



SCANIA INTERIM REPORT JANUARY- SEPTEMBER 2000

RESULTS

First nine months of 2000, compared to first nine months of 1999

- Number of trucks and buses sold: 39,416 (36,049), an increase of 9 percent.
- Sales: SEK 38,182 m. (34,066) [USD 3,944 m. (3,518)]*, an increase of 12 percent¹.
- Sales of service-related products rose by 15 percent¹.
- The customer finance portfolio increased by 24 percent to SEK 17,709 m. (14,240) [USD 1,829 m. (1,471)].
- Operating income: SEK 3,057 m. (3,642) [USD 316 m. (376)].
- Operating margin: 8.0 (10.7) percent.
- Operating cash flows, excluding acquisitions of companies, improved to SEK 2,901 m. (1,691) [USD 300 m. (175)].
- Operating margin, Scania products: 8.8 (11.5) percent.
- Operating income in customer finance operations rose to SEK 126 m. (101) [USD 13 m. (10)].
- Income after financial items: SEK 2,588 m. (3,224) [USD 269 m. (333)].
- Net income: SEK 1,791 m. (2,263) [USD 187 m. (234)].
- Earnings per share: SEK 8.95 (11.30) [USD 0.94 (1.17)].
- Earnings per share according to U.S. GAAP: SEK 8.25 (11.70) [USD 0.85 (1.21)].

Third quarter of 2000, compared to third quarter of 1999

- Number of trucks and buses sold: 11,769 (11,180).
- Sales: SEK 11,814 m. (10,647) [USD 1,220 m. (1,100)].
- Operating income: SEK 901 m. (1,139) [USD 94 m. (118)], equivalent to a margin of 7.6 (10.7) percent.
- Operating cash flows: Rose to SEK 1,427 m. (984) [USD 147 m. (102)].
- Operating income in Latin America was positive: SEK 35 m. (-68) [USD 4 m. (-7)].

MARKET

First nine months of 2000, compared to first nine months of 1999

- Order bookings for heavy trucks in western European markets rose by 9 percent.
- Scania's market share for heavy trucks in western Europe rose to 15.7 (14.7) percent.
- In Latin America, order bookings rose. Scania's market share in Brazil was 27.3 (31.6) percent.

Third quarter of 2000, compared to third quarter of 1999

- Order bookings for heavy trucks in western European markets declined by 6 percent.
- Order bookings from markets in Asia and in central and eastern Europe were very strong.
- In Latin America, order bookings for heavy trucks rose by 5 percent.
- The demand for buses and coaches in Latin America was strong, and order bookings rose sharply from a low level.

OUTLOOK

"We are still aiming for double digit operating margin regarding Scania products for the full year" comments Leif Östling, Scania's President and CEO.

¹ Including the acquired distributors in Finland, Norway and Latvia.

* Translated solely for the convenience of the reader at an exchange rate of SEK 9.6825 = USD 1.00.

Unless otherwise stated, all comparisons refer to the same period of last year.

This report is also available at www.scania.com



SCANIA INTERIM REPORT, JANUARY – SEPTEMBER 2000

Operating income for the first nine months of 2000 was SEK 3,057 m. Operating cash flows for the Group were strong, increasing to SEK 2,901 m. (1,691). Operating income in European operations² was SEK 2,927 m., including currency effects of more than SEK -200 m. Investments in new products boosted research and development expenses by more than SEK 200 m. During the third quarter, Latin American operations showed a positive operating income. Accumulated underlying operating income in Latin American operations improved by about SEK 400 m.

In western Europe, the heavy truck market remained strong and Scania's truck order bookings rose by 9 percent during the first nine months of 2000. Compared to the third quarter of 1999, order bookings declined by 6 percent. The reduction is explained by a reluctance to invest within the European haulage industry caused by uncertainty in conjunction with the protests against rising fuel prices. In central and eastern Europe, demand continued to strengthen. Order bookings in Asia rose sharply, and the market situation in Latin America improved.

Scania increased its market share for heavy trucks in western Europe to 15.7 (14.7) percent. During the first nine months of 2000, 29,300 (26,100) Scania trucks were registered. Total heavy truck registrations in the region were about 186,500 (177,100) units, an increase of about 5 percent. Recalculated to a rolling twelve-month basis, this is equivalent to an annual rate of around 240,000 trucks.

Scania's truck order bookings in Latin America rose by 4 percent during the first nine months and by 5 percent during the third quarter. The total market in Brazil during the report period was 24 percent larger than last year, and projections of macroeconomic factors are favourable. Scania's market share in Brazil has gradually increased during the year, amounting to 27.3 (31.6) percent. In Argentina, market share rose to 29.6 (28.9) percent.

