

Scania Interim Report, January–September 2014

Summary of the first nine months of 2014

- Operating income rose by 7 percent to SEK 6,356 m. (5,939)
- Net sales rose by 6 percent to SEK 65,638 m. (61,864)
- Cash flow amounted to SEK 2,213 m. (1,741) in Vehicles and Services

Comments by Martin Lundstedt, President and CEO:

“Scania's earnings for the first nine months of 2014 amounted to SEK 6,356 m. Positive currency rate effects and higher service volume were offset by a weaker market mix. Total order bookings for trucks during the third quarter decreased, compared to high level of the previous quarter, mainly related to the Middle East. Order bookings also decreased in Europe compared to the previous quarter. However, this is in line with the seasonal pattern in the European market. Scania has strengthened its position in the European market with increased market share compared to 2013, among other things through a leading Euro 6 range. Order bookings in Latin America were in line with the previous quarters. In Asia, order bookings decreased, primarily in the Middle East, which declined from a very high level in the second quarter. Demand in Russia was adversely affected by the turbulence in the region and order bookings

were at a low level – although a slight improvement compared to the second quarter of 2014. Scania has also increased its market share. In buses and coaches, order bookings were stable compared to the previous quarter. In Engines, order bookings rose, driven by regions outside of Europe. Scania is continuing its long-term efforts to boost market share in Services and revenue increased by 11 percent during the third quarter to the highest level in the company's history. Financial Services showed a strong performance and customer payment capacity is good. The level of activity related to development projects remains high and Scania is investing in expanded production and service capacity. In gearboxes, Scania has initiated extensive cooperation with MAN, which will mean a stronger product offering and generate significant synergies in the longer term.”

Financial overview

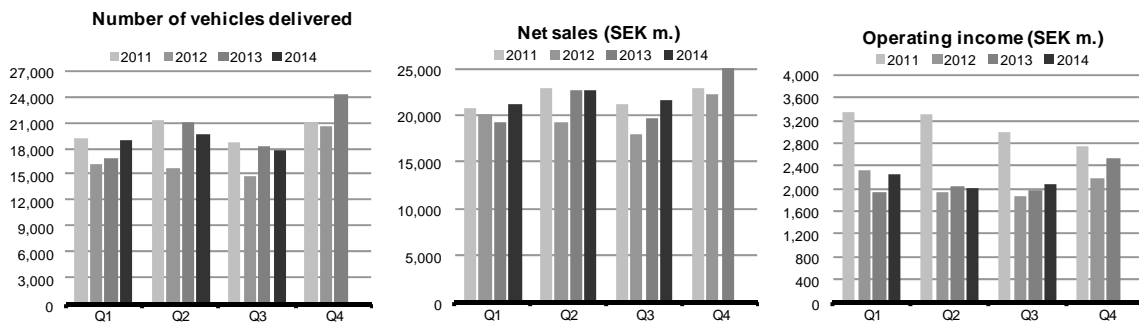
	9 months 2014			Q3		
	2014	2013	Change, %	2014	2013	Change, %
Trucks and buses, units						
Order bookings	62,301	65,160	-4	18,621	21,809	-15
Deliveries	56,193	56,224	0	17,802	18,244	-2
Net sales and earnings	<i>EUR m.*</i>					
Net sales, Scania Group, SEK m.	<i>7,149</i>	65,638	61,864	21,721	19,725	10
Operating income, Vehicles & Services, SEK m.	<i>607</i>	5,571	5,428	1,808	1,759	3
Operating income, Financial Services, SEK m.	<i>86</i>	785	511	272	209	30
Operating income, SEK m.	<i>693</i>	6,356	5,939	2,080	1,968	6
Income before taxes, SEK m.	<i>656</i>	6,016	5,925	1,950	2,011	-3
Net income for the period, SEK m.	<i>476</i>	4,367	4,233	1,394	1,462	-5
Operating margin, %		9.7	9.6	9.6	10.0	
Return on equity, %		16.4	17.6			
Return on capital employed, Vehicles and Services, %		21.0	20.2			
Cash flow, Vehicles and Services, SEK m.	<i>241</i>	2,213	1,741	900	1,336	-33

* Translated to EUR solely for the convenience of the reader at a closing day rate of SEK 9.1815 = EUR 1.00.

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

This interim report has not been subject to review by the company's auditors. This report is also available on www.scania.com

Business overview



Sales performance

During the first nine months of 2014, total vehicle deliveries were essentially unchanged at 56,193 (56,224) units, compared to the same period of 2013. Net sales rose by 6 percent to SEK 65,638 m. (61,864). Currency rate effects had a positive impact of 1 percent on sales.

Order bookings fell by 4 percent to 62,301 (65,160) vehicles, compared to the first nine months of 2013.

