

FINAL TERMS

30 November 2017

VOLVO TREASURY AB (publ) (the "Issuer")

**Issue of EUR 150,000,000 Floating Rate Notes due 2019
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 prospectus dated 7 November 2017 (the "**Prospectus**") which constitutes a base prospectus for the purposes of Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU (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, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus has been published on the websites of the Luxembourg Stock Exchange (www.bourse.lu) and the Issuer (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.

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| 1. | (i) Series Number: | 356 |
| | (ii) Tranche Number: | 1 |
| 2. | Specified Currency or Currencies: | Euro (EUR) |
| 3. | Aggregate Nominal Amount: | |
| | (i) Series: | EUR 150,000,000 |
| | (ii) Tranche: | EUR 150,000,000 |
| 4. | Issue Price: | 100.355 per cent. of the Aggregate Nominal Amount |
| 5. | (i) Specified Denomination(s): | EUR 100,000 |
| | (ii) Calculation Amount: | EUR 100,000 |
| 6. | (i) Issue Date: | 4 December 2017 |
| | (ii) Interest Commencement Date: | Issue Date |
| 7. | Maturity Date: | Interest Payment Date falling on or nearest to 4 December 2019 |
| 8. | Interest Basis: | 3 month EURIBOR + 0.35 per cent – Floating Rate |

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| 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 nominal amount |
| 10. | Change of Interest Basis: | Not Applicable |
| 11. | Put/Call Options: | Not Applicable |

Provisions Relating to Interest (if any) Payable

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| 12. | Fixed Rate Note Provisions | Not Applicable |
| 13. | Floating Rate Note Provisions | Applicable |
| (i) | Specified Period(s)/Specified Interest Payment Dates: | 4 March, 4 June, 4 September and 4 December in each year, commencing 4 March 2018 up to and including the Maturity Date in each case subject to adjustment with the Business Day Convention set out in (ii) below. |
| (ii) | Business Day Convention: | Modified Following Business Day Convention |
| (iii) | Additional Business Centre(s): | Not Applicable |
| (iv) | Manner in which the Rate of Interest and Interest Amount is to be determined: | Screen Rate Determination |
| (v) | Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): | Not Applicable |
| (vi) | Screen Rate Determination: | Applicable |
| | - Reference Rate and Relevant Financial Centre: | Reference Rate: 3 month EURIBOR
Relevant Financial Centre: Brussels |
| | - Interest Determination Date(s): | Two TARGET2 settlement Days prior to the start of the applicable Interest Period |
| | - Relevant Screen Page: | Reuters screen: EURIBOR01 |
| (vii) | ISDA Determination: | Not Applicable |
| (viii) | Linear Interpolation: | Not Applicable |
| (ix) | Margin(s): | +0.35 per cent per annum |
| (x) | Minimum Rate of Interest: | 0.00 per cent. |
| (xi) | Maximum Rate of Interest: | Not Applicable |

(xii) Day Count Fraction: Actual / 360

14. Zero Coupon Note Provisions Not Applicable

Provisions Relating to Redemption

15. Issuer Call: Not Applicable

16. Make-whole Redemption by the Issuer: Not Applicable

17. Investor Put: Not Applicable

18. Final Redemption Amount: Subject to any purchase or cancellation or early redemption the Notes will be redeemed on the Maturity Date at EUR 100,000 per Calculation Amount

19. Early Redemption Amount payable on redemption for taxation reasons or on event of default: EUR 100,000 per Calculation Amount

General Provisions Applicable to the Notes

20. Form of Notes:

(a) 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

(b) New Global Note: Yes

21. Additional Financial Centre(s) Not Applicable

22. Talons for future Coupons or Receipts to be attached to Definitive Notes: No

Signed on behalf of the Issuer:

By:  

Duly authorised

Sune Martinsson
Chief Financial Officer

Frederik Ljungdahl
Chairman of the Board

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 the Issue Date
- (ii) Estimate of total expenses related to admission to trading: EUR 1,600

2. RATINGS

- Ratings: The Notes to be issued have been rated:
- BBB+ by Standard & Poor's Credit Market Service Europe Limited ("S&P")
- Baa1 by Moody's Deutschland GmbH ("Moody's")
- S&P and Moody's are established in the European Union and are registered under Regulation (EC) No. 1060/2009 (as amended). As such each of S&P and 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. YIELD

Not Applicable

5. DISTRIBUTION

- (i) If syndicated, names of Managers: Not Applicable
- (ii) Date of [Subscription] Agreement: Not Applicable
- (iii) Stabilising Manager(s) (if any): Not Applicable

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| (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 |

6. OPERATIONAL INFORMATION

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| (i) | ISIN Code: | XS1726160549 |
| (ii) | Common Code: | 172616054 |
| (iii) | Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. 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 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 the ECB being satisfied that Eurosystem eligibility criteria have been met. |

7. THIRD PARTY INFORMATION

Not applicable