The total number of Scania trucks sold rose by 10 percent.

Scania's order bookings for buses and coaches rose by 9 percent in European operations and by 46 percent in Latin America. Total order bookings rose by 23 percent. The total number of buses sold increased by 5 percent. The sharp sales increase in Latin America offset a downturn in Europe.

The number of industrial and marine engines sold was approximately unchanged, compared to the same period of 1999.

During the first nine months of 2000, sales of service-related products rose by 15 percent.

The customer finance portfolio increased by about SEK 2,400 m. compared to the end of 1999 and amounted to more than SEK 17,700 m.

² European operations are the portion of Scania's operations that, in principle, supply all markets except Latin American ones with the company's products, services and financing.

During the third quarter, Scania presented its new 16-litre V8 engine to a wider audience at the IAA 2000 international commercial vehicle show in Frankfurt, Germany. The first trucks featuring the new 16-litre engine have been delivered to customers. The pace of delivery is now gradually accelerating during the fourth quarter, thereby improving the value of the product mix. In Frankfurt, Scania also unveiled its new OmniLine intercity bus, which is part of the new modular bus range.

The EU anti-trust authority on 1 September declared that one of the preconditions for Volvo's merger with RVI/Mack was that within three years Volvo has to divest its shareholding in Scania (30.6 percent of the votes and 45.5 percent of the capital). This should be based on the date when approval of Volvo's acquisition is obtained from the U.S. anti-trust authority. Such an approval has not yet been released.

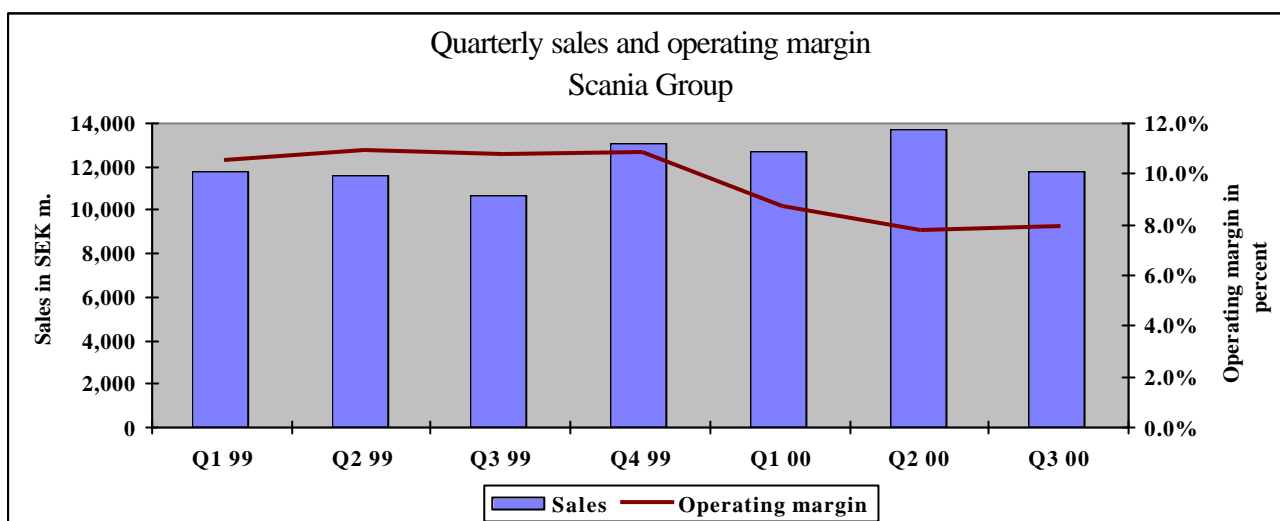
SALES AND EARNINGS

During the first nine months of 2000, the Scania Group **sold** 39,416 (36,049) trucks and buses, an increase of 9 percent. In monetary terms, the Scania Group's sales rose by 12 percent (6 percent excluding acquired companies) to SEK 38,182 m. (34,066). Sales of Scania products rose by 10 percent. Operating income for the Scania Group amounted to SEK 3,057 m. (3,642), equivalent to an operating margin of 8.0 (10.7) percent. For Scania products, operating income was SEK 2,905 m. (3,457) and the operating margin 8.8 (11.5) percent.

In **European operations**, unit sales of trucks and buses increased by 10 percent. In monetary terms, sales rose by 9 percent. Operating income amounted to SEK 2,927 m. (3,678). Earnings reflected more than SEK 200 m. in adverse currency effects as well as an increase of more than SEK 200 m. in research and development expenses. Earnings were also negatively effected by certain supply problems due to delivery disruptions. The continued expansion of Scania's commercial system resulted in higher costs, especially in the form of investments in growth markets and in service operations.

