowing, the Group employs its MTN program, with a limit amount of SEK 10.0 billion, under which issues are arranged by the Swedish commercial banks with Handelsbanken acting as the lead bank. During the quarter, three bond issues were carried out totaling SEK 750 million.

Total outstanding financing through the three market programs amounted to SEK 11.9 billion.

As a complement to borrowing in the market, long-term credits are contributed directly by banks or through bank syndicates. At the end of the period, this financing amounted to SEK 5.8 billion. Volvofinans has relationships with some 20 Swedish and international banks.

Of its total capital procurement, 60% was long-term borrowing.

Short-term borrowing, with remaining maturities of less than one year, must be covered at any given time by unutilized bank facilities. Of the total volume of available bank facilities of SEK 10.1 billion, SEK 7.1 billion were bilateral with the core banks with which we cooperate, and SEK 3.0 billion were in the form of a syndicated credit facility.

## INTERIM REPORT

## FINANCIAL RISKS

Since the Group operates in the financial sector, its operations are exposed to a number of financial risks on an ongoing basis. These risks are briefly described in the following:

*Liquidity risk* is the risk that Volvofinans' payment obligations cannot be met at maturity without significant increase in repayment cost, or, in the worst-case scenario, cannot be met at all. To assure its repayment capacity, Volvofinans has signed agreements with banks on credit assurances (bank facilities) that may be utilized with short notice.

*Interest-rate risk* is the present and future risk that the net interest income declines due to an adverse interest rate change. Interest-rate risk arises as a result of the fixed interest-rate periods and/or the interest bases for lending and borrowing failing to coincide. The majority of Volvofinans' credits and all borrowings track short-term interest rates, which implies there is no major interest-rate risk. For fixed-interest credits or credits with an interest rate cap, derivative instruments are used to ensure close adherence to short-term interest rates.

*Currency risk* arises as a result of unfavorable fluctuations in exchange rates. All of Volvofinans' lending is in SEK. When financing occurs in foreign currencies, currency risk is hedged, which implies that Volvofinans is not exposed to any exchange-rate fluctuations.

## RATING

Volvofinans has international credit ratings from Moody's Investors Service as follows:

- Short-term financing: P-2
- Long-term financing: A3

Detailed analysis from Moody's Investors Service can be found on the Volvofinans website, [www.volvofinans.se](http://www.volvofinans.se).

## CAPITAL ADEQUACY

As of February 1, 2007, new regulations apply for capital adequacy and large exposures. The new regulations mean that the capital requirement is more closely linked to the institution's overall risk profile than before, which entails a lower minimum capital requirement for Volvofinans.

Volvofinans calculates the capital requirement for credit risk in accordance with the standardized method as of Q3 2007, which means that all exposures are divided into 15 exposure categories with different risk weights in each respective category.

Capital requirements for operational risk are calculated in accordance with the base method as of Q3 2007, which means that the capital requirement comprises 15% of the average of the operating incomes for the last three fiscal years.

*The report for December 31 will be published on February 29, 2008 and will be available on the website: [www.volvofinans.se](http://www.volvofinans.se)*

*If any questions arise, please contact Bert Björn, President of Volvofinans.  
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*This report was not subject to a special review by the auditors.*

## CAPITAL ADEQUACY

Amounts in SEK M	Group* Sep. 30, 2007	Parent Company* Sep. 30, 2007	Group** Sep. 30, 2006	Parent Company** Sep. 30, 2006
<b>Capital base</b>				
Capital base	2,618	2,605	2,550	2,538
Core capital	2,423	2,410	2,238	2,226
Supplementary capital	195	195	312	312
<b>Capital requirement</b>				
Capital requirement for credit risk as per standardized method	1,677	1,567	-	-
Capital requirement for operational risk as per base method	77	41	-	-
Total minimum capital requirement as per Basel II	1,754	1,608	-	-
Total minimum capital requirement Basel I	2,001	1,853	1,934	1,795
<b>Capital adequacy measurement</b>				
Capital adequacy quotient	1.49	1.62	1.32	1.41
Capital adequacy ratio, %	12.49	13.30	10.54	11.31
Core capital ratio, %	11.56	12.31	9.25	9.92

