

## Scania Interim Report January-March 2010

- Operating income rose to SEK 2,130 m. (506) and earnings per share rose to SEK 1.78 (0.22)
- Net sales increased by 4 percent to SEK 16,503 m. (15,859)
- Cash flow amounted to SEK 2,366 m. (874) in Vehicles and Services

### Comments by Leif Östling, President and CEO

“Scania’s operating income in the first quarter of 2010 rose to SEK 2,130 m. The increase is explained primarily by improved capacity utilisation and cost reductions that were implemented last year. In the first quarter of 2009, Scania had low capacity utilisation and sizeable excess inventory due to low demand. The improvement in capacity utilisation was mainly due to strong demand in Brazil, where the truck market has benefited from both tax breaks and interest rate subsidies. Scania has taken advantage of the Group’s common global product range and has been able to swiftly meet the strong demand in Latin America. Demand in the European truck market improved somewhat from a very low level. There is still overcapacity among hauliers, and freight prices are thus depressed. Small and medium-sized companies are continuing to have difficulty finding financing for their operations and vehicles, especially in central and eastern Europe. In Asia, a recovery is under way in all truck segments. Demand for buses and coaches was stable. The market for engines improved, especially in Latin America. Activity in the transport business has improved, contributing to higher demand for services, especially in Latin America and Asia. Cash flow in Vehicles and Services totalled SEK 2,366 m. Together with the reduced portfolio in Financial Services, the Group’s net debt decreased by SEK 5,7 billion. In April, Scania launched a new range of V8 engines, including a completely new top-of-the-line model with an output of 730 hp, making it the most powerful engine to date in the truck market. This means that Scania has all the technical solutions and also the engine platform needed to fulfil the Euro 6 emission standards that go into effect at the end of 2013. In Scania’s overall assessment, the level of demand in the first quarter will continue during the second quarter. Capacity utilisation in the production network will gradually improve during the second quarter.”

	Q1		Change, %	
	2010	2009		
<b>Trucks and buses</b>				
Units				
– Order bookings	16,151	6,061	166	
– Deliveries	11,947	11,304	6	
<b>Net sales and earnings</b>				
SEK m. (unless otherwise stated)	EUR m.*			
<b>Net sales, Scania Group</b>	1,694	16,503	15,859	4
Operating income, Vehicles and Services	220	2,140	462	-
Operating income, Financial Services	-1	-10	44	-
Operating income	219	2,130	506	-
<b>Income before taxes</b>	206	2,007	164	-
<b>Net income for the period</b>	146	1,424	179	-
Operating margin, percent		12.9	3.2	
Return on equity, percent		10.4	28.8	
Return on capital employed,				
Vehicles and Services, percent		13.4	31.7	
Earnings per share, SEK		1.78	0.22	
Cash flow, Vehicles and Services	243	2,366	874	

Number of shares: 800 million

\* Translated to EUR solely for the convenience of the reader at a balance sheet date exchange rate of SEK 9.74 = EUR 1.00.

Unless otherwise stated, all comparisons refer to the corresponding period of the preceding year.

This report has not been reviewed by the company’s auditors. The report is also available on [www.scania.com](http://www.scania.com)

## Business overview

### Vehicles and Services

During the first quarter of 2010, total deliveries increased by 6 percent to 11,947 (11,304) vehicles, compared to the equivalent period of 2009. Net sales rose by 4 percent to SEK 16,503 m. Currency rate effects, excluding currency hedges, had a negative impact of 3 percent.

Order bookings increased sharply to 16,151 (6,061) vehicles compared to the first quarter of 2009, which was characterised by large-scale cancellations and great uncertainty among customers.

In April, Scania launched a new range of V8 engines, including an entirely new top-of-the-line model that is the most powerful engine to date in the truck market. The engine features an output of 730 horsepower and has a torque of 3500 Nm. The engine is mainly intended for the heaviest, most demanding long-haulage segments. With the introduction of the new V8 engines, Scania has all the technical solutions and also the engine platform needed to fulfil the Euro 6 emission standards that go into effect at the end of 2013.

Due to the sharp downturn in demand early in 2009, Scania introduced reduced working hours in a number of European countries, including a four-day week in Sweden. The reductions were extended to cover the first half of 2010. But due to strong demand in Brazil and continued gradual improvement in Europe, in April Scania was able to speed up its production rate and resume the five-day week in April and May for about 3,500 employees, especially those involved in the manufacture of components. Scania was thus able to take advantage of the Group's common global product range and to swiftly supply Brazil with components from its European production unit.

### Trucks

In Europe, demand improved somewhat during the first quarter of 2010, compared to the second half of 2009, but the recovery is occurring slowly. In many European markets, the truck population had a relatively low average age when the recession began, and transport companies also generally ended up with overcapacity. Freight prices are depressed and small and medium-sized companies, especially in central and eastern Europe, are having difficulty in finding financing for their operations and vehicles. In Latin America,

### Order bookings, Scania trucks

	Q1 2010	Q1 2009	Change, %
Western Europe	5,635	1,856	204
Central and eastern Europe	1,267	230	451
Latin America	4,439	1,659	168
Asia	2,651	585	353
Other markets	633	453	40
<b>Total</b>	<b>14,625</b>	<b>4,783</b>	<b>206</b>

### Deliveries, Scania trucks

	Q1 2010	Q1 2009	Change, %
Western Europe	3,650	5,131	-29
Central and eastern Europe	1,027	861	19
Latin America	3,750	2,113	77
Asia	1,311	1,237	6
Other markets	534	595	-10
<b>Total</b>	<b>10,272</b>	<b>9,937</b>	<b>3</b>

