

P R E S S   R E L E A S E

## **Volvo Financial Services and Eicher Motors Limited announce joint venture for financial services in India**

Volvo Financial Services (VFS) and Eicher Motors Limited today announced the intent to form a 50-50 joint venture to provide financing, leasing and other financial services for customers of Volvo and Eicher-branded commercial vehicles within the Indian market. Pending regulatory approval, the JV will be created by VFS India issuing new shares to Eicher in exchange for an equity investment of up to Rs 750 crores or approximately 730 MSEK. The exact investment will be determined at the time of closing per the transaction documents. The impact on earnings at the closing of the transaction will not be significant and will not have any cash flow effect on the Volvo Group.

“VFS has developed a strong portfolio in India by leveraging our global presence and working together hand-in-hand with our Volvo customers and dealers,” said VFS President Marcio Pedroso. “We believe now is the time to sharpen our focus on the Eicher brand as well, with our intended partnership serving as a springboard for bringing innovative financial services and solutions to both current and new customers and dealers, positioning us well to create long-term value in the growing Indian market.”

As the captive finance arm of the Volvo Group, VFS has a deep and thorough understanding of customers’ operations, allowing it to provide tailored financial and insurance solutions and services.

With its strong portfolio of truck and bus models, Eicher is a leading manufacturer of transport solutions. Its products are sold through an extensive network of dealers across the Indian market.

The proposed JV will combine VFS’ knowledge and customer focus with Eicher’s commercial vehicles and dealer network to capture new business in a more aligned and efficient manner. The JV will also deepen integration to move closer to customers and accelerate decision-making, helping customers more easily access financing solutions that meet the needs of their business.

The Volvo Group and Eicher bring nearly 20 years of demonstrated success in operating a joint venture, with the two companies having formed VE Commercial Vehicles (VECV) in 2008. Today, VECV offers a comprehensive range of modern and efficient trucks and buses, which can be financed through VFS.

Initially, the proposed JV will focus on financing Volvo and Eicher commercial products, with the prospect of financing Royal Enfield customers and dealers in India in the future.

VFS and Eicher intend to operate the proposed JV as an independent entity and will incorporate existing people, resources and assets from both companies into the new organization. Following the integration, no changes are anticipated to the current office locations of VFS India, which include Gurgaon, Bangalore, Kolkata, Mumbai, Hyderabad and Delhi.

The closing of the deal is expected during the first half of 2027, contingent upon approvals from respective authorities.

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**Volvo Financial Services** is the captive finance arm of the Volvo Group, providing financial services and solutions that meet the needs of our customers today and into the future. Dedicated to innovation, VFS is supporting society in its adoption of sustainable transport and equipment solutions. VFS is headquartered in Gothenburg, Sweden, and serves Volvo Group customers and dealers in about 40 markets. For more information, please visit [www.volvofinancialservices.com](http://www.volvofinancialservices.com) or follow Volvo Financial Services on [LinkedIn](#).

The **Volvo Group** drives prosperity through transport and infrastructure solutions, offering trucks, buses, construction equipment, power solutions for marine and industrial applications, financing and services that increase our customers' uptime and productivity. Founded in 1927, the Volvo Group is committed to shaping the future landscape of sustainable transport and infrastructure solutions. The Volvo Group is headquartered in Gothenburg, Sweden, employs almost 100,000 people and serves customers in almost 180 markets. In 2025, net sales amounted to SEK 479 billion (EUR 43 billion). Volvo shares are listed on Nasdaq Stockholm.

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