



**VOLVOFINANS**

# **INTERIM REPORT**

**Volvofinans Bank AB (publ)**

**January 1 – September 30, 2008**

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**Volvofinans Bank AB (publ)**  
**Corp. Reg. No. 556069-0967**  
January 1 – September 30, 2008

This information is such that Volvofinans Bank AB must disclose it publicly pursuant to the Securities Market Act (SFS 2007:528).  
This information was submitted for publication at 8:00 a.m. on November 25, 2008.

## MESSAGE FROM THE PRESIDENT

The third quarter of 2008 was characterized by a global financial crisis without precedent. The Lehman Brothers bankruptcy in September was the start of a crisis in confidence that the world has seldom experienced previously. The crisis also spread to Sweden, resulting in a non-functional interbank market and a lack of liquidity in the financial system.

Volvofinans is therefore both pleased and proud to present its best-ever quarter in terms of earnings. This is the result of long-term efforts to establish several borrowing channels via market borrowing, bank borrowing and to a certain extent increased deposits via the Volvo Card. This combination enabled us to succeed in efficient management of liquidity despite the prevailing uncertainty without negative effects for our customers and those of Volvo dealers.

Income for the third quarter amounted to SEK 91 M. Accumulated income amounted to SEK 243 M, which indicates the strength of Volvofinans' underlying earnings capacity. Our large loan, leasing and card portfolios provide an earnings base that is only gradually affected by upturns and downturns. Thus far, increased borrowing costs as a result of the financial turbulence have had only marginal effect on Volvofinans' income.

Nonetheless, we foresee a reduction of business volumes over the coming months as a result of the impending

recession. We also see lower interest levels as indicated by the Swedish Central Bank. In combination, these factors will have a certain negative impact on Volvofinans' income. We foresee a gradual effect on underlying earnings. What might hasten the effect somewhat are dramatically lower interest-rate levels. We thus foresee a period with somewhat lower income levels but continued strong competitiveness in sales financing for Swedish Volvo retailers.

In the wake of the financial turbulence, ratings institutes have changed the rating for several institutions. On October 17, Moody's also changed Volvofinans' long-term rating from A3 to Baa1 with a negative outlook. The short-term P-2 rating was confirmed at the same time.

## OWNERSHIP / OPERATIONS

Since its beginning in 1959, Volvofinans has been 50% owned by the Swedish Volvo dealerships through their holding company, AB Volverkinvest. The Swedish Sixth National Pension Fund owns 40% and Ford Credit International Inc. owns 10%.

Volvofinans' primary task is to provide product and sales financing with satisfactory profitability that actively supports sales of the products marketed through Volvo dealerships in the Swedish market with profitable product and sales financing.

Volvofinans Bank AB (name changed from AB Volvofinans)

obtained permission in July from the Swedish Financial Supervisory Authority to conduct banking operations and is the Parent Company of Volvofinans Konto Bank AB. Volvofinans Konto Bank AB conducts credit card operations and administers and markets the payment and benefits card used in Volvo dealerships – the Volvo Card.

Consolidation of the operations of Volvofinans Bank AB, Volvofinans Konto Bank AB and Volvofinans IT AB took place on October 1 in accordance with a decision by the Board of Directors of Volvofinans Bank AB.

## VOLUMES / LENDING

Sales of new cars in Sweden declined by 10.3%, compared with the year-earlier period. A total of 196,911 cars (219,505) were registered. Volvo and Renault's combined market share was 21.3% (22.4) or 42,026 registrations (49,097).

The total contract portfolio amounted to 232,061 (239,969). The truck and bus portion of the contract portfolio amounted to 8,482 contracts (8,870), corresponding to nearly 4%. Car administration handled by Svensk Vagnparksfinans accounted for 14%, and the number of cars with cost follow-ups was 32,775 (31,918).

Of the total sales of new and used cars by Swedish Volvo dealers, 49% (44) generated a financial contract for Volvofinans. Penetration of new and used cars was 55% and 43%, respectively.

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Volvofinans finances the Swedish Volvo dealers' truck sales, excluding the portion conducted through the Volvo Truck Center, which is owned by AB Volvo. Penetration for new trucks amounted to slightly more than 29%.