\* In accordance with Basel II Standardized

\*\* In accordance with Basel I

## CONSOLIDATED INCOME STATEMENT

GROUP	2007	2007	2007	2006	2006	2006
	Jan - Sep	Jul - Sep	Jan - Jun	Jan - Sep	Jul - Sep	Jan - Jun
Amounts in SEK T						
Interest income	686,522	240,910	445,612	535,786	190,397	345,390
Leasing income	1,262,522	434,348	828,174	1,130,509	391,271	739,237
Interest expense	-574,469	-205,603	-368,866	-404,935	-149,010	-255,925
Dividends received	92	0	92	56	0	56
Net income from financial transactions*	3,755	883	2,872	5,049	415	4,634
Commission income	193,140	64,266	128,874	190,686	64,263	126,423
Commission expense	-11,307	-3,517	-7,790	-12,906	-5,920	-6,986
<b>Total operating income</b>	<b>1,560,255</b>	<b>531,288</b>	<b>1,028,967</b>	<b>1,444,246</b>	<b>491,416</b>	<b>952,830</b>
General administrative expenses	-180,423	-55,372	-125,051	-168,280	-51,406	-116,874
Depreciation of tangible fixed assets	-1,103,114	-376,813	-726,300	-1,023,484	-350,445	-673,039
Other operating expenses	-31,822	-12,061	-19,761	-29,070	-10,580	-18,490
<b>Total operating expenses</b>	<b>-1,315,358</b>	<b>-444,246</b>	<b>-871,112</b>	<b>-1,220,833</b>	<b>-412,431</b>	<b>-808,402</b>
<b>Income before loan losses</b>	<b>244,897</b>	<b>87,042</b>	<b>157,855</b>	<b>223,412</b>	<b>78,984</b>	<b>144,428</b>
Loan losses, net	-4,013	-497	-3,516	-5,729	-1,706	-4,023
<b>Income before appropriations and taxes</b>	<b>240,884</b>	<b>86,545</b>	<b>154,339</b>	<b>217,683</b>	<b>77,279</b>	<b>140,404</b>
Appropriations	-	-	-	-	-	-
Estimated tax	-67,447	-24,112	-43,335	-60,951	-21,638	-39,313
<b>Income</b>	<b>173,436</b>	<b>62,433</b>	<b>111,003</b>	<b>156,732</b>	<b>55,641</b>	<b>101,091</b>
* Net income from financial transactions						
	2007	2007	2007	2006	2006	2006
	Jan - Sep	Jul - Sep	Jan - Jun	Jan - Sep	Jul - Sep	Jan - Jun
Currency-related	2,636	1,042	1,594	3,564	1,121	2,443
Interest-bearing securities and related derivative contracts	1,119	-159	1,278	1,485	-706	2,191
	<b>3,755</b>	<b>883</b>	<b>2,872</b>	<b>5,049</b>	<b>415</b>	<b>4,634</b>

## INCOME STATEMENT, PARENT COMPANY

## PARENT COMPANY

Amounts in SEK T	2007	2007	2007	2006	2006	2006
	Jan - Sep	Jul - Sep	Jan - Jun	Jan - Sep	Jul - Sep	Jan - Jun
Interest income	492,290	173,659	318,631	406,231	145,221	261,009
Leasing income	1,769,516	605,018	1,164,498	1,659,019	570,036	1,088,983
Interest expenses	-568,399	-203,536	-364,863	-400,437	-147,498	-252,938
Dividends received	92	0	92	56	0	56
Net income from financial transactions*	3,755	883	2,872	5,049	415	4,634
Commission income	59,651	20,024	39,626	58,117	19,542	38,575
Commission expenses	-7,884	-2,315	-5,568	-9,321	-4,718	-4,603
<b>Total operating income</b>	<b>1,749,021</b>	<b>593,733</b>	<b>1,155,288</b>	<b>1,718,714</b>	<b>582,998</b>	<b>1,135,716</b>
General administrative expenses	-62,326	-19,399	-42,927	-58,097	-16,868	-41,228
Depreciation of tangible fixed assets	-1,529,988	-519,642	-1,010,346	-1,486,016	-504,880	-981,136
Other operating expenses	-10,746	-3,854	-6,892	-7,380	-1,209	-6,172
<b>Total operating expenses</b>	<b>-1,603,060</b>	<b>-542,895</b>	<b>-1,060,165</b>	<b>-1,551,493</b>	<b>-522,957</b>	<b>-1,028,536</b>
<b>Income before loan losses</b>	<b>145,961</b>	<b>50,838</b>	<b>95,123</b>	<b>167,221</b>	<b>60,041</b>	<b>107,180</b>
Loan losses, net	7,719	2,518	5,201	8,138	2,994	5,144
<b>Income before appropriations and taxes</b>	<b>153,680</b>	<b>53,356</b>	<b>100,324</b>	<b>175,359</b>	<b>63,035</b>	<b>112,325</b>
Appropriations	-	-	-	-	-	-
Estimated tax	-43,030	-14,819	-28,211	-49,101	-17,650	-31,451
<b>Income</b>	<b>110,650</b>	<b>38,537</b>	<b>72,113</b>	<b>126,259</b>	<b>45,385</b>	<b>80,874</b>
* Net income from financial transactions	2007	2007	2007	2006	2006	2006
	Jan - Sep	Jul - Sep	Jan - Jun	Jan - Sep	Jul - Sep	Jan - Jun
Currency-related	2,636	1,042	1,594	3,564	1,121	2,443
Interest-bearing securities and related derivative contracts	1,119	-159	1,278	1,485	-706	2,191
	<b>3,755</b>	<b>883</b>	<b>2,872</b>	<b>5,049</b>	<b>415</b>	<b>4,634</b>

