

Scania Interim Report January–September 2016

Summary of the first nine months of 2016

- Operating income amounted to SEK 3,733 m. (7,046), and was negatively impacted by a provision of SEK 3.8 billion related to the European Commission's competition investigation
- Operating income excluding items affecting comparability rose by 7 percent to SEK 7,533 m. (7,046) , resulting in an operating margin of 10.0 (10.1) percent
- Net sales rose by 8 percent to SEK 75,209 m. (69,686)
- Cash flow amounted to SEK -192 m. (1,220) in Vehicles and Services

Comments by Henrik Henriksson, President and CEO

“Scania’s sales reached SEK 75.2 billion in the first nine months of 2016 and the company’s underlying operational performance was strong. Higher vehicle volume in Europe and increased service revenue was partly offset by negative currency rate effects and lower deliveries in Latin America. Earnings were impacted negatively by the high investment level related to Scania’s new truck generation. Scania’s position in the European market remained strong with a market share of around 17 percent. The replacement need and economic situation in Europe continues to have a positive impact on demand for trucks. Order bookings in Latin America continued at a low level, and Brazil is still uncertain. In Eurasia, order bookings increased somewhat and Russia appears to have bottomed out. Scania increased its market share in Buses and Coaches in Europe to 7.6 percent, compared to 6.9 percent in 2015. Demand for buses and coaches is high in Europe, Latin America and Asia. In Engines, demand remains at a relatively low level.

Service revenue amounted to a record SEK 15.8 billion during the first nine months of 2016, an increase of 3 percent and of 7 percent in local currency. Financial Services showed a strong performance and customer payment capacity is good. Scania launched its new truck generation during the third quarter of 2016. It has been very positively received and the S series has been elected the prestigious “International Truck of the year 2017”. The jury’s motivation emphasised driver comfort, safety aspects and fuel savings for hauliers of 5 percent. Together with Scania’s recently introduced option to service vehicles based on flexible maintenance plans – a service made possible by continual monitoring of connected vehicles’ operating data – Scania Maintenance is reaching an entirely new level. Through a great deal of precision, the vehicle can receive exactly the maintenance it needs to spend more time generating revenue and less time at the workshop.”

Financial overview

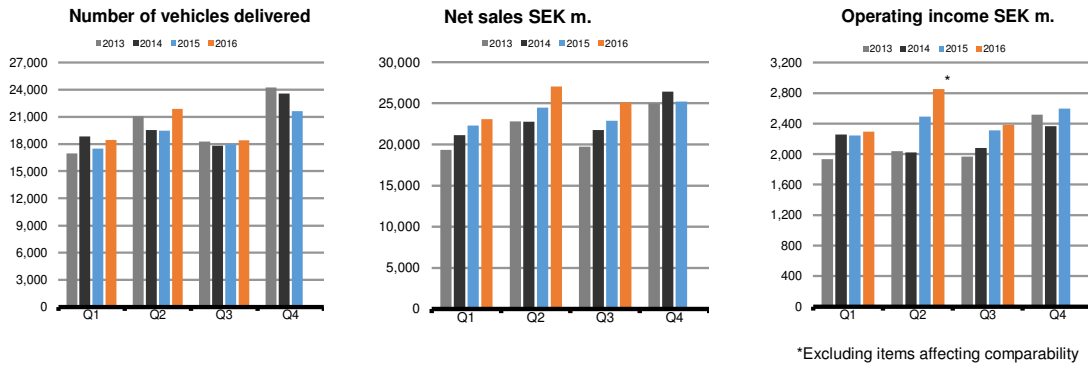
	9 months 2016			Q3		
	2016	2015	Change, %	2016	2015	Change, %
Trucks and buses, units						
Order bookings	62,265	57,892	8	18,346	16,046	14
Deliveries	58,732	54,935	7	18,422	17,946	3
Net sales and earnings	<i>EUR m.*</i>					
Net sales, Scania Group, SEK m.	75,209	69,686	8	25,099	22,888	10
Operating income, Vehicles and Services, SEK m.	2,968	6,252	-53	2,126	2,028	5
Operating income, excl. items affecting comparability, Vehicles and Services, SEK m.	6,768	6,252	8	2,126	2,028	5
Operating income, Financial Services, SEK m.	765	794	-4	259	281	-8
Operating income, SEK m.	3,733	7,046	-47	2,385	2,309	3
Income before taxes, SEK m.	3,443	6,689	-49	2,328	2,197	6
Net income for the period, SEK m.	1,427	4,940	-71	1,750	1,561	12
Operating margin, %	5.0	10.1		9.5	10.1	
Operating margin, excl. items affecting comparability, %	10.0	10.1		9.5	10.1	
Return on capital employed, Vehicles and Services, %	13.4	19.6				
Return on capital employed, excl. items affecting comparability, Vehicles and Services, %	22.0	19.6				
Cash flow, Vehicles and Services, SEK m.	-192	1,220		300	114	