The Volvo Card continued to expand and perform positively, and lending was on par with the preceding year. The number of active accounts is half a million each month and total consumption of goods and services via the Volvo Card amounted to approximately SEK 7.5 billion.

The Group's lending volume amounted to SEK 23.4 billion, compared with SEK 24.3 billion in the preceding year. The truck and bus portion of lending amounted to SEK 3.5 billion (3.5), corresponding to 15% of total lending.

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

Operating revenue, operating income, number of contracts and lending volume are presented for Volvofinans' business segments below. Operating revenue 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-Sept 2008	Cars	Trucks	Group
Assets, SEK M	20,757	4,111	24,867
Lending volume, SEK M	19,983	3,958	23,940
Operating revenue, SEK T	443,853	32,620	476,473
Overhead costs	225,048	6,484	231,532
Operating income, SEK T	213,297	29,633	242,930
Number of contracts	223,579	8,482	232,061

Overhead costs are defined as general administrative expenses and other operating expenses. Volvofinans does not deem it relevant to divide its liabilities between the different segments. Lending is controlled by total need and cannot be specifically attributed to the segments.

## INCOME

The Volvofinans Group's income before loan losses amounted to SEK 244.9 M (241.0) and income before appropriations and tax increased by 3% to SEK 242.9 M (237.0).

Despite higher lending margins, interest income was influenced positively by rising interest rates. The decrease in the number of contracts had a negative impact on commission income. Expenses, incurred primarily for IT and marketing activities, increased compared with the preceding year.

## CREDIT RISKS AND LOAN LOSSES

Confirmed customer losses pertain primarily to credit card operations. However, loss levels remained very low comparatively. Recovered losses pertain primarily to payment for pre-sold, previously written-off losses. Risk provisions pertaining to contracts and credit card portfolios are booked based on group-wise valuations.

The Group's credit risk remains very 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 and amounted to SEK 88.7 M (75.8). The number of collection-service customers amounted to 9,431 (8,513) at September 30, 2008. The increase in problem credits is due to a rise in 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 receivable. Loan losses are presented in the following table.

Amounts in SEK T	GROUP		PARENT COMPANY	
	2008	2007	2008	2007
<b>Confirmed loan losses</b>				
Confirmed loan losses	- 8,509	- 9,297	-	-
Recovered losses	<u>1,865</u>	<u>1,913</u>	<u>88</u>	<u>58</u>
	- 6,644	- 7,384	88	58
<b>Credit risk provisions</b>				
Reserves fro anticipated Loan losses	<u>4,633</u>	<u>3,371</u>	<u>3,038</u>	<u>7,661</u>
<b>LOAN LOSSES, net</b>	<b>- 2,011</b>	<b>- 4,013</b>	<b>3,126</b>	<b>7,719</b>

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## CAPITAL PROCUREMENT

During the quarter, the turbulence on the currency and capital markets increased further. Nonetheless, Volvofinans experienced favorable demand for its issued securities, as evidenced in part through Volvofinans obtaining five-year financing via the bond market. The general increase in interest spreads for long-term financing continued.

Total outstanding financing via the market amounted to SEK 12.9 billion at September 30, 2008. As a supplement to the procurement of funds on the market, Volvofinans also has SEK 5.8 billion in long-term bank credits.

The total volume of contracted and unutilized credit facilities amounted to SEK 11.3 billion at September 30, 2008. Due to unrest in the currency and capital markets, capital procurement after the closing date has to a greater extent than previously been obtained through short-term bank financing.

## FINANCIAL RISKS

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

*Liquidity risk* is the risk that Volvofinans' payment obligations cannot be met at maturity without significant increase in repayment costs 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 at short notice.

*Interest-rate risk* is the present and future risk that net interest income declines due to an adverse interest rate change. The majority of Volvofinans' credits and all borrowings track short-term interest rates, entailing a limited interest-rate risk.

*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 means that Volvofinans is not exposed to any exchange-rate fluctuations.

## RATING

After the closing date on October 17, the credit rating institute Moody's Investors Service announced that it had lowered Volvofinans' credit rating for long-term borrowing by one notch from A3 to Baa1. At the same time, the outlook was changed to Negative from the previous assessment Stable. The credit rating for short-term borrowing was confirmed and left unchanged.

