

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended, from 1 January 2018, to be offered, sold or otherwise made available to and, with effect from such date, 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**"); (ii) a customer within the meaning of Directive 2002/92/EC, 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 "**PRIPs 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 PRIPs Regulation.

FINAL TERMS

3 May 2018

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

Issue of SEK 200,000,000 Floating Rate Notes due 6 April 2021 to be consolidated and form a single series with SEK 300,000,000 Floating Rate Notes due 6 April 2021 (the "Existing Notes")

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**") and the supplements to the Prospectus dated 5 February 2018, 19 March 2018 and 25 April 2018 (the "**Supplements**") which together constitute a base prospectus for the purposes of the Prospectus Directive (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 and the Supplements. 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 and the Supplements. The Prospectus and the Supplements have been published on the websites of the Luxembourg Stock Exchange (www.bourse.lu) and the Issuer (www.volvogroup.com) and 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.

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| 1. | (i) | Series Number: | 366 |
| | (ii) | Tranche Number: | 2 |
| | (iii) | Date on which the Notes will be consolidated and form a single Series: | The Notes will be consolidated and form a single Series with the Existing Notes on exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 20 below, which is expected to occur on or about 16 June 2018 |
| 2. | | Specified Currency or Currencies: | Swedish Krona ("SEK") |

3. Aggregate Nominal Amount:
- (i) Series: SEK 500,000,000
 - (ii) Tranche: SEK 200,000,000
4. Issue Price: 101.210 per cent. of the Aggregate Nominal Amount plus accrued interest amounting to SEK 65,100 from and including 6 April 2018 to but excluding the Issue Date
5. (i) Specified Denomination(s): SEK 2,000,000 and integral multiples of SEK 1,000,000 in excess thereof up to and including SEK 3,000,000.
- (Note: no notes in definitive form will be issued with a denomination above SEK 3,000,000)
- (ii) Calculation Amount: SEK 1,000,000
6. (i) Issue Date: 7 May 2018
- (ii) Interest Commencement Date: 6 April 2018
7. Maturity Date: 6 April 2021
8. Interest Basis: 3 month STIBOR + 0.75 per cent. Floating 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 nominal amount
10. Change of Interest Basis: Not Applicable
11. Put/Call Options: Not Applicable

Provisions Relating to Interest (if any) Payable

12. **Fixed Rate Note Provisions** Not Applicable
13. **Floating Rate Note Provisions** Applicable
- (i) Specified Period(s)/Specified Interest Payment Dates: 6 January, 6 April, 6 July and 6 October in each year, from and including 6 July 2018 up to and including the Maturity Date
 - (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 Screen Rate Determination

determined:

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| (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 STIBOR
Relevant Financial Centre: Stockholm |
| | – Interest Determination Date(s): | 11.00 a.m. Stockholm time on the second Stockholm Business Day prior to the start of each Interest Period |
| | – Relevant Screen Page: | Reuters screen “SIDE” page |
| (vii) | ISDA Determination: | Not Applicable |
| (viii) | Linear Interpolation: | Not Applicable |
| (ix) | Margin(s): | + 0.75 per cent. per annum |
| (x) | Minimum Rate of Interest: | Not Applicable |
| (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 SEK 1,000,000 per Calculation Amount

19. Early Redemption Amount payable on SEK 1,000,000 per Calculation Amount redemption for taxation reasons or on event of default:

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 an Exchange Event

(b) New Global Note: No

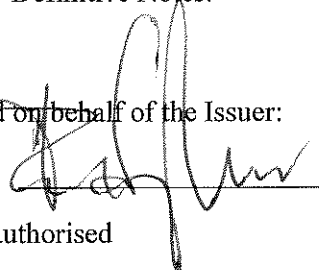
21. Additional Financial Centre(s): Not Applicable

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

Signed on behalf of the Issuer:

By:

Duly authorised


Frederik Ljungdahl
Chairman of the Board


Ulf Rapp
Head of Legal

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 7 May 2018.
- (ii) Estimate of total expenses related to admission to trading: EUR 1,500

2. RATINGS

Ratings:

The Notes to be issued have been rated:

BBB+ by Standard & Poor's Credit Market Services 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
- (iv) If non-syndicated, name and address of relevant Dealer: DNB Bank ASA, Sweden branch
Dronning Eufemias gt 30
N-0021 Oslo

Norway

(v) TEFRA: TEFRA D

6. OPERATIONAL INFORMATION

(i) ISIN Code: Temporary ISIN Code: XS1817856328

Permanent ISIN Code applicable on consolidation with the Existing Notes: XS1802341955

(ii) Common Code: Temporary Common Code: 181785632

Permanent Common Code applicable on consolidation with the Existing Notes: 180234195

(iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. 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: 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.

7. THIRD PARTY INFORMATION

Not Applicable