Besides currency effects, lower specification levels reduced average revenue per vehicle. To some extent, the reduction was offset by improved productivity. In all, this had an impact on earnings of about SEK -300 m. Earnings of Buses & Coaches and Industrial & Marine Engines operations declined by around SEK 200 m. as a consequence of low order bookings and a low rate of production, due to uncertainty early in the year concerning Scania's ownership structure. The operating margin in European operations amounted to 9.7 (13.4) percent.

In **Latin American operations**, unit sales of trucks and buses rose by 6 percent to 5,864 (5,521) vehicles. Operating income including items affecting comparability totalled SEK -148 m. (-322). During the first nine months of the year, earnings were adversely affected by SEK 80 m. in costs for implementation of staffing reductions. During the same period of 1999, operating income was boosted by about SEK 150 m. in translation effects, due to the Brazilian currency devaluation. At a comparable level, underlying earnings thus improved by about SEK 400 m., due to improved prices and a lower cost level. Operating income for the third quarter of this year was a positive SEK 35 m. (-68).



The **European customer finance portfolio** increased to SEK 17,709 m. (14,240). Operating income rose to SEK 126 m. (101).

Operating income in **car operations**³ amounted to SEK 152 m. (185).

Net financial items totalled SEK -469 m. (-418). In European operations, net financial items improved, compared to the first nine months of 1999. In Latin America, net financial items deteriorated due to negative cash flows and high local interest rates.

The Scania Group's **tax expenses** were equivalent to 30.7 (29.8) percent of income after financial items.

CASH FLOWS

Scania's **operating cash flows**, excluding customer finance operations, improved during the first nine months to SEK 2,868 m. (784). Excluding acquired companies, cash flows amounted to SEK 2,901 m. (1,691).

Cash flows from operating activities amounted to SEK 3,393 m. (3,998).

Tied-up working capital declined by SEK 616 m. Total capital tie-up in European operations dropped despite a rise in stocks due to delivery disruptions. Tied-up working capital increased in Latin America mainly due to an increase in customer financing.

Net investments reached SEK 1,141 m. (2,207). Excluding acquisitions, net investments amounted to SEK 1,108 m. (1,300).

During the third quarter of 2000, **operating cash flows** amounted to SEK 1,414 m. (763). Lower working capital as well as lower investments contributed to the improvement.

³ Car operations include half of the importer operations of the Svenska Volkswagen Group in Sweden, the wholly-owned Swedish car dealership network Din Bil and a car dealership network in Finland which is part of the acquired

Finnish distributor Oy Scan-Auto Ab.

Number of employees

The number of employees totalled 26,736 at the end of the report period. This represented an increase of 922 persons since the beginning of the year, of whom 469 in the expansive sales and service organisation and 491 with time-limited contracts in production operations. As a consequence of staffing reduction programmes, the number of employees in Latin American operations declined by 142.

Södertälje, 30 October 2000

Leif Östling
President and CEO

This Interim Report has not been subject to special review by the company's auditors.

The next financial report, the Year-end Report for January-December 2000, will be published on 6 February 2001.

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 affect potential results. These statements are based on certain assumptions, including assumptions related to general economic and financial conditions in the company's markets and the level 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 under the company's registration contract with the Stockholm Stock Exchange, if and when circumstances arise that will lead to changes compared to the date when these statements were provided.

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EARNINGS BY AREA OF OPERATIONS

| Amounts in SEK m. unless otherwise stated | USD m.* | Nine months 2000 | 1999 | Change in % | 1999 | Oct 99 - Sep 00 |
|--|---------|---------------------------|--------|----------------|--------|--------------------|
| Number of trucks and buses sold | | | | | | |
| European operations | | 33,552 | 30,528 | 10 | 42,919 | 45,943 |
| Latin American operations | | 5,864 | 5,521 | 6 | 7,495 | 7,838 |
| Total Scania vehicles sold | | 39,416 | 36,049 | 9 | 50,414 | 53,781 |
| Sales | | | | | | |
| European operations | 3,102 | 30,033 | 27,468 | 9 | 38,107 | 40,672 |
| Latin American operations | 430 | 4,160 | 3,294 | 26 | 4,560 | 5,426 |
| Less intra-Group sales | -120 | -1,158 | -724 | 60 | -1,042 | -1,476 |
| Total Scania products | 3,412 | 33,035 | 30,038 | 10 | 41,625 | 44,622 |
| Passenger car operations ⁴ | 532 | 5,147 ⁵ | 4,028 | 28 | 5,485 | 6,604 |
| Scania Group total | 3,944 | 38,182 | 34,066 | 12 | 47,110 | 51,226 |
| Operating income | | | | | | |
| European operations | 302 | 2,927 | 3,678 | -20 | 4,980 | 4,229 |
| Latin American operations | -15 | -148 | -322 | -54 | -328 | -154 |
| Customer finance operations | 13 | 126 | 101 | 25 | 140 | 165 |
| Total Scania products | 300 | 2,905 | 3,457 | -16 | 4,792 | 4,240 |
| Passenger car operations | 16 | 152 | 185 | -18 | 253 | 220 |
| Scania Group total | 316 | 3,057 | 3,642 | -16 | 5,045 | 4,460 |
| Operating margin in percent | | | | | | |
| European operations | | 9.7 | 13.4 | | 13.1 | 10.4 |
| Latin American operations | | -3.6 | -9.8 | | -7.2 | -2.8 |
| Total Scania products | | 8.8 | 11.5 | | 11.5 | 9.5 |
| Passenger car operations | | 3.0 | 4.6 | | 4.6 | 3.3 |
| Scania Group total | | 8.0 | 10.7 | | 10.7 | 8.7 |