After the change, Volvofinans' credit ratings are:

- Short-term financing: P-2
- Long-term financing: Baa1

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

## CAPITAL ADEQUACY

The new capital adequacy 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, 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, which means that the capital requirement comprises 15% of the average of the operating revenues for the past three fiscal years.

## EVENTS AFTER THE END OF THE REPORTING PERIOD

On October 1, the operations in Volvofinans Konto Bank AB and Volvofinans IT AB were transferred to Volvofinans Bank AB through a transfer of assets and liabilities.

On October 17, Volvofinans' long-term rating was changed by Moody's from A3 to Baa1 with a negative outlook, while the short-term rating of P-2 was confirmed.

There were no other significant events after the end of the reporting period.

Bert Björn  
President  
Volvofinans Bank AB

*The report for December 31 will be published on February 27, 2009 and will be available on our website: [www.volvofinans.se](http://www.volvofinans.se)*

*If any questions, contact Bert Björn, President of Volvofinans Bank AB, telephone +46-31-83 88 00.*

*This report was not subject to examination by the auditors.*

## CAPITAL ADEQUACY

Amounts in SEK M	Group*		Parent Company*	
	September 30 2008	September 30 2008	September 30 2007	September 30 2007
<b>Capital base</b>				
Capital base	2,734	2,618	2,748	2,605
Core capital	2,538	2,423	2,552	2,410
Supplementary capital	196	195	196	195
<b>Capital requirement</b>				
Capital requirement for credit risk as per standardized method	1,624	1,677	1,525	1,567
Capital requirement for operational risk as per base method	84	77	43	41
Total minimum capital requirement as per Basel II	1,708	1,754	1,568	1,608
Total minimum capital requirement Basel I	1,947	2,001	1,799	1,853
<b>Capital adequacy measurement</b>				
Capital adequacy ratio	1.60	1.49	1.75	1.62
Capital adequacy level, %	13.46	12.49	14.42	13.30
Core capital ratio, %	12.49	11.56	13.38	12.31

\* In accordance with Basel II Standardized

## CONSOLIDATED STATEMENT OF INCOME

Amounts in SEK T	2008	2008	2008	2007	2007	2007
	Jan - Sept	July-Sept	Jan - June	Jan - Sept	July-Sept	Jan - June
Interest income	856,011	297,669	558,343	686,522	240,910	445,612
Leasing income	1,384,869	468,540	916,329	1,262,522	434,348	828,174
Interest expenses	-787,875	-276,585	-511,291	-574,469	-205,603	-368,866
Dividends received	-	-	-	92	-	92
Net result from financial transactions*	-576	-1,588	1,012	3,755	883	2,872
Commission income	205,333	71,261	134,071	193,140	64,266	128,874
Commission expenses	-14,386	-4,854	-9,532	-11,307	-3,517	-7,790
<b>Total operating income</b>	<b>1,643,376</b>	<b>554,443</b>	<b>1,088,933</b>	<b>1,560,255</b>	<b>531,288</b>	<b>1,028,967</b>
General administrative expenses	-190,412	-61,257	-129,154	-180,423	-55,372	-125,051
Depreciation of tangible fixed assets	-1,166,903	-391,403	-775,500	-1,103,114	-376,813	-726,300
Other operating expenses	-41,120	-12,063	-29,058	-31,822	-12,061	-19,761
<b>Total operating expenses</b>	<b>-1,398,435</b>	<b>-464,723</b>	<b>-933,712</b>	<b>-1,315,358</b>	<b>-444,246</b>	<b>-871,112</b>
<b>Income before credit losses</b>	<b>244,941</b>	<b>89,721</b>	<b>155,220</b>	<b>244,897</b>	<b>87,042</b>	<b>157,855</b>
Credit losses, net	-2,011	1,474	-3,485	-4,013	-497	-3,516
<b>Income before appropriations and tax</b>	<b>242,930</b>	<b>91,194</b>	<b>151,735</b>	<b>240,884</b>	<b>86,545</b>	<b>154,339</b>
Appropriations	-	-	-	-	-	-
Estimated tax	-68,020	-25,534	-42,486	-67,447	-24,112	-43,335
<b>Net income</b>	<b>174,910</b>	<b>65,660</b>	<b>109,249</b>	<b>173,436</b>	<b>62,433</b>	<b>111,004</b>
* Net income from financial transactions	2008	2008	2008	2007	2007	2007
	Jan - Sept	July- Sept	Jan - June	Jan - Sept	July - Sept	Jan - June
Currency-related	484	400	84	2,636	1,042	1,594
Interest-bearing securities & related derivatives	-1,060	-1,988	928	1,119	-159	1,278
	<b>-576</b>	<b>-1,588</b>	<b>1,012</b>	<b>3,755</b>	<b>883</b>	<b>2,872</b>

