

Press conference

Erik Ljungberg, Corporate Relations



Interim Report, January–September 2011

Jan Ytterberg, CFO



First nine months of 2011 – highlights

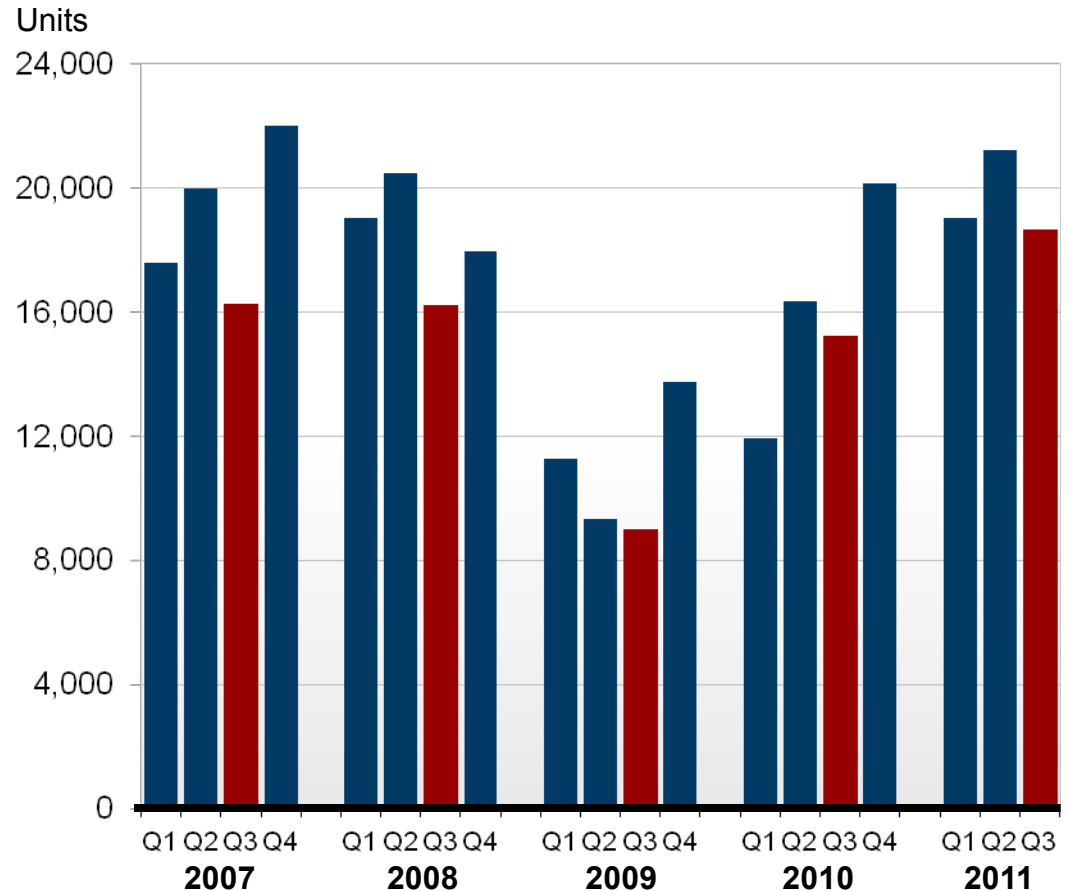
- **Stable earnings**
 - Increased volume
 - Currency headwinds
 - Altered market mix
- **ROCE 42.3% (32.3%)***