SALES BY PRODUCT CATEGORY

| Amounts in SEK m. unless otherwise stated | USD m.* | Nine months 2000 | 1999 | Change in % | 1999 | Oct 99 - Sep 00 |
|--|---------|---------------------|--------|----------------|--------|--------------------|
| Trucks | 2,237 | 21,660 | 19,884 | 9 | 27,888 | 29,664 |
| Buses | 262 | 2,533 | 2,706 | -6 | 3,601 | 3,428 |
| Engines | 32 | 309 | 313 | -1 | 444 | 440 |
| Service-related products | 612 | 5,930 | 5,155 | 15 | 6,927 | 7,702 |
| Used vehicles etc. | 269 | 2,603 | 1,980 | 31 | 2,765 | 3,388 |
| Total Scania products | 3,412 | 33,035 | 30,038 | 10 | 41,625 | 44,622 |
| Passenger car operations | 532 | 5,147 | 4,028 | 28 | 5,485 | 6,604 |
| Total | 3,944 | 38,182 | 34,066 | 12 | 47,110 | 51,226 |

* Translated solely for the convenience of the reader at an exchange rate of SEK 9.6825 = USD 1.00.

⁴ Car operations include half of the importer operations of the Svenska Volkswagen Group in Sweden, the wholly-owned Swedish car dealership network Din Bil and a car dealership network in Finland which is part of the acquired Finnish distributor Oy Scan-Auto Ab.

⁵ Of which Svenska Volkswagen products SEK 4,264 m. (3,950).

INCOME STATEMENT

| Amounts in SEK m. unless otherwise stated | USD m.* | Nine months 2000 | 1999 | Change in % | 1999 | Oct 99 - Sep 00 |
|--|---------|---------------------|---------|----------------|---------|--------------------|
| Sales ⁶ | 3,943 | 38,182 | 34,066 | 12 | 47,110 | 51,226 |
| Cost of goods sold | -2,967 | -28,725 | -25,289 | | -34,669 | -38,105 |
| Gross income ⁶ | 976 | 9,457 | 8,777 | 8 | 12,441 | 13,121 |
| Research and development expenses | -119 | -1,154 | -906 | | -1,267 | -1,515 |
| Selling expenses ^{6, 7} | -511 | -4,962 | -3,979 | | -5,729 | -6,712 |
| Administrative expenses ⁸ | -65 | -629 | -594 | | -866 | -901 |
| Income from customer finance operations | 13 | 126 | 101 | | 140 | 165 |
| Share of income of associated companies | 23 | 219 | 243 | | 326 | 302 |
| Operating income ⁹ | 317 | 3,057 | 3,642 | -16 | 5,045 | 4,460 |
| Financial income and expenses | -48 | -469 | -418 | | -545 | -596 |
| Income after financial items | 269 | 2,588 | 3,224 | -20 | 4,500 | 3,864 |
| Taxes | -82 | -795 | -961 | | -1,353 | -1,187 |
| Minority interests | 0 | -2 | 0 | | -1 | -3 |
| Net income | 187 | 1,791 | 2,263 | -21 | 3,146 | 2,674 |

Number of shares: 200 million

| | | | | | | |
|---|------|---------------|--------|--|--------|--------|
| Return on equity, percent | | 19.6 | 24.4 | | 25.1 | 19.6 |
| Return on capital employed, excluding customer finance operations, percent | | 17.4 | 20.8 | | 21.4 | 17.4 |
| Return on capital employed, percent | | 11.8 | 14.6 | | 14.8 | 11.8 |
| Earnings per share, SEK | 0.94 | 8.95 | 11.30 | | 15.75 | 13.35 |
| Earnings per share according to U.S. GAAP, SEK | 0.85 | 8.25 | 11.70 | | 16.40 | 15.60 |
| ⁹ Includes depreciation of | -160 | -1,548 | -1,486 | | -1,948 | -2,010 |

⁶ **Acquired businesses** impacted sales by SEK 2,086 m., gross income by SEK 564 m., selling expenses by SEK -563 m., income in associated companies by SEK -11 m.

