

Scania Year-end Report January-December 2022

Fourth quarter 2022

- Net sales increased by 37 percent to SEK 52,822 m. (38,552)
- Adjusted operating income amounted to SEK 5,749 m. (3,717)
- Operating income amounted to SEK 8,641 m. (-1,512). It was positively impacted by exchange rate fluctuations related to the write-down of the business activities in Russia of SEK 2,892 m.
- Cash flow amounted to SEK 7,114 m. (3,762) in Vehicles and Services

Full year 2022

- Net sales increased by 16 percent to SEK 170,004 m. (146,146)
- Adjusted operating income amounted to SEK 15,971 m. (16,523)
- Operating income amounted to SEK 12,375 m. (11,294) and was negatively impacted by SEK 3,596 m., for what essentially relates to the write-down of the business activities in Russia.
- Cash flow amounted to SEK -4,516 m. (5,538) in Vehicles and Services (adjusted for payment of the European Commission's fine, cash flow amounted to SEK 5,141 m.)

Comments by Christian Levin, President and CEO

"The year 2022, was dominated by major challenges globally and thus also for Scania. War in Ukraine, COVID-19, energy crisis, inflation and component shortages led to large disruptions in delivery flows. Despite uncertainty about the geopolitical and macroeconomic trend, our customers' activity remained high during the year.

Demand for our transport solutions is robust and most of our business areas performed well during the year. Our service business grew by 21 percent which confirms the high transport activity. The underlying business in Financial Services also remained strong with a positive portfolio development. The recovery in the bus and coach market is continuing, even in tourist buses, which were hit hard by the pandemic. Power Solutions reached record high deliveries with growth in new markets. Demand for our trucks also remains strong but major supply chain and production problems in Europe during the year led to a loss of volume. Scania's sales for the full year 2022 increased by 16 percent and adjusted for the effects from the disposal of the business activities in Russia, operating margin amounted to 9.4 (11.3) percent. Towards the end of the year, it was possible to complete the disposal of our commercial business in Russia, and after year-end, in January, to close the disposal of the Russian financing business. Operating income during the full year 2022 was negatively impacted by problems in the supply chain, which has been destabilised by both external and internal factors. The transition in the European industrial system for production of the new, highly appreciated, Scania Super powertrain was one of the biggest in Scania's history and led to further instability in our already strained flows. With a destabilised supply chain and an intact manning in production, less than full capacity

utilisation also impacted financial performance negatively. To keep flexibility and the possibility to ramp-up deliveries, we decided to keep the manning in production throughout the year.

Several actions were implemented during the year to manage the supply chain disturbances. In the fourth quarter, a dedicated cross-functional working group was appointed with full focus on ensuring stable end-to-end flows and delivery capacity. Although the situation in the global supply chain for components is still unpredictable, all the focused actions have been successful. Scania's truck deliveries increased in the fourth quarter by 14 percent, contributing strongly to the improvement in sales of 37 percent. Adjusted operating margin in the fourth quarter amounted to 10.9 percent (9.6).

With an order book that already extends far in time, we continue to be restrictive in the placing of orders to ensure delivery precision and manage the increased costs caused by inflation. Scania's market share in Europe recovered somewhat with the fourth quarter's increased truck volume and came in at 13.4 percent for the full year 2022. During the year, we could see that the shift to a sustainable transport system is starting to materialise. Demand for our vehicles as fully electric, plug-in hybrids and hybrids, increased from low volumes by almost 400 percent. Aside from the order intake for our existing electrified offering, there is also strong interest in the fully electric truck for regional transport that we introduced during 2022. At the end of the year, we had already received almost 700 pre-orders, indicating interest for the trucks, which we will start producing during the second half of 2023."

Financial overview

	2022			Q4			
	2022	2021	Change, %	2022	2021	Change, %	
Trucks and buses, units							
Order intake	82,071	116,798	-30	23,521	16,338	44	
Deliveries	85,232	90,366	-6	26,848	23,131	16	
Net sales and earnings, Scania Group, SEK m.	<i>EUR m.*</i>						
Net sales, Scania Group	15,345	170,004	146,146	16	52,822	38,552	37
Adjusted operating income	1,442	15,971	16,523	-3	5,749	3,717	55
Adjusted operating margin, %		9.4	11.3		10.9	9.6	
Operating income	1,117	12,375	11,294	10	8,641	-1,512	
Operating margin, %		7.3	7.7		16.4	-3.9	
Income before taxes	1,119	12,399	10,816	15	7,231	-1,764	
Adjusted net income for the period	995	11,021	12,405	-11	3,226	2,993	8
Net income for the period	709	7,858	7,176	10	6,648	-2,236	
Adjusted operating income, Vehicles and Services	1,259	13,951	14,329	-3	5,325	3,180	67
Adjusted operating income, Financial Services	198	2,197	2,194	0	601	537	12
Adjusted return on capital employed, Vehicles and Services, %		19.8	19.9				
Cash flow, Vehicles and Services, SEK m.	-408	-4,516	5,538		7,114	3,762	



Business overview



Demand

The quarter was characterised by continued great uncertainty due to the global macroeconomic and geopolitical situation. Despite this, our customers' transport activity remained high which is reflected in demand for our solutions.

Order intake for trucks and buses and coaches increased by 44 percent to 23,521 (16,338) vehicles during the fourth quarter. During the full year, order intake for trucks and buses and coaches decreased by 30 percent to 82,071 (116,798) vehicles. We have been restrictive in the placing of orders for production far in time and since the order book for trucks is already large, we want to be able to ensure the quality of the order book and the ability to adjust prices to the high cost inflation.

Sales

Total vehicle deliveries increased by 16 percent in the fourth quarter to 26,848 (23,131) units. Net sales increased by 37 percent to SEK 52,822 m. (38,552).