*Rolling 12 month

Volume trend

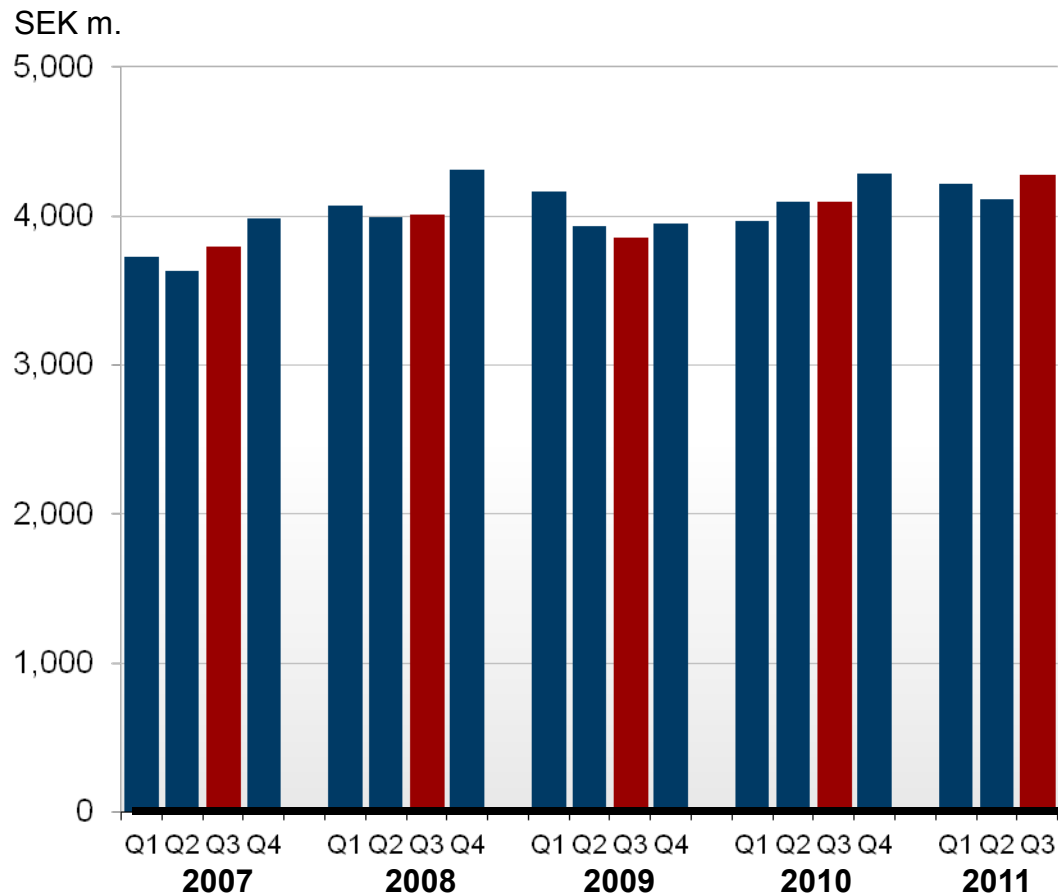
Total deliveries, trucks and buses

- Deliveries +35% in first nine months
- More vehicles to Russia and Middle East – fewer to Brazil
- Lower production rate from November



Service revenue

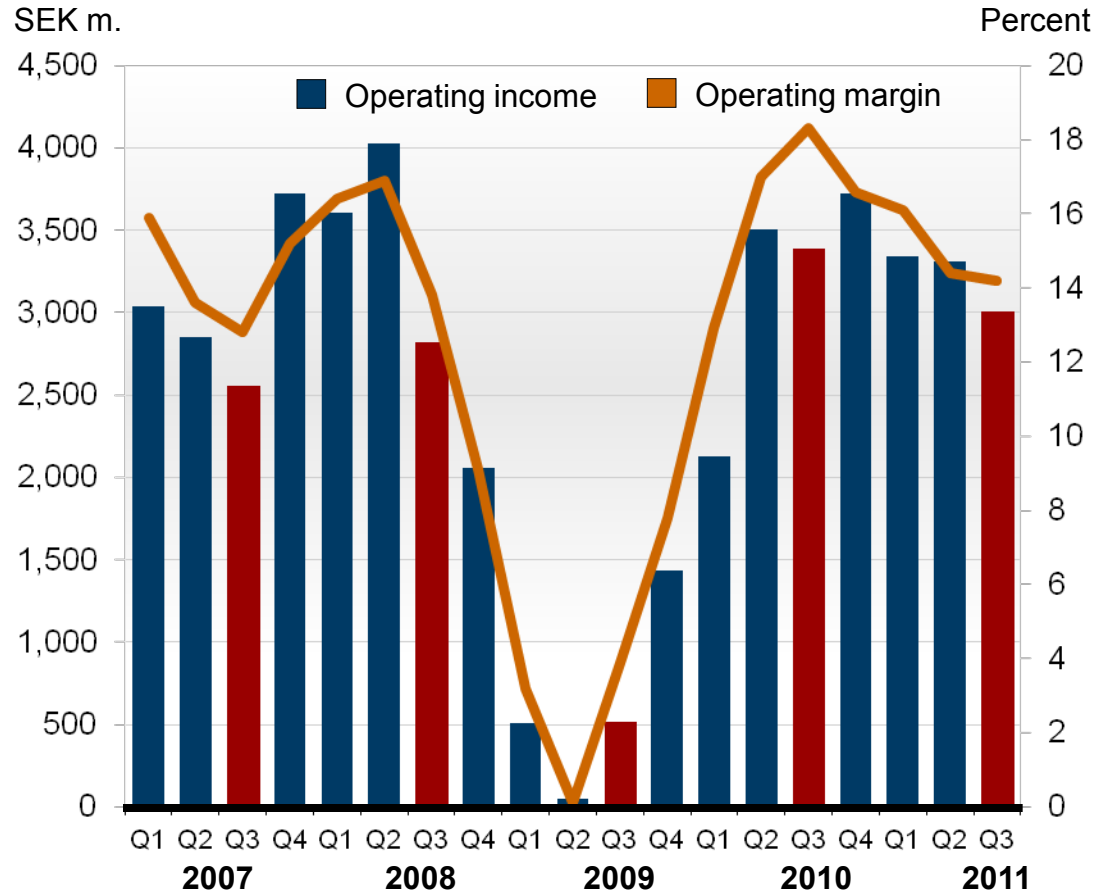
- **Volume increase
~10% in first
9 months**
- **Strong demand in
all regions**
- **Negative impact
from currency rates**



