

Welcome to Scania's Annual General Meeting

The shareholders of Scania AB (publ) are hereby invited to the Annual General Meeting (AGM) at 2.00 p.m. on Thursday, 4 May 2006 at Scaniarinken, AXA Sports Center, Södertälje, Sweden.

Notification

Shareholders who wish to participate in the AGM must

- first, be recorded in the shareholders' list maintained by VPC AB (the Swedish Central Securities Depository and Clearing Organisation) as of Thursday, 27 April 2006.
- second, notify Scania AB (publ) ("the company") no later than 4.00 p.m. on Thursday, 27 April 2006 by post at Scania AGM, Box 47011, SE-100 74 Stockholm, Sweden, or by telephone at +46 8 775 01 10 or by fax at +46 8 775 81 65 or via Scania's website www.scania.com that they intend to participate in the AGM. This notification must state the shareholder's name, personal or corporate identity number, address and telephone number as well as the number of any accompanying assistants, but no more than two. If participation is authorised by proxy, the dated and signed proxy must be sent well in advance of the AGM to the above address. A person who is representing a legal entity must also enclose a certified copy of the registration certificate that is signed by the authorised signatory. The certificate and the proxy may not be older than one year.

To be entitled to participate in the AGM, shareholders whose shares have been registered in the name of the trust department of a bank or other nominee must temporarily re-register their shares in their own name in the shareholders' list maintained by VPC AB. To ensure that this registration is recorded in the shareholders' list on Wednesday, 26 April 2006, the shareholder must request that the nominee arrange reregistration well before this date.

Items of business

1. Opening of the AGM.
2. Election of a Chairman of the AGM.
3. Establishment and approval of the voting list.
4. Approval of the agenda.
5. Election of two persons to verify the minutes.
6. Consideration of whether the AGM has been duly convened.
7. Presentation of the annual accounts and auditors' reports, and the consolidated annual accounts and auditors' report.
8. Report on the work of the Nomination Committee.
9. Report on the work of the Board of Directors and its Audit and Remuneration Committees.
10. Address by the President and CEO.
11. Questions from the shareholders.
12. Adoption of the income statement and balance sheet and the consolidated income statement and balance sheet.
13. Resolution concerning distribution of the profit or loss according to the adopted balance sheet and resolution concerning the record date for the dividend.
14. Resolution concerning amendments to the Articles of Association.
15. Resolution concerning reduction in share capital.
16. Resolution concerning principles for remuneration of Group Management.
17. Resolution concerning 2006 incentive programme for executive officers.
18. Resolution concerning discharge of the members of the Board and President from liability for the financial year.
19. Determination of the number of Board members and deputy Board members to be elected by the AGM.
20. Determination of remuneration for the Board.
21. Determination of remuneration for the auditors.
22. Election of Board members and deputy Board members.
23. Election of the Chairman of the Board.
24. Information about auditors and deputy auditors.
25. Resolution concerning criteria for how members of the Nomination Committee shall be appointed.
26. Adjournment of the AGM.

Proposed resolutions

Dividend and record date

- Point 13 The Board of Directors proposes a dividend of SEK 15.00 per share. The Board proposes Tuesday, 9 May 2006 as the record date for the dividend. Provided that the AGM approves this proposal, the dividend is expected to be sent from VPC AB on Friday, 12 May 2006.

Resolution concerning amendments to the Articles of Association

- Point 14 Pursuant to the new Swedish Companies Act that entered into force at the beginning of 2006, the Board of Directors proposes amendments to the currently Articles of Association in the paragraphs reproduced below, which are proposed to be worded as follows:

§ 2
The aim of the company's operations is to carry on, directly or through subsidiaries or associated companies, development, manufacturing and trading in motor vehicles and industrial and marine engines; to own and manage real and movable property; to carry on financing business (although not activities that require a permit according to the Banking and Financing Business Act); as well as other operations compatible with the above.

§ 5
The total number of shares in the company shall be a minimum of two hundred million (200,000,000) and a maximum of eight hundred million (800,000,000).

The shares may be issued in two series, Series A and Series B. A maximum of 800,000,000 Series A shares and a maximum of 800,000,000 Series B shares may be issued, subject to the limitation that the total number of Series A and Series B shares may not exceed 800,000,000 shares. In a vote at a General Meeting of shareholders, each Series A share carries one vote and each Series B share carries one tenth of a vote.