⁷ **Selling expenses**: Defined as the costs of corporate marketing resources, plus all overhead in marketing companies, including goodwill and warranty payments. Comparative periods have been adjusted for the fact that parts distribution costs were previously included but are now reported under "Cost of goods sold".

⁸ **Administrative expenses**: Defined as Group-wide costs for management and for the staff units in European and Latin American operations.

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EARNINGS BY QUARTER

| Amounts in SEK m. unless otherwise stated | 2000 | | | | | 1999 | | | |
|--|------------------------------|---------------|--------|--------|-------------------|--------|--------|--------|--------|
| | <i>Q3</i> <i>USD m. *</i> | Q3 | Q2 | Q1 | Full year 1999 | Q4 | Q3 | Q2 | Q1 |
| Sales | | | | | | | | | |
| European operations | 935 | 9,050 | 10,818 | 10,165 | 38,107 | 10,639 | 8,536 | 9,189 | 9,743 |
| Latin American operations | 167 | 1,619 | 1,421 | 1,120 | 4,560 | 1,266 | 1,193 | 1,139 | 962 |
| Less intra-Group sales | -45 | -436 | -417 | -305 | -1,042 | -318 | -292 | -249 | -183 |
| Total Scania products | 1,057 | 10,233 | 11,822 | 10,980 | 41,625 | 11,587 | 9,437 | 10,079 | 10,522 |
| Passenger car operations | 163 | 1,581 | 1,871 | 1,695 | 5,485 | 1,457 | 1,210 | 1,561 | 1,257 |
| Scania Group total | 1,220 | 11,814 | 13,693 | 12,675 | 47,110 | 13,044 | 10,647 | 11,640 | 11,779 |
| Operating income | | | | | | | | | |
| European operations | 82 | 791 | 1,003 | 1,133 | 4,980 | 1,303 | 1,122 | 1,311 | 1,244 |
| Latin American operations | 4 | 35 | -61 | -122 | -328 | -6 | -68 | -158 | -96 |
| Customer finance operations | 5 | 46 | 42 | 38 | 140 | 39 | 32 | 39 | 30 |
| Total Scania products | 91 | 872 | 984 | 1,049 | 4,792 | 1,336 | 1,086 | 1,192 | 1,178 |
| Passenger car operations | 3 | 29 | 67 | 56 | 253 | 67 | 53 | 71 | 62 |
| Scania Group total | 94 | 901 | 1,051 | 1,105 | 5,045 | 1,403 | 1,139 | 1,263 | 1,240 |
| Income after financial items | 77 | 742 | 891 | 955 | 4,500 | 1,276 | 984 | 1,130 | 1,110 |
| Net income | 53 | 514 | 616 | 661 | 3,146 | 883 | 709 | 784 | 770 |
| Earnings per share, SEK | 0.26 | 2.55 | 3.10 | 3.30 | 15.75 | 4.40 | 3.55 | 3.90 | 3.85 |
| Operating margin, percent | | | | | | | | | |
| European operations | | 8.7 | 9.3 | 11.1 | 13.1 | 12.2 | 13.1 | 14.3 | 12.8 |
| Latin American operations | | 2.2 | -4.3 | -10.9 | -7.2 | -0.5 | -5.7 | -13.9 | -10.0 |
| Total Scania products | | 8.5 | 8.3 | 9.6 | 11.5 | 11.5 | 11.5 | 11.8 | 11.2 |
| Passenger car operations | | 1.8 | 3.6 | 3.3 | 4.6 | 4.6 | 4.4 | 4.5 | 4.9 |
| Scania Group total | | 7.6 | 7.7 | 8.7 | 10.7 | 10.8 | 10.7 | 10.9 | 10.5 |

* Translated solely for the convenience of the reader at an exchange rate of SEK 9.6825 = USD 1.00.