Earnings trend

Operating income, Scania Group

- **Net sales +16%
9 months**
- **EBIT margin 14.9%
(16.2) 9 months and
14.2% (18.3) in Q3**
- **Earnings per share
SEK 9.11 (7.63)
9 months**



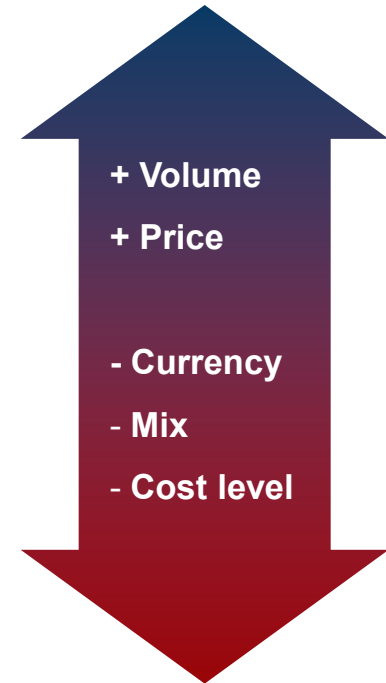
Operating income

Vehicles and Services

- **EBIT increase due to:**
 - Volume
 - Price
- **Negative effects:**
 - Currency rates
 - Market mix
 - Higher cost level

EBIT increase:

