

 **Volvo Bus Corporation**

Press Information

# Volvo Buses announces future investment plans on eve of its 10th year in India

On the eve of its 10th year in India, Volvo Buses announced SEK 500 million investment plans for the next 5 years. In the first phase the company will expand its current industrial establishment and introduce a range of new products.

**Mr Hakan Karlsson, President & CEO, Volvo Bus Corporation**, said, “Just as we enter the 10th year of our operations, I also see India ready for its next phase in progress. As we go forward and reach new scales of operations, Volvo Buses in India will extend its presence wider in the market, while also becoming our global hub for various selected models. We see India becoming one of our largest markets globally”.

This is a landmark for Volvo Buses’ journey in India, which started in 2001. Over the last decade the company has emerged as a leader in its class with a dominant market presence and in the process re-defined how people see buses.

The Indian market has witnessed a paradigm shift in the bus business. While earlier, coaches built on truck chassis were the norm of the day, the entry of Volvo introduced the concept of a true-bus chassis with rear engines & also brought in a new purpose to bus-based public transport systems.

Today, the company has presence in the inter-city luxury coach and low-floor air-conditioned city bus segments.

**Mr Akash Passey, Managing Director, Volvo Buses in India**, said, “The need for buses as sustainable transport solutions is high in India and we aim to grow multifold in the years to come. From 1000 buses to 5000. From 1000 people to 5000 people and be a billion dollar company. With the support of all our stakeholders, we will continue to drive the change & open up new applications & segments while consolidating our current position.”

Volvo Buses has announced its ambition for 500 percent increase in volumes by 2015 taking it to producing 5,000 buses per annum with revenue of 1 Billion USD. By this time Volvo aims to export 20-25 percent of its volumes not only in South Asia but to markets beyond.

Most importantly Volvo aims to build products to establish new segments. This plan also includes a plan to expand its current industrial establishment by 100 percent. Work on this has already started and the company is moving towards achieving its stated objective.

Volvo Buses today has over 70% market share in the luxury inter-city coach segment and over 50% market share in the low floor air-conditioned city bus segment respectively.

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