## BALANCE SHEET

Amounts in SEK T	Group			Parent Company		
	2007 September 30	2006 December 31	2006 September 30	2007 September 30	2006 December 31	2006 September 30
Lending, incl. leasing objects	24,269,706	24,203,764	23,709,621	22,531,283	22,540,154	22,034,450
Lending, Group companies	-	-	-	554,644	884,041	885,039
Other assets*	856,484	737,040	668,636	985,627	893,907	834,981
<b>Total assets</b>	<b>25,126,190</b>	<b>24,940,804</b>	<b>24,378,257</b>	<b>24,071,555</b>	<b>24,318,101</b>	<b>23,754,470</b>
Borrowing	19,712,358	19,909,371	19,321,540	19,518,261	19,709,252	19,136,960
Other liabilities*	1,780,614	1,306,274	1,413,140	1,020,249	896,823	1,028,356
Subordinated loans	194,666	459,588	461,692	194,666	459,588	461,692
Deferred tax	774,387	773,937	727,177	774,387	773,937	727,177
Shareholders' equity	2,423,282	2,358,137	2,237,025	2,410,310	2,345,165	2,224,925
<b>Income before appropriations and taxes</b>	<b>240,884</b>	<b>133,498</b>	<b>217,683</b>	<b>153,680</b>	<b>133,336</b>	<b>175,359</b>
<b>Total liabilities and equity</b>	<b>25,126,190</b>	<b>24,940,804</b>	<b>24,378,257</b>	<b>24,071,555</b>	<b>24,318,101</b>	<b>23,754,470</b>

\* Of which, derivative instruments with positive and negative market values, respectively.

	2007 September 30	2006 December 31	2006 September 30
Derivative instruments with positive market values	7,390	2,724	22,331
Derivative instruments with negative market values	-91,597	-96,754	-36,821

## KEY RATIOS

<b>Group</b>	<b>2007*</b> <b>Jan - Sep</b>	<b>2006**</b> <b>Jan - Sep</b>	<b>2006**</b> <b>Full year</b>
Return on shareholders' equity, %	10.40	10.26	10.65
Risk capital/total assets, %	14.46	14.95	14.65
Income/Risk-weighted assets, %	1.53	1.20	1.22
Capital adequacy quotient	1.49	1.32	1.38
Capital adequacy ratio, %	12.49	10.54	11.04
Core capital ratio, %	11.56	9.25	9.79
Loan losses as a percentage of lending, %	0.02	0.03	-
I/C ratio	2.03	2.04	2.10
I/C ratio excluding loan losses	2.07	2.10	2.09