Trucks orders decreased from a high level

The decline in Scania's total order bookings for trucks compared to the third quarter of 2013 was mainly due to Europe. The market in Europe last year was characterised by an unusually high level of activity due to pre-buys of Euro 5 trucks before the transition to Euro 6 emission legislation at the beginning of this year. The decline in total trucks orders compared to the second quarter of 2014 was largely attributable to the Middle East, which decreased from a very high level. Order bookings also decreased in Europe compared to the previous quarter. However, this is in line with the seasonal pattern in the European market. There is a replacement need and demand for used vehicles in Europe is good and prices have improved.

Euro 6 success

Scania increased its market share in Europe during the first nine months of 2014. Due to early introduction of Euro 6 vehicles, Scania has extensive experience and has also launched second and third generation Euro 6 engines. With the other improvements included in last year's launch of Scania Streamline, customers can take advantage of significant fuel savings. In March, the respected German transport trade magazines *VerkehrsRundschau* and *Trucker* gave the Scania G 410 their Green Truck 2014 award in the heavy tractor class. The G 410 Euro 6 engine only uses SCR aftertreatment technology. Fuel consumption averaged a record-low 23.3 litres of diesel per 100 km. During the second quarter, Scania introduced a third generation Euro 6 engine, which only uses SCR technology with 450 horsepower. Meanwhile, the company launched an oil that reduces friction, a freewheeling retarder and a more intelligent Scania Eco-roll system. Taken together, these advancements will reduce fuel consumption for long haulage by 3 percent.

Good growth outlook

There are good growth opportunities in the longer term and the expansion of annual technical production capacity towards 120,000 vehicles is continuing. The sales and services offering is also being expanded. During the first quarter, Scania expanded its operations in East Africa through the new company Scania East Africa. The East African transport sector is expected to grow by 10–15 percent annually. Scania Engines has extended its service network in North America in recent years, which now includes more than 300 service points. Investments in research and development will strengthen Scania's product portfolio. During the third quarter, Scania initiated extensive cooperation with MAN regarding gearboxes. Scania's gearboxes will be gradually introduced in MAN's products starting in 2016. By using common components, which are not critical for the brand's identity, the customer offering will be strengthened, while significant synergies will be achieved in the longer term.

The truck market

Order bookings

Scania's order bookings fell during the third quarter of 2014 and amounted to 16,989 (20,475) trucks. Compared to the third quarter of 2013, order bookings in Europe decreased by 29 percent to 7,976 (11,267) units, as last year was supported by substantial pre-buys of Euro 5 vehicles. Order bookings in the UK improved, however, compared to the third quarter of last year, as most of the pre-buys occurred during the first half of 2013.

Order bookings in Latin America were in line with the previous quarters. Order bookings in Brazil were to some extent supported by pre-buys during the third quarter. The background is that the Brazilian authorities announced that the current subsidy programme will be discontinued in the middle of November 2014. Compared to the third quarter of 2013, order bookings in Latin America decreased by 2 percent to 4,048 (4,131) trucks. Economic activity is lower and there were also more attractive subsidies for truck investments during the third quarter of 2013.

In Eurasia, order bookings were at a low level because of the turbulence in the region. Order bookings totalled 1,126 (1,611) trucks in Eurasia during the third quarter. The downturn was mainly attributable to Russia. In Asia, order bookings totalled 3,080 (2,540) units during the third quarter. The upturn was related to the Middle East. Compared to the second quarter of 2014, order bookings in the Middle East decreased from a very high level.

In Africa, order bookings were weaker both compared to the third quarter of 2013 and compared to the previous quarter, related to South Africa, among other countries. In Oceania, order bookings fell in Australia. Total order bookings in the Africa and Oceania region were 18 percent lower at 759 (926) units, compared to the third quarter of 2013. Order bookings were also lower compared to the second quarter of 2014.

Deliveries

Scania's total truck deliveries decreased by 2 percent to 16,157 (16,447) units during the third quarter compared to the year-earlier period. In Europe, deliveries rose by 6 percent to 7,248 (6,864) units compared to the third quarter of 2013. In Eurasia, deliveries fell by 29 percent to 1,147 (1,610) trucks.

In Latin America, deliveries fell by 28 percent to 3,992 (5,512) units compared to the third quarter of 2013. In Asia, deliveries increased by 84 percent compared to the third quarter of 2013 to 2,831 (1,541) trucks.

Sales

Net sales of trucks rose by 4 percent to SEK 41,759 m. (40,079) during the first nine months of 2014. During the third quarter, sales increased by 8 percent to SEK 13,475 m. (12,511).