If the company decides to issue new shares of both Series A and Series B and the shares are not to be paid by consideration in kind, existing holders of Series A shares and Series B shares shall have the preferential right to subscribe for new shares of the same type in proportion to the number of existing shares of each type held by such existing shareholder ("primary preferential right"). Shares not subscribed for by shareholders with a primary preferential right shall be offered to all shareholders for subscription ("subsidiary preferential right"). If the total number of shares to be offered is not sufficient to cover the subscriptions made through the exercise of subsidiary preferential rights, such shares shall be distributed among the subscribers in relation to the number of existing shares they already hold and, where this is not possible, through the drawing of lots.

If the company decides to issue new shares of only Series A or Series B, for which consideration in kind is not paid, all shareholders, regardless of whether such shareholders currently hold shares of Series A or Series B, shall have the preferential right to subscribe for new shares in proportion to the number of shares held by them prior to such issuance.

The above shall not in any way limit the ability of the company to make decisions regarding cash issues or issues where consideration is paid by offsetting against a debt, which diverge from the shareholders' preferential rights.

In the case of an increase in equity through a bonus issue, new shares of each type shall be issued in proportion to the number of shares of the same type already existing. Existing shares of a particular type will thereby carry the right to new shares of the same type. The aforesaid shall not in any way limit the ability of the company to, through a bonus issue, following the necessary changes in the Articles of Association, issue shares of a new type.

What has been stipulated above regarding shareholders' preferential rights to new shares shall apply correspondingly to the new issue of warrants and convertible debentures.

§ 6
In addition to those Board members who are appointed according to law by a party other than the Annual General Meeting, the Board of Directors shall comprise a minimum of three and a maximum of ten members with a maximum of two deputies. These members and deputies shall be elected at each Annual General Meeting for the period up to the end of the next Annual General Meeting.

§ 8
Two Auditors and two Deputy Auditors shall be appointed at the Annual General Meeting, for the period up to the end of the Annual General Meeting held during the fourth financial year after the election of Auditors, to carry out the company's audit. If the same Auditor is to be reappointed after the term has come to an end, the General Meeting may decide that the appointment shall be valid up to the close of the Annual General Meeting held during the third financial year after the election of the Auditor.

§ 11
The Annual General Meeting shall be held once a year, by June at the latest.

The following matters shall be dealt with at the Annual General Meeting:

1. Election of a chairman for the meeting.
2. Approval of the voting list.
3. Approval of the agenda.
4. Election of two persons to verify the minutes.
5. Consideration of whether the meeting has been duly convened.
6. Presentation of the annual accounts and Auditors' Report, and the consolidated annual accounts and Auditors' Report.
7. Resolutions concerning
 - a. adoption of the income statement and balance sheet and the consolidated income statement and balance sheet,
 - b. distribution of the profit or loss according to the adopted balance sheet,
 - c. discharge of the members of the Board and the President from liability for the financial year.
8. Determination of the number of Board members and deputy Board members.
9. Determination of remuneration for the Board and Auditors.
10. Election of Board members and deputy Board members.
11. Election of Auditors and Deputy Auditors when applicable.
12. Other matters to be dealt with at the Annual General Meeting pursuant to the Swedish Companies Act or the Articles of Association.

§ 13
Notice convening the Annual General Meeting, or an Extraordinary General Meeting where a change in the Articles of Association is on the agenda, shall be issued no earlier than six weeks and no later than four weeks prior to the Meeting. Notice convening other Extraordinary General Meetings shall be issued no earlier than six weeks and no later than two weeks prior to the Meeting.

Notice convening a General Meeting shall be in the form of an announcement in the Swedish official gazette Post- och Inrikes Tidningar and in the Swedish national-circulation newspapers Dagens Nyheter and Svenska Dagbladet. Shareholders who wish to attend a General Meeting must be included in a print-out of the shareholder list reflecting conditions five weekdays prior to the General Meeting, and must also register with the company no later than 16.00 CET on the date stated in the notice convening the Meeting. Such a day may not be a Sunday, another public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not be earlier than five weekdays prior to the meeting.

Shareholders may bring one or two assistants to a General Meeting, although only if the shareholder has given prior notice thereof to the company as stipulated in the preceding section.

§ 14
The company's shares shall be registered in a central securities depository register according to the Financial Instruments Accounting Act (1998:1479).

The complete proposal of the Board of Directors is available on the company's website, www.scania.com.

Resolution concerning reduction in share capital

- Point 15 In order to restore Scania's share capital to what it was before the offer for Ainax AB was completed, the Board of Directors proposes that the AGM approve a reduction in share capital as follows:

that the share capital be reduced by a total of SEK 262,965,080 by withdrawing a total of 26,296,508 A shares owned by Scania;

that the reduction shall occur without repayment to the shareholder and the reduction amount of SEK 262,965,080 shall be set aside in a reserve to be used as decided by the AGM;

that the President and CEO, the Chairman of the Board or a person designated by the Board shall be authorised to undertake the minor adjustments in this decision that may prove necessary in order to receive permission to carry out the reduction and record it with the

Swedish Companies Registration Office.