During the full year, total vehicle deliveries decreased by 6 percent to 85,232 (90,366) units. Net sales increased by 16 percent to SEK 170,004 m. (146,146).

The truck market

Order intake

Order intake increased by 41 percent during the fourth quarter of 2022 and totalled 22,396 (15,869) trucks. Order intake in Europe increased by 65 percent to 14,732 (8,904) trucks during the fourth quarter, related to Germany, Spain and Poland. In Eurasia, order intake decreased by 73 percent and amounted to 162 units (598), mainly attributable to Russia. In Latin America, order intake increased by 45 percent to 3,033 (2,094) trucks, related to Brazil. Order intake in Asia increased by 30 percent to 2,634 (2,028) trucks, mainly attributable to Turkey and Taiwan. Order intake in Africa and Oceania decreased by 18 percent to 1,835 (2,245) trucks, related to Australia, South Africa and New Zealand.

During the full year, order intake decreased by 32 percent and totalled 76,451 (113,002) trucks.

Deliveries

Scania's total truck deliveries increased by 14 percent to 25,075 (21,925) units during the fourth quarter. In Europe, deliveries increased by 15 percent to 13,181 (11,456) trucks during the fourth quarter, related to Poland, Germany and the Netherlands. In Eurasia, deliveries decreased by 85 percent to 248 (1,671) trucks, related to Russia. In Latin America, deliveries increased by 26 percent to 7,139 (5,665) trucks, mainly attributable to Brazil. In Asia, deliveries increased by 82 percent to 3,154 (1,734) trucks, related to Turkey, Israel and Indonesia. In Africa and Oceania, deliveries decreased by 3 percent to 1,353 (1,399) trucks, primarily related to South Africa.

During the full year, truck deliveries decreased by 7 percent to a total of 80,238 (85,930) units.

Net sales

Net sales of trucks increased by 42 percent to SEK 33,158 m. (23,357) during the fourth quarter of 2022. During the full year, net sales increased by 13 percent to SEK 99,976 m. (88,849).

The total European market for heavy trucks

The total market for heavy trucks in 27 of the European Union member countries (all EU countries except Malta) plus Norway, Great Britain, Switzerland and Iceland increased by around 7 percent to about 297,000 (278,000) units during the full year 2022. Scania truck registrations amounted to some 40,000 (43,000) units, equivalent to a market share of about 13.4 (15.4) percent.

Scania trucks

	Order intake			Deliveries		
	12 months 2022	12 months 2021	Change, %	12 months 2022	12 months 2021	Change, %
Europe	51,881	64,575	-20	43,294	42,365	2
Eurasia	-2,640	6,256	-142	1,410	7,724	-82
America*	11,638	23,626	-51	21,092	21,201	-1
Asia	8,457	10,840	-22	9,333	9,649	-3
Africa and Oceania	7,115	7,705	-8	5,109	4,991	2
Total	76,451	113,002	-32	80,238	85,930	-7

*Refers to Latin America

The bus and coach market

Order intake

Order intake for buses and coaches increased by 140 percent during the fourth quarter and amounted to 1,125 (469) units. In Europe, order intake increased to 540 (197) units during the fourth quarter, primarily related to Italy, Spain and France. In Eurasia, order intake totalled 0 (11) units, mainly attributable to Russia. In Latin America, order intake increased to 495 (228) buses and coaches, primarily related to Brazil. Order intake in Asia increased to 17 (-72) buses and coaches, mainly attributable to Malaysia. Order intake in Africa and Oceania decreased to 73 (105) buses and coaches, primarily related to Australia.

During the full year, order intake increased by 48 percent to 5,620 (3,796) units.

Deliveries

Scania's bus and coach deliveries totalled 1,773 (1,206) units during the fourth quarter of 2022, an increase of 47 percent. In Europe, deliveries decreased by 50 percent to 262 (528) units, related to France, Sweden and Italy. Deliveries to Eurasia totalled 0 (11) units. In Latin America, deliveries increased by 221 percent to 1,040 (324) units, mainly attributable to Colombia and Chile. In Asia, deliveries increased by 86 percent to 207 (111) units, primarily related to Singapore and Israel. In Africa and Oceania, deliveries increased by 14 percent to 264 (232) units, mainly related to Ghana.

During the full year, deliveries increased by 13 percent to 4,994 (4,436) units.

Scania's market share in buses and coaches in Europe was around 4.4 percent in 2022, compared to 5.7 percent in 2021.

Net sales

During the fourth quarter, sales of buses and coaches increased by 20 percent and amounted to SEK 2,668 m. (2,221). During the full year, sales increased by 4 percent to SEK 7,984 m. (7,702).

Scania buses and coaches

	Order intake			Deliveries		
	12 months 2022	12 months 2021	Change, %	12 months 2022	12 months 2021	Change, %
Europe	1,869	1,266	48	1,344	1,606	-16
Eurasia	6	39	-85	6	40	-85
America*	2,624	1,228	114	2,328	1,526	53
Asia	374	332	13	526	350	50
Africa and Oceania	747	931	-20	790	914	-14
Total	5,620	3,796	48	4,994	4,436	13

*Refers to Latin America

Power Solutions

Order intake

Engine order intake increased by 36 percent during the fourth quarter and totalled 5,149 (3,779) units during the fourth quarter. The upturn was primarily related to Great Britain, Germany and South Korea.

During the full year, order intake increased by 15 percent to 18,080 (15,712) engines, mainly attributable to China, Italy and Great Britain, which was partly offset by a downturn in South Korea.

Deliveries

Total engine deliveries increased by 7 percent to 3,884 (3,618) units during the fourth quarter, primarily related to Brazil, China and Italy, which was partly offset by a decrease in South Korea.

During the full year, deliveries increased by 14 percent to 13,400 (11,786) engines, mainly attributable to Brazil, Italy and China.