### Number of Scania truck registrations, Scania's 10 largest markets, January-December

	Q1 2010	Q1 2009	Change, %
Brazil	3,401	1,844	84.4
Germany	945	942	0.3
Great Britain	732	883	-17.1
France	472	737	-36.0
Russia*	376	301	24.9
Netherlands	368	782	-52.9
Sweden	347	568	-38.9
Iran*	334	488	-31.6
Turkey	289	207	39.6
Poland	270	208	29.8

\* Refers to delivered trucks

### Scania's market share, heavy trucks, Scania's 10 largest markets, percent, January-December

	Q1 2010	Q1 2009
Brazil	27.5	26.6
Germany	10.2	7.9
Great Britain	21.4	17.3
France	7.8	7.5
Russia*	-	-
Netherlands	16.0	18.6
Sweden	40.2	40.6
Iran*	-	-
Turkey	9.8	12.0
Poland	17.0	13.6

\* Refers to delivered trucks

demand remains at a high level, especially in Brazil, where growth is very strong. This market is being sustained by interest rate subsidies and tax breaks. In Asia, a recovery is under way in all segments.

Sales of used trucks rose gradually during 2009. In the first quarter of 2010, volume was 60 percent higher than in the year-earlier period. Higher activity in the used truck market during the second half of 2009 and early in 2010 resulted in a higher inventory turnover rate. Used vehicle prices stabilised at a low level during the first quarter of 2010.

Scania's **order bookings** during the first quarter of 2010 amounted to 14,625 (4,783) trucks, an increase of 206 percent.

The first quarter of 2009 was characterised by large-scale cancellations and great uncertainty among customers, which resulted in a very low level of orders in several regions. In western Europe, order bookings were up 204 percent to 5,635 (1,856) units during the first quarter of 2010. Demand increased in virtually all markets. Great Britain was favourably affected by a major order totalling 1,000 trucks for the Stobart Group. In central and eastern Europe, order bookings rebounded from a very low level to 1,267 (230) trucks during the period. The upturn was mainly attributable to Russia and Poland.

In Latin America, order bookings climbed 168 percent during the first quarter. Order bookings were especially strong in Brazil, which accounted for the bulk of the upturn. Order bookings in Asia rose 353 percent, with several markets in the Middle East showing major increases. In other markets, Scania noted an upturn in its markets in southern Africa.

Scania's truck **deliveries** increased by 3 percent to a total of 10,272 (9,937) during the first quarter of 2010, compared to the same period of 2009. In western Europe, deliveries fell by 29 percent. In central and eastern Europe, deliveries rose by 19 percent; the upturn was attributable to Russia and Poland.

In Latin America, the delivery upturn was 77 percent, which was explained by very strong growth in Brazil.

In Asia, the upturn was attributable to Turkey. In other markets, deliveries decreased by 10 percent.

**Net sales** of trucks fell by 5 percent to SEK 8,794 m. (9,270) during the first quarter of 2010.

The total market for heavy trucks in 25 of the European Union member countries (all EU countries except Greece and Malta) plus Norway and Switzerland fell by 29 percent to about 35,300 units during the first quarter of 2010. Scania truck registrations amounted to some 5,000 units, equivalent to a market share of about 14.2 (13.9) percent.

#### Order bookings, Scania buses and coaches

	Q1 2010	Q1 2009	Change, %
Europe	316	573	-45
Latin America	465	232	100
Asia and other markets	745	473	58
<b>Total</b>	<b>1,526</b>	<b>1,278</b>	<b>19</b>

#### Deliveries, Scania buses and coaches

	Q1 2010	Q1 2009	Change, %
Europe	439	537	18
Latin America	488	298	64
Asia and other markets	748	532	41
<b>Total</b>	<b>1,675</b>	<b>1,367</b>	<b>23</b>

#### Net sales by market (SEK m.), Scania's 10 largest markets, January-March

	Q1 2010	Q1 2009	Change, %
Brazil	3,685	1,883	96
United Kingdom	1,271	1,429	-11
Germany	1,074	1,105	-3
Sweden	805	1,166	-31
Norway	724	1,066	-32
Netherlands	681	1,112	-39
France	631	866	-27
Finland	546	662	-18
Italy	471	461	2
Denmark	392	547	-28

### Buses and coaches

Scania's **order bookings** for buses and coaches rose by 19 percent to 1,526 (1,278) units during the first quarter.

In Europe, demand was down by 45 percent compared to the first quarter of 2009. In western Europe, demand fell mainly in Great Britain. In central and eastern Europe, Scania noted continued low demand.

In Latin America, order bookings rose by 100 percent during the first quarter. Order bookings were higher in most markets, especially in Peru. In Asia and other markets, order bookings increased by 57 percent during the same period.

Scania's bus and coach **deliveries** totalled 1,675 (1,367) units during the first quarter. In Europe, deliveries fell by 18 percent to 439 units, with a general downturn in most markets. The upturn in Latin America was related to Brazil. In Asia and other markets, deliveries increased by 41 percent.

**Net sales** of buses and coaches increased by 2 percent to SEK 1,893 m. (1,853) during the first quarter.

### Engines

Scania Engines is expanding its global service network, especially in North America, where Scania has signed a long-term agreement to supply engines to Terex, a leading manufacturer of construction and industrial machinery, starting in 2011.

Scania's new industrial engine platform, which meets future legally mandated emission standards, is continuing to awaken interest among large customers. Delivery of these new engines will begin late in 2010.

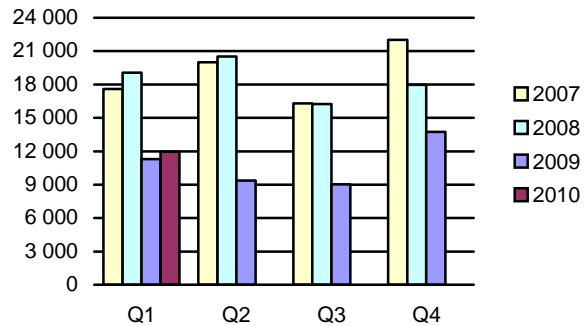
Order bookings for engines rose by 184 percent to 1,499 (527) units during the first quarter of 2010. The increase was explained by a general upturn in most market areas. Engine deliveries rose by 46 percent to 1,413 (971) units during the first quarter, and net sales increased by 27 percent to SEK 253 m. (199).