\* In accordance with Basel II Standardized

\*\* In accordance with Basel I

## CASH-FLOW STATEMENT

## ONGOING OPERATIONS

Amounts in SEK T

<b>GROUP</b>	<b>2007 Jan - Sep</b>	<b>2006 Jan - Sep</b>
Operating income	240,884	217,683
Depreciation	1,103,114	1,023,484
<i>Changes in operating assets and liabilities</i>		
Lending to credit institutions	15,308	59,191
Lending to general public	207,320	1,153,392
Other assets	-98,346	34,140
Liabilities, credit institutions	-239,613	-532,209
Funding from general public	98,469	117,801
Securities issued	-55,869	-670,678
Other liabilities	437,036	201,710
<b>Cash flow from ongoing operations</b>	<b>1,708,303</b>	<b>1,604,514</b>
INVESTMENT OPERATIONS		
Changes in intangible fixed assets	-21,647	-19,086
Changes in tangible fixed assets	-1,391,136	-1,348,979
<b>Cash flow from investment operations</b>	<b>-1,412,783</b>	<b>-1,368,065</b>
FINANCING OPERATIONS		
Subordinated loan	-264,922	-208,237
Dividend paid	-30,600	-28,200
<b>Cash flow from financing operations</b>	<b>-295,522</b>	<b>-236,437</b>
<b>Cash flow for the period</b>	<b>-2</b>	<b>12</b>
Cash and cash equivalents, January 1	12	11
Cash flow from ongoing operations	1,708,303	1,604,514
Cash flow from investment operations	-1,412,783	-1,368,065
Cash flow from financing operations	-295,522	-236,437
<b>Cash and cash equivalents at the end of the period</b>	<b>10</b>	<b>23</b>

## CHANGES IN SHAREHOLDERS' EQUITY

<b>Note 1</b>				
<b>Amounts in SEK T</b>				
<b>Group</b>	<b>Share capital</b>	<b>Other capital contributed</b>	<b>Retained earnings, incl. profit for the year</b>	<b>Total equity</b>
Equity, December 31, 2005	100,000	1,232	1,964,720	2,065,952
Effects of transition to IFRS				
IAS 39 Financial instruments			-727	-727
<b>Equity, January 1, 2006, after adjustments</b>	<b>100,000</b>	<b>1,232</b>	<b>1,963,993</b>	<b>2,065,225</b>
Changes in equity of associated companies		872	-872	0
Net profit for the year			216,857	216,857
<b>Total changes before transactions with the owners</b>	<b>100,000</b>	<b>2,104</b>	<b>2,179,978</b>	<b>2,282,082</b>
Dividend			-28,200	-28,200
<b>Equity, December 31, 2006</b>	<b>100,000</b>	<b>2,104</b>	<b>2,151,778</b>	<b>2,253,882</b>
Dividend			-30,600	-30,600
Profit for the period after taxes			173,436	173,436
<b>Equity, September 30, 2007</b>	<b>100,000</b>	<b>2,104</b>	<b>2,294,615</b>	<b>2,396,719</b>
		<b>Restricted equity</b>		
	<b>Share capital</b>	<b>Restricted reserves</b>	<b>Retained earnings, incl. income for year</b>	<b>Total equity</b>
<b>Parent Company</b>				
Equity, December 31, 2005	100,000	20,000	63,242	183,242
Effects of transition to IFRS				
IAS 39 Financial instruments			-727	-727
<b>Equity, January 1, 2006, after adjustments</b>	<b>100,000</b>	<b>20,000</b>	<b>62,515</b>	<b>182,515</b>
Group contribution received			62,465	62,465
Tax attributable to Group contribution received			-17,490	-17,490
<b>Total changes in net wealth reported directly against equity</b>	<b>0</b>	<b>0</b>	<b>44,975</b>	<b>44,975</b>
Net profit for the year			50,770	50,770
<b>Total changes before transactions with the owners</b>	<b>100,000</b>	<b>20,000</b>	<b>158,260</b>	<b>278,260</b>
Dividend			-28,200	-28,200
<b>Equity, December 31, 2006</b>	<b>100,000</b>	<b>20,000</b>	<b>130,060</b>	<b>250,060</b>
Dividend			-30,600	-30,600
Profit for the period after taxes			110,650	110,650
<b>Equity, September 30, 2007</b>	<b>100,000</b>	<b>20,000</b>	<b>210,110</b>	<b>330,110</b>

## ACCOUNTING PRINCIPLES

### GROUP

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From 2007, Volvofinans applies IFRS (International Financial Reporting Standards), as endorsed by the EU. This interim report was prepared in accordance with IAS 34. All comparative figures are restated in accordance with IFRS. The main difference is that derivative instruments are reported at market value. Volvofinans applies hedge accounting for fixed-interest borrowing swapped for floating interest. This means that the hedged instruments are recognized at fair value, taking into account the risk that is hedged. The new regulations entail a slight change in the appearance of the balance sheet and income statement. Derivative instruments are divided up into positive and negative market values and are reported in a gross amount in the balance sheet. The same applies for accrued interest on swaps. The income statement becomes somewhat more volatile and a new item, net income from financial transactions, shows value changes driven by fluctuations in exchange rates and market rates pertaining to our borrowing and related derivative instruments. Consequently, the new valuation

principles resulted in a negative effect of SEK 1.0 million as of December 31, 2005, and a positive effect of SEK 0.5 million as of September 30, 2006. Accordingly, there was a positive change in income for the first nine months of 2006 of SEK 1.5 million. As of December 31, 2006, the positive effect was SEK 0.6 million compared with retained earnings reported earlier. All amounts are pre-tax. Total assets increased by SEK 23.3 million as of December 31, 2005, and decreased by SEK 14.5 million as of December 31, 2006.

