

For immediate release

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**PININFARINA AND VOLVO CAR CORPORATION ESTABLISH
JOINT VENTURE IN SWEDEN**

Pininfarina SpA and Volvo Car Corporation have signed an agreement with the aim of developing and manufacturing Volvo's next generation convertible.

A joint venture company will be formed and based in Uddevalla, Sweden, where the current Volvo convertible has been built since 1997. This new company, which will be called "Pininfarina Sverige AB," will be responsible for all operations at the Uddevalla plant, including project management, process engineering, prototyping and testing services.

Pininfarina will hold a majority 60 percent shareholding, with Volvo Car Corporation holding the remaining 40 percent. The top management structure, which has not yet been decided, will be a combination of Pininfarina and Volvo executives.

"We are happy to be able to continue to offer our customers convertibles, and to do so by co-operating with such a well established and well respected partner as Pininfarina," said Hans-Olov Olsson, President and CEO of Volvo Car Corporation.

"This co-operation with Volvo Car Corporation is an outstanding example of our full service provider strategy," said Pininfarina CEO Andrea Pininfarina. "Besides handling the engineering development of a new Volvo convertible, we will also be responsible for its production in Sweden".

Further details on the co-operation will follow as the joint venture develops.

Pininfarina SpA

Pininfarina is one of the leading design and speciality car makers within the automotive industry, with a history dating back to 1930. The company has more than 2.500 employees and operations in Italy, Germany and France. In 2003 they will produced over 40.000 cars. The current car output includes the Ford Streetka.

Volvo Car Corporation

Volvo Car Corporation has 27,000 employees, of whom 19,000 are in Sweden. Sales in 2002 reached approximately 408,000 cars, with a turnover of 120 billion SEK. Its largest markets are USA, Sweden, Germany, UK and Japan. Volvo Car Corporation is a wholly owned subsidiary of Ford Motor Company.