The total European market for heavy trucks

The total market for heavy trucks in 26 of the European Union member countries (all EU countries except Bulgaria and Malta) plus Norway and Switzerland increased by 2 percent to about 159,800 units during the first nine months of 2014. Scania truck registrations amounted to some 24,000 units, equivalent to a market share of about 15.0 (14.1) percent.

Scania trucks	Order bookings			Deliveries		
	9 months 2014	9 months 2013	Change, %	9 months 2014	9 months 2013	Change, %
Europe	25,886	29,271	-12	23,093	21,076	10
Eurasia	4,765	5,049	-6	4,472	4,556	-2
America*	12,008	15,673	-23	12,113	17,641	-31
Asia	11,275	6,557	72	8,665	5,492	58
Africa and Oceania	3,074	2,855	8	3,025	2,597	16
Total	57,008	59,405	-4	51,368	51,362	0

*Refers to Latin America

The bus and coach market

Order bookings

Order bookings for buses and coaches were lower than last year, among other things because Scania received large orders in Russia and Asia in the year-earlier period. Scania's total order bookings for buses and coaches decreased by 8 percent to 5,293 (5,755) units during the first nine months of 2014 compared to the corresponding period of 2013.

During the third quarter, a new bus was presented, Scania Citywide LE, featuring Scania's own hybrid technology. In Norway, Scania received a major order in the third quarter for delivery of 104 buses. In Mexico, Scania will deliver 62 buses for Mexico City's public transport system and will also provide workshop services for the entire fleet, vehicle follow-up as well as driver training and coaching.

In Europe, order bookings remained at a low level and amounted to 418 units (187) during the third quarter. Owing to significant overcapacity in its city bus operations, Scania introduced a restructuring programme during the first quarter aimed at ensuring profitability, which will provide an annual cost saving of SEK 70 million.

Compared to the third quarter of 2013, order bookings rose by 30 percent in Latin America to 553 (426) units. In Asia, order bookings rose to 306 (268) buses and coaches compared to the third quarter of 2013. Order bookings in Africa and Oceania rose to 327 (226) buses and coaches.

Deliveries

Scania's bus and coach deliveries totalled 1,645 (1,797) units during the third quarter. In Europe, deliveries increased by 16 percent to 319 (274) units compared to the third quarter of 2013. In Latin America, deliveries were up by 6 percent to 651 (616). In Asia, deliveries rose by 4 percent to 399 (383), while deliveries of buses and coaches in Africa and Oceania rose during the third quarter to 242 (202) units. Deliveries in Eurasia decreased substantially to 34 (322) units, due to a large order last year.

Net sales

Net sales of buses and coaches rose by 11 percent to SEK 5,049 m. (4,546) during the first nine months of 2014. During the third quarter, sales decreased by 2 percent to SEK 1,658 m. (1,689).

Scania buses and coaches	Order bookings			Deliveries		
	9 months	9 months	Change,	9 months	9 months	Change,
	2014	2013	%	2014	2013	%
Europe	1,103	784	41	937	722	30
Eurasia	119	780	-85	63	649	-90
America*	1,788	2,097	-15	1,862	2,029	-8
Asia	1,279	1,372	-7	1,069	908	18
Africa and Oceania	1,004	722	39	894	554	61
Total	5,293	5,755	-8	4,825	4,862	-1

*Refers to Latin America

Engines

Order bookings

During the first quarter, Scania was named as a supplier of engines for Atlas Copco's portable air compressors. The partnership covers deliveries of Scania's 9-, 13- and 16-litre engines, which meet the Stage 4/Tier 4f international emission standards.

Total engine order bookings rose by 12 percent to 6,104 (5,471) units during the first nine months of 2014. During the third quarter, order bookings rose by 21 percent to 2,233 (1,849) units. Order bookings increased in Poland, Brazil and South Korea. In South Korea, Scania has an agreement for delivery of engines to Doosan, which manufactures construction equipment.

Deliveries

Engine deliveries rose by 23 percent to 5,684 (4,635) units during the first nine months of 2014. The upturn was mainly attributable to South Korea, Germany and Great Britain. During the third quarter, deliveries rose by 30 percent to 2,038 (1,565) units. Deliveries rose in South Korea, among other countries.

Net sales

During the first nine months of 2014, sales rose by 31 percent to SEK 1,008 m. (772). Net sales in the third quarter amounted to SEK 370 m. (252), an upturn of 47 percent.

Services**Higher revenue in Europe**

Service revenue amounted to SEK 13,910 m. (12,988) during the first nine months of 2014, an increase of 7 percent. Higher volume had a positive impact. In local currencies, revenue increased by 5 percent.

During the third quarter, sales rose by 11 percent to SEK 4,832 m. (4,358). In local currency, the upturn was 6 percent.