*Translated to EUR solely for the convenience of the reader at a closing day rate of SEK 9.632 = 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/group/en/

Business overview



Sales performance

During the first nine months of 2016, total vehicle deliveries rose to 58,732 (54,935) units, compared to year-earlier period. Net sales increased by 8 percent to an all-time high of SEK 75,209 m. (69,686). Currency rate effects had a negative impact of 4 percent on sales.

Order bookings for trucks and buses and coaches rose by 8 percent to 62,265 (57,892) vehicles, compared to the first nine months of 2015.

Continued positive signals from Europe and still low levels in Latin America

Total order bookings for trucks were significantly higher during the third quarter of 2016 than the year-earlier period and the increase was seen in all regions. Demand in Europe remained strong during the third quarter, supported by a replacement need and a positive economic situation. In Eurasia, demand rose compared to the same period of 2015, mainly related to Russia, a market that now seems to have bottomed out. In Latin America, order bookings rose compared to the third quarter last year, which was mainly due to an upturn in Argentina and Chile. Order bookings also rose in Asia and in the Africa and Oceania region, primarily related to Iran and South Korea as well as South Africa.

Total order bookings for trucks during the third quarter fell compared to the high level of the previous quarter, mainly related to Europe, which is in line with the seasonal pattern in the European market.

Through its global production system, Scania is able to balance the industrial system relatively well by adjusting production in Brazil in order to export more to Africa, the Middle East and Asia.

Demand for used vehicles in Europe is still good.

Continued high market share in Europe

Scania's market share for trucks in Europe was 16.8 percent during the period January to September 2016 compared to 16.6 percent during the same period of 2015. The increase is proof that the current Scania truck range delivers a level of quality and performance that customers highly appreciate. The increase is also connected to the early and very successful introduction of the Euro 6 range and Scania's broad engine range for alternative fuels. Increased sales activities in new segments have also contributed to the high market share in Europe.

Scania has unveiled its new truck generation

On 23 August, Scania launched its new truck range, which was the result of 10 years of development work and investments of about SEK 20 billion. With the new range, Scania is extending its offering and can now, thanks to its unique modular system, supply more performance stages, connectivity and a comprehensive palette of productivity-enhancing services as well as sustainable transportation solutions that are precisely customised for all customers in the highly competitive transportation industry. The promise is that Scania's customers will always be able to carry out their work in the most sustainable and profitable way, regardless of industry and area of application. Scania is launching its new range in phases, with a clear focus on various customer segments. Among the improvements Scania is introducing, one that is particularly noticeable is a 5% reduction in fuel consumption, thanks to factors such as improved powertrains and better aerodynamics. Together with flexible vehicle maintenance plans, which are based on monitoring operating data from connected vehicles, the new truck generation delivers on all points in Scania's

ambition to be a leader in sustainability, the drivers' favourite and to offer customers the best profitability in the industry.

The truck market

Order bookings

Scania's order bookings rose during the third quarter of 2016 and amounted to 16,792 (14,921) trucks. Compared to the third quarter of 2015, order bookings in Europe increased by 4 percent to 10,776 (10,316) units. Demand rose in several major European markets such as Italy, France, Germany and Norway. Order bookings also fell sequentially in Europe compared to the previous quarter in line with the seasonal pattern in the European market.

During the quarter, order bookings increased in Latin America by 21 percent to 2,016 (1,666) trucks, compared to the third quarter of 2015, related to an upturn in Argentina and Chile. Order bookings in Brazil decreased somewhat compared to the previous year. In Latin America, order bookings were slightly higher sequentially.