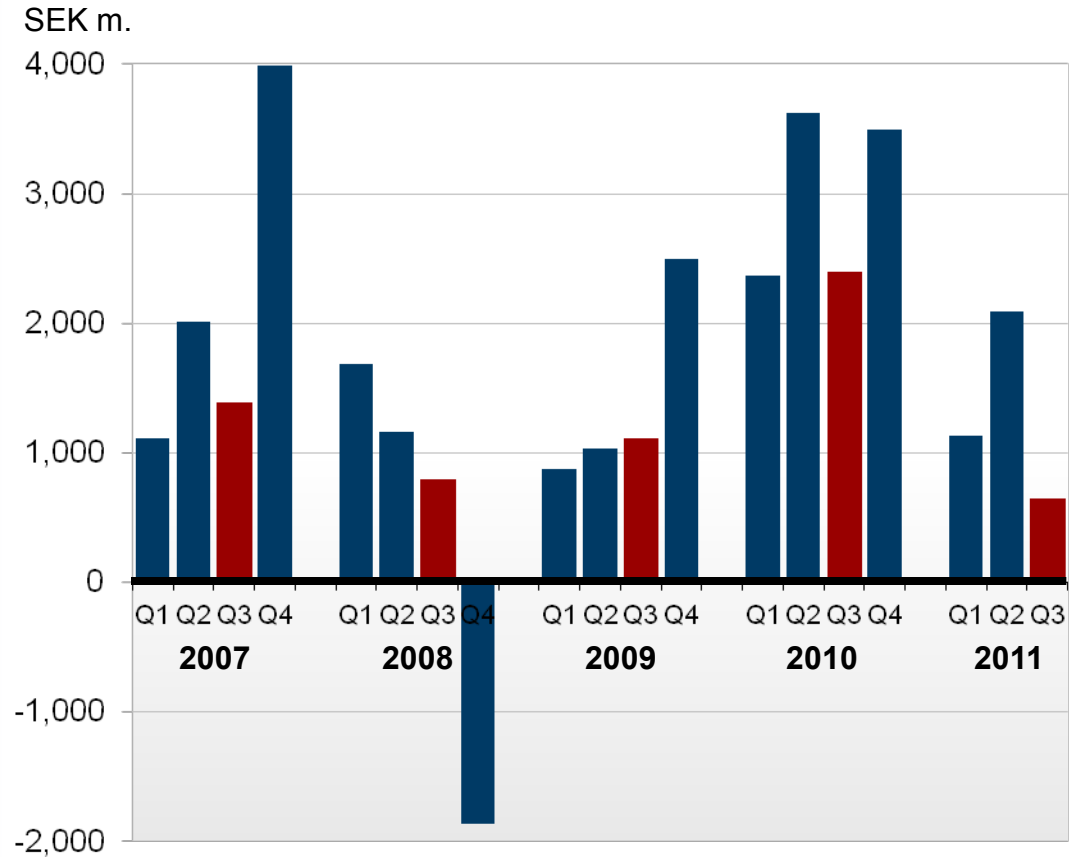
SEK 364 m.,
9 months of 2011



Cash flow

Vehicles and Services

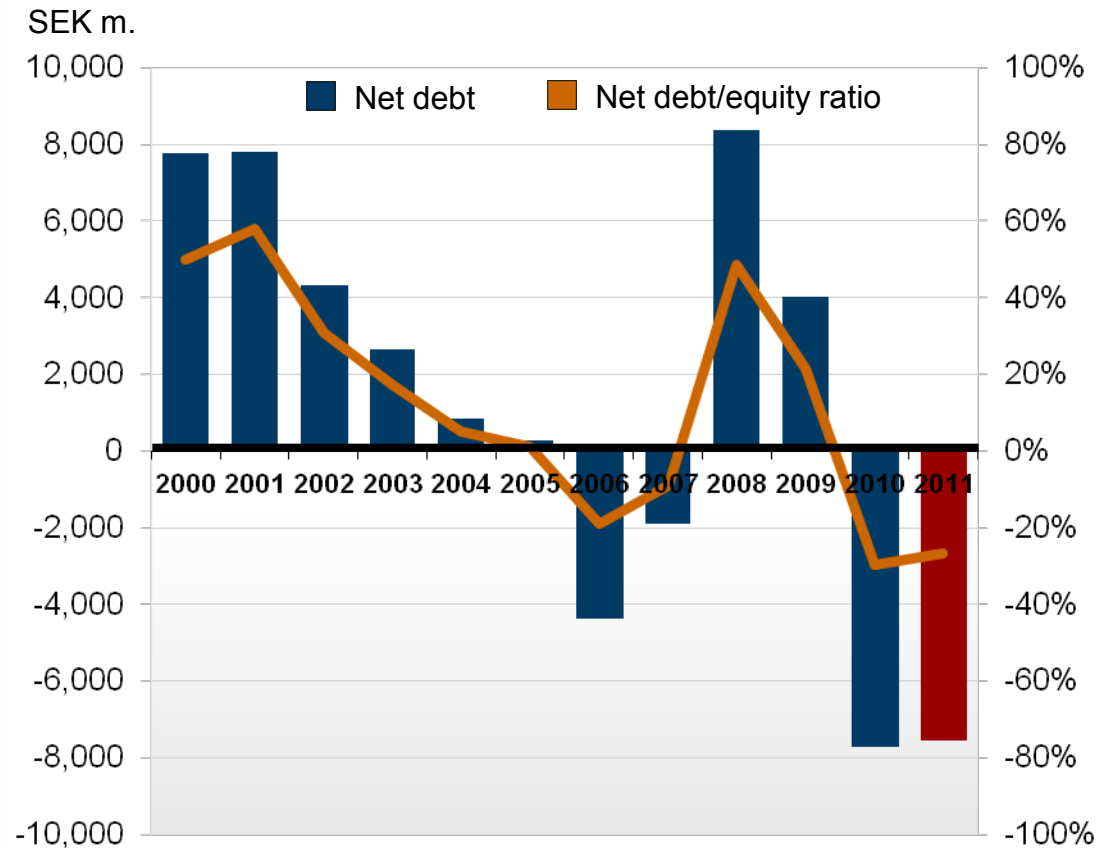
- Negative impact from inventories
- Higher level of investments



Net debt

Vehicles and Services

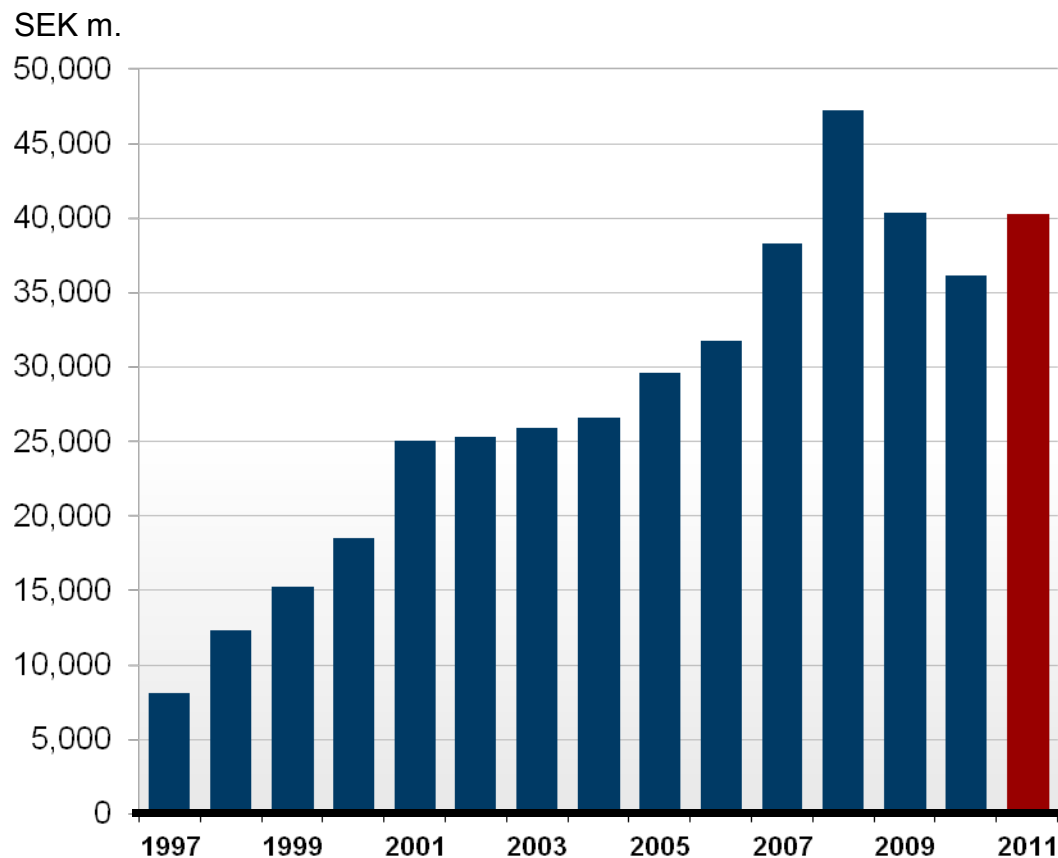
- **Net cash**
SEK 7,509 m.
(Net cash 7,700
end of 2010)
- **Dividend paid**
SEK 4,000 m. in
Q2



