

Scania Interim Report January–June 2016

Summary of the first six months of 2016

- Operating income amounted to SEK 1,348 m. (4,737), 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 9 percent to SEK 5,148 m. (4,737), resulting in an operating margin of 10.3 (10.1) percent
- Net sales rose by 7 percent to SEK 50,110 m. (46,798)
- Cash flow amounted to SEK -492 m. (1,106) in Vehicles and Services

Comments by Henrik Henriksson, President and CEO

“Scania’s sales reached an all-time high at SEK 50.1 billion and the company showed a strong operational performance in the first half of 2016. Higher vehicle volume in Europe and increased service revenue had a positive impact on earnings while currency rate effects and lower deliveries in Latin America impacted negatively. The high investment level related to Scania’s investment in a new truck generation also had an impact on earnings. Scania’s market share in Europe continued on a high level and amounted to 17.1 percent during the first half of 2016, compared to 17.2 percent in 2015. The replacement need and economic situation in Europe continues to have a positive impact on demand for trucks. The weak performance continued in Latin America, primarily related to Brazil. In Eurasia, Russia now appears to have bottomed out at a low level. However, the outlook for Brazil and Russia is still uncertain. In Buses and coaches, the demand trend is positive, mainly due to strong order bookings in Mexico and Iran. In Engines, demand fell in all

regions. Service revenue amounted to SEK 10.5 billion during the first half of 2016, an increase of 9 percent in local currency. Financial Services reported operating income of SEK 506 million and credit losses remain at low levels. In August Scania will initiate the launch of its largest ever investment – the new truck generation. It constitutes an important part of Scania’s ambition to become a leader in sustainable transport, where partnerships and continued digitalisation will play an increasingly important role. In light of the European Commission’s Statement of Objections and recent developments in the competition investigation, Scania is now, in accordance with relevant accounting principles and a prudent approach, making a provision of SEK 3.8 billion. Scania has fully cooperated with the European Commission during the investigation but contests the Commission’s view. The company will fully exercise its rights of defence in the ongoing investigation.”

Financial overview

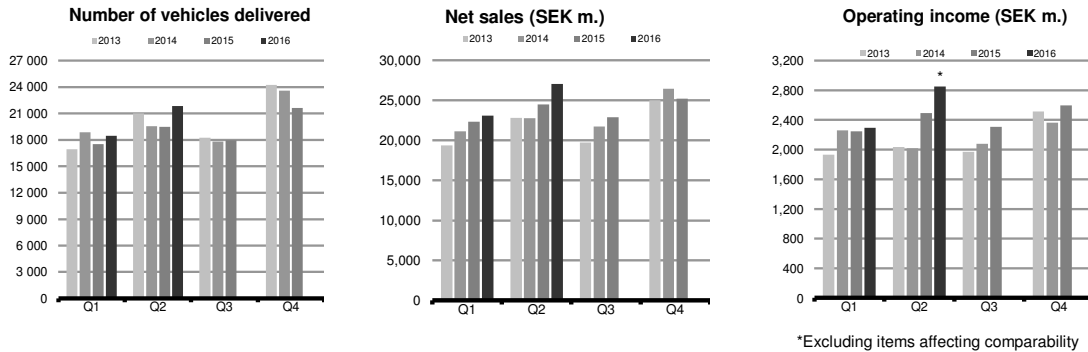
	H1			Q2			
	2016	2015	Change, %	2016	2015	Change, %	
Trucks and buses, units							
Order bookings	43,919	41,846	5	22,310	21,622	3	
Deliveries	40,310	36,989	9	21,870	19,489	12	
Net sales and earnings	<i>EUR m.*</i>						
Net sales, Scania Group, SEK m.	5,322	50,110	46,798	7	27,054	24,477	11
Operating income, Vehicles and Services, SEK m.	89	842	4,224	-80	-1,200	2,235	
Operating income, excl. items affecting comparability, Vehicles and Services, SEK m.	493	4,642	4,224	10	2,600	2,235	16
Operating income, Financial Services, SEK m.	54	506	513	-1	253	257	-2
Operating income, SEK m.	143	1,348	4,737	-72	-947	2,492	
Income before taxes, SEK m.	118	1,115	4,492	-75	-1,051	2,334	
Net income for the period, SEK m.	-35	-323	3,379		-1,869	1,679	
Operating margin, %	2.7	10.1		-3.5	10.2		
Operating margin, excl. items affecting comparability, %	10.3	10.1		10.5	10.2		
Return on capital employed, Vehicles and Services, %	12.7	19.5					
Return on capital employed, excl. items affecting comparability, Vehicles and Services, %	20.7	19.5					
Cash flow, Vehicles and Services, SEK m.	-52	-492	1,106	-625	323		