Net sales

Net sales in the fourth quarter amounted to SEK 1,019 m. (817), an increase of 25 percent. During the full year, sales increased by 37 percent to SEK 3,454 m. (2,521).

Services

Service revenue amounted to SEK 9,855 m. (8,054) during the fourth quarter, an increase of 22 percent. Higher volume in most markets impacted revenue positively. In local currencies, revenue increased by 12 percent.

In Europe, service revenue increased by 21 percent to SEK 6,837 m. (5,663) compared to the fourth quarter of 2021. In Latin America, revenue increased by 56 percent to SEK 1,366 m. (878) and service revenue in Eurasia decreased by 69 percent to SEK 98 m. (319). Revenue in Asia increased by 30 percent to SEK 856 m. (656). In Africa and Oceania, service revenue increased by 23 percent to SEK 698 m. (568).

During the full year, service revenue amounted to SEK 36,434 m. (30,074), an increase of 21 percent. In local currencies, revenue increased by 13 percent.

Earnings

Vehicles and Services

Fourth quarter

Operating income in Vehicles and Services totalled SEK 5,170 m. (-2,049) and adjusted operating income amounted to SEK 5,325 m. (3,180) during the fourth quarter. Higher volumes, price increases and positive currency effects had a positive effect on operating income which was partly offset by increased cost of input goods and less than full capacity utilisation in production. During the fourth quarter, write-downs were made of SEK 155 m. related to the disposal of business activities in Russia.

Compared to the fourth quarter of 2021, the total currency effect was positive and amounted to about SEK 1,764 m.

Scania's research and development expenditures amounted to SEK 3,018 m. (2,375). After adjusting for SEK 661 m. (736) in capitalised expenditures, and SEK 337 m. (235) in depreciation of previously capitalised expenditures, recognised expenses increased to SEK 2,694 m. (1,874).

Full year 2022

Operating income in Vehicles and Services totalled SEK 12,649 m. (9,100) and adjusted operating income amounted to SEK 13,951 m. (14,329) during the full year. The lower operating income was mainly due to lower vehicle volume and increased cost of input goods and weaker capacity utilisation in production caused by component shortages. This was partly offset by positive currency effects and price increases.

During the year, write-downs were made of SEK 1,126 m. related to the disposal of business activities in Russia. In connection with the disposal of business activities in Russia, a reclassification of the write-downs made in the second quarter for the Russian entities, to items affecting comparability has been made. In addition, a negative SEK 176 m. currency translation connected to the fines set by the European Commission, is regarded as items affecting comparability.

Compared to 2021, the total currency effect was positive and amounted to about SEK 4,687 m.

Scania's research and development expenditures amounted to SEK 9,909 m. (7,458). After adjusting for SEK 2,314 m. (1,986) in capitalised expenditures and SEK 1,204 m. (939) in depreciation of previously capitalised expenditures, recognised expenses increased to SEK 8,799 m. (6,411).

Financial Services

Customer finance portfolio

At the end of the fourth quarter of 2022, the size of Scania's customer finance portfolio amounted to SEK 128.2 billion, which was SEK 19.3 billion higher than the end of 2021. In local currencies, the portfolio increased by SEK 8.4 billion.

Penetration rate

The penetration rate for new vehicles was 41 (44) percent in 2022 in those markets where Scania has its own financing operations.

Operating income

Operating income in Financial Services amounted to SEK -97 m. (2,194) during 2022, compared to 2021 and adjusted operating income amounted to SEK 2,197 m. (2,194). In connection with the disposal of business activities in Russia, a reclassification of the write-downs made in the first six months for the Russian entities, has been made to items affecting comparability. As a consequence of the decision to dispose of business activities in Russia, write-downs were made of SEK 2,294 m.

Scania Group

Fourth quarter

During the fourth quarter, Scania's operating income amounted to SEK 8,641 m. (-1,512) and was positively impacted by exchange rate fluctuations relating to RUB/SEK in connection with the write-down of business activities in Russia of SEK 2,892 m. Adjusted operating income amounted to SEK 5,749 m. (3,717). Operating margin amounted to 16.4 (-3.9) percent and adjusted operating margin was 10.9 (9.6) percent.

Full year 2022

During 2022, Scania's operating income amounted to SEK 12,375 m. (11,294) and was negatively impacted by a write-down of SEK 3,596 m. mainly related to the disposal of business activities in Russia. Adjusted operating income amounted to SEK 15,971 m. (16,523). Operating margin amounted to 7.3 (7.7) percent and adjusted operating margin was 9.4 (11.3) percent. Scania's net financial items amounted to SEK 24 m. (-478).

The Scania Group's tax expense during the year amounted to SEK 4,541 m. (3,640), equivalent to 36.6 (33.7) percent of income before taxes. Adjusted for the write-downs in Russia, the effective tax rate was 31.1 percent. Net income totalled SEK 7,858 m. (7,176), equivalent to a net margin of 4.6 (4.9) percent.

Cash flow

Vehicles and Services

Scania's cash flow in Vehicles and Services amounted to SEK -4,516 m. (5,538) during 2022. Adjusted for payment of the European Commission's fine, cash flow amounted to SEK 5,141 m. Net investments amounted to SEK 8,641 m. (8,746), including SEK 2,314 m. (1,986) in capitalisation of development expenses. At the end of 2022, the net cash position in Vehicles and Services amounted to SEK 11,607 m. compared to a net cash position of SEK 25,520 m. at the end of 2021.

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 9,500 m. (6,000) during 2022.

Miscellaneous

Number of employees

At the end of 2022, the number of employees totalled 56,927 compared to 54,000 at the end of 2021.

Material risks and uncertainties

It is still difficult to assess the impact of the war in Ukraine, how it will develop and what measures different countries are taking to handle the situation. As a consequence of the war in Ukraine, Scania has disposed of its sales company in the Russian Federation and its Russian financing business. 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, can also 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 Group's 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 7 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 SEK 9,029 m. (EUR 880.5 m.) in fines. Scania has 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 against the judgement on 8 April 2022 to the European Court of Justice. The total amount of the fine, including the interest amounting to SEK 9,572 m. was paid on April 12. Scania is also the subject of related civil claims by direct or indirect customers of Scania, and may face additional similar claims.