The decision is conditional upon being supported by shareholders with two thirds of both votes cast at the AGM and of shares represented at the AGM, as well as two thirds of the A shares represented at the AGM. Implementation of the decision also requires the permission of the Swedish Companies Registration Office or, in case of a dispute, a public court of law.

The complete proposal of the Board is available on the company's website, www.scania.com.

Proposal on principles for compensation and other employment conditions for Group Management

- Point 16 The Board of Directors proposes that the AGM approve the following proposal:

Background

The proposed principles have mainly been used since 1998 and are part of existing employment agreements with Group Management members. The motive for their introduction was to be able to offer employees a market-related compensation package that will enable the company to recruit and retain executive officers.

These principles cover the Group Management including the President and CEO.

Proposal

The Board of Directors proposes that the AGM approve the Board's proposal concerning principles for compensation and other employment conditions in accordance with what is stated below.

The compensation to the Group Management shall consist of the following parts: fixed salary, flexible compensation in the form of a Short-Term Incentive (STI) and a Long-Term Incentive (LTI) programme, pension and other compensation.

The Board's proposal for an STI program and an LTI programme has been stated in its entirety in a complete proposal to the AGM for incentive programmes in 2006.

Fixed salary

The fixed salary of the Group Management shall be competitive in relation to position and individual qualifications as well as performance. The fixed salary of the Executive Board is re-assessed every second year.

Pension

Group Management executive officers, including the President and CEO, shall be covered by a premium-based pension system that applies in addition to the public pension and the ITP occupational pension.

Beyond the above-mentioned pension principle, by means of a separate agreement with the company, the President and CEO has an extra annual pension provision of SEK 4,410,000.

Conditions of termination

If the President and CEO resigns of his own volition, he is entitled to his salary for a six-month period. The applicable outcome of flexible compensation shall be proportional to the length of his period of employment during the year in question.

In case of termination by the company before the end of 31 March 2009, during the remaining time until said date the President and CEO shall be entitled to his fixed salary in an unchanged amount per year, plus annual compensation equivalent to the average of flexible compensation for the previous three years.

If the company terminates their employment, the other members of the Executive Board are entitled to severance pay equivalent to a maximum of two years' salary, in addition to their salary during the six-month notice period. If they obtain new employment within 18 months, counting from their termination date, the severance pay ceases. In case of a substantial change in the ownership structure of Scania, the members of the Executive Board are entitled to resign of their own volition with severance pay amounting to two years' salary. For other members of the Group Management, a mutual notice period of six months applies.

The Remuneration Committee of the Board of Directors

Preparation of compensation issues is handled as follows. With regard to the President and CEO, after discussion between the Chairman and the President and CEO, the Remuneration Committee proposes a fixed salary, criteria for flexible compensation and other employment conditions, which are then adopted by the Board of Directors. For other Executive Board members, after discussion with each respective executive officer, the President and CEO proposes the equivalent employment conditions, which are then adopted by the Remuneration Committee and reported to the Board. Employment conditions for other Group Management executive officers are adopted by their respective immediate supervisors, after discussion with each respective executive officer.

Proposal concerning 2006 incentive programme

- Point 17 The Board of Directors proposes an incentive programme for the year 2006 consisting of a Long-Term Incentive (LTI) and a Short-Term Incentive (STI) for a maximum of 150 executive officers, mainly as follows:

The outcome of STI shall be determined as a cash amount calculated as a percentage of fixed salary depending on position. The percentage shall depend on Residual Net Income (RNI) and be set by the Remuneration Committee of the Board of Directors. The maximum STI outcome shall be set at between 45 percent and 150 percent of participants' annual fixed salary. The outcome of LTI shall also be determined as a cash amount calculated as a percentage of fixed salary depending on position. Regarding LTI, however, the percentage depends on a positive change in RNI and is set by the Remuneration Committee of the Board of Directors. Maximum LTI outcome shall be determined at between 30 percent and 75 percent of participants' annual fixed salary. RNI is defined as Scania Group net income after subtracting the cost of equity as determined by the Remuneration Committee of the Board of Directors. Of the overall STI and LTI income, 60 percent shall be paid in cash as salary and 40 percent shall be determined at a capital amount that, after subtracting applicable taxes, shall be used for the purchase of Scania B shares. However, these shares will not be at the disposal of participants during a two-year period after purchase. However, it shall be possible for the STI and LTI outcomes of the President and CEO to be utilised in their entirety for a pension, by setting aside a gross amount without subtracting tax. Scania's cost for the STI and LTI programmes in 2006 may not exceed SEK 315,000,000. The programmes do not imply any dilution or any acquisition by Scania of its own shares.