* Translated to EUR solely for the convenience of the reader at a closing day rate of SEK 9.4164 = 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 six months of 2016, total vehicle deliveries increased by 9 percent to 40,310 (36,989) units, compared to the year-earlier period. Net sales rose by 7 percent to SEK 50,110 m. (46,798) an all-time high level for Scania. Currency rate effects had a negative impact of 5 percent on sales.

Order bookings rose by 5 percent to 43,919 (41,846) vehicles, compared to the first half of 2015.

Stable performance in several regions, continued low activity in Latin America

Total order bookings for trucks during the second quarter of 2016 were largely in line with the year-earlier period. Demand fell related to Latin America, but was offset by increased demand in mainly Asia and Africa and Oceania compared to the previous year. In Europe, demand remained stable on a high level and was supported by a replacement need and the economic situation. Demand in Eurasia rose slightly compared to the second quarter of 2015 and Russia now seems to have bottomed out, however, at a continued low level and the outlook for the Eurasia region is still uncertain.

Demand for used vehicles in Europe is still good.

Continued high market share in Europe

Scania's market share for trucks in Europe amounted to 17.1 percent during the period January to June 2016. This is still a high level and the figure during the same period of 2015 was 17.2 percent. This high level is connected to the early and very successful introduction of the Euro 6 range and Scania's broad engine range for alternative fuels. Sales activities in new segments also contributed to the high market share in Europe.

Scania to unveil a new truck generation

On 23 August, Scania will present its new truck generation, the largest ever launch in Scania's 125-year history. Scania has developed a broad range of tailored products and service solutions, which help to reduce operating and maintenance costs and also boost vehicle uptime. The offer will be introduced in several phases, with a clear focus on different industries and customer segments, following a carefully planned schedule, where Scania's current and highly regarded truck generation will be sold in parallel. The gradual introduction of the new generation will start with applications for trucks in the European long-haulage segment and will later be followed by additional truck variants.

The truck market

Order bookings

Scania's total order bookings during the second quarter of 2016 were largely in line with the same period previous year and totalled 19,761 (19,823) trucks. Order bookings in Europe remained strong at 13,214 (13,270), compared to the year-earlier period. Demand decreased in Great Britain, which was partly offset by increases in Italy and Norway. Total order bookings in Europe fell slightly compared to the first quarter of 2016.

During the second quarter, order bookings decreased in Latin America by 32 percent to 1,788 (2,611) trucks, compared to the second quarter of 2015, related to lower order bookings in Brazil, the Dominican Republic and Peru. However, order bookings in Latin America were slightly higher than the first quarter of

2016 due to a small increase in mainly Brazil but no real signs of a recovery have been noted in the region as per yet.

Order bookings in Eurasia rose by 5 percent to 767 (731) trucks compared to the second quarter of 2015, mainly related to Kazakhstan. Compared to the first quarter of 2016, order bookings also improved in Eurasia, mainly due to increased demand in Russia, which now seems to have bottomed out at a low level. The outlook in the Eurasia region is still uncertain, however, on account of the turbulence in the region.

In Asia, order bookings rose by 19 percent to 2,569 (2,159) trucks compared to the second quarter of 2015. The increase was primarily related to South Korea and Saudi Arabia. Order bookings in Asia were slightly lower compared to the previous quarter.

Total order bookings in the Africa and Oceania region were 35 percent higher at 1,423 (1,052) trucks in the second quarter, compared to the year-earlier period. In Africa, order bookings rose compared to the second quarter of 2015, related to South Africa. In Oceania, order bookings rose in Australia compared to the second quarter of 2015. Compared to the first quarter of 2016, order bookings were also higher in the region Africa and Oceania.