Dividend and Annual General Meeting

The Board of Directors proposes to the 2023 Annual General Meeting that a total amount of SEK 15,700 m. is distributed to the shareholders which of SEK 9,500 m dividend in kind and SEK 6,200 m as cash dividend.

Scania's Annual General Meeting for the financial year 2022 will be held on 4 May 2023 in Södertälje, Sweden.

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Consolidated income statements, condensed

Amounts in SEK m. unless otherwise stated	Full Year			Change in %	Q4	
	EUR m.*	2022	2021		2022	2021
Revenue	15,345	170,004	146,146	16	52,822	38,552
Cost of goods sold and services rendered	-11,588	-128,379	-109,871	17	-39,443	-29,157
Gross income	3,757	41,625	36,275	15	13,379	9,395
Research and development expenses	-794	-8,799	-6,411	37	-2,694	-1,874
Selling expenses	-1,303	-14,445	-11,268	28	-4,094	-3,207
Administrative expenses	-238	-2,635	-2,144	23	-836	-609
Other operating income ¹⁾	169	1,872	2,483	-25	155	524
Other operating expenses ¹⁾	-149	-1,647	-2,412	-32	-161	-512
Adjusted Operating Income	1,442	15,971	16,523	-3	5,749	3,717
Items affecting comparability ²⁾	-325	-3,596	-5,229	-31	2,892	-5,229
Operating income	1,117	12,375	11,294	10	8,641	-1,512
Interest income	132	1,467	673	118	474	190
Interest expenses	-50	-557	-794	-30	-119	-93
Share of income from associated companies and joint ventures	-7	-76	-19	300	-8	-30
Other financial income	88	978	632	55	-1,214	-65
Other financial expenses	-161	-1,788	-655	173	-543	61
Items affecting comparability	0	0	-315	-100	0	-315
Total financial items	2	24	-478		-1,410	-252
Income before taxes	1,119	12,399	10,816	15	7,231	-1,764
Taxes	-410	-4,541	-3,640	25	-583	-472
Net income for the period	709	7,858	7,176	10	6,648	-2,236
Adjusted Net Income for the period	995	11,021	12,405	-11	3,226	2,993
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss						
Translation differences	338	3,740	1,545		-2,128	528
Income tax	5	60	39		38	15
	343	3,800	1,584		-2,090	543
Items that will not be reclassified to profit or loss						
Remeasurement defined benefit plans ³⁾	384	4,244	237		-249	-1,065
Fair value adjustment equity instruments	-6	-66	483		5	81
Income tax	-79	-871	-122		40	222
	299	3,307	598		-204	-762
Other comprehensive income for the period	642	7,107	2,182		-2,294	-219
Total comprehensive income for the period	1,351	14,965	9,358		4,354	-2,455
Net income attributable to:						
Scania shareholders	709	7,858	7,172		6,650	-2,237
Non-controlling interest	0	0	4		-2	1
Total comprehensive income attributable to:						
Scania shareholders	1,351	14,965	9,354		4,356	-2,456
Non-controlling interest	0	0	4		-2	1
Operating income includes depreciation of	-1,110	-12,299	-11,239		-3,146	-2,908
Operating margin, %		7.3	7.7		16.4	-3.9
Adjusted Operating margin, %		9.4	11.3		10.9	9.6

¹⁾ 2022 currency effects for financial services are presented as gross amounts in other operating income and expenses. 2021 have been restated accordingly.

²⁾ See note 3 on page 18.

³⁾ Discount rate in calculating the Swedish pension liability is 4% and inflation 2%.

* Translated solely for the convenience of the reader at a closing exchange rate of SEK 11.08 = EUR 1.00.

Revenue and deliveries, Vehicles and Services

Amounts in SEK m. unless otherwise stated	Full Year			Change in %	Q4	
	EUR m.	2022	2021		2022	2021
Revenue						
Trucks	9,024	99,976	88,849	13	33,158	23,357
Buses ¹⁾	721	7,984	7,702	4	2,668	2,221
Power solutions	312	3,454	2,521	37	1,019	817
Service-related products	3,289	36,434	30,074	21	9,855	8,054
Used vehicles	868	9,620	8,082	19	2,565	1,945
Miscellaneous	403	4,469	4,580	-2	1,398	1,126
Delivery sales value	14,617	161,937	141,808	14	50,662	37,520
Revenue deferrals ²⁾	119	1,324	-503		154	-286
Revenue	14,736	163,260	141,305	16	50,816	37,234
Revenue³⁾						
Europe	8,923	98,855	85,964	15	29,282	23,026
Eurasia	240	2,661	9,186	-71	382	2,274
America ⁴⁾	3,060	33,905	22,338	52	12,411	6,235
Asia	1,433	15,873	13,590	17	5,136	2,895
Africa and Oceania	1,080	11,966	10,227	17	3,605	2,804
Revenue	14,736	163,260	141,305	16	50,816	37,234
Total delivery volume, units						
Trucks		80,238	85,930	-7	25,075	21,925
Buses ¹⁾		4,994	4,436	13	1,773	1,206
Power solutions		13,400	11,786	14	3,884	3,618

¹⁾ Including body-built buses and coaches.

²⁾ Refers to the difference between sales value based on deliveries and revenue recognised as income.

³⁾ Revenues from external customers by location of customers.

⁴⁾ Refers mainly to Latin America.