Order bookings in Eurasia rose by 68 percent to 1,044 (620) trucks during the third quarter of 2016 compared to the year-earlier period. The upturn was mainly attributable to Russia, which now seems to have bottomed out at a low level. Order bookings also improved compared to the second quarter of 2016. The outlook in the Eurasia region is still uncertain, however, on account of the turbulence in the region.

In Asia, order bookings totalled 1,682 (1,450) units during the third quarter, an increase of 16 percent. The upturn was mainly attributable to Iran, South Korea and China. In Asia, order bookings fell sequentially.

In Africa, order bookings were stronger compared to the third quarter of 2015, related to South Africa, among other countries. Total order bookings in the Africa and Oceania region were 47 percent higher at 1,274 (869) units, compared to the third quarter of 2015. Order bookings were somewhat lower sequentially.

Deliveries

Scania's total truck deliveries decreased by 1 percent to 16,086 (16,322) units during the third quarter compared to the year-earlier period. In Europe, deliveries rose by 8 percent to 10,293 (9,491) units compared to the third quarter of 2015. In Eurasia, deliveries rose by 20 percent to 979 (814) trucks. Deliveries fell in Latin America by 19 percent to 1,788 (2,217) units compared to the third quarter of 2015. In Asia, deliveries fell by 33 percent compared to the third quarter of 2015 to 1,872 (2,779) trucks. Deliveries in Africa and Oceania rose by 13 percent to 1,154 (1,021) trucks.

Sales

Net sales of trucks rose by 6 percent to SEK 47,058 m. (44,204) during the first nine months of 2016. During the third quarter, sales increased by 2 percent to SEK 14,587 m. (14,282).

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 14 percent to about 220,800 units during the first nine months of 2016. Scania truck registrations amounted to some 37,100 units, equivalent to a market share of about 16.8 (16.6) percent.

Scania trucks	Order bookings			Deliveries		
	9 months 2016	9 months 2015	Change, %	9 months 2016	9 months 2015	Change, %
Europe	37,698	36,032	5	36,225	30,620	18
Eurasia	2,434	1,622	50	1,898	1,911	-1
America*	5,064	6,045	-16	4,945	6,080	-19
Asia	6,922	5,982	16	6,797	8,511	-20
Africa and Oceania	3,798	3,374	13	3,195	3,039	5
Total	55,916	53,055	5	53,060	50,161	6

*Refers to Latin America

The bus and coach market

Order bookings

Order bookings for buses and coaches rose sharply during the period compared to last year. Scania's total order bookings for buses and coaches increased by 31 percent to 6,349 (4,837) units during the first nine months of 2016 compared to the same period of 2015. Scania increased its market share in buses and coaches in Europe to 7.6 percent during the first nine months of 2016, compared to 6.9 percent during the year-earlier period.

In Europe, order bookings rose by 35 percent to 388 units (288) during the third quarter, mainly related to Sweden. Compared to the third quarter of 2015, order bookings increased by 20 percent in Latin America to 354 (294) units, mainly attributable to stronger demand in Chile and Peru. In Asia, order bookings rose to 590 (267) buses and coaches compared to the third quarter of 2015, related to Iran. Order bookings in Africa and Oceania decreased by 18 percent to 204 (250) buses and coaches. In Eurasia, order bookings decreased to 18 (26) buses and coaches.

Deliveries

Scania's bus and coach deliveries totalled 2,336 (1,624) units during the third quarter. In Europe, deliveries increased by 12 percent to 509 (453) units compared to the third quarter of 2015. Deliveries rose in Latin America by 45 percent to 739 (510) buses and coaches. In Asia, deliveries rose sharply to 752 (443) units and deliveries of buses and coaches in Africa and Oceania rose during the third quarter to 330 (197) units. Deliveries to Eurasia decreased to 6 (21) units.

Net sales

Net sales of buses and coaches rose by 16 percent to SEK 7,532 m. (6,470) during the first nine months of 2016. During the third quarter, sales increased by 46 percent to SEK 3,107 m. (2,126).