Volume trend

Credit portfolio, Financial Services

- **Portfolio +12%***
since end of 2010
- **Lower level of bad
debt expenses**
- **Operating income
SEK 363 m. (91) in
9 months**



*In local currencies

Summary

- **Stable earnings**
 - Volume increase
 - Currency headwinds
 - Altered market mix
- **ROCE 42.3% (32.3%)***

*Rolling 12 month



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Outlook

Leif Östling, President and CEO



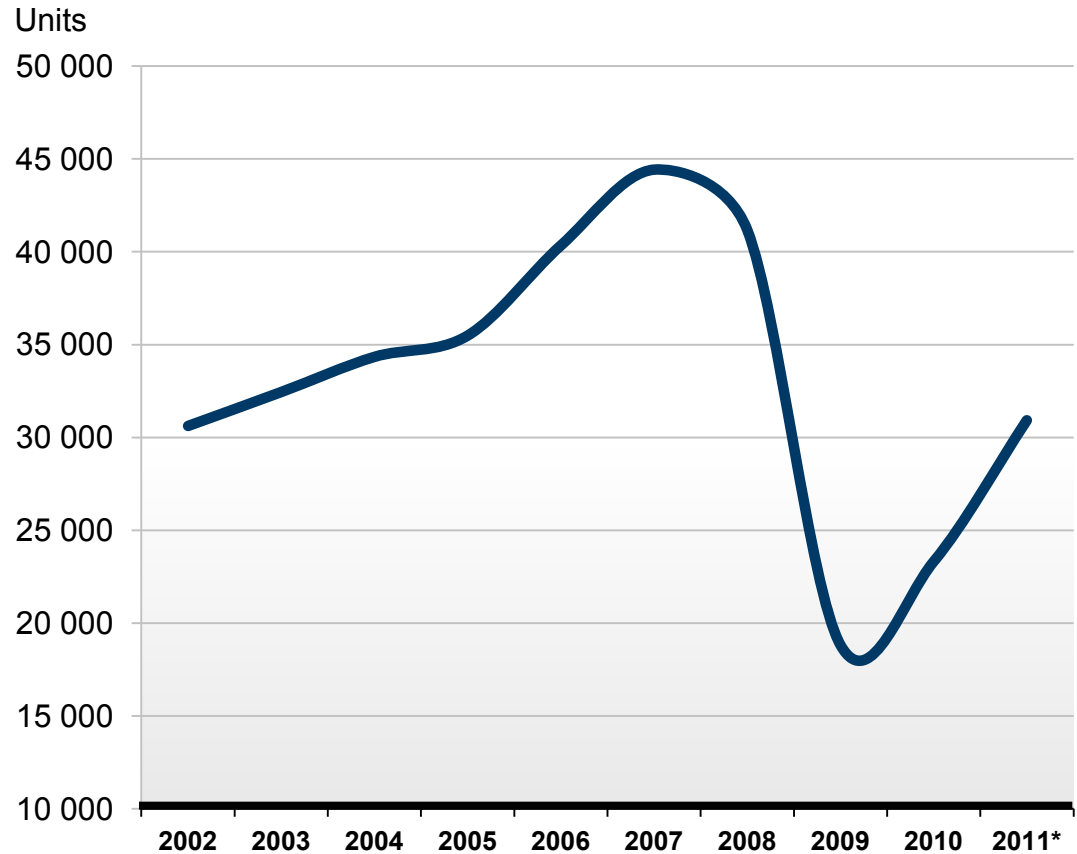
Business overview – First nine months

- **Good level of deliveries in several markets**
- **Slower order rate at the end of Q3, primarily in southern Europe and the Middle East**
- **Short delivery times mean swift adjustment of production rate**
- **High demand for service in all regions**

Europe

Scania truck deliveries

- **Slowdown from September primarily in southern regions**
- **Short delivery times**
- **Need for replacement**