### Services

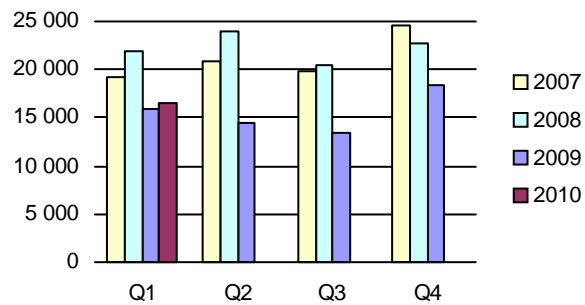
Service revenue decreased by 5 percent to SEK 3,971 m. (4,165) during the first quarter of 2010. Service volume rose somewhat, especially in Asia and Latin America. Higher volume was offset by negative currency rate effects.

Scania is focusing on boosting the efficiency and capacity utilisation of workshops. Despite lower demand, Scania is continuing to expand its own service network by means of new and updated service workshops, in order to improve accessibility and service to customers. Late 2009 Scania acquired an independent dealership in Denmark. With customers' uptime in mind, Scania is also adding more vehicle-related services by providing repairs, maintenance and parts for trailers, superstructures and bus and coach bodies, as well as an enhanced service offering for older vehicles.

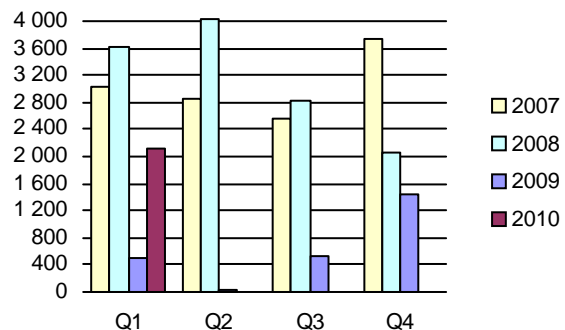
**Vehicles delivered (number)**



**Net sales (SEK m.)**



**Operating income (SEK m.)**



## Earnings

### Vehicles and Services

Operating income in Vehicles and Services totalled SEK 2,140 m. (462) during the first quarter of 2010. Higher capacity utilisation as a consequence of the significantly improved inventory situation and measures initiated in 2009 to reduce the cost level had a positive effect on earnings. This was counteracted by lower price on new trucks, mainly in Europe.

Scania's research and development expenditures amounted to SEK 844 m. (859). After adjusting for SEK 76 m. (55) in capitalised expenditures and SEK 42 m. (120) in depreciation of previously capitalised expenditures, recognised expenses decreased by SEK 114 m. to SEK 810 m. (924).

Compared to the first quarter of 2009, currency spot rate effects amounted to SEK -130 m. Currency hedging income totalled SEK 150 m. During the first quarter of 2009, currency hedging income amounted to SEK -900 m. The overall currency rate effect was thus about SEK 920 m.

### Financial Services

At the end of the first quarter of 2010, the size of Scania's customer finance portfolio amounted to SEK 37.4 billion, which represented a downturn of SEK 3.0 billion since year-end 2009. In local currencies, the portfolio shrank by 3.4 percent, equivalent to SEK 1.4 billion.

The penetration rate was 41 (38) percent, measured as rolling twelve-month figures in those markets where Scania has its own financing operations.

Operating income in Financial Services amounted to SEK -10 m. (44) during the first quarter of 2010. Hauliers have been affected by decreasing demand for transport services, which has led to lower volume and depressed freight prices. The downturn began late in 2008, and compared to the first quarter of 2009 the number of delayed payments in the first quarter of 2010 stabilised. Bad debt expenses were mainly attributable to central and eastern Europe.

### Scania Group

In the first quarter of 2010, Scania's operating income amounted to SEK 2,130 m. (506). Operating margin increased to 12.9 (3.2) percent. Scania's net financial items amounted to SEK -123 m. (-342). Net interest items amounted to SEK -94 m. (-223). Net interest items were affected by the lower net debt situation. Other financial income and expenses amounted to SEK -29 m. (-119).

The Scania Group's tax expense amounted to SEK -583 m. (15). Net income for the period totalled SEK 1,424 m. (179), corresponding to a net margin of 8.6 (1.1) percent. Earnings per share amounted to SEK 1.78 (0.22).

## Cash flow

### Vehicles and Services

Scania's cash flow in Vehicles and Services amounted to SEK 2,366 m. (874) during the first quarter of 2010. Tied-up working capital decreased by SEK 611 m., mainly due to a higher production rate affecting liabilities positively and to lower inventories of used vehicles.

Net investments amounted to SEK 360 m. (915), including SEK 76 m. (55) in capitalisation of development expenses. The gradual downturn was related to a slower pace of capital spending and was partly due to postponed investments. At the end of the first quarter of 2010, Scania's net debt position amounted to SEK 1,491 m., compared to a net debt position of SEK 7,404 m. on the same date in 2009.

### Scania Group

Scania's cash flow in Financial Services amounted to SEK 1,698 m. (895) during the first quarter of 2010, due to the reduced customer finance portfolio. Together with the positive cash flow in Vehicles and Services as well as the effect of the stronger Swedish krona, this reduced the Group's net debt by SEK 5.7 billion. compared to the end of 2009.

## Parent Company

The assets of the Parent Company, Scania AB, consist of shares in Scania CV AB. Scania CV AB is the parent company of the group that comprises all production and sales and service companies as well as other companies. Income before taxes of Scania AB totalled SEK 2 m. (7) during the first quarter of 2010.