Scania buses and coaches	Order bookings			Deliveries		
	9 months 2016	9 months 2015	Change, %	9 months 2016	9 months 2015	Change, %
Europe	1,516	1,246	22	1,507	1,380	9
Eurasia	55	77	-29	33	73	-55
America*	2,283	1,750	30	1,599	1,494	7
Asia	1,866	1,212	54	1,619	1,253	29
Africa and Oceania	629	552	14	914	574	59
Total	6,349	4,837	31	5,672	4,774	19

*Refers to Latin America

Engines

Order bookings

Total engine order bookings fell by 10 percent to 5,773 (6,414) units during the first nine months of 2016, mainly related to Brazil. During the third quarter, order bookings rose by 18 percent to 1,739 (1,479) units. Order bookings during the third quarter mainly increased in South Korea and Belgium.

Deliveries

Engine deliveries fell by 18 percent to 5,420 (6,639) units during the first nine months of 2016. During the third quarter, deliveries fell by 15 percent to 1,605 (1,889) units. The decreased deliveries were mainly attributable to Brazil and South Africa.

Net sales

During the first nine months of 2016, sales fell by 12 percent to SEK 1,130 m. (1,287). Net sales in the third quarter amounted to SEK 347 m. (373), a decline of 7 percent.

Services

Higher revenue in Europe

The long-term efforts to grow the service business are continuing. Service revenue amounted to SEK 15,829 m. (15,325) during the first nine months of 2016, an increase of 3 percent. Higher volume had a

positive impact. In local currencies, revenue increased by 7 percent. During the third quarter, revenue increased by 4 percent to SEK 5,379 m. (5,176). The upturn was 5 percent in local currency.

In Europe, service revenue rose by 5 percent to SEK 11,057 m. (10,528) compared to the first nine months of 2015. In Latin America, revenue fell by 5 percent to SEK 1,956 m. (2,044) and revenue in Asia was 8 percent higher than the previous year at SEK 1,432 m. (1,319). In Africa and Oceania, service revenue rose by 1 percent to SEK 1,005 m. (996), while in Eurasia it decreased by 16 percent to SEK 379 m. (438) compared to the first nine months of 2015.

Earnings

Vehicles and Services

First nine months of 2016

Operating income in Vehicles and Services totalled SEK 2,968 m. (6,252) during the first nine months of 2016. It was negatively impacted by a provision of SEK 3.8 billion related to the European Commission's competition investigation. Adjusted for items affecting comparability, operating income in Vehicles and Services amounted to SEK 6,768 m. (6,252) during the first nine months of 2016. Higher vehicle volume in Europe and increased service revenue had a positive impact on earnings. Negative currency rate effects and lower deliveries in Latin America had an adverse impact. The high investment level related to Scania's investment in a new truck generation also had a negative impact on earnings.

Compared to the first nine months of 2015, the total currency rate effect was negative and amounted to SEK 1,375 m.

Scania's research and development expenditures amounted to SEK 5,306 m. (5,075). After adjusting for SEK 1,233 m. (1,295) in capitalised expenditures and SEK 285 m. (293) in depreciation of previously capitalised expenditures, recognised expenses increased to SEK 4,358 m. (4,073).

The third quarter

Operating income in Vehicles and Services totalled SEK 2,126 m. (2,028) during the third quarter. Higher vehicle volume in Europe and increased service revenue had a positive impact on earnings. Negative currency rate effects and lower deliveries in Latin America had an adverse impact. The high investment level related to Scania's investment in a new truck generation also had a negative impact on earnings.

Compared to the third quarter of 2015, the total currency rate effect was negative and amounted to about SEK 345 m.

Scania's research and development expenditures amounted to SEK 1,611 m. (1,606). After adjusting for SEK 354 m. (403) in capitalised expenditures and SEK 93 m. (97) in depreciation of previously capitalised expenditures, recognised expenses increased to SEK 1,350 m. (1,300).

Financial Services

Customer finance portfolio

At the end of the third quarter of 2016, the size of Scania's customer finance portfolio amounted to SEK 64.8 billion, which was SEK 8.3 billion higher than the end of 2015. In local currencies, the portfolio increased by SEK 5.3 billion, equivalent to 8 percent.

Penetration rate

The penetration rate was 42 (41) percent during the first nine months of 2016 in those markets where Scania has its own financing operations. The increase was mainly attributable to a changed market mix.

Operating income

Operating income in Financial Services decreased to SEK 765 m. (794) during the first nine months of 2016, compared to 2015. A larger portfolio was offset by lower margins and negative currency rate effects. Bad debt expenses decreased slightly. In the third quarter, operating income fell by 22 percent to SEK 259 m. (281).

