

24 January 2007

VOLVO TREASURY AB (publ)

**Issue of SEK 2,100,000,000 Floating Rate Notes due 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 Conditions set forth in the Prospectus dated 9th November 2006 which constitutes a base prospectus for the purposes of the Prospectus Directive (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 is (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).

1.	(i)	Issuer:	Volvo Treasury AB (publ)
	(ii)	Guarantor:	AB Volvo (publ)
2.	(i)	Series Number:	213
	(ii)	Tranche Number:	1
3.		Specified Currency or Currencies:	Swedish Kronor (“SEK”)
4.		Aggregate Nominal Amount:	
	(i)	Series:	SEK 2,100,000,000
	(ii)	Tranche:	SEK 2,100,000,000
5.	(i)	Issue Price:	99.847 per cent. of the Aggregate Nominal Amount
	(ii)	Net proceeds:	SEK2,096,787,000
6.		Specified Denominations:	SEK 1,000,000
7.	(i)	Issue Date:	31 st January 2007
	(ii)	Interest Commencement Date:	31 st January 2007
8.		Maturity Date:	Interest Payment Date falling in or nearest to January 2017.
9.		Interest Basis:	6-month STIBOR +0.48 per cent. Floating 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 Not Applicable

15. Floating Rate Note Provisions Applicable

- (i) Specified Period(s)/ Specified Interest Payment Dates: 31st July and 31st January in each year commencing 31st July 2007 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 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:
 - Reference Rate: 6-month STIBOR
 - Interest Determination Date(s): The second Stockholm Business Day prior to the start of each Interest Period
 - Relevant Screen Page: Reuters page SIOR
- (vii) ISDA Determination:
 - Floating Rate Option: Not Applicable
 - Designated Maturity: Not Applicable
 - Reset Date: Not Applicable
- (viii) Margin(s): +0.48 per cent. per annum
- (ix) Minimum Rate of Interest: Not Applicable
- (x) Maximum Rate of Interest: Not Applicable
- (xi) Day Count Fraction: Actual/360, adjusted
- (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: 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 of each Note: SEK 1,000,000 per Note of SEK 1,000,000

Specified Denomination

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): Not Applicable

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: No
25. Additional Financial Centre(s) or other special provisions relating to Payment Dates: 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 Managers: Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable
- (iii) Stabilising Manager (if any): Not Applicable
32. If non-syndicated, name of relevant Dealer: Svenska Handelsbanken AB (publ)
33. Whether TEFRA D rules are applicable or TEFRA rules are not applicable: TEFRA D
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 31st January 2007.
- (iii) Estimate of total expenses related to admission to trading: EUR 5,800

2. RATINGS

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

3. NOTIFICATION

Not Applicable

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

Save for any fees payable to the Dealers, 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

- (i) Reasons for the offer: As per the "Use of Proceeds" wording in the Prospectus
- (ii) Estimated net proceeds: SEK 2,096,787,000

6. YIELD (*Fixed Rate Notes only*)

Indication of yield: Not Applicable

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[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)

Not Applicable

9. OPERATIONAL INFORMATION

- (i) ISIN Code: XS0283337573
- (ii) Common Code: 28333757
- (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) New Global Note intended to be held in a manner which would allow Eurosystem eligibility: No