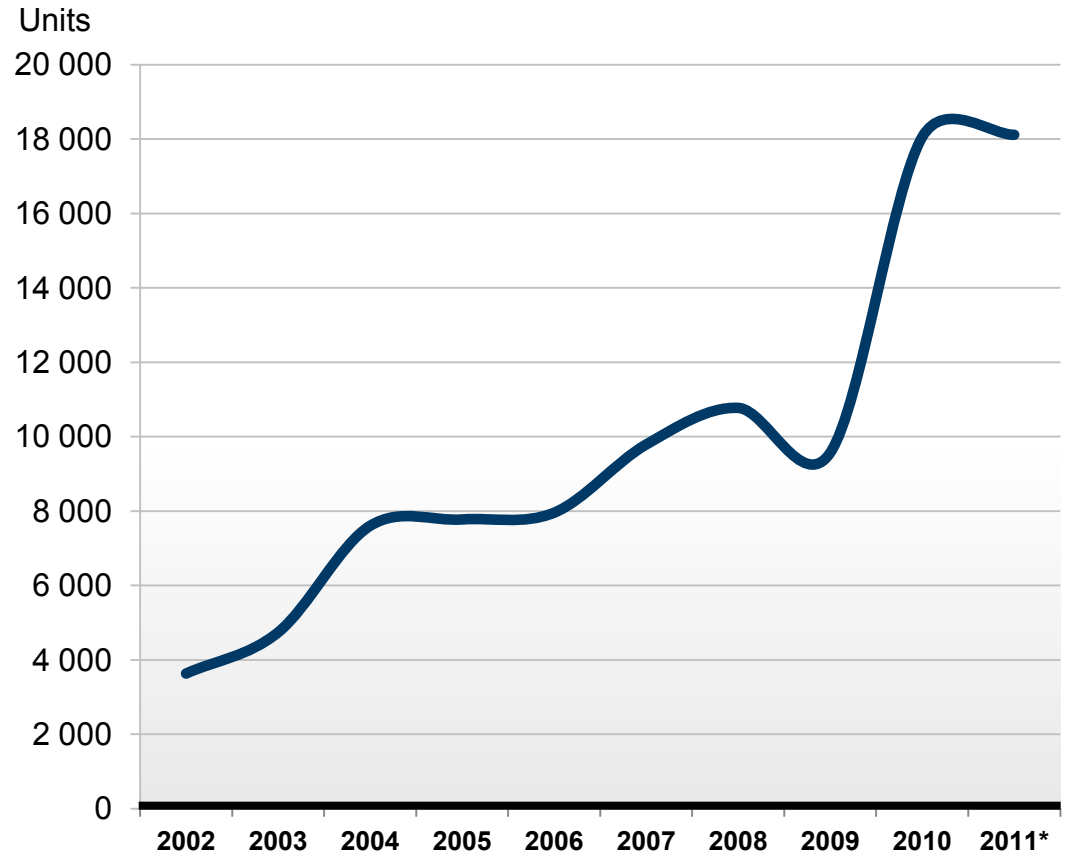


*2011 refers to rolling 12 month Q3 2011

Latin America

Scania truck deliveries

- Transition from Euro 3 to Euro 5 in 2012 (Brazil)
- Uncertain demand H1 2012 in Brazil
- Short delivery times