In Europe, service revenue rose by 8 percent to SEK 9,431 m. (8,743) compared to the first nine months of 2013. In Latin America, revenue rose by 4 percent to SEK 2,016 m. (1,931) and revenue in Asia was 7 percent higher than the year-earlier period at SEK 1,062 m. (991). In Africa and Oceania, service revenue rose by 3 percent to SEK 869 m. (844), while in Eurasia it increased by 11 percent to SEK 532 m. (479) compared to the first nine months of 2013.

Earnings**Vehicles and Services****First nine months of 2014**

Operating income in Vehicles and Services totalled SEK 5,571 m. (5,428) during the first nine months of 2014. Aside from favourable currency rate effects, higher service volume, somewhat improved prices and purchasing savings had a positive impact. The market mix had a negative effect.

Compared to the first nine months of 2013, the total currency rate effect was positive and amounted to about SEK 450 m.

Scania's research and development expenditures amounted to SEK 4,609 m. (4,193). After adjusting for SEK 1,015 m. (772) in capitalised expenditures and SEK 260 m. (209) in depreciation of previously capitalised expenditures, recognised expenses increased to SEK 3,854 m. (3,630).

The third quarter of 2014

Operating income in Vehicles and Services totalled SEK 1,808 m. (1,759) during the third quarter.

Compared to the third quarter of 2013, the total currency rate effect was positive and amounted to about SEK 660 m. Higher service volume and purchasing savings also contributed. Lower vehicle volume and the market mix had a negative effect.

Scania's research and development expenditures amounted to SEK 1,475 m. (1,396). After adjusting for SEK 330 m. (284) in capitalised expenditures and SEK 87 m. (56) in depreciation of previously capitalised expenditures, recognised expenses increased to SEK 1,232 m. (1,168).

Financial Services**Customer finance portfolio**

At the end of the third quarter of 2014, the size of Scania's customer finance portfolio amounted to SEK 53.2 billion, which was SEK 4.3 billion higher than the end of 2013. In local currencies, the portfolio increased by SEK 2.4 billion, equivalent to 5 percent.

Penetration rate

The penetration rate was 36 (31) percent during the first nine months of 2014 in those markets where Scania has its own financing operations. The increase was mainly attributable to Brazil.

Operating income

Operating income in Financial Services increased to SEK 785 m. (511) during the first nine months of 2014, compared to 2013. A larger portfolio, higher margins and currency rate effects had a positive impact on earnings. Bad debt expenses decreased. In the third quarter, operating income rose by 30 percent to SEK 272 m. (209).

Scania Group

During the first nine months of 2014, Scania's operating income amounted to SEK 6,356 m. (5,939). Operating margin amounted to 9.7 (9.6) percent. Scania's net financial items amounted to SEK -340 m. (-14). Net financial items during the first nine months of 2014 included costs of SEK 160 m. related to the public offer from Volkswagen, reported as items affecting comparability.

The Scania Group's tax expense amounted to SEK 1,649 m. (1,692), equivalent to 27.5 (28.6) percent of income before taxes. Net income for the period totalled SEK 4,367 m. (4,233), equivalent to a net margin of 6.7 (6.8) percent.

Cash flow**Vehicles and Services**

Scania's cash flow in Vehicles and Services amounted to SEK 2,213 m. (1,741) during the first nine months of 2014. Tied-up working capital increased by SEK 363 m.

Net investments amounted to SEK 3,867 m. (3,876), including SEK 1,015 m. (772) in capitalisation of development expenses. At the end of the third quarter of 2014, the net cash position in Vehicles and Services amounted to SEK 10,042 m. compared to a net cash position of SEK 8,019 m. at the end of 2013.

Scania Group

Scania's cash flow in Financial Services amounted to SEK -1,639 m. (-1,308) during the first nine months of 2014 due to a growing customer finance portfolio. Together with the positive cash flow in Vehicles and Services and currency rate effects, the Group's net debt increased by about SEK 1.2 billion compared to the end of 2013.

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 27 m. (31) during the first nine months of 2014.

Miscellaneous**Number of employees**

At the end of the third quarter of 2014, the number of employees totalled 41,903, compared to 40,739 on the same date in 2013.

Material risks and uncertainty factors

The section entitled "Risks and risk management" in Scania's Annual Report for 2013 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.

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 for the Scania Group has been prepared in accordance with IAS 34, "Interim Financial Reporting" and the Annual Accounts Act. New and revised standards and interpretations that are being applied from 1 January 2014 include the following:

Amendment to IAS 32, "Financial Instruments: Presentation". The amendment relates to new rules for offsetting financial assets and financial liabilities. The amendment means that in the Interim Report on 30 September 2014, "Current Investments" has been adjusted by SEK 929 m. (change in "Other non-current receivables" relating to prior periods: on 31 Dec 2013; SEK 824 m and 30 June 2013; SEK 1,674 m.) and "Interest-bearing liabilities" has been adjusted by SEK 929 m. (change in prior periods: 31 Dec 2013; SEK 824 m. and 30 June 2013; SEK 1,674 m.).