Consolidated balance sheets, condensed

Amounts in SEK m. unless otherwise stated	2022		2021
	EUR m.	31 Dec	31 Dec
Assets			
Non-current assets			
Intangible assets	1,354	14,995	13,587
Tangible assets	4,013	44,456	41,465
Lease assets	2,250	24,926	26,659
Shares and participations	256	2,839	2,410
Interest-bearing receivables	6,290	69,690	57,507
Other receivables ¹⁾	1,006	11,146	8,477
Current assets			
Inventories	2,769	30,673	23,943
Interest-bearing receivables	3,989	44,184	35,646
Other receivables	1,994	22,088	18,484
Current investments	169	1,873	386
Cash and cash equivalents	1,726	19,125	29,262
Assets held for Sale ²⁾	421	4,668	-
Total assets	26,237	290,663	257,826
Equity and liabilities			
Equity			
Scania shareholders	7,182	79,566	68,189
Non-controlling interest	5	59	24
Total equity	7,187	79,625	68,213
Non-current liabilities			
Interest-bearing liabilities	6,935	76,828	62,192
Provisions for pensions	709	7,853	12,455
Other provisions	367	4,061	3,394
Other liabilities ¹⁾	1,515	16,779	15,177
Current liabilities			
Interest-bearing liabilities	4,230	46,862	37,953
Provisions	413	4,578	13,540
Other liabilities	4,860	53,840	44,902
Liabilities directly attributable to assets held for sale ²⁾	21	237	-
Total equity and liabilities	26,237	290,663	257,826
Equity/assets ratio, %		27.4	26.5

1) Including deferred tax.

2) See Note 5 on page 19.

Statement of changes in equity, condensed

Amounts in SEK m. unless otherwise stated	Full Year		
	EUR m.	2022	2021
Equity, 1 January	6,157	68,213	61,547
Net income for the period	709	7,858	7,176
Other comprehensive income for the period	642	7,107	2,182
Dividend to shareholders	-324	-3,588	-2,700
Change in non-controlling interest	3	35	8
Total equity at the end of the period	7,187	79,625	68,213
Attributable to:			
Scania AB shareholders	7,182	79,566	68,189
Non-controlling interest	5	59	24

Cash flow statement, condensed

Amounts in SEK m. unless otherwise stated	Full Year			Q4	
	EUR m.	2022	2021	2022	2021
Operating activities					
Income before tax	1,119	12,399	10,816	7,231	-1,764
Items not affecting cash flow	1,402	15,530	10,976	1,218	2,560
Taxes paid	-514	-5,693	-4,613	-1,498	-1,251
Cash flow from operating activities before change in working capital	2,007	22,236	17,179	6,951	-455
Change in working capital	-2,471	-27,372	-10,547	-4,714	4,022
Cash flow from operating activities	-464	-5,136	6,632	2,237	3,567
Investing activities					
Net investments ¹⁾	-817	-9,048	-8,709	-3,072	-2,561
Cash flow from investing activities attributable to operating activities	-817	-9,048	-8,709	-3,072	-2,561
Cash flow after investing activities attributable to operating activities	-1,281	-14,184	-2,077	-835	1,006
Investments in securities and loans	-125	-1,387	-309	-696	-181
Cash flow from investing activities	-942	-10,435	-9,018	-3,768	-2,742
Cash flow before financing activities	-1,406	-15,571	-2,386	-1,531	825
Financing activities					
Change in debt from financing activities	1,046	11,589	1,677	4,441	430
Transactions with non-controlling interests	-	-	-2	-	-
Dividend	-324	-3,588	-2,700	-3,588	-
Cash flow from financing activities	722	8,001	-1,025	853	430
Cash flow for the period	-684	-7,570	-3,411	-678	1,255
Cash and cash equivalents at beginning of period	2,641	29,262	32,268	24,428	27,894
Exchange rate differences in cash and cash equivalents	72	797	405	-1,261	113
Cash and cash equivalents at end of period	2,029	22,489	29,262	22,489	29,262
Cash and cash equivalents at end of period reported separately in the balance sheet (assets held for sale)²⁾	-303	-3,364	-	-3,364	-
Cash and cash equivalents at end of period (reported in the balance sheet)	1,726	19,125	29,262	19,125	29,262
Cash flow statement, Vehicles and services					
Cash flow from operating activities before change in working capital	1,931	21,395	15,315	7,207	-1,130
Change in working capital	-1,490	-16,502	-986	3,385	7,552
Cash flow from operating activities	441	4,893	14,329	10,592	6,422
Cash flow from investing activities attributable to operating activities	-849	-9,409	-8,791	-3,478	-2,660
Cash flow after investing activities attributable to operating activities	-408	-4,516	5,538	7,114	3,762

1) See note 4 on page 18.

2) See note 5 on page 19.

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 203 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 2,157 m. (845), Other current receivables SEK 639 m. (863), Other non-current liabilities SEK 2,614 m. (384) and Other current liabilities SEK 1,131 m. (381). Equity instrument assets are carried according to Level 3 based on unobservable data and amount to SEK 1,312 m. (1,144).

For financial assets that are carried at amortised cost, book value amounts to SEK 151,578 m. (131,818) and fair value to SEK 149,380 m. (131,142). For financial liabilities that are carried at amortised cost, book value amounts to SEK 143,437 m. (113,880) and fair value to SEK 142,186 m. (114,313). 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 AB's Annual Report for 2021.

