

SCANIA CV AB (publ)

Interim Report

January - June 2022

Scania CV group

Scania CV AB is a public company (as defined by the Swedish Companies Act) with head office and domicile in Södertälje, Sweden. The address for the company is Scania CV AB, SE-151 87 Södertälje. Scania CV AB is parent company of the Scania CV Group (Scania), which consists of Scania's production, marketing, finance and other companies. Scania CV AB is a subsidiary of Scania AB (publ), Swedish corporate identity number 556184-8564, registered office Södertälje.

The English version of Scania CV's interim report is a translation of the Swedish-language original, which is the binding version and shall prevail in case of discrepancies.

Market - Order Intake

Scania CV's truck order bookings decreased sharply during the first half of 2022 and totalled 36,063 (73,349), a decrease with 51 percent compared to the year-earlier period. Order bookings in Europe decreased by 43 percent to 26,665 (46,664) units, compared to the first half of 2021. Order bookings in Latin America decreased by 60 percent to 5,068 (12,700) trucks. In Eurasia, order bookings decreased to -2,971 (3,673) units due to the cancellation of orders in Russia. In Asia, order bookings decreased by 39 percent to 3,872 (6,395) units during the first half 2021. In Africa and Oceania, order bookings decreased by 12 percent compared to the first half of 2021, and amounted to 3,429 (3,917) units.

Scania CV's bus and coach order bookings increased by 51 percent to 3,150 (2,088) units during the first six months 2022 compared with the same period in 2021. In Europe, order bookings increased by 10 percent to 958 (868) units the first half year 2022. In Latin America, order bookings increased by 159 percent to 1,518 (586). In Asia, order bookings decreased with 43 percent to 190 (333). Order bookings in Eurasia decreased by 78 percent to 5 (23) units compared to the year-earlier period. Order bookings in Africa and Oceania increased by 72 percent to 479 (278) units.

During the first half of 2022, total engine order bookings decreased by 13 percent to 8,432 (9,693) units, compared to the year-earlier period.

Market - Deliveries

Scania CV's total truck deliveries decreased by 26 percent to 34,801 (47,272) units during the first half year compared to the year-earlier period. Scania CV's bus and coach deliveries increased by 4 percent and totalled 2,033 (1,957) during the first half year 2022. Engine deliveries increased by 16 percent to 6,378 (5,508) units.

Revenues

Total revenues amounted to SEK 74,690 m. (74,776) during the first half year 2022. Revenues from trucks decreased by 13 percent to SEK 41,624 m. (47,637) while the revenues from buses and coaches increased by 2 percent to SEK 3,448 m. (3,380) during the first half of 2022.

Service revenue amounted to SEK 17,415 m. (14,509) during the first half of 2022, an increase of 20 percent due to change in price and higher volume in most of the markets. In local currencies, revenue increased by 13 percent.

Earnings

Operating income in Vehicles and Services totalled SEK 5,264 m. (8,720) during the first half of 2022. The lower operating income was mainly due to lower volumes of vehicle sales and increasing costs of components, as well as a lower capacity utilisation in the production caused by the component shortages.

Compared with the first half of 2021, the total currency effect was positive and amounted to approximately MSEK 1,474.

Scania CV AB's research and development expenditures amounted to SEK 4,773 m. (3,662). After adjusting for SEK 1,106 m. (833) in capitalised expenditures, and SEK 550 m. (456) in amortisation of previously capitalised expenditures, recognised expenses increased to SEK 4,217 m. (3,285).

Operating income in Financial Services decreased to SEK 387 m. (1,013) during the first half of 2022, compared to the same period in 2021. The operating income was negatively affected by increasing provisions for doubtful accounts receivables due to the war in Russia and Ukraine.

During the first six months of 2022, **Scania CV Group's operating income** amounted to SEK 5,651 m. (9,733). Operating margin amounted to 7.6 (13.0) percent. Scania's net financial items amounted to SEK 2,024 m. (-39). The Scania CV Group's tax expense amounted to SEK 2,851 m. (2,460), equivalent to 37.1 (25.4) percent of income before taxes. Net income for the period totalled SEK 4,824 m. (7,234), equivalent to a net margin of 6.5 (9.7) percent.