## PARENT COMPANY STATEMENT OF INCOME

Amounts in SEK T	2008	2008	2008	2007	2007	2007
	Jan – Sept	July – Sept	Jan – June	Jan – Sept	July – Sept	Jan – June
Interest income	655,020	231,604	423,416	492,290	173,659	318,631
Leasing income	1,868,059	628,114	1,239,945	1,769,516	605,018	1,164,498
Interest expenses	-779,635	-273,104	-506,531	-568,399	-203,536	-364,863
Dividends received	–	–	–	92	–	92
Net result from financial transactions*	-576	-1,588	1,012	3,755	883	2,872
Commission income	60,505	19,703	40,802	59,651	20,024	39,626
Commission expenses	-10,351	-3,371	-6,980	-7,884	-2,315	-5,568
<b>Total operating income</b>	<b>1,793,022</b>	<b>601,358</b>	<b>1,191,664</b>	<b>1,749,021</b>	<b>593,733</b>	<b>1,155,288</b>
General administrative expenses	-75,838	-25,725	-50,113	-62,326	-19,399	-42,927
Depreciation of tangible fixed assets	-1,557,691	-519,940	-1,037,751	-1,529,988	-519,642	-1,010,346
Other operating expenses	-12,019	-2,596	-9,423	-10,746	-3,854	-6,892
<b>Total operating expenses</b>	<b>-1,645,548</b>	<b>-548,261</b>	<b>-1,097,287</b>	<b>-1,603,060</b>	<b>-542,895</b>	<b>-1,060,165</b>
<b>Income before credit losses</b>	<b>147,474</b>	<b>53,097</b>	<b>94,377</b>	<b>145,961</b>	<b>50,838</b>	<b>95,123</b>
Credit losses, net	3,126	1,233	1,893	7,719	2,518	5,201
<b>Income before appropriations and tax</b>	<b>150,600</b>	<b>54,330</b>	<b>96,270</b>	<b>153,680</b>	<b>53,356</b>	<b>100,324</b>
Appropriations	–	–	–	–	–	–
Estimated tax	-42,168	-15,212	-26,955	-43,030	-14,940	-28,091
<b>Net income</b>	<b>108,432</b>	<b>-39,118</b>	<b>69,315</b>	<b>110,650</b>	<b>38,416</b>	<b>72,233</b>
* Net income from financial transactions	2008	2008	2008	2007	2007	2007
	Jan - Sept	July - Sept	Jan - June	Jan - Sept	July - Sept	Jan - June
Currency-related	484	400	84	2,636	1,042	1,594
Interest-bearing securities & related derivatives	-1,060	-1,988	928	1,119	-159	1,278
	<b>-576</b>	<b>-1,588</b>	<b>1,012</b>	<b>3,755</b>	<b>883</b>	<b>2,872</b>