Quarterly data, units by geographic area

	2022					2021				
	Full year	Q4	Q3	Q2	Q1	Full year	Q4	Q3	Q2	Q1
Order bookings, trucks										
Europe	51,881	14,732	10,484	12,154	14,511	64,575	8,904	9,007	22,586	24,078
Eurasia	-2,640	162	169	-1,915	-1,056	6,256	598	1,985	1,230	2,443
America ¹⁾	11,638	3,033	3,537	2,129	2,939	23,626	2,094	8,832	8,566	4,134
Asia	8,457	2,634	1,951	2,338	1,534	10,840	2,028	2,417	3,229	3,166
Africa and Oceania	7,115	1,835	1,851	2,034	1,395	7,705	2,245	1,543	1,801	2,116
Total	76,451	22,396	17,992	16,740	19,323	113,002	15,869	23,784	37,412	35,937
Trucks delivered										
Europe	43,294	13,181	9,725	10,854	9,534	42,365	11,456	7,111	11,992	11,806
Eurasia	1,410	248	164	123	875	7,724	1,671	1,468	2,848	1,737
America ¹⁾	21,092	7,139	6,806	4,283	2,864	21,201	5,665	5,179	5,739	4,618
Asia	9,333	3,154	2,292	2,347	1,540	9,649	1,734	1,789	3,289	2,837
Africa and Oceania	5,109	1,353	1,375	1,294	1,087	4,991	1,399	1,186	1,381	1,025
Total	80,238	25,075	20,362	18,901	15,900	85,930	21,925	16,733	25,249	22,023
Order bookings, buses²⁾										
Europe	1,869	540	371	488	470	1,266	197	201	469	399
Eurasia	6	0	1	0	5	39	11	5	12	11
America ¹⁾	2,624	495	611	523	995	1,228	228	414	209	377
Asia	374	17	167	128	62	332	-72	71	230	103
Africa and Oceania	747	73	195	346	133	931	105	548	161	117
Total	5,620	1,125	1,345	1,485	1,665	3,796	469	1,239	1,081	1,007
Buses delivered²⁾										
Europe	1,344	262	241	554	287	1,606	528	438	432	208
Eurasia	6	0	1	0	5	40	11	13	4	12
America ¹⁾	2,328	1,040	613	389	286	1,526	324	543	294	365
Asia	526	207	122	89	108	350	111	89	44	106
Africa and Oceania	790	264	211	256	59	914	232	190	173	319
Total	4,994	1,773	1,188	1,288	745	4,436	1,206	1,273	947	1,010

¹⁾ Refers mainly to Latin America.

²⁾ Including body-built buses and coaches.

Parent Company Scania AB, financial statements

Amounts in SEK m. unless otherwise stated	Full Year		
	EUR m.	2022	2021
Income statement			
Financial income and expenses	861	9,540	6,000
Group Contributions	-4	-40	-
Net income for the period	857	9,500	6,000
		2022	2021
	EUR m.	31 Dec	31 Dec
Balance sheet			
Assets			
Financial non-current assets			
Shares in subsidiaries	762	8,435	8,435
Current assets			
Due from subsidiaries	1,505	16,675	9,709
Total assets	2,267	25,110	18,144
Equity			
Equity	2,263	25,070	18,144
Total shareholders' equity	2,263	25,070	18,144
Current liabilities			
Debt to parent company	4	40	-
Total equity and liabilities	2,267	25,110	18,144
		2022	2021
	EUR m.	31 Dec	31 Dec
Statement of changes in equity			
Equity, 1 January	1,638	18,144	14,636
Total comprehensive income	857	9,500	6,000
Dividend	-324	-3,588	-2,700
Capital injection	92	1,014	208
Equity	2,263	25,070	18,144

Note 1 Accounting principles

Scania applies International Financial Reporting Standards (IFRSs) as adopted by the EU. 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.

Other accounting principles

Assets held for sale

The group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the assets or disposal group is available for immediate sale in its present condition. Management must be committed to the plan to sell the asset and the sales expected to be completed within one year from the date of the classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset/ disposal group, excluding finance costs and income tax. Assets and liabilities classified as held for sale are presented separately as current items in the consolidated balance sheet.

Note 2 Segment Reporting

Income statements

Vehicles and Services

Amounts in SEK m. unless otherwise stated	2022 Full Year	2021 Full Year	2022 Q4	2021 Q4
Revenue	163,260	141,305	50,816	37,234
Cost of goods sold	-125,418	-108,425	-38,412	-28,729
Gross income	37,842	32,880	12,404	8,505
Research and development expenses	-8,799	-6,411	-2,694	-1,874
Selling expenses	-12,457	-9,996	-3,549	-2,842
Administrative expenses	-2,635	-2,144	-836	-609
Items affecting comparability	-1,302	-5,229	-155	-5,229
Operating income	12,649	9,100	5,170	-2,049
Adjusted Operating Income	13,951	14,329	5,325	3,180
Interest income	1,467	673	474	190
Interest expenses	-734	-794	-296	-93
Share of income in associated companies and joint ventures	-76	-19	-8	-30
Dividends in between segments	384	318	384	318
Other financial income	978	632	-1,214	-65
Other financial expenses	-1,788	-656	-543	61
Items affecting comparability	0	-315	0	-315
Total financial items	231	-161	-1,203	66
Income before taxes	12,880	8,939	3,967	-1,983
Taxes	-3,775	-3,233	-311	-467
Net income for the period	9,105	5,706	3,656	-2,450
Adjusted Net income for the period	10,504	10,935	3,908	2,779

Financial Services

Amounts in SEK m. unless otherwise stated	2022	2021	2022	2021
Interest and lease income	10,488	8,439	2,988	2,210
Insurance commission	335	322	91	84
Interest and prepaid expenses	-7,040	-5,366	-2,104	-1,404
Interest surplus and insurance commission	3,783	3,395	975	890
Other income	2,049	2,483	332	524
Other expenses	-1,647	-2,412	-161	-512
Gross income	4,185	3,466	1,146	902
Selling and administration expenses	-1,612	-1,402	-444	-374
Bad debt expenses, realised and anticipated	-376	130	-101	9
Items affecting comparability	-2,294	-	3,047	-
Operating income	-97	2,194	3,648	537
Adjusted operating income	2,197	2,194	601	537
Income before tax	-97	2,194	3,648	537
Taxes	-757	-398	-283	-5
Net income for the period	-854	1,796	3,365	532
Adjusted Net income for the period	1,440	1,796	318	532