Cash Flow

Scania CV Group's cash flow in Vehicles and Services amounted to SEK -13,220 m. (3,661) during the first half of 2022. The change in working capital had a negative impact of SEK 18,094 m. (the payment of the EU-commissions fine of SEK 9,657 m. was made on April 12).

Net investments amounted to SEK 3,893 m. (4,026), including SEK 1,106 m. (833) in capitalisation of development expenditure. Net cash within Vehicles and Services amounted to SEK 17,536 m. during the first half of 2022, compared to SEK 25,520 m. at the end of 2021.

Scania CV's cash flow in Financial Services amounted to SEK -490 m. (-5,313) during the first half of 2022 due to a decrease in the customer financing portfolio. Together with the negative cash flow from Vehicles and Services, the Group's net debt increased by approximately SEK 18,804 m. compared to the end of 2021.

Number of employees

At the end of the second quarter of 2022, the number of employees totalled 55,630 compared to 53,307 on the same date in 2021.

Material risks and uncertainties

The impact of the war in Ukraine during 2022 is at this point in time difficult to assess, and also how it is developing and what measures different countries are taking to handle the situation. Scania will continuously assess the situation and potential impacts on future development and/or risks that can affect the future financial position. The situation can lead to:

- Decreased market demand in the short and medium term in several important markets for Scania, leading to decreased sales of vehicles and services and also price pressure on new and used vehicles. This, in turn, also can lead to needs to make write-downs in vehicle inventory and changed estimates of residual value on buy-back commitments.
- The supplier network could be unable to deliver components and articles, leading to shorter or longer periods of close down of Scania's global production system.
- Customers facing financial problems leading to deteriorating ability to pay outstanding receivables to Scania.
- Impairment of goodwill and other intangible assets.

The text above is not an exhaustive list and one or several of them can occur independently or in combination and could have a negative impact on the Scania Groups' business and financial development and performance. See more under Risks and risk management.

The section entitled "Risks and risk management" in Scania's Annual and Sustainability Report 2021 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 10 percent of the vehicles Scania sells are delivered with 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).

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.

c) Legal risks

In 2011, Scania became subject of an investigation by the European Commission (EC) into allegedly inappropriate cooperation with other European truck manufacturers. A Statement of Objections was served on Scania by the EC in November 2014. In light of such statement and other developments in the investigation and in accordance with relevant accounting principles, Scania made a provision with an amount of SEK 3,800 m. in June 2016. Scania always cooperated fully with the EC, while all through the investigation contesting the EC's view that Scania would have participated in a pan-European cartel during 1997-2011 on pricing and delayed introductions of emissions related technology. Scania was served a final decision by the EC in October 2017, holding Scania liable for such scope of a cartel in the amount of around EUR 880.5 m. in fines. Scania have appealed against this decision in its entirety, and has in January 2018 provided a guarantee as security for the fines pending the outcome of such appeal. The General Court rendered its judgement on 2 February 2022, dismissing Scania's appeal entirely and upholding the full amount of fines as set by the EC. Scania appealed the judgment on 8 April 2022 to the EU Court of Justice. Due to the judgement Scania increased its provision to SEK 9,029 m. (EUR 880.5 m.) plus accrued interest to SEK 543 m. (EUR 52.8 m.) earlier recorded to SEK 228 m. Scania is also the subject of related civil claims by direct or indirect customers of Scania, and may face additional similar claims.

Accounting principles

Scania applies International Financial Reporting Standards (IFRSs) as adopted by the EU, with the exception of new and revised standards and interpretations that will enter into force on 1 January 2022. The accounting policies and definitions are consistently applied with those described in Scania's Annual and Sustainability Report 2021. This Interim Report for the Scania Group has been prepared in accordance with IAS 34, "Interim Financial Reporting" and the Annual Accounts Act.

Parent Company

The Interim Report for the Parent Company, Scania CV 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

Scania's Annual General Meeting for the financial year 2021 was held on 5 May 2022 in Södertälje, Sweden. The Board proposed to the Annual General Meeting 2021 that an amount of MSEK 6,000 be distributed to the shareholders as a cash dividend. The Annual General Meeting resolved in accordance with the proposal.

Scania CV AB

Parent Company

Revenues

Revenues during the period amounted to SEK 40,335 m. (46,496).