Deliveries

Scania's total truck deliveries were strong during the second quarter compared to the year-earlier period and amounted to 19,895 (17,679) units. In Europe, deliveries rose by 15 percent to 13,133 (11,458) units compared to the second quarter of 2015. In Eurasia, deliveries rose by 4 percent to 536 (515) trucks. In Latin America, deliveries fell by 13 percent to 1,885 (2,156) units compared to the second quarter of 2015. In Asia, deliveries rose by 26 percent compared to the second quarter of 2015 to 3,156 (2,496) trucks. Deliveries in Africa and Oceania rose by 12 percent to 1,185 (1,054).

Sales

Net sales of trucks rose by 9 percent to SEK 32,471 m. (29,922) during the first half of 2016. During the second quarter, sales rose by 9 percent to SEK 17,285 m. (15,816).

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 17.3 percent to about 152,500 units during the first half of 2016. Scania truck registrations amounted to some 26,000 units, equivalent to a market share of about 17.1 (17.2) percent.

Scania trucks	Order bookings			Deliveries		
	6 months	6 months	Change,	6 months	6 months	Change,
	2016	2015	%	2016	2015	%
Europe	26,922	25,716	5	25,932	21,129	23
Eurasia	1,390	1,002	39	919	1,097	-16
America*	3,048	4,379	-30	3,157	3,863	-18
Asia	5,240	4,532	16	4,925	5,732	-14
Africa and Oceania	2,524	2,505	1	2,041	2,018	1
Total	39,124	38,134	3	36,974	33,839	9

*Refers to Latin America

The bus and coach market

Order bookings

Order bookings for buses and coaches increased strongly during the period compared to last year. Scania's total order bookings for buses and coaches increased by 29 percent to 4,795 (3,712) units during the first half of 2016 compared to the same period of 2015.

Scania's market share in buses and coaches in Europe amounted to 7.1 percent for the period compared to 7.2 percent during the year-earlier period.

In Europe, order bookings rose to 489 units (486) during the second quarter of 2016.

Compared to the second quarter of 2015, order bookings rose by 51 percent in Latin America to 945 (625) units, mainly attributable to demand in Mexico.

In Eurasia order bookings decreased to 7 (47) units related to Russia.

In Asia, order bookings rose to 884 (506) buses and coaches compared to the second quarter of 2015, mainly related to Iran.

Order bookings in Africa and Oceania rose to 224 (135) buses and coaches, due to increases in Australia and South Africa.

Deliveries

Scania's bus and coach deliveries totalled 1,975 (1,801) units during the second quarter. In Europe, deliveries increased by 11 percent compared to the second quarter of 2015. In Latin America, deliveries fell by 19 percent. In Eurasia deliveries decreased by 68 percent. In Asia, deliveries rose by 31 percent, while deliveries of buses and coaches in Africa and Oceania rose by 58 percent during the second quarter.

Net sales

Net sales of buses and coaches rose by 2 percent to SEK 4,425 m. (4,344) during the first half of 2016. During the second quarter, sales rose by 6 percent to SEK 2,746 m. (2,593).

Scania buses and coaches	Order bookings			Deliveries		
	6 months	6 months	Change,	6 months	6 months	Change,
	2016	2015	%	2016	2015	%
Europe	1,128	958	18	998	927	8
Eurasia	37	51	-27	27	52	-48
America*	1,929	1,456	32	860	984	-13
Asia	1,276	945	35	867	810	7
Africa and Oceania	425	302	41	584	377	55
Total	4,795	3,712	29	3,336	3,150	6

*Refers to Latin America

Engines

Order bookings

Total engine order bookings fell by 18 percent to 4,034 (4,935) units during the first six months of 2016. Order bookings fell mainly in Brazil. During the second quarter, order bookings fell by 13 percent to 2,089 (2,398) units.

Deliveries

Engine deliveries fell by 20 percent to 3,815 (4,750) units during the first half of 2016. The downturn was mainly attributable to Brazil. During the second quarter, deliveries fell by 16 percent to 2,025 (2,414) units. Deliveries mainly fell in Brazil.

Net sales

During the first half of 2016, sales fell by 14 percent to SEK 783 m. (914). Net sales in the second quarter amounted to SEK 427 m. (455), a decline of 6 percent.

Services

Higher revenue in Europe

Service revenue amounted to SEK 10,450 m. (10,149) during the first half of 2016, an increase of 3 percent. Higher volume had a positive impact while currency rate effects impacted negatively. In local currencies, the upturn in revenue was 9 percent.