## Miscellaneous

### Number of employees

At the end of the first quarter of 2010, the number of employees totalled 32,318, compared to 33,631 on the same date in 2009.

### Material risks and uncertainty factors

The section entitled "risk and risk management" in Scania's Annual Report for 2009 describes Scania's strategic, operational, legal and financial risks. Note 2 of the same report provides a detailed account of key judgements and estimates. Note 30 of the same report describes the financial risks, such as currency risk and interest rate risk. The risks that have the greatest impact on financial performance and on reporting for the Group and the Parent Company are summarised as follows:

#### a) Sales with obligations

About 10 percent of the vehicles Scania sells are delivered with residual value obligations or repurchase obligations. These are recognised as operating lease contracts, with the consequence that recognition of revenue and earnings is allocated over the life of the obligation (contract). If there are major changes in the market value of used vehicles, this increases the risk of future losses when selling returned vehicles. When a residual value obligation is deemed likely to cause a future loss, a provision is made in cases where the expected loss exceeds the as-yet-unrecognised profit on the vehicle. At the end of the first quarter of 2010, obligations related to residual value or repurchases amounted to SEK 5,928 m., compared to SEK 6,306 m. at the end of 2009.

#### b) Credit risks

In its Financial Service operations, Scania has an exposure in the form of contractual future payments. This exposure is reduced by the collateral Scania has in the form of the right to repossess the underlying vehicle. In case the market value of the collateral does not cover the exposure to the customer, Scania runs a credit risk. Reserves for probable losses in Financial Service operations are set aside in the estimated amounts required.

### Accounting principles

Scania applies International Financial Reporting Standards (IFRSs) as adopted by the EU. This Interim Report of the Scania Group has been prepared in accordance with IAS 34, "Interim Financial Reporting" and the Annual Accounts Act. New accounting standards being applied starting on 1 January 2010 are as follows:

Revised IFRS 3, "Business Combinations" – the standard deals with reporting of business combinations (acquisitions of businesses) and includes a number of changes. The main changes concern the definition of a business combination, two alternative methods for reporting goodwill and the requirement that transaction costs be recognized as expenses when they arise. The standard is applied prospectively to acquisitions implemented after 1 January 2010. The revised standard did not affect Scania's financial reports during the period.

Other changes in IFRSs that enter into force on 1 January 2010 have not had any material impact on Scania's accounting.

The Interim Report for the Parent Company, Scania AB, has been prepared in accordance with the Annual Accounts Act and recommendation RFR 2.3, "Accounting for Legal Entities" of the Swedish Financial Accounting Board.

**Annual General Meeting and proposed dividend**

Scania's Annual General Meeting will be held on Thursday, 6 May 2010 at Scaniarinken, AXA Sports Center, in Södertälje, Sweden. The Board of Directors proposes a dividend for 2009 of SEK 1.00 (2.50) per share, with 11 May 2010 as the record date. Provided that the AGM approves this proposal, the dividend can be expected to be sent on 17 May 2010.

Södertälje, 28 April 2010

Leif Östling  
President and CEO

**Financial information from Scania**

Scania's Interim Report for January-June 2010 will be published on 23 July 2010.

*This report contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Such forward-looking statements involve risks and uncertainties that could significantly alter potential results. These statements are based on certain assumptions, including assumptions related to general economic and financial conditions in the company's markets and levels of demand for the company's products.*

*This report does not imply that the company has undertaken to revise these forward-looking statements, beyond what is required by the rule book for issuers at the NASDAQ OMX Stockholm, if and when circumstances arise that will lead to changes compared to the date when these statements were issued.*

*The Year-end Report for 2009 stated the following:*

*"In the truck market the fall in demand has flattened out at a low level, and Scania is continuing to adjust its capacity, costs and capital spending. Given its strengthened product portfolio, together with large-scale cost savings and investments in employee training, Scania is well positioned for profitability and growth."*

**Contact persons:**

Per Hillström  
Investor Relations  
mobile tel. +46 70 648 30 52

Erik Ljungberg  
Corporate Relations  
tel. +46 8 553 835 57  
mobile tel. +46 73 988 35 57

The information in this Interim Report is that which Scania is required to disclose under Sweden's Securities Market Act and/or the Financial Instruments Trading Act. It was released for publication at 09:10 CET on 28 April 2010.