Reconciliation of segments to the Scania Group

January-December

	Vehicles & Services		Financial Services		Eliminations		Scania Group	
	2022 Full Year	2021 Full Year	2022 Full Year	2021 Full Year	2022 Full Year	2021 Full Year	2022 Full Year	2021 Full Year
Amounts in SEK m. unless otherwise stated								
Revenue	163,260	141,305	10,823	8,761	-4,079	-3,920	170,004	146,146
Cost of sales	-125,418	-108,425	-7,040	-5,366	4,079	3,920	-128,379	-109,871
Gross income	37,842	32,880	3,783	3,395	0	0	41,625	36,275
Research and development expenses	-8,799	-6,411					-8,799	-6,411
Selling expenses	-12,457	-9,996	-1,988	-1,272			-14,445	-11,268
Administrative expenses	-2,635	-2,144					-2,635	-2,144
Items affecting comparability	-1,302	-5,229	-2,294				-3,596	-5,229
Other operating income			2,049	2,483	-177		1,872	2,483
Other operating expenses			-1,647	-2,412			-1,647	-2,412
Operating income	12,649	9,100	-97	2,194	-177	0	12,375	11,294
Adjusted operating income	13,951	14,329	2,197	2,194			15,971	16,523
Interest income	1,467	673					1,467	673
Interest expenses	-734	-794			177		-557	-794
Share of income in associated companies and joint ventures	-76	-19					-76	-19
Dividends in between segments	384	318			-384	-318	0	0
Other financial income	978	632					978	632
Other financial expenses	-1,788	-656			0	1	-1,788	-655
Items affecting comparability	-	-315					-	-315
Total financial items	231	-161	-	-	-207	-317	24	-478
Income before taxes	12,880	8,939	-97	2,194	-384	-317	12,399	10,816
Taxes	-3,775	-3,233	-757	-398	-9	-9	-4,541	-3,640
Net income for the period	9,105	5,706	-854	1,796	-393	-326	7,858	7,176
Adjusted net income for the period	10,504	10,935	1,440	1,796	-83	-75	11,021	12,405

October-December

	Vehicles & Services		Financial Services		Eliminations		Scania Group	
	2022 Q4	2021 Q4	2022 Q4	2021 Q4	2022 Q4	2021 Q4	2022 Q4	2021 Q4
Amounts in SEK m. unless otherwise stated								
Revenue	50,816	37,234	3,079	2,294	-1,073	-976	52,822	38,552
Cost of sales	-38,412	-28,729	-2,104	-1,404	1,073	976	-39,443	-29,157
Gross income	12,404	8,505	975	890	0	0	13,379	9,395
Research and development expenses	-2,694	-1,874					-2,694	-1,874
Selling expenses	-3,549	-2,842	-545	-365			-4,094	-3,207
Administrative expenses	-836	-609					-836	-609
Items affecting comparability	-155	-5,229	3,047				2,892	-5,229
Other operating income			332	524	-177		155	524
Other operating expenses			-161	-512			-161	-512
Operating income	5,170	-2,049	3,648	537	-177	0	8,641	-1,512
Adjusted operating income	5,325	3,180	601	537			5,749	3,717
Interest income	474	190					474	190
Interest expenses	-296	-93			177		-119	-93
Share of income in associated companies and joint ventures	-8	-30					-8	-30
Dividends in between segments	384	318			-384	-318	0	0
Other financial income	-1,214	-65					-1,214	-65
Other financial expenses	-543	61					-543	61
Items affecting comparability	-	-315					-	-315
Total financial items	-1,203	66	-	-	-207	-318	-1,410	-252
Income before taxes	3,967	-1,983	3,648	537	-384	-318	7,231	-1,764
Taxes	-311	-467	-283	-5	11	0	-583	-472
Net income for the period	3,656	-2,450	3,365	532	-373	-318	6,648	-2,236
Adjusted net income for the period	3,908	2,779	318	532	-11	-3	3,226	2,993

Note 3 Items affecting comparability

Amounts in SEK m. unless otherwise stated	Full Year			Q4	
	EUR m.	2022	2021	2022	2021
EU truck case ¹⁾	-16	-176	-5,229	-	-5,229
Impairment and capital loss in Russia, Vehicles and Services	-102	-1,126	-	-155	-
Impairment in Russia, Financial Service	-207	-2,294	-	3,047	-
Total items affecting comparability within Operating income	-325	-3,596	-5,229	2,892	-5,229
Tax effect Russia	39	433	-	530	-
	-286	-3,163	-5,229	3,422	-5,229

¹⁾ Translation effect related to the EU Truck provision which was paid in Quarter 2 2022.

Note 4 Acquisition

On 3 January 2022, Scania Sverige AB acquired Bilmetro AB and three real estate companies. Bilmetro AB was an authorised dealer of Scania trucks as well as of the passenger car brands Volkswagen, Audi, Skoda, SEAT, CUPRA and Volkswagen Commercial Vehicles. The passenger car business was sold to Din Bil Sverige AB as of 3 January 2022. The acquired business contributed with SEK 1 241 m. in revenue and SEK 130 m. in net income. In June 2022 the acquired business was transferred to Scania Sverige AB and is since then included in the financial statements of Scania Sverige AB.

Note 5 Assets held for Sale

During quarter 3 2022, as a consequence of the war in Ukraine, Scania announced its intention to dispose of its business operations in Russia. On 14 December 2022, the sale of the commercial entities in Vehicles and Services was finalised.

As of the balance sheet date, the divestment of the Russian entities within the Financial Services segment had not yet been completed. The sale was finalised 17 January 2023.