In Europe, service revenue rose by 6 percent to SEK 7,386 m. (6,950) compared to the first half of 2015. In Latin America, revenue fell by 8 percent to SEK 1,254 m. (1,364) and revenue in Asia was 5 percent higher than the year-earlier period at SEK 921 m. (875). In Africa and Oceania, service revenue fell by

4 percent to SEK 645 m. (670), while in Eurasia it decreased by 16 percent to SEK 244 m. (290) compared to the first half of 2015.

Earnings

Vehicles and Services

The first half of 2016

Operating income in Vehicles and Services totalled SEK 842 m. (4,224) during the first half of 2016. It was negatively impacted by provisions related to the European Commission's competition investigation of SEK 3.8 billion. Adjusted for items affecting comparability, operating income in Vehicles and Services amounted to SEK 4,642 m. (4,224) during the first half of 2016. Higher vehicle volume in Europe and higher service volume had a positive impact on earnings. Negative currency rate effects and lower deliveries in Latin America had a negative effect. 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 half of 2015, the total currency rate effect was negative and amounted to about SEK 1,055 m.

Scania's research and development expenditures amounted to SEK 3,695 m. (3,469). After adjusting for SEK 879 m. (892) in capitalised expenditures and SEK 192 m. (196) in depreciation of previously capitalised expenditures, recognised expenses increased to SEK 3,008 m. (2,773).

The second quarter

Operating income in Vehicles and Services totalled SEK -1,200 m. (2,235) during the second quarter of 2016. It was negatively impacted by provisions related to the European Commission's competition investigation of SEK 3.8 billion. Adjusted for items affecting comparability, operating income in Vehicles and Services amounted to SEK 2,600 m. (2,235) during the second quarter.

Higher vehicle volume in Europe and higher service volume had a positive impact on earnings. Negative currency rate effects had a negative effect.

Compared to the second quarter of 2015, the total currency rate effect was negative and amounted to about SEK 335 m.

Scania's research and development expenditures amounted to SEK 1,941 m. (1,843). After adjusting for SEK 441 m. (478) in capitalised expenditures and SEK 94 m. (97) in depreciation of previously capitalised expenditures, recognised expenses increased to SEK 1,594 m. (1,462).

Financial Services

Customer finance portfolio

At the end of the second quarter of 2016, the size of Scania's customer finance portfolio amounted to SEK 62.4 billion, which was SEK 5.9 billion higher than the end of 2015. In local currencies, the portfolio increased by SEK 4.2 billion, equivalent to 7 percent.

Penetration rate

The penetration rate was 40 (41) percent during the first half of 2016 in those markets where Scania has its own financing operations. The decrease was mainly related to Germany, France and Italy.

Operating income

Operating income in Financial Services decreased to SEK 506 m. (513) during the first six months of 2016, compared to 2015. A larger portfolio had a positive impact on earnings, but the impact was offset by negative currency rate effects and lower margins.

Scania Group

During the first six months of 2016, Scania's operating income amounted to SEK 1,348 m. (4,737). The 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 5,148 m. (4,737). Operating margin amounted to 2.7 (10.1) percent and adjusted for items affecting comparability operating margin amounted to 10.3 (10.1). Scania's net financial items amounted negatively to SEK 233 m. (-245).

The Scania Group's tax expense amounted to SEK 1,438 m. (1,113), equivalent to 29.2 (24.8) percent of income before taxes when adjusted for items affecting comparability. Net income for the period totalled SEK -323 m. (3,379). Adjusted for items affecting comparability it totalled SEK 3,477 m. (3,379), equivalent to a net margin of 6.9 (7.2) percent.

Cash flow

Vehicles and Services

Scania's cash flow in Vehicles and Services amounted to SEK -492 m. (1,106) during the first half of 2016. Tied-up working capital increased by SEK 1,348 m. mainly due to higher inventory levels.

Net investments amounted to SEK 4,086 m. (3,644), including SEK 879 m. (892) in capitalisation of development expenses. At the end of the second quarter of 2016, the net cash position in Vehicles and Services amounted to SEK 6,901 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 -4,011 m. (-1,288) during the first half of 2016 due to a growing customer finance portfolio. Together with negative cash flow in Vehicles and Services and currency rate effects, the Group's net debt increased by about SEK 6.2 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 six months of 2016.