Scania Group

During the first nine months of 2016, Scania's operating income amounted to SEK 3,733 m. (7,046). Operating margin amounted to 5.0 (10.1) percent. Operating income was negatively impacted by a provision of SEK 3.8 billion related to the European Commission's competition investigation. Adjusted for items affecting comparability, operating income amounted to SEK 7,533 m. (7,046) during the first nine months of 2016. Scania's net financial items amounted to SEK -290 m. (-357).

The Scania Group's tax expense amounted to SEK 2,016 m. (1,749), equivalent to 27.8 (26.1) percent of income before taxes when adjusted for items affecting comparability. Net income for the period totalled SEK 1,427 m. (4,940), equivalent to a net margin of 1.9 (7.1) percent. Adjusted for items affecting comparability, net income totalled SEK 5,227 m. (4,940), equivalent to a net margin of 6.9 (7.1) percent.

Cash flow

Vehicles and Services

Scania's cash flow in Vehicles and Services amounted to SEK -192 m. (1,220) during the first nine months of 2016. Tied-up working capital increased by SEK 1,768 m.

Net investments amounted to SEK 5,819 m. (5,477), including SEK 1,233 m. (1,295) in capitalisation of development expenses. At the end of the third quarter of 2016, the net cash position in Vehicles and Services amounted to SEK 7,167 m. compared to a net cash position of SEK 7,579 m. at the end of 2015.

Scania Group

Scania's cash flow in Financial Services amounted to SEK -4,474 m. (-1,556) during the first nine months of 2016 due to a growing customer finance portfolio. Together with the negative cash flow in Vehicles and Services and currency rate effects, the Group's net debt increased by about SEK 7.5 billion compared to the end of 2015.

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 0 m. (0) during the first nine months of 2016.

Miscellaneous

Number of employees

At the end of the third quarter of 2016, the number of employees totalled 46,157, compared to 43,612 on the same date in 2015.

Material risks and uncertainty factors

The section entitled "Risks and risk management" in Scania's Annual and Sustainability Report for 2015 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 27 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 15 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 2016 have not had any significant impact on Scania's financial statements. Accounting principles and calculation methods are unchanged from those applied in the Annual Report and Sustainability Report for 2015.

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 2015 was held in Södertälje, Sweden on 11 May 2016. The Annual General Meeting determined that no dividend would be disbursed to shareholders for the financial year 2015.

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Consolidated income statements

Amounts in SEK m. unless otherwise stated

	Nine months			Change in %	Q3	
	EUR m.*	2016	2015		2016	2015
Vehicles and Services						
Net sales	7,808	75,209	69,686	8	25,099	22,888
Cost of goods sold	-5,797	-55,841	-51,872	8	-18,792	-17,084
Gross income	2,011	19,368	17,814	9	6,307	5,804
Research and development expenses	-452	-4,358	-4,073	7	-1,350	-1,300
Selling expenses	-750	-7,220	-6,605	9	-2,494	-2,180
Administrative expenses	-110	-1,063	-924	15	-346	-294
Share of income from associated companies and joint ventures	4	41	40	3	9	-2
Items affecting comparability ²	-395	-3,800	-	-	-	-
Operating income, Vehicles and Services	308	2,968	6,252	-53	2,126	2,028
Financial Services						
Interest and lease income	476	4,582	4,078	12	1,747	1,375
Interest and depreciation expenses	-323	-3,116	-2,609	19	-1,238	-886
Interest surplus	153	1,466	1,469	0	509	489
Other income and expenses	7	71	101	-30	20	35
Gross income	160	1,537	1,570	-2	529	524
Selling and administrative expenses	-71	-680	-602	13	-236	-194
Bad debt expenses, realised and anticipated	-10	-92	-174	-47	-34	-49
Operating income, Financial Services	79	765	794	-4	259	281
Operating income	387	3,733	7,046	-47	2,385	2,309
Interest income and expenses	-32	-309	-181	71	-94	-40
Other financial income and expenses	2	19	-176	-111	37	-72
Total financial items	-30	-290	-357	-19	-57	-112
Income before taxes	357	3,443	6,689	-49	2,328	2,197
Taxes	-209	-2,016	-1,749	15	-578	-636
Net income for the period	148	1,427	4,940	-71	1,750	1,561
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss						
Translation differences	170	1,640	-1,817		462	-1,316
Cash flow hedges						
reclassification to operating income	-	-	23		-	0
Income tax relating to items that may be reclassified	5	48	-27		23	-3
	175	1,688	-1,821		485	-1,319
Items that will not be reclassified to profit or loss						
Re-measurement defined benefit plans ¹	-147	-1,414	983		-341	-323
Income tax relating to items that will not be reclassified	32	308	-223		71	64
	-115	-1,106	760		-270	-259
Other comprehensive income for the period	60	582	-1,061		215	-1,578
Total comprehensive income for the period	209	2,009	3,879		1,965	-17
Net income attributable to:						
Scania shareholders	149	1,438	4,946		1,752	1,562
Non-controlling interest	1	-11	-6		-2	-1
Total comprehensive income attributable to:						
Scania shareholders	210	2,019	3,883		1,967	-16
Non-controlling interest	-1	-10	-4		-2	-1
Operating income includes depreciation of	-260	-2,503	-2,427		-860	-808
Operating margin, percent		5.0	10.1		9.5	10.1

