



Press Information

Terra Environmental Technologies to Supply Volvo with DEF for SCR

Volvo Trucks North America took another step toward cleaner air for society and improved fuel economy for customers by naming Terra Environmental Technologies Inc. (TET), a Terra Industries Inc. (Terra) company, its preferred supplier of the Diesel Exhaust Fluid (DEF) used in Volvo's 2010 emissions control system, Selective Catalytic Reduction (SCR).

SCR is an exhaust aftertreatment system that allows Volvo to achieve the near-zero emissions of nitrogen oxides (NOx) required by U.S. Environmental Protection Agency regulations, which take effect in January 2010. Volvo expects SCR to improve fuel economy by up to 3%, using the same proven engines as today. Fuel economy improvements also combat climate change by reducing emissions of the greenhouse gas, CO₂.

TET supplies DEF under the brand name TerraCair Ultrapure[®] DEF (TerraCair DEF).

"Volvo's agreement with TET is yet another step in the establishment of a comprehensive and convenient distribution network to make DEF as readily available as diesel," said Scott Kress, Volvo senior vice president – sales & marketing. "Under this agreement, TET, with its distribution partners, will supply Volvo's dealer network with retail-sized containers of TerraCair DEF. It will also be the factory fill for all Volvo trucks built at our New River Valley Plant. This agreement assures Volvo customers a reliable supply of ultrapure DEF manufactured to the strictest quality standards.

"With the use of SCR, Volvo will meet EPA's 2010 standards without emissions credits, while at the same time optimizing our engines for even better fuel economy. We already make extremely efficient and clean engines, and our engine technology and experience allow us to meet this challenging requirement at the exhaust pipe," said Kress. "Volvo's years of experience with SCR, including North American experience in customer test fleets, make us very confident that this is the right choice for our customers.

Michael L. Bennett, Terra's president and CEO, said, "TET is ready to support Volvo and bring SCR to market in North America. TET, in concert with distribution partners,



will supply Volvo dealers with retail-size containers of TerraCair Ultrapure DEF. This will establish one of the retail distribution channels sought by the EPA. We will also proudly provide all new Volvo trucks with their initial supply of TerraCair DEF when they come off the production line in Dublin, Virginia.

“TET is also deeply involved in developing other channels for TerraCair DEF distribution, including truckstops, and our experience with manufacturing and distributing urea solutions for NOx reduction in other industries is a real advantage as we begin serving the trucking industry,” Mr. Bennett said.

Said Barry Lonsdale, TET president, “We know from our work in other industries that DEF will be effective in reducing NOx emissions, and how simple and safe it is to work with. We know what dispensing and distribution equipment is required and have relationships with the suppliers of that equipment. This will foster development of a comprehensive, high-volume distribution network.”

Facts about DEF:

DEF is a solution of 67.5% purified water and 32.5% urea, an organic nitrogen compound. Urea is classified as non-hazardous by EPA and has many common uses, such as fertilizer for food crops, in animal feed, in textile production and as an ingredient in cosmetics. Urea is naturally occurring, but is also commonly made from natural gas, which is the feedstock for TerraCair DEF. International standards govern DEF quality during production and through distribution.

Only a small amount of DEF is required for Volvo’s SCR system to reduce NOx emissions to the near-zero levels required in 2010—approximately three gallons of DEF for every 100 gallons of diesel. This means a truck’s onboard DEF tank will need to be topped off only every few refuelings.

Volvo Trucks North America’s operations and products are guided by the company’s three core values: Safety, Quality and Environmental Care. The Volvo VT, VN and VHD trucks are assembled in the United States at the New River Valley Plant in Dublin, Virginia, while Volvo engines for North America are assembled in Hagerstown, Maryland. Both plants are certified to ISO14001 environmental and ISO9001 quality standards. Volvo also sponsors America’s Road Team, a national highway safety outreach program.

Volvo Trucks North America is part of the Volvo Group, one of the world's leading manufacturers of trucks, buses and construction equipment, drive systems for marine and industrial applications, aerospace components and services, and one of the world's leading producers of heavy-diesel engines (9-16 liter). The Group also provides complete solutions for financing and service. The Volvo Group, which employs about



100,000 people, has production facilities in 19 countries and sells their products in more than 180 markets. Volvo Group sales for 2008 amounted to over \$46 billion. The Volvo Group is a publicly-held company headquartered in Gothenburg, Sweden. Volvo Shares are listed on Nasdaq OMX Nordic Exchange and are traded OTC in the U.S.

Terra Environmental Technologies Inc. provides products and services to customers using nitrogen products to reduce NOx emissions from various sources, including power plants and diesel engines, and in other environmental processes such as water treatment. As a wholly owned subsidiary of Terra Industries Inc. (NYSE: TRA), TET has access to the full range of Terra resources. Terra, with 2008 revenues of \$2.9 billion, is a leading North American producer and marketer of nitrogen products.

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CAPTION: Volvo Trucks North America has reached an agreement with Terra Environmental Technologies to supply ultrapure TerraCair, a key milestone in the establishment of a comprehensive North American DEF distribution network. *[NOTE TO EDITORS: A high-resolution version of this and other photographs can be viewed and downloaded at www.volvotruckpictures.com. Logon with username: VOLVOXTNL (all caps) and password: guest (lowercase). Click on "Category Search," then "NewsReleasePhotos."]*

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