Net income after financial items

Net income after financial items amounted to SEK -664 m. (4,983).

Net investments

Net investments in fixed assets and equipment excluding lease assets amounted to SEK 1,251 m. (1,522).

Number of employees

The numbers of employees (including contracted personnel) have since the beginning of the year increased by 599 persons and was 20,455 persons at the end of June 2022.

Risks and uncertainties

For information regarding risks and uncertainties see section for the Scania CV Group.

Important events

Share of income in Group companies, SEK 2,695 m. consists mainly of received dividends from subsidiaries.

Scania CV AB (publ), Swedish corporate identity number 556084-0976

The Board of Directors declares that the undersigned six-month interim report provides a true and fair overview of the development of the Parent Company's and Group's operations, their financial position and performance, and describes material risks and uncertainties facing the Parent Company and other companies in the Group.

Södertälje, 27 July, 2022

Annette Danielski
Board member
Chairman

Lilian Fossum Biner
Board member

Gunnar Kilian
Board member

Julia Kuhn-Piëch
Board member

Nina Macpherson
Board member

Christian Porsche
Board member

Mark Philipp Porsche
Board member

Stephanie Porsche-Schröder
Board member

Peter Wallenberg Jr
Board member

Mari Carlquist
Board member
Employee representative

Mikael Johansson
Board member
Employee representative

Lisa Lorentzon
Board member
Employee representative

Michael Lyngsie
Board member
Employee representative

Christian Levin
Board member
President and CEO

This interim report has not been audited by Scania CV's elected auditors.

Consolidated income statements, condensed

Amounts in SEK m. unless otherwise stated	First Half		Change in %
	2022	2021	
Revenue	74,690	74,776	0
Cost of goods sold and services rendered	-56,130	-55,299	2
Gross income	18,560	19,477	-5
Research and development expenses	-4,217	-3,285	28
Selling expenses	-7,451	-5,406	38
Administrative expenses	-1,191	-1,081	10
Other operating income ²⁾	1,122	1,260	-11
Other operating expenses ²⁾	-996	-1,232	-19
Items affecting comparability ³⁾	-176	0	0
Operating income	5,651	9,733	-42
Interest income	541	298	82
Interest expenses	-397	-406	-2
Share of income from associated companies and joint ventures	-28	35	
Other financial income	2,608	477	
Other financial expenses	-707	-443	60
Total financial items	2,017	-39	
Income before taxes	7,668	9,694	-21
Taxes	-2,851	-2,460	16
Net income for the period	4,817	7,234	-33
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Translation differences	4,818	1,157	
Income tax	21	18	
	4,839	1,175	
Items that will not be reclassified to profit or loss			
Re-measurement defined benefit plans ¹⁾	3,013	997	
Fair value adjustment equity instruments	79	402	
Income tax	-641	-288	
	2,451	1,111	
Other comprehensive income for the period	7,290	2,286	
Total comprehensive income for the period	12,107	9,520	
Net income attributable to:			
Scania shareholders	4,816	7,232	
Non-controlling interest	1	2	
Total comprehensive income attributable to:			
Scania shareholders	12,106	9,518	
Non-controlling interest	1	2	
Operating income includes depreciation of	-5,864	-5,500	
Operating margin, percent	7.6	13.0	

1) Discount rate in calculating the Swedish pension liability is 3.75% and inflation 2.75%.

2) 2022 currency effects for financial services are presented as gross amounts in other operating income and expenses. 2021 have been restated accordingly.

3) See note 3 on page 17.

Consolidated balance sheets, condensed

	2022	2021
Amounts in SEK m. unless otherwise stated	30 Jun	31 Dec
Assets		
Non-current assets		
Intangible assets	14,280	13,587
Tangible assets	43,492	41,465
Lease assets	26,058	26,659
Shares and participations	2,772	2,410
Interest-bearing receivables	64,957	57,507
Other receivables ¹⁾	9,174	8,477
Current assets		
Inventories	31,432	23,943
Interest-bearing receivables	40,987	35,646
Other receivables	20,793	18,276
Current investments	876	386
Cash and cash equivalents	19,711	29,262
Total assets	274,532	257,618
Equity and liabilities		
Equity		
Scania shareholders	70,586	64,480
Non-controlling interest	23	24
Total equity	70,609	64,504
Non-current liabilities		
Interest-bearing liabilities	69,684	62,192
Provisions for pensions	9,663	12,455
Other provisions	4,064	3,394
Other liabilities ¹⁾	17,542	15,177
Current liabilities		
Interest-bearing liabilities	40,090	37,953
Liabilities to group companies	9,716	3,501
Provisions ²⁾	4,424	13,540
Other liabilities	48,740	44,902
Total equity and liabilities	274,532	257,618