Accounting principles and calculation methods are otherwise unchanged from those applied in the Annual Report for 2013.

The Interim Report for the Parent Company, Scania AB, has been prepared in accordance with the Annual Accounts Act and recommendation RFR 2, "Accounting for Legal Entities" of the Swedish Financial Reporting Board.

Dividend and Annual General Meeting

Scania's Annual General Meeting for the financial year 2013 was held in Södertälje, Sweden on 11 June 2014. The Annual General Meeting determined that no dividend would be disbursed to shareholders for the financial year 2013.

Södertälje, 22 October 2014

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Consolidated income statements

Amounts in SEK m. unless otherwise stated	Nine months			Change in %	Q3	
	EUR m.*	2014	2013		2014	2013
Vehicles and Services						
Net sales	7,149	65,638	61,864	6	21,721	19,725
Cost of goods sold	-5,411	-49,683	-46,438	7	-16,511	-14,720
Gross income	1,738	15,955	15,426	3	5,210	5,005
Research and development expenses	-420	-3,854	-3,630	6	-1,232	-1,168
Selling expenses	-626	-5,752	-5,603	3	-1,934	-1,841
Administrative expenses	-88	-809	-778	4	-248	-241
Share of income from associated companies and joint ventures	3	31	13	138	12	4
Operating income, Vehicles and Services	607	5,571	5,428	3	1,808	1,759
Financial Services						
Interest and lease income	404	3,708	3,320	12	1,304	1,118
Interest and depreciation expenses	-257	-2,366	-2,165	9	-829	-724
Interest surplus	147	1,342	1,155	16	475	394
Other income and expenses	10	96	75	28	33	43
Gross income	157	1,438	1,230	17	508	437
Selling and administrative expenses	-60	-549	-506	8	-189	-164
Bad debt expenses, realised and anticipated	-11	-104	-213	-51	-47	-64
Operating income, Financial Services	86	785	511	54	272	209
Operating income	693	6,356	5,939	7	2,080	1,968
Interest income and expenses	-18	-165	-42	293	-71	-7
Other financial income and expenses	-2	-15	28	-	-34	50
Items affecting comparability ¹	-17	-160	-	-	-25	-
Total financial items	-37	-340	-14	-	-130	43
Income before taxes	656	6,016	5,925	2	1,950	2,011
Taxes	-180	-1,649	-1,692	-3	-556	-549
Net income for the period	476	4,367	4,233	3	1,394	1,462
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss						
Translation differences	84	772	-980		-114	-685
Cash flow hedges						
change in value for the year	-2	-20	0		0	0
reclassification to operating income	0	0	-1		0	0
Income tax relating to items that may be reclassified	4	33	-16		28	-14
	86	785	-997		-86	-699
Items that will not be reclassified to profit or loss						
Re-measurement defined benefit plans ³	-127	-1,155	974		-373	972
Income tax relating to items that will not be reclassified	29	263	-214		72	-214
	-98	-892	760		-301	758
Other comprehensive income for the period	-12	-107	-237		-387	59
Total comprehensive income for the period	464	4,260	3,996		1,007	1,521
Net income attributable to:						
Scania shareholders	477	4,375	4,238		1,402	1,462
Non-controlling interest	-1	-8	-5		-8	0
Total comprehensive income attributable to:						
Scania shareholders	464	4,263	4,000		1,012	1,522
Non-controlling interest	0	-3	-4		-5	-1
Operating income includes depreciation of	-250	-2,294	-2,132		-797	-695
Return on equity, percent ²		16.4	17.6			
Operating margin, percent		9.7	9.6		9.6	10.0

¹ Costs related to the public offer from VW.

² Calculations are based on rolling 12-month income.

³ The discount rate in calculating the Swedish pension liability has changed to 3.00 percent per 30 September.

* Translated solely for the convenience of the reader at a closing exchange rate of SEK 9.1815 = EUR 1.00.