Miscellaneous

Number of employees

At the end of the second quarter of 2016, the number of employees totalled 45,734, compared to 42,971 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.

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Consolidated income statements

Amounts in SEK m. unless otherwise stated	First half			Change in %	Q2	
	EUR m.*	2016	2015		2016	2015
Vehicles and Services						
Net sales	5,322	50,110	46,798	7	27,054	24,477
Cost of goods sold	-3,935	-37,049	-34,788	6	-19,985	-18,204
Gross income	1,387	13,061	12,010	9	7,069	6,273
Research and development expenses	-319	-3,008	-2,773	8	-1,594	-1,462
Selling expenses	-502	-4,726	-4,425	7	-2,496	-2,288
Administrative expenses	-76	-717	-630	14	-391	-312
Share of income from associated companies and joint ventures	3	32	42	-24	12	24
Items affecting comparability ²	-404	-3,800	-	-	-3,800	-
Operating income, Vehicles and Services (incl. Items affecting comparability)	89	842	4,224	-80	-1,200	2,235
<i>Operating income, Vehicles and Services (excl. items affecting comparability)</i>	493	4,642	4,224	10	2,600	2,235
Financial Services						
Interest and lease income	301	2,835	2,703	5	1,448	1,366
Interest and depreciation expenses	-199	-1,878	-1,723	9	-964	-869
Interest surplus	102	957	980	-2	484	497
Other income and expenses	5	51	66	-23	28	28
Gross income	107	1,008	1,046	-4	512	525
Selling and administrative expenses	-47	-444	-408	9	-230	-209
Bad debt expenses, realised and anticipated	-6	-58	-125	-54	-29	-59
Operating income, Financial Services	54	506	513	-1	253	257
Operating income	143	1,348	4,737	-72	-947	2,492
Interest income and expenses	-23	-215	-141	52	-94	-68
Other financial income and expenses	-2	-18	-104	-83	-10	-90
Total financial items	-25	-233	-245	-5	-104	-158
Income before taxes	118	1,115	4,492	-75	-1,051	2,334
Taxes	-153	-1,438	-1,113	29	-818	-655
Net income for the period	-35	-323	3,379	-110	-1,869	1,679
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss						
Translation differences	125	1,178	-501		1,034	-423
Cash flow hedges						
reclassification to operating income	-	-	23		-	0
Income tax relating to items that may be reclassified	3	25	-24		11	-9
	128	1,203	-502		1,045	-432
Items that will not be reclassified to profit or loss						
Re-measurement defined benefit plans ¹	-114	-1,073	1,306		-725	1,679
Income tax relating to items that will not be reclassified	25	237	-287		160	-369
	-89	-836	1,019		-565	1,310
Other comprehensive income for the period	39	367	517		480	878
Total comprehensive income for the period	4	44	3,896		-1,389	2,557
Net income attributable to:						
<i>Scania shareholders</i>	-33	-314	3,384		-1,866	1,682
<i>Non-controlling interest</i>	-1	-9	-5		-3	-3
Total comprehensive income attributable to:						
<i>Scania shareholders</i>	6	52	3,899		-1,388	2,563
<i>Non-controlling interest</i>	-1	-8	-3		-1	-6
<i>Operating income includes depreciation of</i>	-174	-1,643	-1,619		-836	-823
Operating margin, percent		2.7	10.1		-3.5	10.2
Operating margin, percent (excl. Items affecting comparability)		10.3	10.1		10.5	10.2

¹ The discount rate in calculating the Swedish pension liability has changed to 2.25 percent per 30 June

² Provisions related to the European Commissions' competition investigation.

* Translated solely for the convenience of the reader at a closing exchange rate of SEK 9.4164 = EUR 1.00.

