

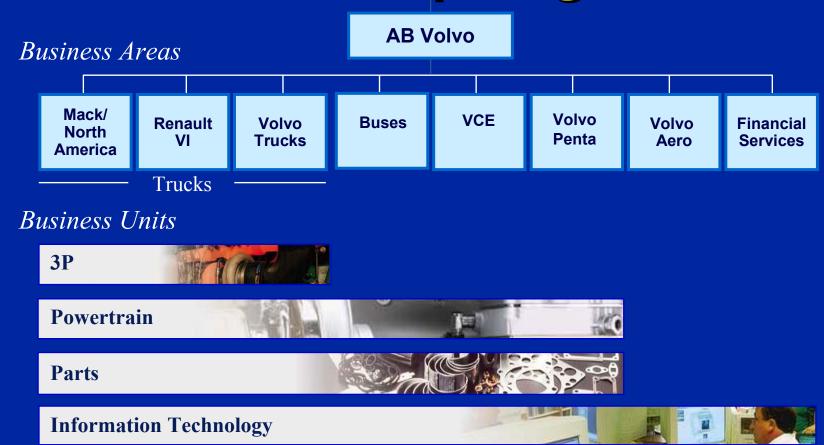
Timeline for Vehicle and Engine Integration -- Facilitating Field Testing

VOLVO POWERTRAIN CORPORATION

Bob Ernharth
Chief Project Manager

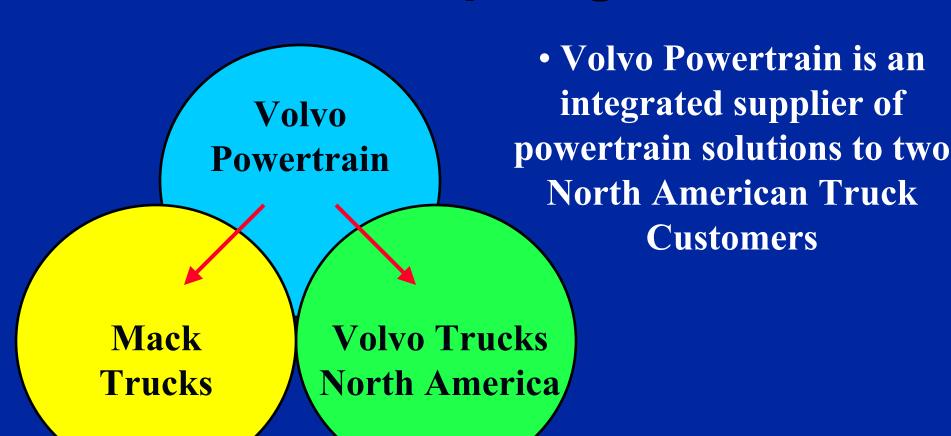
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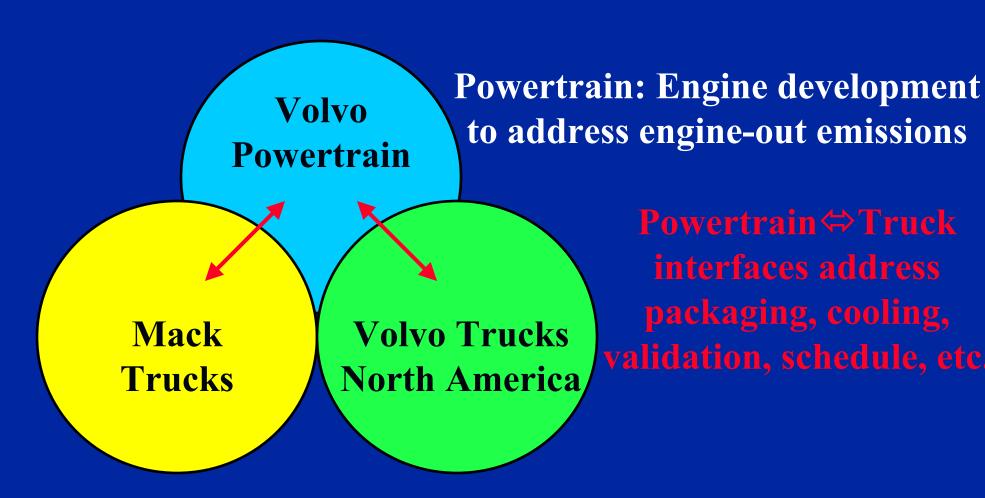


Volvo Powertrain is now the worlds largest producer of heavy duty engines from 9 to 16 liters.