¹⁾ Including deferred tax

²⁾ Including provision related to the European Commission's competition investigation

Statement of changes in equity, condensed

Amounts in SEK m. unless otherwise stated	First half	
	2022	2021
Equity, 1 January	64,504	55,346
Net income for the period	4,817	7,234
Other comprehensive income for the period	7,290	2,286
Dividend to shareholders	-6,000	-
Change in non-controlling interest	-2	-2
Total equity at the end of the period	70,609	64,864
Attributable to:		
Scania AB shareholders	70,586	64,852
Non-controlling interest	23	12

Cash flow statement, condensed

Amounts in SEK m. unless otherwise stated	First half	
	2022	2021
Operating activities		
Income before tax	7,668	9,694
Items not affecting cash flow	4,165	5,394
Taxes paid	-2,748	-2,356
Cash flow from operating activities before change in working capital	9,085	12,732
Change in working capital	-12,716	-10,649
Cash flow from operating activities	-3,631	2,083
Investing activities		
Net investments ¹⁾	-4,264	-4,040
Cash flow from investing activities attributable to operating activities	-4,264	-4,040
Cash flow after investing activities attributable to operating activities	-7,895	-1,957
Investments in securities and loans	-360	3
Cash flow from investing activities	-4,624	-4,037
Cash flow before financing activities	-8,255	-1,954
Financing activities		
Change in debt from financing activities	3,038	-2,673
Transactions with non-controlling interests	-	-2
Dividend	-6,000	-
Cash flow from financing activities	-2,962	-2,675
Cash flow for the period	-11,217	-4,629
Cash and cash equivalents at beginning of period	29,262	32,268
Exchange rate differences in cash and cash equivalents	1,666	278
Cash and cash equivalents at end of period	19,711	27,917

1) See note 4 on page 17.

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 111 m. (136). 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 1,269 m. (845), Other current receivables SEK 314 m. (863), Other non-current liabilities SEK 2,536 m. (384) and Other current liabilities SEK 1,082 m. (381). Equity instrument assets are carried according to Level 3 based on unobservable data and amount to SEK 1,298 m. (1,144)

For financial assets that are carried at amortised cost, book value amounts to SEK 137,425 m. (131,818) and fair value to SEK 133,581 m. (131,142). For financial liabilities that are carried at amortised cost, book value amounts to SEK 136,570 m. (117,381) and fair value to SEK 135,663 m. (117,815). 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 29 Financial instruments in Scania CV AB's Annual Report for 2021.

Key financial ratios and figures

In the Interim report, Scania presents certain performance measures that are used to explain relevant trends and performance of the group, of which not all are defined under IFRS. As these performance measures are not uniformly defined by all companies, these are not always comparable with the measures used by other companies. These performance measures should therefore not be viewed as substitutes for IFRS-defined measures. The following are the performance measures used by Scania that are not defined under IFRS, unless otherwise stated.

DEFINITIONS

Operating margin

Operating income as a percentage of revenue.

Net margin

Net income as a percentage of revenue.

Net debt, net cash excluding provision for pensions

Current and non-current interest-bearing liabilities (excluding pension liabilities) less cash and cash equivalents, current investments and non-current intra-group loans to Volkswagen entities.