Net sales and deliveries, Vehicles and Services

	First half			Change in %	Q2	
	EUR m.	2016	2015		2016	2015
Amounts in SEK m. unless otherwise stated						
Net sales						
Trucks	3,448	32,471	29,922	9	17,285	15,816
Buses*	470	4,425	4,344	2	2,746	2,593
Engines	83	783	914	-14	427	455
Service-related products	1,110	10,450	10,149	3	5,298	5,058
Used vehicles	331	3,117	3,105	0	1,596	1,580
Miscellaneous	149	1,405	973	44	895	313
Delivery sales value	5,591	52,651	49,407	7	28,247	25,815
Revenue deferrals ¹	-270	-2,541	-2,609	-3	-1,193	-1,338
Net sales	5,321	50,110	46,798	7	27,054	24,477
Net sales²						
Europe	3,674	34,593	29,395	18	18,053	15,480
Eurasia	108	1,013	1,179	-14	585	653
America**	483	4,547	5,932	-23	2,598	3,299
Asia	663	6,242	6,510	-4	3,644	3,003
Africa and Oceania	395	3,715	3,782	-2	2,174	2,042
Net sales	5,323	50,110	46,798	7	27,054	24,477
Total delivery volume, units						
Trucks		36,974	33,839	9	19,895	17,679
Buses*		3,336	3,150	6	1,975	1,810
Engines		3,815	4,750	-20	2,025	2,414

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 Jun	31 Dec	30 Jun
Assets				
Non-current assets				
Intangible assets	815	7,674	6,855	5,902
Tangible assets	2,886	27,172	25,309	24,657
Lease assets	2,409	22,681	20,428	18,503
Shares and participations	59	554	516	591
Interest-bearing receivables	3,097	29,164	26,359	27,311
Other receivables ^{1, 2}	570	5,365	4,728	3,244
Current assets				
Inventories	2,127	20,028	16,918	18,970
Interest-bearing receivables	1,949	18,348	16,373	16,997
Other receivables ³	1,497	14,099	11,270	12,521
Current investments	97	914	213	948
Cash and cash equivalents	829	7,806	12,295	10,867
Total assets	16,335	153,805	141,264	140,511
Total equity and liabilities				
Equity				
Scania shareholders	4,019	37,842	37,790	45,644
Non-controlling interest	4	39	47	53
Total equity	4,023	37,881	37,837	45,697
Non-current liabilities				
Interest-bearing liabilities	2,775	26,131	26,206	23,124
Provisions for pensions	920	8,665	7,339	7,827
Other provisions ⁶	672	6,325	2,893	3,123
Other liabilities ^{1, 4}	1,325	12,478	11,501	9,146
Current liabilities				
Interest-bearing liabilities	3,270	30,787	28,736	23,464
Provisions	302	2,840	2,001	2,103
Other liabilities ⁵	3,048	28,698	24,751	26,027
Total equity and liabilities	16,335	153,805	141,264	140,511
¹ Including deferred tax				
² Including derivatives with positive value for hedging of borrowings	51	480	595	294
³ Including derivatives with positive value for hedging of borrowings	35	325	554	400
⁴ Including derivatives with negative value for hedging of borrowings	61	579	508	807
⁵ Including derivatives with negative value for hedging of borrowings	42	400	390	513
⁶ Including provisions related to the European Commissions' competition investigation				
Equity/assets ratio, percent		24.6	26.8	32.5

Statement of changes in equity

Amounts in SEK m. unless otherwise stated	First half		
	EUR m.	2016	2015
Equity, 1 January	4,018	37,837	41,801
Net income for the period	-34	-323	3,379
Other comprehensive income for the period	39	367	517
Total equity at the end of the period	4,023	37,881	45,697
Attributable to:			
Scania AB shareholders	4,019	37,842	45,644
Non-controlling interest	4	39	53

Information about Revenue from external customers

Amounts in SEK m. unless otherwise stated	First half		
	EUR m.	2016	2015
Revenue from external customers, Vehicles and Services	5,322	50,110	46,798
Revenue from external customers, Financial Services	301	2,835	2,703
Elimination refers to lease income on operating leases	-152	-1,436	-1,246
Revenue from external customers, Scania Group	5,471	51,509	48,255
Operating income, Vehicles and Services (incl. Items affecting comparability)	89	842	4,224
<i>Operating income, Vehicles and Services (excl. Items affecting comparability)</i>	493	4,642	4,224
Operating income, Financial Services	54	506	513
Operating income, Scania Group (incl. Items affecting comparability)	143	1,348	4,737