¹) The discount rate in calculating the Swedish pension liability has changed to 3.4 percent per 30 September

²) Provisions related to the European Commissions' competition investigation.

* Translated solely for the convenience of the reader at a closing exchange rate of SEK 9.6320 = EUR 1.00.

Net sales and deliveries, Vehicles and Services

	Nine months			Change in %	Q3	
	EUR m.	2016	2015		2016	2015
Amounts in SEK m. unless otherwise stated						
Net sales						
Trucks	4,886	47,058	44,204	6	14,587	14,282
Buses*	782	7,532	6,470	16	3,107	2,126
Engines	117	1,130	1,287	-12	347	373
Service-related products	1,643	15,829	15,325	3	5,379	5,176
Used vehicles	486	4,680	4,575	2	1,563	1,470
Miscellaneous	236	2,272	1,484	53	867	511
Delivery sales value	8,150	78,501	73,345	7	25,850	23,938
Revenue deferrals ¹⁾	-342	-3,292	-3,659	-10	-751	-1,050
Net sales	7,808	75,209	69,686	8	25,099	22,888
Net sales²⁾						
Europe	5,245	50,522	43,676	16	15,929	14,281
Eurasia	201	1,932	1,943	-1	919	764
America**	778	7,498	8,938	-16	2,951	3,006
Asia	970	9,341	9,616	-3	3,099	3,106
Africa and Oceania	614	5,916	5,513	7	2,201	1,731
Net sales	7,808	75,209	69,686	8	25,099	22,888
Total delivery volume, units						
Trucks		53,060	50,161	6	16,086	16,322
Buses*		5,672	4,774	19	2,336	1,624
Engines		5,420	6,639	-18	1,605	1,889

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 Scania Group

Amounts in SEK m. unless otherwise stated	2016		2015	
	EUR m.	30 Sep	31 Dec	30 Sept
Assets				
Non-current assets				
Intangible assets	830	7,998	6,855	6,187
Tangible assets	2,933	28,244	25,309	24,669
Lease assets	2,501	24,093	20,428	19,225
Shares and participations	59	568	516	594
Interest-bearing receivables	3,135	30,192	26,359	26,520
Other receivables ^{1, 2}	564	5,430	4,728	3,057
Current assets				
Inventories	2,074	19,977	16,918	17,932
Interest-bearing receivables	1,953	18,815	16,373	16,707
Other receivables ³	1,405	13,535	11,270	11,903
Current investments	98	947	213	770
Cash and cash equivalents	1,342	12,923	12,295	13,053
Total assets	16,894	162,722	141,264	140,617
Total equity and liabilities				
Equity				
Scania shareholders	4,133	39,808	37,790	45,627
Non-controlling interest	4	38	47	52
Total equity	4,137	39,846	37,837	45,679
Non-current liabilities				
Interest-bearing liabilities	2,842	27,372	26,206	26,585
Provisions for pensions	945	9,099	7,339	8,108
Other provisions	662	6,381	2,893	2,949
Other liabilities ^{1, 4}	1,369	13,186	11,501	9,346
Current liabilities				
Interest-bearing liabilities	3,691	35,553	28,736	21,473
Provisions	315	3,030	2,001	2,155
Other liabilities ⁵	2,933	28,255	24,751	24,322
Total equity and liabilities	16,894	162,722	141,264	140,617
¹ Including deferred tax				
² Including derivatives with positive value for hedging of borrowings	50	409	595	332
³ Including derivatives with positive value for hedging of borrowings	34	274	554	567
⁴ Including derivatives with negative value for hedging of borrowings	60	859	508	779
⁵ Including derivatives with negative value for hedging of borrowings	42	451	390	435
Equity/assets ratio, percent		24.5	26.8	32.5