Net sales and deliveries, Vehicles and Services

Amounts in SEK m. unless otherwise stated	Nine months			Change in %	Q3	
	EUR m.	2014	2013		2014	2013
Net sales						
Trucks	4,548	41,759	40,079	4	13,475	12,511
Buses*	550	5,049	4,546	11	1,658	1,689
Engines	110	1,008	772	31	370	252
Service-related products	1,515	13,910	12,988	7	4,832	4,358
Used vehicles	420	3,859	3,618	7	1,311	1,290
Miscellaneous	213	1,949	1,584	23	595	393
Delivery sales value	7,356	67,534	63,587	6	22,241	20,493
Revenue deferrals ¹	-207	-1,896	-1,723	10	-520	-768
Net sales	7,149	65,638	61,864	6	21,721	19,725
Net sales²						
Europe	3,857	35,415	30,130	18	11,640	9,646
Eurasia	443	4,070	4,363	-7	1,194	1,617
America**	1,405	12,904	17,514	-26	4,424	5,293
Asia	884	8,118	5,650	44	2,783	1,779
Africa and Oceania	560	5,131	4,207	22	1,680	1,390
Net sales	7,149	65,638	61,864	6	21,721	19,725
Total delivery volume, units						
Trucks		51,368	51,362	0	16,157	16,447
Buses*		4,825	4,862	-1	1,645	1,797
Engines		5,684	4,635	23	2,038	1,565

¹ Refers to the difference between sales value based on deliveries and revenue recognised as income.

² Revenues from external customers by location of customers.

* Including body-built buses and coaches.

** Refers mainly to Latin America

Consolidated balance sheets by business segment

Amounts in SEK m. unless otherwise stated

	2014		2013	
	EUR m.	30 Sep	31 Dec	30 Sep

Vehicles and Services

Assets

Non-current assets

Intangible assets	530	4,862	4,033	3,738
Tangible assets	2,457	22,559	21,638	21,259
Lease assets	773	7,096	6,669	6,178
Shares and participations	56	515	490	477
Interest-bearing receivables	0	4	5	2
Other receivables ^{1, 2, 6}	310	2,843	3,632	3,563

Current assets

Inventories	1,935	17,763	14,552	15,305
Interest-bearing receivables	12	111	96	86
Other receivables ³	1,207	11,084	10,243	10,186
Current investments	249	2,291	47	59
Cash and cash equivalents	894	8,208	8,957	9,330
Total assets	8,423	77,336	70,362	70,183

Equity and liabilities

Equity

Scania shareholders	3,840	35,256	31,792	30,120
Non-controlling interest	6	54	57	58
Total equity	3,846	35,310	31,849	30,178

Interest-bearing liabilities⁶

	15	135	1,337	3,802
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Non-current liabilities

Provisions for pensions	772	7,091	5,748	5,425
Other provisions	330	3,034	2,745	2,465
Other liabilities ^{1, 4}	651	5,976	5,436	4,741

Current liabilities

Provisions	188	1,728	1,825	1,806
Other liabilities ⁵	2,621	24,062	21,422	21,766
Total equity and liabilities	8,423	77,336	70,362	70,183

¹ Including deferred tax

² Including derivatives with positive value for hedging of borrowings

	24	216	542	633
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³ Including derivatives with positive value for hedging of borrowings

	54	492	345	255
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⁴ Including derivatives with negative value for hedging of borrowings

	56	518	228	249
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⁵ Including derivatives with negative value for hedging of borrowings

	56	512	307	212
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⁶ Due to amendment in IAS 32 Financial Instruments: Presentation (see Accounting principles), the comparatives figures have been adjusted.

Net cash (-) / Net debt (+) excl. provisions for pensions, incl. derivatives as above⁶

	-1,094	-10,042	-8,019	-6,014
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Consolidated balance sheets by business segment

Amounts in SEK m. unless otherwise stated	2014		2013	
	<i>EUR m.</i>	30 Sep	31 Dec	30 Sep
Financial Services				
Assets				
Non-current assets				
Intangible assets	2	20	13	11
Tangible assets	4	39	40	40
Lease assets	1,145	10,510	9,505	8,404
Financial receivables	2,860	26,258	24,077	22,828
Other receivables ¹	31	284	271	262
Current assets				
Financial receivables	1,784	16,382	15,281	14,679
Other receivables	91	836	886	710
Cash and cash equivalents	96	880	605	274
Total assets	6,013	55,209	50,678	47,208
Equity and liabilities				
Equity				
Scania shareholders	660	6,062	5,263	5,022
Total equity	660	6,062	5,263	5,022
Interest-bearing liabilities				
	5,098	46,804	43,320	40,260
Non-current liabilities				
Provisions for pensions	5	43	40	37
Other provisions	1	5	5	5
Other liabilities ¹	74	680	612	589
Current liabilities				
Provisions	3	24	16	6
Other liabilities	172	1,591	1,422	1,289
Total equity and liabilities	6,013	55,209	50,678	47,208