The complete proposal of the Board of Directors is available on the company's website, www.scania.com.

Other proposed resolutions

Points 2, 19, 20, 21, 22, 23

The company's Nomination Committee, which consists of Bernd Pischetsrieder, Chairman of the Board; Adine Grate Axén, representing Investor AB (Chairperson); Marcus Wallenberg, representing the Knut and Alice Wallenberg Foundation; Gudrun Letzel, representing Volkswagen AG; and Ramsay Brufér, representing Alecta; who together represent more than 60 per cent of the possible votes at the AGM, propose the following:

- Sune Carlsson as Chairman of the AGM.
- Nine Board members and no deputies.
- Remuneration to the Board of SEK 4,312,500, with SEK 1,250,000 to be paid to the Chairman, SEK 625,000 to the Vice Chairman and SEK 406,250 to each of the other Board members who are not employees of the company.
- An amount of SEK 300,000 for the work of the Audit Committee and an amount of SEK 150,000 for the work of the Remuneration Committee, to be distributed among the members of the respective committees in accordance as decided by the Board. However, only Board members who are elected by the AGM and are not employees of the company may receive remuneration.
- Remuneration to the auditors shall be according to approved invoices.
- Re-election of the current elected Board members.
- Re-election of Bernd Pischetsrieder as Chairman of the Board.

At a subsequent statutory meeting of the Board of Directors, Sune Carlsson will be proposed for re-election as Vice Chairman of the Board.

Nomination Committee

- Point 25 Volkswagen AG, Investor AB, the Knut and Alice Wallenberg Foundation and Alecta, shareholders representing more than 60 percent of the possible votes at the AGM, have proposed the following:

1. That the company shall have a Nomination Committee consisting of one representative of each of the four largest shareholders in voting power, except Ainax AB, which is a subsidiary of Scania, and except Renault S.A.S., which has abstained from appointing any representative to the company's Nomination Committee. The names of the four owner representatives and the names of the shareholders they represent shall be publicly announced no later than six months before the 2007 AGM and be based on the known voting power of shareholders immediately before the announcement. The term of office of the Nomination Committee shall run until a new Nomination Committee has been appointed. The Chairman of the Nomination Committee shall, unless the Committee members agree otherwise, be the member who represents the shareholder with the largest voting power.
2. That if, during the term of the Nomination Committee, one or more of the shareholders that have appointed members to the Nomination Committee are no longer among the four largest shareholders in voting power, members appointed by these shareholders shall make their seats available and the shareholder or shareholders that have joined the four largest shareholders in voting power shall be entitled to appoint their representatives. Unless there are special reasons, however, no changes in the composition of the Nomination Committee shall occur if only marginal changes in voting power have taken place or if the change occurs later than two months before the AGM. Shareholders that have appointed a representative to the Nomination Committee shall be entitled to dismiss such a member and appoint a new representative as a member of the Nomination Committee. Changes in the composition of the Nomination Committee shall be publicly announced as soon as they have occurred,
3. That the Nomination Committee shall work out proposals on the following issues to be submitted to the 2007 AGM for decisions:
 - (a) proposed Chairman of the AGM,
 - (b) proposed Board of Directors,
 - (c) proposed Chairman of the Board,
 - (d) proposed remuneration to the Board, including its allocation between the Chairman and the other members of the Board as well as compensation for committee work, and
 - (e) proposed remuneration to the company's auditors.
4. That in conjunction with its duties, the Nomination Committee shall otherwise fulfil the tasks incumbent upon a Nomination Committee in compliance with the Swedish Code of Corporate Governance and that the company, at the request of the Nomination Committee, shall provide employee resources such as secretarial functions for the Nomination Committee in order to make the task of the Nomination Committee easier. As needed, the company shall also be able to assume responsibility for reasonable expenses for external consultants that the Nomination Committee deems necessary to enable the Nomination Committee to fulfil its duties.

Södertälje, March 2006

THE BOARD OF DIRECTORS

Web-based Annual Report

Scania's web-based Annual Report in Swedish and English will be available from 3 April 2006, published at the following address: www.scania.com.



SCANIA
Scania AB (publ), 151 87 Södertälje