UNITS BY QUARTER

| | 2000 | | | | 1999 | | | |
|-------------------------------|---------------|--------|--------|-------------------|--------|--------|--------|--------|
| | Q3 | Q2 | Q1 | Full year 1999 | Q4 | Q3 | Q2 | Q1 |
| ORDER BOOKINGS, TRUCKS | | | | | | | | |
| - Western Europe | 7,559 | 9,730 | 10,222 | 36,194 | 11,036 | 8,065 | 8,842 | 8,251 |
| - Central and eastern Europe | 622 | 736 | 462 | 1,783 | 538 | 396 | 465 | 384 |
| - Latin America | 1,413 | 1,703 | 1,463 | 6,122 | 1,715 | 1,348 | 1,509 | 1,550 |
| - Asia | 1,202 | 941 | 695 | 1,548 | 434 | 462 | 335 | 317 |
| - Other markets | 226 | 253 | 360 | 1,030 | 299 | 161 | 355 | 215 |
| Total | 11,022 | 13,363 | 13,202 | 46,677 | 14,022 | 10,432 | 11,506 | 10,717 |
| TRUCKS SOLD | | | | | | | | |
| - Western Europe | 7,972 | 9,997 | 9,625 | 36,106 | 10,389 | 7,821 | 8,448 | 9,448 |
| - Central and eastern Europe | 525 | 535 | 349 | 1,551 | 563 | 330 | 363 | 295 |
| - Latin America | 1,592 | 1,709 | 1,313 | 6,253 | 1,593 | 1,523 | 1,549 | 1,588 |
| - Asia | 516 | 949 | 467 | 1,481 | 541 | 232 | 374 | 334 |
| - Other markets | 295 | 367 | 300 | 1,260 | 290 | 317 | 305 | 348 |
| Total | 10,900 | 13,557 | 12,054 | 46,651 | 13,376 | 10,223 | 11,039 | 12,013 |
| ORDER BOOKINGS, BUSES | | | | | | | | |
| - Europe | 403 | 381 | 411 | 1,704 | 531 | 367 | 360 | 446 |
| - Latin America | 393 | 573 | 378 | 1,219 | 300 | 340 | 397 | 182 |
| - Other markets | 143 | 228 | 223 | 628 | 163 | 73 | 195 | 197 |
| Total | 939 | 1,182 | 1,012 | 3,551 | 994 | 780 | 952 | 825 |
| BUSES SOLD | | | | | | | | |
| - Europe | 292 | 451 | 446 | 2,002 | 450 | 441 | 551 | 560 |
| - Latin America | 456 | 421 | 368 | 1,237 | 381 | 365 | 255 | 236 |

| | | | | | | | | |
|-----------------|------------|-------|-----|-------|-----|-----|-----|-----|
| - Other markets | 121 | 212 | 138 | 524 | 158 | 151 | 114 | 101 |
| Total | 869 | 1,084 | 952 | 3,763 | 989 | 957 | 920 | 897 |

Sales of industrial and marine engines totalled 2,326 (2,332) units during the first nine months of 2000.

BALANCE SHEET
WITH CUSTOMER FINANCE OPERATIONS REPORTED
ACCORDING TO THE EQUITY ACCOUNTING METHOD

| Amounts in SEK m. unless otherwise stated | <i>30 Sep</i> | | | | | |
|---|----------------|---------------|--------|--------|--------|--------|
| | <i>2000</i> | 30 Sep | 30 Jun | 31 Mar | 31 Dec | 30 Sep |
| | <i>USD m.*</i> | 2000 | 2000 | 2000 | 1999 | 1999 |
| ASSETS | | | | | | |
| Intangible fixed assets | 53 | 516 | 534 | 550 | 555 | 417 |
| Tangible fixed assets | 1,454 | 14,082 | 13,836 | 13,868 | 13,975 | 13,659 |
| Shares and participations | 286 | 2,771 | 2,657 | 2,663 | 2,616 | 2,421 |
| Inventories | 860 | 8,331 | 7,768 | 7,852 | 7,279 | 6,945 |
| Other receivables | 1,026 | 9,935 | 10,589 | 10,190 | 10,477 | 9,318 |
| Interest-bearing receivables | 155 | 1,503 | 1,406 | 1,393 | 1,361 | 1,153 |
| Liquid investments | 479 | 4,624 | 4,304 | 1,794 | 2,543 | 3,637 |
| Total assets | 4,313 | 41,762 | 41,094 | 38,310 | 38,806 | 37,550 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | | | |
| Shareholders' equity | 1,479 | 14,320 | 13,430 | 14,179 | 13,548 | 12,605 |
| Provisions for pensions | 199 | 1,925 | 1,886 | 1,874 | 1,839 | 1,835 |
| Other provisions | 350 | 3,387 | 3,641 | 3,622 | 3,623 | 3,361 |
| Other liabilities | 1,087 | 10,526 | 9,726 | 9,134 | 9,021 | 8,741 |
| Borrowings | 1,198 | 11,604 | 12,411 | 9,501 | 10,775 | 11,008 |
| Total shareholders' equity and liabilities | 4,313 | 41,762 | 41,094 | 38,310 | 38,806 | 37,550 |
| Net indebtedness, excluding pension liabilities | 719 | 6,980 | 8,107 | 7,707 | 8,232 | 7,371 |
| Net indebtedness as ratio of shareholders' equity (debt/equity ratio) | 0.49 | 0.49 | 0.60 | 0.54 | 0.61 | 0.58 |
| Equity per share, SEK | 7.39 | 71.60 | 67.15 | 70.80 | 67.75 | 63.05 |