Statement of changes in equity

Amounts in SEK m. unless otherwise stated	Nine months		
	EUR m.	2016	2015
Equity, 1 January	3,929	37,837	41,801
Net income for the period	148	1,427	4,940
Other comprehensive income for the period	60	582	-1,062
Total equity at the end of the period	4,137	39,846	45,679
Attributable to:			
Scania AB shareholders	4,133	39,808	45,627
Non-controlling interest	4	38	52

Information about Revenue from external customers

Amounts in SEK m. unless otherwise stated	Nine months		
	EUR m.	2016	2015
Revenue from external customers, Vehicles and Services	7,808	75,209	69,686
Revenue from external customers, Financial Services	476	4,582	4,078
Elimination refers to lease income on operating leases	-252	-2,425	-1,908
Revenue from external customers, Scania Group	8,032	77,366	71,856
Operating income, Vehicles and Services	308	2,968	6,252
Operating income, Financial Services	79	765	794
Operating income, Scania Group	387	3,733	7,046

Cash flow statement

Amounts in SEK m. unless otherwise stated	Nine months			Q3	
	EUR m.	2016	2015	2016	2015
Operating activities					
Income before tax	358	3,443	6,689	2,328	2,197
Items not affecting cash flow	689	6,638	3,104	749	929
Taxes paid	-213	-2,051	-1,514	-366	-381
Cash flow from operating activities before change in working capital	834	8,030	8,279	2,711	2,745
of which: Vehicles and Services	768	7,395	7,486	2,453	2,465
Financial Services	66	635	793	258	280
Change in working capital etc., Vehicles and Services	-184	-1,768	-789	-420	-518
Cash flow from operating activities	650	6,262	7,490	2,291	2,227
Investing activities					
Net investments, Vehicles and Services	-604	-5,819	-5,477	-1,733	-1,833
Net investments in credit portfolio etc., Financial Services	-531	-5,109	-2,349	-721	-548
Cash flow from investing activities	-1,135	-10,928	-7,826	-2,454	-2,381
Cash flow from Vehicles and Services	-20	-192	1,220	300	114
Cash flow from Financial Services	-465	-4,474	-1,556	-463	-268
Financing activities					
Change in debt from financing activities	493	4,743	3,267	5,015	2,924
Dividend	-	-	-	-	-
Cash flow from financing activities	493	4,743	3,267	5,015	2,924
Cash flow for the year	8	77	2,931	4,852	2,770
Cash and cash equivalents at beginning of period	1,277	12,295	10,915	7,806	10,867
Exchange rate differences in cash and cash equivalents	57	551	-793	265	-584
Cash and cash equivalents at end of period	1,342	12,923	13,053	12,923	13,053

Fair value of financial instruments

Amounts in SEK m. unless otherwise stated

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 2,066 m. (1,538)¹. 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 409 m. (332), Other current receivables SEK 281 m. (567), Other non-current liabilities SEK 859 m. (779) and Other current liabilities SEK m. 451 (470).

For financial assets that are carried at amortised cost, book value amounts to SEK 68,966 (63,460) and fair value to SEK 69,198 (63,746). For financial liabilities that are carried at amortised cost, book value amounts to SEK 74,318 (58,176) and fair value to SEK 74,212 (58,366). Fair value of financial instruments such as trade receivables, trade payables and other non-interest-bearing financial assets and liabilities that are recognised at amortised cost minus any impairment losses, is regarded as coinciding with the carrying amount.

For further information about financial instruments, see Note 28 Financial instruments in Scania's Annual Report for 2015.