## Consolidated income statements

Amounts in SEK m. unless otherwise stated	Q1		Change in %	Full year 2009	Apr 09- Mar 10	
	EUR m.*	2010				2009
<b>Vehicles and Services</b>						
Net sales	1,694	16,503	15,859	4	62,074	62,718
Cost of goods sold	-1,214	-11,832	-12,589	-6	-48,890	-48,133
<b>Gross income</b>	480	4,671	3,270	43	13,184	14,585
Research and development expenses	-83	-810	-924	-12	-3,216	-3,102
Selling expenses	-150	-1,458	-1,613	-10	-6,407	-6,252
Administrative expenses	-27	-263	-274	-4	-918	-907
Share of income from associated companies and joint ventures	0	0	3		5	2
<b>Operating income, Vehicles and Services</b>	220	2,140	462		2,648	4,326
<b>Financial Services</b>						
Interest and lease income	106	1,028	1,257	-18	4,666	4,437
Interest and depreciation expenses	-79	-758	-954	-21	-3,514	-3,318
Interest surplus	27	270	303	-11	1,152	1,119
Other income and expenses	3	26	25	4	44	45
<b>Gross income</b>	30	296	328	-10	1,196	1,164
Selling and administrative expenses	-13	-129	-133	-3	-538	-534
Bad debt expenses	-18	-177	-151	17	-833	-859
<b>Operating income, Financial Services</b>	-1	-10	44		-175	-229
<b>Operating income</b>	219	2,130	506		2,473	4,097
Interest income and expenses	-10	-94	-223	-58	-722	-593
Other financial income and expenses	-3	-29	-119	-76	-149	-59
<b>Total financial items</b>	-13	-123	-342	-64	-871	-652
<b>Income before taxes</b>	206	2,007	164		1,602	3,445
Taxes	-60	-583	15		-473	-1,071
<b>Net income for the period</b>	146	1,424	179		1,129	2,374
<b>Other comprehensive income:</b>						
Exchange rate differences	-43	-415	248		188	-475
Hedge of net investments in foreign operations	-	-	-4		-1	3
Cash flow hedges						
gains/losses arising during the period	40	390	-220		719	1,329
reclassification to operating income	-15	-148	897		2,155	1,110
Actuarial gains/losses on pensions	-	-	0		-84	-84
Income tax relating to components of other comprehensive income	-7	-72	-177		-741	-636
<b>Other comprehensive income for the period</b>	-25	-245	744		2,236	1,247
<b>Total comprehensive income for the period</b>	121	1,179	923		3,365	3,621
Net income attributable to:						
Scania shareholders	146	1,424	179		1,129	2,374
Non-controlling interest	0	0	0		0	0
Total comprehensive income attributable to:						
Scania shareholders	121	1,179	923		3,365	3,621
Non-controlling interest	0	0	0		0	0
Depreciation included in operating income	-68	-663	-777		-2,772	-2,658
Earnings per share, EUR/SEK (no dilution) <sup>1</sup>		1.78	0.22		1.41	2.97
Return on equity, percent <sup>1,2</sup>		10.4	28.8		5.1	6.5
Operating margin, percent		12.9	3.2		4.0	6.5

<sup>1</sup> Attributable to Scania shareholders' portion of net income.

<sup>2</sup> Calculations are based on rolling 12-month income.

\* Translated solely for the convenience of the reader at a closing exchange rate of SEK 9.74 = EUR 1.00.



## Net sales and deliveries, Vehicles and Services

Amounts in SEK m. unless otherwise stated	Q1		Change in %	Full year 2009	Apr 09- Mar 10	
	EUR m.	2010				2009
<b>Net sales</b>						
Trucks	903	<b>8,794</b>	9,270	-5	32,832	32,356
Buses *	194	<b>1,893</b>	1,853	2	8,837	8,877
Engines	26	<b>253</b>	199	27	821	875
Service-related products	408	<b>3,971</b>	4,165	-5	15,904	15,710
Used vehicles	117	<b>1,143</b>	813	41	4,403	4,733
Miscellaneous	55	<b>538</b>	-280		-208	610
Delivery sales value	1,703	<b>16,592</b>	16,020	4	62,589	63,161
Revenue deferrals <sup>3</sup>	-9	<b>-89</b>	-161		-515	-443
Net sales	1,694	<b>16,503</b>	15,859	4	62,074	62,718

### Net sales <sup>4</sup>

Western Europe	825	<b>8,034</b>	9,611	-16	33,498	31,921
Central and eastern Europe	140	<b>1,362</b>	1,362	0	5,468	5,468
Latin America	456	<b>4,444</b>	2,619	70	11,812	13,637
Asia	175	<b>1,703</b>	1,361	25	6,096	6,438
Other markets	98	<b>960</b>	906	6	5,200	5,254
Net sales	1,694	<b>16,503</b>	15,859	4	62,074	62,718

### Total delivery volume, units

Trucks		<b>10,272</b>	9,937	3	36,807	37,142
Buses*		<b>1,675</b>	1,367	23	6,636	6,944
Engines		<b>1,413</b>	971	46	4,235	4,677

<sup>3</sup> Refers to the difference between sales value based on deliveries and revenue recognised as income.

<sup>4</sup> Revenues from external customers by location of customers.

\* Including body-built buses and coaches.

## Quarterly data, earnings

Amounts in SEK m. unless otherwise stated	2010		2009			
	EUR m.	Q1	Q4	Q3	Q2	Q1
<b>Vehicles and Services</b>						
Net sales	1,694	16,503	18,360	13,426	14,429	15,859
Cost of goods sold	-1,214	-11,832	-14,023	-10,587	-11,691	-12,589
<b>Gross income</b>	480	4,671	4,337	2,839	2,738	3,270
Research and development expenses	-83	-810	-802	-670	-820	-924
Selling expenses	-150	-1,458	-1,789	-1,393	-1,612	-1,613
Administrative expenses	-27	-263	-226	-186	-232	-274
Share of income in associated companies and joint ventures	0	0	4	-2	0	3
<b>Operating income, Vehicles and Services</b>	220	2,140	1,524	588	74	462
<b>Financial Services</b>						
Interest and lease income	106	1,028	1,131	1,086	1,192	1,257
Interest and depreciation expenses	-79	-758	-851	-825	-884	-954
Interest surplus	27	270	280	261	308	303
Other income and expenses	3	26	2	11	6	25
<b>Gross income</b>	30	296	282	272	314	328
Selling and administrative expenses	-13	-129	-137	-130	-138	-133
Bad debt expenses	-18	-177	-238	-211	-233	-151
<b>Operating income, Financial Services</b>	-1	-10	-93	-69	-57	44
<b>Operating income</b>	219	2,130	1,431	519	17	506
Interest income and expenses	-10	-94	-139	-169	-191	-223
Other financial income and expenses	-3	-29	-56	33	-7	-119
<b>Total financial items</b>	-13	-123	-195	-136	-198	-342
<b>Income before taxes</b>	206	2,007	1,236	383	-181	164
Taxes	-60	-583	-414	-105	31	15
<b>Net income for the period</b>	146	1,424	822	278	-150	179
Earnings per share, SEK *		1.78	1.03	0.35	-0.19	0.22
Operating margin, in percent		12.9	7.8	3.9	0.1	3.2

\* Attributable to Scania shareholders' portion of net income.