Reporting of deferred gains on sales with guaranteed residual values in operating leases has been changed in the above balance sheet from being subtracted from "Tangible fixed assets" to being part of "Other liabilities". The comparative periods have been changed accordingly. In the balance sheet including customer finance operations, this deferred gain is still subtracted from operational leases that are part of "Tangible fixed assets".

* Translated solely for the convenience of the reader at an exchange rate of SEK 9.6825 = USD 1.00.

BALANCE SHEET

CUSTOMER FINANCE OPERATIONS

| | <i>30 Sep</i> | | | | | |
|--|----------------|---------------|--------|--------|--------|--------|
| Amounts in SEK m. unless otherwise stated | <i>2000</i> | 30 Sep | 30 Jun | 31 Mar | 31 Dec | 30 Sep |
| | <i>USD m.*</i> | 2000 | 2000 | 2000 | 1999 | 1999 |
| ASSETS | | | | | | |
| Leasing assets | 752 | 7,283 | 6,480 | 6,399 | 6,164 | 5,325 |
| Financial receivables | 1,077 | 10,426 | 9,822 | 9,340 | 9,175 | 8,915 |
| Other assets | 61 | 586 | 632 | 356 | 668 | 449 |
| Cash and bank balances | 18 | 174 | 162 | 94 | 167 | 95 |
| Total assets | 1,908 | 18,469 | 17,096 | 16,189 | 16,174 | 14,784 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | | | |
| Shareholders' equity | 138 | 1,338 | 1,280 | 1,251 | 1,229 | 1,008 |
| Borrowings | 1,627 | 15,750 | 14,205 | 13,703 | 13,612 | 12,543 |
| Other liabilities and provisions | 143 | 1,381 | 1,611 | 1,235 | 1,333 | 1,233 |
| Total shareholders' equity and liabilities | 1,908 | 18,469 | 17,096 | 16,189 | 16,174 | 14,784 |

BALANCE SHEET

INCLUDING CUSTOMER FINANCE OPERATIONS

| | <i>30 Sep</i> | | | | | |
|--|----------------|---------------|--------|--------|--------|--------|
| Amounts in SEK m. unless otherwise stated | <i>2000</i> | 30 Sep | 30 Jun | 31 Mar | 31 Dec | 30 Sep |
| | <i>USD m.*</i> | 2000 | 2000 | 2000 | 1999 | 1999 |
| ASSETS | | | | | | |
| Intangible fixed assets | 53 | 515 | 534 | 550 | 555 | 417 |
| Tangible fixed assets | 2,049 | 19,836 | 18,880 | 18,908 | 18,860 | 17,776 |
| Shares and participations | 148 | 1,433 | 1,377 | 1,411 | 1,388 | 1,410 |
| Inventories | 877 | 8,495 | 7,981 | 7,959 | 7,437 | 7,126 |
| Other receivables | 1,041 | 10,080 | 10,711 | 10,257 | 10,702 | 9,262 |
| Interest-bearing receivables | 1,232 | 11,929 | 11,228 | 10,733 | 10,537 | 10,069 |
| Liquid investments | 496 | 4,798 | 4,466 | 1,888 | 2,710 | 3,733 |
| Total assets | 5,896 | 57,086 | 55,177 | 51,706 | 52,189 | 49,793 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | | | |
| Shareholders' equity | 1,479 | 14,320 | 13,430 | 14,179 | 13,548 | 12,605 |
| Provisions for pensions | 199 | 1,928 | 1,889 | 1,877 | 1,842 | 1,838 |
| Other provisions | 410 | 3,972 | 4,198 | 4,175 | 4,159 | 3,817 |
| Other liabilities | 983 | 9,513 | 8,740 | 8,271 | 8,253 | 7,981 |
| Borrowings | 2,825 | 27,353 | 26,920 | 23,204 | 24,387 | 23,552 |
| Total shareholders' equity and liabilities | 5,896 | 57,086 | 55,177 | 51,706 | 52,189 | 49,793 |
| Equity/assets ratio, % | | 25.1 | 24.3 | 27.4 | 26.0 | 25.3 |

* Translated solely for the convenience of the reader at an exchange rate of SEK 9.6825 = USD 1.00.

