

## FINAL TERMS

29 May 2007

**VOLVO TREASURY AB (publ)**  
**Issue of EUR1,000,000,000 5 per cent. Notes due May 2017 guaranteed by AB Volvo (publ)**  
**issued pursuant to the U.S.\$10,000,000,000 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 9 November, 2006 and the Supplemental Prospectuses dated 6 February 2007, 23 February 2007, 1 March 2007, 13 March 2007 and 16 May 2007 which together constitute a base prospectus for the purposes of Directive 2003/71/EC (the “Prospectus Directive”). 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. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus and the Supplemental Prospectuses dated 6 February 2007, 23 February 2007, 1 March 2007, 13 March 2007 and 16 May 2007 are (i) 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 and (ii) available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

*The Notes have Specified Denominations consisting of a minimum Specified Denomination of EUR50,000 and integral multiples of EUR1,000 in excess thereof. A Noteholder who, as a result of trading amounts in excess of EUR50,000 that are not integral multiples of EUR50,000, holds a principal amount of less than EUR50,000 may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that his holding amounts to a Specified Denomination.*

*If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.*

- |    |      |                                   |  |
|----|------|-----------------------------------|--|
| 1. | (i)  | Issuer:                           | Volvo Treasury AB (publ)                               |
|    | (ii) | Guarantor:                        | AB Volvo (publ)  |
| 2. | (i)  | Series Number                     | 225  |
|    | (ii) | Tranche Number                    | 1  |
| 3. |      | Specified Currency or Currencies: | Euro (EUR)   |
| 4. |      | Aggregate Nominal Amount:         |  |
|    | (i)  | Series:                           | EUR1,000,000,000                                       |
|    | (ii) | Tranche:                          | EUR1,000,000,000                                       |
| 5. |      | Issue Price:                      | 99.423 per cent. of the Aggregate Nominal Amount       |
| 6. |      | Specified Denominations:          | EUR50,000 and integral multiples of EUR1,000 in excess |

thereof up to and including EUR99,000. No Notes in definitive form will be issued with a denomination above EUR 99,000.

- |     |   |   |
|-----|---|---|
| 7.  | (i) Issue Date:   | 31 May 2007   |
|     | (ii) Interest Commencement Date:                        | 31 May 2007   |
| 8.  | Maturity Date:  | 31 May 2017   |
| 9.  | Interest Basis:   | 5 per cent. Fixed Rate<br>(further particulars specified below) |
| 10. | Redemption/Payment Basis:                               | Redemption at par   |
| 11. | Change of Interest Basis or<br>Redemption/Payment Basis | Not Applicable  |
| 12. | Put/Call Options:                                       | Investor Put, see Annex 1                                       |
| 13. | Method of distribution:                                 | Syndicated  |

**Provisions Relating to Interest (if any)  
Payable**

- |     |  |  |
|-----|--|--|
| 14. | <b>Fixed Rate Note Provisions</b>  | Applicable   |
|     | (i) Rate(s) of Interest:   | 5 per cent. per annum payable annually in arrear   |
|     | (ii) Interest Payment Date(s):   | 31 May in each year from 31 May 2008 up to and including the Maturity Date   |
|     | (iii) Fixed Coupon Amount(s):  | EUR50 per EUR1,000 in nominal amount   |
|     | (iv) Broken Amount(s):   | Not Applicable   |
|     | (v) Fixed Day Count Fraction:  | Actual/Actual (ICMA)   |
|     | (vi) Determination Date(s):  | 31 May in each year  |
|     | (vii) Other terms relating to the<br>method of calculating interest<br>for Fixed Rate Notes: | Notwithstanding the provisions of Condition 5, amounts of interest shall be calculated in respect of each EUR1,000 in nominal amount of the Notes and aggregated for each Note of each Specified Denomination. |
| 15. | <b>Floating Rate Note Provisions</b>   | Not Applicable   |
| 16. | <b>Zero Coupon Note Provisions</b>   | Not Applicable   |
| 17. | <b>Index Linked Interest Note Provisions</b>   | Not Applicable   |
| 18. | <b>Dual Currency Interest Note Provisions</b>  | Not Applicable   |

### **Provisions Relating to Redemption**

19. Issuer Call: Not Applicable
20. Investor Put: Applicable, see Annex 1
21. Final Redemption Amount of each Note: EUR50,000 per Note of EUR50,000 Specified Denomination.
- For avoidance of doubt, in the case of a holding of Notes in an integral multiple of EUR1,000 in excess of EUR50,000 as envisaged in paragraph 6 of these Final Terms, such holding will be redeemed at its nominal amount.
22. Early Redemption Amount of each Note 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 set out in Condition 7(e)

### **General Provisions Applicable to the Notes**

23. Form of Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon the occurrence of an Exchange Event
24. New Global Note: Yes
25. Additional Financial Centre(s) or other special provisions relating to Payment Days: Not Applicable
26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No
27. 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 late payment: Not Applicable
28. Details relating to Instalment Notes:
- (i) Instalment Amount(s): Not Applicable
- (ii) Instalment Date(s): Not Applicable

29. Redenomination applicable: Redenomination not applicable
30. Other final terms: Not Applicable

#### **Distribution**

31. (i) If syndicated, names of Joint-Lead Managers: BNP Paribas, Citigroup Global Markets Limited, HSBC Bank plc
- (ii) Date of Subscription Agreement: 29 May 2007
- (iii) Stabilising Manager (if any): HSBC Bank plc
32. If non-syndicated, name of relevant Dealer: Not Applicable
33. Whether TEFRA D rules are applicable or TEFRA rules are not applicable: TEFRA D rules applicable
34. Additional selling restrictions: Not Applicable

#### **Listing Application**

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the U.S.\$10,000,000,000 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.

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing: Bourse de Luxembourg
- (ii) Admission to trading: Application has been made for the Notes to be admitted to trading on Bourse de Luxembourg with effect from 31 May 2007
- (iii) Estimate of total expenses related to admission to trading: EUR6,100

### 2. RATINGS

- Ratings: The Notes to be issued have been rated:  
Moody's: A3 Stable

### 3. NOTIFICATION

Not Applicable

### 4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

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

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

- Reasons for the offer See "Use of Proceeds" wording in Prospectus

### 6. YIELD (*Fixed Rate Notes Only*)

- Indication of yield: 5.075 per cent.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### 7. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING (*Index-Linked Notes Only*)

Not Applicable

### 8. PERFORMANCE OF RATE OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (*Dual Currency Notes only*)

Not Applicable

### 9. DERIVATIVE SECURITIES (*Derivative securities only – other information concerning the notes to be admitted to trading*)

Not Applicable

**10. OPERATIONAL INFORMATION**

- (i) ISIN Code: XS0302948319
- (ii) Common Code: 030294831
- (iii) Any clearing system(s) other than Euroclear Bank SA/NV 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) New Global Note intended to be held in a manner which would allow Eurosystem eligibility: Yes  
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.