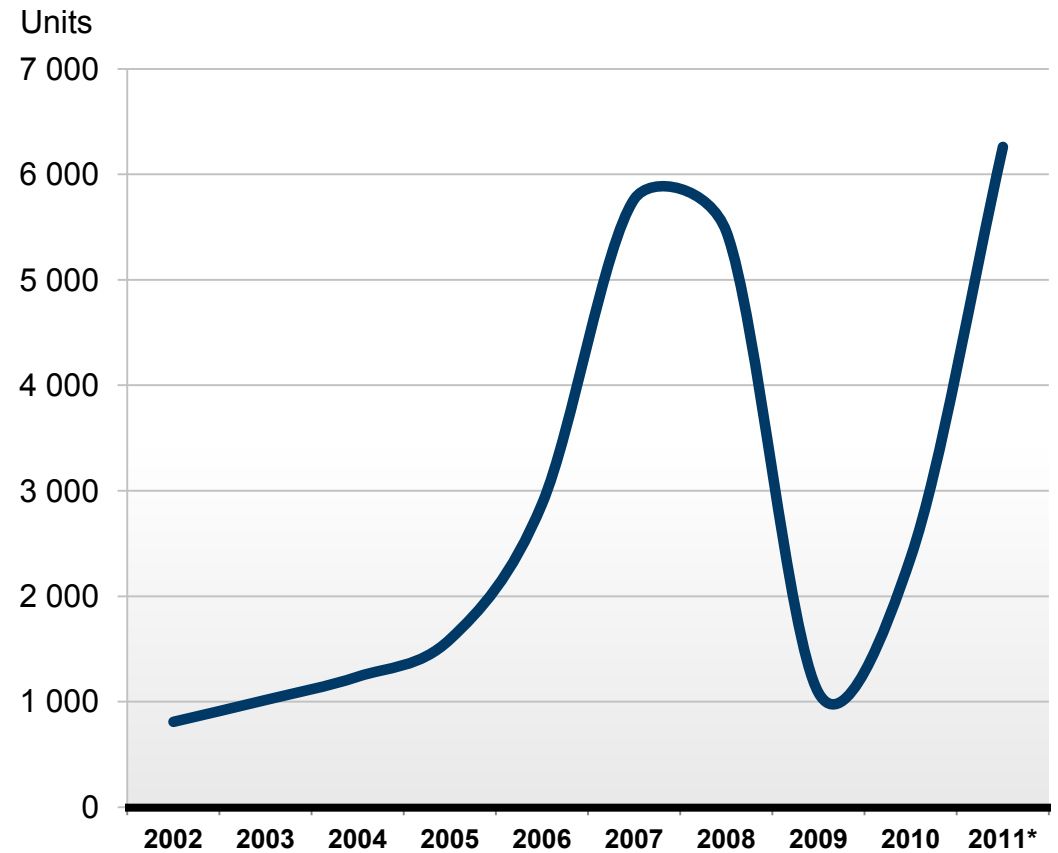


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Eurasia

Scania truck deliveries

- All-time high in Russia

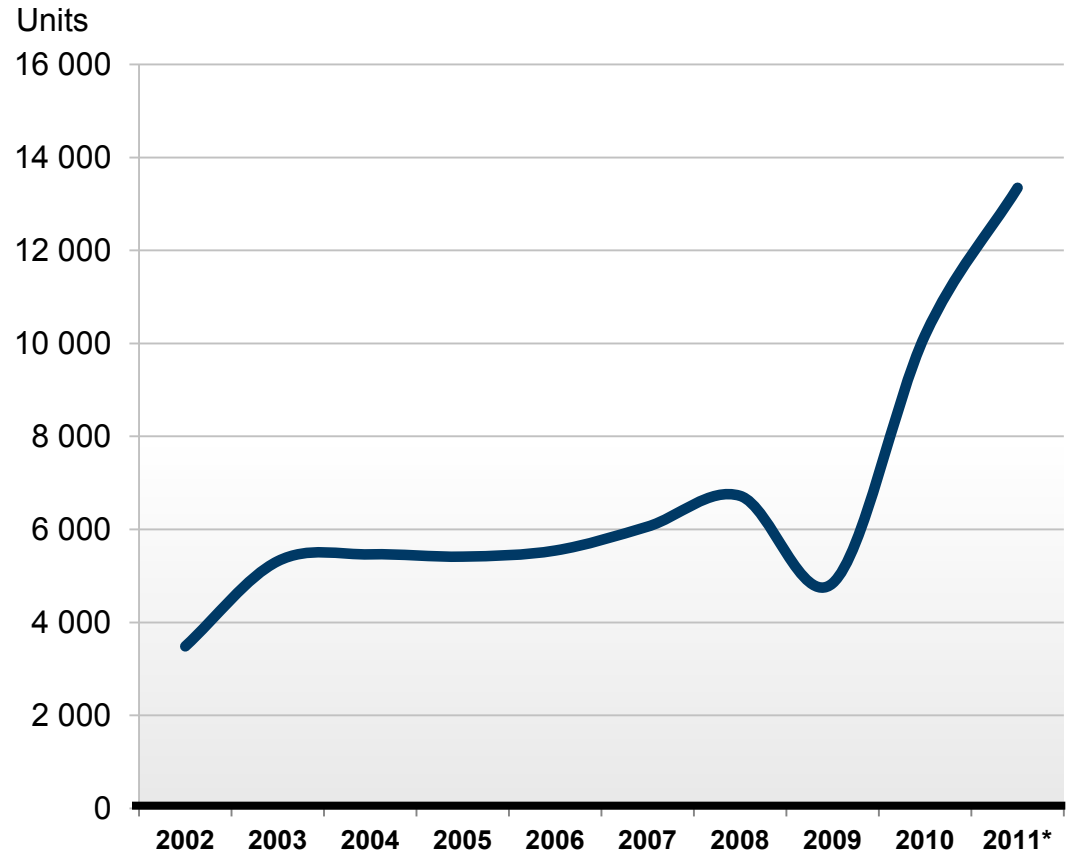


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Asia

Scania truck deliveries

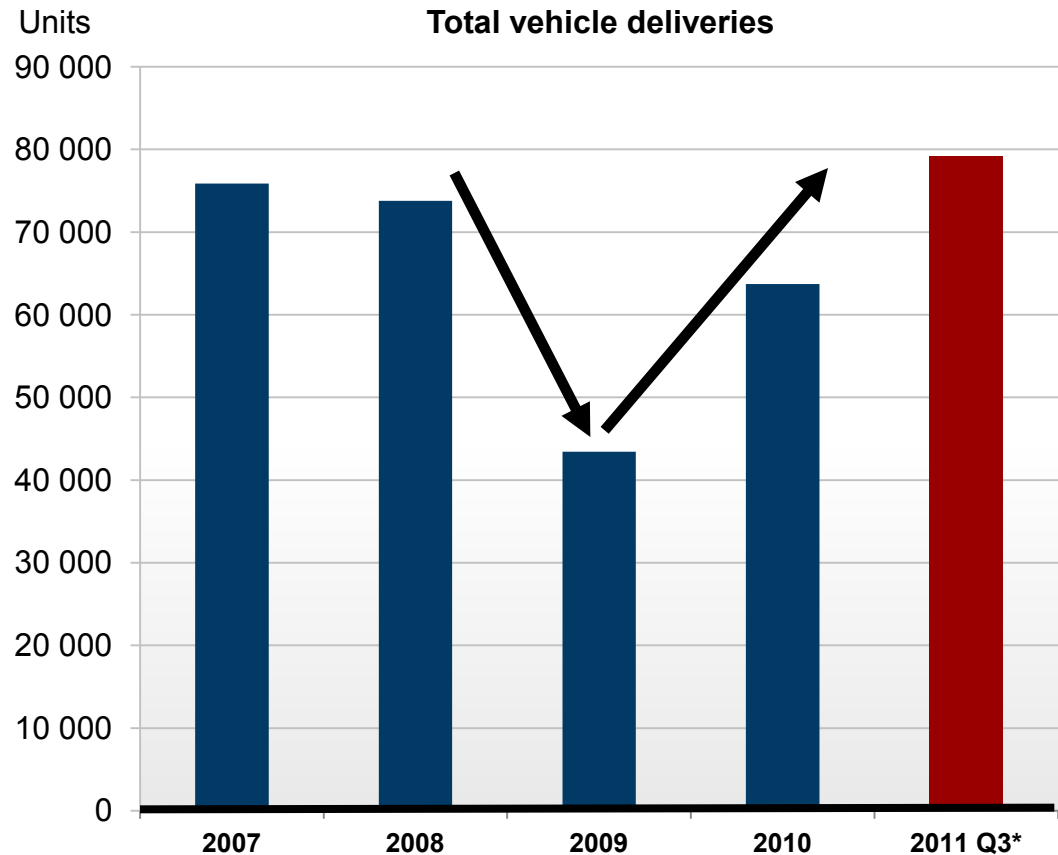
- **Slowdown in the Middle East from September**
- **Middle East typically ~50% of Asian deliveries**



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High demand for flexibility

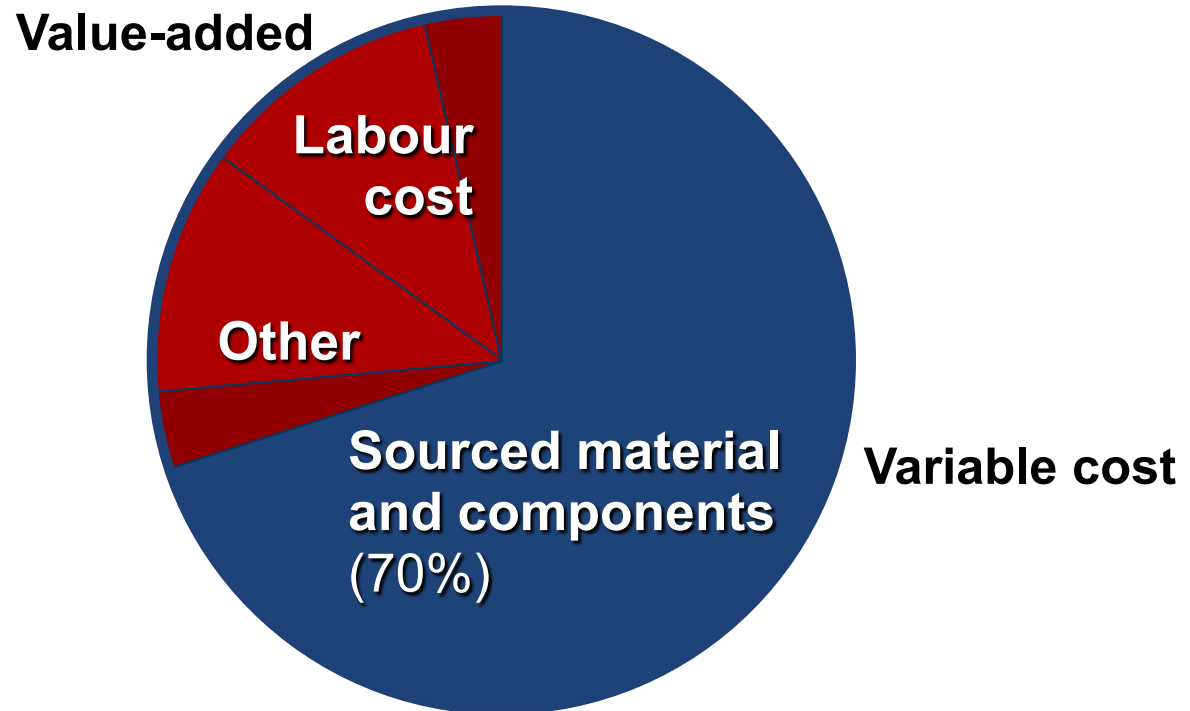
- **Short delivery times**
- **Swift adjustments in the production level**
- **Global production rate 10-15% lower from November**
- **~900 temporary employees affected**



*Refers to rolling 12 month

Flexible product cost structure

- **New flexibility agreement in Sweden**
- **Common global product and production system**



Summary

- **Swift adjustment to lower demand level in Europe and the Middle East**
- **Uncertain demand in Brazil H1 2012**
- **Focus on flexibility and short delivery times**
- **High demand for service in all regions**



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