The Volvo Group Organization



The Volvo Group Organization



Truck: Vehicle development to incorporate after-treatment

US 2007 Engine Offerings

- Volvo Powertrain will offer a complete line of diesel engines which fully comply with US07 requirements.
- Engines supplied to Mack Trucks and Volvo Trucks North America will be customized to meet their unique market needs and customer expectations.

US 2007 Challenges

- Best technology solution for end user
- Technology selection by VPT and Truck considers:
 - Engine attributes
 - Vehicle attributes
 - Interface issues
 - » Packaging
 - » Cooling
 - » Validation
 - » Schedule
 - **Product Continuity (2007 ... 2010)**
- **Technology selection expected Sept 2003**



 All potential 2007 technologies require DPF

Particulate matter is burned in catalytic filter Filter 90+% Efficiency

Pre-Catalyst

Diesel Particulate Filter

- **Volvo Powertrain Experience**
 - 450 trucks in European field test
 - » 23 Million Miles
 - US field test initiated
 - » 7 trucks in service
 - » 58 planned
 - Experience growing in US retrofit market (trucks)
 - » Primary issues have been plugging, heat damage, and cracking.



DPF on MACK Vehicle

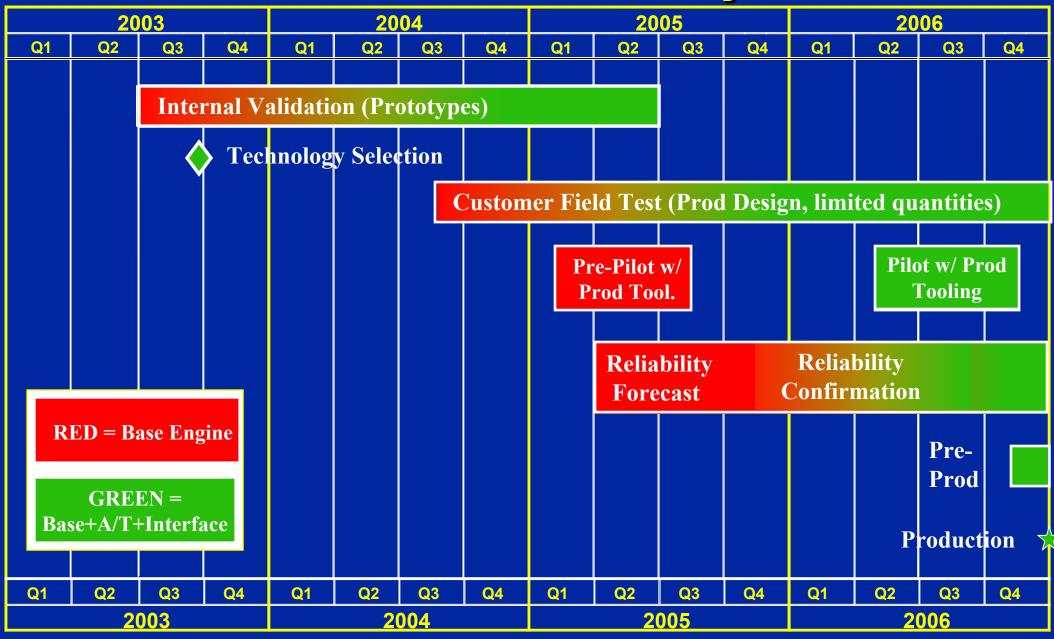
US07 Product Development & Validation

- Must demonstrate:
 - Functionality
 - Durability
 - Reliability
- Product development includes a combination of analytical, laboratory, and field test resources

Planned US07 Validation Activities

	<u>Internal</u>	<u>Customer</u>
■ DPF Vehicle testing (in process)		✓
US07 Engine testing	✓	√
■ US07 Vehicle testing	✓	√
US07 Reliability testing	\checkmark	\checkmark

US07 Availability



The Volvo Group is confident that we can draw on our Global expertise to deliver proven US07 products that meet the expectations of our Customers.