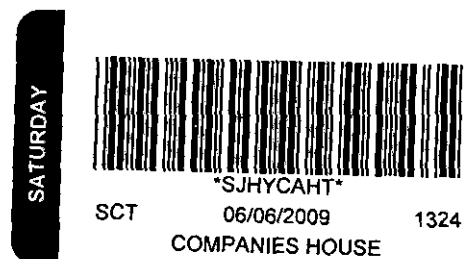


VOLVO INFORMATION TECHNOLOGY GB LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2008



Registered in Scotland SC 146229

VOLVO INFORMATION TECHNOLOGY GB LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 SEPTEMBER 2008

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VOLVO INFORMATION TECHNOLOGY GB LIMITED
REPORT OF THE DIRECTORS
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

The directors present their report and the financial statements for the period ended 30 September 2008.

Business review and principal activities

The principal activities of the company were the supply of computer processing services to companies in the Volvo group, former members of the group and third party customers. On 1 March 2008 the company ceased to trade following the sale of its trade, assets and liabilities to its fellow Volvo group company, Volvo Group UK Limited. The net assets were transferred at net book value, the consideration being settled through the intercompany account. Further detail is set out in note 22 to the financial statements.

Following the transfer of trade, assets and liabilities the company has not traded and there is no intention to recommence trading in the future.

The accounting reference date of the company was changed during the year to 30 September, therefore results in the financial statements are in respect of the nine month period ended 30 September 2008.

The results for the company show a pre tax loss of £17,000 (2007: profit of £893,000) for the period and sales of £1,593,000 (2007: £11,636,000). No dividend for 2008 has been declared (2007: final dividend of £1,500,000). The company has shareholders' funds of £1,545,000 (2007: £1,560,000).

Key performance indicators ("KPI"s)

The directors monitor progress on the company's strategy and the individual strategic elements by reference to the following key performance indicators ("KPI"s):

KPI	2008	2007	Definition, calculation and analysis
Sales growth (%)	(18.0)	(1.7)	Year on year percentage growth adjusted for the fact that the company has only two months' turnover in 2008. Sales decreased to February 2008 as group companies reduced hardware requirements.
Gross margin (%)	22.3	20.7	Ratio (percentage) of gross profit to turnover. Gross margin increased slightly due to the high margin on hardware sales in the first 2 months of 2008.
Operating margin (%)	4.1	6.5	Ratio (percentage) of operating profit to turnover. Operating margin has reduced although the company made efforts to monitor both its direct and indirect costs and improve its returns.

VOLVO INFORMATION TECHNOLOGY GB LIMITED
REPORT OF THE DIRECTORS (*Continued*)
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

Directors and officers' interests

The directors who served during the period and their interests in the shares of the company were:

T Berry

B Molinero (resigned 19 March 2008)

Neither director had any interest in the shares of the company nor of other Volvo undertakings in the UK at any time during the period. In accordance with the Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985, as the company is a wholly owned subsidiary with AB Volvo as its ultimate parent, a body incorporated outside Great Britain, directors' interests in the shares of the parent company are not required to be disclosed. Neither director had any disclosable interest during the period in any material contract, other than a service contract, to which the company or any other company in the group was a party.

Statement of directors' responsibilities in respect of the Annual Report and the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

VOLVO INFORMATION TECHNOLOGY GB LIMITED

REPORT OF THE DIRECTORS (*Continued*)

FOR THE PERIOD ENDED 30 SEPTEMBER 2008

Statement of directors' responsibilities in respect of the Report and the financial statements (*continued*)

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

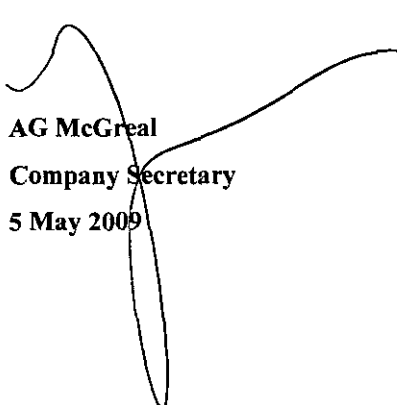
In accordance with section 234 2A of the Companies Act, in the case of each director in office at the date the directors' report is approved, the following applies:

- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) he has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant information and to establish that the company's auditors are aware of that information.