The transition to IFRS also affected the classification of interest expenses in the income statement. For the first nine months of 2006, SEK 5.3 million was reclassified from commission expenses to interest expenses. This pertains to expenses in conjunction with market borrowings.

In accordance with IAS 17, leasing contracts were classified as either operational or financial leases. This means that some of the leasing net has been reclassified as interest income. For the first nine months of 2006, SEK 63.9 million was

transferred from the leasing net to interest income.

### PARENT COMPANY

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The same accounting principles and calculation premises are applied as in the most recent Annual Report. The Parent Company is subject to the Annual Accounts Act and to the Swedish Financial Accounting Standards Council's Recommendation RR 32:05, Reporting of legal entities. The application of RR 32 implies that in the interim report for the legal entity, the Parent Company applies all EU-approved IFRS standards and statements, as far as possible within the framework of the Annual Accounts Act, the Tryggandelagen (the Swedish Act on safeguarding pension obligations) and considering the connection between accounting and taxation.

No significant events occurred after the close of the reporting period.

## BRIDGE BALANCE SHEET

## GROUP

Amounts in SEK T	IFRS September 2006		Reported September 2006
Lending, incl. leasing objects	23,709,621	0	23,709,621
Lending, Group companies	-	-	-
Other assets*	668,636	8,914	659,722
<b>Total assets</b>	<b>24,378,257</b>	<b>8,914</b>	<b>24,369,343</b>
Borrowing	19,321,540	-18,418	19,339,958
Other liabilities*	1,413,140	25,164	1,387,976
Subordinated loan	461,692	1,692	460,000
Deferred tax	727,177	-283	727,459
Shareholders' equity	2,194,842	0	2,194,842
<b>Profit brought forward</b>	<b>259,866</b>	<b>759</b>	<b>259,107</b>
<b>Total liabilities and equity</b>	<b>24,378,257</b>	<b>8,914</b>	<b>24,369,343</b>

\* Of which, derivative instruments with positive and negative market values, respectively.

	2006 September 30
Derivative instruments with positive market values	22,331
Derivative instruments with negative market values	-36,821

## BRIDGE INCOME STATEMENT

## GROUP

Amounts in SEK T	According to IFRS		Reported
	Jan - Sep 2006	Jan - Sep 2006	Jan - Sep 2006
Interest income	535,786	63,864	471,922
Leasing income	1,130,509	-528,510	1,659,019
Interest expense	-404,935	-8,833	-396,101
Dividends received	56	0	56
Net income from financial transactions*	5,049	5,049	0
Commission income	190,686	0	190,686
Commission expense	-12,906	5,270	-18,176
<b>Total operating income</b>	<b>1,444,246</b>	<b>-463,161</b>	<b>1,907,406</b>
General administrative expenses	-168,280	0	-168,280
Depreciation of tangible fixed assets	-1,023,484	464,646	-1,488,130
Other operating expenses	-29,070	0	-29,070
<b>Total operating expenses</b>	<b>-1,220,833</b>	<b>464,646</b>	<b>-1,685,479</b>
<b>Income before loan losses</b>	<b>223,412</b>	<b>1,485</b>	<b>221,927</b>
Loan losses, net	-5,729	0	-5,729
<b>Income before appropriations and taxes</b>	<b>217,683</b>	<b>1,485</b>	<b>216,198</b>
Appropriations	-	-	-
Estimated tax	-60,951	-416	-60,535
<b>Income</b>	<b>156,732</b>	<b>1,069</b>	<b>155,662</b>
* Net income from financial transactions	According to IFRS		Reported
	Jan - Sep 2006	Jan - Sep 2006	Jan - Sep 2006
Currency-related	3,564	3,564	0
Interest-bearing securities and related derivative contracts	1,485	1,485	0
	<b>5,049</b>	<b>5,049</b>	<b>0</b>

**VOLVOFINANS**

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