STATEMENT OF CASH FLOWS

| Amounts in SEK m. unless otherwise stated | Nine months | | | 2000 | | | 1999 | |
|--|----------------|---------------|--------|----------------|--------------|--------|-------|-------|
| | <i>USD m.*</i> | 2000 | 1999 | <i>USD m.*</i> | Q3 | Q2 | Q1 | Q3 |
| Cash from operating activities | 350 | 3,393 | 3,998 | 105 | 1,016 | 1,234 | 1,143 | 1,240 |
| Change in working capital etc. | 64 | 616 | -1,007 | 78 | 761 | 135 | -280 | 85 |
| Cash flows from operating activities | 414 | 4,009 | 2,991 | 183 | 1,777 | 1,369 | 863 | 1,325 |
| Net investments excluding acquired companies | -114 | -1,108 | -1,300 | -36 | -350 | -376 | -382 | -341 |
| Operating cash flows before acquisitions of companies | 300 | 2,901 | 1,691 | 147 | 1,427 | 993 | 481 | 984 |
| Net investments in acquired companies | -3 | -33 | -907 | -1 | -13 | -7 | -13 | -221 |
| Operating cash flows excluding customer finance operations | 297 | 2,868 | 784 | 146 | 1,414 | 986 | 468 | 763 |
| Expansion of customer finance operations | -198 | -1,916 | -1,583 | -86 | -834 | -781 | -301 | -621 |
| Change in net indebtedness including customer finance operations | 99 | 952 | -799 | 60 | 580 | 205 | 167 | 142 |
| Change in indebtedness from financing activities | 247 | 2,388 | 4,059 | -38 | -372 | 3,759 | -999 | -312 |
| Dividend to shareholders | -145 | -1,400 | -1,300 | 0 | 0 | -1,400 | 0 | 0 |
| Net change in cash and short-term investments | 201 | 1,940 | 1,960 | 22 | 208 | 2,564 | -832 | -170 |
| Effect of exchange rate fluctuations on cash and short-term investments | 15 | 148 | -1 | 13 | 124 | 14 | 10 | -43 |
| Cash and short-term investments at beginning of period | 280 | 2,710 | 1,774 | 461 | 4,466 | 1,888 | 2,710 | 3,946 |
| Cash and short-term investments at end of period | 496 | 4,798 | 3,733 | 496 | 4,798 | 4,466 | 1,888 | 3,733 |

* Translated solely for the convenience of the reader at an exchange rate of SEK 9.6825 = USD 1.00.

NUMBER OF EMPLOYEES

| | 30 Sep 2000 | 30 Jun 2000 | 31 Mar 2000 | 31 Dec 1999 | 30 Sep 1999 |
|----------------------------------|------------------------|----------------|----------------|----------------|----------------|
| Production companies etc. | 13,837 | 13,412 | 13,365 | 13,346 | 13,314 |
| Marketing companies | 9,190 | 9,036 | 8,859 | 8,642 | 7,704 |
| European operations | 23,027 | 22,448 | 22,224 | 21,988 | 21,018 |
| Latin American operations | 3,518 | 3,443 | 3,503 | 3,660 | 3,620 |
| Customer finance companies | 191 | 187 | 179 | 166 | 162 |
| Total number of employees | 26,736 | 26,078 | 25,906 | 25,814 | 24,800 |

Scania's ten largest truck markets

Registrations of Scania trucks during the first nine months of the year

| | 2000 | 1999 | Change in percent |
|-----------------|---------------|-------------|----------------------|
| Great Britain | 5,722 | 3,940 | 45 |
| Germany | 4,090 | 4,007 | 2 |
| France | 3,958 | 3,646 | 9 |
| Brazil | 3,499 | 3,268 | 7 |
| Spain | 2,688 | 2,508 | 7 |
| The Netherlands | 2,526 | 2,061 | 23 |
| Italy | 2,327 | 2,066 | 13 |
| Sweden | 1,636 | 1,563 | 5 |
| Belgium | 1,281 | 1,348 | -5 |
| Austria | 903 | 877 | 3 |
| Western Europe | 29,344 | 26,101 | 12 |

Scania's market shares during the first nine months of the year, percent

| | 2000 | 1999 |
|-----------------|-------------|-------------|
| Great Britain | 22.6 | 17.3 |
| Germany | 9.4 | 9.0 |
| France | 11.0 | 11.0 |
| Brazil | 27.3 | 31.6 |
| Spain | 14.1 | 14.9 |
| The Netherlands | 22.8 | 19.5 |
| Italy | 12.7 | 12.2 |
| Sweden | 50.6 | 47.0 |
| Belgium | 18.9 | 18.8 |
| Austria | 15.6 | 15.4 |
| Western Europe | 15.7 | 14.7 |