## Consolidated balance sheets by business segment

Amounts in SEK m. unless otherwise stated	2010		2009			
	<i>EUR m.</i>	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
<b>Vehicles and Services</b>						
<b>Assets</b>						
<b>Non-current assets</b>						
Intangible non-current assets	232	<b>2,253</b>	2,292	2,259	2,281	2,267
Tangible non-current assets	2,184	<b>21,283</b>	22,016	21,566	21,994	21,491
Lease assets	376	<b>3,663</b>	4,008	3,956	4,485	4,475
Shares and participations	50	<b>489</b>	488	450	494	527
Interest-bearing receivables	15	<b>148</b>	168	79	99	19
Other receivables <sup>5, 6</sup>	205	<b>1,994</b>	2,243	2,405	2,032	1,751
<b>Current assets</b>						
Inventories	1,225	<b>11,936</b>	11,762	13,056	14,258	14,591
Interest-bearing receivables	16	<b>152</b>	148	151	200	212
Other receivables <sup>7</sup>	983	<b>9,571</b>	8,779	9,380	9,758	11,567
Short-term investments	3	<b>30</b>	47	37	29	78
Cash and cash equivalents	853	<b>8,305</b>	6,601	5,356	6,100	5,851
<b>Total assets</b>	<b>6,142</b>	<b>59,824</b>	<b>58,552</b>	<b>58,695</b>	<b>61,730</b>	<b>62,829</b>
<b>Equity and liabilities</b>						
<b>Equity</b>						
Scania shareholders	2,071	<b>20,170</b>	18,884	17,769	17,035	18,124
Non-controlling interest	0	<b>1</b>	1	1	1	1
Total equity	2,071	<b>20,171</b>	18,885	17,770	17,036	18,125
<b>Interest-bearing liabilities</b>	<b>1,010</b>	<b>9,838</b>	<b>10,204</b>	<b>11,358</b>	<b>12,739</b>	<b>12,083</b>
<b>Non-current liabilities</b>						
Provisions for pensions	512	<b>4,986</b>	4,963	4,853	4,856	4,685
Other provisions	193	<b>1,876</b>	1,784	1,825	1,840	1,605
Other liabilities <sup>5, 8</sup>	407	<b>3,964</b>	4,038	4,390	4,859	5,046
<b>Current liabilities</b>						
Provisions	115	<b>1,123</b>	1,097	1,098	1,255	1,424
Other liabilities <sup>9</sup>	1,834	<b>17,866</b>	17,581	17,401	19,145	19,861
<b>Total equity and liabilities</b>	<b>6,142</b>	<b>59,824</b>	<b>58,552</b>	<b>58,695</b>	<b>61,730</b>	<b>62,829</b>
<sup>5</sup> Including deferred tax						
<sup>6</sup> Including derivatives with positive value for hedging of borrowings	58	<b>566</b>	848	974	545	537
<sup>7</sup> Including derivatives with positive value for hedging of borrowings	58	<b>579</b>	175	212	225	369
<sup>8</sup> Including derivatives with negative value for hedging of borrowings	68	<b>661</b>	686	839	1,162	1,292
<sup>9</sup> Including derivatives with negative value for hedging of borrowings	48	<b>472</b>	819	709	984	864
Net cash (-) / Net debt (+) excl. provisions for pensions, incl. derivatives as above	154	<b>1,491</b>	4,038	6,327	7,986	7,404

## Consolidated balance sheets by business segment

Amounts in SEK m. unless otherwise stated	2010		2009			
	EUR m.	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
<b>Financial Services</b>						
<b>Assets</b>						
<b>Non-current assets</b>						
Intangible non-current assets	3	25	25	26	27	23
Tangible non-current assets	3	31	33	33	38	41
Lease assets	857	8,345	8,898	8,142	8,910	9,069
Financial receivables	1,810	17,632	19,097	20,316	22,605	23,766
Other receivables <sup>10</sup>	12	121	135	93	104	74
<b>Current assets</b>						
Financial receivables	1,174	11,439	12,409	12,493	13,145	13,754
Other receivables	105	1,024	1,212	1,052	1,403	1,071
Cash and cash equivalents	34	327	499	457	273	244
<b>Total assets</b>	3,998	38,944	42,308	42,612	46,505	48,042
<b>Equity and liabilities</b>						
<b>Equity</b>						
Scania shareholders	443	4,311	4,418	4,285	4,561	4,736
Total equity	443	4,311	4,418	4,285	4,561	4,736
<b>Interest-bearing liabilities</b>	3,374	32,870	36,228	36,519	40,099	41,389
<b>Non-current liabilities</b>						
Provisions for pensions	2	19	20	21	22	22
Other provisions	0	4	3	3	3	3
Other liabilities <sup>10</sup>	63	612	700	674	724	737
<b>Current liabilities</b>						
Provisions	1	5	3	0	2	1
Other liabilities	115	1,123	936	1,110	1,094	1,154
<b>Total equity and liabilities</b>	3,998	38,944	42,308	42,612	46,505	48,042