RECONCILIATIONS

Amounts in SEK m. unless otherwise stated

Scania CV Group	2022	2021
Net debt, excluding provision for pensions		
Assets	30 Jun	31 Dec
Current investments	876	386
Cash and cash equivalents	19,711	29,262
Loans to Volkswagen entities	1	2
Accrued interest in current investments	-15	-14
	20,573	29,636
Liabilities		
Interest-bearing liabilities, non-current	69,684	62,192
Interest-bearing liabilities, current	40,090	37,953
Liabilities to group companies	9,716	3,501
Accrued interest in Interest-bearing liabilities	-272	-384
	119,218	103,262
Net debt	98,645	73,626

Parent Company Scania CV AB Income statements, condensed

Amounts in SEK m. unless otherwise stated	First half	
	2022	2021
Sales Revenue	40,335	46,496
Cost of goods sold	-37,357	-38,915
Gross income	2,978	7,581
Research and development expenses	-4,645	-3,599
Selling expenses	-1,514	-1,175
Administrative expenses	-1,469	-969
Items affecting comparability 1)	-46	-
Operating income	-4,696	1,838
Financial Items		
Share of income from group companies	2,695	3,521
Share of income from associated companies and joint ventures	-	-
Interest income	2,552	485
Interest expenses	-1,215	-861
Total financial items	4,032	3,145
Income after financial items	-664	4,983
Income before taxes	-664	4,983
Taxes	595	-371
Net income for the period	-69	4,612
<i>Operating income includes depreciation of</i>	-1,408	-1,317

Parent Company Scania CV AB Balance sheets, condensed

	2022	2021
Amounts in SEK m. unless otherwise stated	30 Jun	31 Dec
ASSETS		
Non-current assets		
Intangible assets	147	140
Tangible assets	19,625	19,813
Shares and participations	108,319	102,778
Other receivables	8,313	6,907
Total non-current assets	136,404	129,638
Current assets		
Inventories	14,142	9,880
Interest-bearing receivables, group companies	12,221	9,150
Non-Interest-bearing receivables, group companies	10,118	9,504
Other receivables	4,804	4,282
Short-term investments	7,847	19,102
Cash and bank balances	3,232	4,131
Total current assets	52,364	56,049
Total assets	188,768	185,687
EQUITY AND LIABILITIES		
Equity		
Scania CVs shareholders	39,236	45,305
Total equity	39,236	45,305
Untaxed reserves	6,014	6,014
Non-current interest -bearing liabilities	52,716	47,958
Other non-current liabilities		
Provisions for pensions	4,386	2,948
Other provisions	1,539	11,252
Other liabilities	2,676	541
Total other non-current liabilities	8,601	14,741
Current liabilities		
Interest-bearing liabilities	31,420	30,012
Liabilities to group companies	31,293	25,124
Other liabilities	19,488	16,533
Total current liabilities	82,201	71,669
Total Liabilities	143,518	134,368
Total equity and liabilities	188,768	185,687
Contingent liabilities	25,590	14,298

Statement of changes in equity, condensed

Amounts in SEK m. unless otherwise stated	First half	
	2022	2021
Equity, 1 January	45,305	44,608
Net income for the period	-69	4,612
Dividend to shareholders	-6,000	-
Total equity at the end of the period	39,236	49,220

Note 1 Segment Reporting

Income statements

Vehicle and Services

	2022	2021
	First Half	First Half
Amounts in SEK m. unless otherwise stated		
Revenue	71,693	72,503
Cost of goods sold	-54,997	-54,661
Gross income	16,696	17,842
Research and development expenses	-4,217	-3,285
Selling expenses	-5,848	-4,756
Administrative expenses	-1,191	-1,081
Items affecting comparability	-176	0
Operating income	5,264	8,720
Interest income	541	298
Interest expenses	-397	-406
Share of income in associated companies and joint ventures	-28	35
Dividends in between segments	64	67
Other financial income	2,608	477
Other financial expenses	-707	-443
Total financial items	2,081	28
Income before taxes	7,345	8,748
Taxes	-2,544	-2,200
Net income for the period	4,801	6,548

Financial Services

Amounts in SEK m. unless otherwise stated		
Interest and lease income	4,896	4,091
Insurance commission	162	152
Interest and prepaid expenses	-3,194	-2,608
Interest surplus and insurance commission	1,864	1,635
Other income	1,122	1,260
Other expenses	-996	-1,232
Gross income	1,990	1,663
Selling and administration expenses	-784	-672
Bad dept expenses, realised and anticipated	-819	22
Operating income	387	1,013
Income before tax	387	1,013
Taxes	-299	-255
Net income for the period	88	758