## BALANCE SHEET

	Group			Parent Company		
	2008 September 30	2007 December 31	2007 September 30	2008 September 30	2007 December 31	2007 September 30
Amounts in SEK T						
Lending including leased assets	23,940,397	24,884,480	24,269,706	22,240,445	23,214,326	22,531,283
Lending to Group companies	–	–	–	682,509	685,143	554,644
Other assets*	927,072	988,386	856,484	1,050,583	1,120,225	985,627
<b>Total assets</b>	<b>24,867,469</b>	<b>25,872,866</b>	<b>25,126,190</b>	<b>23,973,537</b>	<b>25,019,694</b>	<b>24,071,555</b>
Borrowing	19,189,614	20,592,749	19,712,358	18,926,599	20,413,846	19,518,261
Other liabilities*	1,801,400	1,614,600	1,780,614	1,280,951	958,469	1,020,249
Subordinated loan	196,457	194,981	194,666	196,457	194,981	194,666
Deferred tax	824,115	824,283	774,387	824,115	824,283	774,387
Guarantee fund loan	200,000	200,000	200,000	200,000	200,000	200,000
Shareholders' equity	2,412,953	2,351,586	2,223,282	2,394,815	2,338,614	2,210,310
<b>Income before appropriations and tax</b>	<b>242,930</b>	<b>94,667</b>	<b>240,884</b>	<b>150,600</b>	<b>89,501</b>	<b>153,680</b>
<b>Total liabilities and shareholders' equity</b>	<b>24,867,469</b>	<b>25,872,866</b>	<b>25,126,190</b>	<b>23,973,537</b>	<b>25,019,694</b>	<b>24,071,555</b>

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

	2008 September 30	2007 December 31	2007 September 30	2008 September 30	2007 December 31	2007 September 30
Derivative instruments with positive market values	84,001	23,841	7,390	84,001	23,841	7,390
Derivative instruments with negative market values	-35,386	-57,861	-91,597	-35,386	-57,861	-91,597

## KEY RATIOS

<b>Group</b>	<b>2008*</b> <b>Jan - Sept</b>	<b>2007**</b> <b>Jan - Sept</b>	<b>2007*</b> <b>Full year</b>
Return on shareholders' equity, %	9.67	10.40	9.90
Risk capital/total assets, %	15.59	14.46	13.48
Income/Risk-weighted assets, %	1.59	1.53	1.43
Capital adequacy ratio	1.60	1.49	1.53
Capital adequacy level, %	13.46	12.49	12.83
Core capital ratio, %	12.49	11.56	11.91
Credit losses/Ø lending, %	0.01	0.02	0.03
I/E ratio	1.99	2.03	1.98
I/E ratio excluding loan losses	2.01	2.07	2.03

\* In accordance with Basel II Standardized

## CASH-FLOW STATEMENT

### ONGOING OPERATIONS

Amounts in SEK T

<b>GROUP</b>	2008 <b>Jan - Sept</b>	2007 <b>Jan - Sept</b>
Operating income	242,930	240,884
Depreciation	1,166,902	1,103,114
<i>Changes in operating assets and liabilities</i>		
Lending to credit institutions	-390,544	15,308
Lending to the public	1,348,754	207,320
Other assets	57,914	-98,346
Liabilities to credit institutions	-675,643	-239,613
Borrowing from the from	84,083	98,469
Securities issued	-811,575	-55,869
Other liabilities	186,632	437,036
<b>Cash flow from ongoing operations</b>	<b>1,209,453</b>	<b>1,708,303</b>

### INVESTMENT OPERATIONS

Changes in intangible fixed assets	-7,596	-21,647
Changes in tangible fixed assets	-1,170,039	-1,391,136
<b>Cash flow from investment operations</b>	<b>- 1,177,635</b>	<b>-1,412,783</b>

### FINANCING OPERATIONS

Debenture loan	1,476	-264,922
Dividend paid	-33,300	-30,600
<b>Cash flow from financing operations</b>	<b>-31,824</b>	<b>-295,522</b>

<b>Cash flow for the period</b>	<b>-6</b>	<b>-2</b>
Cash and cash equivalents, January 1	6	12
Cash flow from ongoing operations	1,209,453	1,708,303
Cash flow from investment operations	-1 177 635	-1,412,783
Cash flow from financing operations	-31,824	-295,522
<b>Cash and cash equivalents at the end of the period</b>	<b>0</b>	<b>10</b>

## LEASING INCOME AND ACCUMULATED NET INTEREST

In the Parent Company, all leasing contracts are reported as operational, in the Group, some are reported as financial. This means that the net leasing amounts of financial contracts are reclassified as interest income.