¹⁾ Comparative figure has been adjusted

Quarterly data, units by geographic area

	2016			2015				
	Q3	Q2	Q1	Full year	Q4	Q3	Q2	Q1
Order bookings, trucks								
Europe	10,776	13,214	13,708	47,692	11,660	10,316	13,270	12,446
Eurasia	1,044	767	623	1,962	340	620	731	271
America **	2,016	1,788	1,260	7,438	1,393	1,666	2,611	1,768
Asia	1,682	2,569	2,671	8,349	2,367	1,450	2,159	2,373
Africa and Oceania	1,274	1,423	1,101	4,658	1,284	869	1,052	1,453
Total	16,792	19,761	19,363	70,099	17,044	14,921	19,823	18,311
Trucks delivered								
Europe	10,293	13,133	12,799	43,082	12,462	9,491	11,458	9,671
Eurasia	979	536	383	2,583	672	814	515	582
America**	1,788	1,885	1,272	8,118	2,038	2,217	2,156	1,707
Asia	1,872	3,156	1,769	11,514	3,003	2,779	2,496	3,236
Africa and Oceania	1,154	1,185	856	4,465	1,426	1,021	1,054	964
Total	16,086	19,895	17,079	69,762	19,601	16,322	17,679	16,160
Order bookings, buses*								
Europe	388	489	639	1,937	691	288	486	472
Eurasia	18	7	30	80	3	26	47	4
America **	354	945	984	2,275	525	294	625	831
Asia	590	884	392	1,828	616	267	506	439
Africa and Oceania	204	224	201	872	320	250	135	167
Total	1,554	2,549	2,246	6,992	2,155	1,125	1,799	1,913
Buses delivered*								
Europe	509	598	400	1,917	537	453	537	390
Eurasia	6	14	13	94	21	21	44	8
America **	739	503	357	2,123	629	510	622	362
Asia	752	479	388	1,806	553	443	366	444
Africa and Oceania	330	381	203	859	285	197	241	136
Total	2,336	1,975	1,361	6,799	2,025	1,624	1,810	1,340

* Including body-built buses and coaches.

** Refers to Latin America

Parent Company Scania AB, financial statements

Amounts in SEK m. unless otherwise stated	Nine months		
	EUR m.	2016	2015
Income statement			
Financial income and expenses	0	0	0
Net income for the period	0	0	0
		2016	2015
	EUR m.	30 Sep	30 Sep
Balance sheet			
Assets			
Financial non-current assets			
Shares in subsidiaries	875	8,435	8,435
Current assets			
Due from subsidiaries	163	1,567	11,167
Total assets	1,038	10,002	19,602
Equity			
Equity	1,038	10,002	19,602
Total shareholders' equity	1,038	10,002	19,602
Total equity and liabilities	1,038	10,002	19,602
		2016	2015
	EUR m.	30 Sep	30 Sep
Statement of changes in equity			
Equity, 1 January	1,038	10,002	19,602
Total comprehensive income	0	0	0
Dividend	-	-	-
Equity	1,038	10,002	19,602

Reconciliation of alternative performance measurements

Operating- and net income exkluding items affecting comparability M SEK	Nine months			Q3	
	MEUR*	2016	2015	2016	2015
Net sales	7,808	75,209	69,686	25,099	22,888
Operating income	387	3,733	7,046	2,385	2,309
Items affecting comparability ¹	395	3,800	-	-	-
Operating income excl. items affecting comparability	782	7,533	7,046	2,385	2,309
Net income for the period	148	1,427	4,940	1,750	1,561
Items affecting comparability ¹	395	3,800	-	-	-
Net income excl. items affecting comparability	543	5,227	4,940	1,750	1,561
Operating income excl. items affecting comparability, % (Operating income excl. affecting comparability/Net sales)		10.0	10.1	9.5	10.1
Net income excl. items affecting comparability, % (Net income excl. items affecting comparability/Net sales)		6.9	7.1	7.0	6.8

¹ Provisions related to the European Commissions' competition investigation.

Net debt specification

Scania Group	Sep	Dec
Assets	2016	2015
Current investments	947	213
Cash and cash equivalents	12,923	12,295
Derivatives, non-current	409	595
Derivatives, current	274	554
	14,553	13,657
Liabilities		
Interest-bearing liabilities, non-current	27,372	26,206
Interest-bearing liabilities, current	35,553	28,736
Derivatives, non-current	859	508
Derivatives, current	451	390
	64,235	55,840
Net debt	49,682	42,183
Change Net debt	7,499	