Auditors

In accordance with Section 386 of the Companies Act 1985, the company has elected to dispense with the obligation to appoint auditors annually. PricewaterhouseCoopers LLP will remain in office until such time as the company shall determine otherwise.

By order of the board.



AG McGreal
Company Secretary
5 May 2009

VOLVO INFORMATION TECHNOLOGY GB LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

	Notes	9 months to 30 September 2008 £000	12 months to 31 December 2007 £000
Turnover	2	1,593	11,636
Cost of sales		(1,338)	(9,232)
Gross profit		255	2,404
Operating expenses	3	(289)	(1,650)
Operating (loss)/profit	4	(34)	754
Interest receivable		17	139
(Loss)/profit on ordinary activities before taxation		(17)	893
Tax on profit on ordinary activities	5	2	(333)
(Loss)/profit on ordinary activities after taxation		(15)	560

All the company's activities are in respect of discontinued operations.

There are no differences between the profit before tax and loss for the financial period as shown and the historical cost equivalents.

All recognised gains and losses are included in the profit and loss account therefore no separate statement of total recognised gains and losses has been presented.

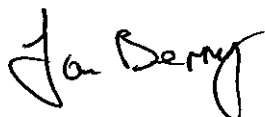
VOLVO INFORMATION TECHNOLOGY GB LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2008

		30 September		31 December	
		2008		2007	
	Notes	£000	£000	£000	£000
Fixed assets					
Intangible assets	9	-	-	-	-
Tangible assets	10	-	-	204	204
Current assets					
Stock	11	-	-	100	-
Debtors	12	1,545	-	1,282	-
Cash at bank and in hand		-	-	1,699	-
		1,545	-	3,081	-
Creditors: amounts falling due within one year	13	-	-	(1,725)	-
Net current assets			1,545		1,356
Total assets less current liabilities			1,545		1,560
			1,545		1,560
Capital and reserves					
Called up share capital	15		200		200
Profit and loss account	16		1,345		1,360
Equity shareholders' funds	17		1,545		1,560

The financial statements on pages 4 to 13 were approved by the Board on 5 May 2009 and signed on its behalf by:



T Berry
Director

VOLVO INFORMATION TECHNOLOGY GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

1. Principal accounting policies

Accounting convention

The accounts are prepared on a going concern basis, under the historical cost convention in accordance with applicable accounting standards in the United Kingdom. The accounting policies have been applied consistently.

Turnover

Turnover represents amounts invoiced to customers for services excluding VAT and trade discounts, and transfer price compensation from Volvo Information Technology AB in connection with the provision of information technology services.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Computer software costs are capitalised and are included in plant and equipment, while interest is not capitalised.

Depreciation is calculated to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the estimated useful life of the assets. The principal periods of depreciation used for this purpose are 5 years for furniture and fittings and 3 years for computer equipment.

Leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

Where fixed assets are financed by leasing agreements which give rights approximating to ownership ('finance lease agreements'), the assets are treated as if they had been purchased outright and are included in tangible fixed assets. The capital element of the leasing commitments is shown as obligations under finance leases. The rentals payable are apportioned between interest, which is charged to the profit and loss account, and capital which reduces the outstanding obligation. All other leases are recognised as operating leases.

Intangible fixed assets

The cost of intangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Amortisation is calculated to write off the cost of intangible fixed assets on a straight line basis over the estimated useful life of the assets.

Deferred taxation

Deferred taxation is recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax assets and liabilities recognised have not been discounted.

VOLVO INFORMATION TECHNOLOGY GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

Stock

Stock represents computer equipment for resale and is valued at the lower of cost and net realisable value.

Pension scheme arrangements

The Company participates in a pension scheme operated by a fellow group company, Volvo Group UK Limited. The fund is valued every three years by a professionally qualified independent actuary, with rates of contributions payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. The company accounts for the defined benefit scheme as if it was a defined contribution scheme because it is not feasible to split the assets and liabilities of the scheme between group companies. Volvo Group UK Limited has adopted Financial Reporting Standard 17 "Retirement Benefits" (see note 20).

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement in accordance with Financial Reporting Standard Number 1 (Revised) as it is a wholly owned subsidiary undertaking and the ultimate parent undertaking prepares a consolidated cash flow statement.