Cash flow statement

Amounts in SEK m. unless otherwise stated	EUR m.	First half		Q2	
		2016	2015	2016	2015
Operating activities					
Income before tax	118	1,115	4,492	-1,051	2,334
Items not affecting cash flow ¹	625	5,889	2,175	4,775	1,079
Taxes paid	-179	-1,685	-1,133	-1,171	-717
Cash flow from operating activities before change in working capital	564	5,319	5,534	2,553	2,696
of which: Vehicles and Services	525	4,942	5,021	2,400	2,474
Financial Services	40	377	513	153	222
Change in working capital etc., Vehicles and Services	-143	-1,348	-271	-687	-92
Cash flow from operating activities	422	3,971	5,263	1,866	2,604
Investing activities					
Net investments, Vehicles and Services	-434	-4,086	-3,644	-2,338	-2,059
Net investments in credit portfolio etc., Financial Services	-466	-4,388	-1,801	-2,572	-1,331
Cash flow from investing activities	-900	-8,474	-5,445	-4,910	-3,390
Cash flow from Vehicles and Services	-52	-492	1,106	-625	323
Cash flow from Financial Services	-426	-4,011	-1,288	-2,419	-1,109
Financing activities					
Change in debt from financing activities	-29	-272	343	1,740	1,161
Cash flow from financing activities	-29	-272	343	1,740	1,161
Cash flow for the year	-507	-4,775	161	-1,304	375
Cash and cash equivalents at beginning of period	1,306	12,295	10,915	8,829	10,636
Exchange rate differences in cash and cash equivalents	30	286	-209	281	-144
Cash and cash equivalents at end of period	829	7,806	10,867	7,806	10,867

¹ Including provisions related to the European Commission's competition investigation

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 2,320 m. (1,722)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 480 m. (294), Other current receivables SEK 397 m. (408), Other non-current liabilities SEK 579 m. (807) and Other current liabilities SEK m. 400 (513).

For financial assets that are carried at amortised cost, book value amounts to SEK 62,610 (63,282) and fair value to SEK 62,812 (63,559). For financial liabilities that are carried at amortised cost, book value amounts to SEK 69,441 (58,366) and fair value to SEK 69,344 (58,553). 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

			2015				
	Q2	Q1	Full year	Q4	Q3	Q2	Q1
Order bookings, trucks							
Europe	13,214	13,708	47,692	11,660	10,316	13,270	12,446
Eurasia	767	623	1,962	340	620	731	271
America **	1,788	1,260	7,438	1,393	1,666	2,611	1,768
Asia	2,569	2,671	8,349	2,367	1,450	2,159	2,373
Africa and Oceania	1,423	1,101	4,658	1,284	869	1,052	1,453
Total	19,761	19,363	70,099	17,044	14,921	19,823	18,311
Trucks delivered							
Europe	13,133	12,799	43,082	12,462	9,491	11,458	9,671
Eurasia	536	383	2,583	672	814	515	582
America**	1,885	1,272	8,118	2,038	2,217	2,156	1,707
Asia	3,156	1,769	11,514	3,003	2,779	2,496	3,236
Africa and Oceania	1,185	856	4,465	1,426	1,021	1,054	964
Total	19,895	17,079	69,762	19,601	16,322	17,679	16,160
Order bookings, buses*							
Europe	489	639	1,937	691	288	486	472
Eurasia	7	30	80	3	26	47	4
America **	945	984	2,275	525	294	625	831
Asia	884	392	1,828	616	267	506	439
Africa and Oceania	224	201	872	320	250	135	167
Total	2,549	2,246	6,992	2,155	1,125	1,799	1,913
Buses delivered*							
Europe	598	400	1,917	537	453	537	390
Eurasia	14	13	94	21	21	44	8
America **	503	357	2,123	629	510	622	362
Asia	479	388	1,806	553	443	366	444
Africa and Oceania	381	203	859	285	197	241	136
Total	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	First half		
	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 Jun	30 Jun
Balance sheet			
Assets			
Financial non-current assets			
Shares in subsidiaries	896	8,435	8,435
Current assets			
Due from subsidiaries	167	1,567	11,167
Total assets	1,063	10,002	19,602
Equity			
Equity	1,062	10,002	19,602
Total shareholders' equity	1,062	10,002	19,602
Total equity and liabilities	1,062	10,002	19,602
		2016	2015
	EUR m.	30 Jun	30 Jun
Statement of changes in equity			
Equity, 1 January	1,062	10,002	19,602
Total comprehensive income	0	0	0
Equity	1,062	10,002	19,602