¹ Including deferred tax

Consolidated balance sheets by business segment

Amounts in SEK m. unless otherwise stated	2014		2013	
	EUR m.	30 Sep	31 Dec	30 Sep
Eliminations				
Assets				
Lease assets	-179	-1,642	-1,564	-1,422
Other current receivables	-76	-696	-587	-461
Current investments	-144	-1,326	-	-
Total assets	-399	-3,664	-2,151	-1,883
Equity and liabilities				
Interest-bearing liabilities	-144	-1,326	-	-
Other current liabilities	-255	-2,338	-2,151	-1,883
Total equity and liabilities	-399	-3,664	-2,151	-1,883
Scania Group				
Assets				
Non-current assets				
Intangible assets	532	4,882	4,046	3,749
Tangible assets	2,461	22,598	21,678	21,299
Lease assets	1,739	15,964	14,610	13,160
Shares and participations	56	515	490	477
Interest-bearing receivables	2,860	26,262	24,082	22,830
Other receivables ^{1, 2, 6}	341	3,127	3,903	3,825
Current assets				
Inventories	1,935	17,763	14,552	15,305
Interest-bearing receivables	1,796	16,493	15,377	14,765
Other receivables ³	1,222	11,224	10,542	10,435
Current investments	105	965	47	59
Cash and cash equivalents	990	9,088	9,562	9,604
Total assets	14,037	128,881	118,889	115,508
Total equity and liabilities				
Equity				
Scania shareholders	4,500	41,318	37,055	35,142
Non-controlling interest	6	54	57	58
Total equity	4,506	41,372	37,112	35,200
Non-current liabilities				
Interest-bearing liabilities ⁶	2,989	27,442	30,174	31,867
Provisions for pensions	777	7,134	5,788	5,462
Other provisions	331	3,039	2,750	2,470
Other liabilities ^{1, 4}	725	6,656	6,048	5,330
Current liabilities				
Interest-bearing liabilities ⁶	1,979	18,171	14,483	12,195
Provisions	191	1,752	1,841	1,812
Other liabilities ⁵	2,539	23,315	20,693	21,172
Total equity and liabilities	14,037	128,881	118,889	115,508
¹ Including deferred tax				
² Including derivatives with positive value for hedging of borrowings				
	24	216	542	633
³ Including derivatives with positive value for hedging of borrowings				
	54	492	345	255
⁴ Including derivatives with negative value for hedging of borrowings				
	56	518	228	249
⁵ Including derivatives with negative value for hedging of borrowings				
	56	512	307	212
⁶ Due to amendment in IAS 32 Financial Instruments: Presentation (see Accounting principles), the comparative figures have been adjusted.				
Equity/assets ratio, percent ⁶		32.1	31.2	30.5

Statement of changes in equity

Amounts in SEK m. unless otherwise stated	Nine months		
	EUR m.	2014	2013
Equity, 1 January	4,042	37,112	35,004
Net income for the period	476	4,367	4,233
Other comprehensive income for the period	-12	-107	-237
Dividend	-	-	-3,800
Total equity at the end of the period	4,506	41,372	35,200
Attributable to:			
Scania AB shareholders	4,500	41,318	35,142
Non-controlling interest	6	54	58

Information about segments

Amounts in SEK m. unless otherwise stated	Nine months		
	EUR m.	2014	2013
Revenue from external customers, Vehicles and Services	7,149	65,638	61,864
Revenue from external customers, Financial Services	404	3,708	3,320
Elimination refers to lease income on operating leases	-174	-1,600	-1,317
Revenue from external customers, Scania Group	7,379	67,746	63,867
Operating income, Vehicles and Services	607	5,571	5,428
Operating income, Financial Services	85	785	511
Operating income, Scania Group	692	6,356	5,939

Cash flow statement

	Nine months			Q3	
	EUR m.	2014	2013	2014	2013
Amounts in SEK m. unless otherwise stated					
Operating activities					
Income before tax	655	6,016	5,925	1,950	2,011
Items not affecting cash flow	281	2,577	2,218	940	766
Taxes paid	-154	-1,416	-1,894	-395	-508
Cash flow from operating activities before change in working capital					
	782	7,177	6,249	2,495	2,269
of which: Vehicles and Services	702	6,443	5,627	2,226	2,028
Financial Services	80	734	622	269	241
Change in working capital etc., Vehicles and Services ¹	-40	-363	-10	6	655
Cash flow from operating activities	742	6,814	6,239	2,501	2,924
Investing activities					
Net investments, Vehicles and Services	-421	-3,867	-3,876	-1,332	-1,347
Net investments in credit portfolio etc., Financial Services	-259	-2,373	-1,930	-569	-657
Cash flow from investing activities	-680	-6,240	-5,806	-1,901	-2,004
Cash flow from Vehicles and Services	241	2,213	1,741	900	1,336
Cash flow from Financial Services	-179	-1,639	-1,308	-300	-416
Financing activities					
Change in debt from financing activities ¹	-137	-1,259	1,479	-888	-2,475
Dividend	-	-	-3,800	-	-
Cash flow from financing activities	-137	-1,259	-2,321	-888	-2,475
Cash flow for the year	-75	-685	-1,888	-288	-1,555
Cash and cash equivalents at beginning of period	1,041	9,562	11,918	9,413	11,389
Exchange rate differences in cash and cash equivalents	24	211	-426	-37	-230
Cash and cash equivalents at end of period	990	9,088	9,604	9,088	9,604

¹ Due to amendment in IAS 32 Financial Instruments: Presentation (see Accounting principles), the comparative figures have been adjusted.