2. Turnover: geographical analysis

	2008	2007
	£000	£000
United Kingdom	77	862
Sweden	1,516	10,774
	<u>1,593</u>	<u>11,636</u>

3. Operating expenses

	2008	2007
	£000	£000
Administrative expenses	289	1,650

VOLVO INFORMATION TECHNOLOGY GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

4. Operating (loss)/profit	2008	2007
	£000	£000
Operating (loss)/profit is stated after charging:		
Depreciation charge for the year – owned tangible fixed assets	68	144
Fees payable to the company's auditor for the audit of the company's accounts	2	6

5. Tax on profit on ordinary activities	2008	2007
	£000	£000
UK Corporation Tax at 28.7% (2007: 30%):		
Current year	8	219
Prior year	-	37
	8	256
Deferred tax:		
Current year	(10)	77
	(2)	333

The tax assessed for the year is higher (2007: lower) than the standard rate of corporation tax in the UK of 28.7% (2007: 30%). The differences are explained below:

	2008	2007
	£000	£000
(Loss)/profit on ordinary activities before tax	(17)	893
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax of 28.7% (2007: 30%)	(5)	268
Effects of:		
Expenses not deductible for tax purposes	2	18
Accelerated capital allowances and other timing differences	11	(67)
Adjustments to the tax charge in respect of previous years	-	37
Current tax charge for the year	8	256

6. Dividends	2008	2007
	£000	£000
Final 2008 dividend of £nil per share (2007: Final dividend of £7.50 per share)	-	1,500

7. Directors' emoluments	2008	2007
	£000	£000
Aggregate emoluments (excluding pension contributions)	14	99

	Number	Number
The number of directors who are members of the defined benefit pension scheme	1	1

VOLVO INFORMATION TECHNOLOGY GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

8. Employees	2008	2007
	£000	£000
Staff costs, including directors' emoluments were:		
Wages and salaries	651	4,942
Social security costs	80	515
Other pension costs (note 20)	87	561
	818	6,018

The average monthly number of persons employed in the period to 28 February 2008 was:	Number	Number
Administration	106	110

The company participates in the Volvo Profit Sharing programme. Under this programme, the AB Volvo Board of Directors may allocate a share of profit depending upon the financial performance of the group.

The amount allocated for the company's employees in respect of 2008 is £nil (2007: £63,000). Payment is made in the form of shares in AB Volvo via a trust set up specifically for this purpose. Owing to tax considerations, under normal circumstances the shares are held on trust for five years before being transferred to the employee.

The Directors have assessed the requirements of FRS20 and consider that its application would not materially change the financial results or position of the Company.

9. Intangible fixed assets	Purchased goodwill
	£000
Cost	
As at 31 December 2007	59
Write off goodwill fully written down	(59)
Transferred to fellow group company	-
Amortisation	
As at 31 December 2007	59
Write off goodwill fully written down	(59)
Transferred to fellow group company	-

In December 2002 the company purchased part of the business of DCS Automotive (UK) Limited. No assets were incorporated into the company's business as a result of this acquisition, the purpose of which was to obtain access to established customers of the vendor company. The intangible asset therefore represents the value of purchased goodwill, which has been amortised over a period of 3 years from the date of acquisition.

VOLVO INFORMATION TECHNOLOGY GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

10. Tangible fixed assets	Plant and equipment £000
Cost	
As at 31 December 2007	808
Additions	6
Transferred to fellow group company	(814)
As at 30 September 2008	<u>-</u>
Depreciation	
As at 31 December 2007	604
Charge for the period	68
Transferred to fellow group company	(672)
As at 30 September 2008	<u>-</u>
Net book value	
As at 30 September 2008	<u>-</u>
As at 31 December 2007	<u>204</u>

11. Stock	2008 £000	2007 £000
Computer equipment for resale	-	100

12. Debtors	2008 £000	2007 £000
Amounts falling due within one year:		
Trade debtors	-	89
Amounts owed by fellow subsidiaries	1,545	498
Other debtors	-	230
Prepayments and accrued income	-	311
Deferred tax asset (note 14)	-	154
	<u>1,545</u>	<u>1,282</u>

13. Creditors: amounts falling due within one year	2008 £000	2007 £000
Trade creditors	-	127
Amount owed to fellow subsidiaries	-	536
Corporation tax	-	215
Accruals and deferred income	-	847
	<u>-</u>	<u>1,725</u>

VOLVO INFORMATION TECHNOLOGY GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