Assets and liabilities held for sale per 31 December 2022:

Assets and liabilities included in the operations in Russia are stated below:

Amounts in SEK m. unless otherwise stated	Financial Services	
	2022	
	EUR m.	31 Dec
Interest-bearing receivables	109	1,208
Other receivables	9	96
Cash and cash equivalents ¹⁾	304	3,364
Assets held for Sale	421	4,668
<i>Non-current liabilities</i>		
Other liabilities ²⁾	1	13
<i>Current liabilities</i>		
Other liabilities ²⁾	20	224
Liabilities directly attributable to assets held for sale	21	237
Net carrying amount of the disposal group	400	4,431

¹⁾ Cash and cash equivalents includes deposits with Volkswagen Bank of SEK 3,184 m.

²⁾ Other liabilities consist of leasing receivables related to the customer financing portfolio.

Note 6 Events after the reporting period

Sale of Russian operations

In September 2022, Scania took the decision to divest its business operations in Russia as a result of the Russian war in Ukraine. The sale of the commercial operations was completed on 14 December 2022, whilst the divestment of the financial operations was finalised on 17 January 2023. The impairment loss in the Financial Services segment amounted to SEK 2,294 m. in 2022 and was treated as an item affecting comparability. In addition, currency translation effects of SEK -1,012 m. related to the Russian Financial Services subsidiaries has affected the operating income in 2023.

Planned restructuring within the TRATON Group

On 16 February the Scania Board of Directors took the decision to dispose of Scania's Financial Services segment to TRATON Sweden AB, as a part of the ongoing transformation of the TRATON Financial Services business area. The transaction is estimated to be performed in the beginning of April 2023.

TRATON Financial Services is to become a global, brand-independent finance company in the future by combining existing structures of the Scania and Navistar brands to expand customer financing options within a common foundation. A group structure is to be created to leverage customer interfaces and synergies. The aim of the group-wide and integrated financial services business unit is to meet customer requirements in the best possible way and to support the group's future growth and business models.

The transaction imply that all legal entities within the Scania Financial Services will be sold to TRATON Sweden AB.

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.

Adjusted Operating margin

Adjusted Operating income as a percentage of revenue.

Net margin

Net income as a percentage of revenue.

Adjusted Net margin

Adjusted Net income as a percentage of revenue.

Net debt (+) / net cash (-) (excluding provision for pensions)

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

Capital employed ¹⁾

Total assets excluding shares and participations in group companies less operating liabilities.

Return on capital employed ^{1) 2)}

Operating income plus financial income as a percentage of capital employed.

¹⁾ Calculations are based on average capital employed for the thirteen most recent months.

²⁾ Operating income is calculated on rolling 12 months.

Amounts in SEK m. unless otherwise stated

Scania Group

Operating and net income	<i>EUR m.</i>	Full Year		Q4	
		2022	2021	2022	2021
<i>Revenue</i>	15,345	170,004	146,146	52,822	38,552
<i>Adjusted Operating income</i>	1,442	15,971	16,523	5,749	3,717
<i>Operating income</i>	1,116	12,375	11,294	8,641	-1,513
<i>Net income for the period</i>	709	7,858	7,176	6,648	-2,236
<i>Adjusted Net income for the period</i>	995	11,021	12,405	3,226	2,992
<i>Operating margin, %</i> <i>(Operating income/Revenue)</i>		7.3	7.7	16.4	-3.9
<i>Adjusted Operating margin, %</i> <i>(Adjusted Operating income/Revenue)</i>		9.4	11.3	10.9	9.6
<i>Net margin, %</i> <i>(Net income/Revenue)</i>		4.6	4.9	12.6	-5.8
<i>Adjusted Net margin, %</i> <i>(Adjusted Net income/Revenue)</i>		6.5	8.5	6.1	7.8

RECONCILIATIONS

Amounts in SEK m. unless otherwise stated

Scania Group

2022 2021

Net debt/Net cash, excluding provision for pensions

Assets	<i>EUR m.</i>	31 Dec	31 Dec
Current investments	169	1,873	386
Cash and cash equivalents	1,726	19,125	29,262
Cash and cash equivalents (within assets held for sale)	304	3,364	-
Loans to Volkswagen entities	1	11	2
Accrued interest in current investments	-1	-8	-14
	2,199	24,365	29,636
Liabilities			
Interest-bearing liabilities, non-current	6,935	76,828	62,192
Interest-bearing liabilities, current	4,230	46,862	37,953
Accrued interest in interest-bearing liabilities	-55	-607	-383
	11,110	123,083	99,762
Net debt	8,911	98,718	70,125

Vehicles and Services

2022 2021

Net debt/Net cash, excluding provision for pensions

Assets	<i>EUR m.</i>	31 Dec	31 Dec
Current investments	492	5,456	2,779
Cash and cash equivalents	1,615	17,891	28,280
Cash and cash equivalents (within assets held for sale)	0	0	0
Accrued interest in current investments	-1	-9	-13
	2,106	23,338	31,046
Liabilities			
Interest-bearing liabilities, non-current	951	10,534	4,430
Interest-bearing liabilities, current	108	1,197	1,096
	1,059	11,731	5,526
Net debt	-1,047	-11,607	-25,520

Capital employed

2022 2021

	<i>EUR m.</i>	31 Dec	31 Dec
Total assets, excl. shares and participations in group companies	15,135	167,670	158,861
Operating liabilities			
Other provisions, non-current and current	1,033	11,444	11,666
Other liabilities, non-current and current	6,931	76,783	72,052
Net derivatives	-28	-312	823
Capital employed	7,199	79,755	74,320
Items affecting comparability	287	3,175	4,226
Adjusted capital employed	7,486	82,930	78,546

Return on capital employed

2022 2021

	<i>EUR m.</i>	31 Dec	31 Dec
Adjusted Operating income	1,259	13,951	14,329
Items affecting comparability	-118	-1,302	5,229
Operating income	1,142	12,649	9,100
Financial income	221	2,445	1,305
Capital employed	7,199	79,755	74,320
Return on capital employed, %		18.9	14.0
Adjusted return on capital employed, %		19.8	19.9