<sup>10</sup> Including deferred tax

## Consolidated balance sheets by business segment

Amounts in SEK m. unless otherwise stated	2010		2009			
	EUR m.	31 Mar	31 Dec	30 Sept	30 Jun	31 Mar
<b>Eliminations</b>						
<b>Assets</b>						
Lease assets	-178	-1,732	-1,789	-1,783	-1,961	-1,917
Other current receivables	-65	-634	-620	-636	-882	-560
<b>Total assets</b>	<b>-243</b>	<b>-2,366</b>	<b>-2,409</b>	<b>-2,419</b>	<b>-2,843</b>	<b>-2,477</b>
<b>Equity and liabilities</b>						
Other current liabilities	-243	-2,366	-2,409	-2,419	-2,843	-2,477
<b>Total equity and liabilities</b>	<b>-243</b>	<b>-2,366</b>	<b>-2,409</b>	<b>-2,419</b>	<b>-2,843</b>	<b>-2,477</b>
<b>Scania Group</b>						
<b>Assets</b>						
<b>Non-current assets</b>						
Intangible non-current assets	235	2,278	2,317	2,285	2,308	2,290
Tangible non-current assets	2,187	21,314	22,049	21,599	22,032	21,532
Lease assets	1,055	10,276	11,117	10,315	11,434	11,627
Shares and participations	50	489	488	450	494	527
Interest-bearing receivables	1,825	17,780	19,265	20,395	22,704	23,785
Other receivables <sup>11, 12</sup>	217	2,115	2,378	2,498	2,136	1,825
<b>Current assets</b>						
Inventories	1,225	11,936	11,762	13,056	14,258	14,591
Interest-bearing receivables	1,190	11,591	12,557	12,644	13,345	13,966
Other receivables <sup>13</sup>	1,023	9,961	9,371	9,796	10,279	12,078
Short-term investments	3	30	47	37	29	78
Cash and cash equivalents	887	8,632	7,100	5,813	6,373	6,095
<b>Total assets</b>	<b>9,897</b>	<b>96,402</b>	<b>98,451</b>	<b>98,888</b>	<b>105,392</b>	<b>108,394</b>
<b>Total equity and liabilities</b>						
<b>Equity</b>						
Scania shareholders	2,514	24,481	23,302	22,054	21,596	22,860
Non-controlling interest	0	1	1	1	1	1
<b>Total equity</b>	<b>2,514</b>	<b>24,482</b>	<b>23,303</b>	<b>22,055</b>	<b>21,597</b>	<b>22,861</b>
<b>Non-current liabilities</b>						
Interest-bearing liabilities	2,185	21,282	26,504	29,164	31,609	25,605
Provisions for pensions	514	5,005	4,983	4,874	4,878	4,707
Other provisions	193	1,880	1,787	1,828	1,843	1,608
Other liabilities <sup>11, 14</sup>	470	4,576	4,738	5,064	5,583	5,783
<b>Current liabilities</b>						
Interest-bearing liabilities	2,199	21,426	19,928	18,713	21,229	27,867
Provisions	116	1,128	1,100	1,098	1,257	1,425
Other liabilities <sup>15</sup>	1,706	16,623	16,108	16,092	17,396	18,538
<b>Total equity and liabilities</b>	<b>9,897</b>	<b>96,402</b>	<b>98,451</b>	<b>98,888</b>	<b>105,392</b>	<b>108,394</b>
<sup>11</sup> Including deferred tax						
<sup>12</sup> Including derivatives with positive value for hedging of borrowings	58	566	848	974	545	537
<sup>13</sup> Including derivatives with positive value for hedging of borrowings	58	579	175	212	225	369
<sup>14</sup> Including derivatives with negative value for hedging of borrowings	68	661	686	839	1,162	1,292
<sup>15</sup> Including derivatives with negative value for hedging of borrowings	48	472	819	709	984	864
Equity/assets ratio, percent		<b>25.4</b>	23.7	22.3	20.5	21.1

## Statement of changes in equity

Amounts in SEK m. unless otherwise stated	Q1			Full year
	EUR m.	2010	2009	2009
Equity, 1 January	2,393	<b>23,303</b>	21,938	21,938
Net income for the period	146	<b>1,424</b>	179	1,129
Other comprehensive income for the period	-25	<b>-245</b>	744	2,236
Change in non-controlling interest	-	-	-	-
Dividend	-	-	-	-2,000
<b>Total equity at the end of the period</b>	<b>2,514</b>	<b>24,482</b>	22,861	23,303
Attributable to:				
Scania AB shareholders	2,514	<b>24,481</b>	22,860	23,302
Non-controlling interest	0	<b>1</b>	1	1

## Information about segments

Amounts in SEK m. unless otherwise stated	Q1			Full year	Apr 09 -
	EUR m.	2010	2009	2009	Mar 10
Revenue from external customers, Vehicles and Services	1,694	<b>16,503</b>	15,859	62,074	62,718
Revenue from external customers, Financial Services	106	<b>1,028</b>	1,257	4,666	4,437
Elimination of intra-segment revenue within Vehicles and Services	-44	<b>-429</b>	-492	-1,842	-1,779
<b>Revenue from external customers, Scania Group*</b>	<b>1,756</b>	<b>17,102</b>	16,624	64,898	65,376
Operating income, Vehicles and Services	220	<b>2,140</b>	462	2,648	4,326
Operating income, Financial Services	-1	<b>-10</b>	44	-175	-229
<b>Operating income, Scania Group</b>	<b>219</b>	<b>2,130</b>	506	2,473	4,097

\* Revenue from Scania Group reported in Volkswagen interim report for Q1 2010 amounts to EUR 1, 723 m. The difference from above reported revenue is mainly due to a difference in the presentation of hedge result in the consolidated income statement.

