

FINAL TERMS

PROHIBITION OF SALES TO EEA RETAIL INVESTORS -The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); or (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels. For the avoidance of doubt, neither the Issuer nor the Guarantor is a manufacturer for the purposes of the MiFID Product Governance Rules.

10 July 2019

VOLVO TREASURY AB (publ) (the "Issuer")
Legal Entity Identifier (LEI): 549300PD69T87IGZG395
Issue of USD 50,000,000 2.959% Notes due 12 July 2029 guaranteed by AB Volvo (publ)
(the "Guarantor") 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 base prospectus dated 8 May 2019 (the "**Base Prospectus**") which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended or superseded (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 Base Prospectus. 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 Base Prospectus. The Base Prospectus has been published on the websites of the Luxembourg Stock Exchange (www.bourse.lu) and the Volvo Group (www.volvogroup.com) and is 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.

1. (i) Series Number: 398

(ii)	Tranche Number:	1
2.	Specified Currency or Currencies:	US Dollar (“USD”)
3.	Aggregate Nominal Amount:	
	(i) Series:	USD 50,000,000
	(ii) Tranche:	USD 50,000,000
4.	Issue Price:	100 per cent. of the aggregate nominal amount
5.	(i) Specified Denomination:	USD 200,000 and integral multiples of USD 1,000 in excess thereof up to and including USD 399,000
	(ii) Calculation Amount:	USD 1,000
6.	(i) Issue Date:	12 July 2019
	(ii) Interest Commencement Date:	Issue Date
7.	Maturity Date:	12 July 2029
8.	Interest Basis:	2.959 per cent. Fixed Rate
9.	Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their aggregate nominal amount
10.	Change of Interest Basis:	Not Applicable
11.	Put/Call Options:	Make-Whole Redemption Clean-up Call Residual Maturity Call further particulars specified below

Provisions Relating to Interest (if any) Payable

12.	Fixed Rate Note Provisions	Applicable
	(i) Rate(s) of Interest:	2.959 per cent. per annum payable semi-annually in arrear on each Interest Payment Date
	(ii) Interest Payment Dates:	12 January and 12 July in each year, from and including 12 January 2020, up to and including the Maturity Date
	(iii) Fixed Coupon Amount:	USD 14.80 per Calculation Amount
	(iv) Broken Amount:	Not Applicable
	(v) Additional Business Centre:	Tokyo
	(vi) Day Count Fraction:	30/360, unadjusted, following
	(vii) Determination Dates:	12 January and 12 July in each year
13.	Floating Rate Note Provisions	Not Applicable

14. **Zero Coupon Note Provisions** Not Applicable

Provisions Relating to Redemption

15. Issuer Call: Not Applicable
16. Make-whole Redemption by the Issuer Applicable
- (i) Notice period: 15 days
- (ii) Parties to be notified (if other than set out in Condition 7(d)): Not Applicable
- (iii) Reference Bond: UST 2.375 per cent. due 15 May 2029
- (iv) Make-whole Margin: 0.15 per cent.
17. Clean-up Call: Applicable
18. Residual Maturity Call: Applicable
- (i) Par Call Date: 12 April 2029
19. Investor Put: Not Applicable
20. Final Redemption Amount: Subject to any purchase or cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
21. Early Redemption Amount payable on redemption for taxation reasons or on event of default: 100 per cent. per Calculation Amount

General Provisions Applicable to the Notes

22. 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
23. Additional Financial Centre: Tokyo
24. Talons for future Coupons to be attached to Definitive Notes: No

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 listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market, *Bourse de Luxembourg*, with effect from the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: EUR 3,600

2. RATINGS

- Ratings: The Notes to be issued have been rated A3 by Moody's Deutschland GmbH ("**Moody's**") and A- by S&P Global Ratings Europe Limited ("**S&P**")
- S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). As such S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.
- Moody's is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). As such Moody's is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.

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. The Dealer and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates in the ordinary course of business.

4. BENCHMARKS REGULATION - FLOATING RATE NOTES CALCULATED BY REFERENCE TO A BENCHMARK ONLY

Not Applicable

5. **YIELD** 2.959 per cent.

6. DISTRIBUTION

- (i) If syndicated, names of Managers: Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable

- (iii) Stabilisation Manager(s) (if any): Not Applicable
- (iv) If non-syndicated, name and address of relevant Dealer: Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom
- (v) TEFRA: TEFRA D

7. OPERATIONAL INFORMATION

- (i) ISIN Code: XS2026825617
- (ii) Common Code: 202682561
- (iii) CFI: DTFNFB
- (iv) FISN: VOLVO TREASURY/2.96EMTN 20290712
- (v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): Not Applicable
- (vi) Delivery: Delivery against payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

8. THIRD PARTY INFORMATION

Not Applicable