Reconciliation of segments to the Scania Group

January - June	Vehicle & Services		Financial Services		Eliminations		Scania Group	
	2022	2021	2022	2021	2022	2021	2022	2021
	First half	First half	First half	First half	First half	First half	First half	First half
Amounts in SEK m. unless otherwise stated								
Revenue	71,693	72,503	5,058	4,243	-2,061	-1,970	74,690	74,776
Cost of sales	-54,997	-54,661	-3,194	-2,608	2,061	1,970	-56,130	-55,299
Gross income	16,696	17,842	1,864	1,635	-	-	18,560	19,477
Research and development expenses	-4,217	-3,285	-	-	-	-	-4,217	-3,285
Selling expenses	-5,848	-4,756	-1,603	-650	-	-	-7,451	-5,406
Administrative expenses	-1,191	-1,081	-	-	-	-	-1,191	-1,081
Items affecting comparability	-176	-	-	-	-	-	-176	0
Other operating income	-	-	1,122	1,260	-	-	1,122	1,260
Other operating expenses	-	-	-996	-1,232	-	-	-996	-1,232
Operating income	5,264	8,720	387	1,013	-	-	5,651	9,733
Interest income	541	298	-	-	-	-	541	298
Interest expenses	-397	-406	-	-	-	-	-397	-406
Share of income in associated companies and joint ventures	-28	35	-	-	-	-	-28	35
Dividends in between segments	64	67	-	-	-64	-67	0	0
Other financial income	2,608	477	-	-	-	-	2,608	477
Other financial expenses	-707	-443	-	-	-	-	-707	-443
Total financial items	2,081	28	-	-	-64	-67	2,017	-39
Income before taxes	7,345	8,748	387	1,013	-64	-67	7,668	9,694
Taxes	-2,544	-2,200	-299	-255	-8	-5	-2,851	-2,460
Net income for the period	4,801	6,548	88	758	-72	-72	4,817	7,234

Note 2 Financial risk management in the financial reporting regarding the war in Ukraine

In 2021, Scania's operations in the Russian and Ukrainian markets amounted to approximately 6 percent of total revenues, where Ukraine made up less than 1 percent. On the balance sheet these markets amounted to approximately 3 percent, where Ukraine made up less than 1 percent. Assessments were made in the Scania entities in the impacted regions regarding potential impairment of assets. There is still great uncertainty, and further write-downs may be necessary going forward.

Impairment Vehicles and Services

For the entities in Ukraine and Russia, write-downs have been made by SEK 128 m. and 114 m. respectively in fixed assets, inventories and receivables.

Credit risk Financial Services

Scania is continuously assessing the credit risk and during the first half of 2022 extra provisions has been provided towards Russia and Ukraine by SEK 522m. and SEK 149m. respectively for potential future credit losses with regards to the exposure in the area impacted by the war between them.

Note 3 Items affecting comparability

In February 2022, the European Court of Justice rejected Scania's appeal of the EU truck case and upheld the European Commission's fine. In 2021, due to the judgement, Scania increased the provision by SEK 5,229 m. to SEK 9,029 m. and the accrued interest provision by SEK 315 m. to SEK 543 m. During 2022, a translation effect of SEK 176 m. impacted the items affecting comparability. The total amount of the fine, including the interest, totalling SEK 9,657 m. was paid on April 12.

Note 4 Acquisition

On 3 January 2022, Scania Sverige AB acquired Bilmetro AB and three real estate companies. The acquisition relates to 100 percent of the shares. Bilmetro AB is an authorized dealer of Scania trucks as well as of the passenger car brands Volkswagen, Audi, ŠKODA, SEAT, CUPRA and Volkswagen Commercial Vehicles. The passenger car business was sold to Din Bil Sverige AB as of 3 January 2022. The balance sheet total for Bilmetro AB, excluding Din Bil Sverige AB, as of the acquisition date amounted to SEK 3,607 m., including a financing portfolio amounting to SEK 2,675 m. The acquisition analysis shows no material goodwill and has no material impact on Scania's Group's sales and balance sheet total.

Note 5 Restricted cash

Cash and cash equivalents in the Ukrainian and Russian entities amounts to SEK 2,714 m. Restrictions are placed on these funds which limits Scania's ability to freely use them.