14. Deferred taxation	2008	2007
	£000	£000
The deferred tax asset consists of the following:		
Deferred tax asset at beginning of year	154	231
Deferred tax credit/(charge) in the profit and loss account for the period	10	(77)
Deferred tax asset transferred to fellow subsidiary	(164)	-
Deferred tax asset at end of period	-	154
The deferred tax asset consists of the following:		
Capital allowances	-	154
Pension contributions	-	-
	-	154
15. Called up share capital	2008	2007
	£000	£000
Authorised		
200,100 (2006: 200,100) ordinary shares of £1 each	200	200
Allotted, called up and fully paid		
200,002 (2006: 200,002) ordinary shares of £1 each	200	200
16. Profit and loss account	2008	2007
	£000	£000
Opening profit and loss reserve	1,360	2,300
(Loss)/profit for the period/year	(15)	560
Dividends (note 6)	-	(1,500)
Closing profit and loss reserve	1,345	1,360
17. Reconciliation of movements in equity shareholders' funds	2008	2007
	£000	£000
Opening shareholders' funds	1,560	2,500
(Loss)/profit for the period/year	(15)	560
Dividends (note 6)	-	(1,500)
Closing shareholders' funds	1,545	1,560

VOLVO INFORMATION TECHNOLOGY GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

18. Financial commitments

The company is a party to a cross guarantee given by fellow group undertakings to its bankers, limited to the extent of any borrowing by the company from its bankers, which amounted to £Nil at 30 September 2008 (2007: £Nil). There were no commitments under non-cancellable operating leases at 30 September 2008 (2007: £Nil). There were no capital commitments at 30 September 2008 (2007: £Nil).

19. Related party transactions

The company has taken advantage of the exemptions available under Financial Reporting Standard Number 8 "Related party disclosures" not to disclose transactions and balances with other group companies 90% of whose voting rights are controlled within the group, and where the consolidated financial statements of the ultimate parent undertaking are publicly available.

20. Pension scheme

The company participates in pension schemes operated by Volvo Group UK Limited with various eligibility rules for its employees. The schemes are of the defined benefit type and are funded by contributions from the participating companies and their employees at rates determined by independent actuaries in the light of regular valuations. Such contributions are held in trustee-administered funds completely independent of group finances. The last actuarial valuation of the schemes was as at 5 April 2007. Particulars of the valuation are shown in the accounts of Volvo Group UK Limited.

Financial Reporting Standard 17 "Retirement Benefits" has been adopted in the Volvo Group UK Limited accounts. It is impractical to identify the share of the underlying assets and liabilities attributable to Volvo Information Technology GB Limited. The scheme had a surplus of £13,730,000 (2007: surplus of £11,081,000) representing a funding level of 108% (2007: 105%) and is fully disclosed in the financial statements of Volvo Group UK Limited for the year ended 31 December 2008.

Contributions to the schemes for the period were £87,000 (2007: £561,000).

21. Ultimate parent undertaking

The directors regard AB Volvo, a company registered in Sweden, as the company's immediate and ultimate parent undertaking. A copy of AB Volvo's financial statements may be obtained from AB Volvo Publications Department, 7940 Arun S 405 08, Gothenburg, Sweden.

VOLVO INFORMATION TECHNOLOGY GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS (*Continued*)
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

22. Sale of assets and liabilities: *Volvo Group UK Limited*

On 1 March 2008 Volvo Information Technology GB Limited transferred its assets and liabilities to Volvo Group UK Limited as follows:

	Book and fair value
	£000
Fixed assets	142
Stock	44
Debtors	1,084
Cash at bank and in hand	543
Creditors	(268)
Net assets disposed of	<u>1,545</u>
 Consideration (settled through the intercompany account)	 <u>1,545</u>

As from 1 March 2008, the company has ceased to trade.

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF
VOLVO INFORMATION TECHNOLOGY GB LIMITED
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

We have audited the financial statements of Volvo Information Technology GB Limited for the period ended 30 September 2008 which comprise the profit and loss account, the balance sheet and the related notes.

These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to whether in our opinion the information given in the Directors' Report is not consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

INDEPENDENT AUDITORS' REPORT (Continued)
TO THE SHAREHOLDERS OF
VOLVO INFORMATION TECHNOLOGY GB LIMITED
FOR THE PERIOD ENDED 30 SEPTEMBER 2008

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 30 September 2008 and of its loss for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Birmingham

5 May 2009