## Cash flow statement

Amounts in SEK m. unless otherwise stated	2010		2009			
	EUR m.	Q1	Q4	Q3	Q2	Q1
<b>Operating activities</b>						
Income before taxes	206	<b>2,007</b>	1,236	383	-181	164
Items not affecting cash flow	83	<b>811</b>	1,080	686	847	1,013
Taxes paid	-53	<b>-518</b>	-264	-287	-536	-49
<b>Cash flow from operating activities before change in working capital</b>	236	<b>2,300</b>	2,052	782	130	1,128
of which: Vehicles and Services	216	<b>2,102</b>	1,949	636	-77	1,073
Financial Services	20	<b>198</b>	103	146	207	55
Change in working capital etc., Vehicles and Services	63	<b>611</b>	1,315	1,098	2,059	608
<b>Cash flow from operating activities</b>	299	<b>2,911</b>	3,367	1,880	2,189	1,736
<b>Investing activities</b>						
Net investments, Vehicles and Services	-36	<b>-347</b>	-769	-625	-948	-807
Net investments in credit portfolio etc., Financial Services	154	<b>1,500</b>	547	1,553	1,564	840
<b>Cash flow from investing activities</b>	118	<b>1,153</b>	-222	928	616	33
<b>Cash flow from Vehicles and Services</b>	243	<b>2,366</b>	2,495	1,109	1,034	874
<b>Cash flow from Financial Services</b>	174	<b>1,698</b>	650	1,699	1,771	895
<b>Financing activities</b>						
Change in net debt from financing activities	-252	<b>-2,451</b>	-2,017	-3,302	-788	-442
Dividend to shareholders	0	<b>0</b>	-	-	-2,000	-
<b>Cash flow from financing activities</b>	-252	<b>-2,451</b>	-2,017	-3,302	-2,788	-442
<b>Cash flow for the year</b>	165	<b>1,613</b>	1,128	-494	17	1,327
<b>Cash and cash equivalents at beginning of period</b>	729	<b>7,100</b>	5,813	6,373	6,095	4,581
<b>Exchange rate differences in cash and cash equivalents</b>	-9	<b>-84</b>	159	-66	261	187
<b>Cash and cash equivalents at end of period</b>	885	<b>8,629</b>	7,100	5,813	6,373	6,095



## Number of employees

	2010	2009			
	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
Production and corporate units	<b>14,250</b>	14,672	14,452	14,885	15,377
Research and development*	<b>3,091</b>	2,642	2,638	2,696	2,792
Sales and service companies	<b>14,419</b>	14,475	14,462	14,527	14,949
<b>Vehicles and Services</b>	<b>31,760</b>	31,789	31,552	32,108	33,118
<b>Financial Services</b>	<b>558</b>	541	533	515	513
<b>Total number of employees</b>	<b>32,318</b>	32,330	32,085	32,623	33,631

\*Due to a structural change related to Procurement, about 450 people were transferred from "Production and corporate units" to "Research and development" as from January 2010.



## Quarterly data, units by geographic area

	2010	2009				
	Q1	Full year	Q4	Q3	Q2	Q1
<b>Order bookings, trucks</b>						
Western Europe	<b>5,635</b>	12,644	4,773	3,014	3,001	1,856
Central and eastern Europe	<b>1,267</b>	2,568	1,107	815	416	230
Latin America	<b>4,439</b>	11,214	4,324	3,668	1,563	1,659
Asia	<b>2,651</b>	4,208	1,415	945	1,263	585
Other markets	<b>633</b>	2,374	693	567	661	453
<b>Total</b>	<b>14,625</b>	33,008	12,312	9,009	6,904	4,783
<b>Trucks delivered</b>						
Western Europe	<b>3,650</b>	16,669	4,461	3,354	3,723	5,131
Central and eastern Europe	<b>1,027</b>	3,239	1,192	637	549	861
Latin America	<b>3,750</b>	9,566	3,649	2,026	1,778	2,113
Asia	<b>1,311</b>	4,843	1,720	939	947	1,237
Other markets	<b>534</b>	2,490	606	605	684	595
<b>Total</b>	<b>10,272</b>	36,807	11,628	7,561	7,681	9,937
<b>Order bookings, buses*</b>						
Western Europe	<b>293</b>	1,609	492	229	326	562
Central and eastern Europe	<b>23</b>	103	17	64	11	11
Latin America	<b>465</b>	1,538	477	517	312	232
Asia	<b>550</b>	1,718	410	705	417	186
Other markets	<b>195</b>	826	176	110	253	287
<b>Total</b>	<b>1,526</b>	5,794	1,572	1,625	1,319	1,278
<b>Buses delivered*</b>						
Western Europe	<b>417</b>	1,851	555	366	457	473
Central and eastern Europe	<b>22</b>	233	78	48	43	64
Latin America	<b>488</b>	1,421	587	304	232	298
Asia	<b>641</b>	1,876	617	534	440	285
Other markets	<b>107</b>	1,255	288	210	510	247
<b>Total</b>	<b>1,675</b>	6,636	2,125	1,462	1,682	1,367

\* Including body-built buses and coaches.

## Parent Company Scania AB, financial statements

Amounts in SEK m. unless otherwise stated	Q1		Full year	
	EUR m.	2010	2009	2009
<b>Income statement</b>				
Operating income*	0	0	-	-11
Financial income and expenses	0	2	7	2,017
Reversal untaxed reserve		-	-	814
Income taxes	0	0	-3	-209
<b>Net income</b>	0	2	4	2,611

Amounts in SEK m. unless otherwise stated	2010		2009	2009
	EUR m.	31 Mar	31 Mar	31 Dec
<b>Balance sheet</b>				
<b>Assets</b>				
<b>Financial non-current assets</b>				
Shares in subsidiaries	863	8,401	8,401	8,401
<b>Current assets</b>				
Due from subsidiaries	390	3,802	4,618	3,800
<b>Total assets</b>	1,253	12,203	13,019	12,201
<b>Equity and liabilities</b>				
<b>Equity</b>	1,253	12,203	12,202	12,201
<b>Untaxed reserves</b>	0	0	814	-
<b>Current liabilities</b>				
Tax liabilities	-	-	3	-
<b>Total shareholders' equity and liabilities</b>	1,253	12,203	13,019	12,201

Amounts in SEK m. unless otherwise stated	2010		2009	2009
	EUR m.	31 Mar	31 Mar	31 Dec
<b>Statement of changes in equity</b>				
Equity, 1 January	1,253	12,201	12,198	12,198
Net income	0	2	4	2,611
Group contributions, net	0	0	-	-608
Dividend	0	0	-	-2,000
<b>Equity, 31 December</b>	1,253	12,203	12,202	12,201

\* Refers to administrative expenses