Quarterly data, units by geographic area

	2014			2013				
	Q3	Q2	Q1	Full year	Q4	Q3	Q2	Q1
Order bookings, trucks								
Europe	7,976	9,410	8,500	35,179	5,908	11,267	9,970	8,034
Eurasia	1,126	760	2,879	6,107	1,058	1,611	1,882	1,556
America **	4,048	3,960	4,000	19,899	4,226	4,131	5,757	5,785
Asia	3,080	5,611	2,584	8,731	2,174	2,540	1,970	2,047
Africa and Oceania	759	1,246	1,069	3,762	907	926	1,115	814
Total	16,989	20,987	19,032	73,678	14,273	20,475	20,694	18,236
Trucks delivered								
Europe	7,248	8,029	7,816	32,625	11,549	6,864	7,758	6,454
Eurasia	1,147	1,860	1,465	6,260	1,704	1,610	1,746	1,200
America**	3,992	3,821	4,300	23,756	6,115	5,512	6,648	5,481
Asia	2,831	2,891	2,943	7,400	1,908	1,541	2,262	1,689
Africa and Oceania	939	1,145	941	3,570	973	920	946	731
Total	16,157	17,746	17,465	73,611	22,249	16,447	19,360	15,555
Order bookings, buses*								
Europe	418	293	392	1,252	468	187	336	261
Eurasia	28	65	26	825	45	227	192	361
America **	553	591	644	2,604	507	426	679	992
Asia	306	348	625	1,638	266	268	483	621
Africa and Oceania	327	369	308	938	216	226	180	316
Total	1,632	1,666	1,995	7,257	1,502	1,334	1,870	2,551
Buses delivered*								
Europe	319	364	254	1,000	278	274	289	159
Eurasia	34	19	10	850	201	322	227	100
America **	651	693	518	2,778	749	616	677	736
Asia	399	287	383	1,388	480	383	319	206
Africa and Oceania	242	438	214	837	283	202	170	182
Total	1,645	1,801	1,379	6,853	1,991	1,797	1,682	1,383

* Including body-built buses and coaches.

** Refers to Latin America

Fair value of financial instruments

In Scania's balance sheet, items carried at fair value are mainly derivatives and current investments. Fair value is established according to various levels, defined in IFRS 13, that reflect the extent to which market values have been utilised. Current investments and cash and cash equivalents are carried according to Level 1, i.e. quoted prices in active markets for identical assets, and amounted to SEK 1,017 m. (1,076). Other assets that are carried at fair value refer to derivatives. These assets are carried according to Level 2, which is based on data other than the quoted prices that are part of Level 1 and refer to directly or indirectly observable market data, such as discount rate and credit risk. These items are carried under Other non-current receivables SEK 216 m. (633), Other current receivables SEK 492 m. (255), Other non-current liabilities SEK 518 m. (249) and Other current liabilities SEK 530 m. (218).

For financial assets that are carried at accrued cost, the carrying amount totalled to SEK 61,041 (55,779) and fair value to SEK 61,601 (55,964). For financial liabilities that are carried at accrued cost, the carrying amount totalled to SEK 56,587 (53,511) and fair value totalled SEK 56,632 (53,935). Fair value of financial instruments such as trade receivables, trade payables and other non-interest-bearing financial assets and liabilities that are recognised at accrued cost minus any impairment losses, is regarded as coinciding with the carrying amount.

For further information about financial instruments, see Note 31 Financial instruments in Scania's Annual Report for 2013.

Parent Company Scania AB, financial statements

Amounts in SEK m. unless otherwise stated	Nine months		
	EUR m.	2014	2013
Income statement			
Financial income and expenses	3	27	31
Net income for the period	3	27	31
		2014	2013
	EUR m.	30 Sep	30 Sep
Balance sheet			
Assets			
Financial non-current assets			
Shares in subsidiaries	919	8,435	8,435
Current assets			
Due from subsidiaries	1,219	11,194	4,198
Total assets	2,138	19,629	12,633
Equity			
Equity	2,138	19,629	12,633
Total shareholders' equity	2,138	19,629	12,633
		2014	2013
	EUR m.	30 Sep	30 Sep
Statement of changes in equity			
Equity, 1 January	2,135	19,602	16,402
Total comprehensive income	3	27	31
Dividend	-	-	-3,800
Equity	2,138	19,629	12,633