Amounts in Tkr	<b>Group</b>				<b>Parent Company</b>			
	2008 Jan – Sept	2008 July – Sept	2007 Jan – Sept	2007 July - Sept	2008 Jan – Sept	2008 July – Sept	2007 Jan – Sept	2007 July - Sept
Leasing income from operational and financial leasing contracts	1,384,869	468,540	1,262,522	434,348	1,868,059	628,114	1,769,516	605,018
Depreciation according to plan	-1,154,857	-387,467	-1,095,041	-373,607	-1,549,005	-516,982	-1,525,292	-517,565
Interest income	856,011	297,669	686,522	240,910	655,020	231,604	492,290	173,659
Interest expenses	-787,875	-276,585	-574,469	-205,603	-779,635	-273,104	-568,399	-203,536
<b>Total net interest</b>	<b>298,148</b>	<b>102,157</b>	<b>279,534</b>	<b>96,048</b>	<b>194,439</b>	<b>69,632</b>	<b>168,115</b>	<b>57,576</b>

## CHANGES IN SHAREHOLDERS' EQUITY

Amounts in SEK T			Retained earnings	
Group	Share capital		incl. Income	Total
			for the year	equity
<b>Shareholders' equity, January 1, 2007</b>	<b>100,000</b>		<b>2,153,882</b>	<b>2,253,882</b>
Net income for the year	-		222,971	<b>222,971</b>
<b>Total changes before shareholder transactions</b>	<b>-</b>		<b>222,971</b>	<b>222,971</b>
Dividend	-		-30,600	<b>-30,600</b>
<b>Shareholders' equity, December 31, 2007</b>	<b>100,000</b>		<b>2,346,253</b>	<b>2,446,253</b>
<b>Group</b>	<b>Share capital</b>			
<b>Shareholders' equity, January 1, 2008</b>	<b>100,000</b>		<b>2,346,253</b>	<b>2,446,253</b>
Income for the period after taxes	-		174,909	<b>174,909</b>
<b>Total changes before shareholder transactions</b>	<b>-</b>		<b>174,909</b>	<b>174,909</b>
Dividend	-		-33,300	<b>-33,300</b>
<b>Shareholders' equity, September 30, 2008</b>	<b>100,000</b>		<b>2,487,863</b>	<b>2,587,863</b>
<b>Parent Company</b>		<b>Restricted equity</b>		
	<b>Share capital</b>	<b>Statutory reserve</b>		
<b>Shareholders' equity, January 1, 2007</b>	<b>100,000</b>	<b>20,000</b>	<b>130,060</b>	<b>250,060</b>
Net income for the year	-	-	9,635	<b>9,635</b>
<b>Total changes before shareholder transactions</b>	<b>-</b>	<b>-</b>	<b>9,635</b>	<b>9,635</b>
Group contribution received	-	-	110,925	<b>110,925</b>
Tax attributable to Group contribution received	-	-	-31,059	<b>-31,059</b>
Dividend	-	-	-30,600	<b>-30,600</b>
<b>Shareholders' equity, December 31, 2007</b>	<b>100,000</b>	<b>20,000</b>	<b>188,961</b>	<b>308,961</b>
<b>Parent Company</b>		<b>Restricted equity</b>	<b>Retained earnings</b>	
	<b>Share capital</b>	<b>Statutory reserve</b>	<b>incl. income</b>	<b>Total</b>
			<b>for the year</b>	<b>Equity</b>
<b>Shareholders' equity, January 1, 2008</b>	<b>100,000</b>	<b>20,000</b>	<b>188,961</b>	<b>308,961</b>
Income for the period after tax	-	-	108,432	<b>108,432</b>
<b>Total changes before shareholder transactions</b>	<b>-</b>	<b>-</b>	<b>108,432</b>	<b>108,432</b>
Dividend	-	-	-33,300	<b>-33,300</b>
<b>Shareholders' equity, September 30, 2008</b>	<b>100,000</b>	<b>20,000</b>	<b>264 093</b>	<b>384 093</b>

# ACCOUNTING PRINCIPLES

## **GROUP**

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Volvofinans applies IFRS (International Financial Reporting Standards) as adopted by the EU.

This interim report was prepared in accordance with IAS 34. The Parent Company prepares the interim report in accordance with legally restricted IFRS. In the interim reports, the applied valuation and accounting principles are the same as in the latest annual report.



# **VOLVOFINANS**

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