

25 September 2012

VOLVO TREASURY AB (publ)
Issue of EUR50,000,000 Fixed Rate Notes due 27 September 2024 guaranteed by AB Volvo (publ)
issued pursuant to the U.S.\$15,000,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Prospectus dated 10th of November 2011 and the Supplement to the Prospectus dated 8th of February 2012, 21st of March 2012, 27th of April 2012, 25th of July 2012 and 30th of August 2012 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the ‘‘Prospectus Directive’’) as amended (which includes the amendments made by Directive 2010/73/EU (the ‘‘2010 PD Amending Directive’’) to the extent that such amendments have been implemented in a relevant Member State). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus as so supplemented. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus as so supplemented. The Prospectus and the Supplement dated 8th of February 2012, 21st of March 2012, 27th of April 2012, 25th of July 2012 and 30th of August 2012 are available for viewing at, and copies may be obtained from, the registered office of the Issuer and from the specified offices of the Paying Agents in London and Luxembourg. The Prospectus, the Supplement dated 8th of February 2012, 21st of March 2012, 27th of April 2012, 25th of July 2012 and 30th of August 2012 and, in the case of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange, the applicable Final Terms, will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

1.	(i)	Issuer:	Volvo Treasury AB (publ)
	(ii)	Guarantor:	AB Volvo (publ)
2.	(i)	Series Number:	289
	(ii)	Tranche Number:	1
3.		Specified Currency or Currencies:	Euro (EUR)
4.		Aggregate Nominal Amount:	
	(i)	Series:	EUR50,000,000
	(ii)	Tranche:	EUR50,000,000
5.		Issue Price:	100.00 per cent. of the Aggregate Nominal Amount
6.	(i)	Specified Denomination(s):	EUR100,000
	(ii)	Calculation Amount:	EUR100,000
7.	(i)	Issue Date:	27 September 2012
	(ii)	Interest Commencement Date:	Issue Date
8.		Maturity Date:	27 September 2024
9.		Interest Basis:	3.475 per cent. Fixed Rate (further particulars specified below)
10.		Redemption/Payment Basis:	Redemption at par
11.		Change of Interest Basis or Redemption/ Payment Basis:	Not Applicable
12.		Put/Call Options:	Not Applicable

13. Method of distribution: Non-syndicated
- Provisions Relating to Interest (if any) Payable**
14. Fixed Rate Note Provisions Applicable
- (i) Rate(s) of Interest: 3.475 per cent. per annum payable annually in arrear
- (ii) Interest Payment Date(s): 27 September in each year up to and including the Maturity Date
- (iii) Fixed Coupon Amount(s): EUR3,475 per Calculation Amount
- (iv) Broken Amount(s): Not Applicable
- (v) Day Count Fraction: Actual/Actual (ICMA)
- (vi) Determination Date(s): 27 September in each year
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: None
15. **Floating Rate Note Provisions** Not Applicable
16. **Zero Coupon Note Provisions** Not Applicable
17. **Index Linked Interest Note Provisions** Not Applicable
18. **Dual Currency Interest Note Provisions** Not Applicable

Provisions Relating to Redemption

19. Issuer Call: Not Applicable
20. Investor Put: Not Applicable
21. Final Redemption Amount: EUR100,000 per Calculation Amount
22. Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 7(e)): As per Condition 7(e)

General Provisions Applicable to the Notes

23. Form of Notes:
- (a) Form of Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event
- (b) New Global Note: Yes
24. Additional Financial Centre(s) or other special provisions relating to Payment Days: Not Applicable
25. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No
26. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences or failure to pay, including any right of the Issuer to forfeit the Notes and interest due on Not Applicable

- late payment:
- 27. Details relating to Instalment Notes:
 - (a) Instalment Amount(s): Not Applicable
 - (b) Instalment Date(s): Not Applicable
 - 28. Redenomination applicable: Redenomination not applicable
 - 29. Other final terms: Not Applicable
 - 30. (i) If syndicated, names of Managers: Not Applicable
 - (ii) Date of Subscription Agreement: Not Applicable
 - (iii) Stabilising Manager(s) (if any): Not Applicable
 - 31. If non-syndicated, name of relevant Dealer: Citigroup Global Markets Limited
 - 32. U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D
 - 33. Additional selling restrictions: Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the Luxembourg Stock Exchange’s *Bourse de Luxembourg* and listing on the Official List of the Luxembourg Stock Exchange of the Notes described herein pursuant to the U.S.\$15,000,000,000 Euro Medium Term Note Programme of Volvo Treasury AB (publ) as issuer and AB Volvo (publ) as guarantor.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: _____
Duly authorised

PART B – OTHER

INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange's *Bourse de Luxembourg*, and listed on the Official List of the Luxembourg Stock Exchange with effect from 27 September 2012.
- (ii) Estimate of total expenses related to admission to trading: EUR 4,180

2. RATINGS

- Ratings: The Notes to be issued have been rated:
S&P:BBB
Moody's: Baa2

(Each of Moody's Investors Service Ltd (Moody's") and Standard & Poor's Credit Market Services Europe Limited ("S&P") is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Dealer, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: Not Applicable
(ii) Estimated net proceeds: Not Applicable
(iii) Estimated total expenses: Not Applicable

5. YIELD (*Fixed Rate Notes only*)

- Indication of yield: 3.475 per cent. per annum
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. PERFORMANCE OF INDEX/FORMULA AND OTHER INFORMATION CONCERNING THE UNDERLYING (*Index-Linked Notes only*)

Not Applicable

7. PERFORMANCE OF RATE[S] OF EXCHANGE (*Dual Currency Notes only*)

Not Applicable

8. DERIVATIVE SECURITIES

Not Applicable

9. OPERATIONAL INFORMATION

- (i) ISIN Code: XS0834947862
(ii) Common Code: 083494786
(iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s): Not Applicable
(iv) Delivery: Delivery against payment
(v) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
(vi) Intended to be held in a manner which: Yes

would allow Eurosystem eligibility:

Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.