

Account of the work of Scania's Board of Directors in 2005

During 2005 the Board held seven meetings.

In 2005 Ainax became a subsidiary of Scania and was de-listed from the Stockholm Stock Exchange. The complicated ownership structure of Scania – which had survived after Volvo's failed attempt to take over Scania – was thus finally resolved. After the Ainax transaction, the liquidity of Scania's shares increased sharply.

During the year, the Board delegated to the President and CEO the completion of the task of liquidating Ainax. This task has been underway. The liquidation of Ainax is expected to be completed in November/December 2006.

Other important issues and items of business that were discussed by Scania's Board during 2005 included:

- Scania's funding policy;
- Extending the employment contract of the President and CEO until 2009;
- The new management structure in Scania's sales and service companies;
- Outsourcing and ethical guidelines for Scania's suppliers;
- Among major investments approved during 2005 were expanded collaboration with Cummins concerning injection systems and further investments in the new engine platform;
- Scania's future technological development and strategy;
- The Board also devoted time to corporate governance issues, an area in which Scania has long been in the forefront.